

EVAPORATED, CONDENSED, AND DRY MILK REPORT

For September 1956

Washington, D. C.
October 31, 1956

DRY MILK

Production of total nonfat dry milk during September was 10 percent below a year earlier, the Agricultural Marketing Service reports. September dry whole milk production was down 8 percent from a year earlier and dry buttermilk was down 2 percent.

Total nonfat dry milk production during September equaled 80,000,000 pounds, a decline of 10 percent from a year earlier but an increase of 39 percent from the 1950-54 average. Cumulative production for the first 9 months of the year totaled 1,240,100,000 pounds, 4 percent more than the same months in 1955. Production of spray-dried nonfat milk totaled 72,200,000 pounds in September, down 7 percent from a year earlier while up 53 percent from the average. The combined January-September output of 1,091,500,000 pounds was 7 percent above the same period in 1955. Roller-dried nonfat milk production, at 7,800,000 pounds, declined 30 percent and 23 percent, respectively, from a year earlier and the September average. Totaling 148,600,000 pounds for the first 9 months of 1956, cumulative roller-dried production was 16 percent below the same months last year.

September production of dry whole milk equaled 8,175,000 pounds, 8 percent less than a year earlier but 1 percent more than the average. The combined January-September output of 85,765,000 pounds was 11 percent above the same period of 1955. Spray-dried whole milk production, at 7,100,000 pounds, was down 6 percent and 2 percent, respectively, from a year earlier and the average. At 77,750,000 pounds, cumulative production for the first 9 months of the year was 10 percent above the same months a year earlier. Production of roller-dried whole milk for September was 1,075,000 pounds, 20 percent lower than a year earlier while 22 percent higher than the average. Cumulative production for January-September equaled 8,015,000 pounds, 28 percent above the same period last year.

September output of dry skim milk for animal feed totaled 930,000 pounds, down 9 percent and 22 percent, respectively, from a year earlier and the average. Combined production for the first 9 months of the year totaled 13,370,000 pounds, 1 percent below the same months last year. Dry buttermilk production for September, at 4,100,000 pounds, was 2 percent less than a year earlier but 24 percent more than the average. Cumulative production of 50,900,000 pounds for January-September was 10 percent above the same months a year earlier.

Manufacturers' stocks of total nonfat dry milk equaled 98,903,000 pounds on September 30, 3 percent lower than a year earlier and 11 percent higher than the average for that date. Stocks of spray-dried nonfat milk totaled 75,680,000 pounds, an increase of 1 percent from a year earlier and 10 percent from the 1950-54 September 30 average. Roller-dried nonfat milk stocks at 23,223,000 pounds, were down 11 percent from a year earlier and up 15 percent from the average.

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MANUFACTURERS' SELLING PRICES OF DRY MILK DURING SEPTEMBER 1956
Reported shipments (F.O.B. plant)

NONFAT DRY MILK (Bulk goods)			DRY SKIM	DRY BUTTERMILK (Bulk goods)		
Price 1/	Spray process 2/	Roller process	Animal feed	Price 1/	Human food	Animal feed
Cents	-- Pounds --			Cents	-- Pounds --	
7½-8			11,250	5-5½		63,091
8-8½			37,666	7-7½		59,100
8½-9			34,698	7½-8		41,212
9-9½			124,129	8-8½		247,068
9½-10			31,500	8½-9		36,550
10-10½			125,731	9-9½		63,120
10½-11		64,400	55,835	9½-10		36,650
11-11½		-	117,660	10-10½		-
11½-12		-	8,630	10½-11	100,000	-
12-12½		659,500		11-11½	-	2,300
12½-13		1,314,365		12½-13	440,200	
13-13½	11,000	2,430,035		13-13½	114,200	
13½-14	475,278	1,698,982		13½-14	120,400	
14-14½	911,192	2,034,356		14-14½	90,486	
14½-15	8,141,091	873,320		14½-15	293,000	
15-15½	20,460,886	8,500		15½-16	342,282	
15½-16	14,565,250			16-16½	176,400	
16-16½	6,674,516			17-17½	16,905	
16½-17	1,438,842			17½-18	16,000	
17-17½	1,237,085			18-18½	20,000	
17½-18	447,855					
Total	54,363,095	9,083,458	547,099		1,641,873	549,091
Total human	63,446,553					
Grand total		63,993,652			2,190,964	

MANUFACTURERS' SELLING PRICES OF DRY WHOLE MILK DURING SEPTEMBER 1956 3/
Reported shipments (F.O.B. plant)

