



MARCH 2026

DAIRYNOMICS

MONTHLY RETAIL MARKETS AND PRODUCTION REPORT



Significant increase in butter stocks

TOTAL REQUIREMENTS IN DECEMBER SAW A ONE PER CENT INCREASE compared to December last year. On a 12-month basis, growth continues to be strong at 3.7 per cent. The same trend was seen in quota requirements for December. With the growth in December, P5 was able to repay prefilled quota from the spring and avoid an over-quota penalty.

At the P5 level on a 12-month basis for December, quota growth continues to be strong at 3.1 per cent. Overall, December was a relatively strong month.

For 2025, growth was stronger than had been forecasted with strong demand from further processing markets contributing to the higher than expected demand. For 2026, growth of total requirements is forecasted at 1.5 per cent, which is driven by a decrease in population and trends around consumer demand for high-fat products.

In January 2026, butter stocks reached 41,945 tonnes, up from December by 5,400 tonnes. Butter stock levels continue to be at the highest seen in the last five years. The increase in stocks is significantly higher than in previous years and is as a result of the increase in cream availability due to higher fat tests on farm, and strong demand from processors to fill demand for high-protein products.

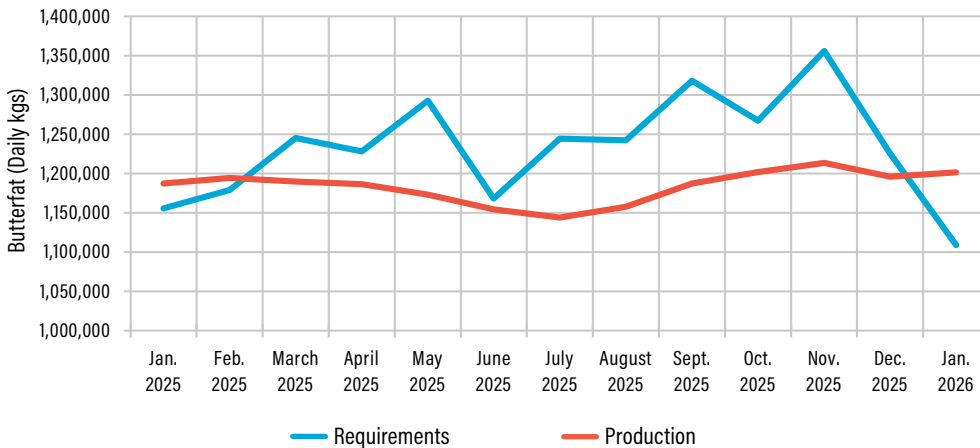
Cheese stock levels for the month of January 2026 were at 105,446 tonnes, up 2,000 tonnes from December and higher than the last five-year average.

For the 52 weeks ending January 31, 2026, sales for fluid milk, fluid cream, yogurt, ice cream, cheese and butter increased/decreased by -0.3, 0.2, 6.2, 7.8, 1.9 and 5.2 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.

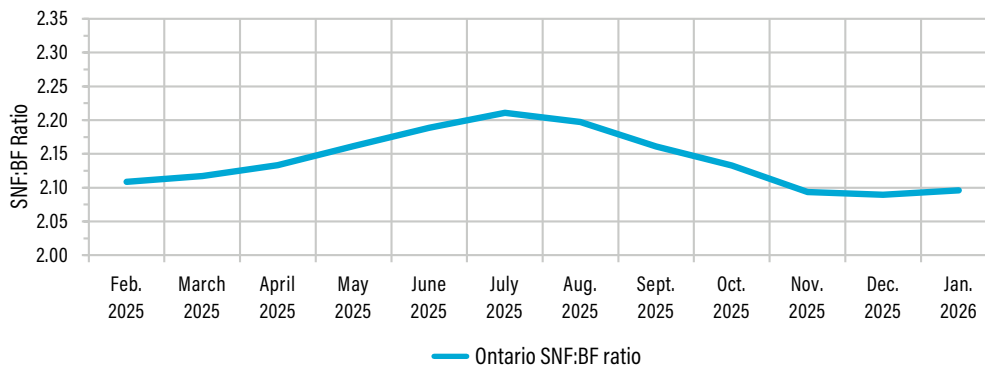


12-month production (in millions of kilograms) **431.8**

12-month requirements (in millions of kilograms) **452.5**

Canadian production has increased by **3.2 per cent** over the previous 12 months, and requirements have increased by **2.9 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.

