UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

WH-54 October 21, 1930

WORLD WHEAT PROSPECTS

The world production of wheat is likely to be a little larger than in the past season but the world's consumption during the 1930-31 marketing season probably will exceed production. Conditions reported to date indicate that the world wheat crop outside of Russia and China will amount to about 3,650,000,000 bushels, about 160,000,000 bushels more than was harvested in 1929 but 320,000,000 bushels less than the 1928 crop. In the past season consumption exceeded production so that the stocks of old wheat on hand July 1 were at least 100,000,000 bushels less than on hand at the beginning of the previous season. Shorter feed grain crops and very low prices of wheat undoubtedly will result in the consumption of wheat being considerably larger than in the past season. Nothwithstanding the continuation of high duties in some countries, Europe probably will consume more wheat than in the past season because of smaller supplies of feedstuffs with a larger number of livestock to be fed. The disappearance of wheat in the United States and in Europe together is likely to be about 250,000,000 bushels greater than in the past season. This would reduce the world's carryover of wheat at the end of the season to about a normal basis unless Russia contributes a large amount of wheat for consumption in the deficit countries.

Russia continues to be a very important factor in the wheat market. Reports of shipments from the first of July into the second week of October total about 25,000,000 bushels. This is more than twice the amount shipped in the corresponding period of the 1926-27 season when the total exports amounted to about 49,000,000 bushels. It now seems quite likely that total Russian exports will exceed the shipments in the 1926-27 season. Some current reports estimate that shipments will amount to as much as 75,000,000 bushels. Uncertainty as to how much Russia may ship is probably more important at the present time than the actual volume of shipments.

Shipments of wheat from surplus producing countries during the first three months of the season exceeded shipments in the corresponding period of a year ago. Shipments to countries other than Europe have fallen behind, but the European takings have been considerably in excess of those of the previous season. France has reduced the requirments for the use of domestic wheat, in those mills that are restricted, from 95 to 90 per cent, and French imports are likely to be considerably larger than in the past season. Germany, on the other hand, has raised the milling requirements, increased the duty, and modified the import certificate system so that German millers are practically forced to pay fairly high prices for the domestic wheat and use but very little imported wheat. German imports may be reduced to some extent, notwithstanding the fact that stocks at the beginning of the season were comparatively low. Italy and several of the North European countries probably will take more wheat than in the past season. The Orient has begun to buy and probably will take as much if not more than in the past season.

Heavy shipments from Canada and the Russian situation continue to hold wheat prices at a low level. Canadian shipments will be checked with the closing of the Lakes. The Southern Hemisphere will begin to ship larger quantities of new wheat early in the year. Large stocks in Canada and the United States have been a depressing factor in the market. The visible stocks in these countries have begun to decrease. In the United States a continuation of exports and heavy feeding of wheat may reduce stocks at a fairly rapid rate during the next few months. While a decline in the visible supply is likely to be a strengthening factor in the wheat market, no material improvement in world market prices is to be expected until business activity becomes more stabilized and the decline in the prices of all commodities comes to an end.

World wheat production

The 1930 Northern Hemisphere wheat crop exclusive of Russia and China appears to be only slightly larger than the crop harvested in 1929. Preliminary data indicate a crop of 3,150,000 bushels compared with 3,127,000 bushels in 1929. Reports from the Southern Hemisphere indicate a somewhat larger crop than was harvested last year. Argentina and Australia have each sown a larger acreage and conditions were favorable until September when dry weather was reported but rains were general throughout Australia early in October, and in Northern Argentina. Assuming that the Southern Hemisphere will harvest a crop of 500,000,000 bushels, the 1930-31 world crop exclusive of Russia and China would be about 3,650,000 bushels compared with 3,491,000 bushels in 1929.

The official estimate of the Canadian crop remains at 384,769,000 bushels as estimated early in September. Threshing is nearing completion and the quality of the grain is high. There are regions in the west, however, where rain and snow have halted threshing operations and one estimate places the amount of grain still in the fields at more than 60,000,000 bushels. Milling, baking and portein tests conducted by the cereal laboratory of the Canadian Wheat Pool indicate that the top grades of the new wheat crop are of excellent quality, according to a report recently released. The average protein content of the wheat crop based on analyses made to date is 12.5 per cent, approximately one-half per cent below the protein of the 1929 crop. The report states that all samples mill well, producing flours of good color.

Exports of wheat including flour during August and September were 52,000,000 bushels compared with 23,000,000 during the same period of 1929 and only about 9,000,000 bushels below 1928 when a record crop was harvested. Deliveries of wheat at country elevators and platforms up to September 30 were 121,000,000 bushels compared with 131,000,000 during the same period in 1929.

Preliminary reports show that more than 93,000,000 bushels of wheat were inspected in the Western Division up to September 30, of which 87 per cent was included in the contract grades. During the same period last year 94 per cent was classified in the contract grades. Stocks of Canadian wheat, including the stocks of Canadian wheat in United States Lake ports, amounted to 156,000,000 bushels on October 3, 1930, against 172,000,000 on October 4, 1929. Stocks at Fort William and Port Arthur are also under 1929 but quite a large amount of grain has been loaded on lake vessels for winter storage.

Little change has been reported in the European crop during the past month. Estimates of production as reported by 22 countries total 1,316,000 bushels compared with 1,406,000 bushels harvested in 1929. The official estimate of the French crop is 232,000,000 bushels. The official estimate of the 1929 crop was 320,000,000 bushels but it appears that production was at least 20,000,000 bushels above this figure. The quality of the 1930 crop in many European countries is greatly inferior to last year's crop.

The Russian crop is apparently well above last year and of much better quality. Reports in the Russian press estimate the increase in the commercial crop at 6 per cent above 1929. Procurements of grain by state and cooperative agencies during the first two months of the present season are estimated to be 50 per cent greater than in 1929. About one-third of the total amount planned for the year was collected during the first quarter.

Table 1.-Wheat: Production, average 1909-1913, 1923-1927, annual 1928-1930

Countries reported in 1930 1/	Average 1909-1913	Average 1923-1927	1928	1929	1930	Percentage 1930 is of 1929
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	Per cent
United States	690,108	809,668	914,876	805,790	839,612	104.2
Canada	197,119	403,714	566,726	304,520	384,769	126.4
Mexico	2/ 11,481	11,090	11,031	11,333	11,274	99.5
Total North America(3)	898,708	1,224,472	1,492,633	1,121,643	1,235,655	110.2
Europe (22)	1,321,035	1,215,370	1,375,808	1,406,308	1,315,629	93.6
North Africa (3) .	58,385	59,950	67,176	77,223	58,607	75.9
Asia (3)	382,374	381,986	330,271	359,546	426,048	118.5
Total Northern Hemisphere countries(31)	2,660,502	2,881,758	3,265,888	2,964,720	3,035,939	102.4
Australia	90,497	136,604	159,679	126,477	3/200,000	158.1
Total above countries (32)	2,750,999	3,018,362	3,425,567	3,091,197	3,235,939	104.7
Estimated world total excluding Russia and China	3,041,000	3,451,000	3,973,000	3,491,000	3,650,000	

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

Australia

Weather conditions in Australia continue to be moderately favorable for wheat production. A slight deficiency in moisture was felt in September, but current reports on general conditions the first week in October indicate that this deficiency has been at least partly offset. A comparison of the weather conditions reported through September with conditions in earlier years in respect to their effect on yield indicates about average yields in 1930 for Australia as a whole, about 11.5 to 12.5 bushels to the acre compared with a corresponding estimate of 1929 yield of 8.6 bushels. An estimate from weather through October 1929 gave 8.3 bushels and the latest official report places yield at 8.5 bushels. The close approximation in 1929 was partly the result of averaging out variations in the different States. In the past 10 years Australian wheat yields have averaged 12.3 bushels to the acre and in the past 19 years 11.3 bushels, ranging from a low of 2.8 bushels to the acre in 1914 to a high of 16.1 bushels in 1920. Conditions during the balance of October may modify the estimate of probable yield somewhat. If the favorable conditions reported the first of the month are maintained some increase in estimate may result.

The amount of wheat acreage to be retained for harvest is still in doubt. On the 17,491,000 acres reported early in September a yield of 11.5 to 12.5 would give a harvest of 200 to 220 million bushels. Allowing for a possible reduction of about 1,500,000 acres for use for hay and feeding, the remaining acreage at 11.5 to 12.5 bushels to the acre would give a crop of 185 to 200 million bushels. A recent cable from the International Institute of Agriculture reports the area to be 18,160,000 areas and indicates that the crop is likely to amount to 200 million bushels.

Argentina

Early prospects are for a much larger 1930 wheat harvest in Argentina than in 1929. Weather, according to incomplete returns, has been moderately favorable up to the first of October. On the basis of a comparison with the weather in corresponding periods of earlier years in relation to final official estimates of yield, the weather reported this year indicates a final yield estimate of about 12 to 12.5 bushels to the acre sown. A similar estimate based on weather through October last year indicated 6.6 to 8.2 bushels when the final official report of yield was 7.1 bushels.

