

THE

Wheat

Part

SITUATION

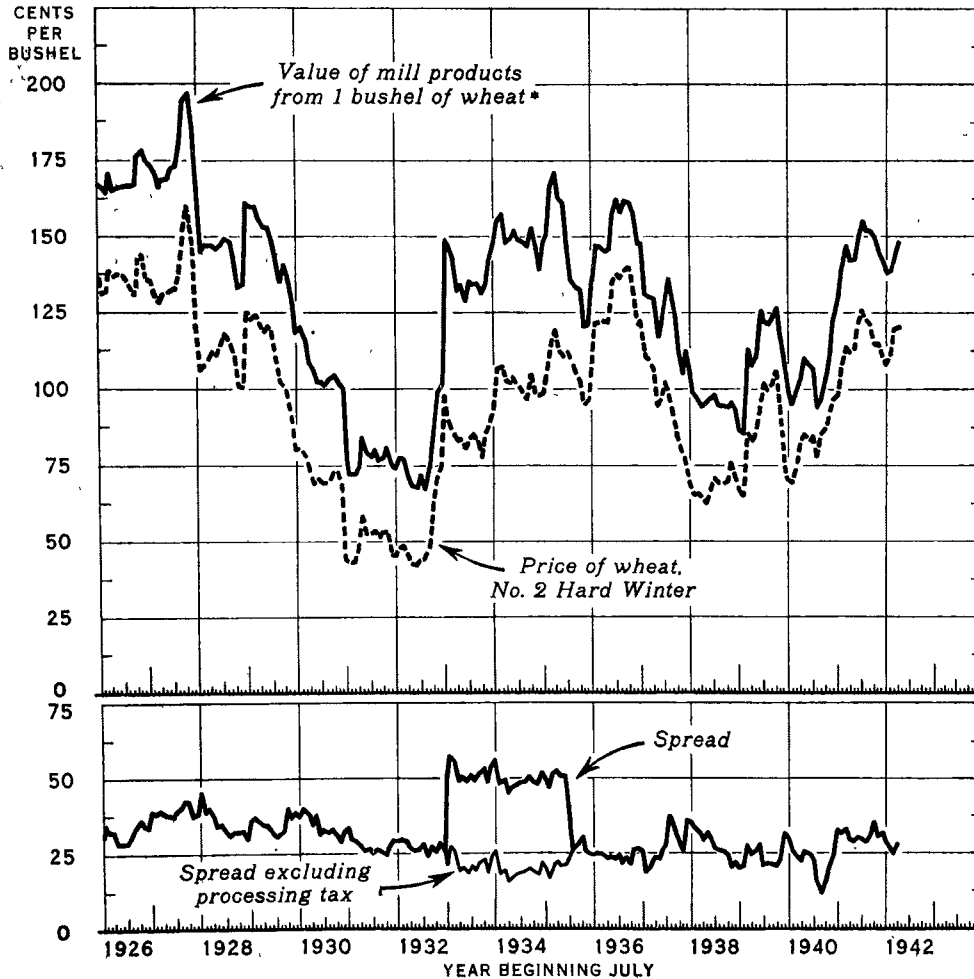
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE.

