



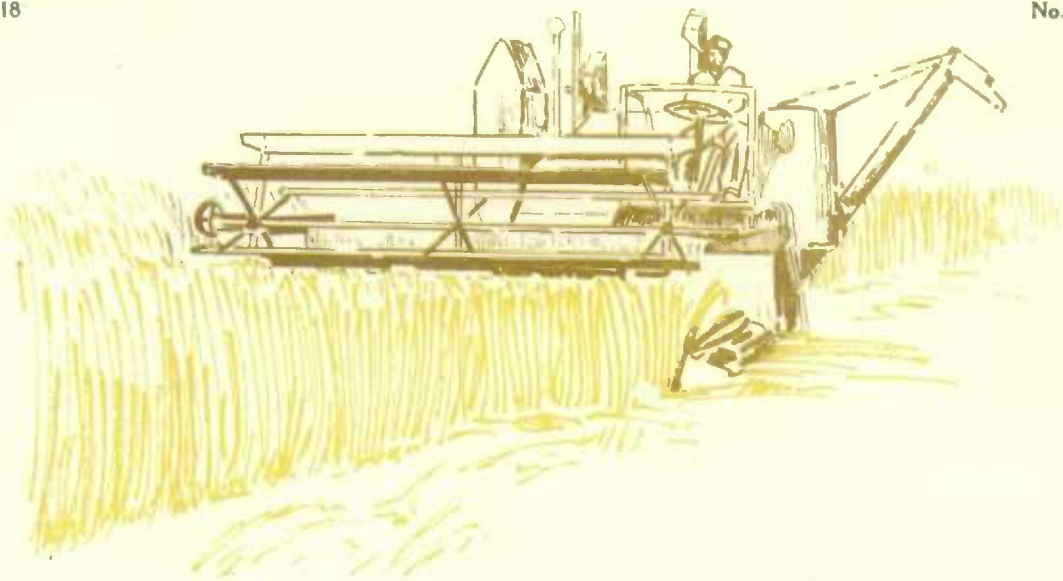
CANADA

DOMINION BUREAU OF STATISTICS  
AGRICULTURAL DIVISION

# MONTHLY REVIEW OF THE WHEAT SITUATION

Vol. 18

No. 2



SEPTEMBER, 1947

Published by Authority of the Hon. James A. MacKinnon, M.P.  
Minister of Trade and Commerce  
Ottawa

Price \$ 1 a year



# MONTHLY REVIEW OF THE WHEAT SITUATION

SEPTEMBER 1947

## TABLE OF CONTENTS

	<u>Page</u>
World Wheat Situation .....	1
Canadian Situation	
Marketing Quotas .....	3
Farmers' Marketings .....	4
Visible Supplies .....	4
Rail Movement to Maritime Ports .....	4
Weekly Visible Supplies and Farmers' Marketings (Charts) .....	5
Grading of Wheat .....	6
Lake Shipments of Canadian Grain .....	6
Rail Movement from Fort William-Port Arthur .....	7
Freight Assistance Shipments .....	8
Monthly Overseas Clearances of Wheat, Etc. ....	9
Overseas Clearances of Canadian Wheat and Flour by Destination ..	10
Current Wheat Prices .....	13
Second Estimate of Canada's 1947 Wheat Crop .....	14
Protein Content of Canada's 1947 Wheat Crop .....	15
Telegraphic Crop Report .....	16
Flour Milling Situation .....	18
United States Situation	
Wheat Production Estimate Revised, Etc. ....	19
Chicago and Minneapolis Cash Wheat .....	21
Chicago Wheat Futures .....	22
Argentine Situation .....	23
Australian Situation .....	23
Calendar of Wheat Events .....	24



DOMINION BUREAU OF STATISTICS

AGRICULTURAL DIVISION

OTTAWA, CANADA

Published by Authority of the Hon. James A. MacKinnon, M.P.,  
Minister of Trade and Commerce

---

Dominion Statistician: Herbert Marshall  
Director, Agricultural Division: C. V. Parker  
Chief, Crop Branch: W. D. Porter

---

WORLD WHEAT SITUATION

World 1947 Bread Grain Crop - Prospects for the world bread grain crop in 1947 indicate that the wheat crop may be around 5,975 million bushels and rye 1,450 million. Total bread grain production would thus be slightly larger than in 1946 when 5,865 million bushels of wheat and 1,420 million bushels of rye were harvested, and almost up to the production average of 1935-39, principally because of the record wheat crop in the United States. In contrast with the good United States outturn, however, the crop in Europe and in most other important deficit areas is still considerably below average and also below the estimate for 1946. This world crop estimate was contained in a report issued September 15 by the Office of Foreign Agricultural Relations of the United States Department of Agriculture.

Supplies vs. Requirements - The Office of Foreign Agricultural Relations report referred to above interprets the situation as pointing to world import requirements substantially larger than a year ago. Another year of critically low bread rations for many areas is also indicated. European import needs, for example, will be even larger than during last season, when a total of about 13.2 million short tons of bread grains, supplemented by 3.4 million short tons of coarse grains for food, was imported from North America.

On the other hand, the report continues, total supplies of grain available for export from North America will be adversely affected for the current crop year, with the sharply reduced corn crop in the United States and the consequent increased domestic requirements of wheat reducing export availabilities of these grains. The Canadian surplus will also be reduced with the production of principal grains (with the exception of rye) generally lower than a year ago, and with larger shipments of feed grains to eastern Canada required as a result of poor coarse grain crops in that part of the country. Carryover stocks of bread grains at the beginning of the new season in both countries were at very low levels.

Australia, as a result of sharply increased wheat acreages and currently satisfactory yield prospects, may provide significant quantities of export wheat this season--but the critical period of the growing season in that country still lies ahead and the crop must still face many hazards before harvest. The latest official estimate from the Argentine places the acreage seeded to wheat in that country at 13.7 million acres as compared with 16.5 million last year. Unless yields turn out considerably above average the Argentine wheat crop will be well below last year's outturn of 206 million bushels.

A recent report issued by the Food and Agriculture Organization states that it may be possible for the surplus producing countries to export as much as 29 million (metric) tons during the current crop year. Against this, FAO considers that the deficiency countries will need a minimum of 38 million (metric) tons in order to maintain present unsatisfactory cereal ration scales. This amount would not provide for any additional livestock feed nor would it permit of any increase in working reserves. The only bright spots seen by FAO in the current crop situation are the harvesting of the record United States wheat crop of 1.4 billion bushels, reports of an excellent crop in Yugoslavia that will remove that country from the list of deficit areas in 1947-48, and also the

reports of a large harvest in the territories of the USSR which is expected to yield from 70 to 75 million bushels for export to needy countries during the 12 months ending June 30, 1948.

World Exports of Grains in 1946-47 - According to the September 15 issue of "Foreign Crops and Markets", - "World exports of grains and their products, exclusive of rice, during the year ended June 30, 1947 reached a total of 28,393,000 long tons. This volume of exports compares with 27,426,000 tons exported in 1945-46 and with the prewar average of 28,388,000 tons for the 5-year period ended with 1937-38.

Despite their huge volume, world exports during 1946-47 fell short of stated import requirements by approximately 24 percent. The year's stated import requirements, exclusive of rice, were placed by the International Emergency Food Council at 37,300,000 tons.

While more than 96 percent of the 1946-47 exports moved from just four countries, the United States, Canada, Argentina and Australia--long the world's leading grain export surplus producing countries--they were shipped to many countries around the earth, but mainly to those in Europe and the Far East where they aided greatly in easing critical food shortages.

The world has been short of grain for food and feed purposes ever since the end of World War II, and exporting countries have been hard pressed to meet even the minimum food grain requirements of importing countries. Among the reasons are a 5 to 10 percent increase in the world's population; failure of grain production in many countries to recover as rapidly as had been anticipated, in part because of fertilizer, machinery and manpower shortages; postwar dislocation of production; unfavorable climatic conditions; inadequacy of transportation and marketing facilities; and the increased demand for grains to compensate for shortages of other foods in the diet, notably fats and oils, meats and sugar.

The impact of these postwar developments has been most severe in months preceding the harvesting of new crops in the Northern Hemisphere. As available world supplies were reduced, bread rations had to be lowered or other measures adopted to make supplies last as long as possible. Moreover, short supplies necessitated extensive diversion of feed grains to food purposes with consequent delays in rehabilitating livestock in some countries.

Slightly more than 72 percent of the world's 1946-47 grain exports consisted of bread grains. The remaining 28 percent consisted of coarse grains, principally corn. Of the world's total exports of grain during the year, the United States accounted for 53 percent, Canada 24 percent, Argentina 15 percent and Australia 5 percent."

