

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
WASHINGTON, D. C.

Released
November 25, 1941

EVAPORATED AND CONDENSED MILK REPORT

(November 1941)

The outstanding feature of the current evaporated milk industry situation is the large supplies of case goods that are accumulating in the warehouses of evaporated milk producers.

Reports from evaporated milk manufacturers to the U. S. Department of Agriculture showed total stocks of 382,605,000 pounds on November 1, 1941 -- the largest ever reported for any November 1 and the fourth largest for the first of any month. Contrary to the usual seasonal trend, stocks increased during October, and on November 1 were about 43 million pounds larger than those of a month earlier. In October last year, there was a drop of approximately 22 million pounds. Manufacturers' stocks of evaporated milk between April 1 and October 1 were smaller than those of the same period last year, but on November 1 they were around 24 million pounds, or 7 percent larger. Compared with the 5-year (1935-39) average of 249,109,000 pounds, they were 54 percent larger.

The increase of manufacturers' stocks of case goods during October resulted primarily from the sharply increased production in October over that of a year earlier. Estimated at 269,320,000 pounds, that production was almost at flush seasonal levels. The 5-year average of October production is about 54 percent as large as that of the seasonal peak, but this year it was 77 percent as large as this year's peak. October production was 56 percent larger than that of last year and almost double that of the 5-year October average.

In addition to the heavy October production, the increase in manufacturers' stocks probably was due to some slowing up in demand from commercial users. The Agricultural Marketing Service's quarterly report on stocks of evaporated milk held by wholesale grocers showed that on September 30, 1941, evaporated milk on the shelves of distributors was the equivalent of 54 days' supply. With that supply on hand, it is likely that during the late fall and early winter months, additional purchases by wholesale grocers would be largely on a "hand to mouth" basis.

Stocks of condensed milk (case goods) also increased. Condenseries report 11,245,000 pounds in their warehouses on November 1, 1941. This was an increase of 1,183,000 pounds over October 1 this year, 2,130,000 pounds over the stocks of November 1 last year, and 1,355,000 pounds over the 5-year November 1 average.

Evaporated milk prices continue to go up, but at a considerably diminished rate. The increase in October was no more than seasonal, the average of \$3.67 per case of 48 14½ oz. cans being only 2 cents per case higher than the September average. This increase is the same as that reported for the 5-year (1936-40) October-November average. Manufacturers' prices of condensed milk in October averaged \$5.33 per case -- an increase of 3 cents per case over the September average and 53 cents per case over the average of October last year.

Condenseries also continue to pay producers more for their milk. The average buying price in October was \$2.12 per cwt. for milk testing 3.5 percent delivered at plants. That average was an increase of 6 cents per cwt. over this year's September average and 72 cents per cwt., or 50 percent, over the October average of last year. This year's October average was the highest for any October since 1927, and the highest for any month since 1929.

