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FOREIGN NEWS ON WHEAT

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WORLD WHEAT CROP AND MARKET PROSPECTS
(Based on Reports to December 9, 1927)

In the past month there have been no material changes in estimates of wheat production, prices have strengthened, and wheat has moved freely in international trade. The world wheat crop outside of Russia and China still appears to be just about 100 million bushels greater than last year. Estimates of production in all countries reporting to date, including a calculated estimate for Argentina based upon temperature and rainfall data, amount to 3,391,000,000 bushels, as compared with 3,288,000,000 bushels last year. As indicated in last month's survey, the indicated increase in production is largely offset by a reduction in supplies from Russia and poor quality in Canada and several north European countries.

The Wheat Crop in Argentina

Weather in Argentina during November was generally favorable to wheat production. An analysis of weather and yield data including conditions reported from May through November point to a slightly higher yield than was indicated in November. On the basis of this probable higher yield and a slight increase in the estimate of acreage, the crop now gives promise of being between 210 and 260 million bushels as against a probable range of 200 to 250 indicated a month ago. Weather for the week ending December 5 was also favorable for the wheat crop. The Argentine official estimate of production is due December 16.

Outlook in Australia

Harvesting of the wheat crop had begun the first week in December in some parts of Australia. Reports of Australian conditions are conflicting, some indicating a greater crop than the 115 million bushels officially forecast, and some a smaller crop. The Victorian Department of Agriculture is reported by Trade Commissioner Squire as having estimated the total Australian crop at 125 million bushels while a correspondent of this Department in Sydney estimated the crop about the first of November to be only about 85 to 100 million bushels. This correspondent gives the following details of the conditions prevailing:

> "We estimate from our area under wheat in New South Wales, of $3\frac{1}{2}$ million acres, that about a million acres have been abandoned. Nearly half a million will be cut for hay - about one million will return half crops (say 7 or 8 bushels per acre) and the other million will return up to 15 bushels. Fortunately, since the break in the weather at the end of September, we have

had a series of weekly showers and these have been ideal for growth as well as for grain development. Victoria and South Australia were really shaping better than New South Wales early in September, but both these growers missed the good general rains this State received at the end of September, and although they have had light intermittent showers since, they have not been heavy enough or regular enough, and the grain crops have deteriorated. It is now almost too late for any recovery in the crops of our sister States, so we think a fair estimate for the Australian crop to-day would be 85 to 100 million bushels.

Old Crop Surplus

"Apart from New South Wales where about 4 million bushels is held in the shape of wheat or flour there is very little surplus stock and we doubt if much old wheat will be exported. There may be some in the shape of flour sent from the different States during the next month, but this will not be pressed and will probably not be shipped unless oversea prices improve."

Canadian Wheat Quality and Movement

The quality of the Canadian wheat inspected the latter part of November has continued low. The contract grades included only 35.8 per cent of the total grain inspected during the season to the second of December this year compared with 47.7 per cent last year and 68.5 per cent the year before. The falling off has been in numbers one and two, number three including a greater per cent of the total inspections this year than last. Of the grain graded to December 1 only 1.6 per cent has been No. 1 Northern this year compared with 13.9 last year, and 10.1 per cent has graded No. 2 Northern compared with 24.2 last year, while 24.1 per cent has graded No. 3 compared with 9.6 last year.

Although the movement of Canadian grain to market has been heavy during November it has not been heavy enough to make up for the slow early movement caused by the lateness in harvesting the crop. Receipts at country elevators and platform loadings for the season as reported through November 25 amounted to 214 million bushels compared with 223 million in 1926. Receipts at Fort William-Port Arthur have also been heavy in November, but with the total still below last year. Total receipts through December 3 amounted to only 153 million bushels compared with 152 million in 1926 and 156 million in 1925. Stocks were also low on that date as compared to last year, amounting to less than 14 million bushels, compared with 25 million in 1926, but 12 in 1925. Stocks of numbers one and two were especially low. In Vancouver grain has been coming in more rapidly, receipts to December 3 amounting to 18 million this year as compared with 14 million in 1926 and 19 million in 1925.

