Wheat Situation

Economics, Statistics, and Cooperatives Service

U.S. Department of Agriculture

WS-253

JULY 1980

TABLE 1.--WHEAT: MARKETING YEAR SUPPLY, DISAPPEARANCE, AREA AND PRICES, 1976-80 *

YEAR BEGINNING JUNE 1	SUPPLY: BEGINNING STOCKS	SUPPLY: PRODUCTION	SUPPLY: IMPORTS 1/	SUPPLY: TOTAL	DISAPPEARANCE: DOMESTIC USE: FOOD	DOMESTIC USE: ALC. BEVERAGES	DOMESTIC USE: SEED	DOMESTIC USE: FEED 2/	DOMESTIC USE: TOTAL	EXPORTS 1/	TOTAL DISAPPEARANCE	ENDING STOCKS MAY 31: GOVT. OWNED	PRIVATELY OWNED 3/	TOTAL
	MILLION BUSHELS													
1976/77	665.3	2,142.4	2.7	2,810.3	588.0	0.1	92.0	68.4	748.6	949.5	1,698.1	---	1,112.2	1,112.2
1977/78	1,112.2	2,036.3	1.9	3,150.5	586.5	0.1	80.0	183.3	849.9	1,123.9	1,973.8	45.7	1,131.0	1,176.7
1978/79	1,176.7	1,797.5	1.9	2,976.1	591.8	0.1	87.0	178.4	857.3	1,194.1	2,051.4	50.2	874.5	924.7
1979/80 4/	924.7	2,141.7	2.1	3,068.6	596.0	0.1	101.0	95.3	792.4	1,375.2	2,167.6	141.7	759.3	901.0
1980/81 5/	901	2,317 (±80)	2	3,220 (±80)	605 (±5)	---	100 (±5)	100 (±50)	805 (±55)	1,450 (±100)	2,255 (±125)	N.A.	N.A.	965 (±125)

YEAR BEGINNING JUNE 1	AREA: NAT. PROGRAM	AREA: SET-ASIDE AND DIVERTED	AREA: PLANTED	AREA: HARVESTED FOR GRAIN	YIELD: PER HARVESTED ACRE	AVERAGE PRICES: RECEIVED BY FARMERS	CHICAGO: NO. 2 SOFT RED WINTER	KANS. CITY: NO. 1 HARD RED WINTER, ORD. PROT.	MINNEAPOLIS: NO. 1 DARK N. SPRING, 13% PROT.	GOVT. SUPPORT PROGRAM: NATIONAL AVG. LOAN RATE	TARGET PRICE	TOTAL PAYMENTS TO PARTICIPANTS 6/
	- - - - MILLION ACRES - - - -				BUSHELS	- - - - - - - - DOLLARS PER BUSHEL - - - - - - - -						MIL. DOL.
1976/77	61.6	---	80.2	70.8	30.3	2.73	2.81	2.88	3.23	2.25	2.29	145
1977/78	62.2	---	75.1	66.5	30.6	2.33	2.56	2.72	2.83	2.25	7/ 2.90	1,243
1978/79	58.8	9.6	66.3	56.9	31.6	2.98	3.57	3.38	3.33	2.35	3.40	822
1979/80 4/	70.1	8.2	71.6	62.6	34.2	3.82	4.24	4.25	4.21	2.50	3.40	135
1980/81 5/	73.2	---	80.9	72.9	31.8	3.75 - 4.25				2.50	3.63	

1/ IMPORTS AND EXPORTS INCLUDE FLOUR AND OTHER PRODUCTS EXPRESSED IN WHEAT EQUIVALENT. 2/ RESIDUAL; APPROXIMATES FEED USE. 3/ INCLUDES OUTSTANDING AND RESERVE LOANS. 4/ PRELIMINARY. 5/ PROJECTED. 6/ INCLUDES DEFICIENCY, DIVERSION, DISASTER AND RESERVE STORAGE PAYMENTS. 7/ UNPLANTED PORTION OF ALLOTMENT QUALIFIED FOR $2.47. N.A.=NOT AVAILABLE. *TOTALS MAY NOT ADD DUE TO ROUNDING.

THE WHEAT SITUATION

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SUMMARY

Wheat Harvest To Be Alltime High
Record Exports Likely

A record 1980 U.S. winter wheat harvest—1.85 billion bushels—is near completion while combining begins on a drought-stricken spring wheat crop. As of July 1, total 1980 wheat production is forecast at a record 2.32 billion bushels, up 8 percent from 1979. This wheat will be reaped from the largest area planted in 30 years, with 10 million more acres likely to be harvested than in 1979. Chances are 2 out of 3 the final crop outcome will be within 80 million bushels of the July estimate.

On the strength of the large crop, total U.S. wheat supply in 1980/81 will be an alltime high 3.22 billion bushels. However, based on a projected record large disappearance level—a small increase in domestic use and record exports—1980/81 yearend stocks may only increase slightly from the 901 million bushels of a year earlier.

On the world scene, improved crop prospects indicate 1980 wheat production may reach 444 million metric tons, substantially above 1979's short outturn but shy of a new record. It is expected that the United States, Western Europe, USSR, Eastern Europe, and Pakistan will harvest larger crops, while reduced production is currently projected for Canada, China, India, and Australia. On the basis of greater demand in many importing countries and the need for stock rebuilding, world wheat trade in 1980/81 will likely be up over 2 million tons from 1979/80 to a record 86 million tons.

Based on these world trade projections, the United States, which will have large exportable supplies, could ship a record 1.45 billion bushels overseas in 1980/81. Much will depend on supplies available from exporting countries and their export sales policies. The large increase in purchases by China and the absence of sales to the Soviet Union highlight early season U.S. trade.

Wheat prices opened the 1980/81 season in a relatively bearish atmosphere compared with the rapid price advances during last year's harvest. Farm prices were 20-40 cents per bushel lower, reflecting the prospective large crop. Concern about adverse

weather impacts on crop development, particularly in spring wheat areas, prospects for continued strong exports, and producers' initial slow selling lent support to prices during July. For 1980/81, average farm prices are projected to range from $3.75 to $4.25 per bushel. Last year's average was $3.82.

The word, "*record*" adequately sums up the recently completed 1979/80 market year. Wheat exports, total disappearance, yield per acre, food use, seed use, Hard Red winter production, and world wheat trade all reached new highs. And, both production and supply were near records.

OUTLOOK FOR 1980/81

Wheat Crop To Be Record

The 1980 wheat crop was estimated at a record 2.32 billion bushels as of July 1, 8 percent larger than 1979's 2.14 billion. Wheat crops have topped 2 billion bushels in 5 of the last 6 years. A decade ago, U.S. wheat growers were reaping crops of around 1.3 billion bushels and billion-bushel harvests didn't become common until 25 years ago. This year's increased production can be attributed to the largest area planted in over 30 years—80.9 million acres. This is a 13-percent increase over last year and stems from the high wheat prices last fall, prospects for continued strong foreign and domestic demand, and no set-aside program. Farmers recently indicated they will harvest over 72.9 million acres for grain, up 10 million from 1979. In most areas, 1980 wheat yields are running noticeably below last year's record levels. Overall, 1980 yields are now indicated down over 2 bushels per acre.

Winter wheat production alone is fast approaching the 2-billion bushel mark—forecast this year at a record 1.85 billion bushels. Early harvesting lagged due to wet cool weather and late maturing of the crop, but summer hot conditions speeded up combining and by mid-July 80 percent of the winter wheat crop was in the bin.

In spite of widespread reduced soil moisture conditions at planting time, spring wheat growers also decided to dramatically increase 1980 seedings. Durum producers upped plantings 35 percent and other spring wheat growers 12 percent. Persistent drought conditions darken 1980 crop prospects. Poor crop development will result in greater abandonment than usual and a sharp reduction in yields. Estimated yield per acre for Durum is 18 bushels, off 9 bushels from 1979, and other spring wheat's yield of 24 bushels is down 4 bushels. Other spring wheat yield varies from below 20 bushels in the Dakotas to over 60 bushels in Idaho. As of July 1, total 1980 spring wheat production other than Durum was forecast at 378 million bushels, 48 million off 1979's final crop. The Durum crop was forecast at 91 million bushels, down 15 percent from 1979 as lower yields will more than offset prospects from larger harvested acreage.

Carryover Stocks Decline, But 1980/81 Supply To Be Record

On June 1, wheat stocks in all positions totaled 901 million bushels, about 25 million below a year earlier. Carryin stocks have declined the past 2 years after four successive increases since 1973/74. This drawdown reflects a record 2.17-billion-bushel disappearance during 1979/80, which was more than the near-record 2.14 billion bushels produced in 1979.

Over half of the June 1979 carryin was located on the farm, which continued the trend of a larger portion of wheat inventory staying on the farm. But this year, a sizable drawdown of farm-stored wheat was evident. This was in response to the record disappearance of over 815 million bushels during the last 5 months of the marketing year. About a fourth of June 1 stocks were in the farmer-owned reserve, and another fourth were owned by the Commodity Credit Corporation (CCC).

