

Daily Dairy Report

Daily market information provided by Alan Levitt

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Butter stocks near prior-year levels

Milk futures settled mixed today, shrugging off a relatively bearish cheese inventory report Friday afternoon and another drop in cheese prices. Both blocks and barrels fell 1.25¢ today on a steady progression of offers. Barrel buyers are still present in the market, purchasing 6 loads, which forestalled further declines.

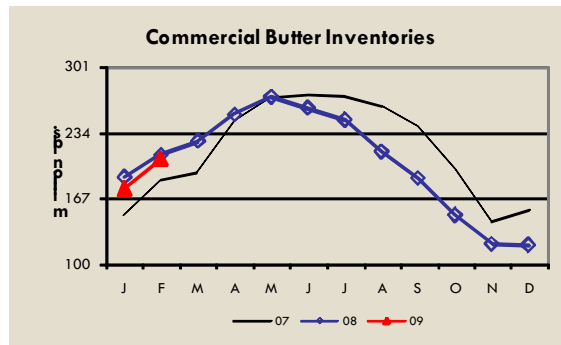
In March, Class III futures covering the second half of the year have increased \$1.70, to an average of \$15.39.

Spot butter held at \$1.1825 today, while Grade A NDM was bid 1.25¢ higher to 84.5¢.

Sales of NDM to the government continue, but at a slower pace than seen in October-February. In the first three weeks of March, an average of 5.0 million lbs. per week moved to USDA caves. In the previous five months, manufacturers sold an average of 8.8 million lbs. per week.

Commercial butter inventories increased along normal seasonal lines in February, expanding by 29.6 million lbs. to 206.1 million lbs., according to USDA's "Cold Storage" report released Friday afternoon. End-of-month stocks are about the same as a year ago (see chart).

NASS dairy product prices for the week ending March 14: cheddar blocks \$1.2233 (-2.98¢ vs. the prior week); barrels \$1.2308 (-5.70¢); butter \$1.1281 (+1.20¢); nonfat dry milk 81.56¢ (+0.07¢); dry whey 16.49¢ (+0.30¢). **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	2,608	34,472
[*226 Pit, 2382 Electronic]		
Class IV	0	233
NDM	4	1,031
Dry whey	9	1,511
Butter (cash settle)	13	4,578

Options Volume and Open Interest

	Volume	Open Interest
Class III	422	47,539
Class III midi	0	154
Dry whey	0	162
Butter (cash settle)	0	45

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

SPOT PRICES (with change, in cents, from previous day): Block cheese \$1.2800(-1.25) • Barrel cheese \$1.2850 (-1.25) • AA Butter \$1.1825 (NC) • NDM Extra Grade \$0.8500 (NC) • NDM Grade A \$0.8450(+1.25) **MILK PRICES** (with change, in cents, from previous month): Feb. Class III milk (USDA) \$9.31 (-\$1.47) • Feb. Class IV milk (USDA) \$9.45 (-\$0.14)

March 23 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. (¢)		
MAR 09	10.48	-3	224	4820	10.50 @ 0.04	-2	10.25 @ 0.00	NC	NA	NA	82.000	NC	113.000	-0.025		
APR	11.25	-16	439	4498	11.25 @ 0.26	-13	11.25 @ 0.26	+3	NA	NA	83.000	NC	120.250	+0.250		
MAY	11.91	-5	440	4462	12.00 @ 0.48	-4	11.75 @ 0.44	NC	NA	NA	85.900	NC	124.500	NC		
JUN	12.70	+2	253	4162	12.75 @ 0.63	-1	12.50 @ 0.55	-3	28.000	NC	86.500	NC	125.250	-0.250		
JUL	13.84	+6	227	2891	14.00 @ 0.73	+1	13.75 @ 0.76	-4	26.000	NC	89.000	-0.500	130.250	-0.750		
AUG	14.93	+2	226	2805	15.00 @ 0.94	-1	14.75 @ 0.88	-3	26.000	NC	90.250	NC	133.500	-0.750		
SEP	15.50	+3	190	2705	15.50 @ 1.10	+1	15.50 @ 1.10	-2	25.000	NC	92.500	NC	136.500	-0.500		
OCT	15.95	+1	203	2449	16.00 @ 1.18	-1	15.75 @ 1.10	-2	25.750	NC	93.500	NC	138.500	NC		
NOV	16.05	-5	183	2269	16.25 @ 1.21	-4	16.00 @ 1.28	+1	26.000	NC	94.750	NC	140.500	NC		
DEC	16.06	+1	185	2324	16.25 @ 1.29	NC	16.00 @ 1.34	-1	26.000	NC	95.250	NC	140.500	NC		
JAN 10	15.90	NC	11	256	16.00 @ 1.34	-1	15.50 @ 1.17	-1	25.000	NC	99.500	NC	140.500	NC		
FEB	15.53	+3	14	199	16.00 @ 1.21	+4	14.00 @ 0.71	-2	25.000	NC	115.000	NC	140.500	NC		

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