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Wheat Outlook

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Production Nearly Unchanged From Last Month

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The next release is Sept. 14, 2006

Approved by the World Agricultural Outlook Board.

Projected U.S. 2006/07 wheat supplies are lowered slightly from last month due to lower forecast production. Total wheat production is down 5 million bushels, primarily due to lower durum yields. The projected all-wheat, season-average price range is increased 20 cents on both ends to $3.90 to $4.50 per bushel. Most of the increase in projected price is due to tightening foreign competitor supplies.

World wheat production forecast for 2006/07 was reduced 7 million tons, mostly because of hot dry weather in the European Union-25 (EU-25). Smaller reductions for Canada and Argentina were offset by increases for Russia, Ukraine, and other countries. Projected global use was reduced much less than production, dropping projected world wheat ending stocks 5 million tons this month to 128 million, the lowest since 1981/82.

Domestic Outlook

All Wheat Production Down Slightly From July Forecast

Forecast **all wheat production**, at 1801 million bushels, is down slightly from the July forecast of 1,806 million and down 303 million bushels from 2005. This is a 14-percent decline from 2005's production. **Harvest area** is forecast at 47.1 million acres, down 3.0 million acres from 2005. Based on August 1 conditions, the 2006 U.S. **yield** is forecast at 38.3 bushels per acre, unchanged from last month but 3.7 bushels below last year.

Winter wheat production is forecast at 1,283 million bushels, up slightly from last month but 14 percent below 2005. **Area harvested** for grain totals 31.1 million acres, unchanged from last month but down 8 percent from last year. The winter wheat **yield** is forecast at 41.2 bushels per acre, up 0.1 bushel from July 1. Harvest progress in the 18 major producing States was 91 percent complete by July 30. This was 3 percentage points ahead of last year and 4 points ahead of the 5-year average.

Hard red winter (HRW) wheat production is down fractionally from a month ago at 660 million bushels and 270 million bushels down from 2005. The National Agricultural Statistics Service's *Crop Production* reported that harvest was virtually complete in all HRW wheat States except Montana. Yield forecasts were unchanged from last month in all States in the central and southern Great Plains except Nebraska. In Montana, crop development continued at a rapid pace due to hot and dry weather during the month of July. These weather conditions allowed harvest to progress well ahead of normal in the State. Montana's yield forecast is 2.0 bushels above last month despite these unfavorable weather conditions. Yield forecasts in Nebraska and South Dakota are down from the previous month due to the continued effects of the drought.

Soft red winter (SRW) wheat is up 1 percent from last month and now totals 380 million bushels. SRW 2006 production is up 71 million bushels from 2005. *Crop Production* reported that harvest in the SRW growing area was virtually complete in most States by the end of July. Yield prospects across much of the SRW region continue to be better than last year due to ideal conditions during the growing season. Forecasted yields are at or above last month's level in all States except Kentucky and Illinois. Record-high yields are expected in Mississippi, Arkansas, Tennessee, Kentucky, Illinois, Pennsylvania, Michigan, and Wisconsin.

White winter wheat production totals 243 million bushels, down 1 percent from last month. Of the white winter production total, 19.9 million bushels are **hard white** winter and 223 million bushels are **soft white** winter. White wheat yield forecasts in the Pacific Northwest (PNW) States are at or below the previous month's level. Crop Production reported that harvest progress was ahead of normal in Washington and Idaho, while Oregon was a little behind the normal pace. In Idaho, yields are down due to hot and dry conditions during July. Crop development and harvest progress in Oregon and Washington were accelerated due to hot and dry weather during July. However, this weather did not significantly affect yield potential for the crop in either State. In Oregon, good yields are expected due to favorable growing conditions this year. Hail damage was reported in some wheat fields in Washington due to several rain storms during the month of July.

Spring wheat production (including durum) is forecast at 518 million bushels, down 87 million bushels from 2005. The spring wheat **yield** is forecast at 32.4 bushels per acre, down 4.7 bushels from 2005.

Hard red spring (HRS) wheat production for 2006 is forecast at 423 million bushels, down less than 1 percent from last month and 44 million bushels from 2005. **White winter wheat production** is forecast at 41 million bushels, down 3 million bushels from 2005. Of the white spring production total, 4.7 million bushels are **hard white** spring and 35.9 million bushels are **soft white** spring.

Spring wheat harvest progress was ahead of normal in all States except Washington and Oregon due to hot and dry weather during the month of July. This weather caused the crop condition ratings to continue to decline and accelerated crop development across much of the growing area. Yield forecasts are at or below last month's level in all States except Minnesota and Oregon. In the Pacific Northwest, harvest is just getting underway as warm weather during the month of July promoted maturation of the crop.

