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# Wheat Outlook

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## Winter Wheat Seedings Lower Than Expected

Projected U.S. wheat ending stocks for 2007/08 are raised this month 12 million bushels due to lower projected domestic use. At 292 million bushels, this year's ending stocks are forecast to be the lowest in 60 years. Feed and residual use is projected 10 million bushels lower for 2007/08 as December 1 stocks, reported in January *Grain Stocks*, indicate lower-than-expected feed and residual use during September- November. Seed use is reduced 2 million bushels based on lower-than-expected hard red winter wheat planted area as reported in *Winter Wheat Seedings*. The season-average farm price is projected at \$6.45 to \$6.85 per bushel, 25 cents higher on each end of the range, reflecting strong cash and futures prices and lower-than-expected hard red winter wheat seedings. The projected range is well above the record of \$4.55 per bushel in 1995/96.

Changes to 2007/08 international wheat supply and demand forecasts were relatively small this month. Foreign production increased slightly, increasing ending stocks prospects marginally. Trade changes were mostly offsetting. Increased production was reported for Russia, but that was partly offset by reduced EU-27 wheat production. Though increased this month, world wheat ending stocks of 111 million tons are projected to be the lowest since 1977/78.

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The next release is  
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Approved by the  
World Agricultural  
Outlook Board.

## Domestic Situation and Outlook

### ***Winter Wheat Planted Acres Up 4 Percent***

Winter wheat seeded area for 2008 is estimated at 46.6 million acres, up 4 percent from the 2007 *Winter Wheat Seedings* estimate. Approximate class acreage breakdowns are: hard red winter (HRW), 32.5 million; soft red winter (SRW) 10.5 million; and white winter (WW), 3.65 million.

The winter wheat crop condition at the end of November was rated at 44 percent good to excellent compared with 53 percent the previous year. In the northern Rocky Mountains, snow cover was mostly adequate. On the northern Great Plains, snow cover was reported somewhat inadequate in the Dakotas, potentially a concern for winter wheat, while central Great Plains winter wheat was in mostly good and excellent condition. On the southern Great Plains, winter wheat was rated 34 percent good to excellent in Oklahoma.

HRW wheat seeded area is about 32.5 million acres, down 1 percent from the 2007 *Winter Wheat Seedings* estimate. Acreage was below last year's level in all States in the HRW growing area except North Dakota and Montana, where acreage increased by 185,000 acres and 460,000 acres, respectively. The dry fall limited planted acres in some parts of the region with planted area down 500,000 acres in Kansas and down 200,000 in both Oklahoma and Texas. Normal crop rotations also reduced seedings in some States in the region following the large winter wheat crop planted last year.

SRW area, at about 10.5 million acres, is up 21 percent from last year's *Winter Wheat Seedings* estimate. Large acreage increases from last year occurred in all SRW growing States due largely to strong prices and ideal planting and germination conditions. Planted area increases of 200,000 acres or more are expected in Illinois, Michigan, Ohio, and Tennessee. Record high planted acreage is expected in Wisconsin, while North Carolina is expected to tie the record high set in 1985.

WW wheat seeded area totals nearly 3.65 million acres, up 7 percent from the 2007 *Winter Wheat Seedings* estimate. Planted acreage in Washington and Oregon is up 30,000 acres each for 2008, with Idaho expecting an increase of 150,000 acres.

Durum wheat seedings in Arizona and California for 2008 harvest are estimated at 280,000 acres, up 70 percent from their 2007 *Winter Wheat Seedings* estimate. Planted acreage is up 60,000 in Arizona and up 55,000 in California due mostly to good prices.

### ***2007/08 Production Unchanged, Projected Domestic Use Dropped Slightly***

USDA's National Agricultural Statistics Service (NASS), *Crop Production 2007 Summary* reported all wheat production at 2,067 million bushels in 2007, unchanged from NASS' *Small Grains 2007 Summary*, but 255 million bushels (14 percent) above 2006. There are no changes in by-class production. Total harvested area is 51.0 million acres, up 4.2 million acres (9 percent) from last year. The U.S. yield is 40.5 bushels per acre, up 1.8 bushels from last year.

Total projected imports and supply for 2007/08 are unchanged from last month, at 90 million bushels and 2,613 million bushels, respectively. There are no changes in projected by-class imports from last month.

Projected total utilization for 2007/08, at 2,321 million bushels, is down 12 million bushels month-to-month, but up 272 million bushels from 2006/07 because of both higher domestic use and exports. There are several by-class changes from last month. The current levels are shown in table 2.

