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Wheat Outlook

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2006/07 Wheat Supplies Up

Contents

The next release is Aug. 15, 2006

Approved by the World Agricultural Outlook Board.

Projected U.S. 2006/07 wheat supplies are up 17 million bushels from last month, as higher beginning stocks and imports more than offset lower production. Beginning stocks are increased 22 million bushels based on USDA's June 30 *Stocks* report. The first survey-based forecast of spring wheat (including durum) production, at 526 million bushels, is down 24 million from last month's projection. Forecast winter wheat production is raised 16 million bushels. Imports are raised 5 million bushels. Projected feed and residual use is lowered 5 million bushels. The first wheat supply and demand projections by class for 2006/07 indicate tighter supplies for hard red winter, hard red spring, and durum compared with the year earlier. The projected all-wheat, season-average price range is raised 10 cents on each end to $3.70 to $4.30 per bushel.

This month's dramatic increase in China's 2006/07 wheat crop and revisions to 2005/06 trade data show that China has shifted to being a net exporter of wheat. Projected wheat production in China for 2006/07 increased 7.5 million tons to 105 million, and forecast imports were reduced while exports increased. Production and exports for Ukraine also increased this month. However, dry planting conditions reduced Australia's projected production 2.5 million tons while production prospects in Turkey and Brazil dropped 1 million tons each. Estimated 2005/06 and projected 2006/07 world wheat trade expanded this month.

Domestic Outlook

All Winter Wheat Planted Area Up 2 Percent From 2005

The 2006 winter wheat planted area is estimated at 41.4 million acres, 2 percent above last year but virtually unchanged from the previous estimate. Of this total, about 29.7 million acres are hard red winter (HRW), 7.45 million acres are SRW, and 4.21 million acres are white winter. Harvested area for grain is estimated at 31.1 million acres, down slightly from the June 1 forecast and down 8 percent from last year. National Agricultural Statistics Service's (NASS) *Acreage* reported that overall, harvested acreage is down in the winter wheat growing area from the previous year mostly due to drought conditions in the Great Plains region that extends from Texas to South Dakota. This decline more than offset the year-to-year increase in the soft red winter (SRW) harvested acres.

Area planted to other spring wheat for 2006 is estimated at 14.6 million acres, up 4 percent from 2005 as hard red spring (HRS) prices were up sharply this spring (see price discussion below). Planted acreage was at or above last year's level in all States, except Minnesota and Utah. Of this total, about 13.9 million acres are HRS wheat. Harvest area for other spring is expected to total 14.2 million acres, also up 4 percent from last year.

The durum planted area for 2006 is estimated at 1.89 million acres, down 32 percent from last year. This is the lowest durum wheat acreage since 1961. Durum planted acreage is at or below last year's level in all States, except California. Crop development in North Dakota is ahead of normal with durum wheat plantings at the lowest level since 1959. Area harvested for grain is expected to total 1.82 million acres, 33 percent below last year's level.

Rising Monthly Prices Encouraged HRS Plantings

The Feb. and March prices for HRS were about $3.90, up about $.45 from their marketing-year lows in July and August of 2005 as crop conditions deteriorated for the HRW crop. These high prices created an incentive to plant additional acres of HRS wheat. Durum monthly prices for Feb. and Mar. were up only $.06 to $.11, respectively, from its seasonal low of $3.28 in Nov. 2005. Durum prices were down sharply from 2004/05 (see below). The HRS price to durum price ratio in Feb. and Mar. this spring was about 1.15, which was also not favorable for durum plantings relative to HRS.

The season-average prices (SAP) received by farmers for 2005/06 were quite different by class and year-to-year. Tables 5 and 6 of this report show class prices by month for 2005/06.

Class	SAP for 2005/06	Change from 2004/05
HRW	$3.38	$.09
HRS	$3.70	$.19
SRW	$3.19	-$.02
White	$3.13	-$.39
Durum	$3.46	-$.39

All Wheat Production Down From Last Year

All wheat production for 2006 is estimated at 1,806 million bushels, down 299 million bushels from 2005. The forecasted yield for 2006 is 38.3 bushels per acre, down 3.6 bushels from 2005.

Winter wheat production is forecast at 1,280 million bushels, up 1 percent from last month, but 219 million bushels below 2005. The winter wheat yield is forecast at 41.4 bushels per acre, up .6 bushel from last month and down 3.3 bushels from 2005. HRW, at 660 million bushels, is up less than 1 percent from a month ago. SRW, at 375 million bushels, is up 5 percent from the last forecast. White winter is down 1 percent from last month and now totals 245 million bushels. Of this total, 19.9 million bushels are hard white and 225 million bushels are soft white.

Harvest progress in the 18 major winter wheat producing States was 65 percent complete by July 2. This was 9 percentage points ahead of last year and 10 points ahead of the 5-year average.

