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Wheat Situation

Economics, Statistics, and Cooperatives Service

U.S. Department of Agriculture

WS-252

MAY 1980

TABLE 1.--WHEAT: MARKETING YEAR SUPPLY, DISAPPEARANCE, AREA AND PRICES, 1976-80 *

YEAR BEGINNING JUNE 1	SUPPLY				DISAPPEARANCE							ENDING STOCKS MAY 31		
					DOMESTIC USE									
	BEGINNING STOCKS	PRODUCTION	IMPORTS 1/	TOTAL	FOOD	ALC. BEVERAGES	SEED	FEED 2/	TOTAL	EXPORTS 1/	TOTAL DISAPPEARANCE	GOVT. OWNED	PRIVATELY OWNED 3/	TOTAL
	MILLION BUSHELS													
1976/77	665.3	2,142.4	2.7	2,810.3	588.0	0.1	92.0	68.4	748.6	949.5	1,698.1	---	1,112.2	1,112.2
1977/78	1,112.2	2,036.3	1.9	3,150.5	586.5	0.1	80.0	183.3	849.9	1,123.9	1,973.8	45.7	1,131.0	1,176.7
1978/79	1,176.7	1,797.5	1.9	2,976.1	591.8	0.1	87.0	178.4	857.3	1,194.1	2,051.4	50.2	874.5	924.7
1979/80 4/	924.7	2,141.7	2.1	3,068.5	600.0	---	99.0	75.0	774.0	1,375.0	2,149.0	N.A.	N.A.	919.5
1980/81 5/	920	2,100_ 2,450	2	3,022_ 3,372	605_ 615	---	90_ 102	50_ 125	745_ 840	1,200_ 1,500	2,000_ 2,300	N.A.	N.A.	850_ 1,300

YEAR BEGINNING JUNE 1	AREA				YIELD	AVERAGE PRICES				GOVT. SUPPORT PROGRAM		
	NAT. PROGRAM	SET-ASIDE AND DIVERTED	PLANTED	HARVESTED FOR GRAIN	PER HARVESTED ACRE	RECEIVED BY FARMERS	CHICAGO NO. 2 SOFT RED WINTER	KANS. CITY NO. 1 HARD RED WINTER, ORD. PROT.	MINNEAPOLIS NO. 1 DARK N. SPRING, 13% PROT.	NATIONAL AVG. LOAN RATE	TARGET PRICE	TOTAL PAYMENTS TO PARTICIPANTS 6/
	- - - - MILLION ACRES - - - -				BUSHELS	- - - - - - - - DOLLARS PER BUSHEL - - - - - - - -						MIL. DOL.
1976/77	61.6	---	80.2	70.8	30.3	2.73	2.81	2.88	3.23	2.25	2.29	145
1977/78	62.2	---	75.1	66.5	30.6	2.33	2.56	2.72	2.83	2.25	7/ 2.90	1,243
1978/79	58.8	9.6	66.3	56.9	31.6	2.98	3.57	3.38	3.33	2.35	3.40	822
1979/80 4/	70.1	8.2	71.6	62.6	34.2	3.70-3.80				2.50	3.40	135
1980/81 5/						3.45-4.15				2.50	3.63	

1/ IMPORTS AND EXPORTS INCLUDE FLOUR AND OTHER PRODUCTS EXPRESSED IN WHEAT EQUIVALENT. 2/ RESIDUAL; APPROXIMATES FEED USE. 3/ INCLUDES OUTSTANDING AND RESERVE LOANS. 4/ PRELIMINARY. 5/ PROJECTED. 6/ INCLUDES DEFICIENCY, DIVERSION, DISASTER AND RESERVE STORAGE PAYMENTS. 7/ UNPLANTED PORTION OF ALLOTMENT QUALIFIED FOR $2.47. N.A.=NOT AVAILABLE. *TOTALS MAY NOT ADD DUE TO ROUNDING.

THE WHEAT SITUATION

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SUMMARY

Wheat Outlook Favors a Large 1980 Crop

Harvesting is underway on a 1980 U.S. winter wheat crop estimated as of May 1 at 1.71 billion bushels. This is over 100 million above 1979's level and 70 million above 1975's alltime high. The increased production reflects the sharp expansion in acreage as last fall's adverse seeding conditions and dry weather have reduced yield prospects 2.6 bushels below 1979's record 36.9 bushels. With the absence of set-aside requirements and strong prices last fall, producers increased plantings by nearly 5 million acres. Chances are 2 out of 3 that final 1980 winter wheat production will be within 115 million bushels of the estimate.

