

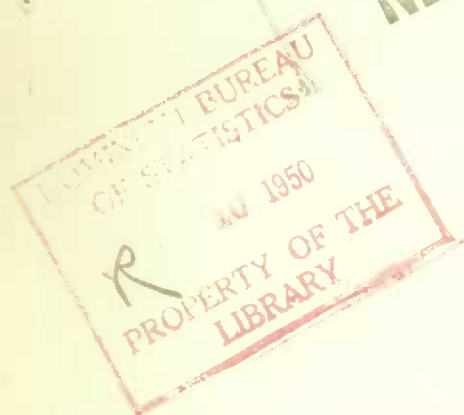
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CANADA

DOMINION BUREAU OF STATISTICS
AGRICULTURE DIVISION



THE WHEAT REVIEW



JUNE, 1950



DOMINION BUREAU OF STATISTICS
DEPARTMENT OF TRADE AND COMMERCE

THE
WHEAT REVIEW

(Formerly Monthly Review of the Wheat Situation)

JUNE, 1950

Published by Authority of the Rt. Hon. C. D. Howe
Minister of Trade and Commerce

Prepared in Crops Section, Agriculture Division,
Dominion Bureau of Statistics, Ottawa

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WORLD WHEAT SITUATION

Current Supplies - Recent estimates indicate that the supply of wheat remaining at June 1, 1950 in the four major exporting countries for export and carryover at the end of their respective crop years amounted to 781 million bushels. At June 1, 1949, 657 million bushels were available. Supplies this year (in millions of bushels) were held as follows, last year's figures in brackets: United States 470 (345); Canada 144 (155), Australia 98 (78), and Argentina 69 (79).

The Food and Agriculture Organization in a comprehensive review of the world grain situation and outlook points out that "In 1949-50, for the second year in the postwar period, export supplies have equaled or exceeded effective demand, and production in many importing countries has approached prewar levels. This has permitted a return to a more normal pattern of grain utilization. In most countries rationing of bread and feed has been largely discontinued, high flour extraction rates have been reduced, and measures requiring the heavy use of admixtures in wheat flour have been relaxed. Prices have also declined considerably as compared with the high points reached during 1947-48. At the same time, foreign exchange difficulties and political problems are becoming an increasing factor in the international movement of grain and flour. As a result, several million persons are still unable to obtain their daily bread in adequate amounts, and near famine conditions are currently reported for some large areas. In many quarters, therefore, apprehension over problems of wheat production and distribution is increasing as the world enters the second half of the twentieth century."

World Grain Imports Lowered - World grain imports for 1949-50 are provisionally estimated by FAO at 32.2 million metric tons—some five million below the 1948-49 import figure of 37.2 million tons. Bread grain imports make up 22.4 million tons of the 1949-50 total as against 27.9 million tons in 1948-49, and coarse grain imports 9.8 million tons as against 9.3 million in 1948-49.

Prospects for 1950 World Wheat Crop Generally Bright - Late trade reports relative to European wheat crops are very optimistic and outturns there this year may well exceed those of 1949. Crop failures are fairly frequent in parts of the Balkan and in the Iberian Peninsula but currently there are no indications of failure in any part of the continent. France is expected to have a sizeable exportable surplus while good crops may be expected to reduce import requirements in other European countries. Information concerning U.S.S.R. crops is fragmentary but there appears to be no evidence to indicate that conditions are other than satisfactory. The Indian crop is apparently turning out better than last year.

The United States wheat crop while below that of recent years will still approach a billion bushels, well above the prewar average. Rains have improved the Canadian outlook and if favourable conditions persist for the remainder of the season a good crop may be harvested. Weather in the Argentine has favoured seeding and the trade considers the wheat acreage will be significantly higher than last year. Australia, too, reports that another above-normal crop may be harvested if favourable conditions continue for the remainder of the season.

International Wheat Agreement Sales and Purchases - An official statement of cumulative sales and purchases under the International Wheat Agreement, together with the quantities guaranteed under the Agreement by both exporting and importing countries for the period August 1 to June 16, 1950 follows: (Conversions from metric tons to bushels have been made at the rate of 36.74371 bushels to the ton with the resulting figures being rounded to the nearest thousand bushels).

Sales under the International Wheat Agreement, August 1, 1949—June 16, 1950
Together with Annual Quantities Guaranteed

Exporting Countries	Guaranteed Quantities	Total Sales
	- 000 bushels -	
Australia	80,799	79,740
Canada	205,067	178,040
France	3,344	3,307
U.S.A.	235,858	147,458
Totals	525,068	408,545

Purchases under the International Wheat Agreement, August 1, 1949—June 16, 1950
Together with Annual Quantities Guaranteed

Importing Countries	Guaranteed Quantities	Source:				Total Purchases
		Australia	Canada	France	U.S.A.	
		- 000 bushels -				
Austria	11,023	-	-	-	10,453	10,453
Belgium	20,209	-	8,237	-	8,134	16,371
Bolivia	2,756	-	719	-	738	1,457
Brazil	13,228	-	2	-	76	78
Ceylon <u>1/</u>	4,409	4,409	-	-	-	4,409
Costa Rica	1,102	-	379	-	412	791
Cuba	7,422	-	3,888	-	1,462	5,350
Denmark	1,617	-	232	-	905	1,137
Dominican Republic .	735	-	585	-	98	683
Ecuador <u>1/</u>	1,286	-	406	-	876	1,282
Egypt	8,818	6,864	1,042	-	-	7,906
El Salvador <u>1/</u>	404	-	115	-	309	424
Germany	66,139	-	-	-	30,723	30,723
Greece	15,726	-	-	-	12,984	12,984
Guatemala <u>1/</u>	367	-	121	-	296	417
Haiti <u>1/</u>	1,029	-	945	-	92	1,037
India <u>2/</u>	38,287	38,274	-	-	-	38,274
Ireland	10,105	-	3,808	-	2,827	6,635
Israel	5,879	329	2,931	-	2,220	5,480
Italy	40,418	-	-	-	9,830	9,830
Lebanon	2,388	-	-	-	130	130
Mexico <u>1/</u>	9,186	-	350	-	8,837	9,187
Netherlands	27,558	2,279	500	1,470	21,352	25,601
New Zealand	4,593	2,795	-	-	-	2,795
Nicaragua <u>1/</u>	294	-	88	-	213	301
Norway <u>1/</u>	7,716	513	1,153	-	6,052	7,718
Panama	625	-	315	-	112	427
Peru	5,512	317	59	-	3,248	3,624
Philippines	7,202	24	1,205	-	1,241	2,470
Portugal <u>1/</u>	5,144	54	274	-	4,821	5,149
Saudi Arabia	1,837	19	225	-	390	634
Sweden	2,756	1,008	-	-	-	1,008
Switzerland <u>1/</u>	6,430	-	6,431	-	-	6,431
Union of S. Africa ..	11,023	2,000	5,600	-	-	7,600
United Kingdom	177,068	20,855	134,486	1,837	17,707	174,885
Venezuela <u>1/</u>	4,777	-	3,944	-	920	4,864
Totals	525,068	79,740	178,040	3,307	147,458	408,545

1/ Guaranteed quantity fulfilled.

2/ Fulfilment advised: Confirming reports awaited.

THE CANADIAN SITUATION

Supply Situation - Total exports of wheat and wheat flour during the first ten months of the current crop year amounted to 185.5 million bushels, an increase of 5.6 million bushels over the comparable period of 1948-49. Exports of wheat as grain to May 31 amounted to 147.4 million bushels, an increase of 8.8 million bushels over last year's total for the same period. Exports of wheat flour, however, continue at a lower level than last year. In terms of wheat equivalent, exports of wheat flour for the ten months ending May 31 were 38.1 million bushels. The balance remaining on June 1 for export or carryover was estimated at 144.3 million bushels compared with 154.8 million on the same date last year.

Canadian Wheat Supplies

	1949-50	1948-49
	- million bushels -	
Carryover in North America July 31	102.4	77.7
New Crop	367.4	386.3
Imports of Wheat and Wheat Flour August 1—April 30	<u>1/</u>	0.3
Totals, Supply	469.8	464.3
Estimated Domestic Requirements	140.0 ^{2/}	129.6
Available for export or carryover	329.8	334.7
Deduct:		
Overseas clearances of wheat as grain August 1—May 31 ...	135.3	136.1
Exports of Canadian wheat to U.S. August 1—May 31	12.1	2.5
Totals, Wheat Exports	147.4	138.6
Exports of wheat flour in terms of wheat Aug. 1—May 31	38.1 ^{3/}	41.3 ^{3/}
Totals, Exports Wheat and Wheat Flour	185.5	179.9
Balance on June 1 for Export or Carryover	144.3	154.8

^{1/} Less than 50,000 bushels.

^{2/} Preliminary Estimate.

