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Wheat Outlook

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2007/08 Ending Stocks Smallest in a Decade, Record Prices Forecast

Contents

The next release is August 14, 2007

Approved by the World Agricultural Outlook Board.

U.S. wheat supplies for 2007/08 are projected 10 million bushels higher this month as higher carryin more than offsets a 29-million-bushel reduction in forecast production. Forecast winter wheat production is lowered 48 million bushels as heavy June rains reduced yields in Kansas and Oklahoma. Lower hard red winter (HRW) wheat production is partly offset by higher soft red winter (SRW) wheat production. The first survey-based forecast of spring wheat (including durum) production is 576 million bushels, up 12 percent from last year, and up 18 million bushels from last month's projection. Wheat feed and residual use is lowered 15 million bushels this month based on higher expected prices. Exports for 2007/08 are raised 50 million bushels as reduced supplies in major exporting countries provide more opportunities for U.S. wheat sales. The projected season-average farm price range is raised 30 cents on each end to $4.80 to $5.40 per bushel, well above the 2006/07 estimate of $4.26 per bushel and the 1995/96 record of $4.55 per bushel.

Increased production prospects in China boosted 2007/08 world wheat production and ending stocks projections. However, reduced production prospects in Canada, Ukraine, and the EU-27 cut supplies in important competing exporters, boosting the U.S. 2007/08 export forecast.

Domestic Situation and Outlook

Wheat Planted Area Up From 2006

All wheat planted area for 2007 is estimated at 60.5 million acres, up 3.2 million acres from 2006. Forecast harvested area for 2007 is up 5.7 million acres from 2006, to 52.5 million acres. The expected harvest-to-planted ratio is up 5 percent year-to-year, to 87 percent for 2007 mostly because of an expected drop in abandonment rates in hard red winter (HRW) wheat following last year's drought. USDA's National Agricultural Statistics Service (NASS) June 29 *Acreage* reported that winter wheat harvest is progressing well behind average due to cooler spring temperatures that delayed crop development and frequent rains in Oklahoma, Kansas, and Texas that have delayed harvest.

The 2007 HRW planted area, forecasted at 32.4 million acres, is 3.1 million acres above last year. Forecast harvested area for 2007 is up 5.5 million acres from 2006 to 26.8 million acres. Soft red winter (SRW) wheat planted and harvested areas are also up from 2006 by 1.4 million acres and 0.9 million acres, respectively, to 8.8 million acres and 7.1 million acres. The expected SRW harvest-to-planted ratio is down 2 percent year-to-year, to 81 percent, because of adverse weather conditions for 2007.

White winter planted area is estimated up slightly year-to-year at 3.9 million acres, of which 3.4 million acres are soft white and the rest is hard white. White harvested area is also up slightly year-to-year at 3.7 million acres, of which 3.2 million acres is soft white.

The spring wheat planted area, including durum, is 15.4 million acres, down 1.4 million acres, 8 percent from 2006. Harvested area is forecast down 0.8 million acres to 14.9 million acres as the harvest-to-planted ratio is expected up 3 percent from 2006.

Hard red spring (HRS) wheat planted area, forecasted at 12.6 million acres, is down 1.8 million acres from 2006 (Canadian spring wheat area is also forecast down for 2007, see International Situation and Outlook section of this report). With a forecasted 4-percent improvement in this year's harvested-to-planted ratio over the drought-reduced 2006 ratio, HRS harvested area is down 1.2 million acres, to 12.3 million acres.

The durum planted area for 2007 is estimated at 2.2 million acres, up .4 million acres from last year. Area harvested is expected to total 2.16 million acres, 0.3 million acres above 2006. Planted acreage is up or unchanged in all producing States. The NASS June 29 *Acreage* reported that planting in Montana and North Dakota started out behind normal because of cool temperatures, but finished ahead of average. In California, durum wheat was reported to have good yields and quality.

White spring wheat planted area is estimated to be up slightly year-to-year at 495,000 acres, of which 373,000 million acres are soft white and the rest is hard white. White wheat harvested area is also up to 476,000 million acres year-to-year, of which 357,000 million acres is soft white.

Total white wheat planted and harvested areas for 2007 are both up slightly to 4.4 million acres and 4.2 million acres, respectively. The soft white planted and harvested areas for 2007 are forecast at 3.7 million acres and 3.6 million acres, respectively. The all hard white wheat planted and harvested areas are forecast at 672,000 million acres and 597,000 million acres, respectively.

All Wheat Production Up From Last Year

All wheat production for 2007 is estimated at 2,138 million bushels, up 326 million bushels from 2006. Based on July 1 conditions, the forecasted yield for 2007 is 40.7 bushels per acre, up 2.0 bushels from 2006.

Winter wheat production is forecast at 1,562 million bushels, down 48 million bushels from last month, but up 264 million bushels from 2006. The winter wheat yield is forecast at 41.6 bushels per acre, down 1.6 bushels from last month and down 0.1 bushel from 2006. HRW, at 964 million bushels, is down 68 million from a month ago. SRW, at 364 million bushels, is up 23 million bushels from the last forecast. White winter wheat is down slightly from last month and now totals 235 million bushels. Of this total, 18 million bushels are hard white and 216 million bushels are soft white.

Harvest progress in the 18 major winter-wheat-producing States was 40 percent complete by July 1. This was 22 percentage points behind last year and 14 points behind the 5-year average.

NASS *Crop Production* reported harvest progress was behind normal in all HRW States except Montana. Heavy rains and flooding in Kansas, Oklahoma, and Texas slowed harvest progress. Crop development in Colorado and Nebraska was slowed because of a cooler-and wetter-than-normal spring. Wheat sprouting in the grain head is a concern in parts of Kansas, Oklahoma, and Texas because of the continued rainfall. Crop development in Montana continued slightly ahead of last year and the 5-year average, but the condition of the crop was being affected by hot temperatures and limited moisture. Some fields were lost in northeast Montana due to a hail storm the last week of June.

Yield forecasts are equal to or higher than the previous month in all States in the SRW growing area except Arkansas, Georgia, Indiana, New York, and South Carolina. Harvest is nearly complete in the southern portion of the growing area, where the April freeze caused yields to be below normal but higher than previously expected. Elsewhere, harvest is close to normal in most States in the northern portion of the growing area. In Missouri, heavy rains during the last part of June caused some lodging (the toppling over of the plant stem) and reduced grain quality in the southwestern part of the State.

Wheat yield forecasts in the Pacific Northwest are at or below the previous month. Growers in Oregon were just starting to harvest their crop while wheat in Washington and Idaho was starting to turn color. Crop development was close to the 5-year average in these areas.