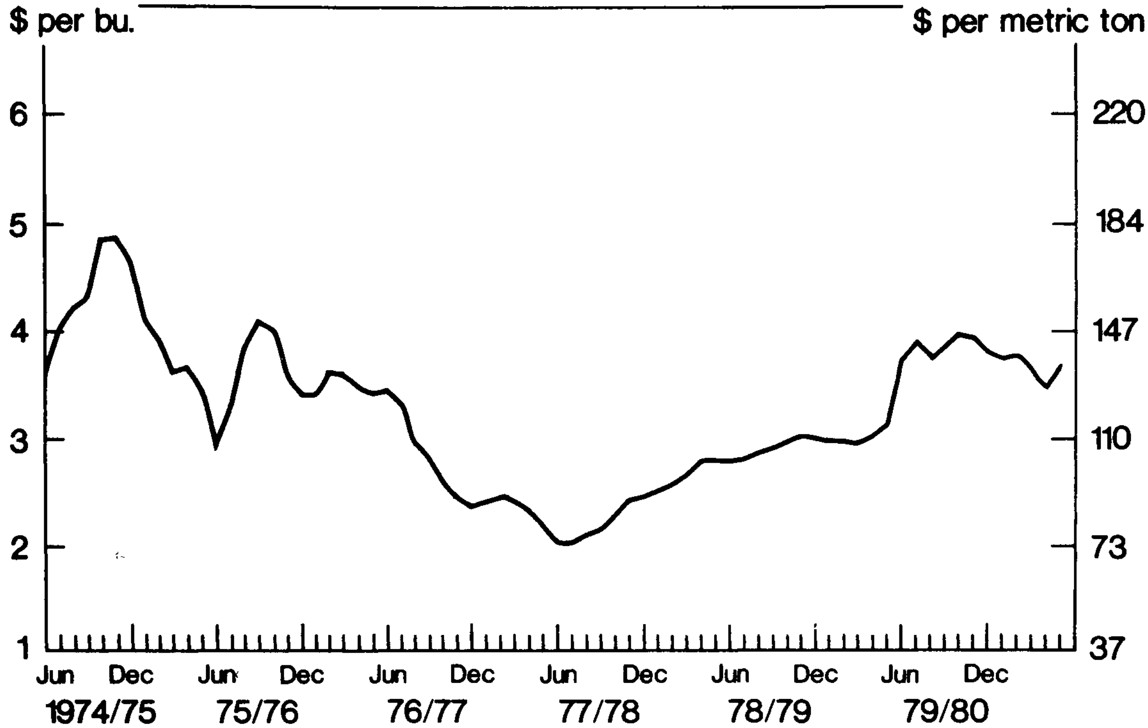
Carryin stocks plus the indicated record 1980 production will again result in a total 1980/81 wheat supply of more than 3 billion bushels—and a new high.

Exports Likely To Remain Strong

A short 1979 world wheat crop triggered a record volume of world wheat trade. As a result, the United States, with large exportable supplies, came away with a record 1979/80 export season. Despite prospects for a considerably improved 1980 world wheat harvest, import demand is expected to exceed last year's record level of 83 million tons by 2-3 million. The U.S. share of this market will depend on supplies available from exporting countries and their export sales policies. But the continued growing demand and reduced availability in some exporting countries suggests another banner year for U.S. wheat exports.

Current export commitments (outstanding sales plus shipments) are running slightly behind a year earlier. By mid-July last year, the Soviet Union had already made known its heavy commitments to the U.S. wheat market. So far this year, the Soviets have not bought any U.S. wheat and total volume and

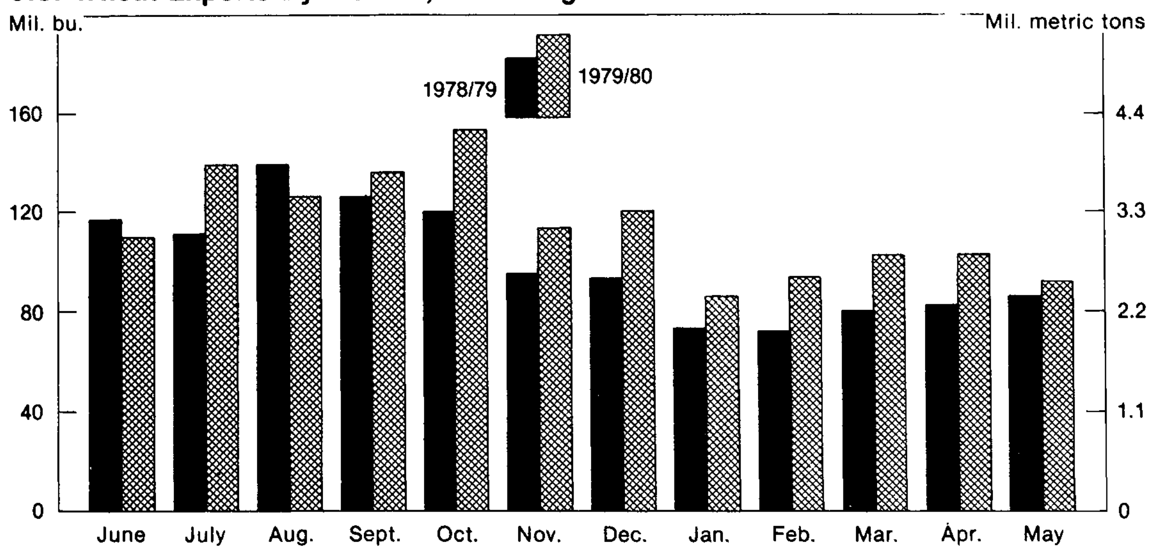
Wheat Prices Received by Farmers



USDA

Neg. ESCS 891-80(7)

U.S. Wheat Exports By Months, Marketing Years 1978/79 and 1979/80



Includes flour and products in wheat equivalent.

USDA

Neg. ESCS 31-80(7)

timing of purchases from the United States remains uncertain. Meanwhile, early large purchases by China, has continued to brighten export prospects.

It appears that U.S. wheat exports in 1980/81 could range from 1.35 to 1.55 billion bushels with an initial point estimate of 1.45 billion—a new high. These large shipments will likely boost price levels and reduce the prospect of a sizable stock buildup. Just 2 years ago, wheat exports of 1.3-1.4 billion bushels would have been viewed as a major logistical problem. But the U.S. capacity to handle increased volumes of grain exports has improved as a result of efforts to solve and eliminate logistical disruptions.

Wheat: Prices received by farmers in selected States

States	April		May		June	
	1979	1980	1979	1980	1979	1980[1]
	Dollars per bushel					
Illinois	3.45	3.60	3.57	3.55	3.88	3.50
Kansas	3.03	3.42	3.22	3.44	3.72	3.35
North Dakota	2.84	3.73	3.07	3.94	3.55	4.03
Oklahoma	3.17	3.39	3.26	3.63	3.85	3.46
Washington	3.39	3.80	3.53	3.65	4.02	3.60
United States	3.01	3.58	3.20	3.69	3.72	3.55

[1] Preliminary mid-month.

Prices Begin Season At Lower Level

The headlines a year ago read, *Wheat Prices Advance During Harvest.* Although current prices reflect fairly substantial export demand, they in no way resemble the surge of nearly $1 per bushel during last year's harvest when large Soviet purchases were the price makers. Instead, this year, prices received by farmers for new crop winter wheat during harvest were 20 to 40 cents per bushel below a year ago. An expected record winter wheat harvest that moved rapidly with the arrival of hot dry weather tended to dampen prices. Some market price gains were noted in July, however, as weather damage in spring wheat areas, both Canadian and U.S., continued to add some support to prices. By mid July, the national average farm price advanced to $3.75—high enough that all farmer-owned reserve contracts were released.

Early indications are that producers are storing a larger portion of the crop and limiting sales. Apparently producers are waiting to size up the impact of the crop quantity and quality on market prices. This strategy along with movement of wheat into the farmer-owned reserve will be an important factor in this season's pricing pattern. Season average farm prices for 1980/81 are projected to range from $3.75 to $4.25 per bushel. Last year's average price was $3.82.

Strength in this season's price will depend on strong export sales, stronger loan and reserve activity, the reserve inventory, and further possible weather deterioration of the spring wheat crop. Any adverse weather effects to world grain crops will also tend to raise U.S. prices.

Wheat Program Notes

Major features of the 1980 wheat program have already been announced and were outlined in the May *Wheat Situation.*

USDA proposals for the 1981 wheat program were published in the Federal Register in June, and interested party comments were reviewed in July. An announcement of most features of the 1981 program must be made by August 15.

The CCC loan interest rate has been reduced from 13 percent to 11-1/2 percent and is effective on all 1980 crop price support loans.

WORLD WHEAT OUTLOOK

Large 1980 World Wheat Harvest Expected

Early prospects for the 1980/81 world wheat season indicate that production will be significantly above the short outturn in 1979/80. Also, increased demand from importing countries and the need for stock rebuilding suggests that global wheat trade should surpass 1979/80's record. World wheat utilization may decline slightly because of an expected reduction in Soviet feed use while use in other countries may increase. Thus, the favorable outlook for a 1980 world wheat harvest would mean higher yearend stocks.

World 1980 wheat production is projected at 444 million metric tons, 25 million tons above last year, but 3 million shy of the 1978 record. The United States, Western Europe, the USSR, Eastern Europe, and Pakistan expect to harvest larger crops this year while reduced production is currently projected for Canada, China, India, and Australia. Except for India, where the crop has been harvested, crop prospects in these countries continue to be somewhat uncertain.

The world trade volume will probably be up about 3 percent, compared with last year's record 83 million metric tons. Global 1980/81 wheat use is projected at 437 million tons, slightly below last year's level, and ending stocks are projected to build-up by 7 million tons. Most of the stock building will likely occur in the Soviet Union.

Outlook for Major U.S. Markets

Prospects for 1980 wheat production in the *Soviet Union* are substantially better than a year earlier Because of increased area and generally more favorable weather conditions for winter wheat development. The total crop may be around 106 million metric tons up nearly a fifth from last year. With need to rebuild stocks, the USSR's wheat imports are expected to remain near 1979/80's high level. The United States will honor the fifth year of the U.S.-USSR Grains Supply Agreement, but to date, the volume and timing of USSR wheat purchases are not clear.

The likelihood of *China's* 1980 wheat harvest falling short of last year's record is a factor for its active purchases on the international market. China's 1980/81 total wheat imports may be about 11 million tons up from 8.5 million in 1979/80. A clearer estimate will develop as the 1980 rice and fall grain crops take shape. To date, purchases from the United States total of over 3 million tons already exceed the total 1.7 million shipped last year. Sales by the U.S. are likely to expand and competition from some other exporters may be somewhat less than in previous years.

India had been an important buyer of U.S. wheat prior to 1977/78. Although its 1980 wheat harvest is down 11 percent from last year's record, good monsoon performance and large carryover stocks should help India avoid the need for any sizable wheat imports this year.

In *Mexico*, the growing demand for food indicates grain imports will continue to be significant. Most of these imports will be supplied by the United States. Currently sizable quantities of U.S. wheat and grains are delivered into Mexico via unit trains.

A recovery from *Eastern Europe's* drastically reduced 1979 wheat harvest will reduce the need to import and may improve export prospects for some East European countries, notably Hungary and Romania.

