

November 29, 1946

EVAPORATED, CONDENSED, AND DRY MILK REPORT
(October 1946)

EVAPORATED AND CONDENSED MILK

Production of canned evaporated milk during October is estimated at 195,600,000 pounds, a decrease of 7 percent from a year earlier and 10 percent from the 1940-44 average for the month, the Bureau of Agricultural Economics reports. Although the seasonal decline from September to October was much the same as a year earlier, it was considerably sharper than the average for 1940-44. During the first 10 months of 1946, production totaled 2,728,900,000 pounds, a decline of 21 percent from the same period in 1945.

Production of canned sweetened condensed milk totaled 7,450,000 pounds for October which was 34 percent less than a year earlier and 14 percent below the 5-year average. Cumulative production for the first 10 months of this year was 99,825,000 pounds, 21 percent less than the 1940-44 average for the month.

Production of all condensed bulk goods items showed reductions from their near-record output of a year earlier, except for sweetened condensed skim milk which continued to increase. Output of plain condensed whole milk was 8,045,000 pounds, 19 percent less than a year ago and 4 percent less than the 5-year average. During the first 10 months of the year, output of this product was 6 percent below that of the corresponding period last year. Production of plain condensed skim milk was 36,440,000 pounds, a 14 percent decline from October 1945 but a 49 percent gain from the 1940-44 October average. During the first 10 months of the year, production was 9 percent above the same period in 1945. Production of sweetened condensed whole milk (bulk goods) was 4,155,000 pounds during October, a decline of 23 percent from a year earlier and 12 percent from the October 5-year average. The 10-month's output of the product was 58,545,000 pounds, 12 percent less than in the same period last year. Output of sweetened condensed skim milk continued above a year earlier. At 38,265,000 pounds for October, production was 35 percent higher than a year ago and 170 percent above the 5-year October average. Cumulative production through October was 603,840,000 pounds, up 32 percent from the corresponding period of 1945.

Manufacturer's stocks of canned evaporated and condensed milk on October 31 were sharply higher than a year earlier. Although stocks of 171,026,000 pounds of canned evaporated milk on October 31 were 30 percent higher than a year earlier, they were 37 percent less than the average for the date during 1940-44. Stocks of canned condensed milk were 11,377,000 pounds at the end of October, a gain of 45 percent from the same date in 1945 and 47 percent from the October 31 average in 1940-44.

Wholesale selling prices of all evaporated and condensed milk items were higher in October than in the previous month or a year ago. Prices of evaporated milk advanced for the sixth consecutive month, rising to \$5.79 per case of 48 14½-oz. cans in October from \$4.14 in April. Prior to April, prices had been practically unchanged for more than 3 years. Prices of canned condensed milk averaged \$7.92 per case of 48 14-oz. cans for October, compared with \$7.78 in September and \$6.33 in June. The June price had prevailed for 26 consecutive months prior to that date. Prices of plain condensed whole milk (bulk goods) averaged \$14.00 per hundredweight, compared with \$12.18 in September and \$10.30 a year ago. Wholesale prices of plain condensed skim milk, at \$5.15 per hundredweight, were 28 cents more than in the previous month and 92 cents more than a year earlier. Prices of sweetened condensed whole milk averaged \$17.74 per hundredweight for October, compared with \$16.53 in September and \$12.44 a year ago. Prices of sweetened condensed skim milk, at \$14.11 per hundredweight, advanced \$1.15 from September and \$6.07 from a year earlier.

Condenseries paid producers an average of \$4.20 per hundredweight for milk of 3.5 percent butterfat during October, a gain of 29 cents from the preceding month and \$1.60 from October 1945. The record price for October was much above the previous record for the month, which was \$2.68 per hundredweight paid in 1943.

Purchases of 420,338,000 pounds of milk by condenseries during October were made from 145,000 producers. Average daily purchases per producer were 93.5 pounds, a decline of 9 percent from a year ago but 2 percent more than the 5-year average.

DRY MILK

Production of nonfat dry milk solids declined seasonally during October to a level below that of a year earlier, the Bureau of Agricultural Economics reported today. Although production was 9 percent less than in October 1945 it held at 1 percent above the 1940-44 October average. The seasonal decline in production was somewhat greater than that of a year ago.

