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# THE WHEAT REVIEW

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JULY, 1950



**DOMINION BUREAU OF STATISTICS  
DEPARTMENT OF TRADE AND COMMERCE**

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**THE  
WHEAT REVIEW**

**(Formerly Monthly Review of the Wheat Situation)**

**JULY, 1950**

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

Prepared in Crops Section, Agriculture Division,  
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## WORLD WHEAT SITUATION

Current Supplies - The latest available estimates indicate that supplies of wheat remaining on or about July 1, 1950 in the four major exporting countries for export and carryover at the end of their respective crop years amounted to 687 million bushels. At the same time in 1949, 569 million bushels were available. Supplies this year (in millions of bushels) were held as follows, last year's figures in brackets: United States 417 (308); Canada 122 (126); Australia 88 (63), and Argentina 60 (72).

Total supplies for the four countries are now placed lower than anticipated earlier in the season, due to a downward revision in the estimated carryover in the United States. Wheat stocks at June 30, the end of the United States crop year were forecast at about 450 million bushels but when the annual crop-year-end survey of stocks was completed this proved to be too high and stocks were officially estimated at 417 million--the reduction being accounted for by an increase in estimated domestic disappearance for the crop year.

New Crops - Harvest is well under way in the United States winter wheat area and the latest official crop estimate places the outturn at nearly 721 million bushels, more than 10 million above the previous estimate. Production of spring wheat in the United States is now estimated at 236 million making a total probable wheat crop for 1950 of some 957 million bushels. This is the first crop in seven years to fall below a billion bushels and is 17 per cent below the 1,146 million bushels harvested last year. Reduced seedings of both winter and spring wheat combined with heavy abandonment of winter wheat acreage account for the smaller 1950 crop.

In Canada, winter wheat is being harvested in Ontario with near average yields anticipated from the 869,000 acres for harvest. Harvest will be late in most of western Canada where some 25.8 million acres were seeded to spring wheat. Despite this, at the end of July good yields were in prospect in nearly all of the major wheat producing areas of the west. However, moisture reserves remain low in many sections and further rainfall will be required to bring crops in these areas to maturity. The frost hazard is considerable, too, owing to the lateness of the season.

Prospects for the next Argentine wheat crop are said to be promising. The trade estimates that wheat acreage may have increased from 15 to 20 per cent over last year's 13.8 million acres. Reports from Australia indicate that wheat acreage may be down somewhat from last season and yields also are expected to be lower.

Adverse weather conditions prevailed in parts of Europe early in July but conditions improved recently and despite some deterioration due to lodging the continent's wheat crop should still equal or exceed last year's outturn. The crop in France may be lower than expected earlier but a sizable export surplus is still anticipated.

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 July 14, 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--July 14, 1950  
Together with Annual Quantities Guaranteed

Exporting Countries	Guaranteed Quantities	Total Sales
	- 000 bushels -	
Australia .....	80,799	80,332
Canada .....	205,103	180,140
France .....	3,344	3,307
U.S.A. ....	235,858	156,241
Totals .....	525,104	420,020

Purchases under the International Wheat Agreement, August 1, 1949--July 14, 1950  
Together with Annual Quantities Guaranteed

Importing Countries	Guaranteed Quantities	Source:				Total Purchases
		Australia	Canada	France	U.S.A.	
- 000 bushels -						
Austria 1/	11,023	-	-	-	11,055	11,055
Belgium	20,209	-	9,216	-	8,832	18,048
Bolivia	2,756	-	732	-	970	1,702
Brazil	13,228	-	2	-	76	78
Ceylon 1/	4,409	4,409	-	-	-	4,409
Costa Rica	1,102	-	513	-	473	986
Cuba	7,422	-	4,173	-	1,582	5,755
Denmark	1,617	-	232	-	1,155	1,387
Dominican Republic.	735	-	592	-	111	703
Ecuador 1/	1,286	-	406	-	876	1,282
Egypt	8,818	6,864	1,042	-	-	7,906
El Salvador 1/	404	-	115	-	368	483
Germany	66,139	-	-	-	31,605	31,605
Greece	15,726	-	-	-	15,050	15,050
Guatemala 1/	367	-	121	-	296	417
Haiti 1/	1,029	-	945	-	92	1,037
India 2/	38,287	38,274	-	-	-	38,274
Ireland	10,105	-	4,011	-	3,256	7,267
Israel	5,879	329	2,932	-	2,220	5,481
Italy	40,418	-	-	-	10,665	10,665
Lebanon	2,388	-	-	-	130	130
Liberia	36	-	4	-	-	4
Mexico 1/	9,186	-	350	-	8,837	9,187
Netherlands	27,558	2,639	500	1,470	22,738	27,347
New Zealand	4,593	2,806	-	-	-	2,806
Nicaragua 1/	294	-	88	-	213	301
Norway 1/	7,716	513	1,153	-	6,048	7,714
Panama	625	-	336	-	119	455
Peru	5,512	317	59	-	4,211	4,587
Philippines	7,202	22	1,380	-	1,490	2,892
Portugal 1/	5,144	54	274	-	4,818	5,147
Saudi Arabia	1,837	71	225	-	430	726
Sweden	2,756	1,008	-	-	-	1,008
Switzerland 1/	6,430	-	6,431	-	-	6,431
Union of S. Africa.	11,023	2,076	5,600	-	-	7,676
United Kingdom	177,068	20,950	134,764	1,837	17,769	175,320
Venezuela 1/	4,777	-	3,944	-	755	4,699
Totals	525,104	80,332	180,140	3,307	156,241	420,020

1/ Guaranteed quantity fulfilled.

2/ Fulfilment advised: Confirming reports awaited.

## THE CANADIAN SITUATION

### Domestic Price of Wheat Tied to International Wheat Agreement Price -

On July 31, the Rt. Hon. C. D. Howe, Minister of Trade and Commerce, made an announcement in regard to the price at which the Canadian Wheat Board will sell wheat for consumption in Canada during the crop year 1950-51. For the past several years the domestic price of wheat has been tied to the effective price under the Canada--United Kingdom Wheat Agreement. As this Agreement terminates on July 31st, 1950, the Government has given consideration to the basis upon which the domestic price of wheat should be determined for the crop year commencing August 1st, 1950.

It has been decided that effective August 1st, 1950, the Canadian Wheat Board will sell wheat for consumption in Canada at the same price at which it is selling wheat for export under the terms of the International Wheat Agreement. For the crop year 1950-51 the International Wheat Agreement calls for a ceiling price of \$1.98 per bushel and a floor price of \$1.54 per bushel for No. 1 northern wheat in store at Lakehead or Vancouver basis Canadian funds. At the present time, the Board's selling price for wheat under the International Wheat Agreement is \$1.98 for No. 1 northern wheat in store at Lakehead or Vancouver.

Under this arrangement, all the wheat which the Board will sell for consumption in Canada and all of the wheat which the Board will sell for export under the International Wheat Agreement during the crop year 1950-51, will be sold on the same price basis. The prices for export wheat sold outside the International Wheat Agreement will be those determined by market conditions at the time of sale.

Supply Position - Total exports of wheat and wheat flour during the first eleven months of the current crop year amounted to 208.2 million bushels about the same as a year ago. The balance remaining on July 1, 1950 for export or carryover was estimated at 121.6 million compared with 126.4 million on the same date in 1949.

