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Wheat Outlook

Gary Vocke and **Edward Allen**

U.S. and World Ending Stocks Down, Price Up

Contents

The next release is Sept. 15, 2003

Approved by the World Agricultural Outlook Board.

Projected U.S. 2003/04 ending stocks of wheat are down 94 million bushels from last month due to smaller production and increased use. Total wheat production is forecast at 2,292 million bushels, down 19 million bushels from last month due to smaller winter and spring wheat crops. Projected imports are down 10 million bushels from last month, while exports are up 75 million due to reduced competition. The reduced food use reflects downward adjustments for 2001/02 and 2002/03 linked to recently revised mill grind estimates released by the Bureau of Census for calendar year 2002. The projected 2003/04 price range is up 30 cents on each end to $3.10 to $3.70 per bushel.

The 2003/04 world wheat production projection was reduced 11 million tons to 549 million this month. Forecast production dropped 5 million tons in the European Union (EU), 3 million in Canada, and almost 3 million in Eastern Europe, with smaller changes in other countries offsetting each other. Global wheat production has declined each year since 1997/98. World wheat use in 2003/04 is projected down little more than 1 million tons this month to 583 million as a 3-million-ton drop in feed and residual use is partly offset by increases in expected human consumption in Afghanistan and a number of other countries. This leaves projected ending stocks down 10 million tons this month to less than 131 million, nearly 34 million tons lower than estimated beginning stocks for 2003/04, and the fourth consecutive year of declining global stocks. Tight supplies are expected to contribute to a 10-percent drop in world wheat trade in 2003/04. However, with reduced competition, this month U.S. exports are forecast up 2.0 million tons to 28.5 million.

Domestic Outlook

Wheat Production Down Slightly

Total wheat production is forecast at 2,292 million bushels for 2003, down 19 million bushels from last month due to smaller winter and spring wheat crops. Forecast 2003 wheat production is 675 million bushels above the 2002 production.

Winter wheat. The final winter wheat production forecast is 1,712 million bushels. This is down slightly from last month but 484 million bushels above 2002. The U.S. winter wheat yield is forecast at 46.9 bushels per acre, down 0.1 bushel from last month, but up 8.4 bushels from last year. Harvest progress in the 18 major winter wheat producing States had reached 96 percent by August 10. This is 2 percentage points ahead of both last year and the 5-year average.

Hard red winter (HRW) production is forecast at 1,093 million bushels, up slightly from a month ago and 484 million bushels from 2002. Soft red winter (SRW) is down slightly from the last forecast, at 365 million bushels. SRW production in 2003 is 33 million bushels above 2002 production. White winter is down 5 million bushels from last month and totals 254 million bushels, 53 million bushels more than in 2002.

Winter wheat acres harvested for grain are forecast at 36.5 million, unchanged from last month, but up 6.8 million from last year. The harvest-to-planted ratio in 2003 is forecast at 86 percent, 10 points higher than 2002's 76 percent.

Forecasted yields in most major HRW States continue well above last year, with record highs in Kansas, Oklahoma, and Nebraska. Hot, dry weather across the Plains during July led to rapid crop ripening and harvest progress.

Yield forecasts are mixed again this month across the SRW States. Slight increases from last month are forecast in most Corn Belt States, with record yields in Illinois and Missouri. Declines are recorded in the Atlantic Coast States. Harvest-revealed yields are much lower than previously expected in Delaware, Maryland, and Pennsylvania, due largely to excessive moisture during the flowering stage.

In the Pacific Northwest, excellent irrigated winter wheat yields are expected to offset poor dryland yields in Idaho. Lack of moisture in Oregon since the beginning of June has reduced yields, however they are still above last year.

Spring wheat. Total spring wheat production for 2003, including durum, is forecast at 580 million bushels, down 15 million bushels from last month, but up 106 million bushels from 2003. Spring wheat harvest is 29 percent completed as of August 10, 6 percentage points ahead of last year and 2 points ahead of the 5-year average.

Hard red spring (HRS) wheat production is forecast at 460 million bushels, down 7 million from last month, but 103 million above 2002. Durum wheat production is forecast at 87.4 million bushels, down 6 million from last month, but up 8 million bushels from 2002. White spring wheat production for 2003, at 32 million bushels, is down 2 million bushels from last month and 5 million from 2002. For the year, total white wheat production is forecast at 286 million bushels, down 7 million from last month, but up 47 million from last year.

Spring wheat acres harvested for grain are forecast at 16.2 million, unchanged from last month, and only slightly up from last year. The harvest-to-planted ratio in 2003 is forecast at 98 percent, 11 points higher than 2002's 87 percent.

The U.S. spring wheat yield is forecast at 35.8 bushels per acre, 0.9 bushel less than July 1. The forecast spring wheat yields are 6.5 bushels larger than last year. In Montana, July brought record heat and very little rain. As a result, crop development has been rapid but yield prospects have declined. Lack of moisture in the Pacific Northwest (Idaho, Oregon, and Washington) is dampening yield prospects, especially in dryland areas.

The U.S. durum yield is forecast at 31.9 bushels per acre, 2.2 bushels less than last month. Area harvested for grain is forecast at 2.74 million acres, unchanged from last month. In North Dakota (which accounts for two-thirds of the U.S. durum harvested acreage), 67 percent of the durum crop was rated good to excellent as of July 27.

This is a decline of 19 percentage points from one month earlier. The major durum growing area of the State has received well below average precipitation this season.

Food Use of Wheat Reduced

The U.S. Census Bureau released its annual *Flour Milling Products* report for 2002. The report had sharp, downward revisions in wheat milled and flour produced for the year. Consequently, food use of wheat for 2002/03 was reduced 10 million bushels to 925 million bushels. The by-class adjustments for 2002/03 dropped HRW food use by 12 million bushels, while durum food use was increased 2 million bushels based on data released by the U.S. Census Bureau.

