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WHEAT SITUATION

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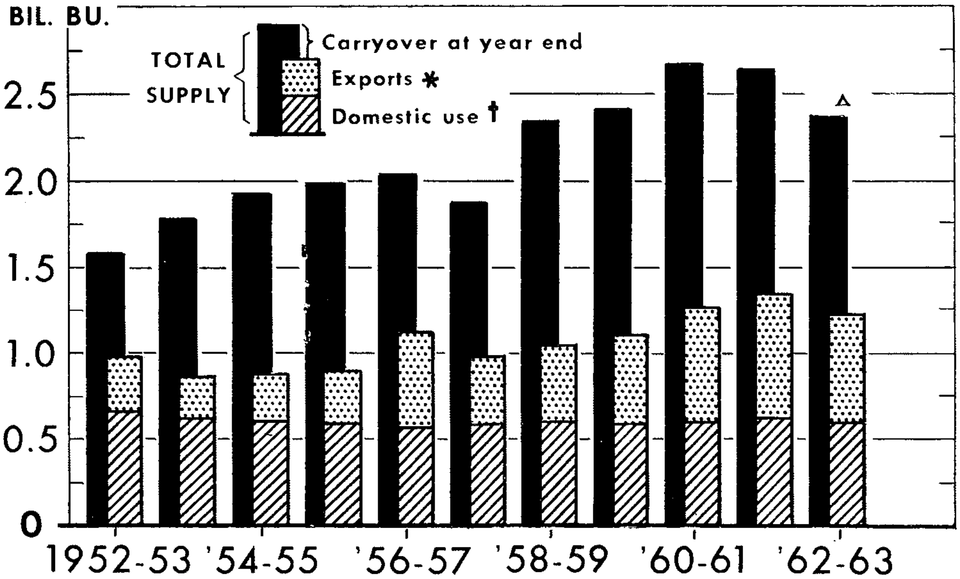
The wheat supply for 1962-63 is estimated at 2,373 million bushels, 11 percent below the record in 1960-61. Exports may total about 620 million bushels and domestic disappearance about 603 million. On the basis of these figures, a carryover of about 1,150 million bushels would result at the end of 1962-63. This would be about 150 million bushels below a year earlier and the second consecutive reduction. With the return to an acreage allotment of 55 million acres, it is estimated that 52.5 million will be harvested. Assuming a yield of 25.5 bushels per harvested acre, a crop of 1,340 million bushels may be produced in 1963. Imports may total about 6 million bushels. With domestic disappearance estimated at 595 million bushels and exports placed at 625 million, the carryover at the end of the 1963-64 marketing year may be increased by around 125 million bushels.

WHEAT SUPPLY AND DISTRIBUTION



YEAR BEGINNING JULY. * INCLUDES FLOUR MILLED FROM DOMESTIC WHEAT ONLY.
† INCLUDES TERRITORIAL AND MILITARY FOOD USE. △ 1962-63 DATA ARE AUGUST ESTIMATES.

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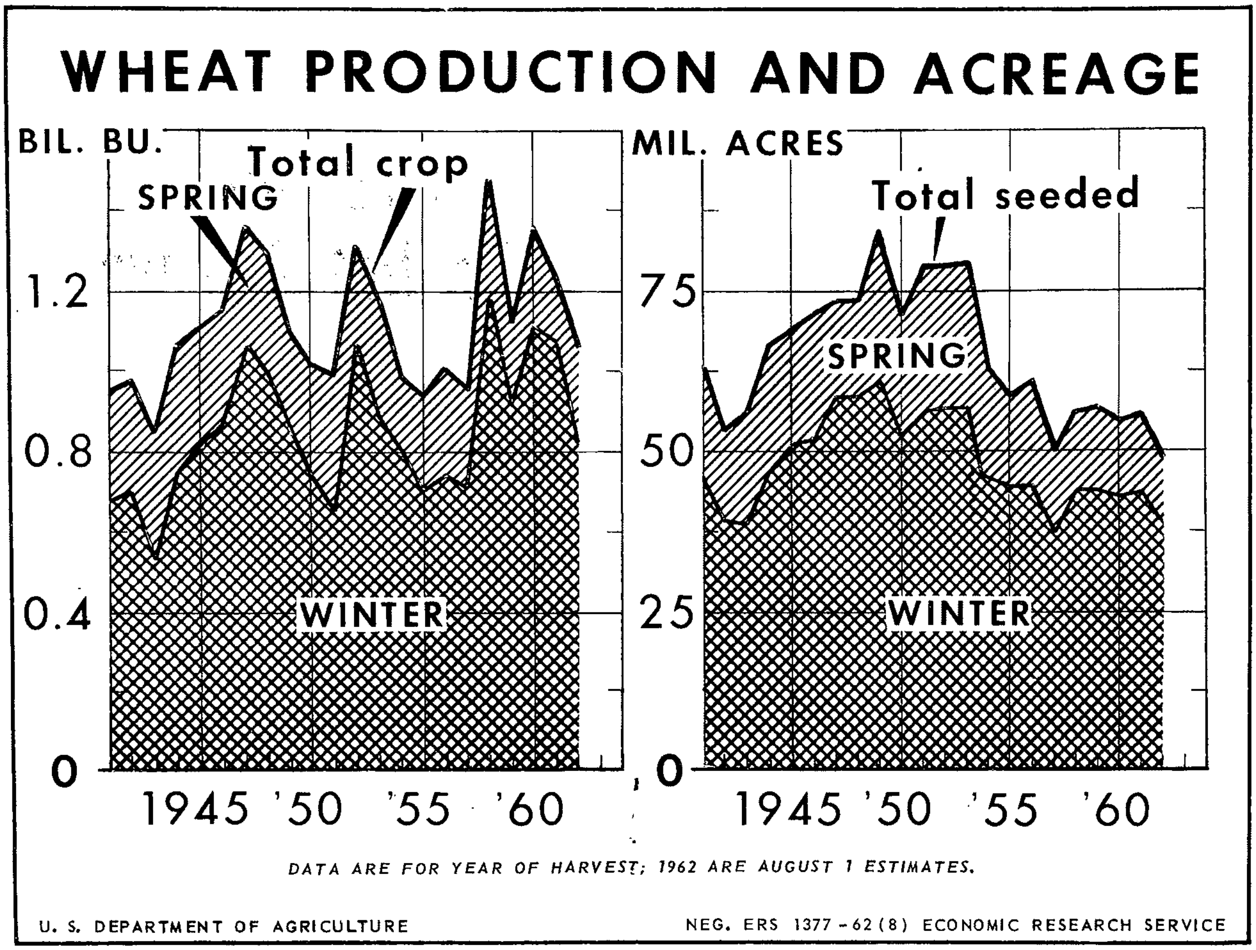

Production of all wheat in 1962 was estimated, as of August 1, at 1,063 million bushels, 14 percent below last year and 6 percent below the 1951-60 average. The drop resulted largely from the reduced acreage under the 1962 program. Indicated average yield of 21.6 bushels per seeded acre is only slightly below the 22.2 bushels a year earlier but 3.4 bushels above the 10-year average.

Production of winter wheat is forecast at 815 million bushels, 24 percent below last year and the smallest crop since 1957. The indicated yield per seeded acre is 21.2 bushels compared with 24.8 bushels a year earlier and the average of 18.8 bushels.

Production of spring wheat other than durum is estimated at 191 million bushels, 37 percent above the small crop last year but 16 percent below average. The indicated yield per seeded acre is 23.4 bushels, sharply above last year's 13.3 bushels and substantially above the average of 16.5 bushels.

The durum crop is estimated at 57 million bushels, twice as large as average and 3 times as large as last year's small crop. The indicated yield per seeded acre is 23.1 bushels, over twice that of last year and about 9.2 bushels above average.

THE WHEAT SITUATION
Including Rye

Approved by the Outlook and Situation Board, August 30, 1962

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SUMMARY

The total wheat supply for the marketing year which began July 1, 1962, is now estimated at 2,373 million bushels, 11 percent below both the record 2,679 million in 1960-61 and the 2,652 million in 1961-62. The decrease is due to a reduction in both carryover and production. The 1962 crop was indicated, as of August 1, at 1,063 million bushels. The carryover on July 1 totaled 1,304 million bushels and imports may total about the same as the 6 million last year.

Domestic disappearance for 1962-63 is now estimated at 603 million bushels, about the same as the average disappearance in 1957-61. Exports in 1962-63 are assumed at 620 million bushels, substantially below the levels of the 2 previous years because of the near-record world wheat crop expected in 1962-63. On the basis of these figures, a carryover of about 1,150 million bushels would result on July 1, 1963. A carryover of this size would be about 150 million bushels below that on July 1 this year and would be the second consecutive reduction.

Exports of wheat in 1961-62 totaled 717 million bushels, 8 percent larger than the previous record in 1960-61. Exports of wheat as grain totaled 607 million bushels--the largest quantity ever exported by the United States or by any other country in a marketing year. Flour exports in 1961-62 totaled 109 million bushels, grain equivalent, up 9 percent from the year before but 44 percent below the record. The record for U. S. flour exports was reached in 1946-47, when 195 million bushels were exported.

Of the total carryover of 1,304 million bushels of old-crop wheat on July 1, 1962, CCC owned 1,097 million bushels. There were still 57 million bushels outstanding under loan and reseal and about 37 million held by farmers to postpone or avoid payment of penalty for overplanting acreage allotments. As a result, "free" supplies of old-crop wheat amounted to about 113 million bushels compared with 45 million a year earlier, 26 million 2 years ago, and 52 million 3 years ago.

An analysis of carryover of wheat by classes on July 1, 1962 indicates that stocks of all classes were down, except soft red winter wheat. Reductions in million bushels were: Hard red spring, 50; hard red winter, 37; white, 17; and durum, 15. Stocks of soft red winter increased by 12 million bushels. Prospective carryovers July 1, 1963, of hard red winter, hard red spring, and soft red winter are expected to be down from a year earlier. Little change may occur in the size of the carryover of white wheat, while stocks of durum may increase sharply.

Although wheat prices have declined from the levels of mid-July, they have so far resisted the usual sharp harvesttime drop. This is the result of the smaller crop, the increased level of price support, the use of sedimentation values to establish premiums on hard wheat for price support, and the continued good demand. For the 1962-63 year, prices are likely to average above the effective support, as they did in 1961-62.

Preliminary returns from the August 30 referendum in the 39-State commercial wheat-producing area show that 68.4 percent of the farmers participating in the referendum voted in favor of marketing quotas for the 1963 crop of wheat. Because this is more than the necessary two-thirds required, marketing quotas will be in effect for the 1963 crop.

With the minimum national acreage allotment of 55 million acres in effect for 1963, it is estimated that about 52.5 million acres may be harvested. This projection is subject to modification on the basis of any new legislation. Should the yield per harvested acre equal 25.5 bushels (the national average yield in recent years, adjusted for trend), a crop of about 1,340 million bushels would be produced. A crop of this size would be 26 percent above 1962 and 19 percent above the 1951-60 average. When this crop is added to the expected 1963 carryover and imports of about 6 million bushels, the total supply for 1963-64 would be about 2,496 million bushels. Domestic disappearance is estimated at about 595 million bushels and exports are tentatively placed at 625 million. Thus, an increase of about 125 million bushels is indicated in the July 1, 1964, carryover. At the end of 1961-62, the carryover was reduced by about 100 million bushels, and by the end of 1962-63 it is expected to be reduced again by around 150 million bushels.

The minimum national average support price of $1.82 per bushel for 1963-crop wheat was announced on June 26. This compares with $2.00 for the 1962 crop and $1.79 for the 1961 crop.

Present prospects are that 1962 world wheat production may be second only to the record outturn in 1958. Although firm estimates are not yet available for a number of countries, the outlook is for increases over the 1961 total in all major areas except Eastern Europe.

World wheat trade in 1962-63 is presently expected to show a decrease from the record level achieved in 1961-62. While some reduction may result from increased production in importing countries, import demand will still be strong and supplies in exporting countries will continue more than adequate to meet demand.

THE CURRENT DOMESTIC WHEAT SITUATION

BACKGROUND--The wheat supply in continental United States increased from 1,420 million bushels in 1951-52 to a record 2,047 million in 1956-57, fell to 1,875 million in 1957-58, and then in 3 years rose to a new all-time record of 2,679 million. For 1962-63, 2 years later, the supply declined to 2,373 million following a slight decline in 1961-62.

Average annual disappearance of 1,154 million bushels in 1957-61 (table 1) consisted of: Food, 495 million (including noncontinental use of about 3 million bushels and military food use at home and abroad of 7 million); seed, 62 million; feed, 50 million; and exports, 547 million. Carryover stocks at the end of the period June 30, 1962, were 1,304 million bushels compared with 909 million at the beginning of the period on July 1, 1957.

Beginning in 1948, the support program became the most important price-influencing factor, as it was in the period from 1938 to late 1942. The season-average price to farmers (which includes unredeemed loans at average loan rates) for the 1948, 1951, 1952, 1954, and 1955 crops was about at the effective loan rate--announced rate less stor-

Table 1.--Wheat: Supply and distribution, United States, 1956-62

	Year beginning July						
	1956	1957	1958	1959	1960	1961 1/	1962 1/
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Supply							
Carryover on July 1	1,033.5	908.8	881.4	1,295.1	1,313.5	1,411.2	1,304
Production	1,005.4	955.7	1,457.4	1,121.1	1,357.3	1,234.7	1,063
Imports 2/	7.8	10.9	7.8	7.4	8.2	5.9	6
Total	2,046.7	1,875.4	2,346.6	2,423.6	2,679.0	2,651.8	2,373
Domestic disappearance							
Food 3/	482.3	485.9	496.8	496.2	496.0	499.5	500
Seed	58.0	63.0	64.3	62.9	64.0	56.6	63
Industry	.5	.3	.1	.1	.1	---	---
Feed 4/	47.6	41.9	47.0	40.7	45.8	74.0	40
Total	588.4	591.1	608.2	599.9	605.9	630.1	603
Exports 5/	549.5	402.9	443.3	510.2	661.9	717.4	620
Total disappearance	1,137.9	994.0	1,051.5	1,110.1	1,267.8	1,347.5	1,223
Stocks on June 30	908.8	881.4	1,295.1	1,313.5	1,411.2	1,304.3	1,150

1/ Preliminary. Distribution items for 1962 are estimated.

2/ Imports include full-duty wheat, wheat imported for feed, and dutiable flour and other wheat products in terms of wheat. They exclude wheat imported for milling in bond and export as flour, also flour free for export.

3/ Includes shipments to United States Territories and wheat for military food use at home and abroad.

4/ This is the residual figure, after all other disappearance has been taken into account; the preliminary figure for 1961-62 appears to be considerably larger than it should be.

5/ Exports are of wheat, including flour wholly from U. S. wheat and other wheat products in terms of wheat. They include exports for relief or charity by individuals and private agencies. Shipments are included in domestic disappearance for food.

age costs. While prices for the 1950 crop averaged above effective support, prices for the 1949 and 1953 crops averaged below the effective support--about 7 cents in 1949 and about 8 cents in 1953.

Prices to farmers in 1956-57 averaged about 6 cents above the effective support, the result of increased export demand, stepped-up U. S. foreign aid programs, the improved quality of wheat, and the export subsidy program inaugurated September 4, 1956. In this export program which is still in effect, wheat for most exports is required to be drawn from private stocks rather than from CCC. Reflecting the reduction in exports from the record high level of the previous year, the average price received by farmers in 1957-58 declined to about 2 cents above the effective support level. In spite of the record-large crop, prices in 1958-59 again averaged about 2 cents above effective support. Then in 1959-60 and 1960-61, with exports at very high levels, prices to farmers averaged about 4 and 5 cents, respectively, above effective supports. In 1961-62, prices averaged 13 cents above as a result of the reduced 1962 allotment, record large exports, and tight holdings by farmers.

Supply Reduced in 1962-63; Decline in Stocks Expected at Year End

The total wheat supply for the marketing year which began July 1, 1962, is now estimated at 2,373 million bushels (table 1), 11 percent below both the record 2,679 million in 1960-61 and the 2,652 million in 1961-62. The decrease is due to a reduction in both carryover and production. The 1962 crop was indicated, as of August 1, at 1,063 million bushels. The carryover on July 1, 1962, totaled 1,304 million bushels, and imports may total about the same as the 6 million last year.