### 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--May 31 .....	1/	0.3
Totals, Supply .....	469.8	464.3
Estimated Domestic Requirements .....	140.0 <sup>2/</sup>	129.6
Available for export or carryover .....	329.8	334.7
Deduct:		
Overseas clearances of wheat as grain August 1--June 30 ....	153.2	159.4
Exports of Canadian wheat to U.S. August 1--June 30 .....	12.8	4.4
Totals, Wheat Exports .....	166.0	163.8
Exports of wheat flour in terms of wheat Aug. 1--June 30 ....	42.2 <sup>3/</sup>	44.5 <sup>3/</sup>
Totals, Exports Wheat and Wheat Flour .....	208.2	208.3
Balance on July 1 for Export or Carryover .....	121.6	126.4

1/ Less than 50,000 bushels.

2/ Preliminary Estimate.

3/ August 1, 1949 to March 31, 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	2,130,222
	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
October	29	1,249,693	11,832,544	6,596,577	19,678,814	17,806,785
	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
November	27	174,784	3,804,123	2,518,155	6,497,062	7,873,337
	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
December	24	270,103	2,767,094	1,346,397	4,383,594	4,411,372
	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
January	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
	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
February	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
	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
March	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
	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
April	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
	6	252,076	418,199	238,802	909,077	1,282,059
May	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
	4	242,410	2,466,426	967,734	3,676,570	1,698,668
June	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
	1	259,440	1,836,108	943,180	3,038,728	1,742,150
July	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
	22	691,307	3,483,135	1,297,114	5,471,556	1,955,762
	29	536,528	2,806,723	926,512	4,269,763	1,892,417
Totals	6	524,480	2,464,851	834,099	3,823,430	1,816,494
	13	365,321	1,714,522	655,329	2,735,172	1,134,090
Totals		44,028,674	163,124,338	97,962,023	305,115,035	282,340,651



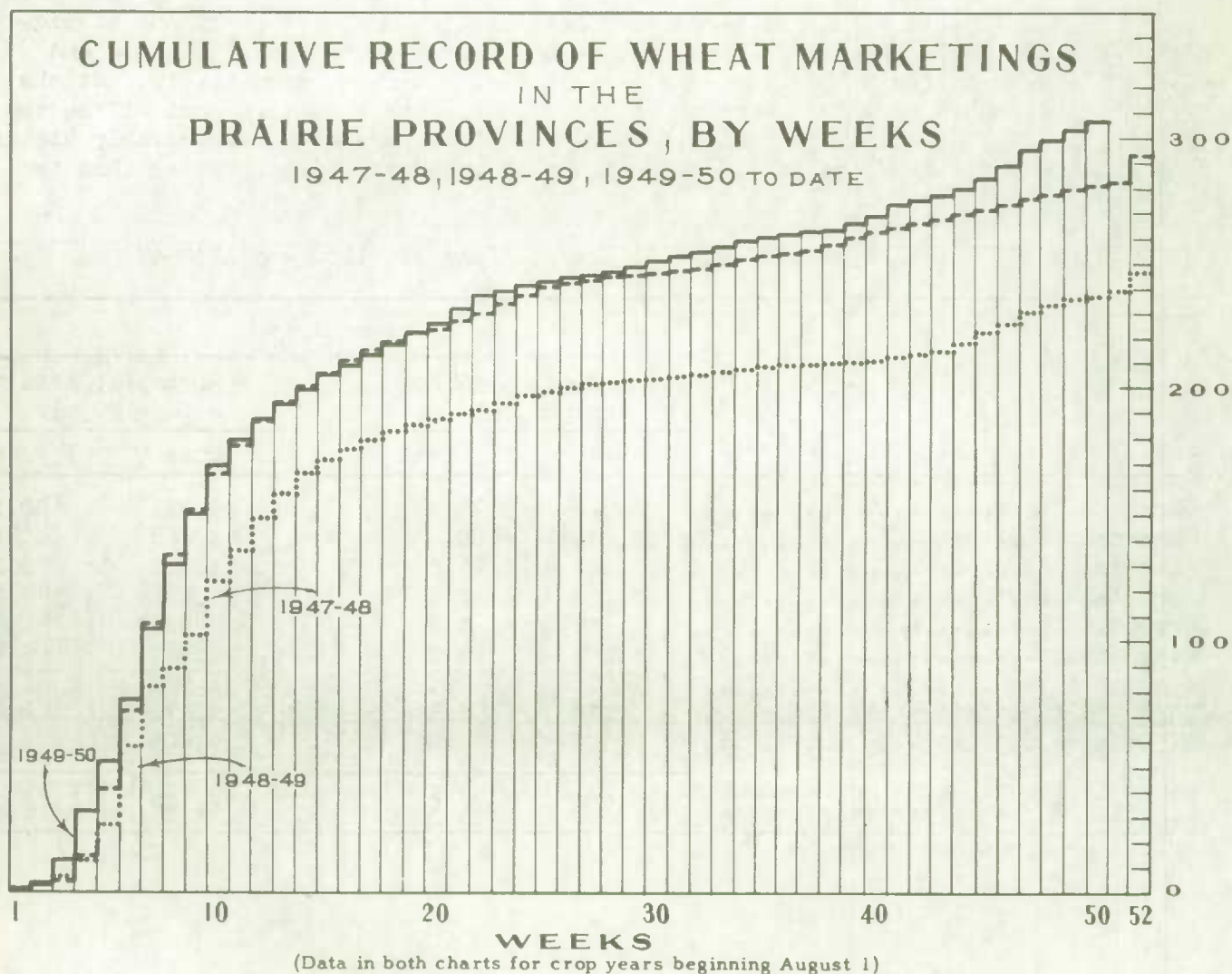
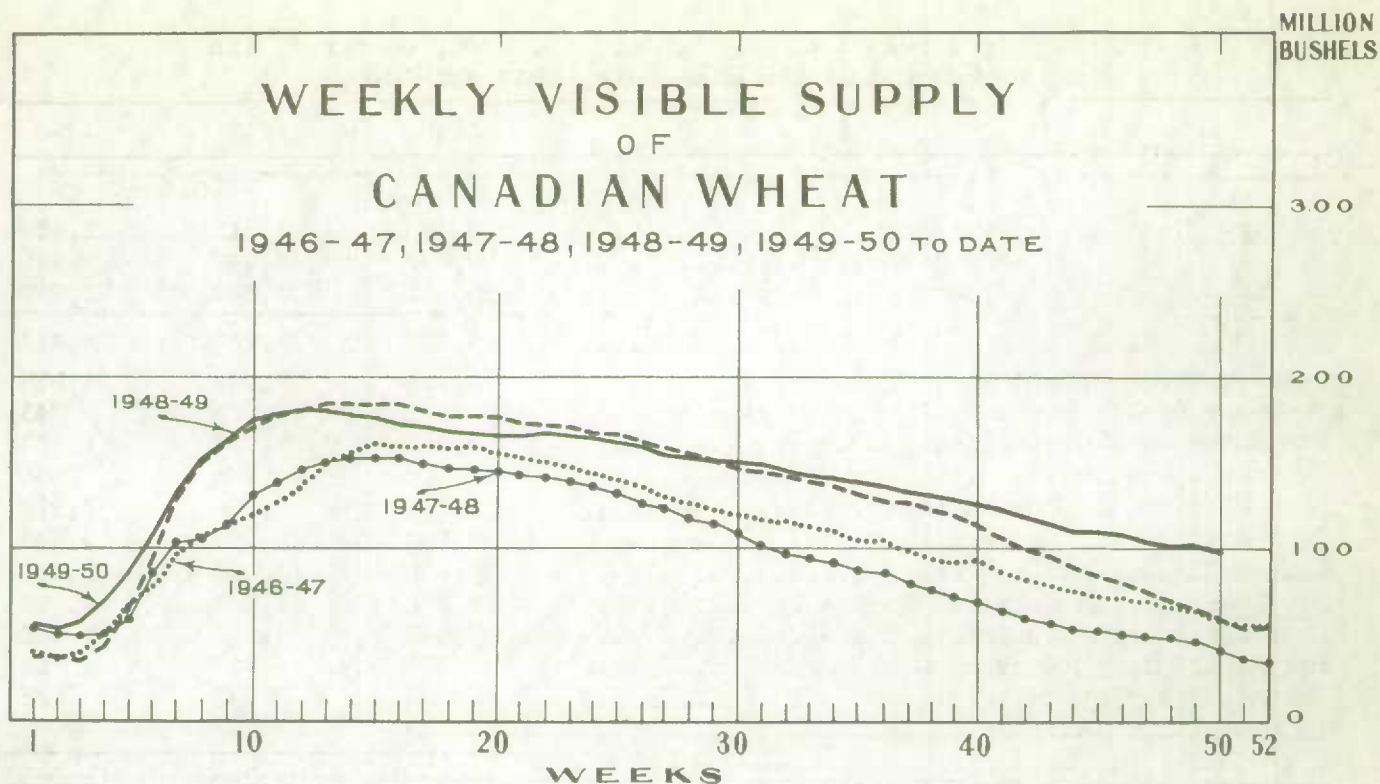
Visible Supply of Canadian Wheat, July 13, 1950, Compared With  
Approximately the Same Date, 1949 and 1948