Per capita flour disappearance for 2002 is now estimated at 136.9 pounds. This level of disappearance is down sharply from the recent peak of 146.3 pounds in 2000. Per capita disappearance in 2001 was 140.9 pounds.

Wheat flour use had been declining in the United States until the early 1970s to a low of 110 pounds. Per capita flour use then started rising as consumers' dietary preferences changed. Per capita flour use peaked at 146.8 pounds in 1997, dropped to 140 pounds, then rose to 146.3 pounds in 2000. Dietary preferences appear to have changed from the 1970s through the early 1990s.

Projected food use of wheat used for 2003/04 is also dropped 10 million bushels to 920 million. Changed dietary preferences and also the expanded use of various technologies to extend shelf life of wheat products are expected to limit the quantity of wheat to be milled for domestic use. Food use in 2003/04 is lower than 2002/03 because of expected improvements in the extraction rate for the 2003 HRW crop. The by-class adjustments for 2003/04 dropped HRS and HRW food use by 10 million and 5 million bushels, respectively. White wheat food use was increased by 5 million bushels because of the increased availability of hard white wheat following substantially expanded production this year.

2003/04 Ending Stocks Down This Month

Projected supplies of wheat for 2003/04 at 2,874 million bushels, are down month-to-month 29 million bushels. Projected production is down 19 million bushels from last month, while projected imports are down 10 million bushels. Projected imports are down, in part, because of slow summer shipments from last year's Canadian crop, poor crop conditions for the 2003 Canadian crop, and uncertainties concerning potential duties on imports from Canada. The imports of HRS and white wheat are down 14 million and 3 million bushels, respectively. HRW imports are raised 7 million bushels.

Projected use of wheat for 2003/04, at 2,230 million bushels, is up 65 million bushels month-to-month. Projected food use is down 10 million from last month, with the entire reduction in HRW use. Projected exports are up 75 million bushels to 1,050 million due to reduced competition for foreign markets. By class of wheat: HRW exports are up 50 million bushels to 460 million; HRS exports are up 15 million bushels to 255 million; and white wheat is up 10 million bushels to 200 million.

The net result of these supply and use changes this month drops projected ending stocks for 2003/04 by 94 million bushels from last month to 644 million. The largest decreases in ending stocks from last month are 36 million, 26 million, and 25 million bushels for HRW, HRS, and white, respectively. Durum stocks are down 6 million bushels, while SRW is only slightly less than last month.

The 2003/04 ending stocks are 152 million bushels larger than the ending stocks for 2002/03. This change is mostly due to a 150-million-bushel increase in the HRW stocks from 2002/03.

2003 Winter Wheat Quality

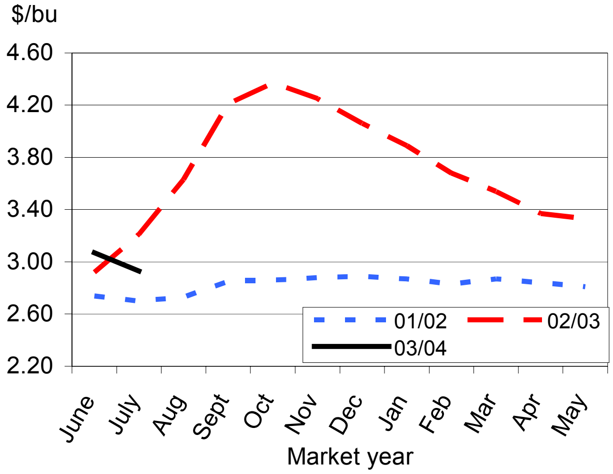
The U.S. Wheat Associates provides preliminary crop quality data for the 2003 winter wheat at their web site, http://www.uswheat.org/. The test weight for HRW this year is averaging 60.1 pounds per bushel as of August 5, up from 58.9 pounds for 2002.

This year's protein percentage (12 percent moisture basis) and falling numbers (seconds) for HRW are 11.7 and 420, respectively. In 2002, HRW's protein percentage and falling numbers were 13.4 and 425, respectively.

SRW wheat in 2003 is averaging 58.3 pounds per bushel, down from 59.2 in 2002. This year's protein percentage (12 percent moisture basis) and falling numbers (seconds) for SRW are 10.2 and 336, respectively. In 2002, SRW's protein percentage and falling numbers were 10.5 and 364, respectively.

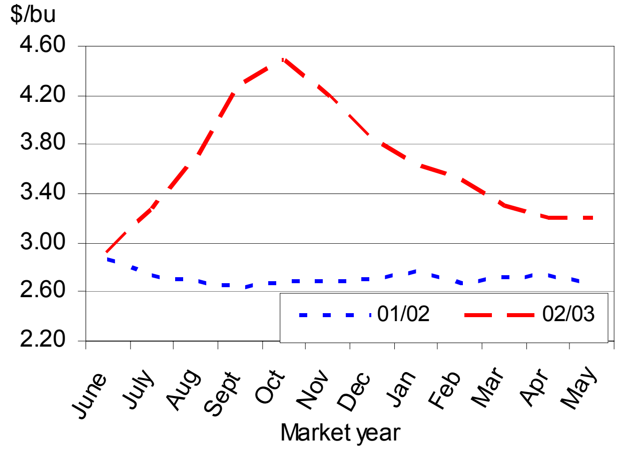
Soft white wheat in 2003 is averaging 59.4 pounds per bushel, down from 59.7 in 2002. This year's protein percentage (12 percent moisture basis) and falling numbers (seconds) for soft white are 11.4 and 463, respectively. In 2002, soft white's protein percentage and falling numbers were 10.8 and 362, respectively.

