

UNITED STATES DEPARTMENT OF AGRICULTURE

BUREAU OF AGRICULTURAL ECONOMICS

WASHINGTON, D. C.

Released

September 28, 1942

EVAPORATED, CONDENSED, AND DRIED MILK REPORT

(August 1942)

EVAPORATED AND CONDENSED MILK

For the first time since February 1941, the production of evaporated milk (case goods) has fallen below that of the corresponding month a year earlier. The output for August, estimated at 277,959,000 pounds, was 30,826,000 pounds, or 10 percent smaller than the August production of last year, but 46 percent larger than the 5-year (1936-40) August average. The cumulative output for 1942 is still far above that for 1941, totaling 2,758,375,000 pounds for January to August, inclusive, an increase of 30 percent over production during the same period last year.

Stocks of evaporated milk (case goods) held by manufacturers on the first of September totaled 211,001,000 pounds, a decrease of 27 percent from the stocks of September 1 last year and 29 percent from the 5-year (1936-40) September 1 average. The September 1 stocks were also 80 million pounds smaller than the stocks of August 1 this year, a rather surprising reduction in view of the fact that the Agricultural Marketing Administration is no longer taking extremely large quantities of evaporated milk for lend-lease or other purposes. In August it bought only 383,500 cases, compared with around 1½ million cases in July. It is probable, however, that some of the purchases made in July were delivered from August production and stocks. It is also probable that the Army and Navy are buying evaporated milk for their overseas forces; that some improvement in civilian demand may have occurred; and that wholesale grocers are again stocking up, as the June 30 survey of evaporated milk stocks held by wholesale grocers showed their inventories at that time to be much smaller than average.

Production of condensed milk (case goods) in August was estimated at 9,832,000 pounds, a decrease of 11 percent from the production of August last year, but an increase of 140 percent over the 1936-40 average August production. The production of condensed milk (case goods), which suffered a sharp reduction after the opening of hostilities with Japan last December closed former eastern markets, is again picking up as a result of improved domestic demand. Stocks of 5,412,000 pounds on September 1 were 48 percent smaller than a year earlier, compared with a decrease of 31 percent on August 1.

The markets for evaporated milk -- which were weak and unsettled for a month or so -- have again developed a rather firm tone. The average selling price by manufacturers during August was \$3.50 per case of 48 14½-ounce cans. This is an increase of 1 cent per case over the July average. Prices are still short of those that prevailed a year earlier when the Government was attempting to buy large quantities for shipment to Great Britain and other United Nations, but are gradually working back toward that level. Market news reports for September indicate that at eastern markets wholesale prices of evaporated milk are 15 to 20 cents per case higher than they were a month earlier.

The Bureau has just completed a survey on the production of condensed milk (bulk goods) during the first 8 months of 1942. This survey shows that from January to August, inclusive, approximately 1 percent more plain

(Continued on Page 7)

