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1. AREA, PRODUCTION AND AVERAGE YIELD

The area sown to wheat for grain in Australia for the season just ended is estimated at 13,755,000 acres. Compared with the previous year, this figure shows an increase of 1,439,000 acres or 11.6 per cent. It is, however, about 490,000 acres or 3.5 per cent, below the average area sown for the ten preceding seasons. The wheat production figure for Australia for the season 1937-38 has been revised to 174,630,000 bushels, a net increase of 4.6 million bushels on that previously forecasted. This increase is due to the Victorian production figures being raised from 40 to 45 million bushels whilst those for Queensland have been reduced by 400,000 bushels. The estimate for Victoria, however, may require some revision when the final figures become available. The production of 174.6 million bushels is the greatest since 1933-34, when 177 million bushels were harvested, but it is well below the peak quantity of 214 million bushels obtained in 1932-33.

The average yield per acre for Australia amounted to 12.70 bushels. This return per acre is more than 1 bushel higher than the average of 11.43 bushels obtained during the ten previous seasons.

Details of area, production and average yield are given in the following tables for the periods indicated:

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	2,764	17	2	12,544
1935-36	3,851	2,324	240	2,989	2,541	10	2	11,957
1936-37	3,983	2,394	284	3,058	2,575	21	1	12,316
Average 10 years ended 1937	4,101	3,197	244	3,541	3,141	19	2	14,245
1937-38 (a)	4,463	2,700	402	3,200	2,968	20	2	13,755

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	55,668	42,845	2,016	28,715	21,549	571	26	151,390
Average 10 years ended 1937	51,981	39,087	3,538	32,279	35,465	424	35	162,809
1937-38 (a)	55,000	45,000	3,849	38,000	32,261	500	20	174,630

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	14.81	9.97	10.43	12.33	20.64	19.03	13.57
1933-34	12.45	13.96	18.80	9.26	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	10.58	9.18	17.88	22.56	12.06
1936-37	13.98	17.90	7.11	9.39	8.38	26.80	17.97	12.29
Average 10 years ended 1937	12.68	12.22	14.52	9.12	11.29	21.72	18.27	11.43
1937-38 (a)	12.32	16.67	9.56	11.88	10.87	25.00	10.00	12.70

(a) Subject to revision.

2. WEATHER CONDITIONS IN JANUARY

New South Wales. Scattered areas along the Slopes and Tablelands experienced rains above the average but in other parts of the wheat growing area, the month was dry.

Victoria. Good rains were experienced in the Mallee and Wimmera districts but rains were badly needed in other wheat districts.

Queensland received useful rains over the greater part of the State.

South Australia. Rainfall above the average was experienced in most of the wheat growing districts, though more rain was needed in the district west of Spencer's Gulf.

Western Australia. The wheat areas experienced a dry month, particularly in a considerable portion of the North Coast District and the South Coast Division. Portions of the North Central and South Central Districts however, reported rainfall above normal.

Tasmania. Rainfall was above average throughout the State.

3. WHEAT PRICES

The month of February opened with buyers' limits unchanged at $4/3\frac{1}{2}$ and trading at a standstill. Later, on receipt of unfavourable crop news from the United States, futures advanced and buyers displayed more interest locally. Shippers' limits were increased by $\frac{1}{4}$ d. to $4/4$ and some small sales were made at this figure. Further unfavourable crop reports from the United States induced shippers to increase their limits by another $\frac{1}{4}$ d., but the advance was short-lived and the middle of the month saw prices back to $4/4$. The second half of the month saw shippers' and millers' limits further reduced to $4/3\frac{1}{2}$ and later to $4/2\frac{1}{2}$, but very little wheat was offering at these prices. Reports of rain in the United States wheat areas caused futures to fall, so that there was no advance on $4/2\frac{1}{2}$ for several days. Little interest was shown at this level, and even following an advance of $\frac{1}{4}$ d. per bushel trading was dull. Later the limits were reduced to $4/2\frac{1}{2}$ following on a decline in the prices of futures overseas due to reports of beneficial rains in the United States wheat belt, but growers were reluctant to offer at this price. Towards the end of the month shippers increased their limits to $4/3$, but few sales were made and there was a pause in the demand.