Figure 1
All wheat average prices received by farmers



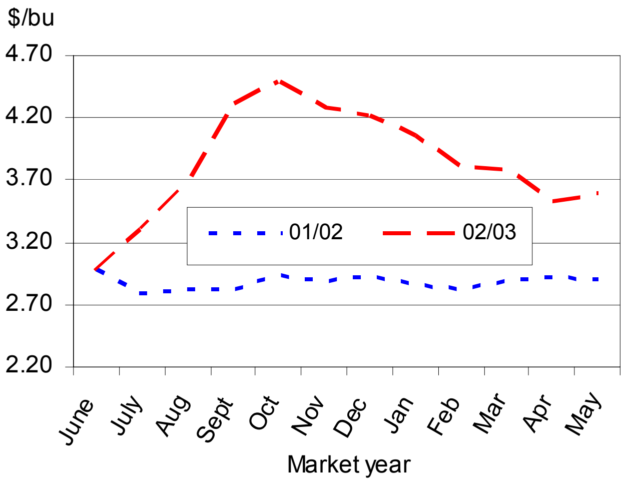
Source: Agricultural Prices, NASS, USDA.

Figure 2
Hard red winter wheat average prices received by farmers



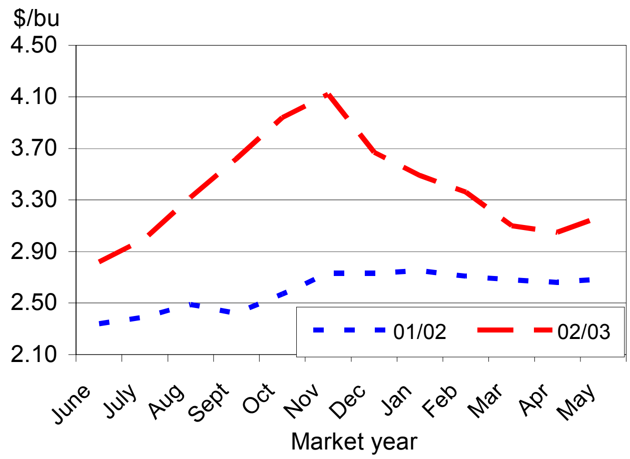
Source: Agricultural Prices, NASS, USDA.

Figure 3
Hard red spring wheat average prices received by farmers



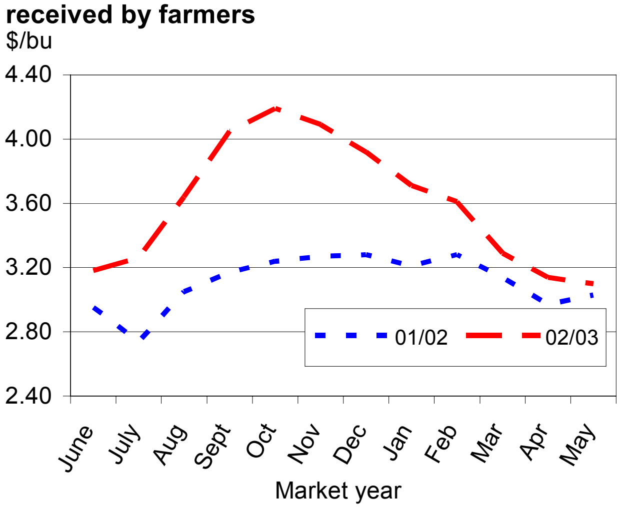
Source: Agricultural Prices, NASS, USDA.

Figure 4
Soft red winter wheat average prices received by farmers



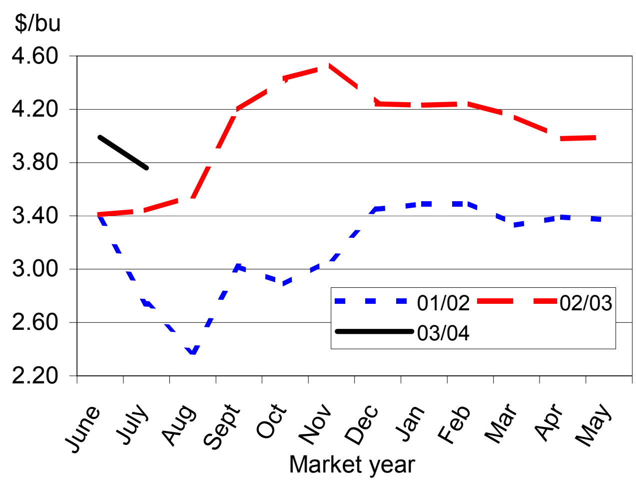
Source: Agricultural Prices, NASS, USDA.

Figure 5
Soft white wheat average prices received by farmers



Source: Agricultural Prices, NASS, USDA.

Figure 6
Durum wheat average prices received by farmers

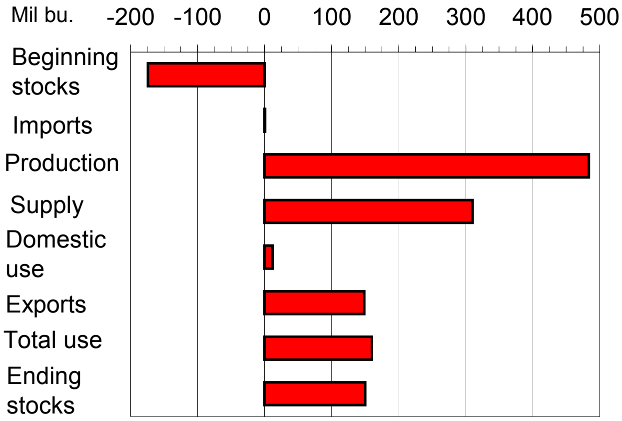


Source: Agricultural Prices, NASS, USDA.

