

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.

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Weekly Update

National Dairy Product Sales Report (NDPSR)

	Wk Ending 10/17/2026	Last Week
Butter	\$1.3547	\$1.3659
Cheddar Cheese	\$1.3856	\$1.4309
Nonfat Dry Milk	\$1.9959	\$1.9661
Dry Whey	\$0.7260	\$0.7196

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 23, 2026
To: CDI Member-Owners
From: CDI Staff
Subject: CDI Weekly Update

COMMODITY MARKETS

Butter – Spot butter settled at \$1.3400/lb. on Friday, down 2.5¢ from last week, while Nov '26 through Apr '27 futures fell less than 3¢. U.S. milk production rose 2.6% year-over-year in September, marking the eighth month of 2%+ growth in 2026. Milk per cow rose 0.9% from last year, while the national herd reached 9.743 million head, its largest in nearly 35 years. Growing milk supplies have helped build butter inventories, which jumped 16.5% from September

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	\$ 15.26	\$ 17.88	\$ 16.82	\$ 16.78
Butterfat Price (lb)	\$ 1.3658	\$ 1.4203	\$ 1.4445	\$ 1.4687	\$ 1.4990
Protein Price (lb)	\$ 2.4400	\$ 3.1406	\$ 2.7323	\$ 2.6838	\$ 2.6613
Other Solids Price (lb)	\$ 0.4683	\$ 0.5028	\$ 0.5286	\$ 0.5337	\$ 0.5440
LA County PPD (cwt)	\$ 2.09	\$ 1.60	\$ 2.00	\$ 1.88	\$ 1.73
Tulare County PPD (cwt)	\$ 1.49	\$ 1.00	\$ 1.40	\$ 1.28	\$ 1.13
Tulare Co. Blend* (cwt)	\$ 16.75	\$ 18.88	\$ 18.22	\$ 18.06	\$ 18.00
FMMO Class III	\$ 15.26	\$ 17.88	\$ 16.82	\$ 16.78	\$ 16.87
FMMO Class IV	\$ 20.42	\$ 20.70	\$ 19.72	\$ 19.25	\$ 18.98
Next Two Payment Dates	November 2, 2026 (October Advance)*				
	November 19, 2026 (October Final)				
	*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					

from last year, suggest the gains may be difficult to sustain.

Powder – Spot NFDM settled at \$2.0950/lb. on Friday, down 6.75¢ from last week. Nov '26 through May '27 futures declined 1–5¢. Despite strong U.S. milk production, more milk is not translating into more NFDM, as skim solids continue to be diverted to other products, keeping powder supplies tight and prices elevated. At this week's GDT auction, global SMP prices climbed again, reaching their highest average since early July 2022.

DAIRY REVENUE PROTECTION, AVAILABLE THROUGH CDI INSURANCE SERVICES (10/21/2026)

- Class III**
- 1st Quarter 2027: \$16.34 floor for \$0.32/cwt
 - 2nd Quarter 2027: \$16.63 floor for \$0.41/cwt
 - 3rd Quarter 2027: \$16.94 floor for \$0.46/cwt
 - 4th Quarter 2027: \$17.02 floor for \$0.50/cwt
 - 1st Quarter 2028: \$16.48 floor for \$0.56/cwt

- Class IV**
- 1st Quarter 2027: \$18.22 floor for \$0.49/cwt
 - 2nd Quarter 2027: \$18.06 floor for \$0.61/cwt
 - 3rd Quarter 2027: \$18.07 floor for \$0.59/cwt
 - 4th Quarter 2027: \$18.06 floor for \$0.70/cwt
 - 1st Quarter 2028: *Not Offered*

MILK PRODUCTION

- U.S. Milk Production, September 2026: 19.44 billion pounds, or 648.1 million pounds/day (+2.6% YOY)
- California Milk Production, September 2026: 3.29 billion pounds, or 109.7 million pounds/day (+0.0% YOY)
- CDI Milk Production, September 2026: 1.35 billion pounds, or 45.1 million pounds/day (-0.9% YOY)

Did you know... that, fresh off his recent confirmation, newly minted U.S. Secretary of Labor Keith Sonderling toured CDI's Visalia processing facility this week? During his visit, Secretary Sonderling saw firsthand how our state-of-the-art operations bring local dairy to the global stage. He also sat down to discuss how the Trump Administration can continue delivering for American dairy farmers, ensuring our industry remains second to none.