

UNITED STATES DEPARTMENT OF AGRICULTURE
 Agricultural Marketing Service
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STOCKS OF EVAPORATED AND CONDENSED MILK
 HELD BY WHOLESALE GROCERS

(June 30, 1941)

Agricultural Economics Extension

Following the pattern of August, September, and October 1939, when the beginning of European hostilities touched off a wave of commodity purchasing, wholesale grocers apparently are again stocking up on evaporated milk (case goods.) The regular quarterly survey by the U. S. Department of Agriculture of stocks of evaporated milk (case goods) held by wholesale grocers indicates that on June 30, 1941, wholesale grocers' supplies were the equivalent of 45 days compared with 38 days on June 30 last year and 36 days' supply on March 31 this year. The increased stocks are attributed primarily to an anticipated rise in prices because of the increased demand under the Lend-Lease program, and an expansion in consumer demand resulting from increased purchasing power.

Reports received from 323 representative wholesale grocers by the Department's Marketing Service showed combined stocks of 39,995,000 pounds on June 30 this year compared with 26,273,000 pounds on the same date last year. This is an increase of 52 percent. More significant, however, is that 322 firms reporting for the first two quarters of 1941 indicate that on June 30 combined stocks totaled 39,702,000 pounds compared with 21,570,000 pounds on March 31, an increase of 84 percent. This indicates that the sharp increased production over a year earlier reported by manufacturers for the months of April, May, and June, has been largely absorbed by the wholesale grocery trade.

Not all of the increased purchases of evaporated milk (case goods) by wholesale grocers during the second quarter of 1941 were based upon the probability of rising prices, but, in part, were the result of an increased consumer demand. A comparison of the data for June 30, 1941, and September 30, 1939, when the stocks of evaporated milk held by wholesale grocers were also estimated to have been the equivalent of 45 days' supply, indicates that the average daily demand for evaporated milk is now much larger than it was during the earlier period. This year reports from 313 firms showed that on June 30 approximately 8,838,000 pounds of evaporated milk (case goods) were required to satisfy their average daily trade. On September 30, 1939, 279 wholesale plants reported an average daily trade requirement of 6,651,000 pounds.

STOCKS REPORTED JUNE 30, 1941

	No. of firms reporting	Condensed Milk (pounds)	Evaporated Milk (pounds)
TOTAL -			
JUNE 30, 1941	330	479,347	40,232,311
JUNE 30, 1940	359	468,370	26,609,112
MAR. 31, 1941**	341	392,451	21,781,745
MAR. 31, 1940	358	486,063	18,117,382
COMBINED TOTALS -			
JUNE 30, 1941	330	40,711,658 lb.	
JUNE 30, 1940	359	27,074,482 lb.	
MAR. 31, 1941**	341	22,174,196 lb.	
MAR. 31, 1940	358	18,603,445 lb.	

**Revised figures include late reports.

COMPARISON FOR SAME FIRMS REPORTING DIFFERENT PERIODS

		(Pounds)				
323 Firms--Evap. Milk--	June 30, 1941--	39,995,263	322 Firms--	June 30, 1941 --	39,701,979	
" "	" June 30, 1940--	26,273,314	" "	Mar. 31, 1941 --	21,569,806	
" "	Cond. Milk--	June 30, 1941--	475,943	" "	June 30, 1941 --	474,315
" "	" "	June 30, 1940--	460,757	" "	Mar. 31, 1941 --	388,303

313 firms reported an average of 45 days' supply - June 30, 1941

317 " " " " 38 " " - June 30, 1940 (Revised)