

UNITED STATES DEPARTMENT OF AGRICULTURE  
BUREAU OF AGRICULTURAL ECONOMICS

MONTHLY EVAPORATED AND CONDENSED MILK MARKET REPORT  
(June 1938)

No. 225 WASHINGTON, D. C. June 24, 1938

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 1938

Geographic Sections	Number of factories reporting	Price per cwt.	
		Range	Average
New England	1/	\$ -	\$ -
Middle Atlantic	6 1/	1.23 - 1.26	1.24
South Atlantic	4	1.14 - 1.45	1.28
E. North Central	83	1.14 - 1.33	1.19
W. North Central	11	1.07 - 1.26	1.15
South Central	13	1.05 - 1.19	1.08
Northwestern	11	.91 - 1.21	1.07
Southwestern	20	.96 - 1.25	1.18
U. S. MAY 1938	148	.91 - 1.45	1.17
U. S. APR. 1938	148	.98 - 1.60	1.24
U. S. MAY 1937	150	1.20 - 1.69	1.43

1/ Reports not received from ten factories in these areas which base prices on formula in evaporated milk market agreement. Formula price for this area in May \$1.26.

Prices Paid Producers according to Geographic Sections outlined in Evaporated Milk Marketing Agreement.

	May 1938	April 1938	May 1937
Section 1	\$1.20	\$1.26	\$1.43
" 2	1.27	1.39	1.51
" 3	1.10	1.17	1.33
" 4	1.09	1.15	1.46
" 5	1.06	1.12	1.40
" 6	1.23	1.27	1.60
U. S. Average	1.17	1.24	1.43

NEW WHOLESALE SELLING PRICES IN CARLOTS - F. O. B. DISTRIBUTING POINTS - MAY 1938  
(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	\$2.70 - 3.00	\$2.87	\$4.40 - 5.00	\$4.68
New York City	2.70 - 3.00	3.87	4.40 - 5.00	4.65
Philadelphia	2.70 - 3.00	2.86	4.40 - 5.00	4.69
Chicago	2.60 - 2.90	2.77	-	-
Cleveland	2.60 - 2.90	2.79	-	-
St. Louis	2.55 - 2.90	2.77	-	-
Kansas City	2.60 - 2.90	2.79	-	-
Minneapolis-St. Paul	2.60 - 2.90	2.77	-	-
Atlanta	2.75 - 2.90	2.82	4.40	4.40
New Orleans	2.75 - 2.90	2.82	4.40 - 5.00	4.54
Denver	2.75 - 2.90	2.82	-	-
Seattle	2.70 - 2.90	2.79	-	-
San Francisco	2.55 - 2.90	2.69	-	-
Los Angeles	2.55 - 2.90	2.68	-	-

AVERAGE WHOLESALE SELLING PRICES BY GEOGRAPHIC SECTIONS - MAY 1938

	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	\$2.88	\$4.80	\$8.00	\$4.83
Mid. Atlantic	2.86	4.75	7.92	4.43
South Atlantic	2.86	4.73	8.00	5.50
E. N. Central	2.79	5.25	7.25	4.33
W. N. Central	2.78	5.25	7.45	4.79
South Central	2.80	4.73	8.00	5.50
North Western	2.83	-	8.00	5.50
South Western	2.73	-	7.92	5.17
U. S. Average				
May 1938	2.82	4.80	7.62	4.71
U. S. Average				
Apr. 1938	2.85	4.80	7.72	4.82
U. S. Average				
May 1937	2.97	4.89	7.95	5.26

