



The T.C. Jacoby Weekly Market Report

WEEK ENDING February 13, 2026

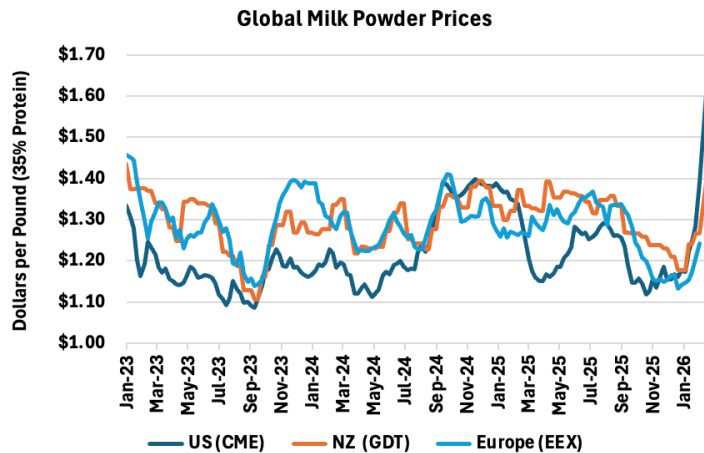
By Sarina Sharp, Market Analyst for the Daily Dairy Report
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CME Spot Market for the Week			WHEY		
			Avg Price	Qty Traded	4 wk Trend
2/9/2026 to 2/13/2026			\$ 0.7220	1	
CHEESE BLOCKS			CHEESE BARRELS		
Avg Price	Qty Traded	4 wk Trend	Avg Price	Qty Traded	4 wk Trend
\$ 1.4110	10		\$ 1.4400	0	
BUTTER			NON-FAT		
Avg Price	Qty Traded	4 wk Trend	Avg Price	Qty Traded	4 wk Trend
\$ 1.6705	113		\$ 1.5995	17	

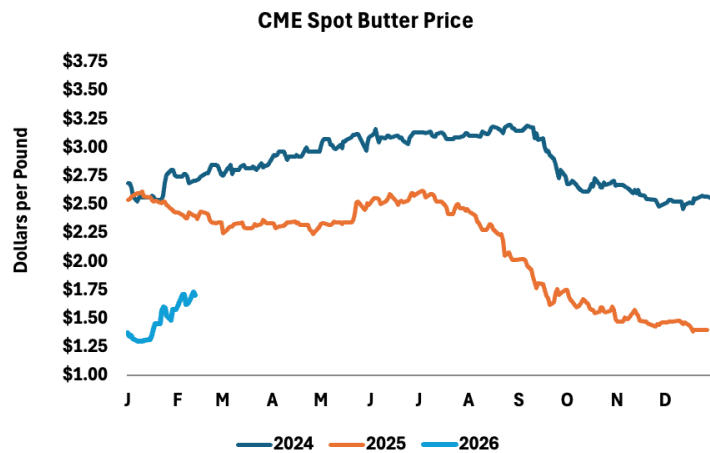
It was another dramatic week on LaSalle. Seemingly inspired by the Olympians in Milan-Cortina, the markets underwent their own fits of athletic prowess as they jumped, twirled, and in some cases tumbled. The market tone is unsettled as buyers and sellers are going head-to-head. By the conclusion of Friday's spot session, every commodity sat at a lower price than a week prior. However, that simple conclusion belies the volatile activity that occurred over the course of the week.

After spending the last couple weeks vaulting upward, the resolve of the nonfat dry milk (NFM) market was tested early in the week. Prices fell by 3.5¢ on Monday and dropped by another half cent over each of the next two days. The week was punctuated by a quarter cent gain on Thursday and again on Friday, ultimately bringing the price to \$1.60/lb., 4¢ lower than last Friday's value. A total of 17 trades were made over the course of the week.



Most market analysts agree that the meteoric rise of NDM was likely due to a confluence of short-term factors and that the market cannot likely defend these price levels for much longer. Indeed U.S. milk powder production remains limited and with insatiable demand for protein pushing milk through other avenues, the trend doesn't seem likely to reverse course any time soon. However, the spring flush is on the horizon, which should usher more milk into the dryer and help relieve the

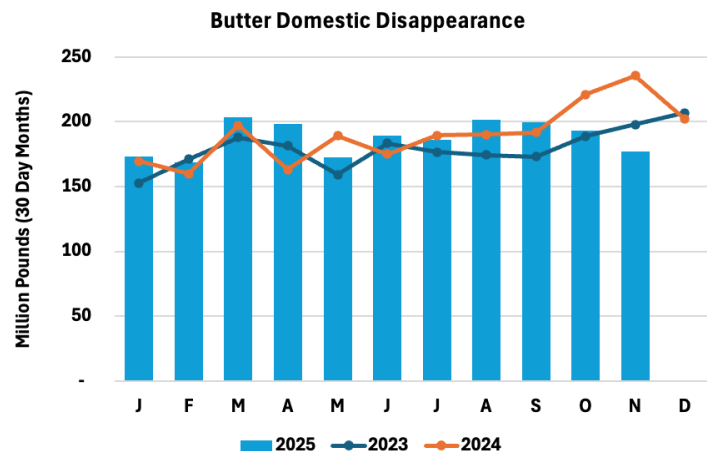
squeeze. Further, and perhaps more importantly, U.S. product is now clearly uncompetitive with alternative international suppliers. Even considering this week's CME spot price decline and



recognizing that global prices have followed the U.S. upward, U.S. exporters will struggle to secure international sales at these price levels.

