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AGRICULTURAL BRANCH

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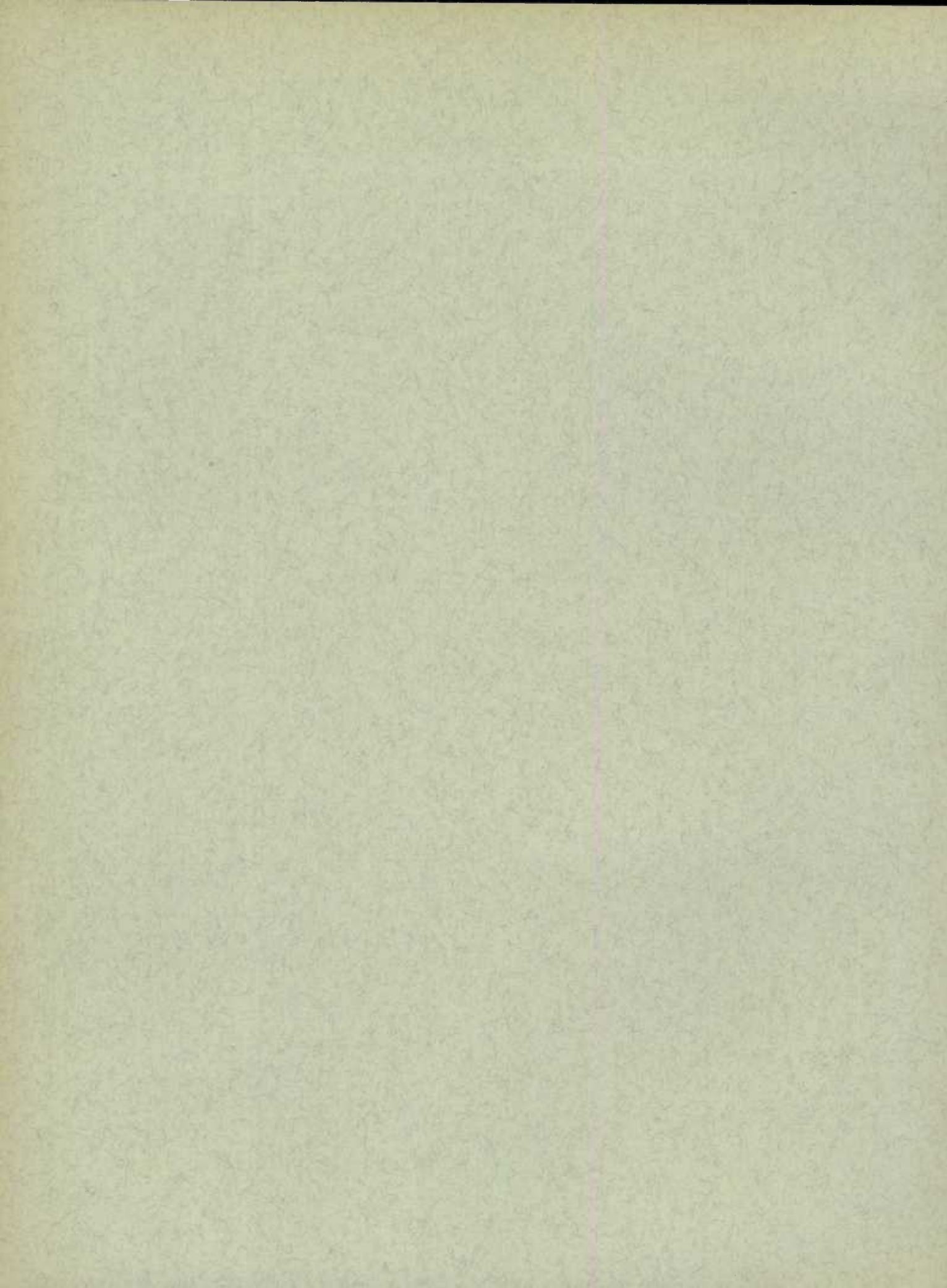
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MONTHLY REVIEW
OF THE
WHEAT SITUATION

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THE WHEAT SITUATION -- SUMMARY

The development of 1934 wheat crops in Europe and North America continues to provide the chief interest in the world wheat situation at the present time. The United States has again experienced unfavourable growing weather and a small winter wheat crop and a small spring wheat crop are in prospect. On June 8, the United States Department of Agriculture issued a crop report showing conditions as at June 1st., and indicating probable production. At that time the winter wheat crop was estimated at 400 million bushels. During the month of May prospects for winter wheat production declined 13 per cent and the estimate of the crop was reduced by 61 million bushels. Winter wheat production for 1934, according to the June eighth report will be somewhat higher than the small crop of 351 million bushels harvested in 1932, but will be 37 per cent below average production for the five-year period from 1927 to 1931 if the June estimate is justified. During the month of May conditions in the United States were extremely unfavourable in the Central and Northern Great Plains area as well as in the Western States. The combination of drought and high temperatures caused the wheat crop to ripen prematurely over a large area.

Adverse factors have been working in the United States spring wheat area during the present season and on June 1st. the condition of spring wheat crop was given at 41.3 per cent of normal as compared with 84.9 per cent on the same date last year. Dealing with spring wheat prospects the United States Department of Agriculture stated in its June report -

"Up to June 1, 1934 the spring wheat crop was subjected to the most unfavorable conditions ever experienced thus early in the season. In the central portion of the spring wheat area, including the Dakotas, Eastern Montana and Western Minnesota, an accumulated deficiency of moisture was accentuated by short rainfall during May and the situation was further aggravated by abnormally high temperatures and frequent dust storms. As a result, a part of the intended acreage was not seeded, and considerable acreage was lost either through failure to germinate or through death of the young plants after germination.

"Considering the loss of acreage and the very low condition of the remaining acreage, June 1 indications point to a crop of only about 100,000,000 bushels."

The 1934 spring wheat crop of Canada was sown under adverse conditions and on a reduced acreage. The month of May proved very unfavourable for crop development and the condition of cereal crops in the Prairie Provinces at May 31 was decidedly low. Drought, soil-drifting and grasshoppers attacked the crop in its early stages over large sections of Manitoba, Saskatchewan and Alberta.

During the first week in June weather conditions changed radically and the three Prairie Provinces received relief in the form of moisture supplies. Heavy rains and showers were received steadily throughout the first two and one-half weeks of June and the crop situation was materially improved. Cool, wet weather tended to hold the grasshoppers in check while new growth was added to young plants. In spite of improved conditions, however, the unfavourable factors experienced during the month of May have left their impression upon the crop in the southern areas of the three Prairie Provinces.

Many complaints have been received in respect to crop conditions in Europe and it is evident that 1934 production is going to be somewhat lower than production in 1933. The Danubian countries have suffered from drought and production will be smaller this year, especially in Roumania. Drought reports have also been received from Germany, Poland, Yugoslavia and Czechoslovakia and Austria. Wheat production in France this year will be considerably lower than 1933, owing to abandonment and heavy winter-killing in some areas. Private reports indicate that southern wheat areas in Russia have suffered from drought and that production will be smaller than last year. Taking Europe as a whole it appears that 1934 production will be considerably lower than production in 1933. Part of the reduction in production will be offset by increased carry-overs at the end of the present crop year in France and Germany.

World trade in wheat continues on a small scale. From August 1, 1933 to June 18, 1934 world shipments amounted to 462 million bushels as compared with 556 million bushels during the corresponding period of 1932-33. North American shipments amounted to 196 million bushels as compared with 266 million bushels during the same period in the preceding cereal year.

During the ten months from August to May, exports of Canadian wheat and wheat flour amounted to 159,553,798 bushels as compared with 226,264,400 bushels during the corresponding months of 1932-33.

Primary receipts have been relatively heavy during the past few weeks. From August 1, 1933 to June 8, 1934, country deliveries of wheat amounted to 209 million bushels as compared with 347 million bushels during the same period in the preceding crop year.

On June 15, 1934 a total of 197 million bushels of Canadian wheat were in store in Canada and the United States. At the same time last year stocks in store amounted to 192 million bushels.

During the month of May the cash price for No. 1 Northern Wheat at Winnipeg averaged 70.6 cents per bushel as compared with 65.5 cents per bushel during April. On June 19 No. 1 Northern Wheat closed at 77.5 cents per bushel as compared with 66.2 cents per bushel on the same date a year ago.

THE WORLD WHEAT SITUATION

The crop year 1933-34 is nearing its end. The season commenced with very poor prospects for world trade in wheat due to an abundance of wheat in normally importing countries. As the crop year advanced, trade remained at a low level and at the conclusion of forty-six weeks, shipments have averaged ten million bushels per week. From August 1, 1933 to June 18, 1934 world shipments of wheat and flour amounted to 462 million bushels as compared with 556 million bushels shipped during the corresponding period of 1932-33.

On the commencement of the present cereal year it was estimated that world trade in wheat would amount to 550 or 560 million bushels. At that time the estimates of import requirements seemed unduly low as compared with the volume of shipments in preceding years. However, European wheat crops harvested in 1933 proved even more abundant than at first estimated and world trade in wheat soon fell below the levels required to justify the low estimates made early in the season. With six weeks remaining, it now appears that shipments during 1933-34 will range between 520 and 530 million bushels - the lowest for many years.

From August 1, 1933 to June 18, 1934 shipments of wheat and wheat flour from North America have amounted to 196 million bushels as compared with 266 million bushels shipped during the corresponding period of 1932-33. Canadian exports have been lower during the present crop year than during 1932-33. The Argentine has shipped 119 million bushels of wheat during the present crop year as compared with 106 million bushels during the same period in the previous crop year. Shipments in this instance reflect the larger production of the Argentine in 1933 as compared with 1932. Australian production in 1933 was sharply lower than in 1932 and as a result shipments of wheat from Australia during the present crop year amount to 77 million bushels as compared with 143 million bushels cleared during the corresponding period of 1932-33. Russia has been a minor factor in the export situation during the present cereal year, exports amounting to 27 million bushels. The Danubian countries harvested good crops last year and shipments have been fairly large during 1933-34 whereas this group of countries had very little wheat for export during 1932-33.

The small import demanded during the present cereal year has tended to offset to a certain extent the effects of reduced 1933 production in the United States, Canada and Australia. Had world trade in wheat been normal during the past year, surplus stocks of wheat in exporting countries would have been greatly reduced by July 31, 1934 - and in fact exporting countries would have emerged from the present cereal year with surpluses which would not have been worrisome. As it is, however, surplus stocks in the exporting countries as a whole will be smaller than a year ago. A noticeable reduction will take place in the United States carry-over. The Canadian carry-over at the end of July will likely be lower than a year ago and Australia will hold small stocks at that time. Some increase may be expected in reserves held in the Argentine at the end of July, 1934 as compared with reserves held at the same time last year.

CROP PROSPECTS FOR 1934

Sufficient data are now at hand to indicate in a general way the trend of prospective production in the northern hemisphere. It may be observed that crops in Europe and North America have developed under adverse conditions and indications are that total production in these two regions will be smaller than in 1933. It is possible that the 1934 production in the United States will be smaller than the exceedingly small crop harvested last year. Once again, the United States will likely produce a total crop amounting to less than domestic requirements. Growing conditions

were unfavourable in western Canada during the early spring and especially during the month of May. By the first of June a very critical condition had arrived in western Canada and a considerable amount of permanent damage had been done to growing crops especially in the southern areas of the three Prairie Provinces. Lack of rainfall was also being felt in the more northerly districts. Early in June the drought was broken and during the first two and one-half weeks of the present month generous rains have fallen in western Canada. The whole crop situation has been materially improved but it must be remembered that early spring conditions have reduced the possibilities of production in many areas and that the 1934 crops have yet to face the natural hazards of the latter part of June and the month of July.

