

# Daily Dairy Report

Daily market information provided by Alan Levitt

Vol. 13, No. 63/ April 3, 2009

## Cheese production +1.4% (adjusted for leap day) in February

Milk futures settled slightly higher today to close out a week of losses. The increases came amidst another decline on barrels, to \$1.26, leaving them down 3.75¢ for the week.

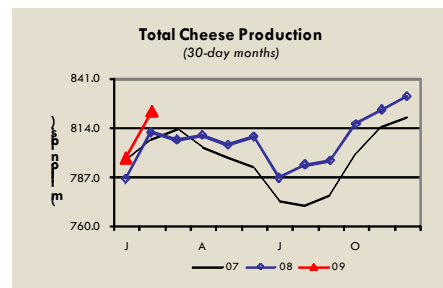
The March Class III price is \$10.44, up \$1.13 from February. The March Class IV is \$9.64, up 19¢ from the prior month.

Cheese production was higher than year-ago levels in February when adjusting for last year's leap day. USDA reports total cheese production at 768.5 million lbs., down 2.1% vs. a year ago, according to the "Dairy Products" report released this afternoon. Adjusted for leap day, the change is +1.4% (see chart).

Cheddar cheese output was 240.4 million lbs., -4.3%, USDA says. Adjusted for leap day, the change is -0.9%. Mozzarella production was 247.5 million lbs., -6.7%. Adjusted for leap day, the change is -3.4%.

With milk production trailing off in February, less was available for butter/powder production. Butter output was 145.4 million lbs., -0.9%, says the ag department. Adjusted for leap day, the change is +2.6%. NDM/SMP production was 145.7 million lbs., -4.2%. Adjusted for leap day, the change is -0.8%.

NASS dairy product prices for the week ending March 28: cheddar blocks \$1.2379 (+1.60¢ vs. the prior week); barrels \$1.3173 (+4.05¢); butter \$1.1695 (+0.85¢); nonfat dry milk 81.52¢ (-0.33¢); dry whey 17.45¢ (+0.21¢). **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	1,081	34,017
[*126 Pit, 955 Electronic]		
Class IV	0	233
NDM	4	1,045
Dry whey	12	1,552
Butter (cash settle)	81	4,848

### Options Volume and Open Interest

	Volume	Open Interest
Class III	430	50,071
Class III midi	0	175
Dry whey	0	162
Butter (cash settle)	10	75

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

**SPOT PRICES** (with change, in cents, from previous day): Block cheese \$1.2800 (NC) • Barrel cheese \$1.2600 (-1.50) • AA Butter \$1.1800 (NC) • NDM Extra Grade \$0.8500 (NC) • NDM Grade A \$0.8450 (NC) **MILK PRICES** (with change, in cents, from previous month): March Class III milk (USDA) \$10.44 (+\$1.13) • March Class IV milk (USDA) \$9.64 (+\$0.19)

## April 3 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. (¢)
APR 09	11.03	+2	177	4362	11.25 @ 0.05	-1	11.00 @ 0.11	-4	18.750	NC	83.000	NC	118.250	NC
MAY	11.45	+5	169	4456	11.50 @ 0.39	-2	11.25 @ 0.32	-2	20.500	NC	85.700	-0.050	125.000	NC
JUN	12.30	+6	195	3993	12.50 @ 0.51	+3	12.25 @ 0.57	-3	22.500	NC	87.000	NC	127.750	-0.250
JUL	13.46	+9	103	2898	13.50 @ 0.73	+4	13.25 @ 0.64	-4	25.000	NC	89.750	+0.250	129.000	NC
AUG	14.63	+17	86	2756	14.75 @ 0.87	+8	14.50 @ 0.86	-8	27.500	NC	90.250	NC	131.025	+0.525
SEP	15.06	+6	76	2597	15.25 @ 0.95	+3	15.00 @ 1.00	-3	28.000	NC	92.500	NC	134.500	NC
OCT	15.24	+2	29	2396	15.25 @ 1.12	+1	15.00 @ 1.00	-1	28.250	NC	94.000	NC	136.750	-0.250
NOV	15.25	+2	58	2261	15.25 @ 1.21	+1	15.25 @ 1.21	-1	28.750	+0.275	95.000	NC	139.250	-0.250
DEC	15.19	+4	48	2266	15.25 @ 1.24	+1	15.00 @ 1.17	-2	29.000	NC	95.250	NC	139.750	NC
JAN 10	15.21	+1	36	283	15.50 @ 1.17	NC	15.00 @ 1.19	NC	29.000	+1.000	99.500	NC	140.500	NC
FEB	15.25	+4	8	212	15.50 @ 1.25	+2	14.00 @ 0.77	-2	29.000	+1.000	115.000	NC	140.500	NC
MAR	15.33	+2	6	215	15.50 @ 1.34	NC	14.00 @ 0.80	-1	29.000	NC	116.000	NC	150.000	NC

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