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AGRICULTURAL BRANCH

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OF THE

WHEAT SITUATION

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THE WHEAT SITUATION - SUMMARY

The wheat situation has been devoid of any features during the past month. World movement has continued unimpressive, but still slightly above the 1933 figures. Prices of the different sorts of wheat have moved in a decidedly contrasting fashion at Liverpool, with Australian wheat very weak. Sales of French wheat have had a bearish effect on continental markets particularly, but the fact that Liverpool futures are weaker than those at Buenos Aires would suggest that the French movement is also influencing that market. Crop prospects in the southern hemisphere have declined slightly in the past month and it is commonly believed that the 1934-35 harvests in Argentina and Australia will be 75-100 million bushels below those of 1933-34. In Europe and the United Kingdom conditions continue very favourable for winter wheat. Parts of the United States have received heavy snowfall but the lack of moisture has not been generally relieved.

The statistics of 1934-35 production are practically complete and at present show a reduction of 353 million bushels or nearly 10 per cent compared with 1933. The total will be the smallest in a decade. The 1934 reductions in both acreage and production have been undertaken mainly by the exporting countries. One important cause of the reduced European demand can be fully appreciated in remembering that even the reduced crop of 1934 is above the 1923-27 average by about 240 million bushels and above the 1928-32 average by about 50 million bushels.

The wheat situation has developed some hopeful aspects during 1934. At least 250 million bushels will be withdrawn from world exportable stocks during 1934-35 - the first real improvement in this position since 1929-30. Italy, Germany and now France among the importing nations have taken steps that will lead to lessening of restrictions. Not less important than these relieving factors in the three importing countries are the officially expressed desires of several of the large wheat-exporting countries for new trade agreements which would improve existing conditions. These changes are not tangible as yet, but they represent distinctly hopeful factors.

As far as Canada is concerned, our wheat is commanding high premiums abroad for its quality. There seems to be no reason for concern regarding the disposal of our supplies of Durum wheat and common wheat of the lower or feed grades. The problem lies in selling the large stocks of No. 1 Hard and Nos. 1, 2 and 3 Northern.

World Acreage and Production.

Acreage.- With statistics for most of the countries now available, world wheat acreage in 1934 shows a reduction of about 9 million acres or $3\frac{1}{2}$ per cent compared with figures for the previous year. Of 41 countries which have estimated their new crop acreages, 28 show increases and 13 decreases compared with the 1933 figures. The 13 countries showing decreases, however, are, with two exceptions, large wheat producers, while most of the increases are found in countries less important in wheat production. This, of course, is another evidence of national tendencies toward self-sufficiency which discourage wheat production in the specializing countries.

Production.- According to estimates now available, world wheat production in 1934, ex China and the U.S.S.R., will be about 3,245 million bushels compared with 3,598 million bushels in 1933 - a reduction of 353 million bushels or nearly 10 per cent. Practically all of this reduction is found in Europe, Australia and Argentina. The slight reduction in North America from the low yields of 1933 is nearly sufficient to offset the increases in North Africa and Asia. Most of the reduced production took place in countries which have a great influence in the world wheat trade either as exporters or importers.

World Movement

Mr. Broomhall's record of the overseas movement of wheat and flour still shows a slight increase over the comparable period of 1933. This increase is entirely due to larger shipments from Argentina and Australia, since the movement from other countries is lower than in the previous year. Since August 1, Argentina has shipped just twice as much wheat as in the same 19 weeks of the 1933 season. Australian shipments exceed those of the same weeks of the 1933 season by over 8 million bushels. North American shipments have fallen over 16 million bushels, the U.S.S.R. 13 million bushels and other countries 5 million bushels. Europe has taken slightly less wheat than in the same period of 1933, while countries outside Europe have increased their takings from 36,664,000 bushels to 46,500,000 bushels.

Stocks on passage to Europe are declining seasonally, but are well above the levels at this time last year. As these high stocks are unloaded, European takings should climb above those of 1933.

Southern hemisphere clearances declined sharply during the past week. The heavy movement from Argentina has continued longer than usual, but the new crop is later and, as a result, Canadian sales should be relatively greater than usual in December and January.

Changes in French Wheat Policy.

There was a decided change in the French wheat situation during the past month. The principal factor causing the reversal of policy was the enormous expense of maintaining high, fixed internal price levels when the harvests provided a surplus above domestic requirements. The high price of bread was another vital consideration. Some reduction of acreage is promised under the new policy and remaining exports will be regulated. Denaturing of exportable supplies will reduce the bearish effects on bread wheat prices which would otherwise have resulted. While the French situation is being cleared up - and this may extend over the balance of the crop season - there will undoutedly be some unsettlement, but the future possibility of a broader and better market in France is much more important. Fixed maximum prices will replace fixed minimum prices and consumption of wheat should be encouraged.

Earlier in the summer, Italy had announced her intention of relaxing the emphasis on wheat in her national agricultural program. Germany was forced by drought and bad weather into a period of net wheat imports, rather than one of net exports like the previous crop year.

The Canadian Situation.

During the past month, the movement of wheat from the farms has declined in the usual seasonal fashion. Most of the receipts are now from Alberta where marketing is naturally later. Prices have held firmly above the 'pegs' and an ecouraging feature has been the greater relative strength of the lower grades. Inspection records substantiate the estimates made of large quantities of frozen, weathered and tough grades. The sharp decline in the quality of wheat coming forward first evidenced in October became more apparent in November. The lake movement continued brisk during the latter part of November so that the season's total finally exceeded that of 1933. The increase was entirely due to unusually large shipments to United States lake ports, either in transit overseas or for consumption. The overseas movement from seaboard ports continues extremely light, but there is some hope for improvement during late December and the early months of the New Year. Canadian exports are not yet in proper proportion to the size of exportable stocks nor to the estimates made by recognized authorities of the amounts forthcoming from Canada in 1934-35.

World Acreage and Production of Wheat, 1933 and 1934.

The picture of world wheat acreage and production in 1934 is becoming clearer. The important crops of Australia and Argentina in the Southern Hemisphere have reached a stage where they can be estimated with reasonable accuracy. The only countries outstanding from the list now are Northern Ireland, the Union of South Africa, Syria and Lebanon, and Chile. Average production in these countries totals only about 50 million bushels. The Union of South Africa reports a record wheat production of 13.6 million bushels in 1934, but no acreage figures have yet come to hand.

The U. S. S. R. and China are excluded from the calculations as usual.

The following tables show wheat acreage and production in the different countries, grouped according to the main continental divisions and with a summary table at the end (page 4):

EUROPE

	Area		Production	
	1933	1934	1933	1934
	(thousand acres)		(thousand bushels)	
Germany	5,727	5,430	205,918	160,793
Austria	543	568	14,615	13,239
Belgium	372	379	15,067	14,101
Bulgaria	3,051	3,034	58,858	46,518
Spain	11,047	11,101	138,234	173,600
Portugal	1,424	1,424	15,073	20,486
Estonia	155	163	2,451	3,197
Finland	91	104	2,460	2,600
France	13,503	13,109	362,328	307,151
England and Wales .	1,660	1,759	58,763	65,257
Scotland	78	93	3,472	4,152
Greece	1,712	1,951	28,385	31,359
Hungary	3,924	3,921	96,356	61,497
Latvia	309	351	6,725	7,918
Lithuania	499	514	8,192	9,907
Luxemburg	34	34	995	896
Malta	10	9	305	310
Norway	28	46	755	1,168
Netherlands	338	359	15,325	17,196
Poland	4,187	4,060	79,883	63,700
Roumania	7,701	7,636	119,071	73,486
Sweden	799	742	29,203	29,578
Switzerland	137	137	4,800	4,000
Czechoslovakia	2,275	2,329	72,921	50,100
Yugoslavia	5,257	5,257	96,581	73,486
Italy	12,561	12,236	297,985	232,200
T o t a l	77,422	76,746	1,734,721	1,467,895

North America

	Area 1933	Area 1934	Production 1933	Production 1934
	(thousand acres)		(thousand bushels)	
Canada	25,991	23,985	269,729	275,252
United States	66,510	59,000	527,978	496,980
Mexico	1,173	1,179	12,121	10,104
T o t a l	93,674	84,164	809,828	782,336

North Africa

	Area 1933	Area 1934	Production 1933	Production 1934
	(thousand acres)		(thousand bushels)	
Tunis	1,754	1,903	9,186	15,800
Morocco	3,209	2,842	28,902	31,232
Algeria	3,993	4,007	31,998	39,738
Egypt	1,426	1,442	39,951	37,276
T o t a l	10,382	10,194	110,037	124,046

Asia

	Area 1933	Area 1934	Production 1933	Production 1934
	(thousand acres)		(thousand bushels)	
Chosen	790	789	8,499	9,324
India	32,970	36,062	352,763	349,365
Japan	1,509	1,587	38,611	43,258
Turkey	6,419	7,907	81,904	91,858
T o t a l	41,688	46,345	481,777	493,805

Southern Hemisphere

	Area 1933	Area 1934	Production 1933	Production 1934
	(thousand acres)		(thousand bushels)	
Argentine	19,663	18,484	286,119	240,000
Australia	14,992	12,965	175,370	137,000
T o t a l	34,655	31,449	461,489	377,000

S U M M A R Y

	Area 1933	Area 1934	Production 1933	Production 1934
	(thousand acres)		(thousand bushels)	
Europe	77,422	76,746	1,734,721	1,467,895
North America	93,674	84,164	809,828	782,336
North Africa	10,382	10,194	110,037	124,046
Asia	41,688	46,345	481,777	493,805
Southern Hemisphere ..	34,655	31,449	461,489	377,000
T o t a l	257,821	248,898	3,597,852	3,245,082

AN APPRAISAL OF THE CANADIAN EXPORT MOVEMENT

A table was included in the previous (November) Review which afforded a comparison of the first quarter's exports of 1934 with those of the previous ten years. The following table gives similar comparisons and attempts a similar analysis for the four-month period, August to November.

