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Wheat Outlook

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U.S. Winter Wheat Production Forecast Down Again

Contents

The next release is July 14, 2006

Approved by the World Agricultural Outlook Board.

The 2006/07 U.S. wheat crop is lowered 59 million bushels from last month, based on lower forecast yield of winter wheat. Projected spring wheat production is unchanged. Imports are raised 5 million bushels. Wheat feed and residual use is lowered 25 million bushels, and seed use is raised 2 million. Ending stocks are lowered 32 million bushels to 416 million. The 2006/07 price range is increased 10 cents on both ends of the range to $3.60 to $4.20 per bushel, compared with an estimated $3.42 for 2005/06.

World wheat production projected for 2006/07 remained little changed this month at 600 million tons. Foreign increases offset much of the U.S. decline. Wheat production in Argentina was reduced as area planted is not increasing as much as previously expected. Reduced exports from Argentina are offset by increases for Ukraine and Pakistan, countries with increased production forecasts this month.

Domestic Outlook

All Winter Wheat Yield and Production Is Forecast Down

Winter wheat production is forecast at 1,264 million bushels, down 4 percent from the May 1 forecast and 16 percent below 2005. Based on June 1 conditions, the U.S. yield is forecast at 40.5 bushels per acre, down 1.9 bushels from last month and 3.9 bushels less than last year. Harvest area totals 31.2 million acres, unchanged from May 1.

Hard red winter (HRW) wheat production is forecast down 8 percent from a month ago to 659 million bushels. Harvested area is forecast at 21 million acres, and yields are 31.1 bushels per acre. This yield is down 6.7 bushels from the 2005 HRW crop.

Soft red winter (SRW) wheat production is up slightly from last month and now totals 357 million bushels. Harvested area is forecast at 6 million acres, and yields are 59.3 bushels per acre.

White wheat production totals 248 million bushels, down 2 percent from last month. Of the white wheat production total, 19.7 million bushels are hard white wheat, and 228 million bushels are soft white wheat. Harvested area is forecast at 4 million acres, and yields are 62.6 bushels per acre.

Winter Wheat Heading Early With Lower Yields Forecast on the Plains

National Agricultural Statistics Service's (NASS) *Crop Production* reported that winter wheat heading progressed ahead of normal throughout the month of May. At month's end, 79 percent of the acreage was at or beyond the heading stage, compared with 78 percent last year and 77 percent for the 5-year average. The most rapid progress was in the Ohio Valley, where 84 percent of Indiana's crop and 87 percent of Ohio's crop entered the heading stage during the month. Though nationwide estimates of harvest progress were not available during May, Texas and Oklahoma growers had begun harvesting by month's end and were well ahead of the normal pace, with the crop heading ahead of normal because of the warm, dry weather. Condition of the crop continued to decline during the month, mostly due to dry weather in the northern and central Great Plains.

Forecasted head counts from NASS' objective yield survey in the six principal HRW States (Colorado, Kansas, Montana, Nebraska, Oklahoma, and Texas) are below last year's level in all six States. Condition ratings declined in the central and southern Great Plains States during May due primarily to continued drought conditions. Harvest was in full swing in both Texas and Oklahoma, with progress in Oklahoma running well ahead of normal. In Texas, wheat production is forecast to be the lowest since 1971. Oklahoma wheat production is forecast at the lowest level since 1957. In Kansas, disease pressure is slightly above normal and localized frost damage from a late April freeze in the western and northcentral growing regions affected yield potential. Farther north, soil moisture remains a concern in Nebraska and South Dakota. In Montana, the crop remains in good condition, but was affected by above-normal temperatures and high winds. Yield prospects are down from the previous month in all States in the HRW growing area except for Oklahoma.

The story is different for SRW wheat. Forecasted head counts from NASS' objective yield survey in the SRW States of Illinois, Missouri, and Ohio are above last year's level in Illinois and Missouri but below in Ohio. Condition ratings in Ohio declined due to cool and wet weather during May. In Missouri, harvest progress is ahead of normal and the crop is in good condition. Overall, yield prospects across the SRW growing area remain good. Record-high yields are forecast in Tennessee, Kentucky, and Illinois.

The Pacific Northwest States' yields are down from the previous month in Idaho but unchanged in Washington and Oregon. Forecasted head counts from NASS' objective yield survey in Washington are below last year's final counts. In Oregon and Idaho, winter wheat remains in good condition, and above-normal snow pack should continue to provide ample irrigation water supplies.

Spring Wheat Plantings Ahead of Typical May Pace

Spring wheat producers trailed behind the normal planting pace early in the month, but accelerated during May to surpass the normal pace as reported in *Crop Production.* On May 28, 97 percent of the crop had been sown, the same as last year but 4 points ahead of the 5-year average. Planting was complete in South Dakota and Washington and within 4 points of completion elsewhere. Progress was at or ahead of normal in all major producing States. Similarly, emergence began the month behind normal but progressed rapidly during the month. At month's end, emergence was underway on 83 percent of the acreage, compared with 86 percent last year and 75 percent for the normal. Nationwide, 72 percent of the acreage entered the emergence stage during the month, with North Dakota's crop advancing 78 points, and Idaho's, Minnesota's, and Montana's crops advancing 70 to 71 points. Emergence continued to trail behind normal in the Pacific Northwest due to planting delays early in the season, but was at or ahead of the normal pace elsewhere.

Forecast Durum Wheat Production in the West Below Last Year

Production of durum wheat in Arizona and California is forecast at a collective 13.0 million bushels, up 2 percent from May 1 but 10 percent below their 2005 total of 14.5 million bushels. In California, the harvest is nearly complete. A cool growing season allowed for good grain fill and better yields than last year.

