

Daily Dairy Report

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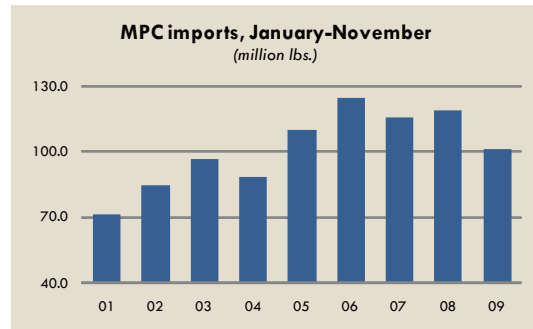
Imports lower in 2009

Blocks traded a half-cent higher today, the first increase in more than three weeks, sparking double-digit rallies in milk futures. FEB –JUN10 gained 25¢. Barrels increased half a cent as well, and butter tacked on 2¢.

MPC imports in 2009 will be the lowest in five years, according to trade data released yesterday by USDA/FAS. In the January-November period, MPC imports were 101.3 million lbs., down 15% from the prior year (*see chart*). Imports of casein/caseinates also have plunged. In the first 11 months of 2009, imports were just 144.2 million lbs., down 39% from 2008 levels, USDA/FAS says.

Cheese and butter imports slowed this fall after running higher for most of the year. Cheese imports were down 12% during September-November, bringing the year-to-date total to minus 1%. Butterfat imports were down 67% in October-November, though year-to-date imports are still 51% higher than the prior year.

California Class 1 prices will fall in February after increasing five straight months. The price is \$16.46 in the north (-\$1.76 vs. January) and \$16.74 in the south (-\$1.75 vs. January). **cme group**



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FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

Futures Volume and Open Interest

	Volume	Open Interest
Class III [0 Pit, 1014 Electronic]	1,014	26,136
NDM (cash settle)	20	443
NDM (deliverable)	0	2
Dry whey	42	1,645
Butter (cash settle)	75	2,578

Options Volume and Open Interest

	Volume	Open Interest
Class III	533	45,867
Class III midi	3	289
Dry whey	30	446
Butter (cash settle)	0	122

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

SPOT PRICES (with change, in cents, from previous day): Block cheese \$1.4150 (+0.50) • Barrel cheese \$1.4400 (+0.50) • AA Butter \$1.3700 (+2.00) • NDM Extra Grade \$1.3850 (NC) • NDM Grade A \$1.3700 (NC) **MILK PRICES** (with change, in dollars, from previous month): December Class III milk (USDA) \$14.98 (+\$0.90) • Dec. Class IV milk (USDA) \$15.01 (+\$1.76)

January 13 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 10	14.40	+8	28 3777	14.50 @ 0.05	+2	14.25 @ 0.03	-3	38.250	-0.250	128.000	NC	133.500	NC
FEB	13.90	+25	332 4486	14.00 @ 0.20	+5	13.75 @ 0.22	-12	37.950	-0.050	125.500	-0.500	139.750	+1.500
MAR	14.30	+31	169 3471	14.50 @ 0.36	+9	14.25 @ 0.42	-20	38.000	NC	123.000	-1.000	145.000	NC
APR	14.50	+26	97 2564	14.50 @ 0.55	+10	14.50 @ 0.55	-16	36.750	-0.250	123.000	-1.000	147.000	+1.500
MAY	14.90	+23	43 2083	15.00 @ 0.60	+7	14.75 @ 0.60	-12	36.000	NC	123.000	-1.000	148.500	+0.750
JUN	15.42	+19	43 1714	15.50 @ 0.69	+4	15.25 @ 0.65	-13	37.480	NC	123.000	-1.000	149.750	+0.750
JUL	15.71	+6	93 1459	15.75 @ 0.88	+3	15.50 @ 0.79	-3	37.980	-0.250	124.000	-1.000	153.250	+0.250
AUG	15.88	+10	51 1402	16.00 @ 0.93	+5	15.75 @ 0.91	-5	37.750	NC	125.000	NC	154.450	NC
SEP	16.04	+3	45 1423	16.50 @ 0.85	+1	16.00 @ 1.03	-1	36.500	-0.475	125.000	-2.000	157.000	+1.000
OCT	16.01	+2	26 1239	16.25 @ 1.01	+1	16.00 @ 1.11	-1	36.000	-0.475	125.000	NC	157.000	NC
NOV	15.77	-1	44 1178	16.00 @ 0.00	NC	15.75 @ 0.00	NC	36.000	+1.000	117.000	NC	161.000	NC
DEC	15.83	+5	27 1214	16.00 @ 0.00	NC	15.75 @ 0.00	NC	37.000	+0.275	117.000	NC	164.000	NC

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