

EVAPORATED AND CONDENSED MILK REPORT

MAY 1939

The production of evaporated milk (case goods) has dropped below that of the corresponding month of the preceding year for the first time since October 1938 and the second since December 1937.

According to the Bureau of Agricultural Economics, the April production was 202,090,000 pounds, a decrease of around 4 million pounds, or 2 percent, from the production of April last year. Production was larger than the 5-year (1933-37) April average by about 29 million pounds, or 17 percent.

The decrease in the output of condensed milk (case goods), compared with a year earlier, was even larger than that for evaporated milk. The Bureau's April estimate of 3,283,000 pounds was 34 percent smaller than last year's production, and 36 percent smaller than the April average for the years 1933-37.

Total production of evaporated milk (case goods) for the first 4 months of 1939 is estimated at 650,518,000 pounds. This is an increase of around 19 million pounds, or 3 percent, over the production of the corresponding months of last year. It is also approximately 106 million pounds, or 20 percent, larger than the average production for the same months in 1933-37.

Stocks of evaporated milk (case goods) reported by manufacturers as of May 1 totaled 134,625,000 pounds, a decrease of 11 percent from the stocks reported on May 1 last year, but an increase of 49 percent over the average May 1 stocks for the 5 years 1933-37. The large increase in current stocks over the 5-year average is partly the result of the inclusion in that average of 3 years - 1936, 1935 and 1933 - in which the May 1 stocks were exceptionally small. Although the percentage decrease between the May 1 stocks this year and last was the same as indicated in a similar comparison for the April 1 stocks, the quantitative decrease was larger for May 1, the difference being 17 million pounds compared with a difference of 14 million pounds for April 1.

Stocks of condensed milk (case goods) on May 1 totaled 4,608,000 pounds, a decrease of 18 percent from the stocks of May 1 last year and 8 percent from the May 1 (1933-37) average.

Stocks of evaporated milk (case goods) increased by around 23 million pounds during April, compared with an increase of 28 million pounds in April a year ago. Stocks of condensed milk (case goods), however, decreased by around 350,000 pounds compared with a gain of almost 800,000 pounds in April last year.

Prices paid producers for 3.5 percent milk delivered to condenseries during April averaged \$1.07 per cwt. This is a decrease of 4 cents per cwt. from the average paid producers during March this year. The decrease was slightly less than the average seasonal decrease between the 2 months, but was 17 cents per cwt. over the April average of last year.

The wholesale selling price of evaporated milk (case goods) averaged \$2.67 per case during April, compared with an average of \$2.68 per case in March this year. The decrease of 1 cent per case from the March average makes the April price the lowest for any month since October 1935. The wholesale price of condensed milk (case goods) averaged \$4.86 per case in April, unchanged from the March average but 6 cents per case higher than the average for April last year.

5/25/39

May Evaporated and Condensed Milk Report
 STOCKS OF EVAPORATED AND CONDENSED MILK REPORTED FIRST
 OF EACH MONTH: 1939 WITH COMPARISONS

EVAPORATED MILK (Case Goods)

Month	1939	1938	Average 1933-37	Change in 1939 from	
				1938	Avg. 1933-37
	Thousand pounds			Percent	
January.....	205,073	181,686	159,822	+ 13	+ 28
February.....	150,311	156,894	122,090	- 4	+ 23
March.....	120,397	132,663	93,045	- 9	+ 29
April.....	109,882	123,801	76,983	- 11	+ 43
May 1/.....	134,625	151,669	90,244	- 11	+ 49
June.....	---	261,703	152,733	---	---
July.....	---	350,790	206,647	---	---
August.....	---	392,641	200,969	---	---
September.....	---	419,142	213,905	---	---
October.....	---	398,287	223,029	---	---
November.....	---	344,316	235,189	---	---
December.....	---	284,375	203,315	---	---

CONDENSED MILK (Case Goods)

Month	1939	1938	Average 1933-37	Change in 1939 from	
				1938	Avg. 1933-37
	Thousand pounds			Percent	
January.....	7,139	6,229	9,958	+ 15	- 28
February.....	6,101	4,935	7,431	+ 24	- 18
March.....	4,985	4,574	5,275	+ 9	- 5
April.....	4,959	4,827	4,338	+ 3	+ 14
May 1/.....	4,608	5,601	4,985	- 18	- 8
June.....	---	9,052	9,661	---	---
July.....	---	9,434	13,523	---	---
August.....	---	10,249	14,923	---	---
September.....	---	9,932	14,802	---	---
October.....	---	9,278	13,746	---	---
November.....	---	8,521	12,274	---	---
December.....	---	7,854	10,212	---	---

