

**CANADA**  
**DEPARTMENT OF TRADE AND COMMERCE**  
**DOMINION BUREAU OF STATISTICS**  
**AGRICULTURAL BRANCH**

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**OF THE**  
**WHEAT SITUATION**

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THE WORLD WHEAT SITUATION

Summary

World wheat production in 1933 is somewhat larger than anticipated earlier in the season owing to upward revisions of European estimates and an unexpectedly large estimate of 1933 Argentine production. With complete returns for practically all European countries (excluding Russia) it now appears that these countries harvested about 1,665 million bushels of wheat in 1933 as compared with about 1,490 million bushels in 1932. A feature of the past month was the official estimate of the 1933 Italian wheat crop indicating total production of 297 million bushels.

The 1933 Australian wheat crop is now officially estimated at 160 million bushels as compared with 210 million bushels last year. Wet weather has been experienced over a greater part of the wheat producing area of Australia and harvesting has been delayed. It is thought that recent excessive moisture will lower the quality of the new crop.

The first official estimate of 1933 Argentine wheat production indicated a crop of 256 million bushels as compared with 236 million bushels harvested last year. The official estimate was larger than expected in view of the unfavourable conditions experienced early in the growing season. If the present estimate is realized, the 1933 Argentine wheat crop is the largest since 1928.

World trade in wheat continues on a small scale. Record European wheat production this year involves a small world movement during 1933-34. From August 1, 1933 to December 18, 1933 world shipments of wheat and flour amounted to 200 million bushels as compared with 224 million bushels during the corresponding period last year.

The London Wheat Conference estimated world import requirements for 1933-34 at 560 million bushels. To date world shipments have amounted to 200 million bushels leaving a balance of 360 million bushels to be shipped during the balance of the crop year to meet estimated import requirements. Slightly larger shipments during the balance of the crop year will be required to fulfill the estimate of import requirements.

During the past month, there has been a distinct lack of activity in most phases of the Canadian wheat industry. Primary receipts have been low and declining. Inspections show that larger proportions of the crop are being graded "Tough". The visible supply has been declining slowly, since domestic use and exports are more than sufficient to offset the receipts. The lake movement closed quietly. Shipments from St. Lawrence ports during the past month were handicapped by ice and low water. This situation reacted to the benefit of Quebec, which is the only port having shipments in excess of last year's. Shipments from West Saint John began in the past week and should be encouraged by the lower rail rates set recently. Vancouver wheat clearances to date are less than half those of last year and the forward bookings are not promising.

Generally speaking, and considering the reduced world movement of wheat, Canadian participation appears to be well up to the quotas set by the London Agreement.

## I. - THE SUPPLY POSITION

### Europe

The supply position for 1933-34 is now well defined with revised estimates available for many countries and preliminary estimates issued covering the crops now being harvested in the Argentine and Australia. In general it may be said that supplies are somewhat larger than anticipated earlier in the present season by virtue of revisions of estimates in Europe and an unexpectedly high estimate of 1933 wheat production in the Argentine.

After making allowances for a few smaller European countries that have not reported their production as yet, it appears that 1933 European production (excluding Russia) amounts to about 1,665 million bushels as compared with 1,490 million bushels harvested in 1932. Production of wheat in Europe (excluding Russia) constitutes a record for that area and represents an average yield of 21.9 bushels per acre on about 76 million acres sown to wheat. This constitutes a phenomenal yield over such an extensive area as the continent of Europe. Of major interest was the recent estimate of wheat production in Italy when the 1933 wheat crop was estimated at 297 million bushels-- a record production figure for Italy. If the current Italian estimate is justified by the outturn of the crop, the average yield per acre in Italy was nearly 24 bushels per acre.

### The Argentine

The preliminary estimate of 1933 wheat production issued by the Argentine Government was unexpectedly large. There was reason to believe that drought early in the growing season had left its mark upon the 1933 crop but apparently the ideal weather following adverse conditions was sufficient to bring about a substantial yield. The present crop is estimated at 256 million bushels as compared with 236 million bushels harvested last year. The 1933 wheat crop in the Argentine is apparently the third largest in history, being only exceeded by production in 1927 and 1928.

### Australia

The Australian Government has issued a provisional estimate of 1933 wheat production and total production of 160 million bushels in indicated. This estimate is in line with conditions experienced during seeding and later during the growing season. On December 15, the International Institute cabled the Dominion Bureau of Statistics in regard to crop conditions in Australia. The cable stated that harvest is in full swing in Western Australia and yields are better than expected. In South Australia and Victoria damage is reported as a result of too much rain but an average crop is anticipated. In New South Wales weather has been unfavourable and the yield disappointing. The latter is the largest wheat producing state in Australia and a low yield in this area has an important effect upon total production in Australia. According to the present estimate of production, the current Australian wheat crop is the smallest since 1929. The Canadian Trade Commissioner for Australia cabled the Dominion Bureau of Statistics on December 14, stating that recent extreme rainfall in all states except Western Australia has delayed harvesting and injured the quality of the new crop. This authority estimates that the yield of the new crop will not greatly exceed 150 million bushels.

Summary

The supply position, as indicated by 1933 production, in the leading producing areas exclusive of Russia and China, may be summarized as follows:-

	<u>1 9 3 3</u>	<u>1 9 3 2</u>
	(million bushels)	
Europe .....	1,665	1,490
Argentine .....	256	236
Australia .....	160	210
Canada .....	272	450
United States .....	515	726
	<hr/>	<hr/>
Total .....	2,868	3,112

The above table shows that 1933 wheat production in the areas included amount to 2,868 million bushels as compared with production of 3,112 million bushels in 1932. The higher yields in Europe and the Argentine are more than offset by lower yields in Canada, the United States and Australia. The higher production in importing areas is significant in limiting the volume of trade in wheat during the present crop year.

