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Outlook

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# Wheat Outlook

Gary Vocke and Edward Allen

## Larger Production and Beginning Stocks Raise Global Wheat Supplies

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The next release is October 15, 2008.

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Approved by the World Agricultural Outlook Board.

Increased foreign production forecast for 2008/09 and larger beginning stocks for Kazakhstan and Canada boosted world wheat supplies sharply this month. Increased wheat production in the EU-27, Russia, and Ukraine includes large amounts of low-quality wheat that are projected to be used as feed both in the producing countries and in some importing countries. This month's increase in world wheat supplies is larger than the increase in use, boosting projected ending stocks.

The 2008/09 U.S. wheat and wheat by-class balance sheets are unchanged this month. The projected range for the all wheat season-average farm price is narrowed 20 cents on each end of the range to $6.70 to $7.80 per bushel. Tight world supplies of higher quality milling wheat are expected to support domestic farm prices.

# Domestic Situation and Outlook

### *No Changes in 2008/09 Supply and Use*

There are no month-to-month changes in supply and use this month for the 2008/09 marketing year.

### *2008/09 Supplies*

Projected supplies for 2008/09 are up 233 million bushels to 2,868 million bushelsas compared with 2007/08. A large production increase year-to-year, mostly due to higher soft red winter (SRW) wheat production, more than offsets sharply lower carryin stocks and slightly smaller projected imports. Carryin stocks are down 150 million bushels to 306 million bushels. Imports are projected down 13 million bushels to 100 million bushels.

Except for hard red spring (HRS) wheat, projected by-class supplies are up year-to-year. HRS beginning stocks are down year-to-year more than any other class of wheat, and exceed the expected 2008 increase in HRS production by 37 million bushels. SRW supplies are up 190 million bushels year-to-year, more than any other class of wheat because of the expected sharp increase in SRW production. SRW production, at 609 million bushels, is the highest since the all-time record 678 million bushels in 1981.

### *2008/09 Use*

Projected domestic use is up 228 million bushels to 1,294 million bushels, mostly due to a sharp increase in feed and residual use from the remarkably low level of the 2007/08 marketing year. Projected exports for 2008/09, at 1,000 million bushels, are down 264 million bushels from the previous marketing year. Exports in 2007/08 reached a 15-year high.

Except for HRS, domestic use of each class of wheat is projected up year-to-year, with the largest increase for SRW. The projected 130-million-bushel increase in SRW feed and residual use is 60 percent of the of the projected 228-million-bushel increase for all-wheat domestic use. The combination of very large supplies of SRW for the 2008/09 marketing year and historically high corn prices are expected to result in a large increase in SRW feed and residual use compared to 2007/08. Exports of each class of wheat are projected down year-to-year because of expected high U.S. prices and expanded production in competing countries. Wheat producers in other countries have responded to the high world prices with expanded plantings.

Projected total use for 2008/09 is down slightly, 36 million bushels, to 2,294 million bushels. The net result of the projected year-to-year changes in by-class uses has been nearly unchanged white and durum, a substantial drop in HRW and HRS total use, and a sharp rise in total SRW use.

Projected ending stocks for 2008/09 are up 268 million bushels, or 88 percent, from 2007/08 to 574 million bushels. Ending stocks of each class of wheat are projected up from the very low levels in 2007/08. Percentage increases by class of wheat are: white, 36 percent; HRS, 43 percent; HRW, 74 percent; durum, 91 percent; and RW, 205 percent.

# International Situation and Outlook

### *World Wheat Production Projected Up in September*

World wheat production in 2008/09 is forecast at 676.3 million tons, up 5.5 million tons this month. Increases in the Northern Hemisphere, mostly based on harvest reports, more than offset reductions for the southern Hemisphere, where growing conditions have been less favorable.

EU-27 wheat production is up 4.0 million tons this month to a record 147.2 million. More than half the increase is in Germany, based on German government estimates. There were also significant increases based on harvest reports from Bulgaria and Romania where dry harvest weather minimized harvest losses.

Wheat production in Russia was raised 3.0 million tons this month to 60.0 million tons. Harvest reports indicate a larger area harvested, especially for winter wheat. The strong yield increase is based on harvest reports for winter wheat, with prospects for spring wheat yields slightly reduced. Ukraine harvest reports also indicated increased area and yields for winter wheat, boosting production 2.5 million tons this month to 24.5 million tons. The wheat crop in both countries, combined with large harvests for other grains, will strain storage and transportation infrastructure. High yields and rains during the harvest have reduced protein levels, trimmed test weights, and increased sprout damage. The portion of the wheat crop with good milling characteristics is down sharply, especially in Ukraine.

Wheat production in other Former Soviet Union (FSU) countries follows the Russian pattern, with increased yields reported in Europe and less favorable conditions in Asia. Belarus and Moldova reported higher than expected wheat yields. Wheat production in Kazakhstan was reduced 0.8 million tons this month to 12.7 million tons. Rainfall during the growing season was on average close to normal, but with some regions too dry. This contrasts with the previous year when rainfall was abundant. This year the wheat crop has moved through its growth cycle more rapidly than normal and harvest is early. However, an increase in projected harvested area this month is more than offset by reduced yield prospects. Dryness trimmed yield prospects in Turkmenistan and Kyrgyzstan, while smaller planted area was reported in Tajikistan.

Wheat production in Canada was increased 0.4 million tons this month to 25.4 million tons, based on increased yield estimates by Statistics Canada. Although crop development is behind normal, there has not been an early frost in key growing areas.

Wheat production in Brazil was increased 0.4 million tons this month to 5.4 million tons. Recent dryness in Parana has allowed wheat harvest to progress, boosting wheat yield prospects.

Argentina's wheat production was reduced 1.0 million tons this month to 12.5 million tons. Extended dryness through the fall, winter, and into the spring centered in Cordoba and Santa Fe has resulted in less wheat planted than was expected. The dryness has begun to reduce yield prospects as well. Conditions in Southern Buenos Aires are much better, limiting the reduction.

Australia's wheat production was reduced 3.0 million tons this month to 22.0 million tons. August was very dry in Western Australia, and satellite imagery indicates crop development has been adversely impacted. Parts of New South Wales have suffered ongoing drought and imagery also indicates problems there. Yield prospects have been reduced, but rainfall during the months of September and October will be important in determining yields. Most of the crop is in much better condition than it was at this stage during the previous 2 years of severe drought.

