

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

October 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	45.64 %	192,398,161	188,843,747	3,554,414	6,363,566	11,227,029	17,590,595
Producer Milk - Class II	11.46 %	48,329,885	44,250,609	4,079,276	1,489,847	2,631,506	4,121,353
Producer Milk - Class III	8.94 %	37,705,908	36,085,304	1,620,604	1,230,521	2,138,696	3,369,217
Producer Milk - Class IV	33.96 %	143,121,147	136,062,891	7,058,256	4,546,891	8,071,983	12,618,874
Total Producer Receipts	100.00 %	421,555,101	405,242,551	16,312,550	13,630,825	24,069,214	37,700,039

	<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	188,843,747		\$12.31 /cwt	\$23,246,665.25
Butterfat		3,554,414	\$2.0008 /lb	7,111,671.54
Class I Differential at Location				3,652,877.70
Class II Butterfat		4,079,276	\$2.1206 /lb	8,650,512.69
Nonfat Solids	4,121,353		\$1.2689 /lb	5,229,584.82
Class III Butterfat		1,620,604	\$2.1136 /lb	3,425,308.60
Protein	1,230,521		\$3.7278 /lb	4,587,136.18
Other Solids	2,138,696		\$ 0.4340 /lb	928,194.06
Class IV Butterfat		7,058,256	\$2.1136 /lb	14,918,329.89
Nonfat Solids	12,618,874		\$1.2828 /lb	16,187,491.56
Classified Value				\$87,937,772.29
Class I Overage Skim and Butterfat	512	0		72.76
Class IV Overage Skim and Butterfat	51,892	6,671		20,093.36
Total Overage	52,404	6,671		\$20,166.12
Class II Inventory Skim and Butterfat	3,021,681	68,132		27,537.43
Class III Inventory Skim and Butterfat	522,613	0		17,507.54
Total Inventory	3,544,294	68,132		\$45,044.97
Class I Other Source Fluid	7,936	0		7.14
Producer Milk Value				\$88,002,990.52
Butterfat in Prod Milk x Butterfat Price	16,312,550		\$2.1136 /lb	34,478,205.68
Protein in Prod Milk x Protein Price	13,630,825		\$3.7278 /lb	50,812,989.42
Other Solids in Prod Milk x Other Solids Price	24,069,214		\$ 0.4340 /lb	10,446,038.87
Producer Milk Credits				\$95,737,233.97
PM Value - PM Credits				(\$7,734,243.45)
Location Adjustments				59,199.77
1/2 Balance in Producer Settlement Fund				115,491.86
Total Producer Milk and Differential Value	421,563,037	16,312,550	\$(1.79321979)	(\$7,559,551.82)
Producer Settlement Fund Reserve			\$0.04678021	197,208.07

Producer Price Differential at King County, WA	\$(1.84)	/cwt
Statistical Uniform Price at King County, WA	\$19.18	/cwt

Estimated Market Wide Skim Utilization Class I 41 %
 Estimated Market Wide Butterfat Utilization Class I 20 %