II. - THE DEMAND POSITION

As pointed out in the preceding paragraph the record production of wheat in Europe this year has been a limiting factor insofar as trade in wheat is concerned during 1933-34. Europe has produced a larger share of her own cereal requirements in 1933 than in any year in modern times.

The London Wheat Conference recognized this situation when it agreed that world shipments during the present crop year would not exceed 560 million bushels. Of this amount the Conference was of the opinion that Europe would not absorb much over 400 million bushels. Of European requirements of about 400 million bushels, it is estimated that the United Kingdom will take about 55 per cent and Continental Europe about 45 per cent.

Mr. Broomhall estimates that Europe will require 400 million bushels during the present crop year and that imports will be distributed as follows:-

	<u>Bushels</u>
United Kingdom and Ireland .....	224,000,000
France .....	10,400,000
Germany .....	6,400,000
Italy .....	12,000,000
Belgium .....	40,000,000
The Netherlands .....	25,600,000
Greece .....	13,600,000
Spain and Portugal .....	5,600,000
Austria .....	11,200,000
Czechoslovakia .....	2,400,000
Scandinavia and Denmark .....	22,400,000
Switzerland .....	19,200,000
Finland .....	4,800,000
Malta, Cyprus, etc. ....	2,400,000
	<hr/>
Total .....	400,000,000

In 1932-33 Europe imported 486 million bushels of wheat and flour. In 1931-32, 1930-31 and 1929-30 imports amounted to 582, 608 and 483 million bushels respectively.

It is interesting to note that during the present cereal year Belgium, the Netherlands, Switzerland and Greece are likely to be the large importing countries of continental Europe. These countries have large populations in relation to available arable land and while some effort has been made to increase production, they still remain substantial importers of bread grains.

#### Demand Factors

Many factors are influencing the demand position during the present cereal year. In normal times, demand is a complex factor and it is difficult to isolate specific influences operating at any point of time. In abnormal times it is even more difficult to define the many factors in the demand situation. Without attempting to assign an appropriate degree of importance some of the existing influences may be mentioned as follows:-

1. Lack of purchasing power throughout the world which curbs demand and forces the utilization of cheaper food products. Under this heading may be included the effects of unemployment particularly in the industrial areas of Europe. There is reason for believing that unemployment is decreasing in many countries and that this factor is not limiting consumption of wheat to the same extent as a year ago. An illustration is provided in the decrease in wheat consumption in Germany last year due to the fact that unemployed workers consumed potatoes at home, whereas if they had been employed they would have taken a bread lunch to work. It is safe to indicate that bread consumption will increase with increased payrolls in industrial countries and the present trend is hopeful.

2. Fluctuating currencies and unstable standards of value make it difficult to move commodities from one country to another. This factor applies to trade generally and affects wheat insofar as it is one of the leading commodities traded in by the leading nations of the world.

3. The persistence of difficult financial conditions affecting many countries leading to efforts to protect trade balances and national currencies.

4. Record wheat crops in Europe in 1933 and in particular in countries which are normally the large importing countries. France, Germany and Italy will require little imported wheat during the present crop year. In 1933 these three countries produced a total of 840 million bushels. In 1930 these same countries produced 577 million bushels. Production in 1933 therefore exceeds production in 1930 by 263 million bushels. With such large domestic crops as were harvested this year, France, Germany and Italy cannot possibly absorb customary quantities of foreign wheat.

5. Improved industrial conditions in the United Kingdom are stimulating wheat consumption in that country and although the United Kingdom harvested considerably more wheat in 1933 than in 1932, imports during the present crop year have slightly exceeded imports during the same period in 1932. An increase is noted in stocks of wheat held in the United Kingdom.

6. General conditions in ex-European importing areas do not warrant the expectation of a greater demand than during the past crop year and probably imports will be slightly less.

III. - TRADE

The supply and demand positions outlined in preceding pages are reflected in the course of world trade in wheat during the present crop year. The following table shows world shipments of wheat and flour for the first 20 weeks of recent cereal years; (Broomhall's figures)