Of very marked importance at the present time is the condition of wheat crops in Europe. Generally speaking Europe has not been experiencing favourable growing weather that characterized the corresponding season a year ago. It will be recalled that in 1933 Europe produced phenomenal crops especially in the importing countries. Exceedingly large crops were harvested in Italy, France and Germany and the extent of production in these areas greatly reduced the import requirements of continental Europe during the present cereal year. Large crops were also harvested in European countries and the Danubian region produced over 100 million bushels of wheat more than in 1932. The foregoing yields were the result of excellent growing weather and unusually fine harvesting conditions. During the past few months many reports have been received showing that European crops have been experiencing difficult conditions. Drought reports have been received from the Danubian countries, Italy, Germany, parts of France and the United Kingdom. It is very probable that all of these countries will harvest smaller crops in 1934 than in 1933. The reduction in production in continental Europe will, to a certain extent, be offset by larger carry-overs, particularly in France and Germany.

The 1934 Italian wheat crop was sown on a smaller acreage and promised to yield less than the 1933 crop. In France, abandonment and winter-killing will result in production being substantially smaller than last year. Many reports of drought damage have been received during the past two months. Prospects in Roumania are poor. Smaller crops than last year are expected in Austria, Czechoslovakia and Switzerland. Germany and Poland have suffered from dry weather which will affect the final outturn of 1934 crops. Private reports indicate that drought has been experienced in southern areas of Russia and that production will fall short of the level of last year. The situation in Europe holds out in hope for larger import requirements during the coming cereal year even if allowance is made for increased carry-overs.

Australia has experienced dry weather during and following seeding and prospects are not considered good for this time of the year. Australian wheat acreage is estimated at 13,500,000 acres, or a reduction of 1 million acres from the area sown last year.

The following table shows estimated production of wheat in Europe (excluding Russia) for a series of years:

(Million bushels)	(Million bushels)
1920	949
1921	1,222
1922	1,044
1923	1,257
1924	1,058
1925	1,397
1926	1,216
1927	1,275
1928	1,410
1929	1,450
1930	1,362
1931	1,434
1932	1,499
1933	1,685

THE NORTH AMERICAN SITUATION

A. The United States

The month of May proved disastrous from the standpoint of cereal production in the United States. Drought, extreme heat, wind-storms and pests have all taken a toll of United States crops during the present growing season. On June 8, 1934, the United States Department of Agriculture issued a crop report outlining conditions as at June 1. The report stated:

"Winter Wheat: Production of winter wheat is forecast at 400,357,000 bushels, as compared with a production of 351,030,000 bushels in 1933 and the 5-year (1927-1931) average of 632,061,000 bushels.

"The condition of winter wheat on June 1 was reported at 55.3 percent of normal as compared with 64.0 percent on June 1 last year and the 10-year (1922-1931) average June 1 condition of 75.7 percent. The lowest June 1 condition previously reported was 62.0 percent in 1885.

"The present forecast is a reduction of about 61,000,000 bushels from the May 1 forecast. During May, conditions continued extremely unfavorable in the Central and Northern Great Plains area and drought conditions extended eastward into the soft red winter wheat area as well as in the Western States. The combination of deficient moisture and high temperatures caused the crops to ripen prematurely over a large area. In the area most seriously affected, notably Nebraska, Kansas and Colorado, further abandonment of acreage has occurred since May 1. The Board has not revised its May estimate of acreage remaining for harvest but has made allowance for this factor in the estimates of yield per acre.

"Production of hard red winter wheat is forecast at 206,075,000 bushels; soft red winter wheat, 152,688,000 bushels; and fall sown white wheat 41,594,000 bushels.

"Spring Wheat: Condition of all spring wheat was reported at 41.3 percent of normal on June 1, as compared with 84.9 percent on June 1, 1933 and the 10-year (1922-1931) average June 1 condition of 83.3 percent. The previous low record for June 1 condition was 67.9 percent, reported in 1931. Condition of Durum wheat was reported at 29.6 percent of normal and other spring wheat at 42.4.

"Up to June 1, 1934 the spring wheat crop was subjected to the most unfavorable conditions ever experienced thus early in the season. In the central portion of the spring wheat area, including the Dakotas, Eastern Montana and Western Minnesota, an accumulated deficiency of moisture was accentuated by short rainfall during May and the situation was further aggravated by abnormally high temperatures and frequent dust storms. As a result, a part of the intended acreage was not seeded, and considerable acreage was lost either through failure to germinate or through death of the young plants after germination.

"Considering the loss of acreage and the very low condition of the remaining acreage, June 1 indications point to a crop of only about 100,000,000 bushels.

"Rye: Rye production is forecast at 18,756,000 bushels or a decrease of about 9,000,000 bushels from the May 1 estimate. Last year production was estimated at 21,184,000 bushels and the 5-year (1927-1931) average production was 40,950,000 bushels.

"The condition on June 1, 1934 was 43.5 percent of normal, the lowest June 1 condition on record. Condition is below average in nearly all parts of the country and is especially low in an area reaching from North Dakota and Nebraska on the west to Indiana on the east. The crop is almost a complete failure in the important producing States of North Dakota, South Dakota and Nebraska.

"Oats: The condition of oats on June 1, 1934 was reported at 47.2 percent of normal, as compared with 78.7 percent on June 1, 1933 and the 10-year (1922-1931) average condition of 82.1 percent. The present condition is the lowest June 1 condition on record, the previous low being 78.3 percent reported in 1928.

"Conditions are below average in all except a very few States, but the lowest conditions are reported in the western Corn Belt. In these States, and to a lesser extent, in adjacent areas, the crop has been damaged seriously by the prolonged drought and abnormally high May temperatures. Some acreage could not be seeded because of lack of moisture. Additional acreage failed to germinate or was killed after germination. The remaining acreage is heading out short and promises only a very light yield. In some areas oats fields are being pastured because of the shortage of other feeds and pastures. For the country as a whole, conditions as of June 1 suggest an oats crop of less than 700,000,000 bushels compared with a crop last year of 722,485,000 bushels and a 10-year (1922-1931) average production of 1,228,657,000 bushels.

"Barley: The condition of barley on June 1, 1934 was reported at 44.7 percent, the lowest June 1 condition on record. The previous low record was 77.2 percent, reported in June, 1931.

The condition on the same date last year was 80.4 percent and the 10-year (1922-1931) average June 1 condition was 83.4 percent. In the important barley producing areas of the North Central States, reports indicate that considerable acreages could not be seeded because of the drought and the substantial acreages either failed to germinate or were killed after germination. Present prospects point to the lowest yield per acre on record."

THE UNITED STATES POSITION

The fact of a second successive poor crop in the United States materially alters the wheat position in that country for the coming cereal year. The small yield in 1933 plus small exports will materially reduce the carry-over of wheat in the United States at the end of June as compared with a year ago. The following table shows year-end stocks of wheat in the United States on June 30 in recent years:

	<u>Million bushels.</u>
1929	242
1930	303
1931	324
1932	382
1933	389
1934	250-275

The United States carry-over of wheat on June 30, 1934 will probably be between 250 and 275 million bushels. This will represent a reduction of over 100 million bushels as compared with June 30, 1933. The chief factor in causing this reduction was the short crop of 1933 which amounted to 80 to 100 million bushels less than domestic requirements.

The crop situation in the United States as at June 1, 1934 indicates another wheat crop that will amount to less than normal domestic requirements. 1934 production was estimated at 500 million bushels on June 1st and if this estimate is justified, it is apparent that reserves will have to be called upon for part of domestic requirements and for such quantities as may be exported during 1934-35. The situation holds the possibility of reducing the United States carry-over of wheat on June 30, 1935 to near-normal levels. This possibility cannot be ignored in relation to the world wheat situation generally.

The following table shows production of wheat in the United States for a series of years:

	(million bushels)		(million bushels)
1920	843	1927	875
1921	819	1928	926
1922	847	1929	813
1923	759	1930	857
1924	840	1931	900
1925	669	1932	726
1926	833	1933	527

B.- Canada

The 1934 spring wheat crop of Canada was sown under adverse conditions and on a reduced acreage. According to farmers' intentions at May 1st the spring wheat area in Canada will amount to 23,319,300 acres as compared with 25,432,100 acres last year.

The month of May proved very unfavourable for crop development and the condition of cereal crops in the Prairie Provinces at May 31 was decidedly low. Drought, soil-drifting and grasshoppers attacked the crop in its early stages over large sections of Manitoba, Saskatchewan and Alberta. The following table shows condition figures for the Prairie Provinces as at May 31, 1934, along with comparative figures for the previous year.

	<u>May 31, 1933</u>	<u>May 31, 1934</u>
	p.c.	p.c.
Manitoba	99	82
Saskatchewan	99	73
Alberta	98	88

During the first week in June weather conditions changed radically and the three Prairie Provinces received relief in the form of moisture supplies. Heavy rains and showers were received steadily throughout the first two and a half weeks of June and the crop situation was materially improved. Cool, wet weather tended to hold the grasshoppers in check while new growth was added to young plants. In spite of improved conditions, however, the unfavourable factors experienced during the month of May have left their impressions upon the crop in the southern areas of the three Prairie Provinces.

Detailed reports covering crop conditions in the Prairie Provinces will be found on page 19 and ensuing pages.

With wheat prices equalling or exceeding the minimum set by the Grain Control Board, there is greater freedom in trading operations and with the apparent possibility of the heavy world surpluses disappearing by natural processes and opening the way to more normal trading conditions than have existed for a long time, there is an atmosphere of optimism in Argentine grain circles.

At the close of business on the last trading day of the month spot wheat was quoted at the official minimum price of \$5.75 paper pesos per 100 kilos, equal to 45 1/2 cents Canadian per bushel at the current rates of exchange; the July option at \$5.93, equal to 47 cents per bushel, as against the Winnipeg closing quotation of 77 1/8 cents on the same day; the September option at \$6.11 per qtl. equal to 48 1/4 cents per bushel, which compares with the October option in Winnipeg at 79 1/8 cents.

Grain Control Board.- The operations of this official board continue to be conducted with secrecy, but it is understood that advantage has been taken of recent market conditions to make some important sales, reducing their holdings to probably not more than a million tons.

Storage facilities continue to be strained, deliveries of maize being held up on account of the heavy stocks of wheat, especially in the railway stations.

With the improved level of prices in prospect, it seems probable that the board will emerge with no great loss on its operations, and that the provision for financing its activities from the margins on exchange will leave the Government with a handsome balance.

New Crop.- The very favourable weather conditions under which the preparations for seeding the new crop of wheat commenced were interrupted by a lack of rain in some important districts, where the ground became so hard that cultivation had to be discontinued. Fortunately some rains have since fallen, and although they have been too light to really relieve the situation there is evident promise of more to follow.

The present condition is that in the northern wheat provinces of Cordoba and Santa Fe about three quarters of the seeding is completed, but in the south of the province of Buenos Aires and in the Pampa very little wheat has yet been sown, and it is still very dry there.

Had normal weather prevailed, it was anticipated that last year's acreage would be fully maintained and possibly even exceeded in view of the prospect of better price levels. Now it will not be surprising if there is a slight reduction. It is all a matter of weather during the month of June. By the end of this month seeding operations for wheat should be nearing their end.