Spring wheat production (including durum) is forecast at 576 million bushels, up 62 million bushels from 2006. The spring wheat yield is forecast at 38.7 bushels per acre, up 5.9 bushels from 2006.

HRS wheat, at 471 million bushels, is up 39 million bushels from 2006. White spring wheat, at 27 million bushels, is down 1 million from 2006. Of this total, 6 million bushels are hard white spring and 21 million bushels are soft white spring.

NASS *Crop Production* reported that 61 percent of the other spring wheat crop by July 1 was at or beyond the heading stage in the six major producing States. This was 7 percentage points below last year but 12 points ahead of the 5-year average.

Planting of other spring wheat in Montana, Minnesota, South Dakota, and North Dakota began behind normal but finished at or ahead of the normal pace. Yield prospects are up from the previous year in all four States mostly due to timely moisture and mild temperatures. Crop condition ratings are up from the previous year in all four States and crop development is ahead of normal. In the Pacific Northwest, drier than normal weather conditions during the spring allowed planting to progress slightly ahead of the normal pace. In Washington and Idaho, hot and dry conditions during the last part of June pushed crop development ahead of the normal pace.

Durum wheat production is forecast at 79 million bushels, up 25 million bushels from 2006. Harvest is nearly complete in California where high winds caused some lodging in the San Joaquin Valley in mid-June. The Arizona harvest was 75 percent complete by July 1. Seeding in Montana was delayed in April due to rainy weather but progressed ahead of normal through May as drier weather brought favorable planting conditions. In North Dakota, cool temperatures and snowfall delayed fieldwork during April but favorable weather allowed seeding to progress ahead of normal during May. Growers in Montana and North Dakota finished seeding the crop at or ahead of the average pace. Yield prospects and crop condition ratings are up from the previous year in both States, and crop development is ahead of normal mostly due to above-average temperatures during the latter part of June.

All-Wheat Beginning Stocks for 2007/08 Are Up from Last Month

NASS June 29 *Stocks* reported that all wheat stored in all positions on June 1, 2007, totaled 456 million bushels, up 39 million bushels from last month but down 115 million bushels from a year ago. The March-May 2007 indicated disappearance is 401 million bushels, nearly unchanged slightly from the same period a year earlier. Durum wheat stocks in all positions on June 1, 2007, totaled 21.6 million bushels, down 47 percent from a year ago. The March-May 2007 indicated disappearance of 17.3 million bushels is down 31 percent from the same period a year earlier.

All-supplies in 2007/08 are up 10 million bushels month-to-month and 191 million bushels year-to-year. A 50-million-bushel increase in projected exports from last month to 1,050 million bushels is only partially offset by a 15-million-bushel reduction in projected feed and residual use. Projected ending stocks for 2007/08 are down 25 million bushels from last month, 418 million bushels. These

projected 2007/08 ending stocks are 38 million bushels below 2006/07's ending stocks and the lowest since 1995/96. The projected season-average price range is raised 30 cents on each end to $4.80 to $5.40 per bushel because of tighter domestic supplies, higher-than-expected elevator cash bid and futures prices. This price range is well above the 2006/07 estimate of $4.26 per bushel and the 1995/96 record of $4.55 per bushel.

Class Supply and Use Comparisons Year-to-Year

HRW wheat. Beginning stocks for 2007/08 HRW are down 51 million bushels from 2006/07, partially offsetting the additional production in 2007/08. Production was up from last year's drought-reduced level because of both larger harvested area and higher yields. The net result is 231 million additional bushels of HRW supplies in 2007/08. This increased supply of HRW raises projected food use, but the potential impact of the rain-delayed harvest in the southern plains on milling quality results in higher projected feed and residual use.

Projected HRW domestic use for 2007/08 is up 92 million bushels year-to-year since food use and feed and residual use are up 15 million bushels and 77 million bushels, respectively. With the larger supplies and increased export opportunities, HRW exports are projected up 247 million bushels year-to-year. Thus, projected ending stocks for 2007/08 are 155 million bushels, 16 million bushels less than in 2006/07 and the lowest since 1996/97.

HRS wheat. Beginning stocks for 2007/08 HRS marketing year are down 14 million bushels from 2006/07. Smaller beginning stocks and a projected 7-million-bushel decrease in projected imports only partially offsets a 39-million-bushel increase in production year-to-year. The recovery of yields from last year's drought more than offset the smaller harvested area estimated for this year. Thus, projected supplies for 2007/08 are 631 million bushels, up 18 million bushels from 2006/07.

Projected HRS domestic use for 2007/08 is down 10 million bushels from 2006/07. Food use is unchanged, while feed and residual use for 2007/08 is a negative 20 million bushels, compared with a negative 9 million bushels in 2006/07. Projected exports, at 280 million bushels, are up 30 million bushels from 2006/07. Projected ending stocks for 2007/08 are down to 116 million bushels, 2 million bushels less than for 2006/07 and the lowest since 1995/96.

SRW wheat. Beginning stocks for 2007/08 SRW are up 2 million bushels from 2006/07, which partially offsets a projected 10-million-bushel reduction of imports. Sharply reduced yields, mostly due to freeze damage, result in a 27-million-bushel production decrease in 2007/08. Thus, 2007/08 SRW supplies are down 35 million bushels year-to-year.

Projected SRW domestic use for 2007/08 is down 18 million bushels year-to-year mostly due to decreased food use. Exports are unchanged from 2006/07. Projected ending stocks for 2007/08 are 92 million bushels, down 16 million bushels from 2006/07.

White wheat. Beginning stocks for 2007/08 white wheat (soft and hard) are down 34 million bushels from 2006/07 following the high exports in 2006/07. Production is up slightly with harvested area and yield nearly unchanged, while projected imports are down a little. The net result is 30 million fewer bushels of supplies in 2007/08.

Projected white wheat domestic use for 2007/08 is up 13 million bushels because of higher projected feed and residual use year-to-year. Projected white wheat exports, at 160 million bushels, are down 40 million bushels from 2006/07. Projected ending stocks for 2007/08 are 41 million bushels, 3 million bushels less than for 2006/07.

Durum wheat. Beginning stocks for 2007/08 durum are down 19 million bushels from 2006/07, which mostly offsets the 25-million-bushel increase of production from 2006/07. The production increase is the result of increased area following the sharp decline in 2006/07 and the recovery of yields from last year's drought. Projected imports are unchanged year-to-year. The net result is a 6-million-bushel increase in supplies above 2006/07.

Projected durum domestic use for 2007/08 is up 12 million bushels year-to-year with a 5-million-bushel increase in food use and a 6-million-bushel change from an 11-million-bushel negative feed and residual use in 2006/07. Projected exports, at 30 million bushels, are down 5 million bushels year-to-year. Projected ending stocks for 2007/08 are at 21 million bushels, slightly less than for 2006/07.

