

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

Released  
August 27, 1942

EVAPORATED, CONDENSED, AND DRIED MILK REPORT  
(July 1942)

EVAPORATED AND CONDENSED MILK

The rate of increase in the production of evaporated milk (case goods) over the corresponding month of a year earlier is gradually growing smaller. Estimated output of 326,331,000 pounds was only 5 percent larger this July than last, compared with a gain of 15 percent in June and gain of around 80 percent earlier in the year. Production, however, is still considerably above the corresponding 5-year (1936-40) average, the July output being 46 percent above. The cumulative production of 2,489,730,000 pounds for the months of January to July, inclusive, was 37 percent larger than the cumulative production of the corresponding months of 1941. Estimated at 8,970,000 pounds, July production of condensed milk (case goods) was 24 percent smaller this year but 110 percent larger than the July 1936-40 average. The cumulative production for the months of January to July, inclusive, was 43 percent smaller than that of the same months of 1941.

Purchases of evaporated milk (case goods) by the U. S. Department of Agriculture for lend-lease purposes have declined sharply -- averaging slightly less than 400,000 cases weekly in July, compared with about a million cases in June. Stocks of evaporated milk held by manufacturers on August 1 totaled only 292,911,000 pounds. These stocks were 38 million pounds smaller than those of July 1, compared with an increase of 72 million pounds during the same period last year. Stocks are still larger than a year earlier, but by a considerably smaller margin than for the first 7 months of 1942. Some of the extremely large reduction during July this year was due to deliveries on previously accepted government orders, and some to improved commercial demand. An additional factor was the slowing up in the tempo of condensery operations. Stocks of condensed milk (case goods) held by manufacturers on August 1 totaled 6,733,000 pounds. This total is a reduction of about 700,000 pounds from the stocks of July 1 this year and 3 million pounds from the stocks of August 1 last year. During the first 3 weeks of August, the Department of Agriculture bought 246,500 cases (10,722,750 pounds) of evaporated milk and 7,500 cases (315,000 pounds) of condensed milk -- both case goods. These were in addition to 1,507,000 cases (65,554,500 pounds) of evaporated milk and 82,000 cases (3,444,000 pounds) of condensed milk bought in July.

The average wholesale selling price of evaporated milk in July was the same as that for June. At \$3.49 per case, however, the average was 7 cents per case higher than in July 1941 and 59 cents per case higher than the 5-year (1936-40) average. The condensery price of condensed milk (case goods) in July averaged \$5.65 per case -- the same as in June but 45 cents per case higher than in July 1941 and 82 cents per case higher than the 5-year (1936-40) July average. Condenseries paid milk producers \$1.86 per cwt. for milk averaging 3.5 percent test in July, an increase of 1 cent per cwt. over the June average.

Revised estimates on the production of evaporated milk (case goods) for the months of January to May, 1942, appear on Page 5.

DRIED SKIM MILK

Production during July of dried skim milk for human consumption was estimated at 56,300,000 pounds. This is an increase of 76 percent over similar production in July 1941 and 122 percent over the 5-year (1936-40) July average. The cumulative production for the months of January to July, inclusive, is estimated at 376,214,000 pounds -- an increase of 52 percent over production in the same months of 1941. Production of dried skim milk for animal feed is still running considerably smaller than that of a year earlier, the July output being estimated at 4,700,000 pounds, compared with 9,823,000 pounds in July last year. From now on, animal feed production may pick up in relation to that of a year earlier, as trade reports indicate some improvement in demand.

In July, for the first time, dried skim milk plants making monthly reports to the U. S. Department of Agriculture were asked to break down their production between spray and roller processes. On the basis of that breakdown, an estimated 29,900,000 pounds of dried skim milk was spray dried in July, compared with 20,750,000 in July 1941. Although approximately 45 percent more milk was spray dried this July than last, it represented a smaller percentage of the total amount dried for human consumption. In July last year, spray-dried milk constituted approximately two-thirds of the total production for human consumption, but in July this year it represented only about half. It is probable, however, that following the month of peak production, driers will operate their spray drying facilities at a higher level than their roller facilities.

