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Wheat Outlook

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Reduced U.S. Supplies and High Export Demand Raises Prices

Contents

The next release is Nov. 14, 2007

Approved by the World Agricultural Outlook Board.

U.S. wheat ending stocks for 2007/08 are projected at 307 million bushels, down 55 million bushels from last month, reflecting lower production and higher use as an increase in projected exports more than offsets lower projected feed and residual use. If realized, this year's ending stocks would be the lowest since 1948/49. Production is lowered 47 million bushels this month based on the latest production estimate from the *Small Grains–2007 Summary* report. Feed and residual use is projected 45 million bushels lower this month as strong export demand and higher prices are expected to limit wheat feeding during the remainder of the 2007/08 marketing year. Exports are raised 50 million bushels reflecting tighter world supplies and the strong pace of U.S. shipments and sales to date. The season-average farm price is projected at $5.80 to $6.40 per bushel, up 30 cents on each end of the range from last month and well above the record of $4.55 per bushel in 1995/96.

The world wheat production forecast for 2007/08 was reduced 6 million tons this month to 600 million tons mostly due to reduced prospects for Australia. Reduced competition from Australia contributed to a 1.5-million-ton increase in projected U.S. exports. Even with projected global wheat use for 2007/08 trimmed this month, global ending stocks are forecast down 5 million tons to 107 million, the lowest since 1975/76.

Domestic Situation and Outlook

Production Is Down From the Last Forecast, But Up Year-To-Year

National Agricultural Statistics Service's (NASS) September *Small Grains–2007 Summary* reported all wheat production at 2,067 million bushels in 2007, down 47 million bushels from the August forecast, but up 255 million bushels from 2006. Harvested area is 51.0 million acres, up 4.2 million acres from last year.[1] The U.S. yield is 40.5 bushels per acre, down 0.1 bushel from the last forecast but up 1.8 bushels from last year.

[1] By-class acreage data are not published in NASS' *Small Grains* report, but provided to Economic Research Service for internal analysis and publication.

Winter Wheat Production Up From 2006

The 2007 winter wheat production is estimated at 1,516 million bushels, down 21 million bushels from the earlier forecast, but up 218 million bushels from last year. The U.S. yield is 42.2 bushels per acre, up 0.9 bushel from August and up 0.5 bushel from last year's final yield. Harvested area is estimated at 36.0 million acres, down 1.2 million acres from the earlier forecast but up 4.8 million acres from the previous year.

Hard red winter (HRW) production is up 280 million bushels from 2006 to 962 million bushels. The *Small Grains–2007 Summary* reported that HRW harvested acreage is up significantly from last year mostly due to improved moisture conditions in the Great Plains States. Rains that broke last year's drought persisted throughout much of the growing season. Kansas was the only State in the region that did not increase harvested acres from 2006. Rains throughout June caused flooding and delayed harvest in Kansas, Oklahoma, and Texas. In Texas, wheat production was up 418 percent from last year's droughtstricken crop. Overall, Texas experienced very little crop failure due to the above normal precipitation and below normal temperatures this year, except in the eastern wheat producing regions where some acres were destroyed due to flooding. Oklahoma's production is up 20 percent from 2006. The season began under ideal conditions but an Easter freeze and an unprecedented 17 straight days of rain during June took a toll on the crop's quality. The rains came as operators were beginning harvest and caused many fields to be completely abandoned.

Soft red winter (SRW) production is down 32 million bushels from 2006 to 358 million bushels. The *Small Grains–2007 Summary* reported that favorable conditions during the fall of 2005 resulted in more acreage planted to wheat across most of the SRW growing region, except the eastern Corn Belt where wet conditions limited plantings. This is the second straight year of larger planted area in the southern SRW growing areas with harvested area also increasing sharply. Several of the northern SRW States' harvested area is down mainly due to smaller planted acreage along with an early April freeze that caused more abandonment than normal. In Wisconsin, harvested acreage is a record surpassing last year's level. Production of SRW is down from last year when record high yields were realized in many States. Weather played a major role in this year's production, with yields in most States coming in at more normal levels. The crop's yield potential was good early in the growing season until the April freeze damaged the crop and caused conditions in many of the SRW States to decline.

White winter production is 197 million bushels, down 29 million bushels from last year. Harvested acreage in the Pacific Northwest States (Idaho, Oregon, and Washington) are at or below last year's level. The *Small Grains–2007 Summary* reported that in Idaho and Washington, yields are down from last year due to a lack of rain and unseasonably high temperatures during the growing season. Even though the Oregon crop faced dry weather in May and June, conditions improved and yields ended up better than a year ago.

Spring Wheat Production Is Up From 2006

Hard red spring (HRS) wheat production for 2007 is estimated at 449 million bushels, down 25 million bushels from the August forecast but up 17 million bushels from last year. Harvested area is 12.4 million acres, up 0.1 million acres from August, but down 1.0 million acres from 2006. The U.S. yield is 36.2 bushels per acre, 2.4 bushels below the last forecast but up 4.0 bushels from last year. **White spring** wheat production is estimated at 30 million bushels, up 4 million bushels from the August forecast, and up 2 million bushels from last year. Harvested area is 0.6 million acres, up 0.1 million acres from August, and up 0.1 million acres from 2006. The U.S. yield is 53.8 bushels per acre, 2.1 bushels below the last forecast and down 7.4 bushels from last year.

The *Small Grains–2007 Summary* reported that spring wheat planting in the six major producing States started off behind normal mostly due to colder than normal temperatures in April. However, planting had progressed ahead of normal by the end of May due to warm and dry weather across much of the growing area. The crop's development and maturation was accelerated by warm temperatures and timely rains during June. Hot and dry weather during July caused the crop condition ratings to decline but pushed maturation and harvest progress ahead of the normal pace in all States in the growing area. The yield potential of the crop was also limited by this hot and dry weather. Yields are at or above last year's level in all States except Colorado, Idaho, and Washington. North Dakota and South Dakota yields are up significantly from last year's drought stressed crop.

Durum wheat production for 2007 totals 72 million bushels, down 5 million bushels from the August forecast, but up 18 million from the previous year. Harvested area is 2.1 million acres, down 0.1 million from August, but up 0.3 million from the previous year. The U.S. yield is estimated at 33.9 bushels per acre, down 1.6 bushels from the last forecast but up 4.4 bushels from 2006. The *Small Grains–2007 Summary* reported that in the northern Great Plains, warm weather during the months of June and July accelerated crop development and timely rains increased the yield from last year. Yields are at or above last year's level in all States except Idaho and California.

