

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Service
Washington, D. C.

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EVAPORATED AND CONDENSED MILK REPORT

December 1939

Stocks of evaporated milk (case goods) as reported by manufacturers on December 1, 1939 showed a contra-seasonal gain over those of a month earlier, reports the Agricultural Marketing Service. At 183,290,000 pounds these stocks were about 13,000,000 pounds higher than those of November 1. This compares with a decrease of 60,000,000 pounds from November 1 to December 1 last year, and a 5 year (1933-37) average decrease for the same period of 32,000,000 pounds.

Following the sharp drop in stocks that took place during September, there has since been a steady increase in the monthly stocks reported by manufacturers. On December 1 stocks were only 7 percent less than the 5 year (1933-37) average for that date compared to a decrease of 39 percent on October 1. Apparently, wholesale distributors and large users of evaporated milk who bought heavily during the September rush of buying are now drawing on the reserves accumulated at that time. Others are buying more cautiously and at the moment are not anticipating their future requirements to any great extent. Manufactured stocks of evaporated milk are still less than those of a year earlier, but the decrease on December 1 was only 96,000,000 pounds compared to a decrease of 263,000,000 pounds on October 1.

Estimated production of evaporated milk during November was 125,529,000 pounds. This is the second largest November production of record, being exceeded only by that of November 1936. It is also 23½ million pounds, or 23 percent, larger than the production of November last year, and 29 million pounds, or 30 percent, larger than the 5 year (1933-37) average November production. Manufacturers have gradually stepped up their output in relation to a year earlier during the last few months, in an effort to build up supplies depleted by the abnormally heavy buying in September.

Production of condensed milk (case goods) which in both September and October rose above corresponding levels of last year is again less than that of a year earlier. The November output is estimated at 2,354,000 pounds, a decrease of 1,109,000 pounds, or 32 percent, under the production of November last year, and 1,486,000 pounds, or 39 percent, under the 5 year (1933-37) average November production. Stocks of condensed milk on ^{December} November 1 totaled 5,990,000 pounds. These stocks are smaller than those of a month earlier but the seasonal decline during November was smaller than usual.

The average wholesale price of evaporated milk in November was \$2.93 per case of 48-14½ oz. cans. This is the highest average price for any month since March 1938 when it was \$2.99 per case. Since September, this year, wholesale prices have made a net gain of 14 cents per case compared with a loss of 2 cents per case during the same period last year, and a gain of 2 cents per case for the corresponding 5 year (1933-37) average. The current November average was 25 cents higher than the average of November last year, and 12 cents per case higher than the (1933-37) November average.

Prices paid condenseries to producers for milk delivered f.o.b. plants during November averaged \$1.48 per cwt. for 3.5 milk. This is the highest average price paid producers since February 1938 and exceeds the October average by 5 cents per cwt. This year's increase from October to November is the same as that of the same period last year, but is somewhat smaller than the average increase of 7 cents per cwt. reported for the 5 years (1933-37).

