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Wheat Outlook

Gary Vocke
gvocke@ers.usda.gov
Olga Liefert
oliefert@ers.usda.gov

U.S. Export Prospects Improve This Month

Contents

Domestic Outlook
Intl. Outlook
Contacts & Links
Tables
Supply & Use by Year
Supply & Use by Class
Quarterly Supply & Use
Monthly Food Use
National Avg. Prices
Prices Received by Farmers by Class
Cash Grain Bids
Exports & Imports
Census & Exports
Web Sites
WASDE
Grain Circular
Wheat Briefing Room

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U.S. wheat ending stocks for 2010/11 are lowered this month as higher expected exports more than offset an increase in forecast production and lower projected feed and residual use. Production is forecast 49 million bushels higher, mostly reflecting higher yields for durum and other spring wheat, especially in the Northern Plains. Winter wheat production is also raised slightly as higher yields in the Northern Plains and Pacific Northwest more than offset reductions in the eastern Corn Belt. Feed and residual use is lowered 10 million bushels as rising values have priced wheat out of feed rations. Exports are projected 200 million bushels higher with declines in foreign production, particularly in the FSU-12, reducing global supplies and making U.S. wheat competitive in key Middle East and North Africa markets. U.S. ending stocks are projected 141 million bushels lower from last month, and down 21 million bushels from 2009/10. The 2010/11 season-average farm price is projected at $4.70 to $5.50 per bushel, up 50 cents on both ends of the range.

Several changes are made to U.S. supply and use estimates for 2009/10 based on the latest U.S. Bureau of Census trade and mill grind data and revisions. Exports are raised 16 million bushels and imports are raised 4 million bushels. Food use is lowered 3 million bushels. Thus, feed and residual is estimated 10 million bushels lower.

World wheat production for 2010/11 is projected to decline 15.3 million tons this month, as a 16.7-million-ton projected drop in foreign production more than offsets a 1.3-million-ton increase in U.S. wheat output. This month’s changes feature a dramatic 13.5-million-ton reduction in wheat production forecast collectively for Russia, Ukraine, and Kazakhstan, the three countries that together produce more than 85 percent of FSU-12 wheat. Wheat production in the EU-27 for 2010/11 is projected down 4.3 million tons this month to 137.5 million.

The substantial reduction in foreign wheat production is partly offset by an increase in production prospects in the U.S., Australia, India, and several other countries. World wheat use is projected to be down only modestly, while projected 2010/11 world wheat ending stocks drop 12.3 million tons, or 7.0 percent. U.S. export prospects soar with competitors' wheat production prospects down this month, and with the announcement of the Russian export ban on grain.

Domestic Situation and Outlook

Forecast 2010 Production Is Up From Last Month

All-wheat 2010 production is forecast at 2,265 million bushels, up 49 million bushels from July and up 49 million bushels from 2009. All-wheat harvested area is forecast at 48.3 million acres, unchanged from July, but down 1.6 million acres from last year. The U.S. all-wheat forecast yield is 46.9 bushels per acre, up 1.0 bushel from July and up 2.5 bushels from 2009. The 2010 yield is up 2.0 bushels per acre from the previous record high of 44.9 bushels in 2008.

Winter Wheat Forecasts by Class

Hard red winter wheat (HRW) production is forecast at 1,029 million bushels, up 18 million bushels from July because of higher yield and up 110 million bushels-from a year ago. HRW production is forecast up from 2009 despite a 3.2-million-acre drop in planted area because of both a lower abandonment rate and a higher yield than in 2009. In 2009, Texas and Oklahoma harvested areas and yields were adversely impacted by dry conditions and a spring freeze. Planted and harvested areas are unchanged from July. Despite large decreases in planted acres in 2010 from 2009, harvested acres in Oklahoma and Texas are up 400,000 and 1.1 million acres, respectively, as both States have experienced more favorable growing conditions than a year ago. Nationally, forecast planted area, harvested area, yield, and year-to-year changes for 2010, respectively, are 28.5 million acres, down 3.2 million acres; 24.0 million acres, down 0.1 million acres; and 42.9 bushels per acre, up 4.8 bushels per acre. The forecast harvested-to-planted ratio for HRW for 2010 is 0.84 compared with 0.76 for 2009.

Soft red winter wheat (SRW) production is forecast at 260 million bushels, down 8 million bushels from July because of lower yield and down 144 million bushels from last year. Planted and harvested areas are unchanged from July. SRW production is forecast to drop from 2009, with lower harvested area and yield. In fall 2009, a rain-delayed row-crop harvest and low prices reduced SRW seedings. Forecast planted area, harvested area, and yield and year-to-year changes for 2010, respectively, are 5.8 million acres, down 2.5 million acres; 4.8 million acres, down 2.4 million acres; and 53.9 bushels per acre, down 2.2 bushels per acre.

White winter wheat production is forecast to total 234 million bushels, up 8 million bushels from July because of higher yield and up 34 million bushels from a year ago. Of the white winter wheat production total, 19 million bushels are **hard white winter** (HWW) and 215 million bushels are **soft white winter** (SWW). The HWW 2010 planted and harvested areas were 330,000 acres and 291,000 acres, unchanged from July. In 2009, the HWW harvested and planted areas are 248,000 million acres and 304,000 acres. HWW 2010 yield is forecast at 64.0 bushels per acre, compared to 59.6 bushels in 2009. The SWW 2010 planted and harvested areas are 3.1 million acres and 3.0 million acres, unchanged from July. In 2009, the SWW harvested and planted areas were 3.0 million acres and 2.9 million acres. SWW 2010 yield is forecast at 71.8 bushels per acre, compared to 63.8 bushels in 2009.

Spring Wheat Forecasts by Class

Hard red spring (HRS) production is forecast at 593 million bushels, up 26 million bushels from July because of higher yield and up 45 million bushels from 2009. HRS production is forecast up as higher harvested area and higher yields are forecasted. Planted and harvested areas are unchanged from July. Forecast planted area, harvested area, yield, and year-to-year changes for 2010, respectively, are 13.3 million acres, up 0.7 million acres; 13.0 million acres, up 0.7 million acres; and 45.7 bushels per acre, up 1.2 bushels per acre.

White spring production is forecast to total 41 million bushels, up 1 million bushels from July because of higher yield and up 5 million bushels from a year ago. Of the white spring wheat production total, 8 million bushels are **hard white spring** (HWS) and 32 million bushels are **soft white spring** (SWW). The HWS 2010 planted and harvested areas are 104,000 acres and 101,000 acres, unchanged from July. In 2009, the HWS harvested and planted areas were 104,000 acres and 100,000 acres. HWS 2010 yield is 79.2 bushels per acre compared to 82.5 bushels in 2009. The SWS 2010 planted and harvested areas were 544,000 acres and 528,000 acres, unchanged from July. In 2009, the SWS harvested and planted areas are 550,000 acres and 537,000 acres. SWS 2010 yield is forecast at 61.2 bushels per acre compared to 53.3 bushels in 2009.

Durum wheat production is forecast to total 109 million bushels in 2009, up 5 million bushels from July because of higher yield, but unchanged from a year ago. Production is unchanged from 2009 as lower yield offsets a higher harvested area. Planted and harvested areas for 2010 are unchanged from July. Forecast planted area, harvested area, yield, and year-to-year changes for 2010, respectively, are 2.7 million acres, up 121,000 acres; 2.6 million acres, up 160,000 acres; and 42.0 bushels per acre, down 2.9 bushels per acre. If this yield is realized, it will still be the second-highest yield ever, trailing only last year.

Hard and Soft White Wheat Area and Production Forecasts

All white wheat production for 2010 is 274 million bushels, up 8 million bushels from July because of higher yield and up 37 million bushels from 2009. All white wheat planted and harvested areas for 2010, at 4.1 million acres and 3.9 million acres, are unchanged from July and are both up from 2009. All white wheat yield for 2010 is 70.0 bushels per acre, up 7.6 bushels from 2009.