CONDENSED MILK (Bulk Goods)

Month	1939	1938	Average 1933-37	Change in 1939 from	
				1938	Avg. 1933-37
	Thousand pounds			Percent	
January.....	9,235	5,019	6,676	+ 84	+ 38
February.....	8,536	4,229	5,662	+102	+ 51
March.....	7,202	4,037	4,768	+ 75	+ 48
April.....	5,809	5,319	4,717	+ 9	+ 23
May 1/.....	5,921	7,118	5,473	- 17	+ 8
June.....	---	15,907	9,477	---	---
July.....	---	19,538	13,329	---	---
August.....	---	21,850	13,090	---	---
September.....	---	20,119	11,533	---	---
October.....	---	17,777	10,314	---	---
November.....	---	15,248	9,080	---	---
December.....	---	11,701	7,037	---	---

1/ Data for the current month of 1939 subject to revision through the addition of late reports.

PRODUCTION OF EVAPORATED AND CONDENSED MILK
1939, BY MONTHS, WITH COMPARISONS

EVAPORATED MILK (Case Goods)

Month	1939 <u>1/</u>	1938 <u>1/</u>	Average 1933-37	Change in 1939 from	
				1938	Avg. 1933-37
	Thousand pounds			Percent	
January.....	129,452	125,682	112,899	+ 3	+ 15
February.....	137,882	130,077	113,777	+ 6	+ 21
March.....	181,094	169,247	144,190	+ 7	+ 26
April.....	202,090	206,214	173,124	- 2	+ 17
May.....	---	279,741	222,656	---	---
June.....	---	276,652	237,891	---	---
July.....	---	224,681	196,030	---	---
August.....	---	188,507	166,418	---	---
September.....	---	146,679	146,721	---	---
October.....	---	122,885	132,684	---	---
November.....	---	100,723	96,634	---	---
December.....	---	119,614	99,669	---	---
Jan.-Apr. Incl.	650,518	631,220	543,990	+ 3	+ 20

CONDENSED MILK (Case Goods)

Month	1939 <u>1/</u>	1938 <u>1/</u>	Average 1933-37	Change in 1939 from	
				1938	Avg. 1933-37
	Thousand pounds			Percent	
January.....	3,421	3,812	4,585	- 10	- 25
February.....	3,036	3,358	4,313	- 10	- 30
March.....	3,075	4,212	4,666	- 27	- 34
April.....	3,283	4,974	5,100	- 34	- 36
May.....	---	4,753	5,277	---	---
June.....	---	3,197	4,896	---	---
July.....	---	3,289	4,622	---	---
August.....	---	3,238	4,826	---	---
September.....	---	3,310	4,003	---	---
October.....	---	3,050	3,907	---	---
November.....	---	3,529	3,840	---	---
December.....	---	3,210	4,157	---	---
Jan.-Apr. Incl.	12,815	16,356	18,664	- 22	- 31

CONDENSED MILK (Bulk Goods)