### *Increased Beginning Stocks Help Boost 2008/09 Supplies*

World wheat beginning stocks for 2008/09 increased 3.3 million tons this month due to changes in 2007/08 supply and demand. Kazakhstan's stocks increased 1.5 million tons this month as the export ban during the last months of 2007/08 was effective. Statistics Canada reported wheat ending stocks 1.1 million tons higher than USDA's earlier forecast. Wheat feed and residual use was unusually low in Canada in 2007/08 due to high prices. Tajikistan's wheat supply and demand was revised for several years, changing the stocks estimates. Beginning 2008/09 Tajik stocks are up 0.3 million tons this month. Syria, facing drought in 2008, cut exports at the end of 2007/08, boosting stocks 0.3 million tons. Several importers, such as Algeria and Japan, imported more wheat than expected in the last months of 2007/08, boosting 2008/09 beginning stocks.

### *Projected 2008/09 World Wheat Feed Use Up This Month*

World wheat consumption for 2008/09 is forecast up 5.1 million tons this month to 654.9 million tons. Most of the increase is for wheat feed and residual use, up 4.7 million tons this month to 124.5 million tons. Wheat feed and residual use includes losses in storage and handling. With more low quality wheat and limited storage, losses are expected to be a more important part of feed and residual use this year in Ukraine and Russia. Russia's projected feed and residual use was increased 1.5 million tons this month to 18.0 million tons. Ukraine's feed and residual use was increased 0.8 million tons this month to 4.0 million tons. EU-27 domestic wheat use was increased 1.5 million tons to 132.5 million. Wheat feed and residual use increased 1.0 million tons as wheat is expected to replace imported feed grains in compound feeds. The 0.5-million-ton increase in food, seed, and industrial use is due to increased expected industrial use.

With low-quality wheat priced competitively with corn, some grain importers are expected to increase wheat imports for feed use. South Korea is projected to import an additional 0.5 million tons for feed use this month, boosting wheat feed use to 2.0 million. The Philippines projected wheat feed use is up 0.4 million tons this month to 0.5 million, and Israel is up 0.4 million tons to 1.0 million tons.

### *World Wheat Ending Stocks Prospects Increased for 2008/09*

World wheat ending stocks for 2008/09 are projected to reach 139.9 million tons, up 3.7 million this month. Increased 2007/08 ending stocks this month have revealed that several countries are maintaining more wheat stocks than expected and appear likely to continue to do so. Kazakhstan's 2008/09 ending stocks are projected up 1.3 million tons this month to 3.0 million. Canada's 2008/09 ending stocks are projected up 1.1 million tons to 5.4 million. Other countries with smaller increases in projected 2008/09 ending stocks as a result of higher carryin include Syria, Tajikistan, Japan, Bangladesh, and Algeria. Increased 2008 production prospects are boosting ending stocks prospects this month for Ukraine, up 1.1 million tons to 3.1 million; Russia, up 0.6 million to 7.2 million; and by small amounts for Brazil and Moldova. Wheat is not expected to enter intervention stocks in the EU-27, and projected ending stocks remain nearly unchanged this month at 12.0 million tons. Australia's forecast ending stocks are down 2.0 million tons this month to 5.7 million due to lower production.

### *World Wheat Trade Prospects in 2008/09 Boosted by Feed Wheat*

World wheat trade in 2008/09 (July-June) is projected to reach a record 122.9 million tons, up 1.6 million this month mostly due to increased imports of wheat for feeding. Wheat imports increased 0.5 million tons each this month for South Korea and Philippines and by 0.4 million tons for Israel. Adjustments to import forecasts for several countries in the FSU were partly offsetting, but boosted imports slightly.

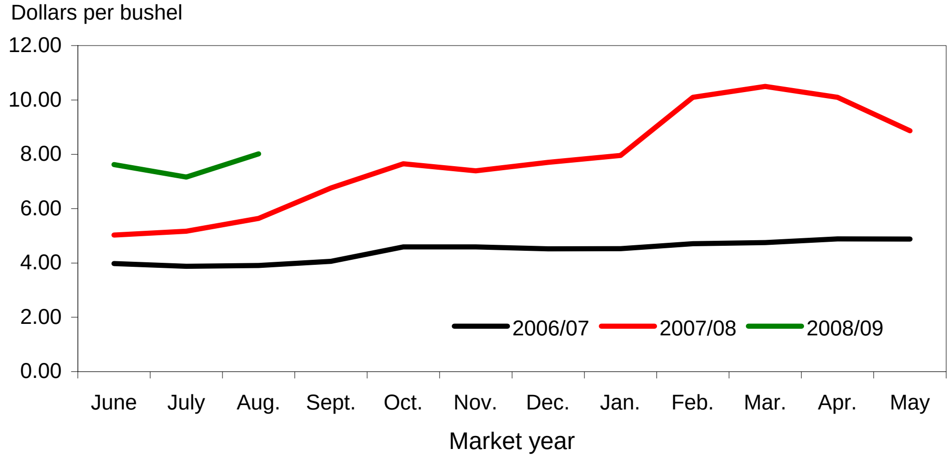
Export prospects for 2008/09 are adjusted significantly to reflect supply shifts. Reduced production prospects for Argentina and Australia cut export prospects 1.0 million tons each and reduced Kazakhstan 0.6 million tons. Increased production helped boost EU-27 export prospects 2.5 million tons this month to 18.0 million. The EU-27 is now expected to be the second largest wheat exporter in 2008/09, slightly ahead of Canada, which is increased 0.5 million tons this month to 17.5 million. Russia and Ukraine export prospects are boosted 0.5 million tons each this month, to 14.0 and 9.0 million tons respectively. Rail and port capacity is expected to limit their increase in exports. Brazil's wheat export prospects are also increased slightly this month.

U.S. 2008/09 forecast exports are unchanged this month. Exports were strong in the first months of the season, but sales have slowed and are expected to continue at a modest pace because foreign competitor supplies are large.

Trade data for the last months of 2007/08 is becoming available for some countries, resulting in adjustments to estimated imports and exports. World wheat trade for 2007/08 is estimated at 113.9 million tons, down 0.5 million this month. The largest change is to exports for Kazakhstan, down 1.5 million tons to 7.0 million. The late-season ban on wheat grain exports was not offset by significantly increased flour trade as expected. Preliminary data and export licenses indicate EU-27 exports 1.0 million tons higher to 12.0 million. EU-27 imports were also increased, up 0.5 million tons to 7.0 million. Other small changes, included increases in exports for Argentina Russia, and Ukraine and reductions for Canada and Syria.

