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FOREIGN NEWS ON WHEAT

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WORLD WHEAT CROP AND MARKET PROSPECTS
(Based on Reports to February 21, 1928)

One of the most important factors in the present world wheat situation and immediate prospects is the supply and price of rye and feed grains. As has been pointed out in previous reviews, the effect of the increase, about 125 million bushels, in the world's wheat crop outside of Russia is largely offset by a reduction in the supplies from Russia, a moderate rye crop, and smaller corn and oats crops. The world's rye crop exclusive of Russia amounts to about 887 million bushels compared with 812 million bushels last year, and 1,012 million bushels in 1925. The world's production of barley, corn and oats reported to date amounts to about 180 million short tons compared with 182 in 1926 and 193 in 1925. A more significant fact is that the reductions in feed grain crops have been largely in Europe where this year's supply is about 6 million tons or 10 per cent less than last year, and there are more livestock to be fed.

The result of reductions in feed grain crops and an increase in the wheat crop has been to raise the prices of the one and reduce the prices of the other. In Berlin the price of rye is practically equal to the price of wheat. In Antwerp a hundred pounds of barley or oats may be selling for more than a hundred pounds of wheat. The result is to encourage wheat consumption as a substitute for rye for food consumption and for other grain crops for feed. Under these conditions the higher prices for rye and the feed grain crops tend to sustain wheat prices.

Estimates of the world's supplies of wheat outside of Russia have not materially changed in the past month. Reports of 44 countries total 3,452 million bushels, and 3,327 millions in the same countries last year. An estimate of the Russian crop recently received confirms reports indicating a reduction in supplies from that country. The Russian wheat crop is estimated to be 750 million bushels compared with 810 millions last year, and exports to date as reported have been about 7 million bushels compared with 26 millions in the same period last year.

The surplus of exporting countries remaining to be shipped this season is but very little if any larger than at the same time last season. The larger available supplies in Canada and the United States are offset by smaller supplies available from Australia and Russia. It does not seem likely that Russian total exports will exceed 10 million bushels, compared with 49 million bushels last year. Russia will export very little if any wheat for the remainder of the season as compared with 13 millions last year. According to reports from our Berlin office, stocks at ports on the lower Danube are small, so that only slight shipments may be expected from this source after the opening of navigation. Somewhat larger reserves in Hungary are offset by scarcity in Yugoslavia.

Importing countries have taken to date more wheat and flour than in the same period last year. Smaller shipments to the Orient have been partly offset by larger shipments to Brazil, and European countries have imported more than last year. The requirements of these countries for the remainder of the season until June 30 can not be accurately estimated as they will depend to some extent upon prospects as to harvests and the earliness or lateness of the season, as well as upon the extent to which wheat may be used as a substitute for other grains. It seems probable, however, that the takings of importing countries for the remainder of this season will be not very different from their takings in the same period last year.

Canadian supplies

Canadian marketings to February 9th are in line with the estimated increase of 33 million bushels in the Canadian crop. Country marketings for the season to and including February 9 are reported to be 39 million bushels in excess of the marketings for the corresponding period last year. Most of this increase in supplies remains to be shipped out of the country. Canadian exports from July 1, 1926 to June 30, 1927 amounted to 305 million bushels, of which 184 millions were shipped in the first six months, leaving 121 millions to be exported in the period, January to June. At the end of this period the commercial visible supply was 9 million bushels greater than on July 1, 1926. Should this year's crop turn out to be 30 million bushels greater than last year, it would appear that Canada could export about 160 million bushels in the period January 1 to June 30 without reducing stocks. But considering the quality of the wheat, prices, and the general market situation, an export of from 130 to 155 million bushels seems more likely. Our estimate of probable exports from Canada for the year beginning July 1, 1927 is raised to 315 - 340 millions, which allows for some increase in stocks as of June 30.

The crop continues to grade low. According to the Canadian Board of Grain Commissioners, inspections from August 1 to January 31 graded 38 per cent No. 3 or better, compared with 40 per cent last year, and 66 per cent from the 1925 crop. No. 1 is very scarce, being only 1.4 per cent compared with 11 per cent last year and 24 per cent of the 1925 crop.

