

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
January, February, and March 1998

Class Prices

(per hundredweight of milk at 3.5% butterfat test)

		<u>January</u>	<u>February</u>	<u>March</u>
Classes I-A and I-B#	Metropolitan Area (1-10 mile zone)	\$ 16.10	\$ 16.43	\$ 16.39
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 16.30	\$ 16.63	\$ 16.59
	201-210 mile zone	\$ 15.38	\$ 15.71	\$ 15.67
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 15.58	\$ 15.91	\$ 15.87
Class II	Metropolitan Area (1-10 mile zone)	\$ 13.34	\$ 13.67	\$ 13.63
	201-210 mile zone	\$ 13.26	\$ 13.59	\$ 13.55
Class III	Metropolitan Area (1-10 mile zone)	\$ 13.36		
	201-210 mile zone	\$ 13.28		
Class III-A	Metropolitan Area (1-10 mile zone)	\$ 12.15		
	201-210 mile zone	\$ 12.07		

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

January butterfat differential: \$.114 per .1% butterfat

Price Factors and Averages for January

Manufacturing grade milk, f.o.b. plants, Basic Formula Price, per hundredweight:

Base month price at 3.94% butterfat test (December 1997)	\$ 13.81
Base month price at 3.5% butterfat (December 1997)	\$ 13.27
Updated base month price at 3.5% butterfat (i.e., Basic Formula Price)	\$ 13.25
Updated base month price, at average butterfat test (i.e., used to calculate January's butterfat differential)	\$ 13.79
NASS: U.S. average 40 lb. block Cheddar cheese price (per pound)	\$ 1.4165
Chicago Mercantile Exchange butter price (per pound):	
Grade AA	\$ 1.1932
Grade A	\$ 1.1061
Central States: Nonfat dry milk price (per pound)	\$ 1.0593
Western States: Nonfat dry milk price (per pound), low/medium heat	\$ 1.0390
Dry buttermilk price (per pound), minimum 30 percent protein	\$.8840
One-year Treasury bill rate, December 4, 1997	5.18%

Classification values at federal order minimum class prices,
 201-210 mile zone, **January 1998:**

	<u>Skim Milk</u>	<u>Butterfat</u>
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	per pound	
Class I	\$.11390	\$ 1.25390
Class II	\$.09270	\$ 1.23270
Class III	\$.09290	\$ 1.23290
Class III-A	\$.08080	\$ 1.22080

Estimated utilization percentage, announced pursuant to
 Section .22 (d), **February 1998:**

	<u>Skim Milk</u>	<u>Butterfat</u>
Class I-A	39%	22%
Class I-B	2%	2%
Class II	15%	25%
Class III	44%	51%

February 5, 1998

Ronald C. Pearce, Market Administrator

February and March 1998 Class I price may be affected by judicial action.