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WORLD WHEAT PROSPECTS

Summary

The crop outturn of wheat in Europe in 1936 will probably be a more important factor in the world wheat situation than it has been for many years. Burdensome stocks, which for the past several seasons have tempered the effect of new crop news, have now been generally reduced so that any reduction in production will make for definitely larger imports. Although it is admittedly too early to forecast production accurately, present reports indicate a decrease, European winter wheat acreage being indicated at about 4 percent below last year and condition the poorest in years. Large wheat crops in European countries in recent years, while due in part to increased acreage, have been largely the result of unusually high yields per acre.

The fixing of the high minimum price of wheat in Argentina has resulted in European buyers shifting to Canadian and Australian wheats. The latter country appears to be especially benefiting from Argentina's withdrawal; it is estimated that one-fourth of its surplus has already been purchased by Europe. Exports from Canada thus far have been considerably below expectations. The inter-country wheat trade of Europe during the past month remained small.

It now seems likely that wheat stocks in the United States at the end of the year will be reduced to about normal proportions but, if winter killing is not unusually heavy and if growing conditions for both winter and spring wheat are about average, there is likely to be an export surplus which would result in a downward adjustment of prices to facilitate exports.

The acreage sown to wheat for the 1936 harvest in 15 countries not including Soviet Russia and India, for which reports have been received is 104,846,000 acres, an increase of 0.5 percent over the 104,346,000 acres sown for the 1935 harvest and 4.1 percent above the 100,758,000 acres sown for the 1934 harvest. Practically all of this increase is in the United States. The total acreage in 13 European countries is 56,803,000 acres, compared with 59,131,000 acres in the same countries last year. Estimates are not available for the North African countries but dry weather at seeding time is reported to have reduced the area sown. The estimate for Soviet Russia is placed at 34,721,000 acres which is about 9 percent above the 31,836,000 acres sown a year ago. The first estimate of the area in India is 32,763,000 acres, which is 1.2 percent below last year.

Spring wheat seedings in 1936 may show some increase over recent years due to the poor winter wheat prospects, but they are not expected to offset the decline in the fall planted acreage.

Winter Wheat Acreage and Condition

The acreage sown to winter wheat for the 1936 harvest in 17 countries is shown in table 1.

The prolonged cold wave in the United States was finally broken about February 22 by a marked change to warmer weather, causing the snow and ice to melt leaving the ground bare in much of the wheat belt. During the cold period the upper Mississippi Valley, Lake Regions, and the Great Plains southward to northern Missouri were well protected. In the Ohio Valley, condition generally appears only about fair, with more or less damage from the prolonged cold weather. In Missouri much wheat in the southwestern part is believed dead but elsewhere condition in the State is believed good. In Iowa the ground is still well covered with snow, except in some northern sections. In Kansas the snow cover has largely disappeared with moisture good in the eastern third, barely sufficient in the middle third, and deficient in the West; in the latter, the soil is blowing and considerable damage probable. Wheat is showing in the eastern third of Kansas, but it is reported frozen. Wheat needs moisture badly in western Oklahoma and southeastern Colorado, and while rains would be beneficial in both Texas and Oklahoma, condition is still fair to good. Montana has been benefited by considerable snow and recently some rain. In the Pacific Northwest there has been good snow protection in parts, but the general condition is uncertain.

Table 1.-Winter wheat: Acreage sown in specified countries, crop years 1934-35 to 1936-37

Country	1934-35	1935-36	1936-37
	1,000 acres	1,000 acres	1,000 acres
United States	41,879	44,530	47,529
Canada	698	685	514
Total (2)	42,577	45,215	48,043
Bulgaria	3,024	2,804	2,891
Czechoslovakia	2,099	2,246	2,212
England and Wales	1,759	1,772	1,684
France	12,770	13,007	12,536
Germany	4,917	4,609	4,614
Greece	1,957	2,020	2,011
Hungary	3,850	1/ 3,944	1/ 3,954
Latvia	210	211	172
Lithuania	403	411	346
Poland	3,774	3,762	3,754
Rumania	6,824	1/ 7,739	1/ 6,672
Spain	11,386	11,252	10,768
Yugoslavia	5,208	5,354	1/ 5,189
Total (13)	58,181	59,131	56,803
Total (15)	100,758	104,346	104,846
Russia	26,659	31,836	34,721
India	34,286	33,168	32,763

1/ Estimates of the Belgrade office of the Foreign Agricultural Service.

Crop conditions in several of the important wheat producing countries of Europe are less favorable than a year ago. Serious damage from rains has been reported in France. Crop conditions are also reported poor in Spain, especially in the eastern part. Reports from Italy are conflicting but the outlook is considered unsatisfactory. Crop conditions in the Danubian countries were satisfactory at the end of January but the mild weather has caused abnormal growth and it is not known to what extent, if any, recent severe cold weather has damaged the plants.

