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The Wheat Review

DECEMBER 1968

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Agriculture Division

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THE WHEAT REVIEW

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WORLD WHEAT SITUATION

August-November Exports Lowest Since 1962

Total exports of wheat and wheat flour in terms of grain from the four major exporting countries during the August-November period of the current Canadian crop year amounted to 389.5 million bushels, a decrease of 18 per cent from the 477.1 million exported during the same four months in 1967 and 12 per cent less than the ten-year (1957-66) average shipments for the same period of the crop year, of some 444.3 million bushels. As indicated in the accompanying table, based on the Canadian crop year, shipments from Canada and Argentina were at higher levels this year than last while those from United States and Australia were lower.

Shipments from these same four countries during August-November 1968 with comparisons appear in the accompanying table.

Exports of Wheat and Flour in Terms of Wheat, August-November 1968 with Comparisons

August-November	United States	Canada	Argentina	Australia	Total
million bushels					
1950.....	70.2	72.8	20.2	39.7	202.9
1951.....	155.2	115.0	20.3	39.2	329.7
1952.....	104.7	138.3	-	27.4	270.4
1953.....	70.0	103.4	43.2	22.0	238.6
1954.....	75.3	97.5	45.2	26.8	244.8
1955.....	73.9	81.0	43.4	29.7	228.0
1956.....	152.7	105.9	32.0	52.5	343.1
1957.....	131.3	104.9	31.5	31.6	299.3
1958.....	141.2	99.4	28.0	21.0	289.6
1959.....	128.3	109.2	19.0	34.4	290.9
1960.....	203.0	109.8	31.0	40.5	384.3
1961.....	246.2	150.6	8.0	73.9	478.7
1962.....	175.7	120.3	11.8	32.0	339.8
1963.....	257.3	209.6	17.8	74.4	559.1
1964.....	257.0	167.3	39.2	53.8	517.3
1965.....	258.5	239.8	96.5	75.7	670.5
1966.....	303.4 ^r	223.4	21.1	57.1	605.0 ^r
1967 ^r	270.1	94.9	5.7	106.4	477.1
1968 ^p	178.1	119.4	27.4	64.6	389.5

P Preliminary figures.

r Revised figures.

Wheat Supplies of Four Major Exporters Above a Year Ago

Latest available estimates indicate that as at December 1, 1968 supplies of wheat remaining in United States and Canada for export and for carryover at the end of their respective crop years plus the year-end (November 30) carryover stocks in both Argentina and Australia, amounted to 2,324.2 million bushels and represented an increase of some 18 per cent over the 1,972.4 million available a year ago. Supplies at December 1, 1968 in millions of bushels, were held as follows, with last year's comparable figures in brackets: United States, 1,194.0 (967.3); Canada, 1,033.0 (908.3); Argentina, 46.9 (16.4); and Australia, 50.3 (80.4). Estimates for both years include on-farm stocks as well as those in commercial positions.

The supply data to appear in the January issue of this publication will include the 1968-69 production estimates for wheat in Argentina and Australia.

CANADIAN SITUATION

Supplies Set Reflecting the combined effect of increases in both carryover stocks
New Record and production, total estimated supplies of wheat in Canada for the
1968-69 crop year are placed at a record 1,317.4 million bushels.

The August 1, 1968 carryover of 667.5 million bushels exceeds by 16 per cent the comparable figure of 576.8 million at the same date in 1967. The 1968 harvest, estimated at 649.8 million bushels, was the fourth largest wheat crop on record and represents an increase of 10 per cent over the previous year's outturn of 592.9 million. Supplies of the size indicated are 13 per cent greater than last year's total of 1,169.7 million bushels and 6 per cent above the previous peak of 1,247.5 million in 1966-67. After making an allowance of 165.0 million bushels for anticipated domestic requirements, supplies available for export and for carryover during 1968-69 amount to 1,152.4 million bushels, 15 per cent more than the 1,003.2 million in 1967-68.

August-November Exports Exports of wheat and flour, in terms of wheat equivalent,
Well Above Previous Year during August-November 1968 amounted to 119.4 million
bushels, 26 per cent more than the 94.9 million exported
during the same four months of 1967. This year's exports consisted of 110.5 million
bushels of wheat in bulk, 114 thousand of seed and 8.8 million of flour in terms of
wheat. During the August-November period last year these figures were 86.5 million
of wheat in bulk, 278 thousand of seed and 8.2 million of flour in wheat equivalent.
The balance remaining on December 1, 1968 for export and for carryover amounted to
1,033.0 million bushels, 14 per cent above the December 1, 1967 total of 908.3 million.

Canadian Wheat Supplies

Item	1967-68 ^r	1968-69 ^P
million bushels		
Carryover in North America at beginning of crop year (August 1)	576.8	667.5
Production	592.9	649.8
Total estimated supplies	1,169.7	1,317.4
Less estimated domestic requirements for crop year	166.5	165.0
Available for export and for carryover	1,003.2	1,152.4
<u>Deduct</u>		
Exports of wheat in bulk, August - November (1)	86.5	110.5
Exports of seed wheat, August - November (2)	0.3	0.1
Total exports of wheat as grain	86.7	110.6
Exports of wheat flour in terms of wheat, August - November (2)	8.2	8.8
Total exports of wheat and wheat flour	94.9	119.4
Balance on December 1 for export and for carryover	908.3	1,033.0

(1) As reported by the Board of Grain Commissioners.

(2) Customs returns, 1967-68 adjusted for time lag.

P Preliminary figures.

r Revised figures.

Marketings, Disappearance
and Visible Supplies

Total primary deliveries of wheat (both east and west) up to December 18 of the current crop year have amounted to 148.0 million bushels compared with 192.2 million marketed during the same period of the previous year. Some 31.5 million bushels of this year's total were delivered during the four weeks November 21 to December 18. During the same period the volume of Canadian wheat entering domestic and export channels amounted to 28.3 million bushels. As a result, the total visible supply of Canadian wheat increased from 415.7 million at November 20 to a level of 419.2 million at December 18, 1968.

The total visible supply of Canadian wheat at December 18 this year represented a 2 per cent decrease from the 1967 comparable total of 428.2 million but was 37 per cent above the 1966 figure of 305.3 million. Country elevator stocks, amounting to 252.2 million bushels, were 6 per cent above the 1967 comparable total of 237.6 million, and 55 per cent more than the 162.7 million of two years ago. Wheat stocks at interior terminals at December 18, 1968, totalled 12.4 million bushels slightly lower than the 12.9 million a year ago but sharply above the 2.4 million of two years ago. The 16.2 million bushels "in transit rail" (western division) were practically unchanged from the 1967 figure but was 7 per cent more than the 15.1 million in this position in 1966. Supplies at the Lakehead, totalling some 24.9 million bushels, registered a decrease from last year's comparable level of 37.3 million but were considerably higher than the 15.4 million of 1966. Stocks "in transit lake", amounted to 18.0 million bushels this year in contrast to 28.2 million "in storage afloat" in 1967 and 39 per cent below the 1966 "in transit lake" figure of 29.7 million. The 35.3 million bushels in Bay, Lake and Upper St. Lawrence ports were higher than both the 34.8 million of a year ago and the 33.4 million of two years ago. Supplies in Lower St. Lawrence and Maritime ports at December 18, 1968, at 38.0 million bushels, registered a decrease of 4 per cent from the 39.7 million of a year ago but was 32 per cent more than the 28.8 million at the same date in 1966. The 12.0 million bushels in West Coast ports (Vancouver-New Westminster, Prince Rupert and Victoria) were larger than both the 10.6 million at December 20, 1967 and the 8.0 million at the comparable date in 1966.

November 1968 Exports
of Wheat and Flour Total
25.5 Million Bushels

Combined exports of wheat in bulk, seed wheat and wheat flour in terms of grain equivalent, during November 1968 amounted to 25.5 million bushels, 9 per cent below the 28.1 million of the previous month, 38 per cent less than the ten-year (1957-66) average for the month of November of 41.1 million but 7 per cent above the 23.9 million of November 1967. Exports of wheat in bulk (as reported by the Board of Grain Commissioners) during the month of November 1968, at 23.3 million bushels, represented declines of 10 per cent and 38 per cent, respectively, from the October 1968 total of 26.0 million and the ten-year average of 37.7 million but was 6 per cent more than the November 1967 figure of 22.0 million. Based on Canadian Customs returns, the equivalent of 2.1 million bushels of wheat was exported in the form of flour during November 1968 unchanged from the 2.1 million of the previous month, 36 per cent smaller than the ten-year average of 3.2 million bushels but 13 per cent more than the adjusted 1.8 million of November 1967.

Cumulative exports of wheat in bulk during the August-November period of the current crop year amounted to 110.5 million bushels, 28 per cent above the 86.5 million shipped during the first four months of the 1967-68 crop year but 22 per cent smaller than the ten-year average for the period of 140.9 million. Communist China and Britain were the two leading markets for Canadian wheat in bulk during the first four months of the current crop year with shipments to these countries amounting to 26.3 million

and 24.9 million bushels, and accounted for 24 per cent and 23 per cent, respectively, of the August-November total. During the same period last year Communist China accounted for 3 per cent and Britain 28 per cent of the August-November 1967 total. Other principal importers of Canadian wheat for the first four 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: Japan, 15.5 (10.6); Italy, 9.0 (5.5); Federal Republic of Germany, 5.0 (10.3); Poland, 3.4 (2.5); Netherlands, 3.4 (2.9); Pakistan, 2.8 (0.9); and Belgium and Luxembourg, 2.7 (5.1). Cumulative exports of seed wheat during August-November of the current crop year, based on Canadian Customs returns, amounted to 114 thousand bushels compared with last year's comparable total (adjusted to remove time lag) of 278 thousand.

Cumulative exports of wheat flour during the first four months of the 1968-69 crop year, based on Customs returns, were the equivalent of 8.8 million bushels of wheat, 8 per cent more than the adjusted August-November 1967 total of 8.2 million bushels. Cuba's purchases, the leading market for Canadian wheat flour during the period under review, amounted to the equivalent of 3.8 million bushels and accounted for 43 per cent of the August-November 1968 total. Other principal markets for Canadian wheat flour in terms of grain equivalent during the August-November period of the 1968-69 crop year, with revised data for the same months of the preceding crop year in brackets, were as follows, in thousands of bushels: Britain, 909 (958); Ceylon, 830 (860); Ghana, 763 (780); Leeward and Windward Islands, 265 (271); Indonesia, 249 (nil); United States, 192 (141); Trinidad and Tobago, 174 (156); and Lebanon, 172 (183).

Press Release
re Damp Grain

The following press release was issued by the Grain Transportation Committee under date of January 15, 1969. Last fall, as soon as sufficient information was available and the need for urgent action was evident, the Grain Transportation Committee held a press conference to call attention to the problem of the extremely high volume of high moisture grain that had been harvested and the need for farm drying of a large part of this grain to avoid spoilage.

What we would like to do today is to give you an up-to-date report on the progress of drying the high moisture grain. This report was compiled as a result of the work of a Sub-committee of Operating Managers of the grain companies, railways and Board of Grain Commissioners and Wheat Board personnel which was formed last fall to co-ordinate the movement of high moisture grain.

We have sent out a questionnaire to all delivery points across Western Canada to get an estimate of how much grain had been dried and what is left to be dried. Up to January 3, 42 million bushels of grain had been dried on farms of the total amount of tough and damp grain that was deliverable after harvest. The elevator agents estimated that there are still 217 million bushels of grain on farms to be dried to avoid spoilage. There appears to be ample dryers in Western Canada to do the job if they were properly distributed and if they were fully utilized. Agents estimate that there are approximately 3,200 farm dryers in the Prairie Provinces, of which only 900 are being used.

The agents were also asked why dryers were not being utilized. It appears that the dryers are not evenly distributed across Western Canada and from approximately 1,800 delivery points, 703 agents reported lack of availability of dryers in their area; 358 reported that it was too cold to operate the dryers; 210 said that it was too expensive and 132 that the farmers hoped to haul to country elevators or use as

feed the high moisture grain.

In order to get a better utilization of the dryers, the Grain Transportation Committee will make available to the Provincial Departments of Agriculture the results of this survey on an individual delivery point basis in order to assist the Provincial Departments in their program of trying to get optimum use of farm dryers. Local committees have been set up by the Provincial Governments to make farmers aware of the need for farm drying and the locations of farm dryers in their area.

As far as drying in commercial facilities is concerned, all terminals are drying on a 7-day a week, 24-hour basis. Interior terminals are also being fully utilized to condition as much grain as possible. So far terminals have dried 19 million bushels of grain and have ample stocks either in store or under load to continue an all-out effort. During the press conference last fall, we estimated that the terminals would be able to dry from 100 to 150 million bushels before the end of the crop year. While this estimate still appears to be reasonable, we would like to stress that only about 100 million bushels can be handled by the commercial facilities prior to the advent of warm weather. This emphasizes the need for maximum utilization of the farm dryers.

As Chief Commissioner of The Canadian Wheat Board, I would like to take this opportunity to make an announcement with respect to delivery quotas. Last fall I indicated that we would endeavour to equalize quotas by the end of the crop year at a 6-bushel level. We have also had a policy in effect which allows producers advance delivery privileges on damp grain to the 3-bushel quota level. It is still our objective to try to equalize at a 6-bushel level but in view of the large quantity of damp grain now in the marketing pipeline, it will be impossible to give any further advance delivery privileges beyond the 3-bushel quota level for damp grain.

I would also like to stress the need from a sales point of view for the deliveries of dry grain, especially in the Vancouver shipping area. We have heavy commitments for dry grain out of the West Coast in the next few months, particularly 2 Northern for Japan and other commercial markets and 4's and 5's for the Chinese market, and in order to meet these commitments, it is essential that substantial quantities of this grain be farm dried.

Great Lakes - 1968
Seaway Shipping Review

The following review of the 1968 Great Lakes - Seaway grain shipments was extracted from the Weekly Bulletin "Canadian Grain Position" published by the Statistics

Division of the Board of Grain Commissioners for Canada, for the week ending December 23, 1968.

Total Vessel Shipments. — Vessel clearances of the six principal grains and oilseeds amounted to 247.2 million bushels - some 113.8 million below the 1967 season's figure. Shipments of the individual grains included (1967 in brackets) 185.3 (238.9) million of wheat, 21.1 (37.2) million of oats, 31.5 (67.8) million of barley, 3.1 (5.5) million of rye, 5.7 (10.7) million of flaxseed and .6 (.9) million of rapeseed.

Direct Overseas. — Shipments of the principal Canadian grains to overseas destinations direct from the Canadian Lakehead elevators totalled 15.5 million bushels during the season just concluded - less than one-half the record clearances of 1967 (33.3 million). There were 51 individual cargoes in 1968 - compared to 114 in 1967 - with 14 of these topping off at St. Lawrence ports in comparison to 18 in 1967.

Direct Vessel to St. Lawrence Ports. — Vessel shipments to the lower river ports - 159.3 million bushels - represents 64 per cent of the principal grains moved from Lakehead terminals and is substantially less than in 1967 (220.7 million bushels).

Direct Vessel to Maritimes. — The volume of the principal grains moved on an all water basis to Maritime ports amounted to 6.8 million bushels during the past season - somewhat above the 6.4 million shipped in the previous year.

To United States Ports. — Vessel shipments of Canadian grains to United States lake ports of 6.5 million bushels indicate a slight decline from the prior season's total (6.7 million). Barley at 5.8 million was the principal grain involved in this movement with the remaining .6 million being rye.

United States Grain Movement. — Receipts of United States grains at licensed eastern elevators - 106.3 million bushels - represent an increase of 38.7 million over the 1967 season. Transshipments for export amounted to 74.4 million bushels (up 29.4 million) while the Canadian domestic market absorbed 18.5 million bushels (up 1.7 million). United States corn remained the largest single grain involved in this movement with receipts totalling 53.7 million, exports of 24.2 million and domestic usage of 17.8 million.