Domestic Use Lowered With Lower Forecasted Production

The projected 2006/07 U.S. wheat crop is lowered 59 million bushels from a total of 1,873 million bushels in May, based entirely on the lower forecast yield of winter wheat. Projected spring wheat production is unchanged from the projected May total of 550 million bushels. The spring wheat projection (including durum) assumes a harvested area of 14.96 million acres and trend yields (1985-2005).

The total projected supply for 2006/07 is 2,461 million bushels. Beginning stocks are unchanged from May, and expected imports are raised 5 million bushels because of the lower winter wheat production forecast. Thus, the total projected supply of wheat for 2006/07 is down 54 million bushels month-to-month.

Projected domestic use for 2006/07 is down from May as feed and residual use is lowered 25 million bushels. Projected food use, at 915 million bushels, is unchanged from May. Seed use is raised 2 million because expected higher prices are anticipated to increase plantings for the next year. Projected exports for 2006/07, at 900 million bushels, are unchanged from May.

The net result of the projected production and use changes is to lower ending stocks by 32 million bushels to 416 million. These ending stocks are 131 million bushels below the projected ending stocks for 2005/06. The 2006/07 season-average price range is increased 10 cents on both ends of the range to $3.60 to $4.20 per bushel, compared with an estimated $3.42 for 2005/06 and the $3.40 for both 2003/04 and 2004/05.

Small By-Class Changes for 2005/06

Following the Census mill grind report for the first quarter of 2006, the food use of durum wheat was raised 3 million bushels from last month to 78 million bushels. Based on anecdotal information about the substitution of HRS wheat for HRW wheat in mills in recent months, the food use of HRS was raised to 225 million bushels, and HRW was lowered to 367 million bushels. Projected total food use of wheat for 2005/06, at 910 million bushels, is unchanged from May.

The pace of imports and exports to date led to small changes for 2005/06 trade by class of wheat. Totals are unchanged. On the import side, HRS and white wheat are down 3 million bushels and 1 million bushels, respectively. SRW and durum imports are each up 2 million bushels. On the exports side, HRW wheat is down 5 million bushels and durum is up 5 million bushels.

International Outlook

Foreign Wheat Production Up This Month

World wheat production projected at 600 million tons for 2006/07 was reduced fractionally this month, with foreign increases offsetting much of the U.S. decline. Foreign production is forecast up 1 million tons this month to 550.5 million tons.

The largest increase was for Ukraine, up 1 million tons to 11 million in 2006/07. While area planted was reduced due to dryness last fall, and winter conditions led to the expectation of significant area abandonment, recent reports indicate a larger-than-expected portion of planted area will be harvested. However, Ukraine's wheat production is still expected to decline more than 40 percent compared with the previous year.

Pakistan's wheat harvest is virtually complete, and production reportedly reached a record 21.7 million tons, up 0.7 million from last month's forecast. Nearly the entire crop is irrigated, and record yields were better than expected. Record wheat yields were also reported for Morocco, boosting projected wheat production 0.6 million tons to a record 6.1 million tons. Recent favorable growing conditions in Germany boosted yield prospects, increasing projected production 0.5 million tons to 24 million. Canada's wheat production is projected up 0.5 million tons this month to 26.5 million, as strong wheat prices are expected to encourage producers to plant more wheat area than indicated in early intentions surveys. Increased yields were reported for Afghanistan, boosting forecast production 0.4 million tons to 4.4 million.

Wheat area planted in Argentina is not expected to increase as much as projected a month ago because dryness has delayed seeding in some major regions; the government has taken action to increase the base on which export taxes are calculated, effectively increasing export taxes and reducing the producer price in Argentina; and the expectations for costs and returns for wheat compared with other crops have not favored wheat as much as expected. Argentina's 2006/07 forecast production is down 1.2 million tons this month to 14.3 million, still a 14-percent increase from a year earlier.

The wheat harvest is advanced in Algeria and Tunisia, and production reports indicate good yields but lower-than-expected area. Algeria's production is down 0.6 million to 2.6 million this month, while Tunisia's is down 0.4 million to 1.3 million.

Global Consumption and Projected Ending Stocks Nearly Unchanged

World wheat consumption in 2006/07 is projected down fractionally this month at 616 million tons. Foreign use is not up enough to offset the U.S. decline. Wheat feed use is projected higher this month in the European Union-25 (EU-25) and Ukraine, but lower in Russia. These revisions are driven by the changes in wheat production. For the EU-25, reduced corn production prospects contributed to higher expected wheat feeding. Increased food use is expected in Afghanistan, up 0.4 million tons, with smaller changes in other countries.

With little changes in projected wheat supply, use, and trade, forecast global ending stocks for 2006/07 are nearly unchanged this month at 128 million tons. However, foreign ending stocks are up 1 million tons to 117 million, offsetting the U.S. decline. The largest stocks increase is for Canada, up 0.5 million tons due to increased production. Increased 2006/07 production also boosted Pakistan's ending stocks. China's stocks are up because increased 2004/05 production boosted 2006/07 beginning stocks. However, for Russia, increased 2004/05 exports reduced 2005/06 beginning stocks 0.5 million tons, which contributed to a similar decline for projected ending stocks.

Projected 2006/07 world wheat ending stocks remain the lowest in 25 years.

