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EVAPORATED, CONDENSED AND DRIED MILK REPORT

(November 1942)

EVAPORATED AND CONDENSED MILK

Estimated production of evaporated milk (case goods) in November, at 163,648,000 pounds, was 37 percent smaller than that of November 1941, but was 41 percent larger than the 5-year (1936-40) November average. However, except for the November 1941 total, the November 1942 output was the largest of record for the month. Although production is continuing to fall farther behind that of the comparable period of 1941, its relation to the 5-year average remains relatively stable. Cumulative production for the months of January through November 1942 totaled 3,357,163 pounds, an increase of 13 percent over the production of the same months of 1941 and an increase of around 7 percent over that of the entire year. The major part of the 1942 increase, however, came during the first 6 months of the year, when the Department of Agriculture was still buying large quantities of evaporated milk for lend-lease purposes.

Stocks of evaporated milk (case goods) held by manufacturers on December 1 totaled 90,678,000 pounds, the smallest stocks for any first of the month since May 1936 and the smallest December 1 stocks since 1922. On December 1 of 1941, manufacturers reported reserves of 417,647,000 pounds, and 239,163,000 pounds was the 5-year (1936-40) December 1 average.

The demand for evaporated milk in the last month or so has been extremely strong, partly because wholesale grocers were building up supplies that had dropped below average, and partly because consumers were buying more heavily as a result of increased purchasing power. Market reports indicate that in some areas supplies of evaporated milk are running short and distributors are using a self-imposed rationing program. To help relieve this situation, Secretary of Agriculture Claude R. Wickard has announced that the Food Distribution Administration will release from its present stocks 2 million cases of evaporated milk for civilian use.

Supplies of condensed milk also are short. Although the November production of 5,506,000 pounds was 36 percent smaller than that of a year earlier, it was, with the exception of 1941 and 1940, the largest November production since 1931. Stocks of condensed milk also have been reduced to extremely low levels, manufacturers reporting only 2,586,000 pounds on hand as of December 1. This figure shows a decrease of 78 percent from the December 1 stocks of 1941 and a 67 percent decrease from the 5-year (1936-40) December 1 average.

In the bulk goods field, the November output of plain condensed, unsweetened, whole milk and skimmed milk was larger than that of a year earlier. Output of sweetened condensed whole milk was 14 percent less than in November 1941, but that of sweetened condensed skimmed milk was 6 percent larger. The increase in production of the latter, however, was the smallest shown for sweetened condensed skimmed milk for any month of 1942 and probably reflects the increased restrictions on allocating sugar for condensing purposes in areas where other manufacturing facilities are readily available.

The Office of Price Administration has announced its permanent price ceilings on evaporated milk. Effective December 30, 1942, the new fixed maximum price per case of 48 14 $\frac{1}{2}$ -oz. cans is \$4.10 in Zone 1 and \$4.20 in Zones 2 and 3. These prices apply to the buyer's customary receiving point.

DRIED MILK

Production of dried skim milk in November 1942, estimated at 29,000,000 pounds, was only 10 percent larger than a year earlier, compared with gains of 23 percent and 33 percent in October and September, respectively, and even larger gains in previous months. Total milk production in November was about the same as in November 1941. Production in previous months had been running several percent higher than in the corresponding months of 1941. The demand for whole milk for fluid consumption during the past few months has been exceptionally strong, leaving smaller quantities for skimming and drying purposes. In addition, larger quantities of skim milk are being used by condenseries in the production of plain condensed skimmed (bulk goods), and sweetened condensed skimmed (bulk goods). The cumulative production of dried skim milk, however, is still ahead of that in the like period of 1941, the output for January through November totaling 580 million pounds, an increase of 30 percent over the production of the corresponding months of 1941. This total includes dried skim milk produced both for human consumption and for animal feed.

Production of edible spray-dried skim milk in November is estimated at 15,250,000 pounds, an increase of 24 percent over the November 1941 production, but a drop of 6,340,000 pounds, or

