United States Department of Agriculture

Economic Research Service | Situation and Outlook Report

LDP-M-386 | August 18, 2026 Next release is September 17, 2026

Livestock, Dairy, and Poultry Outlook: August 2026

Summary

Beef/Cattle: On August 24, USDA will reopen the Douglas, Arizona port of entry for Mexican cattle. USDA released the mid-year *Cattle* report which indicated year-over-year tighter calf supplies for feedlot placement heading into late 2026 and early 2027. Further, the *Cattle* report suggests cow inventories are steady with last year, while heifers for beef and dairy cow replacement grew modestly. A slower pace of cattle slaughter expected in the second half of 2026 pulls down the production forecast from last month to 24.967 billion pounds. In 2027, a slower anticipated pace of marketings lowers the beef production forecast to 24.980 billion pounds, showing a slight increase year over year. The outlook for cattle prices in the second half of 2026 is reduced significantly based on weaker price data but prices remain supported in 2027 by tighter cattle supplies. Beef imports for 2026 and 2027 are revised upward. Exports were revised moderately upward in 2026 based on pace.

Lamb/Sheep: Lamb production in the first half of the year is down 10 percent from the same period last year. The 2026 and 2027 lamb production forecasts are lowered slightly. Lamb and mutton trade forecasts and price forecasts are unchanged from last month.

Dairy: Milk production for 2026 is forecast at 236.6 billion pounds, unchanged from the previous forecast as higher expected dairy cow inventories offset lower expected milk per cow yields. The milk production forecast for 2027 is lowered to 238.0 (-0.1) billion pounds because of lower expected growth in milk per cow. All-milk prices have been revised downward by 15 cents to $19.85 per hundredweight (cwt) for 2026 and by 5 cents to $19.80 per cwt for 2027.

Pork/Hogs: Heavier dressed weights have been a key factor this year in maintaining pork production in light of smaller hog numbers. Total pork production in 2026 is forecast to be 27.9 billion pounds, about 1.1 percent higher than 2025 production. Weakness in shipments to Mexico is slowing growth of U.S. pork exports. Even so, 2026 exports are expected to be 7.2 billion pounds, 2.9 percent above those of 2025.

Poultry/Eggs: Broiler production is adjusted higher in 2026 on recent data; the 2027 projection is unchanged. Broiler trade expectations for outlying quarters are unchanged. Projected 2026 broiler prices are adjusted lower on recent data, but the 2027 projected average is unchanged. Table egg production in the second quarter was slightly lower than projected last month; expectations for outlying quarters are unchanged. Egg price projections were adjusted higher in 2026 and 2027 to reflect recent price trends. Projected turkey production, exports, prices, and ending stocks for 2026 were all adjusted higher on recent data. Turkey beginning stocks and total domestic use for 2027 were raised based on higher 2026 ending stocks.

Beef/Cattle

Russell Knight and Hannah Brooks

USDA Announces Phased Reopening of Southern Ports

On July 24, the USDA announced the resumption of cattle imports under a phased reopening of southern cattle ports, contingent on Mexico's adherence to the Joint Action Plan. Beginning August 24, 2026, USDA will open the Douglas, Arizona port of entry to cattle trade, while simultaneously initiating the operational steps necessary for subsequent openings at the Santa Teresa, New Mexico and Columbus, New Mexico ports. Every animal entering the United States through these ports will undergo a full USDA inspection to ensure it is free of any signs of New World screwworm (NWS). In the near term, the handling of cattle imports under the new protocol is expected to be slower than typical volumes at the Douglas, Arizona port. Further, forecasts in this report reflect the resumption of live cattle imports through Douglas but assume that all other ports of entry will remain closed until an official timeline for their reopening is provided. Subsequent forecasts will reflect officially announced changes in policy when they occur.

Cattle Report Suggests Tight Supplies of Feedlot Cattle to Linger

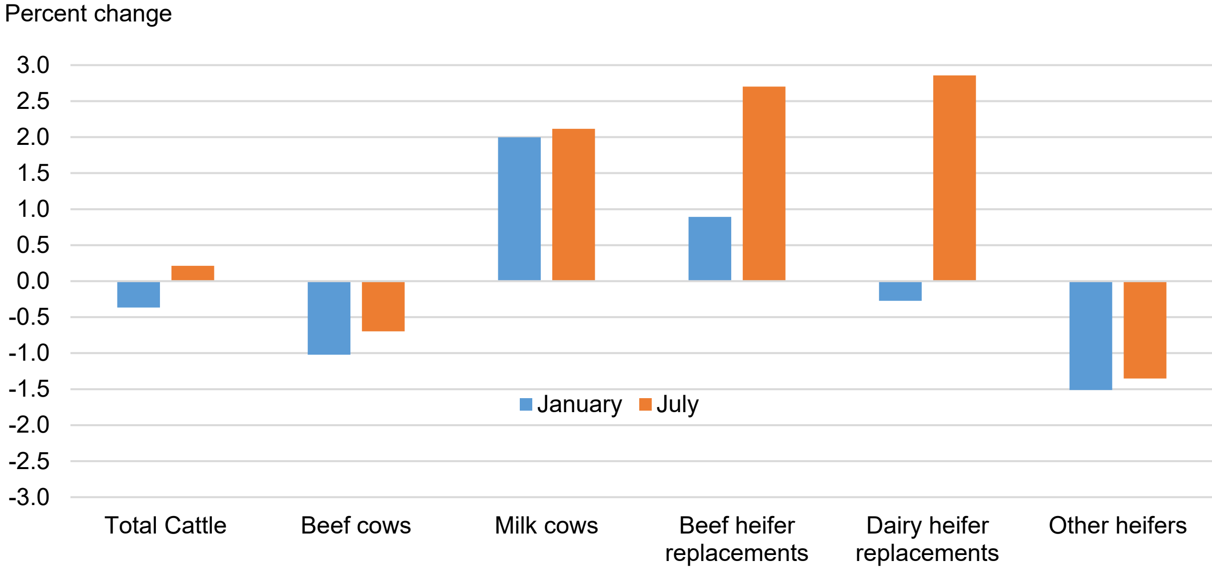
On July 24, 2026, USDA, National Agricultural Statistics Service (NASS) released its biannual *Cattle* report. The report estimates the total number of cattle cand calves in the United States at 94.2 million head as of July 1, 2026—an increase of 0.2 million head, or about 0.2 percent, from last year. The decline in beef cows was offset by the estimated number of dairy cows, resulting in no change from last year for total cow inventory on July 1. Beef cow numbers in the breeding herd fell by 0.7 percent to an estimated 28.450 million head, but heifers retained for beef cow replacements increased 2.7 percent to 3.800 million head.

In contrast, dairy inventories experienced modest growth. Dairy cow inventories reached an estimated 9.650 million head, up 2.1 percent from last year, and dairy replacement heifers rose 2.9 percent to 3.600 million head. Based on the past 10 years of mid-year *Cattle* reports, replacement heifers represented about 42 percent of the dairy cow inventory. The residual of the dairy calf crop that are not replacement heifers goes into veal and beef production. Most of these residual calves move to feedlots for beef production and, increasingly, these calves are sired by beef bulls.

The category of "other heifers," which are likely destined for feedlots, declined 1.4 percent to 7.300 million head. The change from a year ago was offset by the increase in beef replacement heifers, supporting the idea that some heifer retention is occurring.

For perspective, the chart below shows the percent change of total cattle and the female classes on both January 1 and July 1, 2026, compared to their respective estimates in 2025. Typically, these percentage changes in each class stay roughly the same from January to July. However, the chart shows a much larger increase in the breeding female classes and a steady decline of "other heifers."

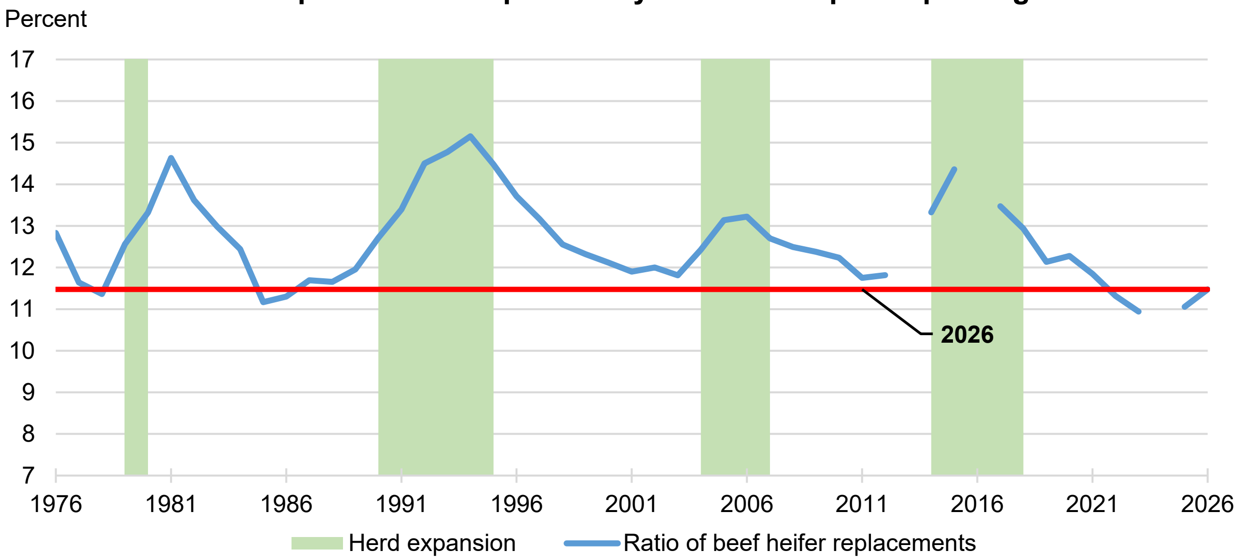
Percent change of cattle herd on January 1 and July 1 comparing 2026 and 2025



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

While improved female retention took place in the first half of 2026 than what was indicated at the beginning of the year, beef heifer retention as a percent of the last 12 months' calf crop, is trending up but not quite at a level in previous years when herd expansion occurred.