Steps Taken in United States to Increase Export Supplies - The President has appointed a Citizen Food Committee of twenty-six members, with Charles Luckman, President of Lever Brothers, as Chairman. The other members represent farm groups, food processors and distributors, labour leaders and consumer representatives. The appointment of this committee is termed the "primary steps" in bringing to the attention of consumers the necessity for food conservation. A voluntary program of conservation and less waste of food will be instituted.

The Cabinet Food Committee, comprised of Secretaries Anderson, Marshall and Harriman made it clear President Truman indicated in a press conference, "that definite steps to conserve on use of foodstuffs at home and reduce the feeding of grain to livestock will be essential if we are to make our fullest contribution towards meeting minimum foreign needs and at the same time relieve the upward pressure on prices at home."

Marketing Quotas - On July 22, 1947 it was announced by the Canadian Wheat Board that the delivery quotas for wheat would be left "open" after July 31 until new crop deliveries and shipments reached such a volume as to make necessary the establishment of local delivery quotas. At August 21 conditions requiring the establishment of quotas were deemed to exist and at that date the delivery quota on wheat at all delivery points was set at 10 bushels per seeded acre, except at points declared open. It was emphasized that wheat delivered by producers between August 1 and August 21 in accordance with Board regulations would not apply against the present general wheat delivery quotas.

Since August 21 quotas have been increased at numerous delivery points and by September 25 there were 1,476 delivery points with open quotas. Only 192 points were on a 10-bushel quota with 351 points listed at 15 bushels and 54 points at 20 bushels per seeded acre.

The summary of the quota position at September 25 in all the western provinces as compiled by the Canadian Wheat Board was as follows:

<u>Delivery Quota</u>	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u>	<u>British Columbia</u>
10 bushels .....	4	80	106	2
15 bushels .....	34	228	89	-
20 bushels .....	7	37	10	-
Open .....	324	761	389	2
<b>T o t a l .....</b>	<b>369</b>	<b>1,106</b>	<b>594</b>	<b>4</b>

Taking the western provinces as a whole the position at September 25 was as follows:

<u>Delivery Quotas</u>	<u>Delivery Points</u>
10 bushels per seeded acre .....	192
15 bushels per seeded acre .....	351
20 bushels per seeded acre .....	54
Open Quota .....	1,476
<b>T o t a l .....</b>	<b>2,073</b>

Farmers' Marketings - The following table shows primary receipts of wheat in the Prairie Provinces for the 1947-48 crop year along with comparative figures for 1946-47:

<u>Week ending</u>	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u>	<u>Total</u>	<u>Last Year</u>
			- bushels -		
August 1-7	32,021	141,687	555,182	728,890	1,419,443
14	73,314	284,362	838,570	1,196,246	2,364,945
21	244,141	2,096,729	1,477,364	3,818,234	5,312,878
28	2,014,085	2,689,001	978,155	5,681,241	14,581,052
September 4	5,148,064	5,631,203	2,528,671	13,307,938	19,643,656
11	7,292,497	18,710,446	6,955,198	32,958,141	19,650,323
18	2,725,944	13,882,254	5,844,868	22,453,066	21,871,880
T o t a l	17,530,066	43,435,682	19,178,008	80,143,756	84,844,177

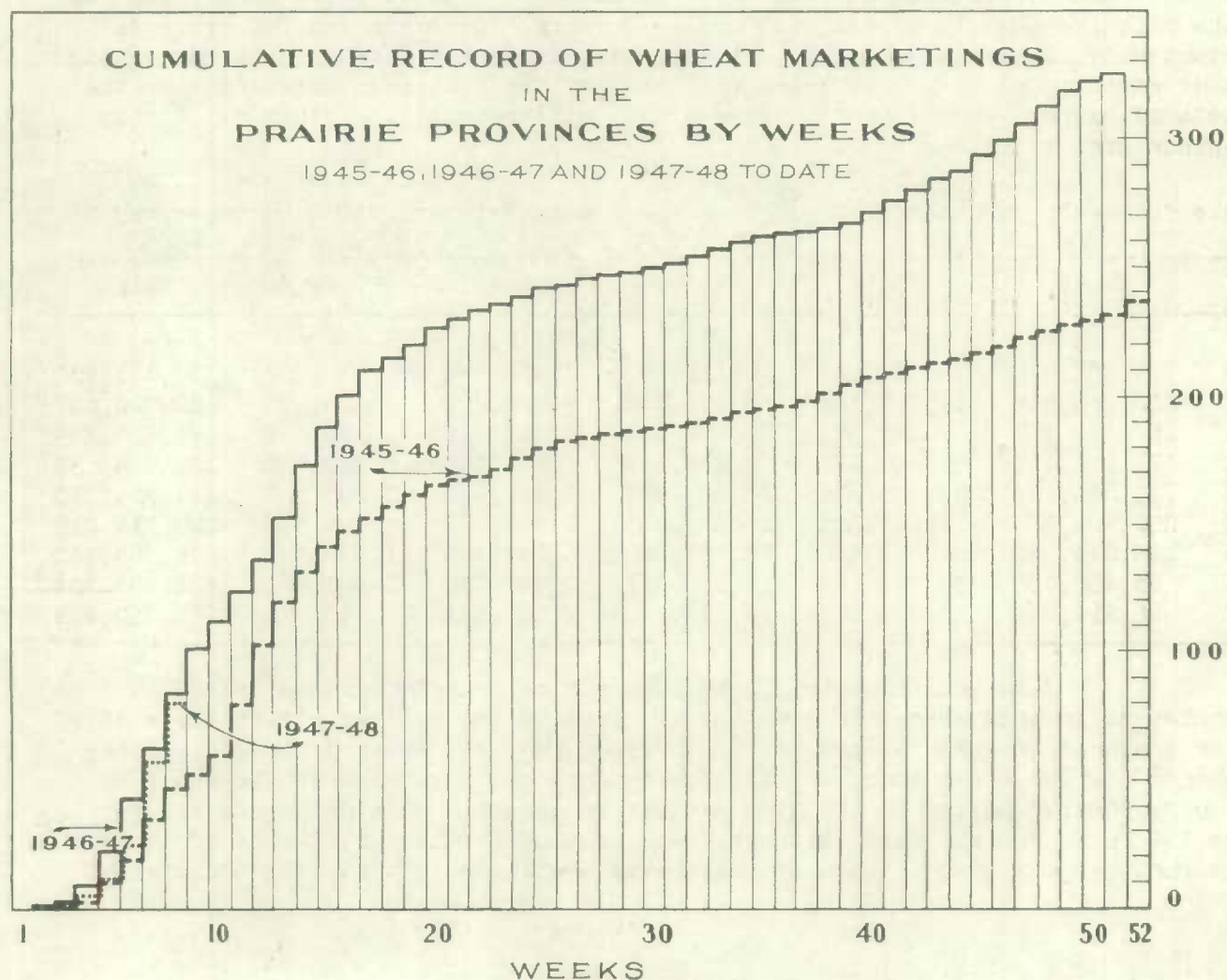
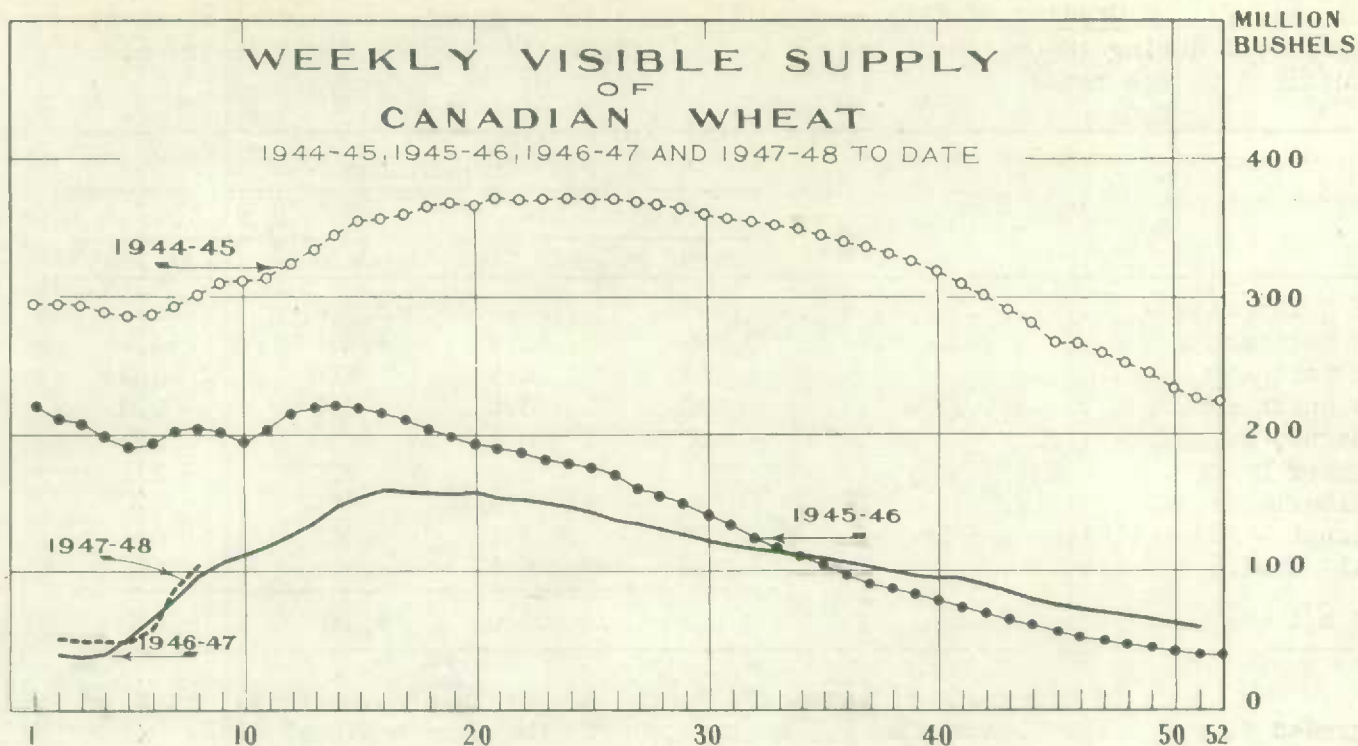
Primary receipts of wheat in the Prairie Provinces for the week ending September 11 amounted to nearly 33 million bushels. These are the highest weekly receipts recorded since the week ending September 26, 1940 when prairie farmers marketed 34.5 million bushels of wheat.