Total white-wheat production for 2007 is estimated at 227 million bushels, down 27 million from last year. Of 2007 total white-wheat production, 200 million bushels are soft wheat and 27 million bushels are hard wheat. Soft-white-wheat production is down year-to-year by 35 million bushels, while hard-white-wheat production is up 8 million bushels.

U.S. 2007/08 Ending Stocks Lowered and Price Raised

Supplies for 2007/08 decrease 47 million bushels month-to-month based on a drop in 2007 production. However, the projected wheat supplies for 2007/08 are up 103 million bushels from the 2006/07 to 2,608 million bushels. The larger output for 2007, with the recovery from last year's drought, more than offsets lower carryin stocks and lower projected imports for the 2007/08 marketing year. Projected imports are down because of reduced supplies in Canada.

Total domestic use for 2007/08 is reduced by 42 million bushels month-to-month to 1,151 million bushels. Projected feed and residual use is reduced by 45 million bushels, while seed use is projected up by 3 million bushels. The extremely high wheat prices generated by the strong export demand is expected to shift wheat away from domestic use to export markets. Seed use is projected up on expected increases in plantings following record wheat prices. Domestic use for 2007/08 is projected 11 million bushels above 2006/07. Year-to-year, projected 2007/08 food use and seed use are higher while feed and residual use is slightly lower.[2]

[2]Small corrections were made this month for the 2006/07 marketing year, which raised food use to 934 million bushels.

Projected exports are raised 50 million bushels month-to-month based on tighter world supplies and the strong pace of U.S. shipments and sales to date. Projected exports for 2007/08 are 1,150 million bushels, 241 million bushels larger than 2006/07. The largest year-to-year increase is 209 million bushels for HRW. HRW exports are recovering from the much reduced level in 2006/07 following the severe drought on the Plains in 2006.

Projected all-wheat ending stocks for 2007/08 are 307 million bushels, down 55 million bushels from last month and 149 million bushels less than for 2006/07. If realized, this year's ending stocks would be the lowest since 1948/49. The projected 2007/08 ending stocks for all classes are down year-to-year.

NASS's *Grain Stocks* reported ending stocks of 1,716 million bushels for the first quarter of 2007/08 marketing year. This is the lowest first-quarter ending stocks since 1974.

Price Support Activity Very Limited This Year With the High Farm Prices

As of October 11, 2007, wheat producers had loans outstanding on 27 million bushels of 2007-crop wheat. A year ago, as of October 11, 2006, wheat producers had loans outstanding on 66 million bushels of 2006-crop wheat. Outstanding loans on 2005-, 2004-, 2003-, 2002-, 2001-, and 2000-crop wheat at this time of the year were 104 million bushels, 114 million bushels, 141 million bushels, 58 million bushels, 116 million bushels, and 106 million bushels, respectively. The projected season-average-price (SAP) range for 2007/08 is $5.80 to $6.40 per bushel, much greater than for recent years. The SAP for the 2006-, 2005-, 2004-, 2003-, 2002-, 2001-, and 2000-crop were $4.26, $3.42, $3.40, $3.40, $3.56, $2.78, and $2.62, respectively.

As of October 11, 2007, no eligible producers had collected any money in loan deficiency payments (LDP). A year ago, as of October 11, 2006, eligible producers had collected $152,000 in LDP covering 1.4 million bushels of 2006-crop wheat in just two States, Michigan and New York.

LDPs for the 2005-, 2004-, 2003-, 2002-, 2001-, and 2000-crop wheat at this time of the year were $816 thousand, $32 million, $84 million, $8 million, $145 million, and $658 million, respectively; covering 7 million bushels, 211 million bushels, 473 million bushels, 67 million bushels, 579 million bushels, and 1,509 million bushels, respectively.

Winter-Wheat Plantings Lag Behind Average

NASS' *Crop Progress* reported that winter wheat seeding advanced to 58 percent complete as of October 7, 2007, 8 percentage point behind the 5-year average. The largest lags are on the Southern Plains in the States of Texas, Oklahoma, Kansas, and Colorado. Twenty-nine percent of the expected acreage had emerged, 7 percentage points behind the 5-year average.

International Situation and Outlook

Drought in Australia Lowers World Wheat Production Projection

World wheat production for 2007/08 is forecast down 5.8 million tons this month to 600.5 million tons. The largest change this month is a 7.5-million-ton cut in projected wheat production in Australia to 13.5 million. September rainfall is the most critical for wheat production in Australia and this year, September was exceptionally dry in most wheat-producing regions of Australia. It was especially dry in New South Wales, where rain this growing season (through early October) has been even shorter than during last year's historic drought. In other provinces, the wheat crop got off to a better start than a year ago, and growing conditions in the southern part of Western Australia and Queensland have been much better than a year earlier. However, the crop losses in the eastern provinces leave Australian wheat production devastated by drought for a second consecutive year.

European Unit (EU-27) wheat production for 2007/08 was reduced 1.1 million tons this month to 120.8 million, mostly due to a revision in official estimates for France, with harvest updates for other EU countries generally offsetting each other.

The declines in 2007/08 production for Australia, the United States, and EU-27 were partly offset by increased wheat production projected for Kazakhstan, Russia, Argentina, Ukraine, and Canada. Conditions for growing spring wheat this year in Kazakhstan and nearby in Siberia and the Urals of Russia were mostly favorable with above-normal rains. Moreover, harvest conditions were also exceptionally good without significant snow into October. Increased yield prospects boosted forecast Kazak wheat production 2.0 million tons this month to 16.0 million, while Russia's production increased 1.0 million to 48.0 million.

In Argentina, ample spring rains and careful fertilizer use has improved reported crop conditions and boosted yield prospects. Wheat production is projected up 0.5 million tons this month to 14.5 million. Ukraine (at 13.8 million) and Canada (20.6 million) each reported official estimates of 2007/08 production 0.3 million tons higher than previous harvest reports.

Global wheat supply prospects for 2007/08 were reduced not only by lower production prospects, but also by reduced estimated ending stocks for 2006/07. Recently aquired export data for Kazakhstan indicate increased exports of wheat and flour for several years, cutting 2006/07 ending stocks 3.0 million tons to 1.0 million. Changes to other countries were only partly offsetting, leaving world wheat beginning stocks for 2007/08 down 2.4 million tons this month to 122.7 million.