Outlook for Principal U.S. Competitors

Favorable weather last fall and winter is producing an excellent 1980 wheat crop for much of *Western Europe*. Expanded subsidized wheat export authorizations by the EC are likely.

The significance of an 8-percent increase in *Canada's* 1980 wheat plantings may fall by the wayside as short rainfall is reducing yield prospects. The crop may be down 20 percent or more from last year's reduced level of 17.7 million tons. The smaller crop, along with lower carryover stocks is likely to curtail Canadian 1980/81 exports to below the 14.4 million tons in 1979/80.

In *Argentina*, favorable prices for wheat relative to oilseeds during seeding of the 1980 crop will likely result in expanded area, possibly as high as 10 percent. Argentina's 1980/81 production is forecast at around 8.4 million tons, compared with 7.8 million in 1979/80. An early wheat export forecast indicates that the 1980/81 (July/June) season may not match last year's, which was the second busiest during the 1970's.

Australia exported a record 14.5 million tons of wheat during the July-June shipping period just completed. Producers had intended to seed more area to their 1980 crop, but a drought at planting time probably left some intentions unrealized. Although normal winter rains broke the drought, reduced yields may lower the 1980 crop about 1.5 million tons from last year's 16 million. The relatively large ending stocks carried into 1980/81 will be an important factor in determining Australia's export policy for the new season.

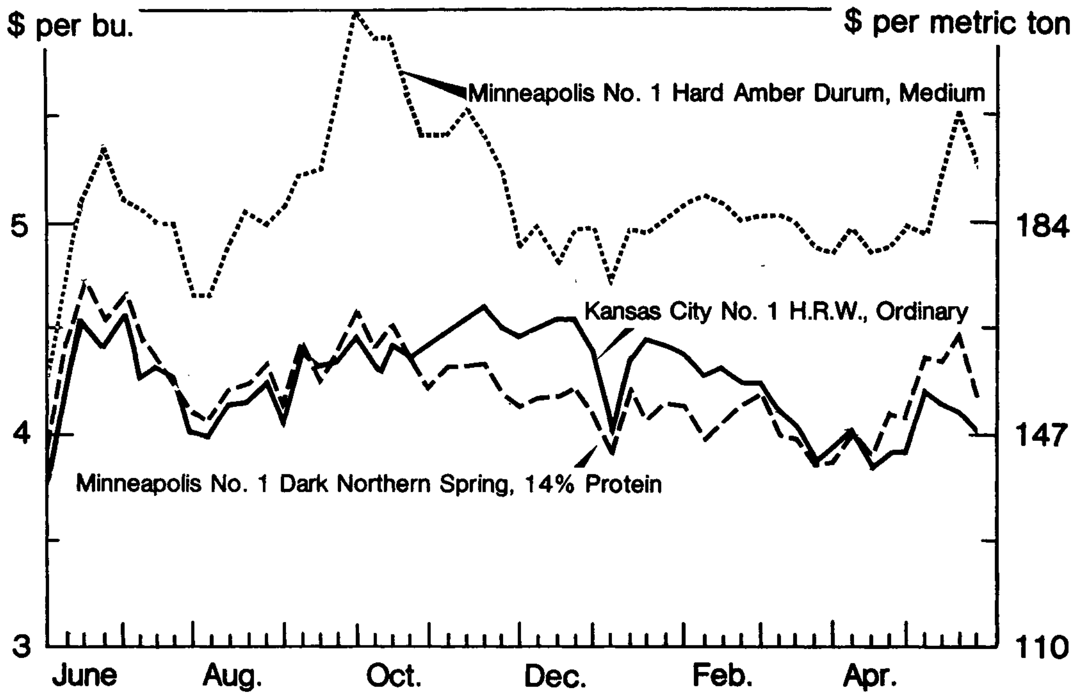
WHEAT OUTLOOK BY CLASS

Record HRW Harvest in Progress

Based on conditions as of July 1, a record 1.17-billion-bushel 1980 Hard Red Winter (HRW) harvest is in progress. Although wet weather delayed the early harvest in the Southern Plains, hot dry conditions soon accelerated combining. Indicated production in leading HRW States—Kansas, Oklahoma, and Texas—will be about 3 percent below last year's record outturn, despite a 14-percent increase in harvested acreage. In response to dry seeding conditions and slow development last fall, yields in these States are estimated to be down 4, 8, and 5 bushels per acre, respectively, from last year's record levels. However, improved yields and increased acreage were noted in Colorado and Nebraska. Early quality reports indicate protein levels are generally good with prospects for increased volumes of higher protein values likely this season.

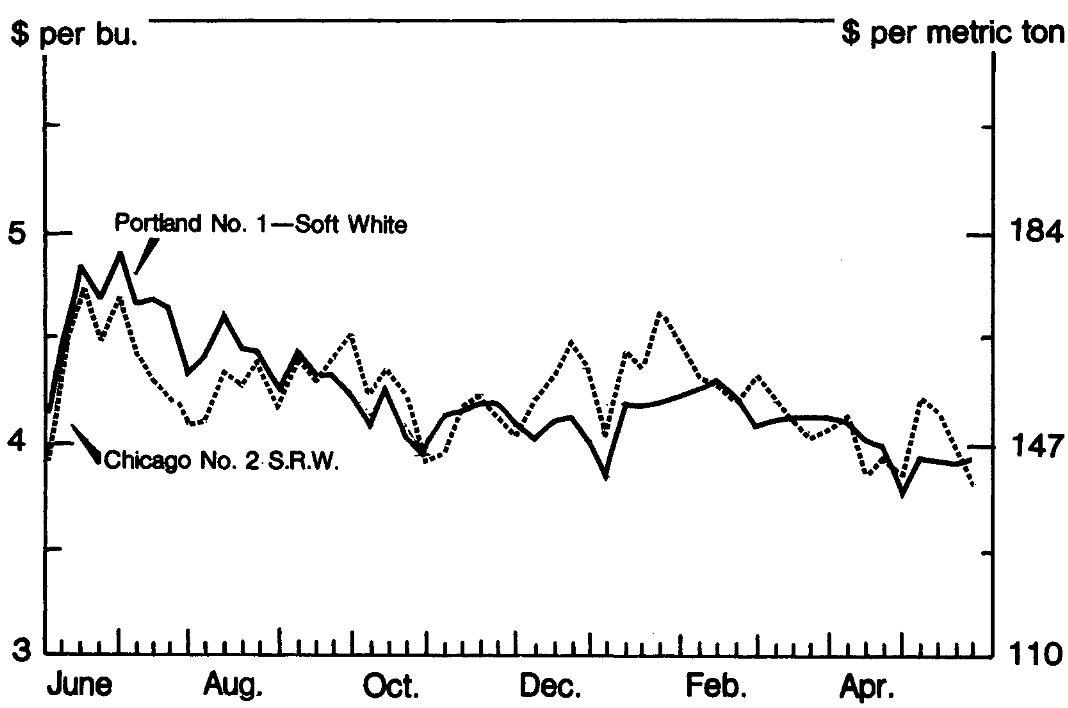
June 1 HRW stocks, at 436 million bushels, were modestly up from last year. The addition of a bumper crop leaves little doubt that the 1980/81 supply will be one of the largest since the early 1960's.

Cash Wheat Prices, 1979/80*



*Thursday price.

Cash Wheat Prices, 1979/80*



*Thursday price.

States	Harvested		Production		Yield
	1979	1980[1]	1979	1980[1]	1980[1]
	Million acres		*Million bushels*		*Bushels*
Colorado . . .	2.6	3.4	70.2	99.7	29.4
Kansas	10.8	12.2	410.4	414.8	34.0
Nebraska . . .	2.6	3.1	86.7	114.7	37.0
Oklahoma . .	5.7	6.5	216.6	195.0	30.0
Texas.	4.6	5.4	138.0	135.0	25.0
Total	26.3	30.6	921.9	959.2	31.4

[1] Preliminary.

Domestic food and feed use may expand slightly in 1980/81. Projected HRW exports may be up as world wheat trade is expected to exceed last year's record level. However, foreign sales and shipments through mid-July were half of the record-setting pace early last season when Soviet purchases were large.

HRW prices at Kansas City have held at around $4 a bushel, despite rapid harvesting progress of an almost certain record crop. Mid-June farm prices in Texas, Oklahoma, and Kansas of around $3.45 were about 25 cents lower than the same time a year earlier. Although evidence of slow producer selling and concerns about weather added some support to prices, the large harvest suggests that farm prices for 1980/81 will probably be at their lowest level during June-August.

Dry Conditions Reduce HRS Crop Prospects

This spring, wheat producers seeded close to the largest area ever to varieties of Hard Red Spring (HRS), up 13 percent from last year. However, expectations that this large acreage would produce a crop of over 400 million bushels were shattered as severe drought conditions developed in the Northern Plains. While June rains brought some relief to many areas, they were too late in major growing areas. The July 1 production forecast for 1980 HRS is 325 million bushels, down 40 million bushels from a year ago and would be the smallest crop since 1974. Since July 1 conditions continued to deteriorate.

Strong domestic and export disappearance of HRS during 1979/80 caused June 1 stocks to dip below 300 million bushels. But even with lower carryin stocks and reduced crop prospects, total HRS supply for 1980/81 will still remain above 600 million bushels, or about 225 million more than an average year's usage. Currently, about 150 million bushels of HRS are isolated from the market in the farmer-owned reserve or owned by the CCC.

Early indications are that foreign demand from regular HRS buyers will continue strong but may not exceed the 200 million bushels of the past 2 years. The opportunity to expand sales this marketing year depends on the size of Canada's wheat crop and the relationship with HRW price levels. Current overseas sales and shipments are significantly behind last year's dramatic surge in early season activity.

Prospects for a short HRS crop and a bumper HRW harvest have been reflected in widening market price spreads between these two breadmaking wheats. Spring wheat has provided the best buy for wheat protein during the last two seasons. Indications of good protein quality and lower prices for hard winter wheat will likely result in some shifting of domestic and foreign demand to HRW.