Probably about 40 to 45 per cent of the wheat is now in the ground.

B. Australia

Shipments of wheat from Australia have been relatively light during the past two months averaging slightly over one million bushels per week. From August 1, 1933 to June 18, 1934, shipments of wheat and wheat flour from Australia amounted to 77 million bushels as compared with 143 million bushels during the

corresponding period in 1932-33. The smaller shipments during the present crop year are due to a relatively light crop harvested last December and estimated at 174 million bushels by the Australian government.

The Canadian Trade Commissioner for Australia cabled the Dominion Bureau of Statistics on June 15 as follows:

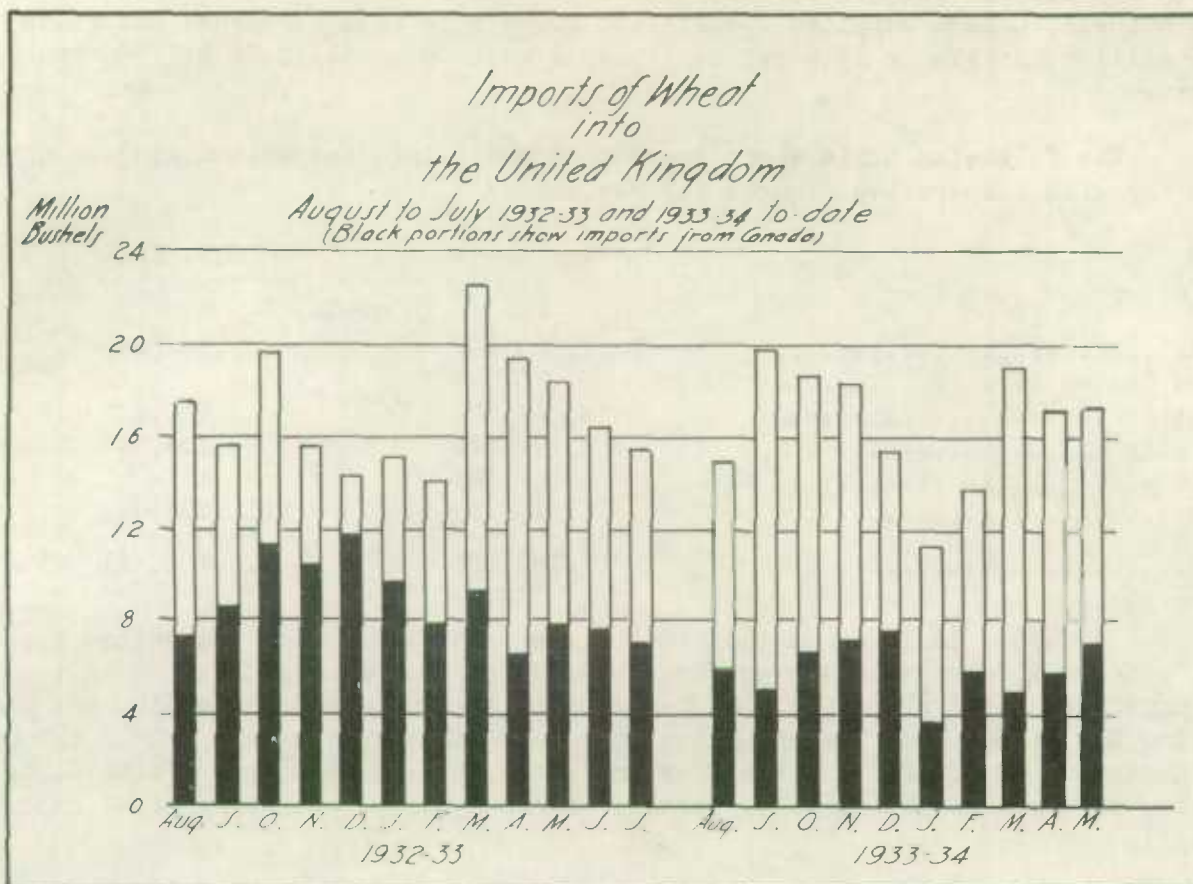
"Wheat and flour shipments to date aggregate 44,942,408 bushels compared with 109,879,202 last year. Market continues firm with increased prices, growers receiving about two shillings two pence per bushel equivalent forty-three cents at country sidings and two shillings nine pence or fifty-five cents f.o.b. steamer. Seasonal conditions have been unfavourable but some rain has fallen last few days. Crop prospects poor apart from west Australia. Flour market slightly improved but inquiries unimportant. Export quotations ton 2,000 pounds 150 pound sacks five pounds seventeen shillings six pence equivalent twenty-three dollars twenty-nine cents and 49 pound calico bags six pounds two shillings six pence or twenty-four dollars twenty-nine cents Canadian. Wheat moving more freely, chartering active, cargoes from west Australia have been booked at twenty-four shillings six pence in bags twenty-five shillings from Victoria and south Australia. Bulk cargoes two shillings six pence ton cheaper, parcels twenty-two shillings six pence, freights payable English currency ton 2,240 pounds. Six vessels now loading Australian ports and 23 vessels chartered July shipment."

Acreage and Production in the Argentine and Australia

The following table shows the acreage sown to wheat and production during the past ten years in the Argentine and Australia:

	Argentina		Australia	
	Acreage (million acres)	Production (million bushels)	Acreage (million acres)	Production (million bushels)
1924	16.0	191	10.8	165
1925 ,.....	17.6	191	10.2	115
1926	19.0	230	11.7	161
1927	20.2	282	12.3	118
1928	22.4	349	14.8	160
1929	15.9	163	15.0	127
1930	19.5	232	18.2	214
1931	16.0	220	14.7	191
1932	19.8	235	15.2	212
1933	19.7	274	14.5	174

The acreage sown to wheat in Australia this year is reported at 13.5 million acres, or a reduction of 1 million acres as compared with last year. No definite information is available at the present time in respect to Argentine acreage but some reduction may be expected.



The United Kingdom

Imports of wheat into the United Kingdom during the month of May were slightly higher than during the preceding month and lower than during the corresponding month last year. Imports during May, 1934 amounted to 17,464,066 bushels compared with 17,324,269 bushels during April, 1934 and 18,780,751 bushels during May, 1933.

During the months of March, April and May total imports of wheat into the United Kingdom have been less than during the same months last year. Total imports during the present crop year are slightly lower than during the corresponding period of 1932-33.

The following table shows imports of wheat into the United Kingdom for the twelve-month period from August, 1932 to July, 1933 and for the seven-month period from August, 1933 to February, 1934 and for March, April and May, 1934:

From:	August-July (1932-33)	August-February (1933-34)	March (1934)	April (1934)	May (1934)
Canada	102,882,268	41,115,981	4,967,466	5,719,887	7,323,207
United States..	2,191,927	-	329	27,496	18,293
Argentina	33,178,430	21,520,075	7,701,981	5,841,636	4,642,570
Australia	50,433,050	22,710,758	5,719,247	4,138,751	3,223,275
Russia	3,960,702	14,917,923	63	-	7,093
Others	11,729,430	13,121,151	366,338	1,596,499	2,249,628
T o t a l	204,375,817	113,385,888	18,755,424	17,324,269	17,464,066
Previous year .	229,420,424	111,802,815	22,104,047	19,421,472	18,780,751

As shown by the foregoing table, imports of wheat into the United Kingdom during the twelve months from August, 1932, to July, 1933, amounted to 204 million bushels compared with 229 million bushels for the same months in 1931-32. Out of total imports of 204 million bushels, Canada supplied 103 million bushels or 50.5 per cent; Australia supplied 50 million bushels or 24.5 per cent; the Argentine supplied 33 million bushels or 16.2 per cent.

The following table shows imports of wheat into the United Kingdom during May, 1934 along with comparative figures for May, 1933:

<u>From:</u>	<u>May, 1934</u>	<u>May, 1933</u>
	(bushels)	
Canada	7,323,207	7,567,583
United States	18,293	37
Argentina	4,642,570	4,710,265
Australia	3,223,275	6,244,054
Russia	7,093	-
Other	2,249,628	258,812
T o t a l	<u>17,464,066</u>	<u>18,780,751</u>

The above table shows that total imports of wheat into the United Kingdom during May, 1934 were lower than during May, 1933. Imports from Canada amounted to 7,323,207 bushels compared with 7,567,583 bushels for the corresponding month last year. Imports during May, 1934, from the Argentine were lower than during May, 1933. The United Kingdom imported only 3,223,275 bushels from Australia last month compared with 6,244,054 bushels during the same month in 1933. Germany and Roumania were the principal exporters in the unclassified group.

The following table shows imports of wheat into the United Kingdom during the months of August to May inclusive, 1932-33 and 1933-34:-

<u>From:</u>	<u>1933-34</u>	<u>1932-33</u>
	August-May	August-May
	(bushels)	
Canada	59,126,541	88,822,656
United States	46,118	2,191,880
Argentina	39,706,262	24,319,516
Australia	35,792,031	41,672,349
Russia	14,925,079	3,960,702
Other	17,333,616	11,141,834
T o t a l	<u>166,929,647</u>	<u>172,108,937</u>

It will be noted that total imports of wheat into the United Kingdom amounted to 166,929,647 bushels during the August-May period in 1933-34 as compared with 172,108,937 bushels during the same months last year. The table further shows that imports from the Argentine increased about 15 million bushels this year as compared with last. Imports from Canada decreased about 30 million bushels in the August-May period in 1933-34 as compared with the same months last year. Imports from Russia increased about 11 million bushels as compared with the same period last year.

International Trade

The following table shows world shipments of wheat and wheat flour for the first forty-six weeks of the present crop year (Broomhall's figures)

Week ending	North America	Argentina	Australia	Russia	Other	Total
(Thousand Bushels)						
August 7	4,225	1,920	2,784	-	144	9,072
14	3,328	4,848	608	-	120	8,904
21	3,472	3,056	2,472	248	360	9,608
28	4,536	3,912	2,448	168	520	11,584
September 4	5,008	2,728	584	296	880	9,496
11	4,160	2,832	2,072	944	1,048	11,056
18	3,800	1,768	1,416	1,552	1,208	9,744
25	4,952	2,000	2,024	1,616	1,576	12,168
October 2	4,416	1,288	2,024	1,040	1,152	9,920
9	5,096	816	1,312	1,088	1,744	10,056
16	5,256	1,264	800	1,120	944	9,384
23	6,320	1,328	984	560	1,592	10,784
30	4,464	1,360	912	1,824	2,008	10,568
November 6	4,153	1,379	1,426	384	2,016	9,358
13	5,277	915	1,226	768	1,408	9,594
20	5,494	835	1,468	944	1,387	10,128
27	5,675	482	815	1,400	1,344	9,716
December 4	6,276	1,344	1,622	1,024	1,450	11,716
11	4,005	590	1,125	632	1,584	7,936
18	3,631	843	1,606	1,464	1,368	8,912
25	3,724	1,396	2,405	1,272	1,289	10,086
January 1	3,228	1,974	2,941	1,464	680	10,287
8	3,421	1,055	1,034	1,320	392	7,422
15	4,723	2,406	1,981	624	816	10,550
22	4,714	3,157	2,981	688	680	12,220
29	4,144	4,047	3,314	1,368	496	13,369
February 5	5,055	3,561	2,646	640	608	12,510
12	3,960	4,178	2,160	648	576	11,522
19	3,325	4,092	1,986	400	396	10,195
26	4,239	4,020	2,588	-	816	11,663
March 5	4,014	2,628	1,352	-	424	8,418
12	3,920	4,940	2,030	328	408	11,626
19	3,851	4,787	1,915	152	600	11,305
26	3,302	3,963	1,823	-	480	9,568
April 2	3,542	3,991	1,099	136	384	9,152
9	3,328	2,412	1,323	120	936	8,119
16	4,151	4,292	1,415	136	720	10,714
23	3,449	1,896	1,430	-	1,376	8,151
30	3,769	2,226	1,209	-	808	8,012
May 7	4,301	2,072	1,657	248	944	9,222
14	4,637	1,941	951	-	1,426	8,955
21	5,359	3,624	1,189	-	816	10,988
28	4,406	3,333	1,395	-	768	9,902
June 4	3,256	2,409	1,410	-	704	7,779
11	3,155	5,261	1,320	-	792	10,528
18	3,912	3,725	1,236	-	1,224	10,097
T o t a l	196,428	118,894	76,518	26,616	43,608	462,064
Last Year	266,240	105,568	143,000	17,408	24,208	556,424

From August 1, 1933 to June 18, 1934 world shipments of wheat amounted to 462 million bushels compared with 556 million bushels for the same period in 1932-33. North American shipments amounted to 196 million bushels as compared with 266 million bushels in 1932-33. Since August 1, Argentina has shipped 119 million bushels as compared with 106 million bushels during the same period of the last crop year. Since the commencement of the present crop year Australian shipments have amounted to 77 million bushels compared with 143 million bushels during the same period in 1932-33. Shipments of wheat from Russia have amounted to about 9 million bushels more than during the corresponding period of the last crop year.

