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THE WHEAT SITUATION IN AUSTRALIA

JULY, 1937

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Volume 2

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1. AREA, PRODUCTION AND AVERAGE YIELD.

Sowing operations for the 1937-38 harvest were practically completed by the end of July. Particulars of the area sown are now being collected in several States but will not be available for some weeks. Until this information is collected it will be necessary to rely upon such other official estimates as have been made available. These indicate that the area sown to wheat for grain in Australia is estimated at 13,500,000 acres, an increase of 1.2 million acres or 9½ per cent. on that of the previous year. It is, however, still 700,000 acres or 5.2 per cent. below the average area for the previous ten years.

The recent improvement in wheat prices may induce farmers to increase their area with late sowings. It is possible, therefore, that the estimated increase of 1.2 million acres should be regarded as a minimum figure. The estimated production of wheat for the season 1936-37 has been increased slightly to 150,468,000 bushels. This increase of 298,000 bushels was due to the revision of the estimated production of Western Australia.

The following tables furnish details of area, production and average yield per acre, by States, for the years 1932-33 to 1936-37 in addition to the average for the decennial period 1928 to 1937 inclusive.

AREA SOWN UNDER WHEAT FOR GRAIN - AUSTRALIA (In 1,000 acres)

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	F.C.T.	AUSTRALIA
1932-33	4,804	3,231	250	4,067	3,389	21	3	15,765
1933-34	4,584	3,053	232	3,822	3,183	24	3	14,901
1934-35	3,893	2,458	222	3,188	2,754	17	2	12,544
1935-36	3,851	2,324	240	2,989	2,541	10	2	11,957
1936-37(a)	3,962	2,394	335	3,058	2,571	21	1	12,342
Average 10 years ended 1937	4,101	3,197	244	3,541	3,141	19	2	14,245
1937-38	(b)	(c)	(d)	(e)	(f)	(g)	(g)	(g)
	4,516	2,700	350	3,115	2,800	25	2	13,508

PRODUCTION OF WHEAT - AUSTRALIA (In 1,000 bushels)

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	F.C.T.	AUSTRALIA
1932-33	78,870	47,843	2,494	42,430	41,792	433	65	213,927
1933-34	57,057	42,613	4,362	35,373	37,305	561	67	177,338
1934-35	48,678	25,850	4,076	27,456	26,985	308	40	133,393
1935-36	48,822	37,552	2,690	31,616	23,315	186	36	144,217
1936-37(a)	54,837	42,645	2,250	28,715	21,291	504	26	150,468
Average 10 years ended 1937	51,981	39,087	3,538	32,279	35,465	417	35	162,802

AVERAGE YIELD PER ACRE - AUSTRALIA

Year	N.S.W.	Vic.	Q'ld.	S.A.	W.A.	Tas.	F.C.T.	AUSTRALIA
	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.
1932-33	16.42	14.61	9.97	10.43	12.33	20.64	19.03	13.57
1933-34	12.45	13.96	18.60	9.25	11.72	23.27	21.66	11.90
1934-35	12.50	10.51	18.38	8.61	9.76	18.46	21.91	10.63
1935-36	12.68	16.16	11.30	10.56	9.18	17.88	22.56	12.06
1936-37(a)	13.84	17.90	6.72	9.39	8.28	24.50	17.97	12.19
Average 10 years ended 1937	12.68	12.22	14.52	9.12	11.29	21.62	18.27	11.43

- (a) Final Estimate. (b) Based upon estimate of State Director of Marketing.
(c) Estimate of Department of Agriculture. (d) Estimate of Queensland Wheat Board.
(e) Government Statist's estimate. (f) Preliminary forecast by Government Statistician. (g) Estimated.

2. WEATHER CONDITIONS.

Useful rains fell in New South Wales during the month of June and were supplemented by lighter falls in July. They were sufficient for immediate requirements but not heavy enough to make good the deficiency in sub-soil moisture following the dry spell of the previous three months. Good soaking rains are now needed throughout the wheat areas.