Sharp Expansion in 1980 Durum Acreage
But Dry Weather Wilts Crop Size

Favorable prices and no set-aside induced producers to sharply increase 1980 Durum acreage. Growers seeded 5.5 million acres, 1.4 million more than in 1979. Although planting advanced rapidly, dry soil conditions restricted germination and growth. Drought conditions persisted until June rains improved prospects in some areas. However, in July, hot dry conditions returned to many areas and reduced crop prospects. Altogether, current Durum crop conditions suggest yields will be considerably down from last season's 27 bushels per acre. And despite the large acreage, total production is forecast at only 91 million bushels, down sharply from 1979's 107 million bushels. A crop this size, coupled with sharply reduced carryin stocks, may lower the prospective Durum supply to its lowest level in 6 years (table 2).

The high point of the 1979/80 marketing year was the strength of Durum exports, up 15 percent from the alltime high of 72 million bushels a year earlier. Most major foreign customers increased volumes. Western Europe, particularly Spain and France, showed significant increases. Continued population growth in Northern Africa helped sustain Algeria and Tunisia as large U.S. Durum buyers. Despite much higher prices, export sales during 1980/81 could be around 70 million bushels. The reduced crops in the United States and Canada will cause a pronounced shortfall in 1980/81 exportable stocks. Commitments (outstanding sales plus shipments) as of July 10 totaled 26 million bushels, compared with 18 million a year ago.

Reflecting the expected decline in 1980 production and supply, Minneapolis Durum cash market prices soared to nearly $7 per bushel by mid-July. This is likely to be the only wheat class with beginning year price levels above the preceding year—probably over $1 per bushel higher.

Record SRW Crop and Supply Likely

Widespread good to excellent crop conditions and a 35-percent increase in harvested acreage are likely to produce a record 1980 Soft Red Winter (SRW) wheat crop. The July 1 forecast of 428 million bushels is a third higher than 1979's outturn and almost 80 million bushels more than the previous record set in 1977. This record crop, plus the estimated 40-million-bushel June 1 carryin, will vault 1980/81 SRW supply to an alltime high 468 million bushels. Early reports indicate good quality. Some reduction in top dressing fertilizer applications this year may help to keep protein levels on the low side—a desirable feature for soft wheats.

In contrast to relatively limited SRW supplies for the past 2 years, this year's large supply provides the potential for an active 1980/81 marketing year, particularly if SRW is attractively priced at dockside. Wheat purchases by China and the Middle East are expected to be important to this year's SRW export business. Initial projections place 1980/81 export prospects at 66 million bushels above 1979/80's 154 million. Current outstanding export sales are triple those of a year earlier. However, large supplies of competitively priced White wheat could affect SRW export prospects—a factor to watch as the season progresses.

Last year, SRW prices at Chicago advanced to the season's high at the peak of the harvest—around $4.75 per bushel. This was largely due to the early strength in export demand. The reverse is likely in 1980/81. Prices started at around $4 and will likely increase if demand develops as indicated during the year.

Record 1980 White Wheat Crop Expected

White wheat farmers expanded acreage in the Pacific Northwest (PNW). This, plus good moisture conditions through the season, will likely result in 1980 White wheat production (winter and spring) of around 300 million bushels, 4 percent above 1975's record and nearly a fifth above 1979. Above normal precipitation in the PNW reduced earlier expectations of damage to winter wheat from volcanic ash; it also provided ample soil moisture for spring wheat development. The large crop, combined with relatively high June 1 carryin stocks of around 76 million bushels, gives a 1980/81 White wheat supply of nearly 375 million bushels, significantly above the previous high of 344 million in 1976/77.

Despite two unforseen events—the loss of a regular major U.S. White wheat buyer (Iran) and the disruption of brisk PNW harbor loading activity by an erupting of Mount St. Helens—total White wheat exports in 1979/80 almost reached the 200-million-bushel level, short of 1975/76's record 215 million. Expanded shipments to Bangladesh, China, Taiwan, Korea, Egypt, and Latin America overcame the reductions from Iran and Pakistan. White wheat's favorable price relative to SRW, particularly during the last half of the season, was a major reason for the export upturn. Initial estimates for 1980/81 suggest that shipments could be around 200 million bushels as record soft wheat supplies will cause Red and White to vie for the "best" buy throughout the season.

Portland cash White wheat prices suggest that prices will be around $4 during harvest, considerably below last year's high of $4.95 per bushel.

Rye: Supply and disappearance

Item	June-May	
	1979/80	1980/81[1]
	Million bushels	
June 1 stocks	9.7	13.3
Production	24.5	15.8
Imports	([2])	---
Total supply	34.2	29.1
Exports	2.4	6.5
Food	3.5	3.5
Seed	4.2	4.2
Industrial	2.2	2.2
Feed	8.6	8.3
Total disappearance	20.9	24.7
Ending stocks May 31	13.3	4.4

[1] Projected. [2] Less than 50,000 bushels.

Rye Stocks Remain Large; Smaller 1980 Crop Likely

The 1980/81 rye season began with stocks at their highest level in 6 years—13.3 million bushels. However, a sharp decline in the area harvested for grain and reduced yield prospects in the Northern Plains due to a spring drought have reduced 1980 crop prospects to 15.8 million bushels. This is nearly 9 million below 1979's harvest and the smallest harvest since 1976. Still, 1980/81's supply of rye will continue large—near 30 million bushels.

Yearly rye disappearance has been around 20 million bushels for the last two seasons. The large supplies and low prices relative to competing grains have not induced much expanded domestic usage. However, the 1979/80 season experienced the largest overseas sales in 5 years. With large U.S. supplies and a short Canadian crop, 1980/81 exports may be on the way up, possibly as high as 6.5 million bushels. Purchases may come from Eastern Europe.

WRAPUP OF 1979/80

The brisk pace of wheat disappearance established during the first 7 months of 1979/80 faltered slightly after January. Even so, total usage in 1979/80 reached a record 2.17 billion bushels, 6 percent above the previous high a year earlier. Record export activity led the surge. Average monthly loadings, which often exceeded 120 million bushels during June-December, slipped to under 100 million in the final months (April-May) of the marketing year.

Exports for June-May reached a record 1.375 billion bushels. Thus, the 1970's, ended on a high point for the U.S. wheat industry. A year's total overseas business 10 years ago was around 700 million bushels. But during the 1970's, exports expanded to a billion bushels or more in 7 of the last 10 years. The significant happenings in 1979/80 included the suspension of grain sales to the Soviet Union, a sharp falloff of purchases from Iran, and expanded sales to China and Mexico. The record U.S. exports resulted from a substantial decline in 1979's world wheat crop and continued large demand, pushing world trade to an alltime high. The United States was well prepared to meet world needs.

Total domestic disappearance was down 7 percent as high wheat prices and a bumper feed grain harvest reduced wheat feeding to the lowest level in 3 years. Offsetting some of this reduction was a record use of wheat seed used to plant the near-record 1980 acreage. Accelerated wheat milling during June-December led to an optimistic outlook for 1979/80 wheat food use (table 3). However, mill production slowed during the last 5 months even though exports of wheat flour and products continued at a fairly steady pace. This meant that indicated domestic consumption was down during January-May. Overall, total food use will be record high at 1 percent above a year ago. Sharply higher carrying charges may have caused merchants to sell from inventory and postpone purchases, thus reducing the implied wheat food use level.

Wheat prices early in the 1979/80 marketing year reached nearly $1 per bushel higher than the year before. This was caused by weather-related problems in world wheat producing areas, dwindling carryover stocks, and prospects for a sharp expansion in export sales. Farm prices advanced to over $4 per bushel in many areas as record overseas shipments continued through December. Then, the grain sales suspension to the Soviet Union required the market to adjust to a number of Government price-supporting efforts. As the 1979/80 season drew to a close, May market prices had weakened reflecting record wheat crop prospects, but were still 25-35 cents above a year ago. For the year, farm prices averaged $3.82 per bushel, substantially above 1978's $2.98.

Table 2--Wheat Classes: Marketing year supply and disappearance, 1977-80 1/

Year beginning June 1	Supply			Disappearance			Ending stocks May 31
	Beginning stocks	Production	Total 2/	Domestic use	Exports 3/	Total	
	Million bushels						
1977/78							
Hard winter	605	992	1,597	431	535	966	631
Soft red	72	350	422	154	197	351	71
Hard spring	250	398	649	158	156	314	335
Durum	92	80	173	44	62	106	67
White	93	216	309	62	174	236	73
All classes	1,112	2,036	3,150	849	1,124	1,973	1,177
1978/79							
Hard winter	631	836	1,467	437	610	1,047	420
Soft red	71	202	273	151	95	246	27
Hard spring	335	379	714	158	232	390	324
Durum	67	134	202	44	72	116	86
White	73	247	320	67	185	252	68
All classes	1,177	1,798	2,976	857	1,194	2,051	925
1979/80							
Hard winter	420	1,093	1,513	352	725	1,077	436
Soft red	27	321	348	154	154	308	40
Hard spring	324	365	690	181	217	398	292
Durum	86	107	194	54	83	137	57
White	68	256	324	52	196	248	76
All classes	925	2,142	3,069	793	1,375	2,168	901
1980/81 4/							
Hard winter	436	1,173	1,609	365	775	1,140	469
Soft red	40	428	468	162	220	382	86
Hard spring	292	325	618	161	180	341	277
Durum	57	91	149	49	70	119	30
White	76	300	376	68	205	273	103
All classes	901	2,317	3,220	805	1,450	2,255	965

1/ Data, except production, are approximations.
2/ Total supply includes imports.
3/ Imports and exports include flour and products in wheat equivalent.
4/ Projected.