Projected total food use for 2007/08 is unchanged from December, but there some by-class changes due to expected price impacts. The very high prices for hard red spring (HRS) and durum wheat relative to HRW are expected to reduce their use and increase the use of HRW wheat. Projected seed use for 2007/08 is down 2 million bushels to 86 million bushels based on the 2007 *Winter Wheat Seedings* estimates and expected spring wheat seedings. Feed and residual use is projected 10 million bushels lower for 2007/08 as December 1 stocks, reported in *January Grain Stocks*, indicate lower-than-expected feed and residual use during September-November.

Projected total exports for 2007/08, at 1,175 million bushels, are unchanged from last month, but up 266 million bushels from 2006/07. However, there are some month-to-month class changes based on the pace of exports and commitments to date: HRW, is up 10 million bushels; and HRS, down 10 million bushels.

Projected U.S. wheat ending stocks for 2007/08 are raised 12 million bushels this month due to lower projected domestic use. At 292 million bushels, this year's ending stocks are forecast to be the lowest in 60 years. Except for SRW, ending stocks for the other classes are up slightly month to month.

The season-average farm price is projected at \$6.45 to \$6.85 per bushel, 25 cents higher on each end of the range, reflecting strong cash and futures prices and lower-than-expected hard red winter wheat seedings. The projected range is well above the record of \$4.55 per bushel in 1995/96.

### ***2007/08 Census Export Data Modified***

A preliminary analysis by USDA reveals that the export data published by the U.S. Census Bureau overstates durum exports in the first two quarters of the 2007/08 marketing year. Accordingly, these durum exports are adjusted downward in the first two quarters and completely offsetting increases are made for the exports of other classes. The offsetting adjustments are made following USDA's preliminary analysis of individual export shipments. For an explanation of how the original estimates were made see:

<http://www.ers.usda.gov/briefing/wheat/wheatsupplyuse.htm>.

The current, adjusted export estimates are seen here:

| Wheat<br>Class | First Qtr<br>2008 | Second Qtr<br>2008 |
|----------------|-------------------|--------------------|
|                | (Million bushels) |                    |
| HRW            | 118.412           | 190                |
| HRS            | 64.626            | 114                |
| SRW            | 79.232            | 59                 |
| White          | 40.577            | 48                 |
| Durum          | 9.634             | 20                 |

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Source: USDA analysis of U.S. Census Bureau data.

## International Situation and Outlook

### ***Projected World Wheat Production and Ending Stocks Up This Month***

World wheat production projected for 2007/08 increased slightly this month, up 0.7 million tons to 603.0 million. Russia reported that wheat production reached 49.4 million tons, up 1.4 million from last month's forecast. Favorable harvest conditions for spring wheat in Siberia likely contributed to the late upward revision. However, several EU countries reported 2007/08 wheat production was slightly lower than previously estimated. EU-27 wheat production was reduced 0.7 million tons this month to 119.8 million. The forecasts for more recently harvested Southern Hemisphere crops were not changed this month.

Projected world wheat use was nearly unchanged this month at 616.5 million tons. Reduced production led to lower forecast wheat feed use for the EU-27, down 0.5 million tons this month to 54.9 million with increased use of feed grains expected. Projected 2007/08 feed use of wheat is up 0.5 million tons this month for Russia, and food use is also up 0.5 million tons as most of the increase in production is expected to be used domestically. Wheat feed use is also projected slightly higher this month for Ukraine and Australia, but reduced for the United States.

With global production increasing and nearly unchanged projected use, 2007/08 world wheat ending stocks increased 0.9 million tons to 110.9 million. The largest increase, 0.5 million tons was for China, with reduced export prospects. Russia, up 0.4 million tons, was the next largest with smaller changes in several countries, including the United States, offsetting each other.

Even with this month's increase, world wheat stocks are projected to end 2007/08 at the lowest level since 1977/78.

### ***World Wheat Trade, U.S. Wheat Export Prospects Unchanged This Month***

World wheat trade was reduced 0.1 million tons to 106.7 million tons this month. China suspended value-added-tax rebates for wheat exports and imposed export taxes. These measures are expected to severely limit wheat exports for the remainder of 2007/08, reducing projected exports 0.5 million tons to 2.5 million. This reduction was almost offset by an increase of 0.4 million tons in Pakistan's exports of wheat and products due to the strong pace of flour shipments to neighboring countries, especially Afghanistan.

Wheat import prospects were increased 0.5 million tons this month for Pakistan, based on recent purchases, and for Ukraine, up 0.2 million due to trade data indicating purchases from Russia. Several smaller, mostly offsetting changes were also made.

