PERDUE Animal Nutrition

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WEEKLY DAIRY OUTLOOK

November 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 November 6th and Friday November 13th, and their implied component prices.

	November 6 2026	November 13 2026	Change	Month to date
CME Cheddar blocks ($/lb)	1.5675	1.6175	+0.0500	1.5925
CME Butter ($/lb)	1.2650	1.2400	-0.0250	1.2525
CME Dry whey ($/lb)	0.8400	0.9100	+0.0700	0.8750
CME Nonfat dry milk ($/lb)	2.1975	2.0350	-0.1625	2.1163
-------	--------	Implied Prices	--------	-------
Butterfat ($/lb)	1.26	1.23	-0.03	1.25
Protein ($/lb)	2.93	3.12	+0.19	3.03
Other solids ($/lb)	0.59	0.66	+0.07	0.63
Nonfat solids ($/lb)	1.94	1.78	-0.16	1.86
Class III ($/cwt)	17.14	18.07	+0.93	17.61
Class IV ($/cwt)	21.80	20.25	-1.55	21.03

Comments

Butter price dropped on the CME cash market, but the 6-month strip of butter gained a couple pennies per pound. Meanwhile, cheese prices showed a modest recovery on both markets. Cash dry whey price exceeds futures, even nearby ones, although there were only 3 loads of dry whey exchanging hands during the entire week. As for nonfat dry milk, trading on the cash market was active with 25 loads changing hands. Prices of NFDM softened on both markets, although they remained historically insanely high. Although cheese prices are low, butter prices are even lower, which explains why the implied protein prices are in fact quite good.

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[1].

	Cheese ($/lb)	Butter ($/cwt)	Dry Whey ($/cwt)	NFDM ($/cwt)	Class III ($/cwt)	Class IV ($/cwt)
November	1.661	131.500	75.625	206.925	17.58	20.80
December	1.606	134.000	79.500	193.250	17.28	19.80
January	1.552	136.900	79.500	188.750	16.68	19.50
February	1.551	140.000	78.000	185.500	16.68	19.28
March	1.582	148.500	79.000	182.650	16.99	19.49
April	1.601	152.575	78.000	181.600	17.12	19.48
Average	1.592	140.579	78.271	189.779	17.06	19.73
Weekly Change	+0.035	+2.721	+0.671	-3.037	+0.08	-0.06

[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, base Class I Skim mover, and base Class I are reported in Table 3. Note that the November base Class I Skim and base Class I Butterfat prices were released on October 21st (the $16.03/cwt in Table 3 for skim, and $1.3730/lb for butterfat, the latter not being reported, but used to calculate the $20.27/cwt for the November base Class I price, which in this instance is not a projection but an actual price since Class I milk is forward priced).

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

	Butterfat ($/lb)	Protein ($/lb)	Other Solids ($/lb)	Nonfat Solids ($/lb)	Base Class I Skim Mover ($/cwt)	Projected Base Class I ($/cwt)[1]
November	1.32	3.17	0.50	1.81	*(16.03)*	*(20.27)*
December	1.35	2.96	0.54	1.68	16.85	20.87
January	1.38	2.74	0.54	1.63	15.59	19.76
February	1.42	2.70	0.53	1.60	15.17	19.48
March	1.52	2.69	0.54	1.57	14.88	19.33
April	1.57	2.70	0.53	1.56	14.61	19.43
Average	1.43	2.83	0.53	1.64	15.52	19.86
Weekly Change	+0.03	+0.08	+0.01	-0.03	-0.24	-0.15

[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-November, and their relative biweekly price changes.

Table 4. World price quotations of 4 major dairy commodities as of November 8, 2026.

	US$/lb			Biweekly Change (%)		
	E.U.	Oceania	U.S.	E.U.	Oceania	U.S.
Butter	2.01	2.10	1.29	-0.8	-3.1	-4.4
SMP/NDM	1.74	1.83	2.18	+4.5	+7.0	+1.0
WMP	1.98	1.75	2.43	+0.7	+5.8	-1.6
Cheddar	1.64	1.84	1.58	+0.2	+3.5	-9.0

Source: DG Agri