	1950	1949	1948
	- 000 bushels -		
Country Elevators - Manitoba .....	2,186	1,612	1,454
Saskatchewan .....	10,895	5,987	6,979
Alberta .....	13,395	5,584	5,028
Totals .....	26,476	13,183	13,461
Interior Private and Mill Elevators .....	3,962	3,849	2,626
Interior Public and Semi-Public Terminals .....	5	52	241
Vancouver-New Westminster .....	12,968	7,013	1,661
Churchill .....	2,006	788	540
Fort William and Port Arthur .....	11,712	5,900	7,978
In Transit Rail (Western Division) .....	5,734	3,278	3,955
Eastern Elevators Lake Ports .....	19,600	13,062	3,907
St. Lawrence and Seaboard Ports .....	14,176	9,503	4,076
In Transit Lake .....	2,667	2,325	2,305
In Transit Rail (Eastern Division) .....	326	724	784
United States Ports .....	-	117	35
In Transit U.S.A. ....	2	-	-
Totals .....	99,634	59,794	41,569

The visible supply of Canadian wheat in all commercial positions at mid-night July 13, 1950 amounted 99.6 million bushels compared with 59.8 million and 41.6 million on approximately the same date in 1949 and 1948 respectively. Stocks of wheat in country elevators were practically double the stocks of each of the two previous years. Stocks in the major forward positions were also considerably higher than last year at this time and in some instances were many times greater than two years ago.

Grading of Wheat Inspected August 1, 1949 to June 30, 1950 and 1948-49

	Inspections			
	August 1, 1949 to June 30, 1950		August 1, 1948 to June 30, 1949	
	Cars	Per Cent	Cars	Per Cent
1 Manitoba Northern .....	28,995	17.4	48,931	30.6
2 Manitoba Northern .....	93,143	55.8	64,905	40.6
3 Manitoba Northern .....	19,144	11.5	14,814	9.3
4 Manitoba Northern .....	5,103	3.1	3,221	2.0
Garnet .....	2,859	1.7	2,059	1.3
Amber Durum .....	5,802	3.5	8,572	5.4
Alberta Winter .....	1,050	0.6	1,580	1.0
Tough - All Varieties and Grades ..	4,079	2.4	9,270	5.8
All Others .....	6,613	4.0	6,403	4.0
Totals .....	166,788	100.0	159,755	100.0



Wheat Shipments to the United States by Destination,  
August 1, 1949—July 13, 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 .....	11,825,741	11,619,687	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 .....	12,018,507	14,369,709	15,481,860
<u>By Rail</u>			
U.S.A. Seaboard Ports .....	135,453	-	-
Other U.S.A. Points .....	1,084,423	165,000	60,577
Totals, Rail Shipments .....	1,219,876	165,000	60,577
Grand Totals .....	13,238,383	14,534,709	15,542,437

Shipments of Canadian wheat to the United States, either for re-export or retention, from August 1, 1949 to July 13, 1950 amounted to 13.2 million bushels compared with 14.5 and 15.5 million bushels for approximately the same periods in 1948-49 and 1947-48, respectively. Since the last reported total of shipments in June, 0.9 million bushels have left Canada for United States destinations. Practically all the shipments during the past four weeks have gone to Buffalo by vessel.

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

	August 1, 1949 to July 13, 1950	August 1, 1948 to July 14, 1949
	- bushels -	
Collingwood .....	588,474	1,357,387
Midland .....	7,018,606	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 .....	16,820,916	12,826,818

Rail shipments of wheat from Bay, Lake and St. Lawrence Ports to Maritime ports during the past month amounted to 351,562 bushels bringing the total for the crop year up to 16.8 million bushels as compared to 12.8 for the same period of the of the previous crop year.



Lake Shipments of Canadian Grain from the Opening of Navigation to July 13, 1950  
and to Approximately the Same Date, 1939 to 1949

	Wheat	Oats	Barley	Rye	Flaxseed	Total
	- bushels -					
1939	61,959,278	6,533,971	5,099,789	840,639	23,117	74,456,794
1940	81,872,805	7,872,850	2,709,937	1,401,349	181,190	94,038,131
1941	119,642,428	4,440,083	2,784,819	2,840,923	466,423	130,174,676
1942	93,831,905	1,102,814	1,538,283	661,517	269,986	97,404,505
1943	83,373,910	15,270,264	19,285,069	1,259,098	1,474,648	121,262,989
1944	123,639,138	30,145,402	18,306,240	4,987,300	3,603,131	180,681,211
1945	139,883,060	44,620,240	19,326,794	2,494,183	1,874,474	208,198,751
1946	41,568,042	26,176,984	8,614,102	676,150	651,176	77,686,454
1947	66,069,032	19,626,428	8,392,336	1,633,576	27,709	95,749,081
1948	40,411,221	8,338,547	6,964,737	301,929	2,967,599	58,984,033
1949	67,955,242	10,028,862	11,087,764	5,213,791	4,307,084	99,192,743
1950	68,699,356	6,541,863	9,094,954	2,772,371	264,968	87,373,512

Lake shipments of the five major grains from Fort William-Fort Arthur from the opening of navigation to July 13, 1950 amounted to 87.4 million bushels. With the exception of wheat shipments which were slightly above those of last year, shipments of the principal grains lagged well behind last year's totals for the same period.