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

11/25/41

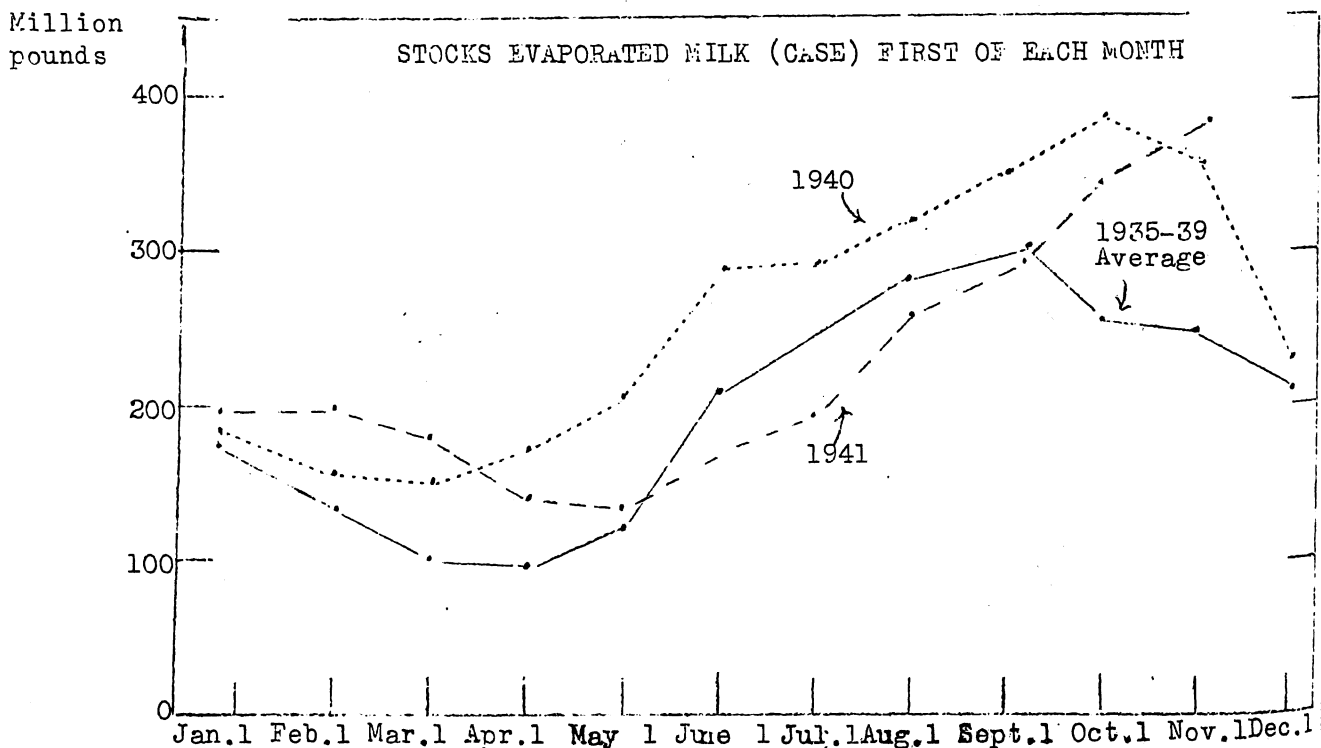
EVAPORATED MILK (Case Goods)

Month	1941	1940	Average 1935-39	Change in 1941 from	
				1940	Ave. 1935-39
	Thousand pounds			Percent	
January.....	187,652	186,081	175,074	+ 1	+ 7
February.....	189,246	156,253	128,400	+ 21	+ 47
March.....	176,624	150,458	100,852	+ 17	+ 75
April.....	136,073	173,378	93,770	- 22	+ 45
May.....	126,160	207,740	116,684	- 39	+ 8
June.....	173,838	287,778	206,919	- 40	- 16
July.....	189,711	288,565	283,836	- 34	- 33
August.....	261,559	321,332	280,328	- 19	- 7
September.....	289,904	349,433	299,668	- 17	- 3
October.....	339,716	380,545	252,989	- 11	+ 34
November 1/.....	382,605	358,224	249,109	+ 7	+ 54
December.....	--	226,266	212,160	--	--

CONDENSED MILK (Case Goods)

January.....	8,047	5,627	8,357	+ 43	- 4
February.....	7,810	4,702	6,454	+ 66	+ 21
March.....	7,274	4,579	4,666	+ 59	+ 56
April.....	7,340	3,938	4,133	+ 86	+ 78
May.....	7,228	4,014	4,780	+ 80	+ 51
June.....	10,327	6,815	8,939	+ 52	+ 16
July.....	10,009	10,221	11,181	- 2	- 10
August.....	9,783	10,454	11,868	- 6	- 18
September.....	10,494	9,728	11,616	+ 8	- 10
October.....	10,062	9,580	10,694	+ 5	- 6
November 1/.....	11,245	9,115	9,890	+ 23	+ 14
December.....	--	8,543	8,577	--	--

1/ Data for current month of 1941 subject to revision through the addition of late reports.