Extremely cold conditions were recorded in Victoria during June, which, together with under average rains throughout the greater part of the State, did not favour the wheat crops. In the Mallee district the June rains improved the prospects considerably, but the light falls of July were insufficient to maintain this improved outlook, as in the case of New South Wales, good soaking falls are now urgently needed. The Conditions in South Australia at the end of June were particularly promising. The light rains recorded in July were sufficient for crop requirements but further falls are required to maintain the improved outlook. In Western Australia the June rains exceeded the average in some parts of the State. The remaining portion of the wheat area benefited by useful rains, and the condition of the crop is generally regarded as satisfactory. Good soaking rains, however, would improve the seasonal outlook considerably.

Dry conditions are reported in the wheat area of Queensland and rain is now urgently needed. In Tasmania, June was a particularly cold month but good rains were recorded in July.

3. WHEAT PRICES.

The improvement in the price of wheat from June, 1936 to April, 1937 was most pronounced. With the exception of a minor fall occurring in November and February last, the upward movement was continuous. In May and June a slight decrease occurred, that for the latter month being slightly more pronounced. In July, however, a recovery was recorded and the price for that month is the highest since June, 1928. Fluctuations in prices are not uncommon at this period of the year as they are susceptible to greater movement according to the favourableness or otherwise of the condition of the crops in the Northern Hemisphere. The prospects of heavy yields in the United States of America and improved prospects in some of the principal producing countries in Europe would have a depressing influence on prices, but the crop failure reported in Canada has exerted an influence in the opposite direction and prices during July fluctuated considerably. The weather conditions experienced in those areas will continue to dominate prices for some time, but the market is not burdened with an accumulation of surplus stocks as was experienced in past years, and it is anticipated, therefore, that prices should continue about their present level in the immediate future.

WHEAT PRICES - AUSTRALIA

(Weighted average of shippers' limits for growers' bagged lots,
Sydney, Melbourne and Adelaide)

(pence per bushel)

Month	1932	1933	1934	1935	1936	1937
	d.	d.	d.	d.	d.	d.
January	37.22	32.80	29.32	32.80	44.54	61.84
February	38.03	31.65	28.36	34.12	42.29	60.28
March	36.64	31.70	28.43	36.04	43.22	64.07
April	36.75	32.86	28.92	39.36	44.11	64.39
May	37.46	35.83	29.48	38.75	43.90	62.56
June	35.62	36.83	31.71	38.59	42.19	59.92
July	35.33	39.65	33.78	34.42	46.63	(a)64.44
August	38.35	37.74	33.94	36.81	55.22	
September	39.56	35.41	36.06	40.30	55.64	
October	36.48	29.85	32.59	43.51	58.44	
November	34.64	30.78	29.66	40.11	56.87	
December	32.76	29.81	30.25	41.33	62.98	
Average:	36.57	33.74	31.46	37.84	49.67	

(a) Price on 31st July, 1937 = 63.83d.

4. OVERSEA FREIGHT RATES.

In the following table are shown the monthly details of freight rates on shipments of wheat in parcels from Australia to United Kingdom and Continental ports.

FREIGHT RATES PER TON WEIGHT ON WHEAT (PARCELS) - AUSTRALIA TO THE UNITED KINGDOM AND CONTINENTAL PORTS

Last day of month	1933	1934	1935	1936	1937
	s.d	s.d	s.d	s.d	s.d
January	26.3	22.6	26.3	28.9	40.0
February	26.3	22.6	23.9	28.9	40.0
March	20.0	20.0	21.3	27.6	42.6
April	20.0	21.3	21.3	25.0	45.0
May	20.0	21.3	22.6	26.3	45.0
June	20.0	22.6	23.9	26.3	45.0
July	21.3	22.6	23.9	30.0	
August	22.6	26.3	23.9	32.6	
September	22.6	26.3	25.0	32.6	
October	23.9	26.3	25.0	32.6	
November	25.0	26.3	25.0	32.6	
December	22.6	26.3	26.3	40.0	

The next table gives particulars of the charter rates for wheat shipments to United Kingdom and Continental ports.

