

February 28, 1946

EVAPORATED, CONDENSED, AND DRY MILK REPORT

(January 1946)

EVAPORATED AND CONDENSED MILK

At 180,000,000 pounds, evaporated milk (case goods) produced in January 1946 was at a much lower level than a year earlier, the Bureau of Agricultural Economics reports. This production was 28 percent less than the January output of last year and 13 percent below the 5-year (1940-44) January average. The seasonal gain from December to January this year was slightly smaller than both the seasonal increase a year ago and the average gain during the preceding 5 years.

Canned condensed milk produced during January was estimated at 8,800,000 pounds, a decline of 8 percent from a year earlier, but 47 percent higher than the 1940-44 January average. Practically no seasonal change was shown from December to January, while a year earlier a 11 percent gain occurred. The 5-year average change is between 3 and 4 percent down.

Gains from a year earlier were shown by all condensed bulk goods items, a trend which has continued since last July. Plain condensed whole milk production was 9,925,000 pounds, a gain of 8 percent from a year earlier and 39 percent from the January 5-year average. January production of plain condensed skim milk at 38,113,000 pounds was up 29 percent from a year earlier and 88 percent above the 1940-44 January average. While sweetened condensed whole milk at 3,948,000 pounds was 55 percent higher than a year ago, it was 31 percent less than the 1940-44 January average. Sweetened condensed skim milk production was 28,353,000 pounds during January, a gain of 15 percent from January 1945 and 88 percent from the January 1940-44 average.

Stocks of both condensed and evaporated case goods in the hands of manufacturers continued to decline to lower levels. Stocks of evaporated milk at 54,098,000 pounds were the lowest on record for January 31. These stocks were 59 percent smaller than the corresponding stocks of last year, and 69 percent smaller than the 5-year January 31 average. Canned condensed milk stocks at 4,991,000 pounds were 32 percent less than a year earlier, 24 percent less than the 5-year January 31 average and the lowest for that date since 1940.

Milk received by reporting condenseries for January totaled 415,185,000 pounds from 141,000 producers. The average daily receipts were 95.0 pounds per producer, a decline of 6 percent from a year earlier, but a gain of 3 percent from the 5-year January average.

Prices paid producers by condenseries averaged \$2.70 per hundredweight for January, a gain of 2 cents from the average of both the preceding month and the same month last year.

Manufacturers' selling prices of evaporated milk in cartons during January averaged \$4.15 per case of 48 14-oz. cans, 1 cent per case higher than the December average, but the same average of a year earlier. Carton prices for condensed case goods averaged \$6.33 per case of 48 14-oz. cans, a price which has remained unchanged during the entire year of 1945 and the latter half of 1944. January prices of bulk goods items showed minor changes from the preceding month because of variations in the milk solids content of the goods sold. Plain condensed whole milk averaged \$10.17 per hundredweight; plain condensed skim milk \$4.18 per hundredweight; sweetened condensed whole milk averaged \$12.46 per hundredweight; and sweetened condensed skim milk \$8.10 per hundredweight.

DRY MILK

Production of nonfat dry milk solids started the new year, as it ended the old, with mixed trends, the U. S. Bureau of Agricultural Economics reports. Estimated at 21,900,000 pounds, January output of spray-dried was 6 percent larger than a year earlier, but roller-dried, at 15,750,000 pounds, was 27 percent smaller. Production of the two combined, at 37,650,000 pounds, was 11 percent smaller than in January 1945 but 29 percent larger than the 5-year (1940-44) January average.

The trend in January dry whole milk production was also mixed, with spray-dried, at 11,190,000 pounds, 14 percent smaller than in January 1945, while roller-dried, at 1,260,000 pounds, was 44 percent larger. Total January production of 12,450,000 pounds was 10 percent less than in January last year but 86 percent above the 5-year January average.

Production of dry skim milk for animal feed continues to show a downward trend. Estimated at 640,000 pounds, the January output was 29 percent smaller than that of January 1945, 89 percent less than the 5-year January average, and the smallest January production since records became available in 1935. Dry buttermilk production also started the new year at a level considerably below that of a year earlier. Estimated at 3,530,000 pounds, the January output was 21 percent below that of January last year, 31 percent less than the 5-year January average, and was the smallest January production since 1936.

