

WEEKLY SUMMARY OF THE WHEAT SITUATION

August 4, 1938

International Trade:

World shipments for the week ending July 30, 1938 amounted to 8,985,000 bushels compared with 11,513,000 bushels in the previous week and 6,576,000 bushels in the corresponding week last year.

Cumulative world shipments from August 1, 1937 to July 30, 1938 were 511,842,000 bushels compared with 595,384,000 bushels for the same period in 1936-37.

Primary Movement:

Receipts at country elevators and platform loadings for the week ending July 29, 1938 were 580,336 bushels, compared with 645,828 bushels in the previous week and 612,671 bushels in the corresponding week a year ago.

Cumulative receipts at country elevators and platform loadings from August 1, 1937 to July 29, 1938 were 125,401,172 bushels, compared with 165,596,453 bushels in the same period in 1936-37.

Visible Supply:

The visible supply of Canadian wheat on July 29, 1938 was 19,709,319 bushels, compared with 21,773,554 bushels in the previous week, and 33,285,281 bushels a year ago.

Export Clearances:

Overseas export clearances of Canadian wheat for the week ending July 29, 1938 were 1,594,408 bushels, compared with 1,060,587 bushels for the previous week and 2,335,770 bushels for the corresponding week a year ago.

Imports of Canadian wheat into the United States for consumption and milling in bond for the week ending July 29, 1938 were 3,000 bushels compared with 2,000 bushels for the previous week and 284,000 bushels for the corresponding week in 1937.

Cumulative overseas clearances plus United States imports of wheat from August 1, 1937 to July 29, 1938 were 78,839,756 bushels, compared with 189,365,133 bushels for the same period in 1936-37.

Prices:

The Winnipeg cash closing price of No. 1 Northern on Tuesday, August 2, 1938 was \$.87 1/2 showing a decrease of 7 1/2 cents from the previous Tuesday's close of \$.95.

WORLD EVENTS

The Wheat Situation

Most of the news regarding wheat has been bullish during the past ten days. There have been definite declines of crop prospects in the United States, Canada and Russia. War news from the Far East has also been bullish. In spite of these factors, wheat prices have been almost stationary.

Private estimates of the United States crop are expected to show a decline of about 50 million bushels from the official estimate of a month ago, viz. 967.4 million bushels. The Canadian crop has been forced to maturity by drought. In the process, it has largely escaped the menace of rust but lack of moisture has interfered with filling and caused reduction of yield and quality over wide areas. The Searle Grain Co. estimated the Prairie crop at 350 million bushels, with normal growing conditions to harvest. Conditions are not normal at present and the figure seems high.

During the week, Broomhall reported that drought had caused damage to the Russian spring wheat crop. To-day, however, the same agency said that satisfactory yields were being reported from the spring wheat areas. The United States Attache in Berlin also reported wide damage from heat and drought to spring wheat in Russia.

News regarding the new Argentine crop was favourable, while deficiency of subsoil moisture is still mentioned in cables from Australia. Rainfall records would certainly indicate that rainfall has been scanty.

While new crop supplies in exporting countries still promise to be large, there has been a significant reduction in prospects during the past month.

A closer estimate of the Canadian crop will be possible after the condition report of next Thursday, August 11. The 1938 acreages will also be available at that time.

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