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EVAPORATED, CONDENSED, AND DRY MILK REPORT

(December 1944)

EVAPORATED AND CONDENSED MILK

While the annual production of evaporated milk (case goods) for 1944 at 3,434,055,000 pounds exceeded that of 1943 by more than 13 percent, it still failed to equal the record output of 3,518,504,000 pounds in 1942, the United States Department of Agriculture reports. Higher production than a year earlier was shown in all months except January when it was slightly lower, and February when production was unchanged. December production of 227,189,000 exceeded that of a year earlier by 34 percent and that of the 5-year December average (1938-42) by 31 percent.

Production of canned sweetened condensed milk (skimmed and unskimmed combined) for 1944 was the highest since 1929. Annual output of 133,794,000 pounds during 1944 exceeded the previous year by 13 percent, and was 104 percent above the 5-year (1938-42) annual average. Levels of monthly production during the year varied widely, ranging from 6 percent less than the same month of the previous year in January to 41 percent more than a year earlier in May. During December production was practically unchanged at 8,620,000 pounds.

Manufacturers' stocks of evaporated milk (case goods) were sharply lower than a year earlier at the close of 1944. December 31 holdings were 143,308,000 pounds, a 22 percent reduction from the corresponding date in 1943 and 28 percent below the 5-year (1938-42) average for that date. A much sharper drop in stocks occurred during December than in December 1943, the reduction was approximately 47 million pounds compared with 17 million pounds a year earlier. Condensed case goods stocks in manufacturers' hands on December 31 were 6,725,000 pounds compared with 6,423,000 pounds on the same date in 1943, a gain of 5 percent. Wholesale grocers' stocks of condensed and evaporated milk as shown by the report for December 31 were 40 percent below the same date in 1943.

Purchases of milk by condenseries from producers was reported at 434,587,000 pounds during December compared with 375,032,000 pounds during December 1943. The average price paid for milk (adjusted to a 3.5 percent fat basis) at \$2.67 per hundredweight was 1 cent higher than in November, but was 5 cents less than a year earlier. In addition to a larger number of producers delivering milk to condenseries, average purchases per producer were 10 percent higher than in the corresponding month a year earlier.

Annual production of condensed milk bulk goods in 1944 varied somewhat. Plain condensed whole milk (bulk) was estimated at 124,611,000 pounds, 9 percent higher than that of 1943. December production was 10,274,000 pounds or 15 percent higher than a year earlier. The production of plain condensed skimmed during 1944 was 315,856,000 pounds, 3 percent less than that of 1943. Production during December was 28,111,000 pounds, an increase of 11 percent over the same month in 1943. Sweetened condensed whole milk was estimated at 64,984,000 pounds for 1944, 2 percent lower than 1943. December output was 60 percent below the same month of 1943. Sweetened condensed skimmed milk totaled 354,926,000 pounds for 1944, 16 percent higher than in 1943. Production during December was 21,232,000 pounds compared with 17,657,000 pounds in the same month of 1943.

Prices of evaporated milk received by manufacturers at \$4.15 per case of 48-14½ oz. cans for December remained at the same price which has prevailed throughout 1944 as well as most of 1943. Manufacturers' December selling price for condensed milk averaged \$6.33 per case of 48-14 oz. cans. This is the same price that has been reported during the past eight months but was 49 cents per case higher than the December 1943 average of \$5.84.

DRY MILK

Production of dry whole milk and dry nonfat milk solids continues to show sizable gains over the production of a year earlier and the 5-year (1938-42) average. The December make of dry whole milk of 13,250,000 pounds was 18 percent larger than the December production of 1943 and 281 percent larger than the 5-year December average. The December production of 18,550,000 pounds of spray dry nonfat milk solids was 32 percent larger than a year earlier, and of 18,750,000 pounds of roller dry nonfat milk solids, was 110 percent larger than a year earlier. Production of dry skim milk for animal feed in December was less, the estimate of 775,000 pounds being short of the December 1943 production by 12 percent and the December 5-year average production by 89 percent. The production of dry buttermilk was slightly higher, the December make of 4,100,000 pounds being up 1 percent. This production was, however, 15 percent smaller than the December 5-year average production.