High Wheat Prices Trim World Use and Trade Prospects

Reduced wheat supplies forecast this month for 2007/08 and resulting strong prices are leading to slightly lower projected use and trade. Global use is projected down 2.7 million tons this month to 616.2 million, with 1.7 million of the decline attributed to lower feed and residual use. The high price of wheat compared to other grains is expected to cause a switch to corn feeding in some places where wheat is normally used as feed. This month, wheat feed and residual use is projected down 1.2 million tons for the United States, 0.7 million for Australia, 0.4 million for the EU-27, and 0.3 million for Canada. However, increased production boosted prospects for wheat feed use in Ukraine and Russia. Numerous countries had small revisions to nonfeed use generated by trade data for 2006/07, and changed prospects for imports in 2007/08.

The revised export data for Kazakhstan and other trade data that became available over the last month allowed finalization (based mostly on exporters' data) of 2006/07 wheat trade for many countries. This shows that despite generally high prices, world wheat trade reached a record 114.8 million tons in 2006/07. Prices are expected to reduce world trade in 2007/08, not just because they are vastly higher than in 2006/07, but also because they provide an incentive to delay imports until 2008/09. With sharply reduced production in Australia, world wheat markets are expected to be tight with high prices in the early months of 2008. Prices are significantly lower for delivery after July 2008 when Northern Hemisphere wheat crops become available. This is a strong incentive for to importers to delay delivery until 2008/09.

World wheat trade for 2007/08 (July-June) is projected down 1.0 million tons this month to 105.5 million. Small reductions were made to projected imports for 30 countries as some imports are expected to be delayed until 2008/09. The largest declines were for Nigeria, down 0.3 million tons to 3.0 million; Russia, down 0.2 million to 1.0 million; and Libya, down 0.2 million to 0.85 million. Partly offsetting these declines were increased import prospects for some countries that are buying more from Kazakhstan than previously expected, including Pakistan, Turkey, Uzbekistan, Tajikistan, Kyrgyzstan, and Mongolia.

Export projection changes for 2007/08 were dominated this month by a 4.5-million-ton cut for Australia to only 8.5 million due to a second consecutive year of drought. Also, the slow pace of exports and licenses caused a 0.5-million-ton reduction in EU-27 export prospects to 10.0 million. Partly offsetting these reductions were increases for Argentina, up 0.5 million tons to 10.0 million; China, up 0.5 million to 3.0 million; a small increase for Uruguay; and a 1.5-million ton increase for the United States.

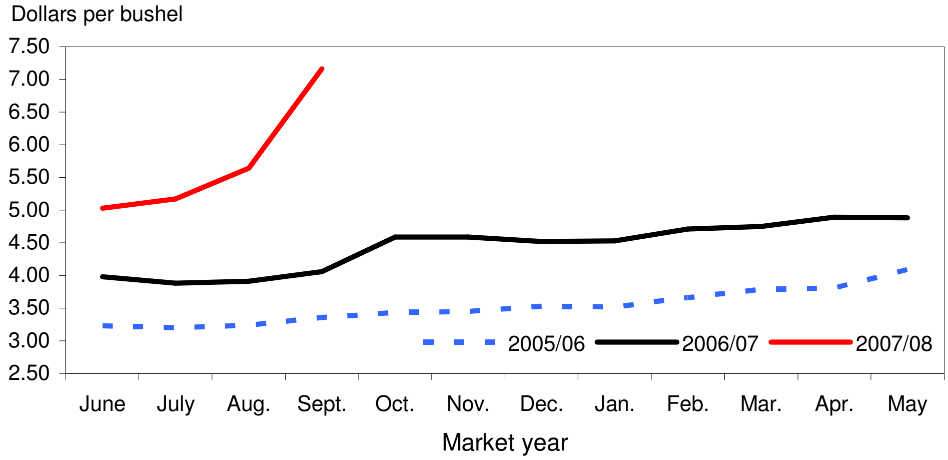
U.S. Wheat Export Prospects for 2007/08 Boosted On Huge Sales

U.S. wheat exports projected for 2007/08 (July-June) were increased 1.5 million tons this month to 31.5 million due to the very strong pace of early-season sales and shipments and prospects for reduced competition, especially from Australia. The U.S. local marketing year (June-May) export forecast increased 50 million bushels to 1.15 billion bushels.

The early-season pace of wheat export sales and shipments has been blistering. According to *U.S. Export Sales*, as of October 4, 2007, wheat export shipments for June 1, 2007 through October 4 were 12.9 million tons, up 68 percent from the previous year. Even more exceptional were outstanding sales of over 12.0 million tons, a record level, and 3.4 times the level of outstanding sales a year earlier. The pace of U.S. wheat export sales and shipments will have to slow as the season progresses because U.S. supplies are limited.

Figure 1

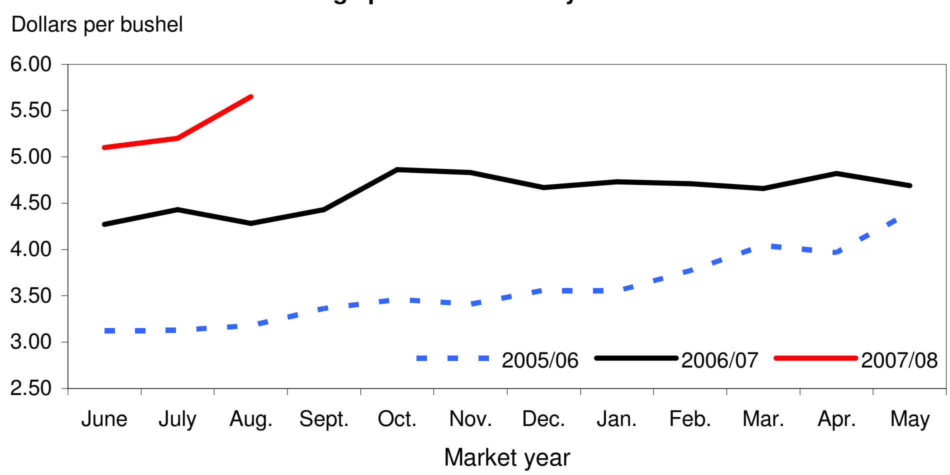
All wheat average prices received by farmers