Shipments out of Fort William-Fort Arthur have been greater than receipts, and apparently include old wheat as well as new crop. For the season through December 3 they amounted to 142 million bushels compared with 188 million to the same date last year and 152 million the year before. In the past two years the peak of the shipments from these ports occurred during that week or earlier, and fell off materially one or two weeks later with the closing of the Lakes. Last year Canadian movement through the canals at Sault Ste. Marie closed December 12, the year before that on December 17, and in 1924 on December 16.

Actual exports of wheat and flour from all Canada are available only through October. The total exports for the four months period through October this year amounted to 75.8 million bushels compared with 80.5 in 1926, 100.6 in 1925, and 63.9 in 1924.

Dates of Cutting of Spring Wheat in Canada and Receipts of Wheat at Fort William-Port Arthur, 1926-1927

Provinces	1926				1927			
	Sept 1-7	Sept 8-14	Sept 15-21	Sept 22-30	Sept 1-7	Sept 8-14	Sept 15-21	Sept 22-30
	Number of records of first cutting							
Manitoba ...	9	---	--	--	38	5	–	–
Saskatchewan	4	---	--	--	53	7	2	2
Alberta	3	2	1	--	17	5	–	–
	Number of records of cutting general							
Manitoba ...	13	7	1	--	86	27	16	4
Saskatchewan	11	3	2	--	133	44	12	2
Alberta	9	4	2	2	56	20	7	1
	Number of records of cutting completed							
Manitoba ...	63	36	57	17	26	53	119	79
Saskatchewan	101	76	79	27	29	70	178	222
Alberta	13	13	18	28	2	2	29	95
	Receipts of wheat at Fort William-Port Arthur							
	Sept 4-10	Sept 11-16	Sept 17-24	Sept 25-Oct 1	Sept 3-9	Sept 10-16	Sept 17-23	Sept 18-30
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Receipts of wheat	2,155	4,640	10,222	13,469	634	599	2,743	3,963

Compiled from Monthly Bulletin of Agricultural Statistics and reports of the Board of Grain Commissioners.

European Situation

The total production in 25 European countries now reporting is estimated at 1,240 million bushels as compared with 1,196 million last year and 1,389 million in 1925. The only change of importance in the estimate of production during the month has been a reduction in the Italian figure from 202 to 196 million bushels. There was also a reduction in the Rumanian estimate amounting to 2 million bushels. Reports of the crop in northern Europe during the past month have indicated a poorer quality than was reported a month ago. Somewhat unfavorable developments in continental Europe, particularly the northern countries from the standpoint of domestic breadgrain supplies, and the ready absorption of large arrivals of overseas wheat, tend to confirm the earlier expectation of heavier imports this year than last.

Information on the European rye crop continues to indicate that it will not be a significant factor in decreasing the demand for wheat. The crop reported for 23 European countries is 85 million bushels above last year, with indications that the German estimate may be reduced. The continuation of the narrow margin between German wheat and rye prices points to further substitution of wheat for rye. More definite indications as to reductions in feed grain supplies in Europe and higher prices for feedstuffs continue to indicate a probable increase in the feeding of the poorer quality wheat.

France

France appears to be one of the most uncertain factors in the European situation. During the past seven years French wheat imports have varied from 19 million bushels to 68 million. The United States furnished about 40 per cent of the French imports for the last crop year. Not considering carryover because of lack of data, the total yearly disappearance has ranged from 285 million bushels to 364 million, and the per capita disappearance from 7.0 to 9.0 bushels, averaging 8.0 bushels. With the exception of 1922 and 1923, when there was a production above average, imports were below and conversely when production was below average imports were above. The heavier imports in 1923 in proportion to the production were doubtless due to the relatively small rye and potato crops. Imports in 1922 did not respond as normally to the relatively small production.

The import for the 1926-27 season was lower than expected following the poor crop in France and North Africa. This was probably due mainly to the desire of the French government and people to cut down imports in order to strengthen the depreciated franc.

A number of factors must be taken into account in estimating consumption this year. The crop is large, but much of it is of poor quality. The export ban has been removed which will permit France to do what Germany did two years ago, export home produced wheat and import a higher quality of foreign wheat. A recent decree has reduced the amount of wheat substitutes required in the making of bread. The franc appears to be stabilized and should it continue stable, this would facilitate imports. All of these factors would tend to increase consumption, but the tariff has been increased so much that it may restrict imports for the remainder of the year to the extent of offsetting very largely the other factors which would tend to increase imports and consumption.