International Situation and Outlook

Increased Wheat Production Projection for China, Others Mostly Down

World wheat production in 2007/08 is projected to reach 612 million tons, up 2 million this month. Wheat production prospects increased 5 million tons for China, 1.2 million for Pakistan, 1 million for Kazakhstan, and 0.9 million for Australia. Reductions for a number of other countries were partly offsetting.

China's wheat production projection increased 5 million tons, to 105 million this month based on preliminary harvest reports. The growing season was generally favorable with a mild winter, limiting winter-kill. Some major growing areas had extended dry periods, but prevalent irrigation limited losses, and in most areas rainfall during the growing season averaged out to be close to normal as good rains offset dry periods. Expanding use of improved varieties also contributed to record forecast yields.

Pakistan reported record wheat yields, boosting production 1.2 million tons, to 23 million tons. In Kazakhstan exceptionally good rains helped encourage an expansion of area, boosting production prospects 1 million tons this month, to 13.5 million tons. Timely rains in Australia will facilitate late plantings in western Australia, and good rains in parts of eastern Australia boosted yield prospects, increasing projected production from 0.9 million tons to 23.0 million tons.

Wheat production prospects for 2007/08 declined this month in a number of important countries. Canada reported a sharp reduction in area planted to Canadian western red spring wheat, as prices favored canola and barley. Good growing conditions boosted yield prospects some this month, but the area drop reduced projected production 2 million tons, to 22.5 million tons. Persistent dryness and heat in some wheat areas of Ukraine, and low yields in early harvest reports contributed to a drop in the forecast yield. Ukraine wheat production was reduced 1 million tons this month to 13 million tons. Across the Black Sea, in Turkey, dryness also cut projected production 1 million tons, now expected to reach only 16 million. Wheat production prospects for the EU-27 declined 0.7 million tons this month, to 126.6 million tons as declines in Romania and other Eastern European countries more than offset increased production prospects for Spain. Reduced wheat production is also projected this month for Moldova, Syria, and Belarus.

Global Ending Stocks Prospects Boosted This Month

World wheat supplies in 2007/08 are boosted by increased production and an increase in estimated beginning stocks. Global beginning stocks are up over 2 million tons this month, to 124 million tons, with about half the increase in reported U.S. stocks, with the rest spread across a number of countries.

Projected world wheat disappearance in 2007/08 is virtually unchanged this month, at 620 million tons. Higher wheat prices this month are expected to inhibit wheat feeding in the United States and the EU-27, but other uses, elsewhere, are offsetting.

With increased supplies and unchanged use this month, global ending stocks are projected up 4.5 million tons, to 116.6 million tons. Most of the increase is for China, up 4.4 million tons this month, to 38.3 million tons. This means that instead of reducing wheat stocks during 2007/08, China is now expected to boost wheat stocks 7 percent. With this month's increases, Pakistan is also projected to increase ending stocks in 2007/08. However, stocks prospects for the United States, Canada, and the EU-27 are reduced this month.

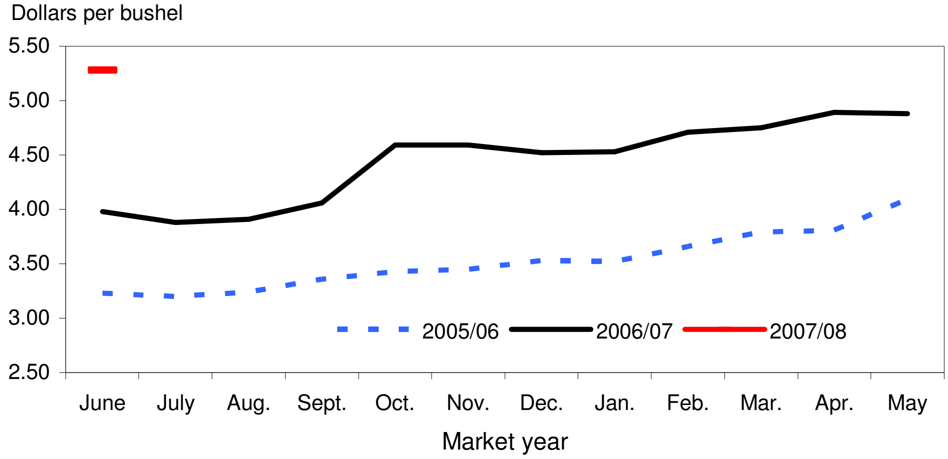
U.S. Export Prospects Up This Month Due to Reduced Competition

World wheat trade projected for 2007/08 (July-June) is up fractionally this month, at 107 million tons. A small increase in projected imports for Turkey and Moldova more than offset a small reduction in prospects for Eritrea. However, this month, there are important shifts in expected market share among wheat exporters.

Projected 2007/08 wheat exports by Canada is cut 1.5 million tons this month, to 15.0 million due to reduced production. Also, lower production prospects in Ukraine contributed to a 1.0-million-ton cut in forecast exports, to 1.5 million. Export expectations for Syria were also trimmed slightly. These export reductions and the fractional increase in global imports supported higher export forecasts for exporter's with increased production this month: Kazakhstan, up 1.0 million tons, to 6.5 million tons, and Australia, up 0.5 million tons, to 14.0 million tons.

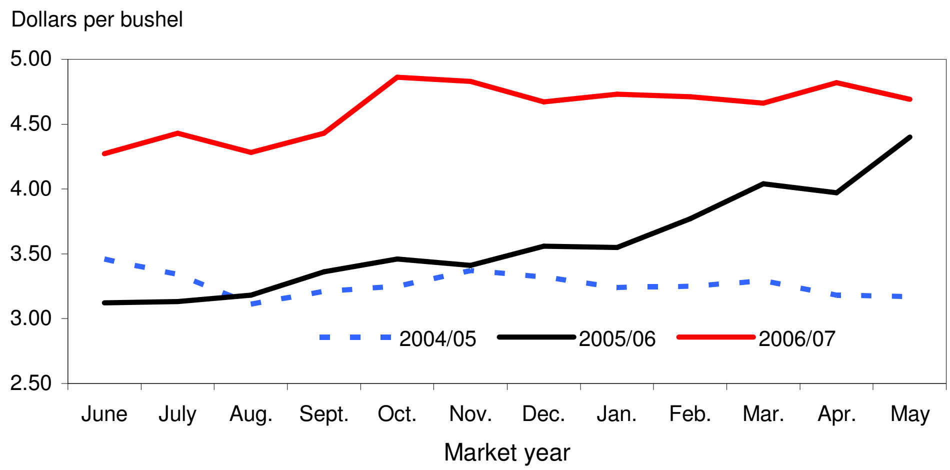
Although U.S. wheat production prospects were reduced this month, wheat supplies are up year-to-year. Strong early sales and reduced competition, especially from Canada, boost prospects for U.S. wheat exports in 2007/08. The July-June U.S. export projection increased 1.5 million tons this month to 28.5 million, with the June-May local marketing year up 50 million bushels to 1.05 billion bushels. According to *US Export Sales*, as of July 5, outstanding sales of U.S. wheat were up 57 percent compared to a year ago, with the increases spread across many importing countries.

