USDA
United States Department of Agriculture

WHS-09e

May 14, 2009

Outlook

A Report from the Economic Research Service

www.ers.usda.gov

Wheat Outlook

Gary Vocke
gvocke@ers.usda.gov
Edward Allen
ewallen@ers.usda.gov
Olga Liefert
oliefert@ers.usda.gov

Projected 2009/10 Production Down From 2008/09

Contents

The next release is June 12, 2009

Approved by the World Agricultural Outlook Board.

The 2009/10 outlook for U.S. wheat is for reduced supplies and use. Lower production is expected to more than offset higher beginning stocks as reduced export prospects outweigh expected gains in domestic use. Total production is projected at 2,026 million bushels, down 19 percent from last year due to reduced area and lower expected yields. The survey-based forecast of winter wheat production is down 20 percent with sharply lower yields expected in the Southern Plains due to extended dryness and early April freeze damage. Durum and other spring wheat production is projected at 524 million bushels, down 17 percent from 2008/09, based on 10-year harvested-to-planted ratios and trend yields adjusted for late seeding in the Northern Plains.

Total U.S. wheat use for 2009/10 is projected down 4 percent as lower exports and feed and residual use more than offset higher expected food use. Despite lower expected use and higher beginning stocks, ending stocks are projected down 5 percent at 637 million bushels. The season-average farm price for all wheat is projected to be $4.70 to $5.70 per bushel, well below the record $6.85 for 2008/09.

World wheat production in 2009/10 is projected to decline from the previous year's record but remain large. Beginning stocks are forecast up more than production is down, leaving increased global supplies. Increases in wheat use are expected to be modest, leaving production larger than use and stocks expected to increase for the second consecutive year.

Domestic Situation and Outlook

Ending Stocks for 2009/10 Projected To Decline From 2008/09

Ending stocks of wheat for 2009/10 are projected to be down 5 percent from 2008/09 as supplies decline slightly more than use. Total wheat supplies for 2009/10 are projected down only 4 percent because of much larger carryin stocks than the historically low carryin for 2008/09. The larger carryin stocks offset a substantial projected decrease in production from 2008/09.

Total production is projected at 2,026 million bushels, down 474 million bushels (19 percent) from 2008/09.

Winter wheat production. The survey-based forecast of winter wheat production, at 1,502 million bushels, is down 366 million bushels (20 percent) from 2008. Expected harvested area is 34.0 million acres, down 5.6 million acres (14 percent) from last year. Based on May 1 crop conditions, the U.S. winter wheat yield is forecast at 44.2 bushels per acre, down 3.0 bushels (6.0 percent) from the previous year.

USDA's, National Agricultural Statistics Service (NASS) reported in May *Crop Production* in the southern Great Plains States, winter temperatures were moderate, with some damage resulting from winter and late-spring storms. Oklahoma and Texas experienced droughtlike conditions during emergence and most of the growing season. As a result, dryland yields are expected to suffer from the lack of moisture throughout plant development and grain set. The second week of April delivered a hard freeze to parts of Kansas and Oklahoma, affecting earlier maturing varieties. Severe storms followed, bringing heavy rain, hail, and high winds across many areas. Weather conditions remained cooler and wetter than normal through the first week of May. Cooler than normal spring temperatures coupled with higher than normal precipitation in the Corn Belt States of Illinois, Indiana, and Ohio hampered crop development, but no major disease problems are reported at this time. Kentucky and Virginia experienced a generally mild winter and wet spring. As of May 4, the winter wheat crop in those States was in mostly good condition. In the Pacific Northwest, crop development was slower across parts of Washington, Oregon, and Idaho due to cooler and dryer conditions earlier this spring. Mid-April rain and snow moved across some areas, bringing moisture relief and boosting crop conditions slightly.

Because of the adverse weather, 77 percent of the Texas and 64 percent of the Oklahoma wheat crop are rated poor to very poor in the NASS May *Crop Progress*. The ratings for the winter wheat crop, on average, is not much different than last year. Forty-six percent is rated good to excellent compared with 47 percent a year ago at this time and 27 percent is rated poor to very poor compared with 21 percent a year ago at this time.

Winter estimates by class. Hard red winter (HRW) production is estimated to be down 164 million bushels (16 percent) from a year ago to 871 million bushels this year. HRW production is estimated down because of lower planted area, a higher abandonment rate, and a lower yield than in 2008. Estimated planted area, harvested area, and yield changes for 2009 are -0.5 million acres, -2.4 million acres, and -2.8 bushels per acre, respectively.

Soft red winter (SRW) production is likewise estimated to be down 191 million bushels (31 percent) from last year and totals 422 million bushels this year. SRW production is estimated to fall because of lower planted area, a higher rate of abandonment, and lower yield. Estimated planted area, harvested area, and yield changes for 2009 are -2.8 million acres, -3.0 million acres, and -1.5 bushels per acre, respectively.

White wheat production is estimated to total 208 million bushels, down 5 percent from a year ago. Of the white production total, 21.0 million bushels are hard white and 188 million bushels are soft white.

Spring wheat production. Spring wheat production is expected lower for 2009. Durum and other spring wheat production is projected at 524 million bushels, down 17 percent from 2008, based on expected lower planted and harvested areas and lower yields because unusual delays in planting progress due to adverse weather conditions in North Dakota and Minnesota.

Durum production. Production of durum wheat in Arizona and California is forecast at 25.3 million bushels, down 18 percent from the previous year. In California, heading was complete in most areas of the State as of April 13, with no quality or disease issues reported.

Projected 2009/10 utilization. Food use is projected at 955 million bushels, up 33 million from the current year, reflecting a decrease in average flour extraction rate from the extraordinarily high rate for 2008/09. Per capita flour consumption is expected to be unchanged year to year. Feed and residual use is projected at 240 million bushels, down slightly from the 250 million bushels projected for 2008/09. High prices for HRW wheat relative to corn are expected to limit wheat feed use on the Plains. Exports are projected at 900 million bushels, down 11 percent from 2008/09 because of expected abundant worldwide supplies. Ending stocks for 2009/10 are projected at 637 million bushels, down 32 million bushels (5 percent) from 2008/09.

Spring Wheat Planting Slower Than Normal

The NASS May *Crop Progress* reported for the week ending May 10 that only 35 percent of the spring wheat crop had been planted, 43 points behind the 5-year average because of excessive moisture. The last time spring wheat planting was so late was 1997, and delays contributed to sharply reduced yields. Planting progress has been delayed the most in North Dakota and Minnesota.

Changes in 2008/09 Projections Leave Ending Stocks Lower

Supplies. Total projected 2008/09 supplies were unchanged from April at 2,930 million bushels. However, hard red spring (HRS) imports are raised 10 million bushels and SRW imports are lowered 10 million bushels based on the pace to date.

