

October 30, 1945

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

EVAPORATED AND CONDENSED MILK

While canned evaporated milk production remained at record levels during September, the gain from a year earlier was the smallest that has been shown by any month so far this year, the Bureau of Agricultural Economics reports. Estimated at 307,050,000 pounds for September, evaporated milk output was 12 percent higher than a year ago and 39 percent above the 1939-43 average for the month. The margin of gain compared with a year earlier has gradually declined since the beginning of the year. The 12 percent gain shown in September compares with a 31 percent increase from a year earlier in January while in August the gain was 17 percent. During the first 9 months of the year, the 3,275,951,000 pounds produced was 19 percent more than that of the corresponding months of 1944.

The September production of canned condensed milk, both skimmed and unskimmed, was 11,770,000 pounds--an increase of 15 percent from a year earlier and 58 percent from the September 5-year average. Although present production is the highest that has occurred for the month since 1928, production prior to 1928 was much higher on several occasions. From January through September, production of 114,884,000 pounds was 3 percent higher than that of the same months last year.

Sharp gains in all condensed bulk goods items were shown during September from a year earlier. Plain condensed whole milk (bulk goods) production was 12,158,000 pounds, a gain of 35 percent from a year ago and 30 percent from the 5-year (1939-43) average. The production of plain condensed skim milk (bulk goods) was 42,131,000 pounds during September, an increase of 29 percent from the same month last year and a 64 percent gain from the 5-year average. At 4,296,000 pounds, the production of sweetened condensed whole milk was 77 percent above a year earlier but 18 percent below the 5-year average. Sweetened condensed skim milk was also much higher, being up 51 percent from a year earlier and 97 percent from the 5-year average for the month. Changes in the production of the various bulk goods items for the first 9 months of the year compared with the corresponding period last year were as follows: plain condensed whole milk up 11 percent, plain condensed skim up 19 percent, sweetened condensed whole down 8 percent, and sweetened condensed skim up 33 percent.

Milk received by reporting condenseries during September was 568,535,000 pounds which was obtained from 156,000 producers or a daily average of 121.5 pounds per producer. A gain of 10 percent was shown in the daily average from a year ago and an increase of 20 percent from the 5-year (1939-43) average for the month.

Manufacturers' wholesale selling prices of evaporated milk during September were reported unchanged from the previous month at \$4.15 per case of 48 14 $\frac{1}{2}$ -oz. cans. The purchase price of the Department of Agriculture was reduced 15 cents about the middle of the month, but very few deliveries were made at this price during September and consequently it did not influence the selling price for the month. Selling prices of canned condensed milk averaged \$6.33 per case of 48 14-oz. cans, the same price which has prevailed for 17 months. Only minor variations occurred in the price of condensed bulk goods. Plain condensed whole milk was \$10.24 per hundredweight for September, compared with \$10.13 in the preceding month and \$9.73 a year earlier. Plain condensed skim milk was unchanged from the previous month at \$4.22 per hundredweight. Sweetened condensed whole milk brought manufacturers \$12.53 per hundredweight, a gain of 3 cents from the previous month and 13 cents from the same month of 1944. Wholesale selling prices of sweetened condensed skim milk during September averaged \$8.04 per hundredweight compared with \$8.06 for the previous month and \$7.99 a year earlier.

A decline from the preceding month in prices paid producers by condenseries was shown for September in all areas of the country except the Northwest. The September price averaged \$2.56 per hundredweight for 3.5 percent milk compared with \$2.61 in the previous month and \$2.65 in the same month a year earlier.

Manufacturers' stocks of canned evaporated milk were 172,386,000 pounds on September 30, a decline of 37 percent from the corresponding date a year earlier and 35 percent less than the 5-year average for the date. A portion of the decrease in stocks in the hands of manufacturers has been absorbed by wholesale grocers who reported a substantial increase in stocks on September 30, compared with the same date a year earlier. Condensed milk (case goods) stocks in manufacturers' hands were estimated at 11,753,000 pounds on September 30, compared with 9,584,000 pounds on the same date last year and an average of 8,014,000 pounds for the date during the years 1939-43.