TABLE 3.--WHEAT: MARKETING YEAR SUPPLY AND DISAPPEARANCE, SPECIFIED PERIODS, 1975-80 *

YEAR AND PERIODS BEGINNING JUNE 1	SUPPLY				DISAPPEARANCE							ENDING STOCKS		
					DOMESTIC USE									
	BEGINNING STOCKS	PRODUCTION	IMPORTS 1/	TOTAL	FOOD	ALC. BEVERAGES	SEED	FEED 2/	TOTAL	EXPORTS 1/	TOTAL DISAPPEARANCE	GOVT. OWNED	PRIVATELY OWNED 3/	TOTAL
	MILLION BUSHELS													
1975/76														
JUNE-SEPT.	435.0	2,122.5	0.7	2,558.1	195.6	4/	33.0	16.6	245.2	428.4	673.6	---	1,884.5	1,884.5
OCT.-DEC.	1,884.5	---	0.7	1,885.3	150.4	4/	35.0	-29.3	156.1	343.6	499.6	---	1,385.7	1,385.7
JAN.-MAR.	1,385.7	---	0.3	1,386.0	148.5	4/	1.0	52.4	201.9	247.3	449.2	---	936.8	936.8
APR.-MAY	936.8	---	0.6	937.4	94.2	4/	30.0	-5.7	118.5	153.7	272.1	---	665.3	665.3
MKT. YEAR	435.0	2,122.5	2.4	2,559.8	588.6	0.1	99.0	34.0	721.7	1,172.9	1,894.6	---	665.3	665.3
1976/77														
JUNE-SEPT.	665.3	2,142.4	0.9	2,808.5	200.4	4/	32.0	-11.0	221.5	398.8	620.3	---	2,188.2	2,188.2
OCT.-DEC.	2,188.2	---	0.4	2,188.6	152.5	4/	34.0	4/	186.6	220.3	406.8	---	1,781.8	1,781.8
JAN.-MAR.	1,781.8	---	0.4	1,782.1	147.3	4/	1.0	65.5	213.8	178.8	392.6	---	1,389.5	1,389.5
APR.-MAY	1,389.5	---	1.1	1,390.6	87.9	4/	25.0	13.9	126.7	151.6	278.4	---	1,112.2	1,112.2
MKT. YEAR	665.3	2,142.4	2.7	2,810.3	588.0	0.1	92.0	68.4	748.6	949.5	1,698.1	---	1,112.2	1,112.2
1977/78														
JUNE-SEPT.	1,112.2	2,036.3	0.8	3,149.4	193.3	4/	32.0	142.0	367.3	381.7	749.0	8.2	2,392.2	2,400.4
OCT.-DEC.	2,400.4	---	0.4	2,400.7	153.5	4/	23.0	5.1	181.6	225.4	407.0	31.8	1,962.0	1,993.8
JAN.-MAR.	1,993.8	---	0.4	1,994.2	145.5	4/	1.0	41.4	187.9	278.6	466.5	44.8	1,482.9	1,527.7
APR.-MAY	1,527.7	---	0.3	1,528.0	94.2	4/	24.0	-5.2	113.1	238.2	351.3	45.7	1,131.0	1,176.7
MKT. YEAR	1,112.2	2,036.3	1.9	3,150.5	586.5	0.1	80.0	183.3	849.9	1,123.9	1,973.8	45.7	1,131.0	1,176.7
1978/79														
JUNE-SEPT.	1,176.7	1,797.5	0.6	2,974.8	191.7	4/	27.0	124.9	343.6	493.3	836.9	48.9	2,089.0	2,137.9
OCT.-DEC.	2,137.9	---	0.5	2,138.4	153.8	4/	34.0	9.0	196.7	308.8	505.6	49.5	1,583.3	1,632.8
JAN.-MAR.	1,632.8	---	0.5	1,633.3	147.4	4/	1.0	34.6	183.0	224.5	407.5	49.5	1,176.3	1,225.8
APR.-MAY	1,225.8	---	0.3	1,226.1	98.9	0.1	25.0	9.9	133.9	167.5	301.4	50.2	874.5	924.7
MKT. YEAR	1,176.7	1,797.5	1.9	2,976.1	591.8	0.1	87.0	178.4	857.3	1,194.1	2,051.4	50.2	874.5	924.7
1979/80 5/														
JUNE-SEPT.	924.7	2,141.7	0.7	3,067.2	198.0	4/	33.0	53.1	284.1	511.0	795.1	49.9	2,222.2	2,272.1
OCT.-DEC.	2,272.1	---	0.5	2,272.6	157.6	4/	37.0	-25.9	168.7	387.9	556.6	49.6	1,666.4	1,716.0
JAN.-MAR.	1,716.0	---	0.5	1,716.5	145.0	0.1	1.0	62.3	208.4	282.7	491.1	63.3	1,162.1	1,225.4
APR.-MAY	1,225.4	---	0.4	1,225.8	95.4	4/	30.0	5.8	131.2	193.6	324.8	141.7	759.3	901.0
MKT. YEAR	924.7	2,141.7	2.1	3,068.6	596.0	0.1	101.0	95.3	792.4	1,375.2	2,167.6	141.7	759.3	901.0

1/ IMPORTS AND EXPORTS INCLUDE FLOUR AND OTHER PRODUCTS EXPRESSED IN WHEAT EQUIVALENT. 2/ RESIDUAL; APPROXIMATES FEED USE. 3/ INCLUDES OUTSTANDING AND RESERVE LOANS. 4/ LESS THAN 50,000 BUSHELS. 5/ PRELIMINARY. *TOTALS MAY NOT ADD DUE TO ROUNDING.

Table 4.--Wheat price support loan status on specified dates--1976-80 crops

Crop of	Total loans	Put in reserve	Repaid		Delivered to CCC	Outstanding	
			Loans	Reserve		Loans	Reserve
	Million bushels						
	As of June 1, 1980						
1976	498.8	216.1	234.7	111.7	48.0	---	104.4
1977	590.8	194.9	393.7	98.5	2.2	---	96.4
1978	255.1	13.0	220.0	0.3	---	22.1	12.7
1979	179.4	23.5	78.8	---	---	77.1	23.5
Total	***	***	***	***	1/141.7	99.2	237.0
	As of October 1, 1979						
1976	498.8	216.1	234.7	87.3	48.0	---	128.8
1977	590.8	194.7	392.9	73.8	2.2	1.0	120.9
1978	255.1	---	198.6	---	---	56.5	---
1979	55.6	---	1.3	---	---	54.3	---
Total	***	***	***	***	49.9	111.8	249.7
	As of January 1, 1980						
1976	498.8	216.1	234.7	99.2	48.0	---	116.9
1977	590.8	194.9	393.7	86.1	2.2	---	108.8
1978	255.1	3.4	210.4	---	---	41.3	3.4
1979	115.5	0.6	13.4	---	---	101.5	0.6
Total	***	***	***	***	49.6	142.8	229.7
	As of April 1, 1980						
1976	498.8	216.1	234.7	111.2	48.0	---	104.9
1977	590.8	194.9	393.7	96.5	2.2	---	98.4
1978	255.1	11.2	218.4	0.2	---	25.5	11.0
1979	161.0	12.5	43.5	---	---	105.0	12.5
Total	***	***	***	***	1/ 63.3	130.5	226.8

1/ Includes outstanding CCC-owned stocks from loan forfeitures and open market purchases in March, 1980.

Source: Agricultural Stabilization and Conservation Service monthly loan activity reports.

Table 5.--Wheat, flour and wheat products, United States exports by months, 1975-80*

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Total
							1,000 bushels						
							Wheat (Grain only)						
1975/76	77,583	99,988	111,446	125,943	123,762	118,614	92,462	92,069	72,517	77,353	77,111	67,787	1,136,635
1976/77	66,814	85,619	113,202	110,376	100,532	54,296	57,024	49,447	57,773	52,650	70,233	66,501	884,467
1977/78	77,073	83,657	93,432	110,634	69,107	57,565	87,368	64,819	94,669	105,468	103,286	120,060	1,067,138
1978/79	108,931	106,108	131,921	119,611	115,518	92,392	90,027	70,400	67,106	75,548	76,961	78,306	1,132,829
1979/80	104,607	133,283	117,787	129,617	149,040	108,882	114,879	82,683	89,526	94,735	98,327	88,579	1,311,945
							Flour (Grain equivalent) 1/						
1975/76	2,664	2,627	2,740	2,045	2,113	2,019	1,380	1,149	1,206	1,525	3,212	4,306	26,986
1976/77	5,605	3,052	5,060	6,028	2,861	1,357	988	3,204	5,871	6,522	8,433	4,893	53,874
1977/78	3,803	3,586	3,411	2,893	2,011	2,204	3,446	1,987	3,820	4,464	6,412	5,844	43,881
1978/79	6,426	4,370	5,124	5,109	4,235	1,399	1,617	1,380	3,050	3,355	2,231	6,589	44,885
1979/80	4,280	4,172	6,370	5,336	3,157	2,587	5,351	2,505	3,649	6,970	2,389	2,529	49,295
							Wheat products (Grain equivalent) 2/						
1975/76	1,540	1,275	212	340	955	856	1,395	1,223	89	140	481	754	9,260
1976/77	450	869	1,293	444	1,072	329	1,798	1,426	1,398	540	728	844	11,191
1977/78	788	926	269	1,211	925	952	1,821	1,097	1,164	1,059	942	1,694	12,848
1978/79	1,232	816	1,842	1,829	605	1,480	1,575	1,414	1,457	774	2,305	1,086	16,415
1979/80	772	1,797	1,492	1,483	1,190	1,484	1,334	1,168	378	1,083	836	918	13,935
							Total wheat, flour and products						
1975/76	81,787	103,890	114,398	128,328	126,830	121,489	95,237	94,441	73,812	79,018	80,804	72,847	1,172,881
1976/77	72,869	89,540	119,555	116,848	104,465	55,982	59,810	54,077	65,042	59,712	79,394	72,238	949,532
1977/78	81,663	88,169	97,113	114,738	72,043	60,722	92,635	67,903	99,653	110,991	110,639	127,598	1,123,867
1978/79	116,588	111,294	138,888	126,550	120,358	95,271	93,219	73,194	71,612	79,677	81,497	85,981	1,194,129
1979/80	109,659	139,252	125,649	136,436	153,387	112,953	121,564	86,356	93,553	102,788	101,552	92,026	1,375,175

1/ Includes meal and groats and durum. 2/ Includes macaroni, rolled wheat and bulgar.

*Totals may not add due to independent rounding.

SOURCE: Bureau of the Census.

