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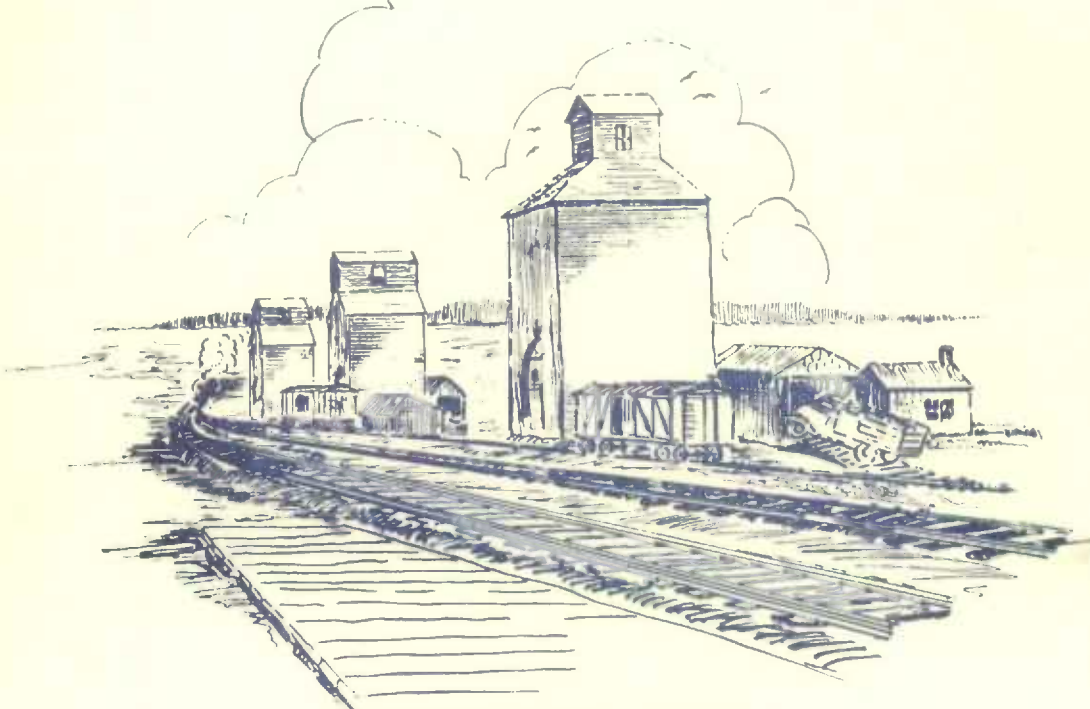
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# MONTHLY REVIEW OF THE WHEAT SITUATION



**DECEMBER, 1949**

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



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

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

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## WORLD WHEAT SITUATION

Trade Outlook - After two fairly satisfactory crops in most importing countries import demand for wheat in the crop year 1949-50 will be rather less than in recent years. According to estimates of the United States Department of Agriculture, exports from the four principal exporting countries, United States, Canada, Australia and Argentina, may total about 850 million bushels compared with 908 million shipped in 1948-49 and 893 million in 1947-48. Other exporting countries, including the Soviet Union, may possibly export 50 to 75 million bushels compared with about 50 million bushels in each of the past two years.

New Crops - Recent reports from Australia are optimistic concerning the crop currently being harvested in that country. The latest estimate places the outturn at 203 million bushels, more than 13 million greater than last year and well above the prewar (1935-39) average of 170 million. A good harvest is also forecast in the Argentine, with recent estimates placing the crop as high as 210 million bushels, about 19 million greater than last year but still about 24 million bushels below the prewar average. Late reports, however, tell of adverse weather conditions in some areas and unless yields turn out fully as well as expected in the rest of the country the final outturn may be somewhat less than that indicated above. In any event, it would appear that both Australia and the Argentine will be in a position to export considerable quantities of wheat in 1950.

The United States Department of Agriculture forecasts, on the basis of December 1 conditions, a winter wheat crop in that country of 885 million bushels or about 2 per cent less than the 902 million bushels produced in 1949 but still nearly 22 per cent above the average of 727 million bushels for the ten years 1938-47. Acreage seeded to winter wheat is estimated at 53.0 million acres, down some 15 per cent from the 62.4 million seeded in the fall of 1948 but 11 per cent more than the ten year average of 47.7 million. Acreage that will not be harvested because of abandonment or diversion to other uses is estimated at 6.9 per cent compared with 11.1 per cent for both the 1949 crop and the ten-year average. The indicated yield is 16.7 bushels per seeded acre compared with 14.5 bushels for the 1949 crop and 15.2 bushels for the ten-year average. No estimates are currently available as to the probable spring wheat acreage in the United States, but assuming that average yields are obtained and that no great reduction in acreage takes place a spring wheat crop of around 300 million bushels could easily be obtained. It is accordingly anticipated that the United States will have a substantial exportable surplus from the 1950 crop.

It is too early to make any serious predictions about Canada's 1950 wheat crop. Wheat acreage in Canada in 1949 was at a fairly high level. Quite large acreages which were devoted to the production of flaxseed, rye, oats and barley in 1948 were diverted to wheat in western Canada in 1949 as a result of both price and weather factors. Although no great change in Canadian wheat acreage is now anticipated for 1950, extremes in the supply of soil moisture in the spring or changes in the price outlook by seeding time may alter the picture considerably.

Trade reports from Europe indicate that rainfall has been adequate and that with few exceptions, acreages planted to fall grains were up to expectations. In some areas, however, land has had to be held over for spring



seeding. India reports that a full acreage has been planted to wheat in that country. Rain, however, is needed, particularly in the north-west where some deterioration has been reported.

International Wheat Agreement Sales and Purchases - According to an official statement, sales recorded (including adjustments) under the Agreement have been made in the following amounts during the period August 1 to December 9: Canada 25.1 million bushels; United States 22.9 million bushels; Australia 17.1 million bushels; France 1.1 million bushels. The following importers who belong to the Agreement absorbed these sales (amounts taken by each importer is shown in brackets following the name of the country): Austria (1.8 million bushels), Belgium (7.2 million bushels); Bolivia (494,188 bushels); Ceylon (1.5 million bushels); Cuba (1.4 million bushels); Denmark (122,000 bushels); Dominican Republic (205,872 bushels); Ecuador (432,463 bushels); Egypt (2.2 million bushels); El Salvador (161,204 bushels); Guatemala (311,248 bushels); Haiti (82,228 bushels); Ireland (2.2 million bushels); Israel (2.5 million bushels); Mexico (3.3 million bushels); Netherlands (5.6 million bushels); Nicaragua (29,009 bushels); Norway (3.7 million bushels); Panama (79,285 bushels); Peru (1.2 million bushels); Portugal (3.8 million bushels); Saudi Arabia (319,882 bushels); Switzerland (3.9 million bushels); Union of South Africa (7.6 million bushels); United Kingdom (14.0 million bushels); Venezuela (2.0 million bushels).

