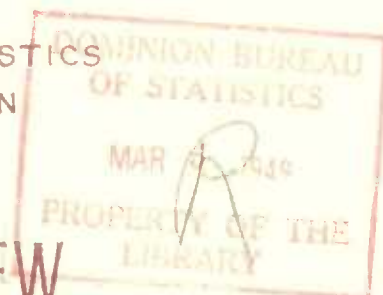


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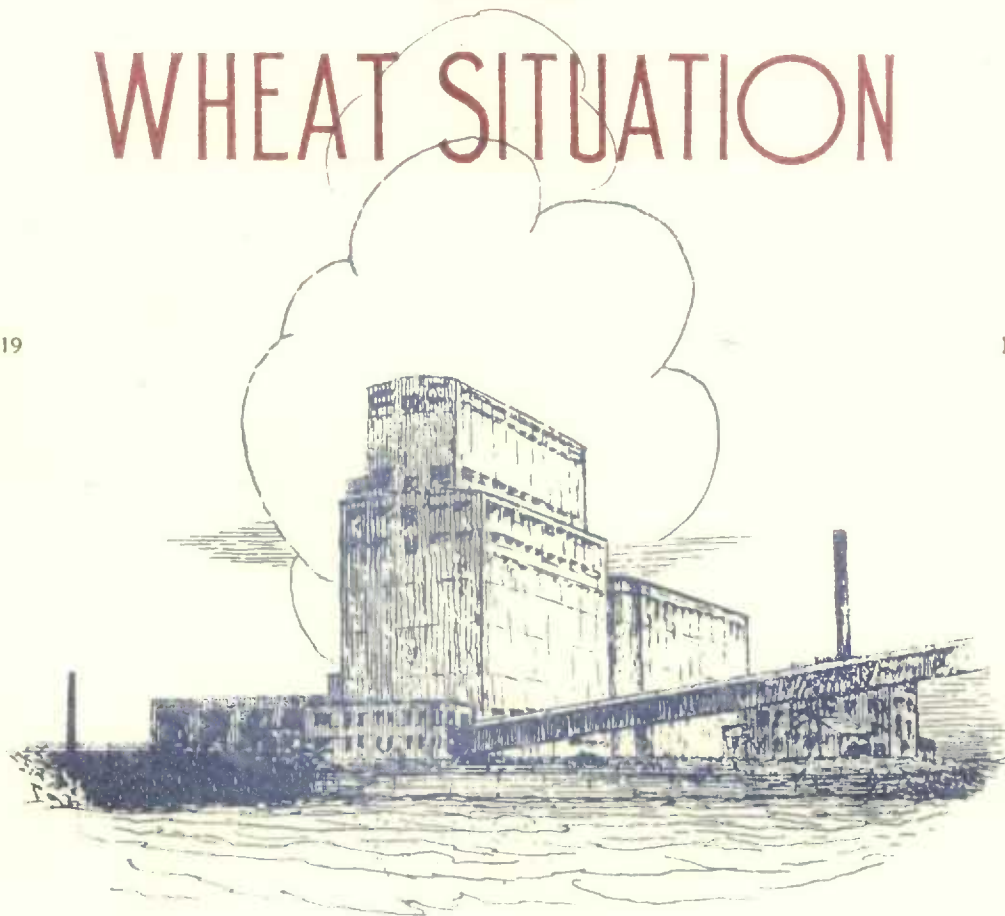
DOMINION BUREAU OF STATISTICS
AGRICULTURE DIVISION



MONTHLY REVIEW OF THE WHEAT SITUATION

Vol. 19

No. 7



FEBRUARY, 1949

Published by Authority of the Rt. Hon. C.D. Howe, M.P.
Minister of Trade and Commerce
Ottawa

Price \$1 a year

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FEBRUARY 1949

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WORLD WHEAT SITUATION

Wheat Supplies^{1/} of Major Exporting Countries - At January 1, 1949 the combined wheat supply of the United States, Canada, Argentina and Australia—the world's four major wheat exporting countries—amounted to 1,617 million bushels, some 30 million above the supply level at the beginning of 1948. Declines in the two Southern Hemisphere countries were more than offset by increases in available supplies in the United States and Canada. While wheat stocks are up only moderately from a year ago the total supply of all grains at 158 million short tons is 29 per cent greater than the stocks a year earlier and 14 per cent above the average of the past five years. The sharp increase in over-all grain supplies is due principally to the huge 1948 United States corn crop and in a lesser degree to higher total stocks of barley, oats and rye.

World Export Supplies and Import Requirements - The Food and Agriculture Organization in a recent Grain Bulletin states that "In contrast with other recent years the world export supply of grain appears to be about equal to the import demand for which means of financing and procurement are available. The quantities that could be utilized still exceed supplies available, but the effective demand should be largely, if not fully, met during the current season unless unfavourable developments occur within the next few months. A year ago stated import requirements for all grain exceeded the export supply by nearly 50 per cent, and in 1946-47 requirements for food purposes alone were placed at around 38 million tons, against which there was a total export availability of 28 million tons, including 20 million tons of wheat. Under such conditions, of course, with import and export programs being necessarily brought into balance during the season, the consumption of grain had to be reduced. Allocation programs were developed for this purpose.

The improved supply and requirement position in 1948-49 results largely from the better harvest in western Europe—the principal import area—and from good harvests in the exporting countries of North America and also of eastern Europe, particularly in the Danube Basin and parts of the Soviet Union. According to current estimates, 1948 production of wheat alone in Europe exceeds the small 1947 harvest by 52 per cent, or 12.5 million tons, and total grain production is greater by 9 per cent, or 22.8 million tons, than in 1947. Despite this improvement, demand for wheat imports has continued active in the current season. ..."

World Grain Import Requirements and Exportable Supplies, 1948-49

Indicated Position (as of 1 Jan. 1949)	All Grains	Bread Grains	Coarse Grains
	- million metric tons -		
Import requirements ^{2/}	40.0	28.0	12.0
Exportable supplies	39.0	27.0	12.0

^{1/} According to estimates released by the Office of Foreign Agricultural Relations of the United States Department of Agriculture.

^{2/} Estimated as an effective demand if supplies are available and procurable.

In commenting on the foregoing figures FAO points out that "The estimated export availability of all grains at around 39 million tons is much above average. If this figure is reached, total grain exports will approach the record movement of 41 million tons shipped in 1928-29, and will closely approximate the shipments of some 39 million tons averaged in the period of the late twenties and early thirties. ..."

THE CANADIAN WHEAT SITUATION

Initial Wheat Payment to Western Producers Increased by 20 cents Per

Bushel - On February 24, 1949, the Rt. Hon. C. D. Howe, Minister of Trade and Commerce, speaking in the House of Commons reviewed the operations of the Canadian Wheat Board relative to the five-year pool now in effect. During the course of the speech the Minister announced an increase of 20 cents per bushel in the initial price of wheat paid to Western producers, bringing the initial payment up to \$1.75 per bushel basis No. 1 Northern in store Fort William-Port Arthur or Vancouver. The increase applies to all western wheat delivered to the Board in the five-year pool period from August 1, 1945 to July 31, 1950. The full text of Mr. Howe's speech is as follows:

"I wish to announce the decision of the government in regard to increasing the initial price being paid to western producers under the Canadian Wheat Board Act. As hon. members of the house know, all wheat delivered to the Canadian wheat board between August 1, 1945 and July 31, 1950 constitutes a five year pool. When this pool was first established, the initial price was set at \$1.35 per bushel basis No. 1 northern wheat in store Fort William, Port Arthur or Vancouver.

Last March parliament amended the Canadian Wheat Board Act to give the governor in council power to increase the initial price being paid to producers. At that time the Canadian wheat board had a substantial cash surplus on hand arising from its operations during the first two and a half years of the five year pool period. The government decided that at that time the initial price to producers would be increased from \$1.35 per bushel to \$1.55 per bushel basis No. 1 northern wheat in store Fort William, Port Arthur or Vancouver. Accordingly the board was authorized to increase its initial price to \$1.55 per bushel effective April 1, 1948. At that time provision was made whereby the board would make the new initial price of \$1.55 per bushel effective on all wheat delivered to the board between August 1, 1945 and March 31, 1948. This retroactive payment involved the distribution of 20 cents per bushel on 776 million bushels of wheat and the distribution of about \$155 million among producers delivering wheat to the board during the period to which I have referred.