Ratio of beef heifer replacements to previous year's calf crop is improving in 2026



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

Smaller Portion of Heifers on Feed

The USDA, NASS *Cattle on Feed* report estimated the July 1 feedlot inventory at 11.370 million head, 2.2 percent above last year's total of 11.124 million head. Net placements[1] in June were 1.349 million head, down 2.8 percent year over year, while marketings totaled 1.661 million head, a decline of 2.7 percent. As of July 1, the number of cattle on feed over 150 days was 14.2 percent above year-ago levels. Based on weekly slaughter data through early August, a slower pace of fed cattle slaughter and favorable feed costs will likely keep days on feed elevated.

The report also detailed the number of steers and heifers in feedlots. On July 1, feedlots were estimated to contain 7.120 million steers and 4.250 million heifers—an increase of 3.4 percent for steers and a slight increase of 0.2 percent for heifers compared with last year. Although the share and number of heifers on feed are nearly unchanged from last year, these figures are well above levels typically seen during transitions from herd contraction to expansion.

Looking ahead to calves available for late-2026 and 2027 placements, USDA, NASS mid-year *Cattle* report provided an initial estimate of the 2026 calf crop at 32.5 million head. This represents a decline of 496,000 head, or 1.5 percent, from the 2025 calf crop estimate. The smaller-than-expected estimate confirms that fewer calves will be available for either herd retention or placement in feedlots in 2026 and 2027. As a result of a smaller 2026 calf crop, feedlot placements for late 2026 were lowered, and overall placements in 2027 are expected to decline.

Slow Pace of Slaughter Drags on 2026 Production Outlook

The outlook for 2026 beef production is lowered 321 million pounds from last month to 24.967 billion pounds for an expected year-over-year decline of 4 percent. This is the result of slower than previously anticipated pace of steer and heifer slaughter in July and early August. Based on actual weekly slaughter, it estimated that the pace of monthly fed cattle slaughter in July was the lowest for the series dating back to 1970.

The 2027 beef production forecast is lowered from last month's forecast by 220 million pounds to 24.980 billion pounds. This change is based on fewer feeder cattle placed in the second half of 2026 and a slower expected pace of steer and heifer slaughter.

Cattle Prices Reset Near Last Year's Record Highs

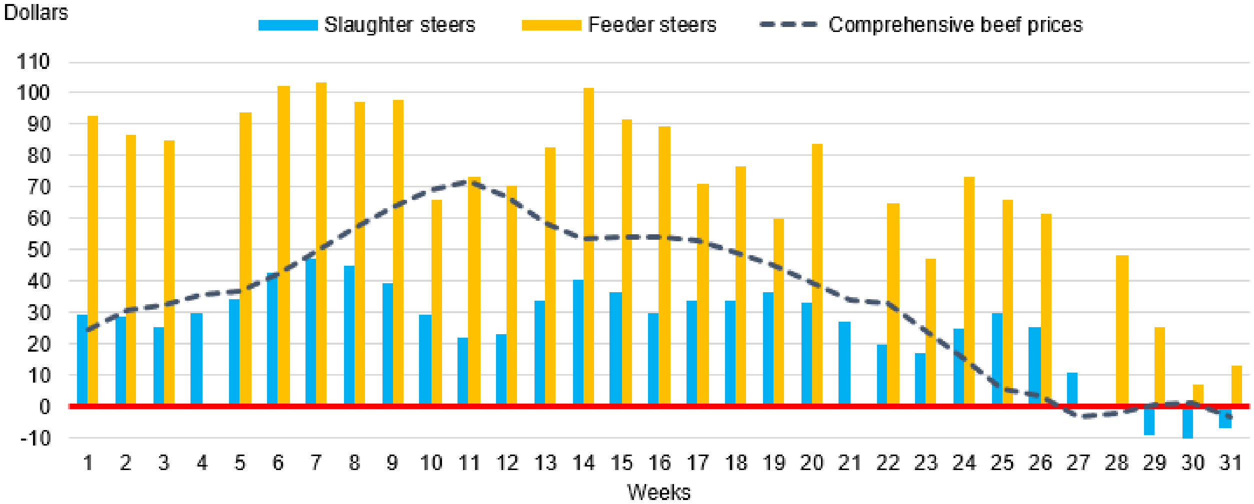
In the first half of 2026, cattle producers and feedlot operators benefited from strong prices supported by tight calf supplies and higher wholesale beef values. As shown in the chart below, several years of declining cattle slaughter have kept the national comprehensive boxed beef prices, referred to as wholesale beef prices, elevated—roughly $70 higher than year-ago levels—and trading between about $385 to $400 per hundredweight (cwt) from March through June. After the typical slowdown following the Fourth of July holiday, wholesale prices weakened over 5 weeks but remained in line with last year's levels for the same period.

Slaughter steer prices in the 5-area marketing region followed a similar pattern. After peaking recently at $259.63 per cwt for the week ending June 19, prices fell more than $29, or about 11 percent, by the week ending July 24. In the 2 weeks following, prices regained roughly $5 to $235.20 per cwt—about $7 below the price this time last year. Given the very low slaughter

[1] Net placements are placements minus other disappearance.

volumes in July and early August, some recovery in wholesale prices is expected, which is expected to keep slaughter cattle prices near last year's record highs.

Year-over-year price change for slaughter steers, feeder steers, and wholesale beef prices 2026 compared with 2025



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

The July average price for slaughter steers in the 5-area marketing region was $243.15 per cwt, down $15 from June. Based on weaker reported slaughter steer prices in early August, but partially offset by relatively strong wholesale beef prices and historically low fed cattle slaughter, the third-quarter 2026 slaughter steer price is forecast lower by $13 to $242.00 per cwt, and the fourth quarter is lowered $10 to $245.00 per cwt. The 2026 average price is forecast at $245.35 per cwt, an increase of 9.4 percent from 2025 if realized. With the expectation of fewer placements this year leading to fewer slaughter steers available next year, the 2027 price outlook still reflects strength from tight supplies. Current price weakness was nonetheless carried over from 2026 with a $5 decrease to $249.25 per cwt, which still reflects a 1.6 percent year-over-year increase.

Feeder steer prices have also shown seasonal pressure. In July, the weighted-average price for feeder steers weighing 750–800 pounds at the Oklahoma City National Stockyards was $362.54 per cwt. This was $13.51 below the previous month but $27.45 higher than July 2025. In the August 10 sale, feeder steers averaged $362.81 per cwt, about $6 above the week prior and $5 ahead of the same week last year. Feeder steer prices have generally declined since peaking for the year at $388.06 per cwt on May 4. Accounting for recent price weakness, the third-quarter price forecast for feeder steers is lowered $17 to $363.00 per cwt and the fourth quarter is lowered $17 to $365.00 per cwt. Looking ahead to 2027—factoring in weaker price momentum and additional feeder calf imports but also recognizing a smaller calf crop in 2026—the 2027 feeder steer price forecast is lowered $8.25 to $373.75 per cwt, still nearly 2 percent higher than this year's forecast.

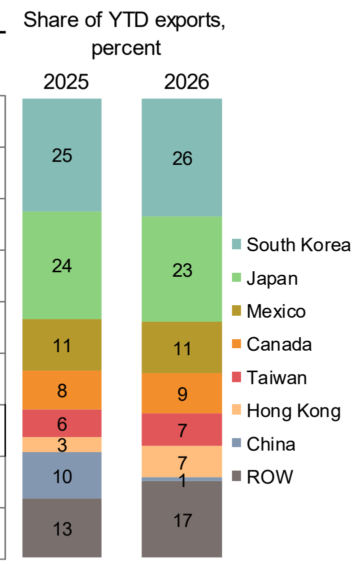
Beef Exports

U.S. beef exports in June totaled 199 million pounds, 9 percent below a year ago and rounding out the second-quarter total at 591 million pounds. Exports through the first half of the year, shown in the chart below, totaled about 1.2 billion pounds, 16 percent lower year over year. Year-to-date exports to the top four markets were all lower year over year. Exports to China were down nearly 133 million pounds, which accounts for more than half of the total year-over-year decrease in exports. Exports to Hong Kong were about 34 million pounds higher year over year.

South Korea remains the top market for U.S. beef exports, with a 26-percent share of year-to-date exports, followed by Japan at 23 percent. Mexico and Canada are the third- and fourth-largest markets for U.S. beef so far this year, though exports to these countries have decreased 17 and 12 percent year over year, respectively. Taiwan rounds out the top five markets, with nearly unchanged year-to-date exports, but a slight increase in market share to about 7 percent.

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

Country	June 2026 exports	Year-to-date exports			
		2025	2026	Year-over-year volume change	Year-over-year percent change
South Korea	49.3	342.8	303.3	-39.5	-12
Japan	46.9	329.0	270.4	-58.6	-18
Mexico	20.2	156.5	130.3	-26.2	-17
Canada	17.8	118.1	103.4	-14.7	-12
Taiwan	16.7	84.6	84.7	0.1	0
Hong Kong	12.5	45.8	79.9	34.1	75
China	3.3	143.3	10.4	-132.9	-93
ROW	32.3	178.8	195.2	16.4	9
Total	199.1	1399.0	1177.6	-221.4	-16



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.

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

The beef export forecasts for third and fourth quarters of 2026 are unchanged from last month at 575 and 580 million pounds, respectively. The annual forecast is 2.333 billion pounds, a 10-percent decrease year over year. The forecast for 2027 is lowered slightly from last month to 2.315 billion pounds, which, if realized, would be about a 1-percent year-over-year decrease.

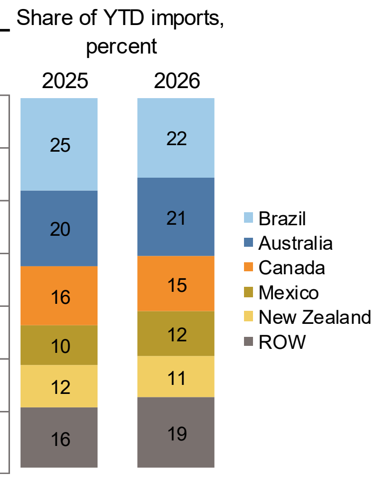
Beef Imports

U.S. beef imports in June totaled 542 million pounds, 24 percent higher year over year. Imports from New Zealand spiked to nearly 70 percent higher year over year while imports from Australia and Mexico were up nearly 40 and 41 percent year over year, respectively. Imports from Brazil have been trending down since March, though were still up 27 percent year over year.

