



CANADA

DOMINION BUREAU OF STATISTICS  
AGRICULTURAL BRANCH

Vol. 9

No. 4

A large, stylized illustration of a wheat stalk, showing the grain heads at the top and the stem below, serving as a background for the title.

# MONTHLY REVIEW OF THE WHEAT SITUATION

DECEMBER 23, 1938

Published by Authority of the Hon. W.D. Euler, M.P.  
Minister of Trade and Commerce

Ottawa



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

(Issued December 23, 1932)

---

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

---

THE WORLD WHEAT SITUATION - SUMMARY

Mixed developments in the world wheat situation within the past month resulted in some headway in open markets up to December 12, with recessions having occurred since that date. Of a constructive nature, were the estimates of a considerably reduced winter wheat acreage in the United States in addition to forecasts of a much lower winter wheat production in that country next year, as a result both of lower acreage and poor autumn moisture conditions. Direct negotiations between the United States government and United Kingdom millers which were concluded for the delivery of twenty-five million bushels of United States wheat succeeded in firming Chicago prices relative to other markets, while uncertainty regarding the grades to be taken has left some doubt whether Canada, Argentina or Australia will feel most of the competition. Exceptionally heavy purchases by India prior to the imposition of an import duty, accompanied by news of appreciable drought in the new-crop areas, lent strength to world markets. Since December 7, when the duty was imposed, the import demand from India has ceased for the time being. Release of high estimates for the Argentine and Australian crops, compared with earlier expectations, have had their "bearish" influence. In addition, world shipments have dropped substantially during the past two weeks, with the decline occurring chiefly in shipments from North America. The decline in Canadian shipments has been partly seasonal, due to the closing of navigation on the St. Lawrence.

Total exports of Canadian wheat and wheat flour estimated at 73.6 million bushels from August 1 to December 15 represent a heavier seasonal movement than was anticipated in the early trade calculations. Average seasonal exports show that up to December 15, 48.5 per cent of the total Canadian crop-year exports ordinarily take place. On this basis, total exports during the current crop year are indicated at 156 million bushels. Accordingly the forecast made in this Review a month ago of 160 millions, as a mid-point within a range of 150 and 170 million bushels, has been fairly sustained to date. Total world shipments of 219.9 million bushels from August 1 to December 17 have been at a rate of 11 million bushels weekly. For the past two weeks the weekly amounts have dropped to 7.2 million bushels, due to the seasonal decline in Canadian shipments in advance of the new-crop Southern Hemisphere shipments which should start moving in volume at the turn of the year.

The Argentine crop officially estimated at practically 318 million bushels, is appreciably larger than that indicated by earlier trade estimates which ranged from 275 to 296 million bushels. On December 9, the Australian state governments issued estimates for their states which aggregated 135.6 million bushels. At the same time the Commonwealth Bureau of Statistics issued the opinion that total production will probably reach 145 million bushels. The Bureau's first official estimate will be released in January. An Australian crop of 145 millions is somewhat higher than had been anticipated by the trade. Although the



United States 1938 estimate was reduced on December 13 by 9.4 million bushels, the increases in the Southern Hemisphere estimates plus a few increases in European countries have raised the estimated total world production of wheat in 1938 to 4,443 million bushels, which is 605 million bushels in excess of the 1937 world production, excluding Russia and China.

With the United States hard pressed in finding export outlets for 100 million bushels during the current season, even with the export subsidy, direct negotiations were undertaken and concluded between the Federal Surplus Commodities Corporation and a group of British millers, whereby the latter agree to take during the remainder of the current season 25 million bushels of various grades at world prices, presumably on the basis of the Liverpool May option, at the time the actual purchases are made. In return, the millers obtained the agreement of the F.S.C.C. to withhold any offers of subsidized United States wheat flour in the United Kingdom market. So far as the available export grades of United States wheat are concerned, the paucity of northern spring supplies relative to the ample supplies of hard winter and Pacific white wheat suggests that Argentina and Australia will feel more competition from this transaction than will Canada. The Roumanian government has likewise concluded an agreement, except that it is on a barter basis, with Germany giving the latter country the right to buy up to 16 million bushels of Roumanian wheat. A similar outlet for 8 million bushels in Italy is aiding the disposition of the Roumanian wheat surplus.

Prior to December 7, India purchased upwards of 30 cargoes of wheat, of which 20 were taken from Australia, one from Vancouver and the balance from the United States Pacific Northwest. While this unexpected buying imparted strength to markets, it came to an end when the Indian government revived the import duty on wheat in abeyance since early 1931, at a rate of 1 Rupee 8 Annas per cwt., equivalent to approximately 28 cents per bushel. This was done apparently for revenue purposes only, but it had the effect of halting new buying. Moisture conditions have been poor in India since the failure of the monsoons early last autumn. As a result, an appreciable acreage abandonment in India is expected.

One of the most significant developments of the month has been the confirmation of a major reduction in the United States winter wheat area seeded for the 1939 harvest. Earlier private estimates were verified on December 21 by the official estimate of 46,173,000 acres sown to winter wheat. This estimate is 10.2 million acres lower than the area sown a year ago, and is almost a million acres less than the winter wheat area sown for the 1935 harvest. Thus the considerable increases in the areas sown for the 1937 and 1938 harvests have been altogether eliminated. The United States Department of Agriculture has also issued a forecast, based upon condition reports and fall moisture developments, of 485 million bushels for 1939 winter wheat production. This forecast is almost 202 million bushels less than the actual production in 1938.

In Europe, the French government has taken steps to cope with any future wheat surplus in excess of domestic requirements. According to a decree of November 15, the National Wheat Office is prepared to fix by February 1, 1939, a national quota on wheat sales by growers, equivalent to the annual domestic consumption requirements. The quota is to be allocated by provinces and growers, on the basis of past production records. Individual quotas are applicable to marketings from the 1939 crop. Taxes are to be assessed against marketings in excess of quotas. While the quotas are not directly tied up with acreage reduction, production in 1939 in excess of quotas would exert economic pressure on growers to reduce their acreage for the following year's crop. The Roumanian government also counselled its growers this autumn that the government could not continue paying subsidies on domestic wheat production indefinitely. According to trade advices, this counsel did not affect the winter wheat sowings this autumn.

Under the terms of the Wheat Act of 1932, the United Kingdom subsidies on domestic wheat production have increased the wheat area at the expense of oats and barley production. The Agriculture Act of 1937, however, provided for subsidies to growers of oats and barley on condition that such growers would forego receipt of any wheat subsidies. On December 9, 1938, the Minister of Agriculture announced that the barley subsidy would be increased from its former rate of 10 shillings to 1 pound per acre, an increase in its Canadian equivalent from \$2.35 to \$4.70. At an average yield of 38.5 bushels to the acre, the new rate of the barley subsidy amounts to slightly over 12 cents per bushel. This may induce a shift in the United Kingdom back into the production of more barley.

#### The Wheat Situation in the United States

The official estimate of the area sown this autumn to winter wheat at 46,173,000 acres, represents a reduction of 10.2 million acres from last year's seeded area. The estimate of winter wheat production in 1939, based mainly upon fall moisture conditions which constitute a major factor in determining yields, is 485 million bushels, or 38.7 million bushels below the average of the private estimates issued early this month. Over a great part of the winter wheat belt in the south-western Great Plains area, only light rains fell during the past autumn. With above normal temperatures some of the precipitation which did occur evaporated quickly. Thus the main winter wheat belt in Kansas, Oklahoma and Texas has gone into the dormant winter state with very little moisture reserve, and with a poorly developed root system. Scattered snows have recently fallen. The Ohio Valley has fared considerably better and recent rains were of added benefit. Autumn rainfall in the northern spring wheat areas was approximately normal.

On December 13 it was announced that export sales of United States wheat since July 1 had been brought to a total of 70 million bushels as a result of the 25 million bushel deal with the United Kingdom mills. With 30 million bushels remaining to be sold in order to obtain the objective of 100 million bushels of wheat and flour exports this season, the United States is now looking for markets on the continent and in Mexico and China. It was reported on December 21 that relief supplies involving 3 million bushels would be sent to Spain during the next six months.

#### The Wheat Situation in Argentina

The Argentine official estimate of 316 million bushels for the crop now being harvested is at least 20 million bushels larger than anticipated by earlier private estimates. Unlike other years when a large Argentine surplus has occurred, Argentine offers of new-crop wheat have not been pressed to date owing to the apparent unwillingness of the government, which has to subsidize exports at prices below the domestic minimum level, to put an added burden upon international price levels. Argentine shipments have been under one million bushels weekly for the past two weeks.

Details of the domestic minimum price will be found on pages 13 and 14 of this Review.

#### The Wheat Situation in Australia

The aggregate of the state estimates at 135.6 million bushels for Australian production this year was in line with trade expectations, while the announcement by the Commonwealth Bureau of Statistics that the crop may total 145 million bushels indicates production somewhat higher than expected. Even the latter figure, however, is some 40 million bushels below last year's production.

Early this month the Australian government announced that it would pay a subsidy on wheat of an amount sufficient to raise the growers' price to 5 shillings 2 pence per bushel, equivalent to 97 cents in Canadian money, on the portion of this year's crop which is domestically consumed. A tax on flour



millings for domestic consumption will provide the revenue for the subsidy. It would be in error to suppose that Australian growers are thereby obtaining 97 cents per bushel for their total wheat marketings. The subsidy applies to an amount equivalent to domestic human consumption only, and this is approximately 33 million bushels. The Canadian Government Trade Commissioner, Melbourne reports that the subsidy will actually amount to only 6 cents a bushel on total marketings, and that current market prices to growers at country sidings are only 33 cents per bushel.

While Australia had been making good sales to India up to December 7, this demand has disappeared for the time being. The import duty imposed by the Indian government resulted, moreover, in some diversions to the United Kingdom of Australian cargoes previously sold to India. Australian shipments within the past two weeks have ranged between 1.6 and 1.7 million bushels weekly.

#### The Wheat Situation in Canada

On December 9, the Dominion Bureau of Statistics estimated the gross value of the 1938 wheat crop at \$198,875,000. Although wheat production in 1938 was nearly double that of 1937, sharply lower prices this year resulted in a gross value hardly \$12,000,000 greater than the value of the 1937 crop.

The lake movement of Canadian wheat during the latter part of November was particularly heavy, and as a result the total volume of wheat moved down the lakes during the 1938 season amounted to 132.2 million bushels, which was 43 millions in excess of the total lake movement in 1937. Up to December 15, only a negligible amount of wheat had been shipped by rail from Georgian Bay and Lake Huron ports to Maritime ports.

Primary marketings of wheat in the Prairie Provinces, while declining seasonally, have been relatively well sustained up to December 15, with marketings in the week ending on that date amounting to 2,860,832 bushels. Total marketings from August 1 to December 15 amounted to 252.2 million bushels, compared with 96.2 millions in the same period last year. This year's marketings to date were distributed among the provinces as follows: Manitoba, 40.8 million; Saskatchewan, 99.8 million; and Alberta 110.6 million bushels. With the decline in export clearances during the past three weeks the visible supply of Canadian wheat has remained practically stationary at 170.7 million bushels.

Overseas clearances of Canadian wheat, between August 1 and December 15, totalled 65.3 million bushels, as compared with 39.4 million bushels in the same period last year. Weekly clearances in excess of 5 million bushels in the latter part of November have tapered off to only three-quarters of a million bushels in the week ending December 15. Most of the current movement is from Pacific ports. In estimating the total export movement from August 1 to December 15, overseas clearances of 65.3 million, United States imports for consumption and milling in bond of 3.4 million, and flour exports (partly estimated) of 6.9 million bushels, are added together to make a total wheat and wheat flour export volume of 75.6 million bushels.