Domestic disappearance for 1962-63 is now estimated at 603 million bushels, about the same as the average disappearance in 1957-61. Use for food, the principal domestic use, is expected to be about 500 million bushels, while use for feed is estimated to be about 40 million bushels. Seed use in 1961-62 totaled only about 57 million bushels, reflecting reduced seed requirements for the 1962 crop. With a return to the 55-million-acre allotment program for 1963, seed use in 1962-63 is estimated at about 63 million bushels. Exports in 1962-63 are assumed at 620 million bushels, substantially below the record level that prevailed in 1961-62 and the previous record a year earlier, because of the near-record world wheat crop expected in 1962-63. On the basis of these estimates and assumptions, a carryover of about 1,150 million bushels would result on July 1, 1963. A carryover of this size would be about 150 million bushels below that on July 1 this year and would be the second consecutive reduction.

Old-crop "Free" Supplies Totaled About 113 Million Bushels

Of the total carryover of 1,304 million bushels (table 1) of old-crop wheat on July 1, 1962, CCC owned 1,097 million 1/, 146 million less than a year earlier and 99 million below 2 years ago. On July 1, the quantity outstanding under loan and reseal from the 1961 crop and reseal from crops of the previous 3 years totaled 57 million bushels. Wheat held by farmers to postpone or avoid payment of penalty for overplanting acreage allotments totaled 37 million bushels (table 2). These figures indicate that "free" supplies of old-crop wheat on July 1 amounted to about 113 million bushels compared with 45 million a year earlier, 26 million 2 years ago, and 52 million 3 years ago.

Table 2.- Excess wheat: Quantity stored to postpone or avoid payment of penalty, by States, from crops of 1954-61, as of July 1, 1962

State	Quantity	State	Quantity
	Bushels		Bushels
Alabama	0	New Jersey	3,011
Arizona	0	New Mexico	1,910
Arkansas	0	New York	3,061
California	1,183	North Carolina	54
Colorado	9,301,299	North Dakota	263,294
Delaware	0	Ohio	12,144
Georgia	0	Oklahoma	872,067
Idaho	402,508	Oregon	41,806
Illinois	1,058	Pennsylvania	2,260
Indiana	8,791	South Carolina	0
Iowa	282	South Dakota	220,347
Kansas	8,319,817	Tennessee	0
Kentucky	0	Texas	211,559
Maryland	292	Utah	58,192
Michigan	5,168	Virginia	0
Minnesota	18,961	Washington	275,270
Mississippi	0	West Virginia	0
Missouri	1,186	Wisconsin	684
Montana	4,445,205	Wyoming	1,003,221
Nebraska	12,007,248	U. S. Total	37,481,878

Grain Division, Agricultural Stabilization Conservation Service

1/ As reported by the Fiscal Division, Agricultural Stabilization and Conservation Service, compared with 1,093 million shown by operating reports which are used when a breakdown by States or by classes is required. (Tables 22 and 23).

Production of All Wheat 14 Percent Below Last Year; Sharp Increases in Durum and Other Spring

Production of all wheat in 1962 was estimated, as of August 1, at 1,063 million bushels, 14 percent below last year but an increase of 13 million bushels from a month earlier. A decline of 21 million bushels in the winter wheat estimate between July and August was more than offset by sharp increases in estimates for durum and other spring wheat. For all wheat, the indicated average yield of 24.1 bushels per harvested acre is slightly above the 1961 yield and the third largest of record.

Production of winter wheat is forecast at 815 million bushels, 24 percent below last year and the smallest crop since 1957. A serious infestation of black stem rust, which spread northward from Nebraska, caused much of the decline in prospects between July and August. The harvest in Texas and the eastern States generally was below earlier expectations, while the estimate of the Kansas crop increased slightly. Cool weather and adequate soil moisture during early July favored the filling of winter wheat in the Pacific Northwest and in Montana. The indicated average yield of winter wheat is 24.1 bushels per harvested acre, considerably below last year's 26.4 bushels but above the 10-year average of 22.0 bushels.

Production of spring wheat other than durum is now estimated at 191 million bushels, 37 percent more than last year but 16 percent below the 1951-60 average. During July, prospects improved in all major producing States except South Dakota, where there was no change. Only slight damage to the spring crop from rust was reported in Montana, North Dakota, and Minnesota and the crop generally appeared to be advanced enough to minimize such losses. The indicated average yield of this wheat is 24.2 bushels per harvested acre, sharply above last year's 15.0 bushels and substantially above the 10-year average of 17.3 bushels.

The durum wheat crop is now estimated at 57 million bushels, an increase of 21 percent from July 1. A crop of this size would be over twice as large as the 1951-60 average crop and 3 times as large as last year's crop. During July, the crop progressed well with abundent rains, except in local areas, and generally below-normal temperatures. The indicated average yield of durum per harvested acre is 24.3 bushels, nearly twice that of last year and about 10 bushels above the 1951-60 average yield.

Disappearance in 1961-62 About 6 Percent Above Year Earlier, Pushed Up By Record Exports

Disappearance in 1961-62 totaled 1,348 million bushels. This is 80 million bushels or 6 percent above the 1,268 million bushels a year earlier and 299 million, or 29 percent, above the 1955-59 average of 1,049 million. Exports in 1961-62 totaled 717 million bushels, which is an all-time record, exceeding the previous record a year earlier of 662 million by 55 million.

Table ~~8~~.--Wheat: Estimated supply and distribution by classes, United States, ~~1958-62~~ 1961-62 and 1962-63

Item	Hard red winter	Soft red winter	Hard red spring	Durum	White	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1958-59						
Carryover, July 1, 1958	611	6	203	27	34	881
Production	836	192	233	22	174	1,457
Imports 1/	---	---	8	---	---	8
Supply	1,447	198	444	49	208	2,346
Exports, including shipments 2/	259	43	46	1	98	447
Domestic disappearance 3/	252	134	147	26	45	604
Carryover, June 30, 1959	936	21	251	22	65	1,295
1959-60						
Carryover, July 1, 1959	936	21	251	22	65	1,295
Production	620	156	151	20	174	1,121
Imports 1/	---	---	7	---	---	7
Supply	1,556	177	409	42	239	2,423
Exports, including shipments 2/	292	40	49	1	130	512
Domestic disappearance 3/	262	127	142	23	43	597
Carryover, June 30, 1960	1,002	10	218	18	66	1,314
1960-61						
Carryover, July 1, 1960	1,002	10	218	18	66	1,314
Production	794	190	188	34	151	1,357
Imports 1/	---	---	8	---	---	8
Supply	1,796	200	414	52	217	2,679
Exports, including shipments 2/	434	54	32	6	138	664
Domestic disappearance 3/	258	134	145	26	41	604
Carryover, June 30, 1961	1,104	12	237	20	38	1,411
1961-62 4/						
Carryover, July 1, 1961	1,104	12	237	20	38	1,411
Production	755	203	116	19	142	1,235
Imports 1/	---	---	6	---	---	6
Supply	1,859	215	359	39	180	2,652
Exports, including shipments 2/	~~486~~ 487	56	42	16	119	~~719~~ 720
Domestic disappearance 3/	~~306~~ 305	135	130	18	40	~~629~~ 628
Carryover, June 30, 1962	1,067	24	187	5	21	1,304
1962-63 4/ 5/						
Carryover, July 1, 1962	1,067	24	187	5	21	1,304
Production	547	155	~~163~~ 183	~~57~~ 67	~~142~~ 143	~~1,063~~ 1,095
Imports 1/	---	---	6	---	---	6
Supply	1,614	179	~~356~~ 376	~~62~~ 72	~~162~~ 164	~~2,373~~ 2,405
Exports, including shipments 2/	~~446~~ 424	~~30~~ 35	~~45~~ 40	~~2~~3	100	~~622~~ 602
Domestic disappearance 3/	~~262~~ 263	133	140	27	40	~~602~~ 603
Carryover, June 30, 1963	~~907~~ 927	~~16~~ 11	~~171~~ 196	~~34~~ 42	~~22~~ 24	~~1,250~~ 1,200

1/ Excludes imports for milling-in-bond and export as flour. 2/ Includes shipments to Alaska and Hawaii and the U. S. Territories. Includes exports for relief or charity by individuals and private agencies. 3/ Wheat for food (including military food use at home and abroad), feed, seed and industry. 4/ Preliminary. 5/ Imports and distribution are projected.

Note:-Figures by classes in this table are not based on survey or enumeration data and are therefore only approximations. Class production is established on the basis of the quinquennial wheat-variety surveys. CCC inventories are reported by classes and total stocks have been broken down by classes largely on the basis of CCC holdings of each class. Exports and shipments, by classes, are estimated on the basis of "inspection for export" for wheat as grain and on the basis of the area from which exports are made for flour. Data for 1929-57 are in The Wheat Situation, June 1962, pages 22-23.

Domestic disappearance amounted to 630 million bushels, which is above the 606 million a year earlier and the average of 598 million the previous 5 years. With food use at 500 million bushels, which compares with 496 million a year earlier, and seed use at 57 million, the quantity remaining for feed, which is the residual item, is indicated at 74 million bushels. This appears large when compared with 46 million a year earlier and the average of 46 million for the previous 5 years. When some of the various other items of supply and distribution are revised, it is expected that this residual item for 1961-62 will be reduced.

United States Exports Set New All-Time Record 2/

Exports of wheat, including flour in terms of wheat, from July 1961 through June 1962 totaled 716 million bushels, 8 percent larger than the previous record in 1960-61. Products other than flour brought the total up to 717 million bushels.

Exports of wheat as grain in 1961-62 totaled 607.5 million bushels. This is the largest quantity ever exported by the United States or by any other country in a marketing year. India continued to be the largest market in 1961-62, although exports to that country were 25 percent below those of a year earlier. This reduction was more than offset by increased sales to Brazil and Turkey--the next largest markets--with a total of 104 million bushels compared with a total of 57 million bushels a year earlier. Exports of wheat were increased also to West Germany, the Netherlands, Japan, Algeria, Egypt, Morocco, and Tunisia. In contrast, exports to Italy, Poland, and Pakistan in 1961-62 were well below those of 1960-61.

Flour exports in 1961-62 totaled 109 million bushels, grain equivalent, up 9 percent from the year before but 44 percent below the record. The record for U. S. flour exports was reached in 1946-47, when 195 million bushels were exported. Exports in 1961-62 to Egypt, which has been the largest market for flour the last 3 years, totaled 32 million bushels compared with 26 million a year earlier. Larger shipments of flour also were made to British Guiana, Colombia, Greece, Poland, Yugoslavia, and Indonesia. Exports to Syria in 1961-62 were down considerably from last year.

Carryover of All Classes Down, Except Soft Red Winter on July 1, 1962

On the basis of present estimates of the July 1 carryover by classes, stocks of hard red spring wheat, at 187 million bushels, were down 50 million bushels from a year earlier; hard red winter, at 1,067 million, were down 37 million; white, at 21 million, were down 17 million; and durum, at 5 million, were down 15 million (table 3). On the other hand, stocks of soft red winter at 24 million bushels, were up 12 million bushels. Decreases in stocks of the 4 classes, omitting soft red winter, result from the 1961

2/ Prepared in the Grain Division, Foreign Agricultural Service.

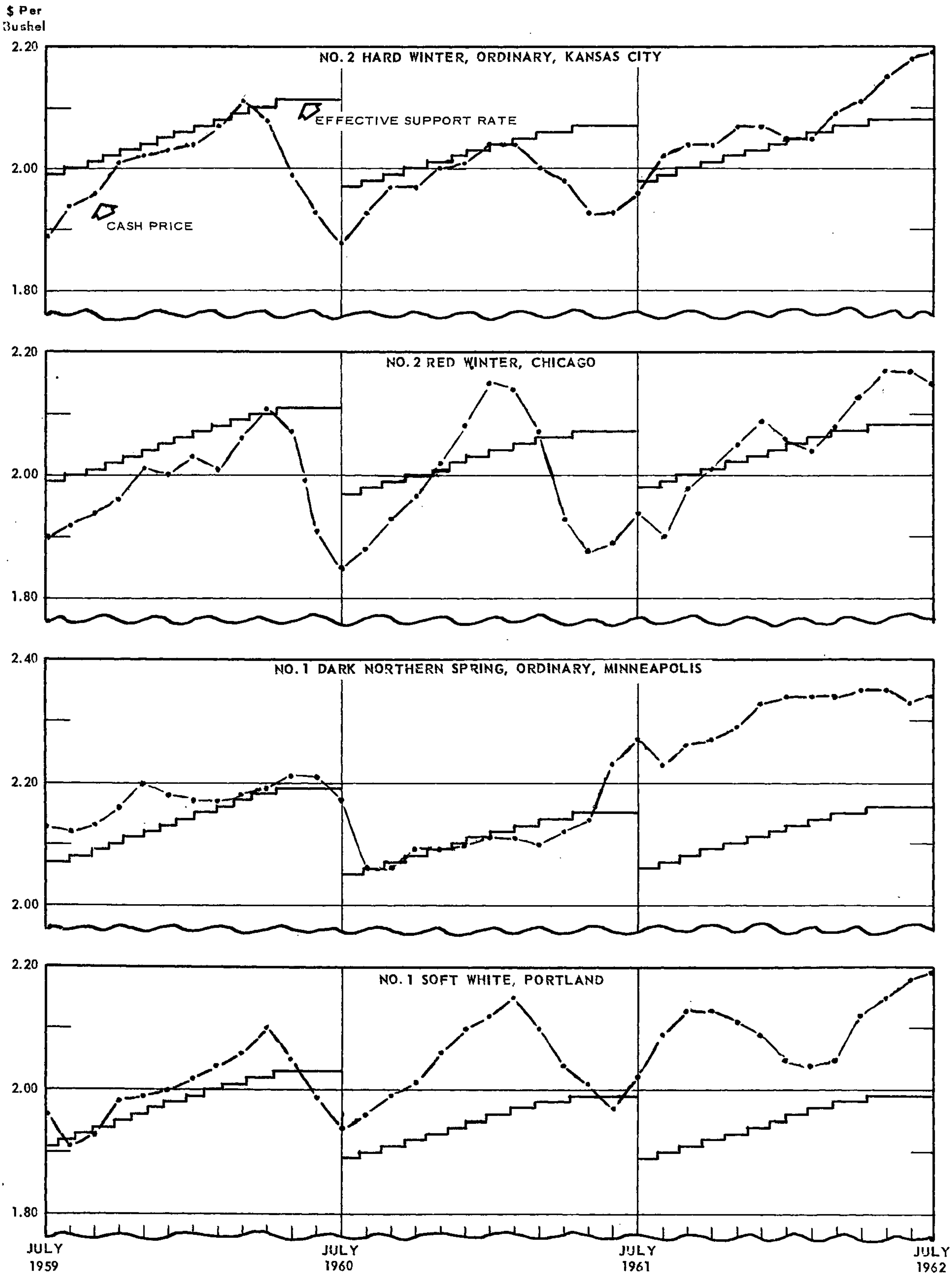
Table 4.- Wheat: Average cash price per bushel at specified markets, by months, 1959-62

Year beginning July	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Av.
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
	No. 2 Hard Winter, ordinary protein, Kansas City												
1959	1.89	1.94	1.96	2.01	2.02	2.03	2.04	2.07	2.11	2.08	1.99	1.93	2.01
1960	1.88	1.93	1.97	1.97	2.00	2.01	2.04	2.04	2.00	1.98	1.93	1.93	1.97
1961	1.96	2.02	2.04	2.04	2.07	2.07	2.05	2.05	2.09	2.11	2.15	2.18	2.07
1962	2.19												
	No. 2 Red Winter, Chicago												
1959	1.90	1.92	1.94	1.96	2.01	2.00	2.03	2.01	2.06	2.11	2.07	1.91	1.99
1960	1.85	1.88	1.93	1.97	2.02	2.08	2.15	2.14	2.07	1.93	1.88	1.89	1.98
1961	1.94	1.90	1.98	2.01	2.05	2.09	2.06	2.04	2.08	2.13	2.17	2.17	2.05
1962	2.15												
	No. 1 Dark Northern Spring, ordinary protein, Minneapolis												
1959	2.13	2.12	2.13	2.16	2.20	2.18	2.17	2.17	2.18	2.19	2.21	2.21	2.17
1960	2.17	2.06	2.06	2.09	2.09	2.10	2.11	2.11	2.10	2.12	2.14	2.23	2.12
1961	2.27	2.23	2.26	2.27	2.29	2.33	2.34	2.34	2.34	2.35	2.35	2.33	2.31
1962	2.34												
	No. 1 Soft White, Portland												
1959	1.96	1.91	1.93	1.98	1.99	2.00	2.02	2.04	2.06	2.10	2.05	1.99	2.00
1960	1.94	1.96	1.99	2.01	2.06	2.10	2.12	2.15	2.10	2.04	2.01	1.97	2.04
1961	2.02	2.09	2.13	2.13	2.11	2.09	2.05	2.04	2.05	2.12	2.15	2.18	2.10
1962	2.19												

<u>Legend for Chart on page 13</u>

Cash wheat prices in 1961-62 averaged above effective support levels for the year as a whole. They rose fairly steadily during the entire marketing year and ended at high levels, reflecting higher price-support rates for 1962-63, record-heavy exports, and a prospective small 1962 crop. Prices normally rise as the season advances, following harvest, and then in the spring usually adjust downward to new-crop conditions. This is exemplified by the behavior in the 2 previous marketing years. The normal year-end price adjustment for spring wheat is later than for winter wheat because the harvest is later. The downturn in prices for spring wheat before the 1961 harvest was very small, reflecting the greatly reduced 1961 crop.

