

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
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October 27, 1944

EVAPORATED, CONDENSED, AND DRIED MILK REPORT

(September 1944)

EVAPORATED AND CONDENSED MILK

Production of canned evaporated milk during September was estimated at 275 million pounds by the Bureau of Agricultural Economics. This represents a seasonal decline of 12 percent compared with the August output, but it is 18 percent larger than the September 1943 production and 35 percent larger than the 5-year (1938-42) September average. The cumulative production during the first nine months of 1944 totals 2,751,016,000 pounds, 8 percent more than the cumulative production during the first nine months of 1943. Output of canned condensed milk was estimated at 10,475,000 pounds for September, an increase of 11 percent compared with that month last year and 69 percent compared with the 5-year September average. The September output of canned condensed milk was the largest for that month since 1928 and the cumulative production for the first nine months is 17 percent larger than in the comparable months of 1943.

Production trends of bulk condensed milk are changed from last month. Output of plain condensed is larger than last year, but production of sweetened condensed shows a considerable decline. The September production of plain condensed whole milk (bulk goods) was estimated at 12,070,000 pounds, an increase of 15 percent compared with September 1943 and 27 percent more than the 5-year September average. Production of plain condensed skimmed milk (bulk goods) was estimated at 27,994,000 pounds, a contra-seasonal increase compared with August 1944 and a 5 percent larger output than in September 1943. Production of sweetened condensed whole milk (bulk goods) estimated at 2,084,000 pounds, represents a decline of 50 percent compared with a year earlier and 59 percent compared with the 5-year September average. Output of this product also was sharply lower than a year earlier in July and August. Output of sweetened condensed skimmed (bulk goods) was estimated at 21,673,000 pounds, 8 percent less than in September 1943, but 64 percent more than the 5-year September average.

Stocks of evaporated milk held by manufacturers on September 30, totaled 272,613,000 pounds, 17 percent less than on that date last year and 2 percent less than the 5-year average for that date. Stocks of canned condensed milk totaled 9,584,000 pounds, which represents a decline of 6 percent compared with Sept. 30, 1943, but are 23 percent larger than the 5-year September 30 average.

Wholesale selling prices of canned evaporated and canned condensed milk remained unchanged from last month. The average price received by manufacturers was \$4.15 per case of 48-14½ oz. cans of evaporated milk, and \$6.33 per case of 48-14 oz. cans of condensed milk. The wholesale price of evaporated milk has remained unchanged since February 1943. The average of \$6.33 per case for condensed milk compares with \$5.84 during September last year.

During August, condenseries paid producers an average of \$2.65 per hundredweight for milk testing 3.5% butterfat, an increase of 2 cents compared with the August average and 1 cent compared with September 1943. Prices paid to producers were well above the minimum established by the evaporated milk marketing agreement. Deliveries of milk to a large group of selected condenseries totaled 530 million pounds compared with 602 million pounds during August and 475 million pounds in September last year.

DRIED MILK

Production of nonfat dry milk solids for human consumption totaled 40,650,000 pounds during September. Of this quantity, it is estimated that 19,150,000 pounds or 47 percent were spray process and 21,500,000 pounds or 53 percent were roller process. Compared with September 1943, production of spray dried nonfat milk solids was 14 percent larger, while production of roller process was 36 percent larger. The cumulative production during the first 9 months of 1944 was 9 percent larger for both spray process and roller process than in the same months of 1943.

Output of dry whole milk, estimated at 13,500,000 pounds for September, was 28 percent larger than in that month last year and nearly 4 times larger than the 5-year (1938-42) September average. The cumulative production during the first 9 months in 1944 was 26 percent larger than in those months last year.