WS-71



NOVEMBER-DECEMBER 1942

PRICE OF WHEAT, VALUE OF MILL PRODUCTS, AND SPREAD
BETWEEN PRICE AND VALUE, KANSAS CITY, 1926-42



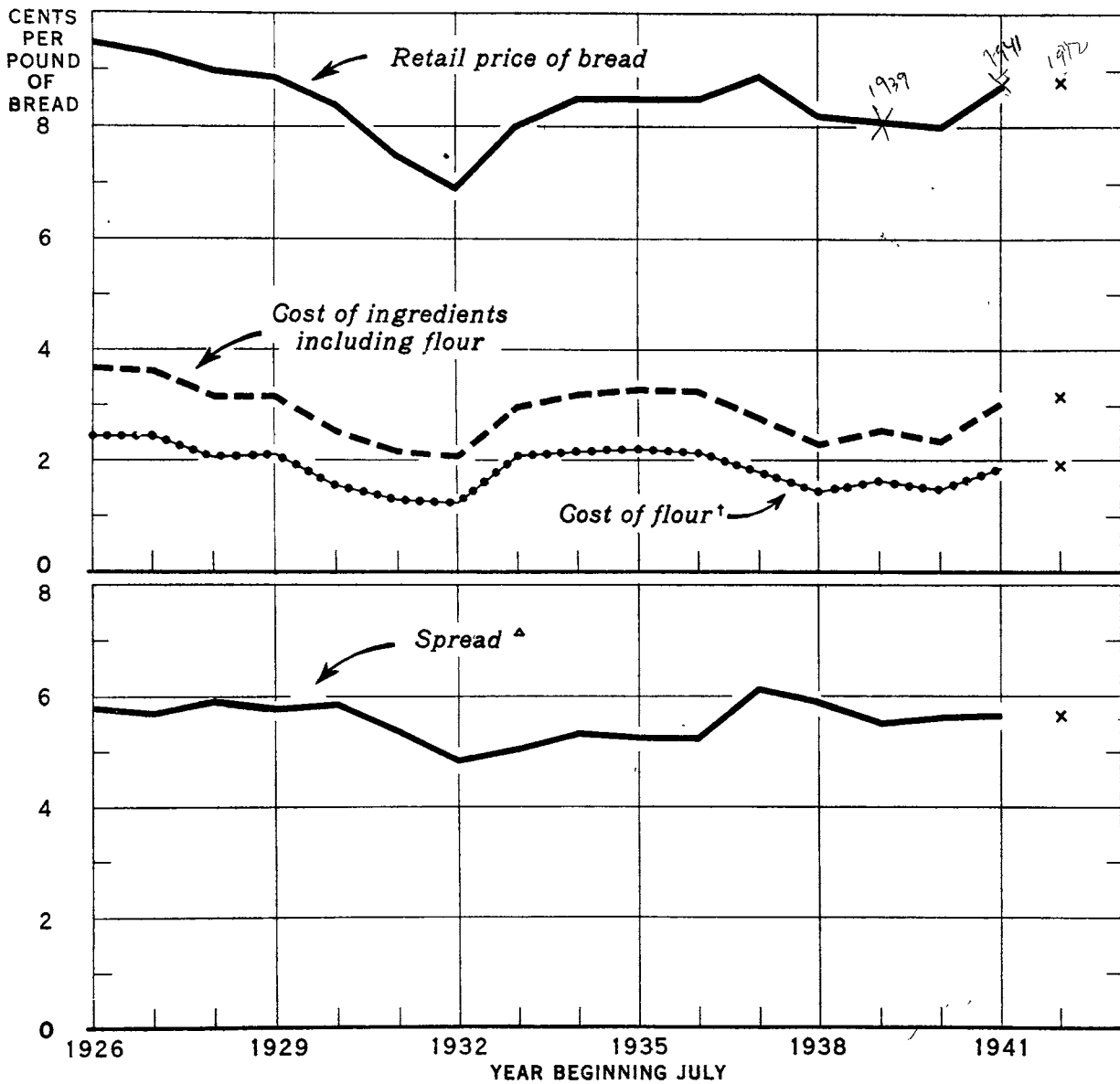
*42.6 POUNDS HARD WINTER STRAIGHT FLOUR, 9.6 POUNDS BRAN, AND 7.8 POUNDS SHORTS; SACKED BASIS

U. S. DEPARTMENT OF AGRICULTURE

NEG. 42719 BUREAU OF AGRICULTURAL ECONOMICS

THE INDICATED SPREAD BETWEEN THE VALUE OF SACKED MILLED PRODUCTS MADE FROM A BUSHEL OF WHEAT AND THE PRICE OF WHEAT AT KANSAS CITY (MILLER'S GROSS MARGIN) IN OCTOBER WAS 28.1 CENTS. WITH PRICES OF SACKS ON A PER-BUSHEL BASIS ABOUT 4 CENTS ABOVE AVERAGE, THE INDICATED SPREAD, COMPARABLE WITH OTHER YEARS, IS ABOUT 24 CENTS, OR ABOUT 5.5 CENTS BELOW THE 13-YEAR AVERAGE OF 29.6 CENTS.

