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Wheat Outlook

Gary Vocke and **Edward Allen**

Global Wheat Stocks To Rise For the First Time In 6 Years

Contents

The next release is August 16, 2004

Approved by the World Agricultural Outlook Board.

Projected U.S. 2004/05 ending stocks of wheat are nearly unchanged from last month. Supplies too are nearly unchanged from last month with larger reported carryin stocks but imports 5 million bushels lower. Expected use is fractionally lower than last month. Ending stocks are down 1 million bushels from last month and down 52 million bushels from last year. The projected 2004/05 price range is $3.20 to $3.80 per bushel, down 5 cents on each end of the range from last month.

A record world wheat yield in 2004/05 is expected to boost global production above projected use for the first time in 6 years. Forecast foreign wheat production for 2004/05 increased almost 5 million tons this month, boosting world production to 598 million despite the small U.S. decline. Forecast wheat production for China increased 2 million tons to 87 million based on favorable harvest conditions and some production reports provided by provincial officials. EU-25 production increased, mostly because of favorable prospects in Hungary. Production in Other Europe also was boosted, mostly due to favorable conditions in Romania. Production prospects increased for Russia as well. While projected 2004/05 global production and beginning stocks increased this month, trade and use were little changed, boosting ending stocks nearly 6 million tons to 132 million tons. World wheat ending stocks are now forecast 2 million tons higher than beginning stocks for 2004/05.

Domestic Outlook

U.S. 2004 Wheat Production Down Slightly From Last Month

Total wheat production is forecast at 2,059 million bushels, down slightly from last month and down 277 million bushels from last year. The all-wheat planted area is estimated at 59.9 million acres, down 1.8 million acres from 2003. Harvested area is expected to total 50.7 million acres, down 4 percent from last year. Forecast winter wheat production is 61 million bushels below last month due to lower yields. The first survey-based spring wheat (including durum) production forecast is up from last month's projection due to larger planted area estimates, as reported in the June 30 *Acreage* report, and a higher yield. In addition, the harvested-to-planted ratio for other spring and durum is higher than was assumed last month.

Winter Wheat Area Down From 2003

The 2004 winter wheat planted area, at 43.5 million acres, is 1.5 million acres below last year, but up fractionally from the previous estimate. Of this total, about 31.0 million acres are Hard Red Winter (HRW), 8.3 million acres Soft Red Winter (SRW), and 4.2 million acres White Winter (WW).

Expected area harvested for grain is 34.8 million acres, down nearly 1 percent from the June 1 forecast and 1.7 million acres below the 2003 total. HRW harvested area is down 1.6 million acres from 2003 to 23.8 million, and yield is down 6.6 bushels per acre to 35.2 bushels. SRW harvested area is up 0.3 million acres from 2003 to 7.1 million, but yield is forecast down 1.5 bushels per acre to 54.2 bushels. WW harvested area is down 0.4 million acres from 2003 to 3.9 million, and yield is down 1.4 bushels per acre to 63.1 bushels.

Spring Wheat Area Also Down From 2003

Area planted to other spring wheat for 2004 is estimated at 13.7 million acres, down 0.2 million from 2003. Of this total, about 12.9 million acres are Hard Red Spring (HRS) wheat and about 0.8 million are White Spring (WS).

Other spring wheat harvested area for 2004 is expected to total 13.2 million acres, down 0.2 million acres from last year. HRS harvested area is 0.3 million acres less than in 2003 to 12.5 million, and yield is down 2.4 bushels per acre to 36.9 bushels. WS harvested area is down slightly from 2003 to 0.8 million acres, but yield is up 8.7 bushels per acre to 55.0 bushels.

NASS's June 30, 2004, *Acreage* reported that other spring wheat seeding in Minnesota began in early to mid-April and continued ahead of both last year and the 5-year average throughout the spring. Development of the crop has been slowed due to persistent wet conditions and cool weather. Dry conditions in Montana allowed seeding to begin early and to progress rapidly. Rainfall throughout the State during May gave the crop a good start. Seeding in North Dakota also began early. Dry, windy weather during early May, however, stressed the emerged crop. Growers in the Pacific Northwest planted more acreage than previously planned, due largely to timely rains during May.

The June 30 *Acreage* indicated that the durum planted area for 2004 is estimated at 2.7 million acres, down 0.2 million acres from last year. Area to be harvested for grain is expected to total 2.7 million acres, 0.2 million acres below last year's level. Yield is expected to drop 0.5 bushel per acre below 2003 to 33.2 bushels.

Harvest of the California southern desert durum crop is virtually complete, while harvest continues in the San Joaquin Valley. The major durum-growing area of Montana experienced very wet weather during planting. The cool wet spring weather during May also slowed crop development. Excessive soil moisture has also delayed seeding in North Dakota, where only 63 percent of the crop was planted as of May 30. This was 20 points behind last year's progress and well behind the 5-year average.

Little Change in the 2004/05 All-Wheat Supply and Demand

There are only minor changes in supply and demand estimates for the 2004/05 marketing year from last month. The beginning stocks for 2004/05 are up 5.1 million bushels to 546 million bushels based on NASS's June 30, 2004, *Grain Stocks*. Imports, however, were reduced by 5 million bushels based on the slower-than-expected product imports observed for the 2003/04 marketing year.