The 1927 wheat crop is estimated at 284 million bushels. Imports during July and August were 18 million bushels or 4½ times as great as during July and August, 1926. Prices of home grown wheat declined from an average of $1.92 per bushel in May, 1927, to an average of $1.53 per bushel in October. This is ascribed to the fact that peasants were anxious to get rid of that portion of their wheat which was wet and could not easily be kept. In keeping with the low price for wheat the price of bread at Paris was reduced effective September 15, from 2.15 francs per kilo (3.8 cents per pound) to 2.10 francs per kilo (3.7 cents per pound) and on October 13 the price was lowered to 2.05 francs (3.7 cents per pound).

By a decree dated September 10, 1927, the percentage of wheat substitutes to be mixed with wheat flour is lowered from 10 per cent to 6 per cent stipulating that on and after January 1, 1928 the only substitute permitted will be rye flour but, in order to permit of the disposal of stocks already in the hands of millers and merchants, until that date 2 per cent of the 6 per cent may be in the form of rice flour, barley flour or groats. On September 2 the import duty on wheat was raised from 18.20 francs per 100 kilos (19.41 cents per bushel) to 25 francs per 100 kilos (26.67 cents per bushel). On November 19 the import duty was raised to 35 francs per 100 kilos (37.44 cents per bushel).

Probable Exports and Imports

With no material change in the estimates of production, the prospects as to exports from surplus-producing countries are not changed.

Over half the probable exports of the United States have been shipped. Exports of wheat and flour in terms of wheat, July 1 to December 1, amounted to about 135 million bushels compared with 130 million bushels last year, when the net export for the year amounted to 206 million bushels.

According to export inspections and inspections of United States wheat in Canada through October, the shipments of soft red winter wheat had amounted to 10½ million bushels and of hard red winter to about 44 million bushels.

UNITED STATES: Inspections of hard winter wheat for export, July-October, 1926-27

Year	Inspections in eastern division of Canada	Inspections in United States	Total
	1,000 bushels	1,000 bushels	1,000 bushels
1926	5,543	44,339	49,872
1927	13,302	30,705	44,007

Comparing estimates of production and exports in previous years, (see the monthly reviews for October and August), it would appear that we had at the beginning of the year no exportable surplus of soft red winter wheat and therefore that domestic supplies of this wheat have been reduced below the amount ordinarily used at home. In the August report it was indicated that exports of soft red winter might amount to as much as 10 million bushels. It now appears that the exports of this class of wheat will exceed this estimate. A little more than half of the August estimate of probable exports of hard red winter wheat has been shipped. Possibly some of the surplus hard red winter wheat will be used in the United States to some extent in substitution for soft red winter.

Week ending	Visible supply		Canadian, stored in bond in U. S.		U.S. wheat stored in Canadian markets	
	1926	1927	1926	1927	1926	1927
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
November 6..	79,855	93,343	11,352	12,636	2,045	6,333
13..	80,354	95,188	14,316	15,221	2,739	7,748
20..	78,820	94,888	15,879	17,233	2,748	6,508
27..	78,868	95,898	22,165	23,884	2,409	6,477
December 4..	75,188	1/ 92,676	26,541	1/ 31,375	2,045	
11..	71,501		28,132		1,547	

Division of Statistical and Historical Research.
1/ Subject to revision.

Month	Receipts at 11 primary markets 1/		Bradstreet's United States visible supply 2/		Wheat ground in United States mills 3/		World visible supply 1/ 2/	
	1926	1927	1926	1927	1926	1927	1926	1927
	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	65,503	50,997	16,486	25,516	48,187	42,090	142,820	183,092
Aug.	65,971	76,811	34,575	37,533	52,206	47,986	145,809	181,502
Sept.	45,295	78,687	72,884	71,908	53,975	52,373	182,870	205,049
Oct.	30,079	70,457	84,724	88,755	53,276	54,128	225,197	237,122
Nov.	27,377	41,526	81,175	98,675	47,981		264,243	299,735

Division of Statistical and Historical Research. 1/ Compiled from Chicago Daily Trade Bulletin. 2/ On first of month. 3/ Census estimate raised to 100 per cent.

