

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

November 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	41.19 %	176,654,597	173,115,045	3,539,552	5,688,719	10,214,450	15,903,169
Producer Milk - Class II	7.98 %	34,209,061	30,309,057	3,900,004	995,428	1,784,239	2,779,667
Producer Milk - Class III	14.02 %	60,142,191	57,602,918	2,539,273	1,944,508	3,416,438	5,360,946
Producer Milk - Class IV	36.81 %	157,856,868	151,454,627	6,402,241	4,973,174	8,896,293	13,869,467
Total Producer Receipts	100.00 %	428,862,717	412,481,647	16,381,070	13,601,829	24,311,420	37,913,249

	<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	173,115,045		\$ 10.33 /cwt	\$17,882,784.15
Class I Butterfat		3,539,552	\$ 1.2563/lb	4,446,739.19
Class I Differential at Location				3,353,879.49
Class II Butterfat		3,900,004	\$ 1.2947/lb	5,049,335.19
Class II Nonfat Solids	2,779,667		\$ 0.7433/lb	2,066,126.48
Class III Butterfat		2,539,273	\$ 1.2877/lb	3,269,821.85
Class III Protein	1,944,508		\$ 2.9267/lb	5,690,991.57
Class III Other Solids	3,416,438		\$ 0.0368/lb	125,724.91
Class IV Butterfat		6,402,241	\$ 1.2877/lb	8,244,165.74
Class IV Nonfat Solids	13,869,467		\$ 0.6663/lb	9,241,225.88
Classified Value				\$59,370,794.45
Class I Overage Skim and Butterfat	228,760	0		27,977.35
Class II Overage Skim and Butterfat	848,731	0		56,780.11
Class IV Overage Skim and Butterfat	899,549	0		53,972.94
Total Overage	1,977,040	0		\$138,730.40
Class I Inventory Skim and Butterfat	289,270	0		18,079.38
Class II Inventory Skim and Butterfat	1,919,761	119,886		18,353.80
Total Inventory	2,209,031	119,886		\$36,433.18
Class I Other Source Fluid	97,866	0		2,877.25
Producer Milk Value				\$59,548,835.28
Butterfat in Prod Milk x Butterfat Price	16,381,070		\$ 1.2877/lb	21,093,903.82
Protein in Prod Milk x Protein Price	13,601,829		\$ 2.9267/lb	39,808,472.91
Other Solids in Prod Milk x Other Solids Price	24,311,420		\$ 0.0368/lb	894,660.26
Producer Milk Credits				\$61,797,036.99
PM Value - PM Credits				(\$2,248,201.71)
Location Adjustments				28,537.65
1/2 Balance in Producer Settlement Fund				188,597.03
Total Producer Milk and Differential Value	428,960,583	16,381,070	(\$0.47348570)	(\$2,031,067.03)
Producer Settlement Fund Reserve			\$ 0.04651430	199,528.01

Producer Price Differential at King County, WA	(\$0.52) /cwt
Statistical Uniform Price at King County, WA	\$ 12.95 /cwt

Estimated Market Wide Skim Utilization Class I	51 %
Estimated Market Wide Butterfat Utilization Class I	25%