PRODUCTION OF EVAPORATED AND CONDENSED MILK
1941, BY MONTHS, WITH COMPARISONS

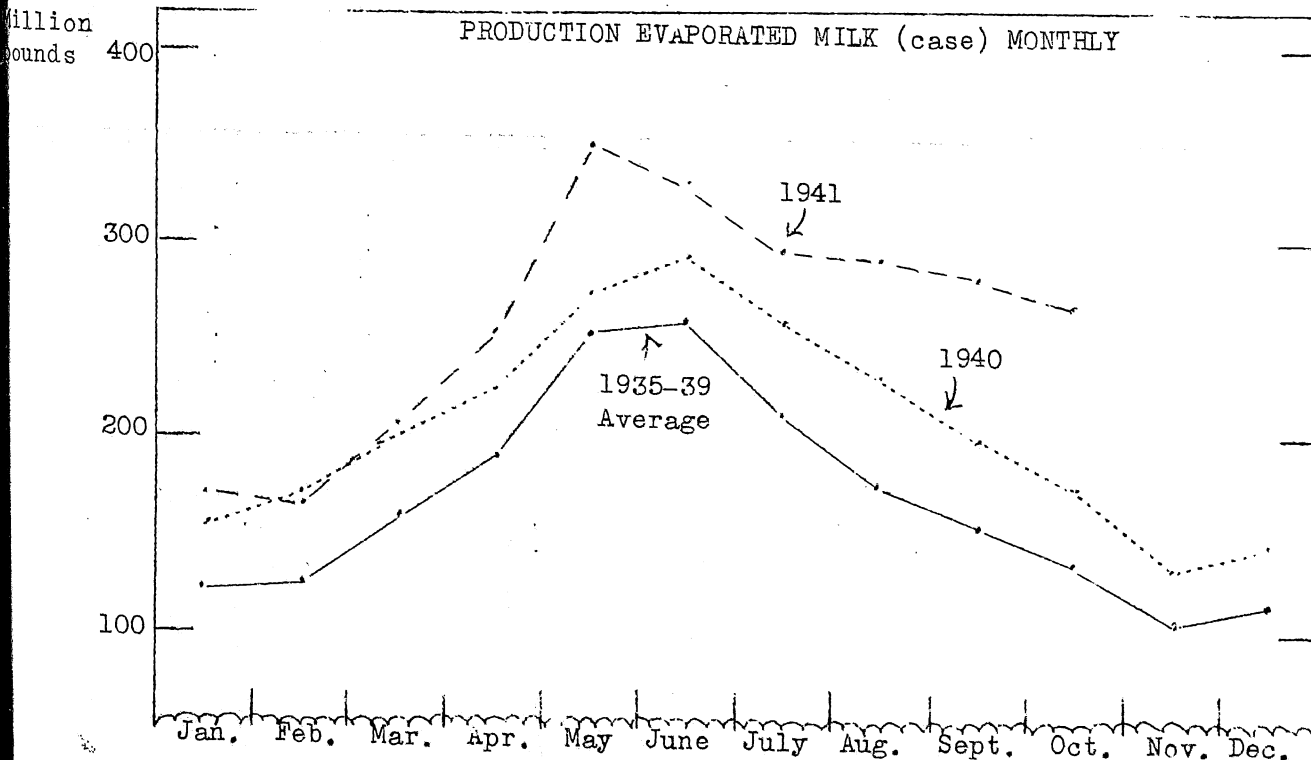
EVAPORATED MILK (Case Goods)

Month	1941 1/	1941 1/	Average	Change in 1941 from	
	Thousand pounds			1940	Avg. 1935-39
January	170,879	158,221	121,684	+ 8	+ 41
February.....	167,714	171,137	126,615	- 2	+ 32
March.....	205,322	201,296	159,850	+ 2	+ 27
April.....	252,693	225,619	189,573	+ 12	+ 36
May.....	350,513	273,838	251,979	+ 28	+ 40
June.....	331,337	293,219	261,533	+ 13	+ 28
July.....	298,120	259,235	212,470	+ 15	+ 41
August.....	292,597	230,391	176,189	+ 27	+ 66
September.....	282,309	198,809	153,342	+ 42	+ 82
October.....	269,320	172,641	136,909	+ 56	+ 97
November.....	--	134,254	106,829	--	--
December.....	--	148,607	114,824	--	--
Jan. - Oct., Inc.,...	2,620,804	2,184,406	1,790,145	+ 20	+ 46

