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Wheat Outlook

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Projected Increased Use More Than Offsets Larger 2004 Production

Contents

The next release is Nov. 16, 2004

Approved by the World Agricultural Outlook Board.

Projected U.S. 2004/05 ending stocks of wheat are lowered 9 million bushels from last month as a 41-million-bushel increase in production (reported in *the Small Grains Summary*) is more than offset by 25-million-bushel increases in both exports and in feed and residual use. Feed and residual use is raised based on larger-than-expected use in the first quarter implied by September 1 grains stocks. The projected price range is raised 10 cents on the lower end to $3.10 to $3.50 per bushel because of the smaller stocks, larger exports, and higher-than-expected prices during the past month.

Projected 2004/05 world wheat production increased 5 million tons this month and is up 64 million tons compared with the previous year. The year-to-year increase in global production is the largest for the U.S. Department of Agriculture (USDA) data base going back to 1960. This month's increases in wheat production highlighted the EU-25, United States, Brazil, Turkey, and others. However, forecast world wheat use increased more than supplies, with feed use expected higher in the United States, EU-25, and Canada, while non-feed use increased 2 million tons for India, where the production of coarse grains used for food dropped this month. Projected global ending stocks were reduced slightly this month. While world wheat trade was little changed in aggregate this month, EU-25 and U.S. export prospects increased, while prospects for Syria and Canada declined.

Domestic Outlook

2004 Production Is Up This Month

All wheat production totaled 2,164 million bushels in 2004, up 41 million bushels from the last forecast, but down 181 million bushels from 2003. Harvested area for 2004 is 50.2 million acres, down 2.9 million acres from last year. The U.S. yield for 2004 is 43.1 bushels per acre, down 1.1 bushels per acre from last year. Levels of production and change from last year by type are: winter wheat, 1,499 million bushels, down 218 million bushels; other spring wheat, 574 million bushels, up 42 million bushels; and durum wheat, 90 million bushels, down 6 million bushels.

Winter Wheat. The 2004 winter wheat production is up 10 million bushels from the August forecast. The U.S. winter wheat yield is 43.5 bushels per acre, up 0.7 bushel from August but 3.2 bushels below last year's final yield. Acreage harvested for grain is estimated at 34.5 million acres, 2.3 million acres below 2003. Planted area is 43.4 million acres, down 2.0 million acres from the previous year.

The National Agricultural Statistics Service's (NASS) *September Small Grains - 2004* Summary reported hard red winter (HRW) harvested acreage was down significantly from last year in the central Great Plains and Montana due to fewer planted acres and higher-than-normal abandonment. Dry spring conditions led to lower yields in all Plains States, except Texas and South Dakota. Timely rains in South Dakota and Montana resulted in better yields than in 2003. Yields in Texas rebounded from below average levels last year. Overall, HRW production totals 856 million bushels, down 215 million bushels from last year.

Soft red winter (SRW) producing States' yields improved significantly from poor yields last year in the South and along the Atlantic coast. Yields declined from very good levels last year in most other States. Overall, SRW production is down fractionally from 2003 and totals 380 million bushels.

White winter production, at 263 million bushels, is down 2.4 million bushels from last year. Improved yields more than offset lower acreage in the Pacific Northwest (Idaho, Oregon, and Washington). Excellent irrigated and non-irrigated yields in Idaho resulted in a State level yield equal to the record high set in 2000. The white winter production total includes the production of hard white.

Other Spring Wheat. Hard red spring (HRS) production in 2004 is estimated at 530 million bushels, up 28 million bushels from the last forecast and up 30 million bushels from 2003. Harvested area is 12.6 million acres, .2 million acres lower than last year. The U.S. HRS yield is a record-high 42.1 bushels per acre, 2.9 bushels better than last year and 1.2 bushels higher than the previous record set in 1992.

NASS' September *Small Grains - 2004 Summary* reported dry spring conditions resulted in timely seeding of the crop. Early planting combined with timely rains resulted in rapid emergence. Crop development slowed throughout the summer due to cool temperatures and frequent precipitation, especially in Minnesota, North Dakota, and Montana. Cool, damp weather continued into August and September, delaying harvest progress. Yields are better than last year in all States except Minnesota and Wisconsin, with large increases in most States.

White spring production, at 43 million bushels, is up 12 million bushels from last year. White spring harvested area in 2004 is .7 million acres, up slightly from last year, while yields are 60.8 bushels per acre, up sharply from last year's 31.7 bushels per acre. Total white wheat production for 2004 is 306 million bushels, up 9 million bushels from last year. Total harvested area is 4.8 million acres, down .2 million acres from 2003. The all-white wheat yield for 2004 is 64.5 bushels per acre, 4.9 bushels above last year.

Durum Wheat. Production for 2004 totaled 90 million bushels, up 1.5 million from August, but 6 million bushels less than last year. Grain area harvested totaled 2.4 million acres, .4 million acres below a year ago. The U.S. yield is estimated at 37.0 bushels per acre, up 1.7 bushels from the last forecast and 3.3 bushels per acre above 2003. Cool, damp weather continued into August and September, delaying harvest progress.

September 30 Other Spring and Durum Estimates and September Stocks May Be Revised

USDA's National Agricultural Statistics Service's (NASS) will release updated acreage, yield, production, and stocks estimates for durum and other spring wheat in the November 12th *Crop Production* report. Previous estimates included in the *Small Grains - 2004 Summary* released on September 30, 2004, were based on a sample of producers. At the time of the interviews, there was significant unharvested acreage of other spring wheat in Minnesota, Montana, North Dakota, and Wyoming and a large proportion of the durum wheat acreage was not yet harvested in Montana and North Dakota. The unharvested area and expected production were included in the totals released on September 30. However, NASS will recontact respondents who previously reported acreage not yet harvested in these States and update the estimates, if necessary, based on final reported area harvested, yield, and production data. If the production estimate is revised, then stocks will be changed by that production change.