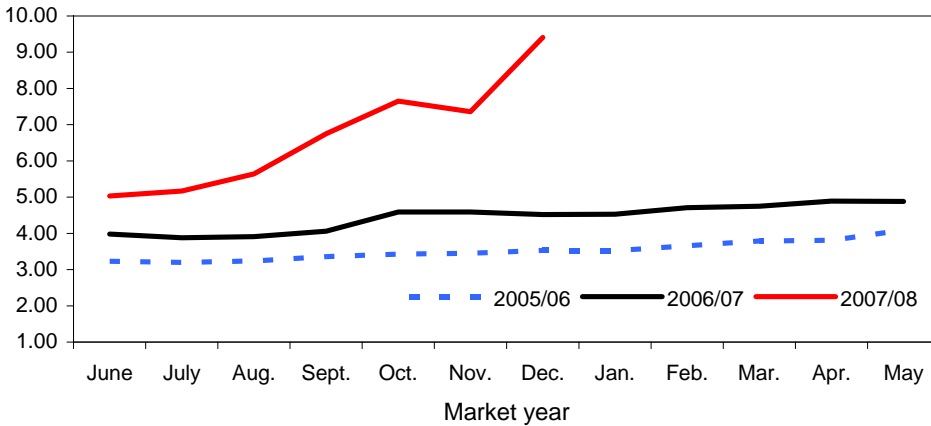
The pace of U.S. wheat exports and sales has been strong, but forecast U.S. exports for 2007/08 remain unchanged this month due to limited supplies and high U.S. prices. According to Census data, July through November 2007 exports were 17.9 million tons, up 8.2 million tons compared to a year earlier. Grain inspections data

for December 2007 indicate exports at 2.3 million tons for the month, up 28 percent compared to the previous year. According to *U.S. Export Sales*, as of January 3, 2008, outstanding export sales were 8.3 million tons, more than double the previous year. However, U.S. wheat sales are expected to plummet compared to a year ago during the last months of 2007/08 because of historically tight U.S. wheat supplies.