Total stocks include all stocks held by manufacturers reporting whether their own or stocks or 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, 1938	261,271,883 Lbs.	9,052,497 Lbs.	15,222,467 Lbs.
No. of firms reporting*	38	6	27
Comparison for same firms:			
June 1, 1938	261,271,883 Lbs.	9,052,497 Lbs.	15,222,467 Lbs.
May 1, 1938	151,668,717 Lbs.	5,601,225 Lbs.	7,111,325 Lbs.
% change during month	+72.20%	+61.62%	+114.06%
Firms in comparison	38	6	27
June 1, 1938	260,161,894 Lbs.	9,052,497 Lbs.	15,221,105 Lbs.
June 1, 1937	242,156,260 Lbs.	8,669,282 Lbs.	10,368,853 Lbs.
% change from prev. year	+7.44%	+4.42%	+46.80%
Firms in comparison*	37	6	26
Production			
May, 1938	273,090,333 Lbs.	4,739,617 Lbs.	19,720,306 Lbs.
April, 1938	197,867,798 Lbs.	4,810,475 Lbs.	14,466,985 Lbs.
% change during month	+38.02%	-1.47%	+36.31%
Firms in comparison*	37	6	28
May, 1938	271,877,287 Lbs.	4,739,617 Lbs.	19,720,306 Lbs.
May, 1937	232,416,769 Lbs.	4,890,726 Lbs.	17,710,282 Lbs.
% change from prev. year	+16.98%	-3.09%	+11.35%
Firms in comparison*	36	6	28

Final revisions for last month:

Total stocks on May 1, 1938	151,668,717 Lbs.	5,601,225 Lbs.	7,117,956 Lbs.
Estimated production May 1938**	273,090,000 Lbs.	4,750,000 Lbs.	28,587,000 Lbs.
Estimated production May 1937**	233,450,000 Lbs.	4,901,000 Lbs.	25,673,000 Lbs.

\* Firms, not factories.

Some firms operate more than one factory.

\*\* Subject to revision.

AVERAGE DAILY MILK PURCHASES PER PRODUCER\*

	MAY		APRIL	
	1938	1937	1938	1937
Total purchases	504,756,471 Lbs.	455,418,327 Lbs.	390,570,043 Lbs.	356,211,012 Lbs.
Number of producers	124,175	114,168	117,079	106,484
Average daily purchases per producer	131.13 Lbs.	128.68 Lbs.	111.20 Lbs.	111.51 Lbs.
Percentage changes in 1938-compared with 1937	+1.90		-0.28	
Percentage change in May 1938 compared with Apr. 1938	+17.92			
Percentage change in May 1937 compared with Apr. 1937	+15.40			

\*These figures include milk purchased primarily for the manufacture of evaporated and condensed milk.

PRODUCTION OF EVAPORATED MILK CONTINUES AT UNUSUALLY HIGH LEVEL.  
STOCKS INCREASING RAPIDLY.

For the fifth consecutive month the production of evaporated whole milk, case goods, has set a new high record for the month, states the Bureau of Agricultural Economics. The output for May is estimated at 273,090,000 pounds, or 17 percent, over the estimated output of May last year, or 28 percent over the average May production for the years of 1932-36.

The continued record breaking production since the first of the year is now being reflected in an unusually heavy accumulation of stocks. Reports from manufacturers on June 1 indicate a total of 261,271,000 pounds of evaporated milk, case goods, held in reserve on June 1. This is the largest reserve volume reported for any June 1 in the history of the evaporated milk industry. Current stocks represent an increase of almost 8 percent over the June 1 stocks last year and an increase of 71 percent compared with the June 1 average for the 5 years, 1933-37.

Production of condensed milk, case goods, in May, however, did not follow the trend set by evaporated milk. Estimated production of 4,750,000 pounds was about 3 percent less than that of May last year and 14 percent less than the 5-year (1932-36) average. Stocks of condensed milk, case goods, on June 1 amounted to 9,052,000 pounds, an increase of 383,000 pounds over stocks reported on the same date last year, but 609,000 pounds less than the 5-year, (1933-37) average for June 1.

Despite the heavy May production and large accumulation of stocks, prices on evaporated milk have held fairly steady following the rather sharp decline in both April and March. The U. S. average wholesale price on evaporated milk per case of 48-14½ oz. cans was \$2.82, a drop of only 3 cents per case from the average price for April. Sweetened condensed at \$4.80 per case was unchanged. Prices paid producers for 3.5 percent milk, delivered to condenseries, averaged \$1.17 per cwt., a decrease of 7 cents per cwt. from the average price paid in April.

Current indications are for continued heavy production of evaporated milk during the remainder of the season of flush milk production. Milk production per cow on June 1 was unusually high, according to reports from crop correspondents. Cow numbers were slightly in excess of a year earlier, while pasture conditions were much better than average. As the weather, both from the standpoint of temperature and moisture, has continued favorable for milk production since June 1, no immediate change in the trend of manufacture of evaporated milk is expected.