

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
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MONTHLY EVAPORATED AND CONDENSED MILK MARKET REPORT
(JANUARY 1934)

No. 173

WASHINGTON, D. C.

JANUARY 27, 1934

INFORMATION IN THIS MONTH'S REPORT IS FURNISHED BY ALL FIRMS OF RECORD WHICH MANUFACTURE CASE GOODS EVAPORATED MILK OR CONDENSED MILK, OR BOTH.

PRICES PAID PRODUCERS FOR 3.5% MILK F. O. E. FACTORY FOR JANUARY 1934*

GEOGRAPHIC SECTIONS	NUMBER OF FACTORIES REPORTING	PRICE PER CWT.	
		RANGE	AVERAGE
NEW ENGLAND	-	\$ -	\$ -
MIDDLE ATLANTIC**	1	1.11	1.11
SOUTH ATLANTIC	-	-	-
E. NORTH CENTRAL	10	0.84-1.15	0.99
W. NORTH CENTRAL	-	-	-
SOUTH CENTRAL	-	-	-
NORTH WESTERN	2	0.70-0.93	0.82
SOUTH WESTERN	5	0.69-0.80	0.72
U.S. JANUARY 1934	18	0.69-1.15	0.89
U.S. DECEMBER 1934***	127	0.76-1.76	1.00
U.S. JANUARY 1933	82	0.83-1.17	0.95

115 ADDITIONAL FACTORIES REPORTED PRICES NOT AVAILABLE AS YET, OR TO BE BASED IN PART ON THE CURRENT MONTH'S WHOLESALE BUTTER OR BUTTER AND CHEESE QUOTATIONS, 17 OF THESE BEING LOCATED IN N.Y. AND PA. 35 REPORTED PLANTS CLOSED. NO PRICE INFORMATION RECEIVED FROM REMAINING FIRMS. AVERAGE PRICES SHOWN FOR THE UNITED STATES DO NOT INCLUDE ANY OF THESE FACTORIES. * SUBJECT TO REVISION. * REVISED.

PRICES PAID PRODUCERS FOR 3.5% MILK F. O. B. FACTORY FOR DECEMBER 1933

THE FOLLOWING REVISED PRICES PAID FOR DECEMBER MILK INCLUDE PRICES PUBLISHED LAST MONTH, AND THOSE LATER REPORTED BY OTHER FIRMS.

GEOGRAPHIC SECTIONS	NUMBER OF FACTORIES REPORTING	PRICE PER CWT.	
		RANGE	AVERAGE
NEW ENGLAND	-	\$ -	\$ -
MIDDLE ATLANTIC	6	1.15-1.76	1.35
SOUTH ATLANTIC	2	0.88	0.83
E. NORTH CENTRAL	30	0.76-1.40	1.03
W. NORTH CENTRAL	8	0.86-1.05	0.93
SOUTH CENTRAL	9	0.79-0.97	0.90
NORTH WESTERN	8	0.77-0.92	0.83
SOUTH WESTERN	14	0.81-0.95	0.90
U.S. DECEMBER 1933 (REVISED)	127	0.76-1.76	1.00

NET WHOLESALE SELLING PRICES IN CARLOTS - F.O.B. DISTRIBUTING POINTS - DECEMBER 1933
(CASE GOODS)

THE WHOLESALE PRICES GIVEN BELOW ARE BASED ON THE REPORTS MADE BY MANUFACTURERS COVERING ACTUAL SALES DELIVERED AT MANUFACTURERS' DISTRIBUTING POINTS ON BASIS OF CASH OR SHORT TIME CREDIT.

F. O. B.	EVAPORATED MILK (PER CASE OF 48 - 14 1/2 OZ. CANS)		CONDENSED MILK (PER CASE OF 48 - 14 OZ. CANS)	
	RANGE	AVERAGE	RANGE	AVERAGE
BOSTON	\$2.55-2.70	\$2.61	\$4.75-4.85	\$4.82
NEW YORK CITY	2.55-2.70	2.60	4.75-4.85	4.82
PHILADELPHIA	2.55-2.70	2.60	4.75-4.85	4.82
CHICAGO	2.45-2.60	2.49	5.25	5.25
CLEVELAND	2.45-2.60	2.51	-	-
ST. LOUIS	2.45-2.60	2.51	-	-
KANSAS CITY	2.45-2.60	2.51	-	-
MINNEAPOLIS-ST. PAUL	2.45-2.60	2.50	-	-
ATLANTA	2.45-2.60	2.51	-	-
NEW ORLEANS	2.45-2.60	2.51	4.17-5.00	4.59
DENVER	2.45-2.60	2.53	-	-
SEATTLE	2.45-2.60	2.54	-	-
SAN FRANCISCO	2.50-2.60	2.55	-	-
LOS ANGELES	2.45-2.60	2.54	-	-

