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THE WHEAT REVIEW

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WORLD WHEAT SITUATION

August-October Exports Second Highest on Record

Total exports of wheat and wheat flour in terms of grain from the four major exporting countries during the August-October period of the current Canadian crop year amounted to 478.0 million bushels, a decrease of 7 per cent from the record total of 511.5 million exported during the same three months in 1965 but sharply above the ten-year (1955-64) average shipments for the first quarter of the crop year, of some 275.2 million bushels. United States was the only one of the four exporting countries registering an increase over their 1965 comparable totals.

Shipments from these same four countries during August-October 1966 with comparisons appear in the accompanying table.

Exports of Wheat and Flour in Terms of Wheat, August-October 1966 with Comparisons

August-October	United States	Canada	Argentina	Australia	Total
million bushels					
1950	51.4	49.3	17.2	30.9	148.8
1951	116.0	75.4	17.9	30.5	239.8
1952	85.1	94.6	-	23.0	202.7
1953	54.8	79.2	32.5	16.6	183.1
1954	53.8	73.8	33.7	21.5	182.8
1955	54.4	60.1	30.2	23.2	167.9
1956	118.8	81.4	24.2	40.9	265.3
1957	100.7	73.5	21.8	24.9	220.9
1958	108.2	73.8	21.4	16.2	219.6
1959	100.3	76.3	15.1	20.4	212.1
1960	150.8	81.8	25.5	27.7	285.8
1961	180.0	106.2	6.1	55.9	348.2
1962	140.2	84.7	8.7	23.2	256.8
1963	192.1	139.6	12.7	47.3	391.7
1964	185.5	133.8	26.6	37.4	383.3
1965 (1)	203.4	181.4	70.5	56.2	511.5
1966 (2)	247.4	171.5	17.8	41.3	478.0

(1) Revised.

(2) Preliminary.

Wheat Supplies of Four Major Exporters Below a Year Ago

Latest available estimates indicate that supplies of wheat remaining on or about November 1, 1966 in the four major exporting countries, for export and for carryover at the end of their respective crop years, amounted to 1,834.4 million bushels, about 15 per cent less than the 2,156.6 million available a year ago. Smaller supplies in United States, Argentina and Australia more than offset a larger total for Canada. Supplies on or about November 1, 1966, in millions of bushels, were held as follows, with last year's comparable figures in brackets: United States, 846.3 (1,129.7); Canada, 939.9 (823.3); Argentina, 14.7 (159.7); and Australia, 33.5 (43.9).

World Wheat
Situation
and Outlook

The following is taken from the report on Grains and Feeds as prepared for the Federal-Provincial Agricultural Outlook Conference, November 22 and 23, 1966.

Situation During the 1965-66 season, world wheat and flour trade reached a record level just short of 60 million metric tons (2,200 million bushels) due to the large-scale imports by the U.S.S.R., the continued purchases by Mainland China and the very large food aid needs of the developing countries, especially India. This is the third successive year in which the level of world trade has been over 50 million tons, due mainly to the recent trends of large purchases by the Communist Bloc countries and increasing volume of aid shipments to developing countries.

The world situation has been notable for the lower supplies available in the United States and the reluctance of Australia and Argentina to offer wheat, due to their relatively poor harvests in 1965-66. On the other hand, supplies of wheat in Canada, at 1,263 million bushels, are the largest on record.

The 1966 world wheat crop (excluding Mainland China) seems likely to be near the record of 250 million metric tons reached two years ago and 12 million more than the 1965 crop. While production declines have occurred in the United States, Western Europe, North Africa and the Middle East, these will be more than offset by substantial increases in Canada, U.S.S.R., and the anticipated larger harvest in the southern hemisphere, particularly in Australia.

Outlook With some decrease in wheat production in Western Europe, North Africa and the Middle East, commercial sales in 1966-67 are expected to increase. Indications are that advance sales by exporters are well ahead of previous years. In part, these transactions may reflect a desire on the part of importers to secure supplies early because of lower stocks in the U.S.A. and the tight transport situation that could develop in Canada. In addition there appears to be a generally active world demand.

The trends in wheat imports were set out in detail in the 1965 Outlook and appear to be unchanged. Imports into the developed countries have been relatively steady. For the developing countries, the trend has been for larger imports and, while the huge shipments to India in 1965-66 may be an exception, the food aid needs of these countries will continue to increase for some years. For the next few years the demand from Mainland China, and to a lesser extent the U.S.S.R. and some Eastern European countries seems likely to continue. Total world trade in wheat and flour, while remaining above 50 million tons, is not likely to reach record levels in 1966-67.

International Wheat Council
Cumulative Totals of Commercial Purchases by Importing Countries from Exporting Countries
Crop Year 1966-67 — Through October 29, 1966

Importing Countries	EXPORTING COUNTRIES								Total Purchases
	Canada	Argentina	Australia	France	Italy	Mexico	Sweden	U.S.A.	
	thousand bushels								
Austria	625	-	-	4	-	-	-	-	629
Belgium & Luxembourg ...	9,632	-	-	76	-	-	-	2,705	12,413
Brazil	-	10,734	-	-	-	-	-	6,160	16,894
Costa Rica	422	-	-	6	-	-	-	224	652
Dominican Republic	-	-	-	-	-	-	-	273	273
Ecuador	-	-	-	-	-	-	-	246	246
El Salvador	593	-	-	-	-	-	-	449	1,042
Finland	360	-	-	-	-	-	-	112	472
Germany, Federal Republic	16,221	-	-	506	24	-	-	12,538	29,289
Greece	10	-	-	-	-	-	-	33	43
Guatemala	44	-	-	-	-	-	-	1,154	1,198
Iceland	2	-	-	-	-	-	-	12	14
India	1	-	1,998	-	-	652	-	-	2,651
Ireland	1,971	-	1,572	46	-	-	-	396	3,985
Israel	-	-	-	-	-	-	-	3,345	3,345
Japan	24,368	-	4,115	-	-	-	-	38,527	67,010
Korea	-	-	-	-	-	-	-	3,518	3,518
Lebanon	16	-	2,357	-	-	-	-	616	2,989
Liberia	75	-	-	-	-	-	-	11	86
Libya	-	-	15	16	263	-	-	-	294
Netherlands	1,765	-	-	111	-	-	-	15,413	17,289
Netherlands Territories	60	-	-	4	-	-	-	318	382
New Zealand	-	-	2,252	1	-	-	-	-	2,253
Nigeria	411	-	-	-	-	-	-	1,876	2,287
Norway	1,247	-	529	3	-	-	325	547	2,651
Peru	43	4,413	-	-	-	-	-	4,042	8,498
Philippines	479	-	7	454	17	-	-	7,191	8,148
Portugal	587	-	-	944	-	-	-	1,725	3,256
Portuguese Territories	171	-	515	-	-	-	-	87	773
Saudi Arabia	73	-	1,010	19	-	-	-	2,385	3,487
Sierra Leone	464	-	-	7	-	-	-	27	498
South Africa	10,203	-	9,121	-	-	-	-	5,686	25,010
Southern Rhodesia	3	-	500	-	-	-	-	-	503
Switzerland	3,643	-	-	503	40	-	-	585	4,771
Tunisia	-	-	-	395	-	-	-	436	831
United Arab Republic ...	-	-	-	-	1,303	-	-	21,560	22,863
United Kingdom	73,455	275	7,405	482	-	-	-	8,811	90,428
U.K. Territories	2,551	6	2,357	252	2	-	-	311	5,479
Venezuela	4,840	-	-	-	-	-	-	8,636	13,476
Western Samoa	-	-	91	-	-	-	-	-	91
To orders	-	802	-	-	-	-	404	-	1,206
Totals	154,335	16,230	33,844	3,829	1,649	652	729	149,955	361,223
Percentage of Total Sales by Exporting Countries	42.74	4.49	9.37	1.06	0.45	0.18	0.20	41.51	100.00

NOTE: Argentina - quantities cover period ending October 15, 1966.
France - quantities cover totals of Customs clearances for period ending August 31, 1966.
Italy - quantities cover period ending October 1, 1966.
Mexico and Spain - report only when purchases are made.
U.S.S.R. - no reports received.

CANADIAN SITUATION

Record Production
Raises Total Supplies
to All-time High

Reflecting the combined effect of a record acreage seeded to wheat as well as the harvesting of record average yields per acre, the 1966 wheat crop in Canada is estimated at an all-time high of 844.4 million bushels. The increase of some 195.5 million bushels over the 1965 production of 648.9 million offset by a wide margin the decline which occurred in opening stocks and, as a result, total supplies reached a peak level of 1,266.4 million bushels. Supplies of the size indicated represent an increase of 5 per cent above the previous peak of 1,210.7 million of 1963-64 and 9 per cent over the 1965-66 total of 1,161.9 million bushels. After making an allowance of 155.0 million bushels for anticipated domestic requirements, supplies available for export and for carryover during 1966-67 amounted to 1,111.4 million bushels, 11 per cent larger than the 1,004.8 million in 1965-66.

August-October Exports
Slightly Below
Previous Year

Exports of wheat and flour, in terms of wheat equivalent, during August-October 1966 amounted to 171.5 million bushels, 5 per cent less than the previous high of 181.4 million exported during the same three months of 1965. This year's exports consisted of 163.2 million bushels of wheat in bulk, 353 thousand of bagged seed and 7.9 million of flour in terms of wheat. During the August-October period last year these figures were 172.3 million of wheat in bulk, 238 thousand of bagged seed and 8.9 million of flour in wheat equivalent. The balance remaining on November 1, 1966 for export and for carryover amounted to 939.9 million bushels, 14 per cent above the November 1, 1965 total of 823.3 million.

Canadian Wheat Supplies

Item	1965-66 (1)	1966-67 (2)
	million bushels	
Carryover in North America at beginning of crop year (August 1)	513.0	421.9
Production	648.9	844.4
Imports of wheat for domestic use, August-October	(3)	(4)
Total estimated supplies	1,161.9	1,266.4
Less estimated domestic requirements for crop year	157.2	155.0
Available for export and for carryover	1,004.8	1,111.4
Deduct:		
Exports of wheat in bulk, August-October (5)	172.3	163.2
Exports of bagged seed wheat, August-October (6)	0.2	0.4
Total exports of wheat as grain	172.6	163.6
Exports of wheat flour in terms of wheat, August- October (6)	8.9	7.9
Total exports of wheat and wheat flour	181.4	171.5
Balance on November 1 for export and for carryover	823.3	939.9

- (1) Subject to revision. (2) Preliminary. (3) Less than 50,000 bushels.
(4) Not available. (5) As reported by the Board of Grain Commissioners.
(6) Customs returns, 1965-66 adjusted for time lag.

Marketings, Disappearance and Visible Supplies Total primary deliveries of wheat (both east and west) up to November 16 of the current crop year have amounted to 184.5 million bushels compared with 125.9 million marketed during the same period of the previous year. Some 56.0 million bushels of this year's total were delivered during the four weeks October 20 to November 16. During the same period the volume of Canadian wheat entering domestic and export channels amounted to 59.3 million bushels. As a result, the total visible supply of Canadian wheat decreased from 282.7 million at October 19 to a level of 279.0 million at November 16, 1966.

The total visible supply of Canadian wheat at November 16 this year represented a decline of 3 per cent from the 1965 comparable total of 288.9 million bushels and was 13 per cent less than the 1964 figure of 321.2 million. Country elevator stocks amounting to 153.5 million bushels, were 13 per cent below the 1965 comparable total of 177.4 million and 3 per cent less than the 157.5 million of 1964. Wheat stocks at interior terminals, at November 16, 1966, totalled 2.0 million bushels and recorded declines from both the 1965 and 1964 comparable levels of 2.3 million and 4.6 million bushels, respectively. Wheat stocks "in transit rail" (western division) amounted to 12.2 million bushels above the 9.4 million a year ago but below the 15.7 million two years ago. Supplies at the Canadian Lakehead, totalling some 22.5 million bushels, were 2 per cent more than the 22.0 million at November 17, 1965 but sharply lower than the 41.3 million at November 18, 1964. Stocks "in transit lake", amounting to 9.3 million bushels, registered a decline from the 11.1 million of 1965 but showed an increase over the 8.3 million of 1964. The 28.3 million bushels in Bay, Lake and Upper St. Lawrence ports, were above the 26.7 million a year ago but substantially below the 37.6 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports, at November 16, 1966, at 34.7 million bushels, were above both the 25.5 million of 1965 and the 32.4 million of 1964. The 8.2 million bushels in West Coast ports (Vancouver-New Westminster, Prince Rupert and Victoria) were considerably above the 6.2 million of the previous year but smaller than the total of 10.8 million in these positions in 1964.

September 1966 Exports of Wheat Flour and Bagged Seed Wheat Customs exports of wheat flour in terms of wheat equivalent during September 1966 amounted to 2.5 million bushels, representing a decrease from the comparable September 1965 figure (adjusted to remove time lag) of 2.7 million.

Cumulative exports of wheat flour during the first two months of the 1966-67 crop year, based on Customs returns, were the equivalent of 5.4 million bushels, 4 per cent above the adjusted August-September 1965 total of 5.2 million bushels. The leading markets for Canadian wheat flour in terms of wheat equivalent during the August-September period of the 1966-67 crop year, with revised data for the same months of the preceding crop year in brackets, were as follows, in thousands of bushels: Cuba, 1,470 (1,216); Britain, 1,414 (1,992); Ghana, 360 (72); Jamaica, 340 (216); Trinidad and Tobago, 255 (218); Leeward and Windward Islands, 251 (158); Costa Rica, 230 (138); Sierra Leone, 194 (52); and Lebanon, 127 (204).

Exports of bagged seed wheat during September 1966, based on Canadian Customs returns, amounted to 147 thousand bushels compared with the September 1965 total (adjusted to remove time lag) of 73 thousand. Cumulative exports of bagged seed wheat during the August-September period of the 1966-67 crop year amounted to 253 thousand bushels compared with the August-September 1965-66 adjusted total of 155 thousand bushels.

October 1966 Exports of Wheat Total 51.7 Million Bushels Exports of wheat in bulk, as reported by the Board of Grain Commissioners, during October 1966 amounted to 51.7 million bushels, 9 per cent above the 47.4 million of the previous month, sharply above the ten-year (1955-64) average for the month of October of 28.4 million but 20 per cent below the 64.5 million of October 1965.

Cumulative exports of wheat in bulk during the August-October 1966 period amounted to 163.2 million bushels, representing a 5 per cent decrease from the previous high of 172.3 million set in the first three months of a year ago but nearly twice the ten-year average for the period of 81.9 million. This year's shipments of wheat to Communist China totalled 41.0 million bushels and accounted for 25 per cent of the current three-month total exports of wheat in bulk form. Shipments of wheat to the U.S.S.R. (Russia) amounted to 35.3 million and accounted for 22 per cent of the August-October total. During the same period of 1965 shipments to Communist China and to U.S.S.R. (Russia) amounted to 15.0 million and 64.8 million, and accounted for 9 per cent and 38 per cent, respectively, of the three-month total. Other principal markets for Canadian wheat in bulk during the first three months of the current crop year, with figures for the same period of the preceding crop year in brackets, were as follows, in millions of bushels: Britain, 17.9 (20.9); Japan, 14.0 (11.0); India, 10.2 (4.5); Federal Republic of Germany, 6.2 (8.6); Italy, 5.5 (3.4); Belgium and Luxembourg, 5.5 (5.5); and Poland, 5.1 (7.0).

