

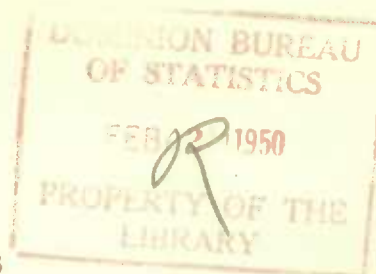
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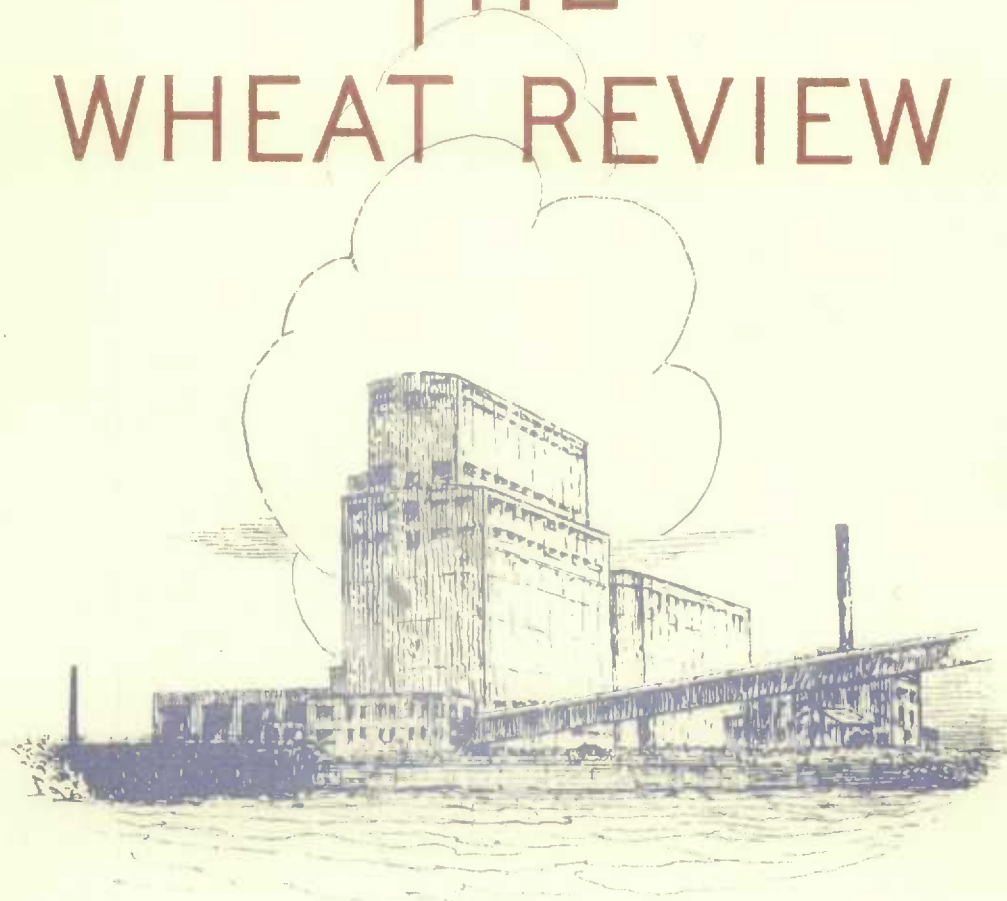


CANADA

DOMINION BUREAU OF STATISTICS
AGRICULTURE DIVISION



THE WHEAT REVIEW



JANUARY, 1950

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

**THE
WHEAT REVIEW**

(Formerly Monthly Review of the Wheat Situation)

JANUARY , 1950

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THE WHEAT REVIEW

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	Page
World Wheat Situation -	
FAO Reviews the Outlook for 1950-51	1
International Wheat Agreement - Sales and Purchases	2
Canadian Wheat Situation -	
Saunders Wheat Increasing in Importance	2
Supply Position	3
Farmers' Marketings, by weeks	4
Visible Supply of Canadian Wheat	5
Grading of Wheat, August-December Inspections	5
Weekly Visible Supplies and Farmers' Marketings (Charts)	6
Wheat Shipments to the United States	7
Rail Shipments of Wheat to Maritime Ports	7
Rail Shipments from Fort William-Port Arthur	8
Freight Assistance Shipments	9
Monthly Export Clearances	10
Exports of Canadian Wheat and Wheat Flour by Destination	11
Current Wheat Prices	14
Canadian Grain Storage	15
Canadian Flour Milling Situation -	
Production and Exports	18
United States Wheat Situation -	
Supply Situation	19
Wheat Stocks on Farms	19
Flour Production	20
July-December Grain Exports	20
Chicago and Minneapolis Cash Wheat	21
Chicago Wheat Futures	22
Argentine Wheat Situation	23
Australian Wheat Situation	25
Calendar of Wheat Events	27

WORLD WHEAT SITUATION

FAO Reviews the Outlook for 1950-51 - World wheat supplies, production and trade relative to the 1949-50 crop year have been discussed in recent issues of this publication. Hence, at this time it may be useful to look a little farther ahead. In this connection the Food and Agriculture Organization has released a survey containing a brief review of the world outlook for grains in 1950-51. For the convenience of our readers the views of FAO on this point are reproduced herewith:

"Europe's bread grain program for 1950 calls for a 5-per cent increase in area over 1948 and a 10-per cent increase in production, which would restore output to about the 1934-38 level.* In view of the fact that, despite a higher goal, the seeded area in 1949 was little changed from 1948 and that yields in 1948 were good owing largely to unusually favourable weather, these 1950 targets for area and production seem optimistic. Moreover, about one-half of the programmed increase in bread grain production is scheduled for Eastern Europe, where such an expansion would not necessarily be accompanied by an increase in exports to Central and Western Europe. Europe is therefore unlikely to be able to reduce its bread grain imports in 1950-51 as much as it planned to do, assuming that present consumption levels and extraction rates are to be maintained.

As regards other cereals, substantial increases in area and production of barley and mixed grains are planned for Western and Northern Europe, while a decrease in maize area is scheduled for Eastern Europe. Increased imports of coarse grains have been programmed, perhaps optimistically, for Europe as a whole.

In the Far East, rice also has to be considered. A small increase in wheat output is programmed, notably for India and Japan, and a more considerable increase for rice, particularly in India and the rice-exporting countries. While the full effect of these programs is likely to appear later than 1950-51, rice prices may be expected to fall relative to cereal prices, which might stimulate deficit countries to replace part of their wheat and maize imports by rice imports.

In Australia and Canada no substantial changes are anticipated. In the United States a reduced output of wheat and maize is the goal. On this assumption, and assuming no significant stock change, bread-grain exports would be 20 per cent and coarse-grain exports 33 per cent below the 1948-49 level.

Exports from the U.S.S.R. Argentina, and other smaller sources of supply are a matter of great uncertainty. Several indications suggest that exports, both of wheat and coarse grains, may expand somewhat. This question assumes importance because these are the major cereal exporters, apart from Australia, which do not require payment in dollars.

Altogether the importing countries will continue to depend on the dollar area for some 70 per cent of their wheat and nearly half their coarse grains, and there seems no possibility of other sources of supply expanding soon or rapidly. This being so, the volume of world imports, while depending in part on the rate of agricultural expansion in the Far East and Europe, will depend mainly on the state of the world dollar problem in 1950-51. Wheat will, of course, have a high priority on the list of imports, and coarse grains a rather lower priority, although Europe by then will have large live-stock numbers to feed. Because of the considerable carry-over stocks of coarse grains anticipated for next summer in the United States, larger exports than those projected could be made if needed. Wheat stocks, however, which provide the only apparent flexibility in the world bread grain outlook for 1950-51, are not likely to be abnormally large."

*Such goals, of course, assume normal weather and growing conditions and a continuation of present price policies; the actual results may be higher or lower, depending upon developments in the intervening period.

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, 1949 to January 13, 1950: Canada 28.7 million bushels; United States 38.4 million bushels; Australia 26.3 million bushels; France 1.1 million bushels. The following importers who belong to the agreement absorbed these sales in the quantities indicated: Austria (4.4 million bushels); Belgium (7.2 million bushels); Ceylon (3.8 million bushels); Cuba (2.2 million bushels); Egypt (4.6 million bushels); Greece (5.4 million bushels); Ireland (2.2 million bushels); Israel (3.0 million bushels); Italy (3.7 million bushels); Mexico (4.2 million bushels); Netherlands (9.7 million bushels); Norway (4.1 million bushels); Peru (2.3 million bushels); Portugal (4.0 million bushels); Switzerland (3.9 million bushels); Union of South Africa (7.6 million bushels); United Kingdom (17.3 million bushels); Venezuela (3.3 million bushels). Note:- Countries who have taken less than 50,000 metric tons have not been listed above.

