

UNITED STATES DEPARTMENT OF AGRICULTURE  
Agricultural Marketing Service  
Dairy Programs  
**NEW YORK—NEW JERSEY MILK MARKETING AREA**

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**Announcement of Class Prices and Related Factors**  
**December 1999**

<b>Class Prices</b>		<b>December</b>
(per hundredweight of milk at 3.5% butterfat test)		
<b>Classes I-A and I-B</b>	Metropolitan Area (1-10 mile zone)	\$ 14.63
	Processor Assessment*	+ .20
	Total*	<u>\$ 14.83</u>
	<b>201-210 mile zone</b>	\$ 13.91
	Processor Assessment*	+ .20
	Total*	<u>\$ 14.11</u>
<b>Class II</b>	Metropolitan Area (1-10 mile zone)	\$ 11.87
	<b>201-210 mile zone</b>	\$ 11.79
<b>Class III</b>	Metropolitan Area (1-10 mile zone)	\$ 9.77
	<b>201-210 mile zone</b>	\$ 9.69
<b>Class III-A</b>	Metropolitan Area (1-10 mile zone)	\$ 10.83
	<b>201-210 mile zone</b>	\$ 10.75

\* The processor assessment is an obligation under the Fluid Milk Promotion Order (7 CFR § 1160.101 et seq.).

**December** butterfat differential: \$.086 per .1% butterfat

**Price Factors and Averages for December**

Manufacturing grade milk, f.o.b. plants, Basic Formula Price, per hundredweight:		
Base month price at 3.96% butterfat test (November 1999)		\$ 10.97
Base month price at 3.5% butterfat (November 1999)		\$ 10.48
Updated base month price at 3.5% butterfat (i.e., <b>Basic Formula Price</b> )		<b>\$ 9.63</b>
Updated base month price, at average butterfat test (i.e., used to calculate December's butterfat differential)		\$ 10.12
NASS: U.S. average 40 lb. block Cheddar cheese price (per pound)		\$ 1.1319
Chicago Mercantile Exchange butter price (per pound):	Grade AA	\$ .9163
	Equivalent Grade A	\$ .8263
Central States: Nonfat dry milk price (per pound)		\$ 1.0168
Western States: Nonfat dry milk price (per pound), low/medium heat		\$ 1.0039
	Dry buttermilk price (per pound), minimum 30 percent protein	\$ .7304
One-year Treasury bill rate, November 5, 1999		5.17%

Classification values at federal order minimum class prices, 201-210 mile zone, **December 1999:**

	<u>Skim Milk</u>	<u>Butterfat</u>
	----- per pound -----	
Class I	\$ .10900	\$ .96900
Class II	\$ .08780	\$ .94780
Class III	\$ .06680	\$ .92680
Class III-A	\$ .07740	\$ .93740

January 5, 2000

Erik F. Rasmussen,  
Acting Market Administrator

(Regional Milk Production Costs on reverse side.)

### Regional Milk Production Costs, November and December 1999\*

Region	Total cash expenses		Total economic cost	
	November**	December	November**	December
	dollars per hundredweight			
Northeast	13.60	13.64	18.92	19.01
Southeast	14.18	14.22	18.68	18.79
Upper Midwest	12.70	12.74	17.76	17.84
Corn Belt	13.77	13.81	20.21	20.29
Southern Plains	12.08	12.11	16.03	16.10
Pacific	9.79	9.81	11.95	11.99

\* United States Department of Agriculture, Economic Research Service. For further information, contact Sara Short, (202) 694-5588. Regions are defined as: Northeast—New York, Pennsylvania, and Vermont; Southeast—Florida and Georgia; Upper Midwest—Michigan, Minnesota, and Wisconsin; Corn Belt—Iowa, Missouri, and Ohio; Southern Plains—Texas; Pacific—Arizona, California, and Washington.

\*\* Revised from last month due to changes in milk production, producer price indexes, corn market price, and economic indicators for the U.S. economy.