On the 20,139,000 acres reported sown this year 12 to 12.5 bushels an acre would give a harvest of 240 to 250 million bushels. In the past three years information on exports and carryover tend to indicate that the official estimate has been too low by about 25 to 35 million bushels. Whether the production underestimate was due to an underestimate of acreage or yield is not known. Should a similar situation occur this year the estimated yield would indicate an actual harvest of 265 to 285 million bushels, compared with 160 to 175 million in 1929. October temperature is an important factor in determining the Argentine wheat yields and thus there is still chance for a wide variation in the final outturn. This year rainfall before planting season appears to have been ample in the wheat zone, and with the falls that have occurred during the growing season should carry the crop to maturity in good shape unles unusually hot weather is experienced in the ripening season now at hand. In September and the first week of October temperatures were about average.

Prices

In some markets wheat prices have reached the lowest level since 1901. For comparison with 1901 prices, see figures of prices in the United States, following page 30.

The farm price of wheat declined from an average of 74 cents per bushel in August to 70.3 in September, and October farm prices may average lower than in September. Cash prices of all classes and grades of wheat at six markets declined from an average of 81 cents p r bushel the week ended September 12 to 74 cents the first week of October. The prices of each of the several classes of wheat declined. The marketing of the spring wheat crop in Canada and the northwestern States caused the decline to be greatest in the spring wheat markets, while heavy feeding in the winter wheat producing regions held in check to some extent the decline in the winter wheat markets. The average price of Nol 1 dark northern spring dropped from 91 cents the second week in September to 83 cents the first week of October. No. 2 amber durum at Minneapolis declined only 5 cents in these four weeks, but the average price of this class of wheat had already fallen from 93 cents the second week in August to 79 the second week in September, while the prices of No. 1 dark northern spring were being maintained. The price of No. 2 hard winter at Kansas City declined from 80 to 73, while No. 2 red winter at St. Louis was declining from 90 to 85 cents per bushel.

The price of wheat continues low relative to the price of corn. The first week of October the cash price of No. 3 yellow corn at Chicago averaged 86 cents per bushel, 12 cents higher than the average of all classes and grades of wheat at six markets. The average farm price of corn in the middle of September was 91.7 cents per bushel, when wheat averaged only 70.3. In every state excepting South Carolina and Georgia, the farm price of wheat was below the price of corn. The difference in price ranged from 30 cents below in Maryland to 19 cents above in Georgia. The farm price of wheat ranged from 57 cents a bushel in Wyoming to 127 cents in Georgia, while the farm price of corn ranged from 74 cents per bushel in North Dakota to 133 in Arizona. As long as this disparity between wheat and corn prices continues, farmers in many parts of the country will feed wheat as a substitute for corn and use it extensively in mixed feeds.

Below is a table which shows comparable index numbers of wholesale prices for 10 important countries. Column I shows a comparison of the price level in these countries in 1925 with 1913. Column II gives a comparison of prices in these countries in July, 1930 with 1913 and column III is a comparison of July prices with prices in 1925. The index numbers are based upon a list of commodities as nearly identical as possible for all countries, the same method of calculation and weighting being applied to each.

Table 2.- Comparative index numbers of wholesale prices in 10 countries 1/

Country	1913= 100		Percentage July, 1930 is
	1925	July, 1930	of 1925
United States	165	122	74
United Kingdom	158	114	73
Holland	148	108	74
Sweden	149	110	75
Canada	164	131	79
Belgium (gold basis)	149	121	81
Italy " "	140	116	83
France " "	124	109	88
Germany	142	122	89
New Zealand 2/	162	148	92

1/ From London and Cambridge Economic Service, September 23, 1930.
2/ June.

Table 3. - Wheat: Closing prices of December futures at specified markets

Date	Chicago 1929	Chicago 1930	Kansas City 1929	Kansas City 1930	Minneapolis 1929	Minneapolis 1930	Winnipeg 1929	Winnipeg 1930	Liverpool 1929	Liverpool 1930	Buenos Aires 1/ 1929	Buenos Aires 1/ 1930
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Sept. 4	140	87	134	81	140	85	153	85	148	99	2/125	2/ 87
11	144	87	137	81	145	85	158	85	149	97	2/122	2/ 86
18	139	87	133	81	140	85	151	82	144	95	2/118	3/ 82
25	137	83	131	77	141	82	148	77	138	91	2/113	3/ 78
Oct. 2	133	81	128	76	137	79	142	78	138	88	2/114	3/ 74
9	135	77	130	71	137	75	148	73	141	86	3/126	3/ 75
16	130	77	125	71	133	73	144	71	136	81	3/122	70
23	120		114		122		132		130		3/118	
30	128		122		131		140		134		3/119	
Nov. 6	125		117		126		134		129		3/116	

1/ Prices are of day previous to other prices.
2/ October futures. 3/ February futures.

Table 4. - Wheat: Weighted average cash prices at stated markets

Week ended	All classes and grades six markets 1929	All classes and grades six markets 1930	No. 2 hard winter: Kansas City 1929	No. 2 hard winter: Kansas City 1930	No. 1 dk.n.spring: Minneapolis 1929	No. 1 dk.n.spring: Minneapolis 1930	No. 2 amber durum: Minneapolis 1929	No. 2 amber durum: Minneapolis 1930	No. 2 red winter: St. Louis 1929	No. 2 red winter: St. Louis 1930	Western white Seattle 1/ 1929	Western white Seattle 1/ 1930
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Aug. 29	123	84	120	83	134	91	127	86	130	94	125	86
Sept. 5	128	81	125	79	137	88	132	82	138	89	126	81
12	130	81	126	80	140	90	131	79	137	90	126	80
19	128	79	125	78	138	87	127	78	134	89	123	79
26	125	78	123	77	133	87	121	76	135	87	120	78
Oct. 3	126	74	124	73	135	83	127	74	133	85	121	76
10	128	77	125	75	137	85	131	80	136	90	122	76
17	125		121		134		131		132		120	
24	119		117		127		122		128		118	
31	121		119		128		122		131		121	

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

Table 5.-Wheat: Price per bushel at important world markets, January - August, 1929 and 1930

Month	Liverpool Parcels 1/		Winnipeg 2/		United States 3/		Buenos Aires 4/	
	1929	1930	1929	1930	1929	1930	1929	1930
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan.	131	140	112	123	114	119	109	119
Feb.	135	124	120	110	118	113	112	107
Mar.	131	119	119	100	116	102	112	100
Apr.	125	120	115	103	110	101	108	106
May	116	114	107	104	101	99	100	103
June	117	110	112	98	105	89	97	100
July	141	106	152	90	125	80	120	94
Aug.	142	108	152	88	123	81	120	95
Sept.	137	93	144	74	124	78	118	82
1st week	138	98	146	78	125	79	120	87
2nd week	138	98	149	78	126	80	121	86
3rd week	136	91	144	75	125	78	117	81
4th week	138	84	139	69	123	77	113	76
Oct.								
1st week			137	68	124	73	113	74

1/ Average of all parcels; from Broomhall's Daily Corn Trade News.
2/ No. 3 Northern Manitoba.
3/ No. 2 Hard Winter, Kansas City.
4/ Early Delivery futures; from the New York Journal of Commerce.

Table 6.-Wheat: Liverpool parcels price per bushel by classes

Month and week	No.3 Northern Manitoba		No. 2 Hard Winter		Rosafe ($62\frac{1}{2}$ lbs.)	
	1929	1930	1929	1930	1929	1930
	Cents	Cents	Cents	Cents	Cents	Cents
July (average)	164	109	143	103	140	103
1st week	141	109	132	103	127	103
2nd week	153	108	135	103	133	102
3rd week	164	107	145	102	142	104
4th week	180	109	149	104	147	104
5th week	184	105	153	103	149	105
Aug. (average)	170	119	144	105	140	108
1st week	179	110	147	106	143	108
2nd week	168	115	141	108	139	111
3rd week	168	102	146	104	142	107
4th week	164	102	140	103	136	105
Sept.						
1st week	163	100	142	100	138	102
2nd week	164	97	141	98	138	-
3rd week	161	94	139	96	135	-
4th week	158	90	136	90	127	89

Broomhall's Daily Corn Trade News.

The United States

The slight upward revision in the estimates of the spring wheat crops of the United States from 140 to 142 million bushels has little practical significance. Added to the winter wheat, the total United States crop is now estimated to be about 840 million bushels as compared with 806 millions harvested in 1929, and an average of 833 millions harvested in the 5-year period, 1924-1928. The crop began moving early. The stocks in terminal markets are large, but receipts are declining and the visible supply probably will not be increased much if any above the high point reached at the end of September. In recent weeks the exports of wheat have declined, but the weekly shipments continue to be above those of corresponding weeks of a year ago. The net exports of wheat including flour from July 1 to September 27 amounted to 54 million bushels, about 9 million bushels in excess of the exports of the corresponding period a year ago. A continuation of this rate of exports and heavy feeding of wheat in many of the winter wheat producing States probably will result in the visible supply being reduced at a fairly rapid rate.

