United States Department of Agriculture

WHS-05d
May 16, 2005

Electronic Outlook Report from the Economic Research Service

www.ers.usda.gov

Wheat Outlook

Gary Vocke and Edward Allen

Wheat Production Projected Up Slightly for 2005/06

Contents

The next release is June 14, 2005

Approved by the World Agricultural Outlook Board.

The 2005/06 U.S. wheat outlook is for a modest increase in production, a decrease in exports, and a rise in stocks. Total production is up 1 percent from 2004/05 to 2,185 million bushels. The survey-based forecast of winter wheat production is up 6 percent because of reduced abandonment and higher yields. Spring and durum production are projected to decline based on trend yields and the most recent 10-year average of harvested-to-planted ratios. Total wheat supplies are up only 2 percent, reflecting smaller beginning stocks.

Total wheat use is projected to decrease by 5 percent in 2005/06 because of smaller exports and feed and residual use. Food use is unchanged. Projected exports of 950 million bushels are down 100 million because of larger exportable supplies elsewhere in the world. U.S. ending stocks are up 137 million bushels and are the largest since 2001/02. The 2005/06 price range is $2.55 to $3.05 per bushel, compared with an estimated $3.39 for 2004/05.

World wheat use in 2005/06 is projected to exceed production by a small amount, reducing world wheat ending stocks slightly to 147 million tons, the second lowest level in 15 years. Global use is projected up 2 percent with just over half the increase in feed use. World wheat production is expected to decline 2 percent in 2005/06, mostly because the previous year's exceptional yields across most of Europe are not expected to be matched. Foreign wheat production is projected down 10 million tons to 556 million because of reduced prospects in the European Union (EU-25), Morocco, Canada, Other Europe, Brazil, and Turkey. World wheat trade in 2005/06 (July-June) is expected to decline 1 million tons to 107 million due mostly to reduced imports by China and Pakistan. These declines more than offset increases for Turkey, Morocco, and Brazil. U.S. wheat exports are expected to drop 9 percent to 25.5 million tons because of intense competition.

Domestic Outlook

Winter Wheat Production Up for 2005/06

Winter wheat production is forecast at 1,591 million bushels, up 91 million bushels from 2004. Based on May 1 conditions, the U.S. yield is forecast at 45.4 bushels per acre, 1.9 bushels more than last year. Forecast harvested area is 35.1 million acres, up .6 million from last season.

Hard red winter (HRW) production is up 150 million from a year ago to 1,006 million bushels. Forecast HRW harvested area is up 1.9 million acres from 2004 to 25.3 million acres. HRW forecast yield for 2005 is 39.8 bushels per acre, 3.3 bushels higher than 2004.

Soft red winter (SRW) production is down 78 million from a year ago to 302 million bushels. Forecast SRW harvested area is down 1.5 million acres from 2004 to 5.5 million acres. SRW forecast yield for 2005 is 55.2 bushels per acre, 1.0 bushel higher than 2004.

White winter production totals 283 million bushels, up 19.6 million bushels from a year ago. Of the white winter production total, 31.2 million bushels are hard white (HW) and 251 million bushels are soft white (SW). This is the first year that production levels for HW and SW are available; therefore, there are no previous year comparisons.

Projected Ending Stocks Are Up for 2005/06

Projected ending stocks for 2005/06 are up 137 million bushels from 2004/05 to 678 million bushels as disappearance is projected to decline and supply to increase year-to-year. Supply for 2005/06 is projected at 2,796 million bushels, up 21 million from 2004/05. The projected 26-million-bushel increase in production is partially offset by the 5-million-bushel smaller beginning stocks. Projected 2005 harvested area is 51.2 million acres, 1.2 million less than in 2004. Projected 2005 yield is 42.7 bushels per acre, .5 bushel less than in 2004.

Spring wheat, including durum, planted acres are reported in the March *Prospective Plantings*. Harvested acres and yield spring wheat are projected using 10-year average harvested-to-planted ratios and projected yield derived from 1985-2004 trend yields.

Total utilization for 2005/06 is projected down 116 million bushels from 2004/05 to 2,118 million bushels. Feed and residual use is projected down 15 million bushels and exports are projected down 100 million bushels from 2004/05.

The 2005 Winter Wheat Conditions Are Much Improved

The condition of the 2005 winter wheat crop is better than in 2004 at this time of the year. This year, 59 percent of the 2005 winter wheat crop was rated good to excellent and only 11 percent poor to very poor in the May 9 *Crop Progress*. A year ago at this time, 45 percent of the 2004 winter wheat was rated good to excellent and 24 percent was rated poor to very poor.

The May 12 *Crop Production* reported that the Texas crop condition has improved in the Panhandle since March. In Oklahoma, fall conditions were very wet, but spring precipitation levels have been below normal. As of May 1, wheat jointing progress in Kansas was ahead of normal; however, heading progress was behind the 5-year average. In Colorado, growing conditions have been favorable this spring, resulting in good to excellent stands in most growing areas. Crop conditions in Nebraska were rated well above last year. In Montana, much needed moisture was received in April, allowing the crop to get off to a good start.

Excessively wet conditions last fall resulted in dramatically reduced acreage across much of the soft red growing region. Wet weather continued through the winter in Arkansas, southern Missouri, and southern Illinois, hampering the crop. Producers in the eastern Corn Belt are expecting improved yields from last year, with no major problems reported. Conditions in Georgia are greatly improved over last year, and growers there expect record-high yields.