Wheat Visible Supply - The following table shows stocks of Canadian wheat in store and in transit in Canada and the United States on September 18, 1947, along with comparative figures for approximately the same date in 1946 and 1945:

	<u>1947</u>	<u>1946</u>	<u>1945</u>
		- 000 bushels -	
Country Elevators - Manitoba .....	7,301	7,850	3,400
Saskatchewan .....	36,089	34,265	24,990
Alberta .....	18,000	9,850	26,850
T o t a l .....	61,390	51,965	55,240
Interior Private and Mill Elevators .....	3,454	3,984	5,664
Interior Public and Semi-Public Terminals ....	68	26	7,217
Pacific Ports .....	592	1,296	13,395
Churchill .....	657	575	1,878
Fort William and Port Arthur .....	12,197	14,029	35,692
Eastern Elevators - Lake Ports .....	11,923	8,927	24,133
St. Lawrence and Seaboard Ports .....	1,139	261	17,783
United States Ports .....	-	119	18,107
In Transit - Lake .....	2,897	2,638	5,119
In Transit - Rail .....	9,163	13,409	17,770
In Transit - U.S.A. ....	-	-	2,934
T o t a l .....	103,480	97,229	204,932

Movement of Wheat to Maritime Ports - The table below sets out the movement of wheat by RAIL from ports on the Great Lakes and the St. Lawrence river during August 1 to September 18, 1947. No shipments were recorded for the same period last year.

	<u>August 1 to</u> <u>September 18, 1947</u>	<u>August 1 to</u> <u>September 19, 1946</u>
	- bushels -	
Midland .....	248,266	-
Owen Sound .....	22,044	-
Port McNicoll .....	101,633	-
T o t a l .....	371,943	-



Grading of Wheat - The following table shows the grading of wheat inspected during the month of August 1947. Comparable figures for 1946 are also included in the table:

	Inspections			
	August 1947		August 1946	
	Cars	Per Cent	Cars	Per Cent
1 Northern .....	1,493	16.4	3,386	34.0
2 Northern .....	3,891	42.7	4,369	43.9
3 Northern .....	1,721	18.9	618	6.2
4 Northern .....	323	3.5	204	2.0
Garnet .....	36	0.4	20	0.2
Amber Durum .....	286	3.1	206	2.1
Alberta Winter .....	184	2.0	479	4.8
Tough - All varieties and grades .	679	7.4	361	3.6
All Others .....	510	5.6	317	3.2
T o t a l .....	9,123	100.0	9,960	100.0

In general cars inspected during the month of August 1947 have graded significantly lower than did inspections in the same month of 1946. The greater proportion of these inspections in both years, however, would cover old crop wheat and accordingly it is not yet possible to draw definite conclusions as to the relative quality of the 1947 and 1946 crops. Gradings in 1946 averaged substantially lower than in 1945. It is anticipated that unfavourable harvesting weather experienced in recent weeks over much of the prairies, together with the effects of extreme summer heat in some areas, will result in another relatively low-grade crop this year.

Lake Shipments of Canadian Grain from the Opening of Navigation to September 21

	Wheat	Oats	Barley	Rye	Flaxseed	Total
	- bushels -					
1939	109,021,999	10,591,004	10,113,603	2,506,372	78,602	132,311,580
1940	118,398,413	11,168,342	5,433,575	2,270,009	485,198	137,755,537
1941	159,261,560	6,127,572	5,978,161	4,362,119	885,822	176,615,234
1942	121,226,430	1,960,479	2,218,245	770,262	499,422	126,674,838
1943	130,549,496	29,193,414	30,901,489	1,286,454	2,823,522	194,754,375
1944	202,745,775	51,145,015	28,984,805	5,952,208	4,786,415	293,614,218
1945	194,514,002	54,823,449	22,237,889	3,190,983	1,988,729	276,755,052
1946	65,438,675	39,750,069	14,265,423	1,047,746	1,003,791	121,505,704
1947	96,214,559	28,023,943	14,115,888	2,390,631	45,934	140,790,955

This year's overall lake movement of Canadian grains up to September 21 is well above the 1946 level. Most of the gain is attributable to a marked increase in wheat shipments. Oat shipments have declined sharply, barley movements are about the same, while rye shipments are more than double those of the corresponding period in the 1946 navigation season. Flax shipments are far below 1946. In general lake shipments remain below the levels of most of the war years when large storage stocks of grain were available in the western division.

Rail Movement from Fort William-Port Arthur - Rail shipments of wheat from the Lakehead during August declined for the seventh consecutive month to a figure of 90,573 bushels. This slump is in line, however, with the usual seasonal trend which is largely accounted for by the substitution of lake transport for rail during the navigation season. It will be noted that New Brunswick and Prince Edward Island received no wheat by rail from the Lakehead during the month of August. Rail shipments from the Lakehead to the other eastern provinces were all below the level of the previous month. Most of the wheat moved graded No. 4 Northern.

Shipments month-by-month during the past four crop years are shown in the following table:

	1947-48	1946-47	1945-46	1944-45
	- bushels -			
August .....	90,573	187,825	23,255	91,891
September .....		175,773	57,533	169,603
October .....		255,754	73,776	86,571
November .....		256,249	99,197	97,512
December .....		1,601,883	2,280,636	1,236,339
January .....		2,462,002	4,533,707	1,936,038
February .....		1,816,087	1,127,764	764,629
March .....		1,711,013	2,223,266	1,091,909
April .....		566,006	1,015,730	196,042
May .....		361,386	536,462	66,154
June .....		241,475	920,233	58,642
July .....		123,145	130,276	52,726
Total - 12 months .....		9,758,598	13,021,835	5,848,056

The grades of wheat shipped during August 1947 and the provincial distribution of this rail movement are shown in the following table:

	Ontario	Quebec	Nova Scotia	U.S.A.
	- bushels -			
<u>W H E A T</u>				
4 Northern .....	16,000	59,433	333	-
No. 5 .....	333	-	-	-
Tough 4 Northern .....	2,000	-	-	-
Tough No. 5 .....	1,134	-	-	-
Rej. 2 Nor. Mxd. Frbrnt.	-	-	-	6,000
Sample Fireburnt .....	-	-	-	1,590
3 C.W.A.D. ....	3,000	750	-	-
T o t a l .....	22,467	60,183	333	7,590
GRAND TOTAL - 90,573				

Freight Assistance Shipments - Claims filed for payment on freight assistance shipments of wheat indicate that during the crop year 1946-47 shipments of wheat into the feed deficit areas of eastern Canada and British Columbia amounted to 23.9 million bushels as against 27.0 million bushels for the crop year 1945-46. The decline was common to all provinces except British Columbia where slightly increased shipments were received. In connection with the current data, particularly, it should be kept in mind that the filing of late claims will necessitate upward revisions in the shipment figures. Thus, it is anticipated that the actual decline in shipments between the two years may turn out to be less than the table now indicates.