The all soft white planted area for 2010, at 3.6 million acres, is unchanged from July and is nearly the same as in 2009. The all hard white wheat planted area is 434,000 acres, unchanged from July, but down from 452,000 acres in 2009. The all soft white harvested area for 2010, at 3.5 million acres, is unchanged from July, but up 0.1 million acres from 2009. The all hard white wheat harvested area is forecast at 392,000 acres, unchanged from July, but down from 404,000 acres in 2009. The all hard white wheat yield for 2010 is 68.8 bushels per acre, up 4.5 bushels from 2009. The all soft white wheat yield for 2010 is forecast at 70.2 bushels per acre, up 8.1 bushels from 2009.

2010/11 Ending Stocks Down From July

Projected **ending stocks** all-wheat for 2010/11, at 952 million bushels, are down 141 million bushels from July. The 49-million-bushel increase in supplies only partially offsets the 190-million-bushel increase in total use, lowering ending stocks month to month.

Projected **supplies** for 2010/11, at 3,338 million bushels, are up month to month because of higher production, up 49 million bushels to 2,265 million bushels. Carry-in stocks of 973 million bushels and projected imports of 100 million bushels are unchanged from July.

Supplies for 2010 are up 347 million bushels from 2009/10. Higher production (up 49 million bushels) and higher carry-in stocks (up 316 million bushels) more than offset lower projected imports (down 19 million bushels).

Projected **domestic use** for 2010/11 is down 10 million bushels from July, but up 49 million bushels from 2009/2010. **Food use** for 2010/11 is projected at 940 million bushels, unchanged from July, but up 23 million bushels from 2009/10. The higher year-to-year food use reflects (1) an expected decrease in average flour extraction rate from the extraordinarily high rate for 2009/10, (2) population growth, and (3) constant per capita flour consumption year to year. **Feed and residual use** is projected at 170 million bushels, down 10 million bushels from July, as higher prices limit the competitiveness of wheat in livestock and poultry rations. Projected feed and residual use for 2010/11 is 21 million bushels above feed and residual use for 2009/10. **Exports** are projected at 1,200 million bushels, up 200 million bushels from July and up 319 million bushels from 2009/10, because of expected lower production in several major exporting countries and strong early-season export sales. Thus, **ending stocks** for 2010/11 are projected at 952 million bushels, down 141 million bushels from July and down 21 million bushels from 2009/10.

The 2010/11 **farm price range** is projected at $4.70 to $5.50 per bushel, up 50 cents on each end of the range from July on tighter U.S. and world supplies. This compares with $4.87 for the previous year and the record high of $6.78 for 2008/09.

2010/11 Year-to-Year Comparisons By Class

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

Projected 2010/11 carryin stocks of all classes are up year to year, with HRW's 130-million-bushel increase leading the other classes. Projected all-wheat imports are down 19 million bushels year to year, mostly because of lower SRW imports. Forecast production of SRW and durum are down year to year, especially SRW (down 144 million bushels). Production of the other three classes is up year to year, with HRW up the most with its 110-million-bushel increase.

Projected changes in domestic use vary by class of wheat. Domestic use is up year to year for HRW and white, but down for the other three classes. Projected exports are higher for all classes of wheat except SRW. Exports of both hard wheat classes are projected sharply higher year to year.

Projected ending stocks for 2010 are up year to year for HRS, white, and durum, but down for HRW and SRW. The year-to-year percentage decrease in all-wheat ending stocks is 2 percent. HRS, white, and durum projected ending stocks are up 11 percent, 22 percent, and 14 percent, respectively, while HRW and SRW ending stocks are down 2 percent and 26 percent.

2010 Spring Wheat Conditions Better Than Last Year

USDA's National Agricultural Statistics Service (NASS) reported in the August 9 *Crop Progress* that as of August 8, 82 percent of the 2010 spring wheat was rated good to excellent and only 3 percent was rated poor to very poor. A year ago at this time, 72 percent of the spring wheat crop was rated good to excellent and 7 percent was rated poor to very poor.

August Trade and Food Use Changes for 2009/10

Total wheat supplies for 2009/10, at 2,991 million bushels, are up 4 million bushels from July because of higher-than-expected imports. 2009/10 supplies are up 59 million bushels from the previous year as much higher beginning stocks more than offset lower production and imports.

Total projected use for 2009/10, at 2,018 million bushels, is up 4 million bushels from July because higher-than-expected exports more than offset lower-than-expected food use and feed-and-residual use. Total use for 2009/10 is down 257 million bushels from the previous year because of both lower domestic use and lower exports.

Projected **food use**, at 917 million bushels, is down 3 million bushels from July, based on the August Census mill grind report, and down 10 million bushels year to year. The flour extraction rate for 2009/10, at 77.1 percent, is slightly higher than the level of the 2008/09 marketing year and per capita flour consumption is also expected to be down significantly year to year.

High flour extraction rates mean that fewer bushels of wheat need to be milled to produce a given quantity of flour. The extraction rates of the past two marketing years were extraordinarily high by historical standards. The average monthly flour extraction rate from 1990/91 to 2007/08 was 74.6 percent. The highest marketing-year extraction from 1990/91 to 2007/08 was 75.9 percent for 1996/97. The 1996/97 marketing year, like 2008/09 and 2009/10, was a year of high wheat prices.

Projected **seed use**, at 70 million bushels, is unchanged from July, but down 8 million bushels from 2008/09. Seed use is lower because of the smallest winter wheat plantings since 1970. Seedings were down as rain-delayed row crop harvesting prevented plantings and prices were lower year to year at planting time.

Total projected **feed and residual** use, at 149 million bushels, is down 10 million bushels from as a net result of lower-than-expected food use and higher-than-expected exports.

The 2009/10 **exports** are up 16 million bushels from July, but down 134 million bushels from 2008/09. Exports in 2009/10 are down 382 million bushels from the recent high in 2007/08. Exports in 2007/08 were a 15-year high as adverse weather around the world reduced global production and increased the demand for U.S. wheat. Farmers around the world responded to the high prices that resulted from the tight global stocks-to-use situation in 2007/08, and the resulting additional foreign supplies reduced demand for relatively higher priced U.S. wheat during 2009/10.

Export changes by class from July are based on final Census trade numbers for 2009/10. Exports of HRW, HRS, SRW, and durum are raised, while white is unchanged.

Ending wheat stocks for 2009/10, at 973 million bushels, are unchanged from July. Ending stocks for 2009/10 are 316 million bushels above 2008/09 and 667 million bushels above 2007/08. Ending stocks for 2007/08 were the lowest since the late 1940s. The 2009/10 ending stocks are the highest since 1987/88. The year-to-year percentage increase in projected all-wheat ending stocks is 48 percent. Projected ending stock increases year-to-year for HRW, HRS, SRW, white, and durum are 51 percent, 65 percent, 41 percent, 23 percent, and 38 percent, respectively.

The marketing-year **average farm price** for 2009/10is $4.87 per bushel, unchanged from July. This price was less than the two preceding marketing years: the all-time record $6.78 in 2008/09 and $6.48 in 2007/08.

The 2009/10 **supply and disappearance estimates by quarter and by class** will be posted in the ERS wheat briefing room in a few days at http://www.ers.usda.gov/Data/Wheat/otherdata.aspx.

USDA Wheat Baseline, 2010-19

Each year, USDA updates its 10-year projections of supply and utilization for major field crops grown in the United States, including wheat. A detailed discussion summarizing the historical forces determining U.S. wheat supply and utilization, and the analysis underlying the wheat projections for 2010-19, is available at www.ers.usda.gov/briefing/wheat/2010baseline.htm.

International Situation and Outlook

World Wheat Production Down Sharply, Supplies Are Adequate

World wheat production for 2010/11 is projected to decline again this month by 15.3 million tons, following a 16.7-million-ton projected drop in foreign production that more than offset a 1.3-million-ton increase in U.S. wheat output. Foreign wheat production projected for 2010/11 is reduced this month to 584.1 million tons, 35.9 million tons below last year's (2009/10) record of 620.0 million tons for foreign wheat output (world wheat output hit a historical high in 2008/09 at 683 million tons). Foreign wheat area is projected down slightly this month. Major reductions in production are made for three main FSU-12 wheat producers, Russia, Ukraine, and Kazakhstan, and for the EU-27. These reductions are partly offset by higher projected output in the U.S., Australia, India, and several other countries.