WHEAT: Inspections in the western grain division of Canada
1923-24 to 1927-28

Year	Percentage of total cars inspected graded							
	August 1 to January 31				August 1 to July 31			
	No. 1 Northern	No. 2 Northern	No. 3 Northern	Total first 3 grades	No. 1 Northern	No. 2 Northern	No. 3 Northern	Total first 3 grades
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
1923-24..	38.7	24.9	21.8	85.4	37.3	25.7	22.7	85.7
1924-25..	20.9	19.2	19.1	59.2	19.5	18.3	18.6	56.4
1925-26..	24.3	28.1	13.7	66.1	22.4	27.0	13.8	63.2
1926-27..	11.2	20.1	8.6	39.9	9.2	17.7	8.0	34.9
1927-28..	1.4	10.0	26.6	38.0	---	---	---	---

Board of Grain Commissioners, Winnipeg.

United States

The domestic disappearance of wheat through milling for the season to January 1 in the United States appears to be slightly less than last year, and exports of wheat as reported to February 11 total only about 7 million bushels in excess of last year. The total amount of wheat ground in merchant mills in the six months, July - December, is estimated on the basis of reports of the Bureau of the Census, Department of Commerce, to be 291 million bushels, compared with 300 millions last year. The increase in the amount of seed required to make the 10 per cent increase in winter wheat acreage last fall would practically offset this estimated reduction in millings to January 1, making the domestic disappearance thus accounted for about the same as in the same period last year. Since the exports of wheat as grain were only slightly greater than last year, the major part of the increase in the crop, about 40 million bushels, indicated by the December estimate, remains to be accounted for. The commercial visible supply, according to returns to the Department of Agriculture on February 18, was 19 million bushels greater than on the corresponding date last year. It is possible, of course, that more wheat has been fed. Farm stock and country mill and elevator returns to the Department as of January 1 will show whether or not more grain than last year is being held in these positions.

Considering that exports of wheat and flour to February 1 amounted to only 5 million bushels in excess of the corresponding period last year, our estimate of probable exports for the season, July 1, 1927 to June 30, 1928, is reduced 10 million bushels, making the probable range from 210 to 230 millions, compared with a net export last year of 206 millions. This would indicate a probable export from February 1 to June 30 of 46 to 66 million bushels, compared with 47 million bushels last year, and allows for some increase in carryover or domestic disappearance.

Southern Hemisphere

The Argentine crop is moving at a rapid rate. Shipments in January averaged 4,700,000 bushels per week, compared with 2,600,000 bushels last year. The Argentine shipments in the six weeks since January 1st have been enough heavier than last year to make up for the smaller shipments from Australia. This increase in shipments early in the season will result either in a slowing up later in the spring or a reduction in stocks in Argentina at the end of our marketing season, June 30.

Australian shipments in January averaged 2,300,000 bushels weekly, compared with 3,700,000 in January, 1927. This is in line with the smaller crop. Last year Australia exported about 68 million bushels from February 1 to June 30. Exports for this season, however, are more likely to be between 40 and 50 million bushels.

Russia

Russia probably will export but little if any wheat during the remainder of this year and may possibly be in the market for small amounts of wheat or flour before the new crop becomes available. According to estimates received through the International Institute, wheat production was about 750 million bushels, nearly 60 million bushels less than last year. Wheat procurings by the government from July 1 to February 1 amounted to 126 million bushels, or 42 million bushels less than in the same period last year. Since 49 million bushels were exported out of last year's crop, it will be seen that the reduction in the crop this year was greater than the export and yet a small amount of wheat, about 7 million bushels, has been exported.

The estimated increase in rye production, on the other hand, is sufficient to offset the reduction in wheat. The crop is estimated at 968 million bushels, 70 million bushels greater than last year. Procurings of rye by the government have fallen behind last year, amounting to 53 million bushels, compared with 65 million in the same period a year ago. Rye exports have also been reduced from 10 million to 2 million bushels.

If rye is readily substituted for wheat in Russia, it would appear that there is no shortage in the bread grain supplies compared with last year. Reports, however, indicate that there has been a great deal of difficulty in collecting and distributing grain. The barley crop appears to have been 44 million bushels and the oats crop 8 million bushels short of last year, while the corn crop was 12 million bushels greater. This indicates but a slight shortage in feed grains and but a slight increase in demand for rye or wheat on this account. Procurings and exports of the feed grain crops have also been considerably below last year, which has reduced the supplies of these feed grains available to other European countries.

