

Weekly Update

2000 N. Plaza Drive
 Visalia, CA 93291
 559-625-2200
 Fax: 559-625-5433



Date: April 24, 2026
To: CDI Member-Owners
From: CDI Staff
Subject: CDI Weekly Update

National Dairy Product Sales Report (NDPSR)		
	Wk Ending 4/18/2026	Last Week
Butter	\$1.7643	\$1.7696
Cheddar Cheese	\$1.6563	\$1.6480
Nonfat Dry Milk	\$1.8259	\$1.7232
Dry Whey	\$0.6489	\$0.6456

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.

COMMODITY MARKETS

Butter – Spot butter settled at \$1.7050/lb. on Friday, up 1.5¢ from the prior week. In contrast, futures declined, with 2026 contracts down an average of 4¢. USDA released its *Milk Production* report this week,

pegging March output up 2.3% year-over-year. While this marked the 11th straight month of gains above 2%, it was the weakest growth rate since April 2025. USDA also released its *Cold Storage* report this week, showing March butter stocks fell 10.6% from last year. While still down year-over-year, the deficit narrowed from February's 16.2% as inventories built month-over-month, indicating the shortfall is beginning to narrow.

Cheese – Spot block cheddar rose 6.75¢ from Friday to Friday, settling at \$1.6450/lb. Futures contracts for 2026

improved modestly, up 2¢, on average. The growth in cheesemaking capacity has provided an outlet for milk during the spring flush, particularly in Texas, South Dakota, and Kansas, where milk production in each state rose 4.7% or more year-over-year. Despite more milk, the USDA reported March cheese stocks declined 1.6% from last year, suggesting demand was strong enough to draw down inventories.

Powder – Spot NFDM settled at \$2.2600/lb., up 6¢ from last Friday and

Projected/Actual Milk Prices (Actual Bold, Estimate Italicized)					
	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Advance Price (cwt)	\$ 16.16	\$ 16.86	\$ 17.56	\$ 18.12	\$ 18.72
Butterfat Price (lb)	\$ 1.8683	\$ 1.8138	\$ 1.8147	\$ 1.8496	\$ 1.8926
Protein Price (lb)	\$ 2.5274	\$ 2.7638	\$ 2.8763	\$ 2.9915	\$ 3.0624
Other Solids Price (lb)	\$ 0.3926	\$ 0.4163	\$ 0.4513	\$ 0.4704	\$ 0.4683
LA County PPD (cwt)	\$ 1.42	\$ 1.68	\$ 2.15	\$ 1.89	\$ 1.78
Tulare County PPD (cwt)	\$ 0.82	\$ 1.08	\$ 1.55	\$ 1.29	\$ 1.18
Tulare Co. Blend* (cwt)	\$ 17.68	\$ 18.64	\$ 19.67	\$ 20.01	\$ 20.27
FMMO Class III	\$ 16.86	\$ 17.56	\$ 18.12	\$ 18.72	\$ 19.09
FMMO Class IV	\$ 20.18	\$ 22.29	\$ 22.35	\$ 21.68	\$ 21.05
Next Two Payment Dates	April 30, 2026 (April Advance) May 19, 2026 (April Final)				
<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</i>					

marking another new all-time high. Futures also moved higher, with May to Dec '26 contracts up 9–14¢. The market continues to push out expectations for when NFDM supplies will better align with demand, with many now pointing to June. Anecdotal reports suggest that supply constraints have been partly caused by increased testing by the FDA as it tightens oversight on dairy ingredients under Operation Stork Speed. On the global side, this week's Global Dairy Trade auction resulted in higher international SMP prices, though they remain well below U.S. levels.

DAIRY REVENUE PROTECTION, AVAILABLE THROUGH CDI INSURANCE SERVICES (4/23/2026)

- Class III**
- **3rd Quarter 2026:** \$17.93 floor for \$0.30/cwt
 - **4th Quarter 2026:** \$17.80 floor for \$0.39/cwt
 - **1st Quarter 2027:** \$16.70 floor for \$0.42/cwt
 - **2nd Quarter 2027:** \$16.73 floor for \$0.50/cwt
 - **3rd Quarter 2027:** \$17.17 floor for \$0.59/cwt

- Class IV**
- **3rd Quarter 2026:** \$19.64 floor for \$0.44/cwt
 - **4th Quarter 2026:** \$18.72 floor for \$0.62/cwt
 - **1st Quarter 2027:** \$17.85 floor for \$0.62/cwt
 - **2nd Quarter 2027:** \$17.72 floor for \$0.72/cwt
 - **3rd Quarter 2027:** Not Offered

MILK PRODUCTION

- **U.S. Milk Production, March 2026:** 20.39 billion pounds, or 657.8 million pounds/day **(+2.3% YOY)**
- **California Milk Production, March 2026:** 3.59 billion pounds, or 115.9 million pounds/day **(+0.8% YOY)**
- **CDI Milk Production, March 2026:** 1.5 billion pounds, or 48.5 million pounds/day **(+1.8% YOY)**

Did you know... that CDI has partnered with Costco on a new Kirkland Ultra-Filtered Milk? This 2% reduced fat milk is a nutritional powerhouse, featuring 50% more protein and 50% less sugar than standard milk, while remaining entirely lactose-free. Packaged in a convenient three-pack of ½ gallon containers. CDI will be supplying approximately 60% of the total Costco U.S. volume, and you can expect to see it arriving at your local Costco shelves any day now.