Total production of spray and roller processed nonfat dry milk solids during October was 29,060,000 pounds, compared with 32,073,000 pounds a year earlier. For the first 10 months of this year the total output of nonfat dry milk solids was 579,360,000 pounds, 1 percent less than in the same period of 1945. October production of spray process nonfat dry milk totaled 13,400,000 pounds, 2 percent larger than in October 1945 and the largest for any October of record extending through 1943. Production of roller process nonfat dry milk during October was 10,660,000 pounds, 24 percent less than a year earlier. Aggregate production of spray process nonfat dry milk for the 10 months, January through October, totaled 315,000,000 pounds, which was 19 percent larger than in

DRY NONFAT MILK SOLIDS (Bulk Goods) Reported Sales Pounds				DRY WHOLE MILK (Bulk Goods) Reported Sales		DRY BUTTERMILK (Bulk Goods) Reported Sales Pounds		
Price #	Human Food		Animal Feed	Price #	Pounds	Human Food		Animal Feed
	Spray Process	Roller Process				Food	Feed	
2 1/2 -3			3,495	32 1/2 -33 1/2	43,000	6 -8 1/2		7,550
6 -6 1/2			2,264	33 1/2 -34 1/2	157,168	7 -7 1/2		341,374
6 1/2 -7			5,513	34 1/2 -35 1/2	330,821	8 -8 1/2		5,047
7 -7 1/2			2,848	35 1/2 -36 1/2	679,000	8 1/2 -9		10,110
8 -8 1/2			15,181	37 -38 1/2	978,279	9 -9 1/2		285,004
8 1/2 -9			8,000	38 1/2 -39 1/2	1,749,300	9 1/2 -10	53,948	49,185
9 -9 1/2			357,505	39 1/2 -40 1/2	3,145,288	10 -10 1/2	11,333	486,400
9 1/2 -10			59,015	40 1/2 -41 1/2	21,175	10 1/2 -11	-	169,359
10 -10 1/2			158,188	41 1/2 -42 1/2	288,168	11 -11 1/2	6,010	6,400
10 1/2 -11		6,075	67,077	43 1/2 -44 1/2	14,576	11 1/2 -12	-	5,700
11 -11 1/2		5,000	118,770	45 1/2 -46 1/2	587,223	12 -12 1/2	-	25,650
12 -12 1/2		2,674,257	4,743	47 1/2 -48 1/2	12,048	12 1/2 -13	69,039	-
12 1/2 -13		268,020	-	49 1/2 -50 1/2	349,132	13 -13 1/2	17,601	55,843
13 -13 1/2	130,310	314,655	-	50 1/2 -51 1/2	3,544,227	13 1/2 -14	85,137	-
13 1/2 -14	-	848,070	-	51 1/2 -52 1/2	647,325	14 -14 1/2	81,678	-
14 -14 1/2	2,176,745	6,399,981	47,240	55 1/2 -56 1/2	75,616	14 1/2 -15	36,885	-
14 1/2 -15	15,268,330	5,193,684				15 -15 1/2	764,714	
15 -15 1/2	2,180,310	3,477,486				16 1/2 -17	59,000	
15 1/2 -16	1,681,797	196,775				17 -17 1/2	89,280	
16 -16 1/2	3,593,472	400,860						
16 1/2 -17	1,700	67,040						
17 -17 1/2	82,171	339,675						
17 1/2 -18	171,050							
TOTAL	25,285,885	20,191,578	849,840		12,622,346		1,274,625	1,387,722
AV. PRICE	14.92¢	14.26¢	9.92¢		43.57¢		14.86¢	9.39¢
TOTAL HUMAN	45,477,463							
AV. PRICE	14.63¢							
GRAND TOTAL		45,327,303			12,622,346		2,662,347	
GRAND AV. PRICE OCT. 1946		14.54¢			43.57¢		12.01¢	
GRAND AV. PRICE SEPT. 1946		14.64¢			41.04¢		12.05¢	
GRAND AV. PRICE OCT. 1945		13.55¢			37.13¢		10.89¢	

1945. During the same period total production of roller process nonfat dry milk was 264,360,000 pounds, 18 percent less than for that period in 1945.

Dry whole milk production during October was 9,150,000 pounds compared with 11,958,000 pounds a year earlier, a decline of 23 percent. The seasonal decline between September and October this year was 4 times as great as that of last year. Despite this large seasonal decline in production total output of dry whole milk during October was 27 percent higher than the 1940-44 October average. However, production in October was below the level for the same month in the three preceding years. Production of spray dried whole milk in October was 8,450,000 pounds, down 24 percent from October 1945. Output of roller dried whole milk was 700,000 pounds, a 12 percent decline from a year earlier. Cumulative production of spray and roller process dry whole milk during the first 10 months of 1946 was 159,840,000 pounds, a decline of 18 percent from the production of 194,808,000 pounds during the corresponding period in 1945.