WHEAT, INCLUDING FLOUR: Net exports of surplus producing countries for 1924-25 to 1926-27 and estimates for 1927-28 as indicated by production and carryover estimates

Country	Year beginning July 1: 1924-25	1925-26	1926-27	1927-28 estimate: Minimum	1927-28 estimate: Maximum	Total exports reported: Month	1926-27	1927-28
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
United States ..	255	92	206	210	230	July-Jan	159	164
Canada	194	320	305	310	340	July-Jan	184	186
Russia	1	27	49	7	15	July-Jan	26	7
British India ..	45	7	9	8	10	July-Dec	4	8
Rumania	4	9	a/(20)	5	15	July-Nov	9	6
Bulgaria	b/	4	1	2	6	c/	--	--
Hungary	15	19	20	15	20	July-Nov	13	12
Yugoslavia	10	12	d/ 7	e/	3	July-Aug	f/	f/
Algeria	b/	5	f/	3	6	July-Nov	2	2
Total above N. Hem. countries	524	495	617	560	645		397	385
Argentina	127	97	137	140	170	July-Jan	23	57
Australia	124	78	97	55	80	July-Jan	29	32
Chile	9	2	f/	0	10	July-Sep	f/	f/
Total above S. Hem. countries	260	177	234	195	260		52	89
Total above N. and S. Hem.	784	672	851	755	905		449	474
More probable estimates				810	860			

a/ Approximate estimates. b/ Net imports. c/ Not separately reported. d/ Gross exports. e/ Reported as possibly on an import basis. f/ Less than 500,000 bushels.

The Orient

Available official and unofficial statistics indicate that the Orient is taking less wheat this year than last. Exports of wheat and flour from the United States to the Orient in the first six months of the seasom amounted to 7,090,000 bushels, compared with 9,528,000 in the same period last year. The reduction in shipments from the United States has been made up in part by an increase in shipments from Canada. The most important factor, however, in reducing the takings of the Orient has been a large crop in Manchuria. The wheat crop of North Manchuria is estimated at 45,900,000 bushels compared with 25,700,000 bushels last year. Adding the Manchurian crop to those of Japan and Chosen, the total of the estimates amounts to 84,190,000 bushels, compared with 64,667,000 last year, and 61,718,000 in 1925. The North Manchurian crop appears to be large enough not only to supply the needs of that region but also of South Manchuria which has previously been supplied in part by imports from Shanghai and Japan.

The demand for wheat in China other than in Manchuria seems to be about as good as last year. That part of the North China crop grown in the region around the Shanghai milling district is the only part which comes in competition with the foreign wheat to any extent. Last year meager information available pointed to a fair to good crop in the Shanghai region and the year before that to a good crop.

Incomplete reports available as to other crops which affect the demand for wheat in the Orient indicate that with the exception of rice they appear to be smaller than last year. In the regions where rice is the staple cereal, such as in South China and Japan, wheat is not used as a substitute for rice but merely to supplement it and consequently the size of the rice crop has little effect on the demand for wheat, according to reports of Paul Nyhus, Agricultural Commissioner in the Orient. In Japan and Chosen the production of barley which is reported by Mr. Nyhus as competing with wheat is about 20,000,000 bushels less than in 1926 and 19,000,000 less than in 1925. Kaoliang in North Manchuria is about 10 per cent below last year. No comparison of North Manchuria millet production is available but the area is slightly less than last year.

The price differential among the wheats of the three countries is an important factor in the shipments to both China and Japan. Japanese millers are especially interested in United States western No. 2, Manitoba northern No. 3 and lower qualities and Australian fair average quality, according to Mr. Nyhus. Prices of these grades reported by him for September and October showed the United States grain to have an advantage over the other imported wheats, especially the Australian. By the first of December prices had all come down from 13 to 22 cents and the margin of United States below other wheats had narrowed, especially with respect to Canadian, which was only 1 cent above ours. The following table shows the average price of imported wheats at Yokohama and the price of domestic wheat at mills during recent months.

JAPAN: Prices of imported wheat at Yokohama and domestic wheat at mills

Period	a/ U.S.Western White, No. 2		a/ Australian F.A.Q.		a/ Canada No. 3		Domestic at mills	
	1926	1927	1926	1927	1926	1927	1926	1927
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
July	1.96	1.89	2.08	1.97	1.98	1.97	1.83	1.58
August ..	1.92	1.87	2.01	1.99	1.95	1.98	1.80	1.53
September	1.89	1.83	2.00	2.02	1.90	1.91	1.71	1.57
October .	1.94	1.82	2.07	2.02	1.94	1.85	1.78	1.63
December 2		1.47		1.80		1.48		1.50

Source: Report of Agricultural Commissioner Paul O. Nyhus, quoting the Nisshin Flour Mills.

a/ These prices are c.i.f. Yokohama plus 5 cents per bushel handling charges and 37 cents per bushel duty.