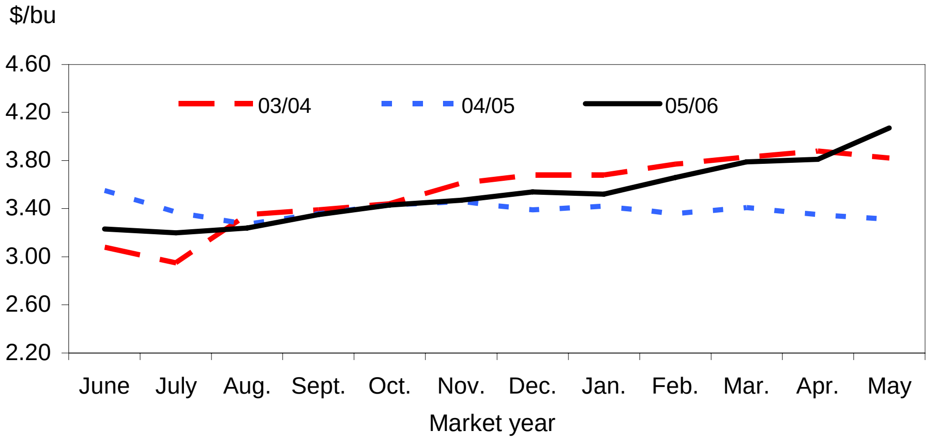
World Wheat Trade for 2006/07 Little Changed This Month

Global trade for 2006/07 (July-June) was projected fractionally lower this month at 110.6 million tons. Export prospects for Argentina were dropped 1 million tons because of reduced production prospects. However, this was mostly offset by an increase in export prospects for Ukraine, up 0.5 million tons, and Pakistan, up 0.45 million. Although Ukraine's wheat production is down sharply from the previous year, the increase in projected production this month indicates that there will be ample wheat for domestic needs and enough left over for modest exports of 1.5 million tons, down from 5.5 million estimated for 2005/06. The record crop in Pakistan is large enough to support a small (0.5 million tons) export program to nearby markets.

Production estimates altered import forecasts for several North African countries. Morocco's projected imports were reduced 0.3 million tons to 1.9 million, while Algeria's was increased 0.4 million to 4.8 million, and Tunisia's increased 0.3 million to 1.2 million. Also Sudan's imports were increased 0.2 million to 1.6 million as 2005/06 aid shipments indicate that Sudan has been able to receive more aid shipments than previously forecast.

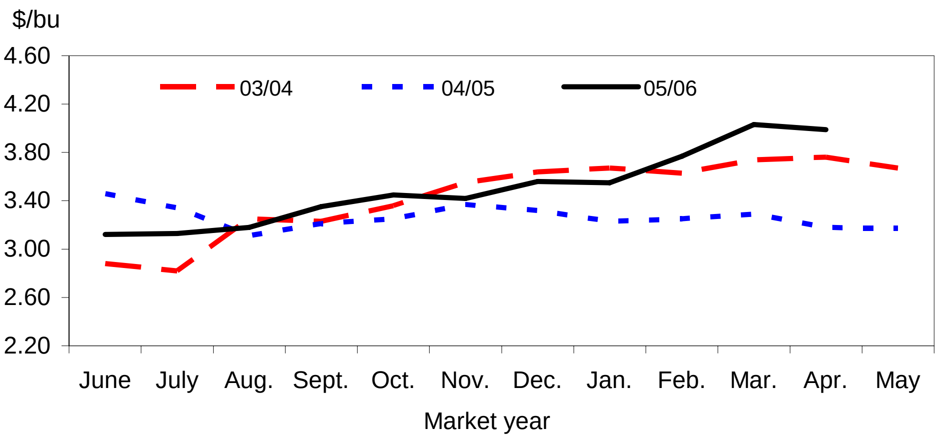
The U.S. export forecasts for 2005/06 and 2006/07 were left unchanged. While tight supplies are expected to constrain U.S. exports in 2006/07, demand for U.S. wheat is expected to remain firm despite this month's higher forecast prices.

Figure 1
All wheat average prices received by farmers



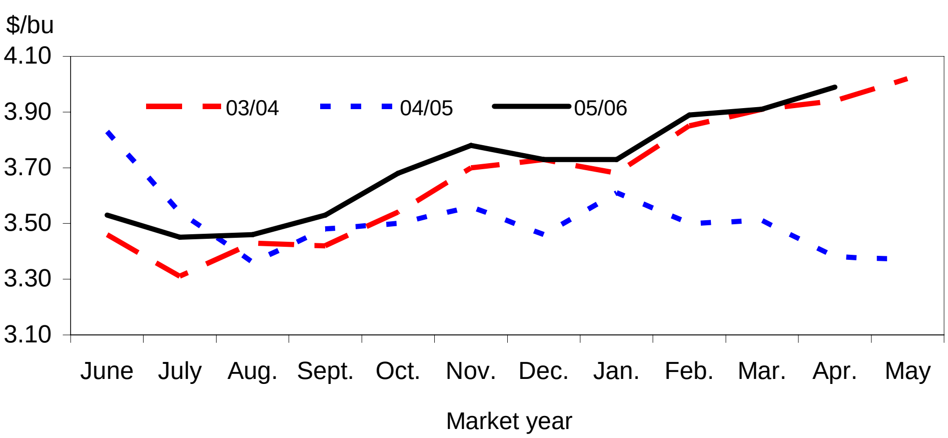
Source: *Agricultural Prices* , NASS, USDA.