Changes From Previous Marketing Year

Figure 7

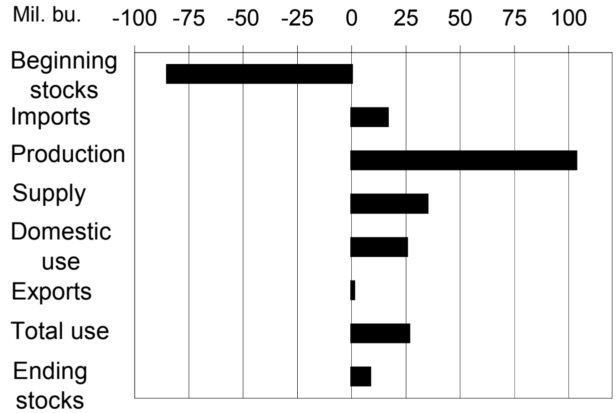
Hard red winter wheat



Source: WASDE, USDA.

Figure 8

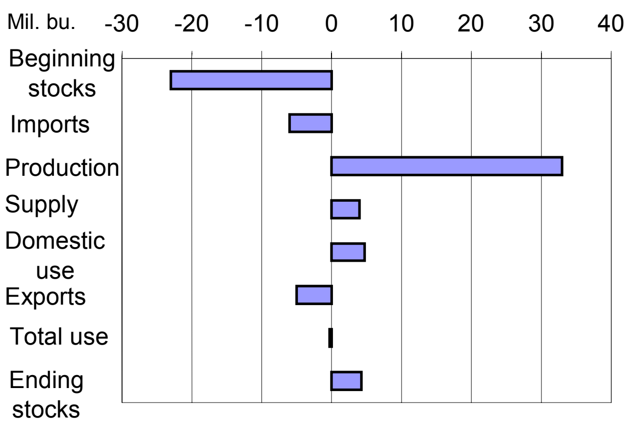
Hard red spring wheat



Source: WASDE, USDA.

Figure 9

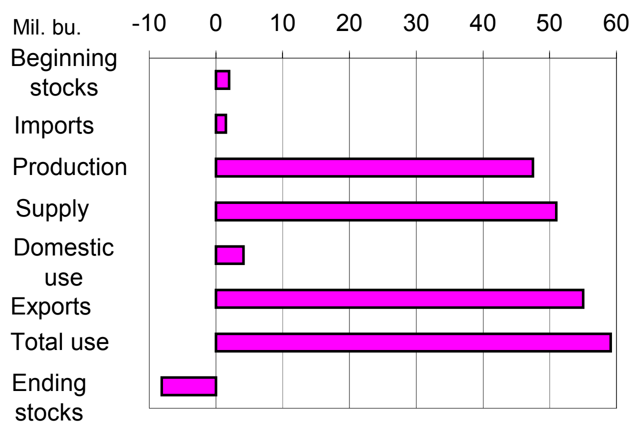
Soft red winter



Source: WASDE, USDA.

Figure 10

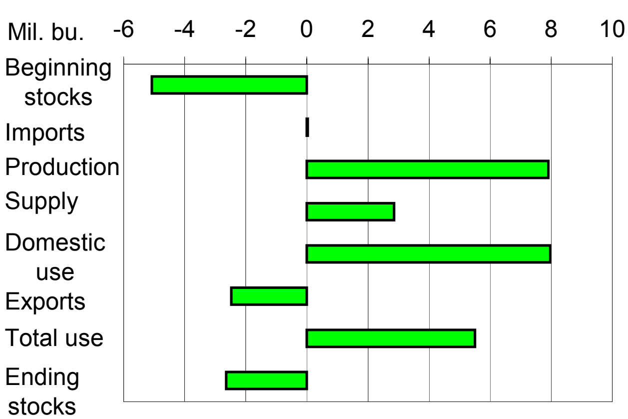
White wheat



Source: WASDE, USDA.

Figure 11

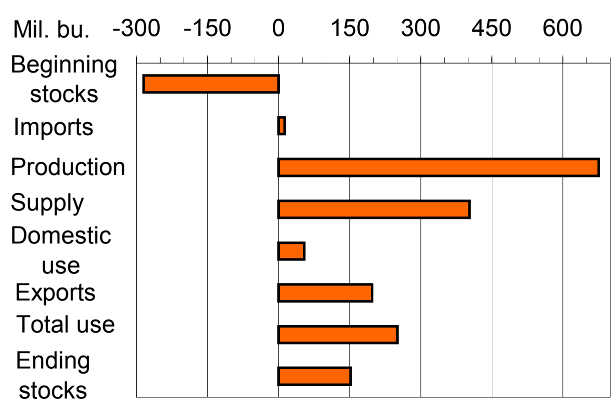
Durum



Source: WASDE, USDA.

Figure 12

All wheat



Source: WASDE, USDA.

World Wheat Production Down Sharply This Month

World wheat production in 2003/04 is a projected 549 million tons, down 11 million this month. Unfavorable growing conditions have stretched from Russia to Spain, with especially hot dry weather during June and July across much of the EU and Eastern Europe. EU wheat production is forecast down 5 million tons this month to 94.5 million. It is necessary to go back to 1995/96 to encounter a lower average EU wheat yield. Eastern Europe's forecast production dropped 2.7 million tons this month to 22.2 million, the lowest in 33 years. Romania has been particularly hard hit. The hot, dry end to the growing season followed a very cold winter and late spring. Wheat production in the former Soviet Union is down 1.2 million tons this month, because harvest data for Ukraine indicate lower production.

The Canadian Plains had hot temperatures, high winds, and spotty rains that left some regions, especially the durum areas, suffering reduced potential yield. The wheat production projection dropped 3 million tons this month to 22 million. Dry conditions also dropped wheat production prospects in South Africa 0.7 million tons to 1.5 million.

