

# CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — DEC. 22, 2025 — except where noted



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**Dairy Margins:** The USDA announced September's and October's margin to be \$10.87 and \$10.52 per hundredweight (cwt) for the Dairy Margin Coverage (DMC), down 65 cents and \$1.00 from August's margin of \$11.52 per cwt. For both months, margins were above \$9.50, which resulted in no indemnities being triggered at any coverage level.

Over the past two months, the all-milk price fell to \$20.40 per cwt in September, then to \$20.00 in October from August's \$20.90. Prior to this, August 2023 was the last time the all-milk price dropped below \$20.00 per cwt. Looking back over this program year so far, the all-milk price has fallen \$4.10 from \$24.10 per cwt in January to October. While milk prices decreased, feed costs were up from August, reaching \$9.53 per cwt in September and falling slightly to \$9.48 in October.

Based on the DMC Decision Tool (updated Dec. 16), November and December margin forecasts are projected at \$9.54 and \$8.83 per cwt, respectively. If these projections hold true, participating dairies could see a 67-cent-per-cwt indemnity in December, which could potentially cover almost half of this program year's premium. The all-milk price is forecasted to fall to \$19.61 per cwt, then to \$18.92 per cwt for the last two months of the program year.

For November and December, feed cost projections are expected to climb to \$10.07 and \$10.09 per cwt, respectively. For November and December, corn and soybean meal prices projections are up from the prior months, helping to fuel the increase in feed costs.

DMC is a simple and cost-effective risk management tool that can help farmers better protect their margins against market volatility. There has still been no word on when 2026 DMC enrollment will open. However, last year's enrollment period began in January, so hopefully, we will see something in the new year. Milk and feed price disparities between the nationwide averages used in the current DMC margin formula and regional prices have resulted in months when DMC participants did not see payments, but their farm's milk-over-feed-cost margin was well below the \$9.50 per cwt trigger price.

Diversifying your farm's risk management approach by incorporating Dairy Revenue Protection (DRP) and/or other price risk programs, such as Livestock Gross Margin (LGM) or Livestock Revenue Protection (LRP), can be an effective way to better safeguard your farm's bottom-line. As we close out 2025, there is no better time

than now to reach out to a trusted risk management professional to weigh your options and find a good fit for your farm and needs for 2026.

Another way for farms to effectively mitigate financial risk, as well as increase your farm's milk production or productivity, is through utilizing grant funding.

The Center is still accepting applications for their new Dairy Productivity Grant that is focused on first-time investments in milking efficiency, feeding, and activity monitoring technologies. Covered projects could include, but are not limited to, pipelines, robotic milking technology, TMR mixers, feed tracking, boluses, and collars. If approved, you will receive up to \$10,000 for your project with a 25 percent match. Applications will be accepted through January 5, 2026.

This is a competitive grant, so awardees will be notified by January 15, 2026. For more information or to apply, visit [www.centerfordairyexcellence.org/productivity-grants/](http://www.centerfordairyexcellence.org/productivity-grants/)

If you have questions about what projects would be applicable, contact Melissa Anderson at [manson@centerfordairyexcellence.org](mailto:manson@centerfordairyexcellence.org) or (717) 346-0849. If you have questions about the Center's other grants, visit at the Keystone Farm Show on January 6-8, 2026. Talk with us about our programs, resources, and events, as well as vote on the winner of the "Farmer-Made Ingenuity" contest and check out the unique farmer-created inventions.

If you need help developing your farm's biosecurity plan, stop by our "Biosecurity Resource Center" in the meeting room in Building 3 on Jan. 7 between 10 a.m. and 2 p.m. to sit down with Center and PDA staff to create a plan and premise map and leave with it approved. You'll also receive a free boot wash kit. No appointment needed. For details, visit [www.centerfordairyexcellence.org/events](http://www.centerfordairyexcellence.org/events)

If you're considering making the switch from a conventional to organic market, join us, PA Preferred, and PDA at an "Organic Lunch and Learn," where attendees will enjoy a free lunch, hear from a panel of producers who have undergone the transition from conventional to organic, and network with organic processors and cooperatives. The lunch and learn will be held in Building 1 (Utz Arena) in seminar room #1 on January 7 from 1 to 3 p.m. Registration is free but required.

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.

## CME DAILY FUTURES & OPTIONS TRADING — DEC. 22, 2025 AT THE CLOSE

DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	JUN-26	JUL-26	AUG-26	SEP-26	OCT-26	NOV-26	TREND				
<b>CLASS III MILK FUTURES (\$/CWT) vs. wk ago:</b> Dec25-Apr26 down 5 to 25¢, but Jan26 down 60¢, May-Nov26 unevenly 5¢ lower to 3¢ higher. <b>12-Month Avg. 16.68</b> ↓																
15.77	15.28	15.37	15.62	16.21	16.87	17.27	17.41	17.51	17.63	17.66	17.60	MIXED				
<b>CLASS IV MILK FUTURES (\$/CWT) vs. wk ago:</b> Dec25 down 30¢, Rest of board unevenly 10¢ lower to 25¢ higher. <b>12-Month Avg. 14.80</b> ↓																
13.55	13.80	13.70	14.30	14.50	14.68	14.95	15.15	15.42	15.69	15.84	16.05	MIXED				
<b>CORN FUTURES (\$/BU)</b>																
MAR-26	MAY-26	JUL-26	SEP-26	DEC-26	MAR-27	MAY-27	JUL-27	SEP-27	DEC-27	MAR-28	MAY-28	JUL-28	TREND			
4.466	4.542	4.596	4.526	4.636	4.766	4.832	4.874	4.680	4.720	4.854	4.922	4.904	↑↑			
<b>SOYMEAL FUTURES (\$/TON)</b>																
JAN-26	MAR-26	MAY-26	JUL-26	AUG-26	SEP-26	OCT-26	DEC-26	JAN-27	MAR-27	MAY-27	JUL-27	AUG-27	TREND			
299.2	302.5	306.3	310.9	312.5	313.3	313.7	317.2	318.7	320.2	322.2	325.1	324.9	↑↑			
<b>U.S. AVG PREMIUM ALFALFA &amp; ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report</b>																
AUG-24	SEP-24	OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	*NOV-25	TREND
196.44	199.57	206.63	192.20	184.82	184.49	189.60	195.30	195.50	187.01	188.00	195.00	202.00	179.00	192.00	*202.00	↑↑

