

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

May 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	28.07 %	180,277,109	177,075,009	3,202,100	5,471,615	10,506,855	15,978,470
Producer Milk - Class II	6.04 %	38,796,905	35,193,115	3,603,790	1,087,911	2,084,339	3,172,250
Producer Milk - Class III	33.74 %	216,653,702	208,333,979	8,319,723	6,532,714	12,349,691	18,882,405
Producer Milk - Class IV	32.15 %	206,463,260	198,338,838	8,124,422	6,121,130	11,710,458	17,831,588
Total Producer Receipts	100.00 %	642,190,976	618,940,941	23,250,035	19,213,370	36,651,343	55,864,713

	<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	177,075,009		\$ 5.91 /cwt	\$10,465,133.02
Butterfat		3,202,100	\$ 1.1462/lb	3,670,247.04
Class I Differential at Location				3,414,783.47
Class II Butterfat		3,603,790	\$ 1.1582/lb	4,173,909.59
Nonfat Solids	3,172,250		\$ 0.7344/lb	2,329,700.39
Class III Butterfat		8,319,723	\$ 1.1512/lb	9,577,665.11
Protein	6,532,714		\$ 1.9275/lb	12,591,806.25
Other Solids	12,349,691		(\$0.0144)/lb	(177,835.54)
Class IV Butterfat		8,124,422	\$ 1.1512/lb	9,352,834.60
Nonfat Solids	17,831,588		\$ 0.6574/lb	11,722,485.93
Classified Value				\$67,120,729.86
Class II Overage Skim and Butterfat	326,854	1,830		23,724.56
Class III Overage Skim and Butterfat	618,428	30,628		71,684.36
Class IV Overage Skim and Butterfat	514,811	11,430		43,635.04
Total Overage	1,460,093	43,888		\$139,043.96
Class I Inventory Skim and Butterfat	80,916	0		1,537.40
Class II Inventory Skim and Butterfat	1,503,565	32,379		10,780.76
Class III Inventory Skim and Butterfat	2,357,640	51,597		(425.10)
Total Inventory	3,942,121	83,976		\$11,893.06
Class I Other Source Fluid and Nonfluid	106,941	0		2,053.26
Producer Milk Value				\$67,273,720.14
Butterfat in Prod Milk x Butterfat Price	23,250,035		\$ 1.1512/lb	26,765,440.28
Protein in Prod Milk x Protein Price	19,213,370		\$ 1.9275/lb	37,033,770.71
Other Solids in Prod Milk x Other Solids Price	36,651,343		(\$0.0144)/lb	(527,779.34)
Producer Milk Credits				\$63,271,431.65
PM Value - PM Credits				\$4,002,288.49
Location Adjustments				273,649.89
1/2 Balance in Producer Settlement Fund				307,332.09
Total Producer Milk and Differential Value	642,297,917	23,250,035	\$ 0.71357393	\$4,583,270.47
Producer Settlement Fund Reserve			\$ 0.04357393	279,874.44

Producer Price Differential at King County, WA	\$ 0.67 /cwt
Statistical Uniform Price at King County, WA	\$ 10.38 /cwt

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