Saunders Wheat Increasing in Importance -

Saunders wheat has been tested extensively in experimental plots since 1945 and has been grown by the farming public of northern Alberta and British Columbia during 1948 and 1949. Its performance during these years has been most satisfactory and it is increasing rapidly in popularity, says A. A. Guitard, Dominion Experimental Station, Beaverlodge, Alberta.

On the basis of 50 tests conducted from 1945 to 1949 Saunders has yielded one bushel per acre more than Garnet and Thatcher, and one-half bushel more than Red Bobs. In maturity it is one-half day later than Garnet, three days earlier than Thatcher and three and one-half days earlier than Red Bobs. It is approximately one inch shorter than Thatcher and is slightly more resistant to lodging.

Of considerable interest is the consistency of the results obtained on soils varying from grey-wooded to shallow-black and with large variations in effective rainfall. At only one of the twelve testing locations has Thatcher outyielded Saunders and then by less than one bushel per acre. At all locations it has averaged at least two days earlier maturing than Thatcher. On the basis of yearly averages of from 8 to 31 tests, Saunders has always been at least two days earlier maturing than Thatcher and of comparable yield. When it is considered that in general two of the years were dry with early ripening, two late with early fall frosts and one year normal, the adaptability of Saunders to this northerly area is established.

Growers are generally agreed that Saunders is more easily threshed than Thatcher, yet holds its kernel sufficiently well for combining. The sample displays better colour than Thatcher and during 1948 when an early fall frost was encountered tended to grade higher.

These characteristics combined with the satisfactory milling and baking quality and disease resistance of Saunders make its development an important contribution to Peace River agriculture.

During the springs of 1948 and 1949 the Dominion Experimental Station at Beaverlodge supplied some 810 growers in the Peace River region with Certified seed of Saunders wheat. It is now felt that there is sufficient seed in the hands of growers to satisfy the demand and no further distribution of Certified seed will be undertaken by the Station.

It is expected that a small quantity of Foundation Stock may be available for the 1951 season. This will be distributed to well-qualified prospective Elite growers as basic stock for the production of first-generation Registered seed. Therefore, assuming normal increase, a small quantity of Registered seed should be made available by Elite growers for the 1953 season.

Supply Position -

Exports of wheat and wheat flour for the first five months of the current crop year amounted to 104.0 million bushels, an increase of 20.7 million bushels over the similar period in 1948-49. While exports of wheat flour are lagging behind those of last year, exports of wheat as grain are 26.3 million bushels greater than for the corresponding period of the previous crop year. Wheat remaining for export or carry-over January 1, 1950 was 217.8 million bushels compared with 247.0 million bushels on the same date last year.

Canadian Wheat Supplies

	1949-50	1948-49
	- million bushels -	
Carry-over in North America July 31	101.4 ^{1/}	77.7
New Crop	367.4	393.3
Imports of wheat and wheat flour, November	2/	0.3
Total Supply	468.8	471.3
Estimated Domestic Requirements	147.0 ^{3/}	141.0 ^{3/}
Available for export or carry-over	321.8	330.3
Deduct:		
Overseas clearances of wheat as grain Aug.1-Dec.31 ..	80.4	59.6
Exports of Canadian wheat to U.S., Aug.1-Dec.31	5.5	2/
Total Wheat Exports	85.9	59.6
Exports of wheat flour in terms of wheat Aug.1-Dec.31	18.1	23.7 ^{4/}
Total Exports Wheat and Wheat Flour	104.0	83.3
Balance on January 1 for Export or Carry-over	217.8	247.0

^{1/} Revised.

^{2/} Less than 50,000 bushels.

^{3/} Tentative estimate.

^{4/} 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
15	379,391	2,305,535	1,292,377	3,977,303	2,012,845
22	584,752	3,039,794	2,109,705	5,734,251	3,071,257
29	663,019	2,636,205	1,581,786	4,881,010	3,026,421
January 5	245,905	1,077,129	577,553	1,900,587	3,438,999
12	222,310	741,034	939,661	1,903,005	3,190,854
TOTAL	38,395,725	128,876,864	73,887,113	241,159,702	237,330,687

Marketings of wheat in the Prairie Provinces totalled 241.2 million bushels by January 12 of the 1949-50 crop year compared with 237.3 million for the same period of the previous crop year 1948-49. Peak marketings from this area in both crop years occurred in September. Some 28.2 million bushels were marketed during the week ending September 15, 1949. However, since that week marketings of wheat have declined seasonally to a low of 1.9 million bushels recorded in the week ending January 5, 1949.

Saskatchewan, with 128.9 million bushels, accounted for 53.4 per cent of wheat marketings in the Prairie Provinces up to the week ending January 12 of the present crop year. Alberta with 73.9 million bushels, and Manitoba with 38.4 million bushels supplied 30.6 and 15.9 per cent respectively. Wheat marketings in Manitoba are some 4.9 million bushels greater to date this crop year than was the case for approximately the same period in 1948-49. However, deliveries from farms in Saskatchewan and Alberta for the same period show a slight reduction from last year's unrevised totals.