2004/05 Ending Stocks Down From Last Month

Total projected use of wheat for the 2004/05 marketing year is up 50 million bushels from last month, as feed and residual use is up 25 million bushels to 225 million bushels, and exports are raised 25 million bushels to 975 million bushels. Thus, projected ending stocks for the marketing year are down 9 million bushels from last month to 569 million bushels. The ending stocks for 2004/05 are 23 million bushels higher than for 2003/04.

The September *Grain Stocks* report implied a higher feed and residual use than previously projected. The increased feed and residual use was allocated between HRW and SRW, 15 million bushels and 10 million bushels, respectively. The extra projected exports are partly HRW, but mostly HRS, 20 million bushels, because of quality problems with the Canadian crop.

Price-Support Activity Reduced This Year

As of October 6, 2004, wheat producers had loans outstanding on 114 million bushels of 2004-crop wheat. A year ago, as of October 9, 2003, wheat producers had loans outstanding on 141 million bushels of 2003-crop wheat. Outstanding loans 2002-, 2001-, and 2000-crop wheat at this time of the year was 58 million bushels, 116 million bushels, and 106 million bushels, respectively.

As of October 6, 2004, eligible producers had collected $32 million in loan deficiency payments (LDP) covering 211 million bushels of the 2004-crop wheat. The average payment rate to date is 15 cents per bushel. A year ago, as of October 9, 2003, eligible producers had collected $84 million in LDP covering 473 million bushels of the 2003 wheat crop. The average payment rate at that date was 18 cents per bushel. LDPs for the 2002-, 2001-, and 2000-crop wheat at this time of the year were $8 million, $145 million, and $658 million, respectively; covering 67 million bushels, 579 million bushels, and 1,509 million bushels, respectively.

Winter-Wheat Plantings Ahead of Average

Winter wheat seeding advanced to 70 percent complete as of October 10, 2004, 1 percentage point behind last year, but 2 points ahead of the 5-year average. Forty-four percent of the expected acreage had emerged, 1 point ahead of last year and 2 points ahead of normal.

International Outlook

Year-to-Year 2004/05 World Wheat Production Increase is Largest on Record

World wheat production in 2004/05 is projected to reach 616 million tons, up 5 million this month and up 64 million tons compared with the previous year. The year-to-year increase in global production is the largest for the USDA data base going back to 1960. Previously, the largest increase was 62 million tons estimated for 1976/77. Wheat production has rebounded dramatically from last year's drought across most of Europe, with production increasing from Russia to Spain.

The EU-25 led this month's production increases, up 2.6 million tons to 133.3 million tons. Harvest reports boosted wheat production for France, Italy, Greece, Denmark, Austria, Poland, and Slovakia, but reduced for Spain. Projected 2004/05 production for Turkey increased 0.5 million tons to 17.7 million as better-than-expected yields were reported. Wheat production prospects in Brazil increased 0.5 million tons to 5.5 million based on increased area and improved yield prospects. Wheat production was also forecast somewhat higher for Paraguay, Morocco, Romania, and India, but was reduced for Zimbabwe.

Projected Global 2004/05 Use Up More Than Supplies This Month

This month's increase in world wheat supplies was less than the increase in production because of a 1.4-million-ton reduction in estimated beginning stocks. Trade data showed larger-than-expected local marketing year exports in 2003/04 for the EU-25 (up 0.7 million tons), Argentina (up 0.5 million), and Australia (up 0.3 million); drawing down their stocks.

World wheat use is projected to reach a record 605 million tons, up 4.7 million from last month. India's consumption of wheat is up 2.1 million tons because of reduced production prospects for millet and sorghum. These grains are used for human consumption in India, and with less available, consumers are expected to turn to wheat. Small increases in human consumption are also projected this month for Bangladesh, Morocco, Algeria, and Angola, mostly based on the pace of imports.

World wheat feed use is forecast at 109 million tons, up 1.8 million tons this month. In addition to the U.S. increase, the EU-25 and Canada are each up 0.5 million tons because of large supplies of low-quality wheat. EU-25 production increased this month, and a larger-than-normal percent of the crop across the UK, Northern France, the low countries, Denmark, and Sweden is expected to have reduced quality because of heavy rains before and during harvest. The Canadian crop was hurt by delayed development and early frost, as well as excessive wetness delaying harvest. Since Canada's harvest is not complete, it is not clear how much of the crop suffered severe quality damage, but it is above average. South Korea's wheat feed use was increased 0.2 million tons to 1.5 million based on feed-wheat purchases from Canada.

World wheat ending stocks for 2004/05 are projected at 141.5 million tons, down 0.8 million this month. India's wheat stocks are projected at 5.5 million tons, down 2 million this month, and a reduction from estimated beginning stocks. Stocks are also down slightly this month for the United States, Australia, and Argentina. However, stocks are up 1 million tons for Syria because of reduced export prospects given reduced world prices. Stocks in Turkey are projected up 0.5 million tons because of increased production. Stocks are also up for Morocco and Algeria.

