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UNITED STATES DEPARTMENT OF AGRICULTURE
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WORLD WHEAT PROSPECTS 1/

The world markets for wheat improved to some extent in May and the first week of June, but weakened in the second week of June with a general decline in prices. Conditions reported to date indicate a crop in the Northern Hemisphere outside of Russia probably not very different from that harvested in the past season. Larger crops in India, Canada, and Rumania, and in some northern European countries are likely to be about offset by smaller crops in North Africa, France, Italy, Yugoslavia and possibly some other European countries. Deterioration of crops in North Africa and southern Italy have improved the prospects for marketing the durum wheat crop of the United States. The stocks of old wheat on hand as of July 1 in all positions for which data are available probably will be 100 to 150 million bushels less than a year ago. With smaller stocks of wheat in Argentina and in some European positions and a smaller hard winter wheat crop in the United States, conditions are more favorable than a year ago for moving the hard winter wheat crop in the Southwest without serious congestion in terminal markets. Since June 1 conditions indicate that the soft red winter wheat crop in the United States will be reduced to approximately a domestic supply basis, the market position of that class of wheat in relation to other classes is likely to be well maintained and possibly improved in the marketing season.

Conditions reported to date are not very favorable for the Canadian crop. The prospect for an average wheat crop in Canada is not so good as it

1/ Prior to this issue this series had the title Foreign News on Wheat. The last issue under the old title was F.S. dated May 21, 1930.
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was a month ago. It now seems likely that the Canadian crop will not exceed 400 million bushels unless conditions for the remainder of the season are better than average. Low returns from the sheep industry in Australia may tend to encourage producers in that country to expand wheat production, but soil moisture deficiencies are unfavorable for materially expanding the area seeded in the present season. In Argentina low returns for the crop and weather conditions are likely to cause some further reduction in acreage.

Russia continues to be an uncertain factor in the world wheat situation. Late reports indicate that the area of wheat seedings may approximate that of the past season, but the outlook for the crop is somewhat uncertain.

If durum wheat seedings in the United States have been reduced in line with reported intentions, average or better than average yields would produce only a moderate crop and that crop is likely to meet less competition in foreign markets than was met by the crop of the past season. The wheat crop of southern Italy, which is mostly durum, is reported to be materially reduced. The crops of Tunis and Algeria are smaller than a year ago and Morocco has suffered from drought. Nothing is known of the prospects for the Canadian durum wheat crop but conditions in Manitoba would indicate the possibility of a durum crop somewhat better than that of the past season.

The world stocks of old wheat, July 1, still seem likely to be quite large but less than a year ago. Stocks in the United States and Canada may be about the same as a year ago, while the supplies in Australia may be a little larger and in Argentina much smaller. The supply of old wheat remaining in Argentina available for export and carryover is probably about one hundred million bushels less than a year ago. With the amount of wheat afloat reduced by about 25 million bushels, the stocks in many European ports small, and domestic supplies on hand in many foreign countries reduced, it seems likely that the accounted for stocks on July 1 may be about 150 million bushels less than a year ago.

The general price level and demand situation will be important in the coming season, as it has been in the past season. A world-wide drop in the general price level of about 10 per cent from the first of July, 1929, to the first of June, 1930, has been an important factor in depressing wheat prices. There is no definite evidence that this decline in price level has come to an end but the length of such depressions in the past indicates that it may not continue many more months. Low interest and discount rates in many countries, together with easier credit, may result in freer buying on the part of importers. Improvement in the demand situation from these two factors, however, might be offset in a measure at least by larger exports from Russia.

World production prospects

Wheat areas reported to date representing 20 countries in the Northern Hemisphere total 1.4 per cent less than in the same countries in 1929, but more than in 1928. Since it is probable that smaller areas have been seeded to spring wheat in Canada and the United States, it seems likely that the total wheat area of the Northern Hemisphere to be harvested in 1930 will be somewhat less than that of 1929.

Forecasts and estimates of crops received to date indicate an outturn slightly above the harvests of the same countries in 1929. Larger crops in Rumania and India are not quite offset by smaller crops in Algeria, Italy, and a smaller winter wheat crop in the United States. Reports generally indicate smaller crops in France and Yugoslavia. North European countries may harvest somewhat larger crops. Condition reports from Germany indicate a crop somewhat larger than a year ago. Conditions to date for the spring wheat crops in Canada and the United States are somewhat better than a year ago. It seems likely, therefore, that the 1930 Northern Hemisphere crop may not be very different from the 1929 crop, but considerably smaller than that of 1928.

Wheat: Production, average 1909-1913, 1923-1927, annual 1928-1930

Country	Average 1909-1913	Average 1923-1927	1928	1929	1930 (Prelim.)
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States, winter only...	441,602	549,257	578,673	578,336	532,469
Mexico	1/ 11,481	11,090	11,031	11,333	11,572
Belgium	15,199	13,988	17,215	13,225	2/ 15,873
Spain	130,446	146,581	119,885	154,249	160,568
Italy	184,393	210,456	228,598	260,669	220,000
Rumania	1/ 158,672	96,980	115,544	84,510	123,715
Algeria	35,161	27,542	30,302	33,307	29,174
Tunis	6,224	9,627	12,125	12,309	9,002
India	351,841	344,729	290,864	317,595	386,848
Total	1,335,019	1,410,250	1,404,237	1,465,533	1,489,221

1/ Four year average.
2/ Winter only; about 99 per cent of the total crop.

Bread grains: Winter acreage in specified countries, average 1909-1913, annual 1927-1930

Crop and countries reporting 1/	Harvest year: Average 1909-1913	1927	1928	1929	1930	Percentage 1930 is of 1929
WHEAT	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Per cent
United States	28,382	37,723	36,213	40,162	38,676	96.3
Canada	2/1,019	853	819	834	636	76.3
Mexico	3/2,174	1,311	1,283	1,293	1,224	94.7
Total (3)	31,575	39,887	38,315	42,289	40,536	95.9
Europe (12)	59,138	55,006	55,867	55,843	56,389	101.0
North Africa (3)	6,531	7,150	8,332	8,368	8,102	96.8
Asia (2)	30,124	32,313	33,152	32,754	32,332	98.7
Total above coun.(20)	127,368	134,356	135,666	139,254	137,359	98.6
Est. world total excl. Russia and China...	204,200	240,100	244,800	244,400		
RYE						
United States	2,236	3,648	3,480	3,225	3,521	109.2
Canada	117	568	599	664	765	115.2
Total	2,353	4,216	4,079	3,889	4,286	110.2
Europe (11)	26,070	22,159	24,327	24,748	25,082	101.3
Total above coun.(13)	28,423	26,375	28,406	28,637	29,368	102.6
Est. world total excl. Russia and China	48,300	48,400	46,700	48,600		

1/ Figures in parenthesis indicate the number of countries included. 2/ Four-year average. 3/ Two-year average.

World trade

The international trade in wheat continues at a relatively low level. Total shipments or exports from the principal exporting countries from July 1, 1929 to May 31, 1930 were about 260 million bushels less than in the corresponding period of a year ago. This does not mean that the imports of importing countries have been reduced so much. The amount of wheat afloat has been reduced by about 30 million bushels. Shipments from several small countries and exports from importing countries such as Germany and France are not accounted for in the figures representing principal exporting countries. The net imports of European countries, from July 1 to the most recent date for which data are available, total only about 80 million bushels less than in the corresponding period of a year ago. Data are not available as to the net imports of many of the ex-European countries, but shipments to ex-Europe have been reduced about 70 million bushels. It seems, therefore, that the actual consumption of wheat by importing countries has been materially greater than indicated by the differences in shipments from principal exporting countries.

In spite of the great reduction in international trade in wheat, the United States has shipped nearly as much wheat and flour as in the corresponding period of a year ago. The total shipments through May amounted to 140 million bushels compared with 155 million through May 1929. Imports for milling in bond, however, have been smaller than a year ago; consequently, the net exports are very close to being the same as in the corresponding period of a year ago. The Balkan countries shipped early and in large quantities, more than in any recent year. Russia has also contributed about 5 million bushels. The other principal exporting countries, Canada, Argentina, and Australia, have fallen far behind.

In reviewing imports of the European importing countries, it is of interest to note that some countries imported in the first nine months of the season as much or more than in the corresponding period of a year ago, and that only a few countries have materially reduced their imports. The most significant reduction is that by Italy, from 72 to 26 million bushels in the first nine months of the season. Germany, with a smaller crop but with every effort to curtail the consumption of foreign wheat, imported about as much as in the corresponding period a year ago. French imports were reduced but not in proportion with the increase in production. The reason for Denmark falling so far behind a year ago is not apparent. Many of the small countries have imported about the same quantity as in the corresponding period of a year ago. The imports of many of the non-European importing countries do not fluctuate greatly. The greatest reduction in imports has been in the Orient, due to an accumulation of flour stocks at the beginning of the season, the falling price of silver, and tight credit conditions.