Price 1/	1-2½ lb. packages	5 lb. packages	All other packages, including bbls. & drums	Total reported shipments
Cents	-- Pounds --			
28½-29½			26,385	26,385
29½-30½			110,200	110,200
30½-31½			616,890	616,890
31½-32½			565,183	565,183
32½-33½			140,000	140,000
33½-34½		45,050	881,355	926,405
34½-35½		-	103,399	103,399
35½-36½	90,468	180,630	194,405	465,503
37½-38½	750,095	-	-	750,095
39½-40½	-	1,549,885	-	1,549,885
40½-41½	48,000	-	-	48,000
41½-42½	4,825	73,325	-	78,150
42½-43½	6,606	-	-	6,606
44½-45½	2,135,628	-	-	2,135,628
45½-46½	4,639	-	-	4,639
46½-47½		26,400	-	26,400
Total	3,040,261	1,875,290	2,637,817	7,553,368

1/ Classified according to average monthly prices reported by firms.
2/ Excludes spray-dried nonfat milk sold in retail packages.

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

	Nonfat dry milk			Dry skim an. feed	Nonfat & dry skim	Dry buttermilk			Dry whole milk			
	Spray	Roller	Spray and roller			Human food	Animal feed	Human and animal	1-2½ pound pkgs.	5-pound pkgs.	Other pkgs. 1/	Total shipments
	— Cents per pound —											
Sept. 50-54	15.06	13.27	14.68	9.88	14.62	13.26	9.15	11.35	46.71	42.28	36.21	41.29
Sept. 1955	15.68	14.26	15.49	10.20	15.44	14.36	9.70	13.61	43.04	37.36	32.90	37.77
August 1956	2/15.37	13.44	15.10	9.96	15.07	14.40	8.25	12.74	42.46	39.00	33.12	38.97
Sept. 1956	2/15.45	13.49	15.17	9.86	15.13	14.19	7.79	12.59	42.55	39.28	32.80	38.33

1/ Includes barrels and drums.

2/ Excludes spray-dried nonfat milk sold in retail packages.

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

Geographic division	September 1955	August 1956	September 1956
	— Dollars —		
New England	5.56	5.92	5.92
Middle Atlantic	5.53	5.88	5.89
South Atlantic	5.57	5.92	5.92
East North Central	5.49	5.84	5.84
West North Central	5.55	5.95	5.96
South Central	5.63	5.98	5.99
North Western	5.69	6.02	6.02
South Western	5.66	6.05	6.05
United States	5.57	5.93	5.93

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.

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

Price per cwt.

Chicago - \$3.183

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

Cents per pound

Spray - 15.13
Roller - 13.43

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

State and division	September 1955			August 1956			September 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	Dollars
Pa.....	3.33	3.94	.84	3.26	3.78	.86	3.44	3.93	.88
M. Atl.2/..	3.33	3.94	.85	3.27	3.78	.87	3.44	3.93	.88
Md.....	3.40	4.24	.80	3.42	4.14	.83	3.61	4.31	.84
Va.....	3.33	4.53	.73	3.36	4.36	.77	3.54	4.64	.76
S. Atl.2/..	3.37	4.48	.75	3.36	4.31	.78	3.55	4.55	.78
Ohio.....	3.35	3.98	.84	3.31	3.88	.85	3.53	4.00	.88
Ind.....	3.39	4.01	.85	3.32	3.88	.86	3.61	4.05	.89
Ill.....	3.14	3.86	.81	3.11	3.69	.84	3.21	3.78	.85
Mich.....	3.25	3.88	.84	3.27	3.76	.87	3.51	3.87	.91
Wis.....	3.34	3.82	.87	3.28	3.70	.89	3.39	3.81	.89
E. N. C....	3.30	3.89	.85	3.27	3.77	.87	3.44	3.89	.88
Mo.....	3.40	4.50	.75	3.36	4.27	.79	3.51	4.52	.78
Kans.....	3.22	4.16	.77	3.18	3.94	.81	3.26	4.08	.80
W. N. C.2/..	3.31	4.24	.78	3.28	4.04	.81	3.40	4.21	.81
Ky.....	3.31	4.55	.73	3.27	4.35	.75	3.49	4.65	.75
Tenn.....	3.33	4.56	.73	3.34	4.38	.76	3.54	4.67	.76
Ala.....	3.39	4.54	.75	3.35	4.42	.76	3.59	4.73	.76
Miss.....	3.36	4.65	.72	3.31	4.40	.75	3.51	4.72	.74
Ark.....	3.43	4.56	.75	3.33	4.23	.79	3.47	4.47	.78
S. Cent.2/..	3.35	4.57	.73	3.31	4.35	.76	3.51	4.64	.76
Idaho.....	3.39	3.97	.86	3.42	3.80	.90	3.55	3.95	.90
Wash.....	3.61	4.35	.83	3.29	4.16	.79	3.48	4.33	.80
Oreg.....	3.64	4.32	.84	3.53	4.08	.87	3.70	4.25	.87
N. W.....	3.52	4.18	.84	3.41	3.96	.86	3.56	4.11	.87
Utah.....	3.01	3.51	.86	3.04	3.42	.89	3.12	3.50	.89
Calif.....	3.41	3.93	.87	3.40	3.83	.89	3.61	3.97	.91
S. W.2/....	3.36	3.87	.87	3.35	3.78	.89	3.54	3.90	.91
U. S. 2/..	3.34	4.16	.80	3.31	4.02	.82	3.48	4.19	.83