Figure 1
All wheat average prices received by farmers



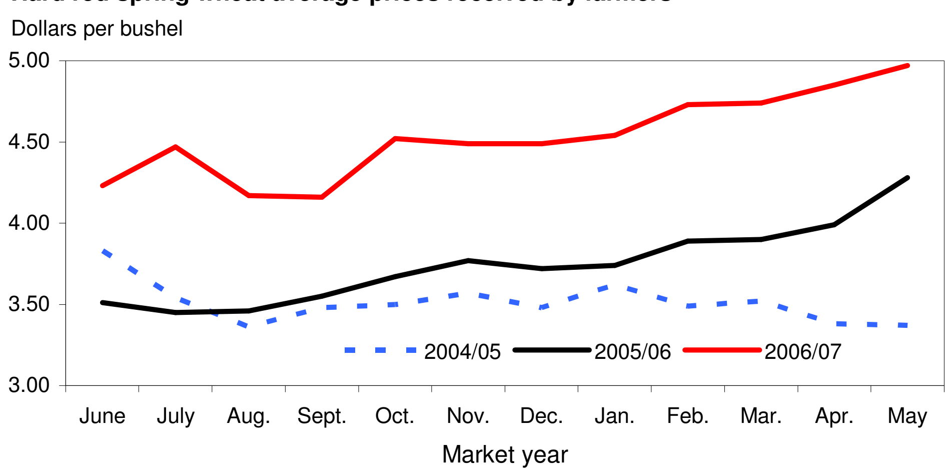
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 2
Hard red winter wheat average prices received by farmers



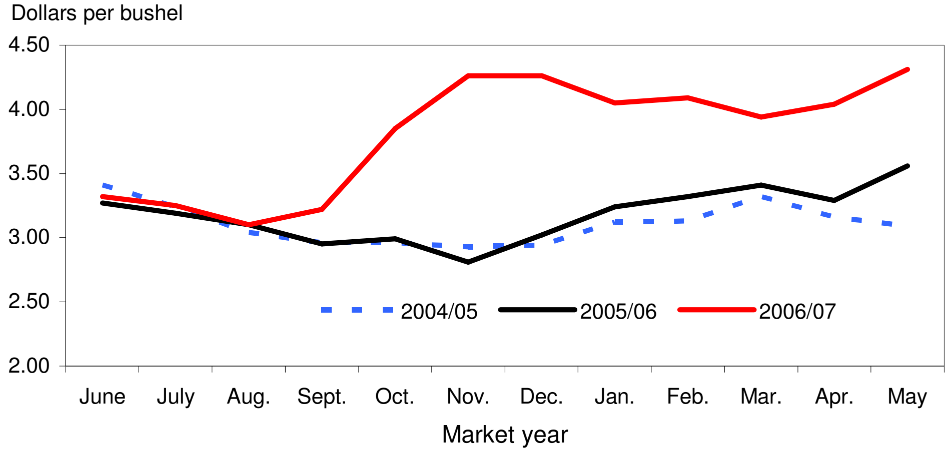
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 3
Hard red spring wheat average prices received by farmers



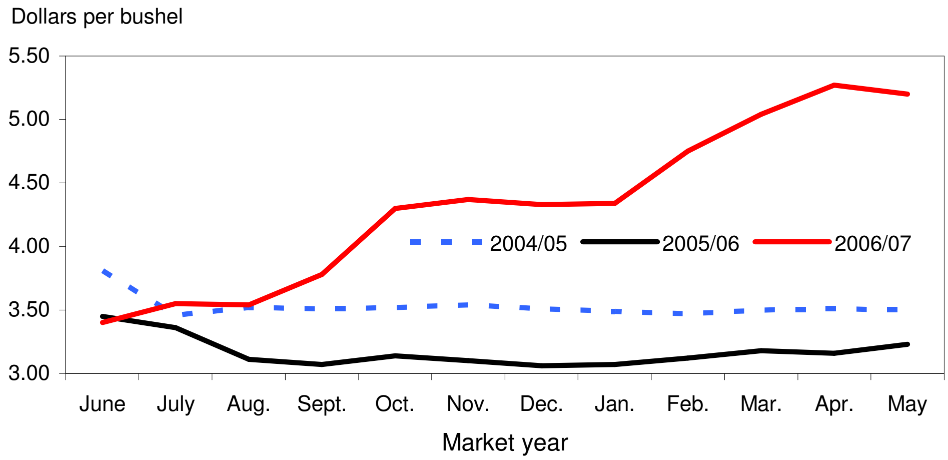
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 4
Soft red winter wheat average prices received by farmers



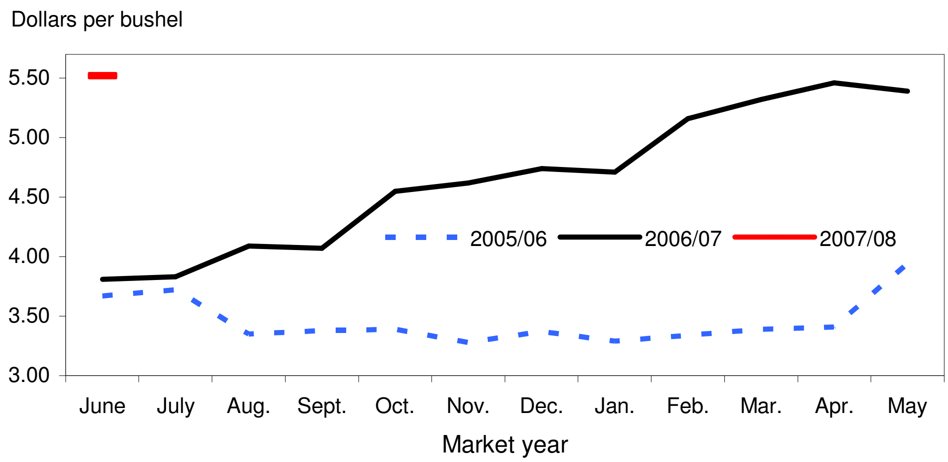
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 5
Soft white wheat average prices received by farmers



