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World wool prospects

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WOOL-51

WORLD WOOL PROSPECTS

Summary

The Boston wool market developed a somewhat slower tendency toward the middle of July after several weeks of broadening trade, but evidences of increased consumption of wool and semi-manufactures encouraged a firmer tone in asking prices on some lines of wool according to the Bureau of Agricultural Economics. Prices of most wools showed further declines during the four weeks ended July 23, but in most cases the declines were smaller than those of the previous four week period. At the opening of the July auctions at London prices for practically all wools showed improvement as compared with closing prices of the previous series and the improvement was maintained to the close of the series with further increases reported on some wools. Quotations on tops and yarns at Bradford have been increased on the basis of the strength at London. The downward tendency of prices persisted throughout most of June in continental European centers, but toward the close of the month a slightly firmer tone became apparent as a result of the firmness in overseas markets.

Consumption of combing and clothing wool in the United States has declined almost continuously from the high point in July 1931 when a consumption of 44 million pounds (grease equivalent) was reported, until in May 1932 when reported consumption was only 13 million pounds. For the first five months of 1932 consumption was two-thirds of the average for the corresponding months of the previous five years. Wool consumption in the United States is very responsive to general business conditions and consumer

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buying power. A moderate recovery or mere stabilization of general industrial conditions would probably stimulate wool consumption materially.

Receipts of domestic wool at Boston still lag far behind those of last year. Only 95.6 million pounds were received to July 16 of this year. For the corresponding period of 1931 receipts were 153.3 million pounds. Imports of combing and clothing wool for the first six months of 1932 were 13,225,000 pounds compared with 28,182,000 pounds for the first half of 1931, and an average of 61,910,000 pounds for this period in the years 1927-1931.

Some improvement in the wool industry was indicated in reports from continental Europe during June. Activity seems to have been slightly above May levels, according to Agricultural Attaché Steere at Berlin and there is hope that wool may benefit if a revival in general business develops. There has been favorable news from the United Kingdom concerning market developments in July. Unemployment in the woolen and worsted industry the latter part of June, however, had increased to 26.4 per cent compared with 25.5 per cent in May. Manufacturers and exporters of piece goods are closely watching the international situation as it is felt that present currency and quota restrictions must be altered before much improvement can be expected in the export trade.

Latest reports from the important wool growing countries of the Southern Hemisphere indicate a sufficient supply of pasture and feed to carry flocks through the remainder of the winter.

In Australia conditions are described as ideal, whereas, in New Zealand, conditions, while not so good, have been much better than was expected. A deficiency in late summer rains is reported in the Union of South Africa, and pasturage and feed will not be as plentiful as expected



earlier in the season. Most of the sheep ranches are reported as stocked to capacity.

A world clip about equal to that of last season when it reached 3,313 million pounds exclusive of Russia and China, is indicated by preliminary reports. The increase in Australia and New Zealand combined is now estimated at about 2 per cent. It seems probable that the coming clip in the Union of South Africa will show some increase, unless weather and feed conditions grow decidedly worse. Conditions in Argentina appear satisfactory, whereas in Uruguay losses of sheep were reported at the time of the last shearing, and the wet weather in the northern part of the country has caused some trouble since then. In the United States the decrease in the clip is estimated at 7 per cent.

The season has now closed in most Southern Hemisphere countries and apparent supplies 1/ on hand at the beginning of July in 5 countries 2/ are estimated at between 25 and 30 per cent greater than at the same time last year but only 11 per cent greater than at the same date of 1930. Exports for the season from the same 5 countries are estimated at approximately 1,703 million pounds, a decrease of about 5 per cent compared with those of last season when they were unusually high. In 1929-30 exports for the season were estimated at 1,657 million pounds and in 1928-29, 1,765 million pounds.

Domestic

Trade and consumption

Consumption of wool in the United States has fallen to very low levels. For the first five months of this year manufacturers reporting to the Bureau

1/ Carry-over from preceding season, plus estimated production, minus exports; no deduction made for comparatively small quantities consumed or amount sold but not yet exported. 2/ Australia, New Zealand, Union of South Africa, Argentina and Uruguay.

of the Census consumed only 110.3 million pounds of combing and clothing wool (grease equivalent) while during the same months of 1931 they consumed 159.3 million pounds. The average consumption reported for this period in the years 1927-1931 was 165.7 million pounds. In May 1932 reported consumption was only 13.1 million pounds.

Reports on machinery activity indicate that during May of the present year woolen spindles operated at only 30.4 per cent of the maximum single shift capacity while worsted spindles operated at 24.6 per cent of capacity. Carding and combing machinery operated at 30.3 per cent and 30.8 per cent respectively. The figures for May show a slight increase in activity in the woolen section as compared with April but this was more than offset by the decline in the worsted section.

Imports of combing and clothing wool have been declining as production has been increasing since 1923. With the decline in consumption after 1929 imports fell still lower and the large supplies of domestic wool now available make import requirements very small. About 75 per cent of the yearly imports of combing and clothing wool are usually made in the first six months of the calendar year. In the first half of the present year only 13,225,000 pounds were imported, this was only 46 per cent of the imports for that period last year and 21 per cent of the average imports for that period in the five years 1927-1931. The margin of Boston over London prices for most nearly comparable grades in mid-July was about ^{11 cents} ~~scoured~~ basis on 64s, 70s, 80s; 10 cents on 56s and 14 cents on 46s. As the United States tariff rate on these wools is 34 cents a pound present prices will hold imports largely to specialty lines.