Exports of wheat flour for October 1966, based on Customs data, are not available.

Quality of 1966
Wheat Crop

According to a report from the Grain Research Laboratory of the Board of Grain Commissioners, percentage distribution of the grades of the 1966 wheat crop in the Prairie Provinces was estimated as follows: No. 1 Northern, 9 per cent; No. 2 Northern, 44 per cent; No. 3 Northern, 39 per cent; No. 4 Northern, 6 per cent, and "Other grades", 2 per cent.

Delivery Policy

Advance Quota Delivery Privileges for High Moisture Wheat, Oats, Barley and Rye On November 28, 1966 the Canadian Wheat Board issued the following Press Release: "In isolated areas of Western Canada a considerable volume of grain has been harvested with a high moisture content. To prevent excessive loss to the producers concerned it will again be the policy of the Board to utilize storage space and drying facilities at terminal elevators to receive and condition such grain during the winter months.

Effective immediately producers in Western Canada who have wheat, oats, barley or rye with a moisture content of 15.7 per cent and over are authorized to deliver such grain to the extent of four bushels per specified acre over and above existing quotas, provided that deliveries do not exceed eight bushels per specified acre in total. In other words, the holders of high moisture grain have been given advance delivery privileges to enable them to move out moisture grain for drying at terminal facilities.

In addition the railways have been instructed to move such grain on a priority basis to destinations authorized by the Canadian Wheat Board.

The Board is hopeful that the advance delivery privileges and the shipping priorities outlined above will resolve the difficulties being experienced by some producers as a result of adverse weather conditions at harvest time."

Delivery Quota on Durum Wheat The Canadian Wheat Board in its Instructions to the Trade Re Quotas (General) No. 14 under date of November 28, 1966 stated in part that effective immediately and until February 28th, 1967, the delivery quota on Durum Wheat is declared open at all delivery points. The purpose of temporarily opening the quota is to meet overseas and domestic requirements for Durum Wheat and the Board is anxious to have as much Durum Wheat as possible at the Lakehead by the time navigation opens in the spring to meet this demand.

The following is taken from the report on Grains and Feeds as prepared for the Federal-Provincial Agricultural Outlook Conference, November 22 and 23, 1966:

Canadian Outlook, 1966-67 While competition in commercial markets will be very strong, a slight increase in wheat exports to traditional markets is expected. Shipments to Western Europe will total up to 150 million bushels while exports to Japan are expected to exceed the 50 million bushels of last year. Sales to the U.S.S.R. are presently set at 112 million bushels. Shipments to Mainland China will be at least 80 million bushels and to Eastern Europe about 33 million. Aid shipments are anticipated to reach 30 million and clearances to all other areas should approach the 75 million bushel level. On this basis Canada's wheat exports should total at least 530 million bushels in 1966-67, compared with 583 million the previous crop year.

Canadian Position Wheat supplies in Canada during the 1965-66 crop year were 1,162 million bushels, 10 per cent higher than the previous year's 1,060 million bushels. Production in 1965 rose by 8 per cent to 649 million bushels. Exports, at 583 million bushels reached the second highest level on record and with slightly higher domestic disappearance at 157 million bushels, stocks at August 1, 1966 fell to 422 million bushels, the lowest level for 4 years.

Exports of wheat and flour showed a considerable change in the distribution pattern in 1965-66. Together, the U.S.S.R. and Mainland China purchased 301 million bushels and accounted for over half of our wheat exports during the crop year. Total exports to Western Europe were above the previous year due to larger sales to Switzerland and Italy, but the downward trend in sales to most Western European countries, including the E.E.C., continued. There was some decline in other markets including South America and the Philippines.

Prices rose steadily throughout the year in response to the continuing strong world demand, including aid shipments, the short supplies in Australia and Argentina and the large scale purchases by the U.S.S.R. and Mainland China. By early October, 1966, the Canadian Wheat Board asking price of \$2.11 per bushel, basis No. 1 Northern at Fort William-Port Arthur, was only 7 cents below the I.W.A. maximum while the Vancouver quotation was within 3 cents of the maximum.

Domestic disappearance of wheat in Canada amounted to 157 million bushels, an increase of 10 million over the previous year, due almost entirely to more wheat being used for feed. Shipments under the Feed Freight Assistance, which had decreased in 1964-65, rose to a more normal level as larger supplies of lower grades from the 1965 crop became available. All provinces shared in this increase, but the Maritimes showed the largest proportionate increase and Ontario and British Columbia the smallest.

The 1966 wheat crop at 844 million bushels is the largest ever harvested in Canada and surpassed by 121 million the previous record set in 1963. The 1966 harvest reflected the combined effect of record levels for both seeded acreage and average yield per acre. The 30.3 million acres seeded to this crop in 1966 surpassed the previous high of 29.7 million in 1963, while the average yield, at 27.9 bushels per acre, exceeded by a wide margin both the 1965 figure of 22.9 bushels and the 10-year average of 20.2 and is nearly a bushel per acre above the previous record of 26.8 bushels harvested in 1952. Excellent weather during the growing season and at harvesting time resulted in an abundance of high grade wheat. Protein content of this year's crop, at 13.5 per cent, is about average.

Prospects for Canada to 1970 In the developed countries, per capita consumption of wheat products is declining and this has been barely offset by population increases. The rising trend of domestic production in many of these countries is leading to a decline in wheat imports. It is unlikely, therefore, that Canada's average exports to these areas will exceed the recent annual average of 220 million bushels, although the actual quantity may vary from year to year.

To the developing countries, Canada has increased her exports to about 75 million bushels. The larger food aid program will account for close to 35 million bushels.

Prospects for exports to Communist Bloc countries look excellent due to the three-year agreement with Mainland China, the 1966 three-year agreement with the U.S.S.R. and a number of arrangements with Eastern European countries. Exports to China are now assured for the next three years at a minimum of 55 million bushels a year and a possible 93 million. It appears that the latter level is likely to be attained. Eastern European countries having agreements with Canada will probably account for about 35 million bushels in 1966-67, but competition for this market is strong. In June, 1966, the U.S.S.R. entered into an agreement to purchase from Canada 336 million bushels for shipment over the three years commencing August 1, 1966, with a specific contract for 112 million bushels to be shipped in the first twelve months.

Summing up prospects to 1970 for Canadian wheat and flour exports, the developed countries offer an increasingly competitive market for as much as 220 million bushels; the developing countries offer us 70 million bushels, including the larger food aid commitments; Mainland China seems likely to take 90 million bushels; the Eastern European countries may account for 35 million bushels, and the U.S.S.R. up to 112 million during each of the next three years. Thus, an annual volume of between 475 and 550 million bushels is likely until 1970.

Durum Situation Acreage seeded to durum wheat this season (1.1 million acres) was 35 per cent higher than in 1965. The yield averaged a record 26.7 bushels per acre, to produce a crop of 30.3 million bushels. While prices of durum wheat remained at the same level as those for bread wheat during 1965-66, the more usual premiums for durums have returned in the last few months, reflecting smaller crops in some other countries. Supplies in the United States and Canada are adequate to meet anticipated world import demands which in recent years have averaged 45 million bushels.

Funds to Provide Food Aid to
Meet Famine Conditions - India

Speaking in the House of Commons on November 29, 1966 the Right Honourable L.B. Pearson, Prime Minister of Canada, stated that yesterday I

indicated in reply to a question that we would be participating in meeting or helping to meet the requirements for imported food into India to cope with the danger of famine, a very real danger in that country. Canadian officials have been examining the Canadian supply and transportation situation and, on the basis of the present evidence, they have advised the government that up to \$21 million worth of foodstuffs required by India, largely wheat but some flour, could be moved in the next few months. The government will therefore ask parliament to provide in the current fiscal year a supplementary vote of \$22,500,000 for food aid, and in the fiscal year 1967-68 parliament will be asked to vote \$75 million for food aid. This will permit Canada to maintain the food aid program for India at the exceptionally high level of the current year, and also to make an appropriate response to the requests that have come in from Pakistan for Canadian assistance in this field.

General Quota Position By November 21, 1966, out of a total of 1,894 shipping points in the Western Division, the Canadian Wheat Board had placed 306 points on a quota of five bushels per specified acre, 519 points on a 4-bushel quota and 558 points on a 3-bushel quota. Of the remainder, 375 points were on a 2-bushel quota and 115 on a one-bushel quota. Some 11 points were on the Initial Unit Quota while 10 stations were reported as "closed".

Summary of Elevator Shipping Points in the Western Division
as at November 21, 1966

Province	Initial Unit Quota	General Quota in Bushels per Specified Acre					Closed	Total
		One	Two	Three	Four	Five		
Ontario	-	-	-	-	-	1	-	1
Manitoba	-	-	19	64	144	104	3	334
Saskatchewan	-	11	145	370	320	177	6	1,029
Alberta	11	104	211	124	55	19	1	525
British Columbia	-	-	-	-	-	5	-	5
All Provinces	11	115	375	558	519	306	10	1,894

Farmers' Marketings Deliveries of wheat from farms in the Prairie Provinces up to November 16 of the current crop year amounted to 180.1 million bushels, representing an increase of 46 per cent over the comparable 1965 total of 123.3 million and nearly double the ten-year (1955-64) average for the period of 92.8 million bushels.

Farmers' Marketings (1) of Wheat in the Prairie Provinces 1966-67

Week Ending		Manitoba	Saskatchewan	Alberta	Total	Last Year
		bushels				
August	10, 1966 ..	243,118	1,658,010	481,054	2,382,182	411,880
	17	498,937	4,128,580	2,472,753	7,100,270	329,435
	24	2,778,073	12,246,890	4,152,056	19,177,019	2,079,840
	31	1,558,989	2,716,717	926,540	5,202,246	3,845,443
September	7	826,995	2,988,616	345,781	4,161,392	2,955,449
	14	2,389,549	8,028,487	1,206,440	11,624,476	5,506,938
	21	2,261,900	10,854,448	2,585,009	15,701,357	3,115,660
	28	1,837,014	14,745,505	4,440,432	21,022,951	3,128,223
October	5	1,471,390	10,240,244	3,050,295	14,761,929	8,309,939
	12	1,336,779	6,934,271	2,335,253	10,606,303	18,853,274
	19	1,660,272	7,858,719	2,918,639	12,437,630	21,848,974
	28	1,945,672	8,849,806	3,282,188	14,077,666	15,706,569
November	2	2,354,759	11,089,086	4,316,877	17,760,722	11,023,850
	9	1,962,148	8,780,570	3,209,617	13,952,335	13,837,562
	16	1,466,866	6,598,105	2,092,147	10,157,118	12,339,850
Totals		24,592,461	117,718,054	37,815,081	180,125,596	123,292,886
Average similar period: 1955-64 ..		12,289,509	58,489,908	22,022,102	92,801,520	

(1) Includes receipts at country, interior private and mill elevators, interior semi-public terminals and platform loadings.

Visible Supply of Canadian Wheat, November 16, 1966
Compared with Approximately the Same Date, 1964 and 1965

Position	1964	1965	1966
	thousand bushels		
Country elevators - Manitoba	15,717	17,848	10,416
Saskatchewan	86,983	98,765	94,851
Alberta	54,824	60,749	48,199
Totals	157,525	177,362	153,466
Interior private and mill	7,445	5,686	6,215
Interior terminals	4,643	2,287	2,029
Vancouver-New Westminster	9,301	5,226	7,508
Victoria	905	538	273
Prince Rupert	640	430	399
Churchill	4,647	739	944
Fort William-Port Arthur	41,345	22,038	22,460
In transit rail (western division)	15,746	9,420	12,194
Bay, Lake and Upper St. Lawrence ports	37,569	26,717	28,314
Lower St. Lawrence and Maritime ports	32,411	25,507	34,653
In transit lake	8,345	11,072	9,335
In transit rail (eastern division)	648	1,858	1,194
Totals	321,170	288,880	278,984

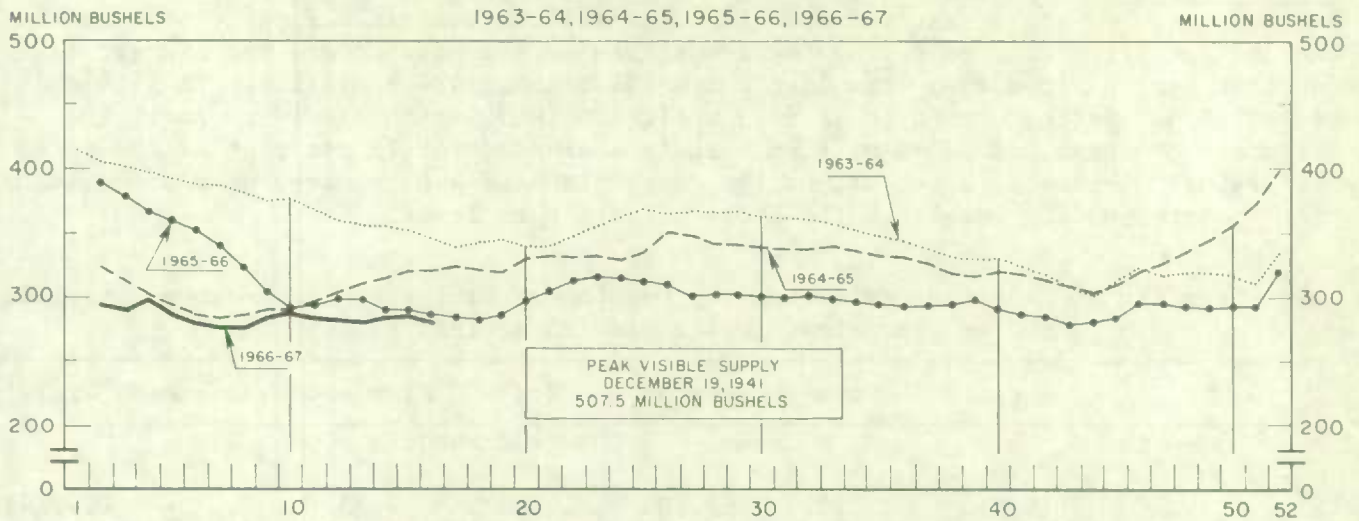
Grading of Wheat Inspected, August-October 1966 with Comparisons

Grade	Crop Year		August-October			
	Average					
	1960-61					
	-	1965-66	1965		1966	
	1964-65					
	per cent	per cent	cars	per cent	cars	per cent
No. 1 Man. Northern	8.4	1.4	1,491	1.8	2,039	2.1
No. 2 Man. Northern	43.1	21.7	26,033	31.2	21,692	22.1
No. 3 Man. Northern	20.6	23.7	19,588	23.5	29,473	30.0
No. 4 Man. Northern	7.7	18.3	11,135	13.3	14,422	14.7
No. 5 Wheat	4.1	4.9	3,396	4.1	6,094	6.2
No. 6 Wheat	0.6	0.2	83	0.1	623	0.6
Feed Wheat	(1)	(1)	3	(1)	54	0.1
Others Red Spring.....	8.1	24.2	16,288	19.5	18,694	19.0
C.W. Garnet	0.2	(1)	1	(1)	4	(1)
C.W. White Spring	0.1	0.1	29	(1)	157	0.2
C.W. Mixed Wheat	(1)	0.1	44	0.1	95	0.1
Alberta Winter	0.4	0.3	419	0.5	1,386	1.4
Nos. 1-6 C.W. Amber Durum ..	6.3	4.7	4,564	5.5	3,149	3.2
Others C.W. Amber Durum	0.3	0.4	351	0.4	471	0.5
Totals	100.0	100.0	83,425	100.0	98,353	100.0

