

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

December 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	29.66 %	182,491,832	178,854,268	3,637,564	5,818,925	10,554,348	16,373,273
Producer Milk - Class II	6.14 %	37,806,625	34,070,422	3,736,203	1,109,104	2,009,473	3,118,577
Producer Milk - Class III	33.17 %	204,114,260	196,074,416	8,039,844	6,489,800	11,597,774	18,087,574
Producer Milk - Class IV	31.03 %	190,978,123	182,828,267	8,149,856	5,949,292	10,760,563	16,709,855
Total Producer Receipts	100.00 %	615,390,840	591,827,373	23,563,467	19,367,121	34,922,158	54,289,279

	<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	178,854,268		\$ 9.70 /cwt	\$17,348,864.00
Butterfat		3,637,564	\$ 1.2806/lb	4,658,264.45
Class I Differential at Location				3,464,482.48
Class II Butterfat		3,736,203	\$ 1.3758/lb	5,140,268.11
Nonfat Solids	3,118,577		\$ 0.7467/lb	2,328,641.42
Class III Butterfat		8,039,844	\$ 1.3688/lb	11,004,938.46
Protein	6,489,800		\$ 2.2997/lb	14,924,593.06
Other Solids	11,597,774		\$ 0.0362/lb	419,839.41
Class IV Butterfat		8,149,856	\$ 1.3688/lb	11,155,522.88
Nonfat Solids	16,709,855		\$ 0.6603/lb	11,033,517.25
Classified Value				\$81,478,931.52
Class IV Overage Skim and Butterfat	71,744	45,354		66,342.15
Total Overage	71,744	45,354		\$66,342.15
Class I Inventory Skim and Butterfat	73,131	0		4,095.34
Class II Inventory Skim and Butterfat	2,342,415	129,598		28,282.97
Class III Inventory Skim and Butterfat	761,878	12,650		11,235.08
Total Inventory	3,177,424	142,248		\$43,613.39
Class I Other Source Fluid	43,306	0		1,844.83
Producer Milk Value				\$81,590,731.89
Butterfat in Prod Milk x Butterfat Price	23,563,467		\$ 1.3688/lb	32,253,673.62
Protein in Prod Milk x Protein Price	19,367,121		\$ 2.2997/lb	44,538,568.16
Other Solids in Prod Milk x Other Solids Price	34,922,158		\$ 0.0362/lb	1,264,182.12
Producer Milk Credits				\$78,056,423.90
PM Value - PM Credits				\$3,534,307.99
Location Adjustments				258,570.30
1/2 Balance in Producer Settlement Fund				193,948.75
Total Producer Milk and Differential Value	615,434,146	23,563,467	\$ 0.64780725	\$3,986,827.04
Producer Settlement Fund Reserve			\$ 0.04780725	294,222.14
Producer Price Differential at King County, WA			\$ 0.60 /cwt	
Statistical Uniform Price at King County, WA			\$ 12.47 /cwt	

Estimated Market Wide Skim Utilization Class I 42 %
Estimated Market Wide Butterfat Utilization Class I 22%