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WORLD WOOL PROSPECTS

WITH

QUARTERLY STATISTICAL SUPPLEMENT

Summary

The improvement reported in the domestic wool market last month has been extended and wool has been moving in the Boston market in recent weeks in greater volume than at any time since last February. Manufacturing operations have also been greatly expanded in United States woolen goods mills. The increased trading and manufacturing activity may be attributed in part to seasonal operations. Since consumption of combing and clothing wool by United States manufacturers in the first 9 months of 1934 was smaller than in the same months of any year for which records are available (since 1920), the present increase in activity also may be due to the need of replenishing stocks of manufactured goods after a long period of low manufacturing activity which was not accompanied by a corresponding decline in consumer purchases. Although basic conditions affecting the wool textile situation in European countries remain unsatisfactory, trading and manufacturing activity have also shown a moderate improvement since September in most European textile centers and European buyers have been active at London and at the sales in Southern Hemisphere markets.

Prices of wool on the Boston market have shown no distinct change since the adjustment of quotations on Ohio and similar fleece wools to slightly lower levels in October. Although some further increase in consumption of wool by domestic mills is expected in the next few months, no material advance in wool prices appears probable during the remainder of

the 1934-35 season (up to April 1, 1935) because of the relatively large supplies of wool available in this country. At the opening of the final London series on November 20 prices of greasy merino wools and most greasy crossbreds were about 5 percent below prices at the close of the previous series on October 3 while prices of other wools were about equal to the October quotations. Prices at sales in Southern Hemisphere selling centers have been steady to slightly higher in the last 2 months. Figure 1 at the end of this release shows the prices for five grades of wool at Boston and London and the differences between these prices by months, from 1921 to date.

Weather and feed conditions in most of the countries of the Southern Hemisphere have been fairly satisfactory thus far in the spring season, (September - October), with the exception of the Union of South Africa where rain was badly needed in most of the wool growing sections, according to latest reports. Sheep in most of the Southern Hemisphere countries apparently came through the winter without heavy losses. In the United States, the condition of sheep on western ranges has not made much improvement since the summer drought and there are prospects of heavy losses this winter especially if weather conditons are severe.

Preliminary estimates of wool production in Argentina and Uruguay have recently become available. Production in Argentina is now expected to total 366m000,000 pounds, an increase of 5 percent as compared with 1933. An increase is also indicated for Uruguay, the provisional estimate being 115,000,000 pounds or 10 percent above last season's clip. Including these two South American countries, production in 20 countries for 1934 is now estimated at 2,713,000,000 pounds, an increase of about 1 percent above 1933 but a decrease of 3 percent as compared with 1932, the year of record production. These 20 countries in 1933 produced over four-fifths of the world's wool clip, exclusive of Russia and China. The estimated reductions in 1934 in the United

States, Union of South Africa, and the United Kingdom have apparently been offset by increases in Australia, New Zealand, Argentina, Uruguay, and a few other countries of southeastern Europe and Africa.

The new clip continues to move very slowly out of primary markets of the Southern Hemisphere, partly on account of growers showing reluctance to sell at the current lower prices and partly on account of European import restrictions. Stocks at selling centers are large and withdrawals from sales have been heavier than usual. Exports for the first part of the season, up to October 31 from the five most important countries reached only 214,000,000 pounds and showed a reduction of 35 percent compared with the unusually heavy exports last season for the same period.

Apparent available supplies 1/ on October 31 in these same countries were approximately 14 percent larger than at the same date a year ago and 6 percent above the average for the years 1929-1933.

Market Situation

United States

Wool has been moving in the Boston market in November in greater volume than at any time since last February, reports R. L. Burrus of the Boston Office of the Bureau of Agricultural Economics. The improvement, while moderate, is a welcome departure from the unusually dull period through the spring and summer months. Prices on the whole, showed no distinct changes. Firmer tendencies were noted on some lines that have moved most freely in the past month.

The most encouraging development came toward the middle of November when buyers began to take choice staple wools from territory and Texas lines. Sales comprised good strictly combing 64s and finer territory wools in original bags, and graded lines of 64s, and finer territory wools of good French combing and average strictly combing staple at prices in the range 73-75 cents, scoured basis. Choice spot 12-month Texas wools brought around 73 cents, scoured basis. Sizable quantities of these lines were sold. Earlier sales of territory wools had been largely of graded French combing 64s and finer at 70-73 cents scoured basis, clothing at 65-67 cents, and ungraded lines at 67-70 cents for bulk average French combing, and 63-65 cents for short French combing and clothing. Average 12 months Texas wools sold at 70 cents scoured basis, spot Boston. Direct business on 12 months wools held in Texas was reported quite active at 65-67 cents scoured basis, delivered east, late

1/ Carry-over plus production minus exports to October 31. No deduction made for relatively small quantities used for local consumption or quantities sold but not shipped.

in October, but this business was checked by the improvement in the Boston market and the demand for higher prices at country points.

Demand for Ohio and similar fleece wools has been limited. Strictly combing lines sold in moderate quantities at 27-28 cents in the grease for 64s and finer, known as fine Ohio delaine, at 28-29 cents for 58s, 60s, (1/2 blood) at 29-30 cents for 56s (3/8 blood) and at 28-29 cents for 48s, 50s, (1/4 blood).

Limited quantities of Australian wools were reported to have been bought for American account in primary markets. A little spot Australian 64s, 70s, wool at good combing staple was sold at about 80 cents, scoured basis, duty paid, Boston.

Demand for pulled wools improved in the month ended November 15. Further declines in prices were reported on some of the finer scoured pulled wools, but prices were advanced on medium grades after some fairly large quantities were moved. Trading in noils was quite active and prices remained steady at 48-50 cents for 64s, and 40-45 cents for average 56s.

Fair orders for tops for future delivery were booked by topmakers during the last month. The bulk of the demand was on ordinary 64s top, average staple at prices in the range 85-88 cents. Demand for the lower grades lagged with little done except on spot lots at 70-75 cents for 56s, and at 65-68 cents for 50s. Deliveries on old contracts and on spot purchases showed a good increase during the month.

Receipts of domestic wool at Boston in October were relatively large for the month but were smaller than in October last year. Following the more active buying of wools at country points in October the weekly receipts at Boston in the first half of November were heavier than in September and October. From April 1, 1934, the beginning of the 1934-35 selling season to the end of October, receipts of domestic wool at Boston totaled 156,000,000 pounds compared with 231,000,000 pounds for the corresponding period a year earlier when the movement of wool to market was earlier than usual. (See table in supplement). Receipts at Boston for the 7 months April to October this year represented about 44 percent of estimated shorn wool production in 1934. In the same months of 1933 receipts were equl to about 63 percent of domestic production and in the 5-year period 1929-1933, April to October receipts averaged 59 percent of the shorn wool production. During the same 5-year period the average annual receipts (April to March) of domestic wool at Boston represented 67 percent of the estimated shorn wool production.

United States imports for consumption from January to October were 19,630,000 pounds of combing and clothing wool and 78,790,000 pounds of carpet wool. Net imports from January to October 1933 were 36,686,000 pounds of combing and clothing wool and 107,826,000 pounds of carpet wool. In view of the low mill consumption and slow market movement of the domestic clip in 1934 it is probable that stocks from the 1934 clip still available for manufacture at the end of 1934 will be large and that imports of combing and clothing wool for the 1934-35 season will be small.

The Bureau of the Census reports that after an adjustment for the variation in the number of working days the consumption of combing and clothing wool on a clean equivalent basis, by 505 identical mills, in the 5 weeks ended September 29 was 29.5 percent lower than in the 4 weeks ended August 25. The tables on pages 20 of the statistical supplement show the consumption of wool by United States manufacturers, by classes, in condition reported, by months, 1933 and 1934, and the consumption of combing and clothing wool by grades, clean equivalent basis, July to September 1933 and 1934. Consumption of wool by mills reporting to the Bureau of the Census in the first 9 months of this year was more than 35 percent below consumption in the same months of 1933 and was smaller than in the corresponding months of any year for which we have records (since 1920). The decline in consumption in September, however, was to a considerable extent the result of the textile strike. Following the settlement of the strike in late September some improvement in the goods market combined with the award of large government contracts for wool materials resulted in considerable increase in mill activity during October.

United Kingdom

The final series of 1934 wool auctions at London opened November 20. Australian and New Zealand wools were well represented, but there was an absence of wools from South Africa and South America. Prices of greasy merinos and most greasy crossbreds were 5 percent below the closing prices at the previous series on October 3. Prices for scoured merinos and for superior and ordinary scoured New Zealand crossbreds were fully firm as compared with October prices. Prices of all slipe wools and merino lambs wool also were firm and prices for crossbred lambs wool showed a slight advance. Prices of scoured Victorian combing crossbred skin wools were up as much as 5 percent compared with October prices. English buyers were most active at the opening of the series and France, Holland, Belgium, and Czechoslovakia were also purchasing, but Germany was not operating.

