

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

June 2004

	<u>% UTILIZATION PER CLASS</u>	<u>PRODUCT POUNDS</u>	<u>SKIM POUNDS</u>	<u>BUTTERFAT POUNDS</u>	<u>PROTEIN POUNDS</u>	<u>OTHER SOLIDS</u>	<u>NONFAT SOLIDS</u>
Producer Milk - Class I	27.70 %	164,462,589	161,413,531	3,049,058	5,004,254	9,563,039	14,567,293
Producer Milk - Class II	6.91 %	40,996,559	36,758,631	4,237,928	1,141,880	2,173,811	3,315,691
Producer Milk - Class III	29.56 %	175,495,743	168,186,308	7,309,435	5,206,100	9,935,468	15,141,568
Producer Milk - Class IV	35.83 %	212,739,764	206,027,563	6,712,201	6,363,239	12,133,393	18,496,632
Total Producer Receipts	100.00 %	593,694,655	572,386,033	21,308,622	17,715,473	33,805,711	51,521,184

	<u>POUNDS</u>	<u>BFAT POUNDS</u>	<u>LB/CWT PRICE</u>	<u>TOTAL DOLLARS</u>
Class I Skim Milk	161,413,531		\$ 12.98 /cwt	\$20,951,476.34
Butterfat		3,049,058	\$ 2.4580/lb	7,494,584.57
Class I Differential at Location				3,115,638.75
Class II Butterfat		4,237,928	\$ 2.1838/lb	9,254,787.17
Nonfat Solids	3,315,691		\$ 0.7678/lb	2,545,787.54
Class III Butterfat		7,309,435	\$ 2.1768/lb	15,911,178.12
Protein	5,206,100		\$ 3.1086/lb	16,183,682.45
Other Solids	9,935,468		\$ 0.1339/lb	1,330,359.17
Class IV Butterfat		6,712,201	\$ 2.1768/lb	14,611,119.12
Nonfat Solids	18,496,632		\$ 0.7026/lb	12,995,733.65
Classified Value				\$104,394,346.88
Class IV Overage Skim and Butterfat	0	12,430		27,057.63
Total Overage	0	12,430		\$27,057.63
Class II Inventory Skim and Butterfat	2,400,003	30,331		9,147.11
Class III Inventory Skim and Butterfat	1,867,469	118,425		48,848.40
Total Inventory	4,267,472	148,756		\$57,995.51
Class I Other Source Fluid	49,299	0		2,193.81
Producer Milk Value				\$104,481,593.83
Butterfat in Prod Milk x Butterfat Price	21,308,622		\$ 2.1768/lb	46,384,608.39
Protein in Prod Milk x Protein Price	17,715,473		\$ 3.1086/lb	55,070,319.36
Other Solids in Prod Milk x Other Solids Price	33,805,711		\$ 0.1339/lb	4,526,584.71
Producer Milk Credits				\$105,981,512.46
PM Value - PM Credits				(\$1,499,918.63)
Location Adjustments				239,520.01
1/2 Balance in Producer Settlement Fund				188,498.48
Total Producer Milk and Differential Value	593,743,954	21,308,622	(\$0.18053239)	(\$1,071,900.14)
Producer Settlement Fund Reserve			\$ 0.04946761	293,710.94
Producer Price Differential at King County, WA			(\$0.23) /cwt	
Statistical Uniform Price at King County, WA			\$ 17.45 /cwt	

Estimated Market Wide Skim Utilization Class I 39 %
Estimated Market Wide Butterfat Utilization Class I 19 %

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James R. Daugherty, Market Administrator