U.S. Wheat Export Prospects Up, But Global Trade Projection Unchanged This Month

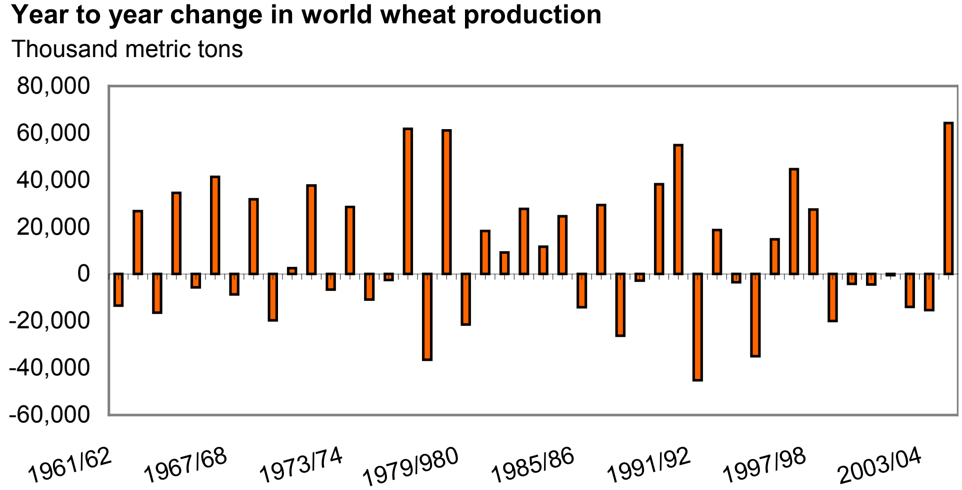
World wheat trade is projected to reach 104.9 million tons in 2004/05 (July-June), unchanged from last month. However, a number of offsetting changes were made to exporters and importers. Imports were increased for Algeria, Bangladesh, South Korea, and some others, but these were offset by reductions of 0.5 million tons for Brazil because of a bigger crop; Iran down 0.3 million as it approaches self sufficiency; and Chile is down 0.1 million due to the slow pace of imports.

Shifts in projected exports include Syria, down 1 million tons to 1 million, as world prices have dropped enough to make exports unattractive. EU-25 exports are up 1 million tons to 16 million as the pace of sales has been stronger-than-expected to North Africa, even without subsidies. Recently, France sold 0.7 million tons of wheat to China, the first significant sale of EU wheat to China in a decade. Canada's quality problems are expected to result in reduced exports, down 0.5 million tons to 15.5 million as more wheat is fed domestically. With less competition from Canadian spring wheat, U.S. spring wheat export prospects improve, boosting the U.S. forecast 0.5 million tons to 26 million.

The U.S. shipment pace early in 2004/05 has been fairly strong given the reduced size of production. In July-September, according to Census and Inspections data, exports were almost as strong as a year ago, and at the end of September, outstanding export sales were up slightly at 4.8 million tons. However, as the year progresses, the pace of U.S. sales and shipments is expected to slip compared with the previous year because of reduced U.S. supplies and increased exports from competitors, especially from Europe.

Figure 1

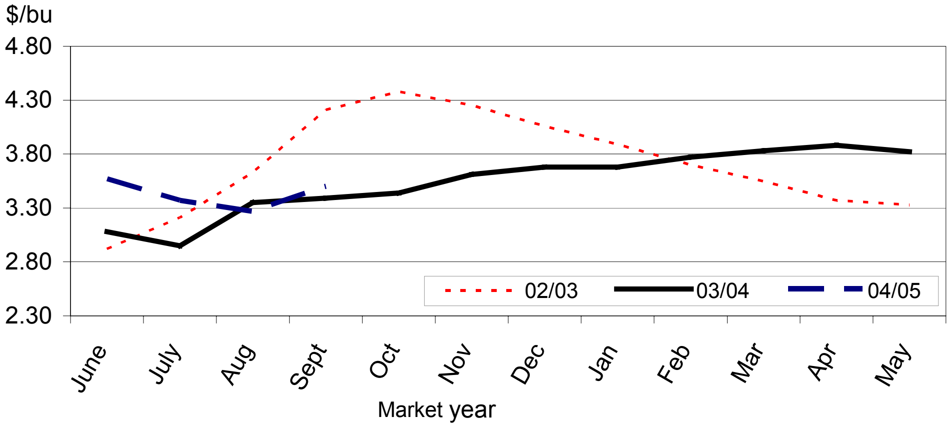
Year to year change in world wheat production



Source: Foreign Agricultural Service, USDA.

Figure 2

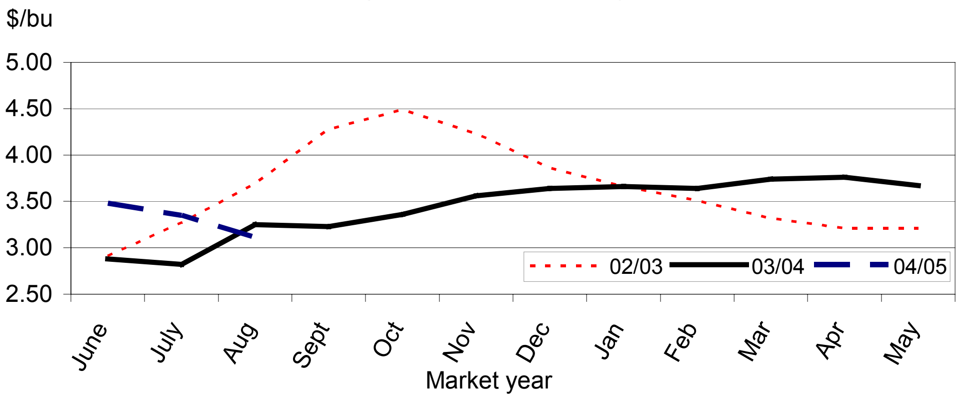
All wheat average prices received by farmers



Source: *Agricultural Prices,* NASS, USDA.