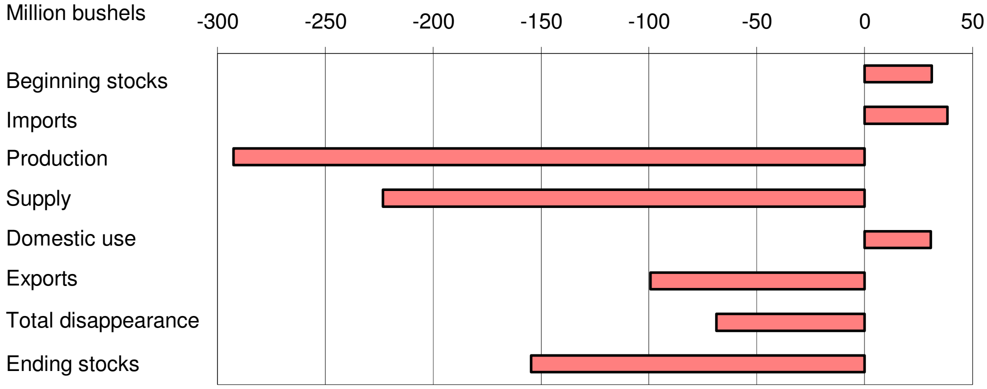
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 6
Durum wheat average prices received by farmers



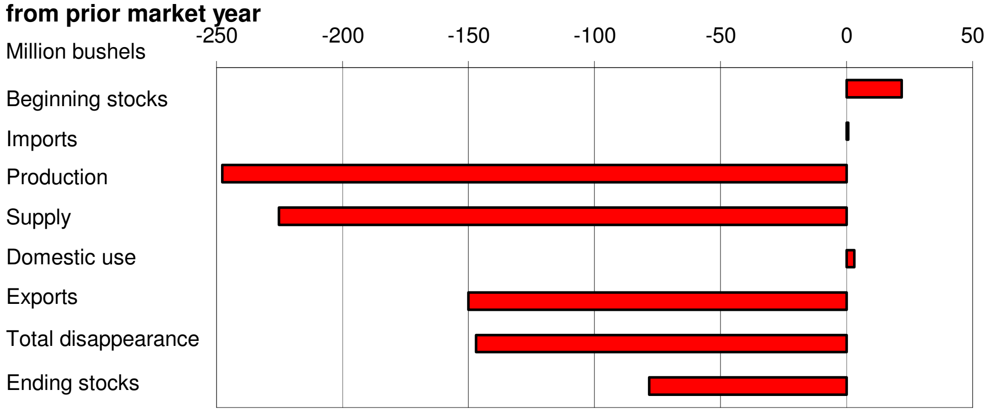
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 7
All wheat: U.S. supply and disappearance change from prior market year



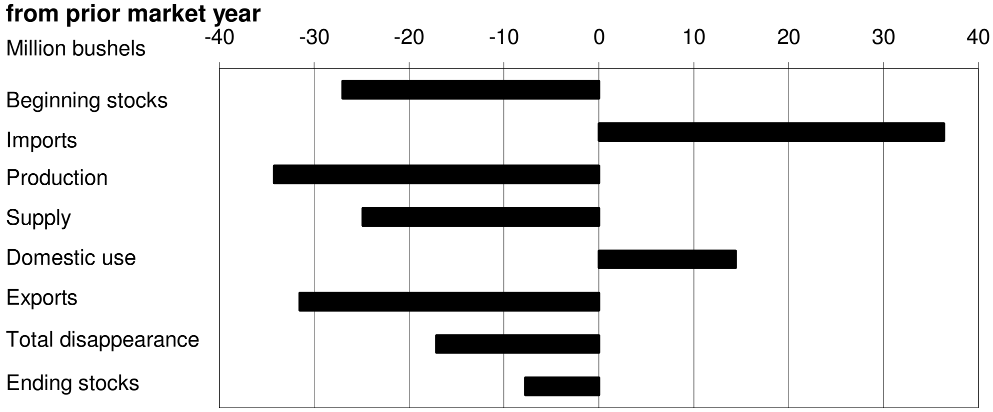
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates.*

Figure 8
Hard red winter wheat: U.S. supply and disappearance change from prior market year



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

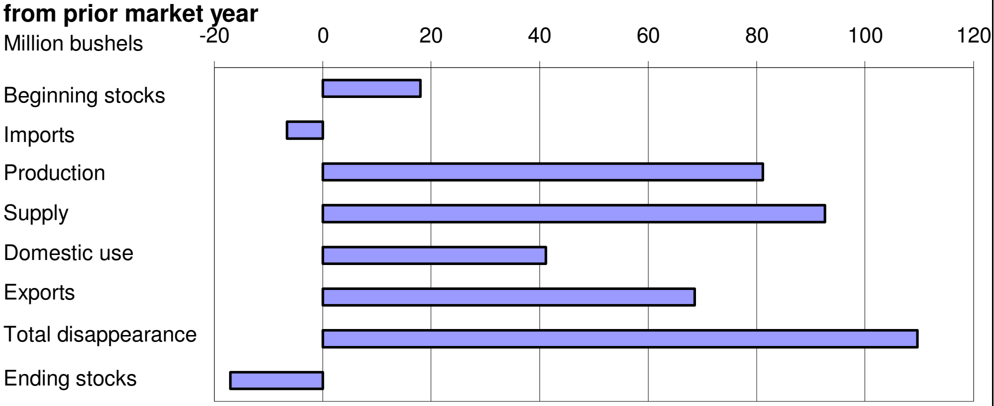
Figure 9
Hard red spring wheat: U.S. supply and disappearance change from prior market year



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

Figure 10

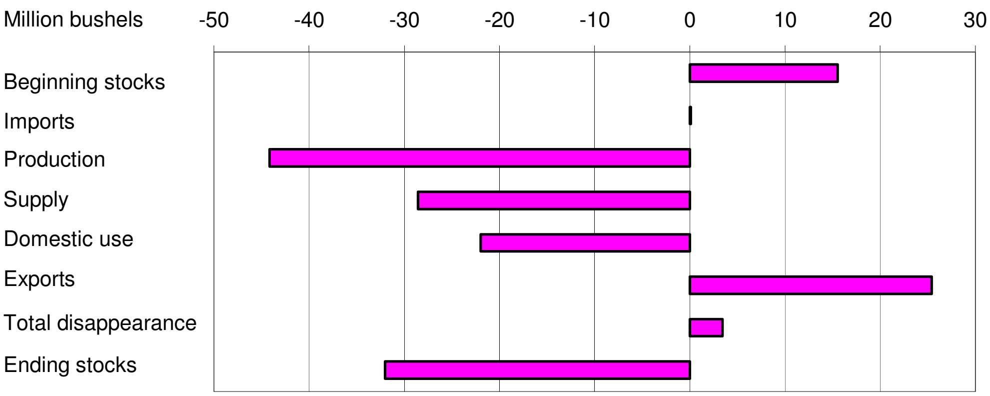
Soft red winter wheat: U.S. supply and disappearance change from prior market year