Production of dry skim milk for animal feed in October totaled only 350,000 pounds, 46 percent less than a year earlier and 91 percent below the 1940-44 October average. Cumulative production for the first 10 months of the year was 14,580,000 pounds, down 13 percent from the same period last year. Dry buttermilk production was 2,630,000 pounds in October, down 2 percent from a year earlier and 37 percent from the 1940-44 October average. Cumulative production for 1946 through October was 35,285,000 pounds, 19 percent less than for the first 10 months of 1945.

Stocks of nonfat dry milk held by reporting manufacturers on October 31 were 11,852,000 pounds, down 25 percent from a month ago but 86 percent above a year earlier and 54 percent above the 1940-44 average for the date. Stocks of spray process nonfat dry milk were 24,939,000 pounds at the end of October, compared with 11,616,000 pounds a year earlier, an increase of 115 percent. However, the seasonal reduction in stocks carried manufacturers' holdings down 22 percent from the level of a month earlier. Stocks of roller process nonfat dry milk were 19,913,000 pounds at the end of October, an increase of 60 percent above a year earlier, but a seasonal reduction of 29 percent from the holdings on September 30. Stocks of dry whole milk on October 31 were 22,617,000 pounds, 85 percent above the holdings reported last year and 149 percent above the 1940-44 average for the date. Stocks of roller process dry whole milk at the end of the month were very low at 58,000 pounds. However, there was some increase in stocks of spray process dry whole milk. Stocks of nonfat dry milk for animal feed were 800,000 pounds, up 7 percent from a year ago but down 74 percent from the 1940-44 average for the same month. Dry buttermilk stocks on October 31

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	Unit	October		October average
		1946	1945	1940-44
Purchases, reported total	Pounds	420,338,000	489,168,000	418,214,000
Producers	Numbers	145,000	153,000	147,000
Average daily purchases per producer	Pounds	93.5	103.1	91.8
Changes in purchases per producer 1946 from 1945	Percent	-9.3	XXXXXX	XXXXX
1946 from 5-yr. average	"	+1.9	XXXXXX	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 OCTOBER 1946 *

Geographic Section	Case Goods		Bulk Goods			
	Evaporated (48 14 $\frac{1}{2}$ -oz. cans) per case	Condensed (48 14-oz. cans) per case	Plain Condensed (Unsweetened)		Sweetened Cond.	
	Dollars	Dollars	Whole	Scimmed	Whole	Skimmed
			Dollars per hundredweight			
New England	5.85	7.93	9.53	5.19	16.10	14.67
Mid. Atlantic	5.81	7.93	14.75	5.41	16.75	13.82
South Atlantic	5.78	7.93	-	4.99	16.72	13.31
East North Central	5.76	7.95	15.31	4.85	18.71	14.43
West North Central	5.76	-	13.08	5.10	16.57	13.59
South Central	5.76	7.85	-	5.60	-	14.19
North Western	5.77	-	-	-	-	-
South Western	5.84	-	-	4.94	-	15.00
U. S. OCTOBER 1946	5.79	7.92	14.00	5.15	17.74	14.11
U. S. SEPTEMBER 1946	5.46	7.78	12.18	4.87	16.53	12.96
U. S. OCTOBER 1945	4.14	6.33	10.30	4.23	12.44	8.04

* 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 OCT. 1946 8 GEOGRAPHIC SECTIONS

Geographic Section	Number of factories reporting	Price per cwt.	
		Range Dollars	Average Dollars
New England	- 1/	-	-
Mid. Atlantic	6 1/	4.49-4.86	4.63
So. Atlantic	8	3.81-4.15	3.91
E. No. Central	90	4.05-4.98	4.37
W. No. Central	13	3.80-4.30	4.04
South Central	14	3.50-4.11	3.76
North Western	10	3.36-4.00	3.80
South Western	20	3.78-4.21	4.02
U. S. OCTOBER 1946	161	3.36-4.98	4.20
U. S. SEPTEMBER 1946	161	3.06-4.76	3.91
U. S. OCTOBER 1945	165	2.28-3.14	2.60

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

Section	October 1946	September 1946	October 1945
1	4.35	4.06	2.56
2	4.63	4.39	2.70
3	3.85	3.53	2.43
4	3.90	3.73	2.66
5	3.79	3.48	2.70
6	4.09	3.81	3.08
U. S. AVERAGE	4.20	3.91	2.60

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 October \$4.030. Prices paid at Midwest condenseries used in determining class prices under the New York and Chicago Milk Marketing Order for October, New York City \$4.373, Chicago \$4.40.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR OCTOBER