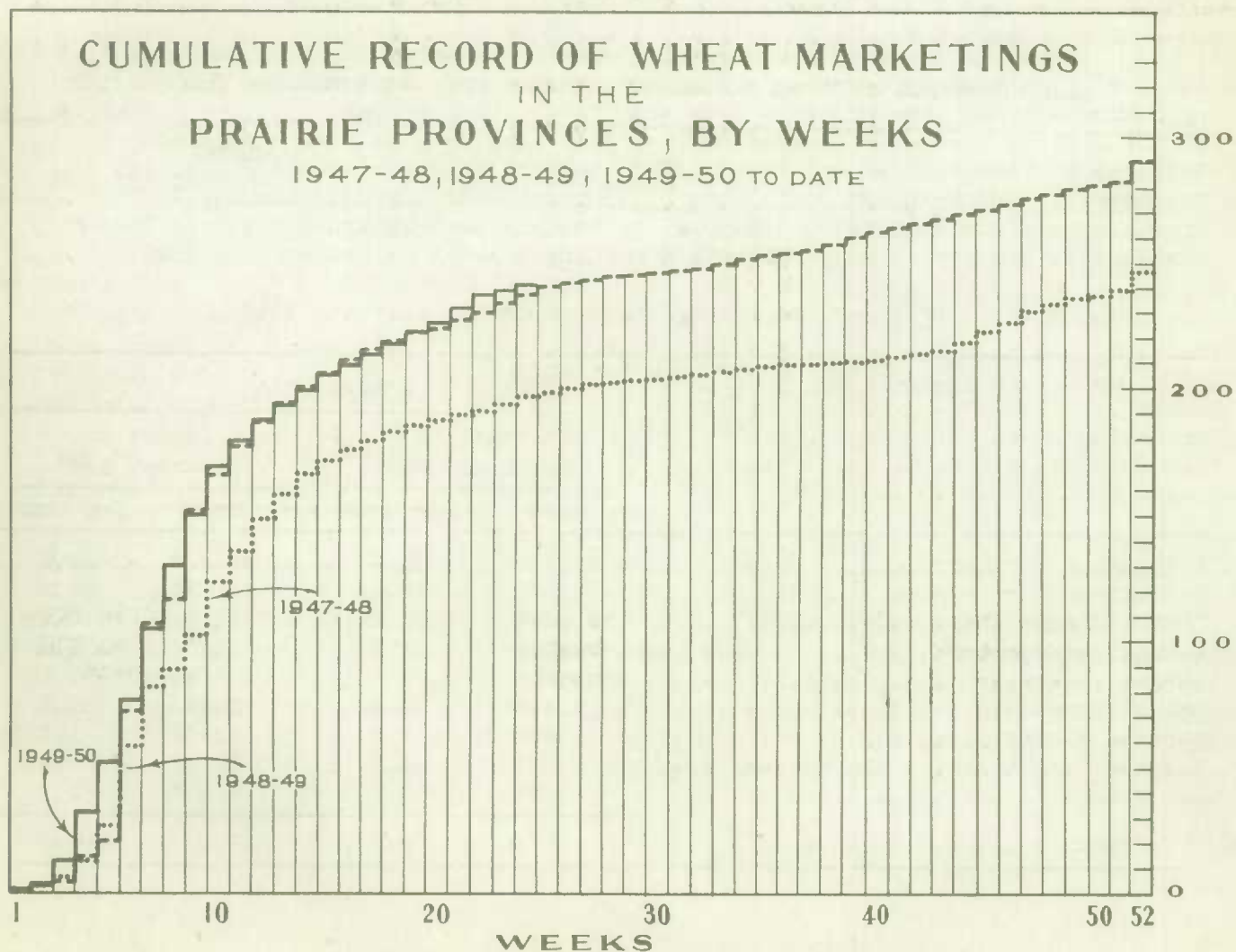
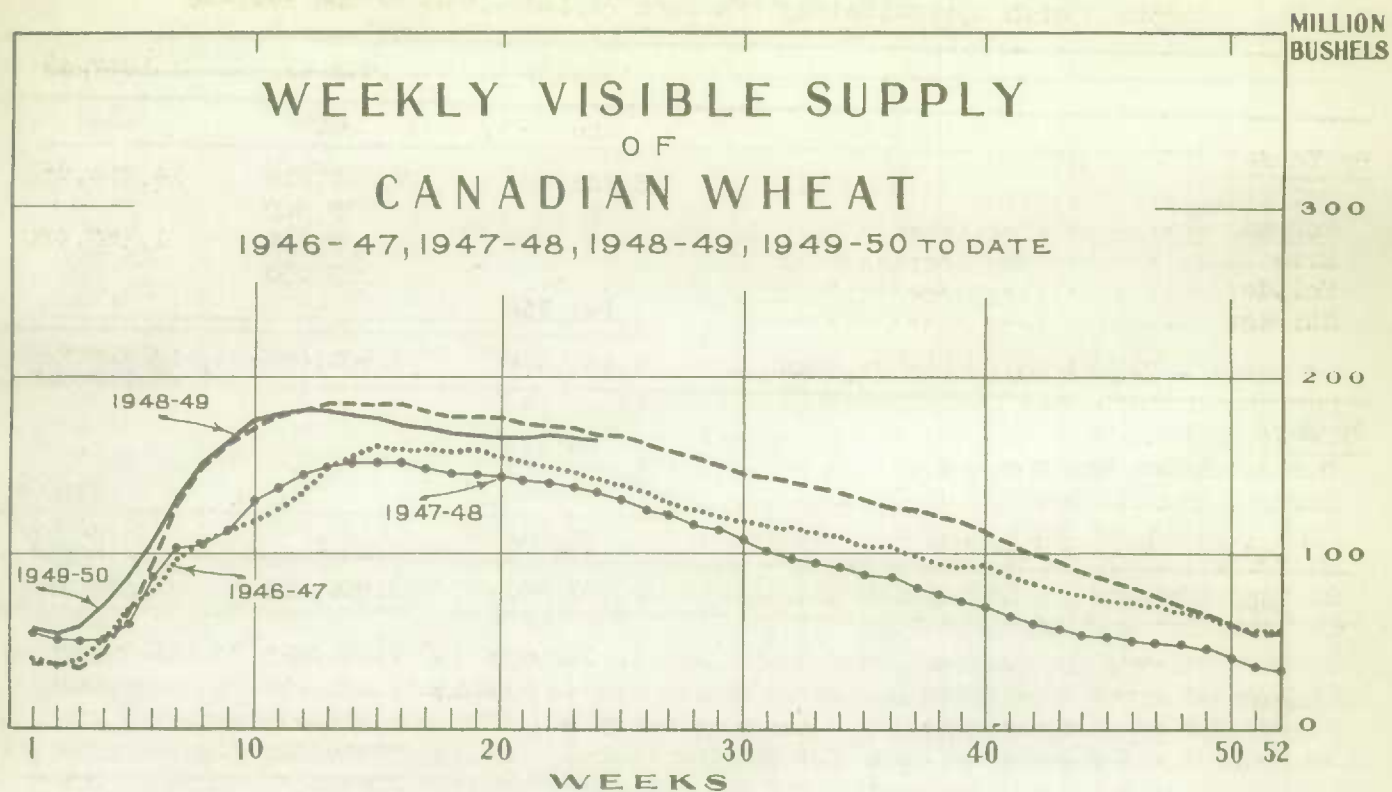
Visible Supply of Canadian Wheat, January 12, 1950 Compared With
Approximately the same Date, 1949 and 1948

	1950	1949	1948
	- 000 bushels -		
Country Elevators - Manitoba	4,195	8,945	4,724
Saskatchewan	33,375	46,116	33,296
Alberta	33,058	41,059	32,426
TOTAL	70,629	96,120	70,446
Interior Private and Mill Elevators	4,013	4,521	4,741
Interior Terminals	101	181	183
Vancouver-New Westminster	7,727	5,053	6,179
Churchill	126	100	110
Fort William and Port Arthur	32,537	17,062	9,250
In Transit - Rail (Western Division)	9,720	8,242	6,750
Eastern Elevators - Lake Ports	17,947	14,939	12,103
St. Lawrence and Seaboard Ports	10,503	4,817	2,869
Storage Afloat	6,471	8,682	7,190
In Transit - Rail (Eastern Division)	1,844	3,456	3,562
United States Ports	1,529	2,486	9,933
In Transit - U.S.A.	10	1,028	1,534
TOTAL	163,156	166,687	134,850

The visible supply of Canadian wheat on January 12, 1950 amounted to 163.2 million bushels compared with 166.7 million and 134.9 million bushels for approximately the same dates in 1949 and 1948. Wheat stored in country elevators in the Prairie Provinces is some 25.5 million bushels less than a year ago. Supplies at Fort William and Port Arthur, Eastern Elevators, Lake Ports, and St. Lawrence and Seaboard Ports show an increase over the 1949 amounts for approximately the same date. Only 10,000 bushels were in transit in the United States this January as compared with 1 million bushels on January 13, 1949.

Grading of Wheat Inspected, August-December 1949 and 1948

	Inspections			
	August to December 1949		August to December 1948	
	Cars	Per Cent	Cars	Per Cent
1 Manitoba Northern.....	16,495	15.8	24,318	29.3
2 Manitoba Northern.....	60,053	57.4	35,097	42.2
3 Manitoba Northern	11,874	11.3	6,596	7.9
4 Manitoba Northern.....	2,384	2.3	1,153	1.4
Garnet	1,734	1.7	649	0.8
Amber Durum	4,495	4.3	5,975	7.2
Alberta Winter	697	0.7	957	1.2
Toughs - All Varieties and Grades	2,995	2.8	5,753	6.9
All others	3,847	3.7	2,598	3.1
TOTAL	104,574	100.0	83,096	100.0



Wheat Shipments to the United States, by Destination, August 1, 1949-January 12, 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	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	37,210	-	-
Other U.S.A. Points	22,833	-	59,109
Total - Rail Shipments	60,043	-	59,109
GRAND TOTAL	6,991,491	9,800,035	15,481,330

During the period December 8, 1949 to January 12, 1950 only 14,020 bushels of wheat moved by rail from Canada to United States destinations. Total shipments by rail and water from August 1, 1949 to January 12, 1950 amounted to some 7 million bushels compared with 9.8 million bushels for approximately the same period in 1948-49. Total rail shipments for the present crop year amount to only 60,043 bushels, while during the same period last year no wheat at all moved by rail to United States destination.

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

	August 1, 1949 to January 12, 1950	August 1, 1948 to January 13, 1949
	- bushels -	
Collingwood	271,330	671,015
Midland	3,737,621	3,760,740
Owen Sound	526,885	178,720
Port McNicoll	4,561,786	2,695,480
Goderich	65,510	56,839
Sarnia	-	255,775
Humberstone	232,900	-
Port Colborne	-	27,426
Prescott	-	11,066
TOTAL	9,396,032	7,657,061

Rail shipments of wheat during the past five weeks to Maritime ports from bay and lake ports amounted to 2.3 million bushels. The total movement during the current crop year is 9.4 million bushels compared with 7.7 million for the same period in 1948-49. Midland and Port McNicoll lead all ports in shipments to the Maritimes, accounting for 39.8 per cent and 48.6 per cent respectively of the total shipments during the current crop year.

