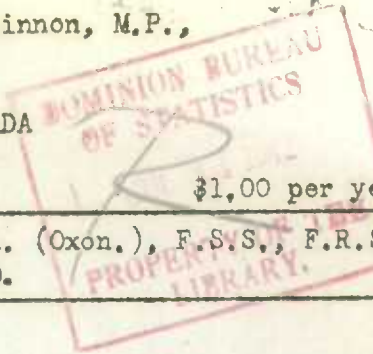


22-D-01A

Historical File Copy

Published by Authority of the Hon. James A. MacKinnon, M.P.,
Minister of Trade and Commerce

DOMINION BUREAU OF STATISTICS - CANADA
AGRICULTURAL BRANCH



Acting Dominion Statistician:
Chief, Agricultural Branch:

S.A. Cudmore, M.A. (Oxon.), F.S.S., F.R.S.C.
C.F. Wilson, Ph.D.

THE GRAIN SITUATION IN ARGENTINA

Ottawa, July 13, 1942.- The correspondent of the Dominion Bureau of Statistics in Buenos Aires has forwarded the following report, under date of July 4, 1942, dealing with the grain situation in Argentina.

Crop Conditions

Some of the coldest weather experienced for many years prevailed in the Republic during the month of June. Frosts were of almost nightly occurrence, and although there was at times heavy atmospheric humidity, very little rain fell. The only exception to this was in the province of Entre Rios, where there was generous precipitation.

Seeding is of course later than usual, with germination slow. Progress will be slow, unless and until the weather changes. But in compensation it may be anticipated that the insect pests which have had almost their own way in recent seasons will now receive a check.

A decrease in the wheat area is generally looked for this season and early private estimates place it at around 17 million acres, although it is of course too early for these guesses to have any value.

The monthly official crop report of the Ministry of Agriculture says that during June the prevalent drought persisted throughout the cereal zone, with the exception of the province of Entre Rios, making difficult the work of cultivation of the land and the seeding of winter crops, but on the other hand making the harvesting of maize easy.

In the province of Buenos Aires ploughing is proceeding under difficult conditions because of the hardness and dryness of the land, especially in the west and south-west, where the lack of rains has been most pronounced.

In Santa Fe seeding goes on under more normal conditions, except in the south, where the farmers are waiting for rains.

In the north and centre of Cordoba seeding is general, although hampered by the dry conditions.

In Entre Rios excessive rains have fallen, delaying the work, but this is now proceeding normally again.

Generally a decrease in the area under wheat seems probably, except in the Pampa and the province of Cordoba, where a normal acreage seems likely.

The wheat already germinated has been held back by frosts and cold weather, but it is in good condition, although needing rain badly.

With regard to the maize crop, the condition of the second plantings in Santa Fe and Cordoba is only fair, owing to the drought in its period of development; but the grain generally is mature now. In these provinces gathering of the early plantings is being pressed forward, favoured by the cold and dry weather, and 60 per cent is estimated to be already in the cribs.

In the north and west of Buenos Aires picking is almost finished, having been carried through under good conditions generally.

In the other maize zones harvesting is general. The crop is good generally, and although affected by weevil damage the quality is mostly good; but in the Pampa the yields are low and the quality inferior.

Shelling of the old crop proceeds slowly. Most of it is destined for local consumption.

Supplies and Markets

Wheat - Exports during June totalled 7,322,000 bushels, of which 7,127,000 bushels were grain and 195,000 bushels were flour in terms of grain. The combined total in the preceding month was 7,032,000 bushels.

The statistical position at the close of the half year is as follows:

Third official estimate 1941-42 crop	224,133,000 bushels
Carry-over from 1940-41 crop	119,765,000 "
Total supplies	343,898,000 "
Deduction for seed and domestic needs	110,229,000 "
Surplus available for export	233,669,000 "
Shipments) Wheat	40,260,000 bushels
to June 30) Wheat as flour .. 905,000 "	41,165,000 "
Balance still available	192,504,000 "

Very little business was transacted with Europe during the month for lack of demand. Great Britain purchased several cargoes, paying 7.57 for new wheat ex Rosario and 7.70 ex Buenos Aires. Probably the British purchases amounted to 40,000 tons (1,470,000 bushels) or more.

Spain was the only other European country seeking Argentine wheat. Negotiations still continue for the purchase of 100,000 tons (3,674,000 bushels), and shipments are being arranged without waiting for the conclusion of the formal contract.

Brazil, Paraguay and other neighbouring countries are steady buyers on a moderate scale.

More of the new crop again is moving now that the authorities have consented to allow the millers to acquire new wheat from the Board for mixing with the old. The old grain meets with little demand, most shippers giving preference to the new crop with its superior quality; but Brazil still is taking some of the old.

As mentioned elsewhere, the prospects are that a smaller area will be planted with wheat this season, and as seeding is backward and prospects not very good no reduction in price levels is at present anticipated.

