

August 31, 1945

EVAPORATED, CONDENSED, AND DRY MILK REPORT,  
(JULY 1945)

EVAPORATED AND CONDENSED MILK

Evaporated milk (case goods) production remained at record levels for the month of July, with an estimated output of 435 million pounds, the Bureau of Agricultural Economics reports. This production exceeded that of a year ago by 74 million pounds or 20 percent, and it was 51 percent above the 5-year average for the month. Although July production decreased seasonally, the decline of 9 percent was less than that shown either last year or for the 5-year average. During the first 7 months of 1945, output totaled 2,608,151,000 pounds, 20 percent more than in the corresponding period last year.

Canned condensed milk production, at 14,582,000 pounds for July, was 14 percent above a year earlier and 84 percent larger than the average for the month during the period from 1939 through 1943. While this production is considerably greater than for the same month during the past decade, production was higher in several years during the "twenties".

Sweetened condensed bulk goods production was sharply higher than a year earlier and demand is very strong because of the short supply of sugar. Condensed whole milk rose 59 percent from a year earlier to 7,153,000 pounds for July. Condensed skim milk production was 54,506,000 pounds--a gain of 40 percent from a year earlier, and 164 percent from the 5-year average. Plain condensed whole milk (bulk goods) was 12,829,000 pounds for July, or 3 percent less than a year earlier. Production of plain condensed skim (bulk), at 48,540,000 pounds during July, was 36 percent greater than a year ago, and 51 percent above the 5-year average.

Receipts of milk by condenseries during July were 787,902,000 pounds. This quantity was received from 160,000 producers--a daily average of 156.8 pounds received per producer. These receipts may be compared with 675,940,000 pounds, and a daily average of 136.3 pounds per producer, during the corresponding month last year. The gain in receipts per producer from a year earlier was over 16 percent.

Prices paid producers by condenseries for milk of 3.5 percent butterfat rose 1 cent from June to \$2.61 per hundredweight in July. Prices for July were 1 cent below the price prevailing a year earlier.

Markets on evaporated case goods are unchanged but a somewhat easier undertone prevails because of slackening of war demands. Export demand to Central and South America, however, has not been filled and attempts are being made by exporters to have export restrictions removed. Wholesale selling prices of evaporated milk averaged \$4.15 per case of 48 14½-oz. cans for July, the same price that has prevailed for more than two years. Condensed milk at wholesale brought \$6.33 per case of 48 14-oz. cans during July--the same as has been shown for over a year. The wholesale selling price of plain condensed whole milk (bulk goods) was \$10.21 per hundredweight for July--8 cents above June, and 59 cents higher than a year earlier. Plain condensed skim milk (bulk goods) sold at \$4.24 per hundredweight, compared with \$4.22 in June, and \$4.18 per hundredweight in July last year. Sweetened condensed whole milk (bulk goods) selling price was \$12.52 per hundredweight for July--up 2 cents from June, and 11 cents from July 1944. The wholesale selling price of sweetened condensed skim milk (bulk goods) was \$8.05 per hundredweight in July, compared with \$8.06 for June, and \$8.00 a year earlier.

Stocks of evaporated milk in manufacturers' hands remained much lower than a year earlier, despite the much higher production. At 204,368,000 pounds on July 31, stocks were 36 percent less than on the corresponding date last year. Manufacturers' stocks of canned condensed milk were larger than both a month earlier and a year earlier. On July 31, stocks totaled 13,987,000 pounds, compared with 11,868,000 pounds on June 30, and 12,811,000 pounds on July 31, 1944. This represents a gain of 9 percent from a year ago and 50 percent from the 5-year average for the date.

DRY MILK

Nonfat dry milk solids (spray process) production for July was lower than a year earlier for the first time in over a year, according to the Bureau of Agricultural Economics. Compared with a year earlier, production has dwindled from a 38 percent increase in January to a 1 percent decline for July. Output for July was 28,800,000 pounds. For the first 7 months, spray process production was 192,425,000 pounds, 14 percent above the corresponding period last year.

Total dry milk solids (human food) in July--combining both spray and roller process--was 696,000 pounds, 4 percent higher than a year ago. The total for human consumption during the first 7 months of 1945 was 453,275,000 pounds, 17 percent more than a year earlier. The percentage of the total in July represented by spray process was 41 percent, about the same proportion as last month but slightly less than in earlier months of the year. During January this year, 49 percent of the total was made by spray process, and the proportion usually declines as the spray process plants approach their capacity during the period of heavier milk production.