Foreign

United Kingdom

Developments at the July series of the London wool sales resulted in a more optimistic tone in the English wool industry. A considerable amount of new business was reported in tops during the first two weeks of July and prices for tops and yarns improved on the Bradford market. Prices for wool at the opening of the London series were generally $7\frac{1}{2}$ per cent higher than those reported at the close of the previous series in June. During the second week prices became firmer and further increases were reported but some of this firmness was lost during the final week of the series. Prices at the close were equal to or slightly higher than the opening quotations and were mostly 5 to 10 per cent higher than those received at the close of the June series. Medium and low greasy crossbreds, however, were reported to be 25 per cent above June prices and some slipes of fine and medium crossbred wools were 15 to 20 per cent higher.

Brokers estimated that 115,070 bales of wool were cataloged and 99,000 bales were sold at the July series. English buyers took 60,500 bales and 38,500 bales were taken by continental buyers. The carry-over of merino wool for the next series is said to be small, the supplies being largely New Zealand wools.

The increased activity in the woolen and worsted industry in England following the abandonment of the gold standard and the introduction of the abnormal imports duties continued during the first quarter of 1932, according to a report of H. E. Reed, marketing specialist, at London. Rushing the completion of orders to forestall possible cancellation resulted in a peak of activity being reached in March. From this peak activity has declined throughout the second quarter. The activity had been the result of improved home trade demand. With the exception of an export demand for tops during the first four months of 1932 export trade had not improved. The slowing down in machinery activity has been occasioned by the completion of home trade orders. It is generally recognized that the industry in England cannot be maintained at anything like full production without a healthy export trade. The lowering of import duties in April occasioned considerable uncertainty in the manufacturing industry, due to possibilities of increased continental competition in domestic markets. Imports since April while larger than during the period in which the abnormal duties applied, have not compared with imports of other years. More time will be needed to see the full effect of the lower duties.

In this period of high activity, the improvement has been felt most in those sections capable of producing goods for replacing imports. The demand has been greatest for hosiery and knitting yarns and for tissues suitable for women's wear.

Exports from the United Kingdom show in most cases an improvement in June compared to May, and in all cases an improvement over June, 1931. The difficulty in getting payment from foreign countries is preventing further development of the export trade. The publication of the June returns offers some encouragement to the industry. The improvement in trade with the United States as compared with the low record in May is particularly encouraging.

Imports of yarns declined from May, but exports of woolen tissues and worsted fabrics increased. These are the items that have been most feared since the lowering of the duties in April. Imports still remain far below last year's imports.

France

As a result of an increase in new orders placed with the worsted spinning mills at Roubaix-Tourcoing, a slight improvement in trading in tops occurred during the first half of June, according to a report from Agricultural Attache Steere at Berlin. Satisfactory activity also continued in noils, particularly as a result of good buying interest from the centers of Elbeuf and Sedan, where the industry seems fairly well occupied. Washed wool sales were also quite satisfactory, especially in ordinary crossbreds. During the second half of the month trading in noils remained satisfactory, though somewhat quieter tendencies ruled in tops and washed wool.

The situation of the wool industry in France has remained largely unchanged through June, with some improvement in unfilled orders and activity in the worsted mills, but the position of the woolen spinners is rather unsatisfactory.

Italy

On the Italian markets there was particularly good demand in June for domestic wool for knitted goods and army cloth, the latter in expectation of Government orders, and buying of tops and noils was likewise of fair volume. The situation of the mills was reported slightly improved recently.

Belgium

While trading in tops during June remained quite limited in Belgium, there was a noticeable improvement in noils. The situation of the wool industry, however, continued generally unsatisfactory with both spinning and weaving mills complaining of the slowness of incoming orders. Hat-makers appeared to be better supplied with business.

Germany

Relatively restricted trading prevailed in tops and noils during the first part of June, but increased business developed around the middle of the month, especially for fine crossbred tops. Buying interest for noils was especially good toward the end of the month, when the firmer tone of overseas markets aided the tendency on the Continent.

Occupation in the wool industry in Germany in June was about unchanged, with worsted spinners still receiving relatively more new orders and worsted mills relatively more active than in the woolen section.

Stocks of tops in continental Europe

Stocks of tops at the principal commission combing establishments of France, Germany, Italy and Belgium at the end of June were probably equal to or slightly in excess of the post-war maximum, according to the Weekly Wool Chart of Bradford. The heavy increase in merino tops since January is largely responsible. At the end of January, stocks of merino tops were practically on a par with the average of the previous five years, but each month there has been a steady increase and at the end of June stocks were almost 9 million pounds greater than the average. Stocks of crossbred tops were well below average at the end of January but since that time they have increased until they are now about 4 million pounds above average. The greatest increase in stocks of crossbred tops occurred between January and April, the increase in May and June being about equal to the usual seasonal movement. The total increase in merino and crossbred stocks at the end of June for establishments reporting, compared with the June average of the previous five years, was about 13 million pounds. The figures do not cover total stocks of tops in the countries mentioned, the proportion reported in Germany for instance is believed to be about half of the total for that country.

