

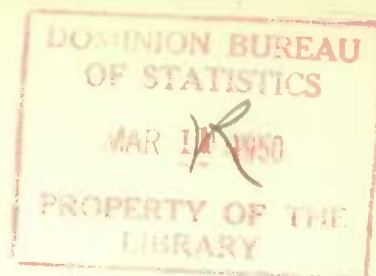
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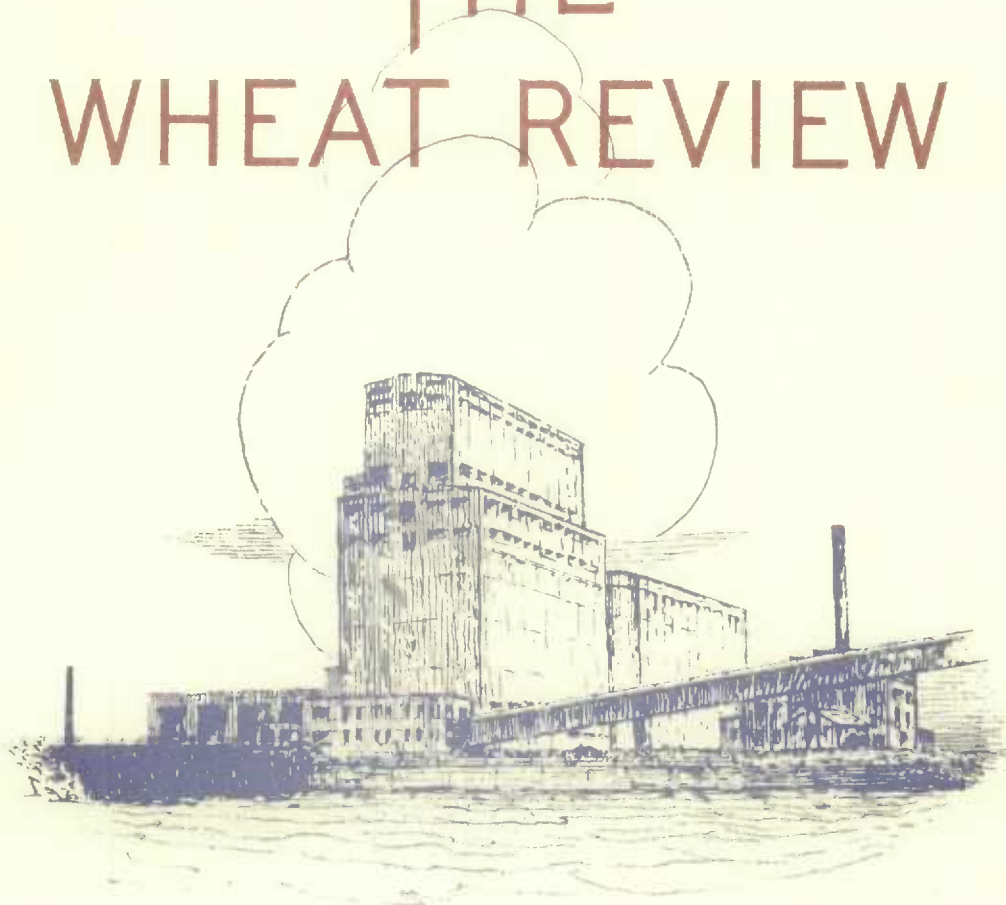


CANADA

DOMINION BUREAU OF STATISTICS
AGRICULTURE DIVISION



THE WHEAT REVIEW



FEBRUARY, 1950

DOMINION BUREAU OF STATISTICS
DEPARTMENT OF TRADE AND COMMERCE

THE
WHEAT REVIEW

(Formerly Monthly Review of the Wheat Situation)

FEBRUARY, 1950

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

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

THE WHEAT REVIEW

FEBRUARY 1950

TABLE OF CONTENTS

	Page
World Wheat Situation -	
Wheat Supplies of Major Exporting Countries	1
World Wheat Requirements	1
United States and Canada Discuss Mutual Problems	1
International Wheat Agreement Sales and Purchases	2
Canadian Wheat Situation -	
Revised Estimate of the 1948 Wheat Crop in Prairie Provinces	3
Payments under the Prairie Farmers' Assistance Act	4
Ontario Winter Wheat Millings	4
Supply Position	5
Farmers' Marketings, By Weeks	6
Visible Supply of Canadian Wheat	7
Grading of Wheat, August 1949-January 1950 Inspections	7
Weekly Visible Supplies and Farmers' Marketings (Charts)	8
Wheat Shipments to the United States	9
Rail Shipments of Wheat to Maritime Ports	9
Rail Shipments from Fort William-Port Arthur	10
Freight Assistance Shipments	11
Monthly Export Clearances	12
Exports of Canadian Wheat and Wheat Flour by Destination	13
Current Wheat Prices	16
Canadian Flour Milling Situation -	
Production and Exports	17
United States Wheat Situation -	
The Supply Situation	18
Outlook for 1950 Wheat Crop	18
December Flour Production	19
Chicago and Minneapolis Cash Wheat	19
Chicago Wheat Futures	20
Argentine Wheat Situation	21
Australian Wheat Situation	23
Sweden Reports Breadgrain Surplus	23
Calendar of Wheat Events	24

WORLD WHEAT SITUATION

Wheat Supplies* of Major Exporting Countries -

At January 1, 1950 the combined wheat supply of the United States, Canada, Argentina and Australia—the world's four major exporting countries—amounted to 1,683 million bushels, some 109 million above the supply level at the beginning of 1949. Moderate declines in Canada and Argentina were more than offset by increases in supplies in the United States and Australia. The total supply of the five principal grains stood at 162 million short tons, about 16 per cent above the average of the past five years, but only slightly above the large 1949 supply. The sustained level of world grain supplies results largely from continued good crops of corn and wheat and substantial stocks of these grains in the United States. Stocks of each grain in Canada and Argentina—with the minor exception of oats in the latter country—declined from the January 1, 1949 position. The supply of each grain in Australia was higher at January 1 this year, although the total was only half a million short tons greater than at January 1, 1949. In the United States, supplies of rye remained steady but significant decreases were noted in oats and barley supplies in that country.

World Wheat Requirements -

In a summary of the World Food Situation for 1950 released on February 6 by the United States Office of Foreign Agricultural Relations it is stated that total world breadgrain import requirements for 1949-50 are expected to be reduced 10 per cent or more from the total 1948-49 exports of 26.7 million long tons (970 million bushels of wheat and flour, in terms of wheat, and 30 million bushels of rye). Supplies of wheat available for export in the principal surplus-producing areas are considered adequate to meet the export demand with significant increases in stocks not being anticipated except in the United States. The Office of Foreign Agricultural Relations points out that the reduced level of world trade in breadgrains thus far in 1949-50 (nearly all of which has occurred in total exports from the United States) reflects the improved supply position in nearly all of the importing countries. Two years (1948 and 1949) of relatively favourable production in Europe—combined with unusually high breadgrain imports, have resulted in increased reserves on that continent along with a general relaxation of controls governing bread rationing, flour extraction rates, collections and utilization programs. In exporting countries more competitive conditions are emerging in international trade in grain. According to O.F.A.R., "Terms and conditions of trade are once more assuming importance in place of the critical need which characterized the postwar period through 1947-48".

United States and Canada Discuss Mutual Problems -

An official Ottawa press release dated March 4 advises that "The Honourable Charles F. Brannan, Secretary of Agriculture of the United States, met yesterday with the Right Honourable C. D. Howe, Minister of Trade and Commerce and the Right Honourable James G. Gardiner, Minister of Agriculture, and discussed throughout the day a number of mutual problems.

There was a frank exchange of views on a number of common agricultural, trade and other problems and the usual cordial and friendly relations prevailed throughout.

The principal item of discussion involved some of the problems arising from the anticipated accession of Germany and Japan to the International Wheat Agreement. Agreement was reached on a recommendation to be presented at the meeting of the International Wheat Council on March 13, 1950."