PRICE OF BREAD, COST OF INGREDIENTS, AND SPREAD BETWEEN PRICE AND COST, UNITED STATES, 1926-42



BASED MOSTLY ON B. L. S. DATA x OCTOBER 1942
 † 11.06 OZ. OF FLOUR FOR 1 LB. OF BREAD ^ PRICE OF BREAD MINUS COST OF ALL INGREDIENTS

U. S. DEPARTMENT OF AGRICULTURE

NEG. 42720 BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 1.- THE INDICATED SPREAD BETWEEN THE PRICE OF A POUND LOAF OF BREAD AND THE COST OF INGREDIENTS INCLUDING FLOUR (BAKER'S AND RETAILER'S GROSS MARGIN) FOR OCTOBER WAS 5.64 CENTS, OR ABOUT 0.1 CENT ABOVE THE 16-YEAR AVERAGE 1926-41. IF PRESENT INCREASED LABOR AND OTHER COSTS ARE TAKEN INTO CONSIDERATION, HOWEVER, THE SPREAD WOULD BE BELOW AVERAGE.

THE WHEAT SITUATION 1/

Summary

Wheat prices are somewhat higher than a month ago, and have fluctuated within only a narrow range. With price ceilings on flour and bread, and with wheat prices near the levels which existed in the flour ceiling base period, wheat prices are expected to change but little in the near future.

Flour price ceilings were frozen under a 60-day temporary order effective October 5. In order to make wheat available to flour millers at prices approaching the levels which prevailed in the flour ceiling base period, a program was announced October 23 which provided for the release of loan wheat back to producers by the Commodity Credit Corporation for sale in the market. The release price per bushel on such loan wheat will be less than the amount of the loan per bushel plus accumulated carrying charges by a sufficient amount to enable producers to sell the wheat at prices in line with the ceiling prices on flour. The program (1) provides parity to wheat farmers cooperating with the farm programs through loans offered by the Commodity Credit Corporation and payments made by the Agricultural Adjustment Agency, and at the same time (2) prevents increases in the prices of bread and flour to American consumers.

[Studies are ~~now~~ being made to determine possible economies in the production and distribution of flour and bakery products. Any narrowing in the margins, such as might follow the elimination of certain services now

1/ The Wheat Situation will henceforth be published only seven times a year, the following issues being combined: January-February, March-April, May-June, September-October, and November-December. This leaves the publication of the July and August issues unchanged. There was no issue for October.

furnished, would permit wheat prices to rise above the levels which existed in the flour ceiling base period. Because about a 1 cent change in the price of bread is associated with a 40 to 60 cent change in the per-bushel price of wheat, a small narrowing in the bread margin would permit a significant rise in the price of wheat. *[provides the ceiling on flour would be lifted.]*

[Estimates of the carry-over of old wheat on July 1, 1942 have been revised from 633 million bushels to 627 million bushels. With the crop now placed at 984 million bushels, total supplies are indicated at 1,611 million bushels -- by far the largest supply in the history of our country. Domestic disappearance of wheat is expected to total about 750 million bushels, which leaves about 860 million bushels available for export in 1942-43 and carry-over July 1, 1943, compared with 658 million bushels in 1941-42. Supplies of all classes are large with the exception of soft red winter.] Wheat stocks on October 1 are estimated at 1,374 million bushels, which is 207 million bushels above a year earlier and the largest for that date on record.

--- November 23, 1942

THE DOMESTIC WHEAT SITUATION

BACKGROUND.— In the 10-year period 1932-41, the carry-over of old wheat in the United States averaged about 235 million bushels, production 680 million bushels, and domestic disappearance about 680 million bushels.

The loan program has been an important price factor since it came into operation in 1938. Influenced by new legislation affecting loan rates, prices rose beginning in March 1941 and prices to growers for the 1940-41 year averaged 68.2 cents. Prices for the year beginning July 1941 averaged 94.5 cents; the advance in prices reflected the higher loan rates in effect and our participation in the war. With even higher loan rates, prices for the 1942 crop are expected to average above those for the 1941 crop.

The average national loan rate to farmers for 1942 wheat is 114 cents per bushel. In 1938-39 the loan averaged 53 cents; in 1939-40, 64 cents; in 1940-41, 65-1/2 cents; and in 1941-42, 98 cents. At important terminal markets the loan values for

1942 are as follows (1941-42 values in parentheses): No. 2 Hard Winter at Kansas City \$1.27 (\$1.10) and at Chicago \$1.32 (\$1.15), No. 2 Red Winter at St. Louis and at Chicago \$1.32 (\$1.15), No. 1 Dark Northern Spring at Minneapolis \$1.32 (\$1.15), and No. 1 Soft White at Portland \$1.21 (\$1.05).