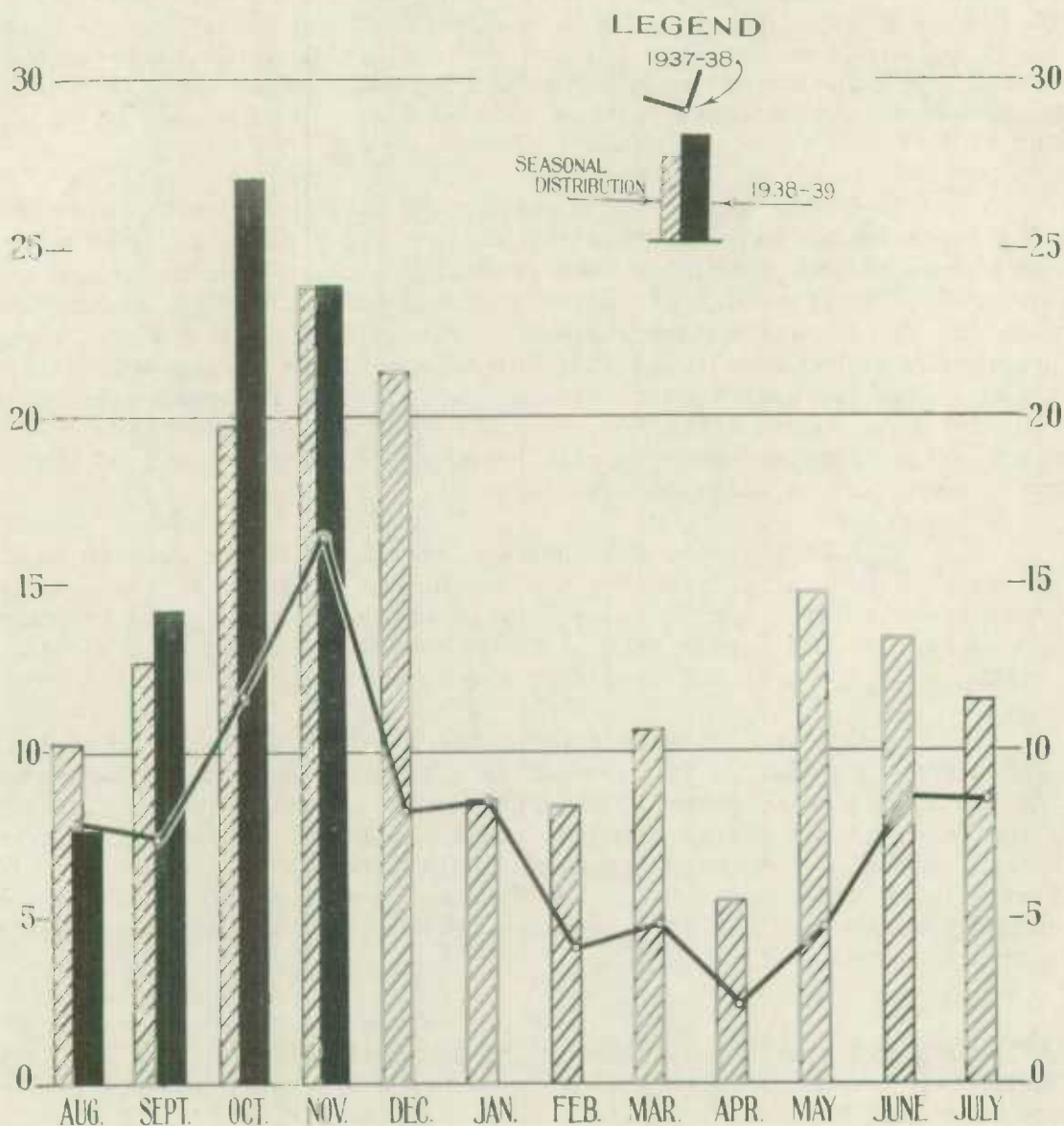
#### An Appraisal of the Canadian Export Movement

Customs exports of wheat and wheat flour during the month of November totalled 23,853,951 bushels, an amount just equivalent to average November exports based on a total crop year's exports of 160 million bushels. Total customs exports for the four-month period (August-November, 1938) have amounted to 72,419,980 million bushels. This amount is 6.1 million bushels in excess of the total needed up to the end of November in order to maintain the seasonal volume of exports based on 160 million bushels for the 1938-39 crop year. Accordingly there is no occasion at present to alter the latter estimate. The relatively small export volume during the first half of December, however, suggests that December exports will fall below their average seasonal allotment, and that the excess in actual exports of 6.1 million bushels above the average seasonal volume for the elapsed four-month period will be somewhat more than wiped out by the end of this month.

COMPARISON OF EXPORTS  
OF  
CANADIAN WHEAT AND WHEAT FLOUR IN 1938-39  
WITH  
1937-38 EXPORTS  
AND A  
SEASONAL DISTRIBUTION OF CROP YEAR EXPORTS  
OF  
160 MILLION BUSHELS

MILLION  
BUSHELS

MILLION  
BUSHELS





## PRICES

Between November 21 and December 19, the Liverpool futures market ruled somewhat stronger in the current delivery month than did either the Winnipeg or Chicago markets. The Liverpool December future rose from 62  $\frac{3}{4}$  cents on November 21 to 68  $\frac{1}{4}$  cents on December 12, and then eased to 66  $\frac{3}{8}$  cents on December 19 for a net gain during the month of 3  $\frac{5}{8}$  cents. The Winnipeg December future rose more moderately from 57  $\frac{7}{8}$  cents on November 21 to 61  $\frac{3}{4}$  cents on December 12, and dropped again to 59  $\frac{1}{2}$  cents on December 19 for a net gain during the month of 1  $\frac{5}{8}$  cents. Accordingly the spread between the Liverpool and Winnipeg December futures widened from 4  $\frac{7}{8}$  cents on November 21 to 6  $\frac{7}{8}$  cents on December 19. The Chicago December future has held below Liverpool during the past month. After easing from 62  $\frac{5}{8}$  cents on November 21 to 61  $\frac{3}{8}$  cents on the 26th, Chicago December rose to 64  $\frac{1}{2}$  cents on December 14, and eased slightly to 64 cents on the 19th, for a net gain during the month of 1  $\frac{3}{8}$  cents. Thus the Liverpool-Chicago spread in the December futures widened from  $\frac{1}{8}$  of a cent on November 21 to 2  $\frac{3}{8}$  cents on December 19.

In Buenos Aires the December future, boarded on November 15 at 56  $\frac{3}{4}$  cents on the same day that the minimum price of 59  $\frac{1}{2}$  cents for new-crop wheat was announced, has been gradually working down to 48  $\frac{1}{8}$  cents on December 15. The domestic minimum price does not affect the December future so far as old-crop deliveries are concerned, and it therefore represents what progress has been made in getting Buenos Aires open market prices into export line. The February future, however, affected by new-crop deliveries, has been virtually pegged since November 15 by the 59  $\frac{1}{2}$  cent minimum price, and export prices for the new crop will be governed by the extent of the government subsidies on sales to exporters.

At Winnipeg, the December-May and the December-July spreads have narrowed very moderately during the month. On November 21 the December-May spread amounted to 2  $\frac{7}{8}$  cents, and by December 19 this spread had narrowed to 1  $\frac{7}{8}$  cents. On the former date, the December-July spread amounted to 3  $\frac{5}{8}$  cents, and on the latter date this had narrowed to 2  $\frac{3}{8}$  cents.

At Chicago, spreads between the various futures were virtually unchanged during the month. On November 21 the December-March spread amounted to 1  $\frac{7}{8}$  cents, and on December 19 the spread was 2 cents. Between the same dates, the December-May spread changed from 2  $\frac{5}{8}$  to 2  $\frac{7}{8}$  cents. The December-July spread showed no net change at 2  $\frac{1}{2}$  cents. The Chicago December future closed at a level 4  $\frac{3}{4}$  cents above the Winnipeg December future on November 21. This spread had narrowed to 2  $\frac{1}{4}$  cents on December 12, but widened again to 4  $\frac{1}{2}$  cents on December 19.

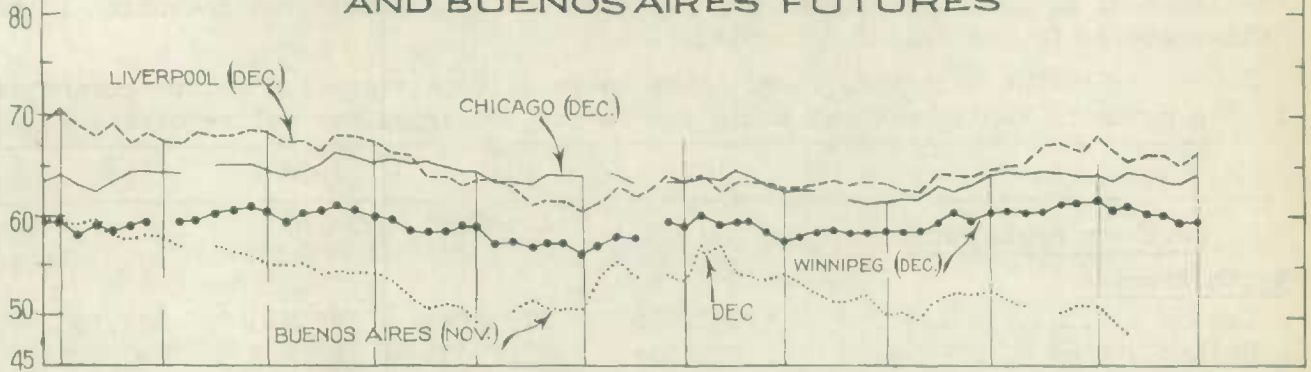
In Liverpool, as a result of the removal of the 6 cent duty on wheat of non-Empire origin as of January 1, new-contract March and May futures were boarded on November 21, each at a spread of 2  $\frac{3}{8}$  cents below the old-contract March and May futures. Since that date, the December future has displayed greater strength than have either the new March and May futures. On November 21, the December-new-March spread amounted to 1  $\frac{3}{4}$  cents, with December above the March future. By December 19, this spread had widened to 5  $\frac{3}{4}$  cents. On the former date, the December-new-May spread amounted to 1 cent, having widened by the latter date to 4  $\frac{5}{8}$  cents.



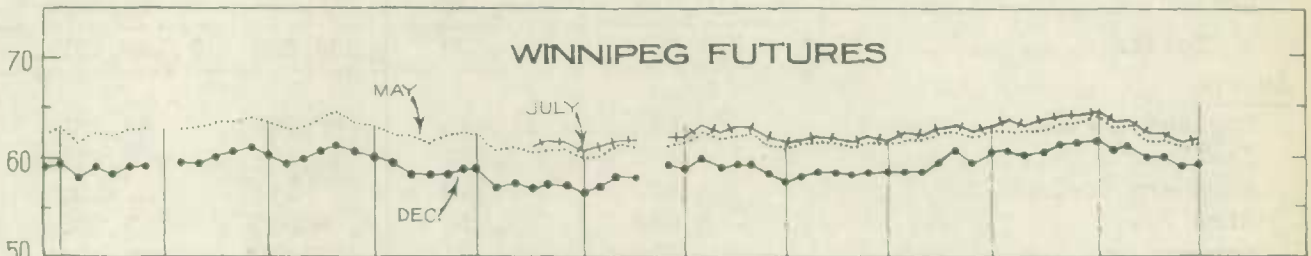
# DAILY CLOSING WHEAT FUTURES QUOTATIONS IN LEADING MARKETS

CENTS  
PER  
BUSHEL

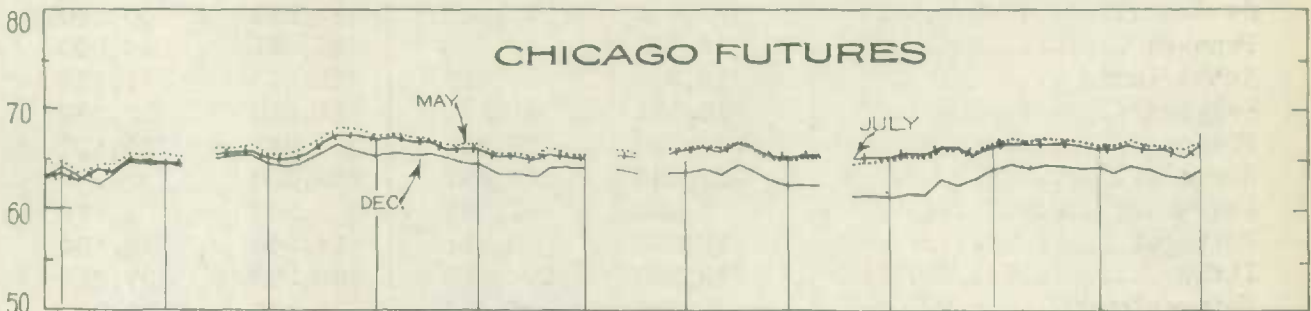
## CHICAGO, LIVERPOOL, WINNIPEG AND BUENOS AIRES FUTURES



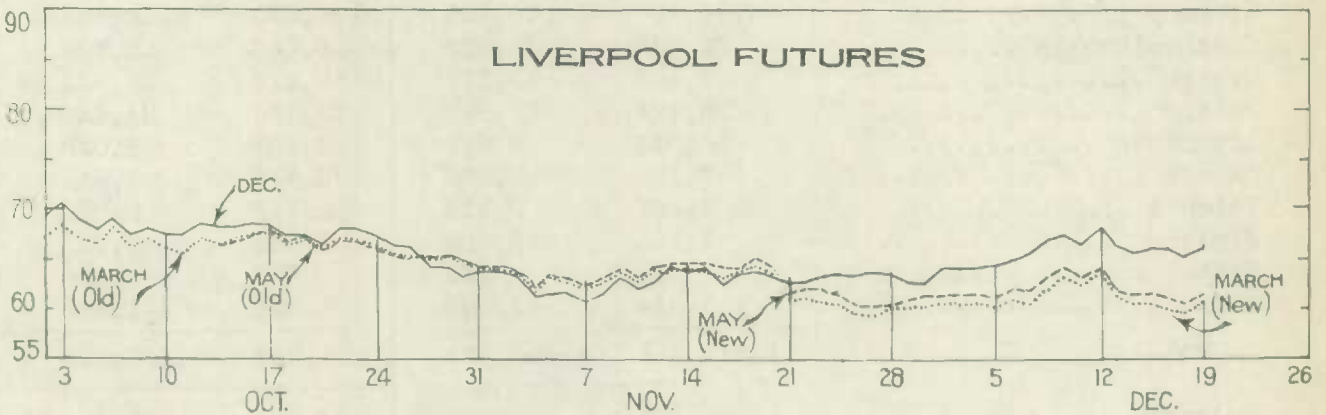
## WINNIPEG FUTURES



## CHICAGO FUTURES



## LIVERPOOL FUTURES



WORLD WHEAT PRODUCTION ESTIMATES, 1938,  
WITH COMPARATIVE ESTIMATES FOR 1935, 1936 AND 1937.

