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C O N T E N T S

1. Area under Wheat
2. Production and Average Yields
3. Weather Conditions
4. Wheat Prices
5. Oversea Freight Rates
6. Exports of Wheat and Flour
7. Imports of Wheat and Flour into the United Kingdom
8. Production of Flour
9. Stocks of Wheat and Flour
10. International Review.

Prepared under instructions from the Honorable the Treasurer

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1. AREA UNDER WHEAT.

The final estimate of the area sown to wheat for grain in Australia for the season 1937-38 is 13,735,000 acres. This figure shows a slight reduction of 9,000 acres on that previously forecasted as the result of the issue of the official estimate for New South Wales and an adjustment in respect of Queensland. Compared with the previous year the total acreage under wheat for grain for 1937-38 has increased by 1,393,000 acres, or 11 per cent. This increase is distributed among the chief producing States as follows:- New South Wales, 501,000 acres (12.6 per cent.); Victoria, 306,000 acres (12.8 per cent.); South Australia, 124,000 acres (4.1 per cent.); Western Australia, 397,000 acres (15.4 per cent.). The balance of 65,000 acres is distributed between Queensland and Tasmania, but the areas devoted to the production of wheat in those two States are relatively small. Details of the areas sown in 1937-38 and in previous years are given in the following table:

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(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)	4,463	2,700	395	3,182	2,968	25	2	13,735

(a) Subject to revision. (b) Final estimate.

2. PRODUCTION AND YIELDS.

The first official forecast of the wheat harvest in Australia for the season 1937-38 estimates production at 163 million bushels, distributed among the States as follows:- New South Wales, 47,500,000 bushels; Victoria, 40,000,000 bushels; South Australia, 39,000,000 bushels; Western Australia, 31,700,000 bushels; Queensland, Tasmania and the Federal Capital Territory, 4,800,000 bushels. These estimates, however, should be regarded as preliminary only, as the weather conditions during the next few weeks may necessitate further adjustment. If the abovementioned quantity is produced the coming harvest will exceed that of the previous season by 12 million bushels, or 8 per cent., and will approximate to the average for the ten previous seasons.

A comparison of the average yield per acre recorded in 1936-37 with that forecasted in 1937-38 indicates that the present season is expected to be less favourable by 3.2 bushels per acre in New South Wales and 3.1 bushels per acre in Victoria. In South Australia and Western Australia, however, the prospective yields per acre are estimated to be greater than in the previous year by 2.9 bushels and 2.3 bushels respectively. The average yield of 17.90 bushels recorded in Victoria in 1936-37, however, was abnormally high, being the greatest since the year 1870; whilst in Western Australia the return per acre of 8.38 bushels was abnormally low, due to the drought conditions.

Details of production and average yield are given in the following table for the periods indicated:

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	48,676	25,850	4,076	27,456	26,965	308	40	133,393
1935-36	48,622	37,552	2,690	31,616	23,315	186	36	144,217
1936-37(a)	54,837	42,845	2,341	28,715	21,549	504	26	150,817
Average 10 years ended 1937	51,981	39,087	3,538	32,279	35,465	417	35	162,802
1937-38(b)	47,500	40,000	4,250	39,000	31,700	525	25	163,000

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(a)	13.84	17.90	6.72	9.39	8.38	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
1937-38(b)	10.64	14.81	10.75	12.26	10.68	21.00	12.50	11.87

(a) Subject to revision. (b) Preliminary estimate.

3. WEATHER CONDITIONS.

South Australia was the only State to benefit from the weather conditions experienced during September. Throughout the rest of the wheat belt of Australia the conditions were generally unfavourable. Rainfall registrations were light and, in addition, strong winds accompanied by high temperatures adversely affected the crops. As a result, the outlook at the end of that month was viewed with much concern. These conditions continued up to the second week of October, when timely and copious rains fell throughout the wheat areas of Australia. These rains changed the outlook completely and harvest prospects now appear much more favourable.

In consequence of the improved conditions, the outlook in New South Wales at the end of October was much better than was reported at the end of September. Nevertheless, the production forecasted by the State Director of Marketing indicates that the average yield is expected to be the lowest returned since 1929-30, and less than the average for the decennium ended 1936-37. These averages, however, will be affected by the area fed-off, particulars of which will not be known for some time. In that State the prevalence of grasshoppers has been widely reported and is causing much concern.

