

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

August 28, 1943

EVAPORATED, CONDENSED, AND DRIED MILK REPORT

(July 1943)

EVAPORATED AND CONDENSED MILK

For the first time since July last year the production of evaporated milk, case goods, exceeds that of the same month a year earlier. The output for July, estimated at 335,500,000 pounds, was 21,151,000 pounds, or 7 percent larger than that of July last year, and a new July record. The June production was 3 percent less than that of a year earlier, and in the preceding months of 1943 the rate of decrease was much larger, being as much as 35 percent in January. This change in the relation of the current production to the make of a year earlier has been brought about by two causes, i.e. (1) a gradual rise in the seasonal level of production since the first of the year, and (2), the sharp drop in the level of production that occurred in the early part of last year which followed the slowing up of the purchases of the Food Distribution Administration for lease-lend purposes. Total production of evaporated milk, case goods, for the first seven months of this year is estimated at 2,053,790,000 pounds, a decrease of 17 percent from the production of the corresponding seven months of 1942. Production of condensed milk, case goods, in July is estimated at 9,204,000 pounds, an increase of 23 percent over the July production of last year. For the first seven months of 1943 production is estimated at 68,677,000 pounds, double the production of the same period last year.

Manufacturers' stocks of evaporated milk, case goods, continued their seasonal rise, and for the second time on record have exceeded the four-hundred million pound mark. Estimated at 400,397,000 pounds, the August 1 stocks exceeded the August 1 stocks of last year by 109,522,000 pounds, or 38 percent, and the five-year (1937-41) August 1 average, by 30 percent. The previous record was 417,643,000 pounds on December 1, 1941. Manufacturers' stocks of condensed milk, case goods, on August 1 totalled 10,949,000 pounds, an increase of 63 percent over the August 1 stocks of last year and 9 percent over the five-year (1937-41) August 1 average.

July production of plain condensed milk (bulk goods), both whole and skimmed, and of sweetened condensed whole milk (bulk goods) was less than in July last year, but the production of sweetened condensed skimmed milk (bulk goods) was larger. The estimated output of plain condensed whole milk (bulk goods) in July was 11,842,000 pounds, a decrease of 23 percent from the output of a year earlier. Plain condensed skimmed milk (bulk goods), at 31,141,000 pounds, was 13 percent smaller and sweetened condensed whole milk, (bulk goods), at 3,833,000 pounds, was 25 percent smaller. The production of sweetened condensed skim milk (bulk goods) in July totalled 35,336,000 pounds, an increase of 25 percent over July last year. Production of plain condensed (bulk goods), both whole and skimmed, and the production of sweetened condensed whole milk (bulk goods) for the first seven months of 1943 was smaller than that of the same period last year, but at 171,842,000 pounds the production of sweetened condensed skimmed milk (bulk goods) was 19 percent larger.

Manufacturers' prices of evaporated and condensed milk, case goods, in July remained unchanged, with the July average of evaporated milk \$4.15 per case of 48-14½ oz. cans, and condensed milk, case goods, at \$5.84 per case of 48-15 oz. cans. July averages of prices received by manufacturers of bulk goods varied slightly from the June averages, but these variations were not particularly large, and were the results of variations in the grade of goods sold during the two months. Prices paid producers by condenseries in July averaged \$2.60 per cwt. for milk testing 3.5 percent butter fat, delivered at the plant, compared with \$2.59 in June and \$1.86 in July last year.

DRIED MILK

Production of dried whole milk continues to establish new monthly records, even though the usual seasonal peak has been reached and passed, but the production of dried skim milk has undergone a normal seasonal decline. The July output of dried whole milk is estimated at 18,250,000 pounds, an increase of 3,750,000 pounds over this year's June production, and 12,538,000 pounds, or 220%, over the production of July last year. So far this year--January through July--dried whole milk production has totalled 85,650,000 pounds, compared with 32,966,000 pounds for the same period last year.