These declines were partly offset by increases in expected production in Iran, Afghanistan, and Brazil. Iran had a favorable growing season in most regions, boosting production prospects 1 million tons to 11 million. After several years of drought, good rains in Afghanistan boosted wheat production prospects 1 million tons this month to a record 4.5 million. In Brazil, growing conditions have been very favorable to date, boosting wheat production prospects 0.5 million tons to 4.3 million, but the crucial harvest season is still to come.

World Wheat Use Down Only Modestly, Ending Stocks To Drop in 2003/04

Despite sharply reduced production prospects and higher forecast wheat prices this month, global use is projected down only 1.3 million tons to 582.9 million. Reduced wheat feed use is partly offset by increased human consumption. This month, reduced production prospects and higher prices are expected to reduce wheat feed and residual use 1.5 million tons in the EU and 0.7 million in Eastern Europe. Non-feed (mostly food) use is up this month for Afghanistan, Canada, and Argentina.

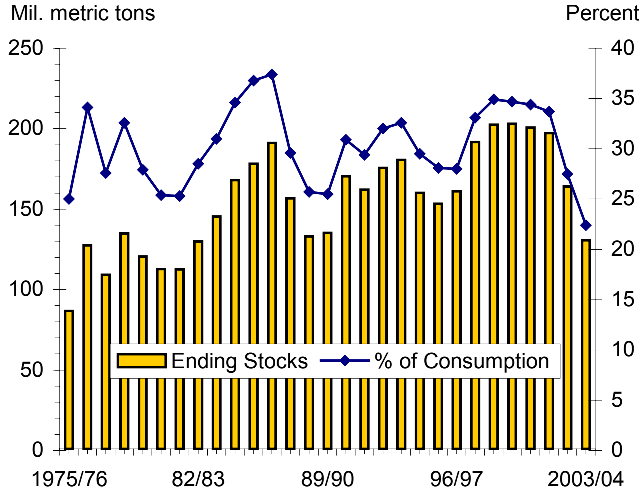
World wheat ending stocks are projected down 10 million tons to 131 million this month as forecast production was reduced much more than expected use. This is the lowest world wheat stock since 1982/83, and global use has grown more than 20 percent since then. This month's stock reduction is mostly in Canada, down 4.5 million tons, and the United States, down 2.6 million. However, stocks are also forecast lower for the EU, Eastern Europe, China, Argentina, and North Africa.

Reduced Competition Boosts U.S. Wheat Export Prospects, Despite Reduced World Trade

U.S. wheat exports are expected to reach 28.5 million tons in 2003/04, up 2.0 million this month because of reduced competition. While U.S. high protein wheat competes with Canada, lower protein wheat often competes with the EU. With both of these major competitors' production prospects down this month, U.S. export prospects improved. U.S. 2003/04 July-June exports are forecast up 24 percent from the previous year's dismal pace. Grain inspections indicate July 2003 wheat shipments were 2.4 million tons, up 12 percent from the previous year, and at the end of July, outstanding export sales were 4.3 million tons, up 21 percent. The U.S. export projection implies that future 2003/04 wheat sales will outpace year-earlier levels by more than they have so far.

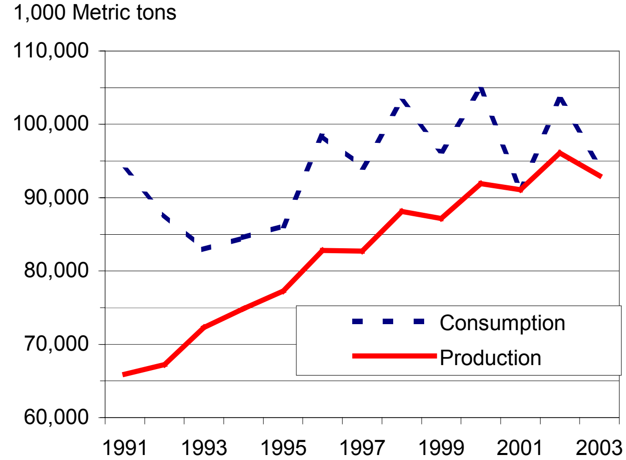
EU-15 2003/04 wheat exports are expected to fall to 10.5 million tons, down 3.5 million this month, and the lowest on record. The EU faces sharply reduced grain supplies for animal feed because of reduced wheat and coarse grain production prospects. Some of the production drop can be offset by increased imports of non-grain feeds like oilseeds, cassava, and corn gluten, but there are import restrictions on grains. Also some increased feed use of domestically produced rye and rice (which is currently in government stocks) is expected. However, the EU Commission is expected to need to limit wheat exports in order to keep a lid on grain prices within the EU. The Commission recently indefinitely suspended export subsidies.

Figure 13
World wheat ending stocks and stocks-use ratio dropping



Source: USDA.

Figure 14
European Union production and consumption falls



Source: USDA.

Canada's 2003/04 exports were reduced 1 million tons to 14.5 million this month. While production prospects dropped 3 million tons this month, production is still expected to be much greater than the 2002/03 disaster and Canada is expected to be an aggressive exporter.

Wheat exports by Ukraine and Eastern Europe were reduced this month, but were already at low levels because of reduced production. However, forecasts for these countries' imports increased. With greater import demand in the region, Russia's expected exports were increased 1.5 million tons to 3.5 million. World wheat trade in 2003/04 was reduced 1.6 million tons this month to 96.1 million, the lowest level of world wheat trade since 1995/96. World wheat trade in 2003/04 is expected to be down 10 percent compared with the previous year.

Iran's expected wheat imports are down 1 million tons and Brazil's are down 0.5 million because of increased forecast production. Projected 2003/04 EU wheat imports were reduced 1 million tons because of the limited supply and increased price of low-to-medium quality wheat from non-U.S. and Canadian exporters. Wheat imports by the United States and North Africa were reduced slightly this month as well. The reductions more than offset higher imports expected for Ukraine, Eastern Europe, and South Africa.

