

EVAPORATED, CONDENSED, AND DRY MILK
REPORT FOR DECEMBER 1959

ALBERT R. MANN
LIBRARY

FEB -2 1960

January 29, 1960

HD
928 2
44 2
45 A

PRODUCTION

EVAPORATED AND CONDENSED MILK: Evaporated whole milk production for the entire year of 1959 totaled 2,266,500,000 pounds, down 1 percent from 1958, and the smallest annual output in 2 decades, the Crop Reporting Board reports. December production is estimated at 136,200,000 pounds, a decrease of 2 percent from a year earlier, 10 percent below the December 1953-57 average, and the smallest December production since 1938.

Output of canned sweetened condensed whole milk in 1959 was 61,300,000 pounds. This was 7 percent above the preceding year and the second largest annual production in 9 years. Output in December was 4,480,000 pounds, a gain of 7 percent over the same month of 1958 and 21 percent above the 1953-57 December average.

DRY MILK: Production of total nonfat dry milk for human food during 1959 is estimated at 1,722,300,000 pounds, 1 percent above the previous record high set in 1958, the Crop Reporting Board reports. This is the eighth consecutive year in which a new record high output has been established for this product. Dry whole milk production was up 2 percent from 1958. Annual output of dry buttermilk in 1959 declined 3 percent from a year earlier and production of dry skim milk for animal feed was off 1 percent.

Production of total nonfat dry milk for human food (spray and roller process combined) continued at a record high level during December. The estimated 136,800,000 pounds produced represented an increase of 8 percent over December 1958 and a gain of 31 percent from the 1953-57 average for the month.

During 1959, production of spray-dried nonfat milk was a record high 1,586,100,000 pounds, up 2 percent from the preceding year. For the fifth consecutive month, output was at a record high level in December. Production during the month at 126,000,000 pounds was 7 percent above December 1958 and 36 percent more than the 1953-57 December average.

Total output of roller-dried nonfat milk during the year was 136,200,000 pounds, 8 percent less than in 1958, and the smallest annual production of record. Manufacture of roller-dried nonfat milk rose sharply in December, and at 10,800,000 pounds was 32 percent above the same month a year earlier. However, this was still 5 percent below the 1953-57 average for December.

During 1959, production of dry whole milk totaled 96,900,000 pounds, up 2 percent from 1958. The 9,700,000 pounds produced during December represented a gain of 42 percent over the same month in 1958, and 13 percent more than the 1953-57 December average. This was the largest output for the month since 1946.

Total 1959 production of dry buttermilk was 74,650,000 pounds, off 3 percent from the preceding year. December output was a record high 6,700,000 pounds, up 6 percent from a year earlier and 46 percent above average for the month.

Production of dry skim milk for animal feed in 1959 was 15,565,000 pounds - 1 percent below the preceding year and the smallest annual production since 1951. December output showed a sharper than usual increase over November, however. The 1,050,000 pounds produced during December represented a 38 percent increase over the preceding month compared with the 1953-57 average November-to-December rise of 23 percent. However, December production was off 1 percent from a year earlier and 11 percent below average for the month.

STOCKS, SHIPMENTS, PURCHASES, AND PRICES

EVAPORATED AND CONDENSED MILK: Stocks of evaporated whole milk held by manufacturers on December 31 totaled 225,092,000 pounds. Holdings were 18 percent larger than a year earlier, slightly above the 1953-57 end-of-December average, and the largest for the date since 1953. The quantity of canned sweetened condensed whole milk held by manufacturers increased contra-seasonally during December. At the end of December, stocks totaled 5,108,000 pounds, up 20 percent from November 30 in contrast with the 1953-57 average reduction in holdings of 18 percent during the month. Stocks were 6 percent larger than on December 31, 1958, but 12 percent smaller than average for the date.

Manufacturers' selling prices of evaporated whole milk during December averaged \$6.38 per case of 48 14½-oz. cans. This is 4 cents per case higher than the November average and 23 cents per case above the average selling prices in December a year ago. Compared with the month before, December prices advanced 5 cents per case in North Central States, 4 cents on the eastern seaboard, 2 cents in western States, and 1 cent per case in the South Central area.

Prices paid producers by reporting condenseries during December averaged \$3.58 per hundredweight for milk testing 4.19 percent fat or an average of 85 cents per pound of milkfat. On the basis of milkfat, prices were up 1 cent per pound from both a month and a year earlier. By States, milkfat prices ranged from a low of 77 cents per pound in Alabama, Kentucky, Tennessee, and Virginia to a high of 91 cents in Wisconsin.

