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DOMINION BUREAU OF STATISTICS - CANADA
AGRICULTURAL BRANCH

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THE GRAIN SITUATION IN ARGENTINA

Ottawa June 17, 1943.- The correspondent of the Dominion Bureau of Statistics in Buenos Aires has forwarded the following report, under date of June 2, 1943.

Official Crop Estimates

Maize - The second calculation of the maize crop made by the Ministry of Agriculture raises the figure a little, placing it now at 76,374,000 bushels or 1,575,000 bushels above the original estimate. Of the 10,226,000 acres planted, says the Ministry's memorandum, 5,865,000 acres were abandoned or used as pasturage, and 4,361,000 acres have been or are being harvested, giving an average yield of approximately 17 1/2 bushels per acre.

Wheat - The third calculation of the wheat crop makes no change in the total of 235,156,000 bushels. This compared with last season's final figure of 224,133,000 bushels.

Linseed - A further reduction has been made in the third estimate, which is 60,037,000 bushels. This is 2.2 per cent lower than the second estimate.

Oats - A substantial cut is made in the estimate of the crop of oats, 7,781,000 bushels being taken off the total, leaving it 37,608,000 bushels. The reason given is that because of the severe drought much of the oat area had to be used as pasturage.

Barley - The third estimate of the Barley crop makes no change in the second calculation of 16,075,000 bushels.

Rye - A small increase (2 per cent) brings the third estimate of the rye crop to 5,941,000 bushels.

Crop Conditions

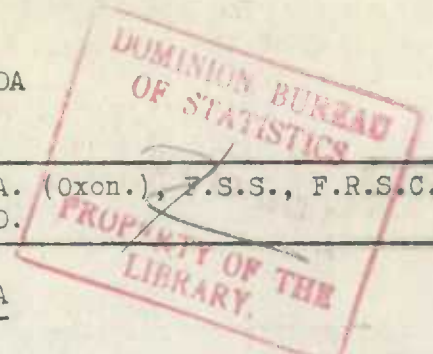
The monthly official report says that weather conditions throughout the country during May were definitely favourable for the grain and seed crops in the growing stage, and for cultivation of the soil and planting. The opportune rains which fell and the mild temperatures which prevailed benefited the forage crops, as well as the recently planted wheat, which is germinating normally. At the same time, ploughing of the land to be seeded to flax and barley was facilitated.

Picking of the maize crop continues, with reduced yields anticipated as a consequence of the persistent drought prevalent during the growing period. The quality also is considered somewhat deficient.

Seeding of wheat of slow growing varieties is proceeding actively, and in the south-western part of the province of Buenos Aires there are already areas of appreciable size above ground which are in excellent condition as a result of the abundant moisture.

Private reports from country districts indicate that the milder than normal temperatures which have prevailed, especially in the north, have tended to promote too rapid development of the new crops of wheat and linseed, thus exposing them to risk of damage from frosts.

With a continuance of present favourable seeding conditions, an increased acreage is anticipated, especially of wheat, linseed and oats.



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Official View of Crop Prospects

The Minister of Agriculture issued a statement on June 1 dealing with the seeding of the new crops and the marketing prospects.

With regard to wheat the Minister stated that when December arrives there will be stocks of approximately 5 million tons, (183,716,000 bushels) which the Government is intensifying its efforts to dispose of, but the problem is difficult and will not cease to cause worry. Hence it would be prudent not to exceed normal planting of this crop.

The stocks of linseed at the end of the year will be extremely small, and taking into account the official plan to use linseed oil to replace fuel oil there will really be no surplus stocks left on hand. For 1944 with a continuance of the present war situation, there will probably be needed approximately a million tons (39,368,000 bushels) of linseed for the production of oil to be used as fuel. The balance of an abnormal crop could be expected to be absorbed by local consumption and an exportation equal to that of the present year. Under these conditions the Government is placing the situation before the farmers, believing that with normal plantings the placing of the crop will be possible.