CASH WHEAT PRICES AND EFFECTIVE SUPPORT RATES



Legend on page 12.

crop being smaller than the quantity used domestically and exported. The reduction in durum stocks was especially sharp, considering the small proportion of durum in the total carryover. Production of durum was small while exports were very large, reflecting shortages of durum in other countries. As a result, supplies for domestic disappearance were reduced to the smallest since 1955-56, when rust greatly reduced the crop for the third consecutive year.

Carryover stocks of hard red winter declined in 1962 for the first time since 1957, but at 1,067 million bushels, they are still 75 percent above the 611 million bushels of that year. Stocks of this class of wheat continue to account for the major portion of the total carryover.

The larger stocks of soft red winter will partially offset the 1962 crop reduction of that class of wheat, resulting from participation in the 1962 Wheat Stabilization Program and poor growing conditions.

Prospective Carryovers of Hard Red Winter, Hard Red Spring, and Soft Red Winter Down on July 1, 1963

The total carryover at the end of the 1962-63 marketing year may be down about 150 million bushels from the carryover on July 1, 1962, (Table 3). Stocks of hard red winter wheat, which are in greatest surplus, may be down about 160 million bushels, while stocks of hard red spring and soft red winter may be down about 16 million and 8 million bushels, respectively. Little change may occur in the size of the carryover of white wheat, but stocks of durum may be increased sharply by possibly 29 million bushels. Production of durum in 1962 was increased greatly, as a result of the special provisions of the 1962 program to allow increased acreage of this class of wheat and because of the good growing conditions.

Wheat Prices Close to Effective Support

Although wheat prices have declined from the levels of mid-July, they have so far resisted the usual sharp harvest-time drop. This is the result of the small crop, the increased level of price support, the use of sedimentation values to establish premiums on hard wheat for price support, and the continued good demand.

On August 30, the price of No. 1 Hard Winter, ordinary protein, Kansas City, was $2.18 per bushel, 2 cents below the effective support price, while No. 2 Red Winter, St. Louis, was $2.13, 6 cents below the effective support. On August 30, 1961, prices of these 2 classes stood at $2.02, 2 cents above the effective support, and $1.99, only a cent below the support, respectively.

The price of No. 1 Dark Northern Spring, ordinary protein, Minneapolis, was $2.34 per bushel on August 30, 4 cents above the effective support level. As of that date, No. 1 Soft White, Portland, was $2.13, 3 cents above support. A year earlier, the price of these 2 wheats was $2.22 and $2.11, respectively, 14 and 20 cents above the effective support.

No. 2 Hard Amber Durum, Minneapolis, was $2.56 per bushel on August 30. This is 10 cents below the effective support and about 66 cents below the price prevailing on that date a year ago. At that time, the price was around $1.05 above the effective support, reflecting the very short durum crop.

Except for some post-harvest recovery in prices, there may be little seasonal advance other than to meet storage and carrying charges. With a return to the 55-million-acre wheat program and price support at about $1.82 (75 percent of parity), prices will be expected to work down later in the marketing year.

Prices received by farmers in 1961-62 averaged $1.83 per bushel, 13 cents above the effective support level. In 1962-63, they are likely to again average above the effective support.

In many ways, 1962-63 is quite similar to 1957-58. The $2.00 support rate was followed in each case by a $1.82 per bushel support. Also, total disappearance in 1957-58 was in close balance with the current crop plus the old crop "free" supply, a situation currently indicated for 1962-63. Prices received by farmers in 1957-58 averaged $1.93, with little variation from month to month and almost no seasonal change. The farm price adjustment to the lower support rate of the following year was all made in June 1958, when the $1.70 reported was 23 cents per bushel below the May price. However, this drop was probably intensified by the upcoming all-time record 1958 wheat crop.

Quantities Put Under Price Support Smallest Since 1957

Through July 31, farmers had put only 72.8 million bushels of 1962-crop wheat under price support loans and purchase agreements. This is substantially below the 129.9 million bushels of 1961-crop wheat put under support through the same date a year earlier and is the smallest total of new-crop wheat put under support through the end of July since 1957.

Of the 1962 total, 69.8 million bushels were under warehouse-stored loans, 3.0 million were farm-stored loans and only 17,330 bushels were under purchase agreements. Kansas accounted for 60 percent of the wheat put under support.

Table 5.- Wheat and rye: Cash closing prices and support prices at terminal markets, specified months and days, 1961 and 1962

Commodity, market and grade	Cash closing prices: Monthly average: July 1961	Apr. 1962	May 1962	June 1962	July 1962	Cash closing prices: Daily range: Aug. 30, 1961	Aug. 23, 1962	Aug. 30, 1962	1962-crop support prices: Effective Aug. 30, 1962	Terminal
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Wheat:										
Chicago:										
No. 2 Yellow Hard Winter	1.98	2.17	2.21	2.21	2.22	1.96	2.18	2.16-2.17	2.19	2.27
No. 2 Red Winter	1.94	2.13	2.17	2.17	2.15	1.94	2.12-2.13	2.11	2.19	2.27
St. Louis:										
No. 2 Red Winter	1.94	2.14	2.18	2.18	2.16	1.97-2.00	2.12-2.17	2.11-2.16	2.19	2.27
Kansas City:										
No. 1 Hard Winter, ordinary protein	1.97	2.12	2.16	2.20	2.20	2.02-2.03	2.15-2.19	2.17-2.19	2.20	2.28
No. 1 Hard Winter, 13 percent protein	2.18	2.28	2.32	2.35	2.37	2.18-2.28	2.33-2.48	2.33-2.48	2/	2/
Fort Worth:										
No. 1 Hard Winter	2.29	2.40	2.44	2.48	2.55	2.32-2.35	2.48-2.60	2.48-2.60	2.39	2.47
Minneapolis:										
No. 1 Dark Northern Spring, ordinary protein	2.27	2.35	2.35	2.33	2.34	2.20-2.24	2.28	2.34-2.35	2.30	2.38
No. 1 Dark Northern Spring, 13 percent protein	2.30	2.39	2.38	2.37	2.39	2.21-2.28	2.31-2.33	2.39-2.40	2/	2/
No. 1 Dark Northern Spring, 15 percent protein	2.35	2.45	2.47	2.47	2.50	2.26-2.33	2.41-2.44	2.50-2.51	2/	2/
No. 2 Hard Amber Durum	2.83	3.21	3.01	2.81	2.68	3.20-3.25	2.55-2.60	2.53-2.58	2.66	2.74
Portland:										
No. 1 Hard Winter, ordinary protein	2.12	2.21	2.25	2.27	2.33	2.15	2.31-2.32	2.32	2.10	2.18
No. 1 Soft White	2.02	2.12	2.15	2.18	2.19	2.11	2.15	2.13	2.10	2.18
Toledo:										
No. 2 Red Winter	1.87	2.07	2.14	2.11	2.10	1.88-1.89	2.08	2.08	---	---
No. 2 Soft White	1.87	2.07	2.13	2.11	2.10	1.87-1.88	2.07	2.07	---	---
Rye:										
Minneapolis: No. 2	1.24	1.24	1.21	1.24	1.14	1.16-1.20	1.09-1.13	1.10-1.14	1.13	1.22

1/ Cash grain closing prices are not the range of cash sales during the day but are on-track cash prices established at the close of the market. The terminal rate is a rate used in determining the effective support price for grain in terminal storage or in transit to terminal and for calculating most county price support rates. The effective support price is the established terminal support rate for grain received by rail minus the deduction for storage as of the date shown. A comparison of the above effective price support rate and the current cash closing price is an indication of whether the market price is above or below the support rate provided the location of the grain is on track at the specified terminals. The monthly average price is the simple average of the daily closing prices.

2/ Not available since quality premiums are based on the sedimentation test rather than on the protein test.

THE OUTLOOK FOR WHEAT IN 1963-64

BACKGROUND--United States exports of wheat and flour in terms of wheat in 1951-52 reached a record high, up to that time, of 475 million bushels. In 1952-53, exports declined a third to 318 million bushels. The 1952 crop in Canada was a record, and her exports exceeded those from the U. S., as they had in most years before 1945-46. In 1953-54, Canada's exports again exceeded those from the U. S. Since 1954-55, exports from the U. S. have exceeded those from Canada.

Exports from the United States declined again in 1953-54, but then increased to 550 million bushels by 1956-57. In 1960-61, exports reached a new high of 662 million bushels and in 1961-62 were an all-time record of 717 million bushels. The great increase resulted from the operation of the various Government export programs. In the 10-years, 1951-60, of the average total exports of 419 million bushels, 58 percent went out under such programs.

Total world trade in wheat and products in 1951-52 also reached a record up to that time of 1,066 million bushels. The following year, such trade declined to 987 million bushels, reflecting a record 1952 world wheat crop and larger wheat reserves in importing countries, as well as the effect of truce negotiations in Korea and some easing in international tensions.

The decline in world wheat trade continued through 1953-54, falling to 879 million bushels in that period. The U. S. share also dropped, as larger quantities were available in other exporting countries and requirements in major importing countries were less than in 1952-53.

In 1954-55, world wheat trade increased 10 percent to 971 million bushels, and U. S. exports rose 26 percent, from 217 million to 274 million bushels. In 1955-56, world trade reached about 1,065 million bushels. This increase reflected higher economic activity and greater purchasing power in importing countries. In 1956-57, world trade reached about 1,328 million bushels, 25 percent higher than both a year earlier and the former record in 1951-52. The increase reflected decreased domestic supplies in Europe because of winter damage, increased exports from the U. S. under special export programs, and increased wheat consumption in some countries. In 1957-58, with improved overall

Table 6.-Wheat: Acres seeded and production, United States and by regions, averages 1935-50, annual 1946-62

Period	United States	Great Plains 1/	Northwest 2/	Corn Belt and Lake States 3/	South 4/	All other states
	Million acres	Million acres	Million acres	Million acres	Million acres	Million acres
	Acres seeded					
Average:						
1935-39	73.2	49.8	4.7	12.7	2.8	3.2
1941-45	61.4	43.8	4.2	8.3	2.5	2.6
1946-50	76.7	56.3	5.5	9.8	2.1	3.0
1946	71.6	53.3	5.1	8.4	2.0	2.8
1947	78.3	58.1	5.4	9.5	2.3	3.0
1948	78.3	56.7	5.6	10.6	2.2	3.2
1949	83.9	61.8	5.9	11.0	2.1	3.1
1950	71.3	51.8	5.2	9.5	1.8	3.0
1951	78.5	57.9	6.0	9.9	1.8	2.9
1952	78.6	57.5	6.1	10.1	1.9	3.0
1953	78.9	56.8	6.2	10.7	2.3	2.9
1954	62.5	45.7	4.5	8.3	1.7	2.3
1955	58.2	42.2	4.2	7.9	1.7	2.2
1956	60.7	43.5	4.8	8.4	1.9	2.1
1957	49.8	33.4	4.0	8.4	2.1	1.9
1958	56.0	39.7	4.2	8.4	1.7	2.0
1959	56.8	40.1	4.2	8.8	1.8	1.9
1960	54.9	39.4	4.0	8.1	1.6	1.8
1961 5/	55.6	39.6	4.1	8.5	1.7	1.7
1962 5/	49.1	35.5	3.8	7.1	1.2	1.5
	Production					
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Average:						
1935-39	759	371	93	200	32	63
1941-45	985	645	108	148	33	51
1946-50	1,185	760	132	203	30	60
1946	1,152	758	138	172	29	55
1947	1,359	940	126	195	35	63
1948	1,295	827	145	233	32	58
1949	1,098	655	120	234	27	62
1950	1,019	621	130	183	24	61
1951	988	585	148	168	30	57
1952	1,306	832	157	221	34	62
1953	1,173	621	169	279	39	65
1954	984	541	136	220	33	54
1955	937	516	117	223	29	52
1956	1,005	550	125	239	39	52
1957	956	544	144	189	34	45
1958	1,457	980	140	254	31	52
1959	1,121	683	148	207	35	48
1960	1,357	910	129	238	35	45
1961 5/	1,235	772	112	264	42	45
1962 6/	1,063	674	122	204	23	40

1/ North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Montana, Wyoming, Colorado, and New Mexico. 2/ Idaho, Washington and Oregon. 3/ Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa and Missouri. 4/ Virginia, West Virginia, North Carolina, South Carolina, Georgia, Kentucky, Tennessee, Alabama, Mississippi and Arkansas. 5/ Preliminary. 6/ August 1 estimate.

supplies in several importing countries, world trade declined 10 percent. However, in 1958-59, it increased to 1,321 million bushels, only 1 percent below the 1956-57 record. In 1959-60, trade increased slightly from the previous year to 1,328 million bushels. In 1960-61, trade rose to 1,522 million bushels and in 1961-62 reached an all-time high estimated at 1,670 million bushels. Communist China was largely responsible for this increase in world trade.

Domestic disappearance declined from 688 million bushels in 1951-52 to 606 million in 1960-61, averaging 619 million for the 10 years. The greatest decline was in the use of wheat for feed. After exceeding 100 million bushels for many years, feed use dropped below that level in 1952-53 and in 1956-60 averaged only 45 million bushels. Food use was about unchanged from 496.5 million bushels in 1951-52 to 496.0 million in 1960-61. This is an increase of only about 10 million bushels from a half century ago, with the decline in per capita consumption offsetting increases in population. Per capita consumption declined from 306 pounds in 1912 to 164 pounds in 1961. Seed use has varied with the acreage seeded. In the 10-years, 1951-60, it varied from a high of 89 million bushels to seed the 1953 crop to a low of 58 million, the 1957 crop. Use of wheat for industry is negligible, averaging only 0.3 million bushels during 1951-60.

Preliminary Referendum Tally Shows 68.4 Percent Favorable

Preliminary returns from the August 30 referendum in the 39-State commercial wheat-producing area show that 68.4 percent of the farmers participating in the referendum voted in favor of marketing quotas for the 1963 crop of wheat.

With wheat marketing quotas in effect on approval by two-thirds or more of farmers voting in the referendum, marketing quotas will be in effect for the 1963 crop. Only growers in any one of the 39 commercial wheat States who will have more than 15 acres of wheat for harvest as grain in 1963 and did not participate in the 1962 "feed wheat" program were eligible to vote in the referendum.

The vote in this year's referendum marks the 12th time farmers have voted marketing quotas for wheat and continued their record of approval. Under the present law, if marketing quotas are not approved, growers receive price support at 50 percent of parity if they comply with acreage allotments and no support if they do not comply. Grower approval of marketing quotas for crops in the past were: 1941, 81.0 percent; 1942, 82.4 percent; 1954, 87.2 percent; 1955, 73.3 percent; 1956, 77.3 percent; 1957, 87.4 percent; 1958, 86.2 percent; 1959, 84.1 percent; 1960, 80.8 percent; and 1961, 87.4 percent; and 1962, 79.4 percent.