On the use side of the balance sheet, seed use was reduced by 1.0 million bushels. There are no other demand changes for 2004/05. Thus, the ending stocks are down only 0.6 million bushels from last month. The projected 2004/05 price range is $3.20 to $3.80 per bushel, down 5 cents on each end of the range from last month. A lower projected corn price provides less support for the wheat price.

2004/05 Wheat Class Changes from 2003/04

Estimated winter wheat production, at 1,470 million bushels for 2004/05, is 237 million lower than 2003/04 mostly because of a 225-million-bushel decline in HRW due to reduced area and lower yields. SRW production was up by 4 million bushels for 2004/05. Other spring wheat production is estimated down 32 million bushels from 2003/04 to 501 million. A 40-million-bushel decrease in HRS production was partially offset by an 8-million-bushel increase in WS production. All white production for 2004/05 is down 8 million bushels from 2003/04. This white wheat production estimate includes both hard and soft white wheat. Durum production is down 8 million bushels from 2003/04 to 89 million bushels.

Imports of wheat are down 10 million bushels from last year. The most significant changes from 2003/04 are in SRW and durum. SRW imports are expected to be down 16 million bushels from the projected 28 million in 2003/04 because of expected smaller supplies in Canada. Durum imports are projected up 9.5 million bushels from 2003/04 as durum imports return to a more normal pattern after the United States International Trade Commission found no injury with respect to imports of durum wheat from Canada.

Domestic use of HRW in 2004/05 is projected down 31 million bushels from 2003/04, mostly because of reduced feed and residual use with the sharply reduced production from last year. HRS is projected up 26 million bushels, mostly because of increased food use. SRW and white wheat domestic use is projected nearly unchanged from last year. Durum domestic use is projected up 8 million bushels as feed and residual use moves from a negative to a positive level in 2004/05.

Except for SRW, projected exports are down for each class of wheat. The largest decline year-to-year is with HRW because of the large decline in 2004 production.

Except for durum, ending stocks are tighter for each class of wheat. Both HRW and HRS ending stocks are projected down 22 million bushels from last year. SRW and white ending stocks are projected down 10 million and 3 million bushels, respectively. Durum ending stocks are projected up 5 million bushels from 2003/04.

International Outlook

Record World Wheat Yield Boosts Production Prospects for 2004/05

Generally favorable weather in several major producing regions and the increasing productivity of farmers has combined to boost average world wheat yields to a projected 2.74 tons per hectare (40.7 bu/acre), up from 2.62 estimated for the previous year and the previous record of 2.72 reached in 1999/2000. This confirms the generally increasing trend in world wheat yields. Moreover, this increase in world wheat yields is happening in a year when U.S. yields are declining significantly. This month's changes in projected production boosted the forecast 2004/05 average world wheat yield from 2.72 tons per hectare to 2.74.

Projected world wheat harvested area in 2004/05 is nearly unchanged this month at 218 million hectares, but is up 4 percent from the previous year when there was more extensive winterkill, especially across parts of Europe. Global wheat area has generally declined since 1996/97, however, and in 2004/05 remains 9 percent less than the 1981/82 record. Because of the lower area, 2004/05 production of 598 million tons remains 11 million tons below the 1997/98 record.

The 2004/05 wheat production projection for China increased 2 million tons this month to 87 million. Warm dry conditions during late May and June on the North China Plain were favorable for harvesting wheat. The average yield was boosted to 4.05 tons per hectare, just below the 1997/98 record despite planting delays, reports of pest damage, and below-normal spring rainfall in some areas. Henan, the largest wheat-producing province, reported a record crop. China's wheat harvested area projection for 2004/05 was unchanged this month, and is down 2 percent from a year ago.

Generally favorable growing conditions for wheat have extended across Europe in 2004/05, and this month wheat production forecasts increased for Spain, Hungary, Romania, Russia, Bulgaria, Serbia and Montenegro, the Czech Republic, Slovakia, and Bosnia-Herzegovina. These were partly offset by a reduction in prospects for France where spring dryness limited yield potential. The rebound across Europe from last year's generally poor yields is a crucial factor driving this year's record average world wheat yield.

2004/05 World Wheat Production To Be Larger Than Use, Stocks Increasing

While world wheat production prospects for 2004/05 increased significantly this month to reach 598 million tons, consumption projections were virtually unchanged at 596 million. This implies a near balance between supply and demand with a very small increase in stocks. Global ending stocks are projected at a relatively tight 132 million tons, with an implied stocks-to-use ratio of 22 percent. China, becoming more market oriented, is expected to continue to reduce wheat stocks significantly, by 8 million tons, to a projected 35 million. However, outside of China and the United States, most countries are expected to increase wheat stocks during 2004/05.

Projected global 2004/05 ending stocks increased 6 million tons this month mostly because of increased production prospects, but a 1.6-million-ton increase in beginning stocks also contributed. Beginning stocks for 2004/05 increased because 2003/04 consumption estimates were reduced for several countries and 2003/04 wheat production for Mexico increased 0.5 million tons.

