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of the

WHEAT SITUATION

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The Agricultural Branch of the Dominion Bureau of Statistics issues today the Monthly Review of the Wheat Situation for February. The foreign statistics in this release refer mainly to the month of February, while the situation in Canada is covered up to the middle of March. Through the co-operation of Canadian Trade Commissioners stationed abroad, reports on the wheat situation in important consuming centres are included. Cables are received from the Canadian Trade Commissioners in Australia and Argentina and from the Indian Government.

The General Situation

The movement of wheat into consumption has remained steady and considerably in excess of last year's amounts. Most of the increase over last year is due to larger shipments from the Southern Hemisphere and from Russia. North American clearances decreased during February, but have turned upward again during the first two weeks of March. There have been much lower shipments from the United States coupled with slightly lower clearances from Canada to place the North American totals slightly under those of last year. The decrease in Canadian shipments has taken place mostly at the Pacific port

The demand for Canadian wheat is limited by the relatively high spreads which have been established because of its quality and also by the strength in Canadian exchange compared with exchange rates in the Southern Hemisphere wheat-exporting countries. The effect of heavy wheat exports in strengthening the exchange of country has recently been seen in the Argentine, where the change has been rapid. The natural effect of the increased exports and the higher exchange is to increase wheat prices and also freight rates--thus placing Canadian wheat on a better competitive basis. The recent firmness in silver exchange has encouraged the Chinese demand for wheat. Up to date, the new sales policy of the United States Farm Board has not seriously affected the sales of Canadian wheat. The amount of 35 million bushels mentioned for sale is not greatly in excess of what would have been sold in the ordinary course of events during the remainder of the crop season.

The large available surpluses continue as the important bear factor on wheat markets. The United States situation has been particularly bearish in the past month with the improved conditions in the winter wheat belt, the changed selling policy of the Farm Board, the increasing visible supplies and storage difficulties and the high estimates of wheat remaining on farms at March 1st. Other bearish factors have been the liberal shipments from Australia and Argentina, the continued erratic participation of Russia, and the large supplies on passage which are 15 to 20 million higher than last year. On the other side of the market is the steady demand from the United Kingdom and the Continent with the prospect of increased demand in succeeding months, since imported stocks are very low and native stocks being rapidly depleted. There is also the assurance of a smaller crop in India compared with last year's record harvest--a factor which will combine with the prospect of more settled political conditions and the high domestic wheat price levels to place India on an import rather than an export basis in the next season.

During the month of February the wheat surplus of Canada was reduced by exports amounting to 12 million bushels, that of Argentine by 16 million bushels, and that of Australia by 14 million bushels. The exports from the United States were inappreciable, while the crop report of March 9 greatly complicated any estimates of the United States surplus by its disclosure of 160 million bushels of wheat still remaining on farms. This figure was much too high to justify the earlier official estimate of feeding to the extent of 236 million bushels. The new data require an increase of about 100 million bushels in the surplus remaining for export and carryover. Russell's estimate of total stocks is 530 to 540 million bushels, with necessary reductions of 30 million bushels for seed and about 170 million bushels for grinding in the balance of the crop year. These figures forecast a carryover 'quite a little in excess of last year.' On the basis of this new information, the quantities available for export or carryover at the end of February are estimated in millions of bushels at:- United States, 325; Canada, 232; Argentine, 141; and Australia, 126.

Little change was reported in European crop conditions between the first and last days of February. Precipitation has been ample in most countries, except Germany and parts of southern Russia, while excessive in France and Italy, causing some abandonment. The weather in India has been greatly improved so that expectations of the 1931 crop (the harvest of which has begun) have been raised. The weather in the

Southern Hemisphere has also been more favourable for marketing. Great improvement was noted during the past month in the condition of the winter wheat crop of the United States. A detailed report of Western Canadian soil conditions appears later in this issue, but generally the winter wheat crop of Ontario has been benefitted by a recent heavy snowfall and the soil moisture conditions in Western Canada are only slightly below normal.

