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Wheat Outlook

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U.S. 2011/12 Wheat Supplies Down This Month

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The next release is Sept. 14, 2011.

Approved by the World Agricultural Outlook Board.

U.S. wheat supplies for 2011/12 are lowered 30 million bushels this month as higher forecast winter wheat production is more than offset by lower area and production for durum and other spring wheat. Total use for 2011/12 is lowered 30 million bushels, with a reduced outlook for exports more than offsetting an increase in expected feed and residual use. Exports are projected down 50 million bushels with increased competition, particularly from FSU-12 countries, where production prospects are raised. Projected feed and residual use is raised 20 million bushels, reflecting a continuation of competitive prices for feed-quality wheat and lower projected corn supplies. Ending stocks are nearly unchanged. The 2011/12 season-average farm price range is projected at $7.00 to $8.20 per bushel, up from last month's range of $6.60 to $8.00 per bushel supported by higher projected prices for corn.

Increased wheat production in FSU-12, India, China, and the EU-27 supports this month's larger projected world production, trade, and ending stocks. U.S. export prospects are reduced by the strong competition and lower supplies.

Domestic Outlook

Ending Stocks for 2011/12 Are Nearly Unchanged From July, But Down From 2010/11

Projected ending stocks for 2011/12, at 671 million bushels, are down 190 million bushels from 2010/11 as supplies decrease more than use. Total wheat supplies for 2011/12 are projected down 244 million bushels because of both smaller carryin stocks and production as compared with 2010/11.Total projected uses are down 53 million bushels from 2010/11.

Total production is projected at 2,077 million bushels, down 131 million bushels from 2010/11.

Winter Wheat Production Estimates by Class

Hard red winter (HRW) production is forecast to be 794 million bushels, up 3 million bushels from July, but down 224 million bushels from a year ago. The higher planted area for the 2011 crop has been more than offset by higher abandonment and lower yields due to the severe drought on the Central and Southern Plains. Forecast planted area, harvested area, and yield and year-to-year changes for 2011 from 2010 are 29.1 million acres, up 0.5 million acres; 21.5 million acres, down 2.5 million acres; and 36.9 bushels per acre, down 5.5 bushels per acre, respectively.

Drought conditions in the Central and Southern Plains throughout the growing season accelerated crop development and reduced yields. USDA's National Agricultural Statistics Service (NASS) August 11 *Crop Production* reported that the harvest was lagging behind normal in South Dakota and Montana because cool, wet spring conditions slowed crop development.

Soft red winter (SRW) production is forecast at 452 million bushels, down 6 million bushels from July, but up 214 million bushels from last year. SRW production is forecast higher for 2011 with higher planted and harvested areas and higher yield. The 2011 crop area recovered from 2010, when a rain-delayed row-crop harvest and low prices reduced SRW seedings in the fall of 2009. Forecast planted area, harvested area, and yield and year-to-year changes for 2011 from 2010 are 8.3 million acres, up 3.0 million acres; 7.3 million acres, up 2.9 million acres; and 62.1 bushels per acre, up 7.8 bushels per acre, respectively.

The August *Crop Production* reported that harvesting was nearly complete in all major growing areas except Michigan. Wet conditions during June negatively impacted the crop in Illinois, Indiana, and Ohio; however, record-high yields are expected in Arkansas, Michigan, Mississippi, North Carolina, Oregon, South Carolina, Tennessee, and Virginia.

White winter wheat production for 2011 is forecast to total 251 million bushels, up 8 million bushels from July and up 22 million bushels from a year ago. Of the white production total, 12 million bushels are hard white (**HW**) and 239 million bushels are soft white (**SW**). The 2010 production of HW and SW were 13 million bushels and 216 million bushels, respectively.

The 2011 HW and SW planted and harvested areas are 0.34 million acres and 0.28 million acres; and 3.33 million acres and 3.21 million acres, respectively. The previous year, the HW and SW planted and harvested areas were 0.33 million acres and 0.29 million acres; and 3.18 million acres and 3.04 million acres, respectively. HW 2011 yield is 42.0 bushels per acre compared to 46.7 bushels in 2010. SW 2011 yield is 74.5 bushels per acre compared to 70.9 bushels in 2010.

Spring Wheat Production Estimates by Class

Hard red spring (HRS) production is forecast at 475 million bushels, down 29 million bushels from July and down 95 million bushels from 2010. HRS production is forecast down from a year ago with lower planted and harvested areas and lower yield. Excessive moisture and cool temperatures on the Northern Plains resulted in late seeding and prevented plantings. Forecast planted area, harvested area, yield, and year-to-year changes for 2011, respectively, are 11.9 million acres, down 1.1 million acres; 11.5 million acres, down 1.1 million acres; and 41.2 bushels per acre, down 3.9 bushels per acre.

The August *Crop Production* reported that flooding and prolonged wet weather during the spring and early summer months slowed crop development in most States. In the six major producing States, 90 percent of the crop was at or beyond the heading stage of development by July 31, 7 percentage points behind last year and 8 points behind the 5-year average. By month's end, harvest had begun in only South Dakota and Oregon.

White spring production is forecast to total 47 million bushels, up 1 million bushels from July and from a year ago. Of the white spring production total, 9 million bushels are **hard white spring** (HWS) and 38 million bushels are **soft white spring** (SWW). The HWS 2011 planted and harvested areas are 131,000 acres and 127,000 acres, respectively. The previous year, the HWS harvested and planted areas were 130,000 acres and 127,000 acres, respectively. HWS 2011 yield is 70.9 bushels per acre compared to 72.9 bushels in 2010. The SWS 2011 planted and harvested areas are 641,000 acres and 624,000 acres, respectively. The previous year, the SWS harvested and planted areas were 599,000 acres and 587,000 acres, respectively. SWS 2011 yield is 61.6 bushels per acre compared to 62.6 bushels in 2010.

Durum wheat production is forecast to total 57 million bushels, down 7 million bushels from July and down 50 million bushels from a year ago. Forecast durum production is down from July as reduced harvest area more than offsets higher yields. Durum forecast harvest area for 2011 is 1.3 million acres, down 0.3 million acres from July. Durum yield for 2011 is forecast at 42.4 bushels per acre, up 3.7 bushels from July.

Excessive moisture and cool temperatures on the Northern Plains resulted in late seeding and prevented plantings which have reduced planted area to the lowest since 1960. Forecast planted area, harvested area, yield, and year-to-year changes for 2011, respectively, are 1.4 million acres, down 1.2 million acres; 1.3 million acres, down 1.2 million acres; and 42.4 bushels per acre, unchanged from a year ago.

Crop Production reported that flooding and excessively wet condition earlier in the season slowed crop development in Montana and North Dakota. By July 31, heading in these States was 31 and 38 percentage points behind the 5-year average, respectively.

Hard and Soft White Wheat Area and Production Forecasts

All white wheat production for 2011 is 298 million bushels, up 9 million bushels from July and up 23 million bushels from 2010. All white wheat planted and harvested areas for 2011, at 4.4 million acres and 4.2 million acres, respectively, are both up from 2010. All white wheat yield for 2011 is 70.4 bushels per acre, up 2.4 bushels from 2010.

