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REVIEW OF THE BUTTER MARKET AT SAN FRANCISCO FOR THE WEEK ENDING

FRIDAY, DECEMBER 11, 1925.

THE BUTTER MARKET AT SAN FRANCISCO WAS NO MORE THAN STEADY AT ANY TIME DURING THE WEEK ENDING DECEMBER 11TH AND THE TONE AT THE CLOSE WAS EASY AND UNSETTLED. ALTHOUGH PRICES DECLINED ONLY $\frac{1}{2}$ ¢ DURING THE WEEK, GENERAL CONDITIONS PRACTICALLY ALL POINT TO A LOWER PRICE BASIS. COLD STORAGE HOLDINGS IN THE UNITED STATES ON DECEMBER 1ST SHOWED ONLY 26,000,000 LBS. LESS THAN LAST YEAR COMPARED WITH A SHORTAGE OF 40,000,000 LBS. ON NOVEMBER 1ST. PACIFIC COAST HOLDINGS ALSO SHOW A REDUCTION IN THE SURPLUS AND LOCAL HOLDINGS NOW EXCEED THOSE OF 1924 BY 93,567 LBS. THIS GAIN IN TOTALS WAS DUE LARGELY TO THE STORING OF CONSIDERABLE BUTTER FROM OTHER STATES WHICH DID NOT MEET A READY DEMAND. LOCAL SUPPLIES WERE ALSO LIBERAL AND SOME SURPLUS WAS REPORTED BY A FEW DEALERS. EASTERN MARKETS WERE WEAKER AND LOWER OFFERINGS OF FOREIGN BUTTER HAVE RESULTED IN AN UNSETTLED CONDITION FOR THE ENTIRE COUNTRY. THE CLOSING PRICE ON 92 SCORE WAS 49 $\frac{1}{2}$ ¢ COMPARED WITH 39¢ FOR THE SAME DAY LAST YEAR.

REVIEW OF THE BUTTER MARKET AT NEW YORK, CHICAGO, PHILADELPHIA AND
BOSTON FOR THE WEEK ENDING FRIDAY, DECEMBER 11, 1925.

BUTTER MARKETS WEAKEN -

THE OUTSTANDING FEATURES OF THE BUTTER MARKETS DURING THE WEEK ENDING DECEMBER 12TH WERE THE LACK OF CONFIDENCE ON THE PART OF OPERATORS AND THE RESULTING QUIET TRADING. EARLY IN THE WEEK A FAIRLY ACTIVE BUYING DEMAND FOR CONSUMPTIVE PURPOSES GAVE A FIRM APPEARANCE TO THE MARKETS AND SOME PRICE ADVANCES WERE REGISTERED ON THE TOP SCORES. THIS FIRMNESS WAS SHORT-LIVED, HOWEVER, AND BY WEDNESDAY ALL MARKETS WERE AGAIN UNSETTLED AND SIGNS OF WEAKNESS WERE IN EVIDENCE WITH PRICE DECLINES RESULTING ON THURSDAY AND FRIDAY. BUYERS AT ALL TIMES WERE EXCEPTIONALLY CONSERVATIVE AND OPERATED VERY CLOSE TO THEIR CURRENT REQUIREMENTS. IN SOME QUARTERS THE LIGHTER BUYING WAS ATTRIBUTED TO A DECREASE IN CONSUMPTION. ACCURATE INFORMATION RELATIVE TO CONSUMPTION IS DIFFICULT TO OBTAIN BUT WITH MANY OF THE LARGE DISTRIBUTORS TO CONSUMING TRADE REPORTING A LOSS IN BUSINESS, IT IS ONLY REASONABLE TO ASSUME THAT CONSUMPTION IS FALLING OFF RAPIDLY.

NO LARGE ACCUMULATION OF STOCKS -

ALTHOUGH THE MARKETS WERE EASY AND UNSETTLED AND BUYING DEMAND QUITE GENERALLY WAS CONSIDERED UNSATISFACTORY, THERE WAS SUFFICIENT TRADE TO KEEP STOCKS FAIRLY WELL CLEANED UP. AT CHICAGO THE TOP SCORES WERE IN LIBERAL SUPPLY AND THROUGHOUT THE WEEK THE FINE MARKS WERE MOVED ONLY WITH CONSIDERABLE EFFORT. EASTERN MARKETS, ON THE CONTRARY, REPORTED ONLY LIMITED QUANTITIES OF FINE BUTTER AND AMPLE SUPPLIES OF MEDIUM AND LOWER SCORES. AT ALL MARKETS "CENTRALIZED" CARS APPEARED TO BE IN THE WEAKEST AS BUYERS SHOWED PRACTICALLY NO INTEREST ON "CENTRALIZED" CARS, ESPECIALLY THE 88-89 SCORES.