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

Figure 2

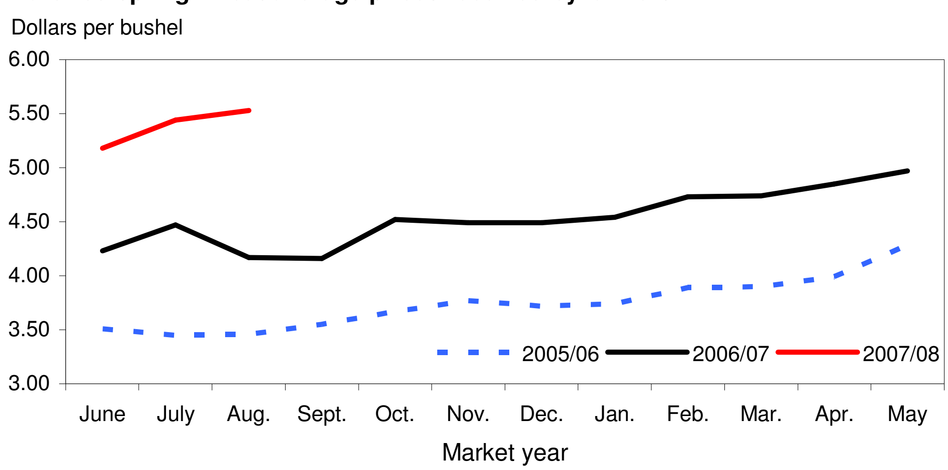
Hard red winter wheat average prices received by farmers