CHARTER RATES PER TON WEIGHT ON WHEAT - AUSTRALIA TO THE UNITED KINGDOM AND CONTINENTAL PORTS

Month	1933	1934	1935	1936	1937
	s.d	s.d	s.d	s.d	s.d
March	23.0	23.0	20.0	27.0	37.6 to 39.9
April	(a)	(a)	(a)	(a)	38.3 to 44.6
May	(a)	(a)	(a)	(a)	47.0 to 53.6
June	22.6	24.0	23.0	25.6	49.0 to 53.6
September	23.6	27.6	27.6	29.3	
December	26.3	25.6	24.0	32.0 to 45.6	

(a) Not available.

5. EXPORTS OF WHEAT AND FLOUR.

Particulars of the quantity of wheat and flour exported from Australia are shown in the next two tables. The first table relates to the five fiscal years ended June, 1937, and shows the quantities exported according to countries of recorded destination.

Similar details are stated in the second table for the four months ended June, 1937, together with the total exports for the seven months of the cereal years 1935-36 and 1936-37.

5. WHEAT AND FLOUR EXPORTED TO PRINCIPAL COUNTRIES
(YEAR ENDED JUNE)

Country to which exported	1932-33	1933-34	1934-35	1935-36	1936-37(a)
WHEAT - IN BUSHEL OF 60 lb.					
	bushels	bushels	bushels	bushels	bushels
United Kingdom ..	50,940,965	45,532,226	41,198,989	46,776,048	32,712,835
Irish Free State ..	3,604,944	3,959,524	2,622,904	4,744,435	4,648,220
Other British Countries	3,698,059	724,154	628,464	2,260,160	975,247
China ..	33,740,918	1,476,041	13,664,167	5,052,790	1,272,500
Egypt ..	1,019,239	203,764	1,605,800	562	30,045
Italy ..	3,656,303	699,239	18,839	1,736,663	7,080,725
Japan ..	17,896,725	7,720,256	15,530,646	11,043,610	2,525,960
Other Foreign Countries	5,001,177	1,284,556	691,400	5,378,865	3,171,100
For Orders (b) ..	-	-	-	-	20,380,038
TOTAL:	119,558,330	61,599,760	75,961,209	76,993,133	72,796,670
Exporting States					
New South Wales	31,676,429	10,313,028	15,278,072	23,200,323	20,250,877
Victoria ..	24,517,822	9,884,731	11,234,463	16,227,157	20,975,366
Queensland ..	68	67,413	468	207	482
South Australia	32,669,910	17,639,212	24,512,924	22,669,076	17,789,463
Western Australia	30,694,099	23,695,376	24,935,262	14,696,370	13,779,982
Tasmania ..	2	-	-	-	-
TOTAL:	119,558,330	61,599,760	75,961,209	76,993,133	72,796,670
FLOUR - IN TONS OF 2,000 lb.					
	tons	tons	tons	tons	tons
United Kingdom ..	121,995	136,677	99,332	130,998	177,330
Ceylon ..	19,239	18,893	18,841	17,091	16,325
Hong Kong ..	50,874	27,663	50,616	44,381	40,503
Malaya British ..	43,965	50,834	61,926	55,592	66,595
Other British Countries	53,395	61,926	46,509	60,859	66,564
China ..	160,062	79,261	814	951	2,113
Egypt ..	28,589	27,766	26,864	23,722	35,005
Manchuria (c) ..	(d)	(d)	240,181	112,789	9,422
Netherlands East Indies	73,179	80,623	82,147	82,077	74,928
Philippine Islands	11,484	10,998	27,437	40,491	35,522
Other Foreign Countries	68,677	47,851	43,304	48,130	40,466
TOTAL:	631,459	542,492	697,971	617,081	564,773
Exporting States					
New South Wales	237,743	208,361	272,486	230,413	186,771
Victoria ..	241,612	216,124	263,884	259,774	233,283
Queensland ..	24	5	18	13	26
South Australia	65,997	53,489	75,642	60,136	58,589
Western Australia	86,063	64,513	85,941	66,745	86,104
TOTAL:	631,459	542,492	697,971	617,081	564,773
TOTAL -	bushels	bushels	bushels	bushels	bushels
In terms of Wheat (e)	30,310,032	26,039,616	33,502,608	29,619,888	27,109,104
Grand Total Exports of Wheat and Flour in Terms of Wheat (e)	149,868,362	87,639,376	109,463,817	106,613,021	99,905,774