In the case of maize, the stocks will be practically exhausted by the end of the current year. In 1944 there will be a deficit of fuel which will need a quantity of approximately 4 million tons (157,473,000 bushels) of maize. If to that is added another 1 1/2 million tons (59,052,000 bushels) for domestic consumption, forage and seed, it may be calculated that within the country there will be a market for 5 1/2 million tons (216,525,000 bushels) the product of a medium sized crop. Hence the growers can repeat the planting of this last year, with the knowledge that the yield will find a market in this country.

The Minister in conclusion expressed the opinion that present conditions present more favourable prospects than have been seen recently and added that the statement was being made in order to give guidance to the farmers in their seeding operations.

Supplies and Markets

Wheat - Exports during the month of May totalled 5,029,000 bushels, of which 4,989,000 bushels were grain and 40,000 bushels flour in terms of grain. These shipments compared with a combined total of 5,589,000 bushels in April.

No change has been made in the official estimate of the volume of the crop, but it is officially announced that a deduction of 400,000 tons (14,697,000 bushels) must be made to allow for wheat unfit for baking and for losses in weight through insect damage. With this in mind the following is now the statistical position:

Third official estimate 1942-43 crop	235,156,000 bushels
Carry-over from 1941-42 crop	159,875,000 "
Total stocks	395,031,000 "
Deductions for loss through waste, etc. 14,697,000 bu.	
" " seed and domestic	101,044,000 "
Exportable surplus	279,290,000 "
Shipments) Wheat	23,969,000 bu.
to May 31) Wheat as flour	952,000 "
Balance still available	254,369,000 "

There is little to be said with regard to market conditions during the past month. Brazil retains its position as the principal outlet, with Spain and Chile following it, and no other destination of importance. Great Britain still remains aloof.

The local millers are moderate buyers. They are not eager to add to their stocks of old crop grain, which now requires a percentage of newer wheat to maintain the quality of the flour.

The Grain Board again raised its price a little, demanding now 7.80 pesos per 100 kilos for 78 kilo wheat (62 1/2 lbs. per bushel), to be shipped in bulk or

Linseed - May shipments were only 1,100,000 bushels, which has been about the average in recent months.

The new official estimate reduces the volume of the crop by 1,378,000 bushels, and on this basis the supply situation is now as follows:

Third official estimate 1942-43 crop	60,037,000	bushels
Carry-over from 1941-42 crop	60,776,000	"
Total supplies	120,813,000	"
Deduct seed and domestic requirements	76,178,000	"
Surplus for export	44,635,000	"
Shipments to May 31	5,748,000	"
Balance still available	38,887,000	"

There was again a very quiet market, with abundant offerings of seed from northern districts. No export demand was in evidence. No sales are known to have been made by the Grain Board, whose prices were raised during the month, 22.40 per 100 kilos now being asked for the bagged seed. This compares with the price of 9.25 paid to the producers by the Board. Probably half the stocks are still in the hands of the farmers, who are asking 11.50 for Superior quality seed with a 2 per cent basis in the local railway stations.

Maize - Shipments during the month were confined to 355,000 bushels, as against 260,000 bushels in April, making 615,000 bushels for the first two months of the new season, and leaving the supply position as shown below:

Second official estimate 1942-43 crop	76,374,000	bushels
Carry-over from 1941-42	53,428,000	"
Total supplies	129,802,000	"
Seed and domestic requirements	78,737,000	"
Possible surplus	51,065,000	"
Shipments during April and May	615,000	"
Balance still on hand	50,450,000	"

It is believed that most of the stocks over and above the estimated 78,737,000 bushels for seed and domestic requirements will be required for fuel during the coming winter, leaving very little surplus for export. For this reason it is quite likely that the export duty of 20 pesos per ton will be maintained by the authorities.

The market during the month was firm, there being a good demand, with only small offerings.