NONFAT DRY SOLIDS (Bulk Goods)			DRIED WHOLE MILK (Bulk Goods)		DRIED BUTTERMILK (Bulk Goods)		
Reported Sales			Reported Sales		Reported Sales		
Price ¢	Pounds		Price ¢	Pounds	Price ¢	Pounds	
	Human Food	Animal Feed				Human Food	Animal Feed
5 -5½		300	22½ - 23½	64,700	6½ - 7		3,027
6 -6½		17,831	25½ - 26½	690,382	7 -7½		47,045
6½ - 7		30,368	27½ - 28½	24,600	7½ - 8		233,945
7 -7½		72,410	28½ - 29½	129,300	8 -8½		550,699
7½ - 8		163,977	30½ - 31½	209,125	8½ - 9	4,223	269,567
8 -8½		242,723	31½ - 32½	648,720	9 -9½	6,597	60,279
8½ - 9		163,709	34½ - 35½	979,751	9½ - 10		80,941
9 -9½		445,420	35½ - 36½	1,752,545	10 -10½	5,925	94,596
9½ - 10		17,315	36½ - 37½	740,039	11 -11½	16,625	
10 -10½	15,400	58,111	37½ - 38½	913,592	11½ - 12	5,400	
10 - 11		613	38½ - 39½	4,048,845	12½ - 13	100,150	
11 -11½	53,130		39½ - 40½	3,571,023	13 -13½	5,800	
11½ - 12	64,350	3,611	40½ - 41½	60,000	13½ - 14	122,561	
12 -12½	73,683		42½ - 43½	134,194	14 -14½	83,108	
12½ - 13	1,252,319				14½ - 15	31,937	
13 -13½	2,742,855				15 -15½	539,270	
13½ - 14	5,125,207				15½ - 16	10,367	
14 -14½	14,682,691				16 -16½	62,210	
14½ - 15	17,998,833						
15 -15½	6,101,681						
15½ - 16	428,035						
16 -16½	633,840						
TOTAL	49,172,004	1,216,388		13,966,816		994,173	1,340,099
GRAND TOTAL	50,388,392					2,334,272	
AVERAGE PRICE	14.36¢	8.44¢				14.41¢	8.37¢
SEPTEMBER 1944		14.22¢		37.20¢			10.94¢
AUGUST 1944		14.06¢		38.11¢			11.10¢
SEPTEMBER 1943		13.64¢		33.51¢			10.89¢

Production of nonfat dry milk solids for animal feed continues at a low level. The September output, placed at 1,350,000 pounds, was 8 percent less than in that month last year and 83 percent less than the 5-year September average. The cumulative production during the first 9 months of 1944 was 27 percent less than in the comparable months last year. The September production of dried buttermilk was placed at 3,650,000 pounds, a decline of 2 percent compared with a year earlier, and 21 percent less than the 5-year September average.

The manufacturers' wholesale selling price for nonfat dry milk solids for human consumption averaged 14.36 cents per pound during September, compared with 14.21 in August, while animal feed brought 8.44 cents per pound as against 8.71 cents during August. The average price for human food and animal feed combined was 14.22 cents per pound compared with 14.06 cents in August and 13.64 cents in September last year. In mid-October, the New York market on roller process nonfat dry milk solids steadied a little but was still slow and easy, while the market for spray process was steady to firm. On October 16, the War Food Administration announced that manufacturers of spray process nonfat dry milk solids will be required to set aside for Government purchase only 40 percent of their production during November, compared with a 50 percent set-aside requirement on the October output.

Manufacturers receive an average of 37.20 cents per pound for dry whole milk sold during September, compared with 38.11 cents during August and 33.51 cents in September last year. The decline compared with last month was due largely to an increased proportion of the sales being made at lower price levels. September sales of dried buttermilk for human food averaged 14.41 cents per pound, while sales for animal feed averaged 8.37 cents per pound.

Manufacturers' stocks of dried milk on hand September 30 were considerably larger than a year earlier. Stocks of dried whole milk totaled 19,566,000 pounds, an increase of 88 percent compared with stocks on that date last year, and more than twice as large as the 5-year average for the end of September. Stocks of nonfat dry milk solids for human consumption totaled 56,660,000 pounds, 50 percent more than on September 30 last year and nearly double the 5-year September 30 average. Stocks of dried skim milk for animal feed totaled 2,682,000 pounds at the end of September, more than twice the stocks on that date last year, but 50 percent less than the 5-year average for that date. Stocks of dried buttermilk totaled 7,358,000 pounds, compared with 3,223,000 on September 30, last year.

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MILK PURCHASES BY CONDENSERIES SEPTEMBER 1944, WITH COMPARISONS*

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	Unit	SEPTEMBER		SEPTEMBER AVERAGE
		1944	1943	1938-42
Purchases, reported total	Pounds	530,406,000	475,120,000	397,033,000
Producers	Number	160,000	150,000	183,000
Average daily purchases per producer	Pounds	110.5	105.6	99.5
Changes in purchases per producer 1944 and '43	Percent	+4.6	XXXXXX	XXXXXX
1944 from 5-yr. average	"	+11.1	XXXXXX	XXXXXX

*These figures represent milk purchases primarily for the manufacture of evaporated and condensed milk (case goods) by a large group of selected condenseries.

AVERAGE WHOLESALE SELLING PRICES IN CARLOTS OF EVAPORATED AND CONDENSED MILK BY GEOGRAPHIC SECTIONS SEPTEMBER 1944*

Geographic Section	Case Goods		Bulk Goods			
	Evaporated (48 14½ oz. cans)	Condensed (48 14 oz. cans)	Plain Condensed (Unsweetened)		Sweetened Cond.	
	per case	per case	Whole	Skimmed	Whole	Skimmed
	Dollars		Dollars per hundredweight			
New England	4.20	6.34	-	4.15	12.56	8.20
Mid. Atlantic	4.14	6.34	11.25	4.40	12.39	8.06
South Atlantic	4.13	6.34	9.38	4.45	-	7.89
East North Central	4.10	6.25	8.25	3.80	12.30	7.84
West North Central	4.12	-	8.36	4.00	12.69	8.09
South Central	4.10	6.34	-	4.58	-	8.02
North Western	4.21	-	-	-	-	-
South Western	4.20	-	-	4.50	12.28	8.18
U. S. SEPTEMBER 1944	4.15	6.33	9.73	4.21	12.40	7.99
U. S. AUGUST 1944	4.15	6.33	9.70	4.21	12.41	8.01
U. S. SEPTEMBER 1943	4.15	5.84	10.25	4.25	12.29	9.01

