



# The Market Administrator's

# BULLETIN

## NORTHEAST MARKETING AREA

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Federal Order No. 1

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### March Pool Price Calculation

The March 2026 statistical uniform price (SUP) for the Northeast Marketing Area was announced at \$18.82 per hundredweight (cwt) for milk delivered to plants located in Suffolk County, Massachusetts (Boston), the pricing point for the Northeast Order. The SUP is calculated at 3.5 percent butterfat, 3.18 percent protein, and 5.79 percent other solids. If reported at the average tests of producer pooled milk, the SUP would be \$21.13 per cwt. The March SUP was \$1.51 per cwt above the February price. The March producer price differential (PPD) at Suffolk County was \$2.66 per cwt, an increase of 29 cents from the previous month.

#### Product Price Effects

In March, commodity prices for butter and nonfat dry milk both rose by 20 cents, and the cheese price increased by 13 cents, while dry whey fell by 2 cents (all on a per-pound basis). These commodity price changes translated to a 24-cent increase in the butterfat price, a 20-cent increase in the nonfat solids price, a 15-cent rise in the protein price, and a 2-cent decrease in the other solids price.

#### Class Prices for March

Class I, which is based on February prices, rose 77 cents; Class II increased \$2.00; Class III rose \$1.22; and Class IV increased \$2.65, all on a per cwt basis. With all class prices rising (specifically Class IV) and Class III remaining the lowest class price for the month, the PPD experienced a modest gain. The increased prices for butter and cheese translated to an increase in the Class III price, which, combined with the rise in the PPD, resulted in an increase of over \$1.50 per cwt in the SUP compared to February.

#### Selected Statistics

The average daily delivery per producer was the highest volume in the Northeast Order since the order's formation. Total producer receipts and Class II utilization were the second-largest volumes in the history of the order, and Class I utilization was the largest volume for March in three years. Additionally, both the average producer butterfat test and the average producer protein test set new record highs for the month of March. ❖

### Pool Summary

- A total of 7,159 producers were pooled under the Order with an average daily delivery per producer of 10,969 pounds.
- Pooled milk receipts totaled 2.417 billion pounds, an increase of 2.2 percent from last month on an average daily basis
- Class I usage (milk for bottling) accounted for 28.2 percent of total milk receipts, down 0.5 percentage points from February.
- The average butterfat test of producer receipts was 4.48 percent.
- The average true protein test of producer receipts was 3.35 percent.
- The average other solids test of producer receipts was 5.76 percent.

#### Class Utilization

Pooled Milk	Percent	Pounds
Class I	28.2	680,477,817
Class II	28.5	688,491,252
Class III	29.7	717,968,519
Class IV	13.6	329,799,447
Total Pooled Milk		2,416,737,035

#### Producer Component Prices

	2026	2025
	\$/lb	
Protein Price	2.0905	2.4606
Butterfat Price	2.0220	2.6242
Other Solids Price	0.4178	0.3647

#### Class Prices

	2026	2025
	\$/cwt	
Class I	20.57	24.27
Class II	17.34	20.12
Class III	16.16	18.62
Class IV	18.94	18.21

## Market Update

Using the Chicago Mercantile Exchange (CME) Class III and IV milk futures prices (as settled on April 24, 2026) to substitute the April to December Class III and IV prices, the 2026 Class III and IV prices averaged \$17.54 per cwt and \$19.74 per cwt, respectively. This results in a decrease of \$0.47 per cwt in Class III and an increase of \$2.36 per cwt in Class IV from their 2025 averages.

The United States Department of Agriculture's (USDA) World Agricultural Supply and Demand Estimates (WASDE) April 2026 report forecasts the all-milk price for 2026 to be \$20.50 per cwt. The annual average Class III price is forecasted at \$16.90 per cwt, and the Class IV price at \$18.60 per cwt. In addition, the WASDE reported an estimated 2025 all-milk price of \$21.17 per cwt, an average Class III price of \$18.01 per cwt, and an average Class IV price of \$17.38 per cwt.

For commodity prices, the WASDE projects a 2026 average cheese price of \$1.6450 per pound, butter at \$1.8150 per pound, nonfat dry milk (NFD) at \$1.5750 per pound, and dry whey at \$0.6600 per pound. For comparison, a combination of published commodity prices from January to April 2026 alongside settled CME futures (as of April 24, 2026) for the remaining months of the year averaged a cheese price of \$1.6902 per pound, butter at \$1.7793 per pound, NFD at \$1.7217 per pound, and dry whey at \$0.6989 per pound. This article reviews current supply and demand factors alongside economic indicators with a look to the remainder of 2026; however, forecasting dairy prices beyond a few months comes with increased uncertainty.

### **Select Cost Factors**

Feed costs remained relatively flat for the first quarter of 2026, though CME futures prices suggest that soybean and corn prices may experience an increase for the remainder of the year. Between February 2025 and February 2026, as reported by the National Agricultural Statistics Service (NASS), the price of corn decreased 10.3 percent, soybeans increased 3.9 percent, and alfalfa hay remained unchanged.

