CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — Nov. 4, 2026 — except where noted

Dairy Margin Coverage Payout for Sept. For the Dairy Margin Coverage (DMC) program, the USDA announced September's margin to be $8.35 per hundredweight (cwt). Participating producers enrolled at the $9.50 coverage level received an indemnity of $1.15 per cwt. Month over month and year over year, the DMC margin was down 99 cents and $1.07 per cwt, respectively. Compared to five years ago, that margin was up $1.66 from $6.69 per cwt in September 2021.

For September, the decrease in the margin is linked to a drop in the all-milk price and a significant hike in the total feed costs. The all-milk price fell 30 cents from $19.80 per cwt in August to $19.50 per cwt in September, continuing its decline from May. When comparing September 2025 to 2026, the all-milk price decreased by 90 cents. From September 2021 to 2026, the all-milk price was up $1.10 from $18.40 per cwt.

As the all-milk price fell, the total feed costs rose by 69 cents to $11.15 per cwt in September from August's $10.46 per cwt, tightening the margin for a third month in a row. Year over year, feed costs were up $1.62 from $9.53 per cwt in September 2025. Compared to September 2021, the total feed costs were down 56 cents from $11.71 per cwt. From August to September, the premium alfalfa hay price fell by $2.00 per ton. For the same timeframe, the primary drivers of the increase in feed costs were the soybean meal and corn prices, up $45.65 per ton and $36 cents per bu.

Looking ahead to the last quarter of 2026, projected DMC margins rise October through December. Currently, the DMC Decision Tool (updated November 2, 2026) forecasts October's margin at $8.79 per cwt, which if realized would result in indemnities for participating dairies of 71 cents per cwt. However, forecasted rising all-milk prices and falling feed costs have margins for November and December above $11.00 per cwt, resulting in no payments at any coverage level.

The projected all-milk prices climb from $19.50 per cwt in September to $21.21 in December. Feed component prices are forecasted to rise into October, then fall through November and December.

Prices change daily. This market information is an example for educational purposes. The market data shown below are compiled weekly by Farmshine, via CME & USDA reports.

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For the remainder of program year 2026, projected total feed costs average $10.59 per cwt, down 72 cents from the previously forecasted average.

If price and margin forecasts hold true, participating dairies could receive indemnities in October, in addition to the payments triggered in January, February, August, and September. At the current forecasted margins, a dairy with one million pounds of established production history could receive a potential total of $3,762 (before sequestration) for program year 2026 (at 95% coverage and at the $9.50 coverage level).

Enrollment for the 2027 DMC program year will be open through December 18, 2026. For program year 2027, DMC margins are projected to remain above the $9.50 trigger for all 12 months based on the more recent data from the DMC Decision Tool. However, it is important to remember that these projections are not guaranteed and constantly change with the shifting dairy and feed markets. For more information or to enroll in DMC for the upcoming program year, please contact your local Farm Service Agency office.

Uncertainty is a common theme throughout the agricultural and dairy industries Beyond the markets and margins, many dairy farmers have uncertainty surrounding the future of their family farm. Next Thursday, November 12, the Center and Penn State Extension are hosting the "Passing the Torch: Next-Level Transition Planning Workshop" from 8:30 a.m. to 3:00 p.m. in Bird in Hand, Pa. This transition workshop will go beyond the basics, and participants will learn about pre- and post-nuptials, a more in-depth discussion of business structures and plans, success stories and case studies, and dealing with unexpected losses. The workshop includes lunch and time to work one-on-one with advisors. Planning for the future does not have to be intimidating. Attendees will leave with the necessary skills and information to prepare for their transition to the next generation. To learn more or to register, visit www.centerfordairyexcellence.org/passing-the-torch.

CME DAILY FUTURES TRADING - NOV. 4, 2026 AT THE CLOSE

OCT-26	NOV-26	DEC-26	JAN-27	FEB-27	MAR-27	APR-27	MAY-27	JUN-27	JUL-27	AUG-27	SEP-27	TREND
CLASS III MILK FUTURES ($/CWT) vs. week ago: *Oct26 dn $0.05, Nov26 down $0.20, rest of board up $0.10 to $0.20 with Aug-Sep27 up $0.05.*											**12-Month Avg. 17.39**	↑↑
15.19	17.83	17.02	16.17	16.85	17.09	17.19	17.29	17.44	17.65	17.75	17.84	↑↑
CLASS IV MILK FUTURES ($/CWT) vs. week ago: *Oct26 firm, Nov26-May27 up $0.50 to mostly $1.00, Jun-Sep27 up $0.30-0.40.*											**12-Month Avg. 19.77**	↑↑
20.40	21.02	20.40	20.05	19.85	19.76	19.70	19.54	19.43	19.37	19.38	19.35	↑↑

MILK BASIS (MAILBOX minus CLASS 3 $/CWT) **2018-23 AVG FOR NORTHEAST & MIDEAST STATES OF PA, NY, NEW ENGL.,OH vs.** *NAT'L AVERAGE* **-** ***YOUR INDIVIDUAL BASIS WILL VARY***

