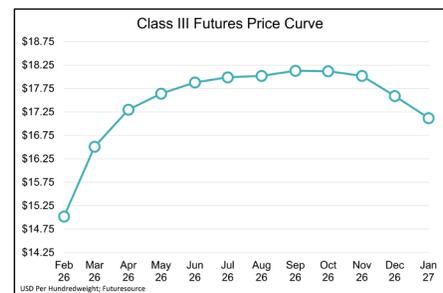
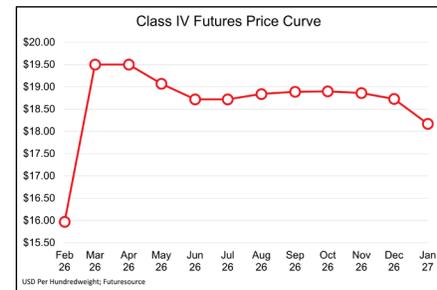
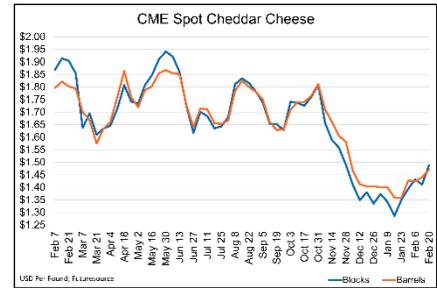


February 20, 2026

- Butter jumped to \$1.8700 per pound, a \$0.1650 gain from last Friday. Blocks climbed to \$1.4975 per pound, moving \$0.1100 higher on the week. Barrels finished \$0.0500 above last Friday at \$1.4900 per pound.
- USDA announced plans to purchase up to \$148 million in dairy products through Section 32 food assistance programs, including butter, cheese and milk. The purchases aim to support dairy demand and supply nutrition programs, with the butter buy marking the agency's first significant purchase in several years and offering potential near-term support. USDA has yet to release details around purchase timing, but USDA back in the mix is likely supportive for dairy commodities.
- January milk output reached 19.8 billion pounds, with daily output up 3.2% year-over-year, below expectations. California production increased 4.7% as recovery from prior avian influenza impacts continued. Growth was supported by larger herd sizes, with cow numbers rising 14,000 head month-over-month, leaving the dairy herd 189,000 head above year-ago levels. Dairy exports impressed in December 2025, with butter up 262.5% and cheese up 24.0% on the year.
- March corn futures fell to \$4.2750 per bushel, down \$0.0425 from last Friday, while March soybeans strengthened to \$11.3750 per bushel, \$0.0450 higher on the week.



	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
Feb-26	\$15.02	-\$0.91	\$15.97	+\$2.57				\$17.97	\$9.29
Mar-26	\$16.51	+\$1.40	\$19.50	+\$6.00	\$4.28	\$11.38	\$309.80	\$20.15	\$11.19
Apr-26	\$17.30	+\$2.01	\$19.50	+\$5.50				\$20.50	\$11.75
May-26	\$17.64	+\$2.03	\$19.07	+\$4.67	\$4.40	\$11.53	\$313.80	\$20.23	\$11.50
Jun-26	\$17.88	+\$1.74	\$18.72	+\$4.02				\$20.04	\$11.29
Jul-26	\$17.99	+\$1.64	\$18.72	+\$3.66	\$4.48	\$11.66	\$317.90	\$20.10	\$11.28
Aug-26	\$18.02	+\$1.37	\$18.84	+\$3.46		\$11.56	\$317.20	\$20.37	\$11.51
Sep-26	\$18.13	+\$1.14	\$18.89	+\$3.14	\$4.50	\$11.20	\$315.70	\$20.78	\$11.90
Oct-26	\$18.12	+\$0.82	\$18.90	+\$2.83			\$313.70	\$21.15	\$12.19
Nov-26	\$18.02	+\$0.58	\$18.86	+\$2.57		\$11.15		\$21.41	\$12.34
Dec-26	\$17.59	+\$0.09	\$18.73	+\$2.34	\$4.65		\$316.10	\$21.35	\$12.16
Average	\$17.45		\$18.66		\$4.46	\$11.39	\$315.13	\$20.37	\$11.49

Tale of the Tape					
Market	This Week	Last Week	Change	Last Year	
				Change	Change
Barrel Cheddar (CME Average, USD/LB)	\$ 1.4400	\$ 1.4240	+1%	\$ 1.8215	-21%
Block Cheddar (CME Average, USD/LB)	\$ 1.4110	\$ 1.4315	-1%	\$ 1.9140	-26%
Butter (CME Average, USD/LB)	\$ 1.6705	\$ 1.6375	+2%	\$ 2.3985	-30%
Nonfat Dry Milk (CME Average, USD/LB)	\$ 1.5995	\$ 1.5475	+3%	\$ 1.3010	+23%
Dry Whey (CME Average, USD/LB)	\$ 0.7220	\$ 0.7260	-1%	\$ 0.5675	+27%
WPC34 (AMS Central/West AOM, USD/LB)	\$ 1.5500	\$ 1.5250	+2%	\$ 1.6850	-8%
Lactose (AMS West AOM, USD/LB)	\$ 0.5200	\$ 0.5100	+2%	\$ 0.3875	+34%
Dry Buttermilk (AMS West AOM, USD/LB)	\$ 1.1450	\$ 1.2050	-5%	\$ 1.3500	-15%
Midwest Class II Cream (AMS Multiple)	1.16	1.12	+4%	1.11	+5%
Midwest Spot Milk Basis (AMS, USD/CWT)	-\$2.50	-\$1.50	-67%	-\$1.00	-150%
Class III Milk Futures (CME, Contract 2, USD/CWT)	\$ 15.88	\$ 17.10	-7%	\$ 19.70	-19%
Class IV Milk Futures (CME, Contract 2, USD/CWT)	\$ 18.16	\$ 18.85	-4%	\$ 19.30	-6%
Cheese Futures (CME, Contract 2, USD/LB)	\$ 1.5310	\$ 1.6390	-7%	\$ 1.8910	-19%
Butter Futures (CME, Contract 2, USD/LB)	\$ 1.8850	\$ 1.9380	-3%	\$ 2.4350	-23%
Nonfat Dry Milk Futures (CME, Contract 2, USD/LB)	\$ 1.4863	\$ 1.5400	-3%	\$ 1.2800	+16%
Dry Whey Futures (CME, Contract 2, USD/LB)	\$ 0.6825	\$ 0.6900	-1%	\$ 0.6160	+11%