

BUREAU OF AGRICULTURAL ECONOMICS
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October 29, 1948

EVAPORATED, CONDENSED, AND DRY MILK REPORT
(September 1948)

EVAPORATED AND CONDENSED MILK

Manufacturers' stocks of evaporated milk on September 30 were the highest for any date shown on 29 years of continuous records, the Bureau of Agricultural Economics reports. While production of this item declined more than usual from August to September, the September production was still the third highest for the month on records extending back through 1918.

Production of evaporated milk during September totaled 274,050,000 pounds, 26 percent above a year ago and 10 percent higher than the 5-year average for the month. Production declined 22 percent seasonally from August to September this year, compared with a 15 percent decline last year and an average decline of 18 percent during 1942-46 period. During the first 9 months of the year, output totaled 2,868,250,000 pounds, a gain of 8 percent from the same period in 1947.

Output of canned condensed milk was estimated at 10,000,000 pounds for September, less than half the production a year earlier but 7 percent higher than the 1942-46 average. The production in September 1947 was the highest of any month for that year, since a sharp increase in output took place following the removal of restrictions on the use of sugar in condensed milk. During the first nine months of 1948, a total of 99,450,000 pounds of canned condensed milk was produced, or 13 percent less than in the same months of 1947.

Production of all condensed bulk goods items in September was below a year earlier, except for sweetened condensed whole milk. Output of plain condensed whole milk was 16,000,000 pounds, 1 percent under a year earlier but 62 percent above the 5-year average for September. This production is unsurpassed by any other September on record except for 1947. A total of 126,610,000 pounds of this item was produced in the first nine months of this year, 24 percent more than in the same period of 1947. At 33,620,000 pounds for September, the production of plain condensed skim milk was 4 percent less than a year earlier but 2 percent more than the 5-year average. Totaling 335,305,000 pounds, output for January through September this year was 10 percent above the corresponding period in 1947. The production of 3,060,000 pounds of sweetened condensed whole milk for September was up 3 percent from a year earlier, but down 32 percent from the 1942-46 average. The nine months' total production of this item was 29,770,000 pounds, or 45 percent lower than the same period of 1947. September output of sweetened condensed skim milk was 19,300,000 pounds, 4 percent less than a year ago and 41 percent below the 5-year average. With 232,600,000 pounds of this item produced during January through September, a decline of 55 percent was shown from the same months of 1947.

Holdings of evaporated milk by reporting condenseries on September 30 were 621,948,000 pounds, up 64 percent from a year earlier and 179 percent above the 5-year average for the date. When stocks of manufacturers and wholesale grocers were combined at the end of September, the total was 663,189,000 pounds or 58 percent above a year earlier. Stocks of canned condensed milk held by manufacturers were 15,645,000 pounds on September 30, a gain of 37 percent from a year earlier and 62 percent from the 5-year average for the date. When these stocks were combined with those of wholesale grocers, the gain from a year earlier was 28 percent.

Carlot selling prices of evaporated milk declined 25 cents per case about the middle of September. The average for the month was \$6.56 per case of 48-14 $\frac{1}{2}$ -oz. cans, a decline of 15 cents per case from August but \$1.32 per case higher than a