* According to estimates released by the Office of Foreign Agricultural Relations of the United States Department of Agriculture.

International Wheat Agreement Sales and Purchases -

An official statement, now released regularly, sets out weekly the cumulative sales and purchases under the I.W.A., together with the quantities guaranteed under the agreement by both exporting and importing countries. In view of the general interest in the progress of the I.W.A. this statement which summarizes operations registered under the agreement between August 1, 1949 and February 17, 1950 is reproduced herewith. (Conversions from metric tons to bushels have been made at the rate of 36.74371 bushels to the ton with the resulting figures being rounded to the nearest thousand bushels).

Sales and Purchases under the International Wheat Agreement, August 1, 1949—February 17, 1950 Together with Annual Quantities Guaranteed

Exporting Countries	Guaranteed Quantities	Total Sales
- 000 bushels -		
Australia	79,991	32,649
Canada	203,082	152,502
France	3,307	3,197
U.S.A.	168,066	58,701
Uruguay 1/	1,837	-
TOTALS	456,283	247,049

Importing Countries	Guaranteed Quantities	Source:				Total Purchases
		Australia	Canada	France	U.S.A.	
Austria	11,023	-	-	-	4,589	4,589
Belgium	20,209	-	5,397	-	3,883	9,280
Bolivia	2,756	-	366	-	194	560
Brazil	13,228	-	-	-	-	-
Ceylon 2/	4,409	4,410	-	-	-	4,410
Cuba	7,422	-	2,188	-	859	3,047
Denmark	1,617	-	232	-	-	232
Dom. Republic	735	-	452	-	65	517
Ecuador 3/	1,102	-	288	-	785	1,073
Egypt	8,818	4,646	-	-	-	4,646
El Salvador 2/	404	-	115	-	309	424
Greece	15,726	-	-	-	5,383	5,383
Guatemala 2/	367	-	110	-	281	391
Haiti	1,029	-	703	-	44	747
India 3/	38,287	-	-	-	-	-
Ireland	10,105	-	2,100	-	1,605	3,705
Israel	4,409	-	2,944	-	869	3,813
Italy	40,418	-	-	-	3,708	3,708
Lebanon	2,388	-	-	-	-	-
Mexico	9,186	-	349	-	5,247	5,596
Netherlands	25,721	1,904	498	1,470	11,388	15,260
New Zealand	4,593	19	-	-	-	19
Nicaragua	294	-	50	-	158	208
Norway	7,716	513	1,153	-	3,404	5,070
Panama	625	-	159	-	52	211

Importing Countries	Guaranteed Quantities	Australia	Canada	France	U.S.A.	Total Purchases
Peru	5,512	-	55	-	2,244	2,299
Portugal	5,144	-	132	-	4,152	4,284
Saudi Arabia	1,837	-	206	-	263	469
Sweden	2,756	-	-	-	-	-
Switzerland	6,430	-	4,999	-	-	4,999
Union of S. Africa .	11,023	2,000	5,600	-	-	7,600
United Kingdom	177,068	19,157	120,462	1,727	8,299	149,645
Venezuela <u>2/</u>	4,777	-	3,944	-	920	4,864
TOTALS	447,134	32,649	152,502	3,197	58,701	247,049

1/ Not yet ratified.

2/ Guaranteed Quantity fulfilled.

3/ Fulfilment advised: Confirming reports awaited.

THE CANADIAN WHEAT SITUATION

Revised Estimate of the 1948 Wheat Crop in the Prairie Provinces - Based upon revised disposition and acreage data the 1948 Prairie wheat crop is now placed at 356 million bushels. The decrease from the figure of 363 million bushels published in November of 1949 is accounted for by a downward acreage and yield revision in the province of Manitoba. The necessity for this revision was indicated by the latest available data on disposition of the 1948 crop as indicated in the table below:

Wheat Supply and Disposition in the Prairie Provinces, 1948-49

	Manitoba	Saskatchewan	Alberta	Prairie Provinces
- million bushels -				
Supply -				
Carry-over on farms July 31, 1948 ..	3.0	22.0	13.0	38.0
Revised estimate 1948 crop <u>1/</u>	50.0 <u>1/</u>	191.0	115.0	356.0 <u>1/</u>
TOTAL SUPPLY	53.0	213.0	128.0	394.0
Disposition -				
Commercial marketings <u>2/</u>	39.6	158.8	94.7 <u>3/</u>	293.1
Seed for 1949 crop <u>4/</u>	4.8	20.9	9.6	35.3
Feed and waste <u>5/</u>	5.3	8.9	8.4	22.6
Country millings <u>6/</u>	0.3	0.4	0.3	1.0
Carry-over on farms July 31, 1949 ..	3.0 <u>7/</u>	24.0	15.0	42.0
TOTAL DISPOSITION	53.0	213.0	128.0	394.0

1/ Basis disposition data and downward revision of Manitoba wheat acreage and yield.

2/ Revised.

3/ 1.1 million bushels have been deducted from the Board of Grain Commissioners' figure for Alberta marketings to allow for marketings from the Peace River Block of British Columbia.

4/ Per D.B.S. survey. 5/ Includes wheat fed on farms per D.B.S. survey and estimated waste. 6/ Estimated. 7/ Revised.

Payments Under the Prairie Farmers' Assistance Act -

Based on awards made to January 24, 1950 upwards of 50,000 Prairie farmers living in areas where wheat yields were unduly low in 1949 will receive more than \$16 million under the provisions of P.F.A.A. With the settling of late claims some further increase will take place in these figures. Revised figures now indicate that some \$14.1 million has been paid to 61,735 farmers in 2,301 townships in respect of claims made on the 1948 crop. On a provincial basis the distribution of payments (subject to revision as noted above) relative to the 1949 crop is as follows:

Province	Payment	No. of Awards	No. of Townships
Manitoba	161,276	919	1,530
Saskatchewan	13,708,767	42,351	454
Alberta	2,242,802	7,479	40
TOTALS	16,112,845	50,749	2,024

Broadly speaking, the Act operates as follows—with payments being made in two categories: where the average wheat yield in a township is four bushels or less per acre, payment of \$2.50 per acre is made on half the cultivated acreage, the maximum amount payable being \$500.00. Where the wheat yield in a township averages from more than four and up to eight bushels per acre, payment is made at the rate of \$1.50 per acre on half the cultivated acreage up to a maximum of \$300. It is observed that for the 1948 crop less than 33 per cent of the payments were made in the 0—4 bushels per acre category while in 1949 the statistics to date indicate that over 70 per cent of the payments will fall in this class. The greater incidence of payments in the lower yield category in 1949 together with a greater payment per township reflects the extreme nature of the crop-failure conditions experienced in the affected areas in 1949.

Ontario Winter Wheat Millings -

Flour milled from Ontario winter wheat during the first six months of the 1949-50 crop year amounted to 647,892 barrels compared with 895,039 barrels for the same period of 1948-49. Although the six months' total flour production in 1949-50 is below that of 1948-49, production of flour during December 1949 and January 1950 was 41,966 and 29,035 barrels, respectively, greater than for the same months in the previous crop year.

Millings of Ontario Winter Wheat

	1947-48		1948-49		1949-50 ^{1/}	
	Wheat Milled	Flour Produced	Wheat Milled	Flour Produced	Wheat Milled	Flour Produced
	bu.	bbl.	bu.	bbl.	bu.	bbl.
August	320,342	72,585	1,077,071	233,956	514,214	100,573
September ..	238,596	53,901	1,120,084	249,198	511,766	106,060
October	358,638	78,498	636,481	145,925	559,033	113,380
November ...	328,755	73,140	438,535	107,840	460,257	98,758
December ...	233,194	62,062	346,829	84,523	588,647	126,489
January	252,843	62,277	285,903	73,597	456,901	102,632
TOTALS ...	1,732,368	402,463	3,904,903	895,039	3,090,818	647,892

^{1/} Preliminary.

