

Weekly Update

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Date: March 27, 2026
To: CDI Member-Owners
From: CDI Staff
Subject: CDI Weekly Update

COMMODITY MARKETS

Butter – Spot butter settled at \$1.8250/lb. on Friday, up 2.5¢ from the prior week. Futures followed suit, with April to December '26 contracts rising 6.5¢, on average. USDA released its latest *Cold Storage* report on Tuesday, showing that butter stocks fell 17% year-over-year in February, marking eleven straight months of annual declines. Further, inventory levels were the lowest for the month since 2019. With milk production running strong in February, up 2.9% from the prior year, signs point to robust demand.

	Wk Ending 3/21/2026	Last Week
Butter	\$1.8908	\$1.9373
Cheddar Cheese	\$1.5867	\$1.5592
Nonfat Dry Milk	\$1.5873	\$1.5451
Dry Whey	\$0.6722	\$0.6761

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.

	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Advance Price (cwt)	\$ 14.94	\$ 16.16	\$ 17.20	\$ 17.73	\$ 18.21
Butterfat Price (lb)	\$ 2.0082	\$ 2.0052	\$ 2.0476	\$ 2.0984	\$ 2.1587
Protein Price (lb)	\$ 2.1029	\$ 2.4173	\$ 2.4824	\$ 2.5904	\$ 2.6397
Other Solids Price (lb)	\$ 0.4204	\$ 0.4282	\$ 0.4591	\$ 0.4513	\$ 0.4513
LA County PPD (cwt)	\$ 0.99	\$ 1.42	\$ 1.82	\$ 1.76	\$ 1.77
Tulare County PPD (cwt)	\$ 0.39	\$ 0.82	\$ 1.22	\$ 1.16	\$ 1.17
Tulare Co. Blend* (cwt)	\$ 16.55	\$ 18.02	\$ 18.95	\$ 19.37	\$ 19.74
FMMO Class III	\$ 16.16	\$ 17.20	\$ 17.73	\$ 18.21	\$ 18.58
FMMO Class IV	\$ 18.85	\$ 20.80	\$ 21.10	\$ 21.10	\$ 20.57
Next Two Payment Dates	March 31, 2026 (March Advance) April 20, 2026 (March Final)* <i>*April 19 falls on a weekend</i>				
<small>*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</small>					

Cheese – Spot block cheddar dropped 8¢ from Friday to Friday, settling at \$1.5825/lb. Futures were mixed, with 2026 contracts ranging from down 3¢ to up 1¢. Despite continued strong production and increased processing capacity, February cheese stocks fell 1% from last year, the first decline since March 2025. While February data is not yet available, the lack of inventory growth suggests that export and food service demand may have been strong, supporting overall usage.

Powder – Spot NFDM settled at \$1.9225/lb., up 5.25¢ from last Friday. NFDM reached a high for the week of \$1.9375/lb. on Thursday, marking the highest price in almost twelve years (April 8, 2014). The supply story continues to drive the powder space, leading to new highs. NFDM supplies in the US have yet to rebuild, while buyers remain active in securing product, leaving the timing of any potential resistance point uncertain. Futures were mixed and stopped advancing at the pace seen in recent weeks, with 2026 contracts ranging from 4¢ lower to 1¢ higher week-over-week.

DAIRY REVENUE PROTECTION, AVAILABLE THROUGH CDI INSURANCE SERVICES (3/27/2026)

- Class III**
- **3rd Quarter 2026:** \$17.90 floor for \$0.36/cwt
 - **4th Quarter 2026:** \$17.60 floor for \$0.42/cwt
 - **1st Quarter 2027:** \$16.69 floor for \$0.41/cwt
 - **2nd Quarter 2027:** \$16.55 floor for \$0.49/cwt
 - **3rd Quarter 2027:** \$17.14 floor for \$0.58/cwt

- Class IV**
- **3rd Quarter 2026:** \$19.12 floor for \$0.48/cwt
 - **4th Quarter 2026:** \$18.33 floor for \$0.64/cwt
 - **1st Quarter 2027:** \$17.58 floor for \$0.67/cwt
 - **2nd Quarter 2027:** \$17.21 floor for \$0.72/cwt
 - **3rd Quarter 2027:** *Not Offered*

Did you know... that only two weeks remain to return your ballot for the current CDI Board of Directors election? There are seven seats up for election across the four districts, and ballots are due back to CDI by April 10th. If you've misplaced your ballot, please contact your field representative. Results will be announced at the April 22 Annual Membership meeting at the Wyndham Hotel in Visalia, so make sure to send your RSVP back with your ballot.