

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON, D. C.

October 31, 1950

EVAPORATED, CONDENSED, AND DRY MILK REPORT
(September 1950)

DRY MILK

Despite the sharpest seasonal decline on record, production of total nonfat dry milk solids for September was still the third highest output of record for the month, the Bureau of Agricultural Economics reports. Both stocks and prices were lowest for the month in several years.

Output of total nonfat dry milk solids was 43,500,000 pounds for September, down 31 percent from a year earlier but up 8 percent from the five-year average for the month. This is the sharpest decline from the same month a year earlier since February 1944 and the sharpest seasonal decline of record for August to September. Cumulative production for the first 9 months of 1950 totaled 738,475,000 pounds, a decline of 2 percent from the same months of 1949.

Spray-dried nonfat milk solids production for September was 33,000,000 pounds, the second highest for the month in 8 years of available figures, down 23 percent from a year earlier, but up 41 percent from the 1944-48 September average. For the first 9 months of 1950, output totaled 502,375,000 pounds, a gain of 1 percent from the corresponding period of 1949. Output of roller-dried nonfat milk was 10,500,000 pounds for September, the lowest for the month in the 8 years for which records are available, down 50 percent from a year earlier, and 38 percent from the five-year September average. The nine-months total from January through September was 236,100,000 pounds, a decrease of 9 percent from the same months of 1949.

At 10,400,000 pounds, dry whole milk production was the lowest for September since 1943, down 3 percent from a year earlier and 22 percent from the five-year average for the month. From January through September, output totaled 97,806,000 pounds, a decrease of 5 percent from the same period of 1949. Spray-dried whole milk was 9,210,000 pounds for September and roller-dried was 1,190,000 pounds, both down 3 percent from a year earlier.

Production of dry buttermilk was 2,800,000 pounds in September, down 3 percent from a year earlier and 8 percent from the five-year September average. During the first 9 months of 1950, output totaled 35,405,000 pounds, down 4 percent from the same period of 1949. Output of dry skim milk for animal feed was 340,000 pounds for September, second lowest for the month on record, down 33 percent from a year earlier, and 20 percent from the 1944-48 average for the month.

Manufacturers' stocks of total nonfat dry milk solids at the end of September totaled 42,567,000 pounds, the lowest for the date since 1945, down 47 percent from a year earlier and 27 percent from the 1944-48 average for the date. Holdings of spray-dried nonfat milk were 28,891,000 pounds on September 30, down 48 percent from a year earlier and 6 percent from the five-year average. Roller-dried nonfat milk stocks were 13,676,000 pounds, a decline of 45 percent from a year earlier and 50 percent from the 1944-48 September 30 average. Total nonfat dry milk solids held by the United States Department of Agriculture at the end of September were 407,600,000 pounds. This figure represents total stocks on hand as of that date and are subject to reduction by commitments for sale.

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Reported shipments (F.O.B. plant)

NONFAT DRY MILK SOLIDS (Bulk goods)				DRY BUTTERMILK (Bulk goods)	
Price 1/ Cents	Human Food		DRY SKIM	Human food	
	Spray process	Roller process	Animal Feed	food	Animal feed
	Pounds			Pounds	
6 -6½			31,690		3,030
7 -7½		2,280	22,716		3,200
7½ -8		---	14,542		39,150
8 -8½		---	197,923	81,730	516,254
8½ -9		---	292,947	---	208,925
9 -9½		29,160	212,972	10,830	246,259
9½ -10		1,580,330	19,025	19,204	72,930
10 -10½	24,710	4,609,226	74,977	8,000	14,115
10½ -11	108,400	4,893,733	11,000	62,235	34,460
11 -11½	2,416,051	2,251,667		57,949	
11½ -12	7,806,796	99,769		532,910	
12 -12½	15,584,222	677,163		37,000	
12½ -13	10,668,522	---		118,350	
13 -13½	3,119,753	7,330		15,900	
13½ -14	1,423,702			32,700	
14 -14½	568,950				
TOTAL	41,521,106	14,150,658	877,692	976,808	1,141,323
TOTAL HUMAN	55,671,764				
GRAND TOTAL		56,549,456		2,118,131	

MANUFACTURERS' SELLING PRICES OF DRY WHOLE MILK DURING SEPTEMBER 1950 2/
Reported shipments (F.O.B. plant)