Using NASS-reported prices for January and February 2026 with the available CME futures for the year (as settled on April 24, 2026), the average annual corn price is \$4.49 per bushel. However, a 2026 forecasted price from the WASDE sits at \$4.15 per bushel, suggesting a potential decrease in corn prices in the near future. Soybean prices for 2026 are estimated to average \$11.30 per bushel using the same data sources, and the WASDE forecasts a 2026 soybean price of \$10.30 per bushel. The CME does not offer futures for alfalfa hay, which limits price projection capabilities.

According to the U.S. Energy Information Administration (USEIA), the cost of retail diesel rose 37.3 percent between March 2025 and March 2026, marking

an increase of \$1.42 per gallon. The USEIA reported that the national average price for retail diesel in March was \$4.92 per gallon. The USEIA forecasts diesel fuel prices to increase to \$5.84 per gallon in April 2026, but expects them to start decreasing in May and continue trending downward for the remainder of the year. The estimated December 2026 diesel price is \$4.43 per gallon, predicting an annual average of \$4.81 per gallon for 2026.

### **Supply Factors**

The WASDE December 2025 report anticipated a 1.6 percent increase in U.S. dairy production, to a projected 235.3 billion pounds for 2026 compared to the estimated 231.7 billion pounds for 2025. For the months of January to March, the USDA NASS Milk Production report showed an annual increase of 2.6 percent on an average daily basis (to account for the extra day brought on by the leap year) when compared to the same period in 2025.

From January to March, U.S. milk production in 2026 has increased each month compared to the previous year. Every month has risen at least 2.3 percent over 2025, with February 2026 experiencing a notable 6.6 percent increase over February 2025. In total, during the first three months of 2026, the U.S. produced over 1.6 billion pounds more milk than in the first three months of 2025, totaling 58.5 billion pounds – an increase of 2.9 percent.

U.S. monthly milk per cow (MPC) in the first quarter of 2026 outperformed 2025 in all three reported months. In March 2026, MPC was 2,119 pounds per head, 7 pounds per head higher than in March 2025. The estimated number of milk cows has also increased for the first three months of 2026; March 2026 recorded 9.6 million cows, representing 187,000 more cows than in March 2025.

In early 2026, the Federal Reserve Bank maintained the same interest rates established in late 2025, with current rates targeted between 3.50 and 3.75 percent. The intention behind holding the interest rate steady is to balance economic growth with stable inflation.

### **Demand Factors**

According to the U.S. Dairy Export Council (USDEC) Data Hub, skim milk powder/nonfat dry milk (SMP/NFD) accounted for the second-largest category of dairy exports by volume for the first two months of 2026. A combined 108,117 metric tons of SMP/NFD were exported in January and February 2026, an increase of 13.5 percent from the same two months in 2025. Southeast Asia and Mexico remain the two largest importers of U.S. SMP/NFD. Mexico experienced a year-over-year increase of almost 200 metric tons, and Southeast Asian imports increased by almost 1,000 metric tons.

U.S. cheese exports have grown by 20.1 percent, making it the most exported dairy good. This growth occurred across all of the top importing countries: Mexico, South

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## Market Update *(continued from page 2)*

Korea, Central America, and Japan. The third-largest dairy export, whey, also increased by 9.4 percent, with modest export growth occurring in Mexico, Canada, and South America. Overall, China remains the largest importer of American whey, though exports to China have decreased by 3,500 metric tons.

### Domestic Situation

The Conference Board's Consumer Confidence Index (CCI) – a measurement of consumers' views on the health of the economy – stood at 91.8 for March, up from 91.0 in February. A CCI score above 100 means consumers feel optimistic about the economy. The Restaurant Performance Index (RPI) stood at 99.8 in October, a 0.4 percentage point increase from the previous month, and reached 100.9 in February. This marked the first time in nine months the score was above 100, suggesting market expansion.

The Bureau of Labor Statistics reported that the Consumer Price Index (CPI) for all items increased by 3.3 percent in March 2026 versus March 2025. However, the CPI for all dairy and related products decreased by 1.6 percent over the same period, implying dairy products have become a better bargain compared to other grocery items. Over half of the dairy product groupings included in the CPI experienced price decreases: fresh whole milk dropped by 2.9 percent, cheese and related products decreased by 4.4 percent, and other dairy and related products dropped by 1.8 percent. Conversely, prices for fresh milk other than whole milk increased by 0.3 percent, and ice cream and related products increased by 2.5 percent. ❖

## Nonfat Solids Situation

The March nonfat dry milk (NFDM) price, as reported by the Agricultural Marketing Service (AMS), was \$1.5742 per pound. This marks the first time since November 2022 that the NFDM price has exceeded \$1.5000 per pound. The surge in this commodity price directly translated to an increase in both the nonfat solids component price and the Class IV skim price. This price hike is largely driven by an increased demand for protein and tightening NFDM stocks heading into 2026.

