

Daily Dairy Report

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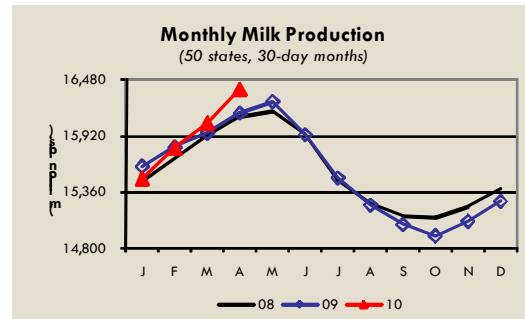
April 50-state milk production: +1.5%

Total U.S. milk production in April was estimated at an all-time-high 16.385 billion lbs., up 1.5% from a year ago, according to USDA's "Milk Production" report released this afternoon (*see chart*). This figure is considerably higher than trade estimates. In the first quarter of the year, U.S. milk production was down 0.1% vs. a year ago, USDA says.

Cow numbers in the 50-states increased 3,000 head from March, to 9.096 million head. For the first time, production-per-cow nationwide topped 60.0 lbs. per day. This rate was 2.0 lbs. more (+3.5%) from last year.

Production was up fractionally in California, the first gain in 17 months. Meanwhile, output was up 6.2% in Wisconsin. Among other key states, production in April was up in Idaho (+3.3%), New York (+1.7%), Pennsylvania (+2.8%), Minnesota (+3.3%) and Michigan (+5.1%). It was down in Texas (-2.2%) and New Mexico (-1.7%).

Prior to the report's release, blocks and barrels were bid a penny higher, the seventh straight day of gains. However, milk futures continued to fall. Spot butter traded 0.75¢ lower, sending butter futures down in the front months. NDM futures also were off today and whey futures were mixed. **cme group**



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FUTURES & OPTIONS VOLUME AND OPEN INTEREST

Futures Volume and Open Interest

	Volume	Open Interest
Class III [24 Pit, 982 Electronic]	1,006	28,861
Class IV	0	264
NDM (cash settle)	0	804
Dry whey	60	1,784
Butter (cash settle)	104	4,173

Options Volume and Open Interest

	Volume	Open Interest
Class III	669	44,222
Class III midi	5	522
Dry whey	0	365
Butter (cash settle)	0	55

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

SPOT PRICES (with change, in cents, from previous day): Block cheese \$1.4750 (+1.00) • Barrel cheese \$1.4300 (+1.00) • AA Butter \$1.5825 (-0.75) • NDM Extra Grade \$1.3000 (NC) • NDM Grade A \$1.3350 (NC) **MILK PRICES** (with change, in dollars, from previous month): April Class III milk (USDA) \$12.92 (+\$0.14) • April Class IV milk (USDA) \$12.73 (+\$0.81)

May 18 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. (¢)
MAY10	13.32	-5	107	4691	13.50 @ 0.00	-1	13.25 @ 0.02	+1	35.500	NC	122.250	NC	158.030	NC
JUN	13.52	-23	193	4613	13.75 @ 0.17	-10	13.50 @ 0.25	+9	35.000	NC	127.000	NC	160.000	-2.000
JUL	14.00	-31	266	3998	14.00 @ 0.47	-18	14.00 @ 0.47	+13	33.000	-0.500	127.750	-0.250	162.000	-1.000
AUG	14.65	-26	124	3402	14.75 @ 0.62	-14	14.50 @ 0.59	+10	33.000	-0.500	126.500	-2.000	164.000	-2.000
SEP	14.85	-20	103	3197	15.00 @ 0.69	-10	14.75 @ 0.71	+9	33.000	+1.000	127.000	-1.000	166.000	NC
OCT	14.85	-19	63	2978	15.00 @ 0.74	-10	14.75 @ 0.76	+8	33.000	+1.000	126.000	-0.750	166.000	NC
NOV	14.75	-15	72	2875	14.75 @ 0.80	-8	14.75 @ 0.80	+7	34.000	NC	125.000	-1.000	167.000	NC
DEC	14.71	-14	41	2638	14.75 @ 0.83	-8	14.50 @ 0.74	+5	34.000	NC	125.000	+0.250	169.000	-0.500
JAN11	14.63	-16	12	171	15.00 @ 0.72	-8	14.50 @ 0.82	+7	31.500	NC	125.000	NC	164.000	NC
FEB	14.80	NC	5	95	15.00 @ 0.85	NC	14.50 @ 0.79	NC	30.770	NC	125.000	NC	160.000	NC
MAR	14.80	NC	4	61	15.00 @ 0.89	-1	14.50 @ 0.83	NC	28.600	+0.100	125.000	NC	162.000	NC
APR	14.75	NC	1	46	15.00 @ 0.91	NC	14.00 @ 0.67	NC	27.500	NC	117.000	NC	154.000	NC

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