DRY NONFAT SOLIDS (Bulk Goods) Reported Sales Pounds				DRY WHOLE MILK (Bulk Goods) Reported Sales Pounds		(Bulk Goods) Reported Sales Pounds		
Human Food		Animal Feed		Price ¢	Pounds	Human Food		Animal Feed
Spray Process	Roller Process					Price ¢	Food	
3 - 3½			3,573	25½-26½	470,377	5 - 5½		14,480
5½-6			25,204	26½-27½	648,045	7 - 7½		323,472
6 - 6½			6,111	29½-30½	342,024	7½-8		21,900
7½-8			1,995	30½-31½	2,542,570	8 - 8½	7,950	78,520
8 - 8½			68,293	31½-32½	1,034,880	8½-9	8,200	27,706
8½-9			34,408	34½-35½	1,606,981	9 - 9½	1,000	280,707
9 - 9½			58,887	35½-36½	805,574	9½-10	15,244	210,779
9½-10			50,887	36½-37½	596,096	10 - 10½	35,765	276,168
10 - 10½			78,178	38½-39½	10,610	10½-11		19,700
10½-11		1,300		39½-40½	3,750,023	11 - 11½	2,100	
11 - 11½			14,142	42½-43½	764,569	12 - 12½	33,450	
11½-12		6,400		44½-45½	2,406,591	12½-13	153,060	
12 - 12½		1,740,904				13 - 13½	67,591	
12½-13		372,774				13½-14	212,200	
13 - 13½	145,680	2,718,679				14 - 14½	5,000	
13½-14	324,575	1,981,999				14½-15	813,215	
14 - 14½	3,190,662	6,579,339				15 - 15½	50,050	
14½-15	13,776,934	1,766,767				15½-16	170,590	
15 - 15½	1,575,899	2,470,868						
15½-16	3,278,598	186,288						
16 - 16½	1,514,502	53,880						
16½-17	7,027							
TOTAL	23,813,877	17,859,198	341,678		14,978,340		1,575,415	1,253,432
AV. PRICE	14.77¢	13.96¢	8.80¢		36.65¢		14.23¢	8.79¢
TOTAL HUMAN	41,673,075							
AV. PRICE	14.42¢							
GRAND TOTAL	42,014,753				14,978,340		2,828,847	
GRAND AV. PRICE JAN. 1946	14.38¢				36.65¢		11.82¢	
GRAND AV. PRICE DEC. 1945	14.22¢				35.96¢		12.02¢	
GRAND AV. PRICE JAN. 1945	13.94¢				37.03¢		10.44¢	

Manufacturers' stocks of dry nonfat milk solids for human consumption at the end of January were at the lowest level for that date since 1936. Stocks of spray-dried, at 7,231,000 pounds, were 53 percent smaller than a year earlier; stocks of roller-dried, at 5,243,000 pounds, were 77 percent smaller; while stocks of the two combined, at 12,474,000 pounds, were 67 percent less than a year earlier and 46 percent below the 5-year January average.

Manufacturers' stocks of dry skim milk for animal feed on January 31 were estimated at 312 thousand pounds, a decrease of 78 percent from the stocks of the same date last year, 88 percent from the corresponding 5-year average, and the smallest stocks for January 31 since records became available in 1935. Stocks of dry buttermilk at the end of January totaled 1,518,000 pounds, 86 percent less than those of a year earlier and 65 percent smaller than the 5-year January average.

Dry whole milk stocks at the end of January totaled 9,163,000 pounds, a decrease of 44 percent from a year earlier but 27 percent larger than the 5-year January average. Stocks of spray-dried whole milk were 41 percent smaller than in January last year, and stocks of roller-dried 87 percent smaller. With the exception of dry skim milk for animal feed, stocks of all dry milk products at the end of January were less than those of a month earlier. Dry skim milk stocks increased by 6,000 pounds during January, but stocks of dry whole milk decreased by 2,719,000 pounds, stocks of dry nonfat milk solids by 1,262,000 pounds, and stocks of dry buttermilk by 116,000 pounds.

In general, markets on dry milks for human consumption in January were somewhat firmer than in December. Demand was strong and difficult to satisfy. Prices held close to ceiling levels. January sales brought an average price of 14.77 cents per pound for spray-dried nonfat milk solids and 13.96 cents per pound for roller-dried. The average for spray-dried was unchanged from December, but the average for roller-dried was one-third cent per pound higher.

January sales of spray-dried nonfat milk solids totaled 23,813,877 pounds, and of roller-dried, 17,859,198 pounds, compared to sales of 20,403,378 pounds and 15,424,001 pounds, respectively, in December. January sales of spray-dried were also larger than in January last year, but sales of roller-dried were considerably smaller.

	Unit	1946	1945	1940-44
Purchases, reported total	Pounds	415,185,000	465,078,000	375,978,000
Producers	Numbers	141,000	149,000	132,000
Average daily purchases per producer	Pounds	95.0	100.7	91.9
Changes in purchases per producer 1946 from 1945	Percent	-5.7	XXXX	XXXX
1946 from 5-yr. average	"	+3.4	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 JANUARY 1946*

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	Dollars	Whole	Skimmed	Whole	Skimmed
			Dollars per hundredweight			
New England	4.19	6.34	8.53	4.24	12.56	8.36
Mid. Atlantic	4.14	6.34	11.40	4.44	12.44	8.13
South Atlantic	4.13	6.34	11.00	4.20	-	8.00
East North Central	4.10	6.25	8.25	3.90	12.36	8.06
West North Central	4.11	-	9.76	4.14	12.88	8.01
South Central	4.10	6.34	-	4.35	-	8.07
North Western	4.23	-	-	-	-	-
South Western	4.21	-	-	4.60	12.42	8.23
U. S. JAN. 1946	4.15	6.33	10.17	4.18	12.45	8.10
U. S. DEC. 1945	4.14	6.33	10.21	4.17	12.47	8.09
U. S. JAN. 1945	4.15	6.33	10.25	4.27	12.25	8.10

