

DAIRY MARKET NEWS AT A GLANCE

**CME GROUP CASH MARKETS (5/22)**

**BUTTER:** Grade AA closed at \$1.5350. The weekly average for Grade AA is \$1.5700 (-0.0685).

**CHEESE:** Barrels closed at \$1.4800 and 40# blocks at \$1.5050. The weekly average for barrels is \$1.5090 (-0.0760) and blocks \$1.5405 (-0.0630).

**NONFAT DRY MILK:** Grade A closed at \$2.0725. The weekly average for Grade A is \$2.1800 (-0.1010).

**DRY WHEY:** Extra grade dry whey closed at \$0.6800. The weekly average for dry whey is \$0.6860 (-0.0010).

**BUTTER HIGHLIGHTS:** Stakeholders report steady domestic butter demand throughout the country. Manufacturers continue reporting retail sector activity outpacing food service sector activity. Export demand varies from steady to strong. Stakeholders indicate more challenging transportation logistics due to tighter space availability in shipping lanes and at ports. Cream production is meeting butter manufacturers' needs, but some are purchasing additional spot loads for their butter churns. Butter production is busy ahead of approaching holidays and seasonally tighter summertime cream volumes. 80 and 82 percent butterfat butter loads are available. Bulk butter overages range from four cents below to 5 cents above market across all regions.

**CHEESE HIGHLIGHTS:** Northeast milk production is strong, with cheesemakers running full schedules on contracted milk. Class III spot milk and condensed skim are scarce. May sales are improving, retail demand is lighter, bulk cheese demand is firm, and export interest exceeds supply. Central milk output is steady and above last year. Cheesemakers are running full schedules. The upcoming holiday is factoring into price variance for spot milk. Domestic demand is stronger and exports remain steady. Western milk production is meeting expectations, but is tight in some areas. Spot milk demand is moderate. Cheese production ranges steady to lighter ahead of the

holiday and spot inventories remain tight. Domestic demand is steady while export demand is steady to strong.

**FLUID MILK HIGHLIGHTS:** Farm milk production varies by region this week. California and some Southern states are experiencing steady to declining milk production while Northern states in the Central and East regions have strong milk volumes. Milk utilization is generally up with most manufacturers scaling up production prior to the upcoming holiday. Class I demand is steady to light. Bottling is expected to lighten as many educational institutions prepare for the summer break. Class II demand is strong. Many ice cream manufacturers are increasing production and as a result, buying spot loads of cream. Class III demand is steady. Class III spot milk is readily available, as many facilities are planning downtime this weekend for the holiday. Class IV demand is steady to strong. Powder production remains very active, as nonfat dry milk and buttermilk powder continue to draw high demand. Butter churns are active but only a handful of facilities are purchasing spot loads of cream. Condensed skim demand is strong and the spot market is active. Buyers are having difficulty finding volumes. Prices range from flat to \$0.25 over Class. Cream multiples for all Classes range: 1.18 – 1.43 in the East; 1.05 – 1.30 in the Midwest; 1.00 – 1.20 in the West.

**DRY PRODUCTS HIGHLIGHTS:** Nonfat dry milk prices were mixed this week. In the Central and East regions, price ranges moved higher across all heat levels, though the mostly range for low/medium heat held steady. In the West, low/medium heat prices were steady at the bottom but lower at the top of the range, while the mostly range eased at the bottom and edged slightly higher at the top. High heat prices in the West slipped modestly at both ends of the price range. Dry buttermilk prices varied across all regions, as the lower ends of the ranges moved upward, while the upper ends were steady to slightly lower.