MANUFACTURERS' WHOLESALE SELLING PRICES DURING JULY

8/28/43

DRIED SKIM MILK (Bulk goods) Reported Sales Pounds			DRIED WHOLE MILK (Bulk goods) Reported Sales		DRIED BUTTERMILK (Bulk goods) Reported Sales		
Price	Human food	Animal feed	Price	Pounds	Price	Human food	Animal feed
5 - 5 ¹ / ₂	-	8,371	21 - 21 ¹ / ₂	2,015,270	7 - 7 ¹ / ₂	-	9,753
5 ¹ / ₂ - 6	-	3,681	25 ¹ / ₂ - 26 ¹ / ₂	139,346	7 ¹ / ₂ - 8	-	138,552
6 - 6 ¹ / ₂	-	7,415	26 ¹ / ₂ - 27 ¹ / ₂	1,426,775	8 - 8 ¹ / ₂	-	574,044
6 ¹ / ₂ - 7	-	47,675	27 ¹ / ₂ - 28 ¹ / ₂	353,642	8 ¹ / ₂ - 9	-	759,406
7 - 7 ¹ / ₂	-	7,563	30 ¹ / ₂ - 31 ¹ / ₂	57,150	9 - 9 ¹ / ₂	-	210,788
7 ¹ / ₂ - 8	-	15,557	31 ¹ / ₂ - 32 ¹ / ₂	1,056,593	9 ¹ / ₂ - 10	-	237,814
8 - 8 ¹ / ₂	-	664,634	32 ¹ / ₂ - 33 ¹ / ₂	300	10 - 10 ¹ / ₂	29,735	324,749
8 ¹ / ₂ - 9	-	159,131	33 ¹ / ₂ - 34 ¹ / ₂	1,407,899	10 ¹ / ₂ - 11	12,500	3,138
9 - 9 ¹ / ₂	-	298,392	34 ¹ / ₂ - 35 ¹ / ₂	4,469,093	11 - 11 ¹ / ₂	69,700	139,006
9 ¹ / ₂ - 10	-	22,708	35 ¹ / ₂ - 36 ¹ / ₂	1,758,528	12 - 12 ¹ / ₂	148,950	-
10 - 10 ¹ / ₂	-	399,563	36 ¹ / ₂ - 37 ¹ / ₂	148,000	12 ¹ / ₂ - 13	1,585,901	-
10 ¹ / ₂ - 11	-	40,240	37 ¹ / ₂ - 38 ¹ / ₂	346,268	13 ¹ / ₂ - 14	65,642	-
11 - 11 ¹ / ₂	415,178	231,146	38 ¹ / ₂ - 39 ¹ / ₂	92,028	14 - 14 ¹ / ₂	150,000	-
11 ¹ / ₂ - 12	462,014	109,938			14 ¹ / ₂ - 15	50,090	-
12 - 12 ¹ / ₂	1,655,186	9,002			15 - 15 ¹ / ₂	125,000	-
12 ¹ / ₂ - 13	16,191,332						
13 - 13 ¹ / ₂	2,502,556						
13 ¹ / ₂ - 14	1,348,490						
14 - 14 ¹ / ₂	2,502,212						
14 ¹ / ₂ - 15	19,935,877						
15 - 15 ¹ / ₂	605,486						
15 ¹ / ₂ - 16	1,974,026						
16 - 16 ¹ / ₂	196						
TOTAL	47,592,553	2,025,016		13,270,936		2,237,518	2,397,250
GRAND TOTAL	49,617,569					4,634,766	
AVERAGE PRICE	13.70¢	9.23¢				12.93¢	8.97¢
July 1943	13.51¢			31.66¢		10.88¢	
June 1943	13.69			32.91		10.59	
July 1942	12.27			24.67		9.70	

Production of dried skim milk for human consumption in July totaled 53,650,000 pounds, a decrease of 10,025,000 pounds from this year's June production of 63,675,000 pounds (revised), and a decrease of 4,904,000 pounds, or 8%, from the production of July last year. Of the July production 24,775,000 pounds were spray-dried and 28,875,000 pounds were roller-dried. The spray-dried production was 13% smaller than that of last year, and the roller-dried 3%. From January through July this year the production of spray-dried skim milk totaled 161,350,000 pounds, a decrease of 12% from the production of the same period last year, and the production of roller-dried skim milk totaled 152,262,000 pounds, a decrease of 19%. The January to July production of spray and roller-dried combined totaled 313,612,000 pounds, a decrease of 15% from the production of a year earlier.