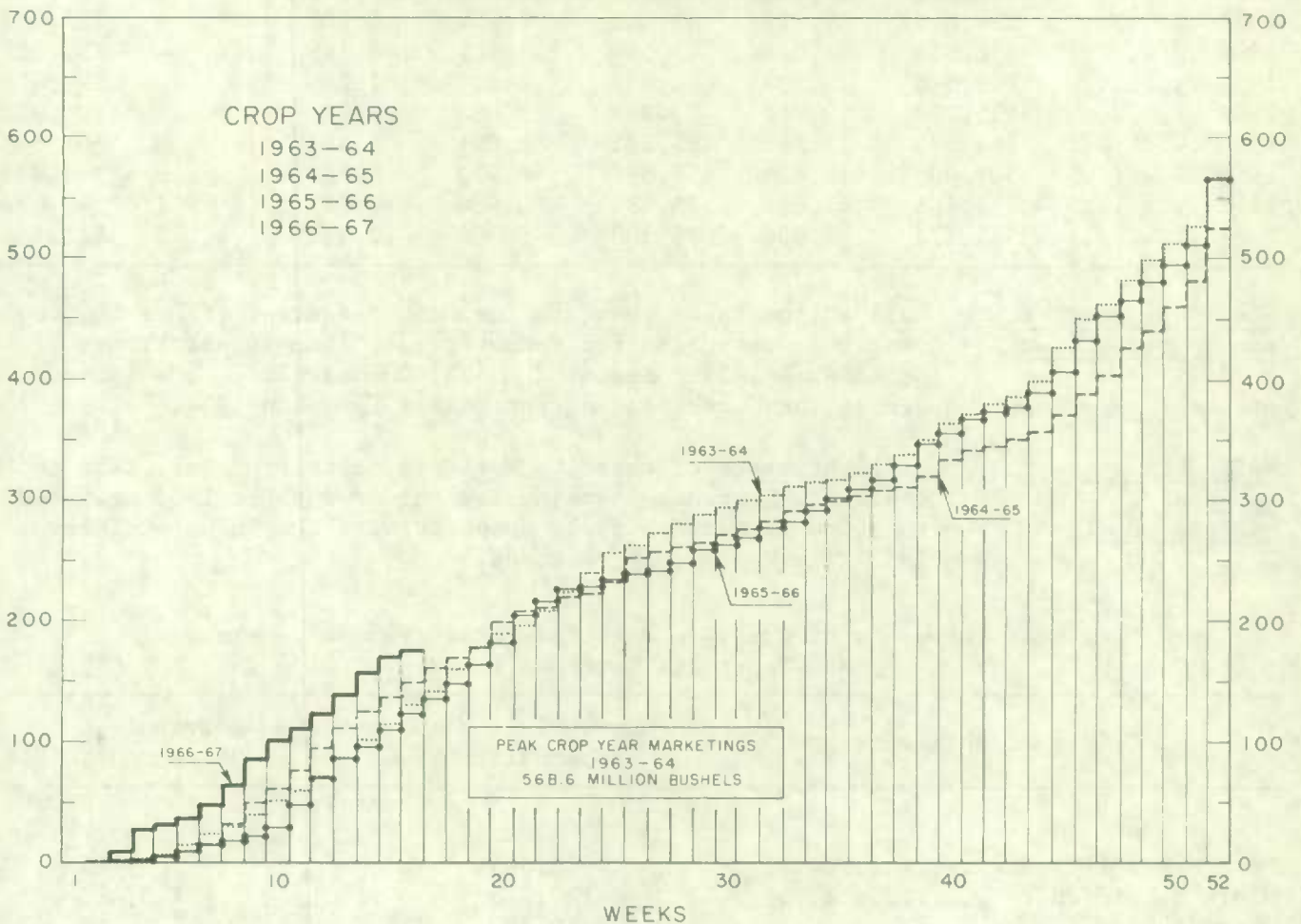
Gross bushels (approx.) 161,560,000 190,216,000

(1) Less than .05 per cent.

WEEKLY VISIBLE SUPPLY OF CANADIAN WHEAT



CUMULATIVE RECORD OF WHEAT MARKETINGS IN THE PRAIRIE PROVINCES BY WEEKS



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

Lake Shipments of Canadian Grain Total shipments of the six major grains out of Lakehead terminals from the opening of navigation to November 16 this year amounted to 421.7 million bushels, 22 per cent more than the 344.9 million shipped during the comparable period of 1965 and the highest level for that period since 1945 when lake shipments reached 427.9 million. In 1966 the season of navigation opened on April 3 while the 1965 season opened on April 20. Shipments of wheat, at 334.2 million bushels accounted for 79 per cent of the total six grains. Shipments of wheat, barley, rye, flaxseed and rapeseed were above last year's corresponding levels, while those of oats were lower.

Lake Shipments of Canadian Grain from the Opening of Navigation to November 16, 1966 and to Approximately the Same Date, 1955 to 1965

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
1955	115,610	28,727	57,984	10,083	7,837	-	220,241
1956	175,424	39,799	79,197	10,144	8,233	-	312,797
1957	128,726	39,222	45,815	4,119	10,523	-	228,404
1958	161,762	39,780	66,459	5,242	7,991	-	281,233
1959	154,315	28,875	45,815	4,651	6,131	-	239,787
1960	158,533	24,013	45,568	3,515	8,129	-	239,757
1961	198,540	22,593	38,835	4,210	7,240	-	271,419
1962	136,172	19,762	23,972	5,084	6,980	-	191,971
1963	184,293	37,346	31,571	3,091	5,441	-	261,743
1964	309,006	30,826	36,397	4,922	8,718	59	389,930
1965	252,455	41,850	35,996	3,939	9,725	911	344,877
1966	334,173	27,930	38,200	7,758	12,582	1,099	421,743

Wheat Shipments to the United States Rail shipments of wheat to the United States, either for re-export or retention for domestic use, from August 1 to November 16, 1966 amounted to 55,000 bushels. No shipments of wheat were reported during the corresponding periods of 1965 and 1964.

Rail Shipments of Wheat to Maritime Ports Rail shipments of wheat to Maritime ports from Bay, Lake and Upper St. Lawrence ports during August-October 1966 amounted to 1,686 thousand bushels compared with the August-October 1965 figure of 2,050 thousand.

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

Origin of Shipments	August 1- October 31, 1965	August 1- October 31, 1966
bushels		
Port McNicoll	903,895	566,189
Midland, Tiffin	120,973	249,483
Owen Sound	779,320	401,107
Goderich	120,981	469,406
Port Colborne	124,943	-
Totals	2,050,112	1,686,185

Rail Shipments of Wheat from Fort William-Port Arthur, 1963-64—1966-67

Month	1963-64	1964-65	1965-66	1966-67
bushels				
August	5,500	7,786	10,458	118,973
September	9,104	19,564	10,500	83,333
October	25,355	12,135	4,500	89,384
November	13,500	13,167	10,205	
December	23,047	26,961	7,500	
January	58,772	10,703	46,108	
February	28,768	17,214	26,712	
March	21,268	112,296	98,598	
April	26,063	17,506	71,701	
May	7,941	8,207	89,166	
June	20,518	4,965	178,183	
July	12,707	13,872	82,282	
Totals	252,543	264,376	635,913	

Distribution of Rail Shipments of Wheat from Fort William-Port Arthur, October 1966

Grade	Nova Scotia	New Brunswick	Quebec	Ontario
bushels				
6 Wheat	24,000	58,000	4,333	1,500
Others	-	-	-	1,551
Totals	24,000	58,000	4,333	3,051

Overseas Exports of Canadian Grain by Ports of Loading, August 1-November 16, 1966
with Comparisons

Port	Wheat (1)	Durum Wheat (1)	Oats (1)	Barley	Rye	Flaxseed	Rapeseed
thousand bushels							
<u>Pacific Seaboard</u>							
Van.-New West.	46,340	526	110	4,114	1,430	1,649	2,558
Victoria	3,568	-	-	-	-	-	-
Prince Rupert	4,336	-	-	-	-	-	-
<u>Churchill</u>	21,031	-	-	-	-	-	-
<u>Lakehead Direct</u>	2,960	228	491	918	1,203	3,535	387
<u>Kingston Direct</u>	402	55	-	-	-	-	-
<u>St. Lawrence</u>							
Montreal	47,860	6,707	188	-	110	1,061	-
Sorel	13,657	719	-	-	-	-	-
Trois-Rivieres	9,176	248	-	-	-	38	-
Quebec	10,515	-	-	-	-	-	-
Baie Comeau	18,280	3,305	-	1,387	-	-	-
Totals	178,125	11,788	789	6,419	2,743	6,283	2,945
August 1- November 17, 1965	186,587	17,591	3,869	7,510	1,195	6,331	1,499

(1) Excluding bagged seed.

Freight-Assisted Shipments Claims filed for payment up to October 31, 1966 represent the movement of 2,612 thousand bushels of wheat from the Prairie Provinces to Eastern Canada and British Columbia under the freight assistance policy during August-September 1966. During the same two months last year claims had been filed for a total of 2,570 thousand bushels, indicating on the assumption of approximately the same rate of submission of claims during both the current and preceding crop years, that the August-September shipments of wheat under the policy were running about 2 per cent above those of 1965. Revised data on the August-September 1965 shipments of wheat based on claims submitted up to October 31, 1966 place the two-month total at 3,383 thousand bushels. The bulk of the shipments during the current two months under review went to destinations in Quebec and Ontario, with these two provinces accounting for 48 per cent and 21 per cent of the total, respectively.

Provincial Distribution of Wheat Shipments under the Freight Assistance Policy
August-September 1966 and 1965

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total
thousand bushels								
August, 1966	25	21	172	44	659	325	157	1,404
September	86	21	110	46	588	231	125	1,208
Totals (1)	112	42	283	90	1,247	556	283	2,612
Same period 1965:								
Preliminary (2)	138	18	281	66	1,099	808	158	2,570
Revised (1)	159	39	371	129	1,420	946	320	3,383

Preliminary data on millfeed shipments under the freight assistance policy indicate shipments of 64,367 tons during the first two months of the current crop year. During August-September 1965 claims had been filed for a total of 69,693 tons, indicating on the assumption of approximately the same rate of submission of claims during both periods, that this year's shipments of millfeeds under the policy were running about 8 per cent below those of 1965. Revised data on the August-September 1965 shipments of millfeeds based on claims submitted up to October 31, 1966 place the two-month total at 93,397 tons. As with freight-assisted shipments of wheat, the greater portion of the millfeed shipments during the period under review went to destinations in Quebec and Ontario.

Provincial Distribution of Millfeed Shipments under the Freight Assistance Policy
August-September 1966 and 1965

Province	1965		1966
	Preliminary (2)	Revised (1)	Preliminary (1)
tons			
Newfoundland	836	1,340	309
Prince Edward Island	1,206	1,802	1,046
Nova Scotia	3,720	5,346	4,240
New Brunswick	3,008	4,613	4,005
Quebec	38,083	47,582	33,352
Ontario	21,272	27,305	19,217
British Columbia	1,568	5,409	2,198
Totals	69,693	93,397	64,367

(1) Based on claims filed up to October 31, 1966.

(2) Based on claims filed up to October 31, 1965.

Monthly Exports of Canadian Wheat and Wheat Flour

Year and Month	Wheat in Bulk (1)	Bagged Seed Wheat (2)	Total Wheat	Wheat Flour (2)(3)	Total (3) Wheat and Wheat Flour
thousand bushels					
<u>1964-65</u>					
August	42,226	68	42,294	3,711	46,005
September	42,792	121	42,913	2,258	45,172
October	40,120	27	40,147	2,460	42,607
November	30,976	45	31,021	2,534	33,556
December	27,720	79	27,799	2,220	30,020
January	18,098	85	18,183	2,263	20,446
February	19,337	147	19,484	1,637	21,121
March	23,376	281	23,657	2,289	25,946
April	31,798	212	32,010	4,047	36,057
May	34,822	126	34,949	3,515	38,464
June	30,631	59	30,690	2,176	32,866
July	24,843	61	24,905	2,430	27,335
Totals	366,740	1,312	368,052	31,542	399,594
<u>1965-66 (4)</u>					
August	43,377	62	43,439	1,937	45,377
September	64,447	94	64,541	2,755	67,296
October	64,517	82	64,599	2,660	67,259
November	55,652	38	55,691	3,848	59,539
December	33,201	56	33,258	2,542	35,799
January	23,483	45	23,527	5,278	28,805
February	23,502	44	23,545	3,661	27,206
March	32,395	191	32,586	2,958	35,544
April	37,794	128	37,922	3,437	41,360
May	44,357	14	44,371	3,451	47,821
June	60,245	5	60,251	1,585	61,836
July	63,017	35	63,053	2,001	65,054
Totals	545,988	795	546,783	36,112	582,895
<u>1966-67 (4)</u>					
August	64,233	105	64,338	2,921	67,260
September	47,357	148	47,505	2,496	50,000
October	51,659	100(5)	51,759(5)	2,500(5)	54,259
Totals	163,249	353	163,602	7,917	171,519

(1) Export clearances including shipments to the United States compiled by the Statistics Division, Board of Grain Commissioners for Canada.

(2) Compiled from Canadian Customs returns, 1964-65 adjusted to remove effect of time lag in reporting.

(3) In terms of wheat equivalent. Wheat flour conversion rate: 2.3 bushels per cwt.

(4) Preliminary, subject to revision.

(5) Estimated.