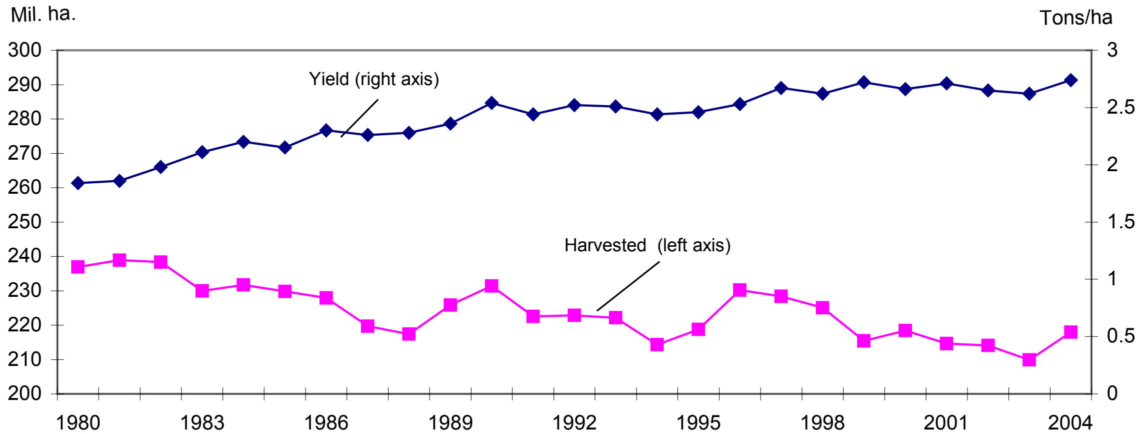
World Wheat Trade Changes Offsetting This Month

World wheat trade is projected to reach 103 million tons in 2004/05, the same as the previous year, and nearly the same as forecast last month. While forecast U.S. exports were unchanged, a number of other changes were mostly offsetting.

Based on the pace of late-season shipments, 2003/04 (July-June) imports were increased for China, Morocco, and South Korea, but reduced for the EU-25, South Africa, and the United States. Exports were increased for Australia and the EU-25, but reduced for Argentina and Kazakhstan. Projected 2004/05 imports increased for Pakistan, which recently tendered to buy wheat, and for Morocco, but were reduced for Other Europe and the United States.

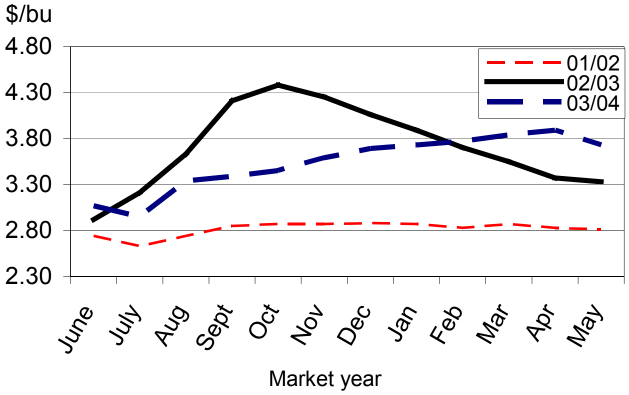
U.S. wheat exports in 2004/05 (July-June) are projected at 26 million tons, unchanged from last month and down 6 million tons from a year ago. As of July 1, 2004, *U.S. Export Sales* reported outstanding sales of 5.9 million tons, up from 4.3 million a year earlier. While U.S. early-season sales have been strong, the small U.S. crop is expected to limit price declines in the United States, making other exporters more competitive as their crops are harvested (mostly after the bulk of the U.S. harvest). So, U.S. wheat export sales are expected to lag as the season progresses.

Figure 1
World wheat area and yield



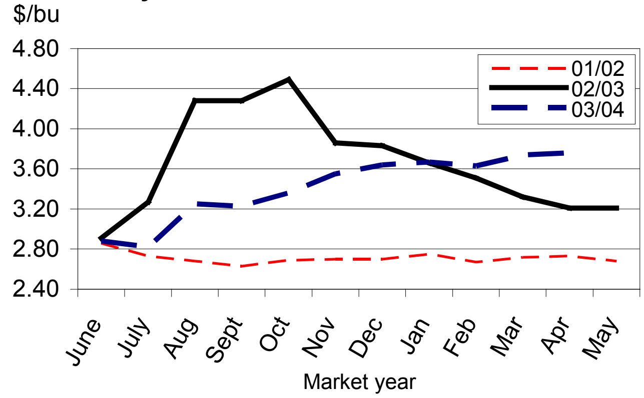
Source: Foreign Agricultural Service, USDA

Figure 2
All wheat average prices received by farmers



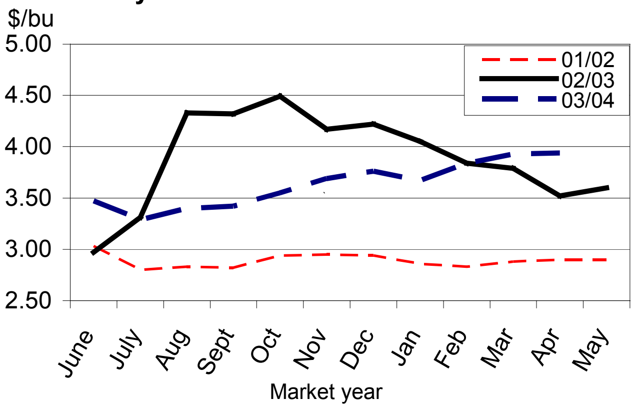
Source: *Agricultural Prices* , NASS, USDA.

