

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

November 28, 1944

EVAPORATED, CONDENSED, AND DRY MILK REPORT

(October 1944)

EVAPORATED AND CONDENSED MILK

Estimated at 245 million pounds for October, evaporated milk, case goods, production was 30 percent higher than in the same month last year and the highest production on record for any October except in 1941 when it reached nearly 282 million pounds, the Bureau of Agricultural Economics reports. The gain of 30 percent from a year earlier was the highest for any month since April 1942. For the first ten months of the year production was 2,996,016,000 pounds, or 10 percent above the same period last year. Production of sweetened condensed milk, case goods, at 9,660,000 pounds was 3 percent lower than in October last year. This is the first decline from the same month a year earlier since January, and is due not so much to a reduction in output this year as to unseasonably high production during October last year. Cumulatively, production for the first ten months this year equaled 116,363,000 pounds or a gain of 15 percent from the same period last year.

Higher production than in October last year was shown by all condensed milk, bulk goods, products, except sweetened condensed whole milk which, at 1,912,000 pounds, was 40 percent lower. Plain condensed whole milk was 4 percent higher, and plain condensed skim milk, at 27,920,000 pounds, was 15 percent higher. Sweetened condensed skim milk production was estimated at 16,808,000 pounds, or 6 percent higher than last year and 42 percent above the 5-year October average.

Stocks of evaporated milk held by manufacturers on October 31, totaled 254,721,000 pounds, 4 percent lower than on the same date last year and 6 percent less than the average October 31 holdings during the 5-years 1938-42. Stocks of canned condensed milk, totaling 7,404,000 pounds, were 14 percent lower than on October 31 last year.

Prices of canned evaporated and canned condensed milk continued at the same wholesale levels which have prevailed for several months. Prices received by manufacturers were \$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.

An advance of 1 cent was shown in the average price paid producers by condenseries during October compared with September. But, the average price per hundredweight of \$2.66 paid in October this year for milk testing 3.5 percent fat was 2 cents per hundredweight less than the price paid in October last year. Prices paid producers in October exceeded the minimum established by the evaporated milk marketing agreement in all regions. Milk deliveries to condenseries were nearly 482 million pounds for October compared with 411 million pounds to the same condenseries last year and an average of 362 million pounds during October for the years of 1938-42.

DRY MILK

Production of nonfat dry milk solids for spray and roller process combined was 35,775,000 pounds for October--a gain of 49 percent from the same month last year. The division in production between spray and roller was nearly equal, being 17,800,000 pounds for spray and 17,975,000 pounds for roller. Spray process production gained 33 percent from a year earlier, while roller was 69 percent higher. For the first 10 months this year combined production for both was 11 percent higher than in the corresponding period last year.

Dry whole milk production continues to gain sharply from the same month a year earlier. With an output of 12,950,000 pounds the gain was 32 percent from a year earlier and 271 percent from the 5-year (1938-42) October average. During the period January through October this year production was 27 percent larger than during the same period last year. Dry skim milk, animal feed, for October showed a gain over the same month a year earlier for the first time this year. With production of 1,075,000 pounds the increase was 1 percent, but production was 84 percent less than the 5-year average for the month. Cumulative production for the first 10 months of the year was 16,865,000 pounds or 26 percent below production in the corresponding months of 1943. Production of dry buttermilk was 3,550,000 pounds this year compared with 3,022,000 pounds in October last year. Output of the first 10 months was 4 percent less than for the same period in 1943.