Supply Position -

With a revised carry-over at July 31, 1949 of 102.4 million bushels of wheat, the total Canadian wheat supply for 1949-50 stands at 469.8 million bushels. In line with a downward revision in the domestic disappearance of wheat for 1948-49 the estimated domestic disappearance of wheat for 1949-50 has been reduced to 140 million bushels, leaving an estimated 329.8 million bushels available for export and carry-over. Wheat exported as grain during August-January of the current crop year amounted to 96.9 million bushels, an increase of 22.9 million over exports for the same period of 1948-49. Exports of wheat flour in terms of wheat, however, were 5.2 million bushels less than last year's, leaving a net increase in exports of 17.7 million bushels up to January 31, 1950. The balance remaining at February 1, 1950 for export and carry-over amounted to 210.7 million bushels as against 233.3 million bushels on the same date last year.

Canadian Wheat Supplies

	1949-50	1948-49
	- million bushels -	
Carry-over in North America July 31	102.4 ^{1/}	77.7
New Crop	367.4	386.3 ^{1/}
Imports of wheat and wheat flour Aug. 1--Dec. 31	^{2/}	0.3
Total Supply	469.8	464.3
Estimated Domestic Requirements	140.0 ^{3/}	129.6 ^{1/}
Available for export or carry-over	329.8	334.7
Deduct:		
Overseas clearances of wheat as grain Aug. 1--Jan. 31 ...	91.0	74.0
Exports of Canadian wheat to U.S. Aug. 1--Jan. 31	5.9	^{2/}
Total Wheat Exports	96.9	74.0
Exports of wheat flour in terms of wheat Aug. 1--Jan. 31 .	22.2 ^{4/}	27.4 ^{4/}
Total Exports Wheat and Wheat Flour	119.1	101.4
Balance on February 1 for Export or Carry-over	210.7	233.3

^{1/} Revised.

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

^{3/} Preliminary estimate.

^{4/} August-October 1949-50 and entire crop year 1948-49 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 ^{1/}
- bushels -					
August 1-4	86,906	396,425	857,679	1,341,010	1,047,366
11	1,487,047	408,852	352,356	2,248,255	1,396,538
18	3,916,751	2,375,960	2,036,147	8,328,858	2,120,222
25	9,032,150	6,744,337	3,980,747	19,757,234	10,570,201
September 1	6,953,093	8,751,113	4,960,194	20,664,400	25,951,607
8	5,104,625	12,005,438	7,572,940	24,683,003	31,542,951
15	3,394,999	16,809,771	7,977,799	28,182,569	34,421,627
22	1,511,831	15,854,167	8,051,995	25,417,993	27,525,049
29	1,249,693	11,832,544	6,596,577	19,678,814	17,806,785
October 6	781,873	12,004,362	6,543,917	19,330,152	14,001,115
13	531,130	5,224,134	4,027,785	9,783,049	11,244,938
20	431,778	4,307,972	3,302,630	8,042,380	9,256,027
27	174,784	3,804,123	2,518,155	6,497,062	7,873,337
November 3	293,156	3,797,858	1,935,700	6,026,714	6,620,489
10	229,101	3,436,128	1,762,805	5,428,034	4,981,699
17	265,037	2,544,609	1,199,154	4,008,800	4,794,010
24	270,103	2,767,094	1,346,397	4,383,594	4,411,372
December 1	278,985	2,972,258	1,169,791	4,421,034	3,535,124
8	307,306	3,040,022	1,193,263	4,540,591	3,439,280
15	379,391	2,305,535	1,292,377	3,977,303	2,015,039
22	584,752	3,039,794	2,109,705	5,734,251	3,071,057
29	663,019	2,636,205	1,581,786	4,881,010	3,026,547
January 5	245,905	1,077,129	577,553	1,900,587	3,436,527
12	222,310	741,034	939,661	1,903,005	3,195,302
19	191,689	799,905	758,560	1,750,154	3,641,807
26	95,218	620,728	636,069	1,352,015	1,117,750
February 2	53,533	240,528	323,458	617,519	1,422,034
9	82,128	469,280	725,495	1,276,903	1,381,373
16	186,243	686,546	1,328,487	2,201,276	739,191
TOTALS	39,004,536	131,693,851	77,659,182	248,357,569	245,586,364

^{1/} Revised.

Marketings of wheat in the Prairie Provinces from the beginning of the current crop year to February 16 amounted to 248.4 million bushels, an increase of 2.8 million bushels over the corresponding period of 1948-49. During the four-week period January 12 to February 2, 1950 marketings declined falling below one million bushels during the week ending February 2, the lowest marketings to date of any week of the current crop year. The tapering off of marketings was largely seasonal in nature being tied in with a period of heavy snowfall and intense cold in western Canada, which hampered the movement of grains from farms to both country and terminal elevators. Marketings recovered somewhat in the period February 2-16.

With marketings of 131.7 bushels, Saskatchewan had accounted for 53.0 per cent of wheat marketings in the Prairie Provinces up to February 16. Alberta with 77.7 million and Manitoba with 39.0 million bushels have supplied 31.3 and 15.7 per cent respectively.

