

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS

MONTHLY EVAPORATED AND CONDENSED MILK MARKET REPORT
(SEPTEMBER 1937)

No. 217

WASHINGTON, D.C.

SEPTEMBER 23, 1937

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 1937*

GEOGRAPHIC SECTIONS	NUMBER OF FACTORIES REPORTING	PRICE PER CWT.	
		RANGE	AVERAGE
NEW ENGLAND	- 1/	\$ -	\$ -
MIDDLE ATLANTIC	6 1/	.58-.71	.63
SOUTH ATLANTIC	4	.44-.80	.58
E. NORTH CENTRAL	85	.47-.83	.52
W. NORTH CENTRAL	11	.38-.59	.47
SOUTH CENTRAL	13	.33-.44	.38
NORTHWESTERN	11	.30-.56	.46
SOUTHWESTERN	22	.40-.75	.65
U.S. AUG. 1937	152	1.30-1.83	1.52
U.S. JULY 1937	152	1.28-1.80	1.46
U.S. AUG. 1936	149	1.41-2.15	1.74

* 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 AUGUST \$1.56.

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

	AUGUST 1937	JULY 1937	AUGUST 1936
SECTION 1	\$1.52	\$1.44	\$1.76
" 2	.66	.54	.81
" 3	.43	.38	.62
" 4	.53	.50	.66
" 5	.45	.43	.66
" 6	.66	.64	.83
U. S. AVERAGE	1.52	1.46	1.74

NET WHOLESALE SELLING PRICES IN CARLOTS - F.O.B. DISTRIBUTING POINTS - AUGUST 1937
(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 CASE 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	\$3.04-3.25	\$3.13	\$4.40-5.00	\$4.70
NEW YORK CITY	3.04-3.25	3.14	4.40-5.00	4.65
PHILADELPHIA	3.04-3.25	3.11	4.40-5.00	4.70
CHICAGO	2.95-3.15	3.05	-	-
CLEVELAND	2.94-3.15	3.03	-	-
ST. LOUIS	2.94-3.15	3.05	-	-
KANSAS CITY	2.94-3.15	3.04	-	-
MINNEAPOLIS-ST. PAUL	2.94-3.15	3.04	-	-
ATLANTA	2.94-3.15	3.06	4.40	4.40
NEW ORLEANS	2.94-3.15	3.05	4.40-5.00	4.53
DENVER	2.94-3.15	3.05	-	-
SEATTLE	2.85-3.15	3.03	-	-
SAN FRANCISCO	2.80-3.15	2.93	-	-
LOS ANGELES	2.80-3.15	2.93	-	-

AVERAGE WHOLESALE SELLING PRICES BY GEOGRAPHIC SECTIONS - AUGUST 1937

	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	\$3.13	\$4.80	\$8.25	\$5.01
MIDDLE ATLANTIC	3.08	4.73	8.25	4.98
SOUTH ATLANTIC	3.10	4.83	8.25	5.75
E. N. CENTRAL	3.04	5.25	7.85	4.90
W. N. CENTRAL	3.05	5.25	7.76	5.05
SOUTH CENTRAL	3.05	4.73	8.25	5.75
NORTH WESTERN	3.05	5.39	8.25	5.75
SOUTH WESTERN	2.97	5.39	8.25	5.75
U. S. AVERAGE AUG. 1937	\$3.06	\$4.89	\$8.02	\$5.15
U. S. AVERAGE JULY 1937	\$3.01	\$4.89	\$7.94	\$5.19
U. S. AVERAGE AUG. 1936	\$3.20	\$4.82	\$8.86	\$5.74

EVAPORATED MILK MARKET FIRM - PRODUCTION DROPS

A firm tone features evaporated milk markets, with reduced production lending principal strength. Reports furnished the Bureau of Agricultural Economics by manufacturers of evaporated milk, indicate that August production of that product was 14.2 percent less than in August last year, a reduction of about 25 1/2 million pounds. Further significance

can probably be attached to the production situation through the fact that the August pack of evaporated milk was 22.5 percent less than in July, compared with an average reduction of but 13.7 percent during the preceding five years. August production this year, estimated at around 155 1/2 million pounds was the lightest for that month since