DRY NONFAT SOLIDS (Bulk Goods)			DRY WHOLE MILK (Bulk goods)			DRY BUTTERMILK (Bulk Goods)		
Reported Sales			Reported Sales			Reported Sales		
Pounds			Pounds			Pounds		
Price ¢	Human		Price ¢	Pounds	Price ¢	Human		
	Food	Animal				Food	Animal	
5 -5½		1,320	25½ - 26½	100,000	6 -6½		65,900	
5½ -6		2,793	27 - 28½	315,564	6½ -7		18,705	
6 -6½		11,999	28½ - 29½	123,600	7 -7½		616,228	
6½ -7		1,100	30½ - 31½	100,000	7½ -8		59,018	
7 -7½		78,457	31½ - 32½	325,600	8 -8½	10,000	574,303	
7½ -8		271,685	32½ - 33½	119,210	8½ -9	3,602	124,380	
8 -8½		362,756	33½ - 34½	66,400	9 -9½	41,860	57,852	
8½ -9		60,681	34½ - 35½	674,203	9½ -10	-	44,913	
9 -9½		95,120	35½ - 36½	1,075,190	10 -10½	-	188,537	
9½ -10		15,738	36½ - 37½	1,810,493	11 -11½	23,704		
10 -10½		28,714	37½ - 38½	805,453	11½ -12	19,875		
10½ -11		700	38½ - 39½	1,365,947	12 -12½	22,403		
11 -11½	146,643		39½ - 40½	8,382,463	12½ -13	116,937		
11½ -12	106,427		40½ - 41½	206,100	13 -13½	161,925		
12 -12½	2,092,789				13½ -14	513,409		
12½ -13	258,025				14 -14½	136,124		
13 -13½	2,602,587				15½ -16	174,275		
13½ -14	7,771,271							
14 -14½	8,548,680							
14½ -15	17,337,752							
15 -15½	4,004,114							
15½ -16	1,980,538							
16 -16½	203,230							
16½ -17	32,967							
TOTAL	45,085,023	931,063		15,470,223		1,224,114	1,749,836	
GRAND TOTAL	46,016,086					2,973,950		
AVERAGE PRICE	14.21¢	8.09¢				13.46¢	8.06¢	
OCTOBER 1944		14.09¢		38.40¢			10.28¢	
SEPTEMBER 1944		14.22¢		37.20¢			10.94¢	
OCTOBER 1943		13.66¢		32.77¢			10.26¢	

Wholesale selling prices of manufacturers for nonfat dry milk solids for human consumption averaged 14.21 cents per pound for October compared with 14.36 cents for September. Dry skim milk for animal feed prices averaged 8.09 cents for October and 8.44 cents during September. For both animal and human food combined the October average was 14.09 cents, which is less than the 14.22 cents for September but higher than the 13.66 cents reported in October 1943. In the New York market nonfat dry milk solids in mid-November was reported to have developed a steadier tone. Spray process prices were steady. The WFA announced that the set-aside on spray process would continue at 40 percent during November, December and January.

An average price of 38.40 cents per pound was received by manufacturers of dry whole milk for October, 37.20 cents during September and 32.77 cents for October 1943. An increased proportion of the sales were made in the 39½ cents to 40½ cents group compared with September which accounts for the higher average price shown. Dry buttermilk price for October was 13.46 cents for human food and 8.06 cents for animal feed. The prices of the two combined averaged 10.28 cents compared with 10.94 cents during September and 10.26 cents during October of 1943.

Stocks of all types of dry milk in manufacturers hands on October 31 were sharply higher than on the corresponding date last year. Dry whole milk stocks of 17,048,000 pounds increased 101 percent from a year earlier; nonfat dry milk solids, spray process, increased 14 percent; and roller process 153 percent. Stocks of dry skim milk, animal feed, on October 31 were 2,519,000 pounds, or more than five times the stocks held on the same date in 1943. Dry buttermilk stocks of 10,670,000 pounds on October 31 were nearly five times those of a year earlier.

11/28/44

MILK PURCHASES BY CONDENSERIES OCTOBER 1944, WITH COMPARISONS*

Page 3

	Unit	OCTOBER		1938-42
		1944	1943	OCTOBER AVERAGE
Purchases, reported total	Founds	481,504,000	411,305,000	361,878,000
Producers	Number	158,000	148,000	132,000
Average daily purchases per producer	Founds	98.3	89.6	88.4
Changes in purchases per producer 1944 and 1943	Percent	+9.7	XXXXX	XXXXX
1944 from 5-yr. average	"	+11.2	XXXXX	XXXXX