Total soft white wheat production for 2011 is 278 million bushels, up 26 million bushels from 2010. Total hard wheat production is 21 million bushels, down 2 million bushels from 2010.

The all soft white planted area for 2011, at 4.0 million acres, is up 0.2 million acres from 2010. The all hard white wheat planted area is 474,000 acres, up from 462,000 acres in 2010. The all soft white harvested area for 2011, at 3.8 million acres, is up 0.2 million acres from 2010. The all hard white wheat harvested area is 407,000 acres, down from 416,000 acres in 2010. The all soft white wheat yield for 2011 is 72.4 bushels per acre, up 2.8 bushels from 2010. The all hard white wheat yield for 2011 is 51.0 bushels per acre, down 3.7 bushels from 2010.

2011/12 Year-to-Year By-Class Comparisons

Projected supplies of HRW, HRS, and durum are down year to year for 2011/12, mostly because of lower production. SRW and white wheat supplies are up from 2010/11, especially SRW because of the recovery of production from the previous year. Projected 2011/12 carryin stocks were nearly unchanged for HRW, white, and durum, but sharply lower for HRS and SRW.

Domestic use is up year to year for HRW, SRW, and white, but down for the other two classes. Projected exports are lower for HRW, HRS, and durum.

Projected ending stocks for 2011/12 are down year to year for HRW, HRS, and durum, but up for SRW and white. The year-to-year percentage decrease in all-wheat ending stocks is 22 percent. HRW and durum projected ending stocks are down the most, 42 percent and 64 percent, respectively. HRS ending stocks are expected down 23 percent. SRW and white ending stocks are expected up 16 percent and 14 percent respectively.

Projected 2011/12 Supplies Down This Month

The 2011/12 outlook for U.S. wheat supplies is down from July. Beginning stocks for 2011/12, at 861 million bushels, are unchanged from July, but down 115 million bushels from 2010/11. Projected imports, at 100 million bushels, are unchanged from July, but up 3 million bushels from 2010/11. Production is projected at 2,077 million bushels, down 29 million bushels from July and down 131 from 2010/11.

Projected 2011/12 Utilization

Total projected U.S. wheat use for 2011/12, at 2,367 million bushels, is down 30 million bushels from July as higher projected feed and residual use partially offsets expected lower exports. Total use is expected to be lower than 2010/11 as lower projected exports more than offset higher expected domestic use.

Food use is projected at 945 million bushels, unchanged from July, but up 15 million from the previous marketing year, reflecting an expected decrease in average flour extraction rate from the extraordinarily high rates during the past 2 years and increasing consumption with a growing population.

Feed and residual use is projected at 240 million bushels, up 20 million bushels from July and up from the 129 million bushels projected for 2010/11 as high corn prices and a rebound in SRW production is expected to encourage more SRW wheat feeding.

Exports are projected at 1,100 million bushels, down 50 million bushels from July and down 189 million bushels from 2010/11. Exports are down from July because of increased competition, particularly from FSU-12 countries, where production prospects are raised. Exports are down year to year because (1) drought has reduced exportable supplies of HRW, (2) the availability of higher-than-normal protein in this year's HRW has increased domestic milling demand with tighter supplies of HRS, and (3) the expected recovery of Black Sea production from the severe drought of a year ago.

Thus, **ending stocks** for 2011/12 are projected at 671 million bushels, up 1 million bushels from July, but down 190 million bushels from 2010/11.

2011/12 Price Range Is Raised

The 2011/12 **season-average farm price range** is projected at $7.00 to $8.20 per bushel, up from $6.60 to $8.00 from July. This compares with $5.70 for the previous year and the record high of $6.78 for 2008/09.

2010/11 Supplies Are Reduced Slightly This Month

Total supplies for 2010/11, at 3,281 million bushels, are down 3 million bushels from July because of lower imports. Supplies for 2010/11 are 288 million bushels above 2009/10. Year to year, sharply higher beginning stocks more than offset slightly lower production and projected imports.

Supplies of all wheat classes except SRW are up year to year for 2010/11. SRW supplies are down, mostly because of a large year-to-year production drop with both lower area and yields. The hard wheats, HRW and HRS, have the largest year-to-year increases in 2010/11 supplies with their larger carryin stocks and higher production.

Exports for 2010/11 Are Raised Slightly

Total exports for 2010/11 are 1,289 million bushels, up 3 million bushels from July. Total wheat exports for 2010/11 are 410 million bushels above 2009/10 exports and 26 million bushels above 2007/08 when exports hit a 15-year high with the global wheat shortage that led to record wheat prices in 2008.

Ending Stocks Are Unchanged for 2010/11

Projected **total U.S. ending stocks** for 2010/11 are 861 million bushels, unchanged from July. The 2010/11 ending stocks are down 115 million bushels from 2009/10. Projected 2010/11 ending stocks are 555 million bushels above the recent low of 306 million bushels in 2007/08.

All wheat ending stocks are down 12 percent from 2009/10. SRW ending stocks are down the most from 2009/10, 30 percent. HRS ending stocks are down 21 percent. White and durum ending stocks are only down 6 percent and 2 percent, respectively. HRW ending stocks are nearly unchanged from the previous year.

2010/11 Price Is Unchanged

The estimated **season-average price** received by producers for 2010/11 is $5.70 per bushel, unchanged from July and well below the 2008/09 record of $6.78 per bushel. The season-average price for 2009/10 was $4.87 per bushel.

USDA Wheat Baseline, 2011-20

Each year, USDA updates its 10-year projections of supply and utilization for major field crops grown in the United States, including wheat. A detailed discussion summarizing the historical forces determining U.S. wheat supply and utilization, and the analysis underlying the wheat projections for 2011-20, is available at http://www.ers.usda.gov/briefing/wheat/2011baseline.htm/.

International Outlook

World Wheat Production Prospects Increase Significantly This Month

Global production for 2011/12 is up 9.7 million tons this month to 672.0 million, and foreign wheat production is up 10.5 million tons, as increases for the FSU-12, India, China, and the EU-27 swamped decreases for Argentina, U.S. and Mexico.

Wheat production in the three main FSU-12 wheat producers (Russia, Ukraine, and Kazakhstan) is increased 7.0 million tons this month to 93 million. Russia's projected wheat production is up 3.0 million tons this month to 56.0 million, with winter wheat yields at the second highest ever, 2008 being the record. The winter wheat harvest has been more than 75 percent completed in the South and North Caucasus Districts, and reports indicate exceptionally strong yields. Also, spring wheat growing conditions have been favorable in most of the country's regions, especially in the Urals, upper Volga Valley, and most of Siberia with good timely rains, though parts of Siberia (Altai) and the Central District have suffered from dryness. According to the government agency responsible for grain quality evaluation in Russia, this year the quality is expected to be better than average, with the share of food wheat at 75 percent. Ukraine's wheat production prospects are also increased 3.0 million tons this month to 21.0 million. Despite delayed crop development, dry spring weather, and excessive precipitation during the harvest, reports indicate high wheat yields, with about 95 percent of wheat being harvested. However, the crop's quality has been reduced by rain during harvest, and a higher than usual share of the crop will probably not reach milling quality. Excellent moisture level and good growing conditions in Kazakhstan justify a 1-million-ton increase to 16.0 million in its projected wheat output.

