

Weekly Update

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Date: June 12, 2026
To: CDI Member-Owners
From: CDI Staff
Subject: CDI Weekly Update

	Wk Ending 6/6/2026	Last Week
Butter	\$1.6065	\$1.5921
Cheddar Cheese	\$1.6143	\$1.6451
Nonfat Dry Milk	\$1.9653	\$2.1173
Dry Whey	\$0.6390	\$0.6424

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 \$1.6675/lb. on Friday, down 2.5¢ from the prior week. Futures followed lower, with July '26 through March '27 contracts dropping 4.5–7.5¢. April butter utilization set a record

for the month, up 9% from a year ago, supported by record domestic and international demand. Despite Easter falling in early April, U.S. butter consumption stayed strong, while exports continued to benefit from the U.S. discount to global markets. With butter still historically inexpensive, its attractive price point appears to be supporting demand

both at home and abroad.

Cheese – Spot block cheddar gained 1.5¢ from Friday to Friday, settling at \$1.4875/lb. April cheese utilization rose 1.4% from a year ago, as incredible export volumes helped offset weaker domestic consumption. Overseas shipments reached a record high, climbing 29.8% year-over-year, led by Other-than-American varieties. Domestic demand told a different story, however, with American cheese utilization declining 2.6% from last year. Soft foodservice traffic and a

	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26
Advance Price (cwt)	\$ 16.92	<i>\$ 16.00</i>	<i>\$ 16.53</i>	<i>\$ 16.89</i>	<i>\$ 17.48</i>
Butterfat Price (lb)	<i>\$ 1.7533</i>	<i>\$ 1.7763</i>	<i>\$ 1.8320</i>	<i>\$ 1.8744</i>	<i>\$ 1.9319</i>
Protein Price (lb)	<i>\$ 2.3840</i>	<i>\$ 2.5216</i>	<i>\$ 2.5466</i>	<i>\$ 2.6668</i>	<i>\$ 2.7742</i>
Other Solids Price (lb)	<i>\$ 0.3913</i>	<i>\$ 0.3950</i>	<i>\$ 0.4101</i>	<i>\$ 0.4204</i>	<i>\$ 0.4359</i>
LA County PPD (cwt)	<i>\$ 2.80</i>	<i>\$ 2.31</i>	<i>\$ 1.65</i>	<i>\$ 1.11</i>	<i>\$ 0.71</i>
Tulare County PPD (cwt)	<i>\$ 2.20</i>	<i>\$ 1.71</i>	<i>\$ 1.05</i>	<i>\$ 0.51</i>	<i>\$ 0.11</i>
Tulare Co. Blend* (cwt)	<i>\$ 18.19</i>	<i>\$ 18.24</i>	<i>\$ 17.95</i>	<i>\$ 18.00</i>	<i>\$ 18.23</i>
FMMO Class III	<i>\$ 16.00</i>	<i>\$ 16.53</i>	<i>\$ 16.89</i>	<i>\$ 17.48</i>	<i>\$ 18.12</i>
FMMO Class IV	<i>\$ 20.90</i>	<i>\$ 19.15</i>	<i>\$ 18.13</i>	<i>\$ 17.93</i>	<i>\$ 18.04</i>
Next Two Payment Dates	June 22, 2026 (May Final)* June 30, 2026 (June Advance) <i>*June 19 falls on a banking holiday weekend</i>				
<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>					

cautious consumer are weighing on U.S. cheese consumption, making exports the primary driver of growth. Futures contracts through December '26 fell modestly by 2¢ or less.

Powder – Spot NFDMM settled at \$1.7850/lb., posting a steep 26¢ weekly loss. Nearby futures for June and July '26 fell by nearly 9¢ each, while price action further out the curve was relatively muted. After months of tight supplies, processors appear to have caught up on production and are rebuilding inventories. While April powder utilization posted a modest 1.5% year-over-year increase, demand did not materially accelerate alongside prices. Instead, elevated prices encouraged additional production, allowing manufacturers to replenish stocks and refill supply pipelines. With inventories now rebuilding, the market has come under significant price pressure, with spot NFDMM falling 51¢/lb. (-22%) from its May 7 peak.

DAIRY REVENUE PROTECTION, AVAILABLE THROUGH CDI INSURANCE SERVICES (6/12/2026)

- Class III**
- **3rd Quarter 2026:** \$16.11 floor for \$0.16/cwt
 - **4th Quarter 2026:** \$17.16 floor for \$0.33/cwt
 - **1st Quarter 2027:** \$16.63 floor for \$0.38/cwt
 - **2nd Quarter 2027:** \$16.65 floor for \$0.45/cwt
 - **3rd Quarter 2027:** \$17.20 floor for \$0.50/cwt

- Class IV**
- **3rd Quarter 2026:** \$17.60 floor for \$0.23/cwt
 - **4th Quarter 2026:** \$17.19 floor for \$0.38/cwt
 - **1st Quarter 2027:** \$17.38 floor for \$0.59/cwt
 - **2nd Quarter 2027:** \$17.48 floor for \$0.62/cwt
 - **3rd Quarter 2027:** *Not Offered*

Did you know... that UC Davis is offering complimentary registration for farmers and ranchers to attend the 2026 State of the Science Summit: Reducing Methane from Animal Agriculture. The summit takes place June 16-18 at UC Davis. If you would like to attend, in person or virtually, please reach out to Jennifer Bingham at jbingham@westcoastadvisors.com.