#### THE CANADIAN WHEAT SITUATION

Entomological Inspections of Grain - For many years the Dominion Department of Agriculture, Division of Entomology, has carried research investigations into the problem of protecting grain from insect ravages during storage on farms, at railway elevators, elevators at the Lakeheads, ocean ports and when in transit by rail or ship. Inspections of ocean going vessels carrying grain and grain products from Canada to the United Kingdom were begun early in World War II at the request of the Government of the United Kingdom. This phase of inspection has expanded and is now applied to all exports of grain or cereal products passing through Canadian ports consigned to any country whether within or without the British Commonwealth of Nations. When inspections of ships for insect pests began many cases were found of large accumulations of old grain and other plant material in various sections of ship's holds, good breeding places for insects. Complete cleaning followed by fumigation of the ship's hold was found to be the only efficient method of control in severe cases of infestation. Where the threat of insect damage was not too serious spot spraying was adopted.

Compared with the early years of this work, the records now show a decided improvement in the conditions of the holds of ships entering Canadian ports. During the quarterly period July 1--September 30, 1949, cargoes consisting of 51,879,938 bushels of wheat and other grain, 182,417 tons of flour and 4,002 tons of cereal products, valued at over \$130 million were inspected for insect infestation. In all a total of 360 ocean-going vessels in berths from Vancouver to Halifax were investigated during the above-mentioned period.

Supply Position -

Of the 319.1 million bushels of Canadian wheat estimated to be available for export or carry-over in 1949-50, 90.2 million were exported as wheat and wheat flour during the period August 1 to November 30. Although wheat exports in the first four months of the current crop year are 28.5 million bushels greater than in the comparable period 1948-49, exports of wheat flour in terms of wheat are down 5 million bushels, making an over-all increase of 23.5 million bushels from last year's four-month total exports. The balance remaining on December 1, 1949 for export or carry-over was 228.9 million bushels, 34.7 million bushels less than on the same date last year.

Canadian Wheat Supplies

	1949-50	1948-49
- million bushels -		
Carry-over in North America July 31 .....	98.7	77.7
New Crop .....	367.4	393.3
Imports of wheat and wheat flour, October .....	<u>1/</u>	0.3
Total Supply .....	466.1	471.3
Estimated Domestic Requirements .....	147.0 <u>2/</u>	141.0 <u>2/</u>
Available for export or carry-over .....	319.1	330.3
Deduct:		
Overseas clearances of wheat as grain Aug.1-Nov.30 .	70.7	46.8
Exports of Canadian wheat to U.S., Aug.1-Nov.30 ....	4.6	<u>1/</u>
Total Wheat Exports .....	75.3	46.8
Exports of wheat flour in terms of wheat Aug.1-Nov.30	14.9	19.9 <u>3/</u>
Total Exports Wheat and Wheat Flour .....	90.2	66.7
Balance on December 1 for Export or Carry-Over .....	228.9	263.6

1/ Less than 50,000 bushels.

2/ Tentative estimate.

3/ Adjusted for time-lag in returns made by Customs.

