

Weekly Update

Date: February 13, 2026
To: CDI Member-Owners
From: CDI Staff
Subject: CDI Weekly Update

COMMODITY MARKETS

Butter – CME spot butter traded in a wide range this week. After reaching its highest price since early October on Thursday (\$1.7350/lb.), it ultimately settled at \$1.7050/lb. on Friday, just 0.5¢ below the prior

week. Even with the late-week pullback, spot butter is still up more than 40¢ from a month ago. The market has been especially volatile as buyers who had been purchasing hand-to-mouth during the period of historically low prices have stepped in to secure coverage amid the rally, fueling sharp swings. Despite the recent strength, butter remains

National Dairy Product Sales Report (NDPSR)		
	Wk Ending 2/7/2026	Last Week
Butter	\$1.5758	\$1.4969
Cheddar Cheese	\$1.3978	\$1.3804
Nonfat Dry Milk	\$1.2604	\$1.2198
Dry Whey	\$0.6967	\$0.6858

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.

Projected/Actual Milk Prices (Actual Bold, Estimate Italicized)					
	Feb-26	Mar-26	Apr-26	May-26	Jun-26
Advance Price (cwt)	\$ 13.55	\$ 15.02	\$ 16.02	\$ 16.34	\$ 16.69
Butterfat Price (lb)	\$ 1.6812	\$ 1.9840	\$ 2.0527	\$ 2.1045	\$ 2.1499
Protein Price (lb)	\$ 2.0717	\$ 2.0638	\$ 2.1333	\$ 2.2176	\$ 2.3735
Other Solids Price (lb)	\$ 0.4385	\$ 0.4333	\$ 0.4076	\$ 0.3895	\$ 0.3651
LA County PPD (cwt)	\$ 0.94	\$ 1.06	\$ 1.63	\$ 1.30	\$ 1.13
Tulare County PPD (cwt)	\$ 0.34	\$ 0.46	\$ 1.03	\$ 0.70	\$ 0.53
Tulare Co. Blend* (cwt)	\$ 15.36	\$ 16.48	\$ 17.37	\$ 17.38	\$ 17.73
FMMO Class III	\$ 15.02	\$ 16.02	\$ 16.34	\$ 16.69	\$ 17.19
FMMO Class IV	\$ 15.51	\$ 18.10	\$ 17.90	\$ 17.68	\$ 18.03
Next Two Payment Dates	February 19, 2026 (January Final) March 2, 2026 (February Advance)* <i>*February 28 falls on a weekend</i>				

**Blend Price is after the PPD is accounted for, before the Quota Assessment, and is based on "standard" milk with 3.5% BF, 3.18% Pro, and 5.79% OS*

capacity. Further, manufacturers continue to push cheese output as they run vats to maximize high-protein whey production, working to meet strong demand in that segment.

Powder – Spot NFDM settled at \$1.6000/lb., down 4¢ from last week, a sign that the recent physical tightness in the powder market may be starting to ease. Even with the pullback, spot prices remain up 36¢, or +29%, over the past month. Volatility continues as buyers work through available supplies, but with strong milk production and the spring flush approaching, expectations are for dryer output to increase, adding product to the CME spot market and pressuring prices. Futures from March through December '26 declined an average of 6¢ versus last week, translating into softer Class IV values, with Q2 '26 down 87¢/cwt and Q3 '26 off 68¢/cwt.

DAIRY REVENUE PROTECTION, AVAILABLE THROUGH CDI INSURANCE SERVICES (2/13/2026)

Class III <ul style="list-style-type: none"> • 2nd Quarter 2026: \$15.91 floor for \$0.23/cwt • 3rd Quarter 2026: \$16.84 floor for \$0.35/cwt • 4th Quarter 2026: \$16.90 floor for \$0.40/cwt • 1st Quarter 2027: \$16.18 floor for \$0.41/cwt • 2nd Quarter 2027: \$16.32 floor for \$0.44/cwt 	Class IV <ul style="list-style-type: none"> • 2nd Quarter 2026: \$16.89 floor for \$0.25/cwt • 3rd Quarter 2026: \$17.13 floor for \$0.41/cwt • 4th Quarter 2026: \$17.23 floor for \$0.59/cwt • 1st Quarter 2027: \$16.75 floor for \$0.58/cwt • 2nd Quarter 2027: \$16.89 floor for \$0.68/cwt
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Did you know...that details on the CDI Annual Membership Meeting, as well as ballots for the board of directors' election were mailed out this week? The Annual Meeting will take place in Visalia (at the Wyndham Hotel at 9000 West Airport Drive) on Wednesday, April 22nd at 10 am. And ballots for the election are due back to CDI by April 10th in order to be counted. Keep an eye out for that packet coming in the mail, and we look forward to seeing you all at the April 22nd Annual Meeting.