

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 135

October 2002

	<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	20.09 %	94,470,652	92,585,672	1,884,980	3,008,329	5,480,064	8,488,393
Producer Milk - Class II	6.58 %	30,933,999	29,099,413	1,834,586	947,877	1,719,462	2,667,339
Producer Milk - Class III	48.44 %	227,724,855	218,914,684	8,810,171	7,163,786	12,913,414	20,077,200
Producer Milk - Class IV	24.89 %	117,023,165	112,141,314	4,881,851	3,634,802	6,608,870	10,243,672
Total Producer Receipts	100.00 %	470,152,671	452,741,083	17,411,588	14,754,794	26,721,810	41,476,604

	<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	92,585,672		\$ 6.91 /cwt	\$6,397,669.94
Butterfat		1,884,980	\$ 0.9935/lb	1,872,727.63
Class I Differential at Location				1,720,372.38
Class II Butterfat		1,834,586	\$ 1.0796/lb	1,980,619.05
Nonfat Solids	2,667,339		\$ 0.8456/lb	2,255,501.86
Class III Butterfat		8,810,171	\$ 1.0726/lb	9,449,789.42
Protein	7,163,786		\$ 2.1839/lb	15,644,992.24
Other Solids	12,913,414		\$ 0.0755/lb	974,962.76
Class IV Butterfat		4,881,851	\$ 1.0726/lb	5,236,273.38
Nonfat Solids	10,243,672		\$ 0.7765/lb	7,954,211.32
Classified Value				\$53,487,119.98
Class IV Overage Skim and Butterfat	0	49,947		53,573.15
Total Overage	0	49,947		\$53,573.15
Class I Inventory Skim and Butterfat	5,801	4,755		89.76
Class III Inventory Skim and Butterfat	70,015	15,301		1,162.42
Total Inventory	75,816	20,056		\$1,252.18
Class I Other Source Fluid and Nonfluid	833,441	23,513		9,293.79
Producer Milk Value				\$53,551,239.10
Butterfat in Prod Milk x Butterfat Price	17,411,588		\$ 1.0726/lb	18,675,669.30
Protein in Prod Milk x Protein Price	14,754,794		\$ 2.1839/lb	32,222,994.61
Other Solids in Prod Milk x Other Solids Price	26,721,810		\$ 0.0755/lb	2,017,496.65
Producer Milk Credits				\$52,916,160.56
PM Value - PM Credits				\$635,078.54
Location Adjustments				751,871.62
1/2 Balance in Producer Settlement Fund				173,296.09
Total Producer Milk and Differential Value	471,009,625	17,435,101	\$ 0.33125570	\$1,560,246.25
Producer Settlement Fund Reserve			\$ 0.04125570	194,318.32

Producer Price Differential at Salt Lake County, UT	\$ 0.29 /cwt
Statistical Uniform Price at Salt Lake County, UT	\$ 11.01 /cwt

Estimated Market Wide Skim Utilization Class I 18 %
Estimated Market Wide Butterfat Utilization Class I 9 %

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James R. Daugherty, Market Administrator