The January crop report of the International Institute of Agriculture reported crop conditions satisfactory in the north of Tunisia and in the Alger and Constantine departments of Algeria, but in the other parts of these two countries and in the greater part of Morocco, conditions are not satisfactory and in some places even poor. The Institute reported crop conditions in India in January as being more favorable than last year. Recent trade reports, while still considering conditions in India as mostly favorable, mention the need of further rains.

The 1936 program in Soviet Russia was announced in January and calls for a slightly larger grain acreage, a significantly larger total crop and considerably larger yields per acre. Weather at planting time last year in many areas favored spring seedings and as a result the 1935 wheat crop was larger than that of the previous year. The importance of the weather factor should not be overlooked in the 1936 plans.

A chart of the Soviet Union showing the distribution of the snow cover as of January 11 indicated that snow on that date was lacking in the southern regions, except in the northeastern section of Ukraine and the northern peak of former North Caucasus. At that time there was also only a thin cover of snow in most parts of the southeastern regions. Following severe cold in early January, thawing caused anxiety, and damage was feared in the South. In mid-February temperatures dropped to low levels and all the winter belt was reported to have received heavy snows.

Winter Rye Acreage

The acreage sown to rye in 12 countries is reported at 40,746,000 acres, an increase of 0.3 percent from the 40,616,000 acres in 1935. The European acreage in 10 countries, not including Russia, totals 33,874,000 acres compared with 33,805,000 acres last year. The Russian estimate is 57,426,000 acres compared with 58,598,000 acres last year. Germany, Poland, and Czechoslovakia made small increases in the area sown.

Table 2.-Winter rye: Acreage sown in specified countries, crop years 1934-35 to 1936-37

Country	1934-35	1935-36	1936-37
	1,000 acres	1,000 acres	1,000 acres
United States	5,037	6,159	6,336
Canada	680	652	536
Total (2)	5,717	6,811	6,872
Bulgaria	451	419	445
Czechoslovakia	2,415	2,461	2,485
France	1,659	1,607	1,611
Germany	10,971	10,670	10,702
Greece	182	185	203
Latvia	654	658	592
Lithuania	1,216	1,227	1,177
Poland	13,963	14,238	14,323
Rumania	886	939	865
Spain	1,426	1,401	1,471
Total (10)	33,823	33,805	33,874
Total (12)	39,540	40,616	40,746
Russia	58,472	58,598	57,426

Surpluses and World Trade

The February 1 surplus of wheat available for export or carry-over by the three principal exporting countries, together with United Kingdom port stocks and quantities afloat, is estimated at 447,000,000 bushels compared with 577,000,000 a year earlier, 640,000,000 in 1934, and 641,000,000 in 1933. Surplus stocks remaining in Canada for export or carry-over on February 1 are estimated at 238,000,000 bushels, and Canadian grain in bond in the United States at 29,000,000 bushels. The surplus in Australia on February 1 was about 83,000,000 bushels and in Argentina about 62,000,000 bushels.

Table 3.-Wheat: Surplus for export or carry-over 1/ in the three principal exporting countries, United Kingdom port stocks and stocks afloat, February 1, 1933-1936

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada:				
In Canada	300	279	263	238
In United States	11	10	25	29
Argentina	140	182	146	62
Australia	134	117	97	85
Total	585	588	531	412
United Kingdom port stocks	7	15	13	9
Stocks afloat to				
United Kingdom	24	17	12	17
Continent	14	9	8	7
Orders	11	11	13	2
Total	56	52	46	35
Total above	641	640	577	447

1/ Represents as nearly as possible total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i.e., minus domestic requirements for February-July in case of Canada, February-November in the case of Australia, and February-December in case of Argentina.

There was a general upward trend in world shipments from July to October during which time shipments from Canada and Australia increased, while those from Argentina steadily decreased as it became more apparent that the Argentine crop would be small. World shipments then declined until early January when they recovered sharply following the favorable adjustment of prices of Canadian wheat relative to Liverpool. Recently, total world shipments have been averaging around 10,000,000 bushels weekly compared with between 10,000,000 and 11,000,000 bushels during the peak movement in October.

In early July, Canadian shipments were about 2,000,000 bushels a week and by early November they were about 4,000,000 bushels. At the turn of the year they declined again to about 2,000,000 bushels. Shipments are currently on the upper side of 4,000,000 bushels. If Canada's possible share of the European trade for the February-June period is taken as upward of 100,000,000 bushels, considering the probable deficit in European countries, Canada's shipments would need to average 5,000,000 bushels or more a week. With shipments of this size, the February surplus of 267,000,000 (Canadian grain in Canada plus Canadian grain in the United States) could be reduced to 160,000,000 bushels or less, which would represent a reduction of around 65,000,000 bushels in the current year.

