USDA
United States Department of Agriculture

Outlook

Economic Research Service | Situation and Outlook Report

LDP-M-387 | September 17, 2026

Next release is October 16, 2026

Livestock, Dairy, and Poultry Outlook: September 2026

Summary

Beef/Cattle: Fed cattle slaughter remains historically low, leading to lower beef production forecasts for 2026 and 2027. Cattle prices continue to decline from spring highs, reducing price expectations through next year. The expansion of a tariff-free quota for lean beef from September through November is expected to boost U.S. imports in late 2026, and beef export projections are raised slightly for both 2026 and 2027.

Dairy: Compared to previous forecasts, milk production forecasts for 2026 and 2027 were increased to 237.2 billion pounds and 238.6 billion pounds, respectively, due to higher expected cow numbers and improved milk yields. Domestic milk disappearance is also forecast to be higher in both 2026 and 2027. The all-milk price for 2026 is forecast at $19.90 per hundredweight (cwt), a $0.05 increase from last month's projection, while the all-milk price forecast for 2027 is $19.80 per cwt, unchanged from last month's forecast.

Pork/Hogs: Sluggish pork demand in September led to a small reduction in third-quarter pork production to 6.6 billion pounds, slightly above same-period production in 2025. Quarterly export forecasts for both 2026 and 2027 are reduced on strong competition and softer demand for U.S. pork in important foreign markets.

Poultry/Eggs: Despite higher forecast broiler production in 2027, growth is expected to slow from recent years as exports decrease. Projected broiler prices are adjusted lower in 2026 to reflect recent trends. Projected table egg production and exports were adjusted higher in 2026, reflecting both a rebuilding of the domestic laying flock and healthy demand from international partners. The projected average egg price for the third quarter of 2026 was lowered on recent prices. Turkey production was revised slightly lower in 2026, while 2026 turkey exports were adjusted higher based on recent shipments. Turkey prices in 2026 and 2027 were adjusted higher on recent trends.

Note: The U.S. Department of Commerce, Bureau of the Census, Foreign Trade Statistics division recently released data corrections to:

- Import volumes of Carcasses and half-carcasses of sheep, frozen (HS 0204410000) from Australia between January 2024 and June 2026
- Export volumes of Milk albumin, including concentrates of two or more whey proteins, containing by weight more than 80 percent whey proteins, calculated on dry matter (HS 3502200000) to China between January 2024 and May 2026

These data corrections were implemented in USDA, Economic Research Service (ERS) affected data products following the September 3, 2026, release of July 2026 data. The Census Bureau will not publish these changes in the USA Trade Online database until the annual release of the 13th month data corrections in June 2027.

Approved by USDA's World Agricultural Outlook Board

Beef/Cattle

Russell Knight and Hannah Brooks

Placements to Outpace Marketings on Lower Volumes

The latest *Cattle on Feed* report, published by USDA, National Agricultural Statistics Service (NASS), shows that on August 1, there were 11.117 million head of cattle in feedlots with capacity over 1,000 head, about 2 percent more than a year ago. July net placements[1] were 12 percent lower than last year at 1.367 million head, and July marketings were down over 7 percent at 1.620 million head.

Because marketings have slowed and even fewer cattle have been placed, about 31 percent of the cattle on feed in August have been on feed for more than 150 days. This is the second-highest monthly share for this category on record behind only April 2026. However, this percentage is expected to fall as more cattle from Mexico enter U.S. feedlots and seasonal trends take hold; placements typically outpace marketings from August through October.

During the first week that Mexican cattle were allowed to enter the United States, 2,453 head came through the Douglas, Arizona port of entry. The following week, only 104 head crossed due to a reported equipment problem. Crossings picked back up during Labor Day week. At the time of the most recent *World Agricultural Supply and Demand Estimates (WASDE)* release, there was no official update regarding the reopening of other ports of entry, and the estimates reflect the assumption that Douglas, Arizona remained the only permitted port.

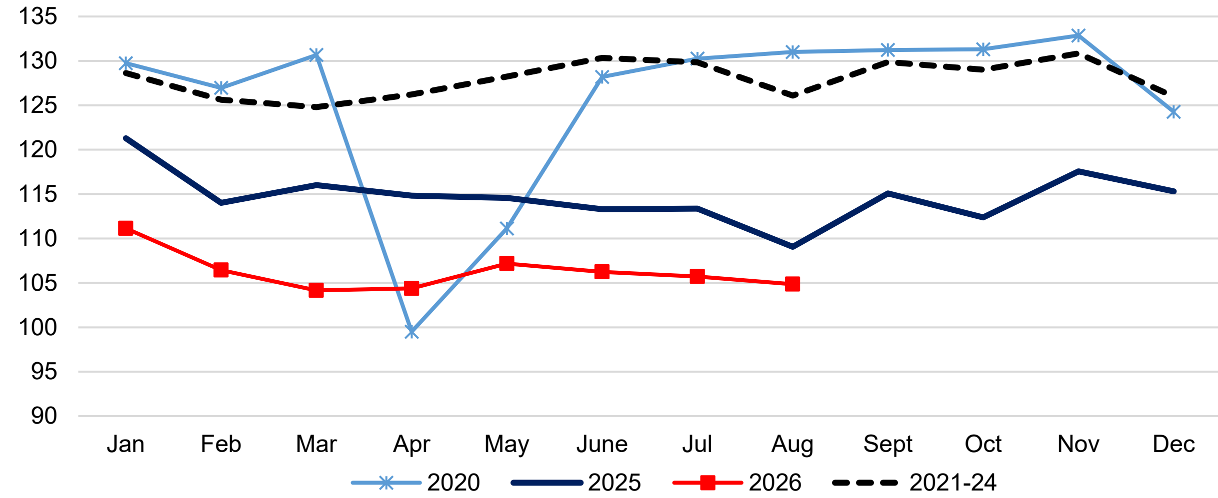
A Slower Pace of Slaughter Lowers Production Outlook

The 2026 beef production outlook is lowered by 90 million pounds from last month to 24.877 billion pounds. This adjustment reflects a slower-than-expected pace[2] of fed cattle[3] and cow slaughter based on data through September 10. In addition, anticipated dressed weights are adjusted in the third and fourth quarters based on the slaughter data.

Monthly cattle slaughter has been running at historically low levels, as shown in the chart below. Through August, U.S. slaughter per weekday has been running on average 8,000 head fewer per weekday than last year. This aligns with today's smaller cattle herd and reduced feeder cattle imports from Mexico.

[1] Net placements are placements minus other disappearance.
[2] Pace is calculated by dividing the number of head slaughtered by number of weekdays in the month minus any Federal holidays. In August 2026, there were 21 weekdays.
[3] Fed cattle refer to steers and heifers marketed by feedlots.

Weekday pace per month of federally inspected cattle slaughter
Thousand head per weekday



Source: USDA, Economic Research Service calculations using data from USDA, National Agricultural Statistics Service.

The 2027 beef production forecast is also reduced to 24.835 billion pounds, 145 million pounds lower than last month's forecast. Marketings are expected to slow in the second half of 2027 because fewer cattle are now anticipated to be placed in late 2026 and early 2027. In addition, higher forecast feed prices are expected to trim carcass weights next year.

Fundamentals Partially Offset Current Price Trends

External forces are putting pressure on cattle markets, contributing to weaker prices. While the recent expansion of quotas allowing for reduced tariffs on imported lean beef trimmings adds to the mix, its direct impact on cattle prices is expected to be limited. That is because other major forces—like tight cattle supplies and less packing capacity—are still the main drivers of the market. Even so, supply fundamentals are expected to support cattle prices and limit declines in the coming year.

Both slaughter and feeder steers have been trending downward since making their respective annual highs in early May. In August, slaughter steer prices in the 5-area marketing region averaged $228.27 per hundredweight (cwt), about $15 lower than the prices in both July and August 2025. Prices continued to soften in the first week of September, slipping to $219.06 per cwt—about $44 below the all-time high set in mid-May. With prices trending lower, the forecast for slaughter steer prices is revised down: the third-quarter price is reduced by $12 to $230.00 per cwt, and the fourth-quarter price is lowered by $20 to $225.00 per cwt. Additionally, the 2027 outlook is also lowered to $237.50 per cwt, down $11.75 from last month and roughly steady with 2026.

In August, feeder steers weighing 750–800 pounds at the Oklahoma City National Stockyards averaged $346.69 per cwt, down nearly $16 from July and about $9 below last year. Based on the August 31 price of $332.95 per cwt, values are down $55, or 14 percent, from their early-May peak. With recent price movements, expected cattle imports from Mexico, and an outlook for higher feed costs, the feeder steer price forecast is lowered $13 to $350.00 per cwt for the third quarter and by $30 to $335.00 for the fourth quarter of 2026. The 2027 price outlook is lowered by $31.25 to $342.25 per cwt.

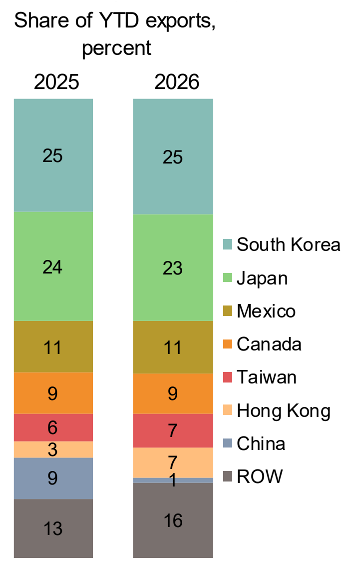
Beef Exports

U.S. beef exports in July were about 199 million pounds; monthly exports have been consistently hovering just under 200 million pounds since April of this year. Monthly exports to Taiwan were up nearly 17 percent year over year. Exports to China have also been climbing slowly since May, reaching 6 million pounds in July, more than double year over year but still 84 percent lower than the 5-year average.

Year-to-date exports through July were about 15 percent lower year over year. The total value of U.S. beef exports through July was only down about 8 percent and the unit value increased 8 percent year over year. Global demand for U.S. beef has remained strong despite high prices. Based on the continued stronger-than-expected pace of exports, the export forecasts for the third and fourth quarters of 2026 are raised 5 million pounds each to 580 million and 585 million pounds, respectively. The annual 2026 forecast is 2.343 billion pounds. The annual forecast for 2027 is also raised 10 million pounds to 2.325 billion pounds.