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 December 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	342,946
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	
TOTAL	9,758,598	10,368,942	13,376,558	

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

	Ontario	Quebec	New Brunswick	Nova Scotia
- bushels -				
2 Northern	102,000	139,500	-	-
Number 5	4,500	15,958	1,133	250
Number 6	-	4,500	-	-
Tough No. 5	500	10,167	-	-
Tough No. 6	1,500	4,333	-	-
Tough Feed	1,392	5,972	-	-
Rej. 2 Nor. Mixed Fireburnt	1,500	1,540	-	-
Rej. 3 Nor. Mixed Fireburnt	-	1,583	-	-
Rej. 4 Nor.	-	1,500	-	-
Rej. No. 5	83	-	1,500	-
Rej. No. 5 Mxd. Htd.	-	493	-	-
Rej. No. 6 Mxd. Htd.	-	1,308	-	-
Tf. Rej. 2 Nor. Mxd. Htd.	-	2,833	-	-
Tf. Rej. 4 Nor. Mxd. Htd. & Htg.	-	1,500	-	-
Tf. Rej. No. 5 Mxd. Htd.	2,060	-	-	-
3 C.W.A.D.	1,500	-	-	-
Tf. Rej. 3 C.W.A.D. Mxd. Htd.	-	1,445	-	-
Tf. Sample C.W.A.D. Htd.	-	1,382	-	-
Sample Red Spring Htd.	1,540	1,500	-	-
Tf. Sample Red Spring Htd.	6,000	13,575	-	-
Tf. Sp. Red Spring Htd. & Htg.	1,399	3,000	-	-
2 Alberta Winter	4,000	-	-	-
TOTAL	127,974	212,089	2,633	250
GRAND TOTAL	342,946			

Freight Assistance Shipments -

On the basis of claims filed for payment to November 30, total wheat shipments from the Prairie Provinces to eastern Canada and British Columbia under the Freight Assistance Plan were down some 1.3 million bushels from the total of 4.4 million for the same period in 1948. However, the filing of late claims could appreciably diminish the difference existing between shipments this crop year and those for the same period of 1948-49.

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	229	362	25	26	24	235	1	902
September .	249	389	16	21	12	211	2	900
October ...	246	322	21	26	7	131	1	754
November ..	179	234	12	15	7	29	1	477
TOTAL	903	1,307	74	88	50	606	5	3,033
Same Period								
1948-49 ..	1,651	1,417	115	155	50	985	-	4,373

Continuing the trend established earlier in the present crop year, total freight-assisted millfeed shipments during August-November were not as great as for the same period of 1948-49. Claims filed for payment from August 1 to November 30, 1949 represented shipments of 143,539 tons, a decrease of 27,826 tons from last year's shipments during the same period. As with freight-assisted wheat shipments, the current year's total is subject to upward revision as further claims are filed for payment.

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

	August 1 to November 30, 1949	August 1 to November 30, 1948
- tons -		
Newfoundland	602	-
Prince Edward Island	2,985	3,812
Nova Scotia	10,042	16,391
New Brunswick	10,331	16,093
Quebec	66,611	105,358
Ontario	42,095	71,162
British Columbia	10,873	18,549
TOTAL	143,539	231,365

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

	Overseas Clearances of Canadian Wheat	U. S. Imports ^{1/} of Canadian Wheat for Consumption and Grinding in Bond	Customs ^{2/} Exports of Canadian Wheat Flour	Total	Customs ^{3/} Exports of Wheat and Wheat Flour
- 000 bushels -					
<u>1947-48</u>					
August	9,601	2	7,048	16,651	18,140
September	9,363	12	5,864	15,239	15,990
October	9,680	35	7,001	16,716	17,204
November	12,006	1	5,796	17,803	22,763
December	7,480	2	3,829	11,311	20,717
January	15,175	3	4,064	19,242	15,961
February	11,296	71	4,970	16,337	10,743
March	10,323	2	4,082	14,407	15,058
April	10,080	3	5,783	15,866	9,965
May	12,955	1	5,086	18,042	19,924
June	12,464	1	4,730	17,195	15,881
July	12,949	-	3,224	16,173	17,129
TOTAL	133,372	133	61,477	194,982	199,475
<u>1948-49 ^{4/}</u>					
August	9,111	1	4,244	13,356	13,829
September	10,555	3	3,671	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	178,960	5,255	48,094	232,309	228,202
<u>1949-50 ^{4/}</u>					
August	16,639	62	3,898	20,599	24,014
September	14,947	881	3,771	19,599	18,294
October	18,420	1,675	3,348	23,443	21,903
November	20,680	2,019	3,699	26,398	27,498
December	9,751	867	3,388	14,006	20,795
TOTAL	80,437	5,504	18,104	104,045	112,504

^{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 and September 1949 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, Dominion Bureau of Statistics.

^{4/} Subject to revision.

Exports of Canadian Wheat and Wheat Flour

August 1949 to December 1949

	November		December		August—December	
	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	1,610,505	14,000,096	1,389,325	7,268,728	7,605,854	55,774,185
Ireland	-	892,267	-	-	-	1,241,333
<u>Africa</u>						
Br. S. Africa	225	-	-	-	1,030	938,583
<u>Br. West Africa</u>						
Gold Coast	36,193	-	19,732	-	112,139	-
Nigeria	-	-	778	-	2,479	-
Sierra Leone	4,073	-	4,860	-	35,505	-
<u>Asia</u>						
British Malaya	-	-	-	-	205,762	-
Hong Kong	259,799	-	249,975	-	1,064,062	-
India	-	-	-	-	-	-
<u>Europe</u>						
Gibraltar	-	-	1,494	-	38,048	-
Malta	-	112,000	-	186,667	-	594,667
<u>North America</u>						
Bahamas	19,508	-	9,482	-	92,336	-
Barbados	25,704	33	50,481	-	204,241	866
Jamaica	104,409	-	163,449	-	646,690	-
Trinidad-Tobago	126,270	-	199,778	-	895,416	-
Leeward-Windward Is.	64,282	-	63,072	-	344,097	-
Bermuda	6,678	-	10,760	-	44,452	-
British Honduras ...	3,213	-	1,836	-	15,349	-
<u>South America</u>						
British Guiana	76,194	-	101,844	-	406,868	-
TOTAL COMMONWEALTH COUNTRIES	2,337,053	15,004,396	2,266,866	7,455,395	11,714,328	58,549,634

Exports of Canadian Wheat and Wheat Flour - continued

	November		December		August—December	
	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/	Wheat 2/	Wheat Flour 1/3/	Wheat 2/
	- bushels -		- bushels -		- bushels -	
<u>FOREIGN COUNTRIES</u>						
<u>Africa</u>						
Azores and Madeira ..	2,583	-	-	-	9,153	-
Belgian Congo	4,203	-	5,517	-	32,571	-
Canary Islands	1,377	-	2,295	-	6,422	-
Liberia	1,147	-	288	-	3,667	-
Madagascar	17,825	-	-	-	17,825	-
Morocco	36,139	213,124	48,303	-	198,842	213,124
Portuguese Africa ..	55,049	-	-	-	61,907	-
Spanish Africa	5,049	-	5,049	-	20,196	-
<u>Asia</u>						
Arabia	4,500	55,868	65,709	17,619	111,582	80,836
China	17,226	-	4,590	-	50,503	-
Indonesia	4,252	-	-	-	14,706	-
Iran	-	923,697	-	-	-	4,274,108
Israel	-	366,613	-	731,437	-	2,050,945
Japan	-	-	45	1,078,933	45	1,078,933
Philippine Islands .	622,593	-	222,143	-	2,349,823	-
Siam	12,402	-	11,016	-	57,636	-
Turkey	-	-	-	-	-	2,114,933
<u>Europe</u>						
Belgium	-	1,831,013	369	18,666	18,180	3,812,938
Denmark	-	122,000	-	-	-	122,000
France	-	-	-	-	1,377	-
Germany	8,847	-	5,278	-	31,937	-
Greece	-	-	-	-	21,703	-
Italy	-	-	-	-	11,934	252,261
Netherlands	-	-	5,688	-	7,524	-
Norway	-	-	-	-	-	1,153,007
Poland	-	-	-	-	1,062	-
Portugal	2,524	-	12,393	-	20,227	-
Switzerland	-	1,728,267	-	11,200	5,202	5,328,251
Yugoslavia	7,686	-	-	-	16,151	-
<u>North America</u>						
Costa Rica	26,780	16,666	39,888	33,333	165,718	83,333
Cuba	101,178	-	387,517	-	971,154	-
Dominican Republic .	16,803	-	9,887	2,000	95,553	2,000
El Salvador	8,640	-	19,350	-	55,287	-
Guatemala	19,710	33,480	39,177	39,987	112,820	73,467
Haiti	8,608	-	15,385	-	94,216	-
Honduras	918	-	-	-	6,655	7,500
Mexico	-	349,440	-	-	-	349,440
Nether. Antilles ...	16,006	-	11,525	-	98,357	-