^{3/} August 1, 1949 to February 28, 1950 and entire crop year 1948-49 adjusted for time-lag in the returns made by Customs.

Farmers' Marketings of Wheat in the Prairie Provinces, 1949-50

Week ending	Manitoba	Saskatchewan	Alberta	Total	Last Year
- bushels -					
August 1-4	86,906	396,425	857,679	1,341,010	1,047,366
11	1,487,047	408,852	352,356	2,248,255	1,396,538
18	3,916,751	2,375,960	2,036,147	8,328,858	2,120,222
25	9,032,150	6,744,337	3,980,747	19,757,234	10,570,201
September 1	6,953,093	8,751,113	4,960,194	20,664,400	25,951,607
8	5,104,625	12,005,438	7,572,940	24,683,003	31,542,951
15	3,394,999	16,809,771	7,977,799	28,182,569	34,421,627
22	1,511,831	15,854,167	8,051,995	25,417,993	27,525,049
29	1,249,693	11,832,544	6,596,577	19,678,814	17,806,785
October 6	781,873	12,004,362	6,543,917	19,330,152	14,001,115
13	531,130	5,224,134	4,027,785	9,783,049	11,244,938
20	431,778	4,307,972	3,302,630	8,042,380	9,256,027
27	174,784	3,804,123	2,518,155	6,497,062	7,873,337
November 3	293,156	3,797,858	1,935,700	6,026,714	6,620,489
10	229,101	3,436,128	1,762,805	5,428,034	4,981,699
17	265,037	2,544,609	1,199,154	4,008,800	4,794,010
24	270,103	2,767,094	1,346,397	4,383,594	4,411,372
December 1	278,985	2,972,258	1,169,791	4,421,034	3,535,124
8	307,306	3,040,022	1,193,263	4,540,591	3,439,280
15	379,391	2,305,535	1,292,377	3,977,303	2,015,039
22	584,752	3,039,794	2,109,705	5,734,251	3,071,057
29	663,019	2,636,205	1,581,786	4,881,010	3,026,547
January 5	245,905	1,077,129	577,553	1,900,587	3,436,527
12	222,310	741,034	939,661	1,903,005	3,195,302
19	191,689	799,905	758,560	1,750,154	3,641,807
26	95,218	620,728	636,069	1,352,015	1,117,750
February 2	53,533	240,528	323,458	617,519	1,422,034
9	82,128	469,280	725,495	1,276,903	1,381,373
16	186,243	686,546	1,328,487	2,201,276	739,191
23	163,945	510,586	1,497,752	2,172,283	720,758
March 2	94,315	470,769	1,378,293	1,943,377	1,323,790
9	117,358	424,414	1,090,000	1,631,772	1,828,623
16	110,821	766,774	1,198,902	2,076,497	1,894,221
23	162,120	914,722	1,156,825	2,233,667	1,640,947
30	87,050	668,332	633,416	1,388,798	1,201,109
April 6	252,076	418,199	238,802	909,077	1,282,059
13	161,329	249,517	370,467	781,313	2,077,165
20	219,161	412,367	800,092	1,431,620	2,787,101
27	207,384	842,269	1,030,871	2,080,524	2,345,370
May 4	242,410	2,466,426	967,734	3,676,570	1,698,662
11	99,607	2,642,496	886,154	3,628,257	1,604,632
18	106,730	1,631,845	782,769	2,521,344	1,830,615
25	193,480	876,141	801,644	1,871,265	1,863,077
June 1	259,440	1,836,108	943,180	3,038,728	1,742,150
8	278,607	2,603,675	1,366,045	4,248,327	1,842,023
15	150,669	3,226,616	1,446,841	4,824,126	2,273,216
Totals	41,911,038	152,655,107	94,248,969	288,815,114	275,541,888

Visible Supply of Canadian Wheat, June 15, 1950, Compared With
Approximately the Same Date, 1949 and 1948

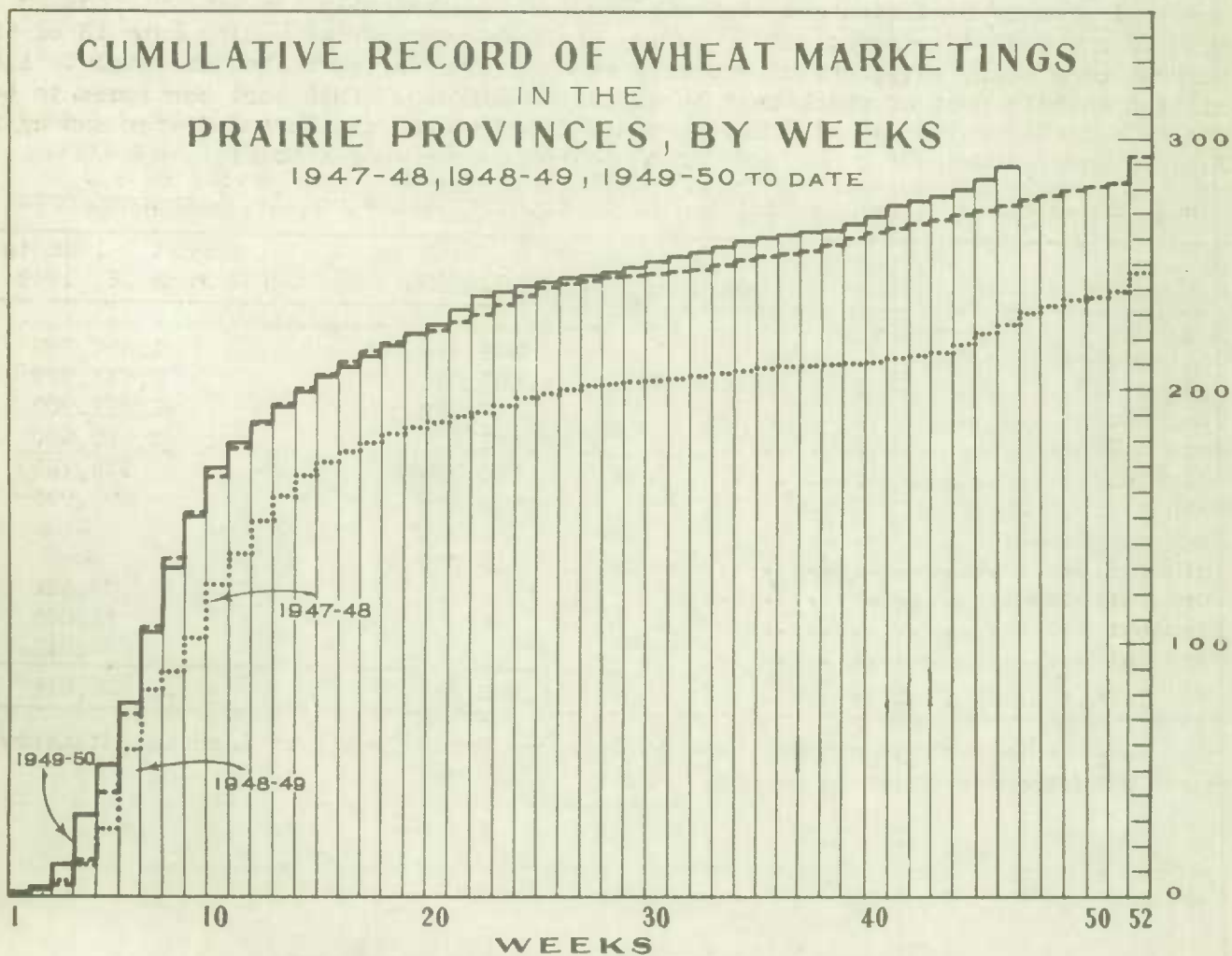
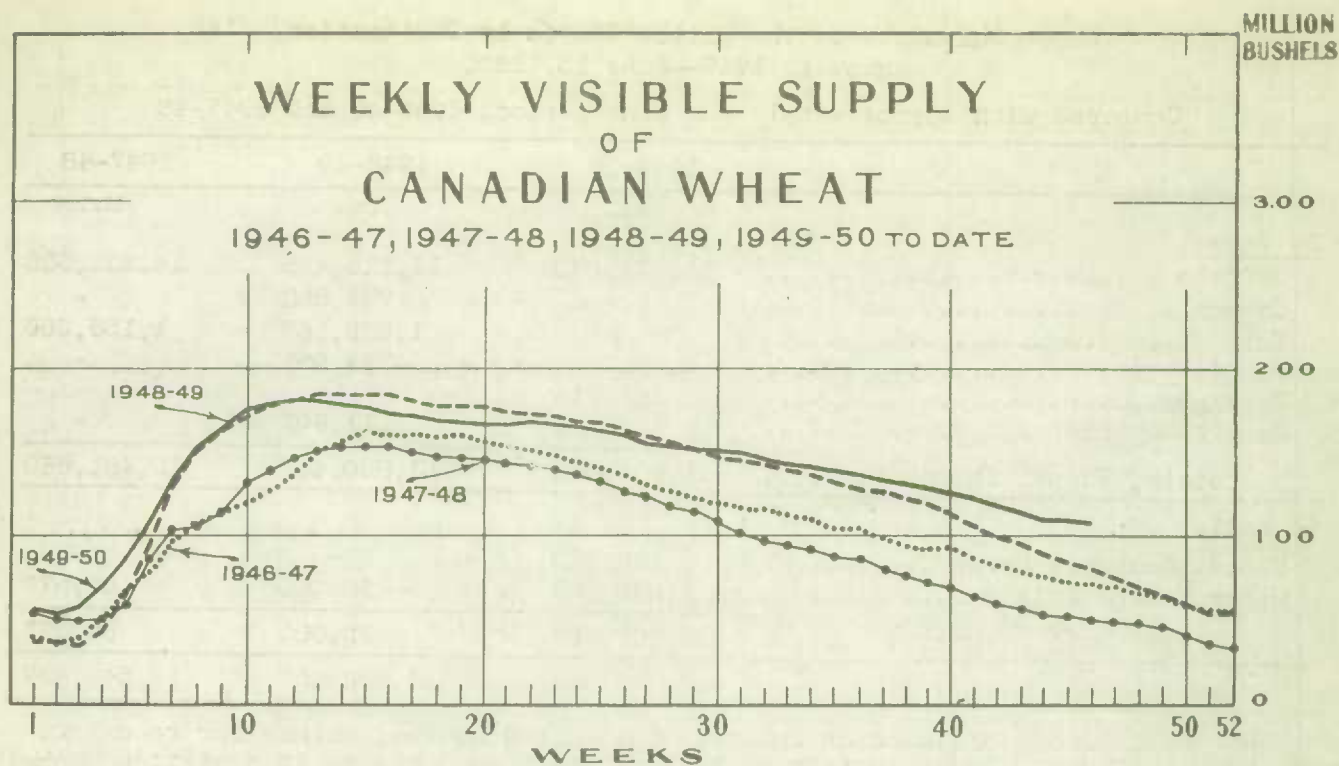
	1950	1949	1948
	- 000 bushels -		
Country Elevators - Manitoba	2,199	1,841	1,937
Saskatchewan	12,178	7,599	9,525
Alberta	14,258	9,739	6,358
Totals	28,635	19,179	17,820
Interior Private and Mill Elevators	3,664	4,127	3,017
Interior Public and Semi-Public Terminals	26	83	418
Vancouver-New Westminster	13,013	10,544	3,740
Churchill	369	125	144
Fort William and Port Arthur	17,675	7,027	6,948
In Transit Rail (Western Division)	8,355	4,636	6,027
Eastern Elevators Lake Ports	16,251	16,671	3,777
St. Lawrence and Seaboard Ports	10,967	15,132	6,730
In Transit Lake	6,074	2,461	1,214
In Transit Rail (Eastern Division)	1,088	770	218
United States Ports	-	126	60
In Transit U.S.A.	4	-	-
Totals	106,121	80,881	50,113

