

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
March, April, and May 1998

Class Prices

(per hundredweight of milk at 3.5% butterfat test)

| | | <u>March</u> | <u>April</u> | <u>May</u> |
|-----------------------------|------------------------------------|--------------|--------------|------------|
| Classes I-A and I-B# | Metropolitan Area (1-10 mile zone) | \$ 16.39 | \$ 16.46 | \$ 15.95 |
| | Processor Assessment* | + .20 | + .20 | + .20 |
| | Total* | \$ 16.59 | \$ 16.66 | \$ 16.15 |
| | 201-210 mile zone | \$ 15.67 | \$ 15.74 | \$ 15.23 |
| | Processor Assessment* | + .20 | + .20 | + .20 |
| | Total* | \$ 15.87 | \$ 15.94 | \$ 15.43 |
| Class II | Metropolitan Area (1-10 mile zone) | \$ 13.63 | \$ 13.70 | \$ 13.19 |
| | 201-210 mile zone | \$ 13.55 | \$ 13.62 | \$ 13.11 |
| Class III | Metropolitan Area (1-10 mile zone) | \$ 12.84 | | |
| | 201-210 mile zone | \$ 12.76 | | |
| Class III-A | Metropolitan Area (1-10 mile zone) | \$ 12.70 | | |
| | 201-210 mile zone | \$ 12.62 | | |

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

March butterfat differential: \$.135 per .1% butterfat

Price Factors and Averages for March

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

| | |
|---|-----------------|
| Base month price at 3.85% butterfat test (February 1998) | \$ 13.67 |
| Base month price at 3.5% butterfat (February 1998) | \$ 13.18 |
| Updated base month price at 3.5% butterfat (i.e., Basic Formula Price) | \$ 12.81 |
| Updated base month price, at average butterfat test (i.e., used to calculate March's butterfat differential) | \$ 13.30 |
| NASS: U.S. average 40 lb. block Cheddar cheese price (per pound) | \$ 1.3793 |
| Chicago Mercantile Exchange butter price (per pound): | |
| Grade AA | \$ 1.3452 |
| Grade A | \$ 1.2505 |
| Central States: Nonfat dry milk price (per pound) | \$ 1.0467 |
| Western States: Nonfat dry milk price (per pound), low/medium heat | \$ 1.0309 |
| Dry buttermilk price (per pound), minimum 30 percent protein | \$.9163 |
| One-year Treasury bill rate, February 26, 1998 | 5.13% |

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

| | <u>Skim Milk</u> | <u>Butterfat</u> |
|-------------|-----------------------|------------------|
| | ----- per pound ----- | |
| Class I | \$.10945 | \$ 1.45945 |
| Class II | \$.08825 | \$ 1.43825 |
| Class III | \$.08035 | \$ 1.43035 |
| Class III–A | \$.07895 | \$ 1.42895 |

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

| | <u>Skim Milk</u> | <u>Butterfat</u> |
|-----------|------------------|------------------|
| Class I-A | 37% | 22% |
| Class I-B | 1% | 1% |
| Class II | 16% | 27% |
| Class III | 46% | 50% |

April 3, 1998

Ronald C. Pearce, Market Administrator

Class I price may be affected by judicial action.