MANUFACTURERS' WHOLESALE SELLING PRICES DURING AUGUST

9/28/1942

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
3 - 3 $\frac{1}{2}$ ¢	-	10,955	10 $\frac{1}{2}$ -11 $\frac{1}{2}$ ¢	2,025	5 $\frac{1}{2}$ - 6 $\frac{1}{2}$ ¢	-	985
4 $\frac{1}{2}$ - 5	-	200	14 $\frac{1}{2}$ -15 $\frac{1}{2}$ ¢	450	6 $\frac{1}{2}$ - 7 $\frac{1}{2}$ ¢	800	414,929
5 - 5 $\frac{1}{2}$ ¢	-	40,515	21 $\frac{1}{2}$ -22 $\frac{1}{2}$ ¢	242,975	7 $\frac{1}{2}$ - 8 $\frac{1}{2}$ ¢	-	1,494,916
5 $\frac{1}{2}$ - 6	-	13,737	22 $\frac{1}{2}$ -23 $\frac{1}{2}$ ¢	116,450	8 $\frac{1}{2}$ - 9 $\frac{1}{2}$ ¢	-	108,711
6 - 6 $\frac{1}{2}$ ¢	-	65,309	23 $\frac{1}{2}$ -24 $\frac{1}{2}$ ¢	209,824	9 $\frac{1}{2}$ - 10 $\frac{1}{2}$ ¢	-	350
6 $\frac{1}{2}$ - 7	-	181,988	24 $\frac{1}{2}$ -25 $\frac{1}{2}$ ¢	1,814,444	10 $\frac{1}{2}$ -11 $\frac{1}{2}$ ¢	-	-
7 - 7 $\frac{1}{2}$ ¢	-	736,566	25 $\frac{1}{2}$ -26 $\frac{1}{2}$ ¢	4,400	11 $\frac{1}{2}$ -12 $\frac{1}{2}$ ¢	1,519,820	-
7 $\frac{1}{2}$ - 8	-	1,845,437	26 $\frac{1}{2}$ -27 $\frac{1}{2}$ ¢	82,739	13 $\frac{1}{2}$ -14 $\frac{1}{2}$ ¢	17,400	-
8 - 8 $\frac{1}{2}$ ¢	-	519,100	27 $\frac{1}{2}$ -28 $\frac{1}{2}$ ¢	34,795	14 $\frac{1}{2}$ -15 $\frac{1}{2}$ ¢	1,800	-
8 $\frac{1}{2}$ - 9	-	1,32,036	28 $\frac{1}{2}$ -29 $\frac{1}{2}$ ¢	748,027	15 $\frac{1}{2}$ -16 $\frac{1}{2}$ ¢	910	-
9 - 9 $\frac{1}{2}$ ¢	37,200	402,141					
9 $\frac{1}{2}$ - 10	35,220	175					
10 - 10 $\frac{1}{2}$ ¢	395,115	5,354					
10 $\frac{1}{2}$ -11	108,775	-					
11 - 11 $\frac{1}{2}$ ¢	2,925,306	173,400					
11 $\frac{1}{2}$ -12	6,174,370	-					
12 - 12 $\frac{1}{2}$ ¢	8,399,599	1,512					
12 $\frac{1}{2}$ -13	9,617,559	-					
13 - 13 $\frac{1}{2}$ ¢	6,440,164	-					
13 $\frac{1}{2}$ -14	9,519,304	-					
14 - 14 $\frac{1}{2}$ ¢	4,582,375	-					
14 $\frac{1}{2}$ -15	1,519,221	-					
15 - 15 $\frac{1}{2}$ ¢	83,075	-					
15 $\frac{1}{2}$ -16	17,250	-					
16 - 16 $\frac{1}{2}$ ¢	250	-					
TOTAL	49,354,783	3,973,425		3,256,129		1,540,730	2,019,841
GRAND TOTAL		53,328,208		3,256,129			3,560,571
AVERAGE PRICE	12.37¢	7.87¢				12.23¢	7.81¢
August 1942	12.50¢			25.58¢		9.72¢	
July 1942	12.27¢			24.67¢		9.70¢	
August 1941	8.99¢			20.31¢		7.31¢	

Commodity	August 1942 <u>1/</u>	August 1941 <u>2/</u>	Change in 1942 from		Cumulative Total	
			1941	Average 1936-40	Jan. - Aug. 1942	Change from Jan.- Aug. 1941
	Thousand pounds		Percent		Thousand pounds	Percent
Evaporated (case goods)	277,969	308,855	- 10	+ 46	2,753,375	+ 30
Condensed (case goods)	9,832	11,052	- 11	+ 140	49,715	- 39
Dried whole milk	5,790	4,423	+ 31	+ 220	38,460	+ 22
Dried skim milk (human food)	51,400*	29,265*	+ 76	+ 141	429,614	+ 63
(animal feed)	3,700	7,620	- 51	- 63	41,386	- 55
Total dried skim milk	55,100	36,885	+ 49	+ 76	471,000	+ 32
Dried buttermilk	5,700	5,763	- 1	+ 19	53,742	- 2

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

2/ Preliminary figures.

* Estimated production Spray Process August 1942 - 30,160,000 pounds.

Estimated production Spray Process August 1941 - 18,756,000 pounds.

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

Commodity	1942	1941 <u>1/</u>	Average 1936-40	Change in 1942 from	
				1941	Ave. 1936-40
	Thousand pounds			Percent	
Evaporated (case goods)	211,001	229,904	297,798	- 27	- 29
Condensed (case goods)	5,412	10,494	9,870	- 48	- 45
Dried whole milk	8,760	7,200	4,892	+ 22	+ 79
Dried skim milk (human food)	36,331	27,650	29,134	+ 31	+ 25
Dried skim milk (animal feed)	4,829	4,055	7,203	+ 19	- 33
Total dried skim milk	41,160 <u>2/</u>	31,705	36,337	+ 30	+ 13
Dried buttermilk	7,405	4,368	4,795	+ 70	+ 54

1/ Revised figures include late reports. 2/ Equivalent to approximately 33 days' supply compared with 24 (revised) days' supply on September 1, 1941.