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 $\frac{1}{2}$ ¢	-	4,457	15-15 $\frac{1}{2}$ ¢	244,250	4 $\frac{1}{2}$ - 5 $\frac{1}{2}$ ¢	-	6,000
5 - 5 $\frac{1}{2}$ ¢	-	3,162	22 $\frac{1}{2}$ -23 $\frac{1}{2}$ ¢	22,965	6 $\frac{1}{2}$ - 7 $\frac{1}{2}$ ¢	-	52,253
5 $\frac{1}{2}$ - 6	-	7,478	23 $\frac{1}{2}$ -24 $\frac{1}{2}$ ¢	260,686	7 $\frac{1}{2}$ - 8 $\frac{1}{2}$ ¢	-	1,759,266
6 - 6 $\frac{1}{2}$ ¢	-	2,111	24 $\frac{1}{2}$ -25 $\frac{1}{2}$ ¢	-	8 $\frac{1}{2}$ - 9 $\frac{1}{2}$ ¢	-	75,767
6 $\frac{1}{2}$ - 7	-	7,403	25 $\frac{1}{2}$ -26 $\frac{1}{2}$ ¢	526,673	9 $\frac{1}{2}$ - 10 $\frac{1}{2}$ ¢	8,268	-
7 - 7 $\frac{1}{2}$ ¢	-	11,023	26 $\frac{1}{2}$ -27 $\frac{1}{2}$ ¢	741,449	10 $\frac{1}{2}$ -11 $\frac{1}{2}$ ¢	1,269	7,500
7 $\frac{1}{2}$ - 8	-	820,577	27 $\frac{1}{2}$ -28 $\frac{1}{2}$ ¢	96,417	11 $\frac{1}{2}$ -12 $\frac{1}{2}$ ¢	1,429,428	-
8 - 8 $\frac{1}{2}$ ¢	-	532,926	28 $\frac{1}{2}$ -29 $\frac{1}{2}$ ¢	-	12 $\frac{1}{2}$ -13 $\frac{1}{2}$ ¢	187,534	-
8 $\frac{1}{2}$ - 9	-	93,096	29 $\frac{1}{2}$ -30 $\frac{1}{2}$ ¢	3,000	13 $\frac{1}{2}$ -14 $\frac{1}{2}$ ¢	49,636	-
9 - 9 $\frac{1}{2}$ ¢	-	254,416	31 $\frac{1}{2}$ -32 $\frac{1}{2}$ ¢	1,813,143	16 $\frac{1}{2}$ -17	4,849	-
9 $\frac{1}{2}$ - 10	-	530	33 $\frac{1}{2}$ -34 $\frac{1}{2}$ ¢	301,027			
10 - 10 $\frac{1}{2}$ ¢	148,548	8,739					
10 $\frac{1}{2}$ -11	18,900	23,098					
11 - 11 $\frac{1}{2}$ ¢	1,937,735	854					
11 $\frac{1}{2}$ -12	2,214,387	-					
12 - 12 $\frac{1}{2}$ ¢	1,743,327	216					
12 $\frac{1}{2}$ -13	2,691,249	-					
13 - 13 $\frac{1}{2}$ ¢	3,492,871	4,320					
13 $\frac{1}{2}$ -14	3,349,067	-					
14 - 14 $\frac{1}{2}$ ¢	5,557,079	-					
14 $\frac{1}{2}$ -15	2,080,629	-					
15 - 15 $\frac{1}{2}$ ¢	210,698	-					
15 $\frac{1}{2}$ -16	153,597	-					
16 - 16 $\frac{1}{2}$ ¢	5,482	-					
16 $\frac{1}{2}$ -17	9,722	-					
18 - 18 $\frac{1}{2}$ ¢	1,616	-					
Total	23,614,907	1,774,406		4,009,610		1,680,984	1,900,786
GRAND TOTAL		25,389,313		4,009,610			3,581,770
AVERAGE PRICE	13.16¢	8.07¢				12.08¢	8.07¢
November 1942		12.80¢		28.58¢			9.95¢
October 1942		12.92¢		29.82¢			9.99¢
November 1941		12.08¢		23.32¢			9.08¢

29 percent, from the estimated October 1942 production. The sharp drop from October 1942 production probably is partly accounted for by refinement in the method of reporting by driers, covering spray-drying operations in November, compared with the preceding months. Beginning with November under the requirements of Conservation Order DA-1, driers are reporting separately on spray-dried dairy products and edible spray-dried skim milk, whereas in preceding months the general policy was to report all spray-dried dairy products together. In addition to this, it is probable that driers diverted some of their fluid skim milk supplies from spray-drying to other uses during November, while they became more familiar with the procedure for handling spray-dried skim milk under Conservation Order DA-1.

Production of dried skim milk for animal feed continues much below that of a year earlier. Estimated November output, at 1,700,000 pounds, was only 49 percent of that of a year earlier and only 23 percent of the November 5-year average. The production of dried buttermilk, particularly that used for animal feed, was also considerably below that of November 1941, but dried whole milk remained above. The estimated November output of 4,300,000 pounds was 24 percent larger than that of November 1941 and was 159 percent larger than the 5-year November average.

Stocks of dried skim milk on December 1 -- including stocks sold but not yet delivered -- and held for order to the account of the Federal Government under Conservation Order DA-1 totaled 17,567,000 pounds, compared with 18,732,000 pounds on this date in 1941. But the proportion of the December 1, 1942 stocks available for civilian use undoubtedly was relatively small compared with the proportion available for that purpose on the same date in 1941. In many areas, supplies of skim milk powder available for civilian use are said to be very small. Manufacturers' stocks of dried whole milk on December 1, 1942 totaling 6,421,000 pounds, were 4 percent larger than a year earlier, but a smaller proportion was also being held for civilian use.