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

Figure 3

Hard red spring wheat average prices received by farmers

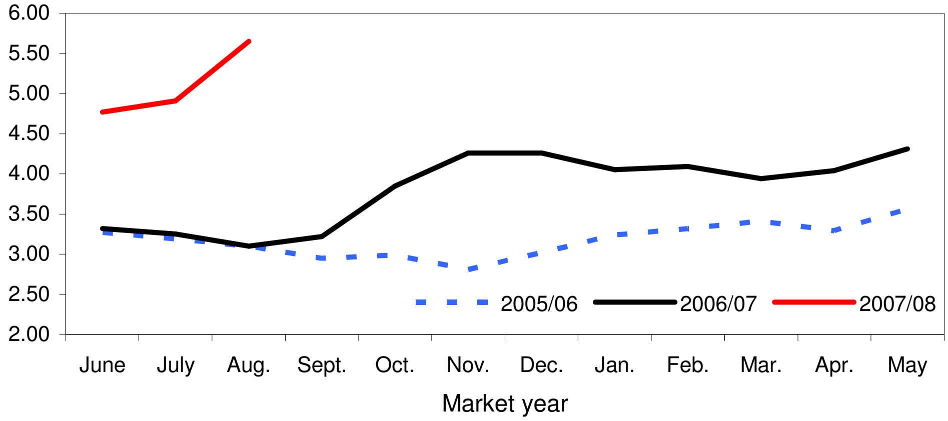


Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 4

Soft red winter wheat average prices received by farmers

Dollars per bushel

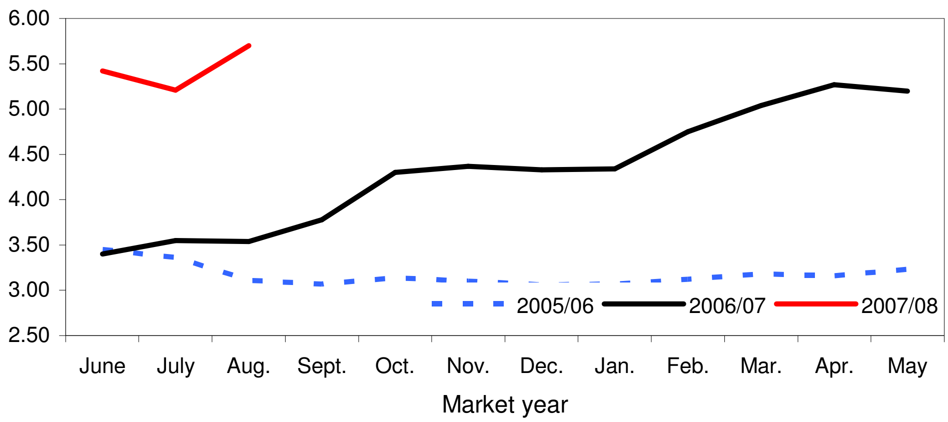


Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 5

Soft white wheat average prices received by farmers

Dollars per bushel

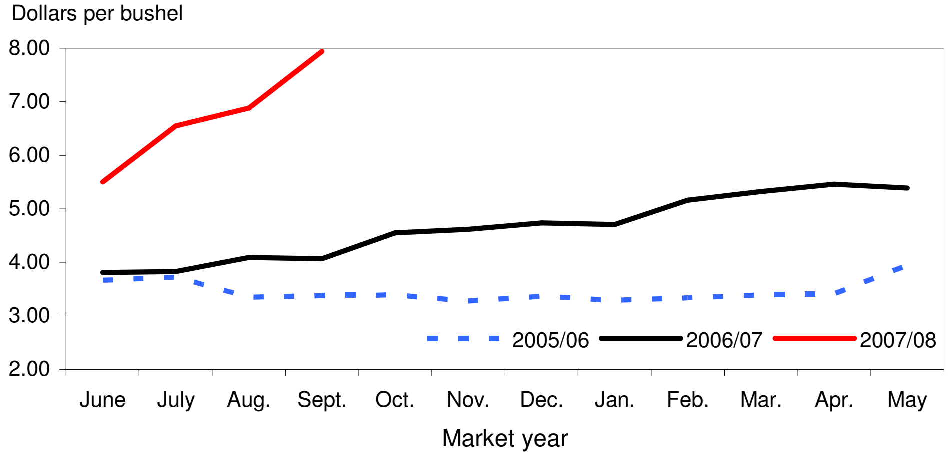


Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 6

Durum wheat average prices received by farmers

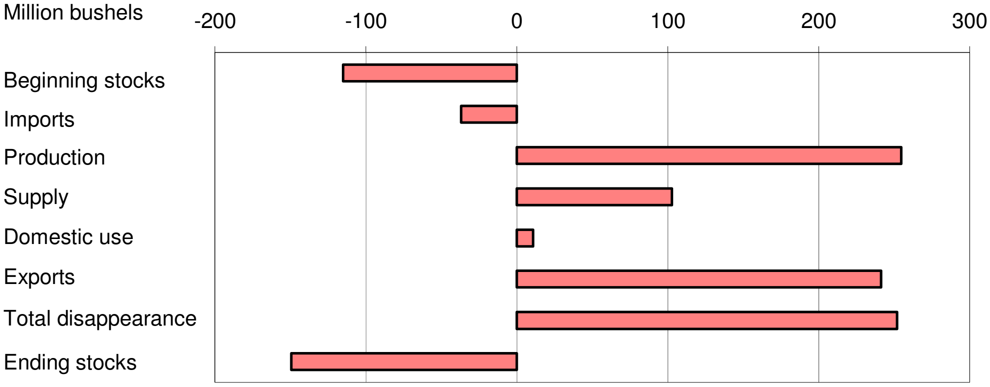
Dollars per bushel



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

Figure 7

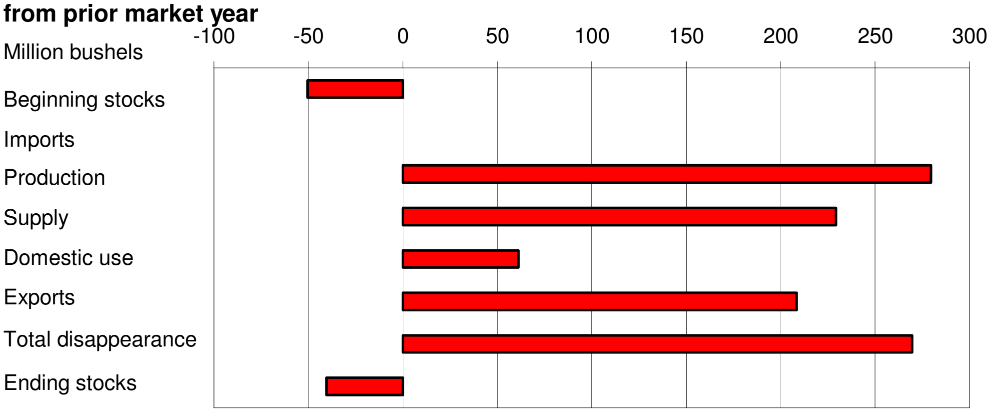
All wheat: U.S. supply and disappearance change from prior market year



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

Figure 8

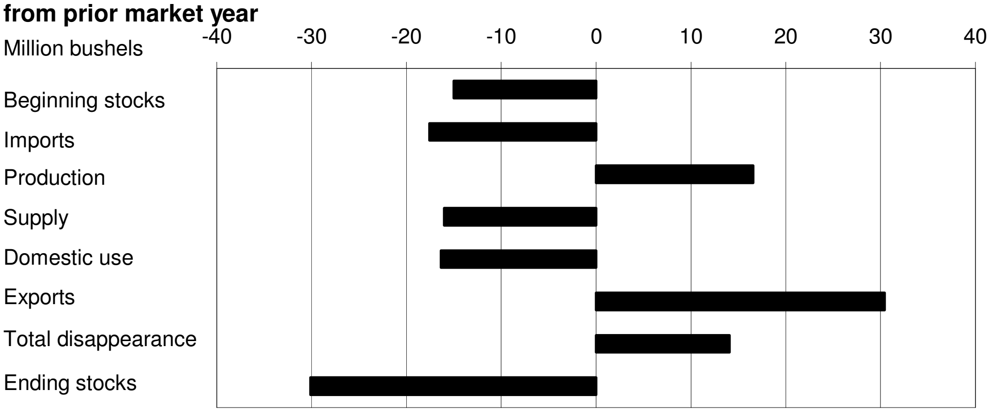
Hard red winter wheat: U.S. supply and disappearance change from prior market year



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

Figure 9

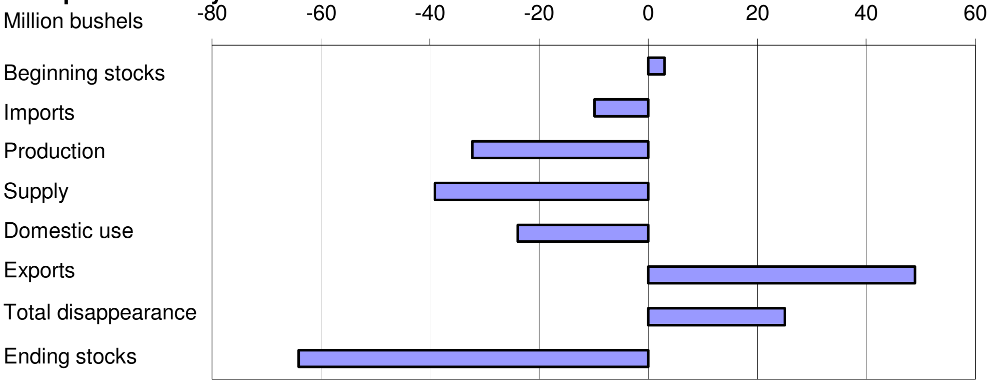
Hard red spring wheat: U.S. supply and disappearance change from prior market year



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

Figure 10

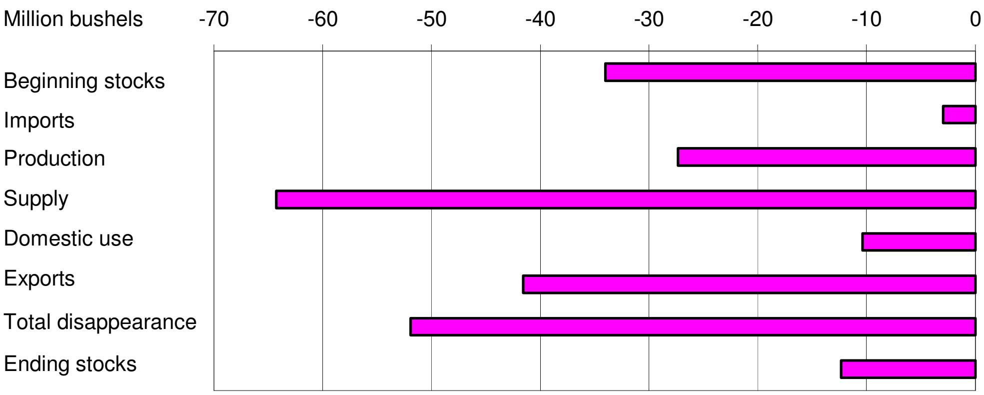
Soft red winter wheat: U.S. supply and disappearance change from prior market year