NASS' *Crop Production* reported harvest progress was ahead of normal in all HRW States, except Montana, due to drought conditions across much of the Great Plains region which accelerated crop development and maturation. In Oklahoma, late-developing wheat in the major-producing areas was helped by rainfall during June. Crop development in Montana continued at a rapid pace due to hot weather during the latter part of the month.

Yield forecasts are equal to or higher than the previous month in all States in the SRW growing areas except Georgia and New York. Harvest is nearly complete in the southern portion of the growing area and revealed that dry spring weather did not affect yields as much as previously thought. Elsewhere, harvest is behind normal in several States in the northern portion of the growing area. In Ohio, lodging was reported in some wheat fields in the northern part of the State due to strong storms that occurred the third week of June. Growers in Illinois are expecting better yields than previously thought due to a continuation of ideal growing conditions during June. Record-high yields are expected in Illinois, Kentucky, Tennessee, Arkansas, and Mississippi.

White wheat yield forecasts in the Pacific Northwest (PNW) are at or below the previous month. In Idaho, yields are down due to a lack of timely rains during June. Growers in Oregon applied fungicides to wheat fields and are not expecting widespread harvesting to begin for another few weeks. Warm temperatures during the latter part of June accelerated crop development across the PNW.

Spring wheat production (including durum) is forecast at 526 million bushels, down 80 million bushels from 2005. The spring wheat yield is forecast at 32.9 bushels per acre, down 4.2 bushels from 2005.

HRS wheat, at 425 million bushels, is down 42 million bushels from 2005. White spring wheat, at 40 million bushels, is up 2 million from 2005. Of this total, 5 million bushels are hard white spring and 35 million bushels are soft white spring. Durum wheat production is forecast at 60 million bushels, down 41 million bushels from 2005.

NASS' *Crop Production* reported planting in Montana, Minnesota, and the Dakotas began behind normal but finished ahead of the normal pace. Yield prospects are down from the previous year in all four States mostly due to hot and dry weather during June. Crop condition ratings are down from the previous year in Montana and the Dakotas but are higher than the previous year in Minnesota. Development of the crop is ahead of normal in all four States. In the PNW, wet weather conditions during the early spring provided beneficial soil moisture but delayed planting. As a result of the late planting, crop development has lagged behind the normal pace.

Beginning Stocks for 2006/07 Are Up From Last Month

The NASS' June 30 *Stocks* reported 22 million more ending stocks for 2005/06 than expected. These higher beginning stocks for 2006/07, and an additional 5 million imports, more than offsets the 8-million fewer bushels of production expected last month. Thus, supplies in 2006/07 are up 17 million bushels month-to-month. With a 5-million-bushel reduction in projected feed and residual use, projected ending stocks for 2006/07 are up 22 million bushels to 438 million bushels. The projected all-wheat, season-average price range is raised 10 cents on each end to $3.70 to $4.30 per bushel because of higher-than-expected elevator cash bid and futures prices.

Class Supply and Use Comparisons Year-to-Year

HRW wheat. Beginning stocks for 2006/07 HRW are up 19 million bushels from 2005/06, which partially offsets 270 million fewer bushels produced in 2006/07. The net result is 250 million fewer bushels of supplies in 2006/07. Projected HRW domestic use for 2006/07 is down 46 million bushels year-to-year as food use and feed and residual use are down 12 million bushels and 36 million bushels, respectively. Projected ending stocks for 2006/07 are 134 million bushels, 79 million bushels less than in 2005/06.

HRS wheat. Beginning stocks for 2006/07 HRS marketing year are down 28 million bushels from 2005/06. Smaller beginning stocks and 42 million fewer bushels of production more than offset a 32-million-bushel increase in imports year-to-year. Thus, projected supplies for 2006/07 are 600 million bushels, down 38 million bushels. Projected HRS domestic use for 2006/07 is up 9 million bushels from 2005/06. Food use is down a projected 15 million bushels, while feed and residual use for 2006/07 is a negative 25 million bushels, compared with a negative 20 million bushels in 2005/06. Projected exports, at 265 million bushels, are down 16 million bushels from 2005/06. Projected ending stocks for 2006/07 are 100 million bushels, 31 million bushels less than for 2005/06.

SRW wheat. Beginning stocks for 2006/07 SRW are up 18 million bushels from 2005/06, which more than offsets a projected 5-million-bushel reduction of imports. With 65 million more bushels production in 2006/07, supplies are up 78 million bushels year-to-year. Projected SRW domestic use for 2006/07 is up 29 million bushels year-to-year due to a larger feed and residual use. Exports are also projected up from 2005/06, 44 million bushels to 120 million bushels. Projected ending stocks for 2006/07 are 112 million bushels, up 6 million from 2005/06.