Idaho growers are anticipating very good yields, where the majority of the crop is rated in good to excellent condition. In Oregon, most of the winter wheat growing areas have been extremely dry. Despite recent showers, soil moisture levels remain a major concern in Washington.

Desert Durum Forecast Down

Production of durum wheat in Arizona and California is forecast at 16.6 million bushels. This is down 11 percent from their 2004 total of 18.6 million. Lower acreage more than offset higher expected yields in both States. Very few disease or insect problems have been reported.

International Outlook

Foreign Wheat Production Down in 2005/06, but Still Very Large

Foreign wheat production in 2005/06 is projected at 556 million tons, the largest except for the previous year's record. Foreign production is down 2 percent compared with the previous year, mostly because of reduced prospects in the EU-25, Morocco, Canada, Other Europe, Brazil, and Turkey. The EU-25 wheat program set-aside area increased, limiting planting of winter wheat in the fall of 2004, but wheat prices were strong enough that producers took most of the reduction from other crops. Winter conditions across much of Europe and most of the former Soviet Union have been generally favorable, resulting in below average to average winter kill. The exception has been the Iberian Peninsula, where drought has severely reduced wheat production prospects. In Russia and Ukraine area planted increased, but yields are not expected to reach last year's high level, and wheat production is expected to decline. While the spring wheat crops are just being planted, Kazakhstan is expected to have an average yield, resulting in a projected increase production. In the former Soviet Union, 2005/06 wheat production is expected to increase slightly to 87 million tons. Other Europe also experienced exceptional yields last year, and a return to more normal yields is expected in 2005/06. Other Europe is forecast down 1 million tons to 14 million.

India's 2005/06 wheat production is projected up 2 million tons to 74 million. Growing conditions and irrigation supplies have been good, and an above-average yield is expected. Pakistan also enjoyed the same favorable growing conditions, and production is forecast up 2 million tons to 21 million.

China's 2005/06 wheat production is projected up 2 million tons to 93 million. Area is expected to increase 4 percent compared with the previous year because of government programs for grains producers that include some payments and reduced taxes. Wheat prices in the fall of 2004 also encouraged plantings. Yields are not expected to reach last year's record, but are expected to be above average, as growing conditions have been generally good.

In the Middle East, wheat production is projected down 2 percent to 40 million tons. In Iran, growing conditions have been mostly favorable, and another large wheat crop is expected. In the rest of the region, growing conditions were mixed, and most areas received good rains at some time, but Syria and Turkey had extended dry periods, reducing production potential below the previous year. Area planted declined in Saudi Arabia as government subsidies were reduced. Rains were generally favorable across North Africa, except for Morocco, which suffered from drought and exceptionally low temperatures in some growing areas. Morocco's production is expected to drop almost by half, to less than 3 million tons.

Projections of wheat production in the Southern Hemisphere and for spring wheat in the Northern Hemisphere are necessarily more tentative than for winter wheat in the Northern Hemisphere. Growing stages of winter wheat are advanced in the north, while spring wheat is just being planted, and most Southern Hemisphere wheat has not yet begun planting.

In Canada, there is improved soil moisture for planting, except for in parts of Alberta. Reduced area for Canadian western spring wheat is expected to be offset by increased durum area, leaving the total nearly unchanged. However, assuming normal weather, last year's record yields will not be matched, but average quality would improve. Production is expected to drop over 2 million tons to 23.5 million. In Australia, 2005/06 area is expected to remain nearly the same as the previous year, but a return to average yields implies a 1.5-million-ton increase in production to 23 million.

In Argentina wheat area is expected to increase slightly in 2005/06, as returns to wheat are favorable relative to other crops, but wheat yields are expected to decline as growing conditions were better-than-average last year. Production is forecast down 0.5 million tons to 15.5 million. Wheat production in Brazil is projected down 1 million tons to 5 million because area and yields are not expected to be as favorable as a year earlier.

Increased Beginning Stocks Offset Reduced Production, Wheat Supplies To Increase in 2005/06

World wheat beginning stocks for 2005/06 are estimated at 150 million tons, up 19 million from a year earlier. This more than offsets the 10-million-ton reduction in global production, leaving world wheat supplies in 2005/06 up. World wheat supplies can be defined as production plus beginning stocks (for a specific country it is necessary to add imports, but for the world total that would double count). The global wheat supply in 2005/06 is projected to reach 765 million tons, up 9 million from the previous year, and 45 million larger than the tight supplies in 2003/04.

Major foreign exporters' beginning stocks are up significantly, so they will be able to compete more vigorously for exports early in the marketing year. Beginning stocks in the EU-25 are up 15 million, the former Soviet Union is estimated up 4.5 million tons, Canada up 2 million, and Argentina is up slightly, while Australia is down slightly. However, China and India appear to be pursuing an intentional policy to liquidate expensive government stocks. Although China does not publish wheat stocks data, both countries appear to still have large government stocks.