Durum wheat production is forecast at 54.7 million bushels, down 9 percent from last month and down 46 percent from 2005. The durum **yield** is forecast at 30.0 bushels per acre, 3.1 bushels less than last month and down 7.2 bushels from last year. Durum **area harvested** for grain totals 1.82 million acres, unchanged from last month but down 33 percent from last year. If realized, this will be the lowest harvested area since 1961 and the lowest production since 1988.

Durum yield forecasts are unchanged from last month in all States except Montana and North Dakota. Crop condition ratings and yield potential are down from the previous month in Montana and North Dakota due to hot and dry weather during the month of July. This weather has pushed the crop development and harvest progress ahead of normal in both States. Harvest is complete in California and Arizona.

Total white wheat production is estimated at 284 million bushels for 2006, down 14 million bushels from 2005. Of the total white production, 25 million bushels are **hard white** wheat and 259 million bushels are **soft white**.

Small Month-to-Month Changes for 2006/07 Utilization

Some small changes in projected domestic use and exports are made from last month by class of wheat for 2006/07. The result of these changes is that projected HRW and white ending stocks are down from last month 10 million bushels and 7 million bushels, respectively. Projected HRS ending stocks for 2006/07 are up from July by 13 million bushels. Total ending stocks for 2006/07 are projected at 434 million bushels from last month, down 4 million bushels from last month, reflecting the slight reduction of forecasted production month-to-month. Total projected food use, seed use, feed and residual use, and exports are unchanged from last month for 2006/07.

Year-to-year, **2006/07 supplies** are down 252 million bushels from 2005/06 to 2,474 million bushels. SRW wheat supplies are up 82 million bushels year-to-year with the recovery of planted area from 2005/06. All the other classes have reduced supplies year-to-year, especially the hard wheat classes (see following section). HRW wheat supplies alone are down 250 million bushels year-to-year.

The only class with increased projected **domestic use year-to-year** is SRW which was mostly offset by reduced domestic use of HRW wheat. Total domestic use in 2006/07, at 1,140 million bushels, is only 9 million bushels less than in 2005/06.

Projected **exports for 2006/07**, at 900 million bushels, are down 109 million bushels from a year ago. The largest decline in exports year-to-year is for HRW wheat, 130 million bushels. However, the class of wheat with the largest proportional decrease in exports is durum, with exports down 26 million bushels year-to-year. The only class of wheat with a projected year-to-year increase of exports is SRW, down 20 percent.

The projected **ending stocks for 2006/07** are down 134 million bushels from 2005/06 to 434 million bushels. The only class of wheat with higher year-to-year ending stocks is SRW. The ending stocks for HRW are down 89 million bushels from 2005/06, the largest by-class decline. Again, the class of wheat with the largest year-to-year decline in ending stocks is durum, 48 percent smaller.

Hard-Wheat Supplies the Lowest Since 1974/75

Projected **hard-wheat supplies** for 2006/07, at 1,471 million bushels, are the lowest since the 1974/75 marketing year. These low hard-wheat supplies are projected to result in the lowest hard-wheat ending stocks since 1973/74. Monthly **farm-gate prices** reflect these projected, hard-wheat statistics (table 6). The June 2006 farm price for HRW is $4.27 per bushel, $1.15 above the June 2005 price. The June 2006 farm price for HRS is $4.23 per bushel, $.72 above the June 2005 price. In sharp contrast, the June 2006 farm price for SRW is only $.04 above June 2005, while the June 2006 white wheat farm price is $.05 below June 2005.

Revisions of ERS Monthly Statistics for 2005

The monthly Economic Research Service (ERS) statistics for wheat trade and food use for calendar year 2005 have been revised. ERS wheat import and export statistics have been updated using revised Census data. ERS food use statistics are also revised using updated Census data for calendar year 2005.

International Outlook

Forecast 2006/07 World Wheat Production Slips Below 600 Million Tons

World wheat production projected for 2006/07 was reduced 7 million tons this month to 598 million tons, leaving wheat production 20 million tons less than estimated for the previous year and 31 million below the 2004/05 record. World wheat area is projected down 2.5 percent from the previous year, while average yield is down 1 percent. The largest reductions in area are for Russia, India, the United States, and Ukraine. Relatively strong wheat prices were offset by unfavorable planting conditions in Russia and Ukraine.

This month's changes featured a dramatic 7-million-ton reduction in forecast wheat production for the EU-25, still the world's largest wheat producer at 119 million. Hot, dry conditions during July spread from Spain through France and Germany and into Scandinavia, reducing wheat yield potential during the filling stage of growth. The largest reductions were for Germany and France.