Table 7.- All wheat and winter wheat: Acreage, yield and production, United States, 1945-62

Year of harvest	All wheat: Seeded acreage	All wheat: Seeded but not harvested for grain	All wheat: Yield per seeded acre	All wheat: Production	Winter wheat: Seeded acreage	Winter wheat: Seeded but not harvested for grain	Winter wheat: Yield per seeded acre	Winter wheat: Production
	1,000 acres	1,000 acres	Bushels	1,000 bushels	1,000 acres	1,000 acres	Bushels	1,000 acres
1945	69,192	4,025	16.0	1,107,623	50,463	3,439	16.2	816,989
1946	71,578	4,473	16.1	1,152,118	52,227	3,856	16.7	869,592
1947	78,314	3,795	17.4	1,358,911	58,248	3,313	18.2	1,058,976
1948	78,345	5,927	16.5	1,294,911	58,332	5,369	17.0	990,141
1949	83,905	7,995	13.1	1,098,415	61,177	6,763	14.0	858,127
1950	71,287	9,680	14.3	1,019,344	52,399	9,149	14.1	740,637
1951	78,524	16,651	12.6	988,161	56,145	16,052	11.6	650,822
1952	78,645	7,515	16.6	1,306,440	56,997	6,102	18.7	1,065,220
1953	78,931	11,091	14.9	1,173,071	57,087	10,154	15.5	885,032
1954	62,539	8,183	15.7	983,900	46,617	7,399	17.2	801,369
1955	58,246	10,956	16.1	937,094	44,297	10,590	15.9	705,636
1956	60,655	10,887	16.6	1,005,397	44,418	8,886	16.7	740,592
1957	49,843	6,089	19.2	955,740	37,420	5,750	19.0	711,798
1958	56,017	2,970	26.0	1,457,435	43,674	2,651	26.9	1,173,538
1959	56,772	4,991	19.7	1,121,118	43,615	4,053	21.0	917,752
1960	54,919	3,023	24.7	1,357,272	42,689	2,693	26.0	1,110,557
1961 1/	55,648	4,028	22.2	1,234,705	43,418	2,665	24.8	1,076,274
1962 2/	49,127	5,068	21.6	1,063,017	38,506	4,681	21.2	815,028

1/ Preliminary. 2/ Indicated as of August 1.

Table 8.- All spring wheat, durum and other: Acreage, yield and production, United States, 1945-62

Year of harvest	All spring wheat: Seeded acreage	All spring wheat: Seeded but not harvested for grain	All spring wheat: Yield per seeded acre	All spring wheat: Production	Durum: Seeded acreage	Durum: Seeded but not harvested for grain	Durum: Yield per seeded acre	Durum: Production	Spring other than durum: Seeded acreage	Spring other than durum: Seeded but not harvested for grain	Spring other than durum: Yield per seeded acre	Spring other than durum: Production
	1,000 acres	1,000 acres	Bushels	1,000 bushels	1,000 acres	1,000 acres	Bushels	1,000 bushels	1,000 acres	1,000 acres	Bushels	1,000 bushels
1945	18,729	586	15.5	290,634	2,026	22	16.2	32,840	16,703	564	15.4	257,794
1946	19,351	617	14.6	282,526	2,493	40	14.4	35,836	16,858	577	14.6	246,690
1947	20,066	482	14.9	299,935	2,975	27	14.9	44,328	17,091	455	15.0	255,607
1948	20,013	558	15.2	304,770	3,278	58	13.8	45,142	16,735	500	15.5	259,628
1949	22,728	1,232	10.6	240,288	3,767	197	10.4	39,072	18,961	1,035	10.6	201,216
1950	18,888	531	14.8	278,707	2,918	89	12.8	37,212	15,970	442	15.1	241,495
1951	22,379	599	15.1	337,339	2,586	68	13.4	34,762	19,793	531	15.3	302,577
1952	21,648	1,413	11.1	241,220	2,328	154	9.7	22,493	19,320	1,259	11.3	218,727
1953	21,844	937	13.2	288,039	2,103	238	6.2	12,967	19,741	699	13.9	275,072
1954	15,922	784	11.5	182,531	1,637	328	3.0	4,982	14,285	456	12.4	177,549
1955	13,949	366	16.6	231,458	1,385	37	14.1	19,580	12,564	329	16.9	211,878
1956	16,237	2,001	16.3	264,805	2,489	171	15.6	38,791	13,748	1,830	16.4	226,014
1957	12,423	339	19.6	243,942	2,370	84	16.9	39,935	10,053	255	20.3	204,007
1958	12,343	319	23.0	283,897	938	32	23.1	21,669	11,405	287	23.0	262,228
1959	13,157	938	15.5	203,336	1,217	76	16.6	20,192	11,940	862	15.3	183,174
1960	12,230	330	20.2	246,715	1,673	31	20.4	34,141	10,557	299	20.1	212,574
1961 1/	12,230	1,363	13.0	158,431	1,715	175	11.1	18,955	10,515	1,188	13.3	139,476
1962 2/	10,621	387	23.3	247,989	2,478	124	23.1	57,119	8,143	263	23.4	190,870

1/ Preliminary. 2/ Indicated as of August 1.

Table 9.--Wheat, Grade No. 1: Price support rates per bushel, principal terminals, 1957-62

Terminal	1957	1958	1959	1960	1961	1962
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
	Hard Red Winter and Soft Red Winter					
Kansas City and Omaho	2.32	2.15	2.12	2.08	2.09	2.28
Chicago	2.32	2.15	2.12	2.08	2.09	2.28
Galveston and Houston	2.49	2.34	2.32	2.27	2.28	2.47
Philadelphia and Baltimore	2.44	2.27	2.25	2.20	2.21	2.40
Albany	2.44	2.27	2.25	2.20	2.21	2.40
	Dark Northern Spring					
Minneapolis, St. Paul, Duluth and Superior	2.36	2.20	2.19	2.15	2.16	2.35
	Soft White, White Club and Western White					
Portland and Seattle	2.22	2.05	2.03	1.99	1.99	2.18
Los Angeles and San Francisco	2.30	2.13	2.11	2.07	2.07	2.26

1963 Wheat Crop May Be Up Around a Fourth; Increase in Carryover Likely

With the minimum national acreage allotment of 55 million acres in effect for 1963, it is estimated that about 52.5 million acres may be harvested. This projection is subject to modification on the basis of any new legislation. Should the yield per harvested acre equal 25.5 bushels (the national average yield in recent years, adjusted for trend), a crop of about 1,340 million bushels would be produced. In 1961, when the same program was in effect, the harvested acreage was 51.6 million acres and the yield 23.9 bushels per harvested acre. A year earlier, the harvested acreage was 51.9 million acres and the yield 26.2 bushels per acre.

A crop of 1,340 million bushels would be 26 percent above the 1,063 million indicated for 1962 and 19 percent above the 1951-60 average of 1,129 million bushels. When this crop is added to the expected 1963 carryover and imports of about 6 million bushels, the total supply would be about 2,496 million bushels. Domestic disappearance is estimated at about 595 million bushels, and exports are tentatively placed at 625 million. Thus, an increase in the July 1, 1964, carryover of about 125 million bushels is indicated. At the end of 1961-62, the carryover was reduced by about 100 million bushels, and by the end of the 1962-63 year it is expected to be reduced again by around 150 million bushels.

Minimum Support for 1963-Crop Wheat Set at $1.82

The minimum national average support price of $1.82 per bushel for 1963-crop wheat was announced on June 26. This compares with $2.00 for the 1962 crop and $1.79 for the 1961 crop. The $1.82 per-bushel minimum average support price for 1963-crop wheat is 75 percent of the June 1962 modernized parity of $2.42 per bushel. This "advance" minimum will not be reduced but may be increased if the combination of the wheat parity price as of July 1, 1963, and wheat supply relationships as of that date indicate a higher price. In the noncommercial States (11 States which have wheat allotments of 25,000 acres or less), price support will be at 75 percent of what the rate would be if the State had been in the commercial area. 3/

Price support will be accomplished through loans on farm-stored and warehouse-stored wheat and through purchase agreements. Loans will be available through County Agricultural Stabilization and Conservation (ASC) offices.

3/ Noncommercial wheat States are: Alaska, Connecticut, Florida, Louisiana, Hawaii, Maine, Massachusetts, Nevada, New Hampshire, Rhode Island, and Vermont.

Table 10.--Wheat: Acreage allotments, by States, 1961-63

State	1961	1962 (Reflecting 10 percent mandatory reductions)	1963
	Acres	Acres	Acres
Alabama	40,332	39,088	46,808
Alaska	1/ 21	1/ 36	1/ 40
Arizona	35,665	32,675	38,190
Arkansas	62,988	60,682	71,644
California	427,726	381,964	422,800
Colorado	2,662,998	2,380,087	2,638,505
Connecticut	1/546	1/446	1/448
Delaware	32,762	27,662	29,701
Florida	1/4,311	1/4,406	1/6,067
Georgia	111,395	99,403	107,741
Idaho	1,177,974	1,067,414	1,192,819
Illinois	1,442,835	1,295,077	1,423,391
Indiana	1,126,379	997,308	1,085,565
Iowa	128,851	110,939	117,677
Kansas	10,661,056	9,618,251	10,762,443
Kentucky	213,954	187,009	203,006
Louisiana	1/18,530	1/19,497	1/24,760
Maine	1/1,285	1/974	1/969
Maryland	175,370	154,042	167,152
Massachusetts	1/739	1/553	1/581
Michigan	958,637	859,027	938,320
Minnesota	719,031	652,286	720,400
Mississippi	42,079	40,863	48,985
Missouri	1,352,131	1,220,049	1,320,954
Montana	4,013,478	3,630,544	4,026,229
Nebraska	3,166,224	2,844,300	3,157,822
Nevada	1/12,768	1/11,239	1/12,420
New Hampshire	1/ 66	1/ 49	1/ 46
New Jersey	51,454	45,338	48,950
New Mexico	475,831	423,158	469,200
New York	321,829	286,624	312,200
North Carolina	292,908	259,682	278,876
North Dakota	7,375,765	6,700,800	7,500,309
Ohio	1,517,385	1,351,571	1,478,831
Oklahoma	4,869,786	4,397,315	4,921,799
Oregon	842,927	763,938	851,980
Pennsylvania	555,818	486,881	523,258
Rhode Island	1/478	1/367	1/366
South Carolina	140,712	127,714	139,688
South Dakota	2,732,937	2,472,772	2,755,221
Tennessee	190,801	165,385	178,019
Texas	4,047,136	3,611,370	4,020,096
Utah	307,254	273,758	300,244
Vermont	1/565	1/506	1/587
Virginia	252,155	220,916	236,398
Washington	2,013,247	1,824,593	2,042,012
West Virginia	36,064	30,461	32,246
Wisconsin	43,619	35,103	36,459
Wyoming	286,198	258,878	287,778
National reserve	55,000	30,000	20,000
10 Percent reduction	---	5,497,000	---
Total	55,000,000	55,000,000	55,000,000

1/ Designated as "noncommercial wheat areas", those States having wheat allotments of 25,000 acres or less. Farm wheat allotments and marketing quotas, including 1963, do not apply in these noncommercial areas. Hawaii is a noncommercial State beginning 1961. That State has zero allotment.

Agricultural Stabilization and Conservation Service.

Growers in the commercial area who stay within their allotments will be eligible for price support on their entire production. Growers who exceed their acreage allotments will not be eligible for price support and will be subject to marketing quota penalties if they have more than 15 acres of wheat for harvest, but they will be able to plant up to 15 acres of wheat without penalty. Growers who sign applications for exemption under the feed wheat provision, permitting 30 acres or less to be used exclusively for feed on the farm, also will not be subject to marketing quota penalties. There will be no limitations on the amount of wheat which may be grown by State, religious, or charitable institutions for use on the farm for food, feed, or seed.

The penalty rate on "excess" wheat under legislation for 1961 and previous crops was 45 percent of the parity price per bushel of wheat as of May 1 of the year of harvest. The penalty on the farm marketing excess is determined by multiplying the acres on the farm in excess of the farm allotment by the normal yield per acre established for the farm times the penalty rate per bushel.

Provisions of 1962 Program Not in Effect for 1963

Several provisions authorized by the Agricultural Act of 1961 for the 1962 Wheat Stabilization Program will not be in effect for the 1963 program. These provisions are the mandatory 10 percent reduction below the 55-million-acre minimum allotment, payments for diverting wheat acreage to conserving uses, the increased marketing quota penalty rate, the increased marketing quota bushelage excess and the smaller acreages for exemption of small farms from quota penalties.

Quality Incentives in 1963 Wheat Support Program

The 1963-crop wheat price-support program, announced August 22, will include provisions designed to encourage farmers to produce higher quality hard wheat the same as for 1962-crop wheat. Sedimentation values again will serve as a basis for hard wheat quality determinations and specified undesirable wheat varieties will be discounted.

Announcement was made of the continuation of the sedimentation test as a measure of wheat quality in the support program in time to enable producers to plan their hard winter wheat seeding operations.

While it is yet too early in the 1962 wheat marketing season to determine conclusivly the effects of the quality incentives included in the 1962 support operations, there are strong indications that the program is accomplishing its objective of providing a price incentive to producers of better quality wheat. Market prices this season have been increasingly reflecting premiums for higher quality wheats.

The purpose of the test is to provide a price incentive to upgrade the general quality level of U. S. wheat production, particularly for commercial bread baking. Better quality wheat is needed to meet domestic bread-baking needs and to improve the competitive position of U. S. hard wheat in dollar export markets.

In announcing the premium schedule for quality hard wheat for the 1962 support operation on Sept. 19, 1961, it was stated that: "The premium schedule will be kept under review during next year's support operation toward the end of modifications and improvements. In gaining the objective of providing an incentive for better quality wheat production, consideration will be given to developing discounts which will be included along with premiums in the price-support schedule for subsequent years."

Results of the 1962 operation are being studied in light of this statement. As more conclusive reports are available, details of the 1963 support program, including premium schedules and operating procedures, will be developed. This information will be made available prior to the beginning of the 1963 crop marketing season.

The 37 wheat varieties being designated as undesirable for 1963 support operation because of inferior milling or baking qualities are the same as for the 1962 program. The discount of 20 cents per bushel for these undesirable varieties also remains unchanged. These varieties, as in the past, will not be eligible for quality premiums. They are:

Hard Red Winter -- Blue Jacket, Cache (except in Utah and Idaho), Chiefkan, Cimarron, Early Blackhull, Kan King, Kharkof MC 22, New Chief, Pawnee Sel. 33, Purkof, Red Chief, Red Hull, Red Jacket, Stafford, Wasatch (except in Utah, Idaho and Colorado), and Yogo.

Hard Red Spring -- C.T. 231, Gasser, Henry (except in Wisconsin, Oregon, and Washingtion), Kinney, Premier, Progress, Russell (except in Wisconsin), Spinkcota, and Sturgeon.

White -- Fiftyfold, Florence, Greeson, Rex, and Sonora.

Soft Red Winter -- Kan Queen, Kawvale, Nured, and Seabreeze.

Durum -- Golden Ball, Peliss, and Pentad.

These varieties and State exceptions were designated by USDA's Agricultural Research Service after consultation with State Agricultural Experiment Station personnel, agronomists, cereal chemists, and other State and Federal staffs.

Acreages of these undesirable varieties have been declining in recent years, and the discount in the price-support program is credited with speeding up this trend. Application of the 20-cent-per-bushel discount to producer support rates will be the same as under the 1962 operation.

The price support regulations for the 1963 program, as in the past, will require the producer to certify production of undesirable varieties based on his knowledge of the varieties he seeded and harvested. Because wheat varieties are difficult to determine from threshed samples, USDA in certain instances may require additional information in support of certification.

THE WORLD WHEAT SITUATION

BACKGROUND--Total supplies of wheat on January 1, 1944, in the 4 principal exporting countries--United States, Canada, Australia, and Argentina--were 2,206 million bushels, a record at that time. Wartime depletion of food supplies in importing countries and poor crops in many areas caused greatly increased disappearance from the exporting countries in 1945-47; supplies in January 1947 were down to 1,352 million bushels. They increased to 1,872 million bushels by January 1951, declined to 1,669 million a year later, and then rose 36 percent to a record 2,274 million bushels in January 1953 as a result of large crops in each of the 4 countries in 1952.