This month's changes feature a dramatic 13.5-million-ton reduction in wheat production forecast collectively for Russia, Ukraine, and Kazakhstan, the three countries that together produce more than 85 percent of FSU-12 wheat. The biggest drop in 2010/11 wheat production of 8 million tons is forecast for Russia, where wheat output is lowered a third straight month to 45 million tons (last month wheat production in Russia was lowered by 4.5 million tons). This level of wheat production is 16.7 million tons lower than last year, 8.5 million tons lower than the last 5-year average, but 10.5 million tons higher than the annual average of 1996-2000. Current output is higher than during 1996-2000 because of an increased share of higher yielding winter wheat in total wheat production, and also because of structural improvements in Russian agriculture. In Kazakhstan, wheat production is forecast 2.5 million tons lower this month, down to 11.5 million, which is 5.5 million tons lower than last year's record crop and 2.6 million tons lower than the 5-year average. This year's wheat production also is more than 3 million tons higher than the 1996-2000 annual average, but this difference can be attributed mostly to an area increase, as the current projected yield is slightly lower than the 1996-2000 average. In Ukraine, wheat production is projected down 3 million tons to 17 million.

In Russia and Kazakhstan, severe heat and drought in July and in the beginning of August continued to scorch much of the primary spring wheat areas in European Russia and stretching to western and northern Kazakhstan. Rainfall has been very light across the affected areas, many of which have had less than 50 percent of normal precipitation, and in some parts precipitation was less than 15 percent of normal. In many parts of the Volga and Central regions of Russia, temperatures damaging for wheat – higher than 35 degrees C (95 F) – have occurred for days on end, setting new records. The drought (worst on record) and relentless heat have caused an outbreak of wildfires throughout the region, exacerbating the damage. Although the Southern and North-Caucasus districts of Russia have also suffered from heat and drought, these conditions have not hurt the wheat crop much, because they hit after the wheat reached its mature stage of development. In these regions, wheat has been almost completely harvested, with yields higher than last year. Siberia has escaped the drought, and is expected to have a higher than average harvest. Despite Russia's worst weather in decades, its 2010 grain output is close to the average from 1996-2000. The drop in Russian grain output therefore should not overly disrupt world markets, as the country will be returning to production levels achieved just 10-15 years ago and it has large wheat carry-in stocks.

In Kazakhstan, drought seems to have affected mostly western regions of the country that are not major contributors to the country's wheat output. Important wheat growing areas in the north of the country, which produce 80 percent of the country's wheat, were affected on a lesser scale.

Developments in Ukraine differ from the Russian and Kazakhstan prolonged drought story. Ukraine is situated between Russia in the east and the EU-27 (Poland) in the west. This year's weather conditions in the European continent (from the UK in the west to the Ural mountains of Russia), have been rather peculiar, in that the excessive precipitation that has plagued eastern Europe and the drought in European Russia had a more or less permanent dividing line (a high pressure barrier) that passed through the middle of Ukraine. As a result, weather in Ukraine this year has been consistently divided by dryness in the east (in July and August excessive heat started to build up, with temperatures reaching 41 C (105 F)), and much higher than normal wetness in the west, with both extremes in weather conditions hurting crop development and harvesting. Wheat harvesting in Ukraine has almost been completed, and harvest reports as well as estimates by the Ukrainian Ministry of Agriculture point to wheat production at 17 million tons. Wheat output in Belarus is also forecast down 0.3 million tons this month, reflecting harvest reports.

The EU-27 wheat production forecast continues to fall for the third month in a row. Wheat production in the EU-27 for 2010/11 is projected down 4.3 million tons this month to 137.5 million, just 0.7 million tons down from last year. This month's changes reflect further quantifying of the impact on crop yield potential of dryness in the western part of Europe that spread from the UK to Germany. Much of the northwestern part of Europe had less than 60 percent of the normal level of precipitation, with maximum temperatures in July reaching 35-36 C. The weather has cooled down in August, and some rain is being forecast for mid-August. Dryness in the northwest of the EU-27 led to rapidly depleting soil moisture levels in parts of Germany, France, Denmark, and Belgium-Luxemburg, where wheat production is down this month by 1.5, 0.5, 0.2, and 0.1 million tons, respectively. In the eastern part of the EU-27, where excessive wetness has been persistent since May, wheat crop yield estimates are also continuing to decrease. Among East European countries, wheat production is down in Hungary, Romania, Bulgaria, Slovakia, and Estonia by 0.8, 0.7, 0.4, 0.1, and a 0.02 million tons, respectively. Wheat output is also decreased for Croatia by 0.3 million tons.

In Brazil, wheat already has been planted, and production prospects are down 0.5 million tons to 5.0 million this month following a 0.3-million-hectare area reduction. In Algeria, wheat already has been harvested, and output was adjusted down 0.5 million tons to 3.4 million. In Uruguay, wheat output is down 0.45 million tons this month to 1.1 million as a result of both area and yield reductions. Wheat planting in Uruguay has been finished, and yield potential appears to be in line with last year.

The substantial reduction in foreign wheat production is partly offset by an increase in production prospects in Australia, India, and several other countries. In Australia, wheat production is projected 1.0 million tons higher this month, reaching 23 million. The increase is based mainly on a wheat area rise. The eastern provinces of Australia have been enjoying warm weather and good precipitation favorable for planting this year. Wheat planting is complete in North South Wales (NSW), Victoria, and South Australia, with some additional late planting in NSW. Wheat area is up 0.25 million hectares to 13.25 million this month, estimates that are supported by those issued by the Australian Bureau of Agricultural and Resource Economics (ABARE). In India, wheat production is up 1.7 million tons this month to 80.7 million based on the latest official estimates from the Government of India. Small upward adjustments are being made for Uzbekistan, Armenia, and Mongolia, also reflecting government reports.

World Wheat Use Down Modestly, Ending Stocks To Drop in 2010/11

A 3- percent reduction in projected 2010/11 foreign wheat output of 16.7 million tons this month is slightly offset by an almost 1-million-ton increase in beginning stocks. Foreign wheat supplies are projected 15.7 million tons lower than last month, and 15.5 million tons lower than in 2009/10 year. Foreign beginning stocks for 2010/11 are up 0.95 million tons to 167.5 million this month due to numerous, partly-offsetting 2009/10 changes. Beginning stocks increased in the following countries: in Egypt by 0.6 million tons as a result of a 2009/10 increase in wheat imports that were partly offset by the country's higher food consumption; in Turkmenistan by 0.5 million tons following a data series revision; in Brazil, Indonesia, and Yemen by 0.3 million tons each as a result of lower 2009/10 exports in Brazil and higher imports in the other two countries; in Japan, Mexico, Paraguay, Philippines, Thailand, Tunisia, and Ukraine by 0.2 million tons each; and smaller upward changes in China, Colombia, Peru, South Africa, Syria, and Taiwan. Beginning stocks decreased in Russia and Kazakhstan by 1.0 and 0.3 million tons respectively, following final 2009/10 upward export revisions in Argentina and EU-27 by 0.5 million tons each also, reflecting higher 2009/10 wheat exports. Small reductions are being made for Armenia, Bangladesh, Korea, Tajikistan, Turkey, and Uzbekistan.

Despite sharply reduced wheat production prospects and higher forecast wheat prices this month, foreign wheat use is projected down only 1.8 million tons to 632.7 million. Foreign feed use for 2010/11 is down 1.3 million tons this month, while nonfeed (mostly food) use is down 0.5 million tons, with sizeable adjustments in individual countries being partly offsetting. This month, lower production, higher wheat prices, and better export opportunities (especially vis-à-vis Russia) are expected to reduce wheat feed and residual use by 2.0 million tons to 55.0 million in the EU-27, boosting its barley and corn feeding. Feeding is also down in Korea, Israel, Ukraine, and Philippines by 0.5, 0.4, 0.3, and 0.3 million tons, respectively. Partly offsetting this is an increase in the amount of wheat for feed use in Russia by 2.0 million tons to 26.0 million, despite the substantial wheat production cut. The main reasons for such a counterintuitive change are the following: wheat will be used as a replacement for an insufficient amount of forage as a result of hay and pasture fields destroyed by the drought and fires; that an expected sharp fall in barley production this year in Russia will increase demand for wheat feeding; and that the Government of Russia plans to protect livestock producers by distributing feed-quality wheat without auctioning from intervention stocks. A small 0.1-million-ton upward adjustment in wheat feeding is made for Egypt.