Figure 1

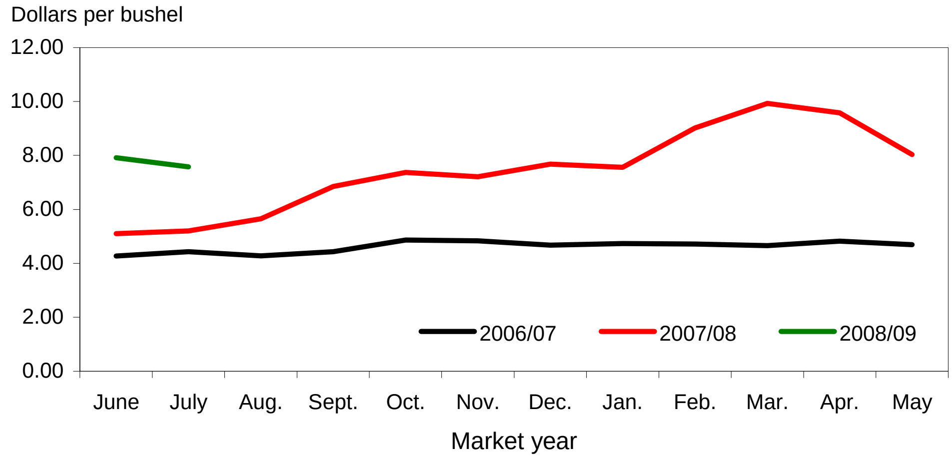
**All wheat average prices received by farmers**




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

Figure 2

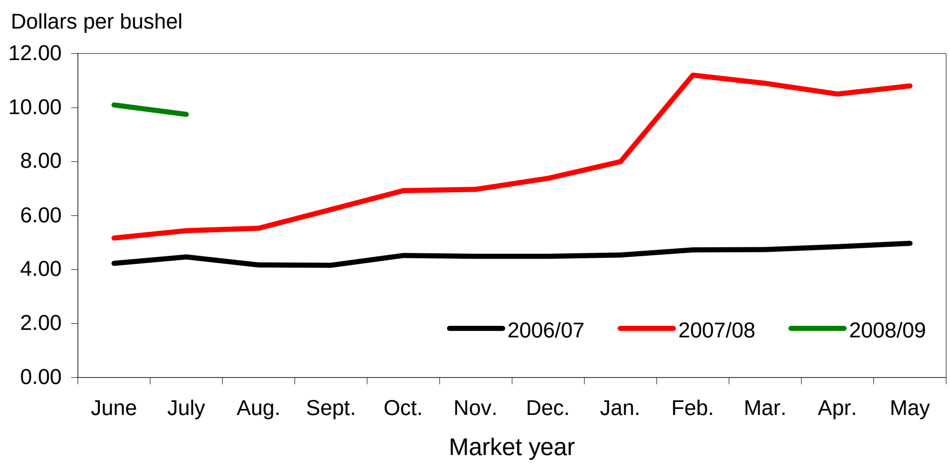
**Hard red winter wheat average prices received by farmers**




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

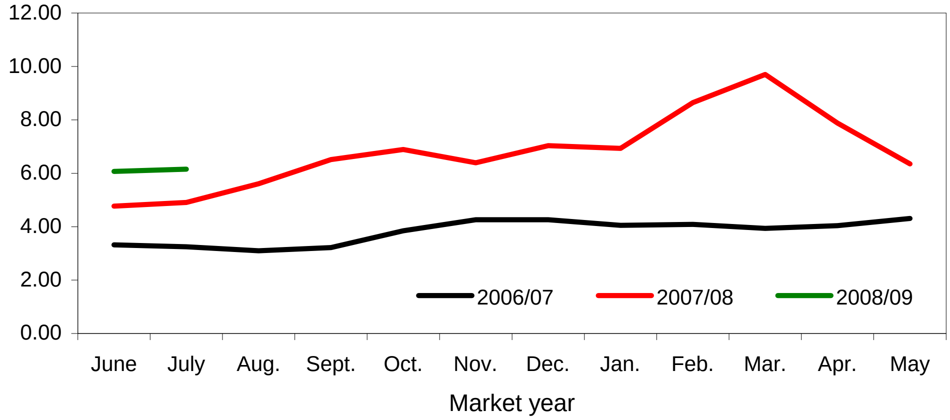
Figure 3

**Hard red spring wheat average prices received by farmers**



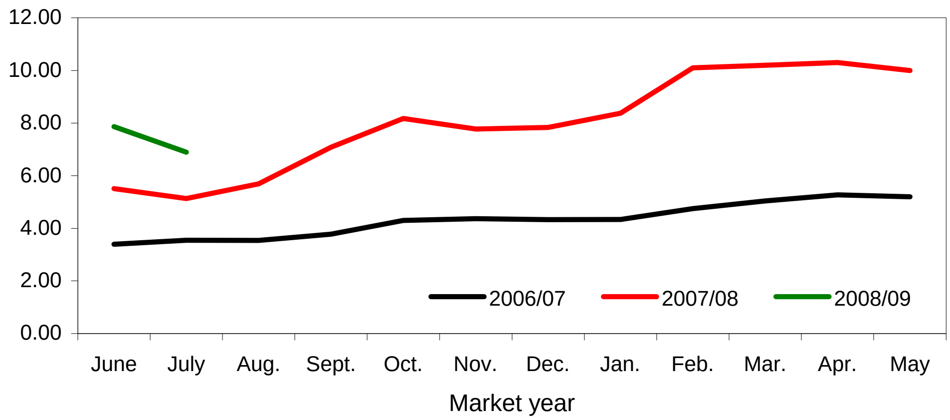

Source: USDA, National Agricultural Statistics Service, *Agricultural Prices* .

Figure 4
**Soft red winter wheat average prices received by farmers**
Dollars per bushel



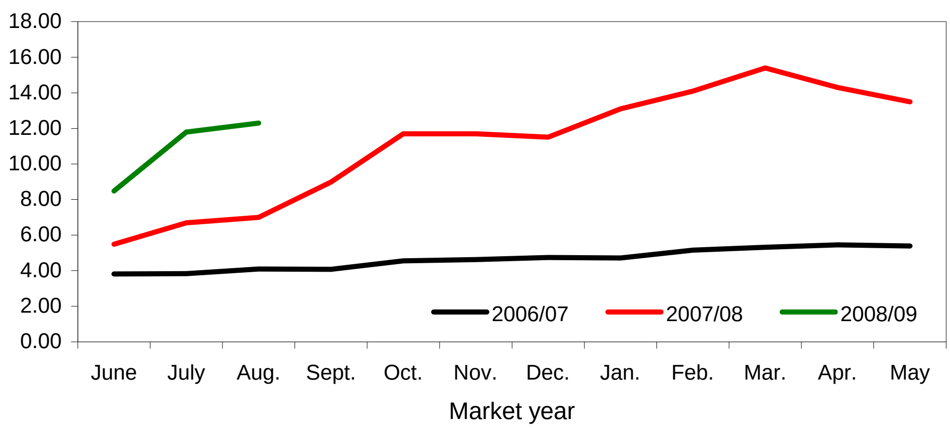

Source: USDA, National Agricultural Statistics Service, *Agricultural Prices* .