Wheat feeding

Reports from many sources indicate that large quantities of wheat are being fed. The feed supply of the United States is the shortest since that of the 1901-02 season. The corn crop is always by far the most important factor in the feed situation. Conditions reported as of October 1 indicated a corn crop 567 million bushels below that of 1929 and 653 millions below the average of the period 1924-1928. Furthermore, the carryover of old corn is unusually short. The corn crop of 1901 has been estimated at 1,614 million bushels, a reduction of 910 millions from the previous crop and 760 millions below the average of the previous five years. But in the period 1896-1901 the United States was producing a large surplus of feed grains. The exports of corn had averaged about 190 million bushels. The oats crop of 1901 was relatively short, whereas in 1930 the oats crop is slightly above average. The difference in the oats situation, however, is also partly offset by the fact that in the 1896-1900 period the United States was exporting more oats than at present. In 1901, as in 1930, the wheat supply was large and the price of wheat was low. An analysis of the wheat supply and distribution indicates that about 12 per cent of the wheat crop of 1901 was fed to livestock.

What about the demand for feed? An analysis of the relation of feed to the numbers of animals on farms in the United States during the past thirty years indicates very clearly that the feed requirements of animals per unit have been greatly increased. The significance of the reduction in feeds can be judged best by comparing the relation of the feed supply to the animal units of corresponding periods. The number of animal units to be fed in the United States in the 1930-31 season probably is only slightly less than the average of the numbers fed in the past five years. A smaller number of hogs is largely offset by a larger number of cattle to be fed. The situation with respect to cattle is quite similar to that of the 1901-02 season. The relation of the feed supply to the number of animal units to be fed appears to be the shortest since the 1901-02 season.

Probably wheat will be fed more extensively than in any of the previous years. The reasons for believing this are mainly:

(1) There has been a great increase in the use of prepared or mixed feedstuffs, including ground or cracked grains, and it appears that wheat is being used much more extensively than usual in the preparation of such feeds.

(2) The price of wheat is much lower relative to corn prices and has been for a longer time than in any other period for which data are available. The price of corn is so much higher than wheat in practically all states that farmers are likely to feed on the farm much more wheat than usual.

Stocks

Stocks of all grain at principal markets decreased 4 million bushel during the week ended October 11. During the corresponding week last year stocks at these markets increased 3 million bushels. The level of stocks on October 11 was about 32 million bushels above the total for the same date last year. On October 11, 1930, wheat stocks at these markets amounted to 162 million bushels which represented 75 per cent of stocks of all grain. On the corresponding date last year wheat stocks were 156 million bushels or 78 per cent of stocks of all grain.

Receipts and shipments

Shipments from Duluth exceeded receipts during the week, but at Minneapolis receipts continue well above shipments. There was a noticeable decline in both receipts and shipments at Chicago during the week, with the total receipts below total shipments for the week. Exports from gulf ports during the week were as follows: Galveston, 240,000 bushels, and 356,000 bushels for New Orleans, as compared with 438,000 bushels for Galveston and 25,000 bushels for New Orleans during the corresponding week last year.

Table 7.-Stocks of all grain, unfilled storage space available for storing new crop and percentage of total space filled at 14 principal markets, comparable dates, 1929 and 1930

Market	Oct. 12, 1929			Oct. 11, 1930		
	Stocks all grain	Percentage filled	Available space unfilled	Stocks all grain	Percentage filled	Available space unfilled
	1,000 bushels	Per cent	1,000 bushels	1,000 bushels	Per cent	1,000 bushels
Kansas City	29,291	97		25,962	83	2,190
Hutchinson	1,924	57	1,136	5,689	70	1,664
Wichita	2,032	82	204	3,416	86	139
Omaha	13,017	94		17,158	91	
Chicago	42,042	88		42,300	81	2,030
Duluth	34,025	79	2,589	40,382	82	4,983
Minneapolis	59,296	92		67,284	91	
Milwaukee	6,095	80	344	8,999	80	1,081
St. Joseph	6,510	82	645	7,711	77	746
St. Louis	5,172	68	1,801	8,865	78	1,768
Galveston	2,603	57	1,264	5,465	54	3,580
New Orleans	4,475	82	418	4,241	77	410
Fort Worth	6,530	70	1,383	6,994	70	2,149
Houston	1,667	83	33	1,947	65	603
Total	214,679	85	1,652	246,413	84	15,674

Table 8.-Wheat: Commercial stocks of domestic wheat in store in principal United States markets

Week ended on specified date, 1930, and the corresponding weeks in 1928 and 1929	1928	1929	1930
	Million bushels	Million bushels	Million bushels
Aug. 2	63	136	162
9	73	157	173
16	83	172	184
23	88	180	195
30	94	187	201
Sept. 6	97	189	204
13	101	193	214
20	109	196	218
27	115	198	224
Oct. 4	121	199	221
11	129	201	219
18	135	201	
25	138	203	
Nov. 1	139	202	
8	140	200	
15	138	198	
22	139	193	
29	140	190	
Dec. 6	140	189	
13	141	188	
20	142	188	
27	144	185	
Jan. 3	142	182	
10	139	179	
17	135	175	
24	133	172	
31	130	168	

Figures supplied by Market News Service, Hay, Feed and Seed Division.

The Orient

Although the coastal wheat producing regions of China harvested larger crops of wheat this year than last, domestic receipts have fallen off and considerable amounts of wheat and flour have been bought for import. A large rice crop in Japan may prove to be a weakening factor in the future Oriental demand for wheat. It seems likely, however, that the Oriental countries will take about as much wheat and flour from foreign producers as they took in the past season.

Japan

The domestic wheat market in Japan continued dull during September, but mills were active on account of good export demand for Japanese flour, according to a cable to the Foreign Service from Consul General Garrels at Tokyo. Japan imported in August 340,000 bushels of wheat from the United States, 278,000 from Canada, and 92,000 from Australia.

Table 9.-Price per bushel of wheat at mills and the wholesale price per bag of flour at Tokyo, Japan, July 1-October 1, 1929 and 1930

Date	Wheat			Flour
	United States: western white No. 2	Canadian No. 5	Australian	
	Cents	Cents	Cents	Cents
1929				
July 1	160	155	162	157
Aug. 1	181	--	185	179
Sept.1	174	173	175	180
Oct. 1	168	171	178	180
1930				
July 1	140	133	142	146
Aug. 1	133	128	141	139
Sept.1	123	122	127	143
Oct. 1	120	111	124	121

Compiled from cables received from Consul General Garrels at Tokyo.

Shanghai

Shanghai millers have bought quite large quantities of Australian, Canadian, and American wheat, according to a cable from Agricultural Commissioner Nyhus at Shanghai. A prominent importer at Shanghai reports that about 2,000,000 bushels of Canadian wheat have been sold or contracted for at 85 to 90 cents a bushel. Purchases of American wheat for blending are estimated at 1,300,000 bushels, and Australian wheat at 2,900,000. Prices paid for the American wheat are about the same as those paid for the Canadian, and the Australian wheat was contracted for at 90 to 93 cents a bushel. The first shipment of this wheat arrived October 10. The purchases are for deliveries up to February.

Arrivals of native wheat at Shanghai have fallen off and recently low price levels encouraged millers to buy foreign wheat. Further orders for foreign wheat are not being placed at the present time on account of the decline in local flour prices and the slow export movement of flour from Shanghai.

The embargo placed by the Nanking government against the shipment of flour from Shanghai to Tientsin has been lifted, but no large orders are being placed. Flour is quoted at $.944 per bag for October delivery and $.936 per bag for November delivery. The present margin between flour prices and foreign wheat prices is unfavorable and in view of the large purchases which have already been made it does not seem probable that Shanghai millers will place any further orders for foreign wheat at the present. Importers believe, however, that if the flour market or exchange rate improves, millers will be in the market later for shipments in February and March.

The Chinese press has carried stories of the dumping of wheat in Shanghai by America and Russia and appeals have been made to the Nanking government to prohibit such practices. The foreign press has pointed out that there is no truth in the charges and that uninformed people in the trade must have circulated these rumors to influence the local wheat and flour market.

Tientsin

The Tientsin flour market continued active through the week ending September 20, according to a cablegram from H. D. Robinson, American Trade Commissioner in that city. Stocks of flour on hand in Tientsin are now very small compared with a year ago. They are estimated at only 100,000 bags, whereas the daily takings of flour during the winter may amount to 25,000 to 40,000 bags. The production of flour from local wheat is expected to slacken in the latter half of October. It is reported that a million bags of American and Canadian brands have been ordered for October and early November. The occupation of Tientsin by the Manchurian troops is expected to increase the consumption of flour.

The Continental European wheat market situation during September 1930 1/

Continental wheat markets appeared to be approaching some degree of stability in August, but during September unexpectedly strong selling pressure - in the first part of the month particularly from Canada, and in the second half chiefly from Russia - led to a further decline in prices, especially for overseas grain. With values falling, general reluctance to buy for future requirement again became strongly in evidence. Restricted marketings of domestic wheat, however, helped greatly in sustaining home market prices in the face of a general recession overseas.

September wheat market events brought very little change in the actual supply or demand situation in Europe. Favorable weather for the completion of harvest has resulted in yields somewhat better than expected in Northern Europe but not enough to alter general consumptive requirements materially. Heavy offers from Russia are being interpreted as indicative of probable increased Russian exports, but whether total shipments from this source will much exceed our expectations of 40,000,000-55,000,000 bushels is still doubtful. With the large Canadian sales in September being interpreted as a change in Pool policy and heavy Russian offers and reports of many Black Sea charters as indicative of a heavy increase in Russian exports, there was not sufficient buying to absorb the selling movement which developed in overseas grain, even though domestic wheat was relatively well maintained over most of the continent.