Preliminary estimates of 1938 world wheat production, exclusive of the U.S.S.R. and China, are given herewith as reported to date by the International Institute of Agriculture at Rome or by the Bureau of Agricultural Economics in the United States Department of Agriculture.

The estimates shown below cover 42 countries, and allowances are made in the northern hemisphere and world totals for countries not yet reporting in 1938.

	1935	1936	1937	1938
	(thousand bushels)			
Northern Hemisphere				
North America				
Canada .....	281,935	219,218	182,410	348,100
United States .....	626,344	626,766	875,676	930,301
Mexico .....	10,712	13,606	11,216	12,000
Totals .....	918,991	859,590	1,069,302	1,290,901
Europe				
England & Wales .....	60,592	51,445	52,005	69,261
Scotland .....	4,480	3,547	4,181	3,883
Northern Ireland .....	362	273	164	190
Eire .....	6,686	7,839	6,990	7,700
Norway .....	1,869	2,094	2,497	2,614
Sweden .....	23,610	21,635	25,720	30,170
Denmark .....	14,672	11,266	13,521	14,000
Netherlands .....	16,653	15,428	12,555	15,133
Belgium .....	16,101	16,153	15,550	17,796
France .....	284,950	254,618	257,837	335,100
Spain .....	157,986	121,492	132,000	102,900
Luxemburg .....	1,022	1,071	1,206	1,775
Portugal .....	22,092	8,651	14,540	16,534
Italy .....	282,760	224,570	296,280	297,317
Switzerland .....	5,974	4,470	6,184	6,096
Germany 1/ .....	186,997	176,699	178,590	214,723
Czechoslovakia .....	62,095	55,583	51,266	65,708
Greece .....	27,180	19,537	32,373	35,934
Poland .....	73,884	78,357	70,774	84,442
Lithuania .....	10,093	8,027	8,109	9,072
Latvia .....	6,520	5,272	6,302	7,646
Estonia .....	2,267	2,433	2,786	2,998
Finland .....	4,233	5,259	7,665	7,973
Malta .....	179	236	326	296
Albania .....	1,554	1,106	1,636	1,500
Totals .....	1,274,811	1,097,061	1,201,057	1,350,766
Bulgaria .....	47,925	60,350	64,909	59,116
Hungary .....	84,224	87,789	72,157	95,866
Roumania .....	96,439	128,717	138,157	181,511
Yugoslavia .....	73,100	107,422	86,238	100,902
Totals .....	301,688	384,278	361,461	437,395
Total Europe .....	1,576,499	1,481,339	1,562,518	1,788,161

1/ Including Austria.



World production of wheat in 1938, ex U.S.S.R. and China is at present indicated to be 4,443,000,000 bushels, which is 605 million bushels in excess of last year's production.

The estimate of world production for 1938 is 50 million bushels higher than that published in the November Review. The increase is principally due to the higher estimates for Argentina and Australia. The first official estimate of the Argentine crop amounts to almost 316 million bushels. The combined preliminary state estimates of Australian production, released on December 8, amount to 135.6 million bushels. At the same time the Federal Government announced that total Australian production would probably reach 145 million bushels. Somewhat higher estimates have been released in the past month for England and Wales, Poland, Hungary, Syria and Lebanon as well. The United States 1938 estimate has been reduced by 9,428,000 bushels.

	1935	1936	1937	1938
	(thousand bushels)			
<u>Africa:</u>				
Algeria .....	33,532	29,774	33,106	32,066
Morocco .....	20,036	12,234	20,895	21,476
Tunisia .....	16,902	8,083	17,637	13,962
Egypt .....	43,222	45,700	45,376	45,933
Totals .....	113,692	95,791	117,014	113,437
<u>Asia:</u>				
Palestine .....	3,834	2,795	4,682	4,000
Syria & Lebanon .....	18,520	15,704	17,227	23,369
India .....	363,216	351,680	364,075	402,453
Japan .....	48,718	45,192	50,410	45,231
Chosen .....	9,747	8,095	10,242	10,332
Turkey .....	92,641	141,582	132,985	160,424
Totals .....	536,676	565,048	579,621	645,809
Totals 42 Countries ..	3,145,858	3,001,768	3,328,455	3,838,308
<u>Estimated Northern Hemisphere</u>				
<u>Total, ex U.S.S.R.</u>				
<u>and China .....</u>	3,225,000	3,067,000	3,394,000	3,905,000
<u>Southern Hemisphere</u>				
Argentina .....	141,462	249,193	184,799	315,991
Australia .....	144,218	151,390	188,018	145,000
Union of South Africa ...	23,709	16,077	10,157	17,407
Totals .....	309,389	416,660	382,974	478,398
<u>Estimated World Total, ex</u>				
<u>U.S.S.R. and China .....</u>	3,601,000	3,540,000	3,838,000	4,443,000

CANADIAN EXPORTS OF WHEAT AND WHEAT FLOUR BY COUNTRIES OF FINAL DESTINATION,  
CROP YEAR, 1937-38.

Since the November issue of the Review was published, a final report from the Board of Grain Commissioners of Canada has been received, which incorporates minor, but final revisions, of the monthly data on destinations previously published by the Board of Grain Commissioners as well as in this Review. The final report for the 1937-38 crop year, as furnished herewith, supersedes the report for the crop year based on the monthly figures, published in this Review last month. It will also be noted that minor revisions have been made in the flour destinations reported to the customs, as a result of a check-up on flour destinations by the London representative of the Board and the Bureau.

Distribution - by Final Countries of Destinations - of Canadian Wheat  
and Wheat Flour Exported Overseas during Crop Year 1937-38.

Country	Wheat (Other than Durum)	Durum Wheat	Wheat Flour (Expressed as Wheat at 4½ bu. per barrel)	Total Wheat and Wheat Flour
	(bushels)			
Great Britain & Northern Ireland and Eire	44,437,371	2,206,500	9,406,465	56,050,336
Austria .....	82,311	18,667	-	100,978
Belgium .....	5,827,203	1,102,913	2,667	6,932,783
Belgian Colonies .....	-	-	1,699	1,699
Czechoslovakia .....	-	-	184	184
Denmark .....	2,229,768	19,998	-	2,249,766
Finland .....	867,776	114,383	67,181	1,049,340
France .....	1,813,032	2,016,947	621	3,830,600
French Colonies .....	-	-	76,756	76,756
Germany .....	1,177,536	547,696	361	1,725,593
Greece .....	74,957	2,498,517	-	2,573,474
Greenland-Iceland .....	-	-	9,967	9,967
Italy .....	136,759	110,009	3,437	250,205
Malta .....	148,674	70,786	94,545	314,005
Netherlands .....	2,831,309	19,828	70,147	2,921,284
Dutch Colonies .....	-	-	90,632	90,632
Norway .....	2,398,239	8,000	494,197	2,900,436
Portugal .....	-	-	450	450
Portuguese Colonies ....	20,532	-	38,464	58,996
Sweden .....	1,046,172	287,879	10,412	1,344,463
Switzerland .....	696,185	1,421,906	-	2,118,091
British East Africa ....	-	-	147	147
British South Africa ...	103,106	-	10,074	113,180
British West Africa ....	-	-	75,453	75,453
Southern Rhodesia .....	-	-	8,282	8,282
Egypt .....	-	-	8,229	8,229
Liberia .....	-	-	6,711	6,711
Algeria .....	-	501,575	-	501,575
Morocco .....	-	1,349,132	756	1,349,888
Aden .....	-	-	1,170	1,170
China .....	-	-	180,950	180,950



Distribution - by Final Countries of Destinations - of Canadian Wheat  
and Wheat Flour Exported Overseas during Crop Year 1937-38. - Continued

Country	Wheat (Other than Durum)	Durum Wheat	Wheat Flour (Expressed as Wheat at $4\frac{1}{2}$ bu. per barrel)	Total Wheat and Wheat Flour
	(bushels)			
Hong Kong .....	-	-	524,444	524,444
India .....	-	-	1,651	1,651
Japan .....	511,338	-	9,846	521,184
Palestine & Syria ....	3,733	-	4,823	8,556
Fiji Islands .....	-	-	31	31
Philippine Islands ...	917	-	599,383	600,300
Straits Settlements ..	-	-	9,334	9,334
Australia .....	-	-	926	926
New Zealand .....	138,011	-	-	138,011
Bolivia .....	-	-	450	450
Brazil .....	-	-	27,994	27,994
British Guiana .....	-	-	381,142	381,142
Colombia .....	191,580	-	-	191,580
Venezuela .....	-	-	85,945	85,945
Bermuda .....	-	-	116,428	116,428
West Indies .....	15,596	7,000	2,478,924	2,501,520
Central America .....	33,833	-	93,792	127,625
Mexico .....	50,000	-	-	50,000
Newfoundland .....	-	-	1,069,132	1,069,132
Alaska .....	-	-	19	19
U.S.A. -				
For Home				
Consumption ..	108,125	-	179,220	287,345
For Grinding				
in Bond .....	2,096,421	-	-	2,096,421
TOTAL .....	67,040,484	12,301,736	16,243,441	95,585,661

### AUSTRALIA

The following cable was received on December 16, from the Canadian Government Trade Commissioner in Melbourne.

"Shipments of wheat and flour from Australia for last season ending November 30 totalled 128,230,102 bushels compared with total 98,941,343 in the previous year. Weather throughout Australia continues dry and harvesting progressing rapidly under favourable conditions. Anticipated yield 136 million bushels compared with 188 million bushels last season and exportable surplus estimated at 70,000,000 bushels. Quality considered of high standard with low percentage of moisture. Owing to import duty of nine shillings eightpence per quarter equivalent one dollar eighty one cents Canadian imposed by Indian Government as from December 7, many existing contracts and cargoes for shipment to India now being diverted to United Kingdom causing sharp decline. Extremely slow demand for Australian wheat from United Kingdom. Price f.o.b. steamer two shillings fourpence per bushel equivalent forty-three cents Canadian and price to grower country sidings approximately one shilling ninepence equivalent to thirty-three cents Canadian. Growers selling only sufficient to meet immediate financial requirements. Extra fourpence per bushel (six cents Canadian) to be provided by fixed home consumption price for wheat not expected to improve growers' position materially at present export prices. Export quotations flour approximately five pounds fifteen shillings per ton 40 pound calico bags equivalent twenty-one dollars fifty-five cents Canadian and five pounds five shillings per ton 150 pound sacks equivalent nineteen dollars fifty-eight cents Canadian. Price delivered Melbourne seven pounds ten shillings per ton 2,000 pounds equivalent twenty-eight dollars eleven cents Canadian plus Flour tax operable from December 19, five pounds fifteen shillings per ton. Freight rates United Kingdom unchanged but are considered too high as unrestricted space available."

### ARGENTINA

The correspondent of the Dominion Bureau of Statistics in Buenos Aires has forwarded the following report, under date of December 2, 1938, dealing with the grain situation in Argentina.

#### Seeded Areas, Third Official Estimate

The third, and presumably final, estimate of the Ministry of Agriculture of the areas planted with wheat, linseed, oats, barley and rye for the crops now being harvested was made public on November 23. The changes, as compared with the two previous estimates, are not very important.

The total area of the five crops is now given as 35,129,000 acres, compared with the second estimate of a month ago, which was 34,852,000 acres, and last season's total of 33,610,000 acres.

