

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON, D. C.

Released
June 26, 1942

EVAPORATED, CONDENSED, AND DRIED MILK REPORT

(April 1942)

MAY

EVAPORATED AND CONDENSED MILK

The May pack of evaporated milk, estimated at nearly 441 million pounds, was the largest for any month of record. However, production was only about a fourth larger than in May last year, in contrast with increases of more than 90 percent in the late months of 1941. The gradual reduction in margin of increase reflects both a smaller reserve of unused facilities near the peak season and a somewhat less favorable price situation. Production of sweetened condensed milk (case goods) in May totaled about 4.4 million pounds -- less than half that in May last year but close to the 1936-40 average for May.

Although encouraging shifts to production of other dairy products where plant facilities are available, the U. S. Department of Agriculture continued to buy evaporated milk at the rate of about 1 million cases a week. May purchases totaled about 180 million pounds and in the first 3 weeks of June about 128 million pounds.

Stocks of evaporated milk in manufacturers' hands increased about 72 million pounds during May, or somewhat less than the average seasonal increase. On June 1 manufacturers' stocks totaled about 295 million pounds, considerably above the 174 million pounds on that date last year but only slightly larger than the previous record June 1 stocks of 288 million pounds in 1940. Stocks of condensed milk (case goods) held by manufacturers declined during May, and on June 1 totaled only a little over 8 million pounds, compared with more than 10 million pounds a year earlier.

Manufacturers' selling prices of evaporated milk in May averaged \$3.52 per case, 15 cents lower than the recent peak which extended from October 1941 through January 1942. For condensed milk, manufacturers' selling prices in May averaged \$5.65 per case, about the same as in recent months and the highest for May since 1931. Prices paid by condenseries for 3.5 percent milk purchased from producers averaged \$1.90 per hundred pounds in May this year. Although down seasonally, the price was the highest for May since 1929 and about 24 cents above that in the same month last year.

DRIED MILK

Production of dried skim milk during May was the largest on record. Estimated at 82 million pounds, the May production was 31 percent larger than in May last year and 66 percent above the 5-year average for May 1936-40. Of the total dried skim milk produced in May, more than 90 percent was for human consumption, compared with only 72 percent in May 1941. Production of dried skim milk for human food totaled 74 million pounds, or 65 percent larger than a year earlier; production for animal feed was only 8 million pounds, or 55 percent below the May production last year.

Despite a record sale of dried skim milk during May, stocks in hands of manufacturers on June 1 totaled nearly 61 million pounds--the largest quantity on record, and 65 percent more than was on hand June 1 last year. Prices received by manufacturers averaged 12.2 cents per pound, compared with 12.3 cents in the previous month and 6.6 cents in May 1941. May prices averaged 12.6 cents for dried skim milk for human food and 7.3 cents for animal feed.

During May the United States Department of Agriculture, under the Lend-Lease Program, bought 41,833,260 pounds of dried skim milk and 390,000 pounds of dried whole milk for human consumption. From March 15, 1941 through May 31, 1942, the Department bought 169,703,950 pounds of dried skim milk and 4,577,500 pounds of dried whole milk. On June 11, the Department was paying 13½ cents per pound for spray process and 12 cents for roller process dried skim milk at Midwest and Pacific Coast points.

Dried whole milk production in May is estimated at 4,800,000 pounds, or 36 percent larger than a year earlier, while dried buttermilk production, estimated at 7,750,000 pounds, was 9 percent smaller than in May last year. Prices to manufacturers averaged 24.7 cents per pound for dried whole milk and 8.9 cents for dried buttermilk, compared with 17.9 cents and 5.7 cents, respectively, during May 1941.

MANUFACTURERS' WHOLESALE SELLING PRICES DURING MAY

6/26/42

The wholesale prices given below are based upon reports from manufacturers covering actual sales to jobbers, wholesale grocers and similar buyers for goods F.O.B. factory on the basis of cash or short-time credit. Wide ranges in prices may be in part attributed to differences in quality or grade of product sold.

DRIED SKIM MILK (Bulk goods)			DRIED WHOLE MILK (Bulk goods) 1/		DRIED BUTTERMILK (Bulk goods)		
Reported Sales			Reported Sales		Reported Sales		
Pounds					Pounds		
Price	Human food	Animal feed	Price	Pounds	Price	Human food	Animal feed
3 - 3½¢	-	47,624	10½-11¢	3,150	3½ - 4½¢	-	300
4½ - 5	-	7,550	20 - 20½	330,650	4½ - 5½	-	-
5 - 5½	-	7,525	20½-21½	33,425	5½ - 6½	-	26,486
5½ - 6	-	376,406	21½-22½	119,000	6½ - 7½	-	631,222
6 - 6½	-	27,984	22½-23½	37,302	7½ - 8½	2,103	1,186,282
6½ - 7	-	15,100	23½-24½	39,138	8½ - 9½	40,004	109,049
7 - 7½	-	1,889,002	24½-25½	1,471,108	9½ - 10½	-	-
7½ - 8	-	559,484	25½-26½	272,937	11½-12½	836,376	-
8 - 8½	-	660,648	26½-27½	680,512	12½-13½	-	-
8½ - 9	-	185,644			13½-14½	4,950	-
9 - 9½	19,200	26,088			15½-16½	10,555	-
9½ - 10	15,800	48,268					
10 - 10½	855,475	6,431					
10½-11	1,421,995	701					
11 - 11½	927,051	-					
11½-12	3,010,013	-					
12 - 12½	14,077,944	755					
12½-13	15,898,345	-					
13 - 13½	6,194,707	-					
13½-14	1,369,170	-					
14 - 14½	2,800,894	-					
14½-15	283,450	-					
15 - 15½	181,330	-					
15½-16	13,075	-					
17 - 17½	300	-					
TOTAL	47,068,749	3,859,310		2,937,222		893,988	1,953,339
GRAND TOTAL		50,928,059		2,987,222			2,847,327
AVERAGE PRICE	12.57¢	7.28¢				11.86¢	7.60¢
May 1942		12.17¢		24.68¢			8.94¢
Apr. 1942		12.29¢		22.92¢			9.03¢
May 1941		6.63¢		17.93¢			5.70¢