Figure 3

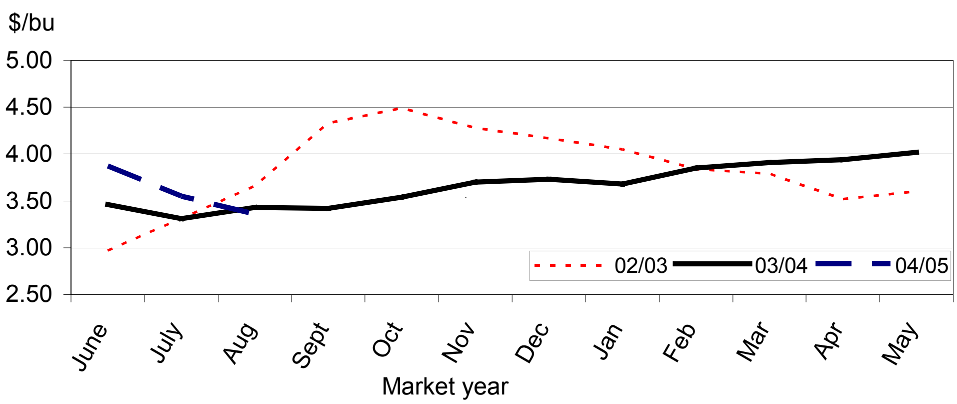
Hard red winter wheat average prices received by farmers



Source: *Agricultural Prices,* NASS, USDA.

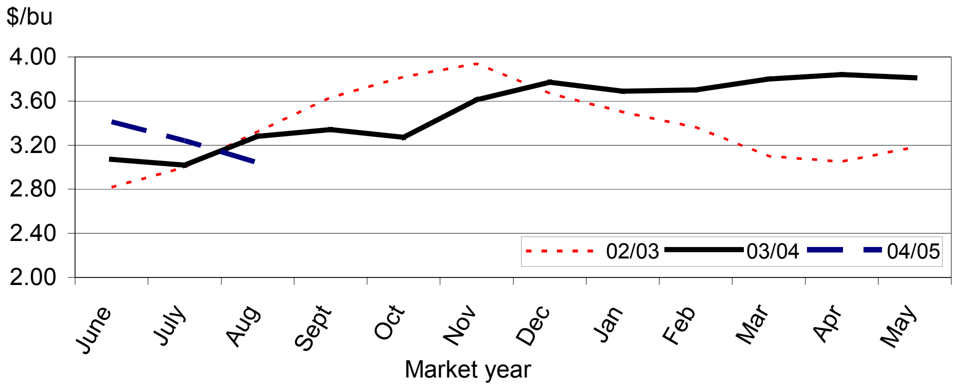
Figure 4

Hard red spring wheat average prices received by farmers



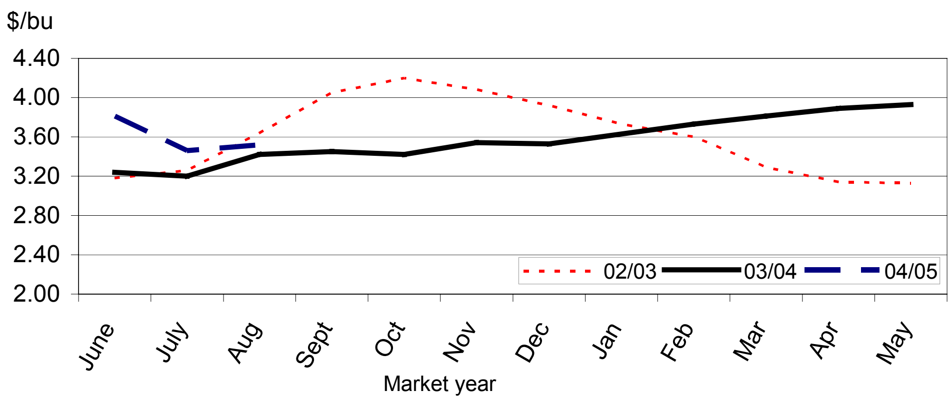
Source: *Agricultural Prices,* NASS, USDA.

Figure 5
Soft red winter wheat average prices received by farmers



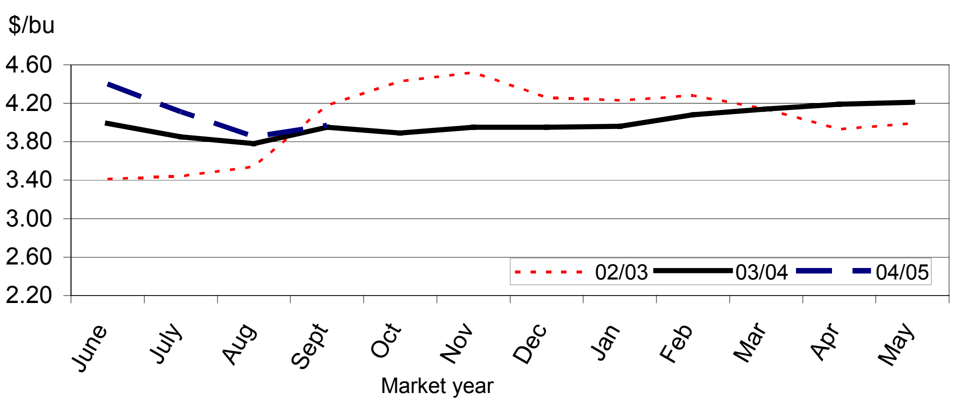
Source: *Agricultural Prices,* NASS, USDA.

Figure 6
Soft white wheat average prices received by farmers



Source: *Agricultural Prices,* NASS, USDA.

