

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
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EVAPORATED AND CONDENSED MILK REPORT
DECEMBER 1938

PRODUCTION OF EVAPORATED MILK CONTINUED HEAVY BUT
STOCKS ARE REDUCED SHARPLY

Heavy milk production in November was again reflected in a substantial expansion in the output of evaporated milk, case goods, over that of November last year, reports the Bureau of Agricultural Economics. But, with a good seasonal demand, a sharp reduction in stocks also was reported for the month.

Estimated production of evaporated milk, case goods, for November totaled 100,723,000 pounds, an increase of 9 percent over the 92,322,000 pounds produced in November last year, and 4 percent over the November 5-year (1932-36) average of 96,672,000 pounds. The seasonal decrease in production from October to November was less than that of a year earlier and also below the 5-year (1932-36) average. For the first month since April, the output of condensed milk, case goods, exceeded that of the same month last year, but the current production was still less than that of the 5-year average for November. This, however, is to be expected in view of the declining trend in the production of condensed milk, case goods, during recent years.

Stocks of evaporated milk, case goods, on December 1 totaled 284,633,000 pounds. These are the largest stocks ever reported for any December 1 in the history of the evaporated milk industry. But, with the exception of one year -- 1935 -- the reduction in November was the largest ever recorded for that month. Current supplies, therefore, in relation to those of a year earlier and the 5-year average are not nearly so heavy now as they were a month or so ago. It appears from trade reports that in recent months the demand for evaporated milk on the part of wholesale grocers has improved and that wholesale grocers are now replenishing stocks which had been allowed to drop to a low level during the past year.

The average wholesale selling price on evaporated milk in November of \$2.68 per case of 48-14 $\frac{1}{2}$ oz. cans, as reported for representative markets, remained unchanged from that of October, but was 39 cents per case less than the average price of November last year. Usually there is a slight increase from October to November, but with current production and stocks larger than average, wholesale prices this fall have failed to follow their usual seasonal trend. Prices on condensed milk, case goods, were also unchanged from those of October. And they were about the same as in November 1937.

The average price paid by condenseries for 3.5 percent milk, f.o.b. plant, in November was \$1.21 per cwt. This represented an increase of 5 cents per cwt. over the average price paid in October but a decrease of 50 cents per cwt. from the average price paid in November last year. The increase from October to November this year was approximately the same as the usual seasonal change in this period.

STOCKS OF EVAPORATED AND CONDENSED MILK REPORTED FIRST
OF EACH MONTH: 1938 WITH COMPARISONS

EVAPORATED MILK (Case Goods)

Month	1938	1937	Average 1932-36	Change in 1938 from	
	Thousand pounds			1937	Avg. 1932-36
				Percent	
January.....	181,686	258,904	134,444	-30	+35
February.....	156,894	208,910	105,885	-25	+48
March.....	132,663	176,912	81,034	-25	+64
April.....	123,801	152,575	66,745	-19	+85
May.....	151,669	161,208	81,539	- 6	+86
June.....	261,703	242,390	137,119	+ 8	+91
July.....	350,790	302,435	188,646	+16	+86
August.....	392,641	227,696	200,609	+72	+96
September.....	419,142	263,324	199,422	+59	+110
October.....	398,287	227,710	212,727	+75	+87
November.....	344,316	244,766	215,477	+41	+60
December 1/.....	284,633	218,372	187,632	+30	+52

CONDENSED MILK (Case Goods)

Month	1938	1937	Average 1932-36	Change in 1938 from	
	Thousand pounds			1937	Avg. 1932-36
				Percent	
January.....	6,229	9,071	10,644	-31	-41
February.....	4,935	7,123	7,835	-31	-37
March.....	4,574	4,958	5,777	- 8	-21
April.....	4,827	4,203	5,012	+15	+ 4
May.....	5,601	4,400	6,012	+27	+ 7
June.....	9,052	8,669	10,976	+ 4	-18
July.....	9,434	10,920	15,336	-14	-38
August.....	10,249	11,173	16,977	- 8	-40
September.....	9,932	10,572	16,795	- 6	-41
October.....	9,278	8,699	15,741	+ 7	-41
November.....	8,521	8,252	13,885	+ 3	-39
December 1/.....	7,854	7,153	11,236	+10	-30

CONDENSED MILK (Bulk Goods)

Month	1938	1937	Average 1932-36	Change in 1938 from	
	Thousand pounds			1937	Avg. 1932-36
				Percent	
January.....	5,019	5,670	7,128	-11	-30
February.....	4,229	5,685	6,180	-26	-32
March.....	4,037	5,353	5,284	-25	-24
April.....	5,319	5,594	5,059	- 5	+ 5
May.....	7,118	6,141	5,798	+16	+23
June.....	15,907	11,399	9,071	+40	+75
July.....	19,538	15,550	12,991	+26	+50
August.....	21,850	16,029	12,411	+36	+76
September.....	20,119	13,373	11,320	+50	+78
October.....	17,777	11,033	10,215	+61	+74
November.....	15,248	8,730	9,001	+75	+69
December 1/.....	11,521	5,074	7,523	+127	+53

1/ Data for the current month of 1938 subject to revision through the addition of late reports.