At the end of the crop year ending last July the board again had a substantial operating surplus, and this surplus has been increased substantially as a result of sales made during the present crop year. During 1948-49 the board is selling wheat to the United Kingdom, under the Canada-United Kingdom wheat agreement, at \$2 per bushel plus a carrying charge of 5 cents per bushel; the board is selling wheat for domestic purposes at \$2 per bushel plus a carrying charge of 5 cents per bushel. Substantial export sales have been made to countries other than the United Kingdom at prices in excess of \$2 per bushel. Having regard to these facts, and having regard to the price assurance involved for the crop year 1949-50 as a result of the \$2 agreement price already negotiated for the final year of the five year pool, the government has decided that the initial price paid to western wheat producers can now be increased by a further 20 cents per bushel, or to \$1.75 per bushel basis No. 1 northern wheat in store Fort William, Port Arthur or Vancouver. This increased initial price will apply on all wheat delivered to the Canadian wheat board since August 1, 1945, and all

wheat which will be delivered to the board up to and including July 31, 1950.

The government has taken the necessary action under the Canadian Wheat Board Act to increase the initial price of wheat to \$1.75 per bushel basis No. 1 Northern in store Fort William, Port Arthur or Vancouver. This increased initial price will become effective on April 1, 1949. The Canadian wheat board is therefore proceeding to increase its buying price at country points on April 1, 1949. The board is also taking the necessary steps to make the new initial price effective as from August 1, 1945. This involves payment of 20 cents per bushel on all wheat delivered to the board between August 1, 1945 and March 31, 1949. The board estimates that its receipts under the five year pool up to March 31, 1949, will amount to about 1,070 million bushels; consequently producers will receive a total of about \$214 million in respect to their deliveries from August 1, 1945 to March 31, 1949. When these adjustment payments have been completed, the initial price under the five year pool will have been increased from \$1.35 per bushel to \$1.75 per bushel basis No. 1 northern wheat in store Fort William, Port Arthur or Vancouver, and as a result of the two adjustments in the initial price authorized by the government, producers will have received retroactive payments of approximately \$370 million.

The government has decided that this payment should be made to western wheat producers prior to seeding, and to that end the Canadian wheat board will commence the distribution of cheques on March 31. As a result of the previous adjustment payment, producers' certificates for the period August 1, 1945 to March 31, 1948 are now in the hands of the board, and the 20 cent payment on deliveries during this period will be issued at the rate of 40,000 cheques per day commencing on March 31. This rate of distribution is in line with the capacity of the post offices to distribute mail in excess of normal quantities, and the ability of the banks to clear the large number of cheques involved. The rate at which cheques can be mailed, in respect to wheat delivered to the board after March 31, 1948, will depend upon the rate at which producers send their producers' certificates to the board for payment.

In effecting this distribution commencing at the end of March, the government has in mind the expenses which wheat producers incur in seeding their crops and in carrying out their spring and early summer operations on the land. The government also has in mind the fact that a large number of wheat producers in western Saskatchewan and eastern Alberta harvested small crops last year. Over substantial areas yields per acre have been low for the past two seasons. Under these circumstances the government feels that an early payment in respect to deliveries since August 1, 1945 will be most helpful if made prior to seeding.

I might add that the Canadian wheat board is making arrangements to give preference in the mailing of cheques to areas which harvested short crops in 1947 or 1948.

In conclusion I should like to point out that the decision which I have announced means that wheat producers in the prairie provinces are now guaranteed \$1.75 per bushel for the five-year period ending July 31, 1950, and they are still entitled to receive any surplus which may be in the hands of the Canadian wheat board after the wheat of the 1949-50 pool period has been sold."

Payments under Prairie Farmers' Assistance Act - Some 52,944 farmers living in areas of the Prairie Provinces where wheat yields were unduly low in 1948 will receive more than \$12,000,000 under the provisions of the Prairie Farmers' Assistance Act. Based on preliminary claims under the Act, Saskatchewan farmers will receive approximately 87 per cent of the payments made under the Act for the 1948 crop season.

On a provincial basis, the distribution of payments is as follows:

Province	Payment	Number of Recipients
Manitoba	\$ 43,173	354
Saskatchewan	11,112,671	44,660
Alberta	1,637,306	7,930
T o t a l	12,793,150	52,944

Payments under the Act fall into two classifications. Where the average wheat yield in a township is 4 bushels or less per acre, payment of \$2.50 per acre is made on half the cultivated acreage, the maximum amount payable being \$500. Where the wheat yield in a township averages from 4.1 to 8 bushels per acre, payment is made at the rate of \$1.50 per acre on half the cultivated acreage up to a maximum of \$300.

Since the inception of the plan in 1939 the total amount expended has amounted to \$102,295,683, including the payments being made on the 1948 crop. A tax of 1 per cent on the value of grain marketed by farmers is levied as a contribution to the cost of payments. Up to March 31, 1948, more than \$32,000,000 had been collected under this levy, the difference between this amount and the payments made under the Act having been supplied by the Federal Treasury.

Revised Estimate of the 1947 Wheat Crop in the Prairie Provinces - Based upon revised disposition data the 1947 Prairie wheat crop is placed at 320 million bushels. The increase over the figure of 315 million bushels published in the October 1948 issue of this publication is occasioned in part by an upward revision in the commercial marketing figure as reported by the Statistics Branch of the Board of Grain Commissioners. As a result of this revision in wheat production in the Prairie Provinces, the 1947 wheat crop for all Canada is now placed at 341,758,000 bushels.

Wheat Supply and Disposition in the Prairie Provinces, 1947-48

	Manitoba	Saskatchewan	Alberta	Prairie Provinces
Supply -	- million bushels -			
Carry-over on farms July 31, 1947 .	2.0	13.7	8.8	24.5
Revised estimate 1947 crop <u>1/</u>	42.0	173.0	105.0	320.0
Total Supply	44.0	186.7	113.8	344.5
Disposition -				
Commercial marketings <u>2/</u>	32.0	132.5	81.2 <u>3/</u>	245.7
Seed for 1948 crop <u>4/</u>	3.7	19.2	8.0	30.9
Feed and Waste <u>5/</u>	5.0	12.6	11.3	28.9
Country millings <u>6/</u>	0.3	0.4	0.3	1.0
Carry-over on farms July 31, 1948 .	3.0	22.0	13.0	38.0
Total Disposition	44.0	186.7	113.8	344.5

1/ Basis revised disposition data.

2/ Revised.

3/ 0.9 million bushels have been deducted from the Board of Grain Commissioners' figure for Alberta marketings to allow for marketings from the Peace River Block of British Columbia.

4/ Per Dominion Bureau of Statistics survey.

5/ Includes wheat fed on farms per D.B.S. Survey and estimated waste.

6/ Estimated.

Supply Situation - With a revised carry-over at July 31, 1948 of 77.7 million bushels of wheat, the total wheat supply for 1948-49 now stands at 471.3 million bushels. Of the estimated 321.3 million bushels available for export or carry-over 102.6 million bushels had been exported as wheat and wheat flour during the first half of the current crop year. Wheat exported as grain during August-January amounted to 74.0 million bushels, an increase of 10.6 million bushels over the exports for the same period in 1947-48. Exports of wheat flour in terms of wheat, however, were 5 million bushels less than last year's, leaving a net increase in exports of 5.6 million bushels up to January 31, 1949.

On the basis of disposition data, production and domestic requirements for 1947-48 have been revised to 341.8 million and 157.3 million bushels respectively. The balance remaining for export or carry-over at February 1, 1949 was 218.7 million bushels compared with 175.0 million bushels on the same date last year.

Canadian Wheat Supplies

	1948-49	1947-48
- million bushels -		
Carry-over in North America July 31	77.7 ^{1/} _{2/}	87.4 ^{3/}
New Crop	393.3	341.8
Imports of wheat and wheat flour, Aug. 1-Dec. 31	0.3	0.1
Total Supply	471.3	429.3
Estimated domestic requirements	150.0	157.3 ^{3/}
Available for export or carry-over	321.3	272.0
Deduct:-		
Overseas clearances of wheat as grain Aug.1-Jan.31 ..	74.0	63.3
United States imports of Canadian wheat Aug. 1-Jan.31	^{4/}	0.1
Total wheat exports	74.0	63.4
Exports of wheat flour in terms of wheat Aug.1-Jan.31	28.6	33.6 ^{5/}
Total exports wheat and wheat flour	102.6	97.0
Balance on February 1 for export or carry-over	218.7	175.0

^{1/} Revised.

