

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

February 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	28.83 %	162,706,392	159,865,062	2,841,330	5,004,815	9,450,564	14,455,379
Producer Milk - Class II	6.01 %	33,950,531	30,902,796	3,047,735	967,263	1,824,362	2,791,625
Producer Milk - Class III	32.95 %	186,027,387	179,015,804	7,011,583	5,634,701	10,582,011	16,216,712
Producer Milk - Class IV	32.21 %	181,861,752	173,942,242	7,919,510	5,451,104	10,240,818	15,691,922
Total Producer Receipts	100.00 %	564,546,062	543,725,904	20,820,158	17,057,883	32,097,755	49,155,638

	<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	159,865,062		\$ 6.20 /cwt	\$9,911,633.83
Butterfat		2,841,330	\$ 1.2133/lb	3,447,385.72
Class I Differential at Location				3,080,483.45
Class II Butterfat		3,047,735	\$ 1.1443/lb	3,487,523.14
Nonfat Solids	2,791,625		\$ 0.7667/lb	2,140,338.88
Class III Butterfat		7,011,583	\$ 1.1373/lb	7,974,273.37
Protein	5,634,701		\$ 1.8538/lb	10,445,608.75
Other Solids	10,582,011		\$ 0.0240/lb	253,968.23
Class IV Butterfat		7,919,510	\$ 1.1373/lb	9,006,858.75
Nonfat Solids	15,691,922		\$ 0.6711/lb	10,530,848.86
Classified Value				\$60,278,922.98
Class IV Overage Skim and Butterfat	0	3,927		4,466.18
Total Overage	0	3,927		\$4,466.18
Class II Inventory Skim and Butterfat	542,081	2,094		4,087.54
Class III Inventory Skim and Butterfat	1,073,237	49,383		(4,960.97)
Total Inventory	1,615,318	51,477		(\$873.43)
Class I Other Source Fluid and Nonfluid	459,861	0		9,629.10
Producer Milk Value				\$60,292,144.83
Butterfat in Prod Milk x Butterfat Price	20,820,158		\$ 1.1373/lb	23,678,765.69
Protein in Prod Milk x Protein Price	17,057,883		\$ 1.8538/lb	31,621,903.50
Other Solids in Prod Milk x Other Solids Price	32,097,755		\$ 0.0240/lb	770,346.12
Producer Milk Credits				\$56,071,015.31
PM Value - PM Credits				\$4,221,129.52
Location Adjustments				229,070.76
1/2 Balance in Producer Settlement Fund				224,758.93
Total Producer Milk and Differential Value	564,650,046	20,820,158	\$ 0.82793922	\$4,674,959.21
Producer Settlement Fund Reserve			\$ 0.04793922	270,688.83

Producer Price Differential at King County, WA	\$ 0.78 /cwt
Statistical Uniform Price at King County, WA	\$ 10.44 /cwt

Estimated Market Wide Skim Utilization Class I 31 %
Estimated Market Wide Butterfat Utilization Class I 15 %

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James R. Daugherty, Market Administrator