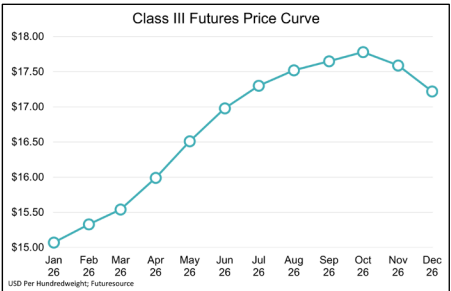
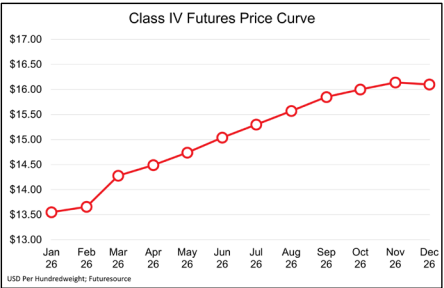
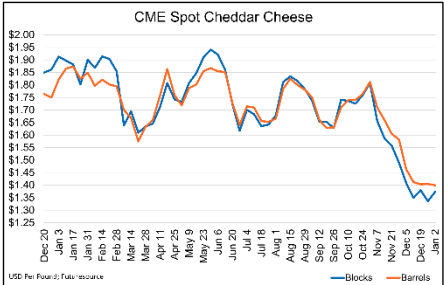




# Weekly Dairy Market Report

January 2, 2026

- Blocks traded higher this week, closing at \$1.3900 per pound, gaining \$0.0550 on the week. Barrels remained quiet at \$1.4000 per pound, with no change from the previous Friday. Butter slipped to \$1.3750 per pound, down \$0.0275 from last Friday.
- US dairy cow slaughter is turning higher. Although total culling for the year is down 3.2% through Week 51, the four-week average sits near 54,000 head per week, up 2.8% year-over-year. Starting around Labor Day, slaughter rates moved higher as farm margins started to compress.
- Corn exports are running well ahead of normal. Accumulated exports are 969.16 million bushels versus the five-year average of 474.87 million bushels. Soybean shipments remain sluggish, owing to the lack of Chinese buying. Accumulated soybean exports are 514.93 million bushels compared to 991.15 million bushels on the five-year average. March corn futures rose to \$5.3750 per bushel, \$0.7981 higher than last Friday. January soybeans declined to \$10.2950 per bushel, down \$0.5100 on the week.
- The Mexican peso has continued to appreciate against the US dollar through December, pushing toward its strongest levels of the second half of 2025. The stronger peso improves Mexico’s purchasing power, making US dairy products more attractively priced.



	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	\$15.07	-\$0.86	\$13.55	+\$0.15		\$10.30	\$291.00	\$17.37	\$8.84
Feb-26	\$15.33	+\$0.22	\$13.66	+\$0.16				\$17.49	\$8.90
Mar-26	\$15.54	+\$0.25	\$14.28	+\$0.28	\$4.38	\$10.46	\$296.00	\$17.62	\$8.97
Apr-26	\$15.99	+\$0.38	\$14.49	+\$0.09				\$17.55	\$8.88
May-26	\$16.51	+\$0.37	\$14.74	+\$0.04	\$4.46	\$10.59	\$299.90	\$17.71	\$9.02
Jun-26	\$16.98	+\$0.63	\$15.04	-\$0.02				\$17.97	\$9.26
Jul-26	\$17.30	+\$0.65	\$15.30	-\$0.08	\$4.52	\$10.72	\$305.60	\$18.19	\$9.43
Aug-26	\$17.52	+\$0.53	\$15.57	-\$0.18		\$10.71	\$307.70	\$18.57	\$9.80
Sep-26	\$17.65	+\$0.35	\$15.85	-\$0.22	\$4.47	\$10.58	\$309.20	\$19.11	\$10.33
Oct-26	\$17.78	+\$0.34	\$16.00	-\$0.29			\$309.80	\$19.65	\$10.78
Nov-26	\$17.59	+\$0.09	\$16.14	-\$0.25		\$10.63		\$19.96	\$10.95
Dec-26	\$17.22	-\$0.03	\$16.10	-\$0.37	\$4.59		\$313.70	\$19.89	\$10.76
Average	\$16.71		\$15.06		\$4.48	\$10.57	\$304.11	\$18.42	\$9.66

Tale of the Tape					
Market	This Week	Last Week	Change	Last Year	Change
Barrel Cheddar (CME Average, USD/LB)	\$ 1.4000	\$ 1.4050	0%	\$ 1.8219	-23%
Block Cheddar (CME Average, USD/LB)	\$ 1.3738	\$ 1.3356	+3%	\$ 1.9131	-28%
Butter (CME Average, USD/LB)	\$ 1.3956	\$ 1.3975	0%	\$ 2.5544	-45%
Nonfat Dry Milk (CME Average, USD/LB)	\$ 1.1738	\$ 1.1763	0%	\$ 1.3738	-15%
Dry Whey (CME Average, USD/LB)	\$ 0.7300	\$ 0.7188	+2%	\$ 0.7500	-3%
WPC34 (AMS Central/West AOM, USD/LB)	\$ 1.5000	\$ 1.5000	0%	\$ 1.4950	0%
Lactose (AMS West AOM, USD/LB)	\$ 0.4900	\$ 0.4900	0%	\$ 0.3725	+32%
Dry Buttermilk (AMS West AOM, USD/LB)	\$ 1.1450	\$ 1.1300	+1%	\$ 1.3450	-15%
Midwest Class II Cream (AMS Multiple)	0.98	1.03	-5%	1.10	-11%
Midwest Spot Milk Basis (AMS, USD/CWT)	-\$4.75	-\$4.25	-12%	-\$3.75	-27%
Class III Milk Futures (CME, Contract 2, USD/CWT)	#N/A	\$ 15.35	#N/A	\$ 20.57	#N/A
Class IV Milk Futures (CME, Contract 2, USD/CWT)	#N/A	\$ 13.76	#N/A	\$ 21.06	#N/A
Cheese Futures (CME, Contract 2, USD/LB)	#N/A	\$ 1.4610	#N/A	\$ 1.9190	#N/A
Butter Futures (CME, Contract 2, USD/LB)	#N/A	\$ 1.4850	#N/A	\$ 2.6553	#N/A
Nonfat Dry Milk Futures (CME, Contract 2, USD/LB)	#N/A	\$ 1.1775	#N/A	\$ 1.3835	#N/A
Dry Whey Futures (CME, Contract 2, USD/LB)	#N/A	\$ 0.7150	#N/A	\$ 0.7070	#N/A