

MONTHLY EVAPORATED AND CONDENSED MILK MARKET REPORT
(OCTOBER 1936)

No. 206

WASHINGTON, D.C.

OCTOBER 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 SEPTEMBER 1936*

GEOGRAPHIC SECTIONS	NUMBER OF FACTORIES REPORTING	PRICE PER CWT.	
		RANGE	AVERAGE
NEW ENGLAND	- 1/	\$ -	\$ -
MIDDLE ATLANTIC	6 1/	.78-1.85	.83
SOUTH ATLANTIC	2	.66-1.71	.69
E. NORTH CENTRAL	87	.59-2.15	.75
W. NORTH CENTRAL	10	.52-1.78	.67
SOUTH CENTRAL	13	.45-1.80	.59
NORTH WESTERN	11	.56-1.78	.69
SOUTH WESTERN	22	.40-1.91	.78
U. S. SEPT. 1936	151	1.40-2.15	1.74
U. S. AUG. 1936	149	1.41-2.15	1.74
U. S. SEPT. 1935	141	1.05-1.50	1.22

* 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 SEPTEMBER \$1.66.

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

SECTION	SEPTEMBER 1936	AUGUST 1936	SEPTEMBER 1935
1	\$1.75	\$1.76	\$1.23
2	.83	.81	.37
3	.54	.62	.08
4	.66	.66	.25
5	.70	.66	.16
6	.83	.83	.33
U. S. AVERAGE	1.74	1.74	1.22

NET WHOLESALE SELLING PRICES IN CARLOTS - F.O.B. DISTRIBUTING POINTS - SEPTEMBER 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	\$3.00-3.40	\$3.29	\$4.40-5.00	\$4.73
NEW YORK CITY	3.00-3.40	3.27	4.40-5.00	4.71
PHILADELPHIA	3.00-3.40	3.27	4.35-5.00	4.80
CHICAGO	3.09-3.30	3.18	5.25	5.25
CLEVELAND	2.90-3.30	3.19	-	-
ST. LOUIS	2.90-3.30	3.17	-	-
KANSAS CITY	3.09-3.30	3.20	-	-
MINNEAPOLIS-ST. PAUL	2.90-3.30	3.16	-	-
ATLANTA	3.09-3.30	3.19	4.40	4.40
NEW ORLEANS	2.90-3.30	3.20	4.25-5.00	4.43
DENVER	3.09-3.30	3.19	-	-
SEATTLE	3.09-3.47	3.20	-	-
SAN FRANCISCO	2.95-3.30	3.08	-	-
LOS ANGELES	2.99-3.30	3.07	-	-

AVERAGE WHOLESALE SELLING PRICES BY GEOGRAPHIC SECTIONS - SEPTEMBER 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	\$3.25	\$4.69	\$8.58	\$5.53
MIDDLE ATLANTIC	3.21	4.69	9.00	5.54
SOUTH ATLANTIC	3.22	4.66	9.00	6.13
E. N. CENTRAL	3.17	4.87	8.86	5.81
W. N. CENTRAL	3.17	4.87	8.58	5.69
SOUTH CENTRAL	3.18	4.66	9.00	6.13
NORTH WESTERN	3.19	5.39	9.00	6.25
SOUTH WESTERN	3.11	5.39	9.00	6.13
U. S. AVERAGE SEPT. 1936	\$3.19	\$4.78	\$8.83	\$5.79
U. S. AVERAGE AUG. 1936	\$3.20	\$4.82	\$8.86	\$5.74
U. S. AVERAGE SEPT. 1935	\$2.59	\$4.77	\$7.25	\$4.62

RECORD SEPTEMBER PACK OF EVAPORATED MILK - MARKET REMAINS FIRM

The strong demand for evaporated milk this fall is reflected in the production trend since mid-summer. September production not only reached an all time record for that month, but was an increase over August, reversing the usual seasonal trend, which had always been a decrease. Manufacturers' stocks of evaporated milk on October 1 were heavier than a month earlier, but were so far below usual inventories on that date, that this particular situation lent con-

siderable support to the market. Selling prices are generally unchanged this month.