Figure 5
**Soft white wheat average prices received by farmers**
Dollars per bushel




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

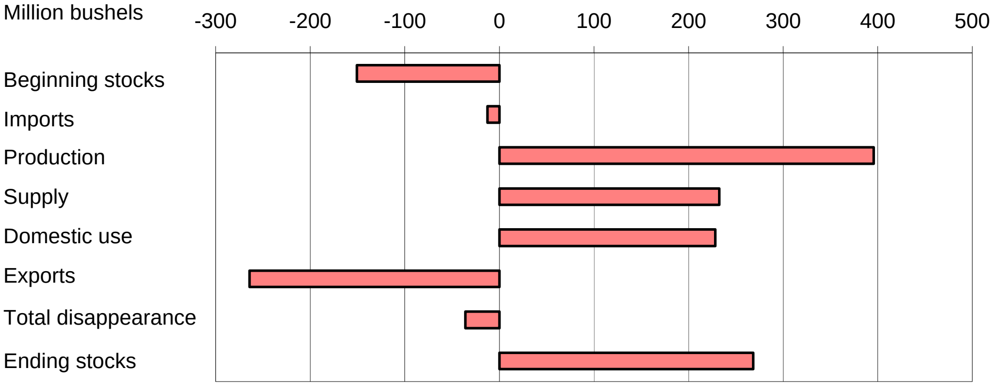
Figure 6
**Durum wheat average prices received by farmers**
Dollars per bushel




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

Figure 7

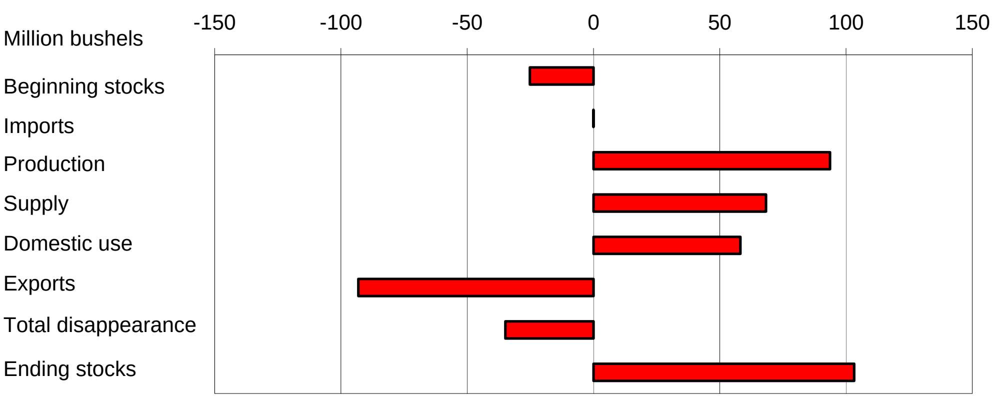
**All wheat: U.S. supply and disappearance change from prior market year**




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

Figure 8

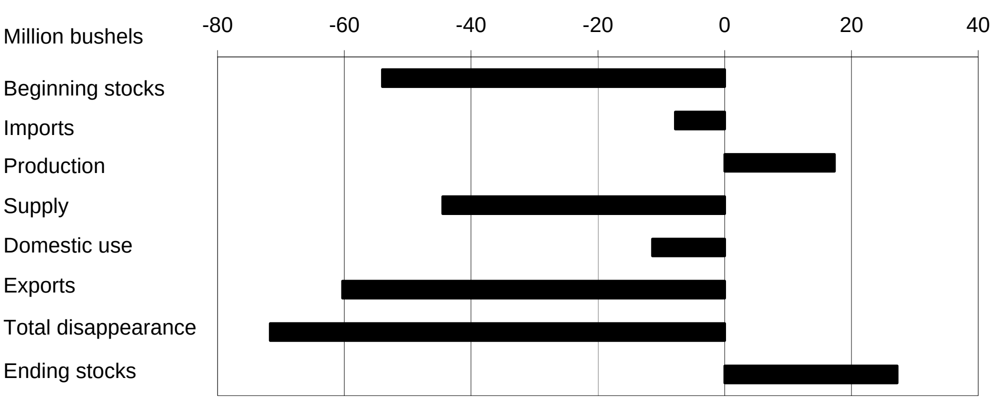
**Hard red winter wheat: U.S. supply and disappearance change from prior market year**




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

Figure 9

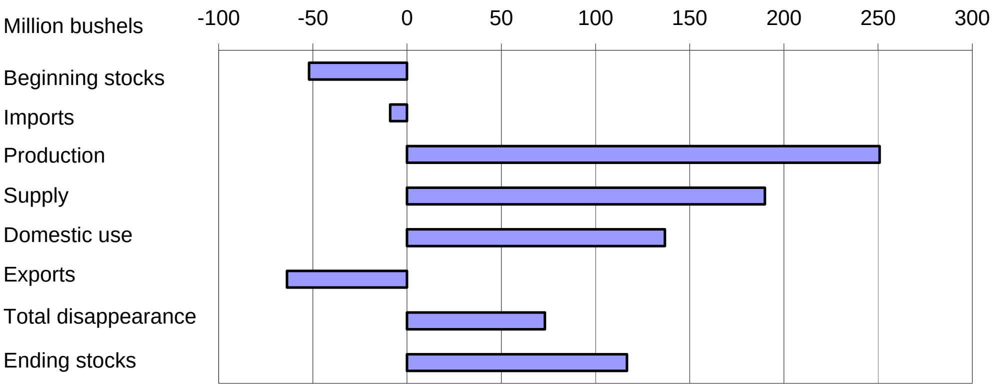
**Hard red spring wheat: U.S. supply and disappearance change from prior market year**