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, SEPTEMBER 1956, WITH COMPARISONS 1/

	Unit	Average 1950-54	1955	1956
Purchases, reported total	Pounds	516,578,000	490,829,000	504,579,000
Producers	Number	154,000	133,000	126,000
Average daily purchases per producer	Pounds	118.8	123.0	133.5
Change in purchases per producer:	Percent			
1956 from 1955	Percent	XXXX	XXXX	+ 8.5
1956 from 5-year average	Percent	XXXX	XXXX	+19.4

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,
SEPTEMBER 1956, WITH COMPARISONS

Commodity	Sept. 1955 <u>1/</u>	Sept. 1956 <u>1/</u>	Change in Sept. 1956 from		Cumulative total	
			1950-54 average	1955	Jan.-Sept. 1956	Change from Jan.-Sept. 1955
Evaporated and condensed milk	<u>1,000 pounds</u>		<u>Percent</u>		<u>1,000 lb.</u>	<u>Percent</u>
Evaporated whole (case goods)	184,500	189,100	- 8	+ 2	2,083,180	- 2
Condensed whole (case goods)	2,540	5,520	+ 55	+ 117	45,255	+ 104
Dry milk						
Dry whole						
Spray process	7,550	7,100	- 2	- 6	77,750	+ 10
Roller process	1,350	1,075	+ 22	- 20	8,015	+ 28
Total	8,900	8,175	+ 1	- 8	85,765	+ 11
Dry nonfat						
Human food - spray process	77,900	72,200	+ 53	- 7	1,091,500	+ 7
Human food - roller process	11,200	7,800	- 23	- 30	148,600	- 16
Total (human food)	89,100	80,000	+ 39	- 10	1,240,100	+ 4
Dry skim milk (animal feed)	1,025	930	- 22	- 9	13,370	- 1
Dry buttermilk	4,200	4,100	+ 24	- 2	50,900	+ 10

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

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

Commodity	Average 1950-54	1955 <u>2/</u>	1956	Change in 1956 from	
				1950-54 av.	1955
Evaporated and condensed milk	<u>1,000 pounds</u>			<u>Percent</u>	
Evaporated whole (case goods)	458,041	427,570	425,545	- 7	0
Condensed whole (case goods)	6,705	5,482	8,761	+ 31	+ 60
Dry milk					
Dry whole					
Spray process	16,138	10,837	12,778	- 21	+ 18
Roller process	147	161	340	+131	+111
Total	16,285	10,998	13,118	- 19	+ 19
Dry nonfat					
Human food - spray process	68,812	75,303	75,680	+ 10	+ 1
Human food - roller process	20,119	26,199	23,223	+ 15	- 11
Total (human food)	88,931	101,502	98,903	+ 11	- 3
Dry skim milk (animal feed)	2,627	1,096	1,569	- 40	+ 43
Dry buttermilk	8,881	4,089	5,362	- 40	+ 31

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.

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Stocks of total dry whole milk held by manufacturers on September 30 were reported at 13,118,000 pounds, 19 percent higher than a year earlier but 19 percent lower than the 5-year average for that date. Manufacturers' stocks of spray-dried whole milk equaled 12,778,000 pounds, 18 percent above a year earlier but 21 percent below the September 30 average. Roller-dried whole milk stocks, at 340,000 pounds, were about double those of September 30, 1955 and the average.

Manufacturers' stocks of dry skim milk for animal feed on September 30 equaled 1,569,000 pounds, up 43 percent from a year earlier but down 40 percent from the 1950-54 average. Dry buttermilk stocks totaled 5,362,000 pounds, an increase of 31 percent from a year earlier but a decrease of 40 percent from the September 30 average.