The November exports were very disappointing and were, in fact, the lowest for this month in the past 15 years. It is of interest to recall that in 1928 the exports during the month of November (80,633,055 bushels) almost equalled the total exports in the elapsed four months of 1934 - 80,846,627 bushels. November is normally one of the months of highest export movement. Each month of exports running below normal reduces the chances of reaching the total of 280 million bushels estimated as Canada's 1934-35 exports by Mr. Broomhall.

If the percentages given in the right-hand column of the following table are considered, it will be seen, that there is much less variation between the years than was shown in the percentages for the first quarter in relation to the totals (November Review). This means that the seasonal distribution of wheat exports in the four-month period is relatively more constant than in the three-month period. The month of November can be regarded as one of the crucial months and, when it is past, prognostication of the crop year movement from the seasonal standpoint is rendered more reliable. However, there is still no marked uniformity in the percentages, which vary from 34.0 in 1927 to 46.6 in 1928. These extremes would allow a difference of about 64 million bushels on the Canadian 1934-35 movement. Recently, there has been a tendency to ship a higher percentage of our season's exports in the fall months. Over the five years, 1929-33, 43 per cent of our wheat went out in the first four months, August to November. If this average held for 1934, our exports would be only 188 million bushels and if the lower 10-year average (41) held, our exports would be 197 million bushels. From this distance, it seems that the greatest possibilities of increasing our exports over the usual movement lie in the months of December, January and February. This should arise as a result of United States demand since there is seemingly little hope of a slackening Argentine pressure on overseas markets. The Canadian exports for the crop season should be above the figures suggested by the seasonal movement.

Total Exports of Wheat and Wheat Flour from Canada in the Months of August to November, 1924-33, with Total Exports for the Crop Years and Percentages.

	Exports in First Four Months	Total Exports, Crop Year	First Four Months as Percentage of Total
	(bushels)		%
1924	76,117,934	192,721,772	39.5
1925	124,051,367	324,592,024	38.2
1926	109,468,327	292,880,996	37.4
1927	113,079,723	332,963,284	34.0
1928	189,734,520	407,564,187	46.6
1929	70,757,492	186,267,212	38.0
1930	119,812,426	258,637,887	46.3
1931	82,133,711	207,029,555	39.7
1932	120,855,649	264,304,326	45.7
1933	84,501,452	194,779,875	43.4
1934	80,846,627	-	-
10-year average, 1924-33	109,051,060	266,174,112	41,0
5-year average, 1929-33	95,611,746	222,203,772	43.0

RELATION OF LIVERPOOL C.I.F. PRICES FOR CANADIAN, ARGENTINA AND AUSTRALIAN WHEAT.

The chart printed on page 7 is an extension of one which appeared in the October Review. The previous chart brought prices up to October 10 and covered the upward flurry which took place about that time. The last three weeks of October were marked by almost steady declines in the prices of all wheat selling at Liverpool, with the most weakness evident in Canadian and Argentine sorts. At November 1, Canadian No. 2 Northern was selling at 85 3/4 cents - just 22 5/8 cents above Argentina Rosafe and 9 5/8 cents above Australian.

During the month of November, prices of the three sorts moved in a decidedly contrasting fashion. Pegging of the Winnipeg market at the first of the month and strength at Buenos Aires were reflected in higher C.I.F. prices of both Canadian and Argentine wheat. Prices of both sorts rose 3 or 4 cents in the first week, while Australian wheat declined about a cent. Canadian wheat prices remained firm until the 23rd of November, while Australian continued to sag and prices for Argentina wheat declined 7 or 8 cents. At this time - November 23 - Canadian No. 2 Northern prices were 30 cents above Argentina Rosafe and 16 3/4 cents above Australian. Then both Canadian and Argentina prices started to rise again while Australian continued erratically downward. Between the low on November 23rd and December 10, Argentine prices have made the most decided advance (8 1/2 cents), with the Canadian wheat up 5 1/2 cents and Australian down another cent. The spreads at December 10 were 27 cents between Canadian and Argentine and 23 1/8 cents between Canadian and Australian. The latter is an extremely wide range.

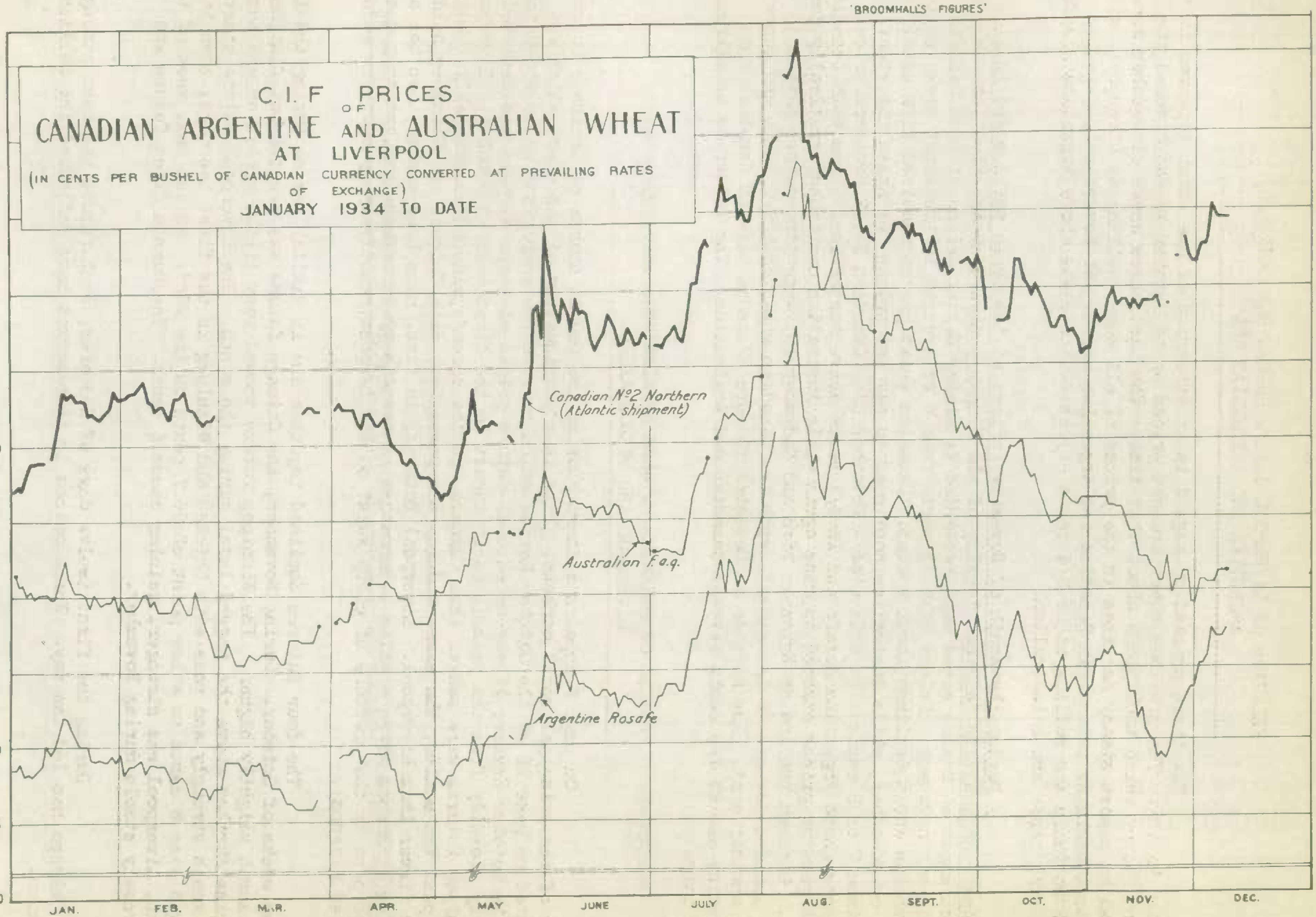
PRICES OF DECEMBER FUTURES AT WINNIPEG, CHICAGO, LIVERPOOL AND BUENOS AIRES.

On page 8 appears a chart showing the recent course of December futures on four of the principal world markets. This is a continuation of the chart which was printed on page 13 of the October Review which carried the comparison up to mid-October. In the October Review, it was noted that future prices on these markets had declined fairly steadily from the peak in early August to the first week in October. Liverpool and Winnipeg futures were weaker than Chicago, so the spreads widened considerably. During the past two months, the same tendency has persisted, with Chicago and Winnipeg holding much firmer than Liverpool. Liverpool futures, in fact, have been weaker than the same option at Buenos Aires - which is a rather extraordinary occurrence and probably due in large part to the pressure of cheap wheat on the largest relatively open market (the United Kingdom).