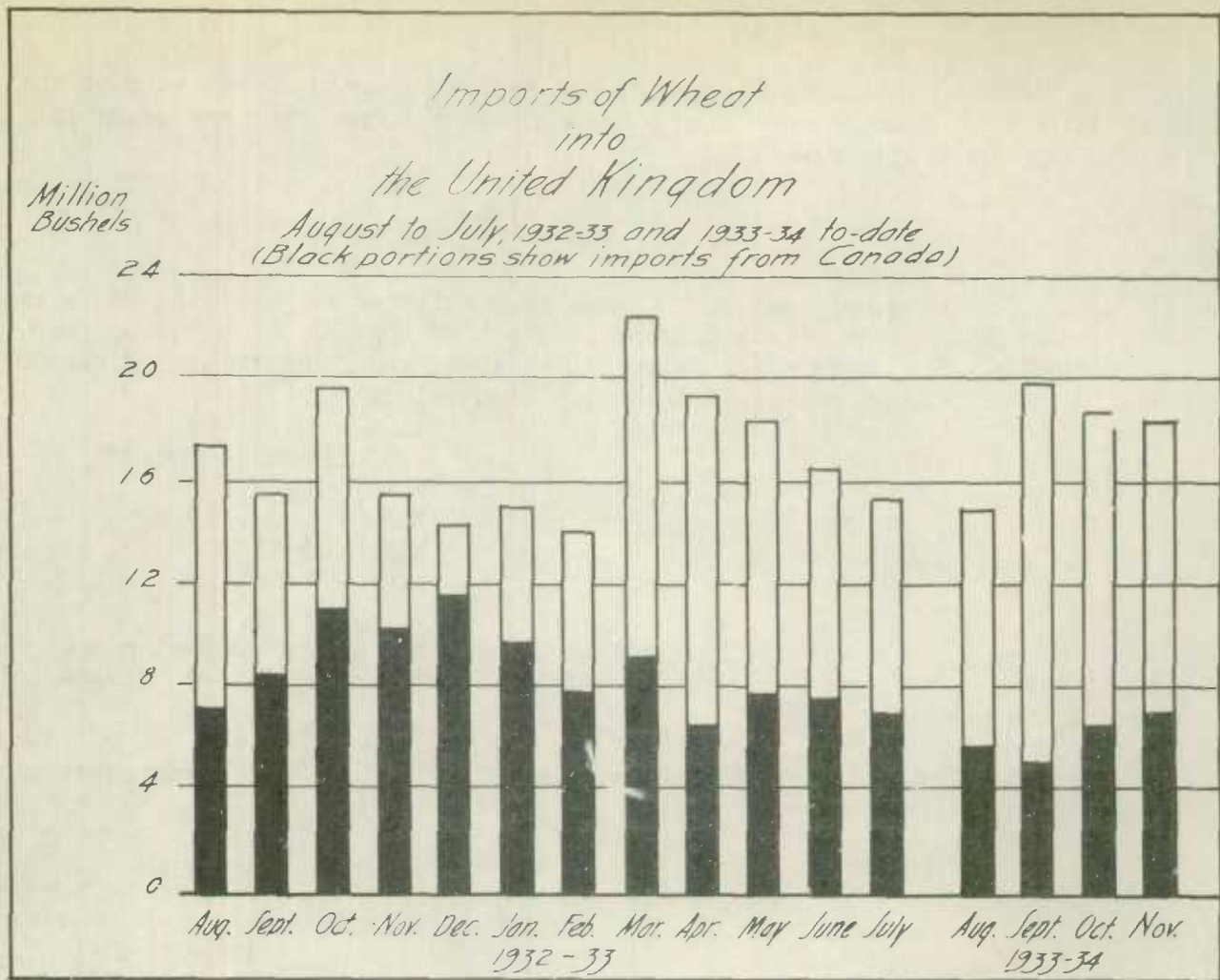
1933-34	200 million bushels
1932-33	224 " "
1931-32	309 " "
1930-31	312 " "
1929-30	252 " "

The foregoing figures shows that world shipments during the present cereal year have been considerably smaller than during the same period of preceding years.

The origin of shipments to date in 1933-34 with comparative figures for last year are as follows:

	<u>1933-34</u>	<u>1932-33</u>
	(million bushels)	
North America	94	145
Argentine	36	16
Australia	30	32
Russia	17	14
Others	23	17
	<u>200</u>	<u>224</u>

During the past 20 weeks thirty-three per cent of world shipments originated in southern hemisphere countries as compared with twenty-one per cent for the same period last year. Russia and the Danubian countries have also increased their percentages of world trade in wheat as compared with last year. It is apparent that the reduction in the total volume of trade in wheat during the present cereal year and the increased share of the Argentine and other competing countries have been accompanied by a sharp reduction in the movement of wheat from Canada. (United States exports being a minor factor in the first five months of 1932-33 and 1933-34). It should be remembered however that during the autumn months of 1932 Canada had little competition consequent upon a partial crop failure in the Danubian area, relatively small stocks in the Argentine and Australia and negligible exports from the United States. As a result of this situation Canada secured an exceedingly large share of world trade during the first half of 1932-33, a share which could hardly be obtained under conditions existing during the past four and one-half months.



The United Kingdom

Imports of wheat into the United Kingdom during the month of November were slightly lower than during the preceding month but larger than the corresponding month last year. Imports during November amounted to 18,832,509 bushels compared with 18,935,583 bushels during October and 15,670,129 bushels during November, 1932. 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 months of September, October and November, 1933:

<u>From -</u>	<u>August-July</u>	<u>September</u>	<u>October</u>	<u>November</u>
		(bushels)		
Canada	102,882,268	5,153,534	6,414,206	7,067,024
United States	2,191,927	-	-	-
Argentina	33,178,430	6,142,245	3,289,070	1,317,054
Australia	50,433,050	5,385,224	4,199,031	4,195,434
Russia	3,960,702	1,472,952	3,213,145	3,004,193
Others	11,729,430	1,708,563	1,820,132	3,248,804
<b>Total</b>	<u>204,375,817</u>	<u>19,862,518</u>	<u>18,935,583</u>	<u>18,832,509</u>
Previous year	<u>229,420,424</u>	<u>15,581,679</u>	<u>19,632,638</u>	<u>15,670,129</u>



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 227 million bushels for the same months in 1931-32. Out of total imports of 204 million bushels, Canada supplies 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 November, 1933, along with comparative figures for November, 1932:-

<u>From -</u>	<u>November, 1933</u> (B u s h e l s)	<u>November, 1932</u>
Canada .....	7,067,024	11,018,905
United States .....	-	740,622
Argentine .....	1,317,054	339,717
Australia .....	4,195,434	2,113,567
Russia .....	3,004,193	48,393
Other .....	3,248,804	1,408,925
Total .....	18,832,509	15,670,129

It will be noted from the above table that total imports of wheat into the United Kingdom during November, 1933, were considerably higher than during November, 1932. Imports from Canada were moderate, amounting to 7,067,024 bushels compared with 11,018,905 bushels for the corresponding month last year. Imports during November, 1933, from the Argentine and Australia were sharply higher than during November, 1932. The United Kingdom imported 1,317,054 bushels from the Argentine last month compared with 339,717 bushels the same month in 1932. Imports from Australia were about 2 million bushels higher than a year ago. Imports from Russia amounted to 3,213,145 bushels compared with 48,393 bushels for November, 1932.