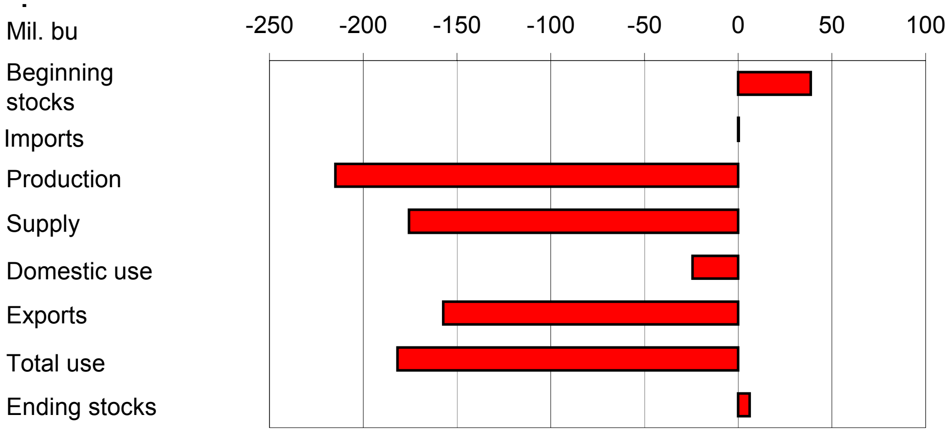
Figure 7
Durum wheat average prices received by farmers



Source: *Agricultural Prices,* NASS, USDA.

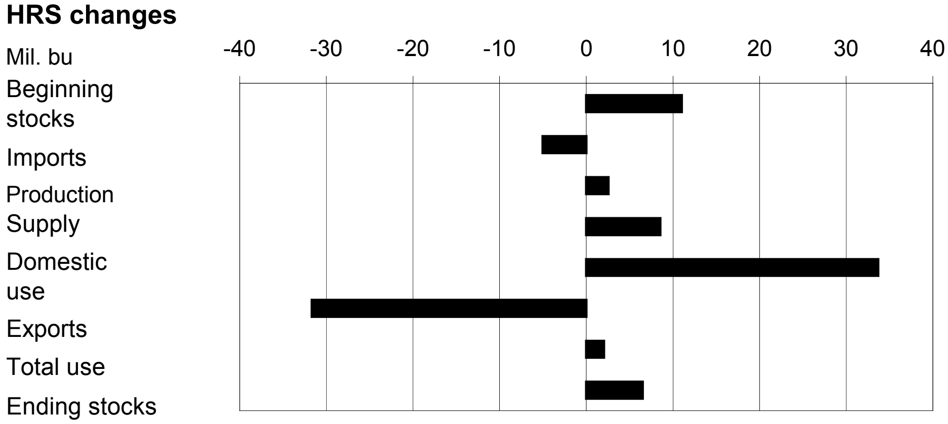
Changes From Previous Marketing Year, 2002/03 to 2003/04

Figure 8
HRW



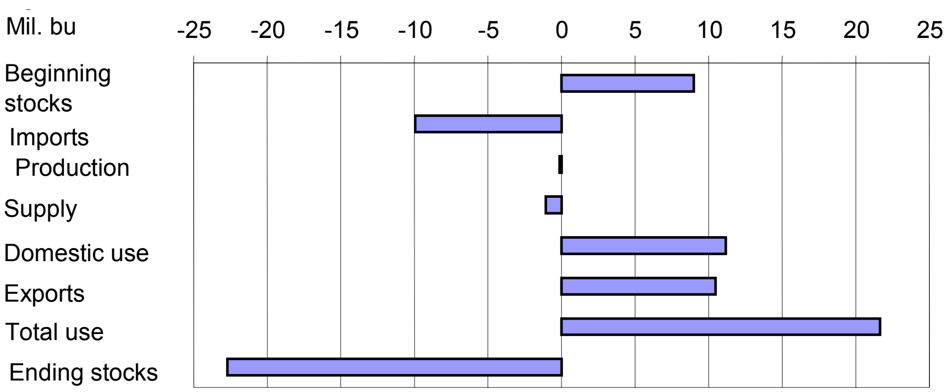
Source: *WASDE,* USDA.

Figure 9
HRS changes



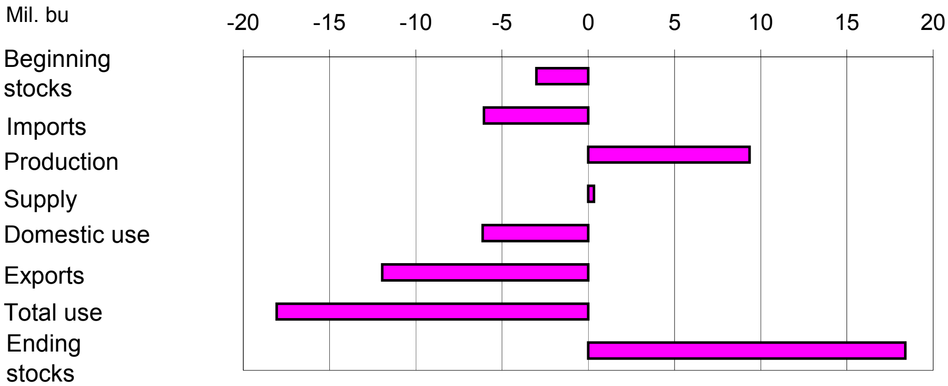
Source: *WASDE,* USDA.

