

DAIRY MARKET NEWS AT A GLANCE

**CME GROUP CASH MARKETS (6/12/26)**

**BUTTER:** Grade AA closed at \$1.6675. The weekly average for Grade AA is \$1.6665 (-0.0260).

**CHEESE:** Barrels closed at \$1.4200 and 40# blocks at \$1.4875. The weekly average for barrels is \$1.4540 (+0.140) and blocks \$1.4815 (+0.0075).

**NONFAT DRY MILK:** Grade A closed at \$1.7850. The weekly average for Grade A is \$1.8695 (-0.2465).

**DRY WHEY:** Extra grade dry whey closed at \$0.6800. The weekly average for dry whey is \$0.6770 (-0.0005).

**BUTTER HIGHLIGHTS:** Above-normal temperatures from New York through the Mid-Atlantic are accelerating the end of the spring flush and adding early heat stress. Salted butter supplies are plentiful, cream continues shifting more into seasonal ice-cream production, and butter spot trading remains active with a steady tone. In the Central region, milk and cream production remains healthy, though rising temperatures are a growing concern. Strong Class II and III cream demand continue to limit spot cream availability for Class IV use, and some plants are bringing in outside cream to keep churns full. Domestic sales of 80 percent butter are steady, while export interest in 82 percent butter remains due to competitive pricing. In the Western region, milk output continues to meet cream needs, and intermittent Class II downtime is adding modest spot cream availability. Butter manufacturers report light demand, while churns remain active on contracted cream supplies through Week 24. Inventories are steady to building, domestic demand is steady, international interest is mixed, and spot loads of 80 percent and 82 percent butterfat butter remain available.

**CHEESE HIGHLIGHTS:** Eastern milk supplies are tight for cheese production as heat accelerates the end of the spring flush and lowers cheese milk components. A major plant returning to five-day operation has reduced Class III milk availability. Condensed skim is tight, export demand exceeds supply, and inventories are falling. Central region milk supplies for Class III are balanced. Spot milk movement has increased due to downtime, with prices of \$7 under to flat Class. Forecasted cooler weather may boost milk volumes. Cheesemakers run busy schedules, curds are steady, and export demand is strong. Western cheesemakers report adequate milk despite seasonally lighter output. Spot milk is more available due to downtime at Class II/IV facilities. Domestic and international demand is steady, and retail is outpacing food service. Inventories are somewhat tight, though spot cheese loads are available.

**FLUID MILK HIGHLIGHTS:** Farm milk output is tightening in the East as the flush tapers and unseasonably high temperatures add stress to cows and pastures. Milk production is steady in the Central region and ranges from steady to lighter across the West, where volumes remain generally adequate to meet processing needs. Class II cream demand continues to strengthen, driven by seasonal ice cream production. Eastern and Central plants are purchasing spot loads from the Midwest and West, while Western cream supplies are meeting regional needs. Class III demand is softening in the East, whereas Central manufacturers report steady to strong demand supported by contracted milk volumes. Western Class III demand remains steady. Class IV butter inventories are considered plentiful, with steady demand in the East and Central regions and mixed demand in the West. Condensed skim supplies remain tight in both the Northeast and Central regions but are unchanged in the West. All Class cream multiples range from 1.15 – 1.44 in the East, 1.05 – 1.35 in the Midwest, and 1.00 – 1.24 in the West.

**DRY PRODUCTS HIGHLIGHTS:** Nonfat dry milk prices declined sharply for low/medium heat across all regions. In the Central and East regions, high heat prices also fell significantly at the top of the range but held steady at the lower end. High heat prices in the West edged lower throughout the range. Dry buttermilk prices moved lower across the range in the Central and East regions, while the West remained unchanged. Dry whey prices were steady in the Central and East regions but softened in the West. Lactose prices eased slightly at the bottom of the range and were steady elsewhere. Whey protein concentrate (WPC) 34% prices were mostly steady, with some downward movement at the top of the range. Dry whole milk prices strengthened at the lower end of the range and held firm at the upper end. Acid and rennet casein prices were unchanged.

**ORGANIC DAIRY MARKET NEWS:** The Transition to Organic Partnership Program (TOPP) was formed through cooperative agreements between the USDA and non-profit organizations to provide technical assistance and support for transitioning and existing organic farmers. A calendar of events held by partner organizations can be found at the following link: <https://www.organictransition.org/events/>. The Foreign Agricultural Service (FAS) recently released organic milk data for April 2026. Organic milk exports were 368,000 liters, down 27.9 percent from the month prior, and down 26.7 percent from April 2025. Exports of organic milk from the start of the year through April were 1,549,658 liters, down 10.4 percent, compared to the same time last year.

