

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

**Registered Entity Identifier Code (optional):** 16-330

**Organization:** Chicago Mercantile Exchange Inc. ("CME")

**Filing as a:**  **DCM**  **SEF**  **DCO**  **SDR**

**Please note - only ONE choice allowed.**

**Filing Date (mm/dd/yy):** September 15, 2016 **Filing Description:** Increasing Spot Month Position Limits of the Nonfat Dry Milk and Dry Whey Futures and Options Contracts

**SPECIFY FILING TYPE**

**Please note only ONE choice allowed per Submission.**

**Organization Rules and Rule Amendments**

- |                          |                                     |            |
|--------------------------|-------------------------------------|------------|
| <input type="checkbox"/> | Certification                       | § 40.6(a)  |
| <input type="checkbox"/> | Approval                            | § 40.5(a)  |
| <input type="checkbox"/> | Notification                        | § 40.6(d)  |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change         | § 40.10(h) |

**Rule Numbers:**

**New Product**

**Please note only ONE product per Submission.**

- |                          |                                       |            |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification                         | § 40.2(a)  |
| <input type="checkbox"/> | Certification Security Futures        | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class              | § 40.2(d)  |
| <input type="checkbox"/> | Approval                              | § 40.3(a)  |
| <input type="checkbox"/> | Approval Security Futures             | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission                       | § 39.5     |

**Official Product Name:**

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- |                                     |   |                      |
|-------------------------------------|---|----------------------|
| <input checked="" type="checkbox"/> | Certification   | § 40.6(a)            |
| <input type="checkbox"/>            | Certification Made Available to Trade Determination     | § 40.6(a)            |
| <input type="checkbox"/>            | Certification Security Futures                          | § 41.24(a)           |
| <input type="checkbox"/>            | Delisting (No Open Interest)                            | § 40.6(a)            |
| <input type="checkbox"/>            | Approval  | § 40.5(a)            |
| <input type="checkbox"/>            | Approval Made Available to Trade Determination          | § 40.5(a)            |
| <input type="checkbox"/>            | Approval Security Futures                               | § 41.24(c)           |
| <input type="checkbox"/>            | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/>            | “Non-Material Agricultural Rule Change”                 | § 40.4(b)(5)         |
| <input type="checkbox"/>            | Notification  | § 40.6(d)            |

**Official Name(s) of Product(s) Affected:** See filing.

**Rule Numbers:** See filing.

September 15, 2016

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Increasing Spot Month Position Limits of the Nonfat Dry Milk and Dry Whey Futures and Options Contracts.  
CME Submission No. 16-330**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying amendments to CME Rulebook Chapter 5 Position Limits, Position Accountability and Reportable Level Table to increase the spot month speculative position limits for the Nonfat Dry Milk Futures & Options (Rule Chapters 54, 54A Commodity Code NF) and Dry Whey Futures & Options (Rule Chapters 57, 57A Commodity Code DY) contracts (the "Contracts"), effective on trade date Friday, September 30, 2016 and commencing with the November 2016 contract month and beyond.

The Exchange is amending the spot month limits to one thousand (1,000) contract equivalents for Nonfat Dry Milk Futures and Options contracts and three hundred (300) contract equivalents for Dry Whey Futures and Options contracts. Additionally, the Exchange is amending the effective period of the spot month position limits of the Contracts such that the spot month limits are effective at the close of trading on the business day immediately preceding the first trading day of the contract month. Please see Appendix A, which is attached under separate cover.