India's wheat production for 2011/12 was increased 1.9 million tons this month to a record 85.9 million, based on revised government estimates. Most of the crop was harvested months ago, and the government estimate should be close to final.

China's wheat production is increased 1.5 million tons to 117.0 million. With the winter wheat harvest complete, a recently conducted a sample survey indicated an increase in winter wheat output of approximately 2.0 million tons over the last year, while the spring wheat harvest is expected to be lower by about 0.2 million tons. The winter wheat harvest is complete and spring wheat will be harvested in August.

Wheat production for the EU-27, the world's largest producer, is up 1.4 million tons this month to 133.5 million. Abundant rains in July improved yield prospects, but reportedly hurt wheat quality. The largest increase was reported for France (up 1.2 million tons), with most of the crop already harvested. It appears that heavy soils that are predominant in northern France (unlike sandy soils typical for Germany) were able to preserve winter moisture leaving them more resistant to spring dryness than expected. Higher wheat production was also reported for Bulgaria and Romania, up 0.3 million tons each, with smaller increases for several other countries. These increases were partly offset by reduced production for Belgium, Denmark, Spain, Poland, the Netherlands, and several other countries where yield prospects were trimmed. There were also small increases of wheat production in Moldova and Serbia, reflecting harvest reports.

These increases were partly offset by reduced production prospects in Argentina and Mexico. In Argentina, despite good planting conditions in most areas, uncertainty about government export policy and relatively unfavorable prices for wheat has caused a drop in forecast area in favor of barley. Barley is not covered by export quotas and is also a good rotation crop for soybeans. The normal period for wheat planting in Argentina is almost over and it seems unlikely that previous planting projections will be realized. Wheat area is projected down 0.5 million hectares in 2011/12, with production down 1.5 million tons this month to 13.5 million. There was also small reduction this month for the forecast for wheat production in Mexico, following a government report.

Larger Wheat Beginning Stocks Add to Supplies

Foreign 2011/12 beginning stocks are forecast up 1.8 million tons to 168.3 million, adding to a 10.5-million-ton increase in foreign wheat production. The largest changes are increases for Russia and India, which are partly offset by lower stocks for Argentina and Ukraine. Russian wheat beginning stocks are up 2.1 million tons this month to 13.5 million, reflecting a downward revision of feed and residual use as well as food consumption since 2009/10. India's beginning wheat stocks are up 0.9 million tons to 15.4 million, as a result of both lower exports and food consumption in 2010/11. In Argentina and Ukraine, beginning stocks are down 1.0 and 0.5 million tons to 1.5 and 3.5 million, respectively, reflecting higher export estimates for the previous year 2010/11. Changes in wheat consumption for other countries are largely offsetting, and are driven mostly by revisions for trade and feed use.

World Wheat Use To Reach a Record

With foreign wheat supplies up 12.3 million tons, foreign wheat use in 2011/12 is projected up 4.2 million tons this month to a record 640.5 million. Feed use is up 4.4 million tons, while food, seed, and industrial use is reduced slightly by 0.2 million tons. The largest increase is for the EU-27, up 2.5 million tons to 126.5 million. That increase is split between feed and residual use, up 2.0 million tons; and food, seed, and industrial use, up 0.5 million tons (reflecting higher industrial use in Germany and Belgium). More low-quality wheat is expected to be fed to animals as existing relative prices favor wheat over corn feeding. As an abundance of feed quality wheat from Ukraine will be easily available, less corn, barley, and sorghum is projected to be imported. Higher wheat output in China is expected to result in increased feeding, up 1.0 million tons to 16.0 million. Canadian wheat use is up 0.7 million tons, on expectations of a higher share of lower quality wheat in this year's output that will increase both wheat feeding and industrial use. South Korea's imports are expected higher with feeding of low-quality wheat projected up 0.5 million tons this month. Indonesia is expected to increase wheat use by 0.4 million tons, with higher projected imports for both 2010/11 and 2011/12. Iranian wheat feeding is also projected slightly up this month. Changes in wheat consumption for other countries are largely offsetting, and are driven mainly by trade revisions.

Global Ending Stocks for 2011/12 Projected Higher

World wheat ending stocks for 2011/12 are up 6.7 million tons this month to 188.9 million, as projected increases in production are much larger than this month's growth in expected use. The largest increase is for India, where government stocks are expected to increase 2.4 million tons approaching record highs, at 16.2 million. Larger stocks in India reflect this year's higher production and larger beginning stocks with last year's food consumption lowered. With sharply higher production, Russia's ending stocks are forecast up 1.3 million tons this month to 12.5 million. Stocks in Kazakhstan are up 1.0 million tons to 2.8 million. In Algeria, wheat stocks are up 0.6 million tons on higher projected imports in both 2010/11 and 2011/12 as the government holds high stocks to contain inflation. Wheat stocks are also projected higher in South Korea, China, and Pakistan, up 0.5 million each. In both Korea and China, higher supplies are only partly offset by an increase in feeding, while in Pakistan higher wheat ending stocks result from lower exports. There were smaller (under 0.4-million-ton) increases in projected ending stocks this month for Canada, Ecuador, Indonesia, Japan, Malaysia, Moldova, Papua, Saudi Arabia, Serbia, Syria, Thailand, Tunisia, and Vietnam.

Ending stocks declined for Argentina and EU-27, down 1.0 million tons each. Reductions are due to lower wheat supplies in Argentina and higher feed use in the EU-27. Stocks also are projected to decline by a total of 0.6 million tons for Iran, Kenya, and Tanzania.

The world wheat trade estimate for the international 2011/12 July-June trade year is further increased this month by 2.7 million tons, to 131.8 million. South Korea is expected to continue to buy low-quality wheat for feeding to pigs, boosting wheat imports 0.7 million tons this month to 4.7 million. Imports were increased in Indonesia, Algeria, and Syria, up 0.5 million tons each. Indonesian imports are projected to reach 6.7 million (a new record) as the country is utilizing its expanded milling capacities. Algeria and Syria are expected to take advantage of lower priced wheat coming from the Black Sea region to maintain comfortably high stocks. Smaller upward adjustments in imports are made for various other countries. The only partly offsetting reduction is made for India, where wheat import prospects are trimmed 0.3 million tons down to zero, due to a record harvest and high stocks.

Export prospects for 2011/12 were adjusted for several countries. The large crops and competitive prices from Russia and Ukraine are boosting their export prospects. In the two main FSU wheat-producing countries, exports are projected up a combined 5.5 million tons, following much higher wheat output and increased competitiveness. Specifically, Russian exports are up 4.0 million tons to 16.0 million, and Ukraine is projected to export 1.5 million tons more, with exports reaching 9.0 million. Kazakhstan's exports are left unchanged as uncertainties exist about the country's price competitiveness vis-à-vis Russia and Ukraine, as well as about logistical difficulties in moving grain via Black Sea ports that are expected to be in high demand this year by Russian and Ukrainian exporters.