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

Figure 11

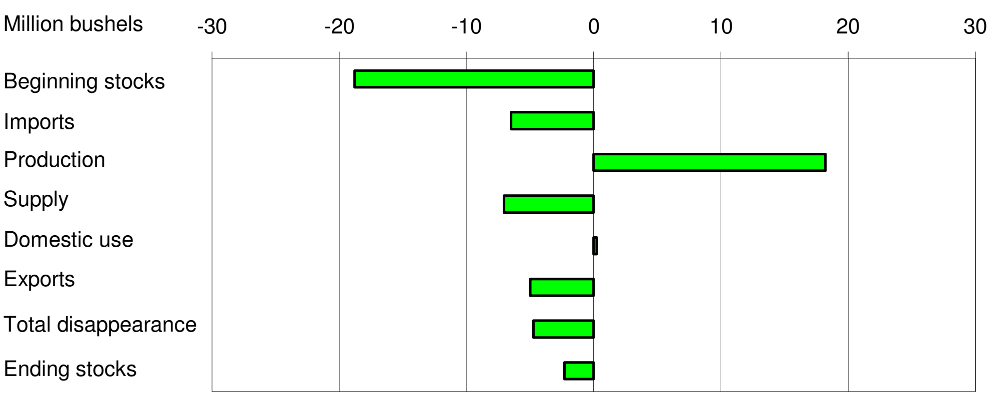
White wheat: U.S. supply and disappearance change from prior market year



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

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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
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Table 1--Wheat: U.S. market year supply and disapperance, 10/16/2007

Item and unit		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Area:								
Planted	Million acres	59.4	60.3	62.1	59.7	57.2	57.3	60.4
Harvested	Million acres	48.5	45.8	53.1	50.0	50.1	46.8	51.0
Yield	Bushels per acre	40.2	35.0	44.2	43.2	42.0	38.7	40.5
Supply:								
Beginning stocks	Million bushels	876.2	777.1	491.4	546.4	540.1	571.2	456.2
Production	Million bushels	1,947.5	1,605.9	2,344.8	2,158.2	2,104.7	1,812.0	2,066.7
Imports 1/	Million bushels	107.6	77.4	63.0	70.6	81.4	121.9	85.0
Total supply	Million bushels	2,931.2	2,460.4	2,899.2	2,775.3	2,726.1	2,505.1	2,607.9
Disappearance:								
Food use	Million bushels	926.4	918.6	911.9	909.6	914.7	933.5	940.0
Seed use	Million bushels	83.4	84.4	79.7	77.6	77.7	81.5	86.0
Feed and residual use	Million bushels	182.0	115.7	202.9	182.1	159.7	125.3	125.0
Total domestic use	Million bushels	1,191.8	1,118.7	1,194.4	1,169.2	1,152.2	1,140.3	1,151.0
Exports 1/	Million bushels	962.3	850.2	1,158.3	1,065.9	1,002.8	908.7	1,150.0
Total disapperance	Million bushels	2,154.1	1,968.9	2,352.8	2,235.2	2,155.0	2,048.9	2,301.0
Ending stocks	Million bushels	777.1	491.4	546.4	540.1	571.2	456.2	306.9
CCC inventory 2/	Million bushels	99.0	66.0	61.0	54.0	43.0	41.0	35.0
Stocks-to-use ratio		36.1	25.0	23.2	24.2	26.5	22.3	13.3
Loan rate	Dollars per bushel	2.58	2.80	2.80	2.75	2.75	2.75	2.75
Contract/direct payment rate	Dollars per bushel	0.48	0.52	0.52	0.52	0.52	0.52	
Farm price 3/	Dollars per bushel	2.78	3.56	3.40	3.40	3.42	4.26	5.80-6.40
Government payments	Million dollars	2,474	1,172	1,237	1,218	1,151	1,120	1,118
Market value of production	Million dollars	5,440	5,679	7,929	7,283	7,198	7,719	12,607

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: 10/15/2007

Table 2--Wheat: U.S. market year supply and disappearance, 10/16/2007

Market year, item, and unit			All wheat	Hard red winter 1/	Hard red spring 1/	Soft red winter 1/	White 1/	Durum
2006/07	Area:							
	Planted acreage	Million acres	57.34	29.34	14.42	7.39	4.33	1.87
	Harvested acreage	Million acres	46.81	21.32	13.42	6.16	4.10	1.82
	Yield	Bushels per acre	38.71	31.99	32.22	63.32	62.02	29.46
	Supply:							
	Beginning stocks	Million bushels	571.19	214.84	132.00	106.00	78.00	40.35
	Production	Million bushels	1,812.04	682.08	432.34	390.17	253.98	53.48
	Imports 2/	Million bushels	121.87	1.06	49.56	19.81	9.96	41.49
	Total supply	Million bushels	2,505.09	897.97	613.90	515.97	341.94	135.31
	Disappearance:							
	Food use	Million bushels	933.51	361.77	236.00	165.00	85.00	85.74
	Seed use	Million bushels	81.48	35.87	19.29	16.60	6.15	3.56
	Feed and residual use	Million bushels	125.31	54.27	-7.95	79.33	10.21	-10.56
	Total domestic use	Million bushels	1,140.29	451.91	247.35	260.93	101.36	78.74
	Exports 2/	Million bushels	908.65	281.48	249.55	146.04	196.58	35.00
	Total disappearance	Million bushels	2,048.94	733.39	496.90	406.97	297.94	113.74
	Ending stocks	Million bushels	456.15	164.58	117.00	109.00	44.00	21.57
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	85.00	1.00	32.00	10.00	7.00	35.00
	Total supply	Million bushels	2,607.88	1,127.17	597.90	476.90	277.65	128.26
	Disappearance:							
	Food use	Million bushels	940.00	370.00	245.00	150.00	85.00	90.00
	Seed use	Million bushels	86.00	38.00	21.00	17.00	6.00	4.00
	Feed and residual use	Million bushels	125.00	105.00	-35.00	70.00		-15.00
	Total domestic use	Million bushels	1,151.00	513.00	231.00	237.00	91.00	79.00
	Exports 2/	Million bushels	1,150.00	490.00	280.00	195.00	155.00	30.00
	Total disappearance	Million bushels	2,301.00	1,003.00	511.00	432.00	246.00	109.00
	Ending stocks	Million bushels	306.88	124.17	86.90	44.90	31.65	19.26