In Victoria and South Australia seasonal prospects are very favourable and more than average yields are forecasted. In the latter State, however, grasshoppers are reported in numbers in the Upper North and North Eastern districts of the State.

In Western Australia the average yield of 10.68 bushels per acre forecasted, whilst in excess of that harvested during the three previous years, is slightly more than $\frac{1}{2}$ bushel per acre below the average for the previous ten seasons.

In Queensland and Tasmania the seasonal outlook in the wheat areas is regarded as promising.

4. WHEAT PRICES.

The movement in the price of wheat during October was confined to narrow limits, but a firmer tendency was noted during that month. The average price for the month amounted to 59.66d. per bushel compared with 59.13d. per bushel in September. Trading in wheat is restricted owing to the fact that only a small surplus is available in Australia at the present time.

The course of wheat prices in Australia is shown in the following table for the years 1932 to 1937:-

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	36.59	42.19	59.92
July	35.33	39.65	33.78	34.42	46.63	64.44
August	38.35	37.74	38.94	36.81	55.22	60.18
September	39.56	35.41	36.06	40.30	55.64	59.13
October	36.48	29.85	32.59	43.51	58.44	(a)59.66
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 1st November, 1937 = 58.14d.

5. 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	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	45.0
August	22.6	26.3	23.9	32.6	45.0
September	22.6	26.3	25.0	32.6	45.0
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
July	(a)	(a)	(a)	(a)	41.3
August	(a)	(a)	(a)	(a)	44.3
September	23.6	27.6	27.6	29.3	41.6 to 47.0
December	26.3	25.6	24.0	32.0 to 45.6	

(a) Not available.

6. 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 September, together with the total exports for the ten months of the cereal years 1935-36 and 1936-37. The principal countries of recorded destination and the exporting States are shown in addition to the total volume of exports in terms of wheat.

6. WHEAT AND FLOUR EXPORTED TO PRINCIPAL COUNTRIES.

Country to which exported	1937				TOTAL SEASON	
	June	July	August	September	1935-36	1936-37
WHEAT - IN BUSHELS OF 60 lb.						
	busheIs	busheIs	busheIs	busheIs	busheIs	busheIs
United Kingdom	2,466,520	1,966,597	921,906	558,462	30,747,380	23,014,250
Irish Free State	294,117	-	-	-	2,712,646	3,313,997
Other British Countries ..	26,160	83,250	191,963	(d)338,405	1,442,674	1,432,176
China ..	-	143,663	-	-	3,271,598	1,234,095
Italy ..	-	-	-	-	-	6,769,367
Japan ..	18,432	331,332	372,227	189,553	6,508,601	3,322,004
Other Foreign Countries ..	(e)1,109,103	(f)530,108	(g)328,457	370	4,011,137	3,919,270
For Orders (a)	4,634,091	2,317,885	1,865,980	295,360	15,483,422	22,303,691
TOTAL:	8,548,423	5,372,835	3,680,533	1,382,150	64,177,458	65,308,850
Exporting States:						
New South Wales	1,728,490	1,080,350	11,248	24,838	15,856,855	19,116,572
Victoria ..	2,772,188	2,540,903	1,156,992	343,252	15,017,395	18,311,357
Queensland ..	50	37	13	50	295	422
South Australia	2,203,567	1,170,028	2,493,572	866,652	20,100,361	16,869,815
Western Australia	1,844,128	581,517	40	128,690	13,202,552	10,973,348
Tasmania ..	-	-	18,658	18,668	-	37,336
TOTAL:	8,548,423	5,372,835	3,680,533	1,382,150	64,177,458	65,308,850
FLOUR - IN TONS OF 2,000 lb.						
	tons	tons	tons	tons	tons	tons
United Kingdom	9,740	12,361	17,143	9,099	108,656	153,289
Ceylon ..	1,546	1,121	1,032	1,000	12,316	11,933
Hong Kong ..	2,131	3,077	5,616	3,029	29,720	33,494
Malaya (British)	4,002	4,502	5,696	6,741	48,467	57,451
Other British Countries ..	4,106	4,397	6,903	6,362	50,191	57,544
China ..	119	64	112	-	971	1,910
Egypt ..	882	696	731	1,868	19,332	18,064
Manchuria (b)	-	1,582	-	1,300	61,545	8,716
Netherlands East Indies ..	4,644	5,144	6,686	7,337	61,616	61,657
Philippine Islands	2,245	3,167	2,976	1,925	30,831	30,278
Other Foreign Countries ..	2,355	2,847	3,171	3,277	39,587	33,656
TOTAL:	31,770	38,958	50,066	41,938	463,232	467,992
Exporting States:						
New South Wales	12,701	13,427	16,820	15,354	158,318	162,279
Victoria ..	11,024	17,160	21,215	15,693	198,446	188,026
Queensland ..	20	3	-	-	9	25
South Australia	3,048	3,141	6,558	3,084	45,687	49,494
Western Australia	4,977	5,227	5,473	7,807	60,772	68,168
TOTAL:	31,770	38,958	50,066	41,938	463,232	467,992
TOTAL - In Terms of Wheat (c)	busheIs	busheIs	busheIs	busheIs	busheIs	busheIs
	1,524,960	1,869,984	2,403,168	2,013,024	22,235,136	22,463,856
GRAND TOTAL - WHEAT AND FLOUR (IN TERMS OF WHEAT).						
1935-36	5,931,789	4,207,236	4,936,795	7,618,335	86,412,594	-
1936-37	10,073,383	7,242,819	6,083,701	3,395,174	-	87,772,706