Estimates of Stocks and Production Revised

Slightly; Domestic Disappearance

Up Considerably

Indicated production of all wheat, according to latest official reports, 1/ is 984 million bushels. This is only 2 million bushels above the estimates in September, and compares with 946 million bushels in 1941 and the 1930-39 average of 748 million bushels. This year's crop is the second largest in history. With a carry-over of old wheat on July 1 estimated at 627 million bushels 2/ and the current crop of 984 million bushels, total supplies in 1942-43 are 1,611 million bushels. This is by far the largest supply in the history of our country and compares with 1,331 million bushels last year -- the previous record. Domestic disappearance for food, feed, seed, and alcohol is expected to total about 750 million bushels. This would leave about 860 million bushels available for export in 1942-43 and carry-over July 1, 1943, which compares with 658 million bushels in 1941-42. Supplies of all classes are large with the exception of soft red winter (table 1). In Indiana, Missouri, and Illinois yields of soft winter were below average and supplies are less than the usual requirements for the milling of flour used for crackers, biscuits, and pastry.

Table 1.- Estimated wheat supplies and distribution, by classes, continental United States, 1942-43 1/

Item	: Hard : red : winter:	: Soft : red : winter:	: Hard : red : spring	: Durum	: White	: Total
	: Mil. : bu.	: Mil. : bu.	: Mil. : bu.	: Mil. : bu.	: Mil. : bu.	: Mil. : bu.
Carry-over July 1, 1942 (old wheat)	290	56	204	35	42	627
Production	472	165	222	45	80	984
Total supply	762	221	426	80	122	1,611
Domestic disappearance	300	196	146	38	70	750
Available for carry-over or exports	462	25	280	42	52	861

1/ Averages for 1929-33 and 1937-39, and annual records from 1929-36 in The Wheat Situation, August 1940; for 1937-38 in The Wheat Situation, August 1941; and for 1939-41 in The Wheat Situation, August 1942.

1/ August for winter wheat and October for spring wheat.

2/ Revision from 633 million bushels as a result of revised estimate of wheat in steel and wood bins of 4.4 million bushels instead of 10.0 million bushels.

Wheat stocks on October 1 are estimated at 1,322 million bushels (table 2), which is 207 million bushels above a year earlier and the largest stocks of that date on record. October 1 stocks subtracted from the total of July 1 stocks and production indicates a total disappearance, both domestic and export, of 237 million bushels. For the same quarter a year ago the disappearance was 167 million bushels. Domestic disappearance includes wheat for alcohol production, which probably for the first time is of significant proportions, and an increase in the quantity for use as livestock feed.

Table 2.- Wheat stocks in the United States on October 1, average 1934-40, annual 1940-42 ^{1/}

Item	Average 1934-40	1940	1941	1942
	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels
Interior mills and elevators	144,921	192,126	238,701	255,945
Farm stocks	306,466 309,317	365,310	488,311	644,503
Commercial stocks	130,272	186,523	284,920	269,290
Merchant mill stocks	120,878	133,319	154,902	151,927
Total	711,531 714,388	877,278	1,166,834	2/1,373,761

1/ Includes stocks owned or held by the Government.

2/ Includes stocks in steel and wood bins of 52,096,000 bushels.

Ceilings on Flour and Bread Prices; Margins
Narrow, Little Change Expected in Wheat Prices

Wheat prices on November 23 were unchanged to 3 cents above prices a month earlier. During the past month prices have fluctuated within a narrow range. This was the case both before and after the various announcements relative to flour ceilings. Little change is expected in wheat prices in the near future.

Flour delivery prices were frozen under a 60-day temporary order effective October 5 at the highest level of the 5 days from September 28 through October 2. On October 8 this original order was changed, making the maximum price for flour the highest level at which each seller contracted to sell during the September 28-October 2 period rather than the top price at which flour deliveries actually were made in the same period. This ruling permitted an adjustment in flour ceiling prices to current levels. Prices on a contracted-to-sell basis had been arranged as much as 120 days previous to the September 28-October 2 period.