World Wheat Use To Increase in 2005/06

Global use is projected to reach a record 617 million tons in 2005/06, up 2 percent from estimated 2004/05 disappearance. Global feed and residual use is projected up 4 million tons to 111 million. EU-25 wheat feed and residual use is expected to increase 4 million tons to 60 million because of reduced EU-25 coarse grains production. However, tariff-rate quotas imposed on low and medium quality wheat imports will limit the increase. Reduced coarse grains production is also expected to boost wheat feed and residual use in the former Soviet Union, up 1.5 million tons to nearly 23 million. However, relatively low corn prices and high ocean freight rates are expected to limit wheat feed use in some countries. Wheat feed use is projected stable in South Korea. Canada's wheat feed and residual use is expected to fall 0.7 million tons to 4.3 million due to improved quality of expected production. China's wheat feed and residual use is projected down 0.5 million tons to 3.5 million because of strong prices and less low-quality wheat coming out of storage.

Global nonfeed use of wheat (mostly food use) is projected up 7 million tons or 1.4 percent. This increase mostly reflects population growth. In some countries, like China, with a growing economy and diversifying diets, wheat food use is projected down slightly. In others, such as India and Pakistan, growth is expected.

2005/06 World Wheat Ending Stocks Projected Down Slightly

World wheat ending stocks are projected to decline 2 million tons to 147 million in 2005/06, the second lowest since 1989/90. The largest drop is expected in China, down 5 million tons, to 33 million. While less than half the level of wheat stocks estimated just 3 years before, China's projected stocks still represent nearly 4 months of projected 2005/06 domestic use, well above the global average of 2.9 months. Wheat stocks in 2005/06 are also expected to decline in the EU-25 and Morocco, but increase in the United States and Pakistan. Wheat stocks in the former Soviet Union are expected to increase slightly.

World Wheat Trade Projected Down Slightly in 2005/06, U.S. Exports To Drop

World wheat trade (measured on a July-June trade year) is projected to decline 1 million tons to 107 million in 2005/06. Imports by China (down 3 million tons) and Pakistan (down 1 million) are expected to drop because of increased production. Most other countries are expected to import at a steady or slightly increased pace in 2005/06. EU-25 imports are projected up 0.5 million tons to 6 million due to access agreements for countries in the process of entering the EU-25 and expected imports of high-quality wheat. A tariff-rate quota on imports of low and medium quality wheat will limit imports by the EU-25. South Korea and the Philippines are not expected to increase imports of wheat used for feeding because of reduced low-quality wheat exports by Canada. Relatively high ocean freight rates are expected to dampen world wheat trade.

China's imports are projected down 3 million tons to 4 million as increased production limits the need to use import quotas. China has not purchased wheat early in the season as they often do when their import program is large. However, ongoing, long-term import agreements with Canada, the EU-25, and Australia are expected to result in some imports. China's imports will be crucial to determining world wheat trade in 2005/06 because in the previous year they were the second largest importer. Egypt, the largest importer, is expected to maintain imports at 7.5 million tons in 2005/06. Morocco and Brazil are each expected to increase imports 0.5 million tons in 2005/06 due to reduced production.

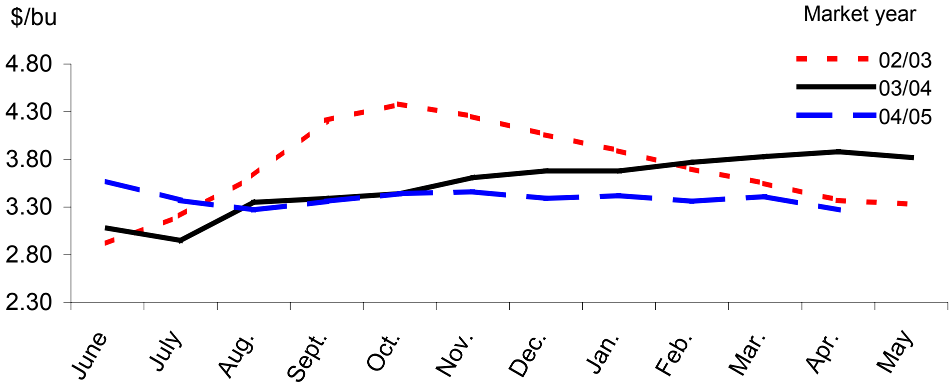
Competition among exporting countries is expected to be intense early in 2005/06 because of increased stocks in key exporting countries. During 2004/05, Russia, Ukraine, and the EU-25 were replenishing depleted stocks early in the harvest and were slow to ramp up their export programs. But in 2005/06, with larger stocks, these countries may be quicker to export. EU wheat exports are projected up 2.5 million tons to 16 million. It is assumed that early in the season, some exports will move without subsidy, and later, when wheat moves into intervention in the fall, the commission will have a strong incentive to subsidize exports.

A larger crop in Kazakhstan is expected to boost exports 1.3 million tons to 4 million, and with increased exports from Russia and Ukraine, wheat exports from the former Soviet Union (12) are forecast up 2.2 million tons to 15.3 million.

July-June trade year 2005/06 exports for Argentina and Australia are expected to decline because of the pattern of sales. Argentina has sold most of their large crop harvested in early 2005, and most of those shipments are expected to take place in 2004/05. Argentina's shipments are expected to slow significantly after July 2005, leaving 2005/06 export prospects down 2.5 million tons to 10 million. With a small crop harvested in early 2005, Australia's export pace is also expected to slow after July 2005, leaving 2005/06 exports down 0.7 million tons to 16 million. Gradually tightening stocks in India are expected to make subsidizing exports unattractive for India, reducing export prospects by 0.5 million tons to 1 million, as unsubsidized exports to neighboring countries will be limited.