The following table shows imports of wheat into the United Kingdom during August, September, October and November, 1933 and 1932:

<u>From -</u>	<u>1 9 3 3</u> <u>August-November</u>	<u>1 9 3 2</u> <u>August-November</u>
	(B u s h e l s)	
Canada .....	24,467,276	37,568,570
United States .....	-	2,178,392
Argentine .....	16,534,894	4,044,803
Australia .....	16,229,466	11,707,086
Russia .....	7,690,290	3,659,304
Others .....	8,036,999	8,925,754
Total .....	72,958,925	68,083,909

It will be noted that total imports of wheat into the United Kingdom amounted to 72,958,925 bushels during August, September, October and November, 1933 as compared with 68,083,909 bushels during the same months last year. The table further shows that imports from the Argentine increased about 12 million bushels this year as compared with last. Imports from Canada decreased by about 13 million bushels in the August-November period in 1933 as compared with the same months last year.

International Trade

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

Week Ending	North America	Argentine	Australia	Russia	Other	Total
	(Thousand Bushels)					
August 7	4,224	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
<b>Total</b>	<b>93,543</b>	<b>35,508</b>	<b>29,728</b>	<b>17,072</b>	<b>23,853</b>	<b>199,704</b>
<u>Comparative 1932-33</u>						
<b>Total to date</b>	<b>144,944</b>	<b>16,344</b>	<b>32,200</b>	<b>14,200</b>	<b>16,080</b>	<b>223,768</b>

From August 1, 1933 to December 18, 1933 world shipments of wheat and wheat flour amounted to 200 million bushels compared with 224 million bushels for the same period in 1932-33. During the past month shipments have been light having averaged between nine and ten million bushels. Total shipments to date are 24 million bushels lower than those of last year and are far below the movement during the corresponding weeks in 1931 and 1930, when shipments amounted to 309 million bushels and 311 million bushels respectively.

Shipments from Canada and the United States have been lower than during the same period in 1932-33. During the past twenty weeks North American shipments have amounted to 94 million bushels as compared with shipments of 145 million bushels for the same weeks last year. North American shipments have largely consisted of Canadian wheat.

Argentine shipments have been well maintained during the present crop year reflecting a larger carry-over on July 31 and prospects of a good crop in 1933. Australian shipments have been slightly smaller during the present crop year than during the same period in 1932-33. Shipments have been moderate during the past month.

Russia continues to ship wheat on a small scale. In spite of rumours of a larger crop in 1933, Russian shipments only exceed those of last year by about 3 million bushels.

Weekly Average Shipments

The following table shows weekly average shipments of wheat for the first 20 weeks of the present crop year along with comparative figures for 1932-33 and 1931-32.

	<u>North America</u>	<u>Argentine</u>	<u>Australia</u>	<u>Russia</u>	<u>Other</u>	<u>Total</u>
	(Million Bushels)					
1931-32 .....	6.9	1.4	1.6	3.2	2.4	15.5
1932-33 .....	7.2	.8	1.6	.7	.8	11.1
1933-34 .....	4.7	1.8	1.5	.8	1.2	10.0

As shown by the above table, world shipments of wheat have averaged 10.0 million bushels per week during the first twenty weeks of the crop year as compared with 11.1 and 15.5 million bushels per week during the corresponding period in 1932-33 and 1931-32.

The Position of Import Requirement 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 December 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 Dec. 18, 1933 (20 Weeks)	Dec. 18, 1933 to July 31, 1934 (32 Weeks)
560 million bushels	200 million bushels	360 million bushels
or	or	or
10.9 million bushels weekly	10.0 million bushels weekly	11.2 million bushels weekly

It will be seen from the above table that world shipments have averaged 10.0 million bushels for the first twenty weeks of the present crop year. Average weekly shipments of 10.9 million bushels are required to fulfill the estimate of import requirements.

The Course of Wheat Prices

The following summary of wheat price movements from November 1 to December 18 has been prepared by the Internal Trade Branch.

After a rather unsteady opening in the first week, wheat prices at Winnipeg advanced roughly 4 cents, and No. 1 Manitoba Northern touched on November 9 the highest level reached since September when it closed at 66½ cents per bushel. From then until the 20th this grade varied little from 65 cents per bushel, but dropped gradually in the next week to 60 cents. It has held at approximately that level until the present (December 18).

In the early part of November export interest was only moderate, but unfavourable crop news from the southern hemisphere, particularly from Australia, gave support to prices. This condition continued until the end of the third week in November when markets began to decline. Pressure from old Argentine wheat was reported at this time, and it was then becoming evident that anticipation of an immediate and rapid rise in general prices in the United States had not been justified. Subsequent to the gradual reaction which followed, market influences have been fairly well balanced. Shipments have been light with overseas interest quiet. Winter wheat reports from most areas have been bullish.

Cash closing prices for No. 1 Manitoba Northern wheat, basis Port Arthur and Fort William, averaged 63.7 cents per bushel against 60.5 cents in October.