Production of dried skim milk for animal feed during July totaled 2,350,000 pounds, 63% less than the July production of last year. Only 18,259,000 pounds of dried skim milk for animal feed was produced during the months of January to July this year. This is a decrease of 59% from the 44,314,000 pounds produced during the same period last year, which in turn was less than the amount produced during the corresponding months of 1941. Dried buttermilk in July totaled 5,475,000 pounds, a decrease of 19% from the production of July last year, but in general, production of dried buttermilk this year has kept apace with that of a year earlier. The cumulative output for the months of January through July totaled 44,513,000 pounds, practically identical with the production of a year earlier.

In spite of the heavy output of dried whole milk this year, stocks held by manufacturers show no evidence of heavy accumulation. Totalling 12,904,000 on August 1, manufacturers' stocks were only 58% larger than the stocks of the same date last year, whereas the July production was almost three times as large as that of a year earlier. Stocks of dried skim milk for human consumption on August 1 totaled 48,543,000 pounds, an increase of 12% over the stocks of a year earlier. Stocks of dried skim milk for animal feed on the same date totaled 1,243,000 pounds. This is a decrease of 79% from the August 1 stocks of last year, and 84% from the 5-year (1937-41) August 1 average. Dried buttermilk held by manufacturers on August 1 totaled 5,128,000 pounds, a decrease of 35% from the stocks held a year earlier and 7% from the 5-year (1937-41) August 1 average. The average price received by manufacturers for dried skim milk sold in July was 13.51¢ per pound. This average is fractionally lower than the June average, but above the July average of last year. The bulk of the July sales, mostly to the Government, fell in the 12¹/₂ to 13¢ range for roller and 14¹/₂ to 15¢ range for spray. Dried whole milk in July averaged 31.66¢ per pound, slightly lower than the June average, but at 10.88¢ per pound the dried buttermilk average was slightly higher.

	Unit	JULY		July Average 1937-41
		1943	1942	
Purchases, reported total	Pounds	632,114,000	628,509,000	464,523,000
Producers, number	Number	152,000	160,000	125,000
Average daily purchases per producer	Pounds	134.2	126.7	119.9
Changes in purchases per producer 1943 from '42	Percent	+ 5.9	xxx	xxx
1943 from 5-yr. average	"	+11.9	xxx	xxx

*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 JULY 1943*

Geographic Section	Case Goods		Bulk Goods			
	Evaporated (48 14½-oz. cans) Per case	Condensed (48 14-oz. cans) Per case	Plain Condensed (Unsweetened)		(Sweetened Cond.)	
	Dollars	Dollars	Whole	Skimmed	Whole	Skimmed
			Dollars per hundredweight			
New England	4.20	5.82	--	--	12.42	8.70
Mid Atlantic	4.17	5.82	10.68	4.21	12.64	8.89
South Atlantic	4.14	5.82	--	4.28	--	8.50
E.N. Central	4.11	5.90	9.55	3.60	11.51	8.43
W.N. Central	4.10	--	8.48	3.89	11.75	8.45
South Central	4.09	5.90	8.50	4.37	11.10	8.60
North Western	4.20	--	--	--	--	--
South Western	4.20	--	9.40	4.60	12.50	8.90
U.S. July 1943	4.15	5.84	9.62	4.10	12.02	8.62
U.S. June 1943	4.15	5.84	9.65	4.20	11.95	8.75
U.S. July 1942	3.49	5.65	7.73	3.75	11.25	8.05

*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 1943

8 GEOGRAPHIC SECTIONS

Geographic Section	Number of factories reporting	Price per cwt.	
		Range	Average
		Dollars	Dollars
New England	-- 1/	--	--
Mid Atlantic	9 1/	2.66-2.72	2.69
South Atlantic	8	2.36-3.20	2.60
E.N. Central	94	2.40-3.03	2.59
W.N. Central	12	2.28-2.67	2.49
South Central	12	2.36-2.56	2.43
North Western	11	2.48-2.62	2.57
South Western	23	2.50-3.05	2.78
U.S. July 1943	169	2.28-3.20	2.60
U.S. June 1943	169	2.28-3.20	2.59
U.S. July 1942	170	1.61-2.30	1.86

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	July 1943	June 1943	July 1942
	Dollars	Dollars	Dollars
1	2.59	2.59	1.82
2	2.69	2.68	1.93
3	2.46	2.44	1.73
4	2.59	2.56	1.93
5	2.56	2.54	1.95
6	2.87	2.86	2.24
U.S. Average	2.60	2.59	1.86