U.S. beef exports by volume (million pounds), January–July 2025 and 2026

Country	July 2026 exports	Year-to-date exports			
		2025	2026	Year-over-year volume change	Year-over-year percent change
South Korea	43.5	396.3	346.8	-49.6	-13
Japan	50.1	384.2	320.5	-63.7	-17
Mexico	24.7	180.9	155.1	-25.8	-14
Canada	17.7	142.0	121.0	-20.9	-15
Taiwan	16.4	98.7	101.2	2.5	3
Hong Kong	10.4	55.3	90.3	35.0	63
China	6.2	146.0	16.6	-129.3	-89
ROW	29.9	207.5	225.1	17.5	8
Total	198.9	1610.9	1376.6	-234.4	-15



Note: The ranking of the top six countries shown here is based on 2026 year-to-date exports, China is included for historical relevance; ROW = rest of world; YTD = year to date.
Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Bureau of the Census.

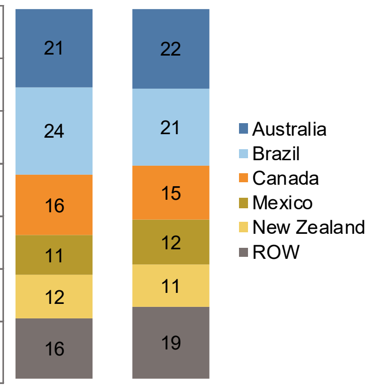
Beef Imports

U.S. beef imports in July were 542 million pounds, 19 percent higher year over year. Leading the year-over-year increase were imports from Argentina, up nearly 500 percent compared to last year. The spike in imports from Argentina to 49 million pounds—the highest ever monthly import from the country—was due to the opening of the third quarterly tranche of Argentina's temporarily expanded tariff rate quota (TRQ) on July 1. On February 6, 2026, the Executive Office of the President issued a proclamation increasing the tariff rate quota for Argentina by an additional 80,000 metric tons, to be issued in four quarterly tranches throughout 2026. Argentina filled tranche two in June and, according to the U.S. Department of Homeland Security, Customs and Border Protection *Weekly Commodity Status Report* for September 8, the third tranche has been filled as of August 28. The fourth and final tranche of this temporary increase in Argentina's quota will open on October 1.

U.S. beef imports by volume (million pounds), January–July 2025 and 2026

Country	July 2026 imports	2026 Year-to-date imports: 2025	2026	Year-over-year volume change	Year-over-year percent change
Australia	135.5	719.0	835.0	115.9	16
Brazil	81.4	810.4	798.3	-12.1	-1
Canada	69.8	554.5	558.6	4.1	1
Mexico	71.1	367.3	469.4	102.1	28
New Zealand	64.2	397.9	435.0	37.1	9
ROW	119.6	550.5	742.3	191.8	35
Total	541.6	3399.6	3838.5	438.9	13

Share of YTD imports, percent

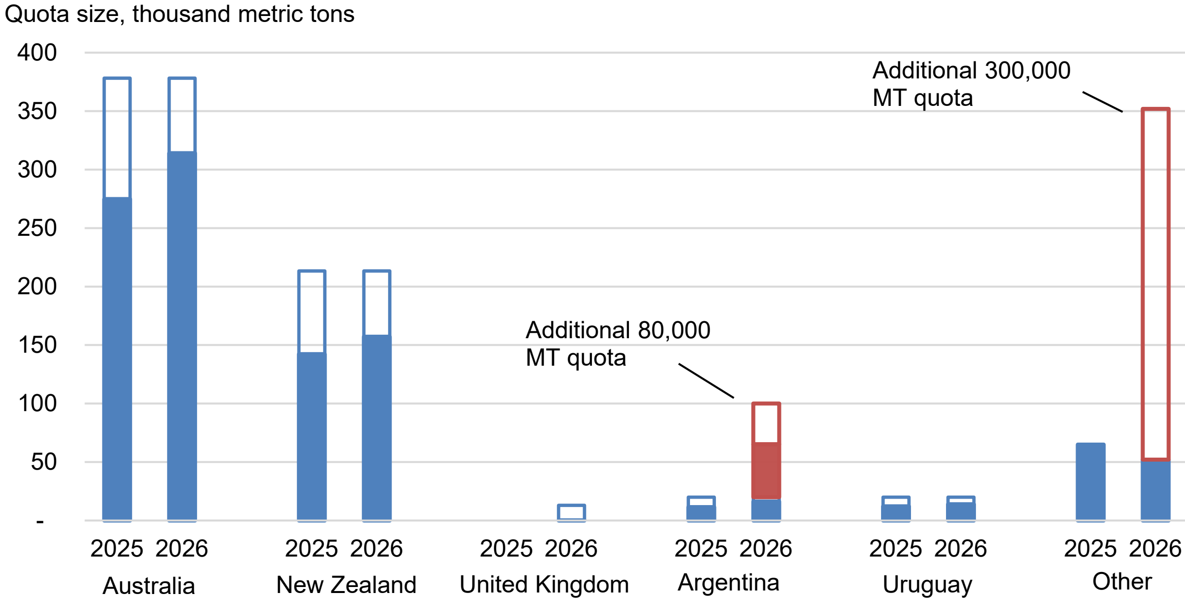


Note: The ranking of the top five countries shown here is based on 2026 year-to-date imports; ROW = rest of world.
Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Bureau of the Census.

On August 26, the Executive Office of the President issued a second proclamation increasing the in-quota quantity for fresh and frozen beef trimmings from other countries and areas not subject to their own quota or free trade agreement by 300,000 metric tons. Since the “other countries” TRQ has been filled since January of this year, this means that 300,000 metric tons of imports will be subject to the lower in-quota tariff rate instead of the 26.4 percent out-of-quota tariff. The quota expansion is to be administered in three 30-day tranches from September 1, 2026, to November 30, 2026. The quota only applies to four specific HTS codes for fresh or frozen boneless beef trimmings, product that is typically used to produce ground beef for food service and other institutions. The proclamation also states that these lean beef trimmings will be sold at a price 25 percent below the current market price.

The chart below shows the fill rates of the beef import TRQs in the last week of August in 2025 and 2026. Australia, New Zealand, the United Kingdom, Argentina, and Uruguay have their own TRQ, and Mexico and Canada have free-trade agreements with the United States. Therefore, of the major suppliers of beef to the United States, the new 300,000 metric ton quota expansion mostly affects imports from Brazil, though Nicaragua and Paraguay would be able to take advantage of the in-quota tariff rate as well, if they are able to increase their shipments of beef within the 90 days.

U.S. beef import tarriff rate quota fill rates in the last week of August, 2025 and 2026



Note: MT = metric tons. Empty bars represent the amount of the quota remaining for the calendar year as of the last week of August. Red bars represent additional quota volumes for 2026 authorized by Presidential Proclamations.
Source: USDA, Economic Research Service *Livestock and Meat International Trade Data* and U.S. Department of Homeland Security, Customs and Border Protection.

Brazil is also subject to a TRQ in China this year, which was filled earlier in the year, triggering a 55 percent tariff for the rest of the year. Subsequently, Brazil's beef exports to China have sharply fallen off, with August exports down nearly 90 percent year over year. China historically represents about half of the market for Brazil's beef exports, meaning it will have extra product that is available to be shipped elsewhere, including to the United States. Other countries, such as Argentina and Uruguay, may also step in to fill some of the gap in China over the next few months, potentially decreasing the amount of beef those countries will have available to send to the United States.

Brazil's reported exports to the United States picked up slightly in August to 35,000 metric tons, though this was mostly before the quota expansion was announced. The largest monthly shipment of beef to the United States reported by Brazil was 47,000 metric tons in April 2025. Although monthly U.S. imports from Brazil have appeared particularly high in recent years' January import numbers, these high monthly imports were due to product that had been staged in bonded warehouses over the prior months waiting to be released on January 1 when the annual TRQ reset. It is unclear if Brazil would be able to ship the full 100,000 metric tons per month to fill the expanded quota.

Based on the strong pace of imports in July and some increased imports under the expanded TRQ, the import forecast for third-quarter 2026 is raised 75 million pounds to 1.550 billion. The fourth-quarter forecast is raised 55 million pounds to 1.415 billion. The 2026 annual import forecast is 6.262 billion pounds, a year-over-year increase of 16 percent. The import forecast for 2027 is unchanged from last month, as the expanded quota is only for 2026. The total 2027 import forecast is 6.050 billion pounds, an expected year-over-year decline of 3.4 percent.

Dairy

Adriana Valcu-Lisman and Angel J. Terán

Recent Wholesale Dairy Product Prices

Most wholesale dairy product prices reported in the USDA *National Dairy Products Sales Report* (NDPSR) increased from the week ending August 8 to September 5. The prices for Cheddar cheese (40-pound blocks), nonfat dry milk (NDM), and dry whey increased by 0.38, 18.56, and 0.97 cents per pound, respectively. However, the butter price decreased by 0.15 cents per pound over the same period.

Dairy products wholesale prices
Dollars per pound

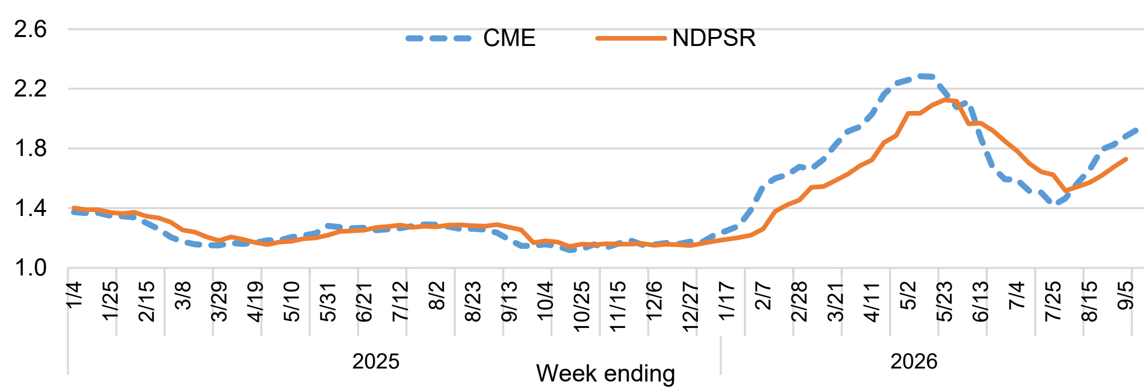
	For the week ending		
	August 8	September 5	Change
Butter	1.4750	1.4735	-0.0015
Cheddar cheese, 40-pound blocks	1.6095	1.6133	0.0038
Nonfat dry milk	1.5426	1.7282	0.1856
Dry whey	0.6567	0.6664	0.0097

Source: USDA, Economic Research Service using data from USDA, Agricultural Marketing Service, *National Dairy Products Sales Report*, September 10, 2026.

