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FOREIGN NEWS ON WHEAT

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WORLD WHEAT CROP AND MARKET PROSPECTS
(Based on reports up to December 18, 1928)

The past month has brought relatively little change in estimates of this season's wheat crop. The world crop outside Russia and China is still estimated to be about 3,700,000,000 bushels, compared with 3,600,000,000 bushels last year, according to the Foreign Service of the Bureau of Agricultural Economics. Changes which have been made in production estimates of individual countries have been few and not sufficient materially to alter the world situation as a whole.

For the past month prices have remained at almost a dead level. There are three important points on which traders are awaiting significant news. They are: the outcome of the Southern Hemisphere harvest; the progress of fall sowings of winter wheat in the Northern Hemisphere; and developments in the United States export situation. Until something more is known of these situations prices may be expected to continue at about present levels.

Evidence concerning the quality of the Canadian crop continues to show that the number of bushels must be discounted because of the quality of the grain. All grades of the Canadian crop down to and including Number 6 can be used in making flour. Indeed the milling quality of each grade is better than average. Nevertheless, because of frost damage, such a large proportion of the crop is going into lower grades which have a low flour yield that the total flour yield of the crop is low. The total flour yield may be less than that from last year's crop.

World production

Estimates of wheat production in 1928 have changed but little since our last report. The United States estimates have been revised downward a million bushels to 902,749,000 bushels. The 1927 estimate has been revised upward 6 million bushels to 878,374,000 bushels. The Canadian estimate of 501 million bushels stands unchanged. Estimates of production in several minor producing countries of Europe have been added to the European total during the past month but the total production in these countries is not large enough to change the European situation. The production in 24 countries is estimated at 1,345,668,000 bushels against 1,237,178,000 bushels in 1927.

The procurements of grain in Russia by the State Procuring Agencies are falling below the plans. Procurements during November were 1,087,000 short tons, but this was below the plans for the month. A crisis similar to last year when coercive measures were adopted to secure the necessary grain supply has not yet become definite. It is significant, however, that free market prices are increasing and hampering procuring operations.

The crop in the Southern Hemisphere is being harvested. Weather conditions in Australia have been favorable to harvesting the crop which is estimated at 150 million bushels. In Argentina the rainy weather during the past few weeks has undoubtedly interfered with harvesting. The rainfall in the southern districts during the last week of November and the first week of December equaled the normal for more than a month and a half. The first estimate of production is due December 21 but there is some question as to whether it will be released as crop reports have been suspended for a time due to the change in official administration.

United States

The December crop report estimates the total wheat production of the United States in 1928 at about one million bushels less than did the November report. The new estimate is 902,749,000 bushels as compared with 903,865,000 bushels estimated in November. The estimate of the 1927 crop was increased by nearly six million bushels to 878,374,000 bushels. These changes have resulted in this year's production being now estimated at only 2.8 per cent above last year's instead of 3.6 per cent.

The most significant changes of the December crop report are in regard to individual classes of wheat. The estimate of other spring wheat which includes durum outside of four states has been reduced nearly 10 million bushels and now stands at 231,015,000 bushels as compared with 246,527,000 bushels for last year. The durum wheat estimate of four states has been increased to 92,770,000 bushels as compared with the revised estimate of 79,100,000 bushels for1927. Revised estimates of production by classes in the United States based on 1924 percentages are given on the following page.

WHEAT: Estimated production by classes in the United States a/

Year beginning July	Hard red spring	Durum	Hard red winter	Soft red winter	White	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1923	126,876	55,269	241,851	271,631	101,767	797,394
1924	192,341	66,105	364,662	189,441	51,879	864,428
1925	156,052	65,008	205,799	169,792	79,777	676,429
1926	120,834	47,478	360,440	228,886	73,402	831,040
1927 b/..	201,927	83,162	317,042	180,887	95,356	878,374
1928 c/..	195,106	97,833	384,176	139,788	85,846	902,749

a/ The spring and winter wheats listed do not include the spring and winter in the white wheats. Production estimates are based on the estimate of percentage classification by States as reported for 1920, 1923, and 1924; the percentages for 1921 and 1922 were interpolated from the 1920 and 1923 percentages. The estimated production for recent years is subject to revision.

b/ Revised.

c/ Preliminary.

Canada

The official estimate of the Canadian crop remains 501 million bushels compared with last year's unrevised estimate of 440 million bushels. Revision of last year's estimate is expected next month, and grain trade statistics indicate an upward revision of from 25 to 45 million bushels.

The wheat marketed at country points up to the end of November constitutes practically 75 per cent of the estimated total crop. Making allowances for seed requirements and local needs, the movement to date is over 80 per cent of the total expected to be marketed, and the quality of the year's marketing cannot be much different from that inspected thus far. Inspections during November have resulted in an even larger percentage of total inspections since August 1 falling in the lower grades. Of the inspections of wheat other than durum up to November 30 of this year, 57.9 per cent have been placed in grades 1 to 4, while 33.6 per cent fall in grades 5 and 6, and 6.3 per cent has graded as feed wheat.

