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DOMINION BUREAU OF STATISTICS - CANADA
AGRICULTURAL BRANCH

Dominion Statistician: S. A. Cudmore, M.A. (Oxon.), F.S.S., F.R.S.C.
Chief, Agricultural Branch: C. F. Wilson, Ph.D.

THE GRAIN SITUATION IN ARGENTINA

Ottawa, November 23, 1943.- The correspondent of the Dominion Bureau of Statistics in Buenos Aires has forwarded the following report under date of November 3, 1943.

Crop Conditions

The regular monthly official report on crop conditions states that October weather conditions were quite favourable, and the abundant rains which were recorded in the greater part of the cereal zone and the mild temperatures considerably improved the grain fields, particularly in the western part of Buenos Aires and in the Pampa, where the crop prospects are now promising and yields are likely to be above normal.

The rains notably diminished the damage which the September frosts had caused, especially in the wheat fields in Santa Fe.

The rains also permitted the active prosecution of the work on the land under good conditions, in preparation for the planting of maize.

The Wheat Crop: Generally the condition of the wheat fields may be said to be from good to very good. In Santa Fe cutting will begin in the first half of November, and a yield in excess of 22 bushels per acre is foreseen in the southern areas. On the other hand, in the northern part of the same province the north-east of Cordoba and south-east of Santiago, although the plants have shown some improvement, the crop prospects are only fair, if one takes into account that owing to the September frosts there were losses of area which, perhaps prematurely, had livestock turned in to pasture without waiting for the reaction which opportune rains might bring about. In the district of San Justo in Cordoba, a heavy attack of rust (*Puccinia triticina*) is causing damage.

The Linseed Crop: The October rains have helped to maintain the condition of the fields of this oilseed, which is judged to be from good to very good. In the extreme north cutting will commence in the middle of November.

Oats, Barley and Rye: The condition of these crops is excellent. It is noticeable that even outside the principal producing zones the proportion of the plants which are being allowed to run to seed is important.

The Maize Crop: Planting of this crop is proceeding under good conditions, especially in the province of Cordoba and the north of Buenos Aires. A larger area than that of last season is being planted. The condition of the fields which have already germinated is good, with the exception that in the Belgrano district of Santa Fe there are fields which have been lightly damaged by the intense cold.

The Rice Crop: Preparation of the ground having been completed, planting is proceeding actively in Corrientes, Santa Fe and Entre Rios. An increase in the area is confirmed, and the condition of the plants which are above the ground is excellent.

Unofficial reports confirm the optimistic nature of the above. No recent frosts have occurred so far as is known, which is fortunate, as much of the wheat crop is in the delicate milk stage and the linseed is either in flower or in pod and very susceptible to frost damage.

Seeded Areas - Third Official Estimate

The third, and presumably final, official calculation of the areas seeded to the five principal field crops (excluding maize), which was published a few days ago, shows relatively minor changes from the earlier figures.

Wheat and linseed acreages are still below those of last season, and the other three crops continue to show higher areas, as will be seen from the statement below:

	<u>1943-44 Sowings</u>	<u>Comparison with 1942-43</u>
	acres	acres
Wheat	16,914,000	65,300 decrease
Linseed	5,827,400	282,300 "
Oats	5,258,800	503,000 increase
Barley	1,743,500	323,000 "
Rye	4,509,500	217,900 "
T o t a l	34,253,200	696,300 net increase

The detailed figures for the season 1942-43 and the five and ten-year averages may be found in the last report dated October 4.

Supplies and Markets

Wheat Exports of wheat during October totalled 7,039,000 bushels, of which 6,776,000 bushels were grain and 263,000 bushels flour in terms of grain. In September the combined total was 6,729,000 bushels.

The official Statisticians have written off from the wheat stocks an additional 4,042,000 bushels regarded as lost. Taking this duly into account, the following is now the supply position:

Third official estimate 1942-43 crop		235,156,000 bushels
Carry-over from 1941-42 crop		159,875,000 "
Total Supplies		395,031,000 "
Deductions:		
Seed and domestic use	101,044,000 bushels	
Probable waste	16,167,000 "	
Reserve fuel and forage	91,858,000 "	209,069,000 "
Exportable Surplus		185,963,000 "
Shipments to) Wheat	51,555,000 bushels	
October 31) Wheat as flour ...	2,643,000 "	54,198,000 "
Balance still available		131,765,000 "

Of the above balance something over 300,000 tons (11,023,000 bushels) is under contract to Spain, but has not yet been shipped.

