

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 1999

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)	\$ 19.41	\$ 13.41	\$ 14.76
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 19.61	\$ 13.61	\$ 14.96
	201-210 mile zone	\$ 18.69	\$ 12.69	\$ 14.04
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 18.89	\$ 12.89	\$ 14.24
Class II	Metropolitan Area (1-10 mile zone)	\$ 16.65	\$ 10.65	\$ 12.00
	201-210 mile zone	\$ 16.57	\$ 10.57	\$ 11.92
Class III	Metropolitan Area (1-10 mile zone)	\$ 11.65		
	201-210 mile zone	\$ 11.57		
Class III-A	Metropolitan Area (1-10 mile zone)	\$ 12.39		
	201-210 mile zone	\$ 12.31		

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

March butterfat differential: \$.132 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 3.86% butterfat test (February 1999)	\$ 12.05
Base month price at 3.5% butterfat (February 1999)	\$ 11.55
Updated base month price at 3.5% butterfat (i.e., Basic Formula Price)	\$ 11.62
Updated base month price, at average butterfat test (i.e., used to calculate March's butterfat differential)	\$ 12.12
NASS: U.S. average 40 lb. block Cheddar cheese price (per pound)	\$ 1.3092
Chicago Mercantile Exchange butter price (per pound):	\$ 1.2927
Grade AA	
Equivalent Grade A	\$ 1.2027
Central States: Nonfat dry milk price (per pound)	\$ 1.0239
Western States: Nonfat dry milk price (per pound), low/medium heat	\$ 1.0100
Dry buttermilk price (per pound), minimum 30 percent protein	\$.6944
One-year Treasury bill rate, February 25, 1999	4.67%

Classification values at federal order minimum class prices,
201-210 mile zone, **March 1999:**

	<u>Skim Milk</u>	<u>Butterfat</u>
	----- per pound -----	
Class I	\$.14070	\$ 1.46070
Class II	\$.11950	\$ 1.43950
Class III	\$.06950	\$ 1.38950
Class III-A	\$.07690	\$ 1.39690

Estimated utilization percentage, announced pursuant to
Section .22 (d), **April 1999:**

	<u>Skim Milk</u>	<u>Butterfat</u>
Class I-A	37%	22%
Class I-B	1%	1%
Class II	14%	24%
Class III	48%	53%

April 5, 1999

Ronald C. Pearce, Market Administrator

(Regional Milk Production Costs and Producer-Handler Cancellation on reverse side.)

Regional Milk Production Costs, February and March 1999*

Region	Total cash expenses		Total economic cost	
	February**	March	February**	March
	dollars per hundredweight			
Northeast	13.83	13.76	18.87	18.81
Southeast	14.91	14.86	19.25	19.21
Upper Midwest	12.94	12.89	17.62	17.58
Corn Belt	13.91	13.85	19.83	19.77
Southern Plains	12.93	12.89	16.76	16.72
Pacific	10.74	10.68	12.82	12.78

* United States Department of Agriculture, Economic Research Service. For further information, contact Sara Short, (202) 694-5588. Regions are defined as: Northeast—New York, Pennsylvania, and Vermont; Southeast—Florida and Georgia; Upper Midwest—Michigan, Minnesota, and Wisconsin; Corn Belt—Iowa, Missouri, and Ohio; Southern Plains—Texas; Pacific—Arizona, California, and Washington.

** Revised from last month due to changes in milk production, producer price indexes, corn market price, and economic indicators for the U.S. economy.

Cancellation of Designation as a Producer-Handler

Effective March 1, 1999

Krisco, Inc. d/b/a Krisco Farms—plant and farm in Campbell Hall, New York.