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

Figure 10

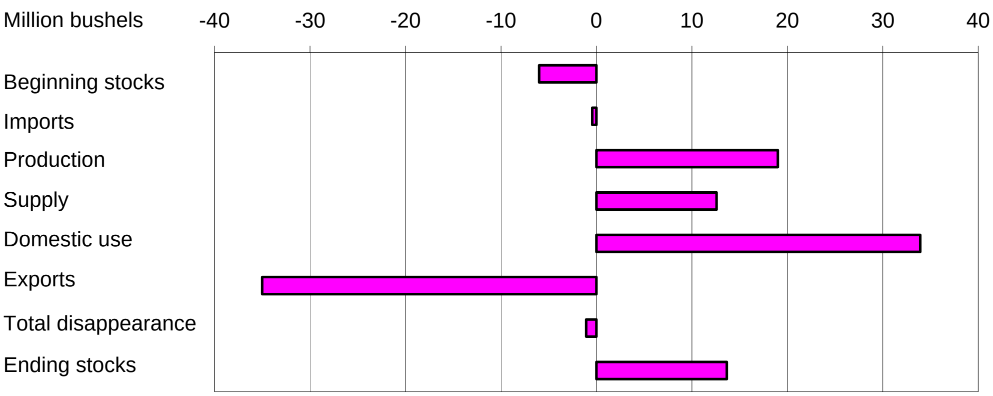
**Soft red winter wheat: U.S. supply and disappearance change from prior market year**




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

Figure 11

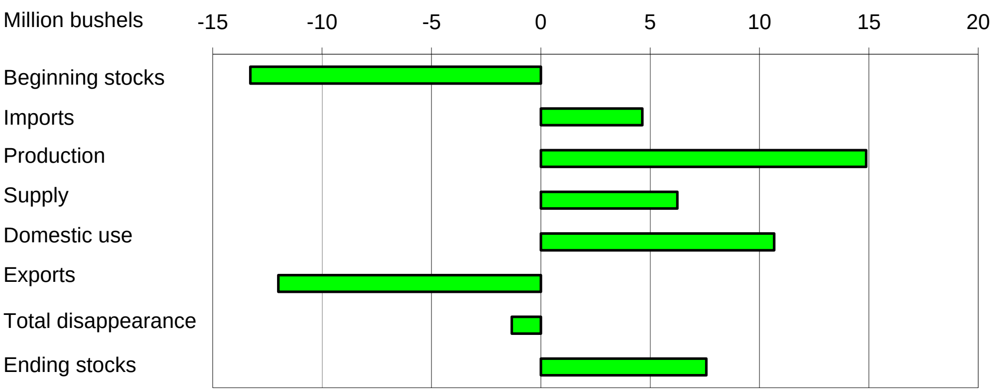
**White wheat: U.S. supply and disappearance change from prior market year**




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

**Contact Information**
Gary Vocke (domestic), (202) 694-5285, gvocke@ers.usda.gov
Edward Allen (international), (202) 694-5288, ewallen@ers.usda.gov
Beverly Payton (Web Publishing), (202) 694-5165, bpayton@ers.usda.gov

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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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• Receive weekly notification (on Friday afternoon) via the ERS website. Go to http://www.ers.usda.gov/Updates/ and follow the instructions to receive notices about ERS outlook reports, Amber Waves magazine, and other reports and data products on specific topics. ERS also offers RSS (really simple syndication) feeds for all ERS products. Go to http://www.ers.usda.gov/rss/ to get started.

Table 1--Wheat: U.S. market year supply and disapperance, 09/16/2008

| Item and unit | | 2002/03 | 2003/04 | 2004/05 | 2005/06 | 2006/07 | 2007/08 | 2008/09 |
|---|---|---|---|---|---|---|---|---|
| Area: | | | | | | | | |
| Planted | Million acres | 60.3 | 62.1 | 59.7 | 57.2 | 57.3 | 60.4 | 63.5 |
| Harvested | Million acres | 45.8 | 53.1 | 50.0 | 50.1 | 46.8 | 51.0 | 56.6 |
| Yield | Bushels per acre | 35.0 | 44.2 | 43.2 | 42.0 | 38.7 | 40.5 | 43.5 |
| Supply: | | | | | | | | |
| Beginning stocks | Million bushels | 777.1 | 491.4 | 546.4 | 540.1 | 571.2 | 456.2 | 305.6 |
| Production | Million bushels | 1,605.9 | 2,344.8 | 2,158.2 | 2,104.7 | 1,812.0 | 2,066.7 | 2,462.4 |
| Imports 1/ | Million bushels | 77.4 | 63.0 | 70.6 | 81.4 | 121.9 | 112.6 | 100.0 |
| Total supply | Million bushels | 2,460.4 | 2,899.2 | 2,775.3 | 2,726.1 | 2,505.1 | 2,635.5 | 2,868.0 |
| Disappearance: | | | | | | | | |
| Food use | Million bushels | 918.6 | 911.9 | 909.6 | 917.1 | 937.9 | 947.8 | 960.0 |
| Seed use | Million bushels | 84.4 | 79.7 | 77.6 | 77.7 | 81.5 | 88.2 | 84.0 |
| Feed and residual use | Million bushels | 115.7 | 202.9 | 182.1 | 157.3 | 121.1 | 29.8 | 250.0 |
| Total domestic use | Million bushels | 1,118.7 | 1,194.4 | 1,169.2 | 1,152.2 | 1,140.5 | 1,065.8 | 1,294.0 |
| Exports 1/ | Million bushels | 850.2 | 1,158.3 | 1,065.9 | 1,002.8 | 908.5 | 1,264.1 | 1,000.0 |
| Total disapperance | Million bushels | 1,968.9 | 2,352.8 | 2,235.2 | 2,155.0 | 2,048.9 | 2,329.9 | 2,294.0 |
| Ending stocks | Million bushels | 491.4 | 546.4 | 540.1 | 571.2 | 456.2 | 305.6 | 574.0 |
| CCC inventory 2/ | Million bushels | 66.0 | 61.0 | 54.0 | 43.0 | 41.0 | | |
| Stocks-to-use ratio | | 25.0 | 23.2 | 24.2 | 26.5 | 22.3 | 13.1 | 25.0 |
| Contract/direct payment rate | Dollars per bushel | 0.52 | 0.52 | 0.52 | 0.52 | 0.52 | 0.52 | 0.52 |
| Farm price 3/ | Dollars per bushel | 3.56 | 3.40 | 3.40 | 3.42 | 4.26 | 6.48 | 6.70-7.80 |
| Government payments | Million dollars | 1,172 | 1,237 | 1,218 | 1,151 | 1,120 | 1,118 | 1,118 |
| Market value of production | Million dollars | 5,679 | 7,929 | 7,283 | 7,171 | 7,710 | 13,392 | 17,853 |

