



# The T.C. Jacoby Weekly Market Report

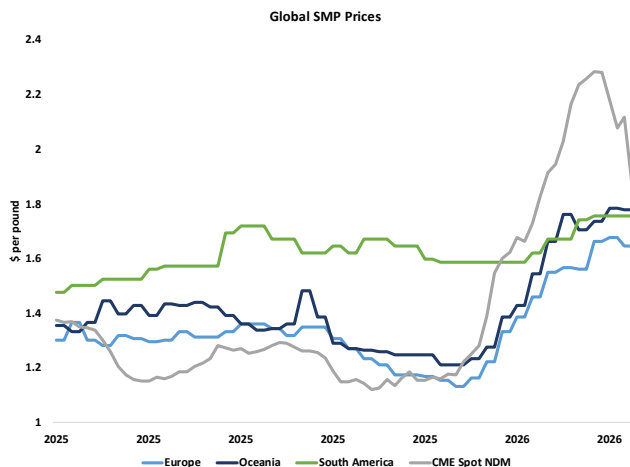
WEEK ENDING June 12, 2026

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CME Spot Market for the Week			WHEY		
			Avg Price	Qty Traded	4 wk Trend
6/8/2026 to 6/12/2026			\$ 0.6770	4	
CHEESE BLOCKS			CHEESE BARRELS		
Avg Price	Qty Traded	4 wk Trend	Avg Price	Qty Traded	4 wk Trend
\$ 1.4815	21		\$ 1.4540	4	
BUTTER			NON-FAT		
Avg Price	Qty Traded	4 wk Trend	Avg Price	Qty Traded	4 wk Trend
\$ 1.6665	161		\$ 1.8695	51	

What goes up must come down, and the milk powder market is no exception to the laws of gravity. This week, CME spot nonfat dry milk (NDM) demonstrated Isaac Newton’s third law of motion, the one that describes equal and opposite reactions. Spot NDM dropped just as quickly and dramatically as it soared. It fell 26¢ in five trading sessions to \$1.785 per pound, a three-month low. U.S. milk powder exports held steady in April as merchants delivered on deals booked



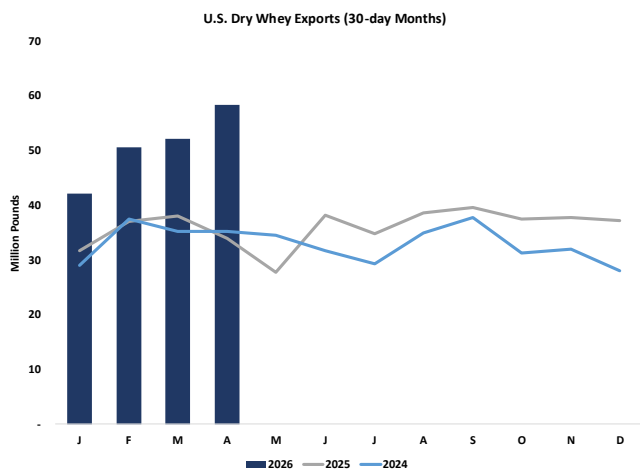
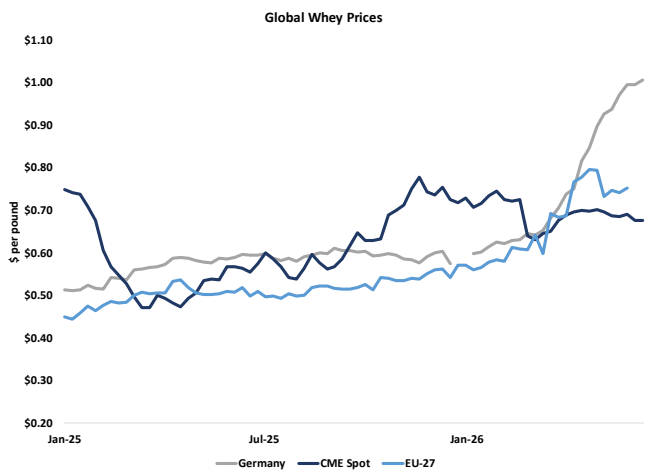
several months before, when U.S. milk powder was among the cheapest in the world. Export prospects are much dimmer going forward. Even after the selloff, U.S. milk powder commands a premium to international product, and foreign buyers are likely to look elsewhere.