The provincial distribution is shown in the following table, by months, with comparative totals for the crop year 1945-46:

1946-47	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	British Columbia	Total
- bushels -							
August	575,963	507,603	58,888	71,892	34,130	408,933	1,657,409
September	422,365	419,042	56,213	74,710	28,572	412,993	1,413,895
October	1,090,213	716,533	88,977	74,313	30,502	372,525	2,373,063
November	1,190,330	952,035	107,557	141,058	56,203	407,745	2,854,928
December	906,403	820,265	77,492	124,945	55,145	358,410	2,342,660
January	778,912	714,502	87,647	93,872	48,353	365,278	2,088,564
February	541,604	544,835	56,555	55,528	28,183	325,672	1,552,377
March	576,345	484,910	50,372	68,677	28,608	309,387	1,518,299
April	737,978	425,243	68,360	66,940	28,573	293,250	1,620,344
May	1,291,060	716,492	49,742	63,415	29,674	367,872	2,518,255
June	955,432	846,195	44,866	50,013	39,050	411,300	2,346,856
July	957,780	471,018	26,263	26,083	23,532	77,878	1,582,554
T o t a l	10,024,385	7,618,673	772,932	911,446	430,525	4,111,243	23,869,204
Same Period							
1945-46	11,982,108	8,505,845	929,812	1,056,540	525,630	4,016,785	27,016,720

Millfeeds - The distribution of millfeeds under the Freight Assistance plan is shown for the five eastern provinces in the following table. One column of figures covers the twelve months of the 1946-47 crop year and the other the corresponding period a year ago.

	August 1, 1946 to July 31, 1947	August 1, 1945 to July 31, 1946
- tons -		
Ontario .....	281,517	265,591
Quebec .....	314,584	316,619
New Brunswick .....	55,399	55,768
Nova Scotia .....	55,614	58,210
Prince Edward Island .....	15,734	15,126
T o t a l .....	722,848	711,314

Monthly Overseas Clearances, etc., In Comparison with the Customs Exports of

Wheat and Wheat Flour

	Overseas Clearances of Canadian Wheat	U. S. Imports <sup>1/</sup> of Canadian Wheat for consumption and milling in bond	Customs Exports of Canadian Wheat Flour	Total	Customs Exports of Wheat and Wheat Flour
- 000 bushels -					
<u>1945-46</u>					
August	35,358	1,114	4,979	41,451	48,074
September	26,645	1,143	4,294	32,082	34,428
October	37,551	1,265	4,789	43,605	36,139
November	29,679	2,139	4,501	36,319	42,817
December	20,163	1,582	4,344	26,089	42,443
January	19,984	1,988	5,125	27,097	20,373
February	19,592	351	5,111	25,054	14,959
March	22,780	587	4,690	28,057	20,075
April	16,220	559	6,651	23,430	20,095
May	15,131	465	7,507	23,103	23,003
June	16,161	754	4,771	21,686	14,718
July	6,471	386	5,275	12,132	18,910
T o t a l	265,735	12,333	62,037	340,105	336,034

1946-47 <sup>2/</sup>

August	5,981	227	8,896	15,104	17,339
September	10,134	241	5,563	15,938	11,338
October	12,478	437	4,436	17,351	23,653
November	20,494	441	6,156	27,091	23,008
December	10,815	124	3,248	14,187	17,488
January	14,303	77	6,208	20,588	20,406
February	10,439	75	5,538	16,052	13,639
March	8,121	31	6,102	14,254	14,085
April	10,273	4	5,015	15,292	12,152
May	17,803	1	10,385	28,189	28,701
June	22,192	5	10,537	32,734	31,594
July	18,354	9	7,386	25,749	26,404
T o t a l	161,387	1,672	79,470	242,529	239,807

1947-48 <sup>2/</sup>

August	9,694	<u>3/</u>	6,956	16,650	18,140
--------	-------	-----------	-------	--------	--------

<sup>1/</sup> U. S. A. official figures.

<sup>2/</sup> Subject to revision.

<sup>3/</sup> U. S. A. imports for August not available.

Overseas Clearances of Canadian Wheat and Wheat Flour (including U. S. A. Imports) August 1946 to July 1947 and August 1947 - The following statistics on monthly overseas clearances have been compiled by the Statistical Branch of the Board of Grain Commissioners:-

Country	August 1946 - July 1947 <u>1/</u>		August 1947 <u>1/</u>	
	Wheat Flour <u>2/</u>	Wheat	Wheat Flour <u>2/</u>	Wheat
	bushels		bushels	
<u>BRITISH EMPIRE</u>				
United Kingdom	35,432,379	125,550,714	3,295,832	6,809,726
Eire	1,593,045	1,244,391	446,607	-
Aden	-	-	450	-
<u>Africa</u>				
Br. E. Africa	7,803	-	2,200	-
Br. S. Africa	468,859	1,708,645	1,818	-
<u>Br. W. Africa</u>				
Gambia	14,355	-	-	-
Gold Coast	82,197	-	5,310	-
Nigeria	35,622	-	-	-
Sierra Leone	119,331	-	6,030	-
<u>Asia</u>				
Ceylon	170,667	-	-	-
Hong Kong	174,001	-	4,545	-
India	1,730,471	2,008,905	1,204,677	-
Malaya	186,854	-	-	-
<u>Europe</u>				
Gibraltar	141,449	-	-	-
Malta	70,025	1,967,031	-	201,600
<u>North America</u>				
Bahamas	154,179	-	13,725	-
Barbados	467,707	2,770	34,344	767
Jamaica	2,291,418	17,953	92,245	1,395
St. Vincent	-	27	-	-
Trinidad-Tobago	2,461,167	3,078	172,778	-
Other B. W. Indies	1,008,396	2,291	27,846	10
Bermuda	135,081	-	5,823	-
Br. Honduras	63,414	-	8,478	-
Newfoundland	1,355,652	-	101,421	-
<u>South America</u>				
Br. Guiana	894,532	-	46,454	-
<b>TOTAL BR. EMPIRE</b>	<b>49,058,604</b>	<b>132,505,805</b>	<b>5,470,583</b>	<b>7,013,498</b>
<u>FOREIGN COUNTRIES</u>				
<u>Africa</u>				
Azores & Madeira	83,281	-	5,440	-
Belgium Congo	86,589	-	3,672	-
Egypt	2,024,838	5,058,006*	18,360	402,800
French N. Africa	33,962	-	-	-
Liberia	11,893	-	1,147	-
Portuguese Africa	67,217	-	-	-
Spanish Colonies (Canary Islands)	17,820	-	-	-

Overseas Clearances of Canadian Wheat and Wheat Flour - continued

Country	August 1946 - July 1947 <u>1/</u>		August 1947 <u>1/</u>	
	Wheat	Wheat	Wheat	Wheat
	Flour <u>2/</u>		Flour <u>2/</u>	
	bushels		bushels	
<u>FOREIGN COUNTRIES</u>				
<u>Asia</u>				
China	6,349,648	-	7,389	-
Iraq-Iran	-	956,623	-	339,000
Nether. E. Indies	180,360	-	-	-
Portuguese Asia	24,354	-	2,732	-
Philippine Is.	2,962,526	-	57,632	-
Syria	114,336	-	18,608	-
<u>Europe</u>				
Austria	25,020	-	-	-
Belgium	144,608	9,346,414*	2,295	1,292,370
Czechoslovakia	192,951	-	-	-
Denmark	5,580	-	5,346	-
Finland	3,447	-	-	-
France	242,015	698,459	252,144	-
Germany	1,148,544	-	2,889	-
Greece	853,074	33,974*	2,250	-
Italy	6,563,637	-	328,954	-
Netherlands	24,548	7,597,952	10,746	646,400
Norway	2,795,382	1,441,721	238,090	-
Poland	167,886	-	-	-
Portugal	229,333	655,176	-	-
Spain	13,599	-	-	-
Switzerland	24,831	1,009,702	29,650	-
Yugoslavia	2,466	-	-	-
<u>North America</u>				
Costa Rica	199,777	33,333	24,449	-
Cuba	64,926	3,619*	161,509	-
Dominican Republic				
(San Domingo)	203,530	10,011	24,548	-
French W. Indies	475,857	-	17,797	-
Greenland	35,973	-	-	-
Guatemala	132,674	5,805*	5,508	-
Haiti	177,957	-	1,719	-
Honduras	31,059	10,970*	4,590	-
Iceland	247,122	-	-	-
Mexico	8,816	-	-	-
Nether. W. Indies	181,116	-	35,303	-
Nicaragua	39,888	-	1,836	-
Panama	141,705	-	24,143	-
Salvador	32,634	16,667	2,983	-
St. Pierre-Miquelon	14,836	-	1,148	-

Overseas Clearances of Canadian Wheat and Wheat Flour - concluded

Country	August 1946 - July 1947 <u>1/</u>		August 1947 <u>1/</u>	
	Wheat Flour <u>2/</u>	Wheat	Wheat Flour <u>2/</u>	Wheat
	bushels		bushels	
<u>FOREIGN COUNTRIES</u>				
<u>United States</u>				
For grinding in bond	-	1,502,021	-	<u>3/</u>
For human consumption	5,638	141,640	9	<u>3/</u>
Unfit for human consumption	-	28,594	-	<u>3/</u>
Alaska	671	-	-	-
Virgin Islands	16,020	-	1,836	-
<u>South America</u>				
Bolivia	918	-	-	-
Brazil	2,015,343	1,061,898*	29,493	-
Colombia	53,546	573,408*	17,986	-
Ecuador	177,655	52,103	230	-
French Guiana	85,936	-	-	-
Nether. Guiana	148,459	-	19,426	-
Peru	14,108	328,533	5,742	-
Venezuela	1,511,978	-	117,846	-
<hr/>				
TOTAL FOREIGN COUNTRIES	30,411,887	30,566,629	1,485,445	2,680,570
<hr/>				
GRAND TOTAL EXPORTED	79,470,491	163,072,434	6,956,028	9,694,068

1/ Subject to revision

2/ Canadian Customs Returns - Conversion Rate - 4 1/2 wheat bushels = 1 barrel.

