

# Daily Dairy Report

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## Cow numbers steady

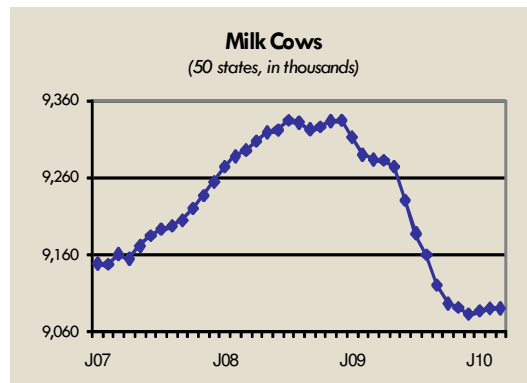
Cheese buyers remained aggressive today picking up 11 loads of blocks and 5 loads of barrels. Block price increased 0.25¢ to \$1.3675 while barrels increased 0.50¢ to \$1.35. There were 2 unfilled bids for barrels and 5 unfilled bids for blocks at the close. Butter and nonfat dry milk prices remained steady with no buying or selling interest.

Milk futures were mixed at the end of the day with MAY-AUG higher with later contracts steady to lower. JUN led the charge higher gaining 16¢ today and 36¢ over the past two days.

Cow numbers in March totaled 9.090 million head, unchanged from February, but 206,000 head less than a year ago (*see chart*). The U.S. dairy herd is expected to average 9.065 million head in 2010, a 1.5% decline from last year according to USDA's "Livestock, Dairy, and Poultry report.

Higher forecast milk production and large cheese stocks have reduced the price outlook for this year. However, cheese prices could strengthen if the economic recovery continues and supply tightens says USDA.

USDA's March "Cold Storage" report will be released tomorrow afternoon. **cme group**



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## FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

### Futures Volume and Open Interest

	Volume	Open Interest
Class III [27 Pit, 798 Electronic]	825	30,081
Class IV	5	194
NDM (cash settle)	2	901
Dry whey	3	1,974
Butter (cash settle)	44	3,540

### Options Volume and Open Interest

	Volume	Open Interest
Class III	694	47,945
Class III midi	0	466
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 \$1.3675 (+0.25) • Barrel cheese \$1.3500 (+0.50) • AA Butter \$1.5700 (NC) • NDM Extra Grade \$1.2500 (NC) • NDM Grade A \$1.2925 (NC) **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 21 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	12.84	-1	11 4423	13.00 @ 0.00	NC	12.75 @ 0.00	NC	36.700	NC	111.000	NC	148.000	NC
MAY	13.28	+14	234 4652	13.50 @ 0.13	+3	13.25 @ 0.21	-9	36.000	NC	115.500	+0.250	158.000	-1.000
JUN	13.70	+16	180 4399	13.75 @ 0.45	+6	13.50 @ 0.38	-8	35.500	NC	121.500	NC	159.500	-3.250
JUL	14.27	+7	109 3165	14.50 @ 0.49	+3	14.25 @ 0.58	-4	35.000	NC	125.000	+2.250	160.000	-2.000
AUG	15.00	+5	52 2910	15.00 @ 0.80	+3	15.00 @ 0.80	-2	35.500	+0.500	124.250	NC	162.000	NC
SEP	15.21	-5	56 2766	15.25 @ 0.83	-3	15.00 @ 0.75	NC	35.500	NC	126.500	+0.250	161.500	NC
OCT	15.14	-8	72 2578	15.25 @ 0.83	-5	15.00 @ 0.81	+3	35.250	-0.250	127.000	NC	162.000	-1.975
NOV	14.90	-5	37 2485	15.00 @ 0.81	-3	14.75 @ 0.78	+2	35.500	NC	125.000	NC	162.000	-1.000
DEC	14.90	NC	56 2339	15.00 @ 0.86	-1	14.75 @ 0.83	NC	35.000	NC	121.000	+0.930	163.500	NC
JAN11	14.70	-10	6 145	15.00 @ 0.80	-5	14.50 @ 0.83	+4	32.000	-0.500	113.000	+1.000	164.000	NC
FEB	14.59	NC	2 77	15.00 @ 0.79	NC	14.50 @ 0.92	NC	30.250	-0.750	112.000	+1.000	160.000	NC
MAR	14.75	-1	2 43	15.00 @ 0.91	-1	14.50 @ 0.89	NC	28.550	-0.025	112.500	+0.500	162.000	NC

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