The larger United States and world visible supplies this year, as compared with last, are not so significant as the difference in figures indicates. The larger visible supply figures in the United States are due in part to a shift in production. Of the wheat moving to market from the Northwest a much larger part appears in visible supply statistics than of wheat moving from the Southwest. With the same sized United States crop, therefore, a shift in production from Southwest to Northwest tends to cause the visible supply figures to be increased. The increase in world visible supply is effected in large measure by the change in the freight rate situation. The rapid rise in freight rates last fall, caused by the British coal strike, had a tendency to delay shipments to Europe. With no such increase in rates this year, wheat has moved more freely from overseas exporting countries.

Probable Imports

The takings of European countries in the past month tend to support the statement made last month that it seemed probable that European countries would import at least as much wheat as last year.

Prices

The general level of wheat prices advanced after reaching the low point of the season about the first of November. The marked advance of the first three weeks of the month was checked toward the end of the month but most of the gain in prices has been held to date. December futures in Liverpool closed December 1st at the equivalent of 151 cents per bushel compared with 147 on November 3rd and 164 on December 1 last year. Thus prices moved up closer to the level of last year, being only 13 cents under on December 1, as compared with 22 cents on November 3. December futures in Winnipeg in the same period rose from 127 to 133 cents, which was higher than on the corresponding date last year. Increases were likewise registered in the futures markets of the United States.

Cash prices of all classes and grades at 6 markets in the United States for the week ending December 2 averaged 3 cents higher than in the first week in November. The greatest advances were made by hard winter wheat at Kansas City and durum at Minneapolis. The price of No. 2 soft red winter wheat at St. Louis declined slightly but remained higher than last year.

Prices are likely to continue to fluctuate with reports from the Southern Hemisphere until the crops there are definitely known. Thereafter until the Lakes open in the spring, prices will be determined largely by the activity of European markets in relation to available supplies from the United States, Argentina and Australia. Canada may continue to ship small amounts but it is probable that a large part of the Canadian surplus will be held until after the opening of the Lakes. At the present time it seems that the market should remain firm with the general level of prices continuing not far below that of last year.

WHEAT: Closing price of December futures

Date	Chicago 1926	Chicago 1927	Kansas City 1926	Kansas City 1927	Minneapolis 1926	Minneapolis 1927	Winnipeg 1926	Winnipeg 1927	Liverpool 1926	Liverpool 1927
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
November 3..	140	125	134	121	143	123	138	127	169	147
10..	140	126	135	122	143	123	140	127	171	148
17..	134	128	129	123	138	124	133	132	163	152
23..	135	129	131	124	137	125	132	134	165	154
December 1..	137	129	134	123	140	125	130	133	164	151

WHEAT: Weighted average cash prices at stated markets

By months	All classes and grades ~~6 markets~~ 1926	1927	No. 2 Hard Winter Kansas City 1926	1927	No. 1 Dk.N.Spring Minneapolis 1926	1927	No. 2 Amber Durum Minneapolis 1926	1927	No. 2 Red Winter St. Louis 1926	1927
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
July	142	139	137	136	175	158	154	153	142	141
August	135	136	131	135	156	150	153	140	134	142
September ...	136 *	129	132	131	148	137	138	128	136	142
October	139	125	139	128	153	134	150	123	140	145
November	138	126	137	131	148	134	161	128	136	141
December	139		138		148		174		137	
Week ending										
November 4..	140	123	138	128	149	132	163	121	137	143
11..	141	126	139	130	150	135	166	130	139	142
18..	135	127	134	131	145	133	155	130	134	142
25..	135	127	136	134	144	134	160	128	134	142
December 2..	138	126	137	132	146	134	164	127	138	140
9	139		139		149		172		139	

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The Continental European Situation During November a/

Continental wheat markets have improved during the first three weeks of November, particularly following the 10th of the month, according to United States Agricultural Commissioner Steere at Berlin. From November 22 to December 3 the market was quieter, with lessened foreign demand as a result of better domestic marketing and bearish overseas influences. However, buying of overseas wheat has continued large.