Origin of Shipments

The following table shows total world shipments of wheat by countries of origin during the first forty-six weeks of the present crop year in percentage of last year:

<u>North America</u>	<u>Argentina</u>	<u>Australia</u>	<u>Russia</u>	<u>Other</u>	<u>Total</u>
74	113	54 (per cent)	153	180	83

The foregoing table shows that while world shipments during the first 46 weeks of 1933-34 have declined 17 per cent compared with the same weeks in 1931-32, North American shipments have decreased by 26 per cent compared with last year.

The following table shows the origin of world wheat shipments in percentage of total shipments by countries of origin during the first 46 weeks of 1932-33 and 1933-34:

	<u>1932-33</u>	<u>1933-34</u>
	(per cent)	
North America	48	42
Argentina	19	26
Australia	26	17
Russia	3	6
Other Countries	4	9
T o t a l	<u>100</u>	<u>100</u>

The above table shows that North America has contributed 42 per cent of world shipments during the first forty-six weeks of the present crop year as compared with 48 per cent during the corresponding weeks last year. On the same basis, the share of Russia increased to 6 per cent and the share of other countries (mainly the Danubian countries) has increased to 9 per cent. In percentage of total world shipments, Australian exports have decreased substantially as compared with the same period last year. The Argentine percentage is higher than in 1932-33.

Weekly Average Shipments

The following table shows weekly average shipments of wheat for the first forty-six weeks of 1933-34 along with comparative figures for 1932-33, 1931-32 and 1930-31:

	<u>North America</u>	<u>Argentina</u>	<u>Australia</u>	<u>Russia</u>	<u>Other</u>	<u>Total</u>
	(million bushels)					
1930-31	7.0	2.4	2.9	2.0	1.2	15.5
1931-32	6.4	2.9	3.1	1.5	1.5	15.5
1932-33	5.8	2.3	3.1	.4	.5	12.1
1933-34	4.3	2.6	1.7	.6	.9	10.0

The Position of the Import Requirements Estimate

The London Wheat Conference accepted the estimate of 560 million bushels for world import requirements for 1933-34. This figure is only slightly higher than Mr. Broomhall's estimate of 552 million bushels. The position of this estimate on June 18, was as follows:

<u>Import Requirements</u>	<u>Actual Shipments</u>	<u>Balance to be Shipped</u>
Aug. 1, 1933 to July 31, 1934 (52 weeks)	Aug. 1, 1933 to June 18, 1934 (46 weeks)	June 18, 1934 to July 31, 1934 (6 weeks)
560 million bushels	462 million bushels	98 million bushels
or	or	or
10.8 million bushels weekly	10.0 million bushels weekly	16.3 million bushels weekly

It will be seen from the above table that world shipments have averaged 10.0 million bushels for the first forty-six weeks of the present crop year. Average weekly shipments of 16.0 million bushels are required to fulfill the estimate of import requirements.

THE COURSE OF WHEAT PRICES

The following summary of wheat price movements from May 1 to June 16 has been prepared by the Internal Trade Branch.

Most of the large wheat producing areas of the world suffered acutely from lack of moisture during May. This caused prices to move upward gradually at first and then more abruptly to a peak on May 31. The No. 1 Manitoba Northern cash close on this day was 81 5/8 cents, or 16 1/2 cents per bushel above the level obtaining on May 1. General rains late in May and during the first week of June relieved the drought situation, and prices at Winnipeg fell about 5 cents within a few days. Official crop reports in the first part of June continued to be bullish for Canada and the United States, and prices lately have resisted further decline despite indifferent export interest. Apart from weather conditions, market news in the past six weeks has been predominantly bearish. The two outstanding items of interest in this interval have been the failure of international experts to agree upon a satisfactory minimum export price (announced May 11) and the recent declaration by the Argentine that the wheat quota agreement could not be considered binding under existing circumstances.

Cash closing prices for No. 1 Manitoba Northern wheat, basis Fort William and Port Arthur, averaged 70.6 cents per bushel in May as compared with 65.5 cents per bushel in April.

Monthly Average Winnipeg Cash Price - No. 1 Northern Wheat,

Crop Years 1926-27 to 1933-34.

(Dollars per Bushel)

	<u>1926-27</u>	<u>1927-28</u>	<u>1928-29</u>	<u>1929-30</u>	<u>1930-31</u>	<u>1931-32</u>	<u>1932-33</u>	<u>1933-34</u>
August	1.51.0	1.59.9	1.18.8	1.58.0	.92.5	.55.1	.56.3	.73.4
September	1.43.8	1.45.1	1.17.0	1.49.5	.78.1	.53.6	.51.9	.67.2
October	1.43.5	1.44.1	1.23.7	1.41.4	.72.5	.59.9	.48.2	.60.5
November	1.41.0	1.45.1	1.20.9	1.33.0	.64.4	.67.3	.46.7	.63.7
December	1.33.4	1.40.6	1.17.1	1.37.8	.55.4	.60.6	.42.4	.60.3
January	1.35.7	1.42.8	1.20.9	1.30.5	.53.9	.60.0	.44.2	.65.0
February	1.39.7	1.42.6	1.27.9	1.17.4	.59.3	.63.2	.45.8	.65.6
March	1.42.7	1.48.1	1.27.0	1.06.2	.56.7	.63.1	.49.1	.66.4
April	1.45.1	1.56.3	1.228	1.09.8	.59.7	.62.6	.53.6	.65.5
May	1.53.8	1.57.2	1.12.3	1.07.9	.60.6	.62.9	.63.3	.70.6
June	1.61.1	1.42.6	1.18.3	1.03.2	.60.8	.55.1	.66.8	
July	1.62.1	1.30.9	1.59.9	.95.1	.57.3	.54.7	.83.4	

Wheat Prices and the General Price Level /

The following table shows the general Index Numbers of Wholesale Prices in Canada and Great Britain and of No. 1 Northern Wheat (Winnipeg Cash Price, basis in store Port Arthur and Fort William).

	General Index Canada	Board of Trade ^x United Kingdom	Wheat No. 1 Manitoba Northern Fort William and Port Arthur basis 1926-100
	1926=100	1926=100	
1929	95.6	92.2	89.8
1930	86.6	80.7	63.0
1931	72.1	70.3	39.3
1932	66.7	68.6	37.2
<u>1 9 3 2</u>			
July	66.5	66.0	36.6
August	66.7	67.2	37.7
September	65.9	68.9	34.7
October	65.0	68.3	32.2
November	64.7	68.3	31.2
December	64.0	68.3	28.3
<u>1 9 3 3</u>			
January	63.9	67.7	29.6
February	63.6	66.8	30.6
March	64.4	65.9	32.8
April	65.4	65.6	35.9
May	66.9	67.0	42.3
June	67.6	68.7	44.7
July	70.5	69.1	55.8
August	69.4	69.2	49.1
September	68.9	69.5	44.9
October	67.9	69.3	40.5
November	68.7	69.4	42.6
December	69.0	69.4	40.3
<u>1 9 3 4</u>			
January	70.6	70.6	43.5
February	72.1	71.1	43.9
March	72.0	70.1	44.4
April	71.1	69.4	43.8
May	71.1		47.2

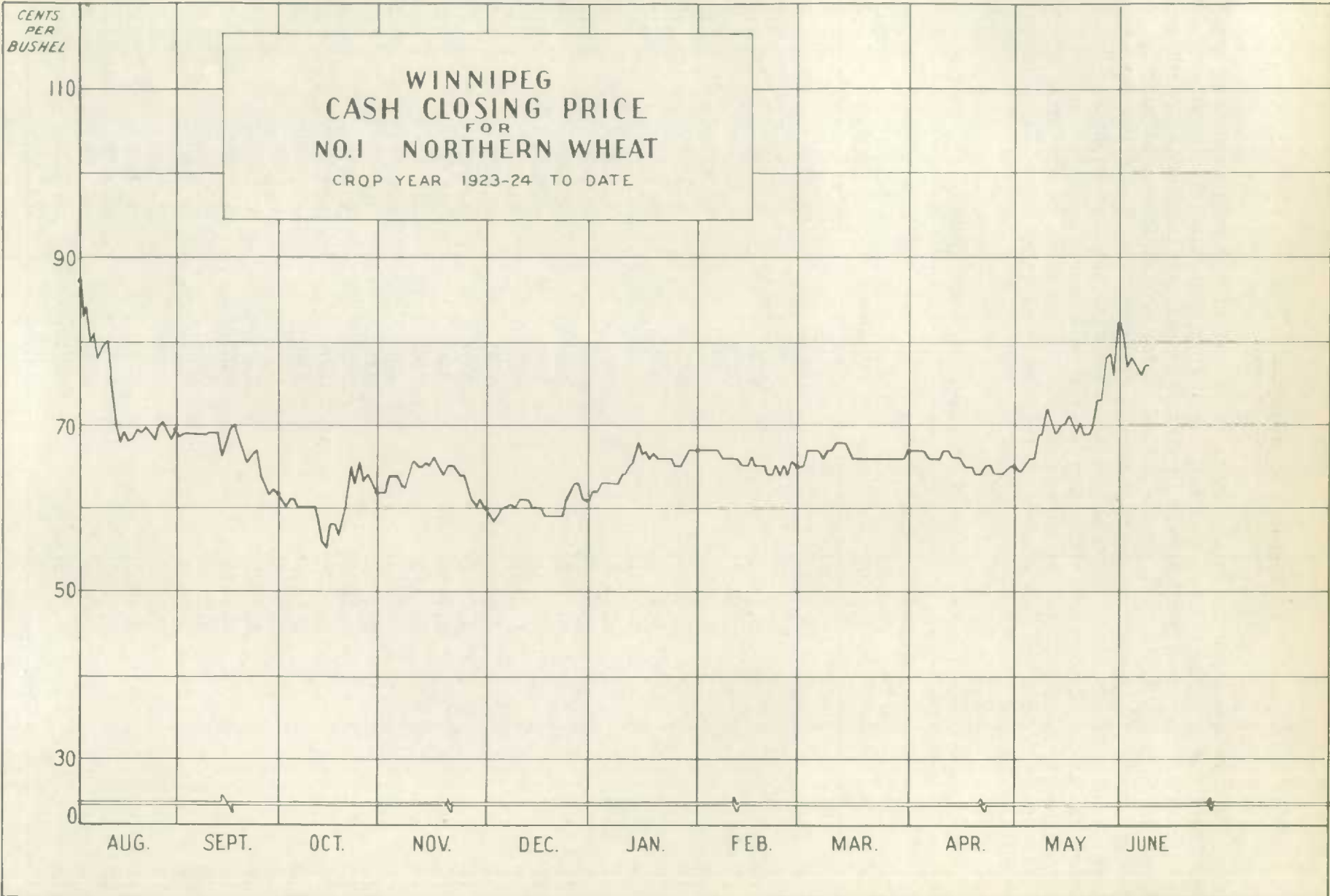
Prepared by the Internal Trade Branch. x Transposed from the base 1913=100.