June rounded out second-quarter imports for a total of 1.588 billion pounds, a record for the second quarter. The chart below shows total imports for the first half of the year. Cumulative imports reached nearly 3.3 billion pounds, a year-over-year increase of 12 percent. The largest contribution to the increase was imports from Australia, up almost 100 million pounds, followed by imports from Mexico, up 91 million pounds. Imports from other countries not in the top 5 have also increased significantly, led by Argentina (up 71 million pounds), Paraguay (up 48 million pounds), and Nicaragua (up 35 million pounds).

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

Country	June 2026 imports	2026 Year-to-date imports			
		2025	2026	Year-over-year volume change	Year-over-year percent change
Brazil	96.2	741.7	716.9	-24.8	-3
Australia	139.7	599.7	699.5	99.8	17
Canada	76.6	475.1	488.8	13.7	3
Mexico	71.4	307.3	398.3	91.0	30
New Zealand	87.5	345.8	370.8	25.0	7
ROW	71.0	473.7	622.7	149.0	31
Total	542.4	2943.4	3297.0	353.6	12



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.

Based on continued strength in imports from Oceania, the import forecast for third-quarter 2026 is raised 50 million pounds to 1.475 billion. The fourth-quarter forecast is also raised slightly from last month to 1.360 billion pounds. The annual forecast for 2026 is 6.132 billion pounds, a 14 percent year-over-year increase. The annual forecast for 2027 is also raised 50 million pounds to 6.050 billion, which would be a 1 percent decrease year over year, based on lower expected global supplies of beef.

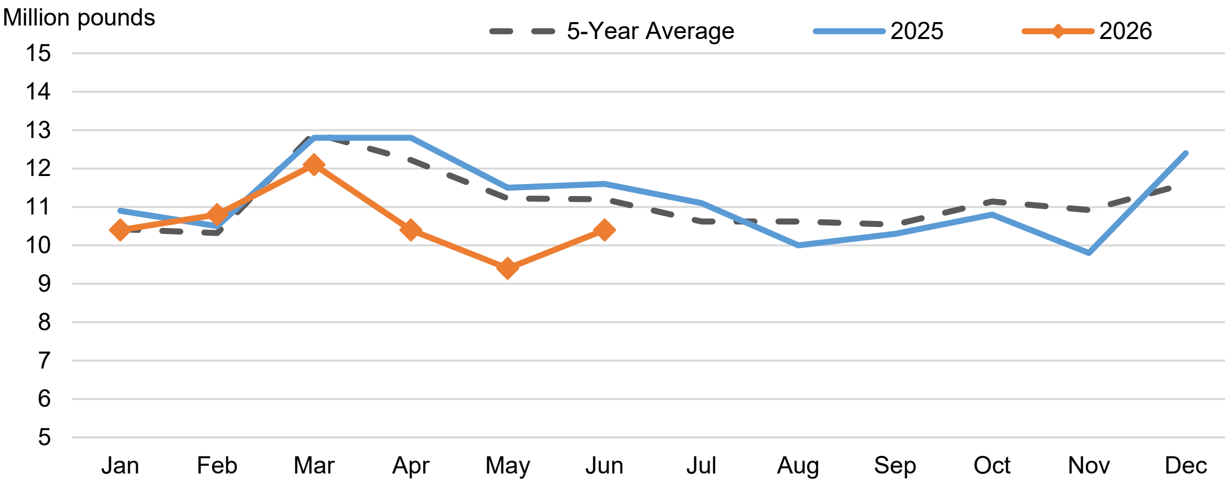
Lamb/Sheep

Hannah Brooks

First-half 2026 Lamb and Mutton Production Below Last Year

Lamb and mutton production for the second quarter of 2026 totaled 30.2 million pounds, 16 percent lower year over year. Total production for the first half of the year was 63.5 million pounds, a year-over-year decrease of 10 percent. Year-to-date slaughter through June was down about 5 percent, and the average commercial dressed weight was about 3 pounds lower compared to the same period last year, resulting in the decrease in total production. The forecast for third-quarter lamb production is lowered slightly to 32 million pounds on continued lighter weights and slower pace of slaughter. The annual 2026 forecast is 129 million pounds. The annual forecast for 2027 is also lowered slightly to 131 million pounds, for a year-over-year increase of about 2 percent.

Monthly Commercial Lamb and Mutton Production



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

The National Choice/Prime slaughter lamb price has not been reported by USDA, Agricultural Marketing Service (AMS) since the week ending June 19 due to not reaching confidentiality requirements. The National Estimated Lamb Carcass Cutout price reported by USDA, AMS has continued to climb as strong protein demand and tight lamb supplies support strong prices. The lamb price forecasts for 2026 and 2027 are unchanged from last month at $268 and $273 per hundredweight (cwt), $75 and $80 per cwt higher than the 2025 price, respectively.

Lamb and mutton imports in the second quarter totaled 97 million pounds, while exports totaled 1.6 million pounds. The trade forecasts for the remainder of 2026 and 2027 are unchanged from last month, with annual imports forecast to reach 402 million pounds in 2026 and 395 million pounds in 2027. Exports are expected to remain at 7 million pounds each year.

Dairy

Angel J. Terán and Adriana Valcu-Lisman

Recent Dairy Product Prices

According to USDA's *National Dairy Products Sales Report* (NDPSR), wholesale dairy product price movements were mixed for the weeks ending July 11 and August 8. Cheddar cheese (40-pound blocks) and dry whey price increased, while butter and nonfat dry milk (NDM) prices declined.

Dairy products domestic wholesale prices
Dollars per pound

	For the week ending		
	July 11	August 8	Price change
Butter	1.6625	1.5048	-0.1577
Cheddar cheese (40-pound blocks)	1.4958	1.6095	0.1137
Nonfat dry milk	1.7003	1.5428	-0.1575
Dry whey	0.6471	0.6555	0.0084

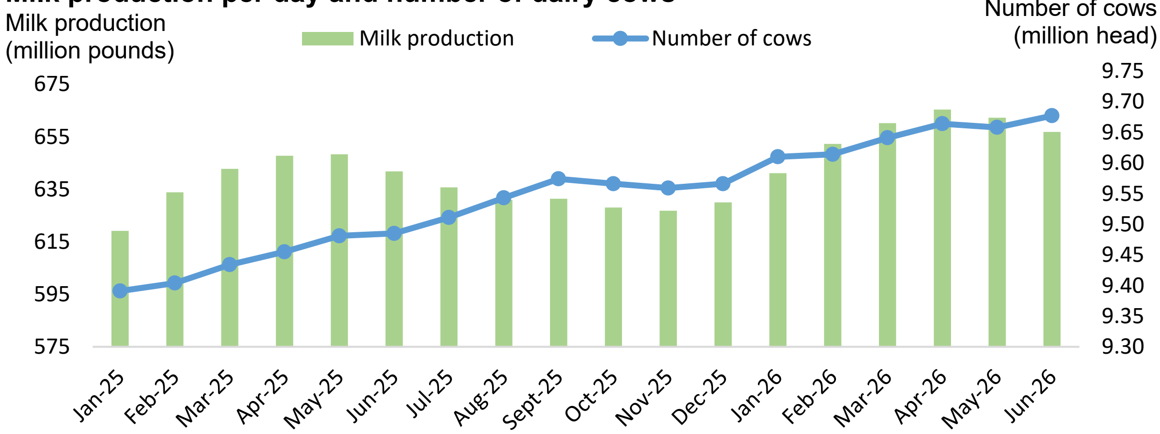
Source: USDA, Economic Research Service calculations using the USDA, Agricultural Marketing Service, National Dairy Products Sales Report, August 12, 2026

For the trading week ending August 14 at the Chicago Mercantile Exchange (CME), the average spot prices for Cheddar cheese 500-pound barrels and 40-pound blocks averaged $1.5535 and $1.6050 per pound, respectively. CME spot prices for NDM, butter, and dry whey averaged $1.6570, $1.4755, and $0.6895 per pound, respectively.

Recent Dairy Supply and Use Data

The national dairy herd expanded in June. According to the USDA's National Agricultural Statistics Service (NASS), estimated milk production in the United States totaled 19.705 billion pounds (656.8 million per day) in June 2026, 2.3 percent higher than June 2025. The number of milk cows was 9.677 million head in June, 192,000 head above June 2025. The average milk production per cow was 2,036 pounds in June 2026, up 6 pounds from June 2025.

Milk production per day and number of dairy cows

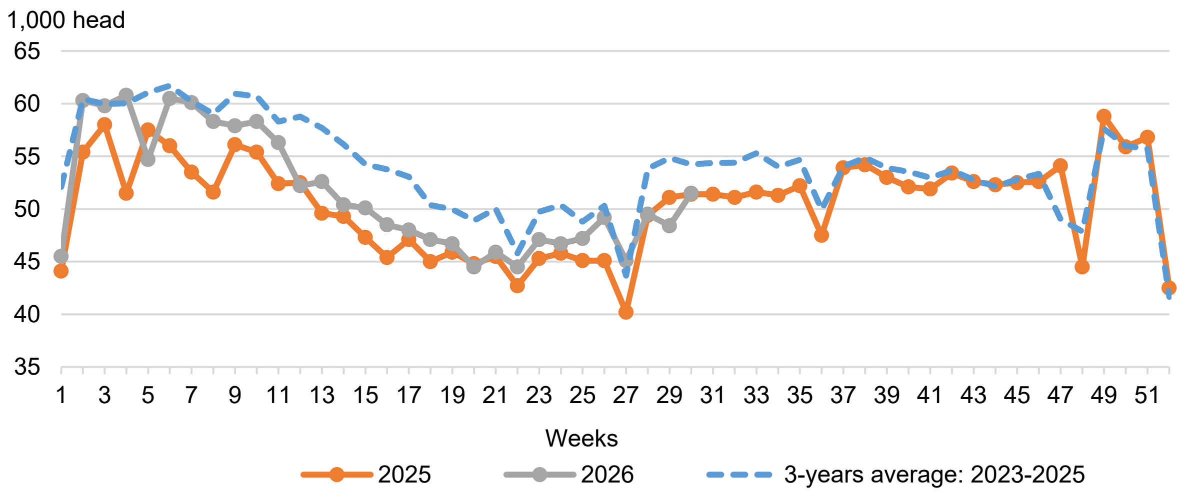


Source: USDA, Economic Research Service calculations using information from USDA, National Agricultural Statistics Service.