^{2/} November estimate of production.

^{3/} Revised estimate, basis disposition data.

^{4/} U.S. imports August to December amount to 19,011 bushels. January 1949 data not yet available.

^{5/} Adjusted for time-lag.

Farmers' Marketings of Wheat in the Prairie Provinces

Week ending	Manitoba	Saskatchewan	Alberta	Total	Last Year
- bushels -					
August 1-5	51,716	410,600	584,457	1,046,773	805,165
12	132,832	707,579	556,582	1,396,993	1,708,040
19	245,027	1,517,800	357,533	2,120,360	3,859,109
26	1,945,212	6,126,122	2,371,473	10,442,807	6,431,461
September 2	6,536,917	15,904,916	3,604,565	26,046,398	13,939,036
9	7,878,137	17,182,853	6,427,530	31,488,520	31,429,840
16	5,695,795	21,704,886	7,079,407	34,480,088	22,920,805
23	3,306,717	15,233,933	9,008,967	27,549,617	6,779,351
30	1,661,381	9,102,599	7,083,138	17,847,118	13,625,573
October 7	1,038,266	6,574,159	6,395,661	14,008,086	21,220,179
14	523,365	5,228,970	5,493,253	11,245,588	11,999,317
21	610,668	4,493,233	4,158,751	9,262,652	13,270,109
28	503,263	4,069,166	3,294,105	7,866,534	9,793,740
November 4	650,593	3,397,120	2,580,479	6,628,192	7,964,001
11	301,508	3,105,262	1,567,409	4,974,179	5,103,341
18	440,480	2,639,126	1,719,238	4,798,844	4,695,817
25	305,274	2,468,702	1,639,182	4,413,158	3,681,241
December 2	213,292	2,048,423	1,273,179	3,534,894	2,911,051
9	311,094	2,059,856	1,068,560	3,439,510	2,752,374
16	192,926	1,072,566	747,353	2,012,845	2,331,763
23	212,247	1,433,780	1,425,230	3,071,257	2,063,286
30	204,642	1,073,904	1,747,875	3,026,421	1,897,414
January 6	295,424	1,330,857	1,813,318	3,438,999	2,537,879
13	199,693	1,001,110	1,990,051	3,190,854	2,900,392
20	203,620	1,203,302	2,239,333	3,646,255	1,650,355
27	101,307	356,507	658,177	1,115,991	1,502,720
February 3	97,574	445,126	879,334	1,422,034	1,418,533
10	137,667	456,472	787,234	1,381,373	903,652
17	60,233	372,213	333,045	765,491	831,637
T o t a l	34,056,870	132,720,542	78,884,419	245,661,831	202,927,181

Marketings of wheat in the Prairie Provinces from the beginning of the current crop year to February 17 amounted to 245.7 million bushels, an increase of 42.7 million bushels over the corresponding period of 1947-48. During the last four weeks in the period under review marketings have declined rather sharply, falling below one million bushels during the week ending February 17, the lowest marketings of any week of the 1948-49 crop year to date. The recent tapering off in marketings is largely seasonal in nature, being tied in with the period of heavy snowfall in western Canada, which hampers the movement of grains from the farm to both country and terminal elevators.

With marketings of 132.7 million bushels, Saskatchewan has accounted for 54.0 per cent of wheat marketings in the Prairie Provinces up to February 17. Alberta, with 78.9 million bushels, and Manitoba with 34.1 million bushels, have supplied 32.1 per cent and 13.9 per cent, respectively.

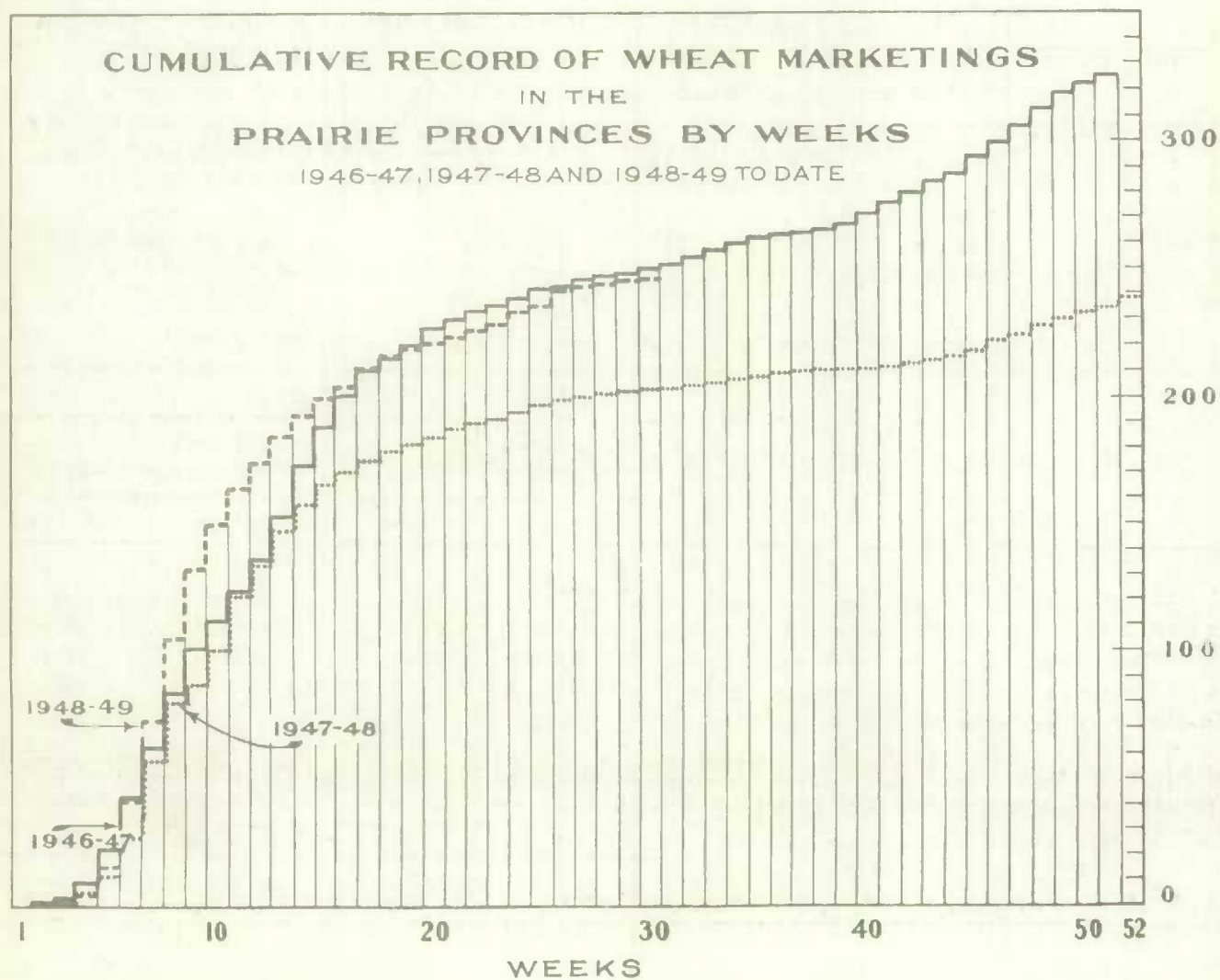
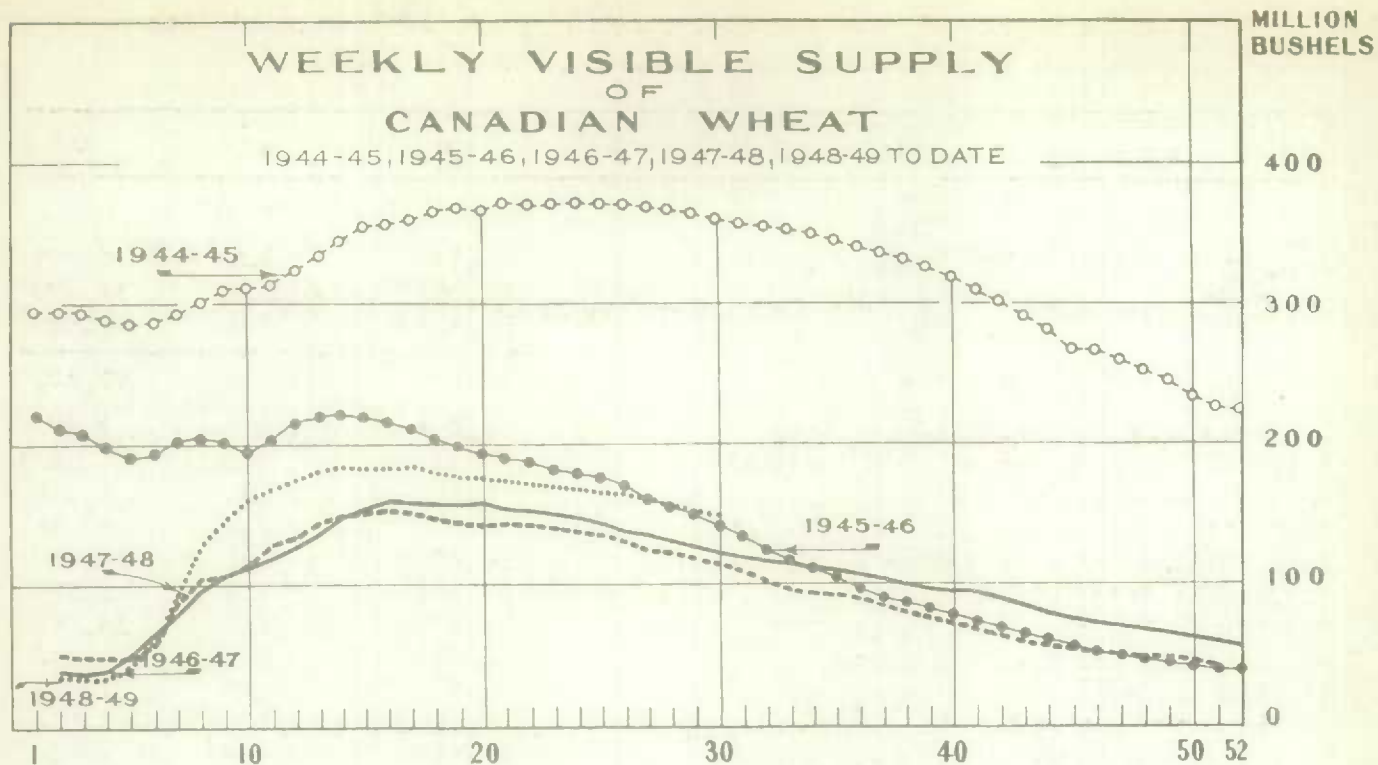
Visible Supply of Canadian Wheat, February 17, 1949 Compared With
Approximately the Same Date, 1948 and 1947