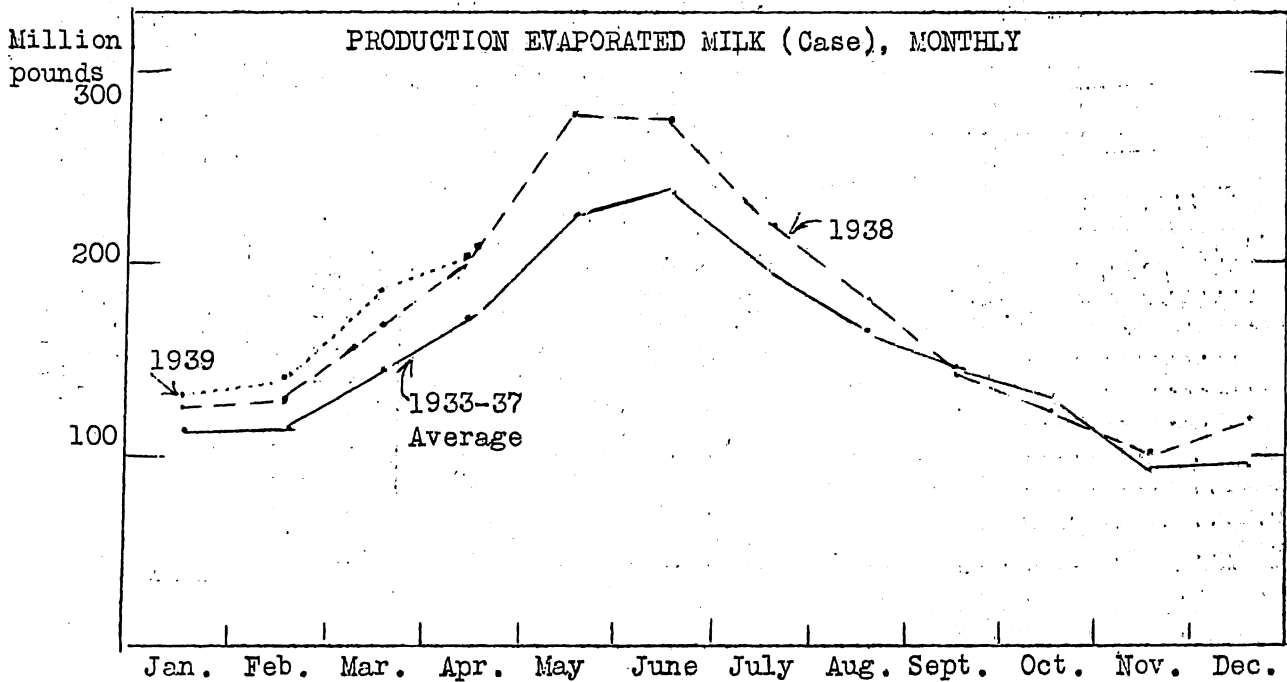
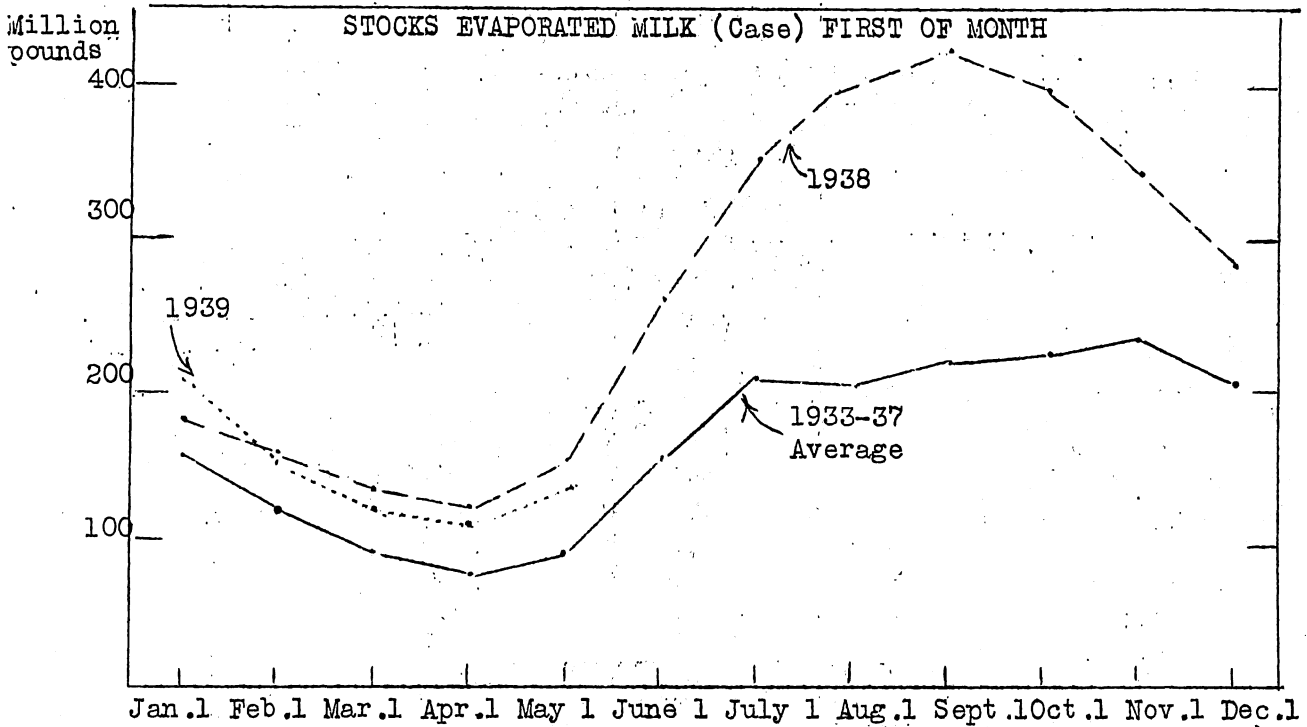
Month	1939 <u>1/</u>	1938 <u>1/</u>	Average 1933-37	Change in 1939 from	
				1938	Avg. 1933-37
	Thousand pounds			Percent	
January.....	12,847	12,353	12,024	+ 4	+ 7
February.....	11,505	11,463	11,048	---	+ 4
March.....	15,408	17,916	13,069	- 14	+ 18
April.....	15,420	19,789	15,312	- 22	+ 1
May.....	---	30,147	21,766	---	---
June.....	---	23,662	23,106	---	---
July.....	---	17,129	15,635	---	---
August.....	---	14,752	14,519	---	---
September.....	---	14,178	15,128	---	---
October.....	---	14,684	14,042	---	---
November.....	---	11,296	11,227	---	---
December.....	---	11,922	12,780	---	---
Jan.-Apr. Inc.	55,180	61,501	51,453	- 10	+ 7