Use. Total projected 2008/09 use is up 27 million bushels to 2,261 million bushels. Projected food use is lowered 3 million bushels based on the milling pace from the Census Bureau's first quarter mill grind report. This report shows a continuation of the extraordinarily flour extraction rate for this marketing year. Projected exports are raised 30 million bushels in May to 1,010 million bushels based on the pace to date. Projected exports of HRW, HRS, and SRW are each raised 10 million bushels.

Ending stocks. Projected total ending stocks for 2008/09, at 669 million bushels, are down 27 million bushels from April. The year-to-year increase in all-wheat ending stocks is 363 million bushels, up 119 percent from that of 2007/08 when ending stocks were the lowest levels since the late 1940s. Year-to-year percentage increases by class of wheat are: white, 42 percent; HRW, 94 percent; HRS, 134 percent; SRW, 197 percent; and durum, 229 percent.

Price. The April all-wheat season-average farm price range of $6.80 to $6.90 per bushel was narrowed to a point estimate of $6.85 per bushel. This projected price is high relative to current cash prices because significant quantities of wheat were forward priced during spring 2008 when prices were well above current levels. Much of this year’s crop was also sold in the cash market prior to October when prices fell sharply.

International Situation and Outlook

World Wheat Production Down From 2008/09, But Still Second-Highest Ever

World wheat production in 2009/10 is projected at 657.6 million tons, down 4 percent from the 2008/09 record, but still the second-largest wheat harvest in history. Foreign wheat production is projected to decrease even less, only 2 percent compared to 2008/09. The slide in wheat prices from historical highs in March 2008 and the prospects of significantly lower prices for this year's crops, coupled with the unfolding global financial crisis, affected some countries' planting. Yet, these developments had little impact on total world wheat area, which declined only 1.3 million hectares, or 0.6 percent. Foreign area even went up 1 percent and reached 203.8 million hectares, the highest foreign wheat area since 1996/97. World wheat yields are projected to decline from the previous year's record, but remain the second-highest in history.

The EU remains the world's largest wheat producer despite a 13.3-million-ton (9 percent) decrease in wheat output. It is projected to produce 138.2 million tons, with wheat area reduced by 4 percent, following an increase in the amount of land put back into voluntary set-aside, and almost 0.5 million hectares switched to oilseeds. EU wheat yields are projected at the third-highest level in history, supported by the better-than-average growing conditions. Precipitation has been good overall, although with certain exceptions. Some dryness has been identified in northwestern Spain, where some crops are still rain-fed. Parts of Portugal and Italy also experienced dryness, which is not unusual for this time of year. April dryness over Eastern Europe also could impact yields. Soil in most other areas within the EU currently is favorably moist.

In China, the world's second-largest wheat producer, wheat output is projected to stay at the 2008/09 level of 113 million tons, with a slight increase in sown area. Despite winter dryness thought to be the worst in decades, which raised concerns about yield potential, the mostly irrigated wheat crop sustained no significant damage. Activities that helped the wheat harvest included intensive irrigation efforts mobilizing millions of people to irrigate the fields—sometimes by handheld buckets—and timely rainfall in some areas.

In the former Soviet Union (FSU-12), wheat production is forecast at 104.05 million tons, down 10 percent from a year earlier. Russia, Ukraine, and Kazakhstan, the three main grain producers and exporters of the region, are projected to harvest 91.0 million tons of wheat, down 11.1 million tons from a year ago. While combined wheat area in the three countries is slightly up in 2009/10 (1.4 percent), a return to normal trend from last year's exceptional yields is projected. Though winter wheat growing conditions were somewhat better than average, delayed spring sowing occurred in Ukraine and Southern Russia as a result of excess moisture during the optimal time for wheat planting. That delay is expected to have an impact on yields.

India is projected to produce 77.5 million tons of wheat, down 1.1 million tons from a year earlier, as a result of a 1.2-percent area reduction. Harvesting is underway, and though weather conditions are good overall, rain and high temperatures late in the season did some damage. In Pakistan, a bumper wheat crop of 24.0 million tons, up 12 percent, is expected as planted area rose by almost 10 percent. As the Government increased the support price by 52 percent, Pakistan farmers started to shift area away from harvesting cotton to planting wheat in a timely fashion, which will ensure higher than average yield.

The Middle East is projected to produce 35.9 million tons in 2009/10, up 12 percent, as harvests in Iran, Syria, and Turkey are expected to improve. Iran, expected to produce 12 million tons, up 2 million tons from 2008/09, was devastated last year by prolonged drought in its rain-fed wheat areas. The country has higher precipitation than last year, and though there are still some drought concerns, soil moisture is better. A shortage of irrigation water has limited wheat production in southern Iran. A recovery is anticipated in Turkey, especially in its southeastern region, where above-normal precipitation in February and March was beneficial for winter wheat. Syria, on the other hand, had rains only late in the season, and is suffering from drought in its eastern regions. Though production is expected to reach 3 million tons, the level of this year's yields and production are still below average.

North Africa's wheat production is projected to reach 18.6 million tons, up 4 million tons (28 percent) from a year earlier, recovering from 2 years of drought in Morocco and Algeria. There has been abundant moisture in Morocco and Algeria during the winter grains planting season, as precipitation was much above average, and rainfall continued to be above-normal well into January. As soil moisture is the primary determinant for area and yield gains in the region, a bumper crop of 6.2 million tons is expected to be harvested in Morocco, almost double from a year earlier, and almost four times the size of the 2007/08 harvest.

Surveys of planting intentions in Canada indicate wheat planting area will be on a par with last year at 10 million hectares. Though flooding in eastern parts of the Canadian prairies could delay spring wheat planting, it is not anticipated to significantly affect the country's wheat crop. It is expected that after last year's record, yields will return to normal trend level, taking wheat production down 9 percent to 26 million tons.

In Brazil and Argentina, wheat sowing starts in late April/early May. Early indications point to below-average planted area in the region, at the same level as in 2008/09. South America is expected to produce 20.3 million tons of wheat, up 3.0 million tons compared with the previous year. In Argentina, area is projected down 0.2 million hectares, while production is up 2.6 million tons to 11 million, which is still far below average. Uncertainty about government export regulations combined with increased production costs, difficulties in obtaining credit, and continued drought, affected farmers' planting decisions. However, some wheat will be planted as part of a rotation cycle with soybeans. Brazil, on the other hand, increased its wheat area in an attempt to fill the void made by an Argentinean reduction in exports. However, continued dryness in Brazil's wheat-producing regions of Parana, Rio Grande do Sol, and Santa Catarina limits the expansion.

Brazil is forecast to produce 5.5 million tons of wheat, down 0.5 million tons, as yields are expected to return to average levels. In another response to Argentina's export restrictions, Uruguay is expected to double its wheat production to 1.6 million tons, boosting wheat area, which is moving into the cattle-grazing territories.

In Australia, early indications suggest production of 23 million tons, 1.5 million tons higher than last year. Winter wheat will be planted from May through July, and most wheat-producing regions received good summer rainfall, significantly improving soil moisture and supporting expectations for trend yields.