DMC	JUN-24	JUL-24	AUG-24	SEP-24	OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	*NOV-25
MARGIN	11.66	12.33	13.72	15.57	15.17	14.29	13.38	13.85	13.12	11.55	10.42	10.40	11.10	10.94	11.52	10.87	10.52	↓↓
ALL MILK	22.80	22.80	23.60	25.50	25.20	24.20	23.30	24.10	23.60	22.00	21.00	21.30	21.30	20.80	20.90	20.40	20.00	↓↓
FEED \$	11.14	10.47	9.88	9.93	10.03	9.91	9.92	10.25	10.48	10.45	10.58	10.90	10.20	9.86	9.38	9.53	9.48	↓↓

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 12/16/25	U.S. CME SPOT DAILY (\$/LB) 12/22/25	U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 12/13/25*
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB	Prev. 3 day Lds	FMMO PROD MIL. LBS WTD AVG \$
NEXT GDT Auction 01/06/26	Spot price	NET VALUE
SKIM POWDER (SMP) 1.1030 ↓ 2.1%	Weekly Avg	FMMO PROD MIL. LBS WTD AVG \$
ALL-PRODUCT INDEX 1.5159 ↓ 4.4%	NET VALUE	NET VALUE
BUTTER 2.3453 ↓ 12.4%	PRODUCT VALUE *(New Make Allow vs Old)	PRODUCT VALUE *(New Make Allow vs Old)
MILK FAT (AMF) 2.5417 ↓ 5.2%	CHEESE-40 1.3400 ↓ 1.3400 ↓	CHEESE-40 10.9 1.5451 ↓
BUTTERMILK POWDER N/A	CHEESE-500 1.4000 ↓ 1.4000 ↓	CHEESE-500 REPORT ENDED
MOZZARELLA (BULK) 1.5404 ↑ 6.7%	DRY WHEY 4 0.7050 ↓ 0.7050 ↓	DRY WHEY 6.5 0.6885 ↑
WHOLE POWDER (WMP) 1.4342 ↓ 5.7%		

ANNOUNCED FEDERAL ORDER PRICES (\$/CWT)	NASS ALL-MILK (\$/CWT)	CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW
CL I ADV ↓ CL I SKIM ↓ CL II ↓ CL III ↑ CL IV ↓	*ALL-MILK-U.S. *ALL-MILK-PA	*WEIGHTED AVG. 2-WK DEC. 1-13, 2025
*16.35(JAN) *11.17(JAN) 14.54(NOV) 17.18(NOV) 13.89(NOV) *20.00(OCT) ↑ *19.80(OCT)	4.35F 4.32F	PRODUCT VALUE *(New Make Allow vs Old) NET VALUE
NOV. CL I Skim ESL Adj. -0.17 ↓ *NEW RULE		*CHEESE 1.5777 ↓ *(0.2519) 0.2003 1.3258 ↓
		*BUTTER 1.5419 ↓ *(0.2272) 0.1715 1.3147 ↓
		*NFDM 1.1551 ↓ *(0.2393) 0.1678 0.9158 ↓
		*DRYWHEY 0.6844 ↑ *(0.2668) 0.1991 0.4176 ↑

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report	U.S. AVG. FRESH/MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report
OCT-24 NOV-24 DEC-24 JAN-25 FEB-25 MAR-25 APR-25 MAY-25 JUN-25 JUL-25 AUG-25 SEP-25 OCT-25 NOV-25	2800 2489 N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A
N/A 2250 N/A N/A 2921(ttd) N/A N/A 2650 N/A N/A N/A 2600 N/A N/A	

CATTLE - DAIRY PURPOSES(\$/HD) USDA and other auction reports combined 4-week rolling average as of NOV. 18, 2025									
MILK COWS (NASS) U.S. Avg. *\$3110 Q3-25 ↑ \$3010 Q2-25	MILKING HEIFERS: Springing 3400	All Dairy 3200	Bred 2800	BxD 3000	OPEN: 300-600 lbs 1500	BXD 600-900 lbs 2000	BXD 900-1100 lbs N/A	2200	BULLS(800-1300lbs) 2000
\$2600 Q3-24 \$2300 Q2-24	3200	3100	2800	2200	1200	1500	1400	N/A	2000
PA Auction Markets Dec. 18-22, 2025	CULL MARKET COWS (\$/CWT LIVELWEIGHT)								
Premium White Breakers Boners Lean	FED STEERS (\$/CWT LIVELWEIGHT) Holstein Beef-X-Dairy WK AGO YR AGO								
N/A 148.50 ↓ 139.60 ↓ 128.00 ↑	Choice & Prime 1250-1550 lb 196.75cpl N/A N/A 196.75 168.25 183.50								
N/A 151.75 140.60 126.50	BULL CALVES: No. 1 & 2, 90-130 lbs 1350.00 ↑ 1450.00 ↑ 950.00 1325.00 550.00 875.00								
N/A 116.85 110.10 96.50	(\$/cwt livelweight) 70- 85 lbs 1310.00 ↑ 1550.00 ↑ 1030.00 1450.00 625.00 900.00								

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