Dairy replacement heifer supplies remain tight. According to the recent USDA, NASS *Cattle* report, milk replacement heifers totaled 3.600 million head as of July 1, 2026, an increase of 100,000 head from July 1, 2025. The ratio of replacement heifers to milk cows remained at 37 percent as of July 1, 2026, compared to a year ago.

While culling increased during the first 30 weeks of 2026 compared with the same period in 2025, the cow slaughter rate remained relatively low compared with the past 3-year average, contributing to an increase in the national dairy herd size.

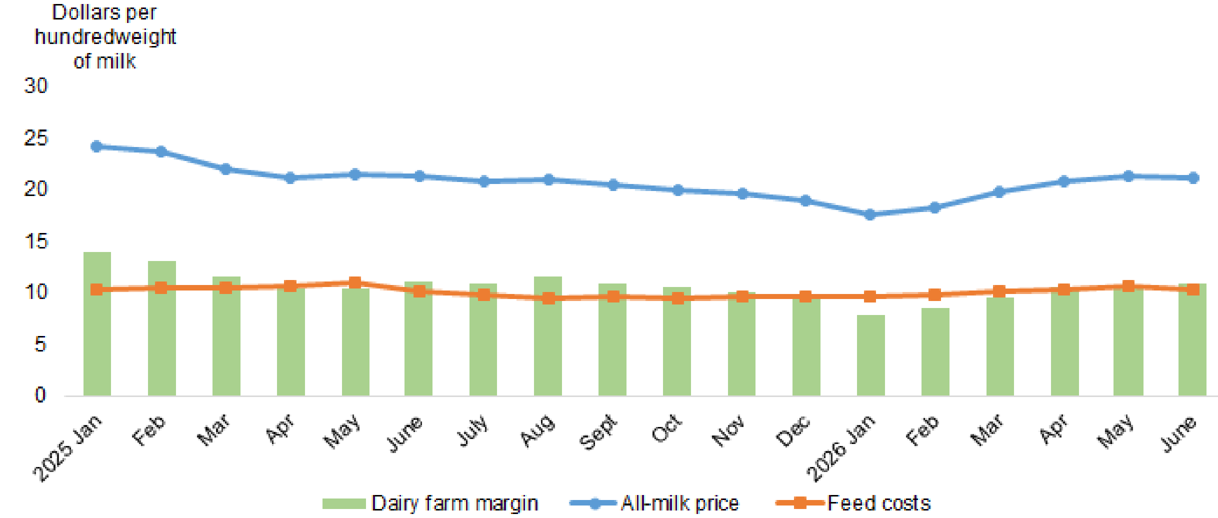
Weekly federally inspected milk cow slaughter



Source: USDA, Economic Research Service using data from USDA, Agricultural Marketing Service, *Actual Slaughter Under Federal Inspection Report*.

In the first 6 months of 2026, the Dairy Margin Coverage program (DMC) triggered payments only in January and February, when margins fell below $9.50 per cwt. In the second quarter of 2026, the dairy farm margin remained above Tier 1 coverage levels. According to the most recent monthly USDA, NASS *Agricultural Prices* report, the all-milk price in June 2026 averaged $21.10 per cwt, down $0.20 from June 2025. The farm milk margin above feed costs, as calculated for the DMC program, was $10.88 in June 2026, $0.22 lower than in June 2025.

Dairy farm margin above feed costs



Source: USDA, Economic Research Service using information from USDA, Farm Service Agency, Dairy Margin Coverage Program.

In the first 6 months of 2026 imports of dairy products on a milk-fat milk equivalent basis totaled 4.34 billion pounds, about 7.6 percent higher than last year. On a skim-solids milk-equivalent basis, imports totaled 3.40 billion pounds, about 4.3 percent lower than same period in 2025.

In the first half of 2026, dairy exports were up 35.5 percent on a milk-fat basis and 4.5 percent on a skim-solids basis compared from first half of 2025. In the first half of 2026, exports of cheese, butter, dry whey, and lactose increased, while shipments of dry skim milk products and whey protein concentrate declined relative to the same period in 2025.

Exports of milk and selected dairy products for the first half of 2025 and 2026

Product	Units	2025 first half	2026 first half	Change	Percent of change
Milk in all products (milk equivalents)					
Milk-fat basis	Billion pounds	7.6	10.4	2.7	35.5
Skim-solids basis		23.8	24.8	1.1	4.5
Dairy products					
American-type cheese	Million pounds	153.1	170.1	17.0	11.1
Other-than-American-type cheese		495.1	631.7	136.6	27.6
Butter		68.4	130.1	61.7	90.2
Dry skim milk products		732.6	709.2	-23.4	-3.2
Dry whey		207.5	320.4	112.9	54.4
Whey protein concentrate		138.8	125.8	-13.0	-9.4
Lactose		441.1	448.7	7.6	1.7

Sources: USDA, National Agricultural Statistics Service; USDA, Farm Service Agency; USDA, Foreign Agricultural Service; U.S. Dept. of Commerce, Bureau of the Census; and USDA, Economic Research Service (ERS) calculations. Numerous sources were used for conversion factors. For more information, see the ERS Dairy Data Documentation webpage.

In the first half of 2026, domestic use increased by 0.9 percent on a milk-fat basis and 2.6 percent on a skim-solids basis compared to the first half of 2025. For the same period, domestic use of cheese, butter, dry skim products, and whey protein concentrate increased compared with the first half of 2025, while domestic use of dry whey and lactose declined.

Domestic use of milk and dairy products for the first half of 2025 and 2026

Product	Units	2025 first half	2026 first half	Change	Percent of change
Milk in all products (milk equivalents)	Billion pounds				
Milk-fat basis		107.2	108.2	1.0	0.9
Skim-solids basis		93.7	96.2	2.5	2.6
Dairy products	Million pounds				
American-type cheese		2,709.1	2,735.6	26.5	1.0
Other-than-American-type cheese		4,016.6	4,057.0	40.4	1.0
Butter		1,121.0	1,173.5	52.5	4.7
Dry skim milk products		363.9	475.2	111.3	30.6
Dry whey		231.0	139.6	-91.3	-39.6
Whey protein concentrate		140.0	154.2	14.3	10.2
Lactose		138.6	99.4	-39.2	-28.3

Sources: USDA, National Agricultural Statistics Service; USDA, Farm Service Agency; USDA, Foreign Agricultural Service; U.S. Dept. of Commerce, Bureau of the Census; and USDA, Economic Research Service (ERS) calculations. Numerous sources were used for conversion factors. For more information, see the ERS Dairy Data Documentation webpage.

Dairy Forecasts for 2026

Based on recent data for dairy cow numbers and dairy slaughter, the 2026 forecast for the annual average number of dairy cows has been revised upward by 5,000 head to 9.665 million head. The 2026 milk per cow is expected to average 24,480 pounds, 15 pounds lower than the previous forecast. Milk production for 2026 is now forecast at 236.6 billion pounds, unchanged from the last forecast, as the higher number of dairy cows offsets the lower expected growth in milk per cow.

Dairy export forecasts for 2026 are adjusted from last month's forecast. On a milk-fat basis, 2026 dairy exports are forecast at 20.7 (+0.1) billion pounds, while on a skim-solids basis 2026 dairy exports are forecast at 49.3 (-0.6) billion pounds. These adjustments take into consideration the most recent trade data and the expectation that domestic prices for butter and cheese will remain competitive in the global markets. Higher export volumes are projected for cheese, butter, and fluid milk and cream products. Converserly, lower export volumes are expected for dry skim milk products, dried whey products, and lactose.

The dairy import forecasts for 2026 have been revised upward from last month's forecast. On a milk-fat basis, dairy imports are forecast at 8.6 (+0.4) billion pounds. On a skim-solids basis, dairy imports are forecast at 6.9 (+0.1) billion pounds. Higher import volumes are expected for most of the dairy products.

Year-to-date data on domestic use supports upward revisions for the 2026 forecasts. On a milk-fat basis, domestic use in 2026 is projected at 223.6 (+0.1) billion pounds, while on a skim-solids basis it is forecast at 193.2 (+0.4) billion pounds.

Based on recent movement in product prices, the 2026 average price forecasts for Cheddar cheese and dry whey have been revised upward to $1.575 (+0.5 cents) and $0.670 (+1.0) cents per pound, respectively. Conversely, the 2026 average price forecasts for butter and NDM have been revised downward to $1.645 (-4.5 cents) and $1.605 (-1.0 cents) per pound, respectively.

With the changes in the product prices, the 2026 forecasts for milk class prices have been adjusted. The average Class III milk price forecast has been revised upward to $16.25 (+$0.10) per cwt due to higher prices for both Cheddar cheese and dry whey. The 2026 average Class IV price forecast has been lowered to $18.15 (-$0.25) per cwt due to lower prices for both butter and NDM. The all-milk price for 2026 is now forecast at $19.85 per cwt, $0.15 lower than the previous forecast.

Dairy Forecasts for 2027

The dairy herd is projected to average 9.695 million head in 2027, unchanged from last month's projections. However, the 2027 forecast for yield per cow has been lowered by 10 pounds to 24,550 pounds. Consequently, milk production for 2027 is projected at 238.0 billion pounds, 0.1 billion pounds lower than last month's forecast.

On a milk-fat basis, 2027 dairy imports are forecast at 8.3 billion pounds, 0.1 billion pounds lower than the previous month's forecast. On a skim-solid basis, the forecast for dairy imports forecast has been revised upward by 0.1 billion pounds to 7.0 billion pounds.