AVERAGE WHOLESALE SELLING PRICES BY GEOGRAPHIC SECTIONS - DECEMBER 1933

GEOGRAPHIC SECTIONS	UNSWEETENED EVAPORATED (PER CASE OF 48 - 14 1/2 OZ. CANS)	SWEETENED CONDENSED (PER CASE OF 48 - 14 OZ. CANS)	SWEETENED CONDENSED (BULK PER CWT.)	
			UNSKIMMED	SKIMMED
NEW ENGLAND	\$2.59	\$4.87	\$7.15	\$4.46
MIDDLE ATLANTIC	2.57	4.95	7.53	4.50
SOUTH ATLANTIC	2.56	4.90	7.15	4.80
E. N. CENTRAL	2.49	5.25	6.60	4.39
W. N. CENTRAL	2.51	-	6.93	4.67
SOUTH CENTRAL	2.52	5.00	7.15	4.80
NORTH WESTERN	2.56	-	7.15	5.00
SOUTH WESTERN	2.55	-	7.15	4.75
U. S. AVERAGE DECEMBER 1933	\$2.55	\$4.95	\$7.04	\$4.61
U. S. AVERAGE NOVEMBER 1933	\$2.56	\$4.95	\$7.20	\$4.67
U. S. AVERAGE DECEMBER 1932	\$2.42	\$4.93	\$6.77	\$4.10

EVAPORATED MILK MARKETS STRENGTHEN UNDER INCREASED BUYING

MOST OF THE REPORTS REGARDING EVAPORATED AND CONDENSED MILK MARKETS INDICATE THAT THE TONE IS STEADY TO FIRM, DUE TO A SLIGHT PICK-UP IN TRADE SINCE THE FIRST OF THE YEAR. THIS BUYING SEEMS TO BE BY JOBBERS AND WHOLESALERS WHO ARE

REPLENISHING LOW STOCKS AND INCREASING INVENTORIES SOMEWHAT. THE MORE OPTIMISTIC OF THE MANUFACTURING TRADE ARE OF THE OPINION THAT AN INCREASING VOLUME OF SUCH BUYING MAY BE EXPECTED DURING THE NEXT MONTH OR TWO.

(CONTINUED ON NEXT PAGE)

JANUARY 1934

STOCKS AND PRODUCTION OF EVAPORATED AND CONDENSED MILK

TOTAL STOCKS INCLUDE ALL STOCKS HELD BY MANUFACTURERS REPORTING, WHETHER THEIR OWN OR STOCKS OF OTHERS; WHETHER ON THEIR OWN PREMISES, IN STORAGE, OR IN TRANSIT (UNSOLD) FOR WAREHOUSE CONSIGNMENT; AND WHETHER SOLD OR CONTRACTED FOR AND NOT DELIVERED.

STOCKS AND PRODUCTION FIGURES FOR THE CURRENT MONTH INCLUDE REPORTS FROM PRACTICALLY ALL FIRMS MANUFACTURING THE CLASSES OF MILK INDICATED.

	EVAPORATED MILK (CASE GOODS)	CONDENSED MILK (CASE GOODS)	CONDENSED MILK (BULK GOODS)
<u>TOTAL STOCKS</u>			
TOTAL STOCKS ON JAN. 1, 1934	210,406,804 LBS.	9,135,525 LBS.	9,547,371 LBS.
NO. OF FIRMS REPORTING*	35	7	30
COMPARISON FOR SAME FIRMS:			
JANUARY 1, 1934	210,406,804 LBS.	9,135,525 LBS.	9,547,371 LBS.
DECEMBER 1, 1933	225,040,450 LBS.	10,783,419 LBS.	9,728,049 LBS.
% CHANGE DURING MONTH	- 6.50%	15.27%	- 1.86%
FIRMS IN COMPARISON	35	7	30
JANUARY 1, 1934	208,900,804 LBS.	9,136,525 LBS.	8,162,190 LBS.
JANUARY 1, 1933	100,085,412 LBS.	12,234,107 LBS.	7,055,570 LBS.
% CHANGE FROM PREV. YEAR	+108.76%	-25.32%	+15.68%
FIRMS IN COMPARISON*	34	7	24
<u>PRODUCTION</u>			
DECEMBER, 1933	82,317,846 LBS.	4,445,700 LBS.	7,327,609 LBS.
NOVEMBER, 1933	70,524,877 LBS.	4,014,277 LBS.	6,766,610 LBS.
% CHANGE DURING MONTH	+16.72%	+10.75%	+ 8.29%
FIRMS IN COMPARISON*	34	6	29
DECEMBER, 1933	80,736,646 LBS.	4,445,700 LBS.	5,650,226 LBS.
DECEMBER, 1932	96,547,661 LBS.	5,289,480 LBS.	6,212,815 LBS.
% CHANGE FROM PREV. YEAR	-16.38%	-15.95%	- 9.06%
FIRMS IN COMPARISON*	33	6	23

FINAL REVISIONS FOR LAST MONTH:

TOTAL STOCKS ON DEC. 1, 1933	225,040,450 LBS.	10,783,419 LBS.	9,813,303 LBS.
ESTIMATED TOTAL PRODUCTION DECEMBER, 1933	84,972,000 LBS.	4,451,000 LBS.	10,257,000 LBS.