The biggest increase is shown in the case of wheat, which in comparison with last year has increased by 8.6 per cent and is 9.2 per cent more than the ten-year average.

The following statement shows the details of the several crops, and also the percentage of increase or decrease as compared with the figures of last year and those of the ten-year average.



	Acres	Percentage change as compared with	
		1937-38	ten-year average
Wheat .....	20,859,000	+ 8.6	+ 9.2
Linseed .....	6,605,000	- 5.9	- 10.2
Oats .....	3,359,000	+ 3.3	- 3.8
Barley .....	2,053,000	+ 5.7	+ 22.1
Rye .....	2,253,000	+ 3.2	+ 33.1
Totals .....	35,129,000	+ 4.5	+ 5.5

In the statement which appears below are given the planted areas of recent years:-

	Wheat	Linseed	Oats (acres)	Barley	Rye
1938-39 .....	20,859,000	6,605,000	3,359,000	2,053,000	2,253,000
1937-38 .....	19,212,000	7,020,000	3,253,000	1,942,000	2,183,000
1936-37 .....	17,495,000	7,435,000	3,157,000	1,924,000	2,203,000
Five-year average ....	17,874,000	7,195,000	3,291,000	1,920,000	2,007,000
Ten-year average ....	19,095,000	7,354,000	3,491,000	1,680,000	1,692,000

According to the memorandum accompanying the official statement of the areas, of the 2,053,000 acres devoted to barley, no less than 1,342,000 have been planted with barley of the malting varieties.

It is expected by the Ministry that the first official forecast of the season's production will be made public on December 16, as the work of estimating the losses sustained and areas abandoned is now in hand.

Private estimates of the probable yield of wheat average between 275,578,000 and 293,950,000 bushels; and in the case of linseed from 59,052,000 to 78,736,000 bushels are looked for. Admittedly these are more or less guesses, as much may happen before the harvest is completed.

#### Minimum Grain Prices

In the middle of the month a Presidential Decree was issued fixing minimum (or basic) prices for wheat at 7 pesos per 100 kilos and linseed 13 pesos. On the basis of today's official buying rates for exporters' bills, the above prices are equal to 60 cents (Canadian) per bushel for wheat and 103 cents United States per bushel for linseed.

The minimum wheat price is for No. 2 Soft wheat, weighing 78 kilograms per hectolitre, or say 62 1/2 lbs. per bushel, on railway waggons or scows in the port of Buenos Aires.

A regulation subsequently issued fixes proportionately lower prices for grain delivered at other ports from which ocean freight rates are higher, as for instance, Rosario 6.87 1/2, Santa Fe 6.80, etc.

A Grain Control Board has been named under the presidency of the Deputy Minister of Agriculture and Vice-Presidency of the head of the Banco de la Nacion, with ten other members, mostly members of the grain trade. The Board will buy all wheat which may be offered to it, paying the basic prices which have been fixed, and it will resell at its discretion to exporters at the current market prices. Any losses which may be incurred will be made good by the Government out of the profits which are made by the Central Bank from the control of foreign exchange.

Incidentally it may be mentioned that measures have been taken to increase these profits by doubling the margin between the buying and selling rates of the official bank. The British pound, for instance, which is bought by the bank at 15 pesos per £1. and has in the past been re-sold at 16 pesos, has recently been given a new selling rate of 17 pesos; all other foreign currencies have been similarly dealt with.

According to the terms of the Presidential Decree, the basic prices have been fixed to compensate the farmer for the costs of production of the grain.

The Grain Control Board is undertaking an intensive propaganda with the object of pointing out to the growers the convenience of selling their grain to the Board, and is sending out circulars and leaflets indicating the prices, net, to be paid for grain delivered at every station throughout the country.

Any grower desiring to deliver his grain to the Board has only to apply to the nearest branch of the National Bank, where he will receive 80 per cent of the value of the grain he has to dispose of, free of interest, as rapidly as the necessary documents can be made out, without waiting for delivery of the grain. The National Bank, it may be mentioned, is by far the most important banking institution in the country, and its branches are to be found in every town or village of any size throughout the Republic.

Farmers are being warned to take especial care that in the case of sales made to buyers other than the official Board, no deductions are made from the official minimum prices other than those authorized by the Board, and all business houses, including the grain dealers themselves are required to exhibit the official prices in plain sight.

The official minimum prices apply to only wheat and linseed of the new crop, and there are penalties to prevent mixing of new and old grain, which is absolutely forbidden.

#### Crop Conditions

The weather during the month was quite favourable for the crops. Plentiful rains fell, and work was held up in the north for short periods, where harvesting is in full swing, and some threshing as already been done. Bleaching of some of the cut grain resulted. But any slight detriment in the north was fully offset in other regions where precipitation was needed, and particularly in the maize zone, where the fields of young grain were greatly benefited.

Some rumours of rust damage were in circulation, but any damage yet done appears to have been negligible, although the hot and humid weather prevailing as the month closed appeared favourable to any outbreak.



Repeated frosts have occurred, especially in southern Buenos Aires; the damage in some places has been quite severe, but not more than local in extent, so that the aggregate loss appears to be far from serious.

Reports from the north, where the cutting of the wheat crop is almost finished, indicate very satisfactory yields, and the samples of threshed grain are of excellent quality.

### The Official Report

The monthly report of the Ministry of Agriculture on crop conditions in the cereal regions made its appearance on December 2. The more important features are summarized in the following pages.

The Wheat Crop: Generally the description of the wheat crop as from good to very good is still justified. Harvesting is proceeding actively, and threshing has commenced. Yields obtained to date exceed what was anticipated, and the quality is very good.

In the southern portion of the cereal zone, and particularly in the south-west of Buenos Aires and the southern Pampa, the crop deteriorated during November, the wheat having suffered from drought and hot winds, some insect pests and from frost in isolated places.

In Buenos Aires in the northern sections cutting has commenced and will be general in a few days. In the centre and west it will begin in the first half of December, and elsewhere about the end of the month. The prospects are quite good, except in the extreme west and especially in the south-west of the province, where they are from fair to poor. The abundant rains of the past month improved the condition of the wheat crop, which is very good in the north, centre and mid-west, where production prospects are excellent. In the south-east, conditions are good, the last rains having been of undoubted benefit, permitting the plants to make up for their previous backwardness due to lack of moisture, and neutralizing to a great extent the effects of the frosts of October and November. In the west and south-west, even though the reaction has been appreciable, the condition is from fair to poor, as on top of the damage done by drought there has been that of the winds common to the zone. Hailstorms caused damage in isolated districts, and in the north of the province persistence of the rains may cause bleaching of the wheat and a second growth in the fields already mature.

In Santa Fe cutting of wheat is terminating in the north and centre of the province. Threshing, which is at its height, is giving yields varying from 22 to 28 bushels per acre, and a high specific weight, which in some cases is reaching 68 lb. per bushel.

In the south, cutting will become general in the first half of December. Damage caused by local hail storms, locusts or rust, is of no great importance.

In Cordoba in the north and centre, harvesting is general. Good yields are being obtained, superior to those which were anticipated a month ago. The quality is very good in respect of weight, colour and cleanness of the grain. In the other wheat zones cutting is only commencing. The general condition of the uncultivated fields is very good in the north-east, centre and south-east; fair to good in the south-west; and only fair in the north-west, where lack of opportune rains has been felt.

In Entre Rios along the coast of the Parana cutting is general. It is beginning in the other zones, under favourable conditions. Threshing also has begun, and very satisfactory results are being shown, both in yield and quality.

In the Pampa cutting of the early fields has commenced, and it will soon be general. The general condition is from fair to poor, with the exception of the central zone, where it may be said to be good. The wheat prospects have improved latterly, as the result of the rains of the second half of November, especially in the centre and south of the territory; but, even so, conditions have deteriorated in relation to those mentioned in the report of a month ago.

#### Supplies and Market Conditions

Wheat. Shipments of wheat and flour, respectively, consisted of 4,005,000 bushels and 196,000 bushels (the flour being expressed in terms of wheat), a total of 4,201,000 bushels for the month of November, as compared with 3,497,000 bushels in October.

The statistical position is now as shown in the following table:

Third official estimate 1937-38 crop .....	184,802,000 bushels	
Less seed and domestic requirements .....	99,208,000	"
Exportable balance .....	85,594,000	"
Disappearance prior to January 1, 1938 .....	1,912,000	"
Available at January 1 .....	83,682,000	"
Shipments to) Wheat .....	70,356,000 bushels	
November 30 ) Wheat as flour <u>1,320,000</u> .....	<u>71,676,000</u>	"
Balance still available .....	12,006,000	"

As already mentioned, the Government, in the middle of the month, set a minimum price for wheat of the new crop. This action had a temporary effect on the local market, causing a rise of 50 centavos per quintal in the prices, which gradually declined again until at the end of the month values were practically on the same level as at the close of October.

There was a fair amount of activity in the market during the month, although less than during the same period in other years, with a new crop about to move; the difference is ascribed to a restriction of business due to the fixing of minimum prices and the purchasing of grain by the official Board. Sales were pretty well confined to neighbouring countries, notably Brazil, Chile and Peru.

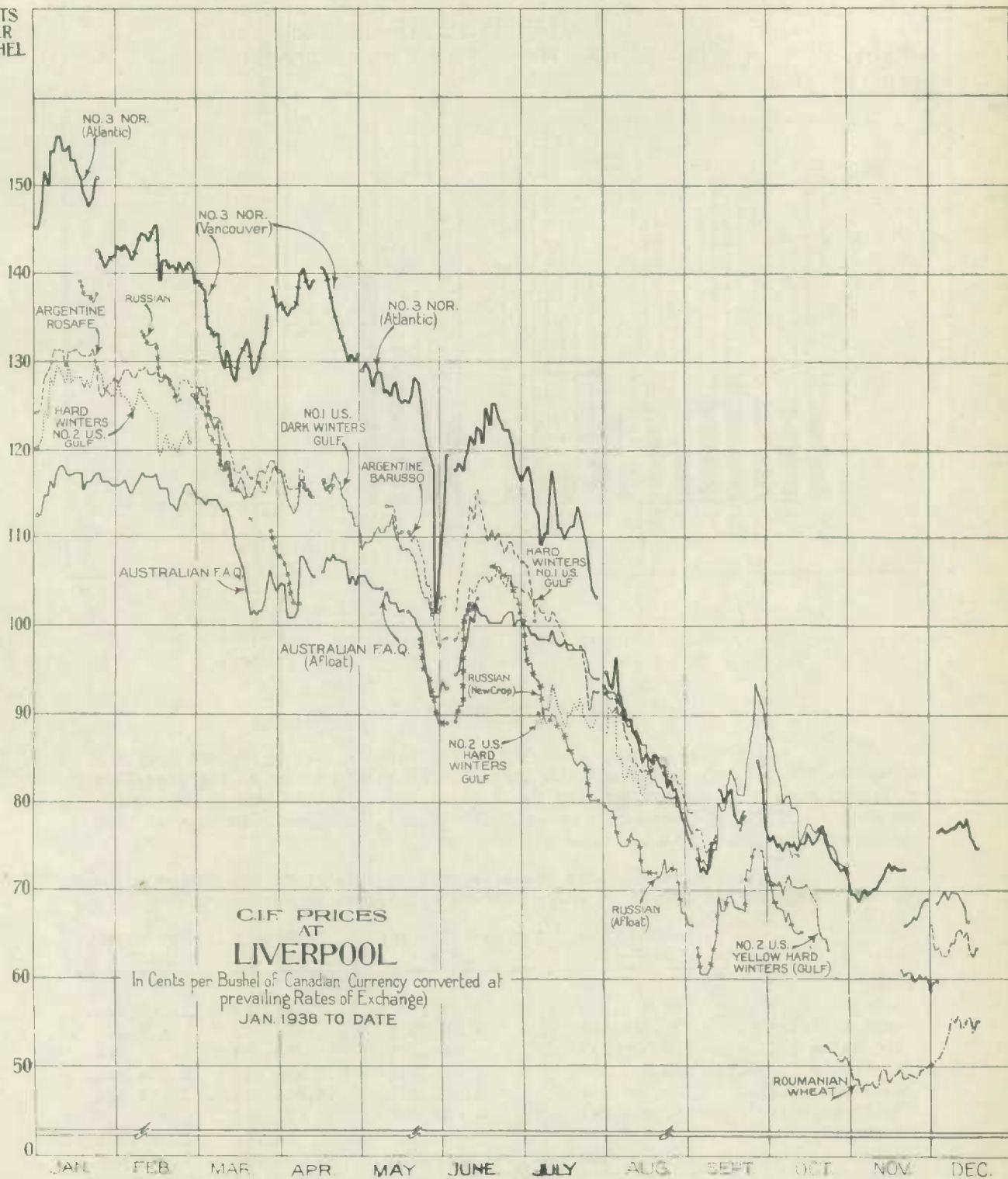
In the local market there was not much activity on the part of the millers, and their lack of interest made the high grade parcels, usually the most sought for, almost as difficult to dispose of as the inferior qualities. The tone of the market was rather weak.