Despite Lower Production, Abundant Supplies Boost Stocks While Feed Use Declines

Foreign wheat beginning stocks for 2009/10 are forecast up 37.1 million tons to 148.8 million tons, as record-high wheat production in 2008/09 exceeded the previous year by 60.8 million tons. This stocks increase more than offsets the projected 12.2-million-ton decline in production in 2009/10, and foreign supplies are significantly up year-to-year by 25.2 million tons. The governments of China, EU-27, India, Russia, and Iran have been making intervention purchases during 2008/09, substantially increasing their countries' 2009/10 beginning stocks by 26, 69, 140, 311, and 43 percent, respectively. Argentina's beginning stocks are forecast to be almost depleted after last year's drought. Australia's 2009/10 beginning stocks are projected to remain low, partly because of a doubling of exports in 2008/09. However, stocks are expected to be 0.8 million tons higher than 2008/09, as a result of production recovery in 2008/09 from two consecutive years of drought.

Foreign wheat disappearance is projected to increase by just 1 percent, or 6.5 million tons, to 608.1 million. Despite comparatively low wheat prices, wheat feed and residual is projected 3.4 percent, or 3.7 million, lower than last year's exceptionally high level. Though lower than last year's volume, this quantity of 105.0 million tons is the second highest level since 1990/91, and is more than 9 million higher than in 2007/08. One reason for this year's decline is lower demand for animal feed following gross domestic product (GDP) and income decline in the countries hit by the world economic crisis (EU-27, Canada, Russia, Ukraine, as well as the United States). Another reason is that in 2008/09 the world was awash in the low-quality feed wheat that boosted wheat feeding and led to unusually high losses, especially in countries with substandard storage facilities (such as Russia). Foreign food, seed, and industrial use of wheat is expected to increase by about 1 percent following population growth.

Increases in foreign use are projected to be much smaller than the increase in wheat supplies, boosted by beginning stocks despite lower production and imports. As a result, ending stocks will increase the second year in a row. Foreign ending stocks are projected to reach 165 million tons, up 11 percent, while world ending stocks are projected at 181.9 million tons, up 9 percent. The stocks-to-use ratio is increasing, but still lower than average, and below the historical trend.

World Wheat Trade, U.S. Exports To Decline in 2009/10

World wheat trade in 2009/10 (July-June) is projected to fall to 121.8 million tons, down 10.2 million from the record wheat trade estimated for 2008/09. Increased production across North Africa and the Middle East is expected to result in reduced wheat imports by several countries, limiting trade.

Iran, the world's largest importer in 2008/09, is projected to cut imports in 2009/10 by 2.5 million tons to 6.0 million tons due to increased production. Increased production is expected to cut Pakistan's imports by 2.2 million tons to 1.0 million, Morocco's imports by 1.7 million tons to 1.8 million, Turkey's imports by 1.5 million tons to 1.5 million, and Afghanistan's imports by 1.5 million tons to 1.5 million. Imports by the FSU-12 are forecast down 0.5 million tons to 5.8 million tons mostly due to reduced imports by Turkmenistan. Tunisia, Brazil, and Bangladesh are each projected to trim imports by 0.3 million tons due to ample supplies. Many other countries are projected to have smaller, mostly offsetting, increases or decreases in imports. Iraq's imports are forecast up 0.4 million tons to 3.8 million tons because of consecutive poor crops, but that is the largest year-to-year increase.

Increased exports of wheat (and wheat flour and selected products on a wheat equivalent basis) are projected for Kazakhstan, up 2.0 million tons to 6.5 million. Increased production and better access to transportation facilities through Russia are expected to boost exports. India is forecast to boost wheat exports 1.7 million tons to 2.0 million as burdensome stocks are expected to lead to subsidized exports. Canada is expected to boost exports 1.5 million tons and Australia is projected to increase exports 1.0 million tons during 2009/10 as supplies of good quality wheat are expected to be abundant. Russia's large beginning stocks are expected to facilitate a 0.5-million-ton increase in wheat exports to 17.5 million. China's wheat exports are expected to increase 0.75 million tons to 1.5 million as the rotation of large stocks is expected to lead to exports of feed-quality wheat. Increased production is likely to sustain a small increase in exports by Turkey and a few other countries, but most countries are expected to reduce exports in 2009/10.

Reduced production has caused the largest drop in exports during 2009/10 to be projected for Ukraine, at 6.0 million tons, just half the export level of the previous year. EU exports are projected down 4.0 million tons to 18.0 million as high domestic prices are expected to limit competitiveness despite large supplies. Argentina's exports are forecast down 3.75 million tons to just 4.0 million. The short crop harvested in 2009 is expected to cause shipments during the first part of July-June 2009/10 to move at a very slow pace. Pakistan's flour exports to Afghanistan are expected to drop, reducing exports 1.4 million tons to 1.0 million.

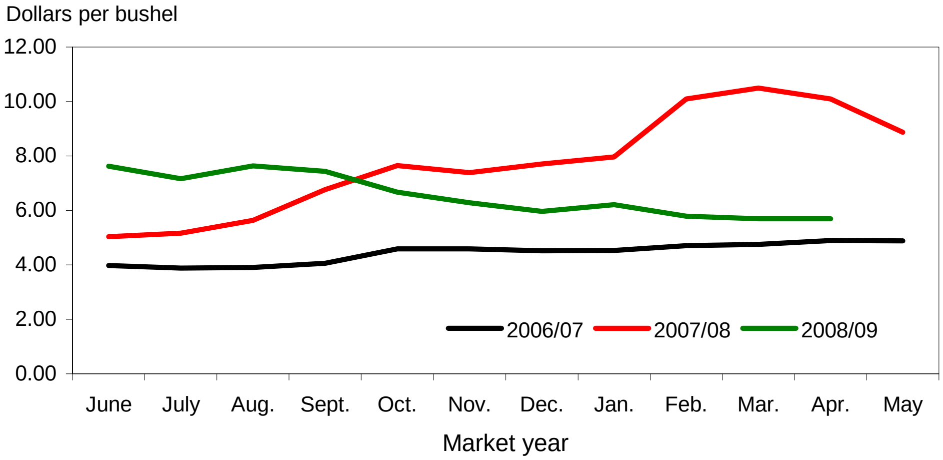
U.S. exports in 2009/10 are projected at 24.5 million tons, down 2.5 million from the previous year. Most of the decline is due to shrinking world trade. The U.S. share of trade is projected to decline slightly. Despite ample beginning stocks, U.S. supplies of some classes or qualities of wheat are likely to be limited by reduced production.