Contacts and Links

Contact Information
Gary Vocke (domestic) (202) 694-5285 gvocke@ers.usda.gov
Edward Allen (international) (202) 694-5288 ewallen@ers.usda.gov

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Monthly Tables

Monthly tables from Wheat Outlook are available in Excel (.xls) spreadsheets at http://www.ers.usda.gov/briefing/wheat/Data/data.htm. These tables contain the latest data on supply and disappearance, monthly food-use estimates, prices, exports, and imports.

Updating Base Acres and Payment Yields indicates that about 63 percent of eligible farmland owners elected to use their historical PFC acreage (plus oilseeds, if applicable) for designating base acres under the 2002 Farm Act. The alternative was to update base acres using 1998-2001 plantings. Farmers who updated their base acres were provided choices for determining payment yields used to calculate the new counter-cyclical payments. The analysis is available at http://www.ers.usda.gov/Briefing/FarmPolicy/updating.htm.

Recent Reports From the Economic Research Service

The 2002 Farm Act: Provisions and Implications for Commodity Markets provides an initial assessment of the legislation's effects on agricultural production, commodity markets, and net farm income over the next 10 years. The report is available at http://www.ers.usda.gov/publications/aib778/.

Related Websites

WASDE, http://usda.mannlib.cornell.edu/usda/reports/waobr/wasde-bb/
Grain Circular, http://www.fas.usda.gov/grain_arc.html
Wheat Briefing Room, http://www.ers.usda.gov/briefing/wheat/

Table 1--Wheat: U.S. market year supply and disappearance, 08/12/03

Item	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02E	2002/03P	2003/04P
Area: (mil. ac.)								
National total base	87.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Eff. base/Ctr. acres								
0,50/92,85	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CRP base retired	10.6	10.1	9.7	0.0	0.0	0.0	0.0	0.0
Planted	75.1	70.4	65.8	62.7	62.6	59.6	60.4	60.9
Harvested	62.8	62.8	59.0	53.8	53.1	48.6	45.8	52.7
Yield: (bu/acre)	36.3	39.5	43.2	42.7	42.0	40.2	35.3	43.5
Supply: (mil. bu.)								
Beginning stocks	376.0	443.6	722.5	945.9	949.7	876.2	777.1	491.7
Production	2,277.4	2,481.5	2,547.3	2,299.0	2,232.5	1,957.0	1,616.4	2,291.8
Imports 1/	92.3	94.9	103.0	94.5	89.8	107.5	77.4	90.0
Total supply	2,745.7	3,020.0	3,372.8	3,339.4	3,272.0	2,940.8	2,470.9	2,873.5
Use:								
Food	890.7	914.1	910.0	928.8	949.6	926.7	925.0	920.0
Seed	102.3	92.5	80.5	91.8	79.8	83.6	82.6	85.0
Feed and residual	307.6	250.5	390.6	282.6	304.4	191.0	118.6	175.0
Total domestic	1,300.6	1,257.1	1,381.1	1,303.2	1,333.8	1,201.4	1,126.3	1,180.0
Exports 1/	1,001.5	1,040.4	1,045.7	1,086.5	1,062.0	962.3	853.0	1,050.0
Total use	2,302.1	2,297.5	2,426.9	2,389.7	2,395.9	2,163.7	1,979.2	2,230.0
Ending stocks:	443.6	722.5	945.9	949.7	876.2	777.1	491.7	643.5
Farmer-owned reserve	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CCC inventory 2/	93.0	94.0	128.0	104.0	97.0	99.0	66.0	63.0
Free stocks	350.6	628.5	817.9	845.7	779.2	678.1	425.7	580.5
Stocks-to-use ratio	19.3	31.4	39.0	39.7	36.6	35.9	24.8	28.9
Prices: ($/bu.)								
Target price	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loan rate	2.58	2.58	2.58	2.58	2.58	2.58	2.80	2.80
Contract rate 3/	0.87	0.63	0.66	0.64	0.59	0.48	0.52	0.52
Ave. farm price	4.30	3.38	2.65	2.48	2.62	2.78	3.56	3.10-3.70
Contract pmts.								
(mil. dollars) 3/	1,941	1,412	2,717	3,827	3,606	2,474	1,182	1,290
Market value								
of production								
(mil. dollars)	9,782	8,287	6,781	5,594	5,782	5,441	5,755	7,792

Totals may not add due to rounding. E=Estimated, P=Projected, N.A.=not applicable. 1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Includes Food Security Reserve. 3/ Deficiency payments prior to 1996/97.
Source: World Agricultural Supply and Demand Estimates, WAOB, USDA.

Table 2--Wheat: U.S. market year supply and disappearance, 08/12/03 1/

2002/03E	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	29.817	14.868	8.322	4.442	2.909	60.36
Harvested	19.609	12.647	6.668	4.19	2.703	45.82
Yield: (bu/acre)	31.1	28.2	49.8	57	29.4	35.30
Supply:			Million bushels			
Beg. stocks	363.12	230.00	78.00	73.00	32.99	777.11
Production	609.24	356.60	332.28	238.88	79.45	1,616.44
Imports 2/	7.41	23.50	6.00	10.50	29.97	77.38
Total	979.77	610.10	416.28	322.38	142.41	2,470.93
Utilization:						
Food	383.00	215.00	165.00	80.00	82.00	925.00
Seed	36.11	19.71	15.49	6.69	4.62	82.63
Feed and residual	60.37	-23.62	75.79	15.69	-9.60	118.63
Total domestic	479.48	211.10	256.28	102.38	77.03	1,126.26
Exports 2/	311.48	254.00	105.00	145.00	37.48	852.95
Total	790.96	465.10	361.28	247.38	114.50	1,979.21
Ending stocks:	188.81	145.00	55.00	75.00	27.91	491.72