CME spot whey powder is holding steady in an exceptionally narrow range just south of 70¢. This week, the spot price inched up a penny to 68¢. Meanwhile, European whey prices have climbed straight upward since

April, making U.S. whey look like a bargain. U.S. dry whey exports posted their second-largest monthly total on record in April, up 72% year over year. Strong demand from China has boosted whey exports all year, but going forward the U.S. is likely to gain marketshare around the globe.

While U.S. exporters typically compete with their European peers, Europe is suddenly the destination of choice for U.S. whey product shipments.

U.S. cheese exports set a fresh monthly record in April, tipping the scales at 141.5 million pounds, up 29.9% from April 2025. U.S. cheese still looks like a bargain, and exports are expected to remain strong. That's vital, because domestic cheese demand is lackluster and production is formidable. Cheese prices will have to stay low enough to maintain the edge in international markets. But there is room for a modest rebound from recent lows. This week CME spot Cheddar blocks climbed 1.5¢ to \$1.4875.



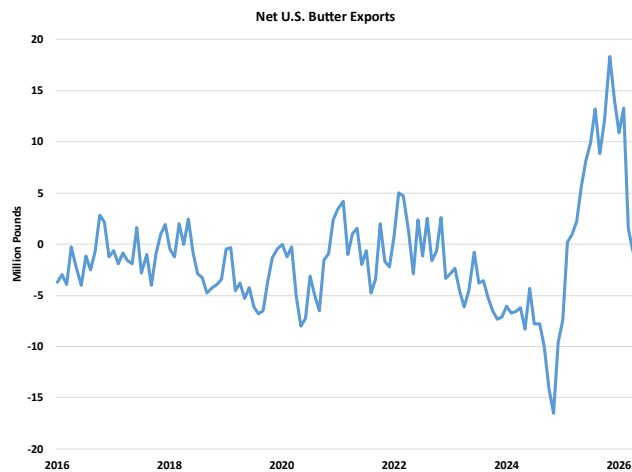
The butter market started strong but finished weak. CME spot butter fell 2.5¢ to \$1.6675 after a flurry of activity on LaSalle Street. Traders exchanged 161 carloads of butter, the highest weekly spot volume since October 2024. Sixty loads moved on Friday alone, the heaviest single-day volume since daily trading began 20 years ago. After some unexpected downtime, a major butter producer was forced to bid for product at the CME to meet its sales commitments. In a tight market, that might

have pushed prices sharply higher. Instead, it gave other butter sellers the opportunity to move some product without pushing prices drastically lower. Domestic butter demand is excellent, and exports are big. But imports are also large. The U.S. is importing so much Kerrygold butter that net exports dropped to nearly zero in March, and the U.S. was a net butter importer in April.

The milk markets continued to deflate. Most Class III contracts lost between 20 and 30¢. June Class III dropped to \$15.95 per cwt. Class IV contracts lost roughly a half-dollar, on average. The futures predict \$20 milk in June, but much lower revenues ahead. The October contract fell to \$17.94 this week.



Crop prices dropped hard once again this week. USDA's monthly supply and demand update contained no surprises, but it forced the trade to reckon with the hard reality of



global crop supplies. Corn, soybean, and wheat prices rallied earlier this year, buoyed by concerns that dry weather in Brazil and drought in the U.S. Plains would reduce grain production. When crude oil prices jumped, speculative investors bid the corn market even higher on the assumption that rising fertilizer prices could reduce crop yields. The Trump-Xi trade summit further boosted the soy complex, as traders on LaSalle Street hoped the world's largest soybean importer would step up its purchases of U.S. oilseeds. But one by one,

those anxieties and hopes were quelled. Late-season rains revived Brazil's second corn crop. While some fertilizer prices remain elevated, the cost of urea, the most common form of nitrogen fertilizer, dropped to its lowest price since early February. And traders finally believed Chinese officials who have consistently asserted that they would not buy any U.S. soybeans beyond those they already promised to purchase during previous trade discussions. Today's prices reflect a more realistic assessment of demand for U.S. crops and a good start to the growing season. But there's plenty of weather between now and harvest.

July corn futures dropped a nickel this week and plumbed life-of-contract lows. They settled at \$4.13 per bushel. July soybeans dropped 9¢ to \$11.13. July soybean meal fell another \$7.70 to \$301.10 per ton.