Figure 2
Hard red winter wheat average prices received by farmers



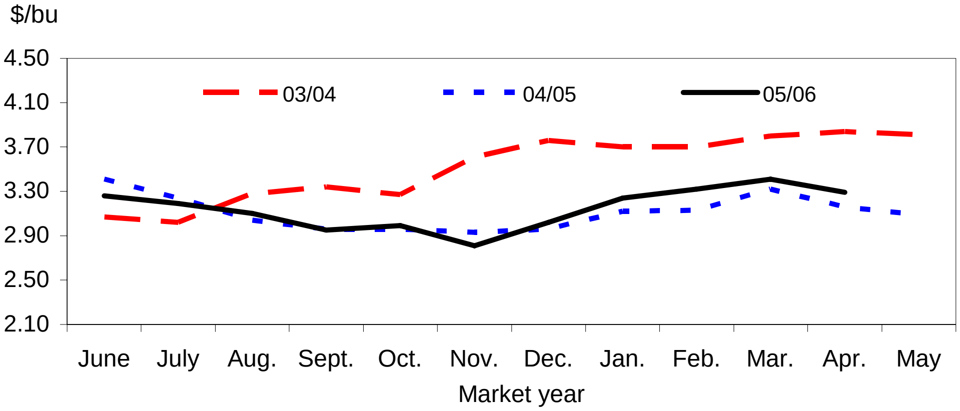
Source: *Agricultural Prices* , NASS, USDA.

Figure 3
Hard red spring wheat average prices received by farmers



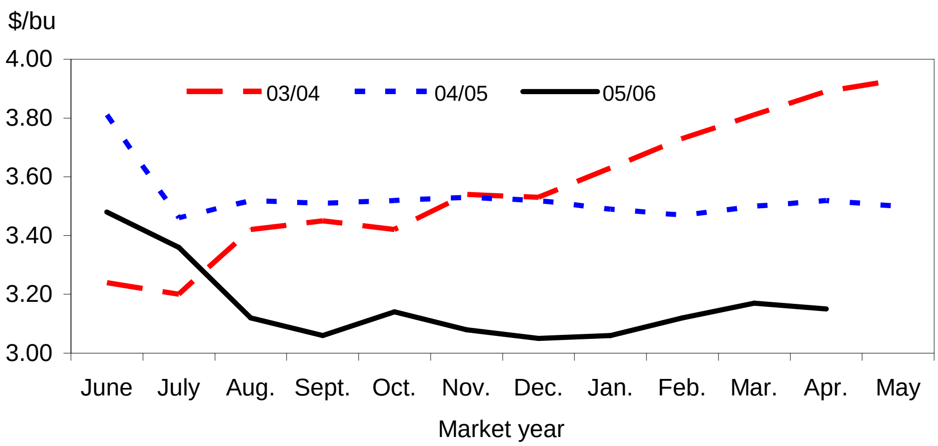
Source: *Agricultural Prices* , NASS, USDA.

Figure 4
Soft red winter wheat average prices received by farmers



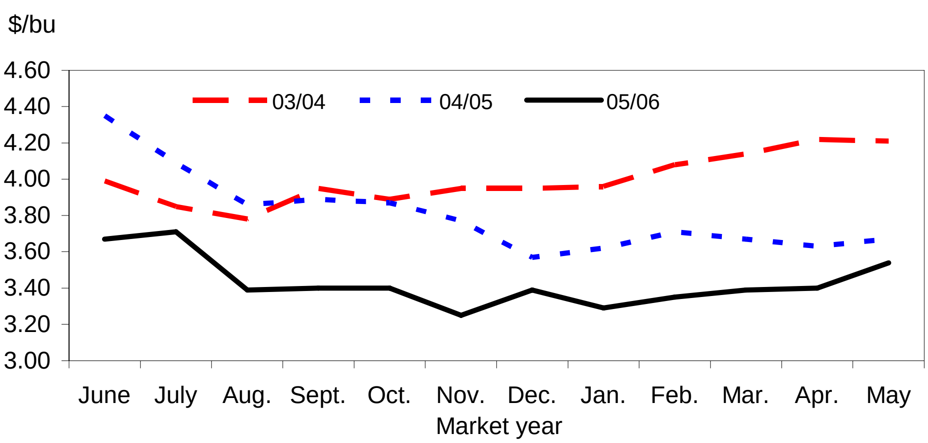
Source: *Agricultural Prices* , NASS, USDA.

Figure 5
Soft white wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 6
Durum wheat average prices received by farmers

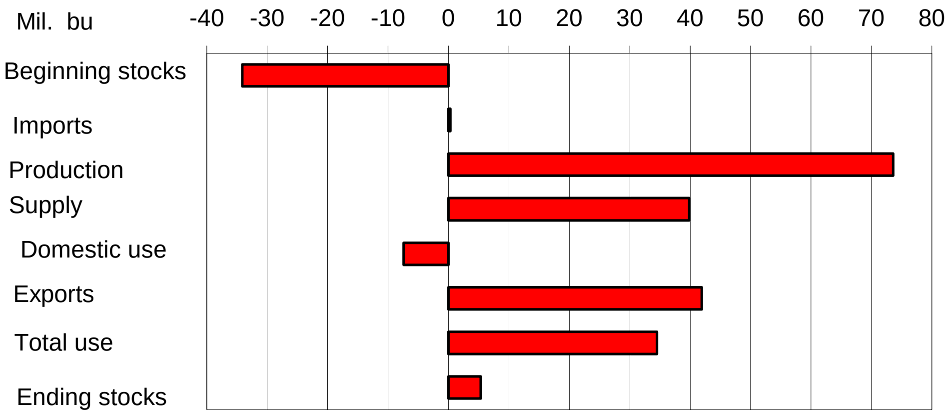


Source: *Agricultural Prices* , NASS, USDA.

