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EVAPORATED, CONDENSED, AND DRY MILK
REPORT FOR DECEMBER 1960

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January 31, 1961

PRODUCTION FEB 1 1961

EVAPORATED AND CONDENSED MILK: Evaporated whole milk production for the year 1960 totaled 2,172 million pounds, the Crop Reporting Board reports. This is the smallest annual output since 1939, 4 percent less than the 1959 production and 12 percent less than the 1954-58 annual average. December production at 139.7 million pounds was 2 percent above that of a year earlier but 6 percent below average for the month.

Output of canned sweetened condensed whole milk in 1960 totaled 69 million pounds, 14 percent more than in 1959 and 41 percent more than the 1954-58 annual average. During December, 4.8 million pounds were produced, gains of 7 percent over December 1959 and 15 percent over the 5-year December average.

DRY MILK: Production of total nonfat dry milk for human food during 1960 is estimated by the Crop Reporting Board at a record high 1,837 million pounds. This is 7 percent more than the previous record high annual output in 1959, and 22 percent more than the 1954-58 annual average. Dry whole milk production in 1960 was up 2 percent from the preceding year while dry buttermilk annual output rose 7 percent and dry skim milk for animal feed declined 3 percent.

Output of total nonfat dry milk for human food (spray and roller process combined) continued at a record high level during December for the 16th consecutive month. The estimated 138.4 million pounds produced gained 2 percent over December 1959 and 26 percent over the 1954-58 average for the month.

During 1960 a record high of 1,690 million pounds of spray-dried nonfat milk was produced. This is 7 percent above the total for the preceding year and 28 percent above the 1954-58 annual average. December output at 129.6 million pounds was up 3 percent from the same month a year earlier and 29 percent larger than average for December.

Total roller-dried nonfat milk production in 1960 was 148 million pounds, up 6 percent from the record low output of 1959 but down 19 percent from the 1954-58 annual average. The 8.8 million pounds manufactured in December were 14 percent less than in December 1959 and 13 percent less than average.

Dry whole milk output totaled 101 million pounds during 1960, an increase of 2 percent over 1959 but a decrease of 5 percent from the 5-year annual average. December production was 7.8 million pounds, a drop of 15 percent from the same month a year earlier and 8 percent less than the December average.

The 1960 annual production of dry buttermilk, at 87 million pounds, was up 7 percent from a year earlier and one-third larger than the 1954-58 average. December output was 6.8 million pounds, a loss of 5 percent from December 1959 but a gain of 37 percent from the 5-year average for the month.

Production of dry skim milk for animal feed totaled 23 million pounds in 1960, down 3 percent from the preceding year but up 10 percent from average. The 2.0 million pounds produced during December were 15 percent above output of a year earlier and 35 percent above the 1954-58 December average.

STOCKS, SHIPMENTS, PURCHASES, AND PRICES

EVAPORATED AND CONDENSED MILK: Stocks of evaporated whole milk held by manufacturers on December 31 totaled 218.3 million pounds. Holdings were 3 percent smaller than a year earlier but 4 percent larger than the 1954-58 end-of-December average. The 6.5 million pounds of canned sweetened condensed whole milk held by manufacturers on the last day of 1960 were 28 percent larger than December 31, 1959 holdings and 13 percent above average for the date.

Manufacturers' selling prices of evaporated whole milk during December averaged \$6.33 per case of 48 14½-oz. cans. This is the same as the November price but 5 cents per case below the December price a year earlier. Compared with the preceding month, December prices declined 1 cent per case in the South Atlantic area, were unchanged in Middle Atlantic, East North Central and North-western States and advanced 1 cent per case in the other sections of the country.

Prices paid producers by reporting condenseries during December averaged \$3.72 per hundredweight for milk testing 4.20 percent fat or an average of 89 cents per pound of milkfat. On the basis of milkfat, prices were up 2 cents per pound from a month earlier and 4 cents per pound from December 1959. By States, milkfat prices ranged from a low of 79 cents per pound in Kentucky and Alabama to a high of 99 cents in Wisconsin.

Reporting condenseries for which historical data are available purchased 392.8 million pounds of milk from approximately 86,000 producers during December. Average daily purchases per producer were 147.4 pounds, up 10 percent from December 1959 and 31 percent above the 1954-58 average for the month.

DRY MILK: On December 31, reporting manufacturers' stocks of all major dry milk products except dry whole milk were sharply above the 1954-58 average for the date. Holdings of spray-dried nonfat milk and dry whole milk were slightly smaller than a year earlier while stocks of the other major dry milk products were somewhat larger than at the end of 1959.