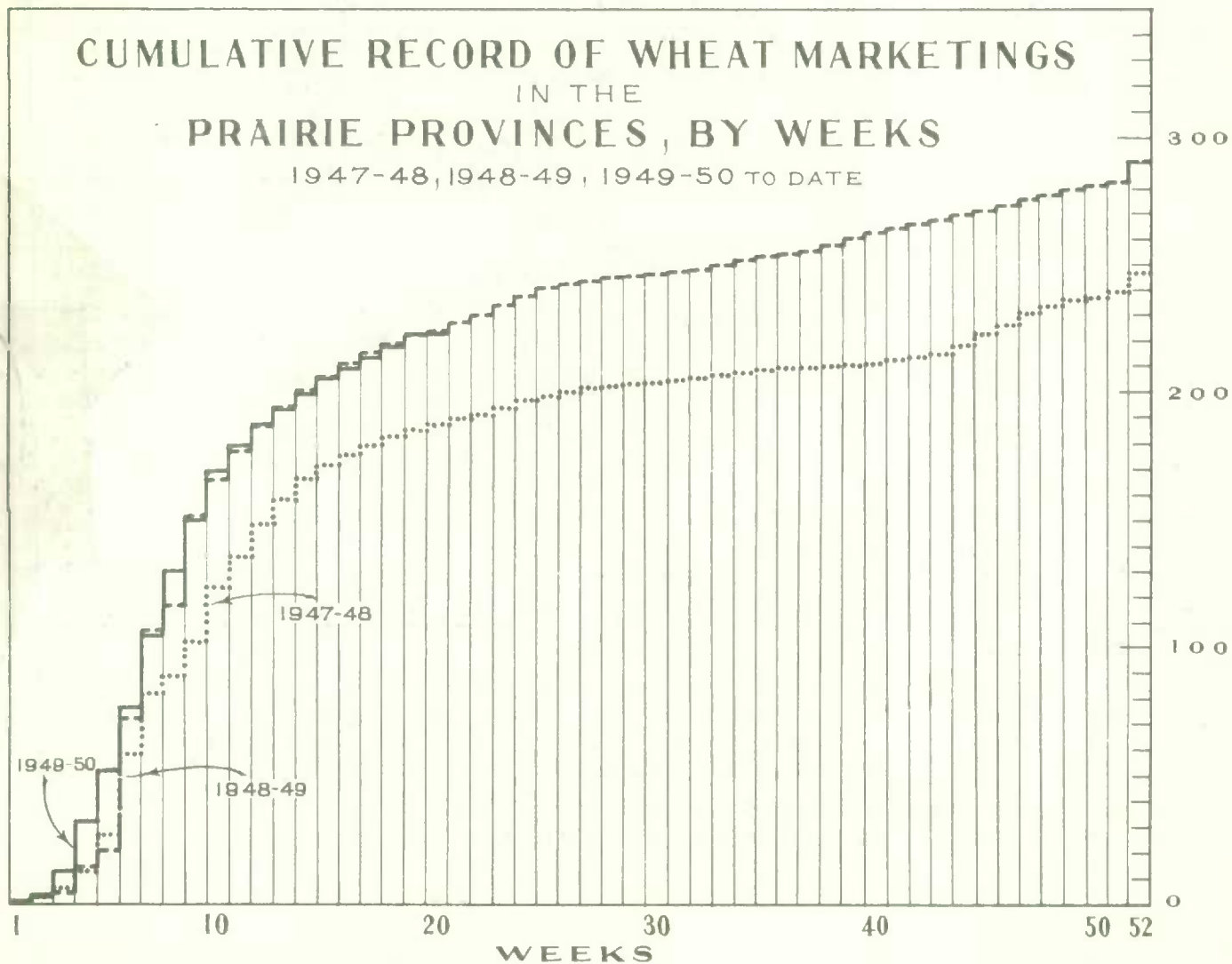
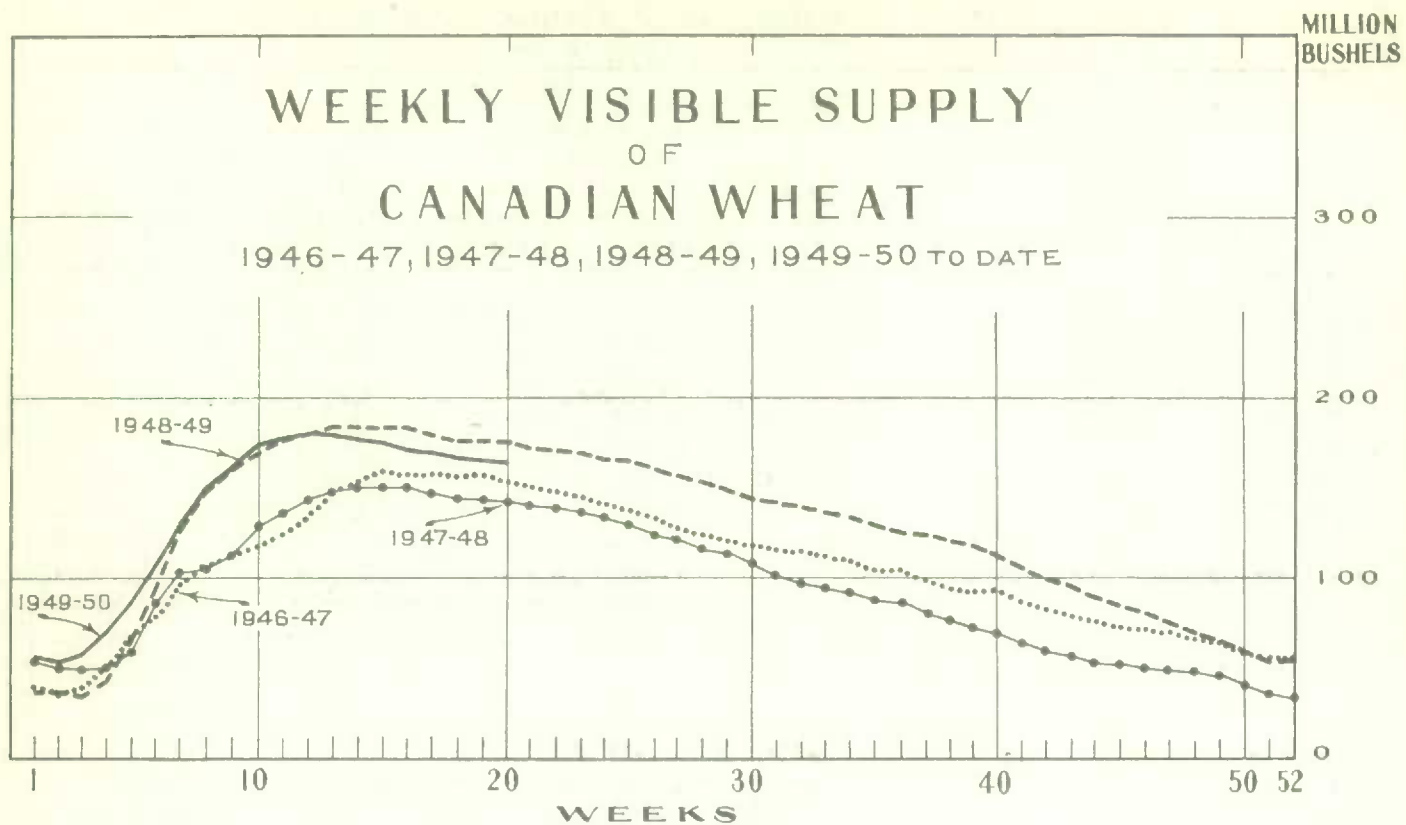
Farmers' Marketings of Wheat in the Prairie Provinces, 1949-50

Week ending	Manitoba	Saskatchewan	Alberta	Total	Last Year
- bushels -					
August 1-4	86,906	396,425	857,679	1,341,010	1,046,773
11	1,487,047	408,852	352,356	2,248,255	1,396,993
18	3,916,751	2,375,960	2,036,147	8,328,858	2,120,360
25	9,032,150	6,744,337	3,980,747	19,757,234	10,442,807
September 1	6,953,093	8,751,113	4,960,194	20,664,400	26,046,398
8	5,104,625	12,005,438	7,572,940	24,683,003	31,488,520
15	3,394,999	16,809,771	7,977,799	28,182,569	34,480,088
22	1,511,831	15,854,167	8,051,995	25,417,993	27,549,617
29	1,249,693	11,832,544	6,596,577	19,678,814	17,847,118
October 6	781,873	12,004,362	6,543,917	19,330,152	14,008,086
13	531,130	5,224,134	4,027,785	9,783,049	11,245,588
20	431,778	4,307,972	3,302,630	8,042,380	9,262,652
27	174,784	3,804,123	2,518,155	6,497,062	7,866,534
November 3	293,156	3,797,858	1,935,700	6,026,714	6,628,192
10	229,101	3,436,128	1,762,805	5,428,034	4,974,179
17	265,037	2,544,609	1,199,154	4,008,800	4,798,844
24	270,103	2,767,094	1,346,397	4,383,594	4,413,158
December 1	278,985	2,972,258	1,169,791	4,421,034	3,534,894
8	307,306	3,040,022	1,193,263	4,540,591	3,439,510
TOTAL	36,300,348	119,077,167	67,386,031	222,763,546	222,590,311

Visible Supply of Canadian Wheat, December 8, 1949 Compared With  
Approximately the Same Date, 1948 and 1947