DRY NONFAT SOLIDS (Bulk Goods) Reported Sales				DRY WHOLE MILK (Bulk Goods) Reported Sales		DRY BUTTERMILK (Bulk Goods) Reported Sales		
Pounds				Pounds		Pounds		
Human Food		Animal Feed				Human Food		Animal Feed
Price $\epsilon$	Spray Process	Roller Process		Price $\epsilon$	Pounds	Price $\epsilon$	Food	
3	-3 $\frac{1}{2}$		4,470	22 $\frac{1}{2}$ -23 $\frac{1}{2}$	38,205	5	-5 $\frac{1}{2}$	860
5	-5 $\frac{1}{2}$		8,566	24 $\frac{1}{2}$ -25 $\frac{1}{2}$	54,185	6 $\frac{1}{2}$	-7	8,702
6	-6 $\frac{1}{2}$		37,389	25 $\frac{1}{2}$ -26 $\frac{1}{2}$	103,128	7	-7 $\frac{1}{2}$	1,011,332
6 $\frac{1}{2}$	-7		3,400	27 $\frac{1}{2}$ -28 $\frac{1}{2}$	476,300	7 $\frac{1}{2}$	-8	134,942
7	-7 $\frac{1}{2}$		79,639	28 $\frac{1}{2}$ -29 $\frac{1}{2}$	377,200	8	-8 $\frac{1}{2}$	27,736
7 $\frac{1}{2}$	-8		313,237	29 $\frac{1}{2}$ -30 $\frac{1}{2}$	3,916	8 $\frac{1}{2}$	-9	8,376
8	-8 $\frac{1}{2}$	62,145	888,765	30 $\frac{1}{2}$ -31 $\frac{1}{2}$	73,274	9	-9 $\frac{1}{2}$	117,629
8 $\frac{1}{2}$	-9		212,959	33 $\frac{1}{2}$ -34 $\frac{1}{2}$	1,286,220	9 $\frac{1}{2}$	-10	-
9	-9 $\frac{1}{2}$	26,600	195,657	34 $\frac{1}{2}$ -35 $\frac{1}{2}$	855,899	10	-10 $\frac{1}{2}$	157
9 $\frac{1}{2}$	-10		105,087	35 $\frac{1}{2}$ -36 $\frac{1}{2}$	751,110	10 $\frac{1}{2}$ -11		4,000
10	-10 $\frac{1}{2}$		97,356	37 $\frac{1}{2}$ -38 $\frac{1}{2}$	2,923,851	11	-11 $\frac{1}{2}$	3,300
10 $\frac{1}{2}$ -11		1,080		38 $\frac{1}{2}$ -39 $\frac{1}{2}$	1,557,422	11 $\frac{1}{2}$ -12		86,150
11 $\frac{1}{2}$ -12		5,700		39 $\frac{1}{2}$ -40 $\frac{1}{2}$	5,310,473	12	-12 $\frac{1}{2}$	46,829
12	-12 $\frac{1}{2}$	4,861,263		40 $\frac{1}{2}$ -41 $\frac{1}{2}$	1,284,060	12 $\frac{1}{2}$ -13		107,693
12 $\frac{1}{2}$ -13		1,719,571		41 $\frac{1}{2}$ -42 $\frac{1}{2}$	6,157,932	13	-13 $\frac{1}{2}$	102,650
13	-13 $\frac{1}{2}$	7,048,658		42 $\frac{1}{2}$ -43 $\frac{1}{2}$	214,129	13 $\frac{1}{2}$ -14		164,278
13 $\frac{1}{2}$ -14	393,885	8,630,216		44 $\frac{1}{2}$ -45 $\frac{1}{2}$	275,088	14	-14 $\frac{1}{2}$	48,080
14	-14 $\frac{1}{2}$	1,550,131	21,056,769			14 $\frac{1}{2}$ -15	1,002,637	
14 $\frac{1}{2}$ -15	25,385,143	7,800,036				15	-15 $\frac{1}{2}$	30,400
15	-15 $\frac{1}{2}$	4,699,208	989,610			15 $\frac{1}{2}$ -16	116,605	
15 $\frac{1}{2}$ -16	1,385,368	32,800						
16	-16 $\frac{1}{2}$	81,902						
16 $\frac{1}{2}$ -17	219,446							
TOTAL	33,715,083	52,234,148	1,946,525		21,742,392		2,001,462	3,237,095
AV. PRICE	14.69 $\epsilon$	13.80 $\epsilon$	8.29 $\epsilon$		38.95 $\epsilon$		13.28 $\epsilon$	8.16 $\epsilon$
TOTAL HUMAN	85,949,531							
AV. PRICE	14.15 $\epsilon$							
GRAND TOTAL		87,896,056			21,742,392		5,239,557	
GRAND AV. PRICE JULY 1945		14.02 $\epsilon$			38.95 $\epsilon$		10.11 $\epsilon$	
GRAND AV. PRICE JUNE 1945		14.03 $\epsilon$			38.17 $\epsilon$		9.77 $\epsilon$	
GRAND AV. PRICE JULY 1944		14.29 $\epsilon$			38.06 $\epsilon$		11.63 $\epsilon$	