Reporting condenseries for which historic data are available purchased 386,012,000 pounds of milk from approximately 93,000 producers during December. Average daily purchases per producer were 133.9 pounds, up 10 percent from December 1958 and 24 percent above the 1953-57 average for the month.

DRY MILK: Reporting manufacturers' stocks of all major dry milk products, except roller-dried nonfat milk for human food, were larger on December 31, 1959 than a year earlier. Holdings of total nonfat dry milk for human food (spray and roller process combined) were 96,567,000 pounds, up 10 percent from December 31, 1958 and 26 percent above the 1953-57 average for the date. End-of-December stocks of spray-dried nonfat milk totaled 90,606,000 pounds, a gain of 14 percent from a year earlier and 37 percent larger than average. Partially offsetting the increase in holdings of spray-dried nonfat was a sharp drop in roller-dried nonfat milk stocks. The 5,961,000 pounds of roller-dried nonfat milk held by reporting manufacturers on December 31 were off 24 percent from holdings at the end of 1958 and were 42 percent below the 1953-57 average for the date.

Dry whole milk stocks at 6,486,000 pounds were 5 percent larger than the 18 year low level of December 31, 1958 but 31 percent smaller than the end-of-December average.

Reporting manufacturers held 572,000 pounds of dry skim milk for animal feed on December 31, 1 percent more than at the end of December in 1958 but 40 percent less than the 1953-57 average for that date. Holdings of dry buttermilk were at a 6 year high level totaling 5,114,000 pounds at the end of 1959. This was 25 percent above stocks of a year earlier and 4 percent above average.

December shipments of spray-dried nonfat milk for human food, dry whole milk and dry skim milk for animal feed exceeded those of a year earlier. However, reports from manufacturers indicate movement of roller-dried nonfat milk for human food and dry buttermilk was smaller than in December 1958. Compared with the preceding year, December shipments of spray-dried nonfat were up 15 percent, dry whole milk increased 4 percent and movement of dry skim milk for animal feed increased 6 percent. On the other hand, shipments of roller-dried nonfat milk dropped 24 percent to a record low for the month and movement of dry buttermilk was 3 percent below the December 1958 level.

Manufacturers' selling prices of nonfat dry milk for human food in all types of bulk packages for the entire year of 1959 averaged 13.60 cents per pound. This compares with the 1958 average of 14.09 cents and is the lowest annual average price for this product since 1950. The December average of 13.73 cents per pound was the same as the November price but 0.2 cent per pound above December 1958. Spray-dried nonfat milk prices averaged 13.69 cents per pound in 1959, compared with 14.24 cents the preceding year. December prices averaged 13.78 cents per pound, fractionally lower than a month earlier but 0.1 cent per pound higher than in December 1958. Prices of roller-dried nonfat milk averaged 12.60 cents per pound for the entire year of 1959. This compared with the 1958 average of 12.66 cents per pound. The December average of 13.04 cents per pound was slightly below November 1959 but 0.5 cent per pound above December 1958.

Prices of dry whole milk in all sizes of packages averaged 38.57 cents per pound in 1959 compared with 38.72 cents for 1958. The 1959 average was the second lowest since 1950. The December price was 39.97 cents per pound, an advance of 1.0 cent from November and 1.4 cents above December 1958. In 1-2½ pound packages dry whole milk averaged 50.21 cents per pound, up 5.3 cents from November and 5.2 cents from the preceding December. In 5-pound packages, December prices averaged 44.03 cents, an increase of 2.4 cents from a month earlier and 2.9 cents per pound higher than December 1958. In miscellaneous large packages, mostly barrels and drums, prices averaged 32.69 cents per pound, 0.3 cent more than in November and 1.4 cents above December 1958.

Manufacturers' selling prices of dry buttermilk for human food and animal feed combined averaged 13.20 cents per pound during 1959 compared with 12.87 cents the preceding year. This was the highest annual average price of record and results primarily from an increase in the relative proportion of dry buttermilk for human food. December prices averaged 13.30 cents per pound, down 0.3 cent from November but up 0.2 cent from a year earlier. Dry skim milk for animal feed averaged 9.86 cents per pound in 1959 compared with 9.65 cents in 1958. In December, prices averaged 10.21 cents per pound, an advance of 0.2 cent over the preceding month and 0.6 cent per pound higher than in December 1958.

