

Daily Dairy Report

Vol. 14, No. 77 / April 22, 2010

Cheese stocks top 1.0 billion lbs.

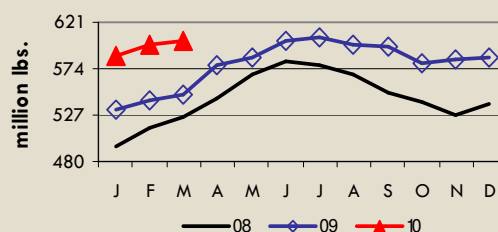
Milk futures closed steady or lower in all contracts due to the inability of cheese prices to move higher. MAY-DEC10 lost an average of 12¢. Blocks remained steady even though there were 13 loads traded bringing the total so far this week to 43 loads. Barrels fell 0.25¢ to \$1.3475 on 3 trades. Butter and nonfat dry milk remained unchanged with no trades.

American cheese stocks increased in March nearly mirroring last year, only at a slower pace. March stocks increased just 2.7 million lbs., to 600.8 million lbs. according to USDA's "Cold Storage" report released this afternoon. However, inventory is 52.1 million lbs. or 10% higher than a year ago (*see chart*). Total cheese stocks surpassed a billion pounds increasing 2% to 1.001 billion lbs. and the highest inventory since November 1984.

CME Group will introduce Distillers Dried Grain (DDG) futures beginning April 26. For more information, see the attached information sheets, or go to www.cmegroup.com/ddg.

USDA will release the May "Advanced Prices" and March "Livestock Slaughter" report tomorrow. **cme group**

Commercial American Cheese Stocks



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 [40 Pit, 719 Electronic]	759	30,207
Class IV	3	194
NDM (cash settle)	10	905
Dry whey	19	1,984
Butter (cash settle)	44	3,574

Options Volume and Open Interest

	Volume	Open Interest
Class III	741	48,491
Class III midi	5	471
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 (NC) • Barrel cheese \$1.3475 (-0.25) • 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 22 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	12.82	-2	28	4423	13.00 @ 0.00	NC	12.75 @ 0.00	NC	36.700	NC	111.000	NC	148.000	NC
MAY	13.17	-11	188	4661	13.25 @ 0.17	-7	13.00 @ 0.13	+2	35.750	-0.250	115.500	NC	159.000	+1.000
JUN	13.51	-19	99	4422	13.75 @ 0.36	-9	13.50 @ 0.46	+8	35.500	NC	121.500	NC	160.000	+0.500
JUL	14.10	-17	176	3197	14.25 @ 0.52	-8	14.00 @ 0.53	+7	35.000	NC	125.000	NC	160.500	+0.500
AUG	14.89	-11	109	2937	15.00 @ 0.74	-6	14.75 @ 0.72	+5	35.500	NC	124.250	NC	161.000	-1.000
SEP	15.10	-11	47	2779	15.25 @ 0.77	-6	15.00 @ 0.79	+4	35.750	+0.250	126.500	NC	161.500	NC
OCT	14.99	-15	34	2585	15.00 @ 0.87	-8	14.75 @ 0.75	+6	35.750	+0.500	127.000	NC	162.000	NC
NOV	14.90	NC	39	2492	15.00 @ 0.81	NC	14.75 @ 0.78	NC	35.500	NC	125.000	NC	162.000	NC
DEC	14.79	-11	35	2348	15.00 @ 0.81	-5	14.75 @ 0.88	+5	35.000	NC	121.000	NC	162.000	-1.500
JAN11	14.60	-10	0	145	15.00 @ 0.75	-5	14.50 @ 0.87	+4	32.000	NC	113.000	NC	164.000	NC
FEB	14.50	-9	0	77	14.50 @ 0.96	-5	14.50 @ 0.96	+4	31.000	+0.750	112.000	NC	160.000	NC
MAR	14.68	-7	0	43	15.00 @ 0.87	-4	14.50 @ 0.92	+3	28.550	NC	112.500	NC	162.000	NC

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