

AUGUST 22, 1936.

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

WASHINGTON, D.C.

STOCKS OF CONDENSED AND EVAPORATED MILK IN THE HANDS OF
WHOLESALE GROCERS IN 38 CITIES

OF THE ORIGINAL 1,106 FIRMS ADDRESSED WHEN THIS REPORT WAS INAUGURATED, 276 DO NOT CARRY STOCKS AND 229 ARE KNOWN TO BE OUT OF BUSINESS. NO REPLIES HAVE EVER BEEN RECEIVED FROM AN ADDITIONAL 210 FIRMS. THE INFORMATION FOR JUNE 30 WHICH IS SHOWN BELOW IS BASED UPON REPORTS OF 272 FIRMS.

STOCKS REPORTED ON JUNE 30, 1936

GEOGRAPHIC SECTIONS*	NO. OF FIRMS REPORTING	CONDENSED MILK (POUNDS)	EVAPORATED MILK (POUNDS)
NEW ENGLAND	38	93,543	2,104,613
MIDDLE ATLANTIC	85	194,145	5,252,094
SOUTH ATLANTIC	24	24,852	869,992
EAST NORTH CENTRAL	43	33,732	2,821,398
WEST NORTH CENTRAL	33	63,711	1,151,908
SOUTH CENTRAL	18	25,376	205,037
NORTHWESTERN	11	5,769	893,963
SOUTHWESTERN	20	18,031	2,243,911
TOTAL - 38 CITIES JUNE 30, 1936	272	459,159	15,542,916
		16,002,075 LBS.	
TOTAL REPORTED IN SAME CITIES JUNE 30, 1935	280	536,134	11,881,218
		12,417,352 LBS.	
38 CITIES 5-YEAR AVERAGE FOR JUNE 30 (1931-1935)		668,677	19,522,635
		20,191,312 LBS.	
TOTAL - 38 CITIES MARCH 31, 1936	278	522,398	12,326,228
		12,848,626 LBS.	
TOTAL REPORTED IN SAME CITIES MARCH 31, 1935	292	539,451	15,401,172
		15,940,623 LBS.	
38 CITIES 5-YEAR AVERAGE FOR MAR. 31 (1931-1935)		680,708	12,644,083
		13,324,791 LBS.	

COMPARISON OF TOTAL STOCKS ON HAND FOR SAME FIRMS

REPORTING
(38 CITIES)

FIRMS	PREVIOUS YEAR (POUNDS)		FIRMS	PREVIOUS QUARTER (POUNDS)	
	JUNE 30, 1936	JUNE 30, 1935		JUNE 30, 1936	MAR. 31, 1936
249	15,326,168	11,562,671	257	15,712,127	12,459,504
FIRMS* 265	JUNE 30, 1935 11,892,236	JUNE 30, 1934 19,933,671	FIRMS 269	JUNE 30, 1935 11,879,177	MAR. 31, 1935 15,515,007

* THESE COMPARISONS ARE THOSE WHICH APPEARED ON THE REPORT ISSUED A YEAR AGO.

JUNE 30, 1936 STOCKS IN TERMS OF CASES

CLASS OF PRODUCT	NET WEIGHT OF CANS	NO. OF CANS PER CASE	NUMBER OF CASES ON HAND JUNE 30, 1936
CONDENSED MILK (SWEETENED)	15 oz.	24	7,754
" " "	15 oz.	28	69
" " "	14 oz.	24	9,357
" " "	14 oz.	48	1,872
" " "	11 oz.	48	196
EVAPORATED MILK (UNSWEETENED)	2 LBS.	24	5
" " "	1 LB.	48	11,299
" " "	1 1/2 oz.	48	300,424
" " "	6 oz.	96	8,484
" " "	6 oz.	72	52
" " "	6 oz.	48	78,230
" " "	8 LBS.	6	4,519

* CITIES INCLUDED IN EACH GEOGRAPHIC SECTION

- NEW ENGLAND: - BANGOR, PORTLAND, BOSTON, SPRINGFIELD, PROVIDENCE, HARTFORD, NEW HAVEN.
- MIDDLE ATLANTIC: - BROOKLYN, NEW YORK CITY, BUFFALO, PHILADELPHIA, PITTSBURGH.
- SOUTH ATLANTIC: - BALTIMORE, NORFOLK, ATLANTA, SAVANNAH, JACKSONVILLE, MIAMI, TAMPA.
- EAST NORTH CENTRAL: - CINCINNATI, CLEVELAND, TOLEDO, CHICAGO, DETROIT.
- WEST NORTH CENTRAL: - MINNEAPOLIS, ST. PAUL, KANSAS CITY, ST. LOUIS, OMAHA.
- SOUTH CENTRAL: - MEMPHIS, BIRMINGHAM, DALLAS, NEW ORLEANS.
- NORTHWESTERN: - SEATTLE, PORTLAND.
- SOUTHWESTERN: - DENVER, LOS ANGELES, SAN FRANCISCO.