CANADA: Inspections of wheat in the Western Grain Division of Canada, by percentages, August 1, 1927 - July 31, 1928, and August 1 - November 30, 1927 and 1928

Grade	Crop year beginning August 1, 1927	August 1, November 30 1927	August 1, November 30, 1928
	Per cent	Per cent	Per cent
No. 1 Manitoba Northern	0.9	1.6	1.6
No. 2 " "	7.7	10.1	13.6
No. 3 " "	22.1	24.2	20.1
No. 4	12.3	13.3	18.3
No. 5	4.9	4.6	15.5
No. 6	2.9	2.4	14.6
Feed	1.2	1.0	5.9
No grade	43.4	36.2	1.8
Other	.8	.8	1.1
Total other than durum	96.2	94.2	92.5
No. 1 Canadian western amber durum	.0	.0	.1
No. 2 " " " "	0.3	.5	1.5
No. 3 " " " "	1.3	2.1	3.2
No. 4 " " " "	0.2	0.2	1.2
Other durum	2.0	3.0	1.5
Total durum	3.8	5.8	7.5
Total all grades	100.0	100.0	100.0

Compiled from Canadian Grain Statistics, August 10, 1928, and Board of Grain Commissioners for Canada, November, 1928.

Flour from grades 1, 2, 3 and 4 possesses very good baking qualities. Flour from grades 5 and 6 is acceptable for lower class trade, while flour from feed wheat produces a very inferior loaf. When blended, grades 5 and 6 can be used in considerable quantities in producing a very good grade flour. The particular significance of the large proportion of the crop which falls in grades 5, 6 and feed lies in the low flour yield obtained from them. The lower grades are lighter and the yield of flour per pound is less, hence a large crop of low grade wheat is not so large in terms of the flour which may be produced from it. The flour yields of the several grades of this year's Canadian Standard grades are given below.

CANADA: Flour yield of Standard Grades.

Grade	Flour yield
	Per cent
No. 1 Northern	72.3
No. 2 "	71.5
No. 3 "	71.0
No. 4	68.8
No. 5	67.1
No. 6	62.7

Flour yields determined by the Chemistry Department of Manitoba Agricultural College, from report of A. Cairns, Statistician, Canadian Wheat pool, November 10, 1928.

Even though last year's crop was only 440 million bushels with a crop of 501 million bushels this year, it appears that although the increase in wheat production is over 13.7 per cent, the amount of wheat flour which can be made from the 1928 crop isincreased by less than 4.3 per cent. If this year's estimate of the crop be correct and last year's estimate be 25 to 45 million bushels too small, then the amount of flour which could be produced from this year's crop would be less than that from last year's.

CANADA: Estimated flour production possible from the 1928 crop of wheat other than durum

Grade	Inspection August 1-November 30 expressed in terms of a percentage of total inspections a/	Estimated production by grades b/	Flour yield c/	Estimated flour production
	Per cent	1,000 pounds	Per cent	1,000 pounds
No. 1 northern	1.6	481	72.3	347
No. 2 northern	13.6	4,085	71.5	2,921
No. 3 northern	20.1	6,037	71.0	4,286
No. 4	18.3	5,497	68.8	3,782
No. 5	15.5	4,656	67.1	3,124
No. 6	14.6	4,385	62.7	2,750
Total				17,210
				barrels
				87,807
				1,000 pounds
No grade	1.8	541	d/	370
Total				17,580
				barrels
				89,695

Compiled from reports of the Dominion Bureau of Statistics. Board of Grain Commissioners for Canada and the November 10th report of the Canadian Wheat Pool.

a/ November report of the Board of Grain Commissioners for Canada.
b/ Inspection percentages applied to the total crop of 500,613,000 bushels of 60 pounds. In case of no grade wheat it is assumed that reconditioning resulted in loss of weight so that each 60 pounds made 58 pounds of wheat in grades 1 to 6.
c/ Total flour yield from Standards of the grades as given in report of A. Cairns, Statistician, Canadian Wheat Pool, November 10, 1928.
d/ No grade apportioned in grades No. 1 northern to No. 6 and the flour yields for those grades applied to each apportioned grade.

