



The T.C. Jacoby Weekly Market Report

WEEK ENDING November 21, 2025

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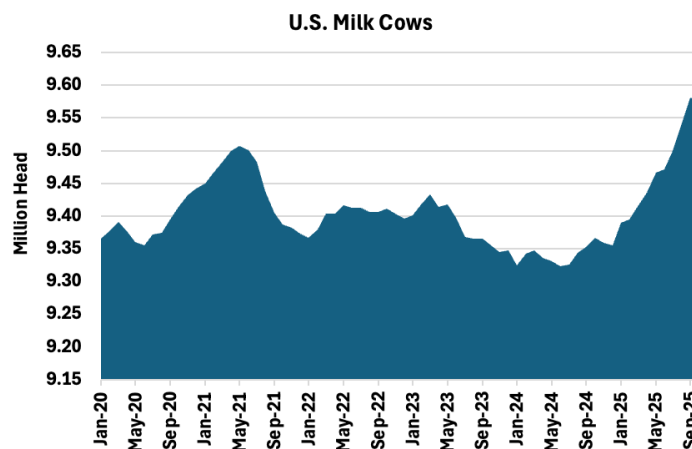


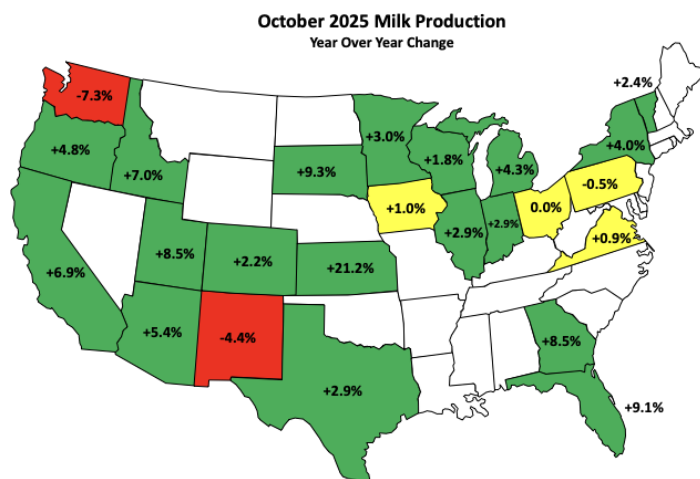
CME Spot Market for the Week 11/17/2025 to 11/21/2025			WHEY		
			Avg Price	Qty Traded	4 wk Trend
			\$ 0.7790	3	
CHEESE BLOCKS			CHEESE BARRELS		
Avg Price	Qty Traded	4 wk Trend	Avg Price	Qty Traded	4 wk Trend
\$ 1.5580	24		\$ 1.6050	0	
BUTTER			NON-FAT		
Avg Price	Qty Traded	4 wk Trend	Avg Price	Qty Traded	4 wk Trend
\$ 1.5020	17		\$ 1.1850	30	

Milk continues to gush across the United States. In the most recent *Milk Production* report, USDA pegged October production at 19.47 billion pounds, representing a year over year gain of 3.7%. Growth remains similar to recent months, though USDA did revise the September increase down from 4% to 3.8%. A larger herd continues to drive stronger output, but the tide may be shifting. For the first time this year dairy producers reduced cow numbers by 6,000 head during October, bringing the national herd to 9.575 million head. Even so, cow numbers are up an astonishing 208,000 head compared to a year ago.

Volumes were up across all major dairy states. California production marched upward by 6.9% as production this year is compared to last year's weak, H5N1-affected volumes. After posting an 8.9% increase in September, Idaho production was up another 7% in October. Michigan, New York, Texas, and Wisconsin all posted increases as well with volumes up 4.3%, 4%, 2.9%, and 1.8%, respectively.

Dramatically higher milk production in the U.S. comes on top of important increases across other global suppliers. European milk production continues to exceed expectations while volumes in the Southern Hemisphere are reaching record highs during their seasonal peak. All this available milk has kept the tone in the dairy markets decidedly bearish. This week's Global Dairy Trade (GDT) auction



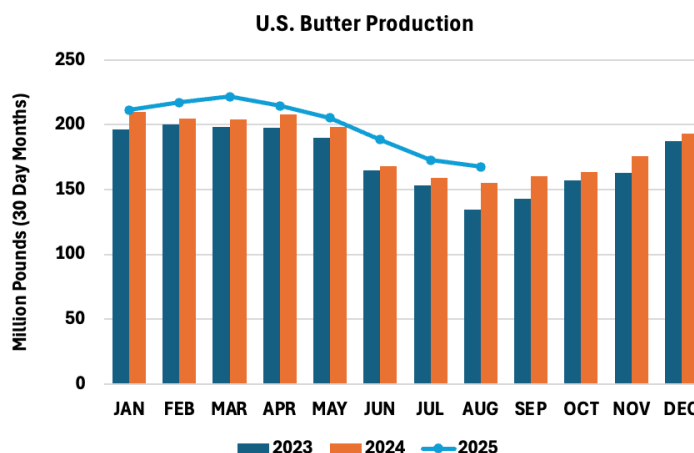


saw the GDT Price Index slip by 3% with lower prices posted across every commodity. Fats took the largest step backward with butter and anhydrous milkfat (AMF) falling by 7.6% and 5%, respectively, compared to the prior event.