The considerable growth in projected wheat supplies in all three FSU countries of the Black Sea region makes these countries formidable competitors for all major wheat exporters. In Russia, domestic prices could go very low, which will motivate higher grain exports. The main reason is that grain in the South – the main exporting region in Russia – is abundant after last year's grain export ban. Despite the drought that spread mainly in the Volga and Central districts of the country last year, the South had very adequate wheat supplies, and now the new harvest is coming through the door. It appears that even the strengthening of the Russian ruble vis-à-vis the euro will not hurt exports significantly. Ukrainian grain exports are also expected to be strong despite a very slow start in July and messy government handling of export tariffs and value added tariff (VAT) compensation after a year of grain exports quotas. The main reasons for an increased export outlook in Ukraine are higher supplies of feed-quality wheat that are expected to be in high demand this year throughout the world and the close proximity of export ports to Ukrainian wheat producers. Partly offsetting are reductions of export prospects for Canada, down 1.0 million tons to 15.0 million, where last year's higher exports and increased 2011/12 projected feeding limit wheat availability. Exports are also projected down 0.5 million tons to 1.0 million for Pakistan, because of higher competition from Kazakhstan and other Black Sea countries. Exports are inched up for India and the Dominican Republic.

U.S. Export Prospects for 2011/12 Reduced Further

U.S. wheat exports for 2011/12 July-June are projected to decrease 1.5 million tons this month to 30.0 million, down 17 percent on the previous year. The pace of exports was strong in July 2011, but outstanding sales on August 4, 2011 were 5.5 million tons, down 12 percent from a year ago. Large foreign production and low world prices are expected to limit U.S. exports, particularly for lower quality wheat. For the local June-May marketing year, U.S. exports are down 50 million bushels to 1,100 million (or 29.9 million tons).

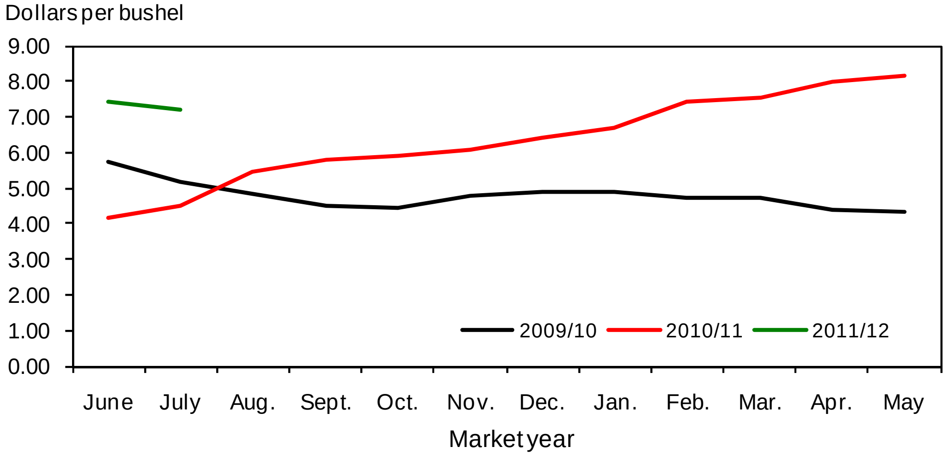
World 2010/11 Trade Is Up

World wheat trade in international 2010/11 July-June year was adjusted up 1.7 million tons to further reflect reported trade data, licenses, and sales. Imports were increased for Indonesia, up 0.5 million tons to reach a record of 6.6 million, and for Algeria (based on French port data confirming a high pace of French exports to North Africa in 2010/11 and Thailand, up 0.3 million tons each. Smaller increases were also made for a number of countries, many of which have reached their record level of imports. Partly offsetting are small decreases in imports for China, Lebanon, Mauritania, Mongolia, Pakistan, and Venezuela.

EU-27 and Ukrainian wheat exports for 2010/11 are up 0.5 million tons each, to 22.5 and 4.2 million, respectively, based on recent data. Argentina's exports are up 0.4 million tons to 7.6 million for the July-June international trade year, as the pace in recent months exceeded expectations. Exports from Canada are also up 0.3 million tons. Smaller upward adjustments are made for Brazil and the Dominican Republic. U.S. exports for the international July-June marketing year of 2010/11 are increased 0.2 million tons to 36.0 million. The U.S. increase was based on June 2011 Census data for grain, flour, and selected products. For the local June-May marketing year, U.S. exports are up 3 million bushels to 1,289 million (or 35.08 million tons).

Figure 1

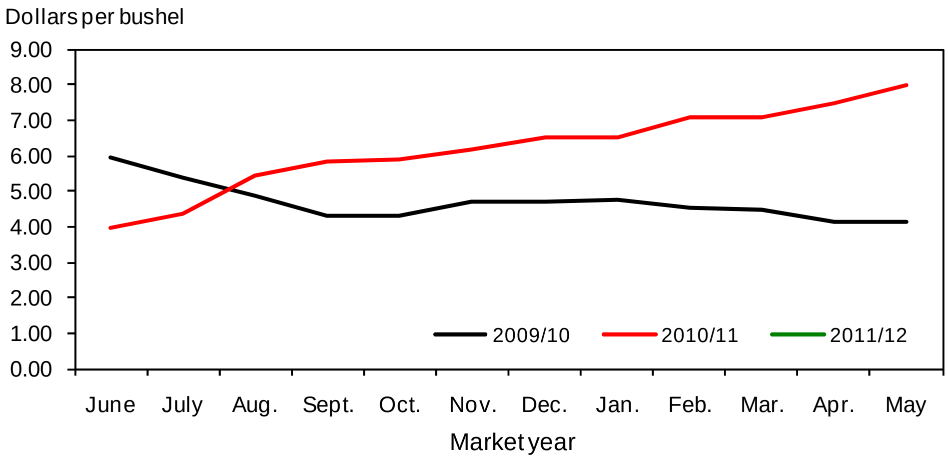
All wheat average prices received by farmers



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

Figure 2

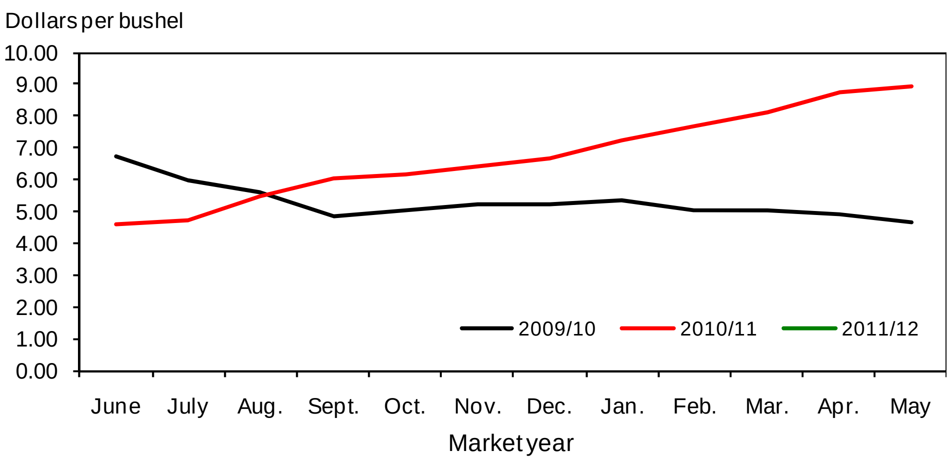
Hard red winter wheat average prices received by farmers