CANADA: Estimated flour production possible from the 1927 crop of wheat other than durum

(Assuming percentage flour yield of each grade to be 2.0 less than in 1928)

Grade	Inspections August 1, 1927 - July 31, 1928	Estimated production by grades a/	Flour yield b/	Estimated flour production
	Per cent	1,000 pounds	Per cent	1,000 pounds
No. 1 northern	0.9	238	70.3	167
No. 2 northern	7.7	2,033	69.5	1,413
No. 3 northern	22.2	5,861	69.0	4,044
No. 4	12.3	3,247	66.8	2,169
No. 5	4.9	1,294	65.1	842
No. 6	2.9	766	60.7	465
Total .				9,100
				barrels
				46,430
				1,000 pounds
No grade	43.4	11,458	c/	7,759
Total .				16,859
				barrels
				86,019

Compiled from reports of the Dominion Bureau of Statistics, the Board of Grain Commissioners for Canada and the Canadian Wheat Pool.

a/ Inspection percentages applied to the total production of 440,025,000 bushels of 60 pounds. In case of no grade wheat it is assumed that reconditioning resulted in loss of weight so that each 60 pounds made 58 pounds of wheat in grades 1 to 6.

b/ Assumed to be 2.0 less than that of Standards of 1928.

c/ No grade apportioned in grades No. 1 northern to No. 6 and the flour yields for those grades applied to each apportioned grade.

It is to be noted that the above estimates do not purport to represent the amount of wheat flour actually made and to be made from the two Canadian crops. The percentages of flour yield for the 1928 Standards are those obtained under conditions of experimental milling, and smaller yields are to be expected in commercial plants -- especially in case of the lower grades of wheat. Furthermore, the entire crop is not ground into flour, a part being used for seed and feed, and no deduction has been made in the abovecalculations to make allowance for that part of the crop which is not milled. The fact that experimental milling yields of flour are used would tend to make the calculated total yield of flour larger in 1928 as compared with 1927 because of the relatively higher yields obtained in case of the lower grades than would be obtained in commercial milling.

The application of the percentages to the total crop without making deduction for feed also results in the figure of total possible flour production for 1928 being relatively larger when compared with 1927 than actual flour production would be. This year prices of the lower grades of wheat have been below those of last year, and it is consequently to be expected that more of these grades will be used for feeding.

The per cent flour yields used in estimating the 1927 flour production figure have been obtained by deducting 2.0 from each of the percentages used in the 1928 computations. This estimation of the difference in the flour yields of the two crops was made on the bases of milling tests conducted by the Bureau of Agricultural Economics on samples of Canadian wheat. The percentages used for the 1928 crop are those reported by A. Cairns, Statistician of the Canadian Wheat Pool and apply to the 1928 Standards of the grades.

Winter seedings for the 1929 harvest

United States

The December report on acreage and condition of fall sown winter wheat indicates sowings of 43,228,000 acres and condition of 84.4 per cent. The acreage is a reduction of 8.6 per cent from the revised area sown last year of 47,280,000 acres. The condition of 84.4 per cent this December is materially below last year's December 1 figure of 86.0 and is slightly below the ten-year average condition on December 1 of 84.6 per cent.

Canada

The total estimated area sown to fall wheat in Canada up to October 31 for the 1929 harvest is 951,000 acres as compared with 1,033,000 acres sown in 1927 for the 1928 harvest. The area sown this year represents a decrease of 82,000 acres or 8 per cent. The condition of fall wheat on October 31 was above average but below last year.

Europe

Fall seedings in Europe are for the greater part developing under favorable conditions. Drought in the Balkan States and southern Russia delayed sowings in those regions. The condition of all cereals in Russia on December 1 were above average and above last year. It was reported early in the season that rye sowings had replaced wheat due to the delay in the distribution of seed wheat.

The conditions of both wheat and rye in Germany on December 1 were above average and above December 1, 1927. Wheat is reported at 112 per cent of the average condition as of that date during the years 1918-1927 as compared with 103 per cent of the average on December 1 last year and 106 per cent on December 1, 1926. The condition of winter rye is also reported at 112 per cent of the ten-year average against 97 per cent on December 1, 1927 and 100 per cent on December 1, 1926. In Austria the condition on December 1 was also above average and above last year.

Wheat prices

Wheat prices were somewhat higher in October than in November and they remained at an almost constant level throughout the month. The average of farm prices the middle of the month was 97.1 cents per bushel, as compared with 98.7 cents for October, but the October farm price figure was influenced by market prices which prevailed at that time and which were higher than the average for the month. The average market price of all classes and grades which was 107 cents per bushel for October rose to 109 cents for November.

There was little change in the relative prices of the different classes of wheat. The November average price of No. 2 red winter was up two cents from that of October as was also No. 2 amber durum at Minneapolis. No. 1 dark northern spring at Minneapolis and No. 2 red winter at St. Louis were up one cent. No. 2 hard winter wheat continues at about 20 cents under last year and No. 1 dark northern spring at about 10 cents under. Red winter is still at about the same level as a year ago. Protein premiums on spring wheat at Minneapolis have increased, averaging about 21 cents in November as compared with 18 cents in October for 14 per cent protein of No. 1 dark northern. At Kansas City 12.75 per cent to 12.95 per cent protein wheat sold for about the same premiums as in the previous month.

