

Daily Dairy Report

Dairy market information provided by Alan Levitt

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NOVEMBER EXPORTS FALL

Barrel cheese was bid up to support at \$1.10 before sellers stepped into the market with 3 loads forcing the price back down to unchanged at \$1.0675. Blocks were weak from the start with 6 loads pushing the price 1.5¢ lower to \$1.0550. Spot butter increased 0.25¢ to \$1.1125 with 2 loads traded.

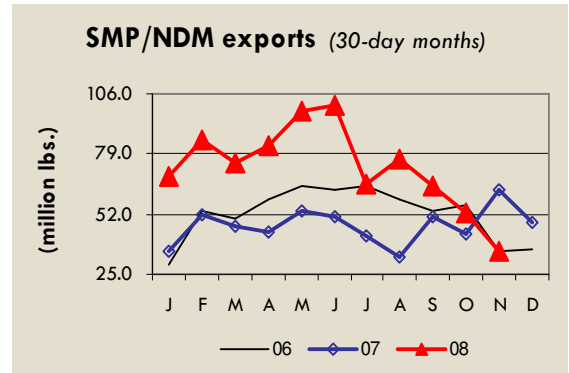
Milk futures did not like the spot cheese activity by posting an average loss of 29¢ in the FEB-DEC contracts. Over the past 2 days, contracts have lost over half of what was gained in the past week.

U.S. exports of NDM/SMP in November totaled 35.3 million lbs., down 44% from a year ago. This is the lowest figure since August 2007 (see chart). Even though exports have declined the past 3 months, year-to-date exports were 806.4 million lbs., up 58% from the pace set in 2007.

November exports of cheese totaled 18.7 million lbs., down 11% from a year ago and ending 25 consecutive months of year-over-year increases. Year-to-date exports totaled 270.1 million lbs., up 37% from the previous year. Butterfat exports were down 43% from a year ago, but year-to-date exports were 192.7 million lbs, up 159%.

Lower spot shipments of milk were sent out of Florida over the past week as Class I demand has increased. There were 133 loads sent out versus 16 loads a year earlier. Other Southeastern states showed no movement in or out.

The CCC purchased 253,964 lbs. of butter under the price support program. This is the second sale to the CCC since the marketing year began on Oct. 1, 2008 and the second sale in the past week. **cme**



JANUARY 14 TRADING ACTIVITY

	Class III Futures			Class III Options Calls		Class III Options Puts		Dry Whey Futures		Nonfat Dry Milk Futures		Butter Futures – Cash settle	
	Settle (\$)	chg. (¢)	volume & open interest from previous day	Settle (\$)	chg. (¢)	Settle (\$)	chg. (¢)	Settle (¢)	chg. (¢)	Settle (¢)	chg. (¢)	Settle (¢)	chg. (¢)
JAN 09	10.72	-4	42 4579	10.75 @ 0.07	-4	10.50 @ 0.02	NC	16.750	NC	84.000	NC	110.970	-0.030
FEB	9.45	-26	262 4481	10.00 @ 0.10	-10	10.00 @ 0.65	+16	15.500	NC	84.000	NC	113.250	-0.250
MAR	9.87	-24	181 4015	10.00 @ 0.37	-13	10.00 @ 0.50	+11	15.250	-0.500	87.000	-0.500	117.000	+0.500
APR	10.37	-37	305 3364	10.50 @ 0.47	-20	10.25 @ 0.46	+14	15.000	+0.250	87.500	NC	118.000	NC
MAY	10.90	-35	372 3356	11.00 @ 0.59	-19	10.75 @ 0.56	+14	15.750	+0.250	89.500	-2.250	122.000	+1.250
JUN	11.70	-41	284 2898	11.75 @ 0.71	-23	11.50 @ 0.63	+16	16.500	+0.500	88.500	-2.500	125.000	+1.000
JUL	12.42	-32	109 2627	12.50 @ 0.80	-18	12.25 @ 0.75	+13	18.250	+0.500	91.750	-0.050	126.000	+0.500
AUG	13.17	-33	38 2652	13.25 @ 0.92	-19	13.00 @ 0.87	+13	19.250	+0.250	91.750	-0.750	128.000	NC
SEP	13.58	-23	72 2621	13.75 @ 0.97	-12	13.50 @ 1.00	+9	20.000	+0.500	94.000	-0.250	131.500	-0.500
OCT	13.66	-24	40 2204	13.75 @ 1.07	-13	13.50 @ 1.02	+10	22.500	+0.325	97.000	-0.500	135.000	NC
NOV	13.72	-20	31 2069	13.75 @ 1.16	-11	13.50 @ 1.06	+8	22.500	+0.325	98.500	NC	135.000	NC
DEC	13.75	-19	28 2071	13.75 @ 1.23	-10	13.75 @ 1.23	+9	21.750	NC	99.500	-0.250	135.000	NC

➤ Spot Prices (with change, in cents, from previous day):

Block cheese	\$1.0550 (-1.50)
Barrel cheese	\$1.0675 (NC)
AA Butter	\$1.1125 (+0.25)
NDM Extra Grade	\$.8500 (NC)
NDM Grade A	\$.8300 (NC)

➤ Milk Prices (with change from previous month):

Dec. Class III milk (USDA)	\$15.28 (-\$0.23)
Dec. Class IV milk (USDA)	\$10.35 (-\$1.90)

➤ Futures Volume and Open Interest

	Volume	Open Interest
Class III.....	1,767	37,457
[* 156 Pit, 1,611 Electronic]		
Class IV.....	0	130
NDM.....	6	875
Dry whey.....	44	1,384
Butter (cash settle).....	35	3,562

➤ Options Volume and Open Interest

	Volume	Open Interest
Class III.....	452	49,770
Class III Midi.....	2	128
Dry whey.....	0	150
Butter (cash settle).....	0	30

Futures and options volume and open interest from previous trading day

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