Shipments from Australia increased from about 1,000,000 bushels a week in August to about 2,500,000 bushels in November and then declined to about 1,500,000 again in December. Currently they are around 3,000,000 bushels. Most of Australia's shipments have been going to European markets, causing

real competition for Canadian wheat. Ordinarily, Australia ships substantial quantities to Asiatic countries, but this year such trade has been extremely dull. While Australia's export supplies are small this season, only 83,000,000 bushels remaining on February 1, supplies in that country are still sufficiently large so as to continue to be an important market factor for some time.

Argentina's shipments declined from just under 3,000,000 bushels weekly in August to less than 1,000,000 bushels in January. At present Argentina is out of the European market, and will remain so unless the Government decides to subsidize exports, or unless prices in world markets rise sufficiently to offset the minimum established price.

Shipments from Russia starting in August reached a peak of nearly 3,000,000 bushels for one week in October, since which time they have been steadily declining. Currently they are running about 250,000 bushels a week. Many observers believe that Russian shipments will remain at relatively low levels from now until spring, when the crop outlook for winter grain can be somewhat better appraised.

The wheat surplus available for export or carry-over in the Danube Basin countries on February 1 is estimated by the Belgrade office of the Foreign Agricultural Service at 15,500,000 bushels compared with 19,800,000 bushels for the corresponding date a year earlier. There is practically no movement at present. It is the opinion of the Belgrade office that if conditions do not change during the remainder of the season, it is likely that an important quantity of the 1935 wheat will be carried over on July 1, 1936, especially in Yugoslavia and Rumania. Hungary will probably export most of its surplus, however, which is estimated at about 6,000,000 bushels. All other countries combined are shipping about 1,000,000 a week.

Tables 10 and 12 show current shipments from principal exporting countries, together with those for recent years.

United States Wheat Supplies as of January 1 and July 1

Wheat stocks in the United States on January 1, 1936 are estimated at 431,700,000 bushels compared with 439,300,000 bushels in 1935 and 559,200,000 bushels in 1934. Table 4 shows figures of estimated stocks in the different positions as of January 1 for the years 1932 to 1936. The present total for the current year is 3,900,000 bushels more than the preliminary figure based on incomplete data which was published in the January issue of World Wheat Prospects.

With stocks at 432,000,000 bushels on January 1, 1936, disappearance from July 1 to December 31 is indicated at about 344,000,000 bushels. Stocks on July 1 were 152,000,000 bushels, 1935 production 603,000,000 bushels and net imports 21,000,000 bushels for the July-December period, making total supplies 776,000,000 bushels.

Table 4.-Wheat stocks in the United States on January 1, 1932-1936

Item	1932	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
On farms	322.5	273.0	196.5	137.5	159.4
"Commercial"	226.9	168.5	132.5	90.9	1/ 76.7
Interior mills and elevators 2/	88.0	124.0	100.0	92.1	76.9
Merchant mills:					
For own account in mills and mill elevators attached to mills	97.0	112.6	105.8	96.3	99.4
For others	18.7	10.2	9.3	10.1	5.8
In transit ("in transit to and bought-to-arrive" by merchant mills)	11.5	13.1	15.1	12.4	13.5
Total stocks	764.6	700.8	559.2	439.3	431.7

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1/ Stocks of January 3, 1936 used in place of those of December 27, 1935 as published in the January issue of "World Wheat Prospects".

2/ Interior mill and elevator figures for 1932-1934 from Nat Murray of Clement, Curtis and Company and for 1935-36 from the United States Crop Reporting Board.

Total disappearance for the entire season is more uncertain than usual this year because of the difficulty involved in arriving at an estimate of the amount of the lightweight wheat which will be milled or fed in the January-June period. It now appears that total imports including both milling wheat and wheat "unfit for human consumption" might be about 35,000,000 bushels. If this turns out to be the case and the feeding of light wheat is not especially heavy, total disappearance for the year might possibly be 655,000,000 bushels and July 1, 1936 stocks about 135,000,000 bushels. The estimate of disappearance includes about 500,000,000 bushels for milling, about 85,000,000 bushels for seed, and 70,000,000 bushels for feed. The estimate for milling is somewhat larger than usual because some allowance has been made for the fact that hard red spring wheat is light in test weight this year, more light wheat being required to produce the same quantity of flour than if heavier wheats are used.

Assuming the above figures for 1935-36 imports and the July 1, 1936 carry-over, it seems reasonable to expect that the supply and utilization by classes might turn out to be approximately as shown in table 5.

