

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

MONTHLY EVAPORATED AND CONDENSED MILK MARKET REPORT
(JUNE 1936)

No. 202

WASHINGTON, D. C.

JUNE 23, 1936

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 MAY 1936*

GEOGRAPHIC SECTIONS	NUMBER OF FACTORIES REPORTING	PRICE PER CWT.	
		RANGE	AVERAGE
NEW ENGLAND	- 1/	\$ -	\$ -
MIDDLE ATLANTIC	6 1/	1.34-1.35	1.35
SOUTH ATLANTIC	2	1.18-1.27	1.23
E. NORTH CENTRAL	86	1.23-1.55	1.26
W. NORTH CENTRAL	9	1.11-1.35	1.21
SOUTH CENTRAL	12	1.11-1.29	1.17
NORTH WESTERN	11	1.20-1.40	1.30
SOUTH WESTERN	21	1.18-1.53	1.43
U.S. MAY 1936	147	1.11-1.55	1.29
U.S. APR 1936	145	1.25-1.65	1.40
U.S. MAY 1935	142	1.04-1.58	1.23

* NOTE: THE INFORMATION CARRIED IN THE BODY OF THIS TABLE APPLIES TO THE PREVIOUS MONTH RATHER THAN THE CURRENT MONTH. UNDER THE PROVISIONS OF THE EVAPORATED MILK MARKETING AGREEMENT NOW IN EFFECT, PRICES PAID PRODUCERS ARE CALCULATED BY FORMULAS WHICH TAKE INTO ACCOUNT THE CURRENT MONTH'S AVERAGE WHOLESALE BUTTER AND CHEESE MARKETING QUOTATIONS. THESE AVERAGES ARE NOT AVAILABLE AT THIS TIME.

1/ REPORTS NOT RECEIVED FROM TEN FACTORIES IN THESE AREAS WHICH BASE PRICES ON FORMULA IN EVAPORATED MILK MARKETING AGREEMENT. FORMULA PRICE FOR THIS AREA IN MAY, \$1.30.

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

SECTION	MAY 1936	APRIL 1936	MAY 1935
1	\$1.28	\$1.40	\$1.24
2	1.35	1.51	1.41
3	1.18	1.28	1.13
4	1.29	1.36	1.21
5	1.30	1.37	1.20
6	1.49	1.57	1.30
U.S. AVERAGE	1.29	1.40	1.23

NET WHOLESALE SELLING PRICES IN CARLOTS - F.O.B. DISTRIBUTING POINTS - MAY 1936
(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	\$2.85-3.15	\$3.02	\$4.50-4.85	\$4.73
NEW YORK CITY	2.85-3.15	3.02	4.31-4.90	4.64
PHILADELPHIA	2.85-3.15	3.01	4.75-4.85	4.82
CHICAGO	2.79-3.05	2.93	5.25	5.25
CLEVELAND	2.75-3.05	2.93	-	-
ST. LOUIS	2.79-3.05	2.93	-	-
KANSAS CITY	2.84-3.05	2.96	-	-
MINNEAPOLIS-ST. PAUL	2.70-3.05	2.94	-	-
ATLANTA	2.84-3.05	2.95	-	-
NEW ORLEANS	2.75-3.05	2.95	4.02-5.00	4.19
DENVER	2.84-3.05	2.95	-	-
SEATTLE	2.84-3.05	2.94	-	-
SAN FRANCISCO	2.70-3.05	2.85	-	-
LOS ANGELES	2.70-3.05	2.84	-	-

AVERAGE WHOLESALE SELLING PRICES BY GEOGRAPHIC SECTIONS - MAY 1936.

	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	\$3.00	\$4.78	\$7.94	\$4.92
MIDDLE ATLANTIC	3.00	4.73	7.94	4.86
SOUTH ATLANTIC	2.99	4.93	7.94	5.13
E. N. CENTRAL	2.93	5.25	7.85	4.96
W. N. CENTRAL	2.94	-	7.60	4.93
SOUTH CENTRAL	2.95	4.43	7.94	5.13
NORTH WESTERN	2.98	5.39	7.94	5.13
SOUTH WESTERN	2.90	5.39	7.94	5.13
U. S. AVERAGE MAY 1936	\$2.96	\$4.80	\$7.86	\$4.98
U. S. AVERAGE APR. 1936	\$2.96	\$4.80	\$7.98	\$4.99
U. S. AVERAGE MAY 1935	\$2.83	\$4.80	\$7.67	\$4.69

RECORD MAY PRODUCTION OF EVAPORATED MILK - MARKET FIRM

Evaporated milk markets are apparently sharing in the fairly strong position held by most other manufactured dairy products this month (June). Prices are not higher than a month ago, as is the case with respect to butter and cheese, but any price reduction which was anticipated has not materialized, and goods have moved from manufacturers' hands in substantial amounts. May production established

a new high record for that month, but regardless of this large pack, June 1 stocks were not excessive when considered in relation to previous years. Manufacturers' stocks on June 1 are reported as 141,774,000 pounds, compared with 179,684,000 pounds on June 1, 1935, and an average for the same date during the past five years of 154,932,000 pounds. An increase of 80,000,000 pounds occurred in manufacturers'

