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# MONTHLY REVIEW OF THE WHEAT SITUATION

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| Dominion Statistician: | R. H. Coats, LL.D., F.R.S.C., F.S.S.(Hon.) |
| Chief, Agricultural Branch: | T. W. Grindley, Ph.D. |
| Statistician: | C. F. Wilson, Ph.D. |


## THE WORLD WHEAT SITUATION - SUMMARY

Seldom in the history of the grain trade has there been so sharp a price advance as has occurred in the Winnipeg market, and to a less extent in other markets, during the past four weeks. Rapidly diminishing prospects for a wheat crop in western Canada provided the mainspring for the advance, and it is indeed unfortunate that prices around the dollar-fifty level have been attained only at the expense of what is evidently the worst crop disaster since the prairies were opened. While it is still a hazardous undertaking to place an estimate on the probable outturn in the Prairie Provinces this year, condition figures at the end of June plus the further considerable deterioration to date during July together suggest that this year's crop will be far below the very small amount of wheat harvested last year. At present the most uncertain factor in judging this year's crop is the potential rust damage in Manitoba which will not reveal its full extent until just before harvest. To add to the uncertainty of the North American situation, rust has been jeopardizing the late winter wheat areas in the United States where the crop had been practically assured, and it is also threatening the spring wheat areas.

Apart from the serious domestic problem which has been created in Saskatchewan and parts of Alberta by one more crop failure, importing countries have been affected by the changed outlook for North American supplies. For the next five months this Continent was expected to furnish the bulk of the world's shipments. Although there is still no evidence of a shortage of trading materials it has now become apparent that the United States far more than Canada will need to be relied upon to furnish the export supplies. Looking into the prospects for the 1937-38 season in more detail the following salient features stand out:

1. The reduced Canadian carry-over plus very small export supplies from the new crop indicate that Canada will assume a minor role among the exporting countries for the ensuing year. Since the small Canadian supplies will be needed most before the new Southern Hemisphere supplies are available in January, the bulk of Canada's trade will come in the autumn months, leaving very little activity for the balance of the crop year.

2. Even if rust damage becomes more extensive in the United States, that country should be able to furnish at least 100 million bushels for export, and may actually furnish more. Thus the United States will have sizeable exports for the first time since 1931-32.

3. All reports of crop conditions from Russia this year indicate that there will be an abundant crop in that country this season. While governmental policy in recent years has been directed toward the maintenance of adequate domestic stocks, so that exports are difficult to predict on the basis of production, it is likely that Russia, too, will export fair amounts of wheat this autumn.

4. The Danubian countries will have an export surplus of only 30 to 40 million bushels in the 1937-38 crop season as compared with 80 million bushels during the current season. On the other hand, European importing countries, apart

from Germany, appear certain to have larger crops than a year ago, with the result that import needs will be less. Based on June condition figures, and provisional estimates, the International Institute of Agriculture predicts that the European importing countries will produce 80 million bushels more than a year ago.

5. Increased production in the importing countries suggests that the total volume of world trade will be less in the 1937-38 season than in the current crop year. This year world shipments are likely to total 600 million bushels. If full allowance were made for the increased production in the importing countries, total shipments of 520 millions would be suggested. The small crop harvested in China this year may witness an increase in shipments to non-European destinations, so that Mr. Broomhall's figure of 536 millions for total shipments in the 1937-38 season appears to be quite reasonable.

6. Both Southern Hemisphere countries are aiming at increased production this year as judged by increases in acreages. The Australian area is officially placed at 13,700,000 acres this year as compared with 12,579,000 acres a year ago. Our Buenos Aires correspondent suggests a 7 1/2 per cent increase in the Argentine area this year to 18.8 million acres. Conditions are reported good in western and south Australia. In New South Wales and Victoria more rain is necessary, according to an official report of July 15. Cordoba, La Pampa and southern Buenos Aires are reported dry in Argentina.

Provisional Estimates of European Wheat Production.

At the end of June, the International Institute of Agriculture made the following forecast of European wheat production, by importing and exporting countries, which is shown with comparisons for earlier years:

| | Importing Countries | Four Danubian Countries, Poland and Lithuania | Total Europe |
|---|---|---|---|
| | | (million bushels) | |
| 1937 (forecast) .... | 1,095 | 415 | 1,510 |
| 1936 ............... | 1,014 | 467 | 1,481 |
| 1935 ............... | 1,190 | 386 | 1,576 |
| 1934 ............... | 1,213 | 337 | 1,550 |
| 1933 ............... | 1,290 | 455 | 1,745 |
| 1932 ............... | 1,209 | 279 | 1,488 |
| 1931 ............... | 974 | 463 | 1,437 |
| 1926-30 (average) ... | 952 | 389 | 1,341 |

The following are provisional estimates for individual countries as furnished by the International Institute of Agriculture in Rome, and the Bureau of Agricultural Economics in Washington:

| Country | Production, 1937 | Production, 1936 |
|---|---|---|
| | (thousand bushels) | |
| Roumania ............ | 110,400 | 128,716 |
| Yugoslavia .......... | 92,000 | 107,421 |
| Hungary ............. | 69,628 | 86,741 |
| Bulgaria ............ | 64,006 | 59,304 |
| Greece .............. | 36,743 | 23,449 |
| Italy ............... | 280,000 | 224,272 |
| France .............. | 276,000 | 244,349 |
| Estonia (winter) .... | 992 | 834 |
| Algeria ............. | 31,967 | 29,774 |
| French Morocco ...... | 17,637 | 13,242 |
| Egypt ............... | 44,937 | 45,701 |
| India ............... | 360,000 | 352,240 |
| Japan ............... | 48,010 | 45,194 |

World Shipments of Wheat and Flour

For the past eight weeks, world shipments have been taking a constantly easier trend, until for the week ending July 10, only 6.9 million bushels were reported. This was a week in which North American shipments were very low amounting to only 1.3 million bushels. Argentine shipments, although down to modest amounts, were 1.4 million bushels, while Australian shipments were the largest at 2 million bushels. Indian shipments have been increasing lately and have averaged over 1 million bushels in the past four weeks.

Total world shipments to date for the crop year amount to 577 million bushels, and with three weeks remaining in the crop season, a world total for the year of 600 million bushels appears easy of attainment.

Liverpool C.I.F. Prices

Up to the middle of June Canadian wheat was being offered on the Liverpool C.I.F. market at attractive levels in comparison with other sorts. With the appearance of the Saskatchewan drought, quotations on Nos. 1 and 2 Northern moved sharply higher, while Australian and Karachi offers rose more moderately. During the whole of July to date the spread between Manitobas and other descriptions has been greatly accentuated, as shown in the quotations on July 14, when No. 2 Northern at $1.65 3/4 was 17 7/8 cents above Australian at $1.47 7/8. On June 14 No. 2 Northern was quoted at $1.31 only 3 1/8 cents above Australian. Indian Karachi wheat, which has been offered more cheaply than Australian, was quoted 7 cents below No. 2 Northern on June 14, and 24 1/8 cents below on July 14. No. 2 United States Hard winters for August shipment have taken a middle course between Canadian and Australian offers, with the discount below No. 2 Northern moving from 1 1/8 cents to 13 1/4 cents between June 14 and July 14. Since July 6, Argentine exporters have been offering new-crop Rosafe for January-February shipment at a liberal discount. On July 14, this distant wheat was offered at $1.37 or 28 3/4 cents below No. 2 Northern for present shipment.

United Kingdom Wheat Imports

Total June imports of wheat into the United Kingdom amounted to 15.1 million bushels, which is more than a million bushel increase over the imports during May. Imports from Canada rose to 8.2 million bushels, or 54 per cent of the total. Australia furnished 4.4 millions, or 29 per cent of the total. Argentina and other countries supplied small amounts.

Crop Prospects in the United States

The higher official July 1 estimate of 663.6 million bushels for winter wheat production is construed to have registered the improved weather conditions during June and to have been too early to have caught the rust damage which has been common in the later ripening areas. Similarly, rust spores were just being found in the spring wheat area when the returns were filed for the July 1 spring wheat estimate of 218.6 million bushels. The estimates as of August 1 will undoubtedly give a truer picture of the crops when the rust damage will have been taken into account.

Crop Prospects in Canada

While no official estimate of the Prairie wheat crop will be made until September 10, all current indications point to a crop substantially below last year's production. The June 30 condition figure of 51 for the Prairie Provinces was an all-time low, and this condition figure was compiled too early to take account of the extensive damage from the heat wave in the first week in July. Rains in Alberta during the greater part of last week warded off a rapidly developing crop failure in the province. Rainfall in Manitoba has been adequate to-date; the greatest contingency in this province is the rust damage which is reported to be steadily spreading.

The Wheat Situation in Canada

Due to the continued low volume of export sales, the export movement of Canadian wheat has been very modest within the past four weeks. Weekly overseas clearances on two occasions have fallen below 2 million bushels per week during the past four weeks, whereas 3 million bushels per week would be considered an ample volume in view of the remaining export supplies. Apart from the high quotations on Canadian wheat and the slow European buying, the slow export movement is partly attributable to the difficulty in making up cargo lots in grades any other than No. 1 Northern. This situation will continue until new-crop wheat can get down to export position in late September. Montreal has been handling the bulk of the clearances, with other ports showing very little activity.

Up to July 9 of the current crop season total export clearances have amounted to 139.8 million bushels, compared with 161.2 millions for the same period last year. United States' imports for consumption and milling-in-bond have reached 42.2 million bushels compared with 48.5 millions up to the same date last year. Flour exports expressed as wheat, and partly estimated up to July 9 have amounted to 19.2 million bushels this year, as against 20.9 millions a year ago. Altogether the total export movement up to July 9 this year, and based on the export clearance figures, amounts to 201.2 million bushels, compared with 230.6 million bushels to July 9 in the previous crop year.

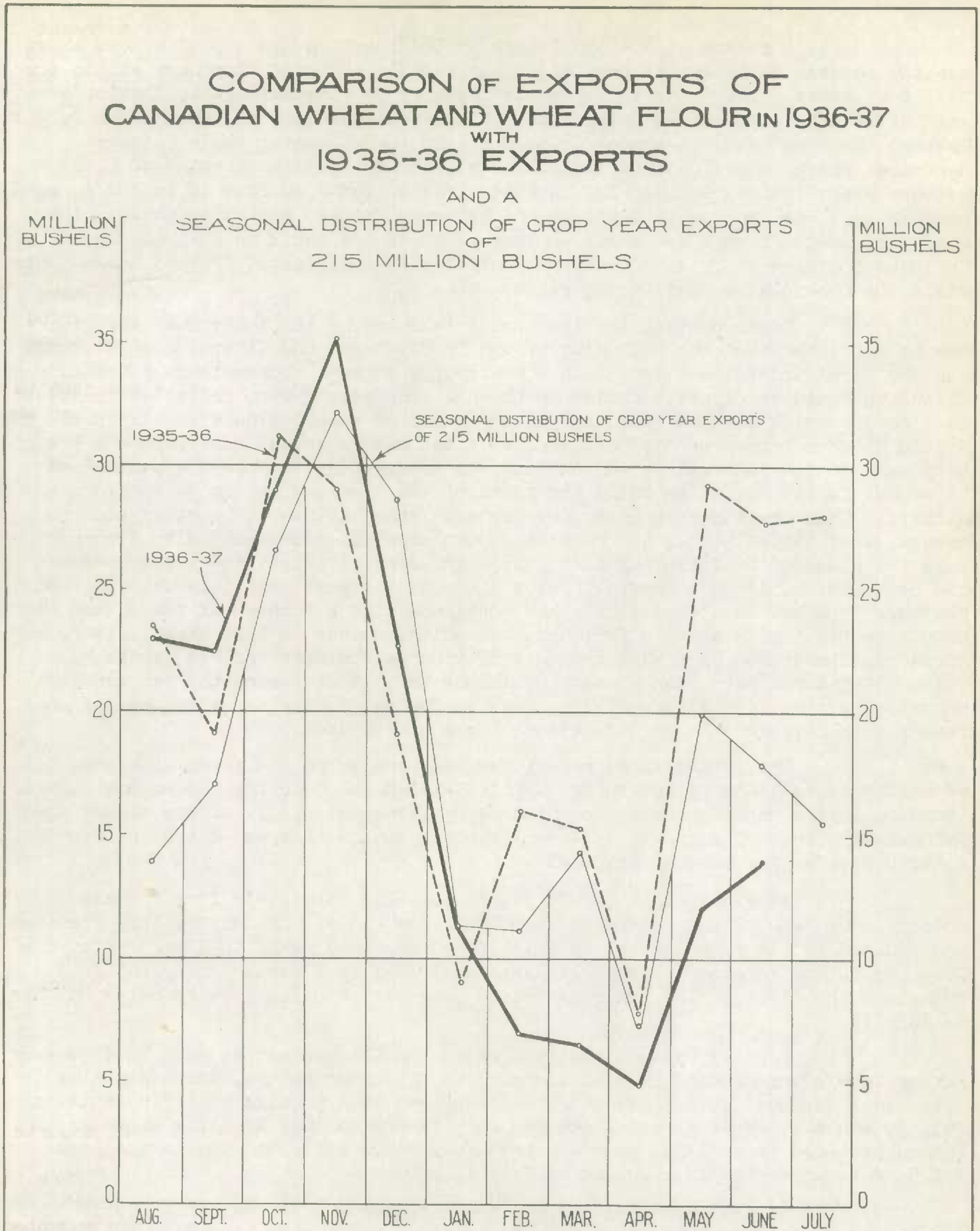
The export clearance totals this crop year will be greater than the Customs export totals for the reason that stocks of Canadian wheat in store in United States ports amounting to 19.3 million bushels at the beginning of the crop year will be reduced to approximately 4 million bushels by July 31. Reductions in Canadian stocks in the United States through overseas clearances or duty-paid consumption or milling-in-bond increase the export clearance figures, but do not affect the Customs export figures, since the latter are raised as soon as the wheat goes into store in the United States.

In addition to the slow export movement this season, the Lake movement has likewise been small. Only 26.4 million bushels have come down the Lakes up to July 7 this year, compared with 41.4 millions for the same period last year. Only 646,000 bushels were afloat on the Lakes on July 9, which is a very low figure for this time of year.

The visible supply presents the most encouraging aspect of the Canadian situation, and tempers the slow export and Lake movements. On July 9, the total visible supply amounted to only 40.6 million bushels. Stocks of wheat remaining on farms and in eastern mills, which appear in the carry-over, but not in the visible, are likely to be very small this year, and there is every prospect that the carry-over of Canadian wheat in Canada and the United States on July 31 will be down to 35 million bushels.

An Appraisal of the Canadian Export Movement

According to the Department of National Revenue returns, wheat exports during June amounted to 12,180,068 bushels, which together with flour exports amounting to 1,754,978 bushels expressed as wheat, brought the total export figure of wheat and flour to 13,935,046 bushels. Cumulative exports of wheat and wheat flour expressed as wheat for the August-June period of the current crop year amounted to 187.6 million bushels. Accordingly, July Customs exports will need to reach 12.4 million bushels to bring the total export movement for the crop year up to the forecasted level of 200 million bushels.



COMPARISON OF EXPORTS OF
CANADIAN WHEAT AND WHEAT FLOUR IN 1936-37
WITH
1935-36 EXPORTS
AND A
SEASONAL DISTRIBUTION OF CROP YEAR EXPORTS
OF
215 MILLION BUSHELS
MILLION BUSHELS
MILLION BUSHELS
35
30
25
20
15
10
5
0
SEASONAL DISTRIBUTION OF CROP YEAR EXPORTS OF 215 MILLION BUSHELS
1935-36
1936-37
AUG.
SEPT.
OCT.
NOV.
DEC.
JAN.
FEB.
MAR.
APR.
MAY
JUNE
JULY

## PRICES

A glance at the top figure in the chart on the opposite page shows how the several markets have reacted to the rapidly changing crop news within the past four weeks. The Winnipeg market has been by far the strongest, showing a net gain of 34 1/8 cents in the October future between the close on June 12 and July 13. Between the same dates Liverpool October gained 25 3/8 cents, while Chicago September showed a net gain of 20 1/2 cents. Accordingly the premium of Liverpool October over Winnipeg October has narrowed from 10 cents on June 12 to 1 1/4 cents on July 13. The premium of Winnipeg October over Chicago September on the other hand has widened from 3 1/8 cents on June 12 to 16 3/4 cents on July 13. Buenos Aires followed the general price trend up to July 2 when that market dropped 6 3/8 cents while the others were registering gains.

In accounting for the trends followed by the individual markets, it may be mentioned that the unfolding of the Saskatchewan and Alberta crop disaster had its first and fullest impact on the Winnipeg market. Conceptions of rapidly dwindling Canadian export supplies in the new crop season were reflected in investment buying which carried Canadian prices up out of export line with Liverpool. The United Kingdom trade, on the contrary, at times was reluctant to accept the Prairie crop news at its full value, and on numerous trading days within the past month Liverpool failed to follow fully the gains of the previous day in North American markets. This hesitancy in Liverpool has also been influenced by other factors, namely, that United States and Russian export supplies are practically assured to take the place of Canadian supplies, while in addition, Continental requirements in the new season will be moderately below those of the past year. In Chicago, hedging pressure from new wheat deliveries and continued high estimates of the United States crop have had a moderating effect upon the price advance in that market. Inter market spreading operations involving the sale of Winnipeg October against purchases of Chicago September have been almost continuous throughout the month, but have not prevailed against the divergent crop news in the two countries, which has widened rather than narrowed the spread between these two futures.

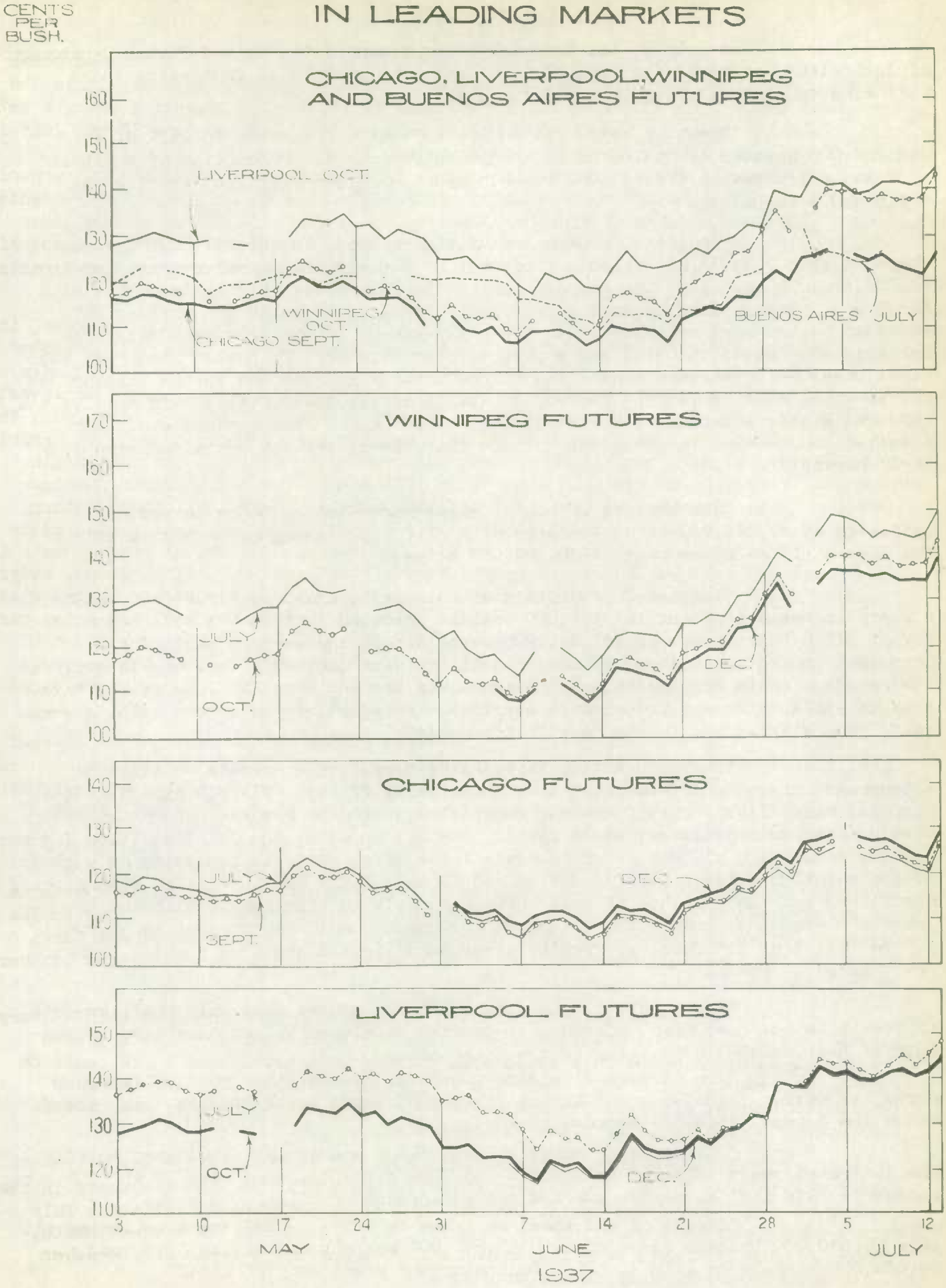
The Buenos Aires market has been easier on the basis of a somewhat more liberal estimate of remaining supplies within the country, and an anticipated increase in the wheat acreage, accompanied by Liverpool c.i.f. offers of new wheat for January-February shipment at lower levels than the cheapest c.i.f. offers of other countries for current shipment.