Wheat including flour: Exports from principal exporting countries, March, April and May 1929 and 1930

Country	Mar. 1929	Mar. 1930	Apr. 1929	Apr. 1930	May 1929	May 1930 1/
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	9,090	7,321	9,151	7,438	16,128	10,773
Canada	27,565	14,656	10,554	5,460	31,153	2/ 28,963
Argentina	29,861	1/ 8,890	22,381	1/ 10,572	24,218	8,789
British India 3/..	283	4/ 177	320	1/ 0	443	0
Australia	16,023	1/ 6,732	17,619	1/ 4,518	7,809	7,204
Russia 1/.........	0	360	0	1,688	0	376
Danube and Bulg. 1/	160	1,328	88	376	384	664
Total	82,982	39,464	60,113	30,052	80,135	56,769

Compiled from official and trade sources.
1/ Preliminary. 2/ Fort William, Port Arthur, Vancouver and Prince Rupert.
3/ Net imports: March 1929 were 3,875,000 bushels, April 1929 were 3,133,000 bushels and May 1929 were 1,473,000 bushels. 4/ Sea-borne trade only.

Wheat including flour: Shipments from principal exporting countries

Country	Total shipments or exports July-June 1927-28	Total shipments or exports July-June 1928-29 1/	Shipments, weeks ending May 17	Shipments, weeks ending May 24	Shipments, weeks ending May 31	Total shipments or exports July-May 1928-29	Total shipments or exports July-May 1929-30
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/..	452,423	499,942	7,813	6,724	8,153	462,296	273,349
Canada 4 markets..	333,335	458,649	4,816	5,935	8,494	439,022	172,412
United States.....	206,259	163,687	3,271	1,973	1,893	154,681	140,459
Argentina.........	178,135	217,139	1,092	1,717	2,085	191,748	153,516
Australia.........	72,962	107,937	960	1,200	1,600	107,298	55,881
Russia............	5,408	8	0	0	0	8	4,608
Danube and Bulg...	32,847	33,842	112	144	144	2,680	18,176
British India.....	15,668	5,687	0	0	0	4,746	3,453
Total 3/.........	757,443	864,555	9,977	9,785	11,982	768,776	508,983
Total European shipments 4/....			9,800	8,120	---	620,580	431,192
Total ex-European shipments 4/...			2,256	2,424	---	201,176	130,024

Compiled from official and trade sources.
1/ Preliminary. 2/ Bradstreets weeks ending Thursdays, including flour at 4.5 bushels per barrel. 3/ Total of trade figures including North America as reported by Bradstreets. 4/ Totals as reported by Broomhalls Corn Trade News.

Wheat prices

After reaching new low levels for the crop year early in May, wheat prices improved somewhat through the first week of June. This improvement was followed by some recession during the second week of June.

For the week ended June 6 all classes and grades of wheat at six markets averaged 103 cents per bushel, compared with a low of 97 cents per bushel for the week ended May 9. No. 2 hard winter at Kansas City averaged 101 cents per bushel the week ended June 6 compared with its low of 96 cents, while at Minneapolis No. 1 dark northern spring and No. 2 amber durum at 111 cents and 98 cents respectively were 3 to 4 cents above the levels of the week ended May 9. No. 2 red winter at St. Louis, which averaged 113 cents per bushel the week ended June 6, was only 2 cents above its level for the week ended May 9. As compared with their levels of a year ago, winter wheats were higher while spring wheats were lower. No. 2 hard winter at Kansas City averaged 3 cents above its level the first week of June last year, while No. 2 red winter at St. Louis was 2 cents higher. No. 1 dark northern spring at Minneapolis was 7 cents lower than a year ago, while No. 2 amber durum was 16 cents below last year's level for the first week of June.

The prices of wheat futures closed lower on June 12 than a week earlier. The greatest declines were in United States markets where prices were more than 3 cents per bushel lower, while at Liverpool the close of July futures was only 1.5 cents per bushel below that of a week before. At Chicago July futures closed June 12 at about 103 cents per bushel, compared with 106 cents the previous week, while at Kansas City they closed at 96 cents per bushel compared with 99 cents a week before. The July close at Minneapolis was 102 cents and at Winnipeg 110 cents per bushel. Liverpool July futures closed at 115 cents against 116 cents per bushel the previous week. On June 11 Buenos Aires July futures closed at about 106 cents per bushel, which was one cent higher than the close of the previous week.

Future price movements of the week brought about a widening of the spread between prices at Liverpool and United States markets. Based on closing prices of June 12 the spread between July futures at Liverpool and Chicago was nearly 12 cents per bushel compared with spreads of 8 to 10 cents which has been usual during recent weeks. The close of the July future at Kansas City on June 12 was approximately 19 cents per bushel below Liverpool. A continuation of current price spreads would probably result in considerably larger exports from the United States than those of recent weeks.

During the past few weeks prices have been fluctuating largely on news of the development of the crops both in the winter and spring wheat areas. In the United States markets the volume of shipments overseas has also been a factor affecting day-to-day movements of prices. The export movement has been watched more closely than is usual at this time of year because of its importance in affecting the likelihood of congestion following the heavy movement of the winter wheat crop.

Wheat: Closing prices of July futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg		Liverpool		Buenos Aires 1/	
	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Apr. 24	117	106	108	98	114	106	123	111	128	116	2/108	2/105
May 1	118	104	110	96	117	104	124	109	126	112	2/106	2/104
8	108	101	100	94	106	101	112	107	117	111	101	2/101
15	108	104	101	97	108	104	116	109	119	115	102	2/104
22	106	107	99	100	106	107	115	112	117	116	99	104
29	100	108	93	99	99	105	110	111	116	117	94	105
June 5	109	106	102	99	107	106	117	112	115	116	97	105
12	108	103	100	96	105	102	116	110	116	115	95	106
19	112		105		110		119		115		97	
26	111		105		111		123		118		100	

1/ Prices are of day previous to other prices.

2/ June futures.

Wheat: Weighted average cash prices 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 amber durum Minneapolis		No. 2 red winter St. Louis		Western white Seattle 1/	
	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Apr. 18	112	102	113	101	133	113	---	98	128	117	118	110
25	107	99	107	98	125	109	119	94	122	114	116	107
May 2	107	99	107	97	128	110	112	96	118	113	115	106
9	101	97	104	96	123	108	113	94	122	111	110	104
16	103	101	103	98	124	110	109	98	118	115	109	105
23	101	102	100	100	121	111	114	99	116	115	108	104
30	95	102	94	102	112	110	102	99	110	115	104	105
June 6	100	103	98	101	118	111	114	98	111	113	108	
13	103		102		120		125		121		108	
20	104		102		123		109		121		111	

1/ Weekly average of daily cash quotations basis No. 1 sacked 30 days delivery.

CROP AND MARKET PROSPECTS

The United States

June 1 conditions indicate a winter wheat crop in the United States 56 million bushels less than the crops of 1928 and 1929. The principal reductions are in soft red winter wheat in Ohio, hard red winter wheat in Texas and Oklahoma, and white wheats in the Far Northwest. Should the June forecast be borne out, the outturn of the hard red winter wheat crop would be about 325 million bushels or 5 per cent less than the crop of this class of wheat in 1929. The soft red winter wheat crop would be about 167 million bushels or 13 per cent less than that of 1929, and the white winter wheat 40 million bushels or 10 per cent less.

Stocks of wheat on farms and in country mills and elevators are probably about equal to a year ago. The stocks of soft red winter wheat may be larger than a year ago when they were low at many points in the soft red winter wheat producing region. Stocks of white wheat in the Northwest are probably also larger. It is possible that larger stocks of soft red winter and white winter wheats will about offset reductions in the crops. The farm supplies of hard winter wheat, on the other hand, may be slightly less than a year ago.

A careful survey has been made of supplies in relation to storage capacity of elevators in the Southwest hard winter wheat producing region. It appears that the crops of Oklahoma and Texas can be moved without congesting terminal markets. The supplies to be moved from Texas and Oklahoma are somewhat smaller, the elevator capacity has been increased, and the stocks of old wheat at terminal markets have been reduced to make way for the new crop. Unless farmers who have storage capacity on farms hold wheat through the heavy marketing season, congestion at terminal markets for the wheat from Colorado, Kansas, and Nebraska is in prospect. The congestion, however, may not be so serious as it was in 1929. While the prospective supply of wheat to be handled from these states is equal to and possibly somewhat larger than a year ago, it is not likely that significant quantities of wheat from Texas and Oklahoma will be moved into northern terminal markets as in 1929. Furthermore, since Argentina has a much smaller supply of wheat to be shipped during the next few months, it seems likely that winter wheat from the Southwest will move into export more freely than last year in the early months of the marketing season. The rate of movement of wheat from these states may also be affected by weather conditions.

