

## Weekly Update

**Date:** July 25, 2025  
**To:** CDI Member-Owners  
**From:** CDI Staff  
**Subject:** CDI Weekly Update

### COMMODITY MARKETS

**Butter** – Spot butter finished down 4.75¢ versus last Friday's close, settling at \$2.4650. Meanwhile, the forward curve declined only 1-2¢. Spot pricing dropped as low as \$2.4200 but quickly took a step higher as futures offered an attractive cash and carry opportunity. The pressure seen early in the week can be attributed to the unsupportive result in June's Milk Production report. Component adjusted milk production for the US came in up +5.0% YoY, as California, Texas and Idaho saw tremendous growth. Despite this growth in milk supply, June butter stocks were reported down 5.9% YoY, suggesting impressive domestic and export demand in the month. This inventory level was tighter than many in the industry

Projected/Actual Milk Prices (Actual Bold, <i>Estimate Italicized</i> )					
	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Advance Price (cwt)	\$ 18.30	\$ 17.32	\$ 17.15	\$ 17.49	\$ 18.10
Butterfat Price (lb)	\$ 2.8462	\$ 2.8614	\$ 2.8916	\$ 2.9404	\$ 2.9522
Protein Price (lb)	\$ 1.8623	\$ 1.8105	\$ 1.9372	\$ 2.0992	\$ 2.1612
Other Solids Price (lb)	\$ 0.3149	\$ 0.3020	\$ 0.2778	\$ 0.2685	\$ 0.2659
LA County PPD (cwt)	\$ 1.35	\$ 1.42	\$ 1.35	\$ 1.38	\$ 1.29
Tulare County PPD (cwt)	\$ 0.75	\$ 0.82	\$ 0.75	\$ 0.78	\$ 0.69
Tulare Co. Blend* (cwt)	\$ 18.07	\$ 17.97	\$ 18.25	\$ 18.88	\$ 19.00
FMMO Class III	\$ 17.32	\$ 17.15	\$ 17.49	\$ 18.10	\$ 18.31
FMMO Class IV	\$ 18.90	\$ 19.09	\$ 19.29	\$ 19.37	\$ 19.45
Next Two Payment Dates	July 31, 2025 (July Advance) August 19, 2025 (July Final)				
*Blend price is <u>after</u> the PPD is accounted for, <u>before</u> the Quota Assessment, and is based on "standard" milk with 3.5% BF, 2.99% Pro and 5.69% OS					

0.25¢ vs prior week and closed at \$1.2875. GDT Pulse maintained upward momentum in both SMP + WMP pricing. EU pricing was steady. Despite good domestic demand and anecdotally improving Mexican purchasing interest, the forward curve shed 2-3¢ as the milk production result and weak global demand weighed on the market.

### DAIRY-REVENUE PROTECTION, AVAILABLE THROUGH CDI INSURANCE SERVICES (7/24/2025)

- Class III**
- 4<sup>th</sup> Quarter 2025: \$17.26 floor for \$0.28/cwt
  - 1<sup>st</sup> Quarter 2026: \$16.87 floor for \$0.35/cwt
  - 2<sup>nd</sup> Quarter 2026: \$17.10 floor for \$0.43/cwt
  - 3<sup>rd</sup> Quarter 2026: \$17.34 floor for \$0.51/cwt
  - 4<sup>th</sup> Quarter 2026: \$17.50 floor for \$0.59/cwt

- Class IV**
- 4<sup>th</sup> Quarter 2025: \$18.39 floor for \$0.20/cwt
  - 1<sup>st</sup> Quarter 2026: \$18.47 floor for \$0.37/cwt
  - 2<sup>nd</sup> Quarter 2026: \$18.59 floor for \$0.40/cwt
  - 3<sup>rd</sup> Quarter 2026: \$18.72 floor for \$0.57/cwt
  - 4<sup>th</sup> Quarter 2026: \$18.59 floor for \$0.57/cwt

### MILK PRODUCTION

- U.S. Milk Production, June 2025: 19.23 billion pounds, or 641.1 million pounds/day (+3.3% YOY)
- California Milk Production, June 2025: 3.44 billion pounds, or 114.6 million pounds/day (+2.7% YOY)
- CDI Milk Production, June 2025: 1.42 billion pounds, or 47.4 million pounds/day (+2.1% YOY)

**Did you know...** that Jack Anker, who pitched this past season for the Fresno State Bulldogs and is affectionately referred to as "The Milk Man," was [drafted last week by the Pittsburgh Pirates](#)? Jack grew up on CDI member farm Poplar Lane Dairy (Hanford), son of owners Case and Brooke Anker, graduating from Tulare Western High School in 2022. He has played the past three seasons at Fresno State. A huge congratulations to Jack and the Anker family!

National Dairy Product Sales Report (NDPSR)		
	Wk Ending 7/19/2025	Last Week
Butter	\$2.5885	\$2.5846
Block Cheddar	\$1.7161	\$1.7734
Nonfat Dry Milk	\$1.2719	\$1.2867
Dry Whey	\$0.5751	\$0.5671
The NDPSR is USDA's survey of U.S. sales prices from the previous week. These are used to calculate FMMO prices. CME markets are discussed below as a near-term market indicator.		

expected, and the market is likely to find support from current pricing when it opens next week.

**Cheese** – Spot block pricing fell 0.25¢ this week, finishing at \$1.6400. The forward curve came off 4-5¢ as futures were at a premium to spot pricing and the milk production report indicated significant growth in cheese-making states. June cheese stocks built counter-seasonally by 3MM lbs and continued to work to narrow the gap to prior year, down 0.4% YoY.

**Powder** – Spot NFDM fell