1968 Season of Navigation Closed at Lakehead The 1968 season of navigation at the Canadian Lakehead opened on April 10 and closed on December 20. Preliminary reports for the 1968 season place the lake shipping total for the six major grains at 247.2 million bushels, 32 per cent less than the 361.0 million bushels shipped in 1967. Shipments of all six grains moved in smaller volumes in 1968 than a year previous.

Lake Shipments of Canadian Grain from Fort William-Port Arthur
Season of Navigation, 1956-68

Year	Wheat	Oats	Barley	Rye	Flaxseed	Rapeseed	Total
thousand bushels							
1956.....	206,136	47,517	91,990	11,070	10,292	-	367,005
1957.....	157,217	48,788	56,706	4,274	11,533	-	278,517
1958.....	191,957	41,833	74,322	5,310	8,683	-	322,105
1959.....	187,103	32,097	55,686	4,707	6,617	-	286,209
1960.....	184,480	27,100	54,981	3,645	8,421	-	278,627
1961.....	243,777	23,784	46,255	4,284	8,002	-	326,102
1962.....	182,915	22,923	29,735	6,123	7,965	-	249,660
1963.....	251,087	42,479	43,702	3,725	7,359	-	348,351
1964.....	349,300	33,559	42,711	4,922	9,513	59	440,064
1965.....	300,934	46,058	46,344	4,203	11,041	1,337	409,918
1966....	392,367	33,104	45,010	8,512	14,258	1,250	494,500
1967.....	238,928	37,169	67,793	5,505	10,669	929	360,994
1968.....	185,291	21,095	31,458	3,061	5,718	622	247,245

Durum Wheat
Situation and Outlook

The following paper relative to durum wheat was prepared by G.G. Pearson, Economist, Economics Branch, Canada Department of Agriculture.

Durum wheat has a unique position in the world wheat economy due to the nature of its end use in many countries — namely, the manufacture of alimentary pastes and other special durum foods such as couscous, rather than bread. In northern Europe and North America, very little Durum is used for bread owing to its poor baking qualities and it is used almost entirely in the manufacture of semolina for use in alimentary pastes such as macaroni, spaghetti and vermicelli. Although semolina can be made from hard and soft wheats, the particular characteristics of Durum wheat such as amber colour, high gluten and low moisture content, and the hard, vitreous nature of the grain make it preferred to other types of wheat for the manufacture of alimentary pastes. Not only do these characteristics produce a high quality product, but the yield of semolina per unit of wheat is higher for durum than for other wheats. In some regions of southern Europe, North Africa, the Near East and the U.S.S.R., Durum wheat is used mainly for different kinds of breads and porridge-like foods.

The main durum producing areas of the world are those countries surrounding the Mediterranean, North America (Canada and United States) and Argentina. Durum wheat production (excluding the centrally planned economies) is normally about 5 per cent of total world wheat production. The main exporting countries are Canada, United States and Argentina and world trade in durum wheat accounts for about 4 per cent of total world trade in all wheat. The largest durum importing region is western Europe, followed by eastern Europe and the U.S.S.R. Northern European countries such as Western Germany and the United Kingdom import durum on a regular basis, but the volume of imports by most other durum consuming countries is inversely proportional to the volume of domestic durum production.

Situation 1967-68. — Following four years of carryover stocks in excess of 100 million bushels, stocks of Durum at the beginning of the respective marketing years in nine countries were substantially lower, at 58 million bushels in 1967-68. (Table 1). The reduced stock position was coincident with a significantly lower level of carryover stocks in Canada and United States, achieved after several years of record export movement and higher domestic consumption in both countries. Based on International Wheat Council data, world Durum production in 1967-68 has been estimated (by the Canada Department of Agriculture) to be about 502 million bushels, 11 per cent higher than production in 1966, but lower than the record levels of production in 1962-63 and 1963-64 (Table 2). Production in the three main exporting countries, Canada, United States and Argentina, was down about nine per cent to 100 million bushels, but this sharp drop was more than offset by record production in southern European countries, in particular Italy with a crop of 95 million bushels, up 53 per cent from 1966-67. The crop was above average in Near East Asia but was a little below average in North Africa and Argentina.

The particular pattern of Durum production with excellent production in southern Europe and Italy, had a significant impact on Durum trade in 1967-68 (Table 3 and 4). Durum exports fell from the record 93 million bushels of the previous year to 68 million bushels, with exports from Canada and United States sharply lower and exports from Argentina steady. Imports by the European Economic Community accounted for much of the reduction in trade, but there was also a drop in trade with other western European countries such as the United Kingdom. Imports by eastern Europe and the U.S.S.R. were down slightly while imports by other regions were almost unchanged.

In the early months of 1967-68 Durum prices were relatively stronger than in previous years, reflecting the lower stock position in Canada, United States and Argentina. However, they tended to trend downward in the latter half of the crop year in line with the declining price pattern for wheat in general. The average price for No. 1 C.W. Amber Durum in store, Lakehead was \$2.14 per bushel, lower than the average price of \$2.26 per bushel in 1966-67 (Table 5). However, No. 1 C.W. Amber Durum prices averaged 20 cents per bushel over No. 1 Northern in store, Lakehead in 1967-68, compared with 14 cents per bushel in 1966-67. United States prices in 1967-68 were generally stronger than in 1966-67 but like the Canadian prices tended to fall slightly near the end of the crop year.

The Durum situation in 1967-68 was essentially one of balance with ending carryover stocks in the three main exporting countries, only slightly lower than at the beginning of the crop year.

Situation 1968-69. — Carryover stocks at the beginning of the crop year in nine countries were about 54 million bushels (Table 1). The pattern of production in 1968-69 was significantly changed from that prevailing in 1967-68 and the level of production approached the record level established in 1963-64 of 547 million bushels (Table 2). Production in the three main exporting countries estimated to be a record 163 million bushels, was 63 per cent higher than in 1967-68. A record crop of 101 million bushels was harvested in United States, and Canadian production at 44 million bushels was more than double the previous year, although not a record while Argentine production was about normal at 18 million bushels.

Production in Near East Asia was down slightly due to poor crops in Turkey and Syria, but was up in North Africa due to substantially better crops in Algeria and Morocco. Drought conditions in southern Europe reduced the level of production from the record of the previous year. Italian production especially was down about 25 per cent to 73 million bushels, but nevertheless was slightly better than the average level of recent years.

Outlook 1968-69. — The outlook for international trade in Durum wheat is for an increase to about 73 million bushels, but less than the record 92.7 million bushels traded in 1966-67. The reduced crop in Italy will likely increase the import demand in the European Economic Community to around 50 million bushels, while the demand in other western European countries will probably remain at about 10 million bushels. Import demand for Durum wheat in eastern Europe and the U.S.S.R. will not likely exceed 1 million bushels as supplies in the U.S.S.R. appear to be adequate for this year. Demand in Asian countries is forecast to remain steady at around 5 million bushels, while improved production in Algeria will reduce the demand for Durum imports in North Africa to about 7 million bushels.

Although import demand will be greater than last year, record Durum supplies in Canada, United States and Argentina, the three main exporting countries, is expected to result in intense competition among exporters. The final level of individual country exports for the 1968-69 crop year will depend on government export assistance, and export pricing policies. Since Argentina usually follows a pricing policy that minimizes the level of carryover stocks, it can be expected that Argentine exports will be similar to last year at about 15 million bushels. Durum wheat exports by the United States totalled 23 million bushels during the six month July-December period, compared with 13 million bushels during the same period in 1967-68, while exports from Canada during the five month period August-December totalled 11.2 million bushels, compared with 6.9 million bushels during the same period in 1967-68. The pattern of exports exhibited by the United States and Canada

to date during the 1968-69 crop year, suggest that United States exports will approach 40 million bushels. Unlike the United States, Canada does not subsidize Durum wheat exports and Canadian exports are not likely to be up as substantially as those of the United States, but should approach 15 million bushels. Durum wheat prices will be under pressure throughout the balance of the season, as exporters endeavour to move the large stocks into the limited import market.

The market situation in the short run for Durum wheat and wheat in general, will continue tight, but in the medium term there may be scope for increased exports of Durum depending on the level of production next year in the Mediterranean region. In the long run the market for Durum wheat in western Europe is encouraging as there appears to be a steady expansion in consumption, in contrast to consumption of bread wheats which is steadily declining.

Implications for Canadian Producers. — Canadian Durum wheat production was 44 million bushels in 1968. Carryover stocks of Durum wheat in elevator positions was about 11 million bushels and there was probably a limited amount of Durum carried over on farms from previous years, hence durum supplies in Canada for the 1968-69 crop year are estimated to be in excess of 55 million bushels. The Canadian Wheat Board authorized a supplementary quota for Durum wheat of 10 bushels per acre seeded to Durum at all delivery points, to be effective between September 11 and November 29, 1968. The purpose of this temporary quota was to move as much Durum as possible into export position before close of navigation. As a result, 19.2 million bushels of Durum wheat were moved into the elevator system in the August-November period, compared with 12.3 million bushels during the same period in 1967-68. These marketings combined with the commercial carryover stocks placed supplies in elevator position up to the end of November at 30 million bushels. If 15 million bushels are exported during the crop year and 4 million bushels move into the Canadian commercial domestic market, there will be 11 million bushels, carried over in elevators on July 31, 1969 without any further significant deliveries. After making an allowance for farm use of an additional 4 to 5 million bushels, stocks on farms at the end of the crop year would total 20 to 25 million bushels. Although some of the farm-held wheat may be tough or damp, most of it will probably be dry, since the bulk of the durum production is in southern Saskatchewan where the moisture problems were not as severe as elsewhere. Any additional durum deliveries this season will probably be restricted to small amounts of tough and damp grades on the general quota, consequently much of the durum currently on farms will need to be carried over in farm storage into the 1969-70 crop year.

To prevent a continued build-up in durum stocks in 1969-70, no increase in durum acreage in 1969 is warranted. Nevertheless farmers will probably increase durum acreage this spring as an alternative to bread wheat but they should be prepared to store on the farm any increased durum production which may occur. For example a small increase in durum acreage from 2.3 million acres in 1968-69 to 2.5 million acres in 1969-70, with average yields, will produce a crop in the region of 50 million bushels. When this level of production is added to the forecast total durum carryover of 30-35 million, supplies for export and carryover in 1969-70, after subtracting total domestic use of about 10 million, will be at the relatively high level of some 75 million bushels. Increased Durum production in Canada and the United States in 1969 has the potential of creating a Durum wheat situation in 1969-70 comparable to that of 1964-65 with large world Durum supplies associated with depressed prices.

Table 1.- Beginning Carryover Stocks of Durum Wheat in Nine Countries (1)

Country	Average 1959-60	Average 1962-63	1965-66	1966-67 (revised)	1967-68 (preliminary)	1968-69 (estimated)
	1961-62	1964-65				
million bushels						
Canada (2)	21.0	25.6	38.0	19.0	11.0	11.0
United States	19.9	30.7	67.5	54.0	29.0	23.1
Italy	5.6	2.4	.7	9.2	7.3	9.2
France	3.6	4.0	4.4	4.8	3.7	3.7
F.R. Germany	5.4	6.7	4.8	4.8	3.7	3.7
Others (3)	5.3	9.6	8.8	4.8	3.7	3.6
Totals, nine countries	60.8	79.0	124.2	96.6	58.4	54.3

(1) Estimated carryover stocks at beginning of each countries marketing year.

(2) Stocks in commercial positions only.

(3) Argentina, Morocco, Tunisia and Switzerland.

Sources: International Wheat Council. Secretariat papers numbers 3 and 8; World Wheat Statistics, 1968; Economics Branch, Canada Department of Agriculture.

Table 2.- Production of Durum Wheat by Region or Country

Region or country	Average 1959-60	Average 1962-63	1965-66	1966-67	1967-68	1968-69
	1961-62	1964-65		(revised)	(preliminary)	(estimated)
million bushels						
Near East Asia (1)	134.6	182.2	172.5	172.5	176.2	165.1
North Africa (2)	69.7	94.2	99.1	55.0	77.1	91.8
Southern Europe (3)	26.9	26.9	33.0	33.0	36.7	33.0
Italy	52.6	61.2	69.7	62.4	95.4	73.4
Canada	15.9	49.3	16.0	28.4	20.2	44.4
United States	25.0	63.3	70.0	63.0	63.0	101.0
Argentina	18.4	22.0	14.7	18.4	14.7	18.4
Others	18.3	20.8	22.0	18.3	18.3	18.3
Totals, world (excluding planned economies)	361.4	519.9	497.0	451.0	501.6	545.4

(1) Iraq, Syria, Turkey.

(2) Algeria, Morocco, Tunisia.

(3) Excluding Italy, France, Greece, Portugal and Spain.

Sources: International Wheat Council; Economics Branch, Canada Department of Agriculture.

Table 3.- Exports of Durum Wheat and Flour, (Crop Year August 1 to July 31)

Country	Average	Average	1965-66 (revised)	1966-67 (preliminary)	1967-68 (estimated)	1968-69 (forecast)
	1959-60	1962-63				
	1961-62	1964-65				
million bushels						
Canada	24.7	26.2	31.9	26.8	12.9	15.3
United States	5.9	13.8	27.9	43.7	33.0	40.0
Argentina	8.2	17.5	18.2	14.8	15.0	15.0
Others (1)	7.3	5.4	7.0	7.4	7.4	3.0
Totals, exports	46.1	62.9	85.0	92.7	68.3	73.3

(1) Italy, Algeria, France, Greece, Syria, Tunisia, Morocco, U.S.S.R.

Sources: International Wheat Council; Economics Branch, Canada Department of Agriculture.

Table 4.- Imports of Durum Wheat and Flour (Crop Year August 1 to July 31)

Region	Average 1959-60	Average 1962-63	1965-66 (revised)	1966-67 (preliminary)	1967-68 (estimated)	1968-69 (forecast)
	— 1961-62	— 1964-65				
million bushels						
E.E.C.	38.2	35.8	50.9	44.4	33.8	47.7
Other Western Europe	5.1	5.9	9.1	17.7	9.2	9.5
Eastern Europe2	2.0	2.5	3.3	2.6	.7
U.S.S.R.	-	12.7	10.1	4.7	.7	.4
Asia	1.0	4.5	6.3	5.2	5.1	5.5
Africa9	.8	4.4	15.8	14.7	7.3
Others7	1.2	1.7	1.6	2.2	2.2
Totals, imports	46.1	62.9	85.0	92.7	68.3	73.3

Sources: International Wheat Council; Economics Branch, Canada Department of Agriculture.

Table 5.- Canada, Monthly Average Price No.1 C.W. Amber Durum
Basis Fort William-Port Arthur
(Crop Year August 1 to July 1)

Month	Average 1959-60	Average 1962-63	1965-66	1966-67	1967-68	1968-69
	1961-62	1964-65			(revised)	(estimated)
Canadian cents per bushel						
August	217	250	193	225	232	206
September	227	234	193	227	232	206
October	233	229	195	227	226	211
November	234	229	195	228	222	214
December	235	225	196	229	223	214
January	236	225	198	228	214	
February	237	222	201	228	205	
March	236	217	202	228	202	
April	238	216	203	224	201	
May	242	215	204	224	199	
June	245	214	208	223	206	
July	266	214	218	222	206	
Crop year average	237	224	201	226	214	

Source: Grain Trade of Canada, Dominion Bureau of Statistics

Table 6.- United States, Monthly Average Price No. 1 Hard Amber Durum
Basis Minneapolis
(Crop Year August 1 to July 31)

Month	Average	Average	1965-66	1966-67	1967-68 (revised)	1968-69 (estimated)
	1959-60	1962-63				
	— 1961-62	— 1964-65				
United States cents per bushel						
August	263	219	159	183	204	174
September	268	218	164	197	205	193
October	272	222	168	195	208	203
November	271	221	166	192	200	203
December	277	220	162	193	200	199
January	275	219	168	192	202	
February	267	216	173	184	205	
March	266	214	168	199	205	
April	263	212	162	202	204	
May	256	206	161	208	200	
June	254	193	168	201	193	
July	262	192	181	199	192	
Crop year average	266	213	167	195	202	

Source: Grain Market News, United States Department of Agriculture.