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: 10/15/2007

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 10/16/2007

Market year and quarter		Production	Imports 1/	Total supply	Food use	Seed use	Feed and residual use	Exports 1/	Ending stocks
1999/00	Jun-Aug	2,296	31	3,272	230	6	269	322	2,445
	Sep-Nov		19	2,465	241	55	-5	290	1,884
	Dec-Feb		19	1,903	223	2	26	236	1,417
	Mar-May		25	1,442	235	28	-10	239	950
	Mkt. year	2,296	95	3,336	929	92	279	1,086	950
2000/01	Jun-Aug	2,228	20	3,198	239	1	318	288	2,353
	Sep-Nov		25	2,378	253	50	-24	293	1,806
	Dec-Feb		21	1,828	228	3	11	246	1,338
	Mar-May		23	1,361	230	25	-4	235	876
	Mkt. year	2,228	90	3,268	950	79	300	1,062	876
2001/02	Jun-Aug	1,947	26	2,849	234	3	238	218	2,156
	Sep-Nov		29	2,185	245	52	-23	288	1,623
	Dec-Feb		28	1,651	221	2	-7	225	1,210
	Mar-May		25	1,235	226	26	-26	231	777
	Mkt. year	1,947	108	2,931	926	83	182	962	777
2002/03	Jun-Aug	1,606	27	2,410	233	3	185	240	1,749
	Sep-Nov		23	1,772	238	55	-75	235	1,320
	Dec-Feb		13	1,333	219	3	14	190	907
	Mar-May		15	922	229	24	-8	186	491
	Mkt. year	1,606	77	2,460	919	84	116	850	491
2003/04	Jun-Aug	2,345	16	2,852	231	2	315	265	2,039
	Sep-Nov		18	2,057	240	53	-62	305	1,520
	Dec-Feb		13	1,533	216	2	3	291	1,021
	Mar-May		17	1,037	226	22	-54	296	546
	Mkt. year	2,345	63	2,899	912	80	203	1,158	546
2004/05	Jun-Aug	2,158	17	2,722	227	4	265	287	1,938
	Sep-Nov		19	1,957	236	47	-56	300	1,430
	Dec-Feb		18	1,448	218	2	3	240	984
	Mar-May		17	1,001	229	24	-31	239	540
	Mkt. year	2,158	71	2,775	910	78	182	1,066	540
2005/06	Jun-Aug	2,105	19	2,663	231	2	263	244	1,923
	Sep-Nov		20	1,944	238	51	-61	286	1,429
	Dec-Feb		20	1,450	219	1	5	252	972
	Mar-May		22	995	226	24	-47	220	571
	Mkt. year	2,105	81	2,726	915	78	160	1,003	571
2006/07	Jun-Aug	1,812	26	2,410	233	2	210	214	1,751
	Sep-Nov		29	1,780	242	56	-45	212	1,315
	Dec-Feb		31	1,346	224	1	27	237	857
	Mar-May		35	892	234	22	-67	246	456
	Mkt. year	1,812	122	2,505	934	81	125	909	456
2007/08	Jun-Aug	2,067	22	2,545	235	2	286	306	1,717
	Mkt. year	2,067	85	2,608	940	86	125	1,150	307

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: 10/15/2007

Table 4--Wheat: Monthly food disapperance estimates (1,000 grain-equivalent bushels), 10/16/2007

Mkt year and month 1/		Wheat ground for flour	+	Food imports 2/	+	Nonmilled food use 3/	-	Food exports 2/	=	Food use 4/
2005/06	Jun	70,578		2,278		2,000		1,553		73,304
	Jul	72,942		2,136		2,000		1,106		75,971
	Aug	79,720		2,320		2,000		2,130		81,909
	Sep	76,657		2,153		2,000		1,368		79,441
	Oct	78,222		2,421		2,000		1,567		81,076
	Nov	74,871		2,397		2,000		1,384		77,884
	Dec	70,278		2,241		2,000		1,628		72,891
	Jan	70,615		2,141		2,000		1,649		73,107
	Feb	70,054		1,960		2,000		1,384		72,630
	Mar	74,324		2,335		2,000		1,529		77,130
	Apr	71,710		2,317		2,000		2,152		73,875
	May	73,321		2,522		2,000		2,362		75,482
2006/07	Jun	70,150		2,376		2,000		1,181		73,344
	Jul	73,762		2,281		2,000		1,198		76,845
	Aug	80,616		2,347		2,000		1,776		83,186
	Sep	77,518		1,961		2,000		1,009		80,470
	Oct	79,435		2,617		2,000		1,704		82,349
	Nov	76,032		2,640		2,000		1,504		79,169
	Dec	71,368		2,466		2,000		1,764		74,069
	Jan	72,623		2,661		2,000		1,312		75,973
	Feb	72,047		2,130		2,000		1,953		74,224
	Mar	76,438		2,651		2,000		1,656		79,434
	Apr	75,257		2,371		2,000		2,109		77,519
	May	76,948		2,128		2,000		4,152		76,923
2007/08	Jun	73,619		2,263		2,000		2,376		75,507
	Jul			2,250				1,644		606

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: 10/15/2007

Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 10/16/2007

Month	All wheat		Winter		Durum		Other spring	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
June	3.98	5.03	3.95	5.00	3.81	5.50	4.18	5.17
July	3.88	5.17	3.82	5.14	3.83	6.55	4.41	5.44
August	3.91	5.64	3.77	5.66	4.09	6.88	4.11	5.53
September	4.06	7.16	4.03	7.39	4.07	7.94	4.11	6.62
October	4.59		4.63		4.55		4.48	
November	4.59		4.67		4.62		4.48	
December	4.52		4.53		4.74		4.48	
January	4.53		4.53		4.71		4.51	
February	4.71		4.67		5.16		4.73	
March	4.75		4.67		5.32		4.73	
April	4.89		4.87		5.46		4.87	
May	4.88		4.77		5.39		4.98	

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

Table 6--Wheat: National average prices received by farmers by class (dollars per bushel), 10/16/2007

