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EVAPORATED, CONDENSED AND DRY MILK
REPORT FOR AUGUST 1962

OCT 9 - 1962

September 28, 1962

PRODUCTION

282
42
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EVAPORATED AND CONDENSED MILK: August production of evaporated whole milk is estimated at 171.5 million pounds by the Crop Reporting Board. This is 9 percent below August a year ago, 21 percent below the 1956-60 August average and the smallest production for the month in 25 years. Production in the first 8 months of 1962 totaled 1,363 million pounds, down 14 percent from the corresponding period of 1961.

Output of canned sweetened condensed whole milk during August was 6.7 million pounds, 13 percent more than a year earlier, 27 percent above average and the largest August production since 1956. Production for the first 8 months this year totaled 50.1 million pounds, 5 percent above the comparable period last year.

DRY MILK: Production of nonfat dry milk for human food (spray and roller process combined) during August is estimated at 148.4 million pounds by the Crop Reporting Board. This is 3 percent above a year earlier, 33 percent above the August 1956-60 average and the largest August production of record. Production in the first 8 months this year totaled 1,600 million pounds, 10 percent more than in the corresponding period of 1961.

August production of spray-dried nonfat milk was 141.0 million pounds, 5 percent above a year earlier, 38 percent larger than average and a record high for August. During the first 8 months of 1962, production totaled 1,509 million pounds, 11 percent above the same period of 1961.

Roller-dried nonfat milk production during August was 7.4 million pounds, 24 percent below August a year ago, 24 percent under average and the smallest August production of record. During January-August 1962 production totaled 90.9 million pounds, down 9 percent from the corresponding period last year.

Production of dry whole milk in August is estimated at 5.5 million pounds, 16 percent below August 1961, 27 percent below average and the smallest for August since 1942. Production for the first 8 months totaled 55.1 million pounds, 3 percent above the same period of a year ago.

Dry buttermilk production during August amounted to 6.1 million pounds, 2 percent below a year earlier, but 15 percent above average. Production for the first 8 months totaled 65.1 million pounds, 1 percent above the corresponding period of 1961. August production of dry skim milk for animal feed was 1.5 million pounds, 37 percent below a year earlier, 16 percent under average and the smallest August production since 1954. During January-August 1962, production totaled 16.9 million pounds, down 13 percent from the same 8 months of 1961.

STOCKS, SHIPMENTS, PURCHASES, AND PRICES

EVAPORATED AND CONDENSED MILK: Manufacturers' stocks of evaporated whole milk on August 31 totaled 271.3 million pounds, 26 percent below a year earlier, 32 percent under the August 31, 1956-60 average and the smallest holdings for the date since 1946. The 4.8 million pounds of canned sweetened condensed whole milk held by reporting manufacturers were 30 percent below August 31 a year ago, 26 percent below average and the smallest holdings of record for the date.

Prices paid producers by reporting condenseries during August averaged \$3.17 per hundredweight for milk. The test of this milk averaged 3.90 percent fat, giving a computed average of 81 cents per pound of milkfat. On the basis of milkfat, prices were 1 cent per pound below the previous month and 5 cents under August a year ago. By States, milkfat prices ranged from a high of 87 cents per pound in Wisconsin to a low of 78 cents in Kentucky and Tennessee.

Reporting condenseries for which historical data are available purchased 509.7 million pounds of milk from approximately 78,000 producers during August. Average daily purchases per producer were 210.8 pounds, up 6 percent from August last year and 30 percent above the 5-year average for the month.

Manufacturers' selling prices of evaporated whole milk during August averaged \$6.03 per case of 48 $14\frac{1}{2}$ -oz. cans. This is an increase of 1 cent from the previous month but a decrease of 26 cents from August 1961. Prices advanced 1 cent per case from July to August in the New England and West North Central States but remained steady in all other regions of the country.

DRY MILK: Stocks of total nonfat dry milk held by reporting manufacturers on August 31 were 118 million pounds, 23 percent below a year earlier and 6 percent below the 1956-60 average for the date. Holdings of spray-dried nonfat milk were 108.5 million pounds, 20 percent below August of last year but 2 percent above average. Stocks of roller-dried nonfat milk on August 31 totaled 9.5 million pounds, 48 percent below August last year, 52 percent below average, and the smallest holdings of record for the date. On August 31, reporting manufacturers held 6.1 million pounds of dry whole milk, 8 percent less than a year earlier, 39 percent below average, and the smallest August holdings since 1939. Dry buttermilk stocks totaled 9.9 million pounds, 4 percent under a year earlier but 33 percent above average. Holdings of dry skim milk for animal feed were 1.4 million pounds, down 27 percent from a year earlier and off 10 percent from average.

