

March 29, 1945

EVAPORATED, CONDENSED, AND DRY MILK REPORT

(February 1945)

EVAPORATED AND CONDENSED MILK

Following the trend which has prevailed for the past 12 months, the estimated production of canned evaporated milk for February at 255,500,000 pounds was 22 percent higher than in the same month last year and 29 percent higher than the 5-year (1939-43) February average, the United States Department of Agriculture reports. On an average daily basis, which eliminates the influence of the extra day in February, 1944, evaporated milk production for February, 1945, was 28 percent higher than the average daily output a year earlier. The seasonal gain in production from January to February was not as great as that of last year, even after eliminating the effect of Leap Year. Sweetened condensed milk (case goods), at 8,550,000 pounds for February, was 9 percent less than a year earlier. After eliminating the influence of Leap Year, however, the decline was only 6 percent.

Among the bulk goods items, changes in production during February from a year earlier varied considerably. For plain condensed whole milk (bulk goods) the production of 6,722,000 pounds was 10 percent higher than in February 1944. Production of plain condensed skim milk was 23,175,000 pounds during February, practically unchanged from a year earlier; sweetened condensed whole milk (bulk goods) at 3,582,000 pounds was down 42 percent; but, sweetened condensed skim milk (bulk goods) at 23,847,000 pounds was up 16 percent.

Manufacturers' stocks of evaporated milk (case goods) totaled 122,546,000 pounds on February 28, a decline of 17 percent from a year earlier. Canned condensed milk stocks of 6,559,000 pounds were 7 percent higher.

Average carlot selling prices of evaporated milk remained unchanged at \$4.15 per case of 48 14 $\frac{1}{2}$ -oz. cans, according to reports from manufacturers. Selling prices of condensed milk were \$6.33 per case of 48 14-oz. cans. This price has remained unchanged since May 1944, and compares with \$5.84 per case during February last year.

Average daily purchases of milk from producers by condenseries was 113.4 pounds for February, or an increase of 8 percent from a year earlier. Total purchases of milk for February were 460,512,000 pounds, compared with 417,153,000 pounds during the same month last year, which, however, was one day longer and a 5-year (1939-43) average for February of 347,572,000 pounds. The number of producers delivering to condenseries totaled 145,000 in February, compared with 137,000 in February 1944 and a 5-year February average of 124,000. The average price paid for milk by condenseries was \$2.68 per hundredweight during February, unchanged from the January average, but 6 cents less than the average of February last year.

DRY MILK

The markets on nonfat dry milk solids have strengthened noticeably during the past month, with prices right at ceilings, reports the Bureau of Agricultural Economics. Even the demand on the roller product has strengthened, and instead of the excess supplies of a few months ago, all offerings apparently are being absorbed either by the Commodity Credit Corporation under its purchasing program or by civilian users. Beginning with March 15, the Commodity Credit Corporation raised its paying price for extra grade roller process from 13 cents per pound to 14 cents, zone A basis, with standard grade roller at 1/2 cent per pound less. Most of the spray-dried production is being absorbed by the Government; the War Food Administration announced its set-aside requirements for both April and May at 75 percent.

The production of nonfat milk solids continues sharply above a year earlier. In spite of the fact that February this year was one day shorter, estimated production for the month of 21 million pounds of spray process was 30 percent larger than in February last year, and roller process at 22,100,000 pounds was 75 percent larger. The combined production of 43,100,000 pounds--the largest February production of record--was 60 percent larger than in February 1944, and 53 percent larger than the 5-year (1939-43) February average.