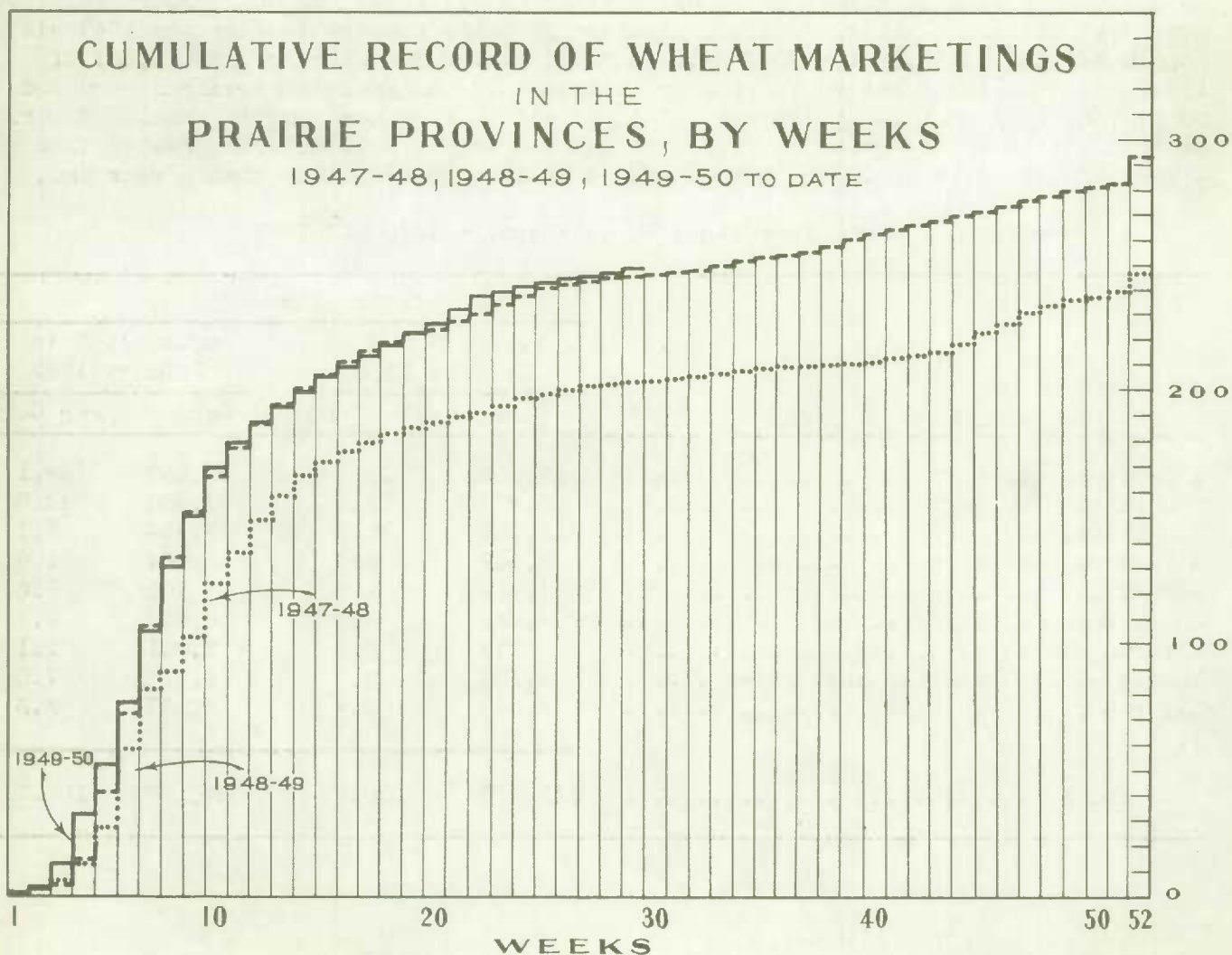
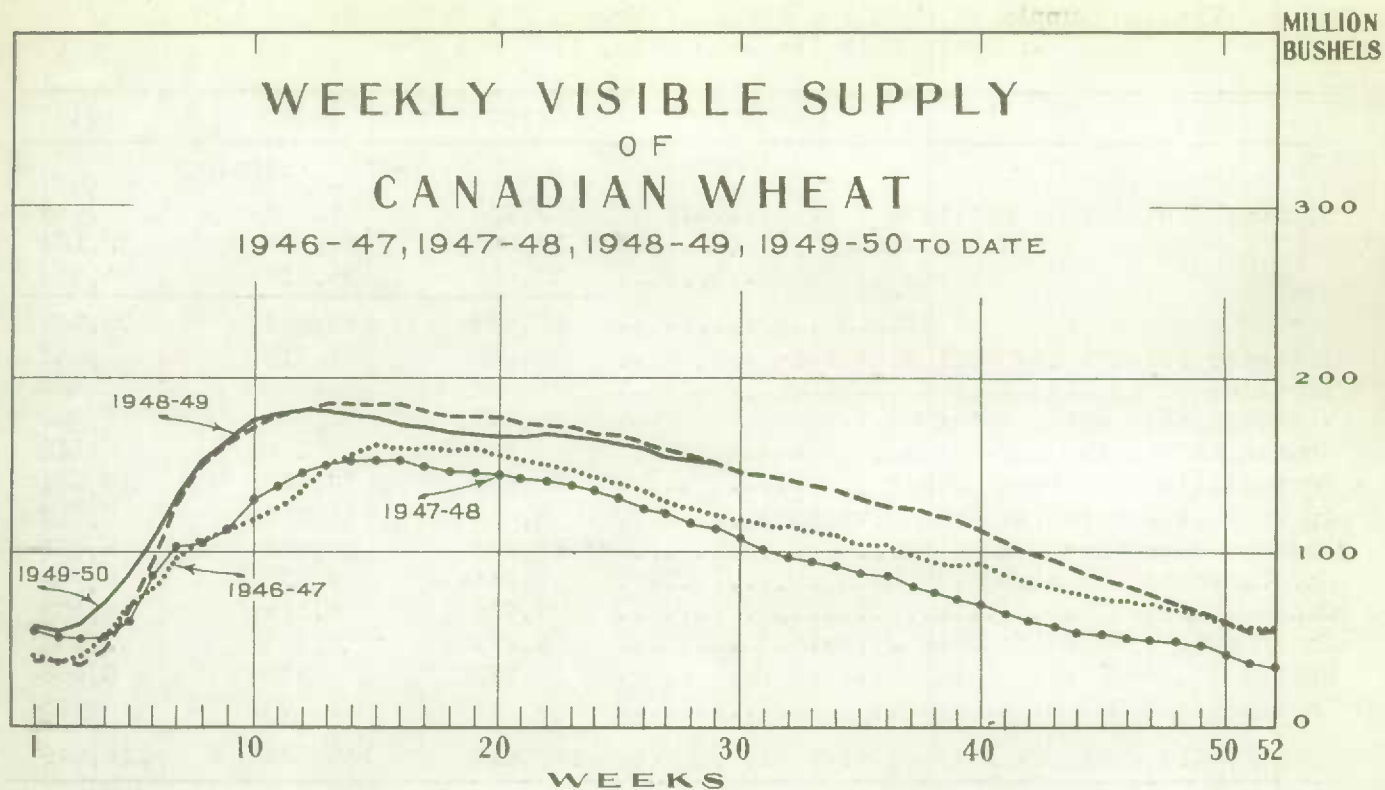
Visible Supply of Canadian Wheat, February 16, 1950 Compared With
Approximately the Same Date, 1949 and 1948

	1950	1949	1948
	- 000 bushels -		
Country Elevators - Manitoba	3,730	7,538	3,629
Saskatchewan	30,283	36,249	25,124
Alberta	33,665	36,117	26,996
TOTALS	67,678	79,904	55,749
Interior Private and Mill Elevators	3,180	4,310	3,942
Interior Terminals	87	186	280
Vancouver-New Westminster	2,507	3,605	9,000
Churchill	126	100	110
Fort William and Port Arthur	39,809	24,233	14,391
In Transit - Rail (Western Division)	6,479	10,306	5,213
Eastern Elevators - Lake Ports	12,865	13,478	9,467
St. Lawrence and Seaboard Ports	9,966	4,636	3,908
Storage Afloat	4,752	4,518	4,135
In Transit - Rail (Eastern Division)	1,171	3,282	1,152
United States Ports	778	915	6,068
In Transit - U.S.A.	12	73	603
TOTALS	149,410	149,546	114,018

The visible supply of Canadian wheat in all positions on February 16, 1950 was 149.4 million bushels, just 0.1 million under the comparable February 1949 visible supply of 149.5 million but 35.4 million greater than the February 1948 total of 114.0 million. Wheat stored in country elevators in the Prairie Provinces amounted to 67.7 million bushels, a decrease of 12.2 million from last year's total. Stocks at Fort William-Port Arthur at 39.8 million bushels are 15.6 million greater than a year ago while wheat in transit is some 6 million bushels less than a year ago.

Grading of Wheat Inspected, August-January 1950 and 1949

	Inspections			
	August 1949 to January 1950		August 1948 to January 1949	
	Cars	Per Cent	Cars	Per Cent
1 Manitoba Northern	17,427	15.7	27,432	29.1
2 Manitoba Northern	63,970	57.6	39,538	42.0
3 Manitoba Northern	12,561	11.3	7,754	8.3
4 Manitoba Northern	2,569	2.3	1,464	1.6
Garnet	1,819	1.6	906	1.0
Amber Durum	4,616	4.2	6,250	6.6
Alberta Winter	713	0.6	1,041	1.1
Toughs - All Varieties and Grades	3,301	3.0	6,618	7.0
All others	4,140	3.7	3,123	3.3
TOTALS	111,116	100.0	94,126	100.0



Wheat Shipments to the United States, By Destination,
August 1, 1949-February 16, 1950
Compared with Approximately the Same Period, 1948-49 and 1947-48

	1949-50	1948-49	1947-48
	bu.	bu.	bu.
By Vessel			
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	-	-
Totals - Vessel Shipments	6,931,448	9,800,035	15,422,221
By Rail			
U.S.A. Seaboard Ports	49,210	-	-
Other U.S.A. Points	46,000	-	60,577
Totals - Rail Shipments	95,210	-	60,577
GRAND TOTALS	7,026,658	9,800,035	15,482,798

Canadian wheat shipments to the United States from August 1, 1949 to February 16, 1950 amounted to 7.0 million bushels compared with 9.8 million for approximately the same period in 1948-49. During the period under review a total of 6.9 million bushels went by water to United States ports compared with 9.8 million for last year. Shipments by rail to the United States amounted to 95,210 bushels for the August 1-February 16, 1950 period. No rail shipments were recorded for the comparable interval of the previous crop year.