Shipments of nonfat dry milk for human food during August were 135.9 million pounds, 19 percent less than in the previous month and 4 percent below August last year. Shipments of spray-dried nonfat milk totaled 127.7 million pounds, decreases of 20 percent from the previous month and 3 percent from a year earlier. During August, shipments of roller-dried nonfat milk amounted to 8.2 million pounds, 1 percent below the previous month, 8 percent below a year earlier, and the smallest

August shipments of record. Reporting manufacturers shipped 6.1 million pounds of dry whole milk during August, 48 percent above a month earlier but 2 percent below August 1961. Shipments of dry buttermilk amounted to 4.6 million pounds, 25 percent below the previous month and 22 percent below August last year. Dry skim milk for animal feed shipments totaled 1.4 million pounds, gains of 5 percent from July 1962 and 12 percent from August a year ago. These are the largest August shipments since 1953.

Manufacturers' selling prices of nonfat dry milk for human food (spray and roller process combined) averaged 14.15 cents per pound, down fractionally from the previous month and 1.9 cents below August a year ago. Selling prices of spray-dried nonfat milk averaged 14.24 cents per pound, slightly less than the previous month and 1.9 cents less than August 1961. Prices of roller-dried nonfat milk were 0.2 cent above July this year but 1.3 cents below August last year.

Selling prices of dry whole milk in all sizes of packages during August averaged 35.88 cents per pound, compared with 33.37 cents the previous month and 36.64 cents a year earlier. In 1-2½ pound packages dry whole milk averaged 46.35 cents per pound, 1.7 cents above the previous month and 1.1 cents above August a year ago. In 5-pound packages, prices averaged 41.71 cents per pound, compared with 43.67 cents in July and 42.65 cents a year earlier. Dry whole milk in miscellaneous large packages (mostly barrels and drums) averaged 29.47 cents per pound, 0.5 cent above the previous month but 2.6 cents below August last year.

Manufacturers' selling prices of dry buttermilk, human and animal feed combined, averaged 12.08 cents per pound, fractionally higher than a month earlier, but 1.9 cents lower than a year earlier. Dry buttermilk for human food averaged 12.57 cents per pound, compared with 12.42 cents the previous month and 14.87 cents for August last year. Selling prices of dry buttermilk for animal feed during August averaged 9.96 cents per pound, a gain of 0.1 cent from the month before but a loss of 0.3 cent from August a year ago.

Deliveries of nonfat dry milk to the United States Department of Agriculture during August were 111.8 million pounds. Total deliveries for the period April 1 through August 31, 1962 totaled 657.4 million pounds, compared with 541.0 million pounds for the corresponding period of 1961. On September 19 the Department held 563.2 million pounds of uncommitted supplies of nonfat dry milk.

Table 1.-Evaporated, condensed, and dry milk: Production, August 1962

Commodity	August 1961 ^{1/}	August 1962 ^{2/}			Jan.-Aug. 1962	
		Total	Change from--		Total	Change from Jan.-Aug. 1961
			August 1956-60 average	August 1961		
	1,000 pounds	1,000 pounds	Percent	Percent	1,000 pounds	Percent
<u>Evaporated and condensed milk:</u>						
Evaporated whole (case goods) ..	188,443	171,500	-21	- 9	1,363,100	-14
Condensed whole (case goods) ...	5,932	6,680	+27	+13	50,110	+ 5
<u>Dry milk:</u>						
Dry whole milk	6,527	5,500	-27	-16	55,100	+ 3
Nonfat dry milk (human food):						
Spray process	134,139	141,000	+38	+ 5	1,509,100	+11
Roller process	9,725	7,400	-24	-24	90,850	- 9
Total	143,864	148,400	+33	+ 3	1,599,950	+10
Dry skim milk (animal feed)	2,373	1,500	-16	-37	16,910	-13
Dry buttermilk	6,217	6,100	+15	- 2	65,100	+ 1

^{1/} Enumerations.

^{2/} Estimates.

