

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

May 2008

	<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	35.71%	189,480,974	186,202,826	3,278,148	5,835,250	11,063,795	16,899,045
Producer Milk - Class II	8.22%	43,586,973	39,523,888	4,063,085	1,243,906	2,347,721	3,591,627
Producer Milk - Class III	13.01%	69,007,482	66,122,543	2,884,939	2,097,208	3,914,410	6,011,618
Producer Milk - Class IV	43.06%	228,477,067	219,684,576	8,792,491	6,945,471	13,010,103	19,955,574
Total Producer Receipts	100.00%	530,552,496	511,533,833	19,018,663	16,121,835	30,336,029	46,457,864

	<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	186,202,826		\$11.90 /cwt	\$22,158,136.32
Butterfat		3,278,148	\$1.4663 /lb	4,806,748.43
Class I Differential at Location				3,592,806.41
Class II Butterfat		4,063,085	\$1.5632 /lb	6,351,414.45
Nonfat Solids	3,591,627		\$1.1556 /lb	4,150,484.17
Class III Butterfat		2,884,939	\$1.5562 /lb	4,489,542.07
Protein	2,097,208		\$4.1108 /lb	8,621,202.65
Other Solids	3,914,410		\$0.0766 /lb	299,843.81
Class IV Butterfat		8,792,491	\$1.5562 /lb	13,682,874.49
Nonfat Solids	19,955,574		\$1.1301 /lb	22,551,794.17
Classified Value				\$90,704,846.97
Class II Overage Skim and Butterfat	1,048	0		108.99
Class IV Overage Skim and Butterfat	3,627	25,701		40,364.75
Total Overage	4,675	25,701		\$40,473.74
Class II Inventory Skim and Butterfat	1,540,207	10,475		11,091.36
Total Inventory	1,540,207	10,475		\$11,091.36
Class I Other Source Fluid	774,670	7,155		4,140.73
Producer Milk Value				\$90,760,552.80
Butterfat in Prod Milk x Butterfat Price	19,018,663		\$1.5562 /lb	29,596,843.34
Protein in Prod Milk x Protein Price	16,121,835		\$4.1108 /lb	66,273,639.32
Other Solids in Prod Milk x Other Solids Price	30,336,029		\$0.0766 /lb	2,323,739.83
Producer Milk Credits				\$98,194,222.49
PM Value - PM Credits				(\$7,433,669.69)
Location Adjustments				288,002.93
1/2 Balance in Producer Settlement Fund				202,361.19
Total Producer Milk and Differential Value	531,334,321	19,025,818	(\$1.30676775)	(\$6,943,305.57)
Producer Settlement Fund Reserve			\$0.04323225	229,707.78

Producer Price Differential at King County, WA	(\$1.35)	/cwt
Statistical Uniform Price at King County, WA	\$16.83	/cwt

Estimated Market Wide Skim Utilization Class I 30%
 Estimated Market Wide Butterfat Utilization Class I 14%

Released: June 13, 2008

James R. Daugherty, Market Administrator