Changes From Previous Marketing Year, 2004/05 to 2005/06

Figure 7

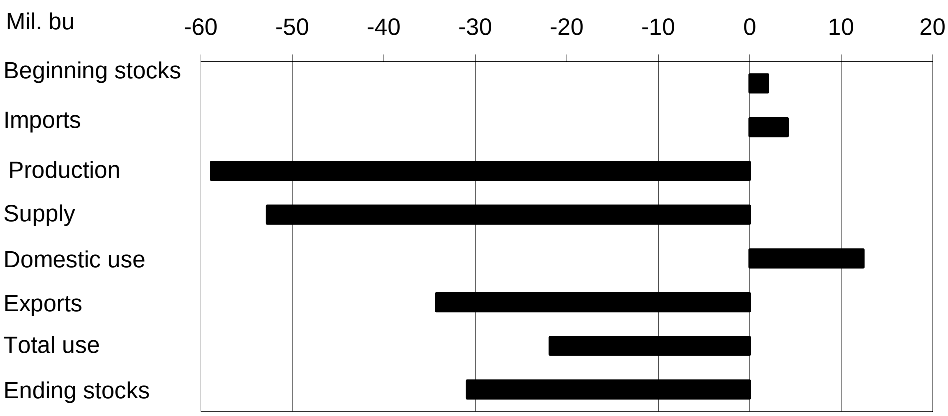
Hard red winter wheat



Source: *WASDE,* World Agricultural Outlook Board, USDA.

Figure 8

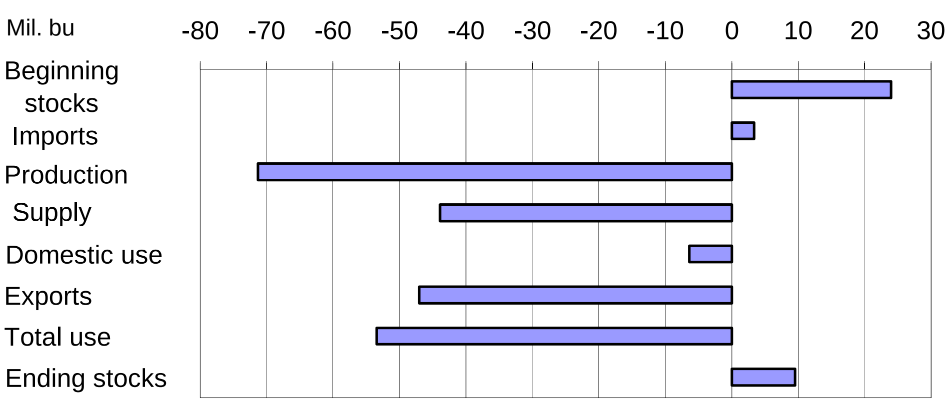
Hard red spring wheat



Source: *WASDE,* World Agricultural Outlook Board, USDA.

Figure 9

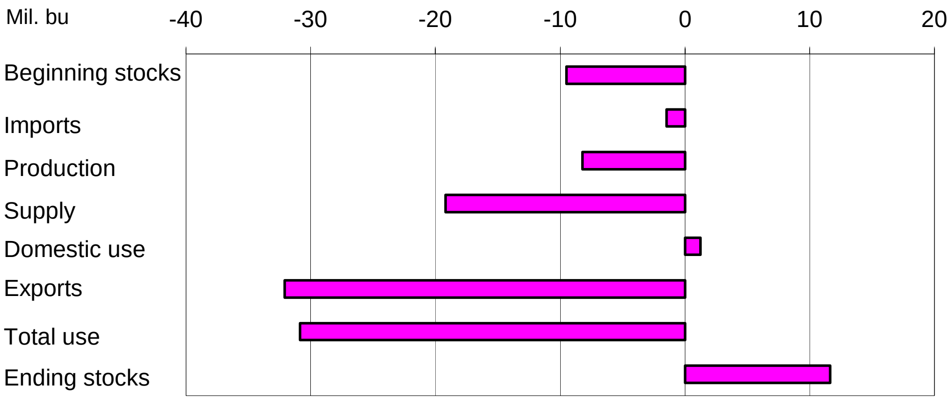
Soft red winter wheat



Source: *WASDE,* World Agricultural Outlook Board, USDA.

Figure 10

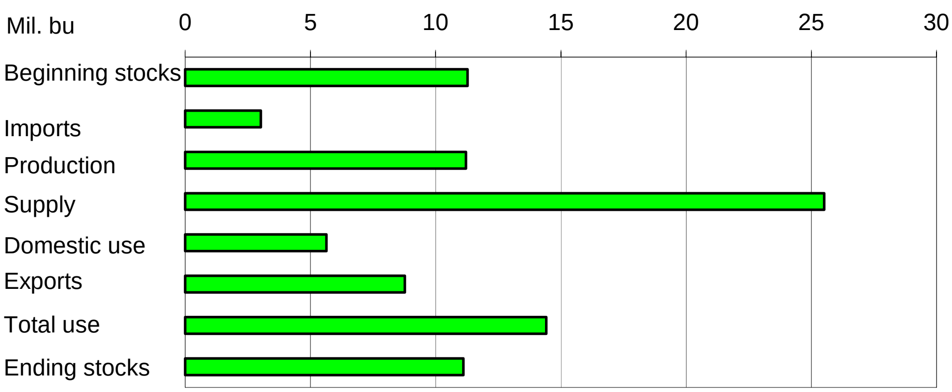
White wheat



Source: *WASDE,* World Agricultural Outlook Board, USDA.