The visible supply of Canadian wheat in all commercial positions at mid-night June 15, 1950 amounted to 106.1 million bushels compared with 80.9 million and 50.1 million on approximately the same date in 1949 and 1948 respectively.

During the four-week period ending June 15 of the current crop year, stocks at country elevators were lower by 5.7 million bushels, and stocks at lake-head terminals decreased by 21.6 million. Stocks at Eastern Elevators-Lake Ports, and at St. Lawrence and Seaboard Ports increased during the same period by 9.9 million and 5.6 million bushels respectively, indicative of a fair movement to forward positions.

Grading of Wheat Inspected. August 1, 1949 to May 31, 1950 and 1948-49

	Inspections			
	August 1, 1949 to May 31, 1950		August 1, 1948 to May 31, 1949	
	Cars	Per Cent	Cars	Per Cent
1 Manitoba Northern	25,946	16.8	45,894	30.4
2 Manitoba Northern	86,515	56.0	61,501	40.8
3 Manitoba Northern	18,076	11.7	13,854	9.2
4 Manitoba Northern	4,781	3.1	2,940	2.0
Garnet	2,732	1.8	1,932	1.3
Amber Durum	5,308	3.4	8,083	5.4
Alberta Winter	964	0.6	1,462	1.0
Tough - All Varieties and Grades.	4,003	2.6	9,119	6.0
All Others	6,184	4.0	5,920	3.9
Totals	154,509	100.0	150,705	100.0



(Data in both charts for crop years beginning August 1)

Wheat Shipments to the United States by Destination,
August 1, 1949—June 15, 1950

Compared with Approximately the same period, 1948-49 and 1947-48

	1949-50	1948-49	1947-48
	bu.	bu.	bu.
<u>By Vessel</u>			
Buffalo	10,976,835	11,110,435	14,326,600
Oswego	-	737,500	-
Erie	-	1,575,567	1,155,260
Toledo	-	325,053	-
Chicago	192,766	-	-
Duluth-Superior	-	111,902	-
Totals, Vessel Shipments	11,169,601	13,860,457	15,481,860
<u>By Rail</u>			
U.S.A. Seaboard Ports	118,970	-	-
Other U.S.A. Points	1,048,823	92,000	60,577
Totals, Rail Shipments	1,167,793	92,000	60,577
Grand Totals	12,337,394	13,952,457	15,542,437

Shipments of Canadian wheat to the United States, either for re-export or retention, from August 1, 1949 to June 15, 1950 amounted to 12.3 million bushels, compared with 14.0 million and 15.5 million for approximately the same periods in 1948-49 and 1947-48 respectively. During the four-week period ending June 15 of the current crop year, shipments of Canadian wheat to the United States amounted to 1.6 million bushels most of which went by vessel to Buffalo. This port continues to be the principal destination of Canadian wheat shipments to the United States and up to June 15 had received 89.0 per cent of the current crop year's total

Rail Shipments of Wheat to Maritime Ports from Bay, Lake and St. Lawrence Ports

	August 1, 1949 to June 15, 1950	August 1 1948 to June 16, 1949
	- bushels -	
Collingwood	588,474	1,357,387
Midland	6,667,044	5,443,777
Owen Sound	1,147,892	1,911,907
Port McNicoll	6,526,707	2,695,480
Goderich	208,343	379,769
Sarnia	1,084,665	996,095
Humberstone	232,900	-
Walkerville ..	13,329	-
Port Colborne	-	27,426
Prescott	-	11,066
Montreal	-	3,911
Totals	16,469,354	12,826,818

No rail shipments of wheat to Maritime Ports from Bay, Lake and St. Lawrence ports have been reported in recent weeks.

Lake Shipments of Canadian Grain from the Opening of Navigation to June 15, 1950
and to Approximately the Same Date, 1939 to 1949

	Wheat	Oats	Barley	Rye	Flaxseed	Totals
	- bushels -					
1939	37,585,748	4,352,909	3,674,644	278,017	-	45,891,318
1940	66,814,335	6,775,052	2,217,956	1,203,009	181,190	77,191,542
1941	90,046,397	3,528,560	1,929,756	1,978,334	339,182	97,822,229
1942	75,842,629	872,523	1,101,302	580,610	211,921	78,608,985
1943	56,442,648	13,596,530	13,542,112	1,158,229	662,680	85,402,199
1944	85,203,594	26,812,244	15,106,818	4,787,442	3,582,858	135,492,956
1945	95,235,339	30,937,356	16,480,474	2,226,000	1,464,008	146,343,177
1946	32,976,423	21,420,432	6,803,888	517,568	417,925	62,136,236
1947	45,592,526	13,592,310	6,256,213	1,526,983	-	66,968,032
1948	29,080,665	5,171,897	5,366,438	301,929	2,511,282	42,432,211
1949	61,206,778	7,289,912	8,662,518	4,500,555	3,922,543	85,582,306
1950	51,635,700	5,126,991	7,306,004	1,319,695	140,262	65,528,652

Lake shipments of the five major grains from Fort William-Port Arthur from the opening of navigation to June 15, 1950 were 65.5 million bushels. Shipments of wheat accounted for 51.6 million bushels, approximately 79 per cent of the total. Flaxseed shipments of 140,262 bushels, with the exception of 1939 and 1947, were the smallest of any comparable period during the preceding eleven years. Shipments of oats, barley and rye were 5.1, 7.3 and 1.3 million bushels respectively.

Weather Summary for the Prairie Provinces - The following report on weather conditions in the Prairie Provinces was issued on June 26 by the Meteorological Division, Department of Transport:

"Widespread rains fell over the southern and central sections of the grain area of the Prairie Provinces during the week ending Monday morning, June 26th. The weather was unsettled during most of the week, with temperatures below the normal for late June over a large portion of the grain area.