(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 135,418 bushels, and South Africa 148,840 bushels. (e) Including Netherlands 551,082 bushels. (f) Including Netherlands 274,395 bushels. (g) Including Egypt 328,113 bushels.

7. 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, during the eight months ended August, 1936 and 1937, and also during the month of August of the same years.

Imports of wheat into the United Kingdom during August, 1937 amounted to 16 million bushels, exceeding those of August, 1936 by 2 million bushels. Australia and Canada were the chief sources of supply in both months, but while the former's contribution increased by 4.2 million bushels, that of Canada declined by 4.1 million bushels. In August, 1937 Australia was responsible for 40.0 per cent. of the wheat imports of the United Kingdom. As a result of the very substantial increase from 0.1 million to 3.3 million bushels in the amount of wheat supplied by India, British countries contributed 90.0 per cent. of the wheat imported into the United Kingdom during the month of August, 1937, as compared with 79.7 per cent. during the same month of 1936.

Imports of wheat during the eight months ending August, 1937 were slightly less than imports for the same period of the previous year. Australia's supply remained at 33 million bushels, while decreases of 25.8 and 8.0 million bushels in the respective supplies of Canada and France were offset by increases of 27.7 and 7.8 million bushels from Argentina and India respectively.

Imports of flour into the United Kingdom during August amounted to 37,843 tons, approximately the same quantity as for August, 1936. Australia and Canada together supplied 87.9 per cent. of all flour imported; but, while Canada contributed slightly less than in August, 1936, Australia increased her supply by 1,700 tons. Imports of flour into the United Kingdom during the eight months ending August, 1937 exceeded those for the same period of 1936 by 5,800 tons. Canada's supply showed little variation, but imports from Australia were 39.6 per cent. of total imports of flour, as compared with 29.7 per cent. during the first eight months of 1936.

The combined imports of wheat and flour in terms of wheat amounted to 17.8 million bushels during August, 1937 and to 137.4 million bushels during the eight months ending August. These amounts represent an increase of 2.1 million and a decrease of 1.3 million bushels respectively, when compared with imports during the similar periods of 1936.

WHEAT AND FLOUR IMPORTED INTO THE UNITED KINGDOM.

Country from which imported	Year 1936	8 months ended August		Month of August	
		1936	1937	1936	1937
WHEAT.					
	bushels	bushels	bushels	bushels	bushels
Australia ..	43,445,177	33,492,632	33,271,380	2,227,525	6,422,188
Canada ..	107,971,708	69,872,209	44,086,512	8,795,732	4,667,395
India ..	6,082,333	269,067	8,080,832	113,867	3,347,029
Other British Countries	83,951	83,951	670,747	28	5,611
Argentina Republic	1,786,324	1,207,830	28,881,874	7,250	9,266
France ..	(b)	8,560,281	605,864	410,991	278,331
Germany ..	-	-	710,886	-	156,363
Roumania ..	8,248,268	1,337,672	1,308,418	592,430	360,797
Soviet Union ..	312,305	312,305	-	-	-
United States of America ..	84,756	-	321,018	-	320,999
Other Foreign Countries	20,162,753	8,281,590	3,863,087	1,820,722	463,016
TOTAL:	188,177,575	123,417,537	121,800,618	13,966,545	16,030,995

WHEAT AND FLOUR IMPORTED INTO THE UNITED KINGDOM.

