

UNITED STATES DEPARTMENT OF AGRICULTURE  
BUREAU OF AGRICULTURAL ECONOMICS  
MARKET NEWS SERVICE

MONTHLY EVAPORATED AND CONDENSED MILK MARKET REPORT  
(SEPTEMBER 1934)

No. 181 WASHINGTON, D.C. SEPTEMBER 22, 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. B. FACTORY FOR AUGUST 1934\*

GEOGRAPHIC SECTIONS	NUMBER OF FACTORIES REPORTING	PRICE PER CWT.	
		RANGE	AVERAGE
NEW ENGLAND	-	\$ -	\$ -
MIDDLE ATLANTIC**	6	1.16-1.50	1.39
SOUTH ATLANTIC	2	1.15-1.27	1.21
E. NORTH CENTRAL	93	1.17-1.67	1.23
W. NORTH CENTRAL	9	1.10-1.31	1.20
SOUTH CENTRAL	9	1.11-1.27	1.18
NORTH WESTERN	10	0.97-1.15	1.06
SOUTH WESTERN	19	0.88-1.28	1.17
U.S. AUG. 1934	138	0.88-1.37	1.21
U.S. JULY 1934	138	0.85-1.50	1.09
U.S. AUG. 1933	83	0.84-1.30	1.10

\*NOTE: BEGINNING WITH THIS ISSUE, THE INFORMATION CARRIED IN THE BODY OF THIS TABLE APPLIES TO THE PREVIOUS MONTH RATHER THAN THE CURRENT MONTH. SUCH A CHANGE IS MADE BECAUSE OF THE FACT THAT UNDER THE PROVISIONS OF THE EVAPORATED MILK MARKETING AGREEMENT NOW IN EFFECT, MOST MANUFACTURERS CALCULATE PRICES PAID PRODUCERS BY FORMULAS WHICH TAKE INTO ACCOUNT THE CURRENT MONTH'S AVERAGE WHOLESALE BUTTER MARKET QUOTATIONS. THESE AVERAGES ARE NOT AVAILABLE AT THIS TIME.

PRICES PAID PRODUCERS ACCORDING TO GEOGRAPHIC SECTIONS OUTLINED IN EVAPORATED MILK MARKETING AGREEMENT.

SECTION	AUGUST 1934	JULY 1934	AUGUST 1933
1	\$1.23	\$1.11	\$1.14
2	1.39	1.29	1.39
3	1.18	1.01	1.05
4	1.06	0.95	0.93
5	1.05	0.95	1.06
6	1.21	1.09	1.01
U.S. AVERAGE	1.21	1.09	1.10

NET WHOLESALE SELLING PRICES IN CARLOTS - F.O.B. DISTRIBUTING POINTS - AUGUST 1934  
(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*	\$2.50-2.70	\$2.58	\$4.75-4.85	\$4.82
NEW YORK CITY*	2.50-2.70	2.58	4.25-4.90	4.61
PHILADELPHIA*	2.50-2.70	2.58	4.75-4.85	4.82
CHICAGO	2.40-2.60	2.48	5.25	5.25
CLEVELAND	2.40-2.60	2.47	-	-
ST. LOUIS	2.40-2.60	2.48	-	-
KANSAS CITY	2.40-2.60	2.49	-	-
MINNEAPOLIS-ST. PAUL	2.40-2.60	2.47	-	-
ATLANTA	2.40-2.60	2.48	-	-
NEW ORLEANS	2.40-2.60	2.49	3.87-5.00	4.06
DENVER	2.45-2.60	2.49	-	-
SEATTLE	2.45-2.60	2.52	-	-
SAN FRANCISCO	2.45-2.60	2.52	4.90	4.90
LOS ANGELES	2.45-2.60	2.50	4.90	4.90

\* LAST MONTH'S MINIMUM PRICES FOR THESE 3 MARKETS SHOULD HAVE BEEN \$2.50 INSTEAD OF \$2.40.