In order to make wheat available to flour millers at prices approximating the levels which prevailed in the 5-day base period, a program was announced on October 23 which provided for the release of loan wheat back to producers by the Commodity Credit Corporation for sale in the market. The release price per bushel on such loan wheat will be less than the amount of the loan per bushel plus accumulated carrying charges by a sufficient amount to enable producers to sell the wheat at prices in line with the ceiling prices on flour. The program

(1) provides parity to wheat farmers cooperating with the farm programs through the loan offered by the Commodity Credit Corporation and the payments made by the Agricultural Adjustment Agency, and at the same time (2) prevents increases in the prices of bread and flour to the American consumer.

The indicated spread between the value of sacked milled products made from a bushel of wheat and the price of wheat at Kansas City ^{1/} for the month of October (table 7 and figure on cover page) was 28.1 cents, or 1-1/2 cents less than the 13-year October average (1926-41, omitting the 3 years of the processing tax) of 29.6 cents. Assuming that flour and feed sacks are now about 9 cents instead of a normal of about 5 cents, the spread indicated without the increase in sack prices would be about 24 cents, which compares with narrow spreads in other years as follows: 22.4 cents in 1940, 23.6 in 1937, and 23.2 in 1936. In other words, the spread, which represents the miller's margin at about the time of the establishment of flour price ceilings, appears to have been comparatively narrow.

The indicated spread between the price of a pound loaf of bread ^{2/} and the cost of ingredients for the month of October 1942 (with bread at 8.8 cents and the cost of all ingredients, including flour, at 3.16 cents) was 5.64 cents (table 8 on page 13 and figure 1 on page 2). This compares with a 16-year (1926-41) average of 5.56 cents. In the past when the spread was wide, a significant rise in the price of wheat was absorbed by the baking industry because only about 2 cents of the price of bread went for flour. With about 60 loaves of bread per bushel of wheat an advance of 1 cent per loaf may be associated with a 60-cent increase in the price of wheat per bushel. Bread prices have usually advanced 1 cent when wheat prices rose within a range of 40 to 60 cents, depending upon the width of the spread at the time.

If present increased labor and other costs are taken into consideration, the spread of 5.64 cents, which represents the baker's and retailer's margin, cannot be considered wide enough to absorb much if any advance in wheat and flour prices. However, this spread covers all services now furnished. Studies are being made to determine possible economies in the production and distribution of flour and bakery products. It may be found that the spread, especially in the case of bakery distribution, can be narrowed by the elimination of some of the services now furnished. Any such narrowing would serve to permit wheat prices to rise above the levels as related to the flour price ceilings. In fact, as indicated by the ratio of change in bread and wheat prices only a moderate reduction in the spread would be necessary to offset the amount of the wheat subsidy.

The principal price-supporting factor in the market continues to be the loan program, without which our record large wheat supplies would result in much lower prices. Up to November 14 a total of 313 million bushels of 1942 wheat had been reported placed under loan, which compares with 311 million bushels for the same period a year earlier. While market prices on November 23 were below loan values at Minneapolis by 16 cents, Portland by 7 cents, and Kansas City by 5 cents, prices at St. Louis were 5 cents above

^{1/} With wheat prices relatively lower the spring wheat-flour spread is wider than the winter wheat flour spread.

^{2/} Bread price ceilings have been fixed since May at levels of March 1942.

loan values. At present wheat prices are within a few cents of the levels that existed in the flour ceiling base period.

With price ceilings on flour and bread, and with wheat prices near the levels which existed in the flour ceiling base period, little change in wheat prices is expected in the near future.

THE WORLD WHEAT SITUATION

BACKGROUND.— Large world crops and restricted trade resulted in the largest world wheat supplies on record in the period 1938-42. The blockade and other war conditions reduced world exports of wheat and flour to 465 million bushels in 1940-41, compared with 638 million bushels in 1938-39 and 625 million bushels in 1939-40. Net exports from the United States in 1940-41 were down to 30 million bushels, compared with 106 million bushels in 1938-39 and 45 million bushels in 1939-40. Both world and United States exports continued small in 1941-42.

