

# Daily Dairy Report

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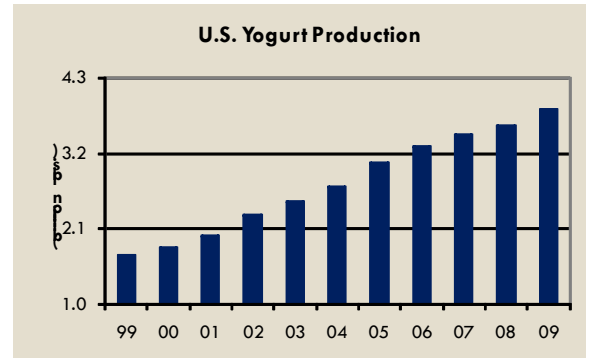
## Yogurt production doubles from 2000 to 2009

Spot markets were unchanged today other than a half-cent increase in Grade A NDM. That left milk futures mostly steady, between -5 and +3¢. Most of the activity was in the APR-JUN10 contracts. Butter futures showed a few small gains after three days of declines.

The CEO of Dannon Inc. told attendees of the Reuters Food and Agriculture Summit this week he thinks U.S. yogurt consumption can double in the next four years. U.S. yogurt production more than doubled from 2000-2009, rising from 1.84 billion lbs. to 3.85 billion lbs. Gustavo Valle said the U.S. market for yogurt is still underdeveloped relative to the consumption levels seen in Western Europe.

Valle said Dannon's sales were up 15% in the second half of 2009 after a flat first half, and were up about 15% in the first 10 weeks of 2010.

U.S. yogurt production increased 7.2% last year (adjusted for leap day in 2008), the 12<sup>th</sup> straight year of growth. Since 1997, production has expanded nearly 8% per year (see chart). In January, output was up 10.0% from prior-year levels. **cme group**



For more information about real-time quotes, visit [www.cmegroup.com/dairyquotes](http://www.cmegroup.com/dairyquotes)

## FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

### Futures Volume and Open Interest

	Volume	Open Interest
Class III [48 Pit, 841 Electronic]	889	29,579
Class IV	0	195
NDM (cash settle)	67	929
NDM (deliverable)	0	1
Dry whey	20	1,979
Butter (cash settle)	64	3,351

### Options Volume and Open Interest

	Volume	Open Interest
Class III	691	48,854
Class III midi	0	403
Dry whey	0	588
Butter (cash settle)	0	94

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

**SPOT PRICES** (with change, in cents, from previous day): Block cheese \$1.2675 (NC) • Barrel cheese \$1.2625 (NC) • AA Butter \$1.4500 (NC) • NDM Extra Grade \$1.1200 (NC) • NDM Grade A \$1.1150 (+0.50) **MILK PRICES** (with change, in dollars, from previous month): February Class III milk (USDA) \$14.28 (-\$0.22) • February Class IV milk (USDA) \$12.90 (-\$0.95)

## March 16 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. (¢)
MAR10	12.84	+1	49	3945	13.00 @ 0.02	NC	12.75 @ 0.03	-2	37.750	-0.250	106.000	NC	142.500	NC
APR	12.63	-4	265	4641	12.75 @ 0.14	-4	12.50 @ 0.14	-1	33.750	NC	109.000	NC	145.000	+0.500
MAY	13.11	+1	195	4231	13.25 @ 0.33	+1	13.00 @ 0.34	NC	32.750	NC	110.750	NC	147.250	+0.250
JUN	13.82	-3	171	3207	14.00 @ 0.44	-3	13.75 @ 0.49	NC	32.500	NC	112.500	+0.250	149.000	NC
JUL	14.16	-1	48	2527	14.25 @ 0.61	-1	14.00 @ 0.57	NC	32.500	NC	114.000	NC	152.750	+0.250
AUG	14.65	-2	31	2409	14.75 @ 0.71	-1	14.50 @ 0.68	+1	32.500	+0.250	117.000	+0.250	154.500	-0.250
SEP	15.10	+3	45	2249	15.25 @ 0.77	+1	15.00 @ 0.79	-1	33.000	NC	117.500	NC	156.500	NC
OCT	15.12	+2	31	2115	15.25 @ 0.76	+1	15.00 @ 0.75	-1	33.250	NC	118.500	NC	157.000	NC
NOV	15.00	+1	27	2042	15.00 @ 0.86	+1	15.00 @ 0.86	NC	34.000	NC	119.500	NC	159.000	NC
DEC	14.90	NC	15	1962	15.00 @ 0.85	NC	14.75 @ 0.82	NC	32.500	NC	117.000	NC	160.500	NC
JAN11	14.40	-5	3	106	14.50 @ 0.92	-3	14.00 @ 0.77	+2	30.500	NC	111.000	NC	159.000	NC
FEB	14.20	NC	4	52	14.50 @ 0.86	NC	14.00 @ 0.89	NC	30.000	NC	111.000	NC	160.000	NC

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