Figure 11

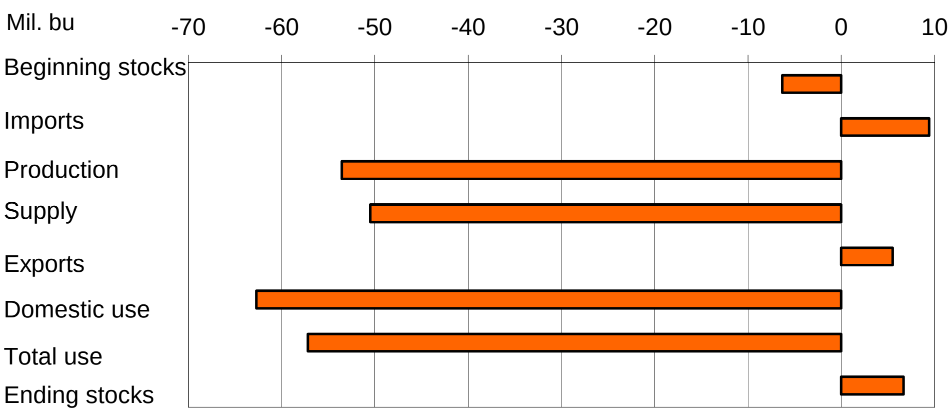
Durum



Source: *WASDE,* World Agricultural Outlook Board, USDA.

Figure 12

All wheat



Source: *WASDE,* World Agricultural Outlook Board, 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.htm. These tables contain the latest data on supply and disappearance, monthly food-use estimates, prices, exports, and imports.

Recent Report

Economic Analysis of Base Acre and Payment Yield Designations Under the 2002 U.S. Farm Act evaluates farmers' decisions to designate base acres under the 2002 Farm Act. Findings suggest that decisionmakers responded to economic incentives in their designations of base acres by selecting those options that resulted in the greatest expected flow of program payments.
http://www.ers.usda.gov/publications/ERR12/

See also Farm Program Acres for the county-level farm program and planted acreage data used in the report, which can be downloaded and mapped.
http://www.ers.usda.gov/data/baseacres/

Related Websites

WASDE (http://usda.mannlib.cornell.edu/reports/waobr/wasde-bb/)
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Table 1--Wheat: U.S. market year supply and disappearance, 06/13/06

Item	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05e	2005/06P	2006/07P
Area: (mil. ac)										
National total base	0.0	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	0.0
CRP base retired	10.1	9.7	0.0	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	57.2	57.1
Harvested	62.8	59.0	53.8	53.1	48.5	45.8	53.1	50.0	50.1	46.1
Yield: (bu/acre)	39.5	43.2	42.7	42.0	40.2	35.0	44.2	43.2	42.0	39.3
Supply:					Million bushels					
Beginning stocks	443.6	722.5	945.9	949.7	876.2	777.1	491.4	546.4	540.1	546.8
Production	2,481.5	2,547.3	2,295.6	2,228.2	1,947.5	1,605.9	2,344.8	2,158.2	2,104.7	1,813.8
Imports 1/	94.9	103.0	94.5	89.8	107.6	77.4	63.0	70.6	80.0	100.0
Total supply	3,020.0	3,372.8	3,336.0	3,267.7	2,931.2	2,460.4	2,899.2	2,775.3	2,724.8	2,460.6
Use:										
Food	914.1	910.0	928.8	949.6	926.4	918.6	911.9	904.7	910.0	915.0
Seed	92.5	80.4	91.7	79.5	83.4	84.4	79.7	77.6	78.0	80.0
Feed and residual	250.5	390.7	279.3	300.4	182.0	115.7	202.9	190.2	190.0	150.0
Total domestic	1,257.1	1,381.1	1,299.7	1,329.5	1,191.8	1,118.7	1,194.4	1,172.5	1,178.0	1,145.0
Exports 1/	1,040.4	1,045.7	1,086.5	1,062.0	962.3	850.2	1,158.3	1,062.7	1,000.0	900.0
Total use	2,297.5	2,426.9	2,386.2	2,391.6	2,154.1	1,968.9	2,352.8	2,235.2	2,178.0	2,045.0
Ending stocks:	722.5	945.9	949.7	876.2	777.1	491.4	546.4	540.1	546.8	415.6
Farmer-owned reserve	0.0	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	43.0	0.0
Free stocks	628.5	817.9	845.7	779.2	678.1	425.4	485.4	486.1	503.8	415.6
Stocks-to-use ratio	31.4	39.0	39.8	36.6	36.1	25.0	23.2	24.2	25.1	20.3
Prices: ($/bu)										
Target price	0.00	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	0.00
Contract rate	0.63	0.66	0.64	0.59	0.48	0.52	0.52	0.52	0.52	0.00
Ave. farm price	3.38	2.65	2.48	2.62	2.78	3.56	3.40	3.40	3.42	3.60-4.20
Gov't. pmts.										
(mil. dollars)	1,412	2,717	3,827	3,606	2,474	1,172	1,237	1,218	1,156	1,136
Market value										
of production										
(mil. dollars)	8,287	6,781	5,594	5,782	5,440	5,679	7,929	7,283	7,198	7,074

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 Outlook Board, USDA.,*World Agricultural Supply and Demand Estimates.*