After peaking in May, spot prices for NDM at the Chicago Mercantile Exchange (CME) decreased during June and through the week ending July 25. However, NDM prices have been increasing since then and averaged $1.9294 per pounds during the week ending September 11. NDPSR weekly prices showed a similar pattern but with a 1- to 2-week lag. Total dry skim milk production in July 2026 was 7.0 percent higher year over year. Stocks at the end of July 2026 were 5.0 percent below ending stocks for July 2025, and domestic use in July was 125.8 percent higher year over year.

Weekly nonfat dry milk National Dairy Products Sales Report (NDPSR) prices versus Chicago Mercantile Exchange (CME) spot prices

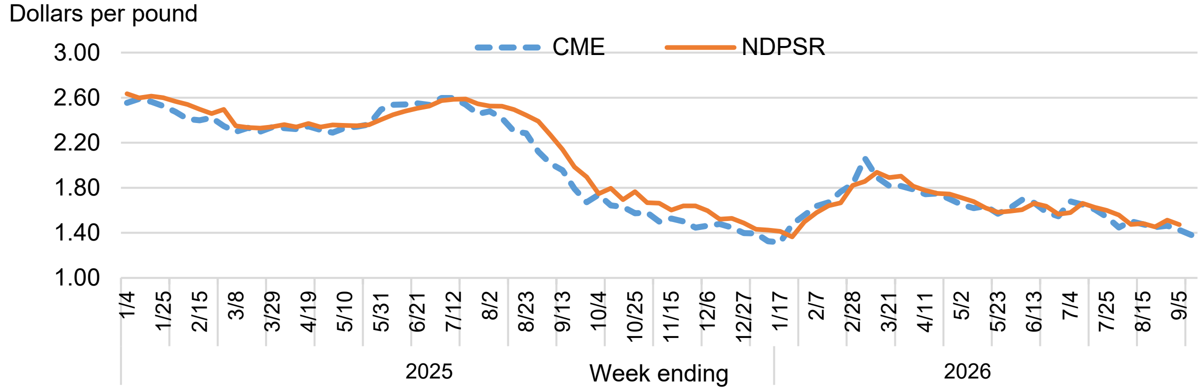
Dollars per pound



Source: USDA, Economic Research Service calculations using data from the Chicago Mercantile Exchange and USDA, Agricultural Marketing Service (AMS).

Year to date, both CME and NDPSR weekly butter prices have been lower year over year. Weekly prices for 2026 peaked in the second half of March and have been mostly declining since then. CME butter daily spot prices averaged $1.3806 per pound during the week ending September 11, one of the lowest values since the beginning of 2026. This decline in prices has been the result of ample supplies. January through July 2026 total butter production was about 5.9 percent above last year's production for the same period.

Weekly butter National Dairy Products Sales Report (NDPSR) prices versus Chicago Mercantile Exchange (CME) spot prices



Source: USDA, Economic Research Service calculations using data from the Chicago Mercantile Exchange and USDA, Agricultural Marketing Service (AMS).

According to the USDA, Agricultural Marketing Service (AMS) *International Dairy Market News* report for August 2026, free on board, export prices for Oceania butter and Cheddar decreased from July, while Western Europe dry whey and butter prices rose. Dry skim milk export prices increased in both regions. U.S. dairy products maintained their price competitiveness for butter, Cheddar cheese, and dry whey.

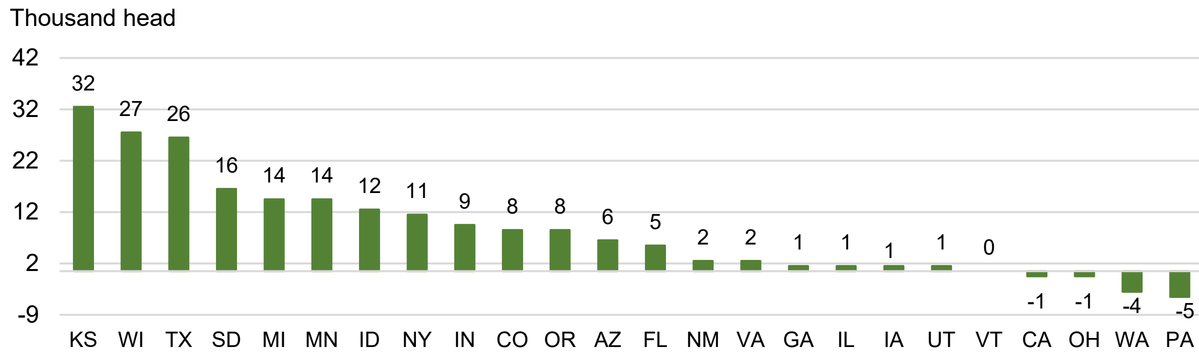
Recent Dairy Supply and Use Data

The all-milk price in July 2026 averaged $20.30 per hundredweight (cwt), 50 cents lower year over year. Meanwhile, July 2026 feed costs, as reported for the USDA Dairy Margin Coverage Program (DMC) were $10.37 per cwt, 51 cents per cwt higher than the same period in 2025, with higher soybean meal prices more than offsetting slightly lower corn and premium alfalfa prices. In July 2026, the DMC milk farm margin above feed cost was estimated at $9.93 per cwt, $1.01 lower than July 2025 and 95 cents lower than June 2026.

The national dairy herd continued to expand in July. According to the most recent USDA, National Agricultural Statistics Service (NASS) *Milk Production* report, the number of milk cows averaged 9.710 million head in July 2026, 199,000 more than in July 2025 but at the same level as June 2026. The USDA, NASS milk per cow estimate for July 2026 was 2,075 pounds, about 0.1 percent higher than in July 2025. Consequently, July milk production was estimated at 20.145 billion pounds, about 2.2 percent higher year over year.

Kansas, Wisconsin, Texas, and South Dakota led the dairy herd expansion by adding a total of 101,000 head between July 2026 and July 2025. Conversely, over the same period, dairy herds contracted in Pennsylvania, Washington, Ohio, and California, but the decline in milk cows in these states only totaled 11,000 head. Milk-per-cow per day increased or held steady in 22 of the 24 States reported.

July 2026 year-over-year changes in number of dairy cows for selected States

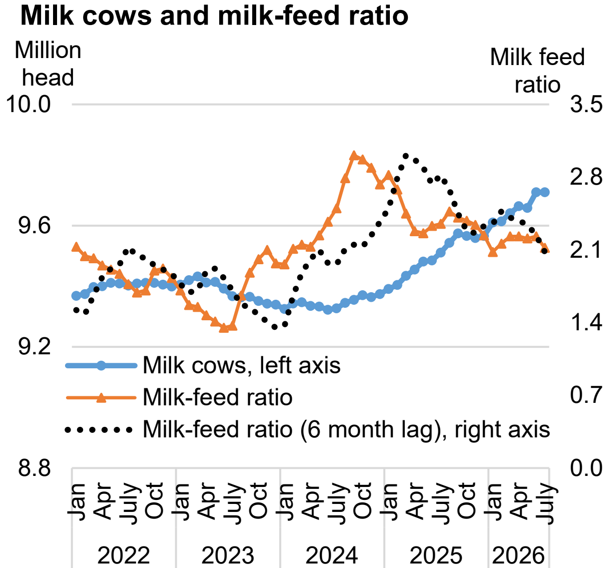


Source: USDA, Economic Resource Service using data from USDA, National Agricultural Statistics Service.

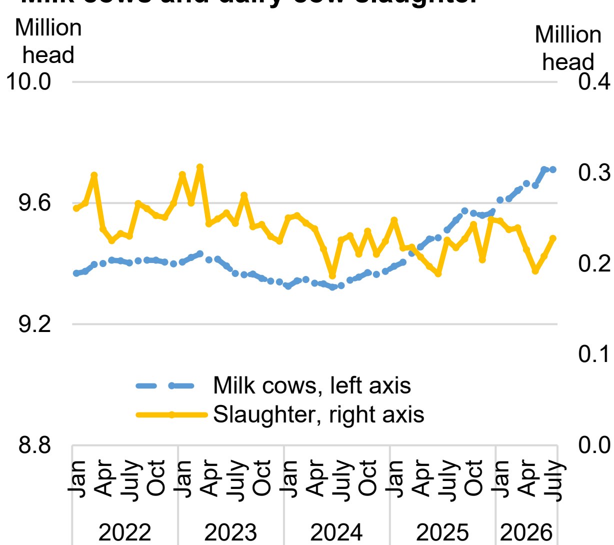
The dairy cow herd has been increasing year over year in each month since October 2024, and, at 9.71 million head in July, it is the largest size in more than three decades. The expansion has been supported in part by robust milk-to-feed ratios as well as strong demand for beef-on-dairy calves.

The following chart shows that the U.S. milk cow herd usually responds to changes in prices and feed costs with a lag of several months. As shown in the graph, the 6-month lag for the milk-feed ratio signals that the rate of growth of the dairy herd might moderate in the near term. The growth of the herd is also affected by factors other than feed costs, such as the availability of dairy replacement heifers or the adoption of beef-on-dairy practices. Additionally, federally inspected dairy cow slaughter during the first 7 months of 2026 totaled 1.57 million head, about 4.3 percent above last year's slaughter levels in the same period but still below 2024 levels. Culling rates will likely remain low relative to historical levels for the rest of 2026. Furthermore, the returns from beef-on-dairy calves continue to incentivize further cow retention, despite the auction prices for feeder cross beef calves trending lower in recent weeks.

Milk cows and milk-feed ratio



Milk cows and dairy cow slaughter

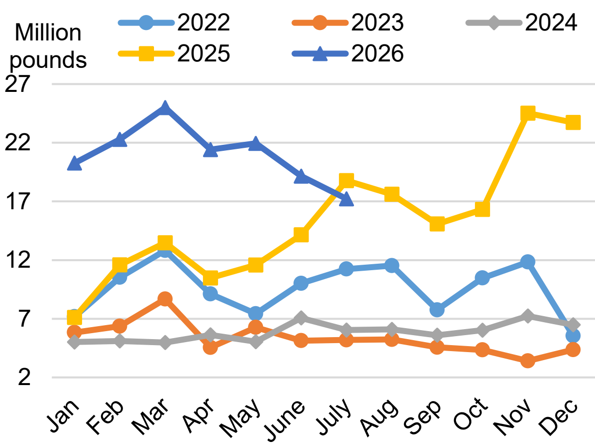


Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service.