WHEAT: Production as far as reported in the Orient

Country	1925	1926	1927
	1,000 bushels	1,000 bushels	1,000 bushels
Japan	29,541	28,430	29,248
Chosen	10,509	10,517	9,042
North Manchuria..	21,668	25,720	45,900
Total above regions......	61,718	64,667	84,190
China other than Manchuria	Good crop in Shanghai region	Crop indications fair to good. Transportation poor.	Early indications medium crop Shanghai region, but transportation probably poor.

GRAIN (OTHER THAN WHEAT): Production in the Orient

Crop and Country	1925	1926	1927
	Million pounds	Million pounds	Million pounds
Rice (cleaned) -			
Japan	18,756	17,462	19,104
Chosen	4,641	4,807	5,393
Total rice	23,397	22,269	24,497
	1,000 bushels	1,000 bushels	1,000 bushels
Barley -			
Japan	85,015	88,075	71,559
Chosen	40,363	38,307	35,314
Total barley	125,378	126,382	106,873
		Thousand Units a/	Thousand Units a/
Kaoliang -			
North Manchuria	---	74,600	66,800

a/ Sixty pound units.

WHEAT (INCLUDING FLOUR, IN TERMS OF GRAIN): Exports to the Orient from the United States, Canada and Australia, 1925-1927

Source and year	To Japan		To China		To Hongkong	Total
	Wheat	Flour	Wheat	Flour	Flour	wheat and wheat flour
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
UNITED STATES						
Year ended June 30						
1925	4,100	253	374	608	2,114	7,449
1926	5,178	100	17	2,299	1,742	9,336
1927	7,336	133	1,098	1,965	2,906	13,438
July-December						
1926	6,235	77	795	1,028	1,393	9,528
1927	3,004	61	--	1,919	2,106	7,090
CANADA						
Year ended June 30						
1925	3,433	84	200	842	674	5,233
1926	13,026	448	7,690	5,255	771	27,190
1927	7,626	665	3,943	2,353	666	15,253
July-September						
1926	101	--	--	242	73	416
1927	357	164	--	134	169	824
AUSTRALIA						
Year ended June 30						
1925	7,019	7	--	10	608	7,644
1926	10,862	34	427	6	445	11,774
1927 a/	1,765	15	--	9	157	1,946
	Wheat, including flour					
TOTAL						
Year ended June 30						
1925	14,896		2,034		3,396	20,326
1926	29,648		15,694		2,958	48,300
1927 b/	17,540		9,369		3,728	30,637
Months reported c/						
1926	6,414		2,065		1,466	9,945
1927	3,585		2,053		2,276	7,914

Compiled from Monthly Summary of Foreign Commerce of the United States and official records of the Bureau of Foreign and Domestic Commerce; Monthly Trade of Canada, and Quarterly Summary of Australian Statistics. Wheat flour converted from barrels to bushels at 4.7 for the United States and 4.5 for Canada and Australia.

a/ Nine months only. b/ Includes only nine months for Australia. c/ Six months for United States; three months for Canada; no months reported for Australia.

The Continental European Wheat Situation a/

Although a fair volume of business continued in Continental grain markets during January, and Italy was even reported as buying freely, the month's trading was characterized by general quietness and a waiting attitude on the part of buyers. This situation continued into February according to a cable from Mr. Steere. Domestic offerings and imports continued to be relatively large in most countries. The continued dullness of the market is attributed to the slow movement of flour but mill stocks of flour are reported to be declining slightly and a considerable quantity of grain constantly moves to the mills.

Recent unfavorable reports on the condition of winter crops in the United States and Northern Europe, while indefinite at this time of the season, have had considerable influence in sustaining the market, at least temporarily, as have also the smaller overseas shipments and an apparent ability on the part of North American sellers to withhold grain from the market. Continental stocks of overseas wheat are thought to have declined during January as a result of smaller arrivals, but mills apparently have no immediate requirements for heavy buying although some are coming into the market from time to time to cover current needs.

Continental millers report continued slow business in flour but there seems little doubt that consumption is being well maintained. That these complaints are not a true reflection of the rate of consumption, is well indicated by the unusually heavy European importation of bread grains this season. Such complaints are understandable in the case of Hungary and Yugoslavia, which have excessive milling capacity, and in Germany and certain other countries, where they doubtless arise from competitive conditions which are tending to reduce profits. At the close of January reports from German mills indicate a small improvement in flour sales, chiefly rye flour. Some observers have been attributing the slowness in German demand for flour in recent months to the reduced prices prevailing for meats and fats, especially pork products. The Italian milling industry appears to be experiencing a generally good demand, while Dutch and Belgian mills are also encountering somewhat better buying than the German mills, considerable improvement in flour sales being reported at the end of the month.

