

EVAPORATED, CONDENSED AND DRY MILK
REPORT FOR SEPTEMBER 1963

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October 31, 1963

PRODUCTION NOV - 6 1963

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EVAPORATED AND CONDENSED MILK: Production of evaporated whole milk during September is estimated at 136.5 million pounds, according to the U. S. Crop Reporting Board. This is 2 percent below a year earlier and 21 percent under the September 1957-61 average. Output in the first 9 months amounted to 1,490 million pounds, 1 percent less than in that period of 1962.

Canned sweetened condensed whole milk production in September was 6.86 million pounds, up 18 percent from a year earlier, 40 percent above average, and the largest September production since 1948. For the period January-September, production totaled 63.7 million pounds, up 22 percent from the corresponding period of 1962.

DRY MILK: Production of nonfat dry milk for human food (spray and roller process combined) in September totaled 121 million pounds, according to the U. S. Crop Reporting Board. This is 8 percent under September a year ago, but 24 percent greater than average. Production for the first 9 months of this year totaled 1,718 million pounds, off 3 percent from the same period last year.

Spray-dried nonfat milk production amounted to 115.5 million pounds, 7 percent under September 1962, but 28 percent greater than average. Production for January-September totaled 1,636 million pounds, 2 percent less than the corresponding period a year ago.

The 5.6 million pounds of roller-dried nonfat milk produced during September were 12 percent under a year earlier, 25 percent below average, and the smallest September production of record. Production in the first 9 months of 1963 amounted to 82.5 million pounds, 15 percent under the same period of 1962.

September production of dry whole milk was 6.9 million pounds, 23 percent above a year earlier, but 2 percent smaller than the September 1957-61 average. Output in the first 9 months amounted to 60.7 million pounds, an increase of 2 percent from that period last year.

Dry buttermilk production was 4.9 million pounds, unchanged from a year earlier but 5 percent above the September average. Production in the first 9 months amounted to 69.6 million pounds, up 1 percent from the corresponding 1962 period.

The 1.6 million pounds of dry skim milk for animal feed produced during September were 26 percent below a year earlier, 12 percent below average and the smallest September production since 1958. For the period January-September, production amounted to 23.3 million pounds, off 3 percent from the comparable period a year ago.

STOCKS, SHIPMENTS, PURCHASES, AND PRICES

EVAPORATED AND CONDENSED MILK: Stocks of evaporated whole milk held by reporting manufacturers on September 30 totaled 232 million pounds. This is 12 percent below September a year ago, 39 percent under average and the smallest holdings for the date since 1946. Canned sweetened condensed whole milk stocks were 6.2 million pounds, 10 percent larger than a year earlier, but 9 percent below the 1957-61 average for September 30.

Prices paid producers by reporting condenseries during September averaged \$3.33 per hundredweight for milk testing 4.05 percent fat, or an average of 82 cents per pound of milkfat. On a milkfat basis, prices were 1 cent lower than the previous month but 2 cents per pound above a year earlier. By States, prices ranged from a high of 91 cents per pound in Wisconsin to a low of 77 cents in Kentucky and Tennessee.

Reporting condenseries for which historical data are available purchased 427 million pounds of milk during September from approximately 69,000 producers. Average daily purchases per producer were 206 pounds, 6 percent above September last year, 33 percent above average, and record high for the month.

Manufacturers' selling prices for evaporated whole milk during September averaged \$6.00 per case of 48 14½-oz. cans. Prices were unchanged from August, but were 5 cents under September a year ago. Except for the two-cent decline in the South West, regional prices were unchanged from the previous month.

DRY MILK: Stocks of nonfat dry milk for human consumption held by reporting manufacturers on September 30 totaled 81 million pounds, 24 percent under a year earlier, 26 percent below average and the smallest holdings for the date since 1954. Stocks of spray-dried nonfat milk were 75 million pounds, off 25 percent from September 30 a year ago and 21 percent under the 1957-61 average for the date. Manufacturers held 6.1 million pounds of roller-dried nonfat milk on September 30, down 15 percent from a year earlier, 58 percent below average and the smallest September 30 holdings of record. Dry whole milk stocks were 4.7 million pounds, 12 percent above September a year ago, but 36 percent below average. Holdings of dry buttermilk were 4.3 million pounds on September 30. This is a decrease of 43 percent from a year earlier, 36 percent below average and the smallest holdings for the date since 1955. Stocks of dry skim milk for animal feed were 1.6 million pounds, up 44 percent from September 30 last year and 22 percent above the 5-year average for the date.