White wheat. Beginning stocks for 2006/07 white wheat are up 16 million bushels from 2005/06, which more than offsets 13 million fewer bushels of production in 2006/07. The net result is 3 million bushels of additional supplies in 2005/06. Projected white wheat domestic use for 2005/06 is down 2 million bushels because of a small projected change in feed and residual use year-to-year. Projected white wheat exports, at 185 million bushels, are up 11 million bushels from 2005/06. Projected ending stocks for 2006/07 are 71 million bushels, 7 million bushels less than for 2005/06. Importantly, this white wheat balance sheet analysis is an aggregate of soft white and hard white wheats.

Durum wheat. Beginning stocks for 2006/07 durum are up 3 million bushels from 2005/06, which only slightly offsets the 41-million fewer bushels of production in 2006/07. Projected imports are down 2 million bushels year-to-year. The net result is a 40-million-bushel drop in supplies in 2006/07. Projected durum domestic use for 2006/07 is down 3 million bushels year-to-year as slightly higher food and seed use partially offset a 6-million-bushel decrease in feed and residual use from 2005/06. Projected exports, at 25 million bushels, are down 18 million year-to-year. Projected ending stocks for 2006/07 are 22 million bushels, 19 million bushels less than for 2005/06.

International Outlook

A Large Increase for China's Wheat Production This Month

World wheat production in 2006/07 is projected up 5.4 million tons to 605 million. Projected wheat production in China for 2006/07 increased 7.5 million tons to 105 million. Planting moisture in most major provinces was exceptionally good last fall, and government payments encouraged an increase in area. Spring rains and temperatures were mostly normal. Several provincial harvest reports confirm record yields.

Favorable spring rains and good harvest conditions boosted production prospects in Ukraine 2 million tons to 13 million this month. However, Ukraine's production is still down almost 6 million tons from the previous year partly due to very dry planting conditions last fall.

Dry planting conditions prevailed in Australia, dropping area prospects 10 percent to 11.5 million hectares. Projected production is reduced 2.5 million tons to 21.5 million.

Harvest reports in Turkey indicate no increase in average 2006/07 yields compared with the previous year. Projected production is reduced 1 million tons to 18 million, the same as a year ago.

In Brazil, poor returns to wheat production and dryness in Parana during planting reduced wheat area 18 percent this month. Production prospects dropped 0.9 million tons to 3.5 million.

Global Use and 2006/07 Ending Stocks Prospects Increased

Projected 2006/07 world wheat use is up 1.5 million tons this month to 617 million. China's wheat use is up 1 million tons as the low price of wheat compared with corn is expected to boost wheat feed use. Food use is unchanged from the previous year, indicating declining per capita use as diets diversify. China is expected to increase exports of feed quality wheat to the Philippines, boosting prospects for wheat feeding there. In Ukraine, increased production is expected to lead to larger domestic use and exports.

With global use up much less than production this month, world wheat ending stocks prospects increased 5 million tons to 133 million. However, projected 2006/07 world wheat ending stocks are still down 8 percent from estimated beginning stocks.

The largest increase in ending stocks prospects this month is for China, up 4.4 million tons to 37.9 million. The large production increase boosted ending stocks prospects despite forecasts for increased domestic feed use, larger exports, and reduced imports. During 2006/07 China's wheat stocks are expected to increase for the first time in 7 years. Ending stocks prospects also increased 0.5 million tons for Iran and 0.4 million for Iraq due to increased imports, and several other foreign countries had smaller increases in projected 2006/07 ending stocks. However, with reduced production prospects, Australia's ending stocks were reduced 1 million tons to 5.8 million. Canada's expected ending stocks declined 0.5 million tons this month due to increased export prospects. A few other countries, such as Brazil, Turkey, and Japan had reduced ending stocks prospects this month.

World Wheat Trade Up, China a Net Exporter

World wheat trade (July-June) estimated for 2005/06 and projected for 2006/07, both increased this month. Revisions caused by nearly complete trade data for several countries boosted 2005/06 world wheat trade 1.5 million tons to 112.7 million. For 2006/07 world wheat trade prospects increased 0.7 million tons to 111.3 million with increased imports for Brazil, Turkey, and some other countries more than offsetting a decline in China's wheat imports.

Projected 2006/07 exports for China doubled this month from 1 million tons to 2 million. The latest trade data for 2005/06 indicate that China has been exporting wheat more rapidly than expected, and estimated exports were increased 0.3 million tons to 1.4 million. With imports remaining estimated at 1.3 million tons, it appears that China was a slight net exporter of wheat in 2005/06. China faces some difficulties exporting wheat because with very many small producers, wheat quality within a given shipment is normally quite variable. Consequently many importers use wheat from China for animal feed. A nearby market, the Philippines, has high tariffs on corn imports, and feed compounders there have turned to wheat from China. With increased production in 2006/07, relatively low prices in China are expected to encourage increased exports.

Improving production prospects boosted the outlook for Ukraine's 2006/07 wheat exports 1.0 million tons to 2.5 million. This is still sharply below the 2005/06 pace that was revised up 0.5 million tons this month to 6.0 million.