Table 2.-Evaporated, condensed, and dry milk: Manufacturers' reported stocks August 31, 1962 ^{1/}

Commodity	Average August 31, 1956-60	August 31, 1961 ^{2/}	August 31, 1962		
			Total	Change from--	
				August 31, 1956-60 av.	August 31, 1961
	1,000 pounds	1,000 pounds	1,000 pounds	Percent	Percent
<u>Evaporated and condensed milk:</u>					
Evaporated whole (case goods) ..	397,396	367,241	271,319	-32	-26
Condensed whole (case goods) ...	6,536	6,927	4,834	-26	-30
<u>Dry milk:</u>					
Dry whole milk	9,985	6,630	6,107	-39	- 8
Nonfat dry milk (human food):					
Spray process	105,886	135,513	108,505	+ 2	-20
Roller process	19,851	18,099	9,486	-52	-48
Total	125,737	153,612	117,991	- 6	-23
Dry skim milk (animal feed)	1,540	1,901	1,384	-10	-27
Dry buttermilk	7,443	10,320	9,906	+33	- 4

^{1/} Stocks held by manufacturers at all points, also those in transit and those contracted for 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, August 1962 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
6 -6½	-	-	4,770	-	-
7 -7½	-	-	3,589	-	-
7½-8	-	-	20,550	-	-
8 -8½	-	-	48,646	-	-
8½-9	-	-	77,175	-	13,200
9 -9½	-	-	62,447	-	221,223
9½-10	-	-	216,065	-	81,750
10 -10½	-	-	198,228	8,500	228,350
10½-11	-	-	95,518	142,350	169,490
11 -11½	709,800	190,325	159,282	352,300	31,250
11½-12	-	807,012	250,398	450,794	1,080
12 -12½	-	2,064,440	18,850	589,543	38,442
12½-13	1,041,652	2,115,324	-	380,157	-
13 -13½	3,491,939	992,178	8,800	369,100	-
13½-14	15,803,394	336,852	1,035	89,450	-
14 -14½	55,039,518	496,432	-	213,980	-
14½-15	19,976,902	321,665	-	196,960	-
15 -15½	4,222,603	-	-	83,500	-
15½-16	28,563	-	-	-	-
16 -16½	996,475	-	-	-	-
16½-17	330,125	-	-	-	-
17 -17½	245,765	-	-	-	-
17½-18	559,817	-	-	-	-
Dry whole milk <u>4/</u>					
	1-2½ lb. packages	5-lb. packages	All other packages including bbls. & drums	Total	
	Pounds	Pounds	Pounds	Pounds	
23½-24½	-	-	470,932	470,932	
25½-26½	-	-	113,005	113,005	
26½-27½	-	-	38,930	38,930	
27½-28½	-	-	419,700	419,700	
28½-29½	-	-	379,900	379,900	
30½-31½	-	-	808,550	808,550	
31½-32½	-	-	228,710	228,710	
32½-33½	-	-	74,500	74,500	
33½-34½	-	-	349,290	349,290	
34½-35½	-	-	152,157	152,157	
38½-39½	-	369,930	-	369,930	
39½-40½	146,350	-	-	146,350	
44½-45½	-	247,999	-	247,999	
48½-49½	400,875	-	-	400,875	

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, August 1962 ^{1/}

Commodity	August 1961	July 1962	August 1962		
			Total	Change from--	
				August 1961	July 1962
	<u>1,000</u> pounds	<u>1,000</u> pounds	<u>1,000</u> pounds	<u>Percent</u>	<u>Percent</u>
Dry whole milk	6,292	4,140	6,140	- 2	+48
Nonfat dry milk (human food):					
Spray process ^{2/}	132,252	158,768	127,727	- 3	-20
Roller process	8,856	8,261	8,153	- 8	- 1
Total	141,108	167,029	135,881	- 4	-19
Dry skim milk (animal feed)	1,204	1,284	1,353	+12	+ 5
Dry buttermilk:					
For human food	4,820	5,131	3,698	-23	-28
For animal feed	1,015	921	861	-15	- 7
Total	5,835	6,052	4,559	-22	-25

^{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, August 1962 ^{1/}

Commodity	August 1956-60	August 1961	July 1962	August 1962
	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>
Nonfat dry milk: ^{2/}				
Spray process ^{3/}	14.36	16.13	14.29	14.24
Roller process	12.93	14.01	12.46	12.69
Spray and roller	14.20	16.00	14.20	14.15
Dry skim animal feed	9.94	10.49	10.70	10.32
Nonfat and dry skim	14.17	15.95	14.17	14.11
Dry buttermilk:				
Human food	13.80	14.87	12.42	12.57
Animal feed	9.23	10.24	9.86	9.96
Human and animal	12.80	14.01	12.03	12.08
Dry whole milk:				
1-2½ lb. pkgs.	45.04	45.21	44.65	46.35
5-lb. pkgs.	40.97	42.65	43.67	41.71
Other pkgs. ^{4/}	31.70	32.06	29.01	29.47
Total	38.76	36.64	33.37	35.88

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

^{4/} Includes barrels and drums.

