



## WEEKLY DAIRY OUTLOOK

March 16<sup>th</sup>, 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 March 6<sup>th</sup> and Friday March 13<sup>th</sup>, and their implied component prices.

	March 6 2026	March 13 2026	Change	Month to date
CME cheddar blocks (\$/lb)	1.6175	1.5300	-0.0875	1.5738
CME butter (\$/lb)	2.0100	1.8475	-0.1625	1.9288
CME Dry whey (\$/lb)	0.6400	0.6600	+0.0200	0.6500
CME Nonfat dry milk (\$/lb)	1.6800	1.7650	+0.0850	1.7225
-----	-----	<b>Implied Prices</b>	-----	-----
Butterfat (\$/lb)	2.16	1.96	-0.20	2.06
Protein (\$/lb)	2.13	2.05	-0.08	2.09
Other solids (\$/lb)	0.38	0.40	+0.02	0.39
Nonfat solids (\$/lb)	1.43	1.51	+0.08	1.47
Class III (\$/cwt)	15.56	15.76	-0.80	16.16
Class IV (\$/cwt)	20.36	20.42	+0.06	20.39

### Comments

On the CME cash markets last week, powders were up while cheese and especially butter prices went down. The butter cash market was particularly active with 75 loads exchanging hands during the week. As for the futures, the 6-month strip (**6-m-s**) of butter futures took a tumble, losing 10¢/lb (5.2%) during the week. The drop in the 6-m-s of cheese futures was more subdued. Altogether, the 6-m-s of commodity futures translated to a drop of 13¢/lb on the implied 6-m-s of butterfat. The 6-m-s of nonfat solids surged 11¢/lb (+8.9%). Sadly, many producers will not benefit from the strong Class IV prices because much of the milk going to Class IV will be de-pooled.

Table 2. Six-month strip of dairy futures at closing time last Friday, and changes in their 6-month averages from the prior Friday closings<sup>1</sup>.

	Cheese (\$/lb)	Butter (\$/cwt)	Dry Whey (\$/cwt)	NFDM (\$/cwt)	Class III (\$/cwt)	Class IV (\$/cwt)
March	1.566	193.775	67.000	158.000	16.18	19.35
April	1.623	190.000	66.000	167.750	17.27	20.05
May	1.677	196.000	65.000	167.750	17.27	20.05
June	1.730	199.000	64.750	163.575	17.77	19.55
July	1.768	203.000	64.500	158.500	18.14	19.49
August	1.767	206.000	64.000	155.500	18.32	19.35
Average	1.689	197.963	65.208	161.829	17.39	19.62
Weekly Change	-0.043	-10.958	+1.575	+11.317	-0.08	+0.38

<sup>1</sup> 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 March Class I Base Skim and Class I Butterfat prices were released on February 19 (the \$9.91/cwt in Table 3 for skim, and \$1.6887/lb for butterfat, the latter not being reported in the Table, but used to calculate the \$15.47/cwt for the March 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) <sup>1</sup>
March	2.07	2.05	0.42	1.33	<i>9.91</i>	<i>15.47</i>
April	2.03	2.29	0.40	1.42	12.34	19.16
May	2.10	2.39	0.39	1.42	13.23	19.86
June	2.13	2.52	0.39	1.38	13.24	20.12
July	2.18	2.59	0.39	1.33	12.86	19.88
August	2.22	2.55	0.38	1.30	12.39	19.60
Average	2.12	2.40	0.40	1.37	12.33	19.01
Weekly Change	-0.13	+0.00	+0.02	+0.11	+0.88	+0.46

<sup>1</sup> 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 March, and their relative biweekly price changes.

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

	US\$/lb			Biweekly Change (%)		
	E.U.	Oceania	U.S.	E.U.	Oceania	U.S.
Butter	2.23	2.81	1.83	+0.7	+10.2	+9.7
SMP/NDM	1.27	1.34	1.68	+5.3	+3.1	+4.9
WMP	1.71	1.64	2.17	+3.6	+3.6	+3.3
Cheddar	1.79	2.14	1.55	-1.8	-0.5	+9.6

Source: DG Agri

- Milk collections during the month of **January 2026** for the 26 countries making the European Union totaled 12,235,000 metric tons (26.97 billion pounds), reportedly **up an astounding 528,000 tons (+1.2 billion pounds) or +4.51% from January 2025**. Five countries accounted for 69.9% of the total milk collected (Germany, France, The Netherlands, Poland, and Italy). Altogether, collections in these 5 countries were up 5.27% (427,700 metric tons, or 942.9 million pounds) from last year.

Milk deliveries were up in 19 of the 26 countries.

On a percentage basis, the 3 countries with the largest increase were: Belgium (+10.2%), Cyprus (9.1%), and Austria (+8.8); the 3 countries with the largest decrease were: Estonia (-15.6%), Romania (-10.2%), and Latvia (-4.6%).

On a volume basis, the 3 countries with the largest increase were: Germany (+146,300MT); France (+117,500 MT), and The Netherlands (+69,200 MT); the 3 countries with the largest decline were: Estonia (-15,600 MT), Romania (-10,200 MT), and Latvia (-3,200 MT).