	1949	1948	1947
	- 000 bushels -		
Country Elevators - Manitoba	7,538	3,629	5,725
Saskatchewan	36,249	25,124	34,655
Alberta	36,117	26,996	36,825
T o t a l	79,904	55,749	77,205
Interior Private and Mill Elevators	4,310	3,942	2,460
Interior Public & Semi-Public Terminals	186	280	165
Vancouver-New Westminster	3,605	9,000	2,696
Churchill	100	110	43
Fort William and Port Arthur	24,233	14,391	13,459
In Transit Rail (Western Division)	10,306	5,213	2,969
Eastern Elevators - Lake Ports	13,478	9,467	14,709
St. Lawrence and Seaboard Ports	4,636	3,908	1,446
Storage Afloat	4,518	4,135	4,563
In Transit - Rail (Eastern Division)	3,282	1,152	1,754
United States Ports	915	6,068	656
In Transit - U.S.A.	73	603	15
T o t a l	149,546	114,018	122,140

The visible supply of Canadian wheat in all positions at midnight, February 17, 1949, was 149.5 million bushels, compared with 114.0 million bushels in 1948 and 122.1 million bushels in 1947 on approximately the same date. Wheat stored in country elevators in the Prairie Provinces amounted to 79.9 million bushels, an increase of 24.2 million bushels over last year's total. Almost twice as much wheat was in transit than was the case a year ago and stocks at Fort William-Port Arthur are well above the level of either 1948 or 1947.

Grading of Wheat Inspected, August-January 1949 and 1948

	Inspections			
	August 1948 to January 1949		August 1947 to January 1948	
	Cars	Per Cent	Cars	Per Cent
1 Northern	27,432	29.1	5,942	6.7
2 Northern	39,538	42.0	29,099	32.8
3 Northern	7,754	8.3	16,456	18.6
4 Northern	1,464	1.6	2,809	3.2
Garnet	906	1.0	173	0.2
Amber Durum	6,250	6.6	3,721	4.2
Alberta Winter	1,041	1.1	670	0.7
Toughs - All varieties and grades ..	6,618	7.0	24,821	28.0
All Others	3,123	3.3	4,980	5.6
T o t a l	94,126	100.0	88,671	100.0



Wheat Shipments to the United States, By Destination, August 1, 1948-February 17, 1949
Compared with Approximately the Same Period, 1947-48 and 1946-47

	1948-49	1947-48	1946-47
	bu.	bu.	bu.
<u>By Vessel</u>			
Buffalo	7,161,915	14,266,961	8,442,773
Oswego	737,500	-	-
Erie	1,575,567	1,155,260	2,948,381
Toledo	325,053	-	-
Total - Vessel Shipments	9,800,035	15,422,221	11,391,154
<u>By Rail</u>			
U.S.A. Seaboard Ports	-	-	327,463
Other U.S.A. Points	-	60,577	15,418
Total - Rail Shipments	-	60,577	342,881
GRAND TOTAL	9,800,035	15,482,798	11,734,035

With no rail shipments of wheat to the United States in the current crop year, total shipments have remained unchanged since the closing of navigation in December. Shipments during 1948-49 have amounted to 9.8 million bushels, compared with 15.5 million and 11.7 million bushels for the comparable periods of 1947-48 and 1946-47, respectively.

Rail Movement of Wheat to Maritime Ports from Bay and Lake Ports

	August 1, 1948 to February 17, 1949	August 1, 1947 to February 19, 1948
	- bushels -	
Collingwood	1,078,713	571,625
Midland	4,368,648	4,084,468
Owen Sound	829,555	673,184
Port McNicoll	2,695,480	2,129,024
Goderich	209,863	233,514
Sarnia	255,775	233,446
Port Colborne	27,426	339,496
Toronto	-	68,369
Kingston	-	205,972
Prescott	11,066	8,712
Montreal	3,911	4,706
T o t a l	9,480,437	8,552,516

During the five-week period ending February 17, 1949, rail movement of wheat to Maritime Ports from bay and lake ports amounted to 1.8 million bushels, bringing the 1948-49 total to date to 9.5 million bushels. Last year's shipments during the same period came to 8.6 million bushels. In both years Midland and Port McNicoll were the leading shipping points, the combined shipments from these ports accounting for 74.5 per cent and 72.7 per cent during the period under review in 1948-49 and 1947-48, respectively.

Rail Movement from Fort William-Port Arthur -

Details of monthly rail

shipments of wheat from the Lakehead for the past three crop years and the distribution of the January 1949 shipments are set forth in the tables below.

Monthly Rail Shipments of Wheat from the Lakehead, 1945-46 to 1948-49

	1948-49	1947-48	1946-47	1945-46
- bushels -				
August.....	51,283	90,574	187,825	23,255
September	30,017	91,366	175,773	57,533
October	46,274	131,290	255,754	73,776
November	138,600	100,563	256,249	99,197
December	1,740,405	691,223	1,601,883	2,280,636
January	3,794,390	3,149,421	2,462,002	4,533,707
February		1,851,773	1,816,087	1,127,764
March		3,423,684	1,711,013	2,223,266
April		371,950	566,006	1,015,730
May		154,551	361,386	536,462
June		81,133	241,475	920,233
July		231,414	123,145	130,276
T o t a l (12 months) ...		10,368,942	9,758,598	13,021,835

Distribution of Rail Shipments of Wheat from the Lakehead, by Provinces and Grades, January 1949

	Ontario	Quebec	New Brunswick	Nova Scotia
- bushels -				
1 Northern	-	-	933,000	642,000
2 Northern	-	-	684,500	832,000
No. 5	195,950	112,250	1,500	7,000
No. 6	21,000	11,633	1,500	-
Tough No. 5	123,500	131,667	7,500	1,500
Tough No. 6	35,633	35,633	1,500	-
Tf.Rej.No.5 Mxd. Frbnt. .	-	2,005	-	-
Tf. Feed	-	1,500	-	1,500
Tf. Sample Htd.	1,119	-	-	-
1 C.W.A.D.	6,000	-	-	-
3 C.W.A.D.	-	3,000	-	-
T o t a l	383,202	297,688	1,629,500	1,484,000

GRAND TOTAL ... 3,794,390

Freight Assistance Shipments - According to claims filed for payment to December 31, wheat shipments from the Prairie Provinces to eastern Canada and British Columbia during the first five months of 1948-49 under the Freight Assistance Plan have amounted to 4.6 million bushels. While this total is subject to revision as additional claims are filed, it is evident that freight-assisted wheat shipments are conforming to the trend established earlier in the season. Claims filed for payment to December 31 represent less than half the shipments made during the same period of 1947-48. All provinces receiving the shipments have contributed to the general decrease, with Ontario alone receiving 2.6 million bushels less than during the first five months of 1947-48.