On a milk-fat milk-equivalent basis, dairy product imports totaled 790.8 million pounds in July 2026, about 30 percent higher than last year. On a skim-solids milk-equivalent basis, imports totaled 558 million pounds, about 3.0 percent lower than July 2025. Butter imports more than doubled while total cheese imports increased by 21 percent compared to July 2025. Canada's share of total U.S. dairy imports averaged around 5 percent on a milk fat basis and below 16 percent on a skim-solids basis over the last 5 years. On a quantity basis, Canada has been an important supplier of dry whey products (including whey protein concentrate).

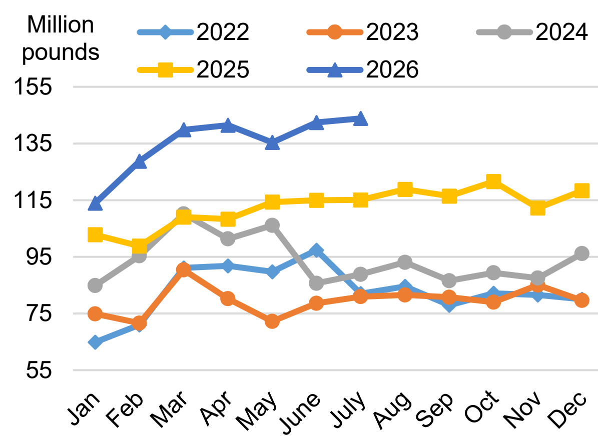
On a milk-fat basis, July 2026 exports totaled 1.803 billion pounds, about 11.8 percent higher than July 2025. On a skim-solids basis, exports totaled 4.120 billion pounds for July 2026, about 4.7 percent lower than July 2025. Exports for cheese and dry whey products increased year over year in July. However, shipments for butter, dry skim milk products, whey protein products, and lactose were lower than in July 2025. Of note, July total cheese shipments reached another record value, with more than 50 percent being sent to Mexico, South Korea, and Japan. Canada's share of total U.S. dairy exports averaged around 15 percent on a milk fat basis and around 4 percent on a skim solids basis over the last 5 years. Canada has been one of the top destinations for U.S. exports of butter, dry whey, and whey products, as well as dairy products such as milk and cream.

U.S. butter exports 2022–July 2026



HS code: 0405100000

U.S. total cheese exports 2022–July 2026

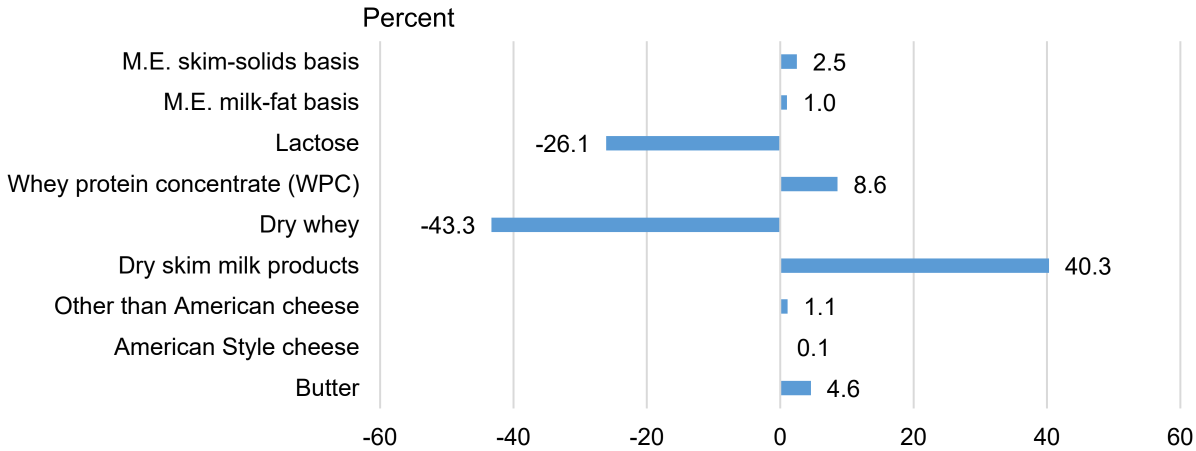


HS codes: 0406100000, 0406200000, 0406300000, 406400000, 0406901000, 0406906500, 0406909550

Source: USDA, Economic Research Service (ERS) using data from U.S. Department of Commerce, Bureau of the Census.

Domestic milk use in all products was higher year over year in the first 7 months of 2026 on both milk-equivalent bases. On a milkfat basis, domestic use was 127.472 billion pounds, about 1.0 percent above the same period last year. On a skim-solids basis, domestic use was 112.630 billion pounds, about 2.5 percent above the same period last year. Among major dairy products, year-to-date domestic uses for dry skim milk products and whey protein concentrates had the largest year-over-year percentage increases of 40.3 and 8.6 percent, respectively. January through July, domestic uses of butter and cheese also increased year over year but at more modest rates. Conversely, domestic uses for dry whey and lactose declined over the same period.

Percent change in domestic use for milk in all products and selected dairy products from January-July 2025 to January-July 2026



Note: M.E. = milk equivalent

Source: USDA, Economic Research Service (ERS) using data from multiple sources. For more information see the USDA, ERS Dairy Data Documentation webpage.

Dairy Forecasts for 2026

Compared to last month's forecast, the projected dairy cow inventory for 2026 has been increased by 15,000 head to 9.680 million. Milk production per cow is now projected at 24,500 pounds, an increase of 20 pounds. As a result, total milk production is forecast at 237.2 billion pounds, an increase of 0.6 billion pounds from last month's forecast.

Recent U.S. import tariffs imposed on Canadian dairy products were assumed to be in place throughout the 2026 and 2027 forecast period. On a milk-fat basis, dairy imports are forecast at 8.8 billion pounds, an increase of 0.2 billion pounds from last month's forecast due to an expected increase in butter imports. On a skim-solids basis, dairy imports are forecast at 6.7 billion pounds, a decrease of 0.2 billion pounds from last month's forecast due to expected lower imports of casein and dry whey products.

Recent tariffs imposed by Canada on certain U.S. dairy products were also assumed to be in place throughout the 2026 and 2027 export forecasts. Dairy exports for 2026 are forecast lower than last month's projection. On a milk-fat basis, 2026 dairy exports are forecast at 20.5 billion pounds, down 0.2 billion pounds due to expected lower shipments of cheese and butter. On a skim-solids basis, the 2026 export forecast has been revised lower to 49.1 billion pounds, a decrease of 0.2 billion pounds due to expected lower exports on dry skim milk products and dry whey products.

Year-to-date data on domestic disappearance supports upward revisions for the 2026 forecasts. On a milk-fat basis, domestic use in 2026 is projected at 224.3 (+0.7) billion pounds, while on a skim-solids basis it is forecast at 193.5 (+0.3) billion pounds. The forecasts for 2026 ending stocks were revised higher on both a milkfat and skim-solids bases.

Based on recent wholesale price movements, the 2026 price forecasts for Cheddar cheese and butter have been revised downward to $1.570 (-0.5 cents) and $1.595 (-5.0 cents) per pound, respectively. The 2026 price forecast for NDM has been revised higher to $1.670 (+6.5 cents), while the forecast for dry whey remains unchanged from the previous forecast at $0.670 per pound.

The Class III milk price forecast for 2026 has been revised lower to $16.20 (-$0.05) per cwt. The 2026 Class IV milk price forecast has been raised to $18.55 (+$0.40) per cwt. The all-milk price for 2026 is forecast at $19.90 per cwt, $0.05 higher than last month's forecast

Dairy Forecasts for 2027

The 2027 dairy herd is forecast to 9.710 million head, 15,000 head higher than last month's projection. The 2027 forecast for yield per cow increased by 20 pounds, to 24,570 pounds per cow. Consequently, milk production for 2027 is now forecast at 238.6 billion pounds, 0.6 billion pounds higher than last month's forecast.

On a milk-fat basis, 2027 dairy imports are forecast at 8.5 billion pounds, 0.2 billion pounds higher than the previous month's forecast. On a skim-solid basis, the dairy imports forecast was lowered by 0.2 billion pounds to 6.8 billion pounds. Higher imports of butter and lower imports of casein and whey products are expected in 2027.

The 2027 forecasts for dairy exports have been revised lower from last month's forecast. On a milk-fat basis, 2027 dairy export volumes are forecast at 20.3 (-1.0) billion pounds. On a skim-solids basis, exports are projected to be lower at 49.3 (-0.2) billion pounds. Lower exports of cheese, butter, dry skim milk products, and dry whey are expected in 2027.

The 2027 forecasts for domestic use have been revised higher compared to last month's projections. On a milk-fat basis, 2027 domestic use is forecast at 226.5 billion pounds, 2.0 billion pounds higher. On a skim-solids basis, 2027 domestic use is forecast at 195.5 billion pounds, 0.7 billion pounds higher. The forecasts for 2027 ending stocks were revised higher on both milkfat and skim-solids bases.

The 2027 price forecasts for Cheddar cheese and butter have been revised lower to $1.645 (-2.0 cents) and $1.625 (-8.0 cents) per pound, respectively. The 2027 price forecasts for NDM and dry whey have been revised upward to $1.550 (+8.0 cents), and $0.690 (+1.0 cent) per pound respectively.

The Class III milk price forecast in 2027 has been revised downward to $17.10 (-$0.15) per cwt. The 2027 Class IV price forecast has been raised to $17.55 (+$0.35) per cwt. The all-milk price for 2027 is $19.80 per cwt, unchanged from last month's forecast.

