

# Daily Dairy Report

Daily market information provided by Alan Levitt

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## Cheese imports +3% this year; MPC -11%

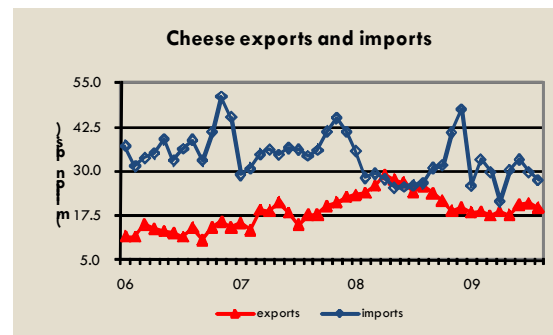
Milk futures dropped back today as the cheese market ran into some price resistance. Blocks were offered (and traded) at \$1.4975 but climbed back to \$1.5075 by the end of the session. There was no activity on barrels or on powder. Butter was unchanged on a single unfilled bid.

U.S. cheese exports have now settled into a range of 17-21 million lbs. per month since the global economy crashed last fall. Cheese imports, on the other hand, have fluctuated (see chart). In August, imports were 27.5 million lbs., up 3.3% from a year ago. Year-to-date cheese imports were 231.4 million lbs., up 3.1%, according to the latest USDA/FAS data.

MPC imports in August were 11.3 million lbs., up 3.9% from last year and the most since February. Year-to-date MPC imports were 78.9 million lbs., down 10.7% from last year's level.

Casein imports are down significantly this year: for the first eight months of the year, imports were 111.1 million lbs., a drop-off of 35.6%.

Butterfat imports, on the other hand, are appreciably higher. In the January-August period, imports were 21.7 million lbs., up from just 5.8 million lbs. in the same period last year. Meanwhile, butterfat exports year-to-date were 25.2 million lbs., down from 154.1 million lbs. in January-August 2008. **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 [5 Pit, 1367 Electronic]	1,372	23,411
Class IV	0	52
NDM (cash settle)	0	406
Dry whey	16	1,575
Butter (cash settle)	12	3,211

### Options Volume and Open Interest

	Volume	Open Interest
Class III	1,177	39,653
Class III midi	2	214
Dry whey	0	519
Butter (cash settle)	0	151
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 \$1.5075 (+0.25) • Barrel cheese \$1.4575 (NC) • AA Butter \$1.2425 (NC) • NDM Extra Grade \$1.2200 (NC) • NDM Grade A \$1.2900 (NC) **MILK PRICES** (with change, in dollars, from previous month): September Class III milk (USDA) \$12.11 (+\$0.91) • Sept. Class IV milk (USDA) \$11.15 (+\$0.77)

## October 13 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. (¢)
OCT 09	12.75	NC	42 3719	12.75 @ 0.05	-3	12.75 @ 0.05	-3	32.000	NC	105.600	NC	123.500	NC
NOV	14.38	-25	397 4131	14.50 @ 0.27	-19	14.25 @ 0.26	+1	36.000	NC	106.000	NC	127.750	-0.250
DEC	14.60	-19	279 4595	14.75 @ 0.47	-13	14.50 @ 0.49	+5	37.000	NC	110.600	NC	133.500	+1.250
JAN 10	14.62	-17	157 2105	14.75 @ 0.63	-9	14.50 @ 0.62	+7	37.500	NC	117.000	NC	137.000	+0.500
FEB	14.55	-14	79 1424	14.75 @ 0.67	-7	14.50 @ 0.73	+6	37.000	NC	117.000	NC	137.000	NC
MAR	14.85	-9	66 1340	15.00 @ 0.78	-5	14.75 @ 0.80	+4	36.500	NC	117.000	NC	139.750	+0.250
APR	14.78	-6	40 1029	15.00 @ 0.81	-3	14.75 @ 0.89	+2	37.500	NC	117.000	NC	140.750	+1.250
MAY	14.90	-3	40 950	15.00 @ 0.95	-1	14.75 @ 0.91	+1	37.400	-0.100	117.000	NC	142.000	+2.500
JUN	14.99	-3	29 824	15.00 @ 1.05	-2	14.75 @ 0.93	+1	36.000	NC	117.000	NC	143.000	+1.500
JUL	15.13	NC	35 677	15.25 @ 1.07	NC	15.00 @ 1.05	NC	35.000	NC	115.000	NC	144.000	+1.750
AUG	15.37	-1	39 626	15.50 @ 1.15	NC	15.25 @ 1.14	NC	35.500	-0.500	114.000	NC	146.250	NC
SEP	15.45	-3	36 561	15.50 @ 1.24	-2	15.25 @ 1.16	+2	35.500	NC	114.000	NC	151.000	NC

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