Sales of evaporated milk by manufacturers have been heavy throughout this season. Data for September are not yet available, but for the first eight months of the year, the increase in 1936 trade output over the corresponding period of 1935, was 18.0 percent. The increase above amounted to more than 200,000,000 pounds. Not

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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)
<u>TOTAL STOCKS</u>			
TOTAL STOCKS ON OCT. 1, 1936	160,578,167 LBS.	12,109,165 LBS.	12,362,554 LBS.
NO. OF FIRMS REPORTING*	38	8	31
COMPARISON FOR SAME FIRMS:			
OCT. 1, 1936	158,606,999 LBS.	12,109,165 LBS.	12,313,173 LBS.
SEPT. 1, 1936	102,021,173 LBS.	11,115,984 LBS.	12,248,106 LBS.
% CHANGE DURING MONTH	+55.46%	+ 8.93%	+ 0.53%
FIRMS IN COMPARISON	36	8	29
OCT. 1, 1936	158,046,156 LBS.	12,109,165 LBS.	12,197,376 LBS.
OCT. 1, 1935	343,088,926 LBS.	17,348,989 LBS.	8,124,490 LBS.
% CHANGE FROM PREV. YEAR	-53.93%	-30.20%	+50.13%
FIRMS IN COMPARISON*	35	8	28
<u>PRODUCTION</u>			
COMPARISON FOR SAME FIRMS:			
SEPT. 1936	182,033,846 LBS.	4,423,361 LBS.	14,119,264 LBS.
AUG. 1936	179,307,943 LBS.	4,738,131 LBS.	13,070,046 LBS.
% CHANGE DURING MONTH	+ 1.52%	- 6.64%	+ 8.03%
FIRMS IN COMPARISON*	35	7	29
SEPT. 1936	181,835,310 LBS.	4,423,361 LBS.	13,415,907 LBS.
SEPT. 1935	131,943,051 LBS.	3,900,567 LBS.	9,585,653 LBS.
% CHANGE FROM PREV. YEAR	+37.81 LBS.	+13.40%	+40.0%
FIRMS IN COMPARISON*	34	7	7

FINAL REVISIONS FOR LAST MONTH:

TOTAL STOCKS ON SEPT. 1, 1936	102,021,173 LBS.	11,115,984 LBS.	12,249,517 LBS.
ESTIMATED PRODUCTION SEPT. 1936**	185,780,000 LBS.	4,567,000 LBS.	17,881,000 LBS.
FINAL PRODUCTION SEPT. 1935	134,809,000 LBS.	4,027,000 LBS.	12,772,000 LBS.

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

** SUBJECT TO REVISION.

AVERAGE DAILY PURCHASES PER PRODUCER*

	SEPTEMBER		AUGUST	
	1936	1935	1936	1935
TOTAL PURCHASES	326,773,424 LBS.	292,439,282 LBS.	346,283,163 LBS.	354,041,366 LBS.
NUMBER OF PRODUCERS	104,314	95,076	103,505	99,015
AVERAGE DAILY PURCHASES PER PRODUCER	104.42 LBS.	102.55 LBS.	107.92 LBS.	115.34 LBS.
PERCENTAGE CHANGES IN 1936 COMPARED WITH 1935	+ 1.82		- 6.43	

PERCENTAGE CHANGE IN SEPT. 1936 COMPARED WITH AUG. 1936 - -3.24

PERCENTAGE CHANGE IN SEPT. 1935 COMPARED WITH AUG. 1935 - -1.09

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

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all of the past few months' sales have as yet moved into actual consumption, for preliminary tabulations of stocks in hands of wholesale grocers on September 30 reveal that this class of distributors was carrying more than double the stocks of a year earlier, but active buying and the firm asking prices of manufacturers are definite indications of the healthy tone of the market.

Manufacturers' stocks on October 1 are reported as 160,578,000 pounds, compared with 343,132,000 pounds on October 1 of last year, and a 1931-35 average for that date of 207,872,000 pounds. Except for 1931, this year's October 1 stocks were the lowest for that date since 1926. In 1931, the quantities on hand October 1 were only 136,000,000 pounds, but it is to be noted that in 1931, production of evaporated milk was lower than in either of the two preceding years, and trade movement was sluggish, particularly during the latter part of the year.

September production of evaporated case goods, estimated at approximately 186,000,000

pounds, was a 38.0 percent increase over September 1935, and was 39,000,000 pounds heavier than the previous September high, which occurred in 1934. The seasonal change from August to September this year was an increase of 1.5 percent. In 1935, the comparison was a 16.0 percent decrease, and during the past five years the average August-September change was a 15.5 percent decrease. Production this year was apparently stimulated by the strong market tone and the relatively light supplies of this class of goods.

Average wholesale selling prices of evaporated case in September of \$3.19 per case represented no material change from August, although prices in some areas averaged slightly higher, due principally to different manufacturers selling in these areas. The above average price for September was 60 cents per case above the September 1935 average. Prices to producers supplying condenseries averaged the same as in August, \$1.74 per cwt. for 3.5 percent milk, but were 52 cents per cwt. above August 1935.