3/ U. S. A. Imports for August not available.

\* Includes Seed Wheat to the following countries:

Belgium .....	89,585 bushels	Colombia .....	240,294 bushels
Brazil .....	18,666 "	Honduras .....	970 "
Guatemala ....	5,805 "	Egypt .....	30,327 "
Greece .....	26,133 "	Cuba .....	3,619 "

Current Wheat Prices - On August 30 the Canadian Wheat Board announced that "effective immediately and until further notice, sales of Board wheat ex country elevators for seed, feed or to mills will be made on the basis of \$1.58½ per bushel for No. 1 Northern wheat, less freight to Fort William/Port Arthur or Vancouver, whichever is the lower, to which may be added the regular diversion premium of 1 5/8¢ per bushel on No. 1, 2 or 3 Northern, 2 1/8¢ per bushel on 4 Northern and all other grades including Durums, Garnets or Alberta Red Winters, with an additional 1/2¢ per bushel on all grades of tough wheat."

The local sales price, basis Fort William-Port Arthur, for all grades are now as shown in Schedule A for the weeks ending September 6, 13 and 20.

	Average Prices for the weeks ending 1/			
	Aug. 30	Sept. 6	Sept. 13	Sept. 20
<u>WHEAT 2/</u>	- cents and eighths per bushel -			
(1) Class I Domestic				
(A) Domestic Use				
1 Hard .....	158/4	158/4	158/4	158/4
1 Northern .....	158/4	158/4	158/4	158/4
2 Northern .....	155/4	155/4	155/4	155/4
3 Northern .....	153/4	153/4	153/4	153/4
4 Northern .....	148/4	148/4	148/4	148/4
Number 5 .....	145/4	145/4	145/4	145/4
Number 6 .....	141/4	141/4	141/4	141/4
Feed .....	139/4	139/4	139/4	139/4
1 C. W. Garnet .....	153/4	153/4	153/4	153/4
2 C. W. Garnet .....	151/4	151/4	151/4	151/4
3 C. W. Garnet .....	149/4	149/4	149/4	149/4
1 Alberta Red Winter .....	168/4	158/4	158/4	158/4
2 Alberta Winter .....	167/4	157/4	157/4	157/4
3 Alberta Winter .....	164/4	154/4	154/4	154/4
1 C. W. Amber Durum .....	168/4	158/4	158/4	158/4
2 C. W. Amber Durum .....	165/4	155/4	155/4	155/4
3 C. W. Amber Durum .....	163/4	153/4	153/4	153/4
(B) Initial Price to Producers - 23½ cents under Schedule A except for Amber Durum and Red Winter which were 33½ cents under Schedule A for the week ending August 30 only.				
<u>NOTE:</u> On August 22 the Canadian Wheat Board established fixed minimum carload prices to producers for wheat for the crop year 1947-48. The premium formerly paid to producers on Durums and Red Winters has been withdrawn--and retroactive to August 1 producer prices for these varieties will be on the same level as the Red Spring Grades. The same conditions apply to Soft White Spring wheat which also carried a premium in 1946-47.				
(2) Class II Export				
(A) United Kingdom				
1 Hard .....	158/4	158/4	158/4	158/4
1 Northern .....	158/4	158/4	158/4	158/4
2 Northern .....	155/4	155/4	155/4	155/4
3 Northern .....	153/4	153/4	153/4	153/4
(B) Commercial				
1 Hard .....	270	285/2	295/7	295
1 Northern .....	270	285/2	295/7	295
2 Northern .....	267	282/2	292/7	292
3 Northern .....	265	280/2	290/7	290
1 C. W. Amber Durum .....	278/3	285/2	295/7	295
2 C. W. Amber Durum .....	275/3	282/2	292/7	292
3 C. W. Amber Durum .....	273/3	280/2	290/7	290

1/ Source: Statistics Branch, Board of Grain Commissioners, Fort William

2/ Price - Basis in store Fort William-Port Arthur and Vancouver.

Second Estimate of 1947 Wheat Crop - Canada's 1947 wheat production is now placed at 352.2 million bushels in the second estimate of Production of Principal Field Crops released September 12 by the Dominion Bureau of Statistics. This production is being obtained from an estimated seeded acreage of 23.9 million acres yielding an estimated 14.7 bushels per acre. The long-time average yield is 16.0 bushels per acre while a revised estimate places last year's wheat yield at 17.5 bushels per acre. The second estimate of wheat production is approximately 6.6 million bushels lower than the first estimate released in August. The decline is due chiefly to disappointing threshing returns in Manitoba where the effects of hail, flooding and unfavourable weather had apparently been underestimated in earlier reports.

Due to the lateness of the season in many parts of the country, a good deal of harvesting remained to be done at the date of the estimate. This is particularly true of a large part of Alberta and some areas in Saskatchewan. Unfavourable weather has prevailed over parts of the Prairies during much of September and it is probable that significant grade losses may accrue in the unharvested areas. Yields may also be adversely affected but the extent of the deterioration, if any, has not yet been ascertained.

The second estimate of wheat production for all Canada and for the Prairie Provinces may be summarized as follows:

	Area		Production	
	1946	1947	1946	1947
	acres	acres	bu.	bu.
Fall Wheat .....	546,100	712,300	16,274,000	18,235,000
Spring Wheat .....	23,530,000 <u>1/</u>	23,183,100	404,451,000	333,979,000
All Wheat .....	24,076,100 <u>1/</u>	23,895,400	420,725,000	352,214,000
Prairie Provinces:				
Wheat .....	23,354,000 <u>1/</u>	22,992,000	400,000,000	329,400,000

1/ Revised on basis of Preliminary Census figures for Prairie Provinces.

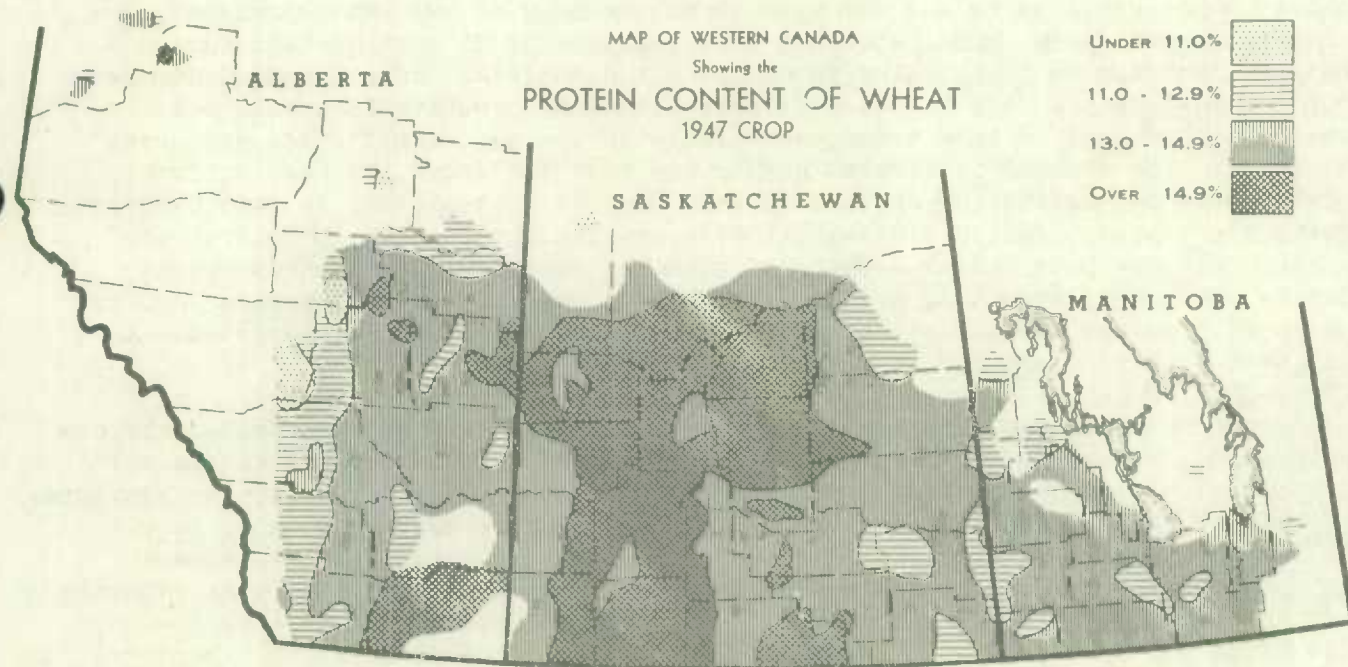
Ontario accounts for the total production of fall wheat shown in the above table. The wheat crop in the Prairie Provinces contains a small proportion of fall wheat grown chiefly in Alberta but for purposes of this estimate fall wheat grown on the Prairies has been included under spring wheat.