Provincial Distribution of Freight-Assisted Wheat Shipments,
1948-49 and 1947-48

1948-49	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	British Columbia	Total
- bushels -							
August	393,595	378,208	30,697	37,560	11,985	262,823	1,114,868
September	406,455	322,897	35,165	42,278	17,975	243,825	1,068,595
October	350,313	301,762	25,122	38,437	9,615	146,758	872,007
November	468,310	395,572	20,615	29,658	8,267	197,146	1,119,568
December	225,407	171,416	11,963	17,937	3,655	21,580	451,958
T o t a l	1,844,080	1,569,855	123,562	165,870	51,497	872,132	4,626,996
Same Period							
1947-48	4,440,886	3,377,101	360,358	386,223	121,728	1,719,158	10,405,454

Claims filed for payment under the Freight Assistance Plan represent millfeed shipments of 249,133 tons during August-December, 1948-49. Although this preliminary total is below the comparable figure for 1947-48, the decline in millfeed shipments has not been as great as in freight-assisted wheat shipments. As with the latter, the current year's millfeed shipments are subject to revision as additional claims are filed for payment.

Provincial Distribution of Freight-Assisted Millfeed Shipments,
1948-49 and 1947-48

	August 1 to December 31, 1948	August 1 to December 31, 1947
- tons -		
Ontario	79,757	122,304
Quebec	113,166	139,596
New Brunswick.....	17,008	22,764
Nova Scotia	17,855	23,417
Prince Edward Island	3,990	5,804
British Columbia	17,357	31,340
T o t a l	249,133	345,225

Monthly Export Clearances, Etc., in Comparison with the Customs Exports
of Wheat and Wheat Flour

	Overseas Clearances of Canadian Wheat	U.S. Imports <u>1/</u> of Canadian Wheat for Consumption and Milling in Bond	Customs <u>2/</u> Exports of Canadian Wheat Flour	Total	Customs <u>3/</u> Exports of Wheat and Wheat Flour
- 000 bushels -					
<u>1946-47</u>					
August	5,982	227	6,306	12,515	17,339
September	10,131	241	4,080	14,452	11,338
October	12,481	437	5,771	18,689	23,653
November	20,494	441	5,748	26,683	23,008
December	11,044	124	3,604	14,772	17,488
January	14,333	77	6,247	20,657	20,406
February	10,439	75	5,601	16,115	13,639
March	8,121	31	6,211	14,363	14,085
April	10,286	4	7,113	17,403	12,152
May	17,859	1	10,623	28,483	28,701
June	22,192	5	7,301	29,498	31,594
July	18,354	9	7,428	25,791	26,404
T o t a l	161,716	1,672	76,033	239,421	239,807
<u>1947-48</u>					
August	9,601	2	7,048	16,651	18,140
September	9,363	12	5,864	15,239	15,990
October	9,680	35	7,001	16,716	17,204
November	12,006	1	5,796	17,803	22,763
December	7,480	2	3,829	11,311	20,717
January	15,175	3	4,064	19,242	15,961
February	11,296	71	4,970	16,337	10,743
March	10,323	2	4,082	14,407	15,058
April	10,080	3	5,783	15,866	9,965
May	12,955	1	5,086	18,042	19,924
June	12,464	1	4,730	17,195	15,881
July	12,949		3,224	16,173	17,129
T o t a l	133,372	133	61,477	194,982	199,475
<u>1948-49 ^{4/}</u>					
August	9,111	1	4,244	13,356	13,829
September	10,555	3	3,670	14,228	11,942
October	11,566	1	6,509	18,076	21,913
November	15,604	6	4,989	20,599	20,792
December	12,744	8	4,625	17,377	18,205
January	14,431	<u>5/</u>	4,518	18,949	18,342
T o t a l	74,011	19	28,555	102,585	105,023

1/ U.S.A. Official figures.

2/ Exports for months of August 1946 to October 1948 revised to remove effect of time-lag in the returns made by Customs. Subsequent months to be revised as data become available.

3/ Unadjusted, as published by External Trade Division, Dominion Bureau of Statistics.

4/ Subject to revision.

5/ U.S.A. imports for January not available.

Overseas Clearances and United States Imports of Canadian Wheat and Wheat Flour,
August 1948 to January 1949 - The following statistics on monthly overseas clearances
have been compiled by the Statistics Branch, Board of Grain Commissioners:

	December		January		August-January	
	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/
	- bushels -		- bushels -		- bushels -	
BRITISH EMPIRE						
United Kingdom	1,666,975	9,899,597	2,263,486	11,096,928	12,417,507	59,412,063
Ire	17,469	-	-	-	17,492	687,067
Africa						
Br. E. Africa	1,377	-	-	-	5,512	-
Br. S. Africa	-	-	9	-	227,003	909,329
Br. W. Africa						
Gold Coast	10,840	-	34,997	-	129,348	-
Nigeria	5,990	-	-	-	7,421	-
Sierra Leone	8,366	-	-	-	42,723	-
Other Br. W. Africa	-	-	-	-	2,065	-
Asia						
Aden	41,629	-	-	-	73,782	-
Hong Kong	163,201	-	45,207	-	588,938	-
India	-	1,506,499	-	1,065,064	189	3,191,296
Pakistan	459,144	-	-	-	459,144	-
Europe						
Gibraltar	1,075	-	42,737	-	43,812	-
Malta	-	304,659	-	-	-	897,848
North America						
Bahamas	38,494	-	13,716	-	132,854	-
Barbados	36,041	-	40,387	-	261,999	-
Jamaica	46,076	2,040	56,596	3,310	534,321	13,662
St. Vincent	-	6	-	-	-	6
Trinidad-Tobago ..	160,754	-	291,024	166	1,390,478	166
Leeward-Windward Is.	72,459	-	74,295	-	453,658	-
Bermuda	8,483	-	14,126	-	56,646	-
British Honduras ..	1,836	-	1,836	-	22,819	-
Newfoundland	233,239	17	80,847	-	1,000,156	17
South America						
Br. Guiana	47,592	-	118,944	-	491,656	-
TOTAL BRITISH EMPIRE	3,011,040	11,712,818	3,078,207	12,165,468	18,359,523	65,111,454
FOREIGN COUNTRIES						
Africa						
Azores and Madeira	3,919	-	4,005	-	7,924	-
Belgian Congo	20,777	-	8,032	-	55,701	-
Canary Island	2,322	-	1,152	-	4,851	-
Egypt	-	534,100	3,955	-	202,293	1,718,248
French Africa	23	-	-	-	18,311	-
Liberia	2,295	-	230	-	6,314	-
Morocco	25,236	-	11,543	-	91,418	-
Portuguese Africa.	-	-	-	-	2,916	-
Spanish Africa ...	-	-	-	-	3,672	-
Asia						
Arabia	-	-	2,525	-	2,525	-
China	59,706	-	187,776	317,333	280,958	317,333
Japan	-	-	-	-	274	-
Lebanon	-	373,741	-	-	-	448,408
Nether. E. Indies.	-	-	1,800	-	1,800	-
Palestine	11,470	-	-	-	214,047	-
Indonesia	241,047	-	135,337	-	1,415,533	-

