

EVAPORATED, CONDENSED, AND DRY MILK
REPORT FOR OCTOBER 1959

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December 1, 1959

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EVAPORATED AND CONDENSED MILK: October production of evaporated whole milk was the smallest for the month in 2 decades, the Crop Reporting Board reports. The 152,200,000 pounds produced represented a decrease of 6 percent from both October 1958 and the 5-year October average. The seasonal decline from the preceding month was much sharper than usual amounting to almost 18 percent, compared with the 1953-57 average September-to-October decline of 10 percent. January through October output totaled 2,005,600,000 pounds, down 1 percent from the first 10 months of 1958.

Canned sweetened condensed whole milk output during October was 4,470,000 pounds, a gain of 3 percent over the same month last year and 14 percent above the 1953-57 October average. Cumulative production for the first 10 months of 1959 was 52,450,000 pounds, a gain of 7 percent over the same period a year earlier.

DRY MILK: October output of total nonfat dry milk for human food (spray and roller process combined) is estimated at 99,300,000 pounds by the Crop Reporting Board. This is fractionally more than the previous record high October production of last year and 27 percent above the 1953-57 average for the month. January through October estimates totaled 1,480,900,000 pounds, practically unchanged from the same period last year.

Production of spray-dried nonfat milk during October at 92,300,000 pounds was up 1 percent from a year earlier, 32 percent above average and the largest of record for the month. Cumulative output during the first 10 months of 1959 was 1,363,100,000 pounds, 1 percent more than in the January through October period of 1958.

Roller-dried nonfat milk production totaled only 7,000,000 pounds during October, representing losses of 14 percent from October 1958 and 17 percent from the 5-year average for the month. This was the second smallest October output of roller-dried nonfat milk since separate records by process were begun in 1943. Cumulative production in 1959 through October was 117,800,000 pounds, down 12 percent from the corresponding period last year.

October output of dry whole milk is estimated at 8,800,000 pounds, up 4 percent from a year earlier and 2 percent from the 1953-57 October average. The 79,200,000 pounds produced during the first 10 months of 1959 represent a decline of 2 percent from the January through October output in 1958.

Dry buttermilk production during October was 5,100,000 pounds. This was 5 percent more than October 1958 output, 33 percent above average and the largest production of record for the month. Cumulative production for January through October at 62,550,000 was down 5 percent from the same period in 1958.

The 810,000 pounds of dry skim milk for animal feed manufactured during October represented a loss of 15 percent from a year earlier and was 27 percent less than the 1953-57 average for the month. Aggregate output in 1959 through October was 13,755,000 pounds, practically the same as in the first 10 months of 1958.

STOCKS, SHIPMENTS, PURCHASES, AND PRICES

EVAPORATED AND CONDENSED MILK: Stocks of evaporated whole milk held by manufacturers on October 31 totaled 325,940,000 pounds. This was 8 percent below holdings of a year earlier, 15 percent less than the 1953-57 average for the date and the smallest end-of-October stocks since 1947. The 5,412,000 pounds of canned sweetened condensed whole milk in the hands of manufacturers on October 31 represented declines of 9 percent from a year earlier and 20 percent from the 5-year end-of-October average.

Manufacturers' selling prices of evaporated whole milk averaged \$6.25 per case of 48 14½-oz. cans during October, 7 cents per case higher than the September average. This increase reflects the 15 to 25 cents per case price rise that became effective in most markets the latter part of the month. The late October increase pushed average prices for the month 11 cents per case above the October 1958 average. Compared with the preceding month, October prices advanced 7 cents per case in South Central and Western States, 6 cents in the West North Central and South Atlantic, and 5 cents per case in the other sections of the country.

Prices paid producers by reporting condenseries during October averaged \$3.55 per hundredweight for milk testing 4.29 percent milkfat or an average of 83 cents per pound of milkfat. On the basis of milkfat, prices paid producers during October were unchanged from a month earlier, but 1 cent per pound higher than in October 1958. By States, milkfat prices ranged from a low of 75 cents per pound in Alabama and Kentucky to a high of 90 cents in California.

Reporting condenseries for which historic data are available purchased 422,042,000 pounds of milk from approximately 99,000 producers during October. Average daily purchases per producer were 137.5 pounds, up 6 percent from a year earlier and 24 percent above the 1953-57 October average.