During the first half of December prices sagged somewhat, the price of all classes and grades being 107 cents per bushel for the week ending December 14 as compared with 109 cents for the two preceeding weeks. No. 2 hard winter at Kansas City was 111 cents per bushel as compared with 109 cents for the two preceeding weeks. No. 2 hard winter at Kansas City was 111 cents per bushel as compared with 113 cents the preceeding week. At Minneapolis for the week ending December 14, No. 1 dark northern spring was 121 cents per bushel, three cents below the preceeding week. At St. Louis No. 2 red winter also dropped a little, being two cents below the figure of 143 cents for the preceeding week. The greatest decline was in durum prices, No. 2 amber durum at Minneapolis averaging 107 cents per bushel for the week ending December 14 as compared with 117 cents for the preceeding week. The large decline in amber durum, however, was not typical because of the very small number of sales. The average price of all grades of durum at Minneapolis and Duluth declined only four cents in the same period.

In general, wheat prices will probably continue to fluctuate within a rather narrow range during the next few weeks, their fluctuations being influenced by current reports. The closing of navigation December 15 on the Great Lakes leaves Canada with only accumulations in the east available for export during the next few months and increased exports from the United States are likely to follow. This, together with the lessening of pressure on storage space at the milling centers, is expected to result in small increases of prices within the next two months and some improvement in protein premiums on spring wheat.

Movement of the North American crop

The heavy movement of the 1928 wheat crop in North America is now over. In the United States receipts at primary markets during November dropped to half the October figure. In Canada over three-quarters of the year's marketings had taken place by the end of November, and December 15 marked the close of navigation on the Great Lakes.

In the United States marketings have been somewhat heavier than last year. Receipts of wheat from July 1 to the end of November at 13 primary markets were 339,044,000 bushels as compared with 325,957,000 bushels in the same five months of 1927. Commercial stocks of domestic grain in store increased rapidly up to the end of November when they reached 139 million bushels. Since that time they have been practically stationary at from 139 to 140 million bushels, new receipts being just about in pace with the commercial demand. With smaller receipts stocks may be expected to show material decreases soon.

Grindings of wheat by mills in the United States are running well ahead of last year's figures. The total grind reported for the four months July to October is 187 million bushels this year against 180 million the same month of 1927. Up to October of this year, the last month for which milling data are available, receipts at 13 markets have each month been in excess of mill grindings. Indications are that during November the grindings were about 10 million bushels more than the receipts at 13 markets, and during the coming month grindings will exceed receipts by even greater amounts.

In Canada the exceptionally favorable weather which has prevailed throughout the fall in the Prairie Provinces has enabled farmers to market their grain in record quantities. The volume marketed at country points up to the end of November represented practically 75 per cent of the total crop, or more than 80 per cent of the total amount to be marketed, after deducting the usual allowances to cover requirements for seed and local needs, according to the November report of the Board of Grain Commissioners for Canada. The lake movement during the first four months of the season exceeded last year by more than 55 million bushels and this amount will be increased by vessels which have loaded in December but some of this will remain afloat at lower lake ports and Montreal for winter storage.

As is usual at this time of the year accumulations of Canadian wheat at lower lake and seaboard ports are large. According to Canadian reports, there were 64,755,639 million bushels of wheat at eastern lake and seaboard ports in the United States and Canada on November 30 this year, as compared with 50,898,209 million on December 2 of last year. The wheat in store at eastern seaboard and lake ports on November 30 composed over one-third of Canada's total country and terminal elevator stocks on that date.

Exports of wheat including flour from the United States to date this season have been more than 50 million bushels less than during the corresponding period of last year, while during the same period Canadian exports have been more than 100 million bushels in excess of last year. Total exports of wheat and flour in terms of wheat from North America from July 1 to date are nearly 50 million bushels above those of a year ago.

Canadian wheat inspected August 1 to November 30, 1927 and 1928 in western division

Grade	1928		1927	
	Cars a/	Per cent	Cars b/	Per cent
No. 1 Manitoba northern	3,142	1.72	2,183	1.72
No. 2 Manitoba northern	26,723	14.71	13,528	10.68
No. 3 Manitoba northern	39,495	21.74	32,626	25.75
Number 4	35,865	19.74	17,943	14.16
Total contract grades .	105,225	57.91	66,280	52.31
Number 5	30,517	16.80	6,192	4.88
Number 6	28,675	15.78	3,162	2.50
Feed	11,542	6.35	1,344	1.06
No grade	3,547	1.95	48,642	38.39
Others	2,206	1.21	1,091	.86
Total, other than durum	181,712	100.00	126,711	100.00
No. 1 C. W. amber durum	151	1.02	8	0.10
No. 2 " " "	2,927	19.89	681	8.69
No. 3 " " "	,257	42.53	2,782	35.51
No. 4 " " "	2,450	16.66	349	4.46
Other durum	2,926	19.90	4,014	51.24
Total durum	14,711	100.00	7,834	100.00

Report of the Board of Grain Commissioners for Canada, November, 1928.
a/ Average net weight per car during November, 1,358.76 bushels.
b/ Average net weight per car during November, 1,336.96 bushels.