The 103.3 million pounds of total nonfat dry milk for human food (spray and roller process combined) held by reporting manufacturers were 7 percent more than end-of-December holdings in 1959 and 31 percent more than the 5-year average for December 31. Stocks of spray-dried nonfat milk totaled 89.3 million pounds, down 1 percent from December 31, 1959 but up 29 percent from the 1954-58 average for the date. Holdings of roller-dried nonfat milk continued at a high level with manufacturers reporting 14.0 million pounds on hand December 31, 1960 or 132 percent more than a year earlier and 44 percent more than the end-of-year average.

Dry whole milk stocks were 6.3 million pounds, down 3 percent from December 31, 1959 and 26 percent below average for the date.

The 1.2 million pounds of dry skim milk for animal feed in reporting manufacturers' hands on December 31, 1960 were 110 percent more than holdings of a year earlier and 39 percent above the 1954-58 end-of-December average. Stocks of dry buttermilk totaled 6.1 million pounds, gains of 18 percent from December 31, 1959 and 53 percent from the December 31 average.

December shipments of spray-dried nonfat milk and dry whole milk were smaller than a year earlier. However, movement of the other major dry milk products was well above that of December 1959. Compared with the preceding year, December shipments of dry whole milk dropped 7 percent and spray-dried nonfat declined 1 percent. However, roller-dried nonfat was up 1 percent, dry buttermilk rose 10 percent and movement of dry skim milk for animal feed was 30 percent above the December, 1959 level.

Manufacturers' selling prices of nonfat dry milk for human food in all types of bulk packages averaged 13.66 cents per pound for 1960. This compares with the 1959 average of 13.60 cents. The December average price at 13.99 cents per pound was up 0.1 cent from November and 0.3 cent from December 1959. Spray-dried nonfat milk averaged 13.73 cents in 1960. The average price in December was 14.09 cents, 0.1 cent above the November average and 0.3 cent above December 1959. Roller-dried nonfat milk prices averaged 12.69 cents in 1960, 0.1 cent more than the annual average during the preceding year. December prices averaged 12.67 cents per pound, down 0.1 cent from November and 0.4 cent below December a year earlier.

Prices of dry whole milk in all sizes of packages averaged 37.20 cents per pound in 1960--1.4 cents less than in 1959. The December price was 36.07 cents, down 0.6 cent from November and 3.9 cents per pound below the December 1959 average. In 1-2 $\frac{1}{2}$ pound packages, dry whole milk averaged 44.96 cents per pound, up 13 cents from November, but down 5.2 cents from the preceding December. The December average price of 5-pound packages was 40.81 cents per pound, a gain of 0.1 cent from a month earlier but a loss of 3.2 cents from December 1959. In miscellaneous large packages, mostly barrels and drums, dry whole milk averaged 32.29 cents per pound, 0.4 cent less than in both November 1960 and December 1959.

Manufacturers' selling prices of dry buttermilk for human food and animal feed combined averaged 13.18 cents per pound in 1960 practically the same as in 1959. December prices averaged 13.25 cents per pound, a decline of 0.5 cent from the preceding month but only fractionally below the December average a year earlier. Dry skim milk for animal feed averaged 10.34 cents per pound in 1960 compared with 9.86 cents in 1959. December prices averaged 10.52 cents per pound, up 0.1 cent from November and 0.3 cent higher than in December 1959.

United States Department of Agriculture purchases of nonfat dry milk for price support and Section 32 purposes in January through the 26th totaled 30.6 million pounds. December purchases were 80.6 million pounds and for the 1960 marketing year April 1 through January 26 totaled 719.8 million pounds. On January 25 the Department held 186 million pounds of uncommitted supplies of nonfat dry milk. Figures on purchases shown last month failed to include those for Section 32 purposes through an error.

Table 1.-Evaporated, condensed, and dry milk: Production, December 1960

Commodity	Dec. 1959 ^{1/}	December 1960 ^{2/}			Jan.-Dec. 1960	
		Total	Change from--		Total	Change from Jan.-Dec. 1959
			Dec. 1954-58 average	Dec. 1959		
	1,000 pounds	1,000 pounds	Percent	Percent	1,000 pounds	Percent
<u>Evaporated and condensed milk:</u>						
Evaporated whole (case goods)...	136,720	139,700	- 6	+ 2	2,172,200	- 4
Condensed whole (case goods)....	4,477	4,806	+15	+ 7	69,351	+14
<u>Dry milk:</u>						
Dry whole milk.....	9,138	7,800	- 8	-15	101,150	+ 2
Nonfat dry milk (human food):						
Spray process.....	125,857	129,600	+29	+ 3	1,689,500	+ 7
Roller process.....	10,199	8,750	-13	-14	147,950	+ 6
Total.....	136,056	138,350	+26	+ 2	1,837,450	+ 7
Dry skim milk (animal feed).....	1,781	2,050	+35	+15	22,550	- 3
Dry buttermilk.....	7,246	6,850	+37	- 5	87,050	+ 7