Jan. 2026: 2.0962

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 JAN. 31, 2026	RETAIL SHARE OF TOTAL MARKET
Fluid milk	-0.30%	76.80%
Cream	0.20%	39.70%
Cheese	2.10%	55.80%
Butter	5.20%	58.20%
Ice cream	7.80%	70.70%
Yogurt	6.20%	95.10%

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

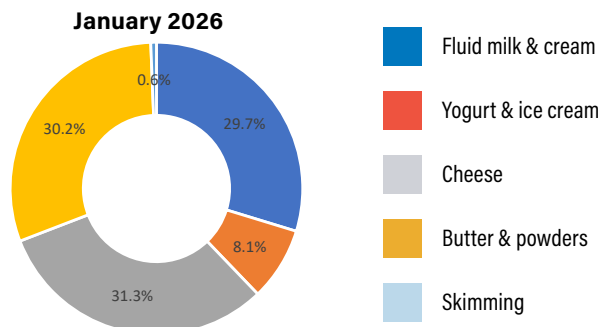
JANUARY HIGHLIGHTS

- At the P5 level on a 12-month basis for December, quota growth continues to be strong at 3.1 per cent. Overall, December was a relatively strong month;
- For 2025, growth was stronger than had been forecasted with strong demand from further processing markets contributing to the higher than expected demand;
- Butter stock levels continue to be at the highest seen in the last five years. The increase in stocks is significantly higher than in previous years and is as a result of the increase in cream availability due to higher fat tests on farm, and strong demand from processors to fill demand for high-protein products.

ONTARIO UTILIZATION

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

	DECEMBER 2025	JANUARY 2026	12-MONTH AVERAGE
Fluid milk & cream	30.0%	29.7%	29.6%
Yogurt & ice cream	7.5%	8.1%	8.1%
Cheese	29.4%	31.3%	30.5%
Butter & powders	30.5%	30.2%	30.7%
Skimming	2.6%	0.6%	1.1%