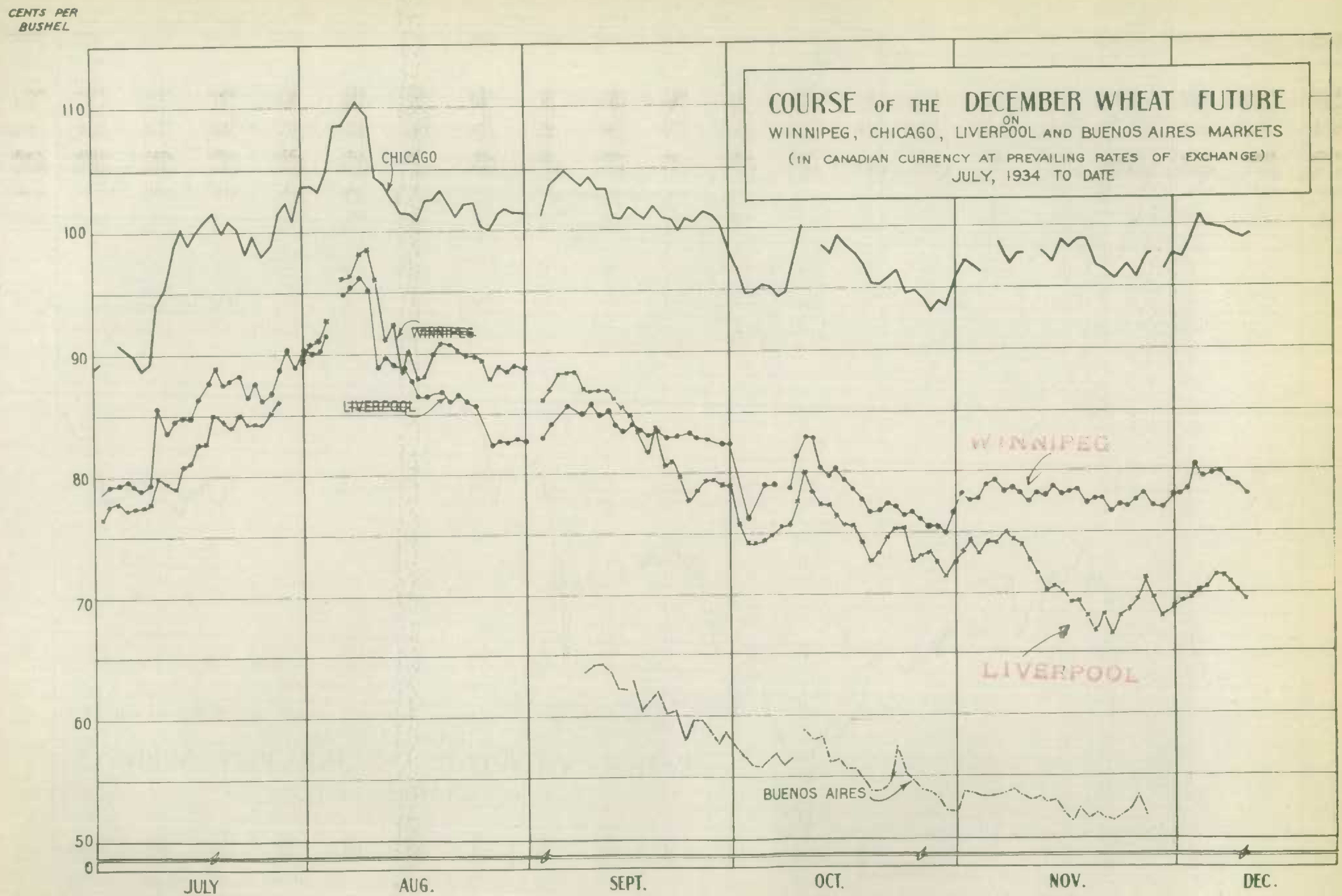
The four futures declined together and in similar degree during the last three weeks of October. During November, the Chicago future was erratic but finished the month slightly higher. The Winnipeg future showed very little variation and tended to rise further above the pegged level during the month. The Liverpool future started the month strongly and rose with Chicago and Winnipeg in the first ten days; then it sagged over 8 cents to a low point of 66.7 cents on the 23rd. In the last week of the month, Liverpool was stronger, gaining about 4 cents. The Buenos Aires future was extremely stable during November.

During the first twelve days of December, each future has been stronger, but Chicago has led the way. Wheat prices in that market have reflected the bullishness in corn.

(See also pages 22 and 23).



C. I. F PRICES OF
CANADIAN ARGENTINE AND AUSTRALIAN WHEAT
AT LIVERPOOL
(IN CENTS PER BUSHEL OF CANADIAN CURRENCY CONVERTED AT PREVAILING RATES OF EXCHANGE)
JANUARY 1934 TO DATE
'BROOMHALL'S FIGURES'
Canadian No2 Northern (Atlantic shipment)
Australian F.a.q.
Argentine Rosafe
105
100
90
80
70
60
55
0
JAN.
FEB.
MAR.
APR.
MAY
JUNE
JULY
AUG.
SEPT.
OCT.
NOV.
DEC.


COURSE OF THE DECEMBER WHEAT FUTURE
ON
WINNIPEG, CHICAGO, LIVERPOOL AND BUENOS AIRES MARKETS
(IN CANADIAN CURRENCY AT PREVAILING RATES OF EXCHANGE)
JULY, 1934 TO DATE
CENTS PER BUSHEL
110
100
90
80
70
60
50
0
CHICAGO
WINNIPEG
LIVERPOOL
BUENOS AIRES
JULY
AUG.
SEPT.
OCT.
NOV.
DEC.

THE SOUTHERN HEMISPHERE

A. The Argentine

The correspondent of the Dominion Bureau of Statistics in the Argentine has forwarded the following report under date of December 1, 1934:

Supplies:

Exports of wheat and wheat flour during the month totalled 15,497,000 bushels, composed of 15,266,000 bushels of wheat and 231,000 bushels of flour. The combined total for the previous month was 14,112,000 bushels.

The statistical position is now as follows:-

Second official estimate 1933-34 crop	286,123,000 bushels.
Carry over from 1932-33 crop	7,323,000 "
Total supplies	293,446,000 "
Deduct for Seed and Domestic Requirements	95,534,000 "
Balance available for export	197,912,000 "
Exported to Nov. 30: Wheat 162,495,000 bushels) Flour 2,859,000 ")	165,354,000 "
Balance still available for export	32,558,000 "

As previously mentioned in these reports, there is an inclination in the grain trade to doubt whether the stocks remaining are as large as the above statement indicates, and some members are disposed to cut the figure in half. In any case, however, stocks are not burdensome, and at the present rate of exportation by the end of the current year there will be little more than a normal carry over on hand.

Receipts from country points continue at about an average rate. Roads are bad, and threshing is much later than usual, so that there is little prospect of deliveries of the new crop being received for some time yet.

Bookings of freight continue heavy, and there are at the present time either loading, waiting to load or chartered (including one boat for April loading) 67,445,000 bushels. On the same date in 1933 the total was 38,691,000 bushels.

Markets:

There has been only average activity on the market here during the past month. Prices have remained fairly steady, with a slight upward tendency towards the end, when the millers were competing for parcels of good quality to meet current needs. The announcement of the Control Board that whilst it would buy new wheat at the same rates as last year it would buy no more of the old crop, caused a drop to five centavos below the minimum of the Board on the last day of the month.

Spot and December wheat closed at 5.70 paper pesos the quintal, equal to 50 1/4c. Canadian per bushel at current rates of exchange; and the March option at 6.33 paper pesos (55 7/8c. per bu.). On the same day Winnipeg December closed at 77c. per bushel.

New Crop:

The weather during the past month has not been altogether favourable for the new crop of grain. There has been too much precipitation in many districts, and not enough heat; although this latter factor has helped to keep the rust plague in check. There are complaints of damage through excessive rains in many zones in the north and centre of the cereal region, but it is likely that this damage will be more noticeable in the quality of the threshed grain than in the yield. As a result of the weather conditions the harvest is distinctly later than usual, and very little cutting has yet been done. Generally, it can be said that the crop is from two to three weeks later than normal this year.

As an offset to the damage done by too plentiful rains in other districts, the usually dry areas in the south and west have greatly benefitted by the extra moisture, and reports indicate that the wheat there is in excellent condition, with the farmers somewhat nervous of the possibilities of heavy damage should the weather turn hot and humid and favour the spread of the dreaded black rust.

At the moment of writing this report, temperatures are cool and the weather unsettled, with an apparent tendency to more rain.

Below is given the monthly report of the Ministry of Agriculture, which was made public on the 24th, with regard to the condition of the wheat crop:-

Buenos Aires: If to the natural backwardness of the wheat crop in the province of Buenos Aires, due to its geographic position, especially in the districts where the crop is most extensively grown, we add the fact that this year its development is from 15 to 20 days late, it can be said that the wheat fields are now in their critical period, and the prospect of a good or poor yield depends entirely upon the weather, the presence of rust being a cause of much worry.. In the east and southeast many lots are lodged; frosts have caused light damage; in general the condition is good; most of the fields are heading well and the attack of rust is very limited. In the centre, although backward, the wheat is a good height, and the rust is not bad. The Bahía Blanca and Tornquist districts are the poorest in the south. There was frost on the 12th in this zone, but without much damage. In the west, the wheat is in best condition in the districts bordering on the Pampa, where the land is sandy, which suits the prevailing weather, excessively rainy. In general the plants are too high and the stalks too weak. Rust is to be found in almost all the fields, but up to the present only on the lower leaves; only in Nueve de Julio have the heads been attacked. In some places the effects of the excessive humidity are to be noted, and in Lincoln hail damage was suffered over an extension of 14,000 hect. In the north, where the wheat is the most advanced, cutting will be general in the first half of December. The attack of rust covers 40 per cent of the area seeded.