General Quota Position By January 13, 1969 out of a total of 1,827 shipping points in the western division, the Canadian Wheat Board had placed 613 points on a delivery quota of one bushel per specified acre, 535 points on a two-bushel quota and 311 points on a three-bushel quota. Some 358 points remained on the initial unit quota while only 10 stations were reported as "closed".

Summary of Elevator Shipping Points in the Western Division
as at January 13, 1969

Province	Initial unit quota	General quota in bushels per specified acre			Closed	Total
		One	Two	Three		
Ontario	-	-	-	-	1	1
Manitoba	162	119	33	10	-	324
Saskatchewan	143	356	305	179	7	990
Alberta	53	138	197	116	2	506
British Columbia	-	-	-	6	-	6
All provinces	358	613	535	311	10	1,827

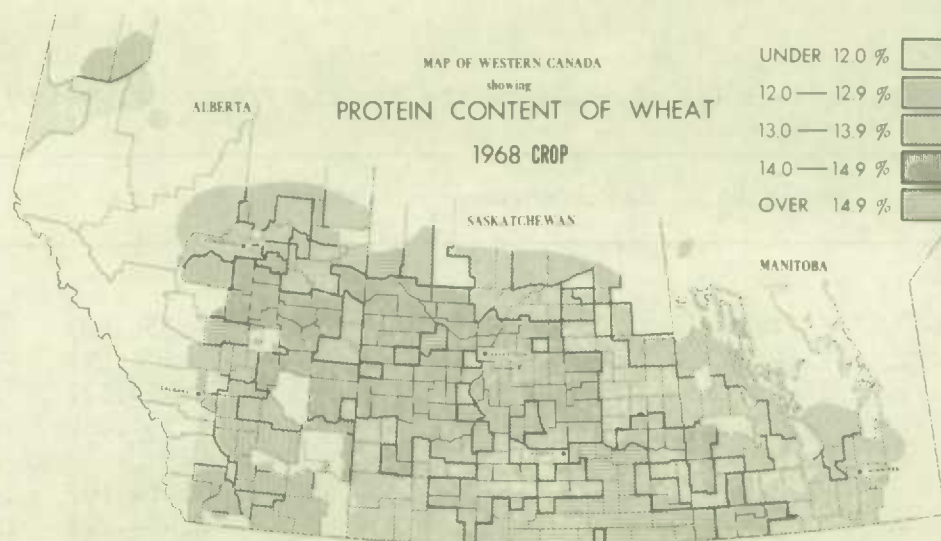
Rail Shipments of Wheat to Maritime Ports Rail shipments of wheat to Maritime ports from Bay, Lake and Upper St. Lawrence ports during August-November 1968 amounted to 716 thousand bushels compared with the August-November 1967 figure of 609 thousand.

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

Origin of shipments	August 1- November 30, 1967	August 1- November 30, 1968
	bushels	
Port McNicoll	204,963	106,050
Midland, Tiffin	99,240	175,350
Owen Sound	205,793	383,684
Goderich	99,446	-
Port Colborne	-	51,106
Totals	609,442	716,190

Protein Survey of
Western Canada's 1968
Hard Red Spring Wheat

According to Crop Bulletin No. 103 "Canadian Wheat 1968" published by the Grain Research Laboratory, Board of Grain Commissioners for Canada, the 1968 hard red spring wheat crop has an average value of 13.9 per cent for the protein content, 1/10 of a unit higher than the value for the 1967 crop. The mean value for the protein content of the 41 hard red spring wheat crops from 1927 to 1967 is 13.6 per cent. The 1968 survey of the protein content of new crop hard red spring wheat included samples of wheat grading No. 1 Manitoba Northern through No. 4 Manitoba Northern, together with a few samples of No. 4 Special and Garnet wheats.



The above map shows the geographic distribution of the protein content of the 1968 hard red spring wheat crop in terms of five ranges. The average value for the protein content of new crop wheat was greater than 14.9 per cent in four small areas in Alberta, in several small areas in north-west and central Saskatchewan together with a large area in southcentral and southeast Saskatchewan and extending slightly into southwest Manitoba. Relatively large areas in Saskatchewan along with small areas in southwest Manitoba and central Alberta had an average value between 14.0 and 14.9 per cent. The northern fringes of the wheat producing area, the Peace River area, and some small areas in western Alberta are appreciably lower than average in their protein content.

Protein Content of Grades of Hard Red Spring Wheat,
1968 Values for Each Province, and 1968 and 1967 Values for Western Canada

Grade	1968 Crop			Western Canada	
	Manitoba	Saskatchewan	Alberta	1968	1967
per cent					
No. 1 Northern	12.2	14.0	12.7	13.4	13.8
No. 2 Northern	13.4	14.1	12.7	13.6	13.8
No. 3 Northern	13.4	14.3	13.2	14.0	13.7
No. 4 Northern	13.4	14.2	13.5	13.9	13.6
No. 4 Special	-	15.9	-	15.9	-
Garnet Grades	-	-	11.3	11.3	11.9
Weighted Means	13.4	14.2	13.1	13.9	13.8

Farmers' Marketings Deliveries of wheat from farms in the Prairie Provinces up to December 18 of the current crop year amounted to 141.8 million bushels, 24 per cent less than the comparable 1967 total of 186.0 million and 7 per cent below the ten-year (1957-66) average for the period of 158.8 million bushels.

Farmers' Marketings (1) of Wheat in the Prairie Provinces 1968-69

Week ending		Manitoba	Saskatchewan	Alberta	Total	Last year
bushels						
August	7, 1968 .	12,286	343,145	1,256	356,687	2,774,267
	14	54,003	433,143	19,546	506,692	410,477
	21	701,320	618,402	734,805	2,054,527	2,328,627
	28	319,028	1,772,613	649,209	2,740,850	5,893,733
September	4	248,115	2,325,413	840,579	3,414,107	14,505,278
	11	146,995	1,597,665	749,639	2,494,299	19,166,857
	18	386,716	4,847,811	2,241,941	7,476,468	12,002,246
	25	560,570	4,814,363	1,744,398	7,119,331	12,262,382
October	2	578,728	4,171,612	1,148,224	5,898,564	8,987,247
	9	1,412,243	6,689,883	3,152,542	11,254,668	5,351,929
	16	914,936	4,950,252	1,904,238	7,769,426	7,247,758
	23	827,874	4,038,282	1,889,876	6,756,032	7,562,502
	30	831,989	5,268,762	4,080,886	10,181,637	9,262,642
November	6	1,653,791	7,100,994	4,580,760	13,335,545	9,717,801
	13	2,037,836	9,768,838	3,876,116	15,682,790	8,840,798
	20	2,099,771	7,917,084	3,227,126	13,243,981	11,217,381
	27	1,661,638	5,918,922	2,334,940	9,915,500	10,032,019
December	4	1,454,530	5,283,400	2,524,710	9,262,640	13,270,298
	11	924,844	3,683,325	1,936,615	6,544,784	15,836,937
	18	886,759	3,627,473	1,257,373	5,771,605	9,311,891
Totals		17,713,972	85,171,382	38,894,779	141,780,133	185,983,070
Average similar ...						
period: 1957-66 .		21,405,361	102,106,085	35,332,979	158,844,425	

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

Visible Supply of Canadian Wheat, December 18, 1968
Compared with Approximately the Same Date, 1966 and 1967

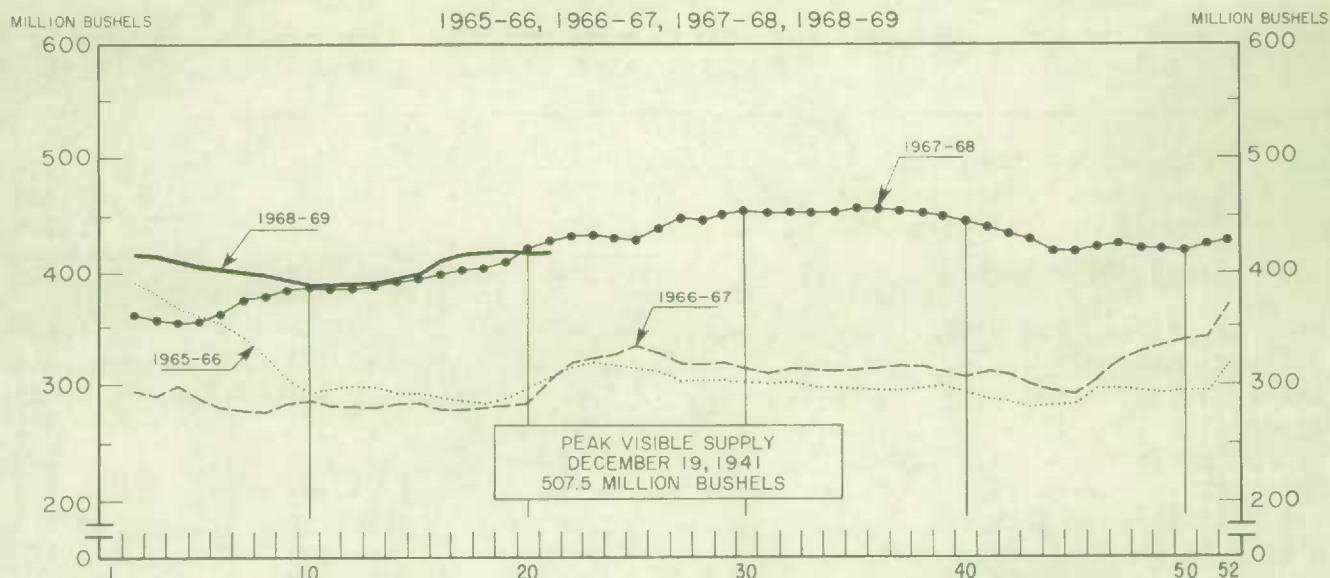
Position	1966	1967	1968
	thousand bushels		
Country elevators - Manitoba	9,958	27,519	35,071
Saskatchewan	100,049	134,936	145,359
Alberta	52,736	75,162	71,745
Sub-totals	162,743	237,617	252,175
Interior private and mill	6,068	5,549	5,129
Interior terminals	2,413	12,858	12,394
Vancouver-New Westminster	7,103	9,431	10,833
Victoria	514	905	571
Prince Rupert	394	306	563
Churchill	944	4,581	4,694
Fort William-Port Arthur	15,415	37,268	24,914
In transit rail (western division)	15,071	16,239	16,187
Bay, Lake and Upper St. Lawrence ports ...	33,440	34,777	35,284
Lower St. Lawrence and Maritime ports	28,756	39,733	37,991
Storage afloat	-	28,231	-
In transit lake	29,661	-	17,985
In transit rail (eastern division)	2,785	658	558
Totals	305,307	428,155	419,278

Grading of Wheat Inspected, August - November 1968 with Comparisons

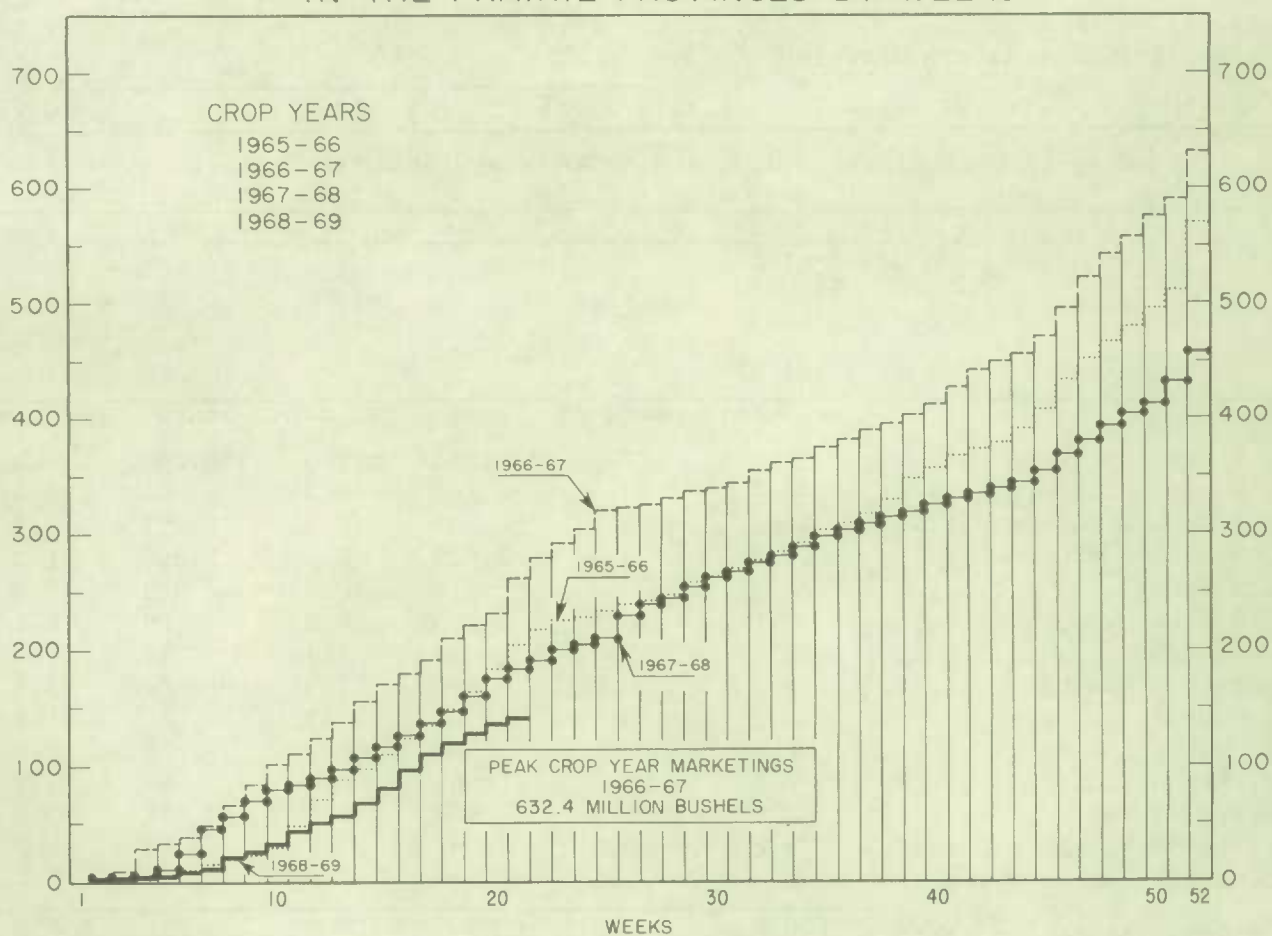
Grade	Crop year		August - November			
	Average					
	1962-63	1967-68	1967		1968	
	-					
	1966-67					
	per cent	per cent	cars	per cent	cars	per cent
No. 1 Man. Northern	5.1	27.9	7,954	12.3	18,249	24.6
No. 2 Man. Northern	35.8	43.4	32,143	49.7	28,544	38.4
No. 3 Man. Northern	22.7	14.8	10,582	16.4	7,797	10.5
No. 4 Man. Northern	10.5	3.0	2,422	3.7	1,258	1.7
No. 5 Wheat	4.5	0.4	336	0.5	213	0.3
No. 6 Wheat	0.6	0.1	203	0.3	89	0.1
Feed Wheat	(1)	(1)	25	(1)	11	(1)
Others Red Spring	13.3	4.0	3,635	5.5	11,487	15.5
C.W. Garnet	0.2	0.3	7	(1)	20	(1)
C.W. White Spring	0.1	0.1	129	0.2	73	0.1
C.W. Mixed Wheat	0.1	0.1	65	0.1	44	0.1
Alberta Winter	0.7	1.0	423	0.7	242	0.3
Nos. 1-6 C.W. Amber Durum .	5.8	4.7	6,447	10.0	3,515	4.7
Others C.W. Amber Durum ...	0.4	0.2	250	0.4	2,770	3.7
Totals	100.0	100.0	64,621	100.0	74,312	100.0
Gross bushels (approx.) ...			126,620,000		142,571,000	

(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)

Rail Shipments of Wheat from Fort William-Port Arthur, 1965-66 - 1968-69

Month	1965-66	1966-67	1967-68	1968-69
bushels				
August	10,458	118,973	133,651	-
September	10,500	83,333	182,051	23,084
October	4,500	89,384	152,009	57,458
November	10,205	163,332	50,475	101,966
December	7,500	106,833	143,833	
January	46,108	145,889	160,214	
February	26,712	120,334	143,884	
March	98,598	177,393	274,690	
April	71,701	133,699	123,167	
May	89,166	207,038	61,460	
June	178,183	154,139	101,950	
July	82,282	93,094	88,500	
Totals	635,913	1,593,441	1,615,884	

Distribution of Rail Shipments of Wheat from Fort William-Port Arthur, November 1968

Grade	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
bushels					
5 Wheat	6,833	10,833	11,000	1,500	1,500
Tough	-	-	3,690	1,751	3,400
Rejected	-	-	-	6,211	-
Durum	-	-	-	5,270	49,978
Totals	6,833	10,833	14,690	14,732	54,878

Overseas Exports of Canadian Grain by Ports of Loading, August 1 - December 18, 1968
with Comparisons

Port	Wheat(1)	Durum wheat(1)	Oats(1)	Barley	Rye	Flaxseed	Rapeseed
thousand bushels							
<u>Pacific Seaboard</u>							
Van.-New West	48,333	174	66	1,733	1,168	1,498	5,987
Victoria	3,190	-	-	-	-	-	-
Prince Rupert	1,963	-	-	-	-	-	-
<u>Churchill</u>	21,613	-	-	-	-	-	-
<u>Lakehead direct</u>	2,297	688	378	1,048	1,190	1,657	91
<u>Prescott direct</u>	336	-	-	-	-	-	-
<u>St. Lawrence</u>							
Montreal	9,998	6,700	336	-	100	214	-
Sorel	3,193	-	-	-	-	-	-
Trois Rivières	1,697	259	-	-	-	6	-
Quebec	4,081	344	-	-	-	160	-
Baie Comeau	6,429	282	-	-	-	820	-
Port Cartier	6,676	2,776	-	-	-	-	-
<u>Maritime</u>							
West Saint John	444	-	-	-	-	-	-
Halifax	643	-	-	-	-	-	-
Totals	110,893	11,223	780	2,781	2,458	4,355	6,078
August 1 - December 20, 1967 ...	87,829	6,903	1,024	11,145	1,638	5,568	4,136

(1) Excluding seed.