Wheat in store at principal markets as of June 7 amounted to 118 million bushels compared with 94 millions on the corresponding date a year ago. Unless mill stocks are smaller, it seems likely that the carryover of old wheat in the United States will be as large and possibly a little larger than it was on July 1, 1929.

Wheat: Inspected receipts, all United States inspection points, by classes, July-April, 1928-29 and 1929-30

Class	1929 Apr.	1930 Apr.	1928-29 July-Apr.	1929-30 July-Apr.
	Cars	Cars	Cars	Cars
Hard red spring	8,233	3,015	153,381	86,172
Durum	2,656	980	50,450	22,345
Hard red winter	9,081	9,387	309,433	318,796
Soft red winter	812	1,385	30,431	40,849
White	1,085	1,231	28,306	26,992
Mixed	2,359	1,409	47,366	34,684
Total	24,226	17,407	619,367	529,838

United States: Exports of wheat and wheat including flour, by weeks 1929 and 1930

Week ended	Wheat		Wheat including flour	
	1929	1930	1929	1930
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Apr. 5	274	842	1,430	1,538
12	718	329	1,414	808
19	867	563	2,075	1,442
26	2,130	545	3,108	1,175
May 3	745	939	1,685	1,747
10	1,537	1,363	2,129	1,889
17	2,358	2,082	3,171	3,271
24	2,110	1,329	2,796	1,973
31	1,486	925	2,276	1,893

Compiled from weekly report of the Department of Commerce.

Canada

The chances for an average crop in Canada have been reduced in the past month. Rainfall in the Prairie Provinces was below average in May and the early part of June. The scarcity of precipitation in this period is likely to be reflected in reduced yields unless it is offset by above normal rainfall between now and August 1. The crop suffered not only from scarcity of rainfall but also from high winds. It now seems likely that the Canadian crop will not exceed 400 million bushels unless conditions for the remainder of the season are better than average.

The Canadian Government reports spring wheat 96 per cent and winter wheat 88 per cent of conditions that would indicate average yields. The average yield of spring wheat in the past ten years was 16.9 bushels per acre, and a condition of 96 would indicate 16.2 bushels per acre. Should the area be reduced to 24 million acres, this would indicate a crop of slightly less than 400 million bushels. The relation of yield to rainfall and temperature through June 9, and assuming average rainfall and average temperatures for the remainder of June and in July, indicates a yield of 17.5 to 18 bushels for Canada as a whole. It would indicate a yield of 16.5 to 17 bushels in Saskatchewan. That is, should average conditions prevail during the remainder of June and through July, the Canadian crop would probably be slightly above 400 million bushels. The continuation of unsatisfactory conditions would of course reduce the yields below this figure. Reports of conditions early in June indicate great need of moisture in many parts of Canada.

The above calculations of yields on the basis of rainfall and temperature take no account of winds and soil drifting. Reports to the Manitoba Free Press indicate considerable damage from winds. Wind damage may have some effect upon the area remaining for havest. Some of the damaged area is being re-seeded but the lateness of seeding reduces the chance of a good yield.

Saskatchewan: Total precipitation (average per station)
in specified months, average 1904-05 to 1927-28,
annual 1927-28 to 1929-30

Period	Average 1904-05 to 1927-28	1927-28	1928-29	1929-30
	Inches	Inches	Inches	Inches
Sept. - Nov.	3.02	5.15	1.06	2.90
Jan. - Mar.	1.97	1.11	1.96	1.24
Apr.	.89	.91	.48	1.00
May	1.94	.58	1.71	1/ ~~.82~~ 1.00
June	3.19	5.14	2.12	2/ 4.12
July	2.36	2.10	.56	--- (.90)

1/ Preliminary.
2/ Rainfall the first ten days of June totaled .7 inch on an average per station.

The supply of wheat remaining on July 1, 1930 seems likely to be not very different from that of a year ago. Available data indicate that the supply available for export and carryover as of June 1 is probably about 153 million bushels compared with 155 millions a year ago. The Canadian grain in store was reported on May 30 to be about 147 million bushels, about 4 million bushels in excess of a year ago, and the farm supplies are probably somewhat less than a year ago.

Australia

Conditions in Australia are not very satisfactory for seeding. Our Australian correspondent cabled May 30, "The eastern Australian wheat states had good planting rain but insufficient for sub-soil moisture. Good rains in June would be necessary to give the crop a good start." Very little rain had fallen in the wheat areas between December and March and therefore the sub-soil reserve was low. Efforts are being made to extend wheat areas. Many producers who are both wheat growers and sheep raisers are increasing their wheat areas to compensate for lower wool prices. Our correspondent, however, believes that there will be no substantial increase in wheat acreage unless moisture conditions become more favorable.

The Australian crop is moving slowly. If the crop and carryover have been accurately estimated, the supply available for export and carryover as of June 1 was about 53 million bushels, compared with 40 millions a year ago. Our correspondent believes that there was really only about 30 million bushels available for export, as compared with 40 million bushels a year ago.

North Africa

Forecasts of wheat crops in Algeria and Tunis indicate a production in these two countries of about 38,200,000 bushels, compared with 45,600,000 a year ago, a decrease of 16 per cent, according to cables from the International Institute of Agriculture. The wheat crop of Tunis is reported likely to be 9,000,000 bushels, compared with 12,300,000 bushels produced last year. This is the smallest crop since 1927, when the outturn was a little over 8,000,000 bushels. The Algerian crop of 29 million bushels is also the smallest since 1927 when a little over 28,000,000 bushels were harvested.

No forecast of the crop of Morocco has been received but reports indicate that the area has been reduced 3 per cent and condition reports indicate a crop smaller than last year.

About 75 to 80 per cent of the wheat crops of Algeria, Morocco and Tunis is durum. With such a reduction in the outturn of the crops of these countries and a smaller crop in prospect in southern Italy including Sicily which produces durum, the prospect is for a stronger foreign demand for durum wheat from the United States.

The feed grain crops of North Africa are also short. The barley crop of Algeria is forecast at 37,000,000 bushels compared with 40,000,000 a year ago, and of Tunis 5,500,000 compared with 11,500,000 a year ago. The oats crop of Tunis is also reduced from 3,400,000 bushels to 1,700,000.

Production of wheat and barley in Algeria and Tunis, 1926-1930

Year	Wheat		Barley	
	Algeria	Tunis	Algeria	Tunis
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1926	23,551	13,044	23,002	8.818
1927	28,323	8,267	34,554	4,111
1928	30,302	12,125	39,716	12,631
1929	33,307	12,309	40,445	11,482
1930	29,174	9,002	37,203	5,512

The Orient

Agricultural Commissioner Nyhus in Shanghai reports prospects of better wheat crops in China. Rain has been excessive in some localities in the wheat region of the lower Yangtze Valley, but in general the crop is considered good. It is much better than last season and may equal the large crop of 1928. Preliminary reports indicate that the crop on the Great Plains, extending from the Yangtze Valley to Pieping, is also promising. Good rains have been received and the prospect of very satisfactory yields is reported from many localities. The rainfall in May at Pieping was 2¼ inches, compared with a May average of .6 of an inch. If the interior Great Plains have received similar rains in May, the wheat yields in general might be the best in several years. Information from southern Shansi is likewise favorable. Good yields are also in prospect in the famine provinces of Shensi. The area of wheat in relation to normal and how the total harvest will compare with normal years in the famine ares is unknown.

Mills at Shanghai are expected to resume full operations by the end of June. Several mills at Tsinan which have been idle for two years are preparing to run this season.

The Tientsin flour market improved in May, according to a cable from Consul General Gauss, but low exchange still hampers the sale of American and Canadian flour. Of the 900,000 bags arriving in May, none came from the United States and only 200,000 from Canada. The bulk of the flour came from Japan, with considerable imports from Shanghai. The supply of local wheat increased and local mills continued to operate.

At the beginning of the season there was a large accumulation of flour stocks at Tientsin. The imports of that port in 1929 were nearly double those of 1928 and three times as great as in any other year of the past ten years. These large imports were not all absorbed currently but built up stocks. At the beginning of June, 1929, flour stocks in Tientsin amounted to 4,600,000 bags. Imports in July were very large and made a further addition to the stocks. Imports have declined materially since August and stocks have been reduced to 1,600,000 bags, thus compared with a year ago stocks have been reduced about 3 million bags, the equivalent of nearly 5 million bushels of wheat.

The accumulation of flour at Tientsin a year ago appears to have been due to low prices and difficulty in transporting the commodity into the interior. Rail communication at that time was inadequate and quite expensive due to military levies, and transportation on the rivers was hindered by low water. During the year the decline in the value of silver has tended to discourage imports, particularly from the United States and Canada.