Table 6.--Wheat: Farm price for leading classes and major feed grain in region, 1977-80 1/

Commodity and year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average	Loan rate
	All prices for 60 pounds													
	Central and So. Plains (Hard Winter) 2/													
Wheat:														
1977/78	1.94	1.98	1.94	2.06	2.19	2.37	2.38	2.37	2.44	2.55	2.69	2.69	2.30	2.19
1978/79	2.72	2.71	2.74	2.82	2.96	2.98	2.97	2.93	2.96	2.97	3.00	3.12	2.91	2.28
1979/80	3.63	3.81	3.72	3.82	3.86	3.93	3.89	3.81	3.73	3.51	3.36	3.48	3.71	2.43
Sorghum:														
1977/78	1.82	1.75	1.59	1.60	1.74	1.87	1.86	1.87	1.91	2.02	2.16	2.21	1.87	1.79
1978/79	2.15	2.05	1.97	1.96	2.06	2.11	2.12	2.11	2.11	2.12	2.15	2.17	2.09	2.00
1979/80	2.55	2.68	2.51	2.48	2.45	2.45	2.41	2.44	2.44	2.47	2.40	2.45	2.48	2.12
	Cornbelt (Soft Red Winter) 3/													
Wheat:														
1977/78	1.99	1.97	1.88	1.88	2.01	2.35	2.45	2.45	2.48	2.64	2.88	2.89	2.32	2.26
1978/79	2.88	2.90	3.02	3.08	3.23	3.34	3.37	3.37	3.50	3.38	3.44	3.58	3.26	2.34
1979/80	3.85	4.01	3.86	3.93	4.00	3.87	3.99	4.03	4.11	3.82	3.59	3.62	3.89	2.48
Corn:														
1977/78	2.30	2.01	1.74	1.70	1.80	2.07	2.16	2.17	2.21	2.33	2.47	2.50	2.12	1.93
1978/79	2.52	2.39	2.18	2.13	2.12	2.19	2.27	2.31	2.39	2.44	2.51	2.61	2.34	2.18
1979/80	2.78	3.02	2.88	2.81	2.59	2.48	2.71	2.66	2.65	2.63	2.60	2.68	2.71	2.31
	Northern Plains (Spring and Durum) 4/													
Wheat:														
1977/78	2.25	2.16	2.16	2.28	2.45	2.59	2.56	2.60	2.62	2.66	2.81	2.84	2.50	2.26
1978/79	2.79	2.69	2.71	2.78	2.87	2.93	2.86	2.75	2.83	2.84	2.89	3.14	2.84	2.36
1979/80	3.49	3.69	3.62	3.67	3.83	3.76	3.61	3.54	3.60	3.57	3.66	3.80	3.65	2.51
Barley:														
1977/78	2.10	1.71	1.70	1.71	1.91	2.11	2.14	2.15	2.19	2.21	2.34	2.39	2.05	1.74
1978/79	2.25	2.00	2.02	2.14	2.22	2.36	2.33	2.27	2.26	2.34	2.46	2.55	2.27	1.92
1979/80	2.65	2.72	2.50	2.65	2.72	2.79	2.69	2.68	2.52	2.60	2.51	2.60	2.64	2.02
	Pacific Northwest (White) 5/													
Wheat:														
1977/78	2.47	2.52	2.55	2.45	2.40	2.58	2.62	2.69	2.92	3.07	3.17	3.22	2.72	2.31
1978/79	3.23	3.29	3.35	3.36	3.30	3.30	3.34	3.30	3.21	3.22	3.30	3.42	3.30	2.41
1979/80	3.98	3.93	4.12	4.03	3.91	3.89	3.74	3.68	3.80	3.71	3.66	3.56	3.83	2.57
Barley:														
1977/78	2.47	2.44	2.25	2.32	2.10	2.31	2.30	2.36	2.47	2.56	2.64	2.71	2.41	1.99
1978/79	2.69	2.59	2.54	2.35	2.25	2.32	2.31	2.39	2.36	2.44	2.49	2.58	2.44	2.15
1979/80	2.69	3.08	3.00	3.09	3.07	3.34	3.10	3.10	3.10	3.18	3.21	3.12	3.09	2.26
	U.S. AVERAGE													
Wheat:														
1977/78	2.03	2.04	2.13	2.16	2.30	2.46	2.47	2.53	2.59	2.67	2.82	2.82	6/2.33	2.25
1978/79	2.81	2.81	2.88	2.92	2.99	3.04	3.01	2.99	2.99	2.97	3.01	3.20	6/2.98	2.35
1979/80	3.72	3.89	3.74	3.87	3.98	3.94	3.80	3.74	3.78	3.64	3.58	3.69	6/3.82	2.50

1/ To adjust prices to relative feed value multiply: corn 1.00; wheat 1.05; barley .90; sorghum .95; reported in Consumption of Feed by Livestock, Production Research Report No. 79, ERS, USDA. 2/ Kansas, Nebraska, Texas, Oklahoma, and Colorado. 3/ Ohio, Indiana, Illinois, and Missouri. 4/ North Dakota, South Dakota, and Minnesota. 5/ Washington, Oregon, and Idaho. 6/ Season average price including allowance for unredeemed loans and purchases by CCC.

Table 7.--Wheat: Major cash market prices for leading classes, 1977-80

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
	Dollars per bushel												
	Kansas City, No. 1 Hard Red Winter (ordinary protein)												
1977/78	2.31	2.35	2.31	2.47	2.56	2.81	2.80	2.82	2.84	3.07	3.21	3.12	2.72
1978/79	3.12	3.14	3.14	3.24	3.42	3.48	3.39	3.42	3.50	3.52	3.53	3.64	3.38
1979/80	4.17	4.34	4.12	4.26	4.39	4.53	4.51	4.33	4.32	4.07	3.90	4.10	4.25
	13% protein												
1977/78	2.51	2.43	2.38	2.53	2.61	2.86	2.87	2.92	2.92	3.09	3.36	3.25	2.81
1978/79	3.20	3.17	3.15	3.26	3.42	3.48	3.40	3.43	3.52	3.55	3.58	3.71	3.41
1979/80	4.22	4.42	4.28	4.39	4.55	4.67	4.60	4.40	4.35	4.14	3.96	4.14	4.34
	Chicago, No. 2 Soft Red Winter												
1977/78	2.29	2.20	2.08	2.20	2.27	2.59	2.65	2.69	2.64	2.82	3.11	3.14	2.56
1978/79	3.18	3.22	3.32	3.42	3.51	3.68	3.68	3.73	3.88	3.79	3.60	3.86	3.57
1979/80	4.36	4.39	4.23	4.28	4.30	4.13	4.26	4.36	4.39	4.18	3.96	4.04	4.24
	St. Louis, No. 2 Soft Red Winter												
1977/78	2.15	2.14	1.97	2.01	2.28	2.70	2.74	2.75	2.71	2.90	3.09	2.99	2.54
1978/79	3.05	3.16	3.21	3.23	3.41	3.57	3.50	3.57	3.66	3.51	3.62	3.68	3.43
1979/80	4.08	4.18	4.04	4.08	4.02	4.10	4.28	4.26	4.32	4.11	3.80	3.93	4.10
	Toledo, No. 2 Soft Red Winter												
1977/78	2.21	2.13	2.03	2.08	2.21	2.53	2.57	2.62	2.55	2.77	3.07	3.03	2.48
1978/79	3.09	3.13	3.21	3.32	3.46	3.73	3.72	3.73	3.69	3.66	3.56	3.71	3.50
1979/80	4.17	4.37	4.22	4.28	4.29	4.21	4.28	4.21	4.32	4.08	3.80	3.90	4.18
	Toledo, No. 2 Soft White												
1977/78	2.21	2.16	2.04	2.06	2.18	2.52	2.56	2.62	2.56	2.77	3.07	3.03	2.48
1978/79	3.10	3.26	3.45	3.63	3.69	3.87	3.78	3.72	3.63	3.44	3.35	3.53	3.54
1979/80	4.08	4.31	4.15	4.17	4.12	4.20	4.18	4.10	4.14	3.90	3.63	3.74	4.06
	Portland, No. 1 Soft White												
1977/78	2.79	2.88	2.88	2.80	2.75	2.91	2.97	3.17	3.33	3.41	3.62	3.60	3.09
1978/79	3.60	3.74	3.72	3.77	3.76	3.76	3.71	3.70	3.65	3.70	3.70	3.91	3.73
1979/80	4.46	4.67	4.45	4.31	4.13	4.16	4.10	4.10	4.26	4.13	4.02	3.91	4.22
	Minneapolis, No. 1 Dark No. Spring (ordinary protein)												
1977/78	2.43	2.29	2.22	2.51	2.61	2.71	2.68	2.73	2.72	2.86	3.08	3.10	2.66
1978/79	3.06	2.95	2.96	3.07	3.21	3.32	3.15	3.12	3.12	3.18	3.29	3.62	3.17
1979/80	4.23	4.31	4.10	4.18	4.31	4.27	4.18	4.06	4.13	4.04	3.94	4.21	4.16
	14% protein												
1977/78	2.65	2.54	2.48	2.75	2.87	2.96	2.92	2.94	2.90	3.03	3.23	3.27	2.88
1978/79	3.21	3.11	3.13	3.26	3.41	3.47	3.32	3.30	3.36	3.42	3.45	3.73	3.35
1979/80	4.32	4.42	4.19	4.29	4.45	4.29	4.17	4.07	4.08	4.02	3.96	4.31	4.21
	Hard Amber Durum, No. 1 (medium)												
1977/78	2.84	2.84	2.80	3.12	3.42	3.54	3.51	3.62	3.61	3.60	3.72	3.79	3.37
1978/79	3.72	3.56	3.55	3.52	3.69	3.70	3.53	3.60	3.64	3.72	3.71	3.98	3.66
1979/80	4.75	4.99	4.88	5.27	5.80	5.38	4.99	4.93	5.05	4.98	4.89	5.21	5.09

Source: Grain Market News, Agriculture Marketing Service.