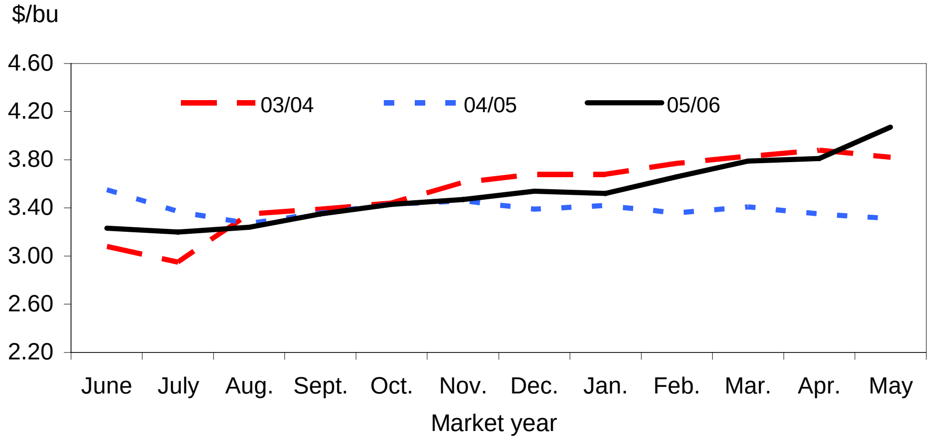
Canada's expected 2006/07 exports were increased 0.5 million tons to 18.5 million, making Canada the second largest wheat exporter instead of Australia. With large world trade and strong prices, Canada is expected to boost exports and reduce stocks.

Export prospects for Australia were slashed 1.5 million tons to 17.5 million because of reduced production. Also, Australia has not been getting as large a share of sales to India as earlier expected. Turkey's export prospects were reduced 0.5 million tons to 2.0 million due to reduced production.

U.S. exports forecast for 2006/07 remain unchanged this month, and the pace of early export sales supports the year-to-year decline. U.S. wheat exports estimated for 2005/06 were revised slightly based on nearly complete trade data. The U.S. June-May marketing year export estimate was increased slightly from 1.0 billion bushels to 1.004 billion. However, U.S. 2005/06 July-June trade year exports were reduced slightly from 27.5 million tons to 27.4 million.

Figure 1

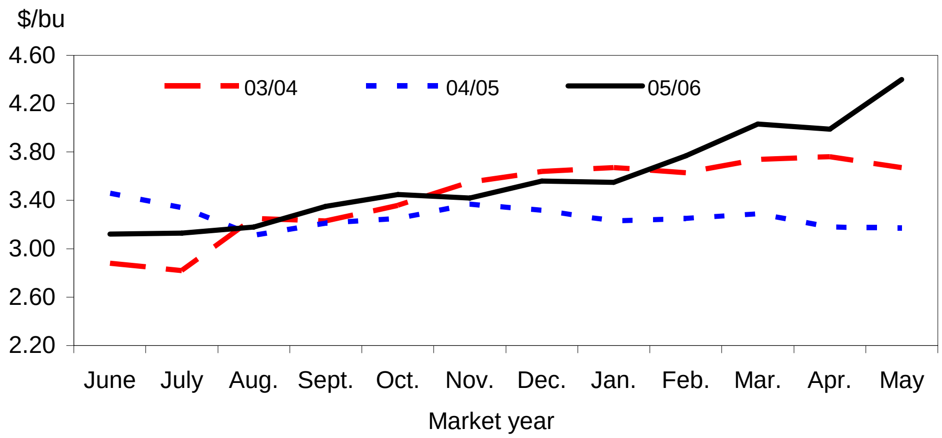
All wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 2

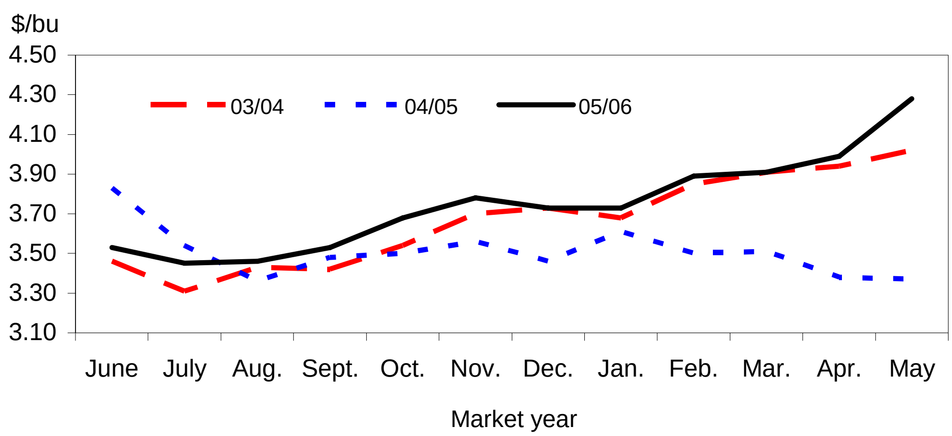
Hard red winter wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 3