Wool: Price per pound in important markets, specified dates
1931 and 1932

Market and description	1931		1932			
	July		June		July	
	Date	Price	Date	Price	Date	Price
<u>Boston</u>		<u>Cents</u>		<u>Cents</u>		<u>Cents</u>
Territory, strictly	Week		Week		Week	
combing	ended		ended		ended	
scoured basis						
64s, 70s, 80s	7/18	61.5	6/18	38.0	7/16	36.0
56s	"	49.0	"	33.0	"	30.0
46s	"	36.5	"	24.0	"	24.0
<u>London</u>						
U. S. standards						
scoured basis						
70s ordinary	7/17	38.5	6/3	25.4	7/15	25.9
56s "	"	25.3	"	20.0	"	21.3
46s carding	"	15.2	"	8.1	"	10.3
<u>Bradford</u>						
Scoured wool						
64s	7/25	39.5	6/25	24.1	7/25	25.2
50s	"	17.7	"	10.2	"	12.6
<u>Germany</u>						
German A/AA 1/ cleaned, scoured	7/1	38.9	6/15	30.2	7/1	29.5
Cape fine 6-8 mo. washed	"	38.9	"	28.4	"	27.8

Compiled from Weekly Market News reports of the Boston office of the Bureau of Agricultural Economics and reports from Agricultural Attache's at London and Berlin.

.1/ Corresponds to grades 66/70 in the English system.

Wool: Imports into the United States, specified periods, 1931 and 1932

Class	1931		1932		
	Jan. 1- June 30	June	Jan. 1- June 30	May	June
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Combing	24,373	1,182	8,549	578	420
Clothing	3,809	253	4,676	126	1,010
Total	28,182	1,435	13,225	704	1,430
Carpet	64,367	15,743	25,325	2,128	1,267
Total all wools ..	92,549	16,778	38,550	2,832	2,697

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

Wool tops: Price per pound in England, France and Germany, specified dates 1931 and 1932

Market and description	1931		1932			
	July		June		July	
	Date	Price	Date	Price	Date	Price
		Cents		Cents		Cents
<u>Bradford</u>						
64s	July 25	48.7	June 25	31.6	July 25	33.4
50s	"	26.4	"	16.5	"	18.5
<u>Roubaix</u>						
Australian merino 64s						
warp	July 9	52.7	June 3	40.0	July 15	39.1
Australian, crossbred 56s	"	42.6	"	32.0	"	31.1
Argentine crossbred 56s	"	38.5	"	30.2	"	30.2
<u>Germany</u>						
Dry combed						
Australian 70s	July 1	53.2	June 15	37.8	July 1	38.1
Buenos Aires 50s	"	29.9	"	21.6	"	21.7

Compiled from reports of Agricultural Attache's at London and Berlin.

Wool: Consumption in the United States by grades, for specified periods, 1931-1932 1/

Grades (official standards of the United States)	1931		1932		
	Jan. 1- May 31	May	Jan. 1- May 31	Apr.	May
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Combing and clothing wool:					
64s, 70s and 80s	63,307	13,346	37,232	5,463	3,352
58s and 60s	24,230	5,928	18,221	2,140	2,000
56s	23,019	5,502	15,341	2,527	2,287
48s and 50s	16,916	4,269	15,237	2,464	2,247
36s, 40s, 44s and 46s ..	7,155	1,289	5,788	940	827
Total combing and clothing wools	134,627	30,334	91,869	13,534	10,713
Carpet wools	46,529	9,626	24,725	3,967	3,317
Total all wools	181,156	39,960	116,594	17,501	14,030

Compiled from "Wool Consumption Reports" issued by the Bureau of the Census. 1/ These are the totals of grease, scoured, and pulled wool as published by the Bureau of the Census and have not been reduced to a grease basis.

United Kingdom: Price per pound at the London wool sales, reported on the basis of official standards of the United States for grades of wool, ordinary type, scoured basis, 1932 series

Date	70s	64s	60s	58s	56s	50s	48s	46s	44s	40s
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan. 15	26.9	26.1	25.4	24.0	21.1	12.7	12.0	11.6	11.3	11.6
" 22	26.6	25.2	24.5	23.0	20.9	12.2	11.5	11.2	10.8	10.8
" 29	25.9	25.2	24.5	23.0	20.5	12.2	11.5	10.8	10.8	10.4
Feb. 2	26.6	25.2	24.5	23.0	20.9	12.7	11.5	10.8	10.4	10.1
Mar. 4	26.3	24.1	23.4	21.9	19.7	11.7	10.6	9.9	9.5	9.5
" 11	27.2	25.7	24.2	22.6	20.4	12.1	10.9	10.2	9.8	9.8
" 16	27.9	26.0	24.2	22.3	20.0	12.1	10.9	10.2	9.8	9.1
Apr. 15	25.9	25.1	23.6	22.0	19.6	11.8	11.0	9.8	9.4	9.4
" 22	26.5	25.7	25.0	21.8	20.3	11.3	10.5	9.8	9.4	9.4
May 27	24.6	23.1	22.3	21.6	18.9	10.0	9.2	8.5	8.5	8.5
June 3	25.4	22.3	22.3	20.8	20.0	9.6	8.9	8.1	7.7	7.7
July 8	25.0	22.8	22.8	20.9	19.8	11.8	10.3	8.8	8.1	8.1
15	25.9	24.4	24.4	22.4	21.3	13.3	11.8	10.3	9.6	9.6
20	25.2	23.9	23.9	22.2	20.0	12.6	11.1	10.4	9.3	8.9

Compiled from reports of E. A. Foley, Agricultural Attaché at London. . .
Conversions at current rate of exchange reported by Federal Reserve Board.

