USDA Agricultural Marketing Service
U.S. DEPARTMENT OF AGRICULTURE

DAIRY MARKET NEWS

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WEEK OF MARCH 23 - 27, 2026
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DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (3/27)
BUTTER: Grade AA closed at $1.8250. The weekly average for Grade AA is $1.8155 (-0.0030).
CHEESE: Barrels closed at $1.5650 and 40# blocks at $1.5825. The weekly average for barrels is $1.5710 (+0.0150) and blocks $1.6305 (+0.0145).
NONFAT DRY MILK: Grade A closed at $1.9225. The weekly average for Grade A is $1.9140 (+0.0880).
DRY WHEY: Extra grade dry whey closed at $0.6900. The weekly average for dry whey is $0.6760 (+0.0240).

BUTTER HIGHLIGHTS: Stakeholders in the West and East regions report steady domestic demand. Stakeholders in the Central region report strong retail demand and moderate food service demand. Export demand is mixed throughout the country. In some cases, increased transportation costs are negatively impacting demand from international buyers. Cream is tighter and significant spot volumes are not being brought into plants by butter manufacturers. Although some downtime due to snowstorms in the Central region were reported, butter production schedules are generally steady. Bulk butter overages range from 5 cents below to 8 cents above market across all regions.

CHEESE HIGHLIGHTS: Northeast cheese production remains strong, with plants running full schedules ahead of spring holiday downtime. Milk supplies are sufficient and demand is steady. Central region milk output is steady to higher with ample milk available. Spot Class III milk prices range from $6 under to flat Class. Cheese production is rebounding after last week's storm, though some new downtime is reported. Western milk output remains seasonally strong, keeping cheese production steady. Domestic demand is steady to strong, export interest is mixed, and firmer mozzarella exports are slightly tightening supplies.

FLUID MILK HIGHLIGHTS: Nationwide, milk production remains seasonally robust. Some areas are experiencing spring flush, bringing larger amounts of milk to production facilities. Milk components remain up from this time last year and cream production is strong. Class I is in a steady state. Some educational institutions are in spring break, so bottling production is temporarily down. Class II demand is strong. Many facilities are ramping up production in preparation for the upcoming spring holiday. Contacts report an increase in cream spot purchases for Class II use. Class III demand is steady. Retail and food service demand are up slightly, while bulk demand is steady. Class IV demand is strong. While most facilities are not purchasing spot loads of cream for butter making, production schedules are full. Milk powder is in high demand, and many manufacturers are taking advantage of the growing prices for nonfat dry milk and whole milk powder. Condensed skim demand is mixed. Some facilities are not selling condensed skim and choosing to focus on contractual obligations for milk powders, while others are selling condensed skim to Class II and Class III producers. Cream multiples for all Classes range: 1.15 – 1.40 in the East; 1.08 – 1.35 in the Midwest; 1.00 – 1.27 in the West.

DRY PRODUCTS HIGHLIGHTS: Nonfat dry milk prices posted strong gains across all regions, reaching their highest levels in two years. The largest increases occurred at the top of the high heat range in the Central and East regions and at the top of the mostly range for low/medium heat in the West. Tight inventories, particularly in the Central and East, continue to support upward movement. Dry buttermilk prices rose across all regions, with the most pronounced increases in the West.

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DAIRY MARKET NEWS PRICE SUMMARY FOR MARCH 23 - 27, 2026
PRICES ($/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity		Range		Mostly	
NDM					
Central Low/Med. Heat		1.8300	2.0000	1.9000	1.9700
	Change	0.1100	0.1600	0.1400	0.1700
Central High Heat		1.8900	2.0600		
	Change	0.1200	0.1800		
West Low/Med. Heat		1.8000	1.9700	1.8300	1.9300
	Change	0.1500	0.1400	0.1500	0.1800
West High Heat		1.9000	2.0300		
	Change	0.1500	0.1500		
DRY WHOLE MILK					
National		2.1000	2.5000		
	Change	-0.1500	0.0500		

Commodity		Range		Mostly	
DRY BUTTERMILK					
Central/East		1.4500	1.5600		
	Change	0.0500	0.0200		
West		1.4600	1.6100	1.4800	1.5800
	Change	0.0600	0.0600	0.0600	0.0600
DRY WHEY					
Central		0.5500	0.7100	0.5800	0.7000
	Change	N.C.	-0.0100	N.C.	N.C.
West		0.6100	0.7400	0.6300	0.7000
	Change	0.0100	N.C.	N.C.	N.C.
Northeast		0.5800	0.7200		
	Change	N.C.	N.C.		

Commodity		Range		Mostly	
LACTOSE					
Central/West		0.4000	0.6500	0.5100	0.5900
	Change	-0.0600	N.C.	N.C.	0.0400
WPC 34%					
Central/West		1.5000	1.7600	1.5500	1.7000
	Change	N.C.	0.0100	N.C.	N.C.
CASEIN					
Rennet		3.5000	4.0000		
	Change	N.C.	N.C.		
Acid		3.8500	4.2500		
	Change	N.C.	N.C.		
ANIMAL FEED WHEY					
Central		0.3500	0.3700		
	Change	N.C.	N.C.		