WHEAT PRICES - AUSTRALIA

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

(pence per bushel)

Month	1933	1934	1935	1936	1937	1938
	d.	d.	d.	d.	d.	d.
January	32.80	29.32	32.80	44.54	61.84	51.86
February	31.65	28.36	34.12	42.29	60.28	51.53
March	31.70	28.43	36.04	43.22	64.07	(a)
April	32.86	28.92	39.36	44.11	64.39	
May	35.83	29.48	38.75	43.90	62.56	
June	36.83	31.71	36.59	42.19	59.92	
July	39.65	33.78	34.42	46.63	64.44	
August	37.74	38.94	36.81	55.22	60.18	
September	35.41	36.06	40.30	55.64	59.13	
October	29.85	32.59	43.51	58.44	59.66	
November	30.78	29.66	40.11	56.87	53.98	
December	29.81	30.25	41.33	62.98	51.65	
Averages:	33.74	31.46	37.84	49.67	60.18	

(a) Price on 1st March, 1938 = 51.08d.

4. OVERSEA FREIGHT RATES.

In the following table are shown the monthly 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	1934	1935	1936	1937	1938
	s.d	s.d	s.d	s.d	s.d
January	22.6	26.3	28.9	40.0	36.3
February	22.6	23.9	28.9	40.0	40.0
March	20.0	21.3	27.6	42.6	
April	21.3	21.3	25.0	45.0	
May	21.3	22.6	26.3	45.0	
June	22.6	23.9	26.3	45.0	
July	22.6	23.9	30.0	45.0	
August	26.3	23.9	32.6	45.0	
September	26.3	25.0	32.6	45.0	
October	26.3	25.0	32.6	45.0	
November	26.3	25.0	32.6	40.0	
December	26.3	26.3	40.0	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	1934	1935	1936	1937	1938
	s.d	s.d	s.d	s.d	s.d
January	(a)	(a)	(a)	(a)	32.3
February	(a)	(a)	(a)	(a)	to 45.0
March	23.0	20.0	27.0	37.6	33.0
April	(a)	(a)	(a)	to 39.9	to 39.3
May	(a)	(a)	(a)	38.3	
June	24.0	23.0	25.6	to 44.6	
July	(a)	(a)	(a)	47.0	
August	(a)	(a)	(a)	to 53.6	
September	27.6	27.6	29.3	49.0	
October	(a)	(a)	(a)	to 53.6	
November	(a)	(a)	(a)	41.3	
December	25.6	24.0	32.0	44.3	
			to 45.6	41.6	
				to 47.0	
				45.9	
				to 50.9	
				43.6	
				to 50.9	
				32.3	
				to 43.0	

(a) Not available.

5. EXPORTS OF WHEAT AND FLOUR

Detailed particulars of the quantity of wheat and flour exported from Australia to principal countries for the five years ended 1936-37 were given in issue No. 1 of Volume 2 of this Summary.

In the following table particulars of exports of wheat and flour are shown for each of the four months ended January, together with the total exports for the two months ended January, 1937 and 1938. The principal countries of recorded destination and the exporting States are shown in addition to the total volume of exports in terms of wheat.