Figure 3
Hard red winter wheat average prices received by farmers



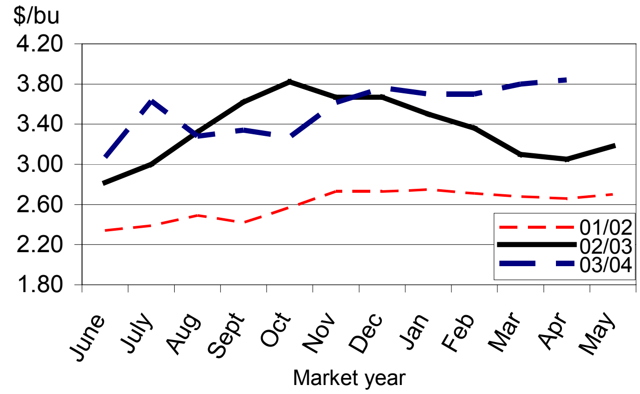
Source: *Agricultural Prices* , NASS, USDA.

Figure 4
Hard red spring wheat average prices received by farmers



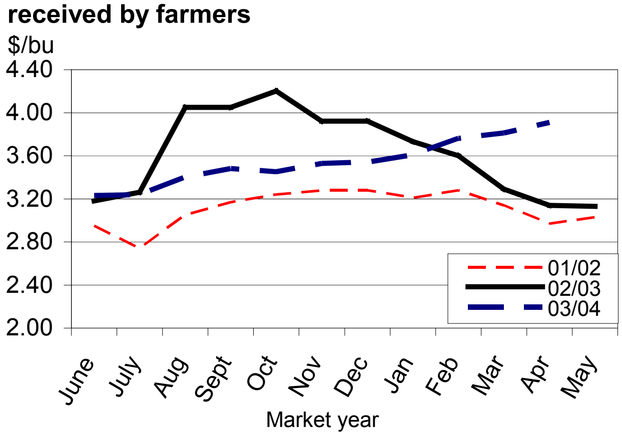
Source: *Agricultural Prices* , NASS, USDA.

Figure 5
Soft red winter wheat average prices received by farmers



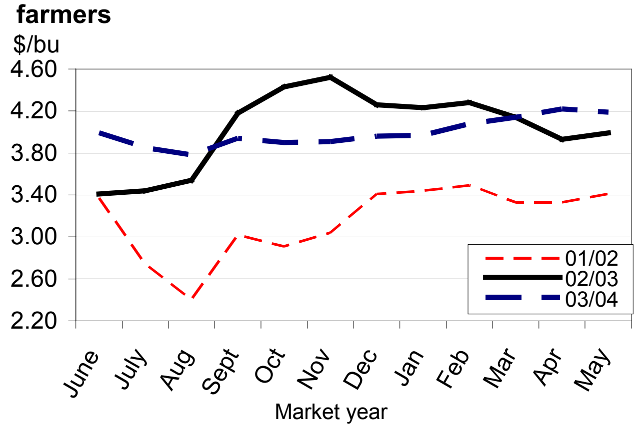
Source: *Agricultural Prices* , NASS, USDA.

Figure 6
Soft white wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

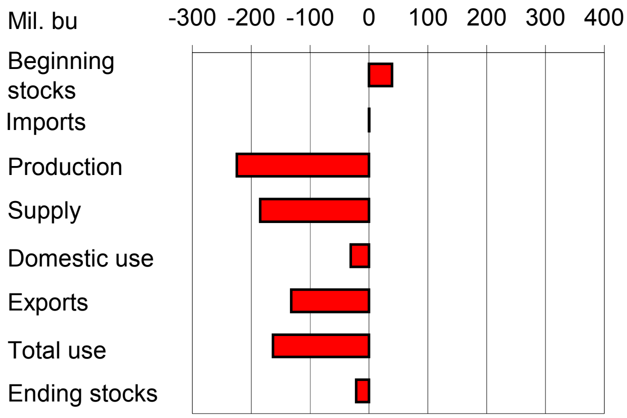
Figure 7
Durum wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

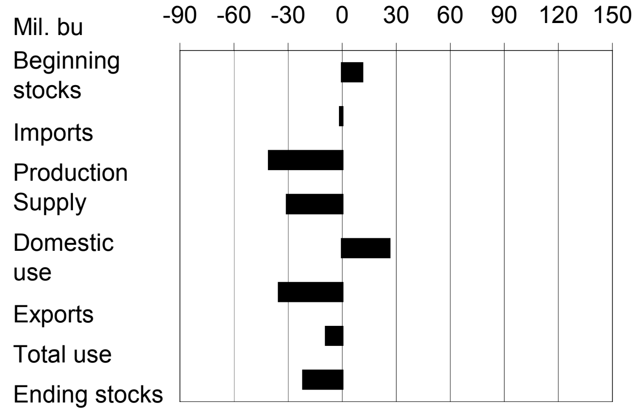
Changes From Previous Marketing Year, 2002/03 to 2003/04

Figure 8
HRW changes



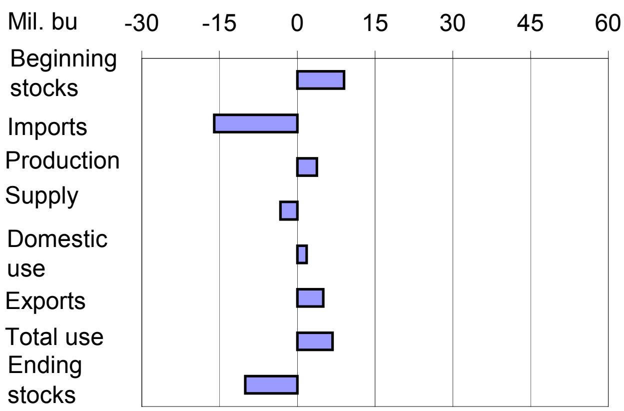
Source: *WASDE*, USDA.