The Exchange reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or "Act") and identified that the following Core Principles may be impacted by this initiative as follows:

- **Contracts Not Readily Subject to Manipulation:** These Contracts are not readily subject to manipulation as a result of the deep liquidity and robustness of the underlying futures market and settlement index.
- **Position Limitations or Accountability:** The speculative position limits for the Contracts as demonstrated in this submission are consistent with the Commission's guidance.
- **Availability of General Information:** The Exchange will make publicly available the details of the spot month position limit increases by publishing a Market Surveillance Notice ("MSN") to the market. The MSN will be available on CME Group's website

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to this proposal by market participants.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at 212-299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A – Amendments to CME Chapter 5 – Position Limits, Position Accountability and Reportable Level Table (under separate cover)  
Appendix B – Cash Market Overview and Analysis of Deliverable Supply

## **Appendix A**

### **Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the CME Rulebook**

(Attached under separate cover)

## **Appendix B**

### **Cash Market Overview and Analysis of Deliverable Supply**

Exchange staff conducted a review of the underlying cash markets and deliverable supply of NFDM and Dry Whey. Based on the analysis presented herein, the Exchange determined to increase the spot month limits for its Nonfat Dry Milk Futures (Rule Chapter 54, Commodity Code GNF) and Dry Whey Futures (Rule Chapter 57, Commodity Code DY).

#### **Data Sources**

The Exchange based its analysis of deliverable supply of NFDM and Dry Whey on data provided by United States Department of Agriculture (USDA) ERS and AMS Divisions.

<http://www.ers.usda.gov/data-products/dairy-data.aspx>

<https://www.ams.usda.gov/mnreports/dywdairyproductssales.pdf>.

The data compiled by ERS reports the month production, beginning stocks, disappearance and ending stocks for all dairy products including, NFDM and Dry Whey. The AMS data, which is reported in the National Dairy Products Sales Report (NDPSR), also provides weekly data on quantities sold and price of arm's length transactions.

The AMS data is collected under mandatory price reporting legislation and is a weekly census of manufacturers. From the Statistical Methodology section of NDPSR, we know that the data comes from the same 33 plants reporting NFDM and 20 plants reporting Dry Whey each week.

In addition, the data is subject to verification and reporting and recordkeeping requirements under Public Law 106-532, and there are penalties for noncompliance. From the Code of Federal Regulations, Title 7, Part 1170 – Dairy Product Mandatory Reporting:

#### **§ 1170.11 Records.**

Each person required to report information to the Secretary shall maintain, and make available to the Secretary, on request, original contracts, agreements, receipts, and other records associated with the sale or storage of any dairy products during the 2-year period beginning on the date of the creation of the records.

USDA-AMS verification and enforcement procedures are described below:

#### **§ 1170.13 Verification of reports.**

For the purpose of assuring compliance and verification, records and reports required to be filed by manufacturers or other persons pursuant to section 273(b)(1)(A)(i) of the Act, the Agricultural Marketing Service, through its duly authorized agents, shall have access to any premises where applicable records are maintained, where dairy products are produced or stored, and at any time during reasonable business hours shall be permitted to inspect such manufacturer or person, and any original contracts, agreements, receipts, and other records associated with the sale of any dairy products.

#### **§ 1170.14 Noncompliance procedures.**

(a) When the Secretary becomes aware that a manufacturer or person may have willfully delayed reporting of, or failed or refused to provide, accurate information pursuant to section 273(b)(1)(A)(i) of the Act, the Secretary may issue a cease and desist order.

- (b) Prior to the issuance of a cease and desist order, the Secretary shall provide notice and an opportunity for an informal hearing regarding the matter to the manufacturer or person involved.
- (c) The notice shall contain the following information:
- (1) That the issuance of a cease and desist order is being considered;
  - (2) That the reasons for the proposed cease and desist order in terms sufficient to put the person on notice of the conduct or lack thereof upon which the notice is based;
  - (3) That within 30 days after receipt of the notice, the manufacturer or person may submit, in person, in writing, or through a representative, information and argument in opposition to the proposed cease and desist order; and
  - (4) That if no response to the notice is received within the 30 days after receipt of the notice, that a cease and desist order may be issued immediately.
- (d) If a manufacturer or person requests a hearing, the hearing should be held at a location and time that is convenient to the parties concerned, if possible. The hearing will be held before the Deputy Administrator, Dairy Programs, Agricultural Marketing Service, or a designee. The manufacturer or person may be represented. Witnesses may be called by either party.
- (e) The Deputy Administrator, Dairy Programs, Agricultural Marketing Service, or a designee will make a decision on the basis of all the information in the administrative record, including any submission made by the manufacturer or person. The decision of whether a cease and desist order should be issued shall be made within 30 days after receipt of any information and argument submitted by the manufacturer or person. The cease and desist order shall be final unless the affected manufacturer or person requests a reconsideration of the order to the Administrator, Agricultural Marketing Service, within 30 days after the date of the issuance of the order.