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

	August 1, 1949 to February 16, 1950	August 1, 1948 to February 17, 1949
	- bushels -	
Collingwood	271,330	1,078,713
Midland	4,999,492	4,368,648
Owen Sound	837,624	829,555
Port McNicoll	5,822,772	2,695,480
Goderich	139,271	209,863
Sarnia	-	255,775
Humberstone	232,900	-
Port Colborne	-	27,426
Prescott	-	11,066
Montreal	-	3,911
TOTALS	12,303,389	9,480,437

From January 12, 1950 to February 16 rail movement of wheat to Maritime Ports from bay and lake ports amounted to 2.9 million bushels increasing the crop year total to date to 12.3 million. Shipments between August 1 and February 17 of the previous crop year came to 9.5 million bushels. In both years Midland and Port McNicoll were the leading shipping points. Combined shipments from these ports during the 1949-50 and 1948-49 periods under review accounted for 88 and 75 per cent respectively of the total movement in each period.

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 January 1950 shipments are set forth in the tables below:

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

	1946-47	1947-48	1948-49	1949-50
	- bushels -			
August	187,825	90,574	51,283	158,893
September	175,773	91,366	30,017	131,712
October	255,754	131,290	46,274	122,482
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	277,502
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	
TOTALS	9,758,598	10,368,942	13,376,558	

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

	Prince Edward Island	New Brunswick	Quebec	Ontario
	- bushels -			
Sel. 2 Northern	-	-	-	4,000
2 Northern	-	-	79,500	113,504
Number 5	250	-	9,500	4,000
Number 6	-	-	133	-
Tough No. 5	-	-	5,353	2,017
Tough No. 6	-	-	4,500	-
Rejected 2 Northern	-	-	1,541	-
Rejected No. 5	-	1,500	10,600	-
Rejected No. 5 Mixed Heated	-	-	10,205	4,500
Tough Rejected No. 5 Mixed Heated ..	-	-	-	300
3 C.W. Amber Durum	-	-	4,500	-
Rejected 4 C.W. Amber Durum	-	-	1,568	-
Sample Red Spring Heated	-	-	5,147	893
Tough Sample Red Spring Heated	-	-	6,304	2,360
2 C.W. White Spring	-	-	-	4,500
Heated and Heating	-	-	847	-
TOTALS	250	1,500	139,678	136,074

GRAND TOTAL277,502

Freight Assistance Shipments -

On the basis of claims filed for payment to December 31 total wheat shipments from the Prairie Provinces to eastern Canada and British Columbia under the Freight Assistance Plan totalled 3.8 million bushels. Wheat shipped under the plan for the same period in 1948-49 amounted to 5.2 million bushels, 1.4 million bushels more than the movement for the first five months of 1949-50. However, the filing of late claims may be expected to diminish the difference now indicated between shipments in the two crop years.

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

1949-50	Newfound- land	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	British Columbia	Total
- 000 bushels -								
August	2	25	28	27	372	239	234	927
September .	2	12	24	18	401	251	210	918
October ...	1	7	30	22	346	268	184	858
November ..	2	9	20	17	332	253	69	702
December ..	-	10	12	11	192	206	6	437
TOTALS ..	7	63	114	95	1,643	1,217	703	3,842
Same Period 1948-49 ..	-	61	186	135	1,639	1,921	1,243	5,185

Shipments of millfeed under the freight assistance plan for the period August 1. to December 31, 1949 amounted to 228,010 tons, compared with 281,137 for the comparable period of 1948. Quebec and Ontario continue to receive the major portion of these shipments.

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

	August 1 to December 31, 1949	August 1 to December 31, 1948
- tons -		
Newfoundland	887	-
Prince Edward Island	4,817	4,702
Nova Scotia	17,182	21,337
New Brunswick	15,535	19,180
Quebec	109,846	126,062
Ontario	67,230	86,832
British Columbia	12,813	23,024
TOTALS	228,010	281,137

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

	Overseas Clearances of Canadian Wheat	U. S. Imports ^{1/} of Canadian Wheat for Consumption and Grinding in Bond	Customs ^{2/} Exports of Canadian Wheat Flour	Total	Customs ^{3/} Exports of Wheat and Wheat Flour
- 000 bushels -					
<u>1947-48</u>					
August	9,601	2	7,048	16,651	18,140
September	9,363	12	5,864	15,239	15,990
October	9,680	35	7,001	16,716	17,204
November	12,006	1	5,796	17,803	22,763
December	7,480	2	3,829	11,311	20,717
January	15,175	3	4,064	19,242	15,961
February	11,296	71	4,970	16,337	10,743
March	10,323	2	4,082	14,407	15,058
April	10,080	3	5,783	15,866	9,965
May	12,955	1	5,086	18,042	19,924
June	12,464	1	4,730	17,195	15,881
July	12,949	-	3,224	16,173	17,129
TOTALS	133,372	133	61,477	194,982	199,475
<u>1948-49 ^{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
TOTALS	178,960	5,255	48,094	232,309	228,202
<u>1949-50 ^{4/}</u>					
August	16,639	62	3,898	20,599	24,013
September	14,947	881	3,771	19,599	18,294
October	18,420	1,675	3,240	23,335	21,903
November	20,680	2,019	3,700	26,399	27,292
December	9,751	867	3,388	14,006	21,002
January	10,608	411	4,201	15,220	15,102
TOTALS	91,045	5,915	22,198	119,158	127,606

^{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 to October 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 January 1950

	December		January		August—January	
	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	1,389,325	7,268,728	1,907,006	7,319,635	9,309,780	63,093,820
Ireland	-	-	-	186,667	-	1,428,000
<u>Africa</u>						
Union of S. Africa .	-	-	-	369,600	1,030	1,308,183
<u>Br. West Africa</u>						
Gambia	-	-	1,836	-	1,836	-
Gold Coast	19,732	-	18,401	-	136,700	-
Nigeria	778	-	-	-	2,479	-
Sierra Leone	4,860	-	1,633	-	37,656	-
<u>Asia</u>						
British Malaya	-	-	390,271	-	596,033	-
Hong Kong	249,975	-	98,532	-	1,161,990	-
<u>Europe</u>						
Gibraltar	1,494	-	29,052	-	49,172	-
Malta	-	186,667	-	313,000	-	907,667
<u>North America</u>						
Bahamas	9,482	-	21,357	-	113,325	-
Barbados	50,481	-	23,873	-	218,934	866
Jamaica	163,449	-	118,868	-	759,866	-
Trinidad-Tobago	199,778	-	274,450	-	1,224,419	-
Leeward-Windward Is.	63,072	-	72,814	-	412,244	-
Bermuda	10,760	-	9,198	-	55,733	-
British Honduras ...	1,836	-	7,745	-	21,259	-
<u>South America</u>						
British Guiana	101,844	-	50,647	-	473,859	-
<u>TOTALS, COMMONWEALTH COUNTRIES</u>						
.....	2,266,866	7,455,395	3,025,683	8,188,902	14,576,315	66,738,536