Wool, tops and yarn: Price per pound at Bradford on specified dates, 1932

Date	Wool		Tops		Worsted yarn	
	64s	50s	64s	50s	2/48s	2/32s
	Cents	Cents	Cents	Cents	Cents	Cents
Jan. 26	27.4	13.7	35.3	19.4	57.6	32.4
Feb. 25	26.8	13.0	33.4	19.6	56.6	32.6
Mar. 23	28.1	13.3	34.1	19.0	59.2	32.6
Apr. 25	27.0	12.3	33.9	18.5	57.1	32.4
May 26	23.8	10.4	32.3	17.7	53.8	30.8
June 25	24.1	10.2	32.6	16.5	52.6	29.3
July 25	25.2	12.6	33.4	18.5	53.4	31.1

Compiled from reports of E. A. Foley, Agricultural Attaché at London.
Conversions at current rate of exchange.

Wool, tops and yarn: Amount passing through conditioning houses in
England, France and Belgium, specified periods, 1931 and 1932

Location and class	1931			1932		
	Jan. 1- June 30	May	June	Jan. 1- June 30	May	June
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Bradford-						
Wool	3,872	544	658	4,383	610	627
Tops	22,061	3,310	3,424	27,347	3,282	3,772
Yarn	694	140	149	773	106	102
Roubaix-						
Wool	1,367	190	20	1,142	137	152
Tops	22,669	2,806	948	20,252	3,314	3,419
Yarn	6,063	957	216	4,679	873	891
Tourcoing-						
Wool	14,155	2,077	1,129	10,344	1,892	1,854
Tops	34,672	3,922	2,187	29,161	4,026	4,698
Yarn	7,696	1,122	205	6,261	1,067	1,122
Mazamet-						
Wool	26,461	3,554	3,582	23,321	3,651	4,081
Verviers-						
Wool	11,367	1,563	1,687	10,459	1,625	1,651
Tops	2,235	386	518	1,881	238	430
Yarn	2,919	542	474	1,678	192	174

Compiled from reports from Agricultural Attache Steere at Berlin and Consul Edwards at Bradford.

United Kingdom: Trade in Foreign and Colonial wool and woollen and
worsted tissues, specified periods 1931 and 1932

Item and unit	1931			1932 1/		
	Jan. 1- June 30	June	Jan. 1- June 30	May	June	
	<u>Thousands</u>	<u>Thousands</u>	<u>Thousands</u>	<u>Thousands</u>	<u>Thousands</u>	<u>Thousands</u>
Wool - pounds						
Imports	588,100	75,200	611,400	116,600	80,400	
Re-exports	172,500	38,300	188,200	35,900	32,100	
Net imports	415,600	36,900	423,200	80,700	48,300	
Tissues - sq. yds.						
Imports	21,244	2,690	2,342	287	463	
Exports	42,124	6,117	40,842	5,658	6,327	

Compiled from Trade and Navigation of the United Kingdom and cabled reports from Agricultural Attache Foley at London.

1/ Preliminary.

Tops: Stocks held by continental European commission combing establishments, specified dates, 1931 and 1932

Location of establishment and description of wool	1931			1932		
	Apr. 30	May 31	June 30	Apr. 30	May 31	June 30
	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds
France						
Merino	18,434	17,531	15,783	17,769	18,567	18,915
Crossbred	11,523	10,421	9,120	12,229	13,468	14,557
Total	29,758	27,952	24,903	29,998	32,035	33,472
Germany						
Merino	8,770	9,251	9,288	10,395	11,770	12,438
Crossbred	4,861	5,434	6,283	8,157	9,689	10,637
Total	13,631	14,685	15,571	18,552	21,459	23,075
Belgium						
Merino	2,493	2,586	2,765	3,556	4,105	4,420
Crossbred	1,810	1,951	1,925	1,713	1,834	2,097
Total	4,303	4,537	4,690	5,269	5,939	6,517
Italy						
Merino	1,455	1,543	1,585	1,113	1,039	1/
Crossbred	1,854	1,845	1,825	1,508	1,477	1/
Total	3,309	3,388	3,410	2,621	2,566	1/

Compiled from reports from Agricultural Attache Steere at Berlin.

1/ Not yet reported.

Supply Situation

United States

On July 1 for the first time in many months the condition of sheep and ranges in the Western States were reported as better than at the same date of the preceding year. Thus the recovery from last season's drought, as far as grazing is concerned, appears practically complete.

The condition of ranges in the 17 Western States is now estimated at 92 per cent of normal compared with only 89 per cent in June, 79 per cent in July last year and a 5-year average of only 88 per cent. Heavy winter snows and spring showers experienced in most of the higher regions of the West have generally insured an abundance of summer feed. In a small area east of the Colorado Mountains range feed has been reduced by lack of moisture.

The condition of sheep on July 1, estimated at 90 per cent of normal, was slightly below the 5-year average but above the condition reported on July 1, 1931. Winter and spring losses in most States were above average and a large number of dry ewes were reported.