DAIRY MARKET NEWS PRICE SUMMARY FOR MARCH 16 - 27, 2026
PRICES ($/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity		Range	
SMP			
Europe		3025	3375
	Change	125	250
Oceania		3300	3575
	Change	300	200
S. America		3100	3800
	Change	100	100
DRY WHEY			
W. Europe		1250	1700
	Change	N.C.	175

Commodity		Range	
WHOLE MILK POWDER			
Europe		3875	4100
	Change	100	125
Oceania		3625	3850
	Change	-25	N.C.
S. America		3300	4500
	Change	N.C.	N.C.

Commodity		Range	
BUTTER			
W. Europe		4950	5525
	Change	-50	-50
Oceania		6850	7125
	Change	375	225
BUTTEROIL			
W. Europe		6525	6850
	Change	-450	-250
CHEDDAR CHEESE			
Oceania		4850	4975
	Change	50	N.C.

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Dry whey markets softened amid light to moderate domestic demand. Central prices slipped at the top of the range but were otherwise steady. The West saw a slight lift at the bottom of the range, while the top of the range and mostly series were unchanged. Prices remained firm in the East. The lactose price range widened as the top held steady and the bottom moved lower. The top of the mostly series increased, supported by strong demand, steady production, and limited inventories. Whey protein concentrate 34% saw a modest increase at the top of the price range, with the rest of the series steady amid healthy demand. Dry whole milk prices were mixed: the lower end eased, while the upper end advanced on firm demand and active trading. Acid and rennet casein prices were steady.

INTERNATIONAL DAIRY MARKET NEWS: WEST EUROPE: EU milk prices have held steady in early 2026, averaging around $42 cents per liter, as small country-level increases and decreases offset one another. Balanced supply and demand conditions across major producing regions have supported overall price stability despite minor local market adjustments. **EAST EUROPE:** Milk prices in Poland have declined sharply in early 2026, erasing gains built over the past two years as excess supply and limited export outlets weigh on the market. Falling farmgate values alongside firmer retail pricing have widened pressure on producers, while ongoing oversupply continues to challenge margins despite early signals of potential stabilization. **OCEANIA: AUSTRALIA**: Rainfall improved across much of Australia in February after a hot, dry January, though conditions varied by region. Grain and fodder prices edged down slightly, aside from mostly stable wheat values. Strong winter crop production continues to support supply, with the 2025-2026 wheat harvest projected to be the third largest on record. **NEW ZEALAND:** Export data for February 2026 was recently released for New Zealand. These data showed the value of milk powder, butter, and cheese exports in February 2026 totaled $2.1 billion, a decrease of 4.8 percent compared to February 2025. New Zealand's February milk production surged to record levels, with 183.8 million kilograms of milk solids (kgMS) collected, which is a 7.4 percent year on year increase and 7.6 percent above the five-year average. **SOUTH AMERICA:** Milk production in South America varies from steady to lighter as seasonal changes take hold. Argentina handlers note February 2026 milk production reached a twelve year high for the month, and milk solids are up by double digit percentages. Milk powder demands are mixed. Contacts indicate imports of mozzarella cheese are generally down year over year for South America. According to CLAL.it data, cheese production is up in major South America dairy-producing countries.

FEBRUARY MILK PRODUCTION (NASS): Milk production in the 24 major States during January totaled 17.6 billion pounds, up 3.1 percent from February 2025. January revised production, at 19.1 billion pounds, was up 3.6 percent from January 2025. The January revision represented an increase of 37 million pounds or 0.2 percent from last month's preliminary production estimate.

FEBRUARY COLD STORAGE (NASS): Total natural cheese stocks in refrigerated warehouses on February 28, 2026 were up 1 percent from the previous month and down 1 percent from February 28, 2025. Butter stocks were up 12 percent from last month and down 17 percent from a year ago.

DECEMBER MAILBOX MILK PRICES (FMMO): In December 2025, mailbox milk prices for selected reporting areas in Federal milk orders averaged $17.95 per cwt, down $0.39 from the November 2025 average and down $4.93 per cwt from the December 2024 average. The component tests of producer milk in December 2025 were: butterfat, 4.47%; protein, 3.47%; and other solids, 5.77%.

MARKET SUMMARY AND UTILIZATION: During February, 10.6 billion pounds of milk were received from Federally pooled producers. This volume of milk is 16.2 percent lower than the 2025 volume. Regulated handlers pooled 3.2 billion pounds of producer milk as Class I products, down 2.0 percent when compared to the previous year. The all-market average Class utilization percentages were: Class I = 30%, Class II = 16%, Class III = 47%, Class IV = 8%. The weighted average statistical uniform price was $16.71 per cwt, $0.64 higher than last month and $4.30 lower than last year.

MARCH RETAIL MILK PRICES (FMMO): U.S. simple average prices are: $3.67 per gallon for conventional whole milk, $3.61 per gallon for conventional reduced fat 2% milk, $5.24 per half gallon organic whole milk, and $5.24 per half gallon organic reduced fat 2% milk.

WEEKLY GROCERY STORE ACTIVITY: Total conventional dairy ads are down 37 percent, while organic ads declined 63 percent in week 13. Ads declined for most commodities this week, with only conventional cream cheese and organic sour cream ads increasing from the previous survey. Cheese remained the most advertised conventional commodity. In the organic aisle, milk appeared in more ads than any other commodity.