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WEEKLY SUMMARY OF THE WHEAT SITUATION

DECEMBER 15, 1939

International Trade

World shipments for the week ending December 9, 1939 amounted to 11,021,000 bushels compared with 12,213,000 bushels in the previous week and 7,192,000 bushels in the corresponding week last year.

Cumulative world shipments from August 1, 1939 to December 9, 1939 were 168,290,000 bushels compared with 212,576,000 bushels for the same period in 1938.

Primary Movement

Primary receipts of wheat for the week ending December 8, 1939 were 4,689,191 bushels as compared with the revised figure of 7,089,411 bushels for the previous week and 2,968,568 bushels for the corresponding week a year ago.

Revised cumulative receipts from August 1, 1939 to December 8, 1939 were 353,333,845 bushels compared with 249,001,893 bushels in the same period in 1938.

Visible Supply

The visible supply of Canadian wheat on December 8, 1939 was 349,590,136 bushels compared with 350,178,010 bushels in the previous week and 170,927,818 bushels a year ago.

Export Clearances

Overseas export clearances of Canadian wheat for the week ending December 8, 1939 were 3,979,525 bushels, compared with 5,337,485 bushels for the previous week and 1,535,921 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 December 8, 1939 were 82,000 bushels as compared with 182,000 bushels for the previous week and 112,000 bushels for the corresponding week in 1938.

Cumulative overseas clearances plus United States imports of wheat from August 1, 1939 to December 8, 1939 were 52,122,451 bushels, compared with 67,804,971 bushels for the same period in 1938.

Prices

The Winnipeg cash closing price of No. 1 Northern on Tuesday, December 12, 1939 was 80 5/8 cents, showing an increase of 1 1/8 cents over the previous Tuesday's close of 79 1/2 cents.

WORLD EVENTS

1. Market Conditions

Over the past week wheat prices in Winnipeg and Chicago have been fairly buoyant, holding mainly over the 80-cent level for the Winnipeg December future and touching as high as 84 1/8 cents during the trading session on December 14. The combined poor outlook for the new crops in Argentina and Australia - Canada's two principal export competitors - has continued as the principal market factor. While the first official estimate of the Argentine crop will be issued late today, private estimates of the new crop range from 140 to 160 million bushels. Broomhall's estimate of 136 million bushels on December 7 came as a surprise to the trade and boosted North American markets. Buenos Aires prices have risen between 5 and 7 cents during the past week, thereby adding support to Winnipeg and Chicago prices. Meanwhile no relief has come to the drought-stricken western portions of the United States winter wheat belt. Bad dust storms on December 12 intensified the poor condition of this crop.

Export sales of wheat at Winnipeg during the past week were placed at 3,000,000 bushels with the buying attributed to neutral countries.

2. Australian Crop Estimate

The second estimate of the Australian wheat crop was placed at 182,568,000 bushels, as reported by the Commonwealth Statistician on December 11. This is a 2,568,000 bushel increase over the first estimate of 180,000,000 bushels. Last year's Australian production amounted to 154,426,000 bushels.

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