Linseed - Shipments during June were 1,417,000 bushels, which compares with 1,603,000 bushels in May, and leaves the current statistical situation as shown below:

Third official estimate 1941-42 crop	62,989,000 bushels
Carry-over from 1940-41 crop	25,718,000 "
Total supplies	88,707,000 "
Deduct for seed and domestic requirements	13,779,000 "
Surplus available for export	74,928,000 "
Shipments to end of June	9,659,000 "
Balance still available	65,269,000 "

The market was almost stagnant throughout June for lack of demand. A moderate reduction in price was announced by the Board, but without producing the desired result, and sales were limited to some small quantities to Sweden and South American countries.

The United States Government was in negotiation with the Argentine Grain Board for a quantity of linseed oil. 8,000 tons (315,000 bushels) were sought, but the quantity available was too small, and the transaction finally arranged was for only 4,000 tons (157,000 bushels) in bulk at 80 centavos per kilogram f.o.b.

It is understood that the purchasing of the Allied Nations will be pooled in future and the joint interests will be looked after by the United States, so that future buying of Argentine Linseed will be a matter of negotiation between one selling and one purchasing authority, so far as the principal consumers are concerned.

Further crushing of 100,000 tons (3,937,000 bushels) of seed is talked of, the oil being less difficult to secure transportation for than the bulkier seed.

The great and growing scarcity of bags has necessitated the restriction of their use as far as possible, especially in handling export produce. Hence prices of linseed are now quoted on the basis of handling in bulk, and there is an addition of 10 per cent to the prices of seed to be loaded in bags.

The Grain Board still declines to make sales of linseed of the 1941-42 crop; hence all shipments so far have been of the produce of previous crops.

At the close of the month the price of linseed in the port of Buenos Aires was 18.30 in bulk, with an addition of 1.80 per 100 kilos for bags.

Maize - Shipments of maize during the month of June were only 466,000 bushels, most of it damaged grain sent across the river to Uruguay for use as fuel.

The following statement shows the supply position approximately:

First official estimate 1941-42 crop	362,187,000 bushels	
Carry-over from 1940-41 crop	136,551,000	"
Total supplies	498,738,000	"
Deduct for seed and domestic requirements	78,736,000	"
Surplus available for export	420,002,000	"
Shipments April 1 to June 30	841,000	"
Balance still available	419,161,000	"

On June 22 the Grain Board finally commenced to purchase maize of the new crop at the fixed minimum price of 4.40 pesos per 100 kilos, shelled and bagged, on cars in the port of Buenos Aires; or at an equivalent price at the local railway station after deducting the freight and handling costs.

The price named is what is paid to an actual grower with not more than 173 acres planted with corn. Beyond that there are graduated reductions and in the price paid, running from 5 per cent to 40 per cent according to the cultivated area.

Another restricting factor is the requirement that a producer desiring to sell his maize to the Grain Board must first re-purchase from the Board at 20 centavos per 100 kilos whatever quantity he may have sold to the Board of the previous crop, having the right to dispose of this re-purchased grain in any way he finds convenient except by selling it for export. Thus every beneficiary of the system of official help in marketing the new crop must become a salesman assisting the Grain Board to unload its enormous stocks of damaged corn of the last crop, unless he can make use of it himself as fuel or as animal feed.

In practice the restrictions attached to obtaining the minimum price from the Board for the new crop are having the effect of discouraging the growers from availing themselves of it at all, and very few purchases by the Board have so far been made.

Meanwhile, it is announced that arrangements are being made for the giving away, free, by the government of 100,000 tons (3,937,000 bushels) of shelled maize to the needy poor in any part of the Republic. The distribution will be made by local committees.

Thanks to the recent drought and comparatively severe weather, an unusually heavy demand has arisen for maize for animal feed and for domestic fuel.

Lack of bags is an obstacle both to the shelling of maize and to the marketing of it. Sales for export have been missed for this reason.

Oats - Oat shipments were small, only 212,000 bushels going out, which compares with 134,000 bushels in the previous month, and leaves the supply position as shown below:

Third official estimate 1941-42 crop	29,179,000 bushels	
Carry-over from 1940-41 crop	10,942,000	"
Total supplies	40,121,000	"
Seed and domestic requirements	29,827,000	"
Exportable surplus	10,293,000	"
Shipments to June 30	858,000	"
Balance still available	9,435,000	"

Stocks of oats are quite possibly appreciably lower than appears in the above statement. Certainly market conditions appear to suggest it, as even parcels of ordinary grain command prices at least double those of a few weeks ago, and really choice samples sold a few days ago at 10.70 pesos per 100 kilos. A slight recession as the month closed brought prices down a little, leaving good white oats quoted 9.50 and Superior 10.30 per 100 kilos.

