UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the period ended March 31, 1997

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 333-18117

PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY
(Exact name of Registrant as specified in its charter)

New Jersey	22-2426091
(State or other jurisdiction, incorporation or organization)	(IRS Employer Identification No.)

213 Washington Street, Newark, New Jersey 07102
(Address of principal executive offices) (Zip Code)

(201) 802-3780
(Registrant's Telephone Number, including area code)

Securities registered pursuant to Section 12(b) of the Act: NONE

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES _X_ NO ___

State the aggregate market value of the voting stock held by non-affiliates of the registrant: NONE.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of March 31, 1997. Common stock, par value of $5 per share: 400,000 shares outstanding

PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY

INDEX TO FINANCIAL STATEMENTS

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PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 1997 (UNAUDITED) AND DECEMBER 31, 1996

	MARCH 31, 1997	DECEMBER 31, 1996
	(000'S)	
ASSETS		
Fixed maturities		
Available for sale	$541,030	$555,898
Policy loans	116,439	113,918
Short term investments	22,421	17,002
Total invested assets	679,890	686,818
Cash	48,999	3,928
Deferred policy acquisition costs	108,056	106,965
Premiums due	395	401
Accrued investment income	13,541	12,908
Receivable from affiliates	155	--
Other assets	33,598	1,335
Separate Account assets	881,599	883,261
TOTAL ASSETS	$1,766,233	$1,695,616
LIABILITIES AND STOCKHOLDER'S EQUITY		
LIABILITIES		
Future policy benefits and other policyholders' liabilities	$ 102,764	$ 100,663
Policyholders' account balances	373,104	375,448
Federal income tax payable	4,940	1,970
Deferred federal income tax payable	17,632	24,175
Payable to affiliate	6,376	6,059
Other liabilities	93,579	11,990

Separate Account liabilities	878,472	880,065
TOTAL LIABILITIES	1,476,867	1,400,370
CONTINGENCIES		
STOCKHOLDER'S EQUITY		
Common Stock, $5 par value; 400,000 shares, authorized; issued and outstanding at March 31, 1997 and December 31, 1996	2,000	2,000
Paid-in-capital	125,000	125,000
Net unrealized investment (losses)gains (less deferred income tax)	(854)	2,032
Retained earnings	163,220	166,214
TOTAL STOCKHOLDER'S EQUITY	289,366	295,246
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	$1,766,233	$1,695,616

PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY
STATEMENTS OF OPERATIONS
THREE MONTHS ENDED MARCH 31, 1997 AND 1996
(UNAUDITED)

	THREE MONTHS ENDED MARCH 31,	
	1997	1996
	(000'S)	
REVENUES		
Premiums	$ 260	$ 356
Policy charges and fee income	14,150	14,727
Net investment income	11,173	10,587
Realized investment gains	329	947
Other income	416	894
TOTAL REVENUES	26,328	27,511
BENEFITS AND EXPENSES		
Policyholders' benefits	18,232	7,831
Interest credited to policyholders' account balances	4,780	4,555
Other operating costs and expenses	7,724	3,769
TOTAL BENEFITS AND EXPENSES	30,736	16,155
Income (loss) before income tax provision	(4,408)	11,356
Income tax provision (benefit)	(1,414)	3,974
NET INCOME (LOSS)	$(2,994)	$ 7,382

PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY
STATEMENTS OF STOCKHOLDER'S EQUITY
MARCH 31, 1997 (UNAUDITED) AND DECEMBER 31, 1996

	THREE MONTHS ENDED MARCH 31, 1997	YEAR ENDED DECEMBER 31, 1996
	(000'S)	
COMMON STOCK		
Balance, beginning of year	$ 2,000	$ 2,000

Issued during period	--	--
Balance, end of period	2,000	2,000
PAID IN CAPITAL		
Balance, beginning of year	125,000	125,000
Paid in during period	--	--
Balance, end of period	125,000	125,000
NET UNREALIZED INVESTMENT (LOSSES) GAINS (LESS DEFERRED INCOME TAX)		
Balance, beginning of year	2,032	6,588
Net change in unrealized investment (losses) gains	(2,886)	(4,556)
Balance, end of period	(854)	2,032
RETAINED EARNINGS		
Balance, beginning of year	166,214	134,427
Net income (loss)	(2,994)	31,787
Balance, end of period	163,220	166,214
TOTAL STOCKHOLDER'S EQUITY	$ 289,366	$ 295,246

PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY
STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 1997 AND 1996
(UNAUDITED)

	THREE MONTHS ENDED MARCH 31, 1997	1996
	(000's)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ (2,994)	$ 7,382
Adjustments to reconcile net income to net cash from operating activities:		
Increase in future policy benefits and other policyholders' liabilities	2,101	3,185
General account policy fee income	(2,130)	(2,729)
Interest credited to policyholders' account balances	4,780	4,555
Net decrease in Separate Accounts	69	36
Net realized investment gains	(329)	(947)
Amortization and other non-cash items	4,271	2,083
Change in:		
Accrued investment income	(633)	(771)
Premiums due	6	(41)
Receivable from affiliates	(155)	2,503
Deferred policy acquisition costs	(1,091)	(4,072)
Other assets	(32,263)	(107)
Payable to affiliate	317	1,135
Federal income tax payable	2,970	3,531
Deferred federal income tax payable	(6,543)	2,021
Other liabilities	81,589	7,576
CASH FLOWS FROM OPERATING ACTIVITIES	49,965	25,340
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from the sale/maturity of:		
Fixed maturities:		
Available for sale	197,443	228,477
Payments for the purchase of:		
Fixed maturities:		
Available for sale	(189,403)	(233,488)
Policy loans	(2,521)	(3,229)

Net payments of short term investments	(5,419)	(14,048)
CASH FLOWS FROM INVESTING ACTIVITIES	100	(22,288)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Policyholders' account balances:		
Deposits	11,025	4,149
Withdrawals (net of transfers to/from separate accounts)	(16,019)	(7,201)
CASH FLOWS FROM FINANCING ACTIVITIES	(4,994)	(3,052)
Net increase in Cash	45,071	--
Cash, beginning of year	3,928	--
CASH, END OF PERIOD	$ 48,999	$ --

NOTES TO THE FINANCIAL STATEMENTS OF
PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY
MARCH 31, 1997
(UNAUDITED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRINCIPLES

A. GENERAL

Pruco Life Insurance Company of New Jersey (the Company), a stock life insurance company domiciled in the state of New Jersey, is an indirect subsidiary of The Prudential Insurance Company of America (Prudential), a mutual life insurance company, and a direct subsidiary of Pruco Life Insurance Company (Pruco Life), a stock life insurance company domiciled in the state of Arizona. The Company markets individual life insurance and deferred annuities through Prudential's sales force.

B. BASIS OF PRESENTATION

The accompanying unaudited financial statements of the Company have been prepared in accordance with the instructions to Form 10-Q and do not include all of the other information and disclosures required by generally accepted accounting principles.

The accompanying financial statements have not been audited by independent accountants in accordance with generally accepted auditing standards, but in the opinion of management such financial statements include all adjustments, consisting only of normal recurring accruals, necessary to summarize fairly the Company's financial position and results of operations. The results of operations for the three months ended March 31, 1997 may not be indicative of the results that may be expected for the year ending December 31, 1997.

2. CONTINGENCIES

Several actions have been brought against the Company on behalf of those persons who purchased life insurance policies based on complaints about sale practices engaged in by Prudential, the Company and agents appointed by Prudential and the Company. Prudential has agreed to indemnify the Company for any and all losses resulting from such litigation.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Pruco Life Insurance Company of New Jersey (the Company) is a stock life insurance company organized in 1982 under the laws of the state of New Jersey. The Company is an indirect subsidiary of The Prudential Insurance Company of America (Prudential), and a direct subsidiary of Pruco Life Insurance Company (Pruco Life). Pruco Life is a stock life insurance company domiciled in the state of Arizona. The Company markets individual insurance and annuities through Prudential's sales force.