Dry conditions in July, especially in the southern parts of Canada's Plains, trimmed 1.0 million tons from projected wheat production to 25.5 million. Also, persistent drought in parts of Argentina continued to prevent wheat seeding, and given that the planting window is closing, area was reduced, cutting production 0.8 million tons to 13.5 million.

These reductions were partly offset by increases in the former Soviet Union of 1.8 million tons, as favorable harvest conditions for winter wheat boosted production in Uzbekistan and Ukraine, while good spring wheat growing conditions improved prospects in Russia.

Wheat Feed Use Prospects Cut, Ending Stocks Projected Lower

World wheat feed use projected for 2006/07 was cut 3 million tons to 105 million. Wheat feed use was reduced this month for the EU-25, Russia, Canada, and Ukraine. Higher wheat prices are expected to shift feeding to feed grains, especially barley, in the EU-25, Russia, and Ukraine. Also, the dryness in the EU-25 and Canada is expected to boost protein levels, improving wheat milling quality.

Projected global nonfeed use (mostly food use) increased 1 million tons this month for India where imports and consumption are robust.

With the reduction in projected use much smaller than the cut in global production, world ending stocks are forecast down 5 million tons to 128 million tons, the lowest since 1981/82. EU-25 wheat stocks are expected to drop during 2006/07 from 21 million tons to less than 15 million. While 4 million tons lower this month, projected EU-25 stocks are still above the 11 million tons estimated for 2003/04. Projected ending stocks were also lowered this month for Canada and India, but increased for the former Soviet Union.

Minor Changes To Projected 2006/07 World Wheat Trade

Projected 2006/07 (July-June) world wheat trade increased fractionally this month to 112 million tons. Exports by Russia (7.5 million) and Ukraine (3.5 million) were each increased 1 million tons this month because of increased production prospects and the robust pace of sales. However, these increases were mostly offset by a 1-million-ton reduction in expected EU-25 exports to 15.5 and a 0.7-million-ton reduction for Argentina to 8.8 million.

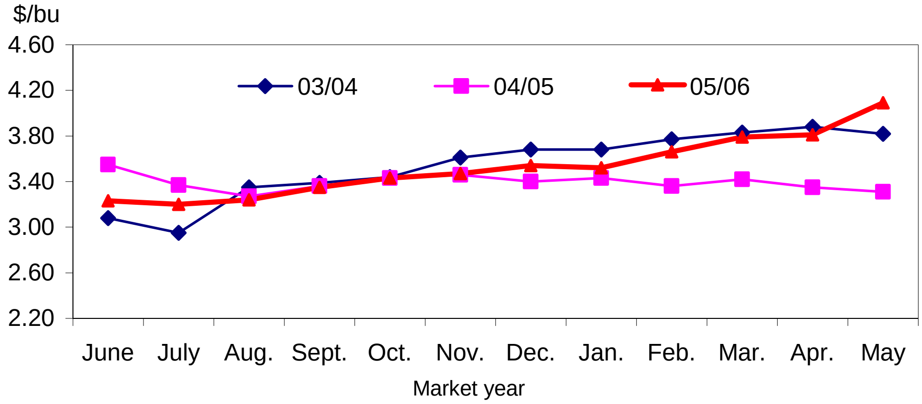
Changes to projected 2006/07 imports were small, with the largest a 0.3-million-ton increase in EU-25 imports to 6.8 million tons. Russia and Ukraine are expected to have enough wheat to fill EU-25 low-quality quotas.

U.S. wheat exports forecast for 2006/07 were unchanged this month as the pace of early shipments and sales has been about as expected, down significantly from a year ago.

As trade data for the later months of 2005/06 became available, revisions boosted world wheat trade 1 million tons to nearly 114 million tons, the largest since 1987/88. The EU-25, Ukraine, and Argentina had higher-than-expected exports. Numerous, mostly small changes, were made for importing countries.