(Continued on page 8)

Table 1.-Evaporated, condensed, and dry milk: Production, December 1959

Commodity	December 1958 ^{1/}	December 1959 ^{2/}			Jan.-Dec. 1959	
		Total	Change from--		Total	Change from Jan.-Dec. 1958
			Dec. 1953-57 average	Dec. 1958		
	1,000 pounds	1,000 pounds	Percent	Percent	1,000 pounds	Percent
<u>Evaporated and condensed milk:</u>						
Evaporated whole (case goods)..	138,605	136,200	-10	- 2	2,266,500	- 1
Condensed whole (case goods)...	4,186	4,480	+21	+ 7	61,300	+ 7
<u>Dry milk:</u>						
Dry whole milk.....	6,815	9,700	+13	+42	96,900	+ 2
Nonfat dry milk (human food):						
Spray process.....	118,053	126,000	+36	+ 7	1,586,100	+ 2
Roller process.....	8,210	10,800	- 5	+32	136,200	- 8
Total.....	126,263	136,800	+31	+ 8	1,722,300	+ 1
Dry skim milk (animal feed)....	1,065	1,050	-11	- 1	15,565	- 1
Dry buttermilk.....	6,299	6,700	+46	+ 6	74,650	- 3

^{1/} Enumerations.
^{2/} Estimates.

Table 2.-Evaporated, condensed, and dry milk: Manufacturers' reported stocks December 31, 1959

Commodity	Average Dec. 31, 1953-57	Dec. 31, 1958 ^{2/}	December 31, 1959		
			Total	Change from--	
				Dec. 31, 1953-57 av.	Dec. 31, 1958
	1,000 pounds	1,000 pounds	1,000 pounds	Percent	Percent
<u>Evaporated and condensed milk:</u>					
Evaporated whole (case goods)..	224,479	190,997	225,092	0	+18
Condensed whole (case goods)...	5,773	4,840	5,108	-12	+ 6
<u>Dry milk:</u>					
Dry whole milk.....	9,355	6,204	6,486	-31	+ 5
Nonfat dry milk (human food):					
Spray process.....	66,066	79,701	90,606	+37	+14
Roller process.....	10,300	7,812	5,961	-42	-24
Total.....	76,366	87,513	96,567	+26	+10
Dry skim milk (animal feed)....	957	569	572	-40	+ 1
Dry buttermilk.....	4,908	4,104	5,114	+ 4	+25

^{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.

Table 3.-Dry milk: Manufacturers' reported shipments at specified price ranges, f.o.b. plant, December 1959 1/

Price per pound <u>2/</u>	Nonfat dry milk, human food (bulk goods)		Dry skim milk for animal feed	Dry buttermilk	
	Spray process <u>3/</u>	Roller process		Human food	Animal feed
Cents	Pounds	Pounds	Pounds	Pounds	Pounds
7 -7½	-	-	5,290	-	-
7½-8	-	-	4,074	-	-
8 -8½	-	-	39,754	-	-
8½-9	-	-	10,747	-	40,962
9 -9½	-	-	67,778	-	41,305
9½-10	-	-	33,619	-	9,500
10 -10½	-	-	132,591	-	137,245
10½-11	-	185,800	100,422	-	89,375
11 -11½	-	19,552	161,700	43,680	161,617
11½-12	-	123,303	27,480	-	-
12 -12½	190,000	303,550	11,875	196,900	74,500
12½-13	6,828,587	3,931,831	2,400	173,900	8,940
13 -13½	22,772,839	498,137	-	673,535	-
13½-14	22,571,317	708,100	-	291,009	-
14 -14½	15,641,183	442,390	-	857,365	-
14½-15	9,612,811	338,631	-	342,803	-
15 -15½	2,350,812	72,430	-	48,200	-
15½-16	1,364,301	-	-	5,300	-
16 -16½	948,050	-	-	163,128	-
17 -17½	303,880	-	-	7,100	-
Dry whole milk <u>4/</u>					
	1-2½ lb. packages	5-lb. packages	All other packages including bbls. & drums	Total	
	Pounds	Pounds	Pounds	Pounds	
29½-30½	-	-	154,380	154,380	
30½-31½	-	-	24,950	24,950	
31½-32½	-	-	1,264,653	1,264,653	
32½-33½	-	-	54,610	54,610	
33½-34½	-	-	829,991	829,991	
34½-35½	-	17,135	4,500	21,635	
35½-36½	-	-	166,450	166,450	
38½-39½	59,724	-	-	59,724	
39½-40½	-	23,820	-	23,820	
40½-41½	15,017	-	-	15,017	
43½-44½	3,169	693,330	-	696,499	
47½-48½	99,113	-	-	99,113	
50½-51½	951,229	-	-	951,229	

- 1/ Excludes shipments for which prices were not reported. For total reported see table 4.
2/ Classified according to average monthly prices reported by firms.
3/ Excludes spray-dried nonfat milk sold in packages of retail size.
4/ Includes some dry whole milk in special packages for export.

