



OCTOBER 2025

DAIRYNOMICS

MONTHLY RETAIL MARKETS AND PRODUCTION REPORT



Continued strong demand in 2025

Total requirements in July saw strong growth compared to July last year with an 8.7 per cent increase. On a 12-month basis, growth continues to be strong at 3.3 per cent. The same trend was seen in quota requirements for July.

P5 had been trending below forecast production and additional incentive days were issued to increase production through the fall. Looking at August, the incentive days have increased production, and production is back in line with the forecast on a cumulative basis. The two incentive days in August were filled at 41.6 per cent for Ontario and 37 per cent for P5. With the additional incentives issued, it is expected that production could trend higher than the forecast for the remainder of 2025.

The Western Milk Pool has removed one incentive day in each of the fall months, which resulted in production being below their previous forecast. There has been additional demand for

milk protein but not necessarily the same increase in demand for butterfat in P5. The P5 Quota Committee is considering further adjustments to the payment policy to ensure market demand for protein is supplied.

In August 2025, butter stocks reached 40,293 tonnes, down from July by 770 tonnes but have very strong numbers for this year. Butter stock forecast is close to the optimistic scenario at this time, and levels continue to be at the highest seen in the last five years.

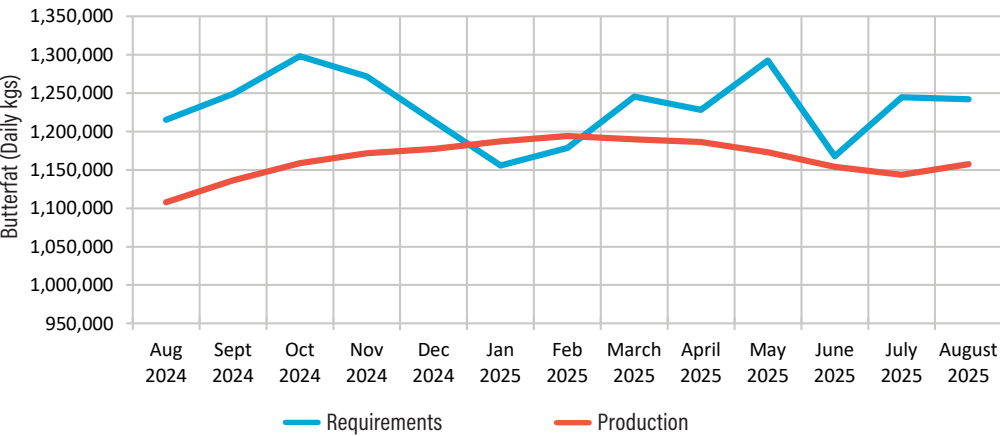
Cheese stock levels for the month of August 2025 were at 109,381 tonnes, up 1,343 tonnes from July, higher than the last five-year average.

For the 52 weeks ending August 30, 2025, sales for fluid milk, fluid cream, yogurt, ice cream, cheese and butter increased by 0.0, 0.9, 6.6, 5.0, 3.6 and 3.7 per cent, respectively.

A monthly recap of markets and production trends in Canada and Ontario

CANADIAN REQUIREMENTS AND PRODUCTION

Canadian butterfat requirements in kilograms and actual butterfat production across the P10.

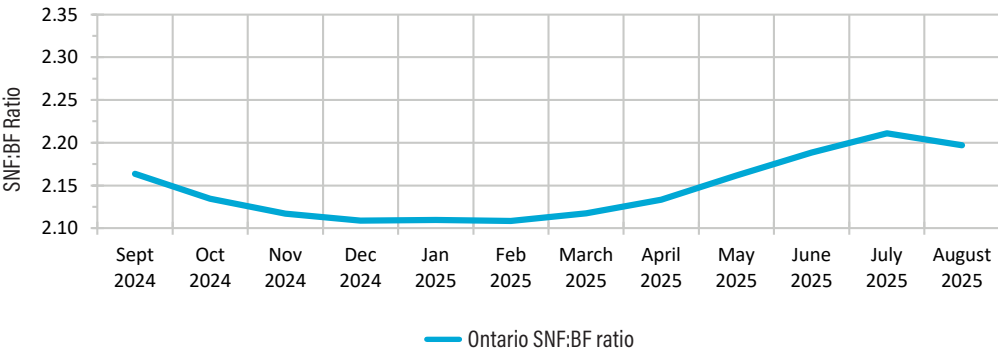


12-month production (in millions of kilograms) **425.2**

12-month requirements (in millions of kilograms) **449.1**

Canadian production has increased by **3.4 per cent** over the previous 12 months, and requirements have increased by **3.3 per cent** over the previous 12 months.