At Winnipeg, the July future has held relatively firmly above October. On June 12 the spread amounted to 5 3/4 cents. By July 5, this premium had widened out to 9 cents, but by July 13 had narrowed again to 6 1/2 cents. The December future remained at a small discount from 1 to 2 cents throughout June, but since the first of the month has eased somewhat, closing 4 cents below October on July 13.

Spreads between the futures on the Chicago market have held at very narrow levels throughout the past month. The September future, which was at a fractional discount below July on June 12 changed to a premium of 1 7/8 cents on July 5, and was 3/8 of a cent above the July future on July 13. The December future has held to a slight premium above July since early in June, and closed 2 5/8 cents above the July future on July 13.

In the Liverpool market, the deferred futures gained abruptly relatively to July during the third and fourth weeks of June when discounts in the October of 5 1/8 cents and in the December future of 5 3/4 cents below the July future on June 12 were wiped out by June 26. Since early in the present month, however, these discounts have reappeared with October 3 7/8 cents and December 4 1/8 cents below the July future on July 13.

# DAILY CLOSING WHEAT FUTURES QUOTATIONS IN LEADING MARKETS



UNITED STATES

On July 9, the Crop Reporting Board of the United States Department of Agriculture released the General Crop Report as of July 1, from which the following section relating to wheat is quoted:

"Wheat: A total United States wheat production in 1937 of 882,287,000 bushels is indicated by condition on July 1. Production of wheat in 1936 was estimated at 626,461,000 bushels and the 5-year (1928-32) average was 864,532,000 bushels.

"Indicated production of winter wheat is 663,641,000 bushels, compared with 519,013,000 bushels produced in 1936 and the 5-year average production of 623,220,000 bushels. The present indication is somewhat higher than that of a month ago. Preliminary threshing returns indicate that yields are turning out somewhat better than expected quite generally except in the area extending from Nebraska and Kansas to Ohio, where prospects were reduced by rust. Stem rust was first observed in eastern Kansas and Nebraska early in June and spread eastward as far as Ohio, causing varying degrees of damage in all these States. In most of the hard red winter wheat area, rains late in May and early June brought about substantial improvement in prospects but the improvement was not sustained except in early harvesting areas.

"The acreage of winter wheat harvested or to be harvested is now estimated at 47,079,000 acres compared with 37,608,000 acres harvested in 1936 and the 5-year (1928-32) average of 39,724,000 acres.

"Indicated production of all spring wheat is 218,646,000 bushels, a sharp increase over the 107,448,000 bushels produced in 1936 but well below the 5-year (1928-32) average of 241,312,000 bushels. In the western part of the principal spring wheat area, growing conditions were decidedly unfavorable early in the season. While considerable improvement was brought about by June rains, this area is still deficient in moisture supplies. Prospective yields are below average quite generally except in the Pacific Northwest.

"In the Dakotas, Nebraska, and western Minnesota, a light but widespread infection of stem rust is a threatening factor. Visible damage to the crop has been slight, but if weather conditions should be favorable for rust development, serious losses would result. In interpreting the July condition figures, the Board has made allowance for probable losses from rust, as indicated by a study of the relation between July condition and final outturn in other years when growing conditions and the presence of rust were comparable to this year. With the crop somewhat later than usual, there is room for considerable improvement in prospects if the rust does not develop. On the other hand, losses might be greater than are anticipated at present.

"Since July 1, above normal temperatures with only small amounts of precipitation have been unfavourable to rust development, but have also caused fear of heat damage, especially in the drier areas.

"The acreage of spring wheat for harvest this year, 21,119,000 acres, is nearly twice as great as the 11,212,000 acres harvested last year and is above the 5-year (1928-32) average of 20,414,000.

"This acreage makes allowance for abandonment indicated on July 1. The indicated seeded acreage is about 23,500,000 acres compared with 23,912,000 acres seeded in 1936 and the 5-year average seeded acreage of 22,121,000 acres.

"Stocks of old wheat on farms on July 1, 1937, were estimated at only 21,880,000 bushels compared with 43,988,000 bushels on July 1, 1936, and 44,339,000 bushels on July 1, 1935, following the short crop of 1934."

## AUSTRALIA

The following cable was received on July 16 from the Canadian Government Trade Commissioner in Melbourne:

"Wheat and flour shipments for period ending July 5th totalled 73,569,661 bushels compared with 69,101,919 last year. Drought conditions in Canada and complaints of rust in United States have caused Australian market to appreciate considerably but United Kingdom demand comparatively small though they are expected shortly to re-enter market. European and eastern Asiatic buyers unwilling at present to enter into commitments and limiting purchases to near requirements. Price of wheat to growers five shillings Australian currency per bushel country sidings equivalent ninety-nine cents Canadian and price f.o.b. has advanced to about five shillings eight-pence halfpenny but farmers still reluctant to sell and it will be difficult to buy into wheat uncommitted for shipment now amounting to about 150 thousand tons. Preliminary estimates indicate new crop acreage at approximately 13,700,000 acres 11 per cent increase over previous year south Australian and western Australian crops progressing favourably but good rains will be required shortly in parts of New South Wales and Victoria. Export trade in flour continues dull. Mills are mostly working short time and orders booked show no margin profit. Export Quotations now eleven pounds twelve shillings sixpence per ton in 150 pound sacks equivalent to forty-six dollars and four cents Canadian and twelve pounds two shillings six-pence in forty-nine pound calico bags equivalent to forty-eight dollars and two cents Canadian. Chartering quiet and freights eased somewhat to about forty-one shillings sixpence freights payable English currency basis 2240 pounds per ton.

## ARGENTINA

On July 12, the correspondent of the Dominion Bureau of Statistics in Buenos Aires has forwarded the following report, under date of July 1, 1937, dealing with the grain situation in Argentina:

### Crop Conditions

The following is the gist of the official monthly crop report of the Ministry of Agriculture, giving conditions as at the middle of June:

Buenos Aires: In the second half of May the rains were almost nil and keen frosts were registered; but during the present month pronounced atmospheric moisture helped the crops, partly remedying the lack of rain. In the south-west of the province more than 70% of the seeded wheat has germinated, and its condition is normal except in the far south where rain is needed. In the south-east planting is more backward, and rain is needed, but not urgently. In the west germination has been even and the wheat fields look well. Seeding has commenced in the north. In all parts it is anticipated that the area planted will exceed that of last year. In the south-west it is likely that besides responding to the stimulus of high prices, the wheat acreage will increase in order to take advantage of the ploughing which was done to combat grasshoppers. Everywhere land is being prepared for linseed, planting of which will begin in July. In the northern zone a reduced area is expected because of the increase planned for wheat.

Santa Fe: There has been insufficient rain since the last report, and the effects are already noticeable, especially in the west. Dry weather and unseasonably hot sunshine aggravated the lack of moisture and made cultivation and sowing difficult. Wheat seeding in the south has proceeded normally and will terminate at the end of June. In the centre and north sowing is proceeding with some difficulty because of lack of moisture. If it rains in this latter half of the month sowing will finish here also, in which case an increased area is looked for. In general the condition of the fields already sprouted is good, although the effect of drought and frosts is noticeable; but the grain would respond to a good soaking. Planting of linseed has begun on a small scale, and will be intensified in the latter half of June. The prospects of an increase in area depend upon future rains. With favourable weather there may easily be an increase over the linseed area of last year.

Cordoba: Weather conditions since the last report have continued unfavourable, the drought increasing, for which reason ploughing for late sowing of wheat and linseed has been discontinued. Wheat fields in the north-east are fairly well advanced, but in the north-west and south-west they are backward on account of the winds and lack of moisture. In the south-east development is normal. Unless conditions change for the better the wheat area will be smaller than last year. The linseed fields look well in the north-east and south-east. In the west little has been sown. If rains appear before long the linseed area will show an increase.

Entre Rios: In general the weather has been favourable for agriculture, as in spite of three rainless weeks the land still has preserved a good percentage of moisture, making normal working possible, and ploughing has been carried on under excellent conditions. High prices are stimulating the farmers to increase their cropped areas by 10 to 15%. In the north wheat is almost all sown, and in the rest of the province 70%, the work being done under excellent conditions. Seeding of linseed and other cereals has begun under equally good conditions. The area under linseed is expected to be 10% greater than last year.

La Pampa: Since the last report there have been only unimportant light rains. Generally the climatic conditions have been favourable for the crops, which have germinated immediately after planting. In the northern and central zones the wheat area may be considered to be approximately 10% over last year, and in the south about the same as last. In general the germinated crops appear to be in good shape.

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Since the appearance of the above official report opportune rains have made their appearance. There were several rainy days in the third week of the month, with precipitation well distributed, but unfortunately only light in volume in the regions most needing moisture, especially the province of Cordoba. This province, the Pampa and portions of southern Buenos Aires still require moisture; but in the remainder of the great cereal zone conditions may be said to be very good. Renewed activity followed the rains, and seeding was pushed ahead with both wheat and linseed.

On the basis of conditions now existing, an increased wheat acreage as compared with last year is confidently anticipated, although it may not be so great as was prophesied by optimistic forecasters a month ago. Probably about 7½% over last year's area of 17,503,000 acres will be achieved, giving a seeded area of say 7,614,000 hectareas, or 18,800,000 acres, with a possible greater increase in the event of good rains falling in the marginal regions which are now very dry.

The districts where moisture is most needed and where conditions are now rather bad are portions of the province of Cordoba, most of the Pampa, and Buenos Aires from Tres Arroyos to Bahia Blanca, all semi-arid normally, but capable of great production if the necessary precipitation makes its appearance.

It is as yet too early to venture a prophecy as to linseed prospects, very little having been sown. With a continuance of favourable conditions, planting will be heavy during the month of July, and an increase in area is more than a possibility.

Wheat Supplies and Market Conditions

June exports of wheat and flour totalled 6,779,000 bushels, of which 6,571,000 bushels were wheat and 208,000 bushels flour in terms of wheat. The June total is strangely similar to that of May, viz: 6,778,000 bushels.

An investigation into the stocks of wheat in the country as at May 31st has been made by the Ministry of Agriculture, and the figures published a few days ago make it evident that there has been an underestimate of the last crop or carryover. To cover the error 3,674,000 bushels have been added to the crop in the following statement of the statistical position.

| | | | |
|---|---|---|---|
| Second official estimate 1936-37 crop .............. | | 247,836,000 | bushels |
| Probable under-estimate .............................. | | 3,674,000 | " |
| Total .............................................. | | 251,510,000 | " |
| Less seed & domestic requirements ................ | | 99,208,000 | " |
| Exportable balance ................................. | | 152,302,000 | " |
| Disappearance prior to January 1, 1937 ........... | | 3,380,000 | " |
| Available balance on January 1st. .............. | | 148,922,000 | " |
| Shipments January 1st ) wheat | 127,035,000 | | |
| to June 30 ) wheat as flour | 1,924,000 | 128,959,000 | " |
| Still available for export ..................... | | 19,963,000 | " |

The wheat market was very quiet throughout June, and there was little business transacted other than with the domestic millers and buyers for neighbouring South American countries. Argentina is not at present a factor in international trading, and the fluctuations recorded on the quotation boards in the exchanges are merely reflections of transactions in other markets. Cargoes are still leaving daily, but those consigned to Europe are in fulfilment of old contracts.

At the close of the month's trading (which was on the 28th, the two subsequent days being fiestas) Spot wheat was quoted at 13.75 pesos per quintal, equal to 123 1/4c. Canadian per bushel at current exchange rates; and the October option 13.27 (119c. per bushel). In Winnipeg on the same day October wheat was quoted 131 1/8c.

Millers' Opinions of Argentine Wheats

Following the example of Canada, the Argentine Grain & Elevator Board has established an office in London for the purpose of encouraging the sale of Argentine wheat in Europe. The London representative has been soliciting the opinions of bakers and others as to the quality of Argentine wheat, and some of the replies have been published in the official bulletin of the Board. Whilst most of these are of a commendatory nature, one or two are not equally satisfactory from the Argentine point of view; the following for example:

From Bloemmolens de Wulf, Bruges, Belgium; 29th April, 1937.

I am pleased to inform you that the Plate wheats of the new crop have given me full satisfaction. Nevertheless, it is evident that for the manufacture of flour of the quality required in Belgium it is necessary to add to them strong wheats like the Manitobas.

From Kvarnatkiebolaget - J.G.S. - Norrkoping, Sweden; 1st May, 1937.

To our regret we are obliged to inform you that we cannot use Argentine wheat, since here in Sweden there are laws which compel us to use not less than 80% of Swedish wheat, and as soon as the new crop is ready this percentage will certainly be increased. In consequence, Manitoba No. 1 is the only supplementary wheat we shall be able to employ.

Argentine wheat and flour exports for the calendar year 1936, by countries of destination *

| Destination | Wheat bushels | Wheat Flour barrels |
|---|---|---|
| United Kingdom ........................ | 5,901,000 | 162,000 |
| British Central African possessions | 1,800 | 800 |
| " European " | 700 | 900 |
| Austria ................................ | 22,000 | - |
| Belgium ................................ | 5,338,000 | 2,000 |
| Bolivia ................................ | 961,000 | 39,600 |
| Brazil ................................. | 32,117,000 | 333,000 |
| Columbia ............................... | 14,000 | - |
| Chile .................................. | 95,000 | 5,500 |
| Cuba ................................... | 5,000 | - |
| Denmark ................................ | 572,000 | 60 |
| Ecuador ................................ | 100 | 15,000 |
| Finland ................................ | 162,000 | 10 |
| France ................................. | 181,000 | 8,700 |
| French African possessions ........ | - | 1,700 |
| Germany ................................ | 1,912,500 | 5,600 |
| Greece ................................. | 873,000 | 4,400 |
| Holland ................................ | 2,508,000 | 7,300 |
| Dutch African possessions ......... | - | 20 |
| Hungary ................................ | - | 20 |
| Iceland ................................ | - | 2,300 |
| Ireland ................................ | 48,000 | - |
| Italy .................................. | 3,318,000 | 41,000 |
| Italian African possessions ....... | 73,000 | - |
| Japan .................................. | - | 10 |
| Latvia ................................. | - | 10 |
| Norway ................................. | 296,000 | 120 |
| Palestine .............................. | - | 10 |
| Panama ................................. | - | 10 |
| Paraguay ............................... | 371,000 | 138,000 |
| Peru ................................... | 3,952,000 | - |
| Poland ................................. | - | 600 |
| Portugal ............................... | - | 600 |
| Roumania ............................... | - | 20 |
| Spain .................................. | 3,600 | 900 |
| Spanish African possessions ....... | 208,000 | 51,000 |
| Sweden ................................. | 148,600 | 1,500 |
| Switzerland ............................ | 71,000 | - |
| Syria .................................. | - | 10 |
| United States .......................... | 18,000 | 74,000 |
| Uruguay ................................ | 600 | 100 |
| Venezuela .............................. | 100 | - |
| Yugoslavia ............................. | - | 200 |
| Totals .................. | 59,172,000 | 897,000 |

* Official data furnished by the Director General of Argentine Statistics, after tracing "for orders" consignments to their ultimate destinations.

INDIA

In the June issue of this Review, excerpts from the "Report on the Marketing of Wheat in India" were reproduced as they related to the production and export situation in that country. For a further summary of the contents of the Report, the reader is referred to the Commercial Intelligence Journal of June 19, 1937. Herewith are presented the main conclusions and recommendations of the Report:

The uninitiated always think that the marketing of wheat is one of the easiest problems to tackle. This is probably because wheat being one of the world's staple foods has been the subject of more study--outside India--than any other commodity. The welfare of the inhabitants of some countries depends on maintaining a large export trade in wheat. In others, whereas wheat imports are essential to the population as a whole, their control is of vital importance to local producers. Governments in exporting and importing countries for years, therefore, have been trying and are still trying by one device or another to improve the conditions of their cultivators with varying degrees of success. In India there is perhaps a tendency to rely overmuch on Government beneficence. The fact that there is State regulation of the wheat trade in many other countries encourages this attitude here, but it is not possible to apply to Indian conditions the forms of Government action taken in countries with a regular export or import trade. Here the problem is entirely different.

Exports of wheat from India are spasmodic and depend not only on the world price of wheat but also on the relative price of barley, gram, rice, maize and other competing food stuffs. If in the internal market these are cheap as compared with wheat more wheat will be available for export, and not otherwise. The large firms customarily engaged in the export trade are sufficiently well organised to deal with this trade as opportunity offers. The railways also have co-operated by reducing freights on wheat destined for export. There is apparently not much more that can be done to encourage exports of wheat without injuring the interests of the cultivator.

If people in India prefer to consume the wheat rather than part with it at the price offering on the world markets that is their affair. Exporters quite naturally wish to do as much trade as possible and to buy as cheaply as they can; but if, in order that they might attain their objective, it becomes necessary to impart a greater degree of instability to Indian wheat prices and to accentuate the marked seasonal depression which faces cultivators at every harvest, an increased export trade might do more harm than good. The strong and prolonged bearish tendency of the July "future" at Karachi cannot be ignored since it is probably characteristic of the factors which are at work in the export trade.

In regard to imports the Government of India imposed a duty on wheat and wheat flour which by preserving the internal market for Indian produce had some stabilising effect on prices and on the channels of distribution in the internal trade. Although only partially effective in regard to price any attempt to make it more effective by raising the duty would probably have failed because of the internal competition between wheat and other substitute food stuffs. Stability is probably in the long run more important to both producers and consumers than either the raising or lowering of prices.

Apart from the external trade in imports and exports of wheat the Government of India should not be called upon to function except through the Central Marketing Staff acting as a co-ordinating agency between local Governments and trade interests throughout the country and initiating where possible practical improvements of an experimental character, e.g., in regard to grading and standardisation. The main problems of wheat marketing are connected with the internal trade, and where Government action is called for in the interest of producers this could apparently best be done by the local Governments and State Durbars concerned. The following are some of the main points which might commend themselves to the interest of local Governments.