Record 2008/09 Wheat Trade Boosted This Month

Additional trade data became available as the 2008/09 wheat marketing year progressed, making it clear that the blistering pace of wheat exports exceeded what was needed to reach the previous month's forecast. Several countries' export forecasts were adjusted, most as increases. Ukraine is up 1.0 million tons to 12.0 million, Russia is up 0.5 million tons to 17 million, and the EU is up 1.0 million tons to 22.0 million. The U.S. export forecast increased 0.5 million tons to 27.0

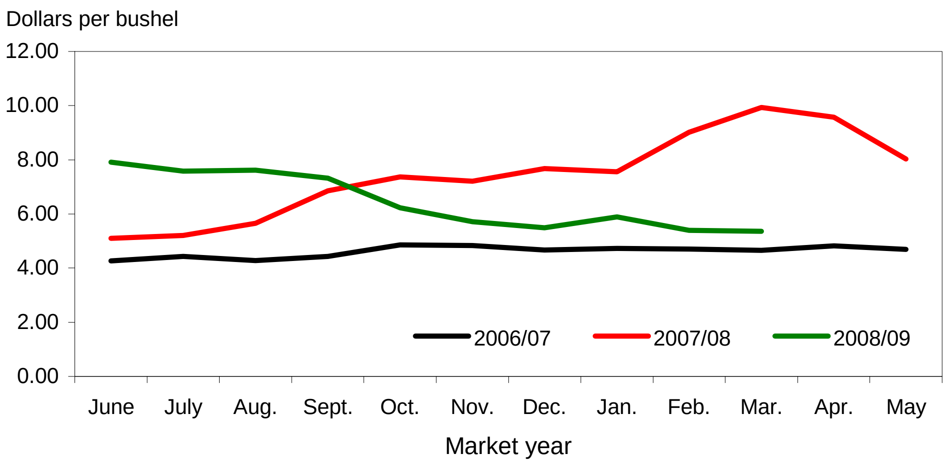
million, based on recent shipments. Partly offsetting the large increases were declines for Canada, down 1.0 million tons, and for Kazakhstan, down 0.7 million tons.

Figure 1
All wheat average prices received by farmers



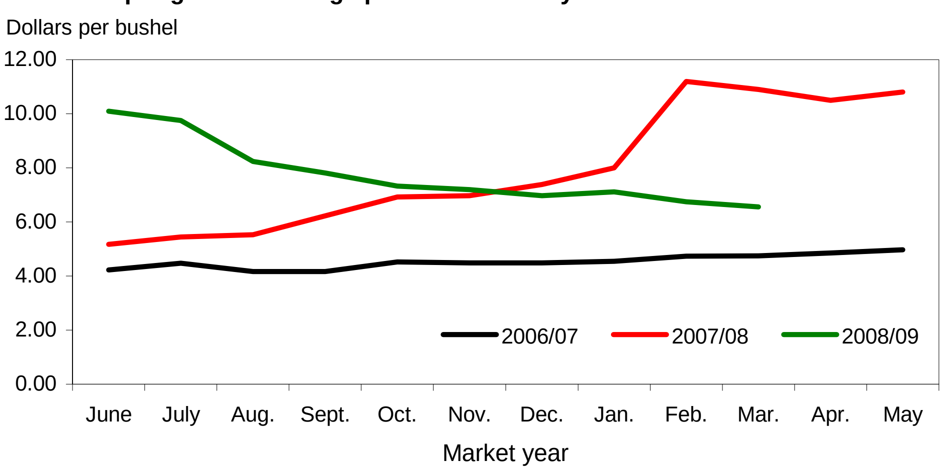
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 2
Hard red winter wheat average prices received by farmers



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

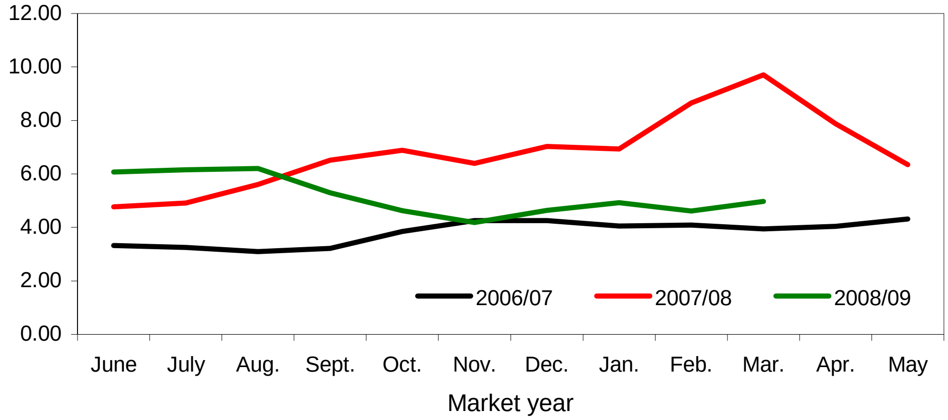
Figure 3
Hard red spring wheat average prices received by farmers