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Reported shipments (F.O.B. plant)				Reported shipments (F.O.B. plant)		
DRY NONFAT MILK SOLIDS (Bulk goods) Pounds				DRY BUTTER MILK (Bulk goods) Pounds		
Price ¢ 1/	Spray process	Roller process	Animal feed	Price ¢ 1/	Human food	Animal feed
8 - 8½			21,110	8½ - 9		14,900
9 - 9½			1,426	9 - 9½		42,968
9½ - 10			37,300	9½ - 10		31,260
10 - 10½			120,154	10 - 10½		276,183
10½ - 11			4,545	10½ - 11	80,615	153,065
11 - 11½			108,874	11 - 11½	-	166,430
11½ - 12			134,962	11½ - 12	-	337,755
12 - 12½			219,633	12 - 12½	6,576	280,194
12½ - 13	364,945	19,312	28,212	12½ - 13	-	20,850
13 - 13½	279,300	294,858	21,675	13 - 13½	24,075	6,100
13½ - 14	-	2,883,709	129,353	13½ - 14	13,390	-
14 - 14½	454,400	5,690,766	8,920	14 - 14½	120,330	-
14½ - 15	2,311,434	3,113,972	-	14½ - 15	160,075	-
15 - 15½	4,929,871	2,618,579	40,000	15 - 15½	-	6,850
15½ - 16	5,074,407	3,217,341	-	15½ - 16	12,375	-
16 - 16½	3,372,648	548,755	-	16 - 16½	487,153	-
16½ - 17	2,589,748	453,575	-	17 - 17½	2,500	-
17 - 17½	6,408,333	210,736	-	17½ - 18	-	-
17½ - 18	722,641	11,000	-	18 - 18½	-	-
18 - 18½	3,237,937	-	-	18½ - 19	135,835	-
18½ - 19	1,381,698	-	-			
TOTAL	31,127,362	19,062,603	876,164		1,042,924	1,316,555
AV. PRICE	16.34¢	14.37¢	11.59¢		16.19¢	11.07¢
TOTAL HUMAN	50,189,965					
AV. PRICE	15.70¢				2,359,479	
GRAND TOTAL		51,066,129				
GRAND AV. PRICE SEPT. 1948		15.63¢				13.33¢
GRAND AV. PRICE AUG. 1948		15.73¢				13.67¢
GRAND AV. PRICE SEPT. 1947		10.18¢				8.88¢

MANUFACTURERS' SELLING PRICES OF DRY WHOLE MILK DURING SEPTEMBER 1948 2/
Reported shipments (F.O.B. plant)
(Pounds)

Price ¢ 1/	1-2½ lb. packages	5 lb. package	All other pkgs. including bbls. & drums	Total reported shipments
34½ - 35½			47,300	47,300
35½ - 36½			97,738	97,738
36½ - 37½			357,802	357,802
37½ - 38½			21,000	21,000
38½ - 39½			129,930	129,930
39½ - 40½			592,158	592,158
40½ - 41½			121,605	121,605
41½ - 42½		172,712	155,044	327,756
42½ - 43½		-	73,384	73,384
43½ - 44½		1,178,500	-	1,178,500
44½ - 45½		523,333	-	720,181
45½ - 46½	196,848	-	50,133	465,011
46½ - 47½	414,878	-	723,490	963,634
47½ - 48½	240,144	-	795,541	795,541
48½ - 49½	-	-	2,906	34,236
49½ - 50½	31,360	-	22,000	514,390
50½ - 51½	-	492,390	-	535,586
51½ - 52½	468,724	36,862	-	1,344
52½ - 53½	-	-	1,344	851,330
53½ - 54½	-	851,330	-	129,964
54½ - 55½	-	-	-	1,967,168
55½ - 56½	129,964	-	-	9,925,588
56½ - 57½	1,967,168	-	-	51,327
57½ - 58½	3,149,086	3,285,127	3,191,375	50,306
TOTAL				41.21¢
AV. PRICE SEPT. 1948	58.59¢	50.37¢	43.84¢	
AV. PRICE AUG. 1948	57.50¢	51.10¢	46.20¢	
AV. PRICE SEPT. 1947	45.17¢	42.57¢	40.53¢	

1/ Classified according to average monthly prices reported by firms.
2/ Includes some dry whole in special packages for export.