Figure 1

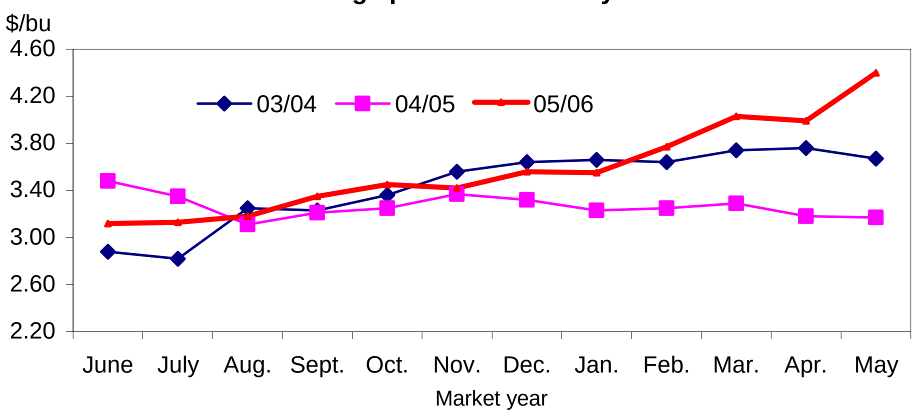
All wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 2

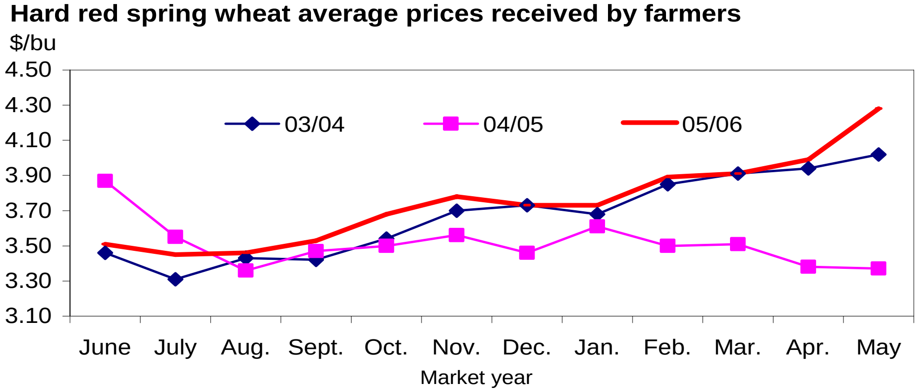
Hard red winter wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 3

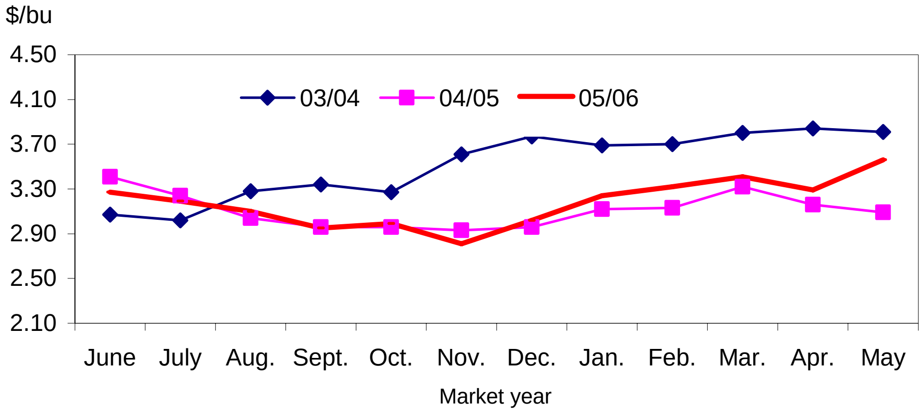
Hard red spring wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 4

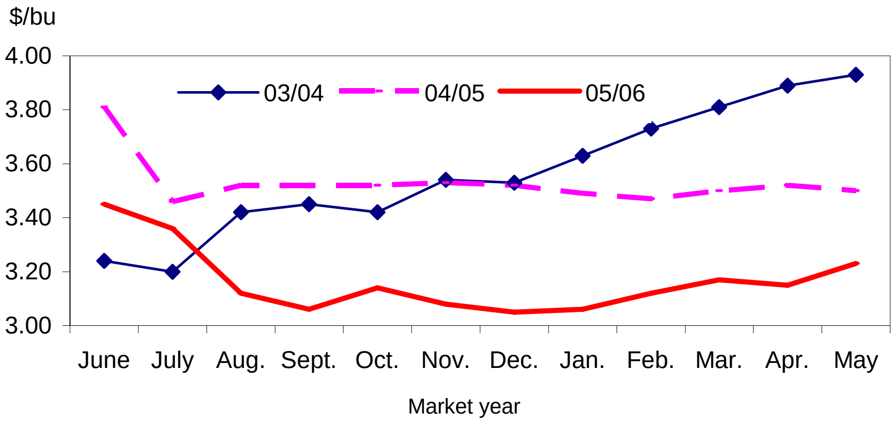
Soft red winter wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 5