The Course of Wheat Prices:- The following summary of the course of wheat prices in January and up to mid-February was prepared by the Internal Trade Branch of the Bureau:- During the first two weeks of February, cash wheat prices made the most consistent advance witnessed since last August although there have been sharper rises of less duration in the meantime. Beginning on the 3rd, the Winnipeg market advanced with minor interruptions to reach a temporary peak on February 10th. Following an abrupt reaction in the next two days, prices then appeared to have been established again on a level several cents above the January average. Too little moisture in the United States winter wheat belt and too much in the Argentine, where threshing operations were seriously hampered, influenced the initial firmness of markets. Local support was steadily apparent at Winnipeg and offerings there were generally of very moderate volume. The climax to the advance came with an unfounded rumour of revolution in Russia. Failure of confirmation coincided with a sharp decline on the 11th, which was undoubtedly accentuated by profit taking. Reports of rain in Kansas, and the announcement of an unexpectedly large weekly shipment of Russian wheat amounting to 2,095,000 bushels followed on the 12th, and prices again dropped lower, bringing No. 1 Manitoba Northern cash wheat at Winnipeg back to 58 7/8¢ at the close. For several days following, the market held firm, supported fairly well by local traders. A reduction of 33,000,000 bushels in the official Argentine estimate of the current crop also gave a strengthening effect. On the 19th and 20th a short upturn occurred, prompted by damaging rains in the Argentine, and reports of buying by European millers. An immediate reaction followed, however, with improvement in Argentine weather and beneficial rains in the south western part of the United States. This weakness was increased by rumours of proposed export sales by the U. S. Farm Board which were first reported on the 23rd. Confirmation of them was made in a public statement issued on the 26th by the Board announcing the intention to dispose of 35,000,000 bushels of wheat on the export market. The Winnipeg cash close of No. 1 Man. Northern wheat was 56 5/8¢ on February 28th as compared with 54½¢ on January 31st.

The February monthly average price for Manitoba No. 1 Northern cash wheat, Ft. William and Pt. Arthur basis, was 59.3¢ as compared with 53.9¢ per bushel in January, marking the first advance this average has made since April 1930.

Indications for the first half of March pointed to a resumption of the even course pursued by markets during January, when Winnipeg closing prices held within a spread of 2½ cents. Moderate offerings at Winnipeg were a big factor in maintaining quotations there on a firm basis in the opening week, while the recent marked improvement in Argentine exchange also contributed a strengthening influence since it caused Buenos Aires quotations to stiffen. On the other side of the market, bearish estimates of United States farm reserves, favourable weather in the United States winter wheat area, and pressure on Liverpool of nearby parcels from the Argentine and Australia prevented any advance in prices. In the second week, however, they tended to be slightly stronger. Difficulties were encountered which held up a 6 pence bounty proposed for wheat exports from Australia. In Western Canada, colder weather caused a marked decrease in country marketings, which earlier in the month had been running over 400,000 bushels a day. With the exception of unexpectedly large world shipments reported on the 13th, no further news favoured the short interest during this period.

The Canadian Situation

The weather of the past four weeks marks the first period of the winter which has been somewhat encouraging to the prospects for the 1931 crops. Heavy rains have fallen in the Maritimes to prepare the land for the small amount of wheat seeded in those provinces. The Ontario winter wheat crop has been greatly benefitted by the heavy snow of March 8th and 9th. In the Prairie Provinces also, there have been scattered snow storms of some benefit.

