



The T.C. Jacoby Weekly Market Report

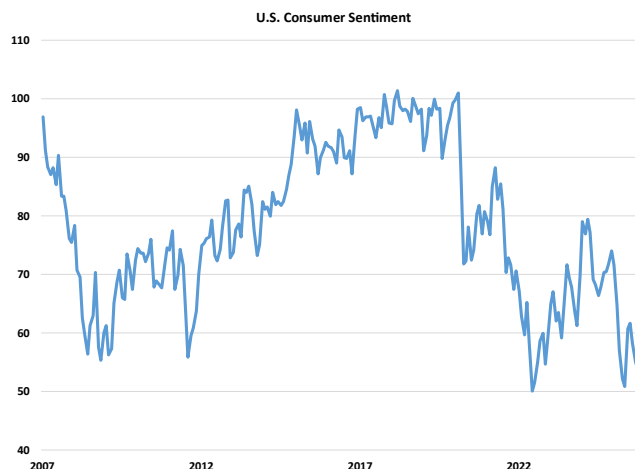
WEEK ENDING November 7, 2025

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CME Spot Market for the Week 11/3/2025 to 11/7/2025			WHEY		
			Avg Price	Qty Traded	4 wk Trend
			\$ 0.7140	4	
CHEESE BLOCKS			CHEESE BARRELS		
Avg Price	Qty Traded	4 wk Trend	Avg Price	Qty Traded	4 wk Trend
\$ 1.6560	25		\$ 1.7100	0	
BUTTER			NON-FAT		
Avg Price	Qty Traded	4 wk Trend	Avg Price	Qty Traded	4 wk Trend
\$ 1.4995	22		\$ 1.1345	6	

The commodity markets swung wildly back and forth this week, buffeted this way and that by politics and anxiety. While the U.S. economy continues to expand, growth is uneven. Lower-income consumers are struggling, and many middle-class Americans are watching their budgets more closely. They're dining out less and seeking bargains when they do. Many shoppers are trading down to store brands or switching to discount retailers. This week, the Trump



administration and a federal judge sparred over the timing and amount of Supplemental Nutrition Assistance Program (SNAP) benefits the government will fund during the partial shutdown, leaving the 43 million Americans who receive SNAP benefits in limbo.

Americans are also on edge about their employment. Several major firms have announced layoffs, and private assessments of the job market showed a setback in October. The University of Michigan's

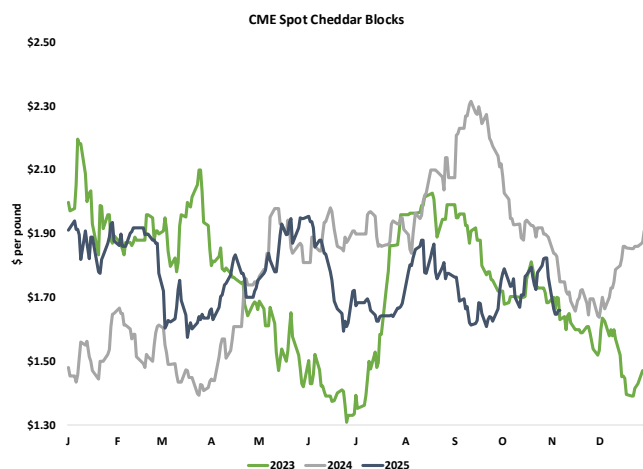
preliminary survey of Consumer Sentiment put the index at 50.3 this month, only slightly above the all-time low of 50 set in June 2022. Americans tell pollsters they're more pessimistic about the economy and the nation's trajectory than they were during the Great Recession or the darkest days of the pandemic.

In that context, consumers have been remarkably willing to pay ever higher prices for beef. But they may have reached their limit. The cattle markets were already ripe for a retreat when President Trump took aim at beef prices in mid-October. The industry is braced for the possibility of significant intervention, perhaps in the form of greater beef imports from Brazil or a resumption in Mexican feeder cattle imports. But so far it has faced only rhetoric and a slight uptick in beef

imports from Argentina. That was enough to push December cattle futures down \$27/cwt. from the mid-October high, an 11% decline. November feeder cattle plummeted \$56, dropping 15% in three weeks. But the beef industry is still willing to pay a hefty price for calves. At this week's

auction in New Holland, newborn crossbred bull calves brought an average of \$1,423 per head.

