

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 135

September 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	56.33 %	94,669,764	92,786,577	1,883,187	2,917,200	5,486,427	8,403,627
Producer Milk - Class II	14.99 %	25,187,554	23,388,649	1,798,905	744,016	1,384,877	2,128,893
Producer Milk - Class III	2.43 %	4,086,848	3,275,859	810,989	103,754	194,243	297,997
Producer Milk - Class IV	26.25 %	44,114,185	42,643,188	1,470,997	1,336,691	2,490,448	3,827,139
Total Producer Receipts	100.00 %	168,058,351	162,094,273	5,964,078	5,101,661	9,555,995	14,657,656

	<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	92,786,577		\$ 9.51 /cwt	\$8,824,003.48
Butterfat		1,883,187	\$ 1.2944/lb	2,437,597.24
Class I Differential at Location				1,713,495.11
Class II Butterfat		1,798,905	\$ 1.2288/lb	2,210,494.45
Nonfat Solids	2,128,893		\$ 0.7433/lb	1,582,406.16
Class III Butterfat		810,989	\$ 1.2218/lb	990,866.39
Protein	103,754		\$ 3.3180/lb	344,255.78
Other Solids	194,243		\$ 0.0170/lb	3,302.14
Class IV Butterfat		1,470,997	\$ 1.2218/lb	1,797,264.12
Nonfat Solids	3,827,139		\$ 0.6644/lb	2,542,751.16
Classified Value				\$22,446,436.03
Class I Overage Skim and Butterfat	238	0		26.44
Class IV Overage Skim and Butterfat	43,556	6,026		9,967.22
Total Overage	43,794	6,026		\$9,993.66
Class I Inventory Skim and Butterfat	627,749	0		32,266.29
Class II Inventory Skim and Butterfat	1,341,729	24,607		9,104.33
Class III Inventory Skim and Butterfat	67,457	78,417		660.46
Total Inventory	2,036,935	103,024		\$42,031.08
Class I Other Source Fluid	614,486	18,285		6,074.98
Class I Other Source Fluid and Nonfluid	1,442,016	0		73,975.42
Producer Milk Value				\$22,578,511.17
Butterfat in Prod Milk x Butterfat Price	5,964,078		\$ 1.2218/lb	7,286,910.52
Protein in Prod Milk x Protein Price	5,101,661		\$ 3.3180/lb	16,927,311.21
Other Solids in Prod Milk x Other Solids Price	9,555,995		\$ 0.0170/lb	162,451.91
Producer Milk Credits				\$24,376,673.64
PM Value - PM Credits				(\$1,798,162.47)
Location Adjustments				195,846.77
1/2 Balance in Producer Settlement Fund				162,265.61
Total Producer Milk and Differential Value	168,691,122	5,982,363	(\$0.85366086)	(\$1,440,050.09)
Producer Settlement Fund Reserve			\$ 0.04633914	78,170.02

Producer Price Differential at Salt Lake County, UT	(\$0.90) /cwt
Statistical Uniform Price at Salt Lake County, UT	\$ 13.40 /cwt

Estimated Market Wide Skim Utilization Class I 51 %
Estimated Market Wide Butterfat Utilization Class I 29%