Exports of Canadian Wheat(1) by Destination, October 1966 and 1965

Destination	Wheat (Except Durum)	Durum Wheat	All Wheat	
			October 1966	October 1965(2)
			bushels	
<u>Western Europe</u>				
<u>EEC</u>				
Belgium and Luxembourg	1,823,681	63,221	1,886,902	2,027,002
France	158,667	94,450	253,117	212,647
Germany, Federal Republic	1,769,691	1,332,357	3,102,048	3,370,884
Italy	1,299,651	388,677	1,688,328	529,497
Netherlands	1,099,702	-	1,099,702	765,945
Sub-totals	6,151,392	1,878,705	8,030,097	6,905,975
<u>Other Western Europe</u>				
Austria	-	-	-	522,667
Britain	5,172,657	74,667	5,247,324	5,998,590
Finland	-	-	-	377,684
Ireland	-	-	-	215,600
Norway	-	-	-	509,300
Switzerland	70,338	37,333	107,671	1,159,017
Sub-totals	5,242,995	112,000	5,354,995	8,782,858
Totals	11,394,387	1,990,705	13,385,092	15,688,833
<u>Eastern Europe</u>				
Albania	-	-	-	374,267
Czechoslovakia	-	-	-	1,368,399
Germany, East	383,936	-	383,936	1,167,675
U.S.S.R. (Russia)	13,325,355	282,673	13,608,028	32,475,358
Totals	13,709,291	282,673	13,991,964	35,385,699
<u>Africa</u>				
Nigeria	410,667	-	410,667	242,667
<u>Asia</u>				
China, Communist	16,123,422	-	16,123,422	5,585,694
Hong Kong	78,090	-	78,090	146,720
India	-	-	-	502,656
Japan	6,005,190	-	6,005,190	4,109,215
Korea, North	504,373	-	504,373	-
Malaysia and Singapore	-	-	-	203,319
Philippines	-	-	-	548,800
Saudi Arabia	-	-	-	43,172
Totals	22,711,075	-	22,711,075	11,139,576
<u>Oceania</u>				
United States Oceania	-	-	-	36,587
<u>Western Hemisphere</u>				
Barbados	-	-	-	40
Cuba	367,547	-	367,547	1,090,640
Guatemala	28,294	-	28,294	-
Jamaica	997	-	997	598
Leeward and Windward Islands	-	-	-	4
Peru	39,200	-	39,200	186,667
Trinidad and Tobago	-	-	-	129,472
Venezuela	724,492	-	724,492	616,283
Totals	1,160,530	-	1,160,530	2,023,704
Sub-totals, All Countries .	49,385,950	2,273,378	51,659,328	64,517,066
Bagged seed (4)			100,000 (5)	83,653
Totals, All Countries ...	49,385,950	2,273,378	51,759,328	64,600,719

See footnotes on page 18.

Cumulative Exports of Canadian Wheat (1) by Destination

Destination	August-October 1966			Total Same Period Last Year (2)
	Wheat (Except Durum)	Durum Wheat	Total Wheat	
bushels				
Western Europe				
EEC				
Belgium and Luxembourg ..	5,273,033 (2)	236,820	5,509,853 (2)	5,537,716
France	982,921 (2)	489,910	1,472,831 (2)	1,049,500
Germany, Federal Republic	4,075,262 (2)	2,160,279	6,235,541 (2)	8,586,182
Italy	3,647,167	1,885,181	5,532,348	3,356,247
Netherlands	1,492,192 (2)	34,040	1,526,232 (2)	1,803,169
Sub-totals	15,470,575 (2)	4,806,230	20,276,805 (2)	20,332,814
Other Western Europe				
Austria	404,200	220,472	624,672	1,188,108
Britain	17,748,746 (2)	154,710	17,903,456 (2)	20,871,531
Finland	359,968	-	359,968	377,684
Ireland	586,133	-	586,133	568,382
Norway	832,933	-	832,933	1,575,540
Portugal	571,200	-	571,200	-
Sweden	-	-	-	18,666
Switzerland	583,679	424,479	1,008,158	3,131,093
Sub-totals	21,086,859 (2)	799,661	21,886,520 (2)	27,731,004
Totals	36,557,434	5,605,891	42,163,325	48,063,818
Eastern Europe				
Albania	744,912	386,400	1,131,312	1,930,507
Bulgaria	554,848	-	554,848	-
Czechoslovakia	-	-	-	7,547,066
Germany, East	1,192,314	-	1,192,314	3,496,163
Poland	3,394,959	1,664,945	5,059,904	6,998,262
U.S.S.R. (Russia)	34,200,307	1,071,753	35,272,060	64,782,496
Totals	40,087,340	3,123,098	43,210,438	84,754,494
Africa				
Ethiopia	-	-	-	146,976
Mozambique	-	-	-	11,125
Nigeria	410,667	-	410,667	242,667
Republic of South Africa ..	3,483,200	-	3,483,200	-
Totals	3,893,867	-	3,893,867	400,768

Cumulative Exports of Canadian Wheat (1) by Destination

Destination	August-October 1966			Total Same Period Last Year (2)
	Wheat (Except Durum)	Durum Wheat	Total Wheat	
bushels				
<u>Asia</u>				
China, Communist	40,577,945	409,920	40,987,865	14,996,796
Hong Kong	260,464	-	260,464	315,467
India	10,200,237	-	10,200,237	4,495,331
Japan	13,882,907	115,509	13,998,416	11,030,572
Korea, North	940,426	-	940,426	-
Malaysia and Singapore	134,774	-	134,774	363,853
Pakistan	2,394,946	-	2,394,946	492,479
Philippines	515,200	-	515,200	1,605,520
Saudi Arabia	72,749	-	72,749	193,156
Thailand	-	-	-	37,333
Totals	68,979,648	525,429	69,505,077	33,530,507
<u>Oceania</u>				
United States Oceania	-	-	-	36,587
<u>Western Hemisphere</u>				
Barbados	-	-	-	80
Cuba	2,868,742	-	2,868,742	2,775,307
Ecuador	-	-	-	275,575
El Salvador	-	-	-	249,760
Guatemala	28,294	-	28,294	97,333
Jamaica	2,992	-	2,992	2,393
Leeward and Windward Is. ..	-	-	-	4
Nicaragua	87,113	-	87,113	155,307
Peru	39,200	-	39,200	186,667
Trinidad and Tobago	-	-	-	129,472
Venezuela	1,395,253	-	1,395,253	1,683,549
United States Domestic (3)	54,915	-	54,915	-
Totals	4,476,509	-	4,476,509	5,555,447
Sub-totals,				
All Countries	153,994,798	9,254,418	163,249,216	172,341,621
Bagged seed (4)			352,957(5)	238,249
Totals, All Countries .	153,994,798	9,254,418	163,602,173	172,579,870

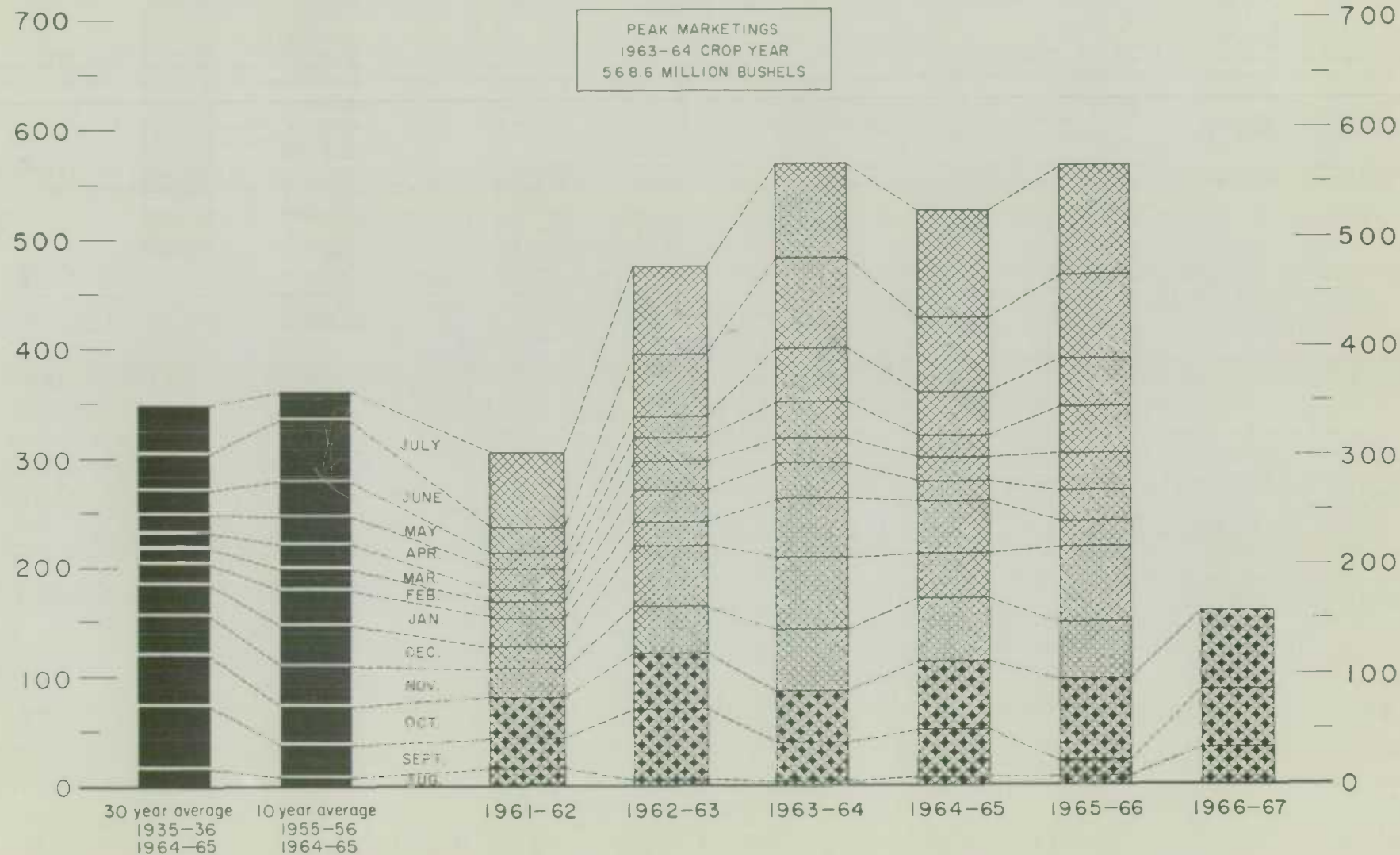
- (1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada, for all countries except the United States. Excluding bagged seed.
- (2) Revised.
- (3) Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents.
- (4) Compiled from Canadian Customs returns, 1965-66 adjusted for time lag.
- (5) Estimated.

FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES

MILLION BUSHEL

(SPECIFIED PERIODS)

MILLION BUSHEL

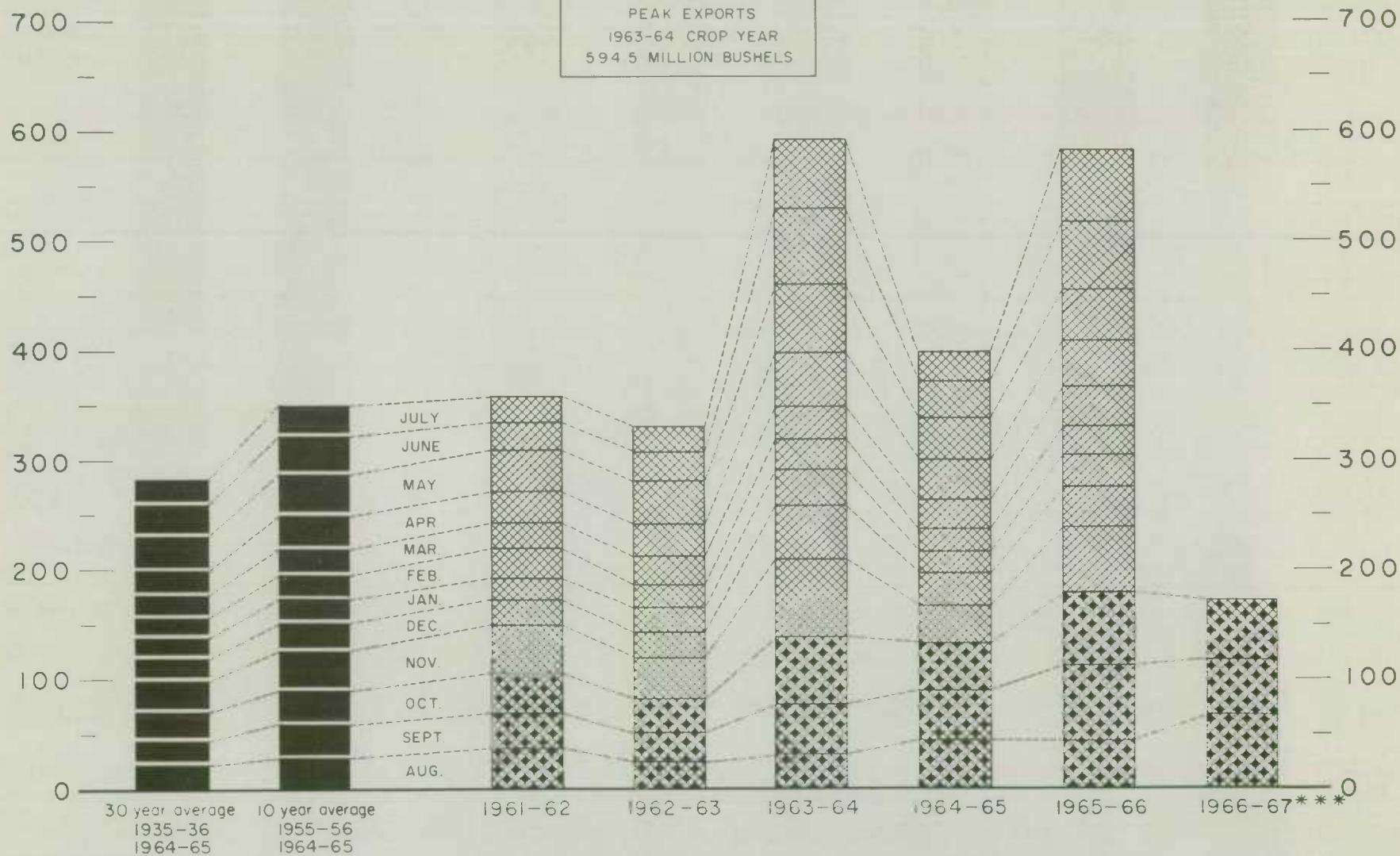


Agriculture Division D.B.S.