The rye market has also been somewhat quieter during January, although prices have been maintained and business in rye flour is reported somewhat improved in the latter part of the month. Indications of increasing substitution of wheat flour for rye flour are seen by some observers as the cause of the recent quieter tendency in the rye market. Such a tendency will be influenced materially by wheat and rye price developments during the coming months. European imports of rye continue high, according to latest available figures, but are now smaller than in the fall months.

While wheat imports into practically all Continental deficit countries were on a high level in December, overseas arrivals in January, especially in Northern European ports, have been much smaller and the figures

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a/ By Acting Agricultural Commissioner, Loyd V. Steere, Berlin, Germany, January 31, 1928, supplemented by cable of February 15, 1928.

on imports are expected to fall considerably below those for December. The reduced volume of arrivals will continue into February as a result of the smaller shipments during the past several weeks, but with shipments from the Southern Hemisphere now definitely rising and with amount on passage also considerably higher, arrivals at Continental ports will again be on the upgrade before many weeks. Italy is practically the only country on the Continent which reports an active import business during January. There are some indications of rather large stocks at Italian ports, especially Naples, but sustained buying on the part of Italian mills is promised. French takings of foreign wheat during January are reported much reduced as compared with earlier months of the current season, a development which has seemed likely in view of the relatively large importations to date. German imports in January amounted to 8,341,000 bushels, slightly larger than in December. Rye imports amounted to 1,299,000 bushels to be compared with the imports of 2,283,000 bushels in December and 3,937,000 bushels in November.

No definite figures on Continental port stocks in January have yet become available, but in view of the reduced arrivals and the fairly steady movement into consumption, there is reason to believe that port stocks have declined somewhat. The Channel ports had relatively important stocks of wheat around the middle of January, but the tendency of supplies at these points is also thought to have been downward during the period under review. Italy appears to be the only important market in which stocks of overseas grain may have increased.

That stocks of domestic grain are relatively large in many European countries, is now definitely indicated. In Germany, an estimate of the Deutscher Landwirtschaftsrat places farm stocks on December 15 at levels far above those of last year, especially in the case of wheat. German farmers, as a result of the poor quality of the crop, apparently intend to use more grain on their farms for feeding purposes than was the case last year, but stocks available for sale, nevertheless, are relatively large.

STOCKS OF WHEAT AND RYE ON GERMAN FARMS

Item	Per cent of Total Crop		Quantity	
	Dec. 15, 1926	Dec. 15, 1927	Dec. 15, 1926	Dec. 15, 1927
	Per cent	Per cent	1,000 bus.	1,000 bus.
Total Stocks on Farms:				
Winter wheat	40.7	55.2	35,236	60,413
Spring wheat	62.3	79.4	5,531	8,796
Winter rye	45.9	49.0	114,212	130,370
Available for Sale:				
Winter wheat	31.3	45.6	27,091	49,906
Spring wheat	50.6	67.3	4,492	7,455
Winter rye	21.9	24.3	54,493	64,458

Farm stocks of wheat in Hungary are reported to be still fairly large. The exportable surplus of wheat in that country is estimated to be between 5,500,000 and 7,000,000 bushels as compared with 4,400,000 bushels a year ago. Farm stocks in Yugoslavia on the other hand are reported to be nearly exhausted. Yugoslavia may have to import wheat and the government is considering abolishing the import duty on wheat. Danube port stocks are reported to be small and exports are expected to be light after the opening of navigation.

The Prussian statistical office has recently issued statistics as to the quality of this year's crops in Prussia. In the case of winter wheat 29 per cent of the crop is estimated to be good or very good in quality; 39 per cent average; 32 per cent poor or very poor. The comparable figures for winter rye are 28 per cent, 40 per cent and 32 per cent; late potatoes, 36 per cent, 41 per cent and 23 per cent; barley, 30 per cent, 41 per cent and 29 per cent; oats 33 per cent, 40 per dent and 27 per cent. The wheat crop was of especially poor quality in the provinces of Brandenburg and Pomerania, 61 per cent in the former and 63 per cent in the latter being estimated as poor or very poor. Rye was also very poor in Pomerania, 56 per cent falling in this category. The farmers in Pomerania, as a result, are in financial straits.