Price 1/ Cents	1-2½ lb. packages	5 lb. packages	All other pkgs. including bbls. & drums	Total reported shipments
	Pounds			
27½ -28½			15,950	15,950
28 -29			233,250	233,250
29 -30			1,395,514	1,395,514
30 -31			243,893	243,893
31 -32			422,563	422,563
32 -33	28,800		194,312	223,112
33 -34	---		638,031	638,031
34 -35	376,047		191,135	567,182
35 -36	---	336,820	3,274	340,094
37 -38	---	1,837,410	---	1,837,410
38 -39	238,049	17,200	2,095,551	2,350,800
39 -40	---	308,785	---	308,785
40 -41	3,621	---	89,061	92,682
41 -42	5,189	---	---	5,189
42 -43	225,069	---	---	225,069
43 -44	---	665,619	---	665,619
44 -45	---	29,785	---	29,785
45 -46	1,437,721	---	---	1,437,721
49 -50	85,696	---	---	85,696
TOTAL	2,400,192	3,195,619	5,522,534	11,118,345

1/ Classified according to average monthly prices reported by firms.

2/ Includes some dry whole in special packages for export.

DURING SEPTEMBER 1950 WITH COMPARISONS

Month	Nonfat dry milk solids		Dry Skim & an. feed	N.F. solids & dry skim	Dry Buttermilk			Dry whole milk			Total ship-ments	
	Spray	Roller			Spray & roller	Human food	Animal food	Human and animal	1-2 1/2 lb. pkgs.	5-lb. pkgs.		Other pkgs. incl. bls. & drums
	C e n t s p e r p o u n d											
Sept. 1950	12.29	10.59	11.86	8.64	11.81	11.80	8.60	10.08	43.10	39.08	34.50	37.67
Aug. 1950	12.30	10.40	11.77	8.35	11.70	11.28	8.29	9.72	42.82	39.54	33.55	36.90
Sept. 1949	12.54	11.18	12.11	8.65	12.06	10.78	7.95	9.40	45.03	41.07	33.68	38.22
Sept. 1944-48	1/	1/	13.81	9.16	13.72	13.70	9.11	11.17	1/	1/	1/	41.96

1/ Not available.

AVERAGE MANUFACTURERS' GROSS SELLING PRICES OF EVAPORATED AND CONDENSED MILK BY GEOGRAPHIC DIVISION SEPTEMBER 1950 1/

Geographic Division	Case goods		Bulk goods			
	Evaporated (48 14 1/2-oz. cans) per case	Condensed (48 14-oz. cans) per case	Plain condensed (unsweetened)		Sweetened Condensed	
			Whole	Skimmed	Whole	Skimmed
	Dollars		Dollars per hundredweight			
New England	5.37	9.30	13.40	3.98	16.22	9.14
Middle Atlantic	5.39	9.30	13.66	3.66	14.35	8.16
South Atlantic	5.38	9.30	---	3.61	16.18	9.13
East North Central	5.25	9.30	11.88	3.62	13.63	8.70
West North Central	5.38	---	11.50	4.10	14.84	8.75
South Central	5.41	9.30	---	4.19	14.72	8.69
North Western	5.41	---	---	---	---	---
South Western	5.42	---	10.86	3.86	14.05	9.29
U. S. SEPTEMBER 1950	5.36	9.30	12.62	3.61	14.38	8.73
U. S. AUGUST 1950	5.29	9.30	12.37	3.77	14.04	8.36
U. S. SEPTEMBER 1949	5.08	9.10	12.78	3.82	13.92	7.99

1/ 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 SEPTEMBER 1950 - 7 GEOGRAPHIC DIVISIONS 1/

Geographic Division	Number of plants or stations	Price per cwt.	
		Range	Average
			Dollars
Middle Atlantic	5	2.88 - 3.35	3.13
South Atlantic	7	2.67 - 3.20	2.82
East North Central	81	2.72 - 3.57	2.95
West North Central	10	2.70 - 2.98	2.83
South Central	21	2.56 - 3.08	2.73
North Western	8	2.64 - 3.08	2.80
South Western	18	2.64 - 3.03	2.90
U. S. SEPTEMBER 1950	150	2.56 - 3.57	2.90
U. S. AUGUST 1950	152	2.52 - 3.42	2.81
U. S. SEPTEMBER 1949	152	2.56 - 3.71	2.80

1/ No prices available for the New England Division.

* Prices paid in August at 18 Midwest condenseries used in determining class prices under the Chicago Milk Marketing Order for September

Chicago \$2.960

* Price for New York Market omitted because it is no longer used in calculating that formula.