PRODUCTION OF EVAPORATED AND CONDENSED MILK;
1938, BY MONTHS, WITH COMPARISONS

EVAPORATED MILK (Case goods)

Month	1938 1/	1937 Thousand pounds	Average 1932-36	Change in 1938 from	
				1937	Avg. 1932-36
					Percent
January.....	125,682	119,152	109,038	+5	+15
February.....	130,077	126,509	109,537	+3	+19
March.....	169,247	153,290	139,143	+10	+22
April.....	206,214	184,829	166,009	+12	+24
May.....	279,741	239,136	213,052	+17	+31
June.....	276,652	252,535	225,702	+10	+25
July.....	224,681	205,752	186,458	+9	+20
August.....	188,507	162,506	160,877	+16	+17
September.....	146,679	138,376	141,650	+6	+4
October.....	122,885	124,126	128,978	-1	-5
November.....	100,723	92,322	96,672	+9	+4
December.....	--	104,012	99,189	--	--
Jan.-Nov. Incl.	1,971,088	1,798,533	1,677,116	+10	+18

CONDENSED MILK (Case goods)

Month	1938 1/	1937 Thousand pounds	Average 1932-36	Change in 1938 from	
				1937	Avg. 1932-36
					Percent
January.....	3,812	4,499	5,177	-15	-26
February.....	3,358	3,742	4,737	-10	-29
March.....	4,212	3,701	5,314	+14	-21
April.....	4,974	3,752	6,212	+55	-20
May.....	4,753	4,905	5,494	-3	-15
June.....	3,197	4,408	5,015	-27	-36
July.....	3,289	4,256	4,824	-23	-32
August.....	3,238	3,997	4,951	-19	-35
September.....	3,210	4,049	4,124	-21	-22
October.....	3,050	4,421	4,160	-31	-27
November.....	3,523	3,470	4,001	+2	-12
December.....	--	4,396	4,525	--	--
Jan.-Nov. Incl.	40,622	45,200	54,007	-10	-25

CONDENSED MILK (Bulk goods)