	Unit	September		Sept. average
		1948	1947	1942-48
Purchases, reported total	Pounds	526,127,000	518,448,000	507,217,000
Producers	Numbers	163,000	156,000	153,000
Average daily purchases per producer	Pounds	107.6	110.8	110.5
Changes in purchases per producer 1948 from 1947	Percent	-2.9	XXXXX	XXXXX
1948 from 5-yr. average	"	-2.6	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 MANUFACTURERS' CANTON SELLING PRICES OF EVAPORATED AND CONDENSED MILK BY GEOGRAPHIC DIVISIONS SEPTEMBER 1948 *

Geographic division	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
New England	6.63	10.03	-	5.47	18.78	9.86
Middle Atlantic	6.60	10.03	15.98	5.27	18.27	9.29
South Atlantic	6.57	10.03	-	4.77	18.53	9.90
East North Central	6.50	9.90	15.18	4.72	16.23	9.17
West North Central	6.55	-	13.00	5.30	16.39	9.23
South Central	6.57	10.00	-	5.05	18.52	9.24
North Western	6.42	-	-	-	-	-
South Western	6.64	-	-	5.24	18.06	9.34
U. S. SEPT. 1948	6.56	10.02	15.40	5.04	17.19	9.34
U. S. AUG. 1948	6.71	10.02	15.43	4.98	17.33	9.37
U. S. SEPT. 1947	5.24	8.26	12.54	3.87	15.20	8.04

* Manufacturers' 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 SEPT. 1948 7 GEOGRAPHIC DIVISIONS 1/

Geographic division	Number of plants or stations	Price per cwt.	
		Range Dollars	Average Dollars
Mid. Atlantic	5	4.04-4.65	4.52
South Atlantic	7	3.68-4.35	3.92
East North Central	92	3.50-5.02	4.00
West North Central	11	3.35-4.05	3.50
South Central	15	3.30-4.02	3.75
North Western	8	3.61-4.11	3.80
South Western	18	3.73-4.29	4.16
U. S. SEPT. 1948	156	3.35-5.02	3.99
U. S. AUG. 1948	158	3.39-5.20	4.21
U. S. SEPT. 1947	164	3.02-4.60	3.52

1/ No prices available for the New England Division.

Prices paid at Midwest condenseries used in determining class prices under the New York and Chicago Milk Marketing Order for September

New York City \$3.995

Chicago \$3.985

FOR CANNING DURING SEPTEMBER 1948 1/ WITH COMPARISONS

State and Div.	September 1948			August 1948 2/			September 1947		
	Price paid	Butterfat	Price per lb. of butterfat	Price paid	Butterfat	Price per lb. of butterfat	Price paid	Butterfat	Price per lb. of butterfat
	per 100 lbs. milk	test	Dollars	per 100 lbs. milk	test	Dollars	per 100 lbs. milk	test	Dollars
N. Y.	4.74	3.83	1.24	4.70	3.86	1.28	4.22	3.86	1.09
M. Atl. 3/	4.84	3.90	1.24	4.75	3.72	1.28	4.27	3.92	1.09
Va.	4.71	4.54	1.04	4.64	4.34	1.07	4.13	4.43	.93
W. Va.	4.82	4.48	1.07	4.75	4.28	1.11	4.23	4.42	.96
S. Atl. 3/	4.81	4.51	1.07	4.77	4.33	1.10	4.20	4.45	.94
Ohio	4.82	4.14	1.17	4.75	3.99	1.19	4.11	4.12	1.00
Ind.	4.68	4.35	1.08	4.84	4.08	1.19	4.19	4.21	.99
Ill.	4.28	3.75	1.14	4.53	3.69	1.23	3.81	3.76	1.01
Mich.	4.48	3.94	1.14	4.64	3.88	1.19	4.09	4.07	1.01
Wis.	4.27	3.75	1.14	4.64	3.67	1.26	4.00	3.89	1.03
E. N. C.	4.46	3.93	1.14	4.67	3.81	1.23	4.04	3.99	1.01
Minn.	4.12	3.69	1.12	-	-	-	4.02	3.82	1.05
Iowa	4.18	3.83	1.09	4.35	3.74	1.16	4.01	3.79	1.06
Mo.	4.95	4.51	1.10	4.78	4.23	1.13	4.22	4.35	.97
Kans.	4.82	4.34	1.11	4.73	4.16	1.14	4.07	4.26	.95
W. N. C.	4.82	4.38	1.10	4.71	4.15	1.14	4.15	4.21	.99
Ky.	4.81	4.61	1.04	4.75	4.38	1.08	4.29	4.58	.94
Tenn.	4.81	4.72	1.02	4.78	4.51	1.06	4.23	4.66	.91
Miss.	4.90	4.75	1.03	4.78	4.47	1.07	4.14	4.65	.89
Texas	5.30	4.73	1.12	4.89	4.36	1.12	4.01	4.61	.87
S. Cent. 3/	4.87	4.68	1.04	4.79	4.44	1.08	4.23	4.61	.92
Idaho	4.61	4.15	1.11	4.61	3.95	1.17	4.28	4.21	1.02
Wash.	4.61	4.26	1.08	4.53	4.21	1.08	4.28	4.32	.99
Ore.	4.96	4.75	1.04	4.79	4.51	1.06	4.55	4.74	.96
N. W.	4.63	4.25	1.09	4.58	4.13	1.11	4.31	4.33	1.00
Colo.	4.68	3.74	1.25	4.35	3.62	1.20	3.96	3.77	1.05
Utah	4.17	3.45	1.21	4.13	3.39	1.22	3.30	3.41	.97
Calif.	4.84	4.05	1.20	4.66	3.89	1.20	4.07	4.01	1.02
S. W. 3/	4.72	3.93	1.20	4.55	3.80	1.20	3.93	3.89	1.01
U. S. 3/	4.65	4.17	1.11	4.69	4.00	1.17	4.10	4.15	.99