Lower wheat supplies and higher prices affected wheat food demand in a number of price-sensitive countries. Food use of wheat is expected to be down in Bangladesh by 0.7 million tons; Turkey and Nigeria by 0.3 million tons each; Azerbaijan and Ukraine by 0.2 million tons each; and by smaller amounts in Brazil, Cote d'Ivoire, Croatia, Dominican Republic, Hong Kong, South Africa, Tanzania, and Turkmenistan. Those changes are partly offset by an increase of wheat food use in India by 2.4 million tons, reflecting higher production, lower exports, and lower ending stocks. In an attempt to contain its double-digit food inflation, India's Government is expected to unload additional amounts of grain from its stocks at a subsidized rate in the open market. Food use is also projected to increase in Egypt by 0.3 million tons (in both 2009/10 and 2010/11), and in Mongolia by 0.1 million tons. As a result of a data series revision, a slight upward adjustment is made for Armenia.

Projected 2010/11 world wheat ending stocks are down 12.3 million tons, or 7.0 percent this month, to 174.8 million, while foreign ending stocks declined 5.0 percent, or 8.5 million tons, to 148.9 million, with a stocks-to-use ratio at an adequate 23.5 percent. Though U.S. stocks are projected to decrease 3.8 million tons, the stocks-to-use ratio for the U.S. is almost 40 percent. Although almost 20 million tons lower than last year, current world ending stocks are more than 9 million tons higher than in 2008/09, and almost 50 million tons higher than in 2007/08. The largest reduction in ending stocks is for the EU-27, where ending stocks are forecast down 3.8 million tons this month to 10.1 million as a result of lower beginning stocks and production, though lower feeding enhances export prospects. Huge Chinese ending stocks are expected to be lower by 1.5 million tons to 63.4 million, as China will take advantage of higher wheat prices by boosting exports and reducing imports. Numerous downward ending stocks adjustments reflect production, trade, and consumption changes for a number of countries. In Kazakhstan, ending stocks are expected to be 0.8 million tons lower at 1.5 million as a result of a combination of lower production prospects that are partly offset by lower exports. In Argentina, ending stocks are projected down 0.5 million tons to 0.5 million, reflecting higher 2009/10 exports and lower beginning stocks. In India, wheat ending stocks are also down 0.5 million because higher food consumption is exceeding a production increase. In Algeria and Turkey, ending stocks are also projected down 0.5 million tons each.

In Russia, wheat ending stocks are forecast higher by 1.5 million tons to 5.3 million, as substantially lower exports outweigh reduced production and increased feeding. Given the unfavorable outlook for next year's winter wheat crop area in Russia (possible drought in important winter wheat regions during the planting season), the government is likely to try to maintain high wheat stocks in its intervention fund. Other upward adjustments in ending stocks are small.

Reduced Competition Boosts U.S. Wheat Exports Prospects, Despite Reduced World Trade

World wheat trade for 2010/11 (July-June) is down 6.1 million tons to 124.5 million tons this month as demand for both food and feed wheat have decreased, reflecting higher wheat prices. Wheat imports are reduced based on price sensitivity for Bangladesh, Egypt, Syria, Korea, China, Israel, Indonesia, Philippines, Cote d'Ivoire, Thailand, and Vietnam by 0.7, 0.5, 0.5, 0.5, 0.4, 0.4, 0.3, 0.3, 0.2, 0.2, and 0.2 million tons, respectively. Among those countries, imports by Bangladesh, Egypt, and Syria are expected to be affected by lower availability of Russian wheat, as Russia has been one of their most important suppliers. In Iran, Azerbaijan, and Uzbekistan, wheat imports are down 0.7, 0.3, and 0.3 million tons respectively, reflecting those countries' larger domestic production and accumulated stocks. Small downward adjustments in imports are also made for a number of other countries. Russia's wheat import prospects are up 0.5 million tons to 0.7 million, reflecting imports from Kazakhstan to replenish wheat in some of the country's regions.

The projected 2010/11 wheat export for Russia is cut 12.0 million tons this month, to a mere 3.0 million, due to reduced production and the announcement of the export ban. On August 5, Prime Minister Vladimir Putin declared that the government would ban grain exports (wheat, barley, rye, corn, and flour) from August 15 through the rest of calendar 2010, arguing the need to keep domestic grain prices from rising too high. Some suspicion exists within the grain trade that another motive for the ban is to allow Russian traders to cancel contracts by declaring force majeure, which would allow them to sell in the future at higher prices. Russia also requested that Kazakhstan and Belarus follow suit as part of the customs union between the three countries. As of August 12, Kazakhstan claimed that it would not ban grain exports.

The previous discussion of Russia's production prospects shows that Russia's worst 2010/11 wheat output is projected to be close to the average over 1996-2000, and that Russia's wheat supplies, though tight, are still adequate. Most of the current volatility in world grain markets appears to result not from the expected market effects from lower Russian and other FSU grain production and exports, but rather from the uncertainty and disruption to trade contracts from Russia's announced export ban. The main effect of these developments has been a jump in world grain prices. An indicator of the degree to which Russia's import ban alone has disrupted world prices is that Egypt typically imports half its wheat from Russia, and on August 9 it agreed to purchase French wheat at $285 a ton, compared with $184 it paid a month ago for Russian wheat.

Projected 2010/11 wheat exports for Ukraine and Kazakhstan are also reduced 2.0 million tons each to 6.0 million tons each. Though Russia's export ban should benefit these two countries' exports, lower domestic wheat supplies are expected to hamper them. Wheat exports are also down in Uruguay (down 0.3 million tons, reflecting a lower domestic crop), in India (down 0.2 million tons as the country announced an export cut to Bangladesh), and in Croatia (0.2 million tons based on lower production).

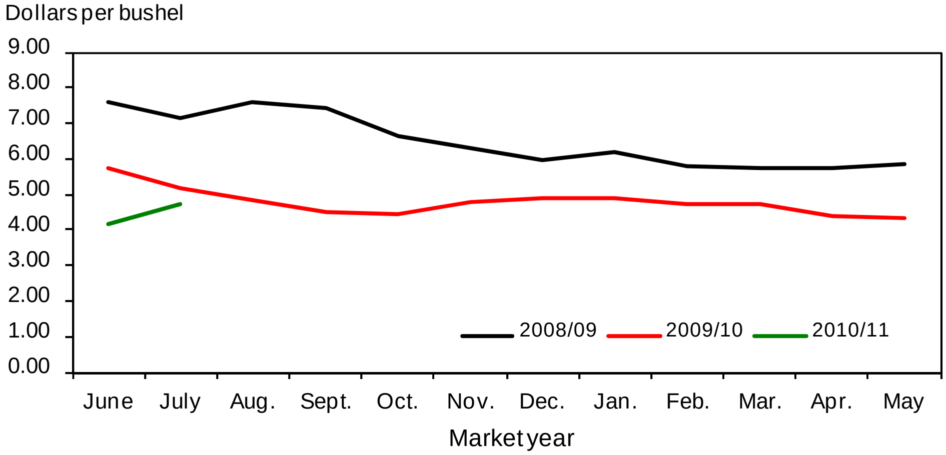
Reductions in production prospects and exports in the FSU-12 countries support higher export forecasts for the EU-27, Australia, and the United States. Despite lower EU-27 projected wheat output, its wheat stocks are still adequate to support higher exports. Reduced expected wheat feeding also supports higher EU-27 export prospects. A window of opportunity was opened by a sharply lower prospect for FSU-12 wheat output, and by the Russian grain export ban. EU-27 wheat is expected to be competitive in 2010/11, and its exports are projected to be up 1.0 million tons to 24.0 million. In Australia, wheat exports are expected to benefit from a larger domestic crop, as well as from smaller wheat crops and stocks among its competitors, with the country projected to export 1.0 million tons more, reaching 16.0 million.

