

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

February 2004

	<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	28.34 %	164,584,925	161,636,293	2,948,632	5,130,502	9,544,118	14,674,620
Producer Milk - Class II	5.91 %	34,320,400	30,713,520	3,606,880	975,100	1,812,713	2,787,813
Producer Milk - Class III	34.83 %	202,255,008	194,379,647	7,875,361	6,276,263	11,479,452	17,755,715
Producer Milk - Class IV	30.92 %	179,556,674	172,194,788	7,361,886	5,450,602	10,131,416	15,582,018
Total Producer Receipts	100.00 %	580,717,007	558,924,248	21,792,759	17,832,467	32,967,699	50,800,166

	<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	161,636,293		\$ 6.55 /cwt	\$10,587,177.22
Butterfat		2,948,632	\$ 1.5044/lb	4,435,921.99
Class I Differential at Location				3,124,722.02
Class II Butterfat		3,606,880	\$ 1.8588/lb	6,704,468.55
Nonfat Solids	2,787,813		\$ 0.7367/lb	2,053,781.83
Class III Butterfat		7,875,361	\$ 1.8518/lb	14,583,593.49
Protein	6,276,263		\$ 1.7911/lb	11,241,414.68
Other Solids	11,479,452		\$ 0.0090/lb	103,315.08
Class IV Butterfat		7,361,886	\$ 1.8518/lb	13,632,740.49
Nonfat Solids	15,582,018		\$ 0.6597/lb	10,279,457.29
Classified Value				\$76,746,592.64
Class II Overage Skim and Butterfat	0	7,547		14,028.36
Class III Overage Skim and Butterfat	0	38,868		71,975.76
Class IV Overage Skim and Butterfat	19,820	13,606		26,372.90
Total Overage	19,820	60,021		\$112,377.02
Class II Inventory Skim and Butterfat	64,179	0		442.84
Class III Inventory Skim and Butterfat	1,029,796	15,352		2,036.28
Total Inventory	1,093,975	15,352		\$2,479.12
Class I Other Source Fluid	37,940	0		1,077.50
Producer Milk Value				\$76,862,526.28
Butterfat in Prod Milk x Butterfat Price	21,792,759		\$ 1.8518/lb	40,355,831.12
Protein in Prod Milk x Protein Price	17,832,467		\$ 1.7911/lb	31,939,731.66
Other Solids in Prod Milk x Other Solids Price	32,967,699		\$ 0.0090/lb	296,709.30
Producer Milk Credits				\$72,592,272.08
PM Value - PM Credits				\$4,270,254.20
Location Adjustments				264,746.14
1/2 Balance in Producer Settlement Fund				245,731.11
Total Producer Milk and Differential Value	580,754,947	21,792,759	\$ 0.82319255	\$4,780,731.45
Producer Settlement Fund Reserve			\$ 0.04319255	250,842.87

Producer Price Differential at King County, WA	\$ 0.78 /cwt
Statistical Uniform Price at King County, WA	\$ 12.67 /cwt

Estimated Market Wide Skim Utilization Class I 31 %
 Estimated Market Wide Butterfat Utilization Class I 14%