Figure 1

**All wheat average prices received by farmers**

Dollars per bushel

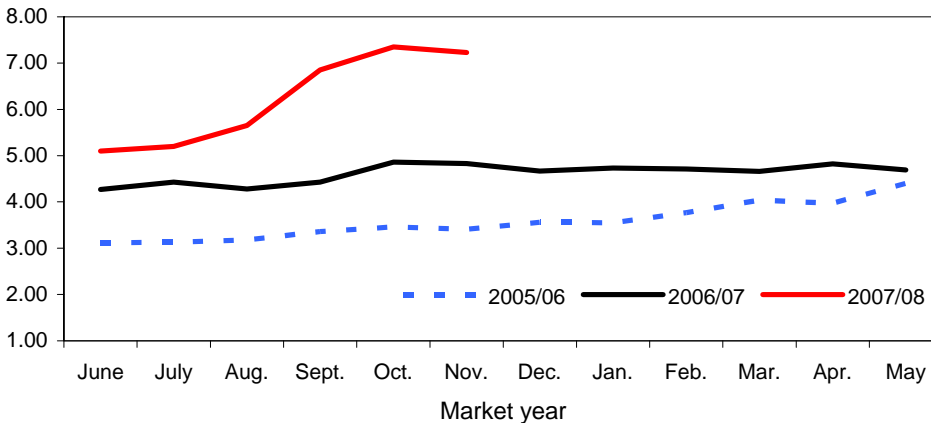


Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 2

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

Dollars per bushel

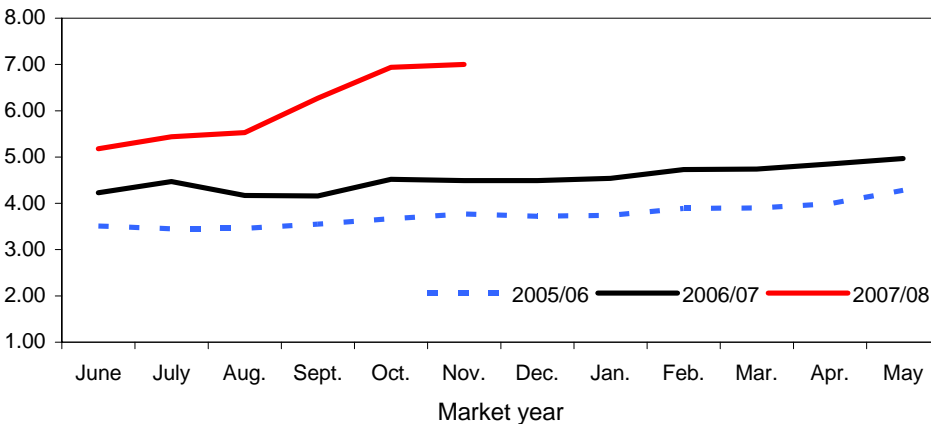


Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 3

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

Dollars per bushel

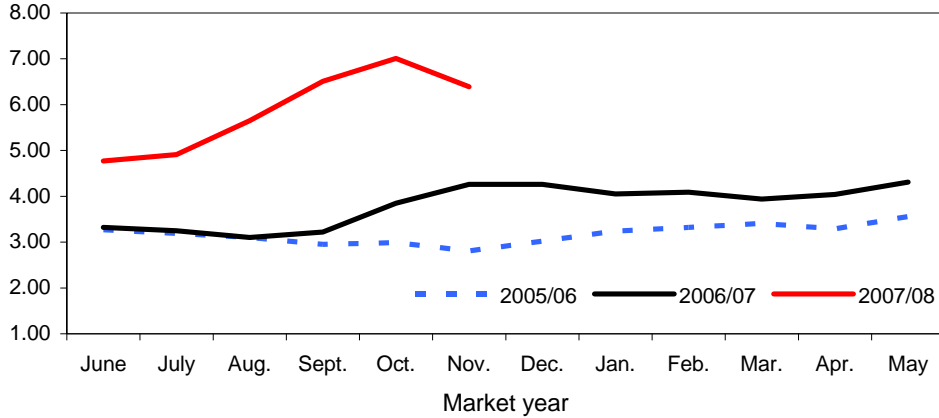


Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 4

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

Dollars per bushel

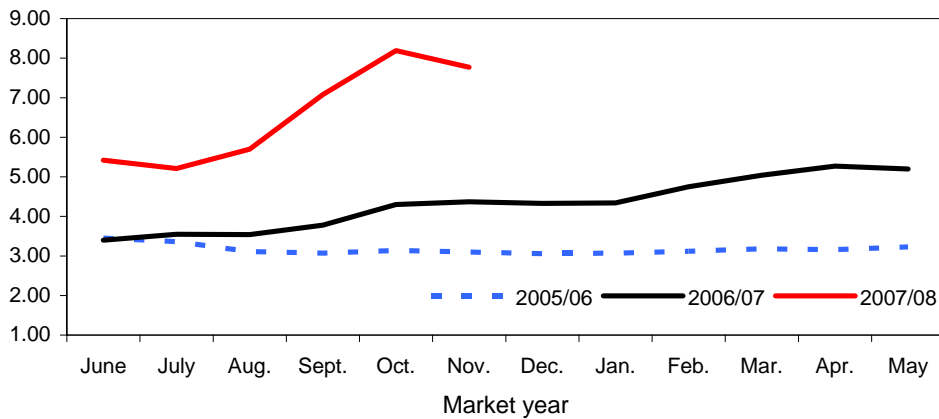


Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 5

**Soft white wheat average prices received by farmers**

Dollars per bushel

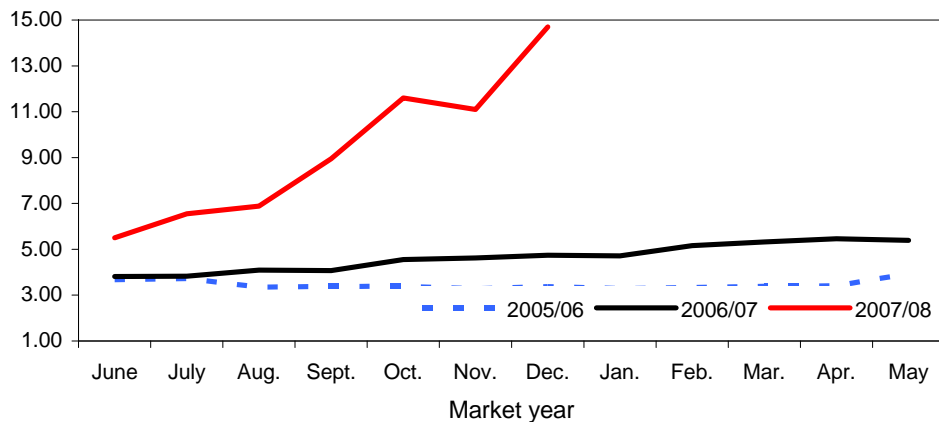


Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 6

**Durum wheat average prices received by farmers**

Dollars per bushel

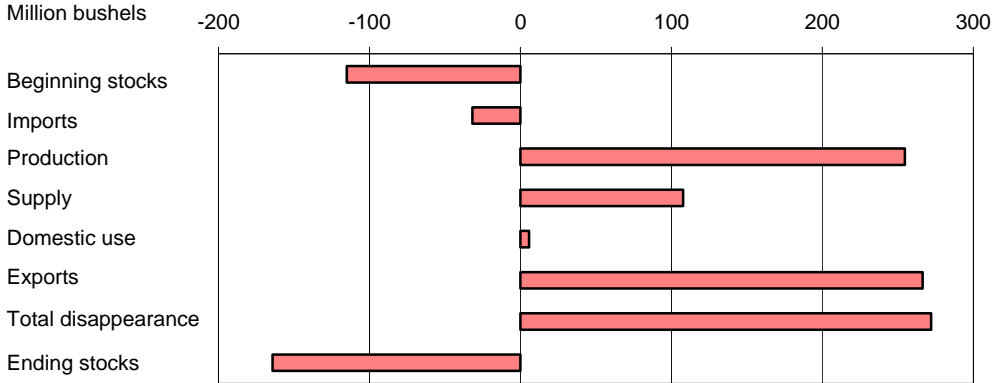


Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.