Table 5.-Wheat: Estimated supply and utilization by classes, 1935-36

Item	Hard red winter	Soft red winter	Hard red spring	Durum	White	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Carry-over, July 1, 1935	71	32	28	5	16	152
Production	198	184	110	28	83	603
Total supplies, 1935-36	269	216	138	33	99	755
Prospective utilization	225	180	139	28	83	655
Prospective carry-over, July 1, 1936	44	36	33	6	16	135
Deficit (prospective imports)	0	0	34	1	0	35

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Estimates of utilization by classes were based largely on disappearance data 1/ of the last 6 years, taking into consideration prospective milling qualities by classes, location of supplies, likelihood of feeding different kinds of wheat, etc.

Prices

The United States average farm price of wheat in mid-January was 93.0 cents per bushel compared with 90.1 cents a month earlier and 89.3 cents in January 1935. During the period from the middle of December to the middle of January there was a corresponding rise in prices at principal markets. During the following month prices at most markets declined. No. 2 Hard Winter at Kansas City declined from $1.15 for the week ended January 11 to $1.07 for the week ended February 15. No. 2 Red Winter at St Louis declined from $1.11 to $1.08 and western white at Seattle from 90 cents to 86 cents in the same period. No. 1 Dark Northern Spring wheat at Minneapolis, however, rose from $1.30 to $1.35 with No. 2 Hard Amber Durum also at Minneapolis showing no change. Prices of May futures at Chicago and Kansas City sagged relative to Liverpool in mid-January as the result of a dull domestic demand, whereas in mid-February the May futures showed independent strength.

Lower prices in Kansas City and similar markets indicate adjustment to new crop prospects, whereas Minneapolis prices may be expected to remain at levels relative to Winnipeg consistent with hard spring wheat imports.

If winter wheat abandonment is not unusually heavy and yields light, and if the spring wheat crop is about average, there is likely to be a surplus in 1936, and domestic prices would be expected to adjust so as to provide a shipping differential between the United States and Europe. The May future at Chicago, has been running about 8 cents over the corresponding month

1/ Disappearance figures for 1930-31 to 1934-35, together with the 1929-30 to 1933-34 average, were given in World Wheat Prospects for July, page 13. Revised figures for 1934-35 are to be found in the August issue, table 11.

at Liverpool, whereas the July future has been around 3 and 4 cents under Liverpool. With hard winter wheat commanding substantial premiums this season, cash prices are expected to make greater adjustments than futures. No. 2 Hard Winter at Kansas City and Chicago has been recently averaging 12 and 14 cents respectively lower than the corresponding May futures.

Table 6.--**Wheat:** Closing Saturday prices of May futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/	100	103	98	102	108	112	85	89	77	96	4/56	4/94
Low 3/	94	97	91	94	101	107	82	83	72	91	4/54	4/91
Jan. 11	99	101	96	100	106	108	84	88	75	95	5/56	5/93
18	99	101	95	100	105	110	84	89	75	96	5/55	5/92
25	97	102	93	100	104	110	83	88	75	94	5/55	5/92
Feb. 1	96	100	92	99	103	109	83	87	73	94	5/54	5/92
8	98	99	94	96	104	109	83	86	73	91	55	93
15	97	98	94	96	104	108	83	85	72	91	55	92

1/ Conversions at noon buying rate of exchange. 2/ Prices are of day previous to other prices. 3/ January 1 to date. 4/ March and May futures. 5/ March futures.

Table 7.--**Wheat:** Weighted weekly average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle 1/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/	114	108	103	118	120	135	147	123	105	111	86	90
Low 2/	108	105	98	107	114	127	134	115	96	106	84	87
Jan. 11	111	108	103	115	120	130	147	122	105	111	85	90
18	111	105	100	112	119	132	142	120	100	107	84	88
25	114	106	100	111	118	133	145	115	100	108	86	88
Feb. 1	113	107	99	111	117	127	139	120	96	106	85	88
8	114	108	98	110	114	134	138	123	98	107	85	87
15	114	106	100	107	115	135	134	122	98	108	86	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery. 2/ January 1 to date.

Table 8.-Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, December 1935 - February 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/ 7/	Paris 6/ 8/	Milan 6/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Dec. 7	108.9	127.6	75.6	70.3	88.6	74.8	224	137	246
14	110.0	125.4	75.5	79.5	89.7	75.9	224	136	245
21	110.5	128.1	76.8	91.8	95.2	74.8	---	140	---
28	112.8	128.8	76.4	91.6	97.9	77.0	---	140	---
Jan. 4	118.0	134.9	78.3	92.2	96.8	79.2	---	---	---
11	115.1	130.3	78.7	91.6	96.7	81.7	221	140	246
18	112.3	132.2	78.5	91.5	98.7	84.2	222	146	249
25	110.5	133.0	78.9	90.8	98.3	86.5	222	158	
Feb. 1	111.1	126.5	78.2	90.9	95.8	85.9		156	
8	109.7	134.1	76.9	91.8	93.2				
15	107.0	135.4	75.2	91.1	89.8				

Prices are averages of daily prices for week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange. 1/ No. 2 Hard Red Winter. 2/ No. 1 Dark Northern Spring. 3/ No. 3 Manitoba Northern. 4/ Near futures. 5/ Home-grown wheat in England and Wales. 6/ Domestic. 7/ Central German wheat, wholesale trade price free Central German station. 8/ Free market prices from January 1, 1935.