Overseas Clearances of Canadian Wheat and Wheat Flour - concluded

	December		January		August-January	
	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/
FOREIGN COUNTRIES	- bushels -		- bushels -		- bushels -	
<u>Asia</u>						
Portuguese Asia ..	-	-	12,127	-	33,066	-
Siam	8,536	92	5,049	-	21,388	92
Syria	842,728	-	352,844	-	2,176,880	-
<u>Europe</u>						
Belgium	5,049	34,483	1,607	202,207	13,086	282,495
Denmark	743	-	2,295	-	4,568	-
Germany	7,888	-	128,507	-	207,054	-
Greece	4,590	-	18,815	-	38,565	-
Iceland	40,851	-	-	-	119,268	-
Italy	21,307	80,646	24,570	-	2,184,138	2,449,764
Netherlands	12,146	-	52,866	-	92,686	361,066
Norway	-	-	-	-	-	957,830
Portugal	-	-	9,144	-	70,654	-
Switzerland	8,491	-	51,034	1,737,877	108,157	2,337,877
Yugoslavia	-	-	6,426	-	6,426	-
<u>North America</u>						
Costa Rica	47,790	-	44,757	-	116,068	-
Cuba	33,908	-	92,916	-	209,718	-
French W. Indies .	-	-	-	-	1,444	-
Guatemala	6,192	-	9,099	-	74,966	-
Haiti	37,174	-	45,180	-	116,316	-
Honduras	230	8,333	1,606	-	5,508	8,333
Nether. Antilles .	12,511	-	24,966	-	83,205	-
Nicaragua	3,717	-	8,680	-	17,649	-
Panama	10,984	-	5,949	-	28,795	-
Salvador	1,377	-	913	-	14,332	10,000
San Domingo	4,820	-	17,149	-	77,706	-
St. Pierre-Miquelon	-	-	6,638	-	15,026	-
<u>Oceania</u>						
French Oceania ...	9	-	-	-	9	-
Guam	-	-	-	-	4,545	-
Hawaii	-	-	4,694	-	9,950	-
<u>United States</u>						
For human consumption	122	8,350	2,632	3/	4,693	18,474 ^{4/}
Unfit for human consumption	-	-	-	3/	-	537 ^{4/}
Alaska	1,057	-	-	-	2,520	166
Virgin Islands ...	-	-	54	-	216	-
<u>South America</u>						
Brazil	11,471	-	8,887	-	186,957	-
Colombia	-	-	-	8,300	13,275	8,300
Ecuador	15,511	-	19,454	-	54,477	-
French Guiana	-	-	-	-	8,388	-
Netherlands Guiana	13,284	-	12,951	-	47,669	-
Venezuela	94,275	-	105,147	-	1,000,836	-
TOTAL FOREIGN COUNTRIES	1,613,556	1,039,745	1,439,311	2,265,717	9,478,741	8,918,923
GRAND TOTAL EXPORTED	4,624,596	12,752,563	4,517,518	14,431,185	27,838,264	74,030,377

1/ Canadian Customs Returns - conversion rate 4 1/2 wheat bushels equal 1 barrel.

2/ Subject to revision.

3/ United States imports for January not available.

4/ Source - United States Department of Commerce, Bureau of Census.

Current Wheat Prices -

Prices of Canadian wheat for domestic use and for export to the United Kingdom remain at \$2.05 per bushel, basis No. 1 Northern in store Fort William-Port Arthur or Vancouver. Included in the price for both classes are carrying charges of five cents per bushel. During the period under review there has been a general downward trend in the price of Class II 'Commercial' (wheat for export to countries other than the United Kingdom) although there was some recovery in the week ending February 19. On February 8, the price of No. 1 Northern dropped from \$2.25 to \$2.16 per bushel, the lowest point for the current crop year. By February 12, the price had recovered to \$2.21, but the average of \$2.20 for the week ending on that date was the lowest since the week ending December 7, 1946.

Weekly Average Prices of Canadian Wheat,
Basis in Store Fort William-Port Arthur and Vancouver
(Source: Statistics Branch, Board of Grain Commissioners, Fort William)

	Week ending -				
	Jan. 22	Jan. 29	Feb. 5	Feb. 12	Feb. 19
- cents and eighths per bushel -					
(1) Class I Domestic					
(A) Domestic Use					
1 Hard	205	205	205	205	205
1 Northern	205	205	205	205	205
2 Northern	202	202	202	202	202
3 Northern	200	200	200	200	200
4 Northern	197	197	197	197	197
Number 5	192	192	192	192	192
Number 6	188	188	188	188	188
Feed	186	186	186	186	186
1 C. W. Garnet	200	200	200	200	200
2 C. W. Garnet	198	198	198	198	198
3 C. W. Garnet	196	196	196	196	196
1 Alberta Red Winter	205	205	205	205	205
2 Alberta Winter	204	204	204	204	204
3 Alberta Winter	201	201	201	201	201
1 C. W. Amber Durum	205	205	205	205	205
2 C. W. Amber Durum	202	202	202	202	202
3 C. W. Amber Durum	200	200	200	200	200
(B) Initial Price to Producers 50 cents per bushel under Schedule (A).					
(2) Class II Export					
(A) United Kingdom					
1 Hard	205	205	205	205	205
1 Northern	205	205	205	205	205
2 Northern	202	202	202	202	202
3 Northern	200	200	200	200	200
(B) Commercial					
1 Hard	230/4	227	225/5	220	223/3
1 Northern	230/4	227	225/5	220	223/3
2 Northern	227/4	224	222/5	217	220/3
3 Northern	225/4	222	220/5	215	218/3
1 C. W. Amber Durum	230/4	227	225/5	220	223/3
2 C. W. Amber Durum	227/4	224	222/5	217	220/3
3 C. W. Amber Durum	225/4	222	220/5	215	218/3

THE CANADIAN FLOUR MILLING SITUATION

Production - During January Canadian flour mills produced 1,468,422 barrels of flour, the lowest output of any month of the current crop year. The steady downward trend in flour production since September, when Canadian mills turned out 2,174,417 barrels, is clearly reflected in the declining percentage of effective rated milling capacity from the September level of 87.5 per cent. Mills reporting operations during January had a rated capacity of 97,810 barrels per 24-hour day and, on the basis of a 25-day working period, 60.1 per cent of the rated capacity was effective.

With half of the current crop year completed total production of flour has amounted to 10,886,123 barrels, a decrease of 17 per cent from the first six months of 1947-48. For the corresponding period of 1946-47 production of flour amounted to 14,225,590 barrels, an all-time record.

Exports - Canadian flour exported in January amounted to 1,003,893 barrels, slightly lower than the December exports. Total exports for the first six months of 1948-49 were 6,345,451 barrels, a decrease of 15 per cent from the exports for the first half of 1947-48. Approximately 45 per cent of the current crop year's wheat flour exports have gone to the United Kingdom with the remainder going to more than 70 individual countries and colonies.

Production and Exports of Wheat Flour, 1937-38 to 1948-49

Crop Year	Production	Exports ^{1/}
- barrels of 196 pounds -		
1937-38	12,867,728	3,609,656
1938-39	15,197,297	4,604,245
1939-40	17,778,311	6,721,367
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	14,470,177 ^{2/}
1946-47	28,588,456	16,896,233 ^{2/}
1947-48	24,159,696	13,661,573 ^{2/}
<u>1948-49</u>		
August	1,619,752	943,152 ^{2/}
September	2,174,417	815,658 ^{2/}
October	1,959,206	1,446,462 ^{2/}
November	1,936,427	1,108,598
December	1,727,899	1,027,688
January	1,468,422	1,003,893
T o t a l - 6 months	10,886,123	6,345,451
Same Period 1947-48	13,115,575	7,467,354

^{1/} Based on Customs returns.

^{2/} Exports for months of August 1945 to October 1948 revised to remove effect of time-lag in the returns made by Customs. Subsequent months to be revised as data become available.

THE UNITED STATES WHEAT SITUATION

Background and Current Position -

The following account of the background and current wheat position of the United States has been abstracted from the February 12, 1949 issue of "The Wheat Situation" published by the Bureau of Agricultural Economics, United States Department of Agriculture.

"An abnormal world demand for bread grains made it possible to export the excess over domestic needs from four successive record wheat crops in the United States. Furthermore, the carry-over was cut down to very low levels on July 1, 1946 and 1947.

In 1932-41, the supply of wheat in continental United States averaged 982 million bushels consisting of carry-in of old wheat, 235; production, 738, and imports for domestic use, 9. Total disappearance averaged 721, consisting of food, 475; feed, 122; seed, 81; and exports and shipments 43. Carry-over stocks at the end of this period were much larger than at the beginning.

Net exports from the United States have exceeded 300 million bushels only in 1914-15, 1920-21, and each year since 1944-45. Very small United States wheat crops in 1933-36 together with drives toward greater self-sufficiency in many countries greatly reduced exports in the 30's and the war curtailed shipping in the early 40's. In 1921-30, net exports from the United States averaged 177 million bushels. In the 35 years since 1909, leaving out the years of net imports, net exports average 169 million bushels.

