

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

November 27, 1943.

EVAPORATED, CONDENSED, AND DRIED MILK REPORT

(October 1943)

EVAPORATED AND CONDENSED MILK

After exceeding the production of the same month last year during the three consecutive months of July, August, and September, canned evaporated milk has again dropped below that of a year earlier. The October output, estimated at 188,896,000 pounds, was 7 percent smaller than that of last year. Compared with the 5-year (1937-41) October average, however, it was 11 percent larger. Total production for the first ten months of 1943 -- January to October -- is estimated at 2,750,949,000 pounds, a decrease of 13 percent from the record breaking production of the corresponding ten months of last year.

Production of canned condensed milk in October is estimated at 9,151,000 pounds. This was an increase of 64 percent over the production of October last year, 57 percent over the October 5-year (1937-41) average, and with the exception of 1941 was the largest production for any October since 1930. Total production for the first ten months of 1943 is estimated at 94,838,000 pounds, an increase of 72 percent over this same period last year.

For the first time this year the production of skimmed sweetened condensed milk, bulk goods, has dropped below that of a year earlier. Estimated at 14,663,000 pounds, the October output was 4 percent smaller than that of October last year, but 37 percent larger than the 5-year (1937-41) October average. In contrast, the October production of plain condensed skimmed milk unsweetened, bulk goods, was higher than that of a year earlier. At 23,062,000 pounds it was up 2 percent, compared with October last year, and 21 percent compared with the October 5-year (1937-41) average. Production of other condensed milk, bulk goods products was down when compared to October last year. Plain condensed whole milk at 7,396,000 pounds was 12 percent smaller, and sweetened condensed whole milk at 2,828,000 pounds was 55 percent smaller. For the first ten months of 1943 the production of plain condensed whole milk, bulk goods, was 15 percent smaller than during the same period last year; plain condensed skimmed milk was 2 percent smaller; sweetened condensed whole milk 31 percent smaller; but sweetened condensed skim milk was 15 percent higher.

Stocks of canned evaporated milk held by manufacturers on November 1 totaled 265,353,000 pounds. This is an increase of 172 percent over the 97,706,000 pounds reported held on the same date last year. However, compared with the 5-year (1937-41) average which has been exceeded in every month since June, the November 1 stocks were 12 percent smaller. During October, stocks held by manufacturers were reduced by 64,011,000 pounds, compared with a reduction in October of last year of 38,920,000 pounds, and an average increase of 4,838,000 pounds during the 5-year (1937-41) average. Stocks of condensed milk, case goods, on November 1 totaled 8,569,000, $2\frac{1}{2}$ times larger than the stocks of November 1 last year but fractionally lower than the 5-year (1937-41) November 1 average.

The average price paid by evaporated milk plants for milk in October was the highest for any month since records became available in 1922. Adjusted to a 3.5 percent butterfat basis, the October average of \$2.68 per hundredweight was 4 cents higher than this year's September average and 40 cents higher than the last year's October average.

Manufacturers wholesale prices on case goods remained unchanged during October with evaporated milk at \$4.15 per case, and sweetened condensed at \$5.84 per case. The averages of the bulk goods sold in October, however, were up slightly, but increases were due primarily to the variation in quantity sold at different prices because of quality gradations.

DRIED MILK

Production of dried skim milk for human consumption is lagging farther and farther behind the corresponding month of last year. Estimated at 23,850,000 pounds, the October output was 35 percent smaller than that of the same month last year, compared with a decrease of only 24 percent in September, 20 percent in August, and 8 percent in July. Total production of dried skim milk, including animal feed of 915,000 pounds, was 24,765,000 pounds and was the smallest October production for any year since 1937.

The decrease in the October production of dried skim milk for human consumption, compared with a year earlier, was uniform between spray and roller dried. Estimated at 13,100,000 pounds, spray dried was 35 percent smaller; roller dried, at 10,750,000 pounds, was also 35 percent smaller. Five-year average comparisons for spray and roller dried separately are not available, but combined, the October output was 14 percent larger than the 5-year (1937-41) October average. For the first 10 months of 1943, production of spray-dried skim milk is estimated at 213,000,000 pounds, a decrease of 17 percent from the production of the same months last year, and roller dried, at 200,062,000 pounds, shows a decrease of 19 percent. The combined spray and roller dried production for the 10-month period was 413,062,000 pounds, a decrease of 18 percent from the same period last year.

