

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**  
**September, October, and November 1998**

**Class Prices**

(per hundredweight of milk at 3.5% butterfat test)

		<u>September</u>	<u>October</u>	<u>November</u>
<b>Classes I-A and I-B#</b>	Metropolitan Area (1-10 mile zone)	\$ 17.91	\$ 18.13	\$ 18.24
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 18.11	\$ 18.33	\$ 18.44
	<b>201-210 mile zone</b>	\$ 17.19	\$ 17.41	\$ 17.52
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 17.39	\$ 17.61	\$ 17.72
<b>Class II</b>	Metropolitan Area (1-10 mile zone)	\$ 15.15	\$ 15.37	\$ 15.48
	<b>201-210 mile zone</b>	\$ 15.07	\$ 15.29	\$ 15.40
<b>Class III</b>	Metropolitan Area (1-10 mile zone)	\$ 15.24		
	<b>201-210 mile zone</b>	\$ 15.16		
<b>Class III-A</b>	Metropolitan Area (1-10 mile zone)	\$ 19.95		
	<b>201-210 mile zone</b>	\$ 19.87		

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

**September** butterfat differential: \$.325 per .1% butterfat

**Price Factors and Averages for September**

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

Base month price at 3.59% butterfat test (August 1998)	\$ 14.91
Base month price at 3.5% butterfat (August 1998)	\$ 14.69
Updated base month price at 3.5% butterfat (i.e., <b>Basic Formula Price</b> )	<b>\$ 15.10</b>
Updated base month price, at average butterfat test (i.e., used to calculate September's butterfat differential)	\$ 15.32
NASS: U.S. average 40 lb. block Cheddar cheese price (per pound)	\$ 1.6556
Chicago Mercantile Exchange butter price (per pound):	
Grade AA	\$ 2.7566
Equivalent Grade A	\$ 2.6666
Central States: Nonfat dry milk price (per pound)	\$ 1.1007
Western States: Nonfat dry milk price (per pound), low/medium heat	\$ 1.0944
Dry buttermilk price (per pound), minimum 30 percent protein	\$ .9914
One-year Treasury bill rate, August 13, 1998	5.00%

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

	<u>Skim Milk</u>	<u>Butterfat</u>
	----- per pound -----	
Class I	\$ 0.05815	\$ 3.30815
Class II	\$ 0.03695	\$ 3.28695
Class III	\$ 0.03785	\$ 3.28785
Class III-A	\$ 0.08495	\$ 3.33495

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

	<u>Skim Milk</u>	<u>Butterfat</u>
Class I-A	43%	25%
Class I-B	1%	1%
Class II	15%	27%
Class III	41%	47%

October 5, 1998

Ronald C. Pearce, Market Administrator

# **Class I price may be affected by judicial action.**