Figure 10
SRW



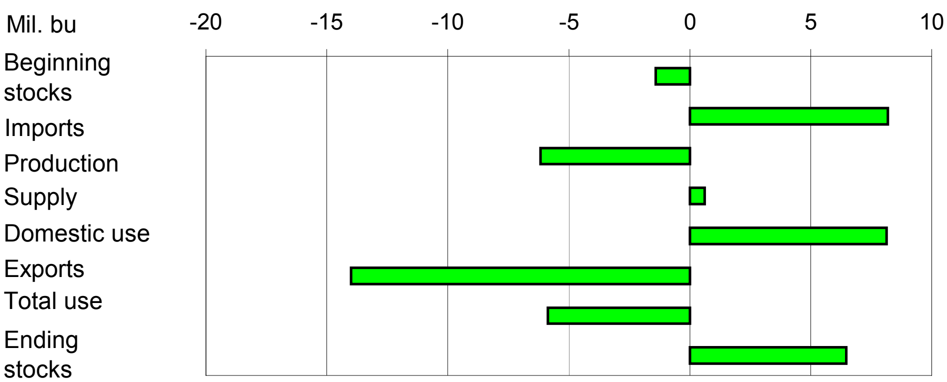
Source: *WASDE,* USDA.

Figure 11
White changes



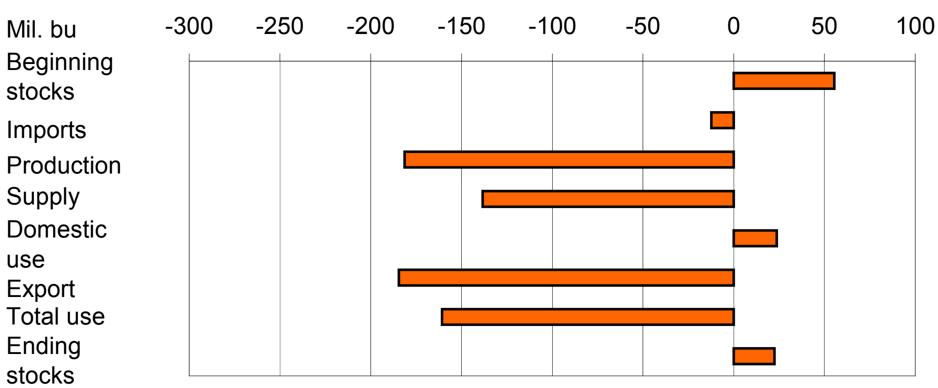
Source: *WASDE,* USDA.

Figure 12
Durum changes



Source: *WASDE,* USDA.

Figure 13
All wheat changes



Source: *WASDE,* USDA.

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Data

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.

Recent Reports

China: A Study of Dynamic Growth. China's rapid economic growth has been driven by high rates of investment, gains in productivity, and liberalized foreign trade and investment. China's growth is likely to continue, but the Chinese economy faces some possibly unsustainable pressures. This report is available at http://www.ers.usda.gov/publications/WRS0408/

China's Wheat Economy: Current Trends and Prospects for Imports. The last 10 years have been a period of volatility for wheat production and trade in China. This report provides an overview of current wheat production and consumption trends in China, including factors that contributed to slumping imports in recent years. http://www.ers.usda.gov/publications/whs/may04/whs04D01/

Related Websites

WASDE (http://usda.mannlib.cornell.edu/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,10/14/04

Item	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03E	2003/04P	2004/05P
Area: (mil. ac)								
National total base	0.0	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	10.1	9.7	0.0	0.0	0.0	0.0	0.0	0.0
Planted	70.4	65.8	62.7	62.5	59.4	60.3	62.1	59.7
Harvested	62.8	59.0	53.8	53.1	48.5	45.8	53.1	50.2
Yield: (bu/acre)	39.5	43.2	42.7	42.0	40.2	35.0	44.2	43.1
Supply:			Million bushels					
Beginning stocks	443.6	722.5	945.9	949.7	876.2	777.1	491.4	546.8
Production	2,481.5	2,547.3	2,295.6	2,228.2	1,947.5	1,605.9	2,344.8	2,163.5
Imports 1/	94.9	103.0	94.5	89.8	107.6	84.6	72.4	60.0
Total supply	3,020.0	3,372.8	3,336.0	3,267.7	2,931.2	2,467.6	2,908.6	2,770.3
Use:								
Food	914.1	910.0	928.8	949.6	926.4	922.7	911.3	920.0
Seed	92.5	80.4	91.7	79.5	83.4	83.4	79.7	81.0
Feed and residual	250.5	390.7	279.3	300.4	182.0	119.9	211.4	225.0
Total domestic	1,257.1	1,381.1	1,299.7	1,329.5	1,191.8	1,125.9	1,202.3	1,226.0
Exports 1/	1,040.4	1,045.7	1,086.5	1,062.0	962.3	850.2	1,159.4	975.0
Total use	2,297.5	2,426.9	2,386.2	2,391.6	2,154.1	1,976.2	2,361.8	2,201.0
Ending stocks:	722.5	945.9	949.7	876.2	777.1	491.4	546.8	569.3
Farmer-owned reserve	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CCC inventory 2/	94.0	128.0	104.0	97.0	99.0	66.0	61.0	60.0
Free stocks	628.5	817.9	845.7	779.2	678.1	425.4	485.8	509.3
Stocks-to-use ratio	31.4	39.0	39.8	36.6	36.1	24.9	23.2	25.9
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	2.80	2.80	2.75
Contract rate	0.63	0.66	0.64	0.59	0.48	0.52	0.52	0.52
Ave. farm price	3.38	2.65	2.48	2.62	2.78	3.56	3.40	3.10-3.50
Gov't. pmts.								
(mil. dollars)	1,412	2,717	3,827	3,606	2,474	1,173	1,230	1,548
Market value								
of production								
(mil. dollars)	8,287	6,781	5,594	5,782	5,440	5,679	7,972	7,140

Totals may not add due to rounding. E=Estimated, P=Projected.
1/ Imports and exports include flour and other products expressed
in wheat equivalent. 2/ Includes Food Security Reserve.