In Japan the domestic wheat market is reported to be weak and no improvement in imports from the United States is in prospect, according to Consul Garrels. Export demand is reported poor due to the Chinese silver situation. Mill stocks on June 1st, however, were less than normal.

Wheat, including flour: Net imports into European importing countries 1928-29 and 1929-30

Country	Net imports reported		
	July 1 to	1928-29	1929-30
		Million bushels	Million bushels
United Kingdom	Apr. 30	170	170
Italy	Apr. 30	72	26
Germany	Apr. 30	57	56
France	Mar. 31	34	24
Belgium	Mar. 31	31	32
Netherlands	Apr. 30	24	24
Czechoslovakia	Apr. 30	15	10
Greece	Mar. 31	15	17
Irish Free State	Feb. 28	12	1/ 9
Austria	Mar. 31	11	12
Switzerland	Apr. 30	13	14
Sweden	Apr. 30	6	6
Norway	Apr. 30	7	6
Denmark	Mar. 31	11	6
Finland	Apr. 30	5	5
Poland	Mar. 31	3	2/
Estonia	Feb. 28	1	1
Latvia	Jan. 31	2	2
Spain	Apr. 30	15	4
Portugal	Mar. 31	5	3
Total		509	427

1/ Does not include wheat flour from October to February.
2/ Less than 500,000 bushels.

The Continental European wheat market situation during May 1930 1/

While trading on continental European wheat markets during May was considerably less active than last year, a moderate revival was registered and is expected to continue till the close of the season. It seems to be more generally conceded than some weeks ago that Europe is becoming more dependent on North America to supplement her own supplies as the season closes, especially as Argentina will not be as important a factor as usual, due to heavy marketings early in the year. The need for foreign wheat will be more pressing if crop conditions take a decidedly unfavorable turn in other countries as they have in Italy and France. The policy of raising duties and instituting various other farm relief measures is curtailing buying, however, and forcing reliance on domestic stocks to the limit.

Continental crop developments in May have been mixed. Conditions were less favorable in France and Italy where crops are not expected to be so good as a year ago, while on the other hand improvement was noted in the Danube with prospects for wheat crops better than a year ago. Although it is very early in the season and conditions can change greatly between now and harvest, at the present time prospects for wheat in Europe appear to be somewhat less than the good crops harvested a year ago. Dry weather in parts of Russia's spring wheat area contrasts with good conditions in winter wheat sections, but the rather slow pace of spring wheat seeding leaves some room for speculation on the outcome of the wheat crop in Russia.

Trading during the first part of May on the Continent was quiet as the deficit countries covered only the most pressing needs. A change in sentiment, however, became apparent the latter part of the month as crop conditions in the United States continued to indicate a winter wheat crop below last year, in conjunction with declining visible supplies and heavily reduced shipments from Argentina. Prices which were uncertain the middle of May in most countries tended upward later in the month and are now about the April level. In Central European countries, like Czechoslovakia and Austria, increased buying was attributed to some extent to prospective duty increases.

The opinion is quite generally expressed that Europe's dependence on North America to supplement her own wheat supplies will be more evident during the closing weeks of the season. Deterioration in crop prospects would certainly bring about continental purchases of considerably larger volume than now expected on the basis of average crop developments. The setting up of various farm relief measures in different countries has operated to reduce the dependence on North America up to this time as much as possible, but it seems that some increased buying must take place before the domestic European crop moves to market. If high wheat duties continue in important importing countries and farm relief measures are instituted in Austria and Czechoslovakia, it now seems probable that prices for domestic grain at the beginning of the new crop may be so attractive that unusually heavy early marketings of the European crop will take place with some resulting disadvantage to foreign wheat.

1/ By Assistant Agricultural Commissioner Owen L. Dawson, Berlin, Germany, May 28, 1930. Supplemented by cable June 6, 1930.

Continental price declines at the beginning of May were followed by general price increases later in the month, increases which in many instances were larger than overseas. The resultant price differential became somewhat more favorable to American wheat. (See Tables below)

Wheat: European price per bushel

Date	BERLIN "Markischer" wheat spot		PARIS Domestic wheat nearest month		GENOA Domestic wheat nearest month		VIENNA "Vienna Boden" wheat spot	HUNGARY "Tisza" wheat 79/80 kg spot
	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Sept. 6	139	150	163	154	133	119	127	126
Dec. 6	134	158	163	141	122	121	124	130
Jan. 10	134	160	165	150	130	130	123	129
Jan. 31	140	155	166	142	133	125	123	133
Feb. 28	142	149	169	142	131	113	124	132
Mar. 31	145	166	167	141	129	113	121	123
Apr. 15	145	172	167	142	130	113	121	125
Apr. 25	147	180	165	135	128	111	121	125
May 6	146	186	165	128	126	110	121	125
May 20	143	189	162	140	121	115	121	124
May 26 1/	136	189	168	143	120	116	122	127
June 3 2/	133	198	163	142	110	110	127	129

1/ Genoa: May 22. 2/ Vienna and Hungary: May 30.

Price spread per bushel, Chicago - Europe 1/

Date	BERLIN "Markischer" wheat spot		PARIS Domestic wheat nearest month		GENOA Domestic wheat nearest month		VIENNA "Vienna Boden" wheat spot	HUNGARY "Tisza" wheat 79/80 kg spot
	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Sept. 6	+ 30	+ 18	+ 54	+ 22	+ 23	- 13	- 5	- 6
Feb. 28	+ 19	+ 39	+ 46	+ 32	+ 8	+ 4	+ 13	+ 20
Apr. 25	+ 33	+ 77	+ 51	+ 31	+ 14	+ 7	+ 17	+ 21
May 6	+ 34	+ 86	+ 54	+ 28	+ 15	+ 10	+ 21	+ 24
May 20	+ 41	+ 84	+ 57	+ 35	+ 19	+ 10	+ 17	+ 19
May 24 2/	+ 35	+ 84	+ 65	+ 38	+ 17	+ 12	+ 18	+ 22
June 3 3/	+ 29	+ 91	+ 59	+ 35	+ 6	+ 3	+ 18	+ 20

1/ Above (+) or below (-) Chicago. 2/ Genoa: May 22. 3/ Vienna and Hungary: May 30.

Arrivals at the ports during the period under review continued small and a general decline of visible stocks on the Continent was apparent. (See Table on following page)

Wheat: Stocks at certain continental European points

Date	Antwerp	Rotterdam	Hamburg 1/	Berlin	Hungarian warehouses
1929-30	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Oct. 31	3,800	2,800	---	710	4,800
Jan. 15	1,500	1,300	1,100	710	4,200
Jan. 31	880	1,200	1,100	880	4,000
Feb. 15	---	1,300	1,800	---	3,700
Feb. 28	960	1,400	1,800	1,000	3,500
Mar. 15	2,000	1,500	1,500	---	3,000
Mar. 31	1,500	480	1,700	920	2,600
Apr. 15	---	660	1,100	---	2,000
Apr. 30	1,500	290	920	880	1,700
May 15	1,200	170	620	---	2/ 1,200

1/ Rough estimates. 2/ On May 24, 960,000.

Unusual crop developments during the extremely important period of the next few weeks would have an important effect on buying the remainder of the marketing season.

Although it appears that the 1929 European wheat crop was only 7,000,000 bushels above 1928, the imports, according to present estimates, will run nearly 130,000,000 bushels less than last season. As previously discussed in our reports, the small imports this year, compared with a year ago, can be partly explained by decreased consumption for stock feeding and to some extent decreased human consumption due to large supplies of other grains and feeds, but when allowance is made for decreased consumption, estimates of imports for this season still fall short of meeting the deficit, which consequently must show up in reduced stocks at the end of the season.

Continental wheat imports during the period July 1 to about April 15 amounted to 4,800,000 bushels per week as compared with as much as 7,200,000 bushels per week during the same period last season. Weekly imports from about April 15 to June 30 will run about 5,700,000 bushels compared with 8,600,000 bushels last year for the same period, in order to cover the estimated deficit of 256,000,000 bushels we have estimated for this season.

Wheat: Average weekly net imports into the Continent of Europe

Season	1928-29	1929-30
	1,000 bushels	1,000 bushels
Estimate July 1 - June 30	7,496	5,034
July 1 - Nov. 15	6,614	5,107
Nov.15 - Dec. 15	11,758	3,785
Dec.15 - Jan. 15	7,716	6,430
Jan.15 - Feb. 15	4,997	4,005
Feb.15 - Mar. 15	4,446	2,352
Mar.15 - Apr. 15	10,950	7,018
Estimate Apr.15 - June 30	8,561	5,695

Wheat stocks on the Continent

Private information indicates that domestic wheat stocks continue small in Italy, Czechoslovakia, Austria, Poland, the Danube Basin and also Germany as indicated by an important decline in farm stocks from March 15 to April 15 and indications that stocks in other positions are low. As evidenced by the favorable domestic prices, the rapid decline in German stocks must have continued, which is supported by various reports on the scarcity of domestic wheat in places. Slow importation to date in most of the important continental deficit countries, despite some revival recently, has kept stocks of foreign wheat on moderate levels everywhere.