(a) Subject to revision. (b) Particulars of final destination of Wheat shipped "For Orders" not yet available. (c) Including Kwantung Peninsula.
(d) Included with China. (e) One ton of flour taken as equivalent to 48 bushels of Wheat.

5. WHEAT AND FLOUR EXPORTED TO PRINCIPAL COUNTRIES
(Continued)

Country to which exported	1 9 3 7				TOTAL SEASON DECEMBER-JUNE	
	March	April	May	June	1935-36	1936-37
WHEAT - IN BUSHELS OF 60 lb.						
	bushels	bushels	bushels	bushels	bushels	bushels
United Kingdom	3,844,715	2,500,972	2,522,560	2,466,520	22,321,641	19,567,285
Irish Free State	1,204,797	-	665,730	294,117	1,807,505	3,313,997
Other British Countries ..	60,195	172,735	72,175	26,160	1,360,525	818,558
China ..	346,645	-	-	-	3,090,660	1,090,432
Italy ..	620,635	306,030	65,342	-	-	6,769,367
Japan ..	280,712	37,333	191,183	18,432	6,411,533	2,428,892
Other Foreign Countries ..	470,228	33,272	(d)1,336,422	(e)1,109,103	3,915,282	3,060,335
For Orders (a)	2,680,295	2,735,635	5,169,765	4,634,091	14,872,890	17,824,466
TOTAL:	9,508,222	5,785,977	10,023,177	8,548,423	53,780,036	54,873,332
Exporting States						
New South Wales	2,596,730	2,544,427	3,183,270	1,728,490	14,190,661	18,000,136
Victoria ..	1,704,940	1,421,055	2,874,572	2,772,188	11,435,280	14,270,210
Queensland ..	37	10	80	50	183	322
South Australia	3,135,785	824,765	2,210,097	2,203,567	17,246,811	12,339,563
Western Australia	2,070,730	995,720	1,755,158	1,844,128	10,907,101	10,263,101
TOTAL:	9,508,222	5,785,977	10,023,177	8,548,423	53,780,036	54,873,332
FLOUR - IN TONS OF 2,000 lb.						
	tons	tons	tons	tons	tons	tons
United Kingdom	17,137	17,636	18,175	9,740	78,448	114,686
Ceylon ..	1,077	1,342	1,116	1,546	8,166	8,780
Hong Kong ..	2,860	2,129	2,617	2,131	17,897	21,772
Malaya (British)	6,523	5,077	4,653	4,002	32,290	40,512
Other British Countries ..	4,524	5,147	8,672	4,106	33,217	39,882
China ..	102	174	357	119	739	1,734
Egypt ..	2,965	1,756	1,953	882	10,432	14,769
Manchuria (b)	-	-	-	-	57,956	5,834
Netherlands East Indies ..	6,538	8,009	4,782	4,644	41,261	42,490
Philippine Islands	1,668	4,697	1,426	2,245	22,312	22,210
Other Foreign Countries ..	2,533	4,677	3,332	2,355	27,911	24,361
TOTAL:	45,927	50,644	47,083	31,770	330,629	337,030
Exporting States						
New South Wales	15,411	17,607	14,956	12,701	115,298	116,678
Victoria ..	16,076	23,424	20,497	11,024	143,284	133,958
Queensland ..	-	-	-	20	9	22
South Australia	5,226	5,530	6,774	3,048	32,369	36,711
Western Australia	9,214	4,083	4,856	4,977	39,669	49,661
TOTAL:	45,927	50,644	47,083	31,770	330,629	337,030
TOTAL -	bushels	bushels	bushels	bushels	bushels	bushels
In Terms of Wheat (c)	2,204,736	2,430,912	2,259,984	1,524,960	15,870,192	16,177,680
Grand Total Exports of Wheat and Flour in Terms of Wheat (c)	1935-36 13,610,765	9,682,747	8,385,435	5,931,789	69,650,228	-
	1936-37 11,712,958	8,216,889	12,283,161	10,073,383	-	71,051,012

(a) Particulars of final destination of wheat shipped "For Orders" not available.
 (b) Including Kwantung Peninsula. (c) One ton of flour taken as equivalent to 48 bushels of wheat. (d) including Netherlands 862,120 bushels. (e) Including Netherlands 551,082 bushels.