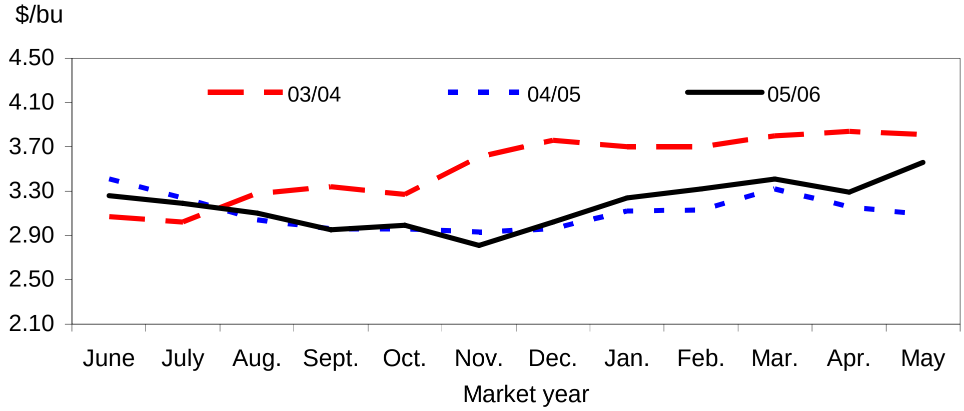
Hard red spring wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 4

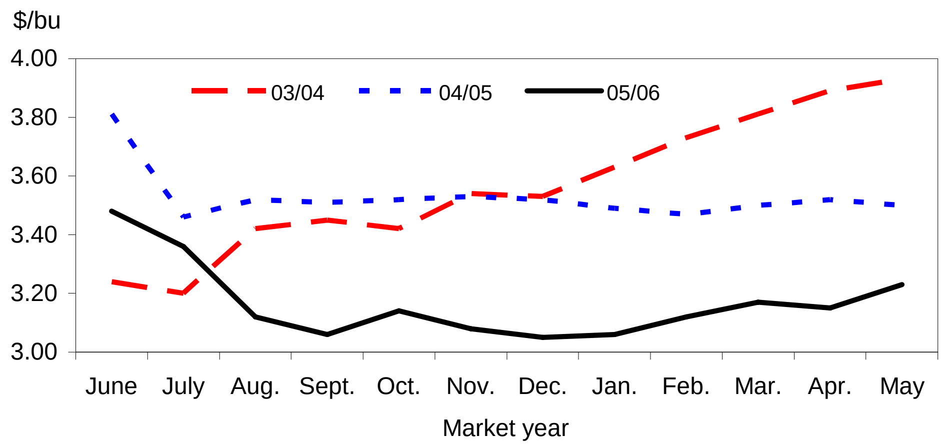
Soft red winter wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 5

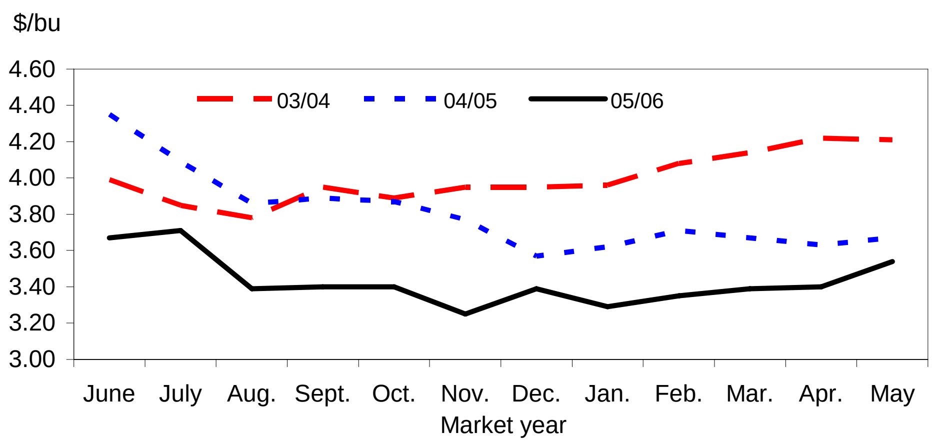
Soft white wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 6

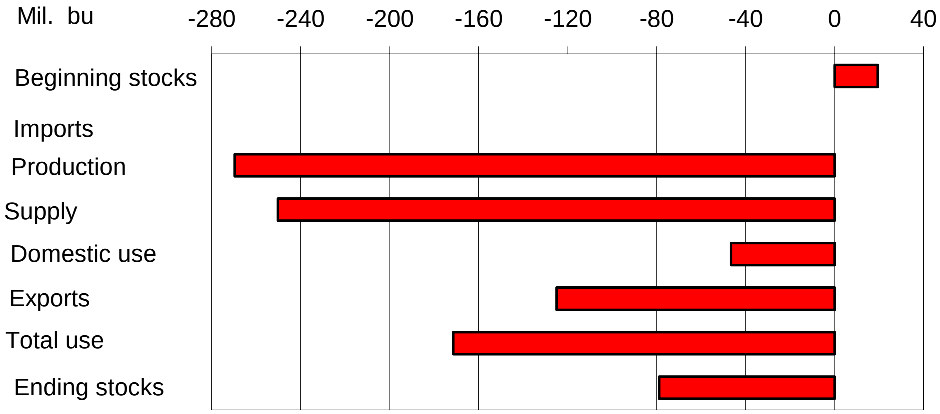
Durum wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