Butter prices in the U.S. also remain under pressure as hefty production continues to weigh on markets. In August, butter churns across the country turned out 173.2 million pounds of product, 8.1% more than the same month last year. Year to date butter production is up 6% with plentiful supply

pushing prices down into the \$1.40s this week. The CME spot butter price gave up 9.75¢ over the course of the week, falling as low as \$1.4775/lb. by the end of Friday's session. Retail discounting may provide some support in the near term but with holiday purchases largely complete and cream output showing little sign of slowing, butter prices could have further to fall.

While lower butter prices are pulling the Class IV price downward, they have helped to keep U.S. butterfat very competitive on the global market. This dynamic propped up exports through August with butter exports soaring to 17.7 million pounds, up 190.5% year over year while AMF shipments jumped 198% to 6.4 million pounds. Significantly larger volumes were sent to Canada, the Middle East, and even Oceania.



Cheese exports also had an extraordinary August, once again setting a fresh monthly record as 119.3 million pounds of cheese moved offshore, 28.1% more than in the same month last year. Exports were up to nearly all destinations with South Korea exhibiting especially strong demand as cheese exports to that

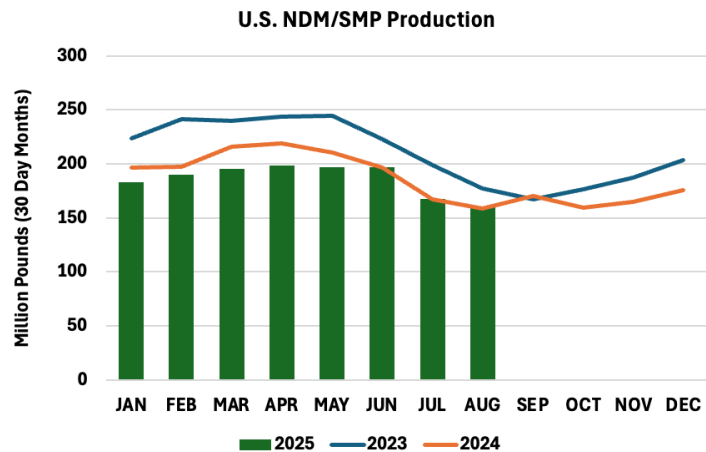


destination rose 84%. While cheese exports have had a banner year, more challenging days could be ahead. Global prices have converged and the price advantage that the U.S. has boasted for most of the year has been whittled down, increasing the level of competitiveness faced in the global market.

After taking a big step back last month, U.S. cheese prices remained largely stable this week. The CME block Cheddar price added a penny during the week, ending Friday's session at \$1.55/lb. as 24 loads of product

traded hands. Barrels fell by 6¢ to finish today's spot trade at \$1.5825/lb. Cheese production is robust as 1.202 billion pounds of product were produced during August, 0.5% more than during the same month last year. Production of Italian varieties outpaced that of American styles. With milk production still booming and the need to amortize recent investments in processing capacity, cheese production is expected to stay robust in the coming months.

Milk powder production remains subdued though volumes were up in August. Combined production of nonfat dry milk (NDM) and skim milk powder (SMP) for the month totaled 165.1 million pounds, up 0.9% compared to the same month last year. Manufacturers' stocks of NDM at the end of August were down 1.7% from July but were 10.4% greater than a year earlier. Milk powder exports remained weak in August, falling 17.6% year over year to just 124.4 million pounds. U.S. NDM prices have remained supported, even while prices slip in other parts of the globe. The CME spot price for NDM finished the week at \$1.1825/lb., unchanged from the prior Friday while 30 loads of product were traded.



While other commodities succumb to the bearish overtones pervading the market, whey continues to be buoyed by an insatiable global appetite for protein. Although the spot price for dry whey gave up 2¢ this week to end today's session at 76¢ per pound, demand remains robust. Manufacturers continue to route the whey stream to higher value uses. In August output of whey protein isolates grew 11.6% while dry whey production was up a more modest 8.7%. Production of whey protein concentrates between 25 and 49.9 percent protein tumbled by 30.3% as manufacturers redeployed production to higher value products. Whey exports were mostly upbeat in August with shipments of low protein whey products rising 10.6% to 39.9 million pounds. Meanwhile, exports of high protein whey products grew another 7.7% to reach 18.9 million pounds during the month.

The most recent Crop Progress report shows that the U.S. harvest is nearing completion. For the week ending November 16, 91% of corn had been harvested, slightly behind the five-year average of 94%. Meanwhile, 95% of soybeans had been harvested, slightly behind last year's rate but effectively on par with the five-year average of 96%. Grain markets were volatile over the week but by Thursday, MAR26 corn had settled at \$4.3775/bu., down just over 6¢ from the prior Friday. Meanwhile, JAN26 soybeans rose about a dime to \$11.225/bu.