DRIED SKIM MILK (Bulk Goods) Reported Sales			DRIED WHOLE MILK (Bulk Goods) Reported Sales			DRIED BUTTERMILK (Bulk Goods) Reported Sales		
Price	Pounds		Price	Pounds	Price	Pounds		
	Human food	Animal feed				Human food	Animal feed	
5 -5½¢	-	18,152	19 -19½¢	539,880	6½ -7	-	8,474	
6 -6½¢	-	2,077	21 -21½¢	4,350	7 -7½¢	-	126,015	
6½ -7	-	5,335	25½ -26½¢	498,850	7½ -8	-	125,476	
7 -7½¢	-	7,620	26½ -27½¢	1,199,244	8 -8½¢	-	497,621	
7½ -8	-	3,721	27½ -28½¢	181,225	8½ -9	-	317,899	
8 -8½¢	-	412,009	28½ -29½¢	429,387	9 -9½¢	-	129,021	
8½ -9	-	57,022	29½ -30½¢	709,900	9½ -10	-	82,696	
9 -9½¢	-	123,428	30½ -31½¢	184,820	10 -10½¢	10,906	160,672	
9½ -10	-	10,589	31½ -32½¢	370,905	10½ -11	5,175	15,315	
10 -10½¢	-	115,718	32½ -33½¢	133,148	11 -11½¢	149,805	3,100	
10½ -11	-	2,119	33½ -34½¢	1,442,291	11½ -12	4,000	5,310	
11 -11½¢	2,326	10,687	34½ -35½¢	267,348	12 -12½¢	209,453	35,019	
11½ -12	153,462	-	35½ -36½¢	456,500	12½ -13	63,233	-	
12 -12½¢	635,020	3,322	36½ -37½¢	4,235,430	13 -13½¢	56,385	-	
12½ -13	11,220,080	82,861	37½ -38½¢	60,000	13½ -14	462,495	-	
13 -13½¢	2,874,813	-	40½ -41½¢	74,240	14½ -15	7,000	-	
13½ -14	660,402	-			15½ -16	3,683	-	
14 -14½¢	952,949	-						
14½ -15	11,298,535	-						
15 -15½¢	2,003,718	-						
15½ -16	2,057,014	-						
16 -16½¢	11,837	-						
16½ -17	55,613	-						
TOTAL	31,925,866	854,660		10,787,518		972,135	1,506,618	
GRAND TOTAL	32,780,520					2,478,753		
AVERAGE PRICE	13.78¢	8.97¢				12.81¢	8.61¢	
October 1943		13.66¢		32.77¢			10.26¢	
September 1943		13.64		33.51			10.89	
October 1942		12.92		29.82			9.99	

Production of dried whole milk in October is placed at 8,975,000 pounds, an increase of 30 percent over the production of last year and 261 percent over the 5-year (1937-41) October average. For the first 10 months of 1943, dried whole milk production is estimated at 107,150,000 pounds, an increase of 107 percent over that of October last year. Production of dried skim milk for animal feed, previously mentioned at 915,000 pounds, was 70 percent smaller than that of October last year and 88 percent smaller than the 5-year (1937-41) average. So far this year (January through October) only 22,324,000 pounds were produced, compared with 56,362,000 pounds during the same period last year. Dried buttermilk in October totaled 2,850,000 pounds -- 40 percent less than in October last year and 3½ percent less than the October 5-year (1937-41) average. For the first 10 months of 1943, buttermilk production was 10 percent less than that of a year earlier.

Stocks of dried skim milk for human consumption held by driers on November 1 totaled 27,001,000 pounds, 16,185,000 pounds of which was spray-dried and 10,816,000 pounds roller dried. Comparable data for spray and roller dried, separately, are not available for previous years, but on November 1 last year, stocks of both combined totaled 17,332,000 pounds, and for the 5-year (1937-41) November 1 average, 24,018,000 pounds. This year's stocks were 56 percent larger than those of last year and 12 percent larger than the 5-year average. Stocks of dried skim milk for animal feed on November 1 were relatively small, totaling only 453,000 pounds, compared with 2,238,000 pounds on November 1 last year and 4,822,000 pounds for the 5-year (1937-41) November 1 average. Stocks of dried buttermilk were somewhat larger, but they also were smaller than those of either a year earlier or the 5-year average. November 1 average stocks of dried whole milk totaling 8,186,000 pounds, were practically unchanged from those of a year earlier, but were 76 percent larger than the 5-year (1937-41) average.

The average price of dried skim milk for human consumption sold by driers in October was practically unchanged from that of a month earlier. The average for animal feed, however, was up fractionally. The two prices combined averaged 13.66 cents per pound, compared with 13.64 cents in September and 12.92 cents in October last year. Dried whole milk at 32.77 cents per pound was down about ¾-cent from the September average but up about 3 cents from October last year. Dried buttermilk eased off, and at 10.26 cents per pound was around ½-cent smaller than the September average but about ¼-cent higher than the October average of last year.