The distribution of the 1947 wheat crop among the Prairie Provinces is now estimated as follows:

	Area	Yield per Acre	Production
	acres	bu.	bu.
Manitoba .....	2,497,000	17.6	44,000,000
Saskatchewan .....	14,085,000	12.8	180,300,000
Alberta .....	6,410,000	16.4	105,100,000
T o t a l .....	22,992,000	14.3	329,400,000

Protein Content of Canada's 1947 Wheat Crop - The protein content of 1947 wheat moving to country elevators is 14.4 per cent, a reduction of 0.7 per cent from the first estimate, according to a report issued by the Board of Grain Commissioners' Laboratory. The new level is only slightly higher than the corresponding value of 14.2 per cent obtained about the same time last year. The average for Canadian hard red spring wheat for the last twenty years is 13.6 per cent.

The present survey is based on analyses of 3,724 samples grading No. 1 Northern to 4 Special, collected from every district in the Prairie Provinces where threshing has been in progress. About 2,000 more samples will be required to obtain complete coverage of all areas, and it is expected that when more samples are collected from low protein areas the general average will be further lowered by two or three tenths of a per cent. This year's survey is characterized by the occurrence of a number of extremely high protein samples; there were 130 carlots with values between 18 and 20 per cent protein.



This year, as previously, the highest protein wheat came from Saskatchewan. Below are listed the values by provinces, and the accompanying map shows zones of the different protein levels.

	<u>No. of Samples</u>	<u>Protein Content</u>	<u>Range</u>
Manitoba .....	580	13.5	10.7-17.5
Saskatchewan .....	2,131	15.0	9.8-20.0
Alberta .....	1,013	13.6	8.9-19.3
Western Canada .....	3,724	14.4	8.9-20.0

Telegraphic Crop Report - The following is extracted from the telegraphic crop report issued by the Dominion Bureau of Statistics:

Summary - Harvesting operations have been practically at a standstill in the Prairie Provinces over the past two weeks. Before the wet weather set in harvesting in Manitoba was nearly completed, whereas in Saskatchewan about 60 per cent was finished and in Alberta, apart from the southern areas, little or no threshing has been done.

Threshing of wheat and coarse grains in Manitoba is fairly well completed with the exception of some western and northern areas of the province. Wet weather has held up operations generally and a large share of the flax crop has not yet been cut. Threshers' reports on flax already harvested indicate quite good yields and with a reasonable improvement in harvesting conditions the Manitoba flax crop should come up to expectations. With approximately 20 per cent of wheat still to be cut and with threshing only 60 per cent completed, harvesting operations in Saskatchewan were practically at a standstill during the last week due to daily rains in almost all districts. No widespread damage from wet weather has been reported to date although sprouting in stooks and swaths has occurred in some areas, especially in the west-central and northern districts. The weather in Alberta during the past two weeks has been extremely unfavourable and harvesting operations have been at a standstill in most districts. Recent heavy snowstorms in southern Alberta and continual rains in central and northern Alberta have caused lodging of standing grain and have soaked grains already cut. Some sprouting has been reported. Most of the grains have been cut but apart from the southern districts, little threshing has been completed. A full week of drying weather is needed.

Manitoba - While reports have not been received from all districts in Manitoba, threshing of wheat and coarse grains appears to be well on the way to completion with the exception of some western and northern areas of the province. Wet weather has delayed flax harvesting and much of this crop remains to be cut. The Dominion Experimental Station at Morden reports harvesting in that area completed except for a few fields of late flax, with rain during the week delaying flax combining. The yield and grade of cereal crops have been generally low. Root crops are showing fair outturn with corn and sunflowers maturing. Pastures are in fair condition. A heavy frost is reported on the 21st with from 8 to 13 degrees below freezing being recorded on the ground. At Melita in the south-western corner of the province wet weather during the past week has held up harvesting operations. Ninety per cent of the grain crops has been threshed but only 15 per cent of the flax. Flax threshed to date has averaged about 12 bushels per acre.

In the Brandon area, weather conditions have remained favourable for threshing with about 80 per cent completed in the district. Seventy-five per cent of the wheat crop is reported as grading No. 3 Northern with the remainder mostly No. 2 Northern. Pasm disease is widespread in the flax in this area but the damage is variable. Sixteen degrees of frost were reported on the night of September 21. While soil moisture prospects for 1948 are fair, heavy rains would be welcome. In the Woodnorth area unfavourable weather has delayed harvesting. Threshing of wheat is about 90 per cent completed while about 50 per cent of the coarse grain crops remains to be harvested. Flax harvesting has just commenced. Our correspondent in this area reports that the probable average yield of wheat will be 18 bushels, barley 20, oats 30 and flax 11 bushels per acre. Farmers are seeding a considerable acreage to fall rye. Feed supplies are considered to be adequate in this district. Conditions in the Neepawa area are similar to those reported for Woodnorth. Around Shoal Lake in the north-western section of the province only one-third of the threshing has been completed. Unfavourable weather stopped threshing last week and many harvesters left the district. Labour is now in short supply. Yields here are apparently running somewhat below earlier expectations. No flax or peas have yet been threshed but quite good yields are anticipated.

The Entomological Laboratory at Brandon reports no recent insect damage. While the grasshopper egg survey and forecasts are not yet complete, there is a possibility of light grasshopper damage in 1948 in the southern Red River Valley area. Average precipitation for the province since April 1 is 12 per cent above normal as compared with 17 per cent above normal three weeks ago. Mean temperature for the week ending September 22 was 6 degrees below normal.

Saskatchewan - Almost daily rains during the past week have delayed harvesting in all districts. About 20 per cent of the wheat has still to be cut. Wheat threshing in the province is nearly 60 per cent completed. While no serious general damage from wet weather is reported the grades have been lowered in some districts and sprouting in the stook and swath is causing further deterioration of the light crop in west-central and northern districts. A report from Manor in the south-east indicates that only a small percentage of threshing has been done due to continued wet weather. Yield and quality of wheat in this area are fair. Oat and flax crops are better than wheat. This year's summerfallow fields are weedy, because excess moisture has prevented cultivation necessary for weed control. Live stock is in very good condition. At Indian Head approximately 80 per cent of the wheat has been delivered to elevators. Most of the wheat crop in this area is grading No. 2 or 3 and the average yield is upwards of 25 bushels per acre. Recent rains will tend to cut down the grade. Farther north at Willowbrook, threshing is only 30 to 35 per cent completed and yields are quite variable ranging from 12 to 35 bushels per acre. Coarse grain yields are comparatively light but pastures are good and the feed situation is fairly satisfactory. There is considerable variability in yields over the central districts. In the Drake-Lanigan area wheat yields range from 2 to 25, averaging approximately 12 bushels per acre. Oats are running about 10 and barley 12.

The Dominion Experimental Station at Swift Current reports that harvesting operations have been at a standstill there for the past 10 days. About 10 per cent of grain is still in the fields, including almost all of the flax. Weathering damage has not been serious and there is no frost damage to grain in this area. Average precipitation for the province since April 1 has been 16 per cent above normal as compared with 7 per cent above normal three weeks ago. Mean temperature for the week ending September 22 was approximately 6 degrees below normal.

Alberta - Harvesting in Alberta has been delayed during the past two weeks because of very unfavourable weather conditions. Recent heavy snowstorms in southern Alberta brought harvesting operations to a standstill for a few days, while continual rains in central and northern Alberta have held up harvesting for the past ten days. Lodging is reported in standing grain and some sprouting in swathed and stooked grain has occurred. A full week of good drying weather is required before harvesting will be general again. About one-third of the grain harvesting remains to be done in the western part of southern Alberta where the weather is reported to have cleared over the week end. Most of the grain has been cut. In central Alberta a large part of the grain crop has been cut but little threshing has been done. Some sprouting especially in swathed grain has been reported. Grades are expected to be lowered and some reduction in yields are anticipated. In the Peace River district sixty per cent of the wheat has been cut and cutting of coarse grains ranges from 20 to 50 per cent completed. Grades are expected to be low. Frost was reported on the night of September 17 but no indication of damage has been given. Light scattered hail storms occurred over southern Alberta during the past week and two severe storms on September 12 were reported across central Alberta. Sawfly losses have increased as a result of the recent snow and rain. Average precipitation for the province since April 1 has been 14 per cent above normal as compared with 7 per cent above normal three weeks ago. Mean temperature for the week ending September 22 was 6 degrees below normal.