Shipments of nonfat dry milk for human food during September were 112 million pounds, off 11 percent from August but equal to September a year ago. Spray-dried nonfat milk shipments totaled 108 million pounds, a decrease of 10 percent from August but 3 percent above September 1962. Shipments of roller-dried nonfat milk, at 3.6 million pounds, during September were 19 percent smaller than the previous month and 46 percent less than September a year ago. Dry whole milk shipments were 6.6 million pounds, up 6 percent from August and 17 percent above September 1962. September shipments of dry buttermilk (human food and animal feed combined)

totaled 4.0 million pounds, down 27 percent from a month earlier and 29 percent below September last year. Shipments of dry buttermilk for human food totaled 3.4 million pounds in September, down 26 percent from August and 25 percent below a year earlier. The 0.6 million pounds of dry buttermilk for animal feed shipped during September were 29 percent below August, 44 percent under a year earlier and the smallest September shipments since 1955. Dry skim milk for animal feed shipments amounted to 0.6 million pounds, up 25 percent from August, but 51 percent below September a year ago.

Manufacturers' selling prices of nonfat dry milk for human food during September averaged 14.39 cents per pound, compared with 14.45 cents in August and 14.31 cents in September 1962. Spray-dried nonfat milk averaged 14.40 cents per pound in September down 0.1 cent from last month but unchanged from a year earlier. September selling prices of roller-dried nonfat milk were 13.98 cents a pound, 0.1 cent above August and 1.1 cents above September a year ago. Dry skim milk for animal feed during September averaged 10.28 cents per pound, compared with 10.18 cents in August and 10.99 cents in September 1962.

Dry whole milk in all size containers averaged 37.77 cents per pound, 1.4 cents below August, but 3.1 cents above September a year ago. In 1-2 $\frac{1}{2}$ pound packages dry whole milk averaged 47.17 cents per pound. This compares with 47.00 cents the previous month and 44.32 cents a year earlier. During September selling prices for dry whole milk in 5-pound packages averaged 44.72 cents per pound, 0.7 cent above the previous month and 1.4 cents more than September last year. Dry whole milk in miscellaneous large packages (mostly barrels and drums) averaged 29.92 cents per pound, 1.2 cents under a month earlier, but 0.7 cent above September a year ago.

Manufacturers' selling prices of dry buttermilk (human food and animal feed combined) during September averaged 12.92 cents per pound, compared with 12.81 cents in August and 12.12 cents in September last year. Dry buttermilk for human food averaged 13.40 cents per pound, up 0.1 cent from last month, and 0.7 cent above a year earlier. During September dry buttermilk for animal feed averaged 10.27 cents per pound, compared with 10.21 cents the previous month and 10.14 in September a year ago.

Deliveries of nonfat dry milk to the United States Department of Agriculture during September were 35 million pounds. Total deliveries for the period April 1 through September 30, 1963 totaled 559.5 million pounds, compared with 725.3 million pounds for the corresponding period of 1962. On October 18 the Department held 411.3 million pounds of uncommitted supplies of nonfat dry milk.

Table 1.-Evaporated, condensed, and dry milk: Production, September 1963

Commodity	Sept. 1962 ^{1/}	Sept. 1963 ^{2/}			Jan.-Sept. 1963	
		Total	Change from--		Total	Change from Jan.-Sept. 1962
			Sept. 1957-61 average	Sept. 1962		
	1,000 pounds	1,000 pounds	Percent	Percent	1,000 pounds	Percent
<u>Evaporated and condensed milk:</u>						
Evaporated whole (case goods) .	138,739	136,500	-21	- 2	1,489,500	- 1
Condensed whole (case goods) ..	5,828	6,860	+40	+18	63,740	+22
<u>Dry milk:</u>						
Dry whole milk	5,593	6,900	- 2	+23	60,700	+ 2
Nonfat dry milk (human food):						
Spray process	124,757	115,500	+28	- 7	1,635,500	- 2
Roller process	6,396	5,600	-25	-12	82,500	-15
Total	131,153	121,100	+24	- 8	1,718,000	- 3
Dry skim milk (animal feed) ...	2,175	1,600	-12	-26	23,300	- 3
Dry buttermilk	4,910	4,900	+ 5	0	69,600	+ 1

^{1/} Enumerations.