Figure 9
HRS changes



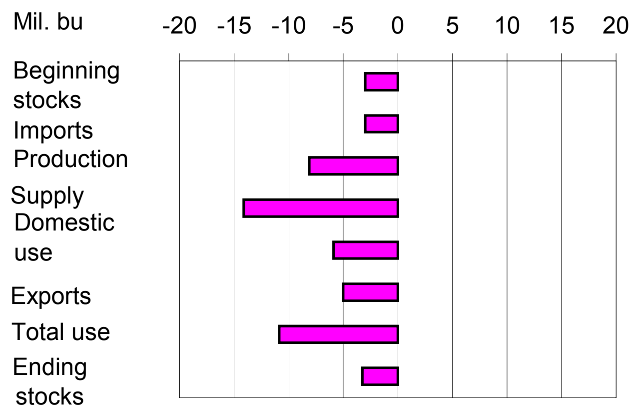
Source: *WASDE*, USDA.

Figure 10
SRW changes



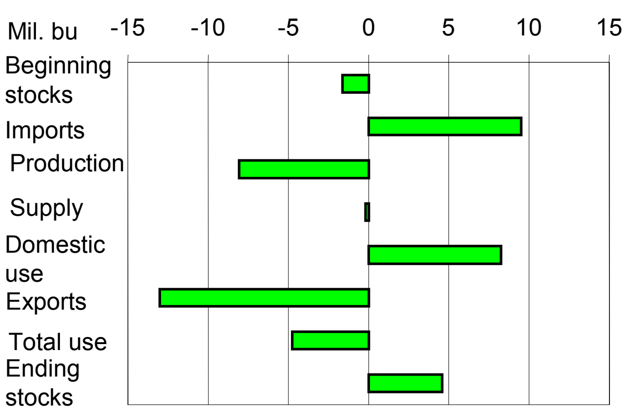
Source: *WASDE*, USDA.

Figure 11
White changes



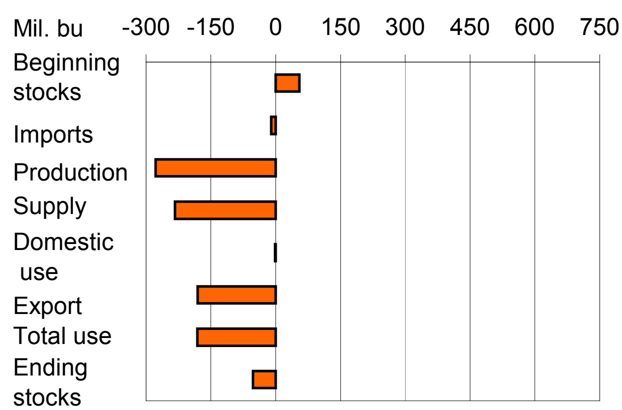
Source: *WASDE*, USDA.

Figure 12
Durum changes



Source: *WASDE*, USDA.

Figure 13
All wheat changes



Source: *WASDE*, USDA.

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

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Monthly Tables

Monthly tables from *Wheat Outlook* are available in Excel (.xls) spreadsheets at http://www.ers.usda.gov/briefing/wheat/Data/data.htm. These tables contain the latest data on supply and disappearance, monthly food-use estimates, prices, exports, and imports.

Recent Reports From the Economic Research Service

Updating Base Acres and Payment Yields indicates that about 63 percent of eligible farmland owners elected to use their historical PFC acreage (plus oilseeds, if applicable) for designating base acres under the 2002 Farm Act. The alternative was to update base acres using 1998-2001 plantings. Farmers who updated their base acres were provided choices for determining payment yields used to calculate the new counter-cyclical payments. The analysis is available at http://www.ers.usda.gov/Briefing/FarmPolicy/updating.htm.

China's Wheat Economy: Current Trends and Prospects for Imports. The last 10 years have been a period of volatility for wheat production and trade in China. This report provides an overview of current wheat production and consumption trends in China, including factors that contributed to slumping imports in recent years. http://www.ers.usda.gov/publications/whs/may04/whs04D01/

The 2002 Farm Act: Provisions and Implications for Commodity Markets provides an initial assessment of the legislation's effects on agricultural production, commodity markets, and net farm income over the next 10 years. The report is available at http://www.ers.usda.gov/publications/aib778/.