AVERAGE WHOLESALE SELLING PRICES BY GEOGRAPHIC SECTIONS - AUGUST 1934

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	\$4.34	\$6.85	\$4.53
MIDDLE ATLANTIC	2.56	4.62	7.57	4.25
SOUTH ATLANTIC	2.54	4.93	6.85	4.42
E. N. CENTRAL	2.49	5.25	6.52	4.37
W. N. CENTRAL	2.49	-	6.64	4.55
SOUTH CENTRAL	2.51	4.46	6.85	4.60
NORTH WESTERN	2.54	4.90	6.85	4.60
SOUTH WESTERN	2.55	4.90	6.70	4.54
U. S. AVERAGE AUG. 1934	\$2.53	\$4.73	\$6.83	\$4.45
U. S. AVERAGE JULY 1934	\$2.53	\$4.73	\$6.99	\$4.46
U. S. AVERAGE AUG. 1933	\$2.54	\$4.94	\$7.30	\$4.66

EVAPORATED MILK STOCKS REDUCED HEAVILY IN AUGUST

THE CONDITION OF CANNED MILK MARKETS THIS MONTH MAY BE DESCRIBED AS QUIET BUT STEADY, ACCORDING TO INFORMATION SUPPLIED THE U.S. BUREAU OF AGRICULTURAL ECONOMICS. PRODUCTION HAS BEEN UNUSUALLY HEAVY THE PAST TWO MONTHS, AND SUPPLIES ARE PLENTIFUL BUT NOT BURDENSOME. PRICES ARE GENERALLY UNCHANGED, AS THE PROPOSED REVISIONS OF THE EVAPORATED MILK MARKETING AGREEMENT ARE STILL PENDING.

PRODUCTION OF EVAPORATED CASE IN AUGUST REACHED A NEW HIGH RECORD FOR THAT MONTH. MANUFACTURERS' REPORTS INDICATE AN INCREASE OF 13 PERCENT ABOVE LAST YEAR'S PRODUCTION, THE PREVIOUS HIGH RECORD FOR AUGUST. JULY PRODUCTION SET A NEW HIGH FOR THAT MONTH ALSO, EXCEEDING JULY, 1933 BY 10 1/2 MILLION POUNDS, AND THE HEAVY PACK OF JULY, 1923 BY 3 1/2 MILLION POUNDS. THE LIGHTER PRODUCTION IN THE EARLIER MONTHS OF THIS YEAR, HOWEVER,

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SEPTEMBER 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 SEPT. 1, 1934	167,015,939 LBS.	17,432,461 LBS.	8,692,364 LBS.
NO. OF FIRMS REPORTING*	39	8	28
COMPARISON FOR SAME FIRMS:			
SEPTEMBER 1, 1934	166,616,453 LBS.	17,432,461 LBS.	8,692,364 LBS.
AUGUST 1, 1934	205,544,860 LBS.	17,155,688 LBS.	9,165,262 LBS.
% CHANGE DURING MONTH	-18.94%	+1.61%	-5.16%
FIRMS IN COMPARISON	38	8	28
SEPTEMBER 1, 1934	161,897,875 LBS.	17,432,461 LBS.	7,966,601 LBS.
SEPTEMBER 1, 1933	177,536,394 LBS.	16,427,911 LBS.	10,971,761 LBS.
% CHANGE FROM PREV. YEAR	-8.81%	+6.11%	-27.39%
FIRMS IN COMPARISON*	34	8	25
	<u>PRODUCTION</u>		
COMPARISON FOR SAME FIRMS:			
AUGUST, 1934	167,286,156 LBS.	6,470,937 LBS.	9,029,849 LBS.
JULY, 1934	181,405,198 LBS.	5,752,397 LBS.	9,225,292 LBS.
% CHANGE DURING MONTH	-7.78%	+12.49%	-2.12%
FIRMS IN COMPARISON*	36	7	29
AUGUST, 1934	162,623,521 LBS.	6,470,937 LBS.	8,127,884 LBS.
AUGUST, 1933	143,560,915 LBS.	4,241,406 LBS.	7,733,616 LBS.
% CHANGE FROM PREV. YEAR	+13.28%	+52.57%	+5.10%
FIRMS IN COMPARISON*	32	7	26
FINAL REVISIONS FOR LAST MONTH:			
TOTAL STOCKS ON AUG. 1, 1934	205,544,860 LBS.	17,155,688 LBS.	9,921,362 LBS.
ESTIMATED TOTAL PRODUCTION AUGUST 1934	175,125,000 LBS.	6,471,000 LBS.	12,954,000 LBS.

