

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

January 2009

	<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	28.23%	195,360,099	191,975,084	3,385,015	6,245,792	11,330,030	17,575,822
Producer Milk - Class II	4.66%	32,233,155	29,032,553	3,200,602	945,871	1,713,115	2,658,986
Producer Milk - Class III	39.00%	269,908,722	259,539,695	10,369,027	8,624,353	15,308,469	23,932,822
Producer Milk - Class IV	28.11%	194,499,466	185,376,163	9,123,303	6,052,419	10,921,999	16,974,418
Total Producer Receipts	100.00%	692,001,442	665,923,495	26,077,947	21,868,435	39,273,613	61,142,048

	<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	191,975,084		\$11.24 /cwt	\$21,577,999.45
Butterfat		3,385,015	\$1.3983 /lb	4,733,266.48
Class I Differential at Location				3,704,291.79
Class II Butterfat		3,200,602	\$1.1154 /lb	3,569,951.49
Nonfat Solids	2,658,986		\$0.7489 /lb	1,991,314.61
Class III Butterfat		10,369,027	\$1.1084 /lb	11,493,029.52
Protein	8,624,353		\$2.3638 /lb	20,386,245.62
Other Solids	15,308,469		(\$0.0304) /lb	(465,377.46)
Class IV Butterfat		9,123,303	\$1.1084 /lb	10,112,269.04
Nonfat Solids	16,974,418		\$0.6574 /lb	11,158,982.40
Classified Value				\$88,261,972.94
Class I Overage Skim and Butterfat	1	0		0.13
Class II Overage Skim and Butterfat	30	0		2.02
Class III Overage Skim and Butterfat	0	7,865		8,717.57
Class IV Overage Skim and Butterfat	11,459	12,257		14,264.04
Total Overage	11,490	20,122		\$22,983.76
Class II Inventory Skim and Butterfat	1,677,296	122,209		(10,291.08)
Class III Inventory Skim and Butterfat	1,199,605	50,987		3,916.59
Total Inventory	2,876,901	173,196		(\$6,374.49)
Producer Milk Value				\$88,278,582.21
Butterfat in Prod Milk x Butterfat Price	26,077,947		\$1.1084 /lb	28,904,796.46
Protein in Prod Milk x Protein Price	21,868,435		\$2.3638 /lb	51,692,606.64
Other Solids in Prod Milk x Other Solids Price	39,273,613		(\$0.0304) /lb	(1,193,917.82)
Producer Milk Credits				\$79,403,485.28
PM Value - PM Credits				\$8,875,096.93
Location Adjustments				557,810.93
1/2 Balance in Producer Settlement Fund				165,947.70
Total Producer Milk and Differential Value	692,001,442	26,077,947	\$1.38711497	\$9,598,855.56
Producer Settlement Fund Reserve			\$0.04711497	326,036.27

Producer Price Differential at King County, WA	\$1.34 /cwt
Statistical Uniform Price at King County, WA	\$12.12 /cwt

Estimated Market Wide Skim Utilization Class I 44%
Estimated Market Wide Butterfat Utilization Class I 21%