(Bulk Goods) Reported Sales Pounds				(Bulk Goods) Reported Sales		(Bulk Goods) Reported Sales Pounds		
Human Food		Animal Feed		Price ¢	Pounds	Human Food		Animal Feed
Spray Process	Roller Process					Price ¢	Food	
			4,714	25½-26½	70,343	5-5½		14,240
3½-4			15,953	26½-27½	80,250	6-6½		8,690
5-5½			16,184	27½-28½	173,650	6½-7		1,602
6-6½			31,082	28½-29½	360,000	7-7½		504,850
6½-7			800	29½-30½	19,956	7½-8	62,383	47,166
7-7½			35,357	30½-31½	220,395	8-8½		361,258
7½-8			37,718	32½-33½	2,461,265	8½-9	38,584	441,258
8-8½			288,256	33½-34½	769,074	9-9½	63,255	261,155
8½-9			193,008	34½-35½	1,457,700	9½-10	9,394	573,105
9-9½		18,743	272,751	35½-36½	503,913	10-10½		150,501
9½-10			77,971	36½-37½	100,000	10½-11	9,600	
10-10½			67,815	37½-38½	3,016,587	11-11½	5,710	
10½-11		4,200		38½-39½	240,000	11½-12	14,200	
11-11½		6,061,966		39½-40½	5,116,928	12-12½	117,097	
11½-12		2,819,286		40½-41½	2,269,840	12½-13	5,000	
12-12½		3,657,505		41½-42½	4,993,562	13-13½	47,347	
12½-13		8,553,877		43½-44½	315,995	13½-14	43,690	
13-13½	675,985	8,553,877				14-14½	1,020,325	
13½-14	2,114,777	11,611,396				15½-16	226,430	
14-14½	17,931,875	947,409						
14½-15	3,268,945	918,749						
15-15½	857,646	78,520						
15½-16	477,965	82,476						
16-16½	20,268							
16½-17								
TOTAL	25,347,461	34,754,127	1,041,609		22,169,458		1,663,015	2,363,825
AV. PRICE	14.65¢	13.55¢	8.47¢		38.43¢		13.62¢	8.59¢
TOTAL HUMAN	60,101,588							
AV. PRICE	14.02¢							
GRAND TOTAL		61,143,197			22,169,458		4,026,840	
GRAND AV. PRICE SEPT.		1945 13.92¢			38.43¢		10.67¢	
GRAND AV. PRICE AUG.		1945 14.14¢			38.81¢		10.44¢	
GRAND AV. PRICE SEPT. 1944		14.22¢			37.20¢		10.94¢	

DRY MILK

At 39,860,000 pounds, estimated production of nonfat dry milk solids, spray and roller combined, for September were less than a year earlier for the first time since March 1944, the Bureau of Agricultural Economics reports. The combined output was the third highest on record for the month, having been exceeded only in 1942 and 1944. Production was 3 percent less than a year earlier, but 38 percent higher than the 5-year average for the month.

Spray process production was 19,550,000 pounds for September, a gain of 2 percent from a year ago. The production of roller process at 20,310,000 pounds was 8 percent below the same month last year. During the first 9 months of the year, spray process nonfat dry milk solids totaled 240,025,000 pounds, or 11 percent more than in the same period last year. The cumulative production of roller process for January through September was 15 percent above that of the corresponding period in 1944.

Dry whole milk production for September totaled 12,920,000 pounds, which was 4 percent below September production a year ago, but far above average production for that month. The January through September cumulative total this year of 160,195,000 pounds was 27 percent above the comparable 9 month period last year.

Dry skim milk produced for animal feed during September amounted to 1,050,000 pounds, down 21 percent from a month earlier and down 7 percent from September 1944. Dry buttermilk produced this September was 3,360,000 pounds, a third less than the preceding month, 4 percent below last September, and 25 percent below the 1939-43 average for September. During the first 9 months of 1945, dry buttermilk output totaled 45,410,000 pounds—2 percent less than the production of the corresponding period last year.

Manufacturers' stocks of nonfat dry milk solids, spray and roller combined, totaled 38,857,000 pounds on September 30, 1945, down 30 and 33 percent from the stocks reported on the comparable dates a month and a year earlier, but were 41 percent above the 1939-43 average stocks for this date. Dry skim milk stocks for animal feed amounted to 1,128,000 pounds on September 30, 1945, a little above a month ago, but less than half of the stocks on hand a year earlier.

(Bulk Goods)

	Unit	1945	1944	1933-43
Purchases, reported total Producers	Pounds	568,535,000	530,406,000	423,247,000
	Number	156,000	160,000	139,000
Average daily purchases per producer	Pounds	121.5	110.5	101.5
Changes in purchases per producer 1945 from 1944	Percent	+10.0	XXXXX	XXXXX
1945 from 5-yr. average	"	+19.7	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 SEPTEMBER 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	Dollars	Whole	Skimmed	Whole	Skimmed
			Dollars per hundredweight			
New England	4.20	6.34	8.53	4.32	12.56	8.29
Mid. Atlantic	4.14	6.34	11.52	4.54	12.46	8.13
South Atlantic	4.13	6.34	11.20	4.36	12.57	7.91
East North Central	4.10	6.25	8.30	3.82	12.36	7.99
West North Central	4.11	-	9.60	4.11	13.12	7.96
South Central	4.10	6.34	-	4.40	12.28	7.99
North Western	4.23	-	-	-	-	-
South Western	4.22	-	-	4.60	12.35	8.23
U. S. SEPT. 1945	4.15	6.33	10.24	4.22	12.53	8.04
U. S. AUG. 1945	4.15	6.33	10.13	4.22	12.50	8.06
U. S. SEPT. 1944	4.15	6.33	9.73	4.21	12.40	7.99

*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 SEPTEMBER 1945 8 GEOGRAPHIC SECTIONS

