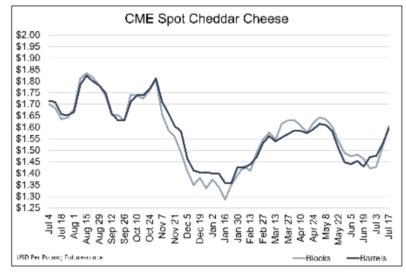
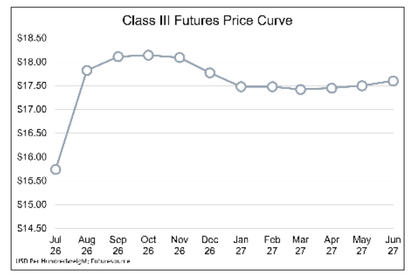
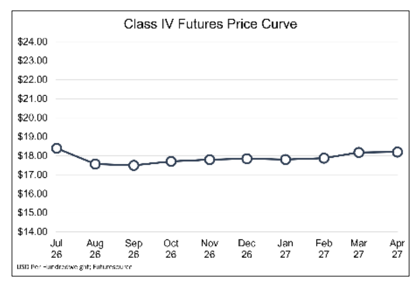
Weekly Dairy Market Report

July 20, 2026







- A heat wave across parts of the US is tapping the breaks on milk production. The cheese market reacted to potentially tighter supply, as spot blocks added $0.0800 from last Friday, closing at $1.6275 per pound. Barrels rose $0.0525 from the week prior to $1.6125 per pound. Butter tumbled to $1.5900 per pound, down $0.0600 from last Friday. Nonfat dry milk dropped to $1.4700 per pound, a $0.0850 decline.
- Midwest spot milk prices climbed to a midpoint of +$1.50 per hundredweight, up from $1.00 last week. Class II cream multipliers in the Northeast jumped to 143, likely adding some support to the Central Class II move to 135. Extreme heat is also putting pressure on global milk supplies. Weekly data from early July showed output in the UK down 5.3% year-over-year, while France output trailed last year by 3.4%.
- The September corn contract fell to $4.3375 per bushel, down $0.0425 from last Friday. August soybeans closed at $12.0725 per bushel, $0.1075 higher on the week.
- June inflation was in line with expectations, with the Consumer Price Index up 3.5% year-over-year. Overall food prices were 3.0% higher than in 2025. Retail spending rose 6.7% to $768.6 billion. Grocery store spending increased 0.9% on the year. Restaurant spending climbed 3.8% year-over-year.

	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
Jul-26	$15.74	+$0.07	$18.40	$0.00				$18.92	$9.85
Aug-26	$17.82	+$1.19	$17.57	--$0.53		$12.05	$320.20	$19.19	$10.29
Sep-26	$18.11	+$1.00	$17.50	--$0.89	$4.45	$11.94	$317.10	$19.68	$10.67
Oct-26	$18.14	+$0.72	$17.71	--$0.64			$314.90	$20.24	$11.11
Nov-26	$18.09	+$0.35	$17.80	--$0.51		$12.03		$20.68	$11.45
Dec-26	$17.77	+$0.09	$17.85	--$0.23	$4.68		$318.50	$20.76	$11.41
Jan-27	$17.48	+$0.09	$17.81	--$0.11		$12.17	$320.30	$20.52	$11.11
Feb-27	$17.48	+$0.08	$17.88	--$0.28				$20.35	$10.87
Mar-27	$17.42	+$0.02	$18.18	--$0.02	$4.83	$12.20	$321.90	$20.17	$10.64
Apr-27	$17.45	+$0.05	$18.20	--$0.07				$19.92	$10.37
May-27	$17.50	+$0.10	$18.40	+$0.03	$4.92	$12.25	$323.40	$19.80	$10.18
Average	**$17.55**		**$17.98**		**$4.72**	**$12.11**	**$319.47**	**$20.02**	**$10.72**

Tale of the Tape

Market	This Week	Last Week	Change	Last Year	Change
Barrel Cheddar (CME Average, USD/LB)	$ 1.5950	$ 1.5270	+4%	$ 1.6560	-4%
Block Cheddar (CME Average, USD/LB)	$ 1.6055	$ 1.5150	+6%	$ 1.6355	-2%
Butter (CME Average, USD/LB)	$ 1.6085	$ 1.6500	-3%	$ 2.5385	-37%
Nonfat Dry Milk (CME Average, USD/LB)	$ 1.5045	$ 1.5160	-1%	$ 1.2805	+17%
Dry Whey (CME Average, USD/LB)	$ 0.6940	$ 0.6790	+2%	$ 0.5685	+22%
WPC34 (AMS Central/West AOM, USD/LB)	$ 1.9250	$ 1.9000	+1%	$ 1.7900	+8%
Lactose (AMS West AOM, USD/LB)	$ 0.6500	$ 0.6400	+2%	$ 0.4300	+51%
Dry Buttermilk (AMS West AOM, USD/LB)	$ 1.1450	$ 1.6900	-32%	$ 1.2200	-6%
Midwest Class II Cream (AMS Multiple)	1.35	1.31	+3%	1.28	+6%
Midwest Spot Milk Basis (AMS, USD/CWT)	+$1.50	+$1.00	+50%	-$0.50	+400%
Class III Milk Futures (CME, Contract 2, USD/CWT)	$ 17.80	$ 16.63	+7%	$ 17.77	0%
Class IV Milk Futures (CME, Contract 2, USD/CWT)	$ 17.57	$ 18.03	-3%	$ 19.15	-8%
Cheese Futures (CME, Contract 2, USD/LB)	$ 1.7190	$ 1.6240	+6%	$ 1.8160	-5%
Butter Futures (CME, Contract 2, USD/LB)	$ 1.6700	$ 1.7300	-3%	$ 2.5835	-35%
Nonfat Dry Milk Futures (CME, Contract 2, USD/LB)	$ 1.5160	$ 1.5590	-3%	$ 1.3110	+16%
Dry Whey Futures (CME, Contract 2, USD/LB)	$ 0.6750	$ 0.6525	+3%	$ 0.5580	+21%