**§ 1170.15 Appeals.**

If the cease and desist order is confirmed by the Administrator, Agricultural Marketing Service, the manufacturer or person may appeal the order in the appropriate United States District Court not later than 30 days after the date of the confirmation of the order.

**§ 1170.16 Enforcement.**

- (a) If a person subject to the Dairy Product Mandatory Reporting program fails to obey a cease and desist order after the order has become final and unappealable, or after the appropriate United States district court has entered a final judgment in favor of the Administrator, Agricultural Marketing Service, the United States may apply to the appropriate United States district court for enforcement of the order.
- (b) If the court determines that the cease and desist order was lawfully made and duly served and that the manufacturer or person violated the order, the court shall enforce the order.
- (c) If the court finds that the manufacturer or person violated the cease and desist order, the manufacturer or person shall be subject to a civil penalty of not more than the amount specified at § 3.91(b)(1)(liv) of this title for each offense.

[73 FR 34181, June 17, 2008, as amended at 75 FR 17561, Apr. 7, 2010]

In addition to these active efforts by USDA-AMS to prevent manipulation and distortion, the use of a volume-weighted average of weekly prices for a calendar month provides a passive, structural deterrent that limits the impact of any individual's action on the final settlement price. Furthermore, each individual or entity's contribution to the final settlement price is proportional to the number of pounds of NFDm or dry whey reported by that individual or entity.

The USDA-AMS collects price and volume data on a weekly basis from manufacturers that produce 1 million pounds or more of product to establish the U.S. NFDm and dry whey prices used in setting minimum class prices under the Federal milk order program. Each response, under law, is confidential and mandatory. Individual surveys are subject to verification for accuracy. Only the U.S. Secretary of Agriculture or the U.S. Attorney General has access to the reports for enforcement purposes to ensure compliance with the Dairy Product Mandatory Reporting program.

Each survey guides manufacturers on what sales to include and exclude, and product and packaging type. There are also reporting requirements for plants with a long-term contracts based on the following: 1) If the manufacturer contracts to sell dairy products at a price that varies with market supply and demand conditions, and 2) if that price changes at least every thirty (30) days reflecting current conditions, then the transactions must be reported. If a plant is not tied to those terms, then no information is reported. The survey also requires the reporting facility to list the plant location the product is sold from, pounds of product, and total dollars or dollars per pound. The person reporting must also sign and include a contact number for further verification.

Since these reported prices are being used for dual purposes, the Federal milk order system and the cash-settlement mechanism for the dairy futures, these dairy markets are actively being monitored at two levels. Federal level monitoring is conducted to ensure the prices are accurate so that dairy farmers are paid a fair price for their milk and Exchange level monitoring is conducted to ensure that futures and cash markets converge and that contract expirations are orderly.

Final dairy prices are reported monthly and those prices can be made up of either a four (4) or five (5) week average. Someone trying to influence the price at either the Federal or Exchange level would have to keep reporting either a higher or lower price for four (4) or five (5) weeks continuously. Accounting for the number of entities reporting, one influencer should not be able to maintain the ability to keep prices at a level that would go undetected by the USDA, since they are reviewing and verifying all reporting facilities' prices and quantities. There are also penalties that could be imposed on any manufacturer by the Government in addition to the Exchange market participants, and these deterrents should be sufficient to prevent market manipulation.

