

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

March 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	27.17 %	175,036,939	171,959,688	3,077,251	5,399,640	10,166,748	15,566,388
Producer Milk - Class II	5.79 %	37,295,626	33,946,070	3,349,556	1,067,685	2,004,006	3,071,691
Producer Milk - Class III	34.13 %	219,801,201	211,636,205	8,164,996	6,680,840	12,523,345	19,204,185
Producer Milk - Class IV	32.91 %	211,930,099	202,842,289	9,087,810	6,376,081	11,952,392	18,328,473
Total Producer Receipts	100.00 %	644,063,865	620,384,252	23,679,613	19,524,246	36,646,491	56,170,737

	<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	171,959,688		\$ 6.04 /cwt	\$10,386,365.14
Butterfat		3,077,251	\$ 1.1374/lb	3,500,065.28
Class I Differential at Location				3,314,398.59
Class II Butterfat		3,349,556	\$ 1.1529/lb	3,861,703.10
Nonfat Solids	3,071,691		\$ 0.7489/lb	2,300,389.38
Class III Butterfat		8,164,996	\$ 1.1459/lb	9,356,268.90
Protein	6,680,840		\$ 1.6648/lb	11,122,262.44
Other Solids	12,523,345		\$ 0.0206/lb	257,980.91
Class IV Butterfat		9,087,810	\$ 1.1459/lb	10,413,721.48
Nonfat Solids	18,328,473		\$ 0.6651/lb	12,190,267.38
Classified Value				\$66,703,422.60
Class II Overage Skim and Butterfat	0	3,933		4,534.36
Class III Overage Skim and Butterfat	0	7,220		8,273.40
Class IV Overage Skim and Butterfat	0	4,573		5,240.20
Total Overage	0	15,726		\$18,047.96
Class I Inventory Skim and Butterfat	4,907	0		93.23
Class II Inventory Skim and Butterfat	141,456	9,726		1,141.92
Class III Inventory Skim and Butterfat	1,908,731	68,789		(13,914.76)
Total Inventory	2,055,094	78,515		(\$12,679.61)
Class I Other Source Fluid and Nonfluid	45,027	0		1,197.72
Producer Milk Value				\$66,709,988.67
Butterfat in Prod Milk x Butterfat Price	23,679,613		\$ 1.1459/lb	27,134,468.56
Protein in Prod Milk x Protein Price	19,524,246		\$ 1.6648/lb	32,503,964.73
Other Solids in Prod Milk x Other Solids Price	36,646,491		\$ 0.0206/lb	754,917.72
Producer Milk Credits				\$60,393,351.01
PM Value - PM Credits				\$6,316,637.66
Location Adjustments				276,389.43
1/2 Balance in Producer Settlement Fund				237,280.07
Total Producer Milk and Differential Value	644,108,892	23,679,613	\$ 1.06042740	\$6,830,307.16
Producer Settlement Fund Reserve			\$ 0.04042740	260,396.48

Producer Price Differential at King County, WA	\$ 1.02 /cwt
Statistical Uniform Price at King County, WA	\$ 10.13 /cwt

Estimated Market Wide Skim Utilization Class I 29 %
 Estimated Market Wide Butterfat Utilization Class I 14 %