Table 4.-Dry milk: Manufacturers' reported shipments, December 1959 ^{1/}

Commodity	December 1958	November 1959	December 1959		
			Total	Change from--	
				December 1958	November 1959
	<u>1,000</u> pounds	<u>1,000</u> pounds	<u>1,000</u> pounds	<u>Percent</u>	<u>Percent</u>
Dry whole milk.....	5,403	5,680	5,621	+ 4	- 1
Nonfat dry milk (human food):					
Spray process ^{2/}	80,474	75,972	92,829	+15	+22
Roller process.....	9,103	6,784	6,961	-24	+ 3
Total.....	89,577	82,756	99,790	+11	+21
Dry skim milk (animal feed).....	603	462	642	+ 6	+39
Dry buttermilk:					
For human food.....	3,682	2,918	3,491	- 5	+20
For animal feed.....	561	462	632	+13	+37
Total.....	4,243	3,380	4,123	- 3	+22

^{1/} Includes shipments for which prices were not reported.

^{2/} Excludes spray-dried nonfat milk sold in packages of retail size.

Table 5.-Dry milk: Manufacturers' average selling price per pound, f.o.b. plant, December 1959 ^{1/}

Month	Nonfat dry milk ^{2/}			Dry skim an. feed	Nonfat & dry skim	Dry buttermilk			Dry whole milk			Total
	Spray process	Roller process	Spray and roller			Human food	Animal feed	Human and animal	1-2 ^{1/2} pound pkgs.	5- pound pkgs.	Other pkgs. ^{3/}	
	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>
Dec. 1953-57	15.59	13.88	15.35	9.91	15.30	14.13	8.80	12.55	44.94	40.40	33.77	39.65
Dec. 1958...	4/13.69	12.52	13.57	9.57	13.54	13.61	9.82	13.11	45.05	41.16	31.26	38.52
Nov. 1959...	4/13.80	13.07	13.74	9.99	13.72	14.08	10.64	13.61	44.92	41.68	32.36	39.00
Dec. 1959...	4/13.78	13.04	13.73	10.21	13.71	13.79	10.56	13.30	50.21	44.03	32.69	39.97

^{1/} Prices reported by firms weighted by their shipments to derive averages and segments also weighted by shipments to derive combined prices.

^{2/} Average of prices for shipments in bulk packages such as barrels, drums, and bags.

^{3/} Includes barrels and drums.

^{4/} Excludes spray-dried nonfat milk sold in packages of retail size.

Table 6.-Evaporated whole milk: Manufacturers' average selling price per case of 48 14 ^{1/2}-oz. cans, in carlots, by geographic divisions, December 1959 ^{1/}

Geographic division	December 1958	November 1959	December 1959
	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>
New England.....	6.10	6.28	6.32
Middle Atlantic.....	6.06	6.22	6.26
South Atlantic.....	6.13	6.26	6.30
East North Central.....	6.06	6.23	6.28
West North Central.....	6.22	6.39	6.44
South Central.....	6.19	6.44	6.45
North Western.....	6.28	6.53	6.55
South Western.....	6.32	6.56	6.58
United States.....	6.15	6.34	6.38

^{1/} Manufacturers' prices are based on the reports made by manufacturers covering actual sales of goods delivered at manufacturers' distributing points on the basis of cash or short-time credit.

Table 7.-Milk bought by condenseries primarily for evaporated milk: Average price and fat test, by States, December 1959 ^{1/}