Soil Moisture Conditions in the Prairie Provinces:- When the 1930 crop was harvested, soil moisture conditions were fairly satisfactory throughout Manitoba and central and northern Saskatchewan and Alberta. The region south of the Canadian Pacific Railway mainline in both Saskatchewan and Alberta and in a considerable wheat area running north of Regina had very dry soil conditions. In the 1930 fall season up to freeze-up, heavier than normal precipitation fell over this whole deficit area, with the exception of the district immediately surrounding Calgary, Alberta. The autumn snowfall and rainfall which preceded the freeze-up were also bounteous over practically all the remaining area of the three provinces. From the middle of November to the end of February, however, the snowfall throughout the wheat-growing districts of the west was

practically negligible. The small amounts which fell were melted in subsequent mild weather. Scattered reports since March 1st indicate that there have been some beneficial snowfalls in the prairie regions. While the precipitation of the winter period from December 1 to February 28 has been only about 37 per cent of normal in the West, the precipitation of the whole period from September 1 to February 28 has been only about 10 per cent below normal.

During the winter there have been some reports of soil-drifting from areas bare of snow and with dry top soils. At the present time, with the exception of localized areas, normal conditions regarding soil moisture prevail throughout the West, since the heavy rain and snow falling between harvest and freeze-up together with the snowfall of the first two weeks of March offset the large deficiencies in winter precipitation. It must be remembered, however, that sub-soil reserves are low in those important wheat-producing regions which have suffered from drought in the past two years.

The weather in the prairie provinces has turned much colder in the past week with a curtailing effect on wheat deliveries. The feature of western deliveries during the past month has been the steadily increasing amounts issuing from northern Alberta. Estimated yields in this region were the highest in the West, but the grain has been marketed very slowly. For the four weeks from February 6 to March 6, deliveries in Alberta amounted to 5,490,000 bushels compared with 4,714,000 bushels in Saskatchewan and 700,000 bushels in Manitoba. During February, the weekly deliveries of wheat at country elevators showed a steady increase, but declined in the first two weeks of March, influenced by colder weather and snow. Total receipts at country elevators and over loading platforms from August 1 to March 6 were as follows:-

Manitoba	31,823,000 bushels
Saskatchewan	146,529,000 "
Alberta	93,007,000 "
	271,359,000 bushels

The Bureau's report of April 10 will be interesting in its disclosure of the amount of wheat held by farmers at March 31. On the basis of the final crop estimate and deliveries to date, a figure of about 65 to 70 million bushels is expected -- this including seed for the new crop.

On July 31, 1930, the estimated carryover of wheat in Canada was 112 million bushels and the final estimate of the 1930 crop was 398 million bushels, making a total amount in Canada of 510 million bushels. Deducting 110 million bushels as an allowance for seed, home consumption and unmerchantable grain, it is calculated that 400 million bushels were then available for export - about 100 million bushels more than at the same season of 1929. Exports during this crop year have exceeded those of the last crop year during every month, the total excess up to February 28 being nearly 63 million bushels. The surplus available at February 28 (with no allowance for carryover) amounted to 232 million bushels, almost 39 million bushels more than the comparable quantity at the same date in 1930.

The total exports of wheat and wheatflour during January were 12,163,082 bushels, somewhat higher than expected. An additional amount of about 7 million bushels of Canadian grain was cleared during the month from American ports, but this had been shown previously in Canadian exports. The stocks of Canadian wheat held at United States seaboard ports have been reduced considerably below those of the same dates in the 1929-30 season. At March 6, 1931, there were only 2,639,296 bushels of Canadian wheat at United States seaboard ports (compared with 3,382,084 bushels on December 31, 1930, and 6,453,186 bushels on July 31, 1930), while 13,785,183 bushels were held at United States lake ports, principally at Buffalo. The promised early opening of navigation from Montreal would thus be of considerable help to the export movement of Canadian wheat. The recent movement from Canadian Pacific ports has been appreciably lower than in the earlier weeks of 1931.

The total exports for the seven month period ending February 28, 1931, were 168,288,434 bushels as compared with 105,593,208 bushels for the same months of 1929-30 and the average for the five-year period, 1925-30 of 201,037,522 bushels.