6. IMPORTS OF WHEAT AND FLOUR INTO THE UNITED KINGDOM

The following table shows particulars of the quantity of wheat and flour imported into the United Kingdom in the year 1936, the months of May, 1936 and 1937, and also during the five months ended May for the same years.

Imports of wheat into the United Kingdom in the month of May, 1937, amounted to 14 million bushels which represented a decrease of 19 per cent. compared with the 16.6 million bushels imported during the corresponding month of last year. Canada was the largest contributor for May, 1937, with 5.9 million bushels followed by Australia, 4.2 million bushels, and the Argentine Republic, 2.8 million bushels. Compared with May, 1936, imports from Canada and Australia decreased by 3.7 million bushels and 0.9 million bushels, respectively, whilst those from the Argentine Republic increased by 2.8 million bushels. Total imports during the five months ended May, 1937, amounted to 74.3 million bushels, being only slightly in excess of the 74.1 million bushels imported during the corresponding period of last year. Supplies from Canada and Australia decreased during this period by 13.3 million bushels and 6.7 million bushels, respectively, but these decreases were more than offset by the increase of 26.8 million bushels in the imports from the Argentine Republic.

Imports of Flour into the United Kingdom during the first five months of the current year amounted to 210,000 tons which was only 1 per cent. or 1,945 tons greater than for the same period of last year. Canada and Australia together supplied 63 per cent. of the total imports during this period, as compared with 73 per cent. in the five months of 1936. Imports from Canada were about the same volume as in the previous year, but those from Australia were 36 per cent. greater than in the corresponding period of last year.

The aggregate imports of wheat and flour into the United Kingdom, in terms of wheat, amounted to 84.4 million bushels during the five months ended May, 1937, being similar in volume to the imports of 84.1 million bushels in the same period in 1936.

WHEAT AND FLOUR IMPORTED INTO THE UNITED KINGDOM

Country from which imported	Year 1936	5 months ended May		Month of May	
		1936	1937	1936	1937
	bushels	bushels	bushels	bushels	bushels
Australia ..	43,445,177	22,606,265	15,908,475	5,116,870	4,172,910
Canada ..	107,971,708	38,403,317	25,146,709	9,635,394	5,931,999
India ..	6,082,333	-	1,922,878	-	375,424
Other British Countries	83,951	43	260,680	-	209,843
Argentine Republic	1,786,324	955,323	27,736,081	131,787	2,862,739
France ..	(b)	6,041,815	34,453	508,943	-
Germany ..	-	-	106,775	-	19,438
Roumania ..	8,248,268	582,352	549,317	-	86,905
Soviet Union ..	312,305	312,305	-	-	-
United States of America	84,756	-	-	-	-
Other Foreign Countries	20,162,753	5,164,165	2,593,046	1,272,358	322,322
TOTAL:	188,177,575	74,065,585	74,256,414	16,635,352	14,001,580
<u>FLOUR - IN TONS OF 2,000 lb.</u>					
	tons	tons	tons	tons	tons
Australia ..	138,298	61,355	83,437	12,303	13,548
Canada ..	229,831	90,710	90,916	19,040	19,951
Other British Countries	222	220	1,001	149	332
Argentine Republic	15,254	5,076	9,703	1,353	2,575
France ..	40,914	23,444	17,683	5,281	3,466
United States of America	4,345	1,673	1,549	209	424
Other Foreign Countries	39,672	25,643	5,977	3,395	1,131
TOTAL:	468,536	208,321	210,266	41,730	41,427
TOTAL -	bushels	bushels	bushels	bushels	bushels
In terms of Wheat(a)	22,489,728	9,999,408	10,092,768	2,003,040	1,988,496
GRAND TOTAL -					
Imports of Wheat and Flour in terms of Wheat(a)	210,667,303	84,064,993	84,351,182	18,638,392	15,990,076

(a) One ton of flour taken as equivalent to 48 bushels of wheat.