Conditions in the English market for wool and wool products since the last London sale have been marked by a general improvement. Demand was particularly good during the second half of October and prices of tops and yarns were increased slightly on the Bradford market. Toward the middle of November users appeared to have covered their requirements for this year and the market became more quiet. Topmakers reported that they were unable to obtain the higher prices quoted early in the month. Since they were unwilling to name lower prices new orders were greatly reduced. Consumption of tops and yarn by the industry, however, was reported to be very good and prompt deliveries of outstanding contracts were requested. The Weekly Wool Chart (Bradford) index number for raw wool prices in October was 65 (English currency basis, July 1914 = 100) compared with 64 in September, 102 in January, and 77 in October 1933. The corresponding index for tops was 72 in October compared with 73 in September, 111 in January, and 91 in October 1933.

It has been announced that following similar action by the Lancashire cotton interests, members of the Bradford Chamber of Commerce and the local export merchants group have agreed to withdraw the ban prohibiting the exportation of wool yarns to Germany. This action was made possible by arrangements for payment under a new Anglo-German trade agreement. Certain clauses of the agreement, however, were said to require clarification through official definition and exporters are expected to act with caution in resuming shipments.

Activity in the wool textile industry of the United Kingdom continued to improve during October in practically all departments. The seasonal improvement in the home market which was rather late in starting has developed quickly, but activity is still below that of the corresponding period last year. The Ministry of Labour reports that 14.4 percent of insured workers in the woolen and worsted industry were registered as unemployed on October 22 compared with 17.5 percent on September 24 and 24.1 percent at the high point for 1934 in July. Only 8.8 percent were registered in October 1933.

Imports of unmanufactured wool into the United Kingdom in the first 10 months of 1934 were 129,000,000 pounds smaller than imports in those months in 1933. During the same period, however, the reexports of wool in 1934 were 75,000,000 pounds smaller than in 1933 so that the decline in the amount retained from January to October 1934, compared with the same months of 1933 was 54,000,000 pounds. The consumption of imported wool by the English textile industry in the first 9 months of 1934 was estimated by the Weekly Wool Chart (Bradford) to have been about the same as in the corresponding months of 1933 and consumption in October of this year was probably only slightly smaller than in October 1933. It seems probable, therefore, that stocks of wool held by English dealers and manufacturers in October of this year were smaller than those held in October 1933.

The export trade of the United Kingdom in the semi-manufactures of wool has been relatively favorable in 1934 as compared with the last few years. While exports of tops in the first 10 months of 1934 were 4,000,000 pounds smaller than in the same months of 1933 the export of woolen and worsted yarns showed an increase of 550,000 pounds and exports of woolen and worsted tissues were 8,600,000 square yards larger than in those months of 1933. The exports of 87,200,000 square yards of woolen and worsted tissues from January to October of this year were larger than for the same period in any year since 1930.

Continental Europe 1/

Developments in the continental wool textile industry in September and October were more favorable than for several previous months. Buying activity by continental buyers in the Southern Hemisphere markets revived to an appreciable extent. The decline in prices of wool, tops, and semi-manufactures was halted and in some instances increases were reported. New orders received by the manufacturing industry increased considerably. The improvement in the continental wool industry was partly seasonal and may also be attributed in part to the better statistical position for wool.

1/ Based largely on a report from Donald F. Christy, Assistant Agricultural Attaché at Berlin.

The small imports in 1934 have prevented a piling up of stocks of wool in consuming centers. Furthermore, wool prices are now relatively low, a fact which tends to encourage purchases. The basic situation in the wool industry, however, remains unsatisfactory. Purchases by the Italian industry are still restricted as a result of the purchase regulations imposed by the Government and little change is reported in the rigid supervision of textile fiber purchases and prices by the German Government.

Stocks of merino and crossbred tops held by commission combing establishments in France, Belgium, and Italy showed a reduction at the end of October compared with those held at the end of September, but a slight increase in stocks was reported by German combing establishments. Combined stocks of merino tops in European combing establishments were below the average for the same date of the past 5 years, but stocks of crossbred tops were above average. Stocks of merino tops in the four countries on October 31 were 23,408,000 pounds; this was 3,333,000 pounds smaller than stocks held on September 30 and 4,599,000 pounds smaller than stocks held on October 31 last year. Stocks of crossbred tops were 33,843,000 pounds on October 31 which was 708,000 pounds smaller than on September 30 and 8,206,000 pounds smaller than in October 1933 when stocks were unusually large. (See table in Supplement.)

Imports of wool into the principal consuming countries of Europe for the periods so far reported in 1934 were much smaller than in the corresponding periods of 1933 with the exception of Germany. The greatest decline is reported from France where imports of wool, including wool on skins, from January to August declined 178,000,000 pounds or 33 percent compared with the same months of 1933. Imports into the United Kingdom in the first 9 months of 1934 were 15 percent smaller than in the same months of 1933. The small imports into Germany since July are a result of the drastic purchase control measures established by that country in April. Imports into Germany were very heavy in the first half of 1934, however, and total imports from January to September were only slightly smaller than in the same months of 1933. (See table in Supplement.)

Recent developments in European countries were reported as follows:

France

Following a considerable improvement in the French wool textile industry during September the upward movement continued in October. Trading in tops, noils, and washed wool was quite active and prices were well maintained. Mill occupation increased in all sections. Orders received by spinners and knitting mills were reported to be very satisfactory but the business recorded by woolen spinners was not so large. An irregular and unsatisfactory situation was still reported by weaving mills. A recent agreement between France and Belgium with respect to quotas and wool tariffs is expected to result in improved trading between the two countries. By this agreement Belgium will abolish the import quota system for woolen and worsted yarns which was introduced on August 19 while France will reduce its import tariff on combed wool and both countries will equalize their import tariff rates for worsted yarns and fix, for the whole length of the period for which the agreement is valid, their respective import tariffs for wool weavings. The agreement was concluded for one year and is automatically prolonged for 6 months, unless notice of termination is given 3 months before expiration. An interesting feature of the agreement is the stipulation that 3 months notice of termination may be given by either party at any time should the value of the two currencies depart from their present parity by more than 5 percent.

Germany

The basic features of the German wool textile situation have undergone no change in the past 2 months. As a result of the restrictions imposed by the "fiber decree" occupation of the mills is considerably below the current requirements on the part of the wholesale and retail trades. Activity has recently been somewhat expanded as a result of the increasing manufacture of mixed wool and artificial fiber products. Because of the continued rise in prices of textile raw materials and manufactured products within the country more drastic regulations have been decreed concerning price control. The Ministry for Economic Affairs or the Supervisory Office, was given full authority over price control. Following the nomination on November 5 of a special price Commissioner, control will largely pass over to this authority but will in no way be lessened. The wool textile industry, in common with the cotton industry, is unable to fill current demand of the wholesale trade and must resort to a system of rationing deliveries with preference given to old contracts. A considerable part of the demand on the part of the home trade, however, is believed to be due to the fear of a shortage of materials or of excessive price gains and the present heavy demand is expected to be temporary. The Bremen correspondent of the Wool Record and Textile World (Bradford, England) reports in this respect that it is surprising to observe that the total textile production of Germany since last February has been above that of the record season of 1927-28. The use of socalled artificial wool and other textile substitutes has played an important part in maintaining textile production at the present high level. While imports of raw wool into Germany in the first 9 months of 1934 were about equal to imports in the same months of 1933, imports of wool tops for that period showed a decline of 13,200,000 pounds or 40 percent.

Purchasing activity for wool, tops, etc. continues to be regulated and has undergone further restrictions through a decree of the Supervisory Office of September 22, according to which the basic buying contingents for spinners and hat makers for the period October 1, 1934 to March 31, 1935 will be 75 percent of the quantity allotted to these factories for the 6 months, April to September 1934. To these "basic contingents" are added small quantities as socalled "additional contingents" and "basic" and "additional" contingents together form the socalled "normal contingents". In a second decree of September 29 the Supervisory Office ruled that the "normal contingents" may be used, for the time being, only to the extent of one third of their quantity.

It is reported in Wool Intelligence Notes, published by the Imperial Economic Committee, England, that imports of wool into Germany in the near future will be affected both by the trade agreement recently concluded with Argentina and in force since October 20 which provides for increased exports of German manufactures to the value of 10,000,000 R. M. per annum in exchange for agricultural raw materials from Argentina and also by German purchases at recent auctions in London and Australia. Negotiations with South Africa for trade agreements along similar lines are reported to have been unsuccessful but purchases of South African wool on a barter basis have recently been effected and it is thought that negotiations with a view to continue such purchases may be resumed. In addition fair quantities of wool have been purchased by German buyers in Hungary, Chile, and Peru and of mohair in Turkey.

