

*Periodical Room*

EVAPORATED, CONDENSED, AND DRY MILK REPORT

Washington, D. C.  
August 31, 1956

For July 1956

DRY MILK

Production of total nonfat dry milk solids during July was 3 percent above a year earlier and the highest of record for the month, the Agricultural Marketing Service reports. July dry whole milk production was up 30 percent from a year earlier and dry buttermilk 24 percent.

Total nonfat dry milk solids production during July equaled 131,100,000 pounds, an increase of 3 percent and 32 percent, respectively, from a year earlier and the 1950-54 average. Cumulative production for the first 7 months of the year totaled 1,061,400,000 pounds, 5 percent more than the same months in 1955. Production of spray-dried nonfat milk totaled 113,500,000 pounds in July, the highest of record for the month, up 2 percent from a year earlier and 44 percent from the average. The combined January-July output of 932,300,000 pounds was 9 percent above the same period in 1955. Roller-dried nonfat milk production, at 17,600,000 pounds, increased 7 percent from a year earlier but decreased 15 percent from the July average. Totalling 129,100,000 pounds for the first 7 months of 1956, cumulative production was 16 percent below the same months last year.

July production of dry whole milk equaled 10,500,000 pounds, 30 percent more than a year earlier but 2 percent less than the average. The combined January-July output was 12 percent above the same period of 1955. Spray-dried whole milk production, at 9,900,000 pounds, was up 27 percent from a year earlier but was less than 1 percent above the average. At 61,950,000 pounds, cumulative production for the first 7 months of the year was 9 percent above the same months a year earlier. Production of roller-dried whole milk for July was 600,000 pounds, over double the 270,000 pounds of a year earlier but 33 percent below average. Cumulative production for January-July equaled 6,140,000 pounds, 52 percent above the same period last year.

July output of dry skim milk for animal feed totaled 1,900,000 pounds, up 36 percent from a year earlier but practically the same as the average of 1,895,000 pounds. Combined production for the first 7 months of the year totaled 10,940,000 pounds, 3 percent below the same months last year. Dry buttermilk production for July, at 6,800,000 pounds, was 24 percent and 38 percent, respectively, above a year earlier and the average. Cumulative production of 42,400,000 pounds for January-July was 12 percent above the same months a year earlier.

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MANUFACTURERS' AVERAGE SELLING PRICES OF DRY MILK SOLIDS, JULY 1956,  
WITH COMPARISONS

	Nonfat dry milk solids			Dry skim an. feed	N.F. solids & dry skim	Dry buttermilk			Dry whole milk			Total ship- ments
	Spray	Roller	Spray and roller			Human food	Animal feed	Human and animal	1-2½ pound pkgs.	5- pound pkgs.	Other pkgs. 1/	
— Cents per pound —												
July 50-54	14.91	12.84	14.42	9.61	14.35	13.04	8.99	11.08	45.70	40.19	35.08	40.02
July 1955	15.55	13.79	15.26	10.70	15.23	14.18	9.33	12.94	43.52	38.42	32.23	38.89
June 1956	<u>2/15.51</u>	13.28	15.18	10.06	15.14	13.95	8.02	12.50	43.89	38.11	31.88	38.81
July 1956	<u>2/15.35</u>	13.37	15.08	9.81	15.04	14.19	8.01	12.55	43.61	38.94	33.17	38.95

- 1/ Includes barrels and drums.  
2/ Excludes spray-dried nonfat milk solids sold in retail packages.

MANUFACTURERS' AVERAGE CARLOT SELLING PRICES OF EVAPORATED WHOLE MILK IN CASES  
OF 48 14½-OZ. CANS, BY GEOGRAPHIC DIVISIONS, JULY 1956, WITH COMPARISONS 1/

Geographic division	July 1955	June 1956	July 1956
— Dollars —			
New England	5.56	5.85	5.91
Middle Atlantic	5.54	5.83	5.88
South Atlantic	5.57	5.86	5.91
West North Central	5.49	5.79	5.83
East North Central	5.55	5.92	5.95
South Central	5.62	5.94	5.98
North Western	5.69	6.00	6.02
South Western	5.66	6.02	6.05
United States	5.57	5.88	5.92

- 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-term credit.

