

Daily Dairy Report

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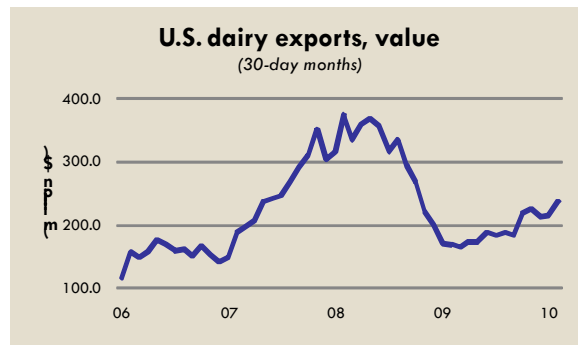
Milk sell-off continues

Milk futures crashed today following another decline on the cheese market. Blocks fell 3.5¢ and barrels dropped 3.25¢ under persistent offers and little buying interest. MAY-JUL Class III futures tumbled 48-53¢ and AUG-DEC fell 20-40¢. JUN closed at a new low of \$13.12.

The market has weakened despite steadily improving export sales. In February, U.S. dairy exports were marked by gains in milk powders, whey proteins, cheese, butterfat and lactose. Shipments were valued at \$221.4 million, up 41% from a year ago, and the highest figure (on a daily-average basis) since October 2008, according to USDA/FAS data released this morning (see chart). Exports were up to nearly all destinations.

For the month, exports of whey proteins were up 30% vs. a year ago, NDM/SMP +22%, cheese +17%, lactose +16% and butterfat +21%, according to USDA.

CME Group will introduce Distillers Dried Grain (DDG) futures April 26. For more information, see the attached information sheet, or go to www.cmegroup.com/ddg. **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 [2 Pit, 1,159 Electronic]	1,161	29,185
Class IV	0	191
NDM (cash settle)	0	841
Dry whey	30	1,934
Butter (cash settle)	19	3,394

Options Volume and Open Interest

	Volume	Open Interest
Class III	765	47,227
Class III midi	0	422
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 \$1.4350 (-3.50) • Barrel cheese \$1.3875 (-3.25) • AA Butter \$1.5050 (+0.50) • NDM Extra Grade \$1.1900 (NC) • NDM Grade A \$1.2675 (+0.25) **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 13 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. (¢)
APR10	12.81	-4	71	4457	13.00 @ 0.02	-1	12.75 @ 0.05	+1	37.000	-0.500	109.000	NC	148.000	NC
MAY	13.00	-53	400	4691	13.00 @ 0.29	-35	13.00 @ 0.29	+18	35.000	+0.150	111.000	NC	153.000	NC
JUN	13.12	-48	379	4185	13.25 @ 0.43	-27	13.00 @ 0.43	+17	33.000	NC	120.000	+1.000	156.250	+0.250
JUL	13.65	-50	126	2920	13.75 @ 0.54	-29	13.50 @ 0.52	+19	33.500	NC	121.000	NC	156.250	+0.250
AUG	14.32	-40	77	2787	14.50 @ 0.70	-22	14.25 @ 0.75	+18	33.000	NC	122.000	NC	156.250	+0.250
SEP	14.74	-31	49	2676	14.75 @ 0.84	-15	14.50 @ 0.72	+15	33.000	NC	123.000	NC	158.000	NC
OCT	14.74	-30	29	2452	14.75 @ 0.87	-17	14.50 @ 0.76	+12	33.000	NC	123.000	+1.000	162.000	NC
NOV	14.51	-24	13	2420	14.75 @ 0.74	-13	14.50 @ 0.85	+11	33.250	NC	122.000	NC	162.000	NC
DEC	14.50	-20	13	2295	14.50 @ NA	NA	14.50 @ NA	NA	32.750	NC	117.030	NC	161.500	NC
JAN11	14.50	-2	2	125	14.50 @ NA	NA	14.50 @ NA	NA	29.520	NC	112.000	NC	162.000	NC
FEB	14.50	-1	1	65	14.50 @ NA	NA	14.50 @ NA	NA	29.250	NC	111.000	NC	160.000	NC
MAR	14.50	-2	1	34	14.50 @ NA	NA	14.00 @ NA	NA	28.000	NC	112.000	NC	162.000	NC

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