

Daily Dairy Report

Daily market information provided by Alan Levitt

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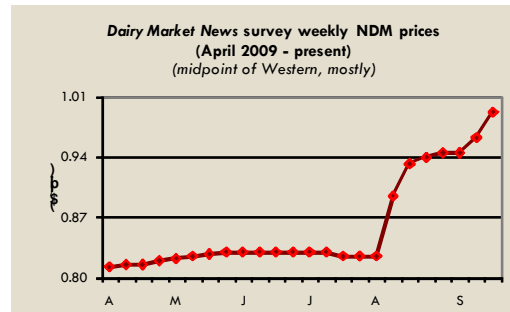
NDM, whey markets firm

Blocks moved closer to the support price – barrels got there yesterday – with a 2.25¢ gain to \$1.3050. Five loads sold at \$1.30 and an unfilled bid pushed the closing price up another half cent. Barrels traded as high as \$1.3150, but settled unchanged. Milk futures were a few cents higher. Spot butter held unchanged, leaving butter futures mostly steady. Spot NDM (Grade A) increased for the fifth time in the last six days, but NDM futures remained unchanged. Whey futures continued to rise.

Western powder is trading for mostly 96.5¢-\$1.02, up 3¢ from last week, according to USDA's *Dairy Market News* (see chart). Lower milk production in the West has put a dent in powder drying volumes. "Buying interest has increased as buyers attempt to secure coverage. Many are not finding the volumes they thought they could get," says *DMN*.

Skim milk powder out of Oceania is trading for \$1.01-\$1.18, up about 18¢ in the last six weeks, *DMN* says. "Stocks of uncommitted powder are low, thus most all current production is clearing to previous commitments," the report adds.

Whey prices are slightly higher this week in the Midwest (mostly 30-31¢) and steady in the West (mostly 31-33¢). "Demand is good for available supplies," says *DMN*. Meanwhile, European dry whey jumped to 35-50¢, the highest price in more than a year. "Lower cheese production is generating less whey for both internal and international buyers," the report says. **cme group**



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FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

Futures Volume and Open Interest

	Volume	Open Interest
Class III [10 Pit, 719 Electronic]	729	23,858
Class IV	0	56
NDM (cash settle)	0	513
NDM (deliverable)	0	2
Dry whey	19	1,655
Butter (cash settle)	35	3,885

Options Volume and Open Interest

	Volume	Open Interest
Class III	433	41,348
Class III midi	0	231
Dry whey	0	475
Butter (cash settle)	0	72
NDM (cash settle)	0	29

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

SPOT PRICES (with change, in cents, from previous day): Block cheese \$1.3050 (+2.25) • Barrel cheese \$1.2800 (NC) • AA Butter \$1.2400 (NC) • NDM Extra Grade \$1.0000 (NC) • NDM Grade A \$1.0250 (+0.50) **MILK PRICES** (with change, in dollars, from previous month): August Class III milk (USDA) \$11.20 (+\$1.23) • August Class IV milk (USDA) \$10.38 (+\$0.23)

September 17 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. (¢)
SEP 09	12.05	NC	122	3696	12.25 @ 0.00	NC	12.00 @ 0.02	NC	30.000	NC	95.000	NC	118.000	NC
OCT	12.16	+5	138	3866	12.25 @ 0.21	+2	12.00 @ 0.18	-2	31.500	+0.500	98.000	NC	125.000	+0.250
NOV	13.02	+5	101	3813	13.25 @ 0.34	+2	13.00 @ 0.43	-3	32.250	NC	101.000	NC	126.500	NC
DEC	13.70	+3	137	3824	13.75 @ 0.56	-2	13.50 @ 0.49	-1	33.000	+0.750	102.000	NC	130.500	NC
JAN 10	13.81	+5	47	1608	14.00 @ 0.60	+3	13.75 @ 0.65	-3	32.020	+0.025	103.750	NC	133.000	NC
FEB	14.06	+9	42	1133	14.25 @ 0.67	+4	14.00 @ 0.73	-4	30.500	NC	102.000	NC	133.500	NC
MAR	14.10	+2	40	1162	14.25 @ 0.75	NC	14.00 @ 0.77	-1	30.000	+0.250	102.000	NC	134.000	NC
APR	14.43	NC	28	883	14.50 @ 0.87	NC	14.25 @ 0.81	NC	31.250	+0.250	103.000	NC	134.500	NC
MAY	14.45	+3	29	753	14.50 @ 0.94	+1	14.25 @ 0.86	-2	31.270	+0.025	103.000	NC	135.250	NC
JUN	14.64	NC	21	664	14.75 @ 0.98	NC	14.50 @ 0.96	NC	30.750	NC	104.000	NC	139.000	NC
JUL	15.02	NC	3	499	15.25 @ 1.00	NC	15.00 @ 1.09	-1	29.500	+0.500	110.000	NC	142.250	NC
AUG	15.34	+1	7	484	15.50 @ 1.12	+1	15.25 @ 1.14	-1	31.000	NC	112.000	NC	146.250	NC

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