Figure 7

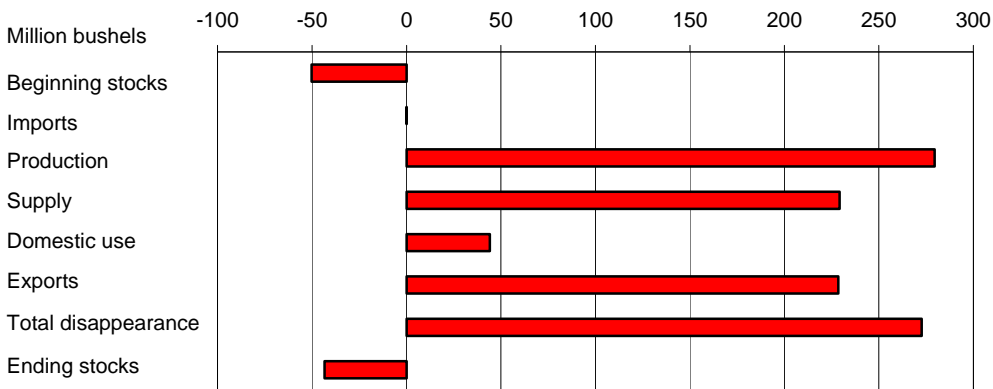
**All wheat: U.S. supply and disappearance change from prior market year**



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

Figure 8

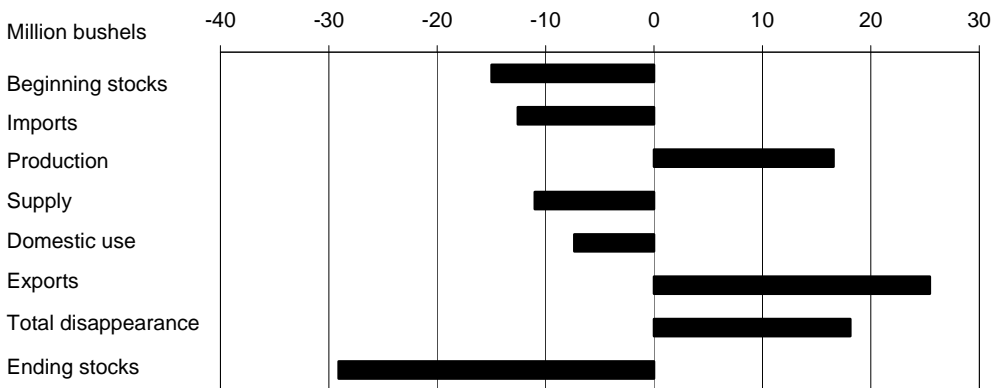
**Hard red winter wheat: U.S. supply and disappearance change from prior market year**



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

Figure 9

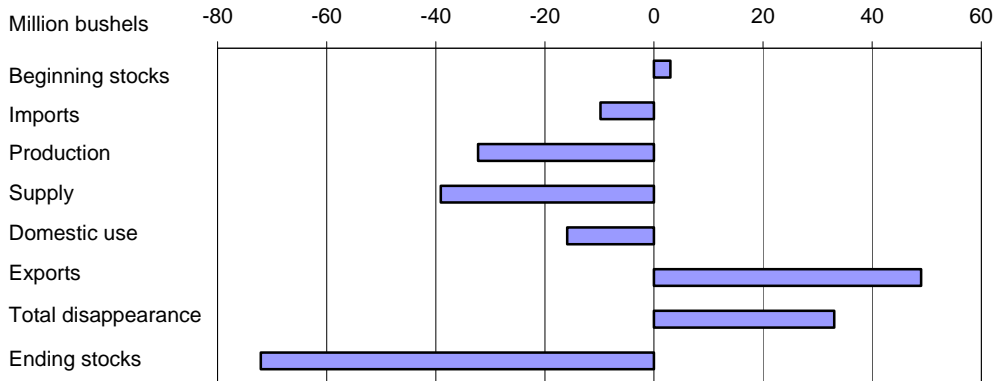
**Hard red spring wheat: U.S. supply and disappearance change from prior market year**