Shipments Under
Feed Grain
Assistance Regulations

Claims filed for payment up to October 31, 1968 represent the movement of 979 thousand bushels of wheat from the Prairie Provinces to Eastern Canada and British Columbia under the Feed Grain Assistance Regulations during August-September 1968. During the same two months last year claims had been filed for a total of 1,781 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 45 per cent below those of 1967. Revised data on the August-September 1967 shipments of wheat based on claims submitted up to October 31, 1968 place the two-month total at 2,243 thousand bushels. The bulk of the shipments during the current two months under review went to destinations in Quebec followed by smaller shipments to Nova Scotia, British Columbia and Ontario.

Provincial Distribution of Wheat Shipments under the Feed Grain Assistance Regulations
August-September 1968 and 1967

Month	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	B.C.	Total	Eastern wheat to Quebec
thousand bushels									
August 1968	2	20	111	32	321	48	59	592	34
September	1	5	37	10	215	55	62	386	31
Totals (1)	3	25	149	42	536	104	120	979	65
Same period 1967									
Preliminary (2)	3	32	199	68	914	374	191	1,781	-
Revised (1)	12	36	228	77	1,021	462	407	2,243	-

(1) Based on claims filed up to October 31, 1968.

(2) Based on claims filed up to October 31, 1967.

Preliminary data on millfeed shipments under the Feed Grain Assistance Regulations indicate shipments of 65,546 tons during the first two months of the current crop year. During August-September 1967 claims had been filed for a total of 63,762 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 3 per cent above those of 1967. Revised data on the August-September 1967 shipments of millfeeds based on claims submitted up to October 31, 1968 place the two-month total at 89,584 tons. 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 Feed Grain Assistance Regulations
August-September 1968 and 1967

Province	1967		1968
	Preliminary(2)	Revised(1)	Preliminary(1)
tons			
Newfoundland	179	703	626
Prince Edward Island	825	1,387	1,547
Nova Scotia	3,314	4,983	5,203
New Brunswick	4,263	5,226	4,440
Quebec	34,425	43,250	37,315
Ontario	18,758	28,999	14,057
British Columbia	1,998	5,036	2,358
Totals	63,762	89,584	65,546

(1) Based on claims filed up to October 31, 1968.

(2) Based on claims filed up to October 31, 1967.

Monthly Exports of Canadian Wheat and Wheat Flour

Year and month	Wheat in bulk(1)	Seed wheat(2)	Total wheat	Wheat flour(2,3)	Total Wheat and wheat flour(3)
thousand bushels					
<u>1966-67</u>					
August	64,233	132	64,365	2,753	67,118
September	47,357	103	47,460	2,122	49,582
October	51,659	39	51,698	3,551	55,250
November	48,942	53	48,995	2,471	51,466
December	33,477	47	33,523	3,889	37,412
January	27,719	48	27,767	3,004	30,771
February	20,102	52	20,154	1,616	21,771
March	21,718	128	21,845	3,663	25,508
April	27,847	81	27,928	2,475	30,403
May	57,134	11	57,145	2,502	59,647
June	47,517	6	47,522	2,812	50,334
July	35,033	18	35,051	993	36,044
Totals	482,737	719	483,456	31,851	515,307
<u>1967-68</u>					
August	24,424	52	24,477	2,773	27,249
September	20,211	60	20,272	2,037	22,309
October	19,851	67	19,917	1,581	21,498
November	21,967	99	22,066	1,811	23,877
December	12,920	56	12,976	2,355	15,332
January	19,259	56	19,315	1,737	21,052
February	18,903	62	18,965	2,394	21,359
March	21,388	169	21,557	2,077	23,634
April	26,661	5	26,666	2,036	28,702
May	42,310	7	42,317	2,061	44,378
June	40,798	1	40,799	1,349	42,148
July	41,975	18	41,993	1,937	43,930
Totals	310,669	651	311,320	24,146	335,466
<u>1968-69(4)</u>					
August	31,127	1	31,128	2,270	33,398
September	30,019	45	30,064	2,437	32,500
October	25,995	(5)	25,996	2,079 ^r	28,074 ^r
November	23,338	68	23,406	2,053	25,459
Totals	110,480	114	110,593	8,838	119,431

- (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, 1966-67 and 1967-68 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) Less than 500 bushels.
- ^r Revised figures.

Exports of Canadian Wheat(1) by Destination, November 1966 and 1967

Destination	Wheat (except durum)	Durum wheat	All wheat	
			November 1968	November 1967 ^r
bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	646,291	115,733	762,024	1,350,335
France	54,021	-	54,021	36,495
Germany, Federal Republic	554,133	186,667	740,800	5,189,854
Italy	722,057	761,600	1,483,657	1,630,691
Netherlands	351,431	1,438,787	1,790,218	562,522
Sub-totals	2,327,933	2,502,787	4,830,720	8,769,897
<u>Other Western Europe</u>				
Britain	5,898,866	51,831	5,950,697	6,956,582
Denmark	-	-	-	22,400
Finland	-	-	-	347,200
Ireland	-	-	-	82,466
Malta and Gozo	297,504	-	297,504	-
Switzerland	138,133	11,850	149,983	173,579
Sub-totals	6,334,503	63,681	6,398,184	7,582,227
Totals	8,662,436	2,566,468	11,228,904	16,352,124
<u>Eastern Europe</u>				
Hungary	1,166,799	-	1,166,799	-
U.S.S.R. (Russia)	-	-	-	3,438,542
Totals	1,166,799	-	1,166,799	3,438,542
<u>Africa</u>				
Algeria	1,424,897	-	1,424,897	-
Ghana	110,133	-	110,133	-
Mauritania	771	-	771	-
Niger (Ivory Coast)	687,344	-	687,344	-
Tanzania	-	-	-	5,580
Totals	2,223,145	-	2,223,145	5,580
<u>Asia</u>				
China, Communist	3,708,670	-	3,708,670	-
Hong Kong	76,534	-	76,534	113,867
Japan	3,440,027	57,870	3,497,897	1,992,376
Malaysia	-	-	-	17,733
Pakistan	88,875	-	88,875	-
Singapore	-	-	-	45,546
Syria	950,387	-	950,387	-
Totals	8,264,493	57,870	8,322,363	2,169,522
<u>Western Hemisphere</u>				
Jamaica	210,233	-	210,233	997
St. Lucia	187	-	187	-
Venezuela	184,616	1,823	186,439	-
Totals	395,036	1,823	396,859	997
Sub-totals, all countries	20,711,909	2,626,161	23,338,070	21,966,765
Seed wheat(2)	-	-	68,052	90,671
Totals, all countries	20,711,909	2,626,161	23,406,122	22,057,436

(1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada, for all countries except the United States. Excluding seed wheat.

(2) Compiled from Canadian Customs returns. Wheat 1967 adjusted for time lag, 1968 preliminary.

^r Revised figures.

FARMERS' MARKETINGS OF WHEAT, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

MILLION BUSHELS

800 —

700 —

600 —

500 —

400 —

300 —

200 —

100 —

0

MILLION BUSHELS

800 —

700 —

600 —

500 —

400 —

300 —

200 —

100 —

0

PEAK MARKETINGS
1966-67 CROP YEAR
632.4 MILLION BUSHELS

JULY

JUNE

MAY

APR

MAR

FEB

JAN

DEC

NOV

OCT

SEPT

30 year average

1937-38

1966-67

10 year average

1957-58

1966-67

1963-64

1964-65

1965-66

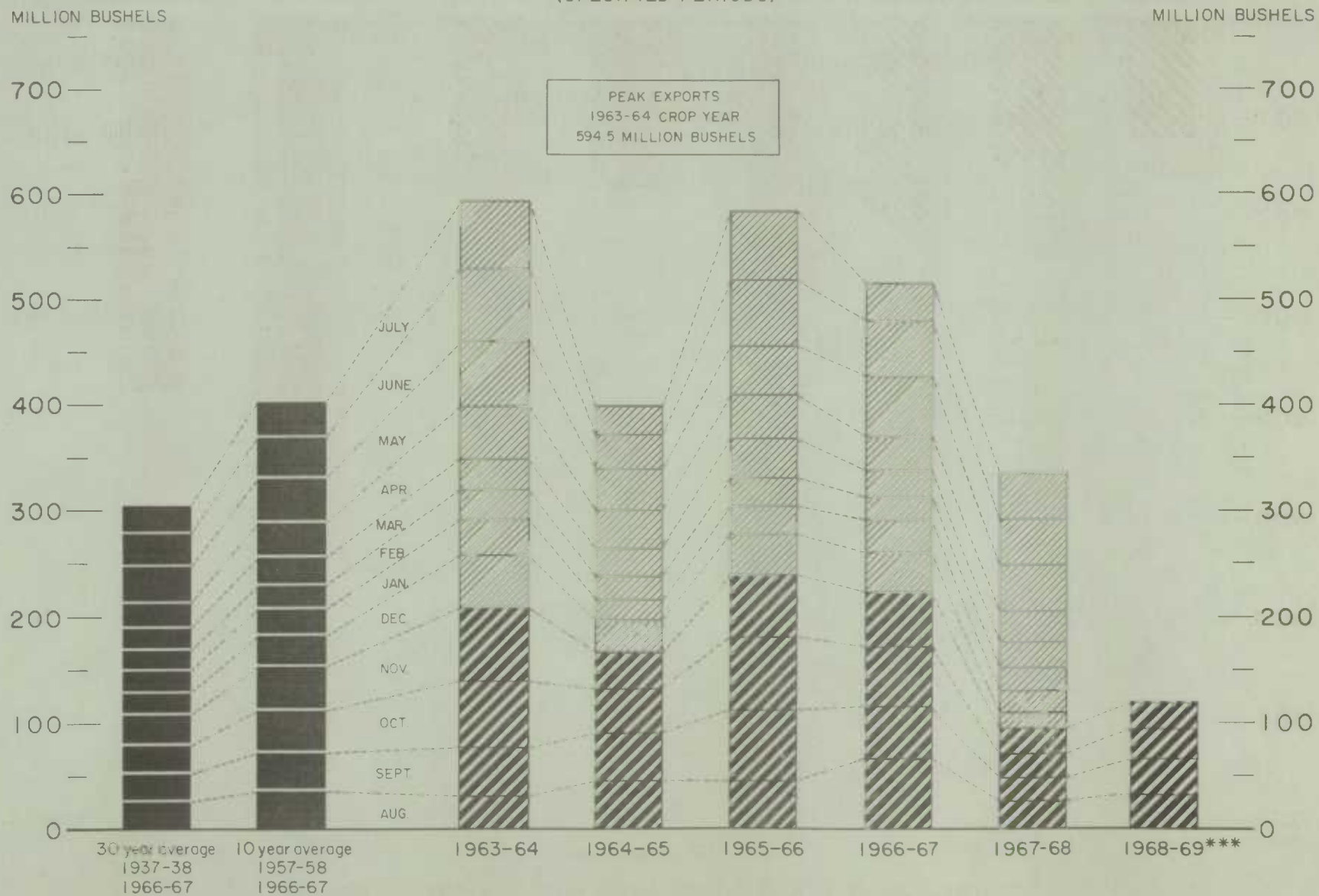
1966-67

1967-68

1968-69

EXPORTS OF CANADIAN WHEAT* AND WHEAT FLOUR**

(SPECIFIED PERIODS)



* Beginning with 1955-56 includes seed wheat.

** In terms of wheat equivalent.

*** Preliminary.

Agriculture Division D.B.S.

FARMERS' MARKETINGS OF BARLEY, PRAIRIE PROVINCES

(SPECIFIED PERIODS)

MILLION BUSHELS

140 —

120 —

100 —

80 —

60 —

40 —

20 —

0

MILLION BUSHELS

140 —

120 —

100 —

80 —

60 —

40 —

20 —

0

30 year average
1937-38
1966-67

10 year average
1957-58
1966-67

1963-64

1964-65

1965-66

1966-67

1967-68

1968-69

JULY

JUNE

MAY

APR.

MAR.

FEB.

JAN.

DEC.

NOV.