U.S. exports are expected to reach 33.0 million tons for July-June marketing year 2010/11, up 6.0 million from last month's projection. This forecast is 8.8 million tons, or 36.5 percent, higher than U.S. exports in the previous 2009/10 year. The main U.S. competitors in the lower protein wheat market are the EU-27 and the three countries of the FSU-12, Russia, Ukraine, and Kazakhstan. With all of these main competitors' wheat production prospects down this month, and with the announcement of the Russian grain export ban, U.S. export prospects soar.

The U.S. has ample domestic wheat stocks, which means that the country can benefit not only from increased market share in the regions where they compete with Russia, but, more importantly, from higher world prices.

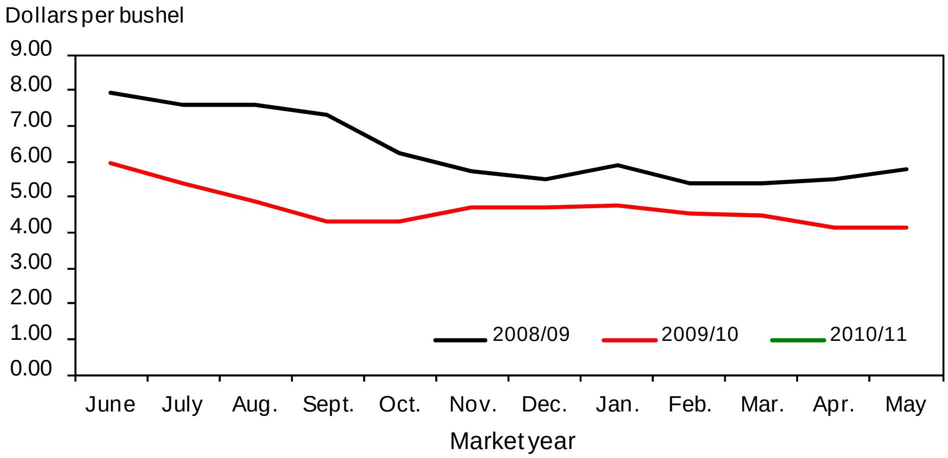
For the June-May local marketing year, exports are projected up 200 million bushels to 1.2 billion. According to *U.S. Export Sales* (see http://www.fas.usda.gov/export-sales/wheat.htm), as of August 5, outstanding sales of U.S. wheat were up 35 percent compared with a year ago, with the biggest increases for shipments to Egypt, EU-27 (Italy), Korea, Mexico, Nigeria, Peru, Philippines, and Thailand.

Figure 1
All wheat average prices received by farmers



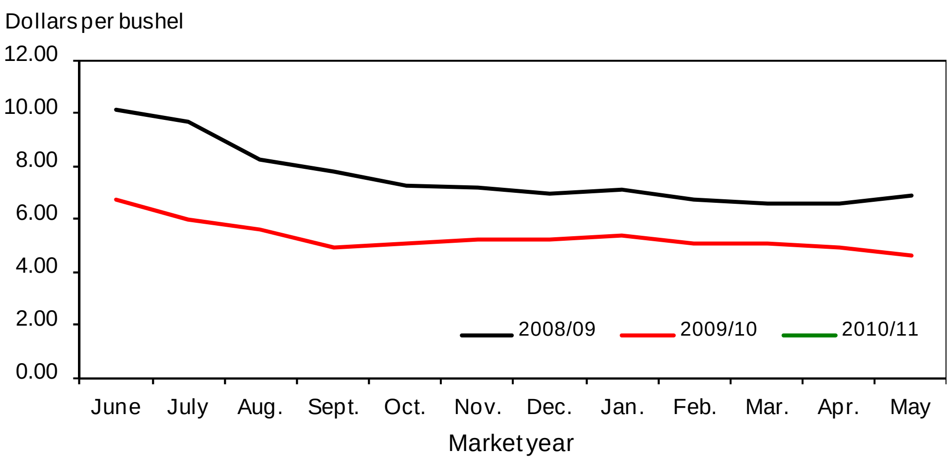
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 2
Hard red winter wheat average prices received by farmers



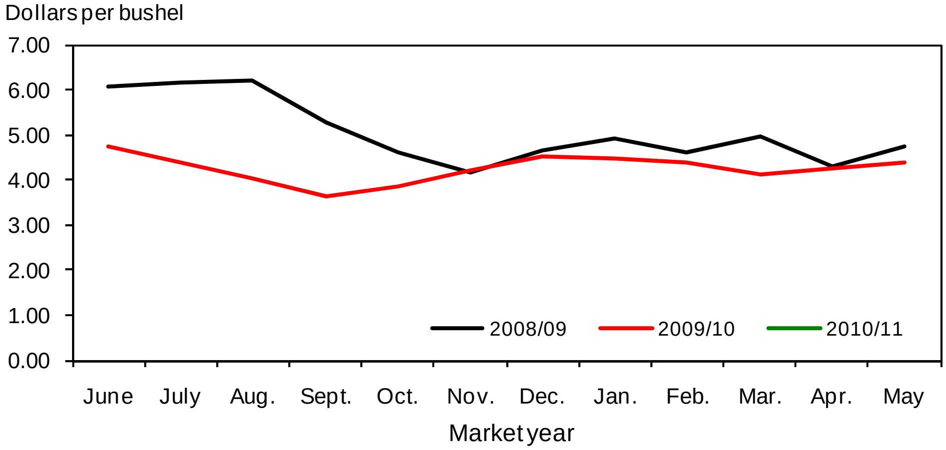
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 3
Hard red spring wheat average prices received by farmers



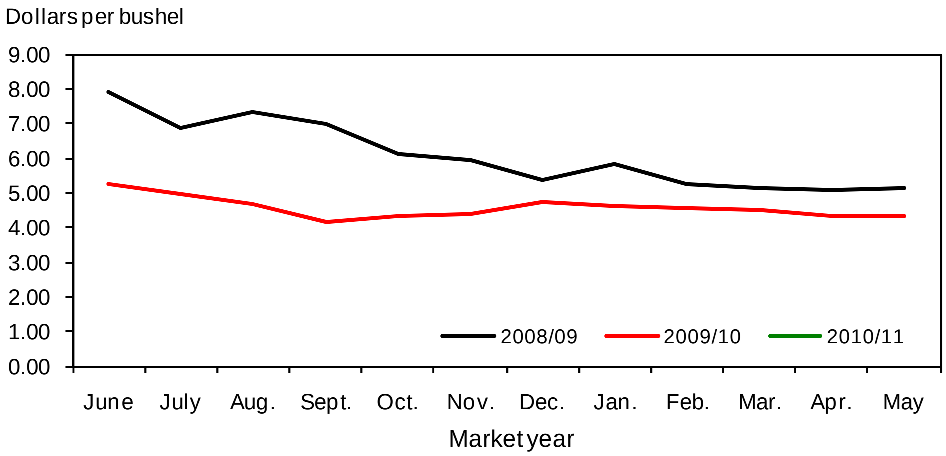
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 4
Soft red winter wheat average prices received by farmers



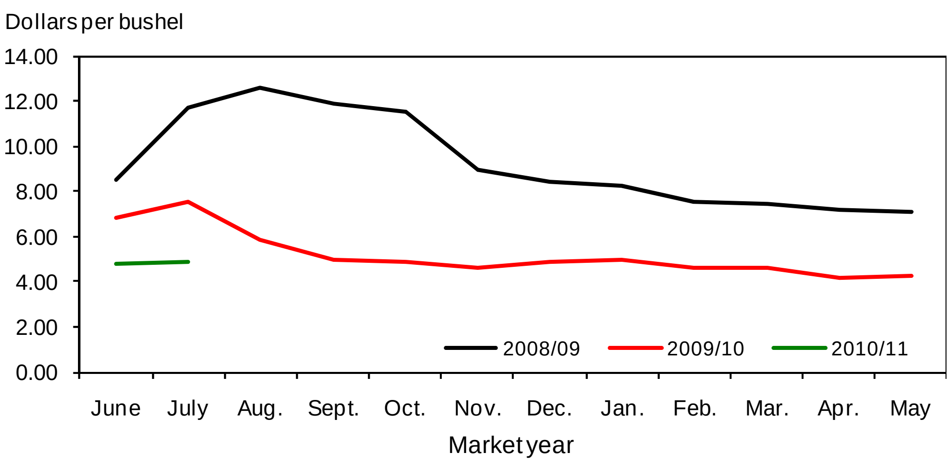
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 5
Soft white wheat average prices received by farmers