*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 OCTOBER 1944*

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 Cond.	
	Dollars	Dollars	Whole	Skimmed	Whole	Skimmed
			Dollars per hundredweight			
New England	4.19	6.34	-	4.15	12.56	8.25
Mid. Atlantic	4.14	6.34	11.29	4.44	12.27	8.11
South Atlantic	4.13	6.34	9.38	4.45	12.00	7.89
East North Central	4.10	6.25	8.25	3.80	12.20	7.89
West North Central	4.10	-	8.36	4.05	12.69	8.12
South Central	4.10	6.34	-	4.58	-	8.02
North Western	4.21	-	-	-	-	-
South Western	4.22	-	-	4.52	12.28	8.18
U. S. OCTOBER 1944	4.15	6.33	9.80	4.23	12.31	8.02
U. S. SEPTEMBER 1944	4.15	6.33	9.73	4.21	12.40	7.99
U. S. OCTOBER 1943	4.15	5.84	10.50	4.30	12.25	9.12

*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 1944 8 GEOGRAPHIC SECTIONS.

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	1/	-	-
Mid. Atlantic	91/	2.70-2.90	2.78
South Atlantic	7	2.49-3.00	2.61
East North Central	95	2.40-3.14	2.64
West North Central	12	2.45-2.67	2.56
South Central	14	2.34-2.54	2.46
North Western	11	2.56-2.81	2.64
South Western	22	2.52-3.14	2.92
U. S. OCTOBER 1944	170	2.34-3.14	2.66
U. S. SEPTEMBER 1944	168	2.38-3.14	2.65
U. S. OCTOBER 1943	168	2.36-3.45	2.68

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	October 1944	September 1944	October 1943
1	2.64	2.63	2.67
2	2.78	2.76	2.81
3	2.50	2.50	2.54
4	2.66	2.66	2.63
5	2.62	2.62	2.58
6	3.06	3.06	3.00
U. S. AVERAGE	2.66	2.65	2.68

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 October \$2.03. Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for October, New York City \$2.634. Chicago \$2.639.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR OCTOBER

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

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

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

COMMODITY	October 1944 1/	October 1943 2/	Change in October 1944 from		Cumulative total	
			1943	1938-42 average	Jan.-Oct. 1944	Change from Jan.-Oct. 1943
	Thousand Pounds	Thousand Pounds	Percent		Thous. lb.	Percent
Evaporated and Condensed Milk						
Evaporated (case goods)	245,000	188,627	+30	+32	2,996,016	+10
Condensed (case goods)	9,660	9,911	- 3	+60	116,363	+15
Plain Condensed Whole (bulk)	10,024	9,624	+ 4	+21	105,342	+ 8
Plain Condensed Skimmed (bulk)	27,920	24,327	+15	+35	260,958	- 6
Sweetened Cond. Whole (bulk)	1,912	3,186	-40	-65	61,763	+ 3
Sweetened Cond. Skimmed (bulk)	16,808	15,830	+ 6	+42	317,435	+15
Dry Milk						
Dry Whole	12,950	9,774	+32	+271	149,725	+27
Dry Nonfat Solids 4/						
Human Food-Spray Process	17,800	13,385	+33	3/	233,385	+11
" " Roller Process	17,975	10,616	+69	3/	282,275	+12
Total (Human Food)	35,775	24,001	+49	+43	515,660	+11
Dry Skim Milk (Animal Feed)	1,075	1,063	+ 1	-84	16,865	-26
Dry Buttermilk	3,550	3,022	+17	-21	51,400	- 4

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.

MANUFACTURER'S STOCKS OF EVAPORATED, CONDENSED AND DRY MILK OCTOBER 31

COMMODITY	1944	1943 1/	Average 1938-42	Change in 1944 from	
				1943	Ave. 1938-42
	Thousand Pounds	Thousand Pounds	Thous. lb.	Percent	
Evaporated and Condensed Milk					
Evaporated (case goods)	254,721	265,353	271,699	- 4	- 6
Condensed (case goods)	7,404	8,569	7,528	-14	- 2
Dry Milk					
Dry Whole	17,048	8,473	5,620	+101	+203
Dry Nonfat Solids 4/					
Human Food-Spray Process	18,503	16,244	2/	+14	2/
" " Roller Process	28,870	11,395	2/	+153	2/
Total (Human Food)	47,373	27,639	21,997	+71	+115
Dry Skim Milk (Animal Feed)	2,519	457	4,523	+451	-44
Dry Buttermilk	10,670	2,205	4,892	+384	+118

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

4/ Formerly dried skim milk.