Notwithstanding the fact that sheep numbers on January 1, 1932 showed a 2 per cent increase above the same date of the preceding year, above average losses this spring, combined with a reported lighter weight of fleece, have resulted in a decrease in the 1932 clip which is now estimated at 342 million pounds not including pulled wool. This is a decrease of 27 million pounds or 7.3 per cent compared with the record clip shorn in 1931.

Australia

The 1932-33 Australian clip is estimated to be a large one. Production for the season beginning July 1, 1932 was provisionally estimated at 934 million pounds at the combined meeting of growers and brokers in June. This is an increase of 4 per cent above the preliminary official estimate of 950 million pounds for the season which has just closed. Final figures for the 1931-32 season, however, may show some increase over the preliminary estimates. At any rate total receipts into store for the season show an increase of 11 per cent compared with the preceding season, receipts being estimated at 859 million pounds. This is an increase of 3 per cent above receipts for the season 1928-29 when the clip reached 968 million pounds, the largest clip produced in Australia up to the present.

Disposals of the 1931-32 clip for the entire season amounted to 815 million pounds, an increase of 8 per cent above the preceding season but were 1 per cent below disposals for the 1928-29 season. In addition practically the entire quantity carried over at selling centers from the preceding season was sold during 1931-32. The quantity remaining on hand from the current clip on June 30, 1932 is estimated by the National Council of Wool Selling Brokers at approximately 44 million pounds, compared with 17 million pounds on June 30 last year and 53 million pounds on the same date in 1930. In 1924-25 however, owing to the suspension of sales in May, stocks at the end of June were 162 million pounds. For the five years 1926-27 to 1930-31 stocks on June 30 averaged 16 million pounds.

It is expected that crossbred wool will represent a larger proportion of the wool clip this season than usual, due to the fact that a number of small sheep owners engaged in mixed farming have gone in for fat lamb production during the last years, according to Agricultural Commissioner E. C. Paxton at Sydney. The percentage of crossbred wool is small, however, compared with merino, the quantity of crossbred to be received into store during the 1932-33 season being estimated at only 491,950 bales, the remainder or 2,388,050 bales being described as merino.

Exports for the entire season ended June 30, amounted to 837 million pounds, according to preliminary figures of Dalgety and Company, and were 2 per cent above exports for the preceding season and also 2 per cent larger than in 1928-29 when the clip was the largest on record up to that time.

A preliminary unofficial estimate as of January 1, 1932 places Australian sheep numbers at 109,000,000, an increase of 2 per cent above 1931. Pastoral conditions are very favorable for the season's lambing and a further increase in flocks appears probable. Feed is abundant everywhere, both as regards pasture and stored feed, states Mr. Paxton.

With the exception of parts of Queensland, seasonal conditions throughout Australia have been very satisfactory for some time, the season being described as ideal in New South Wales where over 50 per cent of the Australian sheep are carried. Now that the drought areas in Queensland have also received rain, anxiety concerning feed during the winter months (June - August) has been almost entirely dissipated, and in those parts where there has been plenty of rain, feed is assured until the middle of next summer, i.e. December or January.

Since the last shearing season, i.e. for the period September 1 to May 30, the number of sheep slaughtered for export was 1,095,000 a decrease of 15 per cent below the same period of the preceding year. There was a considerable increase in slaughter of lambs, however, as the number killed during the 8-month period was 3,046,000, an increase of 27 per cent above the same period of the preceding year. The increase in the combined slaughter of sheep and lambs was 12 per cent, whereas, last year the increase was only 4 per cent above the preceding year. Slaughter for export constitutes between 15 and 20 per cent of total slaughter in Australia.

New Zealand

Wool production in New Zealand for the 1932-33 season will probably be in the neighborhood of 246 million pounds, a decrease of 4 per cent compared with the preliminary estimate for 1931. This estimate is based on the sheep estimate for April 1932 which places numbers at 28,606,000, a decrease of 4 per cent compared with 1931. Sheep numbers are now 2,235,000 below the record number reported in April 1930. The number in North Island this year was reported as 15,022,000, a decrease of 5 per cent compared with 1931 while in South Island sheep numbered 13,585,000, a decrease of only 2 per cent compared with the preceding year. The heavy decrease in North Island is undoubtedly principally due to the drought which persisted in that vicinity for a protracted period. Farmers in that section of the country are now reported as greatly encouraged by the recent improvement in weather conditions and are looking forward to a marked improvement in lambing percentages during the next lambing season, as feed is now abundant.

Winter feed (June - August) is reported as sufficient to carry flocks through the winter to the next shearing season and conditions in those sections which suffered from drought have improved beyond expectation.

Offerings for the entire season ended June 30, 1932 are now estimated at 197 million pounds, an increase of 18 per cent above the preceding season and 15 per cent above 1929-30 but were below the quantity offered for the three seasons preceding. Sales which totaled 160 million pounds exceeded those of the preceding season by 7 per cent. It is estimated that the carry-over in New Zealand will be more than at the same time last year.

Exports for the season ended June 30, 1932 estimated at 222 million pounds, were 1 per cent above those for the preceding season but were smaller than during the seasons 1927-28 or 1928-29.