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

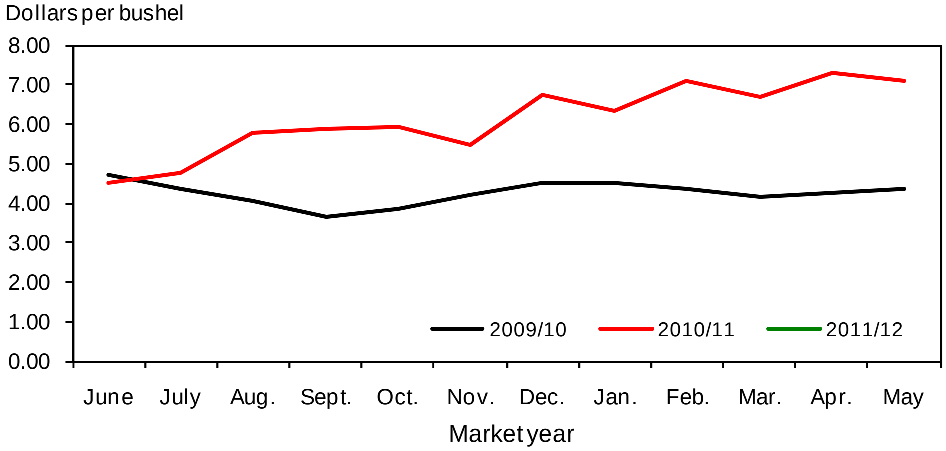
Figure 3

Hard red spring wheat average prices received by farmers



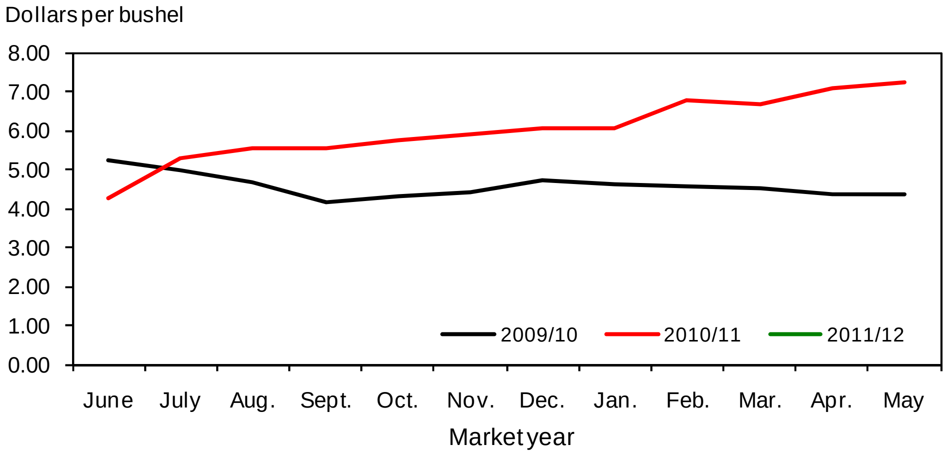
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 4
Soft red winter wheat average prices received by farmers



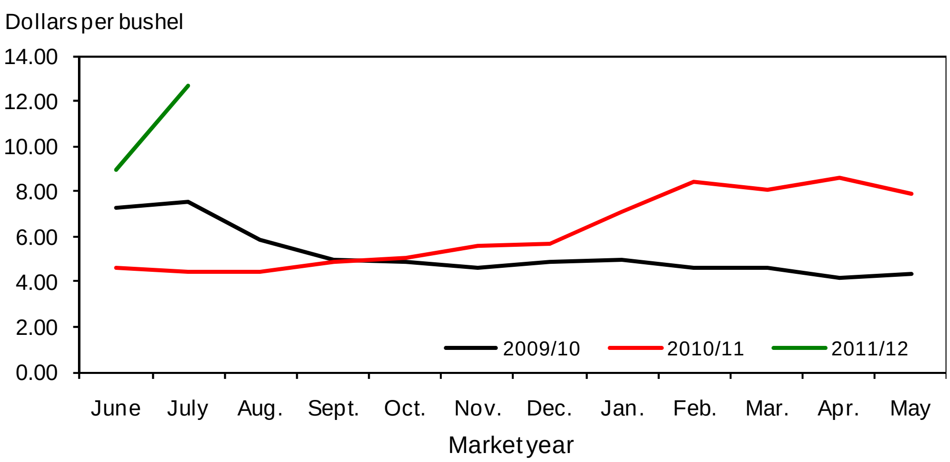
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 5
Soft white wheat average prices received by farmers



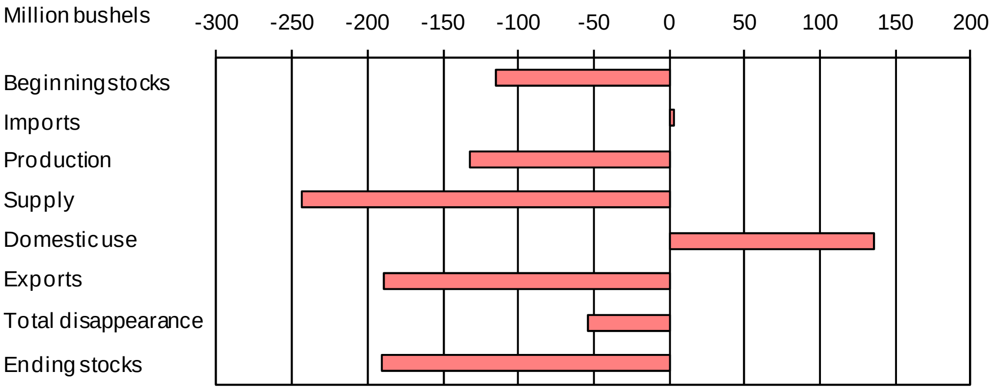
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 6
Durum wheat average prices received by farmers



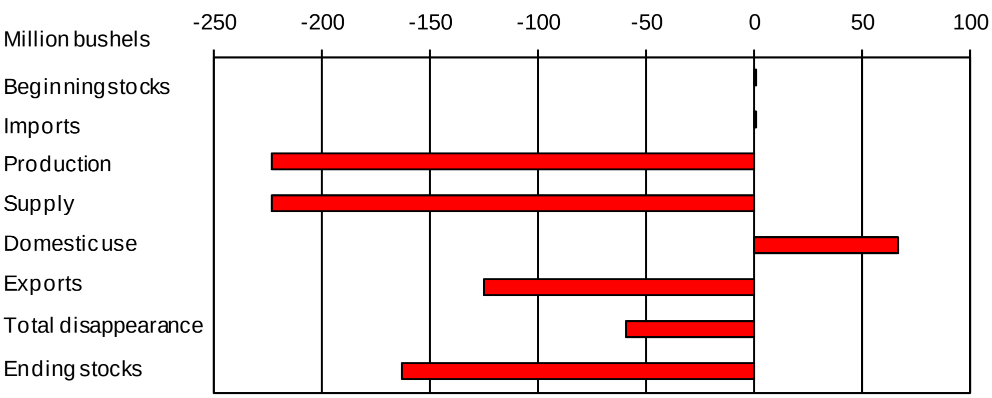
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

