



## Chart Chatter

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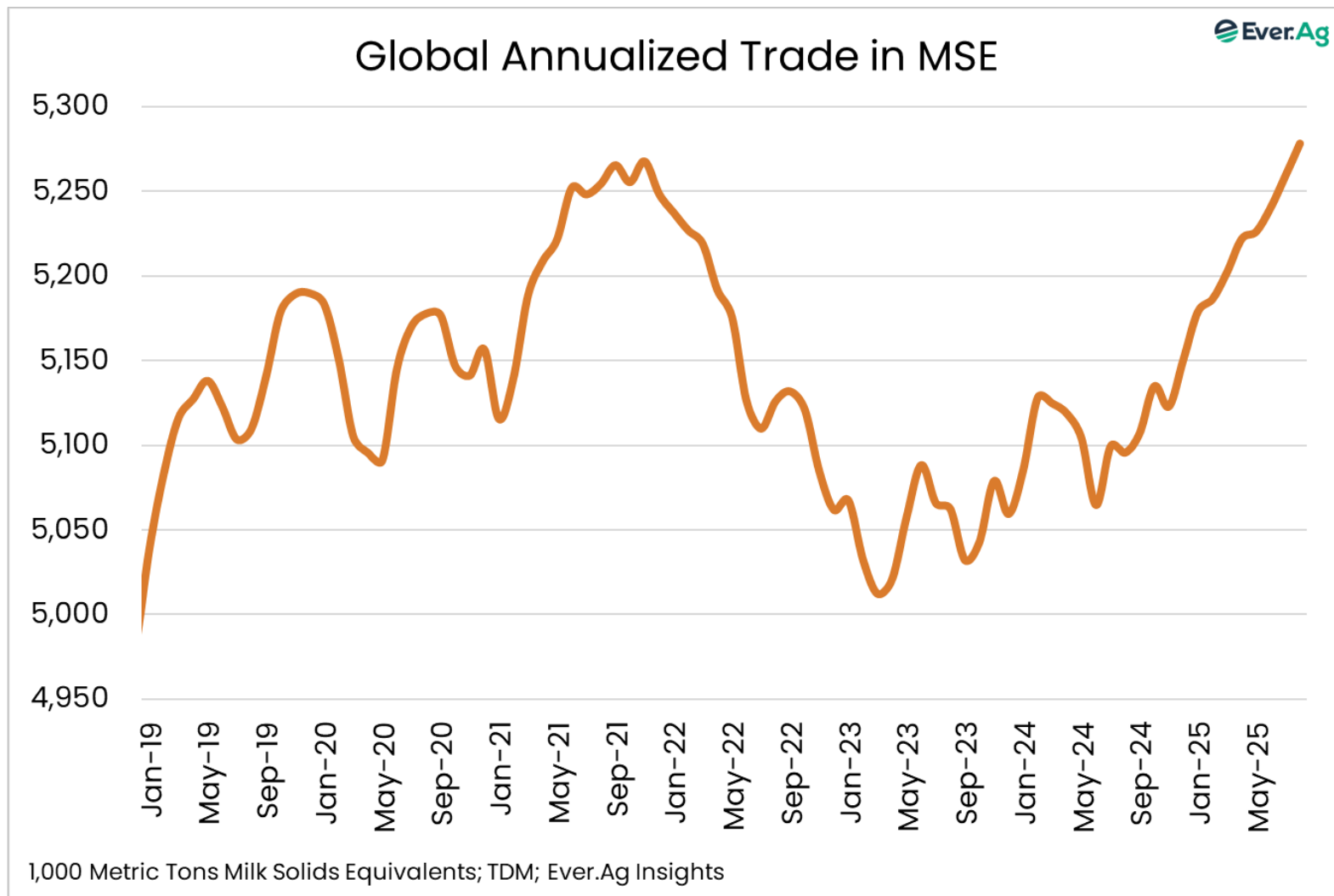
Global Insights