World Production in 1942 Above Average;
Supplies at Record High Level

Present indications are that the 1942 world crop, exclusive of the U.S.S.R. and China, may be about 230 million bushels above the 3,980 million bushels estimated for 1941 (table 3), and about 300 million bushels above the 1931-40 average of 3,915 million bushels. The greatest change in world production this year as compared to last year is in the Canadian crop. A crop of 608 million bushels was indicated November 13, which is 296 million bushels above the revised estimate of 312 million bushels in 1941. The yield in Canada this year is a record, but the acreage is the lowest since 1925. The crop indicated for the United States at 984 million bushels is 38 million bushels above last year. Production in Europe, estimated on the basis of limited information, is now indicated to be about 40 million bushels less than the below-average outturn in 1941, estimated at 1,420 million bushels. Production in both Argentina and Australia may be somewhat less than last year.

With the present large world stocks added to the new crop, the world carry-over at the end of the current marketing year will be so large that even if it were possible to resume world shipping and increase consumption from present low levels, such reduction as might take place would still leave an unusually large supply in 1943-44.

Table 3.-- Wheat production, in specified countries, 1939-42 1/

Country	1939	1940	1941	1942
	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels
<u>Northern Hemisphere</u>				
United States	751,435	812,374	945,937	984,046
Canada	520,623	540,190	311,825	607,688
Mexico	14,771	13,337	11,709	15,800
Total (3)	1,286,829	1,365,901	1,269,471	1,607,534
Europe (30)	1,694,000	1,300,000	1,420,000	1,380,000
North Africa (4)	149,000	113,000	121,000	112,000
Asia (6)	626,000	660,000	598,000	585,000
Total 43 countries	3,756,000	3,438,000	3,408,000	3,685,000
Estimated Northern Hemisphere :				
total, excluding Soviet :				
Russia and China 2/	3,863,000	3,545,000	3,515,000	3,785,000
<u>Southern Hemisphere</u>				
Argentina	130,733	299,458	224,134	200,000 242.5
Australia	210,277	82,639	166,700	145,000
Union of South Africa	15,310	15,600	14,533	15,000
Estimated world total, :				
excluding Soviet Russia :				
and China 2/	4,281,000	4,003,000	3,980,000	4,210,000

1/ Data are, in many instances, unofficial forecasts and should be interpreted as indications only.

2/ Includes, besides countries listed, estimates for wheat-producing countries for which reports are not available.

Table 4.-- Weighted average cash price of wheat, unspecified markets and dates, 1941-42

Month and date	All classes:		No. 2		No. 1		No. 2 Hard		No. 2		Soft	
	and grades		Hard Winter		Dk. N. Spring		Amber Durum		Red Winter		White	
	six markets:		Kansas City		Minneapolis		Minneapolis		St. Louis		Portland	
	1941	1942	1941	1942	1941	1942	1941	1942	1941	1942	1941	1942
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Month												
July	98.7	109.7	98.3	107.9	100.4	113.7	99.3	116.2	103.1	122.0	86.5	99.0
Aug.	105.0	111.1	106.6	111.2	106.1	112.6	108.0	113.5	108.5	125.6	94.2	106.3
Sept.	111.6	118.4	114.1	120.3	113.5	119.4	118.2	123.7	115.9	132.5	97.3	115.1
Oct.	102.5	115.1	112.2	120.5	109.8	119.0	111.4	117.5	112.7	138.0	93.9	113.1
Week ended --:												
Sept. 5:	109.4	114.6	111.8	116.5	109.9	115.4	114.3	118.2	113.4	133.0	96.3	112.8
12:	114.9	117.9	115.9	120.4	115.9	118.6	121.6	122.5	116.9	132.2	99.4	116.0
19:	113.0	118.3	114.0	120.0	116.1	119.9	121.7	122.6	115.8	---	97.8	114.9
26:	109.4	120.3	115.3	122.6	111.8	121.6	118.0	126.1	114.2	---	96.0	116.2
Oct. 3:	110.8	119.8	114.9	122.4	114.4	122.0	118.2	120.3	116.8	---	95.8	114.4
10:	102.7	116.8	112.9	121.1	111.6	118.7	114.7	118.0	113.3	---	94.2	111.7
17:	98.1	115.8	110.0	119.6	105.6	117.5	101.4	116.6	111.0	138.0	92.5	112.8
24:	101.4	115.0	112.6	119.8	108.6	119.8	112.3	117.6	106.0	---	94.0	113.6
31:	104.0	114.5	111.9	120.1	110.7	118.3	110.2	116.8	114.2	---	93.6	113.8
Nov. 7:	106.4	116.0	113.5	121.8	114.8	119.9	113.6	117.8	116.1	---	94.2	114.2
14:	106.9	116.5	113.2	123.4	115.5	119.1	110.9	119.4	117.5	131.5	94.0	114.1