EXPORTS OF CANADIAN WHEAT* AND WHEAT FLOUR** (SPECIFIED PERIODS)

MILLION BUSHELS

MILLION BUSHELS



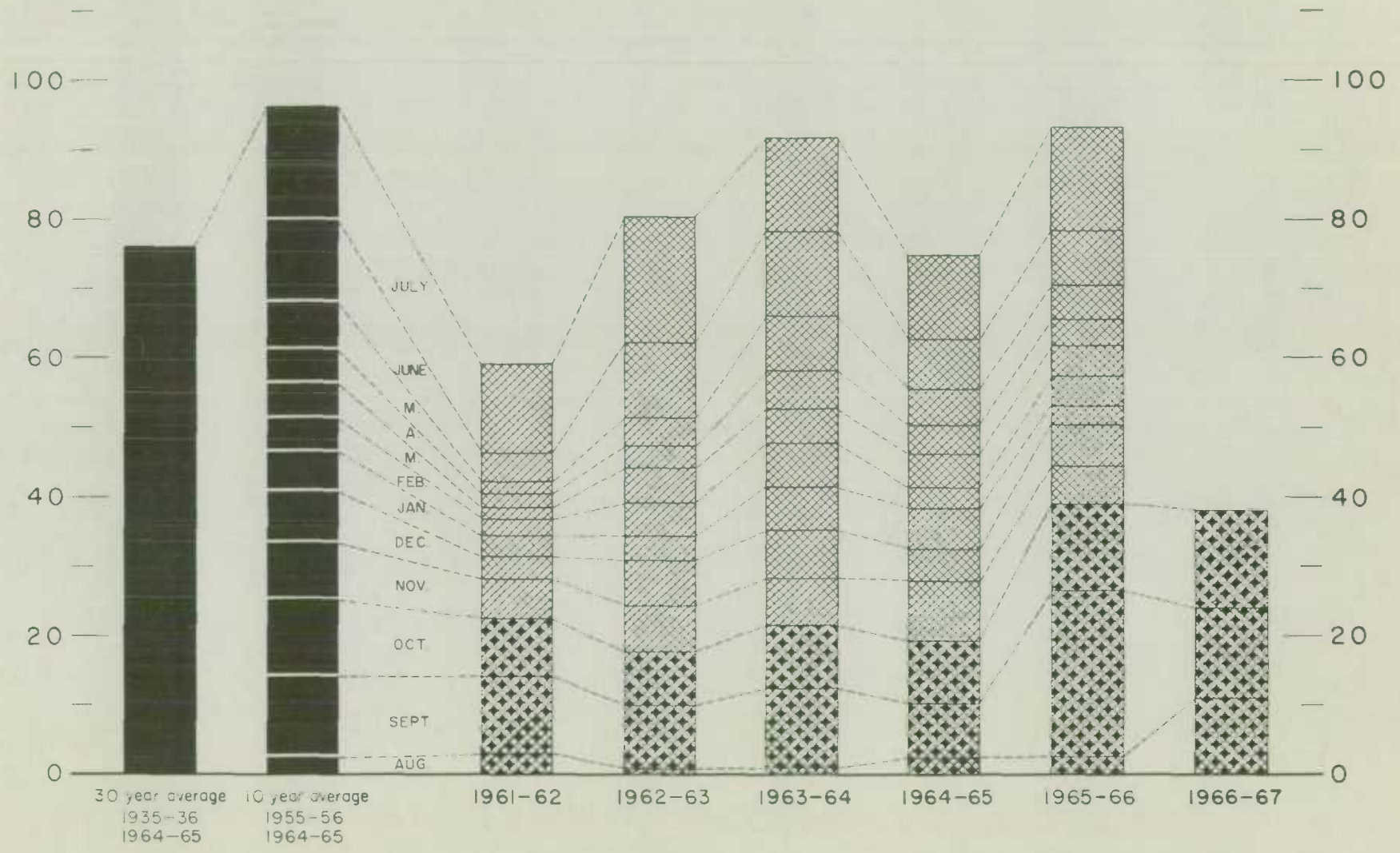
* Beginning with 1956-57 includes bagged seed wheat.

** In terms of wheat equivalent. *** Preliminary.

FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES (SPECIFIED PERIODS)

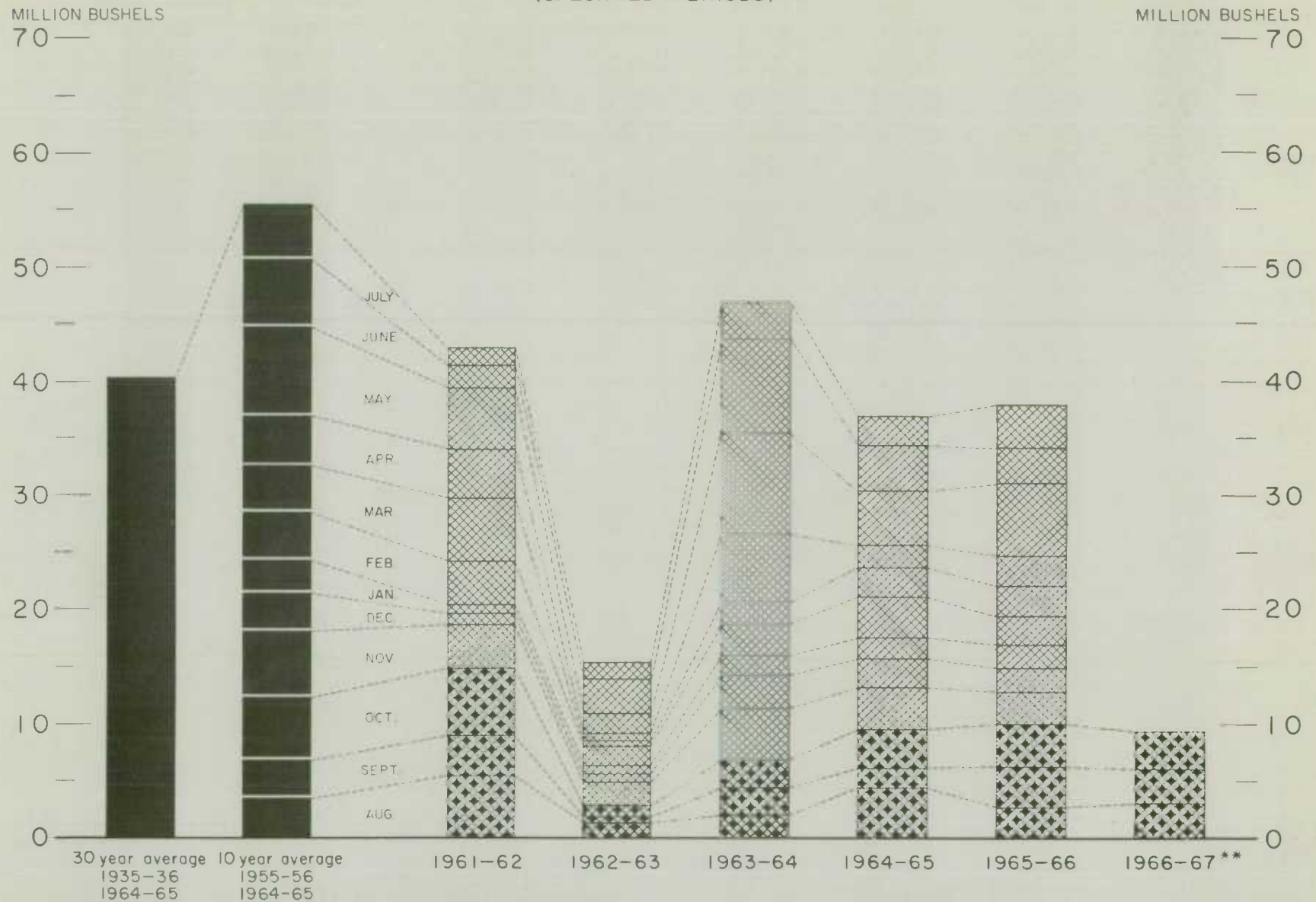
MILLION BUSHELS
120 —

MILLION BUSHELS
120 —



EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

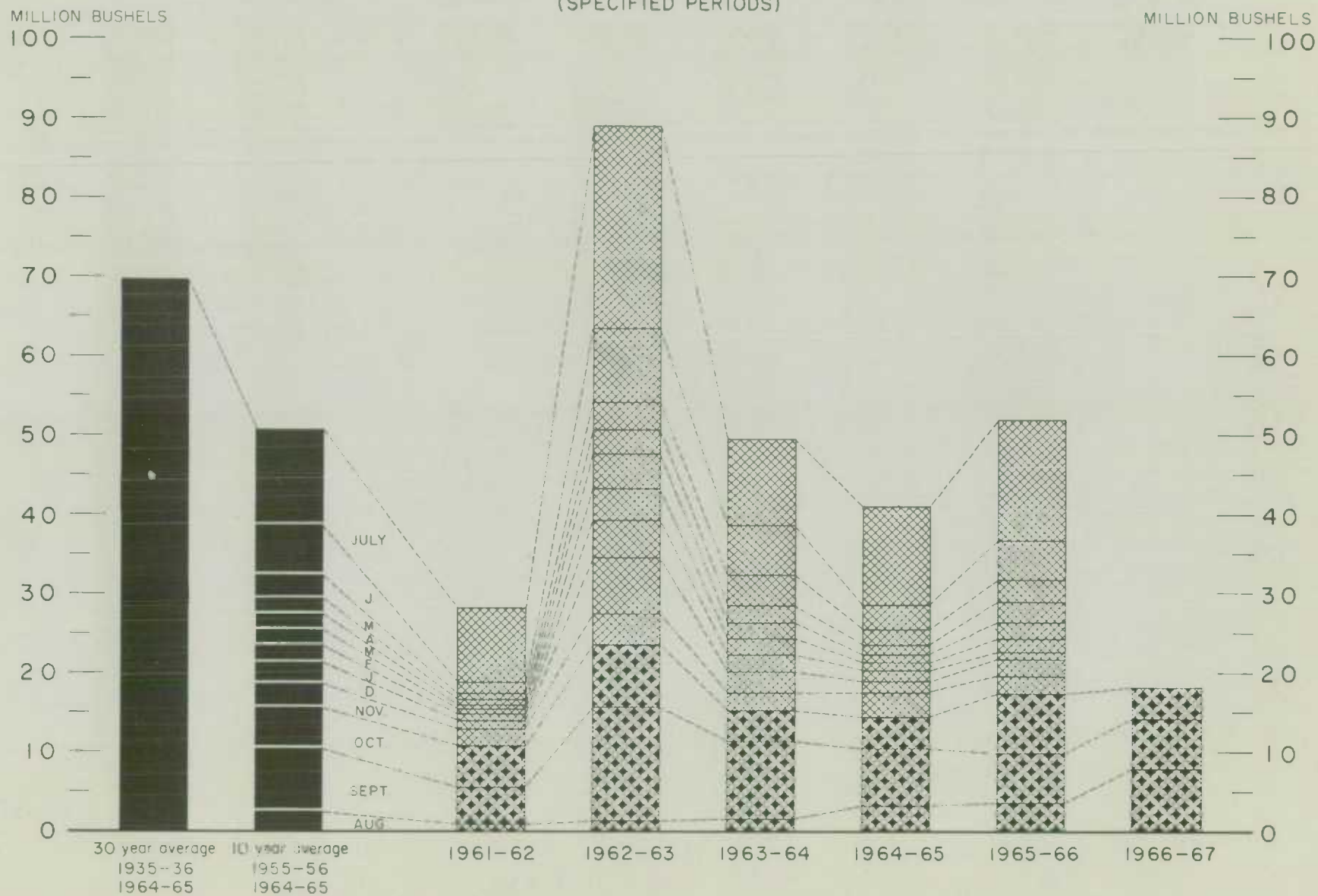
(SPECIFIED PERIODS)



* In terms of grain equivalent. ** Preliminary

Agriculture Division D.B.S.

FARMERS' MARKETINGS OF OATS, PRAIRIE PROVINCES (SPECIFIED PERIODS)



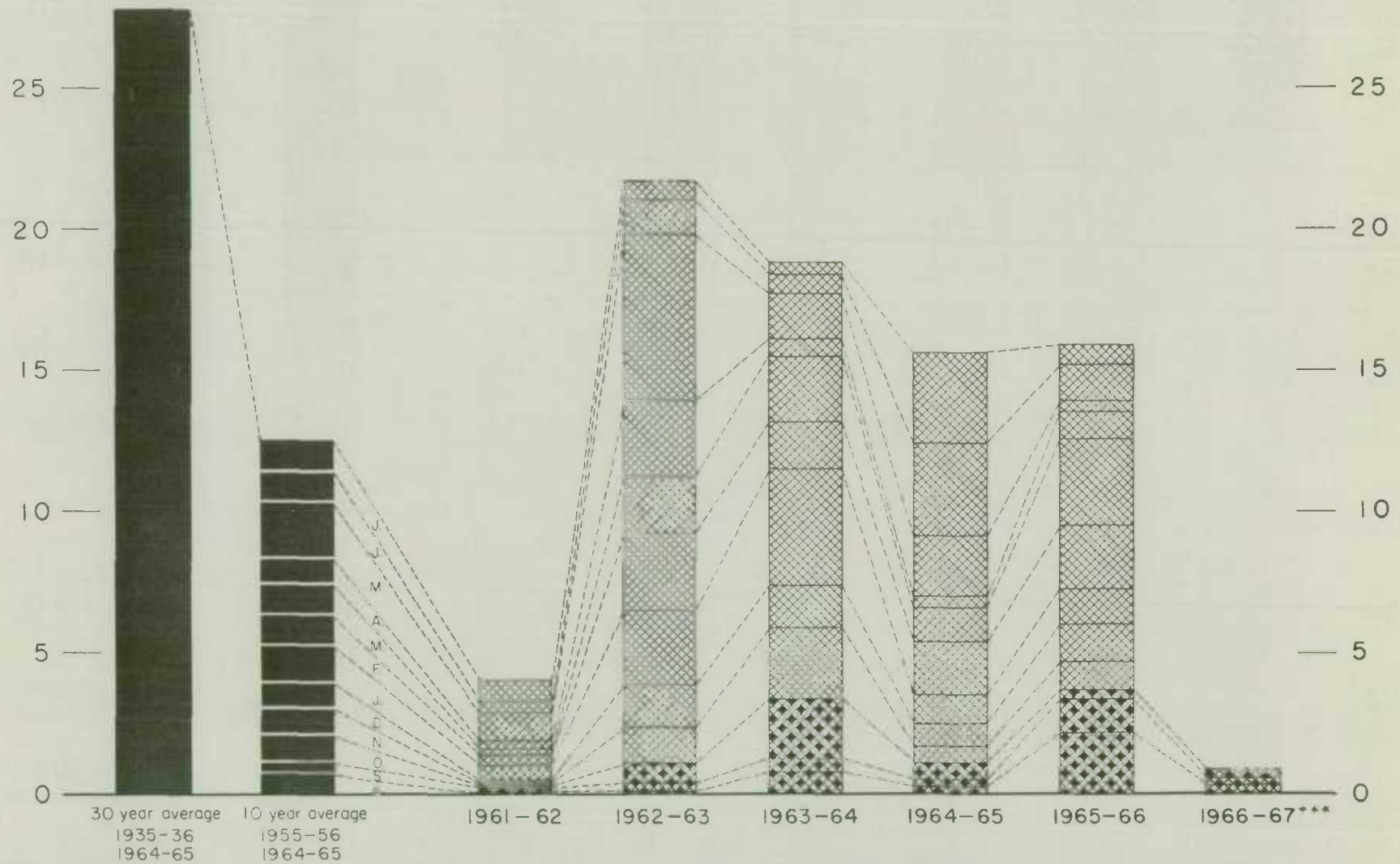
EXPORTS OF CANADIAN OATS* AND OAT PRODUCTS** (SPECIFIED PERIODS)

MILLION BUSHEL

30 —

MILLION BUSHEL

— 30



* Beginning with 1960-61 includes relatively small quantity of bagged seed.

** in terms of grain equivalent

*** Preliminary

Agriculture Division D.B.S.