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29 October 2025

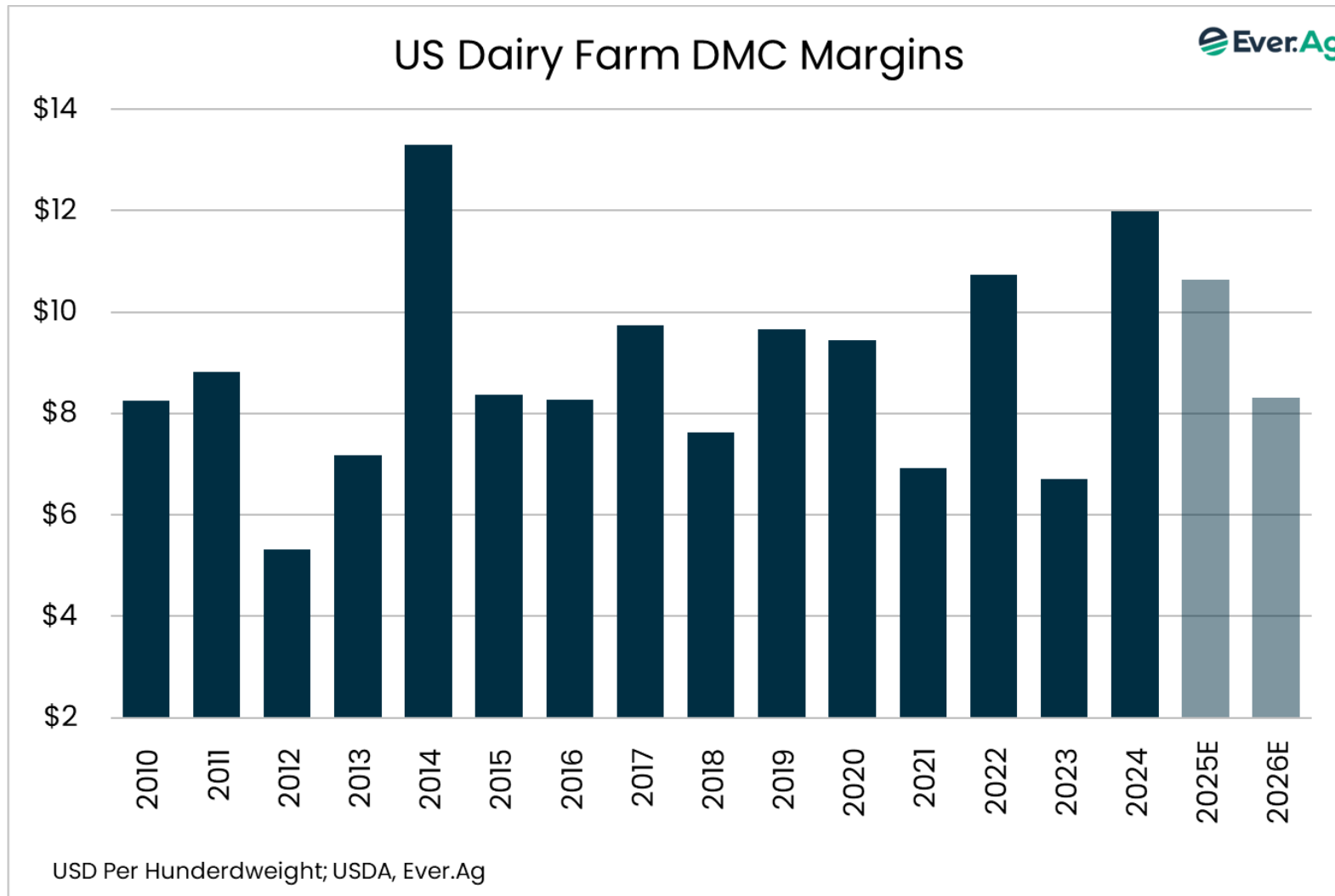


1. Global Trade Summary
2. US Milk Margins
3. US Cattle Prices Falling
4. EU Farmgate Milk Price Update
5. DTS-Live Scenario of the Week