SOLIDS NON-FAT TO BUTTERFAT (SNF-BF) RATIO



This graph shows Ontario's SNF-BF ratio for the last 12 months.

August 2025: 2.1972

NATIONAL RETAIL SALES

Average increase in retail sales for dairy products sold in Ontario and the dairy product's share of the total market sales, including at hotels, restaurants and institutions.

	12 MONTHS ENDING AUGUST 30, 2025	RETAIL SHARE OF TOTAL MARKET
Fluid milk	0.00%	76.80%
Cream	0.90%	39.70%
Cheese	3.60%	55.80%
Butter	3.70%	58.20%
Ice cream	5.00%	70.70%
Yogurt	6.60%	95.10%

** Source: AC Nielsen & StatsCan
NOTE: There is a two-month lag in the national retail sales data.*

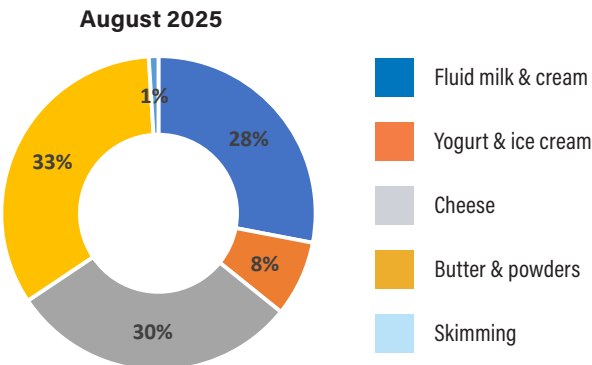
AUGUST HIGHLIGHTS

- Total requirements in July saw strong growth compared to July last year with an 8.7 per cent increase. On a 12-month basis, growth continues to be strong at 3.3 per cent;
- P5 had been trending below forecast production and additional incentive days were issued to increase production through the fall. Looking at August, the incentive days have increased production, and production is back in line with the forecast on a cumulative basis;
- Cheese stock levels for the month of August 2025 were at 109,381 tonnes, up 1,343 tonnes from July, higher than the last five-year average.

ONTARIO UTILIZATION

Percentage of the total milk produced in Ontario that was used to produce dairy products.

	JULY 2025	AUGUST 2025	12-MONTH AVERAGE
Fluid milk & cream	29.2%	28.0%	30.0%
Yogurt & ice cream	8.3%	7.8%	7.8%
Cheese	30.9%	29.8%	30.5%
Butter & powders	31.5%	33.4%	31.0%
Skimming	0.1%	1.0%	0.7%