In the north grain is commencing to move, but only slowly. Reports indicate qualities better than average in both Santa Fe and Cordoba. But semi-official reports say that generally too much haste is being shown in starting the newly threshed grain off to market, and this is having a prejudicial effect on the quality, which will re-act to the detriment of the producers. With an assured minimum price now in effect there is little excuse for this rush to market.

At the close of business for the month, Spot wheat was quoted at 5.90 pesos per quintal, equal to 50 1/2 cents Canadian per bushel. For February, the most distant month quoted, the official minimum of 7 pesos (say 60 cents per bushel), was the prevailing price. In Winnipeg May wheat was being quoted at 61 5/8 cents.



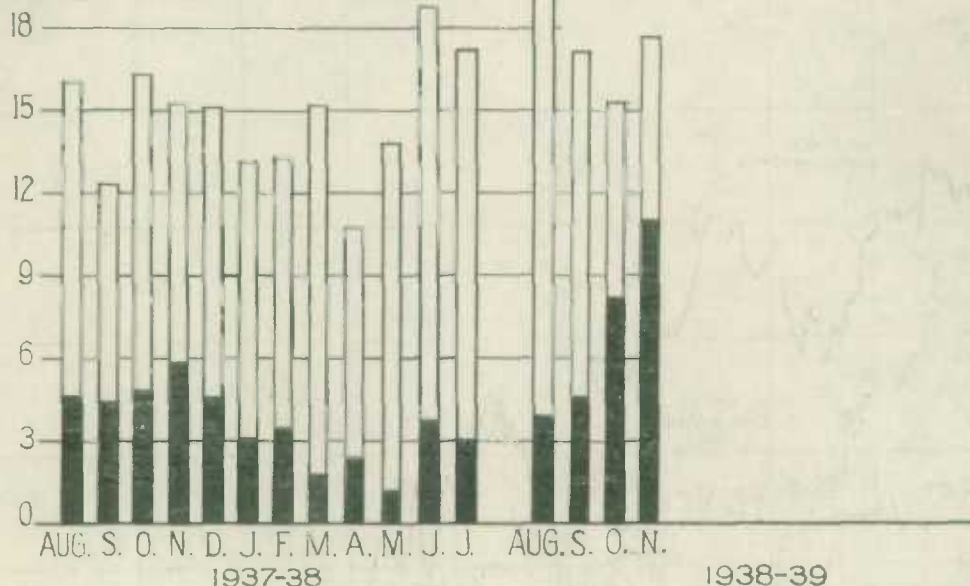
CENTS  
PER  
BUSHEL



# IMPORTS OF WHEAT INTO THE UNITED KINGDOM

August to July 1937-38 and 1938-39 to date  
(Black portions show Imports from Canada)

MILLION  
BUSHELS



## THE UNITED KINGDOM

Imports of wheat into the United Kingdom during the month of November 1938 were about 2.4 million bushels higher than those of the preceding month and also of the corresponding month last year. Imports during November amounted to 17,736,096 bushels compared with 15,347,603 bushels in October 1938 and 15,366,484 bushels in November 1937.

The following table shows imports of wheat into the United Kingdom for the twelve months August to July, 1937-38 and August to November, 1938:

	August-July 1937-38	August-September 1938	October 1938	November 1938
From:				
Canada .....	43,895,650	8,577,757	8,264,424	11,063,301
United States ..	31,380,591	4,276,065	551,201	2,076
Argentina .....	9,550,177	954,395	220,274	373
Australia .....	55,974,140	10,276,794	2,482,875	2,508,662
Russia .....	20,264,361	8,251,833	3,006,426	1,014,674
British India ..	10,818,261	4,042,787	131,183	-
Roumania .....	3,335,969	37,728	48,158	1,686,809
Others .....	5,325,800	628,315	643,062	1,460,201
Totals .....	180,544,949	37,045,674	15,347,603	17,736,096
Previous year ....	184,466,926	28,339,823	16,377,720	15,366,484



The following table shows imports of wheat into the United Kingdom during November, 1938, along with comparative figures for November, 1937.

	<u>November, 1938</u>	<u>November, 1937</u>
	(bushels)	
From:		
Canada .....	11,063,301	5,928,525
United States .....	2,076	1,376,716
Argentina .....	373	-
Australia .....	2,508,662	885,401
Russia .....	1,014,674	5,065,383
British India .....	-	526,564
Roumania .....	1,686,809	988,434
Others .....	1,460,201	595,461
Totals .....	<u>17,736,096</u>	<u>15,366,484</u>

The above table shows that total imports of wheat into the United Kingdom during November 1938 were higher than during November 1937 by almost 2.4 million bushels. Imports from Canada amounted to 11,063,301 bushels as compared with only 5,928,525 bushels for the corresponding month last year and again showed an increase over the previous month of 2.8 million bushels. Imports from the United States amounted to only 2,076 bushels as compared with 1,376,716 bushels for the same month last year. Australian imports during the month of November 1938 amounted to 2,508,662 bushels as compared with only 885,401 bushels for the corresponding month last year. Russian imports into the United Kingdom were about 2 million bushels lower than in October, with November imports amounting to 1,014,674 bushels, compared with 5,065,383 bushels for the same month in 1937. Of the 1,460,201 bushels of wheat shipped into the United Kingdom by other countries during the month of November, France shipped 1,222,181 bushels.

The following table shows imports of wheat into the United Kingdom during the months of August to November, 1938 and 1937:

	<u>1938</u>	<u>1937</u>
	<u>August-November</u>	<u>August-November</u>
	(bushels)	
From:		
Canada .....	27,905,482	19,967,617
United States .....	4,829,342	2,861,266
Argentina .....	1,175,042	9,266
Australia .....	15,268,331	12,584,819
Russia .....	12,272,933	12,278,952
British India .....	4,173,970	6,647,886
Roumania .....	1,772,695	2,965,884
Others .....	2,731,578	2,768,337
Totals .....	<u>70,129,373</u>	<u>60,084,027</u>

Total imports into the United Kingdom amounted to 70.1 million bushels during the August-November period in 1938 as compared with 60.1 million bushels for the corresponding months last year. Imports from Canada amounted to 27.9 million bushels as compared with 20.0 million bushels for the same period in 1937. Imports from the United States for the August-November period were about 2 million bushels higher than for the same four months last year.

# INTERNATIONAL TRADE

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

Week ending	North America	Argentina	Australia	Russia	Danube	India	Other	Total
(thousand bushels)								
Aug. 6, 1938	4,288	1,120	2,608	2,784	336	896	-	12,032
13	4,192	1,032	2,104	3,512	696	736	-	12,272
20	4,376	600	2,104	2,624	512	640	-	10,856
27	3,760	1,568	2,576	3,552	808	224	-	12,488
Sept. 3	4,104	1,448	2,160	2,368	280	328	-	10,688
10	3,400	760	1,456	3,960	640	304	-	10,520
17	4,152	1,120	1,384	1,304	992	8	-	8,960
24	4,296	880	1,704	1,552	768	-	-	9,200
Oct. 1	5,536	1,528	1,256	1,512	936	112	-	10,880
8	5,776	840	976	2,568	904	-	-	11,064
15	4,768	416	1,712	1,264	1,728	-	16	9,904
22	8,104	800	840	1,280	1,520	144	40	12,728
29	7,360	1,488	1,792	1,072	3,016	-	88	14,816
Nov. 5	6,192	1,016	496	824	2,224	-	680	11,432
12	6,488	904	568	952	1,896	-	640	11,448
19	6,312	712	504	224	3,712	-	408	11,952
26	6,312	680	1,536	416	2,952	-	504	12,400
Dec. 3	4,688	1,120	608	552	4,448	-	328	11,744
10	2,123	453	1,644	264	1,504	-	1,248	7,236
17	1,658	996	1,683	624	1,136	-	1,136	7,233
TOTALS	97,835	19,481	29,791	33,208	31,008	3,392	5,088	219,853
Comparative 1937								
20th week	4,128	1,072	2,064	1,128	504	120	16	9,032
TOTALS	77,240	13,704	27,392	29,712	30,168	6,672	2,664	187,552

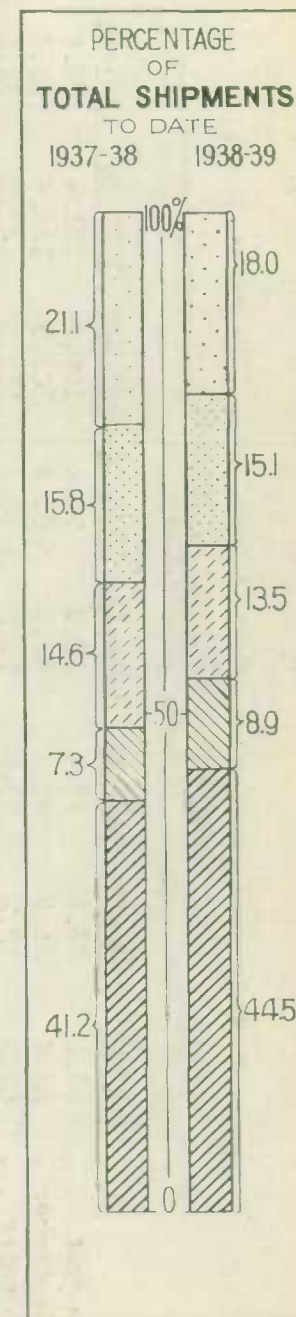
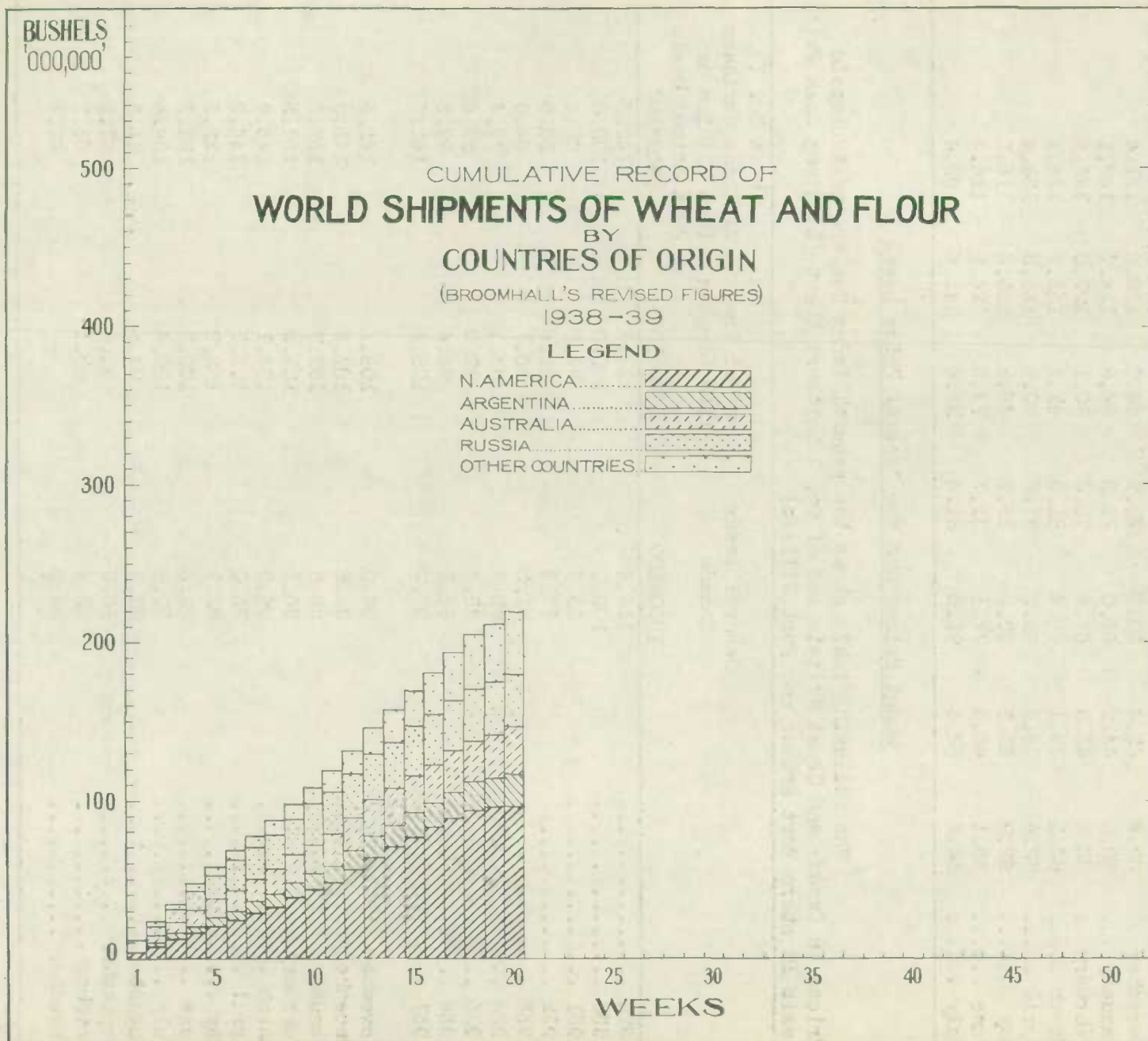
## THE POSITION OF THE IMPORT REQUIREMENTS ESTIMATE

(Mr. Broomhall's Estimate)

Estimated Import Requirements	Actual Shipments	Balance to be Shipped
Aug. 1, 1938 to July 31, 1939 (52 weeks)	Aug. 1, 1938 to Dec. 17, 1938 (20 weeks)	Dec. 17, 1938 to July 31, 1939 (32 weeks)
548 million bushels	219.9 million bushels	328.1 million bushels
or	or	or
10.5 million bushels weekly	11.0 million bushels weekly	10.3 million bushels weekly.