CONTINUED ON PAGE 1A

**TABLE OF CONTENTS**

|   |   |   |    |                               |    |
|---|---|---|----|-------------------------------|----|
| Product Highlights/CME/DMN at a Glance        | 1 | Dry Whey/WPC 34%/Lactose/Casein                         | 6  | May Retail Prices             | 11 |
| Weekly CME Cash Trading/Butter Markets        | 2 | U.S Dairy Cow Slaughter/Class Milk Prices/NDPSR/Futures | 7  | Dairy Graphs                  | G1 |
| Cheese Markets                                | 3 | International Dairy Market News                         | 8  | Weekly Grocery Store Activity |    |
| Fluid Milk and Cream                          | 4 | June Advanced Prices                                    | 9  | Dairy Market News Contacts    |    |
| Nonfat Dry Milk/Dry Buttermilk/Dry Whole Milk | 5 | February Mailbox Milk Prices                            | 10 |                               |    |

**DAIRY MARKET NEWS PRICE SUMMARY FOR MAY 18 - 22, 2026  
PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

| Commodity             | Range           | Mostly         | Commodity             | Range          | Mostly          | Commodity               | Range          | Mostly        |
|-----------------------|-----------------|----------------|-----------------------|----------------|-----------------|-------------------------|----------------|---------------|
| <b>NDM</b>            |                 |                | <b>DRY BUTTERMILK</b> |                |                 | <b>LACTOSE</b>          |                |               |
| Central Low/Med. Heat | 2.2200 2.4000   | 2.2500 2.3000  | Central/East          | 1.7700 1.8900  |                 | Central/West            | 0.4500 0.7000  | 0.5500 0.6300 |
| Change                | 0.0200 0.0400   | N.C. N.C.      | Change                | 0.0300 N.C.    |                 | Change                  | -0.0100 0.0200 | N.C. N.C.     |
| Central High Heat     | 2.3700 2.4300   |                | West                  | 1.7800 1.9100  | 1.8000 1.8900   | <b>WPC 34%</b>          |                |               |
| Change                | 0.0200 0.0200   |                | Change                | 0.0300 -0.0100 | N.C. -0.0100    | Central/West            | 1.6300 2.0000  | 1.7000 1.8000 |
| West Low/Med. Heat    | 2.1500 2.3800   | 2.2200 2.3300  | <b>DRY WHEY</b>       |                |                 | Change                  | 0.0300 -0.0200 | N.C. N.C.     |
| Change                | N.C. -0.0200    | -0.0200 0.0100 | Central               | 0.5800 0.7100  | 0.6000 0.6800   | <b>CASEIN</b>           |                |               |
| West High Heat        | 2.3400 2.4325   |                | Change                | N.C. -0.0100   | N.C. N.C.       | Rennet                  | 3.8500 4.7500  |               |
| Change                | -0.0050 -0.0025 |                | West                  | 0.6600 0.8000  | 0.6800 0.7400   | Change                  | 0.2000 0.5000  |               |
| <b>DRY WHOLE MILK</b> |                 |                | Change                | N.C. N.C.      | -0.0100 -0.0100 | Acid                    | 3.9000 4.6000  |               |
| National              | 2.1500 2.6500   |                | Northeast             | 0.6000 0.6800  |                 | Change                  | N.C. N.C.      |               |
| Change                | 0.1000 N.C.     |                | Change                | N.C. N.C.      |                 | <b>ANIMAL FEED WHEY</b> |                |               |
|                       |                 |                |                       |                |                 | Central                 | 0.3500 0.3700  |               |
|                       |                 |                |                       |                |                 | Change                  | N.C. N.C.      |               |

**DAIRY MARKET NEWS PRICE SUMMARY FOR MAY 11 - MAY 22, 2026  
PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

| Commodity       | Range     | Commodity                | Range     | Commodity             | Range     |
|-----------------|-----------|--------------------------|-----------|-----------------------|-----------|
| <b>SMP</b>      |           | <b>WHOLE MILK POWDER</b> |           | <b>BUTTER</b>         |           |
| Europe          | 3300 3625 | Europe                   | 3750 4025 | W. Europe             | 4400 4625 |
| Change          | 25 25     | Change                   | -25 -50   | Change                | N.C. -225 |
| Oceania         | 3600 3775 | Oceania                  | 3700 3800 | Oceania               | 5750 5975 |
| Change          | 100 100   | Change                   | 50 50     | Change                | 100 -275  |
| S. America      | 3400 3850 | S. America               | 3600 4500 | <b>BUTTEROIL</b>      |           |
| Change          | N.C. N.C. | Change                   | N.C. N.C. | W. Europe             | 6675 6900 |
| <b>DRY WHEY</b> |           |                          |           | Change                | 425 325   |
| W. Europe       | 1725 2225 |                          |           | <b>CHEDDAR CHEESE</b> |           |
| Change          | 25 125    |                          |           | Oceania               | 4525 4750 |
|                 |           |                          |           | Change                | -25 -150  |