Prices paid for entire month of July at 13 Midwest condenseries used in determining class prices under the Chicago Milk Marketing Order:

Price per cwt.  
Chicago - \$3.058

Prices received f.o.b. plants for nonfat dry milk solids in the Chicago area covering the States of Illinois, Indiana, Michigan, Minnesota, and Wisconsin for the period June 26, 1956 through July 25, 1956 average for:

Cents per pound  
Spray - 15.22  
Roller - 13.09

AVERAGE PRICE PAID BY CONDENSERIES FOR MILK TO BE USED PRIMARILY FOR EVAPORATED MILK DURING JULY 1956, WITH COMPARISONS 1/

State and division	July 1955			June 1956			July 1956		
	Price paid per 100 lbs. milk	Milk-fat test	Price per lb. of milk-fat	Price paid per 100 lbs. milk	Milk-fat test	Price per lb. of milk-fat	Price paid per 100 lbs. milk	Milk-fat test	Price per lb. of milk-fat
	Dollars	Percent	Dollars	Dollars	Percent	Dollars	Dollars	Percent	Dollar
Pa.....	3.03	3.70	.82	3.12	3.67	.85	3.20	3.72	.86
M. Atl.. <u>2/</u>	3.04	3.70	.82	3.12	3.67	.85	3.20	3.72	.86
Md.....	3.06	3.95	.77	3.25	4.00	.81	3.32	4.08	.81
Va.....	3.13	4.22	.74	3.29	4.23	.78	3.31	4.26	.78
S. Atl.. <u>2/</u>	3.14	4.20	.75	3.27	4.19	.78	3.31	4.24	.78
Ohio.....	3.00	3.83	.78	3.20	3.85	.83	3.24	3.85	.84
Ind.....	3.06	3.80	.81	3.25	3.94	.82	3.21	3.86	.83
Ill.....	2.94	3.65	.81	3.01	3.59	.84	3.05	3.64	.84
Mich.....	2.98	3.67	.81	3.19	3.71	.86	3.22	3.75	.86
Wis.....	3.08	3.62	.85	3.18	3.61	.88	3.23	3.65	.88
E. N. C....	3.03	3.69	.82	3.17	3.70	.86	3.21	3.73	.86
Mo.....	3.25	4.25	.76	3.33	4.21	.79	3.33	4.22	.79
Kans.....	3.08	3.98	.77	3.19	3.95	.81	3.23	4.00	.81
W. N. C.. <u>2/</u>	3.15	4.00	.79	3.21	3.99	.82	3.27	4.01	.82
Ky.....	3.06	4.28	.72	3.21	4.23	.76	3.21	4.26	.75
Tenn.....	3.13	4.32	.72	3.27	4.26	.77	3.30	4.33	.76
Ala.....	3.13	4.30	.73	3.25	4.27	.76	3.27	4.30	.76
Miss.....	3.09	4.31	.72	3.24	4.28	.76	3.23	4.27	.76
Ark.....	3.25	4.28	.76	3.32	4.22	.79	3.31	4.21	.79
S. Cent.. <u>2/</u>	3.12	4.30	.73	3.25	4.25	.76	3.26	4.28	.76
Idaho.....	3.16	3.78	.84	3.36	3.76	.89	3.33	3.72	.90
Wash.....	3.40	4.16	.82	3.23	4.07	.79	3.28	4.13	.79
Oreg.....	3.43	4.12	.83	3.43	4.03	.85	3.42	4.00	.86
N. W.....	3.30	3.99	.83	3.34	3.91	.85	3.33	3.91	.85
Utah.....	2.88	3.36	.86	2.99	3.38	.88	2.97	3.34	.89
Calif.....	3.11	3.73	.86	3.26	3.72	.88	3.26	3.71	.88
S. W.. <u>2/</u> ...	3.16	3.67	.86	3.21	3.66	.88	3.21	3.65	.88
U. S. <u>2/</u>	3.10	3.93	.79	3.22	3.90	.83	3.24	3.94	.82

1/ Preliminary; subject to revision. Prices are for milk of actual milkfat as reported. All prices are reported as f.o.b. plant.  
2/ Includes prices for some States not shown separately.

MILK PURCHASED BY CONDENSERIES, JULY 1956, WITH COMPARISONS 1/

	Unit	Average 1950-54	1955	1956
Purchases, reported total	Pounds	672,460,000	646,272,000	643,480,000
Producers	Number	156,000	135,000	128,000
Average daily purchases per producer	Pounds	139.1	154.4	162.7
Change in purchases per producer:				
1956 from 1955	Percent	XXXX	XXXX	+ 5.1
1956 from 5-year average	Percent	XXXX	XXXX	+ 16.6

1/ Milk purchases 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.