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

Figure 11

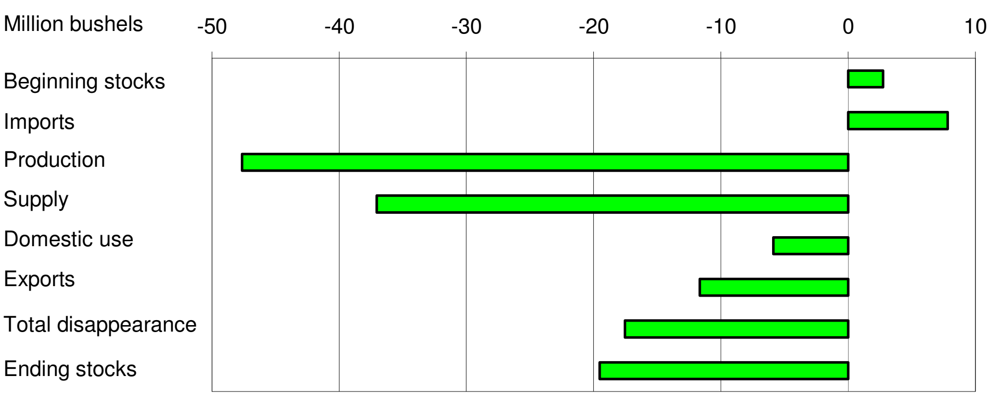
White wheat: U.S. supply and disappearance change from prior market year



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

Figure 12

Durum: U.S. supply and disappearance change from prior market year



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

Contacts and Links

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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.

Related Websites

WASDE
http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194
Grain Circular, http://www.fas.usda.gov/grain_arc.asp
Wheat Briefing Room, http://www.ers.usda.gov/briefing/wheat/

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Table 1--Wheat: U.S. market year supply and disapperance, 07/16/2007

Item and unit		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Area:								
Planted	Million acres	59.4	60.3	62.1	59.7	57.2	57.3	60.5
Harvested	Million acres	48.5	45.8	53.1	50.0	50.1	46.8	52.5
Yield	Bushels per acre	40.2	35.0	44.2	43.2	42.0	38.7	40.7
Supply:								
Beginning stocks	Million bushels	876.2	777.1	491.4	546.4	540.1	571.2	455.7
Production	Million bushels	1,947.5	1,605.9	2,344.8	2,158.2	2,104.7	1,812.0	2,138.3
Imports 1/	Million bushels	107.6	77.4	63.0	70.6	81.7	120.0	100.0
Total supply	Million bushels	2,931.2	2,460.4	2,899.2	2,775.3	2,726.5	2,503.2	2,693.9
Disappearance:								
Food use	Million bushels	926.4	918.6	911.9	909.6	914.2	925.0	930.0
Seed use	Million bushels	83.4	84.4	79.7	77.6	77.7	81.5	81.0
Feed and residual use	Million bushels	182.0	115.7	202.9	182.1	154.1	131.1	215.0
Total domestic use	Million bushels	1,191.8	1,118.7	1,194.4	1,169.2	1,146.1	1,137.5	1,226.0
Exports 1/	Million bushels	962.3	850.2	1,158.3	1,065.9	1,009.3	910.0	1,050.0
Total disapperance	Million bushels	2,154.1	1,968.9	2,352.8	2,235.2	2,155.3	2,047.5	2,276.0
Ending stocks	Million bushels	777.1	491.4	546.4	540.1	571.2	455.7	417.9
CCC inventory 2/	Million bushels	99.0	66.0	61.0	54.0	43.0	41.0	41.0
Unencumbered stocks	Million bushels	678.1	425.4	485.4	486.1	528.2	414.7	376.9
Stocks-to-use ratio		36.1	25.0	23.2	24.2	26.5	22.3	18.4
Loan rate	Dollars per bushel	2.58	2.80	2.80	2.75	2.75	2.75	2.75
Contract/direct payment rate	Dollars per bushel	0.48	0.52	0.52	0.52	0.52	0.52	
Farm price 3/	Dollars per bushel	2.78	3.56	3.40	3.40	3.42	4.26	4.80-5.40
Government payments	Million dollars	2,474	1,172	1,237	1,218	1,151	1,120	1,118
Market value of production	Million dollars	5,440	5,679	7,929	7,283	7,198	7,719	10,905

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.
1/ Includes flour and selected other products expressed in grain-equivalent bushels.
2/ Stocks owned by USDA's Commodity Credit Corporation (CCC). Most CCC-owned inventory is in the Bill Emerson Humanitarian Trust.
3/ U.S. season-average price based on monthly prices weighted by monthly marketings. Prices do not include an allowance for loans outstanding and government purchases.
Source: USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Date run: 7/13/2007