Belgium

The improvement in the Verviers wool industry is very slow, with business of the industry irregular and trading in top and noils largely confined to export business to France, Italy, and Czechoslovakia.

Italy

Active business in domestic wool and noils was reported from Italy for the month of October, following a gradual improvement in the market situation during September. Firm quotations prevailed. On the other hand, the buying activity of the Italian industry in primary markets was restricted as a result of the purchase regulations imposed by the Government. The industry expects the allotment of definite purchase contingents by countries to be announced soon.

Supply Situation

Southern Hemisphere

Argentina

The 1934 Argentine wool clip, i. e., that shorn during the last few months of this year is now estimated at 366,000,000 pounds, an increase of about 5 percent above that of last year, according to a cable from Assistant Agricultural Commissioner C. L. Luedtke, giving the estimate of the Buenos Aires Branch of the First National Bank of Boston. The average production for the 5 preceding years was 337,000,000 pounds. The quality is reported as generally very good.

The surplus for export for the season beginning October 1, 1934 is not expected to exceed 353,000,000 pounds. Exports of wool during October, the first month of the new wool season amounted to 9,978,000 pounds, an increase of 16 percent compared with the same month last season. The average quantity exported in October for the years 1929 to 1933 was 9,309,000 pounds.

It is stated that Germany has bought about 5,000,000 pounds of old clip wool from Argentina in exchange for German manufactured goods. Stocks at Central Produce Market on October 24 were estimated at 5,416,000 pounds, or about 50 percent larger than on the same date last year.

The Argentine Ministry of Finance issued a decree under date of October 25, 1934 granting exporters of Argentine wool the privilege of receiving the official selling rate for their foreign bills of exchange less 5 percent, states Assistant Agricultural Commissioner C. L. Luedtke.

The new plan will in effect mean an increase of approximately 8 percent in the price received for exported wool in terms of the Argentine paper peso. The official selling rate is 13.7 percent over the official buying rate heretofore received by the wool exporters for their bills of exchange. The official selling rate of the pound sterling, for example, which is used as a basis for transactions in foreign exchange is 17 pesos while the official buying rate is 15 pesos. After deducting the 5 percent from the official selling rate there still remains a difference of 1.15 pesos or 8 percent. Similar action has been taken in connection with other products, notably turkeys and hides. This step was designed to secure an increased price to Argentine producers and suitable means are provided for passing the benefit on to the farmer.

Exports of wool for the entire 1933-34 season ended September 30 were greatly reduced compared with preceding seasons and amounted to only 283,289,000 pounds, grease equivalent, compared with the heavy exports of 356,000,000 pounds in 1932-33 and an average of 295,000,000 pounds for the preceding 5 years. The table on page 27 of the Statistical Supplement shows exports of grease and scoured wool combined by countries for the past three seasons. The only countries taking increased amounts last season were the United Kingdom and Japan.

The exports of grease wool for the season consisted of 35 percent low or coarse crossbreds, 34 percent fine crossbreds, 13 percent medium crossbreds, 10 percent merino, 5 percent bellies, and 3 percent native wool, according to official records. The total Argentine wool clip is distributed into grades 1/ as follows: Low or coarse crossbred, 40 percent; medium crossbred, 20 percent; fine crossbred, 20 percent; merino, 15 percent; native, 5 percent.

As in most other Southern Hemisphere countries the carry-over from last season was fairly large. It is estimated that on September 30, 1934 stocks amounted to 42,000,000 pounds and were almost 3 times larger than at the same date of 1933, but only about two thirds of the quantity on hand at that date of 1932.

Consumption of domestic wool in Argentina has increased in recent years and is estimated at about 51,000,000 pounds for the 1934-35 season. Last season consumption was estimated at 40,000,000 pounds and for the 5 preceding seasons it averaged about 28,000,000 pounds annually.

The first woolen mill was opened in Argentina in 1880 and although the development was slow the domestic industry at present supplies 80 percent of the domestic demand, according to a report of the Confederacion Argentina de Industrias Textiles (Argentine Federation of Textile Industries), published in Wool, October 1934. The industry was greatly stimulated by the war and has since been able to maintain the advantage gained at that time over foreign competition. The annual consumption of woolen tissues

1/ Lanares y Lanas de la Republica Argentina (Sheep and Wool of the Argentine Republic) 1933, by Dr. Pablo Link.

in Argentina is estimated at about 33,000,000 pounds, an average consumption of 2.76 pounds per person. Domestic mills furnish 80 percent of this consumption, the remainder being imported. In addition about 2,000,000 pounds of worsted yarns are imported, most of the country's yarn requirements being furnished by domestic production.

Uruguay

It is provisionally estimated that the 1934-35 Uruguayan wool clip, i.e. that shorn during the season beginning October 1, 1934 will approximate 115,000,000 pounds compared with the revised estimate of 104,719,000 pounds in 1933-34, an increase of approximately 10 percent. Information from all sources indicate an increase in the current clip - estimates of the percentage increase varying from 5 to 15 percent above last season's clip. The condition of sheep from which the clip will be shorn has been excellent and the yield per fleece is expected to average well over 6.6 pounds, states Assistant Agricultural Commissioner C. L. Luedtke. The quality of the wool will be very much superior to that of last year.

Owing to uncertainty as to the exact quantity of Uruguayan wool smuggled into Brazil last season, there still appears to be some question as to the exact size of last season's clip. The quantity exported as Uruguayan produce during the 1933-34 season was only 95,335,000 pounds compared with 114,988,000 pounds in 1932-33. The quantity of wool carried over into the 1933-34 season was probably less than 1,000,000 pounds compared with about 4,000,000 to 6,000,000 pounds the year before. It is reported that during October this year at least 4,091,000 pounds of the quantity exported was wool carried over from last season. This would bring the amount of the last season's clip accounted for up to 99,426,000 pounds. The Mercantile Exchange of Uruguay estimates domestic consumption at about 3,086,000 pounds and taking this quantity into account also, last season's clip would seem to have reached at least 102,512,000 pounds without taking into account any smuggled wool. The revised estimate of production for last season of the Uruguayan Mercantile Exchange as forwarded by Assistant Agricultural Commissioner C. L. Luedtke in April was 104,719,000 pounds compared with the original estimate of only 90,389,000 pounds.

Notwithstanding the fact that the current wool clip is estimated to be larger than that of last season, receipts of wool at Montevideo during October were considerably smaller than a year ago. October arrivals at Montevideo amounted to only 5,688,000 pounds this year, a reduction of 36 percent compared with the same month a year ago. However, during the same month exports reached 5,796,000 pounds this year compared with only 959,000 pounds during the same month last year. Last year there were reports of wool being smuggled into Brazil to avoid Uruguay export duties. Most of the wool exported so far this season is of last season's clip, only about 1,705,000 pounds of this season's wool having been shipped so far, according to information furnished by Vice Consul H. Bartlett Wells in his report of November 2. Of the total quantity shipped 4,081,000 pounds went to Germany as the result of an agreement known as the "Convenio Staudt" made between Uruguay and German banks.

Australia

Weather and grazing conditions were reported as favorable on the whole in mid-spring (October) with feed for livestock assured for some months. Shearing operations have been interrupted occasionally but re- receipts at selling centers amounting to 520,000,000 pounds about equalled those for the same period a year ago. As the clip is estimated to be larger, however, receipts may be expected to be heavier from now on. Receipts were larger in July than they were a year ago, but in August and September were about 35,000,000 pounds or 12 percent below the same 2 months last year. In October, however, there was an increase of about 31,000,000 pounds or 15 percent above October a year ago.

The outstanding characteristic of the current marketing season thus far in Australia is the small percentage of disposals of receipts of current clip wool. Of the 520,000,000 pounds of wool received into store at selling centers during the first 4 months of the season up to October 31 only 146,000,000 pounds, or 28 percent, were sold or shipped. Last season disposals for the same period were unusually large, amounting to 47 percent of receipts which as stated above were approximately the same as for the same period this season. However, during the same months of the 5-year period, 1929-1933, disposals averaged only 37 percent of receipts and during the same period of the 5 years, 1928 to 1932, only 34 percent of receipts. In 1929 disposals during the same period amounted to 148,000,000 pounds and were only 30 percent of receipts.

There has been some agitation for the establishment of a wool marketing board in Australia with a view to stabilizing wool prices. The United Graziers Association of New South Wales, however, opposes this scheme, fearing that it would result in a large carry-over. It is the general opinion at consuming centers that Australia will be obliged to extend her selling season this time. Withdrawals from sales by growers themselves are said to have reduced offerings in all centers in Australia, the result being that the quantity submitted at auction has been less for the first quarter of the season than was originally allotted.