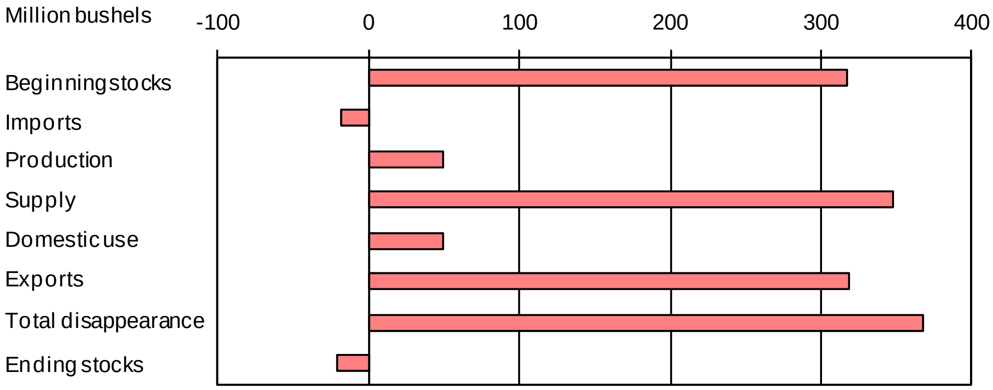
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 6
Durum wheat average prices received by farmers



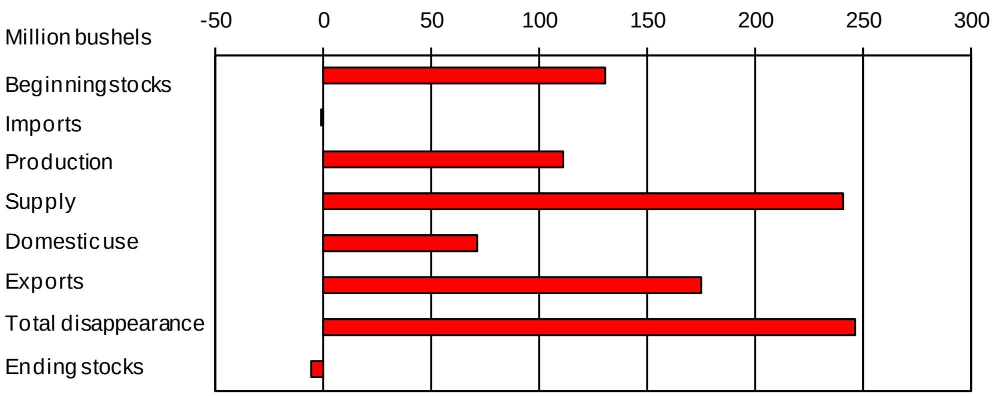
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

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



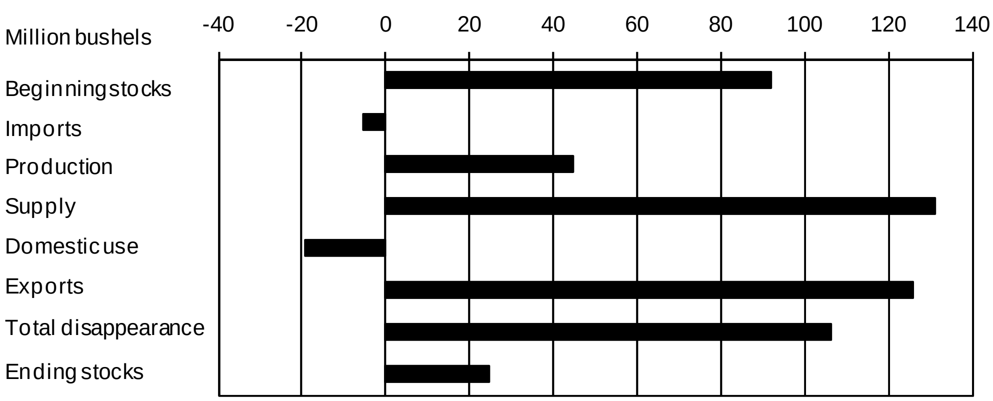
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

Figure 8
Hard red winter wheat: U.S. supply and disappearance change from prior market year



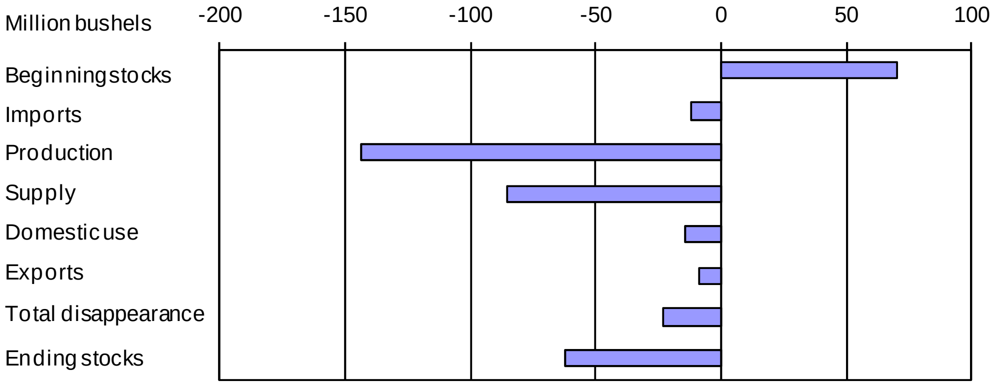
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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



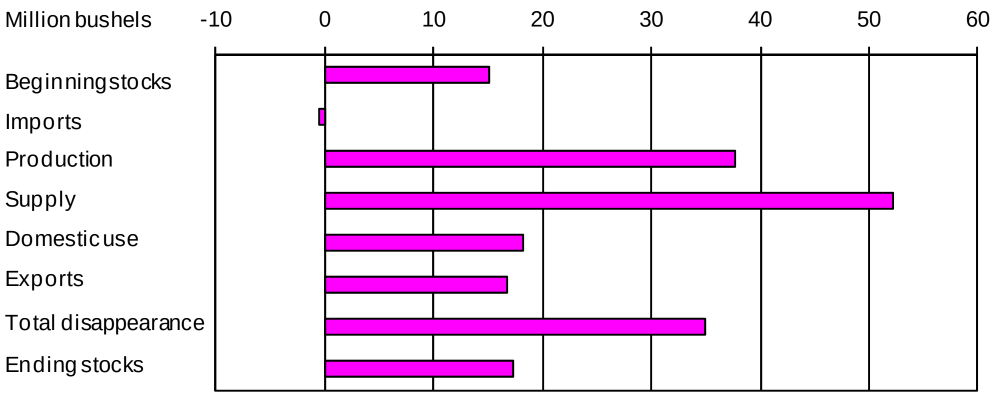
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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



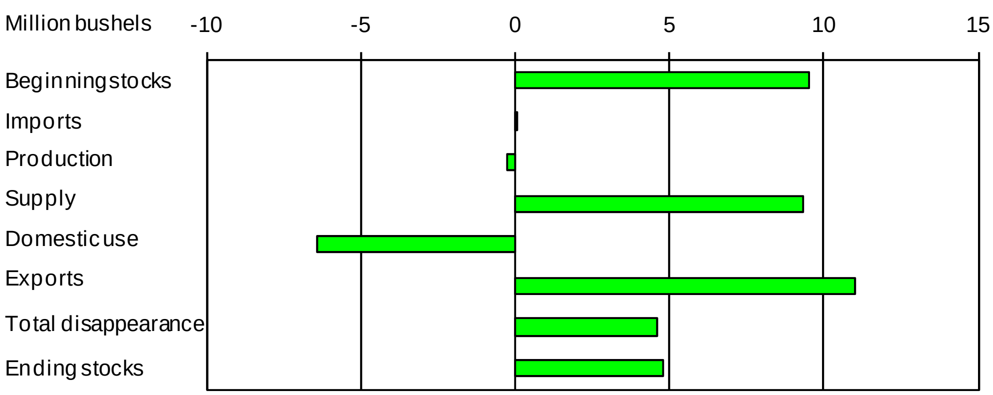
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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