Table 8.--Wheat: Monthly average export prices at selected ports, 1976-80

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
	Dollars per metric ton												
	GULF: NO. 1 HARD RED WINTER, ORDINARY PROTEIN												
1976/77	146	142	127	120	111	107	106	109	111	107	102	95	115
1977/78	93	97	96	100	104	112	115	114	116	124	130	124	110
1978/79	126	127	128	131	137	138	136	138	140	140	140	143	135
1979/80	168	175	169	174	178	178	180	176	173	164	156	161	171
	GULF: NO. 1 SOFT RED WINTER												
1976/77	129	128	115	114	105	101	101	103	106	102	100	94	108
1977/78	83	85	80	83	91	104	107	108	110	116	125	121	101
1978/79	123	124	126	130	136	141	137	140	144	144	144	141	136
1979/80	164	169	163	165	163	164	172	170	168	162	153	154	164
	PORTLAND: NO. 2 WESTERN WHITE												
1976/77	133	134	126	122	112	110	104	108	112	110	111	110	116
1977/78	105	107	108	105	104	109	112	118	124	128	136	134	116
1978/79	136	141	139	141	140	141	139	139	137	138	138	148	140
1979/80	171	178	167	163	160	157	155	157	162	157	155	148	161
	DULUTH: NO. 2 NORTHERN SPRING, 14% PROTEIN												
1976/77	162	155	137	126	120	115	111	112	114	111	111	105	123
1977/78	98	94	93	103	107	109	107	107	106	110	118	120	106
1978/79	119	116	117	121	127	129	120	122	123	126	127	138	124
1979/80	163	166	1/	167	167	158	150	1/	1/	1/	146	158	159

1/ No price quotes available.

Source: Grain Market News.

Table 9.--Wheat: Rotterdam, c.i.f., quotations for cargoes/parcels in nearest shipment position, by months, 1976-80 1/

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
	Dollars per metric ton												
	Canadian No. 1 CWRS - 13.5												
1976/77	2/188	2/175	158	156	145	141	139	145	146	135	133	134	150
1977/78	127	122	117	129	137	144	145	153	155	2/148	2/154	2/159	141
1978/79	2/157	161	163	166	170	177	NQ	NQ	2/169	2/164	2/159	NQ	165
1979/80	NQ	NQ	NQ	NQ	2/213	2/215	NQ	NQ	NQ	NQ	NQ	NQ	214
	United States No. 2 Hard Winter, 13.5%												
1976/77	172	176	159	150	139	131	132	133	140	132	130	121	143
1977/78	114	116	116	120	126	135	137	134	132	139	151	142	130
1978/79	150	146	147	148	156	161	157	155	160	165	157	166	156
1979/80	193	204	200	205	209	212	212	200	200	197	NQ	NQ	203
	United States Dark Northern Spring, 14%												
1976/77	181	176	158	148	138	137	142	145	148	134	130	127	147
1977/78	115	111	110	121	126	131	132	144	147	147	147	146	131
1978/79	142	138	140	144	153	159	150	164	170	164	154	166	154
1979/80	192	202	194	199	205	204	205	206	205	196	188	199	200

1/ Hamburg Mercantile Exchange prices for Rotterdam. Averages: Basis daily market quotes. 30 days delivery. 2/ Canadian Western Spring Wheat (CWRS)--No. 2--12.5 protein.

NQ - Not quoted.

Compiled from Foreign Agriculture Grain Circular, Foreign Agriculture Service.

Table 10.--Wheat and flour: Price relationships at milling centers, annual and by periods, 1976-80

Year and periods	At Kansas City: Cost of wheat to produce 100 lb. of flour 1/	At Kansas City: Wholesale price of- Bakery flour per 100 lb. 2/	At Kansas City: Wholesale price of- Byproducts obtained 100 lb. flour 3/	At Kansas City: Wholesale price of- Total products: Actual	At Kansas City: Wholesale price of- Total products: Over cost of wheat	At Minneapolis: Cost of wheat to produce 100 lb. of flour 1/	At Minneapolis: Wholesale price of- Bakery flour per 100 lb. 2/	At Minneapolis: Wholesale price of- Byproducts obtained 100 lb. flour 3/	At Minneapolis: Wholesale price of- Total products: Actual	At Minneapolis: Wholesale price of- Total products: Over cost of wheat
	Dollars									
1976/77										
June-Sept.	8.47	8.31	1.70	10.01	1.54	8.98	9.64	1.74	11.38	2.40
Oct.-Dec.	6.92	7.05	1.71	8.76	1.84	7.16	8.04	1.72	9.76	2.60
Jan.-Mar.	6.75	6.70	1.63	8.33	1.58	7.02	7.78	1.66	9.44	2.42
Apr.-May	6.12	6.02	1.62	7.64	1.52	6.66	7.02	1.66	8.68	2.02
Season average	7.06	7.02	1.66	8.68	1.62	7.46	8.12	1.70	9.82	2.36
1977/78										
June-Sept.	5.61	5.86	1.19	7.05	1.44	5.97	6.70	1.23	7.93	1.96
Oct.-Dec.	6.34	6.46	1.33	7.79	1.45	6.69	7.24	1.23	8.47	1.78
Jan.-Mar.	6.77	6.88	1.37	8.25	1.48	6.82	7.52	1.25	8.77	1.95
Apr.-May	7.54	7.86	1.14	9.00	1.46	7.45	8.52	1.08	9.60	2.15
Season average	6.56	6.76	1.26	8.02	1.46	6.73	7.49	1.20	8.69	1.96
1978/79										
June-Sept.	7.29	7.49	1.27	8.76	1.47	7.27	8.03	1.16	9.19	1.92
Oct.-Dec.	7.83	7.77	1.67	9.44	1.61	7.78	8.15	1.48	9.63	1.85
Jan.-Mar.	7.98	7.84	1.61	9.45	1.47	7.74	8.05	1.44	9.49	1.75
Apr.-May	8.31	8.46	1.35	9.81	1.50	8.26	8.65	1.29	9.94	1.68
Season average	7.85	7.89	1.47	9.36	1.51	7.76	8.22	1.34	9.56	1.80
1979/80										
June-Sept.	9.87	9.91	1.70	11.61	1.74	9.88	10.22	1.61	11.83	1.95
Oct.-Dec.	10.50	10.39	1.85	12.24	1.74	9.99	10.57	1.63	12.20	2.21
Jan.-Mar.	9.79	10.02	1.77	11.79	2.00	9.46	10.20	1.45	11.65	2.19
Apr.-May 4/	9.24	9.75	1.50	11.25	2.01	9.61	10.04	1.36	11.40	1.79
Season average	9.85	10.02	1.70	11.72	1.87	9.73	10.26	1.51	11.77	2.04

1/ Based on 73 percent extraction rate, cost of 2.28 bushels: At Kansas City, No. 1 Hard Winter, 13 percent protein, and at Minneapolis, No. 1 Dark Northern Spring, simple average of 13 percent and 15 percent protein. 2/ Quoted as 95 percent patent at Kansas City and standard patent at Minneapolis, bulk basis. 3/ Assumed 50-50 millfeed distribution between bran and shorts or middlings, bulk basis. 4/ Preliminary.

Compiled from reports of Agricultural Marketing Service and Bureau of Labor Statistics, Department of Labor.

Table 11.--Cereal and bakery products: Retail price index, 1967-80

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Average
	(Index 1967 = 100)												
1967	99.8	99.7	99.9	99.9	99.7	99.9	99.9	99.8	99.7	99.7	99.8	99.9	99.8
1968	100.1	100.6	100.9	101.1	101.1	101.4	101.4	101.7	101.9	102.3	102.4	102.6	101.5
1969	103.0	103.5	103.5	103.8	104.4	104.7	105.4	105.9	106.6	107.2	107.7	108.0	105.3
1970	108.2	108.7	109.8	110.2	111.0	111.2	111.6	112.4	112.8	113.0	113.9	114.1	111.4
1971	114.2	114.8	114.5	114.6	114.3	114.1	113.8	113.7	114.3	114.8	115.0	114.7	114.4
1972	114.5	114.4	114.4	114.6	114.6	115.0	115.8	116.3	117.8	119.0	120.2	122.1	116.6
1973	123.0	123.5	124.7	132.4	139.0	145.8	148.5	149.7	154.4	158.6	161.4	164.3	143.8
1974	165.3	166.7	168.2	170.4	174.7	177.6	181.7	185.3	187.3	189.1	188.9	187.0	178.5
1975	185.2	184.6	182.6	181.6	181.6	181.9	182.2	182.0	181.1	180.6	180.2	180.8	182.0
1976	181.3	180.9	180.3	180.4	180.1	179.9	179.3	179.9	180.0	181.3	182.6	182.5	180.7
1977	182.8	183.3	182.7	184.9	185.4	187.1	189.0	190.8	194.5	194.4	194.8	198.2	189.0
1978	199.4	201.3	203.1	203.8	205.1	206.6	207.9	210.0	212.2	213.5	214.5	216.2	207.8
1979	217.8	220.1	223.7	225.6	227.0	228.7	231.6	234.2	236.8	238.6	242.0	244.5	230.9

Bureau of Labor Statistics, U.S. Department of Labor.

Table 12.--Wheat: Inspections for export by class and country of destination, June-May 1979/80