On October 31 stocks of new clip wool at selling centers totaled 373,000,000 pounds and were 35 percent larger than on the same date of 1933 but only 0.5 percent larger than on that date of 1932. Stocks on October 31, during the 5 years 1928 to 1932 averaged 345,000,000 pounds. In addition to the stocks of new clip wool on hand this year, there were still about 19,000,000 pounds of 1933-34 clip still on hand on October 31, making 392,000,000 pounds in all. In 1932 when stocks of new clip wool on October 31 were almost as large as they were this year, there was about 10,000,000 pounds of old clip wool also on hand, making the total 382,000,000 pounds. While stocks at the end of October this year were unusually large, they were probably greatly exceeded in 1921 when there were about 445,000,000 pounds held by the British Australia Wool Realization Association in Australia on October 31.

Exports of wool during the period July 1 to October 31, 1934 amounted to 163,000,000 pounds and were 34 percent smaller than the heavy exports for that period a year ago. Compared with the average for this period for the 5 years 1929 to 1933 exports were 23 percent smaller.

Statistics of exports by countries for the first quarter of the new season show a falling off of 47 percent to 75,000,000 pounds. All countries took less than for the same period last year. The United Kingdom, as usual, took the largest quantity with Japan coming next, i.e., before Germany and France. Germany took only 10 percent of last season's imports for this period and Italy only 18 percent. The reduced takings of the two latter countries were largely the result of import restrictions set up by those countries earlier in the year.

New Zealand

The supply of wool to be disposed of in New Zealand this season is smaller than for the past 3 seasons, the reduction in quantity amounting to about 6 percent. Although production will probably be slightly larger than it was last season, there has been a fairly large reduction in carry-over. However, as exports for the first 4 months of the season have been materially lower than for the same period a year ago, apparent supplies 1/ on October 31 are estimated at only 3 percent below the same date a year ago. Exports for the first 4 months of the new season up to October 31 amounted to 16,200,000 pounds, a decrease of 45 compared with the same period a year ago and 32 percent compared with the average for the same 4 months of the years 1929 to 1933.

Last season New Zealand sold 226,590,000 pounds of wool, 98 percent of which was crossbred. The increasing proportion of badly bred hairy wools in the New Zealand clip during the last few years has recently been the subject of comment in New Zealand publications. This is stated to be the result of the increasing use of the Romney and Down sheep for crossing purposes, principally with the object of producing a lamb suitable for the British market. It is stated that as the United Kingdom, the chief market for New Zealand lamb as well as wool has placed restrictions on meat imports and not on wool, the possibility of the latter being very slight, it would pay growers to keep their flocks and clips up to the standard which apparently was lowered somewhat during the period of low prices.

The original New Zealand flocks were for the most part founded on a cross between the Australian merino and the English Leicester and Lincoln breeds producing a soft handling wool with good spinning qualities- also a fair quantity of good lustre wools of low quality, according to an article published in the New Zealand periodical entitled Meat and Wool.

Early spring (September-October) weather and feed conditions have been very good both in the North and South Islands. Pastures at the beginning of the spring months were reported to be in excellent condition with a good supply of spring feed assured.

Lambing which began early was progressing under favorable conditions with prospects of excellent percentages being marked as ewes were in splended condition. Lambing percentages have been high for the past 2 seasons, and the number of lambs totaled over 15,000,000 head each season.

Slaughter of sheep and lambs for 11 months of the 1933-34 season up to August 31 amounted to 10,581,000 head, a reduction of 2 percent compared with 1932-33. The number of lambs killed was 8,752,000 or about 42,000 less than a year ago. The killings in North Island constituted a record, whereas there was a decrease in South Island. There was a decrease of 9 percent in the number of wethers and ewes killed, wethers showing a reduction of 22 percent to 842,000 and ewes a 7 percent

1/ Carry-over plus estimated production minus exports to October 31.

increase to 987,000. In 1934 it is estimated that slaughterings will amount to about 53.2 percent of the number of lambs docked in North Island compared with 52.6 percent in 1933 and 53.7 in 1932, the record year. In South Island the percentage is expected to be larger or 60.5 percent compared with 65.4 the preceding year when killings reached a record number. The shortage in the killings, particularly in the Canterbury district of South Island is reflected in the livestock figures, states the New Zealand Farmer Stock and Station Journal and suggests the probability of increased numbers being available next season. Despite unfavorable weather conditions the average weight of lambs killed was about 1 pound heavier than last season.

Union of South Africa

It was becoming very dry again in South Africa at the beginning of the spring months (September - October) and rain was badly needed in most of the wool growing sections.

The winter (June - August) lamb crop was reported as poor except in Bechuanaland and Griqualand where it was fairly satisfactory. Prospects for spring lambing (September - October) are by no means favorable in most of the Union with the exception of the Natal and the Transvaal Provinces. However, only about 30 percent of the Natal lamb crop is born in the spring and from 40 to 75 percent of that of the Transvaal, and these two Provinces combined have only about 18 percent of the total number of wooled sheep in the Union.

Marketing of the current South African wool supplies 1/, which are estimated at 2 percent below those of last season, appears to be progressing very slowly. The uncertainty concerning the proposed government plan to assist growers and the prospects for exporting to Germany are probably partly responsible for the unusually slow marketing of the clip so far. Considerable quantities of wool have been withheld from sale because of lack of competition. One of the principal difficulties is the limitations placed on wool imports into Germany. Heretofore Germany has taken between 55,000,000 pounds and 65,000,000 pounds of South African wool or about 20 percent of the exports. It is reported that after the failure of the barter negotiations between the German and South African Governments, private investigations with the purpose of making such an arrangement were to be carried on by Dr. Herman Rausch representing the Deutsche Wollvereinigung (German Wool Association) who arrived in Capetown on October 18.

Receipts of wool by rail at ports for the first 4 months of the new wool season up to October 31 are reported at only 38,000,000 pounds, a reduction of about 45 percent compared with the same period of 1933. The average receipts during that period of the 3 years 1931 to 1933 were 64,000,000 pounds. Exports for the same period have also been unusually low, being estimated at about 15,000,000 pounds of grease wool or less than half those for the same period last year. Average exports for the first 4 months of the season for the years 1929 to 1933 were 32,000,000 pounds. In addition 970,000 pounds of scoured wool were exported in the first 4 months of this season compared with 1,900,000 pounds a year earlier.

1/ Carry-over plus estimated production.

Stocks of unsold wool at ports on October 31 are reported at 39,000,000 pounds and are three times as large as on the same date of 1933. The average quantity on hand at that date for the 5 years 1929 to 1933 was 28,000,000 pounds.

Northern Hemisphere

United States

The 1935 wool clip will be the smallest in several years. The expected reduction in stock sheep as a result of the severe drought of 1934 is the main reason for the prospective decrease in the clip according to information contained in the Agricultural Outlook for 1935. Last year the production of shorn wool was estimated at 354,529,000 pounds, a reduction of 3 percent compared with 1933. To this must be added the wool pulled from slaughtered sheep and lambs. So far this year, i.e., for the 10 months ended October 31, the number of sheep and lambs slaughtered was 14,635,000 head, or approximately the same as for the same period a year ago. In 1933 the quantity of wool pulled from slaughtered sheep amounted to 64,200,000 pounds compared with 67,100,000 pounds in 1932.

Although the condition of sheep on western ranges on November 1 was reported to be 2 points better than at the beginning of October, sheep had not recovered to any extent from the severe summer drought. The condition on November 1 in the 14 western range states for which condition reports are made was still the lowest for that date since records have been kept (13 years), being 10 points below the same date last year and 18 points below the 10-year average, according to the Western Livestock and Range Report of the Division of Crop and Livestock Estimates. Approximately 70 percent of the total number of sheep and lambs in the United States are found in these states.

Breeding ewes were reported to be in poor condition with the number of ewe lambs held being restricted by lack of feed. Feed on winter sheep ranges is generally very short in most of the Southwestern and Western States with the exception of the Pacific Coast areas, eastern Colorado, and western Montana. The purchasing of sheep by the Agricultural Adjustment Administration and the Federal Emergency Relief Administration will enable sheep men to hold back a larger number of ewe lambs than would otherwise have been possible.

The condition of sheep has averaged only 74 percent of normal during the first 5 months of the new wool growing season, the lowest it has been for this period since records have been kept. The average condition for this period of the 5 years, 1929 to 1933, was 87 percent.

It is estimated that the total number of lambs fed this season in all areas will be smaller than last year, although the number will be larger than was expected a month ago. The October shipments of feeder lambs into the Corn Belt States, which exceeded shipments in that month of either 1933 or 1932, were larger than expected.

Reductions in the number of lambs fed in Western and Inter-Mountain States are expected to range from 15 to 45 percent, whereas in the Pacific Coast States the number fed will not differ greatly from last year.