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

Figure 10

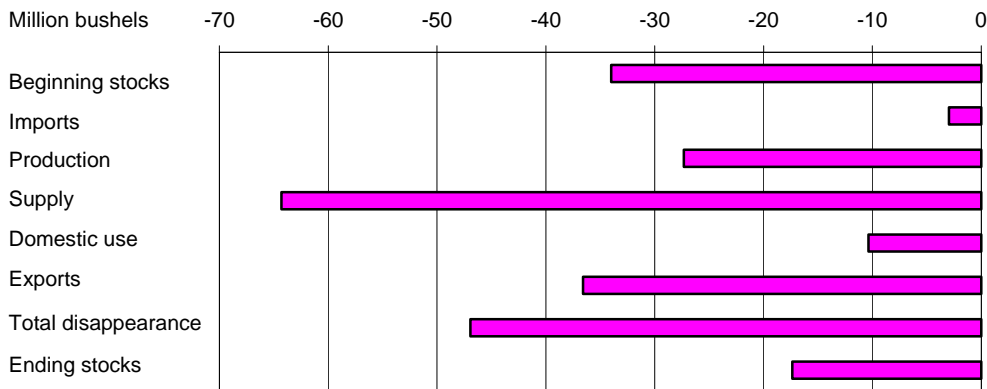
**Soft red winter wheat: U.S. supply and disappearance change from prior market year**



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

Figure 11

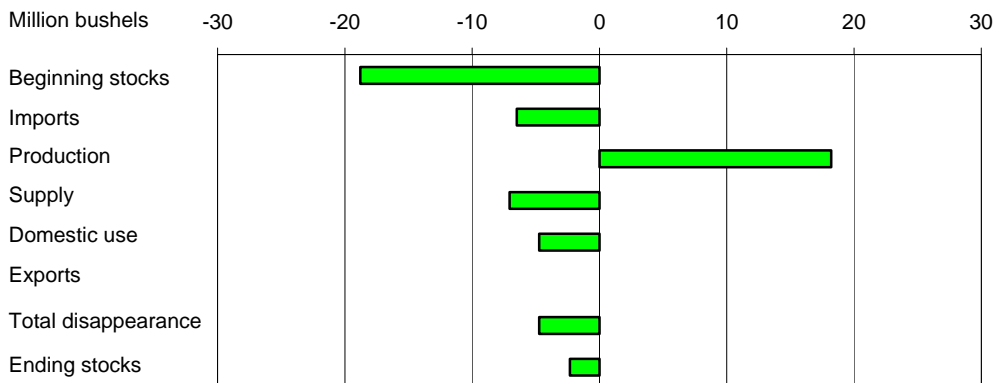
**White wheat: U.S. supply and disappearance change from prior market year**



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*.



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## Contacts and Links

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### Data

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

### Related Websites

WASDE

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194>

Grain Circular, [http://www.fas.usda.gov/grain\\_arc.asp](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, 01/15/2008

| 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   | 90.0      |
| Total supply                 | Million bushels    | 2,931.2 | 2,460.4 | 2,899.2 | 2,775.3 | 2,726.1 | 2,505.1 | 2,612.9   |
| Disappearance:               |                    |         |         |         |         |         |         |           |
| Food use                     | Million bushels    | 926.4   | 918.6   | 911.9   | 909.6   | 914.7   | 933.3   | 945.0     |
| 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   | 125.5   | 115.0     |
| Total domestic use           | Million bushels    | 1,191.8 | 1,118.7 | 1,194.4 | 1,169.2 | 1,152.2 | 1,140.3 | 1,146.0   |
| Exports 1/                   | Million bushels    | 962.3   | 850.2   | 1,158.3 | 1,065.9 | 1,002.8 | 908.7   | 1,175.0   |
| Total disappearance          | Million bushels    | 2,154.1 | 1,968.9 | 2,352.8 | 2,235.2 | 2,155.0 | 2,048.9 | 2,321.0   |
| Ending stocks                | Million bushels    | 777.1   | 491.4   | 546.4   | 540.1   | 571.2   | 456.2   | 291.9     |
| 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    | 12.6      |
| 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    | 6.45-6.85 |
| 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   | 13,744    |