Table 2--Wheat: U.S. market year supply and disappearance, 07/16/2007

Market year, item, and unit			All wheat	Hard red winter 1/	Hard red spring 1/	Soft red winter 1/	White 1/	Durum
2006/07	Area:							
	Planted acreage	Million acres	57.34	29.34	14.42	7.39	4.33	1.87
	Harvested acreage	Million acres	46.81	21.32	13.42	6.16	4.10	1.82
	Yield	Bushels per acre	38.71	31.99	32.22	63.32	62.02	29.46
	Supply:							
	Beginning stocks	Million bushels	571.19	214.84	132.00	106.00	78.00	40.35
	Production	Million bushels	1,812.04	682.08	432.34	390.17	253.98	53.48
	Imports 2/	Million bushels	120.00	1.00	49.00	20.00	10.00	40.00
	Total supply	Million bushels	2,503.23	897.92	613.34	516.17	341.98	133.83
	Disappearance:							
	Food use	Million bushels	925.00	355.00	235.00	165.00	85.00	85.00
	Seed use	Million bushels	81.48	35.87	19.29	16.60	6.15	3.56
	Feed and residual use	Million bushels	131.06	62.92	-8.95	81.56	6.83	-11.31
	Total domestic use	Million bushels	1,137.53	453.80	245.34	263.17	97.98	77.26
	Exports 2/	Million bushels	910.00	280.00	250.00	145.00	200.00	35.00
	Total disappearance	Million bushels	2,047.53	733.80	495.34	408.17	297.98	112.26
	Ending stocks	Million bushels	455.69	164.12	118.00	108.00	44.00	21.57
2007/08	Area:							
	Planted acreage	Million acres	60.80	32.45	12.65	8.80	4.68	2.23
	Harvested acreage	Million acres	52.48	26.77	12.26	7.10	4.19	2.16
	Yield	Bushels per acre	40.74	35.99	38.42	51.20	62.39	36.38
	Supply:							
	Beginning stocks	Million bushels	455.69	164.12	118.00	108.00	44.00	21.57
	Production	Million bushels	2,138.25	963.64	470.89	363.66	261.36	78.70
	Imports 2/	Million bushels	100.00	1.00	42.00	10.00	7.00	40.00
	Total supply	Million bushels	2,693.95	1,128.77	630.89	481.66	312.36	140.27
	Disappearance:							
	Food use	Million bushels	930.00	370.00	235.00	150.00	85.00	90.00
	Seed use	Million bushels	81.00	36.00	20.00	15.00	6.00	4.00
	Feed and residual use	Million bushels	215.00	140.00	-20.00	80.00	20.00	-5.00
	Total domestic use	Million bushels	1,226.00	546.00	235.00	245.00	111.00	89.00
	Exports 2/	Million bushels	1,050.00	435.00	280.00	145.00	160.00	30.00
	Total disappearance	Million bushels	2,276.00	981.00	515.00	390.00	271.00	119.00
	Ending stocks	Million bushels	417.95	147.77	115.89	91.66	41.36	21.27

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.
1/ Area and yield data are unpublished National Agricultural Statistics Service data. Supply and disappearance data, except production, are approximations.
2/ Includes flour and selected other products expressed in grain-equivalent bushels.
Source: USDA, National Agricultural Statistics Service, Crop Production and unpublished data; and USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Date run: 7/13/2007

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 07/16/2007

Market year and quarter		Production	Imports 1/	Total supply	Food use	Seed use	Feed and residual use	Exports 1/	Ending stocks
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	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	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	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	219	1	1	257	972
	Mar-May		22	995	226	24	-49	222	571
	Mkt. year	2,105	82	2,727	914	78	154	1,009	571
2006/07	Jun-Aug	1,812	26	2,410	231	2	212	214	1,751
	Sep-Nov		30	1,780	241	56	-44	212	1,315
	Dec-Feb		31	1,346	223	1	29	236	857
	Mar-May		33	890	230	22	-67	249	456
	Mkt. year	1,812	120	2,503	925	81	131	910	456
2007/08	Mkt. year	2,138	100	2,694	930	81	215	1,050	418

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.
1/ Includes flour and selected other products expressed in grain-equivalent bushels.
Source: USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Date run: 7/13/2007

Table 4--Wheat: Monthly food disapperance estimates (1,000 grain-equivalent bushels), 07/16/2007

Mkt year and month 1/		Wheat ground for flour +	Food imports 2/ +	Nonmilled food use 3/ -	Food exports 2/ =	Food use 4/
2005/06	Jun	70,578	2,278	2,000	1,553	73,304
	Jul	72,942	2,136	2,000	1,106	75,971
	Aug	79,720	2,320	2,000	2,130	81,909
	Sep	76,657	2,153	2,000	1,368	79,441
	Oct	78,222	2,421	2,000	1,567	81,076
	Nov	74,871	2,397	2,000	1,384	77,884
	Dec	70,278	2,241	2,000	1,628	72,891
	Jan	70,615	2,127	2,000	1,623	73,118
	Feb	70,054	1,956	2,000	1,504	72,506
	Mar	74,324	2,339	2,000	1,520	77,143
	Apr	71,508	2,316	2,000	2,137	73,687
	May	73,114	2,524	2,000	2,335	75,303
2006/07	Jun	69,951	2,377	2,000	1,210	73,118
	Jul	72,779	2,272	2,000	1,193	75,859
	Aug	79,543	2,350	2,000	1,825	82,068
	Sep	76,486	1,966	2,000	997	79,456
	Oct	79,435	2,615	2,000	1,674	82,376
	Nov	76,032	2,643	2,000	1,500	79,174
	Dec	71,368	2,467	2,000	1,720	74,115
	Jan	72,152	2,661	2,000	1,312	75,501
	Feb	71,579	2,130	2,000	1,953	73,756
	Mar	75,942	2,651	2,000	1,656	78,937
	Apr		2,371	2,000	2,109	2,262
	May					2,000
2007/08	Jun					2,000

1/ Current year is preliminary. Previous year is preliminary through August of current year, estimated afterwards.
2/ Food imports and exports used to calculate total food use. Includes all categories of wheat flour, semolina, bulgur, and couscous and selected categories of pasta.
3/ Wheat prepared for food use by processes other than milling.
4/ Estimated food use equals wheat ground for flour plus food imports plus nonmilled food use minus food exports. See http://www.ers.usda.gov/Briefing/Wheat/wheatfooduse.htm for more information.
Sources: Calculated using data from U.S. Department of Commerce, Bureau of the Census, Flour Milling Products (MQ311A) and trade data.

Date run: 7/13/2007

Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 07/16/2007

Month	All wheat		Winter		Durum		Other spring	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
June	3.98	5.28	3.95	5.28	3.81	5.52	4.18	5.25
July	3.88		3.82		3.83		4.41	
August	3.91		3.77		4.09		4.11	
September	4.06		4.03		4.07		4.11	
October	4.59		4.63		4.55		4.48	
November	4.59		4.67		4.62		4.48	
December	4.52		4.53		4.74		4.48	
January	4.53		4.53		4.71		4.51	
February	4.71		4.67		5.16		4.73	
March	4.75		4.67		5.32		4.73	
April	4.89		4.87		5.46		4.87	
May	4.88		4.77		5.39		4.98	

1/ Preliminary mid-month, weighted-average price for current month.
Source: USDA, National Agricultural Statistics Service, Agricultural Prices.