Belief that the Southern Hemisphere crop has now been largely discounted, greater strength in American markets, and increasing evidence of large consumptive ability in European deficit countries, as well as some unfavorable developments in the European crop situation, have given the trade more confidence in current price levels, as a result of which it is exhibiting more interest in distant as well as near positions. Demand has broadened out and prices strengthened in most Continental markets in spite of continued large overseas arrivals and shipments, and increased marketing of domestic grain. Improvement in the flour business has contributed to this development. The Continental trade generally seems to anticipate that the improvement will be maintained, but the English trade appears less optimistic.

Continental markets, especially in Northern Europe, have been showing rather unexpected capacity for overseas grain in the past two months. The large arrivals in October and early November have been steadily absorbed into consumptive channels with no evidence of increasing stocks. This very satisfactory movement was going on during a period when the market was relatively weak and is considered a significant indication of this year's requirements of bread grains in Northern European countries whose crops were affected by the unfavorable weather conditions at harvest time.

Developments in Continental Europe during the past month have been somewhat unfavorable from the standpoint of domestic bread grain supplies. Among the most important has been the large reduction in the estimate of the German rye crop (although this has been partially offset by an increase in the wheat crop) and increasing evidence that the damage to quality may be greater than expected in Germany and also some neighboring countries, including Northern France. There is also some further indication that Italian supplies will be smaller than expected, and prospects for supplies from Russia have become slightly less favorable.

The Continental rye markets have been considerably strengthened by the recent reduction in estimates of the German crop. The heavy imports of overseas rye have brought some further increase in port stocks, but shipments into the interior are rising steadily, and the market for rye flour has been improving. The outlook seems even more favorable than heretofore, for a continuation of relatively high rye prices during the balance of the season.

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a/ Report of Acting Agricultural Commissioner L. V. Steere, Berlin, dated November 23, 1927 and revised by cables up to December 9.

Germany

Developments in the German bread grain market during November have strengthened previous indications that Germany will again have large import requirements this year. The market has been exhibiting a capacity to absorb unusually large arrivals of overseas wheat and rye, and prices, especially for rye, have assumed a firmer tendency coincident with increased supplies of domestic grain. Domestic marketing the last of November was large, with the rye market stronger than wheat. The arrivals of overseas grain have been moving rapidly into consumptive channels, as port stocks of rye are rising but slowly, and port wheat stocks are probably even a little lower than a month ago, in spite of unusually heavy importations in October and early November. As flour business has recently improved somewhat there seems no reason to anticipate materially lower requirements of foreign grain in the immediate future.

The improved market situation has somewhat altered the prospects of a month ago that grain stocks in Germany, which were then increasing, might be further increased because of the large shipments enroute, the quiet tendency of the market, and the probability that domestic marketing would increase considerably in the near future. Port stocks of rye have risen somewhat, but there has been no accumulation of wheat. Statistics on inland water-borne traffic show large and increasing shipments of wheat and rye towards inland centers of consumption. Domestic marketings of grain have increased, offers of low quality rye at times exerting considerable pressure on the market, but prices have been generally well sustained and have even advanced. The difficulties anticipated for German farmers in meeting the Rentenbank obligations due at the first of November did not prove as serious as expected.

The price relationship between wheat and rye, following a considerable decline in rye prices early in November, has again returned to the level existing a month ago, viz. rye and wheat prices practically identical, although both are now quoted slightly lower than a month ago. The improvement in rye prices followed the much reduced estimate of the Deutscher Landwirtschaftsrat which places production of winter rye at 259,710,000 bushels compared with the 282,268,000 bushels officially estimated as of September 1 this year, and 248,844,000 bushels, the official figure for winter rye in 1926. About 3,937,000 bushels should be added to each of these figures for spring rye.

Wheat and rye prices per bushel in Germany, October-December, 1927

Date	Wheat			Rye
	Hamburg	Breslau	Berlin	Berlin
	Cents	Cents	Cents	Cents
1927				
Oct. 14	158.2	170.5	161.8	145.2
21	157.9	170.5	160.5	150.1
28	157.5	170.5	159.2	148.8
Nov. 4	154.3	170.5	156.6	141.0
11	154.3	169.9	155.9	145.2
18	155.3	173.1	157.9	146.4
25	155.6	173.1	158.2	145.2
Dec. 2	154.3	170.5	156.2	145.8

The new estimates of the wheat and rye crops by the German Agricultural Council although not official are considered very reliable by the trade. These estimates are based upon threshing returns. It should be pointed out that the increase of 9,079,000 bushels indicated in the wheat crop, 122,723,000 bushels as compared with the official 113,644,000 bushel estimate of October 1, is chiefly due to the increase in acreage, which was not known at the time of the official preliminary estimate.