Spring wheat growers—Durum and Hard Spring—are in the process of seeding 3 million more acres than in 1979. However, dry soil conditions and virtually no rainfall in the Northern Plains in the past month causes current crop prospects to be less than favorable. For the total 1980 wheat crop, a repeat of 1979's record yields is unlikely but the added 8 million acres should be offsetting and another large wheat harvest is probable.

With no set-aside requirement for the 1980 crop, all producers are eligible for loans, the farmer-owned reserve, target price protection, and the disaster payment program. Producers may place 1980 wheat directly into the reserve at the time that it is put under loan.

Improved winter wheat crop conditions here and abroad, expanded spring wheat acreage, and higher carrying charges have contributed to weaker prices over the past few months. For much of 1979/80, market prices averaged about a dollar a bushel above a year earlier; but this difference narrowed significantly by early May. Although current farm prices are around $3.50 a bushel, the 1979/80 season average will likely be around $3.75, a reflection of large farmer marketings at early season higher price levels. The 1978/79 farm price averaged $2.98 per bushel.

World wheat stock levels will be below year-ago levels going into 1980/81, but prospects are favorable for larger 1980 world wheat harvests in all major Northern Hemisphere countries except India and China. As a result, total supplies will be sufficient to meet world consumption requirements. World trade is expected to remain high in 1980/81, with U.S. exports around 1979/80's record 1.37 billion bushels.

Total disappearance of wheat during June 1979-March 1980 was up from the same period a year ago. A 15-percent boost in exports and a slight increase in food and seed use has more than offset a sharp outbreak in wheat feeding. Total wheat usage for 1979/80 will be a record 2.15 billion bushels, about matching 1979's near-record crop. Consequently, carryover stocks will be virtually unchanged from a year earlier. Farmer-owned reserve stocks and CCC inventory will isolate about 50 percent of the June 1 stock level from the market.

OUTLOOK FOR 1980/81

Record 1980 Winter Wheat Crop Likely

The May 1 estimate of the 1980 winter wheat harvest was a record 1.71 billion bushels, over 100 million above last year's crop and 70 million above the previous 1975 record. Estimated harvested acreage was up about 6 million acres offsetting a 2.6 bushel reduction in yield from 1979's record 36.9 bushels per acre. Chances are 2 out of 3 that the final harvest will not differ from the May 1 forecast by more than 115 million bushels.

In response to strong wheat prices last fall, and no set-aside requirements, farmers increased winter wheat planted acreage by 9 percent to 57 million acres. Acreage was up 6 percent in major *Hard Red Winter* States, and over a fourth in *Soft Red Winter* production areas. Although dry soil conditions slowed plant development needed before winter dormancy, a relatively mild winter along with widespread winter and spring precipitation greatly improved the crop condition. Pacific Northwest *White Winter* wheat producers increased plantings slightly and experienced minimal winterkill.

Wheat: Supply and disappearance

Item	1980/81 Projected
	Million bushels
June 1 stocks	920
Production	2,100-2,450
Total supply[1]	3,022-3,372
Exports	1,200-1,500
Food	605-615
Seed	90-102
Feed	50-125
Total disappearance	2,000-2,300
Ending stocks	850-1,300

[1] Includes imports.

Sharp Increase in Spring Wheat Acreage, Dry Conditions May Reduce 1980 Crop Prospects

On April 1, growers indicated their intention to increase Durum acreage 37 percent and other spring wheat plantings by 10 percent. Total spring wheat area of around 22.6 million acres compares with 19.6 million in 1979. Along with returning 1979's set-aside acreage to wheat production, some additional acreage apparently shifted from sunflower and oats to wheat—particularly Durum. A shortage of winter precipitation in the Northern Plains has caused concern as topsoils were too dry for good germination. Conditions in some areas improved during April but record breaking high temperatures and limited rainfall continue to leave soil moisture short. This could reduce yields somewhat from a year ago. Nevertheless, with the increased acreage, the total 1980 spring wheat harvest may again be large, possibly matching the record 582 million bushels harvested in 1976.

Large 1980 U.S. Wheat Crop In Prospect

The 1980/81 wheat production, supply, demand, and price outlook is subject to a large degree of uncertainty at this early date. To account for these uncertainties, ranges are shown for 1980/81 marketing year forecasts.