CENTS
PER
BUSHEL

WINNIPEG
CASH CLOSING PRICE
FOR
NO.1 NORTHERN WHEAT
CROP YEAR 1923-24 TO DATE

110
90
70
50
30
0

AUG. SEPT. OCT. NOV. DEC. JAN. FEB. MAR. APR. MAY JUNE



Exchange Fluctuations

Montreal quotations on the major exchanges of the world remained practically at the same level for the first three weeks of May. From then until the middle of June the dollar's position improved gradually. In that interval sterling quotations have fallen from \$5.11 to \$5.01 and the discount on the United States dollar increased roughly from $\frac{3}{4}$ to $\frac{5}{4}$ of one per cent. Only minor gains have been made against gold standard currencies. This movement in the exchanges is, no doubt, associated with the improvement in Canada's trade balance but it is of note that it coincided with the recent weakness in sterling which has been subject to pressure because of large scale repatriation of foreign funds. It is stated that a greater measure of confidence in other financial centres had influenced this movement.

Exchange Quotations at Montreal, November 6, 1933 to June 13, 1934.

	United Kingdom Pounds	United States Dollar	Australia Pound	Argentina Paper Peso
	4.8666	1.0000	4.86666	.4244
November 6, 1933	4.8980	1.0006	3.9184	.4002
13	5.1537	.9956	4.1069	.3997
20	5.1482	.9700	4.1186	.4049
27	5.0567	.9925	4.0454	.4168
December 4	5.0549	.9887	4.0439	.3361
11	5.0603	.9912	4.0502	.3370
18	5.1105	.9950	4.0883	.2587
26	5.1321	.9975	4.1057	.2593
January 2, 1934	5.1471	.9975	4.1176	.2493
8	5.0895	1.0018	4.0716	.2504
15	5.1324	.9956	4.1059	.2588
22	5.0531	1.0093	4.6424	.2801
29	5.0337	1.0062	4.0270	.2515
February 5	4.9824	1.0093	3.9859	.3381
12	5.0841	1.0087	4.0632	.3404
19	5.1638	1.0056	4.1311	.2664
26	5.1179	1.0062	4.0943	.2616
March 5	5.0972	1.0056	4.0777	.2639
12	5.1000	1.0000	4.0800	.2600
19	5.1081	1.0006	4.0865	.2546
26	5.1072	1.0009	4.0858	.2552
April 3	5.1437	1.0000	4.1149	.2570
9	5.1706	.9984	4.1364	.2571
16	5.1425	.9968	4.1140	.2552
23	5.1324	.9956	4.1059	.2539
30	5.1194	.9962	4.0955	.2441
May 7	5.0925	.9978	4.0739	.2345
14	5.1055	.9994	4.0843	.2399
21	5.1013	.9978	4.0810	.2370
28	5.0797	.9975	4.0638	.2394
June 5	5.0242	.9969	4.0193	.2442
13	5.0025	.9981	4.0000	.2453

THE CANADIAN SITUATION

On June 8, 1934 the Dominion Bureau of Statistics issued a report showing the numerical condition of field crops in Canada at the end of May as compiled from returns of the Bureau's corps of crop correspondents. The following observations were made in respect to crop conditions in Canada.

"For the principal spring grains, fall wheat and fall rye, alfalfa and pastures, the numerical condition figures for Canada at May 31, 1934 were the lowest on record at that date - the records of the Bureau covering 26 years back to 1909. The poor crop prospects are largely the result of severe drought in Ontario, Manitoba and Saskatchewan and parts of Quebec and Alberta. Winter injury was also a principal factor in lowering the condition of hay and pasture fields in eastern Canada, where these crops are such an important part of the farming system.

"While the season is backward in the Maritime Provinces, the condition of all crops at the end of May was close to average. Since moisture supplies are adequate, except in certain counties of New Brunswick, the crops will make a rapid response to higher temperatures. In Quebec, the season is also late and growth has been very slow on account of the cold weather and lack of soil moisture. Generally, crop prospects are better than at this date last year, but condition figures are all below average. Higher temperatures and more rain are needed to promote growth. Ontario has the poorest crop prospects on record as a result of the severe winter and extremely dry spring. The winter wheat crop and hay and pasture lands have suffered most, with spring crops holding up well considering the adverse conditions. Heavy and immediate rains are necessary to prevent a very serious farm situation.

"The Prairie Provinces have also experienced unfavourable weather conditions for crop growth. Only the disastrous spring of 1931 can be compared to the present in its effect on crop prospects. In Manitoba, the condition figures at May 31 for the principal grains, wheat, oats and barley and for hay and pasture are the lowest on record. The situation is worst in the southern and west-central districts, where the grasshopper infestation is also most serious. Northern districts had more ample reserves of moisture and crop prospects are consequently much higher. In Saskatchewan, the old drought area has returned. The southern, central and west-central areas have suffered from drought, soil-drifting, and grasshoppers. East-central and northern districts have much better prospects. The condition of the principal grains at May 31, 1934 is the lowest in the records covering 26 years, not excepting the disastrous seasons of 1917 and 1931. Only heavy rains and determined grasshopper-poisoning efforts will assure a near-average crop. Alberta has better crop prospects, principally due to higher moisture reserves. However, the southern and east-central areas were drought-stricken during the latter part of May, with grasshopper activities just beginning. The west-central and northern districts report conditions ranging from good to ideal. The Peace River country has significantly better prospects than in 1933.

"British Columbia has been favoured with exceptionally good weather conditions for the growth of all crops and most of the condition figures at May 31 are equal to or above average. Hay and pasture prospects are especially good.

Numerical Condition of Field Crops.

"Expressed in percentages of the long-time average yields per acre, the condition of the principal field crops on May 31, 1934, for all Canada was as follows, with the condition figures for the same date last year within brackets: Fall wheat 45 (95); spring wheat 79 (99); all wheat 78 (99); oats 85 (95); barley 83 (95); fall rye 59 (93); spring rye 75 (97); all rye 63 (94); peas 91 (95); mixed grains 89 (97); hay and clover 83 (93); alfalfa 66 (98); pasture 81 (93).

"In the Prairie Provinces, the condition of the principal cereal crops on May 31, 1934, was as follows, with last year's figures in brackets: Manitoba - Wheat 82 (99); oats 83 (97); barley 83 (96); rye 83 (96). Saskatchewan - Wheat 73 (99); oats 73 (96); barley 74 (94); rye 53 (92). Alberta - Wheat 88 (98); oats 89 (95); barley 91 (94); rye 74 (98).

Condition of Field Crops, May 31, 1930-34.

(Note: 100 equals the long-time average yield per acre).

	CANADA					Manitoba				
	1930	1931	1932	1933	1934	1930	1931	1932	1933	1934
	(per cent)					(per cent)				
Fall wheat	91	97	100	95	45					
Spring wheat	97	80	96	99	79	93	89	98	99	82
All wheat	97	81	96	99	78					
Oats	95	88	95	95	85	89	87	94	97	83
Barley	97	85	93	95	83	95	86	93	96	83
Fall rye	95	72	86	93	59	96	87	95	96	83
Spring rye	93	86	95	97	75	94	88	91	96	84
All rye	95	76	88	94	63	95	87	94	96	83
	Saskatchewan					Alberta				
	1930	1931	1932	1933	1934	1930	1931	1932	1933	1934
	(per cent)					(per cent)				
Spring wheat	97	77	92	99	73	99	84	102	98	88
Oats	92	76	90	96	73	90	85	101	95	89
Barley	97	77	90	94	74	96	87	99	94	91
Fall rye	95	67	81	91	48	94	80	98	97	72
Spring rye	95	83	91	96	68	96	87	101	99	78
All rye	95	70	83	92	53	95	83	99	98	74

General Conditions at the End of May

The general conditions in the Prairie Provinces existing at the end of May were summarized as follows:

Manitoba.

"Spring work on the land and seeding of wheat were finished quite early and the lack of moisture became an immediate problem. The unseasonably hot weather, followed by high winds, caused serious soil-drifting over wide areas. Later, grasshoppers began to hatch and aggravated the situation. The drought was most severe in the south-western corner of the province, with conditions ameliorating slightly to the north and east. While the spring grains suffered severely, the growth on pasture and hay lands was extremely sparse and the feed situation became acute in the southern districts. Further north, where reserve moisture was more ample, the spring grains and hay lands were better able to withstand the adverse spring weather and crop prospects are correspondingly better. Over most of the farming area, rains were urgently needed at the end of May to prevent further decline in crop prospects.

Saskatchewan.

"This province experienced a similar spring to that of 1931, when high temperatures, lack of rain and soil-drifting combining to place the crops in a critical situation much earlier than usual. The condition of all crops at May 31, 1934 was below or near the lowest figures previously recorded at that date. All the grain crops established record lows as far as condition was concerned, while the condition of pasture was only 3 points higher than the condition of 63 shown at May 31, 1931. The southern districts of the province reported the most severe crop damage. Many newly-seeded fields were a total loss due to soil-drifting and grasshoppers before the end of May. Then, farmers were very uncertain whether they should drill in new seed or wait for rain. The latter course was commonly dictated by the shortage of seed. The reductions in acreage suggested by the Intentions Reports filed a month ago seem to be fully substantiated by subsequent conditions. In Crop District 5 (east-centre) and in the two northern Crop Districts, 8 and 9, the spring season was more favourable and crop prospects were about 50 per cent above those of the southern districts. With favourable weather in June and July, these three districts could still harvest average crops.