Crop Conditions - Prairie Provinces - The following summary is extracted from the Telegraphic Crop Report of July 25: For the third successive week crops in the Prairie Provinces in general have made favourable progress. This is in contrast to the situation which frequently prevails as a result of extreme July heat and lack of moisture. Conditions in Manitoba continue satisfactory although cool weather and rains have retarded heading. Stands are generally heavy but late and adverse weather could create a serious hazard through lodging. In Saskatchewan conditions have been well maintained with improvement noted in some districts. Prospects in the province as a whole appear to be above normal. With the exception of scattered areas, crops in Alberta have generally improved during the past week. Further moisture will be required soon in some areas to maintain satisfactory development of crops. Haying is in progress in Alberta but wet weather has delayed operations in most areas of Manitoba and Saskatchewan. Grasshopper damage has been generally light to date and with the exception of central and western Saskatchewan the threat is diminishing. It is observed that the crop is much later than normal in many parts of the Prairies and consequently there may be some danger of early frost damage in susceptible areas. Although moisture conditions are generally favourable at this date, there are wide areas of Saskatchewan and Alberta where timely rains will still be required to promote satisfactory crop development.

During the last week of the month high temperatures prevailed quite generally on the Prairies and growth was rapid. Good rains were received on July 30 over much of the grain-growing area and prospects for the wheat crop were good. Further rains, however, will still be required to mature the crop, particularly in those parts of Alberta and Saskatchewan where subsoil moisture reserves are low.

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 June 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	96,626
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, June 1950

	Quebec	Ontario
	- bushels -	
2 Northern .....	2,000	-
3 Northern .....	-	2
Number 5 .....	10,167	3,333
Number 6 .....	1,333	-
Tough No. 5 .....	1,399	1,500
Tough No. 6 .....	7,055	6,000
Rejected No. 5 .....	-	667
Rej. 2 Nor. Mixed Gravel .....	-	1,580
1 C.W. Amber Durum .....	-	10,500
Rejected 3 C.W.A.D. Mixed Heated .....	1,500	-
Sample Red Spring Heated .....	2,066	4,305
Tough Sample Red Spring Heated .....	8,532	4,274
Tough Sample Red Spring and A.D. Htd. ....	774	-
1 C.W. Soft White Spring .....	-	16,503
2 C.W. Soft White Spring .....	-	8,631
3 C.W. Soft White Spring .....	-	1,584
Tf. 4 C.W. Soft White Spring .....	-	1,500
Rej. 2 C.W. Soft White Spring Mixed Heated ...	-	1,421
Totals .....	34,826	61,800
Grand Total .....	96,626	



Freight Assistance Shipments - Based on claims filed for payment up to June 30, 1950 wheat shipments from the Prairie Provinces to Eastern Canada and British Columbia under the Freight Assistance Plan amounted to 7.4 million bushels for the August-May period of the current crop year. While this year's total is subject to upward revision as additional claims are filed, it currently stands at some 1.3 million bushels less than the total for the same period 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 Brunswick	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	22	348	273	219	902
November ...	2	10	23	18	342	265	200	860
December ...	1	11	21	16	216	233	210	708
January ....	1	5	17	16	172	172	186	569
February ...	1	7	21	12	169	180	170	560
March .....	1	11	22	17	241	250	170	712
April .....	1	7	23	18	180	210	152	591
May .....	-	14	23	13	201	295	78	624
Totals ..	13	110	233	177	2,643	2,379	1,846	7,401
Same Period 1948-49 ...	5 <u>1/</u>	104	301	219	2,632	3,155	2,248	8,664

1/ Months of April and May 1949 only.

Claims filed for payment up to June 30 under the Freight Assistance Plan represent millfeed movements of 477,095 tons during the ten month period ending May 31, 1950 down somewhat from shipments for the same period of the previous crop year. On a proportional basis, the provincial distribution of millfeed shipments during the current and preceding crop years has shown little change. Quebec and Ontario together account for 75 per cent of the total in the first ten months of both years. The filing of additional claims will necessitate some upward revision of the current crop year's total, reducing to some extent the difference between the totals for the two years.

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

	August 1, 1949 to May 31, 1950	August 1, 1948 to May 31, 1949
- tons -		
Newfoundland .....	1,920	490 <u>1/</u>
Prince Edward Island .....	9,096	8,256
Nova Scotia .....	36,855	38,558
New Brunswick .....	31,043	32,281
Quebec .....	215,656	210,442
Ontario .....	144,889	165,041
British Columbia .....	37,636	45,090
Totals .....	477,095	500,158

1/ Months of April and May 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 <u>1/</u> of Canadian Wheat for Consumption and Grinding in Bond	Customs <u>2/</u> Exports of Canadian Wheat Flour	Total	Customs <u>3/</u> Exports of Wheat and Wheat Flour
- 000 bushels -					
<u>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	15,504	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 <sup>4/</sup></u>					
August	16,639	62	3,898	20,599	24,013
September	14,947	981	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	3,712	14,908	13,607
April	8,460	515	3,294	12,269	12,628
May	18,103	4,223	5,232	27,558	23,993
June	17,949	703	4,020	22,672	23,870
Totals	153,208	12,815	42,205	208,228	212,920

- 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 March 31, 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 June 30, 1950

	MAY		JUNE		AUGUST-JUNE	
	Wheat Flour <u>1/</u>	Wheat <u>2/</u>	Wheat Flour <u>1/</u>	Wheat <u>2/</u>	Wheat Flour <u>1/3/</u>	Wheat <u>2/</u>
	- bushels -		- bushels -		- bushels -	
<u>COMMONWEALTH COUNTRIES</u>						
United Kingdom ...	1,945,831	12,292,233	1,864,517	12,943,131	17,933,989	104,576,410
Ireland .....	-	828,800	-	395,733	-	3,399,200
<u>Africa</u>						
Union of S.Africa	-	1,430,067	-	1,575,352	1,030	6,096,556
<u>Br. West Africa</u>						
Gambia .....	-	-	23	-	3,695	-
Gold Coast .....	13,725	-	20,178	-	216,490	-
Nigeria .....	873	-	2,187	-	8,370	-
Sierra Leone ....	12,973	-	15,318	-	84,573	-
<u>Asia</u>						
British Malaya ..	1,800	-	-	-	1,004,049	-
Ceylon .....	1,503,184	-	35,501	-	2,143,859	-
Hong Kong .....	90,095	-	75,123	-	1,494,198	-
India .....	193	-	-	-	193	-
<u>Europe</u>						
Gibraltar .....	5,922	-	-	-	55,094	-
Malta .....	-	168,000	-	149,333	-	1,500,500
<u>North America</u>						
Bahamas .....	15,975	-	18,873	-	220,891	-
Barbados .....	74,646	-	-	-	451,358	866
Jamaica .....	101,948	-	211,275	-	1,451,291	-
Trinidad-Tobago .	170,275	-	189,009	-	2,295,000	-
Leeward-Windward Is.	85,217	-	69,381	-	806,523	-
Bermuda .....	13,797	-	10,912	-	110,826	-
British Honduras.	3,636	-	3,231	23,020	43,191	23,020
<u>South America</u>						
British Guiana ..	11,759	-	21,802	-	846,158	-
Totals, Common- wealth Countries ..	4,051,849	14,719,100	2,537,330	15,086,569	29,170,778	115,596,552