The forecasts for dairy exports have been revised upward on a milk-fat basis but downward on a skim-solids basis. On a milk-fat basis, 2027 dairy export volumes are forecast at 21.3 (+0.3) billion pounds. On a skim-solids basis, exports are projected to be lower at 49.5 (-0.4) billion pounds. The forecast revisions are supported by higher expected exports of butter, cheese, lactose, and dry whey products. However, lower exports are expected for dried skim milk products.

The 2027 forecasts for domestic use have been revised from last month's projections. On a milk-fat basis, 2027 domestic use is forecast at 224.5 billion pounds, 0.2 billion pounds lower than the previous estimate. On a skim-solids basis, 2027 domestic use is forecast at 194.8 billion pounds, 0.5 billion pounds higher than the previous estimate.

Following the adjustments in price forecasts for 2026, the wholesale dairy product price forecasts for 2027 are adjusted as follows, with changes from last month in parentheses: Cheddar cheese at $1.665 (unchanged) per pound, dry whey at $0.680 (+ 3.0 cents) per pound, butter at $1.705 (-4.5 cents) per pound, and NDM at $1.470 (unchanged) per pound.

With higher price projections for dry whey and unchanged price projections for Cheddar cheese, the updated 2027 price forecast for Class III milk is $17.25 per cwt, $0.20 higher than the previous month's forecast. Conversely, with lower price projections for butter and unchanged projections for NDM prices, the 2027 average Class IV price is forecast at $17.20 per cwt, $0.20 lower than the previous projection. The all-milk price forecast for 2027 is $19.80 per cwt, a $0.05 decrease from last month's forecast.

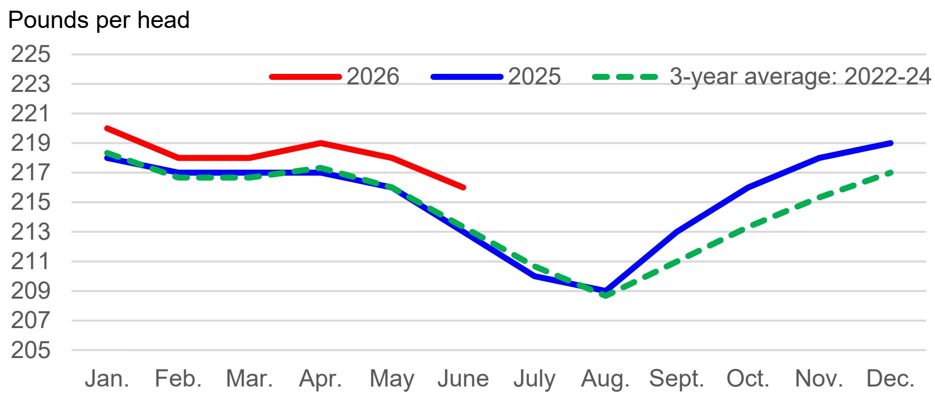
Pork/Hogs

Mildred Haley and Adriana Valcu-Lisman

Stronger-Than-Expected Summer Pork Production and Slow Demand Contributing to Lower Prices

While federally inspected (FI) slaughter numbers of hogs in both July and June of this year were each less than 1 percent above a year earlier—this year's July estimated FI slaughter was nearly unchanged from a year earlier, and the FI June 2026 slaughter was 0.55 percent above year-earlier numbers on a per-day basis—pork production in both July and June 2026 was quite a bit stronger in comparison to a year earlier. In July 2026, estimated FI pork production was about 2.2 billion pounds, almost 2 percent higher than in July 2025. June's FI production was almost 2.3 billion pounds, 2 percent higher than June 2025 production[2]. What seems to be making a marked difference this summer and driving pork production higher are average dressed weights.

Monthly federally inspected dressed hog weights



Source: USDA, National Agricultural Statistics Service.

The estimated average FI dressed weights for both July and June 2026 were significantly above year-earlier summer weights. The estimated FI average dressed weight for July was about 214 pounds per head, nearly 4 pounds heavier than weights in July 2025. Recall that it was the same story in June: average June FI dressed weights were 3 pounds above those of June 2025. Pork producers are incentivized to feed hogs to higher weights because feed costs have moderated relative to costs earlier in this decade. Additionally, producers are attempting to offset largely static pig crop numbers, which are constrained by declining breeding inventories and disease incidents.

Commercial pork production in the third quarter of 2026 is forecast at 6.7 billion pounds, 1.4 percent greater than production a year earlier, with higher estimated average dressed weights supporting production, and helping to offset lower-than-expected FI hog slaughter in July. Third–quarter live-equivalent national producer-sold hogs are expected to average $70 per cwt, 9.1 percent below prices in the third quarter of 2025.

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[2] This takes into account the extra slaughter day in June 2026.

Wholesale Prices Weaken Further in July

The wholesale pork cutout value declined in July to $101.26 per cwt, almost 12 percent below July 2025's value. July's lower cutout value represented the third consecutive monthly year-over-year decline in wholesale pork values. Of the components of the carcass that make up the wholesale cutout value, year-over-year lower values of bellies, hams, picnics, and loins pulled down the value of the wholesale carcass in July.

Beginning cold stocks of pork cuts in July are another sign that domestic and foreign consumer demand for pork cuts is sluggish compared with last summer. Beginning pork stocks in July were up 9.4 percent compared to a year ago, with bellies (+18.4 percent) and hams (+29.2 percent; with bone-in hams up +36.1 percent and boneless hams up 23.5 percent higher year over year) accounting for most of the stocks accumulation.

It is notable however, that National Agricultural Statistics Service data showed that July beginning stocks of loins fell 12 percent, while Agricultural Marketing Service (AMS) weekly pork export loads data indicated that loins remained a popular export cut in July. The AMS National Weekly Export Report showed estimated weekly July loin exports increased 14.5 percent year over year.[3] The pork loads data showed further that loins accounted for more than 50 percent of net weekly exported pork loads in July.[4] In the first 26 weeks of 2026, loins accounted for almost 51 percent of exported net pork loads.

Pork Export Picture Reflects Competition in Key Foreign Markets

Pork export data for June and the second quarter of 2026 suggests that competition with other pork-exporting countries has increased in key U.S. export markets. Export data from June 2026 shows weakness to Mexico, the United States' most important foreign export market in terms of volume. June data show that U.S. exports to Mexico declined about 2 percent compared with June 2025.

[3] USDA, Agricultural Marketing Service, Mandatory Price Reporting DataMart. "National Weekly Export Pork Report- FOB Plant".
[4] Net loads = Total loads – Variety meats- Added ingredients.

U.S. pork exports: Volumes and export shares of the 10 largest foreign destinations in June 2026 compared with 2025

Country	Exports	Exports	Percent change	Export share	Export share
	June	June	(2026/2025)	June	June
	2025	2026		2025	2026
	(Million pounds)	(Million pounds)		(Percent)	(Percent)
World	558	540	-3.2		
Mexico	230	226	-2	41.1	41.8
Japan	81	87	8	14.5	16.2
South Korea	47	38	-18	8.4	7.1
Colombia	25	36	44	4.4	6.6
Canada	34	33	-3	6.2	6.2
China and Hong Kong	38	23	-39	6.8	4.3
Dominican Republic	20	20	0	3.6	3.7
Honduras	12	16	34	2.1	3.0
Guatemala	9	11	21	1.6	1.9
Australia	16	9	-43	2.8	1.7
Western Hemisphere Nations	330	342	4	59	63
Asian Nations	166	149	-10	30	28

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

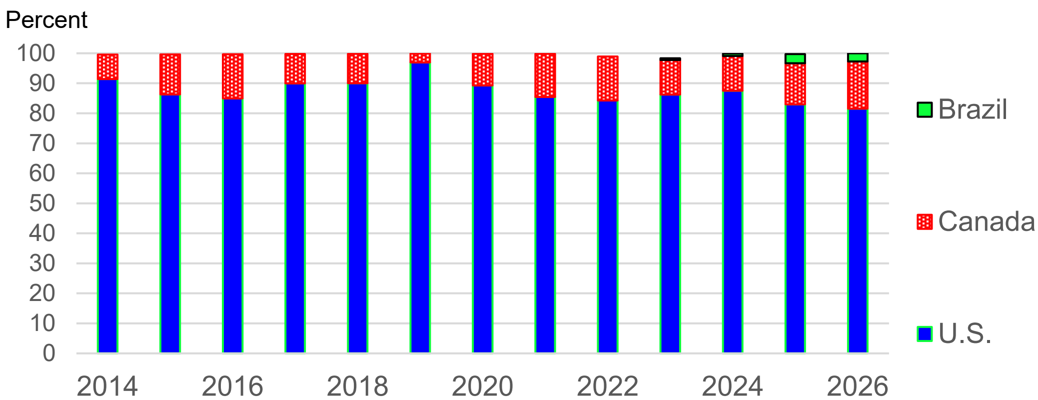
For the second quarter of this year, U.S. pork exports to Mexico also showed a year-over-year lower volume. Second-quarter U.S. exports to Mexico fell -0.4 percent, with their share of U.S. exports declining to 37 percent from 38.5 percent compared with the same period a year ago.

U.S. pork exports: Volumes and export shares of the 10 largest foreign destinations in the second quarter of 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	1,699	1,758	3.5		
Mexico	653	651	-0.4	38.5	37.0
Japan	268	306	14.1	15.8	17.4
South Korea	187	164	-12.5	11.0	9.3
Colombia	95	107	13.3	5.6	6.1
Canada	92	103	11.0	5.4	5.8
China and Hong Kong	72	94	30.6	4.3	5.4
Dominican Republic	62	80	29.8	3.6	4.6
Honduras	40	47	18.0	2.3	2.7
Australia	60	43	-28.2	3.5	2.4
Guatemala	27	31	13.8	1.6	1.8
Western Hemisphere Nations	969	1019	5	57	58
Asian Nations	528	565	7	31	32

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

Data issued by the Government of Mexico (which is available through May 2026) indicates that competition from Canada accounts for most of the U.S. decline. It is also notable that toward the end of the period depicted in the figure below, Brazil's share of Mexico's imports becomes apparent. Brazil's presence in Mexico's import market is expected to provide additional competition through next year.