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

Table 2.- Evaporated, condensed, and dry milk: Manufacturers' reported stocks
December 31, 1960 ^{1/}

Commodity	Average Dec. 31, 1954-58	Dec. 31, 1959 ^{2/}	December 31, 1960		
			Total	Change from--	
				Dec. 31, 1954-58 av.	Dec. 31, 1959
	1,000 pounds	1,000 pounds	1,000 pounds	Percent	Percent
<u>Evaporated and condensed milk:</u>					
Evaporated whole (case goods)...	210,129	224,991	218,315	+ 4	- 3
Condensed whole (case goods)....	5,763	5,108	6,533	+13	+28
<u>Dry milk:</u>					
Dry whole milk.....	8,551	6,486	6,297	-26	- 3
Nonfat dry milk (human food):					
Spray process.....	69,366	90,555	89,287	+29	- 1
Roller process.....	9,684	6,024	13,977	+44	+132
Total.....	79,050	96,579	103,264	+31	+ 7
Dry skim milk (animal feed).....	855	563	1,185	+39	+110
Dry buttermilk.....	3,982	5,166	6,101	+53	+ 18

^{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 1960 1/

Price per pound 2/	Nonfat dry milk, human food (bulk goods)		Dry skim milk for animal feed	Dry buttermilk	
	Spray process 3/	Roller process		Human food	Animal feed
Cents	Pounds	Pounds	Pounds	Pounds	Pounds
6 -6½	-	-	7,081	-	-
7½-8	-	-	7,560	-	-
8 -8½	-	-	27,021	-	3,465
8½-9	-	-	9,920	-	7,515
9 -9½	-	-	27,478	-	89,600
9½-10	-	-	8,840	-	42,600
10 -10½	-	-	178,764	-	190,594
10½-11	-	-	312,414	-	113,238
11 -11½	-	120,700	173,184	-	145,965
11½-12	-	1,147,606	11,685	27,600	211,969
12 -12½	-	1,466,509	41,180	67,500	4,400
12½-13	189,000	2,597,870	-	347,200	-
13 -13½	17,367,519	1,261,080	-	666,650	-
13½-14	34,714,509	221,964	-	404,850	-
14 -14½	10,439,491	136,320	-	517,750	-
14½-15	6,220,539	293,632	-	823,482	-
15 -15½	7,904,036	-	-	122,700	-
15½-16	6,023,948	-	-	23,000	-
16 -16½	843,334	-	-	-	-
16½-17	21,199	-	-	83,100	-
17 -17½	572,972	-	-	11,700	-
Dry whole milk 4/					
	1-2½ lb. packages	5-lb. packages	All other packages including bbls. & drums	Total	
	Pounds	Pounds	Pounds	Pounds	
29½-30½	-	-	322,270	322,270	
30½-31½	-	-	377,128	377,128	
31½-32½	-	-	722,128	722,128	
32½-34½	-	-	433,475	433,475	
34½-35½	124,232	7,860	71,400	203,492	
35½-36½	-	-	161,103	161,103	
36½-37½	-	165,770	-	165,770	
37½-39½	-	280,260	-	280,260	
39½-40½	162,624	-	-	162,624	
40½-41½	-	94,230	-	94,230	
41½-44½	-	359,034	-	359,034	
44½-48½	555,369	-	-	555,369	

- 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 1960 ^{1/}

Commodity	Dec. 1959	Nov. 1960	December 1960		
			Total	Change from--	
				Dec. 1959	Nov. 1960
	1,000 <u>pounds</u>	1,000 <u>pounds</u>	1,000 <u>pounds</u>	<u>Percent</u>	<u>Percent</u>
Dry whole milk.....	5,621	5,745	5,205	- 7	- 9
Nonfat dry milk (human food):					
Spray process ^{2/}	96,193	86,380	95,323	- 1	+10
Roller process.....	7,312	7,176	7,364	+ 1	+ 3
Total.....	103,505	93,556	102,687	- 1	+10
Dry skim milk (animal feed).....	728	786	943	+30	+20
Dry buttermilk:					
For human food.....	3,576	3,814	3,785	+ 6	- 1
For animal feed.....	635	689	866	+36	+26
Total.....	4,211	4,503	4,651	+10	+ 3

^{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 1960 ^{1/}

Month	Nonfat dry milk ^{2/}			Dry skim an. feed	Nonfat & dry skim	Dry buttermilk			Dry whole milk			
	Spray process	Roller process	Spray and roller			Human food	Animal feed	Human and animal	1-2½ pound pkgs.	5-pound pkgs.	Other pkgs. ^{3/}	Total
Dec. 1954-58	15.19	13.73	15.01	9.78	14.97	14.06	9.12	12.84	44.51	40.26	33.02	39.11
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
Nov. 1960... ^{4/}	14.03	12.77	13.93	10.40	13.90	14.28	10.93	13.77	43.66	40.69	32.74	36.64
Dec. 1960... ^{4/}	14.09	12.67	13.99	10.52	13.96	13.86	10.61	13.25	44.96	40.81	32.29	36.07

