

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

May 2005

	<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	28.66%	180,307,971	177,067,348	3,240,623	5,470,552	10,502,392	15,972,944
Producer Milk - Class II	6.75%	42,483,241	38,306,907	4,176,334	1,185,506	2,273,084	3,458,590
Producer Milk - Class III	29.40%	184,991,646	177,892,737	7,098,909	5,554,716	10,542,039	16,096,755
Producer Milk - Class IV	35.19%	221,445,206	213,436,371	8,008,835	6,581,318	12,599,089	19,180,407
Total Producer Receipts	100.00%	629,228,064	606,703,363	22,524,701	18,792,092	35,916,604	54,708,696

	<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	177,067,348		\$9.14 /cwt	\$16,183,955.61
Butterfat		3,240,623	\$1.7092 /lb	5,538,872.84
Class I Differential at Location				3,409,107.95
Class II Butterfat		4,176,334	\$1.5545 /lb	6,492,111.22
Nonfat Solids	3,458,590		\$0.8456 /lb	2,924,583.69
Class III Butterfat		7,098,909	\$1.5475 /lb	10,985,561.68
Protein	5,554,716		\$2.5965 /lb	14,422,820.10
Other Solids	10,542,039		\$0.1043 /lb	1,099,534.67
Class IV Butterfat		8,008,835	\$1.5475 /lb	12,393,672.18
Nonfat Solids	19,180,407		\$0.7810 /lb	14,979,897.88
Classified Value				\$88,430,117.82
Class IV Overage Skim and Butterfat	27	5,784		8,952.64
Total Overage	27	5,784		\$8,952.64
Class II Inventory Skim and Butterfat	1,862,196	37,671		7,689.85
Class III Inventory Skim and Butterfat	1,899,528	73,384		22,314.87
Total Inventory	3,761,724	111,055		\$30,004.72
Class I Other Source Fluid	9,604	0		228.58
Producer Milk Value				\$88,469,303.76
Butterfat in Prod Milk x Butterfat Price	22,524,701		\$1.5475 /lb	34,856,974.83
Protein in Prod Milk x Protein Price	18,792,092		\$2.5965 /lb	48,793,666.89
Other Solids in Prod Milk x Other Solids Price	35,916,604		\$0.1043 /lb	3,746,101.81
Producer Milk Credits				\$87,396,743.53
PM Value - PM Credits				\$1,072,560.23
Location Adjustments				268,699.02
1/2 Balance in Producer Settlement Fund				235,693.74
Total Producer Milk and Differential Value	629,237,668	22,524,701	\$0.25061325	\$1,576,952.99
Producer Settlement Fund Reserve			\$0.04061325	255,553.87

Producer Price Differential at King County, WA

Statistical Uniform Price at King County, WA

\$0.21 /cwt

\$13.98 /cwt

Estimated Market Wide Skim Utilization Class I 40%

Estimated Market Wide Butterfat Utilization Class I 19%

Released: June 14, 2005

James R. Daugherty, Market Administrator