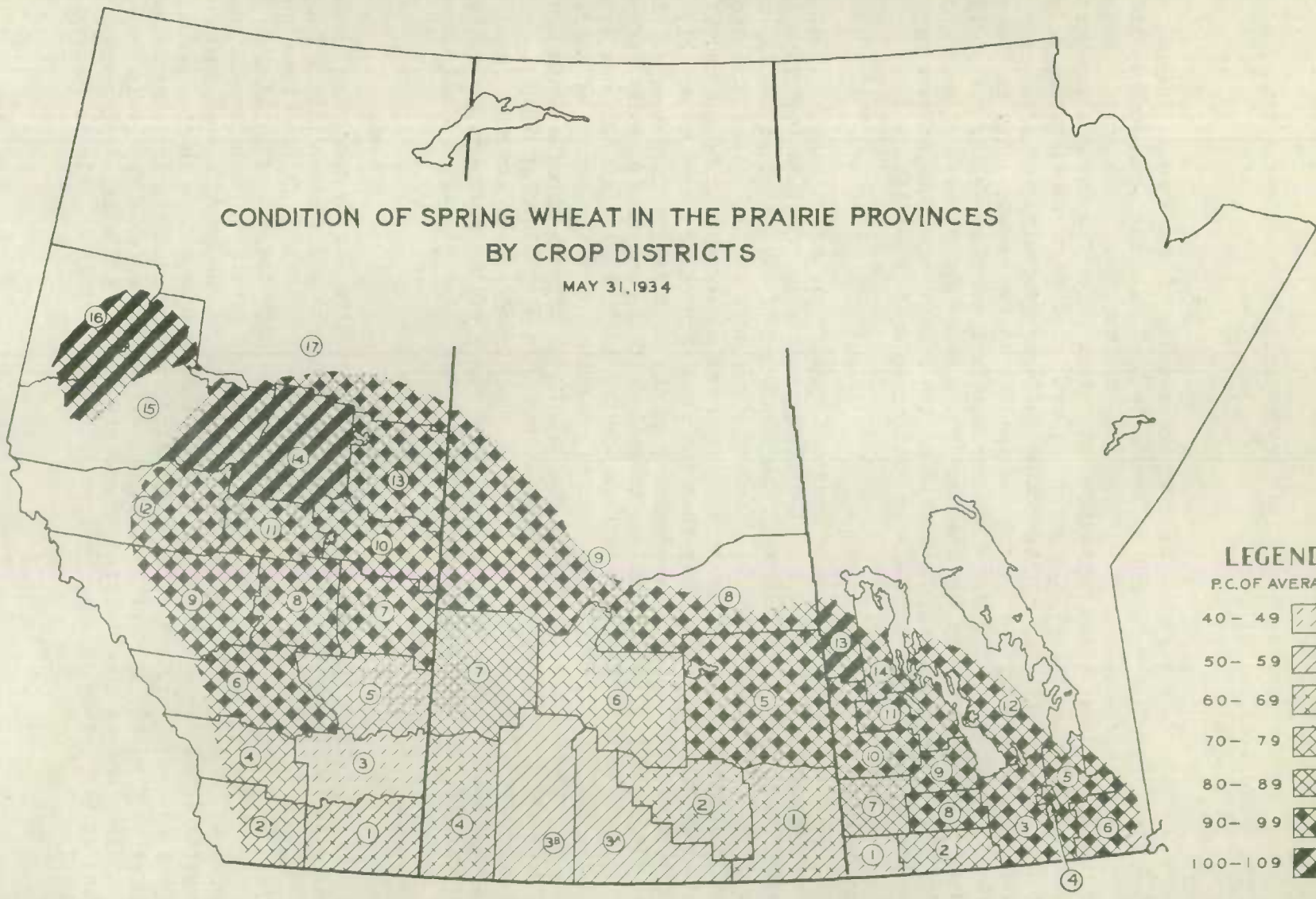
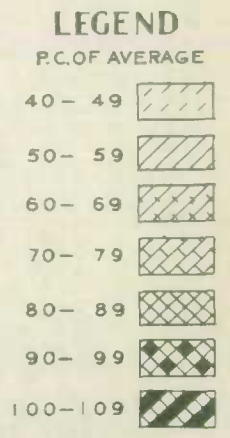
Alberta

"The spring grain crops in Alberta were low in condition at May 31, being greatly affected by the drought and heat in southern and eastern districts. Only twice in the previous record (1910 and 1931) have lower condition figures been shown than at May 31, 1934. The month of May was featured by high temperatures, limited rains in the south and east, and strong winds over most of the province. Seeding was completed early and germination and early growth were fairly strong and even, except in some southern and central localities. Soil-blowing did considerable damage in the south and some reseeded was necessary. The sugar beet crop in the southern irrigated areas secured a very promising start, with no indications of any appreciable change in acreage. Along the foothills and in the districts north and east of Edmonton, crop prospects were regarded as very close to average with good stands of grain able to respond to better weather."

The map on the following page shows the condition of spring wheat by crop districts in the Prairie Provinces as at May 31, 1934.

CONDITION OF SPRING WHEAT IN THE PRAIRIE PROVINCES BY CROP DISTRICTS

MAY 31, 1934



Crop Prospects in June

The foregoing paragraphs have described the difficulties experienced by field crops during the month of May. During the first week in June weather conditions changed suddenly and western Canada began to receive timely rains which have continued up to the present time. The following table shows precipitation data for a number of representative points in the Prairie Provinces (as compiled by the Dominion Meteorological Service, Toronto.)

	Week ending			TOTAL
	June 4	June 11	June 18	
	(inches)			
<u>Manitoba</u>				
Pierson	0.1	1.4	0.3	1.8
Boissevain	0.1	1.8	0.8	2.7
Emerson	0.1	1.9	0.5	2.5
Portage la Prairie	0.1	1.8	0.4	2.3
Virden	0.1	1.9	0.1	2.1
Cypress River	0.1	1.5	0.4	2.0
Minnedosa	0.1	1.2	0.2	1.5
Winnipeg	0.1	2.7	0.7	3.5
Dauphin	0.2	0.7	0.3	1.2
Morden	0.3	2.3	0.9	3.5
Russell	0.3	0.9	0.4	1.6
Swan River	0.7	0.8	0.2	1.7
<u>Saskatchewan</u>				
Moosomin	0.1	0.7	0.1	0.9
Broadview	0.2	1.2	0.5	1.9
Yellow Grass	0.2	1.2	0.2	1.6
Yorkton	0.2	0.8	0.1	1.1
Macklin	0.2	0.5	1.1	1.8
Assiniboia	0.3	2.5	0.5	3.3
Kamsack	0.3	0.6	0.4	1.3
Qu'Appelle	0.3	1.7	0.6	2.6
Kindersley	0.4	0.9	0.5	1.8
Humboldt	0.6	1.1	0.1	1.8
Shaunavon	0.7	2.1	0.1	2.9
Lloydminster	0.7	0.2	1.2	2.1
Swift Current	0.7	1.9	1.2	3.8
Moose Jaw	0.7	1.7	0.4	2.8
Elbow	0.9	1.7	0.4	3.0
Outlook	1.1	0.8	0.5	2.4
Melfort	1.1	0.3	0.3	1.7

	Week ending			TOTAL
	June 4	June 11	June 18	
	(inches)			
<u>Alberta</u>				
Foremost	0.2	3.2	0.2	3.6
Brooks	0.3	1.3	0.1	1.7
Drumheller	0.3	0.9	0.1	1.3
Coronation	0.4	0.6	0.4	1.4
Calgary	0.5	1.9	0.1	2.5
Medicine Hat	0.5	1.5	0.1	2.1
Stettler	1.0	0.7	0.2	1.9
Beaverlodge	1.1	0.1	0.6	1.8
Red Deer	1.3	0.5	1.1	2.9
Edmonton	1.3	0.4	1.9	3.6
Vegreville	1.5	0.1	1.4	3.0
Empress	0.3	0.9	0.4	1.6
Macleod	-	2.5	0.5	3.0

The foregoing figures indicate the generous nature of rains received during the three weeks. The weather remained cool with the result that moisture supplies were of maximum value to crops which had been devastated and crops which were in good condition at the end of May.

Coming early in June the rains quickly changed the crop situation. A continuation of conditions experienced during the month of May would soon have expelled widespread disaster. Crops which had been attacked by persistent drought, wind-storms and grasshoppers were revived by the rains which were particularly abundant in the drought area of the three Prairie Provinces. It was inevitable, however, that adverse conditions such as were experienced during May would leave a mark upon 1934 crops. Irreparable damage was done at that time.

Week ending June 6.

On June 6, the Dominion Bureau of Statistics issued a telegraphic crop report which commented upon the crop situation as follows:-

"The rains of the past week afforded almost general relief to the parched grain fields and pastures of the Prairie Provinces. Heaviest precipitation was recorded in northern and eastern Manitoba, east-central and south-western Saskatchewan and over most of Alberta. Yesterday's rains were of further benefit to eastern and northern Manitoba, western Saskatchewan and southern Alberta. Dry areas are still reported in southern Manitoba, south-eastern, west-central and north-western Saskatchewan, and east-central Alberta. The weather has been cool and cloudy for several days. The light frosts reported from Calgary, Edmonton and Battleford caused no apparent damage.

"The recent rains brought relief to all of Manitoba excepting the south-western corner, where the drought was most severe. In other districts, particularly in the south, relief is only temporary and pastures need much more rain. The areas around Morden and Souris are still in a drought-stricken condition. Grasshoppers have appeared in epidemic numbers and are causing considerable damage, except in north-western Manitoba.

"In Saskatchewan, the drought was broken by rains of the past week-end, but not before irreparable damage had been done. More rain is required almost generally to advance the growing crops, to germinate the late-sown grain, to relieve the grasshopper situation and particularly to provide feed for live stock. Crops in northern and east-central Saskatchewan are making good progress; in the south-west and south-east, they are poor; and in the west-centre, poor to good. Fall rye is generally heading out thin and short. The food situation is very bad in some southern districts and is causing much anxiety. Grasshoppers developed rapidly during the past week and caused serious damage, especially in the south-western area, where stubbled-in crops are nearly a total loss and crops on fall-cultivated lands about 75 per cent gone. The rapid invasion of crops was forced by the sparse growth on stubble land, pastures and roadsides. Some recovery may be hoped for if heavy rains encourage delayed germination. Wireworms and cutworms are working in scattered localities.

"The crop outlook for Alberta was almost completely changed by the heavy and well-distributed rains of the past week. Only limited sections of east-central and extreme southern Alberta failed to receive the needed moisture. More rain will soon be needed in southern Alberta and in some central areas, but crop conditions are decidedly improved in every other district of the province. In northern Alberta, crop prospects are variously described as very good, excellent and ideal, with no reports of damage. Warm weather is mentioned as necessary to advance growth. The rains checked grasshopper and cutworm depredations, especially in lightly-infested areas. The only serious losses are reported from Hanna. Frost was recorded in the foothills and at some northern points on Sunday, but caused no damage."

Week Ending June 12.

On June 12, the weekly telegraphic report of the Dominion Bureau of Statistics stated:

"During the past week, heavy rains were received throughout the Prairie Provinces. Precipitation was much heavier than during the first week in June when the long period of drought was ended. Last week the heaviest rains were received in Manitoba and the southern areas of Saskatchewan and Alberta. Precipitation data since June 1 show that practically every district in the Prairie Provinces has received good rains. In general, areas which received light rains early in the month benefited by heavy rains during the past week. Cool weather and heavy rains have curbed the activity of grasshoppers for the time being. Rainfall received so far in June has been of immense value to growing crops in the Prairie Provinces. In many areas, however, irreparable damage has resulted from drought, soil-drifting and grasshoppers. Some re-seeding is reported and it is likely that additional coarse grains will be sown as a result of improved moisture conditions.

"Manitoba received soaking rains during the week ending June 11 with precipitation ranging from 0.7 inches at Dauphin to 2.7 inches at Winnipeg. More rain is needed however in the southern part of the province and pastures in south-western Manitoba are still in poor condition. Crops in northern Manitoba are

promising. Grasshoppers are numerous over wide areas but have been inactive during the recent cool, wet weather.

