

## Weekly Update

**Date:** July 18, 2025  
**To:** CDI Member-Owners  
**From:** CDI Staff  
**Subject:** CDI Weekly Update

**We apologize for the delay which was caused by technical issues at our technology providers**

### COMMODITY MARKETS

**Butter** – Spot butter finished down 7.75¢ versus last Friday's close, settling at \$2.5125. Meanwhile, the forward curve shed 8-9¢ across 2025 futures contracts. Despite this weakness, the story in butter remains largely unchanged versus prior week. May butter stocks were reported down 4.8% YoY, yet buyers haven't had trouble securing product. Exports are well above PY levels, but well short of industry expectations given the tremendous discount to world pricing. Many in the industry are expecting California milk production to see marked improvement in June's report, which has likely been priced in amidst the recent fall. The butter market has forged its way lower as participants try to square recent fundamentals that lean supportive and an expectation for supply-side length to weigh on the market in coming months.

Projected/Actual Milk Prices (Actual Bold, Estimate Italicized)					
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Advance Price (cwt)	\$ 18.30	\$ 17.43	\$ 17.66	\$ 18.11	\$ 18.51
Butterfat Price (lb)	\$ 2.8614	\$ 2.8492	\$ 2.8738	\$ 2.9325	\$ 2.9346
Protein Price (lb)	\$ 1.8818	\$ 2.0018	\$ 2.1442	\$ 2.2308	\$ 2.2189
Other Solids Price (lb)	\$ 0.3123	\$ 0.2999	\$ 0.2865	\$ 0.2762	\$ 0.2688
LA County PPD (cwt)	\$ 1.23	\$ 1.34	\$ 1.23	\$ 1.20	\$ 1.04
Tulare County PPD (cwt)	\$ 0.63	\$ 0.74	\$ 0.63	\$ 0.60	\$ 0.44
Tulare Co. Blend* (cwt)	\$ 18.05	\$ 18.41	\$ 18.73	\$ 19.11	\$ 18.88
FMMO Class III	\$ 17.43	\$ 17.66	\$ 18.11	\$ 18.51	\$ 18.44
FMMO Class IV	\$ 19.01	\$ 19.14	\$ 19.37	\$ 19.62	\$ 19.63
Next Two Payment Dates	July 21, 2025 (June Final)* July 31, 2025 (July Advance) *July 19 falls on a weekend				
*Blend price is after the PPD is accounted for, before the Quota Assessment, and is based on "standard" milk with 3.5% BF, 2.99% Pro and 5.69% OS					

discount the US holds versus world pricing.

**Powder** – Spot NFDM rose 2.25¢ vs prior week and closed at \$1.2900. GDT Event 384 saw increases in both SMP + WMP pricing, against SGX futures implied expectations of losses in each. EU pricing was roughly steady, while Oceania found support behind SE Asian purchasing interest. The domestic forward curve appreciated by 3¢ as market bulls point towards reduced inventory holdings and improving Mexican demand.

### DAIRY-REVENUE PROTECTION, AVAILABLE THROUGH CDI INSURANCE SERVICES (7/18/2025)

- Class III**
- 4<sup>th</sup> Quarter 2025: \$17.60 floor for \$0.30/cwt
  - 1<sup>st</sup> Quarter 2026: \$17.05 floor for \$0.37/cwt
  - 2<sup>nd</sup> Quarter 2026: \$17.12 floor for \$0.43/cwt
  - 3<sup>rd</sup> Quarter 2026: \$17.39 floor for \$0.50/cwt
  - 4<sup>th</sup> Quarter 2026: \$17.55 floor for \$0.59/cwt

- Class IV**
- 4<sup>th</sup> Quarter 2025: \$18.76 floor for \$0.21/cwt
  - 1<sup>st</sup> Quarter 2026: \$18.71 floor for \$0.32/cwt
  - 2<sup>nd</sup> Quarter 2026: \$18.74 floor for \$0.39/cwt
  - 3<sup>rd</sup> Quarter 2026: \$18.72 floor for \$0.52/cwt
  - 4<sup>th</sup> Quarter 2026: \$18.55 floor for \$0.55/cwt

**Did you know...**that an association called "[Exploited Milk Producers](#)" filed a lawsuit last week against CDFA Secretary Karen Ross? The suit, filed in Stanislaus County Superior Court, alleges that "the state-run Quota Implementation Plan (QIP) is unconstitutional, according to a press release from Dhillon Law Group Inc., the attorneys of record on behalf of "Exploited Milk Producers" (EMP). You can find the 29-page court filing on their [website](#). This update comes at the same time that California dairy farmers are being asked to vote on [a referendum](#) to terminate the QIP, with ballots due by September 10, 2025.