The structure of the USDA Survey removes the ability of individual entities to influence the final settlement price of a futures contract as noted above. Each facility reports their sales and prices independently for the week. If a facility reported sales and prices different than the others in the survey, such reported data would be investigated by the USDA and the NDPSR data would be revised in the following week's publication if needed. The markets have sufficient liquidity and the USDA as a price reporting agency has the tools and regulations to detect potential manipulation in reporting of prices. Pricing and quantity errors do occur in the reporting of the weekly survey. Errors are corrected in the following weeks publication of the NDPSR, with a notation next to the corresponding week in which the reporting error occurred.

## **Cash Market Overview**

### **Nonfat DRY MILK**

NFDM & SMP production totaled 2,266 billion pounds in 2015, 2,308 billion pounds in 2014 and 2,109 billion pounds in 2013. Since, the industry accepts that SMP can be used as a substitute for NFDM when supply and demand conditions warrant, we are including SMP in our analysis of deliverable supply for NFDM. The top producing states are California, Pennsylvania, Washington and Michigan. As NFDM is manufactured from fluid milk, it is dependent on fluid milk production which is heaviest in the spring and declines through the fall. NFDM acts to absorb an excess of fluid milk production that cannot be stored. While NFDM production does vary from month to month, ample supplies are produced each month to satisfy demand.

Demand for NFDM encompasses infant formula, baking and confectionery uses. It has also become a highly popular export product due to its nutritional content and long storage life. Food manufacturers are also using NFDM in the production of cheese, frozen desserts and drink mixes.

The manufacturing of NFDM essentially results in a dehydrated form of fluid milk. NFDM is manufactured by taking whole fluid milk, removing the butterfat, allowing for evaporation and then putting the milk into a dryer which leaves 3-5% of the moisture. One hundred pounds of fluid milk produces about 8.6 pounds of NFDM. A low heat process is used for dry milk that will be recombined with water while a high heat process is used for dry milk used in bakery products. Industry sources estimate that at least 80% of dry milk is produced via the low heat method.

The manufacturing process for NFDM starts with raw milk arriving at the plant. The milk is not altered in any way, which is why the protein level of NFDM can vary between thirty (30) and thirty-four (34) percent. However, there are two processes in which SMP can be manufactured. First, by using the same method as NFDM, but removing the protein during the drying process to bring it down to a fixed thirty-two (32) percent. In the second method, at the beginning of the drying process all the protein is removed and then injected back in to reach a fixed level of thirty-two (32) percent.

There are two commercial grades of NFDM that meet our contract specifications, both low and high heat dry milk used for human consumption. Extra Grade, may be made from manufacturing grade (Grade B) milk or Grade A milk and must meet USDA standards for Extra Grade NFDM. Grade A, must be made from Grade A milk only. Grade A NFDM must meet the standards set in the Grade A Pasteurized Milk Ordinance issued by the United States Public Health Service/Food and Drug Administration. Most NFDM produced for human consumption meets Grade A standards as Grade A fluid milk is 95% of all milk produced.

The geography of NFDM production has seen a shift to the west. This has occurred due to the transportation benefits of locating NFDM plants closer the west coast export markets. As a result, Midwestern manufacturers have converted their plants to cheese production, while many plants in the northeast and south are operated only seasonally.

Most dryers are associated with churns which use the fat in the fluid milk to manufacture butter. This allows a plant to manufacture products from both the fat and NFDM components of milk. Many NFDM manufacturers also own cheese plants and will use fluid milk to make cheese or NFDM and butter based on which product provides the best return. As more milk becomes available mainly in the west and southwest, drying plants have been built exclusively for drying to manage the new supply of milk.

The west coast is home to the largest and most efficient plants and as a result their prices are usually lower than plants from other regions of the country. But, NFDM produced in those other regions becomes competitive in price when freight costs are added into the western producers' product prices.