Precipitation received in the last few months greatly increased 1980 U.S. crop prospects—especially for winter wheat. The 1979 all wheat record yield of 34.2 bushels per acre is not likely to be repeated, but the added 8 million acres should be offsetting so a 1980 crop between 2.10 and 2.45 billion bushels is likely. Yet, until the 1980 crop is in the bin, weather remains the determining factor that may change yields and harvested acres. Coupled with an estimated June 1 carryover stocks of 920 million bushels, total 1980/81 supply would be between 3.02 and 3.37 billion bushels.

Although the 1980/81 world wheat outlook begins with a reduced carryover stock level from a year earlier, prospects for a larger world harvest are in the making. As a result, total world supplies will be sufficient to meet world consumption requirements. However, U.S. wheat exports could range from 1.2 to 1.5 billion bushels depending on production levels in other countries and availability of grain from competing exporters. Wheat prices will likely continue above feed grains so wheat feeding should total between 50 and 125 million bushels compared with 75 million in 1979/80.

Total 1980/81 use may fall short of production causing ending stocks to increase. The large supply could put downward pressure on prices but increased placement of wheat into the farmer-owned reserve will likely moderate any price declines from this year's level. However, if world production prospects were to deteriorate, stocks could decline and prices could improve from this year's level. For 1980/81 the U.S. average farm price may range from $3.45 to $4.15 per bushel, compared with about $3.75 in 1979/80.

A Review of 1980 Wheat Program Features

Major features applicable to the 1980 wheat program have been announced. Here is a review of how the program stacks up.

- There is no set-aside requirement for the 1980 crop. Accordingly, all producers are eligible for loans, the farmer-owned reserve, target price protection and the disaster program.
- *To be eligible for any program benefits, producers must certify 1980 planted acreage* at their county ASCS office by not later than the final certification date established. Certification dates vary by State and county.
- To receive the $3.63 target price protection, a producer must stay within his normal crop acreage (NCA), which generally equates to all the land planted to NCA crops in 1977. If this acreage is exceeded, the target price protection is $3.08 per bushel. A $50,000 per person limit applies to deficiency payments.
- A $2.50 loan rate is applicable to the 1980 crop, whether or not the NCA requirement is met. The interest rate on all 1980 crop loans will be 13 percent.
- A disaster payment program is in effect based on the target price for which the producer is eligible. However, a $100,000 per-person limit is applicable for one or more of wheat, feed grains, upland cotton, and rice crops.
- Producers may put 1980 crop wheat into the farmer-owned reserve at the time wheat is put under loan. The release and call levels are set at $3.75 and $4.63 per bushel, respectively. Entry of loan grain into the reserve can continue until either the call level is reached or the reserve totals 700 million bushels. Participants receive a prepaid yearly storage payment of 26½ cents per bushel