Total sales of nonfat dry milk for September as shown by reporting manufacturers equaled 63,447,000 pounds, down 20 percent and 14 percent, respectively, from the preceding month and a year earlier. Manufacturers' sales of dry whole milk were reported at 7,553,000 pounds, 2 percent less than the previous month and 5 percent more than September 1955. Dry buttermilk sales during September, at 2,191,000 pounds, declined 20 percent from the preceding month and 31 percent from a year earlier.

Manufacturers' selling prices of total nonfat dry milk during September averaged 15.17 cents per pound, an increase of one-tenth cent from the previous month and a decline of one-third cent from a year earlier. Spray-dried nonfat milk averaged 15.45 cents per pound, one-tenth cent higher than the preceding month and one-fourth cent lower than September 1955. Prices of roller-dried nonfat milk in September averaged 13.49 cents per pound, up slightly from the previous month but down three-fourths cent from a year earlier.

Sales by manufacturers of dry skim milk for animal feed in September averaged 9.86 cents per pound, a decline of one-tenth cent from the preceding month and one-third cent from a year earlier. Combining both human food and animal feed, the price of dry buttermilk averaged 12.59 cents per pound, down two-tenths cent and 1.0 cent, respectively, from the previous month and September 1955.

Selling prices of dry whole milk for all sizes of packages averaged 38.33 cents per pound in September, a decline of two-thirds cent from the preceding month but an increase of six-tenths cent from a year earlier. Prices of 1-2½-pound packages averaged 42.55 cents per pound, one-tenth cent more than the previous month and one-half cent less than a year earlier. In 5-pound packages, prices averaged 39.28 cents per pound, up three-tenths cent and 1.9 cents, respectively, from the preceding month and September 1955. Miscellaneous large packages, mostly barrels and drums, averaged 32.80 cents per pound, down one-third cent from the previous month and one-tenth cent from a year earlier.

U. S. Department of Agriculture purchases of nonfat dry milk for price support purposes in October through the 25th totaled 30,304,000 pounds. September purchases equaled 17,587,000 pounds and for the marketing year beginning April 1, 1956 through October 25, purchases totaled 458,698,000 pounds.

The Government held 26,238,000 pounds of uncommitted supplies of nonfat dry milk on October 24. There have been no sales of nonfat dry milk back to the trade for domestic human food use during the present marketing year. The Department sold 3,766,000 pounds of nonfat dry milk for animal and poultry feed in October through the 25th, 943,000 pounds for the month of September, and 13,460,000 pounds from April 1, 1956 through October 25.

EVAPORATED AND CONDENSED MILK

September production of evaporated whole milk was 189,100,000 pounds, highest for the month since 1952, up 2 percent from a year earlier, but down 8 percent from the 1950-54 average for the month, the Agricultural Marketing Service reports. Cumulative production for the first 9 months of 1956 totaled 2,083,180,000 pounds, a decline of 2 percent from the same period in the preceding year.

Canned condensed whole milk production for September was 5,520,000 pounds, highest for the month since 1950, a gain of 117 percent from a year earlier and 55 percent from the 5-year average for the month. During the first 9 months of 1956, production totaled 45,255,000 pounds, more than double the production in the same period of 1955.

Manufacturers' stocks of evaporated whole milk at the end of September were 425,545,000 pounds, only a fractional decrease from a year earlier, but a decline of 7 percent from the 5-year average for the date. Holdings of canned condensed whole milk were 8,761,000 pounds, a gain of 60 percent from a year earlier and 31 percent from the September 30 five-year average.

Manufacturers' selling prices of evaporated whole milk averaged \$5.93 per case of 48 11 $\frac{1}{2}$ -oz. cans during September. This price was unchanged from the preceding month, but 36 cents higher than that of a year earlier. Comparing changes in prices from the preceding month by regions, a 1 cent gain was shown by the Middle Atlantic, West North Central, and South Central areas. The remaining areas were unchanged from the preceding month.

Condensery paying prices f.o.b. plant for September averaged \$3.48 for milk of 4.19 percent milkfat, or an average of 83 cents per pound of milkfat. This price per pound of milkfat was 1 cent higher than in the preceding month and 3 cents higher than that of a year earlier. The price per pound of milkfat by States during September ranged from 74 cents per pound in Mississippi to as high as 91 cents in Michigan and California.

Purchases of milk by reporting condenseries totaled 504,579,000 pounds for September and were made from approximately 126,000 producers. Average daily purchases per producer were 133.5 pounds, a gain of between 8 and 9 percent from a year earlier, and 19 percent from the 5-year average for the month.