

Mid-Year Membership Meetings

- 10/28 @ 9 am: Turlock
- 10/28 @ 2 pm: Fresno
- 10/29 @ 9 am: Tulare
- 10/29 @ 2 pm: Bakersfield
- 10/30 @ 9 am: San Jacinto

For specific location details, please refer to the emailed schedule or ask your field representative.

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



Weekly Update

National Dairy Product Sales Report (NDPSR)

	Wk Ending 10/10/2026	Last Week
Butter	\$1.3600	\$1.3696
Cheddar Cheese	\$1.4309	\$1.4579
Nonfat Dry Milk	\$1.9692	\$1.9365
Dry Whey	\$0.7198	\$0.6814

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.

Date: October 16, 2026
To: CDI Member-Owners
From: CDI Staff
Subject: CDI Weekly Update

COMMODITY MARKETS

Butter – Spot butter settled at \$1.3650/lb. on Friday, rebounding 9¢ from last week. Nov '26 through Jun '27 futures climbed 7.5–11¢. August butter utilization declined 0.8% from last year, as exports slowed from their lofty levels. While domestic consumption edged up just 0.1% year-over-year, it reached a record for the month and topped 200 million pounds, a level typically reserved for periods of peak seasonal demand, such as Easter and winter holidays.

Cheese – Spot block cheddar surged 29.75¢ this week to \$1.6825/lb. on Friday, climbing from a calendar-year low to a

Projected/Actual Milk Prices (Actual Bold, <i>Estimate Italicized</i>)					
	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27
Advance Price (cwt)	\$ 16.04	\$ 15.25	\$ 17.33	\$ 17.17	\$ 17.16
Butterfat Price (lb)	\$ 1.3658	\$ 1.4233	\$ 1.4772	\$ 1.4944	\$ 1.5293
Protein Price (lb)	\$ 2.4205	\$ 2.9364	\$ 2.7817	\$ 2.7602	\$ 2.7684
Other Solids Price (lb)	\$ 0.4774	\$ 0.5183	\$ 0.5440	\$ 0.5415	\$ 0.5466
LA County PPD (cwt)	\$ 2.09	\$ 1.86	\$ 2.11	\$ 1.87	\$ 1.69
Tulare County PPD (cwt)	\$ 1.49	\$ 1.26	\$ 1.51	\$ 1.27	\$ 1.09
Tulare Co. Blend* (cwt)	\$ 16.74	\$ 18.59	\$ 18.69	\$ 18.43	\$ 18.42
FMMO Class III	\$ 15.25	\$ 17.33	\$ 17.17	\$ 17.16	\$ 17.34
FMMO Class IV	\$ 20.42	\$ 21.16	\$ 20.10	\$ 19.61	\$ 19.35
Next Two Payment Dates	October 19, 2026 (September Final)				
	November 2, 2026 (October Advance)*				
	*October 31 falls on a weekend				
*Blend Price is <i>after</i> the PPD is accounted for, <i>before</i> the Quota Assessment, and is based on "standard" milk with 3.5% BF, 3.18% Pro, and 5.79% OS					

calendar-year high in less than three weeks. Nearby futures led the rally, with Nov '26 up 12¢ and Dec '26 up 6.5¢. Anecdotal reports suggest that near-term supply tightness is driving some buyers to the CME to secure product, pushing prices higher despite lackluster domestic demand. Combined with record-high spot dry whey at \$0.8950/lb., stronger block prices lifted Class III futures, with Nov '26 up \$1.24/cwt and Dec '26 up \$0.71/cwt on the week.

Powder – After peaking at \$2.2700/lb. on Monday,

just 2.5¢ from the all-time high, spot NFDM settled at \$2.1625/lb. on Friday, down 10.5¢ from last week. Futures across the next 12 months fell an average of 6¢. Combined NFDM and SMP use declined 4.3% year-over-year in August as exports fell to their lowest level since June 2019 on uncompetitive U.S. prices. However, at last week's GDT auction, SMP reached its highest average price since July 2022, while Arla and Fonterra SMP contracts hit platform records at this week's GDT Pulse auction. Although U.S. spot prices remain above global levels, Q1 '27 CME NFDM futures at \$1.82/lb. are more competitive, which could support export demand.

DAIRY REVENUE PROTECTION, AVAILABLE THROUGH CDI INSURANCE SERVICES (10/16/2026)

- Class III**
- 1st Quarter 2027: \$16.45 floor for \$0.30/cwt
 - 2nd Quarter 2027: \$16.68 floor for \$0.41/cwt
 - 3rd Quarter 2027: \$16.98 floor for \$0.47/cwt
 - 4th Quarter 2027: \$16.96 floor for \$0.51/cwt
 - 1st Quarter 2028: \$16.48 floor for \$0.56/cwt

- Class IV**
- 1st Quarter 2027: \$18.43 floor for \$0.54/cwt
 - 2nd Quarter 2027: \$18.15 floor for \$0.65/cwt
 - 3rd Quarter 2027: \$17.84 floor for \$0.64/cwt
 - 4th Quarter 2027: \$17.85 floor for \$0.75/cwt
 - 1st Quarter 2028: Not Offered

Did you know...that the One Big Beautiful Bill Act reauthorized DMC through 2031 with several updates that took effect in 2026? Enrollment for the 2027 Dairy Margin Coverage (DMC) program is open through Friday, Dec. 18. DMC pays producers when the national margin between the All-Milk Price and average feed costs fall below the coverage level they select. With margins under pressure and likely to stay that way into 2027, NMPF strongly encourages all dairy farmers to enroll. To sign up, producers [should contact their local FSA county office](#). USDA's [online decision tool](#) can help producers compare coverage levels and choose the right fit for their operation.