THE 1979/80 SITUATION

Wheat Disappearance Alltime High, CCC Wheat Stocks Expand

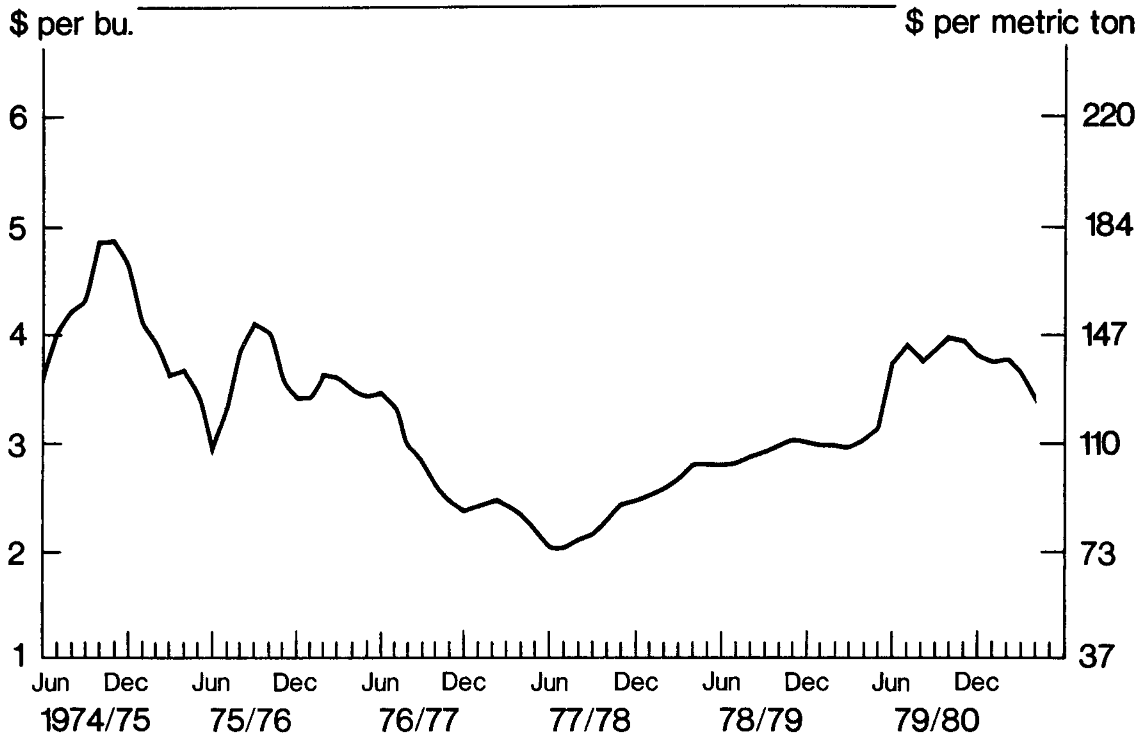
Wheat disappearance through March was 5 percent ahead of the same period a year ago. April 1 stocks of 1.22 billion bushels were on par with a year ago despite the larger 1979 crop. Indicated June-March domestic use for food and seed was up while wheat feeding showed a sharp drop. A 15 percent boost in exports was the main reason for increased disappearance. Total 1979/80 usage will likely be a record 2.15 billion bushels about matching the 1979 near-record crop. Consequently, the yearend stock level will be comparable with a year ago.

While April 1's all wheat inventory matches that of a year ago, some apparent changes in class stock levels are evident. Durum and Hard Red Spring inventories are down 17 and 15 percent, respectively. Both classes experienced reduced 1979 harvests and relatively good export seasons. The April 1 winter wheat supply (Hard Red, Soft Red, and White) was higher than a year ago with Soft Red up nearly a third. Although exports of these classes were also higher, 1979 production was up.

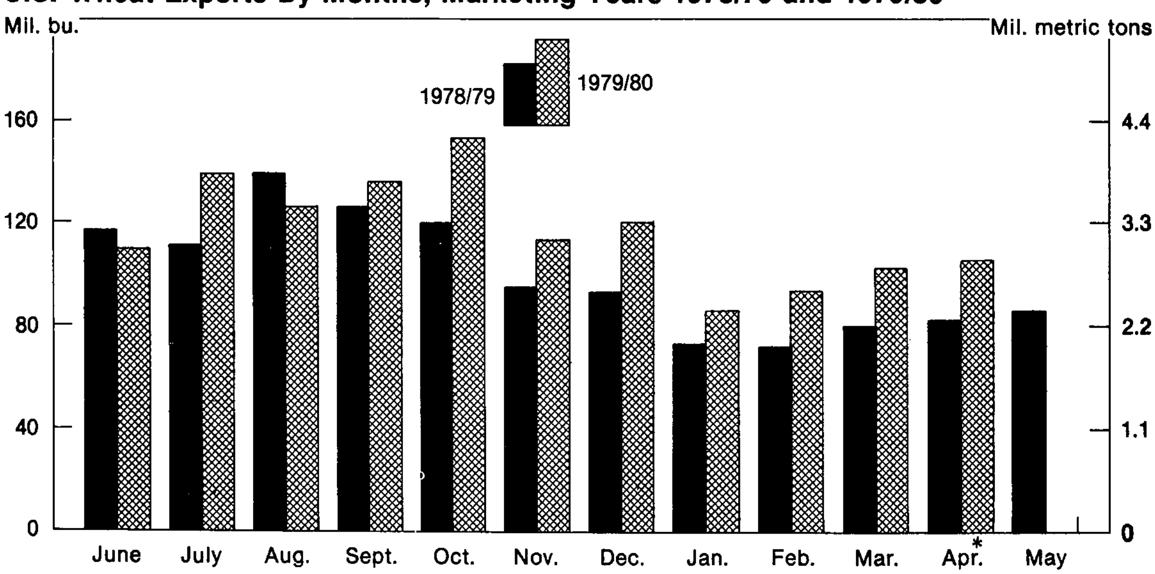
Wheat: Supply and disappearance

Item	June-March	
	1978/79	1979/80
	Million bushels	
June 1 stocks	1,177	925
Production	1,798	2,142
Imports	1	1
Total supply	2,976	3,068
Exports	1,027	1,182
Food	493	504
Seed	62	69
Feed	168	88
Total disappearance	1,750	1,843
April 1 stocks	1,226	1,225

Wheat Prices Received by Farmers



U.S. Wheat Exports By Months, Marketing Years 1978/79 and 1979/80



Includes flour and products in wheat equivalent. *1979/80 estimated.