Japan and the Far East

The rapid increase in wool consumption in Japan which has taken place in recent years has come about partly as a result of the change in the standard of living and the increase in population and partly as the result of the establishment of the woolen industry on a fairly large scale with the purpose of supplying manufactured articles to China, India, and other Oriental countries. During the first 8 months of 1934, however, the importation of raw wool into Japan fell off somewhat and was only 127,224,000 pounds compared with 163,663,000 pounds in the same period of 1933. Of the total quantity imported, 79 percent came from Australia this year, so far, compared with 94 percent in 1933. Imports from Argentina during the first 8 months of 1934 amounted to 7,837,722 pounds, an increase of 131 percent above the same period of 1933. There was also an increase in imports from South Africa to 5,060,000 pounds or 78 percent. Annual imports of wool into Japan reached 239,000,000 pounds in 1933 compared with a 5-year average, 1926-1930, of 105,000,000 pounds, an average of 66,000,000 for the 5 years 1921-1925, and a prewar average of only 18,000,000 pounds. The value of woolen tissues exported during the first 8 months of 1934 reached (17,203,685 yen) $ 5,164,495 or over double that for the same period of 1933, British India and Kwantung Province taking the largest quantities.

The possibilities of increasing the number of sheep in Japan which is at present very small has been the subject of investigation for some time, especially during recent years, when there has been such a rapid growth in the consumption of wool in Japan. The number of sheep in the Japanese Empire at the beginning of 1933 was about 30,000. Although the number is very small it is about 10 times larger than it was before the war.

As a means of encouraging the sheep industry, the Ministry of Agriculture of Japan has just finished the free distribution of 300 Corriedale sheep which arrived from Australia in July. These sheep were distributed in Hokkaido and Kuzu in the northeast prefectures. About 100 more sheep were to be distributed in September under a project initiated by the Minister of Finance to build up the wool industry and to provide distressed farmers with additional means of living. Further purchases are in prospect.

It is proposed that the members of farming households should employ their winter leisure in spinning and weaving cloth for their own needs, and that the army clothing mills should take any surplus wool. Lambs are to be returned to the Ministry for a similar distribution, thus tending to double the flocks each year.

The Liberty of Trading Bulletin No. 2 issued by the Tokio Association for Liberty of Trading states, however, that wool cannot be produced in Japan on a large scale because of climatic disadvantages. Attempts made during the past 50 years to encourage sheep breeding there have ended in failure so far.

The situation is somewhat different in Manchukuo. It is estimated there there are approximately 4,000,000 sheep in Manchukuo which comprises the northeastern provinces of China, i.e., Fengtièn, Kirin, and Heilungkiang (Manchuria) and Jehol or Eastern Mongolia and which with the assistance of Japan was proclaimed an independent State in 1932. The present wool production there is estimated at about 8,800,000 pounds, it's use being limited to the manufacture of blankets, carpets, and felt. Not only is the yield of wool per fleece small, being about 2 pounds, but the wool is coarse and of poor quality. The sheep are mainly kept for meat and skins.

The South Manchuria Railway Company has been making efforts to improve the quality of the sheep for some time. One of the improved variety of sheep raised at the Kungchuling Breeding Station produced a fleece weighing 7 pounds or over, 3 times the quantity produced by the native sheep. Since the establishment of Manchukuo it is believed by some that conditions are more favorable for improving the species and it is possible that wool production will be greatly increased in the next 15 years. Meanwhile it appears that for some time Japan will be dependent on foreign sources for wool to supply her industry, especially as according to the Liberty of Trading Bulletin, consumption is expected to continue increasing.

Statistical Supplement

Wool: Price per pound in specified markets, November 1929-1932 and by months, 1933 and 1934

Year and month	Boston 1/ Territory, st. comb. scoured basis 64s, 70s, 80s	Boston 1/ 56s	Boston 1/ 46s	London 2/ Average quality clean costs 5/ 70s	London 2/ 56s	London 2/ 46s	Bradford 3/ Warp wool scoured 64s	Bradford 3/ 50s	Germany 4/ Domestic scoured A/AA 6/	Germany 4/ Cape washed fine 6-8 mos.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Nov. -										
1929	88.0	87.1	67.5	62.9	46.6	35.5	62.9	39.5	81.0	74.0
1930	73.1	58.6	48.5	42.6	25.3	17.2	40.6	19.3	58.4	41.6
1931	59.0	48.2	37.5	30.2	23.2	13.2	29.8	15.3	35.3	34.3
1932	46.7	40.8	35.4	24.6	20.5	10.2	24.8	11.4	31.9	29.5
1933 -										
Jan.	44.0	38.2	31.5	25.6	20.3	9.8	26.9	12.4	31.0	29.5
Feb.	44.0	37.0	30.2	26.0	20.3	9.1	25.6	11.7	31.3	29.5
Mar.	45.6	38.3	30.0	25.4	18.7	8.7	24.3	10.7	30.6	29.8
Apr.	48.5	41.4	31.9	28.0	20.0	8.9	28.4	11.8	31.3	29.5
May	62.4	55.8	44.6	32.6	23.1	10.5	31.8	14.3	36.4	34.3
June	70.0	63.2	53.0	38.8	26.9	12.1	40.4	17.6	41.0	36.5
July	77.4	70.2	59.0	50.0	32.9	14.9	49.7	22.4	47.9	43.8
Aug.	79.1	72.0	59.3	51.1	33.8	15.2	49.8	22.0	55.3	46.9
Sept.	81.8	75.9	62.5	53.4	35.0	15.8	56.4	24.7	58.8	49.3
Oct.	83.0	77.5	63.5	52.5	35.5	18.0	54.5	25.8	65.4	55.0
Nov.	83.8	78.6	64.1	66.0	46.1	22.5	68.1	31.4	64.5	54.6
Dec.	85.0	81.5	65.5	62.9	45.3	23.4	70.3	33.0	71.7	62.8
1934 -										
Jan.	86.2	81.5	65.5	70.5	51.5	28.7	69.9	33.9	74.8	69.7
Feb.	87.0	81.5	64.0	68.1	48.2	25.2	69.8	33.3	80.1	78.4
Mar.	87.0	81.5	63.5	69.0	47.2	22.0	70.0	30.8	83.1	80.4
Apr.	85.5	79.6	63.1	70.3	46.2	22.3	68.7	30.0	83.8	81.6
May	84.7	78.4	60.2	66.5	41.0	20.7	61.5	28.1	86.3	82.5
June	84.5	78.0	59.5	54.7	35.8	17.9	54.5	26.2	86.2	79.1
July	84.5	78.0	59.5	46.7	32.3	16.3	48.3	23.1	90.8	82.2
Aug.	76.0	66.6	56.0	44.8	31.4	17.4	49.6	23.2	108.8	86.0
Sept.	76.0	66.0	56.0	40.6	29.7	17.2	41.4	21.7	118.1	87.0
Oct.	76.0	66.1	56.0	41.2	27.8	17.5	42.5	22.8	119.9	91.8
Nov.	7/76.0	7/66.5	7/56.0	8/40.6	8/27.0	8/17.2	41.6	22.9	120.1	86.7

Division of Statistical and Historical Research. Foreign prices have been converted at prevailing rates of exchange.

1/ Monthly averages of wee ly range quotations from Division of Livestock Meats and Wool.

2/ Average of quotations for each series of the London wool sales as reported by Agricultural Attache Foley. For months when no sales were held, figures are interpolations of nearest actual prices.

3/ Quotations r orted about the 25th of the month by Agricultural Attache Foley.

4/ Quotations for the 1st of the month reported by Agricultural Attache St are.

5/ Add 3 percent to bring to scoured basis.

6/ Corresponds to grades 66/70s in the English system.

7/ Quotation for week ended November 24.

8/ Quotations for first week of series which opened November 20.

Wool, domestic: Receipts at Boston, by months, 1930-1934

Month	1930	1931	1932	1933	1934
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan.	6,560	3,363	4,918	7,991	3,761
Feb.	5,012	6,741	5,131	8,384	4,739
Mar.	5,628	8,215	3,758	4,032	3,209
Apr.	8,501	10,376	5,414	6,543	2,872
May	18,937	26,151	10,286	17,415	12,025
June	54,729	53,779	28,134	52,995	33,512
July	72,314	76,046	50,834	70,876	58,962
Aug.	47,826	34,445	42,764	45,593	22,986
Sept.	4,094	16,600	28,219	22,203	13,942
Oct.	10,494	6,567	16,960	15,241	12,033
Nov.	4,576	6,163	11,136	11,073	
Dec.	7,574	5,350	5,063	5,583	
Jan. - Oct.	234,095	242,283	196,418	251,274	168,042
Jan. - Dec.	246,245	253,796	212,617	267,929	

Division of Statistical and Historical Research. Compiled from Annual Trade Reviews of the Boston Commercial Bulletin and reports from the Boston Office of the Bureau of Agricultural Economics quoting the Boston Grain and Flour Exchange.