World Trade in Durum Wheat

World trade in durum wheat is largely restricted to the movement between France and the North African countries and to Italian imports, although in 1934-35 Canada exported about 6,000,000 bushels of durum to the United States. Table 14 shows durum wheat production in the Western Mediterranean Basin in 1934 and 1935 compared with the 1930-1934 average, and tables 15 and 16 show imports of durum wheat into Italy and France by countries of origin annually, beginning with 1928-29.

Durum wheat ground in the United States after averaging close to 13,000,000 bushels for the 3 years dropped to close to 12,000,000 bushels in 1934-35, reflecting the short supplies of this type of wheat caused by the drought. During the July-December period mill grindings of durum were again large, being 8,000,000 bushels. During the past 3 years there have been practically no durum exports from the United States. Production and distribution of durum wheat products are shown in table 17 semi-annually, beginning with the 1929-30 season.

Wheat in the Swiss Trade Agreement

An annual quota of 4,336,000 bushels of wheat was granted to the United States in the United States - Swiss Trade Agreement, which went into effect February 15, 1936. No quota was granted to the United States in 1934. The new allotment is about equal to wheat shipments to Switzerland in 1931, when the United States supplied over one-fifth of the Swiss requirements.

New Public Elevator System Authorized in Argentina 2/

A new public elevator system in Argentina has recently been authorized by Presidential decree and calls for the construction of 14 new public terminal elevators in the port cities at a total cost of some $17,500,000 and in addition the construction of 180 new public country elevators and the remodeling of some of the existing country grain storage facilities at a cost of about $12,800,000. The 14 public elevators will have a total capacity of 650,000 metric tons which is equivalent to about 24,000,000 bushels of wheat. The project will be financed from funds derived from its exchange profits. It is expected that the actual construction work on the 14 port elevators will be started this fall but that the building and remodeling of the country elevators will be delayed until later.

The need for new elevators in terminal ports has long been recognized. A system of public country elevators as a part of an efficient grain marketing program, however, raises many problems which need further study. The average distance from producing areas to ports in Argentina is only about 150 miles and in important problem deals with the question of improving highways and increasing the use of trucks for transporting grain to the ports.

Argentina at the present time has storage facilities at railway stations to take care of only about 7,500,000 metric tons of grains compared with an average production of 18,000,000 tons. Grain is hauled in carts or trucks directly from the combines or threshing machines to the railway stations where it is stored, and in years of heavy marketing it has been necessary to pile the grain, which is customarily sacked, in the open along the tracks.

The new system proposes to bring about a change from bag handling to bulk handling which has many advantages among which are: Make possible direct savings to producers; make possible financing through the use of negotiable warehouse receipts; be an incentive to the production of better quality by reason of an application of new grain standards; make possible the payment of premiums on the basis of quality; and broaden competition among exporters by affording small exporters an opportunity to operate by using the public elevator system.

2/ Based on a report submitted by the Buenos Aires office of the United States Foreign Agricultural Service.

New Government and other Organization Measures 3/

There have been many measures taken in European countries in recent weeks with respect to the grain trade, but most of them are not of special significance in the world wheat situation.

In Czechoslovakia the grain monopoly is again devoting considerable thought to acreage reduction. The monopoly is considering a possible downward revision in their fixed prices and even placing a ban on spring wheat sowings. It appears from recent acreage figures that there was practically no reduction in sown acreage following the decree that wheat sown in the fall of 1935 must be significantly reduced.

The Swedish Government is reported to be establishing a governmental stock reserve of bread grain, part of which will be an equalization reserve that may be exported or otherwise handled. Of the total of over 5,000,000 bushels of bread grains, mostly wheat, about 3,500,000 bushels would constitute a basic reserve and the balance would be the equalization reserve. In January the Government released 735,000 bushels of wheat for export, which it is believed was from the equalization reserve. The surplus bread grain in the country is reported to be about 9,735,000 bushels.

In Belgium, the domestic milling ratio has been reduced successively from 20 to 15 and 10 percent and is expected soon to be inoperative for the remainder of the season. Domestic supplies are reported practically exhausted. Poland has dropped the obligatory milling extraction ratio for rye and has slightly reduced the export subsidy on flour. Some trade deals involving grain have been negotiated between Germany and Holland, and Poland and Holland. The last of January the Portugal Government sanctioned the exportation of 11,000,000 bushels of wheat.