The standardisation of weights and measures as administered by municipalities and other local bodies on the basis of existing legislation has proved quite ineffective. The existence of countless inaccurate weights and measures--many deliberately false--and the absence of uniformity in different parts of the country are a serious obstacle to trade. The Bombay Government, with profit to the local exchequer and to the advantage of producers and traders, has enforced an Act to standardise weights and measures throughout the Presidency. This example might well be studied and followed even to the extent of adopting the same standard weights--with appropriate local names if necessary.

The number of trade associations dealing in "futures" in certain provinces is excessive. It is essential that such bodies should be fully representative, financially sound and capable of ensuring strict compliance with contracts made on the basis of standard quality and other terms. Local Governments might therefore consider the possibility of giving statutory recognition to one or at most two associations in the province or State in the same way as the Bombay Government recognises the rules, regulations and bye-laws of the East India Cotton Association. Though the legislative action may be provincial there is great need for uniformity in certain essential matters, especially in the terms of "futures" contracts. In matters such as these the Government concerned will doubtless seek the advice not only of their local Marketing Staff but also of the Central Marketing Staff and any all-India federation of grain trade associations which may exist.

Reduction and regulation of market charges is a matter for urgent attention on the part of local Governments if the growers are to receive better returns. This may be tackled in various ways according to local conditions. Existing Markets Acts in Bombay, Central Provinces, Madras and Hyderabad for example, might be further extended to grain markets and other Governments might be expected to study and adopt corresponding legislation and regulations. These Acts provide for statutory recognition being given to a scale of charges drawn up by the proper authority in each regulated market.

It is possible, however, that some Governments may prefer to advance on a wider front and declare certain customary charges, e.g., karda, bardana, etc., to be not enforceable by law except with the prior consent of the seller in writing. Whatever the method of approach the fullest possible use should be made of the local Marketing Staffs which should be extended as required so as to be able to undertake the additional duties involved.

The dissemination of market news to cultivators needs to be done locally. Information regarding stocks and prices could be collected from the more important markets and disseminated daily to the smaller primary markets if the necessary funds and staff were made available to the local Marketing Officer. Full use could also be made of the radio and the press in order to put sellers on more even terms with buyers.

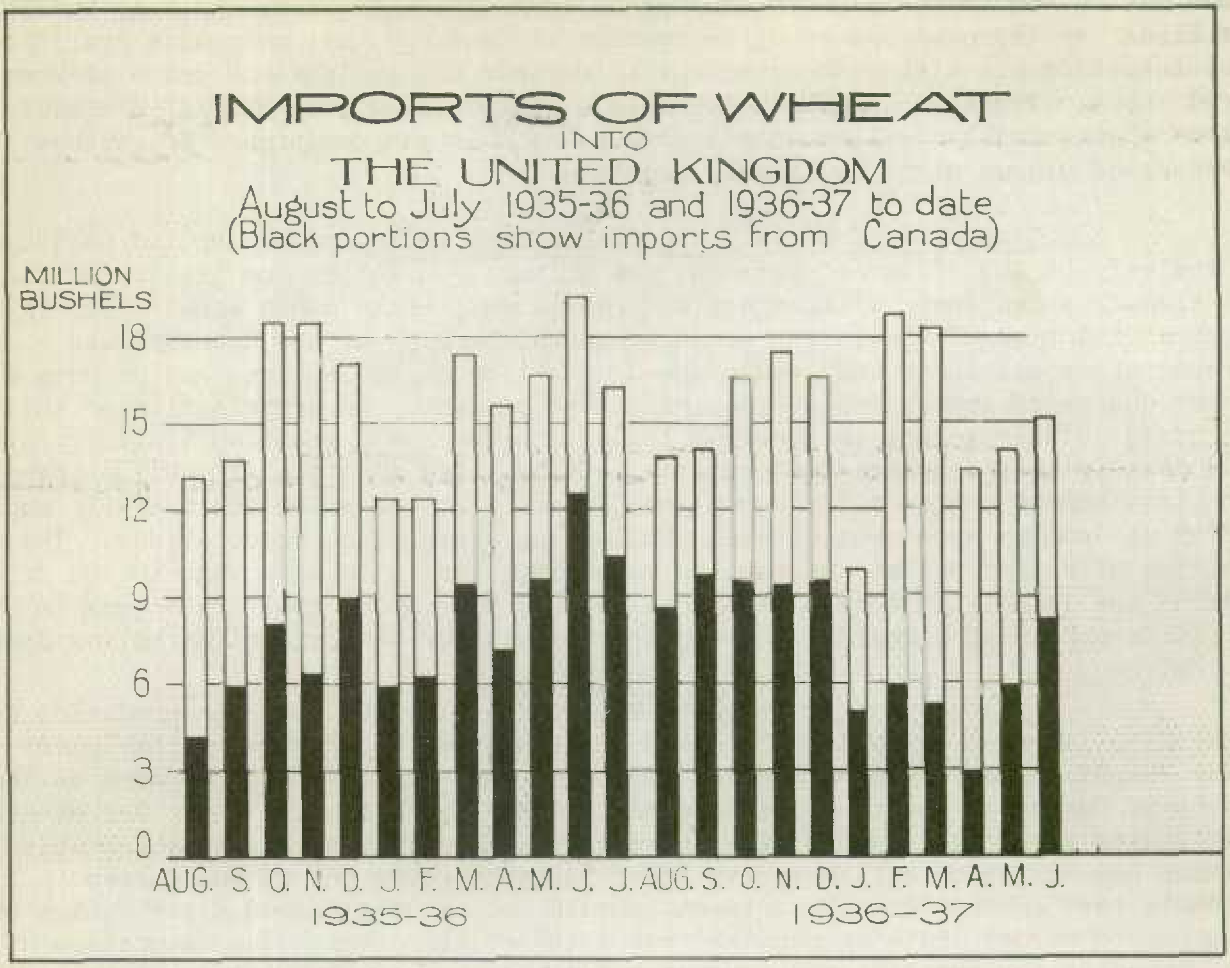
The foregoing points relating to action by local Governments have been placed first but probably more can be done by traders themselves--and that more quickly--so as to make the system of distribution more efficient and less costly with advantage to all concerned.

In some markets local trade associations have been effective in standardising and reducing market charges. They have also, e.g., at Muzaffarnagar, introduced an improved system of ferro-concrete storage, not only with profit to the association but also with advantage as regards the quality and price of wheat stored there. Wastage has been reduced to a minimum. Incidentally if a similar system be universally applied to all grains the constant recurrence of serious outbreaks of plague might be largely prevented.

Standards of quality and of contract terms for buying and selling, particularly on the "futures" markets, are primarily a matter for the trade. They have already shown their willingness and readiness to take steps about this. A closer affiliation of the larger grain exchanges throughout the country into a representative all-India body would speed up action on those lines and promote a greater degree of inter-trading than exists at present. An organisation of this kind could quickly reduce to some semblance of order the present multiplicity of trade descriptions and bases of price quotations. The question of instituting a suitable standard contract for durum wheat seems a matter which could easily and readily be done by agreement between the leading grain trade associations. The provision of better market information regarding wheat stocks, movements and prices concerns the trade. In this direction also they have shown their readiness to assist, in providing a basis for a weekly broadcast by the Central Marketing Staff.

Agricultural Departments have been doing good work in producing and propagating improved varieties of common white wheats (T. vulgare) suitable for making chapatis and fermented bread. Something more might perhaps be done on the same lines for durum wheats having regard to their special suitability for macaroni, etc. Indian wheat cultivators have shown that they are by no means conservative in adopting new varieties but they have their idiosyncracies and it would seem desirable that Agricultural Departments should follow up the seed distribution of new types to ensure that the seed as issued is actually sown. The enthusiasm of plant breeders for creating new crosses and types can be appreciated but as well as having regard to consumers requirements the departments should consider the needs of the trade for obtaining unmixed types in different districts. Common wheats (T. vulgare) should not therefore be propagated in typical durum districts without good reasons.

There remains the question of what the wheat producers should do for themselves. There is, of course, the co-operative movement but producers' co-operative trading societies in this country have not passed the elementary stage. Those that exist function only as kachcha arhatiyas and sell their wheat locally in their own markets. It is claimed that by doing so they have kept down the local market charges and to this extent they perform a useful function. They have, however, no facilities for selling in distant markets and there are few urban consumers' co-operative societies with which they might usefully be linked up. The main object of the local co-operative departments therefore should be to provide some such distributive machinery either by employing existing firms as agents or by establishing some other suitable agency for the purpose. The possibility of establishing closer relations between the financially sound producers' and consumers' societies might, however, be considered especially where the co-operative banks concerned can guarantee the respective accounts and are equipped to clear the railway receipts quickly.




THE UNITED KINGDOM

Imports of wheat into the United Kingdom during the month of June, 1937, were higher than during the preceding month but lower than in the corresponding month last year. Imports during June amounted to 15,105,711 bushels compared with 14,001,077 bushels in May, 1937, and 19,285,242 bushels in June, 1936.

The following table shows imports of wheat into the United Kingdom for the twelve months August to July, 1935-36, August-April, 1936-37 and May and June 1937:

| | August-July 1935-36 | August-April 1936-37 | May 1937 | June 1937 |
|---|---|---|---|---|
| | | (Bushels) | | |
| From: | | | | |
| Canada .......... | 95,004,814 | 66,222,117 | 5,931,786 | 8,197,499 |
| United States ... | 648,003 | 103,419 | - | 19 |
| Argentina ....... | 11,887,471 | 25,421,899 | 2,882,635 | 747,364 |
| Australia ....... | 44,168,234 | 23,811,460 | 4,172,760 | 4,429,016 |
| Russia .......... | 13,182,976 | - | - | - |
| British India ... | 438,113 | 7,479,225 | 375,411 | 124,230 |
| Roumania ........ | 3,119,666 | 7,938,367 | 86,901 | 330,427 |
| Others .......... | 22,212,505 | 7,921,432 | 551,584 | 1,277,156 |
| T o t a l ........ | 190,661,782 | 138,897,919 | 14,001,077 | 15,105,711 |
| Previous year ..... | 188,626,909 | 138,507,291 | 16,634,755 | 19,285,242 |

As shown by the foregoing table, imports of wheat into the United Kingdom during the twelve months from August, 1935 to July, 1936, amounted to 191 million bushels compared with 189 million bushels for the same months in 1934-35. Out of total imports of 191 million bushels, Canada supplied 95 million bushels or 49.8 per cent; Australia supplied 44 million bushels or 23.2 per cent; Argentina supplied 12 million bushels or 6.2 per cent; Roumania supplied 3 million bushels or 1.6 per cent.

The following table shows imports of wheat into the United Kingdom during June, 1937 along with comparative figures for June, 1936.

| | June, 1937 | June, 1936 |
|---|---|---|
| | (Bushels) | |
| From: | | |
| Canada .......................... | 8,197,499 | 12,580,061 |
| United States ................ | 19 | - |
| Argentina ...................... | 747,364 | 245,490 |
| Australia ....................... | 4,429,016 | 4,877,110 |
| Russia ........................... | - | - |
| British India .................. | 124,230 | 13,066 |
| Roumania ....................... | 330,427 | - |
| Others ........................... | 1,277,156 | 1,569,515 |
| T o t a l ....................... | 15,105,711 | 19,285,242 |

The above table shows that total imports of wheat into the United Kingdom during June, 1937 were lower than during June, 1936. Imports from Canada amounted to only 8,197,499 bushels as compared with 12,580,061 bushels for the corresponding month last year. Imports from Argentina were much lower amounting to **747,364** bushels. For April, 1936 Argentine imports were only 245,490 bushels. Australian imports amounted to 4,429,016 bushels for June, 1937 as compared with 4,877,110 bushels during the corresponding month in 1936.

The following table shows imports of wheat into the United Kingdom during the months of August-June, 1936-37 and 1935-36:-

| | 1936-37 August-June | 1935-36 August-June |
|---|---|---|
| | (Bushels) | |
| From: | | |
| Canada .......................... | 80,351,402 | 84,510,178 |
| United States ................ | 103,438 | 648,003 |
| Argentina ...................... | 29,051,898 | 11,887,471 |
| Australia ....................... | 32,413,236 | 40,647,897 |
| Russia ........................... | - | 13,182,976 |
| British India .................. | 7,978,866 | 295,985 |
| Roumania ....................... | 8,355,695 | 2,956,689 |
| Others ........................... | 9,750,172 | 20,298,089 |
| T o t a l ....................... | 168,004,707 | 174,427,288 |

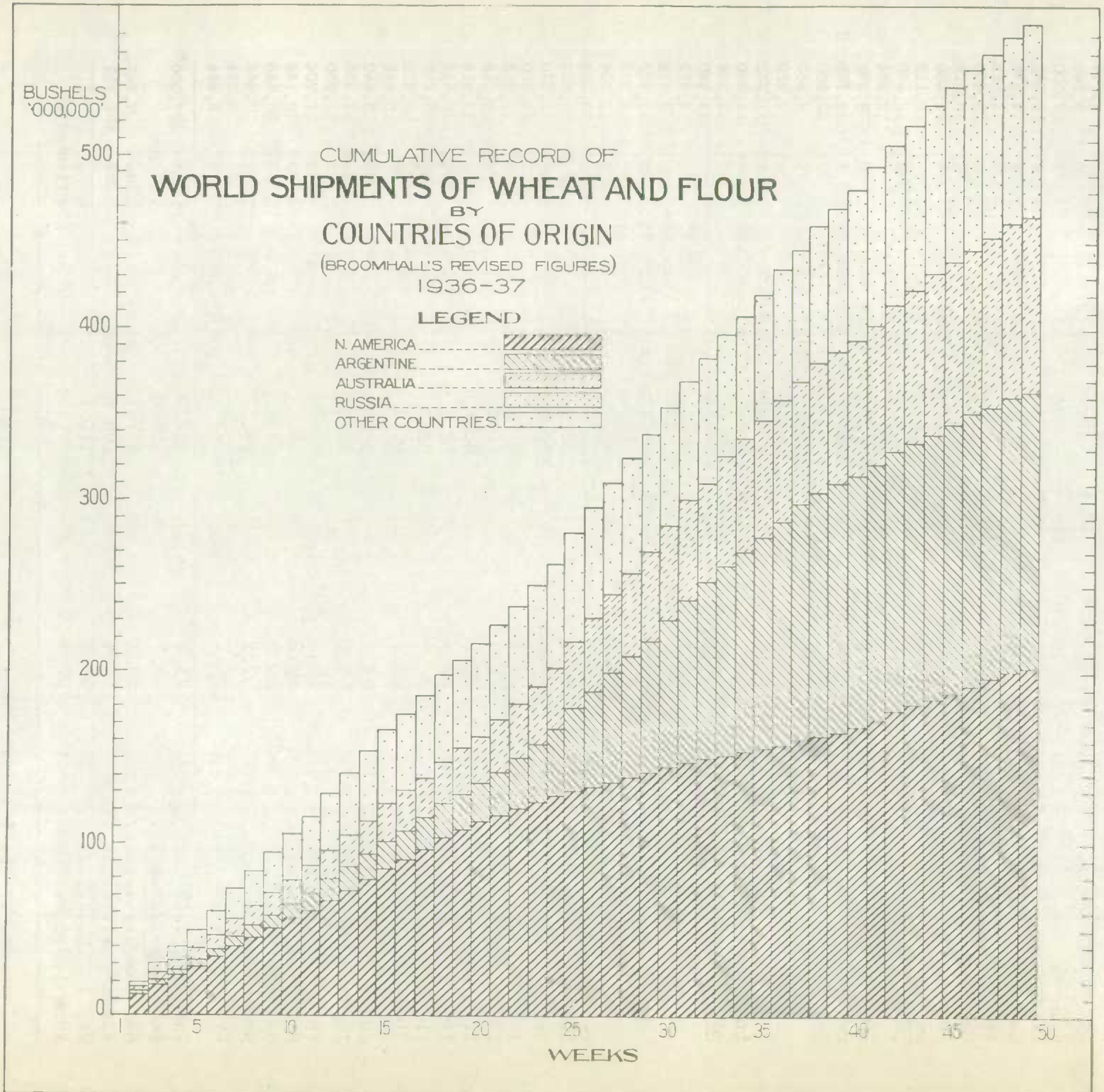
It will be noted that total imports of wheat into the United Kingdom amounted to 168,004,707 bushels during the August-June period in 1936-37 as compared with 174,427,288 bushels during the same months last year. The table further shows that imports from the Argentine were 29,051,898 bushels compared with 11,887,471 bushels for the corresponding period last year. Imports from Canada were lower during the August-June period in 1936-37 compared with the same period in 1935-36.