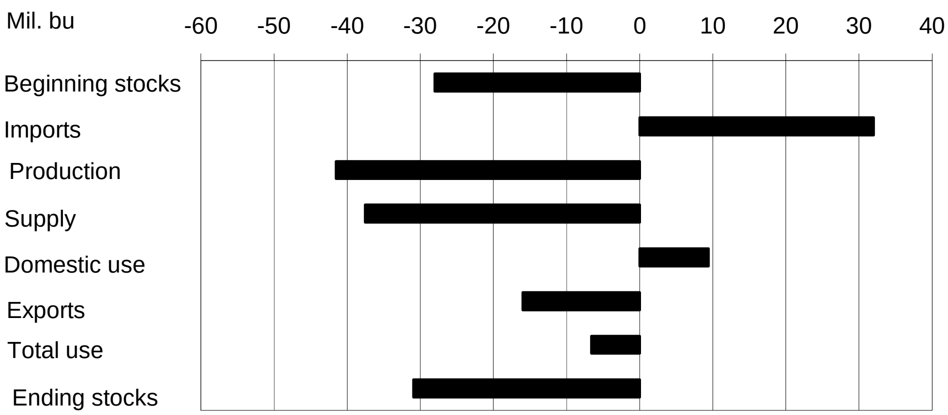
Changes From Previous Marketing Year, 2004/05 to 2005/06

Figure 7
Hard red winter wheat



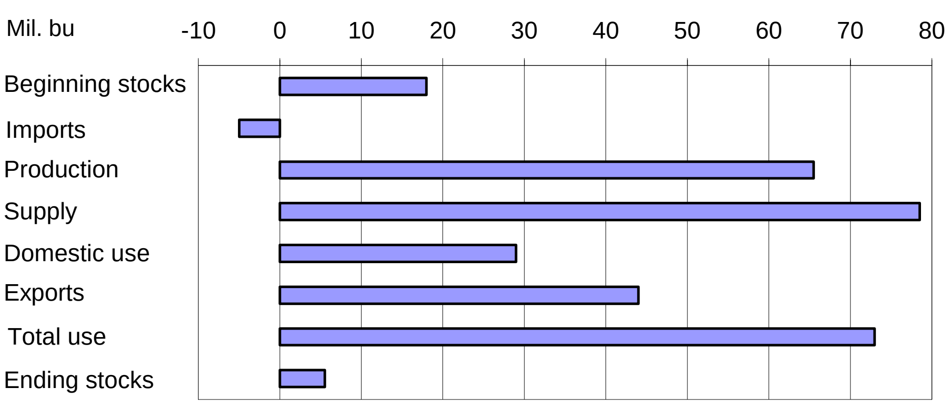
Source: *WASDE,* World Agricultural Outlook Board, USDA.

Figure 8
Hard red spring wheat



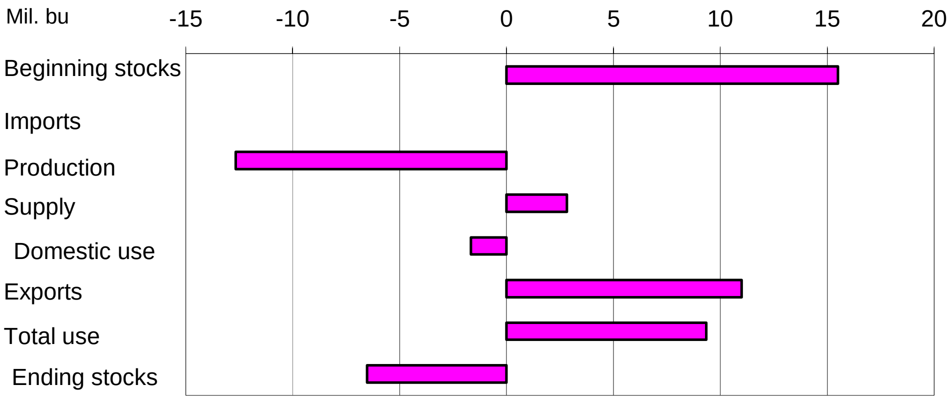
Source: *WASDE,* World Agricultural Outlook Board, USDA.