(Continued on Page 2)

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)		DRIED BUTTERMILK (Bulk goods)		
Reported Sales			Reported Sales		Reported Sales		
Pounds					Pounds		
Price	Human food	Animal feed	Price	Pounds	Price	Human food	Animal feed
4½ - 5¢	-	32,927	10-10½¢	3,210	5½ - 6½¢	-	21,900
5 - 5½¢	-	8,675	18-18½¢	320,600	6½ - 7½¢	-	651,401
5½ - 6¢	-	407,300	18½-19½¢	-	7½ - 8½¢	6,350	1,601,090
6 - 6½¢	-	25,514	19½-20½¢	750	8½ - 9½¢	-	13,185
6½ - 7¢	-	340,482	20½-21½¢	-	9½ - 10½¢	-	900
7 - 7½¢	-	2,508,306	21½-22½¢	110,060	10½-11½¢	26,190	-
7½ - 8¢	-	1,434,554	22½-23½¢	163,600	11½-12½¢	1,928,169	-
8 - 8½¢	93,581	125,868	23½-24½¢	212,000	12½-13½¢	-	-
8½ - 9¢	-	345,850	24½-25½¢	72,260	13½-14½¢	67,950	-
9 - 9½¢	-	28,907	25½-26½¢	2,534,354	17½-18½¢	5,880	-
9½ - 10¢	87,485	89,294	26½-27½¢	51			
10 - 10½¢	533,698	134,722	28½-29½¢	3,934			
10½-11¢	1,163,565	-					
11 - 11½¢	1,057,930	-					
11½-12¢	5,833,944	90,483					
12 - 12½¢	18,875,472	109					
12½-13¢	10,583,223	35,942					
13 - 13½¢	17,785,033	-					
13½-14¢	3,054,464	325					
14 - 14½¢	5,294,072	-					
14½-15¢	348,142	-					
18 - 18½¢	75	-					
TOTAL	64,710,684	5,609,258		3,420,819		2,034,539	2,288,376
GRAND TOTAL		70,319,942		3,420,819			4,322,915
AVERAGE PRICE	12.69¢	7.44¢				12.15¢	7.53¢
July 1942		12.27¢		24.67¢			9.70¢
June 1942		12.30¢		24.44¢			9.09¢
July 1941		8.07¢		19.72¢			6.75¢

and spray-dried milk will represent a larger proportion of the total production than a year earlier.

Sales of dried skim milk by manufacturers in July totaled 70,320,000 pounds -- the largest quantity ever reported sold for any month. Included, however, was about 30 million pounds sold to the U. S. Department of Agriculture for lend-lease purposes. Stocks of dried skim milk for human consumption held by manufacturers on August 1 totaled 42,822,000 pounds, compared with 29,323,000 pounds on August 1 last year and 30,667,000 pounds for the 5-year (1936-40) August 1 average. Although manufacturers have 46 percent more dried skim milk for human food in their warehouses this year than last, the increased stocks will be used in filling lend-lease commitments already accepted by driers.

Manufacturers' selling prices of dried skim milk for human consumption averaged 12.69 cents per pound, f.o.b. plant, during July. This is an increase of .06 cent per pound over the June average and 4.21 cents per pound over the July average of last year. Prices for animal feed averaged 7.44 cents per pound in July, an increase of .17 cent per pound over the June average and 1 cent per pound over the July average last year.

Revised estimates on the production of dried milk products for the months of January to May, 1942, appear on Page 5.

