

Daily Dairy Report

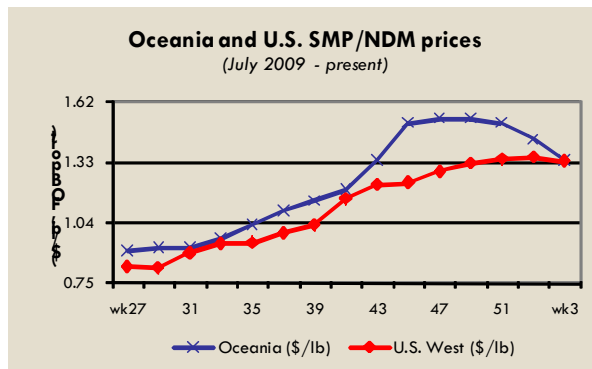
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International prices weaker

Cheese prices held today (on no activity) and milk futures repeated yesterday's heavy losses. MAR and APR Class IIIs each dropped 32¢. Spot butter slid a penny and butter futures continued to fall.

International prices have retreated from their December highs. In the last six weeks, cheese, butter and milk powder commodity prices are down 14-20¢/lb. across the board, says USDA's *Dairy Market News*. "At this point, weakness in the skim milk powder market is developing and further weakness is anticipated, especially as Europe and the U.S. come into their milk production seasons," *DMN* says (see chart).

CME Group and the American Dairy Products Institute will present a two-day seminar on "Financial Risk Management for the Dairy Industry: An Introduction to Dairy Futures and Options Trading." The event is Feb 23-34 in Chicago. For seminar details, program agenda and to register online, visit www.adpi.org. **cme group**



For more information about real-time quotes, visit www.cmegroup.com/dairyquotes

FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

Futures Volume and Open Interest

	Volume	Open Interest
Class III [37 Pit, 1285 Electronic]	1,322	27,611
Class IV	5	60
NDM (cash settle)	55	612
NDM (deliverable)	0	3
Dry whey	79	1,815
Butter (cash settle)	20	2,638

Options Volume and Open Interest

	Volume	Open Interest
Class III	794	47,513
Class III midi	2	359
Dry whey	88	595
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 \$1.4650 (NC) • Barrel cheese \$1.4900 (NC) • AA Butter \$1.4800 (-1.00) • NDM Extra Grade \$1.3000 (NC) • NDM Grade A \$1.3000 (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 21 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	Settle (\$)	chg. (¢)	Settle (\$)	chg. (¢)	Settle (¢)	chg. (¢)	Settle (¢)	chg. (¢)	Settle (¢)	chg. (¢)
JAN 10	14.45	NC	59	4316	14.50 @ 0.02	NC	14.25 @ 0.00	NC	38.500	NC	126.000	NC	136.000	NC
FEB	14.09	-11	337	4093	14.25 @ 0.12	-5	14.00 @ 0.15	+4	36.250	+0.225	120.000	-0.500	148.000	-0.500
MAR	14.18	-32	312	3578	14.25 @ 0.38	-20	14.00 @ 0.32	+7	36.000	NC	119.000	-1.000	149.000	-2.000
APR	14.26	-32	199	2697	14.50 @ 0.41	-16	14.25 @ 0.51	+13	35.480	-0.275	119.000	-1.000	153.500	-0.450
MAY	14.75	-23	96	2164	14.75 @ 0.62	-13	14.75 @ 0.62	+10	34.000	NC	120.000	NC	154.750	-0.025
JUN	15.25	-16	91	1848	15.25 @ 0.71	-9	15.25 @ 0.71	+7	35.750	NC	120.500	+0.500	156.250	-0.250
JUL	15.59	-16	20	1538	15.75 @ 0.75	-9	15.50 @ 0.78	+7	35.000	-0.950	123.000	-1.000	158.000	-0.175
AUG	15.77	-8	60	1573	16.00 @ 0.78	-4	15.75 @ 0.87	+3	36.000	+1.000	125.000	NC	158.000	NC
SEP	15.95	-5	62	1552	16.00 @ 0.92	-3	15.75 @ 0.84	+1	36.000	NC	125.000	NC	158.000	NC
OCT	15.90	-10	18	1443	16.00 @ 0.96	-5	15.75 @ 0.93	+4	35.000	NC	125.000	NC	156.000	NC
NOV	15.75	-5	28	1310	15.75 @ 1.04	-3	15.75 @ 1.04	+2	34.000	-0.500	117.000	NC	158.000	NC
DEC	15.70	-11	34	1346	15.75 @ 1.06	-6	15.50 @ 0.98	+5	36.000	NC	117.000	NC	164.000	NC

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