



WEEKLY DAIRY OUTLOOK

February 16th, 2026

This short weekly newsletter provides you with a summary of current dairy prices, translates product prices into component prices, and summarizes major dairy related news.

Table 1. Spot dairy products prices on Friday February 6th and Friday February 13th and their implied component prices.

	February 6 2026	February 13 2026	Change	Month to date
CME cheddar blocks (\$/lb)	1.4725	1.3875	-0.0850	1.4300
CME butter (\$/lb)	1.7100	1.7050	-0.0050	1.7075
CME Dry whey (\$/lb)	0.7300	0.7200	-0.0100	0.7250
CME Nonfat dry milk (\$/lb)	1.6400	1.6000	-0.0400	1.6200
-----	-----	Implied Prices	-----	-----
Butterfat (\$/lb)	1.80	1.79	-0.01	1.80
Protein (\$/lb)	2.05	1.78	-0.27	1.92
Other solids (\$/lb)	0.48	0.47	-0.01	0.48
Nonfat solids (\$/lb)	1.39	1.35	-0.04	1.37
Class III (\$/cwt)	14.53	14.62	-0.94	15.09
Class IV (\$/cwt)	16.58	18.35	-0.38	18.54

Comments

Both the cash and futures markets were down on the CME last week. At closing time on Friday, the cash butter price had dropped less than a penny from the closings last Friday. This small change masks the wide price gyrations seen during the week in a very busy market where 113 loads of butter changed hands. The sharp rise of nonfat dry milk price on the cash market seen during the last few weeks came to an end. Most people agree that this rise was due to short-term factors; \$1.60/lb is simply not sustainable given current world prices.

Table 2. Six-month strip of dairy futures at closing time last Friday, and changes in their 6-month averages from the prior Friday closings¹.

	Cheese (\$/lb)	Butter (\$/cwt)	Dry Whey (\$/cwt)	NFDM (\$/cwt)	Class III (\$/cwt)	Class IV (\$/cwt)
February	1.444	162.500	69.250	132.275	15.05	15.53
March	1.535	188.500	68.250	148.500	15.96	18.16
April	1.594	194.500	66.250	142.750	16.42	17.90
May	1.64	196.500	64.250	139.175	16.77	17.68
June	1.693	199.600	63.425	138.000	17.25	17.76
July	1.727	206.000	63.325	139.425	17.57	17.96
Average	1.606	191.268	65.792	140.021	16.50	17.50
Weekly Change	-0.053	-3.296	+0.008	-5.692	-0.59	-0.73

¹ Futures prices on the Chicago Mercantile Exchange

Based on the next 6-month of futures, the implied 6-month prices of milk components used in Class III and nonfat solids used in Class I, II, and IV pricings, Class I Base Skim, and projected Base Class I are reported in Table 3. Note that the February Class I Base Skim and Class I Butterfat prices were released on January 23 (the \$9.99/cwt in Table 3 for skim, and \$1.4446/lb for butterfat, the latter not being reported in the Table, but used to calculate the \$14.70/cwt for the February Base Class I price, which in this instance is not a projection but an actual price since Class I price is forward priced).

Table 3. Translation of futures dairy product prices into implied futures component prices and Class I Base Skim Mover (numbers in italics have already been announced by USDA).

	Butterfat (\$/lb)	Protein (\$/lb)	Other Solids (\$/lb)	Nonfat Solids (\$/lb)	Class I Base Skim (\$/cwt)	Projected Base Class I (\$/cwt) ¹
February	1.69	2.06	0.44	1.07	9.99	14.70
March	2.01	2.02	0.43	1.23	9.98	15.55
April	2.08	2.14	0.41	1.18	11.47	18.09
May	2.10	2.26	0.39	1.14	10.94	17.84
June	2.14	2.39	0.38	1.13	10.61	17.60
July	2.22	2.42	0.38	1.14	10.50	17.63
Average	2.04	2.22	0.40	1.15	10.58	16.90
Weekly Change	-0.04	-0.13	+0.00	-0.06	-0.43	-0.56

¹ Adding the location specific Class I differential to the Projected Base Class I would give a 'raw' projected Class I price for a given location. It is a 'raw' projection because this does not include any processor assessments and Class I ESL adjustments. Class I is for milk standardized to 3.5% butterfat and 96.5% skim.

See <https://www.ams.usda.gov/sites/default/files/media/ProposedClassIDifferentialsMap.pdf> for a map of Class I differentials.

- Table 4 reports price quotations for butter, skim milk powder/nonfat dry milk (SMP/NFDM), whole milk powder (WMP), and cheddar from the top three exporting blocks of countries (the European Union taken as a whole) in early-February, and their relative biweekly price changes.

Table 4. World price quotations of 4 major dairy commodities as of February 1, 2026.

	US\$/lb			Biweekly Change (%)		
	E.U.	Oceania	U.S.	E.U.	Oceania	U.S.
Butter	2.23	2.42	1.56	-0.9	+1.7	+18.4
SMP/NFDM	1.12	1.20	1.39	+2.4	+3.4	+11.2
WMP	1.66	1.54	1.91	+3.5	+3.0	+4.9
Cheddar	2.01	2.10	1.39	+1.8	-1.1	+8.4

Source: DG Agri