Source: *World Agricultural Supply and Demand Estimates,* WAOB, USDA.

Table 2--Wheat: U.S. market year supply and disappearance, 10/14/04 1/

2003/04E	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	32.583	13.127	8.295	5.221	2.915	62.14
Harvested	25.629	12.747	6.829	4.989	2.869	53.06
Yield: (bu/acre)	41.8	39.2	55.7	59.5	33.7	44.20
Supply:			Million bushels			
Beg. stocks	188.31	145.00	55.00	75.00	28.11	491.42
Production	1,071.00	499.67	380.44	297.02	96.64	2,344.76
Imports 2/	0.58	14.04	21.94	14.03	21.81	72.40
Total	1,259.88	658.72	457.37	386.05	146.55	2,908.57
Utilization:						
Food	375.35	223.00	153.00	85.00	74.91	911.26
Seed	34.75	19.23	15.73	6.66	3.28	79.65
Feed and residual	110.34	-12.18	85.11	30.45	-2.32	211.40
Total domestic	520.44	230.05	253.84	122.11	75.86	1,202.31
Exports 2/	512.31	271.66	139.53	191.94	44.00	1,159.45
Total	1,032.75	501.72	393.37	314.05	119.86	2,361.75
Ending stocks:	227.13	157.00	64.00	72.00	26.69	546.82
2004/05P	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	30.778	13.033	8.227	5.075	2.561	59.67
Harvested	23.406	12.579	7.02	4.752	2.448	50.21
Yield: (bu/acre)	36.6	42.1	54.2	64.5	37	43.10
Supply:			Million bushels			
Beg. stocks	227.13	157.00	64.00	72.00	26.69	546.82
Production	856.21	530.15	380.31	306.38	90.47	2,163.52
Imports 2/	1.00	9.00	12.00	8.00	30.00	60.00
Total	1,084.34	696.15	456.31	386.38	147.16	2,770.34
Utilization:						
Total domestic	496.00	265.00	265.00	116.00	84.00	1,226.00
Exports 2/	355.00	260.00	150.00	180.00	30.00	975.00
Total	851.00	525.00	415.00	296.00	114.00	2,201.00
Ending stocks:	233.34	171.15	41.31	90.38	33.16	569.34

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), 10/14/04

Market year		Produc-tion	Imports 1/	Supply	Food	Seed	Feed	Exports 1/	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	80	391	1,046	946
1999/00									
	Jun-Aug	2,296	31	3,272	230	6	269	322	2,445
	Sep-Nov	---	19	2,465	241	55	-5	290	1,884
	Dec-Feb	---	19	1,903	223	2	26	236	1,417
	Mar-May	---	25	1,442	235	28	-10	239	950
	Mkt. year	2,296	95	3,336	929	92	279	1,086	950
2000/01									
	Jun-Aug	2,228	20	3,198	239	1	318	288	2,353
	Sep-Nov	---	25	2,378	253	50	-24	293	1,806
	Dec-Feb	---	21	1,828	228	3	11	246	1,338
	Mar-May	---	23	1,361	230	25	-4	235	876
	Mkt. year	2,228	90	3,268	950	79	300	1,062	876
2001/02:									
	Jun-Aug	1,947	26	2,849	234	3	238	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	226	26	-26	231	777
	Mkt. year	1,947	108	2,931	926	83	182	962	777
2002/03 E:									
	Jun-Aug	1,606	27	2,410	233	3	185	240	1,749
	Sep-Nov	---	23	1,772	238	55	-75	235	1,320
	Dec-Feb	---	16	1,336	219	3	17	190	907
	Mar-May	---	19	926	233	24	-8	186	491
	Mkt. year	1,606	85	2,468	923	84	119	850	491
2003/04 P:									
	Jun-Aug	2,345	19	2,855	233	2	317	265	2,039
	Sep-Nov	---	23	2,062	242	53	-59	305	1,520
	Dec-Feb	---	14	1,534	214	2	5	293	1,021
	Mar-May	---	17	1,037	223	22	-51	297	547
	Mkt. year	2,345	72	2,909	911	80	211	1,159	547

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), 10/14/04

Item		July	Aug.	Sept.	Oct.	Nov.	Dec.
Mill grind	+	73,737	80,589	77,493	78,508	75,144	70,534
Food imports 1/	+	3,291	2,945	2,758	3,052	2,758	2,868
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	1,408	4,550	1,558	1,250	1,153	2,540
Food use	=	77,620	80,984	80,693	82,310	78,749	72,862
Item		Jan.	Feb.	Mar.	Apr.	May	June
Mill grind	+	69,257	68,707	72,895	70,626	72,212	69,089
Food imports 1/	+	2,096	1,988	2,311	2,102	1,943	3,098
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	3,117	1,964	1,806	1,155	2,243	1,188
Food use	=	70,236	70,731	75,400	73,573	73,912	72,999

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, 10/14/04 1/

Month	All wheat		Winter		Durum		Other spring	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
				($/bu)				
June	3.08	3.57	2.94	3.47	3.99	4.40	3.45	3.83
July	2.95	3.37	2.89	3.32	3.85	4.11	3.31	3.24
August	3.35	3.27	3.28	3.19	3.78	3.85	3.42	3.38
September	3.39	3.50	3.31	3.36	3.95	3.97	3.42	3.64
October	3.44		3.37		3.89		3.53	
November	3.61		3.56		3.95		3.68	
December	3.68		3.62		3.95		3.72	
January	3.68		3.66		3.96		3.67	
February	3.77		3.67		4.08		3.84	
March	3.83		3.76		4.14		3.90	
April	3.88		3.79		4.19		3.94	
May	3.82		3.72		4.21		4.01	

1/ Preliminary mid-month weighted average price for current month.