## Exports of Canadian Wheat and Wheat Flour - continued

	MAY		JUNE		AUGUST-JUNE	
	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/3/	Wheat 2/
	- bushels -		- bushels -		- bushels -	
FOREIGN COUNTRIES						
Africa						
Azores and Madeira	4,747	-	1,696	-	21,225	-
Belgian Congo .....	10,526	-	4,189	-	98,343	-
Canary Islands ...	-	-	25,254	-	33,395	-
Egypt .....	-	-	-	-	-	1,041,600
Eritrea .....	-	-	-	37,333	-	37,333
Liberia .....	342	-	1,525	-	8,216	-
Madagascar .....	-	-	-	-	17,824	-
Morocco .....	36,400	-	73,728	-	433,413	213,124
Portuguese Africa.	1,575	-	5,846	-	249,422	-
Spanish Africa ...	-	-	-	-	48,024	-
Tripoli .....	-	3,500	-	71,167	-	186,667
Asia						
Arabia .....	-	-	-	-	143,964	91,768
China .....	30,024	-	24,678	2,483	161,222	2,483
Indonesia .....	-	-	-	-	14,706	-
Iran .....	16,056	-	16,065	-	41,773	4,274,108
Israel .....	-	-	1,539	-	3,105	3,145,209
Japan .....	4,635	1,351,331	29,291	686,934	57,632	4,832,997
Philippine Islands	286,857	-	639,225	-	4,322,974	-
Portuguese Asia ..	-	-	11,475	-	21,172	-
Siam .....	16,110	-	11,336	-	125,226	-
Turkey .....	-	-	-	-	-	2,114,933
Europe						
Belgium .....	-	870,924	-	923,847	18,180	8,359,043
Denmark .....	-	-	-	-	513	122,000
Finland .....	-	-	-	-	-	110,236
France .....	-	-	-	-	1,377	-
Germany .....	7,808	-	1,836	-	42,885	-
Greece .....	-	-	1,606	-	24,092	-
Italy .....	2,389	-	1,607	-	71,703	446,335
Netherlands .....	-	-	-	-	7,524	-
Norway .....	-	-	-	-	-	1,153,007
Poland .....	-	-	-	-	1,062	-
Portugal .....	2,983	-	3,442	-	43,411	-
Spain .....	-	-	-	-	-	1,550,138
Switzerland .....	-	730,670	-	696,546	5,202	7,140,001
Yugoslavia .....	2,983	-	-	-	27,540	-
North America						
Alaska .....	-	-	-	-	68	-
Costa Rica .....	45,720	16,666	56,223	-	342,832	130,000
Cuba .....	251,775	1,500	145,210	-	1,898,370	1,500
Dominican Republic	13,914	-	9,378	1,950	172,818	7,550
El Salvador .....	19,724	-	8,550	-	139,806	10,000
Guatemala .....	17,627	-	43,538	-	308,939	73,467
Haiti .....	16,056	-	25,317	-	228,488	-
Honduras .....	702	-	-	14,050	8,505	89,160



Exports of Canadian Wheat and Wheat Flour - concluded

	MAY		JUNE		AUGUST-JUNE	
	Wheat Flour <u>1/</u>	Wheat <u>2/</u>	Wheat Flour <u>1/</u>	Wheat <u>2/</u>	Wheat Flour <u>1/3/</u>	Wheat <u>2/</u>
	- bushels -		- bushels -		- bushels -	
<u>FOREIGN COUNTRIES</u>						
<u>North America</u>						
Mexico .....	-	-	-	-	-	349,440
Nether. Antilles .	13,478	-	15,282	-	199,346	-
Nicaragua .....	7,434	1,667	5,985	-	89,245	5,000
Panama .....	15,381	-	23,819	-	197,272	-
Puerto Rico .....	-	-	-	-	788	-
St. Pierre-Miquelon	590	-	2,448	-	18,226	-
Virgin Islands ..	2,587	-	1,076	-	13,122	-
United States ....	118,346	-	14,715	-	212,590	-
For grinding in bond <u>4/</u> .....	-	3,810,970	-	663,971	-	11,529,411
For domestic consumption <u>4/</u> ..	-	411,662	-	39,600	-	1,285,616
<u>Oceania</u>						
French Oceania ..	20,250	-	40,491	-	101,237	-
Guam .....	-	-	-	-	459	-
Hawaii .....	-	-	-	-	1,377	433
<u>South America</u>						
Bolivia .....	-	-	-	361,500	3,838	716,168
Brazil .....	-	-	-	-	-	1,839
Colombia .....	7,740	370,386	6,070	66,453	57,005	978,138
Ecuador .....	9,373	36,560	15,471	-	202,324	92,560
Peru .....	-	-	-	-	53,064	330,690
Surinam .....	16,119	-	8,010	-	173,358	-
Venezuela .....	180,095	1,000	206,662	-	2,566,502	4,500
<u>Totals, Foreign</u>						
Countries .....	1,180,346	7,606,836	1,482,583	3,565,834	13,034,704	50,426,454
<u>Grand Totals,</u>						
Exported .....	5,232,195	22,325,936	4,019,913	18,652,403	42,205,482	166,023,006

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 March 31, 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.

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

		Week ending			
		July 1	July 8	July 15	July 22
(A) CANADIAN WHEAT BOARD CASH PRICES		- cents and eighths per bushel -			
<u>WHEAT</u>					
(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) <u>Class I (Domestic Sales) 1/</u>					
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 1.....	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) <u>Class II (Export Sales)</u>					
(A) <u>United Kingdom Contract 2/</u>					
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) <u>To International Wheat Agreement Countries 3/</u>					
1 Northern .....	198	198	198	198	
2 Northern .....	195	195	195	195	
3 Northern .....	193	193	193	193	
(C) <u>To All Other Countries</u>					
1 Hard .....	206	206	206/3	206/1	
1 Northern.....	206	206	206/3	206/1	
2 Northern .....	203	203	203/3	203/1	
3 Northern .....	201	201	201/3	201/1	
1 C.W. Amber Durum .....	206	206	206/3	206/1	
2 C.W. Amber Durum .....	203	203	203/3	203/1	
3 C.W. Amber Durum .....	201	201	201/3	201/1	

- 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 -

With only one month remaining in the current crop year, it appears that Canadian flour production in 1949-50 will remain close to the 1948-49 level. During the first eleven months of 1949-50 flour production in Canada amounted to 19,025,006 barrels. Flour production in June 1950 amounted to 1,649,707 barrels down slightly from the May output. Mills reporting operations during June had a rated capacity of 98,990 barrels and, on the basis of a 26-day working period, 64.1 per cent of the rated capacity was effective.

Based on Customs returns, exports of Canadian flour in June amounted to 893,314 barrels. Total exports for the first eleven months of 1949-50 were 9,378,996 barrels, 510,910 barrels less than for the same period of 1948-49.

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

Crop Year	Production	Exports <sup>1/</sup>
- 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	10,305,778
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
<u>1949-50</u>		
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	824,930
April .....	1,628,351	731,959
May .....	1,694,752	1,162,710
June .....	1,649,707	893,314
Totals .....	19,025,006	9,378,996
Same Period 1948-49 .....	18,899,678	9,889,906

<sup>1/</sup> Based on Customs returns. Exports for the crop years 1945-46 to 1948-49, and from August 1, 1949 to March 31, 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 SITUATION

Supply Position - With carryover stocks at July 1, 1949 of 307.7 million bushels, a 1949 outturn of 1,146.5 million and imports of 1.4 million, United States supplies of wheat for 1949-50 amounted to some 1,455.6 million bushels. Domestic disappearance during the crop year is now placed at 736.6 million bushels leaving some 719.0 million for export and carryover. Exports of wheat as grain for the 1949-50 crop year are placed at 259.5 million bushels, while outward shipments of flour in terms of wheat are estimated at 42.7 million. After deducting the total exports of wheat and flour of 302.2 million bushels some 416.8 million bushels remained on July 1, 1950 for carryover into the 1950-51 crop year. These estimates have been obtained largely from recent official reports of the United States Department of Agriculture. A similar summary of the supply position will be issued from time to time in this publication--revisions being made whenever new data come to hand.