Table 2--Wheat: U.S. market year supply and disappearance, 06/13/06 1/

2004/05E	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	30.778	13.033	8.227	5.075	2.561	59.674
Harvested	23.406	12.46	7.02	4.751	2.363	50.000
Yield: (bu/acre)	36.6	42.2	54.2	64.5	38	43.2
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/	0.66	7.88	21.61	11.47	28.97	70.60
Total	1,084.00	690.35	465.92	389.84	145.18	2,775.28
Utilization:						
Food	377.14	228.00	155.00	75.00	69.51	904.66
Seed	33.37	20.72	11.75	6.50	5.27	77.61
Feed and residual	92.41	-31.64	89.12	38.77	1.57	190.23
Total domestic	502.92	217.08	255.87	120.27	76.35	1,172.50
Exports 2/	388.07	314.26	122.04	207.08	31.23	1,062.69
Total	891.00	531.35	377.92	327.34	107.58	2,235.18
Ending stocks:	193.01	159.00	88.00	62.50	37.59	540.10
2005/06P	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	30.049	13.344	6.134	4.942	2.76	57.229
Harvested	24.625	12.946	5.147	4.685	2.716	50.119
Yield: (bu/acre)	37.8	36	60	63.7	37.2	42.0
Supply:			Million bushels			
Beg. stocks	193.01	159.00	88.00	62.50	37.59	540.10
Production	929.82	466.59	309.02	298.16	101.11	2,104.69
Imports 2/	1.00	12.00	25.00	10.00	32.00	80.00
Total	1,123.83	637.59	422.02	370.66	170.70	2,724.79
Utilization:						
Total domestic	495.50	229.50	249.50	121.50	82.00	1,178.00
Exports 2/	430.00	280.00	75.00	175.00	40.00	1,000.00
Total	925.50	509.50	324.50	296.50	122.00	2,178.00
Ending stocks:	198.33	128.09	97.52	74.16	48.70	546.79

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 Outlook Board, USDA.,*World Agricultural Supply and Demand Estimates.*

Table 3--Wheat: Quarterly supply and disappearance (1,000 bu), 06/13/06

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	216	2	3	291	1,021
	Mar-May	---	17	1,037	226	22	-54	296	546
	Mkt. year	2,345	63	2,899	912	80	203	1,158	546
2004/05 P:									
	Jun-Aug	2,158	17	2,722	227	4	265	287	1,938
	Sep-Nov	---	19	1,957	236	47	-56	300	1,430
	Dec-Feb	---	18	1,448	216	2	8	237	984
	Mar-May	---	17	1,001	225	24	-27	239	540
	Mkt. year	2,158	71	2,775	905	78	190	1,063	540
2005/06 P:									
	Jun-Aug	2,105	19	2,663	229	2	266	243	1,923
	Sep-Nov	---	20	1,944	238	51	-62	288	1,429
	Dec-Feb	---	20	1,450	217	1	7	252	972

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 Outlook Board, USDA.,*World Agricultural Supply and Demand Estimates.*

Table 4--Monthly food use estimates for last 12 months (1,000 bu), 06/13/06

Item		Apr.	May	June	July	Aug.	Sept.
Mill grind	+	70,727	72,315	69,187	72,728	79,487	76,432
Food imports 1/	+	2,179	2,230	2,279	2,137	2,319	2,156
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	1,769	1,418	1,473	1,096	2,099	1,288
Food use	=	73,137	75,127	71,993	75,769	81,707	79,300
Item		Oct.	Nov.	Dec	Jan	Feb	Mar
Mill grind	+	77,886	74,549	69,975	69,843	69,289	73,512
Food imports 1/	+	2,413	2,384	2,250	2,127	1,956	2,339
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	1,463	1,525	1,586	1,623	1,504	1,520
Food use	=	80,836	77,408	72,639	72,347	71,741	76,331

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, estimates.

Table 5--Wheat: National average price received by farmers, 06/13/06 1/

Month	All wheat		Winter		Durum		Other spring	
	04/05	05/06	04/05	05/06	04/05	05/06	04/05	05/06
			($/bu)	($/bu)				
June	3.55	3.23	3.46	3.15	4.35	3.67	3.83	3.53
July	3.37	3.20	3.31	3.15	4.09	3.71	3.55	3.45
August	3.27	3.24	3.19	3.16	3.86	3.39	3.38	3.43
September	3.36	3.35	3.26	3.28	3.89	3.40	3.48	3.50
October	3.43	3.43	3.34	3.33	3.87	3.40	3.50	3.62
November	3.46	3.47	3.39	3.29	3.79	3.25	3.57	3.73
December	3.40	3.54	3.34	3.46	3.67	3.39	3.48	3.69
January	3.43	3.52	3.28	3.45	3.64	3.29	3.61	3.69
February	3.36	3.66	3.27	3.59	3.72	3.35	3.49	3.83
March	3.42	3.79	3.32	3.82	3.70	3.39	3.51	3.85
April	3.35	3.81	3.27	3.76	3.63	3.40	3.39	3.94
May	3.31	4.07	3.23	4.10	3.67	3.54	3.37	4.10

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

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

Table 6--Wheat prices received by farmers by class, 06/13/06

	Hard red winter		Soft red winter		Hard red spring		Soft white	
Month	04/05	05/06	04/05	05/06	04/05	05/06	04/05	05/06
June	3.46	3.12	3.41	3.26	3.83	3.53	3.81	3.48
July	3.34	3.13	3.24	3.19	3.54	3.45	3.46	3.36
August	3.11	3.18	3.04	3.10	3.36	3.46	3.52	3.12
September	3.21	3.35	2.96	2.95	3.48	3.53	3.51	3.06
October	3.25	3.45	2.96	2.99	3.50	3.68	3.52	3.14
November	3.37	3.42	2.93	2.81	3.57	3.78	3.54	3.08
December	3.32	3.56	2.94	3.02	3.48	3.73	3.51	3.05
January	3.24	3.55	3.12	3.24	3.62	3.73	3.49	3.06
February	3.25	3.77	3.13	3.32	3.49	3.89	3.47	3.12
March	3.29	4.03	3.32	3.41	3.52	3.91	3.50	3.17
April	3.18	3.99	3.16	3.29	3.38	3.99	3.51	3.15
May	3.17		3.09		3.37		3.50	