DRY NONFAT SOLIDS (Bulk Goods)				DRY WHOLE MILK (Bulk Goods)		DRY BUTTERMILK (Bulk Goods)		
Reported Sales				Reported Sales		Reported Sales		
Pounds				Pounds		Pounds		
Human Food		Animal Feed				Human Food Animal Feed		
Price ¢	Spray Process	Roller Process		Price ¢	Pounds	Price ¢	Food	Animal Feed
5	-5½		5,935	23½-24½	50,050	5	-5½	14,860
5½	-6		3,929	24½-25½	461,450	5½	-6	8,555
6	-6½		23,207	25½-26½	273,700	6	-6½	56,400
6½	-7		12,296	26½-27½	118,350	6½	-7	60,394
7	-7½		278,954	27½-28½	373,300	7	-7½	6,650
7½	-8		271,332	30½-31½	772,400	7½	-8	544,805
8	-8½		242,707	31½-32½	437,740	8	-8½	6,057
8½	-9		67,442	32½-33½	1,113,660	8½	-9	139,804
9	-9½	64,400	17,442	33½-34½	192,150	9	-9½	111,130
9½	-10		20,675	34½-35½	1,331,215	9½	-10	23,100
10	-10½		71,513	36½-37½	423,835	10	-10½	16,960
11	-11	55,400		37½-38½	2,087,805	11	-11	74,725
11½	-12	170,710		38½-39½	189,000	11½	-12	135,600
12	-12½	3,003,097		39½-40½	4,292,105	12	-12½	64,916
12½	-13	3,961,510		40½-41½	3,237,787	12½	-13	96,800
13	-13½	6,793,699		43½-44½	229,124	13	-13½	162,135
13½	-14	194,760				13½	-14	1,085,800
14	-14½	1,323,375				14	-15	11,650
14½	-15	12,423,021				15	-16	2,400
15	-15½	2,414,659				16	-16½	156,068
15½	-16	1,112,730						
16	-16½	126,257						
16½	-17	925,105						
TOTAL	18,559,907	25,390,603	1,015,432		15,583,671		1,931,091	2,461,854
AV. PRICE	14.83¢	13.30¢	7.89¢		37.12¢		13.22¢	7.68¢
TOTAL HUMAN	43,960,510							
AV. PRICE	13.94¢							
GRAND TOTAL	44,975,942				15,583,671		4,392,945	
GRAND AV. PRICE FEB. 1945	13.81¢				37.12¢		10.12¢	
GRAND AV. PRICE JAN. 1945	13.94¢				37.03¢		10.44¢	
GRAND AV. PRICE FEB. 1944	13.88¢				32.88¢		10.57¢	

Production of dry whole milk in February, estimated at 13,500,000 pounds, was 10 percent less than in February last year. The difference in the number of days in February was responsible for about one-third of this decrease. However, compared with the 5-year average, production for the month was 282 percent larger. Production of dry skim milk for animal feed shows no great change from the low level of 1944. Estimated at 900,000 pounds, the February output this year was 88 percent less than the 5-year average, although 6 percent larger than the unusually small production of February last year. February production of dry buttermilk is estimated at 3,800,000 pounds--19 percent less than in the same month last year, and 27 percent less than the February 1939-43 average.

Stocks of nonfat dry milk solids increased during February, and at the end of the month spray process totaled 17,544,000 pounds--a gain of 2,169,000 pounds, or 14 percent over a month earlier and 2,153,000 pounds, or 14 percent, over those of a year earlier. On February 28, stocks of roller nonfat dry milk solids totaled 23,426,000 pounds--a gain of 1,459,000 pounds or 7 percent during February and 9,382,000 pounds, or 67 percent over a year earlier. Combined spray and roller nonfat dry milk solids on February 28 totaled 40,970,000 pounds, an increase of 39 percent over stocks on the same date last year, and 61 percent over the 5-year average stocks. Although stocks of dry skim milk for animal feed, at 985,000 pounds, were about 244 percent larger than those of February 28 last year, they were still 77 percent short of the 5-year average for that date. Stocks of dry buttermilk on February 28 were about 1-1/3 times larger than those of a year earlier, and were about double the 5-year average stocks. Stocks of dry whole milk totaled 13,008,000 pounds--47 percent larger than those on the same date last year and 211 percent larger than the 5-year average.

	Unit	1945	1944	1939-43
Purchases, reported total	Pounds	460,512,000	417,153,000	347,572,000
Producers	Number	145,000	137,000	124,000
Average daily purchases per producer	Pounds	113.4	105.0	100.1
Changes in purchases per producer 1945 and 1944	Percent	+ 8.0	XXXXX	XXXXX
1945 from 5-yr. average	"	+13.3	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 FEBRUARY 1945*

Geographic Section	Case Goods		Bulk Goods			
	Evaporated (48 14-oz. cans) per case	Condensed (48 14-oz. cans) per case	Plain Condensed (Unsweetened)		Sweetened Cond.	
	Dollars		Whole	Skimmed	Whole	Skimmed
New England	4.20	6.34	8.52	4.30	12.70	8.34
Mid. Atlantic	4.14	6.34	11.15	4.47	12.47	8.12
South Atlantic	4.13	6.34	-	4.28	12.28	8.00
East North Central	4.10	6.25	8.45	3.87	11.88	7.92
West North Central	4.10	-	9.62	4.20	12.16	8.11
South Central	4.10	6.34	10.38	4.35	12.28	8.35
North Western	4.21	-	-	-	-	-
South Western	4.21	-	-	4.48	12.20	8.18
U. S. FEBRUARY 1945	4.15	6.33	10.07	4.20	12.18	8.11
U. S. JANUARY 1945	4.15	6.33	10.25	4.27	12.25	8.10
U. S. FEBRUARY 1944	4.15	5.84	11.07	4.48	12.35	9.20

*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 FEBRUARY 1945 8 GEOGRAPHIC SECTIONS