	Unit	May		5-year average
		1942	1941	1936-40
Purchases, reported total.....	Pounds	729,127,000	581,520,000	471,001,000
Producers, number.....	Number	164,000	129,000	115,000
Average daily purchases per producer.....	Pounds	143.4	145.4	132.1
Changes in purchases per producer 1942 and 1941.....	Percent	- 1.4	xxxxx	xxxxx
1942 from 5-year average.....	"	+ 8.6	xxxxx	xxxxx

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

AVERAGE WHOLESALE SELLING PRICES EVAPORATED AND CONDENSED MILK,
BY GEOGRAPHIC SECTIONS, MAY 1942*

Geographic Section	Evaporated milk	Condensed milk
	(Per case of 48 14½-ounce cans)	(Per case of 48 14-ounce cans)
	Dollars	Dollars
New England	3.56	5.62
Mid Atlantic	3.53	5.65
South Atlantic	3.55	5.63
E. N. Central	3.44	5.80
W. N. Central	3.49	-
South Central	3.52	5.68
North Western	3.64	-
South Western	3.55	-
U. S. May 1942	3.52	5.65
U. S. Apr. 1942	3.55	5.65
U. S. May 1941	3.18	5.04

* Wholesale prices are based upon the reports made by manufacturers covering actual sales of goods delivered at manufacturers' distributing points on the basis of cash or short-time credit.

PRICES PAID PRODUCERS FOR 3.5% MILK F.O.B. FACTORY FOR MAY 1942
8 Geographic Sections

Geographic Section	Number of factories reporting	Price per cwt.	
		Range	Average
		Dollars	Dollars
New England	- 1/	-	-
Mid Atlantic	10 1/	1.92 - 1.96	1.95
South Atlantic	7	1.79 - 2.30	1.91
E. N. Central	94	1.77 - 2.17	1.86
W. N. Central	12	1.68 - 1.92	1.79
South Central	13	1.64 - 1.79	1.70
North Western	10	1.91 - 2.07	1.99
South Western	23	1.79 - 2.35	2.16
U. S. May 1942	169	1.64 - 2.35	1.90
U. S. Apr. 1942	168	1.64 - 2.34	1.92
U. S. May 1941	149	1.47 - 1.85	1.66

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	May 1942	Apr. 1942	May 1941
	Dollars	Dollars	Dollars
1	1.86	1.39	1.67
2	1.98	2.01	1.77
3	1.75	1.77	1.54
4	1.94	1.93	1.67
5	1.99	2.03	1.63
6	2.28	2.23	1.78
U. S. Average	1.90	1.92	1.66

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 May \$1.84.

Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for May, New York City \$1.861; Chicago \$1.869.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR MAY
Section 1 - \$1.771 Section 2 - \$1.841 Section 3 - \$1.607
Section 4 - \$1.506 Section 5 - \$1.513 Section 6 - \$1.685

Commodity	May 1942	May 1941	Change in 1942 from		Cumulative Total	
			1941	Average 1936-40	Jan. - May 1942	Change from Jan. - May 1941
	Thousand pounds		Percent		Thousand pounds	Percent
Evaporated (case goods)	440,682	350,495	+ 26	+ 70	1,740,513	+ 52
Condensed (case goods)	4,356	10,130	- 57	- 1	21,118	- 49
Dried whole milk	4,800	3,525	+ 36	+107	20,722	+ 12
Dried skim milk						
(human food)	74,000	44,844	+ 65	+139	240,729	+ 58
(animal feed)	8,000	17,656	- 55	- 57	26,777	- 57
Total dried skim milk	82,000	62,500	+ 31	+ 66	267,506	+ 24
Dried buttermilk	7,150	8,554	- 9	+ 18	30,590	- 6

1/ Estimated figures are subject to revision when the final report is available for 1941.

STOCKS OF EVAPORATED, CONDENSED AND DRIED MILK
JUNE 1, 1942

Commodity	1942	1941 1/	Average 1936-40	Change in 1942 from	
				1941	Ave. 1936-40
	Thousand pounds			Percent	
Evaporated (case goods)	294,579	173,358	228,537	+ 69	+ 29
Condensed (case goods)	8,178	10,327	7,843	- 21	+ 4
Dried whole milk	6,957	4,849	3,276	+ 43	+112
Dried skim milk (human food)	54,305	29,602	28,852	+ 83	+ 88
Dried skim milk (animal feed)	6,290	7,074	8,059	- 11	- 22
Total dried skim milk	60,595 2/	36,676	36,921	+ 65	+ 64
Dried buttermilk	6,986	6,307	4,434	+ 11	+ 58

1/ Revised figures include late reports. 2/ Equivalent to approximately 56 days' supply compared with 28 (revised) days' supply on June 1, 1941.

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