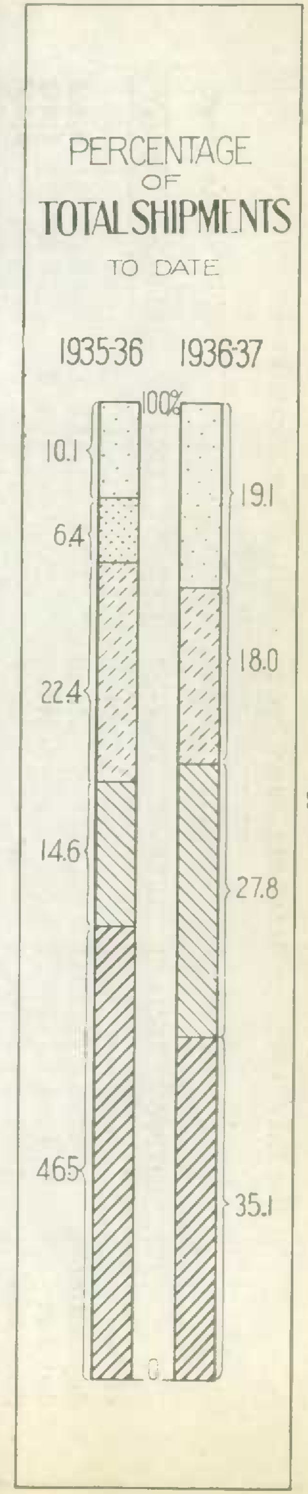
## INTERNATIONAL TRADE

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

| Week ending | N.America | Argentina | Australia | Russia | Danube | India | Other | Total |
|---|---|---|---|---|---|---|---|---|
| | | | (Thousand Bushels) | | | | | |
| Aug. 8, 1936 | 6,848 | 584 | 960 | - | 944 | - | 512 | 9,848 |
| 15 | 5,616 | 1,064 | 1,888 | - | 1,032 | - | 352 | 9,952 |
| 22 | 5,976 | 888 | 1,296 | - | 1,480 | 272 | 424 | 10,336 |
| 29 | 5,288 | 616 | 1,192 | - | 2,152 | 24 | 472 | 9,744 |
| Sept. 5 | 5,072 | 808 | 1,360 | - | 1,640 | 40 | 320 | 9,240 |
| 12 | 5,624 | 1,336 | 960 | - | 3,880 | 72 | 128 | 12,000 |
| 19 | 6,048 | 952 | 1,840 | - | 3,136 | 216 | 200 | 12,392 |
| 26 | 4,744 | 792 | 2,176 | - | 2,144 | 752 | 280 | 10,888 |
| Oct. 3 | 5,368 | 1,152 | 1,376 | - | 3,312 | 168 | 136 | 11,512 |
| 10 | 6,512 | 464 | 792 | 88 | 2,240 | 152 | 152 | 10,400 |
| 17 | 4,408 | 1,568 | 1,536 | - | 2,328 | 424 | 152 | 10,416 |
| 24 | 5,176 | 1,984 | 1,064 | - | 3,288 | 808 | 120 | 12,440 |
| 31 | 6,152 | 1,096 | 1,592 | - | 3,024 | 184 | 80 | 12,128 |
| Nov. 7 | 5,776 | 1,600 | 1,736 | - | 2,232 | 880 | 256 | 12,480 |
| 14 | 6,984 | 1,336 | 1,656 | - | 2,680 | 248 | 80 | 12,984 |
| 21 | 5,048 | 1,064 | 984 | - | 1,464 | 352 | 80 | 8,992 |
| 28 | 6,624 | 960 | 1,152 | - | 1,672 | 856 | 64 | 11,328 |
| Dec. 5 | 6,608 | 1,336 | 1,816 | - | 1,824 | 536 | 80 | 12,200 |
| 12 | 4,824 | 1,048 | 1,600 | - | 632 | 376 | 72 | 8,552 |
| 19 | 4,296 | 1,832 | 1,272 | - | 1,944 | 72 | 104 | 9,520 |
| 26 | 3,696 | 3,240 | 2,072 | - | 1,824 | 320 | 80 | 11,232 |
| Jan. 2, 1937 | 3,976 | 4,112 | 1,848 | - | 1,128 | - | 296 | 11,360 |
| 9 | 3,864 | 3,928 | 2,000 | - | 1,240 | 112 | 224 | 11,368 |
| 16 | 2,720 | 5,744 | 1,720 | - | 1,656 | - | 440 | 12,280 |
| 23 | 3,760 | 7,720 | 3,760 | - | 1,296 | 528 | 608 | 17,672 |
| 30 | 2,672 | 7,488 | 3,536 | - | 752 | 16 | 360 | 14,824 |
| Feb. 6 | 2,960 | 7,896 | 2,656 | - | 1,104 | 176 | 136 | 14,928 |
| 13 | 3,072 | 7,024 | 2,616 | - | 800 | - | 704 | 14,216 |
| 20 | 2,160 | 7,896 | 2,408 | - | 512 | - | 328 | 13,304 |
| 27 | 3,312 | 8,760 | 3,432 | - | 440 | - | 192 | 16,136 |
| March 6 | 2,344 | 9,104 | 3,736 | - | 304 | 80 | 264 | 15,832 |
| 13 | 1,808 | 7,232 | 2,520 | - | 392 | 72 | 496 | 12,520 |
| 20 | 2,192 | 8,424 | 3,432 | - | 552 | 120 | 200 | 14,920 |
| 27 | 2,032 | 5,984 | 2,312 | - | 904 | - | 488 | 11,720 |
| April 3 | 2,096 | 6,480 | 2,448 | - | 440 | 112 | 472 | 12,048 |
| 10 | 2,208 | 7,536 | 1,992 | - | 760 | 352 | 568 | 13,416 |
| 17 | 2,840 | 5,504 | 2,048 | - | 1,528 | 176 | 536 | 12,632 |
| 24 | 2,008 | 5,992 | 2,624 | - | 1,720 | 72 | 792 | 13,208 |
| May 1 | 3,096 | 2,576 | 1,128 | - | 2,632 | 104 | 896 | 10,432 |
| 8 | 2,792 | 1,696 | 2,232 | - | 3,024 | 8 | 800 | 10,552 |
| 15 | 4,832 | 2,080 | 3,056 | - | 1,928 | 56 | 688 | 12,640 |
| 22 | 4,864 | 2,000 | 3,224 | - | 1,832 | 496 | 520 | 12,936 |
| 29 | 2,968 | 1,008 | 4,312 | - | 2,672 | 48 | 952 | 11,960 |
| June 5 | 3,016 | 2,720 | 3,800 | - | 1,296 | 48 | 824 | 11,704 |
| 12 | 4,080 | 1,184 | 2,280 | - | 1,488 | 792 | 312 | 10,136 |
| 19 | 4,304 | 1,552 | 2,112 | - | 712 | 1,600 | 368 | 10,648 |
| 26 | 2,920 | 816 | 1,872 | - | 592 | 1,064 | 184 | 7,448 |
| July 3 | 3,946 | 1,087 | 2,167 | - | 800 | 816 | 408 | 9,224 |
| 10 | 1,259 | 1,411 | 2,050 | - | 808 | 1,008 | 328 | 6,864 |
| Total | 202,357* | 160,674 | 103,641 | 88 | 78,184 | 14,608 | 17,528 | 577,080* |
| Comparative 1935-36 | | | | | | | | |
| Corresponding week | 5,360 | 856 | 880 | - | 368 | 32 | 344 | 7,840 |
| Total to date | 218,136 | 67,962 | 103,741 | 29,712 | 20,904 | 568 | 25,528 | 466,551 |

* Including an official revision of 1,568,000 bushels added to the totals but not distributed by weeks.


BUSHELS
'000,000'
CUMULATIVE RECORD OF
WORLD SHIPMENTS OF WHEAT AND FLOUR
BY
COUNTRIES OF ORIGIN
(BROOMHALL'S REVISED FIGURES)
1936-37
LEGEND
N. AMERICA
ARGENTINE
AUSTRALIA
RUSSIA
OTHER COUNTRIES
500
400
300
200
100
0
1
5
10
15
20
25
30
35
40
45
50
WEEKS


PERCENTAGE
OF
TOTAL SHIPMENTS
TO DATE
1935-36
1936-37
100%
10.1
6.4
22.4
14.6
46.5
0
19.1
18.0
27.8
35.1

Monthly Average Winnipeg Cash Price - No. 1 Northern Wheat, Crop Years 1929-30 to 1936-37

(Dollars per Bushel)

| | 1929-30 | 1930-31 | 1931-32 | 1932-33 | 1933-34 | 1934-35 | 1935-36 | 1936-37 |
|---|---|---|---|---|---|---|---|---|
| August .... | 1.58.0 | .92.5 | .55.1 | .56.3 | .73.4 | .86.0 | .84.5 | 1.02.2 |
| September . | 1.49.5 | .78.1 | .53.6 | .51.9 | .67.2 | .82.3 | .90.3 | 1.03.9 |
| October ... | 1.41.4 | .72.5 | .59.9 | .48.2 | .60.5 | .78.2 | .90.8 | 1.10.9 |
| November .. | 1.33.0 | .64.4 | .67.3 | .46.7 | .63.7 | .79.6 | .85.7x | 1.08.4 |
| December .. | 1.37.8 | .55.4 | .60.6 | .42.4 | .60.3 | .79.2 | .84.7x | 1.20.2 |
| January ... | 1.30.5 | .53.9 | .60.0 | .44.2 | .65.0 | .79.0 | .84.8x | 1.24.7 |
| February .. | 1.17.4 | .59.3 | .63.2 | .45.8 | .65.6 | .79.5 | .82.1x | 1.27.0 |
| March ..... | 1.06.2 | .56.7 | .63.1 | .49.1 | .66.4 | .81.9 | .82.1x | 1.35.7 |
| April ..... | 1.09.8 | .59.7 | .62.6 | .53.6 | .65.5 | .87.6 | .80.5x | 1.38.9 |
| May ....... | 1.07.9 | .60.6 | .62.9 | .63.3 | .70.6 | .85.7 | .76.8x | 1.30.6 |
| June ...... | 1.03.2 | .60.8 | .55.1 | .66.8 | .77.1 | .81.7 | .79.5x | 1.24.2 |
| July ...... | .95.1 | .57.3 | .54.7 | .83.4 | .82.0 | .81.4 | .93.4 | |

x The minimum price for No. 1 Northern set by the Canadian Wheat Board on September 6, 1935 was $87\frac{1}{2}$ cents per bushel, basis car-lots Fort William-Port Arthur. The farmers' return for the 1935 crop was based on this price when wheat was delivered to the Board.

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 1930=100 | Board of Trade United Kingdom 1930=100 | Wheat No. 1 Manitoba Northern Fort William and Port Arthur basis 1930=100 |
|---|---|---|---|
| 1929 .............. | 110.4 | 114.3 | 142.5 |
| 1930 .............. | 100.0 | 100.0 | 100.0 |
| 1931 .............. | 83.3 | 87.8 | 62.4 |
| 1932 .............. | 77.0 | 85.6 | 59.0 |
| 1933 .............. | 77.5 | 85.7 | 64.8 |
| 1934 .............. | 82.7 | 88.1 | 79.4 |
| 1935 .............. | 83.3 | 89.0 | 89.6 |
| 1936 .............. | 86.1 | 94.4 | 99.5 |
| June, 1936 ......... | 83.5 | 92.6 | 84.4 |
| July .............. | 85.9 | 93.6 | 99.2 |
| August ............ | 88.0 | 95.2 | 108.5 |
| September ......... | 88.2 | 96.1 | 110.3 |
| October ........... | 89.0 | 97.6 | 117.7 |
| November .......... | 89.1 | 98.3 | 115.1 |
| December .......... | 92.0 | 100.8 | 127.6 |
| January, 1937 ...... | 93.9 | 102.9 | 132.4 |
| February .......... | 95.7 | 103.9 | 134.8 |
| March ............. | 98.7 | 107.3 | 144.1 |
| April ............. | 99.4 | 108.9 | 147.5 |
| May ............... | 98.3 | 110.7 | 138.6 |
| June .............. | 97.7 | - | 131.8 |

≠ Prepared by the Internal Trade Branch.

## FOREIGN EXCHANGES ⁄

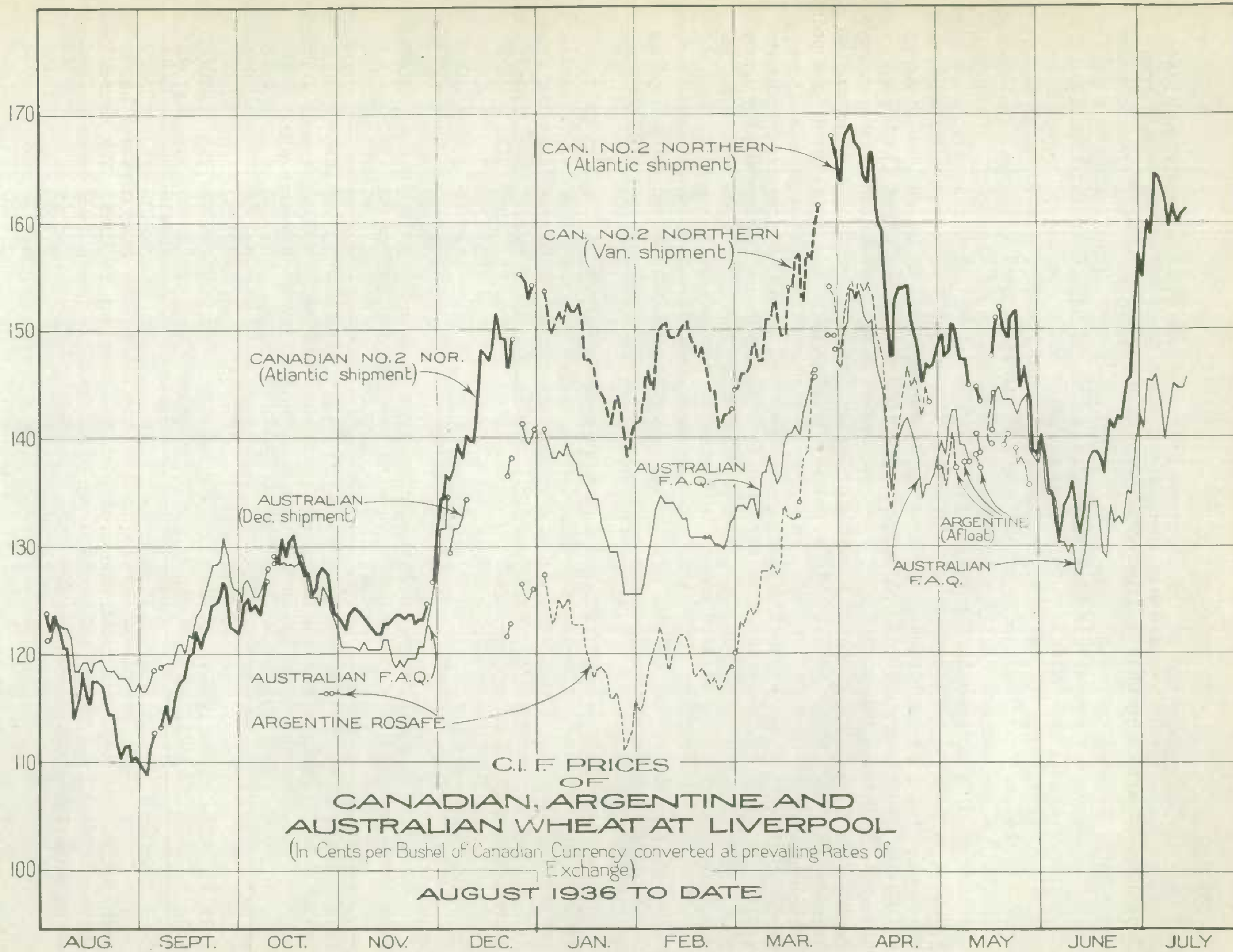
(June 14 - July 12)

The gold panic of the first week in June had not completely subsided before sharp declines in forward positions directed attention to the French franc. Spot rates were firmly maintained but 90 day franc discounts at New York increased irregularly from 8½ points on June 7 to 38½ points on the 26th. During this period capital flowed in considerable quantities from Paris to London in anticipation of a budgetary crisis. The situation became so serious that a complete moratorium on financial obligations was declared on June 27 and the Paris Bourse was closed. On June 30, the new Government was granted special powers to deal with the situation, and within a few hours formally announced the devaluation of the franc, intimating that it would be allowed to find its natural level. It was also stated at this time that the tripartite monetary agreement between the United Kingdom, the United States and France would be continued. The moratorium was lifted July 1, and the franc dropped to approximately 3.84 cents, down more than half a cent from its pre-devaluation level. Subsequently it has remained firm and 90 day forward rates have returned to a discount of about 8 points. During the first week of July extensive covering of short franc positions has caused London gold prices to advance to a point which places them on a parity with the United States official price of $35.00 an ounce. New York funds at Montreal dropped to par on June 15 and remained at that level till the 20th, when premiums advanced to 0.156 of 1 p.c. Subsequently these were reduced to 0.09 of 1 p.c. by July 6th, and after rising to 0.22 of 1 p.c. on the 7th, rates receded to 0.19 on the following day and rested there till the present (12th). Sterling fluctuated narrowly around $4.94 till June 22 when it rose to $4.95, and throughout the rest of the month rates were maintained close to this level. Almost uninterrupted advances during July brought quotations to $4.98 on the 12th.

Monday Average Exchange Quotations at Montreal, January 4 to July 12, 1937.

| | United Kingdom Pounds 4.8667 | United States Dollar 1.0000 | Australia Pounds 4.8667 | Argentina x Paper Peso .4244 |
|---|---|---|---|---|
| January 4, 1937 | 4.9100 | 1.0000 | 3.9280 | .3050 |
| 11 | 4.9100 | 1.0000 | 3.9287 | .3030 |
| 18 | 4.9150 | 1.0009 | 3.9325 | .3035 |
| 25 | 4.9081 | 1.0006 | 3.9265 | .2994 |
| February 1 | 4.8962 | 1.0000 | 3.9162 | .2996 |
| 8 | 4.8950 | 1.0003 | 3.9162 | .3006 |
| 15 | 4.8962 | 1.0003 | 3.9175 | .3011 |
| 23 | 4.8937 | 1.0000 | 3.9150 | .2992 |
| March 1 | 4.8900 | 1.0003 | 3.9125 | .3008 |
| 8 | 4.8793 | 1.0000 | 3.9034 | .3000 |
| 15 | 4.8831 | .9993 | 3.9062 | .2993 |
| 22 | 4.8787 | .9990 | 3.9025 | .2997 |
| 30 | 4.8812 | .9987 | 3.9050 | .2996 |
| April 5 | 4.8975 | .9987 | 3.9175 | .3021 |
| 12 | 4.8944 | .9990 | 3.9150 | .3027 |
| 19 | 4.9175 | .9987 | 3.9337 | .3036 |
| 26 | 4.9262 | .9981 | 3.9400 | .3024 |
| May 3 | 4.9273 | .9981 | 3.9419 | .3014 |
| 10 | 4.9250 | .9975 | 3.9400 | .3022 |
| 17 | 4.9375 | .9985 | 3.9500 | .3031 |
| 25 | 4.9362 | .9989 | 3.9487 | .3047 |
| June 1 | 4.9262 | 1.0000 | 3.9400 | .3055 |
| 7 | 4.9350 | 1.0000 | 3.9475 | .3045 |
| 14 | 4.9375 | 1.0003 | 3.9500 | .3046 |
| 21 | 4.9425 | 1.0000 | 3.9537 | .3025 |
| 28 | 4.9387 | 1.0015 | 3.9500 | .3020 |
| July 6 | 4.9600 | 1.0009 | 3.9675 | .3018 |
| 12 | 4.9795 | 1.0019 | 3.9807 | .3011 |

⁄ Prepared by the Internal Trade Branch. x Free rates.


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)
AUGUST 1936 TO DATE
CAN. NO.2 NORTHERN
(Atlantic shipment)
CAN. NO.2 NORTHERN
(Van. shipment)
CANADIAN NO.2 NOR.
(Atlantic shipment)
AUSTRALIAN
(Dec. shipment)
AUSTRALIAN
F.A.Q.
AUSTRALIAN F.A.Q.
ARGENTINE ROSAFE
ARGENTINE
(Afloat)
AUSTRALIAN
F.A.Q.
170
160
150
140
130
120
110
100
AUG.
SEPT.
OCT.
NOV.
DEC.
JAN.
FEB.
MAR.
APR.
MAY
JUNE
JULY

# THE CANADIAN SITUATION

## 1. GRADING OF THE 1936 WHEAT CROP

The following table shows the grading of inspections from August to June 1936-37 with comparative figures for the same period in 1935-36:

| | Number of Cars Grading No. 3 Northern or Better | | | |
|---|---|---|---|---|
| | 1936-37 | | 1935-36 | |
| | Cars | Per Cent of Inspections | Cars | Per Cent of Inspections |
| August ............... | 15,493 | 90.03 | 7,855 | 82,89 |
| September ............ | 28,403 | 95.53 | 16,975 | 64.83 |
| October .............. | 18,131 | 92.33 | 11,448 | 41.33 |
| November ............. | 9,208 | 87.66 | 4,363 | 34.05 |
| December ............. | 3,062 | 79.80 | 3,457 | 46.46 |
| January .............. | 2,480 | 83.13 | 2,660 | 59.26 |
| February ............. | 2,442 | 88.61 | 1,675 | 52.77 |
| March ................ | 3,320 | 88.77 | 4,720 | 45.53 |
| April ................ | 7,453 | 87.55 | 5,553 | 44.13 |
| May .................. | 5,808 | 89.49 | 5,802 | 58.78 |
| June ................. | 3,089 | 93.91 | 4,788 | 59.78 |
| | 98,889 | 90.98 | 69,296 | 52.45 |

After excluding special grades such as Durums, White Springs and Winters the number of cars inspected in June totalled 3,289 of which 3,089 or 93.91 per cent graded No. 3 Northern or higher. For the eleven-month period ending June 1937, 90.98 per cent of the cars inspected have graded No. 3 Northern or higher, compared with only 52.45 per cent for the same period in 1935-36.

## II. LAKE MOVEMENT.

The following table summarizes the movement of wheat down the Lakes from the opening of navigation in 1937, with comparative figures for 1936:

| From opening navigation to | To Canadian Lower Lake Ports | To St.Lawrence Ports | To Buffalo | To Other United States Ports | To United Kingdom and Continental Ports | Totals |
|---|---|---|---|---|---|---|
| | | | (Bushels) | | | |
| July 7, 1937 | 18,951,916 | 5,226,421 | 1,789,162 | 280,090 | 163,793 | 26,411,382 |
| July 7, 1936 | 14,689,735 | 5,045,623 | 16,676,866 | 4,322,842 | 629,776 | 41,364,842 |

With low stocks at the Head of the Lakes, the lake movement has been much smaller to date this year, compared with the movement in 1936. The diversion of shipments away from United States Lake ports to Canadian Lower Lake ports continues to be notable in the current season.