NFDM is stored in warehouses suitable for the storage of food products. Inventories are held by manufacturers, resellers and end-users, but the bulk of stocks are typically held by manufacturers. NFDM is usable out of storage after one year but buyers rarely purchase stocks older than six months. Storage is typically done away from the manufacturing facility due to limited capacity on-site.

NFDM is packaged in a standard 25-kilogram bag. A standard truckload, the normal method of transport, is 44,000 pounds or 800 bags. NFDM is also shipped by rail and a carlot equals two to three truckloads.

### **DRY WHEY**

Dry whey production totaled 964 million pounds in 2015, 856 million pounds in 2014 and 916 million pounds in 2013. The top producing states are New York, Wisconsin and Minnesota. Dry whey is manufactured from cheese, so it is dependent on cheese production which is heaviest in the spring and declines through the fall. While dry whey production does vary from month to month, ample supplies are produced each month to satisfy demand.

End-users of dry whey are mostly food manufacturers, particularly manufacturers of other dairy products. Dry whey is also used as an ingredient in non-dairy food products such as prepared dry mixes, sports drinks, confectionery goods, ice cream, snack foods, protein bars and bakery products.



Dry whey is a dehydrated by-product of cheese production. It is manufactured by taking the by-product of cheese called “whey” and removing all but 3-5% of the moisture and leaving not more than 1.5% milkfat. New manufacturing techniques are being used today to produce a non-hygroscopic product, one that will not absorb moisture. Dry whey’s processing is similar to that of NFDM dry milk, and a high heat process is normally used to produce dry whey for use in bakery products.

There is only one grade of dry whey: Extra. Extra Grade may be made from manufacturing grade (Grade B) milk or Grade A milk and must meet USDA standards for Extra Grade dry whey.

Many cheese manufacturers today see dry whey as a revenue enhancing product, whereas whey was once considered a waste product of cheese manufacturing.

Prices are FOB and are determined by using the weekly USDA’s Dairy Market News report. Dairy Market News collects dry whey prices from manufacturers and buyers via a phone survey for three regions; Central, Northeast and West. Prices acquired during the phone survey are for first sales only and published in a range of high/low and also a “mostly”. The published “mostly” price includes the majority of where transactions have taken place to provide a better representation of overall prices for the week. It is the average of the mostly (AOM) price that is used to determine the price that the market uses to price upcoming sales. For example, purchases made from the same manufacturer during the same week in the same region could have a different price for a broker buying one truckload than for an end-user buying 10 truckloads. Brokers buy product in one of two ways. First, they purchase it directly from manufacturers on a weekly basis using the AOM, or they use a call around market. Due to the growing demand for protein, manufacturers have moved away from long-term contracting because of the increased value of the protein in dry whey. Based on industry feedback, manufacturers are reluctant to commit to long-term, flat pricing, contracts so as not to concede any possible upside for future pricing gains. Instead, structured marketing agreements with individual brokers negotiating terms and conditions have become the industry’s standard practice.

Manufacturers want their sales reported into the weekly NDPSR to ensure that the end product price will be used to determine what the manufacturer will ultimately pay for the milk to make dry whey.

There are two types of packaging for dry whey: bags and totes. The most common type of packaging is the 25 kg or 50 lb. bag. The most common method of shipping is by truckload lot, with 50 lb. bags shrink-wrapped on pallets.

Market participants typically trade in packs/strips where co-ops and manufacturers lock in prices at intervals from three (3) to twenty-four (24) months, and once a position moves to the spot month these participants don’t liquidate their positions because they need to maintain their positions to offset their cash market risk. Additionally, market participants do not have to liquidate or roll positions since the futures contracts cash settle.

CME Group Inc. maintains an ongoing relationship with dairy market participants to ensure that our dairy contract specifications are meeting their hedging requirements. Throughout the course of market outreach, the dairy industry asked CME Group Inc. to increase the spot month limits for NFDM and Dry Whey so that they can better utilize our markets for their risk management strategies. Many users expressed that the current spot month limits have limited their use of the futures markets, and that they have moved a portion of their business to the OTC market.