1/ Estimated. Subject to revision when final report is available for 1938.

MILK PURCHASES BY CONDENSERIES, APRIL, 1939, WITH COMPARISONS*

	Unit	April		5-year average
		1939	1938	1933-37
Purchases, reported total ..	Pounds	367,627,000	392,853,000	332,559,000
Producers, number	Number	108,000	119,000	92,000
Average daily purchases per producer	Pounds	113.5	110.0	120
Changes in purchases per producer				
1939 from 1938	Percent	+ 3.2	xxxxxxx	xxxxxxx
1939 from 5-year av.	"	- 5.8	xxxxxxx	xxxxxxx

* These figures represent milk purchases 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, APRIL 1939*

F.O.B. CITY	Evaporated milk (Per case of 48 - 14 $\frac{1}{2}$ oz. cans)		Condensed milk (Per case of 48 - 14 oz. cans)	
	Range	Average	Range	Average
	Dollars	Dollars	Dollars	Dollars
Boston	2.55 - 2.90	2.72	4.40 - 5.00	4.70
New York City	2.50 - 2.90	2.72	4.40 - 5.00	4.60
Philadelphia	2.50 - 2.90	2.70	4.40 - 5.00	4.65
Chicago	2.50 - 2.80	2.63	-	-
Cleveland	2.50 - 2.80	2.62	4.50 - 5.00	4.75
St. Louis	2.55 - 2.80	2.65	-	-
Kansas City	2.55 - 2.30	2.65	-	-
Minneapolis -St. Paul	2.55 - 2.30	2.65	-	-
Atlanta	2.55 - 2.30	2.66	4.40	4.40
New Orleans	2.55 - 2.30	2.68	4.40 - 5.00	4.58
Denver	2.55 - 2.80	2.66	-	-
Seattle	2.55 - 2.89	2.71	-	-
San Francisco	2.50 - 2.80	2.65	-	-
Los Angeles	2.50 - 2.80	2.65	-	-

AVERAGE WHOLESALE SELLING PRICES, EVAPORATED AND CONDENSED MILK,
BY GEOGRAPHIC SECTIONS, APRIL 1939*

Geographic Section	Evaporated milk (Per case of 48-14 $\frac{1}{2}$ oz.cans)	Condensed milk (Per case of 48-14 oz.cans)	Condensed milk (Bulk per cwt.)	
			Unskimmed	Skimmed
			Dollars	Dollars
New England	2.70	4.80	7.75	4.17
Mid. Atlantic	2.66	4.72	7.58	3.83
South Atlantic	2.70	4.72	7.75	4.75
E.N. Central	2.62	5.25	6.54	3.76
W.N. Central	2.63	5.25	7.06	4.33
South Central	2.66	4.72	7.75	4.75
North Western	2.72	5.39	7.75	4.75
South Western	2.66	5.39	7.64	4.65
U.S. Apr. 1939	2.67	4.86	7.19	4.15
U.S. Mar. 1939	2.68	4.86	6.94	4.22
U.S. Apr. 1938	2.85	4.80	7.72	4.82

* 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 APRIL 1939
8 Geographic Sections

Geographic Section	Number of factories reporting	Price per cwt.	
		Range	Average
		Dollars	Dollars
New England	- 1/	-	-
Middle Atlantic	5 1/	.97 - 1.18	1.12
South Atlantic	4	1.09 - 1.35	1.21
E. North Central	86	1.04 - 1.22	1.08
W. North Central	10	.91 - 1.10	1.04
South Central	13	.94 - 1.09	1.02
Northwestern	11	.86 - 1.15	1.02
Southwestern	22	.91 - 1.17	1.10
U.S. Apr. 1939	151	.86 - 1.35	1.07
U.S. Mar. 1939	153	.95 - 1.35	1.11
U.S. Apr. 1938	148	.98 - 1.60	1.24

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	April 1939	March 1939	April 1938
	Dollars	Dollars	Dollars
1	1.08	1.11	1.26
2	1.16	1.27	1.39
3	1.03	1.05	1.17
4	1.04	1.10	1.15
5	1.01	1.05	1.12
6	1.14	1.18	1.27
U. S. Average	1.07	1.11	1.24

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 April \$1.10.