III. CONDITION REPORT AS OF JUNE 30, 1937.

On July 9, the Dominion Bureau of Statistics issued a report giving the numerical condition of field crops at the end of June, as compiled from the returns of crop correspondents. A summary of the report follows:

The month of June has witnessed the most serious crop deterioration in the Prairie Provinces ever to be recorded this early in the season. Thw worst crop conditions occur in southern and central Saskatchewan and eastern Alberta, while Manitoba at the end of June still showed conditions approximately average. Recurrence of acute and widespread drought in the two Prairie Provinces has reduced the Dominion averages of the principal grain crops at June 30 materially below the May 31 figures, and likewise below the comparable figures for June 30, 1936. Fall wheat, peas, mixed grains, alfalfa and pasture lands, the major areas of which lie in the east, all registered moderate improvement during the past month. Hay and clover meadows were unchanged from the May 31 condition figure with improvement in Nova Scotia, Ontario, Manitoba and British Columbia offsetting declines in the other provinces. In general, late-sown crops show small reductions in acreage from the 1936 level, although the acreages of beans and buckwheat have been increased.

Intermittent rains throughout the Maritime Provinces delayed seeding and on low lands farmers had difficulty getting their crops in. Early-sown grains have made splendid growth, while hay and pastures benefited from the abundant moisture supplies. Potato planting was continued late in the month and in some early fields misses are reported and attributed to the wet season. Settled weather is now needed to facilitate haying.

Quebec showed some improvement in the condition of grain crops and pastures during the month of June and these crops are now just slightly below average. Rainfall and temperatures during the first half of the month were favourable to seeding and growth and a good harvest is promised. During the last half of June, dryness has been felt in the districts north-east of Montreal and in the north of the province. Haying has commenced in several districts, although the thinness of clover will lessen the total yield. Damage from insects and diseases has not been serious.

The condition of all field crops in Ontario improved in June due to the extremely favourable weather. Exceptions occurred in Essex, Kent and parts of Haldimand where the moisture was excessive for late crops, especially dry beans and corn. Fall wheat and fall rye give promise of excellent yields and are now beginning to colour. The spring grains have come along rapidly, and in most of Western Ontario have completely overcome the late start. Haying is general throughout the province and the total yield will be somewhat below average due to a reduced acreage. Pastures are exceptionally good.

Rainfall during June was altogether inadequate to rescue crops from badly dried out soil conditions that have prevailed since last summer in much of the Prairie areas. Drought has brought this year's wheat crop in southern and central Saskatchewan to practically total failure, while conditions in eastern Alberta are likewise exceptionally low. Relatively low conditions prevail in central and northern Alberta. Northeastern Saskatchewan still shows promise of a fair yield, while Manitoba presents the brightest outlook, with a condition figure for wheat at the end of June slightly above average. The later sown coarse grains in Saskatchewan and Alberta show only moderately better condition than wheat, while fall rye in Saskatchewan is almost a complete loss. Pastures are extremely poor in Saskatchewan, but are faring somewhat better in Alberta.

Conditions Since June 30 - Since the end of June, general conditions have continued favourable throughout all of eastern Canada and British Columbia. On the Prairies an excessive heat wave coupled with quite inadequate precipitation has brought about a further sharp decline in crop prospects and considerably extended the area where no commercial crop can be expected. Rust is threatening the otherwise good prospects in parts of Manitoba.

Condition of Field Crops at June 30, 1937, as Compared with May 31, 1937, and June 30, 1936.

Note:- 100 = Long-time Average Yield per Acre.

| Crops | June 30, 1936 | May 31, 1937 | June 30, 1937 |
|---|---|---|---|
| | p.c. | p.c. | p.c. |
| Canada | | | |
| Fall wheat | 89 | 98 | 101 |
| Spring wheat | 82 | 85 | 51 |
| All wheat | 82 | 85 | 52 |
| Oats | 87 | 90 | 73 |
| Barley | 87 | 93 | 79 |
| Fall rye | 68 | 69 | 49 |
| Spring rye | 79 | 83 | 48 |
| All rye | 70 | 73 | 49 |
| Peas | 95 | 93 | 97 |
| Beans | 89 | - | 91 |
| Buckwheat | 95 | - | 96 |
| Mixed grains | 94 | 92 | 97 |
| Flaxseed | 83 | - | 44 |
| Corn, husking | 89 | - | 87 |
| Potatoes | 95 | - | 94 |
| Turnips, etc. | 94 | - | 98 |
| Hay and clover | 99 | 90 | 90 |
| Alfalfa | 94 | 89 | 95 |
| Fodder corn | 93 | - | 92 |
| Sugar beets | 86 | - | 92 |
| Pasture | 100 | 92 | 96 |
| Manitoba | | | |
| Spring wheat | 89 | 101 | 102 |
| Oats | 91 | 97 | 98 |
| Barley | 90 | 96 | 98 |
| Fall rye | 76 | 96 | 98 |
| Spring rye | 88 | 96 | 96 |
| All rye | 77 | 96 | 98 |
| Peas | 96 | 105 | 98 |
| Buckwheat | 95 | - | 95 |
| Mixed grains | 91 | 96 | 100 |
| Flaxseed | 88 | - | 94 |
| Potatoes | 96 | - | 99 |
| Turnips, etc. | 93 | - | 97 |
| Hay and clover | 93 | 92 | 96 |
| Alfalfa | 91 | 93 | 96 |
| Fodder corn | 90 | - | 96 |
| Pasture | 93 | 97 | 102 |

| Crops | June 30, 1936 | May 31, 1937 | June 30, 1937 |
|---|---|---|---|
| | p.c. | p.c. | p.c. |
| Saskatchewan | | | |
| Spring wheat | 80 | 78 | 34 |
| Oats | 81 | 84 | 45 |
| Barley | 83 | 89 | 56 |
| Fall rye | 54 | 51 | 16 |
| Spring rye | 75 | 79 | 37 |
| All rye | 59 | 59 | 22 |
| Peas | 79 | 85 | 43 |
| Beans | 81 | - | 50 |
| Mixed grains | 77 | 81 | 29 |
| Flaxseed | 83 | - | 30 |
| Potatoes | 93 | - | 68 |
| Turnips, etc. | 88 | - | 75 |
| Hay and clover | 85 | 78 | 54 |
| Alfalfa | 81 | 88 | 75 |
| Fodder corn | 85 | - | 50 |
| Pasture | 85 | 68 | 45 |
| Alberta | | | |
| Spring wheat | 83 | 93 | 63 |
| Oats | 84 | 92 | 65 |
| Barley | 85 | 94 | 68 |
| Fall rye | 76 | 74 | 57 |
| Spring rye | 79 | 83 | 46 |
| All rye | 77 | 79 | 51 |
| Peas | 89 | 90 | 76 |
| Beans | 83 | - | 73 |
| Mixed grains | 84 | 88 | 67 |
| Flaxseed | 73 | - | 49 |
| Potatoes | 92 | - | 80 |
| Turnips, etc. | 91 | - | 77 |
| Hay and clover | 88 | 84 | 61 |
| Alfalfa | 89 | 85 | 68 |
| Fodder corn | 86 | - | 61 |
| Sugar beets | 85 | - | 79 |
| Pasture | 86 | 80 | 61 |

Charts Showing the Condition of Spring Wheat in the Prairie Provinces, by Crop Districts, June 30 and May 31, 1937 and June 30, 1936.

The charts on pages 27, 28 and 29 of this report present condition figures by Crop Districts at June 30 and May 31, 1937 and June 30, 1936. Since the patterns used in the legends of the charts are identical, direct comparisons can be made between the charts.

Wheat prospects in the Prairie Provinces during the past month declined the most severely of any June for which there are official condition records. Although Manitoba showed a condition figure, at the end of June, 2 per cent above the long-time average, Saskatchewan registered the worst loss of condition of any month on record, and Alberta had shown a lower condition figure only on July 31 in the years 1910, 1933 and 1936. Drought, by all odds the most important factor contributing to the decline, affected the crop much earlier than usual this season. Heat toward the end of the month added to the decline, and in certain areas there has been moderate grasshopper damage.

Manitoba

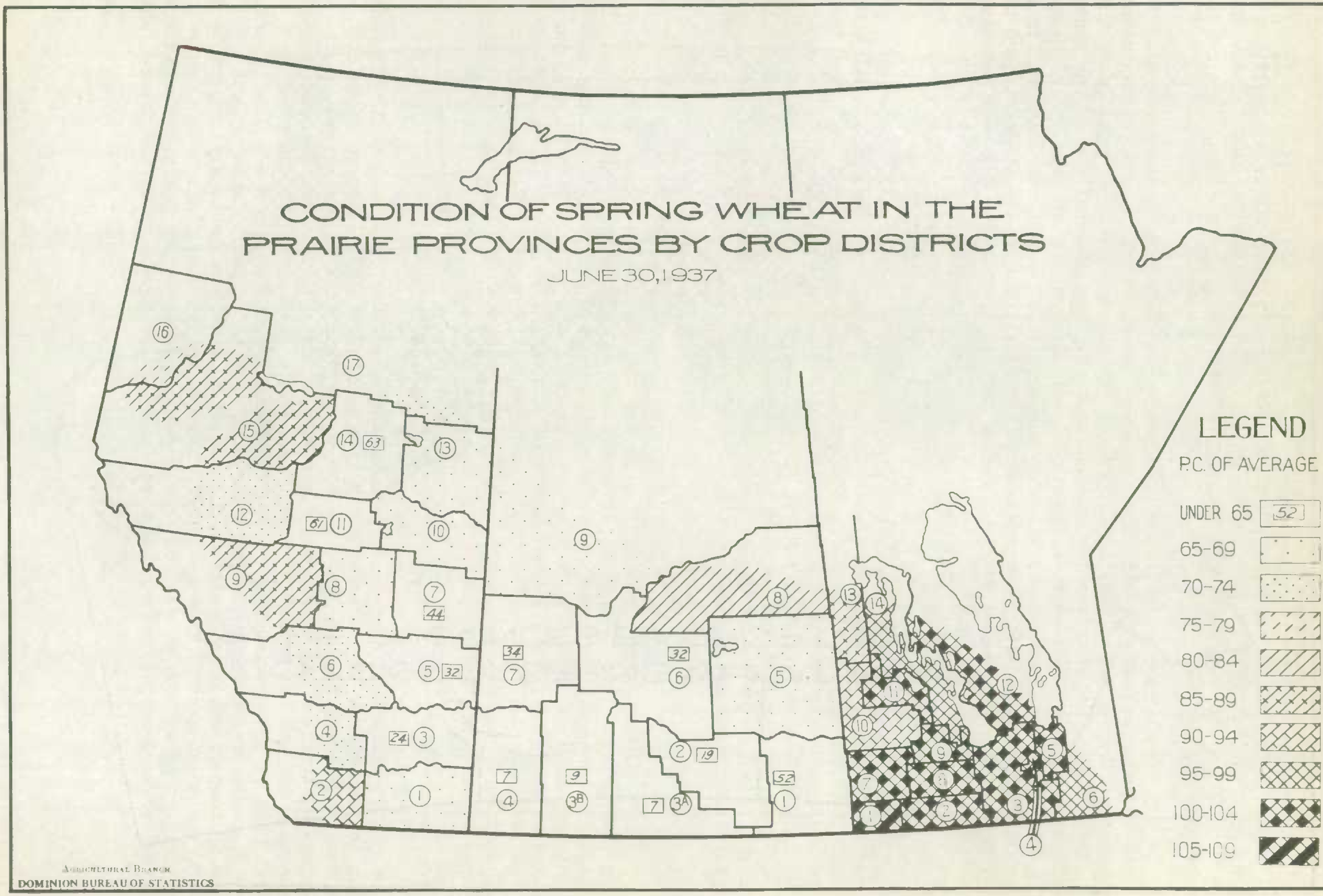
The provincial condition figure actually increased 1 point from 101 per cent of the long-time average at the end of May to 102 per cent at the end of June. Copious rains fell early in the month which have sustained the crop, and at the monthend there were only scattered traces of rust. Condition figures were higher in 9 of the 14 crop districts at June 30 than at the end of May. Districts 10 and 13 along the Saskatchewan boundary recorded the most appreciable declines, falling 6 and 12 points below the May 31 condition figures respectively. Dry conditions were affecting these districts toward the end of June.

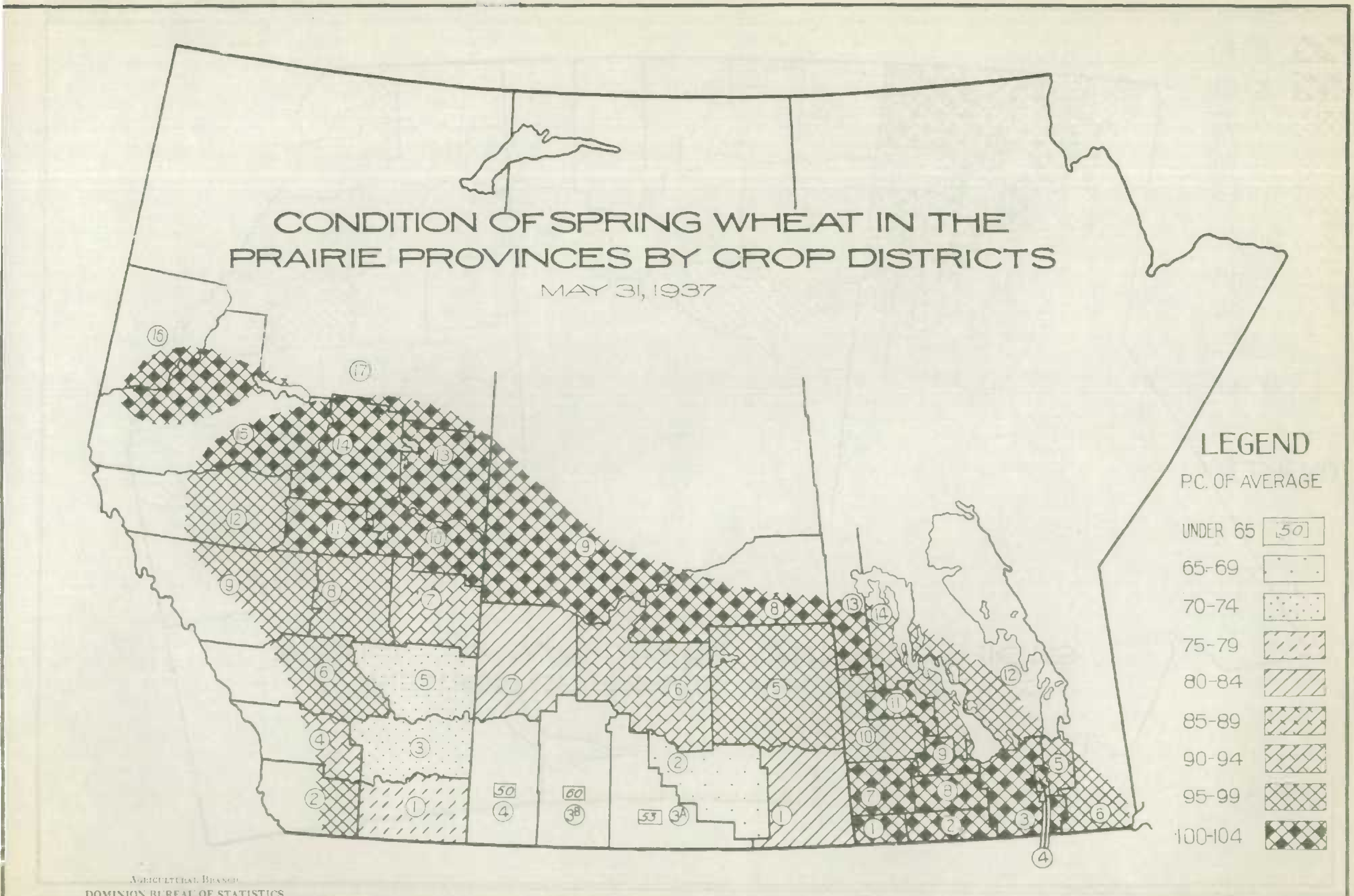
Saskatchewan

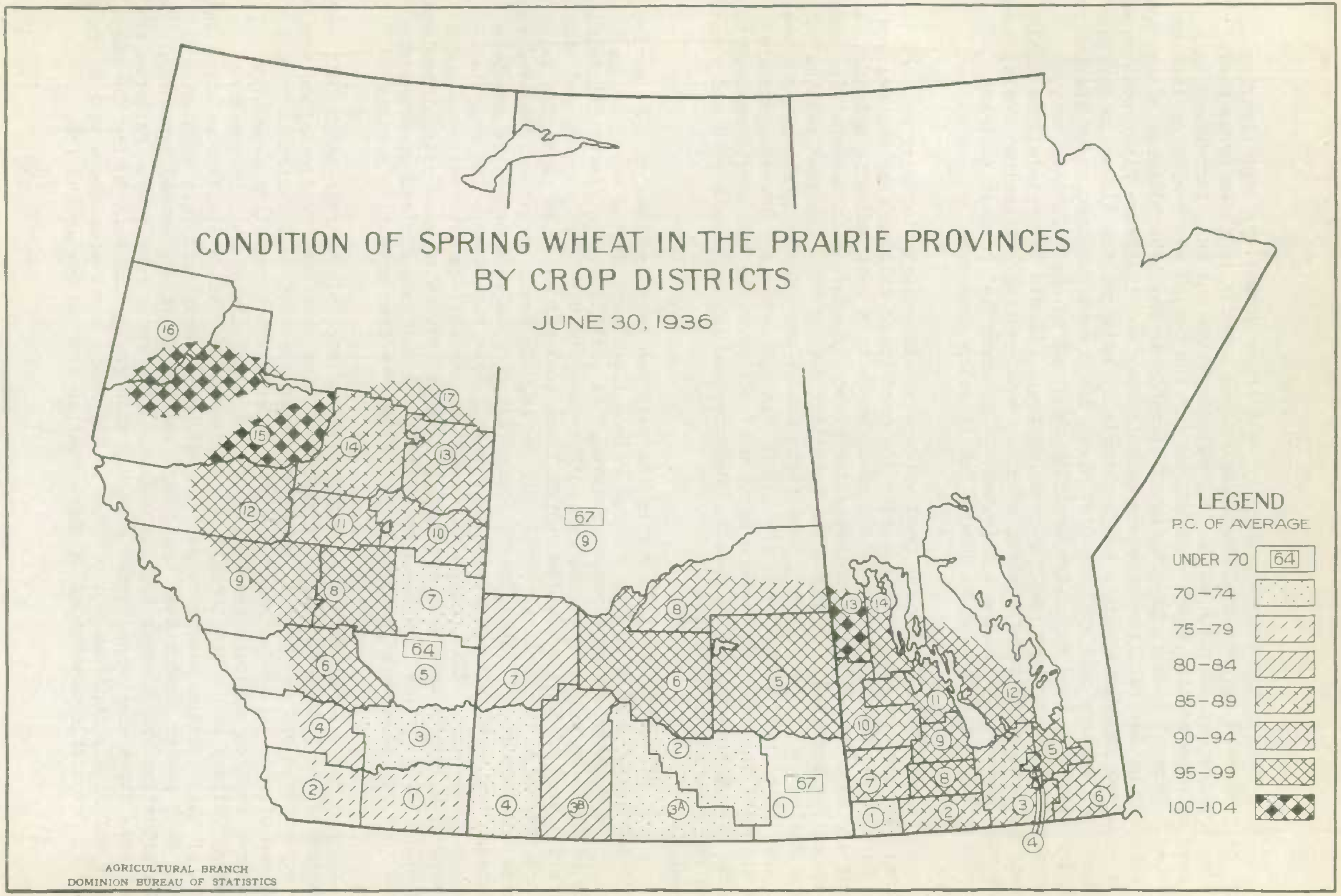
The average condition figure for the province declined 44 points during the month of June to the lowest condition figure on record - 34 per cent of the long-time average. This was a decline of 56 per cent from May 31 to June 30. Drought accounted for practically a total failure of the crop in Districts 2, 3a, 3b and 4 in the south, and for the promise of extremely low yields in Districts 6 and 7. The remaining districts registered sharp declines from their May 31 condition, while District 8 in the north-east where drought has shown the least effect to date declined 19 per cent during the month.