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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 CONSIGNMENTS; 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)
TOTAL STOCKS ON JUNE 1, 1936	141,774,079 LBS.	8,251,523 LBS.	9,168,595 LBS.
No. OF FIRMS REPORTING*	37	8	30
COMPARISON FOR SAME FIRMS:			
JUNE 1, 1936	141,594,207 LBS.	8,251,523 LBS.	9,168,595 LBS.
MAY 1, 1936	61,774,996 LBS.	3,740,714 LBS.	4,491,513 LBS.
% CHANGE DURING MONTH	+129.21%	+120.59%	+104.13%
FIRMS IN COMPARISON	36	8	30
JUNE 1, 1936	141,774,079 LBS.	8,251,523 LBS.	9,168,595 LBS.
JUNE 1, 1935	179,684,414 LBS.	12,284,163 LBS.	9,338,096 LBS.
% CHANGE FROM PREV. YEAR	-21.10%	-32.82%	-1.18%
FIRMS IN COMPARISON*	37	8	30
COMPARISON FOR SAME FIRMS: PRODUCTION			
MAY, 1936	235,293,209 LBS.	4,746,453 LBS.	17,094,583 LBS.
APRIL, 1936	177,545,374 LBS.	4,742,643 LBS.	12,607,495 LBS.
% CHANGE DURING MONTH	+32.53%	+0.08%	+35.59%
FIRMS IN COMPARISON*	35	7	31
MAY, 1936	235,437,455 LBS.	4,746,453 LBS.	17,094,583 LBS.
MAY, 1935	220,889,995 LBS.	4,619,392 LBS.	14,766,117 LBS.
% CHANGE FROM PREV. YEAR	+6.59%	+2.75%	+15.77%
FIRMS IN COMPARISON*	36	7	31

FINAL REVISIONS FOR LAST MONTH:

TOTAL STOCKS ON MAY 1, 1936	61,774,996 LBS.	3,740,714 LBS.	4,588,345 LBS.
ESTIMATED PRODUCTION MAY 1936**	248,258,000 LBS.	5,531,000 LBS.	23,333,000 LBS.
ESTIMATED PRODUCTION MAY 1935**	232,909,000 LBS.	5,383,000 LBS.	20,155,000 LBS.

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

** SUBJECT TO REVISIONS.

AVERAGE DAILY PURCHASES PER PRODUCER*

	MAY		APRIL	
	1936	1935	1936	1935
TOTAL PURCHASES	424,735,029 LBS	412,037,198 LBS	323,059,434 LBS	326,297,505 LBS.
NUMBER OF PRODUCERS	97,402	99,213	90,977	92,007
AVERAGE DAILY PURCHASES PER PRODUCER	140.67 LBS	133.97 LBS	118.37 LBS	118.21 LBS
PERCENTAGE CHANGES IN 1936 COMPARED WITH 1935	+ 5.0		+ 0.14	

PERCENTAGE CHANGE IN MAY, 1936 COMPARED WITH APRIL 1936 - +18.84

PERCENTAGE CHANGE IN MAY, 1935 COMPARED WITH APRIL 1935 - +13.33

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stocks between May 1 and June 1, but in 1935 the May increase was 105,000,000 pounds.

Estimated production of evaporated milk in May, estimated at 248,000,000 pounds, exceeded the previous record for the month, reached in 1935, by over 15,000,000 pounds, an increase over last year of 6.6 percent. The seasonal increase, April to May, was 32.5 percent, compared with a 26.0 percent increase during the corresponding period of last year, which also happened to be the average increase during 1931-35 inclusive. For the calendar year to June 1, production of evaporated milk amounting to 805,000,000 pounds, was an increase of 1.7 percent over the corresponding months of 1935.

Of considerable support to evaporated milk since March 1 has been the relatively heavy movement of this product from manufacturers into trade channels. The May movement was particularly large as compared with last year, the increase being 34.0 percent. The increases in March and April were 15.0 percent and 13.0 percent, respectively, but earlier in the year, principally in January when there

was a 42.0 percent drop under the previous year, decreases more than offset later increases, so that for the five months period, January to May, inclusive, there is a shortage in trade output under 1935 amounting to 27,000,000 pounds, or 3.6 percent. Government purchases of evaporated milk for delivery during the latter part of June amounted to 6,088,000 pounds (141,600 cases).

Prices paid producers by evaporated milk plants reflect the changes which have occurred in butter and cheese markets. The average price paid for milk in May was 5 cents per cwt. above last year, and the June price will also exceed that of June 1935, for butter prices have been running around 5 cents per pound above a year ago.

Estimated production of condensed case in May was only 5,531,000 pounds, but this was a 2.7 percent increase over 1935. May production was practically the same as April, no seasonal change having occurred. Stocks of condensed case on June 1 were 8,251,000 pounds, compared with 12,284,000 pounds on the same date in 1935.