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



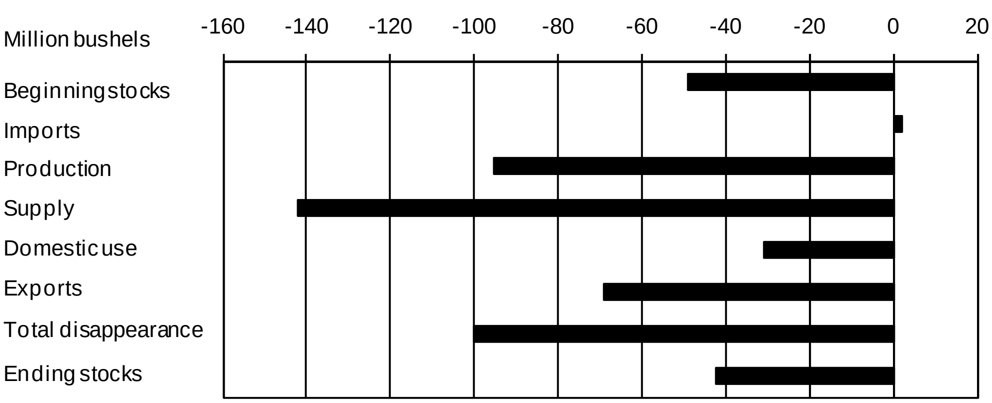
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates.*

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.*

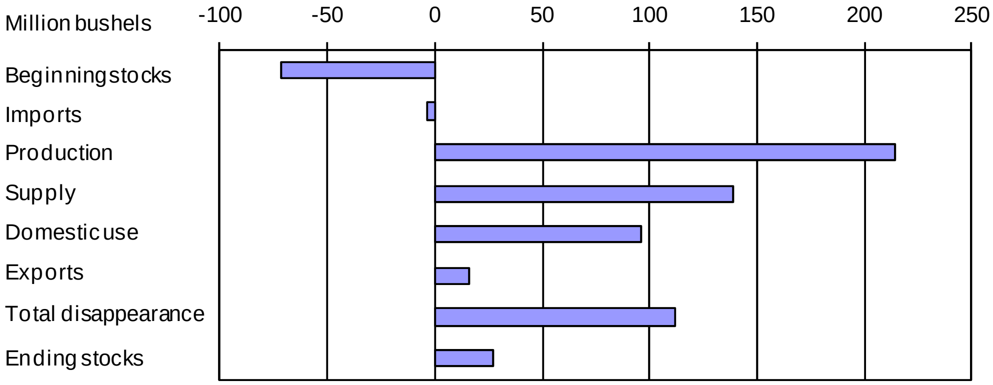
Figure 9
Hard red spring wheat: U.S. supply and disappearance change from prior market year



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

Figure 10

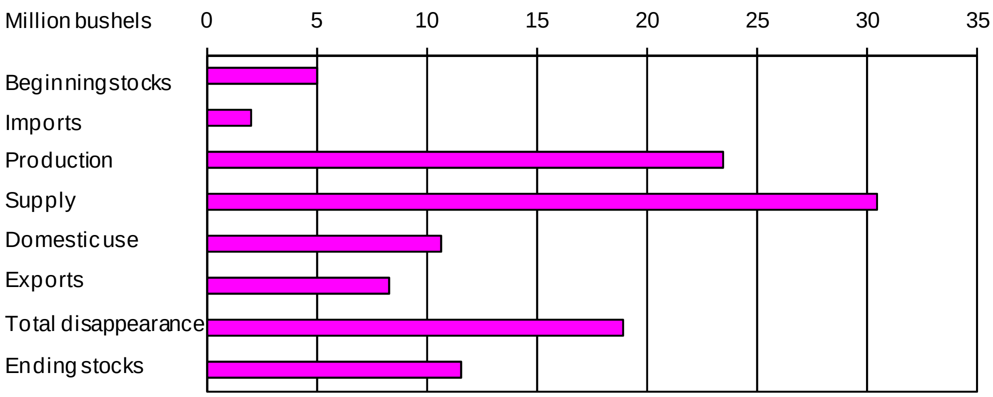
Soft red winter wheat: U.S. supply and disappearance change from prior market year



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

Figure 11

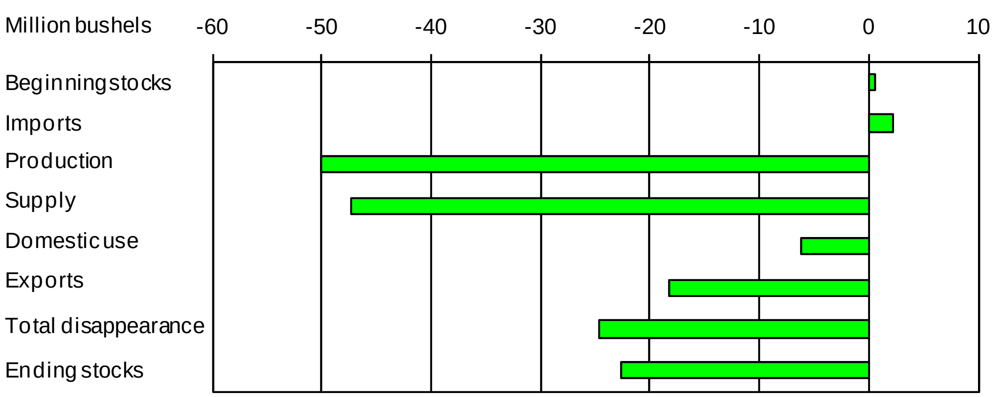
White wheat: U.S. supply and disappearance change from prior market year



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

Wheat Outlook
http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1293
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 disappearance, 8/15/2011

Item and unit		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Area:								
Planted	Million acres	57.2	57.3	60.5	63.2	59.2	53.6	55.2
Harvested	Million acres	50.1	46.8	51.0	55.7	49.9	47.6	45.9
Yield	Bushels per acre	42.0	38.6	40.2	44.9	44.5	46.4	45.2
Supply:								
Beginning stocks	Million bushels	540.1	571.2	456.2	305.8	656.5	975.6	860.8
Production	Million bushels	2,103.3	1,808.4	2,051.1	2,499.2	2,218.1	2,208.4	2,076.5
Imports 1/	Million bushels	81.4	121.9	112.6	127.0	118.6	96.9	100.0
Total supply	Million bushels	2,724.8	2,501.5	2,619.9	2,932.0	2,993.2	3,280.9	3,037.3
Disappearance:								
Food use	Million bushels	917.1	937.9	947.9	926.8	918.9	930.0	945.0
Seed use	Million bushels	77.1	81.9	87.6	78.0	69.5	72.7	81.5
Feed and residual use	Million bushels	156.6	117.1	16.0	255.2	149.9	128.6	240.0
Total domestic use	Million bushels	1,150.8	1,136.8	1,051.4	1,260.0	1,138.2	1,131.3	1,266.5
Exports 1/	Million bushels	1,002.8	908.5	1,262.6	1,015.4	879.3	1,288.8	1,100.0
Total disapperance	Million bushels	2,153.6	2,045.3	2,314.1	2,275.4	2,017.5	2,420.2	2,366.5
Ending stocks	Million bushels	571.2	456.2	305.8	656.5	975.6	860.8	670.8
CCC inventory 2/	Million bushels	43.0	41.0					
Stocks-to-use ratio		26.5	22.3	13.2	28.9	48.4	35.6	28.3
Loan rate	Dollars per bushel	2.75	2.75	2.75	2.75	2.75	2.94	2.94
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	3.42	4.26	6.48	6.78	4.87	5.70	7.00-8.20
Government payments	Million dollars	1,151	1,120	1,118	1,118			
Market value of production	Million dollars	7,167	7,695	13,289	16,626	10,654	12,588	15,782