Monthly Average Winnipeg Cash Price - No. 1 Northern Wheat - Crop Years 1926-27 to 1933-34  
(Dollars per Bushel)

	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34
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	
January .....	1.35.7	1.42.8	1.20.9	1.30.5	.53.9	.60.0	.44.2	
February .....	1.39.7	1.42.6	1.27.9	1.17.4	.59.3	.63.2	.45.8	
March .....	1.42.7	1.48.1	1.27.0	1.06.2	.56.7	.63.1	.49.1	
April .....	1.45.1	1.56.3	1.22.8	1.09.8	.59.7	.62.6	.53.6	
May .....	1.53.8	1.57.2	1.12.3	1.07.9	.60.6	.62.9	.63.3	
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>			
January .....	69.5	71.4	40.1
February .....	68.9	71.1	42.3
March .....	69.0	70.6	42.2
April .....	68.2	69.1	41.9
May .....	67.4	68.0	42.1
June .....	66.4	66.2	36.9
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	-	42.6

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

From October to November the general index of wholesale prices advanced from 67.9 to 68.7. The index of No. 1 Northern wheat mounted from 40.5 to 42.6.

Exchange Fluctuations

Since the beginning of November there have been two well defined movements in exchange. Until November 22, depreciation of the United States dollar continued and at that time it was worth less than 97 cents at Montreal, while sterling at New York was quoted at more than \$5.40. Depreciation was discontinued at this time, however, due to the pressure of London's year end financing which normally depresses sterling values. As a result the American dollar has since been appreciating in terms of both sterling and gold. At Montreal it has been quoted recently at only fractional discounts.

The decision of the Argentine government, late in November, to allow peso exchange to find its own level, resulted in an immediate decline of almost 20 p.c. in this exchange in terms of other major currencies. It is now being quoted at Montreal at a little better than 25.9 cents. The Australian pound sold for over \$4.00 in Montreal during the past five weeks, a price which it has not commanded, except for very short periods, since January 1931.

The gold values of the following currencies on December 16, was as follows: Canadian dollar 63.9 cents, pound sterling \$3.27, United States dollar 63.8 cents, Argentine peso 16.6 cents.

Exchange Quotations at Montreal, June 5th, 1933 to December 11th, 1933

		United Kingdom	United States	Australia	Argentine
		Pound	Dollar	Pound	Paper Peso
		4.8666	1.000	4.8666	.4244
June	5, 1933	4.4934	1.1212	3.5947	.3363
	12	4.6050	1.1050	3.6840	.3431
	19	4.6258	1.1150	3.7006	.3456
	26	4.6767	1.1056	3.7413	.3482
July	3	4.8189	1.0762	3.8551	.3524
	10	5.0133	1.0450	4.0107	.3762
	17	5.0202	1.0456	4.0161	.3816
	24	4.9024	1.0506	3.9219	.3834
	31	4.8282	1.0762	3.8625	.3766
August	7	4.7975	1.0700	3.8380	.3718
	14	4.7209	1.0600	3.7766	.3683
	21	4.7696	1.0587	3.8157	.3679
	28	4.7463	1.0512	3.7933	.3889
September	5	4.8190	1.0478	3.8552	.3880
	11	4.7761	1.0500	3.8208	.3885
	18	4.8802	1.0212	3.9041	.3880
	25	4.8645	1.0225	3.8916	.4090
October	2	4.8648	1.0175	3.8918	.3980
	10	4.7968	1.0225	3.8374	.3938
	16	4.6991	1.0325	3.7592	.3842
	23	4.7367	1.0275	3.7894	.3709
	30	4.8204	1.0175	3.8563	.3866
November	6	4.8980	1.0006	3.9134	.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

The Canadian Situation

During the past month, there has been a distinct lack of activity in most phases of the Canadian wheat industry. Primary receipts have been low and declining. Inspections show that larger proportions of the crop are being graded "Tough". During November, only 66.9 per cent of the cars inspected were placed as No. 3 Northern or better compared with 86.2 per cent in the four months ended November, 1933 and 94.9 per cent in the four months ended November, 1932. The visible supply has been declining slowly, since domestic use and exports are more than sufficient to offset the receipts. The lake movement closed quietly. Shipments from St. Lawrence ports during the past month were handicapped by ice and low water. This situation reacted to the benefit of Quebec, which is the only port having shipments in excess of last year's. Shipments from West Saint John began in the past week and should be encouraged by the lower rail rates set recently. Vancouver wheat clearances to date are less than half those of last year and the forward bookings are not promising.

Generally speaking, and considering the reduced world movement of wheat, Canadian participation appears to be well up to the quotas set by the London Agreement.

Preliminary Estimate of the Value of the 1933 Wheat Crop

On December 15, 1933, the Dominion Bureau of Statistics issued the first estimate of the value of field crops in Canada in 1933. The values per unit assigned to each crop represented the average prices received by farmers at the point of production for the 1933 crop up to the end of November. The 1932 prices for wheat have been revised upward from the estimate made in January, 1933. The 1932 production figures are still subject to upward revision. The following table lists the average prices and total values of the wheat crop in Canada, by provinces, for 1932 and 1933:

	<u>Average Prices per Bushel</u>		<u>Total Values</u>	
	<u>1932</u>	<u>1933</u>	<u>1932</u>	<u>1933</u>
	\$	\$	\$	\$
Prince Edward Island .....	0.66	0.86	284,000	390,000
Nova Scotia .....	0.77	0.94	55,000	72,000
New Brunswick .....	0.88	0.94	176,000	253,000
Quebec .....	0.73	0.85	695,000	849,000
Ontario .....	0.46	0.64	7,825,000	10,084,000
Manitoba .....	0.38	0.48	16,112,000	15,648,000
Saskatchewan .....	0.35	0.45	70,700,000	56,385,000
Alberta .....	0.32	0.41	52,480,000	38,991,000
British Columbia .....	0.55	0.66	774,000	853,000
<b>CANADA .....</b>	<b>0.35</b>	<b>0.45</b>	<b>149,101,000</b>	<b>123,525,000</b>

Position of the Estimate

In the period from August 1 to December 8, 1933, deliveries at country elevators and platform loadings were 154.6 million bushels. Manitoba has marketed 22.6 million bushels, Saskatchewan 78.2 million bushels and Alberta 53.8 million bushels. The prairie crop was estimated on November 10 at 253 million bushels, Manitoba having 32.6 million bushels, Saskatchewan 125.3 million bushels and Alberta 95.1 million bushels. In the November Review, it was estimated that total commercial

marketings in the 1933-34 season should amount to 218 million bushels (page 25, Monthly Review of the Wheat Situation, November 22, 1933). Thus 71 per cent of the estimated commercial marketings has come forward. This would leave 63.4 million bushels still to be delivered - an average of 1.9 million bushels per week during the remaining 33 weeks of the crop year.