FARMERS' MARKETINGS OF CANADA'S SIX MAJOR GRAINS*, PRAIRIE PROVINCES

MILLION BUSHELS

1,000 —

900 —

800 —

700 —

600 —

500 —

400 —

300 —

200 —

100 —

0

(SPECIFIED PERIODS)

MILLION BUSHELS

1,000 —

900 —

800 —

700 —

600 —

500 —

400 —

300 —

200 —

100 —

0

30 year average 10 year average
1935-36 1955-56
1964-65 1964-65

1961-62

1962-63

1963-64

1964-65

1965-66

1966-67

JULY

JUNE

MAY

APR

M

FEB

JAN

DEC

NOV

OCT

SEPT

AUG

* Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed

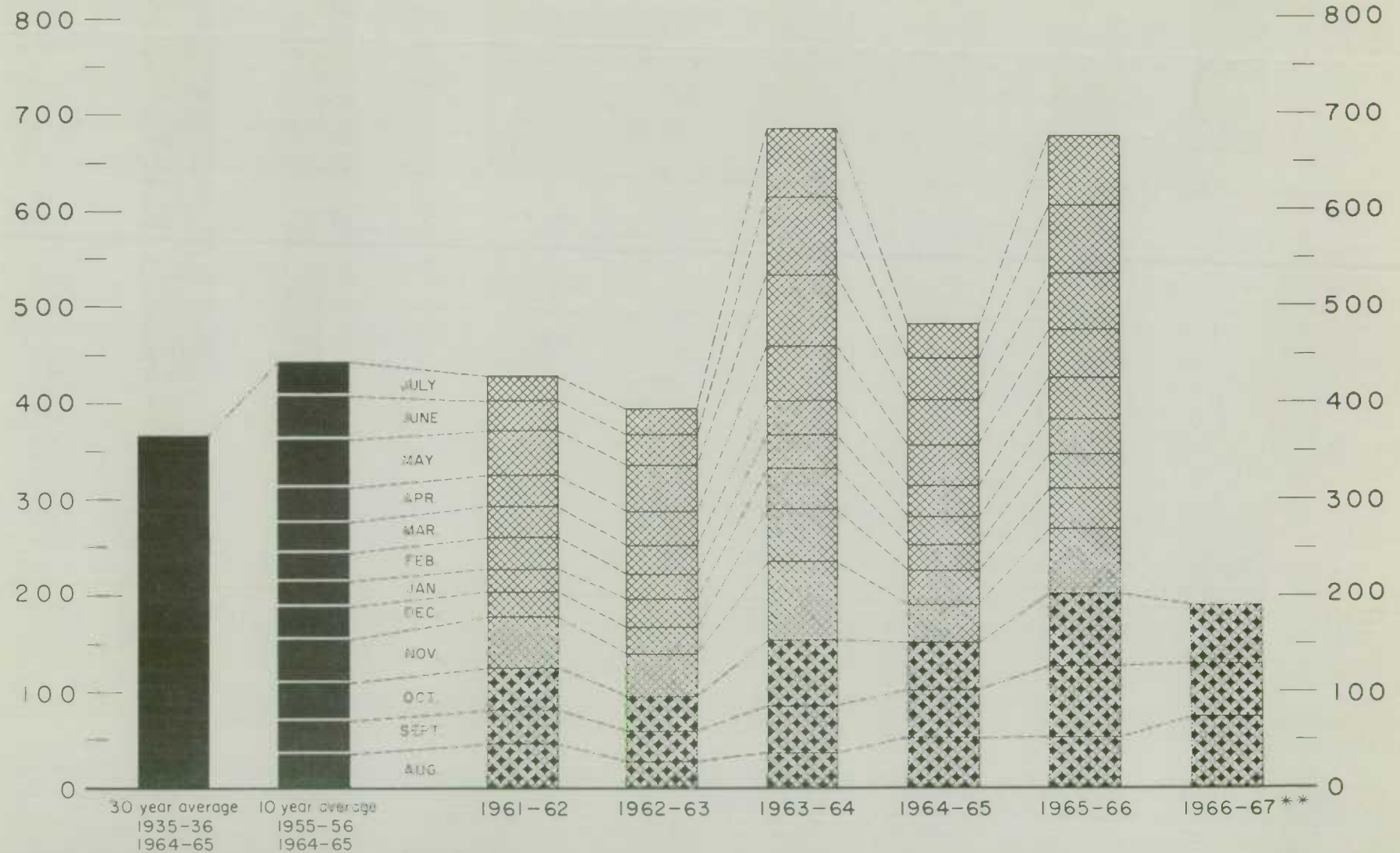
Agriculture Division D.B.S.

EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS*

(SPECIFIED PERIODS)

MILLION BUSHELS

MILLION BUSHELS



*Wheat, bagged seed wheat, and wheat flour; oats, bagged seed oats, and oatmeal and rolled oats; barley, malt and pot and pearl; rye, flaxseed and from 1960-61 rapeseed.

**Preliminary.

Agriculture Division D.B.S.

Adjusted Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	June 1966 (1)	Destination	June 1966 (1)
	bushels		bushels
<u>Western Europe</u>		<u>Asia (concluded)</u>	
<u>EEC</u>		Lebanon	3,041
Italy	2,760	Malaysia and Singapore ...	518
Netherlands	1,645	Portuguese Asia	2,820
		Saudi Arabia	276
Sub-total	4,405	Thailand	27,715
		Total	109,156
<u>Other Western Europe</u>			
Britain	623,647	<u>Oceania</u>	
Denmark	690	Fiji	184
Greece	1,150	United States Oceania	3,565
Portugal	1,582		
		Total	3,749
Sub-total	627,069		
		<u>Western Hemisphere</u>	
Total	631,474	Bahamas	22,190
		Barbados	26,935
<u>Africa</u>		Bermuda	13,386
Congo-Leopoldville	4,600	British Guiana	7,475
Cameroun Republic	1,150	British Honduras	7,486
French Africa nes	4,897	Costa Rica	181,771
Gambia	10,580	Cuba	1,567,135
Ghana	72,602	El Salvador	87
Liberia	18,377	French West Indies	1,638
Malawi	4,676	Guatemala	1,612
Mozambique	7,739	Honduras	9,412
Nigeria	17,047	Jamaica	200,993
Portuguese Africa nes	2,358	Leeward and Windward Is. .	74,463
Sierra Leone	109,818	Netherlands Antilles	10,571
Rhodesia	1,150	Nicaragua	690
Tanzania	2,300	Peru	3,450
Togo	34,385	St. Pierre and Miquelon ..	2,357
		Surinam	3,779
Total	291,679	Trinidad and Tobago	108,581
		United States	45,273
<u>Asia</u>			
Aden	4,894	Total	2,289,284
Hong Kong	67,988		
India	492	Total,	
Iran	653	All Countries	3,325,342
Japan	759		

nes - not elsewhere specified.

(1) In terms of wheat equivalent. Adjusted to remove effect of time lag in returns made by Customs. Conversion rate: 2.3 bushels per cwt.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	September 1966 (1)	August-September	
		1966 (1)	1965 (2)
		bushels	
<u>Western Europe</u>			
<u>EEC</u>			
Belgium and Luxembourg	27,356	36,269	22,977
Italy	1,380	1,380	2,300
Netherlands	-	759	954
Sub-totals	28,736	38,408	26,231
<u>Other Western Europe</u>			
Britain	772,163	1,413,996 (3)	1,992,366
Denmark	345	345	460
Gibraltar	5,667	8,243	1,288
Greece	1,196	3,439	805
Portugal	16,705	18,331	4,515
Sweden	455	455	506
Sub-totals	796,531	1,444,809 (3)	1,999,940
Totals	825,267	1,483,217 (3)	2,026,171
<u>Africa</u>			
Angola	345	4,140	3,105
Cameroun Republic	-	5,060	690
Congo (Leopoldville)	1,150	10,350	20,700
French Africa nes	-	10,833	6,548
Gambia	1,150	24,219	759
Ghana	169,080	360,548	72,446
Guinea Republic	-	460	-
Liberia	14,235	39,420	13,437
Malawi	4,351	5,568	3,540
Mozambique	8,103	15,774	12,059
Nigeria	-	25,822	101
Portuguese Africa nes	1,656	3,300	18,251
Rhodesia	-	1,150	1,150
Sierra Leone	62,889	194,214	52,205
Tanzania	-	- (3)	-
Togo	17,710	54,142 (3)	18,048
U.A.R. - Egypt	-	46,000	-
Totals	280,669	801,000 (3)	223,039
<u>Asia</u>			
Aden	7,664	13,846	13,064
Bahrain	-	51	-
Cyprus	58	58	-
Hong Kong	22,609	78,373	111,113
India	-	5,739	-
Iran	-	1,718	2,595
Japan	-	-	586
Jordan	515	789	-
Korea	-	-	27,881
Lebanon	41,083	126,788	203,755
Malaysia and Singapore	403	4,773	34,645
Portuguese Asia	1,610	6,026	3,809

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	September 1966 (1)	August-September	
		1966 (1)	1965 (2)
		bushels	
<u>Asia (concluded)</u>			
Qatar	115	115	87
Saudi Arabia	8,871	8,871	-
Syria	-	-	3,549
Thailand	22,540	45,195	45,425
Totals	105,468	292,342	446,509
<u>Oceania</u>			
British Oceania nes	115	230	115
Fiji	644	1,794	1,909
French Oceania	-	-	230
United States Oceania	-	3,450	2,760
Totals	759	5,474	5,014
<u>Western Hemisphere</u>			
Bahamas	18,094	36,036	50,584
Barbados	17,284	48,502	33,725
Bermuda	16,489	31,510	20,778
British Guiana	11,633	24,368	11,603
British Honduras	3,367	11,419	9,527
Costa Rica	101,982	229,933	138,391
Cuba	667,996 (4)	1,469,932 (4) (3)	1,216,063
Dominican Republic	-	444	211,611
Ecuador	345	345	-
El Salvador	-	170	575
French West Indies	1,760	1,760	1,345
Guatemala	2,300	3,912	3,107
Haiti Republic	-	-	338
Honduras	-	12,098	15,870
Jamaica	170,133	340,096	216,180
Leeward and Windward Islands	106,968	250,594	158,196
Netherlands Antilles	10,244	20,767 (3)	32,515
Nicaragua	-	1,380	6,440
Panama	4,715	4,715	3,036
Peru	-	690	13,524
St. Pierre and Miquelon	2,726	5,180	3,905
Surinam	1,134	3,229	10,679
Trinidad and Tobago	98,327	255,468	217,787
Venezuela	-	-	115
United States	47,863	82,133	149,629
Totals	1,283,360	2,834,681 (3)	2,525,523
Totals, All Countries	2,495,523	5,416,714 (3)	5,226,256

nes - not elsewhere specified.

(1) In terms of wheat equivalent. Preliminary and unadjusted for time lag. Conversion rate: 2.3 bushels per cwt.

(2) In terms of wheat equivalent. Adjusted to remove effect of time lag in the returns made by Customs. Conversion rate: 2.3 bushels per cwt.

(3) Revised.

(4) Source - Canadian National Millers Association.

Canadian Wheat Board Weekly Average Cash Wheat Prices
Basis in Store Fort William-Port Arthur

Class and Grade	Week Ending				
	November 4	November 11	November 18	November 25	December 2

cents and eighths per bushel

Initial Payment to Producers

1 Northern	150	150	150	150	150
2 Northern	146	146	146	146	146
3 Northern	142	142	142	142	142
4 Northern	135	135	135	135	135
5 Wheat	121	121	121	121	121
6 Wheat	117	117	117	117	117
Feed Wheat	113	113	113	113	113
1 C.W. Garnet	135	135	135	135	135
2 C.W. Garnet	130	130	130	130	130
3 C.W. Garnet	125	125	125	125	125
1 Alberta Red Winter	134	134	134	134	134
2 Alberta Winter	129	129	129	129	129
3 Alberta Winter	123	123	123	123	123
1 C.W. Amber Durum	150	150	150	150	150
2 C.W. Amber Durum	146	146	146	146	146
3 C.W. Amber Durum	142	142	142	142	142

International Wheat Agreement

and Domestic Sales

1 Northern	211/4	211/6	211/7	212/5	213
2 Northern	208/4	208/4	208/7	209/5	210
3 Northern	205/4	205/6	205/7	206/5	207
4 Northern	200/4	200/6	200/7	201/5	202
5 Wheat	195/4	195/6	195/7	196/5	197
6 Wheat	194/4	194/6	194/7	195/5	196
Feed Wheat	190/4	190/6	190/7	191/5	192
1 C.W. Garnet	200/4	200/6	200/7	201/5	202
2 C.W. Garnet	199/4	199/6	199/7	200/5	201
3 C.W. Garnet	198/4	198/6	198/7	199/5	200
1 Alberta Red Winter	200/4	200/6	200/7	201/5	202
2 Alberta Winter	199/4	199/6	199/7	200/5	201
3 Alberta Winter	198/4	198/6	198/7	199/5	200
1 C.W. Amber Durum	227/4	227/6	227/7	228/5	229
2 C.W. Amber Durum	224/4	224/6	224/7	225/5	226
3 C.W. Amber Durum	219/4	219/6	219/7	220/5	221

Export - Class II

1 Northern	211/4	211/6	211/7	212/5	213
2 Northern	208/4	208/6	208/7	209/5	210
3 Northern	205/4	205/6	205/7	206/5	207
4 Northern	200/4	200/6	200/7	201/5	202
5 Wheat	195/4	195/6	195/7	196/5	197
6 Wheat	194/4	194/6	194/7	195/5	196
Feed Wheat	190/4	190/6	190/7	191/5	192
1 C.W. Garnet	200/4	200/6	200/7	201/5	202
2 C.W. Garnet	199/4	199/6	199/7	200/5	201
3 C.W. Garnet	198/4	198/6	198/7	199/5	200
1 C.W. Amber Durum	227/4	227/6	227/7	228/5	229
2 C.W. Amber Durum	224/4	224/6	224/7	225/5	226
3 C.W. Amber Durum	219/4	219/6	219/7	220/5	221

Canadian Wheat Board Weekly Average Cash Wheat Prices
Basis in Store Vancouver

Class and Grade	Week Ending				
	November 4	November 11	November 18	November 25	December 2

cents and eighths per bushel

Initial Payment to Producers

1 Northern	150	150	150	150	150
2 Northern	146	146	146	146	146
3 Northern	142	142	142	142	142
4 Northern	135	135	135	135	135
5 Wheat	121	121	121	121	121
6 Wheat	117	117	117	117	117
Feed Wheat	113	113	113	113	113
1 C.W. Garnet	135	135	135	135	135
2 C.W. Garnet	130	130	130	130	130
3 C.W. Garnet	125	125	125	125	125
1 Alberta Red Winter	134	134	134	134	134
2 Alberta Winter	129	129	129	129	129
3 Alberta Winter	123	123	123	123	123
1 C.W. Amber Durum	150	150	150	150	150
2 C.W. Amber Durum	146	146	146	146	146
3 C.W. Amber Durum	142	142	142	142	142

International Wheat Agreement
and Domestic Sales

1 Northern	215/4	215/6	215/7	216/5	217
2 Northern	212/4	212/6	212/7	213/5	214
3 Northern	210/4	210/6	210/7	211/5	212
4 Northern	205/4	205/6	205/7	206/5	207
5 Wheat	200/4	200/6	200/7	201/5	202
6 Wheat	199/4	199/6	199/7	200/5	201
Feed Wheat	195/4	195/6	195/7	196/5	197
1 C.W. Garnet	205/4	205/6	205/7	206/5	207
2 C.W. Garnet	204/4	204/6	204/7	205/5	206
3 C.W. Garnet	203/4	203/6	203/7	204/5	205
1 Alberta Red Winter	205/4	205/6	205/7	206/5	207
2 Alberta Winter	204/4	204/6	204/7	205/5	206
3 Alberta Winter	203/4	203/6	203/7	204/5	205

Export - Class II

1 Northern	215/4	215/6	215/7	216/5	217
2 Northern	212/4	212/6	212/7	213/5	214
3 Northern	210/4	210/6	210/7	211/5	212
4 Northern	205/4	205/6	205/7	206/5	207
5 Wheat	200/4	200/6	200/7	201/5	202
6 Wheat	199/4	199/6	199/7	200/5	201
Feed Wheat	195/4	195/6	195/7	196/5	197
1 C.W. Garnet	205/4	205/6	205/7	206/5	207
2 C.W. Garnet	204/4	204/6	204/7	205/5	206
3 C.W. Garnet	203/4	203/6	203/7	204/5	205
1 Alberta Red Winter	205/4	205/6	205/7	206/5	207
2 Alberta Winter	204/4	204/6	204/7	205/5	206
3 Alberta Winter	203/4	203/6	203/7	204/5	205

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during October 1966 amounted to 3,694,000 hundredweight and represented an increase of 2 per cent over the September 1966 total of 3,634,000 hundredweight, but was 10 per cent lower than the October 1965 total of 4,115,000 hundredweight and 1 per cent below the ten-year (1956-65) average production for the month of October of 3,742,000 hundredweight. Mills reporting operations during October 1966 had a total rated capacity of 164,000 hundredweight per 24-hour day and on the basis of a 25-day working period 90.0 per cent of this rated capacity was effective.

