

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (5/15)

BUTTER: Grade AA closed at \$1.6400. The weekly average for Grade AA is \$1.6385 (+0.0185).

CHEESE: Barrels closed at \$1.5550 and 40# blocks at \$1.5550. The weekly average for barrels is \$1.5850 (-0.0240) and blocks \$1.6035 (-0.0315).

NONFAT DRY MILK: Grade A closed at \$2.2725. The weekly average for Grade A is \$2.2810 (-0.0035).

DRY WHEY: Extra grade dry whey closed at \$0.6850. The weekly average for dry whey is \$0.6870 (-0.0100).

BUTTER HIGHLIGHTS: Stakeholders in the East and Central regions report steady domestic butter demand. Stakeholders in the West region report demand varies from moderate to strong. Manufacturers indicate demand from the retail sector is more active than demand from the food service sector. Export demand varies from steady to strong. Spot cream loads are available and demand from butter makers is stronger in some parts of the country. Butter production schedules are strong as we get closer to anticipated summer production drops. Stakeholders generally indicate inventories are stable or increasing. Bulk butter overages range from 4 cents below to 5 cents above market across all regions.

CHEESE HIGHLIGHTS: Northeast cheese makers report ample milk supplies as spring flush has not yet peaked, supporting strong production for bulk and retail markets. Retail demand is softening, but robust bulk and export interest keeps inventories balanced. Central milk production remains strong, with spot milk available, though volumes vary locally. Class III spot prices firmed to \$4 under to \$2 over Class, as strong processor demand supports prices. Cheese output is steady, retail demand is strong, food service is weaker, and exports remain competitive. Western cheese makers are receiving sufficient Class III contracted milk, which is limiting spot milk demand. Contractual cheese load obligations are met, while spot availability varies. Some inventories are tight, yet traders report loads are available. Domestic demand is steady, and strong export interest is helping to support prices.

FLUID MILK HIGHLIGHTS: Nationwide, milk production is seasonally strong. Southern and Western states are holding steady with milk volumes, while Northern states are still in the spring flush. Year over year milk production is up. Class I production is steady to strong, though some contacts anticipate slower schedules as educational institutions approach the summer break. Class II demand is strong. Cottage cheese and ice cream are experiencing strong consumer demand and manufacturers are pulling in spot loads of milk and cream

to keep pace. Class III demand is steady to strong. Some regions are experiencing a surge in demand while others are in a steady state. Bulk production and increased exports are driving demand. Class IV production is strong this week. Nonfat dry milk continues to record high prices, though prices have leveled some this week. Butter manufacturers are running busy schedules, and in some areas are pulling in spot loads of cream to keep churns full. Condensed skim demand is strong and buyers are having some difficulty finding loads on the spot market. Cream multiples for all Classes range: 1.15 – 1.42 in the East; 1.08 – 1.32 in the Midwest; 1.00 – 1.20 in the West.

DRY PRODUCTS HIGHLIGHTS: Nonfat dry milk prices were mixed this week, with the Central and East regions holding steady at all heat levels except for an increase at the bottom of the high heat price range. The West region showed overall strength across heat levels, apart from the bottom of the low/medium heat range moving slightly lower. Dry buttermilk prices increased across all regions, with the most notable gains occurring in the West. Dry whey markets were mixed, with prices unchanged in the Central and West regions, aside from a slight increase at the bottom of the West price range. In the East, the bottom of the range was steady while the top moved lower. Lactose prices strengthened, with the mostly range rising on both ends and the bottom of the price range also moving higher. Whey protein concentrate (WPC) 34% prices improved at both ends of the mostly range, even as the price range narrowed slightly. Dry whole milk prices moved lower this week, led by a sharper decline at the bottom of the range. Acid and rennet casein prices were unchanged.

ORGANIC DAIRY MARKET NEWS: The United Kingdom-based Agriculture and Horticulture Development Board (AHDB) recently released a report reviewing dairy markets in the country for April 2026. The report stated dry weather in April may have contributed to the 0.8 percent decline in organic milk deliveries from April 2025. The difference in price for organic and conventional milk is increasing. The Agricultural Marketing Service (AMS) reported March 2026 estimated fluid product sales. The U.S. sale of total organic milk products was 272 million pounds, up 5.6 percent from the previous year. From the start of the year through March, the U.S. sale of total organic milk products was 774 million pounds, up 0.1 percent compared to the same period a year prior.