## Vuko

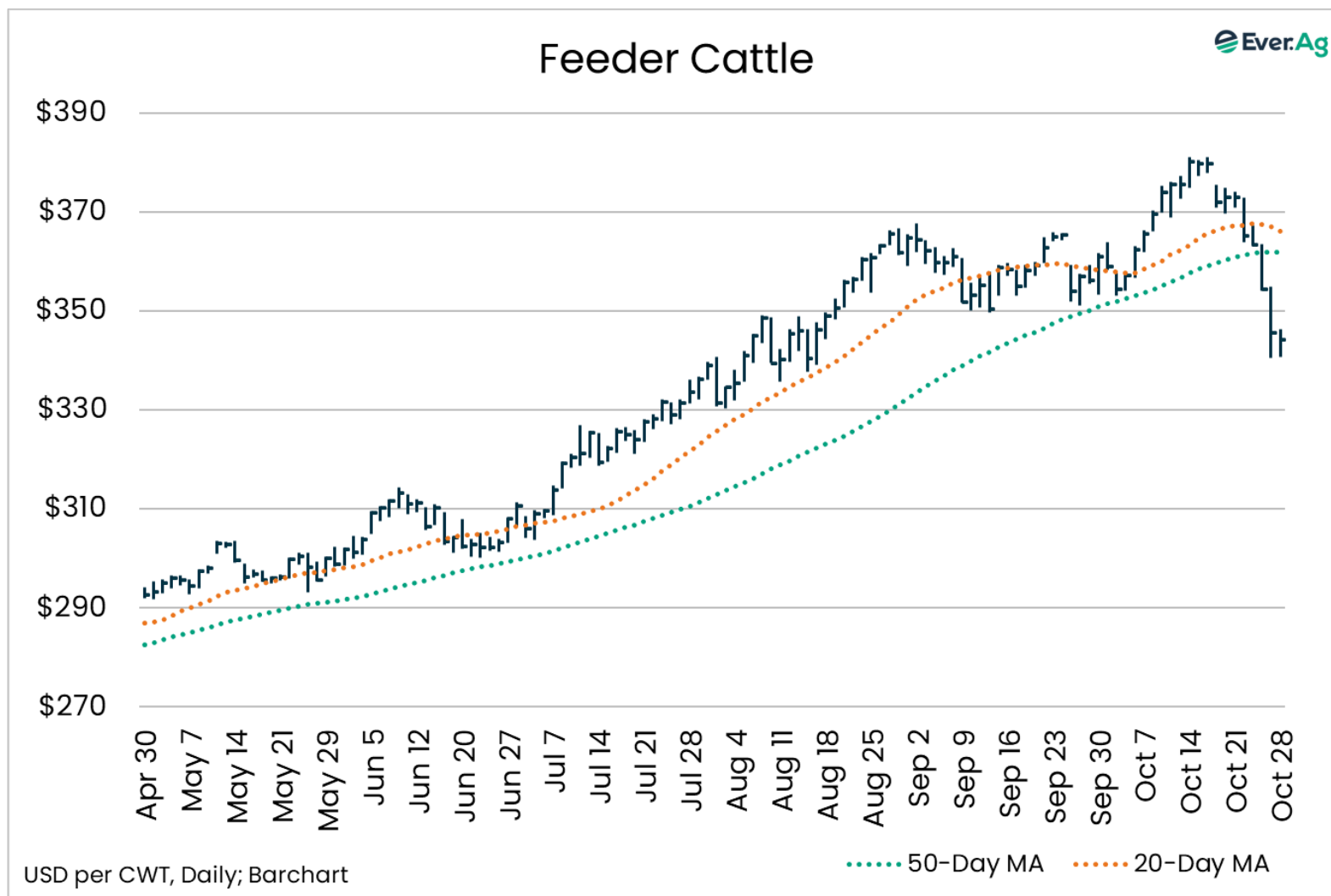
- +5.3% in MSE terms during August 2025
- WMP, fats and dry whey saw YOY gains in August. Cheese was flat while SMP declined.
- In rolling annual terms, trade was up 3.3% YOY and at an all-time high.