Alberta

Alberta's average condition figure declined 30 points or 32 per cent during the month from 93 at the end of May to 63 on June 30. All crop districts show lower condition figures since May 31, while District 2 in the extreme southwest, and Districts 9 and 15 where the acreage is small, still show reasonably good prospects. Drought has wrought the worst damage in Districts 3, 5 and 7 in the eastern part of the province, where the condition figures are extremely low. Districts 4 and 6, south of and around Calgary where the acreage is heavy, show moderate damage by comparison, with condition figures of 70 and 71 respectively. Districts 8 and 10, south and east of Edmonton, where the acreage is also considerable, show conditions of 66 and 69 per cent of the long-time average. The Peace River District has gone backward during the month for want of rain, with the condition figure falling from 104 to 78.


CONDITION OF SPRING WHEAT IN THE PRAIRIE PROVINCES BY CROP DISTRICTS
JUNE 30, 1937
LEGEND
P.C. OF AVERAGE
UNDER 65
65-69
70-74
75-79
80-84
85-89
90-94
95-99
100-104
105-109
AGRICULTURAL BRANCH
DOMINION BUREAU OF STATISTICS


CONDITION OF SPRING WHEAT IN THE PRAIRIE PROVINCES BY CROP DISTRICTS
MAY 31, 1937
LEGEND
P.C. OF AVERAGE
UNDER 65
65-69
70-74
75-79
80-84
85-89
90-94
95-99
100-104
AGRICULTURAL BRANCH
DOMINION BUREAU OF STATISTICS


CONDITION OF SPRING WHEAT IN THE PRAIRIE PROVINCES
BY CROP DISTRICTS
JUNE 30, 1936
LEGEND
P.C. OF AVERAGE
UNDER 70
70-74
75-79
80-84
85-89
90-94
95-99
100-104
67
64
67
AGRICULTURAL BRANCH
DOMINION BUREAU OF STATISTICS

## IV. TELEGRAPHIC CROP REPORTS OF JUNE 22 AND 29; JULY 6 AND 13.

### JUNE 22.

With temperatures generally well above normal over the prairies during the past week, growth has been forced along rapidly in those areas where moisture supplies are adequate while crop deterioration has been correspondingly rapid over a large section where rainfall during the period was scanty or lacking altogether. General conditions continue favourable in Manitoba although slower growth would make for better results. Eastern Saskatchewan and the Peace River section of Alberta received beneficial rains which materially bettered the situation in these areas but over a large part of both provinces, crops have declined under the influence of hot dry weather. Good rains are urgently required to check further serious deterioration and to restore badly burned pastures. Should the rainfall be long deferred, yields over much of eastern Alberta, west-central and central Saskatchewan will be very low. There is now little hope of a commercial crop in southern Saskatchewan and only feed can be looked for if rains come soon.

#### Manitoba

Rainfall during the past week varied from light to heavy showers scattered over most of the province, with the best rains falling over the western half. Except for the northern cropland areas where more rain would be welcomed, all sections are well supplied with moisture for present needs. With temperatures well above normal, growth has been rapid and luxuriant during the past week and the outlook for all crops is favourable. Some frost damage occurred to grain crops a week ago in the vicinity of Russell but the injury was not serious. Grasshoppers are fairly abundant in the south-western section of the province and should weather turn dry, some damage would probably result. Pastures and hay crops are good and plenty of feed for live stock is assured.

#### Saskatchewan

Effective rainfall during the past week was confined to that part of the province lying east of a line through Prince Albert and Regina south to the border. From a three inch downpour at Estevan, the precipitation tapered off fairly sharply with the best rains recorded at points near the Manitoba boundary and north to Melfort. West of this area, the rainfall was so light as to be of little value to crops and with high temperatures prevailing during the week, crop deterioration in this area has been rapid. Very little commercial crop is in prospect in southern Saskatchewan and over much of this section only fodder can be expected even under favourable conditions. With continued drought in the west-central section, crops which were promising a week ago have lost ground and even with good rains immediately, yields will likely be low. In the east-central and northern districts, prospects continue good but elsewhere pastures are poor and the feed situation serious.

#### Alberta

Peace River district points received most of the rain which fell over Alberta during the past seven days. Elsewhere in the province, precipitation was of little consequence and except for the south-western section, all districts report an urgent need of rain to arrest the rapid crop deterioration resulting from high temperatures and low moisture reserves. Crops are holding up well in the area surrounding Calgary and south through Lethbridge to the United States boundary. North and east of this section however wheat is heading out short and thin with general prospects much poorer than a week ago. Good soaking rains are needed immediately to save the situation and prevent serious damage to the early sown crop. Pastures are bare and some stock are being turned on early sown grain. Showers during the past week have definitely improved the outlook in the Peace River area where with a continuance of favourable conditions, a three-quarter crop is now looked for.

June 29

Uneven distribution of the rainfall over the country during the past two weeks has resulted in excessively wet conditions in the Maritime Provinces and British Columbia while the wheat areas of Saskatchewan and Alberta have had insufficient moisture to promote satisfactory growth. General conditions in Quebec and Ontario are good and particularly so in the latter province where all crops are making rapid progress and promise well. A heavy crop of hay is now being gathered in Ontario. Good conditions still prevail in Manitoba where wheat is heading out nicely and little or no damage from crop pests has been reported. In Saskatchewan there has been little relief from the disastrous drought conditions which have prevailed since the early part of the season and much of the wheat land is now definitely beyond hope so far as a commercial crop is concerned. Conditions in Alberta are little improved from a week ago, with some further declines in the eastern districts but in the southwest and northern areas, prospects are still fairly good with much depending on the timely arrival of generous rains. British Columbia now has ample moisture to ensure good growth and a period of warm dry weather is needed to permit the harvesting of the hay and berry crops.

Prairie Provinces

With few exceptions, crop conditions throughout Manitoba are unusually favourable and all crops are making rapid growth. The weather during the past week has been hot with scattered showers and heavy rains in the eastern part of the province. North and west, rainfall has been less plentiful and some correspondents report the need for considerable rain shortly if good prospects are to be maintained. Wheat is heading out and so far no rust damage has been reported. Pastures are good and in southern districts haying has commenced with good yields in prospect. Grasshoppers are abundant in south-western areas but little damage has been reported so far. Local hail storms caused damage varying from slight to nearly 100 per cent but these were confined to small areas. Live stock are doing well in all sections of the province.

Showers in west-central and central Saskatchewan during the past week were too light to check the deterioration which was threatening in these districts a week ago. In addition, the temperatures have been abnormally high and sufficient permanent damage has been done to place the whole of the west-central and central area in the same category with the southern districts where no commercial crop of importance can be harvested. Serious deterioration is also reported in the Qu'Appelle Valley. North of the Qu'Appelle Valley in eastern Saskatchewan, and in the extreme northern part of the province, fair conditions still prevail, and an average crop may still be expected in these districts if good rains and moderate temperatures ensue. Rain is urgently needed over the whole of the province to salvage enough wheat for feed and seed in the central and southern areas and to aid the coarse grains and pastures. Heavy dust storms were reported around Swift Current and Rosthern on June 23 and 24. The grasshopper outbreak has continued in the drought areas where control measures have been neglected due to the poor conditions. Baiting has been more active where there are still prospects for a crop in the north and northeast.

Crop conditions have continued largely unchanged throughout Alberta during the past week. Helpful rains from one to two inches fell in the east-central and northeastern districts which helped to check the heavy deterioration which had been setting in. The region around Hanna is still in urgent need of rain, and the Calgary area likewise needs more rain immediately. While only light showers fell last week in the extreme southwest, moisture reserves are still ample in this area for several days. Crops and range lands in the southeast have shown improved growth during the past week, and range cattle are improving. The Peace River district received a fair rain during the past week. Grasshoppers in the south have become more active, although baiting has been giving satisfactory results and little loss has been reported so far.

July 6

Another week of scanty rainfall and excessively hot weather has brought about further declines in crop prospects as the drought damaged area has steadily extended. The greater part of Saskatchewan and much of eastern and northern Alberta have been affected by the arid conditions while parts of western Manitoba are also beginning to feel the pinch of inadequate soil moisture supplies. Elsewhere in Manitoba, crop prospects continue good although there is some danger of rust causing damage. Good crops are also to be found in southwestern Alberta. In northern sections of both Alberta and Saskatchewan, declines have been registered during the past week with a fifty per cent crop in the Peace River district now the limit of expectations. Northeastern Saskatchewan still gives promise of fairly good yields but prospects are only fair to poor elsewhere with southern and central districts reporting total failure. Feed supplies will be exceedingly scarce in all of southern Saskatchewan and eastern Alberta as the dry weather has scorched pastures and ruined the prospects for hay crops. Immediate rains in these areas are needed to relieve a critical feed situation.

Manitoba

While the general situation in the province is still good, hot dry weather during the past week has resulted in some crops showing signs of drought damage. This condition is more marked in the western parts of the province. Rainfall during the week was confined to light showers at a few scattered points and this, coupled with the high temperatures prevailing, has reduced prospects appreciably. Early sown grain is holding up well but late crops are deteriorating and a good general rain is needed shortly to keep crops developing well. Wheat is headed out well and if further rains come soon, a good crop should result. Haying is under way in southern districts with a heavy crop in prospect. For the most part, pastures are holding up well but in the Russell district near the Saskatchewan border immediate rain is required to avert a feed shortage. Stem rust is definitely in evidence on wheat and barley at a few points but is not serious as yet. Grasshoppers are becoming more active with the advent of hot weather and control operations are being pushed strenuously in the affected areas, mostly in the southwestern corner.

Saskatchewan

With rainfall over the province either lacking entirely or too light to be of any practical value, the boundaries of the drought ravaged area have extended considerably during the past week. Areas which were reasonably promising a week ago have now passed the point where any commercial crop can be expected. Temperatures far above normal throughout the week have hastened the crop destruction which now appears to be the worst in the history of the province. In all the southern area except the extreme southeast, crops are wiped out and little or no feed is left. Immediate rain could only help the feed situation. Central and west-central districts are also beyond hope of anything but feed and seed and that only if immediate rainfall relieves the present parched condition of the land. In north-eastern districts, conditions are still fair while the east-central area is mostly reported as poor. The drought area has now extended into the northwestern district and yields are expected to be very light in this section. Serious feed shortages are inevitable over much of the province unless generous rains come soon.

Alberta

Excessive heat with strong drying winds over much of the eastern part of the province has caused a further decline in crop prospects during the past week. While good rains were received from Edmonton south to Calgary, other districts which were in greatest need, received little moisture. Good crop prospects still continue in the southwestern corner and north as far as Olds. Recent rains have brought about some temporary improvement around Edmonton but more is needed immediately to continue reasonably good prospects. The Peace River area was again missed by heavy rainfall and although several light showers have fallen during the week, crops, especially those sown early, are beginning to suffer and half a normal yield is the best outturn now looked for. All the eastern part of the province is in serious need of rain. Eight to ten bushel crops may be harvested if ideal conditions prevail from now to harvest but without immediate relief from drought, further rapid declines in crop pros-

JULY 13.

Good prospects for farm crops are now evident in all parts of Canada except in the prairie wheat belt where the most serious and prolonged drought in the history of the country continues practically unrelieved. The advent of warm dry weather has been of great benefit to farmers in the eastern provinces and British Columbia where haying is now general with a good crop in prospect. Spring grains and hoed crops are promising throughout all eastern Canada and the effects of the late wet spring have been largely outgrown. While parts of the province are too dry, general conditions are still good in Manitoba although the rust which is widely distributed may yet prove a serious factor. Saskatchewan conditions have shown little or no improvement. Rains which fell during the week in scattered localities helped feed prospects somewhat, but were of little value to the grain, most of which is now beyond aid except in the northeastern section. Variable prospects prevail in Alberta with some good crops in the southwest, the Calgary and Olds section, the northeast and Peace River areas and elsewhere prospects only fair to poor. Pastures are gone in much of Saskatchewan and Alberta and heavy shipments of cattle have been made to areas where feed is more plentiful.

Prairie Provinces

Showers of varying intensity were fairly well distributed over Manitoba during the past week. Growth has been normal in practically all sections with the exception of the western area north from Virden to Swan River where drought conditions which have become evident recently were unrelieved during the past week. All early crops are well headed out and with continued good conditions, should fill properly. Rust is present over a fairly wide area and while it is not yet considered serious, with weather favourable for its spread it could do considerable damage. Hay crops are heavy, particularly in southern districts and pastures are providing good feed in most areas except the dry section already noted. Some hail damage has occurred during the past week or two but in no case was it widespread or particularly serious. Active poisoning campaigns have resulted in substantial reductions in the numbers of grasshoppers in the southwest.

No change was reported in the drought situation in the southern, central and western parts of Saskatchewan during the past week. High temperatures and lack of precipitation continued, except in very local areas. There will be practically no grain threshed in the south-central and west-central districts of the province. In many areas a serious feed shortage exists and heavy shipments of live stock are reported. Grasshoppers are active and threaten the small patches of green remaining in the southern and central areas of the province. In the eastern and northeastern parts of Saskatchewan, rains checked deterioration of feed prospects and gave material aid to the grain crops. The northeastern part of the province is the remaining section where there are possibilities of an average yield of grain and from which will come practically all of the commercial marketings in the next crop year.

While crop conditions in northern Alberta improved somewhat during the week, further deterioration of crops was experienced in the eastern and southern parts of the province. In east-central Alberta, practically a total crop failure is reported, with the feed situation critical. Crop prospects in the southeastern part were lowered by several days of hot weather. In the Peace River area, the crop is holding up well because of adequate moisture reserves. North-central Alberta received rain late in the week, which benefited the grain crops coming into head. Crop conditions in Alberta are quite variable and some sections report good prospects. In the Olds and Calgary districts the present outlook for grain crops varies from fair to good. Crops in western Alberta have not suffered excessively from unfavourable weather conditions.

V. PRECIPITATION IN THE PRAIRIE PROVINCES/ (Cont'd.)

| Province and Crop District | Station | Week ending 8 a.m. June 21 | June 28 | July 5 | July 12 | 1937 April 1 to July 12 | 1936 April 1 to July 12 | 1926-35 Average Apr.1 to July 12 |
|---|---|---|---|---|---|---|---|---|
| | | | | | (inches) | | | |
| A 7 | Coronation | – | .80 | – | .05 | 3.35 | 4.69 | 5.38 |
| A 11 | Edmonton | .10 | .10 | .40 | .25 | 3.47 | 6.38 | 9.10 |
| A 8 | Wetaskiwin | .05 | 1.10 | .80 | x | 5.49 | 6.41 | 7.53 |
| A 6 | Olds | – | .30 | 1.10 | .15 | 5.50 | 6.96 | 8.26 |
| A 8 | Stettler | – | .80 | .10 | .05 | 4.15 | 5.46 | 7.78 |
| A 3 | Brooks | .05 | – | – | .05 | 1.77 | 5.12 | 6.25 |
| A 6 | Calgary | .05 | .05 | .70 | .45 | 7.01 | 4.54 | 7.75 |
| A 2 | Cardston | .10 | – | .05 | – | 8.19 | 3.88 | 7.82 |
| A 3 | Vauxhall | .05 | – | x | – | 3.06 | 3.96 | 5.76 |
| A 4 | High River | .10 | .20 | x | .15 | 5.63 | (a) | 9.83 |
| A 2 | Lethbridge | .10 | .05 | .05 | – | 5.93 | 4.89 | 7.08 |
| A 2 | Macleod | .20 | – | .05 | – | 8.56 | 4.67 | 7.08 |
| A 1 | Medicine Hat | .10 | .05 | – | .15 | 3.24 | 3.08 | 5.60 |
| A 12 | Edson | .10 | x | x | .55 | 3.10 | 5.07 | 8.44 |
| A 16 | Beaverlodge | .50 | .90 | .30 | .05 | 3.23 | 6.57 | 6.39 |

/ Source: Meteorological Service of Canada.
x No report received.
(a) Information incomplete.