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: 8/17/2011

Table 2--Wheat: U.S. market year supply and disappearance, 8/15/2011

Market year, item, and unit			All wheat	Hard red winter 1/	Hard red spring 1/	Soft red winter 1/	White 1/	Durum
2010/11	Area:							
	Planted acreage	Million acres	53.60	28.55	12.97	5.27	4.24	2.57
	Harvested acreage	Million acres	47.64	24.04	12.65	4.38	4.04	2.53
	Yield	Bushels per acre	46.36	42.36	45.08	54.33	68.03	42.38
	Supply:							
	Beginning stocks	Million bushels	975.64	384.99	234.00	242.00	80.00	34.65
	Production	Million bushels	2,208.39	1,018.34	569.98	237.80	275.10	107.18
	Imports 2/	Million bushels	96.92	.90	27.79	28.52	7.01	32.72
	Total supply	Million bushels	3,280.95	1,404.22	831.76	508.32	362.10	174.54
	Disappearance:							
	Food use	Million bushels	930.00	361.00	250.00	150.00	85.00	84.00
	Seed use	Million bushels	72.72	32.77	15.33	16.09	6.04	2.50
	Feed and residual use	Million bushels	128.62	9.00	42.42	63.32	4.34	9.54
	Total domestic use	Million bushels	1,131.33	402.77	307.75	229.40	95.38	96.04
	Exports 2/	Million bushels	1,288.83	615.85	339.02	108.92	181.72	43.33
	Total disappearance	Million bushels	2,420.17	1,018.62	646.76	338.32	277.10	139.36
	Ending stocks	Million bushels	860.78	385.60	185.00	170.00	85.00	35.18
2011/12	Area:							
	Planted acreage	Million acres	55.18	29.13	11.91	8.31	4.44	1.40
	Harvested acreage	Million acres	45.92	21.54	11.52	7.27	4.24	1.35
	Yield	Bushels per acre	45.22	36.88	41.20	62.14	70.37	42.41
	Supply:							
	Beginning stocks	Million bushels	860.78	385.60	185.00	170.00	85.00	35.18
	Production	Million bushels	2,076.53	794.39	474.54	451.98	298.50	57.13
	Imports 2/	Million bushels	100.00	1.00	30.00	25.00	9.00	35.00
	Total supply	Million bushels	3,037.32	1,180.99	689.54	646.98	392.50	127.31
	Disappearance:							
	Food use	Million bushels	945.00	373.00	247.00	155.00	85.00	85.00
	Seed use	Million bushels	81.50	31.00	24.70	15.00	6.00	4.80
	Feed and residual use	Million bushels	240.00	65.00	5.00	155.00	15.00	.00
	Total domestic use	Million bushels	1,266.50	469.00	276.70	325.00	106.00	89.80
	Exports 2/	Million bushels	1,100.00	490.00	270.00	125.00	190.00	25.00
	Total disappearance	Million bushels	2,366.50	959.00	546.70	450.00	296.00	114.80
	Ending stocks	Million bushels	670.82	221.99	142.84	196.98	96.50	12.51

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: 8/17/2011

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 8/15/2011

Market year and quarter		Production	Imports 1/	Total supply	Food use	Seed use	Feed and residual use	Exports 1/	Ending stocks
2003/04	Jun-Aug	2,344	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	2,344	63	2,899	912	80	203	1,158	546
2004/05	Jun-Aug	2,157	17	2,721	227	4	264	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	2,157	71	2,774	910	78	181	1,066	540
2005/06	Jun-Aug	2,103	19	2,662	231	2	261	244	1,923
	Sep-Nov		20	1,944	238	50	-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	2,103	81	2,725	917	77	157	1,003	571
2006/07	Jun-Aug	1,808	26	2,406	235	2	205	214	1,751
	Sep-Nov		29	1,780	243	56	-47	212	1,315
	Dec-Feb		32	1,346	225	1	28	235	857
	Mar-May		34	891	234	22	-69	247	456
	Mkt. year	1,808	122	2,501	938	82	117	908	456
2007/08	Jun-Aug	2,051	30	2,538	240	1	257	323	1,717
	Sep-Nov		21	1,738	245	60	-120	421	1,132
	Dec-Feb		24	1,156	227	2	-44	261	709
	Mar-May		37	746	236	25	-77	257	306
	Mkt. year	2,051	113	2,620	948	88	16	1,263	306
2008/09	Jun-Aug	2,499	28	2,833	236	2	393	345	1,858
	Sep-Nov		28	1,886	238	54	-124	295	1,422
	Dec-Feb		36	1,458	219	1	28	170	1,040
	Mar-May		35	1,075	233	21	-41	206	657
	Mkt. year	2,499	127	2,932	927	78	255	1,015	657
2009/10	Jun-Aug	2,218	28	2,902	231	1	261	200	2,209
	Sep-Nov		24	2,234	237	45	-83	252	1,782
	Dec-Feb		30	1,812	222	1	31	201	1,356
	Mar-May		37	1,393	229	21	-59	227	976
	Mkt. year	2,218	119	2,993	919	69	150	879	976
2010/11	Jun-Aug	2,208	27	3,212	235	2	260	266	2,450
	Sep-Nov		24	2,473	242	52	-63	310	1,933
	Dec-Feb		23	1,956	221	1	-2	311	1,425
	Mar-May		22	1,448	233	18	-65	401	861
	Mkt. year	2,208	97	3,281	930	73	129	1,289	861
2011/12	Mkt. year	2,077	100	3,037	945	82	240	1,100	671

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: 8/17/2011

Table 4--Wheat: Monthly food disappearance estimates (1,000 grain-equivalent bushels), 8/15/2011

Mkt year and month 1/		Wheat ground for flour	+	Food imports 2/	+	Nonmilled food use 3/	-	Food exports 2/	=	Food use 4/
2009/10	Jun	72,104		2,007		2,000		2,511		73,600
	Jul	74,023		1,985		2,000		2,038		75,970
	Aug	80,902		2,163		2,000		3,420		81,646
	Sep	77,793		1,959		2,000		1,926		79,826
	Oct	78,638		2,302		2,000		2,825		80,115
	Nov	75,269		2,187		2,000		2,451		77,005
	Dec	70,651		2,112		2,000		1,592		73,171
	Jan	72,641		2,037		2,000		1,885		74,793
	Feb	72,064		1,847		2,000		2,232		73,680
	Mar	76,457		2,503		2,000		2,932		78,027
	Apr	73,047		2,185		2,000		2,231		75,000
	May	74,687		2,162		2,000		2,763		76,087
2010/11	Jun	71,457		2,131		2,000		2,042		73,546
	Jul	74,629		2,122		2,000		1,483		77,268
	Aug	81,564		2,278		2,000		1,892		83,951
	Sep	78,430		2,259		2,000		1,622		81,066
	Oct	79,447		2,357		2,000		2,133		81,670
	Nov	76,043		2,373		2,000		1,387		79,028
	Dec	71,378		2,474		2,000		1,775		74,076
	Jan	71,677		2,262		2,000		2,110		73,830
	Feb	71,108		1,967		2,000		2,083		72,993
	Mar	75,443		2,657		2,000		1,812		78,288
	Apr			2,435				2,518		-83
	May			2,377				2,230		147

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 Foreign Trade Statistics.

