

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 135

August 2003

	<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	50.39 %	92,574,723	90,738,738	1,835,985	2,759,974	5,358,887	8,118,861
Producer Milk - Class II	16.27 %	29,884,340	27,820,645	2,063,695	852,659	1,644,251	2,496,910
Producer Milk - Class III	1.89 %	3,477,572	2,729,598	747,974	83,293	161,175	244,468
Producer Milk - Class IV	31.45 %	57,782,675	56,096,393	1,686,282	1,700,580	3,300,823	5,001,403
Total Producer Receipts	100.00 %	183,719,310	177,385,374	6,333,936	5,396,506	10,465,136	15,861,642

	<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	90,738,738		\$ 7.07 /cwt	\$6,415,228.79
Butterfat		1,835,985	\$ 1.1854/lb	2,176,376.63
Class I Differential at Location				1,686,834.24
Class II Butterfat		2,063,695	\$ 1.2584/lb	2,596,953.81
Nonfat Solids	2,496,910		\$ 0.7378/lb	1,842,220.19
Class III Butterfat		747,974	\$ 1.2514/lb	936,014.66
Protein	83,293		\$ 3.1438/lb	261,856.53
Other Solids	161,175		\$ 0.0026/lb	419.05
Class IV Butterfat		1,686,282	\$ 1.2514/lb	2,110,213.30
Nonfat Solids	5,001,403		\$ 0.6638/lb	3,319,931.32
Classified Value				\$21,346,048.52
Class I Overage Skim and Butterfat	701	0		60.78
Class III Overage Skim and Butterfat	133,404	0		13,020.23
Class IV Overage Skim and Butterfat	65,227	0		3,894.06
Total Overage	199,332	0		\$16,975.07
Class I Inventory Skim and Butterfat	790,832	9,376		21,551.27
Class II Inventory Skim and Butterfat	240,948	44,310		4,030.63
Class III Inventory Skim and Butterfat	213,655	9,247		8,586.06
Total Inventory	1,245,435	62,933		\$34,167.96
Class I Other Source Fluid	889,171	26,613		0.00
Class I Other Source Fluid and Nonfluid	0	1,804		0.00
Producer Milk Value				\$21,397,191.55
Butterfat in Prod Milk x Butterfat Price	6,333,936		\$ 1.2514/lb	7,926,287.52
Protein in Prod Milk x Protein Price	5,396,506		\$ 3.1438/lb	16,965,535.57
Other Solids in Prod Milk x Other Solids Price	10,465,136		\$ 0.0026/lb	27,209.36
Producer Milk Credits				\$24,919,032.45
PM Value - PM Credits				(\$3,521,840.90)
Location Adjustments				232,248.70
1/2 Balance in Producer Settlement Fund				239,235.67
Total Producer Milk and Differential Value	184,635,094	6,362,353	(\$1.65210008)	(\$3,050,356.53)
Producer Settlement Fund Reserve			\$ 0.04789992	88,440.06

Producer Price Differential at Salt Lake County, UT	(\$1.70) /cwt
Statistical Uniform Price at Salt Lake County, UT	\$ 12.10 /cwt

Estimated Market Wide Skim Utilization Class I	53 %
Estimated Market Wide Butterfat Utilization Class I	30%