

September 28, 1945

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

EVAPORATED AND CONDENSED MILK

August production of evaporated milk (case goods) continued at record levels for the fifth successive month, according to estimates made by the Bureau of Agricultural Economics. Output of 360,750,000 pounds exceeds the production of August 1944 by 52 million pounds, or 17 percent, and was 42 percent higher than the 5-year (1939-43) average for the month. Production during the first 8 months of the year totaled 2,968,901,000 pounds—a gain of 20 percent from the same period in 1944.

Production of canned condensed milk in August was 13,870,000 pounds—18 percent more than a year ago, and 81 percent above the 5-year August average. During the year so far the 103,114,000 pounds produced was 2 percent more than the output during the same period last year.

All condensed bulk goods items registered moderate to sharp gains in production from a year ago. Plain condensed whole milk (bulk goods) was estimated at 12,005,000 pounds for August—a 9 percent gain from a year ago, but unchanged from the 5-year average for the month. Plain condensed skim milk was sharply higher. The estimated output of 47,384,000 pounds was 38 percent larger than a year ago, and 58 percent above the 1939-43 average for the month. Sweetened condensed whole milk, at 5,111,000 pounds, rose 40 percent from a year earlier, but was 12 percent less than the 5-year August average. Sweetened condensed skim milk showed the sharpest gain, up 48 percent from August last year, and 120 percent from the 5-year average.

Reporting condenseries purchased 688,149,000 pounds of milk from 158,000 producers during August. The average daily purchases per producer was 140.5 pounds, 15 percent more than in August last year. Compared with the average daily purchases during August of 1939-43, this is a 23 percent increase.

Manufacturers' wholesale selling prices of evaporated milk averaged \$4.15 per case of 48 14 $\frac{1}{2}$ -oz. cans—the same price which has prevailed for the past two years. Canned milk brought manufacturers \$6.33 per case of 48 14-oz. cans for the country as a whole—the prevailing price since May 1944. Plain condensed whole milk (bulk goods) was \$10.13 per hundredweight—a slight decline from the \$10.21 reported for July, but higher than the \$9.70 per hundredweight received by manufacturers in August 1944. Manufacturers' selling prices of plain condensed skim, at \$4.22 per hundredweight, compare with \$4.24 in July and \$4.21 per hundredweight during August last year.

Demand remains firm for sweetened condensed products, because of the sugar shortage. Sweetened condensed whole milk prices averaged \$12.50 per hundredweight, while in July the average was \$12.52 and a year earlier it was \$12.41. Sweetened condensed skim milk brought manufacturers an average of \$8.06 per hundredweight—an increase of 1 cent from July and 5 cents from a year earlier. These small changes from month to month in manufacturers' selling prices are the result of shifts in relative quantities of the various grades and quality of product sold.

Prices paid producers by condenseries during August averaged \$2.61 per hundredweight—unchanged from the previous month, but 2 cents lower than the price of a year earlier.

Stocks of evaporated milk case goods in manufacturers' hand declined during August, as sales exceeded production for the month. With stocks of 192,455,000 pounds on August 31, the decrease from a month earlier was 12 million pounds. These stocks were 34 percent less than on the corresponding date in 1944, and 39 percent less than the 5-year average stocks for the date. Manufacturers' stocks of condensed case goods on August 31, at 14,310,000 pounds, were up 32 percent from the same date last year, and 61 percent from the 5-year (1939-43) average for the date.

DRY MILK

For the first time in 16 months, nonfat dry milk solids failed to show a gain over the same month a year earlier, the Bureau of Agricultural Economics Reports. The combined production of spray and roller process for August was 51,920,000 pounds which is unchanged from a year ago but 51 percent larger than that of the 5-year average for the month. The present August production has never been exceeded by the same month in any previous year except 1942 when 52,999,000 pounds were manufactured. Spray process production estimated at 23,050,000 pounds for August was 4 percent less than a year earlier. The increase in the production of roller process nonfat dry milk solids from a year ago exactly offset the decline in the quantity of spray process.