Flour Milling Situation - During the first month of the new crop year wheat flour production amounted to 2,412,394 barrels as compared with 2,158,677 barrels for August 1946. Mills reporting operations for August 1947 had a total rated milling capacity of 96,475 barrels per 24-hour day and on the basis of a 26-day working period in the month 96.2 per cent of the rated capacity was effective.

Exports of wheat flour (based on Customs returns) during the first month of the present season amounted to 1,545,784 barrels as against 1,977,008 for August 1946.

The output of the Canadian flour milling industry has been rising steadily for the past several years and the crop year 1946-47 witnessed the establishment of an all-time record high production of 28.5 million barrels, more than two million barrels above the previous high record established in 1945-46.

In the following table the record of production and exports during the past ten years is shown together with statistics for the first month of the current crop year.

Production and Exports of Wheat Flour

(barrels of 196 pounds)

<u>Crop Year</u>	<u>Production</u>	<u>Exports</u>
1937-38 .....	12,867,728	3,609,656
1938-39 .....	15,197,297	4,604,245
1939-40 .....	17,778,311	6,781,367
1940-41 .....	19,575,833	10,288,827
1941-42 .....	19,905,741	10,205,778
1942-43 .....	23,590,516	12,575,215
1943-44 .....	24,303,833	13,464,371
1944-45 .....	24,634,905	13,923,832
1945-46 .....	26,435,341	13,786,177
1946-47 .....	28,518,602	17,660,109
1947-48 August .....	2,412,394	1,545,784
<hr/>		
Same Period 1946-47 .....	2,158,627	1,977,008

## UNITED STATES SITUATION

Wheat Production Estimate Revised Downward - The September 10 crop report issued by the Crop Reporting Board of the Bureau of Agricultural Economics and based on September 1 conditions states that, "All wheat production of 1,408,602,000 bushels remains the largest U. S. crop on record, although below the August forecast because of a decline in spring wheat. All spring wheat production is now estimated at 312,954,000 bushels, a drop of 19 million bushels from a month ago. This is the largest spring wheat crop since 1928, and is 11 per cent above last year's production of 281,822,000 bushels.

Durum wheat production, estimated at 43,245,000 bushels, is one-fifth larger than last year's 35,836,000 bushels. Hot dry weather damaged durum wheat, principally in the central and western districts of North Dakota, causing a drop of  $2\frac{1}{2}$  million bushels since the August 1 estimate.

Other spring wheat production of 269,709,000 bushels is 10 percent larger than last year's production of 245,986,000 bushels. The decline since August 1 in other spring wheat is a little over  $16\frac{1}{2}$  million bushels, and occurred largely in North Dakota and Washington.

The all spring wheat yield of 16.1 bushels per acre is one bushel above last year, but a bushel below August 1. Durum wheat yield of 15.6 bushels per acre is one bushel above last year. The other spring wheat yield of 16.2 bushels per acre is 1.1 bushel above last year. The effect of dry weather is evident in Washington where the spring wheat yield is  $3\frac{1}{2}$  bushels lower than last year. Oregon and Idaho yields, however, are a little above last month. Extreme heat and insufficient rainfall during August in most of the northern Great Plains and in Washington caused considerable deterioration of spring wheat. The grain was forced too fast for proper filling, causing reduced yields and light test weights. Reductions were greatest in the central and western Dakotas and in Montana. Minnesota came through this adverse period without damage to spring wheat. Limited rainfall in Washington occurred the last week of August--too late to benefit spring wheat. Harvesting is completed or well along in most northern areas. Generally favorable harvest conditions have prevailed. Heavy straw growth as a result of early moisture, slowed combining and caused more than the usual combining of swathed grain, especially of durum wheat."

Supply Situation - Taking into consideration the carryover of wheat at July 1, 1947 of 83 million bushels, the supply available for disposition during the current crop year amounts to some 1,492 million bushels. Since the corn crop is small, more wheat will be fed than last year. Estimates of the probable feed use of wheat during the 1947-48 crop year vary but the outlook issue of the "Wheat Situation" suggests 325 million bushels as a probable figure. This would lead to a total domestic disappearance during the crop year of approximately 925 million bushels, leaving about 570 million for export and carry-over at July 1, 1948. Should the carryover be permitted to drop as low as it stood this year, exports could conceivably reach a total somewhere in the vicinity of 480 to 490 million bushels. The size of the carryover, however, is likely to be determined by the outlook for the 1948 crop and should this not develop favourably as the season progresses there will be considerable pressure to increase carryover stocks and to reduce exports. Again the feed situation may be such as to encourage feeding of wheat in excess of the 325 million bushels suggested above. Should this occur the amount available for export and carry-over would be reduced accordingly.

The Outlook for Wheat - On September 3 The Outlook and Situation Board approved the following statement which was released in the Outlook Issue of the "Wheat Situation":

"Demand for very large exports of United States wheat is very likely to continue through 1948-49. The quantity of wheat the United States has to export, however, will not be sufficient to meet demands unless yields are again unusually large.

Because of current high prices, growers will seed fully as many acres in wheat for the 1948 crop as for the 1947 crop and the acreage goal announced on July 31 will be reached.

The goal calls for 75 million acres, about the acreage seeded for the 1947 crop excluding volunteer acreage which was harvested. Although it calls for all-out production, the goal provides that the acreage planted should be consistent with good farming practices. State workers have been asked to review the goals for their particular States from the standpoint of moisture conditions, need for oilbearing and other crops and for summer fallow requirements.

It is impossible to make an accurate forecast of wheat yields for next year. By making certain assumption in this regard, however, it is possible to throw some light on the export situation and its effect on price.

If yields equal the 1937-46 average of 14.3 bushels per seeded acre, 75 million acres would produce 1,070 million bushels. Assuming about 800 million bushels are used domestically, about 270 million bushels would be available for export or addition to carry-over. A crop of this size would not provide enough wheat for export to meet expected demands.

The picture changes if it is assumed that yields will be 16.3 bushels per acre, the average for 1942-48 when the weather was unusually favorable. Such a yield on 75 million acres would result in a crop of 1,220 million bushels. If such a crop were obtained, more wheat might be used for feed, and domestic uses might total about 850 million bushels. This would leave about 370 million bushels for export and increase in carry-over. This would probably be enough to meet export demands and provide for some increase in U. S. stocks if conditions abroad improve sufficiently.

If a crop of only about 1,070 million bushels is produced, it is likely that prices in 1948-49 will continue above support levels. Whether they would decline to or below support levels with a very large crop would depend upon the size of the crop relative to the export demand. Before exports in the postwar period raised prices above support levels, prices usually fell below the loan following harvest, but advanced above it later in the season."

The Outlook for Rye - The Outlook and Situation Board also approved the following statement on the rye situation: "As a result of very high rye prices in the past two years, the 2.3 million acre rye goal for 1948 may be reached. This would be 18 percent above the acres harvested in 1947, but only 62 percent of the 1937-41 average. Assuming an average yield of 12 bushels per acre, 2.3 million acres would produce about 27 1/2 million bushels. On the basis of a crop of this size, food, feed, and alcohol-spirit use might be slightly above that in 1947-48 and seed about the same. While some rye might be exported, the total quantity would be small. With very limited rye supplies, rye disappearance in 1946-47 was the smallest in 21 years and prices exceeded considerably the 1917-18 record."

Chicago and Minneapolis Cash Wheat - The cash wheat market fluctuated markedly during the period under review but the underlying tone remained very strong. During the week ending September 25 movement of wheat held up well with 3,863 cars in at Minneapolis and 3,799 at Duluth. Receipts were lighter at Chicago with only 371 cars arriving locally. Generally speaking, demand on the spot market was broad and active with mill and elevator buying being supplemented by Commodity Credit Corporation purchases. Spot prices will likely remain strong at least as long as the current wave of buying, both for local needs and exports, persists.