Pork/Hogs

Mildred Haley and Adriana Valcu-Lisman

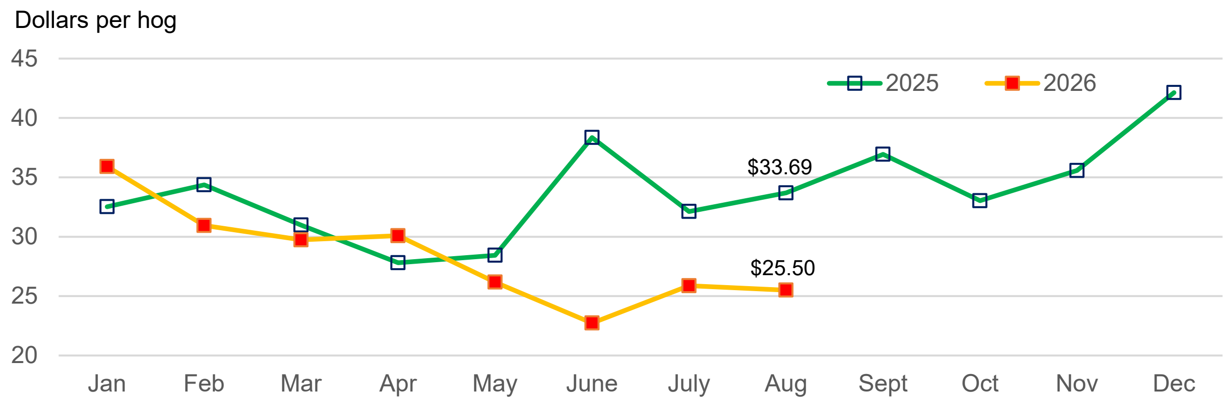
Sluggish August Pork Demand Drags Down Processors' Spread

The pace of August hog slaughter was somewhat less than anticipated, reducing pork production to below previously forecast levels. Estimated federally inspected (FI) hog slaughter in August was about 9.9 million head, 2.1 percent below last year's August slaughter. Pork production, at almost 2.1 billion pounds, was almost 1 percent less than production last year. The difference between the decline in production and the larger percentage fall-off in slaughter numbers is attributable to higher estimated average dressed weights. August 2026 weights are estimated at 212 pounds per head, 3 pounds heavier than a year ago. Nevertheless, average August prices of live-equivalent national producer-sold hogs, at $69.43 per cwt, were almost 11 percent lower than August 2025 prices. Processors paid lower prices for fewer hogs, signaling a reduction in demand for hogs. The slowdown in processor demand is, in turn, driven by slower demand for pork products.

The August wholesale pork carcass cutout value was $98.83 per cwt, more than 14 percent lower than August 2025's value. Wholesale values of hams and bellies in particular, dragged down the August 2026 cutout. For the week ending August 28, prices for 23–27-pound trimmed selected hams—a cut favored by Mexican buyers—were more than 31 percent below prices of a year earlier. Prices for 13–15-pound bellies were almost 17 percent below the same week of 2025. Weaker prices for bellies may reflect slower quick-serve restaurant traffic, a consumer response to higher prices, in general, and less vacation driving because of higher gasoline prices, in particular. Lower prices for seasonally popular ham and belly cuts are significant because their combined share of the pork carcass makes up almost 41 percent of the wholesale cutout value.

While weaker hog prices can benefit pork processors, gross processors' per-hog margins fell in August. Despite August hog prices that were almost 11 percent lower than a year earlier, weak demand for pork pressured wholesale pork prices lower at a faster rate—14.1 percent below those of August 2025—yielding an average August gross processors' margin of $25.50 per hog, compared with August 2025's margin of $33.69.

Gross processors' spread monthly



Source: USDA, Economic Research Service calculations with data from USDA, Agricultural Marketing Service and USDA, National Agricultural Statistics Service.

Third-Quarter Pork Production Forecast Lowered

Third-quarter pork production is expected to be 6.62 billion pounds, down about 85 million pounds from the 6.7 billion pounds forecast last month, but about the same as production in the third quarter of 2025. Live-equivalent national producer-sold hog prices for the third quarter are forecast at $69 per cwt, down more than 10 percent from the same period last year.

Hog prices from the fourth quarter of 2026 through the second quarter of 2027 were also lowered to reflect a market environment persistently characterized by soft demand for pork. The price forecast for the fourth quarter of 2026 was lowered to $58 per cwt, down almost 11 percent from a year earlier. For 2026 in total, forecast and actual hog prices average to about $65 per cwt, almost 6 percent lower than average 2025 prices.

Changes in first-half 2027 hog prices forecasts are as follows: first-quarter prices are forecast at $61 per cwt, more than 5 percent below first-quarter prices this year; second quarter 2027 prices are expected to be $67 per cwt, about 1 percent lower than prices in the same period of 2026. Total 2027 pork production is expected to be about 28 billion pounds, about one percent higher than production forecast for 2026. Hog prices next year are forecast to average about $64 per cwt, almost 2 percent lower than forecast prices for 2026.

Hog price forecasts for both 2026 and 2027 leave most pork producers at or near a break-even situation, given the current cost structure set out in Iowa State University's "Estimated Returns to Farrow to Finish, Iowa".

USDA will release its *Quarterly Hogs and Pigs* report on September 24. The report will contain information updated to September 1 on hog and pig inventories, and June–August farrowings with associated litter rate and pig crop numbers. The report will also include producers' second set of farrowing intentions for the September–November quarter, along with producers' first intentions for December 2026–February 2027, the first quarter of the 2027 pork production year.

Pork Export Volumes Lower in July

July pork exports, at 529 million pounds, were almost 5 percent lower than exports a year ago. The table below indicates that shipments to Mexico and to South Korea had the most influence on July's "bottom line".

U.S. pork exports: Volumes and export shares of the 10 largest foreign destinations in July 2026, compared with 2025					
Country	Exports	Exports	Percent change	Export share	Export share
	2025	2026	(2026/2025)	2025	2026
	(Million pounds)	(Million pounds)		Percent	Percent
World	554	529	-4.6		
Mexico	210	207	-2	38	39
Japan	82	91	11	15	17
Canada	37	38	2	7	7
South Korea	52	36	-30	9	7
Colombia	28	30	8	5	6
China	32	30	-5	6	6
Dominican Republic	21	19	-11	4	4
Honduras	11	13	16	2	2
Australia	15	12	-20	3	2
Guatemala	10	11	7	2	2
W. Hemisphere Nations	317	317	0.1	57	60
Asian Nations	167	158	-5	30	30
Oceania	15	12	-20	3	2

Source: USDA, Economic Research Service transformations of data from the U.S. Commerce Department, U.S. Bureau of the Census.

USDA's Foreign Agricultural Service office in Mexico City reports[4] that although Mexican pork imports are forecast to increase both this year and in 2027, domestic pork production is increasing as serious disease problems recede, and new production technologies and biosecurity measures are implemented.

Data through June from the Governments of the European Union and South Korea show that frozen pork imports by South Korea have been largely sourced from the EU (78.8 percent), with almost 55 percent of the cumulative European total originating from Spain. This trend likely continued into July.

Stronger competition and softer demand for U.S. pork in important importing countries prompted reductions in quarterly U.S. pork export forecasts for 2026 and 2027. Third-quarter 2026 exports are lowered 35 million pounds to 1.635 billion pounds. Fourth-quarter 2026 exports are forecast at 1.875 billion pounds, down 30 million pounds from the previous forecast, but 1.5 percent above the fourth quarter of 2025. Total exports for 2026 are expected to be 7.11 billion pounds, an increase of about 2 percent over shipments in 2025.

Next year, first-quarter pork exports are lowered 10 million pounds to 1.85 billion pounds, fractionally higher than first-quarter exports in 2026. Second-quarter exports in 2027 are

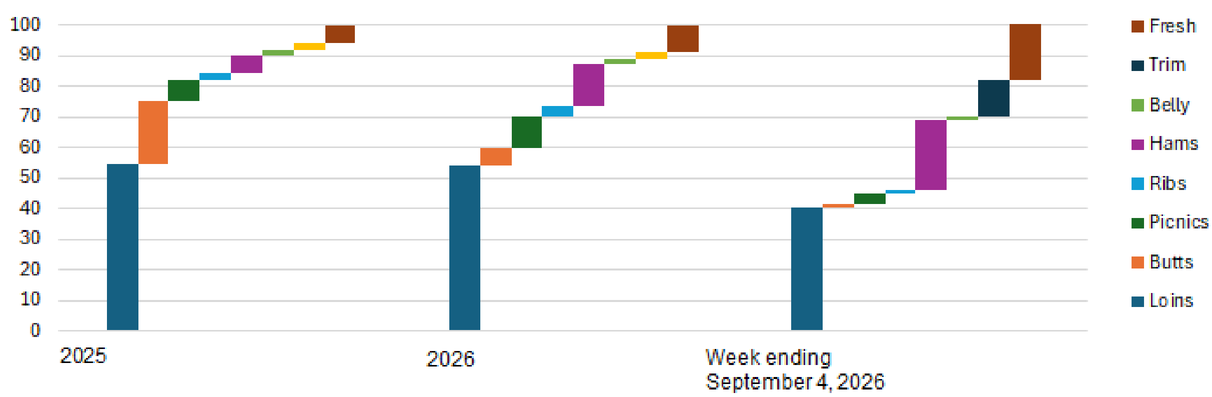
[4] "Mexico: Livestock and Products Annual". Gain report number MX2026-0040, August 24, 2026.

reduced 65 million pounds to 1.785 billion pounds, 1.5 percent higher than same-period exports in 2026. Total 2027 exports are forecast at 7.190 billion pounds, 1.13 percent higher than expected exports this year.

USDA Weekly Export Loads Data Identifies Primal Shipments

USDA, Agricultural Marketing Service publishes weekly statistics detailing loads[5] of pork primals exported to all countries outside the North America free-trade region[6]. The figure below shows how the aggregated weekly composition of primal export loads have—and have not—changed from August 2025 to August 2026. First, it is notable that in August of both years, loins make up more than half of exported pork primals: 54.4 percent in 2025 and 53.9 percent in 2026. Butts make up a smaller share (6.2 percent) in 2026 compared to 2025 (20.7 percent), on a small year-over-year price increase (1.8 percent) this year. Picnics account for 10.2 percent of August 2026 exports compared to 7.2 percent in the same period last year. Export buyers likely responded to declines in picnic prices, explaining most of the switch. Picnic prices in August this year were 17.3 percent lower than 2025 prices. Ribs, bellies, trim, and fresh special cuts were exported in about the same proportions this year compared to August 2025. Hams, on the other hand, made up almost 14 percent of exports last month more than double August 2025 (6 percent). With ham prices down significantly this year, increased exports to regions outside of North America are expected. Prices of 23–27-pound hams averaged almost 33 percent lower in August 2026 than in the same period last year.

Shares of weekly loads for exported pork primals



Note: Bars reflect aggregated weekly composition of primal export loads for the month of August 2025, August 2026, and the week ending September 4, 2026.
Source: USDA, Economic Research Service calculations with data from USDA, Agricultural Marketing Service.