The European Wheat Market Situation during January 4/

The Liverpool market, while firm at the very beginning of January and again during the middle, was weak during the second and fifth week of the month, as a result of poor demand and pressure principally from Canada and Australia.

European buyers shifted to Canadian and Australian wheat as the result of the high price of Argentine Plates. Australian wheat appears to be especially benefiting from such a shift and the trade estimates that one-fourth of the limited Australian surplus has already been purchased by Europe. If Argentine wheat is moved in any significant volume during the next few weeks, it appears that it will be necessary for the Government to subsidize such shipments.

3/ From reports from foreign offices of the United States Foreign Agricultural Service.

4/ Based on a report from Assistant Agricultural Attache Gordon P. Boals at Berlin.

Inter-country trade in Europe during January was generally of small volume. All French offers were readily taken, mostly by the United Kingdom at prices for which fairly good Manitobas could have been purchased earlier in the season. The French export trade, however, was very limited due in part to the poor condition of the new crop and also to the complicated system of exporting the Government reserve stocks. Sweden released around 735,000 bushels of wheat for export during January, most of which went to Holland. Some wheat exports were made from Poland to Denmark, England and western Europe and a small quantity of German wheat was sent to Holland in a compensation trade deal. Small quantities of wheat and rye also moved from the Baltic States to central and southern European countries. Exports from the Danube Basin were very small during January and in view of the high domestic wheat price levels prevailing in these countries it is possible that part of the export surplus, especially in Rumania and Yugoslavia, will be carried over into the new crop season. Offerings of Russian wheats were of very limited volume.

The wheat business in Europe seems to be reflecting to an increasing extent the importance of either the price factor or some type of compensation trade. High quality for mixing, while still desired when possible, is not considered absolutely essential and in certain countries has given way to the expediency of securing foreign wheat with the minimum of foreign exchange. This situation, however, is not so characteristic of the United Kingdom market. At continental markets it is further noted that much of the Canadian purchases have been of lower grades, especially No. 4 and 5 Manitobas.

Imports into European countries to date are shown in table 9.

Table 9.-Wheat, including flour: Net imports into European countries, year beginning July 1, 1933-34 to 1935-36

Country	1933-34	1934-35	Net imports reported: July 1 to	1934-35	1935-36
	Million bushels	Million bushels		Million bushels	Million bushels
Austria	11	10	Nov. 30	4	3
Belgium	43	40	Nov. 30	20	17
Czechoslovakia	1/	1			
Denmark	12	19	Dec. 31	10	4
Estonia	2/	2/			
Finland	4	4	Nov. 30	2	2
France	18	3/ -17	Nov. 30	2	5
Germany	3/ - 4	11	Nov. 30	6	1
Greece	12	13	Aug. 31	1	3
Irish Free State	19	18	Dec. 31	10	7
Italy	8	10			
Latvia	0	1/	Sept. 30	0	3/- 1
Netherlands	24	19	Dec. 31	10	11
Norway	9	9	Dec. 31	4	5
Poland	3/ - 2	3/ - 4	Nov. 30	3/-2	3/- 4
Portugal	1	1	Sept. 30	2/	2/
Spain	1/	1/	Nov. 30	1/	2/
Sweden	2	3/ - 2	Nov. 30	1/	3/- 1
Switzerland	18	18	Dec. 31	9	10
United Kingdom	216	202	Dec. 31	104	104
Total	391	352		180	166

Compiled from official sources.
1/ Net exports of less than 500,000 bushels.
2/ Less than 500,000 bushels.
3/ Net exports.

Table 10.- Wheat, including flour: Movement from principal exporting countries, 1932-33 to 1935-36

Country	Exports as given by official sources: Total 1932-33	Total 1933-34	Total 1934-35	July 1 to date shown 1933-34	July 1 to date shown 1934-35	July 1 to date shown 1935-36	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	41,210	37,002	21,532	14,037	13,572	8,055	Dec. 31
Canada	267,342	198,555	169,630	131,539	121,469	141,511	Jan. 31
Argentina	120,272	144,854	187,000	69,497	108,980	54,407	Jan. 31
Australia	148,552	86,509	108,010	29,038	33,540	29,328	Oct. 31
Russia	19,676	33,787	4,286	20,262	3,200	22,864	Nov. 30
Hungary	7,010	29,615	12,499	6,782	1,971	3,213	Sept.30
Yugoslavia	1,162	839	4,401	380	2,090	79	Oct. 31
Rumania	179	248	3,432	84	0	8,894	Oct. 31
Bulgaria	3,144	4,236	375	2,235	7	872	Nov. 30
British India	2,169	2,084	2,318	783	961	984	Oct. 31
Total	610,716	537,729	513,483				