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 Food	Animal Feed	Price ¢	Pounds	Price ¢	Human Food	Animal Feed
4 -4½		101,800	23½ - 24½	50,254	5 -5½		15,800
5 -5½		7,697	25½ - 26½	501,325	5½ -6		56,300
6 -6½		15,432	26½ - 27½	136,400	6 -6½		11,000
6½ -7		41,010	27½ - 28½	240,000	6½ -7		230,920
7 -7½		206,432	28½ - 29½	438,422	7 -7½		268,786
7½ -8		88,645	30½ - 31½	52,996	7½ -8		77,800
8 -8½		311,333	31½ - 32½	420,250	8 -8½	780	539,846
8½ -9	8,970	153,252	34½ - 35½	575,548	8½ -9		105,467
9 -9½	9,500	9,062	35½ - 36½	852,605	9 -9½	15,123	26,959
9½ -10		15,580	36½ - 37½	542,650	9½ -10		40,846
10 -10½	33,826	87,963	37½ - 38½	900,482	10 -10½	39,488	83,645
10½ -11	68,700		38½ - 39½	366,300	10½ -11		
11 -11½	51,200		39½ - 40½	2,693,304	11 -11½		45,458
11½ -12	1,081,135		40½ - 41½	3,549,096	11½ -12		62,924
12 -12½	3,242,576				12 -12½		90,028
12½ -13	984,835				13 -13½		86,250
13 -13½	4,067,167				13½ -14		100,040
13½ -14	8,837,200				14 -14½		966,931
14 -14½	3,411,518				14½ -15		3,000
14½ -15	12,710,406				15 -15½		122,145
15 -15½	1,482,245						
15½ -16	2,340,309						
16 -16½	247,116						
16½ -17	656						
TOTAL	38,577,369	1,036,206		11,319,632		1,532,167	1,457,369
GRAND TOTAL		39,615,575				2,989,536	
AVERAGE PRICE	13.94¢	7.60¢				13.70¢	7.77¢
DECEMBER 1944		13.77¢		37.55¢			10.81¢
NOVEMBER 1944		13.83¢		39.56¢			10.77¢
DECEMBER 1943		13.63¢		33.35¢			11.00¢

For the full year of 1944 the production of dry whole milk is estimated at 172,902,000 pounds, 26 percent larger than the production of 1943, and the largest annual production for any year ever reported. Spray dry nonfat milk solids for the year totaled 266,830,000 pounds, 13 percent more than the 1943 production. Roller dry nonfat milk solids in 1944 totaled 315,975,000 pounds, 17 percent larger than the 1943 production. Combined spray and roller dry nonfat milk solids totaled 582,805,000 pounds, 15 percent larger than the 1943 production and the largest production for human consumption ever reported. Including 18,490,000 pounds of dry skim milk for animal feed, the 1944 production of dry nonfat milk solids at 601,295,000 pounds was 13 percent larger than the 1943 production and only about 25,000,000 pounds short of the previous record established in 1942. Dry buttermilk in 1944 totaled 58,775,000 pounds, 3 percent short of the 1943 production and the smallest production for any year since 1937.

Prices received by manufacturers in December for dry nonfat milk solids averaged 13.94 cents per pound, practically unchanged from the 13.93 cents per pound in November, but a fraction higher than the 13.85 cents per pound received in December 1943. Prices received for dry skim milk sold for animal feed in December averaged 7.60 cents per pound, compared with 8.16 cents per pound in November, and 8.80 cents per pound in December 1943. Prices of dry whole milk were also lower than those of a month earlier, but were higher than a year earlier. The average December price at the factory was 37.55 cents per pound compared to 39.56 cents per pound in November, and 33.35 cents per pound in December 1943. The December average of dry buttermilk sold for human consumption was 13.70 cents per pound compared with 13.91 cents per pound in November 1944 and 13.75 cents per pound in December 1943. Sales of dry buttermilk for animal feed averaged 7.77 cents per pound in December. This average was lower than the November average of 7.79 cents per pound and also lower than the December 1943 average of 8.59 cents. The combined average of 10.81 cents per pound was slightly more than the November average of 10.77 cents per pound but was lower than the 11 cents per pound received in December 1943.

	Unit	DECEMBER		DECEMBER AVERAGE
		1944	1943	1938-42
Purchases, reported total	Founds	434,587,000	375,032,000	328,969,000
Producers	Number	149,000	141,000	126,000
Average daily purchases per producer	Founds	94.1	85.8	84.2
Changes in purchases per producer 1944 and 1943	Percent	+9.7	XXXX	XXXX
1944 from 5-yr. average	"	+11.8	XXXX	XXXX

*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 DECEMBER 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
New England	4.20	6.34	-	4.30	12.54	8.29
Mid. Atlantic	4.14	6.34	11.38	4.47	12.43	8.05
South Atlantic	4.13	6.34	9.55	4.28	12.28	7.96
East North Central	4.10	6.25	8.41	3.89	11.86	7.98
West North Central	4.10	-	9.25	4.09	13.00	8.14
South Central	4.10	6.34	-	4.60	12.28	8.36
North Western	4.21	-	-	-	-	-
South Western	4.21	-	-	4.60	12.20	8.23
U. S. DECEMBER 1944	4.15	6.33	10.11	4.30	12.24	8.11
U. S. NOVEMBER 1944	4.15	6.33	9.96	4.25	12.25	8.06
U. S. DECEMBER 1943	4.15	5.84	11.24	4.40	12.38	9.14

*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.