## United States Wheat Supplies (estimates rounded to nearest 100,000 bushels)

	1949-50	1948-49
	- million bushels -	
Carryover at July 1 .....	307.7	196.0
New Crop .....	1,146.5	1,313.5
Estimated Imports for Crop Year .....	1.4	1.3
Total Estimated Supplies .....	1,455.6	1,510.8
Less Estimated Domestic Requirements .....	736.6	697.2
Available for Export and Carryover .....	719.0	813.6
Deduct: Exports of wheat as grain .....	259.5	375.3
Exports of flour in terms of wheat .....	42.7	130.6
Total Exports Wheat and Flour .....	302.2	505.9
Carryover at June 30 (end of crop year) .....	416.8	307.7

Stocks of Wheat at July 1, 1950 - The carryover of old wheat in all positions on July 1, 1950 was nearly 417 million bushels, according to the Bureau of Agricultural Economics.

While current wheat stocks are more than a third larger than on July 1, 1949 and nearly five times as large as the very small carryover in 1947, they are still only two-thirds as large as the record carryover of 631 million bushels in 1942. From the total supply of over 1,455 million bushels on July 1, 1949, the computed disappearance is about 1,039 million bushels. This compares with 1,203 million bushels in the 1948-49 season and the record disappearance of 1,287 million bushels in the 1945-46 season; in fact, it is less than in any of the six preceding seasons, but larger than in any other marketing season before 1943-44.

Farm stocks of 65 million bushels are a much smaller proportion of the total than usual. Stocks of old wheat at terminals, reported at 168 1/2 million bushels by the Grain Branch of the Production and Marketing Administration have been exceeded on July 1 only in 1942 and 1931. Merchant mill stocks of 56 million bushels are larger than on July 1 of the last four years, but smaller than in any year of the 1939-45 period. Stocks of nearly 123 million bushels at interior mills,

elevators and warehouses have been exceeded on July 1 only in 1942 in 25 years of record. Commodity Credit Corporation-owned wheat stored in Canadian elevators and in transit (the only wheat in transit estimated) amounted to nearly 5 million bushels. Other CCC-owned wheat is included in the estimates by positions.

Stocks of Old Wheat, July 1, 1950, with Comparisons

Positions	July 1 1948	July 1 1949	April 1 1950	July 1 1950
- thousand bushels -				
On Farms <sup>1/</sup> .....	94,511	67,172	199,169	64,660
Terminals <sup>2/</sup> .....	34,065	128,158	180,659	162,497
Commodity Credit Corp. <sup>3/</sup> .....	2,530	3,797	5,548	4,900
Merchant Mills <sup>1/</sup> <sup>4/</sup> .....	34,240	32,401	88,731	55,992
Int. Mills, Elev. & Whses. <sup>1/</sup> <sup>5/</sup> ....	30,645	76,239	190,923	122,754
Totals .....	195,991	307,767	665,030	416,803

<sup>1/</sup> Estimates of the Crop Reporting Board.

<sup>2/</sup> Commercial stocks reported by Grain Branch, P.M.A., at 43 terminal cities.

<sup>3/</sup> Owned by CCC and stored in bins or other storages owned or controlled by CCC; also CCC-owned grain in transit and in Canadian elevators.

<sup>4/</sup> Mills reporting to the Bureau of the Census on millings and stocks of flour.

<sup>5/</sup> All off-farm storages not otherwise designated for each grain.

Wheat Crop Revised Upwards - According to the Crop Reporting Board of the United States Department of Agriculture this year's wheat crop now promises nearly 957 million bushels, (Editor's note: winter wheat 720.5 million and spring wheat 236 million) 12 million more than was indicated on June 1 but still the smallest crop harvested since 1943. Estimated production is 17 per cent below the 1,146,463,000 bushels harvested last year and compares with the 10-year average production of 1,031,312,000 bushels. During each of the past six years production had exceeded one billion bushels. The indicated yield per harvested acre of 15.8 bushels compares with 14.9 bushels per acre harvested last year and the average of 17.0 bushels. The bulk of the reduction of all wheat as compared with last year is in winter wheat production—down 181 million bushels. The spring wheat crop is expected to be only slightly smaller than last year.

Wheat growers of the country as a whole have seeded a smaller acreage than was sown in any of the previous four years. With relatively heavy abandonment of the 1950 crop, the acreage estimated for harvest is the smallest since 1944. The 71,525,000 acres seeded to wheat in the fall of 1949 and spring of 1950 represent a drop of about 16 per cent from the acreage seeded a year earlier but is 8 per cent more than the 10-year average. Reestablishment of the acreage allotment program this year, the first since the beginning of World War II, has resulted in a major part of the reduction of acreage. However, in addition, adverse weather in a few important spring wheat States delayed seeding operations, and caused some growers to seed less than their allotted or intended wheat acreage. Winter wheat seedings total 53.2 million acres, about 15 per cent less than a year ago, while the all spring wheat seedings of 18.4 million acres is about 19 per cent below that planted last year.



Present indications point to an abandonment of 15.4 per cent for the 1950 wheat acreage. This compares with 9.6 per cent of the 1949 acreage not harvested for grain and an average abandonment of 8.9 per cent. The acreage for harvest of 60.5 million acres compares with 76.8 million acres harvested last year and the 10-year average harvest of 60.2 million acres. The smaller acreage seeded and an extensive loss of acreage due to adverse weather conditions and insect pests in the southern Great Plains area have contributed in the main to the reduction in acreage for harvest from a year ago.

Wheat Support Prices for 1950 Crop - The United States Department of Agriculture announced on June 30 a wheat price support at a national average of \$1.99 per bushel to farmers for the 1950 crop. Last year's rate was \$1.95 per bushel. The price support for the 1950 crop is 90 per cent of parity at the beginning of the marketing year, July 1. July 1 parity was \$2.21 per bushel.

Only wheat grading No. 3 or better, or No. 4 or No. 5 because of test weight or because it contains wheat of the classes durum and/or red durum, will be eligible for loan or purchase. The loans will be available through January 1951 and will mature on April 30, 1951 or earlier on demand.

Terminal wheat loan rates (with appropriate allowances for increases in freight rates during the past year) per bushel for 1950 crop No. 1 wheat stored in eligible warehouse storage at representative terminal markets are as follows: Seattle \$2.21; Kansas City \$2.26; Chicago \$2.31; Omaha \$2.26; Minneapolis \$2.28; San Francisco \$2.26; Galveston \$2.36 and Albany \$2.42.

Acreage Allotments for 1951 Crop - Secretary of Agriculture Brannan has announced a national allotment of 72.8 million acres of wheat for the 1951 crop, or the same as the final allotment for 1950. Secretary Brannan announced on June 26 that there would be no marketing quotas for 1951 wheat production. With average yields, the 1951 allotment would result in a wheat crop of 1,150 million bushels. This production, plus the presently estimated carry-over of 374 million bushels of old wheat on July 1, 1951, would provide a total supply of 1,524 million bushels for the 1951-52 marketing year, the "normal domestic consumption and exports plus 30 per cent" which is the level provided in the applicable legislation.

Flour Production - The Bureau of the Census, Department of Commerce, estimates May wheat flour production at 18.4 million sacks, 9 per cent above April and 6 per cent above the same month last year.

Mills operated at 71.3 per cent of capacity in May, compared with 72.2 per cent in April. It may be noted that even though the May per cent of capacity is down, total production has increased, largely because of the two extra working days that month.