Wheat: Stocks end of April or middle of May

Position	1929	1930
	1,000 bushels	1,000 bushels
Antwerp	1,277	1,157
Rotterdam	1,415	294
Amsterdam	345	81
Berlin	926	889
German Farms (Apr. 15) (available for sale)	14,808	11,868
Hungarian warehouses		1,213

Crop prospects

Crop developments during May varied in different parts of the Continent, as they took an unfavorable turn in France and Italy, but showed some improvement in the Danube Basin with favorable prospects continuing in Central European countries. The Italian crop has been estimated at 220 million bushels, a decrease of 41 million bushels in 1929. Unofficial estimates for France average around 290 million bushels, 30 million bushels below the official estimate of the 1929 crop. Conditions at the present time are more favorable in the wint[illegible] wheat sections of Russia than a year ago, but complaints of dry weather in parts of the spring wheat section continue, with the lateness of spring wheat seedings in a large area giving some ground for speculation as to the outcome of the spring wheat crop. Too much rain in France and Italy during May gave rise to unfavorable conditions, such as rust and excessive weed growth in section[illegible] Lodging is also reported, due to storms. While the crop in these countries can still be average or above, it is quite generally conceded that they will fall below last year and should unfavorable developments continue might run below average. Abundant rainfall was very beneficial to crops in the Danubian countrie[illegible] where the spring was somewhat too dry. The Yugoslavian crop has been estimated to be materially below last year but possibly equal to an average crop. The outlook in Hungary, Rumania and Germany is for crops better than last year, but not sufficiently large to offset decreases in other countries. Rains were also considered favorable over other parts of Europe, as the moisture supply from the winter was somewhat short. Toward the latter part of the month, however, there was some indication of too much moisture, which, if continued, would give rise to unfavorable conditions.

It is now evident that the wheat acreage has increased slightly as compared with the preceding year. In ten continental countries the total acreage of wheat sown increased by about .5 per cent. The increase of the whole Continent is expected to be somewhat larger, as no figures were published for important countries, for example, Germany, where the acreage doubtless has increased. The acreage of wheat shows some increase in France, Spain, Poland Czechoslovakia, Bulgaria and some other countries of minor importance, as Finland, Latvia, Lithuania and Luxembourg, while Italy and Rumania have a somewhat smaller acreage than last year. It appears unlikely that the increase in wheat acreage sown on the Continent is larger than 1 per cent. The harvested acreage may show a larger increase due to smaller winter killing.

Feed grain markets

The market for feed grains in Europe was quiet during May and the demand was very much limited. The fact that pastures are in very good condition practically everywhere has an unfavorable influence on the market for feed grains. Shipments of corn to the Continent, however, especially from the Danube, have increased somewhat. The market for feed barley was depressed and shipments were smaller. The German tariff on feed barley was raised from 51.86 to 62.23 cents per bushel, effective May 26, 1930.

Germany

Imports of wheat into Germany during April were much larger than the small imports of March, and it now appears that our estimate of 66,000,000 bushels will be reached. This figure would probably be exceeded but for the recent duty increases and regulations for milling domestic wheat. At the present rate of domestic disappearance stocks at the close of the season will be quite small before the new crop is harvested, unless the rate of imports increases materially. Present crop conditions point to a crop as great or greater than last year, but this will not come on the market before some time in August.

Wheat and wheat flour prices in Germany increased considerably the second half of April and the first of May due to the various relief measures of the Government. A temporary decline occurred later but prices recently strengthened under the influence of a firmer world market and the retention of the milling regulations. Import business in wheat was very active before the last tariff increase on April 26 but after that date the market was very quiet. The demand for foreign wheat was generally reluctant, and flour mills bought only for current needs. During the period the demand for domestic wheat was strengthened by prolonging the order making obligatory the milling of at least 50 per cent domestic wheat. This regulation is more effective in raising prices as the supply of domestic wheat becomes rapidly shorter and shorter. Although the order was prolonged for the month of June, the minister for agriculture explained that it would be abolished as soon as the flour mills are unable to secure sufficient quantities of domestic wheat.

The rye market continued dull, prices showed but small improvement, in spite of the new intervention of the "Getreide-Handelsgesellschaft" in buying up considerable quantities of rye. The value of the import certificate on rye has been raised from 36 to 54 cents per bushel. This measure has had only a small effect on rye prices and the spread between wheat and rye prices has continued to increase. The following Table shows the development of the German grain prices.

Germany: Price per bushel of domestic wheat and rye, April 9 - June 4, 1930

Date	Wheat			Rye
	Hamburg 1/	Breslau 2/	Berlin 3/	Berlin 4/
	Cents	Cents	Cents	Cents
Apr. 9	182	167	171	100
16	180	167	173	101
23	189	175	178	101
30	193	178	185	100
May 7	194	180	185	98
14	192	178	183	99
21	195	180	188	105
28	---	---	192	105
June 4	209	194	199	106

1/ Wheat of any German district of at least 58.7 pounds per Winchester bushel.
2/ Wheat of any German district in carloads of 370 bushels of at least 58.7 pounds per Winchester bushel.
3/ "Märkischer" wheat of 59-60 pounds per Winchester bushel.
4/ "Märkischer" rye of at least 56 pounds per Winchester bushel.

Net imports of wheat during April amounted to about 4,000,000 bushels compared with 1,456,000 bushels in March 1930 and 9,002,000 bushels in April 1929. If our estimate of 66,000,000 bushels for the season is to be carried out, an average monthly import of 5,000,000 bushels for May and June would be necessary. During other years the imports have run much larger for the same period, but are expected to be restricted this year on account of the high duty. Actual imports during the next two months, however, will depend to some extent on crop conditions. Up to the present time conditions are favorable for a crop as large or larger than last year. Arrivals from Holland and in the seaports have been small since the end of April when the last increase in tariff rates took place.

Stocks of wheat in trade channels and in the hands of producers have shown a declining tendency. The statistical data on trade stocks are incomplete but various indications in connection with known monthly consumption requirements point to declining stocks. On March 31 the visible Berlin stocks were about twice as large as a year ago but by April 30 were only as large as last year.

Farm stocks decreased rather heavily from March 15 to April 15. Disappearance of wheat on German farms during this period was 14,587,000 bushels as compared with 8,782,000 bushels in the corresponding period of 1929. The decline of stocks available for sale was also comparatively large, leaving a smaller amount than a year ago, because of the high duty and the 50 per cent milling requirement. Heavy reduction in stocks during May also took place. Grain stocks on German farms May 15, 1929 and 1930 were as follows:

Grain: Stocks on German farms on May 15, 1929 and 1930

Grain	Total farm stocks, May 15		Stocks available for sale, May 15	
	1929	1930	1929	1930
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Winter wheat	12,700	7,900	7,800	4,500
Spring wheat	2,300	700	1,700	400
Winter rye	52,300	57,100	23,200	28,500
Spring barley	12,900	10,300	4,400	2,600
Oats	126,800	132,200	34,700	35,600

Based on percentage estimates of the German Agricultural Council.

It appears from the above Table that rye stocks are still very large in spite of all measures taken to stimulate consumption of rye. The following protective measures have been taken during the period under review:

On April 26 the tariff on wheat was raised from 77.79 cents per bushel to 97.24 cents, the tariff on brewing barley from 51.86 cents to 77.79 cents. The duty on flour (all flour except flour from oats and barley) from 150 per cent of the wheat duty plus $1.25 to 200 per cent of the wheat duty plus 29.78 cents. On May 19, the value of the import certificate on rye was raised from 36.30 cents per bushel to 54.46 cents. On May 26 the rye duty was raised from 54.46 cents per bushel to 90.76 cents and the feed barley tariff from 60.51 cents to 72.61 cents. There is practically no chance that under present circumstances the recent increase of the rye duty will have any effect on the German price level.

France

The wheat market in France during early May showed dullness with lower prices following rather heavy farm offers. Following May 10, the market improved. Farm offers were smaller and prices tended upward. It is thought that bad weather was a factor in the improved demand.