PRODUCTION OF EVAPORATED, CONDENSED, AND DRY MILK,  
JULY 1956, WITH COMPARISONS

Commodity	July 1955 <sup>1/</sup>	July 1956 <sup>1/</sup>	Change in July 1956 from		Cumulative total		
			1950-54 average	1955	Jan.-July 1956	Change from Jan.-July 1955	
<b>Evaporated and condensed milk</b>		<b>1,000 pounds</b>		<b>Percent</b>		<b>1,000 lb.</b>	<b>Percent</b>
Evaporated whole (case goods)	257,800	268,850	- 5	+ 4	1,661,450	- 3	
Condensed whole (case goods)	3,000	6,300	+ 78	+ 110	33,105	+ 99	
<b>Dry milk</b>							
Dry whole							
Spray process	7,800	9,900	0	+ 27	61,950	+ 9	
Roller process	270	600	- 33	+ 122	6,140	+ 52	
Total	8,070	10,500	- 2	+ 30	68,090	+ 12	
<b>Dry nonfat solids</b>							
Human food - spray process	111,100	113,500	+ 44	+ 2	932,300	+ 9	
Human food - roller process	16,400	17,600	- 15	+ 7	129,100	- 16	
Total (human food)	127,500	131,100	+ 32	+ 3	1,061,400	+ 5	
Dry skim milk (animal feed)	1,400	1,900	0	+ 36	10,940	- 3	
Dry buttermilk	5,500	6,800	+ 38	+ 24	42,400	+ 12	

<sup>1/</sup> Estimates subject to revision when enumerations are available for 1955.

MANUFACTURERS' STOCKS OF EVAPORATED, CONDENSED, AND DRY MILK, JULY 31 <sup>1/</sup>

Commodity	Average 1950-54	1955 <sup>2/</sup>	1956	Change in 1956 from	
				1950-54 av.	1955
<b>Evaporated and condensed milk</b>		<b>1,000 pounds</b>		<b>Percent</b>	
Evaporated whole (case goods)	435,082	412,888	401,894	- 8	- 3
Condensed whole (case goods)	7,002	6,457	7,937	+ 13	+ 23
<b>Dry milk</b>					
Dry whole					
Spray process	17,041	12,200	15,123	- 11	+ 24
Roller process	143	81	69	- 52	- 15
Total	17,184	12,281	15,192	- 12	+ 24
<b>Dry nonfat solids</b>					
Human food - spray process	88,768	109,732	110,794	+ 25	+ 1
Human food - roller process	30,596	30,919	30,126	- 2	- 3
Total (human food)	119,364	140,651	140,920	+ 18	0
Dry skim milk (animal feed)	3,161	1,544	1,885	- 40	+ 22
Dry buttermilk	10,113	5,398	6,618	- 35	+ 23

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

<sup>2/</sup> Revised to include late reports.

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Manufacturers' stocks of total nonfat dry milk solids equaled 140,920,000 pounds on July 31, compared with 140,651,000 pounds a year earlier and the average of 119,364,000 pounds for that date. Stocks of spray-dried nonfat milk totaled 110,794,000 pounds, 1 percent and 25 percent more, respectively, than a year earlier and the 1950-54 July 31 average. Roller-dried nonfat milk stocks, at 30,126,000 pounds, were down 3 percent from a year earlier and 2 percent from the average.

Stocks of total dry whole milk held by manufacturers on July 31 were reported at 15,192,000 pounds, 24 percent higher than a year earlier but 12 percent lower than the 5-year average for that date. Manufacturers' stocks of spray-dried whole milk equaled 15,123,000 pounds, also 24 percent above a year earlier but 11 percent below the July 31 average. Roller-dried whole milk stocks, at 69,000 pounds, were 15 percent and 52 percent less, respectively, than on July 31, 1955 and the average.

Manufacturers' stocks of dry skim milk for animal feed on July 31 equaled 1,885,000 pounds, up 22 percent from a year earlier but down 40 percent from the 1950-54 average. Dry buttermilk stocks totaled 6,618,000 pounds, an increase of 23 percent from a year earlier but a decrease of 35 percent from the July 31 average.

Total sales of nonfat dry milk solids for July as shown by reporting manufacturers, equaled 96,735,000 pounds, up 3 percent from the preceding month but down 1 percent from a year earlier. Manufacturers' sales of dry whole milk were reported at 5,718,000 pounds, 30 percent less than the previous month, but 2 percent more than July 1955. Dry buttermilk sales during July, at 2,646,000 pounds, were down 8 percent and 17 percent, respectively, from the preceding month and a year earlier.