Related Websites

WASDE, http://usda.mannlib.cornell.edu/usda/reports/waobr/wasde-bb/
Grain Circular, http://www.fas.usda.gov/grain_arc.html
Wheat Briefing Room, http://www.ers.usda.gov/briefing/wheat/

Table 1--Wheat: U.S. market year supply and disappearance, 7/14/04

Item	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03E	2003/04P	2004/05P
Area: (mil. ac.)								
National to	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Eff. base/Ctr. acres								
0,50/92,85	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CRP base	10.1	9.7	0.0	0.0	0.0	0.0	0.0	0.0
Planted	70.4	65.8	62.7	62.5	59.4	60.3	61.7	59.9
Harvested	62.8	59.0	53.8	53.1	48.5	45.8	52.8	50.7
Yield: (bu/	39.5	43.2	42.7	42.0	40.2	35.0	44.2	40.6
Supply:			Million bushels					
Beginning s	443.6	722.5	945.9	949.7	876.2	777.1	491.4	546.0
Production	2,481.5	2,547.3	2,295.6	2,228.2	1,947.5	1,605.9	2,336.5	2,059.1
Imports 1/	94.9	103.0	94.5	89.8	107.6	77.4	70.0	60.0
Total suppl	3,020.0	3,372.8	3,336.0	3,267.7	2,931.2	2,460.4	2,897.9	2,665.1
Use:								
Food	914.1	910.0	928.8	949.6	926.4	917.5	900.0	915.0
Seed	92.5	80.4	91.7	79.5	83.4	83.8	79.8	81.0
Feed and r	250.5	390.7	279.3	300.4	182.0	113.3	217.1	200.0
Total dome	1,257.1	1,381.1	1,299.7	1,329.5	1,191.8	1,114.7	1,196.9	1,196.0
Exports 1/	1,040.4	1,045.7	1,086.5	1,062.0	962.3	854.2	1,155.0	975.0
Total use	2,297.5	2,426.9	2,386.2	2,391.6	2,154.1	1,969.0	2,351.9	2,171.0
Ending sto	722.5	945.9	949.7	876.2	777.1	491.4	546.0	494.1
Farmer-ow	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CCC inven	94.0	128.0	104.0	97.0	99.0	66.0	61.0	60.0
Free stock	628.5	817.9	845.7	779.2	678.1	425.4	485.0	434.1
Stocks-to-u	31.4	39.0	39.8	36.6	36.1	25.0	23.2	22.8
Prices: ($/bu.)								
Target pric	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loan rate	2.58	2.58	2.58	2.58	2.58	2.80	2.80	2.75
Contract ra	0.63	0.66	0.64	0.59	0.48	0.52	0.52	0.52
Ave. farm p	3.38	2.65	2.48	2.62	2.78	3.56	3.40	3.20-3.80
Gov't. pmts.								
(mil. dollars	1,412	2,717	3,827	3,606	2,474	1,173	1,230	1,140
Market value								
of production								
(mil. dollars	8,287	6,781	5,594	5,782	5,414	5,717	7,944	7,207

Totals may not add due to rounding. E=Estimated, P=Projected.
1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Includes Food Security Reserve.

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

Table 2--Wheat: U.S. market year supply and disappearance, 7/14/04 1/

2003/04E	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	32.178	13.1	8.273	5.231	2.915	61.70
Harvested	25.443	12.7	6.809	5.001	2.869	52.84
Yield: (bu/acre)	41.8	39.3	55.7	59.6	33.7	44.20
Supply:			Million bushels			
Beg. stocks	188.31	145.00	55.00	75.00	28.11	491.42
Production	1,062.89	499.93	379.20	297.88	96.64	2,336.53
Imports 2/	0.50	10.00	28.00	11.00	20.50	70.00
Total	1,251.70	654.93	462.20	383.88	145.25	2,897.94
Utilization:						
Food	368.00	216.00	153.00	85.00	78.00	900.00
Seed	34.98	19.08	15.78	6.57	3.45	79.85
Feed and residual	109.21	-1.15	84.41	30.31	-5.69	217.09
Total domestic	512.19	233.93	253.20	121.88	75.75	1,196.94
Exports 2/	512.00	265.00	145.00	190.00	43.00	1,155.00
Total	1,024.19	498.93	398.20	311.88	118.75	2,351.94
Ending stocks:	227.51	156.00	64.00	72.00	26.49	546.00

2004/05P	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	30.969	12.905	8.263	4.991	2.742	59.87
Harvested	23.828	12.459	7.061	4.687	2.671	50.71
Yield: (bu/acre)	35.2	36.9	54.2	61.8	33.2	40.60
Supply:			Million bushels			
Beg. stocks	227.51	156.00	64.00	72.00	26.49	546.00
Production	838.32	459.45	382.97	289.76	88.57	2,059.07
Imports 2/	1.00	9.00	12.00	8.00	30.00	60.00
Total	1,066.83	624.45	458.97	369.76	145.06	2,665.07
Utilization:						
Total domestic	481.00	260.00	255.00	116.00	84.00	1,196.00
Exports 2/	380.00	230.00	150.00	185.00	30.00	975.00
Total	861.00	490.00	405.00	301.00	114.00	2,171.00
Ending stocks:	205.83	134.45	53.97	68.76	31.06	494.07

Totals may not add due to rounding. E=Estimated, P=Projected. 1/ ERS estimates of area, yield, and domestic use. 2/ Imports and exports include flour and other products expressed in wheat equivalent.
Source: *World Agricultural Supply and Demand Estimates* , WAOB, USDA.