* 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 JANUARY 1946 6 GEOGRAPHIC SECTIONS

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	- 1/	-	-
Mid. Atlantic	6 1/	2.75-3.00	2.88
So. Atlantic	7	2.49-2.75	2.56
E. No. Central	93	2.40-3.16	2.68
W. No. Central	12	2.46-2.85	2.59
South Central	14	2.36-2.62	2.52
North Western	10	2.56-3.18	2.75
South Western	22	2.61-3.13	2.95
U. S. JAN. 1946	154	2.36-3.18	2.70
U. S. DEC. 1945	152	2.36-3.50	2.68
U. S. JAN. 1945	157	2.34-3.12	2.68

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

Section	January 1946	December 1945	January 1945
1	2.57	2.64	2.65
2	2.88	2.87	2.86
3	2.54	2.53	2.52
4	2.74	2.74	2.65
5	2.76	2.82	2.63
6	3.06	3.06	3.06
U. S. AVERAGE	2.70	2.68	2.59

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 January \$2.227. Prices paid at Mid-west condenseries used in determining class prices under the New York and Chicago Milk Marketing Order for January, New York City \$2.677. Chicago \$2.672.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR JANUARY

Section 1 - \$2.157	Section 2 - \$2.227	Section 3 - \$2.002
Section 4 - \$1.790	Section 5 - \$1.819	Section 6 - \$1.995

COMMODITY	January 1946 1/	January 1945 1/	1945 from 1940-44 average		January 1946	Change from January 1945
	Thousand pounds	Thousand pounds	1945	1940-44 average	Thous. lb.	Percent
<u>Evaporated and Condensed Milk</u>				Percent		
Evaporated (case goods)	180,000	249,609	-28	-13	180,000	-28
Condensed (case goods)	8,800	9,530	- 8	+47	8,800	- 8
Plain Condensed Whole (bulk)	9,925	9,190	+ 8	+39	9,925	+ 8
Plain Condensed Skimmed (bulk)	38,113	29,545	+28	+88	38,113	+28
Sweetened Cond. Whole (bulk)	3,948	2,547	+55	-31	3,948	+55
Sweetened Cond. Skimmed (bulk)	28,353	24,655	+15	+88	28,353	+15
<u>Dry Milk</u>						
<u>Dry Whole</u>						
Spray process	11,190	12,950	-14	2/	11,190	-14
Roller process	1,260	875	+44	2/	1,260	+44
Total	12,450	13,825	-10	+86	12,450	-10
<u>Dry Nonfat Solids</u>						
Human Food - Spray process	21,900	20,650	+ 6	3/	21,900	+ 6
Human Food - Roller process	15,750	21,700	-27	3/	15,750	-27
Total (Human Food)	37,650	42,350	-11	+29	37,650	-11
Dry Skim Milk (Animal Feed)	640	900	-29	-89	640	-29
Dry Buttermilk	3,530	4,450	-21	-31	3,530	-21

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 milk solids not reported separately prior to 1942.

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

COMMODITY	1946	1945 1/	Average 1940-44	Change in 1946 from	
	Thousand pounds	Thousand pounds	Thous. lb.	1945	1940-44 Av.
<u>Evaporated and Condensed Milk</u>					Percent
Evaporated (case goods)	54,098	131,745	172,058	-59	-69
Condensed (case goods)	4,991	7,328	6,609	-32	-24
<u>Dry Milk</u>					
<u>Dry Whole</u>					
Spray process	8,988	15,169	2/	-41	2/
Roller process	175	1,320	2/	-87	2/
Total	9,163	16,489	7,189	-44	+27
<u>Dry Nonfat Solids</u>					
Human Food - Spray process	7,231	15,296	3/	-53	3/
Human Food - Roller process	5,243	22,609	3/	-77	3/
Total (Human Food)	12,474	37,905	22,904	-57	-46
Dry Skim Milk (Animal Feed)	512	1,413	2,704	-78	-88
Dry Buttermilk	1,518	10,706	4,351	-86	-65

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

3/ Not reported separately prior to January 1943.

Sales of dry whole milk in January totaled 14,978,340 pounds, compared to 13,403,817 pounds in December. The average January price received by manufacturers was 36.65 cents per pound, compared to a December average of 35.96 cents per pound, and a January average of last year of 37.03 cents per pound.

Manufacturers' sales of dry buttermilk in January totaled 2,828,847 pounds, an increase of 452,731 pounds over the December sales but a decrease of 1,053,780 pounds from the January 1945 sales. An average price of 11.82 cents per pound was received by manufacturers from the January sales. This average was slightly lower than the 12.02 cents per pound received in December, but was almost 1 1/2 cents per pound higher than the January average of last year.

Sales of dry skim milk for animal feed and the average price received were both lower in January than in December. Sales totaled 341,678 pounds, compared to 416,987 pounds a month earlier, while the January average price was 8.80 cents per pound, compared to the average price in December of 9.17 cents per pound. Sales in January 1945 totaled 1,180,344 pounds and the average price received was 8.02 cents per pound.