Santa Fé: In the north of the province the cutting of wheat has commenced. The maturing has suffered delay through lack of heat and the continuous rains of the past fortnight. In two districts most of the early wheats, and especially the 38 M.A., which predominates, have been seriously affected by the frosts of September 11th and 12th, so that having remained very thin and sparse and with heads of second growth, they will produce a crop very poor in quality and quantity. In this same section there are important losses from hail. From Rafaela south the prospect changes and good yields have already been proved in the Las Colonias district. The centre and south of the province promise a normal crop of wheat which can be described as good. The ample diffusion of the use of pedigreed wheats in these zones permits the use of this description, which would be even more optimistic were it not for the rains, which may cause the lodging of the 38 M.A. wheats.

Córdoba: In the southeast of the province there is a good crop of wheat in prospect, although without the good quality of last year, because the rust and some frost damage will lower the specific weight and the yield. To a dense mist experienced on the morning of the 16th instant, affecting some of the grain which was in the milk stage, much importance is not attributed as it was lifted by wind, averting the possibility of a subsequent "sunstroke". In this zone the crop is some 15 days late, so that the cutting will commence at the end of the current month. The Lin-Calel wheats, which showed the poorest appearance at the beginning of the month, their foliage being entirely infested with brown rust, have improved visibly since they headed out. In the southwest of Córdoba the crop also is late in comparison with other years. As in this zone there is a high proportion of late wheats, which for lack of heat have only just finished flowering, there is the danger of "sunstroke" waiting for them in the month of December if there should be hot north winds. The early varieties, especially the 38 M.A., have their development already assured and the danger of total loss is remote. To the attacks of rust there is only given the importance of an ordinary risk which this year will reduce the crop without destroying it. The late frosts do not appear to have had much influence in the zone to which we are referring, but a hail storm damaged about 10,000 hectares in one part. In the centre of the province harvesting of the wheat has begun, with varying results, since the extraordinary attacks of yellow rust in the head have specialised on certain varieties whilst others came through successfully, so that there are fields totally lost side by side with others which are fairly good. Although late, in the northwest of the province cutting is becoming general; important losses are to be seen caused by the frosts of September and October, especially in the low lands.

Entre Rios: Wheat is the crop which appears most even in the province, especially from the centre towards the west, where there are fields which will give a high yield. In the fields infested with weeds north of the Uruguay and south of Villaguay there are fields which are very thin and will be difficult to harvest. In general, some damage has been caused by rust and frosts.

La Pampa: The appearance of the wheat is very good, although rust is a factor which may vary according to the state of the weather. Optimism prevails amongst the farmers and merchants with regard to the crop prospects. The dry winter caused the plants to root well. In the northern half of the wheat zone the fields have finished heading and the grain is well advanced. The abundant rains have permitted the growth of the plants and given freshness to the foliage, washing off the rust, and if the quality of the grain may be deficient there is room to hope for a yield approximately normal. In the southern part the wheat has just finished heading and will therefore have to suffer for a longer time the attacks of rust. This is the only contrary factor which prevents the description of the prospects as good from now on for the crop of this zone. Hail damaged some 4,000 hectares,, mostly wheat.

Santiago de Estero: In the southeast of the province cutting has commenced, with interruptions because of the abundant rains. The results are varied, but generally normal.

The contents of the foregoing official report are substantiated by private advices. There has been a tendency to exaggerate the extent of the rust damage in some quarters, but there is no doubt that given the appropriate weather conditions there is yet a possibility of very extensive losses.

It is difficult at this date to give any reliable estimate of the volume of the new crop of wheat, but in view of prevailing conditions, and taking into account the slightly reduced area seeded, it does not seem probable that it will exceed 220,500,000 bushels this year, as compared with last year's crop of 286,123,000 bushels. And there is little doubt that in point of quality it will be much inferior to that of last year. Reports of the early threshings in the north show a poor specific weight. The movement to market is likely to be very late, as not only is the crop backward as mentioned above, but the frequent and heavy rains have made the country roads very bad and quite unfit for hauling grain to the stations.

Grain Control Board:

Just as the month of November closed, the Ministry of Agriculture gave publicity to the long-expected statement as to the operations of the Grain Control Board in respect of wheat.

Up to November 28th the official Board had sold 138,756,000 bushels, having still on hand a remnant of 6,142,000 bushels.

The total expenses of the Board amounted to 8,814,942 paper pesos of which 5,881,756 represents the loss on the grain sold; 2,455,000 interest on money borrowed for the purpose of its operations; and 714,000 general expenses.

These costs and expenses are of course more than covered by the profits on the purchase and sale of exchange bills received in payment for the exported grain, and there still remains on hand a balance of 43,000,000 pesos, which it is announced will be used by the Board for its operations with the new crop.

The report mentions that it had been originally estimated that there would be a loss of 50 millions on the operations of the Board, but the situation was completely changed by the rise in prices following the drought in the United States.

The Minister of Agriculture announces that the Grain Control Board will continue its functions, and will buy grain of the new crop at the same basic rates as last year, viz: 5.75 for wheat, 4.40 for maize and 11.50 for linseed. Sime disappointment is felt by the growers, who had been hoping for a higher minimum, especially for wheat.

At the same time announcement is also made that no more wheat of the old crop will be acquired by the Board. It is felt that the amount still remaining in the hands of the growers is very small at this late date. This news caused a drop in the current price for old wheat to 5.70, five centavos below the official minimum.

Cooperative Marketing:

With a view to the encouragement of cooperative marketing by the producers, the Banco dè la Nación (the official Argentine bank) has announced that it will make advances to the Association of Argentine Cooperatives and its affiliated cooperatives, for the purpose of making an initial payment to the growers on the grain committed to them for sale and placed in store in the cooperative warehouses or elevators. Seventy-five per cent of the current market value of the grain will be advanced, and the interest to be paid will be 6 per cent. Rules governing this new business are laid down by the bank. This is regarded as valuable assistance for the cooperatives, who have hitherto been badly handicapped in their financing, and have had to have recourse to the big exporting houses for their funds.

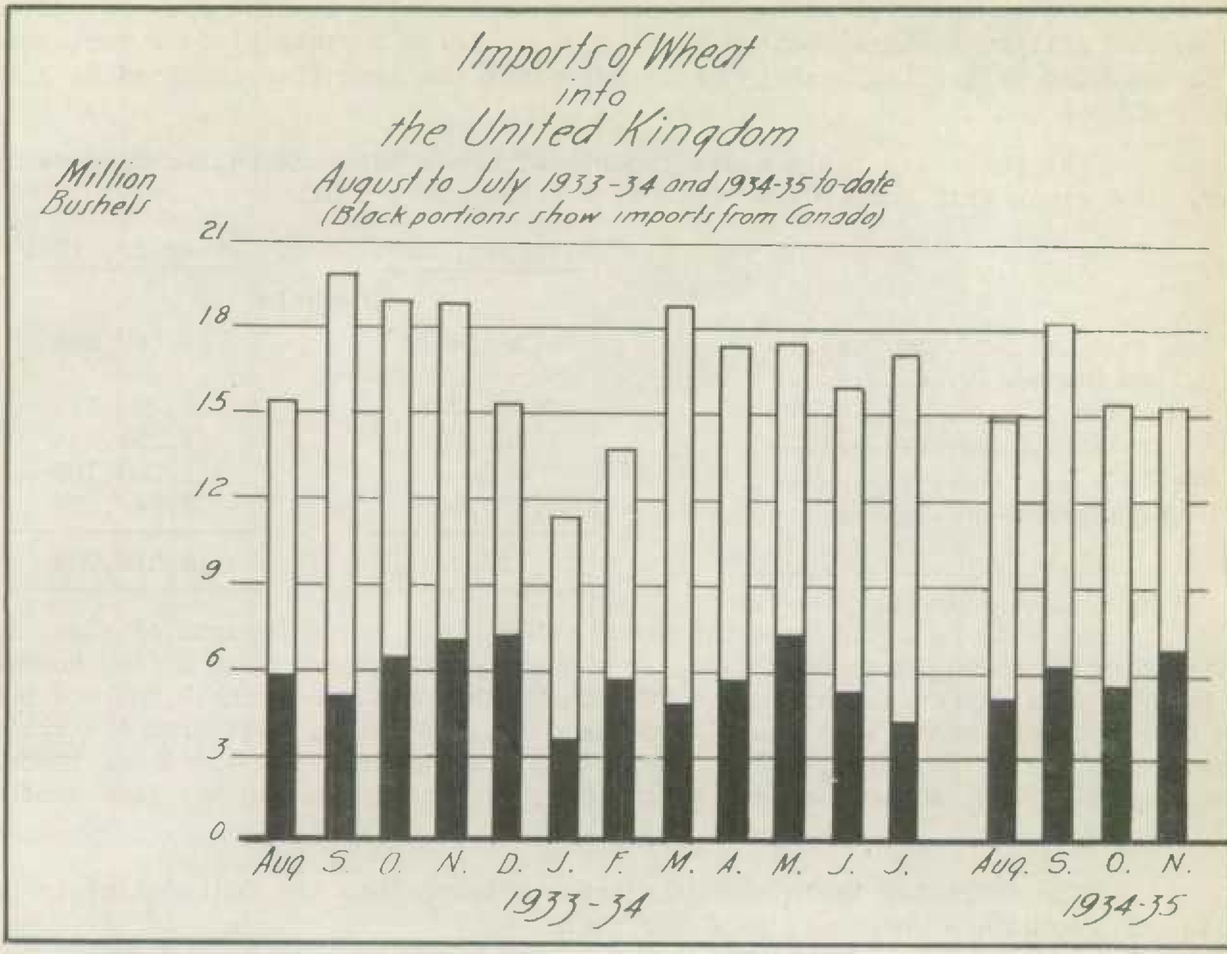
B. - AUSTRALIA

The following cable was received from the Canadian Trade Commissioner at Melbourne (December 15, 1934).