For the week ending September 4, the primal proportion of export loads data departs somewhat from August's. Total net export loads increased 76 percent over a year earlier. Loins made up about 40 percent of the total—down from August 2025 and August 2026, even though loin prices continue to trend lower. Shares of butts and picnics increased moderately year over year. Butts made up 1.3 percent of total loads for the week, and picnics made up 3.5 percent. The data suggest that exports of hams accounted for a greater proportion of export loads than usual. For the week ending September 4, hams made up almost 23 percent of weekly exported pork loads. The other two strong performers were trim (12.1 percent of weekly loads) and fresh exports cut at the 4/5 rib (18 percent), suggesting that this cut may be gaining market share in Japan.

[5] One load = 40,000 pounds.
[6] Canada, the United States, and Mexio

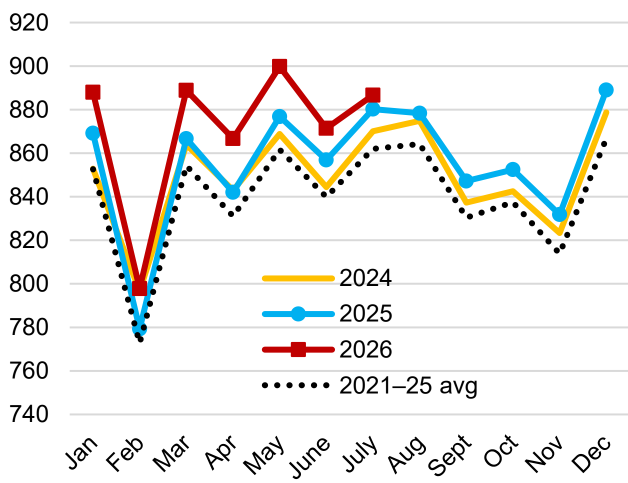
Poultry

Grace Grossen and Brian Williams

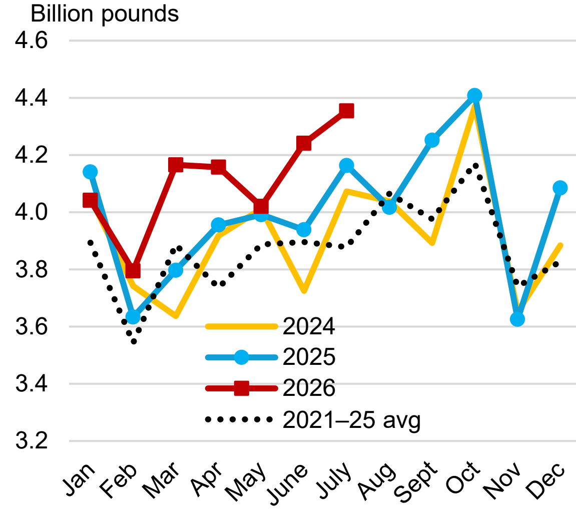
Projected Broiler Production Unchanged for Second Half of 2026

Monthly broiler production for July 2026 totaled 4,354 million pounds, up 4.6 percent year over year and the largest monthly total of 2026 so far. This was a result of both higher slaughter (up 4.0 percent on a per slaughter-day basis from the same month in 2025) and slightly higher average live weights. Broiler-type chicks hatched in July totaled 886.7 million chicks, up 0.7 percent year over year. The third- and fourth-quarter production projections are unchanged from last month at 12,800 million pounds and 12,400 million pounds, respectively. The projected total for 2026, 49,620 million pounds, would be an increase of 3.4 percent from 2025. For 2027, total broiler production is revised 100 million pounds higher to 50,000 million pounds. This would be a year-over-year increase of 0.8 percent from the 2026 projection.

Monthly broiler-type chickens hatched, 2021–26
Million chicks



Monthly broiler production, 2021–26
Billion pounds

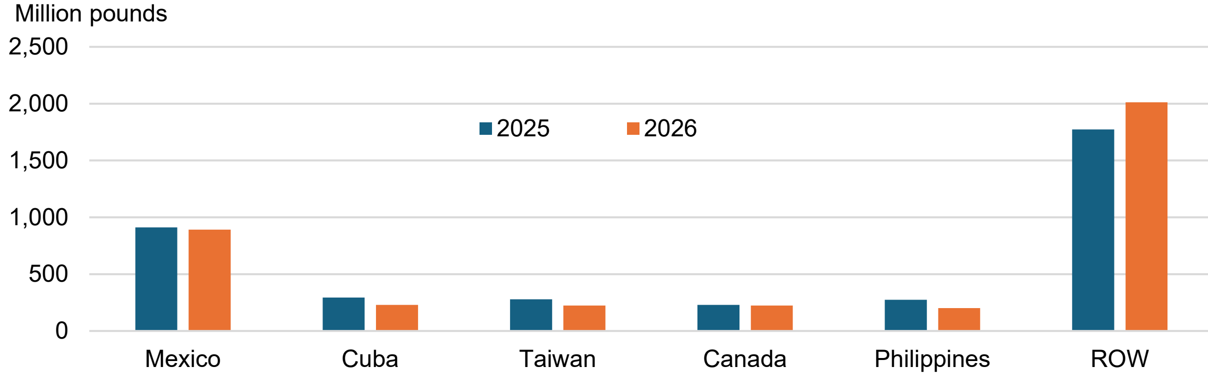


Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service.

Broiler Exports Adjusted Down in 2027

Broiler exports in July 2026 totaled 554.6 million pounds, down 0.8 percent from the same month in 2025. Year-to-date shipments to the top 5 U.S. export destinations (Mexico, Cuba, Canada, the Philippines, and Taiwan) all fell compared to the same period of 2025. These decreases were more than offset by increased shipments to smaller markets in the rest of the world. With the outlying quarterly export projections unchanged from last month, the 2026 total broiler export projection is 6,593 million pounds, down 72 million pounds from 2025. This would be 13.3 percent of projected production in 2026. The 2027 projection is adjusted down in all four quarters for a new total projection of 6,500 million pounds. This reflects the expectation of increased competition from Brazil in key markets, as well as increased consumption domestically. The new 2027 broiler export projection would represent 13.0 percent of projected production.

U.S. broiler meat exports in January-July by destination, 2025–26



Note: ROW = Rest of world
Source: USDA, Economic Research Service calculations using data from the U.S. Department of Commerce, Bureau of the Census.

Broiler imports in July totaled 11.6 million pounds. Reflecting recent strength in shipments from Canada, projected broiler imports are adjusted up to 136 million pounds in 2026. The 2027 broiler export projection is also adjusted up to 136 million pounds.

Broiler Prices Adjusted Lower for 2026

The national composite wholesale whole broiler price averaged 116.98 cents per pound in August, down 1.4 cents from July. This was the lowest monthly average price in 2026 so far. In the first week of September, the weekly average price was 116.4 cents per pound. Reflecting recent trends in the national composite price, the third-quarter projected average is unchanged at 116 cents per pound, and the fourth-quarter projected average is adjusted one cent lower to 117 cents per pound. The 2027 projected average price is unchanged at 121.5 cents per pound.

Projected Table Egg Production Increased for 2026; Prices Adjusted Down

Table egg production in July 2026 totaled 666.3 million dozen, up 4.7 percent year over year. This was the result of an average layer flock of 313.2 million birds, the largest so far in 2026, and a monthly average lay rate of 82.4 eggs per 100 layers per day, marginally higher than the same month in 2025. On August 1, the national inventory of table-egg layers was reported at 315.0 million hens, the largest the flock has been since December 1 of 2024, and up 4.8 percent year over year. Replacement pullet inventory on August 1 was 147.7 million pullets, down slightly month over month, but up 6.4 percent from the same time in 2025. Reflecting the growth of the table egg-laying flock, projected production is adjusted upward in the third and fourth quarters of 2026 to 1,990 million dozen and 2,015 million dozen, respectively. These changes result in a new 2026 annual projection of 7,851 million dozen, which would be a 4.7-percent change from 2025. For 2027, projected table egg production is unchanged from last month at 8,010 million dozen, which would be an increase of 2.0 percent from the 2026 projection.

Monthly table-egg production, 2021–26

Million dozen

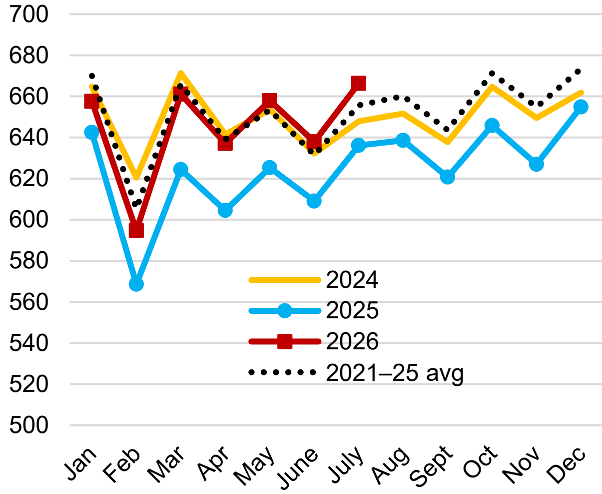
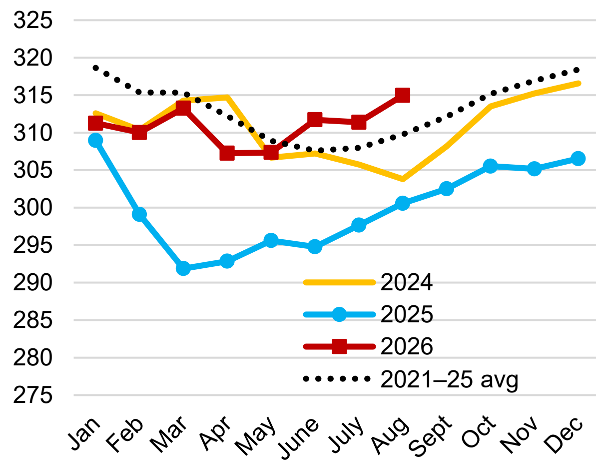


Table-egg layer inventory on the first of the month, 2021–26

Million birds

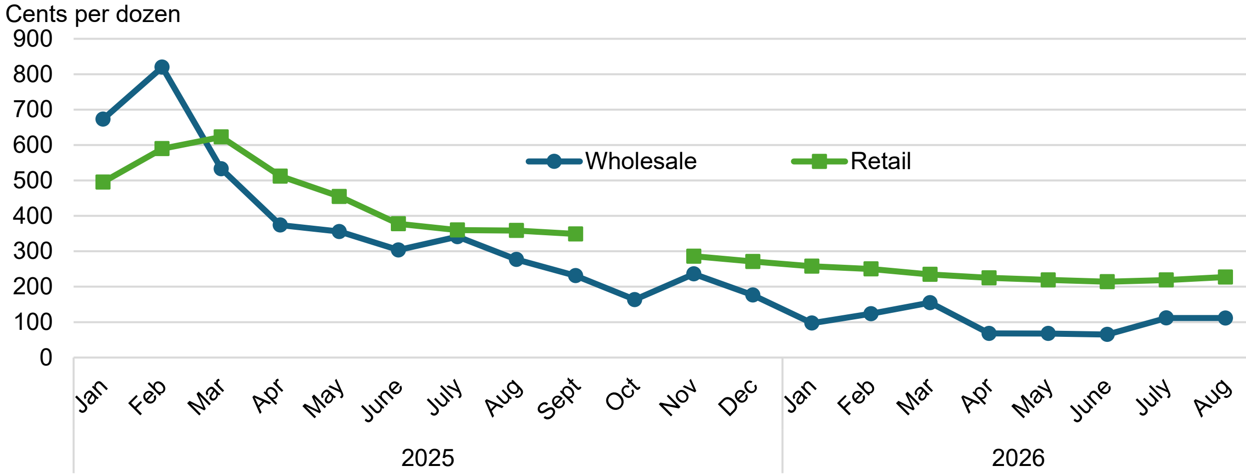


Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service.