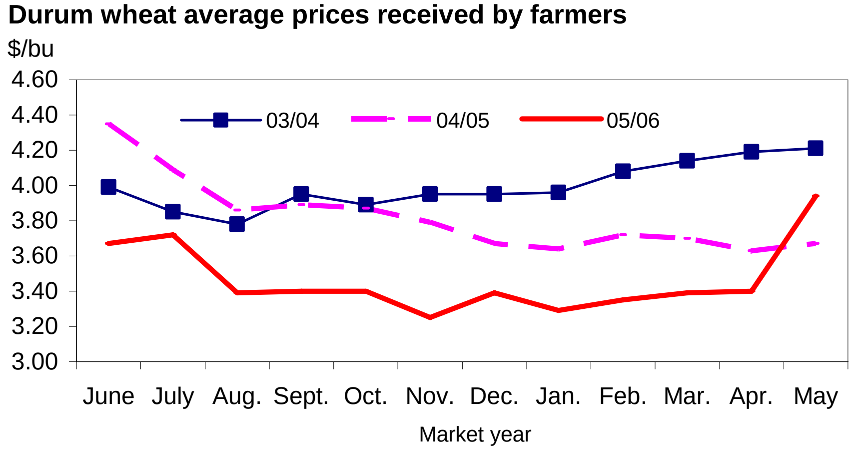
Soft white wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 6

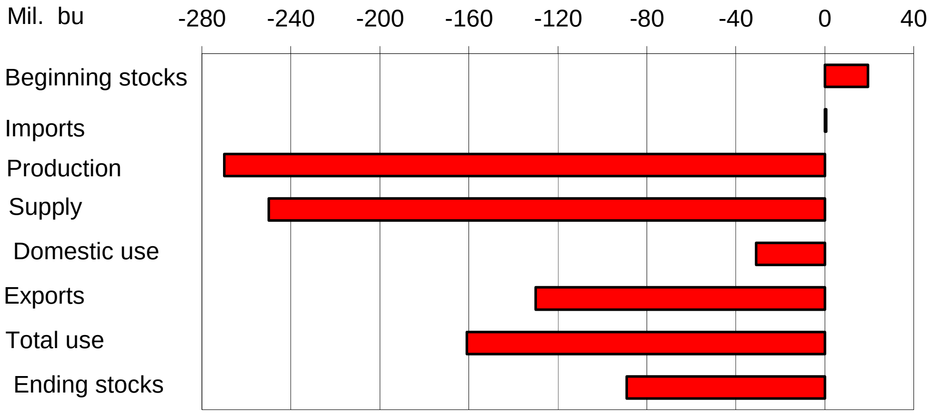
Durum wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 7

