

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

Phone: 518/ 452-4410
Fax: 518/ 464-6468

Market Administrator
One Columbia Circle
Albany, New York 12203-6379

Announcement of Class Prices and Related Factors
February, March, and April 1998

Class Prices		February	March	April
(per hundredweight of milk at 3.5% butterfat test)				
Classes I-A and I-B#	Metropolitan Area (1-10 mile zone)	\$ 16.43	\$ 16.39	\$ 16.46
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 16.63	\$ 16.59	\$ 16.66
	201-210 mile zone	\$ 15.71	\$ 15.67	\$ 15.74
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 15.91	\$ 15.87	\$ 15.94
Class II	Metropolitan Area (1-10 mile zone)	\$ 13.67	\$ 13.63	\$ 13.70
	201-210 mile zone	\$ 13.59	\$ 13.55	\$ 13.62
Class III	Metropolitan Area (1-10 mile zone)	\$ 13.42		
	201-210 mile zone	\$ 13.34		
Class III-A	Metropolitan Area (1-10 mile zone)	\$ 12.99		
	201-210 mile zone	\$ 12.91		

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

February butterfat differential: \$.140 per .1% butterfat

Price Factors and Averages for February

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

Base month price at 3.89% butterfat test (January 1998)	\$ 13.70
Base month price at 3.5% butterfat (January 1998)	\$ 13.26
Updated base month price at 3.5% butterfat (i.e., Basic Formula Price)	\$ 13.32
Updated base month price, at average butterfat test (i.e., used to calculate February's butterfat differential)	\$ 13.76
NASS: U.S. average 40 lb. block Cheddar cheese price (per pound)	\$ 1.4163
Chicago Mercantile Exchange butter price (per pound):	
Grade AA	\$ 1.3918
Grade A	\$ 1.2963
Central States: Nonfat dry milk price (per pound)	\$ 1.0521
Western States: Nonfat dry milk price (per pound), low/medium heat	\$ 1.0368
Dry buttermilk price (per pound), minimum 30 percent protein	\$.9146
One-year Treasury bill rate, January 29, 1998	4.97%

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

	<u>Skim Milk</u>	<u>Butterfat</u>
	----- per pound -----	
Class I	\$.10810	\$ 1.50810
Class II	\$.08690	\$ 1.48690
Class III	\$.08440	\$ 1.48440
Class III-A	\$.08010	\$ 1.48010

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

	<u>Skim Milk</u>	<u>Butterfat</u>
Class I-A	38%	23%
Class I-B	1%	1%
Class II	16%	26%
Class III	45%	50%

March 5, 1998

Ronald C. Pearce, Market Administrator

Class I price may be affected by judicial action.