

# Daily Dairy Report

Vol. 14, No. 60 / March 29, 2010

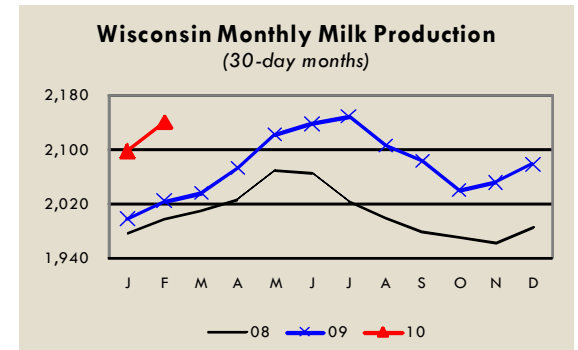
## Cheese bid higher again

For the second straight day, cheese prices advanced on unfilled bids. Buyers bid blocks up to \$1.3425 and barrels to \$1.3350, but sellers didn't have anything to offer. Milk futures opened lower, stayed that way most of the day, and then rallied in the final hour to settle within a few cents of where they started.

"In the Midwest, the milk supply is increasing and plant schedules are very active," says USDA's *Dairy Market News*. Milk production in Wisconsin was up 5.0% in the July-February period, a gain of almost 100 million lbs. of milk per month (see chart). Cow numbers in the state increased 3,000 head during the eight months, and production per cow during that stretch was up 2.4 lbs. per day vs. a year earlier.

Spot butter traded 6 times at \$1.49 on offers, settling unchanged today. Traders are approaching the \$1.50 mark with caution; the price hasn't been above \$1.5250 since November 2008.

Holiday schedule: CME Group will be closed Friday in observance of Good Friday. Regular trading hours will take place on Thursday and resume on Monday. Though the markets are closed, USDA will announce March Class and Component prices Friday morning. **cme group**



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## FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

### Futures Volume and Open Interest

	Volume	Open Interest
Class III [255 Pit, 2,004 Electronic]	2,259	32,078
Class IV	0	207
NDM (cash settle)	8	951
Dry whey	12	2,167
Butter (cash settle)	7	3,498

### Options Volume and Open Interest

	Volume	Open Interest
Class III	800	52,478
Class III midi	25	452
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 \$1.3425 (+1.75) • Barrel cheese \$1.3350 (+2.25) • AA Butter \$1.4900 (NC) • NDM Extra Grade \$1.1200 (NC) • NDM Grade A \$1.1500 (NC) **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 29 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 from previous day	Settle (\$)	chg. (¢)	Settle (\$)	chg. (¢)	Settle (¢)	chg. (¢)	Settle (¢)	chg. (¢)	Settle (¢)	chg. (¢)
MAR10	12.78	NC	46 4109	13.00 @ 0.00	NC	12.75 @ 0.01	-1	37.580	NC	105.000	NC	144.000	+0.250
APR	12.59	-3	388 4780	12.75 @ 0.10	-2	12.50 @ 0.12	NC	34.000	NC	109.000	NC	146.500	NC
MAY	13.27	-1	508 4495	13.50 @ 0.22	-3	13.25 @ 0.31	-1	32.000	NC	112.000	NC	148.000	NC
JUN	14.06	-1	413 3802	14.25 @ 0.46	NC	14.00 @ 0.51	-1	31.750	-0.250	117.500	NC	151.000	+0.250
JUL	14.44	+3	259 2787	14.50 @ 0.60	NC	14.25 @ 0.54	-2	31.000	NC	118.250	NC	153.250	-0.500
AUG	14.78	-2	178 2690	15.00 @ 0.63	-2	14.75 @ 0.72	NC	31.000	-0.250	119.500	NC	154.000	NC
SEP	15.10	NC	136 2532	15.25 @ 0.74	-1	15.00 @ 0.76	-1	33.750	NC	122.500	NC	157.000	-0.500
OCT	14.95	+2	135 2305	15.00 @ 0.81	+1	14.75 @ 0.73	-1	32.000	NC	121.000	NC	157.000	-0.525
NOV	14.71	+1	92 2236	14.75 @ 0.85	NC	14.50 @ 0.76	-1	32.580	NC	122.000	NC	158.000	-0.500
DEC	14.54	+1	73 2108	14.75 @ 0.81	NC	14.50 @ 0.88	-1	31.520	-0.225	117.030	NC	160.000	-0.250
JAN11	14.41	NC	12 117	14.50 @ 0.91	NC	14.25 @ 0.87	NC	29.520	+0.025	111.000	NC	159.000	NC
FEB	14.38	NC	7 60	14.50 @ 0.93	-1	14.25 @ 0.92	NC	29.070	NC	111.000	NC	160.000	NC

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