	Unit	OCTOBER		October average
		1943	1942	1937-41
Purchases, reported total	Pounds	411,305,000	425,348,000	332,919,000
Producers,	Number	148,000	148,000	125,000
Average daily purchases per producer	Pounds	89.6	92.7	85.9
Changes in purchases per producer 1943 from '42	Percent	- 3.3	xxx	xxx
1943 from 5-year average	"	+ 4.3	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 OCTOBER 1943*

Geographic Section	Case Goods		Bulk Goods			
	Evaporated (48 14 1/2-oz. cans)	Condensed (48 14-oz. cans)	Plain Condensed (Unsweetened)		(Sweetened Cond.)	
	Per case	Per case	Whole Skimmed	Whole Skimmed	Whole Skimmed	Whole Skimmed
	Dollars		Dollars per hundredweight			
New England	4.20	5.82	--	4.75	12.42	9.64
Mid Atlantic	4.15	5.82	11.75	4.55	13.00	9.30
South Atlantic	4.13	5.82	11.50	4.65	--	9.00
E.No. Central	4.11	5.90	9.00	3.52	11.90	8.58
W.No. Central	4.11	--	8.61	3.75	11.75	8.05
South Central	4.10	5.90	--	5.10	--	10.51
North Western	4.22	--	--	--	--	--
South Western	4.23	--	--	4.60	--	--
U.S. OCTOBER 1943	4.15	5.84	10.50	4.30	12.25	9.12
U.S. SEPTEMBER 1943	4.15	5.84	10.25	4.25	12.29	9.01
U.S. OCTOBER 1942	3.75	5.83	8.95	3.87	11.69	8.25

*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 OCTOBER 1943
8 GEOGRAPHIC SECTIONS

Geographic Section	Number of factories reporting	Range		Price per cwt.	Average
		Dollars			
New England	1	--	--	--	2.81
Mid Atlantic	8	2.72-2.95			2.69
South Atlantic	8	2.41-3.45			2.66
E.No. Central	96	2.40-3.16			2.57
W.No. Central	11	2.36-2.67			2.51
South Central	13	2.45-2.58			2.60
North Western	11	2.46-2.72			2.90
South Western	21	2.56-3.12			2.68
U.S. OCTOBER 1943	168	2.36-3.45			2.64
U.S. SEPTEMBER 1943	168	2.34-3.30			2.28
U.S. OCTOBER 1942	168	1.92-2.82			

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	October 1943	September 1943	October 1942
	Dollars	Dollars	Dollars
1	2.67	2.62	2.25
2	2.81	2.75	2.40
3	2.54	2.53	2.08
4	2.63	2.61	2.24
5	2.58	2.57	2.41
6	3.00	3.00	2.63
U.S. Average	2.68	2.64	2.28

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 October \$2.03. Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for October, New York City \$2.6547, Chicago \$2.657.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR OCTOBER

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

11/27/43

Commodity	October 1943, 1/	October 1942 2/	Change in Oct. 1943 from		Jan.-Oct. 1943	Cumulative total Change from Jan.-Oct. 1942
			1942	1937-41 average		
	Thousand pounds	Thousand pounds	Percent		Thous. lbs	Percent
<u>Evaporated and Condensed Milk</u>						
Evaporated (case goods)	188,896	203,114	- 7	+ 11	2,750,949	- 13
Condensed (case goods)	9,151	5,580	+ 64	+ 57	94,838	+ 72
Plain Condensed Whole (bulk)	7,396	8,404	- 12	- 11	93,569	- 15
" " Skimmed (bulk)	23,062	22,610	+ 2	+ 21	271,017	- 2
Sweetened Condensed Whole (bulk)	2,828	6,284	- 55	- 43	45,656	- 31
" " Skimmed (bulk)	14,663	15,274	- 4	+ 37	228,735	+ 15
<u>Dried Milk</u>						
Dried Whole	8,975	6,879	+ 30	+261	107,150	+107
Dried Skim (Human Food):						
Spray Process	13,100	20,195	- 35	3/	213,000	- 17
Roller Process	10,750	16,658	- 35	3/	200,062	- 19
Total (Human Food)	23,850	36,853	- 35	+ 14	413,062	- 18
Dried Skim (Animal Feed)	915	3,060	- 70	- 88	22,324	- 60
Total Dried Skim	24,765	39,913	- 38	- 13	435,386	- 22
Dried Buttermilk	2,850	4,765	- 40	- 34	54,663	- 10

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.

STOCKS OF EVAPORATED, CONDENSED AND DRIED MILK NOVEMBER 1

Commodity	1943	1942 1/	Average 1937-41	Change in 1943 from	
				1942	Av. 1937-41
	Thousand pounds	Thousand pounds	Thous. lbs.	Percent	
<u>Evaporated and Condensed Milk</u>					
Evaporated (case goods)	265,353	97,706	301,111	+172	- 12
Condensed (case goods)	8,569	2,445	8,689	+250	- 1
<u>Dried Milk</u>					
Dried Whole	8,186	8,205	4,646	0	+ 76
Dried Skim (Human Food):					
Spray Process	16,185	2/	2/	2/	2/
Roller Process	10,816	2/	2/	2/	2/
Total (Human Food)	27,001	17,332	24,018	+ 56	+ 12
Dried Skim (Animal Feed)	453	2,238	4,822	- 80	- 91
Total Dried Skim	27,454	19,570	28,840	+ 40	- 5
Dried Buttermilk	2,194	5,463	5,004	- 60	- 56

1/ Revised to include late reports. 2/ Not reported separately prior to January 1, 1943.

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. Y. State College of Agriculture
535 A Ithaca, N. Y.