New York wholesale prices for a dozen large eggs averaged 111.4 cents per dozen in August 2026. This was 165 cents lower than August 2025, but down by less than one cent from July 2026. Daily prices in August declined from 148 to 86 cents per dozen. The daily midpoint on September 10, the last price before the publication of the *World Agricultural Supply and Demand Estimates* (WASDE), was 83 cents per dozen. Reflecting the lower price trends going into September, the third-quarter average price projection is adjusted down to 104 cents per dozen. With the fourth-quarter average projection unchanged at 130 cents per dozen, the 2026 average price projection is 106.6 cents per dozen. For 2027, the average price projection is unchanged from last month at 111.3 cents per dozen.

Monthly average wholesale and retail prices for a dozen large eggs, Jan 2025–Aug 2026

Cents per dozen



Note: The October 2025 retail price data was not released. Wholesale prices are monthly averages of Daily New York large egg prices from AMS; retail prices are monthly average published by BLS.
Source: USDA, Economic Research Service using data from USDA, Agricultural Marketing Service and U.S. Bureau of Labor Statistics.

The monthly average retail egg price reported by the U.S. Bureau of Labor Statistics for July turned up slightly from June to $2.19 per dozen. This is $1.41 below the average from July 2025. In August, the monthly average retail price was $2.27, up 8 cents month over month, but down $1.32 from August 2025.

In July 2026, egg and egg product exports totaled 26.7 million dozen-equivalent, up 8.9 million from July of 2025. Shipments consisted of 9.3 million dozen-equivalent in egg products and 17.4 million dozen shell eggs. Total egg and egg product exports represented 3.4 percent of total egg production in July. Reflecting recent export data, an increased production projection, and expectations of healthy international demand in the near term, the 2026 projection for egg and egg product exports is adjusted higher to 272 million dozen-equivalent. For 2027, the projected egg and egg products export total is unchanged at 300 million dozen-equivalent. This would represent 3.2 percent of total egg production projected for 2027.

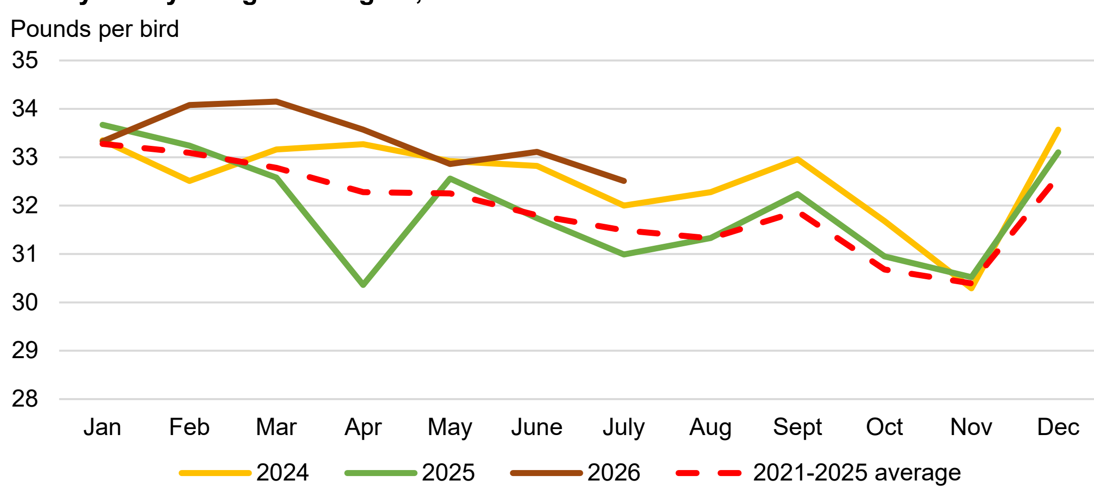
Egg and egg product imports in July 2026 totaled 1.3 million dozen-equivalent, down from 20.2 million in July 2025, which was the peak of monthly egg imports in 2025. The projected 2026 import total is unchanged from last month at 17.7 million dozen-equivalent. This would be a decrease of 85 percent from the 2025 total. For 2027, the egg and egg product import forecast is also unchanged from last month at 12 million dozen-equivalent.

Turkey Production Down Slightly for 2026 as Rising Weights Offset Lower Slaughter

Turkey production in July 2026 totaled 427.3 million pounds, down from the 450 million pounds produced in June 2026. July turkey slaughter was 16.5 million head, down from 17.1 million in June and 4.5 percent lower than July 2025. Despite sharply lower year-over-year slaughter numbers, July 2026 production was slightly higher than the same month a year ago as live slaughter weights rose from 31.0 pounds per head in July 2025 to 32.5 pounds per head in July 2026. Turkey eggs in incubators on the first of August totaled 25.8 million eggs, up from 24.7 million in July and 5.1 percent more than August 2025. Placements during the month of July totaled 21.4 million, up from 19.7 million the previous month.

Turkey production for 2026 is adjusted down 1 million pounds this month to 5,099 million pounds. Second-quarter production is increased to 1,269 million pounds to reflect finalized production data for July, while third-quarter production is revised down 10 million pounds to 1,300 million pounds because of lower expected weights. Fourth-quarter production remains unchanged from August at 1,300 million pounds. Turkey production for 2027 is projected at 5,125 million pounds, unchanged from a month ago.

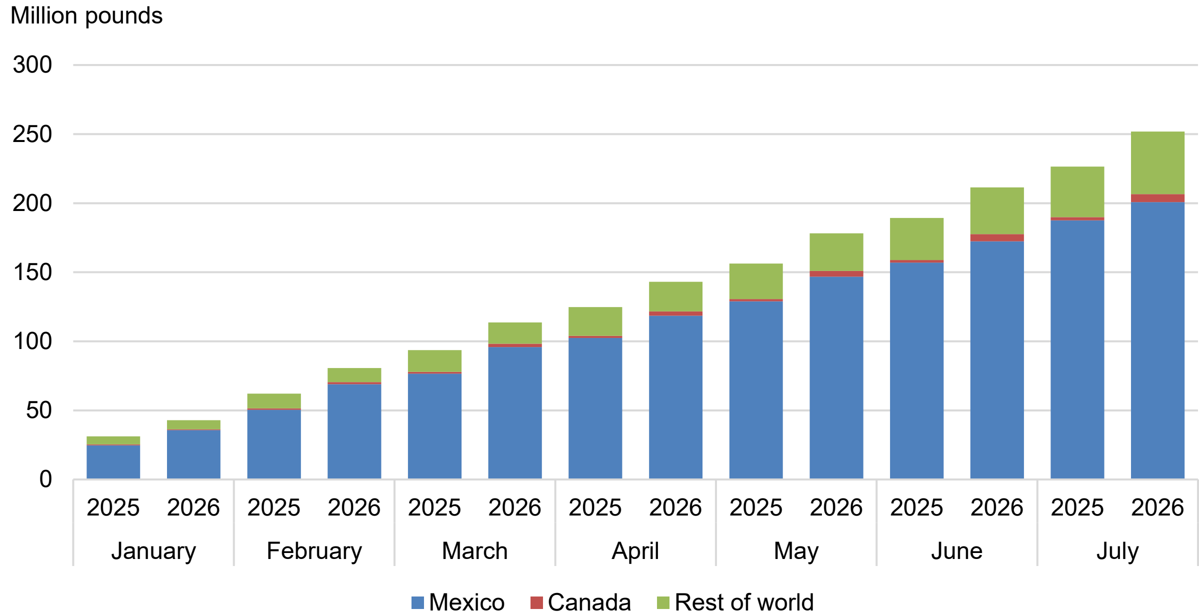
Monthly turkey slaughter weights, 2021–26



Source: USDA, National Agricultural Statistics Service.

Turkey imports for 2026 are unchanged this month at 37 million pounds, while projected imports for 2027 remain unchanged at 36 million pounds. Exports for 2026 are raised 15 million pounds to 441 million pounds. Year-to-date exports for 2026 total 251.9 million pounds through July with nearly 80 percent shipped to Mexico. This is ahead of last year's turkey export pace, which totaled 226.5 million pounds through July. Exports for 2027 remain unchanged at 415 million pounds. Ending stocks for 2026 are lowered 10 million pounds to 190 million, while stocks for 2027 remain unchanged.

Cumulative U.S. turkey exports to Mexico, Canada, and the rest of the world, 2025–26



Source: USDA, Economic Research Service calculations using data from the U.S. Department of Commerce, Bureau of the Census.

Turkey prices continue to rise for 2026 and are adjusted higher for 2027

Wholesale prices for frozen whole hen turkeys are raised 4.3 cents for 2026 to an annual average price of 174.6 cents per pound. The third-quarter average price for 2026 is increased by 7 cents to 182 cents per pound and the fourth-quarter prices is raised 10 cents to 170 cents per pound. The 2027 wholesale price is increased 10 cents to 140 cents per pound, with recent price strength expected to carry forward into next year. Weekly prices for frozen whole hen turkeys continued to hold strong at 181.33 cents per pound for the week ending August 28. Wholesale prices fell slightly to 179.67 cents per pound in the first week of September with 60,000 pounds traded.