Figure 9
Soft red winter wheat



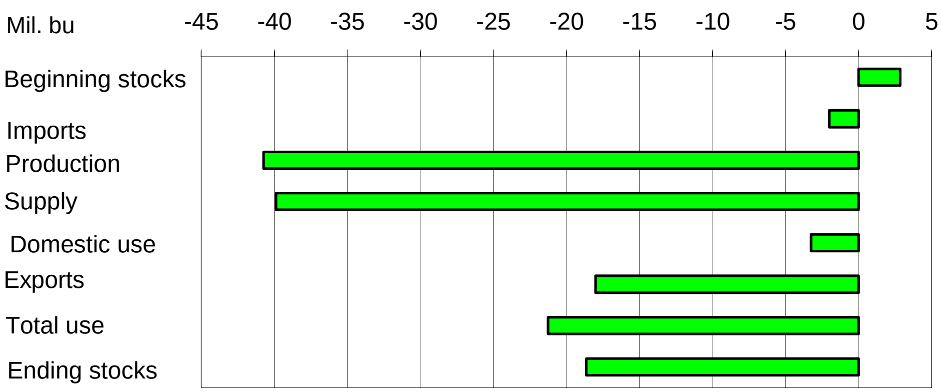
Source: *WASDE,* World Agricultural Outlook Board, USDA.

Figure 10
White wheat



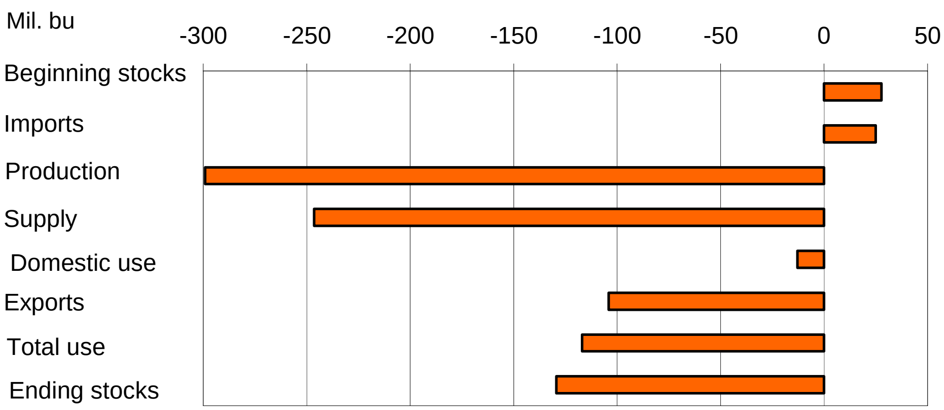
Source: *WASDE,* World Agricultural Outlook Board, USDA.

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/)
Grain Circular, http://www.fas.usda.gov/grain_arc.html
Wheat Briefing Room, http://www.ers.usda.gov/briefing/wheat/

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Table 1--Wheat: U.S. market year supply and disappearance, 07/14/06

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	57.9
Harvested	62.8	59.0	53.8	53.1	48.5	45.8	53.1	50.0	50.1	47.1
Yield: (bu/acre)	39.5	43.2	42.7	42.0	40.2	35.0	44.2	43.2	42.0	38.3
Supply:					Million bushels					
Beginning stocks	443.6	722.5	945.9	949.7	876.2	777.1	491.4	546.4	540.1	567.8
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	1,805.6
Imports 1/	94.9	103.0	94.5	89.8	107.6	77.4	63.0	70.6	80.0	105.0
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	2,478.5
Use:										
Food	914.1	910.0	928.8	949.6	926.4	918.6	911.9	909.7	910.0	915.0
Seed	92.5	80.4	91.7	79.5	83.4	84.4	79.7	77.6	77.7	80.0
Feed and residual	250.5	390.7	279.3	300.4	182.0	115.7	202.9	185.2	165.2	145.0
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	1,152.9	1,140.0
Exports 1/	1,040.4	1,045.7	1,086.5	1,062.0	962.3	850.2	1,158.3	1,062.7	1,004.0	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	2,156.9	2,040.0
Ending stocks:	722.5	945.9	949.7	876.2	777.1	491.4	546.4	540.1	567.8	438.5
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	524.8	438.5
Stocks-to-use ratio	31.4	39.0	39.8	36.6	36.1	25.0	23.2	24.2	26.3	21.5
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	0.52
Ave. farm price	3.38	2.65	2.48	2.62	2.78	3.56	3.40	3.40	3.42	3.70-4.30
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	7,223