2003/04P	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	32.028	13.03	8.064	5.0114	2.804	60.94
Harvested	25.728	12.711	6.672	4.828	2.738	52.68
Yield: (bu/acre)	42.4	36.7	54.9	60.7	34.1	43.50
Supply:			Million bushels			
Beg. stocks	188.81	145.00	55.00	75.00	27.91	491.72
Production	1,092.95	459.93	365.22	286.37	87.36	2,291.83
Imports 2/	8.00	40.00	0.00	12.00	30.00	90.00
Total	1,289.76	644.93	420.22	373.37	145.26	2,873.55
Utilization:						
Total domestic	491.00	236.50	261.00	106.50	85.00	1,180.00
Exports 2/	460.00	255.00	100.00	200.00	35.00	1,050.00
Total	951.00	491.50	361.00	306.50	120.00	2,230.00
Ending stocks:	338.76	153.43	59.22	66.87	25.26	643.55

Totals may not add due to rounding. E=Estimated, P=Projected. 1/ ERS estimates of area, yield, and domestic use. 2/ Imports and exports include flour and other products expressed in wheat equivalent.
Source: World Agricultural Supply and Demand Estimates, WAOB, USDA.

Table 3--Wheat: Quarterly supply and disappearance (1,000 bu), 08/12/03

Market year		Produc-tion	Imports 1/	Supply	Food	Seed	Feed	Exports 2/	Ending stocks
					Million bushels				
1998/99									
	Jun-Aug	2,547	24	3,294	226	1	425	257	2,385
	Sep-Nov	---	24	2,409	241	55	-74	292	1,896
	Dec-Feb	---	28	1,923	213	1	7	251	1,450
	Mar-May	---	27	1,477	230	23	32	246	946
	Mkt. year	2,547	103	3,373	910	81	391	1,046	946
1999/00									
	Jun-Aug	2,299	31	3,276	230	6	272	322	2,445
	Sep-Nov	---	19	2,465	241	55	-7	290	1,886
	Dec-Feb	---	19	1,905	223	2	27	236	1,417
	Mar-May	---	25	1,442	235	28	-10	239	950
	Mkt. year	2,299	95	3,339	929	92	283	1,086	950
2000/01									
	Jun-Aug	2,232	20	3,203	239	1	322	288	2,353
	Sep-Nov	---	25	2,378	253	50	-25	293	1,806
	Dec-Feb	---	21	1,828	228	3	11	246	1,338
	Mar-May	---	23	1,361	230	25	-5	235	876
	Mkt. year	2,232	90	3,272	950	80	304	1,062	876
2001/02 E:									
	Jun-Aug	1,957	26	2,859	234	3	248	218	2,156
	Sep-Nov	---	29	2,185	245	52	-23	288	1,623
	Dec-Feb	---	28	1,651	221	2	-7	225	1,210
	Mar-May	---	25	1,235	227	26	-27	231	777
	Mkt. year	1,957	108	2,941	927	84	191	962	777
2002/03 P:									
	Jun-Aug	1,616	27	2,420	233	3	193	240	1,751
	Sep-Nov	---	23	1,774	241	53	-74	234	1,320
	Dec-Feb	---	13	1,333	220	3	9	193	907
	Mar-May	---	15	922	230	24	-10	186	492
	Mkt. year	1,616	77	2,471	925	83	119	853	492

Totals might not add due to rounding. E=Estimated, P=Projected. 1/ Imports and exports include flour and selected products expressed in wheat equivalent.
Source: World Agricultural Supply and Demand Estimates, WAOB, USDA.

Table 4--Monthly food use estimates for last 12 months (1,000 bu), 08/12/03

Item		Apr.	May	June	July	Aug.	Sept.
Mill grind	+	72,525	74,154	70,947	73,263	80,071	76,994
Food imports 1/	+	2,231	2,215	1,974	2,476	2,444	2,056
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	2,694	2,621	1,510	1,366	979	1,124
Food use	=	74,062	75,748	73,411	76,373	83,536	79,926
Item		Oct	Nov	Dec	Jan	Feb	Mar
Mill grind	+	79,890	76,467	71,776	71,053	70,489	74,785
Food imports 1/	+	2,247	2,449	2,474	2,342	1,936	2,366
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	1,744	2,058	2,537	1,328	1,072	1,054
Food use	=	82,393	78,858	73,713	74,067	73,353	78,097

1/ Wheat flour and flour products converted to wheat grain equivalent. 2/ ERS estimate of cereal use.

Totals may not add due to rounding.

Source: Economic Research Service, USDA.

Table 5--Wheat: National average price received by farmers ($/bu), 08/12/03

Month	All wheat		Winter		Durum		Other spring	
	02/03	03/04	02/03	03/04	02/03	03/04	02/03	03/04
				Farm prices 1/				
June	2.92	3.07	2.90	2.93	3.41	3.99	2.98	3.46
July	3.21	2.93	3.19	2.85	3.44	3.76	3.31	3.25
August	3.63		3.63		3.55		3.66	
September	4.21		4.14		4.20		4.29	
October	4.37		4.32		4.43		4.44	
November	4.25		4.15		4.53		4.27	
December	4.06		3.85		4.24		4.20	
January	3.89		3.66		4.23		4.04	
February	3.68		3.52		4.24		3.79	
March	3.54		3.29		4.14		3.71	
April	3.37		3.19		3.98		3.49	
May	3.33		3.19		3.99		3.55	

1/ Preliminary mid-month weighted average price for current month of the 2000/01 marketing year.

Source: *Agricultural Prices,* National Agricultural Statistics Service, USDA.