^{2/} Estimates.

Table 2.-Evaporated, condensed, and dry milk: Manufacturers' reported stocks
September 30, 1963 ^{1/}

Commodity	Average Sept. 30, 1957-61	Sept. 30, 1962 ^{2/}	September 30, 1963		
			Total	Change from--	
				Sept. 30, 1957-61 av.	Sept. 30, 1962
	1,000 pounds	1,000 pounds	1,000 pounds	Percent	Percent
<u>Evaporated and condensed milk:</u>					
Evaporated whole (case goods) .	381,298	262,681	231,847	-39	-12
Condensed whole (case goods) ..	6,808	5,606	6,185	- 9	+10
<u>Dry milk:</u>					
Dry whole milk	7,305	4,203	4,709	-36	+12
Nonfat dry milk (human food):					
Spray process	95,258	100,030	75,328	-21	-25
Roller process	14,652	7,163	6,088	-58	-15
Total	109,910	107,193	81,416	-26	-24
Dry skim milk (animal feed) ...	1,318	1,114	1,609	+22	+44
Dry buttermilk	6,817	7,627	4,332	-36	-43

^{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, September 1963 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
<u>Cents</u>	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>
6 -6½	-	-	1,950	-	-
7 -7½	-	-	21,200	-	-
7½-8	-	-	7,625	-	-
8 -8½	-	-	22,872	-	2,590
8½-9	-	-	13,905	-	-
9 -9½	-	-	16,210	-	29,500
9½-10	-	-	85,306	-	138,250
10 -10½	-	-	99,019	-	157,025
10½-11	-	-	34,965	-	127,900
11 -11½	-	-	20,790	144,662	71,350
11½-12	-	9,700	35,159	49,000	13,310
12 -12½	-	55,200	66,950	20,310	-
12½-13	604,877	-	26,570	417,800	13,950
13 -13½	2,403,275	57,150	6,600	760,700	-
13½-14	9,244,432	1,319,485	-	645,427	-
14 -14½	44,509,264	1,316,237	-	72,900	-
14½-15	22,415,656	725,556	-	404,355	-
15 -15½	7,780,349	13,954	-	17,100	-
15½-16	1,544,344	80,100	-	35,500	-
16 -16½	1,213,067	-	-	94,350	-
16½-17	36,884	-	-	-	-
17 -17½	172,430	-	-	-	-
Dry whole milk 4/					
	1-2½ lb. packages	5-lb. packages	All other packages including bbls. & drums	Total	
	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>	
25½-26½	-	-	784,193	784,193	
26½-27½	-	-	64,100	64,100	
28½-29½	-	-	661,480	661,480	
29½-30½	-	-	175,800	175,800	
30½-31½	-	-	402,000	402,000	
32½-33½	-	-	231,950	231,950	
33½-34½	-	-	199,350	199,350	
34½-35½	-	-	164,425	164,425	
36½-37½	-	-	223,300	223,300	
40½-41½	-	402,885	-	402,885	
43½-44½	783,462	-	-	783,462	
47½-48½	-	470,775	-	470,775	
51½-52½	437,831	-	-	437,831	

- 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, September 1963 ^{1/}

Commodity	Sept. 1962 ^{3/}	August 1963	September 1963		
			Total	Change from--	
				Sept. 1962	Aug. 1963
	1,000 <u>pounds</u>	1,000 <u>pounds</u>	1,000 <u>pounds</u>	<u>Percent</u>	<u>Percent</u>
Dry whole milk	5,639	6,178	6,578	+17	+ 6
Nonfat dry milk (human food):					
Spray process ^{2/}	105,577	120,669	108,297	+ 3	-10
Roller process	6,733	4,490	3,642	-46	-19
Total	112,310	125,159	111,939	0	-11
Dry skim milk (animal feed)	1,178	460	575	-51	+25
Dry buttermilk:					
For human food	4,532	4,581	3,387	-25	-26
For animal feed	1,095	860	612	-44	-29
Total	5,627	5,441	3,999	-29	-27

^{1/} Includes shipments for which prices were not reported.

^{2/} Excludes spray-dried nonfat milk sold in packages of retail size.

^{3/} Revised.

