Weekly Update

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

Date: November 20, 2026
To: CDI Member-Owners
From: CDI Staff
Subject: CDI Weekly Update

National Dairy Product Sales Report (NDPSR)		
	Wk Ending 11/14/2026	**Last Week**
Butter	**$1.3503**	**$1.3560**
Cheddar Cheese	**$1.7137**	**$1.6397**
Nonfat Dry Milk	**$2.0836**	**$2.0711**
Dry Whey	**$0.7544**	**$0.7354**

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 $1.2700/lb. on Friday, up 3¢ from last week. Futures across the next 12 months moved 1¢ lower to 5¢ higher. U.S. milk production in October increased 2.4% from last year, marking 22 straight months of year-on-year growth. The national herd gained 7,000 cows from September to October, reaching 9.745 million head, the largest in 35 years. Continued strong milk output helps to explain depressed butter prices.

Cheese – Spot block cheddar fell 5.5¢ this week, settling at $1.5625/lb. on Friday. Futures over the next year moved 3¢ lower to 1¢ higher. Tighter cheddar supplies helped blocks recover from their late September lows, but prices have remained rangebound between $1.55 and $1.70/lb. over the past three weeks, as strong milk production continues to add to overall supplies. With spot dry whey reaching a record $0.92/lb. this week, manufacturers have an added incentive to maintain cheese production to capture the valuable whey stream.

Projected/Actual Milk Prices (Actual Bold, *Estimate Italicized*)					
	Nov-26	**Dec-26**	**Jan-27**	**Feb-27**	**Mar-27**
Advance Price (cwt)	**$ 15.16**	*$ 17.74*	*$ 17.01*	*$ 16.69*	*$ 16.78*
Butterfat Price (lb)	*$ 1.3355*	*$ 1.3476*	*$ 1.3718*	*$ 1.4324*	*$ 1.5459*
Protein Price (lb)	*$ 3.1790*	*$ 2.8614*	*$ 2.7383*	*$ 2.6900*	*$ 2.6600*
Other Solids Price (lb)	*$ 0.5080*	*$ 0.5492*	*$ 0.5466*	*$ 0.5518*	*$ 0.5528*
LA County PPD (cwt)	*$ 1.65*	*$ 2.03*	*$ 1.95*	*$ 1.70*	*$ 1.65*
Tulare County PPD (cwt)	*$ 1.05*	*$ 1.43*	*$ 1.35*	*$ 1.10*	*$ 1.05*
Tulare Co. Blend* (cwt)	*$ 18.79*	*$ 18.44*	*$ 18.04*	*$ 17.87*	*$ 18.13*
FMMO Class III	*$ 17.74*	*$ 17.01*	*$ 16.69*	*$ 16.78*	*$ 17.08*
FMMO Class IV	*$ 20.92*	*$ 19.91*	*$ 19.03*	*$ 18.97*	*$ 19.23*
Next Two Payment Dates	**November 30, 2026 (November Advance)** **December 21, 2026 (November Final)***				
	December 19 falls on a weekend				

**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*

Powder – Spot NFDM settled at $2.0650/lb. on Friday, up 3¢ from last week. Nov and Dec '26 futures improved by a penny each, while 2027 contracts fell 1–5¢. Although NFDM has pulled back from the $2.20s, spot prices have remained above $2.00/lb. for the past two months. As U.S. prices have eased, global powder markets have continued to strengthen, narrowing the gap between U.S. and international prices. This week's GDT auction saw the SMP index rise to $1.90/lb. While New Zealand SMP continued to climb toward a five-year high, EU prices moved lower, suggesting some resistance is beginning to emerge abroad.

DAIRY REVENUE PROTECTION, AVAILABLE THROUGH CDI INSURANCE SERVICES (11/19/2026)

Class III

- **1st Quarter 2027:** $16.03 floor for $0.21/cwt
- **2nd Quarter 2027:** $16.44 floor for $0.36/cwt
- **3rd Quarter 2027:** $16.86 floor for $0.45/cwt
- **4th Quarter 2027:** $16.82 floor for $0.47/cwt
- **1st Quarter 2028:** $16.59 floor for $0.56/cwt

Class IV

- **1st Quarter 2027:** $17.96 floor for $0.34/cwt
- **2nd Quarter 2027:** $18.21 floor for $0.58/cwt
- **3rd Quarter 2027:** $18.24 floor for $0.67/cwt
- **4th Quarter 2027:** $18.14 floor for $0.72/cwt
- **1st Quarter 2028:** $17.39 floor for $0.67/cwt

MILK PRODUCTION

- **U.S. Milk Production, October 2026:** 19.93 billion pounds, or 642.9 million pounds/day ***(+2.4% YOY)***
- **California Milk Production, October 2026:** 3.42 billion pounds, or 110.2 million pounds/day ***(+0.2% YOY)***
- **CDI Milk Production, October 2026:** 1.39 billion pounds, or 44.8 million pounds/day ***(-1.1% YOY)***

Did you know…that CDI's Danish Creamery 85% Salted Butter received the Chairman's Reserve Trophy at the National Milk Producers Federation (NMPF) annual meeting last month? Danish Creamery was also recognized with the contest's best butter award. Judges praised the butter's creamy texture, balanced salt flavor, and clean finish. A full list of winners can be found here.