

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

November 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	29.41%	182,730,222	179,346,880	3,383,342	5,893,524	10,588,064	16,481,588
Producer Milk - Class II	6.05%	37,553,495	33,750,482	3,803,013	1,110,821	1,992,843	3,103,664
Producer Milk - Class III	32.47%	201,702,368	193,844,758	7,857,610	6,462,642	11,414,163	17,876,805
Producer Milk - Class IV	32.07%	199,219,540	190,902,670	8,316,870	6,283,134	11,237,961	17,521,095
Total Producer Receipts	100.00%	621,205,625	597,844,790	23,360,835	19,750,121	35,233,031	54,983,152

	<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	179,346,880		\$11.29 /cwt	\$20,248,262.74
Butterfat		3,383,342	\$1.8388 /lb	6,221,289.26
Class I Differential at Location				3,464,989.57
Class II Butterfat		3,803,013	\$1.7800 /lb	6,769,363.14
Nonfat Solids	3,103,664		\$0.9467 /lb	2,938,238.71
Class III Butterfat		7,857,610	\$1.7730 /lb	13,931,542.53
Protein	6,462,642		\$3.1301 /lb	20,228,715.73
Other Solids	11,414,163		(\$0.0099)/lb	(113,000.22)
Class IV Butterfat		8,316,870	\$1.7730 /lb	14,745,810.51
Nonfat Solids	17,521,095		\$0.6953 /lb	12,182,417.35
Classified Value				\$100,617,629.32
Class I Overage Skim and Butterfat	0	20		37.16
Class III Overage Skim and Butterfat	0	83,214		147,538.42
Class IV Overage Skim and Butterfat	144,941	984		10,817.94
Total Overage	144,941	84,218		\$158,393.52
Class II Inventory Skim and Butterfat	700,929	16,136		6,709.59
Class III Inventory Skim and Butterfat	1,987,620	88,482		37,647.64
Total Inventory	2,688,549	104,618		\$44,357.23
Class I Other Source Fluid	259,716	1,938		9,384.25
Producer Milk Value				\$100,829,764.32
Butterfat in Prod Milk x Butterfat Price	23,360,835		\$1.7730 /lb	41,418,760.46
Protein in Prod Milk x Protein Price	19,750,121		\$3.1301 /lb	61,819,853.77
Other Solids in Prod Milk x Other Solids Price	35,233,031		(\$0.0099)/lb	(348,806.99)
Producer Milk Credits				\$102,889,807.24
PM Value - PM Credits				(\$2,060,042.92)
Location Adjustments				441,864.14
1/2 Balance in Producer Settlement Fund				533,461.49
Total Producer Milk and Differential Value	621,467,279	23,362,773	(\$0.17454134)	(\$1,084,717.29)
Producer Settlement Fund Reserve			\$0.04545866	282,510.70

Producer Price Differential at King County, WA	(\$0.22) /cwt
Statistical Uniform Price at King County, WA	\$15.29 /cwt

Estimated Market Wide Skim Utilization Class I 46%
 Estimated Market Wide Butterfat Utilization Class I 22%