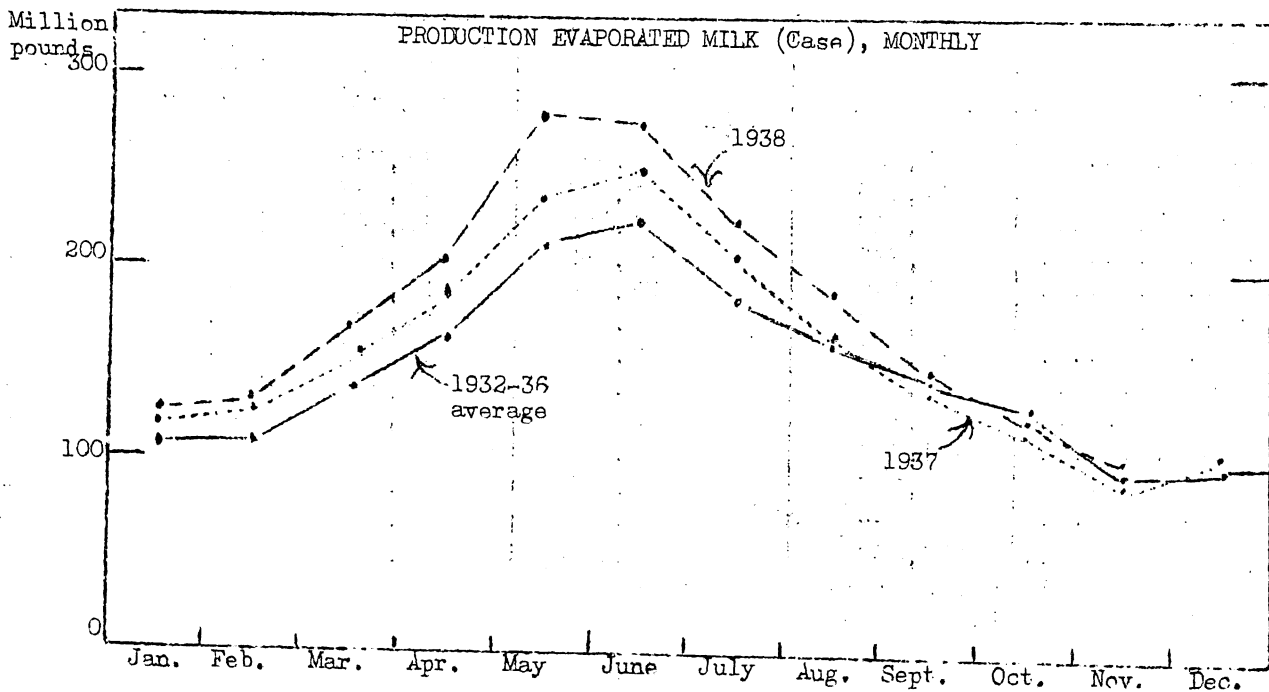
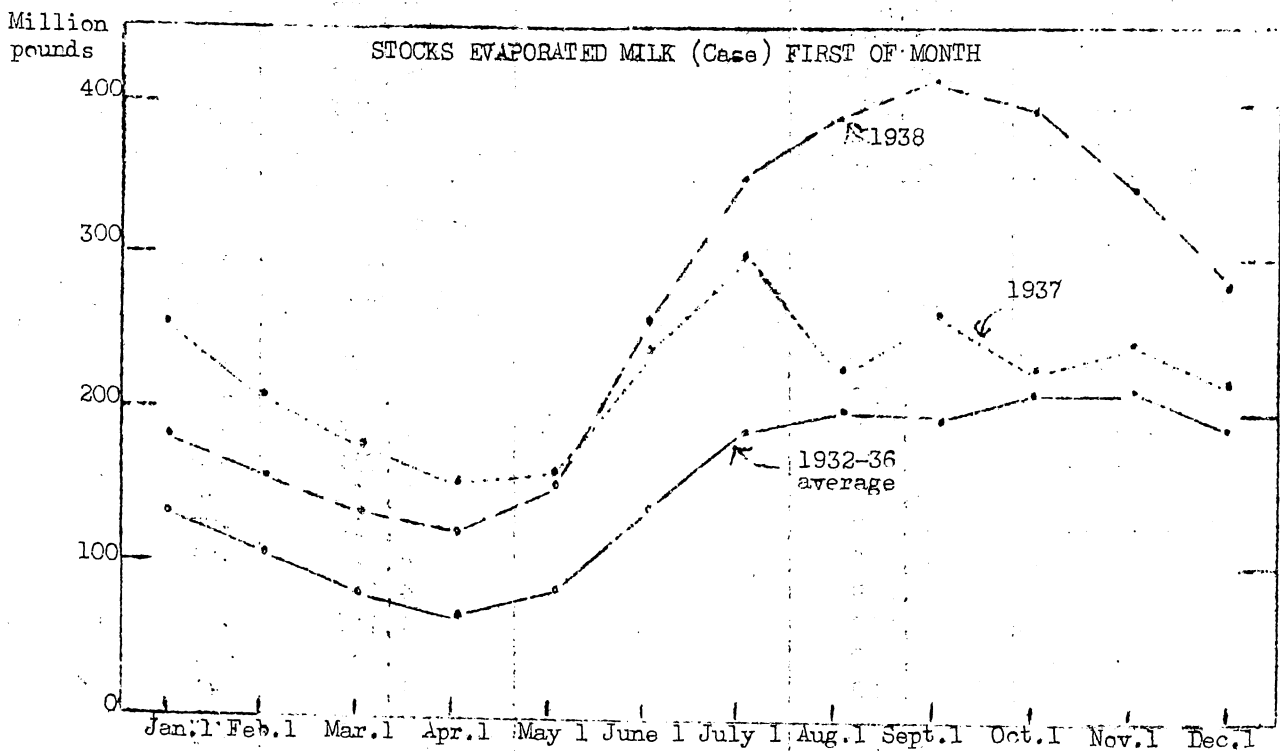
Month	1938 1/	1937 Thousand pounds	Average 1932-36	Change in 1938 from	
				1937	Avg. 1932-36
					Percent
January.....	12,353	14,366	11,765	-14	+5
February.....	11,463	12,049	11,065	-5	+4
March.....	17,916	15,492	12,444	+16	+44
April.....	19,769	18,069	14,633	+9	+35
May.....	30,147	27,074	20,131	+11	+50
June.....	23,662	25,911	21,966	-9	+8
July.....	17,129	18,287	14,304	-6	+20
August.....	14,752	15,862	13,664	-7	+8
September.....	14,178	15,804	14,710	-10	-4
October.....	14,684	13,723	14,037	+7	+5
November.....	11,296	11,508	10,384	-2	+5
December.....	--	14,205	12,255	--	--
Jan.-Nov. Incl.	187,349	188,145	159,622	0	+17

1/ All the 1938 estimates are subject to further revision when the final report is available for 1938.