WHEAT AND FLOUR EXPORTED TO PRINCIPAL COUNTRIES

Country to which exported	1937			1938	TOTAL 2 MONTHS DECEMBER-JANUARY	
	October	November	December	January	1936-37	1937-38
<u>WHEAT - IN BUSHELS OF 60 lb.</u>						
	bushels	bushels	bushels	bushels	bushels	bushels
United Kingdom ..	1,032,832	907,125	2,173,250	4,272,894	4,662,098	6,446,144
Irish Free State ..	117,262	-	-	-	1,149,353	-
Other British Coun- tries ..	(d)126,868	(e)538,858	(f)666,932	(g)846,603	465,693	1,513,535
China ..	-	-	-	-	530	-
Italy ..	-	-	-	-	4,574,265	-
Japan ..	146,170	545,947	149,360	-	1,294,140	149,360
Other Foreign Coun- tries ..	1,657,375	370	41,480	305,123	25,109	346,603
For Orders (a) ..	-	1,680,902	4,287,955	2,646,158	1,015,760	6,933,113
TOTAL:	3,080,507	3,673,202	7,318,977	8,070,778	13,187,543	15,388,755
<u>Exporting States -</u>						
New South Wales ..	34,443	366,180	2,242,125	951,257	5,447,442	3,193,282
Victoria ..	597,343	2,921,460	2,399,148	2,493,195	3,162,595	4,882,343
Queensland ..	50	18	-	-	112	-
South Australia ..	1,760,277	70,560	607,214	2,571,451	2,467,191	3,177,665
Western Australia	688,394	314,984	2,070,490	2,064,875	2,090,608	4,135,385
Tasmania ..	-	-	-	-	-	-
TOTAL:	3,080,507	3,673,202	7,318,977	8,070,778	13,187,543	15,388,755
<u>FLOUR - IN TONS OF 2,000 lb.</u>						
	tons	tons	tons	tons	tons	tons
United Kingdom ..	17,271	14,809	16,437	16,613	32,856	33,050
Ceylon ..	765	1,851	895	1,198	2,403	2,092
Hong Kong ..	4,657	4,310	5,254	2,702	7,747	7,956
Malaya (British) ..	5,298	5,346	4,971	4,675	13,316	9,586
Other British Coun- tries ..	8,682	4,696	7,332	8,104	12,969	15,436
China ..	49	-	-	128	396	128
Egypt ..	364	1,049	1,621	828	4,161	2,449
Manchuria (b) ..	5,139	-	20	2,650	-	2,670
Netherlands East Indies ..	5,791	10,284	5,118	5,590	11,680	10,708
Philippine Islands	2,749	1,875	1,700	1,952	6,921	3,652
Other Foreign Coun- tries ..	3,749	3,185	3,852	3,613	6,651	7,465
TOTAL:	54,514	47,405	47,140	48,053	99,900	95,193
<u>Exporting States -</u>						
New South Wales ..	18,544	12,276	16,366	14,280	37,258	30,646
Victoria ..	22,148	25,608	17,948	25,679	35,423	43,627
Queensland ..	-	-	-	-	2	-
South Australia ..	7,882	2,876	5,837	4,136	9,090	9,973
Western Australia	5,940	6,645	6,989	3,958	18,127	10,947
TOTAL:	54,514	47,405	47,140	48,053	99,900	95,193
TOTAL - In Terms of Wheat (c)	bushels	bushels	bushels	bushels	bushels	bushels
	2,616,672	2,275,440	2,262,720	2,306,544	4,795,200	4,569,264
<u>GRAND TOTAL - WHEAT AND FLOUR (IN TERMS OF WHEAT)</u>						
Year 1936-37	5,486,158	5,602,515	7,320,870	10,680,932	17,983,148	-
Year 1937-38	5,697,179	5,948,642	9,581,697	10,377,322	-	19,958,019

(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 New Zealand 96,705 bushels. (e) Including New Zealand 230,008 bushels. (f) Including New Zealand 630,827 bushels.

(g) Including New Zealand 508,137 bushels.

6. IMPORTS OF WHEAT AND FLOUR INTO THE UNITED KINGDOM

During the year ended December, 1937, the United Kingdom imports of wheat totalled 181 million bushels of which the Empire supplied 118 million bushels or 65 per cent. For the calendar year 1936, total imports amounted to 188 million bushels to which the Empire countries contributed 158 millions or 84 per cent. Total imports were decreased, therefore, by 7 million bushels or 4 per cent while Empire countries provided a smaller share of the decreased United Kingdom requirements. Supplies from Australia declined by 1.5 million bushels to 42 millions, while Canada contributed only 64 million bushels compared with 108 millions last year. In contrast to the decreased imports from these Empire Countries, Argentine supplies totalled 29 million bushels compared with 2 million bushels last year, while the Soviet Union contributed 15 million bushels during 1937 compared with just under $\frac{1}{2}$ million bushels in 1936. Empire supplies declined, therefore, by 40 million bushels during 1937 but this was offset by Argentine and Russian supplies showing an increase of rather more than this amount.

Imports of flour into the United Kingdom during 1937 amounted to 478,000 tons compared with 469,000 tons in 1936, representing an increase of 2 per cent. Empire countries supplied a greater share of this increased quantity with shipments totalling 414,000 tons or 87 per cent. Corresponding figures for last year show that the imports from Empire sources amounted to only 368,000 tons or 78 per cent of the total United Kingdom imports. During 1937, the United Kingdom flour imports from Australia totalled 186,000 tons which represents an increase of 35 per cent on last year's figure of 138,000 tons. (In terms of wheat, this increase amounts to 2,300,000 bushels, and so more than offsets the decrease in United Kingdom imports of wheat in the form of grain from Australia.) Imports from Canada however, declined from 230,000 tons to 226,000 tons.