The Deutscher Landwirtschaftsrat has also issued recently figures on stocks of grain in hands of farmers on October 15. As comparable figures for all of Germany for last year are not available, figures for Prussia only are shown herewith: These figures indicate that farmers have considerably more wheat on hand than a year ago and also more rye, but as much of this grain is known to be of poor quality, the effective increase is still uncertain.

WHEAT AND RYE: Stocks in hands of farmers in Prussia, October 15, 1926 and 1927

Crop	Amount 1/		Per cent of Total Crop	
	Oct. 15, 1926	Oct. 15, 1927	Oct. 15, 1926	Oct. 15, 1927
	1,000 bu.	1,000 bu.	Per cent	Per cent
Winter wheat	35,660	51,020	66.6	73.5
Spring wheat	5,163	6,936	86.2	91.0
Winter rye	133,287	139,197	69.3	70.2

1/ The amounts are based on the percentage figures, on the 1926 production figures (final official) and on the 1927 estimate of the Deutscher Landwirtschaftsrat.

The Deutscher Landwirtschaftsrat has also issued an estimate of the stocks of grain in the hands of farmers available for sale on October 15, expressed in per cent of the total crop, but no comparable figures for the same date last year are available:

WHEAT AND RYE: Stocks in hands of farmers available for sale, September and October 15, 1927

Crop	Sept. 15, 1927	Oct. 15, 1927
	Per cent	Per cent
Winter wheat	71.0	60.2
Spring wheat	83.7	77.2
Winter rye	50.3	37.4

The heavy German importation of rye and wheat so far this season is well demonstrated by the fact that rye importations are much above those for the corresponding period last year, when the crop was also short, while wheat importations are nearly as large as those for the same months in 1926 in spite of the fact that imports in August a year ago were exceptionally heavy. Arrivals at German ports in November have declined somewhat as compared with October, but are still relatively large.

GERMANY: Imports and exports of Wheat and Rye, July-Oct., 1926 and 1927

Month	Wheat		Rye	
	1926	1927	1926	1927
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Imports				
July	11,379	10,073	1,548	4,142
August	12,833	6,593	2,001	2,320
September .	5,568	7,276	621	1,431
October ...	7,268	9,568	1,086	2,201
Total ...	37,048	33,510	5,256	10,094
Exports				
July	8	1	55	5
August	98	27	81	396
September .	74	187	689	802
Total ...	180	215	825	1,203

France

The French wheat and flour market continued weak during the early part of November. Since then, however, there has been a considerable revival in wheat business and prices have increased. The change was brought about partly in consequence of a stronger world market situation, but to some extent also by rumors of the impending increase of the French import duty on wheat. Another factor tending to strengthen the market has been the growing evidence that more of this year's crop than formerly thought has suffered deterioration in quality. As a result of these developments millers and dealers have been showing much more interest in foreign grain.

Italy

Reports from Italy indicate a very active wheat market in November. Futures markets are reported generally firm. Flour mills as well as grain dealers have been active buyers both for near delivery and for shipments into January and February. Strong demand is reported for near Manitobas and there has also been good inquiry for Hard Winter for November and December/January shipment. Naples has been reported buying Soft Western as well as Barusso and Danube wheat for shipment up to January/February. Southern Italian interest in Amber Durum is reported restricted, however, in spite of rising prices, as a result, it is said, of large purchases made previously. Domestic offerings of wheat continue restricted and corn prices are firm.

Holland

Wheat markets in Holland have experienced considerable improvment in business during November, especially since the middle of the month, at the end of the month it was somewhat quieter, however. Some flour mills in the Rhine district, espedially the Upper Rhine, still have supplies of wheat on hand, but other regions usually dependent upon Dutch markets for their supplies have been in the market and buying freely at advancing prices. Some large transactions in Plate as well as Hard Winter and Manitobas are reported. Demand for corn has also improved but inquiry for rye has been quieter.