During the first twenty weeks of 1938-39 world shipments have amounted to 219.9 million bushels, or an average of 11 million bushels per week. In order to fulfil the world estimate of 548 million bushels, weekly shipments will have to average 10.3 million bushels per week for the balance of the cereal year.





Monthly Average Winnipeg Cash Prices - No. 1 Northern Wheat,  
Crop Years 1931-32 to 1938-39  
(cents per bushel)

	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39
August ....	55.1	56.3	73.4	86.0	84.5	102.2	131.8	76.6
September .	53.6	51.9	67.2	82.3	90.3	103.9	133.6	63.3
October ...	59.9	48.2	60.5	78.2	90.8	110.9	142.3	61.5
November ..	67.3	46.7	63.7	79.6	85.7	108.4	134.6	59.0
December ..	60.6	42.4	60.3	79.2	84.7	120.2	137.4	
January ...	60.0	44.2	65.0	79.0	84.8	124.7	149.1	
February ..	63.2	45.8	65.6	79.5	82.1	127.0	144.6	
March .....	63.1	49.1	66.4	81.9	82.1	135.7	138.4	
April .....	62.6	53.6	65.5	87.6	80.5	138.9	138.4	
May .....	62.9	63.3	70.6	85.7	76.8	130.6	115.2	
June .....	55.1	66.8	77.1	81.7	79.5	124.2	114.3	
July .....	54.7	83.4	82.0	81.4	93.4	145.6	98.4	

Wheat Prices and the General Price Level 1/

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
1937 .....	97.7	108.8	142.3
November, 1937 .....	96.0	108.5	142.9
December .....	95.5	107.6	145.9
January, 1938 .....	96.8	107.7	158.3
February .....	96.5	105.8	153.5
March .....	96.0	104.1	146.9
April .....	95.0	103.1	146.9
May .....	92.7	102.0	122.3
June .....	92.5	100.7	121.3
July .....	90.8	100.6	104.5
August .....	87.8	99.5	81.3
September .....	86.0	98.4	67.2
October .....	85.6	99.1	65.3
November .....	84.9	-	62.6

1/ Prepared by the Internal Trade Branch.



FOREIGN EXCHANGES 1/

(November 15 - December 12)

Erratic behaviour the British pound and French franc provided most of the interest in exchange dealings between November 15 and December 12. If the nominal quotations during the late September crisis be excluded, sterling touched a five-year low of \$4.6564 on November 26, representing a drop of approximately 10 cents below its opening level of \$4.7539. Official intervention by the British Equalization fund on November 27 culminated in a vigorous rally which carried the rate for the pound to \$4.7322 on December 5. However, all this gain was not held, and by the 12th, sterling had receded to \$4.7046. Extreme weakness in the pound contributed to a sharp rise in the price of gold at London which reached a new all-time high of 150s on November 26. The French franc was in an unstable position in the final week of November but following termination of the general strike, the franc showed independent strength, appreciating in terms of both the pound and United States dollar. Repatriation of French short-term capital from European banking centres was considered mainly responsible for the advance. On December 2 the franc was quoted under 178 to the pound for the first time in over four months. The Netherlands florin moved up from an opening of 54.58 to 54.83 cents on December 12. Swiss francs gained 4 points during the period under review while Belgian belgas lost 7 points in the same interval. The premium on United States funds receded from an opening rate of 29/32 of one per cent to 19/32 on November 28, but at the close had recovered to 7/8. November imports of gold to the United States totalled \$177,782,299 compared with the record influx of \$562,381,561 in October.

Monday Average Exchange Quotations at Montreal, June 6 to December 12, 1938.

		United Kingdom	United States	Australia	Argentina <u>2/</u>
		Pounds	Dollars	Pounds	Paper Pesos
		4.8667	1.0000	4.8667	.4244
June	6, 1938	5.0050	1.0118	4.0035	.2631
	13	5.0250	1.0000	4.0200	.2636
	20	5.0087	1.0000	4.0062	.2636
	27	5.0062	1.0103	4.0050	.2627
July	5	4.9850	1.0075	3.9887	.2625
	11	4.9650	1.0075	3.9725	.2614
	18	4.9519	1.0056	3.9616	.2610
	25	4.9338	1.0025	3.9470	.2602
August	1	4.9288	1.0028	3.9431	.2607
	8	4.9025	1.0037	3.9214	.2610
	15	4.8925	1.0043	3.9140	.2576
	22	4.8965	1.0034	3.9175	.2574
	29	4.8761	1.0012	3.9000	.2568
September	6	4.8367	1.0023	3.8700	.2537
	12	4.8320	1.0050	3.8650	.2538
	19	4.8300	1.0056	3.8630	.2544
	26	4.8037	1.0093	3.8430	.2549
October	3	4.8270	1.0068	3.8625	.2552
	10	4.8027	1.0087	3.8421	.2547
	17	4.8143	1.0150	3.8515	.2543
	24	4.8037	1.0093	3.8425	.2534
	31	4.7887	1.0068	3.8300	.2527
November	7	4.7912	1.0068	3.8325	.2522
	14	4.7500	1.0087	3.8000	.2330
	21	4.7300	1.0081	3.7837	.2309
	28	4.6750	1.0059	3.7400	.2278
December	5	4.7325	1.0081	3.7850	.2299
	12	4.7046	1.0038	3.7636	.2290

# THE CANADIAN SITUATION

## I. GRADING AND QUALITY OF THE 1938 WHEAT CROP

The following table shows the grading of new-crop inspections during August to November 1938, in comparison with the same months in 1937:

Number of Cars Grading No. 3 Northern or Better				
	1938-39		1937-38	
	Cars	Per Cent of Inspections	Cars	Per Cent of Inspections
August .....	9,905	95.84	3,514	81.40
September .....	34,723	89.71	11,421	84.22
October .....	30,778	82.40	10,768	89.29
November .....	12,341	83.18	7,249	77.31
TOTALS .....	87,747	86.68	32,952	83.82

Omitting special grades such as Garnets, Durums, White Springs and Winters, the number of cars of new wheat inspected in November 1938 totalled 14,836 of which 12,341 or 83.18 per cent graded No. 3 Northern or higher. November 1938 inspections of new Durum wheat amounted to 747 cars of which 729 or 97.59 per cent graded No. 3 Amber Durum or higher. In November 1937, new Durum inspections numbered 389 cars of which 353 or 90.75 per cent graded No. 3 Amber Durum or higher.

## Protein Survey of the Spring Wheat Crop of 1938.

The Grain Research Laboratory of the Board of Grain Commissioners released on December 1 a detailed report on the protein content of the 1938 hard red spring wheat crop and also the durum crop, from which the following summaries and tables are quoted:

### Hard Red Spring Wheat, 1938.

"The twelfth annual survey of the protein content of Canadian Hard Red Spring Wheat is based upon the analysis of 11,011 samples of the 1938 crop. Of these 2,302 originated from 471 shipping points in Manitoba, 5,690 from 1,105 shipping points in Saskatchewan, and 3,019 from 554 shipping points in Alberta. The samples from Alberta include fourteen obtained from Dawson Creek and Pouce Coupe, which stations while actually in British Columbia, are geographically a part of the Peace River area. In addition to the above, six samples were received from Vernon in British Columbia; this point however can not be considered a part of the prairie wheat growing belt and for that reason the results of protein tests on these samples are not included in the summarized tables but are merely listed as individual results in the appendix.

"The samples were taken from the official grading samples in the various inspection offices and hence represent carlots of wheat; the collections



were restricted to the grades One Hard to Four Northern inclusive, No. Four Special, Nos. One, Two, and Three C. W. Garnet and No. One Mixed Wheat and also limited to a maximum of eight samples from any one shipping point; they were made over a period of about ten weeks in order that they should be fairly representative of the deliveries. For the present survey an average of 5.2 samples per station was collected.

"The determinations were made according to the Kjeldahl-Gunning-Arnold procedure, using a one-gram sample, the nitrogen results being converted to protein by means of the factor 5.7. All protein results are reported on the basis of 13.5% moisture (Brown-Duvel) in the wheat.

"The higher precipitation experienced in Saskatchewan and Alberta during the growing season, while causing a much increased production, resulted in a lower mean protein content for both these provinces as compared with the previous year. The reduction in the mean protein content for Saskatchewan is 0.5% and that for Alberta 0.3%. The Manitoba mean of 13.6% is the same as it was in 1937, while the general mean for Western Canada is down by only 0.2%.

"With the exception of the No. Four Northern and the No. Four Special grades, which are 0.5% and 1.0% respectively higher, the mean protein contents of the various grades are a little lower this year than last; particularly is this the case in the first two Garnet grades which are 0.9% and 0.6% respectively under the corresponding figures for last year.

"It will be noted by comparing the figures presented this year with those published last year that the uniformity in protein content of the various grades, as indicated by the coefficients of variability, is better for the present year.

"In considering the summarized results in Table VIII, it should be borne in mind that the computations are based solely upon the number of samples tested and without regard to the relative volumes of wheat produced in the various districts.

"However, weekly averages of the various grades from different offices in the Western Division of the Grain Inspection Branch have been tested for protein, and as the number of cars represented in each average is known, it has been possible to compute weighted average values which represent the mean protein content of the various grades during the season covered by the collections. These data are assembled in Table IX. and cover the period from the beginning of the movement of the new crop until November 14th, 1938.

"TABLE VIII.- Mean Protein Contents of the Various Grades of Hard Red Spring Wheat Surveyed for the Years 1934-1938 Inclusive. 1/

Crop Year	1 Hd.	1 N.	2 N.	3 N.	4 N.	4 Sp.	1 CW Garnet	2 CW Garnet	3 CW Garnet	All Grades
<u>Manitoba</u>										
1934 ..	14.4	13.9	13.1	13.1	-	-	-	-	-	13.8
1935 ..	-	13.9	13.1	13.0	13.0	13.0	10.5	10.6	-	13.0
1936 ..	15.8	15.4	15.1	14.7	14.6	-	11.1	15.2	-	15.2
1937 ..	15.0	14.4	13.8	13.4	13.1	13.0	14.4	12.5	-	13.6
1938 ..	-	13.5	13.6	13.6	13.5	12.8	-	-	-	13.6
<u>Saskatchewan</u>										
1934 ...	14.7	14.7	13.9	14.4	-	-	-	-	-	14.4
1935 ..	15.2	14.9	14.6	13.8	13.9	13.5	11.0	11.3	-	14.0
1936 ..	15.1	15.3	15.4	14.1	16.1	-	12.3	12.6	-	15.1
1937 ..	16.0	15.1	15.0	15.0	15.4	-	13.8	14.2	-	14.9
1938 ..	14.7	14.7	14.4	14.1	14.4	14.3	13.5	13.7	13.6	14.4
<u>Alberta</u>										
1934 ..	14.0	14.3	13.5	12.8	-	-	-	-	-	13.7
1935 ..	14.4	14.6	14.3	13.4	13.5	-	10.4	11.5	-	14.0
1936 ..	14.9	14.9	14.8	13.0	13.5	-	12.8	12.1	-	14.0
1937 ..	14.6	14.5	14.0	13.7	14.1	-	13.0	12.6	-	14.0
1938 ..	14.3	14.3	13.8	13.4	13.3	-	12.7	12.7	12.9	13.7
<u>Western Canada</u>										
1934 ..	14.5	14.4	13.7	13.7	-	-	-	-	-	14.1
1935 ..	14.6	14.7	14.5	13.6	13.7	13.3	10.9	11.4	-	13.9
1936 ..	15.1	15.3	15.2	13.6	14.6	-	12.4	12.4	-	14.9
1937 ..	15.3	14.8	14.3	13.9	13.6	13.0	13.8	13.7	-	14.2
1938 ..	14.4	14.4	14.0	13.8	14.1	14.2	12.9	13.1	13.2	14.0

"TABLE IX.- Mean Protein Contents of Average Samples of Wheat from Different Inspection Offices, Hard Red Spring Wheat, 1938 Crop.