Mean temperatures for the week as a whole were three to six degrees below the normal in Manitoba. In west-central Saskatchewan temperatures were practically normal, but elsewhere in that province there were deficiencies of one to five degrees. In Alberta there were deficiencies of two to four degrees in the south, but throughout the remainder of the agricultural area of the province there were excesses of one to four degrees.

Heavy rains fell during the week over the grain area of central and south-eastern Alberta and all of Saskatchewan except the extreme northeastern section of the province. There were heavy rains over the week-end in southern and central Manitoba. On the other hand, only light showers fell in the southwestern corner of Alberta and in the northwestern section of the grain area of that province.

For the period since April 1st, mean temperatures have been below normal over the greater part of the grain area. In Manitoba temperatures have been three to six degrees below normal, and in Saskatchewan there have been deficiencies of one to five degrees ~~everywhere~~ except in crop district 7, where a small excess has occurred. There have also been deficiencies of one to four degrees in southern Alberta, but elsewhere in the province temperatures have ranged from one degree below normal to one degree above normal.

Since April 1st the total precipitation has been above normal over the grain area of Manitoba, with excesses ranging from 15 to 70 per cent. In Saskatchewan there have been small to moderate excesses in southeastern, southcentral, and extreme northern sections of the grain area, but throughout the southwestern and central section of the province deficiencies range to 50 per cent. In Alberta the heavy rains of the past week have reduced the accumulated deficit in the southeastern and central sections of the province, but there are still deficiencies of 25 to 65 per cent generally, except in the far north where precipitation has been near normal."

Rail Shipments from Fort William-Port Arthur - Details of monthly rail shipments of wheat from the Lakehead for the current and preceding three crop years and the distribution of the May 1950 shipments are set forth in the tables below:

Monthly Rail Shipments of Wheat from the Lakehead, 1946-47 to 1949-50

	1946-47	1947-48	1948-49	1949-50
	- bushels -			
August	187,825	90,574	51,283	158,893
September	175,773	91,366	30,017	131,712
October	255,754	131,290	46,274	122,481
November	256,249	100,563	138,600	92,334
December	1,601,883	691,223	1,740,405	342,946
January	2,462,002	3,149,421	3,794,391	277,502
February	1,816,087	1,851,773	3,720,733	240,087
March	1,711,013	3,423,684	1,511,072	423,774
April	566,006	371,950	659,467	2,305,727
May	361,386	154,551	884,171	124,533
June	241,475	81,133	330,348	
July	123,145	231,414	469,797	
Totals	9,758,598	10,368,942	13,376,558	

Distribution of Rail Shipments of Wheat from the Lakehead
by Provinces and Grades, May 1950

	New Brunswick	Quebec	Ontario	U.S.A.
	- bushels -			
1 Northern	-	-	2,200	-
2 Northern	-	1,500	29,000	-
No. 5	167	6,584	4,333	-
No. 6	-	1,333	-	1,500
Feed	-	-	167	-
Tough No. 5	-	1,333	333	-
Tough No. 6	-	3,108	2,782	-
1 C.W. Amber Durum	-	-	16,588	-
2 C.W. Amber Durum	-	-	6,000	-
3 C.W. Amber Durum	-	3,000	-	-
Smutty No. 5	-	-	2,753	-
Smutty Rej. No. 3 Nor. Mxd. Htd..	-	1,384	-	-
Sple. Red Spring Htd.	-	-	1,638	-
Tough Sple. Red Spring Heated ...	-	2,994	16,311	-
1 C.W. Soft White Spring	-	-	13,374	-
2 C.W. Soft White Spring	-	-	6,151	-
Totals	167	21,236	101,630	1,500
Grand Total	124,533			

Freight Assistance Shipments - Wheat shipments from the Prairie Provinces to Eastern Canada and British Columbia under the Freight Assistance Plan during the August-April period of the current crop year amounted to 6.5 million bushels. This preliminary total, based on claims filed for payment up to May 31, is subject to upward revision as additional claims are filed. It is evident, however, that current crop year shipments for nearly all provinces are considerably below those of 1948-49.

Provincial Distribution of Freight-Assisted Wheat Shipments
1949-50 and 1948-49

1949-50	New- found- land	Prince Edward Island	Nova Scotia	New Bruns- wick	Quebec	Ontario	British Columbia	Total
- 000 bushels -								
August	2	25	28	27	372	244	241	939
September ...	2	13	24	18	402	257	220	936
October	2	7	31	23	348	273	219	903
November	2	10	23	18	342	265	200	860
December	1	11	21	16	216	232	210	707
January	1	5	17	16	172	168	186	565
February	1	7	20	12	168	176	169	553
March	1	10	19	16	237	244	111	638
April	-	6	18	11	160	187	52	434
Totals ..	12	94	201	157	2,417	2,046	1,608	6,535
Same Period 1948-49	3 <u>1/</u>	91	280	203	2,413	2,885	2,029	7,904

1/ Month of April 1949 only.

Claims filed for payment under the Freight Assistance Plan indicate millfeed shipments for the first nine months of 1949-50 amounted to 423,455 tons. Shipments to all provinces, except Prince Edward Island, for the current year are down from the level established during the comparable period in 1948-49. As with freight assisted wheat shipments, the current crop year's millfeed shipments are subject to **revision** as additional claims are filed for payment.

Provincial Distribution of Freight-Assisted Millfeed Shipments
1949-50 and 1948-49

	August 1, 1949 to April 30, 1950	August 1, 1948 to April 30, 1949
- tons -		
Newfoundland	1,732	315 <u>1/</u>
Prince Edward Island	8,264	7,499
Nova Scotia	32,468	35,194
New Brunswick	27,477	29,617
Quebec	190,949	192,074
Ontario	130,200	149,939
British Columbia	32,365	41,537
Totals	423,455	456,175

1/ Month of April 1949 only:

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

	Overseas Clearances of Canadian Wheat	U.S. Imports 1/ of Canadian Wheat for Consumption and Grinding in Bond	Customs 2/ Exports of Canadian Wheat Flour	Total	Customs 3/ Exports of Wheat and Wheat Flour
- 000 bushels -					
<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
Totals	133,372	133	61,477	194,982	199,475
<u>1948-49</u>					
August	9,111	1	4,244	13,356	13,829
September	10,555	3	3,671	14,229	11,942
October	11,566	1	6,509	18,076	21,913
November	15,604	6	5,455	21,065	20,792
December	12,744	8	3,803	16,555	18,205
January	14,431	22	3,756	18,209	18,342
February	12,053	43	3,082	15,178	14,214
March	13,806	206	3,612	17,624	13,707
April	13,769	869	3,368	18,006	20,303
May	22,483	1,381	3,780	27,644	26,683
June	23,297	1,899	3,225	28,421	24,850
July	19,561	816	3,589	23,966	23,422
Totals	178,980	5,255	48,094	232,329	228,202
<u>1949-50 4/</u>					
August	16,639	62	3,898	20,599	24,013
September	14,947	881	3,771	19,599	18,294
October	18,420	1,675	3,240	23,335	21,903
November	20,680	2,019	4,410	27,109	27,292
December	9,751	867	3,798	14,416	21,002
January	10,608	411	3,279	14,298	15,102
February	7,419	495	3,551	11,465	11,216
March	10,232	964	3,623	14,819	13,607
April	8,460	515	3,294	12,269	12,628
May	18,103	4,223	5,232	27,558	23,993
Totals	135,259	12,112	38,096	185,467	189,050

1/ U.S.A. official figures for 1947-48 and 1948-49. Later months compiled by Board of Grain Commissioners from returns of Canadian elevator licensees and advice from American grain correspondents.

2/ Exports for Crop Years 1947-48, 1948-49 and August 1, 1949 to February 28, 1950 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 the External Trade Division, D.B.S.

4/ Subject to revision.