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: 9/15/2008*

Table 2--Wheat: U.S. market year supply and disappearance, 09/16/2008

| Market year, item, and unit | | | All wheat | Hard red winter 1/ | Hard red spring 1/ | Soft red winter 1/ | White 1/ | Durum |
|---|---|---|---|---|---|---|---|---|
| 2007/08 | Area: | | | | | | | |
| | Planted acreage | Million acres | 60.43 | 32.94 | 12.72 | 8.65 | 3.98 | 2.15 |
| | Harvested acreage | Million acres | 51.01 | 25.70 | 12.39 | 7.06 | 3.76 | 2.11 |
| | Yield | Bushels per acre | 40.52 | 37.42 | 36.24 | 50.72 | 60.33 | 33.94 |
| | Supply: | | | | | | | |
| | Beginning stocks | Million bushels | 456.15 | 164.58 | 117.00 | 109.00 | 44.00 | 21.57 |
| | Production | Million bushels | 2,066.72 | 961.59 | 448.90 | 357.90 | 226.65 | 71.69 |
| | Imports 2/ | Million bushels | 112.62 | 1.09 | 47.79 | 13.95 | 9.43 | 40.36 |
| | Total supply | Million bushels | 2,635.50 | 1,127.26 | 613.70 | 480.85 | 280.07 | 133.62 |
| | Disappearance: | | | | | | | |
| | Food use | Million bushels | 947.84 | 397.04 | 233.00 | 150.00 | 85.00 | 82.81 |
| | Seed use | Million bushels | 88.17 | 36.03 | 20.96 | 20.58 | 6.38 | 4.22 |
| | Feed and residual use | Million bushels | 29.77 | 16.76 | -8.56 | 44.57 | -19.30 | -3.70 |
| | Total domestic use | Million bushels | 1,065.78 | 449.83 | 245.41 | 215.14 | 72.07 | 83.33 |
| | Exports 2/ | Million bushels | 1,264.10 | 538.10 | 305.29 | 208.71 | 170.00 | 42.00 |
| | Total disappearance | Million bushels | 2,329.88 | 987.93 | 550.70 | 423.85 | 242.07 | 125.33 |
| | Ending stocks | Million bushels | 305.62 | 139.33 | 63.00 | 57.00 | 38.00 | 8.29 |
| 2008/09 | Area: | | | | | | | |
| | Planted acreage | Million acres | 63.46 | 31.95 | 13.45 | 11.00 | 4.41 | 2.66 |
| | Harvested acreage | Million acres | 56.59 | 26.85 | 13.03 | 9.94 | 4.20 | 2.58 |
| | Yield | Bushels per acre | 43.52 | 39.31 | 35.79 | 61.27 | 58.56 | 33.52 |
| | Supply: | | | | | | | |
| | Beginning stocks | Million bushels | 305.62 | 139.33 | 63.00 | 57.00 | 38.00 | 8.29 |
| | Production | Million bushels | 2,462.42 | 1,055.24 | 466.22 | 608.73 | 245.66 | 86.57 |
| | Imports 2/ | Million bushels | 100.00 | 1.00 | 40.00 | 5.00 | 9.00 | 45.00 |
| | Total supply | Million bushels | 2,868.04 | 1,195.57 | 569.22 | 670.73 | 292.66 | 139.86 |
| | Disappearance: | | | | | | | |
| | Food use | Million bushels | 960.00 | 390.00 | 235.00 | 160.00 | 85.00 | 90.00 |
| | Seed use | Million bushels | 84.00 | 38.00 | 19.00 | 17.00 | 6.00 | 4.00 |
| | Feed and residual use | Million bushels | 250.00 | 80.00 | -20.00 | 175.00 | 15.00 | .00 |
| | Total domestic use | Million bushels | 1,294.00 | 508.00 | 234.00 | 352.00 | 106.00 | 94.00 |
| | Exports 2/ | Million bushels | 1,000.00 | 445.00 | 245.00 | 145.00 | 135.00 | 30.00 |
| | Total disappearance | Million bushels | 2,294.00 | 953.00 | 479.00 | 497.00 | 241.00 | 124.00 |
| | Ending stocks | Million bushels | 574.04 | 242.57 | 90.22 | 173.73 | 51.66 | 15.86 |

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: 9/15/2008*

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 09/16/2008

| Market year and quarter | | Production | Imports 1/ | Total supply | Food use | Seed use | Feed and residual use | Exports 1/ | Ending stocks |
|---|---|---|---|---|---|---|---|---|---|
| 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 | 4 | 252 | 972 |
| | Mar-May | | 22 | 995 | 228 | 24 | -49 | 220 | 571 |
| | Mkt. year | 2,105 | 81 | 2,726 | 917 | 78 | 157 | 1,003 | 571 |
| 2006/07 | Jun-Aug | 1,812 | 26 | 2,410 | 235 | 2 | 208 | 214 | 1,751 |
| | Sep-Nov | | 29 | 1,780 | 243 | 56 | -46 | 212 | 1,315 |
| | Dec-Feb | | 32 | 1,346 | 225 | 1 | 28 | 235 | 857 |
| | Mar-May | | 34 | 891 | 234 | 22 | -69 | 247 | 456 |
| | Mkt. year | 1,812 | 122 | 2,505 | 938 | 81 | 121 | 908 | 456 |
| 2007/08 | Jun-Aug | 2,067 | 30 | 2,553 | 240 | 2 | 272 | 323 | 1,717 |
| | Sep-Nov | | 21 | 1,738 | 245 | 60 | -120 | 421 | 1,132 |
| | Dec-Feb | | 24 | 1,156 | 228 | 2 | -42 | 259 | 709 |
| | Mar-May | | 37 | 746 | 235 | 25 | -80 | 260 | 306 |
| | Mkt. year | 2,067 | 113 | 2,635 | 948 | 88 | 30 | 1,264 | 306 |
| 2008/09 | Mkt. year | 2,462 | 100 | 2,868 | 960 | 84 | 250 | 1,000 | 574 |