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

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



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

Contacts and Links

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

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Data

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

Related Websites

Wheat Outlook
http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1293
WASDE
http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194
Grain Circular, http://www.fas.usda.gov/grain_arc.asp
Wheat Briefing Room, http://www.ers.usda.gov/briefing/wheat/

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Table 1--Wheat: U.S. market year supply and disapperance, 8/16/2010

Item and unit		2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Area:								
Planted	Million acres	59.6	57.2	57.3	60.5	63.2	59.1	54.3
Harvested	Million acres	50.0	50.1	46.8	51.0	55.7	49.9	48.3
Yield	Bushels per acre	43.2	42.0	38.6	40.2	44.9	44.4	46.9
Supply:								
Beginning stocks	Million bushels	546.4	540.1	571.2	456.2	305.8	656.5	973.4
Production	Million bushels	2,156.8	2,103.3	1,808.4	2,051.1	2,499.2	2,216.2	2,264.9
Imports 1/	Million bushels	70.6	81.4	121.9	112.6	127.0	118.6	100.0
Total supply	Million bushels	2,773.8	2,724.8	2,501.5	2,619.9	2,932.0	2,991.3	3,338.3
Disappearance:								
Food use	Million bushels	909.6	917.1	937.9	947.9	926.8	917.4	940.0
Seed use	Million bushels	77.6	77.1	81.9	87.6	78.0	70.5	76.0
Feed and residual use	Million bushels	180.6	156.6	117.1	16.0	255.2	149.0	170.0
Total domestic use	Million bushels	1,167.8	1,150.8	1,136.8	1,051.4	1,260.0	1,136.9	1,186.0
Exports 1/	Million bushels	1,065.9	1,002.8	908.5	1,262.6	1,015.4	881.0	1,200.0
Total disapperance	Million bushels	2,233.7	2,153.6	2,045.3	2,314.1	2,275.4	2,017.9	2,386.0
Ending stocks	Million bushels	540.1	571.2	456.2	305.8	656.5	973.4	952.3
CCC inventory 2/	Million bushels	54.0	43.0	41.0				
Stocks-to-use ratio		24.2	26.5	22.3	13.2	28.9	48.2	39.9
Loan rate	Dollars per bushel	2.75	2.75	2.75	2.75	2.75	2.75	2.94
Contract/direct payment rate	Dollars per bushel	0.52	0.52	0.52	0.52	0.52	0.52	0.52
Farm price 3/	Dollars per bushel	3.40	3.42	4.26	6.48	6.78	4.87	4.70-5.50
Government payments	Million dollars	1,218	1,151	1,120	1,118	1,118		
Market value of production	Million dollars	7,283	7,171	7,695	13,289	16,944	10,793	11,551

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.
1/ Includes flour and selected other products expressed in grain-equivalent bushels.
2/ Stocks owned by USDA's Commodity Credit Corporation (CCC). Most CCC-owned inventory is in the Bill Emerson Humanitarian Trust.
3/ U.S. season-average price based on monthly prices weighted by monthly marketings. Prices do not include an allowance for loans outstanding and government purchases.
Source: USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Date run: 8/12/2010

Table 2--Wheat: U.S. market year supply and disappearance, 8/16/2010

Market year, item, and unit			All wheat	Hard red winter 1/	Hard red spring 1/	Soft red winter 1/	White 1/	Durum
2009/10	Area:							
	Planted acreage	Million acres	59.13	31.65	12.61	8.31	4.01	2.55
	Harvested acreage	Million acres	49.87	24.14	12.32	7.19	3.79	2.43
	Yield	Bushels per acre	44.44	38.08	44.48	56.10	62.38	44.91
	Supply:							
	Beginning stocks	Million bushels	656.51	254.43	142.00	171.00	64.00	25.07
	Production	Million bushels	2,216.17	919.02	547.93	403.56	236.62	109.04
	Imports 2/	Million bushels	118.59	1.56	40.62	32.06	9.45	34.91
	Total supply	Million bushels	2,991.27	1,175.00	730.55	606.62	310.06	169.03
	Disappearance:							
	Food use	Million bushels	917.40	360.03	238.00	156.00	83.00	80.37
	Seed use	Million bushels	70.47	31.87	17.73	11.15	5.53	4.19
	Feed and residual use	Million bushels	149.00	27.93	26.76	89.18	-.74	5.87
	Total domestic use	Million bushels	1,136.86	419.82	282.49	256.33	87.79	90.43
	Exports 2/	Million bushels	881.02	370.39	214.06	109.29	143.27	44.00
	Total disappearance	Million bushels	2,017.88	790.21	496.55	365.62	231.06	134.43
	Ending stocks	Million bushels	973.39	384.79	234.00	241.00	79.00	34.60
2010/11	Area:							
	Planted acreage	Million acres	54.31	28.46	13.26	5.83	4.08	2.68
	Harvested acreage	Million acres	48.26	23.97	12.96	4.83	3.92	2.59
	Yield	Bushels per acre	46.93	42.94	45.72	53.86	70.03	42.03
	Supply:							
	Beginning stocks	Million bushels	973.39	384.79	234.00	241.00	79.00	34.60
	Production	Million bushels	2,264.93	1,029.29	592.61	260.01	274.24	108.78
	Imports 2/	Million bushels	100.00	1.00	35.00	20.00	9.00	35.00
	Total supply	Million bushels	3,338.32	1,415.08	861.61	521.01	362.24	178.38
	Disappearance:							
	Food use	Million bushels	940.00	383.00	237.00	155.00	85.00	80.00
	Seed use	Million bushels	76.00	33.00	21.00	12.00	6.00	4.00
	Feed and residual use	Million bushels	170.00	75.00	5.00	75.00	15.00	.00
	Total domestic use	Million bushels	1,186.00	491.00	263.00	242.00	106.00	84.00
	Exports 2/	Million bushels	1,200.00	545.00	340.00	100.00	160.00	55.00
	Total disappearance	Million bushels	2,386.00	1,036.00	603.00	342.00	266.00	139.00
	Ending stocks	Million bushels	952.32	379.08	258.61	179.01	96.24	39.38

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.
1/ Area and yield data are unpublished National Agricultural Statistics Service data. Supply and disappearance data, except production, are approximations.
2/ Includes flour and selected other products expressed in grain-equivalent bushels.
Source: USDA, National Agricultural Statistics Service, Crop Production and unpublished data; and USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Date run: 8/12/2010

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 8/16/2010

Market year and quarter		Production	Imports 1/	Total supply	Food use	Seed use	Feed and residual use	Exports 1/	Ending stocks
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	-44	261	709
	Mar-May		37	746	236	25	-77	257	306
	Mkt. year	2,051	113	2,620	948	88	16	1,263	306
2008/09	Jun-Aug	2,499	28	2,833	236	2	393	345	1,858
	Sep-Nov		28	1,886	238	54	-124	295	1,422
	Dec-Feb		36	1,458	219	1	28	170	1,040
	Mar-May		35	1,075	233	21	-41	206	657
	Mkt. year	2,499	127	2,932	927	78	255	1,015	657
2009/10	Jun-Aug	2,216	28	2,900	231	1	259	200	2,209
	Sep-Nov		24	2,234	237	46	-83	252	1,782
	Dec-Feb		30	1,812	221	1	31	202	1,356
	Mar-May		37	1,393	228	22	-57	227	973
	Mkt. year	2,216	119	2,991	917	70	149	881	973
2010/11	Mkt. year	2,265	100	3,338	940	76	170	1,200	952

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.
1/ Includes flour and selected other products expressed in grain-equivalent bushels.
Source: USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Date run: 8/12/2010

Table 4--Wheat: Monthly food disapperance estimates (1,000 grain-equivalent bushels), 8/16/2010