Table 5.-Dry milk: Manufacturers' average selling price per pound f.o.b. plant, September 1963 ^{1/}

Commodity	Sept. 1957-61	Sept. 1962	Aug. 1963	Sept. 1963
	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>
Nonfat dry milk: ^{2/}				
Spray process ^{3/}	14.55	14.40	14.47	14.40
Roller process	13.10	12.88	13.91	13.98
Spray and roller	14.41	14.31	14.45	14.39
Dry skim animal feed	10.02	10.99	10.18	10.28
Nonfat and dry skim	14.37	14.28	14.43	14.37
Dry buttermilk:				
Human food	14.09	12.69	13.30	13.40
Animal feed	9.72	10.14	10.21	10.27
Human and animal	13.27	12.12	12.81	12.92
Dry whole milk:				
1-2½ lb. pkgs.	45.39	44.32	47.00	47.17
5-lb. pkgs.	42.21	43.33	44.01	44.72
Other pkgs. ^{4/}	32.10	29.25	31.10	29.92
Total	38.50	34.66	39.16	37.77

^{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 1½-oz. cans, in carlots, by geographic divisions, September 1963 1/

Geographic division	Sept. 1962	Aug. 1963	Sept. 1963
	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>
New England	5.97	5.91	5.91
Middle Atlantic	5.92	5.90	5.90
South Atlantic	6.00	5.97	5.97
East North Central	5.97	5.95	5.95
West North Central	6.16	6.12	6.12
South Central	6.14	6.15	6.15
North Western 2/	6.19	6.10	6.10
South Western 3/	6.17	6.05	6.03
United States	6.05	6.00	6.00

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, September 1963 1/

State and division	Sept. 1962			Aug. 1963			Sept. 1963		
	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
	<u>Dollars</u>	<u>Percent</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Percent</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Percent</u>	<u>Dollars</u>
M.Atl. 2/	3.15	3.75	.84	3.19	3.82	.84	3.27	3.90	.84
Md.	3.25	3.99	.81	3.16	3.89	.81	3.31	4.07	.81
Va.	3.35	4.32	.78	3.23	4.05	.80	3.34	4.24	.79
S.Atl. 2/	3.33	4.28	.78	3.21	4.06	.79	3.35	4.26	.79
Ohio	3.11	3.88	.80	3.06	3.79	.81	3.15	3.88	.81
Ind.	3.20	3.91	.82	3.19	3.79	.84	3.26	3.89	.84
Ill.	3.07	3.58	.86	3.14	3.54	.89	3.22	3.64	.88
Mich.	3.00	3.77	.80	3.06	3.66	.84	3.22	3.80	.85
Wis.	3.32	3.79	.88	3.31	3.63	.91	3.44	3.77	.91
E.N.C. ..	3.16	3.82	.83	3.16	3.70	.85	3.27	3.81	.86
Mo.	3.41	4.31	.79	3.34	4.05	.82	3.51	4.23	.83
Kans.	3.20	3.96	.81	3.08	3.61	.85	3.24	3.76	.86
W.N.C. 2/	3.37	4.07	.83	3.27	3.83	.85	3.43	3.99	.86
Ky.	3.39	4.43	.77	3.26	4.17	.78	3.36	4.36	.77
Tenn.	3.40	4.42	.77	3.31	4.24	.78	3.41	4.42	.77
Miss.	3.47	4.50	.77	3.37	4.25	.79	3.49	4.50	.78
Ark.	3.42	4.36	.78	3.30	4.02	.82	3.46	4.19	.83
S.Cent. 2/	3.40	4.43	.77	3.29	4.19	.79	3.40	4.38	.78
N.W. 2/..	3.09	3.69	.84	3.05	3.52	.87	3.19	3.65	.87
Calif. ...	3.20	3.75	.85	3.19	3.66	.87	3.23	3.74	.86
S.W. 2/..	3.17	3.71	.85	3.18	3.64	.87	3.24	3.72	.87
U.S. 2/..	3.28	4.08	.80	3.22	3.90	.83	3.33	4.05	.82

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, September 1963 1/

Item	Average Sept. 1957-61	Sept. 1962	Sept. 1963
Milk bought from producers pounds	465,315,000	443,775,000	427,015,000
Producers number	100,000	76,000	69,000
Average per producer per day pounds	155.1	194.6	206.3
Change in purchases per producer:			
1963 from 1962 percent	xxxx	xxxx	+ 6.0
1963 from 5-year average percent	xxxx	xxxx	+33.0

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.