1/ Preliminary; subject to revision. Prices are for milk of actual butterfat test as reported.

All prices are reported as f.o.b. plant, country receiving station or concentrating station, and therefore include hauling costs. 2/ Revised.

3/ Includes prices for some States not shown separately.

year earlier. The August price was a record high. Sweetened condensed milk sales averaged \$10.02 per case of 48 14-oz. cans in September, which is unchanged from August but \$1.76 per case less than a year earlier. The present price is the highest of any month of record since 1920. Manufacturers' selling prices of plain condensed whole milk averaged \$15.40 per hundredweight for September, a decline of 3 cents from August but \$2.86 per hundredweight higher than a year earlier. Prices of plain condensed skim milk at \$5.04 per hundredweight for September was 6 cents up from August and \$1.17 up from a year earlier. Selling prices of sweetened condensed skim milk averaged \$9.34 for September, a 3-cent drop from August but a gain of \$1.30 from a year ago. Sweetened condensed whole milk averaged \$17.19 per hundredweight for September, a 14-cent drop from August but \$1.99 above a year earlier.

Prices paid by condenseries in September for milk of 3.5 percent butterfat averaged \$3.99 per hundredweight, a contra-seasonal drop of 22 cents from August but still 47 cents above a year earlier. Despite this decline, the September price was the highest of record for the month.

Reporting condenseries showed purchases of milk for September of 526,127,000 pounds from approximately 163,000 producers. The average purchases per producer per day were 107.6 pounds, a decline of 2.9 percent from a year earlier and of 2.5 percent from the 5-year average.

On the basis of actual butterfat tests, prices paid producers by condenseries in September averaged \$4.65 per hundredweight for milk of 4.17 percent butterfat. The price per pound of butterfat in September averaged \$1.11 compared with \$1.17 in August and 99 cents a year earlier. During September the price per pound of butterfat ranged from \$1.02 in Tennessee to \$1.25 in Colorado.

