

WHO

WHAT

WHERE

WHEN

WHY



#### SUPPLIES OF DRYING OILS

United States stocks of the three major drying oils, namely, linseed, tung, and perilla, which amounted to 298 million pounds at the close of March 1938 and were larger than on any reported date in the past 10 years, were reduced to 221 million pounds by the end of June 1938. But this figure is still larger than reported stocks on the same date in any preceding year (see chart on cover page and table 10). The reduction in stocks resulted from a drastic cut in the crushings of flaxseed, some reduction in imports during the quarter April to June and increased consumption. Estimated disappearance of linseed oil for the quarter April to June 1938 amounted to 154 million pounds compared with 94 million pounds January to March, and compared with 202 million pounds April to June 1937. Imports of tung oil dropped off slightly in the April-June quarter; apparent disappearance also dropped slightly and thus stocks of tung oil were somewhat increased.

It is believed that there will be some carry-over of tung oil in China to add to the new crop which normally is harvested late in the year and comes on the market in the early months of the following year.

Due to war conditions in China it is impossible to make any estimate of supplies of this oil that will be available for the coming season.

#### PEANUT OIL

(Excerpts from bulletin of U. S. Department of Agriculture, Bureau of Agricultural Economics, Washington, September 17, 1938.)

Average factory production of crude peanut oil in the 12 years preceding 1934-35 was 13 million pounds; in that year it increased to the 56 million pounds, in 1935-36 to 64 million pounds, and in 1936-37 to 78 million

pounds. Production for the first three-quarters of the 1937-38 season are reported at about 61 million pounds, compared with a production of 75 million pounds in the same period of the preceding season.

Imports of peanut oil, principally from China and the Netherlands, increased enormously beginning with the season of 1934 and in the three seasons beginning October 1934-36 totaled 183 million pounds compared with a total domestic production of 198 million pounds in the same three seasons. However, imports have practically disappeared in the past few months, amounting to less than 4 million pounds in the 9 months October 1937 through June 1938.

The record disappearance of peanut oil amounted to 134 million pounds in the crop year 1935-36. As was expected a year ago, total disappearance from the beginning of October 1936 to the close of September 1937 was somewhat lower than the record consumption of the immediately preceding year. As indicated by production, imports, and stocks for the first three-quarters of 1937-38, disappearance this season will be very much lower than it was in 1936-37.

By far the greatest part of this increased consumption of peanut oil has been used in compounds and vegetable cooking fats. Factory consumption of peanut oil by this class of products jumped from an average of 5 million pounds in the four calendar years 1931-34 to an average of 90 million pounds in each of the two years 1935 and 1936. In 1937 utilization of peanut oil in compounds and vegetable cooking fats dropped to about 58 million pounds while disappearance for uses other than in factory products, that is, probably largely for use as table and cooking oils, increased to 41 million pounds in 1937 compared with an average use for these purposes of only about 10 million pounds in the 6 years 1931-36.