CONTINUED ON PAGE 1A

**TABLE OF CONTENTS**

Product Highlights/CME/DMN at a Glance	1	Dry Whey/WPC 34%/Lactose/Casein	6	May Producer Price Index	11
Weekly CME Cash Trading/Butter Markets	2	U.S Dairy Cow Slaughter/Class Milk Prices/NDPSR/Futures	7	Weekly Grocery Store Activity	
Cheese Markets	3	Organic Dairy Market News	8	Dairy Market News Contacts	
Fluid Milk and Cream	4	June Supply and Demand	9		
Nonfat Dry Milk/Dry Buttermilk/Dry Whole Milk	5	May Consumer Price Index	10		

**DAIRY MARKET NEWS PRICE SUMMARY FOR JUNE 8-12, 2026**  
**PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Mostly		Commodity	Range		Mostly	
<b>NDM</b>					<b>BUTTERMILK</b>				
Central Low/Med. Heat	1.8000	2.1000	1.9500	2.0500	Central/East	1.7500	1.8500		
Change	-0.1500	-0.1200	-0.1300	-0.1000	Change	-0.0200	-0.0400		
Central High Heat	2.0800	2.2500			West	1.7500	1.9000	1.8000	1.8800
Change	N.C.	-0.1700			Change	N.C.	N.C.	N.C.	N.C.
West Low/Med. Heat	1.8200	2.1000	1.9000	2.0500	<b>WHEY</b>				
Change	-0.1100	-0.1000	-0.1500	-0.1000	Central	0.6000	0.7100	0.6100	0.6800
West High Heat	2.1000	2.2700			Change	N.C.	N.C.	N.C.	N.C.
Change	-0.0200	-0.0300			West	0.6600	0.7800	0.6800	0.7300
<b>DRY WHOLE MILK</b>					Change	-0.0100	-0.0200	-0.0100	-0.0300
National	2.3000	2.6000			Northeast	0.6000	0.6900		
Change	0.0200	N.C.			Change	N.C.	N.C.		
					<b>LACTOSE</b>				
					Central/West	0.4500	0.7200	0.5500	0.6300
					Change	-0.0100	N.C.	N.C.	N.C.
					<b>WPC 34%</b>				
					Central/West	1.6300	2.0000	1.8000	1.9000
					Change	N.C.	-0.0500	N.C.	N.C.
					<b>CASEIN</b>				
					Rennet	3.9000	5.0000		
					Change	N.C.	N.C.		
					Acid	4.0000	4.7500		
					Change	N.C.	N.C.		
					<b>ANIMAL FEED WHEY</b>				
					Central	0.3500	0.3800		
					Change	N.C.	N.C.		

## CONTINUED FROM PAGE 1

**JUNE SUPPLY AND DEMAND ESTIMATES:** Milk production forecasts are raised for both 2026 and 2027. Based on the latest Milk Production report, cow inventories and milk per cow are raised for both 2026 and 2027. For 2026, commercial export forecasts are raised on both a fat basis and a skim-solids basis, primarily due to increased shipments of cheese, whey, and butter. For 2027, exports are raised on a fat basis due to higher butter shipments but lowered on a skim-solids basis due to less competitive dried skim milk products. Imports are unchanged on both a fat and skim-solids basis for 2026. For 2027, skim-solids basis imports are reduced from last month primarily due to less whey product imports, while fat basis imports are unchanged. For 2026, the nonfat dry milk (NDM), cheese, and whey price forecasts are lowered from the previous month on recent price declines. The butter price is raised on stronger demand expected in the second half of the year. The Class III and Class IV price forecasts are both lowered. The all milk price forecast for 2026 is lowered to \$20.70 per cwt. For 2027, the cheese price forecast is lowered, while whey prices are raised slightly. The price forecasts for NDM and butter are unchanged from the previous month. The Class III price forecast is unchanged as lower cheese prices are offset by higher whey prices. The Class IV price forecast is unchanged due to no changes in the butter or NDM price outlook. The all milk price forecast for 2027 is lowered to \$20.90 per cwt.

**CONSUMER PRICE INDEX:** The May CPI for all food is 349.0, up 3.1 percent from 2025. The dairy products index is 268.5, down 1.0 percent from a year ago. The following are May, year to year percentage changes for selected products: fresh whole milk is 4.1, cheese -6.0, and butter -8.0.

**PRODUCER PRICE INDEX:** The May PPI for all food is 273.2, up 1.7 percent from 2025. The dairy products index is 245.3, up 1.0 percent from a year ago. The following are the May, year to year percentage changes for selected products: fresh whole milk is 10.0, cheese -0.1, and butter -30.5.

**WEEKLY GROCERY STORE ACTIVITY:** Dairy advertisements continue to decline in the month of June. Conventional dairy ads are down 2 percent, while organic products are down 17 percent. Butter, cheese, and cream cheese all have modest increases in conventional ads. Milk, cream cheese, and sour cream show increases in ads on the organic side.