"Total wheat and flour shipped during year ending November 30 was 95,598,318 bushels compared with 149,006,859 bushels in previous year. Holders of old crop wheat, with estimated carry-over about 20,000,000 bushels, are reluctant sellers and market is affected by slow movement. Prices country sidings old crop two shillings halfpenny or 40 cents Canadian currency, new crop two shillings two pence halfpenny because of superior quality. Victorian shipments to Japan and Shanghai have been large recently and congestion here relieved. Flour exports dull position New Year not defined. Quotations ton 2,000 pounds in 49 pound calico bags six pounds five shillings equivalent $24.38 and six pounds or $23.40 in 150-pound sacks. Freights are firm at twenty-five shillings six pence ton in bags from Western Australia and twenty six shillings and six pence South Australia and Victoria. Chartering active; movement confined old wheat. Little activity new crop chartering except in Western Australia. Commonwealth has provided four million pounds to assist growers of present crop. Proposals include bounty of three pence per bushel of wheat sold also payment on acreage basis three shillings per acre of wheat sown and special assistance necessitous cases. Tax on flour of two pounds twelve shillings six pence per ton levied for one year from January 7th expected to provide 1,700,000 pounds."

A cable from the International Institute of Agriculture on December 14 read as follows:

"Western Australia crop condition mediocre consequent on lack of rain and rust attacks; yield generally below normal. South Australia crop condition improved since previous report; some districts crop conditions much improved; slight locust damage is reported.



The United Kingdom

Imports of wheat into the United Kingdom during the month of November, 1934 were slightly lower than during the preceding month and lower than the corresponding month last year. Imports during November amounted to 15,157,251 bushels compared with 15,299,555 bushels last month and 18,832,509 bushels for October, 1933.

The following table shows imports of wheat into the United Kingdom for the twelve-month period from August, 1933 to July, 1934, for the two-month period from August to September and for October and November 1934:

	August-July (1933-34)	August-September (1934)	October (1934)	November (1934)
From:		(bushels)		
Canada	68,691,578	11,240,089	5,548,881	6,784,608
United States ...	86,640	27,626	129,729	-
Argentine	53,804,099	13,192,100	5,798,805	4,462,061
Australia	41,838,574	7,226,331	3,077,921	2,831,589
Russia	14,925,079	-	-	-
Others	20,760,674	1,314,203	744,219	1,078,993
T o t a l	200,106,644	33,000,349	15,299,555	15,157,251
Previous year ...	204,375,964	35,190,832	18,935,584	18,832,509

As shown by the foregoing table, imports of wheat into the United Kingdom during the twelve months from August, 1933, to July, 1934, amounted to 200 million bushels compared with 204 million bushels for the same months in 1932-33. Out of total imports of 200 million bushels, Canada supplied 69 million bushels or 34.5 per cent; Australia supplied 42 million bushels or 21 per cent; the Argentine supplied 54 million bushels or 27 per cent.

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

	November, 1934	November, 1933
	(bushels)	
From:		
Canada	6,784,608	7,067,024
United States	-	-
Argentina	4,462,061	1,317,054
Australia	2,831,589	4,195,434
Russia	-	3,004,193
Other	1,078,993	3,248,804
T o t a l	15,157,251	18,832,509

It will be noted from the above table, that total imports of wheat into the United Kingdom during November, 1934, were considerably lower than during November, 1933. Imports from Canada amounted to 6,784,608 bushels compared with 7,067,024 bushels for the corresponding month last year. Imports during November, 1934 from Australia were lower than during November, 1933. The United Kingdom imported 4,462,061 bushels from the Argentine last month compared with 1,317,054 bushels during the same month in 1933.

The following table shows imports of wheat into the United Kingdom during the months of August and November, 1934 and 1933:

	1934 August-November	1933 August-November
	(bushels)	
From:		
Canada	~~13,024,697~~ 23,573,578	24,467,276
United States	~~27,628~~ 157,355	-
Argentina	~~17,654,161~~ 23,452,966	16,534,894
Australia	~~10,057,920~~ 13,135,841	16,229,466
Russia	-	7,690,290
Other	~~2,393,196~~ 3,137,415	8,036,999
T o t a l	~~48,157,600~~ 63,457,155	72,958,925

It will be noted that total imports of wheat into the United Kingdom amounted to 48,157,600 bushels during the August-November period in 1934 as compared with 72,958,925 bushels during the same months last year. The table further shows that imports from the Argentine increased about one million bushels this year as compared with last. Imports from Canada and Australia were considerably lower in the August-November period compared with the same months last year.

International Trade

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

Week ending		North America	Argentina	Australia	Russia	Other	Total
				(thousand bushels)			
August	6	4,153	3,738	2,030	-	400	10,321
	13	3,953	6,133	826	-	800	11,712
	20	4,561	3,494	2,209	-	488	10,752
	27	3,801	3,430	3,109	192	656	11,188
September	4	4,621	2,875	1,142	256	520	9,414
	10	3,103	4,538	1,347	448	816	10,252
	17	4,759	4,208	1,196	-	854	11,017
	24	3,878	3,201	1,472	168	648	9,367
October	1	3,672	3,785	2,889	-	968	11,314
	9	4,364	4,446	1,711	232	1,008	11,761
	15	3,176	4,280	2,790	256	1,120	11,622
	22	4,326	2,793	1,241	112	616	9,088
	29	3,955	1,557	2,262	320	1,040	9,134
November	5	3,407	1,962	3,216	584	1,000	10,169
	12	4,232	4,188	2,812	-	1,136	12,368
	19	3,081	3,985	1,198	-	2,120	10,384
	26	3,443	3,824	2,244	-	600	10,111
December	3	4,238	3,063	1,729	128	976	10,134
	10	2,292	3,586	1,236	96	1,112	8,322
Total		73,015	69,086	36,659	2,792	16,878	198,430
Last year		89,688	34,584	28,040	15,848	22,360	190,520

From August 1, 1934 to December 10, 1934 world shipments of wheat and flour amounted to 198 million bushels as compared with 191 million bushels shipped during the same weeks last year. North American shipments amounted to 73 million bushels as compared with 90 million bushels during the same weeks last year. Argentine shipments have amounted to 69 million bushels as compared with 35 million bushels in 1933. During the present crop year Australia has cleared 37 million bushels as compared with 28 million bushels during the same weeks last year. Russian shipments have been very small so far this season.

Weekly Average Shipments

The following table shows weekly average shipments of wheat for the first nineteen weeks of the present crop year along with comparative figures for 1933-34 and 1932-33.

	North America	Argentina	Australia	Russia	Other	Total
			(million bushels)			
1932-33	7.3	.8	1.5	.7	.8	11.1
1933-34	4.7	1.8	1.5	.8	1.2	10.0
1934-35	3.8	3.6	1.9	.1	.9	10.4

As shown by the table on the preceding page world shipments of wheat have averaged 10.4 million bushels per week during the first nineteen weeks of the crop year as compared with 10.0 and 11.1 million bushels per week during the corresponding periods in 1933-34 and 1932-33. North American shipments have averaged 3.8 million bushels per week compared with 4.7 and 7.3 million bushels per week during the first nineteen weeks of 1933-34 and 1932-33. Argentine shipments have averaged 3.6 million bushels per week as compared with 1.8 million bushels during the same period last year.

The Position of the Import Requirements Estimate

The Wheat Advisory Committee accepted the estimate of 600 million bushels for world import requirements for 1934-35. The position of this estimate on December 10, was as follows:

Import Requirements	Actual Shipments	Balance to be Shipped
Aug. 1,1934 to July 31,1935	Aug. 1,1934 to Dec. 10,1934	Dec. 10,1934 to July 31,1935
(52 weeks)	(19 weeks)	(33 weeks)
600 million bushels	198 million bushels	402 million bushels
or	or	or
11.5 million bushels weekly	10.4 million bushels weekly	12.2 million bushels weekly

During the first nineteen weeks of 1934-35 world shipments have amounted to 198 million bushels, or an average of 10.4 million bushels per week. This represents a heavier international movement of wheat than occurred during the same weeks last year. In order to fulfil the world estimate of 600 million bushels, weekly shipments will have to average 11.5 million bushels.

The Course of Wheat Prices

The following summary of wheat price movements from November 1 to December 13 has been prepared by the Internal Trade Branch.

Following an initial upturn in the opening days of November, wheat prices were fairly steady until the 19th of the month. Quotations for No. 1 Manitoba Northern wheat, basis Fort William and Port Arthur, centered around 80 cents per bushel during this period. From November 19, until December 13, prices weakened spasmodically and No. 1 Manitoba Northern cash quotations on several occasions fell below 79 cents per bushel. News from the southern hemisphere dominated markets throughout the period under review. Reports of adverse weather conditions in Argentina were followed several times by brief upturns, which regularly gave way before the steady pressure of southern hemisphere offerings. Overseas demand for North American wheat was unusually narrow, and shipments early in December fell to the lowest levels touched since February 1920.