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington, D. C.

Released
May 25, 1939

STOCKS OF EVAPORATED AND CONDENSED MILK IN HANDS
OF WHOLESALE GROCERS IN 38 CITIES

(March 31, 1939)

Stocks of evaporated and condensed milk (case goods) reported by wholesale grocers as of March 31, 1939, were approximately 10 percent less than stocks reported on the same date last year, says the Bureau of Agricultural Economics. Stocks reported by 344 wholesalers totaled 15,255,000 pounds, compared with 16,893,000 pounds on March 31, 1938.

Expressed in terms of the number of days' supply, the stocks reported for March 31 this year are estimated to have been sufficient for 22 days' trading requirements, under normal conditions, for the firms reporting. This estimate is identical with that of the supply held by wholesale grocers on December 31, 1938.

A comparison of the reports from 358 wholesalers indicate that stocks of condensed and evaporated milk (case goods) held by wholesale grocers on March 31 were approximately 3 percent larger than the stocks held 3 months earlier. As no change was noted in the number of days' supply even though stocks were larger, a slightly improved movement of these products into retail channels is indicated.

The increase in stocks from December 31 to March 31 presents a slightly contra-seasonal trend. Last year, stocks declined around 14 percent between these two dates, and also by approximately the same percentage in 1937. Ordinarily, with the season of flush production of evaporated and condensed milk just ahead, wholesalers defer any large purchases until later in the hope of being able to obtain lower prices. But with their stocks already low, and with no assurance that prices will go below their present levels, many grocers have kept their supplies moderately well replenished during the past few months.

This fairly active demand from wholesale grocers has been reflected in a rapid decline in stocks reported by manufacturers of evaporated milk. Stocks of evaporated milk (case goods) held by manufacturers on January 1, 1939, totaled 205,023,000 pounds. By April 1 these stocks had dropped to 109,882,000 pounds, a decrease of approximately 95,000,000 pounds or 46 percent. This is one of the largest declines in manufacturers' stocks of evaporated milk (case goods) ever reported for the period.

STOCKS REPORTED MARCH 31, 1939

	No. of firms reporting	Condensed Milk (pounds)	Evaporated Milk (pounds)
TOTAL - MAR. 31, 1939	372	472,960	15,477,877
MAR. 31, 1938	369	543,197	16,880,822
DEC. 31, 1938**	382	400,770	15,187,796
DEC. 31, 1937	404	470,936	20,051,673
COMBINED TOTALS -			
MAR. 31, 1939	372	15,950,837 lbs.	
MAR. 31, 1938	369	17,424,019 lbs.	
DEC. 31, 1938**	382	15,588,566 lbs.	
DEC. 31, 1937	404	20,522,609 lbs.	

** Revised figures include late reports.

COMPARISONS FOR SAME FIRMS REPORTING BOTH CONDENSED
AND EVAPORATED MILK DIFFERENT PERIODS
(pounds)

344 Firms - Mar. 31, 1939	15,254,803	358 Firms - Mar. 31, 1939	15,675,243
" Mar. 31, 1938	16,893,417	" Dec. 31, 1938	15,235,551

285 firms reported an average of 22 days' supply.

May 25, 1939

CITIES INCLUDED IN THIS SURVEY

- New England: - Bangor, Portland, Boston, Springfield, Providence, Hartford, New Haven.
- Middle Atlantic: - Brooklyn, New York City, Buffalo, Philadelphia, Pittsburgh.
- South Atlantic: - Baltimore, Norfolk, Atlanta, Savannah, Jacksonville, Miami, Tampa.
- East North Central: - Cincinnati, Cleveland, Toledo, Chicago, Detroit,
- West North Central: - Minneapolis, St. Paul, Kansas City, St. Louis, Omaha.
- South Central: - Memphis, Birmingham, Dallas, New Orleans.
- Northwestern: - Seattle, Portland.
- Southwestern: - Denver, Los Angeles, San Francisco.

Of the 1636 firms which have at one time or another been circularized since these quarterly surveys were inaugurated in 1927, 425 reported that no stocks of condensed or evaporated milk were carried, 340 reported out of business and 426 have never replied.

Note: This report supersedes the Preliminary Report for the January to March Quarter issued on April 19, 1939. Only slight differences from the preliminary data will be noted, however.