	Shipments as given by trade sources: Total 1933-34	Total 1934-35	Week ended Feb. 1	Week ended Feb. 8	Week ended Feb. 15	July 1-Feb. 15 1934-35	July 1-Feb. 15 1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/	220,616	168,712	4,088	5,504	4,024	115,712	126,424
Canada, 4 markets 2/	194,213	176,059	1,875	2,720	2,098	138,122	179,596
United States	37,002	21,532	146	125	108	15,040	8,806
Argentina	140,128	186,228	652	1,676	1,019	117,784	56,983
Australia	90,736	111,628	2,348	2,844	3,082	68,812	63,102
Russia	26,656	1,656	0	688	288	1,656	27,792
Danube & Bulgaria 3/	15,872	4,104	0	128	0	616	7,880
British India	4/2,084	4/2,318	0	0	0	312	256
Total 5/	496,092	474,646				304,892	282,437
Total European shipments 1/	401,560	387,752	5,896	9,280		6/ 241,464	6/ 213,880
Total ex-European shipments 1/	123,352	142,424	2,160	2,744		6/ 77,408	6/ 82,920

1/ Broomhall's Corn Trade News
2/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
3/ Black Sea shipments only.
4/ Total exports as given by official sources.
5/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.
6/ To February 8.

Table 11.- United States: Exports of wheat and wheat including flour, 1934-35 and 1935-36 1/

Period	Wheat		Wheat flour		Wheat including flour	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July	826	66	286	248	2,168	1,231
Aug.	1,776	8	440	270	3,845	1,278
Sept.	109	14	443	279	2,190	1,324
Oct.	57	14	397	314	1,923	1,489
Nov.	152	30	380	335	1,936	1,602
Dec.	32	34	315	234	1,511	1,132
Week ended						
Jan. 4	0	2	18	32	85	152
11	0	0	29	13	136	61
18	0	1	22	21	103	100
24	2	1	43	15	204	71
Feb. 1	14	0	25	31	132	146
8	0	3	21	26	99	125
15	1	0	23	23	109	108

Compiled from reports of the Department of Commerce.
1/ Includes flour milled in bond from foreign wheat.

Table 12.- Wheat, including flour: Shipments from principal exporting countries, specified dates, 1934-35 and 1935-36

Period	Argentina		Australia		Danube		North America	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 1 - Dec 28	89,036	50,676	50,672	44,232	608	7,408	92,088	97,536
Week ended								
Jan. 4	2,944	792	2,200	1,620	0	0	1,392	1,496
11	4,252	1,076	2,176	2,216	8	104	2,168	3,992
18	3,264	652	3,176	2,912	0	0	2,240	4,536
25	4,124	440	3,156	3,848	0	240	2,424	5,248
Feb. 1	5,076	652	2,344	2,348	0	0	2,600	4,088
8	4,808	1,676	2,820	2,844	0	128	2,792	5,504
15	4,280	1,019	2,268	3,082	0	0	2,008	4,024
Total, July 1 - Feb. 15	117,784	56,983	68,812	63,102	616	7,880	115,712 1/	126,424

Compiled from Broomhall's Corn Trade News.
1/ Includes shipments from Canada to United States which are not available by weeks.

Table 13.- Wheat: Stocks in specified European countries, December 15 and January 15, 1934-35 and 1935-36

Position	1934-35		1935-36	
	Dec. 15	Jan. 15	Dec. 15	Jan. 15
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Ports:				
United Kingdom 1/ 2/	14,760	16,120	8,800	10,760
Antwerp	3,548	3,798	1,475	2,120
Rotterdam	2,719	2,499	735	992
Germany:				
Berlin 1/ 2/	2,729	3,089	719	2,142
"Second-hand" stocks 2/3/	66,924	70,025	4/52,209	4/53,406
Farm stocks 2/	85,245	67,571	4/97,958	4/75,471
Others:				
Swedish mill stocks of wheat 2/	3,283	3,319	3,289	

1/ Wheat and flour
2/ First of the month
3/ In warehouses and flour mills, domestic wheat and flour as well as foreign duty-paid and duty non-paid. These totals are estimated to include 95 percent of all stocks in warehouses and flour mills, and therefore must contain most of the Berlin data.
4/ Preliminary.

Table 14.-
Durum wheat: Acreage and production in the Western Mediterranean Basin average 1930-1934, annual 1934 to 1935

Country	Acreage			Production		
	1930-34	1934	1935	1930-34	1934	1935
	1,000 acres	1,000 acres	1,000 acres	1,000 bushels	1,000 bushels	1,000 bushels
Spain	2,246	2,278	2,212	31,618	37,368	30,791
Portugal	462	469	521	6,338	8,642	8,194
Italy	3,771	3,865	3,892	58,058	57,797	55,850
Fr. Morocco	2,179	2,224	2,718	20,734	27,925	13,962
Algeria	3,022	2,916	3,091	22,593	28,322	24,453
Tunisia	1,745	1,606	1,507	9,134	9,553	11,023
Total	13,425	13,358	13,941	148,475	169,607	144,273

Official and private estimates supplied by United States Foreign Agricultural Service at Paris and International Institute of Agriculture, Rome, Italy.