AVERAGE PRICES PAID PRODUCERS BY CONDENSERIES FOR 3.5% MILK F.O.B. PLANT FOR DECEMBER 1944 8 GEOGRAPHIC SECTIONS

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	1/	-	-
Mid. Atlantic	71/	2.70-2.98	2.83
South Atlantic	7	2.49-2.88	2.60
East North Central	95	2.40-3.10	2.65
West North Central	12	2.45-2.67	2.57
South Central	14	2.34-2.54	2.48
North Western	11	2.56-2.81	2.64
South Western	22	2.54-3.12	2.92
U. S. DECEMBER 1944	168	2.34-3.12	2.67
U. S. NOVEMBER 1944	167	2.34-3.13	2.66
U. S. DECEMBER 1943	165	2.38-3.17	2.72

AVERAGE PRICES PAID PRODUCERS BY CONDENSERIES FOR 3.5% MILK F.O.B. PLANT IN 6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

Section	December 1944	November 1944	December 1943
1	2.65	2.64	2.72
2	2.83	2.80	2.85
3	2.52	2.52	2.56
4	2.66	2.66	2.65
5	2.62	2.63	2.59
6	3.06	3.06	3.06
U. S. AVERAGE	2.67	2.65	2.72

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

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR DECEMBER

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

COMMODITY	December 1944 1/	December 1943 2/	Change in December 1944 from		Cumulative total	
			1943	1938-42 average	Jan.-Dec. 1944	Change from Jan.-Dec. 1943
	Thousand	Pounds	Percent		Thous.lb.	Percent
<u>Evaporated and Condensed Milk</u>						
Evaporated (case goods)	227,189	169,717	+34	+31	3,434,055	+13
Condensed (case goods)	8,620	8,589	0	+68	133,794	+13
Plain Condensed Whole (bulk)	10,274	3/8,934	+15	+40	124,611	+9
Plain Condensed Skimmed (bulk)	28,111	25,338	+11	+58	315,856	-3
Sweetened Cond. Whole (bulk)	1,554	3,860	-60	-67	64,984	-2
Sweetened Cond. Skimmed (bulk)	21,232	17,657	+20	+67	354,926	+16
<u>Dry Milk</u>						
Dry Whole	13,250	11,229	+18	+281	172,902	+26
Dry Nonfat Solids						
Human Food - Spray Process	18,550	14,025	+32	4/	266,830	+13
" " Roller Process	18,750	8,932	+110	4/	315,975	+17
Total (Human Food)	37,300	22,957	+62	+54	582,805	+15
Dry Skim Milk (Animal Feed)	775	879	-12	-89	18,490	-24
Dry Buttermilk	4,100	4,062	+1	-15	58,775	-3

1/ Estimated. Subject to revision when the final report is available for 1943. 2/ Preliminary figures. 3/ Revised. 4/ Spray and roller nonfat dry solids not reported separately prior to 1944.

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

COMMODITY	1944	1943	Average 1938-42	Change in 1944 from	
	Thousand	Pounds		1943	Ave. 1938-42
			Thous.lb.	Percent	
<u>Evaporated and Condensed Milk</u>					
Evaporated (case goods)	143,308	183,656	197,991	-22	-28
Condensed (case goods)	6,725	6,423	7,413	+5	-9
<u>Dry Milk</u>					
Dry Whole	15,515	7,816	5,238	+99	+196
Dry Nonfat Solids					
Human Food - Spray Process	16,651	14,337	2/	+16	2/
" " Roller Process	21,222	7,253	2/	+193	2/
Total (Human Food)	37,873	21,590	21,583	+75	+75
Dry Skim Milk (Animal Feed)	1,928	341	3,690	+465	-48
Dry Buttermilk	7,792	2,153	4,588	+262	+70

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

Stocks of dry whole milk on December 31, 1944, at 15,515,000 pounds, were slightly over two million pounds greater than a month earlier. Also on December 31, stocks of spray dry nonfat milk solids totaled 16,651,000 pounds, a gain of $1\frac{1}{2}$ million pounds, while the stocks of roller dry at 21,222,000 pounds were down by slightly less than $\frac{1}{2}$ million pounds. At 1,928,000 pounds the December stocks of dry skim milk for animal feed were lower than those of a month earlier by 600,000 pounds. Stocks of 7,792,000 pounds of dry buttermilk on December 31 were down by about $3\frac{1}{4}$ million pounds. Compared with a year earlier the December 31, 1944 stocks of dry whole milk were 99 percent larger, spray dry nonfat milk solids 16 percent larger, roller dry nonfat milk solids 193 percent larger, dry skim milk for animal feed 465 percent larger, and dry buttermilk 262 percent larger. Stocks of these products at the close of 1944 compared with the corresponding 1938-42 average were up on dry whole milk, nonfat dry milk solids for human consumption and dry buttermilk, but were materially lower on dry skim milk for animal feed.