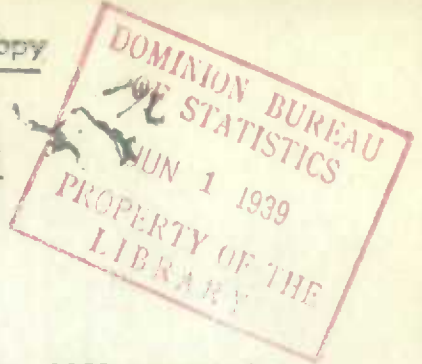


WEEKLY SUMMARY OF THE WHEAT SITUATION

JUNE 1, 1939.



International Trade

World shipments for the week ending May 27, 1939 amounted to 17,669,000 bushels compared with 15,334,000 bushels in the previous week and 9,128,000 bushels in the corresponding week last year.

Cumulative world shipments from August 1, 1938 to May 27, 1939 were 486,803,000 bushels compared with 425,952,000 bushels for the same period in 1937-38.

Primary Movement

Receipts at country elevators for the week ending May 26, 1939 were 1,023,517 bushels as compared with the revised figure of 1,288,097 bushels for the previous week and 754,758 bushels for the corresponding week a year ago.

Revised cumulative receipts at country elevators from August 1, 1938 to May 26, 1939 were 276,486,948 bushels compared with 118,364,891 bushels in the same period in 1937-38.

Visible Supply

The visible supply of Canadian wheat on May 26, 1939 was 119,754,329 bushels compared with 123,602,362 bushels in the previous week and 32,351,412 bushels a year ago.

Export Clearances

Overseas export clearances of Canadian wheat for the week ending May 26, 1939 were 3,590,137 bushels, compared with 3,308,916 bushels for the previous week and 2,874,741 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 26, 1939 were 198,000 bushels as compared with 340,000 bushels for the previous week and 18,000 bushels for the corresponding week in 1938.

Cumulative overseas clearances plus United States imports of wheat from August 1, 1938 to May 26, 1939 were 114,225,520 bushels, compared with 66,251,314 bushels for the same period in 1937-38.

Prices

The Winnipeg cash closing price of No. 1 Northern on Tuesday, May 30, 1939 was 65 5/8 cents, showing an increase of 5/8 of a cent over the previous Tuesday's close of 65 cents.

WORLD EVENTS

Canadian Crop Situation

The following is the summary paragraph of the Dominion Bureau of Statistics first weekly telegraphic crop report of the 1939 season:

Grain crops over most of the Prairie Provinces got away to a rather promising start this spring. With the exception of southern Manitoba, south-eastern and parts of central Saskatchewan, and south-eastern Alberta, spring moisture conditions were quite favourable. Seeding proceeded rapidly during the last week of April and first ten days of May and spring operations were completed early. In the drier districts of the Prairies, farmers delayed seeding somewhat, waiting for more favourable soil moisture conditions. High winds caused considerable soil drifting in the second week of May and while damage to crops was not widespread some localities experienced moderate losses. Rains, commencing May 19 and continuing into last week, promoted recovery of the drought and wind-damaged grain. Some re-seeding has been necessary but this has not been general. Damage from cutworms and wireworms has occurred in some localities, but no extensive losses from insect damage have been reported. During the warmer and drier weather in the early part of May, grasshoppers became quite active, but were checked by the wet and cool weather in the latter part of the month. The threat of a general outbreak continues, however, and warm dry weather would greatly increase the danger of damage from this source. Preparations have been made to combat outbreaks and poisoning has already been undertaken in some areas. With all seeding practically completed and much of the crop showing, rain is needed to maintain present favourable prospects and to aid crops in the dry areas of southern Manitoba, south-eastern and central Saskatchewan, and south-eastern Alberta.

United States Crop Prospects

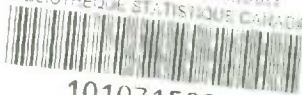
Scattered rains brought some relief to the American south-west last week, but not until considerable damage had already been done during May. It is expected that the Government estimate of 544 million bushels for the winter wheat crop as of May 1, will be appreciably reduced when the June 1 reports are in.

Last week the United States Department of Agriculture announced increases in loan rates on the 1939 crop. The rate on No. 2 Hard Winters at Kansas City was increased from 72 cents to 77 cents for wheat from the new crop. The Department also announced a 13 per cent increase in the basic acreage allotment from 55,000,000 acres for the present crop to 62,000,000 acres for the new crop.

Revised Argentine Crop Estimate

The official estimate of last January's wheat crop in Argentina was raised last week from 320 to 336 million bushels. On the basis of the new estimate, the remaining exportable surplus is placed at 183 million bushels.





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