

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

February 2012

	<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	26.74%	178,026,723	174,984,392	3,042,331	5,754,930	10,466,437	16,221,367
Producer Milk - Class II	6.38%	42,478,840	38,853,581	3,625,259	1,270,823	2,321,345	3,592,168
Producer Milk - Class III	39.46%	262,695,733	252,349,277	10,346,456	8,550,734	15,068,536	23,619,270
Producer Milk - Class IV	27.42%	182,446,563	173,899,215	8,547,348	5,697,598	10,376,937	16,074,535
Total Producer Receipts	100.00%	665,647,859	640,086,465	25,561,394	21,274,085	38,233,255	59,507,340

	<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	174,984,392		\$11.42 /cwt	\$19,983,217.57
Class I Butterfat		3,042,331	\$1.7170 /lb	5,223,682.34
Class I Differential at Location				3,380,020.97
Class II Butterfat		3,625,259	\$1.5809 /lb	5,731,171.96
Class II Nonfat Solids	3,592,168		\$1.3133 /lb	4,717,594.23
Class III Butterfat		10,346,456	\$1.5739 /lb	16,284,287.11
Class III Protein	8,550,734		\$2.6627 /lb	22,768,039.42
Class III Other Solids	15,068,536		\$ 0.4541 /lb	6,842,622.20
Class IV Butterfat		8,547,348	\$1.5739 /lb	13,452,671.02
Class IV Nonfat Solids	16,074,535		\$1.1993 /lb	19,278,189.81
Classified Value				\$117,661,496.63
Class I Overage Skim and Butterfat	342	31		99.37
Class II Overage Skim and Butterfat	0	17,118		27,061.85
Class IV Overage Skim and Butterfat	181,988	17,084		46,525.01
Total Overage	182,330	34,233		\$73,686.23
Class II Inventory Skim and Butterfat	3,163,020	124,766		11,070.42
Class III Inventory Skim and Butterfat	138,547	0		0.00
Total Inventory	3,301,567	124,766		\$11,070.42
Producer Milk Value				\$117,746,253.28
Butterfat in Prod Milk x Butterfat Price	25,561,394		\$1.5739 /lb	40,231,078.03
Protein in Prod Milk x Protein Price	21,274,085		\$2.6627 /lb	56,646,506.13
Other Solids in Prod Milk x Other Solids Price	38,233,255		\$ 0.4541 /lb	17,361,721.08
Producer Milk Credits				\$114,239,305.24
PM Value - PM Credits				\$3,506,948.04
Location Adjustments				368,010.42
1/2 Balance in Producer Settlement Fund				299,630.80
Total Producer Milk and Differential Value	665,647,859	25,561,394	\$ 0.62714680	\$4,174,589.26
Producer Settlement Fund Reserve			\$0.04714680	313,831.66

Producer Price Differential at King County, WA	\$ 0.58	/cwt
Statistical Uniform Price at King County, WA	\$16.64	/cwt

Estimated Market Wide Skim Utilization Class I 28%
 Estimated Market Wide Butterfat Utilization Class I 12%