Wheat prices to growers advanced from an average of 68 cents per bushel in 1940-41 to a record of \$2.81 in mid-January 1948, and a record season average of \$2.29 for the 1947 crop. From 1938 to late 1944 the loan program, which reflected the general rise in prices farmers pay, was the most important factor in domestic wheat prices. In contrast, from 1944 until the 1948 harvest, very heavy export of wheat and flour was an important factor affecting price. However, domestic use was large from 1942-43 through 1947-48.

In 1947-48, United States wheat prices reflected the unavailability of feed grains for export, the additional world demand resulting from short crops in importing countries, as well as the continued rise in the general price level. With the harvest of the near-record crop in 1948 and favourable crops in importing countries, the loan program again became an important price factor.

Domestic disappearance of wheat during the first half of the current marketing year was 356 million bushels, while exports and shipments for the same period totalled 271 million bushels. Domestic disappearance for the year ending June 30, 1949, may be about as follows: Food, 490 million bushels; seed, 95 million; and feed, 100 million. The greatly reduced wheat feeding, small even compared with prewar, results from the record supplies of corn and other feed grains, both total and per grain consuming animal unit, and from high wheat prices compared with feed grain prices. If exports are 500 million, total disappearance would amount to about 1,185 million bushels. Since the 1948-49 supply is 1,484 million bushels--July 1 stocks of 196 million and a crop of 1,288 million--carry-over next July would be about 300 million bushels. The highest carry-over was 631 million bushels in 1942 and the lowest 84 million in 1947. The 1932-41 average was 235 million."

Supply Situation -

Disappearance of wheat for milling and export as grain during July-January of the current crop year amounted to 602.2 million bushels according to the Production and Marketing Administration, United States

Department of Agriculture. Exports of wheat as grain and flour during the period were 218.5 million and 91.8 million bushels respectively, compared with 192.5 million and 107.5 million bushels during the similar period in 1947-48. Supplies remaining on February 1, 1949 for milling, export or carry-over amounted to 679.1 million bushels, an increase of 106.5 million bushels over last year's total.

United States Wheat Supplies

	1942-46 Average	1947-48	1948-49 Preliminary
- million bushels -			
Carry-over stocks, July 1	389.1	83.8	195.9
New Crop	1,026.9	1,367.2	1,288.4
Total domestic supplies	1,416.0	1,451.0	1,484.3
Estimated quantity for feed and seed <u>1/</u>	452.0	281.0	203.0
Quantity remaining for milling, export or carry-over	964.0	1,170.0	1,281.3
Disappearance July 1 to January 31			
Wheat milled for flour	363.2	404.9	383.7
Exports of wheat as grain <u>2/</u>	65.0	192.5	218.5
Total exported or milled	428.2	597.4	602.2
Balance on February 1 for milling, export or carry-over	535.8	572.6	679.1

1/ Includes an estimate for breakfast foods which is not included in the quantity of wheat milled for flour. In the 1942-46 average 53 million bushels of wheat used for industrial alcohol are also included. Use of wheat for alcohol in 1947-48 and this season to date was unimportant.

2/ In addition to grain exports, flour was exported in the equivalent of 91.8 million bushels during July-January this season compared with 107.5 million the same months last season and 37.7 million the 1942-46 average.

Crop Conditions at February 1, 1949 -

Conditions affecting 1949 crop production were mostly satisfactory during January, but varied widely in different parts of the country according to the Crop Reporting Board of the United States Department of Agriculture in its report issued on February 10. Winter wheat and other fall-sown grains are mostly in satisfactory condition. Snow cover offered protection in the West, although some freeze damage in bare spots is feared in the Pacific Northwest and ice sheet damage may occur locally in Kansas, Nebraska and a few other sections. Timely January precipitation in Oklahoma and Texas relieved a critically dry situation and greatly improved wheat prospects in those important States. Mild weather in the East reduced the likelihood of damage, but in the South advanced development has rendered grains susceptible to damage from a hard freeze. Field work has been possible in most of the South and to an unusual extent in the Northeast, but in Indiana, Ohio and eastward to Virginia, wet fields have checked operations and a little corn and soy beans remain unharvested. Severe cold and blizzards in much of the West caused live-stock losses in excess of normal, but the effects of the snow cover, the improved to ample soil moisture and irrigation water supplies, in virtually all areas, are greatly beneficial to crop prospects.

Chicago and Minneapolis Cash Wheat -

Both Chicago and Minneapolis cash wheat markets have been featured by limited receipts and light offerings during the past few weeks. At Chicago only occasional carloads have been offered in the spot market and, of the 45 cars received in the week ending February 17, most went directly to mills. Quotations in Chicago have been largely nominal in character, with prices for No. 2 Hard and No. 2 Red being quoted at 10 cents per bushel over the May futures.

In the Minneapolis cash market the small offerings have forced premiums higher in spite of only a fair demand from commercial firms. The limited receipts, due in part to the fact that many delivery areas have been snowbound, have scarcely been sufficient to replace mill grindings. Cash wheat dropped 10 cents per bushel on February 8, coinciding with the break in the futures market, but recovery has been fairly strong. The Commodity Credit Corporation has been more active in its purchases, buying 4,932,000 bushels in Minneapolis and 491,575 bushels in Chicago during the week ending February 18. Total purchases by the CCC to date amount to 219.8 million bushels of wheat and 28.6 million bushels of wheat as flour.

Daily Cash Wheat Prices on the Chicago and Minneapolis Markets

1949	Chicago		Minneapolis	
	Grade	Price	Grade	Price
January 24	3 Red	233	1 Dark Northern	223 - 224
25	4 Red	229 1/2	1 Dark Northern	220 5/8 - 221 5/8
26	None		1 Dark Northern	219 1/2 - 220 1/2
27	None		1 Dark Northern	221 1/2 - 222 1/2
28	4 Red Tough ..	221	1 Dark Northern	220 3/8 - 221 3/8
29	2 Red	226 1/2	1 Dark Northern	222 1/4 - 223 1/4
31	2 Hard	229 1/2	1 Dark Northern	222 3/4 - 223 3/4
February 1	None		1 Dark Northern	221 1/2 - 222 1/2
2	3 Red	227	1 Dark Northern	220 - 221
3	1 Mixed	227	1 Dark Northern	222 1/8 - 223 1/8
4	None		1 Dark Northern	223 7/8 - 224 7/8
5	None		1 Dark Northern	223 7/8 - 224 7/8
7	4 Red	227 1/2	1 Dark Northern	221 1/2 - 222 1/2
8	None		1 Dark Northern	211 1/2 - 212 1/2
9	None		1 Dark Northern	213 - 214
10	3 Mixed	219 1/4	1 Dark Northern	218 1/2 - 219 1/2
11	3 Red	221	1 Dark Northern	219 3/4 - 220 3/4
12	Lincoln's Birthday			
14	None		1 Dark Northern ...	226 1/4 - 227 1/4
15	2 Hard	225	1 Dark Northern ...	224 1/8 - 225 1/8
16	None		1 Dark Northern ...	225 3/4 - 226 3/4
17	4 Red Tough ..	219 1/4	1 Dark Northern ...	226 1/4 - 227 1/4
18	None		1 Dark Northern ...	226 - 227
19	4 Red	219 1/4	1 Dark Northern ...	225 1/4 - 226 1/4
21	4 Red	222 1/2	1 Dark Northern ...	228 5/8 - 229 5/8
22	Washington's Birthday			

Chicago Wheat Futures -

The wheat futures market in Chicago, in common with most other grain futures, exhibited a decidedly bearish tone during the period under review. On February 8 all contracts dropped the permissible daily limit of 10 cents per bushel, establishing new lows for the season. Although the market has been somewhat firmer since that date, only about half the drop in price had been recovered by February 21.

The sudden break in the futures market was probably due to a more realistic appraisal of the existing situation rather than to any new development. Among the factors that have been attributed to the weakening of the wheat futures market are the contraction of government buying of wheat for export, the heavy stocks of grain on January 1, light commercial support, prospects for another near-record winter wheat crop and the fact that Commodity Credit Corporation Exports have been falling behind schedule.

