

small and erratic. The stocks at Fort William and Port Arthur are being held down by the shipments out by all-rail to the seaboard, which are exceptionally heavy. The Canadian Visible is small, being only 6,132,000—a decrease of 2,433,000 as compared with a year ago. American Visible shows an increase of nearly eleven million bushels, while the shipments from American ports show a sharp falling off from last week and last year also. At the same time the European Visible shows a decrease of one and a half million. The World's Available Supply, according to Bradstreet, increased only 72,000 bushels, compared with an increase of 2,225,000 for the corresponding period a year ago.

The latest bulletin regarding the European crop shows that in the United Kingdom, France, Italy and Spain the conditions are favorable for the crop. In all other continental countries, weather conditions are unfavorable. Snow's latest report on the prospects of the United States winter wheat crop is bullish in tone, although not so markedly so as in his previous December report.

#### Argentine Estimates are Reduced.

With regard to the Argentine, on which so much hinges, the consensus of opinion is towards revising earlier large estimates as to the size of the wheat crop this year. There is a growing belief that the estimate previously given of 104 million bushels as the exportable surplus is correct. Leading authorities confirm the fact that there is much less disposition to sell the new crop this season than was evidenced last year. Broomhall estimates that the Argentine shipments for February and March will be 16 million bushels less than a year ago.

Winnipeg Market is in a healthy condition, although the demand for cash wheat has not been important. Export inquiry has been slack. Foreign markets show relative strength, but are a long way out of line. They will have to get nearer together before there will be an active export demand.

### WHEAT MARKET IN 1908.

#### Year Opened with Prices at High Level and Closed Strong—Outlook for 1909.

In reviewing the Winnipeg wheat market for the year 1908, the untoward season of 1907 over Western Canada must be recalled. That year, the late Spring on record was followed by an abnormally cool summer, early frosts, and unfavorable harvest weather in October. The crop was small in quantity and poor in quality, the total amount being ultimately estimated at 64,000,000 bushels, compared to a total of 94,000,000 bushels raised in 1906. This large decrease was itself an important factor in putting wheat prices on a higher level.

But there were also poor crops in some other parts of the world, notably Russia and the Danube country, and Germany. The prospect over the world was such that the value of wheat began to advance sharply in September, 1907. During the summer of 1907, the markets had been firm, and prices on a fairly high level. Owing to the very backward weather in May, preventing seeding, our 1 Northern advanced during that month from 80 to 93c. after having remained under 80c. for nearly a year.

#### High Prices in Autumn of 1907.

The finer and more favorable weather in June resulted in an easier feeling, and the price declined to 85c., but only to advance again to 91c. by the end of the month. During July and up to the last week of August, the market was comparatively steady around 92c., but unfavorable weather at the end of August raised 1 Northern to 96c.; and after getting into September, the bad weather continued and the price advanced till it touched 108c. on September 21st. In October the American and Canadian Spring-wheat crop situation looked serious, and prices continued to advance until 115c. was touched on the 12th of the month. By that date the weather settled and harvesting and threshing progressed, and prices gradually eased off again, so that by end of October the price of 1 Northern was down to 105c.

About this time, reports of a great crop prospect in the Argentine began to appear. At the same time, the money stringency affected the wheat trade severely and almost a panic ensued. This knocked the price down to 94c. on November 6th—a drop of 11c. in six days.

After this shake out the market quickly recovered, and on November 14th, 106c. was touched, a recovery of 12c. in eight days. During the rest of November and all December, the market fluctuated between 106 and 101c., 1 Northern closing on December 31st at 106c. Thus, from the 1st of May to the 31st of December, 1907, there was shown an ad-

vance of 26c. per bushel, with an extra spurt of 9c. more on October 12th.

#### Position at Opening of 1908.

From this, it is seen that by January 1st, 1908, the breadstuffs situation over the world had lifted the price of wheat to a distinctly higher level than had prevailed for a considerable time previously. During January of this year the market held very dull, but firm. In the fall months of 1907, the milling trade had been active, but during December it fell off and became dull, and it remained that way throughout the Spring and summer months of 1908. The wheat trade, taking the statistical situation over the world, and what was thought to be known in regard to the prospects for the 1908 crops and the supposed requirements of importing countries, looked forward to a time when the stocks of old wheat would become so low as to cause a practical scarcity and extremely high prices. This feeling, no doubt, held the market steady in January, during which month the price of 1 Northern kept around 108c. to 109c., until on the last two days of the month there was a slump to 104c., caused by the effect on the speculative market of large and increasing Argentine shipments.

This put the February price on a lower level than January, but in the last days of the month, unfavorable news from the United States winter wheat belt, and a better milling demand, sent the price of our 1 Northern up to 110½c. The month of March witnessed another dull, steady market, 1 Northern holding between 109 and 111c. until in the last four days of the month it sagged off to 106¼c. April saw prices erratic, but with a decline to 101c. by the 9th, then advancing to 111c. by the 30th. In May, after running the price up to 116c. by the 9th, it eased off again, and closed the month at 110½c.

#### Hope for a Record Crop.

By this time, the seeding over the Western Provinces was fully completed, and it had been one of the most propitious seed-times ever experienced in the West. The farmers were said to be enthusiastic over the prospect, and the grain-men looking forward to the biggest and best crop in the history of the West. This is the usual ultra-optimistic stuff with which the newspapers pad out their pages about June 1st; it is too, at least, a help in keeping prices down, for the time being.

At the same time, the immense Argentine shipments had so dulled the edge of the international markets that when June arrived, it was natural that the wheat trade should become easy. Thus our 1 Northern which stood at 110c. on June 1st, gradually declined to about 101c. by the 10th, spurted to 106c. by the 17th, and again backed down to 100c. on the 23rd, and finished the month at 101c. By July 1st enthusiastic crop estimates were putting the probable yield of our Western wheat crop at around 125,000,000 bushels, and conservative estimators put it at about 110,000,000 bushels.

The Canadian market held fairly steady throughout July, advancing in the first half of the month to 106c., touching 107c., and closing the month at 105c. During August, the scarcity of old wheat became more evident, and prices advanced to 112c. for 1 Northern in store Fort William. But trade was on a merely retail basis, millers working strictly from hand to mouth in view of the anticipated large supply when the new crops began to move.

#### Heat Wave and Frost Damage.

Meantime, in the West, the new crops had been coming along well without any great drawbacks, although a hot wave at the end of July had shrunk part of the crop in mid-Saskatchewan, and frost about the middle of August had cut down the fine prospect in parts of Northern Saskatchewan and North-Western Manitoba, so that at the beginning of the harvest the estimates of the yield were running from 95,000,000 to 110,000,000 bushels.

After the first half of August was past, the weather over the country was favorable for maturing the grain and harvest work, and this continued for many weeks without any serious drawback or delay. The consequence was that an early and free movement of the crop took place and continued to an extent never before experienced. The railways were never better prepared for moving the crop eastward, and although some districts complained that they were not getting a fair share of facilities in shipping out their grain, the general opinion is that railways have worked splendidly in the movement of the grain in the last four months. The fact that this has been so, is evident from the absence of any widespread outcry regarding want of car supply.

#### Prices Rose Despite Heavy Movement.

The 1st of September brings the beginning of the new crop season, and by then the old and the new wheat blend together so far as market quotations go. Canadian 1 Northern started at 101c. on September 1st, had a temporary

(Continued on Page 1167).