	Unit	November		5-year average 1936-40
		1942	1941	
Purchases, reported total.....	Pounds	359,519,000	395,107,000	265,739,000
Producers, number.....	Number	144,000	154,000	113,000
Average daily purchases per producer.....	Pounds	83.2	85.5	78.4
Changes in purchases per producer 1942 and 1941.....	Percent	- 2.7	XXXXXX	XXXXXX
1942 from 5-year average....	"	+ 6.1	XXXXXX	XXXXXX

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

AVERAGE WHOLESALE SELLING PRICE EVAPORATED AND CONDENSED MILK
BY GEOGRAPHIC SECTION NOVEMBER 1942*

Geographic Section	Case Goods		Bulk Goods			
	Evaporated (48 14 1/2-oz. cans) Per case	Condensed (48 14-oz. cans) Per case	Plain Condensed (Unsweetened)		Sweetened Condensed	
	Dollars		Whole	Skimmed	Whole	Skimmed
			Dollars per hundredweight			
New England	3.79	5.82	-	3.90	12.60	8.73
Mid. Atlantic	3.73	5.82	9.65	3.84	12.76	8.49
South Atlantic	3.76	5.80	-	4.22	-	8.17
E. N. Central	3.66	5.80	9.40	3.49	11.20	7.99
W. N. Central	3.68	-	8.01	3.91	11.22	8.24
South Central	3.75	5.88	8.02	4.20	10.90	8.54
North Western	3.84	-	-	-	-	-
South Western	3.76	-	9.34	4.62	12.50	8.75
U. S. Nov. 1942	3.73	5.83	8.95	3.92	11.69	8.33
U. S. Oct. 1942	3.75	5.83	8.95	3.87	11.69	8.25
U. S. Nov. 1941	3.67	5.54	7.62	3.24	9.67	6.45

* 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 NOVEMBER 1942
8 Geographic Sections

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	1	-	-
Mid. Atlantic	9	2.42 - 2.60	2.48
South Atlantic	7	2.10 - 2.90	2.34
E. N. Central	94	2.15 - 2.90	2.34
W. N. Central	12	2.14 - 2.42	2.24
South Central	12	1.96 - 2.23	2.05
North Western	11	2.26 - 2.51	2.42
South Western	23	2.23 - 2.73	2.53
U. S. Nov. 1942	158	1.93 - 2.90	2.35
U. S. Oct. 1942	158	1.92 - 2.82	2.28
U. S. Nov. 1941	163	1.76 - 2.61	2.16

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	November 1942	October 1942	November 1941
	Dollars	Dollars	Dollars
1	2.34	2.25	2.20
2	2.52	2.40	2.34
3	2.14	2.08	1.94
4	2.29	2.24	2.01
5	2.44	2.41	2.18
6	2.63	2.63	2.17
U. S. Average	2.35	2.28	2.16

1/ Reports not received from 7 factories in these areas which base prices on formula in evaporated milk market agreement. Formula price for this area in November \$2.22.

Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for November -- New York City \$2.3447; Chicago \$2.349.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR NOVEMBER

Section 1 - \$2.147 Section 2 - \$2.217 Section 3 - \$1.991
Section 4 - \$1.848 Section 5 - \$1.886 Section 6 - \$2.058

Commodity	November 1942 1/	November 1941 1/	Change in 1942 from		Cumulative Total	
			1941	Average 1936-40	Jan.-Nov. 1942	Change from Jan. - Nov. 1941
Evaporated and Condensed Milk						
Evaporated (case goods)	163,648	259,758	-37	+21	3,357,163	+13
Condensed (case goods)	5,506	8,603	-36	+45	71,078	-36
Plain Condensed Whole (bulk)	7,597	6,906	+10	+5	107,103	+1
" " Skimmed "	27,425	24,932	+10	+94	312,427	+4
Sweetened Condensed Whole (bulk)	4,684	5,447	-14	+26	77,234	+5
" " Skimmed "	11,365	10,722	+6	+21	208,045	+30
Dried Milk						
Dried Whole	4,300	3,480	+24	+159	55,410	+29
Dried Skim (human food)	27,300*	22,805*	+20	+62	531,514	+57
" " (animal feed)	1,700	3,500	-51	-77	48,486	-54
Total Dried Skim	29,000	26,305	+10	+20	580,000	+30
Dried Buttermilk	3,100	4,542	-32	-15	67,292	-3

1/ Estimated. Subject to revision when the final report is available for 1941. 2/ Preliminary figures. *Estimated production Spray Process November 1942 - 15,250,000 pounds. Estimated production Spray Process November 1941 - 12,250,000 pounds.

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

Commodity	1942	1941 1/	Average 1936-40	Change in 1942 from	
				1941	Av. 1936-40
Evaporated (case goods)	90,678	417,643	239,163	-78	-62
Condensed (case goods)	2,586	11,906	7,946	-78	-67
Dried whole milk	6,421	6,185	3,916	+4	+64
Dried skim milk (human food)	16,066	16,795	22,022	-4	-27
Dried skim milk (animal feed)	1,501	1,937	5,289	-23	-72
Total dried skim milk	17,567 2/	18,732	27,311	-6	-36
Dried buttermilk	5,093	4,286	4,523	+19	+10

1/ Revised figures include late reports. 2/ Equivalent to approximately 13 days' supply compared with 15 days' supply on December 1, 1941.

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