

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

July 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	27.06%	180,104,869	176,865,010	3,239,859	5,417,886	10,496,773	15,914,659
Producer Milk - Class II	7.10%	47,253,260	42,698,824	4,554,436	1,317,588	2,534,609	3,852,197
Producer Milk - Class III	32.59%	216,856,175	208,894,337	7,961,838	6,528,062	12,379,869	18,907,931
Producer Milk - Class IV	33.25%	221,265,818	213,360,497	7,905,321	6,599,108	12,625,890	19,224,998
Total Producer Receipts	100.00%	665,480,122	641,818,668	23,661,454	19,862,644	38,037,141	57,899,785

	<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	176,865,010		\$15.70 /cwt	\$27,767,806.58
Butterfat		3,239,859	\$1.6086 /lb	5,211,637.20
Class I Differential at Location				3,415,608.41
Class II Butterfat		4,554,436	\$1.6844 /lb	7,671,492.00
Nonfat Solids	3,852,197		\$1.2567 /lb	4,841,055.99
Class III Butterfat		7,961,838	\$1.6774 /lb	13,355,187.07
Protein	6,528,062		\$4.0025 /lb	26,128,568.17
Other Solids	12,379,869		\$0.0707 /lb	875,256.74
Class IV Butterfat		7,905,321	\$1.6774 /lb	13,260,385.45
Nonfat Solids	19,224,998		\$1.2358 /lb	23,758,252.54
Classified Value				\$126,285,250.15
Class I Overage Skim and Butterfat	0	257		418.29
Class II Overage Skim and Butterfat	39,741	1,341		6,753.49
Class III Overage Skim and Butterfat	13,019	0		1,669.04
Class IV Overage Skim and Butterfat	0	5,223		8,761.06
Total Overage	52,760	6,821		\$17,601.88
Class II Inventory Skim and Butterfat	1,739,695	105,386		18,864.35
Class III Inventory Skim and Butterfat	3,073,319	125,118		74,680.60
Total Inventory	4,813,014	230,504		\$93,544.95
Class I Other Source Fluid	150,458	872		7,148.47
Producer Milk Value				\$126,403,545.45
Butterfat in Prod Milk x Butterfat Price	23,661,454		\$1.6774 /lb	39,689,722.94
Protein in Prod Milk x Protein Price	19,862,644		\$4.0025 /lb	79,500,232.67
Other Solids in Prod Milk x Other Solids Price	38,037,141		\$0.0707 /lb	2,689,225.90
Producer Milk Credits				\$121,879,181.51
PM Value - PM Credits				\$4,524,363.94
Location Adjustments				447,738.66
1/2 Balance in Producer Settlement Fund				0.00
Total Producer Milk and Differential Value	665,631,452	23,662,326	\$0.74697531	\$4,972,102.60
Producer Settlement Fund Reserve			\$0.04697531	312,682.44

Producer Price Differential at King County, WA	\$0.70 /cwt
Statistical Uniform Price at King County, WA	\$18.94 /cwt

Estimated Market Wide Skim Utilization Class I 35%
Estimated Market Wide Butterfat Utilization Class I 17%