The Continental European Wheat Situation

Continental wheat prices remained fairly stable during November although the turnover was below October. Trading was quite brisk in western Europe where port and trade stocks are now light. The flour markets have been quiet also but mill supplies of foreign wheat are low and millers will probably soon be on the market. Export trade in the Danubian and Balkan countries has been unsatisfactory and stocks of grain are increasing. Farm marketings have lacked uniformity but are tending to increase especially in central Europe now that the fall seeding of grain has been completed.

The German bread grain markets were rather quiet during November although the export trade was active until near the close of the month. Prices remained firm, spot prices of domestic wheat at Hamburg being quoted at $1.38 per bushel for three successive weeks. On November 28 the quotation was $1.40 but on December 12 declined to $1.36. Rye prices at Berlin also remained firm, fluctuating between $1.22 and $1.24 per bushel. Mill stocks of both wheat and rye appear to be small as indicated by stocks in Berlin. Wheat stocks on November 30 were 441,000 bushels against 625,000 bushels on October 31. Rye stocks were 354,000 bushels against 394,000 bushels a month ago. Imports of wheat into Germany during October amounted to 9,076,000 bushels against 8,452,000 bushels during September and 9,568,000 bushels during October 1927. Exports during October were 1,800,000 bushels. Imports of rye declined to 457,000 bushels during November from 728,000 bushels during October. Exports of rye, however, increased to 2,834,000 bushels during November from 2,382,000 bushels during October. This was to be expected, however, in view of the good rye crop this year. Port arrivals during November were large and the movement from western Germany was heavy but the markets have appeared able to absorb supplies. The latest available data on farm stocks is as of November 15 when farmers held about 4,000,000 bushels more of the winter wheat crop than a year ago and about 3,000,000 bushels more were available for sale.

The actual quantity of grain held by farmers and the quantity available for sale in Germany is estimated as follows on the basis of the percentages applied to the crop estimates.

Crop	Stocks on farms		Stocks available for sale	
	November 15, 1927	November 15, 1928	November 15, 1927	November 15, 1928
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Winter wheat ...	69,825	74,075	58,553	61,539
Spring wheat ...	9,328	10,626	8,032	9,251
Winter rye	157,563	185,280	84,617	107,582
Spring barley ..	69,196	70,064	44,161	45,542
Oats	344,552	340,806	100,130	106,502
Potatoes........	934,068	968,091	332,512	340,877

The French wheat markets continue to register a relatively steady business although the marketings of native wheat have increased. Millers complain that the flour business is slow but as mill stocks of grain are low, millers are expected to keep on the market for grain. The Italian wheat markets were more quiet during November. Despite the reported good crop this year the import trade continued in advance of last year through October, the latest date for which import statistics are available. From July 1 through October 31, 1928 imports were 28 million bushels, or 11 million bushels more than during the corresponding period last year. The potato crop in Italy is small this year, being estimated at 54,748,000 bushels, or 23 per cent below the 1927 crop and 36 per cent below the 1926 crop. The Spanish government has increased from 30 per cent to 50 per cent the proportion of foreign wheat which may be permitted to be mixed for milling purposes with the nationally produced wheat. The markets in Belgium and Holland were fairly active during the first half of November but were subsequently quieter with a weakening of prices due to the pressure of Argentine wheat. Millers complain of poor flour sales but an improvement in buying is anticipated in view of the low stocks.

Reports from Yugoslavia continue to emphasize an increased home consumption. Marketings by Danubian farmers continue large so the import requirements for those countries remain small. Although the Polish government has purchased stocks of grain, the marketings have been heavy and the markets are weak. The trade estimates the wheat deficit at 4,000,000 bushels and the rye deficit at 5,000,000 bushels.

The Oriental wheat situation

Shanghai

Eight out of the ten large flour mills in the Shanghai districts are closed due to the exhaustion of local supplies of wheat, according to a cable from Agricultural Commissioner P. O. Nyhus at Shanghai. The first shipment of Canadian wheat was due to arrive December 8 and as other shipments are due to arrive in the near future, it is expected that the mills will gradually resume operations with foreign supplies and be in active operation by the end of December. The mills have previously been supplied with wheat from the lower Yangtze Valley and operated at full capacity from June first until early November. During November additional quantities of Canadian number four and number five wheat were ordered and importers state that millers would buy more Canadian wheat but that steamer space is difficult to secure. American western red is materially higher in price than Canadian but a local miller recently ordered 112,000 bushels (3,000 tons) of western red to blend with the high gluten Canadian wheat.

Stocks of local flour are now considered small and current exports of flour are smaller than a month ago in keeping with reduced mill operations. The demand for Shanghai flour from Tientsin is weak in view of the heavy arrivals of foreign flour at Tientsin. Flour quotations for future deliveries four months hence are the same as spot prices and reflect the ample supplies of contracts for foreign flour at Tientsin.