(Continued)

Country from which imported	Year 1936	8 months ended August		Month of August	
		1936	1937	1936	1937
FLOUR - TONS OF 2,000 lb.					
	tons	tons	tons	tons	tons
Australia ..	138,298	95,203	129,230	13,930	15,626
Canada ..	229,831	148,463	147,167	18,177	17,628
Other British Countries	222	222	1,446	-	116
Argentine Republic	15,254	8,003	16,356	1,049	2,170
France ..	40,914	33,200	20,058	3,736	445
United States of America ..	4,345	2,253	2,547	153	319
Other Foreign Countries	39,672	32,789	9,144	828	1,539
TOTAL:	468,536	320,133	325,948	37,873	37,843
TOTAL -	bushels	bushels	bushels	bushels	bushels
In terms of Wheat (a)	22,489,728	15,366,432	15,645,504	1,817,904	1,816,464
GRAND TOTAL - Imports of Wheat and Flour in terms of Wheat (a)	210,667,303	138,783,969	137,446,122	15,786,449	17,847,459

(a) One ton of flour taken as equivalent to 48 bushels of wheat. (b) Included with "Other Foreign Countries".

8. 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.

9. 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	86,633	112,385	89,537	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	150,817,000
Total supply in sight, 30th November ..	bush.	195,872,015	173,496,695	160,891,636	159,086,417
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	103,086,417
Less Exports, 1st December to 30th September ..	bush.	76,230,700	88,089,190	86,412,594	87,772,706
Estimated Exportable Surplus at 1st October ..	bush.	64,753,315	30,797,505	19,479,042	15,313,711

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 - 1937.

State	Last week in month of					
	May	June	July	August	September	October
	bushels	bushels	bushels	bushels	bushels	bushels
New South Wales	11,598,570	8,937,567	5,782,281	4,149,456	2,994,039	(a)
Victoria ..	16,523,013	12,463,644	10,489,980	8,725,617	7,073,574	4,850,538
South Australia	6,405,321	4,580,154	2,659,371	1,712,970	1,203,156	(a)
Western Australia	2,924,926	1,998,415	1,730,065	1,490,700	1,105,913	(a)
TOTAL OF ABOVE	37,451,830	27,979,780	20,661,697	16,078,743	12,376,682	(a)

(a) Not yet available.

10. INTERNATIONAL REVIEW.

An examination of the available international statistics indicates a supply of wheat which is apparently sufficient to meet estimated world requirements for the year 1937-38. European production, excluding the Soviet Union, is forecasted at 1,520 million bushels, an amount which exceeds the production of the year 1936 by 38 million bushels and is 180 million bushels in excess of the average harvest for the five years ended 1930. Notwithstanding the serious drop in the production of Canada, the total output of North America is more than 200 million bushels or 25 per cent. in excess of that harvested in 1936. The production of Asiatic countries, excluding China, has been maintained, whilst that of countries in Northern Africa is in excess of the previous year by 22 million bushels or 20 per cent. In addition to the above production, the prospective harvests of Australia and the Argentine Republic must also be included. That of Australia is forecasted at 163 million bushels, which exceeds the production of the previous year by 12 million bushels; whilst it is privately estimated that the Argentine Republic will yield 200 to 240 million bushels, compared with 248 million bushels harvested in 1936-37. The following table furnishes a summary of world production for the year 1937 and previous years, based on information furnished by the International Institute of Agriculture.

