



Dairy Markets at a Glance

Agricultural Marketing Service
Dairy Market News

Report 29

July 18, 2025

MMN Slug ID 1054 / Slug Name: MD_DA950

Email us with accessibility issues with this report.

CME GROUP CASH MARKETS (7/18)

BUTTER: Grade AA closed at \$2.5125. The weekly average for Grade AA is \$2.5385 (-0.0575).

CHEESE: Barrels closed at \$1.6600 and 40# blocks at \$1.6425. The weekly average for barrels is \$1.6560 (-0.0540) and blocks \$1.6355 (-0.0480).

NONFAT DRY MILK: Grade A closed at \$1.2900. The weekly average for Grade A is \$1.2805 (+0.0145).

DRY WHEY: Extra grade dry whey closed at \$0.5575. The weekly average for dry whey is \$0.5685 (-0.0180).

BUTTER HIGHLIGHTS: Stakeholders for all three regions report steady domestic demand, and retail demand is more robust than food service demand. Competitive US butter prices are keeping export demand strong. Although spot loads of cream are available, some butter producers report spot cream loads that are affordable are not. Butter production schedules are mixed. Some butter manufacturers note churns are not running at full capacities. Bulk butter overages range from 7 cents below to 5 cents above market across all regions.

CHEESE HIGHLIGHTS: Last week, the CME weekly average fell for both block and barrel cheese. The trend continues this week. The price for barrels is currently \$0.04 below last week's average. For blocks, the price is nearly \$0.06 below last week's average. Contract loads for Class III are sufficient to meet current demand. Contacts in the Midwest report milk temperatures in recent weeks contributed to a slight uptick in milk output, but remains down from June. As of reporting, Class III milk prices range from \$3-under to flat. Downtime at some plants is contributing to lighter regional output. Export cheese demand is strong, as cheese produced domestically is currently offered at lower prices than cheese produced internationally. Cheese production is steady in the West, though some plant managers say declining milk output is causing them to look for spot milk volumes to maintain production schedules. Cheese is available for purchase, though manufacturers note strong export demand is keeping inventories for some varieties of cheese tighter than others.

FLUID MILK HIGHLIGHTS: Nationwide, rising temperatures contributed to a decrease in milk volume this week, except for the Midwest, which is holding steady due to milder weather conditions. Milk components are declining during the summer months but remain higher than this time last year. Class I milk production remains low, though contacts say they anticipate interest to pick up near the end of July. Class II production is strong. Ice cream manufacturers are nearing the peak of the summer and are increasing production. Producers are pulling additional cream, condensed skim and condensed buttermilk. Spot loads of each product are available for ice cream manufacturing. Class III production is steady to strong this week. Some facilities are pulling larger than normal amounts of condensed skim in addition to spot loads of milk. Class III spot load prices range from \$3 under to \$2 over this week. Class IV production is slowing nationwide. Manufacturers are purchasing spot loads of milk to keep churns full. Cream multiples increased nationwide. Condensed skim is tight, and sales are strong. Class II and Class III purchases of condensed skim were reported. Condensed skim price range went from \$.20 over to \$.35 over Class price. Cream multiples for all Classes range 1.17-1.35 in the East, 1.20-1.32 in the Midwest, and 1.07-1.27 in the West.

DRY PRODUCTS HIGHLIGHTS: In the West, low/medium heat NDM prices were unchanged, but prices moved higher in the Central and East regions this week. Contacts report low/medium heat NDM production is steady in the Central and East regions but is mixed in the West. Prices increased at the bottom of the Central and East high heat NDM price range, but were unchanged at the top and across the range in the West. Across all regions, dry buttermilk prices were steady this week. Dry whole milk prices increased this week. Production is primarily focused on meeting contractual demands, leaving inventories tight, despite light demand. Dry whey prices were unchanged this week. In the East and West regions, contacts reported lighter spot trading this week. The price ranges for both whey protein concentrate 34% and lactose were unchanged, but the mostly price series moved lower for both commodities. Lactose inventories are tight and domestic demand is strong. The price ranges for acid and rennet casein both held steady this week.