(b) Included with "Other Foreign Countries".

The next table shows the production of flour and the percentage exported from each State.

PRODUCTION OF FLOUR AND PERCENTAGE EXPORTED OVERSEAS BY STATES

Year ended June	Unit	N.S.W.	Vic.	Qld.	S. A.	W. A.	Tas.	AUSTRALIA
1932 - Production	tons	490,662	396,257	77,376	155,215	131,165	19,540	1,270,215
Percentage exported	%	42.9	55.0	-	60.6	67.3	-	48.1
1933 - Production	tons	525,651	425,930	91,498	129,225	127,574	19,372	1,319,250
Percentage exported	%	45.2	56.7	-	51.1	67.5	-	47.9
1934 - Production	tons	495,779	395,566	84,159	121,811	122,000	19,253	1,238,568
Percentage exported	%	42.0	54.6	-	43.9	52.9	-	43.8
1935 - Production	tons	555,173	437,262	86,246	136,716	124,130	19,260	1,358,787
Percentage exported	%	49.1	60.3	-	55.3	69.2	-	51.4
1936 - Production	tons	523,281	435,340	86,142	124,021	118,340	20,492	1,307,616
Percentage exported	%	44.0	59.7	-	48.5	56.4	-	47.2

Note: Tons of 2,000 lb.

8. STOCKS OF WHEAT AND FLOUR AND EXPORTABLE SURPLUS.

Particulars concerning stocks of wheat and flour held by millers and merchants, together with those stacked at country sidings and at terminal ports, are collected at the 30th November in each year. This information is shown in the following table, together with the estimated surplus available for export on the date indicated.

EXPORTABLE SURPLUS OF WHEAT AND FLOUR (IN TERMS OF WHEAT) - AUSTRALIA.

Particulars	Unit	1933-34	1934-35	1935-36	1936-37
Stocks at 30th November -					
Wheat ..	bush.	14,375,614	34,708,963	12,371,270	3,418,393
Flour ..	tons	86,638	112,385	89,637	101,063
Total in terms of Wheat	bush.	18,534,212	40,103,463	16,673,867	8,269,417
Production ..	bush.	177,337,803	133,393,232	144,217,769	150,468,000
Total supply in sight, 30th November ..	bush.	195,872,015	173,496,695	160,891,636	158,737,417
Less Local requirements for year ..	bush.	54,888,000	54,610,000	55,000,000	56,000,000
Balance = Exportable Surplus	bush.	140,984,015	118,886,695	105,891,636	102,737,417
Less Exports, 1st December to 30th June ..	bush.	52,618,070	67,562,307	69,650,228	71,051,012
Estimated Exportable Surplus at 1st July ..	bush.	88,365,945	51,324,388	36,241,408	31,686,405

Complete details of the disposition of the above stocks are not available. Particulars of the quantities stacked at country sidings and terminal ports are compiled by the Railways Departments, and were as follows on the dates shown:- New South Wales (24th July), 6,642,000 bushels; Victoria (28th July), 10,490,000 bushels; South Australia (26th June), 4,580,000 bushels; Western Australia (10th July), 1,758,000 bushels.

9. INTERNATIONAL REVIEW.

The harvesting of the wheat crops in the Northern Hemisphere is now well advanced and the stage has been reached when a rough forecast can be made as to the probable result. It should be noted, however, that there is still a wide divergence of opinion concerning the ultimate result of the crops in some countries. The appearance of rust in the United States of America was widely reported, and there were indications that the damage was rather serious. Subsequent forecasts, however, were maintained at the high level previously issued, which indicates that the damage was not so serious as was anticipated. The total production of wheat in the United States is now forecasted at 883 million bushels, compared with 626 million bushels in 1936.