Mailbox	20.20	19.76	20.58	20.17	20.25	19.64	19.22	18.75	18.82	18.25	18.96	18.48	18.64	18.27	18.52	18.15	18.68	18.38	18.65	18.35	18.62	18.41	19.27	18.75
Class III	18.72	18.72	19.07	19.07	17.30	17.30	16.81	16.81	16.03	16.03	16.98	16.98	17.31	17.31	17.33	17.33	18.16	18.16	18.16	18.16	17.59	17.59	17.60	17.60
BASIS	1.48	1.04	1.51	1.10	2.95	2.34	2.41	1.94	2.79	2.22	1.98	1.50	1.33	0.96	1.19	0.82	0.52	0.22	0.49	0.19	1.03	0.82	1.67	1.15

CORN FUTURES ($/BU)

DEC-26	MAR-27	MAY-27	JUL-27	SEP-27	DEC-27	MAR-28	MAY-28	JUL-28	SEP-28	DEC-28	JUL-29	DEC-29	TREND
4.460	4.600	4.682	4.752	4.722	4.866	5.002	5.064	5.122	4.882	4.912	5.110	4.942	↓↓

SOYMEAL FUTURES ($/TON)

DEC-26	JAN-27	MAR-27	MAY-27	JUL-27	AUG-27	SEP-27	OCT-27	DEC-27	JAN-28	MAR-28	MAY-28	JUL-28	TREND
319.8	319.6	320.2	322.8	327.0	327.0	326.6	324.5	327.5	328.7	329.0	330.6	333.3	↓↓

U.S. AVG PREMIUM ALFALFA & ALFALFA/GRASS HAY 20-22% CP - *Source: USDA Monthly National Dairy Comprehensive Report*

MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	JUN-26	JUL-26	*AUG-26	
187.01	188.00	195.00	202.00	179.00	192.00	202.00	206.60	208.60	215.90	193.75	211.24	220.22	233.00	247.56	*267.75	↑↑

DMC OFFICIAL GROSS MARGINS *per cwt(USDA All-Milk, corn, alfalfa & Ill. soybean, feed for ALL CLASSES of dairy cattle on farm)*

DMC	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	JUN-26	JUL-26	AUG-26	*SEP-26	
MARGIN	10.40	11.10	10.94	11.52	10.87	10.52	10.04	9.42	7.81	8.46	9.57	10.54	10.62	10.88	9.93	9.34	*8.07	↓↓
ALL MILK	21.30	21.30	20.80	20.90	20.40	20.00	19.70	19.00	17.50	18.30	19.70	20.80	21.30	21.10	20.30	19.80	19.50	↓↓
FEED $	10.90	10.20	9.86	9.38	9.53	9.48	9.66	9.58	9.69	9.84	10.31	10.26	10.68	10.22	10.37	10.46	11.15	↑↑

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction ($/LB) 11/03/26
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to $/LB
NEXT GDT AUCTION 11/17/26

ALL-PRODUCT INDEX	1.8902	↑↑	3.0%	SKIM POWDER (SMP)	1.8643 ↑↑ 3.1%
MILKFAT (AMF)	2.4053	↓↓	3.2%	BUTTER	2.0431 ↓↓ 4.7%
BUTTERMILK POWDER	1.9564	↓↓	4.4%	CHEDDAR(BULK)	1.8013 ↑↑ 8.4%
LACTOSE	0.7840	↑↑	3.3%	MOZZARELLA (BULK)	1.8621 ↑↑ 5.8%
				WHOLE POWDER (WMP	1.8017 ↑↑ 5.9%

U.S. CME SPOT DAILY ($/LB) 11/04/26

	Prev. 5 day Lds	Spot price	Weekly Avg
NFDM	5	1.2875 ↑↑	1.2575 ↑↑
BUTTER	32	1.2800 ↓↓	1.3033 ↑↑
CHEDDAR-40	13	1.5875 ↓↓	1.5883 ↓↓
CHEDDAR-500	0	1.7250NC	1.7250 ↑↑
DRY WHEY	2	0.8500 ↑↑	0.8433 ↑↑

U.S. WEEKLY USDA NDPSR ($/LB) WK ENDING 10/31/26*

FMMO PROD	MIL. LBS	WTED AVG $
NFDM	13.6	2.1203 ↑↑
BUTTER	3.1	1.3703 ↑↑
CHEESE-40	9.8	1.5279 ↑↑
CHEESE-500	REPORT ENDED	
DRY WHEY	6.6	0.7325 ↓↓

***U.S. Weekly NDPSR is averaged for the Month & used in FMMO formulas.*

ANNOUNCED FEDERAL ORDER PRICES ($/CWT) NASS ALL-MILK ($/CWT)

