

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
MONTHLY EVAPORATED AND CONDENSED MILK MARKET REPORT
(NOVEMBER 1936)

No. 207 WASHINGTON, D.C. NOVEMBER 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 OCTOBER 1936*

GEOGRAPHIC SECTIONS	NUMBER OF FACTORIES REPORTING	PRICE PER CWT.	
		RANGE	AVERAGE
NEW ENGLAND	- 1/	\$ -	\$ -
MIDDLE ATLANTIC	6 1/	1.69-1.75	1.72
SOUTH ATLANTIC	2 1/	1.58-1.71	1.65
E. NORTH CENTRAL	98	1.48-2.00	1.65
W. NORTH CENTRAL	10	1.41-1.68	1.59
SOUTH CENTRAL	13	1.34-1.64	1.51
NORTH WESTERN	11	1.40-1.78	1.66
SOUTH WESTERN	22	1.33-1.87	1.72
U.S. OCT. 1936	152	1.33-2.00	1.65
U.S. SEPT. 1936	151	1.40-2.15	1.74
U.S. OCT. 1935	141	1.11-1.67	1.31

* 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 OCTOBER \$1.55.

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

SECTION	OCTOBER 1936	SEPTEMBER 1936	OCTOBER 1935
1	\$1.65	\$1.75	\$1.31
2	.72	.83	.47
3	.54	.54	.15
4	.60	.66	.34
5	.66	.70	.24
6	.76	.83	.45
U. S. AVERAGE	1.65	1.74	1.31

NET WHOLESALE SELLING PRICES IN CARLOTS - F.O.B. DISTRIBUTING POINTS - OCTOBER 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	\$3.28	\$4.40-5.00	\$4.75
NEW YORK CITY	3.00-3.40	3.28	4.35-5.00	4.72
PHILADELPHIA	3.00-3.40	3.26	4.35-5.00	4.75
CHICAGO	3.09-3.30	3.18	5.25	5.25
CLEVELAND	2.90-3.30	3.18	-	-
ST. LOUIS	3.09-3.30	3.19	-	-
KANSAS CITY	3.09-3.30	3.19	-	-
MINNEAPOLIS-ST. PAUL	2.90-3.30	3.19	-	-
ATLANTA	3.09-3.30	3.19	4.40	4.40
NEW ORLEANS	2.90-3.30	3.20	4.25-5.00	4.69
DENVER	3.09-3.30	3.19	-	-
SEATTLE	3.09-3.32	3.20	-	-
SAN FRANCISCO	2.95-3.30	3.08	-	-
LOS ANGELES	2.95-3.30	3.08	-	-

AVERAGE WHOLESALE SELLING PRICES BY GEOGRAPHIC SECTIONS - OCTOBER 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	\$3.27	\$4.81	\$8.75	\$5.50
MIDDLE ATLANTIC	3.22	4.69	8.83	5.52
SOUTH ATLANTIC	3.25	4.75	8.75	6.00
E. N. CENTRAL	3.18	4.87	8.58	5.50
W. N. CENTRAL	3.19	4.87	8.44	5.72
SOUTH CENTRAL	3.19	4.66	8.75	6.00
NORTH WESTERN	3.20	5.39	8.75	6.17
SOUTH WESTERN	3.11	5.39	8.75	6.00
U. S. AVERAGE OCT. 1936	\$3.20	\$4.82	\$8.65	\$5.68
U. S. AVERAGE SEPT. 1936	\$3.19	\$4.78	\$8.83	\$5.79
U. S. AVERAGE OCT. 1935	\$2.59	\$4.77	\$7.23	\$4.62

RECORD PRODUCTION EVAPORATED MILK CONTINUED IN OCTOBER

The exceptionally heavy fall production of evaporated milk has resulted in the accumulation of large stocks in manufacturers' hands, according to reports received by the U.S. Bureau of Agricultural Economics. Regardless of this, however, and the fact that wholesale grocers are carrying stocks almost twice the amounts of a year ago, markets remain full steady to firm, and prices continue at unchanged levels. The production of this class of goods has shown greater percentage increases than other manu-

factured dairy products, although the unusually favorable fall has caused increases in the case of most all products. There still appears to be reason for expecting that milk production will fall off materially as winter feeding gets under way, for there is a shortage of grain feeds, and prices are relatively high. Heaviest fall production of milk has occurred in areas where favorable pasture relieved feed shortages, and according to crop reports, pastures in some of the most important dairy sections were

