

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (2/21)

BUTTER: Grade AA closed at \$2.4150. The weekly average for Grade AA is \$2.4219 (+0.0234).

CHEESE: Barrels closed at \$1.8000 and 40# blocks at \$1.9000. The weekly average for barrels is \$1.8019 (-0.0196) and blocks \$1.9044 (-0.0096).

NONFAT DRY MILK: Grade A closed at \$1.2400. The weekly average for Grade A is \$1.2600 (-0.0410).

DRY WHEY: Extra grade dry whey closed at \$0.5450. The weekly average for dry whey is \$0.5475 (-0.0200).

BUTTER HIGHLIGHTS: Butter demand varies from steady to lighter throughout the country. Some sellers convey buyers are purchasing fewer loads at a time than seasonally anticipated. Affordable cream volumes are plentiful. Some distressed cream load offers at very low multiples were again reported. Butter production schedules are generally busy working through cream volumes. However, some Central region butter manufacturers noted adverse weather caused lightened production schedules to various degrees this week. Bulk butter overages range from 12 cents below to 5 cents above market, across all regions.

CHEESE HIGHLIGHTS: Cheese production schedules are trending steady throughout the U.S. In the East region, contacts relay steady cheese production schedules. Processors share cheese demand is seasonally steady, with some noting strong seasonal demand for some Italian cheese varieties. In the Central region, cheesemakers note both plant maintenance and inclement weather have caused mixed production schedules. Milk availability, too, is mixed in some pockets of the region. Spot milk prices range from \$2 under Class to \$0.25 over Class III. In the West region, cheese production schedules are steady. Some cheesemakers share production has been tempered by tighter spot milk availability. Cheese inventories vary by type throughout the region.

FLUID MILK HIGHLIGHTS: Even amid the cold, wintry weather that cut across the United States this week, milk production is largely increasing seasonally. Although inclement weather created a few disruptions to milk pickups, deliveries, and some plant downtime in the Central and mid-Atlantic parts of the country, milk availability was mostly in balance with processing needs. The Central spot milk range was \$2 under to \$0.25 over Class III for the week. Class demands were steady with only a few pockets of downturns within Class I and Class III noted. Cream remains in abundance across the country. Even as Class II cream demands begin to track higher, cream handlers are working tenaciously to find processing homes for their supplies. Cream multiples continue to be under pressure, and some contacts report distressed cream loads are in the market. Condensed skim availability is increasing, but demand varies between the two coasts. Cream multiples for all Classes range 0.80-1.10 in the East region, 0.50-1.14 in the Central region, and 0.70-1.16 in the West region.

DRY PRODUCTS HIGHLIGHTS: The Central and East low/medium heat nonfat dry milk (NDM) price range contracted as the West NDM price range moved lower. Demand is mixed. High heat NDM prices moved higher in the Central and East but lower in the West. Dry buttermilk prices are steady to lower. Some buyers are making partial load purchases to cover immediate needs but are hesitant to take on additional volumes. The dry whole milk price range contracted. Nationwide, dry whey prices moved lower. A growth in availability and tepid domestic and export demand has contributed to a weaker whey market. Lactose prices are unchanged, but Q2 contracting is underway. Whey protein concentrate 34% prices are trending higher. Acid and rennet casein prices are unchanged.

ORGANIC DAIRY MARKET NEWS: The USDA's 101st Annual Agricultural Outlook Forum is scheduled for February 27-28 in Arlington Virginia. This event is the USDA's largest annual gathering attracting participants in person and virtual attendees. On Friday, February 28 at 3:30 PM EST there will be an Organic Outlook session discussing trends and developments in organic production and consumption.

The total number of organic dairy ads in the week 8 retail survey declined by 65 percent from the previous survey. The most advertised organic cheese product in the week 8 retail survey was 6-8-ounce shred style. The weighted average advertised price for organic 6-8-ounce shred style cheese was \$3.07, while this item's conventional counterpart had a weighted average advertised price of \$2.22. The weighted average advertised price for half gallon organic milk increased by 5 cents, to \$4.99 this week. Conventional half gallon milk has a weighted average advertised price of \$1.99, creating a week 8 organic premium of \$3.00.

Federal Milk Market Order 1, in New England, reports utilization of types of organic milk by pool plants. During January 2025, organic whole milk utilization totaled 17.99 million pounds, down from 19.10 million pounds the previous year.

NATIONAL RETAIL REPORT: Conventional dairy ads increased by 18 percent, while organic dairy ads decreased by 65 percent this week. Although total conventional cheese ads decreased slightly when comparing week 8 to week 7, cheese remained the most advertised conventional dairy commodity. Conventional sliced, shredded, and block cheese all had price decreases this week. Total conventional yogurt ads increased by 27 percent compared to the prior week. Milk was ahead of only cream cheese and flavored milk in terms of total conventional dairy ads by commodity for week 8. The organic premium for a gallon container of milk for week 8 is \$5.38.

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DAIRY MARKET NEWS PRICE SUMMARY FOR FEBRUARY 17 - 21, 2025
PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range		Mostly		Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM					BUTTERMILK					LACTOSE				
Central Low/Med. Heat	1.2400	1.3400	1.2800	1.3300	Central/East	1.1700	1.3100			Central/West	0.3100	0.4400	0.3650	0.4150
Change	0.0200	-0.0200	-0.0100	-0.0050	Change	-0.0500	N.C.			Change	N.C.	N.C.	0.0050	N.C.
Central High Heat	1.4000	1.5000			West	1.3000	1.3900	1.3300	1.3700	WPC 34%				
Change	0.0200	0.0200			Change	N.C.	N.C.	N.C.	N.C.	Central/West	1.6700	1.7400	1.6800	1.7400
West Low/Med. Heat	1.2500	1.3700	1.2900	1.3400	WHEY					Change	0.0300	0.0200	0.0200	0.0300
Change	-0.0300	-0.0075	-0.0100	-0.0100	Central	0.5200	0.6500	0.5300	0.5800	CASEIN				
West High Heat	1.3700	1.4600			Change	-0.0300	-0.0400	-0.0500	-0.0200	Rennet	3.4500	3.7000		
Change	-0.0400	-0.0200			West	0.5400	0.7500	0.5800	0.6800	Change	N.C.	N.C.		
DRY WHOLE MILK					Change	-0.0175	-0.0300	-0.0200	-0.0400	Acid	3.6000	4.0500		
National	2.0600	2.2600			Northeast	0.5500	0.6800			Change	N.C.	N.C.		
Change	0.0700	-0.0300			Change	-0.0300	-0.0100			ANIMAL FEED WHEY				
									Central	0.4000	0.4500			
									Change	N.C.	N.C.			