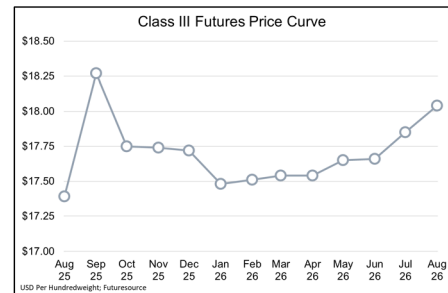
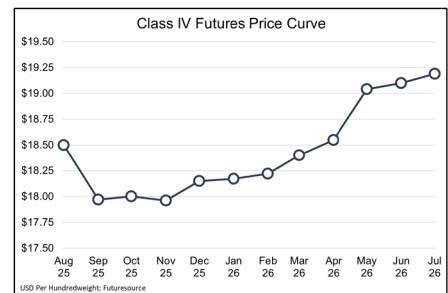
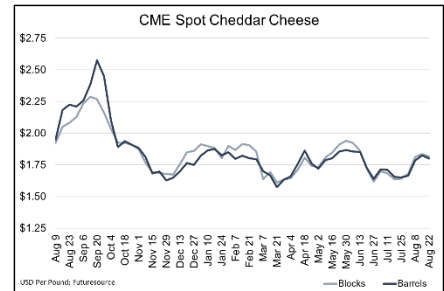




Weekly Dairy Market Report

August 22, 2025

- Dairy markets moved lower this week on the weight of supply. Spot block cheddar bounced up during the week, reaching as high as \$1.8675, but fell to close at \$1.7500 per pound, down 2.5 cents on the week. Barrels held firm until sliding on Friday to \$1.7600, down two cents. Butter was on a steady decline all week, closing at the lowest value since 2021 at \$2.2350, losing \$0.0650.
- US milk production impressed in July, gaining 3.4% from year-prior levels. The largest gains were in states with new plant capacity: Kansas (+18.6%), South Dakota (+10.6%) and Texas (+8.4%). California increased 3.8% due to excellent weather conditions during the month and ongoing recovery from avian influenza.
- Crop scouting tours this week revealed healthy yield potential but significant disease risk as the season end draws near. December corn futures gained \$0.0625 per bushel, rising to \$4.1150. November soybean contracts also lifted to \$10.5850 per bushel, up \$0.1600.
- At this week's Federal Reserve policy meeting in Jackson Hole, WY, Chairman Jerome Powell noted concerns about the labor market despite stubborn inflation and tariff risks, indicating interest rate cuts may be on the horizon as early as next month.



	Milk Futures				Grain Futures			US All Milk	USDA DMC
	Class III Futures	Weekly Change	Class IV Futures	Weekly Change	Corn	Soybeans	Soybean Meal	Based on Futures	Margin Estimate
Aug-25	\$17.39	\$0.00	\$18.50	-\$0.04				\$20.90	\$11.11
Sep-25	\$18.27	-\$0.07	\$17.97	-\$0.21	\$3.88	\$10.37	\$296.70	\$21.36	\$11.59
Oct-25	\$17.75	-\$0.29	\$18.00	-\$0.29			\$288.30	\$21.44	\$11.65
Nov-25	\$17.74	-\$0.36	\$17.96	-\$0.31		\$10.59		\$21.66	\$11.78
Dec-25	\$17.72	-\$0.35	\$18.15	-\$0.35	\$4.12		\$291.50	\$21.72	\$11.74
Jan-26	\$17.48	-\$0.24	\$18.17	-\$0.28		\$10.77	\$294.30	\$21.63	\$11.57
Feb-26	\$17.51	-\$0.26	\$18.22	-\$0.33				\$21.65	\$11.50
Mar-26	\$17.54	-\$0.30	\$18.40	-\$0.15	\$4.29	\$10.90	\$299.60	\$21.46	\$11.23
Apr-26	\$17.54	-\$0.33	\$18.55	-\$0.29				\$21.25	\$10.95
May-26	\$17.65	-\$0.25	\$19.04	-\$0.01	\$4.39	\$11.00	\$304.80	\$21.22	\$10.85
Jun-26	\$17.66	-\$0.29	\$19.10	-\$0.02				\$21.13	\$10.71
Jul-26	\$17.85	-\$0.23	\$19.19	-\$0.10	\$4.46	\$11.07	\$309.70	\$21.15	\$10.67
Average	\$17.68		\$18.44		\$4.23	\$10.78	\$297.84	\$21.38	\$11.28

Tale of the Tape					
Market	This Week			Last Year	
	This Week	Last Week	Change	Last Year	Change
Barrel Cheddar (CME Average, USD/LB)	\$ 1.8000	\$ 1.8250	-1%	\$ 2.2250	-19%
Block Cheddar (CME Average, USD/LB)	\$ 1.8155	\$ 1.8345	-1%	\$ 2.0820	-13%
Butter (CME Average, USD/LB)	\$ 2.2835	\$ 2.3010	-1%	\$ 3.1590	-28%
Nonfat Dry Milk (CME Average, USD/LB)	\$ 1.2625	\$ 1.2605	0%	\$ 1.2790	-1%
Dry Whey (CME Average, USD/LB)	\$ 0.5775	\$ 0.5965	-3%	\$ 0.5610	+3%
WPC34 (AMS Central/West AOM, USD/LB)	\$ 1.5750	\$ 1.5750	0%	\$ 0.9950	+58%
Lactose (AMS West AOM, USD/LB)	\$ 0.4400	\$ 0.4350	+1%	\$ 0.3375	+30%
Dry Buttermilk (AMS West AOM, USD/LB)	\$ 1.2150	\$ 1.2150	0%	\$ 1.1850	+3%
Midwest Class II Cream (AMS Multiple)	1.29	1.29	0%	1.41	-8%
Midwest Spot Milk Basis (AMS, USD/CWT)	+\$1.38	-\$0.50	+376%	+\$2.63	-48%
Class III Milk Futures (CME, Contract 2, USD/CWT)	\$ 18.26	\$ 18.34	0%	\$ 21.79	-16%
Class IV Milk Futures (CME, Contract 2, USD/CWT)	\$ 17.97	\$ 18.18	-1%	\$ 22.27	-19%
Cheese Futures (CME, Contract 2, USD/LB)	\$ 1.8610	\$ 1.8650	0%	\$ 2.1300	-13%
Butter Futures (CME, Contract 2, USD/LB)	\$ 2.3503	\$ 2.4075	-2%	\$ 3.1750	-26%
Nonfat Dry Milk Futures (CME, Contract 2, USD/LB)	\$ 1.2715	\$ 1.2803	-1%	\$ 1.2698	0%
Dry Whey Futures (CME, Contract 2, USD/LB)	\$ 0.5760	\$ 0.5900	-2%	\$ 0.5400	+7%