The following table shows that the country movement has fallen off considerably in the past few weeks.

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>	<u>Total</u>	<u>Total Last Year</u>
			(Bushels)		
August 4	60,245	85,408	248,838	394,491	520,486
11	332,136	264,587	929,527	1,526,250	1,156,910
18	2,398,296	1,045,551	1,481,205	4,925,052	4,528,044
25	4,865,097	4,795,312	1,392,213	11,052,622	6,474,225
September 1	2,883,686	4,885,643	1,470,218	9,239,547	7,010,138
8	2,203,151	5,868,928	2,448,261	10,520,340	22,409,580
15	3,156,560	7,590,672	4,202,248	14,949,480	37,487,227
22	1,026,529	6,212,382	4,805,569	12,044,480	34,392,823
29	835,541	8,179,037	5,311,076	14,325,654	24,074,044
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	9,319,945
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
Totals	22,618,419	78,210,359	53,806,686	154,635,464	266,229,927

Acreage and Condition of Fall Wheat in Ontario

Practically all the fall wheat in Canada is grown in Ontario, the areas in the other provinces being insufficient for proper annual estimates. During the early autumn, it was considered likely that there would be a significant increase in wheat seedings in the southwestern counties. Dry weather made ploughing extremely difficult and the increase was confined to 36,000 acres or 6 per cent. The acreage sown this fall is estimated as 631,000 acres compared with 595,000 acres in 1932.

The condition of fall wheat in Ontario at October 31 was reported as 96 per cent of the long-time average yield per acre, as compared with 98 at the same date last year.

Stocks in Store

The following table shows stocks of Canadian wheat in store in Canada and United States on December 15, 1933 with comparative figures for last year:

	<u>1 9 3 3</u>	<u>1 9 3 2</u>
	(Bushels)	
Country Elevators - Manitoba	10,393,291 /	9,387,695
Saskatchewan	55,812,191 /	61,778,640
Alberta	39,489,075 /	41,747,650
TOTAL	<u>105,694,557 /</u>	<u>112,913,985</u>
Interior Private and Mill Elevators	5,241,369 /	5,655,004
Interior Public and Semi-Public Terminals	3,882,410	3,758,399
Pacific Ports	14,276,812	12,765,207
Churchill	2,475,779	2,430,283
Fort William and Port Arthur Elevs.	61,680,963	57,753,865
Eastern Elevators - Lake Ports	24,172,930	20,240,383
Eastern Elevators - Seaboard Ports	10,221,426	6,456,009
U. S. Lake Ports	8,449,776	9,209,271
U. S. Atlantic Seaboard Ports	6,907,670	5,964,586
TOTAL	<u>243,003,692</u>	<u>236,876,992</u>