WHEAT, INCLUDING FLOUR: Net imports into European importing countries, 1924-25 to 1926-27 and estimates of probable imports as indicated by production and early trade estimates

Country	Year beginning July 1					Net imports reported		
	1924-25	1925-26	1926-27	1927-28 estimate		Month	1926-27	1927-28
				Minimum	Maximum			
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
						July to:		
Great Britain	216	190	218	205	230	Dec.	103	92
Italy	96	64	88	95	105	"	33	35
Germany	71	56	94	80	100	"	49	50
France	41	34	53	50	60	Nov.	10	35
Belgium	39	39	42	40	42	"	16	19
Netherlands .	26	27	28	27	29	Dec.	14	17
Czechoslovakia	23	19	17	15	18	"	11	10
Greece	22	a/(22)	a/(22)	(20)	(20)	b/		b/
Irish F. State	19	18	c/ 20	18	21	Nov.	7	6
Austria	16	15	a/(15)	15	16	d/	4	3
Switzerland .	14	14	17	14	17	Dec.	10	10
Sweden	11	6	6	6	7	"	3	5
Norway	5	6	6	5	6	Nov.	3	3
Denmark	6	6	7	6	7	"	3	3
Finland	4	5	5	4	5	"	2	2
Poland	14	e/ (2)	7	0	7	Dec.	f/	2
Total above countries	623	519	645	600	690		268	292

a/ Rough approximation. b/ Not available for 1927. c/ Includes 12 months exports and 6 months imports. d/ August and September imports only. e/ Net exports. f/ Less than 500,000 bushels.

Continental stocks of overseas wheat are thought to have declined during January as a result of smaller arrivals, but mills apparently have no immediate requirements for heavy buying although some are coming into the market from time to time to cover current needs.

Prices

All classes of wheat except durum advanced during January. The rise in price of winter and spring wheats, excepting durum apparently was due to increased mill demand and premiums paid for high protein wheat as future closing prices at Chicago were approximately the same at the close of the month as at the beginning and lower at Liverpool and Buenos Aires.

Wheat prices as measured by the weighted average cash price of all classes and grades at six principal markets in the United States during January were slightly above the high level reached in December. Beginning at $1.32 per bushel for the week ending January 6 or six cents above the low point early in December, the price of all classes and grades dropped to $1.30 the following week then rose one cent and continued at $1.31 for the remainder of the period ending February 3 as compared with $1.38 last year. No. 2 hard winter at Kansas City continued to fluctuate from week to week during January but declined from a high level of $1.36 the first week of the month to $1.31 for the week ending February 3 compared with $1.38 a year ago. No. 1 dark northern spring at Minneapolis advanced from $1.38 per bushel to $1.42 during the first week of January, dropped to $1.39 the week following then advanced steadily to $1.45 by the week ending January 28 but dropped to $1.43 the next week as compared with $1.46 last year. No. 2 amber durum at Minneapolis advanced to $1.38 per bushel for the week ending January 6 then declined to $1.27 for the week ending January 27 but advanced to $1.28 the following week, which was 37 cents lower than last year. The price of No. 2 soft red winter rose steadily during the first three weeks of the month from $1.43 at the end of December to $1.53 then dropped to $1.52 and remained so for the remainder of the period which was 14 cents above last year's price.

Closing prices of May futures declined from one to two cents during January at the North American markets and about five cents at Liverpool. During the period from February 3-15 May futures strengthened slightly then declined at Chicago, remained unchanged at the other North American markets but continued to decline at Liverpool the first week then recovered at the end of the period. The heavy seasonal movement of Argentine wheat was one of the main weakening factors in the situation while in the United States the domestic demand and the somewhat unfavorable weather conditions for wheat in parts of the winter wheat belt through January have been strengthening factors

The closing price of May futures in Chicago, February 15, was 130 cents per bushel as compared with 131 cents January 9 and 141 cents a year ago. Kansas City and Minneapolis May futures were one and two cents lower respectively on February 15 as compared with a month ago. The Liverpool

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price of May futures, February 15, at 147 cents was five cents lower than a month ago and two cents lower than a year ago. A month ago the Liverpool price was 18 cents higher than Chicago as compared with 16 cents this month (February15). Winnipeg May futures also dropped during the month being 135 cents February 15 as compared with 137 cents January 9 and 139 a year ago.