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MONTHLY EVAPORATED AND CONDENSED MILK MARKET REPORT
(August 1936)

No. 204

WASHINGTON, D. C.

AUGUST 22, 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 JULY 1936*

GEOGRAPHIC SECTIONS	NUMBER OF FACTORIES REPORTING	PRICE PER CWT.	
		RANGE	AVERAGE
NEW ENGLAND	1	\$ -	\$ -
MIDDLE ATLANTIC	6	.68-.71	.69
SOUTH ATLANTIC	2	.49-.62	.56
E. NORTH CENTRAL	86	.56-.98	.65
W. NORTH CENTRAL	9	.53-.73	.59
SOUTH CENTRAL	13	.43-.56	.48
NORTH WESTERN	11	.51-.67	.59
SOUTH WESTERN	22	.43-.79	.68
U.S. JULY 1936	149	1.43-1.98	1.63
U. S. JUNE 1936	149	1.22-1.58	1.39
U.S. JULY 1935	142	0.98-1.40	1.13

* 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 JULY \$1.64.

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

SECTION	JULY 1936	JUNE 1936	JULY 1935
1	\$1.66	\$1.38	\$1.13
2	.69	.47	.27
3	.50	.31	.01
4	.55	.38	.13
5	.59	.41	.07
6	.74	.54	.23
U.S. AVERAGE	1.63	1.39	1.13

NET WHOLESALE SELLING PRICES IN CARLOTS - F.O.B. DISTRIBUTING POINTS - JULY 1936
(CASE GOODS)

THE WHOLESALE PRICES GIVEN BELOW ARE BASED ON THE REPORTS MADE BY MANUFACTURER 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	\$2.87-3.40	\$3.20	\$4.40-5.00	\$4.71
NEW YORK CITY	2.87-3.40	3.20	4.35-5.00	4.67
PHILADELPHIA	2.87-3.40	3.18	4.40-5.00	4.71
CHICAGO	2.77-3.30	3.12	5.25	5.25
CLEVELAND	2.77-3.30	3.10	-	-
ST. LOUIS	2.77-3.30	3.15	-	-
KANSAS CITY	2.77-3.30	3.13	-	-
MINNEAPOLIS-ST. PAUL	2.90-3.30	3.15	-	-
ATLANTA	2.90-3.30	3.20	-	-
NEW ORLEANS	2.90-3.30	3.16	4.25-5.00	4.36
DENVER	2.90-3.30	3.16	-	-
SEATTLE	2.90-3.30	3.15	-	-
SAN FRANCISCO	2.80-3.30	3.08	-	-
LOS ANGELES	2.80-3.30	3.05	-	-

AVERAGE WHOLESALE SELLING PRICES BY GEOGRAPHIC SECTIONS - JULY 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	\$3.19
MIDDLE ATLANTIC	3.22	4.65	8.75	5.01
SOUTH ATLANTIC	4.17	4.65	8.75	5.88
E. N. CENTRAL	3.12	4.87	8.38	5.31
W. N. CENTRAL	3.17	4.87	7.88	5.22
SOUTH CENTRAL	3.18	4.75	8.75	5.88
NORTH WESTERN	3.20	5.39	8.75	5.90
SOUTH WESTERN	3.10	5.39	8.75	5.88
U. S. AVERAGE JULY 1936	\$3.17	\$4.79	\$8.43	\$5.39
U. S. AVERAGE JUNE 1936	\$2.95	\$4.80	\$7.84	\$5.00
U. S. AVERAGE JULY 1935	\$2.62	\$4.80	\$7.38	\$4.50

* AVERAGES IN TWO ABOVE TABLES TAKE INTO ACCOUNT A GENERAL PRICE INCREASE OF 25¢ CASE WHICH WAS EFFECTIVE JULY 8. PRICE RANGES INCLUDE ENTIRE MONTH.

RECORD LOW STOCKS OF EVAPORATED MILK - PRICES HIGHER

A very firm condition prevails in evaporated milk markets this month (August), following the exceptionally heavy clearance of goods in July and a lowered rate of production, both of which are revealed in reports from manu-

facturers. One particularly outstanding situation is the fact that August 1 stocks in the hands of manufacturers were the lowest of record for that date. August 1 inventories made for total of 99,638,000 pounds, which is the low

(CONTINUED ON NEXT PAGE)