Exports of Canadian Wheat and Wheat Flour - concluded

	November		December		August—December	
	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>						
Nicaragua	5,324	-	7,276	1,667	40,158	1,667
Panama	16,155	-	14,494	-	99,877	-
St. Pierre-Miquelon	2,588	-	1,296	-	9,841	-
<u>United States</u>	13,999	-	11,016	-	68,917	-
For grinding in bond <u>4/</u>	-	1,562,387	-	815,712	-	4,977,985
For domestic consumption <u>4/</u> ..	-	457,183	-	51,057	-	525,740
Virgin Islands ..	2,295	-	-	-	4,590	-
<u>Oceania</u>						
Hawaii	-	-	-	-	1,377	433
<u>South America</u>						
Bolivia	738	35,262	-	319,406	4,068	354,668
Colombia	1,818	-	10,116	41,598	26,496	163,811
Ecuador	27,198	-	19,818	-	132,354	37,333
Nether. Guiana ..	14,108	-	12,879	-	65,272	-
Peru	27,770	-	-	-	27,770	330,690
Venezuela	248,499	-	132,575	-	1,239,242	2,000
<hr/>						
TOTAL FOREIGN COUNTRIES	1,362,537	7,695,000	1,120,882	3,162,615	6,389,897	27,391,403
<hr/>						
GRAND TOTAL EXPORTED	3,699,590	22,699,396	3,387,748	10,618,010	18,104,225	85,941,037

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 and September 1949 revised to remove effect of time lag in the returns made by the Customs.

4/ 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 -			
		Dec. 24	Dec. 31	Jan. 7	Jan. 14
(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) ^{1/}					
1 Hard		206	206	206	206
1 Northern		206	206	206	206
2 Northern		203	203	203	203
3 Northern		201	201	201	201
4 Northern		198	198	198	198
Number 5		186	186	186	186
Number 6		182	182	182	182
Feed		180	180	180	180
1 C.W. Garnet		201	201	201	201
2 C.W. Garnet		199	199	199	199
3 C.W. Garnet		197	197	197	197
1 Alta. Red Winter		206	206	206	206
2 Alberta Winter		205	205	205	205
3 Alberta Winter		202	202	202	202
1 C.W. Amber Durum		206	206	206	206
2 C.W. Amber Durum		203	203	203	203
3 C.W. Amber Durum		201	201	201	201
(3) Class II (Export Sales)					
(A) United Kingdom Contract ^{2/}					
1 Hard		206	206	206	206
1 Northern		206	206	206	206
2 Northern		203	203	203	203
3 Northern		201	201	201	201
(B) To International Wheat Agreement Countries ^{3/}					
1 Northern		198	198	198	198
2 Northern		195	195	195	195
3 Northern		193	193	193	193
(C) To All Other Countries					
1 Hard		218/2	215	214/5	214/1
1 Northern		218/2	215	214/5	214/1
2 Northern		215/2	212	211/5	211/1
3 Northern		213/2	210	209/5	209/1
1 C.W. Amber Durum		218/2	215	214/5	214/1
2 C.W. Amber Durum		215/2	212	211/5	211/1
3 C.W. Amber Durum		213/2	210	209/5	209/1

^{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 charge.

^{3/} Plus 5 cents per bushel carrying charge.

Capacity of Canadian Grain Elevators, Licensed and Unlicensed
as at December 1, 1900—1949

Year	Capacity	Year	Capacity -		
			Elevators and Permanent Annexes	Temporary and Special Annexes	Total
	bu.		bu.	bu.	bu.
1900	18,329,352	1925	281,746,560	-	281,746,560
1901	22,549,000	1926	284,818,200	-	284,818,200
1902	29,806,400	1927	310,832,200	-	310,832,200
1903	40,636,000	1928	358,254,790	-	358,254,790
1904	46,403,630	1929	394,594,210	-	394,594,210
1905	50,453,200	1930	414,660,260	-	414,660,260
1906	55,222,200	1931	417,111,260	-	417,111,260
1907	58,535,700	1932	419,520,460	-	419,520,460
1908	78,016,100	1933	419,592,660	-	419,592,660
1909	94,266,100	1934	419,890,480	-	419,890,480
1910	105,462,700	1935	420,643,920	-	420,643,920
1911	108,649,900	1936	421,855,620	-	421,855,620
1912	127,224,550	1937	423,063,420	-	423,063,420
1913	154,765,000	1938	422,824,220	-	422,824,220
1914	168,624,000	1939	424,289,570	-	424,289,570
1915	180,988,000	1940	437,018,370	73,140,477	510,158,847
1916	193,844,000	1941	432,112,870	169,078,449	601,191,319
1917	211,591,800	1942	431,739,070	172,515,126	604,254,196
1918	221,279,964	1943	433,791,920 ^{1/}	172,196,167	604,710,587
1919	226,256,970	1944	433,161,920 ^{2/}	170,630,470	601,813,890
1920	231,231,620	1945	432,545,920 ^{3/}	143,335,550	575,180,470
1921	231,633,420	1946	432,905,720	77,147,100	510,052,820
1922	238,107,420	1947	431,418,520	73,778,100	505,196,620
1923	251,194,620	1948	436,376,920	71,378,750	507,755,670
1924	269,900,620	1949	443,010,520	70,232,750	513,243,270

Source: Board of Grain Commissioners for Canada.

1/ Includes 1,277,500 bushels of unlicensed elevator space authorized as special annexes.

2/ Includes 1,978,500 bushels of unlicensed elevator space authorized as special annexes.

3/ Includes 701,000 bushels of unlicensed elevator space authorized as special annexes.

Current Grain Storage Situation in Canada - At December 1, 1949 total licensed grain storage capacity in Canada amounted to 489,892,770 bushels of which 419,660,020 bushels were in elevators proper and permanent annexes, and 70,232,750 bushels in temporary annexes. Unlicensed elevator capacity on the same date was 23,350,500, making a combined total of 513,243,270 bushels of licensed and unlicensed storage. On a regional basis, 83.2 per cent of the total licensed storage capacity was located in the Western Division and 16.8 per cent in the Eastern Division. Saskatchewan with a total licensed storage capacity of 149,602,400 bushels, led all provinces in this respect.

Licensed Storage Capacity of Canadian Grain Elevators
as at December 1, 1949

Province	Kind of Licence	Elevators Proper and Permanent Annexes	Temporary Annexes	Total
		bu.	bu.	bu.
<u>WESTERN DIVISION</u>				
Manitoba -				
	Public Country	25,200,100	9,150,000	34,350,100
	Private Country	93,000	-	93,000
	Mill	1,775,000	-	1,775,000
	Private Terminal	2,940,000	200,000	3,140,000
	Semi-Public Terminal ..	3,500,000	-	3,500,000
		33,508,100	9,350,000	42,858,100
Saskatchewan -				
	Public Country	98,178,900	35,517,000	133,695,900
	Mill	4,906,500	-	4,906,500
	Public Terminal	11,000,000	-	11,000,000
		114,085,400	35,517,000	149,602,400
Alberta -				
	Public Country	69,335,900	25,122,750	94,458,650
	Private Country	355,000	-	355,000
	Mill	3,994,000	-	3,994,000
	Private Terminal	1,605,000	-	1,605,000
	Public Terminal	6,100,000	-	6,100,000
		81,389,900	25,122,750	106,512,650
British Columbia -				
	Public Country	975,000	243,000	1,218,000
	Mill	1,150,110	-	1,150,110
	Semi-Public Terminal ..	18,824,500	-	18,824,500
	Public Terminal	1,250,000	-	1,250,000
		22,199,610	243,000	22,442,610
Ontario -				
	Public Country	31,000	-	31,000
	Mill	1,480,000	-	1,480,000
	Private Terminal	2,435,000	-	2,435,000
	Semi-Public Terminal ..	82,017,210	-	82,017,210
		85,963,210	-	85,963,210
TOTAL - WESTERN DIVISION		337,146,220	70,232,750	407,378,970
<u>EASTERN DIVISION</u>				
Ontario	- Eastern	52,325,000	-	52,325,000
Quebec	- Eastern	24,912,000	-	24,912,000
New Brunswick	- Eastern	3,076,800	-	3,076,800
Nova Scotia	- Eastern	2,200,000	-	2,200,000
TOTAL - EASTERN DIVISION		82,513,800	-	82,513,800
GRAND TOTAL - LICENSED STORAGE		419,660,020	70,232,750	489,892,770

Source: Board of Grain Commissioners for Canada.