VI. TEMPERATURES IN THE PRAIRIE PROVINCES, BY CROP DISTRICTS /

(Differences in degrees from normal mean temperatures)

| Crop District Number | | Week ending June 21 | June 28 | July 5 | July 12 | Crop District Number | | Week ending June 21 | June 28 | July 5 | July 12 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Man. | 1 | +5 | +5 | +(3-6) | +5 | Sask. | 7 | +10 | +7 | +(9-11) | +(8-11) |
| | 2 | +6 | +5 | +(3-6) | +4 | | 8 | + 7 | +4 | +(9-11) | +(7-10) |
| | 3 | +7 | +5 | 0 | +(6-7) | | 9 | + 6 | +3 | +(9-11) | +(5-7) |
| | 4 | +6 | +4 | +(3-6) | +6 | Alta. | 1 | + 4 | +3 | +(13-15) | +(7-11) |
| | 5 | +6 | +4 | +(3-6) | +6 | | 2 | + 2 | 0 | +(9-11) | +(2-5) |
| | 6 | +6 | +5 | +(3-6) | +4 | | 3 | + 6 | +2 | +(13-15) | +(5-6) |
| | 7 | +6 | +7 | +(3-6) | +8 | | 4 | + 2 | +1 | +(13-15) | + 2 |
| | 8 | +6 | +6 | +(3-6) | +7 | | 5 | + 8 | +6 | +(13-15) | + 7 |
| | 9 | +7 | +6 | +(3-6) | +5 | | 6 | + 4 | +3 | +(13-15) | + 1 |
| | 10 | +6 | +7 | +(3-6) | +(6-7) | | 7 | +8 | +4 | +(13-15) | +(5-8) |
| | 11 | +9 | +7 | +(3-6) | +(10-12) | | 8 | +6 | +2 | +(13-15) | +(2-6) |
| | 12 | +8 | +5 | +(3-6) | +8 | | 9 | +3 | -1 | +(3-6) | + 1 |
| | 13 | +7 | +5 | +(3-6) | – | | 10 | +6 | +3 | +(3-6) | + 3 |
| | 14 | +9 | +5 | +(3-6) | – | | 11 | +6 | +3 | +(13-15) | +(1-2) |
| Sask. | 1 | +8 | +8 | +(3-6) | +(7-13) | | 12 | +3 | 0 | +(3-6) | +(1-2) |
| | 2 | +9 | +6 | +(13-15) | +10 | | 13 | +5 | +3 | +(3-6) | + 2 |
| | 3 | +6 | +4 | +(13-15) | +(9-14) | | 14 | +4 | +1 | +(3-6) | + 2 |
| | 4 | +6 | +5 | +(13-15) | +(10-11) | | 15 | +3 | 0 | +(3-6) | + 1 |
| | 5 | +8 | +7 | +(9-11) | +(8-11) | | 16 | +2 | -1 | +(3-6) | 0 to -5 |
| | 6 | +9 | +5 | +(13-15) | +(10-12) | | 17 | +5 | +1 | +(3-6) | – |

/ Source: Meteorological Service of Canada

V. PRECIPITATION IN THE PRAIRIE PROVINCES ≠

| Province and Crop District | Station | Week ending 8 a.m. June 21 | June 28 | July 5 | July 12 | 1937 April 1 to July 12 | 1936 April 1 to July 12 | 1926-35 Average Apr.1 to July 12 |
|---|---|---|---|---|---|---|---|---|
| | | (inches) | | | | | | |
| M 10 | Birtle | 1.90 | .05 | x | .15 | 6.51 | 3.60 | 7.85 |
| M 8 | Brandon | 1.10 | .05 | .05 | 1.06 | 10.53 | 5.23 | 9.27 |
| M 8 | Cypress River | .30 | .10 | – | .55 | 8.97 | 4.29 | 8.39 |
| M 9 | Minnedosa | 2.60 | .40 | .05 | .25 | 8.71 | 3.35 | 7.34 |
| M 2 | Ninette | .60 | .20 | .05 | .45 | 10.16 | 3.81 | 9.01 |
| M 3 | Portage la Prairie | .05 | .80 | .10 | .45 | 10.92 | 6.11 | 7.40 |
| M 10 | Russell | 1.00 | – | – | .15 | 4.63 | 5.59 | 6.70 |
| M 7 | Virden | 1.30 | – | .05 | .85 | 7.94 | 4.07 | 6.84 |
| M 3 | Graysville | x | .50 | – | x | (a) | 4.00 | 6.98 |
| M 3 | Morden | .20 | .50 | – | 1.10 | 11.50 | 3.16 | 8.33 |
| M 3 | Morris | .05 | – | x | .75 | 5.83 | 5.29 | 6.64 |
| M 6 | Sprague | .05 | .20 | – | .95 | 9.96 | 3.63 | 8.82 |
| M 4 | Winnipeg | .50 | .30 | .20 | .15 | 7.38 | 3.84 | 7.62 |
| M 11 | Dauphin | .40 | .80 | – | .15 | 6.98 | 5.97 | 6.45 |
| M 13 | Le Pas | .50 | .10 | .20 | .10 | 4.60 | 3.81 | 5.20 |
| S 1 | Carlyle | 2.00 | – | – | .25 | 5.30 | 2.53 | 7.54 |
| S 6 | Davidson | .30 | .05 | x | – | 2.37 | 7.41 | 5.72 |
| S 8 | Humboldt | 1.10 | 1.10 | – | 1.08 | 6.08 | 5.56 | 6.51 |
| S 2 | Indian Head | 1.30 | .05 | – | .45 | 3.30 | 4.19 | 6.96 |
| S 5 | Kamsack | .40 | – | .20 | .35 | 4.23 | 5.85 | 5.92 |
| S 2 | Midale | 1.10 | – | .10 | .05 | 2.75 | 4.42 | 7.13 |
| S 2 | Moose Jaw | .05 | .10 | .05 | .05 | 1.28 | 6.64 | 6.50 |
| S 2 | Qu'Appelle | .80 | .10 | – | .55 | 2.80 | 5.76 | 7.27 |
| S 2 | Regina | .60 | .05 | .05 | .05 | 2.60 | 5.73 | 6.61 |
| S 6 | Strasbourg | .10 | x | – | .05 | 1.21 | 4.07 | 6.77 |
| S 2 | Yellow Grass | .30 | – | .20 | .15 | 1.95 | 3.81 | 6.82 |
| S 5 | Yorkton | .60 | – | .10 | 1.70 | 4.63 | 4.97 | 7.20 |
| S 3 | Aneroid | .10 | .10 | – | .05 | 1.37 | 4.02 | 5.83 |
| S 3 | Assiniboia | .10 | .30 | – | – | 1.43 | 3.07 | 5.94 |
| S 3 | Chaplin | .50 | .10 | x | x | 2.13 | 4.40 | 6.01 |
| S 4 | Maple Creek | .20 | .40 | .05 | .05 | 2.02 | 3.21 | 6.31 |
| S 6 | Outlook | – | .20 | – | – | 2.35 | 4.20 | 5.40 |
| S 3 | Shaunavon | .20 | .50 | .10 | .35 | 2.20 | 3.19 | 6.20 |
| S 3 | Swift Current | .10 | .10 | .05 | .05 | 1.48 | 4.39 | 6.95 |
| S 9 | Battleford | – | .20 | – | – | 2.49 | 2.88 | 5.88 |
| S 7 | Biggar | – | .20 | x | x | 2.68 | 3.32 | 5.74 |
| S 7 | Kindersley | .05 | .40 | – | .05 | 2.87 | 2.45 | 6.09 |
| S 7 | Macklin | .05 | .40 | – | – | 2.91 | 2.58 | 6.27 |
| S 7 | Scott | x | .20 | x | .05 | (a) | 3.29 | 6.05 |
| S 8 | Melfort | 2.10 | .10 | .10 | .55 | 6.16 | 4.36 | 6.46 |
| S 9 | Prince Albert | .40 | .30 | .10 | 1.22 | 6.07 | 3.23 | 7.08 |
| S 6 | Rosthern | .05 | .40 | x | 3.60 | 7.23 | 4.35 | 6.30 |
| S 6 | Saskatoon | – | .50 | – | – | 2.25 | 4.89 | 6.26 |

≠ Source: Meteorological Service of Canada.

x No report received.

(a) Information incomplete.

## VII. VISIBLE SUPPLY

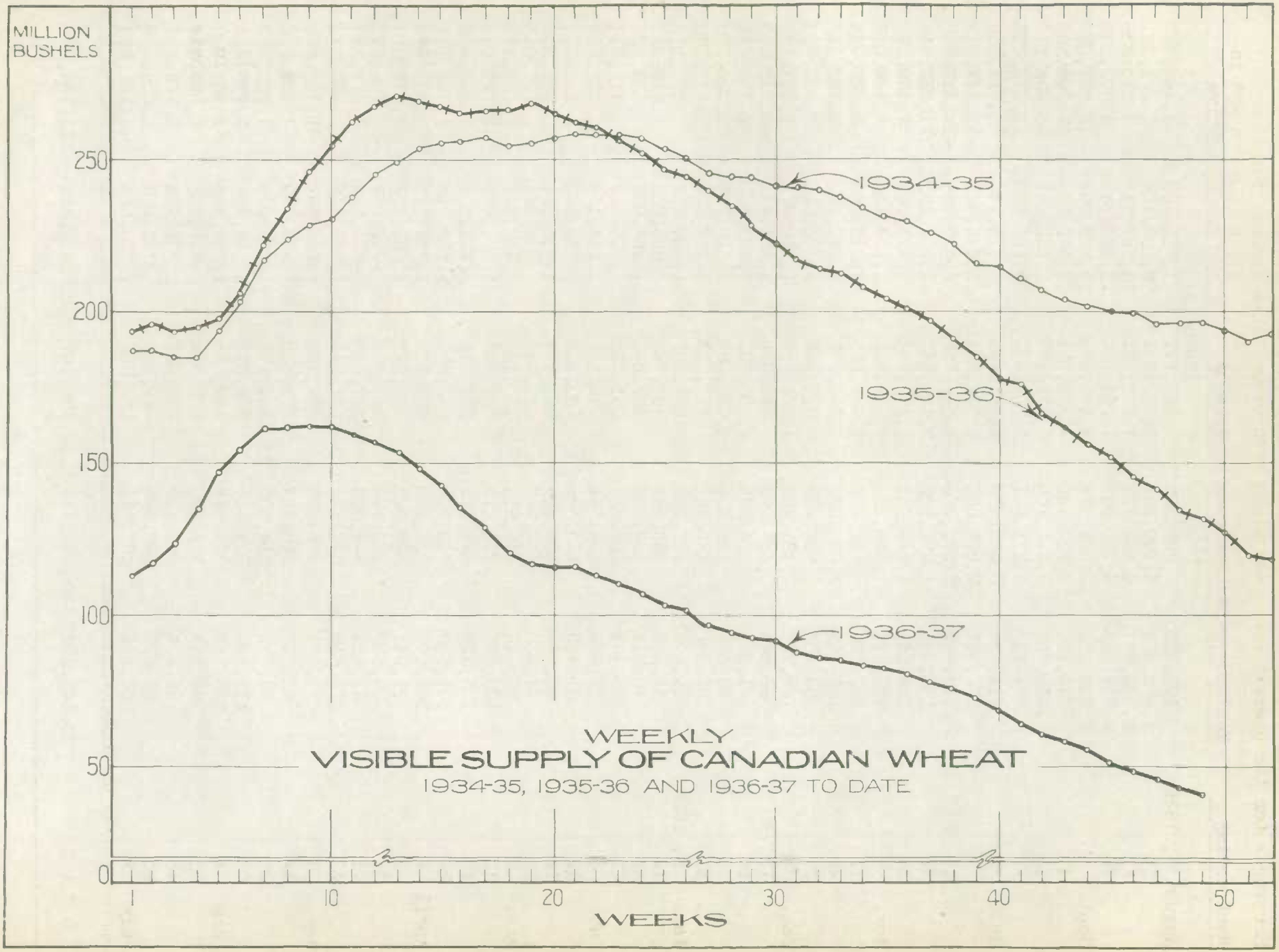
The following table shows stocks of Canadian wheat in store and in transit in Canada and the United States on July 9, 1937 along with comparative figures for approximately the same date last year:

| | 1937 | 1936 |
|---|---|---|
| | (Bushels) | |
| Country Elevators - Manitoba | 747,000 | 1,966,611 |
| Saskatchewan | 2,690,000 | 22,115,458 |
| Alberta | 1,850,000 | 11,722,747 |
| Total | 5,287,000 | 35,804,816 |
| Interior Private and Mill Elevators | 4,375,000 | 6,065,080 |
| Interior Public and Semi-Public Terminals | 34,540 | 1,415,909 |
| Pacific Ports | 4,447,503 | 10,646,392 |
| Churchill | 614,569 | 2,280,823 |
| Fort William and Port Arthur | 7,069,140 | 30,198,898 |
| In Transit, Lakes | 646,226 | 1,592,569 |
| In Transit, Rail | 3,275,884 | 8,854,613 |
| Eastern Elevators - Lake Ports | 3,631,521 | 14,573,817 |
| Eastern Elevators - St. Lawrence Ports | 5,802,882 | 10,583,526 |
| Eastern Elevators - Maritime Ports | 409,307 | 1,971,725 |
| U. S. Lake Ports | 1,598,614 | 11,138,741 |
| U. S. Atlantic Seaboard Ports | 3,408,000 | 5,576,770 |
| Total | 40,600,186 | 140,703,679 |

The total visible supply of 40.6 million bushels on July 9 represents the smallest amount of Canadian grain in store at this date since 1926. The inclusion of the "in transit rail" item in the visible supply within the past year prejudices comparison of current totals with those of the earlier years when this item was omitted. Notwithstanding this, Canadian supplies of wheat this year are down to a level comparable with those of the early post-war years when the annual carry-over stocks were a minor item in the total annual supplies.

A ready appreciation of the reduction in the visible supply over the past year is portrayed in the chart on the opposite page. Actual figures for the visible supply on July 10, 1936 were 140.7 millions, for July 12, 1935 - 193.6 millions, and for July 13, 1934 - 186.1 million bushels.

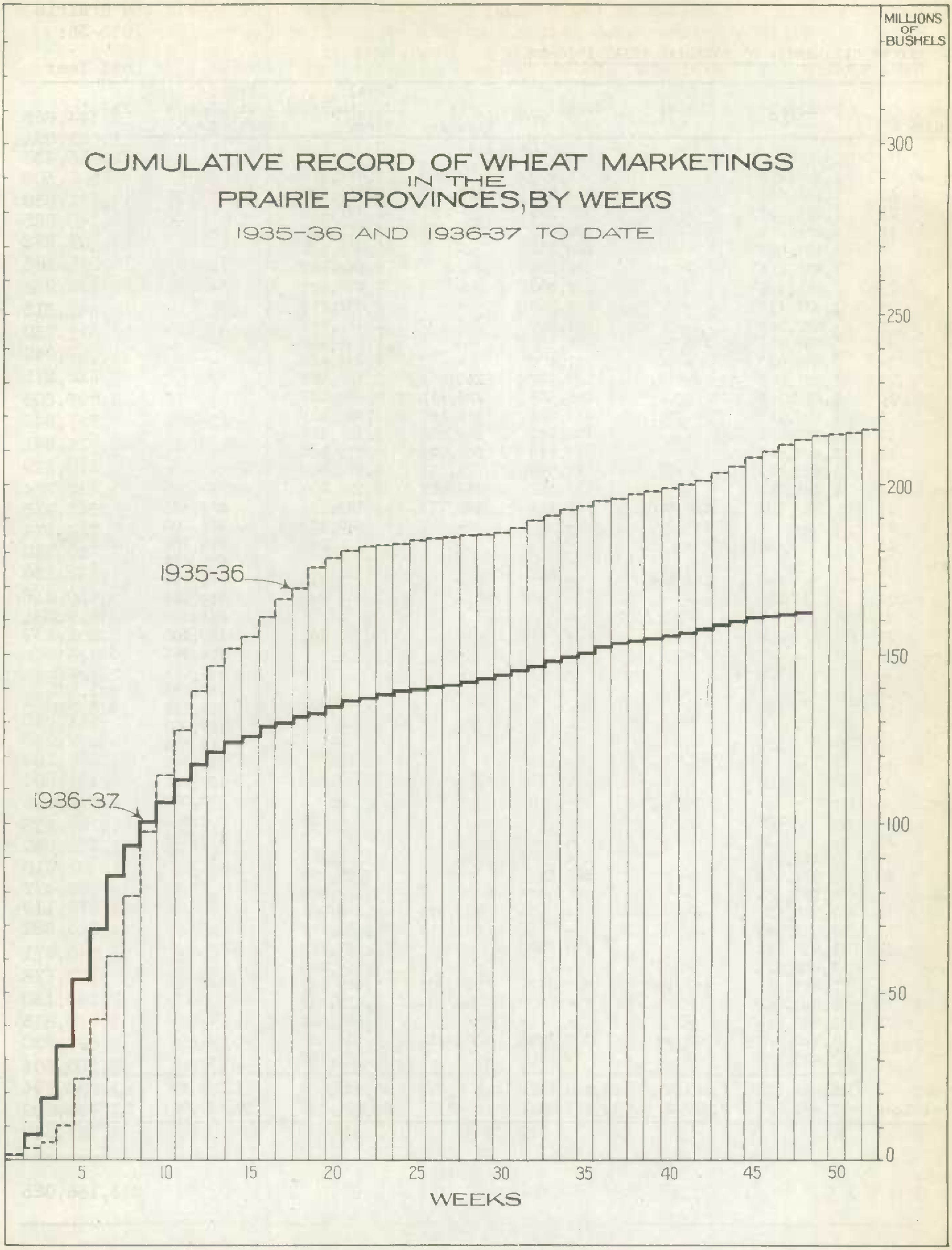
During the past four weeks, total stocks have been reduced 10.7 million bushels, from 51.3 millions on June 11. Three millions of this decrease took place in Country Elevators stocks. Stocks at the Lakehead are 2.4 million bushels lower. The amount in transit on the Lakes has dwindled to extremely small proportions. Stocks in the Lake Ports have declined 2.2 millions, while stocks in United States Lake and Seaboard ports have been reduced by a further million bushels.


MILLION
BUSHELS
250
200
150
100
50
0
1934-35
1935-36
1936-37
WEEKLY
VISIBLE SUPPLY OF CANADIAN WHEAT
1934-35, 1935-36 AND 1936-37 TO DATE
1
10
20
30
40
50
WEEKS

VIII. PRIMARY MOVEMENT

The following table shows primary receipts of wheat in the Prairie Provinces for the present crop year along with comparative figures for 1935-36:

| Week ending | | Manitoba | Saskatchewan | Alberta | Total | Last Year |
|---|---|---|---|---|---|---|
| | | | | (Bushels) | | |
| August | 7, 1936 | 193,920 | 993,963 | 525,623 | 1,713,506 | 1,444,683 |
| | 14 | 1,872,513 | 3,290,883 | 1,024,812 | 6,188,208 | 1,621,021 |
| | 21 | 2,562,927 | 6,562,721 | 1,662,164 | 10,787,812 | 2,313,638 |
| | 28 | 4,547,566 | 9,215,023 | 1,851,294 | 15,613,883 | 4,802,509 |
| Sept. | 4 | 3,256,126 | 12,564,112 | 3,972,856 | 19,793,094 | 14,171,639 |
| | 11 | 744,905 | 10,012,246 | 4,313,615 | 15,070,766 | 17,740,865 |
| | 18 | 1,818,457 | 9,452,166 | 4,272,163 | 15,542,786 | 18,803,272 |
| | 25 | 571,733 | 4,871,867 | 3,725,032 | 9,168,632 | 18,048,483 |
| Oct. | 2 | 444,798 | 3,865,699 | 2,507,746 | 6,818,243 | 18,513,938 |
| | 9 | 273,585 | 2,872,692 | 2,302,364 | 5,448,641 | 16,647,313 |
| | 16 | 316,865 | 3,306,228 | 2,847,788 | 6,470,881 | 13,311,730 |
| | 23 | 155,445 | 1,922,998 | 2,485,848 | 4,564,291 | 11,657,848 |
| | 30 | 359,041 | 1,576,141 | 1,477,824 | 3,413,006 | 7,822,271 |
| Nov. | 6 | 251,777 | 1,358,388 | 1,313,365 | 2,923,530 | 4,886,606 |
| | 13 | 153,970 | 792,552 | 1,067,018 | 2,013,540 | 3,727,945 |
| | 20 | 186,249 | 1,040,877 | 1,254,838 | 2,481,964 | 5,614,641 |
| | 27 | 80,303 | 689,497 | 716,422 | 1,486,222 | 5,078,619 |
| Dec. | 4 | 167,721 | 691,282, | 1,053,233 | 1,912,236 | 3,232,724 |
| | 11 | 85,444 | 386,969 | 832,038 | 1,304,451 | 6,343,473 |
| | 18 | 71,925 | 824,886 | 1,203,091 | 2,099,902 | 2,738,574 |
| | 25 | 78,614 | 147,002 | 1,094,084 | 1,319,700 | 1,799,370 |
| | 31 | 132,152 | 482,442 | 572,722 | 1,187,316 | 1,142,188 |
| Jan. | 8, 1937 | 89,400 | 437,648 | 672,807 | 1,199,855 | 450,516 |
| | 15 | 32,282 | 283,161 | 493,758 | 809,201 | 819,281 |
| | 22 | 40,814 | 156,554 | 367,640 | 565,008 | 683,237 |
| | 29 | 25,464 | 199,927 | 281,228 | 506,619 | 718,218 |
| Feb. | 5 | 36,235 | 168,345 | 243,544 | 448,124 | 571,929 |
| | 12 | 27,469 | 163,326 | 280,109 | 470,904 | 335,264 |
| | 19 | 66,664 | 505,424 | 661,433 | 1,233,521 | 351,643 |
| | 26 | 64,488 | 450,577 | 433,769 | 948,834 | 622,543 |
| Mar. | 5 | 76,746 | 448,514 | 413,185 | 938,445 | 1,286,189 |
| | 12 | 120,523 | 771,875 | 501,998 | 1,394,396 | 2,121,504 |
| | 19 | 126,077 | 683,112 | 613,212 | 1,422,401 | 1,594,406 |
| | 26 | 104,873 | 639,284 | 642,809 | 1,386,966 | 1,746,117 |
| April | 2 | 101,669 | 592,540 | 633,162 | 1,327,371 | 1,205,849 |
| | 9 | 97,941 | 592,872 | 593,621 | 1,284,434 | 1,297,010 |
| | 16 | 90,608 | 472,146 | 383,602 | 946,356 | 786,477 |
| | 23 | 63,899 | 544,006 | 313,359 | 921,264 | 1,075,119 |
| | 30 | 21,619 | 332,134 | 237,919 | 591,672 | 1,063,622 |
| May | 7 | 70,862 | 378,623 | 308,403 | 757,888 | 1,040,371 |
| | 14 | 61,347 | 548,323 | 287,329 | 896,999 | 702,176 |
| | 21 | 64,225 | 514,606 | 314,174 | 893,005 | 1,230,150 |
| | 28 | 111,590 | 705,054 | 339,313 | 1,155,957 | 1,973,815 |
| June | 4 | 168,743 | 779,544 | 446,838 | 1,395,125 | 2,407,290 |
| | 11 | 90,927 | 517,395 | 282,946 | 891,268 | 2,550,504 |
| | 18 | 95,974 | 382,558 | 223,461 | 701,993 | 1,662,894 |
| | 25 | 86,685 | 386,396 | 249,189 | 722,270 | 1,654,909 |
| July | 2 | 84,132 | 237,874 | 188,859 | 510,865 | 1,751,642 |
| T O T A L | | 20,347,292 | 89,604,452 | 52,483,607 | 162,435,351 | 213,166,025 |


