

Daily Dairy Report

Vol. 14, No. 33 / February 19, 2010

January milk production: -0.6%

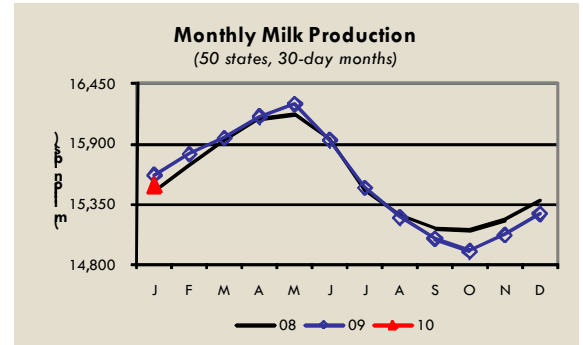
Total U.S. milk production in January was 16.04 billion lbs., down 0.6% from prior year, according to USDA's "Milk Production" report released this afternoon. It marked the sixth straight month that production trailed year-ago levels.

Significantly, the U.S. dairy herd expanded by 3,000 head in January after declining every month in 2009. Washington added 3,000 head and Arizona and Pennsylvania each added 2,000. Meanwhile, dairymen coaxed 57.0 lbs. per day out of their cows last month, up 1.1 lbs. (+1.9%) vs. the prior year.

Among leading states, production in January was down 2.4% in California, up 4.7% in Wisconsin, down 1.3% in New York and up 1.5% in Idaho compared with a year ago, USDA says.

The Class I base price for March is \$14.34, down 50¢ from February.

NASS dairy product prices for the week ending Feb. 13: cheddar blocks \$1.5024 (+2.73¢ vs. the prior week); barrels \$1.5098 (-1.60¢); butter \$1.3503 (-4.19¢); nonfat dry milk \$1.1417 (-0.31¢); dry whey 39.60¢ (+0.60¢). **cme group**



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FUTURES & OPTIONS VOLUME AND OPEN INTEREST

Futures Volume and Open Interest

	Volume	Open Interest
Class III [18 Pit, 684 Electronic]	702	28,429
Class IV	0	215
NDM (cash settle)	4	788
NDM (deliverable)	0	1
Dry whey	47	2,202
Butter (cash settle)	20	3,289

Options Volume and Open Interest

	Volume	Open Interest
Class III	649	51,757
Class III midi	4	388
Dry whey	0	620
Butter (cash settle)	0	93

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

SPOT PRICES (with change, in cents, from previous day): Block cheese \$1.4125 (-1.50) • Barrel cheese \$1.3775 (-1.00) • AA Butter \$1.3600 (-2.00) • NDM Extra Grade \$1.2400 (NC) • NDM Grade A \$1.1200 (NC) **MILK PRICES** (with change, in dollars, from previous month): January Class III milk (USDA) \$14.50 (-\$0.48) • January Class IV milk (USDA) \$13.85 (-\$1.16)

February 19 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. (¢)
FEB 10	14.20	+2	14 3572	14.25 @ 0.01	NC	14.00 @ 0.00	NC	39.000	+0.750	108.500	NC	134.500	+0.250
MAR	13.37	+1	116 3609	13.50 @ 0.14	-2	13.25 @ 0.14	-3	35.000	+0.500	106.500	NC	142.500	+1.000
APR	13.04	-15	177 3620	13.25 @ 0.31	-3	13.00 @ 0.40	+12	30.000	NC	106.000	NC	144.250	NC
MAY	13.17	-7	123 3089	13.25 @ 0.41	-4	13.00 @ 0.37	+3	28.000	+0.250	105.500	NC	147.000	NC
JUN	13.50	-5	59 2701	13.50 @ 0.65	+4	13.50 @ 0.65	+9	27.950	+0.450	110.500	-0.500	149.500	NC
JUL	14.15	-3	49 2151	14.25 @ 0.66	+5	14.00 @ 0.63	+8	27.500	+0.500	114.000	-1.500	154.930	+1.425
AUG	14.80	-5	31 2041	15.00 @ 0.73	+2	14.75 @ 0.79	+6	28.500	-0.500	117.750	NC	155.000	+1.000
SEP	15.15	-10	27 2028	15.25 @ 0.85	+4	15.00 @ 0.82	+14	32.100	NC	119.000	NC	155.100	+0.100
OCT	15.25	-10	31 1858	15.25 @ 0.87	NC	15.25 @ 0.87	+10	32.000	NC	120.000	NC	157.000	NC
NOV	15.00	-10	40 1826	15.00 @ 0.90	NC	15.00 @ 0.90	+10	32.350	NC	117.000	NC	158.000	NC
DEC	15.02	-8	29 1745	15.25 @ 0.83	+1	15.00 @ 0.93	+9	31.500	NC	117.000	NC	159.000	+0.500
JAN11	15.00	-9	4 82	15.50 @ 0.83	-5	14.50 @ 0.80	+3	29.750	NC	111.000	NC	159.000	NC

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