A record 1.1 billion bushel Hard Red Winter crop was harvested.

By mid-April, CCC completed wheat purchases of 4.2 million metric tons (155 million bushels)—equal to the amount destined for the Soviet Union before the suspension. The first 60 million bushels were purchased from country elevators and the remaining 95 million was purchased directly from farmers. CCC ownership of wheat, in addition to about 250 million bushels in the farmer-owned reserve, means that nearly 50 percent of estimated June 1 carryover will be isolated from the market.

An accelerated output of wheat milled to flour during June-March points to a record year for wheat product consumption. Another optimistic outlook for wheat food use is that 1979's per capita flour consumption at 120 pounds, is 3 pounds above 1978.

> *Note* - Prior issues of the *Wheat Situation* included tabular presentation of data used to compute per capita consumption of wheat flour. Over the past two years, major data revisions have made adjustments in the per capita figure necessary. Table 12 in this issue is a revision and updating of U.S. wheat flour supply and disappearance for the past twenty years on a calendar year basis.

Record Export Pace Slows

Wheat exports during January-March fell off 100 million bushels from last fall partly because of the suspension action. Still, total shipments were well above year-ago levels and for the season are expected to reach 1,375 million bushels exceeding the 1973/74 record by over 150 million. Loadings for the remainder of the year will be considerably reduced from the average monthly rate of 128 million bushels during the first half of 1979/80. New crop year bookings are already a third above last year, suggesting reasonably heavy shipments early in the 1980/81 marketing year.

The marvel of this year's record export activity is that record export season's for oilseeds, feed grains and rice are developing at the same time. Although transportation and handling disruptions still occur, this record grain movement is evidence of improved logistical conditions and handling capacity in the United States.

April Wheat Prices Turn Down

April wheat prices, responded to factors such as, expanded spring wheat acreage, improved winter wheat crop conditions, and higher carrying charges, and declined to their lowest level this season. December market prices were over a dollar a bushel above the same level of a year earlier. By mid-May, lower prices reduced this spread to around 30 cents per bushel. Some recovery was experienced in early May reflecting concern for dry conditions in Spring wheat areas. Durum is the only wheat class that shows some stability at a level considerably above a year ago.

USDA's mid-month April national average wheat farm price of $3.40 per bushel was the season's low; but was still nearly 40 cents per bushel above last year's level. Because farmers sold the largest share of their 1979/80 production while prices were strong, marketings during the remainder of the marketing year will not appreciably change this season's estimated average price of $3.75 cents per bushel.

Many of the factors mentioned above in addition to crop prospects in the rest of the world, will continue to be important to the price outlook for the 1980/81 crop year.

WORLD WHEAT OUTLOOK

Production Projections for 1980

Early prospects for world wheat output in 1980/81 suggest production may range from 420 to 460 million metric tons, compared with 420 million in 1978/79. This would indicate that 1979's reduced harvest will likely be exceeded and that a record world production is possible if generally favorable conditions continue.

Weather conditions continue generally favorable for winter wheat in the Northern Hemisphere. In *Western Europe*, moisture supplies have been adequate and the wheat area is likely to be up in many countries. *Eastern Europe* expanded planted area and abundant precipitation early in the winter, left the crop in good condition. Below-normal moisture in Poland may pose a problem. *USSR's* winter grain area is up a tenth and indicated winter kill has been below average. Planting of spring wheat in the Soviet Union is lagging well behind normal and the area may be below seeding plans. In *China*, favorable March rainfalls benefited winter wheat as it came out of dormancy. Abandonment and winterkill exceeded normal levels and the crop will likely fall short of last year's record, even if the spring wheat harvest is near normal. Plantings of 1980 wheat are expected to expand in *Canada* with Durum area up over 10 percent. Conditions are on the dry side this year contrasting with an excessively wet spring in 1979.