Exports of Canadian Wheat and Wheat Flour - continued

	December		January		August—January	
	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>Africa</u>						
Azores and Madeira	-	-	-	-	11,200	-
Belgian Congo	5,517	-	12,717	-	46,607	-
Canary Islands ...	2,295	-	-	-	6,422	-
Liberia	288	-	293	-	3,960	-
Madagascar	-	-	-	-	17,825	-
Morocco	48,303	-	81,072	-	238,914	213,124
Portuguese Africa.	-	-	136,755	-	213,809	-
Spanish Africa ...	5,049	-	25,299	-	45,495	-
<u>Asia</u>						
Arabia	65,709	17,619	-	-	111,582	80,836
China	4,590	-	4,590	-	55,094	-
Indonesia	-	-	-	-	18,958	-
Iran	-	-	9,653	-	9,653	4,274,108
Israel	-	731,437	1,566	362,133	1,566	2,413,078
Japan	45	1,078,933	1,467	-	1,512	1,078,933
Philippine Islands	222,143	-	358,312	-	2,788,537	-
Siam	11,016	-	18,850	-	79,015	-
Turkey	-	-	-	-	-	2,114,933
<u>Europe</u>						
Belgium	369	18,666	-	1,265,040	18,180	5,077,978
Denmark	-	-	-	-	-	122,000
France	-	-	-	-	1,377	-
Germany	5,278	-	3,600	-	34,848	-
Greece	-	-	-	-	20,326	-
Italy	-	-	2,295	-	13,770	252,261
Netherlands	5,688	-	-	-	7,524	-
Norway	-	-	-	-	-	1,153,007
Poland	-	-	-	-	1,062	-
Portugal	12,393	-	11,939	-	32,166	-
Spain	-	-	-	702,647	-	702,647
Switzerland	-	11,200	-	-	5,202	5,328,251
Yugoslavia	-	-	1,242	-	17,393	-
<u>North America</u>						
Alaska	-	-	67	-	67	-
Costa Rica	39,888	33,333	7,722	13,334	186,962	96,667
Cuba	387,517	-	91,886	-	1,036,183	-
Dominican Republic	9,887	2,000	17,572	-	102,681	2,000
El Salvador	19,350	-	13,995	-	71,320	-
Guatemala	39,177	39,987	26,892	-	141,426	73,467
Haiti	15,385	-	36,297	-	129,010	-
Honduras	-	-	230	10,020	7,574	17,520
Mexico	-	-	-	-	-	349,440
Nether. Antilles .	11,525	-	18,400	-	113,607	-

Exports of Canadian Wheat and Wheat Flour - concluded

	December		January		August—January	
	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 -	
FOREIGN COUNTRIES						
North America						
Nicaragua	7,276	1,667	5,783	-	47,196	1,667
Panama	14,494	-	15,498	-	112,360	-
St. Pierre-Miquelon	1,296	-	-	-	9,765	-
Virgin Islands ...	-	-	2,340	-	6,930	-
United States	11,016	-	5,522	-	72,603	-
For grinding in bond <u>4/</u>	-	815,712	-	401,628	-	5,379,613
For domestic consumption <u>4/</u> ...	-	51,057	-	9,755	-	535,495
Oceania						
Hawaii	-	-	-	-	1,377	433
South America						
Bolivia	-	319,406	-	-	4,068	354,668
Colombia	10,116	41,598	5,719	64,722	32,215	228,533
Ecuador	19,818	-	9,950	-	145,288	37,333
Peru	-	-	25,294	-	53,064	330,690
Surinam ^{5/}	12,879	-	18,279	-	88,583	-
Venezuela	132,575	-	204,651	500	1,457,082	2,500
TOTALS, FOREIGN						
COUNTRIES	1,120,882	3,162,615	1,175,747	2,829,779	7,621,358	30,221,182
GRAND TOTALS						
EXPORTED	3,387,748	10,618,010	4,201,430	11,018,681	22,197,673	96,959,718

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 to October 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.

5/ Netherlands-Guiana changed to Surinam.

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			
	Jan. 21	Jan. 28	Feb. 4	Feb. 11
(A) CANADIAN WHEAT BOARD CASH PRICES	- cents and eighths per bushel -			
WHEAT				
(1) Initial Payment to Producers Compulsory Pool 1949-50				
1 Hard	175	175	175	175
1 Northern	175	175	175	175
2 Northern	172	172	172	172
3 Northern	170	170	170	170
4 Northern	165	165	165	165
Number 5	155	155	155	155
Number 6	151	151	151	151
Feed	149	149	149	149
(2) Class I (Domestic Sales) ^{1/}				
1 Hard	206	206	206	206
1 Northern	206	206	206	206
2 Northern	203	203	203	203
3 Northern	201	201	201	201
4 Northern	198	198	198	198
Number 5	186	186	186	186
Number 6	182	182	182	182
Feed	180	180	180	180
1 C.W. Garnet	201	201	201	201
2 C.W. Garnet	199	199	199	199
3 C.W. Garnet	197	197	197	197
1 Alta. Red Winter	206	206	206	206
2 Alberta Winter	205	205	205	205
3 Alberta Winter	202	202	202	202
1 C.W. Amber Durum	206	206	206	206
2 C.W. Amber Durum	203	203	203	203
3 C.W. Amber Durum	201	201	201	201
(3) Class II (Export Sales)				
(A) United Kingdom Contract ^{2/}				
1 Hard	206	206	206	206
1 Northern	206	206	206	206
2 Northern	203	203	203	203
3 Northern	201	201	201	201
(B) To International Wheat Agreement Countries ^{3/}				
1 Northern	198	198	198	198
2 Northern	195	195	195	195
3 Northern	193	193	193	193
(C) To All Other Countries				
1 Hard	213/3	215	213	213/3
1 Northern	213/3	215	213	213/3
2 Northern	210/3	212	210	210/3
3 Northern	208/3	210	208	208/3
1 C.W. Amber Durum	213/3	215	213	213/3
2 C.W. Amber Durum	210/3	212	210	210/3
3 C.W. Amber Durum	208/3	210	208	208/3

^{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/} 5 cents per bushel carrying charge discontinued effective December 14, 1949.

CANADIAN FLOUR MILLING SITUATION

Production and Exports -

During January Canadian flour mills produced 1,550,336 barrels of flour, the lowest output of any month of the current crop year. The downward trend in flour production since November when mills turned out 1,950,539 barrels has been reflected in a decline in percentage utilization of rated milling capacity. The proportion of rated milling capacity utilized in November was 76.0 per cent while for mills reporting operations during January (rated capacity 97,755 barrels per 24-hour day) 63.4 per cent of the rated capacity on the basis of a 25-day working period, was effective. With half the current crop year completed total production of flour has amounted to 10,595,246 barrels only slightly less than the 10,909,246 barrels produced during the corresponding period of 1948-49.

Canadian flour exported in January amounted to 933,651 barrels, 180,818 barrels greater than the December exports of 752,833 barrels. Total exports for the first six months of 1949-50 were 4,932,816, a decrease of some 19 per cent from the exports for the first half of 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	719,950
November	1,950,539	822,131
December	1,628,443	752,833
January	1,550,336	933,651
TOTALS	10,595,246	4,932,816
<hr/>		
SAME PERIOD 1948-49	10,909,246	6,097,414

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

The Supply Situation -

With carry-over stocks at July 1, 1949 of 307 million, a 1949 outturn of 1,146 million and probable imports of one million bushels, United States supplies of wheat for 1949-50 amount to some 1,454 million bushels. Domestic requirements for the crop year have been placed at about 687 million bushels leaving some 767 million for export and carry-over at the end of the crop year. With exports of wheat, flour and other wheat products (all in terms of wheat) for 1949-50 currently estimated at about 375 million bushels carry-over stocks at June 30 should be in the neighbourhood of 390 million bushels. (United States exports of wheat and wheat products in 1948-49 reached a record 503 million bushels.) With 193 million bushels exported during the first seven months of the United States crop year, some 182 million remain to be moved out between February 1 and June 30 if the export estimate of 375 million bushels for the crop year is to be realized.

United States Wheat Supplies 1949-50

	Million Bushels
Carry-over at July 1	307
New Crop (1949)	1,146
Probable imports for crop year	1
Total Estimated Supplies	1,454
Less: Estimated domestic requirements	687
Available for export and carry-over	767
Deduct:	
Exports of wheat as grain July 1--January 31	168
Exports of flour and wheat by-products July 1--January 31.	25
Total exports wheat and wheat products.....	193
Balance on February 1 for export and carry-over	574

Outlook for 1950 Wheat Crop - In December a winter wheat acreage of 53 million acres and a crop of 885 million bushels were forecast by the Crop Reporting Board. Assuming a reduction in spring wheat acreage about the same as the 15 per cent in winter wheat and yields at the average of the past two years, a spring wheat crop of about 250 million bushels would be obtained. This would result in a total 1950 wheat crop of about 1,135 million—down only 11 million bushels from the 1949 outturn despite a substantial reduction in acreage.