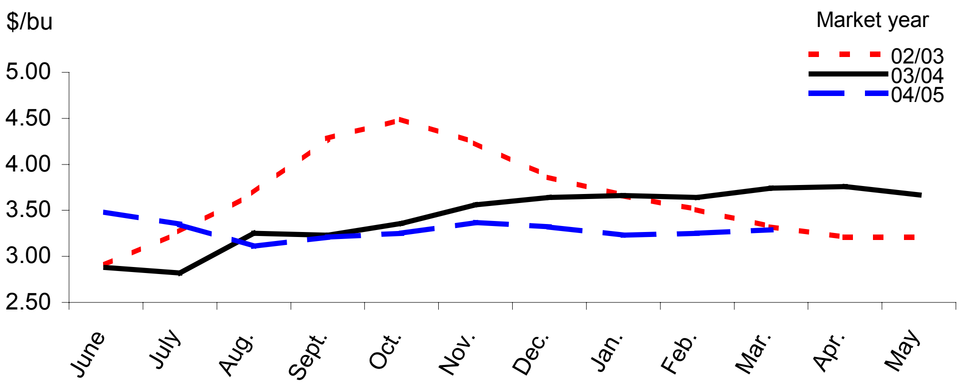
U.S. wheat exports in 2005/06 are projected at 25.5 million tons, down 2.5 million from the forecast for the previous year. Competition from the EU-25 and the Black Sea region is expected to intensify earlier in the season than during the previous year. Competition for market share in Egypt is expected to be intense. As of May 5, 2005, according to *U.S. Export Sales*, outstanding sales for the 2005/06 marketing year were only 1.0 million tons, down dramatically from the previous year. However, most of the decline is in purchases by China, and as other customers who purchase closer to shipment begin buying, outstanding sales are expected to expand.

Figure 1
All wheat average prices received by farmers



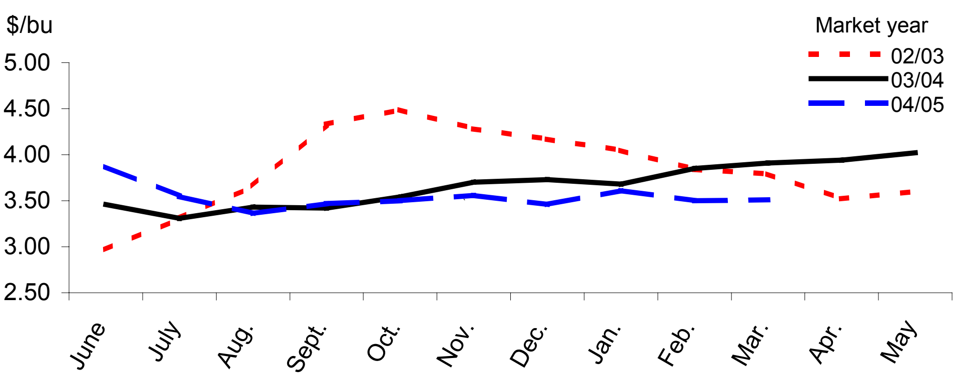
Source: *Agricultural Prices,* NASS, USDA.

Figure 2
Hard red winter wheat average prices received by farmers



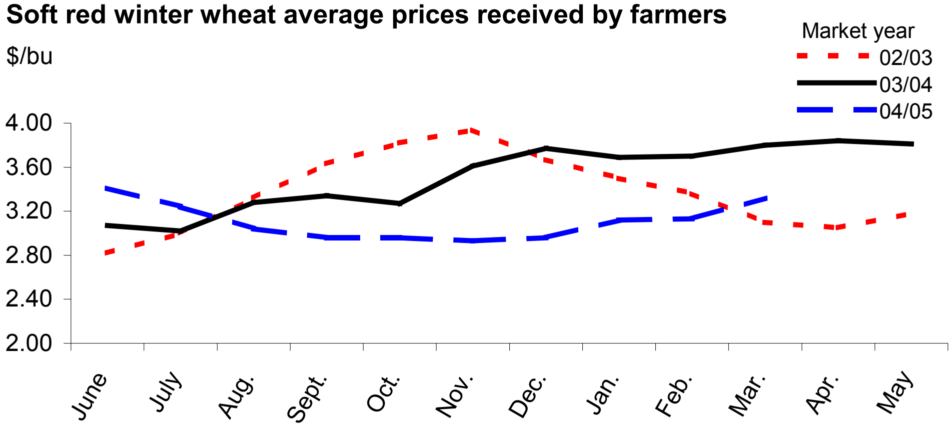
Source: *Agricultural Prices,* NASS, USDA.