For the year ended December, 1937, the total United Kingdom imports of wheat and flour, expressed in terms of wheat, amounted to 204 million bushels as compared with 211 million bushels in 1936.

WHEAT AND FLOUR IMPORTED INTO THE UNITED KINGDOM

Country from which imported	Year ended December			Month of December	
	1935	1936	1937	1936	1937
WHEAT					
	bushels	bushels	bushels	bushels	bushels
Australia ..	33,010,962	43,436,439	41,828,646	3,063,772	2,451,707
Canada ..	68,869,061	107,917,747	63,930,929	9,465,919	9,608,005
India ..	296,742	6,065,296	11,736,160	2,769,438	384,813
Other British Countries	78	83,951	723,839	-	17
Argentine Republic	42,471,115	1,786,692	26,880,194	249,689	-
France ..	14,520,436	8,668,655	720,309	19,296	22,949
Germany ..	327,303	-	789,644	-	26
Roumania ..	3,428,912	8,255,194	4,240,748	703,003	319,775
Soviet Union ..	12,899,528	312,304	15,176,252	-	2,888,892
United States of America	1,106,987	85,060	6,485,087	47,604	3,600,528
Other Foreign Countries	12,023,829	11,497,131	6,337,370	288,448	804,518
TOTAL:	188,954,953	188,108,469	180,849,178	16,607,169	15,081,230
FLOUR - TONS OF 2,000 lb.					
	tons	tons	tons	tons	tons
Australia ..	101,117	138,295	185,563	17,897	17,677
Canada ..	236,633	229,823	226,449	23,314	21,708
Other British Countries	201	222	1,873	-	-
Argentine Republic ..	11,337	15,254	22,956	2,027	1,679
France ..	49,719	40,914	22,639	4,924	600
United States of America	5,014	4,345	6,026	306	837
Other Foreign Countries	42,941	39,672	12,784	3,030	1,086
TOTAL ..	446,962	468,525	478,290	51,498	43,587
TOTAL -	bushels	bushels	bushels	bushels	bushels
In terms of Wheat (a)	21,454,176	22,489,200	22,957,920	2,471,904	2,092,176
GRAND TOTAL -					
Imports of Wheat and Flour in terms of Wheat (a)	210,409,129	210,597,669	203,807,098	19,079,073	17,173,406

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

7. PRODUCTION OF FLOUR.

Detailed particulars of the production of flour in Australian mills during the year 1935-36 were included in issue No. 1 of Volume 2 of this Summary.

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	1934-35	1935-36	1936-37	1937-38
Stocks at 30th November -					
Wheat ..	bush.	34,708,963	12,371,270	3,505,469	(a)
Flour ..	tons	112,345	89,637	101,063	(a)
Total in terms of Wheat	bush.	40,103,463	16,673,867	8,356,493	(b) 8,600,000
Production ..	bush.	133,393,232	144,217,769	150,559,000	(b) 174,630,000
Total supply in sight, 30th November ..	bush.	173,496,695	160,891,636	158,915,493	(b) 183,230,000
Less Local requirements for year ..	bush.	54,607,000	55,000,000	56,000,000	56,000,000
Balance - Exportable Surplus ..	bush.	118,889,695	105,891,636	102,915,493	127,230,000
Less Exports, 1st December to 31st January ..	bush.	21,073,372	17,271,949	17,083,148	19,958,019
Estimated Exportable Surplus at 1st February	bush.	97,816,323	88,619,687	84,932,345	107,271,981

(a) Not yet available. (b) Subject to revision.

DISPOSITION OF STOCKS

Complete details of the disposition of the above stocks are not available. Particulars of the quantities stacked at country sidings and terminal ports, however, are compiled by the Railway Department in each of the four chief producing States and these are shown hereunder.

STOCKS OF WHEAT STACKED AT COUNTRY SIDINGS AND TERMINAL PORTS.