### **Analysis of Deliverable Supply**

The analysis was conducted using guidance from the Commodity Exchange Act, PART 150-LIMITS ON POSITIONS:

#### **Exchange-set speculative position limits**

§150.5(c)(1) For physical delivery contracts, the spot month limit level must be no greater than one-quarter of the estimated spot month deliverable supply, calculated separately for each month

to be listed, and for cash settled contracts, the spot month limit level must be no greater than necessary to minimize the potential for manipulation or distortion of the contract's or the underlying commodity's price;

In estimating deliverable supply for the CME Dry Whey Futures and Options and the CME Nonfat Dry Milk Futures and Options, the Chicago Mercantile Exchange Inc. ("CME" or "Exchange") relied on long-standing precedent, which provides that the key component in estimating deliverable supply is the portion of typical supply that could reasonably be considered to be readily available for delivery. In its guidance on estimating deliverable supply, the Commodity Futures Trading Commission ("CFTC" or "Commission") states:

In general, the term "deliverable supply" means the quantity of the commodity meeting a derivative contract's delivery specifications that can reasonably be expected to be readily available to short traders and saleable by long traders at its market value in normal cash marketing channels at the derivative contract's delivery points during the specified delivery period, barring abnormal movement in interstate commerce. Typically, deliverable supply reflects the quantity of the commodity that potentially could be made available for sale on a spot basis at current prices at the contract's delivery points. For a non-financial physical-delivery commodity contract, this estimate might represent product which is in storage at the delivery point(s) specified in the futures contract or can be moved economically into or through such points consistent with the delivery procedures set forth in the contract and which is available for sale on a spot basis within the marketing channels that normally are tributary to the delivery point(s).<sup>1</sup>

All Exchange traded dairy contracts are cash-settled using the USDA's Class and Component prices that are "released at 3:00 p.m. ET no later than the 5<sup>th</sup> of the following month. If the release date does not fall on the 5<sup>th</sup>, the most current release preceding the 5<sup>th</sup> will be used in the price calculation." <https://www.ams.usda.gov/mnreports/dymclassprices.pdf>

The Exchange used the USDA'S-ERS Monthly "Ending Stocks" for both NFDM & SMP (Table 1) and "Human Use" Dry Whey (Table 2) combined with the monthly product sales from USDA-AMS "NDPSR" to arrive at deliverable supply monthly totals along with an average monthly supply for 2013-2015. These two data sources, which represent monthly supplies that are available for the same time period, result in estimated monthly average supplies of 296 million pounds of NFDM (Table 1) and 61 million pounds of Dry Whey (Table 2). It should be noted, per feedback from calls with industry participants, that the estimated monthly average supply of dry whey received a thirty-six (36) percent deduction to account for long-term sales through broker marketing agreements. NDPSR provides weekly disappearance of NFDM and Dry Whey so can be considered flows of these commodities in the commercial market. The monthly commercial ending stocks number furnishes the amount of product that remains that could have been sold in the current month or that can be carried into the following month for sale.

The proposed spot month limit for NFDM of one thousand (1,000) contracts in net futures equivalents, is fifteen (15) percent of average monthly deliverable supply for NFDM (contract size: 44,000 pounds) and the proposed spot month limit for Dry Whey of three hundred (300) contracts in net futures equivalents, is twenty-two (22) percent of average monthly deliverable supply for dry whey (contract size: 44,000 pounds). The percentages for both products fall within the twenty-five (25) percent threshold as outlined in Part 38 Appendix C regarding deliverable supply and no greater than necessary, §150.5(c)(1), to prevent market manipulation or distortion.

These changes to the spot month limits are intended to be effective for the November 2016 and subsequent contract months.