	1949	1948	1947
- 000 bushels -			
Country Elevators - Manitoba .....	4,581	9,711	5,398
Saskatchewan .....	37,861	52,341	37,236
Alberta .....	34,008	42,451	35,232
TOTAL .....	76,450	104,503	77,866
Interior Private and Mill Elevators .....	4,538	4,851	4,201
Interior Terminals .....	95	145	110
Vancouver-New Westminster .....	9,298	5,904	4,378
Churchill .....	126	101	110
Fort William and Fort Arthur .....	18,213	8,579	3,703
In Transit - Rail (Western Division) .....	11,464	9,479	7,932
Eastern Elevators - Lake Ports .....	19,430	15,039	15,938
St. Lawrence and Seaboard Ports .....	11,630	3,312	2,089
In Transit - Lake .....	9,713	14,754	11,909
In Transit - Rail (Eastern Division) .....	2,380	2,584	1,579
United States Ports .....	1,835	5,888	13,507
In Transit - U.S.A. ....	27	1,869	1,203
TOTAL .....	165,199	177,008	144,520





# Grading of Wheat Inspected, August-November 1949 and 1948

	Inspections			
	August to November 1949		August to November 1948	
	Cars	Per Cent	Cars	Per Cent
1 Manitoba Northern .....	14,498	16.4	20,499	29.5
2 Manitoba Northern .....	50,317	57.0	29,504	42.6
3 Manitoba Northern .....	10,036	11.4	5,387	7.8
4 Manitoba Northern .....	1,820	2.1	820	1.2
Garnet .....	1,357	1.5	436	0.6
Amber Durum .....	4,131	4.7	5,342	7.7
Alberta Winter .....	629	0.7	791	1.1
Toughs - All Varieties and Grades ..	2,292	2.6	4,726	6.8
All others .....	3,138	3.6	1,879	2.7
Total .....	88,218	100.0	69,384	100.0

The proportion of inspected wheat in the various grades for the first four months of the 1949-50 crop year shows little difference from that established during the August-October period and is indicative of the continuation of wheat deliveries of high grades during November. In the period August 1 to November 30, 1949, 73.4 per cent of the 88,218 cars inspected by the Board of Grain Commissioners graded No. 1 and No. 2 Northern. The proportion of wheat grading tough was 2.6 per cent compared with 6.8 for the same period last year. Inspections for both crop years include a small amount of old-crop wheat.

## Lake Shipments of Canadian Grain, Season of Navigation 1939 to 1949

	Wheat	Oats	Barley	Rye	Flaxseed	Total
	- bushels -					
1939 .....	209,455,707	18,535,466	18,434,157	478,392	4,660,226	251,563,948
1940 .....	174,690,569	16,825,516	10,021,225	3,609,189	1,239,225	206,385,704
1941 .....	232,974,065	9,045,970	11,574,432	6,092,242	2,336,713	262,023,422
1942 .....	178,511,465	17,041,947	10,509,652	1,029,646	4,039,697	211,132,407
1943 .....	246,159,212	39,406,385	44,034,116	5,439,160	8,875,758	343,914,631
1944 .....	304,249,000	80,010,547	56,343,559	8,156,022	7,205,054	455,964,182
1945 .....	344,406,436	84,927,712	45,186,570	4,827,679	4,384,070	483,732,467
1946 .....	147,431,373	56,006,383	30,777,084	3,770,656	2,184,421	240,169,917
1947 .....	167,333,848	46,859,717	29,827,375	9,908,684	2,465,342	256,394,966
1948 .....	133,422,325	37,610,980	33,564,041	6,808,379	8,353,202	219,758,927
1949 1/...	164,195,294	44,073,572	35,634,515	12,582,925	8,489,751	264,976,057

1/ Subject to revision.

Lake shipments of grain at the close of the 1949 navigation season December 12, amounted to 265.0 million bushels, some 45.2 million bushels greater than for the 1948 season. Of the total 1949 lake shipments 62.0 per cent was wheat, 16.6 per cent oats, 13.4 per cent barley, 4.7 per cent rye and 3.2 per cent flaxseed. With the closing of navigation on the Great Lakes and St. Lawrence, eastward shipments of grain from western Canada will now have to move via rail.

Wheat Shipments to the United States, by Destination, August 1—December 8, 1949 -  
Compared with Approximately the Same Period, 1948 and 1947

	1949	1948	1947
	bu.	bu.	bu.
<u>By Vessel</u>			
Buffalo .....	6,738,682	7,161,915	14,266,961
Oswego .....	-	737,500	-
Erie .....	-	1,575,567	1,155,260
Toledo .....	-	325,053	-
Chicago .....	192,766	-	-
Total - Vessel Shipments .....	6,931,448	9,800,035	15,422,221
<u>By Rail</u>			
U.S.A. Seaboard Ports .....	27,190	-	-
Other U.S.A. Points .....	18,833	-	57,809
Total - Rail Shipments .....	46,023	-	57,809
GRAND TOTAL .....	6,977,471	9,800,035	15,480,030

Shipments of Canadian wheat to United States destinations from August 1 to December 8, 1949 amounted to 7.0 million bushels as against 9.8 million bushels in 1948 and 15.5 million bushels in 1947. Most of this crop year's shipments have taken place in recent weeks, nearly 75 per cent having been shipped in the eight-week period from October 13—December 8. Practically all of the shipments have gone by water to Buffalo with only a fractional amount moving by rail to American seaboard ports and other points in the United States.

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

	August 1, 1949 to December 8, 1949	August 1 1948 to December 9, 1948
	- bushels -	
Collingwood .....	271,330	405,459
Midland .....	2,559,845	1,359,483
Owen Sound .....	441,926	65,440
Port McNicoll .....	3,804,889	2,472,107
Coderich .....	65,510	56,839
Port Colborne .....	-	27,426
Prescott .....	-	11,066
Total .....	7,143,500	4,397,820

Rail shipments of wheat to the Maritime ports from bay and lake ports this year were up 2.7 million bushels from the 4.4 million bushels moved last year during the same period. Rail shipments from the Midland and Port McNicoll terminals have increased 1.2 and 1.3 million bushels respectively over comparable shipments for the same period last year. With the close of navigation this month it is to be expected that more wheat will now move by rail from bay and lake ports to the Maritimes.