Table 10 - Domestic wheat prices per bushel on the continent

Month	Paris	Milan	Hamburg	Vienna	Budapest
	Cents	Cents	Cents	Cents	Cents
Sept. 3	167.9	181.2	165.3	98.60	73.07
Sept.25	175.9	181.2	153.6	90.94	72.59
Sept.30	173.8	1/ 176.2	1/ 153.6	92.85	72.59

1/ October 1.

The European wheat crop outside of Russia continues to promise an outturn about 140,000,000 bushels smaller than in 1929, and will not be far from this figure when final results are in. The size of Russia's wheat crop is still unknown with any degree of definiteness, but it seems probable that the total outturn is around 110,000,000 - 130,000,000 bushels above last year, and of very good quality. Whether more than half of this increased production can be exported is questionable and a matter that only future developments can tell. Recent heavy Russian sales and charterings do not yet indicate an export to exceed this amount. It should also be remembered that Russia must move as much grain as possible before winter shuts off shipping.

1/ Prepared by Agricultural Commissioner Loyd V. Steere, Berlin, Germany, October 2, 1930; supplemented by cable of October 11, 1930.

The efforts of European governments to support domestic grain markets and aid agriculture in the current crisis have been reflected in further tightening up on milling regulations in several countries and some additional tariff increases in recent weeks. Generally speaking, the effect of recent developments of this character will be to insure a relatively high rate of consumption of domestic grain during the first half of the season and relatively favorable domestic prices in comparison to world levels. The net effect is to reduce current import requirements and depress world prices. The use of compulsory regulations to support home markets through increased milling of domestic grain has proved a very effective economic measure wherever adopted, and the practice is spreading. This policy in general use will mean considerable modification in European wheat buying policy, and probability of its growth must be reckoned with in all wheat exporting countries.

Feed grain markets

Continental corn markets were comparatively quiet throughout September, with prices tending downward. The buoyant influence of the reduction in the United States corn crop, has completely disappeared and high shipments from Argentina, South Africa and the Danube have played the leading role. A recent increase in the French import duty on corn has also had some influence. Barley markets were likewise governed by extensive Russian offers, and the oats market and prices reflected the heavy shipments from Argentina which have recently been about three times as high as at this time last year.

The corn harvest has started in southern and south-eastern Europe under favorable conditions.

Autumn sowing

Autumn sowing has begun in the Balkan and Central European countries and made good progress in Italy. Weather developments in France, where sowing is also under way, are reported as not having been especially favorable for autumn work.

Crop and deficit estimates

Our estimates of the production and probable imports and exports of individual countries have undergone only minor revisions as a result of September developments. Later revision in crop figures is expected for some of the Danube countries, France and parts of Northern Europe, but the changes should tend to offset each other and cause no significant alteration of the outturn for Europe exclusive of Russia. Import requirements are a much more indefinite matter because of the difficulty of considering the effects of government regulations and restrictions on imports, and of future price tendencies. An estimate of European import requirements at the present time must allow for a rather wide range of possibilities, notwithstanding the fact that the new season began with wheat stocks in Europe reduced to a point that would seem to allow of no great latitude in postponing purchases to cover normal import needs.

See Tables 18 and 19 in the September issue.

(Mr. Steere considers the official production estimates of Spain, Portugal Rumania, Bulgaria and Yugoslavia too high; and of Hungary too low. He would reduce the estimates of German imports from the range of 60 to 65 millions to a range of 44 to 45 millions.)

Germany

The German wheat market experienced a sharp decline in prices during the latter half of September, after maintaining a level of $1.62 per bushel during the first half of the month under the influence of supporting purchases of the Getreidehandelsgesellschaft. The recession abroad together with heavy offerings of new crop wheat and reduced purchases of the government agencies brought prices down as low as $1.43 on September 27. The month generally was characterized by only small demand for both foreign and domestic wheat, and transactions in flour covered only current needs.

Among the most important events of the month in the grain market were the long expected increase in the percentage of compulsory milling for domestic wheat from 60 to 80 per cent for October and November, and the increase in the duty on wheat from the already high rate of $0.97 cents to $1.20 per bushel. The latter step resulted from the further recession in world wheat prices and the consequent drop in domestic quotations to levels much below the $1.69 per bushel mentioned in the tariff law of April 15 as an average price level to be aimed at. The last previous increase in duty was one from $0.78 to $0.97 on April 25, 1930.

Table 11.- Germany: Weight of wheat and rye per measured bushel, 1927-1930 (Expressed in percentage of total production)

Year	Winter wheat			Winter rye		
	Less than 57 pounds	57-59 pounds	Over 59 pounds	Less than 53 pounds	53-55 pounds	Over 55 pounds
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
1927	28	43	29	31	46	23
1928	7	36	57	7	38	55
1929	10	29	61	6	33	61
1930	24	39	37	19	48	33

Compiled from cables from Agricultural Commissioner Steere at Berlin.

Possibly the most significant government action in September was the decree, effective October 3, suspending the issuance of import certificates for all important agricultural products, at least for the rest of the current fiscal year. No import certificates will be given after October 3 for any grain (including wheat and rye flour) and the value of the remaining import certificates on other milling products have been considerably lowered. The reason for this measure is largely to be found in the fact, that the amount of $23,820,000 provided in the budget for this purpose has been largely used or the balance is required for price supporting measures in the grain market, particularly for rye. Since no further funds will be available from this year's budget, the limited resources are to be concentrated in direct efforts to support prices in the grain market. It is said, that the suspension of import certificates will seriously hamper exports of rye flour, which have been of some proportions.

The rye situation in Germany remains very unfavorable although the crop is lower than last year. The two supporting agencies continue to operate in the market and according to their own statement have purchased more than 27,600,000 bushels of rye since the beginning of this year's rye campaign.

Offers of the new rye crop increased rapidly during September and assumed such proportions that the Getreidehandelsgesellschaft was unable to handle them all. Since supporting purchases were made at the Berlin market only, wide divergencies in price quotations at different markets occurred and, as a result, practically all offers concentrated in Berlin. Finally, soon after the elections the supporting agencies announced that from then on they would follow a more elastic purchasing policy. In other words the agency admitted its inability to keep prices on their former level. It appears that this step became necessary because funds for the purpose were nearly exhausted and new ones not likely to be had, owing to the strained conditions of the finances of the Reich.

Table 12.- Germany: Prices per bushel of domestic wheat and rye, August 20 - October 8, 1930

Date	Wheat			Rye
	Hamburg 1/	Breslau 2/	Berlin 3/	Berlin 4/
	Cents	Cents	Cents	Cents
Aug. 20	173	164	165	101
27	170	161	157	108
Sept. 3	165	158	162	113
10	159	156	161	113
17	155	150	152	113
24	152	150	151	97
Oct. 1	154	147	145	90
8	154	151	147	91

1/ Wheat of any German district of at least 58.7 pounds per Winchester bushel.
2/ Wheat of any German district of at least 58.7 pounds per Winchester bushel in carloads of 370 bushels.
3/ "Märkischer" wheat of 58-59 pounds per Winchester bushel.
4/ "Märkischer" rye of 54-55 pounds per Winchester bushel.

German imports of wheat in August were comparatively small amounting to only 3,290,000 bushels against 3,326,000 bushels in July 1930 and 5,266,000 bushels in August 1929. Wheat stocks at Hamburg and Bremen, and stocks at Berlin continue low as usual at this time of the year.

The latest official crop estimate as of early September indicates the following crop outturn in Germany:

Grain	1929 Final	1930 Aug. 1	1930 Sept. 1.
	1,000 bushels	1,000 bushels	
Rye	321,045	297,345	303,526
Wheat	123,073	129,630	131,174
Barley	146,039	121,575	123,090
Oats	508,633	376,849	376,849

There is some possibility that the final estimate for Germany will show a further upward revision for rye and wheat, but the change is not expected to be important.

Table 13.- Germany: Production of grains, 1929 and 1930 and stocks on September 15, 1929 and 1930

Grain	Farm stocks Per cent	Farm stocks 1,000 bushels	Available for sale Per cent	Available for sale 1,000 bushels	Production 1,000 bushels
			1929		
Winter wheat	82.9	93,400	67.9	76,500	112,687
Spring wheat	93.1	9,700	81.4	8,500	10,386
Winter rye	86.7	274,800	55.6	176,200	316,993
Winter barley	72.4	12,700	16.4	2,900	17,497
Spring barley	90.8	116,800	68.7	88,300	123,591
Oats	94.4	480,100	43.0	218,700	508,633
			1930		
Winter wheat	77	92,400	64	76,800	119,956
Spring wheat	89	10,200	80	9,100	11,424
Winter rye	85	255,000	53	159,000	299,987
Winter barley	56	11,200	9	1,800	20,057
Spring barley	81	83,300	62	63,800	102,881
Oats	95	358,200	38	143,300	377,007

Compiled from reports of the German Agricultural Council.

France

Wheat market conditions were generally favorable for sellers during the whole of September. The poor crop, together with the obligation of millers to use at least 90 per cent inland wheat, tended to keep demand on a high level. Farmers are taking advantage of the situation and are tending to hold back on selling in expectation of still higher prices. The government is encouraging this tendency by advising farmers to keep sales on a low level.