Market shares of important pork exporting countries to Mexico: January–May, 2014–2026



Source: Government of Mexico, Mexico National Institute of Statistics.

Quarterly export forecasts for the balance of 2026 are revised lower to reflect the expectation of continued weakness of shipments to Mexico, as U.S. competition with Canada and Brazil is expected to intensify. The U.S. export forecast reductions also include demand uncertainty surrounding important Asian importing countries for the balance of 2026. The forecast for the third quarter of 2026 is reduced by 20 million pounds to 1.67 billion pounds, 1.7 percent above same-period exports in 2025. The revised fourth-quarter forecast is lowered 10 million pounds to 1.91 million pounds, 3.2 percent above exports a year earlier. For 2026, revised export volumes are forecast at 7.18 million pounds, about 2.9 percent higher than total exports for 2025.

Poultry

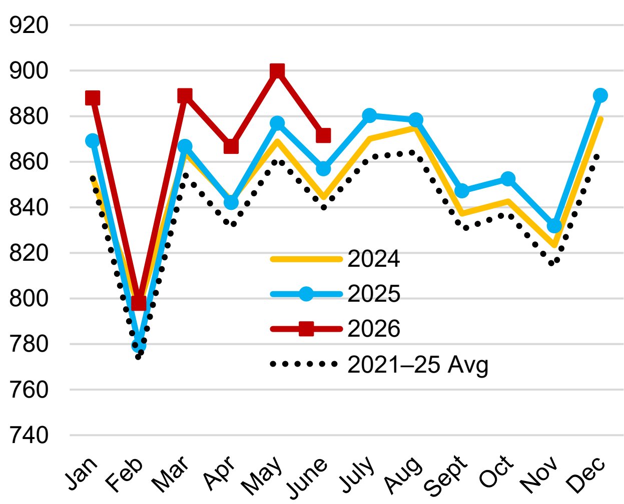
Grace Grossen

Projected Broiler Production Revised Higher for 2026

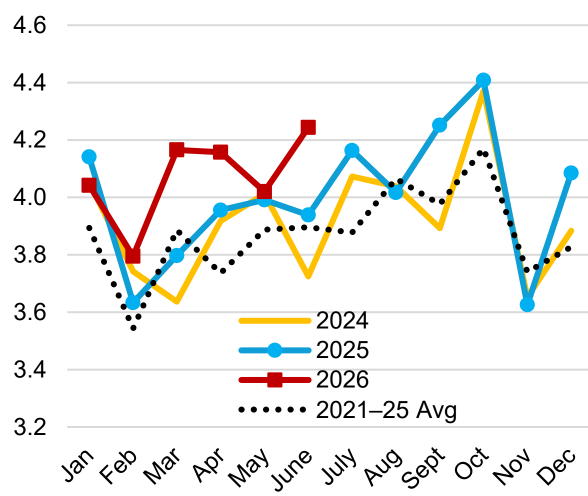
Monthly broiler production for June 2026 totaled 4,244 million pounds, up 7.8 percent year-over-year. This was a result of both higher slaughter (up 1.9 percent on a per-slaughter-day basis from the same month in 2026) and slightly higher average live weights. June slaughter data closed the quarter, resulting in a second-quarter total production of 12,421 million pounds, up 4.5 percent year-over-year.

Broiler-type chicks hatched in June totaled 871.5 million chicks, up 1.7 percent year-over-year. This continues a trend of increased hatch totals; since May 2025, each monthly hatch total has been higher than the same month of the prior year. Hatched chicks can be expected to appear in monthly slaughter data the second month after hatching. Reflecting recent hatch data, the third-quarter production forecast is adjusted upward to 12,800 million pounds, an increase of 3.0 percent from the third quarter of 2025. For the fourth quarter, projected production is unchanged at 12,400 million pounds, up 2.3 percent year-over-year. Incorporating new data and revised forecasts, the new 2026 total broiler production forecast is 49,623 million pounds, a 3.4-percent increase from 2025. The 2027 projection is unchanged at 49,900 million pounds, up 0.6 percent from the forecast 2026 total.

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



Monthly broiler production, 2021–26
Billion pounds

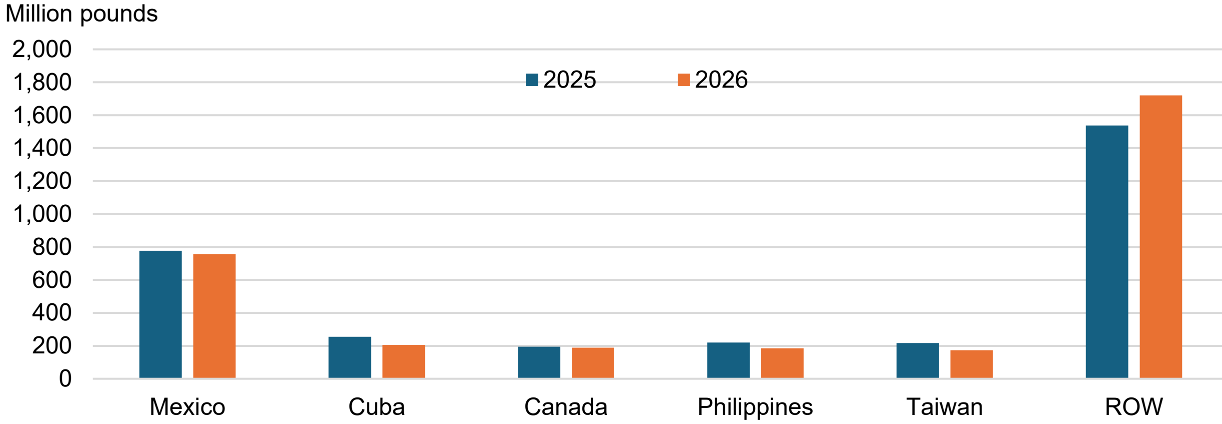


Source: USDA, National Agricultural Statistics Service.

First-Half 2026 Broiler Exports Slightly Above Last Year

Broiler exports in June 2026 totaled 531.9 million pounds, up 2.7 percent from the same month in 2025. For the first half of the year, broiler exports totaled 3,228 million pounds, up 0.8 percent from the same period in 2025. Shipments to the top 5 U.S. export destinations (Mexico, Cuba, Canada, the Philippines, and Taiwan) in the first 6 months of 2026 were all lower than they were in the same period of 2025. These decreases were more than offset by increased shipments to smaller markets in the rest of the world, as well as an increased total number of destinations compared to last year. With the outlying quarterly export projections unchanged at 1,640 million pounds in the third quarter and 1,725 million pounds in the fourth, the new 2026 total broiler export projection is 6,593 million pounds, down 72 million pounds from 2025. The 2027 projection is unchanged at 6,575 million pounds.

U.S. broiler meat exports in January-June 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 June totaled 11.7 million pounds, making the second-quarter total 32.8 million pounds. With actual data for the first half of the year and second-half expectations unchanged, the broiler import projection for 2026 is 134 million pounds. The 2027 projection is unchanged at 132 million pounds.

Broiler Prices Adjusted Lower for 2026

The national composite wholesale whole broiler price averaged 118.4 cents per pound in July, down 4.4 cents from June. This was the lowest monthly average price in 2026. After weekly prices trended lower in July, the weekly price in the first week of August declined further, averaging 116.92 cents per pound. Reflecting recent trends in the national composite price, the projected average prices for the third and fourth quarters of 2026 were adjusted down to 116 cents and 118 cents per pound, respectively. This results in a new 2026 average projection of 119.0 cents per pound, down from 124.8 cents per pound in 2025. The 2027 projected average price is unchanged at 121.5 cents per pound.

Table Egg Production Projection Lower for 2026 on New Data; Projected Egg Prices Increased

Table egg production in June 2026 totaled 636.8 million dozen, up 4.6 percent year-over-year. This was the result of an average layer flock of 311.9 million birds, 5.3 percent larger than last June and offsetting a 0.7-percent lower monthly average lay rate (81.7 eggs per 100 layers per day). This June data results in a second-quarter total of 1,932 million dozen, about 8 million below last month's second-quarter estimate. On July 1, the national flock of table egg layers had climbed to 312.0 million birds, up 4.8 percent year over year. Replacement pullet inventory had also increased on July 1 to a record-high 146.9 million birds. Quarterly projections for the third and fourth quarters are unchanged at 1,975 million dozen and 2,000 million dozen, respectively. With June completing data for the second quarter, the new 2026 projection is 7,820 million dozen, an increase of 4.3 percent year over year. For 2027, projected table egg production is also unchanged at 8,010 million dozen, which would be an increase of 2.4 percent from 2026.