Month	Hard red winter		Soft red winter		Hard red spring		White	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
June	4.27	5.10	3.32	4.77	4.23	5.18	3.40	5.42
July	4.43	5.20	3.25	4.91	4.47	5.44	3.55	5.21
August	4.28	5.65	3.10	5.65	4.17	5.53	3.54	5.70
September	4.43		3.22		4.16		3.78	
October	4.86		3.85		4.52		4.30	
November	4.83		4.26		4.49		4.37	
December	4.67		4.26		4.49		4.33	
January	4.73		4.05		4.54		4.34	
February	4.71		4.09		4.73		4.75	
March	4.66		3.94		4.74		5.04	
April	4.82		4.04		4.85		5.27	
May	4.69		4.31		4.97		5.20	

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

Date run: 10/15/2007

Table 7--Wheat: Average cash grain bids at principal markets, 10/16/2007

Month	No. 1 hard red winter (ordinary protein) Kansas City, KS and MO (dollars per bushel)		No. 1 hard red winter (13 percent protein) Kansas City, KS and MO (dollars per bushel)		No. 1 hard red winter (ordinary protein) Portland, OR (dollars per bushel)		No. 2 hard red winter (ordinary protein) U.S. Gulf ports, f.o.b. 1/ (dollars per metric ton)	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
June	5.25	6.22	5.43	6.32	5.14	6.12	196.83	226.04
July	5.27	6.28	5.38	6.56	5.26	6.35	204.31	241.34
August	5.00	6.84	5.15	7.04	5.04	6.95	193.99	264.38
September	5.16	8.52	5.19	8.79	5.19	8.55	201.39	338.20
October	5.62	--	5.55	--	5.56	--	214.90	--
November	5.61	--	5.63	--	5.62	--	212.54	--
December	5.49	--	5.55	--	5.67	--	210.43	--
January	5.29	--	5.29	--	5.49	--	202.90	--
February	5.39	--	5.44	--	5.67	--	202.67	--
March	5.40	--	5.52	--	5.74	--	206.03	--
April	5.52	--	5.61	--	5.81	--	207.02	--
May	5.54	--	5.57	--	5.59	--	199.03	--

	No. 1 dark northern spring (13 percent protein) Minneapolis, MN (dollars per bushel)		No. 1 dark northern spring (14 percent protein) Minneapolis, MN (dollars per bushel)		No. 1 dark northern spring (14 percent protein) Portland, OR (dollars per bushel)		No. 1 hard amber durum Minneapolis, MN (dollars per bushel)	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
June	5.43	6.19	5.59	6.19	5.72	6.48	--	7.40
July	5.52	5.55	5.65	6.60	5.93	6.95	--	8.50
August	4.85	6.79	4.94	6.88	5.44	7.28	--	--
September	4.85	--	4.86	8.20	5.38	9.62	--	11.25
October	5.35	--	5.36	--	5.80	--	--	--
November	5.57	--	5.55	--	5.92	--	--	--
December	5.43	--	5.44	--	5.88	--	--	--
January	5.26	--	5.27	--	5.70	--	--	--
February	5.34	--	5.40	--	5.94	--	--	--
March	5.53	--	5.55	--	5.95	--	--	--
April	5.67	--	5.65	--	6.09	--	--	--
May	5.65	--	5.64	--	6.05	--	--	--

	No. 2 soft red winter St. Louis, MO (dollars per bushel)		No. 2 soft red winter Chicago, IL (dollars per bushel)		No. 2 soft red winter Toledo, OH (dollars per bushel)		No. 1 soft white Portland, OR (dollars per bushel)	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
June	3.40	5.19	3.26	5.25	3.10	5.14	3.80	6.06
July	3.40	5.61	3.43	5.52	3.11	5.79	3.86	6.36
August	3.32	6.14	3.20	6.24	2.85	6.73	3.97	6.91
September	3.75	7.99	3.39	7.98	3.15	8.47	4.27	8.88
October	3.75	--	4.40	--	4.25	--	4.97	--
November	4.68	--	4.35	--	4.39	--	4.96	--
December	4.78	--	4.49	--	4.46	--	4.94	--
January	4.36	--	4.19	--	4.19	--	4.96	--
February	4.34	--	4.20	--	4.18	--	5.29	--
March	4.15	--	4.07	--	4.07	--	5.67	--
April	4.15	--	4.25	--	4.14	--	5.97	--
May	5.19	--	4.50	--	4.31	--	5.78	--

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

Date run: 10/15/2007

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 10/16/2007

Item		Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007
Exports	All wheat grain	75,412	76,512	75,130	85,565	73,088	80,285
	All wheat flour 1/	999	941	1,425	2,711	1,467	1,220
	All wheat products 2/	955	741	687	1,457	920	450
	Total all wheat	77,366	78,194	77,242	89,733	75,475	81,954
Imports	All wheat grain	7,596	9,125	9,926	8,632	9,327	8,672
	All wheat flour 1/	882	954	855	865	974	847
	All wheat products 2/	1,254	1,706	1,522	1,269	1,295	1,414
	Total all wheat	9,732	11,785	12,303	10,766	11,596	10,933

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: 10/15/2007

Table 9--Wheat: U.S. exports, Census and export sales comparison (1,000 metric tons), 10/16/07

Importing country	2005/06		2006/07		2007/08 (as of 10/4/07)		
	Shipments				Shipments	Outstanding sales	Total
Data source	Census 1/	Export sales 2/	Census 1/	Export sales 2/	Export sales 2/		
Country:							
Japan	2,909	2,966	3,188	3,228	956	634	1,590
Nigeria	3,160	3,036	2,455	2,441	1,051	579	1,630
Mexico	2,654	2,564	2,265	2,138	873	801	1,674
Egypt	1,123	1,181	1,982	1,982	1,971	683	2,653
Philippines	1,650	1,676	1,648	1,739	439	724	1,163
South Korea	1,097	1,143	1,174	1,191	387	302	688
Taiwan	906	914	1,007	999	380	167	547
Iraq	2,278	2,338	898	799	452	1,049	1,501
EU-27	1,082	1,479	634	786	947	586	1,533
Yeman	502	501	711	709	620	249	869
Total grain	26,903	25,320	24,078	22,902	12,856	12,025	24,881
Total (including products)	27,461	25,370	24,766	22,950	12,873	12,028	24,901
USDA forecast of Census					31,300		

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.