According to the February 10 Crop Report of the United States Department of Agriculture "Winter wheat is reported to be wintering well and in good condition generally, with damage to date extremely limited. There is some concern among growers, however, in widespread portions of the country where the crop is susceptible to damage if February and March weather should be unfavourable. In the Northeast, the mild weather and lack of snow cover encouraged greening up and growth of fall-sown grains; light thinning of stands has resulted from "heaving". In the South, development is even more advanced, exposing these crops to damage in the event of a severe freeze. In Nebraska, moderate snow cover has improved the moisture situation and protected wheat, but from Kansas to the Texas Panhandle the deep-rooted wheat has no snow cover; topsoils are dry and subject to blowing. In Oklahoma and Texas, some greening up has occurred, sustained by subsoil

moisture, but continued dry weather could become serious. In the Pacific Northwest snow cover has protected wheat from severe temperatures and damage appears to be limited to spots from which snow was blown off."

December Flour Production -

According to the Bureau of the Census "December wheat flour output was estimated at 18.7 million sacks, 3 per cent below the November level and 18 per cent below wheat flour production in December of 1948, by the Bureau of the Census, Department of Commerce. December output of wheat flour was the lowest for this month in recent years. Flour mills operated at 61.8 per cent of capacity as compared with 68.9 per cent in November.

Chicago and Minneapolis Cash Wheat -

Cash wheat prices on the Chicago and Minneapolis market during the period January 23 to February 24 remained firm, some grades gaining slightly in price while others lost fractionally. The firm tone of the market was the result of some export business in wheat and flour plus light country offerings of cash wheat to arrive as well as a modest domestic flour business.

Daily Cash Wheat Prices on the Chicago and Minneapolis Markets

1950	Chicago		Minneapolis	
	Grade	Price	Grade	Price
January	23 3 Red	212 1/2	1 Dark Northern	219 1/2 - 220 1/2
	24 2 Hard	223 1/2	1 Dark Northern	220 7/8 - 221 7/8
	25 4 Red	212	1 Dark Northern	220 - 221
	26 3 Red	214 1/2	1 Dark Northern	220 5/8 - 221 5/8
	27 None		1 Dark Northern	221 3/8 - 222 3/8
	28 None		1 Dark Northern	220 7/8 - 221 7/8
	30 3 Red	214 1/2	1 Dark Northern	219 7/8 - 220 7/8
	31 None		1 Dark Northern	219 5/8 - 220 5/8
February	1 4 Red	211	1 Dark Northern	216 3/8 - 217 3/8
	2 None		1 Dark Northern	213 5/8 - 214 5/8
	3 3 Red	211 1/2	1 Dark Northern	215 3/8 - 216 3/8
	4 None ..		1 Dark Northern	214 7/8 - 215 7/8
	6 3 Red	210 1/4	1 Dark Northern	215 3/8 - 216 3/8
	7 None		1 Dark Northern	214 7/8 - 215 7/8
	8 4 Red	211 3/4	1 Dark Northern	215 1/4 - 216 1/4
	9 1 Yellow Hard	220 3/4	1 Dark Northern	217 - 218
	10 Sple.Gr.Yellow Hard.	190	1 Dark Northern	217 5/8 - 218 5/8
	11 3 Red	214	1 Dark Northern	217 - 218
	13 Lincoln's Birthday			
	14 None		1 Dark Northern	218 5/8 - 219 5/8
	15 4 Red	212 1/2	1 Dark Northern	218 5/8 - 219 5/8
	16 2 Red	216 1/2	1 Dark Northern	218 7/8 - 219 7/8
	17 3 Red	211 1/2	1 Dark Northern	220 - 221
	18 None		1 Dark Northern	220 3/4 - 221 3/4
	20 1 Mixed	225 1/4	1 Dark Northern	220 1/4 - 221 1/4
	21 None		1 Dark Northern	220 1/2 - 221 1/2
	22 Washington's Birthday			
	23 4 Red	215	1 Dark Northern	222 3/4 - 223 3/4
	24 None		1 Dark Northern	222 1/2 - 223 1/2

Chicago Wheat Futures -

Chicago wheat futures during the period January 25 to February 25, 1950 were generally firm except on February 2 when a break occurred. Recovery from the break was immediate and futures prices rose until on February 25, March, May, July, September and December were selling at 8/1, 9/4, 8/4, 9/1, 8/7 cents respectively above the February 2 level. Among factors leading to the rise in prices were small marketings by producers, a more active mill demand and a moderate export business.

Chicago Wheat Futures, High Points of Closing

1950	March	May	July	September	December
- cents and eighths per bushel -					
January 25	217/1	211/1	190/2	190/3	
26	217/6	211/4	190/7	191/2	
27	217/1	211	190/6	191	
28	217/4	211	190/7	191/1	
30	216/6	210/1	190/2	190/4	
31	216/7	210/1	190/7	191/2	
February 1	216/1	209	190/5	190/7	192/6
2	213/6	205/2	186/6	186/6	188/7
3	214/6	206/2	188	188/4	190/3
4	214/2	205/6	187/4	187/6	189/6
6	216/4	206/7	188/5	189	191
7	217	206/1	187/5	188/4	190/4
8	216/5	205/7	188	188/2	190/4
9	217/6	208/1	190/1	190/4	192/4
10	217/3	208/2	190/3	190/6	
11	217	207/4	188/6	189/3	191/4
13	Lincoln's Birthday				
14	219	209/2	190/1	190/4	192/3
15	218/3	208/5	191/1	191/6	193/4
16	218/5	208/4	190/4	190/7	192/7
17	220/2	209/6	191/3	191/7	193/5
18	220/5	210/1	191/1	191/5	193/3
20	220/4	210/2	191/3	191/7	193/5
21	220/5	210/5	191/1	191/6	193/5
22	Washington's Birthday				
23	221/7	213/3	193/3	194/1	196
24	219/5	213/1	193/3	193/7	195/6
25	221/7	214/6	195/2	195/7	197/6

THE ARGENTINE WHEAT SITUATION

The following review of the grain situation in the Argentine has been extracted from a report forwarded February 14, 1950 by Mr. W. B. McCullough, Commercial Secretary (Agriculture) at Buenos Aires and is reproduced herewith by kind permission of the Trade Commissioner Service.

Note: Where possible conversions to Canadian measures have been made for the convenience of Canadian readers. (Pesos converted to dollars at the nominal quotation by the Bank of Canada, February 17, 1950 at 1 peso equals \$.3275).

Weather and Crops -

Argentina is at present suffering from severe drought, considered by many to be the worst in thirty years. Rainfall was light in November and December with the result that reserves of soil moisture were below normal for entering the hot summer period. The weather during January continued dry with high temperatures and strong winds, which further aggravated the situation.

The corn crop is the most seriously affected and, depending on the district, losses run from 20 to 80 per cent. Pastures are in very poor condition with virtually no green feed for live stock. During the dry weather damage from the "tucura" (small grasshopper) has been severe in alfalfa fields and stands have been depleted. Ranchers are using reserves of hay to carry their stock and in many instances corn fields have been turned over to cattle.

The sunflower crop has stood up fairly well during the dry period but yields will be reduced. Wheat, flax and feed grains were harvested during the early part of the drought and were not seriously affected. There have subsequently been two rains. The first, on January 28th, covered most of the agricultural zones but most areas received only a few millimetres. The second, on February 11th, brought heavy showers to the coastal areas, and in the provinces of Buenos Aires, Santa Fe, Entre Rios and Cordoba rain fell with varying intensity. These rains benefited the sunflower crop and pastures are expected to improve. However, the principal agricultural zones require two or three days' rain before the drought can be considered broken.

