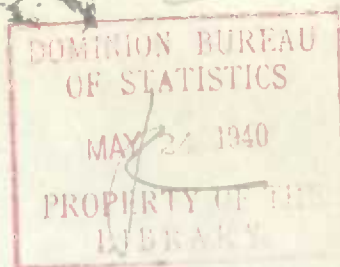


WEEKLY SUMMARY OF THE WHEAT SITUATION

MAY 23, 1940



International Trade

World shipments for the week ending May 18, 1940 amounted to 12,208,000 bushels compared with 7,596,000 bushels in the previous week and 15,320,000 bushels in the corresponding week last year.

Cumulative world shipments from August 1, 1939 to May 18, 1940 were 398,660,000 bushels compared with 469,120,000 bushels for the same period in 1938-39.

Primary Movement

Primary receipts of wheat for the week ending May 17, 1940 were 1,589,672 bushels compared with the revised figure of 1,682,523 bushels for the previous week and 1,288,097 bushels for the corresponding week a year ago.

Revised cumulative receipts from August 1, 1939 to May 17, 1940 were 390,806,373 bushels compared with 275,463,431 bushels in the same period in 1938-39.

Visible Supply

The visible supply of Canadian wheat on May 17, 1940 was 288,249,190 bushels as compared with 293,553,956 bushels in the previous week and 123,602,062 bushels a year ago.

Export Clearances

Overseas export clearances of Canadian wheat for the week ending May 17, 1940 were 4,856,222 bushels, compared with 4,672,224 bushels for the previous week and 3,307,808 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 17, 1940 were 267,000 bushels as compared with 73,000 bushels for the previous week and 340,000 bushels for the corresponding week in 1939.

Cumulative overseas clearances plus United States imports of wheat from August 1, 1939 to May 17, 1940 were 133,590,776 bushels, compared with 110,449,096 bushels for the same period in 1938-39.

Prices

The Winnipeg cash closing price of No. 1 Northern on Tuesday, May 21, 1940 was 70 5/8 cents, showing a decrease of 14 1/4 cents from the previous Tuesday's close of 84 7/8 cents.

N.B. World Events are omitted as the "Monthly Review of the Wheat Situation" is being issued today.

WORLD EVENTS

Canadian Crop Conditions

Following is the summary of the first telegraphic crop report of the season issued by the Dominion Bureau of Statistics on May 28:

Quite favourable conditions for the start of the 1940 grain crops prevailed in central and southern Manitoba, south-western and west-central Saskatchewan and over most of Alberta this spring. Rainy weather in Alberta in the early spring delayed seeding but during the latter part of May warmer weather and ideal moisture conditions brought the crop along rapidly. In northern Manitoba and central and northern Saskatchewan and a small portion of north-eastern Alberta, moisture conditions are very poor. Generous rains will be needed during the summer to ensure crops in these sections. While some slight damage from soil drifting was reported from several districts, there has been little damage from insects thus far. Grasshoppers are hatching in southern Saskatchewan and parts of southern Alberta but control measures are being taken where it is considered necessary. Little damage from wireworms has occurred. About three-quarters of the coarse grain acreage has been seeded and by the end of this week practically all of the crop should be in the ground. Pasture conditions in the areas where moisture supplies have been plentiful are satisfactory but in northern Manitoba and central and northern Saskatchewan pasture conditions are poor. Live stock generally came through the winter in fair to good condition.

United States Crop Conditions

Mrs. Miller states in a confidential report that spring-germinated wheat in western Kansas has largely made remarkable progress and development during the month. Regardless of whether the straw is twelve inches or shoulder high, the heads now forming are average to above-average size. Beneficial rains were received again last week, and the only potential threat to the crop now is the possible extension of the black-rust area, which will depend upon the weather.

In the spring wheat areas, favourable conditions are reported although little or no rainfall occurred in the Dakotas during the past week.

Indian Wheat Crop

The Indian 1940 wheat crop estimate has been revised to 398,496,000 bushels, which is 9 million bushels higher than the first estimate and is 32 millions higher than last year's production.

Argentine Wheat Crop

The third estimate of the Argentine wheat crop is placed at 119,442,000 bushels, only 1.4 million bushels higher than the second estimate, and 216.8 million bushels lower than the previous year's crop.

On May 25, the Argentine government estimated the remaining export surplus of wheat at only 29,649,000 bushels.

Argentine Wheat Prices Pegged

On May 29, the Argentine government set minimum price limits to trading in wheat and other grain futures. The minimums for wheat in United States cents per bushel are as follows: June 68 3/8, July 69 1/8 and August 70 cents. At the same time the 4 cent daily fluctuation limit which had been put into effect on May 21 was withdrawn.

Market Conditions

Since the minimum pegs were set on futures trading at Winnipeg and Chicago markets, prices have held moderately above the pegs as indicated by the daily closing quotations shown below:

		Winnipeg			Chicago		
		May	July	October	May	July	September
Pegs		70 ¹ / ₃	71 ¹ / ₃	73 ¹ / ₅	79	79	78 ¹ / ₄
Closing Quotations							
May	18	69 ¹ / ₄	70 ¹ / ₂	72 ¹ / ₅	79	79	78 ¹ / ₄
	20	72 ¹ / ₅	73 ¹ / ₄	75 ¹ / ₇	85 ¹ / ₂	83 ¹ / ₆	84
	21	70 ¹ / ₅	71 ¹ / ₅	74 ¹ / ₃	82 ¹ / ₆	82	82 ¹ / ₂
	22	71 ¹ / ₃	72 ¹ / ₃	74 ¹ / ₇	85	83 ¹ / ₂	83 ¹ / ₂
	23	71	71 ¹ / ₇	74 ¹ / ₄	-	82 ¹ / ₁	82 ¹ / ₃
	24	-	-	-	-	83 ¹ / ₃	83 ¹ / ₅
	25	75	76 ¹ / ₁	78 ¹ / ₆	-	84 ¹ / ₇	84 ¹ / ₆
	27	73 ¹ / ₅	74 ¹ / ₆	77 ¹ / ₄	-	84	83 ¹ / ₆
	28	72 ¹ / ₇	73 ¹ / ₆	76 ¹ / ₃	-	83 ¹ / ₂	83 ¹ / ₂
	29	74 ¹ / ₇	75 ¹ / ₇	78 ¹ / ₃	-	83 ¹ / ₃	83 ¹ / ₅
	30	74 ¹ / ₄	75 ¹ / ₃	78	-	-	-



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