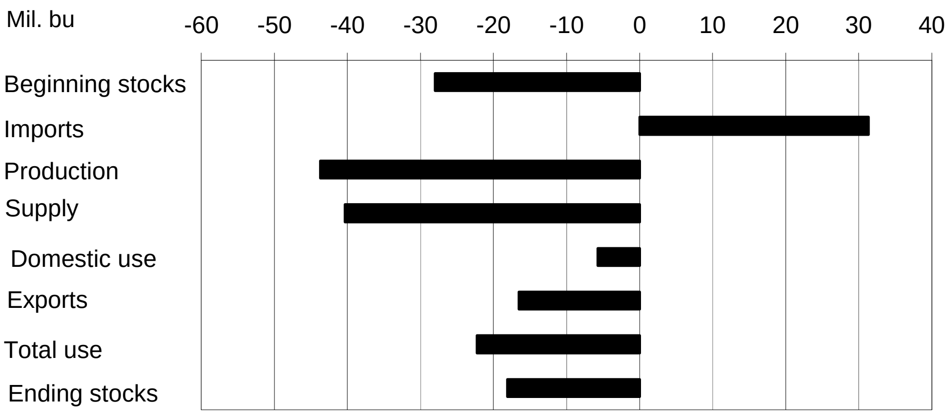
Hard red winter wheat



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

Figure 8

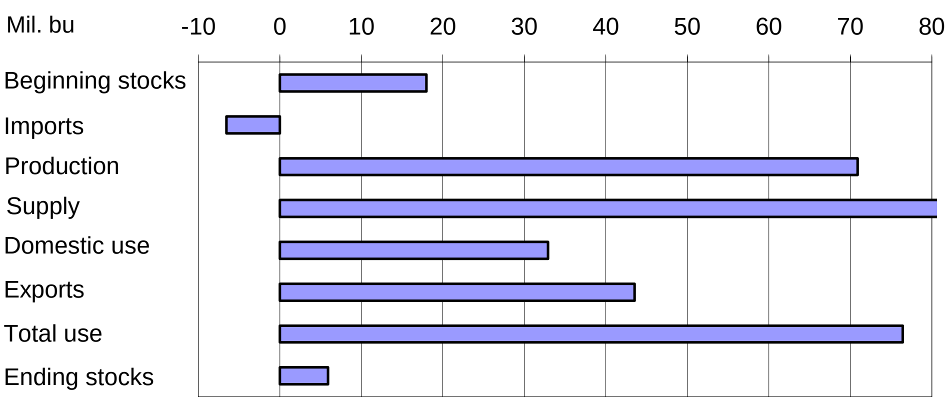
Hard red spring wheat



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

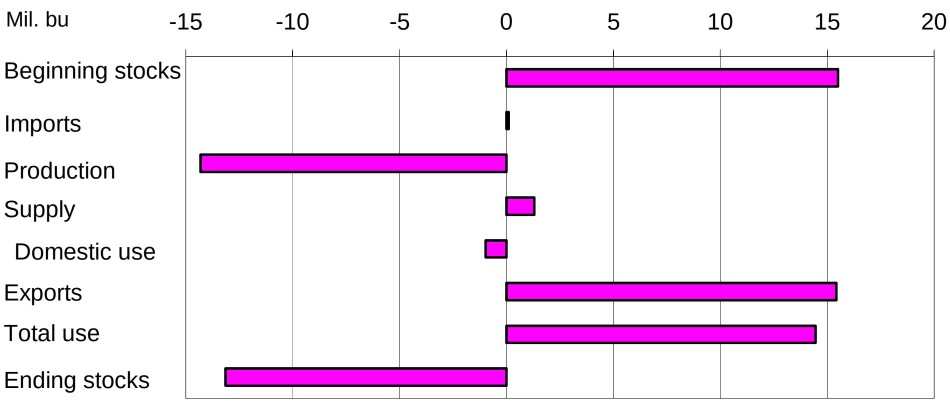
Figure 9

Soft red winter wheat



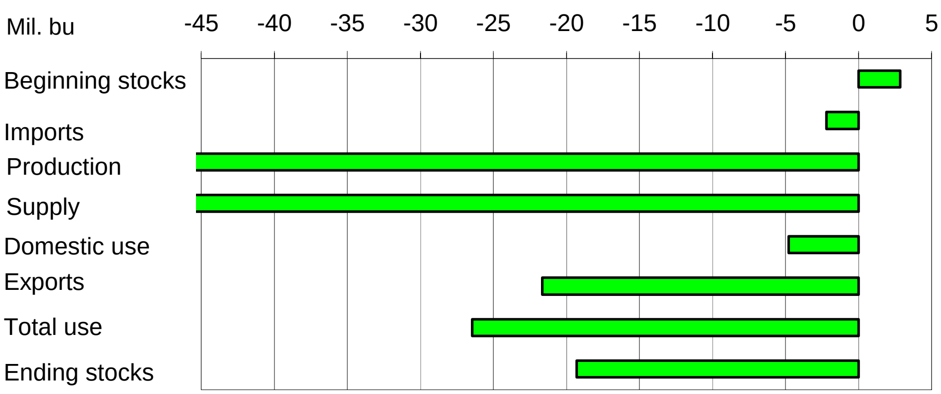
Source: *WASDE,* World Agricultural Outlook Board, USDA.

Figure 10
White wheat



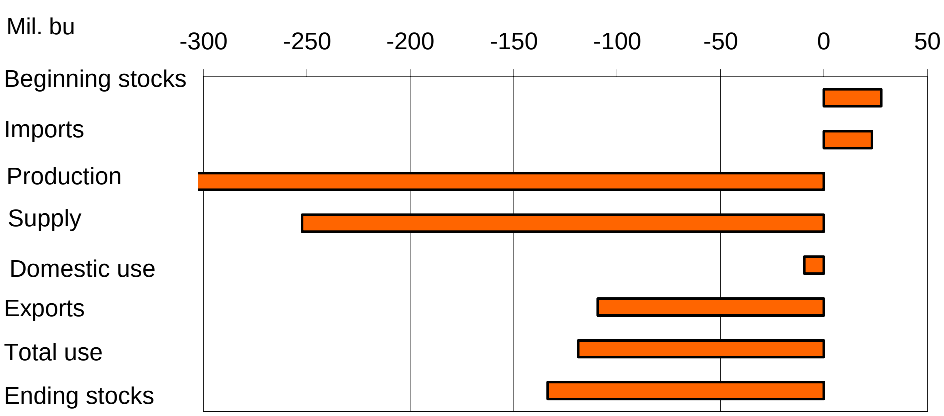
Source: *WASDE,* World Agricultural Outlook Board, USDA.