Union of South Africa

Winter pasturage and feed will not be as plentiful as expected earlier on account of the inadequacy of late summer rains in important sheep areas of the Union and a tendency to overstock, states Agricultural Attaché C. C. Taylor in his latest report. Since the end of March rainfall has been rather deficient and droughty conditions are reported over the greater portion of Cape Province and the southern Orange Free State. There will be little reserve of grazing and unless good rains are enjoyed during the remainder of the winter, green feed will be scarce.

The early winter lambing season is now practically ended and a good crop was realized except in the Cape Northwest, where it is feared the crop will be a failure. This area, however, is of minor importance in the sheep industry.

Mr. Taylor reports a definite effort on the part of wool growers to check sheep expansion. The number of woolled sheep on hand last August is unofficially estimated at 46,300,000, an increase of 5 per cent above 1930. With a good spring and summer lambing (August - December) in 1931 and a reported good lambing in March - June 1932, numbers the coming August will probably be well maintained despite the fact that slaughterings in the 5 principal abattoirs of the Union increased 15 per cent from July 1, 1931 to May 30, 1932 above the preceding season. Losses from drought, disease, etc., have been practically negligible.

No estimate of the coming wool clip is as yet available. The heavy shearing of short wool during March, April and May 1932 would have a tendency to make it smaller than it would otherwise have been. However, it is stated that short shearing will also take place next year. The extension of the export subsidy on wool for another twelve months has had the effect of causing some owners to shear their sheep now, even though it is only six months' wool, in order that they may shear and sell another full clip within the extended period of the subsidy, states Mr. Taylor.

The latest estimate of wool production for the 1931-32 season is from 310 to 315 million pounds, a reduction of 20 to 25 million pounds below the original official estimate of 335 million pounds for the season, but an increase compared with the 305 million pounds reported as produced in 1930-31.

Receipts of wool at ports aggregated 321 million pounds up to June 4, an increase of 11 per cent above the preceding season. Wool exports up to June 4 totaled 290 million pounds grease equivalent, an increase of 5 per cent above the same period of 1930-31. Stocks on hand at ports at the beginning of June are estimated at 27 million pounds or about twice the quantity on hand at the same date of 1930.

Argentina

Although the wool season does not close officially until the end of September disposals during the last few months of the season usually constitute a small percentage of total disposals, and this year, especially, it is reported that farmers who have not already sold intend to store their wools until next season.

Receipts of wool at Central Produce Market, Buenos Aires up to June 21, aggregated 82 million pounds, a decrease of 16 per cent compared with the same period of 1930-31. The average receipts at that market up to the end of June for the five preceding years was 96 million pounds. Exports up to June 30, are estimated at approximately 257 million pounds, a decrease of about 16 per cent compared with the same period of 1930-31. Last season, however, exports were unusually high.

Uruguay

Although exports from Uruguay for the first nine months of the 1931-32 season amounted to only 75 million pounds and showed a decrease of almost 50 per cent compared with the preceding season, it seems hardly probable that there was anything like such a heavy decrease in the wool clip. However, unofficial estimates place the clip as low as 102 million pounds for the season, according to Assistant Agricultural Commissioner C. L. Luedtke.

During the 1930-31 season it is estimated that production reached 154 million pounds compared with 150 million pounds in 1929-30. Exports for the two seasons were 149 million pounds and 148 million pounds, respectively, compared with an average of 118 million pounds for the five preceding seasons.

A recent statement showing the distribution of the 1931-32 clip for the seven months ended April 30 furnished by Mr. Luedtke shows that stocks on hand at Montevideo on April 30 this year were approximately 20 million pounds compared with only about 3 million pounds at the same time last year. On June 30 stocks at Montevideo were estimated at 22 million pounds. In addition, the quantity remaining on farms this year was estimated at 6 million pounds. It seems probable that the quantity remaining on farms was considerably greater.

Unofficial estimates place domestic consumption in Uruguay at between 8 and 10 million pounds. During the period September 1, 1931 to April 30, 1932 it is reported that sales at Montevideo for that purpose amounted to 3 million pounds.

Wool: Production in countries reporting for 1931 and estimated world total, annual 1926-1932

(For table giving all countries see Foreign Crops and Markets, April 18, 1932, pages 590-601)