PRODUCTION REPORTS SHOW INCREASE -

TO MAKE THE POSITION OF THE MARKET EVEN WEAKER THERE WERE INDICATIONS OF AN INCREASE IN THE "MAKE" AND ALTHOUGH THE SUPPLY OF BUTTER ON THE MARKETS WAS NOT LARGE, THE MOVEMENT INTO CONSUMING CHANNELS WAS SLOW AND VERY UNSATISFACTORY. THE AMERICAN CREAMERY BUTTER MANUFACTURERS REPORT FOR THE WEEK ENDING DECEMBER 5TH SHOWED AN INCREASE OVER THE CORRESPONDING WEEK LAST YEAR OF 2.2% AND AN INCREASE OF 3.4% OVER THE PREVIOUS WEEK. THE INCREASE IN THE SIZE OF ARRIVALS FROM INDIVIDUAL CREAMERIES ALSO INDICATES THAT PRODUCTION IS INCREASING. THESE REPORTS ONLY ADD TO THE ALREADY NERVOUS AND UNSETTLED CONDITION ON THE BUTTER MARKETS AND TO A LARGE EXTENT ARE RESPONSIBLE FOR THE PRESENT DECLINES.

STORAGE BUTTER SLOW SALE - WITHDRAWALS LIGHT -

OFFERINGS OF STORAGE BUTTER DURING THE WEEK WERE QUITE LIBERAL AND IN MANY INSTANCES SELLERS WERE INCLINED TO OFFER CONCESSIONS IN ORDER TO EFFECT SALES. BUYERS SHOWED VERY LITTLE INTEREST AND TRADE ON STORAGE BUTTER WAS DULL. THE OUT-OF-STORAGE MOVEMENT AT THE FOUR AND SIX MARKETS SINCE DECEMBER 1ST HAS BEEN CONSIDERABLY LIGHTER THAN DURING THE CORRESPONDING PERIOD LAST YEAR AND UNDER EXISTING CONDITIONS OF PRODUCTION AND CONSUMPTION, LITTLE CAN BE EXPECTED IN THE WAY OF AN INCREASE IN THE RATE OF OUT-GO. THE COLD STORAGE REPORT FOR THE COUNTRY, RELEASED ON FRIDAY, SHOWED HOLDINGS ON DECEMBER 1, 1925 OF 74,813,000 LBS. AS COMPARED WITH HOLDINGS DECEMBER 1, 1924 OF 100,832,000 LBS. THIS REDUCED THE SHORTAGE FROM 40,102,000 LBS. ON NOVEMBER 1ST TO 26,019,000 LBS. ON DECEMBER 1ST.

FOREIGN MARKETS SHARPLY LOWER -

A FURTHER WEAKENING FACTOR IN DOMESTIC MARKETS, PARTICULARLY ON FUTURE OPTIONS, HAVE BEEN THE ABRUPT PRICE DECLINES WHICH HAVE BEEN REGISTERED THE PAST TWO WEEKS ON FOREIGN MARKETS. LONDON MARKETS RULED LOWER IN ANTICIPATION OF INCREASED RECEIPTS, PARTICULARLY COLONIAL BUTTER FROM AUSTRALIA AND NEW ZEALAND. LATEST OFFERS C.I.F. NEW YORK, WERE AS FOLLOWS: SWEDISH 39 $\frac{1}{2}$ ¢; DANISH 41 $\frac{1}{2}$ ¢; SIBERIAN 35 $\frac{1}{2}$ ¢; ARGENTINE 34 $\frac{1}{2}$ ¢; AND NEW ZEALAND 39¢. DANISH BUTTER WAS WEAK IN SYMPATHY WITH A QUOTATION OF 342 KRONER PER 100 KILOGRAMS AT COPENHAGEN. THIS IS EQUIVALENT TO 38.72¢ PER POUND, WHICH IS A DECLINE OF 4.48¢ FROM LAST WEEK. WHILE IT IS POSSIBLE THAT ONLY SMALL AMOUNTS MAY BE IMPORTED THIS MONTH, YET THE FACT THAT BUTTER CAN BE BROUGHT IN AT OR BELOW THE HALF-DOLLAR LEVEL WILL TEND TO CHECK ANY SHARP PRICE ADVANCES ON OUR DOMESTIC MARKETS.

FRIDAY, DECEMBER 11, 1925.