Figure 3
Hard red spring wheat average prices received by farmers



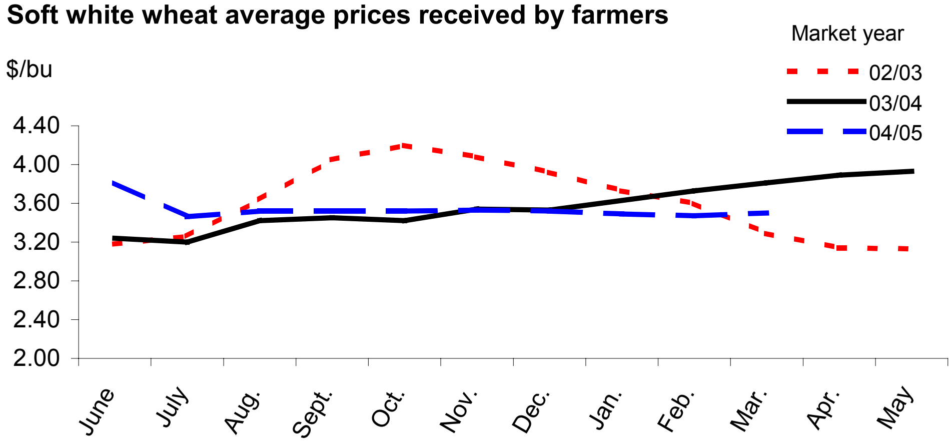
Source: *Agricultural Prices,* NASS, USDA.

Figure 4
Soft red winter wheat average prices received by farmers



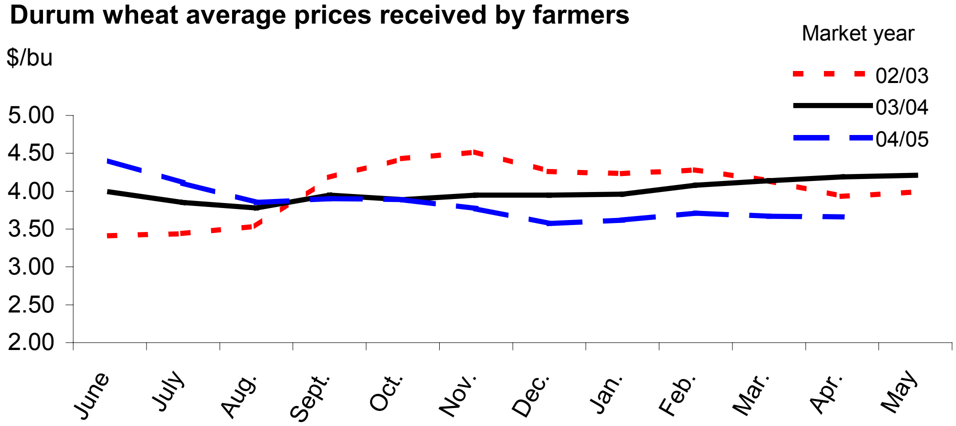
Source: *Agricultural Prices,* NASS, USDA.

Figure 5
Soft white wheat average prices received by farmers



Source: *Agricultural Prices,* NASS, USDA.

Figure 6
Durum wheat average prices received by farmers

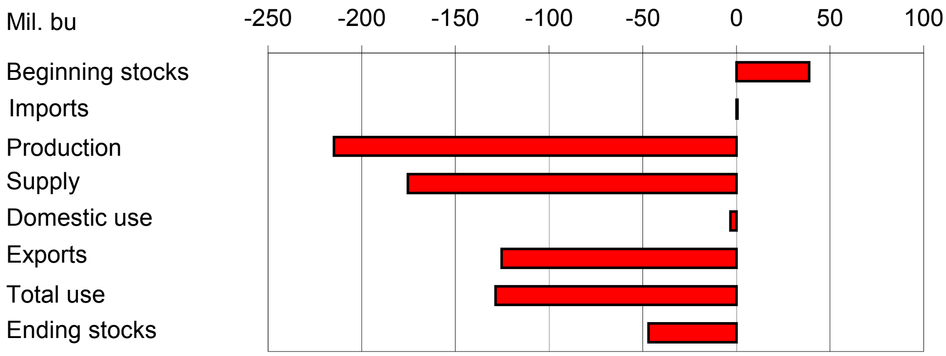


Source: *Agricultural Prices,* NASS, USDA.

Changes From Previous Marketing Year, 2003/04 to 2004/05

Figure 7

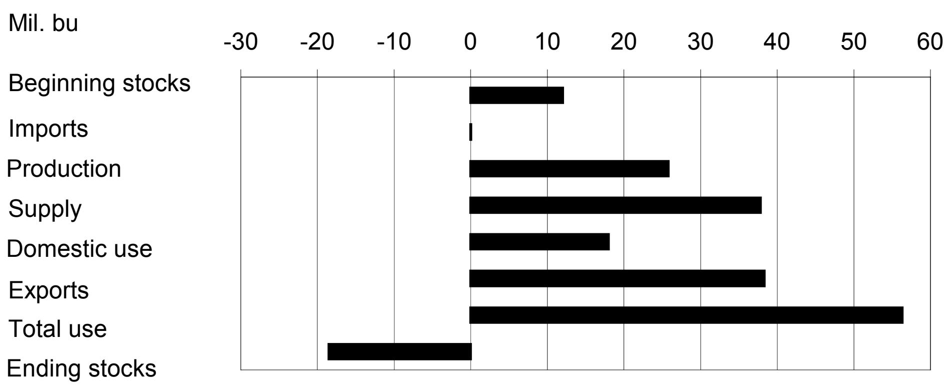
Hard red winter wheat



Source: *WASDE,* USDA.