Grade No.	Winnipeg	Saska- toon	Moose Jaw	Medicine Hat	Calgary	Edmonton	Winnipeg to Edmonton inclusive	Approx. bus. (000 omitted)
1 Hard ...	14.3	-	-	13.6	14.1	13.4	14.1	2,836
1 Nor. ...	14.3	15.1	14.6	15.0	14.1	13.4	14.2	41,659
2 Nor. ...	13.9	14.3	14.1	14.9	13.6	13.0	13.8	52,518
3 Nor. ...	13.7	14.3	14.3	14.3	13.1	13.1	13.6	31,717
4 Nor. ...	14.0	13.6	14.4	-	13.3	13.2	13.9	6,173
No. 5 ....	13.0	-	-	-	12.4	11.7	12.7	3,651
No. 6 ....	12.8	-	-	-	12.4	11.3	12.7	388
Feed .....	13.1	-	-	-	-	-	13.1	1,391
4 Special.	14.3	-	-	-	-	-	14.3	3,120
5 Special.	13.9	-	-	-	-	-	13.9	1,010
6 Special.	13.5	-	-	-	-	-	13.5	517
1 CW.								
Garnet ..	13.1	-	-	-	12.6	12.4	12.5	777
2 CW.								
Garnet ..	13.3	-	-	-	12.4	12.3	12.6	8,608
3 CW.								
Garnet ..	13.2	13.7	-	-	12.4	12.2	12.7	4,653
All Grades	13.9	14.5	14.3	14.9	13.7	12.9	13.8	159,018

1/ All protein (N x 5.7) results are computed on a 13.5% moisture basis.

Amber Durum Wheat, 1938

"The seventh annual survey of the protein content of Western Canadian Amber Durum wheat was conducted upon 1,293 samples each representing a carlot shipment. Of these 1,010 originated from 264 stations in Manitoba, 278 from 110 stations in Saskatchewan and 5 from two stations in Alberta. The collections were restricted to the grades Nos. 1 C.W. to 4 C.W. inclusive and were made over a period of about ten weeks in order that they should be fairly representative of the deliveries from the various districts.

"The nitrogen determinations were conducted according to the Kjeldahl-Gunning-Arnold procedure using a one-gram sample, the results being converted to protein by means of the factor 5.7; all protein results are computed on the basis of 13.5% moisture (Brown-Duvel) in the wheat.

"The protein content of the 1938 Amber Durum crop is very similar to that of the 1937 crop. The only notable difference is in the greater variability of protein content within the 3 C.W. and 4 C.W. grades of this year's crop. As was the case with the 1937 crop, there is no relationship between grade and protein content.

"Most of the Amber Durum wheat grown in Manitoba is produced in crop districts 1, 2, 3, 7 and 8 and the mean protein content of the durum wheat from all these districts except No. 8 is the same at 12.8% and 12.7%; for crop district No. 8 the mean is 12.1%. Examination shows that the protein content of Saskatchewan grown durum wheat is considerably higher than that produced in Manitoba.

"In regard to the mean values, it should be borne in mind that these are based solely upon the number of samples tested and do not take into consideration the relative volumes produced in the various districts. However, in addition to analyzing the samples obtained for the survey, tests have been conducted on weekly average samples of the various grades collected in the Winnipeg Inspection Office where virtually all durum wheat shipments are primarily inspected. These averages represent a much larger volume of grain than do the samples collected in the survey and as the number of cars included in each average is known, it has been possible to compute weighted average values which represent the mean protein content of the various grades during the season covered by the collections. These data are recorded in Table VI.



"TABLE V. - Mean Protein Contents of the Various Grades of Amber Durum Wheat Surveyed for the Years 1934 to 1938 Inclusive. 1/

Crop Year	1 C.W.	2 C.W.	3 C.W.	4 C.W.	All Grades
	%	%	%	%	%
1934 .....	14.0	13.6	13.3	-	13.9
1935 .....	14.1	12.6	12.3	12.5	12.5
1936 .....	15.2	15.9	16.2	15.6	15.7
1937 .....	13.5	13.1	12.9	12.6	13.0
1938 .....	13.4	12.9	13.2	13.7	13.0

"TABLE VI. - Mean Protein Contents of Winnipeg Averages, Canada Western Amber Durum Wheat, 1938 Crop.

(Collection Period August 1 to November 14 inclusive)

Grade No.	Number of Cars	Percentage of Total Cars	Mean Protein Content	Approximate No. of Bushels
			%	(000 omitted)
1 C.W. ....	501	7.4	13.2	775
2 C.W. ....	4,408	64.7	12.8	6,819
3 C.W. ....	1,854	27.2	13.3	2,868
4 C.W. ....	49	.7	13.9	76
All Grades .	6,812	100.0	13.0	10,538

1/ All protein results (N x 5.7) computed on a 13.5% moisture basis."

## II. LAKE MOVEMENT

The following table summarizes the movement of wheat down the Lakes from the opening to the close of navigation in 1938, with comparative figures for 1937:

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)						
Dec.9,1938:	96,285,762	16,745,456	12,908,484	6,178,771	112,066	132,230,539
Dec.9,1937:	64,560,048	10,613,100	12,383,554	1,396,008	278,168	89,230,878

The total lake movement of Canadian wheat in 1938 is shown above in comparison with that of 1937. The 1938 volume of 132.2 million bushels was 48 per cent larger than in 1937, but 21 per cent below the total movement of 166.8 million bushels in 1936.

### III. VALUE OF CANADIAN FIELD CROPS, 1938

On December 9, the Dominion Bureau of Statistics issued a bulletin giving by provinces the first estimate of the farm value of field crop production for 1938 as compared with the values for 1936 and 1937. The values per unit assigned to each crop represent average prices received by farmers up to the end of November and have been determined by the Bureau after consultation with the Provincial Departments of Agriculture. It should be observed that these estimates are subject to revision and that they do not represent cash income received from sales but are gross values of farm production. Several of the crops, such as mixed grains, turnips, fodder corn, etc., are almost wholly utilized on the farms on which they are grown.

#### Summary

The first estimate of the gross value of the principal field crops grown in Canada in 1938 is \$527,419,000, which is \$30,968,000 or 6 per cent below the estimated value of the 1937 production, and \$84,331,400 below that of 1936. The values of the 1936 harvest were the highest since 1930. Very low yields in 1937 and sharply reduced prices in 1938 have resulted in successive reductions in value in the past two years. The estimated values in Canada for the past nine years are as follows:

	<u>Dollars</u>
1930 .....	662,040,900
1931 .....	435,966,400
1932 .....	452,526,900
1933 .....	453,598,000
1934 .....	549,079,600
1935 .....	511,872,900
1936 .....	612,300,400
1937 .....	558,387,000
1938 .....	527,419,000

While the 1938 wheat production is nearly double that of 1937, the average farm price is only 57 cents as compared with \$1.02 last year. Thus the value of the crop is only about 12 million dollars greater. Increases in the production of oats, barley and rye in 1938 failed to offset declines in prices and the combined values of these crops is \$35,694,000 less than in 1937. Farm prices for oats in 1938 have averaged 25 cents per bushel as compared with 43 cents in 1937; for barley, 28 cents as compared with 51 cents and for rye 23 cents as compared with 72 cents per bushel last year. Flaxseed production in 1938 was more than double that of 1937, which offset the decline of 36 cents in the average farm price and increased the total value by nearly \$500,000.

#### Value of the Wheat Crop in Canada, by Provinces, 1936, 1937 and 1938

	<u>1936</u>	<u>1937</u>	<u>1938</u>
	<u>Dollars</u>		
Prince Edward Island .....	219,000	312,000	173,000
Nova Scotia .....	91,000	70,000	56,000
New Brunswick .....	367,000	253,000	212,000
Quebec .....	1,069,000	1,094,000	840,000
Ontario .....	16,469,000	19,868,000	12,030,000
Manitoba .....	23,660,000	48,960,000	30,090,000
Saskatchewan .....	101,200,000	38,850,000	73,920,000
Alberta .....	60,720,000	75,430,000	80,370,000
British Columbia .....	1,532,000	2,033,000	1,184,000
CANADA .....	205,327,000	186,925,000	193,875,000

#### IV. PRIMARY MOVEMENT

The following table shows primary receipts of wheat in the Prairie Provinces for the 1938-39 crop year along with comparative figures for 1937-38:

Week ending	Manitoba	Saskatchewan	Alberta	Totals	Last Year
	(bushels)				
August 5	73,493	132,692	165,925	372,110	202,653
12	654,603	277,409	462,855	1,394,867	1,184,503
19	3,073,725	1,210,203	769,478	5,053,406	4,188,848
26	8,899,851	4,333,433	1,472,903	14,706,187	8,348,169
September 2	10,358,006	9,698,026	4,797,617	24,853,649	11,788,675
9	5,603,895	14,332,054	9,270,075	29,206,024	10,475,662
16	4,088,070	9,113,412	8,775,982	21,977,464	10,786,013
23	2,826,203	11,259,442	17,704,278	31,789,923	12,058,677
30	530,011	12,185,920	15,982,686	28,698,617	6,544,558
October 7	623,055	8,764,462	11,549,056	20,936,573	3,783,667
14	801,551	5,001,133	7,647,733	13,450,417	3,339,873
21	597,720	5,702,426	7,915,745	14,215,891	3,850,186
28	658,833	5,793,981	6,536,269	12,989,083	4,930,385
November 4	493,745	3,638,522	5,213,667	9,345,934	4,331,575
11	430,033	1,754,908	2,733,433	4,918,374	2,694,077
18	332,338	1,843,541	2,776,316	4,952,195	1,981,693
25	262,454	1,557,745	2,035,018	3,855,217	1,537,677
December 2	172,932	1,253,628	1,787,522	3,214,082	1,655,250
9	220,296	1,074,060	1,108,133	2,402,489	1,160,640
16	113,895	912,465	1,834,472	2,860,832	1,329,218
TOTALS .....	40,814,709	99,839,462	110,539,163	251,193,334	96,171,999

#### V. MOVEMENT OF WHEAT TO MARITIME PORTS

So far during the current season, the winter rail movement of wheat from Georgian Bay, Lake Huron and Lower Lake port elevators to Saint John, New Brunswick and Halifax, Nova Scotia, has been relatively minor at 123,754 bushels, compared with 4,243,425 shipped by rail to date a year ago.

