

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

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STOCKS OF EVAPORATED AND CONDENSED MILK  
HELD BY WHOLESALE GROCERS  
 (June 30, 1940)

Stocks of evaporated milk, case goods, held by wholesale grocers are again showing an increase, reports the Agricultural Marketing Service as a result of its quarterly inquiry for the period ending June 30, 1940.

This is a reversal of the trend that followed the heavy stocking up of supplies in late August and early September 1939 when wholesale distributors almost doubled their supplies within a few weeks time. The anticipated commodity shortage as a result of the war in Europe failed to materialize, however, and when it was recognized that supplies of evaporated milk would continue sufficient for all purposes, wholesale grocers began to draw upon the stocks previously accumulated and held replacement purchases from manufacturers below the usual level. Stocks estimated at the equivalent of 45 days' supply on September 30, 1939, dropped steadily until at the end of the first quarter of 1940 they represented only 25 days' supply. Renewed buying during the second quarter, however, brought stocks up to where at the end of June 1940 they were estimated as being the equivalent of 38 days' supply.

Reports from 330 wholesalers showed combined stocks of 24,577,000 pounds of evaporated, case goods, on June 30, 1940. This is an increase of 40 percent over the 17,588,000 pounds reported by the same firms on March 31. Reports from the 319 firms showed stocks of 24,571,000 pounds on June 30, this year, compared with 16,382,000 pounds a year earlier, an increase of 50 percent. Apparently there has been but little change in the rate of retail trade disappearance during the last year, as the percentage changes based upon the actual quantities reported are similar to the percentage changes based upon the estimated number of days' supply on hand for the same dates.

The increase in the stocks of evaporated milk, case goods, held by wholesale grocers during the second quarter of 1940 resulted in a drop in stocks held by manufacturers, a contra-seasonal occurrence during the period of flush production. Purchase of evaporated milk, case goods, by the Surplus Marketing Administration for relief distribution has also helped to reduce manufacturers' stocks at a time of the year when they are usually increasing.

STOCKS REPORTED JUNE 30, 1940			
	No. of firms reporting	Condensed Milk (pounds)	Evaporated Milk (pounds)
TOTAL - JUNE 30, 1940	342	445,864	25,356,678
JUNE 30, 1939	356	571,839	17,275,055
MAR. 31, 1940**	358	486,063	18,117,382
MAR. 31, 1939	373	472,960	15,481,469
COMBINED TOTALS -			
JUNE 30, 1940	341	25,776,772 lb.	
JUNE 30, 1939	356	17,846,894 lb.	
MAR. 31, 1940**	358	18,603,445 lb.	
MAR. 31, 1939	373	15,954,429 lb.	

\*Revised figures include late reports.

COMPARISON FOR SAME FIRMS REPORTING DIFFERENT PERIODS			
(Pounds)			
319 Firms-Evap.milk-June 30, 1940--	24,570,750	330 Firms-June 30, 1940--	24,576,516
" " " June 30, 1939--	16,381,620	" Mar. 31, 1940--	17,587,843
" Cond.milk-June 30, 1940--	436,774	" June 30, 1940--	437,285
" " " June 30, 1939--	561,233	" Mar. 31, 1940--	478,904
319 Firms reported an average of 38 days' supply. -	June 30, 1940		
319 " " " " " 24 " "	June 30, 1939		

Because of reduction in appropriated funds for this work, the above quarterly report on Stocks of Evaporated and Condensed Milk Held by Wholesale Grocers will be discontinued with this issue.

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