Kathleen

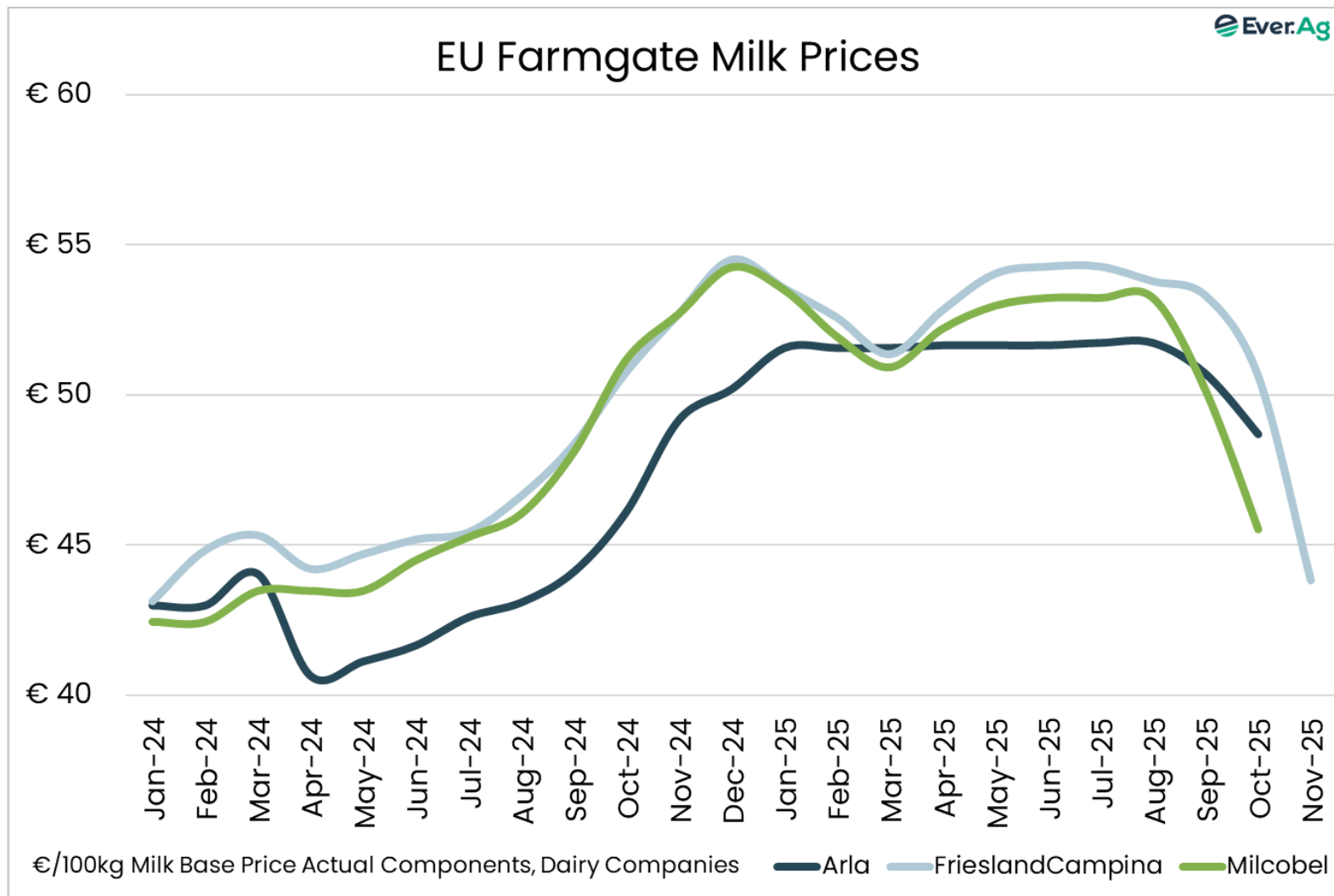
- US dairy margins are slipping with income over feed estimates for 2026 dropped below the \$8.50 per cwt mark. If realized, it would be the lowest margin since 2023.
- Weaker US milk prices are the main driver. 2026 Class III values trading around \$17.23, while Class IV is down to around \$16.31. That's off \$1 to \$2 from the first 9 months of 2025.
- Softer feed prices should help offset milk declines some.