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: 9/15/2008*

Table 4--Wheat: Monthly food disapperance estimates (1,000 grain-equivalent bushels), 09/16/2008

| Mkt year and month 1/ | | Wheat ground for flour | + | Food imports 2/ | + | Nonmilled food use 3/ | - | Food exports 2/ | = | Food use 4/ |
|---|---|---|---|---|---|---|---|---|---|---|
| 2006/07 | Jun | 70,780 | | 2,376 | | 2,000 | | 1,181 | | 73,974 |
| | Jul | 74,221 | | 2,281 | | 2,000 | | 1,198 | | 77,304 |
| | Aug | 81,118 | | 2,347 | | 2,000 | | 1,776 | | 83,688 |
| | Sep | 78,001 | | 1,961 | | 2,000 | | 1,009 | | 80,952 |
| | Oct | 79,831 | | 2,617 | | 2,000 | | 1,704 | | 82,744 |
| | Nov | 76,411 | | 2,640 | | 2,000 | | 1,504 | | 79,547 |
| | Dec | 71,723 | | 2,466 | | 2,000 | | 1,764 | | 74,425 |
| | Jan | 72,918 | | 2,663 | | 2,000 | | 1,307 | | 76,275 |
| | Feb | 72,340 | | 2,130 | | 2,000 | | 1,843 | | 74,627 |
| | Mar | 76,749 | | 2,651 | | 2,000 | | 1,664 | | 79,736 |
| | Apr | 75,365 | | 2,387 | | 2,000 | | 2,112 | | 77,640 |
| | May | 77,058 | | 2,114 | | 2,000 | | 4,175 | | 76,997 |
| 2007/08 | Jun | 73,725 | | 2,262 | | 2,000 | | 2,376 | | 75,611 |
| | Jul | 76,121 | | 2,249 | | 2,000 | | 1,620 | | 78,751 |
| | Aug | 83,195 | | 2,161 | | 2,000 | | 1,868 | | 85,488 |
| | Sep | 79,998 | | 1,957 | | 2,000 | | 2,508 | | 81,447 |
| | Oct | 82,745 | | 2,383 | | 2,000 | | 2,959 | | 84,168 |
| | Nov | 79,199 | | 2,289 | | 2,000 | | 4,078 | | 79,410 |
| | Dec | 74,341 | | 2,216 | | 2,000 | | 1,726 | | 76,831 |
| | Jan | 73,407 | | 2,257 | | 2,000 | | 1,726 | | 75,938 |
| | Feb | 72,824 | | 2,066 | | 2,000 | | 1,999 | | 74,892 |
| | Mar | 77,263 | | 2,192 | | 2,000 | | 1,974 | | 79,482 |
| | Apr | 74,593 | | 2,410 | | 2,000 | | 1,694 | | 77,308 |
| | May | 76,268 | | 2,240 | | 2,000 | | 1,992 | | 78,516 |
| 2008/09 | Jun | 72,969 | | 2,442 | | 2,000 | | 1,956 | | 75,455 |

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: 9/15/2008*

Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 09/16/2008

| Month | All wheat | | Winter | | Durum | | Other spring | |
|---|---|---|---|---|---|---|---|---|
| | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 |
| June | 5.03 | 7.62 | 5.00 | 7.51 | 5.49 | 8.48 | 5.17 | 10.10 |
| July | 5.17 | 7.16 | 5.13 | 7.10 | 6.69 | 11.80 | 5.43 | 9.60 |
| August | 5.64 | 8.02 | 5.66 | 7.70 | 7.00 | 12.30 | 5.53 | 8.62 |
| September | 6.76 | | 6.89 | | 8.98 | | 6.26 | |
| October | 7.65 | | 7.55 | | 11.70 | | 6.99 | |
| November | 7.39 | | 7.31 | | 11.70 | | 7.00 | |
| December | 7.71 | | 7.70 | | 11.50 | | 7.39 | |
| January | 7.96 | | 7.75 | | 13.10 | | 8.01 | |
| February | 10.10 | | 9.17 | | 14.10 | | 11.20 | |
| March | 10.50 | | 9.96 | | 15.40 | | 10.90 | |
| April | 10.10 | | 9.62 | | 14.30 | | 10.50 | |
| May | 8.87 | | 8.17 | | 13.50 | | 10.70 | |

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), 09/16/2008

| Month | Hard red winter | | Soft red winter | | Hard red spring | | White | |
|---|---|---|---|---|---|---|---|---|
| | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 |
| June | 5.10 | 7.91 | 4.77 | 6.07 | 5.17 | 10.10 | 5.51 | 7.87 |
| July | 5.20 | 7.58 | 4.91 | 6.15 | 5.44 | 9.75 | 5.13 | 6.89 |
| August | 5.65 | | 5.61 | | 5.53 | | 5.69 | |
| September | 6.85 | | 6.51 | | 6.22 | | 7.08 | |
| October | 7.37 | | 6.89 | | 6.92 | | 8.18 | |
| November | 7.21 | | 6.39 | | 6.97 | | 7.77 | |
| December | 7.68 | | 7.03 | | 7.38 | | 7.83 | |
| January | 7.56 | | 6.93 | | 8.00 | | 8.38 | |
| February | 9.02 | | 8.65 | | 11.20 | | 10.10 | |
| March | 9.93 | | 9.70 | | 10.90 | | 10.20 | |
| April | 9.58 | | 7.88 | | 10.50 | | 10.30 | |
| May | 8.03 | | 6.35 | | 10.80 | | 10.00 | |

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

*Date run: 9/15/2008*

Table 7--Wheat: Average cash grain bids at principal markets, 09/16/2008

| Month | No. 1 hard red winter (ordinary protein) Kansas City, MO (dollars per bushel) | | No. 1 hard red winter (13% protein) Kansas City, MO (dollars per bushel) | | No. 1 hard red winter (ordinary protein) Portland, OR (dollars per bushel) | | No. 2 hard red winter (ordinary protein) Gulf ports, LA 1/ (dollars per metric ton) | |
|---|---|---|---|---|---|---|---|---|
| | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 |
| June | 6.22 | 9.19 | 6.32 | 10.82 | 6.12 | -- | 226.04 | 346.60 |
| July | 6.28 | 8.68 | 6.56 | 8.97 | 6.35 | 8.49 | 241.34 | 329.60 |
| August | 6.84 | 8.64 | 7.04 | 9.02 | 6.95 | 8.76 | 264.38 | 335.61 |
| September | 8.52 | -- | 8.79 | -- | 8.55 | -- | 338.20 | -- |
| October | 8.89 | -- | 9.22 | -- | 9.37 | -- | 345.07 | -- |
| November | 8.62 | -- | 9.08 | -- | 8.95 | -- | 329.22 | -- |
| December | 9.80 | -- | 10.39 | -- | 10.30 | -- | 374.05 | -- |
| January | 9.97 | -- | 10.94 | -- | 10.22 | -- | 374.37 | -- |
| February | 12.28 | -- | 15.12 | -- | 11.29 | -- | 435.58 | -- |
| March | 12.29 | -- | 14.10 | -- | -- | -- | 450.41 | -- |
| April | 10.29 | -- | 11.36 | -- | -- | -- | 370.56 | -- |
| May | 9.33 | -- | 10.40 | -- | -- | -- | 331.01 | -- |