The business climate in the insurance industry remained unchanged during the first quarter as compared to 1996. Regulatory changes which opened the insurance industry to other financial institutions, particularly banks and mutual funds, continued to heighten competition in investment type products since those institutions were positioned to deliver the same products through large, stable distribution channels. In addition, the industry has been beset by negative publicity following the discovery of unacceptable sales practices that resulted in investigations of most large insurers, including Prudential.

The Company's assets were $1.8 billion at March 31, 1996 compared to $1.7 billion at December 31, 1996. The Company recorded a net loss of $3.0 million during 1997, a decrease of $10.4 million in comparison to the $7.4 million of income earned in the first quarter of 1996.

1. RESULTS OF OPERATIONS

1997 versus 1996

Realized investment gains decreased by $.6 million from $.9 million for the quarter ended March 31,1996 to $.3 million for the same period in 1997. This decrease is a result of trading activity in the bond portfolio and current market conditions.

Policyholders' benefits for the quarter ended March 31, 1997 were $18.2 million compared to $7.8 million for the same period in 1996. This increase of $10.4 million is mainly attributable to increased policyholder withdrawal activity.

Other operating costs and expenses increased $4.0 million from $3.8 million for the three months ended March 1996 to $7.7 million for the same period in 1997. This is primarily due to an increase in costs associated with the introduction of Discovery Select. Along with, technological advancements made in annuity processing, customer service, and product development areas in order to increase future sales and revenues.

2. LIQUIDITY

For an insurance company, cash needs, for the purpose of paying current benefits, making policy loans, and paying expenses, are met primarily from premiums and investment income. Benefit expenses incurred for the three months ended March 31, 1997, and 1996, were $30.7 million, and $16.1 million, respectively. Cash flows are anticipated to be sufficient to meet the Company's liquidity needs for the foreseeable future.

3. CAPITAL RESOURCES

The primary components of the Company's total assets of $1.8 billion at March 31, 1997 are as follows (as a percentage of total assets): fixed income securities 30.6%, separate account assets (fixed income and equity securities) 49.9%, policy loans 6.6%, and other assets 12.9%.

PART II

ITEM 1 LEGAL PROCEEDING

Pruco Life Insurance Company of New Jersey is not involved in any litigation that is expected to have a material effect.

ITEM 2 CHANGES IN SECURITIES

Not Applicable

ITEM 3 DEFAULTS UPON SENIOR SECURITIES

Not Applicable

ITEM 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable.

ITEM 5 OTHER INFORMATION

Not Applicable.

ITEM 6 EXHIBITS AND REPORTS ON FORM 8K

(a)(1) and (2) financial Statements of registrant and subsidiaries are listed on pages 3-6 hereof and are filed as part of this Report.

(a)(3) Exhibits

Regulation S-K

2. Not Applicable

3. Documents Incorporated by Reference

(i) The Articles of Incorporation of Pruco Life Insurance Company of New Jersey, as amended March 11, 1983 and the By-laws of Pruco Life Insurance Company of New Jersey, as amended February 1, 1991 are incorporated herein by reference to Post-Effective Amendment No. 26 to Form S-6, Registration No. 2-89780, filed April 28, 1997 on behalf of the Pruco Life of New Jersey.

4. Exhibits

Market-Value Adjustment Annuity Contract, incorporated by reference to Registrant's Form S-1 Registration Statement, Registration No. 33-18053, filed December 17, 1996.

10. None.

11. Not Applicable.

15. Not Applicable.

18. None.

19. Not Applicable.

20. Not Applicable.

22. None.

23. None.

24. Not Applicable.

25. Not Applicable.

27. Exhibit 27, Financial Data Schedule appended to this form in accordance with EDGAR instructions.

99. None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf of the undersigned, thereunto duly authorized.

.... PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY
(Registrant)

SIGNATURE	TITLE	DATE
/s/ ESTHER H. MILNES Esther H. Milnes	President and Director	May 15, 1997
/s/ LINDA S. DOUGHERTY Linda S. Dougherty	Vice President and Comptroller and Chief Accounting Officer	May 15, 1997

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Exhibit 27

FINANCIAL DATA SCHEDULE
Article 7 of Regulation S-X
Pruco Life Insurance Company of New Jersey

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