Wheat milled for flour during October 1966 amounted to 8,366,000 bushels 1 per cent over the 8,247,000 bushels milled during the preceding month, but 9 per cent less than the 9,221,000 bushels milled during October 1965. Of the wheat milled for flour during October 1966 some 7,382,000 bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (633,000 bushels); Durum (263,000 bushels); and all other (87,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during September 1966 amounted to 1,085,000 hundredweight (some 2,496,000 bushels of wheat equivalent), and represented a decrease of 15 per cent from the 2,921,000 bushels exported during the previous month and a 7 per cent decline from the adjusted September 1965 exports of 2,679,000 bushels. Flour shipments during the month went to forty-eight countries. Exports to Britain, at 772,000 bushels, and to Cuba, at 668,000 bushels, accounted for 31 per cent and 27 per cent of the total, respectively. Other principal markets for Canadian wheat flour in terms of wheat during the month, with shipments in thousands of bushels were as follows: Jamaica, 170; Ghana, 169; Leeward and Windward Islands, 107; Costa Rica, 102; Trinidad and Tobago, 98; and Sierra Leone, 63.

Wheat Milled for Flour, and Production and Exports of Wheat Flour, Canada

Crop Year	Wheat Milled for Flour bushels	Wheat Flour	
		Production	Exports (1)
			cwt.
1935-36—1939-40 average	67,845,114	29,405,451	9,603,941
1940-41—1944-45 average	99,704,638	43,908,245	23,699,546
1945-46—1949-50 average	107,330,372	47,011,540	25,819,721
1950-51—1954-55 average	100,446,328	43,847,894	21,812,041
1955-56—1959-60 average	90,148,211	39,752,589	16,349,156
1960-61	89,731,155	39,914,644	15,513,836
1961-62	88,240,580	39,539,651	13,892,676
1962-63	78,789,332	35,505,220	11,854,458
1963-64	111,670,577	50,103,569	23,873,978
1964-65	87,209,242	39,107,358	13,714,069
1965-66 (2)	97,930,445	43,577,423	15,669,130
1966-67 (2)			
August	8,035,126	3,526,010	1,270,083
September	8,247,036	3,634,468	1,085,010
October	8,365,845	3,694,079	1,100,000(3)
Totals	24,648,007	10,854,557	3,455,093
Same month 1965-66 (4)	25,523,389	11,394,998	3,855,768

(1) Based on Customs returns. Exports for the crop years 1945-46—1964-65 revised to remove effect of time lag in the returns made by Customs.

(2) Subject to revision.

(3) Estimated.

(4) Revised figures.

UNITED STATES SITUATION

Total Domestic Supplies
15 Per Cent Less Than
Previous Year

Reflecting declines in both opening stocks and production total domestic supplies of wheat in the United States for the 1966-67 crop year are currently placed at 1,832.0 million bushels, 15 per cent below the previous year's total of 2,144.4 million. The 536.0 million bushels carried over at July 1, 1966 were the lowest stocks in thirteen years and the fifth consecutive decline since July 1, 1961. The 1966 production, estimated at 1,295.9 million bushels, is 2 per cent smaller than the 1965 crop of 1,326.7 million. Domestic disappearance during 1966-67 is estimated at about 668.0 million bushels, 10 per cent below the 740.4 million last year. After deducting anticipated domestic requirements for the current United States crop year, some 1,165.1 million remain available for export and for carryover, a decrease of 17 per cent from the 1,404.4 million in 1965-66.

Exports Sharply Above
Previous Year

Exports of wheat and wheat flour in terms of grain equivalent during the period July-October 1966 amounted to 318.9 million bushels, 16 per cent above the 274.8 million exported during the same months last year. The balance remaining on November 1, 1966 for export and for carryover was estimated at 846.3 million bushels compared with 1,129.7 million on the same date a year ago.

United States Wheat Supplies

Item	1965-66 (1)	1966-67 (2)
	million	bushels
Carryover at beginning of crop year (July 1)	817.7	536.0
Production	1,326.7	1,295.9
Total estimated domestic supplies	2,144.4	1,832.0
Imports of wheat and wheat flour in terms of wheat for domestic use, July-October	0.5	1.2
Total estimated supplies (3)	2,144.9	1,833.1
Less estimated domestic requirements for crop year (4)	740.4	668.0
Available for export and for carryover	1,404.4	1,165.1
Deduct:		
Exports of wheat as grain, July-October	248.4	294.4
Exports of wheat flour in terms of wheat, July- October (5)	26.4	24.5
Total exports of wheat and wheat flour (6)	274.8	318.9
Balance on November 1 for export and for carryover ...	1,129.7	846.3

(1) Revised. (2) Preliminary. (3) Excluding imports for November-June.

(4) Includes shipments to United States Territories and wheat for military food use at home and abroad. (5) Flour exports exclude "Milled in bond". (6) Data include shipments for relief.

Outlook for
Wheat in 1967

According to a report presented by Mr. William R. Askew at the 44th Annual Agricultural Outlook Conference, Washington, November 17, 1966

Supply and Disappearance Down The total supply of wheat in 1966-67 is placed at 1,833 million bushels, based on October estimates, about 300 million smaller than a year earlier. The October crop report placed production at 1,296 million bushels, the July 1 carryover totalled 536 million and imports are estimated at 1 million.

Exports are currently estimated at 100-125 million bushels below last year's record 867 million. The tighter U.S. supply situation this year and the expected record world crop will combine to limit U.S. exports during 1966-67. During July-September, commercial exports were nearly double those of the same period in 1965, although total exports were only 12 per cent larger. Lack of supplies in the Southern Hemisphere countries limited competition from this source during these months.

Commercial exports are likely to continue at a high level during the entire year, although the large crops in both Australia and Argentina, as well as a record crop in Canada, point to increased competition for U.S. commercial sales. Lower world prices are indicated barring some unexpected change in world demand-supply prospects. The Soviet Union, as well as several other Communist Nations that have imported wheat in recent years, are harvesting larger crops.

Total domestic use is also expected to be down, chiefly the result of an anticipated reduction in the feeding of wheat. The higher price of wheat relative to that for feed grains during July-September 1966, as well as the level of disappearance derived from the October stock report, would indicate that feeding during these months was minimal. In the same quarter a year earlier, feeding was exceptionally large, totalling 155 million bushels for the entire 1965-66 year. Seed use in 1966-67 is placed at 78 million bushels, based on the anticipated requirements for seeding the 68.2-million-acre allotment for 1967. Food use of wheat in 1966-67 is placed at 530 million bushels, slightly above that of a year earlier.

Prices Well Above Loan The national average price received by farmers in October dropped to \$1.59 from the July-September average of \$1.72 per bushel. This average was 39 cents over the same period a year earlier and 47 cents over the loan rate of \$1.25 per bushel. The difference between farm prices and the loan rate during the first three months of the marketing year has been the greatest ever reported for this period. Based on the presently indicated supply and disappearance factors, the resulting drawdown in carryover stocks, and the level of farm wheat prices to date, the season average price received by farmers is likely to be around 10-20 per cent above last year's \$1.34 per bushel.

PIK Discontinued The Commodity Credit Corporation discontinued the Payment-In-Kind (PIK) Export Commodity Program on August 26, 1966. Export payments on wheat are now made in cash as was the practice prior to September 4, 1956. CCC will continue to sell wheat for unrestricted use at the domestic market price or the resale formula basis — whichever is higher. In many recent years, the redemption of payment-in-kind certificates constituted the major access to CCC stocks. Under the cash export payment program, all wheat for export, other than under some minor programs, comes from the market. This action provides additional price strength. As a result of the change in the export payment program, CCC sales and dispositions declined in September to 12 million bushels from the average of 36 million per month in July and August. These three months totalled 85 million bushels, compared with 106 million in the same months of 1965.

Cash Wheat Prices on the Kansas City and Minneapolis Markets

No. 2 Hard Winter, Kansas City			No. 1 Northern Spring, Minneapolis		
Date		Price	Date		Price
		cents per bushel			cents per bushel
November	1, 1966	184 1/2 - 185	November	1, 1966	187 1/2 - 200 1/2
	2	181 - 186 3/4		2	187 1/2 - 200 1/2
	3	176 3/4 - 192 (1)		3	190 1/4 - 203 1/4
	4	181		4	190 5/8 - 203 5/8
	7	178 - 194 1/2 (1)		7	190 5/8 - 203 5/8
	8	Election Day		8	Election Day
	9	183 1/2 - 188 1/8		9	189 3/8 - 201 3/8
	10	179 3/4 - 195 (1)		10	187 1/4 - 199 1/4
	11	188 1/2		11	187 1/4 - 199 1/4
	14	185 1/2 - 188 3/4		14	189 1/8 - 201 1/8
	15	184 3/4 - 190		15	188 3/4 - 200 3/4
	16	180 1/4 - 195 1/4 (1)		16	190 - 202
	17	192 1/2		17	192 - 202
	18	188 3/4 - 194 1/2		18	191 1/2 - 201 1/2
	21	188 - 193 3/4		21	193 1/8 - 203 1/8
	22	188 3/4 - 192 1/4		22	192 3/4 - 202 3/4
	23	188 - 189		23	193 3/8 - 203 3/8
	24	Thanksgiving Day		24	Thanksgiving Day
	25	185 1/4 - 195 1/2 (1)		25	194 1/8 - 204 1/8
	28	189 1/2 - 191 1/2		28	195 7/8 - 203 7/8
	29	192		29	194 1/2 - 201 1/2
	30	185 1/4 - 197		30	197 - 203

(1) Nominal.

Chicago Wheat Futures, High Points of Closing

Date		December	March	May	July	September
		cents and eighths per bushel				
November	1, 1966	169/1	175/2	176/3	168/2	170/2
	2	168/7	174/7	176/1	168/4	170/7
	3	171/6	178	178/6	171/2	173/5
	4	172/3	178/5	179	172/4	174/3
	7	174/1	180/1	181/2	173	175/1
	8			Election Day		
	9	173/3	179/4	180/4	171	173
	10	171/3	178/1	179	170/7	172/2
	11	171/7	178/3	179/6	171/7	174/2
	14	172/4	179/3	180/5	173/6	176
	15	172	179	180/2	173	175/4
	16	175/3	181/7	182/7	176	178/4
	17	176	182/1	183/1	175/2	178/5
	18	174/4	181/2	182/3	174/2	176/5
	21	177/4	184	185/3	178/2	180/6
	22	176/4	183/3	185/1	177/6	180/2
	23	175/7	182/6	184/3	177/4	180
	24			Thanksgiving Day		
	25	177/3	184/2	186	179	181/4
	28	179/4	186/4	188/6	183	185/2
	29	177/6	184/6	187	181/7	184/3
	30	177/2	184/4	187/3	182/6	184/6

AUSTRALIAN SITUATION

Wheat Supplies 28 Per Cent Below Previous Year

The 1965-66 wheat harvest in Australia, at 258.0 million, reflected a 30 per cent decline from the all-time high of 370.0 million bushels harvested the previous year. Largely responsible for this decrease was the decline in both acreage and yield in all states with the exception of Western Australia. The decrease in production more than offset the moderately increased opening stocks, leaving total supplies for the current crop year at an estimated 282.4 million bushels compared to 390.5 million in 1964-65. With anticipated domestic requirements at 90.0 million bushels, there remains an estimated 192.4 million for export and for carryover. This represents a 34 per cent decrease from the 291.4 million of the previous year.

Exports 36 Per Cent Below Previous Year

Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the period December 1-October 22 of the current Australian crop year amounted to 158.9 million bushels, in sharp contrast to the 247.5 million shipped during the corresponding period of 1964-65. The balance remaining on October 23, 1966 for export and for carryover was estimated at 33.5 million bushels, as against the 1965 comparable total of 43.9 million.

Australian Wheat Supplies

Item	1964-65(1)	1965-66(2)
	million bushels	
Carryover, including flour as wheat, at beginning of crop year (December 1)	20.5	24.4
Production	370.0	258.0
Total estimated domestic supplies	390.5	282.4
Less estimated domestic requirements for crop year	99.1	90.0(1)
Available for export and for carryover	291.4	192.4
Deduct:		
Exports of wheat as grain, December 1-October 22	226.8	144.5
Exports of wheat flour in terms of wheat, December 1-October 22	20.7	14.4
Total exports of wheat and wheat flour	247.5	158.9
Balance on October 23 for export and for carryover	43.9	33.5

(1) Revised.

(2) Preliminary.

The following information relative to the Australian situation has been extracted from a report from Mr. J.E.G. Gibson, Assistant Commercial Secretary for Canada, Canberra, under date of November 14, 1966 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce.

Crop Conditions

Ideal weather conditions continued into the early part of November thus bolstering optimism over the size of this year's wheat crop. Harvesting is about to begin in some areas.

However, during the second week of November very heavy rain-falls struck the eastern States of Australia and it is feared that in some areas this rain may have damaged some wheat crops and delayed the harvesting of others, particularly in the States of New South Wales and Queensland. Unfortunately, some hail fell in these areas and in certain other areas the rain flattened large wheat areas due to be harvested within the next three weeks. Thus the eastern Australian wheat growers are, for the first time in many years, praying for a cessation of rainfall, rather than for enough rain to relieve the drought conditions which have prevailed for so long. It is felt that if this rain continues for much longer (it has rained constantly for the past three days over most of the eastern region) the wheat crop in these areas may be drastically reduced.

Nonetheless, there seems little doubt that Australia's wheat crop will be very substantial this year and estimates remain unchanged from those provided in our report last month.

First Advance Payment
on the 1966-67
Wheat Crop

In late October the Minister for Primary Industry announced that the first advance on wheat delivered to the Australian Wheat Board from the 1966-67 crop will be \$A.1.10 (\$1.33 Canadian) per bushel, less freight, for bulk wheat, f.o.r. ports and \$A1.14 (\$1.38 Canadian) per bushel for bagged wheat. This figure is identical to the advance payments which have been made for the past nine years. If the anticipated crop is realized, this will entail the Commonwealth Government in a guaranteed record amount of over \$A.400 million (\$484 million Canadian) this year, which should certainly help to put the wheat industry back on its feet after last year's drought conditions. Payments are made to growers as soon as possible after delivery is made to the Wheat Board. Funds are provided by the Reserve Bank to the Wheat Board under the Wheat Stabilization Fund.