While small millers are able to obtain their supplies of wheat, though not without difficulty, the larger flour mills are reported much hampered in their operations by these small offers of native wheat. This situation has been the cause of the general market firmness in September, during which prices in Paris reached almost 192 cents per bushel in the middle of the month. Towards the close the attitude of sellers became less reluctant and prices declined, in harmony with tendencies in the world market, to 183-184 cents, a level some 10-11 cents higher than at the beginning of September.

The French grain trade has been anticipating momentarily an increase in the percentage of foreign wheat allowed to be milled, but as yet there is no indication as to when it will come. The increase in domestic marketings at the close of September might conceivably result in some further postponement of an order to this effect, though delay in changing the percentage can only mean a greater increase in imports later on.

Estimates of the French wheat crop still vary widely. M. Destombe, a well-known statistician, recently issued an estimate of 208,000,000 bushels as compared with the official figure of 319,863,000 bushels in 1929, and an estimate of 193,000,000 bushels taking into consideration the lower weight per hectoliter. The Bulletin des Halles, however, has just issued an estimate of 247,000,000 bushels against a figure of 390,000,000 bushels for last year. These ideas represent two extreme views, and actuality is somewhere between them, apparently a little nearer to the higher figure than to the lower one. Until more evidence is available we still place the total crop at 239,000,000 bushels, and the millable outturn at 213,000,000-220,000,000 bushels. The newspaper Information Financiere estimates the millable wheat at 208,000,000 bushels.

Italy

Italian markets have continued to exhibit some interest for foreign wheats in September, particularly during the first half of the month; and notably for Russian, though also for Manitobas. The turnover in domestic wheat remained limited, however, largely because of restricted offerings by farmers, and prices of domestic wheat, therefore, declined much less than foreign wheat prices.

The wheat crop has proved smaller than expected earlier in the year and is now officially estimated at 210,503,000 bushels. There is some reason to believe that results were even less favorable.

Prices per bushel of domestic wheat free Milan, 1930

Date	Cents
Aug. 28	183
Sept. 3	181
10	182
18	185
25	180
Oct. 1	176

Belgium and Holland

Wheat business in Belgian and Dutch markets on September, while somewhat active at the beginning of the month, remained restricted throughout most of the remainder of the period under review, with somewhat better sales at the close as a result of German demand prior to the increase in the German wheat duty, and somewhat improved inquiry on the part of the Dutch flour mills. Interest centered around Russian wheat as well as Hardwinter.

Stocks of grain at Rotterdam and Antwerp have been tending upward in recent weeks, doubtless partly because of seasonally larger shipments, but are still about on a level with last year at this time and are apparently not far from a normal figure. Continued slow sales, however, will probably mean a further increase in coming weeks.

Danube Basin

Wheat markets in the Danubian deficit as well as surplus regions over most of September reported very restricted business and downward prices. Some slight recovery during the early part of the month, of both business and prices, proved insignificant in view of the extremely unsatisfactory development during the subsequent weeks. Price depression is quite general, and complaints of farmers and their organizations were very pronounced in the deficit areas.

Import business of Austria and Czechoslovakia was restricted and a hand-to-mouth buying policy was quite generally followed by the flour mills and the trade. Prices in Vienna, Bratislava, and Prague declined about 6 per cent during the month.

Viennese Boden Wheat

Spot price per bushel at Vienna

1930	Cents
July 31	107
Aug. 30	96
Sept. 2	99
5	95
12	96
19	96
26	91

Crops in Austria and Czechoslovakia seem to have turned out quite satisfactorily, though there are complaints received as to the quality of the wheat crop, notably in Czechoslovakia. The latest official estimate for Czechoslovakia indicates a wheat crop of 53,094,000 bushels (last year 52,902,000), rye 68,028,000 (72,185,000), barley, 56,493,000 (64,073,000), oats 85,428,000 (102,927,000), corn 8,149,000 (9,113,000). A later report indicated that the total grain crop is below average, with some sections reporting only about 2/3 of normal weight per hectoliter in the case of wheat, barley, and oats. The official Austrian estimate of the wheat crop is 11,949,000 bushels, compared with 11,559,000 harvested in 1929.

Public discussion and preparatory work in the agricultural organizations and government offices relative to agrarian relief have gone on both in Austria, and in Czechoslovakia. The latter again raised the grain supplement duties (wheat from 18 to 20 cents, rye unchanged 37, barley unchanged 23, oats unchanged 15, flour from 49 to 52 cents per 100 pounds), effective September 20. This increase, however, is the last increase, cannot now come in force because of the trade treaty with Hungary expiring December 15, 1930. Further consideration has been given in Austria to the introduction of a grain import monopoly. It is planned to erect a grain import office which will use the large profits made due to the low price of foreign wheat purchased and the high domestic selling price for the distribution of subsidies to flour mills in order to cheapen the price of flour. The introduction of the monopoly is expected for the next campaign.

Wheat markets in the surplus Danube countries reported somewhat increased business during the early part of the month, especially in Rumania, while later business was checked by reduced offerings and arrivals as a result of falling prices. Hungary's export sales were chiefly directed to Czechoslovakia and Austria, while business to Italy was still more restricted because of the predominance of Russian wheat on the Italian import market. Yugoslavia even reported that there had been arrivals of Russian wheat and other grain in the Yugoslavian Adriatic ports which were offered and sold considerably below domestic quotations.

Hungarian Tisza Wheat, spot prices per bushel, Budapest

1930	Cents
July 31	93
Aug. 30	77
Sept. 3	73
11	76
17	74
27	73

The price decline on the Budapest market during recent weeks was relatively moderate as the Hungarian Government made considerable market supporting purchases. Offerings are also relatively small for the time of the year. It is pointed out by some observers that Hungary failed this year to make use of the usually good opportunity immediately following the harvest to export a considerable share of her surplus which will aggravate the difficult agricultural situation within the country.

Danube shipments of wheat and flour to Europe 1/

Four week periods 2/	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31
	1,000 bushels	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	1,360
Aug. 30 - Sept. 26	294	845	845	1,323	257	3,013	3,160

1/ Down the Danube.
2/ For 1929. Other years nearest comparable period.

The high shipments this year seem to be due for the most part to efforts on the part of Rumania to dispose of some surplus left from last year and early shipments from the large new crop which provided a surplus above domestic needs.

Estimates of the Danubian surplus countries corn crop, published by official departments, run as follows:

Hungary	51,178,000 bushels	(last year	70,626,000)
Jugoslavia	137,866,000 "	(" "	163,37?,000)
Rumania	155,424,000 "	(" "	251,403,000)
Bulgaria	33,463,000 "	(" "	36,061,000)

The exports from Yugoslavia and Hungary as now calculated take into consideration the reduction in wheat stocks in those countries (See our June 28 report) and also the poor corn crop in Hungary with small stocks at the beginning of the year. In Yugoslavia the corn crop is still regarded as fair with some stocks of importance from last year so the corn supply will probably not be a factor in reducing wheat exports as in Hungary.

Agrarian policy efforts of the surplus countries continued active also during the period of approximately the last month under review. Hungary expects to revise its "bolette" 1/ system and thus grant the farmer better prices through higher "bollete" premiums. The Yugoslavian Privileged Export Company suggested the introduction of grain export premiums, despite a recent resolution against such premiums at the Warsaw conference. The government is also in negotiations with German interests relative to the promotion of export of Yugoslavian agricultural products to Germany. Rumania, though already having a national export institute, is planning the erection of a special grain export central office. This central

1/ Certificate system, see page 29 of World Wheat Prospects dated July 29, 1930 office is expected to become an important instrument in the agrarian union planned with Yugoslavia and possibly in trade negotiations with the industrial countries. The Rumanian export institute has reported considerable success in its activity since a couple of months. It not only promotes standardization of agricultural products, but also makes considerable efforts to further the sale of Rumanian products in foreign countries. For this purpose the institute cooperates closely with the Rumanian consulates and legations in various custom r countries.

The plans of agrarian cooperation in the East or South-East of Europe with the distinct note toward a preferential trading system in Central Europe have been emphasized and furthered through discussion in the recent session of the League of Nations. The idea of the formation of economic groups as a first and possibly more effective step toward a pan-european union, with special regard to the efforts of south-eastern agrarian countries, has been given wide attention. In the second commission of the League of Nations the Rumanian representative suggested a "regional clause" for trade treaties, which would exempt certain groups of countries from the obligations of the most-favored-nation clause with respect to concessions made to those groups. Rumania has invited 10 European, mostly agrarian, countries to attend a conference to be held at Bucarest on October 15, where the question of a preferential duty system in Central Europe shall be further discussed. The possibilities of concerted action against Soviet competition will also be discussed.

Poland

The situation in the Polish grain market was similar to that in other European markets, with prices declining and business restricted. As a result of the low prices ruling, offerings were small, but despite this fact the government grain industry company made considerable supporting purchases for various grains. The export of grain to France, chiefly rye is thought possible.

The latest official crop estimate is higher than the previous estimate for all grains: wheat 70,180,000 bushels; rye 268,489,000; barley 63,382,000; oats 150,188,000 bushels. This estimate seems somewhat high.

It is expected that the grain export premiums which expire on October 31 will be prolonged. They will amount to 11 cents per 100 pounds in the case of barley, 17 cents for rye, 18 cents for wheat, and 31 cents per 100 pounds for flour. The exemption of bran exports from the export duty, expiring December 1, 1930, is expected to be prolonged to June 1931.

