

22-005

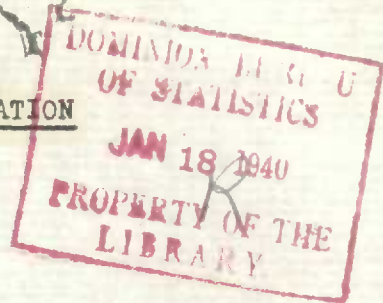
22-D-01

Historical File Copy

Library

WEEKLY SUMMARY OF THE WHEAT SITUATION

JANUARY 11, 1940



International Trade

World shipments for the week ending January 6, 1940 amounted to 6,070,000 bushels compared with 8,617,000 bushels in the previous week and 7,224,000 bushels in the corresponding week last year.

Cumulative world shipments from August 1, 1939 to January 6, 1940 were 198,591,000 bushels compared with 246,560,000 bushels for the same period in 1938-39.

Primary Movement

Primary receipts of wheat for the week ending January 5, 1940 were 1,143,590 bushels as compared with the revised figure of 1,511,772 bushels for the previous week and 618,772 bushels for the corresponding week a year ago.

Revised cumulative receipts from August 1, 1939 to January 5, 1940 were 363,726,849 bushels compared with 255,121,891 bushels in the same period in 1938-39.

Visible Supply

The visible supply of Canadian wheat on January 5, 1940 was 348,183,288 bushels as compared with 349,249,102 bushels in the previous week and 165,988,882 bushels a year ago.

Export Clearances

Overseas export clearances of Canadian wheat for the week ending January 5, 1940 were 1,289,059 bushels, compared with 3,109,406 bushels for the previous week and 1,938,138 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 January 5, 1940 were 189,000 bushels as compared with 42,000 bushels for the previous week and 177,000 bushels for the corresponding week in 1939.

Cumulative overseas clearances plus United States imports of wheat from August 1, 1939 to January 5, 1940 were 60,723,879 bushels, compared with 73,937,686 bushels for the same period in 1938-39.

Prices

The Winnipeg cash closing price of No. 1 Northern on Tuesday, January 9, 1940 was 82 $\frac{3}{8}$ cents, showing a decrease of 4 $\frac{1}{4}$ cents from the previous Tuesday's close of 86 $\frac{5}{8}$ cents.

WORLD EVENTS

1. Canadian Export Sales

Export sales of 22,000,000 bushels, with the United Kingdom government the principal buyer, were reported on January 10. This is a record volume for recent years, with sales of 20,000,000 bushels reported on December 13, 1935. A statement from the Canadian Wheat Board indicated that the export business was worked through the market in the regular manner. Offerings credited to the Wheat Board during the trading session met the exporters' requirements, with the result that Winnipeg futures closed only 3/4 to 7/8 of a cent up, with the May future at 87 1/8 cents.

2. Australian Export Sales

An Australian news cable of January 11 stated that the Australian government was about to conclude a deal with the British government for 50,000,000 bushels at a price of 45 Australian pence (65 1/4 cents Canadian) per bushel f.o.b. steamer. The price appears about in line for deferred shipment, with earlier Australian f.o.b. offers for January shipment running around 73 cents Canadian. This transaction, negotiated at a flat rate between the agencies of two governments dealing directly, suggests that the British government may have thereby declared the share it wants from Australia's new export surplus of 146.5 million bushels.

On January 9, the third official estimate of the Australian crop indicated a total production of 186,544,000 bushels, which is 4 million bushels higher than the second estimate. A year-end carry-over of 15 millions and domestic requirements of 55 million bushels indicate the surplus available for export of 146.5 millions.

3. United States Winter Wheat Condition

Writing on January 5, the Secretary of the Kansas Grain Feed and Feed Dealers' Association at Dodge City, Kansas, described the significance of the Christmas snowfall as follows:

"The heaviest and most general snow received in years fell over most of the Plains regions during the holidays varying from four to ten inches over central and western Kansas. There was little wind, and the snow for the most part was pretty evenly spread over the fields although some drifting has since occurred in localities where some clean fields were left with only a light covering. Any form of moisture is always welcome and more or less beneficial to this part of the state, but like most amounts of less than an inch, their value is usually over-estimated. While this snow was of untold value to the country as a whole its value to the growing wheat crop has--no doubt--been considerably over-rated. It has now been ten days since the snow fell and melting has been so gradual that most of the moisture has evaporated and little of it has penetrated the soil. Yesterday I examined some seeded fields near Dodge City where the top soil was still dry under three inches of snow after at least half of the original covering had melted. So, unless we get some warm weather to melt the remainder of the snow hurriedly, improvement in soil moisture as a result of the snow may be disappointing."