Wheat - The wheat harvest was completed in the southern zone by the middle of January. The work was carried out under excellent conditions in very dry weather. For the most part, this crop escaped the effects of the drought although reports from southwest Buenos Aires state that certain late fields showed reduced yields resulting from the lack of moisture. Yield in the southern wheat zone ranged from 11.9 to 25.3 bushels per acre, the highest consistent yields being around Tres Arroyos and averaging 19.3 bushels per acre. No change has been made in the trade estimate of wheat production at 202.1 million bushels.

Other Grains - The early sown fields of oats, barley and rye in Santa Fe, Cordoba and Entre Rios developed under the best conditions and yields were satisfactory. However, in western Buenos Aires and La Pampa, the rye zone, it was possible to harvest only isolated fields of this grain and yields were only 4.8 bushels per acre. Brewers barley yielded from 5.6 to 9.3 bushels per acre. Growing conditions remained good in southeast Buenos Aires province where oats showed yields of 42.0 bushels per acre and barley from 18.6 to 33.5 bushels per acre.

Subsidy on Wheat Flour -

On February 1st the **Ministry** of Industry and Commerce announced that the subsidy on wheat flour would be modified so as to continue on flour used by bakeries for bread and biscuits but lapse on sales to the public. Formerly, all wheat for internal consumption was sold by IAPI to mills at a subsidized price of 88 cents per bushel. Henceforth, IAPI will sell wheat to the mills at \$2.08 per bushel, basis railcar in port of Buenos Aires, the price at which it is acquired from the producers, plus one-quarter per cent commission. On flour to be used in bread or biscuits, a subsidy of \$6.69 per barrel of 196 pounds on all grades will be paid direct to the bakeries. As a result, there will be no increase in the retail price of bread which sells, roughly, at 9.5 cents to 11.3 cents per pound.

With the removal of the subsidy, Grade I flour will retail in the city of Buenos Aires at 6.7 cents per pound as compared with the previous price of 4 cents a pound. Prices in the interior of the country will alter in accordance with the difference in rail rates from the port but may increase provisionally by 3.4 cents per pound from the maximum prices in effect on January 31st.

Wheat by-products will be sold for internal consumption at the following maximum wholesale prices per metric ton at the mill: bran approximately \$29.50; shorts \$31.10; middlings \$36.00 and feed flour \$39.30. Retail prices will be permitted a mark-up of 10 per cent.

The above subsidy is covered by a sum of \$131 million voted through the Argentine Congress last year.

Grain Export Levy -

The Argentine Government has published a new scale of commissions to be paid by grain exporters to the National Grain and Elevators Board retroactive to January 1, 1950. A commission of approximately 6.6 cents per metric ton will be paid on exports of wheat, linseed, corn, oats, barley, rye, millet, birdseed, sunflowerseed, peanuts, rapeseed, rice and any residues of these grains provided they include at least 50 per cent of the basic grain. The levy will be calculated on the net weight when the grain is shipped in bulk and on the gross weight minus 1 per cent when shipped in bags.

Grain Exports -

Exports of wheat are on a level normal for this time of year, but corn clearances are considerably reduced as is shown in the following table:

	Wheat		Corn	
	This Year	Last Year	This Year	Last Year
	- bushels -			
October	4,210,058	3,231,284	4,441,329	10,756,531
November	6,044,157	3,383,104	6,757,106	13,091,205
December	4,801,448	5,659,597	4,177,682	9,924,018
January	8,010,019	7,668,486	3,529,372	8,898,878

Exports 1950 - Shipments up to February 4, 1950 are as follows according to trade sources:

	Wheat	Corn	Oats	Rye	Barley
	- bushels -				
United Kingdom	-	-	-	-	-
France	-	1,034,392	-	-	-
Belgium	-	691,300	45,389	29,526	18,372
Italy	1,628,481	26,455	385,740	-	-
Germany	918,336	-	-	-	-
Netherlands	325,182	685,316	-	-	-
Rest of Europe	1,254,540	1,499,681	690,559	68,697	429,438
Brazil	2,482,552	-	-	-	-
Others	2,914,438	130,544	457,973	-	452,862
TOTALS	9,523,529	4,067,688	1,579,661	98,223	900,672

There have been no exports of flour during 1950.

THE AUSTRALIAN WHEAT SITUATION

Production Estimate Revised - The Commonwealth Statistician in a cablegram February 9, 1950 places the revised area and production of the 1949-50 Australian wheat crop at 12,529,000 acres and 216,460,000 bushels.

Australian Cable - The following cable dated February 15, 1950 was received from the Canadian Trade Commissioner in Melbourne:

"Australian wheat stocks at February 4th totalled 188 million bushels. Wheat exports from December 25th to February 4th totalled 6,935,000 bushels mainly to India and Japan and flour 44,530 long tons with 17,586 to Ceylon, 10,200 to Malaya, 5,419 to China, none to United Kingdom. ... Negotiations completed for sale of 19 million bushels of new season's wheat to India including 50,000 tons in form of flour. The wheat was sold at 16/1 bushel f.o.b. (approximately \$1.93 Canadian). At end of January an agreement was reached for sale of 60,000 tons (2,239,800 bushels) of wheat to Spain at 19/- a bushel (approximately \$2.28 Canadian) payable in sterling currency, shipments to be made by end of April."

SWEDEN REPORTS BREADGRAIN SURPLUS

The Swedish press reports that Sweden has become self-sufficient in breadgrains and now has an exportable surplus. The Swedish Grain Corporation has confirmed a reported contract to ship an initial 100,000 metric tons to Western Germany--delivery to be made before the end of February 1950. Sweden's 1949 outturns of wheat and rye at 25.6 and 11.0 million bushels respectively were not far below the prewar (1935-39) average levels of production.

CALENDAR OF WHEAT EVENTS

- February 8 At the end of January 1950 Australia completed negotiations to sell 50,000 tons (about 1.9 million bushels) of wheat to Spain. Mr. C. J. Perrett, General Manager of the Australian Wheat Board said that Spain had agreed to pay the maximum price of 16/1 Australian currency (approximately \$1.98 Canadian) fixed for wheat under the International Wheat Agreement. The first shipment will leave Australia in February-March, 1950.
- 13 The U. S. Department of Agriculture has proposed a new plan for wheat acreage allotments which it is hoped will preclude the necessity for marketing quotas in 1951. The new allotment is 7 million acres less than the original which was set at 69.9 million acres. (The 1950 adjusted allotment is 73.4 million acres). The Department proposes to hold in reserve 1 per cent of the total national allotment. This 1 per cent could be apportioned to counties to relieve cases where reductions in wheat acreage would be a hardship in view of the summerfallow practices which had restricted the wheat acreage in previous years.
- 13 Returns from the 1949 harvest indicate that France may have as much as 500 thousand tons (18.4 million bushels) of exportable wheat during the 1950 season. An agreement was recently concluded with the United Kingdom for the export of 47 thousand tons (1.7 million bushels) of wheat and smaller quantities are set up for Belgium, Germany, and Italy. Under the International Wheat Agreement the French quota is 90 thousand metric tons (3.3 million bushels).
- 18 A trade source quotes a preliminary official forecast indicating that the 1950 wheat crop in Italy may be around 256,000,000 bushels, assuming normal growing conditions. This would contrast with an indicated 1949 outturn of around 239,000,000 and a 1935-39 average of around 278,000,000 bushels. The winter wheat acreage is 11,900,000 this year.
- 22 A trade source states that in Western Germany official sources report 1,983,000 acres were sown to winter wheat this year, compared to last year's sowings of 1,867,000 acres.
- 22 In England and Wales the area sown to winter wheat is officially estimated at 1,863,000 acres, compared with last year's sowings of 1,580,000 acres. A trade source indicates that despite the increase and even when allowance is made for spring seeding and the small areas usually sown in Scotland and Northern Ireland, the target of 2 1/2 million acres for the whole of the United Kingdom is not likely to be reached.
- 23 The Revised Estimate of Value and Production of Canada's 1949 Field Crops places total wheat production at 367.4 million bushels with a gross farm value of \$566.2 million. Production and value of the 1948 crop were respectively 386.3 million bushels and \$612.0 million.



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