The following table lists the exports of wheat and wheatflour in the seven months from August, 1930 to February 1931 inclusive, compared with crop year figures for 1929-30 and with the average for the five years, 1925-26 to 1929-30.

[illegible] million bushels [illegible] at the same season of 1930. Exports during this crop year have exceeded those of the last crop year during every month, the total exports up to February 28 being nearly 63 million bushels. [illegible] (with an allowance for carryover) [illegible] about 35 million bushels [illegible] has been the steadily increasing amounts hauling from northern Alberta. Estimated yields in this region were the highest in the West, but the grain has been [illegible] 129,133,022 bushels [illegible]

[illegible] bushels of Canadian wheat at United States seaboard ports (compared with 3,332,094 bushels on December 31, 1930, and 6,453,183 [illegible] July 31, 1930), while 13,725,159 [illegible] at United States lake ports, [illegible] at Buffalo. The prospect of early opening of navigation [illegible] lower than [illegible]

[illegible]

TOTAL EXPORTS OF WHEAT AND WHEATFLOUR

Month	1930 - 1931	1929 - 1930	Average 1925-26 to 1929-30
	Bushels	Bushels	Bushels
August	20,461,776	13,050,873	17,360,617
September	31,121,623	9,625,524	17,970,697
October	33,445,885	23,215,028	35,409,445
November	34,783,144	24,866,067	50,677,528
December	24,938,920	18,683,198	46,319,649
January	11,374,004	7,257,050	16,682,720
February	12,163,082	8,895,468	16,616,866
March		14,655,609	21,526,470
April		5,459,684	11,552,050
May		16,046,226	27,204,945
June		21,679,434	25,750,589
July		22,833,051	21,731,964
TOTAL		186,267,212	308,853,540

The Foreign Situation

THE UNITED STATES: - The market news from the United States during the past month has been particularly bearish. The winter wheat crop which was spoken of despairingly a month ago has improved to the stage where it is now described as having the best prospects since the crop of 1918. There were continued increases in the visible statements and a rather serious shortage of elevator space has developed. Deliveries were encouraged by the mild weather and the old crop premiums and disposal was limited because of the slack export trade and the reluctance of millers to buy when there is a prospect of securing cheaper supplies of new crop wheat. As a result of these conditions, visible supplies are now near the peak figure shown at the end of last September. Since inland storage space was filled almost to capacity, it was found necessary to ship wheat to the seaboard for storage and from here, export was the most logical means of disposal. Thus the decision of the Farm Board to endeavour to sell 35 million bushels of their holdings abroad was not unexpected. The new policy has not caused much pressure. Uncertainty still prevails as to the surplus of wheat in the United States. Broomhall lists the 'remaining exportable surplus' on March 17th at 142,658,000 bushels. The United States Department of Agriculture estimates the 'surplus for export and carryover' on February 1 at 227 million bushels, but in this calculation the disposition 'has been made to include 236 million bushels estimated as of November 15 to have been fed or to be fed during the remainder of the crop season.'

The United States crop report of March 9th reporting stocks on farms on March 1st showed a total of 160,282,000 bushels for 1931, compared with 129,754,000 bushels last year at the same date and the ten-year average, 1920-29, of 143,988,000 bushels. The percentage of the previous crop shipped out of the country where grown was below average, being only 59.4 per cent compared with 69.7 per cent last year and the ten-year average, 1920-29, of 67.4 per cent. This suggests that wheat feeding on farms is higher than usual but not sufficient to date to account for the estimate of 236 million bushels. In view of the uncertainty with regard to whether large proportions of the 1930 production will be disposed of as feed, export, or carryover, there is a wide variance in surplus estimates and real possibilities of error. The estimate of 325 million bushels given previously in this review as the surplus for export and carryover allows for lower amounts fed to live stock because of the changed relation of wheat and corn prices since the United States estimate of November 15th.