Exports of Canadian Wheat and Wheat Flour
August 1, 1949 to May 31, 1950

	APRIL		MAY		AUGUST—May	
	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/3/	Wheat 2/
	- bushels -		- bushels -		- bushels -	
<u>COMMONWEALTH COUNTRIES</u>						
United Kingdom	1,286,793	5,264,742	1,945,831	12,292,233	16,242,245	91,633,279
Ireland	-	-	-	828,800	-	3,003,467
<u>Africa</u>						
Union of S. Africa	-	1,254,687	-	1,430,067	1,030	4,521,204
<u>Br. West Africa</u>						
Gambia	-	-	-	-	3,672	-
Gold Coast	14,886	-	13,725	-	201,451	-
Nigeria	1,148	-	873	-	7,177	-
Sierra Leone	5,922	-	12,973	-	69,255	-
<u>Asia</u>						
British Malaya	406,215	-	1,800	-	1,004,049	-
Ceylon	116,591	-	1,503,184	-	2,108,358	-
Hong Kong	65,650	-	90,095	-	1,390,555	-
India	-	-	193	-	193	-
<u>Europe</u>						
Gibraltar	-	-	5,922	-	55,094	-
Malta	-	-	-	168,000	-	1,351,167
<u>North America</u>						
Bahamas	13,567	-	15,975	-	196,325	-
Barbados	48,037	-	74,646	-	447,669	366
Jamaica	48,681	-	101,948	-	1,192,078	-
Trinidad-Tobago	198,239	-	170,275	-	1,992,888	-
Leeward-Windward Is.	98,294	-	85,217	-	723,390	-
Bermuda	11,898	-	13,797	-	99,725	-
British Honduras	5,467	-	3,636	-	35,410	-
<u>South America</u>						
British Guiana	84,852	-	11,759	-	867,276	-
<u>Totals, Common-wealth Countries</u>						
	2,406,240	6,519,429	4,051,849	14,719,100	26,637,840	100,509,983

Exports of Canadian Wheat and Wheat Flour - continued

	APRIL		MAY		AUGUST - MAY	
	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/3/	Wheat 2/
	- bushels -		- bushels -		- bushels -	
<u>FOREIGN COUNTRIES</u>						
<u>Africa</u>						
Azores and Madeira	-	-	4,747	-	19,530	-
Belgian Congo	13,518	-	10,526	-	90,712	-
Canary Islands	-	-	-	-	8,141	-
Egypt	-	-	-	-	-	1,041,600
Liberia	544	-	342	-	6,916	-
Madagascar	-	-	-	-	17,824	-
Morocco	17,681	-	36,400	-	386,680	213,124
Portuguese Africa	230	-	1,575	-	243,347	-
Spanish Africa	-	-	-	-	48,024	-
Tripoli	-	-	-	3,500	-	115,500
<u>Asia</u>						
Arabia	-	-	-	-	143,965	91,768
China	25,713	-	30,024	-	110,831	-
Indonesia	-	-	-	-	14,706	-
Iran	-	-	16,056	-	25,708	4,274,108
Israel	-	-	-	-	1,566	3,145,209
Japan	7,344	350,933	4,635	1,351,331	27,125*	4,146,063
Philippine Islands	208,228	-	286,857	-	3,679,407	-
Portuguese Asia	2,812	-	-	-	9,697	-
Siam	4,590	-	16,110	-	113,890	-
Turkey	-	-	-	-	-	2,114,933
<u>Europe</u>						
Belgium	-	946,268	-	870,924	18,180	7,435,196
Denmark	-	-	-	-	513	122,000
Finland	-	-	-	-	-	110,236
France	-	-	-	-	1,377	-
Germany	-	-	7,808	-	41,049	-
Greece	2,160	-	-	-	22,486	-
Italy	-	-	2,389	-	114,390	446,335
Netherlands	-	-	-	-	7,524	-
Norway	-	-	-	-	-	1,153,007
Poland	-	-	-	-	1,062	-
Portugal	4,820	-	2,983	-	39,969	-
Spain	-	-	-	-	-	1,550,138
Switzerland	-	373,334	-	730,670	5,202	6,443,455
Yugoslavia	3,681	-	2,983	-	26,739	-
<u>North America</u>						
Alaska	-	-	-	-	68	-
Costa Rica	24,970	16,667	45,720	16,666	276,291	130,000
Cuba	184,262	-	251,775	1,500	1,658,812	1,500
Dominican Republic	11,763	1,600	13,914	-	160,106	5,600
El Salvador	11,920	10,000	19,724	-	124,268	10,000
Guatemala	21,055	-	17,627	-	258,507	73,467
Haiti	21,402	-	16,056	-	196,857	-
Honduras	-	22,075	702	-	8,505	75,110

Exports of Canadian Wheat and Wheat Flour - concluded

	APRIL		MAY		AUGUST - MAY	
	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/3/	Wheat 2/
	- bushels -		- bushels -		- bushels -	
<u>FOREIGN COUNTRIES</u>						
<u>North America</u>						
Mexico	-	-	-	-	-	349,440
Nether. Antilles	18,072	-	13,478	-	179,402	-
Nicaragua	14,612	-	7,434	1,667	82,189	5,000
Panama	11,952	-	15,381	-	173,218	-
Puerto Rico	-	-	-	-	787	-
St. Pierre-Miquelon	-	-	590	-	16,394	-
Virgin Islands	-	-	2,587	-	12,046	-
<u>United States</u>	2,313	-	118,346	-	197,875	-
For grinding in bond 4/	-	434,798	-	3,810,970	-	10,865,440
For domestic consumption 4/	-	80,278	-	411,662	-	1,246,016
<u>Oceania</u>						
French Oceania	-	-	20,250	-	80,992	-
Guam	-	-	-	-	459	-
Hawaii	-	-	-	-	1,377	433
<u>South America</u>						
Bolivia	-	-	-	-	3,838	354,668
Brazil	-	1,839	-	-	-	1,839
Colombia	-	206,210	7,740	370,386	50,935	911,685
Ecuador	14,531	11,200	9,373	36,560	179,806	92,560
Peru	-	-	-	-	53,064	330,690
Surinam	20,385	-	16,119	-	160,483	-
Venezuela	239,017	-	180,095	1,000	2,355,993	4,500
<u>Totals, Foreign Countries</u>	887,575	2,455,202	1,180,346	7,606,836	11,458,832*	46,860,620
<u>Grand Totals, Exported</u>	3,293,815	8,974,631	5,232,195	22,325,936	38,096,672*	147,370,603

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

2/ Overseas clearances as reported by the Statistics Branch of the Board of Grain Commissioners. Subject to revision.

3/ Exports from August 1, 1949 to February 28, 1950 revised to remove effect of time lag in the returns made by the Customs.

4/ Compiled from returns of Canadian elevator licensees and advice from American grain correspondents.

*Deduct from Japan 2,295 bushels for the month of March

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

		Weeks ending			
		June 3	June 10	June 17	June 24
(A)	CANADIAN WHEAT BOARD CASH PRICES	- cents and eighths per bushel -			
	WHEAT				
(1)	Initial Payment to Producers Compulsory Pool 1949-50				
	1 Hard	175	175	175	175
	1 Northern	175	175	175	175
	2 Northern	172	172	172	172
	3 Northern	170	170	170	170
	4 Northern	165	165	165	165
	Number 5	155	155	155	155
	Number 6	151	151	151	151
	Feed	149	149	149	149
(2)	Class I (Domestic Sales) 1/				
	1 Hard	206	206	206	206
	1 Northern	206	206	206	206
	2 Northern	203	203	203	203
	3 Northern	201	201	201	201
	4 Northern	198	198	198	198
	Number 5	186	186	186	186
	Number 6	182	182	182	182
	Feed	180	180	180	180
	1 C.W. Garnet	201	201	201	201
	2 C.W. Garnet	199	199	199	199
	3 C.W. Garnet	197	197	197	197
	1 Alta. Red Winter	206	206	206	206
	2 Alberta Winter	205	205	205	205
	3 Alberta Winter	202	202	202	202
	1 C.W. Amber Durum	206	206	206	206
	2 C.W. Amber Durum	203	203	203	203
	3 C.W. Amber Durum	201	201	201	201
(3)	Class II (Export Sales)				
	(A) United Kingdom Contract 2/				
	1 Hard	206	206	206	206
	1 Northern	206	206	206	206
	2 Northern	203	203	203	203
	3 Northern	201	201	201	201
	(B) To International Wheat Agreement Countries 3/				
	1 Northern	198	198	198	198
	2 Northern	195	195	195	195
	3 Northern	193	193	193	193
	(C) To All Other Countries				
	1 Hard	209/5	206/2	206	205/1
	1 Northern	209/5	206/2	206	205/1
	2 Northern	206/5	203/2	203	202/1
	3 Northern	204/5	201/2	201	200/1
	1 C.W. Amber Durum	209/5	206/2	206	205/1
	2 C.W. Amber Durum	206/5	203/2	203	202/1
	3 C.W. Amber Durum	204/5	201/2	201	200/1

- 1/ Covers sales for seed and feed or to mills and includes 6 cents per bushel carrying charges. Sales prices to distillers at the discretion of the Board.
2/ Includes 6 cents per bushel carrying charges.
3/ Five cents per bushel carrying charge discontinued effective December 14, 1949.

THE CANADIAN FLOUR MILLING SITUATION

Production and Exports - Canadian flour production during May amounted to 1,694,752 barrels, compared with 1,628,351 barrels in the preceding month and 1,581,757 barrels in May 1949. Mills reporting May operations had a total milling capacity of 97,985 barrels per 24-hour day, and over a 26-day working period in the month 66.5 per cent of this was effective. Total production for the first ten months of the present crop year ending with May amounted to 17,375,299 barrels, slightly above that of the same ten months of 1948-49 when 17,227,448 barrels were produced.