In the next 4 years, supplies rose about 30 percent to a record of around 2,970 million bushels on January 1, 1957. In the years 1957-60, definite figures are not available because Canada will revise these figures in line with the recent Census. However, figures for 1961 and 1962 have been revised. A decline in the January 1, 1958, stocks reflected smaller 1957 harvest than a year earlier in each of the 4 countries mentioned above. By January 1, 1959, supplies again had increased, resulting largely from the increase in United States supplies. And on January 1, 1960, they were up again, reflecting increases in the United States and Australia that more than offset decreases in Canada and Argentina. With increases in the United States, Canada, and Australia, stocks on January 1, 1961, totaled 3,503 million bushels, an all-time record high. Stocks in the 4 countries in 13 years increased to over 2½ times the 1,352 million bushels in 1947. By January 1, 1962, stocks were 3,122 million bushels, down 381 million bushels from a year earlier. This reflected a decline of 240 million bushels in Canadian stocks resulting from near-record exports and an extremely small 1961 crop.

Near-Record World Wheat Crop Expected 4/

Present prospects indicate that 1962 world wheat production may be second only to the record outturn in 1958. Although firm estimates are not yet available for a number of countries, the present outlook is for increases over the 1961 total in all major areas except Eastern Europe. A net increase is

4/ From Foreign Crops and Markets, World Summaries issue, August 30, 1962

Table 11.--Wheat, including flour (grain equivalent): Total exports and Government exports by programs, United States, 1949-61

Item	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961 1/
	Year beginning July												
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Total exports:	298,470	365,573	474,715	317,190	216,512	273,634	345,564	548,558	401,762	442,101	509,024	660,882	716,478
Under Government programs:													
Quantity	256,790	172,968	159,341	29,605	100,544	158,027	240,693	375,119	246,826	303,002	374,552	457,720	497,811
Percentage of total	86.0	47.3	33.6	9.3	46.4	57.7	69.7	68.4	61.4	68.5	73.6	69.3	69.5
For dollars:													
Quantity	41,680	192,605	315,374	287,585	115,968	115,607	104,871	173,439	154,936	139,099	134,472	203,162	218,667
Percentage of total	14.0	52.7	66.4	90.7	53.6	42.3	30.3	31.6	38.6	31.5	26.4	30.7	30.5
Government exports by programs:													
P.L. 480 2/													
Title I	---	---	---	---	---	23,802	94,347	200,536	179,023	227,914	300,648	327,214	385,000
Title II	---	---	---	---	---	15,991	11,864	12,188	14,290	10,861	10,722	30,490	28,000
Title III													
Barter 3/	---	2,619	16,924	3,938	9,964	46,459	66,716	87,086	9,807	20,062	25,662	34,090	41,955
Donations 4/	---	---	---	---	---	---	2,788	11,735	17,993	20,219	24,256	30,358	35,080
Title IV	---	---	---	---	---	---	---	---	---	---	---	---	7,076
Marshall Plan 5/	137,945	138,856	137,163	22,965	89,063	70,812	64,978	63,574	25,713	23,946	13,264	35,568	700
Army Civilian Supply 6/	118,845	31,493	2,254	2,702	1,517	963	---	---	---	---	---	---	---
Total	256,790	172,968	159,341	29,605	100,544	158,027	240,693	375,119	246,826	303,002	374,552	457,720	497,811

1/ Preliminary.
2/ Public Law 480, 83rd Congress, as amended.
3/ Includes all exports of wheat and flour under the following authorities: P.L. 806, 80th Congress, CCC Charter Act: P.L. 85, 81st Congress, CCC Charter Act, amended; P.L. 439 81st Congress, Agricultural Act of 1949; P.L. 480, 83rd Congress, Agricultural Adjustment Act of 1954; P.L. 690, 83rd Congress, Agricultural Act of 1954 and P.L. 540, 84th Congress, Agricultural Act of 1956.
4/ Shipments by U. S. charity and relief agencies as authorized under Title III of P.L. 480, Section 416.
5/ P.L. 472 (4/3/48), Foreign Assistance Act of 1948. Original Act establishing Economic Cooperation Administration (now known as International Cooperation Administration, P.L. 665, Section 402). Includes, in part, exports under Greek-Turkish Aid, China Aid, Yugoslav, India and Pakistan Relief programs. In most years data represent procurement authorizations, and are not strictly comparable in time to actual exports of wheat and wheat flour.
6/ Shipments for civilian feeding in occupied areas.

Grain and Feed Division, Foreign Agricultural Service.

expected in North America because of Canada's larger harvest; this will more than offset a smaller U. S. outturn. Thus, North America's exportable supplies again will be large, though smaller than last year in the United States.

Western Europe's wheat crop is somewhat larger than in 1961, and import needs for the current season will be lower. Increases in production are especially marked in the exporting countries; France and Spain have large increases and Italy a moderate increase. Though all three are listed as exporters under the International Wheat Agreement, both Spain and Italy have been net importers for the past 2 seasons. However, they are expected to have a small exportable surplus this year. France's surplus this year will be large, possibly about 80 million bushels. Production is also larger than last year in a number of importing countries, especially the United Kingdom and Portugal. The outstanding exception to general increases is West Germany, where production is expected to be somewhat smaller than the farily good 1961 harvest.

Growing conditions have been unfavorable over a good part of Eastern Europe, especially the Danube Basin countries. Although it is too early to have firm indications, it seems likely that Eastern Europe's production this year will be well below the 1961 total.

Despite serious winterkill in the important Ukraine, the Soviet Union's wheat acreage for harvest in 1962 is up about 12 million acres, or 8 percent from 1961, according to official estimates. However, much of the increase is in the lower yielding spring wheat area. Midsummer drought has adversely affected prospects for wheat in a number of important producing regions, and the outlook is for a crop no better than last year.

Available information for Asia indicates a larger outturn than in 1961. Larger harvests are estimated for all countries reporting to date.

Africa's total production will be well above the poor 1961 harvest, according to preliminary reports. Good outturns in North Africa are the most important factors in the situation and contrast with virtual failures in that area last year.

The growing season is now getting underway in Southern Hemisphere countries, and final outturns will be determined by conditions up to November. Severe drought has affected about a third of Argentina's wheat zone and has dispelled expectation of record plantings in this principal producing country of South America. Conditions are excellent in most of the remainder of the wheat zone.

The outlook generally is good in Australia, though in a number of regions rains are needed for germination and to permit completion of late wheat planting. It now seems that earlier predictions of record wheat acreage may not be achieved.

Table 12.--Wheat: Supplies available for export and carryover in the United States, Canada, Argentina and Australia, July 1, 1951-62

Item	United States	Canada	Argentina	Australia	Total
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Total season supplies 1/					
1950-51	1,456	579	228	228	2,491
1951-52	1,420	743	97	179	2,439
1952-53	1,584	919	285	212	3,000
1953-54	1,784	1,018	300	236	3,338
1954-55	1,922	951	343	264	3,480
1955-56	1,983	1,056	281	291	3,611
1956-57	2,047	1,153	317	222	3,739
1957-58	1,875	1,119	283	141	3,418
1958-59	2,347	1,011	315	233	3,906
1959-60	2,424	963	275	266	3,928
1960-61	2,679	1,027	210	338	4,254
1961-62 2/	2,652	4/ 903	225	272	4,052
Domestic disappearance for 12 months					
1950-51	690	149	113	80	1,032
1951-52	689	170	88	81	1,028
1952-53	661	150	131	72	1,014
1953-54	634	144	128	77	983
1954-55	611	162	122	68	963
1955-56	603	164	129	77	973
1956-57	588	155	148	80	971
1957-58	591	160	138	69	958
1958-59	608	167	156	68	999
1959-60	600	148	127	78	953
1960-61	606	147	135	78	966
1961-62 2/	630	150	135	78	993
Exports beginning of season to June 30 3/					
1950-51	366	209	68	74	717
1951-52	475	313	4	47	839
1952-53	318	341	29	64	752
1953-54	217	234	58	35	544
1954-55	275	232	78	62	647
1955-56	346	281	60	65	752
1956-57	550	239	61	63	913
1957-58	403	295	39	25	762
1958-59	443	275	67	49	834
1959-60	510	260	48	75	893
1960-61	662	324	30	128	1,144
1961-62 2/	717	337	77	124	1,255
Balance on July 1 for export and carryover					
1951	400	221	47	74	742
1952	256	260	5	51	572
1953	605	428	125	76	1,234
1954	933	640	114	124	1,811
1955	1,036	557	143	134	1,870
1956	1,034	611	92	149	1,886
1957	909	759	108	79	1,855
1958	881	664	106	47	1,698
1959	1,296	569	92	116	2,073
1960	1,314	555	100	113	2,082
1961	1,411	556	45	132	2,144
1962 2/	1,305	4/416	13	70	1,804

1/ Carryover stocks and production, except for U.S. which includes imports. 2/ Preliminary. 3/ Season begins July 1 for United States, August 1 for Canada and December 1 for Argentina and Australia. United States exports include flour and other products in wheat equivalent. 4/ Takes into account higher production turned up by the current Census and previous 4 years will be revised later.

World Wheat Exports May Decrease in 1962-63

World wheat trade in 1962-63 is presently expected to decrease from the record level achieved in 1961-62. World wheat production is expected to increase over last year, resulting in the smaller world trade. However, import demand will still be strong, and supplies in exporting countries should continue to be more than adequate to meet the demand.

After several years of below-average crops in North Africa and resulting substantial imports, wheat crops there have improved greatly, and it is likely that this area may return to an export position this season. Production has increased in both importing and exporting countries of Western Europe, so their import requirements will be smaller than last year. Spain and Italy may have wheat to export this year, after importing substantial quantities the last several years. Also, France is expected to have 80 million bushels available for export.

Asia is expected to take large quantities of wheat, much of which will be under Government programs from the United States.

Inadequate production persists in Communist China, although there are indications that the overall food situation may be slightly improved. Large shipments to Communist China were the chief reason for increased world trade in 1961-62. Shipments to Communist China are expected to remain high in 1962-63.

Preliminary data indicate that world trade in 1961-62 amounted to 1,670 million bushels, about 148 million bushels, or nearly 10 percent, larger than the 1,522 million bushels exported in 1960-61.

Sharp Drop in July 1 Supplies in Principal Exporting Countries

Supplies of wheat available for export and carryover in the 4 principal exporting countries--United States, Canada, Argentina and Australia--on July 1 totaled 1,804 million bushels, a decline of 340 million bushels from the record established a year earlier (table 12). Each of the countries experienced a cut in supplies. Canada accounted for 140 million bushels of this decline, as a result of an extremely small crop in 1961 and heavy exports during the 1961-62 marketing year. The United States accounted for a smaller proportion of the decline--106 million bushels--and the available supplies in the U. S. this year make up 72 percent of the total for the 4 countries compared with 66 percent a year earlier.

Common Market Adopts New Grain Trade Rules, Cir. F.G. 11-62 (August 1962)

Single copies of this publication are available to persons in the United States from Foreign Agricultural Service, U.S.D.A., Washington 25, D. C., Room 5555.

Table 13.- Wheat: Supply and disappearance, United States, 1935-62 1/

Year beginning July	Supply				Disappearance								
					Continental United States					Military procurement 4/	Exports 5/	Shipments 6/	Total
	Carry-over 2/	Production	Imports 3/	Total	Processed for food	Seed	Industrial	Feed	Total				
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
1935	145,889	628,227	34,748	808,864	490,067	87,479	55	83,343	660,944	---	4,440	3,047	668,431
1936	140,433	629,880	34,616	804,929	493,327	95,896	59	100,149	689,431	---	9,584	3,072	702,087
1937	83,167	873,914	746	957,827	489,440	93,060	69	114,856	697,425	---	103,889	3,406	804,720
1938	153,107	919,913	347	1,073,367	496,189	74,225	103	141,690	712,207	---	108,082	3,063	823,352
1939	250,015	741,210	332	991,557	488,758	72,946	89	101,127	662,920	---	45,258	3,658	711,836
1940	279,721	814,646	3,562	1,097,929	489,422	74,351	100	111,772	675,645	---	33,866	3,685	713,196
1941	384,733	941,970	3,704	1,330,407	472,906	62,490	1,676	114,254	651,326	16,133	27,774	4,399	699,632
1942	630,775	969,381	1,127	1,601,283	494,971	65,487	54,437	305,771	920,666	25,245	30,960	5,515	982,386
1943	618,897	843,813	136,448	1,599,158	477,287	77,351	108,125	511,233	1,173,996	62,762	42,734	3,111	1,282,603
1944	316,555	1,060,111	42,384	1,419,050	472,675	80,463	83,132	300,095	936,365	150,147	49,106	4,252	1,139,870
1945	279,180	1,107,623	2,037	1,388,840	473,733	82,006	21,302	296,548	873,589	90,883	320,025	4,257	1,288,754
1946	100,086	1,152,118	84	1,252,288	479,361	86,823	58	177,525	743,767	92,459	328,045	4,180	1,168,451
1947	83,837	1,358,911	149	1,442,897	484,060	91,094	693	178,309	754,156	148,613	340,221	3,964	1,246,954
1948	195,943	1,294,911	1,530	1,492,384	471,483	95,015	193	105,348	672,039	181,518	327,827	3,715	1,185,099
1949	307,285	1,098,415	2,237	1,407,937	484,182	80,851	192	111,258	676,483	123,526	179,213	4,001	983,223
1950	424,714	1,019,344	11,919	1,455,977	479,550	87,904	192	108,808	676,454	41,267	334,513	3,872	1,056,106
1951	399,871	988,161	31,609	1,419,641	481,084	88,195	930	102,401	672,610	16,714	470,347	3,992	1,163,663
1952	255,978	1,306,440	21,602	1,584,020	473,613	89,091	175	82,480	645,359	13,620	315,652	3,845	978,476
1953	605,544	1,173,071	5,537	1,784,152	472,662	69,478	178	76,637	618,955	12,034	215,704	3,953	850,646
1954	933,506	983,900	4,197	1,921,603	473,049	64,788	230	60,067	598,134	9,882	273,419	3,990	885,425
1955	1,036,178	937,094	9,933	1,983,205	469,437	68,056	678	53,143	591,314	8,213	7/346,273	3,918	949,718
1956	1,033,487	1,005,397	7,783	2,046,667	469,736	57,995	497	47,397	575,625	8,636	7/549,536	4,040	1,137,837
1957	908,830	955,740	10,947	1,875,517	474,52~~9~~31	62,960	276	41,978	579,743	7,605	7/402,918	3,878	994,144
1958	881,373	1,457,435	7,769	2,346,577	485,65~~3~~1	64,287	114	46,861	596,915	7,372	7/443,294	3,930	1,051,511
1959	1,295,066	1,121,118	7,410	2,423,594	487,297	62,864	86	40,545	590,792	6,525	7/510,239	2,520	1,110,076
1960	1,313,518	1,357,272	8,232	2,679,022	487,339	63,963	83	45,721	597,106	6,433	7/661,945	2,360	1,267,844
1961 8/	1,411,178	1,234,705	5,885	2,651,768	490,378	56,602	64	73,917	620,961	6,855	7/717,357	2,320	1,347,493
1962 8/	1,304,275	1,063,017	6,000	2,373,000									

See page 31 for footnotes.

