

Daily Dairy Report

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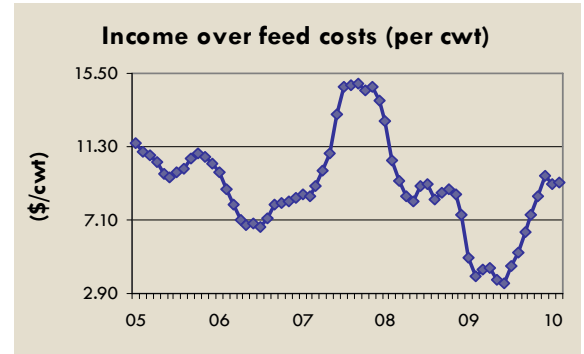
Income over feed costs relatively stable

For the week, block cheese price fell 7.25¢ with 31 loads traded. Barrels fell 8.75¢ with 16 loads traded while butter increased 4.50¢ with 13 loads changing hands.

January milk and feed prices were revised substantially decreasing profitability. The January All-Milk price was revised 40¢ lower, corn price was revised 21¢ higher, and soybean price 30¢ higher. The February income over feed costs (the All-Milk price minus the cost of feed) is \$9.22, a slight increase over January (*see chart*). Corn price dropped 21¢/bushel to \$3.45, soybeans dropped 39¢/bushel to \$9.40, and alfalfa hay fell \$2/ton to \$107 according to USDA's "Ag Prices" report released today.

USDA indicated dairy farmers sent 232,000 cows to slaughter in January on their monthly "Livestock Slaughter" report. This is up 1,000 head from December, but 49,000 head less than a year ago.

NASS dairy product prices for the week ending Feb. 20: cheddar blocks \$1.5059 (+0.35¢ vs. the prior week); barrels \$1.5005 (-0.93¢); butter \$1.3407 (-0.96¢); nonfat dry milk \$1.0697 (-7.20¢); dry whey 39.46¢ (-0.14¢). **cme group**



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FUTURES & OPTIONS VOLUME AND OPEN INTEREST →

Futures Volume and Open Interest

	Volume	Open Interest
Class III [0 Pit, 1047 Electronic]	1047	29,882
Class IV	0	215
NDM (cash settle)	79	877
NDM (deliverable)	0	1
Dry whey	19	2,234
Butter (cash settle)	50	3,441

Options Volume and Open Interest

	Volume	Open Interest
Class III	1161	54,416
Class III midi	6	404
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 \$1.3400 (-0.50) • Barrel cheese \$1.2900 (-0.75) • AA Butter \$1.4050 (NC) • 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 26 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. (¢)	
FEB 10	14.28	+6	27	3570	14.50 @ 0.00	NC	14.25 @ 0.01	-3	39.000	NC	108.500	NC	135.250	+0.750	
MAR	13.05	+5	344	3647	13.25 @ 0.07	NC	13.00 @ 0.12	-4	35.000	-1.000	106.500	-0.250	143.250	-0.250	
APR	12.90	+1	244	4077	13.00 @ 0.26	NC	12.75 @ 0.24	-1	32.000	+1.500	106.030	-0.730	146.000	-0.025	
MAY	13.16	+7	101	3405	13.25 @ 0.42	+3	13.00 @ 0.38	-4	28.500	+1.225	108.000	NC	149.000	NC	
JUN	13.60	+8	68	2856	13.75 @ 0.53	+2	13.50 @ 0.55	-4	29.480	+0.950	110.500	NC	150.500	NC	
JUL	14.09	+5	40	2254	14.25 @ 0.62	+2	14.00 @ 0.66	-1	28.750	+1.000	112.750	NC	155.000	NC	
AUG	14.65	NC	48	2142	14.75 @ 0.80	+5	14.50 @ 0.80	+8	28.500	+0.500	117.000	+1.000	155.000	NC	
SEP	14.84	NC	17	2059	15.00 @ 0.79	NC	14.75 @ 0.82	NC	31.000	NC	117.500	NC	157.030	NC	
OCT	14.90	NC	48	1934	15.00 @ 0.79	NC	14.75 @ 0.76	NC	29.250	+0.250	118.000	-2.000	159.000	NC	
NOV	14.80	NC	50	1893	15.00 @ 0.78	NC	14.75 @ 0.85	NC	32.250	+0.025	118.500	NC	161.000	NC	
DEC	14.75	+1	59	1838	15.00 @ 0.80	NC	14.75 @ 0.91	-1	31.500	NC	117.000	NC	159.720	NC	
JAN11	14.70	NC	1	89	15.50 @ 0.69	NC	14.50 @ 0.91	NC	28.000	NC	111.000	NC	159.000	NC	

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