

# Daily Dairy Report

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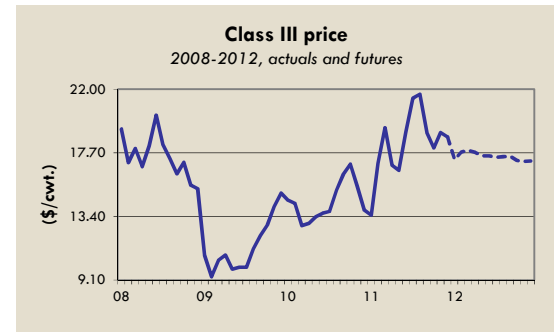
## Class III futures edge higher

Cheese users remain eager to stock up but sellers have plenty to offer. 14 loads of blocks traded today, all at \$1.61, leaving the price unchanged from yesterday and up 4.75¢ for the week. Barrels were bid a half-cent higher. Class III futures completed the first week of the year with new highs in FEB through SEP. The 2012 average is \$17.45 (see chart), up 21¢ from last week.

Whey futures also rallied today, with JAN-MAY contracts hitting new highs. Those five months average 68.75¢, up 1.5¢ from a week ago. FEB settled at 71.5¢ today; the record high NASS whey price is 77.89¢ in April 2007.

There were no bids or offers on butter today, and the price finished a penny higher than last Friday. Butter futures were slightly higher for the week – the 2012 average is \$1.7781, up 1.7¢. “Churning activity over the past week has eased from the active churning during the year-end holiday period,” says USDA’s *Dairy Market News*. “Many butter producers indicated that their holiday churning schedules were at or very near capacity levels.”

NASS dairy product prices for the week ending Dec. 31: cheddar blocks \$1.6380 (-5.97¢ vs. the prior week); barrels \$1.6094 (-2.53¢); butter \$1.5873 (-0.28¢); nonfat dry milk \$1.4006 (+2.40¢); dry whey 67.10¢ (+1.08¢). **cme group**



## FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

### Futures Volume and Open Interest

	Volume	Open Interest
Class III [37 Pit, 1790 Electronic]	1,827	31,008
Cheese	124	6,789
Dry whey	88	2,948
Class IV	0	1,947
Butter (cash settle)	13	3,454
NDM (cash settle)	0	472

### Options Volume and Open Interest

	Volume	Open Interest
Class III	1,617	73,837
Class III midi	122	1,269
Butter (cash settle)	20	833
Cheese	122	757
Class IV	12	1,983
Dry whey	0	449

Futures and options volume and open interest from previous trading day.

**SPOT PRICES** (with change from previous day): Block cheese \$1.6100 (NC) • Barrel cheese \$1.5900 (+0.50¢) • AA Butter \$1.6050 (NC) • NDM Extra Grade \$1.4800 (NC) • NDM Grade A \$1.4500 (NC) **MILK PRICES** (with change from previous month): December Class III milk (USDA) \$18.77 (-\$0.30) • December Class IV milk (USDA) \$16.87 (-\$1.00)

## January 6 Trading Activity

	Class III Futures			Class III Options Calls		Class III Options Puts		Dry Whey Futures		NDM Futures		Butter Futures – Cash settle	
	Settle (\$)	chg. (¢)	volume & open interest from previous day	Settle (\$)	chg. (¢)	Settle (\$)	chg. (¢)	Settle (¢)	chg. (¢)	Settle (¢)	chg. (¢)	Settle (¢)	chg. (¢)
JAN 12	17.26	+7	304 4637	17.50 @ 0.03	-2	17.25 @ 0.11	-8	68.750	+0.275	140.000	NC	161.000	NC
FEB	17.75	+6	819 5271	17.75 @ 0.50	+3	17.75 @ 0.50	-3	71.750	+1.750	140.000	NC	166.500	+0.500
MAR	17.87	+11	318 4146	18.00 @ 0.66	+5	17.75 @ 0.66	-5	70.000	+0.900	140.500	NC	167.000	+1.000
APR	17.72	+15	116 2934	17.75 @ 0.83	+7	17.50 @ 0.74	-6	68.250	+1.250	140.500	NC	169.500	NC
MAY	17.50	+10	78 2764	17.50 @ 0.95	+5	17.50 @ 0.95	-5	65.000	+1.250	141.000	+0.500	172.000	+0.500
JUN	17.50	+15	32 2337	17.50 @ 1.06	+7	17.50 @ 1.06	-8	61.500	+0.575	140.000	NC	173.500	+0.500
JUL	17.40	+4	27 1683	17.50 @ 1.11	+2	17.25 @ 1.07	-2	56.500	+0.525	139.000	NC	175.500	+0.500
AUG	17.44	+8	16 1621	17.50 @ 1.20	+4	17.25 @ 1.13	-4	55.000	+1.000	139.500	NC	177.000	+0.025
SEP	17.48	+11	25 1565	17.50 @ 1.31	+6	17.25 @ 1.20	-5	53.300	+1.050	140.000	NC	178.250	+0.250
OCT	17.18	+8	24 1345	17.25 @ 1.33	+4	17.00 @ 1.26	-4	52.670	+1.675	140.470	+2.475	179.100	+2.100
NOV	17.13	+3	22 1284	17.25 @ 1.36	+1	17.00 @ 1.35	-1	51.500	+0.050	140.470	+2.475	179.000	+1.750
DEC	17.16	+6	34 1293	17.25 @ 1.45	+3	17.00 @ 1.40	-3	51.900	+0.650	140.470	+2.475	178.000	+1.750

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