| | No. 1 dark northern spring (13% protein) Minneapolis, MN (dollars per bushel) | | No. 1 dark northern spring (14% protein) Minneapolis, MN (dollars per bushel) | | No. 1 dark northern spring (14% protein) Portland, OR (dollars per bushel) | | No. 1 hard amber durum Minneapolis, MN (dollars per bushel) | |
|---|---|---|---|---|---|---|---|---|
| | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 |
| June | 6.19 | 11.35 | 6.19 | 11.46 | 6.48 | 10.79 | 7.40 | -- |
| July | 5.55 | 11.35 | 6.60 | 11.46 | 6.95 | 9.69 | 8.50 | -- |
| August | 6.79 | 9.38 | 6.88 | 9.87 | 7.28 | 9.85 | -- | -- |
| September | -- | -- | 8.20 | -- | 9.62 | -- | 11.25 | -- |
| October | 9.24 | -- | 9.27 | -- | 9.67 | -- | 15.00 | -- |
| November | 9.43 | -- | 9.39 | -- | 9.71 | -- | -- | -- |
| December | 10.86 | -- | 11.06 | -- | 11.59 | -- | -- | -- |
| January | 12.34 | -- | 12.59 | -- | 12.95 | -- | -- | -- |
| February | 18.55 | -- | 19.00 | -- | 18.59 | -- | 23.25 | -- |
| March | 14.68 | -- | 15.60 | -- | -- | -- | -- | -- |
| April | 13.11 | -- | 12.93 | -- | -- | -- | -- | -- |
| May | 11.52 | -- | 12.06 | -- | 11.97 | -- | -- | -- |

| | 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) | |
|---|---|---|---|---|---|---|---|---|
| | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 | 2007/08 | 2008/09 |
| June | 5.19 | 6.20 | 5.25 | 7.20 | 5.14 | 7.39 | 6.06 | 7.97 |
| July | 5.61 | 5.92 | 5.52 | 6.87 | 5.79 | 6.59 | 6.36 | 7.93 |
| August | 6.14 | 6.05 | 6.24 | 6.77 | 6.73 | 6.29 | 6.91 | 8.23 |
| September | 7.99 | -- | 7.98 | -- | 8.47 | -- | 8.88 | -- |
| October | -- | -- | 7.89 | -- | 8.38 | -- | 9.94 | -- |
| November | 7.70 | -- | 7.57 | -- | 7.78 | -- | 10.05 | -- |
| December | 8.58 | -- | 8.69 | -- | 9.00 | -- | 12.39 | -- |
| January | 8.50 | -- | 8.55 | -- | 9.07 | -- | 14.33 | -- |
| February | 9.72 | -- | 10.12 | -- | 10.48 | -- | 12.46 | -- |
| March | 9.11 | -- | 10.40 | -- | 10.58 | -- | 12.00 | -- |
| April | 7.21 | -- | 7.72 | -- | 8.32 | -- | 10.26 | -- |
| May | 5.97 | -- | 6.59 | -- | 7.02 | -- | -- | -- |

-- = 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: 9/15/2008*

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 09/16/2008

| Item | | Jan 2008 | Feb 2008 | Mar 2008 | Apr 2008 | May 2008 | Jun 2008 |
|---|---|---|---|---|---|---|---|
| Exports | All wheat grain | 87,539 | 84,414 | 92,251 | 82,781 | 79,725 | 77,176 |
| | All wheat flour 1/ | 1,224 | 1,544 | 1,328 | 1,114 | 1,126 | 1,417 |
| | All wheat products 2/ | 518 | 470 | 674 | 605 | 866 | 541 |
| | Total all wheat | 89,282 | 86,428 | 94,252 | 84,501 | 81,717 | 79,134 |
| Imports | All wheat grain | 6,258 | 6,301 | 10,220 | 9,180 | 10,699 | 7,166 |
| | All wheat flour 1/ | 804 | 833 | 898 | 1,041 | 1,020 | 1,178 |
| | All wheat products 2/ | 1,462 | 1,240 | 1,307 | 1,386 | 1,232 | 1,270 |
| | Total all wheat | 8,524 | 8,374 | 12,426 | 11,607 | 12,951 | 9,614 |

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: 9/15/2008*

Table 9--Wheat:  U.S. exports, Census and export sales comparison (1,000 metric tons), 09/16/08

| Importing country | 2006/07 | | 2007/08 | | 2008/09 (as of 09/04/08) | | |
|---|---|---|---|---|---|---|---|
| | Shipments | | | | Shipments | | Total |
| Data source | Census 1/ | Export sales 2/ | Census 1/ | Export sales 2/ | Export sales 2/ | | |
| Country: | | | | | | | |
| Japan | 3,142 | 3,228 | 3,644 | 3,319 | 847 | 810 | 1,657 |
| Egypt | 1,982 | 1,982 | 2,908 | 3,276 | 976 | 239 | 1,215 |
| Nigeria | 2,467 | 2,441 | 2,504 | 2,597 | 874 | 608 | 1,482 |
| Mexico | 2,260 | 2,138 | 2,575 | 2,568 | 706 | 789 | 1,496 |
| Iraq | 898 | 799 | 1,912 | 1,964 | 1,066 | 100 | 1,166 |
| Philippines | 1,648 | 1,739 | 1,525 | 1,538 | 379 | 652 | 1,031 |
| South Korea | 1,196 | 1,191 | 1,499 | 1,509 | 246 | 288 | 533 |
| Indonesia | 765 | 683 | 1,058 | 1,093 | 304 | 28 | 332 |
| Taiwan | 1,006 | 999 | 1,092 | 1,068 | 96 | 96 | 192 |
| Venezuela | 729 | 705 | 956 | 997 | 129 | 121 | 250 |
| EU-27 | 634 | 786 | 1,774 | 1,915 | 270 | 131 | 401 |
| Total grain | 24,133 | 22,902 | 33,676 | 32,564 | 9,188 | 6,273 | 15,461 |
| Total (including products) | 24,712 | 22,950 | 34,400 | 32,617 | 9,211 | 6,276 | 15,487 |
| USDA forecast of Census | | | | | 27,216 | | |

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.