Unlicensed Storage Capacity as at December 1, 1949

Province	Capacity
	bushels
Manitoba	620,500
Saskatchewan	8,981,500
Alberta	2,268,500
British Columbia	1,910,000
Ontario	9,570,000
TOTAL	23,350,500

Summary of Storage Capacity as at December 1, 1949

Type of Storage	Location	Capacity
		bushels
Licensed Permanent Storage	Western Division	337,146,220
	Eastern Division	82,513,800
Licensed Temporary Storage	Western Division	70,232,750
Unlicensed Permanent Storage	Western Division)	
	Eastern Division)	23,350,500
Total Storage, Licensed and Unlicensed, Temporary and Permanent ..		513,243,270

Of Canada's 5,621 licensed and unlicensed elevators all but 130 are public country elevators. The predominance of this type of elevator follows from its function of receiving grain direct from producers. To perform this function adequately a large number of relatively small elevators must be located within convenient delivery range of the farms. Saskatchewan, with 3,062 public country elevators, accounts for more than half of the total. Elevators in other classes are comparatively few in number but in capacity they provide more than half the permanent storage space in Canada.

Number of Elevators, Licensed and Unlicensed, as at December 1, 1949

	Public Country	Private Country	Mill	Private Terminal	Public Terminal	Semi- Public Terminal	Eastern	Total
B.C.	16	-	11	-	1	9	-	37
Alta.	1,699	4	12	3	3	-	-	1,721
Sask.	3,062	-	10	-	2	-	-	3,074
Man.	709	5	6	2	-	2	-	724
Ont.	5	-	3	2	-	25	18	53
Que.	-	-	-	-	-	-	8	8
N.B.	-	-	-	-	-	-	3	3
N.S.	-	-	-	-	-	-	1	1
CANADA	5,491	9	42	7	6	36	30	5,621

CANADIAN FLOUR MILLING SITUATION

Production and Exports -

During December, Canadian flour mills produced 1,628,443 barrels of flour, 322,096 barrels less than the November output. Mills reporting operations for the month had a total rated capacity of 97,355 barrels per 24-hour day and, on the basis of a 26-day working period, 64.3 per cent of the rated capacity was effective. Production of flour during the first five months of 1949-50 amounted to 9,044,910 barrels compared with 9,440,597 barrels during the same period of 1948-49.

Customs exports of flour for December at 752,833 were also down from those of the previous month. Total exports for the August-December period of the current crop year amounted to 4,023,161 barrels, 76.4 per cent of the exports for the same period in 1948-49.

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

Crop Year	Production	Exports ^{1/}
- barrels of 196 pounds -		
1938-39	15,197,297	4,604,245
1939-40	17,778,311	6,781,367
1940-41	19,575,833	10,288,827
1941-42	19,905,741	10,205,778
1942-43	23,590,516	12,575,215
1943-44	24,303,833	13,464,371
1944-45	24,634,905	13,923,832
1945-46	26,435,341	14,470,177
1946-47	28,588,456	16,896,233
1947-48	24,159,696	13,661,573
1948-49	20,329,529	10,687,561
<u>1949-50</u>		
August	1,750,000	866,199
September	1,857,154	838,052
October	1,858,774	743,946
November	1,950,539	822,131
December	1,628,443	752,833
TOTAL	9,044,910	4,023,161
SAME PERIOD 1948-49	9,440,597	5,262,673

^{1/} Based on Customs returns. Exports for the crop years 1945-46 to 1948-49, inclusive and for August and September 1949 revised to remove effect of time lag in the returns made by Customs. Subsequent months to be revised as data become available.

THE UNITED STATES WHEAT SITUATION

Supply Situation - Disappearance of wheat for milling and export during the first half of the 1949-50 crop year amounted to 422.8 million bushels according to the Production and Marketing Administration, United States Department of Agriculture. Exports of wheat and wheat flour in the July-December period amounted to 168.1 million bushels compared with 272.1 million bushels during the same period of 1948-49. Supplies remaining on January 1 for milling, export or carry-over amounted to 806.0 million bushels, an increase of 44.8 million bushels over last year's total.

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	307.3
New crop	1,106.5	1,313.5	1,146.5
Total domestic supply	1,386.2	1,509.5	1,453.8
Estimated quantity for feed, seed and industrial use for season <u>1</u> /	390.7	230.1	225.0
Quantity remaining for milling, export or carry-over	995.5	1,279.4	1,228.8
Disappearance July 1 through Dec. 31:			
Wheat milled for flour	319.1	329.2	276.1
Exports of wheat as grain	84.8	189.0	146.7
Total exported or milled	403.9	518.2	422.8
Balance on January 1 for milling, export or carry-over	591.6	761.2	806.0
Exports of flour in grain equivalent July-December (not included in grain exports)	54.3	83.1	21.4

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

December 1949 flour milling calculated from trade sources and exports calculated from boat loadings, PMA purchases, etc.

Wheat Stocks on Farms - Stocks of wheat on farms are estimated by the United States Department of Agriculture at 327,230,000 bushels, 16 per cent less than the 391 million bushels on farms a year ago and the lowest January 1 farm stocks of wheat since 1941. Movement of 145 million bushels of wheat from farms in the last 3 months of 1949 is the smallest since the corresponding period of 1944. The quantity of wheat on farms January 1 is below a year ago in about the same proportion as 1949 production was below that of a year before. Stocks on farms as a percentage of the crop are nearly the same as last year, but 8 points under the 1939-48 January 1 average.

Flour Production -

Wheat flour production in the United States as estimated by the United States Bureau of the Census for the months of October and November 1949 amounted to 20.9 million and 19.2 million sacks respectively. The October output was 3 per cent above the September level, but 14 per cent below the 24.4 million sacks produced in October 1948. The November output was 8 per cent below the October level and 17 per cent below the 23.1 million sacks produced in November 1948. The drop in the November 1949 production from October 1949 may be attributed largely to fewer working days in that month as mills operated at 69 per cent of capacity and 68.9 per cent respectively during those two months.

July-December Grain Exports -

In a report released on January 17, 1950 the United States Department of Agriculture estimated July-December 1949 exports of grain and grain products at approximately 7,196,000 long tons (284,124,000 bushels of grain equivalent), as compared with 8,752,000 long tons (338,107,000 bushels of grain equivalent) in the same period of 1948.

July-December 1949 exports of wheat and wheat products totaling 168,057,000 bushels equivalent were smaller than in the like period of 1948 by 102,584,000 bushels. In contrast, the exports of "other" grains and grain products (principally corn and corn products), totaling 116,067,000 bushels equivalent, were larger than in the like period of 1948 by 48,601,000 bushels.

The following table shows comparison for the two periods:

1 9 4 8					1 9 4 9 <u>1/</u>				
Wheat, Flour and Macaroni			Other		Wheat, Flour and Macaroni			Other	
Long Tons	Bushels	Long Tons	Bushels	Long Tons	Bushels	Long Tons	Bushels		
- thousands -				- thousands -					
July	1,323	49,388	207	9,363	829	30,949	479	19,999	
Aug.	1,674	62,490	213	9,186	825	30,799	514	24,086	
Sept.	1,279	47,745	107	5,307	893	33,338	370	15,950	
Oct.	1,138	42,481	234	11,406	695	25,947	305	12,923	
Nov.	799	29,825	303	13,068	619	23,095	575	24,256	
Dec.	1,037	38,711	438	19,174	641 ^{2/}	23,929 ^{2/}	451 ^{2/}	18,853 ^{2/}	
TOTAL	7,250	270,640	1,502	67,504	4,502	168,057	2,694	116,067	

^{1/} Does not include CCC shipments to Canada for temporary storage and does not include Canadian flour milled in bond and exported from U.S. ports.