WORLD PRODUCTION OF WHEAT (EXCLUDING SOVIET UNION AND CHINA)

(In million bushels)

Country	1933	1934	1935	1936	1937 (a)
Europe -					
Importing Countries ..	1,290	1,213	1,191	1,014	1,085
Exporting Countries ..	455	337	386	468	435
Total Europe ..	1,745	1,550	1,576	1,482	1,520
North America ..	849	817	923	873	1,080
Asia ..	572	555	577	603	600
North Africa ..	111	136	115	98	120
Total Northern Hemisphere	3,277	3,058	3,191	3,056	3,320
Argentine Republic ..	286	241	144	248	(b)220
Australia ..	177	133	144	151	163
TOTAL OF ABOVE	3,740	3,432	3,479	3,455	3,703

(a) Subject to revision. (b) Mean of private estimates.

The details shown in the above table for 1937 indicate that world production is about 10 per cent. in excess of the 1936 harvest. Thus, with an increased available supply, particularly in the European importing countries, the

import demand may not be as great as in 1936-37. On the other hand, world stocks have been reduced to a very low level, and the production of Australia and the Argentine Republic has not yet been actually garnered. Should the forecast of production for these countries not be realised, it is possible that the margin of surplus wheat from the 1937 harvest may not be sufficient to meet importers' requirements. In such circumstances, the world's old seasons stocks, already reduced to a minimum, will have to supply any deficiencies.

Following a succession of years of reduced production, the deficiencies have been met from large surpluses of wheat accumulated during the more bountiful years. These stocks reached maximum dimensions in 1933. According to the calculations of the International Institute of Agriculture, the stocks available in the principal countries in that and the following years were as follows:-

STOCKS OF OLD CROP WHEAT ON 1st AUGUST.

(In million bushels)

Country	1933	1934	1935	1936	1937
United States (a)	397	294	166	159	122
Canada	219	204	212	125	38
Argentina (b)	50	90	50	30	20
Australia (b)	43	73	46	33	30
Afloat	32	35	18	21	26
TOTAL:	741	696	492	368	236

(a) 1st July. (b) Exportable stocks.

In comparison with stocks held during the years prior to 1930, when prices commenced to slump, those held on 1st August last were abnormally low. They were the lowest recorded during any year since 1926, when the stocks totalled 255 million bushels.

World import requirements for the year 1937-38 have been estimated by the International Institute of Agriculture at 550 million bushels, compared with 580 million bushels imported during the previous year, a reduction of 30 million bushels or 5 per cent. Broomhall, the Liverpool grain authority, however, has forecasted a much lower figure of 496 million bushels. Both authorities are in agreement as to Europe's probable imports, which are stated at about 400 million bushels, but there is a wide variation in the forecasted requirements of non-European countries. The International Institute has estimated that the requirements of these countries will be increased by 5 million bushels to 150 million bushels during 1937-38, while Broomhall forecasts a reduction from 120 million bushels to 88 million bushels.

The exportable surplus of the 1937 crop has been estimated by the International Institute at 610 million bushels which, if realised, indicates a surplus of 60 million bushels over the estimated import requirements. In view of the reduced stocks of old seasons' wheat already referred to, this quantity represents a very small margin between current production and requirements. The Institute makes it clear, however, that these estimates are, at the moment, incomplete and are given simply as an indication of the statistical position of the 1937-38 season. It is estimated that the exportable surplus of 610 million bushels will be furnished as follows:- Canada and United States, 240 million bushels; Argentina and Australia, 220 million bushels; Soviet Union, Danubian Countries, North Africa, India and other countries, 150 million bushels.

Seasonal conditions in the Argentine Republic are reported to have improved since the issue of the last Summary. Official advice received on 21st October stated that general rains had fallen, and had proved very beneficial to the crop. Harvesting had begun in the northern portion of the wheat area. The first official forecast of production will not be issued until December. Private estimates indicate a probable production of 200 to 240 million bushels compared with 247.8 million bushels in 1936-37. This would represent an average yield of more than 11 bushels per acre seeded, which is 3 bushels per acre less than the average returned for the season 1936-37.

The second official estimate of the area sown to wheat issued on 29th October indicates an area of 19,275,000 acres. This represents quite a substantial increase on the first estimate, released in September last, when the area forecasted was 17,594,000 acres. Compared with that sown in the previous year (17,502,000 acres) the revised estimate represents an increase of 1,773,000 acres, or 10 per cent., which closely approximates to the percentage increase in Australia, estimated at 11 per cent.