Chicago Wheat Futures, High Points of Closing

1949	May	July	September	December
- cents and eighths per bushel -				
January 24	223/3	208/2	208/7	210/6
25	221/2	206/4	207/2	209/4
26	219/4	205/3	206/2	208/2
27	220/2	206/7	207/6	209/4
28	218/5	204/4	205/2	207/2
29	220	205/1	206	207/4
31	219/3	204/6	205/6	207/3
February 1	217/5	202/3	202/6	204/6
2	215/5	199/4	200/3	202/2
3	217	201/3	202/3	203/7
4	217/6	199	199/2	200/6
5	218/1	199/4	200/2	201/4
7	216/2	197	198/4	200
8	206/1	187	188/3	190
9	208/6	191/6	192	194
10	212/2	193/2	194/2	195/2
11	212/2	192/6	192/4	194/2
12		Lincoln's Birthday		
14	218/2	198	198/2	199/3
15	216/4	193/4	194	195
16	217/2	193	193/4	194/6
17	215/7	191/6	192/2	193/3
18	214/4	192/4	193	193/6
19	213	191	191/4	192/5
21	214/6	191/6	191/6	193
22		Washington's Birthday		

THE ARGENTINE WHEAT SITUATION

The following review of the wheat situation in the Argentine is extracted from a report forwarded on February 17, 1949, by Mr. W. B. McCullough, Commercial Secretary (Agriculture) at Buenos Aires and is reproduced herewith by kind permission of the Trade Commissioner Service.

Note:- Where possible conversions to Canadian measures have been made by the editors for the convenience of Canadian readers.

Wheat - The harvesting of this crop has been completed in all production zones. There has been considerable variation in yields and in the quality of the grain. While no estimate has been made available by any official statistical department, private estimates place the current crop at about 165 million bushels. The Ministry of Agriculture in their review of crop conditions for January state that the yields in central and southern Buenos Aires Province varied from 9 to 21 bushels per acre and in La Pampa they ranged from 7 to 18. In an earlier report the same Department informed that yields in southern Santa Fe, eastern Cordoba and northern Buenos Aires varied from 12 to 30 bushels per acre. In Entre Rios they were from 12 to 20 bushels. The Province of Santa Fe in their monthly report for December reported yields of wheat up to 45 bushels per acre in some districts. The Ministry of Agriculture's report also states that while the yields in many of the zones were considered satisfactory, the total production is less than last year.

The trade calculates that the exportable surplus of wheat for 1949 is about 55 million bushels. It is reported that Argentina still has unfilled contracts with Spain, Italy and India amounting to about 25.7 million bushels.

It is reported that producers have already sold to IAPI 92 million bushels of wheat; many of these sales were made before the announcement of the official prices for other grains, partly because they were in need of cash and were obtaining 15 per cent more than last year's basic price. However, it must be remembered that the basic prices for grains in Argentina are fixed on the basis of delivery at the port and, consequently, with the recent increase in freight rates as of February 1st, producers do not receive the full 15 per cent increase.

Heavy Grain Stocks - Early in February the National Grain Board advised all carriers that they must refrain from transporting further grain from farms to the port of Necochea "since it is not possible to receive more as all space available for the storage of cereals has been used to maximum capacity". It is estimated privately that stocks at Necochea include 2 million bushels of wheat, 4 million bushels of oats and smaller quantities of rye and barley.

Grain Exports - Grain shipments since the beginning of the year have been on a higher level than during the previous few months. Trade statistics for the period ended January 29th are as follows.

Argentine Grain Exports, January 1-29, 1949 and 1948

Country	Wheat	Corn	Oats	Rye	Barley
- thousand bushels -					
United Kingdom	-	5,529	-	-	-
France	-	542	-	-	92
Belgium	-	947	282	182	527
Italy	2,411	59	-	-	-
Rest of Europe	1,653	464	89	-	-
Brazil	842	-	-	-	-
Others	1,914	2,261	45	-	-
T o t a l	6,820	7,902	416	182	619
Same period 1948	6,549	7,195	324	497	2,546

THE AUSTRALIAN WHEAT SITUATION

Revised Estimate of 1948-49 Wheat Crop - In a cable dated March 1, 1949 at Canberra, the Commonwealth Statistician placed 1948-49 Australian wheat crop at 189,670,000 bushels from an area of 13,028,000 acres. The latest production estimate is practically the same as that made on November 17, 1948. Both acreage and production are below those of 1947-48 when 219.9 million bushels were harvested from 13.9 million acres.

Australian Cable - The following cable, dated February 16, 1949 was received from the Canadian Trade Commissioner in Melbourne:

"Australian wheat stocks at February 5th totalled 163 million bushels. Exports of wheat from December 26th to February 5th totalled 8,200,000 bushels, principally to the United Kingdom, India, Pakistan and the Middle East. Exports of flour were 65,900 long tons of which 18,964 went to Palestine, 18,081 to Ceylon and 8,402 to the United Kingdom. Up to the 5th of February 170 million bushels of new crop wheat had been delivered to the Wheat Board with expected further deliveries of 2 1/2 million bushels."

Australian Wheat and Flour Shipments, December 1, 1948 to February 5, 1949

	Wheat -			Flour -		
	Two Weeks ending Feb. 5	Total to Feb. 5	Total to same date last year	Two Weeks ending Feb. 5	Total to Feb. 5	Total to same date last year
	- thousand bushels -			- long tons -		
United Kingdom ..	639	4,893	4,374	-	8,402	8,751
France	-	-	1,589	-	-	-
Middle East	328	1,652	350	-	1,900	44,995
Transjordan	326	326	353	-	-	-
Palestine	-	-	-	18,164	20,660	-
South Africa	-	359	-	50	50	238
Mauritius	-	-	-	-	3,600	8,558
India	344	2,584	3,362	1,000	11,826	39
Ceylon	-	2	-	18,081	18,081	62,329
Malaya	7	21	-	-	19,194	18,838
Hong Kong	-	-	-	1,100	4,105	4,507
Indo-China	-	-	-	328	1,453	-
New Zealand	53	1,537	1,018	-	-	-
Pacific Islands .	-	-	-	442	1,794	3,610
Others	1,350	2,473	1,306	2,550	14,361	6,841
T o t a l	3,047	13,847	12,352	41,715	105,426	158,706

Source: Australian Wheat Board.

CALENDAR OF WHEAT EVENTS

February 1 - An official report places the Italian winter wheat acreage at 11,609,000 acres, a slight increase over last year's 11,542,000 acres. In England and Wales the winter wheat acreage is reported to be 1,580,000 acres, a decrease of 22 per cent from last year's 2,022,000 acres.

The French Government announced an increase in the flour extraction rate from 81 to 83 per cent in an effort to reduce the bran supply accumulating through slow domestic consumption.

7 - The Canadian Wheat Board announced that it was imperative that all stocks of wheat in temporary annexes be transferred as soon as possible to elevators to make it available for shipment to forward positions as railway cars are supplied.

8 - Grain futures in the principal United States markets dropped the permissible daily limits with all contracts establishing new lows for the season.

9 - The Board of Grain Commissioners revised the carry-over of Canadian wheat in all positions at July 31, 1948 to 77,710,410 bushels.

10 - The Crop Reporting Board of the United States Department of Agriculture stated that winter wheat and other fall-sown grains were in generally satisfactory condition at February 1. Some freeze damage was feared in the Pacific Northwest and local ice sheet damage was probable in Kansas, Nebraska and a few other sections.

21 - Broomhall reported that the acreage planted to wheat in France up to February 1 was officially placed at 10,069,000 acres compared with 10,168,000 acres on the same date a year ago.

24 - The Rt. Hon. C. D. Howe, Minister of Trade and Commerce, announced in the House of Commons that the initial price for wheat paid to Western producers had been raised by 20 cents to \$1.75 per bushel, retroactive to August 1, 1945. The new initial payment will be in effect throughout the duration of the current five-year pool period ending July 31, 1950 and, in addition, growers will be entitled to receive any surplus which may be in the hands of the Canadian Wheat Board after the wheat of the five-year pool period has been sold.

The estimated production of Canada's 1948 wheat crop remains unchanged at 393,345,000 bushels according to the Revised Estimate of Value and Production of 1948 Field Crops issued by the Dominion Bureau of Statistics. Based on average prices received by farmers for the first half of the current crop year, the gross dollar value of Canada's 1948 wheat crop was placed at \$551 million. This total does not include an allowance for the 20 cent increase in the initial payment announced on the same date.

March 1 - A cable from the Commonwealth Statistician revised Australia's 1948-49 wheat production to 189,670,000 bushels from 13,028,000 acres.

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