^{2/} Preliminary estimate.

The greater part of the July-December 1949 grain and grain products exports went to Germany and the U.S.-Pacific area - approximating 4,178,000 long tons, or 58 per cent, during the 6-month period. The second largest amount of around 1,901,000 long tons, approximately 27 per cent of all grains and grain products, went to the following ECA countries: Austria, Belgium, Denmark, Greece, Ireland, Indonesia, Italy, Netherlands, Norway, Portugal, and Turkey. During the same period 1,117,000 long tons, or 15 per cent of total exports, were shipped to India, Philippines, Spain, Cuba, Mexico, and other countries.

Chicago and Minneapolis Cash Wheat -

Cash wheat prices on the Chicago grain exchange moved over a narrow range during the period December 19, 1949 to January 21, 1950. The slowness of the cash market may be partly attributed to lack of any great demand for wheat either for export or for domestic milling. The government extension of the time limit for placing wheat under loan also had a stabilizing influence in that producers were deterred from any general move to liquidate their present stocks on the cash market.

Daily Cash Wheat Prices on the Chicago and Minneapolis Markets

1949-50	Chicago		Minneapolis	
	Grade	Price	Grade	Price
December 19	4 Red	215 1/2	1 Dark Northern	220 1/8
20	3 Yellow Hard	219 1/4	1 Dark Northern	220 1/8
21	1 Yellow Hard	220	1 Dark Northern	218 3/8
22	None		1 Dark Northern	216 5/8
23	3 Red	213 3/4	1 Dark Northern	219 5/8
24		Market Closed		
26		Market Closed		
27	3 Red	213	1 Dark Northern	218 1/8
28	3 Red	209 1/2	1 Dark Northern	218 5/8
29	None		1 Dark Northern	218 5/8
30	2 Yellow Hard	217 3/4	1 Dark Northern	219 1/4
31		Market Closed		
January 2		Market Closed		
3	3 Red	212	1 Dark Northern	217 - 218
4	None		1 Dark Northern	217 1/4 - 218 1/4
5	4 Red Tough	204	1 Dark Northern	217 3/4 - 218 3/4
6	None		1 Dark Northern	218 - 219
7	None		1 Dark Northern	218 3/4
9	3 Red	212 1/2	1 Dark Northern	217 1/4
10	None		1 Dark Northern	217 3/4
11	None		1 Dark Northern	219
12	4 Yellow Hard	219 1/4	1 Dark Northern	219 1/4
13	3 Red	209 1/2	1 Dark Northern	217 3/8
14	3 Red	211 1/4	1 Dark Northern	217 1/2
16	2 Hard	225 1/4	1 Dark Northern	217 1/2
17	None		1 Dark Northern	217 3/4
18	3 Red	211 1/2	1 Dark Northern	217 3/8
19	2 Mixed	211 3/4	1 Dark Northern	218 7/8 - 219 7/8
20	None		1 Dark Northern	219 7/8 - 220 7/8
21	4 Yellow Hard	218 1/2	1 Dark Northern	219 1/4 - 220 1/4

Chicago Wheat Futures -

Wheat futures at the Chicago market lost little ground during the period December 20, 1949 to January 24, 1950. Extension of the CCC time limit for placing wheat under government loan and purchase agreement offsets any tendency toward a widespread between futures and cash prices on the market. Other factors influencing the price of futures during this period were a continued withholding by farmers of any great amounts of cash wheat from the market and poor foreign demand in the export trade.

Chicago Wheat Futures, High Points of Closing

1949-50	March	May	July	September
- cents and eighths per bushel -				
December 20	219/7	213/7	195/5	195
21	217/6	211/6	193/2	192/6
22	218	212/1	193/1	193
23	218/4	212/2	193/3	193/2
24		Market Closed		
26		Market Closed		
27	217	210/7	191/6	191/5
28	217	211/1	191/3	191/1
29	217/6	211/6	191/6	191/6
30	218/1	212	191/7	191/7
31		Market Closed		
January 2		Market Closed		
3	216/4	210/3	190/7	190/6
4	217/6	211/3	192/2	192/2
5	218/1	212/1	192/5	192/4
6	218/5	212/5	193	193/1
7	218/3	212/2	192/3	192/5
9	215/7	209/6	190/5	191/1
10	217	210/7	191/5	192/2
11	218	212/2	192/2	192/6
12	215/2	210/3	191	191/3
13	215/4	210/2	191	191/3
14	216	210/6	192/2	192/4
16	214/7	210	191/5	192
17	215/2	210/4	191/7	192/3
18	214/1	209/2	190/7	191/2
19	215/3	210/7	192/1	192/6
20	215/3	210/7	192/1	192/5
21	215/6	210/1	191/1	191/3
23	216/1	210/6	191/2	191/2
24	217/6	211/6	191/2	191/3

THE ARGENTINE WHEAT SITUATION

The following review of the grain situation in the Argentine has been extracted from a report forwarded January 19, 1950 by Mr. W. B. McCullough, Commercial Secretary (Agriculture) at Buenos Aires and is reproduced herewith by kind permission of the Trade Commissioner Service.

Weather and Crops - Argentina could have had no finer Christmas present than the heavy, widespread rains from December 25th to 28th, which came at a critical time for the late sown crops. Some districts received less than others but, on the whole, the rainfall brought a measure of relief to pastures although it was too late for the early sown corn which had suffered from the long dry spell, aggravated by strong winds and intense heat. Late sown fields of corn and sunflower benefited from these rains but corn urgently requires further moisture within the next ten days. The Argentine wheat crop has been harvested under generally favourable conditions. In all zones except south-east Buenos Aires Province, the weather was consistently dry and work progressed rapidly. Reports from all the main production zones indicate that the grain is of high quality and good specific weight.

Outbreaks of locusts have been reported but were controlled successfully. The main damage was to alfalfa in the west of the Province of Buenos Aires and La Pampa.

Wheat harvesting was completed in the northern grain zone, consisting of the Provinces of Cordoba, Santa Fe and Entre Rios, by the end of December, and in the southern grain zone in early January. Yields vary considerably this year; in the northern zone they depend upon the degree of frost damage at the particular stage of growth. In the southern zone the variation was more associated with the amount of rainfall. In the Province of Cordoba, the northern sector reported yields from 13 to 16 bushels per acre, the central area from 7 to 37 and the southern sector from 9 to 27 bushels. The Province of Santa Fe reports yields from 22 to 27 bushels in the southern districts and about 22 in the rest of the province. In the Province of Entre Rios yields were from 9 to 16 bushels while in the southern zone along the coast of the Province of Buenos Aires, they were from 15 to 27 bushels per acre.

The quality of the grain is good in all areas except in the west of the Province of Buenos Aires and Territory of La Pampa, which zone has suffered from drought for several months. It is reported that only about 10 per cent of the fields were harvested and that yields were as low as 2.2 to 3.6 bushels per acre.

The trade estimated the 1949-50 wheat crop at around 5 million short tons or about 10 per cent above last year which, with carry-over, will give Argentina an exportable surplus of about 2.5 million short tons. The Argentine wheat position as of December 1st, the beginning of the grain year, according to trade information, may be summarized as follows:

	<u>bushels</u>
Carry-over December 1, 1949	36,743,300
Production 1949-50 crop	202,088,150
	<hr/> 238,831,450
Less: domestic requirements, seed and shrinkage	135,950,210
Exportable surplus	102,881,240
Less: commitments 1950 under agreements in force	89,837,368
Wheat for disposal	<hr/> 13,043,872

New Sales - In a statement covering recent sales of grains by IAPI, among other transactions previously made known, the following important sales of wheat were reported: Germany 5,511,495 bushels, Sweden 1,837,165, Japan 257,203, Portugal 1,469,732 and Switzerland 1,102,299, apart from minor sales to Paraguay and Peru. They comment: "With respect to wheat, it should be noted that the Central Bank has already started to operate the account mentioned in the Provisional Commercial and Financial Agreement between Argentina and Occupied Japan. This fact, together with the consignments already made shows the return of Japan as a cereal buying country."