Cash closing prices of No. 1 Manitoba Northern wheat, basis Fort William and Port Arthur, advanced from 78.2 cents in October to 79.6 cents per bushel for November.

Monthly Average Winnipeg Cash Price - No. 1 Northern Wheat,
Crop Years 1927-28 to 1934-35.

(Dollars per Bushel)

	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35
August	1.59.9	1.18.8	1.58.0	.92.5	.55.1	.56.3	.73.4	.86.0
September	1.45.1	1.17.0	1.49.5	.78.1	.53.6	.51.9	.67.2	.82.3
October	1.44.1	1.23.7	1.41.4	.72.5	.59.9	.48.2	.60.5	.78.2
November	1.45.1	1.20.9	1.33.0	.64.4	.67.3	.46.7	.63.7	.79.6
December	1.40.6	1.17.1	1.37.8	.55.4	.60.6	.42.4	.60.3	
January	1.42.8	1.20.9	1.30.5	.53.9	.60.0	.44.2	.65.0	
February	1.42.6	1.27.9	1.17.4	.59.3	.63.2	.45.8	.65.6	
March	1.48.1	1.27.0	1.06.2	.56.7	.63.1	.49.1	.66.4	
April	1.56.3	1.22.8	1.09.8	.59.7	.62.6	.53.6	.65.5	
May	1.57.2	1.12.3	1.07.9	.60.6	.62.9	.63.3	.70.6	
June	1.42.6	1.18.3	1.03.2	.60.8	.55.1	.66.8	.77.1	
July	1.30.9	1.59.9	.95.1	.57.3	.54.7	.83.4	.82.0	

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 1926=100	Board of Trade United Kingdom 1926=100	Wheat No. 1 Manitoba Northern Fort William and Port Arthur basis 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
1 9 3 3			
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
1 9 3 4			
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	69.1	47.2
June	72.1	70.0	51.6
July	72.0	69.8	54.8
August	72.3	71.2	57.5
September	72.0	71.0	55.0
October	71.4	70.3	52.3
November	71.2	–	53.2

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

Exchange Fluctuations

The course of foreign exchanges during November was uneventful, but this condition was disturbed abruptly on December 12. For the two weeks preceding, United States dollars and gold bloc currencies had shown steady strength at Montreal, with sterling weak until December 6, and subsequently a little stronger. On December 12, the discount on New York funds was suddenly reduced from 1 3/4 p.c. to 7/8 p.c., sterling advanced 5 cents to \$4.90½ and the French franc moved up from 6.48 cents to 6.53 cents. Quotations for these units were slightly lower again on the 13th. Weakness in the Canadian dollar during the first fortnight of December was associated with seasonal payments and pressure from the repatriation of funds invested earlier in Canadian securities. Unfounded rumours apparently contributed to the sharp break on December 12.

Exchange Quotations at Montreal, April 3 to December 12, 1934.

		United Kingdom Pounds 4.8666	United States Dollar 1.0000	Australia Pounds 4.86666	Argentina Paper Peso .4244
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
	11	5.0277	.9931	4.0221	.2483
	18	4.9740	.9850	3.9794	.2462
	25	4.9805	.9857	3.9844	.2474
July	3	5.0126	.9906	4.0100	.2427
	9	4.9918	.9909	3.9934	.2428
	16	4.9869	.9887	3.9896	.2447
	23	4.9727	.9859	3.9781	.2465
	30	4.9536	.9831	3.9628	.2581
August	6	4.9531	.9816	3.9624	.2572
	13	4.9655	.9712	3.9724	.2753
	20	4.9627	.9750	3.9702	.2706
	27	4.9216	.9722	3.9373	.2722
September	4	4.8928	.9756	3.9142	.2732
	10	4.8548	.9700	3.8838	.2667
	17	4.8624	.9703	3.8898	.2644
	24	4.8098	.9644	3.8478	.2628
October	1	4.8172	.9794	3.8537	.2620
	9	4.8095	.9766	3.8470	.2588
	15	4.8123	.9794	3.8498	.2620
	22	4.8546	.9800	3.8837	.2607
	29	4.8603	.9784	3.8883	.2568
November	5	4.8733	.9781	3.8986	.2552
	13	4.8777	.9744	3.9020	.2509
	19	4.8666	.9762	3.8852	.2489
	26	4.8583	.9731	3.8866	.2481
December	3	4.8614	.9806	3.8891	.2501
	12	4.9050	.9913	3.9200	.2491

THE CANADIAN SITUATION

I. Primary Movement.

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

Week ending		Manitoba	Saskatchewan	Alberta	Total	Last Year
				(bushels)		
August	3, 1934	142,412	546,650	813,708	1,502,770	394,491
	10	134,025	387,647	987,475	1,509,147	1,526,250
	17	356,899	898,535	1,747,383	3,002,817	4,925,052
	24	2,954,531	3,735,045	2,331,411	9,020,987	11,052,622
	31	6,850,491	6,613,777	3,027,048	16,491,316	9,239,547
September	7	2,985,337	7,837,653	4,750,600	15,573,590	10,520,340
	14	5,684,369	10,977,625	5,903,317	22,565,311	14,949,480
	21	2,006,072	5,882,731	2,882,605	10,771,408	12,044,480
	28	309,167	3,599,281	1,400,524	5,308,972	14,325,654
October	5	426,484	5,229,569	2,801,203	8,457,256	14,828,566
	12	1,072,379	6,380,893	7,986,995	15,440,267	14,109,483
	19	915,611	5,749,579	6,295,548	12,960,738	10,420,017
	26	551,674	4,084,901	5,112,471	9,749,046	5,323,567
November	2	418,515	3,336,156	4,319,127	8,073,798	7,742,939
	9	293,097	2,594,439	4,065,319	6,952,855	6,672,399
	16	240,829	2,623,752	3,354,915	6,219,496	6,454,158
	23	407,009	1,610,652	2,188,274	4,205,935	2,900,513
	30	314,670	1,178,499	2,232,464	3,725,633	3,955,611
Totals		26,063,571	73,267,384	62,200,387	161,531,342	151,385,169

The deliveries from Alberta remain at high levels and the Alberta total continues to gain on Saskatchewan, which is necessary to justify the present crop estimates. About 72 per cent of the deliverable supply has now come forward.

II. Grading of the 1934 Crop.

The following table shows the grading of inspections during the four months August to November, 1934 and 1933.

Number of Cars Grading No. 3 Northern or Better

	1934	Per cent of Inspections	1933	Per cent of Inspections
	(cars)		(cars)	
August	11,639	93	14,024	97
September	22,356	92	20,170	95
October	14,769	63	20,401	84
November	7,849	48	9,964	67
Total	56,633	74	64,559	85

While there is usually a decline in grades as the later marketings of the crop proceed, the decline this year has been particularly severe. Less than half the cars inspected during November, 1934 graded No. 3 Northern or better.

III. Value of Canadian Field Crops.

On December 13, the Dominion Bureau of Statistics issued a preliminary estimate of the value of field crops in 1934 as $536,498,600, which was nearly 113 million dollars above the 1933 level and the highest for any year since 1930. Included in this total, the value of the wheat crop was estimated at $159,455,000 compared with $122,864,000 in 1933 - an improvement of nearly 30 per cent. The average price of 1934 wheat is estimated at 58 cents a bushel compared with 46 cents for the 1933 crop.

IV. Stocks in Store.

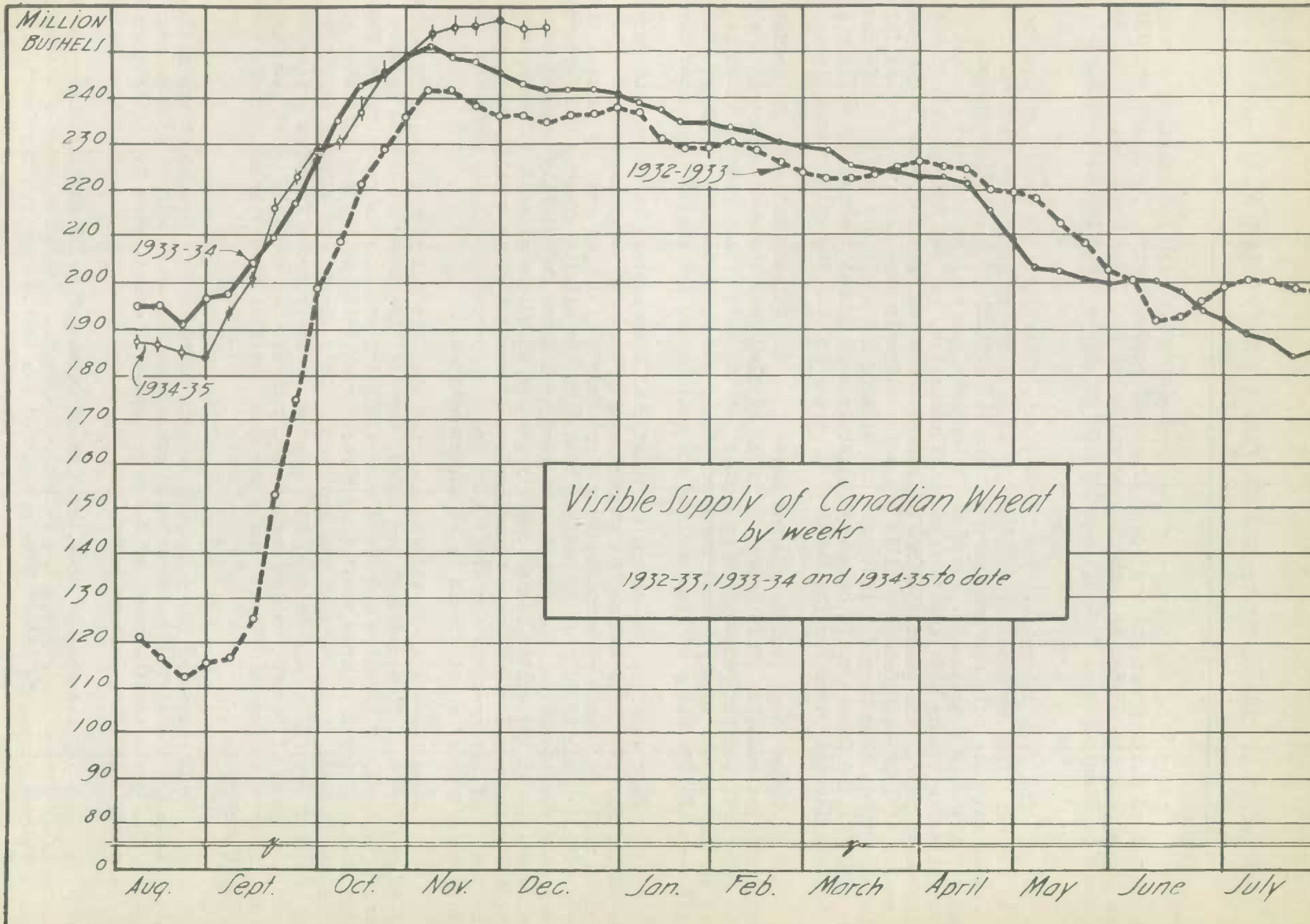
The following table shows stocks of wheat in store in Canada and the United States on December 7, 1934 along with comparative figures for approximately the same date last year.

