

The Grain Grower's Guide

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The World's Wheat Markets

The world's annual consumption of wheat in normal years is estimated to exceed 3,000,000,000 bushels. When wheat is abundant and cheap the amount consumed is considerably larger than when there is a scarcity and prices are correspondingly high. The year 1906 was a record year in the world's production of wheat. The various government and statisticians' estimates of the year's production was 3,423,700,000 bushels. Divided among the different continents, all of which raise more or less grain, the distribution of the crop of 1906 was as follows:

North America	871,875,000 bus.
South America	155,337,000 "
Europe	1,825,608,000 "
Asia	444,782,000 "
Africa	48,404,000 "
Australasia	77,694,000 "

Total 3,423,700,000 bus.

There is yet another division to be made of wheat growing countries before we are able to make a comprehensive commercial view of the whole. This is the export and import countries. All countries that raise wheat eat bread. Some of them raise more than their requirements, others not quite enough. In this way the distribution of the world's wheat becomes of almost incalculable importance to the great systems of commerce. Perhaps more general interest attaches to wheat during its course of evolution from the raw material on the farm to the manufactured article when it is consumed as bread on the table, than to any other product of the earth. This is only partly due to the magnitude of the crops and to its general use. The crop, whether good or bad, is an essential factor in all commercial movements. It is watched with the greatest interest by the jobbers and manufacturers, the crop movement is looked forward to with apprehension in the money centres because of its effect on the supply of currency. All railway companies, steamship lines on the interior waters and steamship lines from all the exporting countries in the world are concerned in the moving of the crop to the market as the size of the crop largely determines the dividends they will earn.

Europe the Great Market

The world is divided into exporting and importing countries as follows:

EXPORTING.—United States, Canada, Russia, Balkan States, India, Argentina, Australia, Austria-Hungary.

IMPORTING.—United Kingdom, Germany, France, Belgium, Holland, Italy, Switzerland, Spain, Portugal, Sweden, Norway, Denmark, Greece.

It is to be noticed that all the importing countries are in Europe. There are a few countries outside Europe, such as South Africa, Mexico and the West Indies which import wheat and flour, but the quantities they use are insignificant in comparison to the requirements of the importing countries of Europe. The great importers are the United Kingdom, Germany, Holland, Belgium and Italy. Of the exporting countries the United States is becoming a somewhat uncertain factor, due largely to the rapid increase of its domestic requirements. Canada, however, by its increased output is destined to supply deficiencies in the exports of the United States, caused by its rapid increase in population. Russia comes next in importance in the international wheat trade. India becomes important

How and Where the Wheat is Grown and Distributed to Those who Want Bread in the Old Lands

because of two reasons. The crop is harvested in April and because of the uncertainty of its climate it may have an export surplus of 80,000,000 or none at all. The Argentine and Australia are a source of regular supply. Furthermore, the crop is ready for export by February 1st, just as supplies from other countries are falling off.

The world's export of wheat runs from 520,000,000 to 540,000,000 bushels per year. The importing countries of course take that amount.

Central Information Bureau

The United Kingdom, owing to its great population and small crop, is to the wheat world of commerce what the Bank of England is to the financial world. London and Liverpool are the centres of information from all parts of the world regarding wheat crops and supplies. These markets are in constant communi-

houses throughout the United Kingdom, as well as to Antwerp, Amsterdam, Hamburg and Berlin and other important ports on the continent.

Supply and Demand

The latter part of July each year, when the winter wheat crop of both America and Europe are partly threshed, and the spring wheat is approaching harvest, the food statisticians of London and Liverpool make a preliminary estimate of the prospective supply from the exporting countries and the probable requirements of the importing countries. They have of course kept in close touch with the crop conditions throughout the world from the commencement of the season. Many of them have their own agents and correspondents in the principle grain growing countries. We give herewith one of the actual estimates of this kind as an illustration. This estimate was issued on



Home of Jas. Prowse, Insinger, & Co., Sask.

August 1st, which is the usual practice.

Prospective Supplies—Season August to July

	Prospective for season 1907-8 Qrs.	Actual Exports in season, 1906-7 (54 weeks) Qrs.
U.S.A.	13,000,000	18,600,000
Canada	4,000,000	5,100,000
Russia	15,000,000	11,600,000
Balkan States	5,000,000	9,600,000
Argentina	11,000,000	13,650,000
Australasia	4,500,000	3,700,000
India	4,000,000	3,700,000
Austria-Hungary	—	700,000
Minor Countries	1,000,000	1,030,000
Total	62,500,000	67,980,000

Prospective Requirements

	Prospective for season 1908-7 Qrs.	Actual Imports in season 1906-7 Qrs.
U.K.	27,000,000	26,200,000
France	1,800,000	1,800,000
Germany	11,000,000	9,000,000
Holland and Belgium	8,500,000	8,800,000

Italy	5,000,000	5,500,000
Spain and Portugal	2,000,000	2,000,000
Scandinavia	2,000,000	2,000,000
Switzerland	2,500,000	2,500,000
Greece	600,000	600,000
Austria-Hungary	1,500,000	—
Total, continent	34,700,000	31,000,000
Total, Europe	61,700,000	57,300,000
Ex-European	10,000,000	10,300,000
Total	71,700,000	67,500,000

Following Grain Movement

But to know approximately the amount of the prospective supply and requirement and the probable size of the European crop is only a part of the commercial game. Knowing that there is sufficient wheat to feed the important countries is not feeding them. They must have their weekly allowance and they must know as to whether this weekly allowance is coming forward from the export countries in a constant enough stream to meet their daily wants. This is as important commercially as the knowledge that the supply exists. The great importing houses of London, Antwerp, Liverpool, Amsterdam and Hamburg must know the movements of cargoes of grain in every quarter of the world. This information reaches Liverpool daily and is gathered and compiled by Mr. Broomhall, publisher of The Corn Trade News. There is a continual stream of wheat coming over the oceans from every wheat growing country that has a surplus towards western Europe. Steamers and sailers are being unloaded every day at the great ports of Europe while other steamers are being loaded at the same time at many Argentine, Australian, Russian and American ports. Yet, by a perfect system of obtaining information, Liverpool and London, and through them the rest of the world, knows how much wheat is afloat throughout the world. The amount of grain cleared from each port, no matter how distant from England, is daily cabled to Mr. Broomhall, who also receives accounts of the amounts unloaded at the ports of Europe each day. The amount of the world's shipment is added to the amount on ocean passage while that which is unloaded is deducted. This is done every day in each week and goes to the world on Monday so that the amount on passage becomes a matter of decided importance in every market of the world. If the amount on passage decreases below the normal, it has a marked effect, for speculators in Liverpool and London, who have sold short may become alarmed lest they cannot readily buy to deliver on sales. They, therefore, bid for wheat to get it and the price advances.

Visible Wheat Supply

The amount of wheat on passage is divided into that for the United Kingdom and that for the continent, although some may be billed "For Orders," and may be diverted to continental ports. Still another item in the world's statistics is the world's "visible supply," or the stock in store at central points. The amount in store, or the "visible supply" in America and Canada is compiled in the United States and is published weekly. The world's increase or decrease is estimated and published weekly while the world's supply in detail is published