DRY MILK: Stocks of total nonfat dry milk for human food (spray and roller process combined) held by reporting manufacturers on October 31 at 87,917,000 pounds were 7 percent larger than a year earlier and 13 percent above the 1953-57 average for the date. End-of-October holdings of spray-dried nonfat milk totaled 80,679,000 pounds, up 15 percent from a year earlier and 28 percent above average. Partially offsetting the increase in holdings of spray-dried nonfat milk was a sharp drop in roller-dried nonfat stocks. The 7,238,000 pounds of roller-dried nonfat milk held by reporting manufacturers on October 31 represented a 42 percent drop from end-of-October stocks last year and were less than half the 1953-57 average holdings for that date.

Dry whole milk stocks of reporting manufacturers continue sharply below those of the preceding year. The 5,723,000 pounds on hand October 31 were 38 percent less than holdings a year earlier, 47 percent below average and the smallest for the date since 1940.

Reporting manufacturers' stocks of dry skim milk for animal feed on October 31 at 698,000 pounds were down 9 percent from the same date in 1958 and 43 percent from average. Holdings of dry buttermilk totaled 4,349,000 pounds, up 2 percent from October 31 last year, but down 21 percent from the 1953-57 end-of-October average.

October shipments of spray-dried nonfat milk for human food and dry skim milk for animal feed exceeded those of a year earlier but reports from manufacturers indicate that movement of all other dry milk products was smaller than in October 1958. Compared with a year earlier, October shipments of spray-dried nonfat were up 7 percent and dry skim milk for animal feed increased 21 percent. Movement of dry buttermilk declined 4 percent while dry whole milk dropped 17 percent and roller-dried nonfat shipments fell 32 percent below the October 1958 level.

Manufacturers' selling prices of nonfat dry milk for human food in all types of bulk packages average 13.62 cents per pound during October, practically unchanged from both a month earlier and October 1958. Spray-dried nonfat milk prices averaged 13.68 cents per pound during October compared with 13.67 cents in September and 13.78 cents per pound in October last year. Prices of roller-dried nonfat milk averaged 12.92 cents per pound, up 0.1 cent from September and 0.5 cent from October 1958.

Reported October prices of dry whole milk in all sizes of packages averaged 37.64 cents per pound. This represented declines of 2.8 cents per pound from a month earlier and 1.0 cent per pound from the October average price last year. Most of the decrease from the preceding month in the October average price of all package sizes resulted from an increase in the proportionate volume of lower-priced bulk sales, however. In 1-2½ pound packages, prices averaged 45.23 cents per pound, off 1.3 cents from September and 1.6 cents below October 1958. October prices of dry whole milk in 5-pound packages averaged 41.72 cents per pound, 0.7 cent less than in September and down 1.2 cents from October last year. In miscellaneous large packages, mostly barrels and drums, prices average 32.05 cents per pound, an advance of 0.3 cent per pound from the preceding month but a decline of 1.3 cents from October 1958.

Manufacturers' selling prices of dry buttermilk for human food and animal feed combined averaged 13.52 cents per pound during October, up 0.2 cent from September and 0.6 cent higher than the October price last year. Dry skim milk for animal feed averaged 9.98 cents per pound, increasing 0.1 cent from the preceding month and 0.2 cent from October 1958.

U. S. Department of Agriculture purchases of nonfat dry milk for price support and Section 32 purposes in November through the 25th totaled 20,717,000 pounds. October purchases were 17,740,000 pounds and for the 1959 marketing year April 1 through November 25th totaled 429,060,000 pounds. All supplies of nonfat dry milk held by the Department on November 25th had been committed. 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 November through the 25th. For the entire marketing year April 1 through November 25th, 28,964,000 pounds of nonfat dry milk were sold back to the trade for animal feed.

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

Commodity	October 1958 <u>1/</u>	October 1959 <u>2/</u>			Jan.-Oct. 1959	
		Total	Change from--		Total	Change from Jan.-Oct. 1958
			Oct. 1953-57 average	Oct. 1958		
	1,000 pounds	1,000 pounds	Percent	Percent	1,000 pounds	Percent
Evaporated and condensed milk:						
Evaporated whole (case goods)...	161,624	152,200	- 6	- 6	2,005,600	- 1
Condensed whole (case goods)....	4,344	4,470	+14	+ 3	52,450	+ 7
Dry milk:						
Dry whole milk.....	8,480	8,800	+ 2	+ 4	79,200	- 2
Nonfat dry milk (human food):						
Spray process.....	91,008	92,300	+32	+ 1	1,363,100	+ 1
Roller process.....	8,151	7,000	-17	-14	117,800	-12
Total.....	99,159	99,300	+27	0	1,480,900	0
Dry skim milk (animal feed).....	955	810	-27	-15	13,755	0
Dry buttermilk.....	4,873	5,100	+33	+ 5	62,550	- 5

1/ Enumerations.
2/ Estimates.