Wheat: Weighted average cash prices at stated markets

Months and weeks	All classes and grades six markets		No. 2 hard winter Kansas City		No. 1 dk.n.spring Minneapolis		No. 2 amber durum Minneapolis		No. 2 red winter St. Louis	
	1926	1927	1926	1927	1926	1927	1926	1927	1926	1927
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
July	142	139	137	136	175	158	154	153	142	141
Aug	135	136	131	135	156	150	153	140	134	142
Sept	136	129	132	131	148	137	138	128	136	142
Oct	139	125	139	128	153	134	150	123	140	145
Nov	138	126	137	131	148	134	161	128	136	141
Dec	139	128	138	132	148	137	174	132	137	144
	1927	1928	1927	1928	1927	1928	1927	1928	1927	1928
Jan	147	131	137	133	138	143	168	130	138	151
Jan 6	137	132	136	136	146	142	172	138	137	147
13	139	130	158	132	147	139	166	132	138	148
20	138	131	138	134	147	142	163	129	137	153
27	140	131	138	132	147	145	171	127	137	152
Feb 3	138	131	137	131	146	143	165	128	138	152
10	137		136		146		157		137	

Wheat: Closing prices of May futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg		Liverpool		Buenos Aires 1/	
	1927	1928	1927	1928	1927	1928	1927	1928	1927	1928	1927	1928
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan 5	137	131	132	125	139	128	133	137	146	152	123	129
12	140	130	134	124	140	127	135	136	147	150	123	127
19	140	131	134	125	141	128	136	137	148	150	126	128
26	142	130	135	125	142	127	139	135	150	149	127	126
Feb 2	142	130	135	124	142	126	139	135	151	147	128	126
9	141	131	134	124	141	126	138	135	148	145	128	124
15	141	130	133	124	140	126	139	135	149	147	127	125

1/ February futures, as of day previous to date of other market prices. March futures beginning January 19.

WHEAT: United States production by classes, 1923-1927

Year	Total	Hard red spring	Soft red winter	Hard red winter	Durum a/	White
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1923 ...	797	126	272	242	56	102
1924 ...	864	152	189	365	66	52
1925 ...	676	156	170	206	65	80
1926 ...	831	121	229	360	48	73
1927 ...	872	199	181	318	80	94

These production estimates are based upon percentages of area by classes in 1924, supplemented by percentages in 1923.

a/ Crop estimates of four states plus 1924 indications in other states.

WHEAT: Production by classes, Pacific Coast States and Idaho, 1924-1927

Year	Total	Hard red spring	Soft red winter	Hard red winter	White
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
1924	62,787	4,463	6,114	14,852	37,358
1925	96,643	6,876	5,321	18,598	65,848
1926	96,255	5,462	9,465	22,601	58,727
1927	126,142	6,562	12,401	30,185	76,994

WHEAT: Inspections for export, by classes, United States, July-December, 1925-1927

Year	Hard red spring	Durum	Hard red winter	Soft red winter	White	Mixed	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
1925	2,761	1,977	6,364	1,283	7,624	3,231	23,240
1926	1,314	535	52,871	17,978	20,722	1,030	94,450
1927	4,218	1,879	36,272	9,671	21,660	1,650	75,350

WHEAT: Inspections for export, by classes, Pacific Coast Ports, July-December, 1926-1927 a/

Year	Hard red spring	Hard red winter	Soft red winter	White	Mixed	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
1926	515	3,448	2,072	20,569	792	27,432
1927	1,071	11,612	1,474	21,660	1,489	37,306

a/ Ports included are Portland, Oregon, Seattle and San Francisco.

DURUM WHEAT: Inspections in United States and Canada years beginning July 1, 1925-26 and 1926-27; months reported 1927-28 and earlier years

Country	Year beginning July 1		Amounts reported for			
	1925-26	1926-27	Months	1925-26	1926-27	1927-28
UNITED STATES:	1,000 bushels	1,000 bushels		1,000 bushels	1,000 bushels	1,000 bushels
Inspections in United States a/	4,170	611	July-Dec.	1,977	535	1,879
Inspections in Canada, eastern Division	22,802	19,327	July-Dec.	12,254	13,607	12,462
Total U.S. ...	26,972	19,938	July-Dec.	14,231	14,142	14,341
CANADA:						
Inspections in Western Division b/	7,512	13,047	July-Jan.	6,419	11,274	12,899

Official sources. a/ Does not include durum in wheat classified as mixed. b/ Includes a small amount of mixed wheat.