MILK PURCHASES BY CONDENSERIES AUGUST 1942, WITH COMPARISONS*

	Unit	August		5-year average 1936-40
		1942	1941	
Purchases, reported total.....	Pounds	568,871,000	521,083,000	385,901,000
Producers, number.....	Number	157,000	143,000	118,000
Average daily purchases per producer.....	Pounds	116.9	117.5	105.1
Changes in purchases per producer 1942 and 1941.....	Percent	- 1.0	XXXXXX	XXXXXX
1942 from 5-year average....	"	+ 11.2	XXXXXX	XXXXXX

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

Geographic Section	Evaporated milk	Condensed milk
	(Per case of 48 14½-ounce cans)	(Per case of 48 14-ounce cans)
	Dollars	Dollars
New England	3.53	5.62
Mid. Atlantic	3.48	5.65
South Atlantic	3.55	5.63
E. N. Central	3.44	5.80
W. N. Central	3.46	-
South Central	3.47	5.68
North Western	3.61	-
South Western	3.56	-
U. S. Aug. 1942	3.50	5.65
U. S. July 1942	3.49	5.65
U. S. Aug. 1941	3.56	5.29

* 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 AUGUST 1942
8 Geographic Sections

Geographic Section	Number of factories reporting	Price per cwt.	
		Range	Average
		Dollars	Dollars
New England	- 1/	-	-
Mid. Atlantic	10 1/	2.02 - 2.07	2.05
South Atlantic	6	1.86 - 2.50	2.02
E. N. Central	95	1.92 - 2.46	1.97
W. N. Central	12	1.79 - 2.11	1.92
South Central	12	1.75 - 1.86	1.79
North Western	10	1.98 - 2.20	2.08
South Western	23	1.97 - 2.43	2.25
U. S. Aug. 1942	168	1.75 - 2.50	2.01
U. S. July 1942	170	1.61 - 2.30	1.86
U. S. Aug. 1941	156	1.50 - 2.19	1.97

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	August 1942	July 1942	August 1941
	Dollars	Dollars	Dollars
1	1.97	1.82	2.04
2	2.09	1.93	2.12
3	1.85	1.73	1.74
4	2.05	1.93	1.81
5	2.08	1.95	1.86
6	2.36	2.24	1.95
U. S. Average	2.01	1.86	1.97

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 August \$1.99.

Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for August, New York City \$1.9699; Chicago \$1.971.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR AUGUST

Section 1 - \$1.924 Section 2 - \$1.994 Section 3 - \$1.771
Section 4 - \$1.655 Section 5 - \$1.662 Section 6 - \$1.847

MANUFACTURERS' AVERAGE SELLING PRICES; CONDENSED MILK (BULK GOODS)
(F.O.B, factory)

PLAIN CONDENSED (Unsweetened) - WHOLE

	January		February		March		April		May		June		July		August	
	1942	1941	1942	1941	1942	1941	1942	1941	1942	1941	1942	1941	1942	1941	1942	1941
	Dollars per hundredweight															
E.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.	7.90	6.79	7.92	6.77	7.94	6.79	7.90	7.07	7.95	7.15	7.83	7.20	7.98	7.74	8.20	7.80
A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
N.C.	6.94	5.96	7.10	6.10	6.85	6.17	6.89	5.88	6.98	6.47	7.68	6.73	8.03	7.23	8.35	7.41
N.C.	6.90	5.73	7.11	5.60	6.81	5.75	6.88	6.17	6.93	6.40	6.90	6.37	6.77	6.48	7.44	6.46
C.	7.72	6.68	7.72	6.68	7.72	6.68	7.72	6.68	7.72	6.68	7.72	6.68	7.72	6.68	7.75	6.70
W.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
S.	7.38	6.36	7.48	6.37	7.40	6.42	7.41	6.53	7.42	6.78	7.30	6.88	7.73	7.27	8.01	7.18

PLAIN CONDENSED (Unsweetened) - SKIMMED

E.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.	3.63	2.42	3.66	2.42	3.55	2.32	3.59	2.34	3.64	2.38	3.52	2.46	3.79	2.60	3.69	2.99
A.	3.67	2.74	3.56	2.32	3.71	2.27	3.53	2.52	3.54	2.53	3.84	2.49	3.93	2.90	3.80	2.85
N.C.	3.12	2.16	3.05	2.17	3.12	2.16	3.10	2.16	3.15	2.19	3.11	2.29	3.17	2.36	3.22	2.55
N.C.	3.38	2.66	3.40	2.66	3.73	2.34	3.71	2.34	3.48	2.66	3.63	2.69	3.70	2.70	3.75	2.72
C.	4.31	2.65	4.24	2.66	4.19	2.46	3.90	2.51	3.77	2.47	3.61	2.49	3.91	2.32	3.94	2.55
W.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W.	4.12	2.40	4.47	2.40	4.42	2.40	4.41	2.41	4.43	2.48	4.43	2.56	4.43	2.73	4.46	2.69
S.	3.65	2.37	3.64	2.37	3.67	2.30	3.63	2.35	3.61	2.40	3.63	2.46	3.75	2.55	3.67	2.73