Monthly table-egg production, 2021–26
Million dozen

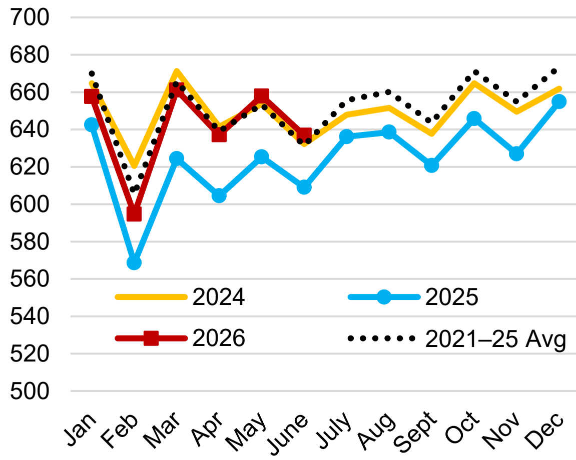
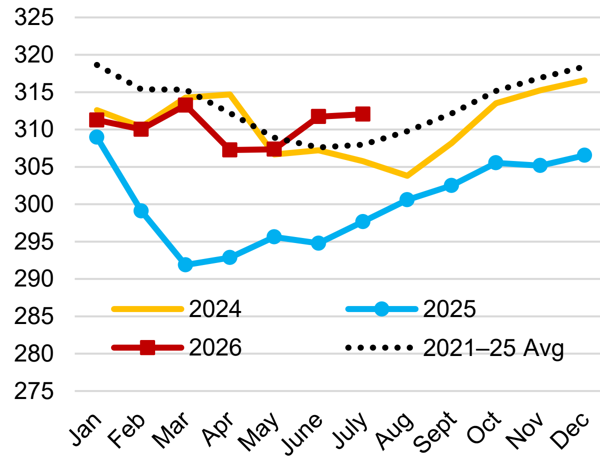


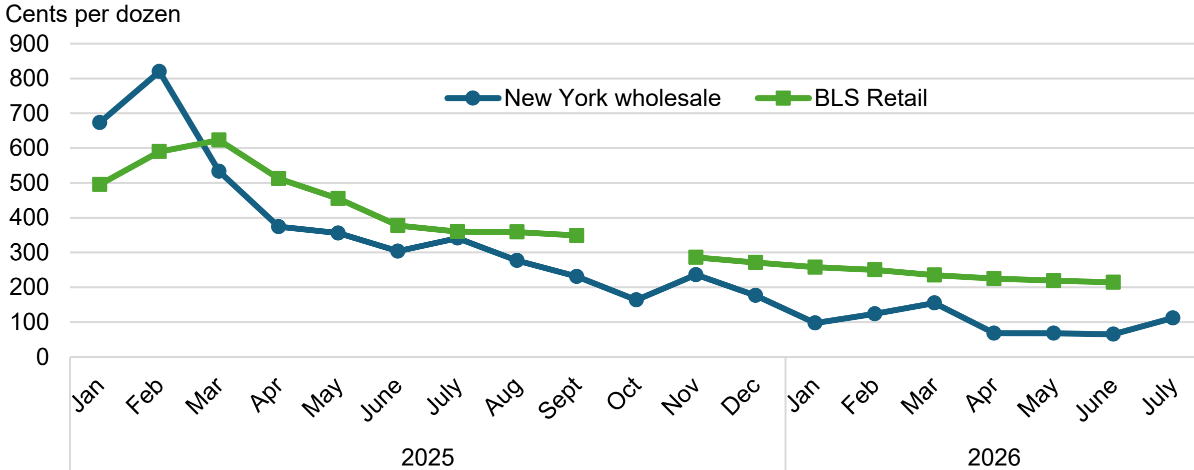
Table-egg layer inventory on the first of the month, 2021–26
Million birds



Source: USDA, National Agricultural Statistics Service.

New York wholesale prices for a dozen large eggs averaged 111.7 cents per dozen in July 2026, up 47 cents from June, but down 230 cents from July of 2025. Daily prices in July climbed from a low of 65 cents per dozen to a high of 148 cents per dozen following a confirmed case of highly pathogenic avian influenza (HPAI) in an egg-laying flock in Utah in early July. Reflecting recent price trends, the projected third-quarter average price was adjusted 40 cents higher to 120 cents per dozen, and the fourth-quarter average projection was adjusted up 15 cents to 130 cents per dozen. This results in a new 2026 average price projection of 110.6 cents per dozen. For 2027, projected quarterly average prices were adjusted up in the first 2 quarters of the year resulting in a new annual average projection of 111.3 cents per dozen.

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



Note: The October 2025 retail price data was not released. the July price was released on August 12.
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 Bureau of Labor Statistics for June was $2.14 per dozen. This is 5 cents down from May 2026, but $1.63 below the average from June 2025.

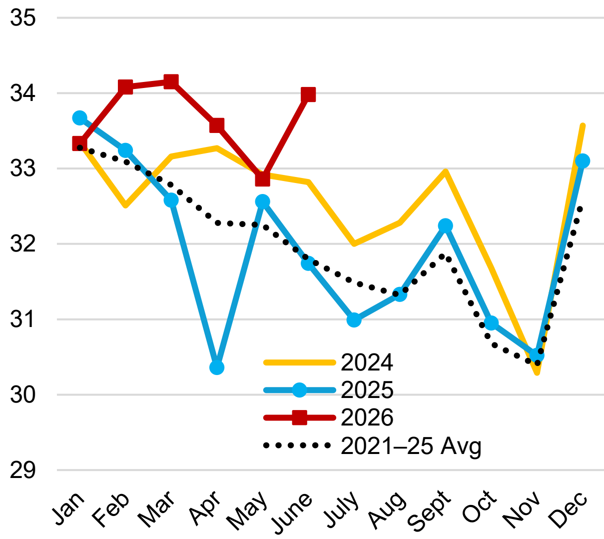
In June 2026, egg and egg product exports totaled 25.9 million dozen-equivalent, up 11.1 million from June of 2025. Shipments consisted of 10.5 million dozen-equivalent in egg products and 15.4 million dozen shell eggs. Total egg and egg product exports represented 3.5 percent of total egg production in June. The second-quarter total was 70.2 million dozen-equivalent, about 5 million more than was estimated last month. With third- and fourth-quarter export projections unchanged from last month, the new 2026 total forecast for egg and egg product exports is 252 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 June 2026 totaled 1.6 million dozen-equivalent, down from 12.0 million in June 2025 when domestic supplies were substantially affected by HPAI. Reflecting trends in imports, the 2026 import projection was adjusted slightly higher to 17.7 million dozen-equivalent. This would still be a decrease of 85 percent from the 2025 total. For 2027, the egg and egg product import forecast is unchanged from last month at 12 million dozen-equivalent.

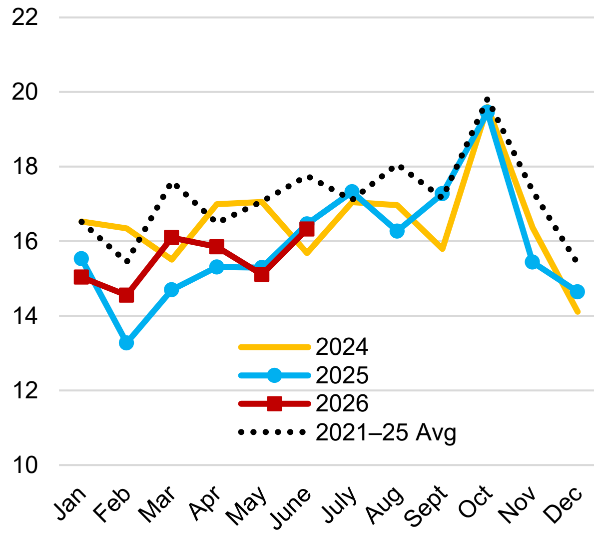
Turkey Production Projection Increased for 2026; Turkey Price Projections Adjusted Higher

Turkey production in June 2026 totaled 441.3 million pounds, up 6.2 percent year-over-year. Total slaughter in June was 16.3 million birds. This was down 0.8 percent from June 2025 but was more than offset by a 7.1-percent increase in average live weight (33.98 pounds in June 2026). Preliminary weekly slaughter data from July indicate that average weights remained unseasonably high. The third-quarter turkey production projection was adjusted 20 million pounds higher to 1,310 million pounds to reflect the heavier weight expectations. For the fourth quarter, projected production is unchanged at 1,300 million pounds. These adjustments result in a new 2026 projection of 5,100 million pounds, an increase of 5.3 percent year-over-year. For 2027, projected production is unchanged at 5,125 million pounds, just 25 million pounds above the 2026 projection.

Monthly average turkey live weights, 2021–26
Pounds



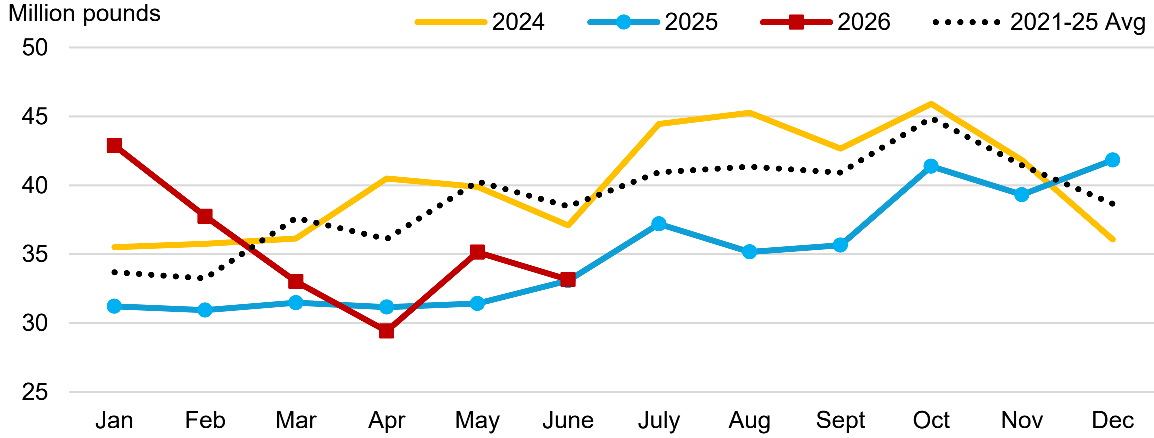
Monthly turkey slaughter, 2021–26
Million birds



Source: USDA, National Agricultural Statistics Service.

Turkey meat exports in June totaled 33.2 million pounds, up slightly (0.2 percent) year-over-year. Shipments to Mexico, the largest destination for turkey meat exports, totaled 25.6 million pounds. This was a decrease of 8.8 percent from June 2025 and represented 77.2 percent of exports for June 2026. However, for the full first half of the year, total turkey meat exports were up 11.7 percent from the same period last year, and exports to Mexico were up 9.8 percent. Based on recent trends, projected turkey meat exports are adjusted up 5 million pounds to 100 million pounds in the third quarter, resulting in a new annual total projection of 426 million pounds. This would represent 8.4 percent of projected production in 2026. The 2027 turkey export projection is unchanged at 415 million pounds.