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/MannUsda/viewDocumentInfo.do?documentID=1194
Grain Circular, http://www.fas.usda.gov/grain_arc.html
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Table 1--Wheat: U.S. market year supply and disappearance, 08/15/06

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	1,801.4
Imports 1/	94.9	103.0	94.5	89.8	107.6	77.4	63.0	70.6	81.7	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	2,726.5	2,474.2
Use:										
Food	914.1	910.0	928.8	949.6	926.4	918.6	911.9	909.6	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	182.1	161.7	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	1,169.2	1,149.4	1,140.0
Exports 1/	1,040.4	1,045.7	1,086.5	1,062.0	962.3	850.2	1,158.3	1,065.9	1,009.3	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	2,158.7	2,040.0
Ending stocks:	722.5	945.9	949.7	876.2	777.1	491.4	546.4	540.1	567.8	434.2
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	434.2
Stocks-to-use ratio	31.4	39.0	39.8	36.6	36.1	25.0	23.2	24.2	26.3	21.3
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	2.75
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	3.90-4.50
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	7,566

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, 08/15/06 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/	0.43	12.65	26.56	9.90	32.19	81.73
Total	1,123.26	638.24	423.58	370.55	170.89	2,726.52
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	80.52	-20.18	72.06	26.41	2.87	161.68
Total domestic	480.86	225.70	241.10	117.98	83.78	1,149.42
Exports 2/	430.00	281.53	76.48	174.58	46.66	1,009.25
Total	910.86	507.24	317.58	292.55	130.44	2,158.67
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	31.4	62.2	60.8	30	38.3
Supply:			Million bushels			
Beg. stocks	212.39	131.00	106.00	78.00	40.45	567.84
Production	659.95	422.90	379.94	283.85	54.71	1,801.36
Imports 2/	1.00	44.00	20.00	10.00	30.00	105.00
Total	873.34	597.90	505.94	371.85	125.16	2,474.20
Utilization:						
Total domestic	450.00	220.00	274.00	117.00	79.00	1,140.00
Exports 2/	300.00	265.00	120.00	190.00	25.00	900.00
Total	750.00	485.00	394.00	307.00	104.00	2,040.00
Ending stocks:	123.34	112.90	111.94	64.85	21.16	434.20

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), 08/15/06

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	3	240	984
	Mar-May	---	17	1,001	229	24	-31	239	540
	Mkt. year	2,158	71	2,775	910	78	182	1,066	540
2005/06 P:									
	Jun-Aug	2,105	19	2,663	231	2	263	244	1,923
	Sep-Nov	---	20	1,944	238	51	-61	286	1,429
	Dec-Feb	---	20	1,450	217	1	3	257	972
	Mar-May	---	22	995	223	24	-42	222	568
	Mkt. year	2,105	82	2,727	910	78	162	1,009	568

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), 08/15/06

Item		Apr.	May	June	July	Aug.	Sept.
Mill grind	+	72,148	73,769	70,578	72,942	79,720	76,657
Food imports 1/	+	2,180	2,233	2,278	2,137	2,320	2,153
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	1,887	1,454	1,553	1,096	2,130	1,368
Food use	=	74,441	76,548	73,303	75,983	81,910	79,442
Item		Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Mill grind	+	78,222	74,871	70,278	69,843	69,289	73,512
Food imports 1/	+	2,421	2,397	2,241	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/	-	1,567	1,384	1,628	1,623	1,504	1,520
Food use	=	81,076	77,884	72,891	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, 08/15/06 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	4.01	3.15	3.99	3.67	3.81	3.51	4.18
July	3.20	4.09	3.15	4.03	3.72	3.85	3.45	4.63
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, USDA, *Agricultural Prices.*

Table 6--Wheat prices received by farmers by class, 08/15/06

	Hard red winter		Soft red winter		Hard red spring		Soft white	
Month	05/06	06/07	05/06	06/07	05/06	06/07	05/06	06/07
June	3.12	4.27	3.27	3.31	3.51	4.23	3.45	3.40
July	3.13		3.19		3.45		3.36	
August	3.18		3.10		3.46		3.12	
September	3.35		2.95		3.53		3.06	
October	3.45		2.99		3.68		3.14	
November	3.42		2.81		3.78		3.08	
December	3.56		3.02		3.73		3.05	
January	3.55		3.24		3.73		3.06	
February	3.77		3.32		3.89		3.12	
March	4.03		3.41		3.91		3.17	
April	3.99		3.29		3.99		3.15	
May	4.40		3.56		4.28		3.23	