The exports of wheat from the United States as reported by the Department of Commerce were 56,846,000 bushels from July 1, 1930, to March 7, 1931, compared with 73,436,000 bushels in the same period of 1929-30. Exports of United States flour in the same period of 1930-31 were 8,538,000 barrels compared with 9,199,000 barrels last year. The imports of Canadian wheat under bond for grinding into flour and re-export were 13,907,000 bushels in the 1929-30 period mentioned and 7,248,000 bushels last year.

THE UNITED KINGDOM: - The imports of wheat into the United Kingdom, according to Broomhall's figures, have fallen off considerably during February and are now lower than last year's imports for the same weeks. Stocks of wheat at the principal ports continued their downward trend.

The offerings of native wheat have been very limited as supplies are low. The weather has been generally favourable.

FRANCE: - France continues to import wheat at the rate of about 1 million bushels a week, considerably more than the takings last year at this time. There has been considerable abandonment of winter crops because of excessive rain and extensive re-seeding will be necessary. Crops generally are in poor condition.

The Assistant Trade Commissioner for Canada in Paris has sent the following report dated February 14: "The question of the marketing of wheat has been much to the fore in France during the past few weeks not only in commercial but also in political circles as a result of the declared intention of the late Government to establish a minimum scale of prices for domestic wheat. It was the hope of the Minister of Agriculture in the Steeg Government that such a measure would relieve the distress of the farmers by insuring the profitable marketing of their wheat. The measure, however, was very badly received in many quarters where there is strong opposition to price fixing and active interference by the Government in commercial matters. It was feared that not only the proposed law itself but also the manner in which the Government had revealed its intentions would be an incentive to speculation and would cause disastrous fluctuations in the price of wheat. The French Press was almost unanimous in criticizing the Government for its action. As a result the Steeg Government was defeated on January 22 and a new Government was formed under the leadership of Mr. Pierre Laval.

Contrary to general expectation there were no violent fluctuations on the wheat exchange as a result of these happenings and prices have been responding more to actual market conditions than to political agitation.

There is marked decrease, however, in stocks of wheat of a specific weight of 73 kilos or more to the hectolitre and the offers are mostly of wheat weighing 70 to 72 kilos. With reference to the question of the use of chemical salts in the manufacture of bread, the Superior Council of Hygiene has come to a definite and unanimous decision strongly condemning such practices as being harmful to the health of the public and it is possible that the French Government will enact prohibitive legislation. It has just been learned that as a result of this decision a delegation of French millers will wait on the Minister of Agriculture within the next few days to request that a higher percentage of foreign wheat be allowed in the manufacture of bread. Such action would have a good effect on the sale of Manitoba wheat which is generally known to be the best obtainable for strengthening purposes.

The market for foreign wheat is at present very slow and there is very little business in North American wheat on the exchange. Buyers seem to rely on the large stocks of wheat in foreign countries to keep prices at the present low levels. The prospects for the Australian Crop which are said to be favourable are also a factor in keeping down the demand.

ITALY: - The arrivals of wheat in Italy continue at the rate of about a million bushels a week, with most of the cargoes coming from Russia. After a period of excess precipitation, the weather is now more favourable for the growth of the new crop.

GERMANY: - The Canadian Trade Commissioner at Hamburg reports, under date of March 2nd, that the estimates of the stocks of grain in the hands of farmers on January 15th, 1931, compiled by the Market Reports Bureau of the German Agricultural Council, show a very marked diminution of the stocks of wheat as compared with the previous month. According to these estimates there remained for disposal on the above date a total of 50,104,200 bushels of wheat, representing a reduction of 13,848,500 bushels from the total stock of wheat on December 15th, 1930. In the same period of the previous year the decrease in wheat stocks had amounted to 9,073,100 bushels. The fairly heavy decline of wheat stocks this year must be attributed to the high compulsory milling percentage for domestic wheat. On January 15th, 1930, the stocks of wheat in the hands of German farmers amounted to 51,316,500 bushels or 1,212,300 bushels more than on the same date this year.