Table 15.- Italy: Imports of durum wheat by countries of origin, 1928-29 to 1934-35

Country from which imported	Year ended June 30						
	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States 1/	4,784	3,099	3,454	848	1,056	945	994
Canada 2/	24,521	11,227	14,476	3,356	1,756	676	1,102
Russia	0	818	6,666	4,808	1,534	1,571	117
Argentina	370	441	592	512	23	146	252
Other countries	67	509	209	327	86	254	688
Total imports	29,742	16,094	25,397	9,851	4,455	3,592	3,153

Foreign Agricultural Service. Compiled from Statistica del Commercio Speciale, di Importanzione e di Esportazione Italio, June and December.

1/ Includes Canadian durum clearing from United States ports.
2/ Includes United States durum clearing from Canadian ports.

Table 16.- France: Imports of durum wheat by countries of origin, 1928-29 to 1934-35

Country from which imported	Year ended June 30						
	1928-29	1939-30	1930-31	1931-32	1932-33	1933-34	1934-35
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States 1/	132	536	984	351	933	93	---
Canada 2/	225	531	2,541	2,353	1,410	1,759	1,146
Russia	0	30	47	---	---	---	29
Algeria	4,023	3,649	4,603	3,163	4,910	5,941	5,254
Tunisia	3,087	3,847	2,035	3,747	3,892	549	469
Morocco	540	347	130	1,617	610	538	546
Other countries	17	20	361	825	388	715	677
Total imports	8,024	8,960	10,701	12,056	12,143	9,595	8,121

Foreign Agricultural Service Division. Compiled from Tableau General du Commerce Exterieur and Statistique Mensuelle du Commerce Exterieur de la France, June and December.

1/ Includes Canadian durum clearing from United States ports.
2/ Includes United States durum clearing from Canadian ports.

Table 17.- Durum wheat products: Production and distribution, United States, 1929-30 to 1935-36 1/

Year and month	Durum wheat ground	Production 2/		Exports		Available for consumption 3/	
		Semolina	Flour	Semolina	Flour	Semolina	Flour
	Bushels	Barrels	Barrels	Barrels	Barrels	Barrels	Barrels
1929-30 -							
July - Dec.	8,015,616	1,184,796	535,941	33,351	98,133	1,151,445	437,808
Jan. - June	7,003,156	1,184,109	311,158	37,629	58,614	1,043,428	345,596
Total.....	15,018,772	2,358,905	847,099	70,980	156,747	2,194,873	783,404
1930-31 -							
July - Dec.	7,338,125	1,236,508	212,802	40,877	25,901	1,195,631	186,901
Jan. - June	6,852,220	1,144,134	326,685	43,663	12,824	1,100,471	303,861
Total.....	14,190,345	2,380,642	539,487	84,540	38,725	2,296 102	490,762
1931-32 -							
July - Dec.	7,345,990	1,268,124	295,636	11,559	13,576	1,256,565	282,060
Jan. - June	5,895,622	987,965	232,747	4/	4/	987,965	42,754
Total.....	13,241,612	2,256,089	528,383	11,559	13,576	2,244,530	324,814
1932-33 -							
July - Dec.	6,109,118	1,067,518	217,824	4/	4/	1,067,518	217,824
Jan. - June	6,897,618	1,155,273	430,532	2,518	4/	1,152,755	430,532
Total.....	13,006,736	2,222,791	648,356	2,518	4/	2,220,273	648,356
1933-34 -							
July - Dec.	6,579,689	1,116,337	264,708	4/	4/	5/	5/
Jan. - June	6,616,280	1,135,064	263,618	4/	4/	5/	5/
Total.....	13,195,969	2,251,401	528,326	4/	4/	5/	5/
1934-35 -							
July - Dec.	6,468,443	1,069,131	290,889	4/	4/	5/	5/
Jan. - June	5,779,986	986,318	267,008	4/	4/	5/	5/
Total.....	12,248,429	2,055,449	557,897	4/	4/	5/	5/
1935-36 -							
July - Dec.	8,079,600	1,277,468	354,860	4/	4/	5/	5/
Jan - June							
Total.....							

1/Data prior to July 1, 1933, collected and distributed by Bureau of Foreign and Domestic Commerce. Subsequent data collected and distributed by Grain Market News Service, Bureau of Agricultural Economics.
2/Amount of semolina and flour produced not strictly accurate as total production of one mill not reporting semolina and flour separately is included in semolina.
3/Includes material used in domestic manufacturing industries.
4/Data confidential because of light export business and small number of firms exporting.
5/Not computed because of absence of export data.