Country	1926	1927	1928	1929	1930	1931 prel.	1932 prel.
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
<u>SOUTHERN HEMISPHERE:</u>							
Australia	924.4	888.1	968.2	937.6	901.2	1/950.0	984.5
New Zealand 2/	202.4	229.0	239.0	242.0	266.0	3/257.0	3/246.4
Argentina 4/	357.0	336.0	352.0	320.0	351.0	355.0	
Uruguay 4/	129.0	151.0	159.0	1/150.0	1/154.0	5/130.0	
Chile 4/	26.0	26.4	27.9	27.1	26.7	28.0	
Union of South Africa 4/6/	249.2	273.0	285.0	307.0	305.0	315.0	
Total 6 Southern Hemis. countries	1,888.0	1,885.5	2,009.1	1,983.7	2,003.9	2,013.0	
<u>NORTHERN HEMISPHERE:</u>							
United States:							
Shorn	268.9	289.9	314.6	327.6	351.5	369.5	342.4
Pulled 7/	49.6	50.1	51.9	54.5	61.9	66.1	
Total	318.5	340.0	366.5	382.1	413.4	435.6	
Canada	18.0	18.7	19.6	20.3	21.0	20.4	
<u>EUROPE</u>							
United Kingdom and Irish Free State 8/:							
Norway	6.2	6.2	5.4	5.2	5/5.4	5/5.7	
France	46.5	47.6	47.2	46.1	45.2	3/43.9	
Spain 9/	75.9	77.3	(76.0)	10/73.0	73.5	73.8	
Germany	41.8	35.9	33.6	31.9	30.6	3/30.3	
Czechoslovakia	3.8	9/3.3	9/3.7	9/3.7	3.7	2.7	
Hungary	13.2	11.8	11.5	11.5	13.0	3/12.8	
Yugoslavia	28.0	28.0	28.0	28.0	(28.5)	28.8	
Rumania 9/	49.2	49.8	48.2	47.2	45.9	45.3	
Lithuania	5.0	3.3	4.1	3.6	3.2	3.6	
Latvia	3.6	3.6	3.4	(3.4)	3.3	2.8	
Poland	9.1	8.8	9.6	10.4	9.6	3/10.0	
Total 12 European countries reported for 1931	395.6	395.4	390.4	381.9	379.5	382.1	
<u>AFRICA & ASIA 11/</u>							
Algeria	59.3	56.8	56.8	47.1	49.6	58.0	
Tunis	5.7	2.8	3.2	3.3	4.3	5.2	
Egypt	4.6	4.8	4.7	4.0	4.0	3/4.5	
Turkey	10.2	11.9	8.5	5.0	14.1	14.8	
Total 13 Northern Hemis. countries reporting to 1931	791.9	810.4	829.7	844.2	865.9	900.5	

Continued -

Wool: Production in countries reporting for 1931 and estimated world total, annual 1926-1931 - Contd

(For table giving all countries see Foreign Crops and Markets, April 18, 1932, pages 599-601)

Country	1926	1927	1928	1929	1930	1931 : prel.	1932 : prel.
	: Million : pounds	: Million : pounds	: Million : pounds	: Million : pounds	: Million : pounds	: Million : pounds	: Million : pounds
Total 24 coun- tries reporting to 1931	: 2,679.9	: 2,695.9	: 2,836.8	: 2,827.9	: 2,809.8	: 2,913.5	:
Estimated world to- tal excluding Rus- sia and China <u>12/</u>	: 3,066.0	: 3,068.0	: 3,217.0	: 3,209.0	: 3,280.0	: 3,313.0	:
Russia	: 351.0	: 369.0	: 391.8	: 394.2	: 310.8	: <u>14/</u> 350.0	:
China <u>14/</u>	: 27.3	: 48.0	: 64.8	: 50.2	: 26.1	: 31.9	:

Bureau of Agricultural Economics, Division of Statistical and Historical Research. Includes small quantities of pulled wool in certain countries. This table includes wool shorn in the spring in the Northern Hemisphere and that shorn in the last few months of the same calendar year in the Southern Hemisphere.

- 1/ Estimate furnished by cable from the International Institute of Agriculture.
- 2/ Estimates of Dalgety and Company as comparable figures are available up to date. Official figures recently issued by the Farm Economic Section of the New Zealand Department of Agriculture place total production as follows, in millions of pounds: 1923-1925, 195; 1926, 214; 1927, 226; 1928, 239; 1929, 252.
- 3/ Estimate based on sheep numbers at date nearing shearing time.
- 4/ Estimates based on exports alone or on exports, stocks and domestic consumption.
- 5/ Estimates of decrease vary considerably but 15 per cent decrease taken as conservative.
- 6/ Includes imports from surrounding territory, British Southwest Africa, Basutoland, etc., which are exported through Union ports.
- 7/ Reported mostly as washed. The United States Bureau of the Census considers 1 pound pulled wool the equivalent of 1-1/3 pounds grease.
- 8/ Estimates of the Yorkshire Observer. These estimates have been used instead of official figures as comparable estimates are available up to date.
- 9/ Revisions based on recent census figure of wool production or of sheep numbers.
- 10/ Census figures.
- 11/ Estimate for Asiatic countries rough approximations only.
- 12/ Totals subject to revision. Few countries publish official wool production figures. In the absence of official figures for most countries various estimates have been used, some have been supplied by Government representatives abroad, others are based on sheep numbers at the date nearest shearing time. For some principal exporting countries, exports alone, or exports, stocks and domestic consumption have been used as representing production. In the case of some Asiatic countries rough commercial estimates have been used while the figure of the United States Department of Commerce or the National Association of Wool Manufacturers have been used for some countries. 13/ Estimate based on production in 24 countries which furnish 88 per cent of world production, exclusive of Russia and China in 1930. 14/ Estimate based on increase in sheep numbers.