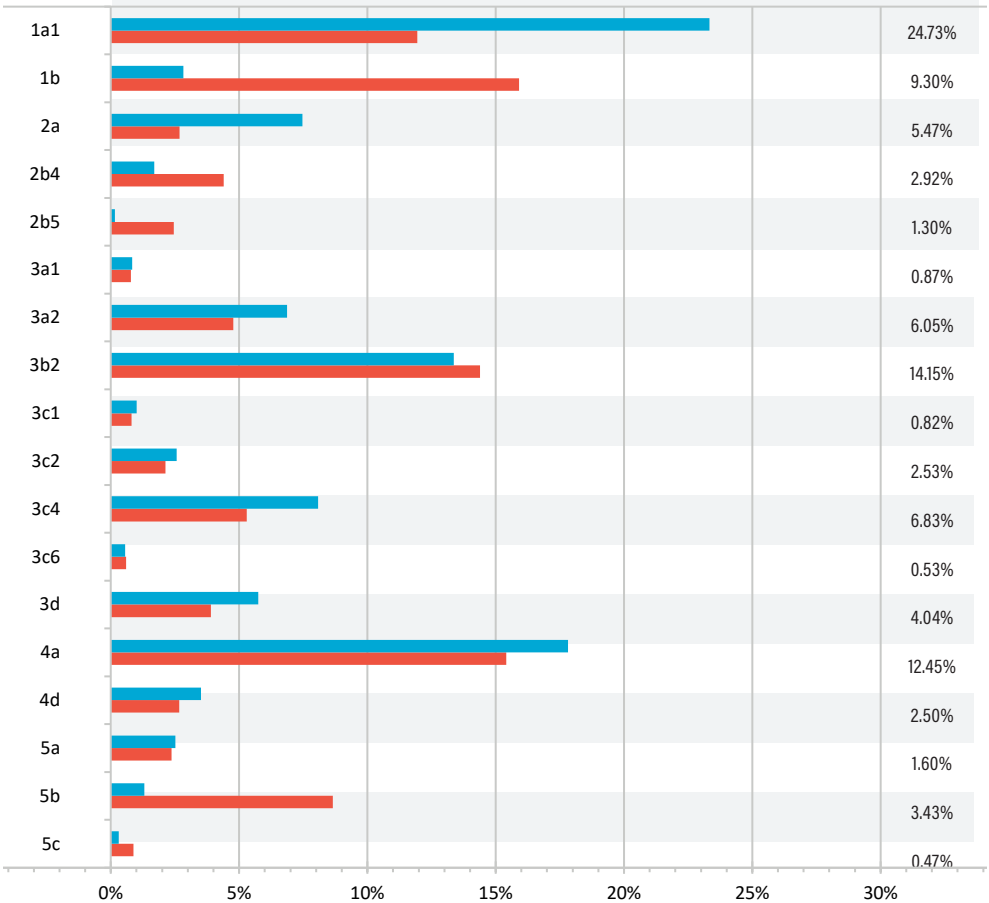


P10 UTILIZATION BY CLASS

For August 2025 (kg of butterfat/kg of solids non-fat)

*There is a two-month lag reporting these figures

% Solids non-fat % Butterfat



Class 1a1 (includes Classes 1a2, 1a3, 1c and 1d for confidentiality reasons) Fluid milk and beverages

Class 1b Fluid creams Class 2a Yogurt, yogurt beverages, kefir and lassi

Class 2b4 (includes Classes 2b1, 2b2 and 2b3 for confidentiality reasons) Fresh dairy desserts, sour cream, milkshakes and sports nutrition drinks

Class 2b5 Ice cream and frozen yogurt

Class 3a1 Specialty cheese

Class 3a2 Cheese curds and fresh cheeses

Class 3b2 (includes Class 3b1 for confidentiality reasons) Cheddar cheese and aged cheddar

Class 3c1 Feta

Class 3c2 Asiago, Gouda, Havarti, Parmesan and Swiss

Class 3c4 (includes Classes 3c3 and 3c5 for confidentiality reasons) Brick, Colby, farmer's, jack, Monterey jack, muenster, pizza cheese, pizza mozzarella and mozzarella other than what falls within 3d

Class 3c6 Paneer

Class 3d Mozzarella used strictly on fresh pizzas by establishments registered with the Canadian Dairy Commission

Class 4a Butter and powders

Class 4d (includes Classes 4b1, 4b2, 4c and 4m for confidentiality reasons) Concentrated milk for retail, losses and animal feed

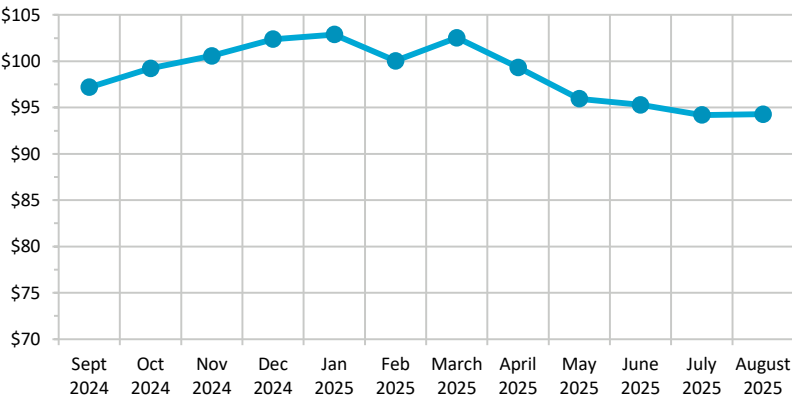
Class 5a Cheese for further processing

Class 5b Non-cheese products for further processing

Class 5c Confectionery products

ONTARIO MONTHLY PRODUCER AVERAGE GROSS BLEND PRICE

A total 3,149 producers sold milk to DFO in August compared with 3,177 a year earlier.