It is reported unofficially that 150,000 tons (5,511,000 bushels) have been purchased by the Commodity Credit Corporation for shipment to the United States, and additional purchases are not unlikely should the necessary shipping be found available.

Trading in the wheat market was very quiet during the month. Brazil is still a steady buyer, and 551,000 bushels were sold to Sweden. Great Britain is showing no interest at present.

The Grain Board last week again made a slight increase in the prices asked for export wheat. Higher handling charges in the ports, made necessary by increases in the wages paid to port employees, are now an additional impediment to business.

On December 1 the new basic prices guaranteed to the producer will become effective, giving the wheat grower the equivalent of 65 cents per bushel for this grain of standard weight and quality.

Linseed October shipments were 3,839,000 bushels, which compares with 4,186,000 bushels in the preceding month.

The following is now the supply position as adjusted to bring it into conformity with official figures:

Third official estimate 1942-43 crop	60,037,000 bushels
Carry-over from previous crops	72,111,000 "
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Total supplies	132,148,000 "
Deduct for seed	7,165,000 bushels
crushing	70,942,000 "
probable waste	1,968,000 "
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Exportable surplus	52,073,000 "
Shipments to October 31	25,370,000 "
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Balance still available	26,703,000 "

Throughout the month the linseed market was very quiet. Export business was negligible, although cargoes were sold to Sweden and Spain. The Grain Board made reductions in its selling price for export, bringing it down to 25.50 pesos per 100 kilos as against 28. a month ago, but no further business resulted. Buyers for the Allied Nations exhibit no interest in making further purchases at present.

As shown above, stocks are still heavy.

Maize

There were 1,347,000 bushels shipped out during October, which makes a good showing as compared with 354,000 bushels in each of the two preceding months. The following is the current supply position:

Third official estimate 1942-43 crop	76,500,000 bushels
Carry-over from 1941-42 crop	53,428,000 "
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Total supplies	129,928,000 "
Seed and fuel requirements	118,105,000 "
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Exportable surplus	11,823,000 "
Shipments April 1 to October 30	4,418,000 "
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Balance still available	7,405,000 "

By a recent Decree the Government announced that its former prohibition of the exports of maize was cancelled, and that shipments would again be permitted subject to individual applications being approved. As the neighbouring Republic of Uruguay is greatly in need of maize, it is presumed that she will take advantage of the opportunity now offered to cover her requirements.

The local market is weak, with few buyers. New Crop Cuarentin in bags is selling for 9.30 per 100 kilos; fuel corn is worth 5.15 pesos.

Oats

Shipments in October were only 331,000 bushels, which compares with 211,000 bushels in September and brings the shipments for the 9 months to 3,115,000 bushels out of the exportable surplus of 14,265,000 bushels, leaving still available 11,150,000 bushels.

Activity in other markets has brought about speculative buying here and fairly large quantities of new crop oats have been bought for export at prices of from 5.10 to 5.30 pesos per 100 kilos, in bulk at Necochea and 5.45 in Bahia Blanca.

In the domestic market old crop oats of Superior quality have been selling for 7.70 to 8.00 pesos per 100 kilos, and good oats of heavy weight 7. to 7.30 pesos, in a quiet market.



Barley There were 102,000 bushels exported in October, which compares with 77,000 bushels in the preceding month, making total shipments to date 1,401,000 bushels out of the exportable surplus of 3,674,000 bushels. There are still available 2,273,000 bushels.

During the month the Commodity Credit Corporation bought two cargoes for January-February shipment to the United States, at a price equivalent to 8.20 pesos per 100 kilos, in bulk.

There is little movement at present, and the local demand is only for Malting barley of Superior quality, for which 9. pesos is being paid in the local stations by the Argentine brewers, with whom shippers can not afford to compete. Farmers are by no means pressing sellers.

Rye There is a very inactive market. Most of the old grain is out of the hands of the farmers, who have planted freely for the next crop, which offers good prospects at the present time.

Statistically, there are supposed to be 2,108,000 bushels still on hand of the old crop, only 289,000 bushels having been shipped out of the estimated exportable surplus of 2,398,000 bushels. October exports were 36,000 bushels.