Manufacturers' selling prices of total nonfat dry milk solids during July averaged 15.08 cents per pound, a decline of one-tenth cent from the previous month and two-tenths cent from a year earlier. Spray-dried nonfat milk averaged 15.35 cents per pound, two-tenths cent lower than both the preceding month and July 1955. Prices of roller-dried nonfat milk in July averaged 13.37 cents per pound, up one-tenth cent from the previous month but down four-tenths cent from a year earlier.

Sales by manufacturers of dry skim milk for animal feed in July averaged 9.81 cents per pound, one-fourth cent and nine-tenths cent respectively, below the preceding month and a year earlier. Combining both human food and animal feed, the price of dry buttermilk averaged 12.55 cents per pound, practically unchanged from the preceding month but four-tenths cent less than July 1955.

Selling prices of dry whole milk for all sizes of packages averaged 38.95 cents per pound in July, up one-tenth cent from both the preceding month and a year earlier. Prices of 1-2½ pound packages averaged 43.61 cents per pound, a decrease of three-tenths cent from the previous month but an increase of one-tenth cent from a year earlier. In 5 pound packages, prices averaged 38.94 cents per pound in July, up eight-tenths cent from the

preceding month and one-half cent from a year earlier. Miscellaneous large packages, mostly barrels and drums, averaged 33.17 cents per pound, up 1.3 cents and nine-tenths cent respectively, from the previous month and a year earlier.

U. S. Department of Agriculture purchases of nonfat dry milk solids for price support purposes in August through the 28th totaled 27,785,000 pounds. July purchases equaled 76,853,000 pounds, and for the marketing year beginning April 1, 1956 through August 28, purchases totaled 385,908,000 pounds. The Government held 110,625,000 pounds of uncommitted supplies of nonfat dry milk solids on August 22. There have been no sales of nonfat dry milk solids back to the trade for domestic human food use during the present marketing year beginning April 1, 1956. The Department sold 2,322,000 pounds of nonfat dry milk solids for animal and poultry feed in August through the 28th, 2,571,000 pounds for the month of July and 6,878,000 pounds from April 1, 1956 through August 28.

#### EVAPORATED AND CONDENSED MILK

For the second successive month this year evaporated whole milk production was higher than that of a year earlier, the Agricultural Marketing Service reports. July output at 268,850,000 pounds was 4 percent higher than a year earlier and highest for the month since 1952. However, it was still 5 percent less than the 5-year average for July. During the first 7 months of 1956 output totaled 1,661,450,000 pounds, a decline of 3 percent from the same period in 1955.

July output of canned condensed whole milk continued at extremely high levels. Production was 6,300,000 pounds in July, a gain of 110 percent from a year earlier and 78 percent from the 1950-54 July average. During the period from January through July, production totaled 33,105,000 pounds, a gain of 99 percent from the corresponding period of 1955.

Manufacturers' stocks of evaporated whole milk at the end of July equaled 401,894,000 pounds, a decline of 3 percent from a year earlier and 8 percent from the average for July 31. Holdings of canned condensed whole milk at the end of July totaled 7,937,000 pounds, highest for the month since 1952, a gain of 23 percent from a year earlier, and 13 percent from the 5-year average.

Advances of 25 cents per case in manufacturers' prices of evaporated milk since April have not occurred for all firms at the same time. Some did not raise their prices until mid-June. All manufacturers did not report the full advance for the entire month until July. Since prices are weighted according to the portion of the month to which each price applies, prices advanced 4 cents per case from June to July. Manufacturers' prices for July averaged \$5.92 per case of 48 14½-oz. cans, a gain of 35 cents per case from a year earlier. The advance from the preceding month of 4 cents was the result of gains in all regions. The New England area rose 6 cents, and the Middle Atlantic and South Atlantic areas 5 cents each. A gain of 4 cents per case was shown by the East North Central and the South Central regions while gains of 3 cents were reported by the West North Central and Southwestern area. Prices in the Northwestern area advanced 2 cents from the preceding month.

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Condensery paying prices for milk f.o.b. plant during July averaged \$3.24 per hundredweight for milk testing 3.94 percent milkfat, or an average of 82 cents per pound milkfat. The price per pound of milkfat during July varied by States from a low of 75 cents in Kentucky to a high of 90 cents per pound in Idaho.

Milk purchases by reporting codenseries during July from approximately 128,000 producers totaled 643,480,000 pounds. Daily purchases per producer averaged 162.2 pounds, a gain of 5 percent from a year earlier and 17 percent from the 5-year average for the month.