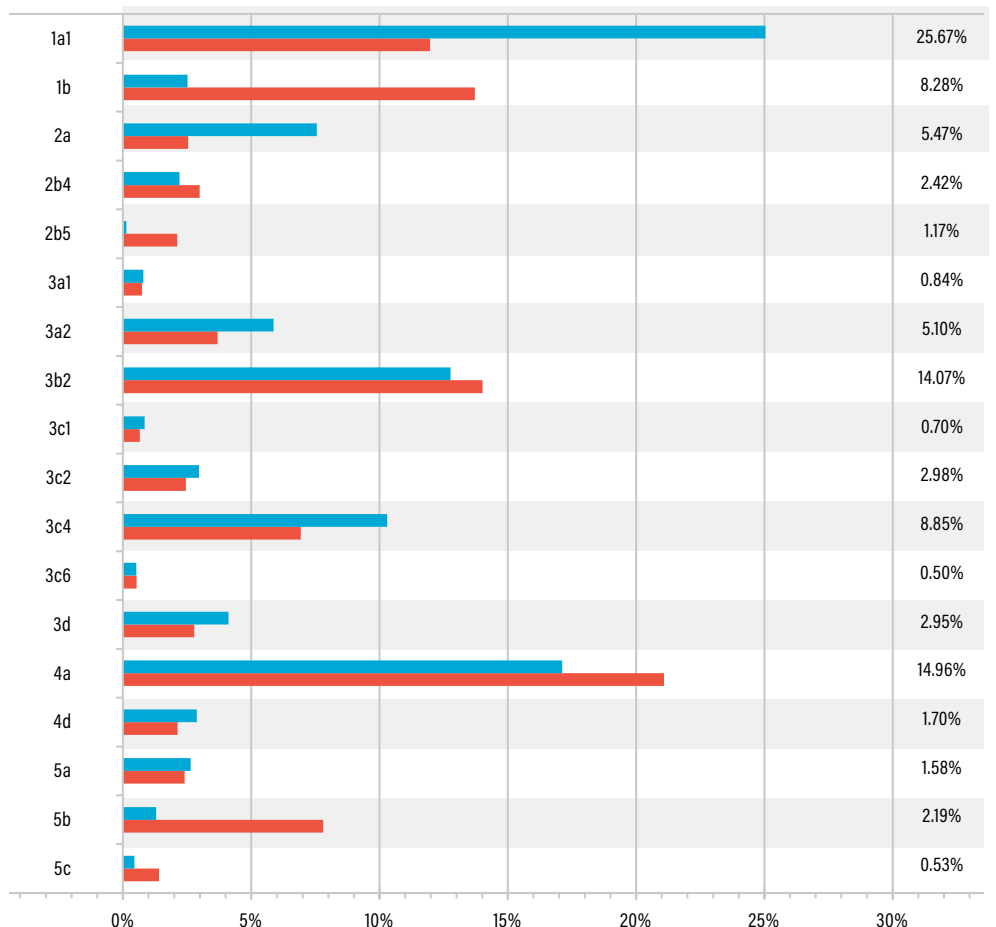


P10 UTILIZATION BY CLASS

For January 2026 (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

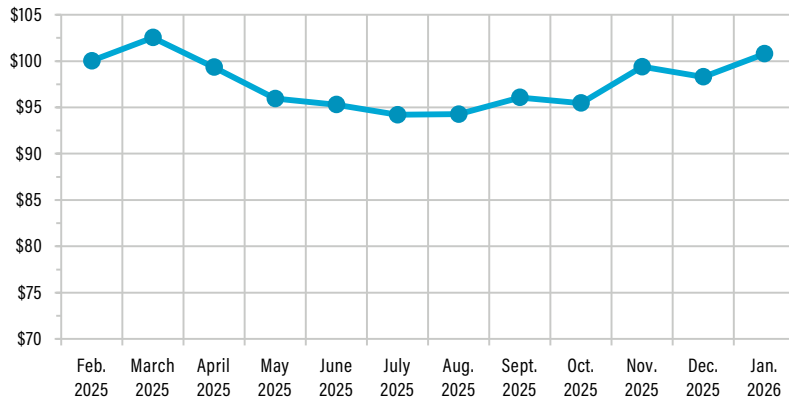
Class 5a Cheese for further processing

Class 5b Non-cheese products for further processing

Class 5c Confectionery products

ONTARIO MONTHLY PRODUCER AVERAGE GROSS BLEND PRICE

A total 3,140 producers sold milk to DFO in January compared with 3,157 a year earlier.



Jan. 2026:
\$100.78

ONTARIO DEDUCTIONS, PER HL

For January 2026

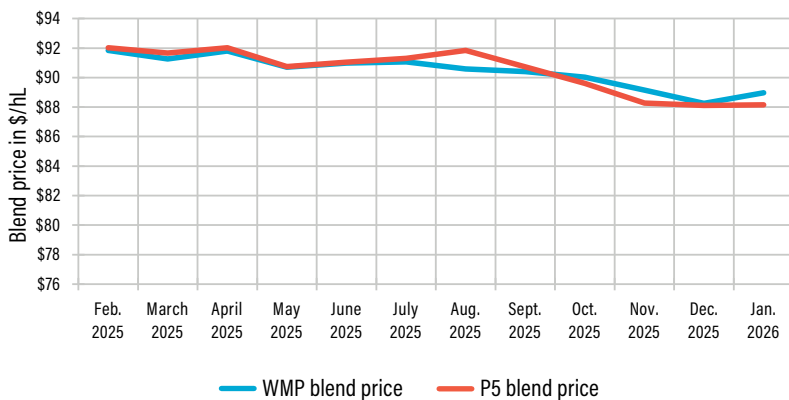
	Within quota	Over-quota
DFO administration	\$0.725	\$0.725
DFO research	\$0.050	\$0.050
CanWest DHI	\$0.060	\$0.060
Transportation	\$3.980	\$3.980
Market expansion	\$1.500	\$1.500
Total deductions	\$ 6.315	\$6.315
Average total net	\$ 93.277	-\$6.315

* These figures are based on Ontario's average composition for January, 2026 of 4.4699 kg butterfat, 3.3974 kg protein and 5.9723 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: \$88.96
P5: \$88.15

U.S. CLASS PRICES

The February 2026 Class III Price, US \$14.94 per hundredweight, is equivalent to C \$46.40 per hectolitre. This equivalent is based on the exchange rate US \$1 = C \$1.3681 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)

FEBRUARY PRICES

PROVINCE	PRICE/KG	AMOUNT WANTED/KG	AMOUNT FOR SALE/KG	AMOUNT PURCHASED/KG
Alberta	\$75,000	470.66	44.50	44.50
Saskatchewan	\$42,010	143.95	60.45	50.45
Manitoba	\$52,500	169.09	311.58	76.02
British Columbia	\$38,500	787.69	41.02	41.02
Ontario*	\$24,000	25,904.60	129.27	Exchange cancelled
Quebec*	\$24,000	27,213.39	424.42	424.33
New Brunswick*	\$24,000	761.50	32.34	32.34
PEI*	No Clearing Price Established			
Nova Scotia*	\$24,000	0.0	0.0	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 departments. Questions? Please email questions@milk.org.

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