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

Table 6--Wheat prices received by farmers by class, 10/14/04

	Hard red winter		Soft red winter		Hard red spring		Soft white	
Month	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
				($/bu)				
June	2.88	3.48	3.07	3.41	3.46	3.87	3.24	3.81
July	2.82	3.35	3.02	3.24	3.31	3.55	3.20	3.46
August	3.25	3.11	3.28	3.04	3.43	3.36	3.42	3.52
September	3.23		3.34		3.42		3.45	
October	3.36		3.27		3.54		3.42	
November	3.56		3.61		3.70		3.54	
December	3.64		3.77		3.73		3.53	
January	3.66		3.69		3.68		3.63	
February	3.64		3.70		3.85		3.73	
March	3.74		3.80		3.91		3.81	
April	3.76		3.84		3.94		3.89	
May	3.67		3.81		4.02		3.93	

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

Table 7--Wheat: Average cash grain bids at selected markets ($/bu), 10/14/04

Month	KC HRW #1 ordinary		KC HRW #1 13% protein		Portland #1 HRW Ord.		FOB Gulf $/mt (#2 HRW)	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
June	3.63	4.13	3.74	4.35	3.76	4.11	130.93	155.22
July	3.34	3.97	3.66	4.07	3.47	3.72	130.87	151.86
August	3.87	3.73	4.02	3.81	4.04	3.87	151.10	142.55
September	3.74	4.01	3.85	4.11	4.05	4.00	146.92	151.96
October	3.79		3.40		4.02		148.64	
November	4.21		4.39		4.53		163.04	
December	4.31		4.40		4.61		166.82	
January	4.32		4.37		4.47		165.99	
February	4.25		4.36		4.47		162.93	
March	4.30		4.44		4.47		167.89	
April	4.35		4.48		4.58		167.85	
May	4.28		4.51		4.37		163.60	

Month	Minneapolis DNS 13% protein		Minneapolis DNS 14% protein		Minneapolis #1 HAD milling		Portland DNS 14% protein	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
June	4.11	4.35	4.12	4.56	N/Q	N/Q	4.48	4.78
July	3.88	4.08	4.00	4.31	N/Q	N/Q	4.31	4.27
August	4.04	3.80	4.15	4.12	5.30	N/Q	4.60	4.55
September	3.43	4.09	3.83	4.68	N/Q	N/Q	4.51	4.69
October	4.12		4.31		N/Q		4.55	
November	4.37		4.59		N/Q		4.91	
December	4.24		4.43		N/Q		4.97	
January	4.30		4.44		N/Q		5.06	
February	4.44		4.64		5.30		5.11	
March	4.33		4.63		5.33		5.10	
April	4.51		4.69		N/Q		5.13	
May	4.54		4.69		N/Q		5.05	

Month	St. Louis #2 soft red		Chicago #2 soft red		Toledo #2 soft red		Portland #1 soft white	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
June	3.46	3.51	3.11	3.46	3.12	3.49	3.47	4.05
July	3.29	3.21	3.23	3.26	3.17	3.25	3.56	3.94
August	3.56	3.35	3.63	2.92	3.50	3.25	3.90	3.90
September	3.13	3.17	3.46	2.97	3.33	3.06	3.85	3.95
October	N/Q		3.42		3.31		3.70	
November	4.19		3.87		3.73		3.98	
December	3.99		3.92		3.79		4.05	
January	3.98		3.90		3.85		4.11	
February	3.94		3.84		3.79		4.14	
March	4.02		3.85		3.83		4.20	
April	3.88		3.92		3.92		4.29	
May	3.64		3.73		3.71		4.18	

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, 10/14/04 1/

Item 1/	Feb.	Mar.	Apr.	May	June	July
Exports, (1,000 bu)						
Wheat grain	94,480	96,685	102,588	91,917	80,599	97,962
Wheat flour	1,342	1,020	732	1,386	742	1,220
Products	783	795	533	980	478	821
Total	96,605	98,500	103,853	94,283	81,819	100,003
Imports, (1,000 bu.)						
Item 1/	Feb.	Mar.	Apr.	May	June	July
Wheat grain	2,444	3,564	3,259	3,475	2,631	3,217
Wheat flour	910	1,045	888	898	897	952
Products	1,080	1,275	1,223	1,051	1,209	1,203
Total	4,434	5,884	5,370	5,424	4,737	5,372

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

Table 9--Wheat: U.S. exports, Census and export sales comparison, 10/14/04 1/

	2002/03		2003/04		2004/05 (as of 9/30/04)		
Importing country	Shipments				Shipments	Outstanding sales	Total
Data source	Census	Export sales	Census	Export sales	Export sales		
	1,000 metric tons						
Country:							
Egypt	1,085	1,107	4,022	3,942	748	367	1,115
Japan	3,076	2,998	3,132	3,139	1,024	546	1,571
Mexico	2,392	2,486	2,814	2,863	805	468	1,273
Nigeria	1,666	1,660	2,192	2,221	878	226	1,104
EU	1,127	1,236	1,617	2,052	504	183	687
South Korea	1,202	1,257	1,478	1,329	444	197	641
China	78	80	1,138	1,166	1,469	496	1,965
Philippines	1,524	1,560	1,119	1,139	577	253	831
Taiwan	919	958	1,016	1,066	259	207	466
Peru	403	449	905	914	461	92	553
Total grain	22,396	20,805	30,771	29,599	10,048	4,803	14,852
Total (including products)	23,139	20,840	31,543	29,663	10,078	4,808	14,886
USDA forecast of Census					26,535		

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

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