Suggested Citation:

U.S. Department of Agriculture, Economic Research Service. (2026). *Livestock, dairy, and poultry outlook: September 2026* (Report No. LDP-M-387).

U.S. red meat and poultry forecasts	2025					2026					2027		
	I	II	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual
Production, million pounds													
Beef	6,544	6,452	6,360	6,647	26,003	6,148	6,154	**6,140**	**6,435**	**24,877**	**6,165**	**6,110**	**24,835**
Pork	6,956	6,706	6,614	7,301	27,578	7,050	6,755	**6,620**	**7,345**	**27,771**	**7,010**	**6,765**	**28,070**
Lamb and mutton	34	36	31	33	135	33	30	**32**	**33**	**129**	**33**	**33**	**131**
Broilers	11,571	11,885	12,432	12,118	48,006	12,002	12,419	**12,800**	**12,400**	**49,620**	**12,150**	**12,500**	**50,000**
Turkeys	1,146	1,181	1,275	1,242	4,844	1,231	1,269	**1,300**	**1,300**	**5,099**	**1,250**	**1,275**	**5,125**
Total red meat and poultry	26,377	26,392	26,861	27,469	107,099	26,604	26,783	**27,047**	**27,653**	**108,087**	**26,748**	**26,828**	**108,735**
Table eggs, million dozen	1,835	1,839	1,895	1,928	7,497	1,913	1,933	**1,990**	**2,015**	**7,851**	**1,975**	**1,990**	**8,010**
Per capita disappearance, retail pounds 1/													
Beef	15.1	14.9	14.4	14.8	59.2	15.0	14.7	**14.5**	**14.8**	**59.0**	**14.9**	**14.5**	**58.3**
Pork	12.4	12.0	12.0	13.1	49.3	12.4	11.9	**12.0**	**13.1**	**49.4**	**12.3**	**11.8**	**49.9**
Lamb and mutton	0.3	0.3	0.3	0.3	1.3	0.3	0.3	**0.3**	**0.3**	**1.3**	**0.3**	**0.3**	**1.3**
Broilers	24.9	25.7	26.7	25.6	102.9	25.9	26.9	**27.6**	**26.4**	**106.8**	**26.3**	**27.1**	**107.7**
Turkeys	2.9	3.0	3.4	3.9	13.2	3.0	3.1	**3.5**	**4.0**	**13.6**	**3.1**	**3.2**	**13.8**
Total red meat and poultry	55.9	56.2	57.1	58.0	227.3	57.0	57.3	**58.4**	**59.1**	**231.7**	**57.3**	**57.4**	**232.6**
Eggs, number	64.7	65.3	67.0	66.8	263.8	66.2	66.1	**68.0**	**69.2**	**269.5**	**67.7**	**68.2**	**274.3**
Market prices													
Steers 5-area Direct, Total all grades, dollars/cwt	205.02	225.22	239.62	227.62	224.37	238.65	255.76	**230.00**	**225.00**	**237.35**	**235.00**	**235.00**	**237.50**
Feeder steers, Medium Frame No. 1, OK City, dollars/cwt	276.10	303.04	352.72	355.58	321.86	365.87	377.17	**350.00**	**335.00**	**357.01**	**340.00**	**340.00**	**342.50**
Cows, Live equivalent, Cutter 90% lean, 500 lbs and up, National, dollars/cwt	128.11	141.04	151.77	147.75	142.17	150.00	164.27	**160.00**	**140.00**	**153.57**	**140.00**	**165.00**	**151.25**
Choice/Prime slaughter lambs, National, dollars/cwt	169.76	171.43	205.73	224.63	192.89	229.69	276.65	**290.00**	**290.00**	**271.59**	**270.00**	**270.00**	**272.50**
Barrows and gilts, national daily direct, producer sold, average net price, live equivalent, dollars/cwt	63.59	69.69	77.05	64.87	68.80	64.50	67.79	**69.00**	**58.00**	**64.82**	**61.00**	**67.00**	**63.75**
Broilers, Wholesale, National composite, weighted average, cents/lb	130.8	135.9	121.9	110.5	124.8	119.5	122.6	**116.0**	**117.0**	**118.8**	**120.0**	**123.0**	**121.5**
Turkeys, National 8-16 lb hens, National, cents/lb	94.8	119.3	156.8	172.2	135.8	169.9	176.3	**182.0**	**170.0**	**174.6**	**140.0**	**135.0**	**140.0**
Eggs, Grade A large, New York, volume buyers, cents/dozen	675.3	344.4	283.0	192.0	373.7	125.2	67.0	**104.0**	**130.0**	**106.6**	**120.0**	**100.0**	**111.3**
U.S. trade, million pounds, carcass-weight equivalent													
Beef and veal exports	715	684	582	598	2,579	586	591	**580**	**585**	**2,343**	**580**	**590**	**2,325**
Beef and veal imports	1,480	1,463	1,248	1,197	5,388	1,709	1,588	**1,550**	**1,415**	**6,262**	**1,675**	**1,575**	**6,050**
Lamb and mutton imports	82	78	93	95	349	84	94	**90**	**95**	**364**	**85**	**95**	**370**
Pork exports	1,783	1,699	1,643	1,847	6,972	1,842	1,758	**1,635**	**1,875**	**7,110**	**1,850**	**1,785**	**7,190**
Pork imports	280	275	267	294	1,117	278	306	**280**	**300**	**1,164**	**280**	**300**	**1,165**
Broiler exports	1,624	1,577	1,677	1,787	6,665	1,639	1,589	**1,640**	**1,725**	**6,593**	**1,600**	**1,550**	**6,500**
Turkey exports	94	96	108	123	420	114	98	**110**	**120**	**441**	**100**	**95**	**415**
Live swine imports (thousand head)	1,773	1,673	1,706	1,837	6,988	1,885	1,907	**1,850**	**1,880**	**7,522**	**1,955**	**1,945**	**7,655**

Note: Forecasts are in bold. cwt=hundredweight.
1/ Per capita meat and egg disappearance data are calculated using the Resident Population plus Armed Forces Overseas series from U.S. Department of Commerce, Bureau of the Census.
Source: World Agricultural Supply and Demand Estimates and Supporting Materials.
For further information, contact: Mildred Haley, Economic Research Service, USDA.
Updated 9/17/2026

Dairy forecasts

Years	2025			2026					2027		
Quarters	III	IV	Annual	I	II	III	IV	Annual	I	II	Annual
Milk cows (thousands)	9,543	9,564	9,498	9,622	9,677	9,715	9,715	9,680	9,710	9,710	9,710
Milk per cow (pounds)	6,100	6,044	24,391	6,091	6,233	6,115	6,060	24,500	6,110	6,250	24,570
Milk production (billion pounds)	58.2	57.8	231.7	58.6	60.3	59.4	58.9	237.2	59.3	60.7	238.6
Farm use	0.2	0.2	1.0	0.2	0.2	0.2	0.2	1.0	0.2	0.2	1.0
Milk marketings	58.0	57.6	230.7	58.4	60.1	59.2	58.6	236.2	59.1	60.4	237.6
Milk-fat (billion pounds milk equiv.)											
Milk marketings	58.0	57.6	230.7	58.4	60.1	59.2	58.6	236.2	59.1	60.4	237.6
Beginning stocks	17.4	14.8	13.1	12.6	15.1	16.7	14.4	12.6	12.8	15.3	12.8
Imports	1.7	1.7	7.4	1.8	2.5	2.2	2.3	8.8	2.0	2.3	8.5
Total supply	77.0	74.1	251.1	72.8	77.7	78.1	75.3	257.6	73.8	78.1	258.9
Exports	4.5	4.6	16.7	5.0	5.4	5.3	4.9	20.5	5.0	5.2	20.3
Ending stocks	14.8	12.6	12.6	15.1	16.7	14.4	12.8	12.8	15.3	16.9	12.2
Domestic use	57.7	56.8	221.7	52.8	55.6	58.4	57.6	224.3	53.6	55.9	226.5
Skim solids (billion pounds milk equiv.)											
Milk marketings	58.0	57.6	230.7	58.4	60.1	59.2	58.6	236.2	59.1	60.4	237.6
Beginning stocks	10.3	9.5	9.1	9.2	9.7	10.0	9.4	9.2	9.5	9.9	9.5
Imports	1.6	1.7	6.9	1.6	1.8	1.6	1.7	6.7	1.7	1.8	6.8
Total supply	69.9	68.8	246.6	69.2	71.6	70.8	69.7	252.1	70.2	72.1	253.9
Exports	12.3	11.9	47.9	12.1	12.7	12.2	12.1	49.1	12.1	12.5	49.3
Ending stocks	9.5	9.2	9.2	9.7	10.0	9.4	9.5	9.5	9.9	10.2	9.1
Domestic use	48.0	47.6	189.5	47.3	48.9	49.2	48.1	193.5	48.3	49.4	195.5
Milk prices (dollars/hundredweight) [1]											
All milk	20.70	19.50	21.18	18.50	21.07	19.70	20.40	19.90	20.00	19.40	19.80
Class III	17.38	16.65	18.01	15.23	16.57	16.20	16.80	16.20	16.60	17.15	17.10
Class IV	17.85	13.94	17.38	16.26	21.17	18.20	18.50	18.55	17.75	17.45	17.55
Product prices (dollars/pound) [2]											
Cheddar cheese	1.7743	1.6691	1.7878	1.4649	1.6215	1.570	1.620	1.570	1.600	1.650	1.645
Dry whey	0.5744	0.6400	0.5950	0.6880	0.6422	0.665	0.690	0.670	0.690	0.690	0.690
Butter	2.3636	1.6330	2.2202	1.6734	1.6748	1.510	1.530	1.595	1.560	1.600	1.625
Nonfat dry milk	1.2623	1.1584	1.2348	1.3796	1.9308	1.675	1.700	1.670	1.600	1.550	1.550

Totals may not add due to rounding.

[1] Simple averages of monthly prices. May not match reported annual average prices.

[2] Simple averages of monthly prices calculated by the USDA, Agricultural Marketing Service, for use in class price formulas. Product prices are based on weekly USDA *National Dairy Products Sales Report*.

Sources: USDA, National Agricultural Statistics Service; USDA, Agricultural Marketing Service; USDA, Foreign Agricultural Service; and USDA, World Agricultural Outlook Board.
Published by USDA, Economic Research Service, in *Livestock, Dairy, and Poultry Outlook.*

Updated 9/17/2026.