August 2025:
\$94.27

ONTARIO DEDUCTIONS, PER HL

For August 2025

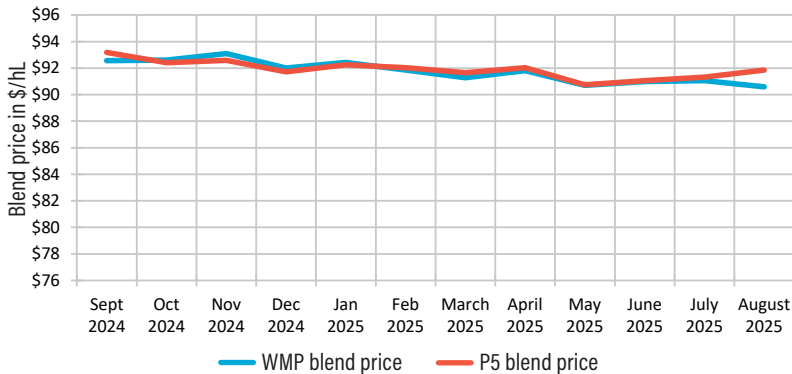
	Within quota	Over-quota
DFO administration	\$0.675	\$0.675
DFO research	\$0.050	\$0.050
CanWest DHI	\$0.060	\$0.060
Transportation	\$3.530	\$3.530
Market expansion	\$1.500	\$1.500
Total deductions	\$5.815	\$5.815
Average total net	\$87.35	-\$5.815

* These figures are based on Ontario's average composition for August 2025 of 4.1601 kg butterfat, 3.2004 kg protein and 5.9401 kg other solids, rounded to the nearest cent.

P5 AND WESTERN MILK POOL BLEND PRICES*

The graph below shows the 12-month blend price for the P5 provinces and Western Milk Pool (WMP).

*There is a two-month lag reporting these figures



WMP: \$90.59
P5: \$91.84

U.S. CLASS PRICES

The September 2025 Class III Price, US\$17.59 per hundredweight, is equivalent to C\$55.57 per hectolitre. This equivalent is based on the exchange rate US \$1 = C\$ 1.39167 the exchange rate when the USDA announced the Class III Price.

The Class III Price is in US\$ per hundredweight at 3.5 per cent butterfat. One hundredweight equals 0.44 hectolitres. Canadian Class 5a and Class 5b prices track U.S. prices set by the U.S. Department of Agriculture.

Source: USDA

MONTHLY QUOTA PRICES (\$/KG)

	PROVINCE	PRICE/KG	AMOUNT WANTED/KG	AMOUNT FOR SALE/KG	AMOUNT PURCHASED/KG
SEPTEMBER PRICES	Alberta	\$55,305	409.11	151.13	94.39
	Saskatchewan	\$40,500	100.00	11.00	10.00
	Manitoba	\$47,800	323.07	128.98	71.00
	British Columbia	\$35,500	585.25	507.07	507.07
	Ontario*	\$24,000	24,723.90	370.01	369.77
	Quebec*	\$24,000	24,682.19	785.87	785.62
	New Brunswick*	\$24,000	617.00	0.00	Exchange cancelled
	PEI*	No Clearing Price Established			
	Nova Scotia*	\$24,000	0.00	0.00	Exchange cancelled

Newfoundland does not operate a monthly quota exchange. Quota is traded between producers.

*Quota cap price of \$24,000 in effect in Prince Edward Island, New Brunswick, Ontario, Nova Scotia and Quebec.

Co-ordinated by Dairy Farmers of Ontario's communications and economics divisions. Questions? Please email questions@milk.org.

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