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

Table 7--Wheat: Average cash grain bids at selected markets ($/bu), 08/15/06

Month	KC HRW #1 ordinary 05/06	KC HRW #1 ordinary 06/07	KC HRW #1 13% protein 05/06	KC HRW #1 13% protein 06/07	Portland #1 HRW Ord. 05/06	Portland #1 HRW Ord. 06/07	FOB Gulf $/mt (#2 HRW) 05/06	FOB Gulf $/mt (#2 HRW) 06/07
June	3.87	5.25	4.00	5.43	3.82	5.14	142.25	196.83
July	3.83	5.27	3.89	5.38	3.80	5.26	145.52	204.31
August	3.96		4.04		3.91		154.28	
September	4.30		4.30		4.28		166.89	
October	4.57		4.68		4.44		173.12	
November	4.53		4.55		4.34		164.74	
December	4.52		4.60		4.39		171.45	
January	4.46		4.50		4.37		167.50	
February	4.72		4.83		4.57		180.10	
March	4.62		4.81		4.51		175.78	
April	4.86		5.04		4.71		181.55	
May	5.21		5.38		5.08		195.36	

Month	Minneapolis DNS 13% protein 05/06	Minneapolis DNS 13% protein 06/07	Minneapolis DNS 14% protein 05/06	Minneapolis DNS 14% protein 06/07	Minneapolis #1 HAD milling 05/06	Minneapolis #1 HAD milling 06/07	Portland DNS 14% protein 05/06	Portland DNS 14% protein 06/07
June	4.32	5.43	5.03	5.59	N/Q	N/Q	5.10	5.72
July	4.11	5.52	4.71	5.65	N/Q	N/Q	4.54	5.93
August	4.48		4.83		N/Q		4.66	
September	4.46		4.80		N/Q		5.03	
October	4.83		5.11		N/Q		5.18	
November	4.83		5.11		N/Q		5.18	
December	4.64		5.28		N/Q		5.08	
January	4.65		4.87		N/Q		5.11	
February	4.61		4.90		N/Q		5.27	
March	4.65		4.83		N/Q		5.26	
April	4.79		4.94		N/Q		5.47	
May	5.19		5.31		N/Q		5.72	

Month	St. Louis #2 soft red 05/06	St. Louis #2 soft red 06/07	Chicago #2 soft red 05/06	Chicago #2 soft red 06/07	Toledo #2 soft red 05/06	Toledo #2 soft red 06/07	Portland #1 soft white 05/06	Portland #1 soft white 06/07
June	3.46	3.40	3.09	3.26	3.16	3.10	3.76	3.80
July	3.30	3.40	3.22	3.43	3.21	3.11	3.59	3.86
August	3.10		3.04		3.04		3.54	
September	2.64		2.93		2.99		3.46	
October	2.78		2.99		3.09		3.61	
November	3.14		2.83		2.90		3.46	
December	3.15		2.98		3.00		3.44	
January	3.15		3.11		3.14		3.46	
February	3.37		3.34		3.39		3.54	
March	3.45		3.29		3.27		3.59	
April	3.45		3.21		3.13		3.62	
May	3.45		3.54		3.42		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, 08/15/06 1/

Exports, (1,000 bu)						
Item 1/	Dec	Jan	Feb	Mar	Apr	May
Wheat grain	95,805	84,659	71,175	74,420	69,050	72,209
Wheat flour	769	572	620	937	1,188	966
Products	942	1,098	949	693	1,017	1,530
Total	97,516	86,329	72,744	76,050	71,255	74,705
Imports, (1,000 bu)						
Item 1/	Dec	Jan	Feb	Mar	Apr	May
Wheat grain	4,674	4,289	5,168	5,683	3,834	5,624
Wheat flour	856	884	813	993	979	1,129
Products	1,394	1,245	1,144	1,354	1,344	1,408
Total	6,924	6,418	7,125	8,030	6,157	8,161

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, 08/15/06 1/

	2004/05		2005/06		2006/07 (as of 8/3/06)		
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	545	280	825
Japan	3,011	3,109	2,902	2,966	546	495	1,041
Mexico	2,868	2,699	2,654	2,564	373	378	751
Iraq	393	387	2,278	2,338	0	0	0
Philippines	1,787	1,786	1,650	1,676	291	610	901
EU-25	1,036	1,551	1,131	1,479	82	171	253
Egypt	1,781	1,897	1,123	1,181	231	235	466
South Korea	1,287	1,298	1,097	1,143	205	155	359
Venezuela	715	708	1,046	1,085	211	61	273
Taiwan	968	971	906	914	199	41	240
Total grain	28,410	26,572	26,804	25,320	3,829	3,451	7,280
Total (including products)	28,930	26,641	27,324	25,370	3,837	3,455	7,291
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.