According to a press report, Brazil is now buying Argentine wheat at \$2.34 per bushel for a complementary quota of 11,022,990 bushels. This quantity was covered in the original sales contract for 22,045,980 bushels last year, for which Brazil paid \$3.21 per bushel. IAPI's normal quotation is \$2.41 per bushel of wheat.

According to press reports, Argentina is not granting Spain further credits under the terms of their commercial agreement of 1947. This agreement covered an Argentine credit of \$573 million over a period of five years in annual instalments of \$114.6 million. It is reported that Argentina will not extend credits during 1950 and 1951 and that all future purchases by Spain will have to be paid for in essential goods such as coal, iron, olive oil and partially in dollars. It would therefore appear that Spain might not be in a position to take up the 11,022,990 bushels of wheat included in Argentina's commitments.

Grain Shipments - While improving in volume towards the end of the year, Argentina's shipments of wheat and corn remained considerably lower than those registered for the past few years. Also on a reduced scale were exports of barley, while those of oats and rye were slightly higher, as shown below. A recent report of the Food and Agricultural Organization estimates that while Argentina provided 21.3 per cent of total world exports of bread grains in the five years preceding the last war, their proportion is now 6.4 per cent. Similarly, their share in exports of coarse grains has dropped from 53.8 per cent to 22.8 per cent, due primarily to the decrease in exports of corn.

	1949	1948	1947
	- 000 bushels -		
Wheat	67,491	78,947	82,296
Corn	42,574	99,237	92,237
Oats	12,443	5,288	4,911
Rye	7,720	5,573	10,128
Barley	9,108	30,583	27,835

Exports, by destination, according to trade sources were as follows during the year 1949:

Destination	Wheat	Corn	Oats	Rye	Barley	Flour
			- 000 bushels -			barrels ^{1/}
United Kingdom ...	-	4,445	-	-	-	-
France	385	7,937	-	-	919	-
Belgium	82	12,055	2,720	899	1,336	-
Italy	18,375	3,469	930	-	-	-
Germany	358	-	1,960	2,468	1,572	-
Netherlands	-	6,841	634	-	1,915	-
Rest of Europe ...	11,798	4,948	5,416	4,353	1,364	23,081
Brazil	27,428	-	-	-	-	-
Others	9,065	2,879	783	-	2,002	-
Year 1949	67,491	42,574	12,443	7,720	9,108	23,081
Year 1948	78,764	99,237	5,288	5,573	30,583	128,205

^{1/} For convenience of Canadian readers export shipments of flour have been converted from metric tons to barrels of 196 pounds.

THE AUSTRALIAN WHEAT SITUATION

Australian Cable - The following cable dated January 16, 1950 was received from the Canadian Trade Commissioner in Melbourne:

"Australian wheat stocks at January 7th totalled 138,500,000 bushels. Wheat exports from December 1st to 24th totalled 2,490,000 bushels principally to India and New Zealand, and flour 54,428 long tons with 16,968 to Ceylon, 10,505 to India, 5,060 to China and 1,192 to the United Kingdom. The Australian Wheat Board has just announced the purchase by the United Kingdom Ministry of Food of 100,000 tons of Australian flour and also negotiations for sale of 19 million bushels of wheat to India almost completed. The flour purchased by the United Kingdom will be shipped mainly to Malaya and Hong Kong. Export price of Australian flour was reduced early in January by an average of 26 shillings per ton to conform with world competitive market prices. New price to countries not covered by IWA is L48/17/13 per long ton (approximately \$120.39 Canadian) in 100 pound calico bags."

Australian Wheat Crop Estimate Increased - According to "Foreign Crops and Markets" of January 23, 1950: "The wheat harvest nearing completion in Australia is now expected to amount to about 207 million bushels, according to the American Consulate at Sydney. A crop of that size would be one of the largest on record for Australia, though about 6 per cent below the all-time record outturn of 220 million bushels in 1947-48. The acreage sown to wheat for grain was the smallest of recent years, but average yields per acre were near-record, according to present indications."

The harvest is turning out better than expected, late November forecasts of production having been about 195 million bushels. The weather during December was favourable for the harvesting of the crop throughout most of the

wheat area. Despite a dry winter over a large part of the country, exceptionally good yields are reported for the principal wheat-producing States, New South Wales and Victoria, and above-average yields in all other States except Queensland, as a result of the good spring rains.

Damage from rust and other diseases has been small and little under-quality wheat is expected. Some damage to grain from restricted areas, especially in northern New South Wales and Queensland, is attributed to heavy rains in November.

AUSTRALIA: Wheat, Acreage and Production
by States, 1949-50, with comparisons

State	Average 1934-35 1938-39	1947-48	1948-49	1949-50
- 1,000 acres -				
<u>Acreage</u>				
New South Wales	4,168	5,043	4,038	4,062
Victoria	2,522	3,227	2,996	2,900
Queensland	312	462	608	670
South Australia	3,096	2,375	2,063	1,825
Western Australia	2,864	2,760	2,867	3,000
Tasmania	16	8	7	8
Australian Capital Territory.	2	5	4	5
TOTAL	12,980	13,880	12,583	12,470
- 1,000 bushels -				
<u>Production</u>				
New South Wales	53,634	95,227	64,704	76,000
Victoria	34,505	46,962	49,064	56,000
Queensland	4,223	10,685	14,317	11,000
South Australia	32,578	32,524	26,136	27,700
Western Australia	28,984	34,500	36,250	36,300
Tasmania	359	118	156	160
Australian Capital Territory.	42	100	76	100
TOTAL	154,325	220,116	190,703	207,260

From official and unofficial sources.

About 130 million bushels of new crop wheat are expected to be available for export, of which, 80 million bushels are liable for commitment as Australia's quota under the International Wheat Agreement. This, together with 50 million bushel remainder available for export outside the Agreement, would be about 10 million bushels more than the exports during the year ended November 1949 and the same as the exports during the preceding season. Carry-over of old-crop wheat on December 1 is tentatively placed at 17.5 million bushels, 9 million bushels less than at the beginning of the past year."

CALENDAR OF WHEAT EVENTS

- January 4 Broomhall states that Brazil hopes to harvest 18.4 million bushels compared with 11.8 million a year ago. Before the second world war the Brazilian wheat harvest was only 5.0 million bushels. Brazilian wheat imports from the Argentine are expected to be smaller as a result of this increased home production.
- 5 A trade source reports that the French Minister of Agriculture places farmers' plantings of winter wheat at 9.2 million acres compared with 9.5 million a year ago and 12.3 million in 1938.
- 8 The United States Crop Reporting Board states: "The 52 principal crops planted in the United States in 1949 were grown on about 369.4 million acres nearly 6 million acres more than in 1948. The 1949 total is greater than in any year since the peak period of 1930-33 exceeding the wartime high of 1944 by more than 4 million acres. The largest winter wheat acreage ever seeded and the big increase in cotton were potent factors in the large aggregate with changes in other crops tending to offset each other."
- 10 Private trade sources estimate Uruguay's present wheat harvest at 17.2 million bushels compared with an indicated crop last year of approximately 18.0 million bushels and a 1935-39 average of 13.3 million bushels. The exportable surplus is calculated at about 3.7 million bushels.
- 16 In a report issued by the United States Office of Foreign Agricultural Relations it is estimated that there is a potential annual market in Japan for 1,000,000 to 1,200,000 long tons (approximately 35 to 45 million bushels) of imported wheat, mostly in the form of grain but possibly to some extent in the form of flour. This market will be supplied by the exporting countries that make it possible for the Japanese to buy from them.
- 18 Net agricultural output of British agriculture for 1949 is estimated to be 135 per cent of the prewar level. The 1946-47 output was 123 per cent of prewar level. The objective for 1952-53 is fixed at 150 per cent.
- 25 During 1949 there were 164 flour mills listed in Canada with a total capacity of 105,949 barrels in 24 hours. Compared with 1948, there were 10 fewer mills and a reduction in daily capacity of 1,085 barrels. Total production in 1948 was 22.4 million barrels and the preliminary estimated production for 1949 is placed at 19.9 million barrels.
- 28 FAO is now preparing a world catalogue of all the genetic stocks of wheat. This is an undertaking to which specialists in plant breeding have been looking forward for a long time. It is expected to be especially helpful to them in locating supplies of new and unusual varieties that may be useful in developing new hybrids. A similar catalogue is being started for rice. Later, others will also be made up for additional crops.

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