Baltic Countries

Grain business on the Baltic markets was also rather limited during September.

Sweden

A very good grain harvest, considerably above last year, is expected in Sweden. This fact has hastened the Government's efforts toward protecting the grain farmer. The milling obligation for wheat and rye that had existed previously only on basis of a free agreement of the government with the flour mills, the latter guaranteeing a certain minimum price for domestic wheat and rye, has been made compulsory effective September 1, 1930. The price negotiations stipulated the following prices for the new crop year: wheat of 60 pounds and rye of 56.5 pounds per Winchester bushel free flour mill 2.18 and 1.82 dollars per 100 pounds respectively, in September 1930; 2.21 and 1.85 during the first half of October; 2.24 and 1.87 during the second half of October; 2.26 and 1.90 from November 1 to 15; 2.29 and 1.92 November 16 to 30; 2.31 and 1.95 December 1 to 15; 2.33 and 1.97 December 16 to 31, 2.36 and 1.99 for January 1931; 2.38 and 2.02 for February; 2.40 and 2.04 for March; 2.42 and 2.05 for April; and 2.43 and 2.07 dollars per 100 pounds for May to August, 1931.

The milling percentage for September and October, 1930, is now fixed at 60 per cent for wheat and at 70 per cent for rye, on an average, with a minimum percentage of 40 per cent suggested in the case of wheat. The new Government Grain Office is to supervise the actual carrying out of the milling regulations by the flour mills.

Soviet Russia

Shipments

Shipments of Russian grain through the South Russian ports - as had been expected in our last month's report - continued on the previous relatively high level and at times even surpassed it during the first three weeks of September, with wheat by far playing the predominating part. Total shipments since the beginning of the new campaign (July 1, 1930) to October 12 amounted to 11,001,000 short tons, distributed as follows:

Grain	1,000 bushels
Wheat	25,242
Rye	1,417
Barley	11,712
Oats	1,102
Corn	157

It seems, however, that actual sales have been considerably higher than indicated by the above figures on passings through Constantinople. Some sales of grain, chiefly rye and oats, also took place in Northern Europe, having been shipped through the port of Leningrad.

Charterings of foreign steamers, previously reported, continued on a high level during the period under review, the total tonnage booked up to the present being placed at somewhat over 500,000 tons. This points to the intention of the Soviet Government to continue, at least for some weeks to come, to export large quantities of grain, although it should be noted that lumber was also mentioned as the other export article for which tonnage was secured.

On basis of past week's experience - when wheat predominated in total Russian exportations - and on basis of this year's crop outturn, it seems that a considerable share of the coming exports will fall to wheat, although nothing definite is known as to Government plans for grain exports and it is entirely possible that large shipments of other grains, especially barley will also take place.

Foreign press recently mentioned the possibility of the Soviet Government exporting a larger quantity than actually warranted by surplus stocks through the Black Sea ports and later making up for this exportation by reimporting grain through the northern ports.

The 1930 crop

Official estimates of the 1930 Russian grain crop are still lacking, but the crop is reported considerably above last year and above any of the post revolutionary years. The increase in the crop outturn is due both to an increase in the acreage left for harvest and to a somewhat higher yield than last year. It is difficult to estimate the increase under wheat and rye and statements from Russian sources indicate large increases, but it seems too early to accept these estimates because of the variations in different sections and revisions of past years in the Russian estimates. Despite these optimistic early reports we think the crop may not be more than 15-20 per cent above last year's crop.

It should be remembered, however, that most of this year's acreage increase was in rye and wheat and at the same time that the yield of wheat - comprising about 56 per cent of total bread grain acreage - is reported higher than in 1929, when it was about 13 per cent below the average for 1925-1929. Along with a good crop harvested in Ukraine and North Caucasus, the chief producers of winter wheat, the eastern section of the Union - has a satisfactory spring wheat crop. Crop conditions in Siberia appear to be for a yield above average, notwithstanding rainy weather during the first half of September being not quite favorable to the part of the crop entering its maturing stage.

Weather conditions were not particularly favorable to the harvesting of the crop in the central section of European Russia, but no particular damage has been reported. Threshing has been delayed, and late threshing results in some regions may fall below early returns, on basis of which the crop is first estimated.

Procuring campaign

The Government procuring plan is reported fixed at one and a half times above that of the previous year which would mean about 21 - 22 million tons. Taking into consideration the larger gross crop and a 6 per cent increase in the commercial crop, in consequence of the greater share of the Government and Collective farms in the total crop, this figure may not be too high.

However, the Government procuring organizations have met with considerable difficulties at the outset of the new procuring campaign, with the nonexecution of the monthly procuring plans in July and August now being followed by a nonexecution of the September plan as well. The expectation of the procuring organization that less energetic efforts to procure the grain would be necessary this year due to the large share of the socialistic sector are thought to be the outstanding cause for the slow pace of the new campaign; the procuring organizations are accused of waiting for the grain to come in of its own accord and of not doing anything to ensure the success of the plan.

The way things stand at present, the situation appears distinctly unfavorable, particularly as the Government intends to finish the 1930-31 grain procuring campaign by December 15. It should be remembered, however, that procurings were also slow a year ago, and the total yearly plan was not only executed to the full extent, but even surpassed at the end.

Mr. L. G. Michael, Agricultural Commissioner recently located at Belgrade to report on conditions in the Danube Basin, cabled October 13 that shipments of grain were very slow on account of low prices. He also stated that it is reported that Russian port elevators are full of grain of good quality but officials have promised to discontinue exports and make early inland shipments to distressed cities. Recent trade reports indicate that Russia is continuing to export.

Mr. Michael states that conditions are favorable for seeding winter wheat in South Bulgaria and Yugoslavia; also that about the normal amount of fall plowing has been done except in Rumania where there has been some delay on account of droughty conditions. Fall plowing in the Caucasus region of Russia is expected to be about the same as last year.

Table 14. - United States: Imports and exports of wheat including flour

Item	July 1, 1929 to Sept. 28, 1929	July 1, 1930 to Sept. 27, 1930
	1,000 bushels	1,000 bushels
EXPORTS:		
Wheat	31,592	41,844
Flour in terms of wheat	14,600	15,304
Total	46,192	57,148
IMPORTS: (July and Aug.)		
Wheat	1,451	2,688
Flour in terms of wheat	1	1
Total	1,452	2,689
NET EXPORTS:		
Wheat	30,141	39,156
Flour in terms of wheat	14,599	15,303
Total	44,740	54,459

Table 15.-Wheat, including flour: Shipments from principal exporting countries

Country	Total shipments or exports 1928-29	Total shipments or exports 1929-30 1/	Shipments, week ended Sept.20	Shipments, week ended Sept.27	Shipments, week ended Oct. 4	Total shipments or exports from July to and incl.Oct. 1929-30	Total shipments or exports from July to and incl.Oct. 1930-31
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/	499,942	301,342	9,512	9,353	6,389	83,377	119,379
Canada 4 markets 3/	458,649	193,380	7,724	11,562	8,768	49,738	92,640
United States	163,687	149,822	3,906	3,998	2,757	52,478	59,904
Argentina	217,139	160,782	966	547	879	64,871	12,449
Australia	107,937	60,844	1,752	1,320	1,312	14,156	15,592
Russia	8	5,672	2,768	1,208	3,966	0	17,870
Danube & Bulgaria 4/	33,975	18,640	432	1,646	652	4,960	6,358
British India	5/5,687	4,171	264	56	0	1,717	5,080
Total 6/	864,688	551,451	15,694	14,130	15,178	169,081	176,728
Total European ship. 7/	705,396	490,448	15,238	13,512	---	137,008	160,096
Total ex-European shipments 7/	220,364	141,904	2,920	2,512	---	40,874	24,064

Compiled from official and trade sources. 1/ Preliminary. 2/ Bradstreet's, weeks ending Thursday, including flour converted at 4.5 bushels per barrel.
3/ Fort William, Port Arthur, Vancouver and Prince Rupert. 4/ Hungary, Yugoslavia, Rumania and Bulgaria. 5/ Net imports for year 1928-29 were 21,729,000 bushels.
6/ Total of trade figures include North America as reported by Bradstreet's.
7/ Totals as reported by Broomhall's Corn Trade News.

Table 16.-Wheat, including flour: Exports from principal exporting countries, July, August, September, 1929 and 1930

Country	July 1929	July 1930	Aug. 1929	Aug. 1930	Sept. 1929	Sept. 1930
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	15,784	13,377	17,338	24,413	18,568	15,753
Canada	20,779	22,833	13,051	20,462	9,626	31,122
Argentina	14,463	1/4,892	25,292	1/3,812	19,634	2,866
British India	575	1/2,448	768	1/1,880	374	752
Australia	4,346	1/6,324	5,264	1/4,812	4,445	5,456
Russia 1/	0	896	0	6,232	0	6,776
Danube & Bulgaria 1/	456	408	501	1,386	3,008	3,950
Total	54,403	47,854	62,217	68,979	55,855	71,189

Compiled from official and trade sources.
1/ Preliminary

Table 17.- United States: Exports of wheat and wheat including flour by weeks, 1929 and 1930.