Dry whole milk production, at 24,200,000 pounds during July, was 45 percent above a year ago, and 325 percent more than the 5-year average. Only 700,000 pounds was made by the roller process during July. The major portion, or 23,500,000 pounds, was made by the spray process. The Production and Marketing Administration has announced that all sales restrictions on dry milk products under War Food Order 93 have been eliminated, retroactive to July 1. All future government requirements for dry whole milk will be met through purchases on the open market. War Food Order 95, the purpose of which was to allocate the supply of milk sugar, has also been terminated, effective August 28.

Dry skim milk (animal feed) production was 1,960,000 pounds in July--a gain of 4 percent from the same month a year ago, but 78 percent less than the 5-year (1939-43) average for the month. For the first 7 months, production was 11,567,000 pounds, 3 percent higher than in the same period last year.

Dry buttermilk production in July, at 5,700,000 pounds, was 4 percent above a year ago, but 12 percent below the 5-year average for July. Cumulative production during the first 7 months totaled 37,135,000 pounds--3 percent less than a year earlier.

Manufacturers' stocks of spray process nonfat dry milk solids on July 31 totaled 26,910,000 pounds, 9 percent below a year earlier. Stocks of roller process in the hands of manufacturers July 31 totaled 49,148,000 pounds, 5 percent more than a year earlier. Stocks of total nonfat dry milk solids were practically unchanged from a year earlier, at 76,058,000 pounds on July 31. Dry whole milk stocks held by manufacturers were 23,003,000 pounds on July 31--unchanged from a year earlier but nearly 3 times as large as the 5-year average for the date. Stocks of dry skim milk, animal feed, at 1,387,000 pounds for July 31, were 55 percent less than on the same date last year. Manufacturers' stocks of dry buttermilk on July 31, at 5,938,000 pounds, were 35 percent smaller than a year earlier.

(Continued on page 4)

	Unit	1945	July 1944	July average 1939-43
Purchases, reported total	Pounds	787,902,000	675,940,000	541,824,000
Producers	Numbers	160,000	160,000	139,000
Average daily purchases per producer	Pounds	158.8	136.3	125.7
Changes in purchases per producer 1945 from 1944	Percent	+16.5	XXXX	XXXX
1945 from 5-yr. average	"	+26.3	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 JULY 1945\*

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		Whole	Skimmed	Whole	Skimmed
			Dollars per hundredweight			
New England	4.20	6.34	8.53	4.32	12.56	8.36
Mid. Atlantic	4.14	6.34	11.50	4.55	12.47	8.08
South Atlantic	4.13	6.34	11.13	4.41	12.57	7.91
East North Central	4.10	6.25	8.41	3.84	12.40	7.99
West North Central	4.12	-	9.62	4.09	13.12	7.98
South Central	4.10	6.34	-	4.39	12.28	8.03
North Western	4.23	-	-	-	-	-
South Western	4.22	-	-	4.60	12.27	8.23
U. S. JULY 1945	4.15	6.33	10.21	4.24	12.52	8.05
U. S. JUNE 1945	4.15	6.33	10.13	4.22	12.50	8.06
U. S. JULY 1944	4.15	6.33	9.62	4.16	12.41	8.00

\*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 JULY 1945 8 GEOGRAPHIC SECTIONS

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	1/	-	-
Mid. Atlantic	9 1/	2.64-2.75	2.68
So. Atlantic	7	2.45-2.80	2.52
E. No. Central	94	2.40-3.00	2.57
W. No. Central	12	2.45-2.67	2.53
South Central	14	2.52-2.49	2.41
North Western	10	2.56-2.78	2.66
South Western	22	2.48-3.14	2.92
U. S. JULY 1945	168	2.32-3.14	2.61
U. S. JUNE 1945	169	2.32-3.13	2.60
U. S. JULY 1944	170	2.38-3.14	2.62