Bureau of Agricultural
Economics Forecast

The Australian Government's Bureau of Agricultural Economics published a report at the end of October relating to the forthcoming wheat harvest and prospects for export sales. The main points of this report were:

1. The Australian Wheat Board should have little difficulty in disposing of the bumper harvest as international demand for wheat is likely to remain high while supplies available for export should be tight. Prices, therefore, are expected to remain firm.
2. The estimated area sown to wheat for the 1966 crop is 20.5 million acres, surpassing the previous record acreage of 18.2 million in 1931.
3. A crop close to the record harvest of 369 million bushels produced in 1964-65 is possible.
4. Reports of drought conditions in China combined with the new three year purchase agreement with Canada would seem to indicate that China will continue as a major wheat importer.
5. India will continue to require a large quantity of aid wheat.
6. Continuing pressure on Soviet wheat supplies implies that Russia will be a substantial wheat importer this year.

Exports

The big news of the past month was the announcement on November 2 of a very substantial wheat sale to Mainland China. Involved is 1.5 million tons or 56 million bushels with an optional margin of 10 per cent which, if exercised, could lift the total contract to 61.6 million bushels. This sale is a new record in terms of Australia's wheat sales to China and the value of the contract is expected to exceed \$A.90 million (\$108.9 million Canadian). Most of the wheat to be shipped under this new contract will be f.s.q. from the 1966-67 season's crop. Shipments are to be made between December 1966 and June 1967. Provision has been made for the inclusion of quantities of prime hard wheat from Queensland and northern New South Wales, hard wheat from South Australia and, if necessary, off-grade wheat.

The terms of the contract are the standard "China terms" which have applied on past sales to Mainland China. These involve 10 per cent payment upon shipment, 20 per cent in six months, 20 per cent in nine months and the balance in twelve months with an interest charge for deferred payments.

Exports of Australian Wheat and Wheat Flour in Terms of Wheat December 1-October 22, 1965-66 and Corresponding Period 1964-65

Destination	Wheat		Wheat Flour	
	1964-65	1965-66	1964-65	1965-66
thousand bushels				
<u>Western Europe</u>				
EEC				
Germany, Federal Republic	350	-	-	-
<u>Other Western Europe</u>				
Britain	19,969	17,621	1,615	1,198
Ireland	2,018	3,669	-	-
Malta	852	681	-	-
Norway	2,719	1,302	-	-
Others	-	-	1	-
Sub-totals	25,558	23,273	1,616	1,198
Totals	25,908	23,273	1,616	1,198
<u>Eastern Europe</u>				
Germany, East	-	438	-	-
U.S.S.R. (Russia)	41,882	6,002	-	-
Totals	41,882	6,440	-	-
<u>Africa</u>				
Egypt	1,378	-	-	-
Kenya	41	-	-	-
Malawi	-	-	320	310
Mauritius	-	-	592	476
Portuguese East Africa	-	1,446	-	103
Rhodesia	2,801	1,977	-	-

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1-October 22, 1965-66 and Corresponding Period 1964-65

Destination	Wheat		Wheat Flour	
	1964-65	1965-66	1964-65	1965-66
thousand bushels				
<u>Africa (cont'd)</u>				
South Africa	-	2,463	-	-
Gambia	-	708	-	-
Tanzania (Zanzibar)	-	-	88	7
Others	11	48	92	226
Totals	4,231	6,642	1,092	1,122
<u>Asia</u>				
Aden	1,429	2,360	-	-
Aden and Aden I/T	-	-	1,153	624
Aden and Aden I/T Atta	-	-	511	508
Arabian Gulf	-	-	117	81
Arabian Gulf Atta	-	-	1,114	803
Brunei	-	-	7	(1)
Ceylon	11	7	7,743	5,567
China	95,889	47,056	-	-
Hong Kong	1,972	2,293	69	41
India	11,910	10,833	-	-
Indonesia	-	-	126	204
Iran	6,685	6,867	-	-
Iraq	1,831	1,100	-	-
Japan	14,090	12,433	-	-
Korea North	4,799	1,116	-	-
Kuwait	720	1,389	-	-
Lebanon	2,745	1,327	-	-
Pakistan	2,020	2,541	-	-
Philippines	1	1	270	54
Saudi Arabia	594	1,100	265	427
Taiwan	500	1,373	-	-
Thailand	455	833	291	299
<u>Malaysia</u>				
Malaya	2	5,404	2,142	540
Malaya Atta	-	-	74	24
Sabah	-	-	149	77
Sarawak	-	-	130	41
Singapore	3,875	5,695	465	52
Singapore Atta	-	-	1	1
Singapore A/C B.W.O.	-	-	51	31
Others	98	111	83	96
Totals	149,626	103,849	14,761	9,470
<u>Oceania</u>				
New Zealand	5,097	4,244	-	-

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1-October 22, 1965-66 and Corresponding Period 1964-65

Destination	Wheat		Wheat Flour	
	1964-65	1965-66	1964-65	1965-66
thousand bushels				
<u>Western Hemisphere</u>				
Peru	-	-	4	1
West Indies Area	-	-	504	252
Totals	-	-	508	253
<u>Pacific Area and Sundries</u>				
Pacific Islands, Ships' Stores and Sundries	53	51	2,720	2,354
Totals, All Countries	226,800	144,500	20,700	14,400

(1) Less than 500 bushels.

ARGENTINE SITUATION

1965-66 Wheat Supplies Sharply Lower Than Previous Year Reflecting a sharp decline in production which more than offset an increase in carryover stocks, total supplies of wheat in Argentina for the 1965-66 crop year are estimated at some 350.5 million bushels, 30 per cent less than the previous year's level of 502.4 million. December 1 carryover stocks increased from 88.6 million in 1964 to 130.1 million in 1965 while production dropped from 413.7 million in 1964-65 to only 220.5 million in 1965-66. After making an allowance of 131.9 million bushels for anticipated domestic requirements, an estimated 218.7 million are available for export and for carryover as against 365.3 million in 1964-65.

Argentine Wheat Supplies

Item	1964-65 (1)	1965-66 (2)
million bushels		
Carryover at beginning of crop year (December 1) (3) ..	88.6	130.1
Production	413.7	220.5
Total estimated domestic supplies	502.4	350.5
Less estimated domestic requirements for crop year	137.1	131.9 (1)
Available for export and for carryover	365.3	218.7
Deduct:		
Exports of wheat as grain, December-October	204.7	203.0
Exports of wheat flour in terms of wheat, December-October	0.9	0.9
Total exports of wheat and wheat flour	205.6	204.0
Balance on November 1 for export and for carryover	159.7	14.7

(1) Revised. (2) Preliminary. (3) Includes allowances for farm stocks.

Exports Decrease Slightly
from Record Level

Preliminary exports of wheat and wheat flour in terms of wheat equivalent during December 1965-October 1966 amounted to 204.0 million bushels and declined by a narrow margin from the previous high of 205.6 million exported during the same months in 1964-65. The balance remaining on November 1, 1966 for export and for carryover was estimated at only 14.7 million bushels, in sharp contrast to the November 1, 1965 total of 159.7 million.

The following account of the Argentine situation has been extracted from a report from Mr. H.E. Ryan, Assistant Commercial Secretary (Agriculture), Buenos Aires, under date of December 2, 1966 and is reproduced with the permission of the Trade Commissioner Service, Department of Trade and Commerce. Where possible, conversions to Canadian measures and currency have been made for the convenience of our readers.

Weather and Crops

During the early part of the growing season there was a lack of rainfall through most of the Argentine wheat belts. During the past weeks however, widespread rains continued and the general condition of the growing crops is good. During September when conditions were dry there were many green aphid outbreaks and this affected some of the crops, but recovery has occurred in most areas.

Due to the fluctuation in climatic conditions, the wheat crop this year varies considerably from region to region. Because of this, it is difficult to estimate what the size of the crop might be but the first official estimate has now been released at 6,500,000 metric tons (238.8 million bushels). Some of the trade are predicting a considerably higher harvest up to 8 million tons (293.9 million bushels). If weather conditions continue to be beneficial, then a crop of somewhere close to 7.5 million tons (275.6 million bushels) will likely be realized. Production in the northern wheat belt has suffered the effects of drought more than other regions and output will not be as high as it was previously hoped, although still more wheat will come from this region than was the case last year. On the other hand, the province of La Pampa is expected to produce four times last year's production, over half a million tons (18.4 million bushels) being estimated. The first official estimate was 20.4 per cent above that of the previous season although 12.2 and 2.5 per cent below the average harvests of the last five- and ten-year periods, respectively.

Market Situation
and Prices

There still remain small stocks of old wheat for sale with exporters and millers both showing keen interest in these. During the period under review the Government has rescinded the legislation which placed a 5 per cent retention tax on exports of wheat, at the same time establishing a new f.o.b. index value for exports of 14,500 pesos per metric ton (\$1.74 per bushel) of bulk grain. Bagged grain has an index value of 700 pesos (8 cents per bushel) more. This considerable increase in the index value, which was 9,000 pesos per metric ton (\$1.08 per bushel) prior to the new rate, reflects both a devaluated peso as well as Government hopes for the continuation of a strong international price. While the retention tax on exports was waived, still continuing in effect are the following taxes: for National Grain Board funds, 1.5 per cent; for INTA, 1.5 per cent; for grain elevator construction, 1.0 per cent; for highway construction, 1.0 per cent and a statistical tax of 0.3 per cent.

By the end of October exporters were paying as much as 1,320 pesos per 100 kilos (\$1.58 per bushel) f.o.r. Buenos Aires and 1,160 pesos (\$1.39 per bushel) in Bahia Blanca. Millers, who still had to cover their requirements,

paid as high as 1,340 pesos (\$1.61 per bushel) cash payment and 1,380 pesos (\$1.65 per bushel) on deferred payment terms. For new crop wheat which will begin coming on to the market within the next few weeks, the market also continued strong with exporters offering 1,200 pesos (\$1.44 per bushel) for January delivery; 1,205 (\$1.44 per bushel) for February delivery and 1,225 pesos per 100 kilos (\$1.47 per bushel) f.o.r. Buenos Aires for March delivery. Some export sales of bread wheat occurred during the month with prices of US\$ 71.60 per metric ton (\$2.11 per bushel) being quoted to Italy and US\$ 70.60 (\$2.08 per bushel) to other Continental countries. Sales to Britain averaged £26.12.6 per metric ton (\$2.21 per bushel). It has been reported that the National Grain Board have asked exporters to maintain a price f.o.b. Buenos Aires of at least US\$ 59.00 per metric ton (\$1.74 per bushel).

The market for durums was weak during October with 1,290 pesos per 100 kilos (\$1.55 per bushel) being paid in Buenos Aires. Prices strengthened somewhat by the end of the month when 1,360 pesos (\$1.63 per bushel) were being offered for January delivery and 20 pesos (2 cents per bushel) more being added for each successive month in delivery. A few lots of durums were sold to Italy at US\$ 68.00 per ton (\$2.00 per bushel) f.o.b. Necochea and later at US\$ 79.00 per ton (\$2.33 per bushel) c.i.f. Italy.

Prices in the Buenos Aires Futures Market were at the end of October: 1,330 pesos per 100 kilos (\$1.59 per bushel) for November delivery; 1,227 (\$1.47 per bushel) for December; 1,215 (\$1.46 per bushel) for January; 1,235 (\$1.48 per bushel) for February and 1,265 (\$1.52 per bushel) for March. By mid-November quotations were: 1,283 pesos (\$1.54 per bushel) for December; 1,258 (\$1.51 per bushel) for January; 1,291 (\$1.55 per bushel) for February and 1,326 (\$1.59 per bushel) for March delivery. At present quotations in the futures market for December delivery average 1,270 pesos (\$1.52 per bushel) for December delivery; for January delivery, 1,237 pesos (\$1.48 per bushel); for February 1,259 pesos (\$1.51 per bushel) and for March 1,304 pesos (\$1.56 per bushel).

Policy

The National Grain Board has recently released its purchase conditions for the new crop of wheat and other grains. As was the case last year, the Board will pay 70 per cent of the total value in cash and the remainder in up to 150 days depending upon the type of delivery. The Board will pay 15 per cent interest on outstanding accounts. This year the Board will again absorb administration expenses while producers will have to pay freight, loading and unloading expenses as well as provincial business taxes. In another release the National Grain Board has indicated that the Government will once again make funds available for purchase of new crop wheat through the National Savings Bank. It has been reported that during 1965, 32.4 billion pesos (\$142.7 million) were loaned to the Grain Board which was added to a previous unpaid balance of 9.6 billion pesos (\$42.3 million) leaving a total debt of 42 billion pesos (\$185.0 million). Of the total, 10.8 billion (\$47.6 million) was paid back last year and and 17.3 billion (\$76.2 million) has been returned in 1966 leaving a deficit of 13.9 billion pesos (\$61.2 million). Accounts to be paid in favour of the Board amount to 6.7 billion pesos (\$29.5 million) leaving a net deficit at present of 7.2 billion pesos (\$31.7 million).

Up to November 11, the Grain Board had purchased 1,815,508 metric tons (66,708,000 bushels) of wheat of the 1965-66 crop for a total value of nearly 15 billion pesos (\$66.1 million).

CALENDAR OF WHEAT EVENTS

- November 9 According to the Bureau of the Census, United States Department of Commerce, wheat flour production in the United States in September 1966 was 23,000,000 cwt., an average of 1,098,000 cwt. per working day compared with 973,000 cwt. last month and 1,110,000 cwt. in September 1965. Wheat flour mills in September operated at 98.7 per cent of capacity compared with 88.3 and 101.8 per cent, respectively, for the previous month and the same month a year ago. Flour mills in September ground 52 million bushels of wheat compared with 50 million bushels in the previous month. Wheat offal output was 418,000 tons.
- 10 The Crop Reporting Board, United States Department of Agriculture reported that winter wheat seeding progressed rapidly during October and was virtually complete in the Central Plains by the end of the month. Most of the wheat has emerged and early seedings show good stands. However, dry weather and wind erosion caused some spotty stands in late seeded fields. Winter wheat seeding in Corn Belt States is about nine-tenths complete, slightly behind schedule because of delayed fall crop harvest. Early planted fields are up to good stands although additional moisture is needed in western portions of the Corn Belt. In Atlantic Coast and Southcentral States, seeding of winter wheat and pasture crops was delayed by wet soils in some areas and by late harvest of fall crops. Seeding of winter wheat has been slowed in the Northwest by dry soils.
- 28 The Canadian Wheat Board announced that effective immediately and until February 28th, 1967, the delivery quota on Durum Wheat is declared open at all delivery points.
- 29 According to a report received from Mr. J.E.G. Gibson, Assistant Commercial Secretary for Canada, Canberra, very heavy rains struck the eastern States of Australia during the second week of November and it is feared that in some areas this rain may have damaged wheat crops and delayed the harvesting of others, particularly in the States of New South Wales and Queensland.
- 30 The United States Department of Agriculture announced the sale of some 551 thousand bushels of wheat to Italy.
- December 2 According to a report received from Mr. H.E. Ryan, Assistant Commercial Secretary (Agriculture), Buenos Aires, widespread rains continued during the past weeks and the general condition of the growing wheat crops is good. If weather conditions continue to be beneficial then a crop of somewhere close to 7.5 million metric tons (275.6 million bushels) will likely be realized.
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