Country	Hard red spring	Hard red winter	Soft red winter	White	Durum	Mixed	Total
				1,000 bushels			
Algeria	1,154	3,535	3,440	0	18,827	62	27,018
Bangladesh	0	4,442	67	34,366	0	0	38,875
Belgium	5,022	5,787	0	0	90	0	10,899
Bolivia	0	4,885	0	0	0	0	4,885
Brazil	0	77,099	0	0	0	0	77,099
Chile	0	22,565	1,211	2,681	2,374	3	28,834
China (Mainland)	1,484	15,048	27,238	16,655	0	0	60,425
China (Taiwan)	6,197	12,155	2,111	8,642	0	0	29,105
Columbia	0	21,684	2,320	0	0	0	24,004
Costa Rica	2,640	836	227	269	241	0	4,213
Cyprus	0	940	0	0	0	0	940
Czechoslovakia	0	10,720	0	0	0	0	10,720
Dominican Republic	5,444	1,433	921	0	73	0	7,871
Ecuador	0	10,664	0	0	0	0	10,664
Egypt	0	13,795	24,403	7,069	0	0	45,267
El Salvador	2,211	117	809	394	39	0	3,570
Ethiopia	0	590	1,216	0	0	0	1,806
Fed. Rep. of Ger. (W)	564	11,874	0	0	565	0	13,003
Finland	2,758	6,764	0	0	0	0	9,522
France	685	0	0	0	5,647	0	6,332
German Dem. Rep. (E)	0	6,929	0	0	2,379	0	9,308
Ghana	2,000	0	0	0	0	0	2,000
Greece	0	0	1,143	0	479	0	1,622
Guatemala	2,260	911	0	0	1,067	0	4,238
Guyana	118	1,988	0	0	0	0	2,106
Haiti	1,927	200	0	0	0	0	2,127
Honduras	431	972	581	0	105	0	2,089
Hong Kong	2,210	128	0	1,499	0	0	3,837
Indonesia	11,418	6,811	0	3,495	0	0	21,724
Iran	0	0	0	8,805	0	0	8,805
Iraq	1,966	15,996	0	0	0	0	17,962
Israel	0	15,498	1,819	0	131	0	17,448
Italy	13,327	0	1,101	0	11,265	0	25,693
Ivory Coast	121	784	0	0	0	0	905
Japan	30,988	44,586	0	39,874	2,055	0	117,503
Jordan	0	1,819	0	0	0	0	1,819
Kenya	0	1,615	0	0	0	0	1,615
Korea, Republic of	4,670	21,629	0	40,342	0	0	66,641
Lebanon	0	6,322	964	0	0	0	7,286
Lee Wind Is.	604	154	118	0	0	0	876
Liberia	626	0	0	0	0	213	839
Malaysia	1,850	39	0	247	0	0	2,136
Malta	435	0	0	0	0	0	435
Mexico	0	34,172	0	0	0	3	34,175
Morocco	55	2,215	11,362	2,836	0	0	16,468
Netherlands	27,299	2,296	686	184	8,110	0	38,575
Nicaragua	987	354	78	0	0	0	1,419
Nigeria	3,427	30,944	324	882	585	5,200	41,362
Norway	1,249	2,408	0	0	0	0	3,657
Pakistan	0	1,352	1,200	5,701	0	0	8,253
Panama	1,464	0	280	40	390	0	2,174
Peru	0	21,107	0	0	0	0	21,107
Philippines	22,391	0	0	8,819	0	0	31,210
Poland	0	10,133	22,514	1,136	1,120	680	35,583
Portugal	0	11,861	9,352	0	525	0	21,738
Romania	0	0	6,796	0	0	3,373	10,169
Saudi Arabia	10,696	3,060	0	0	0	0	13,756
Sierra Leone	88	0	0	0	0	545	633
Singapore	487	73	0	3,212	0	0	3,772
Spain	952	1,551	2,477	0	6,500	0	11,480
Sri Lanka	0	1,405	0	0	0	0	1,405
Sudan	0	11,273	0	0	0	0	11,273
Syria	0	941	853	0	0	0	1,794
Thailand	2,544	367	0	72	0	0	2,983
Trinidad	1,473	1,100	148	0	0	0	2,721
Tunisia	0	818	3,824	0	10,576	724	15,942
United Kingdom	9,752	3,233	0	0	587	0	13,572
U.S.S.R.	0	150,428	0	0	0	0	150,428
Venezuela	17,975	1,666	2,314	0	5,580	0	27,535
Yugoslavia	0	16,492	5,888	487	0	0	22,867
Zaire	0	5,168	0	0	0	0	5,168
Other	1,649	2,620	559	0	0	73	4,901
U.S. total	205,598	668,351	138,344	187,707	79,310	10,876	1,290,186

Source: Grain Market News, Agricultural Marketing Service.

Table 13.--Wheat and Wheat Flour: World trade, production, stocks and utilization, July-June 1977-80.

Country or region	1977/78	1978/79	1979/80	Forecast 1980/81
	Million metric tons			
Exports:				
Canada	15.9	13.5	14.4	13.0
Australia	11.1	6.7	14.5	13.5
Argentina	2.6	3.3	4.7	3.8
Sub-total	29.5	23.5	33.6	30.3
W. Europe	6.3	9.5	10.2	11.7
USSR	1.0	1.5	0.5	0.5
All others	4.5	4.5	2.0	3.8
Total non-U.S.	41.3	39.0	46.4	46.3
USA 1/	31.5	32.4	37.0	39.5
World total	72.9	71.4	83.4	85.7
Imports:				
W. Europe	7.1	6.7	6.7	5.8
USSR	6.6	5.1	12.0	13.0
Japan	5.8	5.7	5.5	5.4
E. Europe	5.0	4.2	5.4	4.3
China	8.6	8.0	8.5	11.0
All others	39.9	41.5	45.4	46.2
World total	72.9	71.4	83.4	85.7
(World total including intra EC-9)	79.7	77.5	89.0	91.4
Production: 2/				
Canada	19.9	21.1	17.7	14.5
Australia	9.4	18.1	16.0	14.5
Argentina	5.7	8.1	7.8	8.4
W. Europe	47.7	58.5	55.5	59.2
USSR 3/	92.2	120.8	90.1	106.0
E. Europe	34.5	35.8	27.7	35.7
India	29.0	31.7	35.0	31.0
All other foreign	89.1	104.6	111.2	111.9
Total foreign	327.4	398.8	361.0	381.3
USA	55.4	48.9	58.3	63.1
World total	382.8	447.7	419.3	444.3
Utilization: 4/				
USA	23.1	23.3	21.6	21.9
USSR 3/	106.8	106.5	115.6	108.5
China	49.6	62.0	69.0	68.5
All other foreign	221.0	232.8	231.8	238.3
World total	400.5	424.7	438.0	437.2
Stocks, ending: 5/	82.6	105.7	87.0	94.1

1/ Includes transhipments through Canadian ports; excludes products other than flour. 2/ Production data include all harvests occurring within the July-June year shown, except that small grain crops from the early harvesting Northern Hemisphere areas are "moved forward;" i.e., the May 1977 harvests in areas such as India, North Africa, and southern United States are actually included in "1977/78" accounting period which begins July 1, 1977. 3/ "Bunker weight" basis: not discounted for excess moisture and foreign material. 4/ Utilization data are based on an aggregate of differing local marketing years. For countries for which stocks data are not available, (excluding the USSR) utilization estimates represent "apparent" utilization, i.e., they are inclusive of annual stock level adjustments. 5/ Stocks data are based on an aggregate of differing local marketing years and should not be construed as representing world stock levels at a fixed point in time. Stocks data are not available for all countries and exclude those such as China and part of Eastern Europe; the world stock levels have been adjusted for estimated year-to-year changes in USSR grain stocks, but do not purport to include the entire absolute level of USSR stocks.

Source: Foreign Agricultural Service. World Grain Situation: FG-21-80.

TABLE 14--RYE: MARKETING YEAR SUPPLY, DISAPPEARANCE, AREA AND PRICES, 1975-80 *

YEAR BEGINNING JUNE 1	SUPPLY				DISAPPEARANCE							ENDING STOCKS MAY 31		
					DOMESTIC USE									
	BEGINNING STOCKS	PRODUCTION	IMPORTS	TOTAL	FOOD	ALC. BEVERAGES	SEED	FEED 1/	TOTAL	EXPORTS	TOTAL DISAPPEARANCE	GOVT. OWNED	PRIVATELY OWNED 2/	TOTAL
	MILLION BUSHELS													
1975/76	6.6	16.0	0.9	23.5	4.2	2.1	4.2	7.5	18.0	1.1	19.1	---	4.4	4.4
1976/77	4.4	15.0	0.2	19.6	3.7	1.9	4.2	5.3	15.1	3/	15.2	---	4.4	4.4
1977/78	4.4	17.3	0.1	21.8	3.6	1.9	4.8	7.4	17.7	3/	17.7	---	4.1	4.1
1978/79	4.1	26.2	0.1	30.4	3.7	2.4	4.9	9.4	20.4	0.3	20.7	---	9.7	9.7
1979/80 4/	9.7	24.5	3/	34.2	3.5	2.2	4.2	8.6	18.5	2.4	20.9	0.2	13.1	13.3
1980/81 5/	13.3	15.8	---	29.1	3.5	2.2	4.2	8.3	18.2	6.5	24.7	N.A.	N.A.	4.4

YEAR BEGINNING JUNE 1	AREA		YIELD	AVERAGE PRICES		NATIONAL AVG. LOAN RATE
	PLANTED	HARVESTED FOR GRAIN	PER HARVESTED ACRE	RECEIVED BY FARMERS	MINNEAPOLIS, NO. 2	
	MILLION ACRES		BUSHELS	DOLLARS PER BUSHEL		
1975/76	2.8	0.7	21.9	2.36	2.84	0.89
1976/77	2.7	0.7	20.7	2.47	2.87	1.20
1977/78	2.7	0.7	24.6	2.05	2.53	1.70
1978/79	3.0	1.0	26.3	1.98	2.44	1.70
1979/80 4/	3.1	0.9	25.9	2.05	2.47	1.79
1980/81 5/	2.6	0.7	22.5			1.79

1/ RESIDUAL; APPROXIMATES TOTAL FEED USE. 2/ INCLUDES OUTSTANDING LOANS. 3/ LESS THAN 50,000 BUSHELS. 4/ PRELIMINARY. 5/ PROJECTED.

LIST OF TABLES

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

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WS-253 **JULY 1980**

Weights, Measures and Conversion Factors

Bushel weights:
- Wheat & soybeans = 60 lbs.
- Corn, sorghum & rye = 56 lbs.
- Barley (grain) = 48 lbs.: malt = 34 lbs.
- Oats = 32 lbs.

Bushels to metric tons:
- Wheat & soybeans = bushels x .027216
- Barley = bushels x .021772
- Corn, sorghum, rye = bushels x .025400
- Oats = bushels x .014515

1 Metric ton equals:
- 2204.622 lbs.
- 22.046 hundredweight
- 10 quintals
- 1,000 kilograms
- 36.7437 bushels wheat or soybeans
- 39.3679 bushels corn, sorghum, or rye
- 45.9296 bushels barley
- 68.8944 bushels oats

Area:
- 1 Acre = .404694 hectares
- 1 Hectare = 2.4710 acres

Yields:
- Wheat = bushels per acre x 0.6725 = quintals per hectare
- Rye, corn = bushels per acre x 0.6277 = quintals per hectare
- Barley = bushels per acre x 0.5380 = quintals per hectare
- Oats = bushels per acre x 0.3587 = quintals per hectare