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

Section	July 1945	June 1945	July 1944
1	2.57	2.55	2.58
2	2.68	2.67	2.69
3	2.45	2.44	2.48
4	2.66	2.66	2.67
5	2.65	2.64	2.62
6	3.07	3.05	3.07
U. S. AVERAGE	2.61	2.60	2.62

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 July \$2.03. Prices paid at Midwest condenseries used in determining class prices under the New York and Chicago Milk Marketing Order for July, New York City \$2.565. Chicago \$2.578.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR JULY

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	July 1945 1/ Thousand Pounds	July 1944 2/ Pounds	Change in July 1945 from		Cumulative Total	
			1944	1939-43 average	Jan. - July 1945	Change from Jan.-July 1944
			Percent		Thous. lb.	Percent
<u>Evaporated and Condensed Milk</u>						
Evaporated (case goods)	435,000	361,112	+30	+51	2,608,151	+20
Condensed (case goods)	14,582	12,770	+14	+84	89,244	0
Plain Condensed Whole (bulk)	12,829	13,226	- 3	- 2	76,008	+ 9
Plain Condensed Skimmed (bulk)	48,540	35,691	+36	+51	262,886	+15
Sweetened Cond. Whole (bulk)	7,153	4,499	+59	+19	44,435	-15
Sweetened Cond. Skimmed (bulk)	54,506	38,933	+40	+164	354,926	+30
<u>Dry Milk</u>						
Dry Whole						
Spray process	23,500	3/	3/	3/	138,075	3/
Roller process	700	3/	3/	3/	8,700	3/
<u>Total</u>	<u>24,200</u>	<u>16,580</u>	<u>+46</u>	<u>+325</u>	<u>146,775</u>	<u>+27</u>
Dry Nonfat Solids						
Human Food - Spray process	28,800	29,030	- 1	4/	198,425	+14
Human Food - Roller process	40,800	38,192	+ 7	4/	254,850	+19
<u>Total (Human Food)</u>	<u>69,600</u>	<u>67,222</u>	<u>+ 4</u>	<u>+74</u>	<u>453,275</u>	<u>+17</u>
Dry Skim Milk (Animal Feed)	1,960	1,876	+ 4	-78	11,567	+ 3
Dry Buttermilk	5,700	5,486	+ 4	-12	37,125	- 2

1/ Estimated. Subject to revision when the final report is available for 1944. 2/ Preliminary figures. 3/ Spray and roller dry whole milk not reported separately prior to 1945. 4/ Spray and roller nonfat dry milk solids not reported separately prior to 1942.

MANUFACTURERS' STOCKS OF EVAPORATED, CONDENSED AND DRY MILK JULY 31

COMMODITY	1945	1944 1/ Thousand Pounds	Average 1939-43 Thous. lb.	Change in 1945 from	
				1944	1939-43 Av.
				Percent	
<u>Evaporated and Condensed Milk</u>					
Evaporated (case goods)	204,368	321,083	323,170	-36	-37
Condensed (case goods)	13,987	12,811	9,298	+ 9	+50
<u>Dry Milk</u>					
Dry Whole					
Spray process	22,696	2/	2/	2/	2/
Roller process	307	2/	2/	2/	2/
<u>Total</u>	<u>23,003</u>	<u>23,076</u>	<u>7,801</u>	<u>0</u>	<u>+195</u>
Dry Nonfat Solids					
Human Food - Spray process	26,910	29,541	3/	- 9	3/
Human Food - Roller process	49,148	46,678	3/	+ 5	3/
<u>Total (Human Food)</u>	<u>76,058</u>	<u>76,219</u>	<u>36,562</u>	<u>0</u>	<u>+108</u>
Dry Skim Milk (Animal Feed)	1,557	3,228	4,776	-55	-67
Dry Buttermilk	5,998	9,167	5,544	-35	+ 8

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

The trend in manufacturers wholesale selling prices of dry milk products for July varied. Prices of nonfat dry milk solids, spray, in July were slightly lower than in June at 14.69 cents per pound, while roller process prices were practically unchanged and averaged 13.8 cents per pound. Dry skim milk, animal feed, averaged 8.29 cents in July, compared with 8.06 cents in June. Manufacturers' selling prices of spray and roller process combined were 14.15 cents, compared with 14.19 cents per pound in June. Dry whole milk prices for July averaged 38.95 cents, .79 cent higher than the previous month and .9 cent above July a year ago. July dry buttermilk prices were more than a third of a cent above the previous month, but still 1 1/2 cents lower than a year ago.