FOR CANNING DURING SEPTEMBER 1950 1/ WITH COMPARISONS

State and Div.	September 1950			August 1950			September 1949		
	Price paid per 100 lbs. milk Dollars	Butter-fat test Pct.	Price per lb. of butter-fat Dollars	Price paid per 100 lbs. milk Dollars	Butter-fat test Pct.	Price per lb. of butter-fat Dollars	Price paid per 100 lbs. milk Dollars	Butter-fat test Pct.	Price per lb. of butter-fat Dollars
N. Y.	3.49	3.92	.89	3.26	3.77	.86	3.67	4.00	.92
M. Atl. 2/	3.48	4.00	.87	3.25	3.86	.84	3.67	4.06	.90
Va.	3.56	4.67	.76	3.28	4.38	.75	3.37	4.61	.73
W. Va.	3.56	4.40	.81	3.30	4.28	.77	3.50	4.56	.77
S. Atl. 2/	3.58	4.57	.78	3.32	4.34	.77	3.46	4.57	.76
Ohio	3.35	4.15	.81	3.11	4.01	.77	3.19	4.23	.75
Ind.	3.57	4.21	.85	3.33	4.08	.80	3.21	4.29	.75
Ill.	3.19	3.85	.83	3.03	3.73	.81	3.00	3.85	.78
Mich.	3.31	4.07	.81	3.11	3.92	.79	3.29	4.11	.80
Wis.	3.33	3.89	.86	3.16	3.78	.84	3.27	3.92	.83
E.N.C.	3.34	4.01	.83	3.15	3.88	.81	3.21	4.05	.79
Minn.	3.15	3.74	.84	3.01	3.66	.82	3.24	3.86	.84
Iowa	3.24	3.89	.83	3.05	3.76	.81	3.21	3.94	.81
Mo.	3.57	4.57	.78	3.39	4.37	.78	3.35	4.61	.73
Kans.	3.36	4.27	.79	3.25	4.18	.78	3.23	4.37	.74
W.N.C.	3.47	4.39	.79	3.31	4.23	.78	3.31	4.46	.74
Ky.	3.58	4.68	.77	3.31	4.46	.74	3.49	4.76	.73
Tenn.	3.59	4.73	.76	3.37	4.51	.75	3.50	4.78	.73
Miss.	3.55	4.76	.75	3.28	4.48	.73	3.45	4.73	.73
Texas	3.69	4.74	.78	3.41	4.42	.77	3.49	4.75	.73
S.Cent. 2/	3.59	4.71	.76	3.34	4.48	.75	3.49	4.77	.73
Idaho	3.52	4.13	.85	3.27	3.98	.82	3.43	4.07	.84
Wash.	3.44	4.16	.83	3.17	4.01	.79	3.47	4.31	.80
Oreg.	3.72	4.60	.81	3.47	4.42	.79	3.60	4.63	.78
N. W.	3.50	4.18	.84	3.24	4.02	.81	3.46	4.21	.82
Colo.	3.29	3.88	.85	3.11	3.77	.83	3.06	3.77	.81
Utah	2.83	3.46	.82	2.77	3.40	.82	2.81	3.41	.83
Calif	3.34	4.01	.83	3.20	3.93	.81	3.34	3.99	.84
S.W. 2/	3.27	3.93	.83	3.14	3.85	.82	3.25	3.89	.84
U. S. 2/	3.42	4.21	.81	3.22	4.06	.79	3.32	4.26	.78

1/ Preliminary; subject to revision. Prices are for milk of actual butterfat test as reported. All prices are reported as f.o.b. plant.

2/ Includes prices for some States not shown separately.

MILK PURCHASES BY CONDENSERIES SEPTEMBER 1950, WITH COMPARISONS 1/

	Unit	September		September average 1944-48
		1950	1949 2/	
Purchases, reported total	Pounds	512,037,000	532,070,000	526,184,000
Producers	Number	159,000	162,000	156,000
Average daily purchases per producer	Pounds	107.3	109.5	112.4
Changes in purchases per producer 1950 from 1949	Percent	-2.0	XXXX	XXXX
1950 from 5-year average	"	-1.5	XXXX	XXXX

1/ Milk purchased at plants (or their receiving stations) which have canning equipment. In some periods a part or all of the milk received at such plants may be used for purposes other than the manufacture of canned milk.

2/ Revised.

Stocks of dry whole milk in the hands of manufacturers at the end of September were 12,503,000 pounds, the lowest for the date since 1943, a decline of 32 percent from a year earlier, and 42 percent from the 1944-48 September 30 average. Holdings of dry skim milk for animal feed at 903,000 pounds were the second lowest of record for September 30, down 43 percent from a year earlier and down 42 percent from the five-year average. Stocks of dry buttermilk were 5,012,000 pounds on September 30, a decrease of 23 percent from a year earlier and 22 percent from the five-year average.