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 SEPT. 1, 1937	263,324,151 LBS.	10,572,470 LBS.	13,052,909 LBS.
No. OF FIRMS REPORTING*	38	6	26
COMPARISON FOR SAME FIRMS:			
SEPTEMBER 1, 1937	263,324,151 LBS.	10,572,470 LBS.	13,052,909 LBS.
AUGUST 1, 1937	227,696,324 LBS.	11,173,363 LBS.	15,664,326 LBS.
% CHANGE DURING MONTH	+15.65%	- 5.38%	-16.67%
FIRMS IN COMPARISON	38	6	26
SEPTEMBER 1, 1937	260,817,992 LBS.	10,572,470 LBS.	13,050,909 LBS.
SEPTEMBER 1, 1936	102,021,173 LBS.	11,115,984 LBS.	12,139,495 LBS.
% CHANGE FROM PREV. YEAR	+155.65%	- 4.89%	+ 7.51%
FIRMS IN COMPARISON*	36	6	25
<u>PRODUCTION</u>			
COMPARISON FOR SAME FIRMS:			
AUGUST, 1937	154,495,221 LBS.	3,991,842 LBS.	11,724,807 LBS.
JULY, 1937	199,389,611 LBS.	4,245,909 LBS.	14,231,262 LBS.
% CHANGE DURING MONTH	-22.52%	- 5.98%	-17.61%
FIRMS IN COMPARISON*	37	6	26
AUGUST, 1937	153,847,670 LBS.	3,991,842 LBS.	11,274,807 LBS.
AUGUST, 1936	179,307,943 LBS.	4,639,921 LBS.	11,654,061 LBS.
% CHANGE FROM PREV. YEAR	-14.20%	-13.97%	- 3.25%
FIRMS IN COMPARISON*	35	6	25

FINAL REVISIONS FOR LAST MONTH:			
TOTAL STOCKS ON AUG. 1, 1937	227,696,324 LBS.	11,173,363 LBS.	16,028,539 LBS.
ESTIMATED PRODUCTION AUG. 1937**	155,477,000 LBS.	3,992,000 LBS.	16,170,000 LBS.
FINAL PRODUCTION AUGUST 1936	181,209,000 LBS.	4,640,000 LBS.	16,713,000 LBS.

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

** SUBJECT TO REVISION.

AVERAGE DAILY PURCHASE PER PRODUCER*

	AUGUST		JULY	
	1937	1936	1937	1936
TOTAL PURCHASES	353,350,558 LBS.	344,818,679 LBS.	413,687,166 LBS.	384,334,991 LBS.
NUMBER OF PRODUCERS	114,025	105,768	114,982	103,204
AVERAGE DAILY PURCHASES PER PRODUCER	99.96 LBS.	105.17 LBS.	116.06 LBS.	120.13 LBS.
PERCENTAGE CHANGES IN 1937 COMPARED WITH 1936	- 4.95		- 3.39	

PERCENTAGE CHANGE IN AUG. 1937 COMPARED WITH JULY 1937 - -13.87

PERCENTAGE CHANGE IN AUG. 1936 COMPARED WITH JULY 1936 - -12.45

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1933, and was about 5 million pounds below the 1932-36 five-year average. For the calendar year to September 1, total production of evaporated milk was approximately 1,400,000,000 pounds, a decrease of 1.5 percent, or 22,000,000 pounds, under the corresponding period of 1936.

In contrast to the current production situation, which shows a downward trend, the amount of evaporated milk in manufacturers' hands on September 1 was, with the exception of 1935, the heaviest for that date since 1929. Total stocks reported for September 1 were 263,324,000 pounds, an increase of 155 percent over September 1, 1936, and more than 15 percent above stocks of August 1. The increase during the month of August was 35,600,000 pounds, while the average August change during the past five years was a decrease of 1,200,000 pounds. It may be recalled that in 1935, manufacturers' stocks reported for September 1 were the heaviest reported for any month up to that time, which record still holds. Later that year, however, there was a very heavy movement into consumption, and stocks were gradually reduced until they reached an almost low record by December 1. The active movement

during the latter part of 1935 was followed by price increases late in that year and during the following spring and summer.

Trade output of evaporated milk in August this year was about a third less than in 1936, which accounts in part for the piling up of stocks on September 1, but by way of comparison, the situation in 1935, when the record stocks just referred to occurred, was somewhat the same. In that year, August trade output was also relatively low, but there was unusually heavy trading in November and December, which resulted in considerable strength developing, and finally led to the price increases noted.

No price changes of wide significance have been reported so far this month (September). Most of the better known brands remain unchanged from a month ago. The average of wholesale selling prices reported on August sales was \$3.06 per case, which was a slight advance over the July average, but 14¢ per case below a year earlier. In July, selling prices averaged 16¢ per case below July 1936.