Table 5.-- Average closing price of December wheat futures, specified markets and dates, 1941-42

Period	Winnipeg 1/		Buenos Aires:	Chicago		Kansas City		Minneapolis	
	1941	1942	1941	1941	1942	1941	1942	1941	1942
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Month --:									
July	71.5	---	---	107.3	123.5	99.9	115.2	102.4	116.3
Aug.	69.3	---	---	115.3	120.9	108.1	113.8	110.1	113.5
Sept.	67.8	---	---	121.7	126.5	115.3	120.3	116.3	118.9
Oct.	68.0	82.6	---	116.6	125.0	111.0	119.6	111.3	117.0
Week ended --:									
Sept. 5:	67.8	---	2/ 55.4	120.2	123.5	113.9	117.0	115.4	115.8
12:	68.3	---	2/ 55.2	123.1	126.2	117.2	119.9	118.2	118.8
19:	67.6	---	2/ 55.0	121.5	126.8	115.2	120.6	115.5	119.1
26:	67.3	---	2/ 55.4	121.3	128.1	115.1	122.2	115.7	120.6
Oct. 3:	69.7	83.0	2/ 55.6	122.4	128.0	115.0	122.2	116.6	120.5
10:	69.4	82.7	56.4	119.5	125.5	113.0	120.0	113.7	117.6
17:	67.1	82.4	56.7	112.8	124.0	107.6	118.6	107.8	115.9
24:	66.8	82.5	57.8	115.3	124.4	110.2	119.2	110.4	116.4
31:	66.4	82.4	58.0	114.1	124.3	109.3	119.2	109.2	116.2
Nov. 7:	66.6	82.4	58.0	115.6	125.7	111.2	120.8	110.8	117.4
14:	66.6	82.3	56.0	114.8	125.8	110.5	120.9	109.9	117.4

1/ Conversions at official rate, which is 90.909 cents. Any United States buyer of Canadian grain would be required to make settlement in terms of United States dollars through an agent of the Canadian Foreign Exchange Control Board at the official rate. 2/ November futures.

Table 6.-- Wheat prices per bushel in four exporting countries, Friday nearest midmonth, September, and weekly October and November

Date (Friday mid- month)	Hard wheat			Hard and semi-hard wheat		Soft wheat	
	United States	Canada		United States	Argentina	United States	Australia
	No. 1 D. No. Sp. 15 pct. protein Buffalo c.i.f.	No. 2 Manitoba Buffalo c.i.f. duty paid	No. 1 Manitoba St. John f.o.b. 1/	No. 1 D. H. W. Galveston f.o.b. 2/	Rosafe f.o.b. 3/	No. 1 Portland f.o.b.	F.o.b. 4/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Sept. 18 5/	132.4	126.7	96.5	134.4	65.9	115.0	70.6
Weekly							
Oct. 2	138.2	128.5	97.4	137.1	65.3	114.5	70.6
9	135.2	128.5	97.1	135.1	65.3	112.0	70.6
16	133.5	128.5	97.1	133.6	65.3	112.5	70.6
23	133.7	128.5	97.1	135.0	65.3	113.5	70.6
30	134.3	127.4	97.1	135.1	65.3	113.5	70.6
Nov. 6	138.1	128.0	100.9	136.1	65.6	114.5	70.6
13	137.4	128.0	100.9	137.5	65.6	114.0	70.6
20	137.0	128.0	101.2	137.0	65.6	114.0	70.6

Current average farm prices are less than quotation about as follows:
 1/ Canada 31 cents, 2/ United States 30 cents, 3/ Argentina 13 cents, and
 4/ Australia 10 cents. 5/ Midmonth prices January to August 1942, published
 in The Wheat Situation; September 1942.