Table 14.--Wheat: Supply and disappearance, United States, July-December and January-June periods, 1953-62 1/

Year beginning July	Supply				Disappearance								
					Continental United States					Military procurement 4/	Exports 5/	Shipments 6/	Total
	Stocks 2/	Production	Imports 3/	Total	Processed for food	Seed	Industrial	Feed	Total				
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1953													
July-Dec.	605,544	1,173,071	1,581	1,780,196	243,728	49,329	101	36,567	329,725	6,154	108,047	2,029	445,955
Jan.-June	1,334,241	---	3,956	1,338,197	228,934	20,149	77	40,070	289,230	5,880	107,657	1,924	404,691
1954													
July-Dec.	933,506	983,900	885	1,918,291	244,239	47,296	64	16,004	307,603	5,258	122,286	1,939	437,086
Jan.-June	1,481,205	---	3,312	1,484,517	228,810	17,492	166	44,063	290,531	4,624	151,133	2,051	448,339
1955													
July-Dec.	1,036,178	937,094	3,174	1,976,446	242,723	48,320	202	9/-10,075	281,170	3,926	121,987	1,903	408,986
Jan.-June	1,567,460	---	6,759	1,574,219	226,714	19,736	476	63,218	310,144	4,287	7/224,286	2,015	540,732
1956													
July-Dec.	1,033,487	1,005,397	3,043	2,041,927	241,640	42,336	291	13,857	298,124	4,657	7/248,210	1,960	552,951
Jan.-June	1,488,976	---	4,740	1,493,716	228,096	15,659	206	33,540	277,501	3,979	7/301,326	2,080	584,886
1957													
July-Dec.	908,830	955,740	5,263	1,869,833	241,624	48,479	182	9/-5,358	284,927	3,463	7/194,760	1,880	485,030
Jan.-June	1,384,803	---	5,684	1,390,487	232,905	14,481	94	47,336	294,816	4,142	7/208,158	1,998	509,114
1958													
July-Dec.	881,373	1,457,435	3,047	2,341,855	249,348	48,215	58	13,139	310,760	3,749	7/204,815	2,100	521,424
Jan.-June	1,820,431	--	4,722	1,825,153	236,305	16,072	56	33,722	286,155	3,623	7/238,479	1,830	530,087
1959													
July-Dec.	1,295,066	1,121,118	2,857	2,419,041	250,304	47,148	39	36,470	333,961	3,110	7/205,941	1,335	544,347
Jan.-June	1,874,694	---	4,553	1,879,247	236,993	15,716	47	4,075	256,831	3,415	7/304,298	1,185	565,729
1960													
July-Dec.	1,313,518	1,357,272	2,906	2,673,696	251,146	48,700	39	2,298	302,183	3,359	7/298,930	1,205	605,677
Jan.-June	2,068,019	---	5,326	2,073,345	236,193	15,263	44	43,423	294,923	3,074	7/363,015	1,155	662,167
1961 8/													
July-Dec.	1,411,178	1,234,705	2,031	2,647,914	257,099	43,100	28	9/-6,306	293,921	3,241	7/367,895	1,220	666,277
Jan.-June	1,981,637	---	3,854	1,985,491	233,279	13,502	36	80,223	327,040	3,614	7/349,462	1,100	681,216
1962 8/													
July-Dec.	1,304,275	1,063,017											

1/ Includes flour and other wheat products in terms of wheat. 2/ Prior to 1937 some new wheat included; beginning with 1937 only old-crop wheat is shown in all stocks positions. The figure for July 1, 1937, including the new wheat, is 102.8 million bushels, which is used as year-end carryover in the 1936-37 marketing year. 3/ Imports include full-duty wheat, wheat imported for feed, and dutiable flour and other wheat products in terms of wheat. They exclude wheat imported for milling in bond and export as flour, also flour free for export. 4/ Includes procurement for both civilian relief feeding and for military food use; military takings for civilian feeding in occupied areas measured at time of procurement, not at the time of shipment overseas. 5/ Exports as here used, in addition to commerical exports of wheat, flour and other wheat products, include United States Department of Agriculture flour procurement rather than deliveries for export. For the years 1941-54, actual exports, including those for civilian feeding in occupied areas (deliveries for export) of wheat, flour and other wheat products, in million bushels, were as follows: 27.9; 27.8; 42.6; 144.4; 390.6; 397.4; 485.9; 504.0; 299.1; 366.1; 475.3; 317.8; 217.0; and 274.4. 6/ To Alaska, Hawaii and U. S. Territories: partly estimated. 7/ Includes exports for relief or charity by individuals and private agencies. 8/ Preliminary. 9/ For the period July-December 1955, known disappearance from the July 1 supply, without an allowance for quantities fed, is about 10 million bushels larger than that indicated by January 1 stocks. This discrepancy may be accounted for by possible inexactness in data, including some duplication in stocks reported in the various positions by different agencies. This discrepancy also occurred in the July-December 1957 period by 5 million bushels and the July-December 1961 period by 6 million bushels.

Table 15.- Flour, wheat: Supply and distribution, U.S., year beginning July, 1935-61

Year beginning July	Production (commercial and noncommercial) 1/	Imports of dutiable flour, semolina, and products	Breakfast food production in the milling industry (deduct)	Total flour supply	Exports: Flour: Commercial 2/	Exports: Flour: Department of Agriculture 3/	Exports: Other products 4/	Shipments to Territories	Military 5/	Civilian consumption: Total	Civilian consumption: Per capita
	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	Lb.
1935	211,774	65	77	211,762	6,513	---	73	1,178	---	203,998	159.7
1936	215,224	95	81	215,238	7,680	---	88	1,230	--	206,240	160.5
1937	215,685	27	83	215,629	9,781	---	88	1,340	---	204,420	158.0
1938	223,134	23	83	223,074	13,009	---	111	1,163	---	208,791	160.1
1939	220,666	61	83	220,644	12,777	---	134	1,399	---	206,334	156.9
1940	220,945	58	83	220,920	12,404	---	79	1,404	---	207,033	156.8
1941	217,777	76	83	217,770	8,013	2,002	100	1,707	6,734	199,214	150.6
1942	236,016	42	85	235,973	6,824	5,607	625	2,253	10,524	210,140	161.9
1943	244,836	68	85	244,819	10,245	6,083	881	1,231	23,405	202,974	157.6
1944	260,708	86	85	260,709	13,105	2,767	931	1,738	43,060	199,108	154.7
1945	270,928	38	87	270,879	27,134	16,643	2,892	1,798	18,704	203,708	151.5
1946	306,455	9	87	306,377	55,906	20,328	1,504	1,653	20,027	206,959	146.9
1947	288,124	11	88	288,047	38,004	18,949	2,849	1,644	21,046	205,555	142.6
1948	261,776	81	88	261,769	37,892	4,581	410	1,566	17,027	200,293	136.8
1949	228,103	47	88	228,062	17,188	3,352	239	1,648	2,223	203,412	136.5
1950	230,195	11	88	230,118	19,949	2,156	217	1,587	4,227	201,982	134.0
1951	228,340	65	88	228,317	19,405	879	229	1,652	4,906	201,246	132.1
1952	226,469	72	88	226,453	19,685	607	247	1,589	4,444	199,881	129.0
1953	221,542	91	88	221,545	14,889	691	228	1,634	4,598	199,505	126.5
1954	225,563	94	88	225.569	19,886	479	317	1,646	3,821	199,420	124.1
1955	226,484	98	88	226,494	21,003	595	304	1,617	3,519	199,456	121.7
1956	237,941	93	88	237,946	26,226	6/ 5,296	433	1,675	3,689	200,627	120.1
1957	242,058	107	88	242,077	24,913	6/ 9,321	515	1,622	3,274	202,432	119.0
1958	250,213	121	88	250,246	26,359	6/ 8,893	518	1,646	3,171	209,659	121.1
1959	253,145	160	88	253,217	27,978	6/ 11,684	528	1,029	2,804	209,194	118.8
1960	258,115	139	88	258,166	26,740	6/ 16,903	462	957	2,777	210,327	117.5
1961 7/	263,559	127	88	263,598	29,378	6/ 18,270	382	985	2,944	211,639	116.5

1/ Commercial production of flour (reported by Census) includes flour milled in bond plus the estimated flour equivalent of farm wheat ground for flour or exchanged for flour for farm household use as reported by ERS. 2/ Includes milled-in-bond flour made from imported wheat. 3/ U.S.D.A. procurement for export other than supplies for civilian relief feeding in occupied areas. 4/ Commercial deliveries for export including U.S.D.A. procurement. 5/ Includes other products in terms of flour in addition to flour per se. Includes supplies for civilian relief feeding in occupied areas as well as those for direct use of U. S. Armed Forces. 6/ Includes exports for relief or charity by individuals and private agencies. 7/ Preliminary.

Table 16.-Wheat and flour: U.S. exports by country of destination, July-June 1960-61 and 1961-62

Country of destination	July-June 1960-61			July-June 1961-62		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Western Hemisphere:						
Canada	9,336	94	9,430	13,890	176	14,066
Central America	3,044	3,043	6,087	3,305	2,851	6,156
Cuba	547	1,197	1,744	--	--	--
Haiti	798	88	886	2,281	71	2,352
Trinidad and Tobago	22	1,177	1,199	13	1,524	1,537
Bolivia	--	3,026	3,026	196	3,235	3,431
Brazil	39,141	166	39,307	52,315	302	52,617
British Guiana	2	980	982	--	1,193	1,193
Chile	1,200	1,046	2,246	7,557	1,594	9,151
Colombia	4,124	971	5,095	4,276	1,039	5,315
Paraguay	--	74	74	2,359	60	2,419
Peru	4,344	456	4,800	7,053	540	7,593
Venezuela	8,476	117	8,593	10,876	134	11,010
Others	1,578	2,442	4,020	978	2,810	3,788
Total	72,612	14,877	87,489	105,099	15,529	120,628
Europe:						
Belgium-Luxembourg	4,509	4	4,513	5,896	2	5,898
France	1,606	3	1,609	3,875	1	3,876
Germany, West	6,612	315	6,927	14,036	158	14,194
Greece	3,102	1,952	5,054	1,986	2,576	4,562
Italy	45,254	5,883	51,137	13,581	6,140	19,721
Malta, Gozo, and Cyprus	1,464	24	1,488	1,491	25	1,516
Netherlands	9,343	3,552	12,895	21,856	3,635	25,491
Norway	1,315	409	1,724	3,897	14	3,911
Poland	40,356	810	41,166	15,970	1,191	17,161
Portugal	4,228	844	5,072	9,675	670	10,345
Spain	30,897	469	31,366	25,460	2	25,462
Switzerland	3,931	5	3,936	5,510	2/	5,510
United Kingdom	16,135	2,069	18,204	14,989	3,179	18,168
Yugoslavia	12,254	1,921	14,175	36,364	2,528	38,892
Others	960	652	1,612	1,049	1,412	2,461
Total	181,966	18,912	200,878	175,635	21,533	197,168
Asia:						
Afghanistan	1,696	37	1,733	735	1	736
Ceylon	--	3,274	3,274	--	3,028	3,028
India	123,564	388	123,952	92,783	732	93,515
Indonesia	--	783	783	--	2,781	2,781
Iran	7,109	279	7,388	3,868	608	4,476
Israel	7,372	381	7,753	9,664	197	9,861
Japan	29,794	2,642	32,436	34,253	2,803	37,056
Jordan	3,005	3,099	6,104	8	3,228	3,236
Korea	12,332	970	13,302	12,254	1,078	13,332
Lebanon	741	896	1,637	203	1,300	1,503
Pakistan	38,074	860	38,934	25,613	836	26,449
Philippines	7,392	1,550	8,942	8,257	992	9,249
Saudi Arabia	44	3,153	3,197	78	2,449	2,527
Syria	7,022	7,088	14,110	3,417	3,787	7,204
Taiwan	9,596	1,574	11,170	11,287	1,001	12,288
Turkey	17,745	109	17,854	51,208	233	51,441
Vietnam, Laos, and Cambodia	575	3,938	4,513	148	2,918	3,066
Others	1,950	3,076	5,026	857	2,615	3,472
Total	268,011	34,097	302,108	254,633	30,587	285,220
Africa:						
Algeria	3,437	373	3,810	10,444	648	11,092
Canary Islands	1,714	5	1,719	--	--	--
Congo, Republic of the	--	781	781	5	2,314	2,319
Egypt	17,381	25,699	43,080	29,276	31,958	61,234
Mozambique	1,058	--	1,058	931	13	944
Morocco	5,924	954	6,878	15,442	1,384	16,826
Nigeria	--	1,911	1,911	234	1,724	1,958
Tunisia	6,509	77	6,586	14,089	150	14,239
Others	2,570	1,971	4,541	1,685	3,126	4,811
Total	38,593	31,771	70,364	72,106	41,317	113,423
Oceania	--	43	43	--	39	39
World total 3/	561,182	99,700	660,882	607,473	109,005	716,478

1/ Wholly of U. S. wheat (grain equivalent). 2/ Less than 500 bushels. 3/ Includes shipments for relief or charity.

Compiled from records of the U.S. Department of Commerce.

Table 17.--Wheat: Weighted average cash price per bushel, specified markets and dates, June-August, 1961 and 1962

Month and date	All classes and grades, six market 1961	All classes and grades, six market 1962	No. 2 Dark Hard and Hard Winter, Kansas City 1961	No. 2 Dark Hard and Hard Winter, Kansas City 1962	No. 1 Dark N. Spring, Minneapolis 1961	No. 1 Dark N. Spring, Minneapolis 1962	No. 2 Hard Amber Durum, Minneapolis 1961	No. 2 Hard Amber Durum, Minneapolis 1962	No. 2 Soft Red Winter, St. Louis 1961	No. 2 Soft Red Winter, St. Louis 1962	No. 1 Soft White, Portland 1/ 1961	No. 1 Soft White, Portland 1/ 1962
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Month												
June	2.21	2.33	1.92	2.19	2.27	2.50	2.49	2.77	2/1.90	2.12	1.97	2.18
July	2.11	2.32	1.98	2.22	2.34	2.52	2.91	2.71	1.87	2.13	2.03	2.19
Week ended												
June 22	2.23	2.31	1.91	2.19	2.31	2.53	2.49	3/2.84	---	2.12	1.96	2.18
29	2.16	2.28	1.93	2.20	2.35	2.48	2.50	2.67	2/1.90	2.11	1.97	2.19
July 6	2.09	2.26	1.97	2.20	2.35	2.48	3/2.68	2/2.69	1.85	2.18	1.97	2.21
13	2.07	2.28	1.96	2.23	2.33	2.52	2.82	---	1.85	2.08	1.98	2.19
20	2.08	2.34	1.98	2.23	2.37	2.53	3/2.78	2.70	1.91	---	2.03	2.19
27	2.18	2.40	1.99	2.23	2.33	2.54	2.87	2.71	3/1.92	---	2.10	2.18
August 3	2.28	2.40	2.02	2.26	2.31	2.50	3.09	2.71	1.96	---	2.09	2.17
10	2.32	2.40	2.04	2.25	2.29	2.47	2.99	2.72	1.99	---	2.07	2.15
17	2.31	2.36	2.09	2.25	2.28	2.41	3.18	2.59	---	---	2.08	2.14
24	2.41	2.37	2.06	3/2.14	2.29	2.36	3.18	2.56	---	2/2.07	2.11	2.14

1/ Average of daily cash quotations.
2/ One car.
3/ Two cars.

