

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
April, May, and June 1998

Class Prices

(per hundredweight of milk at 3.5% butterfat test)

		<u>April</u>	<u>May</u>	<u>June</u>
Classes I-A and I-B#	Metropolitan Area (1-10 mile zone)	\$ 16.46	\$ 15.95	\$ 15.15
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 16.66	\$ 16.15	\$ 15.35
	201-210 mile zone	\$ 15.74	\$ 15.23	\$ 14.43
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 15.94	\$ 15.43	\$ 14.63
Class II	Metropolitan Area (1-10 mile zone)	\$ 13.70	\$ 13.19	\$ 12.39
	201-210 mile zone	\$ 13.62	\$ 13.11	\$ 12.31
Class III	Metropolitan Area (1-10 mile zone)	\$ 12.00		
	201-210 mile zone	\$ 11.92		
Class III-A	Metropolitan Area (1-10 mile zone)	\$ 12.87		
	201-210 mile zone	\$ 12.79		

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

April butterfat differential: \$.142 per .1% butterfat

Price Factors and Averages for April

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

Base month price at 3.85% butterfat test (March 1998)	\$ 13.17
Base month price at 3.5% butterfat (March 1998)	\$ 12.70
Updated base month price at 3.5% butterfat (i.e., Basic Formula Price)	\$ 12.01
Updated base month price, at average butterfat test (i.e., used to calculate April's butterfat differential)	\$ 12.48
NASS: U.S. average 40 lb. block Cheddar cheese price (per pound)	\$ 1.3072
Chicago Mercantile Exchange butter price (per pound):	
Grade AA	\$ 1.3788
Grade A	\$ 1.2856
Central States: Nonfat dry milk price (per pound)	\$ 1.0426
Western States: Nonfat dry milk price (per pound), low/medium heat	\$ 1.0256
Dry buttermilk price (per pound), minimum 30 percent protein	\$.9212
One-year Treasury bill rate, March 26, 1998	5.11%

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

	<u>Skim Milk</u>	<u>Butterfat</u>
	----- per pound -----	
Class I	\$.10770	\$ 1.52770
Class II	\$.08650	\$ 1.50650
Class III	\$.06950	\$ 1.48950
Class III-A	\$.07820	\$ 1.49820

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

	<u>Skim Milk</u>	<u>Butterfat</u>
Class I-A	36%	21%
Class I-B	1%	1%
Class II	16%	28%
Class III	47%	50%

May 5, 1998

Ronald C. Pearce, Market Administrator

Class I price may be affected by judicial action.