Date run: 8/17/2011

Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 8/15/2011

Month	All wheat		Winter		Durum		Other spring	
	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
June	4.16	7.40	4.05	7.13	4.58	8.97	4.58	9.26
July	4.49	7.18	4.47	6.98	4.44	12.70	4.71	8.46
August	5.44		5.47		4.45		5.47	
September	5.79		5.76		4.89		5.97	
October	5.88		5.83		5.07		6.14	
November	6.10		6.02		5.55		6.35	
December	6.44		6.40		5.71		6.60	
January	6.69		6.35		7.09		7.14	
February	7.42		7.03		8.45		7.68	
March	7.55		7.02		8.09		8.07	
April	8.01		7.37		8.60		8.67	
May	8.16		7.80		7.86		8.85	

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

Date run: 8/17/2011

Table 6--Wheat: National average prices received by farmers by class (dollars per bushel), 8/15/2011

Month	Hard red winter		Soft red winter		Hard red spring		White	
	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
June	3.94	7.20	4.50	7.00	4.59	9.34	4.28	6.94
July	4.38		4.77		4.72		5.26	
August	5.42		5.75		5.49		5.52	
September	5.82		5.89		6.03		5.54	
October	5.88		5.94		6.19		5.72	
November	6.15		5.46		6.41		5.88	
December	6.51		6.73		6.64		6.07	
January	6.50		6.31		7.22		6.05	
February	7.07		7.11		7.70		6.78	
March	7.10		6.70		8.12		6.65	
April	7.50		7.27		8.75		7.06	
May	8.00		7.09		8.95		7.22	

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

Date run: 8/17/2011

Table 7--Wheat: Average cash grain bids at principal markets, 8/15/2011

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. 1 hard red winter (ordinary protein) Texas Gulf, TX 1/ (dollars per metric ton)	
	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
June	4.50	8.61	5.44	9.52	4.50	7.41	157.67	326.28
July	5.26	--	6.09	--	4.76	--	195.82	303.87
August	6.76	--	7.25	--	5.90	--	246.44	--
September	7.01	--	7.68	--	6.48	--	271.80	--
October	7.04	--	7.64	--	--	--	273.90	--
November	7.13	--	7.73	--	6.25	--	273.74	--
December	8.04	--	8.64	--	7.10	--	308.65	--
January	8.54	--	9.56	--	7.67	--	327.02	--
February	9.23	--	10.20	--	8.37	--	346.86	--
March	8.44	--	9.38	--	7.63	--	316.73	--
April	9.28	--	10.02	--	8.19	--	335.84	--
May	9.38	--	10.19	--	8.14	--	354.58	--

	No. 1 dark northern spring (13% protein) Chicago, IL (dollars per bushel)		No. 1 dark northern spring (14% protein) Chicago, IL (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)	
	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
June	5.61	11.23	6.90	12.97	6.35	11.60	--	--
July	5.90	--	6.89	--	6.57	--	--	--
August	7.13	--	7.92	--	--	--	--	--
September	7.30	--	8.35	--	8.38	--	--	--
October	7.49	--	8.61	--	--	--	--	--
November	7.70	--	8.67	--	9.40	--	--	--
December	9.02	--	10.14	--	--	--	--	--
January	9.77	--	11.24	--	10.73	--	--	--
February	10.77	--	12.22	--	11.47	--	--	--
March	10.38	--	12.36	--	11.50	--	--	--
April	10.85	--	12.76	--	12.10	--	--	--
May	11.23	--	13.04	--	12.22	--	--	--

	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)	
	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
June	4.56	--	4.26	6.71	4.34	6.75	4.57	7.45
July	5.48	--	5.38	--	5.42	--	4.88	--
August	6.22	--	6.29	--	6.10	--	6.30	--
September	--	--	6.43	--	6.20	--	6.46	--
October	6.38	--	5.97	--	5.97	--	6.00	--
November	6.76	--	6.20	--	6.20	--	6.29	--
December	7.58	--	7.20	--	7.26	--	7.34	--
January	7.96	--	7.55	--	7.69	--	7.83	--
February	8.34	--	7.99	--	8.12	--	8.31	--
March	--	--	6.95	--	7.06	--	7.44	--
April	7.81	--	7.56	--	7.59	--	7.92	--
May	7.73	--	7.44	--	7.46	--	7.84	--

-- = Not available or no quote.
1/ Free on board.
Source: USDA, Agricultural Marketing Service, State Grain Reports, http://www.ams.usda.gov/AMSv1.0/ams.fetchTemplateData.do?template=TemplateS&navID=MarketNewsAndTransportationData&leftNav=MarketNewsAndTransportationData&page=LSMarketNewsPageStateGrainReports.

Date run: 8/17/2011

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 8/15/2011

Item		Dec 2010	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011
Exports	All wheat grain	91,113	108,741	105,409	120,873	146,979	126,991
	All wheat flour 1/	1,130	1,638	1,641	1,239	1,982	1,116
	All wheat products 2/	678	556	457	586	546	1,139
	Total all wheat	92,921	110,936	107,507	122,698	149,507	129,246
Imports	All wheat grain	5,284	5,855	5,418	4,682	6,134	4,022
	All wheat flour 1/	964	946	788	1,127	900	894
	All wheat products 2/	1,523	1,330	1,192	1,545	1,553	1,499
	Total all wheat	7,772	8,131	7,397	7,353	8,588	6,415

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, Foreign Trade Statistics; and ERS calculations using Census trade statistics.

Date run: 8/17/2011

Table 9--Wheat: U.S. exports, Census and export sales comparison (1,000 metric tons),08/17/11

Importing country	2009/10		2010/11		2011/12(as of 6/30/11)		
					Shipments	Out-standing	Total
Data source	Census 1/	Export sales 2/	Census 1/	Export sales 2/	Export sales 2/		
Country:							
Egypt	424	456	na	4,021	58	60	118
Nigeria	3,256	3,233	na	3,645	388	547	935
Japan	3,171	3,148	na	3,273	423	720	1,144
Mexico	2,000	1,975	na	2,601	195	635	830
Philippines	1,573	1,518	na	1,806	162	867	1,028
South Korea	1,102	1,111	na	1,640	53	201	254
Taiwan	838	844	na	913	76	163	239
Venezuela	658	658	na	616	28	114	141
Colombia	623	575	na	783	75	206	281
Peru	526	567	na	923	148	185	333
Indonesia	539	529	na	781	94	105	200
EU-27	545	606	na	1,308	63	60	123
Total grain	23,182	21,686	na	33,439	2,664	6,060	8,725
Total (including products)	23,977	21,794	na	33,539	2,670	6,071	8,740
USDA forecast of Census				35,244			31,297

1/ Source is U.S. Department of Commerce, 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.