Barley - June barley shipments were 434,000 bushels, as against 331,000 bushels in May, which leaves the supply position as under:

Third official estimate 1941-42 crop	16,994,000 bushels
Carry-over from 1940-41 crop	11,016,000 "
Total	28,010,000 "
Seed and domestic requirements	16,075,000 "
Exportable surplus	11,935,000 "
Shipments to end of June	3,264,000 "
Balance still on hand	8,671,000 "

Clean barley of special quality is in good demand, but this appears to be almost exclusively for the local market, the only recent sales for export being some parcels for Switzerland, totalling 3,000 tons (138,000 bushels) or 4,000 tons (184,000 bushels).

Some of the strength recently shown in the oat market appears to have influenced that for barley, and grain of good quality has changed hands at as high as 6 per 100 kilos, with the ordinary run about 5.

Rye - The market is stagnant, with no export sales recorded, the supply position remaining unchanged from that shown in the last report.

Grain Exports during 1941.

Details of the exports of wheat, wheat flour, linseed and maize during the year 1941, with the final destinations, were as shown hereunder, according to information kindly supplied by the Director General of the Statistics of the Argentine Republic.

<u>Destinations</u>	<u>Wheat</u>	<u>Flour</u>	<u>Linseed</u>	<u>Maize</u>
		(b u s h e l s)		
United Kingdom	21,516,000	18,000	2,984,000	3,262,000
British Asia	-	-	-	497,000
British Central America	-	-	5,000	45,100
Australia	-	-	-	11,100
Bolivia	1,879,000	483,000	-	345,000
Brazil	35,068,000	242,000	200,000	2,800
Canada	-	-	44,000	459,000
Chile	359,000	161,000	71,300	120,000
Columbia	-	-	200	-
Costa Rica	-	-	500	-
Cuba	-	-	300	3,700
Ecuador	37	-	-	-
Egypt	-	-	-	793,000
Estonia	-	37	-	-
Finland	276,000	300	114,000	19,600
France	-	2,000	-	-
Germany	-	37	58,700	-
Greece	-	1,400	-	-
Iceland	-	-	-	200
Italy	-	300	-	-
Japan	271,000	400	957,000	-
Latvia	-	37	-	-
Mexico	-	-	61,200	400
Norway	-	400	-	-
Netherlands	-	300	-	-
Netherlands Indies	700	-	-	-
Panama	-	200	-	-
Paraguay	1,348,000	167,000	300	9,900
Peru	3,482,000	73	700	80
Poland	-	73	-	-
Portugal	175,000	700	189,000	118,000

Grain Exports during 1941 (Concluded)

	<u>Wheat</u>	<u>Flour</u>	<u>Linseed</u>	<u>Maize</u>
Portuguese Africa	1,800	3,200	17,800	-
Russia	76,700	147	-	-
Spain	16,412,000	17,600	378,000	11,500,000
Spanish Africa	297,000	18,300	-	1,193,000
Sweden	-	1,200	393,000	671,000
Switzerland	1,086,000	76,700	39,100	1,839,000
Union of South Africa	-	-	44,300	-
United States	31,200	396,000	20,448,000	109,000
Uruguay	3,763,000	1,800	73,600	735,000
Venezuela	16,400	-	9,800	-
Sunken Cargoes	1,745,000	-	79,500	39,800
Totals 1941	<u>87,804,000</u>	<u>1,592,000</u>	<u>26,169,000</u>	<u>21,774,000</u>
Totals 1940	<u>133,749,000</u>	<u>2,600,000</u>	<u>29,612,000</u>	<u>73,804,000</u>

STATISTICS CANADA LIBRARY
BIBLIOTHÈQUE STATISTIQUE CANADA



1010722935

ANNUÉ	INDICATEUR	UNITÉ	ANNÉE	DESCRIPTION
1997	000,000	000,000	1997	.....
1998	000,000	000,000	1998	.....
1999	000,000	000,000	1999	.....
2000	000,000	000,000	2000	.....
2001	000,000	000,000	2001	.....
2002	000,000	000,000	2002	.....
2003	000,000	000,000	2003	.....
2004	000,000	000,000	2004	.....
2005	000,000	000,000	2005	.....
2006	000,000	000,000	2006	.....
2007	000,000	000,000	2007	.....
2008	000,000	000,000	2008	.....
2009	000,000	000,000	2009	.....
2010	000,000	000,000	2010	.....
2011	000,000	000,000	2011	.....
2012	000,000	000,000	2012	.....
2013	000,000	000,000	2013	.....
2014	000,000	000,000	2014	.....
2015	000,000	000,000	2015	.....
2016	000,000	000,000	2016	.....
2017	000,000	000,000	2017	.....
2018	000,000	000,000	2018	.....
2019	000,000	000,000	2019	.....
2020	000,000	000,000	2020	.....
2021	000,000	000,000	2021	.....
2022	000,000	000,000	2022	.....