Table 18.-Wheat: Average closing price per bushel of September futures, specified markets and dates, June-August, 1961 and 1962

Month and date	Chicago 1961	Chicago 1962	Kansas City 1961	Kansas City 1962	Minneapolis 1961	Minneapolis 1962
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Month						
June	1.92	2.17	1.94	2.17	2.15	2.35
July	1.95	2.15	1.96	2.17	2.24	2.36
Week ended						
June 22	1.93	2.16	1.94	2.18	2.16	2.36
29	1.95	2.15	1.96	2.16	2.22	2.35
July 6	1.95	2.16	1.98	2.17	2.27	2.35
13	1.93	2.16	1.95	2.17	2.24	2.37
20	1.96	2.15	1.97	2.16	2.25	2.35
27	1.96	2.14	1.96	2.17	2.24	2.36
August 3	1.97	2.12	1.98	2.16	2.26	2.37
10	1.98	2.09	2.00	2.14	2.24	2.35
17	2.00	2.08	2.01	2.12	2.25	2.32
24	1.98	2.08	2.00	2.11	2.24	2.29

Table 19.- Wheat: Price per bushel in 3 exporting countries, Fridays, nearest mid-month, January-August 1962; weekly, June-August 1962

Date (Friday)		Hard Spring: No. 1 Dark Northern at Duluth 1/ (United States)	Hard Spring: No. 2 Manitoba Northern at Fort William 2/ 3/ (Canada)	Hard Winter, No. 1 at Galveston 4/ (United States)	Soft: No. 1 White at: Portland 1/ (United States)	Soft: Australia 3/
		Dollars	Dollars	Dollars	Dollars	Dollars
Mid-month						
January	12	2.35	1.81	2.25	2.04	5/1.63
February	16	2.35	1.81	2.26	2.04	5/1.63
March	16	2.36	1.81	2.29	2.06	5/1.64
April	13	n.a.	1.81	2.31	2.11	---
May	18	2.35	1.81	2.33	2.16	5/1.65
June	15	2.36	1.81	2.35	2.18	---
July	13	2.36	1.8~~0~~ 1	2.37	2.18	---
August	17	2.37	1.8~~0~~3	2.34	2.15	---
Weekly						
June	22	2.36	1.81	2.36	2.18	---
	29	2.30	1.80	2.36	2.20	---
July	6	2.32	1.80	2.36	2.21	---
	20	2.34	1.80	2.38	2.19	---
	27	2.37	1.80	2.38	2.19	---
August	3	2.35	1.80	2.38	2.16	---
	10	2.31	1.80	2.36	2.14	---
	24	2.27	1.82	2.35	2.14	---

1/ Spot or to arrive. 2/ Fort William quotation is in store. 3/ Sales to noncontract countries. Converted to United States currency. 4/ F.o.b. ship. CCC selling price for immediate delivery. 5/ Australian Wheat Board basic selling price for f.a.q. bulk wheat, f.o.b. basis, for the months of January, February and March. The price for May was reported at running at this level around May 23.

Table 20.- Wheat: Stocks in the United States on July 1, 1957-62

Stocks in position	1957	1958	1959	1960	1961	1962 1/
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Farm 2/	59,920	51,193	114,913	95,935	136,937	101,886
Interior mills, elevators and warehouses 2/ 3/	379,162	447,128	695,241	742,156	1,203,682	1,142,842
Terminals (commercial) 4/	313,481	304,782	403,845	411,976	6/	6/
Merchant mills and mill elevators 5/	65,257	6/	6/	6/	6/	6/
Commodity Credit Corporation 7/	91,010	78,270	81,067	63,451	70,559	59,547
Total	908,830	881,373	1,295,066	1,313,518	1,411,178	1,304,275

1/ Preliminary.
2/ Estimates of Crop Reporting Board.
3/ All off-farm storage not otherwise designated.
4/ Commercial stocks reported by Grain Division, AMS, 44 Terminal cities.
5/ Mills reporting to the Bureau of the Census on millings and stocks of flour.
6/ Included with "Interior mills, elevators,and warehouses".
7/ Owned by CCC and stored in bins or other storage owned or controlled by CCC; other wheat owned by CCC as well as wheat outstanding under loan is included in the estimates by positions.

Table 21.- Wheat, 1961 crop: Quantities outstanding under reseal and under loan, July 1, 1962

State	1961-crop wheat outstanding - Under reseal	Under loan 1/	Total
	1,000 bushels	1,000 bushels	1,000 bushels
California	16	7	23
Colorado	2,163	2	2,165
Idaho	353	82	435
Illinois	---	2	2
Indiana	---	4	4
Iowa	---	8	8
Kansas	4,995	4	4,999
Michigan	---	2	2
Minnesota	250	53	303
Montana	907	146	1,053
Nebraska	5,076	99	5,175
New Mexico	33	2/	33
North Dakota	844	226	1,070
Ohio	1	2	3
Oklahoma	80	10	90
Oregon	472	34	506
Pennsylvania	---	10	10
South Dakota	1,060	162	1,222
Texas	48	2/	48
Washington	903	13	916
Wyoming	181	---	181
Other States 3/	---	4	4
Total 4/	17,382	870	18,252

1/ No purchase-agreement wheat shown; quantities negligible. 2/ Less than 500 bushels. 3/ States which had 1,000 bushels or less under loan. 4/ Data are from CCC Operating Reports and differ slightly from totals shown in text which are from CCC Fiscal Reports.

Agricultural Stabilization and Conservation Service, Grain Division.

Table 22.- Wheat: CCC-owned stocks, by classes and commodity office areas, July 1, 1962 1/

Class	Kansas City	Dallas	Evanston	Minneapolis	Portland	Maritime Fleet: Portland area	Maritime Fleet: Evanston area	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Hard winter	683,212	158,206	667	29,996	5,450	1,407	15,206	894,144
Hard spring	69	---	9,979	150,828	4	---	14,704	175,584
Soft winter	1,578	127	1,295	----	4	---	---	3,004
White	274	---	22	206	2,459	5,246	---	8,207
Mixed	1,029	216	44	11	5	---	---	1,305
Durum 2/	---	---	---	2	---	---	---	2
Sub-total	686,162	158,549	12,007	181,043	7,922	6,653	29,910	1,082,246
Balancing item 3/	---	---	---	---	---	---	---	+ 11,039
Total	686,162	158,549	12,007	181,043	7,922	6,653	29,910	1,093,285

1/ Includes stocks sold but not delivered. 2/ Includes no red durum. 3/ Balancing item to bring amount reported by classes in line with amount reported in inventory.

Agricultural Stabilization and Conservation Service, Grain Division.

Table 23.--Wheat: CCC-owned stocks, by positions, by States, July 1, 1962 1/

State	Bin sites	Terminals, elevators and warehouses 2/	Maritime Fleet	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Alabama	---	164	---	164
Arkansas	---	2,163	---	2,163
California	---	2,452	---	2,452
Colorado	980	30,485	---	31,465
Georgia	---	3/	---	3/
Idaho	---	11	---	11
Iowa	---	1,528	---	1,528
Kansas	12,164	440,348	---	452,512
Kentucky	---	1	---	1
Louisiana	---	7,901	---	7,901
Maine	---	1,314	---	1,314
Maryland	---	1,738	---	1,738
Massachusetts	---	679	---	679
Minnesota	148	60,611	---	60,759
Mississippi	---	366	---	366
Missouri	204	35,489	---	35,693
Montana	467	15,610	---	16,077
Nebraska	793	150,600	---	151,393
New Jersey	---	290	---	290
New Mexico	---	3,284	---	3,284
New York	---	6,629	15,834	22,463
North Carolina	---	2	---	2
North Dakota	1,811	49,585	---	51,396
Oklahoma	---	48,990	---	48,990
Oregon	---	1,813	6,653	8,466
Pennsylvania	---	592	---	592
South Carolina	---	1	---	1
South Dakota	6,417	28,933	---	35,350
Tennessee	---	1,383	---	1,383
Texas	---	94,294	---	94,294
Utah	---	2	---	2
Virginia	---	584	14,076	14,660
Washington	---	2,123	---	2,123
Wisconsin	---	14,813	---	14,813
Wyoming	---	2,502	---	2,502
Sub-total	22,984	1,007,280	36,563	1,066,827
In-transit or trust 4/				
Dallas Area	---	---	---	10,899
Kansas City Area	---	---	---	13,703
Minneapolis Area	---	---	---	963
Portland Area	---	---	---	893
U. S. total	22,984	1,007,280	36,563	1,093,285

1/ Includes stocks sold but not delivered. 2/ Includes terminals, subterminals, country elevators, warehouses, etc. 3/ Less than 500 bushels. 4/ Moved from official weight points and has not been unloaded or sold.

Grain Division, Agricultural Stabilization and Conservation Service.

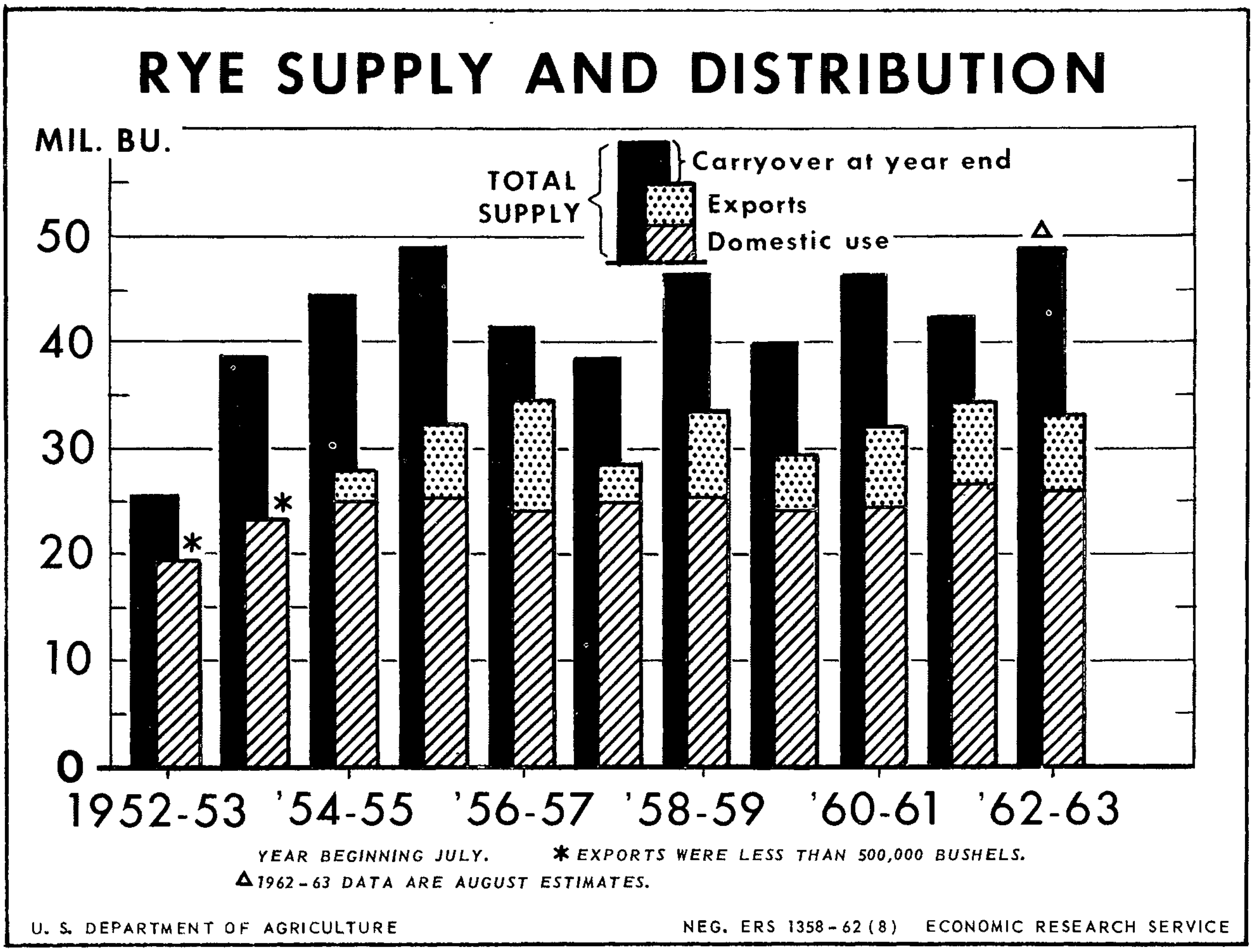
Table 24.- Wheat: CCC sales or other disposition, July-June, 1960-61 and 1961-62; July-Aug., 1961 and 1962

Item	July-June 1960-61	July-June 1961-62	July 1-August 17 1961	July 1-August 17 1962
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Domestic Sales and Dispositions				
By ASCS Commodity Offices				
Nonstorable country warehouse	2,075	1,514	126	241
Nonstorable track and terminal	6,196	2,488	258	290
Statutory minimum 2/	4,969	53,423	11,065	941
Other domestic	171	167	39	4
Donations	17	3/	---	3
By ASC County Offices				
Nonstorable bin site	81	1,598	1,231	3/
Statutory minimum 2/	5,532	13,802	9,810	---
Total domestic	19,041	72,992	22,529	1,479
Export Sales and Dispositions				
GR-345 4/	133,499	126,298	14,834	10,399
Barter	34,746	38,247	11,453	1,032
GSM credit 5/	4,427	5,070	232	1,890
Other export	6,186	---	---	---
Donations	28,112	12,030	2,857	5,885
Total export	206,970	181,645	29,376	19,206
Total dispositions	226,011	254,637	51,905	20,685

1/ Through August 18. 2/ For unrestricted domestic use. 3/ Less than 500 bushels. 4/ Sales under payment-in-kind program. 5/ General Sales Manager's Credit Program; CCC sales made at the next export price.

Table 25.--Wheat: Inspections for export, by classes and coastal areas, July-June 1960-61 and 1961-62

Coastal area	Hard red spring	Hard red winter	Soft red winter	White	Durum	Mixed	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
	July-June 1960-61						
Lake Ports	10,084	---	6,376	2,341	3,886	---	22,687
Atlantic	9,856	7,565	31,722	9,357	985	785	60,270
Gulf	3,758	314,458	13,721	---	385	5	332,327
Pacific	1,636	26,302	---	120,828	---	1,649	150,415
Total	25,334	348,325	51,819	132,526	5,256	2,439	565,699
	July-June 1961-62						
Lake Ports	15,272	---	6,431	6,132	14,438	---	42,273
Atlantic	6,856	4,918	31,601	15,997	242	663	60,277
Gulf	6,893	365,237	14,343	--	767	---	387,240
Pacific	80	25,962	--	89,976	431	1,114	117,563
Total	29,101	396,117	52,375	112,105	15,878	1,777	607,353



The rye supply for 1962-63 is estimated at 48.8 million bushels. The July 1, 1962, carryover totaled 7.9 million bushels, only a little more than half as large as a year earlier and 3.4 million below the 1956-60 average. Production was forecast, as of August 1, at 38.9 million bushels, which would be 43 percent above 1961, 55 percent above average and the largest crop since 1942. Imports may total about 2 million bushels.

Domestic disappearance of rye in 1962-63 is estimated at 26.0 million bushels, a little less than in 1961-62 but somewhat above the 1956-60 average of 24.6 million. Exports may total about 7 million bushels, which would give a total disappearance of 33 million bushels.

The resulting carryover at the end of the 1962-63 year would be around 16 million bushels, about twice as large as that on hand at the end of the 1961-62 year and the largest since the end of the 1955-56 year.

