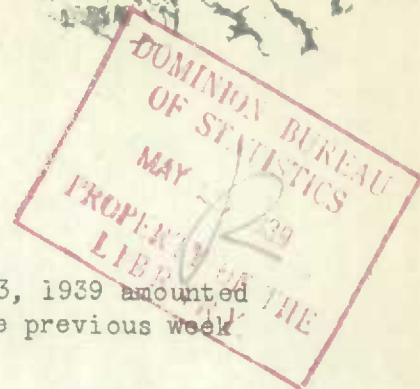


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WEEKLY SUMMARY OF THE WHEAT SITUATIONMAY 17, 1939.International Trade

World shipments for the week ending May 13, 1939 amounted to 12,323,000 bushels compared with 10,933,000 bushels in the previous week and 10,592,000 bushels in the corresponding week last year.

Cumulative world shipments from August 1, 1938 to May 13, 1939 were 453,712,000 bushels compared with 408,816,000 bushels for the same period in 1937-38.

Primary Movement

Receipts at country elevators for the week ending May 12, 1939 were 906,674 bushels as compared with the revised figure of 891,512 bushels for the previous week and 539,103 bushels for the corresponding week a year ago.

Revised cumulative receipts at country elevators from August 1, 1938 to May 12, 1939 were 274,025,640 bushels compared with 117,004,417 bushels in the same period in 1937-38.

Visible Supply

The visible supply of Canadian wheat on May 12, 1939 was 129,122,973 bushels compared with 135,418,800 bushels in the previous week and 38,332,878 bushels a year ago.

Export Clearances

Overseas export clearances of Canadian wheat for the week ending May 12, 1939 were 3,239,174 bushels, compared with 1,567,664 bushels for the previous week and 706,355 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 May 12, 1939 were 154,000 bushels as compared with 251,000 bushels for the previous week and 3,000 bushels for the corresponding week in 1938.

Cumulative overseas clearances plus United States imports of wheat from August 1, 1938 to May 12, 1939 were 106,788,467 bushels, compared with 61,756,074 bushels for the same period in 1937-38.

Prices

The Winnipeg cash closing price of No. 1 Northern on Tuesday, May 16, 1939 was 64 $\frac{5}{8}$ cents, showing a decrease of 2 $\frac{1}{8}$ cents from the previous Tuesday's close of 66 $\frac{3}{4}$ cents.

WORLD EVENTS

Canada

Seeding in Western Canada is practically completed and a large part of the early sown grain is above ground in some localities, early wheat being up 3 to 5 inches. Winds in the early part of the present week caused bad dust storms and soil drifting, resulting in damage to grain fields by cutting off young plants and blowing out seed in southern Alberta, west central and southern Saskatchewan and in a few scattered districts in Manitoba. Areas which suffered the greatest amount of damage are adjacent to Swift Current, Expanse, Portal, the south end of Tyvan, the western end of Assiniboia, Amulet and Bromhead divisions in southern Saskatchewan. Some re-seeding will be done.

United States

Winter wheat prospects in the United States declined 1% during April. Conditions on May 1 indicated an average yield per acre seeded and a production of nearly 544,000,000 bushels compared with 686,637,000 bushels last year and an average of 560,160,000 bushels during the previous ten years.

The acreage for harvesting in 1939 is estimated at 38,936,000 acres. Although this acreage figure is 21.7% below the 49,711,000 acres harvested last year, it is 2% above the 10 year (1928-37) average of 38,160,000 acres.

Seeding of spring wheat on an acreage considerably below that of last year is almost completed in the principal spring wheat areas.

Weather conditions have been generally favourable for seeding spring grains in the spring wheat areas but rainfall in April and early May was much below normal and subsoil moisture is becoming short. Temperatures have been above normal. In both the northern Great Plains area and in the Pacific Northwest growing conditions have been unfavourable during the past few weeks and the progress of the crop is largely dependent on good timely precipitation during the next two months.

United Kingdom

There are reports of negotiations by the Government to purchase 4 million bushels of Rumanian wheat, part of which will be held in reserve stock. They have also agreed to take 7,500,000 from the new crop if available next season.

Three large milling firms in the United Kingdom are entrusted with the task of replacing the large emergency stocks, so that the usual grain merchants have been reluctant to buy and store wheat. Recently the Government has released storage space to the normal grain trade but the grain merchants are still anxious to have the right to replace the emergency stocks.

The United Kingdom Food Department recently issued the following rules and regulations: (1) To buy at market prices; (2) That the wheat reserve shall not effect bread prices; (3) That the scheme shall not have any adverse effect on the usual grain trade; (4) To avoid the government coming into the market continually to buy wheat. These rules have imparted more confidence to the grain trade.

General

There has been no price increase since the first of the month as Europeans are afraid of large North American supplies as acreages seeded in Canada and the United States show no decrease from average acreages seeded in these two countries. Although the United States decreased their acreage from 1937 to 1938, still it is no lower than in normal years. The 83,700,000 acres of wheat seeded in Canada and the United States could be responsible for a large wheat crop.

Balkans- Damage is reported from frost in the Danube valley this year. The winter wheat acreage is about the same as last year but prospects are less favourable. Wheat production last year was 464,000,000 bushels in the four countries of Bulgaria, Hungary, Rumania and Yugoslavia.

Spain- Although Spain is receiving large quantities from Argentina on their 400,000 ton order, this country bought a cargo of Australian wheat yesterday for May shipment..

France- Weather is unsettled and milder. Reports state that the winter wheat crop is making slow progress.

Italy- Rainy weather is reported and favourable wheat prospects are being maintained.



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