According to Customs returns, exports of Canadian flour in May amounted to 1,162,710 barrels, well above the 731,959 barrels exported in the preceding month and the 839,962 barrels exported during the same month in the previous year. Total exports for the first ten months of 1949-50 were 8.5 million barrels, a decrease of about 8 per cent from the 9.2 million barrels shipped during the same period in 1948-49.

Production and Exports of Wheat Flour, Canada 1938-39 to 1949-50

Crop Year	Production	Exports ^{1/}
- barrels of 196 pounds -		
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	14,470,177
1946-47	28,588,456	16,896,233
1947-48	24,159,696	13,661,573
1948-49	20,329,529	10,687,561
1949-50		
August	1,750,000	866,199
September	1,857,154	838,052
October	1,858,774	719,950
November	1,950,539	979,998
December	1,628,443	843,990
January	1,550,336	728,751
February	1,606,229	789,143
March	1,850,721	805,175
April	1,628,351	731,959
May	1,694,752	1,162,710
Totals	17,375,299	8,465,927
Same Period 1948-49	17,227,448	9,173,349

^{1/} Based on Customs returns. Exports for the crop years 1945-46 to 1948-49, and from August 1, 1949 to February 28, 1950 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

Supply Situation -

With carryover stocks at July 1, 1949 of 307 million, a 1949 outturn of 1,146 million and probable imports of one million bushels, United States supplies of wheat for 1949-50 amount to some 1,454 million bushels. Domestic requirements for the crop year have been placed at about 697 million bushels leaving some 757 million for export and carryover at the end of the crop year. According to the May-June "Wheat Situation" (published by the United States Department of Agriculture) exports for the crop year including shipments to United States territories will be somewhat over 300 million bushels. This would leave a carryover on July 1, 1950 of some 450 million bushels as against 307 million on July 1, 1949.

United States Wheat Supplies

(Estimates rounded to nearest million bushels)

	1949-50	1948-49
	- million bushels -	
Carryover at July 1	307	196
New Crop	1,146	1,314
Estimated Imports for Crop Year	1	1
Total Estimated Supplies	1,454	1,511
Less Estimated Domestic Requirements	697	700
Available for Export and Carryover	757	811
Deduct:		
Exports of Wheat as Grain July 1-May 31	248	345
Exports of Flour and Wheat By-products July 1-May 31	39	121
Total Exports Wheat and Wheat Products	287	466
Balance on June 1 for export and carryover	470	345

According to the Production and Marketing Administration of the United States Department of Agriculture exports of wheat and wheat products for the period July 1 to May 31 amounted to 287 million bushels, leaving a balance on June 1 for export and carryover of 470 million bushels.

Wheat Crop In Prospect Smallest Since 1943 -

According to the Crop Reporting Board of the United States Department of Agriculture "The 1950 wheat crop will be the first crop in seven years to fall short of a billion bushels, according to crop conditions on June 1. This year's production of all wheat (combined fall and spring sown crops) is estimated at 944,514,000 bushels, about 18 per cent less than the 1,146,463,000 bushels produced in 1949, and 8 per cent below the 10-year average production of 1,031,312,000 bushels. A shift in the general weather pattern in May slightly improved winter wheat crop prospects compared with a month ago. Seeding of spring wheat in the extreme northern plains States has been unusually late this season, and growth of this crop is generally two to three weeks behind what is considered normal development for June 1.

Prospective production of winter wheat on June 1 is 710,156,000 bushels, nearly 21 million bushels more than estimated a month ago. Weather conditions have varied across the country, favouring the crop in some sections but causing further deterioration from earlier prospects in other localities. More timely rainfall received during May and more favourable temperatures extending from central Kansas eastward to the Atlantic seaboard were generally beneficial to crop growth and development.

However, continued dry, windy weather from southwestern Kansas westward over many mountain States has retarded plant development and caused some further deterioration in prospects in this area. Harvest of early fields started in the southernmost areas of the Great Plains Wheat belt about the middle of May. Development of the crop varies from mature over most of the southern areas to the early boot stage near the Canadian border.

The estimated production of winter wheat is 21 per cent, or about 192 million bushels smaller than the crop last year. The yield per harvested acre for the United States is estimated at 16.4 bushels, about the same as last year but 1.1 bushels below the 10-year average of 17.5 bushels. The lower production as compared with last year is attributed primarily to a smaller acreage planted and an extensive loss of acreage due to adverse weather conditions and insect pests during the past winter and spring months. The acreage remaining for harvest is approximately 22 per cent below the record 55.5 million acres of winter wheat harvested in 1949. Plant growth earlier in the season was retarded by unfavourable weather over a major portion of the country. In some sections grain is forming on relatively short straw.

Harvesting in Oklahoma started the last week of May. Rains in southern areas have delayed early harvest operations. Additional moisture has improved filling of heads and fairly high test weights are expected. In Kansas, May rains were beneficial to the wheat crop throughout the eastern two-thirds of the State. However, the dry southwestern area had about half normal rainfall for the month. Wheat is heading on short straw and generally stands are thin due to earlier drought conditions. Early varieties were in the hard dough stage on June 1 in southern counties with combine harvest expected to start about June 15.

Although the final outturn of wheat in western Nebraska depends somewhat on June weather conditions, prospects for the State as a whole continue very favourable. Rains throughout May in the eastern three-fourths of the State caused a marked improvement in the area. Harvest should start in the earlier areas about the last of June.

All areas in Texas off the High Plains have had generous supplies of moisture causing heads to fill well. Early harvests are reported turning out better than had been anticipated. Prospects deteriorated somewhat in Colorado, due mainly to continued dry weather in the Southeastern quarter of the State.

Production of spring wheat is indicated at 234,358,000 bushels, the smallest since the 1940 crop of 221,837,000 bushels. This production would be 4 per cent smaller than the 1949 crop of 244,795,000 bushels and 14 per cent smaller than the 10-year average of 272,491,000 bushels. Seeding this year was two weeks to a month later than usual in the spring wheat area. In the important producing area of Montana, North Dakota, South Dakota, the Minnesota, late rains, snow, and floodwater kept farmers out of fields until late in the season. Latest plantings were in the Red River Valley area of North Dakota where little seeding was possible until late in May. In Minnesota and South Dakota seeding was virtually completed by about May 20, except for localized areas in the extreme northern sections. In general, it now appears that the total acreage seeded to spring wheat may be slightly smaller than intended in March. Late in May, seeding was slowed down in some sections as the planting date became dangerously late. Although growth is somewhat behind usual for June 1, the crop in the North Central States is in fairly good condition and in some sections appears to be catching up fairly well.

Durum wheat production is indicated at 26,614,000 bushels, compared with the 1949 crop of 38,864,000 bushels last year and the 1939-48 average of 36,753,000 bushels. Seeding generally was late and the crop is off to a slow start. Growers in North Dakota were not able to seed as much acreage as intended earlier. Some acreage was still being seeded in early June.

Total production of other spring wheat is forecast at 207,744,000 bushels, compared with the 1949 total of 205,931,000 bushels and the 10-year average of 235,738,000 bushels."

Supply Outlook for 1950-51 - The 'Wheat Situation' places total domestic wheat supplies for 1950-51 at 1,395 million bushels, consisting of a carryover at July 1, 1950 of about 450 million bushels and a 1950 crop estimated at 945 million bushels. A supply of this size would be 4 per cent less than a year earlier. ...

Domestic disappearance from 1950-51 supplies may total about 700 million bushels. If exports should total 250 million bushels, total disappearance would be 950 million bushels, or about equal to the indicated crop. Accordingly, the carryover July 1, 1951 would be about the same as the 450 million bushels estimated for July 1, 1950, and a further increase in carryovers, which have been mounting since 1947, would have been checked. The carryovers in 1932-41 averaged 235 million bushels, and the all-time high reached in 1942 was 631 million bushels.

Chicago and Minneapolis Cash Wheat - Activity on the cash wheat market at Chicago has been slow for the past few weeks. Movement of wheat to the spot market was light with many of the few arrivals the property of the C.C.C. or being applied to previous contracts.

On the Minneapolis spot market cash wheat prices for No. 1 Dark Northern declined from the June 1 level of \$2.33--\$2.36 to \$2.26 5/8--\$2.30 5/8 on June 15. Some recovery was made during the next few days but at June 23 the market stood at \$2.26 1/4--\$2.27 1/4.