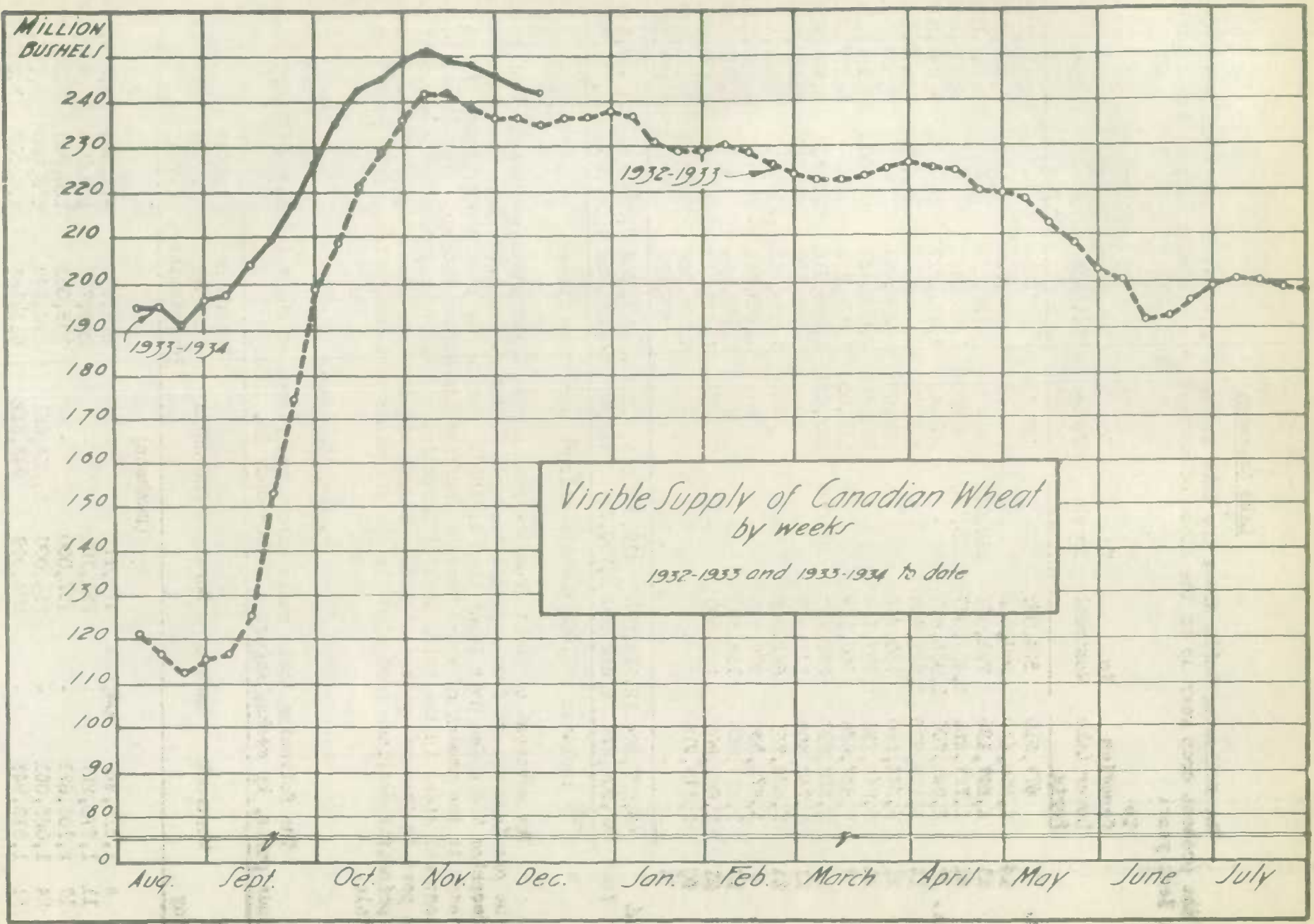
/ Partly estimated

For some weeks past, the visible supply of wheat in Canada has remained about 6 million bushels above the visible supply on the comparable date of 1932. Stocks in the country elevators are about 7.2 million bushels less than at the same date last year. This figure has held fairly steadily in recent weeks, while at this time last year, country elevator stocks were increasing rapidly. Stocks in the private and mill terminals are slightly lower than in mid-December, 1933. The amount of wheat held in the interior public and semi-public terminals is still in excess of last year's stocks, although it has fallen considerably in the last week. Practically all of this wheat is held at Edmonton and Calgary and much of it is tough wheat from the areas which experienced wet harvest weather during the past autumn. This wheat will be dried before shipment. The export movement from Vancouver has been much less active than in the same season of 1932; thus stocks at Pacific Coast ports remain higher than at the same date last year. The Government elevator at Churchill is practically full of wheat as it was at this time last year.

At the Head of the Lakes, wheat stocks are about 4 million in excess of last year's figures. The eastern elevators on the Lakes and at the seaboard have larger stocks than they had in 1932. Stocks at United States lake ports are lower than they were last year but this is more than offset by the higher stocks at the United States seaboard.

In summary, it can be seen that the stocks of Canadian wheat held in export position are much higher than usual.





Lake Movement

The following table shows the lake movement of wheat by ports of destination in the present crop year up to the close of navigation along with comparative figures for last year:

	To Canadian Lower Lake Ports	To Montreal	To Sorel	To Quebec	To Buffalo	To Other United States Ports	Total
Aug. 7	677,510	524,057	-	115,166	-	-	1,316,733
14	1,505,439	921,040	-	209,685	182,908	-	2,819,072
21	2,597,195	782,957	219,000	-	194,539	-	3,593,691
31	2,727,255	1,431,067	108,000	91,500	1,261,457	-	5,619,259
Sept. 7	2,898,705	1,853,669	-	207,405	1,881,517	-	6,841,296
14	3,129,375	1,255,936	-	217,000	-	-	4,602,311
21	3,341,280	750,952	-	106,998	896,554	-	5,095,784
31	5,845,291	1,687,154	-	324,338	2,023,431	231,000	10,111,214
Oct. 7	2,837,838	500,114	-	115,000	1,824,178	-	5,277,130
14	2,353,317	232,493	85,000	432,435	1,899,613	678,616	5,681,974
21	2,746,406	547,859	-	-	966,100	290,379	4,550,744
31	3,480,751	683,977	-	-	1,085,457	617,828	5,868,013
Nov. 7	1,471,538	976,925	-	-	2,339,641	-	4,788,104
14	1,332,868	196,385	-	-	2,176,942	-	3,706,195
21	1,662,801	215,000	-	-	1,596,524	-	3,474,325
30	2,219,215	-	-	-	4,021,966	577,437	6,818,618
Dec. 4	-	-	-	-	275,177	-	275,177
TOTAL	40,627,264	12,559,585	412,000	1,819,527	22,626,004	2,395,260	80,439,640
Last Year	59,904,229	6,842,200	1,790,787	431,425	34,468,319	2,691,805	106,233,823 /

/ Includes 105,058 bushels shipped direct to Europe.

The movement of wheat from the Head of the Lakes was considerably lighter than in the previous season from August 1 to early December. In 1932, lake navigation closed on December 7 - a few days later than in 1933. During the past month, there was an increase in the amount of wheat moved to Buffalo for winter storage. The direct movement to Montreal ended in the third week of November, but was nearly double the movement to this port in the same period of 1932. Larger amounts were also shipped direct to Quebec. The principal declines took place in the shipments to Canadian Lower Lake ports and to Buffalo.

Export Clearances

The following table shows export clearances of wheat (excluding flour) from the various ports, by weeks, August 1 to December 14, 1933.