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

Figure 4
Soft red winter wheat average prices received by farmers

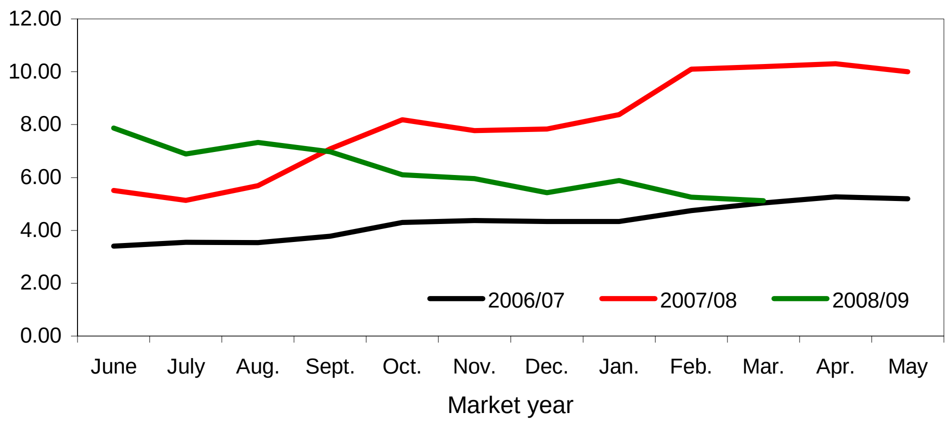
Dollars per bushel



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

Figure 5
Soft white wheat average prices received by farmers

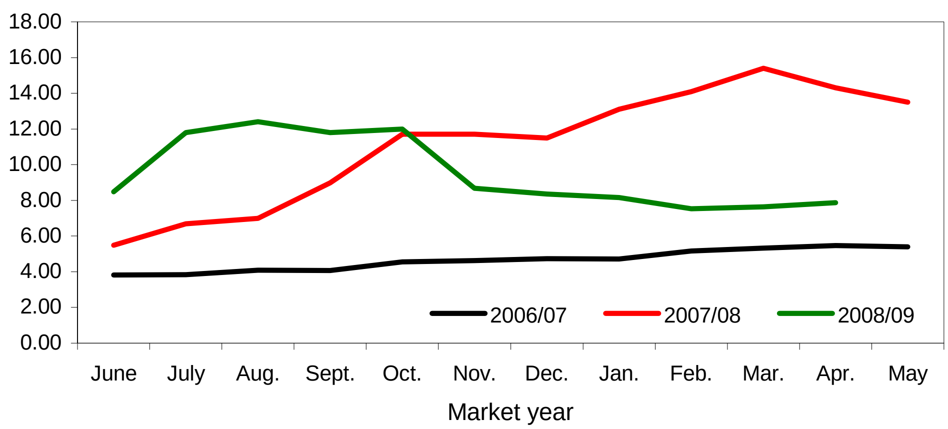
Dollars per bushel



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

Figure 6
Durum wheat average prices received by farmers

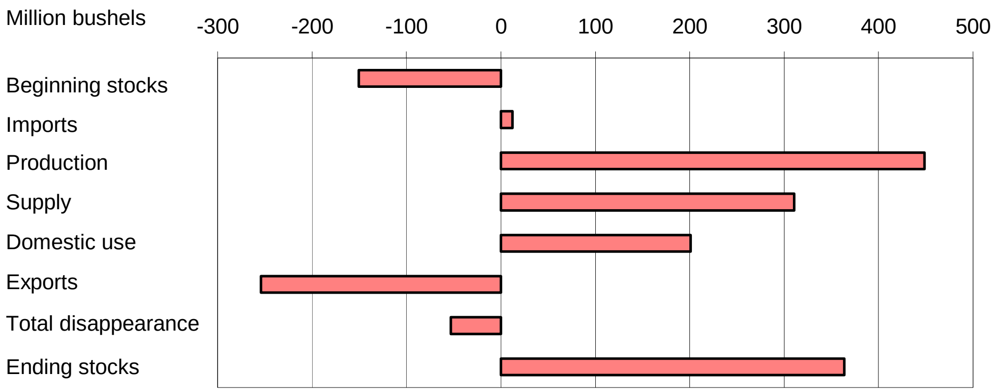
Dollars per bushel



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

Figure 7

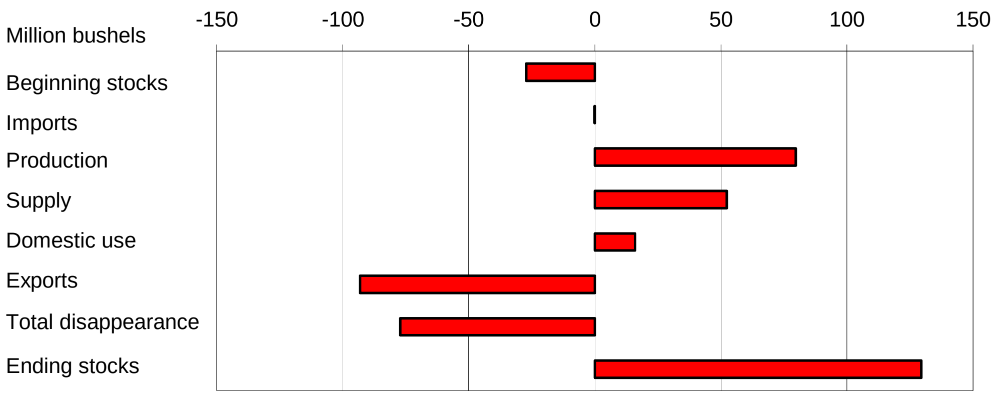
All wheat: U.S. supply and disappearance change from prior market year



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

Figure 8

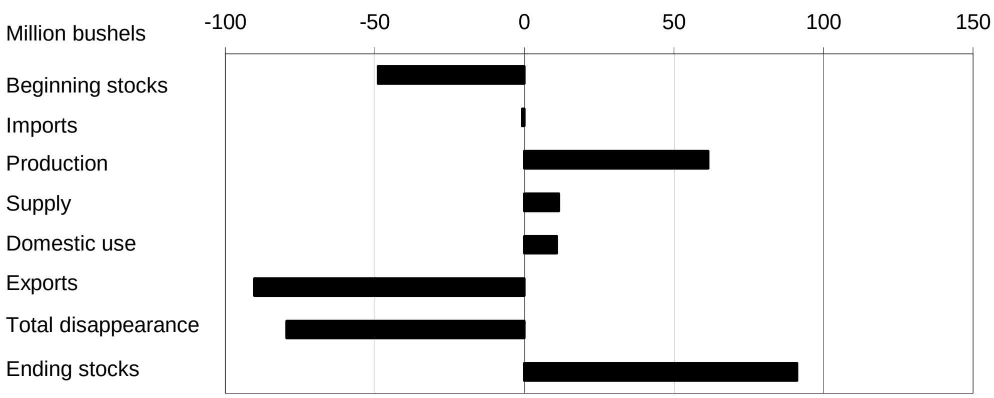
Hard red winter wheat: U.S. supply and disappearance change from prior market year



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

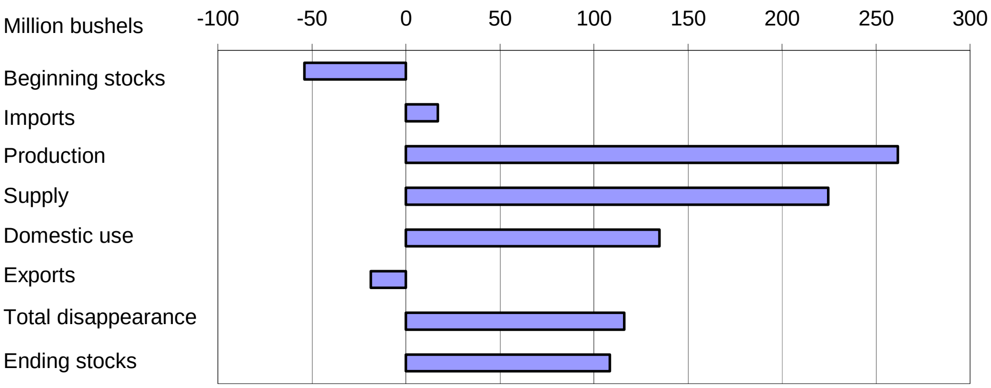
Figure 9

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



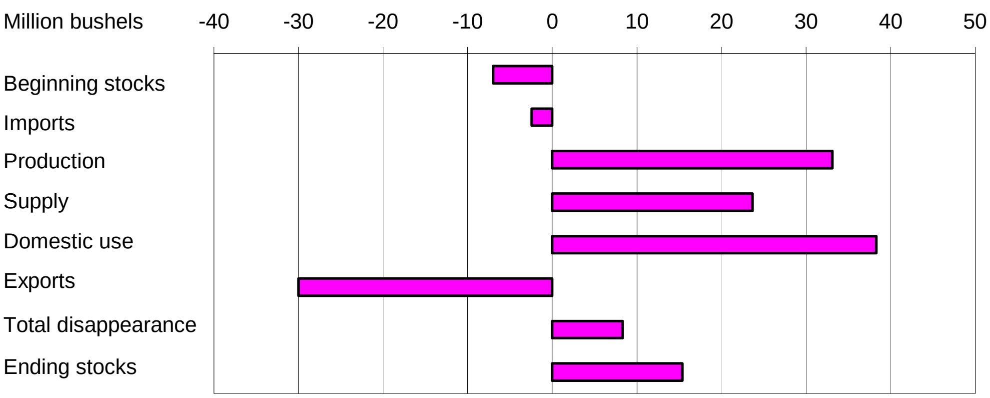
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates.*

