

Daily Dairy Report

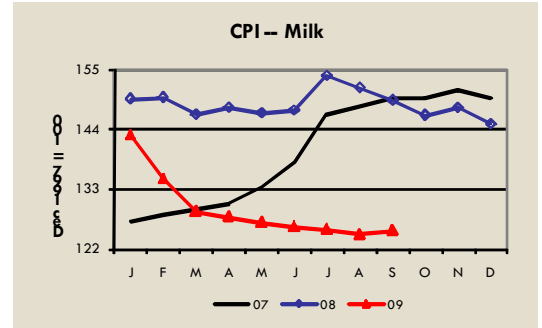
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Blocks fall for first time since Sept. 4

Sellers brought more cheese to the Exchange today, pressuring blocks down 4.75¢ to \$1.46, the first decline in six weeks. Barrels, butter and NDM held unchanged. Milk futures declined in the front months but continued to rise in the rest of the board.

NDM prices “increased sharply” this week, according to USDA’s *Dairy Market News*. Western powder is trading for mostly \$1.09-\$1.22, *DMN* says, as supply remains scarce due to cutbacks in production.

Retail milk prices ticked higher in September after falling for nine straight months. The Milk CPI was 125.4, up from 124.7 in August, according to the Bureau of Labor Statistics (see chart). The Cheese CPI was 199.4, up from 197.9 in August, and the first increase since August 2008. The Butter CPI was 165.8, down from 166.8 in the prior month. All prices are below year-ago levels.



Notice: CME Group will expand electronic trading hours for dairy by opening the trading week on Sunday evening. Beginning Nov. 15, trading of all electronic contracts will start at 5pm and will remain open through Friday at 1:55pm, with daily trading halts from 4pm-5pm. Currently, electronic trading opens the week at 9:05am on Monday. See attached release for more information. **cme group**

For more information about real-time quotes, visit www.cmegroup.com/dairyquotes

FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

Futures Volume and Open Interest

	Volume	Open Interest
Class III [21 Pit, 1093 Electronic]	1,114	23,695
Class IV	0	52
NDM (cash settle)	0	406
Dry whey	24	1,589
Butter (cash settle)	11	3,205

Options Volume and Open Interest

	Volume	Open Interest
Class III	476	40,315
Class III midi	2	221
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 \$1.4600 (-4.75) • Barrel cheese \$1.4575 (NC) • AA Butter \$1.2425 (NC) • NDM Extra Grade \$1.2600 (NC) • NDM Grade A \$1.3150 (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 15 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. (¢)		
OCT 09	12.71	-5	30	3638	12.75 @ 0.03	-3	12.50 @ 0.00	NC	32.000	NC	105.600	NC	123.250	NC		
NOV	14.16	-25	209	4074	14.25 @ 0.27	-14	14.00 @ 0.24	+9	35.000	-0.500	110.000	+4.000	128.000	NC		
DEC	14.47	-14	136	4580	14.50 @ 0.50	-9	14.25 @ 0.41	+4	36.750	-0.250	115.600	+2.500	133.250	NC		
JAN 10	14.52	-16	143	2176	14.75 @ 0.52	-13	14.50 @ 0.62	+3	37.000	-0.500	117.000	NC	137.000	NC		
FEB	14.57	-12	163	1493	14.75 @ 0.62	-12	14.50 @ 0.67	NC	35.000	-0.750	117.000	NC	138.000	+0.500		
MAR	14.84	+2	81	1354	15.00 @ 0.71	-5	14.75 @ 0.74	-7	36.000	NC	117.000	NC	139.750	NC		
APR	14.86	+6	49	1069	15.00 @ 0.78	-4	14.75 @ 0.79	-9	37.250	NC	117.000	NC	140.750	NC		
MAY	14.93	+2	32	990	15.00 @ 0.89	-11	14.75 @ 0.83	-8	36.750	NC	117.000	NC	142.000	NC		
JUN	14.99	+3	21	845	15.00 @ 0.97	-6	14.75 @ 0.85	-9	35.250	NC	117.000	NC	143.000	NC		
JUL	15.20	+4	38	703	15.25 @ 1.02	-6	15.00 @ 0.94	-10	35.000	NC	115.000	NC	144.000	NC		
AUG	15.38	+4	44	671	15.50 @ 1.06	-7	15.25 @ 1.05	-10	35.500	NC	114.000	NC	146.250	NC		
SEP	15.45	+5	45	604	15.50 @ 1.14	-7	15.25 @ 1.06	-12	35.500	NC	114.000	NC	151.000	NC		

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