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	1	-	-
Mid. Atlantic	8 ¹ / ₁	2.57-2.70	2.63
So. Atlantic	7	2.36-2.80	2.46
E. No. Central	96	2.32-3.05	2.50
W. No. Central	11	2.40-2.67	2.49
South Central	14	2.28-2.45	2.36
North Western	10	2.56-3.04	2.70
South Western	22	2.45-3.14	2.91
U. S. SEPT. 1945	168	2.28-3.14	2.56
U. S. AUG. 1945	168	2.32-3.14	2.61
U. S. SEPT. 1944	168	2.38-3.14	2.65

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

Section	September 1945	August 1945	September 1944
1	2.50	2.57	2.63
2	2.63	2.69	2.76
3	2.41	2.45	2.50
4	2.56	2.56	2.66
5	2.70	2.59	2.62
6	3.07	3.06	3.06
U. S. AVERAGE	2.56	2.61	2.65

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 September \$2.03. Prices paid at Midwest condenseries used in determining class prices under the New York and Chicago Milk Marketing Order for September, New York City \$2.497. Chicago \$2.527.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR SEPTEMBER

Section 1 - \$1.952	Section 2 - \$2.032	Section 3 - \$1.774
Section 4 - \$1.598	Section 5 - \$1.627	Section 6 - \$1.785

COMMODITY	September 1945 1/ Thousand	September 1944 2/ pounds	1945 from		Cumulative Total	
			1944	1939-43 average	Jan.-Sept. 1945	Change from Jan.-Sept. 1944
			Percent		Thous. lb.	Percent
Evaporated and Condensed Milk						
Evaporated (case goods)	307,050	275,303	+12	+39	3,275,951	+19
Condensed (case goods)	11,770	10,195	+15	+58	114,884	+3
Plain Condensed Whole (bulk)	12,158	9,006	+35	+30	100,171	+11
Plain Condensed Skimmed (bulk)	42,131	32,660	+29	+64	352,401	+19
Sweetened Cond. Whole (bulk)	4,296	2,427	+77	-18	53,842	-8
Sweetened Cond. Skimmed (bulk)	30,623	20,280	+51	+97	425,135	+33
<u>Dry Milk</u>						
Dry Whole						
Spray process	12,345	3/	3/	3/	170,270	3/
Roller process	575	3/	3/	3/	9,925	3/
Total	12,920	13,437	-4	+168	180,195	+27
<u>Dry Nonfat Solids</u>						
Human Food - Spray process	19,550	19,205	+2	4/	240,025	+11
Human Food - Roller process	20,310	22,017	-8	4/	305,030	+15
Total (Human Food)	39,860	41,222	-3	+38	545,055	+13
Dry Skim Milk (Animal Feed)	1,050	1,134	-7	-83	13,942	+1
Dry Buttermilk	3,360	3,514	-4	-25	45,410	-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 SEPTEMBER 30

COMMODITY	1945	1944 1/	Average 1939-43	Change in 1945 from	
				1944	1939-43 Av.
	Thousand	pounds	Thous. lb.	Percent	
Evaporated and Condensed Milk					
Evaporated (case goods)	172,386	272,271	264,277	-37	-35
Condensed (case goods)	11,753	9,584	8,014	+23	+47
<u>Dry Milk</u>					
Dry Whole					
Spray process	11,766	2/	2/	2/	2/
Roller process	172	2/	2/	2/	2/
Total	11,938	20,112	7,471	-41	+60
<u>Dry Nonfat Solids</u>					
Human Food - Spray process	15,437	23,509	3/	-34	3/
Human Food - Roller process	23,420	34,436	3/	-32	3/
Total (Human Food)	38,857	57,945	27,513	-33	+41
Dry Skim Milk (Animal Feed)	1,128	2,811	3,531	-60	-68
Dry Buttermilk	4,435	10,734	4,376	-59	+1

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

3/ Not reported separately prior to January 1943.

On September 30, 1945, manufacturers reported 11,938,000 pounds of dry whole milk on hand. On this date a year ago their stocks were nearly double this quantity. Even though stocks have shrunk rapidly during September, the September 30 figure is still 60 percent above the 1939-43 average for that date. Dry buttermilk stocks of 4,433,000 pounds on September 30, 1945, though average for this date, are less than half of the unusually large quantity on hand a year ago at this time and are 9 percent lower than the stocks reported a month earlier.

No changes of any significance occurred during September in wholesale dry milk prices compared either with the previous month or a year ago. Manufacturers' wholesale selling prices of all dry skim milk, including both human food and animal feed averaged 13.92 cents per pound for September, compared with 14.14 cents for August, and 14.22 cents per pound for September 1944. Spray process nonfat dry milk solids brought manufacturers 14.65 cents per pound for September. Roller process prices averaged 13.56 cents per pound, while the price for all human food was 14.02 cents. Manufacturers' wholesale selling prices of dry skim milk for animal feed were 8.47 cents per pound during September. Wholesale selling prices of dry whole milk averaged 38.43 cents per pound during September, compared with 38.81 cents for the previous month, and 37.20 cents a year ago. Dry buttermilk prices for human food and animal feed averaged 10.67 cents per pound, a slight gain from the preceding month, but lower than a year earlier.