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<sup>1</sup> [http://www.ecfr.gov/cgi-bin/text-idx?SID=74959c3dbae469e2efe0a42b45b8dfae&mc=true&node=ap17.1.38\\_11201.c&rgn=div9](http://www.ecfr.gov/cgi-bin/text-idx?SID=74959c3dbae469e2efe0a42b45b8dfae&mc=true&node=ap17.1.38_11201.c&rgn=div9)

**Table 1**

(Millions of Pounds)						
Year	Month	Total NFD M & SMP Ending Commercial Stocks	NDPSR Sales	Total Deliverable Supply - Ending Monthly Stocks Plus NDPSR Sales	Contract Eq.	Percentage of Spot Month Deliverable Supply
2013	Jan	195	72	267	1,000	16%
	Feb	225	79	304	1,000	14%
	Mar	218	112	330	1,000	13%
	Apr	209	115	324	1,000	14%
	May	232	90	322	1,000	14%
	Jun	231	76	307	1,000	14%
	Jul	211	70	281	1,000	16%
	Aug	196	77	273	1,000	16%
	Sep	148	63	211	1,000	21%
	Oct	115	27	142	1,000	31%
	Nov	115	73	188	1,000	23%
	Dec	135	59	194	1,000	23%
2014	Jan	149	88	237	1,000	19%
	Feb	182	75	257	1,000	17%
	Mar	216	70	286	1,000	15%
	Apr	240	92	332	1,000	13%
	May	221	144	365	1,000	12%
	Jun	228	82	310	1,000	14%
	Jul	248	79	327	1,000	13%
	Aug	236	95	331	1,000	13%
	Sep	170	136	306	1,000	14%
	Oct	186	85	271	1,000	16%
	Nov	219	74	293	1,000	15%
	Dec	239	67	306	1,000	14%
2015	Jan	240	118	358	1,000	12%
	Feb	240	95	335	1,000	13%
	Mar	251	82	333	1,000	13%
	Apr	248	107	355	1,000	12%
	May	261	116	377	1,000	12%

	Jun	262	96	358	1,000	12%
	Jul	270	73	343	1,000	13%
	Aug	231	96	327	1,000	13%
	Sep	212	87	299	1,000	15%
	Oct	180	89	269	1,000	16%
	Nov	198	59	257	1,000	17%
	Dec	204	67	271	1,000	16%
Average Monthly Total DS				296	1,000	15%

**Table 2**

Year	Month	(Millions of Pounds)			Contract Eq.	Percentage of Spot Month Deliverable Supply
		Total Dry Whey Ending Commercial Stocks	NDPSR Sales	Total Deliverable Supply - Ending Monthly Stocks Plus NDPSR Sales (less 36% long-term sale)		
2013	Jan	62	28	57	300	23%
	Feb	67	28	61	300	22%
	Mar	74	37	71	300	19%
	Apr	67	30	62	300	21%
	May	65	41	68	300	19%
	Jun	66	42	69	300	19%
	Jul	64	32	62	300	21%
	Aug	61	41	65	300	20%
	Sep	57	36	60	300	22%
	Oct	53	16	44	300	30%
	Nov	59	33	59	300	22%
	Dec	62	33	61	300	22%
2014	Jan	58	32	57	300	23%
	Feb	55	25	51	300	26%
	Mar	59	26	55	300	24%
	Apr	57	28	54	300	24%
	May	63	42	67	300	20%
	Jun	61	32	60	300	22%
	Jul	63	31	60	300	22%
	Aug	55	37	59	300	22%
	Sep	54	31	54	300	24%
	Oct	56	37	60	300	22%
	Nov	64	26	58	300	23%
	Dec	62	28	58	300	23%
2015	Jan	62	31	60	300	22%
	Feb	62	31	59	300	22%

	Mar	68	29	62	300	21%
	Apr	70	28	63	300	21%
	May	70	37	69	300	19%
	Jun	75	25	64	300	21%
	Jul	73	34	69	300	19%
	Aug	78	29	68	300	19%
	Sep	66	31	62	300	21%
	Oct	58	40	63	300	21%
	Nov	61	23	54	300	24%
	Dec	71	28	63	300	21%
Average Monthly Total DS				61	300	22%