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	1	-	-
Mid. Atlantic	8 1/2	2.73-3.00	2.86
South Atlantic	7	2.49-2.95	2.61
East North Central	95	2.40-3.07	2.65
West North Central	12	2.45-2.67	2.57
South Central	14	2.34-2.54	2.48
North Western	10	2.56-2.76	2.65
South Western	22	2.54-3.12	2.92
U. S. FEBRUARY 1945	168	2.34-3.12	2.68
U. S. JANUARY 1945	167	2.34-3.12	2.68
U. S. FEBRUARY 1944	168	2.40-3.16	2.74

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

Section	February 1945	January 1945	February 1944
1	2.66	2.65	2.75
2	2.86	2.86	2.86
3	2.52	2.52	2.56
4	2.65	2.65	2.67
5	2.64	2.63	2.60
6	3.06	3.06	3.05
U. S. AVERAGE	2.68	2.68	2.74

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 February \$2.03. Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for February, New York City \$2.656. Chicago \$2.656.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR FEBRUARY

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	February 1945 1/	February 1944 1/	Change in February 1945 from		Cumulative Total	
			1944	1939-43 average	Jan-Feb. 1945	Change from Jan-Feb. 1944
	Thousand Pounds	Pounds	Percent		Thous. lb.	Percent
Evaporated and Condensed Milk						
Evaporated (case goods)	255,500	209,751	+22	+29	507,500	+26
Condensed (case goods)	8,550	9,435	- 9	+64	18,100	- 1
Plain Condensed Whole (bulk)	6,722	6,111	+10	+ 7	16,167	+19
Plain Condensed Skimmed (bulk)	23,175	23,193	0	+33	49,001	+ 3
Sweetened Cond. Whole (bulk)	3,682	6,348	-42	-23	7,010	-43
Sweetened Cond. Skimmed (bulk)	23,847	20,558	+16	+85	44,467	+14
<u>Dry Milk</u>						
Dry Whole						
Spray process	12,600	2/	2/	2/	24,980	2/
Roller process	900	2/	2/	2/	1,870	2/
Total	13,500	15,060	-10	+282	26,850	- 8
Dry Nonfat Solids						
Human Food - Spray process	21,000	16,150	+30	3/	41,650	+32
Human Food - Roller process	22,100	12,650	+75	3/	43,800	+87
Total (Human Food)	43,100	28,800	+50	+53	85,450	+55
Dry Skim Milk (Animal Feed)	900	850	+ 6	-82	2,025	- 1
Dry Buttermilk	3,800	4,675	-19	-27	8,100	- 2

1/ Estimated. Subject to revision when the final report is available for 1944. 2/ Spray and roller dry whole milk not reported separately prior to 1945. 3/ Spray and roller nonfat dry solids not reported separately prior to 1942.

MANUFACTURERS' STOCKS OF EVAPORATED, CONDENSED AND DRY MILK FEBRUARY 28

COMMODITY	1945	1944	Average	Change in 1945 from	
	Thousand Pounds	1/	1939-43	1944	1939-43 Av.
			Thous. lb.		Percent
Evaporated and Condensed Milk					
Evaporated (case goods)	122,545	147,285	151,078	-17	-19
Condensed (case goods)	6,559	6,134	5,890	+ 7	+11
<u>Dry Milk</u>					
Dry Whole					
Spray process	14,897	2/	2/	2/	2/
Roller process	1,111	2/	2/	2/	2/
Total	16,008	10,862	5,153	+47	+211
Dry Nonfat Solids					
Human Food - Spray process	17,544	15,391	3/	+14	3/
Human Food - Roller process	23,426	14,044	3/	+67	3/
Total (Human Food)	40,970	29,435	25,490	+39	+61
Dry Skim Milk (Animal Feed)	985	286	4,322	+244	-77
Dry Buttermilk	10,008	4,279	4,999	+134	+100

1/ Revised to include late reports. 2/ Not reported separately prior to January 1945.
3/ Not reported separately prior to January 1943.

Manufacturers' sales of nonfat dry milk solids in February brought an average price of 14.83 cents per pound on spray process, compared with 14.75 in January, and an average of 13.30 cents per pound on roller process in February compared with 13.50 in January. The average price of spray and roller combined was 13.94 cents per pounds, compared with 14.09 in January and 14.05 in February 1944. Sales of dry skim milk for animal feed averaged 7.89 cents per pound, compared with 8.07 in January and 8.85 in February last year. The February average price of dry whole milk at 37.13 cents per pound was up fractionally from the 37.03 in January, and up about 4.50 cents from the February average of last year. The February average price of dry buttermilk, at 10.12 cents per pound, was down slightly from both the January average of 10.44 and the February 1944 average of 10.57.