(Bulk Goods) Reported Sales				(Bulk Goods) Reported Sales		(Bulk Goods) Reported Sales		
Pounds				Pounds		Pounds		
Human Food		Animal Feed				Human Food		Animal Feed
Price ¢	Spray Process	Roller Process		Price ¢	Pounds	Price ¢	Food	
3	-4½		4,496	21½-22½	40,100	4	-4½	20,000
4½	-5		43,141	25½-26½	175,368	5	-5½	17,336
5	-5½		3,789	26½-27½	72,351	6	-6½	11,620
6	-6½		24,055	27½-28½	400,000	6½	-7	2,800
6½	-7		13,340	28½-29½	50,100	7	-7½	656,436
7	-7½		16,840	29½-30½	10,525	7½	-8	54,060
7½	-8		139,869	30½-31½	23,634	8	-8½	10,060
8	-8½		821,063	31½-32½	378,640	8½	-9	732,002
8½	-9		273,790	32½-33½	432,400	9	-9½	78,553
9	-9½	13,400	259,534	33½-34½	1,513,090	9½	-10	164,232
9½	-10		26,865	34½-35½	3,055,329	10	-10½	6,080
10	-10½		102,718	36½-37½	243,700	10½	-11	5,000
10½	-11	10,272		37½-38½	2,837,667	11	-11½	33,220
11	-11½	6,345	33,280	38½-39½	1,731,565	11½	-12	51,800
11½	-12	54,300		39½-40½	6,524,160	12	-12½	52,899
12	-12½	22,966		40½-41½	1,836,890	12½	-13	198,050
12½	-13	4,562,352		41½-42½	6,165,081	13	-13½	101,018
13	-13½	673,207		44½-45½	450,144	13½	-14	131,400
13½	-14	3,731,092				14	-14½	48,505
13½	-14	351,265				14½	-15	1,117,326
14	-14½	9,026,930				15	-15½	8,112
14	-14½	1,519,761	21,353,329			15½	-16	3,750
14½	-15	20,486,498	1,821,448			16	-16½	115,125
15	-15½	3,790,271	6,859,048					
15½	-16	1,008,323	25,099					
16	-16½	1,052,705						
16½	-17	1,300,700						
TOTAL	29,509,523	48,159,788	1,762,780		25,940,744		1,927,678	3,118,363
AV. PRICE	14.78¢	13.95¢	8.38¢		38.81¢		13.85¢	8.33¢
TOTAL HUMAN	77,669,311							
AV. PRICE	14.27¢							
GRAND TOTAL	79,432,091				25,940,744		5,046,041	
GRAND AV. PRICE AUG. 1945	14.14¢				38.81¢		10.44¢	
GRAND AV. PRICE JULY 1945	14.02¢				38.96¢		10.11¢	
GRAND AV. PRICE AUG. 1944	14.06¢				38.11¢		11.10¢	

At 29,870,000 pounds, the output of roller process powder exceeded that of August last year by 3 percent. The cumulative production for the first 8 months of the year of spray process was 12 percent higher than that of the same period a year ago while roller process powder gained 17 percent for the corresponding periods.

The United States Department of Agriculture has announced that the 60 percent set-aside on spray process nonfat dry milk solids previously announced for September had been removed through Amendment 11 to War Food Order 54.4. This action removes all set-aside requirements for September.

Dry whole milk production for August was 20,500,000 pounds compared with an output of 13,136,000 pounds a year ago or a gain of 53 percent. Compared with 5-year average production for the month, present output was 335 percent higher. Of the total produced during the month the bulk--19,850,000 pounds--was made by the spray process and 650,000 pounds by the roller process.

Dry skim milk (animal feed) was estimated at 1,325,000 pounds for August--a decline of 12 percent from a year ago and 81 percent from the 5-year average. During the first 8 months, production totaled 12,892,000 pounds or a 1 percent gain from the corresponding period last year.

Gaining 3 percent from the same month a year ago, dry buttermilk production was 4,925,000 pounds for August. The cumulative production from January through August was 1 percent less than during the same period in 1944.

Manufacturers' stocks of nonfat dry milk solids at 55,633,000 pounds on August 31 were 14 percent below those on the corresponding date last year. Spray process stocks were 19,508,000 pounds or 27 percent down from a year earlier while roller process stocks of 36,175,000 pounds were only 4 percent lower. Dry whole milk stocks were 19,045,000 pounds or 7 percent less than a year earlier. On August 31 stocks of dry skim milk (animal feed) were 1,062,000 pounds which represents a 64 percent decline from those of a year earlier. Dry buttermilk stocks were likewise sharply lower--at 4,850,000 pounds--being down 51 percent.

	Unit	1945	1944	1939-43
Purchases, reported total	Pounds	688,149,000	602,052,000	493,650,000
Producers	Numbers	158,000	159,000	139,000
Average daily purchases per producer	Pounds	140.5	122.1	114.6
Changes in purchases per producer 1945 from 1944	Percent	+15.1	XXXXX	XXXXX
1945 from 5-yr. average	"	+22.6	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, AUGUST 1945*

Geographic Section	Case Goods		Bulk Goods			
	Evaporated (48 14½-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	8.53	4.32	12.56	8.37
Mid. Atlantic	4.14	6.34	11.56	4.54	12.46	8.06
South Atlantic	4.13	6.34	11.15	4.41	12.57	7.91
East North Central	4.10	6.25	8.36	3.78	12.36	8.01
West North Central	4.12	-	9.60	4.10	13.12	7.97
South Central	4.10	6.34	-	4.41	12.28	8.04
North Western	4.23	-	-	-	-	-
South Western	4.22	-	-	4.60	12.30	8.23
U. S. AUG. 1945	4.15	6.33	10.13	4.22	12.50	8.06
U. S. JULY 1945	4.15	6.33	10.21	4.24	12.52	8.05
U. S. AUG. 1944	4.15	6.33	9.70	4.21	12.41	8.01

* 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.