The imports of wheat into Germany in the six-month period from August to January for the seasons 1928-29, 1929-30, and 1930-31 have been as follows: 1928-29, 45,084,500 bushels; 1929-30, 32,885,600 bushels; 1930-31, 16,020,000 bushels. These figures indicate the extent to which the protective measures adopted during the past two years have reduced the importations of grain into Germany.

There has been a steady upward tendency in the quotations for German wheat on the Berlin futures market.

The following figures give the stocks of wheat in the Free Port of Hamburg in tons:

	February 3	February 9	February 23
North American	5,000	5,000	5,000
Russian	8,000	4,500	1,000

SWITZERLAND: - The imports of wheat into Switzerland during January are reported to us in a communication from the Canadian Trade Commissioner at Rotterdam. These amounted to 1,739,180 bushels compared with 1,231,040 bushels in the same month of 1930. Canada contributed about three-fifths of the imports.

HOLLAND: - According to reports from the Canadian Trade Commissioner at Rotterdam there were no further imports of Russian wheat into Holland during February. The stocks of Russian wheat at both Rotterdam and Amsterdam fell steadily during the month. Canada secured a good share of the import business during February, being exceeded in amount by Germany and the United States. Most of the Russian grain is being absorbed by Dutch mills but large quantities are also being exported to the East Coast of England where it is delivered to numerous small buyers by motor barges. A certain quantity of it has been sold in Antwerp camouflaged because of the restrictions on the importation of all Russian products imposed by the Belgian Government. The Belgian authorities have taken steps to stop this.

The present imports of wheat into Holland are very low, but the reduction of stocks in the two large Dutch ports will do much to release pressure in that region.

SOVIET RUSSIA: - The erratic nature of recent Soviet wheat shipments makes it difficult to forecast the amount of spring shipments. Much will depend upon the collections in the intervening period and on crop prospects in the spring. The reported charterings do not indicate a heavy immediate export movement.

The latest weather reports indicate that seasonable conditions prevail except in some regions of the south where the soil is too dry for the spring work.

INDIA: - The harvest of wheat in India is now progressing under favourable weather conditions. Private estimates indicate a crop of 336 million bushels, considerably under last year's final official estimate of 386,512,000 bushels. According to a cablegram received from the Indian Director of Statistics on March 13, the second estimate of the wheat acreage in India for the year 1931 is 31,004,000 acres, compared with 31,347,000 acres, the area finally reported for 1930 and with 31,457,000, the average for the five-year period, 1926-30. The early districts are showing sub-average yields because of drouth.

AUSTRALIA: - The following cable was received on March 17th from the Canadian Trade Commissioner at Melbourne: "Government proposal to provide bounty six pence per bushel on wheat not yet introduced in Parliament and now doubtful if proposal can be enacted through uncertain financial position. Total new season wheat shipped aggregates 46,600,000 bushels of which over one-third is from western Australia. Flour shipped to date aggregates 136,800 tons. Sales oversea have been and are restricted through scarcity of shipping facilities."

Communications received by mail from the same Trade Commissioner read as follows: -

"At a recent conference between the Federal Government and the Premiers of the Australian States at Canberra, it was decided to float an internal loan of £6,000,000 for the purpose of granting assistance to wheat-growers. Of the loan to be raised £3,500,000 is proposed to be utilised in paying a bounty of 6d. (12 cents) a bushel on all wheat of the 1930-31 season exported, and £2,500,000 to be made available as a loan to the States for the purpose of assisting necessitous wheat-growers.

A bill is in course of preparation for submission to the Federal Parliament - meeting early in March - which, possibly, may include some slight amendments to the original proposals as now outlined though the main principle is not likely to be altered.