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NOVEMBER 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 Nov. 1, 1936	251,751,162 LBS.	11,689,009 LBS.	11,089,123 LBS.
NO. OF FIRMS REPORTING*	38	7	30
COMPARISON FOR SAME FIRMS:			
NOVEMBER 1, 1936	251,751,162 LBS.	11,689,009 LBS.	11,081,935 LBS.
OCTOBER 1, 1936	160,708,667 LBS.	12,109,165 LBS.	12,150,524 LBS.
% CHANGE DURING MONTH	+56.65%	- 3.47%	- 8.79%
FIRMS IN COMPARISON	38	7	29
NOVEMBER 1, 1936	247,946,024 LBS.	11,639,000 LBS.	11,079,327 LBS.
NOVEMBER 1, 1935	229,065,492 LBS.	14,678,492 LBS.	5,240,686 LBS.
% CHANGE FROM PREV. YEAR	+ 8.24%	-20.37%	+111.41%
FIRMS IN COMPARISON*	35	7	27
<u>PRODUCTION</u>			
COMPARISON FOR SAME FIRMS:			
OCTOBER, 1936	186,573,459 LBS.	3,262,381 LBS.	10,407,515 LBS.
SEPTEMBER, 1936	183,316,335 LBS.	4,423,361 LBS.	12,517,257 LBS.
% CHANGE DURING MONTH	+ 1.78%	-26.25%	-16.85%
FIRMS IN COMPARISON*	37	7	28
OCTOBER, 1936	184,722,749 LBS.	3,262,381 LBS.	10,315,552 LBS.
OCTOBER, 1935	103,402,680 LBS.	3,733,019 LBS.	7,800,732 LBS.
% CHANGE FROM PREV. YEAR	+78.64%	-12.61%	+32.23%
FIRMS IN COMPARISON*	34	7	27
FINAL REVISIONS FOR LAST MONTH:			
TOTAL STOCKS ON Nov. 1, 1936	160,708,667 LBS.	12,109,165 LBS.	12,362,554 LBS.
ESTIMATED PRODUCTION OCT. 1936**	188,840,000 LBS.	3,380,000 LBS.	14,925,000 LBS.
FINAL PRODUCTION OCTOBER 1935	105,710,000 LBS.	3,868,000 LBS.	11,287,000 LBS.

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

** SUBJECT TO REVISION.

AVERAGE DAILY PURCHASES PER PRODUCER*

	OCTOBER		SEPTEMBER	
	1936	1935	1936	1935
TOTAL PURCHASES	330,877,681 LBS	255,827,483 LBS	326,773,424 LBS	292,499,282 LBS
NUMBER OF PRODUCERS	106,776	93,475	104,314	95,076
AVERAGE DAILY PURCHASES PER PRODUCER	99.96 LBS	88.29 LBS	104.42 LBS	102.55 LBS.
PERCENTAGE CHANGES IN 1936 COMPARED WITH 1935	+ 13.22		+ 1.82	

PERCENTAGE CHANGE IN OCT. 1936 COMPARED WITH SEPT. 1936 - - 4.27

PERCENTAGE CHANGE IN OCT. 1935 COMPARED WITH SEPT. 1935 - -13.91

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

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supplying about the usual quantity of feed until late in October.

Evaporated milk production in October estimated at approximately 189,000,000 pounds, was the largest ever recorded for that month, exceeding the production of October 1935 by 78.6 percent. The seasonal change from September to October this year was an increase of 1.7 percent, compared with an usual decrease during this period of 8.0 percent. With an increase over last year in October alone of around 80,000,000 pounds, the calendar year increase up to November 1 amounts to 170,000,000 pounds over the corresponding ten months period of 1935. Total production January to November, inclusive, was 1,820,000,000 pounds, compared with 1,651,000,000 pounds during the ten months period of 1935, a percentage increase of 10.2 percent.

Stocks of evaporated milk in manufacturers' hands on October 1 were close to the lowest on record for that date, being only 161,000,000 pounds. A year earlier, stocks amounted to 343,000,000, and the October 1 average (1931-35) was 208,000,000 pounds. During October, however, stocks increased 56.6 percent, with the result that on November 1 they were at a record high for this date. Manufacturers' inventories on November 1 show 251,751,000 pounds, compared with 229,065,000 pounds last year, and a November 1 five-year average of 191,087,000

pounds. Wholesale grocers stocks on September 30, the date covered by the last quarterly survey, were 99.2 percent greater than a year earlier, and 83.6 percent greater than on June 30. With such quantities on hand, these distributors have bought less heavily, and trade output of manufacturers has naturally decreased. This was the case, not only in October, but in September as well. The drop in trade output during October under October, 1935 was more than 50 percent, but for the calendar year to November 1, there is still a net gain over last year.

Wholesale selling prices of evaporated milk continue along at the same general level prevailing since July 1. The U.S. average for October was \$3.20 per case, compared with \$2.59 in October 1935. Prices paid producers for milk received during October averaged \$1.65 per cwt., compared with \$1.74 in September, and \$1.31 in October of last year. These changes were influenced by changes in wholesale prices of butter, which form the basis of calculations, according to the Federal Marketing Agreement. Butter prices in October averaged more than 2¢ per pound below the September average, but were about 7¢ higher than a year earlier.

Production of condensed case goods in October amounting to less than 3,500,000 lbs., was 12.6% below last year, and stocks on November 1 were 20.0% less. Wholesale selling prices in October averaged \$4.82 per case, compared with \$4.78 in September, and \$4.77 in October 1935.