COMMODITY	Sept. 1948 1/ Thousand pounds	Sept. 1947 1/ Thousand pounds	Change in Sept. 1948 from		Cumulative total	
			1947	1942-46 average	Jan.-Sept. 1948	Change from Jan.-Sept., 1947
			Percent		Thous. lb.	Percent
Evaporated and Condensed Milk						
Evaporated (case goods)	274,050	218,000	+26	+10	2,868,250	+ 8
Condensed (case goods)	10,000	21,100	-53	+ 7	99,450	-13
Plain Condensed Whole (bulk)	16,000	16,145	- 1	+62	126,610	+24
Plain Condensed Skimmed (bulk)	33,620	35,055	- 4	+ 2	335,305	+10
Sweetened Cond. Whole (bulk)	3,060	2,970	+ 3	-32	29,770	-45
Sweetened Cond. Skimmed (bulk)	19,300	20,075	- 4	-41	232,600	-55
<u>Dry Milk</u>						
Dry Whole						
Spray process	12,400	13,400	- 7	2/	121,885	+ 8
Roller process	1,250	1,750	-29	2/	14,430	+ 7
Total	13,650	15,150	-10	+21	136,315	+ 7
Dry Nonfat Solids						
Human food - Spray process	25,200	25,060	+ 1	3/+20	331,550	- 8
Human food - Roller process	12,100	14,680	-18	3/-34	201,700	-13
Total (Human food)	37,300	39,740	- 6	- 5	533,250	-10
Dry skim milk (animal feed)	1,010	1,280	-20	-37	12,400	-44
Dry buttermilk	2,825	3,185	-11	-22	30,605	-13

1/ Estimated. Subject to revision when the report is available for 1947.

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 1943, but estimated for 1942.

MANUFACTURERS' STOCKS OF EVAPORATED, CONDENSED AND DRY MILK SEPTEMBER 30

COMMODITY	1948	1947 1/ Thousand pounds	Average 1942-46	Change in 1948 from	
				1947	1942-46 av.
				Percent	
Evaporated and Condensed Milk					
Evaporated (case goods)	621,948	379,712	222,720	+64	+179
Condensed (case goods)	15,645	11,422	9,654	+37	+62
<u>Dry Milk</u>					
Dry Whole					
Spray process	28,746	17,621	2/	+63	2/
Roller process	276	608	2/	-55	2/
Total	29,022	18,229	15,992	+59	+81
Dry Nonfat solids					
Human food - Spray process	52,335	29,563	3/	+77	3/
Human food - Roller process	30,011	19,380	3/	+55	3/
Total (Human food)	82,346	48,943	44,759	+68	+84
Dry skim milk (animal feed)	1,131	1,291	2,036	-13	-44
Dry buttermilk	5,928	6,012	5,974	- 1	- 1

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

3/ Not reported separately prior to January 1943.

DRY MILK

Seasonal declines in output of the major dry milk products from August to September this year were greater than a year ago, the Bureau of Agricultural Economics reports. September prices continued at or near record high levels for all items. Manufacturers' stocks of dry milk products for human consumption were higher than a year ago but dry buttermilk and animal feed stocks were smaller than a year ago. Reported sales of all dry milk items during September were less than in September a year ago.

Production of all dry milk products during September was lower than in August and, except for spray-dried nonfat milk solids, was also lower than in September a year ago. Total production of nonfat dry milk solids during September is estimated at 37,300,000 pounds. This total was 26 percent less than in August, 30 percent less than a year earlier, and 23 percent less than the 5-year average. Output of 35,000,000 pounds of spray-dried nonfat milk solids in September was down sharply (27 percent) from the unusually high August level. Reported production was up 1 percent from a year earlier and up 20 percent from the 5-year average. Cumulative production of spray-dried nonfat milk solids for January through September was 331,550,000 pounds, 8 percent less than in the same period a year ago. At 13,100,000 pounds the production of roller-dried nonfat milk solids during September was 25 percent less than in August, 18 percent less than a year ago, and

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34 percent less than the 5-year average. Roller output during September continued at the lowest level for the month in the six years for which data are shown separately on roller process.

Production of dry skim milk for animal feed in September was 1,010,000 pounds, down 10 percent from August, down 20 percent from a year ago and down 37 percent from the 5-year average. Cumulative production for January through September was 12,400,000 pounds, 44 percent less than for the same period last year and the lowest of record for the first nine months of the year. Dry buttermilk production in September was 2,825,000 pounds, 11 percent less than a year earlier and 22 percent less than the 5-year average. Production during the January-September period was 30,605,000 pounds, a decline of 13 percent from the same period in 1947.