December Evaporated and Condensed Milk Report

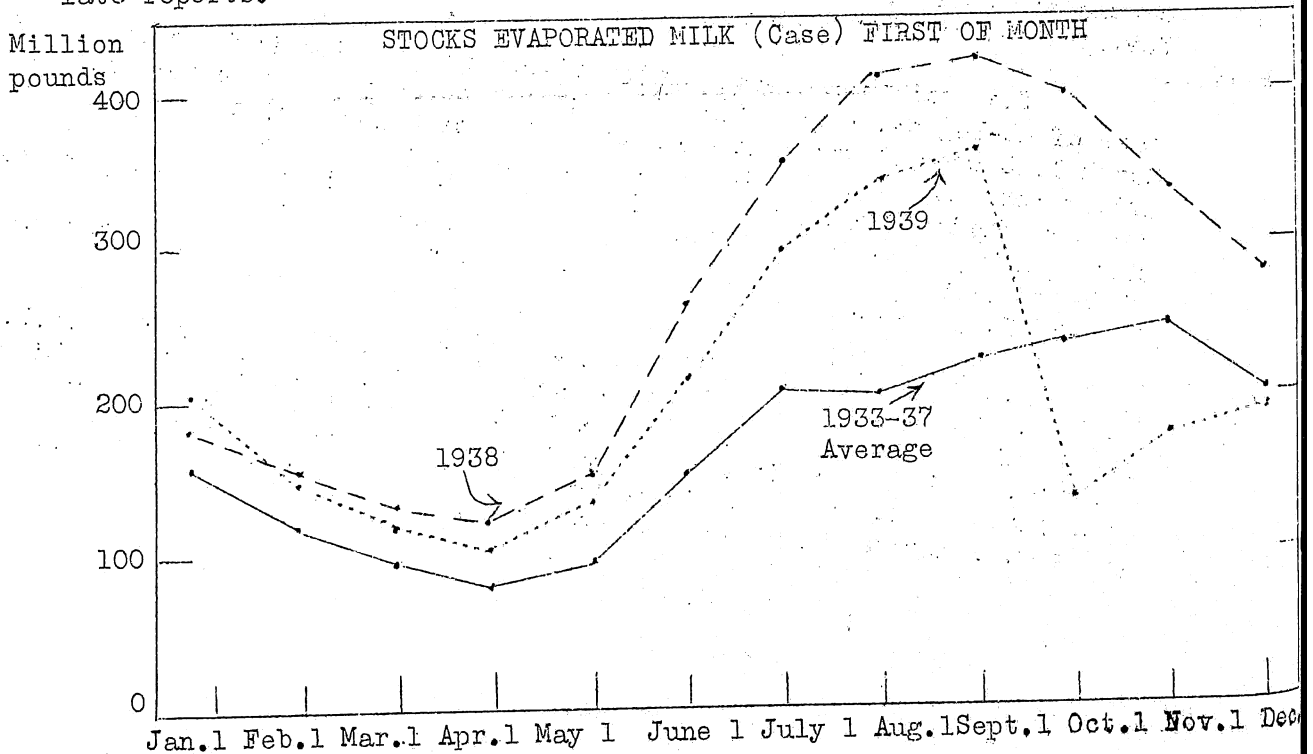
STOCKS OF EVAPORATED AND CONDENSED MILK REPORTED FIRST OF EACH MONTH: 1939 WITH COMPARISONS EVAPORATED MILK (Case Goods.)

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.....	134,625	151,669	90,244	- 11	+ 49
June.....	209,044	261,703	152,733	- 20	+ 37
July.....	292,393	350,790	206,647	- 17	+ 41
August.....	341,686	392,641	200,969	- 13	+ 70
September.....	355,071	419,142	213,905	- 15	+ 66
October.....	135,135	398,287	223,029	- 66	- 39
November.....	175,646	344,316	235,189	- 49	- 25
December 1/.....	188,290	284,375	203,315	- 34	- 7

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.....	4,608	5,601	4,985	- 18	- 8
June.....	6,437	9,052	9,661	- 29	- 33
July.....	7,764	9,434	13,523	- 18	- 43
August.....	8,570	10,249	14,923	- 16	- 43
September.....	8,001	9,932	14,802	- 19	- 46
October.....	6,039	9,278	13,746	- 35	- 56
November.....	6,312	8,521	12,274	- 26	- 49
December 1/.....	5,990	7,854	10,212	- 24	- 41