According to the National Agricultural Statistics Survey (NASS), NFDM stocks grew year-over-year throughout 2025, with inventory at the end of December 2025 sitting 24.3 percent higher than in December 2024. However, the market shifted significantly early in the new year. Stocks at the end of February 2026 were 9.9 percent lower than in February 2025, despite a 14.6 percent increase in NFDM production over those same two months. With supply tightening against steady demand, the price of NFDM naturally increased.

Chicago Mercantile Exchange (CME) NFDM futures, as settled on April 24, 2026, signal a continued upward trend in prices. CME futures act as real-time indicators that signal the future direction of commodity prices, which naturally trails CME price movements by one to three weeks because it aggregates previously negotiated wholesale contracts. CME futures for June 2026 settled at \$2.0400 per pound, which translates to a nonfat solids price of \$1.6964 per pound. Accounting for the 2025 price formula changes, a 1-cent increase in the NFDM price translates into a nearly 1-cent increase in the nonfat solids price, which subsequently drives an approximate 10-cent increase in the Class IV skim price. ❖

## Pool Summary for All Federal Order, January–March, 2025–2026

Federal Order		Total Producer Milk*			Differential#		Uniform Price#	
Number	Name	2025	2026	Change	2025	2026	2025	2026
		pounds			percent	dollars per hundredweight		
1	Northeast	6,835,746,178	6,893,952,563	0.9	1.62	2.36	21.34	17.59
5	Appalachian	1,293,321,480	1,270,994,405	(1.7)	N/A	N/A	23.14	20.22
6	Florida	650,477,135	673,725,653	3.6	N/A	N/A	25.04	21.17
7	Southeast	901,291,464	822,946,753	(8.7)	N/A	N/A	23.62	20.63
30	Upper Midwest	7,027,707,706	5,225,838,902	(25.6)	0.15	0.51	19.87	15.74
32	Central	3,724,881,956	3,511,253,143	(5.7)	0.26	1.35	19.97	16.58
33	Mideast	5,072,494,338	5,415,430,729	6.8	0.75	1.47	20.46	16.70
51	California	7,727,071,407	5,542,589,447	(28.3)	0.48	0.81	20.19	16.04
124	Pacific Northwest	1,906,873,822	1,132,443,933	(40.6)	0.26	0.99	19.97	16.22
126	Southwest	3,759,038,061	3,738,292,126	(0.6)	1.05	1.50	20.76	16.73
131	Arizona	1,219,069,328	1,071,780,220	(12.1)	N/A	N/A	20.85	16.54
All Market Total/Average		40,117,972,875	35,299,247,874	(12.0)	0.65	1.28	21.38	17.65

# Price at designated order location. Simple average.

N/A = Not applicable.

\* Data may not be comparable to previous years due to significant volumes of milk not pooled on federal orders.



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### Computation of Producer Price Differential and Statistical Uniform Price\*

		Product Pounds	Price per cwt. / lb.	Component Value	Total Value
Class I	Skim Milk	664,227,586	\$15.01	\$99,700,560.66	
	Butterfat	16,250,231	1.7397	28,270,526.87	
Less:	Location Adjustment to Handlers			(5,118,287.79)	\$122,852,799.74
Class II	Butterfat	38,844,876	2.0290	78,816,253.47	
	Nonfat Solids	62,032,583	1.1409	70,772,973.94	149,589,227.41
Class III	Butterfat	36,852,050	2.0220	74,514,845.12	
	Protein	23,996,210	2.0905	50,164,077.00	
	Other Solids	41,072,514	0.4178	17,160,096.37	141,839,018.49
Class IV	Butterfat	16,406,113	2.0220	33,173,160.45	
	Nonfat Solids	29,908,891	1.3215	39,524,599.45	72,697,759.90
<b>Total Classified Value</b>					<b>\$486,978,805.54</b>
Add:	Value for 60(e) through 60(i)				2,036,963.97
	Other Source Receipts	288,437			
<b>Total Pool Value</b>					<b>\$489,015,769.51</b>
Less:	Value of Producer Butterfat	108,353,270	2.0220	(219,090,311.92)	
	Value of Producer Protein	80,971,487	2.0905	(169,270,893.63)	
	Value of Producer Other Solids	139,099,953	0.4178	(58,115,960.37)	(446,477,165.92)
<b>Total PPD Value before Adjustments</b>					<b>\$42,538,603.59</b>
Add:	Location Adjustment to Producers				21,775,890.34
	One-half Unobligated Balance - Producer Settlement Fund				1,069,798.47
Less:	Producer Settlement Fund - Reserve				(1,091,414.86)
<b>Total Pool Milk &amp; PPD Value</b>					<b>\$64,292,877.54</b>
	<b>Producer Price Differential</b>		<b>\$2.66</b>		
	<b>Statistical Uniform Price</b>		<b>\$18.82</b>		