MILK PURCHASES BY CONDENSERIES, NOVEMBER 1938, WITH COMPARISONS*

	Unit	November		5-year average 1932-36
		1938	1937	
Purchases, reported total ..	Pounds	261,319,000	238,137,000	224,759,000
Producers, number	Number	108,000	112,000	89,000
Average daily purchases per producer	Pounds	80.7	70.9	84.2
Changes in purchases per producer				
1938 from 1937	Percent	+ 13.8	XXXX	XXXX
1938 from 5-year av.	"	- 4.2	XXXX	XXXX

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



NET WHOLESALE SELLING PRICES EVAPORATED AND CONDENSED MILK, CASE GOODS IN CARLOTS,
F.O.B. DISTRIBUTING POINTS, NOVEMBER 1938*

F.O.B. CITY	Evaporated milk (Per case of 48 - 14½ oz cans)		Condensed milk (Per case of 48 - 14 oz. cans)	
	Range	Average	Range	Average
	Dollars	Dollars	Dollars	Dollars
Boston	2.40 - 2.90	2.73	4.40 - 5.00	4.70
New York City	2.40 - 2.90	2.74	4.40 - 5.00	4.64
Philadelphia	2.40 - 2.90	2.70	4.40 - 5.00	4.69
Chicago	2.35 - 2.80	2.64	-	-
Cleveland	2.35 - 2.80	2.63	4.50 - 5.00	4.66
St. Louis	2.35 - 2.80	2.65	-	-
Kansas City	2.35 - 2.80	2.64	-	-
Minneapolis-St. Paul	2.35 - 2.80	2.65	-	-
Atlanta	2.60 - 2.80	2.70	4.40	4.40
New Orleans	2.60 - 2.80	2.70	4.40 - 5.00	4.54
Denver	2.60 - 2.80	2.69	-	-
Seattle	2.55 - 2.89	2.70	-	-
San Francisco	2.50 - 2.80	2.64	-	-
Los Angeles	2.50 - 2.80	2.69	-	-

AVERAGE WHOLESALE SELLING PRICES, EVAPORATED AND CONDENSED MILK, BY
GEOGRAPHIC SECTIONS, NOVEMBER*

Geographic Section	Evaporated milk (Per case of 48-14½ oz.cans)		Condensed milk (Per case of 48-14 oz.cans)		Condensed milk (Bulk per cwt.)	
	Dollars	Dollars	Dollars	Dollars	Unskimmed	Skimmed
New England	2.73	4.80	7.13	4.19		
Mid. Atlantic	2.69	4.73	7.25	4.04		
South Atlantic	2.73	4.73	7.13	5.00		
E. N. Central	2.64	5.25	6.76	3.91		
W. N. Central	2.67	5.25	7.20	4.58		
South Central	2.66	4.73	7.13	5.00		
North Western	2.73	5.39	7.13	5.00		
South Western	2.65	5.39	7.33	4.83		
U.S.Nov. 1938	2.68	4.86	7.05	4.32		
U.S.Oct. 1938	2.68	4.86	7.02	4.38		
U.S.Nov. 1937	3.07	4.86	8.31	5.41		

*Wholesale prices are based on the reports made by manufacturers covering actual sales of goods delivered at manufacturers' distributing points on basis of cash or short time credit.

PRICES PAID PRODUCERS FOR 3.5% MILK F.O.B. FACTORY FOR NOVEMBER 1938
8 Geographic Sections

Geographic Section	Number of factories reporting	Price per cwt.	
		Range	Average
		Dollars	Dollars
New England	1	-	-
Middle Atlantic	4	1.27 - 1.55	1.46
South Atlantic	4	1.23 - 1.55	1.32
E. North Central	82	1.14 - 1.39	1.20
W. North Central	10	1.06 - 1.26	1.15
South Central	13	1.00 - 1.12	1.09
Northwestern	11	1.09 - 1.33	1.20
Southwestern	22	1.08 - 1.33	1.27
U. S.Nov.1938	146	1.00 - 1.55	1.21
U. S.Oct.1938	149	.93 - 1.45	1.16
U. S.Nov.1937	150	1.35 - 2.29	1.71

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	November 1938		October 1938		November 1937	
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1	1.20	1.16	1.16	1.74		
2	1.47	1.33	1.33	1.96		
3	1.11	1.07	1.07	1.64		
4	1.23	1.20	1.20	1.63		
5	1.18	1.14	1.14	1.51		
6	1.31	1.28	1.28	1.71		
U. S. Average	1.21	1.16	1.16	1.71		

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 November \$1.28.