COMMODITY	Sept. 1950 1/ Thousand pounds	Sept. 1949 1/ Thousand pounds	Change in Sept. 1950 from		Cumulative total	
			1949	1944-48 average	Jan.-Sept. 1950 Thous.lb.	Change from Jan.-Sept. 1949 Percent
Evaporated and Condensed Milk						
Evaporated (case goods)	232,000	212,750	+ 9	-10	2,364,800	+ 3
Condensed whole (case goods)	5,900	5,750	+ 3	-52	52,550	-43
Plain condensed whole (bulk)	20,500	20,750	- 1	+52	230,000	+11
Plain condensed skimmed (bulk)	41,000	42,040	+ 5	+12	417,525	+ 6
Sweetened cond. whole (bulk)	4,200	5,500	-24	+ 7	31,460	+ 6
Sweetened cond. skimmed (bulk)	17,000	16,820	+ 1	-44	169,800	- 6
Dry Milk						
Dry whole						
Spray process	9,210	9,500	- 3	2/	87,755	- 3
Roller process	1,190	1,225	- 3	2/	10,051	-18
Total	10,400	10,725	- 3	-22	97,806	- 5
Dry Nonfat Solids						
Human food - Spray process	33,000	42,150	-22	+11	502,375	+ 1
Human food - Roller process	10,500	20,900	-50	-38	236,100	- 7
Total (human food)	43,500	63,050	+31	+ 8	738,475	- 2
Dry skim milk (animal food)	840	1,250	-33	-20	16,990	0
Dry buttermilk	2,800	2,900	- 3	- 8	35,405	- 4

1/ Estimated; subject to revision when enumerations are available for 1949.

2/ Spray and roller dry whole milk not reported separately prior to 1945.

MANUFACTURERS' STOCKS OF EVAPORATED, CONDENSED, AND DRY MILK SEPTEMBER 30 1/

COMMODITY	1950	1949 2/ Thousand pounds	Average 1944-48	Change in 1950 from	
				1949	1944-48 Percent
Evaporated and Condensed Milk					
Evaporated (case goods)	388,620	484,246	329,854	-20	+18
Condensed whole (case goods)	9,409	6,758	12,190	+39	-23
Dry Milk					
Dry whole					
Spray process	12,311	18,164	3/	-32	3/
Roller process	192	107	3/	+79	3/
Total	12,503	18,271	21,411	-32	-42
Dry Nonfat Solids					
Human food - Spray process	28,891	55,453	30,816	-48	- 6
Human food - Roller process	13,676	24,995	27,576	-45	-50
Total (human food)	42,567	80,448	58,392	-47	-27
Dry skim milk (animal food)	903	1,576	1,550	-43	-42
Dry buttermilk	5,012	6,485	6,407	-23	-22

1/ Stocks held by manufacturers at all points also those in transit and those contracted for sale but not delivered.

2/ Revised to include late reports.

3/ Not reported separately prior to January 1945.

Manufacturers' sales of nonfat dry milk solids were 55,672,000 pounds, down 31 percent from a year earlier. Sales of dry whole milk were 11,118,000 pounds for September, the highest for the month since 1947, and 31 percent above a year earlier.

Purchases of nonfat dry milk solids by the United States Department of Agriculture during 1950 through September 30 totaled 345,600,000 pounds compared with 349,000,000 pounds in the same months of 1949, a decline of 1 percent. For October 1950 through the 25th of the month, purchases were only 3,700,000 pounds, which is much below purchases during the same month a year ago. In fact, recently there has been some resale of nonfat dry milk solids to the domestic trade. Purchases through the end of September represent 47 percent of the total production during that period.

While manufacturers' average selling prices of total nonfat dry milk solids advanced slightly from August to September, they remained below both a year earlier and the five-year September average. The average for September was 11.86 cents per pound compared with 11.77 cents for August, 12.11 cents a year earlier, and 13.81 cents per pound for September 1944-48. Prices of the spray-dried product for September averaged 12.29 cents, almost unchanged from the 12.30 cents for August but lower than the 12.54 cents per pound of a year earlier. Roller-dried nonfat averaged 10.59

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cents per pound compared with 10.40 cents in August and 11.16 cents in September 1949. Prices for dry skim milk for animal feed were 8.64 cents during September, 8.35 cents in August, 8.55 cents per pound for a year earlier, and 9.16 cents for the September 1944-48 average. Combining human food and animal feed dry buttermilk, prices averaged 10.08 cents per pound for September compared with 9.72 cents in August, 9.40 cents a year ago, and 11.17 cents for the September five-year average.