SWEETENED CONDENSED - WHOLE

E.	11.12	9.01	11.86	8.76	11.86	8.76	11.86	8.76	11.86	9.01	11.86	9.01	11.86	9.54	11.80	9.70
A.	10.46	7.71	10.72	7.72	10.97	7.75	11.32	7.96	11.58	8.54	11.67	8.69	11.51	9.53	11.83	9.30
A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
N.C.	10.89	7.40	11.03	7.31	10.75	7.38	10.87	7.40	10.84	7.97	10.73	8.40	10.78	8.93	10.99	9.31
N.C.	9.80	7.39	9.70	7.46	9.23	7.44	10.21	7.61	10.15	7.53	10.28	7.76	10.22	8.00	10.60	8.09
C.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W.	11.35	8.48	11.55	8.48	11.52	8.48	11.55	8.88	11.85	8.93	11.96	9.32	11.95	9.45	11.82	9.63
S.	10.70	7.70	10.91	7.67	10.84	7.72	11.09	7.86	11.21	8.29	11.15	8.56	11.25	9.09	11.46	9.24

SWEETENED CONDENSED - SKIMMED

E.	6.85	5.45	7.55	5.07	7.63	5.16	7.75	5.16	8.38	5.15	8.38	5.28	8.50	5.55	8.53	6.06
A.	6.70	4.64	7.26	4.63	7.71	4.62	7.93	4.83	7.99	5.05	8.63	5.17	8.14	5.48	8.25	5.75
A.	7.02	4.83	7.36	4.75	7.84	4.71	8.02	5.00	8.03	4.89	7.97	5.25	8.12	5.34	8.02	5.53
N.C.	6.80	4.59	7.20	4.54	7.39	4.50	7.51	4.73	7.66	4.88	7.66	5.07	7.65	5.38	7.53	5.60
N.C.	7.13	5.20	7.28	5.22	7.63	5.21	7.80	5.36	7.95	5.42	7.88	5.52	7.89	5.70	7.90	5.97
C.	7.08	5.64	7.60	5.63	7.62	4.82	7.64	5.62	7.97	4.15	7.82	5.90	7.95	5.45	8.00	5.63
W.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W.	7.32	5.85	7.85	5.85	7.99	5.85	7.94	5.85	8.26	5.88	8.49	6.05	8.61	6.15	8.55	6.44
S.	6.89	4.93	7.34	4.89	7.64	4.82	7.78	5.05	7.94	5.01	7.97	5.32	8.05	5.52	8.12	5.81

The Sections referred to are the same as those shown on page 4.

PRODUCTION OF CONDENSED MILK (BULK GOODS)

9/23/42

PLAIN CONDENSED (Unsweetened) - WHOLE

Month	1942 ^{1/}	1941 ^{2/}	Average 1936-40	Change in 1942 from	
				1941	Ave. 1936-40
	Thousand pounds			Percent	
January.....	9,864	7,361	7,775	+ 34	+ 27
February.....	9,209	6,578	7,354	+ 40	+ 25
March.....	11,189	9,097	10,029	+ 23	+ 12
April.....	14,001	13,463	10,735	+ 4	+ 30
May.....	15,485	15,034	14,450	+ 3	+ 7
June.....	14,015	15,070	14,862	- 7	- 6
July.....	11,344	15,978	14,096	- 29	- 20
August.....	13,104	14,891	12,857	- 12	+ 2
Cumulative Total Jan.-Aug., Inc.	98,211	97,472	92,158	+ 1	+ 7

PLAIN CONDENSED (Unsweetened) - SKIMMED

January.....	20,136	17,210	12,582	+ 17	+ 60
February.....	18,688	16,989	12,398	+ 10	+ 51
March.....	22,640	21,159	15,446	+ 7	+ 47
April.....	25,962	27,044	17,463	- 4	+ 49
May.....	28,015	30,124	23,725	- 7	+ 18
June.....	30,149	32,418	25,109	- 7	+ 20
July.....	40,878	36,175	26,882	+ 13	+ 52
August.....	35,824	34,118	24,915	+ 5	+ 44
Cumulative Total Jan.-Aug., Inc.	222,292	215,237	158,520	+ 3	+ 40