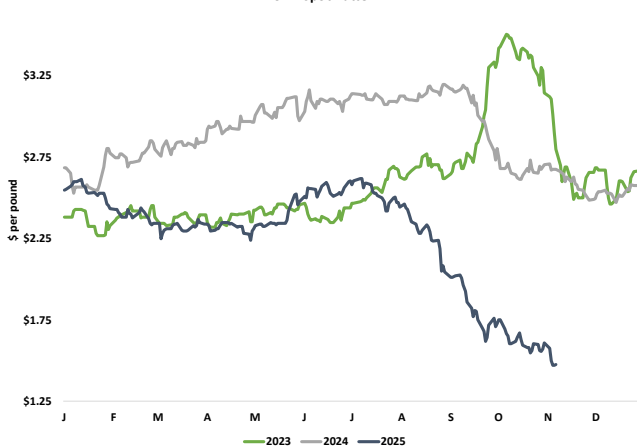
GF - Feeder Cattle - Weekly Line Chart



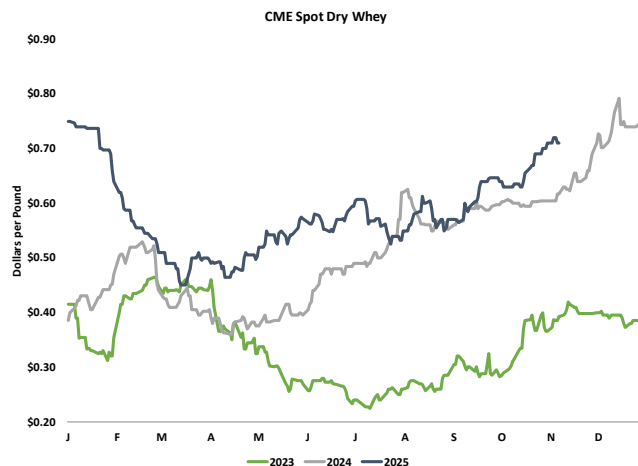
and prices are fading accordingly. After a strong showing last week, CME spot Cheddar blocks and barrels both gave back 10.5¢ this week. Blocks closed at \$1.66 per pound.

The butter market is swamped by domestic milkfat output. Class II demand is rising ahead of the holidays, but there's still plenty leftover for churns. Several processors are making 82% butter for the export market, but *Dairy Market News* reports that requests from international buyers are outpacing production. Meanwhile, 80% salted butter is abundant... and cheap. This week CME spot butter fell another 13.5¢. It closed at \$1.475, the lowest price since February 2021.

CME Spot Butter



Amid the tidal wave of volatility, the dairy powder markets were exceptionally calm. CME spot dry whey finished the week right where it started, at 71¢. Manufacturers are concentrating all the whey they can process, but “demand continues to outpace production,” according to *Dairy Market News*. That’s limiting output of commodity whey powder, and supplies are reportedly tight despite a slowdown in exports. International buyers prefer less expensive European whey powder.



Skim milk powder (SMP) prices held steady at the Global Dairy Trade auction on Tuesday, but other indications of international SMP values continued to fade. The world is awash in milk and milk powder, and international demand is mediocre. The U.S. is not winning a lot of export business

outside of Mexico. But domestic supplies are not heavy, and prices perked up a little this week. CME spot nonfat dry milk (NDM) climbed 1.25¢ and closed at \$1.145.

The milk markets were mixed. Nearby Class III futures followed cheese lower, while deferred contracts gained a little ground. Class III traded in the high \$16s and low \$17s. The November contract closed at \$17.20 per cwt. But Class IV futures dropped again. November and December Class IV fell nearly 30¢ and some 2026 contracts dropped 40¢ or more. The futures feature the disheartening prospect of Class IV revenues south of \$14 through February.

Volatility reigned in the grain pits as the market tried to assess supply and demand in the absence of USDA’s monthly yield estimates. The agency will issue a belated update next Friday. In the meantime, there is a wide array of opinions on the size of the corn crop. Some private analysts continue to call for a national average corn yield near 186 bushels per acre, while others cite disease pressure and suggest that this year’s yield may fall below last year’s 179.3 bushel average.

The industry expects the soybean yield will be close to USDA’s September estimate, around 53 bushels per acre. And, for now, the market is still in the trust stage of its “trust but verify” approach to U.S. promises that China will purchase more soybeans. Soybean and soybean meal futures are notably higher than they were before U.S. Treasury Scott Bessent said that China had agreed to purchase 12 million metric tons of U.S. soybeans by January and an additional 25 million metric tons in each of the next three years. China’s state-owned grain purchaser made a show of good faith ahead of the trade negotiations and purchased three cargoes of U.S. soybeans. But no Chinese officials have confirmed Bessent’s summary of China’s purchasing plans, and China recently bought 20 cargoes of Brazilian soybeans. If China doesn’t buy more U.S. beans soon, the market may conclude that it cannot count on sales to the world’s foremost soybean buyer. January soybeans closed today at \$11.17 per bushel, not far from last week’s settlement. December soybean meal fell \$4.40 to \$317 per ton. And December corn futures slipped 4.25¢ to \$4.2675.