Prices of dry whole milk in 1-2½ pound packages averaged 43.10 cents per pound for September, 42.82 cents for August, and 45.03 cents for the same month a year ago. In 5-pound packages, dry whole milk averaged 39.08 cents per pound for September, 39.54 cents for August, and 41.07 cents a year earlier. Selling prices of miscellaneous large packages, mostly bulk, showed an average price of 34.50 cents for September, almost 1 cent higher than August, and three-quarters cent above a year earlier. Dry whole milk in all packages averaged 37.67 cents for September, 36.90 cents for August, 38.22 cents a year earlier and 41.96 cents for the September 1944-48 average.

EVAPORATED AND CONDENSED MILK

Exceeding a year earlier for the first time since March 1949, canned condensed whole milk production was 5,900,000 pounds for September, up 3 percent from the same month of 1949, but down 52 percent from the September five-year average, according to the Bureau of Agricultural Economics. From January through September 1950, output totaled 52,550,000 pounds, a decline of 43 percent from the corresponding period of 1949.

Evaporated milk production was 232,000,000 pounds for September, up 9 percent from a year earlier, but still 10 percent below the five-year September average. Through September of 1950, total output of 2,364,800,000 pounds was 3 percent larger than the same months of 1949.

Production of condensed skim milk products (bulk goods) was higher than a year earlier while the production of condensed whole milk products was lower. Plain condensed whole milk, at 20,500,000 pounds, was the second highest of record for the month. This output was 1 percent less than a year earlier, but 52 percent higher than the 1944-48 September average. Production for the first 9 months of 1950 totaled 230,000,000 pounds, a gain of 11 percent from the same months of 1949. September output of plain condensed skim milk was 44,000,000 pounds, also the second highest of record for the month, up 5 percent from a year earlier and 12 percent from the September five-year average. Production of sweetened condensed whole milk totaled 4,200,000 pounds for September, a decline of 24 percent from a year earlier and 7 percent from the 1944-48 average. During the first 9 months of 1950, output of 31,460,000 pounds was 6 percent higher than the same months of 1949. Sweetened condensed skim milk output in September was 17,000,000 pounds, up 1 percent from the same month of 1949, but down 44 percent from the September 1944-48 average. For 1950 through September, the cumulative production of 169,800,000 pounds was 6 percent less than that of the same period in 1949.

Despite a seasonal gain during September in manufacturers' stocks of evaporated milk, these stocks were at their lowest level for the date since 1947. Holdings of 388,620,000 pounds on September 30 were down 20 percent from a year earlier, but were 18 percent higher than the 1944-48 average for the date. Stocks of canned condensed whole milk were 9,409,000 pounds at the end of the month, a gain of 39 percent from a year earlier, but a decline of 23 percent from the five-year September 30 average.

Manufacturers' selling prices of evaporated milk averaged \$5.36 per case of 48 1½-oz. cans for September. This represents a gain of 28 cents from a year earlier and 7 cents from the preceding month. The average is also the third highest for the month during the past quarter century. Selling prices of condensed whole milk averaged \$9.30 per case of 48 1½-oz. cans, up 30 cents from a year earlier, but unchanged from the preceding month. Prices of plain condensed milk, bulk goods, were the lowest for the month in several years while sweetened bulk goods prices were at rather high levels. Plain condensed whole milk averaged \$12.62 per hundredweight for September, the lowest for the month since 1947, down 16 cents from a year earlier, but up 25 cents from August. Prices of plain condensed skim milk averaged \$3.81 per hundredweight, the lowest for the month since 1942, down 1 cent from a year ago, but up 4 cents from the previous month. Sweetened condensed whole milk prices at an average of \$14.38 per hundredweight were the fourth highest for the month in the past quarter century, up 46 cents from a year ago and 34 cents from a month ago. Selling prices of sweetened condensed skim milk were \$8.73 per hundredweight, also the fourth highest for the past quarter century, up 74 cents from a year ago, and 35 cents from August.

Condensery paying prices for milk, adjusted to 3.5 percent butterfat, averaged \$2.90 per hundredweight for September, a gain of 10 cents from a year earlier and 9 cents from a month ago.

Based on actual butterfat test, prices paid by condenseries during September were \$3.42 per hundredweight for milk testing 4.21 percent butterfat, an average of 81 cents per pound of butterfat. The price per pound of butterfat was 2 cents higher than in August and 3 cents higher than a year earlier. Prices of butterfat, by States, ranged from 75 cents per pound in Mississippi to 89 cents in New York.

Purchases of milk by reporting condenseries from approximately 159,000 producers totaled 512,037,000 pounds during September, making an average daily purchase per producer of 107.3 pounds. This is 2 percent below a year earlier and between 4 and 5 percent less than the five-year September average.