

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

July 2006

	<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	24.24%	171,442,820	168,268,383	3,174,437	5,166,082	9,946,526	15,112,608
Producer Milk - Class II	6.10%	43,141,992	38,951,857	4,190,135	1,205,931	2,304,256	3,510,187
Producer Milk - Class III	31.37%	221,845,328	213,593,975	8,251,353	6,655,838	12,628,018	19,283,856
Producer Milk - Class IV	38.29%	270,797,642	261,008,588	9,789,054	8,110,733	15,388,909	23,499,642
Total Producer Receipts	100.00%	707,227,782	681,822,803	25,404,979	21,138,584	40,267,709	61,406,293

	<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	168,268,383		\$7.24 /cwt	\$12,182,630.94
Butterfat		3,174,437	\$1.2430 /lb	3,945,825.20
Class I Differential at Location				3,254,140.08
Class II Butterfat		4,190,135	\$1.2298 /lb	5,153,028.03
Nonfat Solids	3,510,187		\$0.7511 /lb	2,636,501.45
Class III Butterfat		8,251,353	\$1.2228 /lb	10,089,754.45
Protein	6,655,838		\$1.9807 /lb	13,183,218.33
Other Solids	12,628,018		\$0.1257 /lb	1,587,341.85
Class IV Butterfat		9,789,054	\$1.2228 /lb	11,970,055.21
Nonfat Solids	23,499,642		\$0.6831 /lb	16,052,605.45
Classified Value				\$80,055,100.99
Class IV Overage Skim and Butterfat	138,085	627		9,258.92
Total Overage	138,085	627		\$9,258.92
Class II Inventory Skim and Butterfat	87,461	9,010		470.40
Class III Inventory Skim and Butterfat	3,102,425	131,297		22,088.42
Total Inventory	3,189,886	140,307		\$22,558.82
Class I Other Source Fluid	137,632	0		3,110.48
Producer Milk Value				\$80,090,029.21
Butterfat in Prod Milk x Butterfat Price	25,404,979		\$1.2228 /lb	31,065,208.35
Protein in Prod Milk x Protein Price	21,138,584		\$1.9807 /lb	41,869,193.36
Other Solids in Prod Milk x Other Solids Price	40,267,709		\$0.1257 /lb	5,061,651.02
Producer Milk Credits				\$77,996,052.73
PM Value - PM Credits				\$2,093,976.48
Location Adjustments				514,371.18
1/2 Balance in Producer Settlement Fund				310,441.01
Total Producer Milk and Differential Value	707,365,414	25,404,979	\$0.41262813	\$2,918,788.67
Producer Settlement Fund Reserve			\$0.04262813	301,536.65
Producer Price Differential at King County, WA			\$0.37 /cwt	
Statistical Uniform Price at King County, WA			\$11.29 /cwt	
Estimated Market Wide Skim Utilization Class I		28%		
Estimated Market Wide Butterfat Utilization Class I		14%		

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James R. Daugherty, Market Administrator