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

Table 2--Wheat: U.S. market year supply and disappearance, 07/14/06 1/

2005/06E	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	63.6	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:						
Food	367.00	225.00	155.00	85.00	78.00	910.00
Seed	33.34	20.88	14.04	6.57	2.91	77.74
Feed and residual	81.10	-20.30	70.98	27.08	6.34	165.20
Total domestic	481.43	225.59	240.02	118.66	87.25	1,152.95
Exports 2/	430.00	281.00	76.00	174.00	43.00	1,004.00
Total	911.43	506.59	316.02	292.66	130.25	2,156.95
Ending stocks:	212.39	131.00	106.00	78.00	40.45	567.84
2006/07P	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	29.739	13.865	7.446	4.938	1.885	57.873
Harvested	21.034	13.449	6.112	4.668	1.822	47.085
Yield: (bu/acre)	31.4	31.6	61.3	61.2	33.1	38.3
Supply:			Million bushels			
Beg. stocks	212.39	131.00	106.00	78.00	40.45	567.84
Production	660.21	425.06	374.52	285.48	60.37	1,805.64
Imports 2/	1.00	44.00	20.00	10.00	30.00	105.00
Total	873.60	600.06	500.52	373.48	130.82	2,478.48
Utilization:						
Total domestic	435.00	235.00	269.00	117.00	84.00	1,140.00
Exports 2/	305.00	265.00	120.00	185.00	25.00	900.00
Total	740.00	500.00	389.00	302.00	109.00	2,040.00
Ending stocks:	133.60	100.06	111.52	71.48	21.82	438.48

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

Table 3--Wheat: Quarterly supply and disappearance (1,000 bu), 07/14/06

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	218	2	6	237	984
	Mar-May	---	17	1,001	229	24	-31	239	540
	Mkt. year	2,158	71	2,775	910	78	185	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, *World Agricultural Supply and Demand Estimates,* USDA.

Table 4--Monthly food use estimates for last 12 months (1,000 bu), 07/14/06

Item		Apr.	May	June	July	Aug.	Sept.
Mill grind	+	72,148	73,769	70,578	72,942	79,720	76,657
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	=	74,558	76,581	73,384	75,983	81,940	79,525
Item		Oct.	Nov.	Dec	Jan	Feb	Mar
Mill grind	+	78,222	74,871	70,278	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	=	81,172	77,730	72,942	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 estimates, USDA.

Table 5--Wheat: National average price received by farmers, 07/14/06 1/

Month	All wheat		Winter		Durum		Other spring	
	05/06	06/07	05/06	06/07	05/06	06/07	05/06	06/07
			($/bu)	($/bu)				
June	3.23	3.96	3.15	3.92	3.67	3.95	3.51	4.09
July	3.20		3.15		3.71		3.45	
August	3.24		3.16		3.39		3.43	
September	3.35		3.28		3.40		3.50	
October	3.43		3.33		3.40		3.62	
November	3.47		3.29		3.25		3.73	
December	3.54		3.46		3.39		3.69	
January	3.52		3.45		3.29		3.69	
February	3.66		3.59		3.35		3.83	
March	3.79		3.82		3.39		3.85	
April	3.81		3.76		3.40		3.94	
May	4.09		4.06		3.94		4.18	

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

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

Table 6--Wheat prices received by farmers by class, 07/14/06

	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	3.27	3.83	3.51	3.81	3.45
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	4.40	3.09	3.56	3.37	4.28	3.50	3.23

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

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 Service, http://www.ams.usda.gov/lsmnpubs/grains.htm, USDA.

Table 8--Wheat: U.S. exports and imports for last 6 months, 07/14/06 1/

Exports, (1,000 bu)						
Item 1/	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Wheat grain	77,164	91,531	84,659	71,175	74,420	69,050
Wheat flour	871	734	572	620	937	1,188
Products	677	934	1,098	949	693	1,017
Total	78,712	93,199	86,329	72,744	76,050	71,255
Imports, (1,000 bu)						
Item 1/	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Wheat grain	3,358	4,324	4,289	5,168	5,683	3,835
Wheat flour	938	859	884	813	993	979
Products	1,449	1,400	1,245	1,144	1,354	1,344
Total	5,745	6,583	6,418	7,125	8,030	6,158

Source: Economic Research Service estimates, 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, 07/14/06 1/

	2004/05		2005/06		2006/07 (as of 7/6/06)		
Importing country	Shipments				Shipments	Outstanding sales	Total
Data source	Census	Export sales	Census	Export sales	Export sales		
	1,000 metric tons						
Country:							
Nigeria	2,576	2,529	3,110	3,036	206	298	504
Japan	3,011	3,109	2,902	2,966	341	506	847
Mexico	2,868	2,699	2,654	2,564	181	516	697
Iraq	393	387	2,278	2,338	0	0	0
Philippines	1,787	1,786	1,650	1,676	152	572	723
EU-25	1,036	1,551	1,131	1,479	59	155	214
Egypt	1,781	1,897	1,123	1,181	119	230	349
South Korea	1,287	1,298	1,097	1,143	114	139	253
Venezuela	715	708	1,046	1,085	60	119	179
Taiwan	968	971	906	914	127	111	238
Total grain	28,410	26,572	26,804	25,320	1,914	3,592	5,507
Total (including products)	28,930	26,641	27,324	25,370	1,919	3,595	5,514
USDA forecast of Census					24,494		

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

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