

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 135

December 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	22.12 %	96,447,914	94,397,124	2,050,790	3,077,984	5,597,023	8,675,007
Producer Milk - Class II	5.53 %	24,109,618	22,206,737	1,902,881	728,657	1,318,087	2,046,744
Producer Milk - Class III	64.57 %	281,521,382	271,836,772	9,684,610	8,934,077	16,108,563	25,042,640
Producer Milk - Class IV	7.78 %	33,908,459	31,227,568	2,680,891	1,024,919	1,841,689	2,866,608
Total Producer Receipts	100.00 %	435,987,373	419,668,201	16,319,172	13,765,637	24,865,362	38,630,999

	<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	94,397,124		\$ 9.70 /cwt	\$9,156,521.03
Butterfat		2,050,790	\$ 1.2806/lb	2,626,241.66
Class I Differential at Location				1,754,684.53
Class II Butterfat		1,902,881	\$ 1.3758/lb	2,617,983.67
Nonfat Solids	2,046,744		\$ 0.7467/lb	1,528,303.74
Class III Butterfat		9,684,610	\$ 1.3688/lb	13,256,294.17
Protein	8,934,077		\$ 2.2997/lb	20,545,696.88
Other Solids	16,108,563		\$ 0.0362/lb	583,129.99
Class IV Butterfat		2,680,891	\$ 1.3688/lb	3,669,603.61
Nonfat Solids	2,866,608		\$ 0.6603/lb	1,892,821.26
Classified Value				\$57,631,280.54
Class IV Overage Skim and Butterfat	0	2,315		3,168.77
Total Overage	0	2,315		\$3,168.77
Class I Inventory Skim and Butterfat	438,349	0		23,294.10
Class II Inventory Skim and Butterfat	983,184	53,035		11,751.31
Class III Inventory Skim and Butterfat	370,625	0		4,966.38
Total Inventory	1,792,158	53,035		\$40,011.79
Class I Other Source Fluid	2,381,415	48,854		90,798.33
Producer Milk Value				\$57,765,259.43
Butterfat in Prod Milk x Butterfat Price	16,319,172		\$ 1.3688/lb	22,337,682.65
Protein in Prod Milk x Protein Price	13,765,637		\$ 2.2997/lb	31,656,835.43
Other Solids in Prod Milk x Other Solids Price	24,865,362		\$ 0.0362/lb	900,126.09
Producer Milk Credits				\$54,894,644.17
PM Value - PM Credits				\$2,870,615.26
Location Adjustments				668,043.44
1/2 Balance in Producer Settlement Fund				83,507.97
Total Producer Milk and Differential Value	438,417,642	16,368,026	\$ 0.82619090	\$3,622,166.67
Producer Settlement Fund Reserve			\$ 0.04619090	202,509.05
Producer Price Differential at Salt Lake County, UT			\$ 0.78 /cwt	
Statistical Uniform Price at Salt Lake County, UT			\$ 12.65 /cwt	

Estimated Market Wide Skim Utilization Class I 43 %
Estimated Market Wide Butterfat Utilization Class I 23%