

Daily Dairy Report

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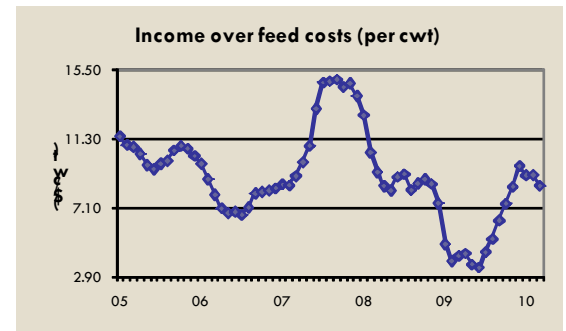
Farm profitability lower in March

With the end of the quarter looming, no cheese is available for sale on the Exchange. In a repeat of Monday's session, buyers bid blocks and barrels higher today but no sales took place. Milk futures posted double-digit gains in the JUL10-JAN11 contracts. Since March 22, JUL Class IIIs are up 93¢ and AUG is up 94¢.

In a very active session, Grade A NDM traded 3.5¢ higher and Extra Grade NDM was bid 3¢ higher. Six trades took place on Grade A. However, NDM futures were mixed.

CWT accepted bids from Darigold Inc. and Foremost Farms to provide bonuses on exports of 2.1 million lbs. of cheddar cheese to the Middle East. The product will be shipped in April and May.

Dairy farm profitability decreased in March as declining milk prices more than offset cheaper feed. The All-Milk Price this month was estimated at \$15.10, down from \$15.90 in February, according to USDA's "Ag Prices" report released this afternoon. Meanwhile, feed costs to produce a hundredweight of milk were estimated at \$6.68, leaving "Income over feed costs" at \$8.42, down 71¢ from January, and the lowest figure since October (see chart). **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	606	32,269
[43 Pit, 563 Electronic]		
Class IV	0	207
NDM (cash settle)	0	951
Dry whey	9	2,176
Butter (cash settle)	67	3,535

Options Volume and Open Interest

	Volume	Open Interest
Class III	154	52,575
Class III midi	0	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 \$1.3525 (+1.00) • Barrel cheese \$1.3400 (+0.50) • AA Butter \$1.4900 (NC) • NDM Extra Grade \$1.1500 (+3.00) • NDM Grade A \$1.1850 (+3.50) **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 30 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	27 4109	13.00 @ 0.00	NC	12.75 @ 0.00	-1	37.580	NC	105.000	NC	144.000	NC
APR	12.60	+1	113 4797	12.75 @ 0.09	-1	12.50 @ 0.12	NC	34.000	NC	109.000	NC	147.000	+0.500
MAY	13.33	+6	201 4550	13.50 @ 0.24	+2	13.25 @ 0.30	-1	32.000	NC	111.000	-1.000	148.250	+0.250
JUN	14.09	+3	125 3807	14.25 @ 0.47	+1	14.00 @ 0.50	-1	32.200	+0.450	118.000	+0.500	151.000	NC
JUL	14.57	+13	41 2788	14.75 @ 0.56	+6	14.50 @ 0.60	-6	31.000	NC	119.000	+0.750	153.250	NC
AUG	14.94	+16	17 2701	15.00 @ 0.72	+9	14.75 @ 0.70	-2	31.500	+0.500	120.000	+0.500	154.000	NC
SEP	15.22	+12	18 2538	15.25 @ 0.80	+6	15.00 @ 0.75	-1	33.250	-0.500	122.000	-0.500	157.000	NC
OCT	15.10	+15	31 2329	15.25 @ 0.81	+11	15.00 @ 0.83	-3	32.000	NC	121.000	NC	157.000	NC
NOV	14.94	+23	15 2249	15.00 @ 0.85	+11	14.75 @ 0.79	-10	32.500	-0.075	122.000	NC	158.000	NC
DEC	14.67	+13	17 2123	14.75 @ 0.87	+6	14.50 @ 0.82	-6	31.520	NC	117.030	NC	160.250	+0.250
JAN11	14.53	+12	1 117	15.00 @ 0.75	+5	14.50 @ 0.94	-6	29.520	NC	112.000	+1.000	159.000	NC
FEB	14.44	+6	0 60	14.50 @ 0.96	+3	14.25 @ 0.89	-3	29.070	NC	111.000	NC	160.000	NC

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