Belgium

Belgian wheat markets report a good improvement in the volume of business during most of November and especially since the tenth of the month, although at the end of the month they became somewhat quieter. Domestic mills have been actively in the market and important sales have also been made to Germany. Good business in near and forward positions in both domestic and oversea's wheat is reported. Considerable stocks of Danubian wheat had accumulated at the end of October, but these have been reduced by the recent activity in business. The trade is reported much more optimistic.

Danube Basin

The revival of business in Western European wheat markets during November has been reflected in some improvement in the Danube Basin, but principally in the Upper Basin in Czechoslovakia, Austria and Hungary. The slackening in import markets the last of November was also reflected in the Danube markets, but prices have been maintained. The extreme dullness prevailing for many weeks in Yugoslavia and in the lower Danube, especially in Rumania, because of the relatively high internal prices, has shown only few signs of lessening. Prices must be reduced in these countries or world market prices further increased before export business seems likely to become active. Improvement in flour business is reported from most of the region, but it has been most pronounced in countries in the Upper Basin.

Czechoslovakia

Czechoslovakian wheat markets have shown slow but steady improvement throughout November and continue relatively busier than in most other parts of the Danube Basin. The bulk of business has been in domestic wheat, but considerable interest has also been shown in Hard Winter, Manitobas and Danubian. Flour sales have urther improved, particularly in the finer qualities. Marketing of domestic grain is reported good.

Austria

The Vienna grain market has also registered improved business in November, especially after the first week. A relatively active turnover in wheat, rye and corn is reported, with prices showing a firm tendency. Better demand for flour has finally brought Austrian mills into the market for grain, and grain dealers are showing considerably more optimism.

Hungary

The Hungarian wheat market has been rather slow to feel the pulse of reviving business in Western European markets, but since the middle of the month reports a very encouraging improvement in the volume of sales. Flour mills have begun to buy much more freely at advancing prices, but quotations are still below levels ruling at the beginning of the month. The volume of farm marketing of grain is now reported fairly good, although it has not yet become abundant.

Rumania

The Rumanian wheat market exhibited a few signs of improvement early in the month, but the tendency has not been maintained and the export situation has continued relatively unsatisfactory throughout the month. The relatively high internal prices, which have been preventing the development of export business and causing the accumulation of large stocks at the river ports, still prevail. It is hoped, however, that the stronger tendency of world prices, coupled with the recent reduction in freight rates and the lowering also of the export duty on wheat from 6.51 cents to 4.56 cents per bushel, will bring about some improvement, but many members of the trade do not appear very optimistic. The corn and barley export business has shown some small improvement recently, owing to the better tendency abroad, but arrivals from the interior are running small and local prices have advanced considerably.

No information is as yet available as to the acreage of Autumn sown grain, but reports have recently appeared from various sources that a lack of moisture exists in some parts of the country. Several statements have indicated, in fact, that the condition of winter seeds is considerably less favorable than a while back. Later reports, however, speak of a good snow-fall.

Yugoslavia

The Yugoslavian grain market has continued relatively quiet and marketings have remained rather restricted during November. There has been some revival of demand for grain from the flour mills, however, although the industry continues to complain that it is almost impossible to compete with Hungarian and Rumanian mills in neighboring markets. It appears likely that Yugoslavian exports of both grain and flour will be considerably reduced this year, although the wheat crop is now thought to be a little better than expected a while back. The short crops in Yugoslavia are tending to hold up internal prices and make export business difficult, even though some surplus seems to exist.

Bulgaria

November reports from Bulgaria indicate generally restricted export business in wheat as well as in corn and barley.

Poland

November reports from Poland continue to indicate the absence of any unusual developments in the domestic grain situation. The importation of wheat and flour into Poland has been prohibited, effective December 4. Some reports indicate the purpose of this is partially at best to stabilize internal prices.