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 November 1949 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	122,482
November .....	256,249	100,563	138,600	92,334
December .....	1,601,883	691,223	1,740,405	
January .....	2,462,002	3,149,421	3,794,391	
February .....	1,816,087	1,851,773	3,720,733	
March .....	1,711,013	3,423,684	1,511,072	
April .....	566,006	371,950	659,467	
May .....	361,386	154,551	884,171	
June .....	241,475	81,133	330,348	
July .....	123,145	231,414	469,797	
<b>TOTAL .....</b>	<b>9,758,598</b>	<b>10,368,942</b>	<b>13,376,558</b>	

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

	Ontario	Quebec
- bushels -		
2 Northern .....	-	4,000
3 Northern .....	-	5,000
Number 5 .....	5,000	22,267
Number 6 .....	-	2,833
Tough No. 5 .....	1,333	14,184
Tough No. 6 .....	-	1,426
Feed .....	1,500	1,512
Tough Feed .....	-	1,500
Rejected 4 Northern Mixed Heated .....	-	2,721
Rejected No. 5 .....	83	5,140
Rejected No. 5 Mixed Heated .....	1,544	1,544
Tough Rejected 2 Northern Mixed Heated .....	1,333	1,340
Tough Rejected 3 Northern, Mixed Heated .....	1,519	-
Tough Rejected No. 6 Mixed Heated .....	1,408	-
1 C.W.A.D. ....	4,500	-
Sample A.D. Heated .....	-	3,320
Sample Red Spring Heated .....	-	2,990
Tough Sample Red Spring Heated .....	2,884	-
2 C.W. Soft Spring .....	1,453	-
<b>TOTAL .....</b>	<b>22,557</b>	<b>69,777</b>
<b>GRAND TOTAL .....</b>	<b>92,334</b>	



Freight Assistance Shipments - Claims filed for payment under the freight assistance plan indicate that wheat shipments from the Prairie Provinces to eastern Canada and British Columbia were one million bushels less than for the same period in 1948. However, it is expected that the present total of 2.2 million bushels for the current August-October period will be increased with the filing of late claims. Some indication of the effect of late claims may be obtained by comparing the August and September totals as they now appear with claims filed for these two months to October 31. On that date claims for payment of freight assistance on wheat shipments during August and September totalled 808,000 and 560,000 bushels respectively. By November 30 additional claims had been filed to bring these totals to 894,000 and 779,000 bushels. Ontario and Quebec continue to receive the bulk of freight-assisted wheat shipments, 75 per cent of the total going to these two provinces during the period August-October 1949.

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

1949-50	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	British Columbia	Newfoundland	Total
- 000 bushels -								
August	223	362	25	26	24	233	1	894
September	227	380	13	18	10	130	1	779
October	209	218	16	20	5	31	1	500
Total	659	960	54	64	39	394	3	2,173
Same Period								
1948-49	1,159	1,009	91	120	40	754	-	3,173

Freight-assisted millfeed shipments during the first three months were down from the comparable period last year. The decline has been more marked than that occurring in the freight-assisted wheat for the same period. According to claims filed for payment up to November 30, shipments during August-October 1949 amounted to 94,129 tons, 55 per cent of the total shipped in the same period last year. The filing of late claims will doubtless increase the total for the present period under review, over that appearing in the table below.

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

	August 1 to October 31, 1949	August 1 to October 31, 1948
- tons -		
Ontario .....	26,501	51,953
Quebec .....	45,141	77,933
New Brunswick .....	6,835	12,492
Nova Scotia .....	6,751	12,126
Prince Edward Island .....	2,171	3,084
Newfoundland .....	290	
British Columbia .....	6,440	14,600
Total .....	94,129	172,188

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

	Overseas Clearances of Canadian Wheat	U. S. Imports <sup>1/</sup> of Canadian Wheat for Consumption and Grinding in Bond	Customs <sup>2/</sup> Exports of Canadian Wheat Flour	Total	Customs <sup>3/</sup> 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
Total	133,372	133	61,477	194,982	199,475
<u>1948-49 <sup>4/</sup></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	23,286	1,899	3,225	28,410	24,850
July	19,552	816	3,589	23,957	23,422
Total	178,980	3,255	48,094	232,309	228,202
<u>1949-50 <sup>4/</sup></u>					
August	16,639	62	3,898	20,599	24,014
September	14,947	881	3,908	19,733	18,294
October	18,420	1,675	3,348	23,443	21,903
November	20,680	2,019	3,699	26,398	27,498
Total	70,686	4,637	14,850	90,173	91,709

<sup>1/</sup> 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.

<sup>2/</sup> Exports for Crop Years 1947-48, 1948-49 and August 1949 revised to remove effect of time lag in the returns made by Customs. Subsequent months to be revised as data become available.

<sup>3/</sup> Unadjusted, as published by the External Trade Division, Dominion Bureau of Statistics.

<sup>4/</sup> Subject to revision.

Exports of Canadian Wheat and Wheat Flour  
August 1949 to November 1949

	October		November		August—November	
	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 .....	1,253,232	14,291,607	1,610,505	14,000,096	6,133,514	48,505,457
Ireland .....	-	-	-	892,267	-	1,241,333
<u>Africa</u>						
Br. S. Africa .....	-	-	225	-	1,030	938,583
<u>Br. West Africa</u>						
Gold Coast .....	14,940	-	36,193	-	98,792	-
Nigeria .....	783	-	-	-	1,701	-
Sierra Leone .....	3,325	-	4,073	-	30,645	-
<u>Asia</u>						
British Malaya .....	-	-	-	-	382,356	-
Hong Kong .....	201,650	-	259,799	-	814,073	-
India .....	-	-	-	-	-	-
<u>Europe</u>						
Gibraltar.....	17,928	-	-	-	19,323	-
Malta .....	-	-	-	112,000	-	408,000
<u>North America</u>						
Bahamas .....	18,697	-	19,508	-	79,528	-
Barbados .....	50,026	-	25,704	33	144,580	866
Jamaica .....	63,094	-	104,409	-	507,091	-
Trinidad-Tobago ....	146,228	-	126,270	-	711,010	-
Leeward-Windward Is.	82,472	-	64,282	-	283,135	-
Bermuda .....	10,958	-	6,678	-	35,780	-
British Honduras ...	1,948	-	3,213	-	11,677	-
<u>South America</u>						
British Guiana .....	71,154	-	76,194	-	330,724	-
<u>TOTAL COMMONWEALTH COUNTRIES</u>						
.....	1,936,435	14,291,607	2,337,053	15,004,396	9,584,959	51,094,239



