

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
June, July, and August 1999

Class Prices

(per hundredweight of milk at 3.5% butterfat test)

		<u>June</u>	<u>July</u>	<u>August</u>
Classes I-A and I-B	Metropolitan Area (1-10 mile zone)	\$ 14.95	\$ 14.40	\$ 14.56
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 15.15	\$ 14.60	\$ 14.76
	201-210 mile zone	\$ 14.23	\$ 13.68	\$ 13.84
	Processor Assessment*	+ .20	+ .20	+ .20
	Total*	\$ 14.43	\$ 13.88	\$ 14.04
Class II	Metropolitan Area (1-10 mile zone)	\$ 12.19	\$ 11.64	\$ 11.80
	201-210 mile zone	\$ 12.11	\$ 11.56	\$ 11.72
Class III	Metropolitan Area (1-10 mile zone)	\$ 11.39		
	201-210 mile zone	\$ 11.31		
Class III-A	Metropolitan Area (1-10 mile zone)	\$ 13.26		
	201-210 mile zone	\$ 13.18		

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

June butterfat differential: \$.161 per .1% butterfat

Price Factors and Averages for June

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

Base month price at 3.75% butterfat test (May 1999)	\$ 11.51
Base month price at 3.5% butterfat (May 1999)	\$ 11.23
Updated base month price at 3.5% butterfat (i.e., Basic Formula Price)	\$ 11.42
Updated base month price, at average butterfat test (i.e., used to calculate June's butterfat differential)	\$ 11.70
NASS: U.S. average 40 lb. block Cheddar cheese price (per pound)	\$ 1.2747
Chicago Mercantile Exchange butter price (per pound):	
Grade AA	\$ 1.4931
Equivalent Grade A	\$ 1.4031
Central States: Nonfat dry milk price (per pound)	\$ 1.0139
Western States: Nonfat dry milk price (per pound), low/medium heat	\$.9998
Dry buttermilk price (per pound), minimum 30 percent protein	\$.6705
One-year Treasury bill rate, May 20, 1999	4.63%

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

	<u>Skim Milk</u>	<u>Butterfat</u>
	----- per pound -----	-----
Class I	\$.08595	\$ 1.69595
Class II	\$.06475	\$ 1.67475
Class III	\$.05675	\$ 1.66675
Class III-A	\$.07545	\$ 1.68545

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

	<u>Skim Milk</u>	<u>Butterfat</u>
Class I-A	38%	23%
Class I-B	1%	1%
Class II	15%	26%
Class III	46%	50%

July 2, 1999

Ronald C. Pearce, Market Administrator

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

Regional Milk Production Costs, May and June 1999*

Region	Total cash expenses		Total economic cost	
	May**	June	May**	June
	dollars per hundredweight			
Northeast	13.19	13.28	18.42	18.51
Southeast	13.81	13.86	18.20	18.26
Upper Midwest	12.41	12.48	17.37	17.44
Corn Belt	13.44	13.52	19.75	19.84
Southern Plains	11.78	11.85	15.66	15.71
Pacific	9.56	9.61	11.68	11.74

* 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 July 1, 1999

Nicastro Farms, Inc. d/b/a Riverside Farms:
 Plant and farms in the town of Frankfort, County of Herkimer, New York.