	1934	1933
	(bushels)	
Country Elevators - Manitoba	9,907,434x	10,406,218
Saskatchewan	50,866,665x	55,550,179
Alberta	35,961,744x	39,160,753
Total	96,735,843x	105,117,150
Interior Private and Mill Elevators	7,196,798x	5,219,277
Interior Public and Semi-Public Terminals	4,968,114x	4,586,138
Pacific Ports	15,771,997	14,162,467
Churchill	2,389,404	2,475,779
Fort William and Port Arthur Elevators	53,553,670	60,761,827
Eastern Elevators - Lake Ports	32,121,678	25,112,460
Eastern Elevators - Seaboard Ports	13,753,950	9,843,829
U. S. Lake Ports	19,829,062	10,235,975
U. S. Atlantic Seaboard Ports	6,574,098	5,934,633
In Transit - Lakes	1,715,506	-
Total	254,610,120	243,449,535

x Subject to minor revision.

While there has been little change in the total Canadian visible supply during the past month, full advantage has been taken of the open navigation on the Lakes to move further quantities into export position. The elevators at Halifax and Saint John are practically filled to capacity. Pacific seaboard ports have about 15 3/4 million bushels in store - about 1.6 million bushels more than at the same date last year. The Georgian Bay ports are within about 10 or 12 million bushels of their capacity, and considerable amounts are also held at Toronto and Kingston. A feature of the season has been the large movement to United States ports, particularly those on the Great lakes. Supplies of Canadian wheat in the United States are at the highest level since the 1930-31 season.

The chart on page 21 shows the Canadian visible supply week by week during the present crop year along with comparative data for the past two crop years. It will be seen that the slow export movement has delayed the usual seasonal decline in 1934.



Visible Supply of Canadian Wheat
by weeks
1932-33, 1933-34 and 1934-35 to date
MILLION BUSHELS
240
230
220
210
200
190
180
170
160
150
140
130
120
110
100
90
80
0
Aug.
Sept.
Oct.
Nov.
Dec.
Jan.
Feb.
March
April
May
June
July
1933-34
1934-35
1932-1933

COURSE OF CASH PRICES OF MILLING, FEED AND DURUM WHEATS AT WINNIPEG DURING THE CROP SEASON.

An interesting feature of the crop season has been the relative strenght in the prices of Durum wheat and the lower grades of common wheat. The chart reproduced on page 23 depicts the course of cash closing prices of No. 2 Northern, No. 6, and No. 2 Durum wheat at Winnipeg on a Fort William-Port Arthur basis since the 1st. of August, 1934.

The high prices paid for Durum wheat in the first 3½ months of the crop year and the narrowing spreads between the top milling grades of common wheat and the lower grades suitable only for feed purposes are reflections of a peculiar demand situation. Although Canadian No. 1 and No. 2 Northern are selling overseas at high premiums relative to the best grades from other countries, yet the foreign demand has been extremely poor. The quantities moving overseas are even smaller than in the poor early season of 1933-34. Canadian mills are using slightly more high grade wheat for the domestic trade than they did last year but milling for the flour export trade has fallen off. United States mills have used slightly less Canadian wheat for milling in bond, but considerably more for the Cuban flour trade and for domestic consumption.

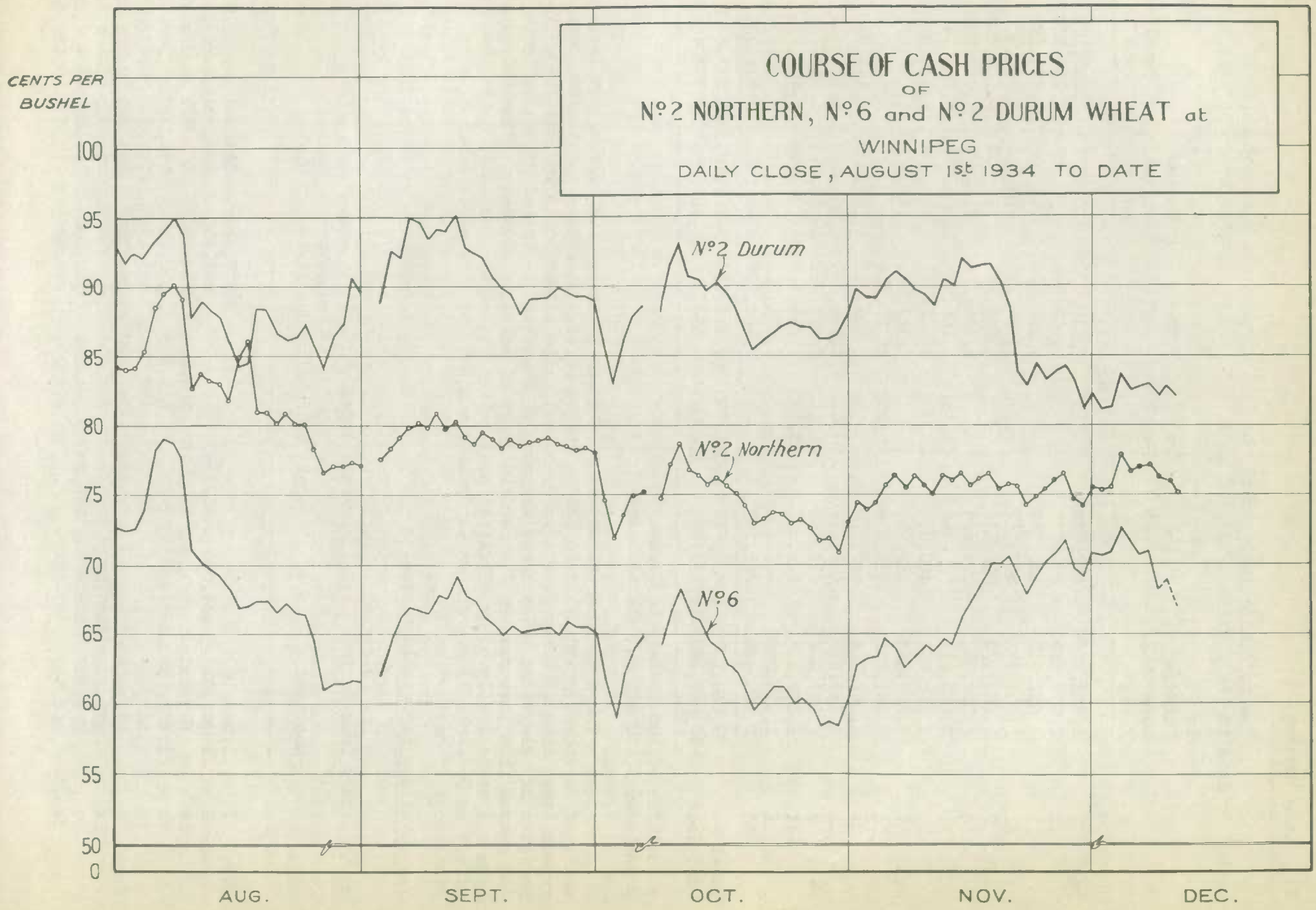
Durum wheat from Canada has moved into the United States to the amount of over 7 million bushels. This amount is shown by clearance statements, but it has not all been admitted for consumption by payment of the duty. Thus some of it still appears in the visible supply. Some Durum wheat has also been shipped overseas, the Canadian crop of 1934 being of high quality and well-suited for mixing with other Durums.

Feed wheat to the amount of about 5 million bushels has gone from Canada to the United States. This demand has strengthened prices for these grades and since such wheat unfit for human consumption is subject only to a 10 per cent ad valorem tariff compared with a specific duty of 42 cents a bushel on the milling grades, the spreads have narrowed considerably. The supplies of feed grains are drastically reduced in certain sections of the United States heavily stocked with farm animals. Corn prices have recently increased which makes Canadian frosted wheat a cheap substitute or supplementary feed. If arrangements for collection and transportation can be perfected, the export of this type of wheat should be an important item.