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: 1/14/2008

Table 2--Wheat: U.S. market year supply and disappearance, 01/15/2008

| 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  | 933.31    | 361.15             | 236.00             | 165.00             | 85.00    | 86.16  |
|                             | Seed use              | Million bushels  | 81.48     | 35.87              | 19.29              | 16.60              | 6.15     | 3.56   |
|                             | Feed and residual use | Million bushels  | 125.50    | 54.89              | -7.95              | 79.33              | 10.21    | -10.98 |
|                             | 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  | 90.00     | 1.00               | 37.00              | 10.00              | 7.00     | 35.00  |
|                             | Total supply          | Million bushels  | 2,612.88  | 1,127.17           | 602.90             | 476.90             | 277.65   | 128.26 |
|                             | Disappearance:        |                  |           |                    |                    |                    |          |        |
|                             | Food use              | Million bushels  | 945.00    | 395.00             | 230.00             | 150.00             | 85.00    | 85.00  |
|                             | Seed use              | Million bushels  | 86.00     | 36.00              | 20.00              | 20.00              | 6.00     | 4.00   |
|                             | Feed and residual use | Million bushels  | 115.00    | 65.00              | -10.00             | 75.00              |          | -15.00 |
|                             | Total domestic use    | Million bushels  | 1,146.00  | 496.00             | 240.00             | 245.00             | 91.00    | 74.00  |
|                             | Exports 2/            | Million bushels  | 1,175.00  | 510.00             | 275.00             | 195.00             | 160.00   | 35.00  |
|                             | Total disappearance   | Million bushels  | 2,321.00  | 1,006.00           | 515.00             | 440.00             | 251.00   | 109.00 |
|                             | Ending stocks         | Million bushels  | 291.88    | 121.17             | 87.90              | 36.90              | 26.65    | 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: 1/14/2008

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 01/15/2008

| 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                    | -66        | 246           | 456   |
|                         | Mkt. year  | 1,812      | 122          | 2,505    | 933      | 81                    | 125        | 909           | 456   |
| 2007/08                 | Jun-Aug    | 2,067      | 30           | 2,553    | 239      | 2                     | 283        | 312           | 1,717 |
|                         | Sep-Nov    |            | 23           | 1,740    | 249      | 60                    | -128       | 431           | 1,128 |
|                         | Mkt. year  | 2,067      | 90           | 2,613    | 945      | 86                    | 115        | 1,175         | 292   |

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: 1/14/2008

Table 4--Wheat: Monthly food disappearance estimates (1,000 grain-equivalent bushels), 01/15/2008

| 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                    | 75,161            | 2,371                   | 2,000             | 2,109         | 77,423 |
|                       | May                    | 76,849            | 2,128                   | 2,000             | 4,152         | 76,825 |
| 2007/08               | Jun                    | 73,525            | 2,263                   | 2,000             | 2,376         | 75,413 |
|                       | Jul                    | 75,879            | 2,250                   | 2,000             | 1,644         | 78,486 |
|                       | Aug                    | 82,931            | 2,156                   | 2,000             | 1,823         | 85,264 |
|                       | Sep                    | 79,744            | 1,961                   | 2,000             | 2,486         | 81,219 |
|                       | Oct                    |                   | 2,383                   |                   | 2,959         | -576   |

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, U.S. Census Bureau, Flour Milling Products (MQ311A) and trade data.

Date run: 1/14/2008



Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 01/15/2008

| 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      | 6.75    | 4.03    | 6.89    | 4.07    | 8.95    | 4.11         | 6.30    |
| October   | 4.59      | 7.65    | 4.63    | 7.54    | 4.55    | 11.60   | 4.48         | 7.01    |
| November  | 4.59      | 7.36    | 4.67    | 7.32    | 4.62    | 11.10   | 4.48         | 7.02    |
| December  | 4.52      | 9.41    | 4.53    | 9.22    | 4.74    | 14.70   | 4.48         | 9.16    |
| 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), 01/15/2008

| 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            | 6.85    | 3.22            | 6.51    | 4.16            | 6.27    | 3.78    | 7.08    |
| October   | 4.86            | 7.35    | 3.85            | 7.01    | 4.52            | 6.94    | 4.30    | 8.19    |
| November  | 4.83            | 7.23    | 4.26            | 6.39    | 4.49            | 7.00    | 4.37    | 7.77    |
| 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: 1/14/2008

Table 7--Wheat: Average cash grain bids at principal markets, 01/15/2008

| Month     | No. 1 hard red winter<br>(ordinary protein)<br>Kansas City, KS and MO<br>(dollars per bushel) |         | No. 1 hard red winter<br>(13 percent protein)<br>Kansas City, KS and MO<br>(dollars per bushel) |         | No. 1 hard red winter<br>(ordinary protein)<br>Portland, OR<br>(dollars per bushel) |         | No. 2 hard red winter<br>(ordinary protein)<br>U.S. Gulf ports, f.o.b. 1/<br>(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  | 8.89    | 5.55  | 9.22    | 5.56  | 9.37    | 214.90  | 345.07  |
| November  | 5.61  | 8.62    | 5.63  | 9.08    | 5.62  | 8.95    | 212.54  | 329.22  |
| December  | 5.49  | 9.80    | 5.55  | 10.39   | 5.67  | 10.30   | 210.43  | 374.05  |
| 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  | --      |