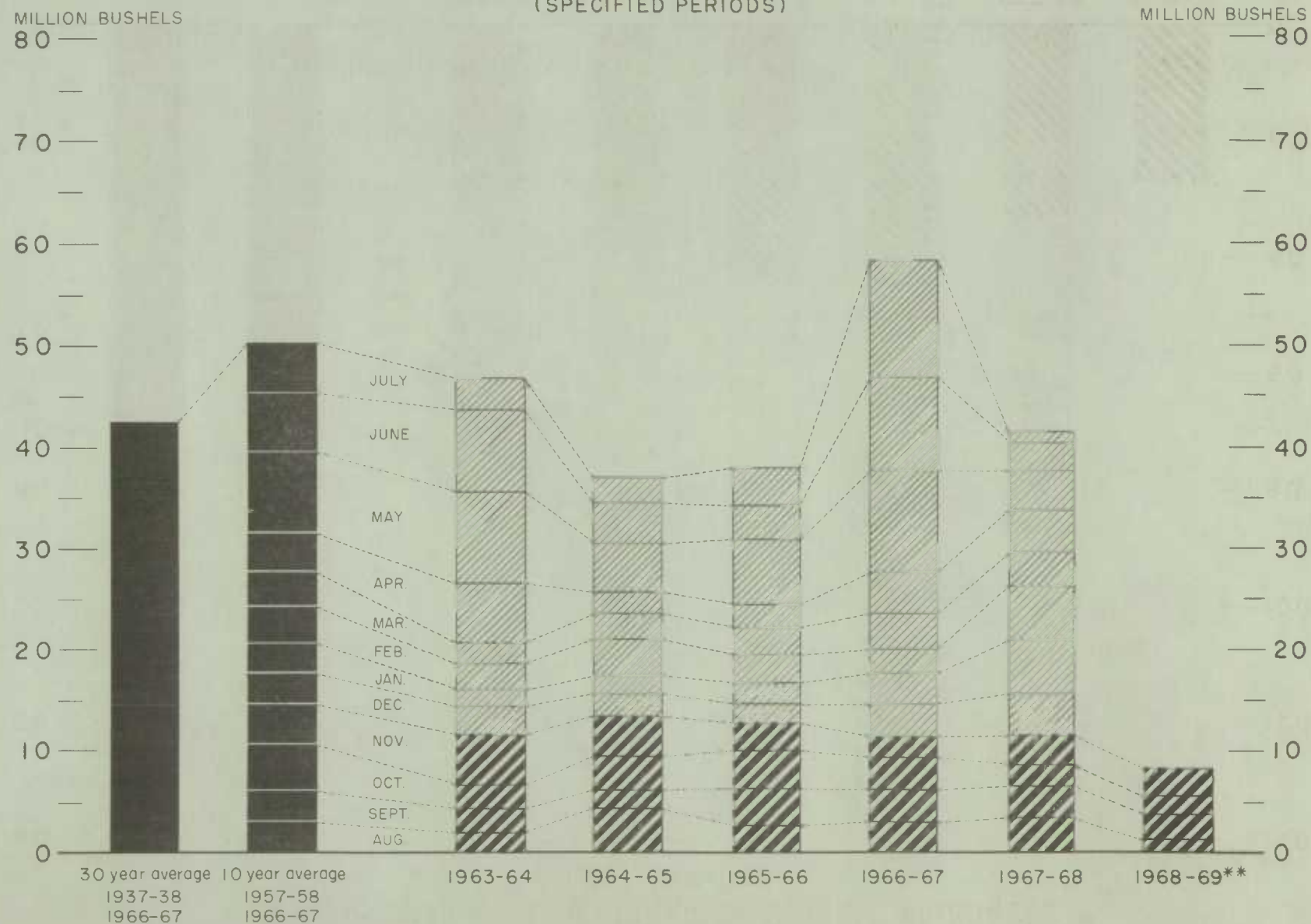
OCT.

SEPT.

AUG.

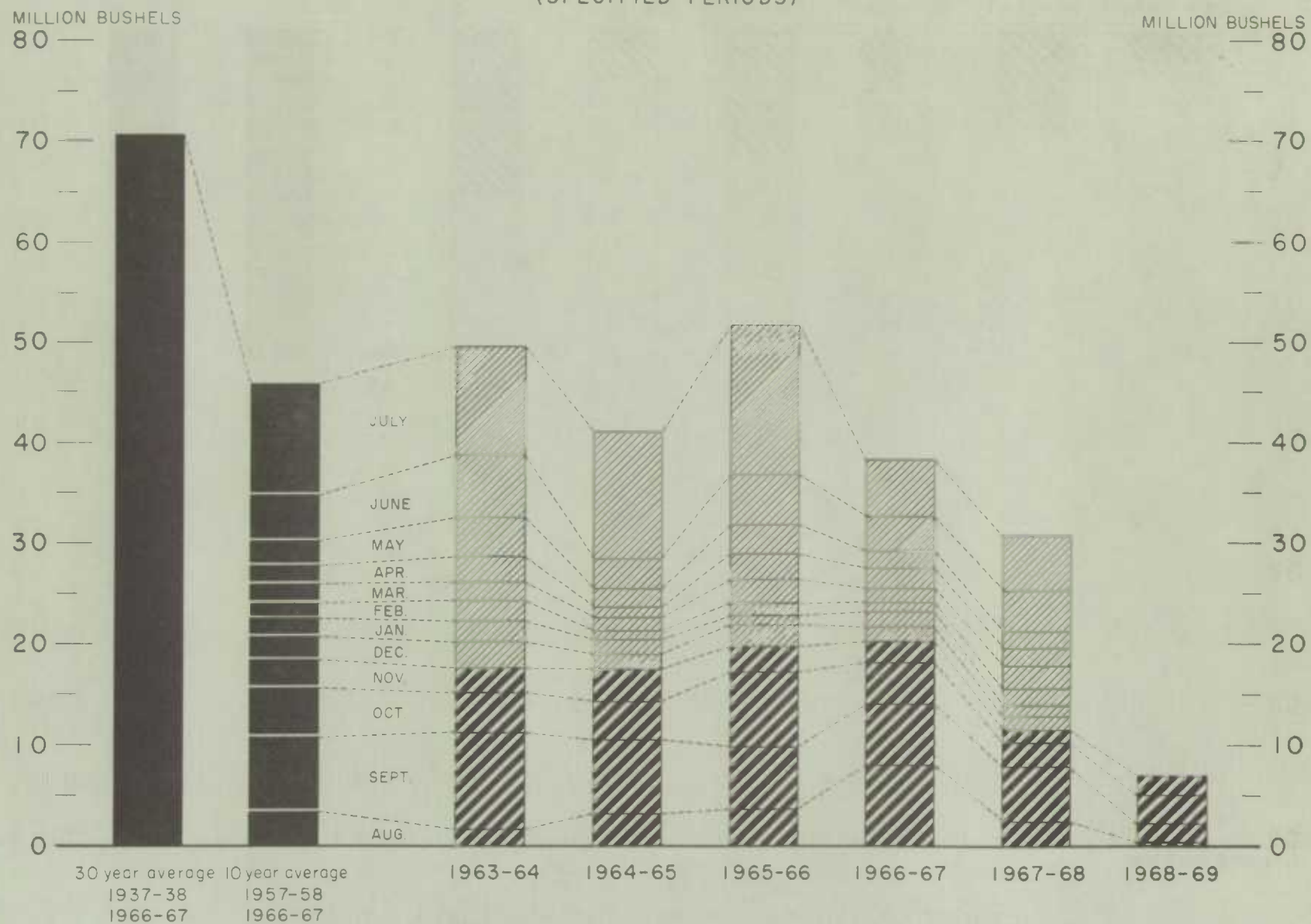
EXPORTS OF CANADIAN BARLEY AND BARLEY PRODUCTS*

(SPECIFIED PERIODS)



* In terms of grain equivalent. ** Preliminary.

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



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



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

** In terms of grain equivalent.

*** Preliminary.

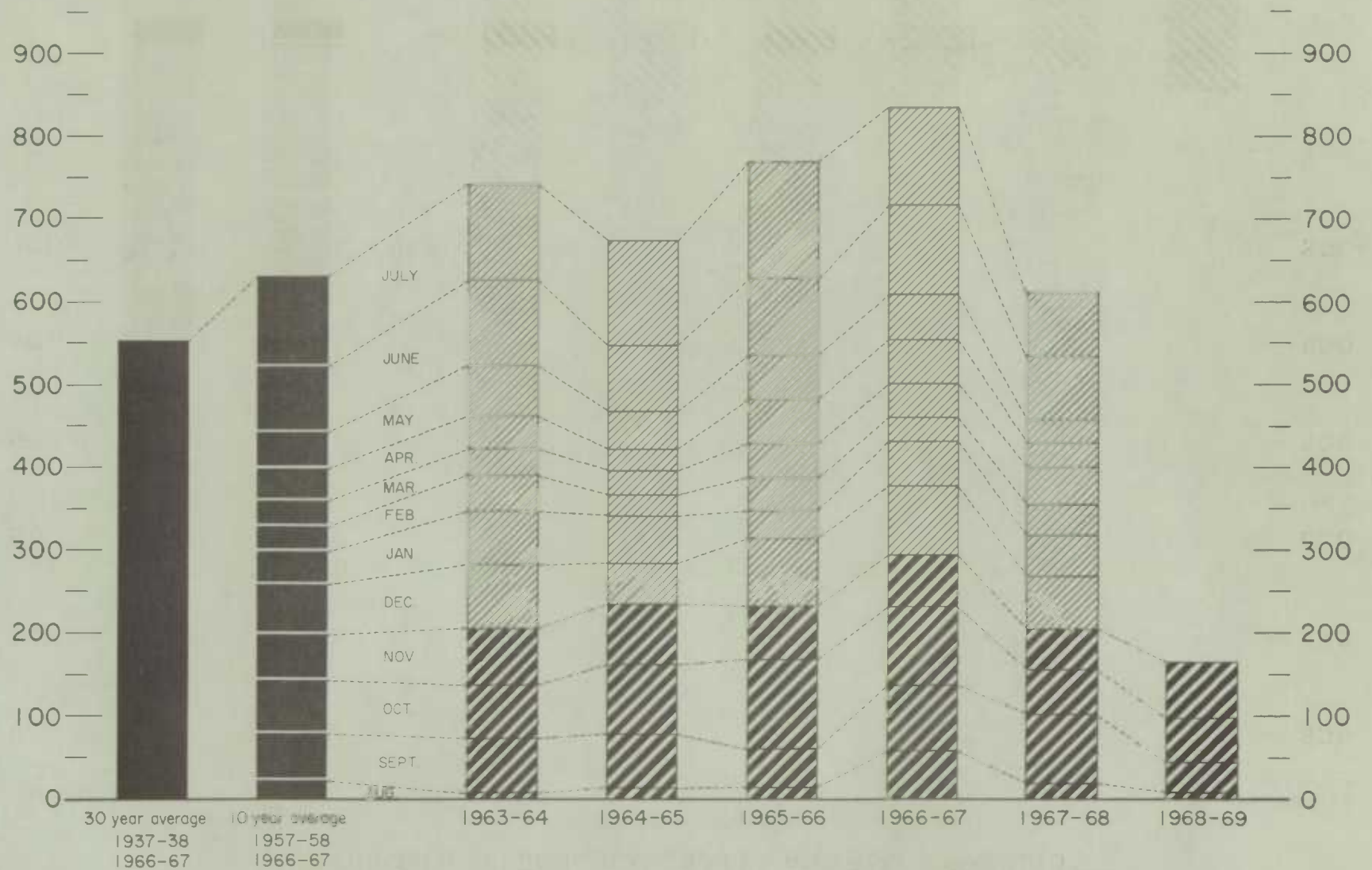
Agriculture Division D.B.S.

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

MILLION BUSHELS
1,000—

MILLION BUSHELS
1,000—

(SPECIFIED PERIODS)

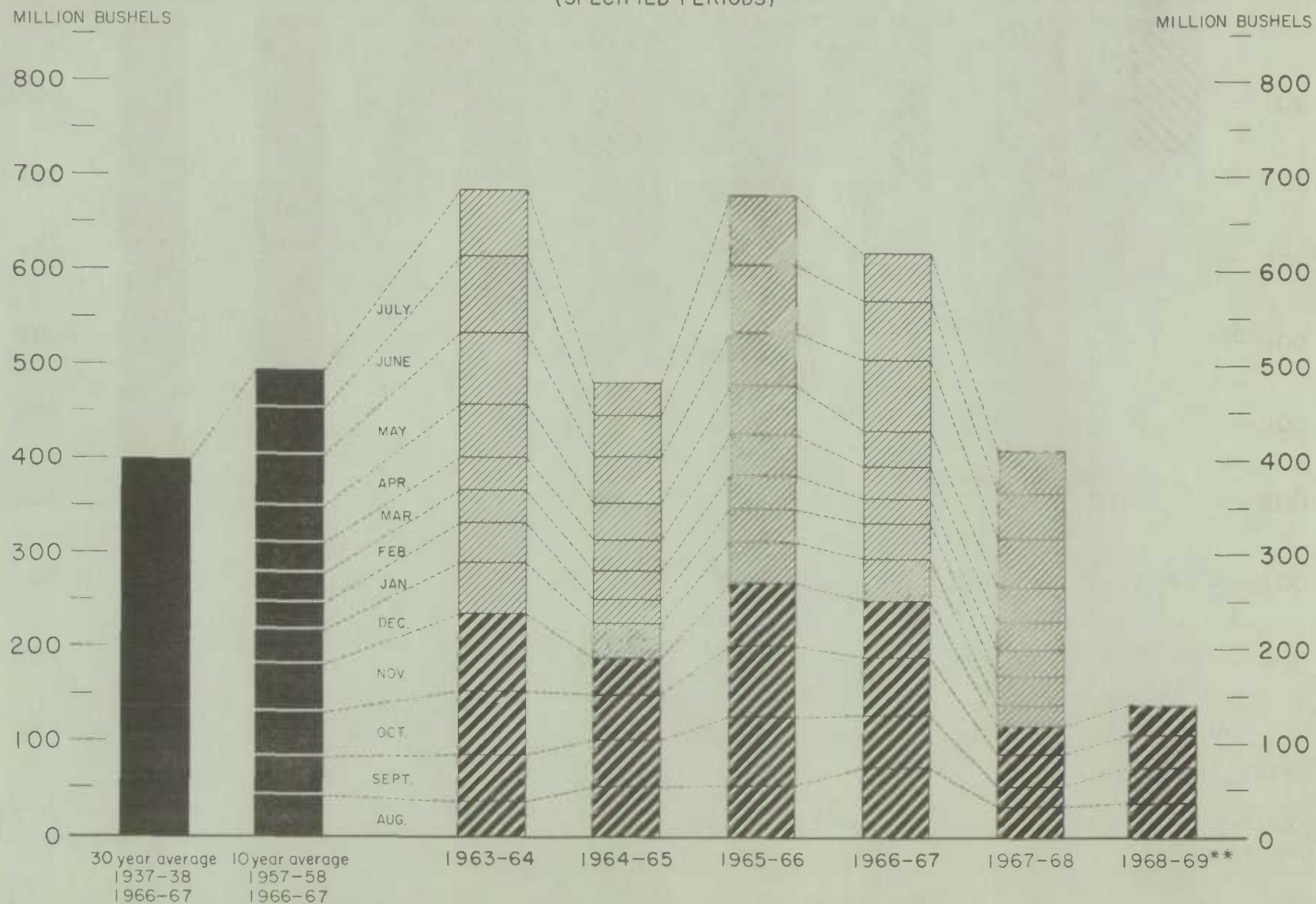


*Wheat, oats, barley, rye, flaxseed and from 1960-61 rapeseed

Agriculture Division D.B.S.

EXPORTS OF CANADA'S SIX MAJOR GRAINS AND PRODUCTS*

(SPECIFIED PERIODS)



Cumulative Exports of Canadian Wheat(1) by Destination

Destination	August - November 1968			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Western Europe</u>				
EEC :				
Belgium and Luxembourg ..	2,569,268	127,934	2,697,202	5,059,377
France	707,975	221,056	929,031	431,255
Germany, Federal Republic	4,038,498	978,179	5,016,677	10,287,498
Italy	5,438,631	3,528,780	8,967,411	5,485,455
Netherlands	1,855,515	1,529,628	3,385,143	2,946,051
Sub-totals	14,609,887	6,385,577	20,995,464	24,209,636
<u>Other Western Europe</u>				
Austria	—	316,549	316,549	404,200
Britain	24,810,935	120,207	24,931,142	23,796,562
Denmark	—	—	—	22,400
Finland	308,000	—	308,000	651,840
Ireland	227,734	—	227,734	468,932
Malta and Gozo	297,504	—	297,504	263,200
Norway	588,000	—	588,000	1,194,667
Sweden	22,400	—	22,400	—
Switzerland	1,184,399	823,164	2,007,563	1,139,094
Sub-totals	27,438,972	1,259,920	28,698,892	27,940,895
Totals	42,048,859	7,645,497	49,694,356	52,150,531
<u>Eastern Europe</u>				
Hungary	1,166,799	—	1,166,799	—
Poland	3,267,960	146,981	3,414,941	2,500,944
U.S.S.R. (Russia)	1,734,881	—	1,734,881	12,764,539
Totals	6,169,640	146,981	6,316,621	15,265,483
<u>Africa</u>				
Algeria	1,796,005	—	1,796,005	—
Congo	36,500	—	36,500	—
Ghana	220,957	—	220,957	—
Mauritania	771	—	771	—
Niger (Ivory Coast)	687,344	—	687,344	—
Nigeria	—	—	—	300,533
Republic of South Africa ..	—	—	—	901,600
Sudan	—	—	—	36,195
Tanzania	—	—	—	112,005
Totals	2,741,577	—	2,741,577	1,350,333

See footnotes at end of table.