It is stated that, as far as possible, the bounty would be paid direct to growers. As an illustration of the procedure likely to be adopted in payment of the bounty it may be stated that if a grower produced - say - 2,000 bushels and the whole of his wheat was used in domestic consumption, he would be entitled to a bounty of six-pence a bushel on 1,500 bushels, that being his proportion of export wheat to the total production.

The effect of the bounty would mean that the price of wheat for home consumption would also automatically increase by the amount of the bounty, and hence growers of wheat for domestic requirements would - in the proportion indicated - be entitled to six-pence per bushel above the world's parity.

At a conference of Victorian wheat growers held last week, delegates stressed their financial position was so parlous that the State Government should emulate the

precedent made by the Government of Queensland to ensure 4s. (97 cents) per bushel being paid for wheat used for home consumption. Similar legislation is being pressed for by growers in other States.

WHEAT: - Substantial quantities of wheat have been shipped from Australia during the last fortnight, caused by growers selling freely, and the wheat pools and firms engaged in the trade have been actively operating so that the rate of shipment has been well up to the average of previous years. Despite the low prices, buyers have been accepting wheat freely and cargoes afloat have been sold without difficulty.

The demand from the Far East has been of great value recently to Australian exports, as it has kept selling pressure off the European market. Under present conditions, the rate of export may be considered satisfactory, and - if charters can be arranged - the shipment of the bulk of the crop should be well in hand early in April.

Despite the increase in exchange rates (to £30.10.0 on every £100) which provides a substantial premium on exports, prices have not - so far - been increased as the fall in competitive prices abroad has to a great extent counter-balanced the advantage of the exchange.

Leading exporters state that Australian wheat is today worth 2s.4½d. (58 cents) per bushel f.o.b. steamer at main ports of shipment.

Since the opening of the season on December 1st down to February 7th, the following shipments of Australian wheat - in comparison with the similar period of previous years - have been made:-

1929	29,027,958
1930	11,449,569
1931	28,084,029

FLOUR: - During the last moth, there has been little or no animation in exports of Australian flour as oversea buyers have been offering prices not acceptable to milling companies. With the higher exchange premium now ruling business may be somewhat stimulated, but freight space is limited as, owing to the curtailment of imports into Australia, there are fewer steamers available and millers report that some business has been lost on that account. While some sales have been made to Egypt and the East, milling companies advise that the business left them no margin of profit.

