

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

July 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	41.91 %	172,452,699	169,332,928	3,119,771	5,166,445	10,031,556	15,198,001
Producer Milk - Class II	9.90 %	40,718,359	36,544,786	4,173,573	1,116,998	2,160,819	3,277,817
Producer Milk - Class III	0.40 %	1,651,556	1,380,845	270,711	41,975	81,641	123,616
Producer Milk - Class IV	47.79 %	196,662,873	189,676,597	6,986,276	5,826,453	11,206,104	17,032,557
Total Producer Receipts	100.00 %	411,485,487	396,935,156	14,550,331	12,151,871	23,480,120	35,631,991

	<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	169,332,928		\$ 5.92 /cwt	\$10,024,509.34
Butterfat		3,119,771	\$ 1.1590/lb	3,615,814.60
Class I Differential at Location				3,273,894.15
Class II Butterfat		4,173,573	\$ 1.2125/lb	5,060,457.30
Nonfat Solids	3,277,817		\$ 0.7356/lb	2,411,162.19
Class III Butterfat		270,711	\$ 1.2055/lb	326,342.09
Protein	41,975		\$ 2.5480/lb	106,952.30
Other Solids	81,641		(\$0.0124)/lb	(1,012.35)
Class IV Butterfat		6,986,276	\$ 1.2055/lb	8,421,955.71
Nonfat Solids	17,032,557		\$ 0.6605/lb	11,250,003.91
Classified Value				\$44,490,079.24
Class I Overage Skim and Butterfat	68,560	737		6,125.63
Class II Overage Skim and Butterfat	32,213	4,304		7,351.09
Class IV Overage Skim and Butterfat	0	558		672.67
Total Overage	100,773	5,599		\$14,149.39
Class I Inventory Skim and Butterfat	72,826	0		1,274.45
Class II Inventory Skim and Butterfat	2,409,564	65,817		20,480.30
Class III Inventory Skim and Butterfat	1,770,357	86,886		37,975.65
Total Inventory	4,252,747	152,703		\$59,730.40
Class I Other Source Fluid	15,317	0		0.00
Producer Milk Value				\$44,563,959.03
Butterfat in Prod Milk x Butterfat Price	14,550,331		\$ 1.2055/lb	17,540,424.02
Protein in Prod Milk x Protein Price	12,151,871		\$ 2.5480/lb	30,962,967.29
Other Solids in Prod Milk x Other Solids Price	23,480,120		(\$0.0124)/lb	(291,153.47)
Producer Milk Credits				\$48,212,237.84
PM Value - PM Credits				(\$3,648,278.81)
Location Adjustments				5,371.81
1/2 Balance in Producer Settlement Fund				346,043.59
Total Producer Milk and Differential Value	411,500,804	14,550,331	(\$0.80118031)	(\$3,296,863.41)
Producer Settlement Fund Reserve			\$ 0.04881969	200,893.42

Producer Price Differential at King County, WA	(\$0.85) /cwt
Statistical Uniform Price at King County, WA	\$ 10.93 /cwt

Estimated Market Wide Skim Utilization Class I 26 %
Estimated Market Wide Butterfat Utilization Class I 13%