Table 7.- Price of wheat, value of mill products, and spread between price and value, Kansas City, October 1926-42

Oct. of each year	Value of mill products from 1 bushel of hard red winter wheat				Price of No. 2 Hard Winter wheat 2/	Spread (value-price)	Spread less tax of 30 cents
	Flour 1/ Per 42.6 pounds	Bran Per 9.6 pounds	Brown shorts Per 7.8 pounds	Total value Per 60 pounds	Per 60 pounds	Per 60 pounds	Per 60 pounds
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1926	150.8	10.2	10.0	171.0	138.6	32.4	---
1927	142.1	12.3	12.1	166.5	128.2	38.3	---
1928	121.5	13.2	12.7	147.4	109.8	37.6	---
1929	130.6	12.9	12.5	156.0	121.7	34.3	---
1930	91.9	9.0	8.4	109.3	74.4	34.9	---
1931	67.4	4.3	3.8	75.3	47.5	27.8	---
1932	65.2	3.2	3.4	71.8	45.2	26.6	---
1933	119.5	6.0	6.9	132.4	83.0	49.4	19.4
1934	127.8	10.1	9.6	147.5	102.2	45.3	15.3
1935	156.3	7.1	8.0	171.4	119.0	52.4	22.4
1936	121.1	12.0	12.1	145.2	122.0	23.2	---
1937	113.5	8.5	7.6	129.6	106.0	23.6	---
1938	82.4	5.7	6.2	94.3	64.7	29.6	---
1939	91.3	8.4	7.8	107.5	82.7	24.8	---
1940	87.2	8.8	8.0	104.0	81.6	22.4	---
1941	119.1	12.2	10.4	141.7	112.2	29.5	---
1942	3/121.7	13.8	13.1	148.6	4/120.5	28.1	---

- 1/ Hard winter straight, sacked basis.
- 2/ Weighted average of reported sales.
- 3/ Computed on the basis of \$5.60 per barrel, which compares with the top of \$5.65 (Oct. 1) reported in the Sept. 28 to Oct. 2 period.
- 4/ Compares with No. 2 Hard Winter on Sept. 30 of \$1.21-1/4 to \$1.23.

1942	121.7	14.6	13.6	149.9	123.1	26.8	
Dec	121.7	16.5	13.9	152.1	130.5	21.6	
1943	133.0	16.8	13.8	163.6	136.8	26.8	
Jan	133.9	16.4	14.2	164.5	137.0	27.5	
Feb	134.8	17.5	14.2	166.5	139.9	26.6	45
Mar.					138.4		
Apr.							
Aug	130.5	17.5	14.2	162.2	139.8	22.4	
	16.506	37.75					

Table 8. Price of bread, cost of ingredients, and spread between price and cost, 1926-42.

Year beginning July	Retail price of bread	Cost of ingredients			Spread (price cost)	
		Flour	Other	Total		
		Per 10.06 ounce	Per 5.94 ounce	Per pound		
	Per pound	Cents	Cents	Cents	Cents	Per pound of bread
	Cents	Cents	Cents	Cents	Cents	Cents
1926	9.5	2.44	1.25	3.69	5.79	
1927	9.3	2.43	1.17	3.60	5.69	
1928	9.0	2.06	1.10	3.16	5.89	
1929	8.9	2.10	1.05	3.15	5.78	
1930	8.4	1.57	.95	2.52	5.85	
1931	7.5	1.31	.83	2.14	5.39	
1932	6.9	1.25	.81	2.06	4.85	
1933	8.0	2.07	.90	2.97	5.06	
1934	8.5	2.17	1.02	3.19	5.32	
1935	8.5	2.21	1.08	3.29	5.24	
1936	8.5	2.14	1.10	3.24	5.25	
1937	8.9	1.81	.97	2.78	6.11	
1938	8.2	1.48	.83	2.31	5.90	
1939	8.1	1.65	.89	2.54	5.53	
1940	8.0	1.49	.86	2.35	5.63	
1941	8.7	1.87	1.15	3.02	5.65	
1942						
Oct.	8.8	1.91	1.25	3.16	5.64	

54.31

Data mostly from Bureau of Labor Statistics.

Nov	8.8	1.92	1.21	3.18	5.67
Dec	8.8	1.93	1.25	3.18	5.62
1942	8.8	2.03	1.26	3.29	5.51
Jan	8.8	2.04	1.26	3.30	5.50
Feb	8.8	2.05	1.26	3.31	5.49
March	8.8				
Aug	9.0	2.02	1.26	3.28	5.72

65
131.3

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