Wool: Imports into the United States, by months, 1933 and 1934 1/

Month	Combing and clothing		Carpet		Total	
	1933	1934	1933	1934	1933	1934
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan.	559	2,906	4,570	6,609	5,129	9,515
Feb.	516	3,434	4,212	8,997	4,728	12,431
Mar.	590	4,042	3,858	12,552	4,448	16,594
Apr.	692	2,347	5,405	11,182	6,097	13,529
May	371	1,144	2,515	6,290	2,886	7,434
June	2,814	1,275	7,848	6,708	10,662	7,983
July	10,216	1,128	21,114	6,461	31,330	7,589
Aug.	10,297	804	29,447	6,223	39,744	7,027
Sept.	5,409	1,003	15,771	6,546	21,180	7,549
Oct.	5,332	1,577	13,132	7,222	18,464	8,799
Nov.	3,323		10,701		14,024	
Dec.	3,707		11,888		15,595	
Jan. - Oct.	36,796	19,660	107,872	78,790	144,558	98,450
Jan. - Dec.	43,826		130,461		174,287	

Division of Statistical and Historical Research. Compiled from official records of the Bureau of Foreign and Domestic Commerce.

1/ Figures for 1934 are imports for consumption. 1933 figures are general imports.

Wool: Reported consumption in the United States, by classes, by months, 1933 and 1934 1/

Month	Combing and clothing 2/ 1933	Combing and clothing 2/ 1934	Carpet 3/ 1933	Carpet 3/ 1934	Total 1933	Total 1934
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Jan.	27,514	21,780	3,943	8,544	31,457	30,324
Feb.	25,207	20,136	3,777	8,139	28,984	28,275
Mar.	18,264	20,746	3,585	8,827	21,849	29,573
Apr.	20,110	16,504	4,862	7,875	24,972	24,379
May	33,005	15,235	8,215	7,831	41,220	23,066
June	38,759	13,289	13,090	8,662	51,849	21,951
July	38,111	4/15,498	11,675	4/6,373	49,786	4/21,871
Aug.	35,553	5/15,937	12,804	5/7,470	48,357	5/23,407
Sept.	32,385	6/13,306	11,847	6/5,824	44,232	6/19,130
Oct.	34,041		11,433		45,474	
Nov.	30,564		8,061		38,625	
Dec.	22,386		6,440		28,826	
Jan. - Oct.	268,908	152,431	73,798	69,545	342,706	221,976
Jan. - Dec.	355,899		99,732		455,631	

Division of Statistical and Historical Research. Compiled from Wool Consumption Reports, issued by the Bureau of the Census. Figures to June 1934 represent only 75 to 80 percent of the industry, Beginning in July 1934 figures represent about 95 percent of the industry.

1/ These are totals of grease scoured and pulled wool as reported to the Bureau of the Census and have not been reduced to a grease basis.

2/ Domestic and foreign. 3/ All of foreign origin. 4/ Four weeks July 1-28.

5/ Four weeks July 29-August 25. 6/ Five weeks August 26 - September 29.

Wool, combing and clothing: Consumption by manufacturers, by grade and origin, in clean equivalent 1/ United States, July - September 1933 and 1934 2/

Grade	Domestic Combed 1933	Domestic Combed 1934	Domestic Carded 3/ 1933	Domestic Carded 3/ 1934	Foreign Combed 1933	Foreign Combed 1934	Foreign Carded 3/ 1933	Foreign Carded 3/ 1934
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
64s, 70s, 80s....	15,272	5,515	4,062	2,073	1,628	412	146	169
58s, 60s.......	6,471	2,616	2,766	1,449	385	199	71	158
56s	5,475	3,300	4,492	2,642	402	328	98	193
48s, 50s	5,672	2,709	3,071	1,616	889	372	440	384
46s	1,175	316	1,392	327	174	197	148	192
36s, 40s, 44s....	252	107	335	185	1,379	394	302	377
Total.......	34,317	14,563	16,118	8,292	4,857	1,902	1,205	1,473

Statistical and Historical Research. Compiled from "Wool Consumption Reports" issued by the Bureau of the Census.

1/ Based on estimated yields varying with grade, condition, and origin of wool.

2/ Reports for 1933 are for manufacturers representing about 75 to 80 percent of the industry. Reports for 1934 are much more complete and represent about 95 percent of the industry.

3/ Includes only wool going through woolen cards.

Wool tops: Stocks held by continental European commission combing establishments, at the end of October, 1929-1933 and January-October 1934

End of month	Merino					Crossbred				
	France	Germany	Belgium	Italy	Total	France	Germany	Belgium	Italy	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Oct. -										
1929	13,483	6,378	2,573	1,058	23,492	18,043	10,229	4,177	2,624	35,073
1930	12,886	5,137	2,837	1,345	22,205	12,650	5,895	3,272	2,059	23,876
1931	11,993	7,315	2,606	635	22,549	11,151	7,381	2,363	1,065	21,960
1932	14,169	8,554	4,409	1,193	28,325	11,358	10,968	1,620	2,359	26,305
1933	12,996	7,615	6,556	840	28,007	22,359	14,866	2,216	2,608	42,049
1934 -										
Jan.	14,420	5,606	5,463	1,041	26,530	17,183	11,283	2,429	2,372	33,267
Feb.	15,128	6,777	5,126	1,186	28,217	17,811	10,311	2,637	2,438	33,197
Mar.	15,763	7,848	5,066	1,431	30,108	18,419	10,130	2,537	3,300	34,386
Apr.	16,210	6,510	5,172	1,876	29,768	18,530	9,169	2,590	3,962	34,251
May	16,883	5,981	5,595	2,246	30,705	19,780	8,851	2,443	4,782	35,856
June	17,405	4,989	5,930	3,466	31,790	20,955	7,593	2,434	4,224	35,206
July	16,471	4,685	5,428	4,392	30,976	21,065	6,956	2,551	4,619	35,191
Aug.	16,349	4,868	5,309	3,752	30,278	21,109	6,477	2,643	4,777	35,006
Sept.	14,341	4,603	4,905	2,892	26,741	20,245	7,471	2,679	4,156	34,551
Oct.	11,929	4,810	4,255	2,414	23,408	19,594	7,928	2,637	3,684	33,843

Division of Statistical and Historical Research. Compiled from reports from the Berlin office of the Bureau of Agricultural Economics.

Sheep's wool: Imports into France, Germany, Belgium, Italy, Japan, and United Kingdom, by months, 1933 and 1934

Year and month	France 1/	Germany	Belgium	Italy	Japan	United Kingdom
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1931 total ...	568,787	324,762	136,728	105,094	189,066	848,229
1932 total ...	561,687	316,085	147,004	158,804	204,198	918,308
1933 -						
Jan.	103,231	41,204	25,027	28,738	26,797	105,009
Feb.	76,700	36,195	19,062	17,980	27,585	102,383
Mar.	70,696	29,170	21,817	25,854	28,465	132,812
Apr.	68,221	45,162	20,783	16,888	22,970	111,498
May	57,351	34,237	17,214	21,211	25,733	112,948
June	60,122	28,515	16,398	23,479	14,876	64,908
July	43,583	25,962	15,543	18,586	5,886	51,239
Aug.	49,531	23,558	14,147	9,174	11,313	46,108
Sept.	30,603	15,464	10,002	9,303	2,535	25,798
Oct.	32,372	13,489	13,266	7,171	13,277	45,220
Nov.	35,573	22,911	16,310	4,781	26,312	62,706
Dec.	51,627	31,716	23,428	6,170	33,064	91,491
Total	679,610	347,583	212,997	189,335	238,813	952,120
1934 -						
Jan.	74,904	38,163	25,148	23,388	15,842	127,984
Feb.	50,028	51,435	17,345	21,397	27,057	122,437
Mar.	53,591	42,545	18,492	19,064	20,763	94,746
Apr.	51,951	55,317	17,272	16,513	30,328	92,206
May	44,092	36,773	14,820	21,121	21,447	73,881
June	35,003	24,913	8,859	22,501	4,178	48,351
July	25,401	8,980	10,074	7,066	5,278	33,914
Aug.	17,693	6,548	3,519	5,276	2,290	23,174
Sept.		9,078				20,123
Total	352,663	273,752	115,529	136,326	127,183	636,816
Same period: 1933	529,435	279,467	149,991	161,910	163,625	752,703

Division of Statistical and Historical Research. Compiled from official publications.

1/ Includes wool on skins.

2/ Preliminary.