## CONTINUED FROM PAGE 1

Dry whey markets were mostly steady, with only slight declines at the top of the Central price range and in the mostly range for the West. Lactose prices eased at the bottom of the price range but strengthened at the top, while the mostly range remained unchanged. Whey protein concentrate (WPC) 34% prices narrowed, as the lower end of the range strengthened and the upper end softened, with the mostly range holding steady. Dry whole milk prices increased at the bottom of the range and were unchanged at the top. Acid casein prices were steady, while rennet casein prices recorded significant gains at both ends of the range.

**INTERNATIONAL DAIRY MARKET NEWS: WEST EUROPE:** European milk production is expected to contrast further through 2026 as producers and processors continue shifting more milk into higher-value cheese manufacturing rather than fluid products. Despite expectations for longer term contraction in EU milk production, near-term seasonal milk flows remain elevated across several key member states. Average EU milk prices have moved lower in recent months as expanding milk supplies and softer commodity markets weigh on farmgate returns across the region. **EAST EUROPE:** Poland continues to strengthen its position in the Eastern European cheese market, supplying nearly 85% of Ukraine's imported cheese volumes. Foot and mouth disease conditions in Greece have deteriorated as additional cases prompted tighter livestock movement restrictions. **OCEANIA: AUSTRALIA:** Through the remainder of the season, elevated costs and uncertain conditions may limit milk production. Dairy Australia also announced packaged milk sales data recently. In March 2026, milk sales totaled 204.3 million liters, up 5.6 million liters YoY. Export data from Dairy Australia for Australian milk exports state volumes from July 2025 - March 2026 totaled 130,556 metric tons. **NEW ZEALAND:** The 2025/2026 season milk price forecast has been revised up from \$9.73/kgMS to \$9.74/kgMS. New Zealand milk collections surged in April, with 160.5 million kgMS, up 6.9 percent YoY and 4.2 percent above the previous April record. **SOUTH AMERICA:** Milk production across Latin America continues posting year-over-year (YOY) gains, supported by generally favorable weather conditions. However, profitability is being negatively impacted by rising energy costs, affecting both corn based and pasture-based feeding systems. For the region, a pullback in demand is expected as consumers respond to rising inflation.

**ADVANCED CLASS PRICES (FMMO):** The base Class I price for June 2026 is \$22.18 per cwt, an increase of \$2.03 per cwt when compared to May 2026. A Class I differential for each order's principle pricing point (county) is added to the base price to determine the Class I Price. Class I Extended Shelf Life (ESL) Adjustment was -\$1.51 per hundredweight for the month of June 2026. The price per hundredweight decreased \$1.02 from the previous month. For June 2026, the advanced Class IV skim milk pricing factor is \$16.75 per cwt, the Class II skim milk price is \$17.45 per cwt, and the Class II nonfat solids price is \$1.8763 per pound. The two-week product price averages for June 2026 are: butter \$1.6463, nonfat dry milk \$2.0589, cheese \$1.6644, and dry whey \$0.6409.

**FEBRUARY MAILBOX MILK PRICES (FMMO):** In February 2026, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$17.45 per cwt, up \$0.72 from the January 2026 average and down \$5.87 per cwt from the February 2025 average. The component tests of producer milk in February 2026 were: butterfat, 4.43%; protein, 3.43%; and other solids, 5.77%.

**MAY RETAIL MILK PRICES (FMMO):** U.S. simple average prices are: \$3.93 per gallon for conventional whole milk, \$3.89 per gallon for conventional reduced fat 2% milk, \$5.25 per half gallon organic whole milk, and \$5.25 per half gallon organic reduced fat 2% milk.

**WEEKLY GROCERY STORE ACTIVITY:** In week 21, advertisements for conventional dairy products are up 39 percent, and organic ads increased 33 percent. Most conventional dairy products appeared in more ads this week, with ads decreasing for flavored milk and milk. In the organic aisle, the only commodity that appeared in fewer ads this week is yogurt.