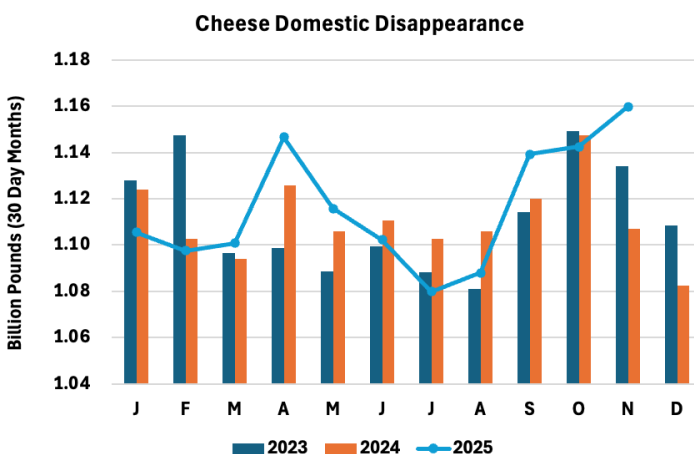
On the other side of the Class IV complex, butter prices also put on a show. After surging last week, The CME spot butter price sought to undo its gains on Monday with prices falling by 8.5¢ during the session. Seemingly discontent to stay at these levels, the market added 1¢ and 1.75¢ on Tuesday and Wednesday before bounding 8.25¢ upward on Thursday, rising to \$1.735/lb.

in the process. Friday's trade brought another 3¢ decline which closed out the week at \$1.705/lb., just a half cent lower than a week prior. But what was perhaps even more impactful than the impressive performance put on by the price of butter was the volume traded. At least 19 loads traded hands every day with a total of 113 trades made during the week.



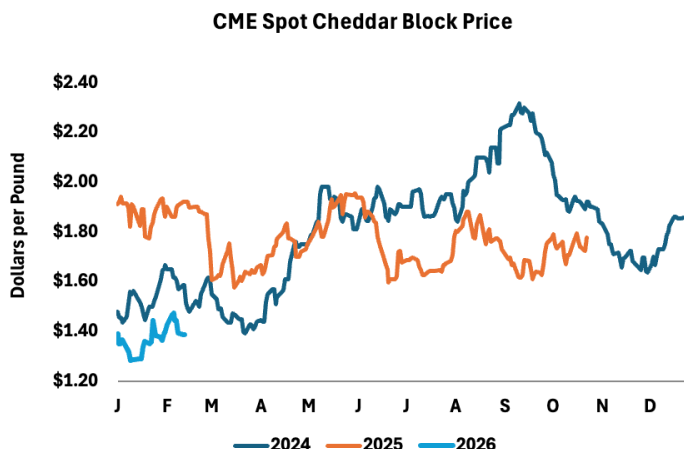
The butter market is clearly unsettled. Anecdotal information suggests that milkfat production remains robust and cream supplies are readily available, though an uptick in Class II demand is creating tension in parts of the country. Butter production is expected to remain upbeat through the spring as milk production expands seasonally. Signals are more convoluted on the demand side of the equation.

The export pull remains solid, especially for butter that fits the higher fat standards demanded by most international customers. Retail demand is also reportedly strong. However, in a sharp contrast to market commentary, the utilization estimates published by USDA's Economic Research Service show that domestic disappearance of butter collapsed by 25% year over year in November. This unusual combination of data is adding further uncertainty into an already reactive market.



While butter utilization tumbled in November, cheese domestic disappearance rose by 4.8% year over year, a promising result for a market that has seen domestic demand struggle in recent months. *Dairy Market News* reports that foodservice demand for cheese remains tepid as consumers dine out less frequently. Cheese production schedules vary across the country but are generally busy, if not burdensome. Export sales remain upbeat and a critical outlet for hefty U.S. cheese production.

U.S. cheese remains competitively priced on the global market and price declines at the CME this week have sharpened that edge. Block Cheddar prices moved down each day between Monday and Thursday, before taking a breather on Friday. In total the market moved down by 8.5¢, ending the week at \$1.3875/lb. as 10 loads of product traded hands.



Compared to the drama seen in the other commodities, the spot dry whey market showed remarkable restraint this week as prices forfeited just one penny on Tuesday. Prices ended the week at 72¢ per pound with just a single load trading hands. The whey market continues to be driven by demand for higher value ingredients, prices of which continue to inch higher and higher. But demand is unfazed by these astronomical values as consumers can't seem to get enough protein. As long as this insatiable demand persists, tight raw whey supplies are expected to keep propping up the dry whey market.

Moderating temperatures have been welcome news for dairy producers in most parts of the country though a lack of precipitation is causing anxiety to build in the west. Volumes in many parts of the U.S. are beginning to tick upward, and many dairy market stakeholders are looking toward the spring situation with anticipation. Lower spot values took a moderate toll on milk futures this week. On Thursday, MAR26 Class III settled at \$16.45/cwt while MAR26 Class IV landed at \$18.10.

USDA released its February World Agricultural Supply and Demand Estimates report this week with little fanfare. The agency left the soybean balance sheet unchanged and only made a modest upward adjustment to corn exports with no impact on the average farm price. On the international front South American corn production was left stable while Brazilian soybean output was lifted to a whopping 180 million MT. While dry weather has emerged as a concern in Argentina, hefty grain supplies from the continent should keep feed price