## Exports of Canadian Wheat and Wheat Flour - continued

	October		November		August—November	
	Wheat Flour <u>1/</u>	Wheat <sup>2/</sup>	Wheat Flour <u>1/</u>	Wheat <sup>2/</sup>	Wheat Flour <u>1/3/</u>	Wheat <sup>2/</sup>
	- bushels -		- bushels -		- bushels -	
<u>FOREIGN COUNTRIES</u>						
<u>Africa</u>						
Azores and Madeira	3,357	-	2,583	-	9,153	-
Belgian Congo ....	7,020	-	4,203	-	33,246	-
Canary Islands ...	-	-	1,377	-	4,127	-
Liberia .....	459	-	1,147	-	3,380	-
Morocco .....	50,270	-	36,139	213,124	126,414	213,124
Portuguese Africa.	1,030	-	55,049	-	61,907	-
Spanish Africa ...	-	-	5,049	-	15,147	-
Madagascar .....	-	-	17,825	-	17,825	-
<u>Asia</u>						
Arabia .....	2,295	-	4,500	55,868	45,873	63,217
China .....	5,737	-	17,226	-	68,863	-
Indonesia .....	1,836	-	4,252	-	14,683	-
Iraq-Iran .....	-	1,132,406 <sup>4/</sup>	-	923,697	-	4,274,108
Israel .....	-	595,373 <sup>4/</sup>	-	366,613	-	1,319,508
Philippine Islands	735,538	-	622,593	-	2,157,344	-
Siam .....	12,303	-	12,402	-	46,849	-
Turkey .....	-	-	-	-	-	2,114,933
<u>Europe</u>						
Belgium .....	139	747,040 <sup>5/</sup>	-	1,831,013	17,811	3,794,272
Denmark .....	-	-	-	122,000	-	122,000
France .....	-	-	-	-	1,377	-
Germany .....	4,820	-	8,847	-	24,364	-
Greece .....	4,257	-	-	-	20,327	-
Italy .....	2,295	-	-	-	13,082	252,261
Netherlands .....	1,836	-	-	-	1,836	-
Norway .....	-	380,800	-	-	-	1,153,007
Poland .....	-	-	-	-	1,062	-
Portugal .....	-	-	2,524	-	7,834	-
Switzerland .....	-	1,155,616 <sup>5/</sup>	-	1,728,267	5,202	5,317,051
Yugoslavia .....	2,412	-	7,686	-	16,151	-
<u>North America</u>						
Costa Rica .....	20,201	16,667	26,780	16,666	124,606	50,000
Cuba .....	101,336	-	101,178	-	592,354	-
Dominican Republic	26,014	-	16,803	-	74,649	-
El Salvador .....	17,663	-	8,640	-	36,279	-
Guatemala .....	11,691	-	19,710	33,480	78,535	33,480
Haiti .....	3,429	-	8,608	-	78,809	-
Honduras .....	-	7,500	918	-	6,655	7,500
Mexico .....	-	-	-	349,440	-	349,440
Nether. Antilles..	22,892	-	16,006	-	80,410	-
Nicaragua .....	9,891	-	5,324	-	33,192	-
Panama .....	21,569	-	16,155	-	78,817	-
St. Pierre-Miquelon	2,749	-	2,588	-	7,173	-



## Exports of Canadian Wheat and Wheat Flour - concluded

	October		November		August-November	
	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>						
United States	16,524	-	13,999	-	56,065	-
For grinding in bond <u>6/</u>	-	1,674,811	-	1,562,387	-	4,162,273
For domestic consumption <u>6/</u>	-	-	-	457,183	-	474,683
Virgin Islands	-	-	2,295	-	4,590	-
<u>Oceania</u>						
Hawaii .....	-	-	-	-	1,377	433
<u>South America</u>						
Bolivia .....	-	-	738	35,262	3,838	35,262
Colombia .....	6,579	53,747	1,818	-	16,380	122,213
Ecuador .....	14,229	37,333	27,198	-	115,520	37,333
Nether. Guiana.	14,404	-	14,108	-	54,463	-
Peru .....	-	-	27,770	-	27,770	330,690
Venezuela .....	286,547	2,000	248,499	-	1,079,856	2,000
<u>TOTAL FOREIGN COUNTRIES</u> ....						
	1,411,322	5,803,293	1,362,537	7,695,000	5,265,195	24,228,788
<u>GRAND TOTAL EXPORTED</u>						
	3,347,757	20,094,900	3,699,590	22,699,396	14,850,154	75,323,027

- 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 for the month of August 1949 revised to remove effect of time lag in the returns made by the Customs.
- 4/ Revised - 91,221 bushels previously reported shipped to Iran, now advised forwarded to Israel.
- 5/ Revised - 7,466 bushels previously reported shipped to Belgium now advised forwarded to Switzerland.
- 6/ Compiled from returns of Canadian licensees and advice from American grain correspondents.

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

		Weeks ending -			
		Nov. 26	Dec. 3	Dec. 10	Dec. 17
(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) Class I (Domestic Sales) <u>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		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) <u>United Kingdom Contract</u> <u>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</u> <u>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		233/4	230	224/4	222/3
1 Northern		233/4	230	224/4	222/3
2 Northern		230/4	227	221/4	219/3
3 Northern		228/4	225	219/4	217/3
1 C.W. Amber Durum		233/4	230	224/4	222/3
2 C.W. Amber Durum		230/4	227	221/4	219/3
3 C.W. Amber Durum		228/4	225	219/4	217/3

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 charge.

3/ Plus 5 cents per bushel carrying charge.

## THE UNITED STATES WHEAT SITUATION

### Supply Situation -

According to the United States Department of Agriculture, disappearance of wheat July through November for milling and export amounted to about 359 million bushels, a reduction of 81 million bushels from the disappearance in the same period last season. Supplies remaining on December 1 for milling, export or carry-over totalled 848 million bushels compared with 838 million bushels a year ago and the 1943-47 December 1 average of 661 millions.

### United States Wheat Supply and Distribution 1949-50 Season With Comparisons

	1943-47 Average	1948-49	1949-50 Preliminary
- million bushels -			
Carry-over stocks, July 1 .....	279.7	196.0	305.8
New crop .....	1,106.5	1,288.4	1,126.2 <sup>1/</sup>
Total Domestic Supplies .....	1,386.2	1,484.4	1,432.0
Estimated quantity for feed, seed, and industrial use for season <sup>2/</sup> .....	390.7	206.5	225.0
Quantity remaining for milling, export, or carry-over .....	995.5	1,277.9	1,207.0
Disappearance July 1 through Nov. 30:			
Wheat milled for flour .....	265.0	277.2	231.1
Exports of wheat as grain .....	69.7	163.1	128.0
Total Exported or Milled .....	334.7	440.3	359.1
Balance on December 1 for milling, export or carry-over .....	660.8	837.6	847.9
Exports of flour, including macaroni in grain equivalent, July-November (Not included in grain exports) .....	43.7	69.6	18.6

<sup>1/</sup> October estimate.