The reports of serious damage to the crops of Canada have been confirmed by the Dominion Statistician, who cabled on the 10th July that the condition was 52, compared with 100 which was taken as the average over a long period of years. It is expected that the production of the Dominion will be the lightest since 1919. The first official estimate of the harvest will be issued within a few days, but unofficial estimates indicate that the yield will probably be between 180 million and 200 million bushels, compared with 229 million bushels in 1936.

The crop prospects in Europe (excluding Russia) previously reported gave expectations below that of the previous year. Later indications, however, are that the total yield will probably reach 1,544 million bushels, which is about 70 million bushels in excess of that obtained in 1936. It would appear that harvest results in Italy, Greece and Switzerland are expected to be better than those of the year 1936, whilst in France, Rumania, Hungary and Yugoslavia, it is anticipated that the production will not exceed that of the previous year. In Germany, crop losses are reported to be serious and production is expected to be 15 per cent. below the 1936 crop, which was insufficient for local requirements. The crops of the Soviet Union appear to be satisfactory and a plentiful yield is expected. No indications are yet available whether the production will be sufficient to provide a surplus for export during the coming year.

The International Institute of Agriculture, in a summary of production for the current harvest in the Northern Hemisphere, has indicated that the total will approximate to 3,377 million bushels, compared with 2,650 million bushels for the previous year. It is evident that if such an unusually large production eventuates the import demand for 1937-38 will show a contraction on that for the previous year. This matter is referred to below.

The world cereal year 1936-37 closed on the 31st July and the new season, 1937-38, is ushered in with a world visible supply of about 145 million bushels which is the smallest quantity held during the past 10 years. It may be compared with the stocks (in millions of bushels) held on the corresponding dates in previous years - 1934, 415; 1935, 285; and 1936, 231.

A forecast of import requirements for the coming year has been prepared by the Corn Trade News. According to this authority, it is expected that importing countries will require 536 million bushels, compared with the 584 million bushels actually imported during 1936-37. This is a contraction of 48 million bushels or 8.2 per cent. This supply is expected to be drawn from the following countries:- Canada, 136 million bushels; United States, 96 million bushels; Danubian, 48 million bushels; Russia, 32 million bushels; Australia and Argentine, 216 million bushels, and other countries, 8 million bushels.

The following table furnishes details of the area and production in some of the principal producing countries in the Northern Hemisphere for the year 1936, together with that forecasted for 1937. The details shown for the latter year have been compiled from the best available sources but, in certain instances, recourse has been had to unofficial estimates.

AREA AND PRODUCTION OF WHEAT - 1936 AND 1937

Country	Area		Production	
	1936	1937(a)	1936	1937(a)
	1,000 acres	1,000 acres	1,000 bushels	1,000 bushels
United States - Winter	(b) 37,608	(b) 47,400	519,013	664,000
Spring	(b) 11,212	(c) 20,918	107,448	219,000
Canada ..	25,289	25,014	229,218	(g)
France ..	12,536	12,772	268,000	256,000
Germany ..	4,727	4,579	169,845	(f)
Italy ..	12,685	12,861	224,272	294,000
Rumania ..	7,720	7,253	128,716	112,000
Hungary ..	(d)	(d)	86,741	69,700
Yugoslavia ..	5,368	5,342	107,421	80,000
Greece ..	2,011	2,076	23,449	30,000
Russia ..	(e) 95,000	(e) 100,000	960,000	(d)
India ..	33,666	33,359	352,240	356,000
China ..	50,335	(d)	848,000	656,000
Japan ..	1,686	(d)	45,194	49,200

- (a) Subject to revision. (b) Area harvested or expected to be harvested.
(c) Area sown. (d) Not yet available. (e) Area provided for in the Plan.
(f) Estimated to be 15 per cent. below normal. (g) Unofficial estimates
indicate 180 to 200 million bushels.

Seasonal conditions in the Argentine Republic are reported to be very dry
and consequently seeding operations are at a standstill in the affected areas.