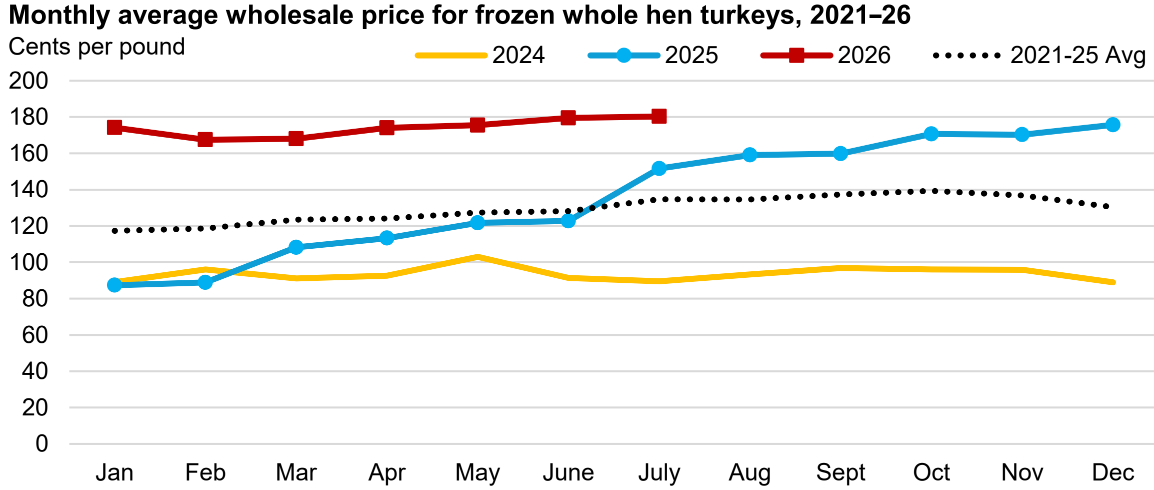
Monthly turkey meat exports, 2021–26



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

The average wholesale price for frozen whole hen turkeys in July 2026 was 180.3 cents per pound, up about 29 cents from July 2025. Reflecting the sustained trend of higher prices, the projected third-quarter price is adjusted up to 175 cents per pound, while the fourth-quarter projected average is adjusted up to 160 cents per pound. This results in a new 2026 average projection of 170.3 cents per pound. The 2027 projection is unchanged at 130 cents per pound.

Monthly average wholesale price for frozen whole hen turkeys, 2021–26



Source: USDA Agricultural Marketing Service.

Suggested Citation:

U.S. Department of Agriculture, Economic Research Service. (2026). *Livestock, dairy, and poultry outlook: August 2026* (Report No. LDP-M-386).

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	**6,220**	**6,445**	**24,967**	**6,165**	**6,120**	**24,980**
Pork	6,956	6,706	6,614	7,301	27,578	7,050	6,755	**6,705**	**7,365**	**27,876**	**7,025**	**6,780**	**28,135**
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	12,421	**12,800**	**12,400**	**49,623**	**12,150**	**12,500**	**49,900**
Turkeys	1,146	1,181	1,275	1,242	4,844	1,231	1,260	**1,310**	**1,300**	**5,100**	**1,250**	**1,275**	**5,125**
Total red meat and poultry	26,377	26,392	26,861	27,469	107,099	26,604	26,777	**27,217**	**27,683**	**108,281**	**26,763**	**26,853**	**108,845**
Table eggs, million dozen	1,835	1,839	1,895	1,928	7,497	1,913	1,932	**1,975**	**2,000**	**7,820**	**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**	**14.7**	**58.9**	**14.9**	**14.5**	**58.7**
Pork	12.4	12.0	12.0	13.1	49.3	12.4	11.9	**12.2**	**13.1**	**49.5**	**12.3**	**11.7**	**49.7**
Lamb and mutton	0.3	0.3	0.3	0.4	1.3	0.3	0.3	**0.3**	**0.4**	**1.4**	**0.3**	**0.3**	**1.4**
Broilers	24.9	25.7	26.7	25.6	102.9	25.9	26.9	**27.6**	**26.4**	**106.8**	**26.2**	**27.1**	**107.3**
Turkeys	2.9	3.0	3.4	3.9	13.2	3.0	3.1	**3.6**	**4.0**	**13.7**	**3.1**	**3.2**	**13.8**
Total red meat and poultry	55.9	56.2	57.1	58.1	227.3	57.0	57.2	**58.6**	**58.9**	**231.8**	**57.3**	**57.3**	**232.4**
Eggs, number	64.7	65.3	67.0	66.8	263.8	66.2	66.0	**68.0**	**68.8**	**269.0**	**67.7**	**68.2**	**274.2**
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	**242.00**	**245.00**	**245.35**	**245.00**	**250.00**	**249.25**
Feeder steers, Medium Frame No. 1, OK City, dollars/cwt	276.10	303.04	352.72	355.58	321.86	365.87	377.17	**363.00**	**365.00**	**367.76**	**370.00**	**375.00**	**373.75**
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	**167.00**	**155.00**	**159.07**	**160.00**	**165.00**	**166.25**
Choice/Prime slaughter lambs, National, dollars/cwt	169.76	171.43	205.73	224.63	192.89	229.69	276.65	**285.00**	**280.00**	**267.84**	**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	**70.00**	**59.00**	**65.32**	**62.00**	**68.00**	**64.75**
Broilers, Wholesale, National composite, weighted average, cents/lb	130.8	135.9	121.9	110.5	124.8	119.5	122.6	**116.0**	**118.0**	**119.0**	**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	**175.0**	**160.0**	**170.3**	**130.0**	**125.0**	**130.0**
Eggs, Grade A large, New York, volume buyers, cents/dozen	675.3	344.4	283.0	192.0	373.7	125.2	67.0	**120.0**	**130.0**	**110.6**	**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	**575**	**580**	**2,333**	**575**	**590**	**2,315**
Beef and veal imports	1,480	1,463	1,248	1,197	5,388	1,709	1,588	**1,475**	**1,360**	**6,132**	**1,675**	**1,575**	**6,050**
Lamb and mutton imports	83	79	103	107	372	90	97	**100**	**115**	**402**	**95**	**85**	**395**
Pork exports	1,783	1,699	1,643	1,847	6,972	1,842	1,758	**1,670**	**1,905**	**7,175**	**1,860**	**1,850**	**7,340**
Pork imports	280	275	267	294	1,117	278	306	**290**	**300**	**1,174**	**285**	**305**	**1,185**
Broiler exports	1,624	1,577	1,677	1,787	6,665	1,639	1,589	**1,640**	**1,725**	**6,593**	**1,630**	**1,570**	**6,575**
Turkey exports	94	96	108	123	420	114	98	**100**	**115**	**426**	**100**	**95**	**415**
Live swine imports (thousand head)	1,773	1,673	1,706	1,837	6,988	1,885	1,907	**1,810**	**1,880**	**7,482**	**1,955**	**1,945**	**7,630**

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 8/18/2026

Dairy forecasts

Years				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	9,666	9,680	9,685	9,665	9,690	9,695	9,695
Milk per cow (pounds)	6,100	6,044	24,391	6,091	6,227	6,105	6,055	24,480	6,110	6,250	24,550
Milk production (billion pounds)	58.2	57.8	231.7	58.6	60.2	59.1	58.6	236.6	59.2	60.6	238.0
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	59.9	58.8	58.4	235.6	59.0	60.3	237.0
Milk-fat (billion pounds milk equiv.)											
Milk marketings	58.0	57.6	230.7	58.4	59.9	58.8	58.4	235.6	59.0	60.3	237.0
Beginning stocks	17.4	14.8	13.1	12.6	15.1	16.7	14.2	12.6	12.5	15.1	12.5
Imports	1.7	1.7	7.4	1.8	2.5	2.0	2.2	8.6	1.9	2.3	8.3
Total supply	77.0	74.1	251.1	72.8	77.5	77.6	74.8	256.8	73.4	77.7	257.8
Exports	4.5	4.6	16.7	5.0	5.4	5.3	5.0	20.7	5.2	5.5	21.3
Ending stocks	14.8	12.6	12.6	15.1	16.7	14.2	12.5	12.5	15.1	16.6	12.0
Domestic use	57.7	56.8	221.7	52.7	55.5	58.0	57.3	223.6	53.1	55.6	224.5
Skim solids (billion pounds milk equiv.)											
Milk marketings	58.0	57.6	230.7	58.4	59.9	58.8	58.4	235.6	59.0	60.3	237.0
Beginning stocks	10.3	9.5	9.1	9.2	9.7	9.9	9.2	9.2	9.2	9.6	9.2
Imports	1.6	1.7	6.9	1.6	1.8	1.7	1.8	6.9	1.7	1.8	7.0
Total supply	69.9	68.8	246.6	69.2	71.5	70.5	69.4	251.7	69.8	71.8	253.2
Exports	12.4	12.0	48.2	12.2	12.6	12.4	12.1	49.3	12.1	12.6	49.5
Ending stocks	9.5	9.2	9.2	9.7	9.9	9.2	9.2	9.2	9.6	9.8	8.9
Domestic use	48.0	47.6	189.2	47.2	48.9	48.9	48.0	193.2	48.1	49.4	194.8
Milk prices (dollars/hundredweight) [1]											
All milk	20.70	19.50	21.18	18.50	21.07	19.70	20.10	19.85	19.80	19.30	19.80
Class III	17.38	16.65	18.01	15.23	16.57	16.15	17.10	16.25	16.80	17.10	17.25
Class IV	17.85	13.94	17.38	16.26	21.17	17.70	17.50	18.15	17.25	17.25	17.20
Product prices (dollars/pound) [2]											
Cheddar cheese	1.7743	1.6691	1.7878	1.4649	1.6215	1.565	1.650	1.575	1.620	1.650	1.665
Dry whey	0.5744	0.6413	0.5956	0.6880	0.6422	0.665	0.680	0.670	0.680	0.680	0.680
Butter	2.3636	1.6330	2.2202	1.6734	1.6748	1.590	1.650	1.645	1.650	1.700	1.705
Nonfat dry milk	1.2623	1.1584	1.2348	1.3796	1.9308	1.580	1.530	1.605	1.500	1.480	1.470

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 08/18/2026