Wheat: World wheat supply and distribution, marketing years 1976-80[1]

Year	Beginning stocks[2]	Production	Total exports	Utilization total[3]
	Million metric tons			
1976/77	63.0	415.8	63.1	378.5
1977/78	100.3	382.8	72.9	400.5
1978/79	82.6	447.8	71.2	424.6
1979/80[4]	105.9	420.0	82.5	437.4
1980/81[5]	88.4	420.0-460.0	79.0-90.0	423.0-440.0

[1] Data in this table are based on aggregate of differing local marketing years, and will therefore differ from July-June data appearing elsewhere in this report. [2] Stocks data are only for selected countries and exclude such important countries such as USSR, China, and part of Eastern Europe for which stocks data are not available; the aggregate stocks levels have, however, been adjusted for estimated year-to-year changes in USSR grain stocks. [3] For countries for which stock data are not available, or for which no adjustments have been made for year-to-year changes, utilization estimates assume a constant stock level. [4] Preliminary. [5] Projected.

Source: Foreign Agricultural Service. *World Grain Situation:* FG 17-80, May 1980.

A scarcity of rain during the *Indian* monsoon season will cause below normal yields from unirrigated wheat. A stepped-up irrigation program in northern areas may be partially offsetting but a large 1980 crop is expected to fall about a tenth below last year's record. Overall, world wheat developments point at this time to increased production in 1980/81. Larger crops may come from the United States, USSR, Western and Eastern Europe, Turkey, and Canada, with possible decreases in China and India.

World Wheat Trade Expected to Remain Strong

Although world wheat production is likely to be up in 1980/81, world trade will likely remain high, ranging from 79 to 90 million tons. This compares with the 1979/80 record of 82 million tons.

Factors that may influence the outlook for 1980/81 world and U.S. wheat trade include:

- Total Soviet import levels for the 1980/81 season.
- The performance of the summer monsoon in India and its possible effects on the need for India to import wheat.
- Weather conditions and planting intentions for world spring wheat growers and developments in Southern Hemisphere wheat crops.
- Competition from other exporters.
- China's level of grain import needs.

WHEAT BY CLASS

Another Record HRW Crop Expected

Based upon conditions as of May 1, a record 1.10 billion bushels 1980 HRW crop is expected, up slightly from last year's record. A substantial increase in harvested acreage—mainly the result of no 1980 set-aside—offsets an estimated yield decrease of about 5 bushels per acre. A crop this size added to June 1 carryover will likely result in total 1980 HRW supply about equal to those in 1979/80.

April 1 stocks of Hard Red Winter (HRW) totaled around 580 million bushels, up slightly from a year ago. Last year, over 55 percent of April's supply was isolated from the market in the farmer-owned reserve or owned by CCC. As a result, the readily marketable HRW supply situation was relatively tight when compared with past years. While June-December 1979 prices were at high levels, farmers redeemed over half of their HRW reserve stocks. However, the post-suspension wheat purchase program added over 100 million bushels to CCC-owned HRW inventory bringing the total to 140 million. This inventory, which cannot be sold on the market, and the farmer-owned reserve stocks represent about 45 percent of total April supply and over half of June's estimated carryover.

Influenced mainly by the January grain export suspension, January-March HRW shipments dropped about 70 million bushels below the October-December level. Total 1979/80 exports were originally projected to nearly equal 1973/74's record 775 million bushels. Even with the reduced loading rate, this year's total HRW export will be the second largest ever and equal to about two-thirds of the record crop (table 2).

HRW prices (Kansas City ordinary) weakened considerably since January, falling below $4 per bushel for much of April. Prices strengthened during early May but the outlook for another large crop will bear heavily on market price levels in coming weeks.

HRS Stocks At Three Year Low

April 1 stocks of Hard Red Spring (HRS) totaled around 370 million bushels, the lowest April level since 1977. It is noteworthy that nearly a third of the stocks are in the 3-year farmer-owned reserve (FOR) program and that recent Government purchases have increased CCC's HRS stocks to around 45 million bushels. Accordingly, over half of June 1's projected HRS carryover (316 million bushels) will be out of commercial marketing channels.

Disappearance of HRS during June-March is about on par with the same pace of a year ago. Another 200 million bushel export season seems certain. Also, some expansion of domestic use is expected as HRS prices have been quite competitive with HRW for most of 1979/80.

Minneapolis HRS prices weakened from January in a similar pattern as other wheat classes. Prices in April slipped below $4 a bushel for the first time this year but concern for the new crop facing widespread dry soil conditions caused May prices to recover from earlier losses. Futures market prices suggest that high protein spring wheat may again be competitively priced in the 1980/81 marketing year.

