

SPECIAL REPORT NO.

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Subject:

SHANGHAI AND CHINA IMPORTED FOODSTUFFS MARKETS - 1932.

STATISTICS AND OUTSTANDING FACTS OF THE TRADE.

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CONDENSED, EVAPORATED, AND POWDERED MILKS

CONDENSED AND SWEETENED CANNED MILK. The business in this item in China has fallen off from more than 200,000 cases in 1925 to about 130,000 in 1931. Business for 1932 is estimated at about 100 to 105,000 cases for all of China. Actual gross imports into China for 1931 totalled 49,661 piculs (6,621,466 lbs.) Eleven months imports to November 30, 1932, into China totalled 39,501 piculs (5,266,800 lbs.) valued at Gold Units 1,507,939. which is equivalent to U.S. Gold \$603,175. The United States is the principal supplier with smaller quantities from The Netherlands, Japan, Switzerland, Germany and Great Britain. The foregoing quantities include weight of packing. (Duty is charged on a basis of 48 lbs. to the case) The consumption of the condensed sweetened variety of canned milk is almost entirely by Chinese and largely for infant feeding. The falling off in the trade in recent years is attributed to unfavorable silver exchange increasing the cost of the product in local currency, to a switching to the evaporated type by some consumers and to the increasing use of powdered milks for infant feeding. The tariff rate is Gold Units 7.30 per picul (i.e. U.S. currency 2.92 per 133,1/3 lbs.)

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EVAPORATED CANNED MILK. The current trade in this type of milk

runs to about 75,000 cases per annum for China and is capable of some continued expansion. The United States supplies about 30% of the volume, the balance coming chiefly from The Netherlands, and Canada, with Australia entering this market. There are a large number of brands on the market and Australia has introduced several new brands with the United States next with 15%, followed by Great Britain, Japan, Canada, France, Switzerland, and other countries. 1931 imports into China were valued at \$678,700. U.S. currency. Imports into China for eleven months ended November 30, 1932 totalled in value Gold Units 687,656., equivalent to \$275,062. U.S. currency. The total figures for 1932 could reasonably run to \$587,000. U.S. currency for the

Actual import statistics for evaporated milk entering China during twelve month period, which would represent a 15% decrease in the the eleven months period ended November 30 total 25,312 piculs (3,374,933 lbs.) valued at Gold Units 687,656., or U.S. Gold \$275,062. 1931 imports totalled 26,182 piculs net, (i.e. after deducting re-exports) or 3,490,933 lbs. 1932 business may therefore be rated at about 12% above 1931, by volume. The increase in tariff on this grade of milk in 1930 has been a handicap as well as the very poor silver exchange prevailing for the past three years. The lower prices in producing markets have been more than offset by these features and a greater expansion in the trade in this item has been thus prevented. Present import tariff is Gold Units 5.10 per picul including weight of immediate packing. (This is equivalent to U.S. Gold \$2.04 per 133, 1/3 lbs.) Duty is based on a weight of about 51 lbs. per case of talls - 48 cans to the case.



POWDERED MILK. This is listed in the Customs statistics and tariff as "Infants Food" or "Milk food (including Dried Milk, Lactogen, Glaxo, etc.)" and carries an ad valorem import duty rate of 15%. Imports appear to be increasing steadily year by year. Australia and New Zealand did probably more than 65% of the China business in 1931, with the United States next with 15%, followed by Great Britain, Japan, Canada, France, Switzerland, and other countries. 1931 imports into China were valued at \$478,700. U.S. currency. Imports into China for eleven months ended November 30, 1932 totalled in value Gold Units 894,705., equivalent to \$357,882. U.S. currency. The total figures for 1932 could conceivably run to \$387,000. U.S. currency for the twelve month period, which would represent a 19% decrease in the trade, but it is believed that lower prices are accountable rather than any decrease in volume.

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