From the chart, it will be apparent that the relative strength in Durum prices became evident in mid-August and ended, for the time being at least, in mid-November. While No. 2 Northern and No. 6 were declining steadily in price during the last two weeks of August, Durum wheat prices rose erratically until they were over 12 cents higher than No. 2 Northern at the month-end. This spread was widened slightly during the next two and a half months, but there was a sharp break in Durum prices in the last two weeks of November which carried No. 2 Durum down about 10 cents per bushel, while No. 2 Northern remained firm. No. 2 Durum on December 12 was selling about 7 cents above No. 2 Northern.

Cash prices of No. 6 started to gain on No. 2 Northern about the middle of November, although the spreads between these grades had been narrower in October than in September. No. 6 started the month of November nearly 13 cents below No. 2 Northern and ended the month only about 5 cents lower.

During December to date, both No. 2 Durum and No. 2 Northern have declined fractionally in price, while No. 6 has fallen 3 3/4 cents. The uncertainty about transportation charges since the end of lake navigation has been a contributing factor in the latter decline.


COURSE OF CASH PRICES
OF
No. 2 NORTHERN, No. 6 and No. 2 DURUM WHEAT at
WINNIPEG
DAILY CLOSE, AUGUST 1st 1934 TO DATE
CENTS PER BUSHEL
100
95
90
85
80
75
70
65
60
55
50
0
No. 2 Durum
No. 2 Northern
No. 6
AUG.
SEPT.
OCT.
NOV.
DEC.

VI. Lake Movement.

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

	To Canadian Lower Lake Ports	To Montreal	To Sorel	To Buffalo	To Other United States Ports	Total
			(bushels)			
Aug. 7	2,233,836	457,799	-	310,000	223,871	3,225,506
14	2,992,578	361,673	-	1,551,582	-	4,905,833
21	697,612	143,786	-	1,102,292	35,000	1,978,690
31	1,801,494	583,277	27,186	1,685,130	650,000	4,747,087
Sept. 7	2,959,470	366,245	-	2,253,591	725,000	6,304,306
14	3,092,991	224,428	-	1,906,195	615,978	5,839,592
21	2,580,811	367,495	304,481	1,608,935	1,003,818	5,865,540
30	2,578,201	460,217	227,000	3,225,671	123,000	6,614,089
Oct. 7	2,279,874	429,995	-	2,121,601	551,168	5,382,638
14	2,191,632	302,615	111,960	1,236,314	-	3,842,521
21	2,367,714	449,872	-	1,801,494	263,000	4,882,080
31	4,123,456	498,477	220,651	2,155,960	983,889	7,982,433
Nov. 7	2,931,486	419,350	107,112	1,572,301	52,213	5,082,462
14	2,348,464	245,598	39,400	1,486,173	329,000	4,473,635
21	1,910,040	223,633	-	1,536,785	975,042	4,645,500
30	2,750,448	301,277	-	4,162,729	2,582,411	9,827,965
Total -	39,840,107	5,835,737	1,037,790	29,716,753	9,113,390	85,599,877x
Last Year	40,627,264	12,559,585	412,000	22,350,827	2,395,260	80,164,463/

x Includes 56,100 bushels to Quebec.
/ Includes 1,819,527 bushels to Quebec.

There was a brisk movement of wheat down the Lakes during the last two weeks of November, principally to United States ports. Shipments to Canadian ports remain lower than in the previous year, but sufficient quantities are now stored in Georgian Bay elevators. The large movement of wheat to the United States reflects the demand from that country for certain types of wheat to supplement domestic supplies. Lake shipments continued on a limited scale after the higher insurance rates came into effect on December 1, but storms early in the month and snow on December 8, were hindrances to navigation.

VII. Overseas Export Clearances.

The following table shows export clearances of wheat overseas (excluding wheat flour) from various ports, by weeks August 3, 1934 to December 7, 1934.

	Montreal	Quebec	Sorel	Churchill	Vancouver New Westminster	United States Ports	Total
				(bushels)			
Aug. 3	1,049,180	-	-	-	828,270	340,000	2,217,450
9	1,067,055	284,000	230,660	-	866,433	306,000	2,754,148
16	785,088	-	305,934	688,067	667,783	582,000	3,028,872
23	1,171,259	-	-	651,488	500,780	661,000	2,984,527
30	1,343,546	-	46,800	477,240	383,493	1,425,000	3,676,079
Sept. 6	664,475	-	318,483	241,392	886,344	598,000	2,708,694
14	601,176	370,860	-	359,006	497,582	1,050,000	2,878,624
20	776,207	208,000	285,300	595,284	752,900	785,000	3,402,691
28	849,340	-	-	675,000	775,993	736,000	3,036,333

VII. Overseas Export Clearances (Concluded)

	Montreal	Quebec	Sorel	Churchill	Vancouver New Westminster	United States Ports	Total
				(bushels)			
Oct. 5	1,376,668	215,500	463,914	362,400	1,186,630	594,000	4,199,112
12	663,080	-	116,000	-	1,011,634	518,000	2,308,714
19	543,976	-	-	-	1,745,729	386,000	2,675,705
26	761,338	-	787,300	-	1,074,581	788,000	3,411,219
Nov. 1	1,188,285	268,000	500	-	1,081,366	406,000	2,944,151
8	851,529	-	252,000	-	1,401,016	496,000	3,000,545
16	825,935	-	-	-	792,599	427,000	2,045,534
23	1,711,658	-	-	-	942,771	269,000	2,923,429
30	1,697,397	375,242	-	-	857,893	310,000	3,240,532
Dec. 7	650,765	40,449	-	-	978,723	312,000	1,997,915
Total	18,577,957	1,762,051	2,806,891	4,049,877	17,232,520	10,989,000	55,434,274/
Last Year	31,727,263	8,491,665	5,287,684	2,707,891	15,604,883	7,479,000	71,317,053x

/ Including West Saint John exports of 15,978 bushels.
x Including Halifax exports of 18,667 bushels.

VIII. Statistical Position.

The following table summarizes the statistical position of wheat in Canada as at December 1, 1934, with comparative figures for 1933:

	1933-34	1934-35
	(bushels)	
Carry-over July 31	211,740,188	193,322,863
New Crop	269,729,000 1/	275,252,000 2/
Total supplies	481,469,188	468,574,863
Domestic Requirements	106,000,000 3/	106,000,000 3/
Available supplies	375,469,188	362,574,863
Exports, August to November	84,501,452	80,846,627
Balance for export or carry-over	290,967,736	281,728,236

1/ Probably 12-15 million bushels too low.
2/ Provisional estimate.
3/ Tentative.

November exports of wheat and wheat flour were about 4.5 million bushels below those of November 1933 and were the smallest exports recorded in this month since 1919. Exports for the four months, August to November inclusive, were 3.7 million bushels below those of the same period last year. Customs exports include shipments to or through the United States, and since considerable quantities of Canadian wheat are still held in bond in that country, the export position is somewhat different from that of 1933. Some of this bonded wheat is intended for overseas shipment from the United States Atlantic seaboard during the winter. Some will be released from bond and will disappear from the visible through payment of the duty. Up to the end of October most of the United States' imports were high quality wheat paying the full duty. There is good reason to believe that imports of wheat for feeding (paying a 10 per cent ad valorem tariff) will predominate during the remainder of the crop season.

EXPORTS OF CANADIAN WHEAT

The following tables show exports of wheat and flour during 1934-35 with comparative figures for preceding years:

WHEAT

	1934-35	1933-34	1932-33	1931-32
	(bushels)			
August	14,709,675	8,652,970	18,289,832	11,909,108
September	17,588,359	19,666,351	26,874,237	14,335,637
October	21,807,784	23,611,510	40,192,415	18,925,303
November	18,769,770	23,143,958	27,301,976	27,452,063
December		17,457,963	27,735,999	22,355,975
January		7,088,311	14,706,801	9,472,346
February		6,512,686	10,922,337	9,898,363
March		10,103,240	14,815,705	9,920,634
April		3,568,090	4,460,214	7,513,289
May		19,023,770	21,464,848	15,543,013
June		18,425,933	16,998,672	15,857,427
July		12,979,231	16,373,532	19,620,224
Total ...		170,234,013	240,136,568	182,803,382

FLOUR

	1934-35	1933-34	1932-33	1931-32
	(barrels)			
August	412,089	480,288	330,382	322,178
September	369,320	552,556	385,113	556,565
October	485,549	514,368	528,794	558,459
November	504,384	547,602	576,864	476,487
December		418,183	492,033	451,310
January		448,498	397,304	331,806
February		328,376	333,114	337,513
March		493,327	490,270	414,779
April		340,621	234,387	255,390
May		481,725	565,080	461,867
June		441,064	544,507	570,861
July		408,028	492,765	446,379
Total ...		5,454,636	5,370,613	5,383,594

WHEAT AND WHEATFLOUR

	1934-35	1933-34	1932-33	1931-32
	(bushels)			
August	16,564,076	10,814,266	19,776,551	14,258,909
September	19,250,299	22,152,853	28,607,246	16,840,179
October	23,992,754	25,926,166	42,571,988	21,438,369
November	21,039,498	25,608,167	29,897,864	29,596,254
December		19,339,786	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		20,410,721	19,448,954	18,426,301
July		14,815,357	18,590,974	21,628,930
Total ...		194,779,875	264,304,326	207,029,555