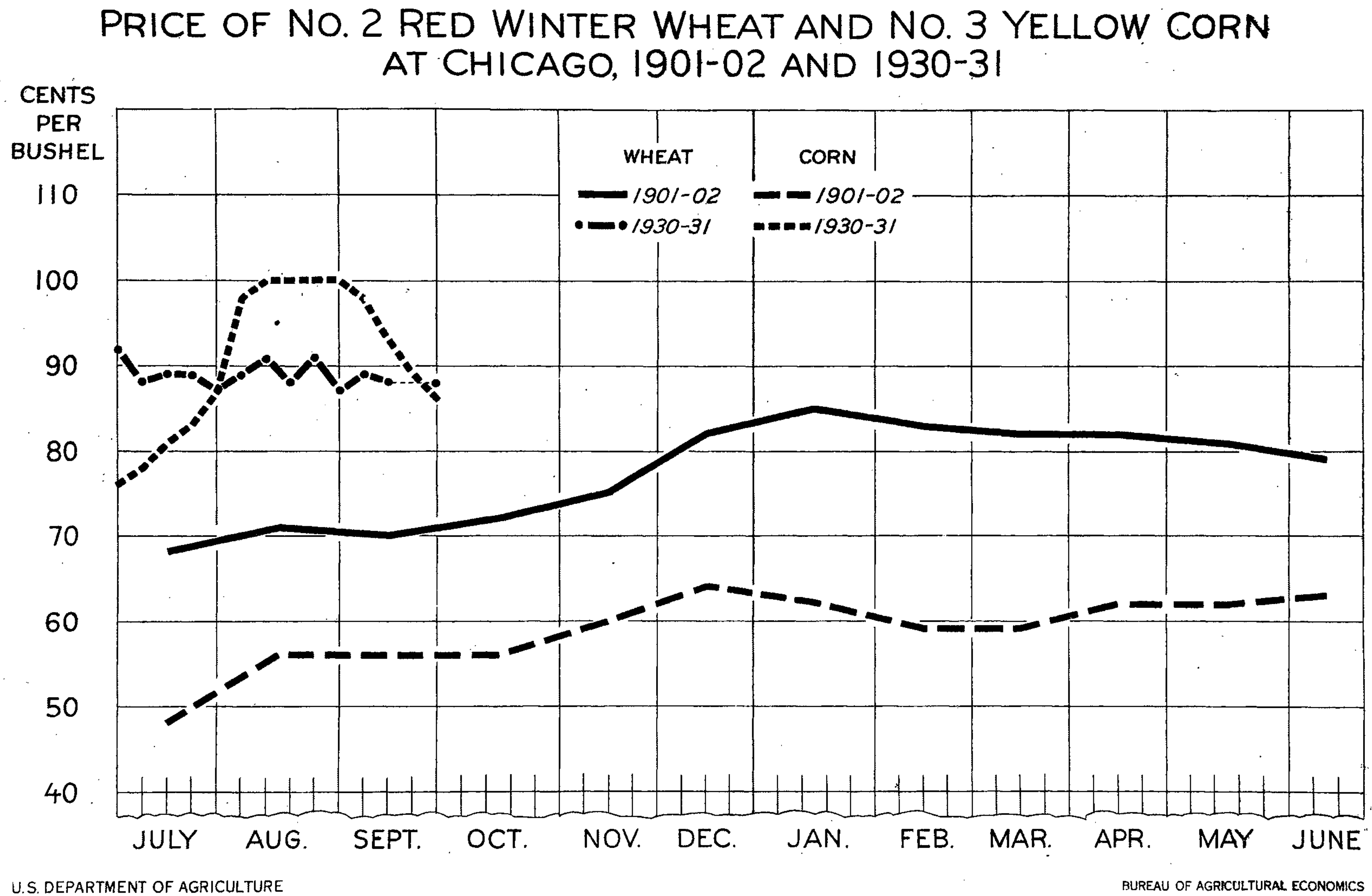
Week ended	Wheat 1929	Wheat 1930	Wheat flour 1929	Wheat flour 1930	Wheat including flour 1929	Wheat including flour 1930
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 5...	1,202	1,541	105	131	1,696	2,157
12...	839	825	243	111	1,981	1,3[illegible]7
19...	1,551	3,962	180	209	2,397	4,94[illegible]
26...	3,558	2,782	290	175	4,921	3,604
Aug. 2...	1,762	3,827	151	228	2,472	4,899
9...	2,678	1,888	144	145	3,355	2,570
16...	3,885	2,704	210	242	4,872	3,841
23...	4,493	3,104	187	295	5,372	4,490
30...	5,004	6,361	186	205	5,878	7,325
Sept. 6...	2,858	3,386	154	125	3,582	3,974
13...	3,485	2,451	217	303	4,505	3,875
20...	3,087	3,060	266	309	4,337	3,906
27...	1,377	2,367	270	347	2,646	3,998
Oct. 4...	1,829	1,352	205	299	2,793	2,757

Compiled from weekly report of the Department of Commerce.

Table 18.- Wheat including flour: Shipments from principal exporting regions, specified dates, 1929 and 1930.

Date	Argentina 1929	Argentina 1930	Australia 1929	Australia 1930	Danube 1929	Danube 1930	North America 1929	North America 1930
	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 5....	5,328	1,624	1,554	1,508	120	80	4,8[illegible]	5,254
12....	4,312	780	1,176	1,000	0	168	11,140	8,084
19....	2,996	1,336	1,160	1,064	120	136	6,446	6,759
26....	2,388	420	1,272	1,304	8	24	5,675	9,167
Aug. 2....	2,620	732	592	1,444	208	0	7,998	8,283
Aug. 9....	5,988	1,336	1,568	1,716	16	336	5,586	8,388
16....	5,688	928	1,516	852	144	136	6,728	9,564
23....	6,924	516	1,352	1,428	160	472	5,045	10,012
30....	5,144	1,032	800	816	184	424	5,092	10,340
Sept. 6....	5,930	461	1,704	512	120	592	4,000	8,212
13....	3,631	892	1,400	560	928	1,280	7,280	10,063
20....	5,309	966	1,040	1,752	784	432	3,743	9,512
27....	3,841	547	608	1,320	1,176	1,646	5,053	9,353
Oct. 4....	5,282	879	616	1,312	992	632	4,649	6,389

Compiled from official and trade sources.


PRICE OF NO. 2 RED WINTER WHEAT AND NO. 3 YELLOW CORN AT CHICAGO, 1901-02 AND 1930-31
CENTS PER BUSHEL
110
100
90
80
70
60
50
40
WHEAT
CORN
1901-02
1930-31
1901-02
1930-31
JULY
AUG.
SEPT.
OCT.
NOV.
DEC.
JAN.
FEB.
MAR.
APR.
MAY
JUNE
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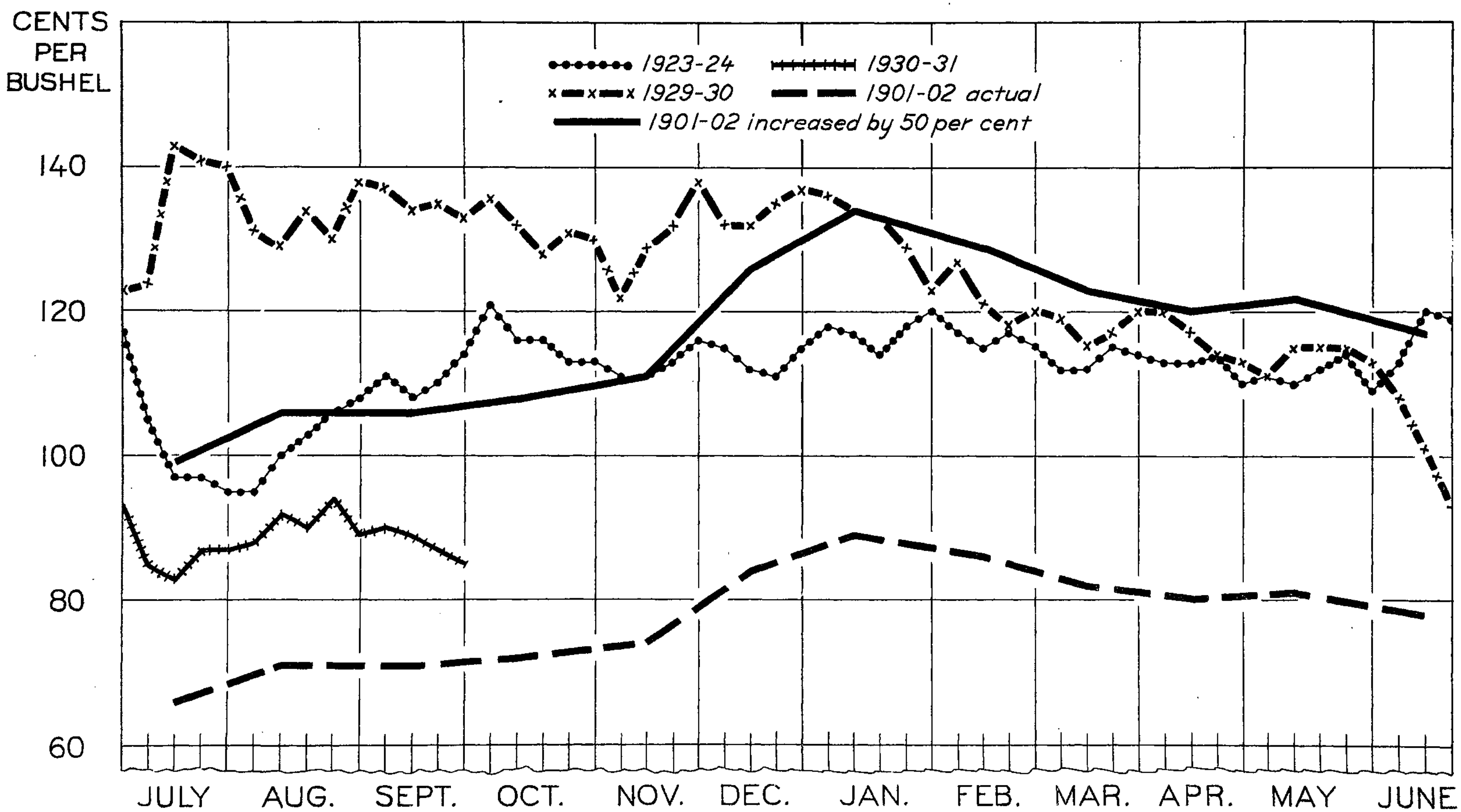
WHEAT: PRICE OF NO. 2 RED WINTER AT ST. LOUIS 1901-02, 1923-24, 1929-30, AND 1930-31