##### Origin and Amount of Wheat Shipments to Maritime Ports, to December 15, 1938

Origin	Week ending December 1	Week ending December 8	Week ending December 15	Total to December 15
	(bushels)			
Port McNicoll .....	8,000	16,000	-	24,000
Owen Sound .....	-	24,040	31,973	56,013
Goderich .....	43,741	-	-	43,741
TOTALS .....	51,741	40,040	31,973	123,754

Last Year's total rail shipments to December 16 ..... 4,243,425



**CUMULATIVE RECORD OF WHEAT MARKETINGS**  
**IN THE**  
**PRAIRIE PROVINCES, BY WEEKS**  
1937-38 AND 1938-39 TO DATE

MILLIONS  
OF  
BUSHELS

300

200

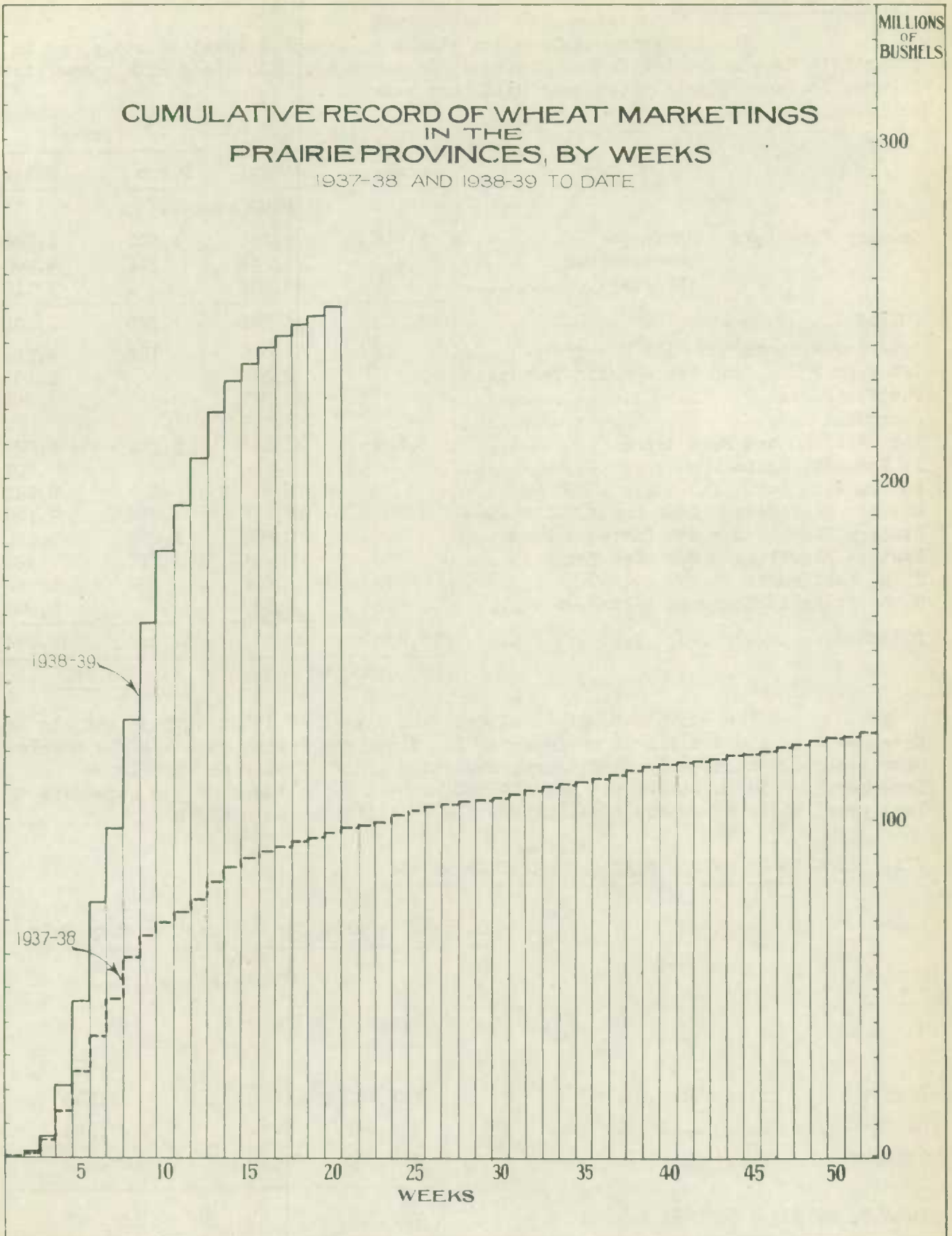
100

0

1938-39

1937-38

WEEKS



VI. VISIBLE SUPPLY

The following table shows stocks of Canadian wheat in store and in transit in Canada and the United States on December 16, 1938 along with comparative figures for approximately the same date last year.

	1938		1937	
	Durum	Other	Durum	Other
	(000 bushels)			
Country Elevators - Manitoba .....	2,615	5,555	1,630	1,795
Saskatchewan .....	485	21,245	155	4,600
Alberta .....	-	26,445	-	7,110
TOTALS .....	3,100	53,245	1,785	13,505
Interior Private and Mill Elevators .....	87	5,310	193	4,554
Interior Public and Semi-public Terminals .....	-	6,329	-	1,161
Pacific Ports .....	-	16,327	-	3,361
Churchill .....	-	2,157	-	12
Fort William and Port Arthur .....	3,656	32,253	6,712	3,896
In Transit, Lakes .....	-	-	-	202
In Transit, Rail .....	-	5,353	-	3,642
Eastern Elevators - Lake Ports .....	4,636	18,837	3,614	9,198
Eastern Elevators - St. Lawrence Ports ..	703	10,095	1,238	1,250
Eastern Elevators - Maritime Ports .....	23	56	272	440
U. S. Lake Ports .....	745	5,698	652	1,063
U. S. Atlantic Seaboard Ports .....	902	1,157	-	3,600
TOTALS .....	13,852	156,817	14,466	45,884
	170,669		60,350	

The visible supply declined from a peak of 180.2 million bushels on November 4 to 170.7 millions on December 2. Since the latter date visible stocks have remained practically stationary, amounting to 170.7 million bushels on December 16. Durum stocks are now 614,000 bushels below those at the same date last year, while bread-wheat stocks are 110.9 million bushels higher.

VII. IMPORTS OF UNITED STATES WHEAT INTO CANADACustoms Imports for Consumption Duty Paid

(bushels)

	1938	1937
August .....	323,740	52,106
September .....	124,167	77,269
October .....	291,250	228,617
TOTALS, AUGUST - OCTOBER ...	739,157	357,992

MILLION  
BUSHELS

WEEKLY  
VISIBLE SUPPLY OF CANADIAN WHEAT  
1936-37, 1937-38 AND 1938-39 TO DATE

200

150

100

50

0

1

10

20

30

40

50

WEEKS

1936-37

1938-39

1937-38



VIII. EXPORT CLEARANCES OF CANADIAN WHEAT 1938-39.

Week ending	Montreal	Sorel	Three Rivers	Churchill	Vancouver New Westminster	United States Ports	Total Clearances
(bushels)							
Aug. 4	308,831	-	-	-	-	97,304	406,135
11	1,257,370	-	212,600	-	6,083	402,591	1,878,644
18	1,256,001	-	-	-	-	155,225	1,411,226
25	1,423,606	-	122,999	-	-	182,326	1,728,931
Sept. 1	1,342,022	-	-	-	84	534,278	1,936,384
8	1,160,142	-	16,000	-	134,400	177,000	1,487,542
15	1,684,442	283,441	450,800	-	560,125	451,062	3,429,870
22	1,665,835	-	495,982	-	531,200	336,237	3,029,254
29	2,225,562	774,155	654,700	303,191	330,337	270,286	4,614,231
Oct. 6	1,605,496	872,533	771,600	613,722	385,237	336,314	4,585,452
13	1,701,747	763,547	159,855	-	292,500	66,735	2,984,334
20	3,443,601	1,760,785	724,078	-	742,733	615,753	7,343,021
27	3,400,058	1,398,048	284,300	-	1,129,340	187,515	6,399,261
Nov. 3	2,067,738	459,967	55,924	-	1,219,541	476,940	4,280,160
10	1,120,573	1,020,034	461,100	-	1,298,143	147,235	4,047,091
17	1,930,649	750,000	1,102,808	-	1,324,780	184,695	5,292,932
24	2,469,951	1,215,689	509,475	-	1,062,742	192,750	5,450,607
Dec. 1	954,885	116,103	-	-	1,464,147	266,830	2,801,971
8	153,019	-	-	-	1,141,022	90,182	1,389,223
15	320	-	-	-	693,421	27,507	753,707
TOTALS	31,176,898	9,414,308	6,022,221	916,913	12,315,891	5,259,270	65,250,026 1/
LAST YEAR	22,541,611	2,476,039	420,811	603,982	4,066,413	7,327,462	39,338,599 2/

1/ Including 112,066 bushels shipped directly from Fort William-Port Arthur and 32,459 bushels from Saint John.

2/ Including 1,837,896 bushels shipped directly from Saint John and 114,375 bushels from Fort William-Port Arthur.

IX. IMPORTS OF CANADIAN WHEAT INTO THE UNITED STATES

	For Consumption Duty Paid	For Milling in Bond	TOTALS
(bushels)			
Final Monthly Figures -			
August, 1938 .....	174	9,750	9,924
September .....	645	924,125	924,770
October .....	1,791	1,223,132	1,224,923
Preliminary Weekly Figures-			
November 5 .....	-	280,000	280,000
12 .....	-	197,000	197,000
19 .....	-	154,000	154,000
26 .....	-	207,000	207,000
December 3 .....	7,000	198,000	205,000
10 .....	7,000	112,000	119,000
17 .....	-	98,000	98,000
PRELIMINARY TOTALS			
August 1 to date .....	16,610	3,403,007	3,419,617

# X. THE STATISTICAL POSITION

(a) In Canada: The following table summarizes the statistical position of wheat in Canada as at December 1, 1938, with comparative figures for the same date in 1937:

	<u>1937-38</u>	<u>1938-39</u>
	(bushels)	
Carry-over in Canada, July 31 .....	32,937,991	23,411,171
New Crop .....	182,410,000	348,100,000
Total Supplies .....	215,347,991	371,511,171
Domestic Requirements .....	100,593,646	103,000,000 <sup>1/</sup>
Available Supplies .....	114,754,345	268,511,171
Exports, August-November .....	43,064,835	72,419,980
Balance for Export or Carry-over, December 1.	71,689,510	196,091,191
<sup>1/</sup> Tentative.		

The above mentioned 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 the months of August to November. According to this calculation, the balance of wheat available on December 1 for export from Canada or for the July 31 carry-over in Canada only, amounts to 196.1 million bushels compared with 71.7 million bushels a year earlier, representing an increase in current supplies of 124.4 million bushels compared with those of a year earlier.

(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 196.8 million bushels on December 1, available for export or for the July 31 carry-over in Canada and the United States, compared with 75.2 million bushels a year earlier, indicating an increase of 121.6 million bushels in the current available supplies between the two years.

	<u>1937-38</u>	<u>1938-39</u>
	(bushels)	
Carry-over in Canada and the United States, July 31	37,048,839	24,393,801
New Crop .....	182,410,000	348,100,000
Total Supplies .....	219,458,839	372,493,801
Domestic Requirements .....	100,593,646	103,000,000 <sup>1/</sup>
Available Supplies .....	118,865,193	269,493,801
Export Movement, August - November		
Overseas Clearances .....	35,775,941	62,392,504
United States' Imports .....	1,852,426	2,997,617
Flour as wheat .....	6,019,480	7,256,183
	43,647,847	72,646,304
Balance for Export or Carry-over, December 1 .....	75,217,346	196,847,497

<sup>1/</sup> Tentative.



1010686546

# XI. EXPORTS OF CANADIAN WHEAT AND WHEAT FLOUR

The following tables give the Customs totals of wheat and flour exports during the 1938-39 crop year, with comparative figures for preceding years:

	W H E A T			
	1938-39	1937-38	1936-37	1935-36
		(bushels)		
August .....	6,266,055	6,544,967	21,157,268	21,698,284
September .....	12,614,858	5,903,060	20,720,316	17,272,672
October .....	24,579,370	10,055,102	26,917,096	28,919,421
November .....	21,703,514	14,542,227	33,308,840	26,575,296
December .....	6,636,261	20,427,916	17,043,882	17,043,882
January .....	7,193,986	9,789,027	7,557,320	7,557,320
February .....	2,838,804	5,362,031	14,241,169	14,241,169
March .....	3,487,449	4,748,599	13,146,185	13,146,185
April .....	1,617,703	3,617,803	6,572,364	6,572,364
May .....	3,370,545	8,026,507	27,316,983	27,316,983
June .....	7,275,376	12,180,068	25,763,565	25,763,565
July .....	7,248,115	8,602,689	25,912,508	25,912,508
TOTALS .....	76,713,595	174,858,160	232,019,649	232,019,649

	F L O U R			
	1938-39	1937-38	1936-37	1935-36
		(barrels)		
August .....	286,270	288,608	376,728	376,562
September .....	319,739	306,655	378,318	395,640
October .....	528,601	336,478	464,013	501,442
November .....	477,875	405,921	408,653	525,368
December .....		337,678	475,282	443,828
January .....		295,776	313,923	314,311
February .....		272,488	347,884	340,102
March .....		301,735	390,315	476,773
April .....		184,703	285,724	281,162
May .....		297,126	348,866	448,653
June .....		299,503	389,995	430,171
July .....		282,985	334,964	444,905
TOTALS .....		3,609,656	4,525,665	4,978,917

	WHEAT AND WHEAT FLOUR			
	1938-39	1937-38	1936-37	1935-36
		(bushels)		
August .....	7,554,270	7,843,703	22,902,044	23,392,813
September .....	14,053,684	7,283,008	22,422,747	19,053,052
October .....	26,958,075	11,569,253	29,005,155	31,175,910
November .....	23,853,951	16,368,871	35,147,778	28,939,452
December .....		8,155,812	22,566,685	19,041,108
January .....		8,524,978	11,201,680	8,971,720
February .....		4,065,000	6,927,509	15,771,628
March .....		4,845,256	6,505,017	15,291,663
April .....		2,448,867	4,903,561	7,837,593
May .....		4,707,612	9,596,404	29,335,921
June .....		8,623,139	13,935,046	27,699,335
July .....		8,521,548	10,110,027	27,914,580
TOTALS .....		92,957,047	195,223,653	254,424,775