^{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 14½-oz. cans, in carlots, by geographic divisions, December 1960 ^{1/}

Geographic division	December 1959	November 1960	December 1960
	Dollars	Dollars	Dollars
New England.....	6.32	6.23	6.24
Middle Atlantic.....	6.26	6.20	6.20
South Atlantic.....	6.30	6.27	6.26
East North Central.....	6.28	6.25	6.25
West North Central.....	6.44	6.44	6.45
South Central.....	6.45	6.41	6.42
North Western ^{2/}	6.55	6.46	6.46
South Western ^{3/}	6.58	6.52	6.53
United States.....	6.38	6.33	6.33

^{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.

^{2/} Montana, Wyoming, Idaho, Washington and Oregon are included in the North Western Division.

^{3/} Colorado, New Mexico, Arizona, Nevada, Utah and California are included in the South Western Division.

Table 7.- Milk bought by condenseries primarily for evaporated milk: Average price and fat test, by States, December 1960 ^{1/}

State and division	December 1959			November 1960			December 1960		
	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.	3.27	3.76	.87	3.32	3.77	.88	3.27	3.72	.88
M.Atl. ^{2/}	3.27	3.76	.87	3.32	3.77	.88	3.27	3.72	.88
Md.	3.85	4.39	.88	3.75	4.36	.86	3.78	4.35	.87
Va.	3.74	4.84	.77	3.78	4.73	.80	3.80	4.77	.80
S.Atl. ^{2/}	3.74	4.67	.80	3.78	4.68	.81	3.80	4.68	.81
Ohio.....	3.67	4.28	.86	3.64	4.16	.88	3.72	4.21	.88
Ind.	3.85	4.39	.88	3.91	4.30	.91	3.97	4.37	.91
Ill.	3.39	3.87	.88	3.64	3.89	.94	3.68	3.89	.95
Mich.	3.49	3.99	.87	3.59	4.02	.89	3.80	4.20	.90
Wis.	3.45	3.78	.91	3.78	3.87	.98	3.72	3.77	.99
E.N.C. ..	3.52	3.98	.88	3.72	3.99	.93	3.74	3.97	.94
Mo.	3.76	4.62	.81	3.89	4.71	.83	3.88	4.70	.83
Kans.	3.50	4.19	.84	3.52	4.08	.86	3.57	4.16	.86
W.N.C. ^{2/}	3.53	4.12	.86	3.69	4.23	.87	3.65	4.16	.88
Ky.	3.69	4.78	.77	3.83	4.83	.79	3.81	4.80	.79
Tenn.	3.76	4.87	.77	3.89	4.89	.80	3.88	4.85	.80
Ala.	3.68	4.80	.77	3.80	4.84	.79	3.72	4.72	.79
Miss.	3.86	4.90	.79	3.99	4.95	.81	4.00	4.94	.81
Ark.	3.74	4.68	.80	3.89	4.77	.82	3.85	4.70	.82
S.Cent. ^{2/}	3.74	4.82	.78	3.88	4.86	.80	3.86	4.82	.80
Idaho.....	3.62	4.08	.89	3.55	3.92	.91	3.58	3.95	.91
N.W. ^{2/} ..	3.66	4.16	.88	3.59	4.00	.90	3.62	4.05	.89
Utah.....	3.16	3.75	.84	3.31	3.69	.90	3.32	3.73	.89
Calif.	3.60	4.05	.89	3.61	4.02	.90	3.63	4.05	.90
S.W. ^{2/} ..	3.51	3.99	.88	3.55	3.96	.90	3.57	3.99	.89
U.S. ^{2/} ..	3.58	4.20	.85	3.72	4.26	.87	3.72	4.20	.89

^{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 1960 ^{1/}

Item	Average Dec. 1954-58	Dec. 1959 ^{2/}	Dec. 1960
Milk bought from producers..... pounds	393,084,000	385,971,000	392,843,000
Producers..... number	113,000	93,000	86,000
Average per producer per day..... pounds	112.2	133.9	147.4
Change in purchases per producer:			
1960 from 1959..... percent	xxxx	xxxx	+10.1
1960 from 5-year average..... percent	xxxx	xxxx	+31.4

^{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.

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Condensery-pay-price for Chicago Milk Marketing Order:

The average price per hundredweight reported paid to producers
for the entire month by 11 Midwest condenseries for milk of
3.5% fat content used in calculating class prices:

Dec. 1960
\$ 3.440

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,
Spray 13.
Roller 12.