CUMULATIVE RECORD OF WHEAT MARKETINGS
IN THE
PRAIRIE PROVINCES, BY WEEKS
1935-36 AND 1936-37 TO DATE
MILLIONS OF BUSHELS
300
250
200
150
100
50
0
1935-36
1936-37
5
10
15
20
25
30
35
40
45
50
WEEKS

IX. EXPORT CLEARANCES OF CANADIAN WHEAT 1936-37

| Week Ending | | Montreal | Quebec | Sorel | Three Rivers | Total St. Lawrence Ports | West St. John & St. John | Halifax |
|---|---|---|---|---|---|---|---|---|
| | | | | (Bushels) | | | | |
| August | 7 | 1,295,979 | - | 1,043,900 | - | 2,339,879 | - | - |
| | 14 | 1,148,667 | - | 662,963 | 213,920 | 2,025,550 | - | - |
| | 21 | 1,373,256 | - | 308,000 | - | 1,681,256 | - | - |
| | 28 | 1,236,979 | - | 624,365 | 314,273 | 2,175,617 | - | - |
| Sept. | 5 | 1,397,087 | - | 205,582 | - | 1,602,669 | - | - |
| | 12 | 1,537,216 | - | 609,736 | - | 2,146,952 | - | - |
| | 18 | 881,029 | - | 592,500 | - | 1,473,529 | - | - |
| | 25 | 1,435,416 | - | 602,500 | - | 2,037,916 | - | - |
| Oct. | 2 | 680,360 | - | 454,808 | 286,292 | 1,421,460 | - | - |
| | 9 | 1,296,226 | 773,580 | 684,308 | - | 2,754,114 | - | - |
| | 16 | 1,040,088 | - | 951,400 | - | 1,991,488 | - | - |
| | 23 | 1,231,001 | - | 657,377 | 245,285 | 2,133,663 | - | - |
| | 30 | 2,875,725 | - | 493,889 | 226,571 | 3,596,185 | - | - |
| Nov. | 6 | 2,153,240 | 300,591 | 633,404 | 512,166 | 3,599,401 | - | - |
| | 13 | 2,033,572 | - | 738,967 | 624,800 | 3,397,339 | - | - |
| | 20 | 2,428,593 | - | 745,640 | 844,927 | 4,019,160 | - | - |
| | 27 | 2,456,374 | - | 999,765 | 519,761 | 3,975,900 | - | - |
| Dec. | 4 | 2,066,713 | - | 827,269 | 463,008 | 3,356,990 | - | - |
| | 11 | 113,705 | 110,500 | 240,191 | 268,721 | 733,117 | 382,487 | - |
| | 18 | - | 540,800 | - | - | 540,800 | 839,200 | - |
| | 25 | 240 | - | - | - | 240 | 294,765 | 303,500 |
| Jan. | 2 | - | - | - | - | - | 525,088 | - |
| | 8 | 240 | 272,600 | - | - | 272,840 | 351,917 | - |
| | 15 | 240 | - | - | - | 240 | 414,936 | 311,448 |
| | 22 | - | - | - | - | - | 545,615 | 16,000 |
| | 29 | 240 | - | - | - | 240 | 767,000 | 16,000 |
| Feb. | 5 | - | - | - | - | - | 404,996 | 160,000 |
| | 12 | 120 | - | - | - | 120 | 544,187 | 24,000 |
| | 18 | - | - | - | - | - | 167,780 | 421,000 |
| | 25 | 220 | - | - | - | 220 | 713,138 | 528,060 |
| Mar. | 5 | - | - | - | - | - | 128,000 | - |
| | 12 | 220 | - | - | - | - | 344,000 | - |
| | 19 | - | - | - | - | - | 316,790 | - |
| | 26 | 220 | - | - | - | 220 | 407,987 | - |
| Apr. | 2 | - | - | - | - | - | 101,000 | 75,462 |
| | 9 | 220 | - | - | - | 220 | 707,689 | - |
| | 16 | 8 | - | - | - | 8 | 419,315 | - |
| | 23 | 192,219 | - | - | - | 192,219 | - | - |
| | 30 | 674,754 | - | 525,500 | - | 1,200,254 | - | - |
| May | 7 | 1,330,858 | - | 261,500 | - | 1,592,358 | - | - |
| | 14 | 1,788,401 | - | - | 607,590 | 2,395,991 | - | - |
| | 21 | 2,077,365 | - | - | 377,352 | 2,454,717 | - | - |
| | 28 | 1,607,123 | - | 280,000 | - | 1,887,123 | - | - |
| June | 4 | 1,683,426 | - | - | - | 1,683,426 | - | - |
| | 11 | 1,286,391 | 247,100 | 607,918 | 534,900 | 2,676,309 | - | - |
| | 18 | 1,850,948 | - | 276,900 | 290,400 | 2,418,248 | - | - |
| | 25 | 1,545,544 | - | - | - | 1,545,544 | - | - |
| July | 2 | 1,340,320 | 237,400 | 300,000 | 307,326 | 2,185,046 | - | - |
| | 9 | 1,487,789 | - | - | - | 1,487,789 | - | - |
| Total | | 45,548,332 | 2,482,571 | 14,328,382 | 6,637,292 | 68,996,577 | 8,375,890 | 1,855,470 |
| Last Year | | 47,484,935 | 3,677,317 | 14,095,081 | - | 65,257,333 | 10,759,824 | 2,077,664 |

IX. EXPORT CLEARANCES OF CANADIAN WHEAT 1936-37. - Cont'd.

| Week ending | | Total Maritime Ports | Head of Lakes (Direct) | Churchill | Vancouver New Westminster | United States Ports | Total Clearances |
|---|---|---|---|---|---|---|---|
| | | | | (Bushels) | | | |
| August | 7 | - | - | - | 462,715 | 862,098 | 3,664,692 |
| | 14 | - | 109,106 | 304,300 | 1,129,422 | 621,973 | 4,190,351 |
| | 21 | - | 48,010 | 588,000 | 364,130 | 661,263 | 3,342,659 |
| | 28 | - | 55,349 | 322,000 | 527,863 | 601,084 | 3,681,913 |
| Sept. | 5 | - | - | 571,781 | 793,604 | 140,661 | 3,108,715 |
| | 12 | - | 97,391 | 917,600 | 617,386 | 316,884 | 4,096,213 |
| | 18 | - | - | 638,820 | 642,753 | 887,075 | 3,642,177 |
| | 25 | - | -- | 324,000 | 869,736 | 393,076 | 3,624,728 |
| Oct. | 2 | - | 48,500 | 627,000 | 709,525 | 868,547 | 3,675,032 |
| | 9 | - | - | - | 799,899 | 118,039 | 3,672,052 |
| | 16 | - | 49,220 | - | 309,482 | 548,694 | 2,898,884 |
| | 23 | - | - | - | 1,058,310 | 213,830 | 3,405,803 |
| | 30 | - | - | - | 983,973 | 226,829 | 4,806,987 |
| Nov. | 6 | - | - | - | 1,040,208 | 505,060 | 5,398,536 1/ |
| | 13 | - | - | - | 850,908 | 276,804 | 4,833,798 2/ |
| | 20 | - | - | - | 1,178,346 | 316,165 | 5,513,671 |
| | 27 | - | - | - | 514,997 | 316,520 | 4,807,417 |
| Dec. | 4 | - | - | - | 1,263,733 | 716,630 | 5,337,353 |
| | 11 | 382,487 | - | - | 1,278,949 | 503,982 | 2,898,535 |
| | 18 | 839,200 | - | - | 1,133,703 | 972,708 | 3,486,411 |
| | 25 | 598,265 | - | - | 1,301,057 | 565,982 | 2,465,544 |
| Jan. | 2 | 525,088 | - | - | 1,494,114 | 416,345 | 2,435,547 |
| | 8 | 351,917 | - | - | 995,897 | 301,000 | 1,921,654 |
| | 15 | 726,384 | - | - | 1,176,563 | 829,000 | 2,732,187 |
| | 22 | 561,615 | - | - | 1,048,953 | 401,000 | 2,011,568 |
| | 29 | 783,000 | - | - | 608,828 | 251,000 | 1,643,068 |
| Feb. | 5 | 564,996 | - | - | 912,666 | 649,530 | 2,127,192 |
| | 12 | 568,187 | - | - | 635,417 | 267,000 | 1,470,724 |
| | 18 | 588,780 | - | - | 623,859 | 343,000 | 1,555,639 |
| | 25 | 1,241,198 | - | - | 171,002 | 455,000 | 1,867,420 |
| Mar. | 5 | 128,000 | - | - | 386,716 | 759,000 | 1,273,716 |
| | 12 | 344,000 | - | - | 585,426 | 408,000 | 1,337,646 |
| | 19 | 316,790 | - | - | 263,724 | 384,000 | 964,514 |
| | 26 | 407,987 | - | - | 216,666 | 556,000 | 1,180,873 |
| April | 2 | 176,462 | - | - | 634,270 | 523,000 | 1,333,732 |
| | 9 | 707,689 | - | - | 315,200 | 152,000 | 1,175,109 |
| | 16 | 419,315 | - | - | 585,194 | 988,000 | 1,992,517 |
| | 23 | - | - | - | 635,160 | 425,000 | 1,252,379 |
| | 30 | - | - | - | 284,064 | 603,000 | 2,087,318 |
| May | 7 | - | - | - | 152,966 | 455,000 | 2,200,324 |
| | 14 | - | - | - | 442,358 | 1,338,000 | 4,176,349 |
| | 21 | - | 56,700 | - | 520,866 | 452,000 | 3,484,283 |
| | 28 | - | 107,093 | - | 244,333 | 417,000 | 2,655,549 |
| June | 4 | - | - | - | 198,437 | 429,000 | 2,310,863 |
| | 11 | - | - | - | 478,483 | 84,000 | 3,238,792 |
| | 18 | - | - | - | 174,433 | 333,000 | 2,925,681 |
| | 25 | - | - | - | 58,188 | 160,000 | 1,763,732 |
| July | 2 | - | - | - | 197,966 | 155,000 | 2,538,012 |
| | 9 | - | - | - | 25,000 | 35,000 | 1,547,789 |
| Total | | 10,231,360 | 571,369 | 4,293,501 | 31,897,448 | 23,282,779 | 139,835,648 3/ |
| Last Year | | 12,837,488 | 629,776 | 2,407,000 | 53,530,904 | 26,489,905 | 161,152,406 |

1/ Includes 253,867 bushels shipped from Prince Rupert.
2/ Includes 308,747 bushels shipped from Prince Rupert.
3/ Includes 562,614 bushels shipped from Prince Rupert.

X. IMPORTS OF CANADIAN WHEAT INTO THE UNITED STATES

| | For Consumption Duty Paid | For Milling in Bond | TOTAL |
|---|---|---|---|
| | | (Bushels) | |
| Final Monthly Figures | | | |
| August, 1936 ....... | 6,294,298 | 1,115,578 | 7,409,876 |
| September ....... | 4,603,688 | 1,166,848 | 5,770,536 |
| October ....... | 4,216,201 | 1,150,138 | 5,366,339 |
| November ....... | 3,199,449 | 1,326,647 | 4,526,096 |
| December ....... | 3,384,973 | 1,268,398 | 4,653,371 |
| January, 1937....... | 1,866,181 | 1,194,675 | 3,060,856 |
| February ....... | 1,665,635 | 959,035 | 2,624,670 |
| March ....... | 1,407,095 | 955,464 | 2,362,559 |
| April ....... | 1,090,626 | 1,141,874 | 2,232,500 |
| Preliminary Weekly Figures | | | |
| May 8 ....... | 122,000 | 223,000 | 345,000 |
| May 15 ....... | 315,000 | 257,000 | 572,000 |
| May 22 ....... | 198,000 | 273,000 | 471,000 |
| May 29 ....... | 179,000 | 119,000 | 298,000 |
| June 7 ....... | 165,000 | 309,000 | 474,000 |
| June 14 ....... | 154,000 | 290,000 | 444,000 |
| June 21 ....... | 211,000 | 201,000 | 412,000 |
| June 28 ....... | 345,000 | 252,000 | 597,000 |
| July 5 ....... | 180,000 | 149,000 | 329,000 |
| July 12 ....... | 62,000 | 200,000 | 262,000 |
| Preliminary Totals August 1 to-date ....... | 29,659,146 | 12,551,657 | 42,210,803 |

## XI. THE STATISTICAL POSITION

(a) In Canada.- The following table summarizes the statistical position of wheat in Canada as at July 1, 1937 with comparative figures for the same date in 1936:

| | 1935-36 | 1936-37 |
|---|---|---|
| | (Bushels) | |
| Carry-over in Canada, July 31 | 203,273,016 | 109,435,977 |
| New Crop | 281,935,000 | 229,218,000 |
| Total Supplies | 485,208,016 | 338,653,977 |
| Domestic Requirements | 113,409,828 | 101,000,000 1/ |
| Available Supplies | 371,798,188 | 237,653,977 |
| Exports, August-June | 226,510,195 | 187,616,430 |
| Balance for Export or Carry-over, July 1 | 145,287,993 | 50,037,547 |

1/ Tentative.

The above method of calculating the statistical position uses available supplies for the crop year in Canada only, and deducts the customs exports of wheat and flour as wheat for August-June period. According to this calculation, the balance of wheat available on July 1 for export from Canada or for the July 31 carry-over in Canada only, amounts to 50 million bushels compared with 145 million bushels a year earlier, representing an improvement in the statistical position at this date of 95 million bushels.

(b) In Canada and the United States.- A second method of calculating the statistical position takes into account stocks in the United States as well as in Canada, and then works from the elevator returns of overseas clearances, plus United States' actual imports for consumption and milling in bond. The calculation shown below, based on this method, indicates a balance of 58.9 million bushels on July 1, available for export or for the July 31 carry-over in Canada and the United States, compared with 161.4 million bushels a year earlier, indicating an improvement of 102.5 million bushels in the statistical position between the two years.

| | 1935-36 | 1936-37 |
|---|---|---|
| | (Bushels) | |
| Carry-over in Canada and the United States, July 31 | 214,977,552 | 128,704,298 |
| New Crop | 281,935,000 | 229,218,000 |
| Total Supplies | 396,912,552 | 357,922,298 |
| Domestic Requirements | 113,409,828 | 101,000,000 |
| Available Supplies | 383,502,724 | 256,922,298 |
| Export Movement, August-June | | |
| Overseas Clearances | 156,687,492 | 137,550,415 |
| U. S. Imports | 44,964,000 | 41,619,803 2/ |
| Flour (as wheat) | 20,403,054 | 18,858,155 |
| | 222,054,546 | 198,028,373 |
| Balance for Export or Carry-over, July 1 | 161,448,178 | 58,893,925 |

1/ Tentative. 2/ Preliminary figures to June 30.

XII. EXPORTS OF CANADIAN WHEAT AND WHEAT FLOUR

The following tables show exports of wheat and flour during the August-June period, 1936-37 with comparative figures for preceding years:

W H E A T

| | 1936-37 | 1935-36 | 1934-35 | 1933-34 |
|---|---|---|---|---|
| | | (Bushels) | | |
| August | 21,157,268 | 21,698,284 | 14,709,675 | 8,652,970 |
| September | 20,720,316 | 17,272,672 | 17,588,359 | 19,666,351 |
| October | 26,917,096 | 28,919,421 | 21,807,784 | 23,611,510 |
| November | 33,308,840 | 26,575,296 | 18,769,770 | 23,143,958 |
| December | 20,427,916 | 17,043,882 | 17,336,206 | 17,457,963 |
| January | 9,789,027 | 7,557,320 | 5,380,226 | 7,088,311 |
| February | 5,362,031 | 14,241,169 | 7,206,560 | 6,512,686 |
| March | 4,748,599 | 13,146,185 | 8,906,379 | 10,103,240 |
| April | 3,617,803 | 6,572,364 | 5,027,403 | 3,568,090 |
| May | 10,529,311 | 27,516,983 | 11,989,891 | 19,023,770 |
| June | 12,180,068 | 25,763,565 | 6,494,622 | 18,425,933 |
| July | | 25,912,508 | 9,158,035 | 12,979,231 |
| Total | | 232,019,649 | 144,374,910 | 170,234,013 |

F L O U R

| | 1936-37 | 1935-36 | 1934-35 | 1933-34 |
|---|---|---|---|---|
| | | (Barrels) | | |
| August | 387,728 | 376,562 | 412,089 | 480,288 |
| September | 378,318 | 395,640 | 369,320 | 552,556 |
| October | 464,013 | 501,442 | 485,549 | 514,368 |
| November | 408,653 | 525,368 | 504,384 | 547,602 |
| December | 475,282 | 443,828 | 340,751 | 418,183 |
| January | 313,923 | 314,311 | 346,099 | 448,498 |
| February | 347,884 | 340,102 | 309,729 | 328,376 |
| March | 390,315 | 476,773 | 497,468 | 493,327 |
| April | 285,724 | 281,162 | 276,907 | 340,621 |
| May | 348,866 | 448,653 | 383,221 | 481,725 |
| June | 389,995 | 430,171 | 429,561 | 441,064 |
| July | | 444,905 | 395,232 | 408,028 |
| Total | | 4,978,917 | 4,750,310 | 5,454,636 |

WHEAT AND WHEAT FLOUR

| | 1936-37 | 1935-36 | 1934-35 | 1933-34 |
|---|---|---|---|---|
| | | (Bushels) | | |
| August | 22,902,044 | 23,392,813 | 16,564,076 | 10,814,266 |
| September | 22,422,747 | 19,053,052 | 19,250,299 | 22,152,853 |
| October | 29,005,155 | 31,175,910 | 23,992,754 | 25,926,166 |
| November | 35,147,765 | 28,939,452 | 21,039,498 | 25,608,167 |
| December | 22,566,685 | 19,041,108 | 18,869,586 | 19,339,786 |
| January | 11,201,680 | 8,971,720 | 6,937,672 | 9,106,552 |
| February | 6,927,509 | 15,771,628 | 8,600,340 | 7,990,378 |
| March | 6,505,017 | 15,291,663 | 11,144,985 | 12,323,211 |
| April | 4,903,561 | 7,837,593 | 6,273,484 | 5,100,885 |
| May | 12,099,208 | 29,335,921 | 13,714,385 | 21,191,533 |
| June | 13,935,046 | 27,699,335 | 8,427,647 | 20,410,721 |
| July | [illegible] | 27,914,580 | 10,936,579 | 14,815,357 |
| Total | 197.6 | 254,424,775 | 165,751,305 | 194,779,875 |