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

## AVERAGE DAILY PURCHASES PER PRODUCER\*

	AUGUST		JULY	
	1934	1933	1934	1933
TOTAL PURCHASES	347,457,822 LBS.	316,568,999 LBS.	384,056,168 LBS.	348,802,393 LBS.
NUMBER OF PRODUCERS	92,474	84,982	92,297	83,819
AVERAGE DAILY PURCHASES PER PRODUCER	121.21 LBS.	120.17 LBS.	134.23 LBS.	134.24 LBS.
PERCENTAGE CHANGES IN 1934 COMPARED WITH 1933	+ 0.87		- 0.01	

PERCENTAGE CHANGE IN AUGUST 1934 COMPARED WITH JULY 1934 - - 9.70

PERCENTAGE CHANGE IN AUGUST 1933 COMPARED WITH JULY 1933 - -10.48

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

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MAKES THE TOTAL FOR THE CALENDAR YEAR THROUGH AUGUST APPROXIMATELY 77 MILLION POUNDS, OR 6 PERCENT, BELOW THE CORRESPONDING PERIOD OF 1933. AT THE END OF JULY, THE CALENDAR YEAR SHORTAGE WAS 97 MILLION POUNDS, OR OVER 8 PER CENT.

THE RECENT INCREASES IN EVAPORATED MILK PRODUCTION APPARENTLY REPRESENT A RESPONSE TO THE STIMULUS OF UNUSUALLY HEAVY TRADING WHICH TOOK PLACE DURING THE PERIOD WHEN THERE WAS SOME TALK AS TO THE POSSIBILITY OF PRICES ADVANCING. AS A RESULT OF THIS MOVEMENT, AS WELL AS SOME SELLING AHEAD, CERTAIN MANUFACTURERS ARE PERHAPS IN A MORE FAVORABLE POSITION THAN OTHERS AT THIS TIME IN THE MATTER OF STOCKS, ALTHOUGH ON THE WHOLE, STOCKS SEEM TO BE CAUSING NO PARTICULAR CONCERN. TOTAL STOCKS OF EVAPORATED CASE GOODS IN MANUFACTURERS' HANDS ON SEPTEMBER 1 AMOUNTED TO 167,000,000 POUNDS, WHICH REPRESENTS A DECREASE OF ALMOST 9 PERCENT UNDER SEPTEMBER 1, 1933. THE AUGUST REDUCTION OF STOCKS WAS OVER 36 MILLION POUNDS, COMPARED TO AN AVERAGE AUGUST REDUCTION DURING THE PAST FIVE YEARS OF AROUND 21 MILLION POUNDS. IN THIS CONNECTION, IT IS OF INTEREST TO NOTE THAT DURING AUGUST LAST YEAR, STOCKS DID NOT DECREASE AS USUALLY OCCURS, BUT ACTUALLY INCREASED BY SOME 45 MILLION POUNDS, WHICH WILL EXPLAIN WHY THE AUGUST TRADE OUTPUT THIS YEAR SHOWS SO HEAVY AN

INCREASE OVER A YEAR AGO.

CONDENSED MILK (CASE GOODS) PRODUCTION IN AUGUST WAS 52 PERCENT ABOVE AUGUST, 1933, ALTHOUGH IN TERMS OF ACTUAL VOLUME, THIS INCREASE WAS ONLY SLIGHTLY MORE THAN 2 MILLION POUNDS. STOCKS OF CONDENSED CASE ON SEPTEMBER 1 OF 17½ MILLION POUNDS WERE 6 PERCENT GREATER THAN A YEAR EARLIER.

MANUFACTURERS WHO ARE LOOKING FORWARD TO DEVELOPMENTS THE NEXT FEW MONTHS POINT TO THE IMPORTANCE OF CONSUMER PURCHASING POWER HOLDING UP IF GOODS ARE TO BE KEPT MOVING. RETAIL SALES ARE BEING PUSHED IN SOME QUARTERS THROUGH SPECIAL ADVERTISING, AND THIS HAS HELPED CONSUMPTION. THE PRODUCTION SITUATION DURING THE FALL AND WINTER MONTHS IS A MATTER OF CONJECTURE AT THIS TIME, ALTHOUGH THERE IS KNOWN TO BE A GENERAL SHORTAGE OF FEED. THE MOST RECENT REPORTS FROM IMPORTANT BUTTER AREAS WHERE CONDENSERIES OPERATE EXTENSIVELY INDICATE THAT PRODUCTION IS HEAVIER THAN A YEAR AGO, WHILE IN SOME OF THE GATHERED CREAM TERRITORY THERE HAVE BEEN UNUSUALLY SHARP DECREASES.