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



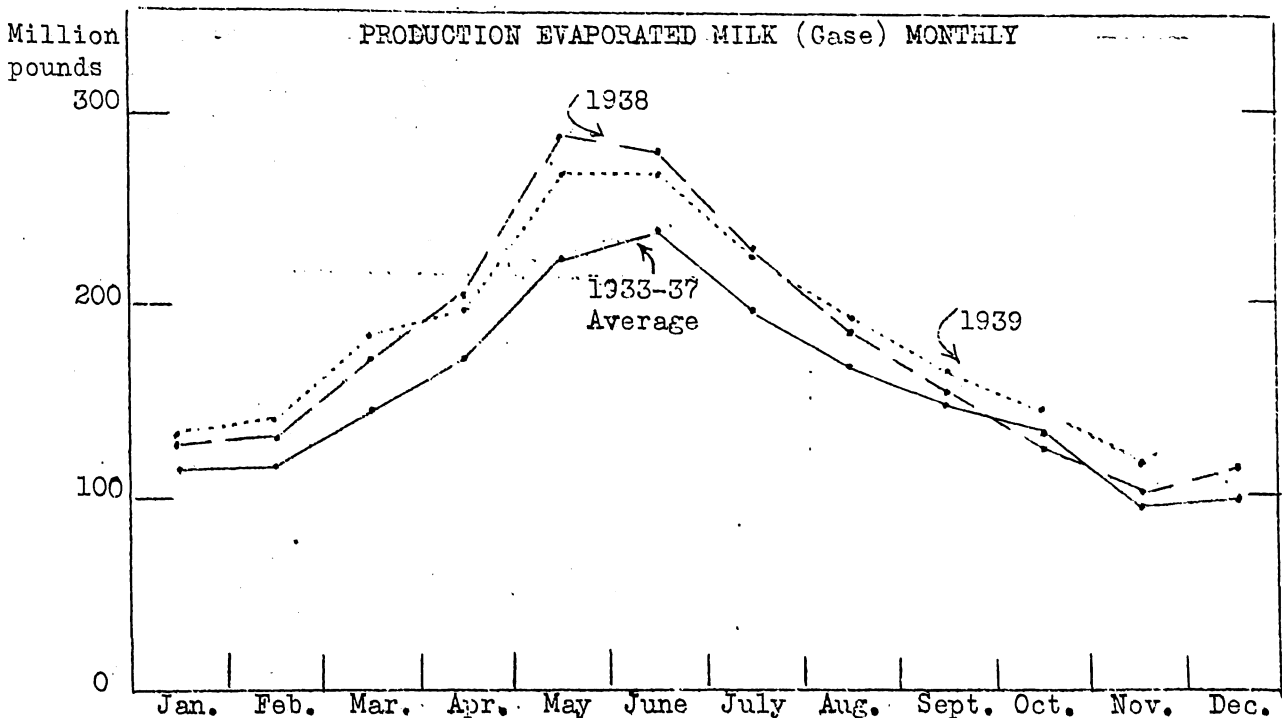
PRODUCTION OF EVAPORATED AND CONDENSED MILK
1939, BY MONTHS, WITH COMPARISONS
EVAPORATED MILK (Case Goods)

Month	1939	1938	Average 1933-37	Change in 1939 from	
				1938	Avg. 1933-37
	Thousand pounds			Percent	
January.....	131,121	127,302	112,899	+ 3	+ 16
February.....	139,670	131,765	113,777	+ 6	+ 23
March.....	183,441	171,440	144,190	+ 7	+ 27
April.....	199,184	203,249	173,124	- 2	+ 15
May.....	268,533	285,673	222,656	- 6	+ 21
June.....	267,457	278,601	237,891	- 4	+ 12
July.....	226,715	227,443	196,030	--	+ 16
August.....	191,382	185,808	166,418	+ 3	+ 15
September.....	164,723	151,122	146,721	+ 9	+ 12
October.....	143,983	125,000	132,684	+15	+ 8
November 1/.....	125,529	102,056	96,634	+23	+ 30
December.....	--	114,739	99,669	--	--
Jan. - Nov. Inc.....	2,041,743	1,989,459	1,743,024	+ 3	+ 17

CONDENSED MILK (Case Goods)