Figure 10
Soft red winter wheat: U.S. supply and disappearance change from prior market year



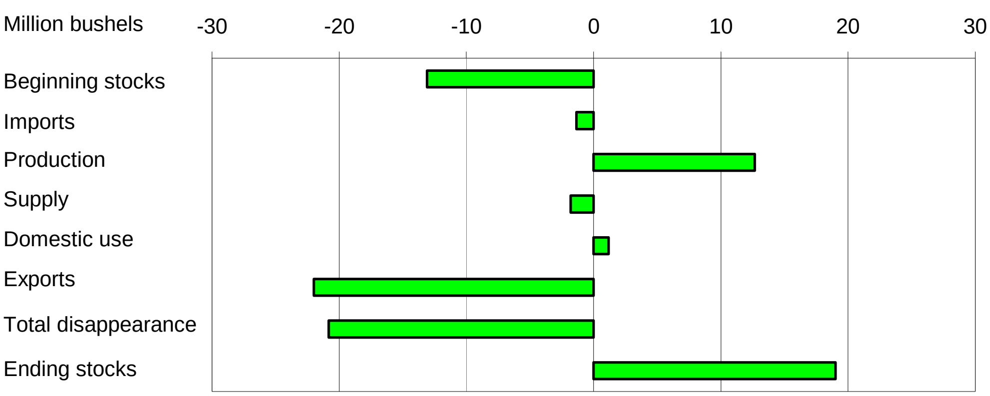
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates.*

Figure 11
White wheat: U.S. supply and disappearance change from prior market year



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

Figure 12
Durum: U.S. supply and disappearance change from prior market year



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

Contacts and Links

Contact Information
Gary Vocke (domestic), (202) 694-5285, gvocke@ers.usda.gov
Edward Allen (international), (202) 694-5288, ewallen@ers.usda.gov
Olga Liefert (international), (202) 694-5155, oliefert@ers.usda.gov
Beverly Payton (Web Publishing), (202) 694-5165, bpayton@ers.usda.gov

Subscription Information
Subscribe to ERS' e-mail notification service at http://www.ers.usda.gov/updates/ to receive timely notification of newsletter availability. Printed copies can be purchased from the USDA Order Desk by calling 1-800-999-6779 (specify the issue number).

Data

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

Related Websites

WASDE
http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194
Grain Circular, http://www.fas.usda.gov/grain_arc.asp
Wheat Briefing Room, http://www.ers.usda.gov/briefing/wheat/

E-mail Notification

Readers of ERS outlook reports have two ways they can receive an e-mail notice about release of reports and associated data.

• Receive timely notification (soon after the report is posted on the web) via USDA's Economics, Statistics and Market Information System (which is housed at Cornell University's Mann Library). Go to http://usda.mannlib.cornell.edu/MannUsda/aboutEmailService.do and follow the instructions to receive e-mail notices about ERS, Agricultural Marketing Service, National Agricultural Statistics Service, and World Agricultural Outlook Board products.

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

Table 1--Wheat: U.S. market year supply and disapperance, 5/14/2009

Item and unit		2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Area:								
Planted	Million acres	62.1	59.6	57.2	57.3	60.5	63.1	58.6
Harvested	Million acres	53.1	50.0	50.1	46.8	51.0	55.7	48.9
Yield	Bushels per acre	44.2	43.2	42.0	38.6	40.2	44.9	41.4
Supply:								
Beginning stocks	Million bushels	491.4	546.4	540.1	571.2	456.2	305.8	669.3
Production	Million bushels	2,344.4	2,156.8	2,103.3	1,808.4	2,051.1	2,499.5	2,026.0
Imports 1/	Million bushels	63.0	70.6	81.4	121.9	112.6	125.0	115.0
Total supply	Million bushels	2,898.9	2,773.8	2,724.8	2,501.5	2,619.9	2,930.3	2,810.4
Disappearance:								
Food use	Million bushels	911.9	909.6	917.1	937.9	947.0	922.0	955.0
Seed use	Million bushels	79.7	77.6	77.1	81.9	87.6	79.0	78.0
Feed and residual use	Million bushels	202.5	180.6	156.6	117.1	15.4	250.0	240.0
Total domestic use	Million bushels	1,194.1	1,167.8	1,150.8	1,136.8	1,049.9	1,251.0	1,273.0
Exports 1/	Million bushels	1,158.3	1,065.9	1,002.8	908.5	1,264.1	1,010.0	900.0
Total disapperance	Million bushels	2,352.4	2,233.7	2,153.6	2,045.3	2,314.0	2,261.0	2,173.0
Ending stocks	Million bushels	546.4	540.1	571.2	456.2	305.8	669.3	637.4
CCC inventory 2/	Million bushels	61.0	54.0	43.0	41.0			
Stocks-to-use ratio		23.2	24.2	26.5	22.3	13.2	29.6	29.3
Contract/direct payment rate	Dollars per bushel	0.52	0.52	0.52	0.52	0.52	0.52	0.52
Farm price 3/	Dollars per bushel	3.40	3.40	3.42	4.26	6.48	6.85	4.70-5.70
Government payments	Million dollars	1,237	1,218	1,151	1,120	1,118	1,118	
Market value of production	Million dollars	7,929	7,283	7,171	7,695	13,289	17,122	10,535