Figure 8

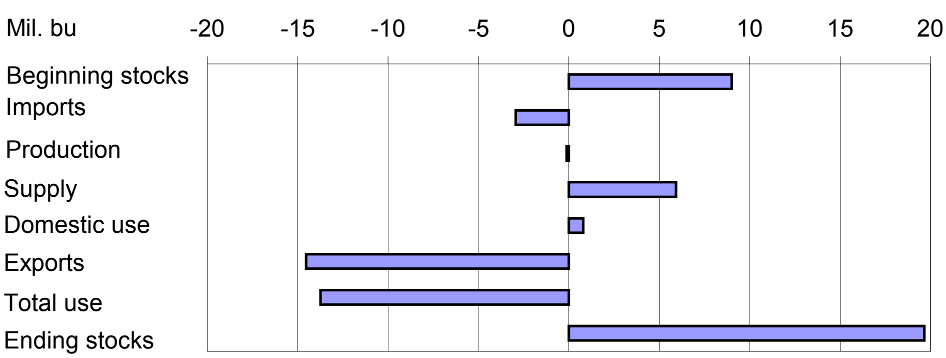
Hard red spring wheat



Source: *WASDE,* USDA.

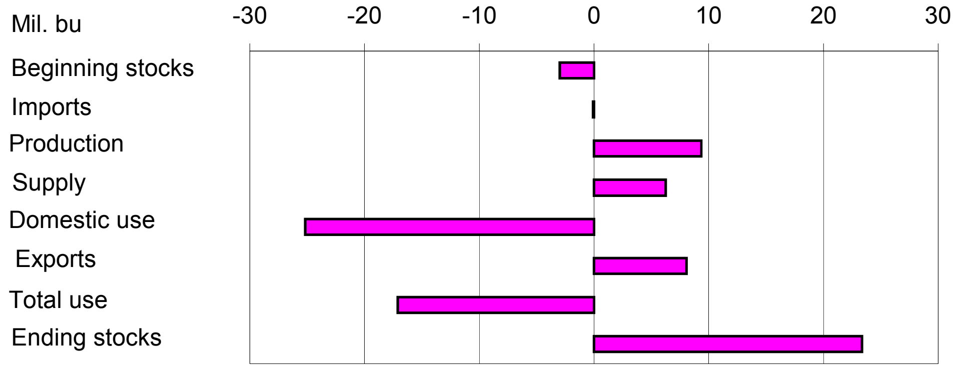
Figure 9

Soft red winter wheat



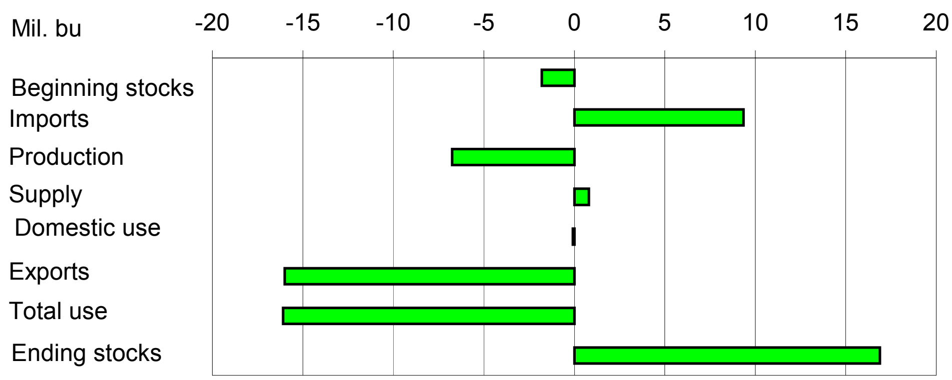
Source: *WASDE,* USDA.

Figure 10
White wheat



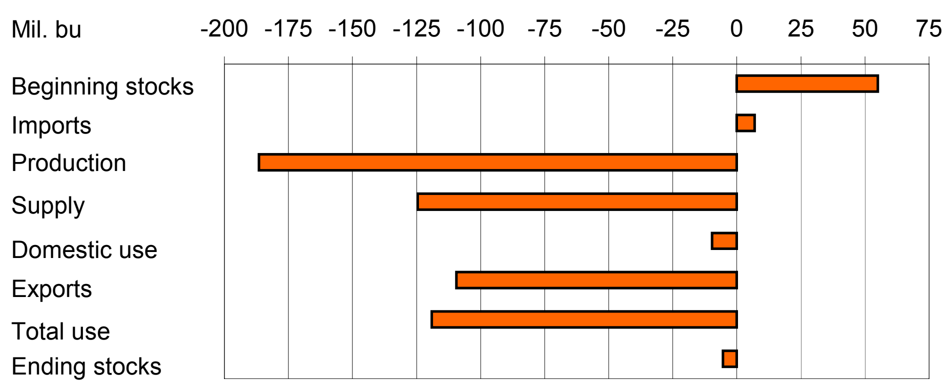
Source: *WASDE,* USDA.

Figure 11
Durum



Source: *WASDE,* USDA.

Figure 12
All wheat



Source: *WASDE,* USDA.

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

Subscription Information
Subscribe to ERS' e-mail notification service at http://www.ers.usda.gov/updates/ to receive timely notification of newsletter availability. Printed copies can be purchased from the USDA Order Desk by calling 1-800-999-6779 (specify the issue number).

