June 29, 2026

ArrowStream

Dairy

Trade in CME spot dairy to end the week was thin with just 22 loads changing hands. For the week, CME cheese barrels were the only market to finish higher, though on very light trade. CME cheese blocks fell nearly a nickel to six-month lows, while nonfat dry milk and butter also posted fairly sharp declines. Cheese and butter demand remains mixed on both the domestic and export sides. Milk production across the country has begun its seasonal decline, though supplies remain available. Cream supplies are tightening, which is not unusual for this time of year. Buyers are delaying nonfat dry milk purchases in anticipation of lower prices in the coming weeks — though the downside from here may be somewhat limited. May 30th U.S. butter stocks were 8% below year-ago levels, and cheese stocks were down 1% as well. As noted last week, U.S. milk production in May hit a record high, up 2.3% from a year ago. That gain was driven by a modest 0.4% increase in milk per cow yields and a surge in the milk cow herd, which grew 1.9% from 2025 to its largest size in 33 years. Class I Cream (hundredweight), from USDA.

Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Increasing	Steady	Lower
Cheese Blocks (CME)	Decreasing	Available	Lower
Butter (CME)	Decreasing	Available	Lower
Nonfat Dry Milk	Decreasing	Available	Higher
Whey, Dry	Decreasing	Steady-Available	Higher
Class 1 Base	Steady	Steady	Higher
Class II Cream, heavy	Decreasing	Steady	Lower
Class III Milk (CME)	Steady	Available	Lower
Class IV Milk (CME)	Steady	Steady-Short	Higher