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: 5/13/2009

Table 2--Wheat: U.S. market year supply and disappearance, 5/14/2009

Market year, item, and unit			All wheat	Hard red winter 1/	Hard red spring 1/	Soft red winter 1/	White 1/	Durum
2007/08	Area:							
	Planted acreage	Million acres	60.46	32.98	12.71	8.64	3.97	2.16
	Harvested acreage	Million acres	51.00	25.72	12.39	7.04	3.74	2.12
	Yield	Bushels per acre	40.22	37.16	36.34	50.03	59.15	34.08
	Supply:							
	Beginning stocks	Million bushels	456.15	164.77	117.00	109.00	44.00	21.38
	Production	Million bushels	2,051.09	955.56	450.07	352.03	221.21	72.22
	Imports 2/	Million bushels	112.62	1.09	47.79	13.95	9.43	40.36
	Total supply	Million bushels	2,619.86	1,121.41	614.86	474.98	274.64	133.97
	Disappearance:							
	Food use	Million bushels	946.98	396.33	233.00	150.00	85.00	82.66
	Seed use	Million bushels	87.62	35.24	20.49	21.49	6.04	4.35
	Feed and residual use	Million bushels	15.35	14.22	-11.92	39.78	-23.40	-3.32
	Total domestic use	Million bushels	1,049.95	445.79	241.57	211.27	67.64	83.68
	Exports 2/	Million bushels	1,264.10	538.10	305.29	208.71	170.00	42.00
	Total disappearance	Million bushels	2,314.05	983.88	546.86	419.98	237.64	125.68
	Ending stocks	Million bushels	305.82	137.53	68.00	55.00	37.00	8.29
2008/09	Area:							
	Planted acreage	Million acres	63.15	31.32	13.44	11.20	4.47	2.73
	Harvested acreage	Million acres	55.69	25.94	12.82	10.08	4.27	2.58
	Yield	Bushels per acre	44.89	39.91	39.91	60.88	59.59	32.85
	Supply:							
	Beginning stocks	Million bushels	305.82	137.53	68.00	55.00	37.00	8.29
	Production	Million bushels	2,499.52	1,035.24	511.51	613.58	254.33	84.88
	Imports 2/	Million bushels	125.00	1.00	47.00	31.00	7.00	39.00
	Total supply	Million bushels	2,930.34	1,173.77	626.51	699.58	298.33	132.17
	Disappearance:							
	Food use	Million bushels	922.00	382.00	224.00	155.00	85.00	76.00
	Seed use	Million bushels	79.00	34.75	18.39	16.04	5.95	3.87
	Feed and residual use	Million bushels	250.00	45.00	10.00	175.00	15.00	5.00
	Total domestic use	Million bushels	1,251.00	461.75	252.39	346.04	105.95	84.87
	Exports 2/	Million bushels	1,010.00	445.00	215.00	190.00	140.00	20.00
	Total disappearance	Million bushels	2,261.00	906.75	467.39	536.04	245.95	104.87
	Ending stocks	Million bushels	669.34	267.01	159.12	163.54	52.38	27.30

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: 5/13/2009

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 5/14/2009

Market year and quarter		Production	Imports 1/	Total supply	Food use	Seed use	Feed and residual use	Exports 1/	Ending stocks
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	2,344	16	2,852	231	2	315	265	2,039
	Sep-Nov		18	2,057	240	53	-62	305	1,520
	Dec-Feb		13	1,533	216	2	3	291	1,021
	Mar-May		17	1,037	226	22	-54	296	546
	Mkt. year	2,344	63	2,899	912	80	203	1,158	546
2004/05	Jun-Aug	2,157	17	2,721	227	4	264	287	1,938
	Sep-Nov		19	1,957	236	47	-56	300	1,430
	Dec-Feb		18	1,448	218	2	3	240	984
	Mar-May		17	1,001	229	24	-31	239	540
	Mkt. year	2,157	71	2,774	910	78	181	1,066	540
2005/06	Jun-Aug	2,103	19	2,662	231	2	261	244	1,923
	Sep-Nov		20	1,944	238	50	-61	286	1,429
	Dec-Feb		20	1,450	219	1	4	252	972
	Mar-May		22	995	228	24	-49	220	571
	Mkt. year	2,103	81	2,725	917	77	157	1,003	571
2006/07	Jun-Aug	1,808	26	2,406	235	2	205	214	1,751
	Sep-Nov		29	1,780	243	56	-47	212	1,315
	Dec-Feb		32	1,346	225	1	28	235	857
	Mar-May		34	891	234	22	-69	247	456
	Mkt. year	1,808	122	2,501	938	82	117	908	456
2007/08	Jun-Aug	2,051	30	2,538	240	1	257	323	1,717
	Sep-Nov		21	1,738	245	60	-120	421	1,132
	Dec-Feb		24	1,156	227	2	-42	259	709
	Mar-May		37	746	235	25	-79	260	306
	Mkt. year	2,051	113	2,620	947	88	15	1,264	306
2008/09	Jun-Aug	2,500	28	2,833	236	1	394	344	1,858
	Sep-Nov		28	1,886	238	54	-121	293	1,422
	Dec-Feb		36	1,459	219	1	29	172	1,037
	Mkt. year	2,500	125	2,930	922	79	250	1,010	669
2009/10	Mkt. year	2,026	115	2,810	955	78	240	900	637

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: 5/13/2009

Table 4--Wheat: Monthly food disapperance estimates (1,000 grain-equivalent bushels), 5/14/2009

Mkt year and month 1/		Wheat ground for flour	+	Food imports 2/	+	Nonmilled food use 3/	-	Food exports 2/	=	Food use 4/
2007/08	Jun	73,725		2,262		2,000		2,376		75,611
	Jul	76,121		2,249		2,000		1,620		78,751
	Aug	83,195		2,161		2,000		1,868		85,488
	Sep	79,998		1,957		2,000		2,508		81,447
	Oct	82,745		2,383		2,000		2,959		84,168
	Nov	79,199		2,289		2,000		4,078		79,410
	Dec	74,341		2,216		2,000		1,726		76,831
	Jan	73,304		2,257		2,000		1,726		75,835
	Feb	72,722		2,066		2,000		1,999		74,789
	Mar	77,154		2,192		2,000		1,974		79,373
	Apr	74,322		2,410		2,000		1,694		77,038
	May	75,991		2,240		2,000		1,992		78,239
2008/09	Jun	72,705		2,442		2,000		1,956		75,191
	Jul	74,709		2,319		2,000		1,993		77,035
	Aug	81,651		2,104		2,000		2,404		83,351
	Sep	78,513		1,848		2,000		2,501		79,861
	Oct	78,898		1,943		2,000		2,401		80,440
	Nov	75,517		2,132		2,000		1,635		78,014
	Dec	70,884		1,998		2,000		1,743		73,139
	Jan	71,384		1,902		2,000		1,865		73,421
	Feb	70,817		1,755		2,000		1,864		72,708

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: 5/13/2009

Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 5/14/2009

Month	All wheat		Winter		Durum		Other spring	
	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
June	5.03	7.62	5.00	7.51	5.49	8.48	5.17	10.10
July	5.17	7.16	5.13	7.10	6.69	11.80	5.43	9.60
August	5.64	7.64	5.66	7.31	7.00	12.40	5.53	8.22
September	6.76	7.43	6.89	6.99	8.98	11.80	6.26	7.77
October	7.65	6.67	7.55	6.05	11.70	12.00	6.99	7.26
November	7.39	6.28	7.31	5.64	11.70	8.68	7.00	7.12
December	7.71	5.97	7.70	5.41	11.50	8.35	7.39	6.90
January	7.96	6.21	7.75	5.73	13.10	8.15	8.01	7.03
February	10.10	5.79	9.17	5.26	14.10	7.53	11.20	6.62
March	10.50	5.70	9.96	5.26	15.40	7.63	10.90	6.50
April	10.10	5.69	9.62	5.16	14.30	7.87	10.50	6.27
May	8.87		8.17		13.50		10.70	

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

Table 6--Wheat: National average prices received by farmers by class (dollars per bushel), 5/14/2009