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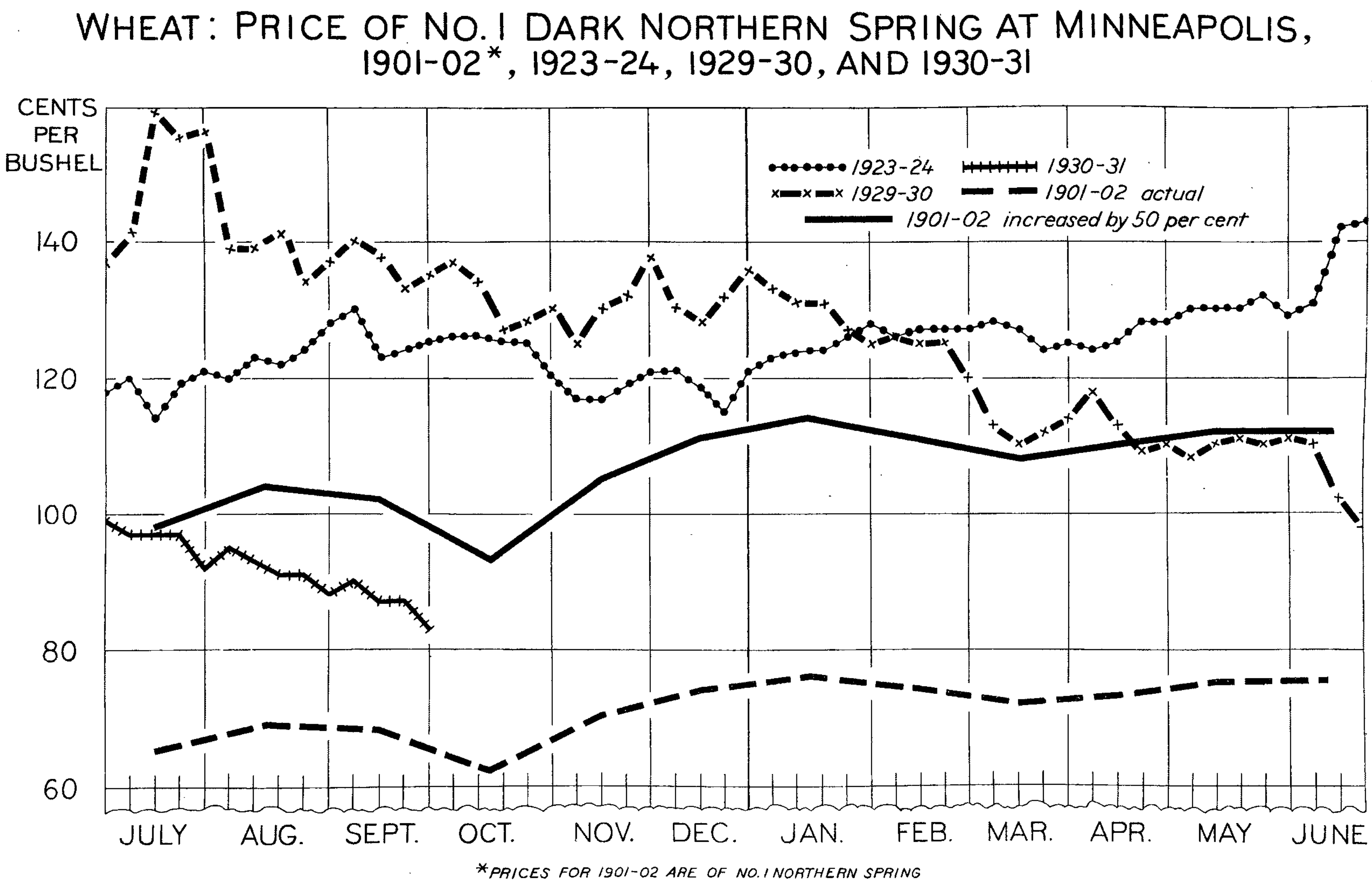

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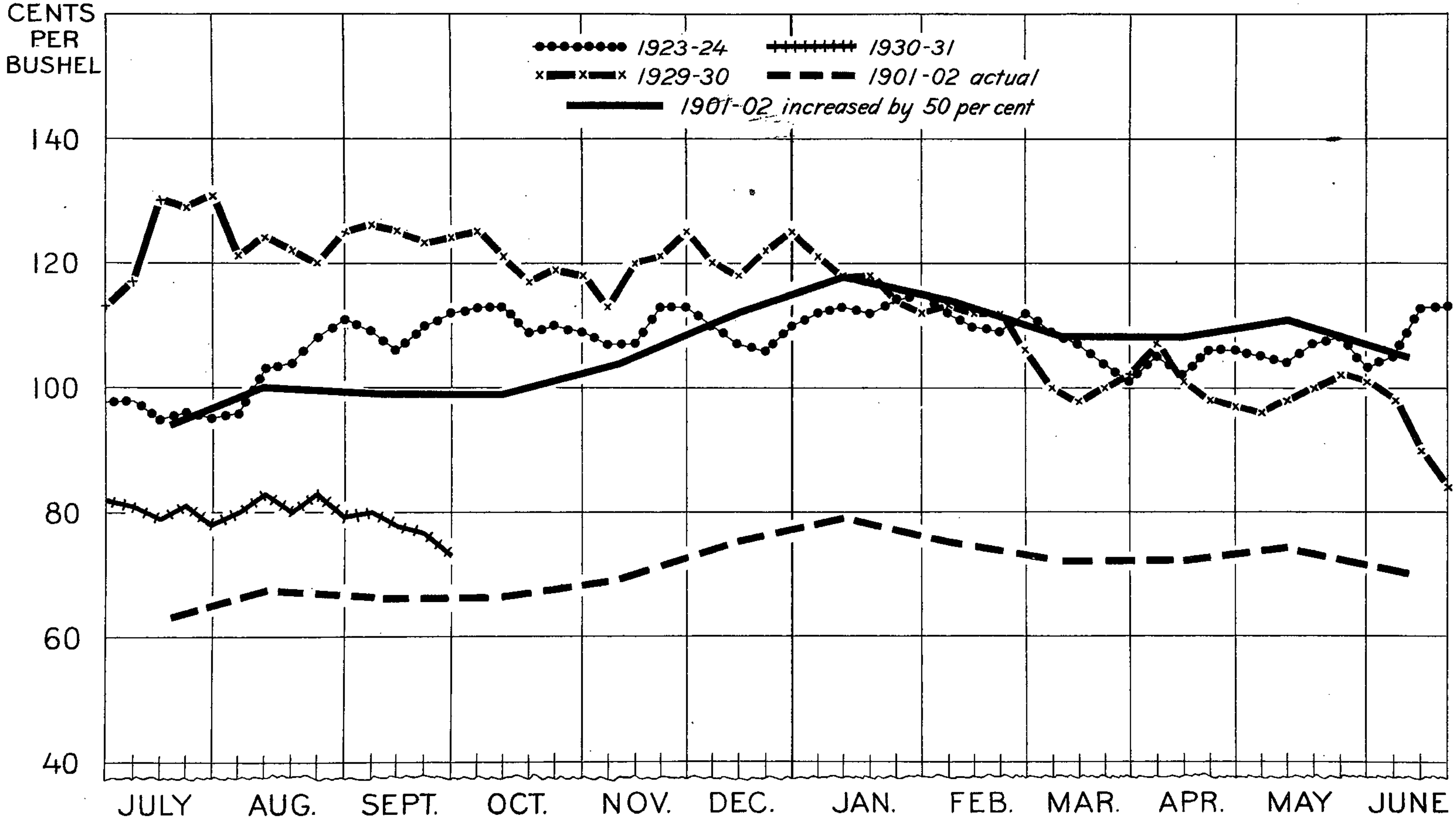
WHEAT: PRICE OF NO. 2 HARD WINTER AT KANSAS CITY, 1901-02, 1923-24, 1929-30, AND 1930-31



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