DURUM WHEAT: Inspection by grade in the Western Grain Division of Canada, 1925-26 to 1927-28

Year	Percentage of total cars inspected graded							
	August 1 to January 31				August 1 to July 31			
	No. 1	No. 2	No. 3	Tot.1st 3 grades	No. 1	No. 2	No. 3	Tot.1st 3 grades
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
1925-26	3.6	28.7	18.7	51.0	3.4	27.3	18.6	49.3
1926-27	0.3	5.4	8.0	13.7	0.2	4.7	7.3	12.2
1927-28	0.1	7.9	35.0	43.0	--	--	--	--

Board of Grain Commissioners, Winnipeg.

Milling and Milling Stocks in the United States

During the first six months of the crop year, mills ground 3 per cent less wheat than during the corresponding period last year. Stocks of wheat held by mills at the end of the period were only slightly larger than last year. The total amount of wheat ground in merchant mills in the six months July-December is estimated on the basis of the report of the Bureau of the Census, Department of Commerce, at 291 million bushels as compared with 300 million last year.

Based on figures from the quarterly report of the Department of Commerce raised to 100 per cent, total wheat stocks held by mills on December 31 were slightly larger than last year and approximately the same as on September 30, 1927. Flour stocks were slightly larger than last year and somewhat larger than on September 30, 1927

The report of the Millers' National Federation issued January 31 indicates that unfilled flour orders were considerably lower than last year and the amount of flour sold was slightly less. The Millers' Federation report uses, as a basis of an index of stocks and unfilled orders, a 24-hour day capacity of grindings or output. Using this basis the wheat stocks as of December 31, 1927 were sufficient for 47 days or the same as last year and unfilled orders for 47 days as compared with 55 days last year. Mills operated at 67 per cent capacity for the 3 months period ending December 31 as compared with 67 per cent last year and mills sold 55 per cent of their capacity for the period or the same as last year.

Stocks of wheat held by mills as reported by the Bureau of the Census have changed their relative positions somewhat since September 30. On that date 84.1 per cent of the mill stocks of wheat was in private terminal elevators not attached to mills, in transit, and in mills and elevators attached to mills; 10.5 per cent in public terminal elevators; and 5.4 per cent in country elevators. According to the December 31 report 80.1 per cent of wheat stocks was in private terminal elevators, in transit, and in mills and mill elevators attached to mills; 12.1 per cent in public terminal elevators; and 7.7 per cent in country elevators. This comparison may not be particularly significant but with increased stocks of flour at the end of the year it indicates that grindings have increased during the second quarter of the year as compared with the first quarter without a corresponding increase in the outlet of flour during the same period. The increase of stocks of wheat in public terminal elevators and country elevators as reported on December 31 as compared with stocks September 30 probably reflects recent increased buying of wheat by mills, especially of spring wheat and the better quality grades of all wheat.

CEREAL CROPS: Acreage, average 1909-1913, annual 1925-1928. (Harvest year)

Crop and country	Average 1909-1913	1925	1926	1927	1928	Per cent 1928 is of 1927
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Per cent
WINTER WHEAT						
United States ...	28,382	31,269	39,887	43,465	47,897	110.2
Canada	1,019	794	1,008	979	1,009	103.1
France	15,510	13,468	12,879	12,994	12,802	98.5
Spain	9,547	10,722	10,775	10,671	10,528	98.7
Rumania	8,183	7,236	7,606	6,371	6,983	109.6
Bulgaria	2,409	2,384	2,503	2,409	2,804	116.4
Czechoslovakia ..	1,546	1,371	1,369	1,437	1,464	101.9
Finland	8	23	23	22	22	100.0
Tunis	1,310	1,457	1,658	1,399	1,730	123.7
Algeria	3,521	3,608	3,741	3,387	3,311	97.8
Morocco	(1,700)	2,621	2,588	2,273	2,175	95.7
Greater Lebanon .	130	136	129	136	124	91.2
India	29,224	31,774	30,471	31,244	30,632	98.0
Total 13 countries	102,489	106,863	114,607	116,737	121,481	104.0
WINTER RYE						
United States ...	2,236	3,974	3,578	3,670	3,802	103.6
Canada	117	832	737	586	542	92.5
France	3,095	2,147	1,958	1,970	1,982	100.6
Spain	1,988	1,846	1,866	1,860	2,083	112.0
Czechoslovakia ..	2,605	2,034	2,021	2,006	1,997	99.6
Bulgaria	542	384	392	400	452	113.0
Rumania	1,286	536	673	592	626	105.7
Finland	589	579	565	568	568	100.0
Total 8 countries	12,458	12,382	11,790	11,652	12,052	103.4