State and division	December 1958			November 1959			December 1959		
	Milk price per 100 pounds	Milkfat		Milk price per 100 pounds	Milkfat		Milk price per 100 pounds	Milkfat	
		Test	Price per pound		Test	Price per pound		Test	Price per pound
	Dollars	Percent	Dollars	Dollars	Percent	Dollars	Dollars	Percent	Dollars
Pa.	3.21	3.82	.84	3.37	3.82	.88	3.27	3.76	.87
M.Atl. ^{2/}	3.21	3.82	.84	3.37	3.82	.88	3.27	3.76	.87
Md.	3.78	4.51	.84	3.87	4.49	.86	3.85	4.39	.88
Va.	3.82	4.94	.77	3.74	4.85	.77	3.74	4.84	.77
S.Atl. ^{2/}	3.78	4.79	.79	3.78	4.80	.79	3.74	4.67	.80
Ohio	3.66	4.36	.84	3.66	4.24	.86	3.64	4.20	.87
Ind.	3.76	4.40	.85	3.77	4.40	.86	3.85	4.39	.88
Ill.	3.38	3.94	.86	3.36	3.90	.86	3.40	3.85	.88
Mich.	3.40	3.96	.86	3.54	4.08	.87	3.49	3.99	.87
Wis.	3.34	3.78	.88	3.51	3.89	.90	3.45	3.78	.91
E.N.C. ..	3.45	4.00	.86	3.55	4.04	.88	3.52	3.95	.89
Mo.	3.76	4.71	.80	3.81	4.76	.80	3.76	4.62	.81
Kans.	3.55	4.28	.83	3.52	4.26	.83	3.50	4.19	.84
W.N.C. ^{2/}	3.46	4.13	.84	3.61	4.28	.84	3.53	4.12	.86
Ky.	3.77	4.94	.76	3.75	4.95	.76	3.69	4.78	.77
Tenn.	3.84	5.01	.77	3.77	4.95	.76	3.76	4.87	.77
Ala.	3.76	4.92	.76	3.75	4.97	.75	3.68	4.80	.77
Miss.	3.75	4.96	.76	3.95	5.11	.77	3.86	4.90	.79
Ark.	3.77	4.78	.79	3.79	4.82	.79	3.74	4.68	.80
S.Cent. ^{2/}	3.79	4.95	.77	3.79	4.95	.77	3.74	4.82	.78
Idaho	3.55	4.01	.89	3.45	3.91	.88	3.64	4.05	.90
Wash.	3.52	4.41	.80	3.82	4.40	.87	3.75	4.32	.87
N.W. ^{2/} ..	3.57	4.13	.86	3.51	4.01	.88	3.67	4.14	.89
Utah	3.21	3.69	.87	3.15	3.70	.85	3.16	3.75	.84
Calif. ...	3.68	4.07	.90	3.57	4.00	.89	3.60	4.05	.89
S.W. ^{2/} ..	3.58	3.99	.90	3.49	3.95	.88	3.51	3.99	.88
U.S. ^{2/} ..	3.56	4.24	.84	3.61	4.31	.84	3.58	4.19	.85

^{1/} Preliminary. Prices f.o.b. plant for milk of actual milkfat, as reported.

^{2/} Includes data for some States not shown separately.

Table 8.-Milk bought by condenseries: Quantity bought, and number of producers, December 1959 ^{1/}

Item	Average Dec. 1953-57	Dec. 1958 ^{2/}	Dec. 1959
Milk bought from producers..... pounds	404,803,000	365,771,000	386,012,000
Producers..... number	121,000	97,000	93,000
Average per producer per day..... pounds	107.9	121.6	133.9
Change in purchases per producer:			
1959 from 1958..... percent	xxxx	xxxx	+10.1
1959 from 5-year average..... percent	xxxx	xxxx	+24.1

^{1/} Reported milk purchases at those plants (or their receiving stations) with canning equipment for which historical data are available. 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.

OFFICIAL BUSINESS

Albert R. Mann Library
Acquisitions Division
535B Ithaca, N.Y.

(Continued from page 3)

U. S. Department of Agriculture purchases of nonfat dry milk for price support and Section 32 purposes in January through the 26th totaled 48,698,000 pounds. December purchases were 89,248,000 pounds and for the 1959 marketing year April 1, 1959 through January 26, 1960 totaled 570,931,000 pounds. On January 20, the Department held 28,475,000 pounds of uncommitted supplies of nonfat dry milk. On October 12, the Department suspended sales of nonfat dry milk for use as animal feed until further notice. Therefore, no sales were made to the trade for that purpose during January through the 26th. For the entire marketing year April 1 through January 26th, 28,964,000 pounds of nonfat dry milk were sold back to the trade for animal feed.

Condensery-pay-price for Chicago Milk Marketing Order:

The average price per hundredweight reported paid to producers for the entire month by 12 Midwest condenseries for milk of 3.5% fat content used in calculating class prices:

December 1959
\$3.071

Chicago Area Nonfat Dry Milk Price:

The average price per pound received f.o.b. plant in carlots covering the States of Illinois, Indiana, Michigan, Minnesota, and Wisconsin:

Nov. 26-Dec. 25, 1959
Spray 13.55¢
Roller 12.83¢