Section 1 - \$3.960	Section 2 - \$4.030	Section 3 - \$3.694
Section 4 - \$3.312	Section 5 - \$3.229	Section 6 - \$3.655

COMMODITY	October 1946 1/	October 1945 2/	Change in Oct. 1946 from		Cumulative total Jan.-Oct. 1946	Change from Jan.-Oct. 1945
			1945	1940-44 average		
	Thousand pounds		Percent		Thous. lb.	Percent
Evaporated and Condensed Milk						
Evaporated (case goods)	195,600	210,362	- 7	-10	2,728,900	-21
Condensed (case goods)	7,450	11,224	-34	-14	99,825	-21
Plain Condensed Whole (bulk)	8,045	9,935	-19	- 4	106,655	- 6
Plain Condensed Skimmed (bulk)	36,440	42,370	-14	+49	404,100	+ 9
Sweetened Cond. Whole (bulk)	4,155	5,397	-23	-12	58,545	-12
Sweetened Cond. Skimmed (bulk)	38,265	28,345	+35	+170	603,840	+32
<u>Dry Milk</u>						
Dry Whole						
Spray process	8,450	11,158	-24	3/	145,670	-21
Roller process	700	800	-12	3/	14,170	+31
Total	9,150	11,958	-23	+27	159,840	-18
Dry Nonfat Solids						
Human Food - Spray process	18,400	18,011	+ 2	4/	315,000	+19
Human Food - Roller process	10,660	14,062	-24	4/	264,360	-18
Total (Human Food)	29,060	32,073	- 9	+ 1	579,360	- 1
Dry Skim Milk (Animal Feed)	350	651	-46	-91	14,580	-13
Dry Buttermilk	2,630	2,691	- 2	-37	35,285	-19

1/ Estimated. Subject to revision when the final report is available for 1945. 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 OCTOBER 31

COMMODITY	1946	1945 1/	Average 1940-44	Change in 1946 from	
				1945	1940-44 Av.
	Thousand pounds			Percent	
Evaporated and Condensed Milk					
Evaporated (case goods)	171,026	131,226	271,722	+30	-37
Condensed (case goods)	11,377	7,842	7,756	+45	+47
<u>Dry Milk</u>					
Dry Whole					
Spray process	22,559	12,024	2/	+88	2/
Roller process	58	196	2/	-70	2/
Total	22,617	12,220	9,092	+85	+149
Dry Nonfat Solids					
Human Food - Spray process	24,939	11,616	3/	+115	3/
Human Food - Roller process	19,913	12,457	3/	+60	3/
Total (Human Food)	44,852	24,073	29,154	+86	+54
Dry Skim Milk (Animal Feed)	900	750	3,083	+ 7	-74
Dry Buttermilk	4,392	2,713	5,924	+62	-26

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

were 4,392,000 up 62 percent from a year earlier, but down 26 percent from the 5-year average.

Dry milk prices exhibited somewhat mixed behavior from September to October. Prices of dry whole milk advanced, but those of nonfat dry milk solids were down slightly. Prices of dry buttermilk for animal feed also declined, but prices of dry buttermilk for human use advanced slightly. Prices of dried skim milk for animal feed were steady.

Manufacturers' selling prices of dry whole milk averaged 43.57 cents per pound for October, compared with 41.04 cents for September and 37.13 cents in October 1945. Prices of spray nonfat dry milk solids averaged 14.92 cents per pound, compared with 15.02 cents in September and 14.34 cents in October 1945. Prices for roller process nonfat dry milk solids averaged 14.28 cents per pound, compared with 14.33 cents in September and 13.11 cents in October 1945. The average price for nonfat dry milk solids, both spray and roller dried, was 1/10 cent per pound below the average price for September. Prices of dried skim milk for animal feed averaged 9.92 cents per pound, almost unchanged from the September average of 9.89 cents, but up three-quarters of a cent from a year earlier. Average prices for dry buttermilk: at 14.86 cents per pound for human food and 9.39 cents for animal feed were up one-half cent and down four-tenths of a cent per pound, respectively, from the corresponding September average. The combined average price for both uses was practically unchanged from the September level.

Manufacturers' total sales of dry milk products during October showed little change from September despite generally lower production levels. Sales of both spray and roller process nonfat milk solids totaled 25.3 million pounds and 20.2 million pounds, respectively, compared with 25.2 million pounds and 20.1 million pounds in September. Dry whole milk sales decreased 300,000 pounds or 2.3 percent from September. Sales of dried skim milk for animal feed were up slightly from the September level, as were sales of dry buttermilk for animal feed. Sales of dry buttermilk for human use were at practically the same volume as a month earlier.