

Daily Dairy Report

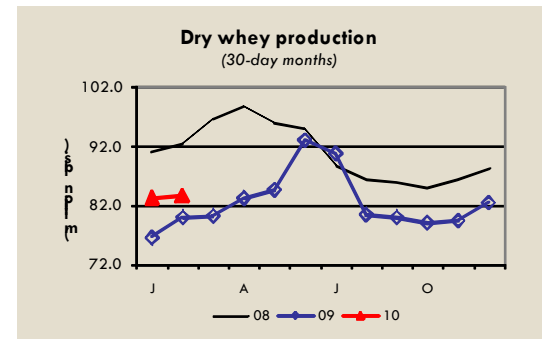
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EU exports stronger

Blocks were bid another 2¢ higher, crossing the \$1.50 mark and settling at \$1.51. But milk futures backed off again, falling 22¢ in the JUN contract and 23¢ in JUL.

The whey market is characterized as steady, with a weak undertone. Production is rising seasonally (see chart) and demand from the feed sector is soft. "Increased production along seasonal levels has some buyers looking for discounts. The bulk of the trade is contracted with very little spot movement taking place," says USDA's *Dairy Market News*. *DMN* pegs Western whey at mostly 38-42¢ (unchanged from last week) and Midwestern whey at 33.75-37.0¢ (down on the low end of the range).

EU milk deliveries in January were down 1.9% from a year ago, according to EuroStat. An unusually cold and long winter put a dent in production, and has delayed the onset of the spring flush. Manufactured product production was lower across the board: cheese -2% (in January, vs. prior year), butter -10%, SMP -2%, WMP -13%. However, EU exports in January were dramatically higher than last year. SMP shipments were more than double (+118%), cheese exports were up 20%, butterfat exports were up 76% and whey exports were up 20%. **cme group**



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FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

Futures Volume and Open Interest

	Volume	Open Interest
Class III [17 Pit, 1,953 Electronic]	1,970	28,342
Class IV	0	191
NDM (cash settle)	0	841
Dry whey	14	1,914
Butter (cash settle)	15	3,214

Options Volume and Open Interest

	Volume	Open Interest
Class III	410	46,531
Class III midi	4	414
Dry whey	0	484
Butter (cash settle)	0	55

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

SPOT PRICES (with change, in cents, from previous day): Block cheese \$1.5100 (+2.00) • Barrel cheese \$1.4550 (NC) • AA Butter \$1.4975 (NC) • NDM Extra Grade \$1.1850 (+2.00) • NDM Grade A \$1.2650 (+2.50) **MILK PRICES** (with change, in dollars, from previous month): March Class III milk (USDA) \$12.78 (-\$1.50) • March Class IV milk (USDA) \$12.92 (+\$0.02)

April 8 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. (¢)
APR10	12.83	-2	254	4457	13.00 @ 0.03	NC	12.75 @ 0.05	NC	35.250	+0.500	109.000	NC	149.000	+1.000
MAY	13.74	-8	540	4491	13.75 @ 0.32	-4	13.50 @ 0.27	+5	34.500	+1.500	111.000	NC	154.000	+1.000
JUN	14.10	-22	411	3906	14.25 @ 0.47	-12	14.00 @ 0.49	+8	32.500	NC	119.000	NC	155.250	+0.250
JUL	14.52	-23	229	2780	14.75 @ 0.54	-12	14.50 @ 0.63	+9	32.500	NC	121.000	NC	155.000	NC
AUG	14.95	-11	174	2740	15.00 @ 0.81	-6	14.75 @ 0.73	+3	32.500	NC	122.000	NC	156.000	NC
SEP	15.10	-14	85	2641	15.25 @ 0.78	-10	15.00 @ 0.80	+4	33.500	NC	123.000	NC	158.000	-1.000
OCT	15.03	-7	81	2407	15.25 @ 0.81	-3	15.00 @ 0.89	+3	33.000	NC	122.000	+1.000	159.500	+1.250
NOV	14.80	-10	110	2387	15.00 @ 0.79	-5	14.75 @ 0.85	+4	33.000	NC	122.000	-0.500	160.000	NC
DEC	14.65	-6	80	2239	14.75 @ 0.87	-3	14.50 @ 0.84	+3	32.000	+0.500	117.030	NC	161.500	+1.000
JAN11	14.50	-5	5	125	14.50 @ 0.94	-3	14.50 @ 0.94	+2	29.520	NC	112.000	NC	162.000	+0.500
FEB	14.52	NC	0	63	15.00 @ 0.78	NC	14.50 @ 0.97	NC	29.070	NC	111.000	NC	160.000	NC
MAR	14.50	NC	0	33	14.50 @ 1.03	NC	14.00 @ 0.78	NC	28.000	NC	112.000	NC	161.500	+2.500

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