Daily Cash Wheat Prices on the Chicago and Minneapolis Markets

1950		Chicago		Minneapolis	
		Grade	Price	Grade	Price
May	27	2 Hard	223 1/2	1 Dark Northern	231 1/2 - 234 1/2
	29	4 Red	217 1/2	1 Dark Northern	230 3/4 - 233 3/4
	30	Memorial Day			
	31	None		1 Dark Northern	231 7/8 - 234 7/8
June	1	None		1 Dark Northern	233 - 236
	2	4 Red	209	1 Dark Northern	231 3/4 - 234 3/4
	3	None		1 Dark Northern	231 3/8 - 234 3/8
	5	None		1 Dark Northern	229 7/8 - 232 7/8
	6	None		1 Dark Northern	230 1/4 - 233 1/4
	7	2 Hard	219 1/4	1 Dark Northern	230 7/8 - 233 7/8
	8	None		1 Dark Northern	231 7/8 - 234 7/8
	9	None		1 Dark Northern	231 3/8 - 234 3/8
	10	3 Yellow Hard	215 1/2	1 Dark Northern	230 1/4 - 234 1/4
	12	2 Red	215 3/4	1 Dark Northern	228 1/4 - 232 1/4
	13	None		1 Dark Northern	228 5/8 - 232 5/8
	14	2 Red	215 1/2	1 Dark Northern	227 1/2 - 231 1/2
	15	None		1 Dark Northern	226 5/8 - 230 5/8
	16	None		1 Dark Northern	228 1/2 - 232 1/2
	17	None		1 Dark Northern	229 7/8 - 233 7/8
	19	None		1 Dark Northern	228 7/8 - 231 7/8
	20	None		1 Dark Northern	229 - 232
	21	3 Red	215 1/8	1 Dark Northern	227 5/8 - 229 5/8
	22	None		1 Dark Northern	226 1/8 - 227 1/8
	23	None		1 Dark Northern	226 1/4 - 227 1/4

Chicago Wheat Futures - During the period May 29—June 24 all wheat futures at Chicago registered some decline in price. A more optimistic forecast of the probable winter wheat harvest, combined with poor foreign demand and favourable weather conditions in the wheat-growing regions reacted to depress the futures approximately eight cents by June 15, from their May 31 level. Some recovery in price was made subsequently as farmers have tended to hold their wheat for the loan rather than market at a price which appears to be somewhat under the probable support level.

Chicago Wheat Futures, High Points of Closing

1950	July	September	December	March	May
- cents and eighths per bushel -					
May 29	215/4	216/5	219/3	219/2	
30	Memorial Day				
31	217	218/2	221	221/1	
June 1	216/4	217/6	220/3	220/3	
2	214/6	216/1	218/5	219/2	
3	214/7	216	218/6	219/1	
5	213/4	214/2	217	217/2	
6	213/5	214/2	217/2	217/4	
7	212/4	213/6	216/5	217/1	
8	213	214/3	217/1	217/6	
9	213/2	214/3	217/2	218	
10	211/7	213/1	216/3	217/2	
12	210/7	211/7	214/5	215/3	
13	211	212/5	215	216	
14	210	211/3	214/2	215/2	
15	209	210/2	213	213/4	210/3
16	211	212/1	214/6	215/3	213/2
17	211/5	212/5	215/4	215/5	213/4
19	211/3	212/5	215/4	215/6	212/6
20	213/4	214/7	217/6	218/2	215/4
21	213/5	215/3	218/1	218/7	215/5
22	212/4	214/1	217/1	218	215/1
23	212/2	214/1	216/6	217/5	214/5
24	212	214	216/6	217/6	214/4

THE ARGENTINE WHEAT SITUATION

Supply Position - While no official estimates are being issued currently by the Argentine Government, the March-April issue of 'The Wheat Situation' published by the United States Department of Agriculture contained an estimate of the production and disposition of the Argentine wheat crop. The data are presumably the latest available and have been used (with the exception of exports for which a current figure has just come to hand) in the following table.

Argentine Wheat Supplies (Estimates rounded to nearest million bushels)

	1949-50	1948-49
	- million bushels -	
Carryover at December 1	50	75
New Crop	210	190
Total Estimated Supplies	260	265
Less Estimated domestic requirements	135	147
Available for export and carryover	125	118
Deduct:		
Exports of wheat as grain Dec. 1, 1949—May 31, 1950	56	39
Exports of wheat flour in terms of wheat		
December 1, 1949--May 31, 1950	1/	1/
Total Exports Wheat and Wheat Flour	56	39
Balance on June 1 for export and carryover	69	79

1/ Less than 100,000 bushels.

With an estimated carryover of 50 million bushels at December 1, 1949 and a new crop of some 210 million bushels, Argentina's supply of wheat for the current crop year is placed at 260 million bushels. With probable domestic disappearance estimated at 135 million bushels, the amount remaining for export during the crop year and carryover stands at 125 million bushels. Wheat exported as grain during the period December 1, 1949 to May 31, 1950 amounted to about 56 million bushels, some 17 million greater than for the same period a year ago. Exports of wheat flour were negligible in this period in both crop years. The estimated balance remaining on June 1, 1950 for export and carryover amounts to 69 million bushels as against 79 million at the same time last year.

The following review of the grain situation in the Argentine has been extracted from a report forwarded June 16, 1950 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 for the convenience of readers. (Pesos converted to dollars at the nominal quotation by the Bank of Canada, June 17, 1950 at 1 peso equals \$.3275).

Weather and Crops - Over the past month rainfall has been persistent and during May was the heaviest for that month in five years. The principal grain zones now have a good supply of soil moisture but, although there has been rain in the

west of the Province of Buenos Aires and the Territory of La Pampa, it was not sufficient to build up any appreciable degree of reserve. The rain fell evenly and extended over long periods so the water has been able to soak into the soil. In some districts, particularly in the Province of Entre Rios, there has been too much rain, which held up the harvest of corn and sunflower and retarded seeding of other grains. There were light frosts in some areas but, on the whole, temperatures have been above normal. As a result of the rains and higher temperatures, pastures are generally in good condition in all zones, thus improving the grazing outlook for the next few months. Fields of barley, oats and rye, sown primarily for winter pastures have developed satisfactorily and if the natural pastures continue in good condition, more of these fields will be harvested.

Reports from the west of the Province of Buenos Aires and Territory of La Pampa, which has suffered from drought conditions for the past two years, state that the recent rains have changed the agricultural outlook and that soil moisture is adequate for seeding wheat. As grain crops were a virtual failure in this area last year, propitious weather for the rest of the year can make an important contribution towards increasing overall production.

The government continues to press their campaign for increased grain acreages this season. Radio broadcasts carry spot announcements daily asking farmers to sow more and reminding them that for the first time in the history of Argentina the fixed prices for these crops were announced well in advance of sowing. The Minister of Agriculture and other officials of the department have visited rural areas and addressed groups, stressing the government's policy. As this program is backed by increased prices, it is expected that there will be an increase in the area seeded this season. While it is too early to forecast what the wheat acreage will be, seeding is proceeding actively and the trade are of the opinion that the seeded area will be at least 6 million (14.8 million acres) or even 6.5 million hectares (16.1 million acres) as compared with last year's 5.6 million (13.8 million acres) and the official goal of 7 million (17.3 million acres). Factors mitigating against the acreage increase to the extent envisaged by the government are that, first, much marginal land has been abandoned as a result of the low price policy followed in the past and, secondly, the lack of farm implements. Comments on the new grain prices, particularly wheat, are to the effect that the producer will make a profit only if expenses do not increase materially over last year and if the yields are good. Labour is still short in the rural areas and much new agricultural machinery is required.

No announcement has yet been made on the official prices for feed grains of the next harvest. Rye growers have expressed particular concern over this fact inasmuch as rye production is centered largely in the drought stricken area to the west. Rye production has always varied considerably due to its being grown on marginal land but in the past two years has averaged only 200,000 metric tons (7.9 million bushels) as compared with over 500,000 (19.7 million bushels) in 1947-48. The Federation of Rural Societies of Buenos Aires and La Pampa, representing growers in that area, have requested the National Economic Council that prices for the next crop be established shortly. They point out that, apart from economic difficulties resulting from short crops, the cost of new agricultural machinery at the present rate of exchange is exorbitant; a combine which cost 14,000 pesos (\$4,585) in 1937 and 30,000 (\$9,825) in 1947 now costs in the neighbourhood of 60,000 pesos (\$19,650).

Agricultural Loans - Another aspect of the government's agricultural policy is the recent announcement of various loans to growers designed to finance the corn and sunflower harvests and the seeding of grains. Loans for the picking, shelling and bagging of corn will be granted by the Banco de la Nacion up to 62 cents per bushel of estimated yield; the term of the loan is 180 days, renewable until November 30th.

In order to help increase the acreage seeded to grains, the Banco de la Nacion has been authorized to grant loans of \$3.05 per acre for ploughing and seeding expenses, and loans for the purchase of seed on the following basis: wheat \$2.92 per acre, flax \$3.31 per acre, oats \$2.25 per acre, barley \$2.39 per acre, brewers' barley \$1.86 per acre and rye \$2.52 per acre. The maximum loan per person is 10,000 pesos (\$3,275) and the term is 180 days, renewable until March 31, 1951. The interest rate is 6 per cent per annum.