Table 6--Wheat: National average prices received by farmers by class (dollars per bushel), 07/16/2007

Month	Hard red winter		Soft red winter		Hard red spring		White	
	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07
June	3.12	4.27	3.27	3.32	3.51	4.23	3.45	3.40
July	3.13	4.43	3.19	3.25	3.45	4.47	3.36	3.55
August	3.18	4.28	3.10	3.10	3.46	4.17	3.11	3.54
September	3.36	4.43	2.95	3.22	3.55	4.16	3.07	3.78
October	3.46	4.86	2.99	3.85	3.67	4.52	3.14	4.30
November	3.41	4.83	2.81	4.26	3.77	4.49	3.10	4.37
December	3.56	4.67	3.02	4.26	3.72	4.49	3.06	4.33
January	3.55	4.73	3.24	4.05	3.74	4.54	3.07	4.34
February	3.77	4.71	3.32	4.09	3.89	4.73	3.12	4.75
March	4.04	4.66	3.41	3.94	3.90	4.74	3.18	5.04
April	3.97	4.82	3.29	4.04	3.99	4.85	3.16	5.27
May	4.40	4.69	3.56	4.31	4.28	4.97	3.23	5.20

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

Date run: 7/13/2007

Table 7--Wheat: Average cash grain bids at principal markets, 07/16/2007

	No. 1 hard red winter (ordinary protein) Kansas City, KS and MO (dollars per bushel)		No. 1 hard red winter (13 percent protein) Kansas City, KS and MO (dollars per bushel)		No. 1 hard red winter (ordinary protein) Portland, OR (dollars per bushel)		No. 2 hard red winter (ordinary protein) U.S. Gulf ports, f.o.b. 1/ (dollars per metric ton)	
Month	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
June	5.25	6.22	5.43	6.32	5.14	6.12	196.83	--
July	5.27	--	5.38	--	5.26	--	204.31	--
August	5.00	--	5.15	--	5.04	--	193.99	--
September	5.16	--	5.19	--	5.19	--	201.39	--
October	5.62	--	5.55	--	5.56	--	214.90	--
November	5.61	--	5.63	--	5.62	--	212.54	--
December	5.49	--	5.55	--	5.67	--	210.43	--
January	5.29	--	5.29	--	5.49	--	202.90	--
February	5.39	--	5.44	--	5.67	--	202.67	--
March	5.40	--	5.52	--	5.74	--	206.03	--
April	5.52	--	5.61	--	5.81	--	207.02	--
May	5.54	--	5.57	--	5.59	--	199.03	--

	No. 1 dark northern spring (13 percent protein) Minneapolis, MN (dollars per bushel)		No. 1 dark northern spring (14 percent protein) Minneapolis, MN (dollars per bushel)		No. 1 dark northern spring (14 percent protein) Portland, OR (dollars per bushel)		No. 1 hard amber durum Minneapolis, MN (dollars per bushel)	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
June	5.43	6.19	5.59	6.19	5.72	6.48	--	7.40
July	5.52	--	5.65	--	5.93	--	--	--
August	4.85	--	4.94	--	5.44	--	--	--
September	4.85	--	4.86	--	5.38	--	--	--
October	5.35	--	5.36	--	5.80	--	--	--
November	5.57	--	5.55	--	5.92	--	--	--
December	5.43	--	5.44	--	5.88	--	--	--
January	5.26	--	5.27	--	5.70	--	--	--
February	5.34	--	5.40	--	5.94	--	--	--
March	5.53	--	5.55	--	5.95	--	--	--
April	5.67	--	5.65	--	6.09	--	--	--
May	5.65	--	5.64	--	6.05	--	--	--

	No. 2 soft red winter St. Louis, MO (dollars per bushel)		No. 2 soft red winter Chicago, IL (dollars per bushel)		No. 2 soft red winter Toledo, OH (dollars per bushel)		No. 1 soft white Portland, OR (dollars per bushel)	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
June	3.40	--	3.26	5.25	3.10	5.14	3.80	6.06
July	3.40	--	3.43	--	3.11	--	3.86	--
August	3.32	--	3.20	--	2.85	--	3.97	--
September	3.75	--	3.39	--	3.15	--	4.27	--
October	3.75	--	4.40	--	4.25	--	4.97	--
November	4.68	--	4.35	--	4.39	--	4.96	--
December	4.78	--	4.49	--	4.46	--	4.94	--
January	4.36	--	4.19	--	4.19	--	4.96	--
February	4.34	--	4.20	--	4.18	--	5.29	--
March	4.15	--	4.07	--	4.07	--	5.67	--
April	4.15	--	4.25	--	4.14	--	5.97	--
May	--	--	4.50	--	4.31	--	5.78	--

-- = Not available or no quote.
1/ Free on board. Barge delivered to Louisiana gulf.
Source: USDA, Agricultural Marketing Service, State Grain Reports, http://www.ams.usda.gov/lsmnpubs/grains.htm.

Date run: 7/13/2007

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 07/16/2007

Item		Nov 2006	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007
Exports	All wheat grain	60,595	70,487	84,629	75,412	76,512	75,130
	All wheat flour 1/	754	715	786	999	941	1,425
	All wheat products 2/	762	1,007	535	955	741	687
	Total all wheat	62,110	72,209	85,951	77,366	78,194	77,242
Imports	All wheat grain	6,360	8,447	7,747	7,596	9,125	9,926
	All wheat flour 1/	1,100	1,042	1,035	882	954	855
	All wheat products 2/	1,551	1,441	1,632	1,254	1,706	1,522
	Total all wheat	9,011	10,931	10,414	9,732	11,785	12,303

Totals may not add due to rounding.
1/ Expressed in grain-equivalent bushels. Includes meal, groats, and durum.
2/ Expressed in grain-equivalent bushels. Includes bulgur, couscous, and selected categories of pasta.
Source: U.S. Department of Commerce, U.S. Census Bureau; and ERS calculations using Census trade data.

Date run: 7/13/2007

Table 9--Wheat: U.S. exports, Census and export sales comparison (1,000 metric tons), 07/16/07

Importing country	2005/06		2006/07		2007/08 (as of 7/5/07)		
	Shipments				Shipments	Outstanding sales	Total
Data source	Census 1/	Export sales 2/	Census 1/	Export sales 2/	Export sales 2/		
Country:							
Japan	2,909	2,966	3,188	3,228	246	363	609
Nigeria	3,160	3,036	2,455	2,441	192	400	592
Mexico	2,654	2,564	2,265	2,138	262	374	636
Egypt	1,123	1,181	1,982	1,982	355	340	695
Philippines	1,650	1,676	1,648	1,739	87	478	565
South Korea	1,097	1,143	1,174	1,191	72	206	278
Taiwan	906	914	1,007	999	48	178	226
Iraq	2,278	2,338	898	799	0	400	400
EU-27	1,082	1,479	634	786	77	290	367
Yeman	502	501	711	709	59	201	260
Total grain	26,903	25,320	24,078	22,902	1,997	5,633	7,629
Total (including products)	27,461	25,370	24,766	22,950	2,002	5,637	7,638
USDA forecast of Census					28,576		

1/ Source is U.S. Census Bureau

2/ Source is Foreign Agricultural Service's weekly *U.S. Export Sales* report.

Source: USDA, Foreign Agricultural Service's, U.S. Export Sales: and U.S. Department of Commerce, U.S. Census Bureau.