The following are the daily cash prices by grades on the Chicago and Minneapolis markets:

1947	Chicago -		Minneapolis -	
	Grade	Price	Grade	Price
Aug. 28	2 Red	255 1/2 - 256	1 Heavy Dark Nor.	250 7/8 - 252 7/8
29	1 Hard	256	1 Heavy Dark Nor.	253 3/8 - 255 3/8
30	2 Red (Tough)	258 3/4	1 Heavy Dark Nor.	253 1/4 - 255 1/4
Sept. 1	- Labour Day -			
2	1 Hard (Tough)	254 - 254 1/4	1 Heavy Dark Nor.	253 3/4 - 255 3/4
3	2 Red	263 3/4	1 Heavy Dark Nor.	259 5/8 - 261 5/8
4	None		1 Heavy Dark Nor.	263 1/4 - 265 1/4
5	3 Red	271 1/4	1 Heavy Dark Nor.	268 - 270
6	2 Hard	269 1/2	1 Heavy Dark Nor.	264 1/2 - 266 1/2
8	3 Red	273 1/4	1 Heavy Dark Nor.	263 1/2 - 265 1/2
9	None		1 Heavy Dark Nor.	271 - 273
10	None		1 Heavy Dark Nor.	277 - 279
11	2 Hard	283 1/2	1 Heavy Dark Nor.	275 1/2 - 277 1/2
12	1 Red	278	1 Heavy Dark Nor.	267 1/4 - 269 1/4
13	None		1 Heavy Dark Nor.	271 1/2 - 273 1/2
15	3 Red	282	1 Heavy Dark Nor.	277 - 279
16	S.G. Hard	275 3/4	1 Heavy Dark Nor.	275 1/2 - 277 1/2
17	2 Red	281 3/4	1 Heavy Dark Nor.	273 1/2 - 276 1/2
18	1 Hard	272 3/4	1 Heavy Dark Nor.	266 3/4 - 270 3/4
19	2 Red	272	1 Heavy Dark Nor.	256 3/4 - 260 3/4
20	2 Red	259	1 Heavy Dark Nor.	254 1/2 - 258 1/2
22	1 & 2 Red	267 3/4	1 Heavy Dark Nor.	263 1/4 - 267 1/4
23	2 Red	273	1 Heavy Dark Nor.	269 - 273
24	2 Red	269 1/2	1 Heavy Dark Nor.	269 - 271
25	2 White Weevily	269 1/2	1 Heavy Dark Nor.	269 1/4 - 273 1/4
26	2 Red	277 1/2	1 Heavy Dark Nor.	275 1/2 - 279 1/2

Chicago Wheat Futures - Toward the middle of September, futures advanced to high levels as evidence mounted regarding the extent of the world wheat shortage. Reports of the large export movement during the past three months, together with extensive mill and government buying, further strengthened the market. Prices dipped sharply during the third week of the month following the announcement of a relatively low export quota for November. A request from the Commodity Exchange Authority addressed to the major grain exchanges, asking the latter to increase their initial margins on speculative transactions in grain also had a bearish effect. Demand, however, remained strong and this together with forecasts of frost in some of the corn areas and unfavourable reports on winter wheat seeding conditions, furnished the basis for a rally which was still unchecked at the close of the period.

The following are the high points of closing in the wheat futures market at Chicago for the various contract months:

<u>1947</u>	<u>September</u>	<u>December</u>	<u>March</u>	<u>May</u>	<u>July</u>
	- cents and eights per bushel -				
Aug. 28	252/4	251/2	250	247/2	223
29	255	254	253	250	224/2
30	255/4	255/2	254	251/4	225/4
Sept. 1		- Labour Day -			
2	257	255/4	254	252	226
3	261/2	260/4	260/4	256/4	229
4	263/6	264/2	264	259/6	230/4
5	269/2	269	268	264	236/2
6	267/2	268	268/6	262/4	236/4
8	264/4	265/6	264/4	260/4	237/2
9	272/4	274/2	274	270/3	247/1
10	278/2	280/4	280	276/6	256/2
11	275	277/6	278	275	253/4
12	270	272/4	271/6	268	244/2
13	273/2	275/2	274/4	272	247/2
15	280	282/6	282/6	280/2	257/1
16	278	279/4	279/4	276/6	256/6
17	277	277/6	277/4	275	253/4
18	271	271	271	267	245
19	261	260/6	261	256/6	234/5
20	257/2	257/4	258	252	227/4
22	266	266	265/2	260/4	236/4
23		269/4	269	263/4	240
24		267/2	266/4	261/2	236
25		268	267/2	262	236/6
26		272/2	270/2	266	243/2

## ARGENTINE SITUATION

Wheat Acreage Down - According to a revised official estimate reported by Broomhall, the acreage seeded to wheat in the Argentine for the 1947-48 season stands at only 13,709,000 acres. This is 638,000 acres lower than an earlier estimate reported on September 2. The average wheat acreage planted in 1935-39 is set at 18,660,000 acres. There seems to be little doubt that Argentine producers are rapidly losing interest in wheat growing. Unsatisfactory seeding conditions may account for part of the reduction in acreage this year but general grower dissatisfaction with the government's price policy is generally deemed to be the more important factor behind the drop in seedings.

Crop Conditions - Recent reports tell of near droughts in many areas of the Argentine. Recent rains were apparently insufficient for the growing crops and some areas in the west have been too dry to permit seeding of small grains. Corn could still be planted in these districts provided moisture is received in the near future. Locusts have been reported from Buenos Aires and fears of an invasion into the grain belt have been revived. Even if an average yield of about 12.5 bushels per acre were achieved this year the wheat outturn would only slightly exceed 170 million bushels. With domestic needs running from 100 to 110 million bushels, Argentine is likely to have only a very modest surplus for export during 1948.

Export Situation - On September 29, Broomhall reported that Argentine shipping, already functioning at much below normal efficiency, is being further handicapped by a strike of stevedores at Buenos Aires which has practically halted all loading operations in that port. Difficulties are apparently still being encountered in obtaining sufficient bags for handling deliveries. As an indication of the Argentine's difficulties in carrying out her export program, it is reported that only 12.7 million bushels out of the 30 million bushels of wheat promised to Brazil for the period up to mid-September have been delivered.

## AUSTRALIAN SITUATION

The following cable was received in mid-September from the Canadian Trade Commissioner in Melbourne:

"Australian wheat stocks at August 31 totalled 37 million bushels. Exports of wheat during August totalled 42,569 tons to New Zealand, India and Zanzibar. Flour exports totalled 70,298 tons to Pacific Islands, Malaya, Ceylon, Mauritius, Middle East, Hong Kong, Reunion and Burma. Price of wheat for export now increased by one shilling to 17 shillings a bushel bulk f.o.b. shipping ports. It is estimated there will probably be 120 million bushels for export from the 1947-48 harvest."

Estimated Acreage and Production - Late estimates place the area under wheat this season for the Commonwealth as a whole at 15,500,000 acres, a substantial increase over last year. Acreages by provinces are as follows:- New South Wales 5,250,000; Victoria 3,500,000; Western Australia 3,250,000; South Australia 3,000,000 and Queensland 500,000. The latest crop forecast is set at 220,000,000 bushels. It is reported that Britain hopes to obtain 50 million bushels of the exportable surplus.



1010686619

# CALENDAR OF WHEAT EVENTS

- September 2 Argentina official estimate 1947 corn outturn 228,937,000 bushels as compared with 140,700,000 in 1946, according to Broomhall.
- A report from the London Times August 22, states that the existing wheat acreage payment policy in the United Kingdom expires with the 1947 crop. For the 1948 crop and thenceforth there will be a new acreage payment of £3 per acre for the first ten acres grown by any one occupier irrespective of whether the wheat is grown on more than one holding.
- 10 The Crop Reporting Board of the United States Department of Agriculture in their crop report of September 1 estimated the 1947 wheat crop at 1,408,602,000 bushels, the largest on record. Corn production on the other hand is expected to be only 2,404 million bushels, the smallest crop since 1936.
- 12 The Dominion Bureau of Statistics estimate of the Canadian Wheat crop placed at 352,214,000 bushels of which 329,400,000 bushels were produced in the Prairie Provinces.
- 15 Effective Monday, September 15, price ceilings on bread and flour were suspended by the Wartime Prices and Trade Board. The Canadian Wheat Board, effective midnight September 15, discontinued the payment of the drawback on flour and wheat products milled or processed from wheat of western Canada grain grades.
- 16 Official forecast of Australia's 1947 wheat crop 220,000,000 bushels according to Broomhall.
- Broomhall reports signing of Franco-Argentine Trade Agreement involving 600,000,000 pesos revolving credit to France and sale to France in 1947 corn 2,400,000 bushels, barley 1,400,000 bushels and further sales in 1948-51, providing Argentina's exportable surpluses do not fall below stated levels.
- 17 According to Broomhall forecast Argentina's 1947 wheat crop 175,000,000 bushels compared with 206,000,000 a year ago.
- 23 Broomhall reports India's prospects for millet and rice crops may not exceed 85 per cent of a year ago.
- 26 Argentina government revised 1947 wheat acreage downwards to 13,709,000 acres, 17 per cent less than last year.
- October 2 The Prime Minister announced that the price of wheat for the third year of the United Kingdom Wheat Agreement will be two dollars (\$2.00) per bushel. This price will become effective August 1, 1948 for the crop year 1948-49 and is based on No. 1 Northern in store Fort William, Port Arthur, Vancouver or Churchill.