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**DAIRY MARKET NEWS PRICE SUMMARY FOR MAY 11 - 15, 2026
PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM					BUTTERMILK				
Central Low/Med. Heat	2.2000	2.3600	2.2500	2.3000	Central/East	1.7400	1.8900		
Change	N.C.	N.C.	N.C.	N.C.	Change	0.0400	0.0300		
Central High Heat	2.3500	2.4100			West	1.7500	1.9200	1.8000	1.9000
Change	0.0500	N.C.			Change	0.1000	0.0700	0.1000	0.1000
West Low/Med. Heat	2.1500	2.4000	2.2400	2.3200	WHEY				
Change	-0.0100	0.0500	0.0200	0.0200	Central	0.5800	0.7200	0.6000	0.6800
West High Heat	2.3450	2.4350			Change	N.C.	N.C.	N.C.	N.C.
Change	0.0450	0.0050			West	0.6600	0.8000	0.6900	0.7500
DRY WHOLE MILK					Change	0.0100	N.C.	N.C.	N.C.
National	2.0500	2.6500			Northeast	0.6000	0.6800		
Change	-0.3000	-0.1300			Change	N.C.	-0.0200		
					LACTOSE				
					Central/West	0.4600	0.6800	0.5500	0.6300
					Change	0.0200	N.C.	0.0200	0.0200
					WPC 34%				
					Central/West	1.6000	2.0200	1.7000	1.8000
					Change	-0.0400	-0.0300	0.0500	0.0500
					CASEIN				
					Rennet	3.6500	4.2500		
					Change	N.C.	N.C.		
					Acid	3.9000	4.6000		
					Change	N.C.	N.C.		
					ANIMAL FEED WHEY				
					Central	0.3500	0.3700		
					Change	N.C.	N.C.		

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MAY SUPPLY AND DEMAND ESTIMATES: Milk production in 2027 is forecast to increase from 2026, driven by higher milk per cow and a stable milk cow herd. Commercial milk exports in 2027 are forecast to be higher than in 2026 on both a fat basis and a skim-solids basis due to additional exports of cheese and whey products. Commercial imports are also forecast to increase on both a fat basis and skims-solids basis due primarily to increases in imports of cheese and milk proteins. Domestic use in 2027 is expected to increase on both a fat basis and skim-solids basis. Dairy product prices are forecast to be higher for cheese and butter, but lower for whey and nonfat dry milk (NDM) compared with 2026. As a result, the Class III price is forecast higher and the Class IV price lower in 2027. The all milk price in 2027 is forecast to be lower at \$20.95 per cwt. The 2026 milk production forecast is raised slightly from the previous month on expectations of a larger cow herd but a slower growth rate in output per cow, all based on the latest information published in the Milk Production report. The import forecast on a fat basis is raised on increased expectations for butter shipments. The skim-solids import forecast is lowered slightly primarily on lower expected imports of milk proteins. The fat-basis export forecast is increased on higher expected exports of cheese and butter. Exports on a skim-solids basis are raised on increased shipments of cheese and whey products more than offsetting lower expected shipments of NDM. The 2026 price forecasts for cheese, NDM and whey are raised compared to the previous month's forecast, but the butter forecast is lowered to reflect recent prices. The Class III price for 2026 is raised on increased cheese and whey prices. The Class IV price is also raised as higher NDM prices will more than offset the effect of lower butter prices. The all milk price for 2026 is increased to \$21.25 per cwt.

MARCH ESTIMATED SALES: Total Fluid Products Sales 3.6 billion pounds of packaged fluid milk products were shipped by milk handlers in March 2026. This was 2.3 percent higher than a year earlier. Estimated sales of total conventional fluid milk products increased 2.1 percent from March 2025 and estimated sales of total organic fluid milk products increased 5.7 percent from a year earlier.

CONSUMER PRICE INDEX: The April CPI for all food is 348.5, up 3.2 percent from 2025. The dairy products index is 270.2, down 0.6 percent from a year ago. The following are April, year to year percentage changes for selected products: fresh whole milk is -0.2; cheese -3.1; and butter, -5.8.

PRODUCER PRICE INDEX: The April PPI for all food is 271.7, up 1.7 percent from 2025. The dairy products index is 243.5, down 0.2 percent from a year ago. The following are the April, year to year percentage changes for selected products: fresh whole milk is +3.0; cheese, -0.2; and butter, -25.0.

WEEKLY GROCERY STORE ACTIVITY: Conventional dairy advertisements are down 50 percent, and organic ads decreased 58 percent this week. The most advertised conventional commodity remains cheese, despite appearing in 43 fewer ads this week. Ads for the most advertised organic commodity, milk, decreased 65 percent.