AVERAGE PRICES PAID PRODUCERS BY CONDENSERIES FOR 3.5% MILK F.O.B. PLANT FOR AUGUST 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	2.69
So. Atlantic	7	2.45-2.80	2.52
E. No. Central	94	2.40-3.07	2.57
W. No. Central	12	2.45-2.67	2.53
South Central	14	2.32-2.49	2.41
North Western	10	2.56-3.04	2.70
South Western	22	2.49-3.14	2.92
U. S. AUG. 1945	168	2.32-3.14	2.61
U. S. JULY 1945	168	2.32-3.14	2.61
U. S. AUG. 1944	168	2.38-3.14	2.63

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

Section	August 1945	July 1945	August 1944
1	2.57	2.57	2.59
2	2.69	2.68	2.72
3	2.45	2.45	2.49
4	2.66	2.66	2.66
5	2.69	2.65	2.62
6	3.06	3.07	3.07
U. S. AVERAGE	2.61	2.61	2.63

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 August \$2.03. Prices paid at Midwest condenseries used in determining class prices under the New York and Chicago Milk Marketing Order for August, New York City \$2.572. Chicago \$2.581

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR AUGUST

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	August 1945 1/ Thousand	August 1944 2/ pounds	1945 from		Cumulative	
			1944	1939-43 average	Jan. - Aug. 1945	Change from Jan.-Aug. 1944
			Percent		Thous. lb.	Percent
<u>Evaporated and Condensed Milk</u>						
Evaporated (case goods)	360,750	308,960	+17	+42	2,968,901	+20
Condensed (case goods)	13,870	11,743	+18	+81	103,114	+2
Plain Condensed Whole (bulk)	12,005	11,014	+9	0	88,013	+9
Plain Condensed Skimmed (bulk)	47,384	34,336	+38	+58	310,270	+18
Sweetened Cond. Whole (bulk)	5,111	3,651	+40	-12	49,546	-11
Sweetened Cond. Skimmed (bulk)	39,586	26,747	+48	+120	394,512	+32
<u>Dry Milk</u>						
Dry Whole						
Spray process	19,850	3/	3/	3/	157,925	3/
Roller process	650	3/	3/	3/	9,350	3/
<u>Total</u>	<u>20,500</u>	<u>13,136</u>	<u>+56</u>	<u>+335</u>	<u>167,275</u>	<u>+30</u>
<u>Dry Nonfat Solids</u>						
Human Food - Spray process	22,050	22,928	-4	4/	220,475	+12
Human Food - Roller process	29,870	28,991	+3	4/	284,720	+17
<u>Total (Human Food)</u>	<u>51,920</u>	<u>51,919</u>	<u>0</u>	<u>+51</u>	<u>505,195</u>	<u>+15</u>
Dry Skim Milk (Animal Feed)	1,325	1,507	-12	-81	12,892	+1
Dry Buttermilk	4,925	4,782	+3	-11	42,050	-1

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 AUGUST 31

COMMODITY	1945	1944	Average	Change in 1945 from	
				1944	1939-43 Av.
	Thousand	1/ pounds	1939-43	Percent	
			Thous. lb.		
<u>Evaporated and Condensed Milk</u>					
Evaporated (case goods)	192,455	292,135	316,265	-34	-39
Condensed (case goods)	14,310	10,825	8,874	+32	+61
<u>Dry Milk</u>					
Dry Whole					
Spray process	18,780	2/	2/	2/	2/
Roller process	265	2/	2/	2/	2/
<u>Total</u>	<u>19,045</u>	<u>20,407</u>	<u>7,632</u>	<u>-7</u>	<u>+150</u>
<u>Dry Nonfat Solids</u>					
Human Food - Spray process	19,508	26,870	3/	-27	3/
Human Food - Roller process	36,175	37,509	3/	-4	3/
<u>Total (Human Food)</u>	<u>55,683</u>	<u>64,379</u>	<u>33,185</u>	<u>-14</u>	<u>+68</u>
Dry Skim Milk (Animal Feed)	1,062	2,941	4,198	-64	-75
Dry Buttermilk	4,860	9,925	4,705	-51	+3

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

3/ Not reported separately prior to January 1943.

Only minor variations were shown in wholesale dry milk prices from the previous month and from a year earlier. The August price of spray process nonfat dry milk solids averaged 14.78 cents per pound compared with 14.69 cents for July. Manufacturers' selling prices of roller process averaged 13.95 cents during August while for July the price was 13.80 cents per pound. The average for all nonfat dry milk solids including dry skim milk for animal feed brought manufacturers 14.14 cents for August, 14.02 cents during July, and 14.06 cents in August 1944. The selling price of dry skim milk (animal feed) was 8.38 cents for August compared with 8.29 cents per pound in July and 8.71 cents during August a year ago. Dry whole milk prices declined fractionally from July to August, but remained above a year earlier. The August price was 38.81 cents per pound, the July price was 38.96 cents and in August a year ago averaged 38.11 cents. Manufacturers selling prices of dry buttermilk averaged 10.44 cents for August or approximately 1/3 cent above the previous month, but 2/3 cent less than a year earlier.