Week Ending	Montreal	Quebec	Sorel	Churchill	Vancouver and New Westminster	United States Ports	Total
(Bushels)							
Aug. 4	1,319,468	304,500	473,177	-	378,973	412,000	2,888,118
11	1,773,227	-	231,193	-	244,733	159,000	2,408,153
17	2,103,871	-	192,000	-	393,033	120,000	2,808,904
24	1,063,061	-	234,000	1,234,661	376,520	278,000	3,186,242
31	1,819,943	-	204,999	943,512	613,183	406,000	3,987,637

Week Ending	Montreal	Quebec	Sorel	Churchill	Vancouver and New Westminister	United States Ports	Total
	(Bushels)						
Sept. 7	1,580,304	-	-	223,708	565,716	637,000	3,025,395/
14	1,267,161	301,481	267,000	-	861,597	498,000	3,195,239
21	1,968,394	447,927	232,099	-	748,783	490,000	3,887,203
28	1,783,364	268,650	589,370	-	654,992	517,000	3,813,376
Oct. 5	2,191,071	217,600	190,674	306,010	676,179	634,000	4,215,534
12	1,742,967	-	568,200	-	879,247	243,000	3,433,414
19	2,432,089	1,158,573	294,543	-	1,257,803	694,000	5,837,008
26	1,090,918	1,065,700	132,415	-	1,435,460	313,000	4,037,493
Nov. 2	1,284,134	836,866	485,000	-	712,353	264,000	3,582,353
9	1,866,529	1,347,300	19,000	-	1,168,716	294,000	4,695,545
16	1,539,955	564,602	581,213	-	862,013	126,000	3,673,783
23	2,084,627	881,666	281,600	-	1,259,611	289,000	4,796,504
30	2,719,940	256,000	311,201	-	956,223	275,000	4,518,364
Dec. 7	96,240	840,800	-	-	1,559,748	830,000	3,326,788
14	199,171	-	-	-	664,426	375,000	1,382,697x
Total	31,926,434	8,491,665	5,287,684	2,707,891	16,269,309	7,854,000	72,699,750x
Last Year	45,165,194	1,217,904	11,073,265	2,736,030	39,809,183	10,024,000	112,113,396//

/ Includes 18,667 bushels cleared from Halifax in the week ending September 7.

// Includes 596,121 bushels from Victoria, 677,813 bushels from Prince Rupert, 741,886 bushels from West Saint John and 72,000 bushels from Halifax.

x Includes 144,100 shipped from West Saint John in the week ending December 14.

### Statistical Position of Canadian Wheat

The following table summarizes the statistical position of wheat in Canada at December 1, 1933, with comparative figures for 1932:

	1932-33	(Bushels)	1933-34
Carry-over, July 31 .....	131,844,806		211,740,188
New Crop .....	455,000,000	1/	271,821,000
Total Supplies .....	586,844,806		483,561,188
Domestic Requirements .....	119,627,000	3/	118,000,000
Available Supplies .....	467,217,806		365,561,188
Exports - August to November .....	120,853,649		84,195,452
Balance for Export and Carry-over ...	346,364,157		281,365,736

1/ Approximate, until final revision made in January, 1934.

2/ Provisional estimate.                      3/ Subject to revision.

The monthly reduction of available supplies continues at a lower rate than in the previous season. This season's supplies for export and carry-over were 101 $\frac{3}{4}$  million bushels less than in the previous year, but the reduced exports for the past four months have effected a lowering of this figure to 65 million bushels at December 1, 1933. The balance for export and carry-over at December 1, 1933 is placed at 281 million bushels compared with 346 million bushels at the same date in 1932.

A feature of the present season to date has been the increase in flour exports compared with the same months of 1932. In the August to November period of 1933, flour exports have amounted to 2,094,814 barrels compared with 1,821,153 in the same four months of 1932. Flour exports have formed 11.2 p.c. of the total exports of wheat and wheat flour in the four-month period of 1933 compared with 6.8 p.c. in the same months of 1932.



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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	18,289,832	11,909,108	17,639,228
September	19,666,351	26,874,237	14,335,657	27,817,053
October	23,305,510	40,192,415	18,925,303	29,784,275
November	23,143,958	27,301,976	27,452,063	31,217,924
December		27,735,999	22,355,975	22,230,397
January		14,706,801	9,472,346	9,608,852
February		10,922,337	9,898,363	10,296,603
March		14,815,705	9,920,634	12,895,567
April		4,460,214	7,513,289	4,680,769
May		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
<b>T O T A L</b> .....		<u>240,136,568</u>	<u>182,803,382</u>	<u>228,536,403</u>

	<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	627,253
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		492,033	451,310	601,894
January		397,304	331,806	392,256
February		333,114	337,513	414,773
March		490,270	414,779	560,553
April		234,387	255,390	326,117
May		565,080	461,867	481,265
June		544,507	570,861	490,294
July		492,765	446,379	466,967
<b>T O T A L</b> .....		<u>5,370,613</u>	<u>5,383,594</u>	<u>6,701,663</u>

	<u>WHEAT AND WHEATFLOUR</u>			
	<u>1933-34</u>	<u>1932-33</u>	<u>1931-32</u>	<u>1930-31</u>
	(Bushels)			
August	10,814,266	19,776,551	14,258,909	20,461,776
September	22,152,853	28,607,246	16,840,179	31,121,623
October	25,620,166	42,571,988	21,438,369	33,445,884
November	25,608,167	29,897,864	29,596,254	34,783,143
December		29,950,148	24,386,870	24,938,920
January		16,494,669	10,965,473	11,374,004
February		12,421,350	11,417,172	12,163,082
March		17,021,920	11,787,139	15,418,056
April		5,514,856	8,662,544	6,148,296
May		24,007,708	17,621,415	31,687,392
June		19,448,354	13,426,301	22,989,542
July		18,590,974	21,628,930	14,106,169
<b>T O T A L</b> .....		<u>264,304,326</u>	<u>207,029,555</u>	<u>258,267,212</u>