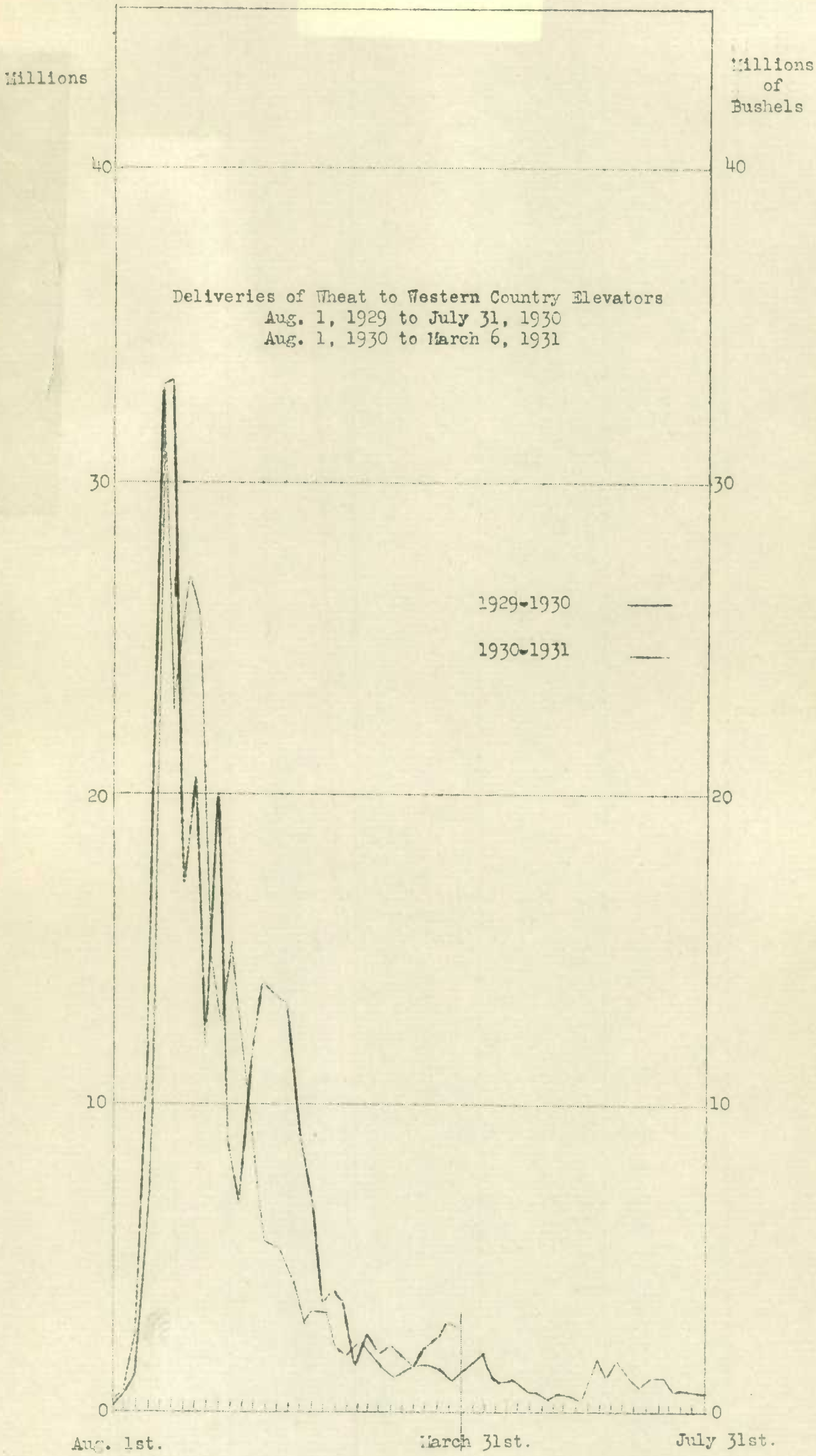
AUSTRALIAN STANDARD WHEAT AVERAGES. - The weight of the standard of fair average quality of wheat grown in the State of Victoria in the season of 1930-31 has been fixed at 58½ pounds to the Imperial bushel, which is the lowest weight per bushel for the last 35 years. While the standard sample was cleaner than usual, the gluten content was low owing to bleaching of a considerable portion of the crop in December, and some pinched wheat was also evident.

Through the same cause, an exceptionally wet season, the New South Wales standard has been fixed at 59½ pounds to the bushel.

FREIGHT RATES. - Practically all the cargo space available for February shipments of part cargoes of wheat and flour was booked in January. At this date, there is a lack of tonnage for forward engagement and, while the present rates are firm, shipping companies express the view that the rates to some oversea ports will probably be increased in the near future.

ARGENTINE. - Shipments of wheat from the Argentine held very steadily at an average of over 4 million bushels a week during February and the first week of March. There was a decrease of over a million bushels in the shipments of the second week of March. Following the usual practice, about half of the clearances is 'to orders," but the Continent and the United Kingdom have accounted for large amounts by direct shipment. During the month of February, there was a steady rise in Argentine exchange, a slight increase in freight rates, and firm wheat prices. Shipments began to exceed those of the same date last year in the middle of February and have remained higher since that time.

19/3/31.



Millions
Millions
of
Bushels
40
30
20
10
0
Deliveries of Wheat to Western Country Elevators
Aug. 1, 1929 to July 31, 1930
Aug. 1, 1930 to March 6, 1931
1929-1930
1930-1931
Aug. 1st.
March 31st.
July 31st.