The quotations on December 3 for January delivery, spot, at Shanghai were as follows: Native wheat $1.26 per bushel, Canadian No. 4 $1.26, Canadian No. 5, $1.17, western red No. 2, $1.34, and Australian $1.39 per bushel. This shows an increase in all prices over the November 1 quotation excepting Canadian No. 4. The November 1 quotations for January delivery were, native $1.15, Canadian No. 4, $1.27, Canadian No. 5, $1.16, western red No. 2, $1.27, and Australian $1.31 per bushel. The spot price of native flour on December 3 was $1.41 per bag against $1.01 on November 1.

Japan

A reported short wheat crop in China has caused an upward trend in the milling industry in Japan, according to a cable from Consul Kemper at Tokyo. Imports of wheat during October were over 500,000 bushels greater than during September and over 900,000 bushels greater than during October, 1927. Total imports during the month were 1,549,000 bushels, of which 533,000 bushels were imported from the United States, 760,000 bushels from Canada and 124,000 bushels from Australia. From July 1 to October 31, 5,047,000 bushels of wheat have been imported into Japan against 3,481,000 bushels during the same period last season.

Prices of foreign wheat at Japanese flour mills rose during November. United States western white No. 2 was quoted at $1.68 per bushel on December 1, Canadian No. 5 at $1.59 and Australian wheat at $1.70 per bushel. The corresponding prices on November 1 were $1.63, $1.38 and $1.62 respectively. The domestic flour market was strong and the wholesale price of flour on December 1 was $1.67 per bag of 50 pounds which was two cents higher than on November 1. The export demand for flour was good. The exports of flour during October were 595,000 bags of 50 pounds and the total for the season from July 1 to October 31 was 2,260,000 bags against 1,287,000 bags during the same period last year.

The Estimated May Price of Spring Wheat

In "Foreign Crops and Markets" of May 11, 1925, there was published a method of estimating the May price of spring wheat. Subsequently, in "Foreign Crops and Markets" and in "Foreign News of Wheat" there have appeared short discussions of the way in which the method was working out during later years, the most recent discussion appearing in Foreign News on Wheat of June 14, 1928. Using this method of estimating the price of No. 1 Northern Spring wheat at Minneapolis for May of 1929, the result is a figure about the same as last year's price.

A careful consideration of the method, its results in past years, and the conditions affecting it this year, makes it appear that the estimate fpr May, 1929 is not to be relied upon. A situation somewhat similar to that affecting the estimate of May, 1923 affects the estimate for the coming May, and, like the former, this year's estimate is expected to be too high. The discrepancy of the estimate this year, however, is not expected to be so great as that for May, 1929.

The method of estimating the May price was developed by a study of the period 1896-1914. The average error for that period was only 2.2 cents, omitting an error of 29.4 cents in the year of the Leiter corner. The largest difference of 7 cents occurred in 1907. When applied to post-war years, the estimates have been reasonably close in a majority of years, but it is readily apparent that changed conditions have resulted in frequent large discrepancies. Considered from the standpoint of the formula itself, it appears that the change of price from April to September, weighted as it is, is no longer a satisfactory component. The reason back of this is probably to be found partly in the fact that in recent years the United States often has a scarcity of spring wheat, partly in the existence of a high tariff on wheat preventing imports from Canada, and partly in the changes which have occurred in the demand for spring wheat.

SPRING WHEAT: Estimated and actual May prices at Chicago, 1896-1914 and 1921-1928

Year	Estimate	Average May price	Year	Estimate	Average May price
	Cents	Cents		Cents	Cents
1896	62.8	61.2	1910	112.4	111.7
1897	69.7	72.4	1911	98.6	102.8
1898	90.8	a/120.2	1912	118.6	118.9
1899	72.3	73.0	1913	93.4	92.7
1900	67.1	67.0	1914	95.4	98.3
1901	69.7	74.1	War period		
1902	78.9	75.7	1921	168.2	163.0
1903	79.7	79.8	1922	151.6	150.0
1904	98.1	96.3	1923	152.3	121.5
1905	101.3	102.1	1924	120.1	116.4
1906	78.3	84.3	1925 a/....	131.4	167.0
1907	89.8	96.8	1926 a/....	164.4	162.1
1908	107.3	107.8	1927 a/....	157.1	146.6
1909	128.4	131.1	1928 a/....	158.4	157.4

Division of Statistical and Historical Research. Average May prices compiled from Bartel's Red Book and Chicago Daily Trade Bulletin, average of daily quotations.

a/ Prices of No. 1 Northern Spring, Minneapolis.