Wool: Estimated production in specified countries reporting for 1934 and estimated world totals, 1930 - 1933

(For table giving all countries, see Foreign Crops and Markets, June 25, 1934)

Countries	1930	1931	1932	1933	1934 (prel.)
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Southern Hemisphere:					
Australia	912.1	1,006.6	1,061.7	950.0	1/ 990.0
New Zealand 2/ 3/	271.1	282.8	288.4	300.5	4/ 307.0
Peru 2/	10.3	8.8	10.0	11.9	
Chile	26.7	26.3	4/ 25.9	25.7	
Brazil	30.0	30.2	28.6	4/ 25.7	
Argentina 5/	334.0	364.0	340.0	348.0	366.0
Uruguay 2/	152.6	6/ 106.0	6/ 110.2	6/ 104.7	7/ 115.0
Union of South Africa	8/ 305.0	8/ 306.0	8/ 316.3	274.0	245.0
Total, Southern Hemisphere countries reporting to 1934	1,974.8	2,065.4	2,116.6	1,977.2	2,023.0
Northern Hemisphere:					
North America					
United States -					
Shorn	350.3	372.2	345.4	364.7	354.5
Pulled 9/	61.9	66.1	67.1	64.2	
Total	412.2	438.3	412.5	428.9	
Canada	21.0	20.4	20.5	19.2	4/ 19.6
Europe					
United Kingdom (England and Wales, Scotland and Northern Ireland) 10/	111.0	113.0	119.0	120.0	110.0
Irish Free State	10/ 18.9	10/ 19.3	10/ 19.6	10/ 19.6	4/ 17.4
Norway	5.2	5.5	5.7	4/ 5.8	6.0
Sweden	1.9	1.8	1.8	4/ 1.7	
Denmark	0.9	0.9	(0.9)	4/ 0.9	
France	45.2	44.1	43.2	4/ 42.8	4/ 42.7
Spain 11/	(66.0)	66.1	4/ 70.0		
Italy 11/	47.9	44.0	10/ 42.0		
Germany	4/ 30.6	4/ 30.8	4/ 30.8	30.0	4/ 29.8
Czechoslovakia 11/	3.7	2.7	2.3	2.0	2.1
Hungary	13.0	12.8	8.8	4/ 8.0	4/ 8.0
Yugoslavia 4/	28.0	28.8	30.5	30.8	31.1
Greece	4/ 12.2	14.6	14.9	4/ 14.6	4/ 15.6
Rumania 11/	63.6	65.1	62.7	62.4	
Lithuania	3.2	3.6	3.8	3.8	
Latvia	3.3	3.3	3.6	4/ 4.1	
Estonia	1.5	1.5	1.7	4/ 1.9	
Poland 4/	9.6	9.8	9.5	9.6	
Total 11 European countries reporting to 1934	267.8	271.6	274.8	273.6	262.7

Continued -

Wool: Estimated production in specified countries reporting for 1934 and estimated world totals, 1930 to 1933 -Continued
(For table giving all countries, see Foreign Crops and Markets, June 25, 1934)

Countries	1930	1931	1932	1933	1934
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
NORTHERN HEMISPHERE, Contd.					
Africa and Asia 12/					
Algeria	49.3	28.1	39.3	4/ 39.3	4/ 41.2
Morocco	19.9	4/ 17.2	4/ 19.6	4/ 20.1	
Tunis 4/	4.4	5.3	4.4	5.2	
Egypt 4/	4.5	5.0	5.4	5.4	
Turkey	14.1	14.8	10.2	14.0	13/ 12.0
Iraq 2/	4/ 18.2	4/ 18.6	4/ 14.6	14.6	
Total 15 Northern Hemisphere countries reporting to 1934	702.5	707.1	690.2	710.8	690.0
Total all countries reporting to 1934(20) 14/	2,677.3	2,772.5	2,806.8	2,688.0	2,713.0
Total all countries reporting to 1933(34) 14/	2,937.2	3,036.0	3,066.4	2,945.2	
Estimated world total, excluding Russia & China 15/	3,286.0	3,387.0	3,412.0	16/ 3,276.0	
Russia	306.2	17/212.0	17/142.0	17/138.0	
China 18/	78.0	78.0	78.0	78.0	

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See notes, page 25.

 Wool: Estimated production in specified countries reporting for 1934 and estimated world totals, 1930 to 1933 - Cont'd.

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This table includes wool shorn during the calendar year in the Northern Hemisphere and that shorn during the season beginning July 1 or October 1 of the given calendar year in the Southern Hemisphere, the bulk being shorn during the last 6 months of the given calendar year. Pulled wool is included in the total for most important countries at its grease equivalent. Figures in parenthesis are interpolated.

1/ Estimate of National Council of Wool Selling Brokers, converted to grease basis.
2/ Estimates based on exports alone or exports, stocks, and domestic consumption and any other available information.
3/ Years 1930-31 to 1933-34 from Monthly Abstract of New Zealand Statistics, August 1934. The estimates of Dalgety and Company formerly used are as follows in millions of pounds, with scoured wool included at its scoured weight; 1930, 265.7; 1931, 265.5; 1932, 265.5; 1933, 262.7.
4/ Estimates based on sheep numbers at date nearest shearing and other available data.
5/ Estimates of the Buenos Aires branch of the First National Bank of Boston, based on exports, stocks, and domestic consumption except that production for 1931 and 1932 has been revised upward provisionally to take care of excess exports. 1934 estimate cabled by Assistant Agricultural Commissioner C. L. Luedtke.
6/ Estimates supplied by Assistant Agricultural Commissioner C. L. Luedtke.
7/ Provisional estimate. Reports of increase range from 5 to 15 percent.
8/ Estimates furnished by former Agricultural Attache C. C. Taylor.
9/ Published as reported by pulleries and is mostly washed. The United States Bureau of the Census considers 1 pound of pulled wool the equivalent of 1-1/3 pounds of grease.
10/ Estimates of the Imperial Economic Committee.
11/ Revisions based on recent census figures of wool production or of sheep numbers.
12/ Estimates for Asiatic countries rough approximations only.
13/ Prospects of a 15 to 20 percent reduction in 1934 due to losses of sheep in Roumelia and Anatolia.
14/ Comparable totals for number of countries indicated in parenthesis.
15/ Totals subject to revision.
16/ Estimate based on production in 34 countries as compared with 1932.
17/ Estimate based on sheep numbers and average yield as derived from official estimates for recent years. The USSR program called for 353,000,000 pounds in 1931 according to the Economic Handbook of the Soviet Union but this estimate appears much too large considering the decrease in sheep numbers.
18/ Unofficial estimate based on sheep numbers in 1932. Owing to poor marketing conditions in recent years exports of sheep's wool not a reliable index of production.

Movement in primary markets, season 1934-35 up to October 31, with comparisons for earlier years

Country	Item and period	1930-31	1931-32	1932-33	1933-34	1934-35
	Receipts at selling centers	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Australia	July 1 to Oct. 31 1/	471.9	556.0	577.6	520.8	519.6
New Zealand	July 1 to Oct. 31 2/	6.2	1.0	3/ 2.8	3/ 9.0	
Argentina	Oct. 1 to Oct. 31 C.P.M. 4/	6.6	5.4	14.5	13.2	
Uruguay	Oct. 1 to Oct. 31	17.7	11.0	---	8.9	5.7
Union of South Africa	July 1 to Oct. 31 by rail	---	50.5	71.2	69.2	38.0
	Disposals at selling centers					
Australia	July 1 to Oct. 31 1/	168.7	196.1	206.1	244.2	146.2
New Zealand	July 1 to Oct. 31	5.1	0.9	3/ 2.4	3/ 8.7	
Argentina	Oct. 1 to Oct. 31 C.P.M. 4/	4.6	5.6	3.9	8.8	
Uruguay	Oct. 1 to Oct. 31		15.0	5.0		
Union of South Africa	July 1 to Oct. 31 5/	---	6.0	38.0	25.1	14.0
	Exports					
Australia	July 1 to Oct. 31	217.7	208.2	242.1	252.6	166.0
New Zealand	July 1 to Oct. 31	27.5	17.8	27.3	29.6	16.2
Argentina	Oct. 1 to Oct. 31	6.7	12.0	15.5	8.6	10.0
Uruguay	Oct. 1 to Oct. 31	2.2	1.9	2.9	1.0	5.8
Union of South Africa	July 1 to Oct. 31	31.9	15.0	53.6	38.1	16.0
	Stocks at selling centers	1930	1931	1932	1933	1934
Australia	Oct. 31 1/	303.2	359.9	371.5	276.6	6/ 373.4
New Zealand	June 30	75.4	68.1	107.1	74.0	44.7
Argentina	Sept. 30	19.8	13.6	67.0	15.9	41.9
Uruguay	Oct. 31	6.0	9.0	8.0	7/	3.0
Union of South Africa	Unsold Oct. 31	25.7	53.1	22.6	12.7	39.0

Division of Statistical and Historical Research. Compiled from cabled reports from Agricultural Representatives abroad and reliable commercial sources. Later data, if any, may be found in the text. Season begins July 1 in Australia, New Zealand, and the Union of South Africa, and October 1 in Argentina and Uruguay. The statistics in this table have not been converted to a grease equivalent unless otherwise stated owing to the fact that details are not available. Figures in parentheses interpolated.