| Month     | No. 1 dark northern spring<br>(13 percent protein)<br>Minneapolis, MN<br>(dollars per bushel) |         | No. 1 dark northern spring<br>(14 percent protein)<br>Minneapolis, MN<br>(dollars per bushel) |         | No. 1 dark northern spring<br>(14 percent protein)<br>Portland, OR<br>(dollars per bushel) |         | No. 1 hard amber durum<br>Minneapolis, MN<br>(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  | 9.24    | 5.36  | 9.27    | 5.80   | 9.67    | --  | 15.00   |
| November  | 5.57  | 9.43    | 5.55  | 9.39    | 5.92   | 9.71    | --  | --      |
| December  | 5.43  | 10.86   | 5.44  | 11.06   | 5.88   | 11.59   | --  | --      |
| 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   | --      | --  | --      |

| Month     | No. 2 soft red winter<br>St. Louis, MO<br>(dollars per bushel) |         | No. 2 soft red winter<br>Chicago, IL<br>(dollars per bushel) |         | No. 2 soft red winter<br>Toledo, OH<br>(dollars per bushel) |         | No. 1 soft white<br>Portland, OR<br>(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   | 7.89    | 4.25  | 8.38    | 4.97   | 9.94    |
| November  | 4.68   | 7.70    | 4.35   | 7.57    | 4.39  | 7.78    | 4.96   | 10.05   |
| December  | 4.78   | 8.58    | 4.49   | 8.69    | 4.46  | 9.00    | 4.94   | 12.39   |
| 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/ismnpubs/grains.htm>.

Date run: 1/14/2008

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 01/15/2008

| Item    |                       | May<br>2007 | Jun<br>2007 | Jul<br>2007 | Aug<br>2007 | Sep<br>2007 | Oct<br>2007 |
|---------|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Exports | All wheat grain       | 85,565      | 73,088      | 80,285      | 153,223     | 149,168     | 158,064     |
|         | All wheat flour 1/    | 2,711       | 1,467       | 1,220       | 1,277       | 1,135       | 1,758       |
|         | All wheat products 2/ | 1,457       | 920         | 450         | 552         | 1,363       | 1,209       |
|         | Total all wheat       | 89,733      | 75,475      | 81,954      | 155,052     | 151,666     | 161,032     |
| Imports | All wheat grain       | 8,632       | 9,327       | 8,672       | 5,680       | 5,045       | 4,741       |
|         | All wheat flour 1/    | 865         | 974         | 847         | 799         | 860         | 966         |
|         | All wheat products 2/ | 1,269       | 1,295       | 1,414       | 1,366       | 1,118       | 1,428       |
|         | Total all wheat       | 10,766      | 11,596      | 10,933      | 7,845       | 7,023       | 7,135       |

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: 1/14/2008

Table 9--Wheat: U.S. exports, Census and export sales comparison (1,000 metric tons), 01/15/08

| Importing country          | 2005/06   |                 | 2006/07   |                 | 2007/08 (as of 01/03/08) |                   |        |
|----------------------------|-----------|-----------------|-----------|-----------------|--------------------------|-------------------|--------|
|                            | 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           | 1,673                    | 867               | 2,540  |
| Nigeria                    | 3,160     | 3,036           | 2,455     | 2,441           | 1,609                    | 495               | 2,104  |
| Mexico                     | 2,654     | 2,564           | 2,265     | 2,138           | 1,483                    | 756               | 2,239  |
| Egypt                      | 1,123     | 1,181           | 1,982     | 1,982           | 2,625                    | 120               | 2,745  |
| Philippines                | 1,650     | 1,676           | 1,648     | 1,739           | 778                      | 852               | 1,630  |
| South Korea                | 1,097     | 1,143           | 1,174     | 1,191           | 799                      | 559               | 1,358  |
| Taiwan                     | 906       | 914             | 1,007     | 999             | 627                      | 186               | 813    |
| Iraq                       | 2,278     | 2,338           | 898       | 799             | 1,156                    | 746               | 1,902  |
| EU-27                      | 1,082     | 1,479           | 634       | 786             | 1,716                    | 87                | 1,803  |
| Yeman                      | 502       | 501             | 711       | 709             | 816                      | 0                 | 816    |
| Total grain                | 26,903    | 25,320          | 24,078    | 22,902          | 21,195                   | 8,265             | 29,461 |
| Total (including products) | 27,461    | 25,370          | 24,766    | 22,950          | 21,226                   | 8,272             | 29,498 |
| USDA forecast of Census    |           |                 |           |                 | 31,980                   |                   |        |

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, *U.S. Export Sales*; and U.S. Department of Commerce, U.S. Census Bureau.