May was distinctly unfavorable for crops with cloudy weather and much rain resulting in spread of rust and occurrence of extensive lodging of the grain. Excessive weed growth was also reported. With good weather in June, which is normally a more critical time than May in the growth of wheat in France, conditions can be considerably improved, but with persistence of rainy weather in June, harvest would be materially lowered. At present, opinion is general that yields will be significantly lower than last year's very good yields. Rainy weather in May has also delayed the planting of late spring crops in France, with consequent poorer yield prospects, unless conditions are favorable during coming weeks.

Since our last report there have been some net exports of wheat and a total of probably about 18,000,000 bushels will be exported this season, as 12,860,000 bushels were exported up to the end of February, leaving net imports of about 22,000,000 bushels for the season, according to the way imports have been reported to date. Stocks appear to be heavier than a year ago contrary to the situation in many other European countries, but the new crop does not promise to be equal to the heavy crop of last year and should June weather be unfavorable, following a decidedly unfavorable May, the crop may not be more than average. The French Government has raised the tariff on wheat from 53 cents per bushel to 85 cents, which will hamper import business considerably beside restrictions already in force. There has been an important movement recently to extend the export bounty system to Algeria in which case it would be possible for that province to export some wheat to other countries beside France. It seems doubtful whether any such arrangement will be carried out, especially if France's crop is poor this year.

North Africa

Tunis

In the northern regions, which are the most important in Tunis from a cereal point of view (80 per cent of the wheat is grown there), satisfactory harvest for wheat and barley are expected which will probably equal those of last year. Frosts have done some damage to the crops in places.

In the central region, which is quite important for barley, and where nearly 10 per cent of the wheat is grown, crops were damaged by prolonged dry weather so they are expected to fall much shorter than last year. In the southern region, which is principally important for barley, droughts have had very damaging effects, but the harvest is expected to be somewhat better than that of the central region.

Algeria

In Algeria wheat and barley crops have been estimated below last year. The early part of the barley crop is now beginning to move. Frosts and drought did some damage early in May to wheat in the important durum section of Constantine, but a fairly good crop is still expected.

Morocco

Prospects for wheat in Morocco in the north and center are good despite grasshoppers and some rust damage, but poor in the south due to droughts during growing season and some grasshopper damage. The total wheat crop will probably run below last year, and rust may do some damage to the late part of the crop. France has set Morocco's wheat duty free export contingent at 6,000,000 bushels or equal to last year, which was not reached last year and is not expected to be reached this year, although if prices improve this year it may bring out some wheat which was held back last year on account of unsatisfactory prices.

General

There has been no little discussion lately about extending the benefits of the export bounty system which was in force in France last year to Algeria. If this is done wheat exports from Algeria next season will probably exceed those of last season when some wheat was held back because of poor prices. At this time it is quite uncertain what action will be taken.

Italy

Imports of wheat into Italy experienced some pick up during the second half of April and in May. Business was more active and purchases of Australian, Argentine and North American wheat were made. It is expected that wheat imports during the last two months of this campaign will be above the monthly average for the whole campaign as the import market this time of the year is usually much more active than in the fall.

Imports of wheat amounted to 5,089,000 bushels in April 1930 compared with 3,649,000 bushels in March 1930. The total imports during the period July 1929 to April 1930 were 26,198,000 bushels compared with 73,821,000 bushels in the preceding year. It is unlikely that imports in May and also in June will be smaller than imports in April. It may be expected, therefore, that the total imports during the campaign 1929-30 may be somewhat larger than we estimated in our last report. It now appears that the total deficit for the crop year will be about 40,000,000 bushels.

Italy has taken much less wheat this year than usual compared with her crop. As pointed out in previous reports plentiful supplies of other domestic grains and cheap Argentine corn has to an important extent reduced the demand for wheat. As the season has progressed, this situation has become more apparent. The following Table demonstrates corn and wheat supply relationships for a number of years.

Italy: Imports and production of corn and wheat, specified periods, 1927-1929 to 1929-30

Item and period	1926-27	1927-28	1928-29	1929-30
Corn	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July - Dec.	8,503	8,661	23,503	12,676
Jan.	1,220	1,811	3,386	2,480
Feb.	1,102	1,614	3,740	2,362
Mar.	1,339	1,496	3,189	2,205
July - Mar.	12,164	13,582	33,818	19,723
Production	118,088	87,377	64,990	99,353
Total	130,252	100,959	98,808	119,076
Wheat				
Production and imports accumulated to end of Mar.	282,813	250,553	294,535	281,821

It is now generally conceded that wheat will not be an exceptional crop as was thought a few weeks ago and may be only an average crop. May weather has been featured by excessive moisture generally and frequent heavy storms in places. The crop is yellow in places and rust has also appeared. In Sicily, where about 50 per cent of Italy's durum wheat is produced, recent reports indicate prospects materially below last year. From weather reports in other important southern Italian durum sections prospects in those sections must be somewhat below last year's good yields.

Netherlands and Belgium

Wheat markets in Holland and Belgium were weak and very quiet at the beginning of May. Later on the tone of the market improved somewhat and prices showed some strength. The demand from the side of domestic flour mills was quite active during recent weeks. Port stocks at Rotterdam have continued to decline and are now very small. Stocks at Antwerp have decreased considerably between April 30 and May 15 and are now much smaller than last fall.

Danube Basin

Quiet wheat markets in Danubian deficit countries during the first part of May developed more activity during the second half of the month when both Czechoslovakia and Austria reported improved interest as a result of better sales of flour. Quiet tendency to about the middle of the month was also prevalent on the surplus markets of the Danube region, while the second half registered considerable activity. Hungary sold chiefly to Italy, while Yugoslavia did some business with Austria. It is the opinion of the trade that stocks in

Danubian surplus countries are relatively small. The heavy decline in visible warehouse supplies is shown in the following figures:

Hungary: Stocks of wheat in public and cooperative warehouses, 1929-30

Date	1,000 bushels
Sept. 1	2,400
Dec. 2	4,700
Jan. 31	4,000
Feb. 22	3,600
Mar. 24	2,800
Apr. 12	2,200
May 3	1,600
May 17	1,200

Crop conditions in Rumania and Hungary at the present time indicate that wheat crops are somewhat better than last year when winter killing had reduced stands materially.

As a result of the increased trading activity in the Danube markets and curtailed supplies, prices tended upward and are now above the level at the end of April.

Hungary: Price per bushel of wheat, 79/80 kg. spot, at Vienna on specified dates, 1929-30

Date	Price at Vienna	Above (+) or below (-) Chicago futures, nearest month 1/
	Cents	Cents
Sept. 6	126.14	- 5.86
Dec. 6	129.50	+ 3.36
Jan. 10	128.84	+ 0.09
Jan. 31	132.88	+ 8.75
Feb. 28	131.92	+ 20.30
Mar. 31	122.78	+ 13.90
Apr. 11	124.70	+ 16.82
Apr. 25	124.70	+ 20.82
May 6	124.70	+ 24.40
May 20	123.74	+ 19.49
May 26	126.62	+ 21.87

1/ Chicago prices for the preceding day.

Wheat and wheat flour: Danube shipments to European countries 1/

Four week period 2/	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Aug. 1-29	1,029	367	808	294	73	698
Aug.30-Sept.26	294	845	845	1,323	257	3,013
Sept.27-Oct.24	294	772	1,580	808	588	3,821
Oct.25-Nov.21	110	220	1,800	331	625	3,160
Nov.22-Dec.19	73	441	478	404	184	3,160
Dec.20-Jan.16	37	919	551	147	184	808
Jan.17-Feb.13	37	882	404	110	0	478
Feb.14-Mar.13	0	955	184	147	110	661
Mar.14-Apr. 17 3/	0	404	147	147	147	992
Apr.18-May 22 3/	0	1,029	184	37	367	661
Aug.1-May 22	1,874	6,834	6,981	3,748	2,535	17,452

1/ Shipments down the Danube.
2/ For 1929-30. Other years nearest comparable period.
3/ Five weeks.

Poland

Wheat and rye prices are now considerably higher in Poland than two months ago. The market was firm during April as a consequence of small domestic offers. In May, however, prices weakened again very slightly, but the market situation remained generally sound. It seems that farm stocks are now small as farmers were forced to sell most of their grain earlier in the season to get ready money. Crop reports have continued favorable and there is a good chance that the 1930 crop will turn out as large as the last crop. The favorable crop reports have had an unfavorable influence on the market causing buyers to be very reluctant.

Soviet Russia

Shipments of Russian grain through the South Russian ports during the second half of April and the first half of May were rather small, with most of the shipments falling to the share of barley. Total shipments of the five chief grains from the Southern Russian ports since the beginning of the campaign up to May 21 amounted to 816,000 short tons distributed as follows:

	1,000 bushels
Wheat	4,593
Barley	24,756
Rye	1,535
Oats	827
Corn	984

A recent foreign press report, however, indicated that considerable quantities of Russian rye had been bought by German firms around May 20.