SWEETENED CONDENSED - WHOLE

January.....	6,503	4,853	4,081	+ 34	+ 59
February.....	5,610	4,795	3,364	+ 17	+ 67
March.....	8,190	6,349	3,949	+ 29	+107
April.....	7,092	6,819	4,494	+ 4	+ 58
May.....	11,263	10,429	6,742	+ 8	+ 67
June.....	7,230	7,611	6,358	- 5	+ 14
July.....	5,357	6,868	5,239	- 22	+ 2
August.....	6,765	6,903	4,576	- 2	+ 43
Cumulative Total Jan.-Aug., Inc.	58,010	54,627	38,803	+ 6	+ 49

SWEETENED CONDENSED - SKIMMED

January.....	13,353	11,511	10,930	+ 16	+ 22
February.....	14,392	11,422	10,519	+ 26	+ 37
March.....	19,052	14,325	12,560	+ 33	+ 52
April.....	20,212	15,791	13,991	+ 23	+ 44
May.....	28,640	26,519	19,917	+ 8	+ 44
June.....	24,672	22,029	19,939	+ 12	+ 24
July.....	20,125	13,879	14,217	+ 45	+ 42
August.....	24,873	13,742	12,444	+ 81	+100
Cumulative Total Jan.-Aug., Inc.	165,319	129,218	114,517	+ 28	+ 44

^{1/} Estimated. Subject to revision when the final enumeration for 1941 is completed.
^{2/} Preliminary enumeration. Subject to some minor changes when the final enumerated data for 1941 is available.

(Continued from page 1)

condensed milk, (unsweetened) whole, was produced during that period this year than last; 3 percent more plain condensed, (unsweetened), skimmed; 6 percent more sweetened condensed, whole; and 28 percent more sweetened condensed, skimmed. The big increase in the production of the last named product may be ascribed to the strong demand from the confectionery, baking and ice cream industries, which use a major part of the sweetened condensed (bulk goods), skimmed, produced in this country.

DRIED MILK

Production of dried skim milk in August is estimated at 55,100,000 pounds. This is an increase of 49 percent over the production of August last year and 76 percent over the 5-year (1936-40) average. As in other months this year, the major part of the August production was made up of dried skim milk for human consumption. Around 51½ million pounds, or 93 percent of the August production was dried for that purpose, compared with 29 million pounds, or 79 percent in August last year. This represents an increase of 76 percent in the amount of dried skim milk for human consumption as well as an increase of 141 percent over the 5-year (1936-40) August average production for human consumption.

Production of dried skim milk for animal feed in August totaled only 3,700,000 pounds, a decrease of 51 percent from the August production of last year and 63 percent from the 5-year (1936-40) average. Until last year, production of dried skim milk for animal feed constituted around 20 to 30 percent of the total skim milk dried during August. This year it averaged less than 7 percent. The need for increasing quantities of dried skim milk for lend-lease shipments and for our armed forces abroad has been responsible for this marked shift in the character of the dried skim milk produced.

The Agricultural Marketing Administration is continuing to buy large quantities of dried skim milk for shipment to the United Nations. In August, it purchased a total of 15,464,140 pounds -- 70 percent of the estimated August production for human consumption -- and for the first 3 weeks of September, 14,497,325 pounds. The Administration reports no difficulty in getting all the roller dried skim milk it needs, but so far has been unable to obtain a sufficient quantity of spray dried to meet its requirements.

Prices of dried skim milk continue firm. The August average of manufacturers' selling prices, f.o.b. factory, was 12.50 cents per pound, compared with 12.27 cents per pound in July and 8.99 cents in August last year. The average for dried skim for human consumption was 12.87 cents, and for animal feed, 7.87 cents. Both averages were higher than in July.

Stocks of dried skim milk for human consumption held by manufacturers on September 1 totaled 36,331,000 pounds. Although these were 31 percent larger than the stocks of September 1 last year, one fact needs to be kept in mind: manufacturers hold orders from the Agricultural Marketing Administration for large quantities of dried skim milk that will have to be partially filled by stock withdrawals. For this reason, stocks of dried skim milk for civilian consumption on September 1 were probably much smaller than those of a year earlier.

Production of dried whole milk in August is estimated at 5,790,000 pounds, an increase of 31 percent over the August production of last year and 220 percent over the August 5-year (1936-40) average. Stocks on the first of

September totaled 8,700,000 pounds -- 22 percent larger than the stocks of September 1 last year and 79 percent larger than the 5-year (1936-40) September 1 average. The Agricultural Marketing Administration is also buying increasing quantities of dried whole milk for lend-lease purposes, and it is probable that the major part of the increase in dried whole milk stocks over the previous year is earmarked for government use.

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