*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 SEPTEMBER 1944
8 GEOGRAPHIC SECTIONS

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	- 1/	-	-
Mid. Atlantic	8 1/	2.70-2.82	2.76
South Atlantic	7	2.49-3.00	2.60
East North Central	94	2.40-3.14	2.63
West North Central	12	2.45-2.67	2.55
South Central	14	2.38-2.54	2.46
North Western	11	2.56-2.81	2.64
South Western	22	2.49-3.14	2.91
U. S. SEPTEMBER 1944	168	2.38-3.14	2.65
U. S. AUGUST 1944	168	2.38-3.14	2.63
U. S. SEPTEMBER 1943	168	2.34-3.30	2.64

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	September 1944	August 1944	September 1943
1	2.63	2.59	2.62
2	2.76	2.72	2.75
3	2.50	2.49	2.53
4	2.66	2.66	2.61
5	2.62	2.62	2.57
6	3.06	3.07	3.00
U. S. AVERAGE	2.65	2.63	2.64

1/ Reports not received from 7 factories in these areas which base prices on formula in evaporated milk market agreements. Formula price for these areas in September \$2.03. Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for September, New York City \$2.628125. Chicago \$2.635.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR SEPTEMBER

Section 1 - \$1.962
Section 4 - \$1.598

Section 2 - \$2.032
Section 5 - \$1.627

Section 3 - \$1.774
Section 6 - \$1.785

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COMMODITY	September		Change in September 1944 from		Cumulative total	
	1944 1/ Thousand Pounds	1943 2/ Pounds	1943	1938-42 average	Jan. Sept. 1944	Change from Jan.-Sept. 1943
Evaporated and Condensed Milk				Percent	Thous. lbs.	Percent
Evaporated (case goods)	275,000	232,620	+18	+35	2,751,016	+ 8
Condensed (case goods)	10,475	9,440	+11	+69	1,06,703	+17
Plain Condensed Whole (bulk)	12,070	10,496	+15	+27	95,318	+ 8
Plain Condensed Skimmed (bulk)	27,994	26,661	+ 5	+17	233,038	- 8
Sweetened Cond. Whole (bulk)	2,084	4,168	-50	-59	59,851	+ 6
Sweetened Cond. Skimmed (bulk)	21,673	23,558	- 8	+64	300,627	+16
Dried Milk						
Dried Whole 5/	13,500	10,578	+28	+389	136,775	+26
Nonfat Dry Solids 4/						
Human Food-Spray Process	19,150	16,775	+14	3/	215,585	+ 9
" " Roller Process	21,500	15,866	+36	3/	264,300	+ 9
Total (Human Food)	40,650	32,641	+25	+51	479,885	+ 9
Dried Skim Milk (Animal Feed)	1,350	1,472	- 8	-83	15,790	-27
Dried Buttermilk	3,650	3,738	- 2	-21	47,850	- 5

1/ Estimated. Subject to revision when the final report is available for 1943. 2/ Preliminary figures. 3/ Spray and roller nonfat dry solids not reported separately prior to 1942.

5/ Revised estimates for 1944: (000 lbs.) Jan. 14,100; Feb. 15,060; March 12,880; April 15,950; May 18,760; June 19,470; July 15,450.

STOCKS OF EVAPORATED, CONDENSED AND DRIED MILK*SEPTEMBER 30

COMMODITY	1944	1943	Average	Change in 1944 from	
	Thousand Pounds	1/ Pounds	1931-42	1943	Ave. 1938-42
Evaporated and Condensed Milk			Thous. lbs.		Percent
Evaporated (case goods)	272,613	329,364	298,062	-17	- 2
Condensed (case goods)	9,584	10,238	7,822	- 6	+23
Dried Milk					
Dried Whole	19,566	10,418	6,503	+88	+201
Nonfat Dry Solids 4/					
Human Food-Spray Process	23,605	18,675	2/	+26	2/
" " Roller Process	33,055	19,120	2/	+73	2/
Total (Human Food)	56,660	37,795	28,470	+50	+99
Dried Skim Milk (Animal Feed)	2,682	842	5,387	+219	-50
Dried Buttermilk	7,358	3,223	5,083	+128	+45

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

4/ Formerly dried skim milk