Month	1939	1938	Average 1933-37	Change in 1939 from	
				1938	Avg. 1933-37
	Thousand pounds			Percent	
January	3,478	3,864	4,585	- 10	- 24
February	3,036	3,369	4,313	- 10	- 30
March	3,101	4,248	4,666	- 27	- 34
April	3,201	4,850	5,100	- 34	- 37
May	2,903	4,759	5,277	- 39	- 45
June	2,786	3,240	4,896	- 14	- 43
July	2,891	3,285	4,622	- 12	- 37
August	2,455	3,230	4,826	- 24	- 49
September	4,368	3,115	4,003	+ 40	+ 9
October	3,479	3,023	3,907	+ 15	- 11
November 1/.....	2,354	3,463	3,840	- 32	- 39
December.....	--	3,138	4,157	--	--
Jan. - Nov. Inc.....	34,052	40,446	50,035	- 16	- 32

1/ Amounts shown for January to November 1939 have been revised on the basis of final reports for 1938. All the 1939 estimates are subject to further revision when the final report, based upon a complete enumeration of all plants manufacturing evaporated and condensed milk, is available for 1939.



MILK PURCHASES BY CONDENSERIES, NOVEMBER 1939, WITH COMPARISONS*

	Unit	November		5-Year Average 1933-1937
		1939	1938	
Purchases, reported total....	Pounds	262,742,000	201,183,000	230,892,000
Producers, number.....	Number	112,000	109,000	96,000
Average daily purchases per producer.....	Pounds	78.2	79.9	77.6
Changes in purchases per producer				
1939 from 1938.....	Percent	-2.1	XXXX	XXXX
1939 from 5-year average	"	+0.8	XXXX	XXXX

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

AVERAGE WHOLESALE SELLING PRICES, EVAPORATED AND CONDENSED MILK,

BY GEOGRAPHIC SECTIONS NOVEMBER 1939*

Geographic Section	Evaporated Milk (Per case of 48 - 14 1/2 oz. cans)	Condensed Milk (Per case of 48 - 14 oz. cans)
	Dollars	Dollars
New England	2.99	4.80
Mid. Atlantic	2.94	4.72
South Atlantic	2.97	4.72
E.N. Central	2.88	5.25
W.N. Central	2.90	5.25
South Central	2.94	4.72
North Western	2.94	-
South Western	2.92	-
U. S. Nov. 1939	2.93	4.80
U. S. Oct. 1939	2.89	4.80
U. S. Nov. 1938	2.88	4.86

* 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 1939

6 Geographic Sections

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	1/-	-	-
Mid. Atlantic	1/5	1.56 - 1.70	1.63
South Atlantic	4	1.33 - 1.80	1.51
E.N. Central	87	1.39 - 1.88	1.50
W.N. Central	10	1.28 - 1.52	1.44
South Central	13	1.22 - 1.36	1.30
North Western	11	1.28 - 1.58	1.46
South Western	21	1.33 - 1.62	1.54
U. S. Nov. 1939	151	1.22 - 1.88	1.48
U. S. Oct. 1939	151	1.20 - 1.85	1.43
U. S. Nov. 1938	146	1.00 - 1.55	1.21

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	Nov. 1939	Oct. 1939	Nov. 1938
	Dollars	Dollars	Dollars
1	1.49	1.44	1.20
2	1.66	1.61	1.47
3	1.35	1.31	1.11
4	1.50	1.47	1.23
5	1.44	1.39	1.18
6	1.57	1.55	1.31
U. S. Average	1.48	1.43	1.21

1/ Reports not received from ten factories in these areas which base prices on formula in evaporated milk market agreements. Formula price for this area in November \$1.45.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR NOVEMBER

Section 1 - \$1.325 Section 2 - \$1.455 Section 3 - \$1.252
 Section 4 - \$1.175 Section 5 - \$1.181 Section 6 - \$1.324