As of April 1, HRS producers intended to increase plantings about 13 percent. North Dakota, the largest producer, indicated 6 percent more acreage while Minnesota and South Dakota reported 34 percent and 27 percent more, respectively. Lack of winter moisture has caused dry soil conditions in many upper Midwest areas which could cause some serious germination problems if spring rains are not sufficient. Yields could fall below 1979's 26 bushels per acre.

Durum Stocks Down, Acreage Up

Durum stocks on April 1 totaled around 86 million bushels, 13 percent below last year. Reflecting this season's favorable Durum farm prices, most of the 1979 crop that was placed in loan has been redeemed and very little was placed in the farmer-owned reserve. In fact, about 4 million of the 11 million bushels of Durum previously pledged to the reserve program have been liquidated. Also, no Durum was bought during the recent CCC purchase program. This year's reduced supply and probable record exports are the main reasons that June carryover stocks are expected to be down nearly a fifth.

Despite last summer's shut-down of Duluth-Superior, overseas Durum commitments currently top last year by nearly 20 percent and could easily exceed 75 million bushels, or 70 percent of 1979/80 production. Sales to Tunisia have reached nearly 10 million bushels making that country the second largest importer of U.S. Durum after Algeria.

For much of the year, Durum has been priced around $1.00 per bushel above HRS. This would tend to increase blending of hard wheat in pasta flour production. Nevertheless, semolina production continues strong and may exceed last year by nearly 20 percent.

Wheat prices in general have been quite volatile since early January, but Minneapolis Durum markets have been fairly stable at around $5.00 per bushel. This compares with around $3.65 a year ago. Ample supplies and the indicated sizeable increase in 1980 Durum acreage point to chances of some price weakening as the new crop year approaches. Also, Canadian Durum acreage may be up over 10 percent from a year ago.

Favorable prices and no set-aside induced producers to plan a sharp increase in 1980 Durum acreage. Growers intend to seed 1.5 million acres more than the 4.0 million in 1979. With this expanded acreage and a yield per acre about equal to the latest 5 year average, 1980 Durum production could exceed 1976's record 135 million bushels.

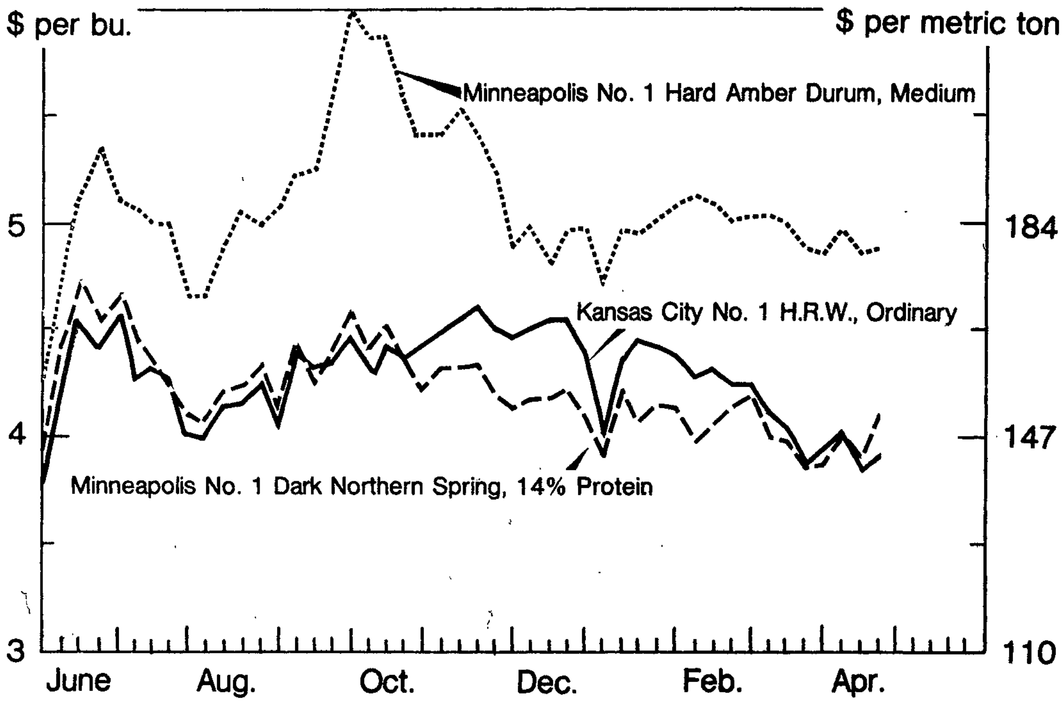
Marketable SRW Stocks Tighten, Record 1980 Crop Forecast