Sowing campaign

The total acreage sown to all crops up to May 25 amounted to 157,650,000 acres or about 67 per cent of the plan. This includes technical crops which are about 20 per cent of the total. The progress of sowing by individual peasants frequently mentioned in previous reports has improved but is still too slow in several regions and is an important factor in the success of the spring sowing campaign during the closing weeks.

A considerable acreage still remains to be sown and much will depend upon development of sowing in regions where it is still continuing, particularly in important eastern grain producing sections of the Union, where spring was late this year and sowing had not come into full swing by May 15.

With the number of factors involved it is difficult at present to say to what extent plans for the spring sowing campaign will be actually executed, but it seems that acreage of spring wheat will fall much below the plan but still be near last year's acreage. The total wheat acreage sown up to May 25 appears to have been about 69,000,000 acres compared with 75,721,000 acres in 1929. Final figures may show an acreage equal to last year. The situation is also uncertain with respect to other grain crops, with a decline of acreage under barley and oats together apparent in the southern regions, where a decrease of more than 10 per cent appears to have taken place.

More than 37,000,000 acres of spring wheat had been reported sown to May 20 which leaves a large amount yet to be sown, principally in the eastern and northern regions. There has been an increase of about 15 per cent or around 3.7 million acres in spring wheat in the principal producing regions of the Union, comprising Ukraine, North Caucasus, Middle and Lower Volga and the Central Black Soil region. The corresponding increases for each of these regions separately were as follows:

	Per cent
Ukraine	11
North Caucasus	13
Middle Volga	14
Lower Volga	28
Central Black Soil.	44

This increase of acreage under spring wheat in the southern and central regions of the Union is of considerable importance, as it has taken place in regions which from a geographical point of view are best suited to exportation (nearness of ports) and have, therefore, supplied the bulk of grain exports in the past. The increase in these regions seems to have taken place to a large extent at the expense of oats and barley.

Crop condtions

Conditions during April were distinctly unfavorable to crops in large sections of the Union. Drought was experienced in the eastern sections, comprising the two Volga regions, Kasakstan, parts of the Central Black Soil region, with shortage of moisture also reported from Ukraine and northern section of North Caucasus. However, rains occurred during the first 10 days of May which improved the condition of crops considerably, although moisture was still insufficient in parts of the Volga region, Crimea and in North Caucasus. At the same time, cold and mostly dry weather, hampered the development of crops in the Ural, Western and Moscow regions, with the Central Black Soil region also experiencing low temperatures. No actual crop condition figures are yet available for the Union as a whole, but it appears that on May 10, spring crops were average and partly below in Bashkiria, Middle and possibly Lower Volga, as well as Transvolga regions, while they were average in the eastern and central regions of Ukraine and somewhat above average in North Caucasus and the other sections of Ukraine.

Developments in the eastern section of the Union should be followed closely as this section sows about 50 per cent of the total acreage for spring wheat which in Russia is about 70 per cent of all wheat grown. As weather conditions in these sections were unfavorable in April with dryness still reported after the middle of May, unless conditions improve, the outturn of the 1930 wheat crop will be affected unfavorably.

As to winter crops local reports from North Caucasus and Ukraine, the most important producers of winter wheat, run favorable with conditions in these two regions reported above average but rather poor in Crimea, where crops are suffering from drought. Conditions about average are reported for winter rye in the Central Black Soil region, and spotted in the Ural region, crops in the latter region having experienced considerable winter kill and winter damage. Weather conditions prevailing at the beginning of May were also rather unfavorable in the latter two regions. All in all, it seems that winter crops are above average and better than last year.

Wheat: Balances for the season July to June 30, 1928-29 and 1929-30

Country and item	1928-29	1929-30
	1,000 bushels	1,000 bushels
GERMANY		
Production	141,593	123,073
Net imports:		
July - Apr	56,562	56,236
May - June	11,936	
Apparent utilization	210,091	
ITALY		
Production	228,598	260,671
Net imports:		
July - Apr	71,965	26,000
May - June	17,779	
Apparent utilization	318,342	
FRANCE		
Production	281,285	319,563
Net imports:		
July - Mar	33,815	24,000
Apr - June	17,155	
Apparent utilization	332,255	
BELGIUM		
Production	17,215	13,225
Net imports		
July - Mar	30,741	32,189
Apr. - June	10,625	
Apparent utilization	58,581	
NETHERLANDS		
Production	7,336	4,666
Net imports:		
July - Apr	24,032	24,304
May - June	4,788	
Apparent utilization	36,156	
CZECHOSLOVAKIA		
Production	51,499	52,902
Net imports:		
July - Apr	14,935	10,000
May - June	2,258	
Apparent utilization	68,692	

Continued -

Wheat: Balances for the season July to June 30, 1928-29 and 1929-30 - Contd

Country and item	1928-29	1929-30
	1,000 bushels	1,000 bushels
SWITZERLAND		
Production	4,270	1/ 5,791
Net imports:		
July - Apr	12,663	14,000
May - June	2,832	
Apparent utilization	19,765	
GREECE		
Production	13,085	8,502
Net imports:		
July - Mar	15,050	17,000
Apr - June	7,093	
Apparent utilization	35,228	
DENMARK		
Production	12,236	11,721
Net imports:		
July - Mar	10,606	5,914
Apr - June	6,438	
Apparent utilization	29,280	
POLAND		
Production	59,219	65,862
Net imports:		
July - Mar	3,469	19
Apr - June	290	
Apparent utilization	62,978	
SWEDEN		
Production	19,155	19,031
Net imports:		
July - Apr	6,443	6,353
May - June	1,110	
Apparent utilization	26,708	
FINLAND		
Production	998	1,095
Net imports:		
July - Apr	4,966	5,000
May - June	1,129	
Apparent utilization	7,093	
LATVIA		
Production	2,499	2,336
Net imports:		
July - Jan	2,000	2,000
Feb - June	1,000	
Apparent utilization	5,499	

1/ Includes spelt.

Wheat, including flour: Shipments from principal exporting regions, specified dates, 1929-30

Date	Argentina	Australia	Danube	North America
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Dec. 7	3,408	524	736	8,153
14	3,312	1,056	360	5,350
21	2,208	1,036	1,240	3,626
28	3,208	2,132	144	3,417
Jan. 4	1,512	1,180	200	4,868
11	2,316	1,772	328	5,678
18	2,580	2,072	144	6,230
25	4,216	2,728	80	5,619
Feb. 1	2,732	1,220	128	6,212
8	2,416	2,056	16	6,136
15	2,892	1,592	272	5,203
22	3,048	2,064	96	5,540
Mar. 1	3,028	2,260	0	3,050
8	2,688	2,304	96	5,746
15	2,284	1,484	496	5,641
22	1,516	1,248	360	3,602
29	2,412	1,696	376	5,870
Apr. 5	3,152	2,012	88	5,586
12	4,124	868	120	4,886
19	1,696	1,248	40	4,183
26	1,600	390	128	3,902
May 3	1,572	1,536	120	5,912
10	2,500	1,904	144	5,121
17	1,092	960	112	7,813
24	1,540	1,204	144	6,724
31	2,085	1,600	144	8,153
June 7	2,307	1,336	104	8,348

Compiled from official and trade sources.

Wheat, including flour: Exports from the United States by countries, July-April 1928-29 and 1929-30

Country to which exported	Wheat, including flour July - Apr. 1928-29	Wheat, including flour July - Apr. 1929-30	Wheat Apr. 1929	Wheat Apr. 1930	Wheat flour Apr. 1929	Wheat flour Apr. 1930
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United Kingdom	15,880	27,378	285	850	85	85
Irish Free State	3,395	3,319	441	47	2	16
Netherlands	9,192	8,228	24	261	42	78
Italy	4,969	719	4	8	1	3
Greece	3,783	6,869	37	1/	8	5
Belgium	2,671	5,704	286	449	1	2
Germany	2,603	5,989	76	72	28	23
France	2,141	2,024	0	26	1	1/
Denmark	2,012	2,359	37	8	37	38
Finland	1,573	1,238	0	0	42	31
Gibraltar	1,159	3	0	0	0	0
Norway	962	1,557	0	0	18	19
Sweden	536	625	0	0	14	7
Malta, Gozo and Cyprus	163	335	0	0	3	1
Other Europe	4,097	1,935	324	0	6	15
Total Europe	55,136	68,282	1,514	1,721	288	323
Canada	33,300	12,842	1,903	262	7	9
Panama	4,514	5,243	0	564	7	10
Cuba	4,746	4,761	1/	1	102	88
Mexico	2,415	2,563	260	141	11	8
Haiti, Republic of	1,766	929	0	0	36	28
Brazil	3,361	2,906	0	1/	66	81
Peru	1,301	370	0	0	11	11
Colombia	895	757	50	32	6	9
Japan	4,600	9,050	210	319	43	20
China	6,690	2,665	1/	1/	199	42
Hongkong	3,738	3,245	0	0	27	55
Kwantung	1,834	4,007	0	0	40	18
Philippine Islands	3,175	2,798	0	0	56	53
Other countries	11,086	10,144	5	10	209	169
Total exports	138,557	130,562	3,942	3,050	1,108	934
Total imports	18,844	10,076	1,433	804	1/	1/
Total reexports	35	55	15	1	1/	1/
Net exports	119,748	120,541	2,524	2,247	1,108	934

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

1/ Less than 500.