To order printed copies of the five field crop newsletters—cotton and wool, feed, rice, oil crops, and wheat—as a series, specify series SUB-COR-4043.

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 Report

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, 05/16/05

Item	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04e	2004/05P	2005/06P
Area: (mil. ac)									
National total base	0.0	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	0.0
CRP base retired	10.1	9.7	0.0	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	58.6
Harvested	62.8	59.0	53.8	53.1	48.5	45.8	53.1	50.0	51.2
Yield: (bu/acre)	39.5	43.2	42.7	42.0	40.2	35.0	44.2	43.2	42.7
Supply:			Million bushels						
Beginning stocks	443.6	722.5	945.9	949.7	876.2	777.1	491.4	546.4	541.0
Production	2,481.5	2,547.3	2,295.6	2,228.2	1,947.5	1,605.9	2,344.8	2,158.2	2,184.9
Imports 1/	94.9	103.0	94.5	89.8	107.6	77.4	63.0	70.0	70.0
Total supply	3,020.0	3,372.8	3,336.0	3,267.7	2,931.2	2,460.4	2,899.2	2,774.7	2,795.9
Use:									
Food	914.1	910.0	928.8	949.6	926.4	918.6	906.6	890.0	890.0
Seed	92.5	80.4	91.7	79.5	83.4	84.4	79.7	78.7	78.0
Feed and residual	250.5	390.7	279.3	300.4	182.0	115.7	207.1	215.0	200.0
Total domestic	1,257.1	1,381.1	1,299.7	1,329.5	1,191.8	1,118.7	1,193.3	1,183.7	1,168.0
Exports 1/	1,040.4	1,045.7	1,086.5	1,062.0	962.3	850.2	1,159.4	1,050.0	950.0
Total use	2,297.5	2,426.9	2,386.2	2,391.6	2,154.1	1,968.9	2,352.8	2,233.7	2,118.0
Ending stocks:	722.5	945.9	949.7	876.2	777.1	491.4	546.4	541.0	677.9
Farmer-owned reserve	0.0	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	54.0	54.0
Free stocks	628.5	817.9	845.7	779.2	678.1	425.4	485.4	487.0	623.9
Stocks-to-use ratio	31.4	39.0	39.8	36.6	36.1	25.0	23.2	24.2	32.0
Prices: ($/bu)									
Target price	0.00	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	2.75
Contract rate	0.63	0.66	0.64	0.59	0.48	0.52	0.52	0.52	0.52
Ave. farm price	3.38	2.65	2.48	2.62	2.78	3.56	3.40	3.39	2.55-3.05
Gov't. pmts.									
(mil. dollars)	1,412	2,717	3,827	3,606	2,474	1,173	1,236	1,254	2,975
Market value									
of production									
(mil. dollars)	8,287	6,781	5,594	5,782	5,440	5,679	7,972	7,316	6,118

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, 05/16/05 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/	0.38	8.98	21.94	11.09	20.65	63.04
Total	1,259.69	653.66	457.37	383.11	145.40	2,899.22
Utilization:						
Food	373.86	221.00	153.00	85.00	73.75	906.61
Seed	34.75	19.23	15.73	6.66	3.28	79.65
Feed and residual	111.64	-15.24	85.11	27.50	-1.94	207.07
Total domestic	520.25	224.99	253.84	119.17	75.09	1,193.33
Exports 2/	512.31	271.66	139.53	191.94	44.00	1,159.45
Total	1,032.56	496.66	393.37	311.11	119.09	2,352.78
Ending stocks:	227.13	157.00	64.00	72.00	26.31	546.44
2004/05P	**HRW**	**HRS**	**SRW**	**White**	**Durum**	**All wheat**
Area:			Million acres			
Planted	30.778	13.033	8.227	5.075	2.561	59.70
Harvested	23.406	12.46	7.02	4.751	2.363	50.00
Yield: (bu/acre)	36.6	42.2	54.2	64.5	38	43.17
Supply:			Million bushels			
Beg. stocks	227.13	157.00	64.00	72.00	26.31	546.44
Production	856.21	525.47	380.31	306.37	89.89	2,158.25
Imports 2/	1.00	9.00	19.00	11.00	30.00	70.00
Total	1,084.34	691.47	463.31	389.37	146.21	2,774.68
Utilization:						
Total domestic	517.04	243.00	254.65	94.00	75.00	1,183.69
Exports 2/	387.00	310.00	125.00	200.00	28.00	1,050.00
Total	904.04	553.00	379.65	294.00	103.00	2,233.69
Ending stocks:	180.30	138.47	83.66	95.37	43.21	541.00

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), 05/16/05

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:									
	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	---	13	1,333	219	3	14	190	907
	Mar-May	---	15	922	229	24	-8	186	491
	Mkt. year	1,606	77	2,460	919	84	116	850	491
2003/04 E:									
	Jun-Aug	2,345	16	2,852	231	2	315	265	2,039
	Sep-Nov	---	18	2,057	240	53	-62	305	1,520
	Dec-Feb	---	13	1,533	213	2	4	293	1,021
	Mar-May	---	17	1,037	223	22	-51	296	546
	Mkt. year	2,345	63	2,899	907	80	207	1,159	546
2004/05 P:									
	Jun-Aug	2,158	17	2,722	226	4	268	286	1,938
	Sep-Nov	---	19	1,957	233	49	-55	301	1,430
	Dec-Feb	---	18	1,448	212	2	15	237	981