CL I ADV ↑↑	CL I SKIM ↑↑	*CL II ↑↑	*CL III ↓↓	*CL IV ↑↑	*ALL-MILK-U.S	*ALL-MILK-PA
20.27 (NOV)	16.03 (NOV)	*19.15 (OCT)	*15.16 (OCT)	*20.54 (OCT)	*19.50 (SEP) ↓↓	*19.70 (SEP)
*NOV CL I Skim ESL Adj. –1.80 ↓↓ *ADV BF $1.3730 ↓↓					4.28F	4.21F
MONTH AGO						
18.88	14.12	17.60	16.04	18.94	19.80 4.20F	20.10 4.15F
YEAR AGO						
16.75	10.62	16.02	16.91	14.30	20.40 4.24F	20.60 4.21F

CURRENT FEDERAL ORDER VALUES ($/LB) * = *NEW*
WEIGHTED AVG. 4-WK OCT. 1-31, 2026

PRODUCT	VALUE	*(New Make Allow vs Old)		NET VALUE	*OCT. 2026 COMPONENTS	
*CHEESE	1.4444 ↓↓	*(0.2519)	0.2003	1.1921 ↓↓	*PROT	2.3991 ↓↓
*BUTTER	1.3651 ↓↓	*(0.2272)	0.1715	1.1379 ↓↓	*B.FAT	1.3780 ↓↓
*NFDM	2.0081 ↑↑	*(0.2393)	0.1678	1.7687 ↑↑	*N.FAT	1.7511 ↑↑
*DRYWHEY	0.7191 ↑↑	*(0.2668)	0.1991	0.4523 ↑↑	*OS	0.4659 ↑↑

NEW **USDA $/CWT *JUL-26**

	ALL-MILK	BF	*MAILBOX
*FL	$27.50	3.83	$26.93
*SE	$27.70	3.87	$25.82
*APP	$26.80	4.01	$24.48
*Pawestern PA only			$22.50
*NY	$21.70	4.21	$21.85
*OH	$22.30	4.08	$21.69
*IN	$22.50	4.01	$21.39
*NENG	$21.90	4.26	$21.17
*Paeast	$21.50	4.13	$20.64
*MI	$20.70	4.15	$20.61
*IL	$20.30	4.12	$19.50
*U.S.	$20.30	4.19	$19.23
*TX	$21.40	4.34	$18.77
*MO	N/A	N/A	$18.26
*CA	$21.00	4.20	$18.11
*NE/KS	$18.30	4.23	$17.97
*ID	$19.20	4.28	N/A
*MN	$18.70	4.33	$17.90
*WA/OR	$20.75	4.35	$17.88
*IA	$18.10	4.26	$17.63
*NM	$19.90	4.05	$17.45
*WI	$18.20	4.12	$17.28
*SD	$18.00	4.42	N/A

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) *per head as reported by USDA Monthly National Dairy Comprehensive Report*

MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	JUN-26
2650	N/A	N/A	N/A	2600	N/A	N/A	N/A	N/A	2750	N/A	N/A	N/A	N/A

U.S. AVG. FRESH/MILKING COWS *per head as reported by USDA Monthly National Dairy Comprehensive Report*

3021	N/A	3010	N/A	N/A	N/A	N/A	N/A	N/A	2700	N/A	N/A	N/A	N/A

CATTLE - DAIRY PURPOSES($/HD) USDA and other auction reports combined 4-week rolling average as of OCT. 1, 2026

MILK COWS (NASS) U.S. Avg.	MILKING	HEIFERS: Springing	Bred	Cross	OPEN: 300-600 lbs	BXD	600-900 lbs	BXD	900-1100 lbs	BULLS(800-1300lbs)
*$3160 Q3-26 ↓↓ *$3260 Q2-26	3000 AVG.	3500 *small 2000*	3300	2800	1500	N/A	2000	N/A	2400	2000
YEAR AGO										
$3110 Q3-25 $3000 Q2-25	3200	3500	3100	3300	1600	N/A	2000	N/A	2300	1800

Price averages do not include lower-end 'common'

PA/NY, Oct. 29-Nov. 3, 2026, Choice native up $3, BxD down 50 cents Cull cows crash fully $20 lower, Calves up $25 to $50.

CULL MARKET COWS ($/CWT LIVEWEIGHT)

Premium White	Breakers	Boners	Lean
N/A	123.75 ↓↓	113.10 ↓↓	91.25 ↓↓
WEEK AGO			
N/A	143.85	128.85	105.00
YEAR AGO			
N/A	155.50	142.35	130.60

Average to high dressing

FED STEERS ($/CWT LIVEWEIGHT) Choice & Prime 1350-1800 lb

HOLSTEIN		BEEF X DAIRY		BEEF	
187.50 ↑↑		204.50 ↓↓		223.35 ↑↑	
WEEK AGO					
179.00		205.00		220.60	
YEAR AGO					
N/A		229.25		241.25	

BULL CALVES: No. 1 & 2, 75-125 lbs.

HOLSTEIN		BEEF X DAIRY	
1025.00 ↑↑		1450.00 ↑↑	
WEEK AGO			
1000.00		1400.00	
YEAR AGO			
1025.00		1500.00	

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