AUGUST 1936

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)
<u>TOTAL STOCKS</u>			
TOTAL STOCKS ON AUG. 1, 1936	99,638,153 LBS.	11,188,358 LBS.	13,220,874 LBS.
NO. OF FIRMS REPORTING*	35	8	27
COMPARISON FOR SAME FIRMS:			
AUG. 1, 1936	99,638,153 LBS.	11,188,358 LBS.	13,220,874 LBS.
JULY 1, 1936	186,147,464 LBS.	11,275,251 LBS.	13,894,286 LBS.
% CHANGE DURING MONTH	-46.47%	- 0.77%	- 4.85%
FIRMS IN COMPARISON	35	8	27
AUG. 1, 1936	99,638,153 LBS.	11,188,358 LBS.	13,220,874 LBS.
AUG. 1, 1935	339,800,637 LBS.	18,158,679 LBS.	12,779,941 LBS.
% CHANGE FROM PREVIOUS YEAR	-70.68%	-38.39%	+ 3.45%
FIRMS IN COMPARISON*	35	8	27
<u>PRODUCTION</u>			
COMPARISON FOR SAME FIRMS:			
JULY, 1936	197,507,184 LBS.	4,162,836 LBS.	13,102,197 LBS.
JUNE, 1936	251,534,154 LBS.	4,127,121 LBS.	18,917,657 LBS.
% CHANGE DURING MONTH	-21.48%	+ 0.87%	-30.74%
FIRMS IN COMPARISON*	34	7	28
JULY, 1936	197,507,184 LBS.	4,162,836 LBS.	13,102,197 LBS.
JULY, 1935	198,757,605 LBS.	3,884,858 LBS.	12,094,322 LBS.
% CHANGE FROM PREV. YEAR	- 0.63%	+ 7.16%	+ 8.33%
FIRMS IN COMPARISON*	34	7	28
FINAL REVISIONS FOR LAST MONTH:			
TOTAL STOCKS ON JULY 1, 1936	186,359,265 LBS.	11,275,251 LBS.	14,663,705 LBS.
ESTIMATED PRODUCTION JULY 1936**	211,299,000 LBS.	4,281,000 LBS.	25,058,000 LBS.
ESTIMATED PRODUCTION JULY 1935**	212,639,000 LBS.	3,995,000 LBS.	23,131,000 LBS.

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

** SUBJECT TO REVISIONS.

AVERAGE DAILY PURCHASES PER PRODUCER*

	JULY		JUNE	
	1936	1935	1936	1935
TOTAL PURCHASES	382,409,737 LBS	395,869,901 LBS	441,918,671 LBS	442,369,096 LBS
NUMBER OF PRODUCERS	102,761	101,494	103,966	102,209
AVERAGE DAILY PURCHASES PER PRODUCER	120.04 LBS	125.82 LBS	141.69 LBS	144.27 LBS
PERCENTAGE CHANGES IN 1936 COMPARED WITH 1935	- 4.59		- 1.79	

PERCENTAGE CHANGE IN JULY 1936 COMPARED WITH JUNE 1936 - -15.28
 PERCENTAGE CHANGE IN JULY 1935 COMPARED WITH JUNE 1935 - -12.79

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

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amount on that date since 1922, when total stocks were 117,581,000 lbs. The next lowest record was in 1933 when 131,987,000 lbs. were reported. The 1936 stocks on August 1, amounting to less than 100,000,000 pounds are in striking contrast to August 1 last year, when stocks totaled 339,978,000 lbs., being only 20,000,000 pounds less than the all-time high reached the following month. A heavy movement of evaporated milk from manufacturers to wholesale grocers and other distributors had been going on prior to and about the time of the July price advances. The heavy trade output in July referred to later is evidence of what took place during that month. The fact is, however, that even earlier than that there were active movements, and this is indicated in the report following the usual quarterly survey for the period which ended June 30. These figures show that between March 31 and June 30 this year, representative wholesale grocers' stocks increased over 26 percent. During the corresponding period in 1935, stocks of these same distributors were reduced 23 percent. In 1935, however, the price situation was different than this year, for there was a drop in prices during the summer, and it was during this period that the previously mentioned record stocks were accumulating in manufacturers' hands. This year's reduction of these stocks during

the month of July was 86,700,000 pounds. The July 1935 change was an increase of 52,570,000 pounds, and for the five-year period, 1931-35, the average change was an increase of 29,500,000 pounds. A reduction of manufacturers' stocks during July occurred in only five years since 1920.

The production situation in July was not greatly different as to volume than the record July high of a year ago, in that the total pack was only 0.6 percent less than in 1935. The drop under June, however, was 21.5 percent, compared with an average decrease of about 18.0 per cent. In view of the drought conditions in many sections, it is quite possible that this year's July production was stimulated by the recent selling price increases and a recognition that stocks are at a very low point.

The general advance of 25 cents per case which occurred early in July has held in August, and even at the higher prices, some orders are being delayed because of short supplies. Current prices are about 55 cents per case higher than a year ago, and since the recent increase are not only the highest for this season since 1930, but are higher than at any time since the early part of 1931.