Table 6.-Evaporated whole milk: Manufacturers' average selling price per case of 48 14¹/₂-oz. cans, in carlots, by geographic divisions, August 1962 1/

Geographic division	August 1961	July 1962	August 1962
	Dollars	Dollars	Dollars
New England	6.19	5.93	5.94
Middle Atlantic	6.16	5.89	5.89
South Atlantic	6.23	5.98	5.98
East North Central	6.20	5.95	5.95
West North Central	6.40	6.13	6.14
South Central	6.40	6.12	6.12
North Western ^{2/}	6.44	6.19	6.19
South Western ^{3/}	6.50	6.17	6.17
United States	6.29	6.02	6.03

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/ Includes Montana, Wyoming, Idaho, Washington and Oregon.

3/ Includes Colorado, New Mexico, Arizona, Nevada, Utah and California.

Table 7.-Milk bought by condenseries primarily for evaporated milk: Average price and fat test, by States, August 1962 1/

State and division	August 1961			July 1962			August 1962		
	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.	3.29	3.67	.90	3.05	3.64	.84	3.10	3.66	.85
M.Atl. ^{2/}	3.29	3.67	.90	3.05	3.64	.84	3.10	3.66	.85
Md.	3.24	3.89	.83	3.08	3.79	.81	3.13	3.82	.82
Va.	3.31	4.13	.80	3.21	4.05	.79	3.25	4.12	.79
S.Atl. ^{2/}	3.28	4.11	.80	3.16	4.02	.79	3.21	4.09	.78
Ohio	3.27	3.85	.85	3.05	3.77	.81	3.01	3.76	.80
Ind.	3.48	3.80	.92	3.08	3.73	.83	3.09	3.76	.82
Ill.	3.29	3.64	.90	3.03	3.57	.85	3.05	3.61	.84
Mich.	3.31	3.72	.89	2.93	3.65	.80	2.96	3.69	.80
Wis.	3.43	3.63	.94	3.19	3.65	.87	3.20	3.66	.87
E.N.C. ..	3.36	3.72	.90	3.09	3.69	.84	3.08	3.70	.83
Mo.	3.51	4.14	.85	3.24	3.98	.81	3.26	4.04	.81
Kans.	3.28	3.82	.86	3.06	3.71	.82	3.08	3.74	.82
W.N.C. ^{2/}	3.49	3.92	.89	3.23	3.82	.85	3.25	3.86	.84
Ky.	3.32	4.18	.79	3.16	4.06	.78	3.20	4.12	.78
Tenn.	3.38	4.25	.80	3.22	4.10	.79	3.28	4.20	.78
Miss.	3.49	4.29	.81	3.25	4.08	.80	3.34	4.23	.79
Ark.	3.49	4.15	.84	3.22	3.99	.81	3.29	4.11	.80
S. Cent. ^{2/}	3.38	4.22	.80	3.20	4.07	.79	3.26	4.16	.78
Idaho	3.29	3.57	.92	2.80	3.39	.83	2.85	3.46	.82
N. W. ^{2/} ..	3.33	3.65	.91	2.96	3.58	.83	3.01	3.66	.82
Utah	3.03	3.41	.89	2.81	3.34	.84	2.86	3.40	.84
Calif.	3.38	3.69	.92	3.12	3.59	.87	3.16	3.66	.86
S.W. ^{2/} ..	3.32	3.65	.91	3.07	3.56	.86	3.12	3.63	.86
U.S. ^{2/} ..	3.37	3.92	.86	3.14	3.83	.82	3.17	3.90	.81

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

2/ Includes data for some States not shown separately.

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Table 8 .-Milk bought by condenseries: Quantity bought, and number of producers, August 1962 ^{1/}

Item	Average August 1956-60	August 1961	August 1962
Milk bought from producers pounds	546,740,000	544,943,000	509,661,000
Producers number	109,000	88,000	78,000
Average per producer per day pounds	161.8	199.8	210.8
Change in purchases per producer:			
1962 from 1961 percent	xxxx	xxxx	+ 5.2
1962 from 5-year average percent	xxxx	xxxx	+30.2

^{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.