WHEAT: Weighted average cash price at stated markets

Period	All classes and grades six markets 1927	All classes and grades six markets 1928	No. 2 hard winter Kansas City 19277	No. 2 hard winter Kansas City 1928	No. 1 dk.n.spring Minneapolis 1927	No. 1 dk.n.spring Minneapolis 1928	No. 2 amber durum Minneapolis 1927	No. 2 amber durum Minneapolis 1928	No. 2 red winter St. Louis 1927	No. 2 red winter St. Louis 1928
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
July	139	126	136	120	158	147	153	123	141	147
August	136	109	135	106	150	124	140	108	142	138
September	129	109	131	107	137	126	128	106	142	145
October	125	107	128	110	134	123	123	112	145	144
November	126	109	131	112	134	124	128	114	141	145
December	128		132		137		132		144	
January	131		133		143		130		151	
February	132		133		142		129		156	
Sept. 7	133	110	132	106	143	125	135	104	145	147
14	128	107	129	105	136	123	126	104	142	143
21	126	108	129	107	134	126	122	107	140	145
28	127	111	131	110	136	130	123	109	143	148
Oct. 5	126	107	132	110	133	125	122	109	149	145
12	128	109	131	111	136	124	126	113	147	149
19	126	105	128	109	137	124	124	108	142	147
26	121	105	125	107	131	119	120	115	141	138
Nov. 2	123	110	128	112	132	124	121	121	143	140
9	126	108	130	110	135	122	130	114	142	141
16	127	109	131	113	133	123	130	110	142	146
23	127	110	134	114	134	125	128	118	142	145
30	126	109	132	114	134	125	127	116	140	145
Dec. 7	128	109	134	113	137	124	132	117	147	143
14	129	107	131	111	137	121	132	107	146	141
21										
28										

Year beginning July 1

WHEAT: Closing prices of December futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg		Liverpool		Buenos Aires a/	
	1927	1928	1927	1928	1927	1928	1927	1928	1927	1928	1927	1928
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Sept 13	130	113	123	107	129	110	129	110	151	129	b/138	b/110
20	129	115	123	109	127	112	128	118	150	131	c/134	b/110
27	130	118	125	112	128	115	131	116	152	135	c/133	b/113
Oct 4	132	118	126	112	129	114	131	118	152	136	c/131	b/115
11	134	117	125	111	128	113	131	118	152	135	c/131	d/117
18	125	115	120	110	123	111	127	118	151	136	c/130	d/117
25	125	113	119	107	123	109	127	117	150	134	c/127	d/116
Nov 1	126	116	121	111	123	112	127	119	147	137	d/127	d/116
8	126	114	122	108	123	110	127	118	148	134	d/129	d/116
15	128	116	123	110	124	111	132	120	152	135	d/129	d/115
22	132	117	123	110	124	112	132	119	152	135	d/131	d/116
28	129	115	123	109	125	111	133	117	151	134	d/127	d/113
					May futures							
Dec 6	134	122	127	115	130	116	137	123	150	133	d/127	d/112
13	130	122	124	115	126	116	135	124	149	134	d/127	d/110
20	130		124		126		135		149		d/127	
27	130		124		126		136		149		d/126	

a/ Prices are as of day previous to date of other market prices.
b/ October future.
c/ November future.
d/ February future.

WHEAT, INCLUDING FLOUR: Net exports from principal exporting countries and net imports into European importing countries, 1927-28 and 1928-29

Country	Exports: Net exports reported July 1 to	Exports: Net exports reported 1927-28	Exports: Net exports reported 1928-29	Country	Imports: Net imports reported July 1 to	Imports: Net imports reported 1927-28	Imports: Net imports reported 1928-29
		Million bushels	Million bushels			Million bushels	Million bushels
United States	Dec 8	149	93	Great Britain	Oct 31	73	64
Canada	Nov 30	122	226	Italy	Oct 31	17	28
Russia	Dec 1	4	a/	Germany	Oct 31	33	30
British India	Dec 1	9	1	France	Sept 30	25	13
Hungary	(			) Belgium	Sept 30	11	11
Rumania	(Dec 1	4	2	) Netherlands ..	Oct 31	10	10
Bulgaria	(			) Czechoslovakia	Sept 30	5	5
Yugoslavia ..	(			) Irish Fr. State	Sept 30	5	4
Algeria	Oct 30	2	3	Switzerland ..	Oct 31	6	5
Argentina ...	Dec 1	31	48	Sweden	Oct 31	3	3
Australia ...	Dec 1	21	22	Norway	Sept 30	2	2
				Denmark	Oct 31	3	4
				Finland	Aug 31	1	1
				Poland	Oct 31	1	2
Total		342	395	Total important European coun.		195	182

WHEAT: Receipts at 13 primary markets of United States, 1927 and 1928

Month	Monthly 1927	Monthly 1928	Cumulative for July 1 1927	Cumulative for July 1 1928
	1,000 bush	1,000 bush	1,000 bush	1,000 bush
July	52,996	64,846	52,996	64,846
August	78,909	78,372	131,905	143,218
September	79,962	72,579	211,867	215,797
October	71,696	82,346	283,563	298,143
November	42,394	40,901	325,957	339,044
December	23,903		349,860	
January	22,313		372,173	
February	21,403		393,576	
March	24,639		418,215	
April	17,483		435,698	
May	24,718		460,416	
June	13,883		474,299	

Compiled from daily receipts as published in the Daily Trade Bulletin.