Table 2.-Evaporated, condensed, and dry milk: Manufacturers' reported stocks October 31, 1959 1/

Commodity	Average Oct. 31, 1953-57	Oct. 31, 1958 <u>2/</u>	October 31, 1959		
			Total	Change from--	
				Oct. 31, 1953-57 av.	Oct. 31, 1958
	1,000 pounds	1,000 pounds	1,000 pounds	Percent	Percent
Evaporated and condensed milk:					
Evaporated whole (case goods)...	382,663	353,048	325,940	-15	- 8
Condensed whole (case goods)....	6,745	5,956	5,412	-20	- 9
Dry milk:					
Dry whole milk.....	10,768	9,273	5,723	-47	-38
Nonfat dry milk (human food):					
Spray process.....	62,824	69,962	80,679	+28	+15
Roller process.....	14,914	12,421	7,238	-51	-42
Total.....	77,738	82,383	87,917	+13	+ 7
Dry skim milk (animal feed).....	1,220	766	698	-43	- 9
Dry buttermilk.....	5,522	4,253	4,349	-21	+ 2

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, October 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
6 -6½	-	-	3,020	-	-
6½-7	-	-	4,528	-	-
7 -7½	-	-	9,135	-	-
7½-8	-	-	3,148	-	-
8 -8½	-	-	74,304	-	-
8½-9	-	-	23,504	-	-
9 -9½	-	-	35,584	-	34,835
9½-10	-	-	170,625	-	37,700
10 -10½	-	-	289,782	-	64,635
10½-11	-	-	138,475	-	137,125
11 -11½	-	-	120,256	-	151,250
11½-12	-	60,312	3,007	-	3,700
12 -12½	-	1,178,292	26,350	84,281	-
12½-13	5,213,593	2,673,378	3,800	550,905	-
13 -13½	30,259,852	1,458,645	-	508,013	-
13½-14	20,298,887	901,214	-	161,460	-
14 -14½	11,752,551	269,016	-	771,550	-
14½-15	2,098,944	245,780	-	385,992	-
15 -15½	3,553,639	-	-	306,850	-
15½-16	780,350	-	-	-	-
16 -16½	787,722	-	-	209,300	-
16½-17	-	-	-	20,700	-
17 -17½	460,182	-	-	23,200	-
Dry whole milk <u>4/</u>					
	1-2½ lb. packages	5-lb. packages	All other packages including bbls. & drums	Total	
	Pounds	Pounds	Pounds	Pounds	
28½-29½	-	-	83,000	83,000	
29½-30½	-	-	107,220	107,220	
30½-31½	-	-	357,900	357,900	
31½-32½	-	-	803,450	803,450	
32½-33½	-	-	927,183	927,183	
33½-34½	-	-	60,050	60,050	
36½-37½	-	-	55,850	55,850	
39½-40½	360,597	122,640	-	483,237	
40½-41½	-	18,900	-	18,900	
41½-42½	-	261,039	-	261,039	
44½-45½	-	19,440	-	19,440	
46½-47½	901,266	-	-	901,266	

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, October 1959 ^{1/}

Commodity	October 1958	September 1959	October 1959		
			Total	Change from--	
				October 1958	September 1959
	1,000 <u>pounds</u>	1,000 <u>pounds</u>	1,000 <u>pounds</u>	<u>Percent</u>	<u>Percent</u>
Dry whole milk.....	6,086	7,011	5,057	-17	-28
Nonfat dry milk (human food):					
Spray process ^{2/}	80,093	86,950	85,845	+ 7	- 1
Roller process.....	10,313	8,361	7,015	-32	-16
Total.....	90,406	95,311	92,860	+ 3	- 3
Dry skim milk (animal feed).....	800	808	966	+21	+20
Dry buttermilk:					
For human food.....	3,587	3,574	3,551	- 1	- 1
For animal feed.....	623	687	506	-19	-26
Total.....	4,210	4,261	4,057	- 4	- 5

