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WEEKLY SUMMARY OF THE WHEAT SITUATION

JULY 13, 1939



International Trade

World shipments for the week ending July 8, 1939 amounted to 12,537,000 bushels compared with 12,448,000 bushels in the previous week and 12,144,000 bushels in the corresponding week last year.

Cumulative world shipments from August 1, 1938 to July 8, 1939 were 571,121,000 bushels compared with 484,120,000 bushels for the same period in 1937-38.

Primary Movement

Primary receipts of wheat for the week ending July 7, 1939 were 1,758,244 bushels as compared with the revised figure of 1,137,447 bushels for the previous week and 931,830 bushels for the corresponding week a year ago.

Revised cumulative receipts from August 1, 1938 to July 7, 1939 were 284,382,199 bushels compared with 123,404,454 bushels in the same period in 1937-38.

Visible Supply

The visible supply of Canadian wheat on July 7, 1939 was 101,318,692 bushels compared with 104,081,099 bushels in the previous week and 24,462,579 bushels a year ago.

Export Clearances

Overseas export clearances of Canadian wheat for the week ending July 7, 1939 were 2,393,504 bushels, compared with 2,729,426 bushels for the previous week and 1,650,667 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 7, 1939 were 250,000 bushels as compared with 197,000 bushels for the previous week and 19,000 bushels for the corresponding week in 1938.

Cumulative overseas clearances plus United States imports of wheat from August 1, 1938 to July 7, 1939 were 131,640,689 bushels, compared with 74,785,023 bushels for the same period in 1937-38.

Prices

The Winnipeg cash closing price of No. 1 Northern on Tuesday, July 11, 1939 was 56  $\frac{3}{4}$  cents, showing a decrease of 4  $\frac{1}{8}$  cents from the previous Tuesday's close of 60  $\frac{7}{8}$  cents.

## WORLD EVENTS

### 1. Market Conditions

Wheat prices in Winnipeg, Chicago and Liverpool declined for four successive market days from July 6 to July 10. Winnipeg showed the sharpest decline, having dropped from 59 1/4 cents on July 5 to 54 3/8 cents in the July future on July 10, and was still at the latter level on July 12. The principal depressing factor was the continued good prospects for the Prairie wheat crop. The official condition report issued on July 7 confirmed a marked improvement in the crop during June. Other "bearish" factors were the somewhat higher estimates of the United States winter and spring wheat crops. In addition, the European political situation assumed a quieter aspect during the latter part of last week, and this contributed toward the heavy selling.

### 2. June 30 Condition Report

On July 7, the Dominion Bureau of Statistics issued a report indicating the condition of field crops in Canada in per cent of their long-time average yields, as follows:

	<u>June 30, 1939</u> per cent	<u>May 31, 1939</u> per cent	<u>June 30, 1938</u> per cent
Fall Wheat	98	98	101
Spring Wheat	102	94	91
All Wheat	102	94	92
Oats	98	93	92
Barley	96	93	90
Rye	94	87	95
Flaxseed	94	-	90

### 3. Telegraphic Report of July 11

Following is the summary paragraph of Tuesday's telegraphic crop report:

Crop prospects in the Prairie Provinces continue to be very favourable as the season progresses. A second week of warm bright weather hastened growth and provided ideal conditions following the good start obtained in June. A considerable part of the wheat crop is now headed without any extensive damage being reported. Crops will be light in south-eastern Saskatchewan and in the Peace River area of Alberta. Grasshoppers are flying but to date have caused very little damage. Hail storms took a considerable toll at scattered points over the Prairies. Fair to good yields of hay are being obtained. Haying operations are somewhat late due to wet conditions. Pasture conditions are very favourable and live stock are in good condition.

### 4. United States Government Crop Report

On July 10, the United States Department of Agriculture estimated the total wheat crop at 716,655,000 bushels, which was only slightly below the average of private estimates of 721,000,000 bushels. United States wheat production in 1938 amounted to 930,801,000 bushels.

### 5. Small decline in Australian acreage

It was reported on July 10 that the Australian wheat area in 1939 is 13.5 million acres compared with 14.1 million acres in 1938.

### 6. France Exports more Wheat

The French Wheat Board on July 8 issued export licenses for the export of 2,200,000 bushels of wheat.

### 7. European Crop Conditions

European crop prospects were little changed during the week. Further reports from Russia confirm damage to the spring wheat crop in the Volga area. The winter crop is yielding well in the Ukraine, although rains have delayed harvesting in Crimea.





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