

# Daily Dairy Report

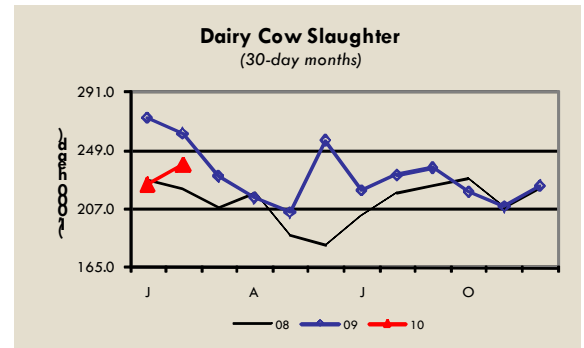
Vol. 14, No. 59 / March 26, 2010

## Milk futures rally, fade

The dairy markets ended the week on an upswing, with cheese, butter and powder settling higher and milk futures posting gains across the board. Blocks were bid 3.5¢ higher and barrels were bid 2.5¢ higher but no sellers showed. JUL-SEP Class III futures were up 60¢ in the late morning – and other contracts had large rallies as well – but lost about half their gains by the close. Contracts covering the second half of the year ended the week at \$14.75, up 28¢ from last Friday. Butter futures were mostly higher today, NDM futures registered gains in several second-half 2010 contracts and whey futures were mostly lower.

Dairymen sent 223,000 cows to slaughter in February, less than last year but still more than usual for February. In addition, the pace of culling increased in February over January for the first time since 2004, according to USDA's "Livestock Slaughter" report released this morning (see chart).

NASS dairy product prices for the week ending March 20: cheddar blocks \$1.3344 (-5.56¢ vs. the prior week); barrels \$1.3018 (-3.52¢); butter \$1.4569 (+2.02¢); nonfat dry milk \$1.0446 (+0.29¢); dry whey 37.03¢ (-0.99¢). **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 [20 Pit, 1,278 Electronic]	1,298	31,804
Class IV	0	205
NDM (cash settle)	37	938
Dry whey	82	2,147
Butter (cash settle)	26	3,485

### Options Volume and Open Interest

	Volume	Open Interest
Class III	946	51,886
Class III midi	4	427
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 \$1.3250 (+3.50) • Barrel cheese \$1.3125 (+2.50) • AA Butter \$1.4900 (+1.00) • NDM Extra Grade \$1.1200 (NC) • NDM Grade A \$1.1500 (+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 26 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	12.78	-3	31	4045	13.00 @ 0.00	NC	12.75 @ 0.02	+1	37.580	-0.175	105.000	-0.500	143.750	NC
APR	12.62	+8	132	4685	12.75 @ 0.12	+3	12.50 @ 0.12	-3	34.000	NC	109.000	NC	146.500	+0.500
MAY	13.28	+20	279	4384	13.50 @ 0.25	+9	13.25 @ 0.32	-10	32.000	NC	112.000	NC	148.000	NC
JUN	14.07	+27	211	3729	14.25 @ 0.46	+9	14.00 @ 0.52	-16	32.000	+1.400	117.500	NC	150.750	+0.750
JUL	14.41	+36	159	2804	14.50 @ 0.60	+13	14.25 @ 0.56	-19	31.000	NC	118.250	NC	153.750	+0.750
AUG	14.80	+32	88	2709	15.00 @ 0.65	+12	14.75 @ 0.72	-17	31.250	-0.650	119.500	+1.000	154.000	NC
SEP	15.10	+22	60	2531	15.25 @ 0.75	+8	15.00 @ 0.77	-12	33.750	-0.250	122.500	+2.500	157.500	+1.000
OCT	14.93	+4	60	2323	15.00 @ 0.80	NC	14.75 @ 0.74	-3	32.000	NC	121.000	NC	157.530	NC
NOV	14.70	+4	46	2212	14.75 @ 0.85	+3	14.50 @ 0.77	-2	32.580	NC	122.000	NC	158.500	NC
DEC	14.53	+5	44	2078	14.75 @ 0.81	+5	14.50 @ 0.89	NC	31.750	-0.425	117.030	+0.025	160.250	+1.250
JAN11	14.41	+16	9	111	14.50 @ 0.91	+8	14.25 @ 0.87	NC	29.500	-0.500	111.000	NC	159.000	NC
FEB	14.38	+10	3	54	14.50 @ 0.94	+5	14.25 @ 0.92	-5	29.070	NC	111.000	NC	160.000	NC

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