"In Saskatchewan, rainfall was well distributed during the past week with the heaviest rains being received in the southern part of the province. Particularly heavy rains were received in south-central and south-western portions of the province. The general outlook is greatly improved but a considerable amount of permanent damage had been sustained as a result of drought, soil-blowing and grasshoppers prior to the coming of the June rains. Farmers will take advantage of the improved moisture conditions to seed further acreage to coarse grains. Reports indicate that crops are progressing well in the northern and eastern sections of the province, while in the west-central area, crops are inclined to be patchy but will improve as a result of recent rains. Grasshoppers have been inactive recently but control measures are still being vigorously applied. The pests have done considerable damage to stubble crops in the southern part of the province and have been injurious in the western and west-central areas.

"Southern Alberta received heavy rains during the past week, while moderate to light rains were received in central and northern portions of the province. All crops are growing rapidly. Pastures have benefited from added moisture supplies. Grasshoppers are numerous in southern and parts of central Alberta, but control measures are reducing the damage. Crops are developing well in northern Alberta with good stands reported and pastures in good condition."

Week Ending June 19.

On June 19, telegraphic reports received by the Dominion Bureau of Statistics showed the following situation:

"In general, weather conditions have been favourable for crop development in Manitoba. During the past week rains were received in sections of central and northern Manitoba. Prospects range from fair to good except in southern districts where adverse weather conditions caused serious damage during the month of May. Grasshoppers have not been active during the past week, but control measures are being carried out in view of the fact that warmer weather will cause further activity on the part of this pest. Pastures are generally poor in south-western Manitoba and in some cases live stock are being moved northward where feed supplies are available. More rain is required in southern Manitoba. Early wheat is reported in shot blade and is inclined to be short.

"Rainfall was scattered in Saskatchewan during the past week. Some heavy showers are reported from west-central districts but only light rains were received in southern portions of the province. Crops in southern and central districts where serious damage resulted from drought, wind and grasshoppers during the month of May, have improved during the past week. The stand is uneven, however, due to late germination. Some re-seeding is reported following the June rains. In other parts of the province crops have made satisfactory progress during the past week. Grasshoppers have been generally inactive but where the pest has been working poisoning has been continued with excellent results. Pastures have been greatly improved as a result of favourable June weather.

"Crops have developed well throughout Alberta during the past week. In southern Alberta timely June rains have improved prospects. Pastures and ranges have also improved as a result of added moisture supplies. In central Alberta a few points report only light precipitation this month and further rains will be required to ensure continued favourable development of crops."

PRIMARY MOVEMENT

The following table shows primary receipts of wheat in the Prairie Provinces along with comparative figures for last year:

<u>Week ending</u>	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u> (bushels)	<u>Total</u>	<u>Total Last Year</u>
Aug.-Sept.	17,761,241	38,927,520	22,289,155	78,977,784	138,252,477
October 6	1,068,036	7,725,871	6,034,659	14,828,566	26,341,535
13	601,997	7,300,587	6,206,899	14,109,483	17,754,512
20	593,224	5,281,545	4,545,248	10,420,017	17,008,586
27	526,230	2,839,489	1,957,848	5,323,567	15,648,568
November 3	637,025	4,183,954	2,921,960	7,742,939	10,948,339
10	464,003	3,167,520	3,040,876	6,672,399	9,557,241
17	357,654	3,397,285	2,699,219	6,454,158	9,319,945
24	158,006	1,542,141	1,200,366	2,900,513	7,491,780
December 1	277,876	2,163,308	1,514,427	3,955,611	7,272,594
8	173,127	1,681,139	1,396,029	3,250,295	6,633,350
15	158,112	1,365,706	1,571,485	3,095,303	3,848,020
22	24,617	768,668	1,038,968	1,832,253	3,374,622
29	58,194	667,985	524,405	1,250,584	2,052,868
January 5	104,137	731,131	658,029	1,493,297	2,483,134
12	69,796	941,248	1,358,477	2,369,521	2,594,478
19	109,033	1,407,281	1,857,990	3,374,304	2,381,573
26	80,783	873,686	1,164,904	2,119,373	2,412,363
February 2	114,067	698,660	1,057,326	1,870,053	3,439,058
9	118,961	935,679	1,026,762	2,081,402	2,109,930
16	138,110	1,198,733	1,486,781	2,823,624	1,896,078
23	193,707	687,473	825,360	1,706,540	3,820,348
March 2	162,214	585,140	823,998	1,571,352	3,987,172
9	184,438	979,182	1,063,148	2,226,768	4,190,522
16	111,088	886,670	1,054,791	2,052,549	5,508,652
23	271,638	960,686	749,323	1,981,647	5,159,028
30	109,230	1,082,777	807,263	1,999,270	4,104,597
April 6	247,400	1,107,564	818,148	2,173,112	2,556,368
13	73,730	903,075	757,019	1,733,824	2,042,994
20	217,828	896,218	867,603	1,981,649	2,647,944
27	90,066	817,005	629,325	1,536,396	2,749,600
May 4	124,987	373,462	347,579	846,028	2,127,592
11	103,195	569,232	399,342	1,071,769	2,443,174
18	243,315	830,429	893,944	1,967,688	2,281,927
25	183,788	898,590	736,098	1,818,476	1,751,913
June 1	402,249	1,762,302	1,262,103	3,426,654	3,696,478
8	539,554	1,971,225	1,203,257	3,714,036	5,011,522
TOTAL	26,852,656	103,110,166	78,790,114	208,752,936	346,901,882

From August 1, 1933 to June 8, 1934 marketings of wheat amounted to 208,752,936 bushels as compared with 346,901,882 bushels during the corresponding period of 1932-33.

STOCKS IN STORE

The following table shows stocks of Canadian wheat in store in Canada and United States on June 15, 1934 with comparative figures for last year:

	<u>1 9 3 4</u>	<u>1 9 3 3</u>
	(Bushels)	
Country Elevators ^x - Manitoba	6,458,717	6,728,459
Saskatchewan	44,911,540	48,811,920
Alberta	32,034,389	31,025,564
T o t a l	83,404,646	86,565,943
Interior Private and Mill Elevators ^x	6,022,934	6,413,629
Interior Public and Semi-Public Terminals	1,105,607	2,016,229
Pacific Ports	10,013,939	7,740,925
Churchill	2,475,764	2,430,283
Fort William and Port Arthur Elevators	61,572,407	48,306,173
Eastern Elevators - Lake Ports	11,828,464	20,206,007
Eastern Elevators - Seaboard Ports	8,700,328	10,187,312
U. S. Lake Ports	6,604,838	3,381,218
U. S. Atlantic Seaboard Ports	726,058	948,398
In Transit - Lakes	4,883,052	4,961,561
T o t a l	197,338,037	193,157,678

x Subject to minor revision.

During the past month there has been a decrease in stocks of wheat in country elevators as a result of the movement of wheat toward terminal markets. Country elevator stocks on June 15, 1934 amounted to 83,404,646 bushels compared with 85,504,103 bushels a year ago.

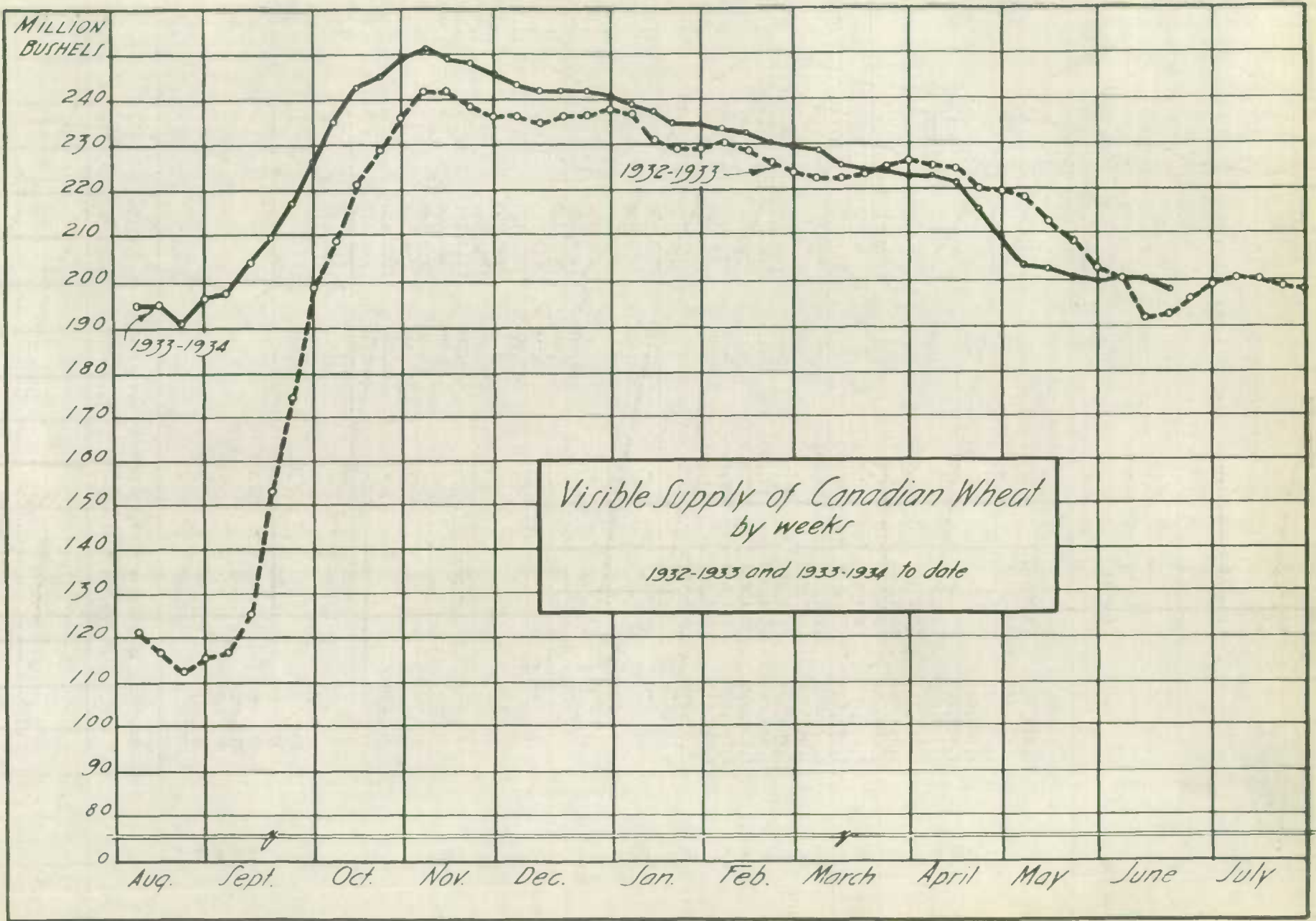
Stocks of wheat at Port Arthur and Fort William decreased by almost 10 million bushels during the past month in spite of the movement from country elevators.

A sharp increase in the volume of wheat in store in eastern lake elevators is reported during the past four weeks. Stocks have decreased slightly at eastern seaboard ports and have increased sharply at United States lake ports.

During the past month there has been little change in stocks of Canadian wheat at United States seaboard ports. On May 11, 806,512 bushels were in store while on June 15 726,058 bushels were in store at United States ocean ports.

The Canadian visible supply is now above the figures of the same date last year. On June 15, 1934 the total volume of Canadian wheat in store in Canada and the United States amounted to 197,338,037 bushels as compared with 193,157,678 bushels on the same date last year.

The chart on the following page shows the visible supply week by week during the present crop year along with comparative data for last year.