Cumulative Exports of Canadian Wheat(1) by Destination

Destination	August - November 1968			Total same period last year ^r
	Wheat (except durum)	Durum wheat	Total wheat	
bushels				
<u>Asia</u>				
China, Communist	26,312,343	—	26,312,343	2,956,091
Hong Kong	332,081	—	332,081	411,413
India	891,242	—	891,242	128,592
Indonesia	29,394	—	29,394	—
Iraq	12,860	—	12,860	—
Japan	15,345,776	173,612	15,519,388	10,587,732
Jordan	—	—	—	12,860
Lebanon	—	—	—	8,613
Malaysia	73,547	—	73,547	147,839
Pakistan	2,753,926	—	2,753,926	875,609
Philippines	—	—	—	196,000
Singapore	38,267	—	38,267	81,013
Syria	2,020,883	—	2,020,883	29,174
Turkey	32,518	—	32,518	—
Totals	47,842,837	173,612	48,016,449	15,434,936
<u>Western Hemisphere</u>				
Barbados	40	—	40	40
Cuba	1,712,200	—	1,712,200	1,120,331
Ecuador	154,933	—	154,933	150,656
El Salvador	—	—	—	56,933
Jamaica	394,198	—	394,198	3,539
St. Lucia	187	—	187	373
Venezuela	1,447,272	1,823	1,449,095	920,082
Totals	3,708,830	1,823	3,710,653	2,251,954
Sub-totals, all countries	102,511,743	7,967,913	110,479,656	86,453,237
Seed wheat(3)			113,731	267,522
Totals, all countries	102,511,743	7,967,913	110,593,387	86,720,759

(1) Overseas clearances as reported by the Statistics Division, Board of Grain Commissioners for Canada, for all countries except the United States. Excluding seed wheat.

(2) Compiled from returns of Canadian elevator licensees and shippers and advice from American grain correspondents.

(3) Compiled from Canadian Customs returns, 1967 adjusted for time lag.

^r Revised figures.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	August 1968(1)	November 1968(2)	August-November	
			1968(2)	1967(1)
bushels				
Western Europe				
EEC:				
Belgium and Luxembourg	8,579	10,509	21,763	27,267
Italy	—	—	4,140	6,900
Netherlands	58	2,300	2,358	6,578
Sub-totals	8,637	12,809	28,261	40,745
Other Western Europe				
Britain	195,130	264,871	909,119	958,311
Denmark	—	—	460	460
Gibraltar	—	—	2,576	7,084
Greece	—	18,526	20,182	43,557
Iceland	—	—	3,386	—
Ireland	—	322	2,898	4,347
Portugal	3,742	—	12,648 ^r	37,221
Sweden	515	515	515	—
Sub-totals	199,387	284,234	951,784 ^r	1,050,980
Totals	208,024	297,043	980,045 ^r	1,091,725
Africa				
Algeria	—	15,180	65,870	—
Angola	2,300	—	4,370	7,820
Cameroun Republic	6,440	—	17,722	16,753
Congo-Kinshasa	13,800	—	13,800	15,789
Dahomey	1,116	3,873	12,473	18,821
French Africa nes	—	—	3,450	—
Gambia	—	4,600	24,219	24,024
Ghana	150,036	133,982	763,462	780,234
Guinea Republic	64,124	—	76,774	—
Ivory Coast	—	3,220	3,220	3,220
Liberia	23,244	7,610	87,970	72,901
Malawi	6,980	—	14,637	25,392
Morocco	—	—	—	17,494
Mozambique	6,044	3,061	17,917	17,958
Nigeria	—	230	230	—
Portuguese Africa nes	7,360	6,739	35,013	8,027
Republic of South Africa	—	—	—	2,151
Sierra Leone	2,588	1,511	6,564	2,723
Tanzania	—	—	—	3,450
Togo	19,113	16,986	75,493	51,014
Tunisia	—	—	—	2,222
Zambia	—	—	—	3,450
Totals	303,145	196,792	1,223,184	1,073,443
Asia				
Aden	—	—	—	6,440
Afghanistan	—	621	621	517
Bahrain	—	—	—	117
Ceylon	827,871	—	830,091	859,628
Cyprus	—	—	412	—
Hong Kong	37,301	42,971	135,157	152,196
India	—	—	230	78,660
Indonesia	57,502	191,535	249,037	—
Iran	637	290	1,822	322
Iraq	15,720	—	15,721	—
Israel	78,046	55,660	133,706	543,837
Japan	—	230	1,000	2,132

See footnotes at end of table.

Customs Exports of Canadian Wheat Flour by Countries of Consignment

Destination	August 1968(1)	November 1968(2)	August-November	
			1968(2)	1967(1)
bushels				
<u>Asia (concluded)</u>				
Jordan	—	—	—	5,072
Lebanon	171,886	—	171,886	183,069
Philippines	—	—	1,012	—
Portuguese Asia	1,012	2,024	7,073	2,024
Qatar	396	—	396	28
Saudi Arabia	—	—	—	110,004
Syria	—	—	45,545	—
Thailand	15,875	16,905	62,912	88,334
Trucial States	—	943	943	—
Totals	1,206,246	311,179	1,657,564	2,032,639
<u>Oceania</u>				
British Oceania nes	2,236	460	3,110	1,150
Fiji	667	115	1,966	1,251
French Oceania	—	—	— r	—
New Zealand	—	460	460	—
United States Oceania	3,459	—	10,359 ^r	23,000
Totals	6,362	1,035	15,895	25,401
<u>Western Hemisphere</u>				
Bahamas	21,845	20,794	88,221	97,299
Barbados	33,580	22,386	99,443	62,723
Bermuda	13,165	8,650	42,729	33,115
British Honduras	5,474	3,080	16,974	13,099
Chile	—	—	—	205
Costa Rica	—	—	—	1,835
Cuba(3)	540,374	1,047,197	3,832,375	2,571,927
Dominican Republic	—	—	23	690
Ecuador	345	—	345	—
El Salvador	—	255	487	143
French West Indies	—	—	1,842	3,838
Guatemala	1,150	—	1,150	1,150
Guyana	5,879	5,732	28,152	23,906
Haiti Republic	41,004	704	88,996	1,403
Honduras Republic	6,440	1,247	7,887	17,305
Jamaica	39,164	5,860	64,572	464,811
Leeward and Windward Is	57,265	52,889	264,567 ^r	271,437
Netherlands Antilles	10,033	11,461	36,567	60,869
Panama	690	—	1,486	25,836
Peru	—	—	9,602	15,718
Puerto Rico	—	—	—	96
St. Pierre and Miquelon	1,104	2,410	6,987	9,327
Surinam	101	1,440	3,190	4,147
Trinidad and Tobago	37,159	8,786	173,687	156,175
Venezuela	—	—	483	230
United States	47,925	54,029	191,617	141,009
Totals	862,697	1,246,920	4,961,382 ^r	3,978,293
Totals, all countries	2,586,474	2,052,969	8,838,070 ^r	8,201,501

(1) 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.

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

(3) Source - Canadian National Millers Association.
r Revised figures.

nes-not elsewhere specified.

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

Class and grade	Week ending			
	December 6	December 13	December 20	December 27
	cents and eighths per bushel			
<u>Initial payment to producers</u>				
1 Northern	170	170	170	170
2 Northern	166	166	166	166
3 Northern	162	162	162	162
4 Northern	155	155	155	155
5 Wheat	141	141	141	141
6 Wheat	137	137	137	137
Feed Wheat	133	133	133	133
1 C.W. Garnet	155	155	155	155
2 C.W. Garnet	150	150	150	150
3 C.W. Garnet	145	145	145	145
1 Alberta Red Winter	154	154	154	154
2 Alberta Winter	149	149	149	149
3 Alberta Winter	143	143	143	143
1 C.W. Amber Durum	170	170	170	170
2 C.W. Amber Durum	166	166	166	166
3 C.W. Amber Durum	162	162	162	162
<u>International Grains Arrangement</u>				
<u>and domestic sales</u>				
1 Northern	196/4	196/4	196/3	196/3
2 Northern	192	192	191/7	191/7
3 Northern	190/5	190/5	190/4	190/4
4 Northern	181/4	181/4	181/3	181/3
5 Wheat	178/4	178/4	178/3	178/3
6 Wheat	173/4	173/4	173/3	173/3
Feed Wheat	169/4	169/4	169/3	169/3
1 C.W. Garnet	180/4	180/4	180/3	180/3
2 C.W. Garnet	179/4	179/4	179/3	179/3
3 C.W. Garnet	178/4	178/4	178/3	178/3
1 Alberta Red Winter	180/4	180/4	180/3	180/3
2 Alberta Winter	179/4	179/4	179/3	179/3
3 Alberta Winter	178/4	178/4	178/3	178/3
1 C.W. Amber Durum	214/1	214/1	214	214
2 C.W. Amber Durum	212/1	212/1	212	212
3 C.W. Amber Durum	207/1	207/1	207	207
<u>(Basis in store Vancouver)</u>				
1 Northern	198/6	198/6	198/5	198/5
2 Northern	194/1	194/1	194	194
3 Northern	192/7	192/7	192/6	192/6
4 Northern	186/7	186/7	186/6	186/6
5 Wheat	184/7	184/7	184/6	184/6
6 Wheat	181/7	181/7	181/6	181/6
Feed Wheat	177/7	177/7	177/6	177/6
1 C.W. Garnet	186/7	186/7	186/6	186/6
2 C.W. Garnet	185/7	185/7	185/6	185/6
3 C.W. Garnet	184/7	184/7	184/6	184/6
1 Alberta Red Winter	186/7	186/7	186/6	186/6
2 Alberta Winter	185/7	185/7	185/6	185/6
3 Alberta Winter	184/7	184/7	184/6	184/6

CANADIAN FLOUR MILLING SITUATION

Production Wheat flour production by Canadian mills during November 1968 amounted to 3,178,000 hundredweight representing a decrease of 12 per cent from the October 1968 total of 3,620,000 hundredweight, 2 per cent less than the adjusted November 1967 figure of 3,233,000 hundredweight and 15 per cent lower than the ten-year (1958-67) average production for the month of November of 3,735,000 hundredweight. Mills reporting operations during November 1968 had a total rated capacity of 168,000 hundredweight per 24-hour day and on the basis of a 25-day working period 75.8 per cent of this rated capacity was effective.

Wheat milled for flour during November 1968 amounted to 7,184,000 bushels, 12 per cent below the 8,173,000 bushels milled during the preceding month and 1 per cent less than the 7,263,000 bushels milled during November 1967. Of the wheat milled for flour during November 1968 some 6,023,000 bushels were Western Canadian spring wheat (other than Durum) while the remainder consisted of Ontario winter wheat (692,000 bushels); Durum (396,000 bushels); and all other (73,000 bushels).

Exports According to preliminary Customs returns, exports of Canadian wheat flour during November 1968 amounted to the equivalent of 2,053,000 bushels (some 893,000 hundredweight of flour) 1 per cent less than the 2,079,000 bushels exported in October 1968 but 13 per cent greater than the adjusted November 1967 exports of 1,811,000 bushels. Flour shipments during the month went to forty-five countries with exports to Cuba amounting to 1,047,000 bushels and accounted for 51 per cent of the November total. Other leading markets for Canadian wheat flour in terms of wheat during the month, with shipments in thousands of bushels were as follows: Britain, 265; Indonesia, 192; Ghana, 134; Israel, 56; United States, 54; and Leeward and Windward Islands, 53.

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

Crop year	Wheat milled for flour	Wheat flour	
		Production	Exports(1)
	bushels		cwt.
1935-36-1939-40 average	67,845,114	29,405,451	9,603,941
1940-41-1944-45 "	99,704,638	43,908,245	23,699,546
1945-46-1949-50 "	107,330,372	47,011,540	25,819,721
1950-51-1954-55 "	100,446,328	43,847,894	21,812,041
1955-56-1959-60 "	99,148,211	39,752,589	16,349,156
1960-61-1964-65 "	91,128,177	40,834,088	15,769,803
1965-66	97,925,995	43,531,263	16,576,117
1966-67	90,084,646	39,978,571	13,848,208
1967-68	84,769,150	37,755,841	10,498,360
1968-69(2)			
August	7,337,239	3,240,492	986,867
September	6,998,651	3,098,523	1,059,361 ^r
October	8,172,604	3,620,231	903,816 ^r
November	7,184,220	3,178,288	892,595
Totals	29,692,714	13,137,534	3,842,639
Same months 1967-68 ^r	29,769,215	13,239,002	3,565,870

(1) Based on Customs returns. Exports for the crop year 1945-56-1967-68 revised to remove effect of time lag in the returns made by Customs.

(2) Subject to revision.

^r Revised figures.

UNITED STATES SITUATION

Supplies Above Reflecting increases in both production and carryover stocks, total domestic supplies of wheat in the United States for the 1967-68 Level 1968-69 crop year are currently placed 2,107.6 million bushels, 8 per cent above the previous year's total of 1,947.4 million. The 537.2 million bushels carried over at July 1, 1968 were 26 per cent above the 1967 stocks of 425.0 million while the current crop revised to an estimated 1,570.4 million, exceeded by 3 per cent the 1,522.4 million of last year's outturn. Domestic disappearance during 1968-69 is estimated at about 685.0 million bushels, 5 per cent more than the 650.1 million last year. After deducting anticipated domestic requirements for the current United States crop year, some 1,422.8 million remain available for export and for carryover, an increase of 10 per cent over the 1,297.5 million in 1967-68.

Exports Below Exports of wheat and wheat flour in terms of grain equivalent Previous Year during the period July-November 1968 amounted to 228.8 million bushels, 31 per cent less than the 330.1 million exported during the same months last year. The balance remaining on December 1, 1968 for export and for carryover was estimated at 1,194.0 million bushels compared with 967.3 million on the same date a year ago.

United States Wheat Supplies

Item	1967-68 ^r	1968-69 ^p
	million bushels	
Carryover at beginning of crop year (July 1)	425.0	537.2
Production	1,522.4	1,570.4 ^r
Total estimated domestic supplies	1,947.4	2,107.6
Imports of wheat and wheat flour in terms of wheat for domestic use, July - November	0.2	0.3
Total estimated supplies (1)	1,947.6	2,107.8
Less estimated domestic requirements for crop year(2) ..	650.1	685.0
Available for export and for carryover	1,297.5	1,422.8
<u>Deduct</u>		
Exports of wheat as grain, July - November	315.2	202.7
Exports of wheat flour in terms of wheat, July - November (3)	14.9	26.2
Total exports of wheat and wheat flour (4)	330.1	228.8
Balance on December 1 for export and for carryover ...	967.3	1,194.0

(1) Excludes imports for December - June.

(2) Includes shipments to United States Territories and wheat for military food use at home and abroad.

(3) Flour exports exclude "Milled in bond".

(4) Data include shipments for relief.

^p Preliminary figures.

^r Revised figures.

1968 Wheat Crop
Estimated at 1,570
Million Bushels

In a report released on December 19, 1968 the Crop Reporting Board of the United States Department of Agriculture stated in part that production of all wheat in 1968 was a record high 1,570 million bushels, 48 million bushels above the high in 1967 and 341 million above average. Yield per acre was also record high at 28.4, more than offsetting a decline in acreage harvested from 1967.

All wheat acreage allotment was decreased 13 per cent from the previous year to 59.3 million acres. The program had no provision for acreage diversion but permitted substitution between wheat and feed grain acreages. Harvested acres totalled 55.3 million, 6 per cent less than in 1967 but 16 per cent above average.

The 1968 winter wheat crop of 1,229 million bushels was record high, 2 per cent more than the record in 1967 and 27 per cent above average. Yield per harvested acre was also a record at 28.9 bushels per acre, 2.3 bushels per acre above last year. Planted acres totalled 49.4 million acres, 9 per cent less than 1967. Harvested acreage for grain was 42.5 million acres, 6 per cent below 1967.

