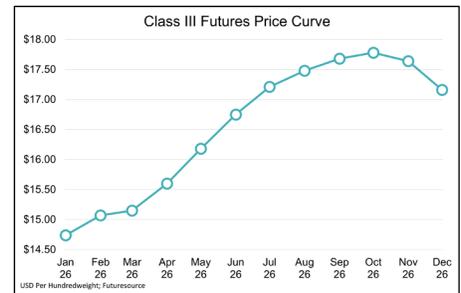
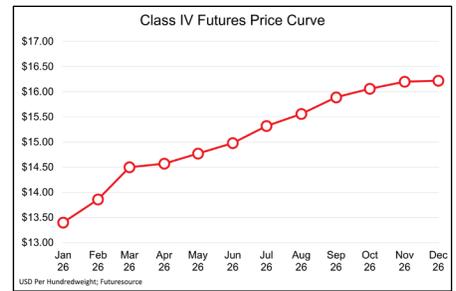
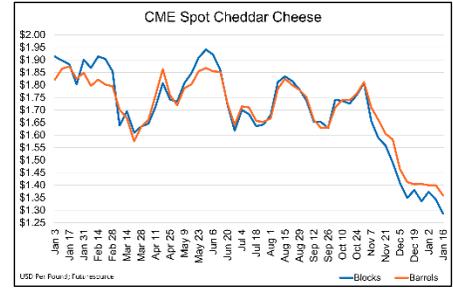


January 16, 2026

- Abundant supply sent block cheese to the lowest price since 2020 this week, trading as low as \$1.2825 per pound on Tuesday before rebounding to \$1.2900, losing \$0.0250 on the week. Barrels slipped \$0.0425 from last Friday to \$1.3575 per pound. On the upside, butter added \$0.0550, rising to \$1.3550 per pound on heavy trading volume.
- Milk output is plentiful while cream availability is steady in the Midwest. USDA reported spot milk premiums at a midpoint of \$1.88 per hundredweight under class, down from +\$1.00 last year. Class II cream multiples were unchanged from last week at 114, but down 3 points from 2025.
- USDA's WASDE report was bearish, with ending corn stocks rising to 2.227 billion bushels on better yields and more acres. Soybean ending stocks also increased to 350 million bushels due to more acres and fewer exports. March corn contracts shed \$0.2100 from last Friday, falling to \$4.2475 per bushel this week. March soybean contracts rose to \$10.5775 per bushel, up \$0.0925.
- December inflation matched expectations, with the Consumer Price Index up 2.7% on the year. Grocery prices rose 2.4% from last year. Food Away From Home prices increased 4.4% annually, the largest year-over-year gain since July 2024.



	Milk Futures				Grain Futures			US All Milk	USDA DMC
	Class III Futures	Weekly Change	Class IV Futures	Weekly Change	Corn	Soybeans	Soybean Meal	Based on Futures	Margin Estimate
Jan-26	\$14.74	-\$1.19	\$13.40	\$0.00				\$16.87	\$8.45
Feb-26	\$15.07	-\$0.04	\$13.86	+\$0.36				\$17.05	\$8.54
Mar-26	\$15.15	-\$0.14	\$14.50	+\$0.50	\$4.25	\$10.58	\$290.00	\$17.17	\$8.63
Apr-26	\$15.60	-\$0.01	\$14.57	+\$0.17				\$17.14	\$8.60
May-26	\$16.18	+\$0.04	\$14.77	+\$0.07	\$4.32	\$10.69	\$295.10	\$17.31	\$8.77
Jun-26	\$16.75	+\$0.40	\$14.98	-\$0.08				\$17.60	\$9.07
Jul-26	\$17.21	+\$0.56	\$15.32	-\$0.06	\$4.38	\$10.81	\$301.00	\$18.05	\$9.50
Aug-26	\$17.48	+\$0.49	\$15.56	-\$0.19		\$10.78	\$303.20	\$18.52	\$9.97
Sep-26	\$17.68	+\$0.38	\$15.89	-\$0.18	\$4.36	\$10.63	\$304.60	\$19.11	\$10.51
Oct-26	\$17.78	+\$0.34	\$16.06	-\$0.23			\$305.40	\$19.62	\$10.92
Nov-26	\$17.64	+\$0.14	\$16.20	-\$0.19		\$10.69		\$19.95	\$11.12
Dec-26	\$17.16	-\$0.09	\$16.22	-\$0.25	\$4.50		\$309.20	\$19.92	\$10.94
Average	\$16.54		\$15.11		\$4.36	\$10.70	\$301.21	\$18.19	\$9.59

Tale of the Tape					
Market	This Week			Last Year	
	Price	Last Week	Change	Price	Change
Barrel Cheddar (CME Average, USD/LB)	\$ 1.3590	\$ 1.4000	-3%	\$ 1.8740	-27%
Block Cheddar (CME Average, USD/LB)	\$ 1.2865	\$ 1.3420	-4%	\$ 1.8825	-32%
Butter (CME Average, USD/LB)	\$ 1.3155	\$ 1.3250	-1%	\$ 2.5640	-49%
Nonfat Dry Milk (CME Average, USD/LB)	\$ 1.2490	\$ 1.2215	+2%	\$ 1.3680	-9%
Dry Whey (CME Average, USD/LB)	\$ 0.7170	\$ 0.7080	+1%	\$ 0.7380	-3%
WPC34 (AMS Central/West AOM, USD/LB)	\$ 1.5250	\$ 1.5000	+2%	\$ 1.5600	-2%
Lactose (AMS West AOM, USD/LB)	\$ 0.5100	\$ 0.4900	+4%	\$ 0.3850	+32%
Dry Buttermilk (AMS West AOM, USD/LB)	\$ 1.1450	\$ 1.1250	+2%	\$ 1.3600	-16%
Midwest Class II Cream (AMS Multiple)	1.14	1.14	0%	1.17	-3%
Midwest Spot Milk Basis (AMS, USD/CWT)	-\$1.88	-\$3.00	+37%	+\$1.00	-288%
Class III Milk Futures (CME, Contract 2, USD/CWT)	\$ 15.07	\$ 15.13	0%	\$ 20.18	-25%
Class IV Milk Futures (CME, Contract 2, USD/CWT)	\$ 13.86	\$ 13.91	0%	\$ 20.65	-33%
Cheese Futures (CME, Contract 2, USD/LB)	\$ 1.4640	\$ 1.4730	-1%	\$ 1.8650	-22%
Butter Futures (CME, Contract 2, USD/LB)	\$ 1.4508	\$ 1.4595	-1%	\$ 2.6040	-44%
Nonfat Dry Milk Futures (CME, Contract 2, USD/LB)	\$ 1.2050	\$ 1.2270	-2%	\$ 1.3675	-12%
Dry Whey Futures (CME, Contract 2, USD/LB)	\$ 0.6800	\$ 0.6675	+2%	\$ 0.7275	-7%