May wheat grindings amounted to 42.7 million bushels, compared with 39.2 in April. Wheat offal output was 369 thousand tons as against the previous month's total of 337 thousand.



Chicago and Minneapolis Cash Wheat - Cash wheat prices at Minneapolis and Chicago during the June 24--July 25 period were generally firm. Interest by mills and elevators in accumulating stocks of wheat at Chicago was evident and prices generally moved upwards despite an increase in marketings from country points. At Minneapolis, although the market was firm activity was only moderate till July 21, when strong milling demand forced up the price of 1 Dark Northern 5 3/8 cents per bushel from the previous day's level of \$2.37 3/8--\$2.38 3/8. A fall-off in milling interest and increased supplies brought about an almost immediate decline in price with 1 Dark Northern quoted on July 24 at \$2.37 7/8--\$2.38 7/8.

Daily Cash Wheat Prices on the Chicago and Minneapolis Markets

1950	Chicago		Minneapolis	
	Grade	Price	Grade	Price
June 24	None		Market closed	
26	3 Yellow Hard	216	1 Dark Northern	233 1/4 - 234 1/4
27	None		1 Dark Northern	232 - 233
28	3 Red	215 5/8	1 Dark Northern	230 1/4 - 231 1/4
29	1 Mixed (new)	216	1 Dark Northern	232 1/4 - 233 1/4
July 1	2 Red	221 1/2	Market closed	
3	1 Yellow Hard	223 1/2	1 Dark Northern	234 3/4 - 235 3/4
4	Independence Day			
5	1 Yellow Hard	221 3/4	1 Dark Northern	232 7/8 - 233 7/8
6	2 Yellow Hard	222 1/2	1 Dark Northern	234 - 235
7	1 Yellow Hard	222 1/2	1 Dark Northern	233 3/8 - 234 3/8
8	2 Red	222 1/2	Market closed	
10	1 Yellow Hard	223 1/4	1 Dark Northern	234 1/2 - 235 1/2
11	2 Yellow Hard	223 - 223 1/2	1 Dark Northern	235 5/8 - 236 5/8
12	2 Red	224	1 Dark Northern	236 5/8 - 237 5/8
13	2 Red	222 3/4 - 223 3/4	1 Dark Northern	236 5/8 - 237 5/8
14	1 Red	222	1 Dark Northern	235 - 236
15	1 Red	219 3/4	Market closed	
17	2 Red	220 1/2 - 222 1/4	1 Dark Northern	237 5/8 - 238 5/8
18	1 Red	220 3/4	1 Dark Northern	237 7/8
19	1 Red	221 3/4	1 Dark Northern	236 1/2 - 237 1/2
20	1 Hard	227	1 Dark Northern	237 3/8 - 238 3/8
21	1 Red	228 1/2	1 Dark Northern	242 3/4 - 243 3/4
22	1 Red	229 - 229 1/4	Market closed	
24	1 Red	227 1/2	1 Dark Northern	237 7/8 - 238 7/8
25	1 Red	227	1 Dark Northern	238 3/4 - 239 3/4

# Chicago Wheat Futures -

Wheat futures on the Chicago grain market during the period June 26 to July 26 showed considerable strength. Futures prices moved upwards from the June 26 quotations and by July 21 had registered gains of 17/1 cents for July, 15/4 for September, 16/4 for December, 16/4 for March and 16/5 cents for May futures. Quotations during the last few days of the period dropped somewhat but on July 26 were still well in advance of the levels quoted at June 26.

## Chicago Wheat Futures, High Points of Closing

1950	July	September	December	March	May
- cents and eighths per bushel -					
June 26	216/5	219	221/2	222/2	219/4
27	216/6	219/1	221/6	222/5	220
28	215/5	218/2	220/3	221/4	218/2
29	217/2	220/2	223/2	224/2	221/4
30	218/4	222/2	224/1	225/2	223/1
July 1	222	224/5	227/4	228/5	226/3
3	221/2	224/2	227/4	228/4	226/6
4	Independence Day				
5	221	223/6	226/5	227/7	226
6	221/2	224	226/7	227/6	226
7	221	223/5	226/5	227/2	225/7
8	221/6	224/4	227/4	228/3	226/4
10	221/5	224/2	227/1	228/2	226/6
11	223/4	226/1	228/7	230/1	228/5
12	223/2	225/6	228/5	229/6	228/1
13	223/2	226	228/7	229/1	228/3
14	221/2	224	226/5	227/4	225/5
15	221/7	224/2	227/1	228/2	226/4
17	223/6	226/2	229/1	230/4	228/4
18	224/6	227	230/1	231/1	228
19	225/1	227/4	231	232	229
20	226/6	229	232/1	233/3	230/2
21	233/6	234/4	237/6	238/6	236/1
22	232/2	233/4	236/4	237/2	234/6
24		230/7	234/1	235/1	233
25		232/4	236	237/4	235/5
26		231/5	234/6	236	234/6

## THE ARGENTINE 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--June 30, 1950 ..	65	46
Exports of wheat flour in terms of wheat		
December 1, 1949--June 30, 1950 .....	1/	1/
Total Exports Wheat and Wheat Flour .....	65	46
Balance on July 1 for export and carryover .....	60	72

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 June 30, 1950 amounted to about 65 million bushels, some 19 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 60 million bushels as against 72 million at the same time last year.

The following review of the grain situation in the Argentine has been extracted from a report forwarded July 17, 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, July 15, 1950 at 1 peso equals \$.3275).

Weather and Crops - Weather conditions were on the whole satisfactory during June and early July for the ploughing and seeding of the next grain crop. Rainfall ranged from very heavy in the east to an inadequate amount in the interior,



but in the central cereal belt moisture conditions are excellent and the outlook for the current grain crops is promising. Unseasonably warm, damp weather extending well into June gave good germination and allowed young plants to develop well. However, the cold spell with frosts in late June was welcome as it checked the growth of the early sown wheat and allowed greater root development.

In the west of the grain belt including southern Cordoba, Territory of La Pampa and southwest Buenos Aires, - the zone affected by drought for the past two years - there has been practically no rain for the past six weeks. In La Pampa and southwest Buenos Aires Province there was sufficient soil moisture for seeding but in parts of southern Cordoba work had to be held up on this account. A report from the area southwest of the Province of Santa Fe states that rainfall for the first six months of the year totalled only 8 inches which is well below the average annual rainfall of 36 inches for the district. Elsewhere in southeastern Cordoba conditions are somewhat better and growers have put a good portion of their land to wheat, which is the chief crop in this zone.

Wheat - Prospects for the coming wheat crop are described as very promising in the latest report of the Ministry of Agriculture. Heavy rains delayed the preparatory work in the east of the wheat zone and in the west the soil has been too dry in some districts, but in the central grain zone conditions are propitious and farmers are putting as much land as possible into wheat.

The Ministry estimates that increases in the wheat acreage range from 10 to 30 per cent, reaching 40 per cent in some districts. While it is still early to speak in terms of the overall wheat acreage, it is the general opinion of the trade that the increase will be in the neighbourhood of from 15 to 20 per cent over last year's 13.8 million acres.

The regional office of the Ministry of Agriculture in Villa Maria, Province of Cordoba, reports the area sown and to be sown to wheat in three important grain districts of eastern Cordoba at 3.0 million acres. It is significant to note that this represents an increase of 15 per cent in the main districts of the northern grain zone and falls considerably short of the government's goal of a 25 per cent increase.