Table 3--Wheat: Quarterly supply and disappearance (1,000 bu), 7/14/04

Market year		Produc-tion	Imports 1/	Supply	Food	Seed	Feed	Expor 2/	Ending stocks
					Million bushels				
1998/99									
	Jun-Aug	2,547	24	3,294	226	1	425	257	2,385
	Sep-Nov	---	24	2,409	241	55	-74	292	1,896
	Dec-Feb	---	28	1,923	213	1	7	251	1,450
	Mar-May	---	27	1,477	230	23	32	246	946
	Mkt. year	2,547	103	3,373	910	80	391	1,046	946
1999/00									
	Jun-Aug	2,296	31	3,272	230	6	269	322	2,445
	Sep-Nov	---	19	2,465	241	55	-5	290	1,884
	Dec-Feb	---	19	1,903	223	2	26	236	1,417
	Mar-May	---	25	1,442	235	28	-10	239	950
	Mkt. year	2,296	95	3,336	929	92	279	1,086	950
2000/01									
	Jun-Aug	2,228	20	3,198	239	1	318	288	2,353
	Sep-Nov	---	25	2,378	253	50	-24	293	1,806
	Dec-Feb	---	21	1,828	228	3	11	246	1,338
	Mar-May	---	23	1,361	230	25	-4	235	876
	Mkt. year	2,228	90	3,268	950	79	300	1,062	876
2001/02:									
	Jun-Aug	1,947	26	2,849	234	3	238	218	2,156
	Sep-Nov	---	29	2,185	245	52	-23	288	1,623
	Dec-Feb	---	28	1,651	221	2	-7	225	1,210
	Mar-May	---	25	1,235	226	26	-26	231	777
	Mkt. year	1,947	108	2,931	926	83	182	962	777
2002/03 E:									
	Jun-Aug	1,606	27	2,410	233	3	185	240	1,749
	Sep-Nov	---	23	1,772	240	54	-77	235	1,320
	Dec-Feb	---	13	1,333	217	3	12	194	907
	Mar-May	---	15	922	227	24	-7	186	491
	Mkt. year	1,606	77	2,460	918	84	113	854	491
2003/04 P:									
	Jun-Aug	2,337	16	2,844	227	2	309	266	2,039
	Sep-Nov	---	23	2,062	230	53	-49	307	1,520
	Dec-Feb	---	13	1,533	220	2	-2	292	1,021
	Mar-May	---	19	1,039	223	22	-41	290	546
	Mkt. year	2,337	70	2,898	900	80	217	1,155	546

Totals might not add due to rounding. E=Estimated, P=Projected. 1/ Imports and exports include flour and selected products expressed in wheat equivalent.
Source: *World Agricultural Supply and Demand Estimates* , WAOB, USDA.

Table 4--Monthly food use estimates for last 12 months (1,000 bu), 7/14/04

Item		Apr	May	June	July	Aug	Sept
Mill grind	+	71,125	72,723	69,577	72,648	79,399	76,348
Food imports 1/	+	2,368	2,421	2,053	2,284	2,160	2,016
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	1,827	918	1,130	1,440	4,543	1,561
Food use	=	73,666	76,226	72,500	75,492	79,016	78,803
Item		Oct	Nov	Dec	Jan	Feb	Mar
Mill grind	+	77,232	73,923	69,388	69,257	68,707	72,895
Food imports 1/	+	2,224	2,170	2,257	2,096	1,988	2,311
Non-flour							
food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	1,256	1,117	2,579	3,117	1,964	1,806
Food use	=	80,200	76,976	71,066	70,236	70,731	75,400

1/ Wheat flour and flour products converted to wheat grain equivalent. 2/ ERS estimate of cereal use.

Totals may not add due to rounding.

Source: Economic Research Service, USDA.

Table 5--Wheat: National average price received by farmers, 7/14/04 1/

Month	All wheat		Winter		Durum		Other spring	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
			($/bu)	($/bu)				
June	3.08	3.55	2.94	3.49	3.99	4.17	3.45	3.82
July	2.95		2.89		3.85		3.29	
August	3.34		3.28		3.78		3.39	
September	3.39		3.32		3.94		3.42	
October	3.45		3.37		3.90		3.54	
November	3.59		3.55		3.91		3.67	
December	3.69		3.63		3.96		3.75	
January	3.73		3.66		3.97		3.66	
February	3.77		3.68		4.08		3.83	
March	3.84		3.76		4.14		3.92	
April	3.89		3.79		4.22		3.94	
May	3.82		3.72		4.21		4.01	