Production of spring wheat other than durum in 1968 totalled 244 million bushels, 2 per cent less than the previous year but 23 per cent above the 1962-66 average. North Dakota and Montana were the only States having larger outputs than in 1967. North Dakota had the largest crop since 1944, and accounted for over half of this year's U.S. production. Yield per harvested acre at 26.4 bushels was highest of record and well above the 1967 yield of 23.5. The average is 22.7 bushels per acre. Acreage harvested totalled 9,256,000 acres, 13 per cent less than the 1967 acreage but 6 per cent more than average. Acreage planted in 1968 totalled 9,528,000, a decrease of 12 per cent from the previous year. Abandonment was 2.9 per cent of the the planted acres compared with 2.1 per cent in 1967.

Durum wheat production in 1968 totalled 97.7 million bushels, a new record and 47 per cent above 1967. Production was larger than a year earlier in each of the 5 major producing States and at a record high level in North Dakota. Seeding was completed earlier than normal and soil moisture supplies generally were favourable. Prospects improved in July as a result of generally adequate moisture and normal to below normal temperatures. One exception was northeastern Montana, where soil moisture shortages and hail damage reduced yield prospects. Harvest was delayed by rain in August and September in the northern durum States. On September 1, only 20 per cent of the crop was harvested in North Dakota, where the average is 76 per cent. In the northern States, harvest was not completed until after October 1 and quality was reduced on late harvested fields. Yield per harvested acre at 27.4 bushels was 3.3 bushels above 1967 but below the average of 27.9 bushels.

Acreage harvested totalled 3,560,000, 29 per cent more than in 1967, 54 per cent above average and the largest acreage since 1949. The increase in acreage reflected growers' reaction to better returns from the 1967 durum crop, compared with those from other spring wheat. Abandonment equaled 3.0 per cent of the planted acreage compared with 2.5 per cent a year earlier

Acreage and Production
of Winter Wheat and Rye

According to a report on "Winter Wheat and Rye" released by the Crop Reporting Board on December 20, 1968, seedings of winter wheat in the fall of 1968, for harvest in 1969, totalled 43.0 million acres, 13 per cent less than for the 1968 crop, and 6 per cent less than average. The acreage allotment for all wheat was reduced 13 per cent to

51.6 million acres for the 1969 crop. Acreage diversion payments will be offered to growers for the 1969 crop but were not offered in the two previous crop years. Declines in planted acreage from a year earlier occurred in all major winter wheat producing States. Only 2 minor producing States, Iowa and Arizona, planted the same acreage for 1968, and no State planted more acreage. The largest percentage declines were in the Southern Great Plains, South Central, East North Central, and the Atlantic Regions.

A 1969 winter wheat crop of 1,115 million bushels is expected, based on conditions as of December 1. This would be 9 per cent less than the record large 1968 crop but 7 per cent above average. On December 1, most of the United States crop was generally in good condition. In the past decade, changes in estimates of the U.S. wheat crop between December 1 and the final production estimate have averaged 69 million bushels, ranging from 3 million to 185 million bushels. Yield per seeded acre of 25.9 bushels is 1.0 bushel above 1968 and 3.0 bushels above average. December 1 conditions indicate 88.0 per cent of the seeded acreage will be harvested for grain, compared with 86.0 per cent in 1968 and the average of 85.4 per cent.

Winter wheat seeding in the Great Plains progressed ahead of a year earlier but behind the previous year. The crop is in good condition, except in western Kansas, southwestern Nebraska, eastern Colorado and in New Mexico, where dry weather has resulted in thin stands and in limited topgrowth. Seeding in Kansas started slowly this fall. September rains helped planting move rapidly toward completion in October, except in a few dry areas in the extreme west and some wet areas in the southeast and southcentral. By December 1, the crop was in good to excellent condition and well above the two previous years. However, moisture shortages within the western tiers of counties in the westcentral and southwest districts have limited fall growth, and short uneven stands have shown in some fields.

In Oklahoma, seeding progressed normally and adequate stands were obtained, except in the western half of the Panhandle. Elsewhere in the State, subsoil moisture is considered ample. The Texas crop was progressing well and furnishing fair to good grazing in most areas of the State. Recent rain and snow have improved moisture conditions over most of the State. However, dryland wheat on the Northern High Plains is in need of moisture. In western Nebraska, seeding was about usual, but was delayed in the southcentral and southeastern areas because of wet fields. The crop emerged to good stands and has good root development. However, additional moisture is needed in the far southwest counties. In Colorado, shortage of soil moisture in the fall limited growth and root development. Winter wheat in southeastern and east central Colorado has already shown some decline. In Montana seeding was virtually complete by October 18, about the same as the previous year. Considerably above average precipitation in late summer and early fall promoted good to excellent germination. About December 1 crop condition was good. From mid-August through December 1 the Pacific Northwest had above normal precipitation, greatly improving prospects for the 1969 wheat crop. Seeding conditions in Washington and Oregon were good--much improved over a year earlier. The crop is in generally good to excellent condition. Spraying for weed control was active in Washington.

Planting of wheat in the Corn Belt and Northeast generally moved more swiftly than a year earlier, when a wet fall delayed progress. In the Southeast, early seeding was delayed awaiting improved soil moisture supplies. Rains arrived with Hurricane Gladys in October enabling planting to proceed. Additional rain in

November greatly benefited the crop. Planting neared completion about December 1.

Rye seedings in the fall of 1968 totalled 4.0 million acres, 16 per cent above last year, and increasing in all regions. Sharpest increases were west of the Mississippi River, where a portion of the reduced wheat acreage was seeded to rye. Seeded acres increased 24 per cent from last year in the North Central States, 21 per cent in the South Central States and 22 per cent in the Western States. In the East increases were: 5 per cent in the North Atlantic Region and 3 per cent in the South Atlantic Region. Fall weather generally favoured seeding. Moisture was adequate for germination and fall growth of the crop was above average. Rye seeding was delayed in a few Corn Belt States, particularly Minnesota where wet soils delayed harvest of fall row crops. Early in the season parts of Nebraska were dry, but soil moisture improved from later rains. In Colorado and western Kansas, soil moisture was sufficient for germination. However, limited precipitation in the late fall resulted in some plant deterioration. Elsewhere most acreage has good stands, satisfactory growth, and is entering winter in good condition.

On December 1, reported condition of rye for harvest in 1969 was 90. It was 85 a year earlier, and the average is 86. Condition is good in the important rye for grain States. The Dakotas had a better fall moisture supply than a year earlier and nearly all rye acreage made sufficient fall growth to become well established. Essentially all rye came up to good stands in Oklahoma and Texas with much of the acreage making sufficient growth for grazing.

Japanese to Invite
Bids for U.S. Wheat

On January 14, 1969 the Japanese Government Food Agency has lifted the suspension of wheat purchases from the United States. This action means that the Food Agency will invite bids for U.S. wheat in its next tender on January 17.

At the same time the United States Department of Agriculture announced that it was giving Japan a tonnage of wheat valued at \$750,000. This action in which the U.S. trade is participating is in recognition of unforeseen circumstances, namely untimely rains in the United States Northwest during the harvest period and end-use requirements in Japan that are not part of U.S. sales contracts.

The decision to resume wheat purchases was reached during discussions that have been underway for several weeks. Representatives of the U.S. Department of Agriculture and the Food Agency will continue to work together to minimize the possibility of further difficulties.

Flour Production

According to the Bureau of the Census, United States Department of Commerce, estimated wheat flour production in November 1968 amounted to 22,067,000 hundredweight compared with 23,506,000 hundredweight the previous month and 21,046,000 hundredweight for November 1967.

Flour mills in November ground 49,082,000 bushels of wheat, compared with 53,606,000 bushels in the previous month and 47,016,000 bushels during November 1967.

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	
December 2, 1968	144 3/4		December 2, 1968	156	- 202
3	140	- 150	3	155 3/4	- 201 3/4
4	139 1/4		4	156 7/8	- 202 7/8
5	138	- 166 1/2	5	157 1/2	- 203 1/2
6	137 1/4	- 165 1/2	6	157 3/4	- 203 3/4
9	136 1/4	- 166 3/4	9	157 1/2	- 203 1/2
10	137	- 166 (1)	10	156 7/8	- 207 7/8
11	136 1/2	- 166 (1)	11	156 5/8	- 202 5/8
12	144 3/4		12	156 1/8	- 201 1/8
13	137 1/4	- 166	13	156 1/2	- 202 1/2
16	131 1/4	- 135	16	157 1/4	- 203 1/4
17	131	- 136 1/2 (1)	17	157 1/2	- 203 1/2
18	137 1/4	- 166 (1)	18	156 3/4	- 202 3/4
19	137 3/4	- 168 (1)	19	158	- 205
20	145 1/2		20	157 1/2	- 204 1/2
23	143 1/4		23	157	- 204
24	151	- 163 1/2	24	156 3/8	- 203 3/8
25	Christmas Day		25	Christmas Day	
26	138	- 167 3/4 (1)	26	156 7/8	- 203 7/8
27	138	- 167 3/4 (1)	27	156 1/2	- 203 1/2
30	138	- 168 1/2 (1)	30	156 5/8	- 203 5/8
31	144		31	156 5/8	- 203 5/8

(1) Nominal.

Chicago Wheat Futures, High Points of Closing

Date	December	March	May	July	September
	cents and eighths per bushel				
December 2, 1968	128/4	132/4	134/7	134/7	137/6
3	128	132	134/2	133/7	136/6
4	128/2	132/5	135/2	134/4	137/3
5	127/5	132	134/7	134/2	137/2
6	128/4	132/7	135/6	135/5	138/4
9	127/2	131/3	134/2	134/5	137/3
10	126	130/4	133/3	134/5	136/3
11	126/2	130/5	133/3	133/5	136/2
12	127/2	131/2	134/1	134	136/6
13	129	132/6	135/2	135	137/4
16	130/2	133/3	135/6	135/2	137/7
17	130/2	133/3	135/7	135/2	137/6
18	130/1	133/4	136/2	135	137/4
19	134	134/7	137/1	135/5	138/2
20		135/1	137/2	136/1	138/5
23		134/4	136/2	134	136/5
24		134/4	136/4	134/2	136/6
25	Christmas Day				
26		135/2	137/3	134/2	136/5
27		134	136/2	133/6	136/2
30		134/4	136/7	134	136/4
31		135/4	137/7	134/4	136/6

AUSTRALIAN SITUATION

Wheat Supplies
Decline from
Previous Year

Disposition of Australian wheat supplies during the crop years (December-November) 1966-67 and 1967-68 is set out in the accompanying table. Total supplies of wheat in Australia for the 1967-68 crop year were estimated at 357.8 million bushels, 26 per cent less than the 483.2 million in 1966-67, reflecting the effect of a sharp decline in production, which more than offset a substantial increase in carryover stocks. The 1967 harvest, estimated at 277.4 million bushels, was 41 per cent below the previous record of 466.6 million bushels harvested in 1966-67. Carryover stocks, at a record 80.4 million bushels, exceeded by a wide margin the 16.6 million at December 1, 1966. After deducting some 102.0 million bushels for anticipated domestic requirements, an estimated 255.8 million were available for export and for carryover during 1967-68, some 35 per cent below the 393.7 million in 1966-67.

Exports Lower
than Previous Year

Combined exports of wheat as grain and wheat flour in terms of grain equivalent during the 1967-68 Australian crop year amounted to 205.5 million bushels, 34 per cent less than the 313.3 million exported during 1966-67. The preliminary estimate places carryover stocks at December 1, 1968 at 50.3 million bushels in contrast to 80.4 million at the same date a year ago.

Australian Wheat Supplies

Item	1966-67 ^r	1967-68 ^p
	million bushels	
Carryover, including flour as wheat, at beginning of crop year (December 1)	16.6	80.4
Production	466.6	277.4
Total estimated domestic supplies	483.2	357.8
Less estimated domestic requirements for crop year	89.5	102.0
Available for export and for carryover	393.7	255.8
<u>Deduct</u>		
Exports of wheat as grain, December 1 — November 30 ..	294.0	186.2
Exports of wheat flour in terms of wheat, December 1 — November 30	19.3	19.3
Total exports of wheat and wheat flour	313.3	205.5
Balance on December 1 for export and for carryover	80.4	50.3

^p Preliminary figures.

^r Revised figures.

The following information relative to the Australian situation has been extracted from a report from Mr. W. Boychuk, Assistant Commercial Secretary for Canada, Canberra, under date of December 13, 1968 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.

The 1968-69 wheat crop. — Harvesting of this year's crop is nearly completed in Queensland and Northern New South Wales, and well advanced across the southern wheat belt. Crop estimates by the Bureau of Agricultural Economics have not changed significantly over the estimate of 521 million bushels of last month: New South Wales is still expected to harvest about 210 million bushels, the Victorian forecast is up 5 million to 80 million bushels, whereas estimates for Western Australia and South Australia are down slightly due to hot and windy pre-harvest conditions. An official estimate for the 1968-69 crop is not expected until about the first week of January

The harvest is well advanced compared with similar periods in previous years. Reasons for the quick intake in Queensland and New South Wales were the hot dry weather, increased silo and storage capacity, and the availability of new temporary storage. Only 20 or 40 of the 260 receival sites in New South Wales were still open by December 6.

A significant feature of the new crop in New South Wales is the record quantity of premium wheat. Following are figures for receivals as of December 3, 1968, as released by the New South Wales Grain Elevators Board:

	<u>million bushels</u>	<u>per cent</u>
F.A.Q.	45.6	65.3
Premium	19.8	28.3
Off-grade	4.5	6.4
Totals	<u>69.9</u>	<u>100.0</u>

The previous record for intake of prime hard wheat on December 3 was 12.9 million bushels in 1966-67.

The premium wheat in New South Wales is being received and segregated at designated country stations. As announced in November by the New South Wales State manager of the Australian Wheat Board in arrangement with the Premium Wheat Grower's Association, the wheat accepted at these stations must:

- be of uniform vitreous appearance, and individual deliveries must not contain more than 10 per cent of bleached, mottled or soft grains;
- not contain more than five per cent of unmillable material and otherwise be at least equal to the f.a.q. in respect of the bushel weight, percentage of foreign matter, weed seeds, and moisture content;
- have a minimum protein content, determined by the Premium Wheat Grower's Association Ltd., of 12 1/2 per cent;
- be of these varieties only, to be declared by the grower at time of delivery: Gala, Gamut, Gamenya, Mendos, Spica, Timgalen, Windibri and Winglen.

Several additional stations have been designated for segregation of high protein wheat of 14 per cent and over.

Mr Hodgson, Chairman of the New South Wales Grain Elevators Board stated last week that receivals had proceeded smoothly so far, that he had never seen a cleaner sample of grain and that the grain was unusually dry. Bushel weight was not as high as in some years. The protein content of prime hard wheat is reported to be 'quite high'.

There have been no reports from Queensland.

Production controls on wheat. — In reply to a question in Parliament, referring to fears by traditional wheatgrowers that the entry into the industry of large scale farming enterprises was threatening future wheat prices under the wheat stabilization scheme, Mr Anthony, Minister for Primary Industry, emphasized again that production control was a matter for the States:

'I have, along with leaders of the industry, pointed out the dangers of undue expansion of production and I have pointed out that under the Constitution, the Commonwealth Government can do little to control production.

'The right to take such action lies in the hands of the State governments. This is a problem for the growers in conjunction with the State governments. They must face up to the problem and resolve it themselves if production continues to expand.'

Some press reports indicate that despite the Government's 'Hands-off' attitude the Australian Wheatgrowers Federation has not changed its plans to discuss production controls at a special meeting of the executive early in the new year.

Warning over first advance. — In announcing the Government's decision last month to maintain the level of the first advance for 1968-69 at A.\$1.10 (\$1.32 Canadian) per bushel, Mr Anthony publicly warned the wheat industry not to take future payments at this level for granted. Last week the Minister said in another public statement that it may be impossible to make a first advance of A.\$1.10 (\$1.31 Canadian) a bushel next year if Australia had a big carryover and another big crop in 1969.

Wheat stabilization scheme 1968-69 to 1972-73. — The fifth five-year Wheat Stabilization Scheme, to operate from 1968-69 season, has now been approved by all State governments and has been passed by both Houses of the Commonwealth Parliament with no changes. The first wheat cheques representing the First Advance Payment of A.\$1.10 (\$1.31 Canadian) per bushel (less freight) under the New Scheme were received by farmers last week.