Month	Hard red winter		Soft red winter		Hard red spring		White	
	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
June	5.10	7.91	4.77	6.07	5.17	10.10	5.51	7.87
July	5.20	7.58	4.91	6.15	5.44	9.75	5.13	6.89
August	5.65	7.61	5.61	6.20	5.53	8.24	5.69	7.32
September	6.85	7.32	6.51	5.29	6.22	7.81	7.08	6.97
October	7.37	6.23	6.89	4.62	6.92	7.33	8.18	6.10
November	7.21	5.72	6.39	4.18	6.97	7.19	7.77	5.96
December	7.68	5.49	7.03	4.64	7.38	6.97	7.83	5.43
January	7.56	5.89	6.93	4.93	8.00	7.11	8.38	5.89
February	9.02	5.39	8.65	4.61	11.20	6.74	10.10	5.26
March	9.93	5.36	9.70	4.97	10.90	6.56	10.20	5.12
April	9.58		7.88		10.50		10.30	
May	8.03		6.35		10.80		10.00	

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

Date run: 5/13/2009

Table 7--Wheat: Average cash grain bids at principal markets, 5/14/2009

Month	No. 1 hard red winter (ordinary protein) Kansas City, MO (dollars per bushel)		No. 1 hard red winter (13% protein) Kansas City, MO (dollars per bushel)		No. 1 hard red winter (ordinary protein) Portland, OR (dollars per bushel)		No. 2 hard red winter (ordinary protein) Gulf ports, LA 1/ (dollars per metric ton)	
	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
June	6.22	9.19	6.32	10.82	6.12	--	226.04	346.60
July	6.28	8.68	6.56	8.97	6.35	8.49	241.34	329.60
August	6.84	8.64	7.04	9.02	6.95	8.76	264.38	335.61
September	8.52	7.52	8.79	7.87	8.55	7.63	338.20	299.06
October	8.89	6.17	9.22	6.58	9.37	--	345.07	245.15
November	8.62	6.21	9.08	6.55	8.95	--	329.22	236.57
December	9.80	6.06	10.39	6.45	10.30	5.44	374.05	--
January	9.97	6.59	10.94	6.98	10.22	5.91	374.37	247.93
February	12.28	6.21	15.12	6.50	11.29	5.51	435.58	--
March	12.29	6.23	14.10	6.60	--	5.59	450.41	--
April	10.29	6.10	11.36	6.63	--	6.14	370.56	--
May	9.33		10.40		--		331.01	

	No. 1 dark northern spring (13% protein) Minneapolis, MN (dollars per bushel)		No. 1 dark northern spring (14% protein) Minneapolis, MN (dollars per bushel)		No. 1 dark northern spring (14% protein) Portland, OR (dollars per bushel)		No. 1 hard amber durum Minneapolis, MN (dollars per bushel)	
	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
June	6.19	11.35	6.19	11.46	6.48	10.79	7.40	--
July	5.55	11.35	6.60	11.46	6.95	9.69	8.50	--
August	6.79	9.38	6.88	9.87	7.28	9.85	--	--
September	--	7.91	8.20	8.51	9.62	9.14	11.25	--
October	9.24	6.93	9.27	7.37	9.67	7.94	15.00	--
November	9.43	6.61	9.39	6.80	9.71	8.12	--	--
December	10.86	6.78	11.06	7.78	11.59	8.00	--	--
January	12.34	7.02	12.59	8.02	12.95	8.21	--	--
February	18.55	6.84	19.00	7.64	18.59	7.83	23.25	--
March	14.68	6.78	15.60	7.57	--	7.82	--	--
April	13.11	6.98	12.93	7.72	--	7.83	--	--
May	11.52		12.06		11.97		--	--

	No. 2 soft red winter St. Louis, MO (dollars per bushel)		No. 2 soft red winter Chicago, IL (dollars per bushel)		No. 2 soft red winter Toledo, OH (dollars per bushel)		No. 1 soft white Portland, OR (dollars per bushel)	
	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
June	5.19	6.20	5.25	7.20	5.14	7.39	6.06	7.97
July	5.61	5.92	5.52	6.87	5.79	6.59	6.36	7.93
August	6.14	6.05	6.24	6.77	6.73	6.29	6.91	8.23
September	7.99	5.17	7.98	5.45	8.47	5.15	8.88	6.91
October	--	3.96	7.89	3.76	8.38	4.02	9.94	5.33
November	7.70	4.03	7.57	3.68	7.78	4.02	10.05	5.23
December	8.58	4.07	8.69	4.01	9.00	4.08	12.39	5.28
January	8.50	4.51	8.55	4.62	9.07	4.71	14.33	5.76
February	9.72	4.41	10.12	4.28	10.48	4.20	12.46	5.68
March	9.11	4.45	10.40	4.40	10.58	4.24	12.00	5.53
April	7.21	4.44	7.72	4.43	8.32	4.28	10.26	5.46
May	5.97		6.59		7.02		--	

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

Date run: 5/13/2009

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 5/14/2009

Item		Sep 2008	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009
Exports	All wheat grain	117,332	93,462	75,311	54,389	56,634	55,825
	All wheat flour 1/	1,053	856	1,055	958	969	858
	All wheat products 2/	1,466	1,554	585	785	937	1,030
	Total all wheat	119,850	95,872	76,951	56,131	58,540	57,713
Imports	All wheat grain	7,495	6,604	7,771	7,064	12,032	11,400
	All wheat flour 1/	793	820	853	637	743	681
	All wheat products 2/	1,057	1,125	1,280	1,609	1,161	1,078
	Total all wheat	9,344	8,548	9,905	9,310	13,936	13,159

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: 5/13/2009

Table 9--Wheat: U.S. exports, Census and export sales comparison (1,000 metric tons), 05/14/09

Importing country	2006/07		2007/08		2008/09 (as of 04/30/09)		
	Shipments				Shipments		Total
Data source	Census 1/	Export sales 2/	Census 1/	Export sales 2/	Export sales 2/		
Country:							
Japan	3,142	3,228	3,644	3,319	2,822	339	3,161
Egypt	1,982	1,982	2,908	3,276	1,928	0	1,928
Nigeria	2,467	2,441	2,504	2,597	2,434	246	2,680
Mexico	2,260	2,138	2,575	2,568	2,259	216	2,475
Iraq	898	799	1,912	1,964	1,205	0	1,205
Philippines	1,648	1,739	1,525	1,538	1,319	212	1,531
South Korea	1,196	1,191	1,499	1,509	1,009	134	1,143
Indonesia	765	683	1,058	1,093	612	58	670
Taiwan	1,006	999	1,092	1,068	620	95	715
Venezuela	729	705	956	997	534	34	568
EU-27	634	786	1,774	1,915	846	28	873
Total grain	24,133	22,902	33,676	32,564	24,181	2,161	26,342
Total (including products)	24,712	22,950	34,400	32,617	24,261	2,169	26,430
USDA forecast of Census					27,488		

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.