Russia

Russian collections and marketings continued low during November. Total grain procurements for the season through November 20 amounted to 5,033,000 short tons compared to 5,927,000 short tons for that period last year. Figures for wheat alone are not yet available for the full period. For the season to November 1 they amounted to 2,337,000 short tons or 77,900,000 bushels compared with 2,618,200 short tons or 87,273,000 bushels for the same period in 1926 and 1,552,900 short tons or 51,763,000 bushels in 1925. Rye procurings to November 1 have been higher than in the two preceding years, amounting to 940,500 short tons or 33,589,000 bushels in 1927, 884,800 short tons or 31,600,000 bushels in 1926 and 920,900 short tons or 32,889,000 bushels in 1925. Wheat exports have been small this year, the shipments through the Bosporus from August 1 to November 25 amounting to only 4,268,000 bushels compared with 14,608,000 bushels for the same period last year. Exports the year before to December 1 amounted to 11,584,000 bushels.

WHEAT, INCLUDING FLOUR: Exports from the United States by countries, July-October 1926 and 1927

Country to which exported	Wheat, including flr. July-October 1926	Wheat, including flr. July-October 1927	Wheat October 1926	Wheat October 1927	Wheat flour October 1926	Wheat flour October 1927
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels
United Kingdom ...	26,440	27,673	2,595	8,664	156	115
Irish Free State .	2,494	914	595	0	10	4
Netherlands	14,532	12,361	672	2,634	183	179
Germany	7,683	4,848	1,048	1,101	104	98
France	5,465	3,935	2,408	903	2	1
Belgium	4,561	6,990	465	1,184	4	2
Italy	4,403	5,160	1,353	1,831	1	1
Greece	2,645	1,797	a/	0	15	11
Finland	1,148	959	0	0	78	70
Norway	999	1,007	280	26	29	58
Denmark & Faroe Is.	998	1,351	0	103	70	84
Sweden	672	533	174	157	6	12
Malta, Gozo & Cyprus	242	465	11	254	2	3
Poland and Danzig	6	17	0	0	0	1
Other Europe	195	2,819	7	523	2	9
Total Europe ...	72,483	70,829	9,608	17,380	662	648
Canada	13,980	30,434	4,757	10,799	5	8
Cuba	1,778	1,877	69	5	117	104
Mexico	1,091	420	142	74	16	5
Panama	1,054	982	0	195	8	9
Haitian Republic	534	369	0	0	40	27
Brazil	4,049	1,345	724	0	107	68
Japan, incl. Chosen	5,326	1,646	1,736	752	2	1
China	1,195	1,337	299	0	52	206
Hongkong	622	1,497	a/	0	19	94
Kwantung	599	290	0	a/	32	23
Philippine Islands	1,198	1,153	0	0	61	88
Egypt	728	236	0	0	31	19
Other countries ..	5,790	4,144	254	31	233	213
Total exports ..	110,427	116,559	17,589	29,236	1,385	1,513
Total imports ..	4,824	3,683	1,816	1,625	a/	a/
Total reexports	70	4	3	a/	a/	a/
Net exports	105,673	112,880	15,776	27,611	1,385	1,513

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

a/ Less than 500.

WHEAT: Production, average 1909-1913, annual 1924-1927

Crop and countries reporting in 1927 a/	Average 1909-1913	1924	1925	1926	1927	Per cent 1927 is of 1926
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	Per cent
United States	690,108	864,428	676,429	832,809	866,538	104.1
Canada	197,119	262,097	411,376	409,811	444,282	108.4
Mexico	11,481	10,357	9,440	10,333	11,519	111.5
North America (3)	898,708	1,136,882	1,097,245	1,252,953	1,322,339	105.5
Europe (25)	1,337,978	1,042,630	1,388,997	1,195,765	1,240,328	103.7
North Africa (4) ...	92,047	85,312	104,558	89,976	107,728	119.7
Asia (4)	384,130	399,372	374,761	367,236	375,367	102.2
Australia	90,497	164,559	114,504	160,858	115,000	71.5
Argentina	147,059	191,138	191,141	220,827	b/(230,000)	(104.2)
Total above 38 countries	2,950,419	3,019,893	3,271,206	3,287,615	3,390,762	103.1
Est. N. Hemis. total excl. Russia and China ..	2,759,000	2,732,000	3,038,000	2,979,000		
Est. world total excl. Russia and China ..	3,041,000	3,142,000	3,400,000	3,417,000		

a/ Figures in parenthesis indicate the number of countries included.
b/ Statistical forecast on basis of weather conditions.
