

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

FRIDAY, AUGUST 12, 1927.

THE GENERAL TONE OF THE SAN FRANCISCO BUTTER MARKET FOR THE WEEK ENDING AUGUST 12TH OPENED IN A STEADY POSITION BUT AT THE CLOSE, DUE TO A SCARCITY OF ALL GRADES, RULED QUITE FIRM. NO PRICE CHANGE WAS REPORTED FOR THE VARIOUS SCORES UNTIL THE WEEK CLOSED, WHEN 92 SCORE ADVANCED FROM 42 TO 43 $\frac{1}{2}$ ¢, 91 SCORE FROM 41 TO 41 $\frac{1}{2}$ ¢ AND 90 SCORE FROM 40 TO 41¢. THE OUTSTANDING FEATURE OF THE WEEK WAS THE APPARENT LACK OF TOP SCORING BUTTER IN RECEIPTS AND SELLERS WERE REQUIRED TO DRAW TO SOME EXTENT ON THEIR STORAGE GOODS TO MEET CONSUMPTIVE NEEDS. DURING THE WEEK UNDER REVIEW ARRIVALS OF STOCKS WERE SOMEWHAT LIGHTER THAN DURING ANY LATE PREVIOUS WEEKS. HOWEVER, THIS IS TO BE EXPECTED AT THIS SEASON OF THE YEAR, WITH PRODUCTION DECLINING IN ALL THE LEADING DAIRY SECTIONS OF THE PACIFIC AND INTER-MOUNTAIN STATES. RECEIPTS INCLUDED CARS FROM MONTANA, IDAHO AND MINNESOTA. THE INTO-STORAGE MOVEMENT STILL EXCEEDS THAT WHICH IS BEING WITHDRAWN. SAN FRANCISCO STORAGES REPORT 342,738 LBS. IN EXCESS OF AMOUNTS HELD ON THIS DATE LAST YEAR. HOWEVER, PACIFIC COAST (6 CITIES) HOLDINGS ARE MUCH LESS COMPARED WITH LAST YEAR'S TOTAL ON THIS DATE.

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REVIEW OF THE BUTTER MARKETS AT NEW YORK, CHICAGO, PHILADELPHIA,

AND BOSTON FOR THE WEEK ENDING FRIDAY, AUGUST 12, 1927.

BUTTER MARKETS FIRM -

TRADING IN BUTTER DURING THE WEEK OF AUGUST 8TH-12TH, WAS FAIRLY ACTIVE. PRICES SHOWED CONSIDERABLE FIRMNESS AND WORKED TO HIGHER LEVELS. RECEIVERS REPORTED BUSINESS QUITE SATISFACTORY AND EXPERIENCED PRACTICALLY NO DIFFICULTY IN CLEARING ARRIVALS EACH DAY, EXCEPT FOR "CENTRALIZED" CARS, WHICH WERE RATHER SLOW SALE. GENERALLY SPEAKING, HOWEVER, THIS WAS THE MOST SATISFACTORY WEEK OF TRADING FOR SEVERAL WEEKS. IN SPITE OF THE FIRMNESS AND ACTIVE DEMAND, THERE WAS AN UNDERTONE OF NERVOUSNESS IN MOST QUARTERS, WHICH TENDED TO CURTAIL SPECULATIVE BUYING ON A LARGE SCALE. SOME OPERATORS ARE SKEPTICAL REGARDING THE SOUNDNESS OF THE ADVANCE AND PRESENT MARKET POSITION, AND PREDICT AN EARLY DISSIPATION OF THE FIRMNESS FOLLOWED BY LOWER PRICES.

SUPPLIES LIGHT -

SUPPLIES ON DEALERS' FLOORS THROUGHOUT THE WEEK UNDER REVIEW WERE COMPARATIVELY LIGHT WITH FANCY BUTTER SCARCE AND IN GOOD DEMAND. JUST WHY THE AVAILABLE TRADING STOCKS WERE AS LIGHT AS THEY WERE REPORTED TO BE AT THE MOMENT WAS DIFFICULT TO EXPLAIN. SOME EXPLANATION FOR THE CONDITION CAN PROBABLY BE FOUND, HOWEVER, IN THE FACT THAT BUYERS HAD BEEN OFF THE MARKET OR NEARLY SO FOR SOME TIME AND OPERATED MORE FREELY WHEN THE MARKET SHOWED SIGNS OF ADVANCING. ARRIVALS OF BUTTER AT THE FOUR MARKETS WERE ABOUT ON A PAR WITH THOSE OF THE PREVIOUS WEEK, BUT EXCEEDED THOSE OF THE CORRESPONDING WEEK LAST YEAR.

STORING CONTINUES HEAVY -

IN SPITE OF THE FIRMNESS AND SHORT SUPPLIES, THE INTO-STORAGE MOVEMENT CONTINUED COMPARATIVELY HEAVY AT THE FOUR AND SIX MARKETS, ALTHOUGH SLIGHTLY LIGHTER THAN DURING THE PREVIOUS WEEK. DURING THE FIRST TEN DAYS OF AUGUST THE NET INCREASE IN HOLDINGS AT THE TEN MARKETS AMOUNTED TO 6,860,440 LBS. THE REPORT OF THE 26 MARKETS FOR THE WEEK ENDING AUGUST 6TH SHOWS AN INCREASE IN HOLDINGS OF 6,215,888 LBS. THESE ARE COMPARATIVELY HEAVY INCREASES CONSIDERING THE FACT THAT DURING THE MONTH OF AUGUST, 1926, THE ENTIRE COUNTRY STORED ONLY 6,999,000 LBS. STORAGE HOLDINGS FOR THE ENTIRE COUNTRY AS OF AUGUST 1ST AMOUNTED TO 145,146,000 LBS., A SURPLUS OF 13,994,000 LBS. OVER AUGUST 1ST, 1926.

PRODUCTION DECREASING -

THE LIGHTER ARRIVALS OF BUTTER ON THE MARKETS DURING THE PAST TWO WEEKS INDICATES THAT PRODUCTION IS ON THE USUAL SEASONAL DECLINE. CONDITIONS IN THE PRODUCING SECTIONS ARE, GENERALLY SPEAKING, EXCELLENT. PASTURES ARE HOLDING UP WELL WITH TEMPERATURES SLIGHTLY BELOW NORMAL OVER A LARGE PART OF THE HEAVY PRODUCING SECTIONS WITH RAINFALL SCATTERED MOSTLY IN THE FORM OF LOCAL SHOWERS. PRODUCTION REPORTS OF THE AMERICAN ASSOCIATION OF CREAMERY BUTTER MANUFACTURERS AND LAND O'LAKES INC., FOR THE WEEK ENDING AUGUST 6TH SHOW RESPECTIVE DECREASES OF 3.9% AND 7.47% FROM THE PREVIOUS WEEK BUT INCREASE OF 10.8% AND 12.22% OVER CORRESPONDING WEEK LAST YEAR.

FRIDAY, AUGUST 12, 1927.

(SEE OTHER SIDE FOR MONTHLY REPORT OF COLD STORAGE HOLDINGS)