EXPORT CLEARANCES OF CANADIAN WHEAT
1933-34

Week ending	Montreal	Quebec	Sorel	Halifax	Saint John and West Saint John	Churchill	Vancouver and New Westminster
(bushels)							
August 4	1,319,468	304,500	473,177	-	-	-	378,973
11	1,773,227	-	231,193	-	-	-	244,733
17	2,103,871	-	192,000	-	-	-	393,033
24	1,063,061	-	234,000	-	-	1,234,661	376,520
31	1,819,943	-	204,999	-	-	943,512	613,183
September 7	1,580,304	-	-	18,667	-	223,708	565,716
14	1,267,161	301,481	267,000	-	-	-	861,597
21	1,968,394	447,927	232,099	-	-	-	748,783
28	1,783,364	268,650	589,370	-	-	-	654,992
October 5	2,191,071	217,600	190,674	-	-	306,010	676,179
12	1,742,967	-	568,200	-	-	-	879,247
19	2,432,089	1,158,573	294,543	-	-	-	1,257,803
26	1,090,918	1,065,700	132,415	-	-	-	1,435,460
November 2	1,284,134	836,866	485,000	-	-	-	712,353
9	1,866,529	1,347,300	19,000	-	-	-	1,168,716
16	1,539,955	564,602	581,213	-	-	-	862,013
23	2,084,627	881,666	281,600	-	-	-	1,259,611
30	2,719,940	256,000	311,201	-	-	-	956,223
December 7	96,240	840,800	-	-	-	-	1,559,748
14	199,171	-	-	-	144,100	-	664,426
21	240	-	-	32,000	160,000	-	1,403,433
28	-	-	-	264,400	259,572	-	866,631
January 5	360	-	-	-	216,198	-	1,610,780
12	200	-	-	-	149,400	-	1,437,428
19	-	-	-	40,000	408,545	-	1,614,669
25	-	-	-	207,982	371,430	-	1,174,086
February 2	240	-	-	152,000	423,905	-	1,866,317
9	-	-	-	287,000	402,155	-	1,113,116
16	200	-	-	-	469,491	-	613,676
23	-	-	-	33,075	263,944	-	1,808,854
March 2	280	-	-	33,000	453,529	-	1,662,874
9	-	-	-	107,000	406,000	-	1,081,350
16	200	-	-	32,001	153,865	-	1,131,077
22	-	-	-	215,300	195,864	-	712,455
29	200	-	-	79,994	323,605	-	559,797
April 6	-	-	-	264,266	289,533	-	563,350
13	-	-	-	48,006	391,272	-	1,145,220
20	180	-	-	96,000	103,588	-	657,830
27	60	-	-	-	16,000	-	872,548
May 4	364,000	-	303,500	32,000	-	-	796,733
11	1,127,342	871,600	425,478	-	-	-	573,868
18	2,831,648	1,086,228	516,000	-	-	-	321,769
24	879,375	279,383	448,583	-	-	-	565,678
31	1,505,683	93,617	136,000	-	-	-	749,633
June 7	759,945	283,000	284,000	-	-	-	689,823
14	1,820,006	560,966	-	-	-	-	1,183,001
Total	41,216,593	11,666,459	7,401,245	1,942,691	5,601,996	2,707,891	43,047,305
Last Year	59,275,467	4,560,941	16,009,609	1,655,901	6,864,873	2,736,030	87,304,403

EXPORT CLEARANCES OF CANADIAN WHEAT
1933-34

Week ending	Prince Rupert	Victoria	United States Ports	Total Clearances	Total St. Lawrence Ports	Total Maritime Ports	Total Pacific Ports
(bushels)							
August 4	-	-	412,000	2,888,118	2,097,145	-	378,973
11	-	-	159,000	2,408,153	2,004,420	-	244,733
17	-	-	120,000	2,808,904	2,295,871	-	393,033
24	-	-	278,000	3,186,242	1,297,061	-	376,520
31	-	-	406,000	3,987,637	2,024,942	-	613,183
September 7	-	-	637,000	3,025,395	1,580,304	18,667	565,716
14	-	-	498,000	3,195,239	1,835,642	-	861,597
21	-	-	490,000	3,887,203	2,648,420	-	748,783
28	-	-	517,000	3,813,376	2,641,384	-	654,992
October 5	-	-	634,000	4,215,534	2,599,345	-	676,179
12	-	-	243,000	3,433,414	2,311,167	-	879,247
19	-	-	694,000	5,837,008	3,885,205	-	1,257,803
26	-	-	313,000	4,037,493	2,289,033	-	1,435,460
November 2	-	-	264,000	3,582,353	2,606,000	-	712,353
9	-	-	294,000	4,695,545	3,232,829	-	1,168,716
16	-	-	126,000	3,673,783	2,685,770	-	862,013
23	-	-	289,000	4,796,504	3,247,893	-	1,259,611
30	-	-	275,000	4,518,364	3,287,141	-	956,223
December 7	-	-	830,000	3,326,788	937,040	-	1,559,748
14	-	-	375,000	1,382,697	199,171	144,100	664,426
21	-	-	752,000	2,347,673	240	192,000	1,403,433
28	-	-	600,000	1,990,603	-	523,972	866,631
January 5	-	-	458,000	2,285,338	360	216,198	1,610,780
12	-	-	1,046,000	2,633,028	200	149,400	1,437,428
19	-	-	1,363,000	3,426,214	-	448,545	1,614,669
25	-	-	737,000	2,490,498	-	579,412	1,174,086
February 2	-	-	639,000	3,081,462	240	575,905	1,866,317
9	-	-	586,000	2,388,271	-	689,155	1,113,116
16	-	-	930,000	2,013,367	200	469,491	613,676
23	-	-	515,000	2,620,873	-	297,019	1,808,854
March 2	-	-	1,414,000	3,563,683	280	486,529	1,662,874
9	-	-	316,000	1,910,350	-	513,000	1,081,350
16	-	-	549,000	1,866,143	200	185,866	1,131,077
22	-	-	714,000	1,837,619	-	411,164	712,455
29	-	-	457,000	1,414,596	200	403,599	559,797
April 6	-	-	850,000	1,969,149	-	553,799	563,350
13	-	-	672,000	2,256,498	-	439,278	1,145,220
20	-	-	640,000	1,497,598	180	199,588	657,830
27	-	-	837,000	1,725,608	60	16,000	872,548
May 4	-	-	408,000	1,904,233	667,500	32,000	796,733
11	-	-	269,000	3,267,288	2,424,420	-	573,868
18	-	-	153,000	4,908,645	4,433,876	-	321,769
24	-	-	234,000	2,407,019	1,607,341	-	565,678
31	-	-	237,000	2,721,933	1,735,300	-	749,633
June 7	-	-	293,000	2,309,768	1,326,945	-	689,823
14	-	-	295,000	3,858,973	2,380,972	-	1,183,001
Total	-	-	23,812,000	137,396,180	60,284,297	7,544,687	43,047,305
Last Year	976,480	1,847,752	24,797,000	206,028,456	79,846,017	8,520,774	90,128,635

THE STATISTICAL POSITION OF CANADIAN WHEAT

The following table summarizes the statistical position of wheat in Canada at June 1, 1934, with comparative figures for 1932-33:-

	<u>1932-33</u>	<u>1933-34</u>
	(bushels)	
Carry-over, July 31	131,844,806	211,740,188
New Crop	443,061,000	269,729,000 /
Total Supplies	<u>574,905,806</u>	<u>481,469,188</u>
Domestic Requirements	107,676,155	106,000,000 /
Available Supplies	<u>467,229,651</u>	<u>375,469,188</u>
Exports - August to May	226,264,400	159,553,798
Balance for export and carry-over	<u>240,965,251</u>	<u>215,915,390</u>

/ Subject to revision.

It will be seen from the above table that Canada commenced the 1933-34 crop season with 91.8 million bushels less wheat for export or carry-over than was the case in 1932-33. Since August, there has been a continuous decline in monthly exports compared with the corresponding months of 1932-33. This decreased export movement has reduced the figure of 91.8 million bushels to 25.0 million bushels.

The following table shows the total exports of wheat and wheat flour in the first ten months of the crop year:-

	<u>August-April</u> <u>1932-33</u>	<u>August-April</u> <u>1933-34</u>
	(bushels)	
August	19,776,551	10,814,266
September	28,607,246	22,152,853
October	42,571,988	25,926,166
November	29,897,864	25,608,167
December	29,950,148	19,339,787
January	16,494,669	9,106,552
February	12,421,350	7,990,378
March	17,021,920	12,323,211
April	5,514,956	5,100,885
May	24,007,708	21,191,533
T o t a l	<u>226,264,400</u>	<u>159,553,798</u>

During the ten months from August to May, Canadian exports of wheat amounted to 159,553,798 bushels as compared with 226,264,400 bushels for the same months in 1932-33. The smaller export movement of Canadian wheat this season reflects a smaller world demand and increased competition.

In spite of smaller exports of wheat during the present cereal year, exports of flour have increased slightly. During the ten months from August, 1933 to May, 1934 exports of flour have amounted to 4,605,544 barrels as compared with 4,333,341 barrels during the same months in the preceding crop year.

EXPORTS OF CANADIAN WHEAT

The following tables show exports of wheat and flour during 1933-34 with comparative figures for preceding years:

	<u>W H E A T</u>			
	<u>1933-34</u>	<u>1932-33</u>	<u>1931-32</u>	<u>1930-31</u>
	(bushels)			
August	8,652,970	10,289,832	11,909,108	17,639,228
September	19,666,351	26,874,237	14,335,637	27,817,053
October	23,611,510	40,192,415	18,925,303	29,784,275
November	23,143,958	27,301,976	27,452,063	31,217,924
December	17,457,963	27,735,999	22,355,975	22,230,397
January	7,088,311	14,706,801	9,472,346	9,608,852
February	6,512,686	10,922,337	9,898,363	10,296,603
March	10,103,240	14,815,705	9,920,634	12,895,567
April	3,568,090	4,460,214	7,513,289	4,680,769
May	19,023,770	21,464,848	15,543,013	29,521,699
June		16,998,672	15,857,427	20,783,219
July		16,373,532	19,620,224	12,060,817
T O T A L		240,136,568	182,803,382	228,536,403

	<u>F L O U R</u>			
	<u>1933-34</u>	<u>1932-33</u>	<u>1931-32</u>	<u>1930-31</u>
	(barrels)			
August	480,288	330,382	522,178	627,233
September	552,556	385,113	556,565	734,349
October	514,368	528,794	558,459	813,691
November	547,602	576,864	476,487	792,271
December	418,183	492,033	451,310	601,894
January	448,498	397,304	331,806	392,256
February	328,376	333,114	337,513	414,773
March	493,327	490,270	414,779	560,553
April	340,621	234,387	355,390	326,117
May	481,725	565,080	461,867	481,265
June		544,507	570,861	490,294
July		492,765	446,379	466,967
T O T A L		5,370,613	5,383,594	6,701,663

	<u>WHEAT AND WHEATFLOUR</u>		
	<u>1933-34</u>	<u>1932-33</u>	<u>1931-32</u>
	(bushels)		
August	10,814,266	19,776,551	14,258,909
September	22,152,853	28,607,246	16,840,179
October	25,926,166	42,571,988	21,438,369
November	25,608,167	29,897,864	29,596,254
December	19,339,787	29,950,148	24,386,870
January	9,106,552	16,494,669	10,965,473
February	7,990,378	12,421,350	11,417,172
March	12,323,211	17,021,920	11,787,139
April	5,100,885	5,514,956	8,662,544
May	21,191,533	24,007,708	17,621,415
June		19,448,954	18,426,301
July		18,590,974	21,628,930
T O T A L		264,304,326	207,029,555
			258,267,212

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