^{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, October 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	1-2½ pound pkgs.	5-pound pkgs.	Other pkgs. ^{3/}	
Oct. 1953-57	15.53	13.73	15.22	9.83	15.16	13.95	8.63	12.45	45.24	39.55	33.38	38.70
Oct. 1958...	^{4/} 13.78	12.46	13.63	9.81	13.60	13.54	9.68	12.95	46.83	40.53	32.33	38.66
Sept. 1959..	^{4/} 13.67	12.80	13.59	9.85	13.56	13.99	9.85	13.32	46.50	42.40	31.73	40.49
Oct. 1959...	^{4/} 13.68	12.92	13.62	9.98	13.59	13.96	10.46	13.52	45.23	41.72	32.05	37.64

^{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, October 1959 ^{1/}

Geographic division	October 1958	September 1959	October 1959
	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>
New England.....	6.09	6.13	6.18
Middle Atlantic.....	6.06	6.09	6.14
South Atlantic.....	6.13	6.13	6.19
East North Central.....	6.04	6.11	6.16
West North Central.....	6.21	6.24	6.30
South Central.....	6.18	6.28	6.35
North Western.....	6.27	6.31	6.38
South Western.....	6.32	6.35	6.42
United States.....	6.14	6.18	6.25

^{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, October 1959 ^{1/}

State and division	October 1958			September 1959			October 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.	3.23	3.88	.83	3.21	3.71	.87	3.33	3.85	.86
M.Atl. ^{2/}	3.23	3.88	.83	3.21	3.71	.87	3.33	3.85	.86
Md.	3.61	4.41	.82	3.57	4.11	.87	3.72	4.36	.85
Va.	3.69	4.87	.76	3.43	4.13	.77	3.62	4.73	.77
S.Atl. ^{2/}	3.66	4.77	.77	3.44	4.39	.78	3.65	4.69	.78
Ohio	3.47	4.13	.84	3.34	3.87	.86	3.51	4.09	.86
Ind.	3.55	4.16	.85	3.33	3.93	.85	3.58	4.19	.85
Ill.	3.25	3.82	.85	3.16	3.66	.86	3.31	3.85	.86
Mich.	3.33	3.92	.85	3.23	3.80	.85	3.44	4.01	.86
Wis.	3.34	3.83	.87	3.25	3.71	.88	3.46	3.91	.88
E.N.C. ...	3.38	3.95	.86	3.27	3.77	.87	3.46	3.98	.87
Mo.	3.69	4.65	.79	3.45	4.35	.79	3.77	4.74	.80
Kans.	3.44	4.19	.82	3.25	4.04	.80	3.51	4.27	.82
W.N.C. ^{2/}	3.47	4.18	.83	3.36	4.09	.82	3.59	4.31	.83
Ky.	3.64	4.85	.75	3.42	4.49	.76	3.65	4.84	.75
Tenn.	3.72	4.94	.75	3.50	4.56	.77	3.71	4.87	.76
Ala.	3.67	4.95	.74	3.39	4.49	.76	3.61	4.81	.75
Miss.	3.71	5.01	.74	3.56	4.61	.77	3.81	4.93	.77
Ark.	3.74	4.76	.79	3.41	4.37	.78	3.74	4.78	.78
S.Cent. ^{2/}	3.69	4.89	.75	3.46	4.52	.77	3.70	4.86	.76
Idaho	3.42	3.91	.87	3.32	3.77	.88	3.33	3.88	.86
Wash.	3.48	4.39	.79	3.62	4.24	.85	3.63	4.25	.85
N.W. ^{2/} ...	3.46	4.07	.85	3.40	3.89	.87	3.41	3.99	.85
Utah	3.11	3.58	.87	3.05	3.57	.85	3.10	3.64	.85
Calif.	3.52	3.97	.90	3.52	3.89	.90	3.58	3.96	.90
S.W. ^{2/} ...	3.45	3.91	.88	3.45	3.83	.90	3.50	3.90	.90
U.S. ^{2/} ...	3.49	4.27	.82	3.37	4.08	.83	3.55	4.29	.83

^{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, October 1959 ^{1/}

Item	Average Oct. 1953-57	Oct. 1958 ^{2/}	Oct. 1959
Milk bought from producers..... pounds	446,547,000	423,188,000	422,042,000
Producers..... number	130,000	105,000	99,000
Average per producer per day..... pounds	110.8	130.0	137.5
Change in purchases per producer:			
1959 from 1958..... percent	xxxx	xxxx	+ 5.8
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.

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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 12 Midwest condenseries for milk of
3.5% fat content used in calculating class prices:

October 1959
\$3.098

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:

Sept. 26-Oct. 25, 1959
Spray 13.58¢
Roller 12.56¢