Table 6--Wheat prices by class, 08/12/03

	Hard Red Winter		Soft Red Winter		Hard Red Spring		Soft White	
Month	02/03	03/04	02/03	03/04	02/03	03/04	02/03	03/04
				Farm prices 1/				
June	2.91	2.88	2.82	3.07	2.97	3.47	3.18	3.23
July	3.27		3.00		3.31		3.26	
August	3.69		3.32		3.67		3.64	
September	4.28		3.62		4.32		4.05	
October	4.49		3.94		4.49		4.19	
November	4.20		4.12		4.28		4.09	
December	3.83		3.67		4.22		3.92	
January	3.65		3.49		4.06		3.71	
February	3.51		3.36		3.81		3.61	
March	3.30		3.10		3.78		3.29	
April	3.21		3.05		3.53		3.14	
May	3.21		3.18		3.60		3.10	

1/ Preliminary mid-month weighted average price for current month of the 2000/01 marketing year.

Source: *Agricultural Prices,* National Agricultural Statistics Service, USDA.

Table 7--Wheat: Average cash grain bids at selected markets ($/bu), 08/12/03

Month	KC HRW #1 ordinary		KC HRW #1 13% protein		Portland #1 HRW Ord.		FOB Gulf $/mt (#2 HRW)	
	02/03	03/04	02/03	03/04	02/03	03/04	02/03	03/04
June	3.55	3.63	3.61	3.74	3.95	3.76	133.52	130.93
July	3.92		3.91		4.33		150.48	130.87
August	4.29		4.30		4.70		163.36	
September	5.04		5.05		5.46		190.98	
October	5.10		5.10		5.51		194.21	
November	4.76		4.75		5.15		181.36	
December	4.40		4.39		4.69		164.70	
January	4.06		4.05		4.33		153.99	
February	4.08		4.09		4.40		154.52	
March	3.80		3.81		4.23		145.66	
April	3.79		3.83		4.10		142.98	
May	3.87		3.96		4.16		144.72	

Month	Minneapolis DNS 13% prot.		Minneapolis DNS 14% prot.		Minneapolis #1 HAD milling		Portland DNS 14% prot.	
	02/03	03/04	02/03	03/04	02/03	03/04	02/03	03/04
June	3.55	4.11	3.64	4.12	4.25	N/Q	3.97	4.48
July	4.06		4.03		N/Q		4.39	
August	4.44		4.37		N/Q		4.80	
September	5.20		5.24		N/Q		5.85	
October	5.12		5.20		N/Q		5.79	
November	5.00		4.99		N/Q		5.39	
December	4.50		4.47		N/Q		4.96	
January	4.30		4.34		N/Q		4.64	
February	4.54		4.52		N/Q		4.78	
March	4.10		4.36		N/Q		4.77	
April	4.10		4.22		N/Q		4.65	
May	N/Q		4.20		N/Q		4.65	

Month	St. Louis #2 soft red		Chicago #2 soft red		Toledo #2 soft red		Portland #1 soft white	
	02/03	03/04	02/03	03/04	02/03	03/04	02/03	03/04
June	2.91	3.46	2.81	3.11	2.91	3.12	3.61	3.47
July	3.17		3.19		3.21		3.77	
August	3.32		3.42		3.47		4.07	
September	3.88		3.92		3.95		4.53	
October	3.96		3.89		3.89		4.60	
November	4.03		3.85		3.84		4.50	
December	3.70		3.53		3.44		4.17	
January	3.44		3.32		3.16		3.86	
February	3.57		3.44		3.24		3.89	
March	3.22		3.14		2.96		3.48	
April	3.33		3.08		2.86		3.41	
May	3.44		3.25		3.15		3.46	

N/Q=no quote. Source: *Grain and Feed Weekly Summary and Statistics,* AMS, USDA.

Table 8--Wheat: U.S. exports and imports for last 6 months, 08/12/03 1/

Item 1/	December	January	February	March	April	May
Exports, (1,000 bu)						
Wheat grain	72,920	62,769	48,618	65,990	55,764	59,438
Wheat flour	4,896	1,587	1,342	1,322	1,543	627
Products	602	337	282	518	300	377
Total	78,418	64,693	50,242	67,830	57,608	60,442
Imports, (1,000 bu.)						
Item 1/	December	January	February	March	April	May
Wheat grain	2,558	1,672	1,682	4,176	2,323	1,272
Wheat flour	1,102	1,010	893	1,019	962	1,023
Products	1,381	1,343	1,048	1,354	1,414	1,403
Total	5,041	4,024	3,623	6,549	4,698	3,699

Source: Economic Research Service, USDA. 1/ Wheat flour and products converted to wheat grain equivalent. Total may not add due to rounding.

Table 9--Wheat: U.S. exports, Census and Exports Sales comparison, 08/12/03 1/

Importing country	2001/02		2002/03		2003/04 (as of 7/31/03)		
	Shipments				Shipments	Outstanding sales	Total
Data source	Census	Export sales	Census	Export sales	Export sales		
	1,000 metric tons						
Country:							
Japan	2,966	2,948	3,076	2,998	474	647	1,121
Mexico	2,121	2,210	2,392	2,486	428	282	710
Nigeria	1,959	1,998	1,666	1,660	380	338	718
Philippines	1,516	1,592	1,524	1,560	113	271	384
South Korea	1,225	1,226	1,202	1,257	230	191	421
EU	1,925	2,160	1,127	1,236	176	368	544
Egypt	3,443	3,830	1,085	1,107	254	324	579
Taiwan	874	920	919	958	135	80	216
Colombia	536	528	729	724	174	177	350
Brazil	79	106	686	688	227	139	365
Total grain	25,194	24,135	22,396	20,805	3,827	4,279	8,106
Total (including products)	26,163	24,165		20,840	3,833	4,283	8,116
USDA forecast of Census					28,576		

1/ Export sales and shipments from USDA's weekly *U.S. Export Sales* report.

Source: *U.S. Export Sales* , FAS.