Commodity	July 1942	July 1941	Change in 1942 from		Cumulative Total	
	1/	2/	1941	Average 1936-40	Jan. - July 1942	Change from Jan.- July 1941
	Thousand pounds		Percent		Thousand pounds	Percent
Evaporated (case goods)	326,331	310,791	+ 5	+ 46	2,489,730	+ 37
Condensed (case goods)	8,970	11,802	- 24	+ 110	39,883	- 43
Dried whole milk	5,260	3,275	+ 36	+ 116	32,670	+ 21
Dried skim milk (human food)	56,300*	31,915*	+ 76	+ 122	373,214	+ 62
(animal feed)	4,700	9,823	- 52	- 64	37,686	- 56
Total dried skim milk	61,000	41,738	+ 46	+ 58	415,900	+ 30
Dried buttermilk	7,400	7,132	+ 4	+ 31	48,042	- 2

1/ Estimated. Subject to revision when the final report is available for 1941

2/ Preliminary figures.

\* Estimated production Spray Process July 1942 - 29,900,000 pounds.

Estimated production Spray Process July 1941 - 20,750,000 pounds.

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

Commodity	1942	1941 1/	Average 1936-40	Change in 1942 from	
				1941	Ave. 1936-40
	Thousand pounds			Percent	
Evaporated (case goods)	292,911	261,559	276,599	+ 12	+ 6
Condensed (case goods)	6,733	9,783	10,327	- 31	- 35
Dried whole milk	8,191	6,108	5,096	+ 34	+ 61
Dried skim milk (human food)	42,822	29,323	30,667	+ 46	+ 40
Dried skim milk (animal feed)	5,775	4,785	8,924	+ 21	- 35
Total dried skim milk	48,597 2/	34,108	39,591	+ 42	+ 23
Dried buttermilk	7,889	5,498	4,946	+ 43	+ 60

1/ Revised figures include late reports. 2/ Equivalent to approximately 41 days' supply compared with 26 (revised) days' supply on August 1, 1941.

MILK PURCHASES BY CONDENSERIES JULY 1942, WITH COMPARISONS\*

	Unit	July		5-year average
		1942	1941	1936-40
Purchases, reported total.....	Pounds	628,509,000	543,133,000	432,763,000
Producers, number.....	Number	160,000	140,000	118,000
Average daily purchases per producer.....	Pounds	126.7	125.1	118.3
Changes in purchases per producer 1942 and 1941.....	Percent	+ 1.3	XXXXXX	XXXXXX
1942 from 5-year average....	"	+ 7.1	XXXXXX	XXXXXX

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

AVERAGE WHOLESALE SELLING PRICES EVAPORATED AND CONDENSED MILK. 8/27/42  
BY GEOGRAPHIC SECTIONS, JULY 1942\*

Geographic Section	Evaporated milk	Condensed milk
	(Per case of 48 14 $\frac{1}{2}$ -ounce cans)	(Per case of 48 14-ounce cans)
	Dollars	Dollars
New England	3.50	5.62
Mid Atlantic	3.47	5.65
South Atlantic	3.54	5.63
E. N. Central	3.42	5.80
W. N. Central	3.46	-
South Central	3.47	5.68
North Western	3.58	-
South Western	3.55	-
U. S. July 1942	3.49	5.65
U. S. June 1942	3.49	5.65
U. S. July 1941	3.42	5.20

\* 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 JULY 1942  
8 Geographic Sections

Geographic Section	Number of factories reporting	Price per cwt.	
		Range	Average
		Dollars	Dollars
New England	- 1/	-	-
Mid Atlantic	10 1/	1.86 - 1.91	1.89
South Atlantic	7	1.77 - 2.28	1.90
E. N. Central	96	1.78 - 2.28	1.81
W. N. Central	12	1.62 - 1.88	1.79
South Central	12	1.61 - 1.77	1.66
North Western	10	1.86 - 2.06	1.95
South Western	23	1.85 - 2.30	2.14
U. S. July 1942	170	1.61 - 2.30	1.86
U. S. June 1942	169	1.60 - 2.32	1.85
U. S. July 1941	155	1.48 - 2.30	1.87

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	July 1942	June 1942	July 1941
	Dollars	Dollars	Dollars
1	1.82	1.81	1.92
2	1.93	1.92	2.02
3	1.73	1.70	1.67
4	1.93	1.91	1.72
5	1.95	1.94	1.73
6	2.24	2.19	1.86
U. S. Average	1.86	1.85	1.87

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 July \$1.86.

Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for July, New York City \$1.8164; Chicago \$1.812.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR JULY

Section 1 - \$1.789    Section 2 - \$1.859    Section 3 - \$1.622  
Section 4 - \$1.511    Section 5 - \$1.549    Section 6 - \$1.690

PRODUCTION OF EVAPORATED AND CONDENSED MILK  
1942, BY MONTHS, WITH COMPARISONS

EVAPORATED MILK (Case Goods)

Month	1942 1/		Average 1936-40	Change in 1942 from	
	1941 1/	1941 1/		1941	Ave. 1936-40
	Thousand pounds			Percent	
January.....	313,517	172,262	130,664	+ 82	+ 140
February.....	300,003	169,493	136,614	+ 77	+ 120
March.....	339,522	208,296	170,807	+ 63	+ 99
April.....	358,443	254,215	199,241	+ 41	+ 80
May.....	449,330	353,803	259,441	+ 27	+ 73
June.....	402,584	350,073	269,600	+ 15	+ 49
July.....	326,331	310,791	223,834	+ 5	+ 46
August.....	--	308,855	189,987	--	--
September.....	--	290,634	165,910	--	--
October.....	--	281,683	150,258	--	--
November.....	--	259,758	116,301	--	--
December.....	--	286,684	124,192	--	--
Total	--	3,246,547	2,136,349	--	--

CONDENSED MILK (Case Goods)

January.....	3,187	7,243	3,690	- 56	- 14
February.....	4,270	7,238	3,532	- 41	+ 21
March.....	6,105	10,526	3,720	- 42	+ 64
April.....	5,518	10,819	3,892	- 49	+ 42
May.....	5,051	11,747	4,405	- 57	+ 15
June.....	6,782	10,939	4,155	- 38	+ 63
July.....	8,970	11,802	4,279	- 24	+ 110
August.....	--	11,052	4,104	--	--
September.....	--	10,105	4,500	--	--
October.....	--	10,372	4,400	--	--
November.....	--	8,726	3,801	--	--
December.....	--	6,922	3,973	--	--
Total	--	117,491	48,451	--	--

ESTIMATED PRODUCTION DRIED SKIM MILK  
BY MONTHS: WITH COMPARISONS

Month	Human food		Animal feed		Total		5-year ave. 1936-40
	1942 1/	1941 1/	1942 1/	1941 1/	1942 1/	1941 1/	
	Thousand pounds						
January	35,800	25,698	4,200	9,799	40,000	35,497	29,295
February	37,164	25,703	4,636	9,348	41,800	35,051	28,201
March	48,470	31,085	5,530	12,329	54,000	43,414	35,150
April	55,780	34,407	5,620	13,772	61,400	48,179	39,521
May	70,500	43,672	7,600	15,832	78,100	59,504	49,514
June	74,200	41,677	5,400	14,361	79,600	56,038	49,764
July	56,300	31,915	4,700	9,823	61,000	41,738	38,539
August	--	29,265	--	7,620	--	36,885	31,284
September	--	26,993	--	5,986	--	32,979	29,614
October	--	25,239	--	3,930	--	29,169	28,621
November	--	22,805	--	3,500	--	26,305	24,104
December	--	27,525	--	3,728	--	31,253	28,639
Total	--	365,984	--	110,028	--	476,012	412,246

Estimates for the months of January through May 1942 have been revised. All of the 1941 figures are preliminary and subject to some change when the final enumeration figures for that year become available. At the same time revisions will be made in all of the monthly estimates for 1942.