1/ Wool of season designated only. 2/ Offerings at selling centers. 3/ Converted from data published in bales in Wool Intelligence Notes - Imperial Economic Committee. Converted to pounds by using Dalgety and Company estimates of average weight per bale. 4/ Central Produce Market near Buenos Aires where between one fourth and one third of Argentine clip is marketed. Adjusted to monthly basis for season beginning October 1 from weekly reports for season beginning July 1. 5/ Sales at public auctions only. Much of the wool is disposed of by private sale after auction closes. 6/ In addition there was 19,118,000 pounds of 1933-34 wool still on hand at this date compared with about 10,000,000 pounds of old clip wool still on hand on October 31, 1933. 7/ Probably very small.

Australia: Shipments of wool by countries, July 1 - September 30, 1934 with comparisons

Country of destination	1932	1933	1934
	Million pounds	Million pounds	Million pounds
United Kingdom	41.2	44.6	36.1
Japan	17.2	26.3	16.1
France	20.6	12.4	5.0
Germany and Austria	20.7	27.3	2.8
Belgium and Holland	13.3	19.6	12.1
Italy	4.8	6.8	1.2
United States and Canada	0.2	2.2	0.2
Total	118.0	139.2	73.5
Other	1.8	2.8	1.6
Grand total	119.8	142.0	75.1

Division of Statistical and Historical Research. Compiled from reports of H. Dawson and Co., by Ltd., forwarded by Agricultural Attache E. A. Foley. Converted to pounds by using average weight of grease and scoured bale as reported by the National Council of Wool Selling Brokers of Australia for period given.

Union of South Africa: Exports by countries, July 1 - September 30, 1934 with comparisons

Country of destination	July 1 - September 30					
	Grease			Scoured		
	1932	1933	1934	1932	1933	1934
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
France	10.1	3.9	1.3	0.1	0.1	1/
United Kingom	2.7	2.5	0.9	0.3	0.3	0.1
Germany	5.9	3.1	0.1	0.2	0.2	0.1
Belgium	2.4	1.3	0.3	0.2	0.0	1/
Italy	1.8	0.8	0.8	0.1	2/	1/
Japan	0.1	0.5	2/	0.0	2/	2/
United States	2/	2/	2/	2/	2/	2/
Total	23.0	12.3	3.4	0.9	0.6	0.2
Other	2.5	0.2	2.1	0.6	0.8	0.4
Grand total	25.5	12.5	5.5	1.5	1.4	0.6

Division of Statistical and Historical Research. Compiled from Division of Economics and Markets, Department of Agriculture, Union of South Africa.

1/ 50,000 pounds or less.

2/ Not shown separately.

Wool: Shipments from Argentina and Uruguay, seasons 1931-32 to 1933-34

Countries of destination	Argentina 1/			Uruguay 2/		
	1931-32	1932-33	1933-34	1931-32	1932-33	1933-34
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom	86.7	80.3	84.8	20.2	23.8	28.4
France	52.8	71.3	45.4	14.9	15.9	6.5
Germany	41.2	50.0	45.1	26.3	28.8	24.9
Italy	30.8	40.6	32.4	14.8	21.1	10.2
Belgium	34.2	41.7	20.5	8.4	11.8	7.1
United States	13.6	47.0	20.6	0.7	3.2	5.2
Japan	1.0	4.1	8.9	0.2	0.3	1.5
Total	259.3	330.9	257.7	85.5	104.9	83.8
Others	9.3	16.2	14.7	8.5	10.1	11.5
Grand total 3/ ...	268.6	347.1	272.4	94.0	115.0	95.3

Division of Statistical and Historical Research. Compiled from information furnished by Assistant Agricultural Commissioner C. L. Luedtke. See table on movement at primary markets for later data, if any.

1/ Conversions made from kilograms at 2.2046 pounds per kilogram.
2/ Conversions made from bales at 1,014 pounds per bale.
3/ Converted to grease equivalent exports were as follows in millions of pounds 1931-32, 295.6; 1932-33, 356.0; 1933-34, 233.3.

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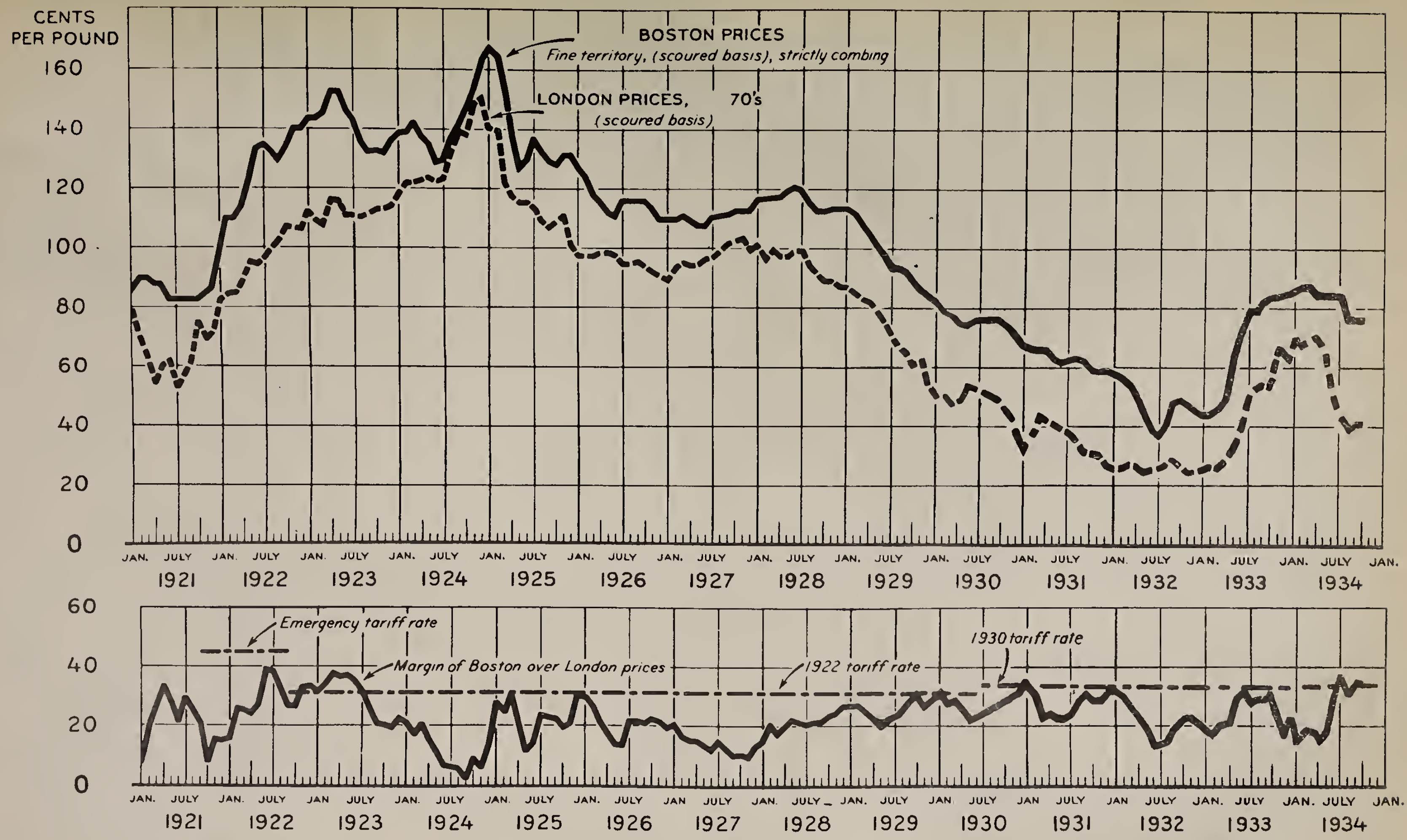
Prices for Fine Grades of Wool in Boston and London and Differences Between These Prices 1921 to Date



U.S. DEPARTMENT OF AGRICULTURE

NEG. 19806 A BUREAU OF AGRICULTURAL ECONOMICS

Low manufacturing activity in the United States wool industry in 1934 has been accompanied by price declines in domestic markets on all grades of wool. Declines in wool prices in foreign markets since early 1934 have been greater than the declines in the domestic market and since April the margin of domestic prices over foreign prices has widened considerably.

FIGURE I.