Mkt year and month 1/		Wheat ground for flour	+	Food imports 2/	+	Nonmilled food use 3/	-	Food exports 2/	=	Food use 4/
2008/09	Jun	73,124		2,436		2,000		1,954		75,605
	Jul	74,811		2,311		2,000		1,995		77,127
	Aug	81,763		2,106		2,000		2,403		83,467
	Sep	78,621		1,848		2,000		2,500		79,969
	Oct	78,898		1,943		2,000		2,402		80,439
	Nov	75,517		2,129		2,000		1,634		78,012
	Dec	70,884		1,999		2,000		1,743		73,140
	Jan	71,473		1,901		2,000		1,865		73,510
	Feb	70,906		1,754		2,000		1,865		72,795
	Mar	75,228		2,120		2,000		1,194		78,154
	Apr	73,708		2,082		2,000		1,257		76,533
	May	75,364		2,062		2,000		1,408		78,017
2009/10	Jun	72,104		2,007		2,000		2,511		73,600
	Jul	74,023		1,985		2,000		2,038		75,970
	Aug	80,902		2,163		2,000		3,420		81,646
	Sep	77,793		1,959		2,000		1,926		79,826
	Oct	78,638		2,302		2,000		2,825		80,115
	Nov	75,269		2,187		2,000		2,451		77,005
	Dec	70,651		2,112		2,000		1,592		73,171
	Jan	72,507		2,038		2,000		1,896		74,649
	Feb	71,932		1,852		2,000		2,222		73,561
	Mar	76,316		2,502		2,000		3,053		77,765
	Apr	72,497		2,183		2,000		2,316		74,365
	May	74,126		2,161		2,000		2,562		75,724

1/ Current year is preliminary. Previous year is preliminary through August of current year, estimated afterwards.
2/ Food imports and exports used to calculate total food use. Includes all categories of wheat flour, semolina, bulgur, and couscous and selected categories of pasta.
3/ Wheat prepared for food use by processes other than milling.
4/ Estimated food use equals wheat ground for flour plus food imports plus nonmilled food use minus food exports. See http://www.ers.usda.gov/Briefing/Wheat/wheatfooduse.htm for more information.
Sources: Calculated using data from U.S. Department of Commerce, Bureau of the Census, Flour Milling Products (MQ311A) and Foreign Trade Statistics.

Date run: 8/12/2010

Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 8/16/2010

Month	All wheat		Winter		Durum		Other spring	
	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11
June	5.72	4.17	5.47	4.05	6.83	4.75	6.66	4.62
July	5.17	4.74	5.02	4.72	7.57	4.89	5.96	4.95
August	4.85		4.67		5.83		5.54	
September	4.48		4.20		4.95		4.85	
October	4.47		4.27		4.86		5.00	
November	4.79		4.60		4.59		5.19	
December	4.87		4.68		4.91		5.18	
January	4.90		4.67		4.94		5.30	
February	4.73		4.53		4.61		5.04	
March	4.70		4.45		4.57		5.04	
April	4.41		4.19		4.17		4.89	
May	4.33		4.21		4.28		4.61	

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), 8/16/2010

Month	Hard red winter		Soft red winter		Hard red spring		White	
	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11
June	5.96	3.93	4.72	4.51	6.72	4.63	5.23	4.30
July	5.36		4.37		6.00		4.99	
August	4.84		4.04		5.59		4.68	
September	4.32		3.63		4.87		4.14	
October	4.28		3.86		5.04		4.30	
November	4.68		4.21		5.24		4.39	
December	4.68		4.52		5.21		4.74	
January	4.73		4.49		5.33		4.59	
February	4.54		4.37		5.06		4.56	
March	4.48		4.14		5.06		4.52	
April	4.16		4.26		4.92		4.34	
May	4.16		4.38		4.62		4.35	

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

Date run: 8/12/2010

Table 7--Wheat: Average cash grain bids at principal markets, 8/16/2010

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)	
	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11
June	6.63	4.50	7.07	5.44	6.09	4.50	--	--
July	5.58	5.26	6.30	6.09	5.38	4.76	221.42	--
August	5.15	--	5.68	--	5.03	--	205.48	--
September	4.56	--	5.13	--	4.69	--	--	--
October	5.06	--	5.47	--	4.91	--	--	--
November	5.58	--	5.99	--	5.09	--	--	--
December	5.37	--	5.94	--	5.10	--	--	--
January	5.24	--	5.78	--	--	--	--	--
February	5.10	--	5.61	--	4.61	--	--	--
March	4.99	--	5.61	--	4.60	--	--	--
April	4.86	--	5.70	--	4.69	--	--	--
May	4.78	--	5.68	--	4.76	--	--	--

	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)	
	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11
June	7.39	5.61	7.96	6.90	7.99	6.35	--	--
July	6.30	5.90	6.82	6.89	7.02	6.57	--	--
August	5.73	--	6.17	--	6.37	--	--	--
September	5.06	--	6.30	--	6.11	--	--	--
October	5.35	--	6.36	--	6.50	--	--	--
November	5.90	--	7.29	--	6.95	--	--	--
December	5.46	--	6.79	--	7.08	--	--	--
January	6.02	--	7.39	--	6.71	--	--	--
February	6.03	--	7.57	--	6.76	--	--	--
March	5.82	--	7.48	--	6.83	--	--	--
April	5.62	--	6.88	--	6.87	--	--	--
May	5.64	--	6.55	--	6.55	--	--	--

	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)	
	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11
June	5.04	4.56	4.96	4.26	4.85	4.34	5.91	4.57
July	4.14	--	4.45	5.38	4.21	5.42	5.32	4.88
August	3.33	--	4.18	--	4.09	--	4.90	--
September	2.68	--	3.70	--	3.72	--	4.53	--
October	3.04	--	4.01	--	4.09	--	4.67	--
November	3.69	--	4.53	--	4.54	--	4.89	--
December	3.82	--	4.67	--	4.56	--	4.96	--
January	4.13	--	4.55	--	4.57	--	4.83	--
February	4.18	--	4.37	--	4.29	--	4.76	--
March	4.11	--	4.38	--	4.26	--	4.64	--
April	4.07	--	4.43	--	4.24	--	4.76	--
May	4.38	--	4.49	--	4.24	--	4.76	--

-- = 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: 8/12/2010

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 8/16/2010

Item		Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010
Exports	All wheat grain	54,517	65,060	76,522	73,780	76,958	68,473
	All wheat flour 1/	1,195	1,231	1,722	2,525	1,652	1,993
	All wheat products 2/	435	670	539	609	755	637
	Total all wheat	56,147	66,961	78,783	76,915	79,366	71,104
Imports	All wheat grain	5,078	9,321	9,460	9,671	8,844	11,423
	All wheat flour 1/	815	798	784	910	837	817
	All wheat products 2/	1,312	1,252	1,075	1,605	1,362	1,356
	Total all wheat	7,205	11,372	11,319	12,186	11,044	13,595

Totals may not add due to rounding.
1/ Expressed in grain-equivalent bushels. Includes meal, groats, and durum.
2/ Expressed in grain-equivalent bushels. Includes bulgur, couscous, and selected categories of pasta.
Source: U.S. Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics; and ERS calculations using Census trade statistics.

Date run: 8/12/2010

Table 9--Wheat: U.S. exports, Census and export sales comparison (1,000 metric tons),8/11/10

	2007/08		2008/09		2009/10(as of 7/29/10)		
Importing country	Shipments				Shipments	Out-standing	Total
Data source	Census 1/	Export sales 2/	Census 1/	Export sales 2/	Export sales 2/		
Country:							
Japan	3,598	3,319	3,178	3,103	622	474	1,096
Nigeria	2,504	2,597	2,638	2,661	628	567	1,196
Mexico	2,575	2,568	2,617	2,423	417	582	999
Egypt	2,908	3,276	1,865	1,928	20	185	205
Iran	0	0	1,764	1,764	0	0	0
Philippines	1,525	1,538	1,461	1,480	309	734	1,042
Iraq	1,912	1,964	1,162	1,205	307	0	307
South Korea	1,499	1,509	1,131	1,127	299	272	571
Brazil	533	501	753	24	110	208	318
Colombia	949	948	806	749	167	151	318
EU-27	1,774	1,915	654	918	19	139	157
Total grain	33,636	32,564	27,029	25,973	3,852	5,400	9,251
Total (including products)	34,373	32,617	27,624	26,061	3,859	5,407	9,265
USDA forecast of Census							27

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.