Sale of Wheat and Flour to Brazil - By an exchange of notes on June 23, Argentina has agreed to sell to Brazil 29.4 million bushels of wheat at \$2.34 per bushel f.o.b. and 168,720 barrels of wheat flour at \$12.74 per barrel. Payment is to be made under the terms of the Argentine-Brazilian payments agreement which accounts for the higher prices than those quoted for payment in dollars. While the expiry date is December 31st of this year, there is the provision that 3.7 million bushels of wheat may be delivered in January 1951. It would therefore appear that Brazil will continue as Argentina's chief customer for wheat, having taken 27.4 million bushels last year and some 15.9 million bushels during the first half of 1950.

Local Grain Market - Activity in the grain market was considerably reduced during June and July as IAPI's stocks became depleted. The corn market is limited to internal consumption and no foreign sales can be made until the next crop. Shipments of this grain in June totalled only 2.5 million bushels as compared with over 3.9 million during each of the previous four months and exports can be expected to show a further drop as delivery on past sales is completed.

After the sale of somewhat over 6.5 million bushels of oats to Canada, the U.S., Netherlands and Switzerland, activity in this line has ceased. Prices

for payment in dollars ranged from \$1.05 to \$1.06 per bushel f.o.b. whereas those paid in other currencies were quoted at around \$1.20 to \$1.21. IAPI's stocks are thought to total some 6.5 million bushels.

There has been no activity in barley recently as IAPI's stocks are low, estimated by the trade to be only some 1.4 million bushels.

Stocks of rye held by IAPI amount to about 3.9 million bushels. Sales are slow. The latest selling price is \$1.54 per bushel in bulk for payment in dollars and slightly higher in other currencies.

Grain Exports - Trade figures on Argentine grain exports for the first six months of 1950 show a considerable improvement over those for the same period last year. Total grain clearances at 2,673,443 metric tons are over 45 per cent higher than during the first half of last year, all grains but barley registering increases. This is largely attributable to the more reasonable price policy initiated last October, combined with the change in exchange rates which made prices more attractive in certain currencies. The following table gives the comparative figures for the first half of 1950 and 1949:

Argentine Grain Exports - First Six Months

	1 9 5 0	1 9 4 9
	- bushels -	
Wheat .....	59,758,978	39,996,741
Corn .....	25,978,917	19,568,169
Flax .....	960,577	-
Oats .....	11,191,202	4,429,821
Rye .....	4,830,402	2,510,294
Barley .....	3,099,119	5,406,923
Totals .....	105,819,195	71,911,948

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

Destination	Wheat	Corn	Flax	Oats	Rye	Barley
	- 000 bushels -					
United Kingdom ...	-	11,115	803	-	-	-
France .....	-	6,561	157	-	-	-
Belgium .....	210	2,443	-	606	114	28
Italy .....	11,525	300	-	1,339	813	-
Germany .....	5,424	-	-	-	-	49
Netherlands .....	-	1,358	-	-	-	271
Rest of Europe ...	7,263	3,024	-	5,022	3,895	1,517
United States ....	-	-	-	2,530	-	-
Brazil .....	15,913	-	-	6	-	-
Various .....	19,405	1,099	-	1,604	-	1,234
Totals .....	59,740	25,900	960	11,107	4,822	3,099

Editor's Note - Some of the totals in the above table vary slightly from the total shipments of each grain during January--June as set out in the preceding table. It is assumed that this may be due to the use of different cut-off dates or to minor differences in the methods of compiling the two sets of figures.



## THE AUSTRALIAN 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 bushels available for export and carryover. Total exports of wheat and flour in terms of wheat from December 1, 1949 to July 8, 1950 amounted to 66 million bushels, about ten million less than shipments during the same period of 1948-49. The balance remaining on July 9 for export and carryover into the next crop year stood at 88 million bushels as against 63 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--July 8 .....	46	53
Exports of wheat flour in terms of wheat Dec.1--July 8 .	20	23
Total Exports Wheat and Wheat Flour .....	66	76
Balance on July 9 for Export and Carryover .....	88	63

Australian Cable - The following cable dated July 17 has been received from the Canadian Trade Commissioner in Melbourne: "Australian wheat stocks at July 8th totalled 117 1/2 million bushels. Wheat exports from December 1st 1949 to July 8th totalled 46,379,000 bushels with shipments during preceding four weeks mainly to India, Peru and Holland. Flour exports same period 375,730 long tons (20.2 million bushels) with shipments during preceding four weeks 14,217 (0.8 million bushels) to Ceylon, 12,099 (0.6 million bushels) to Egypt, 11,928 (0.6 million bushels) to India, 9,436 (0.5 million bushels) to Malaya, none to United Kingdom. Latest forecast of the 1950-51 wheat harvest indicates it will be 30 to 40 million bushels below last season's yield. Australian wheat Board has arranged to sell 7 1/2 million bushels wheat to Egypt outside IWA for 18/- (\$2.22 Canadian) a bushel bulk basis f.o.b. with first shipment between September and December."



## CALENDAR OF WHEAT EVENTS

- June 30 The United States Department of Agriculture announced a wheat support price to farmers for the 1950 crop at a national average of \$1.99 per bushel. Last year's rate was \$1.95 a bushel.
- July 13 The condition of spring wheat in Canada at June 30, expressed as a percentage of the long-time average yield was 83 per cent compared with 72 per cent on the same date in 1949. Condition figures for spring wheat in the Prairie Provinces were as follows: Manitoba 99, Saskatchewan 91 and Alberta 59 per cent of the long-time average yield.
- William Riddel, Assistant General Manager of the Saskatchewan Pool Elevators Limited, has been appointed a member of the Canadian Wheat Board.
- 19 The United States Department of Agriculture reports that exports of wheat and wheat flour for the crop year July 1, 1949 to June 30, 1950 of 302.2 million bushels of grain equivalent were smaller than for the same period of 1948-49 by 203.7 million bushels.
- 20 Canada's 1950 wheat acreage is estimated at 27 million acres, about 2 per cent below the 27.5 million seeded last year. Wheat acreage in the Prairie Provinces is placed at 25.8 million acres compared with 26.5 million a year ago.
- 21 Effective August 1, 1950 the Canadian Wheat Board will sell wheat for consumption in Canada at the same price at which it is selling wheat for export under the terms of the International Wheat Agreement.
- 25 The United States Department of Agriculture reports the carryover of old wheat in all positions on July 1, 1950 was nearly 417 million bushels. Of this amount 64.7 million bushels were held on farms, a much smaller proportion of the total than usual.
- According to a trade source, the British Ministry of Food has announced that the extraction rate for flour milled in British mills will be reduced from 85 to 80 per cent effective August 27. It was also stated that imported flour will continue to be admixed with home-milled flour and no separate distribution of imported flour was contemplated for the present.
- Dr. P. W. Grindley, a recognized authority on problems pertaining to the agricultural industry of western Canada, has resigned for reasons of health, as a member of the Canadian Wheat Board.
- 27 The United States Department of Commerce announced total wheat flour production for 1949 amounted to 234.4 million sacks, 16 per cent below the 1948 figure of 279.1 million sacks. Wheat ground for flour in 1949 amounted to 543.5 million bushels compared with 639.5 million in 1948. On the basis of a 24-hour five-day week flour mills operated in 1949 at 78 per cent of capacity.
- 31 The four-year United Kingdom-Canada Wheat contract which became effective August 1, 1946 ends today.



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