Table 26.--Rye: Supply and disappearance, United States, 1934-62

Year beginning July	Supply: Carryover 1/	Supply: Production	Supply: Imports	Supply: Total	Disappearance: Domestic: Food 2/	Disappearance: Domestic: Feed 3/	Disappearance: Domestic: Seed	Disappearance: Domestic: Alcohol, spirits	Disappearance: Domestic: Total	Disappearance: Exports 4/	Disappearance: Total
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1934	14.9	16.3	11.2	42.4	8.0	4.8	8.6	10.2	31.6	5/	31.6
1935	10.8	56.9	2.3	70.0	6.9	21.8	8.7	12.9	50.3	5/	50.3
1936	19.7	24.2	4.0	47.9	7.0	13.9	10.0	11.6	42.5	0.2	42.7
1937	5.2	48.9	5/	54.1	5.9	17.9	9.1	6.1	39.0	6.6	45.6
1938	8.5	56.0	5/	64.5	6.8	19.8	9.7	5.5	41.8	.8	42.6
1939	21.9	38.6	5/	60.5	7.0	20.2	7.4	5.6	40.2	.7	40.9
1940	19.6	39.7	1.4	60.7	7.1	19.9	8.1	6.7	41.8	.2	42.0
1941	18.7	43.9	8.8	71.4	7.8	19.3	8.3	6.9	42.3	5/	42.3
1942	29.1	52.9	1.5	83.5	8.3	27.2	6.8	2.1	44.4	.5	44.9
1943	47.1	28.7	8.3	84.1	8.7	33.5	5.8	4.5	52.5	.6	53.1
1944	31.0	22.5	4.1	57.6	7.8	17.4	5.4	11.7	42.3	3.1	45.4
1945	12.2	23.7	2.0	37.9	6.7	8.8	4.5	8.3	28.3	7.2	35.5
1946	2.4	18.5	1.6	22.5	4.5	6.0	4.9	4.2	19.6	.6	20.2
1947	2.3	25.5	5/	27.8	4.6	5.6	5.0	6.6	21.8	2.7	24.5
1948	3.3	25.9	6.8	36.0	4.7	6.5	4.4	6.7	22.3	5.4	27.7
1949	8.3	18.1	9.0	35.4	4.7	5.6	4.9	4.9	20.1	5.8	25.9
1950	9.5	21.4	3.1	34.0	5.2	5.4	4.8	7.7	23.1	5.9	29.0
1951	5.0	21.5	1.3	27.8	5.4	5.4	4.3	4.2	19.3	4.6	23.9
1952	3.9	16.2	5.6	25.7	5.2	6.3	4.7	2.9	19.1	.3	19.4
1953	6.3	18.9	13.4	38.6	5.0	7.8	5.7	5.1	23.6	5/	23.6
1954	15.0	26.0	3.4	44.4	5.1	8.2	7.0	4.7	25.0	3.0	28.0
1955	16.4	29.1	3.4	48.9	5.0	9.4	6.2	4.6	25.2	7.0	32.2
1956	16.7	21.3	3.4	41.4	4.8	8.7	6.0	4.6	24.1	10.7	34.8
1957	6.6	28.5	3.3	38.4	4.7	10.2	5.9	4.2	25.0	3.5	28.5
1958	9.9	33.2	3.2	46.3	4.5	10.0	5.4	5.3	25.2	8.5	33.7
1959	12.6	23.1	4.2	39.9	4.6	8.5	5.6	5.5	24.2	5.2	29.4
1960	10.5	33.0	2.7	46.2	4.5	9.1	5.7	5.0	24.3	7.7	32.0
1961 6/	14.2	27.3	.7	42.2	4.5	11.4	6.4	4.5	26.8	7.5	34.3
1962 7/	7.9	38.9	2.0	48.8	5.0	10.0	6.0	5.0	26.0	7.0	33.0

1/ Farm and terminal stocks, 1934-42; beginning 1943, interior mill, elevator and warehouse stocks; and beginning 1953, stocks owned by CCC and stored in bins or other storages owned or controlled by CCC. The figure for July, 1953, 38.6 million bushels, excluding interior mill, elevator and warehouse stocks, was used in computing 1942-43 disappearance. 2/ Calculated from trade sources, 1934-44; from Bureau of the Census, 1945 to date. 3/ Residual item. 4/ Includes flour. 5/ Less than 50,000 bushels. 6/ Preliminary. 7/ Partly estimated.

THE RYE SITUATION

SUMMARY

The supply of rye for the year which begun July 1, 1962, at 48.8 million bushels, is about 15 percent above both last year and the 1956-60 average. The large 1962 crop more than offsets the small beginning carryover. Domestic disappearance and exports in 1962-63 are expected to decline only slightly from the 34.3-million-bushel total of last year. The resulting carryover at the end of the 1962-63 year is expected to be around 16 million bushels, about twice as large as a year earlier.

Prices received by farmers in mid-July were below those of a year earlier, reflecting the larger crop than in 1961. The price support rate for 1962 is $1.02 per bushel, the same as for the 1961 crop.

DOMESTIC RYE SITUATION

Rye Supply Declines in 1961-62; Disappearance Heavy

The supply of rye in 1961-62 totaled 42.2 million bushels, consisting of the crop of 27.3 million, the July 1, 1961, carryover of 14.2 million, and imports of less than a million bushels (table 26). The total supply for 1961-62 was 9 percent below a year earlier but only slightly below the 1955-59 average of 43.0 million bushels.

Domestic disappearance in 1961-62 totaled 26.8 million bushels, somewhat above that of the previous year and the 1955-59 average. In 1961-62, use of rye for seed and feed increased, while the other domestic uses--food and distilled spirits--changed little from a year earlier. Feeding of rye was heavy last year, due to the shortage of feed grains in the major rye producing area, and the larger acreage planted for 1962 increased seed requirements.

Exports in 1961-62 were about the same as the 7.7 million bushels exported in 1960-61 and only slightly above the 5-year average. Total disappearance was 34.3 million bushels, about 8 percent above both last year and the average. Exports continued large in 1961-62 in spite of higher domestic prices due to shortages of rye in other exporting countries.

1962 Rye Crop Up Sharply

The rye crop was indicated, as of August 1, at 38.9 million bushels, 43 percent more than in 1961 and the largest crop since 1942 (table 27). The estimated 1.98 million acres for harvest as grain is 28 percent above last year and 19 percent above the 1951-60 average. The indicated yield of 19.7 bushels per harvested acre also is larger compared with 17.7 bushels per acre last year and the 10-year average of 15.0 bushels.

In the North Central States, where over three-fourths of the crop is produced, yield prospects were nearly 3 bushels per acre above last year. About a fourth of the crop had been harvested in North Dakota by August 1, with the average yield indicated at 26.0 bushels per acre or double the yield of last year.

Large 1962 Crop May Result in Carryover Increase

Carryover stocks of old-crop rye in all positions on July 1, 1962, were 7.9 million bushels, only a little more than half as large as a year earlier and 3.4 million below the 1956-60 average. The CCC owned 2.6 million bushels of rye on July 1, 1962, about a third of total stocks.

The smaller carryover this year than last will be offset by the larger crop than in 1961. With an allowance of about 2 million bushels for imports, the supply for 1962-63 tctals 48.8 million bushels, about 15 percent above that of both 1961-62 and the 1956-60 average.

Domestic disappearance of rye in 1962-63 is estimated at 26.0 million bushels, a little less than in 1961-62 but somewhat above the 1956-60 average of 24.6 million. Exports may total about 7 million bushels, which would give a total disappearance of 33 million bushels. A disappearance of this size would be slightly below that of 1961-62 but slightly above the 5-year average. The resulting carryover next July would be around 16 million bushels, about twice as large as that on hand on July 1, 1962.

Rye Prices Decline From Year Earlier

Prices received by farmers for rye in mid-July averaged 97 cents per bushel, down 17 cents from mid-June and 2 cents below mid-July a year earlier.

The 1962 national average support rate of $1.02 per bushel is the same as the 1961 rate. In 1961-62, the season average price received by farmers was $1.01, only 1 cent below the support rate. The mid-July farm price of 97 cents is 5 cents below the national average support level, but a year earlier the mid-July farm price was only 3 cents below support.

The price per bushel for No. 2 rye at Minneapolis on August 30 was 2 cents below the effective support of $1.13 ($1.22 terminal support less 9 cents for storage).

Quantities of 1961 rye delivered to CCC through June 30, 1962, totaled only 532,486 bushels compared with 1.4 million bushels of the 1960 crop delivered and another 1.4 million of that crop resealed on farms through June 30, 1961.

Broadened Price Support
Eligibility Continued for 1962

USDA announced on August 10 that the test weight eligibility requirement for rye under the 1962 price-support operation was broadened because of low test weights resulting from stem rust in the major rye producing area caused by excessive moisture. This provision permits price support on rye grading No. 4 on test weight only. Prior to the change, support was available only on rye grading No. 3 or better. This provision also was in effect for the 1961 rye crop, when drought caused low test weights.

No Import Quota in 1962-63

In 1962-63, for the second consecutive year, there is no import quota on rye. Import controls on rye were in effect from April 1, 1954, to June 30, 1961.

CANADIAN RYE SITUATION

Large Canadian Crop

The first official estimate of rye production, released on August 31, indicated a crop of 12.7 million bushels. This is over twice as large as the drought stricken 1961 crop of 6.2 million bushels. The anticipated increase in production this year is due to expanded acreage and greatly improved crop conditions. The acreage seeded to rye for grain is put at 667,500 acres, 19 percent above last year's harvested acreage and 16 percent above the 1955-59 average harvested acreage. Yield per harvested acre in 1961 was only 12.0 bushels, substantially below the 1955-59 average of 16.3 bushels per acre.

Table 27.--Rye: Acreage, yield and production, United States, 1935-62

Year of harvest	Acreage harvested	Yield per harvested acre	Production
	1,000 acres	Bushels	1,000 bushels
1935	4,066	14.0	56,938
1936	2,694	9.0	24,239
1937	3,825	12.8	48,862
1938	4,087	13.7	55,984
1939	3,822	10.1	38,562
1940	3,204	12.4	39,725
1941	3,573	12.3	43,878
1942	3,792	14.0	52,929
1943	2,652	10.8	28,680
1944	2,132	10.6	22,525
1945	1,850	12.8	23,708
1946	1,597	11.6	18,487
1947	1,991	12.8	25,497
1948	2,058	12.6	25,886
1949	1,554	11.6	18,102
1950	1,753	12.2	21,403
1951	1,722	12.5	21,517
1952	1,393	11.6	16,146
1953	1,430	13.2	18,894
1954	1,795	14.5	25,963
1955	2,049	14.2	29,089
1956	1,624	13.1	21,288
1957	1,718	16.6	28,516
1958	1,797	18.5	33,182
1959	1,457	15.8	23,076
1960	1,684	19.6	33,052
1961 1/	1,542	17.7	27,262
1962 2/	1,977	19.7	38,926

1/ Preliminary. 2/ August 1 estimate.

Table 28.--Rye: Stocks in the United States on July 1, 1956-62

Position	1956	1957	1958	1959	1960	1961	1962 1/
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Farm 2/	2,354	2,014	2,573	4,362	1,865	4,578	1,869
Terminals 3/	9,503	2,023	4,019	2,154	4,284	4/	4/
Interior mills, elevators and warehouses 2/ 5/	4,758	2,421	2,881	5,454	3,821	9,513	5,852
Commodity Credit Corporation 6/	50	149	388	681	529	124	149
Total	16,665	6,607	9,861	12,651	10,499	14,215	7,870

1/ Preliminary.
2/ Estimates of the Crop Reporting Board.
3/ Commercial stocks reported by the Grain Division, AMS, at 44 Terminal cities.
4/ Included with "Interior mills, elevators and warehouses."
5/ All off-farm storages not otherwise designated, including flour mills.
6/ Owned by CCC and stored in bins or other storages owned or controlled by CCC; other CCC-owned rye is included in the estimates by positions.

Table 29.- Rye: National price supports with comparisons, quantities under support programs, deliveries to CCC and CCC inventories, 1939-62

Year beginning July	National average support rate per bushel (grower level)	Price per bushel: Season average received by farmers 1/: Actual	Price per bushel: Season average received by farmers 1/: Above support	Price per bushel: No. 2 at Minneapolis 2/: Season average: Actual	Price per bushel: No. 2 at Minneapolis 2/: Season average: Above support 3/	Price per bushel: No. 2 at Minneapolis 2/: July average: Actual	Price per bushel: No. 2 at Minneapolis 2/: July average: Above support 3/	Under support programs: Loans	Under support programs: Purchase agreements	Under support programs: Total: Quantity	Under support programs: Total: Percentage of production	Deliveries to CCC	Stocks owned by CCC on June 30
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	1,000 bu.	1,000 bu.	1,000 bu.	Pct.	1,000 bu.	1,000 bu.
1939	0.35	0.44	0.09	0.56	0.21	0.43	0.08	---	---	1,500	3.9	452	11
1940	.35	.40	.05	.51	.16	.44	.09	---	---	4,247	10.7	947	79
1941	.49	.52	.03	.65	.16	.55	.06	---	---	2,451	5.6	748	19
1942	.60	.58	-.02	.73	.13	.61	.01	---	---	5,244	9.9	48	4/551
1943	.75	.98	.23	1.08	.33	1.01	.26	---	---	132	.5	---	4/116
1944	.75	1.09	.34	1.22	.47	1.13	.38	---	---	59	.3	---	4
1945	.75	1.36	.61	1.72	.97	1.53	.78	---	---	19	.1	---	---
1946	5/	1.94	5/	2.55	5/	2.09	5/	---	---	5/	5/	5/	5/
1947	5/	2.28	5/	2.65	5/	2.54	5/	---	---	5/	5/	5/	5/
1948	1.29	1.43	.14	1.58	.11	1.78	.31	755	667	1,422	5.5	1,096	778
1949	1.27	1.20	-.07	1.42	-.04	1.45	-.01	853	369	1,222	6.8	888	515
1950	1.28	1.31	.03	1.62	.14	1.48	0	1,240	55	1,295	6.1	7	142
1951	1.30	1.52	.22	1.79	.29	1.79	.29	500	25	525	2.4	1	85
1952	1.42	1.72	.30	1.91	.29	1.97	.35	136	49	185	1.1	129	110
1953	1.43	1.29	-.14	1.23	-.41	1.27	-.37	4,469	1,002	5,471	29.0	5,621	2,519
1954	1.43	1.21	-.22	1.32	-.32	1.25	-.39	6,122	1,152	7,274	28.0	7,477	6,454
1955	1.18	1.06	-.12	1.10	-.29	1.04	-.35	10,742	2,009	12,751	43.8	13,180	11,361
1956	1.27	1.16	-.11	1.41	-.09	1.33	-.17	2,603	566	3,169	14.9	3,042	3,846
1957	1.18	1.08	-.10	1.30	-.10	1.25	-.15	6,599	1,066	7,665	26.9	7,580	6,091
1958	1.10	1.02	-.10	1.24	-.10	1.22	-.12	8,710	1,438	10,148	30.6	9,138	6,600
1959	.90	1.00	-.10	1.24	.11	1.24	.11	916	241	1,157	5.0	676	5,318
1960	.90	.88	-.02	1.09	-.03	1.08	-.04	4,248	752	5,000	15.1	1,756	4,323
1961 6/	1.02	1.01	-.01	1.25	.01	1.22	-.02	1,531	115	1,646	6.0	7/ 557	2,616
1962 6/	1.02					1.16	-.06						

1/ Weighted by sales. 2/ Weighted by carlot sales. 3/ Support rates at Minneapolis, 1939-47, are the same as the national average; annual beginning with 1948, in dollars, are: 1.47, 1.46, 1.48, 1.50, 1.62, 1.64, 1.39, 1.50, 1.40, 1.34, 1.13, 1.12, 1.24, and 1.22 for 1962. 4/ Mostly supply program. Records do not show price support and supply separately. 5/ No Program. 6/ Preliminary. 7/ Deliveries through June 30, 1962.

Table 30.- Rye: CCC-owned stocks, by positions, by States, July 1, 1962 1/

State	Bin sites	Terminals, elevators and warehouses 2/	Total
	1,000 bushels	1,000 bushels	1,000 bushels
Colorado	9	19	28
Idaho	---	2	2
Kansas	45	237	282
Minnesota	---	142	142
Missouri	---	18	18
Montana	---	3/	3/
Nebraska	10	343	353
North Dakota	15	90	105
Oregon	---	22	22
South Dakota	70	17	87
Washington	---	72	72
Wisconsin	---	179	179
Wyoming	---	24	24
Sub-total	149	1,165	1,314
In transit or trust 4/			
Minneapolis area	---	---	185
Portland area	---	---	104
U. S. total	149	1,165	5/1,603

1/ Including stocks sold but not delivered.
2/ Includes terminals, subterminals, country elevators, warehouses, etc.
3/ Less than 500 bushels.
4/ Moved from official weight points and has not been unloaded or sold.
5/ Compared with the quantity reported by the Fiscal Branch, 2,616,000 bushels, which is not broken down by States.

Agricultural Stabilization and Conservation Service, Grain Division, Commodity Analysis Branch

Table 31.- Rye: Average price per bushel at Minneapolis, and price received by farmers, United States and selected States, July 1962 with comparisons

Month	No. 2 at Minneapolis 1/	Received by farmers				
		Minnesota	North Dakota	South Dakota	Nebraska	United States
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1944-53, July average	1.70	1.57	1.50	1.50	1.40	1.51
1954, July	1.25	.96	.85	.90	.89	.99
1955, July	1.04	.86	.74	.80	.92	.90
1956, July	1.33	1.05	.94	.98	.98	1.09
1957, July	1.25	1.03	.94	.98	.93	1.06
1958, July	1.22	.93	.82	.85	.82	.96
1959, July	1.24	.93	.82	.87	.86	1.02
1960, July	1.08	.86	.76	.79	.80	.91
1961, July	1.22	1.00	.87	.92	.83	.99
1962						
April	1.25	1.04	.92	.96	.91	.99
May	1.21	1.01	.90	.96	.91	.97
June	1.24	1.06	.94	.98	.90	1.14
July	1.16	1.00	.84	.90	.88	.97

1/ Weighted by carlot sales.

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POSTAGE AND FEES PAID

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