State	Last week in month of					
	October 1937	November 1937	December 1937	January 1938	February 1938	February 1937
	bushels	bushels	bushels	bushels	bushels	bushels
New South Wales	1,124,016	10,602,681	31,598,658	31,766,298	29,297,280	24,874,905
Victoria ..	4,850,538	1,582,182	10,450,284	28,465,899	28,390,407	24,182,139
South Australia	330,118	1,709,859	11,255,535	22,780,626	(a)	10,602,777
Western Australia ..	290,325	3,589,196	16,992,229	22,977,675	(b) 20,256,777	9,173,937
TOTAL OF ABOVE	6,594,997	17,483,918	70,296,706	105,990,498	(a)	68,833,808
Corresponding Total of previous year	2,932,527	7,972,334	34,080,543	67,606,262	68,833,808	-

(a) Not yet available.

(b) Third week.

9. INTERNATIONAL REVIEW

Broomhall's figures for "World" wheat shipments for the first half of the current export year, indicate a decrease on the 1936-37 figures for the corresponding period. Shipments amounted to 246 million bushels compared with 297 million bushels last year, a 17 per cent decrease. Reference to the following table shows that the "World" shipments to the end of January, 1938 were lower than in the corresponding period of any of the four preceding years.

BROOMHALL'S REPORTED WORLD SHIPMENTS OF WHEAT

(million bushels)

August to January (26 weeks)	World	To Europe	To ex-Europe
1933-34	264	205	59
1934-35	267	196	71
1935-36	250	181	69
1936-37	297	231	66
1937-38	246	200	46

World shipments to European countries, though showing a decrease on last year's figures for the corresponding period, were greater than in 1935-36 and approximately equal to the 1933-34 and 1934-35 figures. In contrast, world shipments to countries ex-Europe were not only below last year's level but were considerably below the figures for the four preceding years. In this connection, the resumption by the United States of its customary role of exporter was an important factor.

Decreased shipments were made by North America with exports amounting to 100.3 million bushels compared with 134.6 millions for the corresponding six months of last year. An even greater decline took place in Argentine shipments which totalled only 24 million bushels, compared with last season's figure of 54.7 million to the corresponding date. Australian shipments for the same period showed only a slight decrease, with exports amounting to 41.1 million bushels compared with 41.2 million bushels last year. Danubian countries, with shipments totalling 35.0 million bushels compared with 50.9 millions last year, also shared in the general decline.

Against the decreases recorded in the shipments from the above-mentioned countries, Russia is the only country showing any marked increase on last year's figures, probably as a result of the plentiful harvest of 1937.

Russian wheat exports for the six months totalled 33.2 million bushels, compared with a six months total of 88,000 bushels last season. Shipments from India amounted to 7.6 million bushels as compared with 7.4 millions in the corresponding period of last season.

The above shipments to European countries showed a considerable variation as compared with last season. Consignments to United Kingdom and Eire ports amounted to 65.5 million bushels, compared with 81.8 million bushels for the corresponding period last season; a decrease of 20 per cent. Consignments to Continental ports however, were only 8 per cent lower than the corresponding figures for last season and totalled 82.2 million bushels. The foregoing suggests that the smaller European arrivals of wheat reflected smaller consignments to British ports rather than to Continental ports.

Continental countries to which increased shipments were made included Belgium, Holland, Germany, Poland, Czechoslovakia and Austria. Imports by Germany, Poland and Czechoslovakia totalled 11.6 million bushels for the first 6 months of the current cereal year as compared with 3.1 million bushels for the corresponding period last year. However, shipments arriving in Italy amounted to only 4.6 million bushels; a decrease of 22.5 million bushels or 84 per cent.

Monthly shipments of wheat and flour from Australia during the first six months of the cereal year (August 1st to July 31st) are shown in the table below.

EXPORTS OF WHEAT AND FLOUR IN TERMS OF WHEAT -
AUSTRALIA

Month	1933-34	1934-35	1935-36	1936-37	1937-38
	bushels	bushels	bushels	bushels	bushels
August ..	8,118,933	8,552,329	5,140,893	4,936,795	6,083,701
September ..	7,277,903	7,320,362	7,728,411	7,618,335	3,395,174
October ..	4,812,927	10,407,299	9,269,312	5,486,158	5,697,179
November ..	5,738,573	7,877,036	7,166,779	5,602,515	5,946,642
December ..	7,592,804	8,602,868	6,934,232	7,320,870	9,581,697
January ..	9,711,360	12,470,504	10,337,717	10,680,932	10,377,322
Total 6 Months	43,252,500	55,230,398	46,577,344	41,645,605	41,083,715

Export movements from Australia were characterised by a high export figure for December.