

# Daily Dairy Report

Daily market information provided by Alan Levitt

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## USDA awards DEIP bonuses

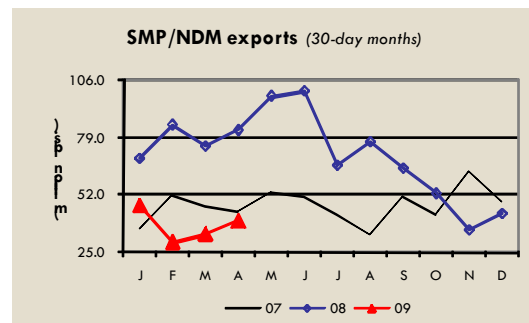
USDA accepted its first DEIP bids, awarding bonuses to DairyAmerica Inc. for exports of 14.4 million lbs. of nonfat dry milk to the Asia/Former Soviet Union region. Average bonus rates were 5.2¢/lb.

U.S. exports of NDM/SMP increased slightly in April for the second straight month, though they remain significantly below year-ago levels. April shipments totaled 39.6 million lbs., down 52% from a year ago, but up 18% from March on a daily-average basis (see chart), according to USDA/FAS data released this morning.

Exports of other products continued along trend-lines established earlier this year. Cheese exports in April were 18.5 million lbs., down 29%. Butterfat exports were 3.5 million lbs., down 83%. Dry whey exports were 37.6 million lbs., up 18%.

The total value of U.S. dairy exports in April was \$173.7 million, down 51% from last April's near-record-high level, USDA says.

USDA boosted its projections of U.S. exports for this year and next. "Commercial exports, primarily on a skim-solids basis, are forecast higher in 2009 and 2010 on tighter global dairy product supplies and a weaker U.S. dollar," the department said in this morning's "World Agricultural Supply & Demand Estimates" report. CCC removals also are increased to reflect DEIP-assisted sales. USDA projects total dairy exports (milk equivalent volume, total-solids basis) to drop 31% in 2009 vs. 2008, but bounce back with a 15% increase in 2010. **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 [*8 Pit, 1033 Electronic]	1,041	27,033
Class IV	0	198
NDM (cash settle)	18	773
NDM (deliverable)	0	2
Dry whey	6	1,406
Butter (cash settle)	53	4,734

### Options Volume and Open Interest

	Volume	Open Interest
Class III	1,113	42,659
Class III midi	1	192
Dry whey	0	193
Butter (cash settle)	0	100
NDM (cash settle)	0	27

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

**SPOT PRICES** (with change, in cents, from previous day): Block cheese \$1.1500 (NC) • Barrel cheese \$1.0975 (NC) • AA Butter \$1.2325 (+0.25) • NDM Extra Grade \$0.8750 (NC) • NDM Grade A \$0.9050 (+0.25) **MILK PRICES** (with change, in cents, from previous month): May Class III milk (USDA) \$9.84 (-\$0.94) • May Class IV milk (USDA) \$10.14 (+\$0.32)

## June 10 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. (¢)		
JUN 09	9.89	-2	193	5200	10.00 @ 0.06	-3	9.75 @ 0.05	-1	26.000	NC	84.500	NC	124.000	NC		
JUL	10.59	-15	339	4229	10.75 @ 0.27	-10	10.50 @ 0.29	+2	27.250	NC	85.500	NC	125.750	-0.500		
AUG	11.56	-15	195	3633	11.75 @ 0.48	-8	11.50 @ 0.54	+6	28.750	NC	88.500	NC	129.000	NC		
SEP	12.73	-19	107	3086	12.75 @ 0.71	NC	12.50 @ 0.61	+8	31.200	NC	92.500	NC	131.000	NC		
OCT	13.47	-7	46	2891	13.50 @ 0.84	-4	13.25 @ 0.74	+3	29.750	NC	95.000	NC	131.500	NC		
NOV	14.03	-6	42	2720	14.25 @ 0.89	-3	14.00 @ 0.97	+2	30.500	NC	95.500	NC	132.000	+0.250		
DEC	14.36	-2	41	2697	14.50 @ 1.02	-2	14.25 @ 1.03	+1	30.750	NC	96.500	NC	134.500	NC		
JAN 10	14.56	-8	24	539	15.00 @ 0.91	-4	14.50 @ 1.07	+4	31.000	-0.500	99.500	NC	138.000	NC		
FEB	14.52	NC	15	428	15.00 @ 0.95	-1	14.50 @ 1.15	NC	31.250	NC	114.000	-1.000	140.000	-1.000		
MAR	14.97	-8	10	408	15.00 @ 1.24	+2	14.50 @ 1.01	+3	31.500	NC	115.000	-1.000	150.000	NC		
APR	15.11	NC	6	271	15.25 @ 1.26	NC	14.50 @ 1.01	-1	30.520	+0.025	117.000	NC	151.000	NC		
MAY	15.20	-7	11	174	15.25 @ 1.38	-4	14.50 @ 1.05	+3	31.500	NC	118.000	NC	153.000	NC		

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