<sup>2/</sup> Includes an estimate for breakfast food, which is not included in the quantity of wheat milled for flour.

November 1949 flour milling calculated from trade sources and November 1949 exports calculated from boat loadings, FMA purchases, etc.

### 1949-50 Exports Now Expected to Total 400 Million Bushels -

According to the September-December issue of 'The Wheat Situation' "Exports of wheat and products from the United States in 1949-50 are now expected to total about 400 million bushels, compared with 501 million in 1948-49. Exports in July-October totalled about 124 million bushels, considerably less than the record 202 million for the same period a year earlier. The size of United States exports have been affected not only by the general reduced demand by importing countries but also by very limited sales to Wheat Agreement countries using E.C.A. funds. The maximum price under the Agreement is below our domestic level and up to October 28 no provision had been made for subsidizing exports financed by E.C.A. fund to such countries. The rate of exports are expected to be increased by a program effective



October 28, which provides for C.C.C. payment of the export subsidy on such shipments. United States sales under the Wheat Agreement from August 1 through December 1 totalled about 24 million bushels or only about 14 per cent of the total annual export quota of 168 million.

The procurement of wheat for export was largely transferred from C.C.C. to private traders effective November 1. With the exception of the occupied zones and Greece, Austria and Trieste, any country is now permitted to procure wheat through private channels. The areas named will continue to be furnished by C.C.C."

Winter Wheat Forecast for 1950 - The United States Department of Agriculture Crop Reporting Board forecasts the winter wheat crop on the basis of December 1 conditions, at 885 million bushels or about 2 per cent less than the 902 million bushels produced in 1949 but nearly 22 per cent above the average of 727 million bushels for the ten years 1938-47. Acreage seeded to winter wheat is estimated at 53,023,000 acres, a reduction of 15 per cent from the 62,372,000 seeded in the fall of 1948 but 11 per cent more than the ten-year average of 47,713,000. The acreage that will not be harvested because of abandonment or diversion to other uses is estimated at 6.9 per cent compared with 11.1 per cent for the 1949 crop and 11.1 per cent for the ten-year average. The indicated yield is 16.7 bushels per seeded acre compared with 14.5 bushels for the 1949 crop and 15.2 bushels for the ten-year average.

International Wheat Agreement Sales - The United States Department of Agriculture announced December 16, that during the week of December 9 to December 15, inclusive, the Commodity Credit Corporation confirmed sales of 1,308,452 bushels of wheat (including wheat and wheat flour in wheat equivalent) under the International Wheat Agreement. The sales included 105,604 hundred-weight of commercial flour (244,452 bushels of wheat equivalent) and 1,064,000 bushels of commercial wheat. Principal buyers were Cuba, Mexico and Norway.

The following table shows by countries of destination the cumulative sales since the beginning of the program, August 1, through December 15, 1949:

Country	Commercial Flour		Commercial Wheat	CCC Wheat	TOTAL
	cwt.	bu.	bu.	bu.	bu.
Austria .....	-	-	-	1,837,185	1,837,185
Belgium & Colonies ....	6,035	13,970	-	3,453,333	3,467,303
Bolivia .....	54,971	127,247	-	-	127,247
Cuba .....	229,440	531,108	11,689	-	542,797
Dominican Republic ...	10,690	24,745	-	-	24,745
Ecuador .....	126,044	291,767	-	-	291,767
El Salvador .....	55,573	128,640	23,334	-	151,974
Guatemala .....	127,527	295,199	-	-	295,199
Haiti .....	5,947	13,766	-	-	13,766
Ireland .....	-	-	-	933,334	933,334
Israel .....	165,345	382,741	-	373,333	756,074
Italy .....	-	-	-	2,015,906	2,015,906
Mexico .....	-	-	3,883,707	-	3,883,707
Netherlands & Colonies	480,790	1,112,933	-	3,196,702	4,309,635
Nicaragua .....	8,300	19,213	-	-	19,213
Norway .....	575,188	1,331,445	923,998	-	2,255,443
Panama .....	9,636	22,305	-	-	22,305
Peru .....	-	-	1,866,570	-	1,866,570
Portugal & Colonies ..	187,169	433,259	1,030,400	2,426,666	3,890,325
Saudi Arabia .....	64,602	149,541	-	37,333	186,874
United Kingdom Col. ..	273,136	632,255	-	-	632,255
Venezuela .....	204,000	472,219	-	-	472,219
Total .....	2,584,393	5,982,353	7,739,698	14,273,792	27,995,843



Chicago and Minneapolis Cash Wheat -

Cash wheat prices on the Chicago wheat market showed relatively little change in the period December 1—17. The period has been one of little activity as few sales were reported in the spot market. Producers have unloaded only a small supply of wheat and what was offered soon found buyers in the limited takings of the mills. The Commodity Credit Corporation has not been in the market since early November and there has been no pressure from foreign buyers to stimulate market interest.

The Minneapolis cash market eased from \$2.24 3/8 on December 1 to \$2.21 3/8 on December 17 under the impact of fairly large deliveries on December contracts and increased country offerings coupled with only a slight demand.

Daily Cash Wheat Prices on the Chicago and Minneapolis Markets

1949	Chicago		Minneapolis	
	Grade	Price	Grade	Price
December 1	None		1 Dark Northern	224 3/8 - 225 3/8
2	3 Mixed	212 3/4	1 Dark Northern	224 1/8 - 225 1/8
3	3 Red	215	1 Dark Northern	225 3/8 - 226 3/8
5	None		1 Dark Northern	225 1/4 - 226 1/4
6	4 Red	210 1/4	1 Dark Northern	223 7/8 - 224 7/8
7	3 Red Tough	211	1 Dark Northern	221 1/8
8	2 Red	218 1/4	1 Dark Northern	221 3/8
9	2 Red	217	1 Dark Northern	221 1/2 - 222 1/2
10	None		1 Dark Northern	221 7/8 - 222 7/8
12	3 Red	217 5/8	1 Dark Northern	221 1/2 - 222 1/2
13	3 Red	218 1/2	1 Dark Northern	222 1/8
14	4 Red	210	1 Dark Northern	221 3/8
15	2 Red	217 3/4	1 Dark Northern	221 7/8
16	None		1 Dark Northern	221 5/8
17	3 Red	217 1/4	1 Dark Northern	221 3/8

# Chicago Wheat Futures -

Wheat futures on the Chicago Grain Exchange climbed to a high of \$2.22/6 on December 13. The firm tone was in anticipation of improved export business. There are still large amounts of wheat to be bought under the International Wheat Agreement, although buyers seem reluctant to place many sales. With commitments under the Agreement in mind and reports of dry conditions in parts of the winter wheat belt the grain trade is hopeful that wheat prices will maintain their present levels. There have been some deliveries on December contracts but many have sought to defer to another month feeling that demand for wheat will be greater in the second half of the crop year than in the first half. There seems to be a general reluctance on the part of producers to dispose of their wheat and this tendency is expected to maintain the wait and see attitude now evident amongst traders on the futures market.