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

Table 6--Wheat prices received by farmers by class, 7/14/04

	Hard red winter		Soft red winter		Hard red spring		Soft white	
Month	02/03	03/04	02/03	03/04	02/03	03/04	02/03	03/04
				($/bu)				
June	2.91	2.88	2.82	3.07	2.97	3.46	3.18	3.24
July	3.27	2.82	3.00	3.63	3.31	3.29	3.26	3.24
August	4.28	3.25	3.32	3.28	4.33	3.40	4.05	3.40
September	4.28	3.23	3.62	3.34	4.32	3.42	4.05	3.48
October	4.49	3.36	3.82	3.27	4.49	3.55	4.20	3.45
November	3.86	3.55	3.67	3.61	4.17	3.69	3.92	3.53
December	3.83	3.64	3.67	3.76	4.22	3.76	3.92	3.54
January	3.66	3.67	3.50	3.70	4.05	3.67	3.73	3.61
February	3.51	3.63	3.36	3.70	3.84	3.84	3.60	3.76
March	3.32	3.74	3.10	3.80	3.79	3.93	3.29	3.81
April	3.21	3.76	3.05	3.84	3.52	3.94	3.14	3.91
May	3.21	3.67	3.18	3.81	3.60	4.02	3.13	3.93

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

Table 7--Wheat: Average cash grain bids at selected markets ($/bu), 7/14/04

Month	KC HRW #1 ordinary		KC HRW #1 13% protein		Portland #1 HRW Ord.		FOB Gulf $/mt (#2 HRW)	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
June	3.63	4.13	3.74	4.35	3.76	4.11	130.93	
July	3.34		3.66		3.47		130.87	
August	3.87		4.02		4.04		151.10	
September	3.74		3.85		4.05		146.92	
October	3.79		3.40		4.02		148.64	
November	4.21		4.39		4.53		163.04	
December	4.31		4.40		4.61		166.82	
January	4.32		4.37		4.47		165.99	
February	4.25		4.36		4.47		162.93	
March	4.30		4.44		4.47		167.89	
April	4.35		4.48		4.58		167.85	
May	4.28		4.51		4.37		163.60	
Month	Minneapolis DNS 13% protein		Minneapolis DNS 14% protein		Minneapolis #1 HAD milling		Portland DNS 14% protein	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
June	4.11	4.35	4.12	4.56	N/Q	N/Q	4.48	4.78
July	3.88		4.00		N/Q		4.31	
August	4.04		4.15		5.30		4.60	
September	3.83		4.03		N/Q		4.51	
October	4.12		4.31		N/Q		4.55	
November	4.37		4.59		N/Q		4.91	
December	4.24		4.43		N/Q		4.97	
January	4.30		4.44		N/Q		5.06	
February	4.44		4.64		5.30		5.11	
March	4.33		4.63		5.33		5.10	
April	4.51		4.69		N/Q		5.13	
May	4.54		4.69		N/Q		5.05	
Month	St. Louis #2 soft red		Chicago #2 soft red		Toledo #2 soft red		Portland #1 soft white	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
June	3.46	3.51	3.11	3.46	3.12	3.49	3.47	4.05
July	3.29		3.23		3.17		3.56	
August	3.56		3.63		3.50		3.90	
September	3.43		3.46		3.33		3.85	
October	N/Q		3.42		3.31		3.70	
November	4.19		3.87		3.73		3.98	
December	3.99		3.92		3.79		4.05	
January	3.98		3.90		3.85		4.11	
February	3.94		3.84		3.79		4.14	
March	4.02		3.85		3.83		4.20	
April	3.88		3.92		3.92		4.29	
May	3.64		3.73		3.71		4.18	

N/Q=no quote. Source: *Grain and Feed Weekly Summary and Statistics,* AMS, USDA.

Table 8--Wheat: U.S. exports and imports for last 6 months, 7/14/04 1/

Exports, (1,000 bu)						
Item 1/	Nov	Dec	Jan	Feb	Mar	Apr
Wheat grain	76,222	79,811	109,607	94,480	96,685	102,588
Wheat flour	1,295	1,673	1,789	1,342	1,020	732
Products	467	1,031	1,347	783	795	533
Total	77,984	82,515	112,743	96,605	98,500	103,853
Imports, (1,000 bu.)						
Item 1/	Nov	Dec	Jan	Feb	Mar	Apr
Wheat grain	1,489	1,792	2,146	2,444	3,564	3,259
Wheat flour	1,009	938	964	910	1,045	888
Products	1,167	1,329	1,135	1,080	1,275	1,223
Total	3,665	4,059	4,245	4,434	5,884	5,370

Source: Economic Research Service, USDA. 1/ Wheat flour and products converted to wheat grain equivalent. Totals may not add due to rounding.

Table 9--Wheat: U.S. exports, Census and export sales comparison, 7/14/04 1/

Importing country	2002/03		2003/04		2004/05 (as of 7/1/04)		
	Shipments				Shipments	Outstanding sales	Total
Data source	Census	Export sales	Census	Export sales	Export sales		
	1,000 metric tons						
Country:							
Egypt	1,085	1,107	4022	3,942	16	308	324
Japan	3,076	2,998	3132	3,139	217	462	679
Mexico	2,392	2,486	2814	2,863	178	340	517
Nigeria	1,666	1,660	2192	2,221	148	259	407
EU	1,127	1,236	1617	2,052	33	202	235
South Korea	1,202	1,257	1478	1,329	128	256	384
China	78	80	1138	1,166	290	1,568	1,857
Philippines	1,524	1,560	1119	1,139	118	343	461
Taiwan	919	958	1016	1,066	49	125	175
Peru	403	449	905	914	113	30	143
Total grain	22,396	20,805	30771	29,599	2,141	5,866	8,007
Total (including products)	23,242	20,840		29,663	2,145	5,894	8,039
USDA forecast of Census					26,535		

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