Movement in primary markets for season 1931-32 with comparisons

Country	Item and period	1930-31	1931-32
	Receipts at selling centers:	Million lbs.	Million lbs.
Australia	July 1 -- June 30 <u>1/</u>	771.6	859.4
New Zealand	July 1 -- June 30 - selling:		
	season <u>2/</u>	166.5	<u>2/</u> 197.2
Union of South Africa	July 1 -- June 4 <u>3/</u>	288.6	<u>4/</u> 320.7
Uruguay	At Montevideo June 1	- - -	97.0
	Disposals at selling centers:		
Australia	July 1 -- June 1 <u>1/</u>	755.0	814.9
New Zealand	July 1 -- June 30	149.5	160.1
Union of South Africa.	Oct. 1 -- June 4 <u>5/</u>		<u>6/</u> 298.0
	Exports		
Australia	July 1 -- June 30	820.9	836.6
New Zealand	July 1 -- June 30	218.7	221.7
Argentina	Oct. 1 -- June 1	281.6	236.3
Uruguay	Oct. 1 -- June 30	145.2	75.0
Union of South Africa	July 1 -- June 4	275.1	289.5
	Stocks at selling centers		
Australia	June 30 <u>1/</u>	16.6	44.5
Union of South Africa	June 1 -- Unsold wool	14.7	27.0
New Zealand			
Uruguay	June 30	3.0	22.0

Division of Statistical and Historical Research. For later estimates for some countries see text. Compiled as follows: Australia: Receipts, stocks and disposals - Estimates of National Council of Wool Selling Brokers of Australia - Latest figures cabled by Agricultural Commissioner Paxton. Exports - Dalgety and Company estimate. New Zealand: Offerings and sales, Trade Commissioner Julian B. Foster and weekly trade reports. Exports - Dalgety and Company. Stocks 1932 - The New Zealand Farmer May 2, 1932. Argentina: Receipts and stocks at Central Produce Market - Review of the River Plate - Latest monthly export figures Assistant Agricultural Commissioner C. L. Luedtke. Uruguay: Receipts at Montevideo - The Anglo South American Bank, Ltd., December 1931. Exports - Assistant Agricultural Commissioner C. L. Luedtke. Union of South Africa: Receipts, sales, exports, stocks - Yorkshire Observer June 14, 1932.

- 1/ Clip of season designated only.
- 2/ Offerings at selling centers used as no figures given for receipts.
- 3/ Estimate of total receipts up to June 4 based on decrease in receipts by rail up to June 4.
- 4/ Total receipts by rail and otherwise.
- 5/ Data unavailable.
- 6/ Total sales.

Sheep: Numbers in important sheep and wool exporting and importing countries, specified years

Period	Exporting countries						Total
	Australia	New Zealand	Union of South Africa	Argentina	Uruguay		
	Jan. 1	Apr.	Aug.				
	Millions	Millions	Millions	Millions	Millions	Millions	
Averages							
1909-1913 ..	90.7	24.0	30.7	<u>1/</u> 43.2	26.3		214.9
1921-1925 ..	85.6	23.4	32.6	<u>2/</u> 36.2	14.4		177.8
1926	103.6	24.9	39.0	---	---		
1927	104.3	25.6	40.3	---	---		
1928	100.8	27.1	42.6	---	---		
1929	103.4	29.1	45.2	---	---		
1930	104.6	30.8	48.4	<u>3/</u> 44.4	<u>3/</u> 20.6		248.8
1931	107.0	29.8	<u>4/</u> 51.3				
1932	<u>5/</u> 109.0	28.6					
	Importing countries						
	United States	Great Britain	France	Germany	Italy		Total
	Jan. 1	June	Jan. 1	Jan. 1			
	Millions	Millions	Millions	Millions	Millions	Millions	Millions
Averages							
1909-1913 ..	43.2	25.3	16.2	5.0	11.6		101.5
1921-1925 ..	37.7	21.2	9.8	5.9	12.0		86.1
1926	40.2	24.1	10.5	4.8			
1927	42.3	24.6	10.8	4.1			
1928	45.1	24.0	10.7	3.8			
1929	48.2	23.7	10.4	3.6			
1930	51.4	23.9	10.5	5.5	<u>3/</u> 9.9		99.2
1931	52.7	25.4	10.2	3.5			
1932	53.9			3.5			

Compiled from official sources and the International Institute of Agriculture unless otherwise stated.

1/ Census June 1914.

2/ Census December 1922.

3/ Census.

4/ Estimate furnished by Agricultural Attaché C. C. Taylor.

5/ Unofficial.

6/ Revisions.

Australia: Wool receipts and disposals for entire season July 1 - June 30
and stocks on June 30, 1926-27 to 1931-32 1/

Season	Receipts		Disposals		Stocks June 30
	July 1 - June 30	June 30	July 1 - June 30	June 30	
	<u>Million pounds</u>		<u>Million pounds</u>		<u>Million pounds</u>
1926-27	785.1		777.1		8.0
1927-28	743.8		734.0		9.9
1928-29	834.1		820.3		13.7
1929-30	782.7		750.0		32.8
1930-31	771.6		755.0		16.6
1931-32 <u>2/</u>	859.4		<u>3/</u> 814.9		44.5

1/ Current season's clip only.

2/ Used average weight per bale for months July 1 - May 1.

3/ In addition 15,065,104 pounds from preceding season were disposed of during the season.

Australia: Shipments of wool by countries from July 1 to May 30,
1930-31 and 1931-32

Country of destination	1930-31	1931-32
	<u>1,000 pounds</u>	<u>1,000 pounds</u>
United Kingdom	291,184	250,277
Japan	185,959	139,536
France	113,796	148,777
Austria	79,357	102,183
Holland and Belgium	64,057	74,019
Italy	56,283	37,265
United States	11,201	22,387
Others	6,789	4,972
Total	808,626	779,416

Yorkshire Observer, July 7, 1932.