INTERNATIONAL DAIRY MARKET NEWS: WEST EUROPE: Drought in Europe for mid-June shows slowly improving conditions in central Europe, while in eastern Europe the situation is continuously worsening. During a 10-day period in June, temperatures were above seasonal averages in most of southern Europe and in southern Scandinavia, with severe heatwaves in southern France and Italy. EAST EUROPE: According to CLAL data made available to USDA, the year-to-date milk deliveries and percentage changes from January-May 2025 for some of the top Eastern EU milk producers are Poland, 5,846,000 MT, +0.8 percent; Czech Republic, 1,423,000 MT, -1.8 percent; and Hungary, 777,000 MT, +3.0 percent. OCEANIA: AUSTRALIA: The June 2025 Production Inputs Monitor report was recently released by Dairy Australia. Except for Victoria, all Australian states recorded below-average rainfall totals in June, maintaining dry conditions throughout most of the country. The Australian Competition and Consumer Commission (ACCC) announced it would not block a large, non-Australian firm from purchasing several businesses belonging to an Oceania-based cooperative. NEW ZEALAND: New Zealand dairy farmers took advantage of strong milk prices throughout the 2024/25 marketing year to pay down debt and increase investments. Between October 2024 and March 2025, New Zealand dairy farmers paid down \$1.7 billion of debt according to a recent report. Following GDT event 384, a group in New Zealand that forecasts milk prices increased their milk price forecast for the 2025/2026 season by 3 cents from \$10.08 per kilogram milk solids (kgMS) to \$10.11/kgMS. SOUTH AMERICA: South American milk production is strengthening during their high season. Industry sources indicate cow comfort is leading to better milk output and higher composition of the milk. Skim and whole milk powder demands for export are mixed. Contacts indicate that buyers are not very active and only buying



Dairy Markets at a Glance

Agricultural Marketing Service
Dairy Market News

Report 29

July 18, 2025

MMN Slug ID 1054 / Slug Name: MD_DA950

to fill immediate needs.

JUNE PRODUCER PRICE INDEX: The June PPI for all food is 270.9, up 4.6 percent from 2024. The dairy products index is 245.7, up 0.2 percent from a year ago. The following are the June, year to year percentage changes for selected products: fresh whole milk is -1.1; cheese, +3.9; and butter, -19.3.

JUNE CONSUMER PRICE INDEX: The June CPI for all food is 339.5, up 3.0 percent from 2024. The dairy products index is 270.6, up 0.9 percent from a year ago. The following are the June, year to year percentage changes for selected products: fresh whole milk is -0.4; cheese, +2.9; and butter, -0.4.

MAY MILK SALES (FMMO): 3.6 billion pounds of packaged fluid milk products were shipped by milk handlers in May 2025. This was 0.9 percent lower than a year earlier. Estimated sales of total conventional fluid milk products decreased 0.7 percent from May 2024 and estimated sales of total organic fluid milk products decreased 4.0 percent from a year earlier.

NATIONAL RETAIL REPORT: In the week 29 retail survey, conventional dairy ads are up 6 percent, while organic ads declined 41 percent. Cheese overtook ice cream as the most advertised conventional dairy commodity. Ads for conventional milk are down 63 percent this week. Total organic gallon milk ads are down 72 percent. The organic premium for gallon milk is \$4.66. Yogurt is the third most advertised conventional commodity, and the second most advertised organic commodity this week.

NOTICE: At the end of this Fiscal Year, September 30, 2025, the ESMIS (Economics, Statistics, and Market Information System) which is maintained by Mann Library at Cornell University, will be discontinued. As a current patron/subscriber to AMS reports from this site, we wanted to share with you that AMS offers the same email subscription service through our My Market News Portal. Below is a link with instructions on how to create a My Market News Account, along with the other benefits of having an account, including an API key to access our data from the My Market News API. We do apologize for this inconvenience and are here to assist in this transition. My Market News Account Benefits and Creation: <https://mymarketnews.ams.usda.gov/faqs/what-my-market-news-account-and-what-are-benefits>

Information for the period July 14 - 18, 2025, issued weekly

Published by:

Dairy Market News - Madison, WI
ANDREW MATTHEIS, 608-422-8590
Email: andrew.mattheis@usda.gov

Additional Dairy Market News Information:

Dairy Market News (DMN) by Phone: (608)422-8587

DMN Website: <https://www.ams.usda.gov/market-news/dairy>

DMN (My Market News): <https://mymarketnews.ams.usda.gov>

<https://mymarketnews.ams.usda.gov/viewReport/1054>