Wheat: Exports from the United States, by countries, averages 1909-13, 1923-27, year 1928 and July-March 1928-29 and 1929-30

Country to which exported	Year beginning July 1			July-Mar.	
	Average 1909-13	Average 1923-27	1928	1928-29	1929-30
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United Kingdom	21,806	29,801	16,276	12,254	20,252
Netherlands	8,351	10,669	5,149	4,858	4,491
Italy	2,367	11,455	5,047	4,891	588
Greece	62	2,933	3,592	3,555	6,753
Irish Free State	---	1,942	3,551	2,824	2,696
Belgium	7,195	8,299	3,232	2,332	5,210
Spain	26	246	3,178	2,463	129
France	3,002	7,714	2,215	2,114	1,983
Germany	6,155	4,890	1,674	1,312	4,055
Gibraltar	35	320	1,147	1,147	0
Portugal	551	151	843	843	1,162
Denmark	561	395	301	264	246
Sweden	54	581	141	141	159
Norway	44	371	30	19	17
Russia in Europe	135	3	16	16	0
Malta, Gozo and Cyprus Islands	120	197	15	15	214
Finland	1/	30	0	0	2/
Poland and Danzig	---	0	0	0	218
Turkey in Europe	0	250	0	0	0
Other Europe	22	652	238	194	106
Total Europe	50,486	80,899	46,645	39,242	48,277
Canada 3/	1,776	33,380	41,190	31,015	12,092
Panama	2	1,674	5,556	4,101	4,215
Japan, including Chosen	2,338	6,635	3,782	3,562	8,092
Mexico	1,179	1,436	2,475	1,725	1,994
China	10	1,958	1,241	1,241	137
Peru	162	426	886	868	0
Cuba	29	58	39	31	37
Australia	2/	25	37	37	0
Kwantung	0	20	4	0	0
Hongkong	8	2/	1	1	10
Chile	2/	84	1	1	0
Brazil	1	624	2/	2/	2/
Philippine Islands	2/	7	0	0	0
British South Africa	65	29	0	0	22
Other countries	857	689	1,257	1,042	751
Total	56,913	127,944	103,114	82,866	75,627

Compiled from Foreign Commerce and Navigation of the United States and official records of the Bureau of Foreign and Domestic Commerce.

1/ Included with Russia. 2/ Less than 500. 3/ These figures include that which goes in transit to other destinations.

Wheat flour: Exports from the United States, by countries, averages 1909-13, 1923-27, year 1928 and July-March 1928-29 and 1929-30,

Country to which exported	Year beginning July 1: Average 1909-13	Average 1923-27	1928	July - Mar.: 1928-29	1929-30
	1,000 barrels	1,000 barrels	1,000 barrels	1,000 barrels	1,000 barrels
Netherlands	819	1,499	1,084	874	661
United Kingdom	2,713	1,475	886	626	1,250
Denmark	214	314	423	327	410
Finland	244	476	400	293	232
Germany	187	1,038	312	231	373
Norway	213	229	259	182	309
Sweden	43	88	96	70	92
Greece	1	323	49	33	20
Irish Free State	—	47	39	26	106
Malta, Gozo and Cyprus Islands	8	32	37	29	25
Italy	11	57	21	15	24
Belgium	13	55	15	10	8
France	7	5	6	5	3
Portugal	2	3	4	3	2
Estonia	—	10	3	2	2
Gibraltar	20	3	3	3	1
Poland and Danzig	—	36	1	1/	1
Russia in Europe	67	59	1	1	1
Spain	2	1	1/	1/	0
Switzerland	1/	2	0	0	1
Turkey in Europe	2	7	0	0	0
Other Europe	9	57	69	42	46
Total Europe	4,605	5,816	3,708	2,772	3,567
China	264	953	1,242	961	496
Cuba	856	1,181	1,204	902	916
Hongkong	1,121	745	868	768	635
Brazil	567	772	831	649	527
Philippine Island	279	633	802	620	542
Kwantung	32	314	428	351	834
Venezuela	161	130	248	187	233
Japan, including Chosen	614	67	216	133	116
Mexico	31	231	115	80	83
Peru	120	89	111	81	68
Panama	133	95	110	81	89
Canada 2/	83	75	99	75	95
Chile	48	31	16	15	18
British South Africa	9	6	12	8	9
Australia	1/	1/	7	7	1/
Other countries	1,756	2,241	2,871	2,212	1,880
Total	10,679	13,379	12,888	9,902	10,106

Compiled from Foreign Commerce and Navigation of the United States and official records of the Bureau of Foreign and Domestic Commerce.

1/ Less than 500. 2/ These figures include that which goes in transit to other destinations.

Wheat: United States exports to specified countries, 1927 - 1929

Country to which exported	Calendar year		
	1927	1928	1929
	1,000 bushels	1,000 bushels	1,000 bushels
Azores and Madeira Islands...	603	2	11
Czechoslovakia	1,998	0	87
Irish Free State	3,596	3,119	3,249
Yugoslavia	0	194	0
Costa Rica	57	1/	1/
Guatemala	0	1/	171
Honduras	9	26	80
Salvador	74	0	74
Newfoundland and Labrador ...	0	0	13
Jamaica	5	1/	5
Dominican Republic	19	15	10
Argentina	2	2	1/
Colombia	233	376	410
Ecuador	39	0	0
British India	0	15	0
Ceylon	0	33	0
Palestine	0	20	21
Syria	0	130	131
Turkey	0	318	161
French Oceania	1/	1/	1
Belgian Congo	12	0	8
Other British S. Africa	0	1	0
Egypt	0	55	0
Algeria and Tunisia	16	0	0
Morocco	0	13	0
Mozambique	0	5	0
Other Portuguese Africa	1	0	0
Total	6,664	4,324	4,432

Compiled from Foreign Commerce and Navigation of the United States.
1/ Less than 500 bushels.

Wheat flour: United States exports to specified countries, 1927 - 1929

Country to which exported	Calendar year 1927	1928	1929
	1,000 barrels	1,000 barrels	1,000 barrels
Austria	23	10	22
Azores and Madeira Islands	65	45	43
Czechoslovakia	2	1/	4
Iceland	3	1	1
Irish Free State	72	43	84
Latvia	1	1	1
Lithuania	1	1	1/
Yugoslavia	2	3	1
British Honduras	20	14	18
Costa Rica	116	126	119
Guatemala	151	208	185
Honduras	56	59	56
Nicaragua	80	88	79
Salvador	113	133	137
Newfoundland and Labrador	35	40	90
Bermudas	10	7	10
Barbados	13	14	16
Jamaica	114	61	56
Trinidad and Tobago	4	6	14
Other British W. Indies	8	12	13
Dominican Republic	113	123	120
Dutch West Indies	32	39	55
French West Indies	113	89	135
Haiti, Republic of	265	411	277
Virgin Islands	22	22	22
Argentina	2	1/	1
Bolivia	143	82	84
Colombia	86	154	138
Ecuador	127	110	101
British Guiana	3	2	4
Surinam	31	27	33
French Guiana	6	5	7
Paraguay	0	1	1/
British Malaya	33	42	19
Ceylon	0	0	10
Java and Madura	1/	10	20
Other Dutch East Indies	1	13	26
Iraq	0	0	3
Palestine	27	31	46
Russia in Asia	1	3	3
Syria	20	86	43
Turkey	1/	1/	51

Continued

Wheat flour: United States exports to specified countries, 1927 - 1929 - continued

Country to which exported	Calendar year 1927	1928	1929
	1,000 barrels	1,000 barrels	1,000 barrels
British Oceania	1/	1	3
French Oceania	23	23	21
New Zealand	1/	1	4
Belgian Congo	1	2	3
British East Africa	3	4	2
British West Africa	176	198	0
Egypt	221	181	235
Algeria and Tunisia	1	0	1
Other French Africa	21	24	39
Liberia	1	3	1
Morocco	128	39	90
Mozambique	1/	2	3
Other Portuguese Africa	16	17	9
Canary Islands	35	42	35
Other Spanish Africa	137	53	33
Total	2,677	2,712	2,626

Compiled from Foreign Commerce and Navigation of the United States.

1/ Less than 500 barrels.

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