

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

December 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	43.16%	196,036,867	192,235,475	3,801,392	6,288,430	11,328,563	17,616,993
Producer Milk - Class II	7.48%	33,949,299	30,064,991	3,884,308	986,120	1,772,756	2,758,876
Producer Milk - Class III	5.08%	23,078,735	22,114,245	964,490	732,482	1,304,249	2,036,731
Producer Milk - Class IV	44.28%	201,092,174	192,541,592	8,550,582	6,318,795	11,338,709	17,657,504
Total Producer Receipts	100.00%	454,157,075	436,956,303	17,200,772	14,325,827	25,744,277	40,070,104

	<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	192,235,475		\$7.89 /cwt	\$15,167,378.99
Butterfat		3,801,392	\$1.3770 /lb	5,234,516.82
Class I Differential at Location				3,715,047.78
Class II Butterfat		3,884,308	\$1.3551 /lb	5,263,625.78
Nonfat Solids	2,758,876		\$0.8989 /lb	2,479,953.65
Class III Butterfat		964,490	\$1.3481 /lb	1,300,228.97
Protein	732,482		\$2.4388 /lb	1,786,377.11
Other Solids	1,304,249		\$0.2564 /lb	334,409.44
Class IV Butterfat		8,550,582	\$1.3481 /lb	11,527,039.61
Nonfat Solids	17,657,504		\$0.8737 /lb	15,427,361.26
Classified Value				\$62,235,939.41
Class IV Overage Skim and Butterfat	34,549	11,274		17,914.03
Total Overage	34,549	11,274		\$17,914.03
Class II Inventory Skim and Butterfat	1,356,857	42,137		6,465.75
Total Inventory	1,356,857	42,137		\$6,465.75
Class I Other Source Fluid	142,253	0		1,024.22
Producer Milk Value				\$62,261,343.41
Butterfat in Prod Milk x Butterfat Price	17,200,772		\$1.3481 /lb	23,188,360.72
Protein in Prod Milk x Protein Price	14,325,827		\$2.4388 /lb	34,937,826.89
Other Solids in Prod Milk x Other Solids Price	25,744,277		\$0.2564 /lb	6,600,832.62
Producer Milk Credits				\$64,727,020.23
PM Value - PM Credits				(\$2,465,676.82)
Location Adjustments				205,426.15
1/2 Balance in Producer Settlement Fund				303,167.14
Total Producer Milk and Differential Value	454,299,328	17,200,772	(\$0.43079164)	(\$1,957,083.53)
Producer Settlement Fund Reserve			\$0.04920836	223,553.25

Producer Price Differential at King County, WA	(\$0.48)	/cwt
Statistical Uniform Price at King County, WA	\$12.99	/cwt

Estimated Market Wide Skim Utilization Class I 34%
 Estimated Market Wide Butterfat Utilization Class I 17%

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James R. Daugherty, Market Administrator