

**UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE, DAIRY PROGRAMS**

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

January 2003

	<u>% UTILIZATION</u> <u>PER CLASS</u>	<u>PRODUCT</u> <u>POUNDS</u>	<u>SKIM</u> <u>POUNDS</u>	<u>BUTTERFAT</u> <u>POUNDS</u>	<u>PROTEIN</u> <u>POUNDS</u>	<u>OTHER</u> <u>SOLIDS</u>	<u>NONFAT</u> <u>SOLIDS</u>
Producer Milk - Class I	30.46 %	188,938,767	185,628,764	3,310,003	5,836,459	10,962,980	16,799,439
Producer Milk - Class II	5.93 %	36,800,983	33,491,305	3,309,678	1,054,527	1,976,506	3,031,033
Producer Milk - Class III	31.69 %	196,519,906	188,898,762	7,621,144	5,978,741	11,162,647	17,141,388
Producer Milk - Class IV	31.92 %	197,964,714	189,220,203	8,744,511	5,962,422	11,145,649	17,108,071
Total Producer Receipts	100.00 %	620,224,370	597,239,034	22,985,336	18,832,149	35,247,782	54,079,931

	<u>POUNDS</u>	<u>BFAT</u> <u>POUNDS</u>	<u>LB/CWT</u> <u>PRICE</u>	<u>TOTAL</u> <u>DOLLARS</u>
Class I Skim Milk	185,628,764		\$ 6.67 /cwt	\$12,381,438.57
Class I Butterfat		3,310,003	\$ 1.1784/lb	3,900,507.54
Class I Differential at Location				3,576,279.85
Class II Butterfat		3,309,678	\$ 1.1926/lb	3,947,121.99
Class II Nonfat Solids	3,031,033		\$ 0.8189/lb	2,482,112.92
Class III Butterfat		7,621,144	\$ 1.1856/lb	9,035,628.33
Class III Protein	5,978,741		\$ 1.8164/lb	10,859,785.15
Class III Other Solids	11,162,647		\$ 0.0339/lb	378,413.73
Class IV Butterfat		8,744,511	\$ 1.1856/lb	10,367,492.23
Class IV Nonfat Solids	17,108,071		\$ 0.6807/lb	11,645,463.93
Classified Value				\$68,574,244.24
Class I Overage Skim and Butterfat	0	518		619.47
Class IV Overage Skim and Butterfat	0	9,604		11,386.51
Total Overage	0	10,122		\$12,005.98
Class I Inventory Skim and Butterfat	53,069	0		1,071.99
Class II Inventory Skim and Butterfat	1,041,836	0		8,543.05
Class III Inventory Skim and Butterfat	4,275,337	103,057		(31,462.60)
Total Inventory	5,370,242	103,057		(\$21,847.56)
Class I Other Source Fluid and Nonfluid	270,751	0		7,123.81
Producer Milk Value				\$68,571,526.47
Butterfat in Prod Milk x Butterfat Price	22,985,336		\$ 1.1856/lb	27,251,414.35
Protein in Prod Milk x Protein Price	18,832,149		\$ 1.8164/lb	34,206,715.45
Other Solids in Prod Milk x Other Solids Price	35,247,782		\$ 0.0339/lb	1,194,899.80
Producer Milk Credits				\$62,653,029.60
PM Value - PM Credits				\$5,918,496.87
Location Adjustments				243,185.52
1/2 Balance in Producer Settlement Fund				173,478.47
Total Producer Milk and Differential Value	620,396,867	22,985,336	\$ 1.02114649	\$6,335,160.86
Producer Settlement Fund Reserve			\$ 0.04114649	255,271.53

Producer Price Differential at King County, WA	\$ 0.98 /cwt
Statistical Uniform Price at King County, WA	\$ 10.76 /cwt

Estimated Market Wide Skim Utilization Class I 28 %
 Estimated Market Wide Butterfat Utilization Class I 14 %