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

Table 7--Wheat: Average cash grain bids at selected markets ($/bu), 06/13/06

Month	KC HRW #1 ordinary		KC HRW #1 13% protein		Portland #1 HRW Ord.		FOB Gulf $/mt (#2 HRW)	
	04/05	05/06	04/05	05/06	04/05	05/06	04/05	05/06
June	4.13	3.87	4.35	4.00	4.11	3.82	155.22	142.25
July	3.97	3.83	4.07	3.89	3.72	3.80	151.86	145.52
August	3.73	3.96	3.81	4.04	3.87	3.91	142.55	154.28
September	4.01	4.30	4.11	4.30	4.00	4.28	151.96	166.89
October	3.95	4.57	4.03	4.68	4.34	4.44	152.19	173.12
November	4.22	4.53	4.48	4.55	4.16	4.34	158.44	164.74
December	4.22	4.52	4.30	4.60	4.31	4.39	155.34	171.45
January	4.14	4.46	4.16	4.50	4.05	4.37	154.43	167.50
February	4.00	4.72	4.01	4.83	4.17	4.57	151.17	180.10
March	4.00	4.62	4.02	4.81	3.94	4.51	151.74	175.78
April	3.76	4.86	3.86	5.04	3.88	4.71	144.65	181.55
May	3.80	5.21	3.92	5.38	3.89	5.08	145.05	195.36

Month	Minneapolis DNS 13% protein		Minneapolis DNS 14% protein		Minneapolis #1 HAD milling		Portland DNS 14% protein	
	04/05	05/06	04/05	05/06	04/05	05/06	04/05	05/06
June	4.35	4.32	4.56	5.03	N/Q	N/Q	4.78	5.10
July	4.08	4.11	4.31	4.71	N/Q	N/Q	4.27	4.54
August	3.80	4.48	4.12	4.83	N/Q	N/Q	4.55	4.66
September	4.09	4.46	4.68	4.80	N/Q	N/Q	4.69	5.03
October	4.19	4.83	4.87	5.11	N/Q	N/Q	5.18	5.18
November	4.35	4.83	5.14	5.11	N/Q	N/Q	5.01	5.18
December	4.26	4.64	4.93	5.28	N/Q	N/Q	5.26	5.08
January	4.37	4.65	5.01	4.87	N/Q	N/Q	5.08	5.11
February	3.91	4.61	4.13	4.90	N/Q	N/Q	5.03	5.27
March	4.18	4.65	4.79	4.83	N/Q	N/Q	4.75	5.26
April	3.99	4.79	4.69	4.94	N/Q	N/Q	4.91	5.47
May	3.99	5.19	4.69	5.31	N/Q	N/Q	5.01	5.72

Month	St. Louis #2 soft red		Chicago #2 soft red		Toledo #2 soft red		Portland #1 soft white	
	04/05	05/06	04/05	05/06	04/05	05/06	04/05	05/06
June	3.51	3.46	3.46	3.09	3.49	3.16	4.05	3.76
July	3.51	3.30	3.26	3.22	3.25	3.21	3.94	3.59
August	3.35	3.10	2.92	3.04	3.06	3.04	3.90	3.54
September	3.17	2.64	2.97	2.93	3.06	2.99	3.95	3.46
October	3.34	2.78	2.82	2.99	2.91	3.09	3.94	3.61
November	3.43	3.14	2.79	2.83	2.88	2.90	3.95	3.46
December	3.48	3.15	2.88	2.98	2.91	3.00	3.86	3.44
January	3.47	3.15	2.93	3.11	2.92	3.14	3.90	3.46
February	3.75	3.37	2.95	3.34	2.95	3.39	3.95	3.54
March	3.19	3.45	3.28	3.29	3.36	3.27	3.91	3.59
April	3.26	3.45	2.92	3.21	3.10	3.13	3.94	3.62
May	3.28	3.45	2.96	3.54	3.09	3.42	3.90	3.79

N/Q=no quote. Source: Agricultural Marketing Seervice, USDA, http://www.ams.usda.gov/lsmnpubs/grains.htm.

Table 8--Wheat: U.S. exports and imports for last 6 months, 06/13/06 1/

			Exports, (1,000 bu)			
Item 1/	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Wheat grain	103,423	77,164	91,531	84,659	71,175	74,420
Wheat flour	840	871	734	572	620	937
Products	624	677	934	1,098	949	693
Total	104,887	78,712	93,199	86,329	72,744	76,050
			Imports, (1,000 bu)			
Item 1/	Oct	Nov	Dec	Jan	Feb	Mar
Wheat grain	3,998	3,358	4,324	4,289	5,168	5,683
Wheat flour	982	938	859	884	813	993
Products	1,432	1,449	1,400	1,245	1,144	1,354
Total	6,412	5,745	6,583	6,418	7,125	8,030

Source: Economic Research Service, USDA, estimates. 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, 06/13/06 1/

	2003/04		2004/05		2005/06 (as of 6/01/06)	
Importing country	Shipments				Shipments	Carryover sales
Data source	Census	Export sales	Census	Export sales	Export sales	
	1,000 metric tons					
Country:						
Japan	3,132	3,139	3,036	3,109	2,966	95
Mexico	2,814	2,863	2,861	2,699	2,564	61
Nigeria	2,192	2,221	2,576	2,529	3,036	62
China	1,138	1,166	2,123	2,068	373	0
Egypt	4,022	3,942	1,784	1,897	1,181	55
Philippines	1,119	1,139	1,787	1,786	1,676	47
EU	1,617	2,052	1,036	1,553	1,479	0
South Korea	1,478	1,329	1,287	1,298	1,143	48
Taiwan	1,016	1,066	968	971	914	39
Colombia	753	817	744	743	711	18
Total grain	30,771	29,599	28,429	26,572	25,320	866
Total (including products)	31,555	29,663	28,849	26,641	25,370	868
USDA forecast of Census					27,216	

1/ Export sales and shipments from Foreign Agricultural Service, USDA, *U.S. Export Sales* .