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 July \$2.03. Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for July New York City \$2.589375 Chicago \$2.594.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR JULY

Section 1 - \$1.962	Section 2 - \$2.032	Section 3 - \$1.774
Section 4 - 1.598	Section 5 - 1.627	Section 6 - 1.785

PRODUCTION OF EVAPORATED, CONDENSED AND DRIED MILK

8/28/43

Commodity	July 1943	July 1942	Change in July 1943 from		Cumulative total	
	1/	2/	1942	1937-41 average	Jan.-July 1943	Change from Jan. July 1942
	Thousand pounds		Percent		Thous. lbs	Percent
Evaporated and Condensed Milk						
Evaporated (case goods)	335,500	314,349	+ 7	+ 36	2,053,790	= 17
Condensed (case goods)	9,204	7,483	+ 23	+ 58	68,677*	+100
Plain Condensed Whole (bulk)	11,842	15,379	- 23	- 16	66,369*	- 16
" " Skimmed (bulk)	31,141	35,794	- 13	+ 6	187,287*	- 2
Sweetened Condensed Whole (bulk)	3,833	5,111	- 25	- 32	35,580	- 26
" " Skimmed (bulk)	28,336	22,669	+ 25	+ 97	171,842*	+ 19
Dried Milk						
Dried Whole	18,250	5,712	+220	+548	85,650	+160
Dried Skim (Human Food):						
Spray Process	24,775	28,633	- 13	3/	161,350	- 12
Roller Process	28,875	29,921	- 3	3/	152,262 4/	- 19
Total (Human Food)	53,650	58,554	- 8	+ 92	313,612 4/	- 15
Dried Skim (Animal Feed)	2,350	6,347	- 63	- 81	18,259	- 59
Total Dried Skim	56,000	64,901	- 14	+ 38	331,871	- 20
Dried Buttermilk	5,475	6,786	- 19	- 10	44,513	0

1/ Estimated. Subject to revision when the final report is available for 1942. 2/ Preliminary figures. 3/ Spray and roller-dried skim not reported separately prior to 1942. 4/ Because of an error made in the report of one of the large dried milk manufacturers, the June production and July 1 stocks of dried skim milk were incorrectly estimated. The revised June production is 35,250,000 pounds. The cumulative total for 1943 includes this revision. * Revised July 1 stocks are 30,528,000 pounds. *See below*

STOCKS OF EVAPORATED, CONDENSED AND DRIED MILK

Commodity	1943	AUGUST 1 1942	Average 1937-41	Change in 1943 from	
		1/	Thous. lbs.	1942	Av. 1937-41
	Thousand pounds			Percent	
Evaporated and Condensed Milk					
Evaporated (case goods)	400,397	290,875	308,983	+ 38	+ 30
Condensed (case goods)	10,949	6,733	10,046	+ 63	+ 9
Dried Milk					
Dried Whole	12,904	8,191	5,463	+ 58	+136
Dried Skim (Human Food):					
Spray Process	22,686	2/	2/	2/	2/
Roller Process	25,857	2/	2/	2/	2/
Total (Human Food)	48,543	43,200	33,685	+ 12	+ 44
Dried Skim (Animal Feed)	1,243	5,841	7,754	- 79	- 84
Total Dried Skim	49,786	49,041	41,439	+ 2	+ 20
Dried Buttermilk	5,122	7,889	5,518	- 35	- 7

1/ Revised figures include late reports. 2/ Stocks of spray and roller-dried skim milk not reported separately prior to January 1, 1943.

* Revised July 1 stocks of dried skim milk for human consumption are: 30,528,000 pounds of roller, and 24,477,000 pounds of spray, total 55,005,000 pounds -

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON, 25, D. C.

Penalty for private use to avoid payment of postage \$300.

Official Business

Agri. Economics Library. 10/26
N. I. State College of Agriculture
385 A Ithaca, N. Y.

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

September 3, 1943

C O R R E C T I O N

On Page 4 July "EVAPORATED, CONDENSED, AND DRIED MILK REPORT", footnote 4 to the first table reads:
"Revised July 1 (1943) stocks (dried skim milk for human consumption) are 30,528,000 pounds." This statement should read: "Revised July 1 stocks of dried skim milk for human consumption are: 30,528,000 pounds of roller, and 24,477,000 pounds of spray, total 55,005,000 pounds."