

A gauge of U.S. butter prices plunged the most in 11 years after production and inventories increased following a bull run to a record in September.

Spot cash butter tumbled 18 percent to \$2.30 a pound Thursday on the Chicago Mercantile Exchange. That marked the biggest drop in exactly 11 years. On Dec. 10, 2004, the price plummeted 20 percent.



CME, \$/lb

The price has slumped 27 percent from a record \$3.135 on Sept. 25. Production in October rose 9.4 percent from a month earlier after the market rally, U.S. Department of Agriculture data showed on Dec. 3. Supplies in cold storage rose 21 percent to

179 million pounds at the end of October from a year earlier, the agency reported on Nov. 23.