From 52 to 55 pesos per ton is obtainable for fuel maize in bulk. Cuarentin maize of the new crop is worth 9.50 pesos per quintal in bags, with "good" new maize 7 pesos.

It is officially announced that there will be no purchasing of the new crop of maize by the government.

Oats - Exports during the month were 280,000 bushels, as compared with 901,000 bushels in April.

The third official estimate of the crop reduces the quantity from 45,389,000 bushels to 37,608,000 bushels. With the addition of a carry-over of 6,484,000 bushels, and a deduction of 29,827,000 bushels for seed and domestic consumption, an exportable surplus of 14,265,000 bushels remains, of which 1,939,000 bushels have been shipped away, leaving 12,326,000 bushels still on hand.

Little grain is being offered. Hence prices remain firm, especially for the higher qualities, which are in good demand.

Barley - Shipments during May totalled 22,000 bushels as against 241,000 bushels in April. The estimated production remaining unchanged at 16,075,000 bushels, with an exportable balance of 3,674,000 bushels, of which 750,000 bushels have been shipped, there is still a disposable balance of 2,924,000 bushels.

The market is quite inactive for lack of offerings, but some sales were made for shipment to Brazil and Uruguay, where malting grain is scarce. The current price for this grain is around 11 pesos per 100 kilos for Superior quality, at which level business is difficult.



Rye - There were no exports during May. The official estimate of the crop has been raised to 5,941,000 bushels. With a carry-over of 3,937,000 bushels, and a deduction of 7,480,000 bushels for seed and domestic needs an exportable surplus of 2,398,000 bushels results, of which 83,000 bushels have been shipped, leaving still on hand 2,315,000 bushels.

Business is confined to small local sales, with 9.50 the prevailing price.

Argentine Grain Exports during 1942

The exports from the Republic during the year 1942 of wheat, wheat flour, linseed and maize, with the final destinations, were as set out below, according to official statistics supplied by the Director General of the Statistical Department.

The quantities are in bushels.

Destinations	Wheat	Flour in terms of Wheat	Linseed	Maize
United Kingdom	11,100,000	26,000	2,758,000	231,000
British Africa	-	-	-	490,000
British Central America	-	40	4,100	51,000
Bolivia	2,104,000	723,050	-	75,000
Brazil	36,150,000	321,000	40,000	1,000
Chile	3,466,000	194,000	50,000	61,000
Columbia	88,000	8,100	-	-
Costa Rica	-	-	200	-
Cuba	300	-	500	-
Egypt	-	-	-	330,000
El Salvador	312,000	-	-	-
France	-	400	-	-
French Central America	-	5,300	-	-
Greece	-	600	-	-
Irish Free State	715,000	-	-	-
Italy	-	100	-	-
Mexico	-	-	-	700
Norway	-	100	-	-
Netherlands	-	300	-	-
Panama	-	5,600	-	-
Paraguay	1,187,000	114,000	200	2,300
Peru	4,831,000	1,300	-	900
Poland	-	70	-	-
Portugal	86,000	2,000	-	-
Portuguese Africa	-	257,000	-	-
Spain	15,541,000	28,000	400,000	184,000
Spanish Africa	472,000	62,000	-	56,000
Sweden	3,307,000	5,000	722,000	709,000
Switzerland	213,000	66,000	1,000	740,000
Tangiers	-	15,000	-	-
Union of South Africa	-	32,000	8,000	245,000
United States of America	90,000	35,000	8,114,000	14,100
U.S.A. Poss. in Central America ..	-	-	-	39,000
Uruguay	7,900	8,000	-	5,435,000
Venezuela	-	205,000	-	-
Yugoslavia	-	40	-	-
Sunken Cargoes	290,000	-	196,000	-
Totals 1942	79,360,000	2,195,000	12,405,000	8,655,000
Totals 1941	87,804,000	1,593,000	26,169,000	21,775,000