## Chicago Wheat Futures, High Points of Closing

1949		December	March	May	July	September
- cents and eighths per bushel -						
December	1	218/6	218/4	213/4	196/6	-
	2	217/5	218/2	213/5	197/3	197/4
	3	221/3	220/4	215/1	198/2	198/2
	5	222/2	221/4	216/2	198/6	198/2
	6	220/5	219/7	214/5	197/6	197/4
	7	219/7	219/5	214/3	197/1	196/7
	8	219	219	213/4	195/6	195/6
	9	219/6	219/7	214/3	196/7	196/4
	10	221/1	220/3	215/1	197/2	196/5
	12	221/3	220/3	214/7	196/6	196/2
	13	222/6	221/5	215/3	196/7	196/2
	14	220/6	220/7	214/7	197/1	196/2
	15	220	220/2	214/3	197/3	197
	16	221/3	221/1	214/6	197/7	197
	17	221/1	221/1	214/5	196/6	196/3
	19	221	220	213/5	195/7	195

## THE ARGENTINE WHEAT SITUATION

The Argentine wheat harvest is now well under way with reports still indicating a better crop than last year.

Unfortunately the usual review on the Argentine wheat situation provided by the Canadian Commercial Secretary (Agriculture) at Buenos Aires was not received in time for publication in this issue of the Monthly Review of the Wheat Situation. A full report will be issued next month.

## THE AUSTRALIAN WHEAT SITUATION

The following cable dated December 15, 1949 was received from the Canadian Trade Commissioner in Melbourne:

"Australian wheat stocks at November 26 totalled 22 million bushels. Wheat exports from October 30 to November 26 totalled 3,681,000 bushels principally to India, United Kingdom and New Zealand and flour 54,040 long tons with 19,015 to Ceylon, 7,700 to Mauritius, 6,607 to Malaya and 3,807 to the United Kingdom. It is now estimated that the new crop may reach 203 million bushels from an area sown of approximately 12,663,000 acres. The Australian Wheat Board reports a further sale of wheat to Japan making a total of approximately 200,000 tons at 32/13/4 stg. per long ton (Editor's note: \$2.14 Canadian per bushel)."

### Australia Experiments With Conversion of Wheat Products

The following is extracted from an article appearing in the Northwestern Miller of December 6, 1949:

"Australian interests are endeavoring to find new export outlets for that country's wheat and flour production. Some investigators are experimenting with new methods of processing wheat with a view to entering markets hitherto reserved for other products.

Rice is a case in point. It is realized that the demand for rice in India, Pakistan, Malaya and the Philippines is growing beyond the capability of production to meet it. Accordingly, plans are being made to convert wheat into synthetic rice, and the first step has been taken by the government of Australia with the purchase of a power alcohol distillery for the purpose of processing 79,000 tons of wheat.

Actual operations are expected to begin early in 1950. It is forecast that the scheme will result in the production of 51,600 tons of synthetic rice, 2,400 tons of ordinary bran and 15,000 tons of high quality cooked bran. This residue will also assist in easing the prevailing shortage of millfeed in Australia.

After washing, the wheat is given repeated treatment with steam at a pressure of 20 lb. sq. in. This distills the fatty acids and takes away the normal wheat flavor and smell. The steamed wheat is then vacuum dried until a hard gelatine-like mass is produced, and the individual grains hardened so that they will not crack when milled. The outside husk is removed by the ordinary process in a rice mill. It is claimed that synthetic rice produced by this method has good keeping qualities, is resistant to weevils and has the same vitamin quality as wheat."



## CALENDAR OF WHEAT EVENTS

- December 1 A Broomhall report indicates seeding of winter grains in Italy has been completed and the area sown to winter wheat is estimated at 11,920,000 acres compared with an indicated total of 12,000,000 for winter and spring wheat last season and 11,860,000 two years ago. The present total is somewhat above the total planted during the fall of 1948.
- 5 Brazil's home wheat production increased from 233,000 metric tons in 1945 to 452,000 tons in 1948. This year's crop is expected to yield a record of 600,000 tons. Imports of wheat grain decreased from 1 million tons in 1945 to 313,000 tons in 1948. During the first 6 months of 1949, imports totalled 155,000 tons. Imports of flour increased from 142,000 tons in 1945 to 402,000 in 1948. Only 91,000 tons of flour, however, were imported in the first 6 months of 1949.
- 6 A trade source reporting on the wheat situation in France states that a smaller acreage has been sown to winter wheat this season. The reduction may be at least partly offset by increased seeding of spring wheat next year. Last year a wheat goal of 12,350,000 acres was set but not more than 11,200,000 acres were actually sown. However, heavy yields brought the harvest to a high level.
- 9 Broomhall reports Iranian purchases of 5,640,000 bushels of wheat from the United States and 3,760,000 bushels from Russia, making a total of 9,400,000 bushels.
- 12 The South African wheat crop has been estimated at 15 million bushels for the 1949-50 season. This estimate is a 2.5 million bushel decrease from the crop of last season. Normal annual requirements for the Union are between 27 and 30 million bushels, so South Africa will have to import about 15 million bushels from abroad during 1950 to meet domestic requirements.
- 13 Effective 1.15 p.m. Central Standard Time today the five-cent per bushel carrying charge on sales of flour under the International Wheat Agreement for shipment by July 31, 1950 (basis maximum price of \$1.98 per bushel for No. 1 Manitoba Northern in store Fort William-Port Arthur or Vancouver) is discontinued.
- 17 Based on average prices received by farmers from the beginning of the crop year, August 1 up to the end of November, Canada's 1949 wheat crop is valued at \$566,620,000. Revised estimates place the value of the 1947 and 1948 Canadian wheat crops at \$526,740,000 and \$623,011,000 respectively.
- 19 The Argentine Press reports that France recently bought 5,511,495 bushels of wheat to reduce her credits in Argentina. The wheat was required for export to Germany in exchange for coal. The price paid for the wheat is \$2.32 U.S. per bushel c.i.f. Hamburg. France also purchased from Argentina from 30,000 to 50,000 tons of linseed oil cake meal.





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