

# Daily Dairy Report

Daily market information provided by Alan Levitt

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## American cheese stocks show little growth

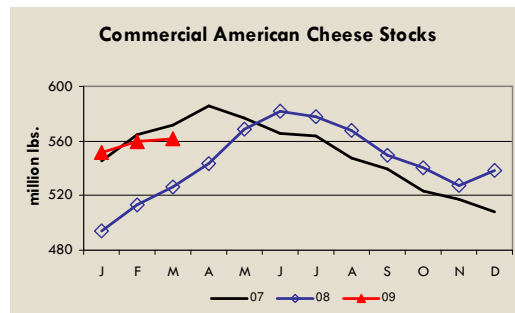
The USDA recorded 561.7 million lbs. of American cheese in storage on the March "Monthly Cold Storage" report released this afternoon. Stocks increased just 1.6 million lbs. from the previous month (after the USDA revised February stocks down 17.3 million lbs.) with current inventory 35.7 million lbs. or 7% higher than a year ago. However, American cheese stocks have been below 2007 levels for the past two months (see chart). Total cheese inventory was 892.5 million lbs., 2% higher than February and 8% higher than a year ago.

Trading was active in the spot cheese market today with 25 loads of blocks trading a penny higher to settle at \$1.18. This is the highest volume of blocks traded in a single day since Feb. 26. Barrels remained steady at \$1.11 with 9 loads traded. Butter activity was nonexistent keeping price at \$1.2025 for the seventh consecutive day.

Grade A nonfat dry milk increased 1¢ to \$0.86 with one load traded and a bid left on the board 2¢ lower. Extra Grade was steady at \$0.85.

Trading was active in milk futures with buying interest pushing contracts up double-digits in all contracts (except front-month April) through May 2010. Futures contracts for the rest of 2009 increased an average of 22¢. July posted the largest increase with a gain of 31¢.

CME Group's new deliverable nonfat dry milk futures and options contract began Monday. For contract specifications and additional information, go to [www.cmegroup.com/nonfat](http://www.cmegroup.com/nonfat) and see the attached sheet. **cme group**



For more information about real-time quotes, visit [www.cmegroup.com/dairyquotes](http://www.cmegroup.com/dairyquotes)

## FUTURES & OPTIONS VOLUME AND OPEN INTEREST

### Futures Volume and Open Interest

	Volume	Open Interest
Class III	593	30,475
[*0 Pit, 593 Electronic]		
Class IV	0	218
NDM	0	948
Dry whey	11	1,422
Butter (cash settle)	76	4,828

### Options Volume and Open Interest

	Volume	Open Interest
Class III	189	45,359
Class III midi	0	192
Dry whey	0	125
Butter (cash settle)	0	85

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

**SPOT PRICES** (with change, in cents, from previous day): Block cheese \$1.1800 (+1.00) • Barrel cheese \$1.1100 (NC) • AA Butter \$1.2025 (NC) • NDM Extra Grade \$0.8500 (NC) • NDM Grade A \$0.8600 (+1.00) **MILK PRICES** (with change, in cents, from previous month): March Class III milk (USDA) \$10.44 (+\$1.13) • March Class IV milk (USDA) \$9.64 (+\$0.19)

## 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. (¢)
APR 09	10.76	NC	25	4488	11.00 @ 0.00	NC	10.75 @ 0.04	-1	18.750	NC	82.450	NC	117.500	NC
MAY	10.38	+10	179	4536	10.50 @ 0.19	NC	10.25 @ 0.19	-8	20.850	+0.350	84.950	NC	122.000	NC
JUN	11.63	+26	118	4484	11.75 @ 0.47	+13	11.50 @ 0.46	-11	23.250	NC	86.000	NC	125.750	NC
JUL	12.95	+31	115	3067	13.00 @ 0.67	+17	12.75 @ 0.59	-12	25.000	+0.250	86.250	NC	127.750	NC
AUG	14.20	+30	80	2902	14.25 @ 0.85	+17	14.00 @ 0.78	-10	27.850	+0.350	88.000	NC	129.750	+0.250
SEP	14.92	+29	41	2674	15.00 @ 0.98	+18	14.75 @ 0.92	-10	28.380	+0.350	92.000	NC	133.250	-0.475
OCT	15.26	+26	2	2463	15.50 @ 1.01	+16	15.25 @ 1.11	-9	29.000	NC	94.500	+0.250	135.500	-0.225
NOV	15.25	+21	15	2274	15.25 @ 1.21	+15	15.25 @ 1.21	-6	29.500	+0.500	95.000	NC	137.000	-0.750
DEC	15.30	+25	2	2294	15.50 @ 1.20	+17	15.25 @ 1.26	-7	29.500	NC	95.000	NC	138.500	-0.250
JAN 10	15.36	+23	4	308	15.50 @ 1.21	+11	15.00 @ 1.09	-10	30.000	+0.250	99.500	NC	139.500	NC
FEB	15.36	+24	2	233	15.50 @ 1.27	+12	14.00 @ 0.71	-9	30.000	+0.250	115.000	NC	140.000	NC
MAR	15.37	+13	5	207	15.50 @ 1.33	+6	14.00 @ 0.76	-4	30.000	+0.250	116.000	NC	150.000	NC

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