

Daily Dairy Report

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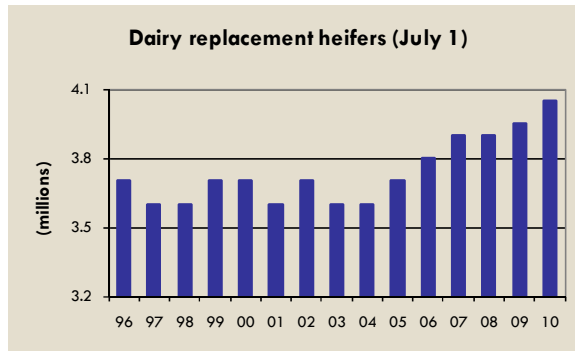
Replacement heifers plentiful

Sellers have come back to participate in CME spot cheese trading after sitting on the sidelines for a month. Five loads of blocks and two loads of barrels traded today, all on offers. Prices held unchanged. The butter price held as well, though Grade A NDM was offered three-quarters of a cent lower.

A large volume of replacement heifers is sitting in the pipeline. Dairymen had 4.05 million dairy replacements on hand at mid-year, up from 3.95 million last year, and the most since 1994, according to the biannual "Cattle" report released this afternoon (see chart). There were 44.5 replacements for every 100 cows in the herd, up from 42.9 per 100 last year, USDA says.

The Class I mover for August is \$15.77, up 11¢ from July, and the highest since November 2008.

NASS dairy product prices for the week ending July 17: cheddar blocks \$1.4369 (+2.57¢ vs. the prior week); barrels \$1.4766 (+5.64¢); butter \$1.7438 (+2.37¢); nonfat dry milk \$1.2335 (+0.05¢); dry whey 36.15¢ (-0.06¢). **cme group**



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FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

Futures Volume and Open Interest

	Volume	Open Interest
Class III [9 Pit, 1132 Electronic]	1,141	28,422
Class IV	0	251
NDM (cash settle)	117	1,514
Dry whey	3	1,751
Butter (cash settle)	28	3,780
Cheese	6	155

Options Volume and Open Interest

	Volume	Open Interest
Class III	380	39,193
Class III midi	9	454
Dry whey	0	136
Butter (cash settle)	0	60

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

SPOT PRICES (with change from previous day): Block cheese \$1.6025 (NC) • Barrel cheese \$1.5600 (NC) • AA Butter \$1.8000 (NC) • NDM Extra Grade \$1.2250 (NC) • NDM Grade A \$1.2100 (-0.75¢) **MILK PRICES** (with change from previous month): June Class III milk (USDA) \$13.62 (+\$0.24) • June Class IV milk (USDA) \$15.45 (+\$0.16)

July 23 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. (¢)
JUL 10	13.73	-4	22	4231	13.75 @ 0.01	-3	13.50 @ 0.00	NC	36.500	NC	118.500	+1.000	173.500	NC
AUG	14.91	+1	348	5026	15.00 @ 0.10	-4	14.75 @ 0.07	-5	35.750	NC	117.000	NC	179.500	+0.250
SEP	15.15	+10	411	4812	15.25 @ 0.36	+1	15.00 @ 0.34	-7	34.830	-0.425	117.000	NC	178.500	+1.000
OCT	14.93	+5	191	3914	15.00 @ 0.57	+2	14.75 @ 0.52	-2	34.750	-0.250	116.000	+0.500	175.000	+1.500
NOV	14.70	+8	57	3718	14.75 @ 0.63	+4	14.50 @ 0.55	-4	33.750	NC	116.000	+0.500	173.500	+2.400
DEC	14.65	+5	52	3754	14.75 @ 0.67	+3	14.50 @ 0.64	-2	33.750	NC	115.750	+0.250	164.030	NC
JAN 11	14.34	NC	10	790	14.50 @ 0.70	NC	14.25 @ 0.73	-2	32.500	NC	114.000	NC	159.500	NC
FEB	14.27	+2	11	574	14.50 @ 0.72	+1	14.25 @ 0.81	-1	29.750	NC	114.000	NC	157.500	-0.250
MAR	14.37	NC	9	554	14.50 @ 0.82	NC	14.25 @ 0.81	NC	30.000	NC	114.000	NC	158.500	NC
APR	14.34	+4	7	256	14.75 @ 0.74	+1	14.25 @ 0.87	-2	30.000	NC	116.000	NC	158.000	NC
MAY	14.48	+1	4	226	14.50 @ 0.98	+1	14.25 @ 0.87	NC	28.000	NC	112.000	NC	158.000	NC
JUN	14.43	+1	4	171	14.50 @ 0.99	NC	14.25 @ 0.93	-1	30.000	NC	110.000	NC	159.000	NC

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