Corn and Sunflower Seed - Harvesting of the current corn crop is progressing actively, interrupted occasionally by the recent rains. Reports from the various districts merely confirm former pessimistic conjectures, and production figures are now scaled down to around 1 million metric tons (39.4 million bushels). The quality of the grain is inferior and a big percentage of fields has been abandoned. According to a report of the Bank of the Province of Buenos Aires, of the 1.1 million acres planted to corn in the important zone in the north of the province, only 0.4 million acres are harvestable, and in the bordering districts of Santa Fe, the situation is the same.

Yields vary greatly; in the Province of Buenos Aires they range from 400 to 1,200 kilos per hectare (6.4 to 19.1 bushels per acre) in Santa Fe from 600 to 1,400 (9.6 to 22.3 bushels per acre) and in Cordoba and Entre Rios yields average 800 kilos per hectare (12.7 bushels per acre), compared with the normal 2,100, 2,000, 1,800 and 1,100 (33.5, 31.9, 28.7 and 17.5 bushels per acre) respectively.

As a result of the reduced harvest, the price for internal consumption has been rising steadily. In the main corn belt, the asking price is \$2.58 per bushel in the crib or \$2.75 per bushel sacked, as against the government purchase price of \$1.33 per bushel. Outside the corn zone, it is selling for about \$3.33 per bushel in small lots for local consumption.

The price for sunflower seed has likewise undergone a sudden increase recently and has reached 5.5 to 5.6 cents per pound, as against the official minimum price of 4.3 cents per pound. Wet weather at harvest reduced yields and the crop is now placed at a little less than 800,000 metric tons (1,764 million pounds). It appears that many grain buyers overcalculated the harvest, contracted to sell more than they could buy and have been forced to compete in the open market so as to cover their contracts. The crushers are buying all they can in order to cover their year's supply of seed, thus driving up prices.

Grain Exports - Grain clearances continue at a favourable rate. Wheat shipments during May were 1.9 million bushels higher than in April and compare well with the first quarter of the year. Corn clearances fell off considerably and it is likely that they will continue to decline now that a large part of the quantities sold earlier have been shipped.

Argentine Grain Exports, January—May 1950 and 1949

	Wheat	Corn	Flax
	- 000 bushels -		
January	8,010	3,529	-
February	12,002	4,117	-
March	13,379	5,569	-
April	7,815	6,579	331
May	9,698	4,034	375
5 months 1950	50,904	23,828	706
5 months 1949	33,277	17,629	-

Shipments of grains are reported by the trade to be as follows for the first five months of this year:

Destination	Wheat	Corn	Flax	Oats	Rye	Barley
	- 000 bushels -					
United Kingdom	-	9,950	706	-	-	-
Italy	9,502	410	-	1,404	832	-
France	-	5,998	-	-	-	-
Germany	5,424	-	-	-	-	50
Sweden	1,781	1,626	-	396	-	-
Belgium	210	1,971	-	284	86	18
Spain	1,686	92	-	-	1,285	-
Netherlands	-	1,358	-	-	-	271
Portugal	1,159	105	-	324	-	-
Norway	-	-	-	259	1,333	-
Denmark	-	-	-	167	829	-
Finland	559	-	-	-	-	-
Eire	-	87	-	491	-	-
Austria	-	-	-	-	14	-
U.S.A.	-	-	-	269	-	-
Brazil	14,099	-	-	-	-	-
India	9,961	-	-	-	-	30
Japan	3,956	-	-	-	-	1,204
Uruguay	-	1,099	-	49	-	-
Paraguay	476	-	-	-	-	-
Peru	452	-	-	-	-	-
Chile	378	-	-	-	-	-
South Africa	-	-	-	458	-	-
Switzerland	1,261	1,132	-	2,985	55	1,345
Totals	50,904	23,828	706	7,086	4,434	2,618

THE AUSTRALIAN WHEAT SITUATION

Supply Position - With a carryover of 19 million bushels at November 30, 1949 and a new crop estimated at 218 million the total Australian wheat supply for the current crop year amounts to some 237 million bushels. Domestic requirements are placed at 83 million bushels leaving approximately 154 million available for export and carryover. Total exports of wheat and flour in terms of wheat from December 1, 1949 to May 27, 1950 amounted to 56 million bushels, about five million less than shipments during the same period of 1948-49. The balance remaining on May 27 for export and carryover into the next crop year stood at 98 million bushels as against 78 million on the same date last year.

Australian Wheat Supplies (Estimates rounded to nearest million bushels)

	1949-50	1948-49
	- million bushels -	
Carryover at November 30 (including flour as wheat)	19	26
New Crop	218	191
Total Supply	237	217
Less Estimated Domestic Requirements	83	78
Available for Export and Carryover	154	139
Deduct:		
Exports of wheat as grain December 1-May 27	40	42
Exports of wheat flour in terms of wheat Dec.1-May 27 ..	16	19
Total Exports Wheat and Wheat Flour	56	61
Balance on May 27 for Export and Carryover	98	78

Australian Cable - The following cable dated June 16 has been received from the Canadian Trade Commissioner in Melbourne: "Australian wheat stocks at June 10 totalled 129 million bushels. Wheat exports from December 1, 1949 to June 10 totalled 44,226,000 bushels with shipments during the preceding six weeks mainly to India and Egypt. Flour exports for same period were 317,238 long tons (17,054,715 bushels) with shipments during preceding six weeks 23,127 (1,243,308 bushels) to Egypt, 14,589 (784,305 bushels) to Ceylon, 14,500 (779,520 bushels) to China, 13,037 (700,869 bushels) to Malaya and none to the United Kingdom. Early forecasts indicate another above-normal wheat crop for 1950-51 and if favourable conditions continue last season's harvest may be exceeded. Acreage sown will probably not be below the 12 1/2 million acres sown last year. The Wheat Board has sold all but 38 million bushels of the 202 million of last season's wheat delivered to the Board and of this 20 million is classified as normal carryover."

WHEAT PROSPECTS IN ITALY

According to "Foreign Crops and Markets" the outlook for the 1950 grain crop in Italy continues very good, and present prospects point to a wheat crop of about 295 million bushels if favourable conditions continue. A harvest that size would be a near record and about 7 per cent larger than the good 1949 outturn, privately estimated at 275 million bushels.

Following the good 1949 harvest, imports of wheat and wheat products declined significantly, totalling about 27 million bushels during the nine months ended March 1950, compared with about 63 million bushels for the comparable period of 1948-49.

CALENDAR OF WHEAT EVENTS

June 10 Based on June 1 conditions the United States winter wheat crop is estimated at 710.2 million bushels, spring wheat is placed at 234.4 million. This will be the first wheat crop in seven years to fall short of a billion bushels.

- 12 Sweden's 1950 wheat crop is estimated by a trade source at 25.0 million bushels compared with last year's crop of 26.1 million and a 1935-39 average of 26.4 million.

Broomhall states it is officially predicted that the carryover of wheat in France at the end of the present season will be around 29.4 million bushels. Earlier estimates had indicated a holdover of around 37 million but since that time additional quantities have been sold for export.

- 15 Total marketings of wheat by farmers in the Prairie Provinces up to June 15 were 288.8 million bushels. Of this amount Saskatchewan contributed 152.7 million; Alberta 94.2 million and Manitoba 41.9 million. Last year's marketings to approximately the same date totalled 275.5 million bushels.

According to the Bureau of the Census, U.S. Department of Agriculture, April wheat flour production was estimated at 16.9 million sacks, 16 per cent below March and 2 per cent under April 1949. This was the lowest April level in recent years. Wheat flour mills operated at 57.8 per cent of capacity in April compared with 63.6 per cent the previous month.

- 16 Recent Argentine transactions in wheat have been reported as follows:
1. Chile has purchased 1.1 to 1.3 million bushels of wheat.
 2. Western Germany under the terms of a commercial treaty, pending signature, will purchase \$30 million worth of wheat and flour and \$15 million of other grains during the first year of the contract.
 3. India has made a barter agreement of 20,000 tons of jute for 5.7 million bushels of wheat.

- 19 Mexican wheat production from the harvest now nearing completion according to O.F.A.R. is expected to reach 19.3 million bushels, as compared with the 1949 and 1948 outturns of 17.3 and 18.3 million bushels, respectively. The prewar (1935-39) average production of wheat in Mexico was only 14.3 million bushels.

O.F.A.R. reports wheat acreage in India this year is placed at 22.1 million acres compared with 21.1 million a year ago, and a prewar average of 25.5 million. Wheat production is expected to be about 217.0 million bushels as against 202.0 million in 1949.

- 22 A trade source places the new crop wheat exportable surplus in Pakistan at 13.2 million bushels plus a holdover from the last crop of 9.6 million bushels.
- 27 A newspaper report states that no rigid marketing quotas will be enforced for the 1951 United States wheat crop.

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