* FIRMS, NOT FACTORIES. SOME FIRMS OPERATE MORE THAN ONE FACTORY.

AVERAGE DAILY PURCHASES PER PRODUCER*

	DECEMBER		NOVEMBER	
	1933	1932	1933	1932
TOTAL PURCHASES	236,983,413 LBS.	224,345,391 LBS.	204,894,548 LBS.	207,473,437 LBS.
NUMBER OF PURCHASES	82,771	74,741	83,491	75,802
AVERAGE DAILY PURCHASES PER PRODUCER	92.36 LBS.	96.83 LBS.	81.80 LBS.	91.23 LBS.
PERCENTAGE CHANGES IN 1933 COMPARED WITH 1932	- 4.62		- 10.34	

PERCENTAGE CHANGE IN DECEMBER 1933 COMPARED WITH NOVEMBER 1933 - + 12.91
 PERCENTAGE CHANGE IN DECEMBER 1932 COMPARED WITH NOVEMBER 1932 - * 6.14

* THESE FIGURES INCLUDE MILK PURCHASED PRIMARILY FOR THE MANUFACTURE OF EVAPORATED AND CONDENSED MILK.

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SELLING PRICES SHOW NO CHANGE GENERALLY FROM A MONTH AGO. PRICES OF EVAPORATED CASE ARE ESTABLISHED UNDER THE MARKETING AGREEMENT IN EFFECT, AND WHILE THERE IS NO AGREEMENT COVERING CONDENSED CASE, THIS CLASS OF GOODS CONTINUES TO MOVE AT PRICES SIMILAR TO THOSE PREVAILING LAST MONTH. APPARENT TRADE OUTPUT CONTINUES TO FALL WELL BELOW THAT OF CORRESPONDING PERIODS A YEAR AGO, BUT ALONG WITH THIS THERE HAS BEEN A DROPPING OFF OF PRODUCTION, WHICH RELIEVES THE SITUATION TO SOME EXTENT. IT IS OF INTEREST TO NOTE THAT REPORTS FROM CHICAGO TELL OF A SHARP INCREASE IN RETAIL SALES OF EVAPORATED CASE DURING THE RECENT MILK STRIKE IN THAT AREA. SUCH WAS TO BE EXPECTED.

DECEMBER PRODUCTION OF EVAPORATED MILK WAS 16 PER CENT BELOW THAT OF DECEMBER 1932, BUT INCREASES DURING EARLIER MONTHS OF THE YEAR ACCOUNTED FOR A CALENDAR YEAR INCREASE OF 140 MILLION POUNDS, OR 9 PER CENT MORE THAN THE 1932 PRODUCTION. CONDENSED MILK PRODUCTION WAS LESS IN DECEMBER AND FOR THE FULL YEAR THAN IN 1932. THE DECEMBER DECREASE ALONE WAS 16.3 PER CENT, AND THE ANNUAL DECREASE WAS ALMOST 15 PER CENT. CURRENT

REPORTS ARE TO THE EFFECT THAT SOME CONDENSERIES ARE DIVERTING MILK TO BUTTER, BUT THIS HAS NOT BEEN VERIFIED TO THE EXTENT OF APPRECIABLE QUANTITIES. BUTTER PRODUCTION IS CONSIDERABLY BELOW A YEAR AGO, AND HAS BEEN FOR SOME WEEKS, SO THAT TOTAL MILK PRODUCTION IS APPARENTLY LOWER. THE CROP REPORTING BOARD OF THIS BUREAU ATTRIBUTED THE LOW MILK PRODUCTION PER COW ON JANUARY 1 TO VARIOUS CAUSES, INCLUDING LOW PRICES OF DAIRY PRODUCTS, THE RELATIVELY HIGH COST OF GRAIN, COLD WEATHER IN SOME SECTIONS, AND A DECREASE IN FALL AND EARLY WINTER FRESHENING OF COWS.

TOTAL STOCKS OF EVAPORATED MILK ON JANUARY 1 AMOUNTED TO 210,407,000 POUNDS, WHICH WAS MORE THAN A 100 PER CENT INCREASE OVER JANUARY 1, 1933, AND ALMOST A 50 PER CENT INCREASE OVER THE JANUARY 1 FIVE-YEAR AVERAGE. THESE JANUARY 1 STOCKS ARE THE HEAVIEST FOR THAT DATE SINCE 1931, BUT IF PRODUCTION CONTINUES TO FALL OFF, AND CONSUMPTION PICKS UP, THEY MAY NOT PROVE TO BE BURDENSOME. CONDENSED MILK (CASE GOODS) STOCKS OF 9 MILLION POUNDS ON THE SAME DATE WERE ABOUT 25 PER CENT BELOW A YEAR EARLIER, AND WERE CLOSE TO 50 PER CENT BELOW THE JANUARY 1 AVERAGE.