CONDENSED MILK (Case Goods)

January.....	6,998	2,777	4,070	+152	+ 72
February.....	6,530	3,401	3,850	+ 92	+ 69
March.....	9,355	3,452	4,009	+171	+ 135
April.....	8,601	2,896	4,591	+197	+ 105
May.....	10,130	4,756	3,253	+113	+ 215
June.....	9,745	6,129	3,868	+ 59	+ 153
July.....	9,923	6,939	3,714	+ 43	+ 160
August.....	9,793	6,198	3,777	+ 58	+ 156
September.....	8,017	6,626	3,980	+ 21	+ 101
October.....	7,999	7,920	3,590	+ 1	+ 123
November.....	--	6,349	2,338	--	--
December.....	--	6,334	3,501	--	--
Jan. - Oct., Inc.,...	87,091	51,094	38,702	+ 70	+ 125

1/ Amounts shown for January to October 1941 have been revised on the basis of final reports for 1940. All the 1941 estimates are subject to further revision when the final report, based upon a complete enumeration for all plants manufacturing evaporated and condensed milk, is available for 1941.



11/25/41

MILK PURCHASES BY CONDENSERIES OCTOBER 1941, WITH COMPARISONS

	Unit	October		5-year average 1935-39
		1941	1940	
Purchases, reported total.....	Pounds	429,364,000	343,550,000	295,789,000
Producers, number.....	Number	153,000	126,000	110,000
Average daily purchases per producer.....	Pounds	90.5	88.0	86.7
Changes in purchases per producer 1941 and 1940..	Percent	+ 2.8	XXXX	XXXX
1941 from 5-year ave.	"	+ 4.4	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, OCTOBER 1941*

Geographic Section	Evaporated Milk (Per case of 48 14 $\frac{1}{2}$ -ounce cans)		Condensed Milk (Per case of 48 14-ounce cans)	
	Dollars		Dollars	
New England	3.74		5.32	
Mid Atlantic	3.67		5.30	
South Atlantic	3.68		5.30	
E. N. Central	3.62		5.90	
W. N. Central	3.63		-	
South Central	3.66		5.28	
North Western	3.63		-	
South Western	3.70		-	
J. S. Oct. 1941	3.67		5.33	
J. S. Sept. 1941	3.65		5.30	
J. S. Oct. 1940	2.85		4.80	

*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 OCTOBER 1941
8 Geographic Sections

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	- 1/	-	-
Mid Atlantic	9 1/	2.24 - 2.27	2.26
South Atlantic	7	1.89 - 2.50	2.06
E. N. Central	90	1.88 - 2.55	2.16
W. N. Central	11	1.74 - 2.15	1.95
South Central	13	1.75 - 1.92	1.85
North Western	10	1.95 - 2.31	2.14
South Western	23	1.76 - 2.23	2.11
J. S. Oct. 1941	163	1.74 - 2.55	2.12
J. S. Sept. 1941	161	1.75 - 2.47	2.06
J. S. Oct. 1940	150	1.22 - 1.86	1.40

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	Oct. 1941	Sept. 1941	Oct. 1940
	Dollars	Dollars	Dollars
1	2.15	2.11	1.39
2	2.28	2.22	1.55
3	1.89	1.82	1.31
4	2.03	1.95	1.42
5	2.15	2.07	1.41
6	2.17	2.10	1.52
J. S. Average	2.12	2.06	1.40

1/ Reports not received from 7 factories in these areas which base prices on formula in evaporated milk market agreements. Formula price for this area in October \$1.80.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR OCTOBER
 Section 1 - \$1.734 Section 2 - \$1.804 Section 3 - \$1.509
 Section 4 - \$1.415 Section 5 - \$1.423 Section 6 - \$1.586