The principal features of the new plan were set out in the October Wheat Review. At the end of this report is a brief summary, prepared by Primary Industry officials, of the important changes from the earlier plan.

Windfall in wheat sales to Japan. — Australia has been cashing in successfully on the Japanese market as a result of a reported dispute over wheat quality between the U.S.A. and the Japanese Food Agency.

On November 27, the Japanese bought 62,000 metric tons (2,278,000 bushels), 43,500 tons (1,598,000 bushels) f.a.q. and 18,500 tons (680,000 bushels) Queensland prime, for January shipment. On December 9 the Japanese Food Agency called tenders for another 212,000 tons (7,790,000 bushels) from Australia to be delivered early next month. The actual amount on this latest Australian tender, as announced on December 12, was 203,000 tons (7,459,000 bushels). In total Japan has bought 325,000 tons (11,942,000 bushels) of Australian wheat in recent weeks, nearly half of the total Australian shipments to Japan in the year ended November 30. Mr L.H. Dorman, General Manager of the Australian Wheat Board, stated after announcing the latest

Japanese purchase:

'Of the latest sales, 170,000 tons (6,246,000 bushels) will displace American wheat below Japanese quality standards.

'And these sales are not merely fortuitous. They could consolidate our position in Japan, already our second market after mainland China.'

Brief summary of changes in new wheat stabilization scheme. —

- (1) The initiation of a two-price scheme with a domestic or home consumption price at A.\$1.71 (\$2.04 Canadian) per bushel f.o.r. ports of export for the current year and a guaranteed price for a limited quantity of exports of A\$1.45 (\$1.73) per bushel f.o.b.
- (2) Departure from the cost of production concept as a basis, for determination of the guaranteed price.
- (3) An increase in the quantity of exports covered by the guaranteed price to 200 million bushels from the wheat of any season. The quantity has been 150 million bushels for the last five seasons and was 100 million bushels in earlier years.
- (4) Both the home consumption price and the guaranteed price in earlier years have been varied according to changes in the assessed cost of production. In this new scheme annual variations will be based on changes in cash cost elements in the guaranteed price. There will no longer be any adjustment for imputed costs such as interest on the capital value of farm properties.

The same annual adjustments will apply to the home consumption price but in addition this may be varied to some degree by the so-called freight to Tasmania loading. By agreement among all the States 1 cent per bushel is added to the home consumption price on all wheat sold in Australia. This loading does not affect returns to growers but is to cover the cost of moving wheat from mainland ports to Tasmania which does not produce enough for its requirements. The amount may be varied up or down as circumstances require. In recent years it has been 1.5 cents (about 2 cents) per bushel.

The new home consumption price is 5.5 cents (7 cents) per bushel higher than last season's price. The guaranteed price, however, has been reduced by about 22.5 cents (27 cents). As the guaranteed price is no longer related to cost of production it has been possible to fix it on an f.o.b. basis rather than on an f.o.r. basis as it has been previously. It thus comes into line with the basis of export pricing.

- (5) The operation of the Wheat Prices Stabilization Fund is basically unchanged but the export charge will be imposed only to the extent that export returns are more than 5 cents (6 cents) per bushel above the guaranteed price. There will still be a ceiling of 15 cents (18 cents) per bushel on the charge. The ceiling on the Stabilization Fund is raised from A.\$60 million to A.\$80 million (\$72 million to \$96 million Canadian).

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 — November 30, 1967-68 and Corresponding Period 1966-67

Destination	Wheat		Wheat flour	
	1966-67	1967-68	1966-67	1967-68
thousand bushels				
<u>Western Europe</u>				
EEC:				
Belgium	605	384	-	-
Germany, Federal Republic ..	1,719	105	-	-
Netherlands	3,348	4,579	-	-
Sub-totals	5,672	5,068	-	-
<u>Other Western Europe</u>				
Britain	18,425	24,186	691	461
Ireland	1,528	1,572	-	-
Malta	367	730	-	-
Norway	4,370	2,031	-	-
Switzerland	83	10	-	-
Sub-totals	24,773	28,529	691	461
Totals	30,445	33,597	691	461
<u>Africa</u>				
Malawi	-	-	306	288
Mauritius	-	-	766	691
Mozambique	1,856	532	41	-
Rhodesia	2,458	3,354	-	-
South Africa	9,282	-	-	-
Sudan	951	418	-	-
Zambia	1,379	2,159	381	105
Others	20	13	117	364
Totals	15,946	6,476	1,611	1,448
<u>Asia</u>				
Aden	2,023	1,166	-	-
Aden and Aden I/T	-	-	583	280
Aden and Aden I/T Atta	-	-	373	201
Arabian Gulf	-	-	82	79
Arabian Gulf Atta	-	-	964	856
Ceylon	11	437	8,482	7,407
China	112,209	65,670	-	-
Hong Kong	3,145	3,969	39	79
India	28,273	9,119	-	-
India Atta	-	-	777	-
Indonesia	-	-	1,836	3,765
Iran	1,107	-	-	-
Iraq	8,717	2,744	-	-
Japan	18,091	26,539	-	-

Exports of Australian Wheat and Wheat Flour in Terms of Wheat
December 1 - November 30, 1967-68 and Corresponding Period 1966-67

Destination	Wheat		Wheat flour	
	1966-67	1967-68	1966-67	1967-68
thousand bushels				
<u>Asia (concluded)</u>				
Korea North	3,953	-	-	-
Kuwait	2,859	2,503	-	-
Lebanon	6,243	1,746	-	-
Okinawa	41	-	-	-
Pakistan	19,277	-	-	-
Philippines	938	303	117	140
Saudi Arabia	3,819	681	172	244
Taiwan	769	764	-	-
Thailand	1,139	1,491	280	240
<u>Malaysia</u>				
Malaya	8,927	11,212	28	-
Sabah	-	-	-	20
Sarawak	-	-	31	34
Singapore	7,372	8,869	20	2
Others	1,074	534	128	164
Totals	229,987	137,747	13,912	13,511
<u>Oceania</u>				
New Zealand	2,369	1,090	-	-
<u>Western Hemisphere</u>				
Brazil	7,513	-	-	-
Chile	5,818	3,686	-	-
Peru	1,844	3,527	1	-
West Indies Area	-	-	377	565
Totals	15,175	7,213	378	565
<u>Pacific Area and Sundries</u>				
Pacific Islands	73	76	2,568	3,181
Ship's Stores and Sundries	-	-	139	135
Totals	73	76	2,707	3,316
Totals, all countries	294,000	186,200	19,300	19,300

ARGENTINE SITUATION

Wheat Supplies Disposition of Argentine wheat for the crop years (December-
Higher Than November) 1966-67 and 1967-68 appears in the accompanying table.
Previous Year Total supplies of wheat in Argentina for the 1967-68 crop year
were estimated at some 285.3 million bushels, 13 per cent more than
the previous year's level of 253.1 million, reflecting increases in both carryover
and production. December 1 carryover stocks increased from 13.8 million in 1966 to

16.4 million at December 1, 1967 and the 1967 production, at 269.0 million was higher than the previous year's 234.4 million bushels. After making an allowance of 155.3 million bushels for anticipated domestic requirements, an estimated 130.0 million were available for export and for carryover as against 102.2 million in 1966-67.

Exports Slightly
Below Last Year

Exports of wheat and wheat flour in terms of wheat equivalent during the 1967-68 crop year amounted to 83.1 million bushels, 3 per cent less than the 85.8 million exported in the 1966-67 crop year. The preliminary estimate places carryover stocks at December 1, 1968 at some 46.9 million bushels, sharply above the December 1, 1967 figure of 16.4 million.

Argentine Wheat Supplies

Item	1966-67 ^r	1967-68 ^p
	thousand bushels	
Carryover at beginning of crop year (December 1) (1) ...	13.8	16.4
Production	234.4	269.0 ^r
Total estimated domestic supplies	248.2	285.3
Imports, December - November	4.9	-
Total estimated supplies	253.1	285.3
Less estimated domestic requirements for crop year	150.9	155.3 ^r
Available for export and for carryover	102.2	130.0
<u>Deduct</u>		
Exports of wheat as grain, December - November	85.6	82.5
Exports of wheat flour in terms of wheat, December - November	0.2	0.6
Total exports of wheat and wheat flour	85.8	83.1
Balance on December 1 for export and for carryover	16.4	46.9

(1) Includes allowances for farm stocks.

^p Preliminary figures.

^r Revised figures.

The following account of the Argentine situation has been extracted from a report from Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) Buenos Aires, under date of December 23, 1968 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.

Wheat. - Temperatures have been abnormally high since the last week of November and as a result the condition of the wheat crop has deteriorated considerably.

In mid-November wheat production was unofficially estimated to be about nine million tons. On December 6, the Secretariat of Agriculture and Livestock issued the first official estimate of wheat production for 1968-69 of 8.2 million metric tons (301.3 million bushels), or 12 per cent more than the production in the 1967-68 crop year of 7,320,000 tons (269.0 million bushels). It was officially estimated

that the production of Candear and Tanganrock (Durum) varieties accounted for 640,000 tons (23.5 million bushels) of the total production for 1968-69.

The official estimates of area sown to wheat and production for 1968-69, by province, are as follows:

	<u>Seeded area</u>	<u>Harvested area</u>	<u>Production</u>	<u>Yield per harvested area</u>
	thousand acres		thousand bushels	bushels per acre
Buenos Aires	8,914	8,204	180,000	21.9
Santa Fe	1,830	1,741	35,200	20.2
Cordoba	2,253	2,025	34,300	16.9
La Pampa	2,018	1,885	32,100	17.0
Entre Rios	1,066	881	14,900	16.9
Others	386	289	4,800	16.6
Totals	16,467	15,026	301,300	20.1

It is estimated that of the 6,666,600 hectares (16.5 million acres) sown to wheat, 6,083,500 hectares (15.0 million acres) will be harvested while 583,100 hectares (1.4 million acres) or 8.7 per cent of the seeded area, have been pastured. The intense temperatures have continued since the official estimate was released, particularly in the province of La Pampa and the southern part of the main wheat growing province of Buenos Aires where harvesting is just beginning. The private grain trade is now estimating a crop of only 7.0 to 7.5 million metric tons (257.2 million to 275.6 million bushels), including about 600,000 tons (22.0 million bushels) of Durums.

The base index price for bread wheat to areas bordering the Pacific and Indian Oceans has been increased from U\$S 55 to U\$S 56 (\$59 to \$60 Canadian) while the base index price for Durums has been increased from U\$S 60 to U\$S 62 (\$64 to \$67). On shipments to all other destinations the base index prices for bread wheats and Durums have been increased to U\$S 59 and U\$S 65 (\$63 and \$70), respectively.

Export taxes on wheat totalling 11.3 per cent are levied on these base index prices. Thus, taxes on bread wheats and Durums to areas bordering the Pacific and Indian Oceans are now U\$S 6.33 and U\$S 7.01 (\$6.79 and \$7.52) and to other destinations U\$S 6.67 and U\$S 7.35 (\$7.16 and \$7.89), respectively. The Argentine Government abolished the export retention tax of 12 per cent on wheat flour effective November 6. This tax had been levied on the base index price for wheat flour of U\$S 90 per metric ton (\$4.38 per cwt.). The fixed export taxes on wheat flour totalling 2.8 per cent of the base index price are unchanged. Thus, total export taxes on wheat flour now amount to U\$S 2.52 (12 cents per cwt.).

An agreement has been reached between Argentina and Brazil for the supply and purchase of three million metric tons (110,230,000 bushels) of Argentine wheat in lots of one million tons (36,743,000 bushels) per year in each of the next three years. As a concession to access on this scale, the Argentines have agreed that sales will be made at prices below the general market level. In all cases, however, the minimum prices established under the International Grains Arrangement will be respected. The first contract under this long-term agreement is for 250,000 tons

(9,186,000 bushels) of wheat to be shipped during the first quarter of 1969. The sale of 117,000 metric tons (4,299,000 bushels) of Argentine wheat to India was the only other recent business of major interest.

Hard bread wheat prices during November fell from 1,480 to 1,450 pesos per 100 kilos (\$1.24 to \$1.21 per bushel) f.o.r. Buenos Aires but recovered to 1,480 pesos (\$1.24 per bushel) again by the end of the month. Prices at Bahia Blanca fell from 1,550 to 1,460 pesos (\$1.29 to \$1.22 per bushel). By December 21 bread wheat prices had risen sharply to 1,600 pesos per 100 kilos (\$1.34 per bushel) at Buenos Aires and 1,580 pesos per 100 kilos (\$1.32 per bushel) at Bahia Blanca as a result of the deterioration in the condition of the wheat crop. Also at December 21, prices on the Buenos Aires Futures Exchange were 1,596 pesos per 100 kilos (\$1.33 per bushel) for January delivery; 1,623 (\$1.35 per bushel) for February; 1,660 (\$1.39 per bushel) for March and 1,683 (\$1.41 per bushel) for April.

Candéal (Durum) prices during November rose from 1,920 to 1,970 pesos per 100 kilos (\$1.60 to \$1.64 per bushel) f.o.r. Buenos Aires and from 1,990 to 2,000 pesos (\$1.66 to \$1.67 per bushel) at Bahia Blanca. By December 21, Durum prices were 2,050 and 2,130 pesos per 100 kilos (\$1.71 and \$1.78 per bushel) f.o.r. Buenos Aires and Bahia Blanca, respectively.

Argentine Wheat Exports December - October 1967-68 and 1966-67

Destination	October		December-October	
	1967	1968	1966-67	1967-68
thousand bushels				
<u>Western Europe</u>				
EEC:				
Belgium and Luxembourg	-	225	756	401
France	-	131	2,737	1,279
Germany, Federal Republic . . .	-	-	799	33
Italy	122	1,458	10,187	16,757
Netherlands	-	149	6,468	1,003
Sub-totals	122	1,963	20,947	19,473
<u>Other Western Europe</u>				
Britain	9	-	7,866	1,609
Denmark	-	-	-	16
Norway	-	-	498	37
Portugal	-	-	1,502	376
Sweden	-	-	-	29
Switzerland	-	-	375	7
Sub-totals	9	-	10,241	2,074
Totals	131	1,963	31,188	21,547
<u>Eastern Europe</u>				
Hungary	-	-	480	22

Argentine Wheat Exports December - October 1967-68 and 1966-67

Destination	October		December-October	
	1967	1968	1966-67	1967-68
thousand bushels				
<u>Africa</u>				
Algeria	-	-	795	351
Angola	-	-	459	-
Totals	-	-	1,254	351
<u>Asia</u>				
China	-	-	-	370
Cyprus	-	-	381	-
India	-	-	184	-
Japan	-	149	-	149
Viet-Nam	-	-	-	184
Totals	-	149	565	703
<u>Western Hemisphere</u>				
Bolivia	-	-	280	855
Brazil	-	5,478	33,175	30,044
Chile	-	265	2,083	4,133
Colombia	-	-	1,575	1,521
Paraguay	42	-	1,870	1,517
Peru	-	1,034	8,838	11,615
Uruguay	18	-	19	523
Totals	60	6,777	47,840	50,208
Totals, all countries ..	192	8,889	81,326	72,832

CALENDAR OF WHEAT EVENTS

- December 13 According to a report received from Mr. W. Boychuk, Assistant Commercial Secretary for Canada, Canberra, harvesting of this year's crop in Australia is nearly completed in Queensland and Northern New South Wales, and well advanced across the southern wheat belt. Crop estimates by the Bureau of Agricultural Economics have not changed significantly over the estimate of 521 million bushels of last month.
- 20 The 1968 season of navigation closed at the Canadian Lakehead.
- 23 A report released from Mr. S.E. Kidd, Assistant Commercial Secretary (Agriculture) Buenos Aires, stated that the Secretariat of Agriculture and Livestock on December 6 issued the first official estimate of wheat production in Argentina for 1968-69 of 8.2 million metric tons (301.3 million bushels) or 12 per cent more than the production in the 1967-68 crop year of 7.3 million tons (269.0 million bushels).

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