# Cattle Prices Drop



Kathleen

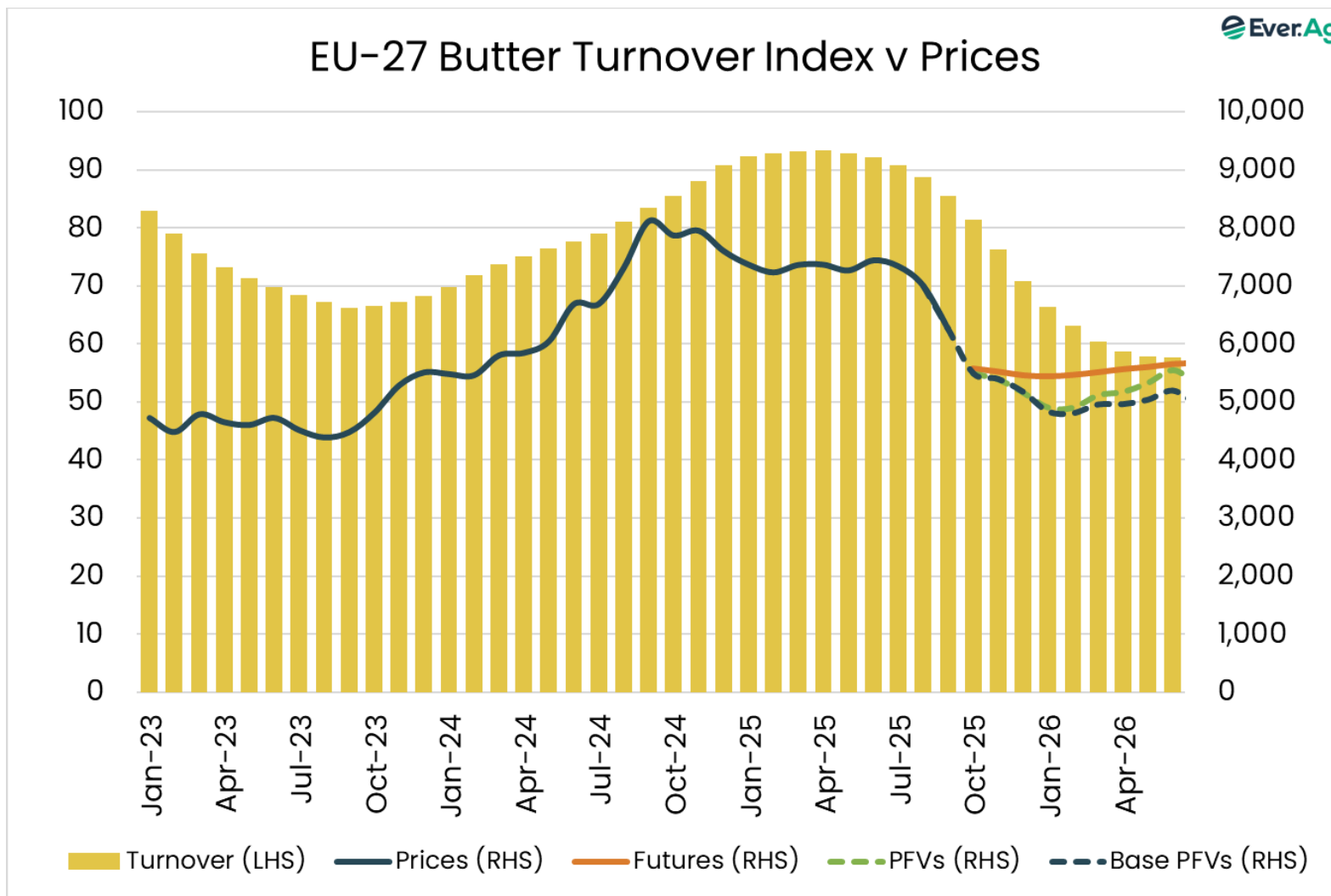
- Cattle prices stepped down significantly over the past several days with nearby feeder cattle futures hitting the lowest levels since Aug.
- Markets seem spooked by recent headlines. Increased Argentina imports. Increasing public land availability for ranchers. Trade talks with Brazil. Aims to re-open US-Mexico border to live cattle.
- Right now: a lot of talk. Cattle market is still snug, but the tone is notably weaker.



## Vuko

- Lower farmgate prices with weaker commodity prices, but with a lag.
- Some companies are reducing milk prices faster than others, depending on commodity and export market exposure.
- The November 2025 FrieslandCampina farmgate milk price sharply declined.
- Spot milk prices are significantly lower.

# DTS-Live Scenario of the Week



## Vuko

- GDD Scenario
- Milk solids output declines 2% in Q1-26 and falls 1% in Q2-26 relative to base.
- Cheese production is flat relative to base, all impact on SMP/Butter.
- Impact of €350/t by June 2025

The background is a solid teal color. On the left side, there are several overlapping, semi-transparent teal shapes that resemble curved bands or segments of a larger circle, creating a layered, abstract effect.

Thank you!