WHEAT: Commercial stocks in United States and United States grain in Canada

Beginning of month and end of week	Domestic grain in United States 1927-28	Domestic grain in United States 1928-29	Canadian grain in United States 1927-28	Canadian grain in United States 1928-29	United States grain in Canada 1927-28	United States grain in Canada 1928-29
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July	21,888	39,315	7,472	11,132	1,362	2,558
August	45,008	65,241	5,002	13,610	1,105	2,258
September ...	65,642	96,442	3,410	3,789	4,249	2,546
October	82,514	113,815	3,784	7,548	4,560	3,295
November	93,330	140,337	12,636	18,291	6,640	9,085
December	95,013	140,172	31,375	33,902	5,187	8,343
January	91,962	---	35,764	---	3,933	---
February	81,415	---	25,649	---	2,285	---
March	75,750	---	19,260	---	1,761	---
April	71,248	---	11,848	---	1,096	---
May	63,990	---	6,597	---	863	---
June	49,616	---	11,549	---	2,314	---
October 6 ..	87,139	122,073	4,516	8,208	6,652	4,508
13..	90,082	129,807	5,310	11,153	7,004	5,485
20..	93,042	135,548	9,098	12,682	6,997	7,476
27..	93,048	139,302	8,617	14,257	7,258	8,908
November 3..	93,330	140,337	12,636	18,291	6,640	9,083
10..	95,146	140,557	15,221	22,916	8,215	8,380
17..	94,888	138,369	17,233	25,616	6,452	7,328
24..	95,898	138,908	23,884	28,468	6,174	7,719
December 1..	95,013	140,172	31,375	33,902	5,187	8,343
8..	94,458	139,830	37,117	42,615	4,476	8,060
15..	94,793	a/141,065	37,565	a/44,901	4,221	a/8,024
22..	94,007		35,468		3,859	
29..	91,962		35,764		3,933	

a/ Preliminary.

WHEAT: Ground by mills in United States reporting to United States Department of Commerce

Month	Monthly 1927	Monthly 1928	Cumulative for July 1 1927	Cumulative for July 1 1928
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July	38,547	39,077	38,547	39,077
August	44,099	47,528	82,646	86,605
September	48,131	47,975	130,777	134,579
October	49,792	52,788	180,568	187,368
November	44,882		225,450	
December	42,604		268,055	
January	42,303		310,357	
February	41,140		351,497	
March	44,748		396,245	
April	38,986		435,231	
May	39,910		475,140	
June	35,633		510,774	

Compiled from monthly reports of the Bureau of the Census, United States Department of Commerce.

BREAD GRAINS: Production, average 1909-1913, annual 1925-1928

Crop and countries reported in 1928 a/	Average 1909-1913	1925	1926	1927	1928	P. ct. 1928 is of 1927
WHEAT	1000 bush	1000 bush	1000 bush	1000 bush	1000 bush	P. ct.
United States	690,108	676,429	831,040	878,374	902,749	102.8
Canada	197,119	395,475	407,136	440,025	500,613	113.8
North America (3)	898,708	1,081,117	1,248,509	1,330,289	1,414,694	106.3
Total Europe (25)	1,332,148	1,366,852	1,182,445	1,239,605	1,347,098	108.7
Africa (6)	93,171	105,166	90,313	105,763	105,733	100.0
Asia (6)	387,827	382,847	379,294	389,636	337,452	86.6
Total above coun. (40).	2,711,854	2,935,932	2,900,661	3,065,293	3,204,977	104.6
Total Southern Hemis.(3)	243,590	314,855	389,632	362,543	391,273	107.9
Total above coun. (43)	2,955,444	3,250,787	3,290,193	3,427,836	3,596,250	104.9
Est. N. Hemis. total ex. Russia and China ...	2,759,000	3,067,000	2,979,000	3,137,000		
Est. world total ex. Russia and China ...	3,041,000	3,435,000	3,420,000	3,565,000	3,730,000	104.6
RYE						
United States	36,093	46,456	40,795	58,164	41,766	71.8
Canada	2,094	9,158	12,179	14,951	14,626	97.8
Total Europe (22)	933,292	896,479	709,129	769,725	833,289	108.3
Total above coun. (24)	971,479	952,093	762,103	842,840	889,681	105.6
Est. N. Hemis. total ex. Russia and China	1,023,000	1,000,000	807,000	878,000		
Est. world total ex. Russia and China ...	1,025,000	1,007,000	812,000	887,000		

a/ Figures in parenthesis indicate the number of countries included.
b/ One year only.

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