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), 05/16/05

Item		Jan.	Feb.	Mar.	Apr.	May	June
Mill grind	+	69,257	68,707	72,895	70,736	72,325	69,196
Food imports 1/	+	2,096	1,988	2,311	2,102	1,943	2,098
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	73,683	74,025	72,106
Item		July	Aug.	Sept.	Oct.	Nov.	Dec.
Mill grind	+	70,937	77,529	74,550	76,658	73,374	68,873
Food imports 1/	+	2,145	2,121	2,066	2,134	2,204	2,372
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	2,013	1,170	1,442	1,290	1,404	2,050
Food use	=	73,069	80,480	77,174	79,502	76,174	71,195

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, 05/16/05 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	3.36	3.31	3.26	3.95	3.90	3.42	3.48
October	3.44	3.44	3.37	3.34	3.89	3.89	3.53	3.51
November	3.61	3.46	3.56	3.39	3.95	3.77	3.68	3.56
December	3.68	3.39	3.62	3.34	3.95	3.57	3.72	3.46
January	3.68	3.42	3.66	3.27	3.96	3.62	3.67	3.60
February	3.77	3.36	3.67	3.27	4.08	3.71	3.84	3.50
March	3.83	3.41	3.76	3.32	4.14	3.67	3.90	3.51
April	3.88	3.27	3.79	3.12	4.19	3.66	3.94	3.41
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, 05/16/05

	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	3.21	3.34	2.96	3.42	3.47	3.45	3.52
October	3.36	3.25	3.27	2.96	3.54	3.50	3.42	3.52
November	3.56	3.37	3.61	2.93	3.70	3.56	3.54	3.53
December	3.64	3.32	3.77	2.96	3.73	3.46	3.53	3.52
January	3.66	3.23	3.69	3.12	3.68	3.61	3.63	3.49
February	3.64	3.25	3.70	3.13	3.85	3.50	3.73	3.47
March	3.74	3.29	3.80	3.32	3.91	3.51	3.81	3.50
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), 05/16/05

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	3.95	3.40	4.03	4.02	4.34	148.64	152.19
November	4.21	4.22	4.39	4.48	4.53	4.16	163.04	158.44
December	4.31	4.22	4.40	4.30	4.61	4.31	166.82	155.34
January	4.32	4.14	4.37	4.16	4.47	4.05	165.99	154.43
February	4.25	4.00	4.36	4.01	4.47	4.17	162.93	151.17
March	4.30	4.00	4.44	4.02	4.47	3.94	167.89	151.74
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	4.19	4.31	4.87	N/Q	N/Q	4.55	5.18
November	4.37	4.35	4.59	5.14	N/Q	N/Q	4.91	5.01
December	4.24	4.26	4.43	4.93	N/Q	N/Q	4.97	5.26
January	4.30	4.37	4.44	5.01	N/Q	N/Q	5.06	5.08
February	4.44	3.91	4.64	4.13	5.30	N/Q	5.11	5.03
March	4.33	4.18	4.63	4.79	5.33	N/Q	5.10	4.75
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	3.34	3.42	2.82	3.31	2.91	3.70	3.94
November	4.19	3.43	3.87	2.79	3.73	2.88	3.98	3.95
December	3.99	3.48	3.92	2.88	3.79	2.91	4.05	3.86
January	3.98	3.47	3.90	2.93	3.85	2.92	4.11	3.90
February	3.94	3.75	3.84	2.95	3.79	2.95	4.14	3.95
March	4.02	3.19	3.85	3.28	3.83	3.36	4.20	3.91
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, 05/16/05 1/

			Exports, (1,000 bu)			
Item 1/	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
Wheat grain	119,965	92,634	83,947	81,718	77,349	73,131
Wheat flour	770	834	1,005	1,347	955	617
Products	684	490	506	852	757	724
Total	121,419	93,958	85,458	83,917	79,061	74,472
			Imports, (1,000 bu)			
Item 1/	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
Wheat grain	5,699	3,715	2,831	3,132	4,232	4,030
Wheat flour	949	988	989	1,017	853	826
Products	1,121	1,151	1,218	1,370	1,299	1,042
Total	7,769	5,854	5,038	5,519	6,384	5,898

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, 05/16/05 1/

	2002/03		2003/04		2004/05 (as of 5/5/05)		
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	1,831	115	1,946
Japan	3,076	2,998	3,132	3,139	2,890	421	3,311
Mexico	2,392	2,486	2,814	2,863	2,535	276	2,810
Nigeria	1,666	1,660	2,192	2,221	2,324	197	2,522
EU	1,127	1,236	1,617	2,052	1,347	223	1,571
South Korea	1,202	1,257	1,478	1,329	1,192	120	1,312
China	78	80	1,138	1,166	2,013	65	2,078
Philippines	1,524	1,560	1,119	1,139	1,589	360	1,949
Taiwan	919	958	1,016	1,066	927	87	1,014
Peru	403	449	905	914	674	2	676
Total grain	22,396	20,805	30,771	29,599	24,729	2,874	27,603
Total (including products)	23,139	20,840	31,543	29,663	24,792	2,878	27,671
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.