

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

October 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	49.84 %	187,837,226	184,378,651	3,458,575	5,918,430	10,842,857	16,761,287
Producer Milk - Class II	8.25 %	31,088,918	27,550,375	3,538,543	885,458	1,618,091	2,503,549
Producer Milk - Class III	0.92 %	3,478,233	3,148,759	329,474	102,303	184,754	287,057
Producer Milk - Class IV	40.99 %	154,510,370	148,034,817	6,475,553	4,753,951	8,678,670	13,432,621
Total Producer Receipts	100.00 %	376,914,747	363,112,602	13,802,145	11,660,142	21,324,372	32,984,514

	<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	184,378,651		\$ 10.43 /cwt	\$19,230,693.30
Butterfat		3,458,575	\$ 1.2007/lb	4,152,711.02
Class I Differential at Location				3,566,057.34
Class II Butterfat		3,538,543	\$ 1.2623/lb	4,466,702.85
Nonfat Solids	2,503,549		\$ 0.7400/lb	1,852,626.26
Class III Butterfat		329,474	\$ 1.2553/lb	413,588.71
Protein	102,303		\$ 3.2815/lb	335,707.29
Other Solids	184,754		\$ 0.0311/lb	5,745.85
Class IV Butterfat		6,475,553	\$ 1.2553/lb	8,128,761.66
Nonfat Solids	13,432,621		\$ 0.6642/lb	8,921,946.87
Classified Value				\$51,074,541.15
Class II Overage Skim and Butterfat	60,624	1,006		5,307.43
Class IV Overage Skim and Butterfat	4,194	17,086		21,698.86
Total Overage	64,818	18,092		\$27,006.29
Class I Inventory Skim and Butterfat	347,022	0		22,035.90
Class II Inventory Skim and Butterfat	2,858,506	53,238		21,593.99
Class III Inventory Skim and Butterfat	51,960	0		2,275.85
Total Inventory	3,257,488	53,238		\$45,905.74
Class I Other Source Fluid	150,805	0		2,970.87
Producer Milk Value				\$51,150,424.05
Butterfat in Prod Milk x Butterfat Price	13,802,145		\$ 1.2553/lb	17,325,832.61
Protein in Prod Milk x Protein Price	11,660,142		\$ 3.2815/lb	38,262,755.97
Other Solids in Prod Milk x Other Solids Price	21,324,372		\$ 0.0311/lb	663,187.98
Producer Milk Credits				\$56,251,776.56
PM Value - PM Credits				(\$5,101,352.51)
Location Adjustments				8,051.59
1/2 Balance in Producer Settlement Fund				204,810.63
Total Producer Milk and Differential Value	377,065,552	13,802,145	(\$1.29645635)	(\$4,888,490.29)
Producer Settlement Fund Reserve			\$ 0.04354365	164,188.10

Producer Price Differential at King County, WA	(\$1.34) /cwt
Statistical Uniform Price at King County, WA	\$ 13.05 /cwt

Estimated Market Wide Skim Utilization Class I 48 %
 Estimated Market Wide Butterfat Utilization Class I 23%