Total output of dry whole milk during September was 13,650,000 pounds, down 18 percent from August and down 10 percent from a year ago but up 21 percent from the 5-year average. Total production of dry whole milk for the January-September period was 136,315,000 pounds, a rise of 7 percent from the corresponding period last year. Production of spray-dried whole milk in September was reported as 12,400,000 pounds, 19 percent less than in August and 7 percent less than in September last year. For the first nine months of this year, output totaled 121,885,000 pounds, a gain of 8 percent from the same period a year earlier. Roller-dried whole milk production in September was 1,250,000 pounds, off 2 percent from August and 29 percent below the total for September last year. Cumulative production for the first nine months of this year was 14,430,000 pounds, a gain of 7 percent from the same period in 1947.

Manufacturers' stocks of nonfat dry milk solids at the end of September were reported at 82,346,000 pounds, an increase of 68 percent from last year and 84 percent from the 5-year average for the date. Holdings of spray-dried nonfat milk solids, at 52,335,000 pounds, showed an increase of 77 percent from last year. Stocks of roller-dried nonfat milk solids were 30,011,000 pounds on September 30, an increase of 55 percent from a year ago. Reported holdings of dry skim milk for animal feed at the end of September were 1,131,000 pounds, a decline of 13 percent from last year and 44 percent from the 5-year average. Stocks of dry buttermilk on September 30 were 5,928,000 pounds, down 5 percent from August 31, and down 1 percent from last year and the 5-year average. Holdings of spray-dried whole milk, at 28,746,000 pounds, were down 2 percent from August 31 but were 63 percent greater than a year ago. Manufacturers' stocks of roller-dried whole milk at 276,000 pounds were 30 percent larger than at the end of August but 55 percent smaller than at the end of September a year ago. Total holdings of dry whole milk on September 30 were 29,022,000 pounds, down 1 percent from August 31 but up 59 percent from September 30 last year and up 81 percent from the 5-year average for the date.

Average selling prices of spray-dried nonfat milk solids declined very slightly from August to September. Reported prices for roller-dried nonfat milk solids rose slightly during the same period. Prices of spray-dried nonfat milk solids averaged 16.34 cents per pound in September, compared with 16.45 cents for August. Average prices for roller-dried nonfat milk solids were 14.67 cents per pound in September, compared with 14.62 cents during August. During September the price of dry skim milk for animal feed averaged 11.59 cents per pound, compared with 11.52 cents per pound during August. Prices of dry buttermilk for human food in September averaged 16.19 cents per pound compared with 16.26 cents per pound in August. Reported average prices for dry buttermilk for animal feed in September were practically unchanged at 11.07 cents per pound, compared with 11.08 cents in August. Prices of all nonfat dry milk solids, dry buttermilk and dry skim milk continued at levels substantially higher than in September last year.

The reported average selling price for all dry whole milk items during September was 51.32 cents per pound, compared with 50.20 cents in August and 41.81 cents in September a year ago. The average selling price for dry whole milk in 1-2½ pound packages rose from 57.50 cents in August to 58.58 cents in September. The reported average price for dry whole milk in the 5 pound package was practically unchanged at 50.97 cents, compared with 51.10 for August. Prices for dry whole milk in packages continued in September at substantially higher levels than in September a year ago. The average of reported prices for dry whole milk in all other containers including barrels and drums declined from 46.20 cents per pound in August to 43.84 cents per pound in September but continued above the average price of 40.53 cents per pound reported for September last year.

Reported shipments of dry whole milk in September were 9,926,000 pounds, 26 percent less than during August and 29 percent less than during the same month last year. Reported sales of nonfat dry milk solids during September were 50,190,000 pounds almost identical with 50,072,000 pounds reported for August but down 39 percent from a year ago. Sales of dry skim milk for animal feed at 376,000 pounds were up 10 percent from August but down 57 percent from September last year. Reported sales of dry buttermilk were 2,358,000 pounds during September, down 15 percent from August and down 28 percent from a year ago.