Stocks of Soft Red Winter (SRW) totaled about 70 million bushels on April 1 or about 25 million above last April. Nearly all of the SRW previously in the farmer-owned reserve has now been redeemed in response to strong early season prices. Under the recent USDA purchase program (from March 25 thru April 14, 1980), CCC procured nearly 6 million bushels of SRW from country elevators and over 1 million from producers. Coupled with approximately 2 million bushels previously acquired through forfeiture of some 1976 and 1977 crop loans, CCC now owns nearly 9 million bushels of SRW, about a fourth of the estimated yearend stocks. This supply is to be included in the foreign food-aid wheat reserve and will not be resold in the commercial market. Thus, until the harvest of a likely record 1980 crop, readily marketable SRW supplies will be tight.

Heavy SRW exports to date reflect the fact that soft wheats have been competively priced at dockside for most of this season. While China was a large HRW buyer last season (when SRW supplies were limited), expanded purchases this year have bolstered total projected exports to around 165 million bushels, nearly 75 percent over 1978/79.

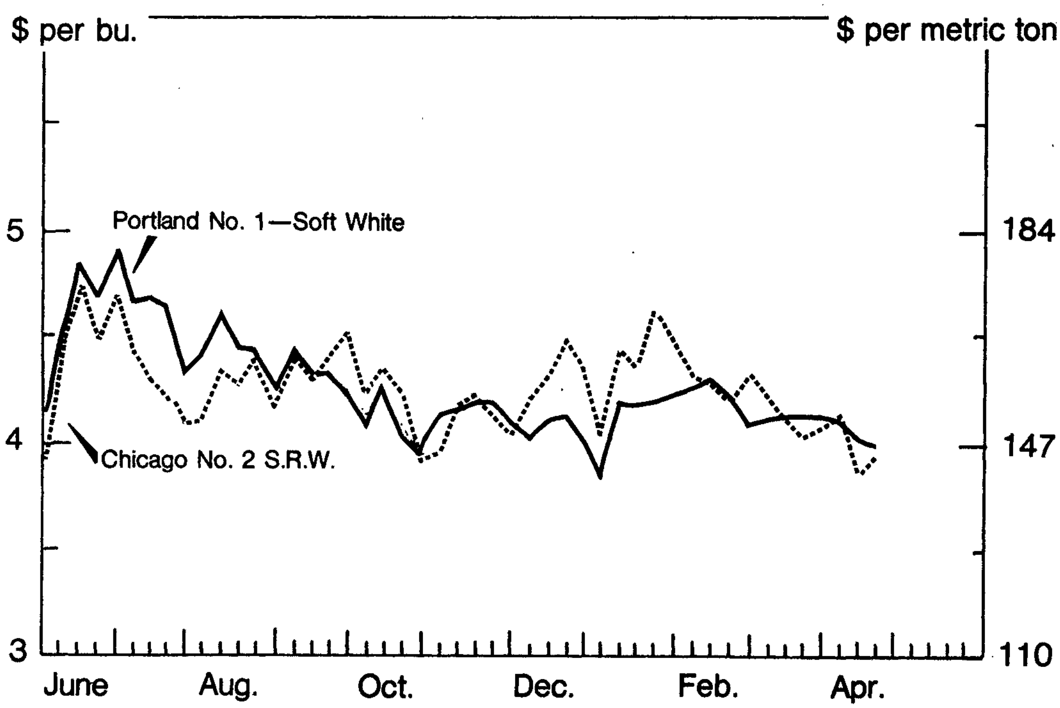
Last fall, Chicago SRW cash prices gave way to a strong HRW market that was supported by extremely heavy export sales to the Soviet Union. But recent deteriorating price levels after the

Cash Wheat Prices, 1979/80*



*Thursday price.

Cash Wheat Prices, 1979/80*



*Thursday price.

suspension reversed the spread and soft red prices are now at a premuim over hard wheat cash markets.

Due to widespread good to excellent crop conditions and a 25 percent increase in 1980 planted acreage, a record SRW harvest is expected. The May 1 forecast places the 1980 crop at 382 million bushels, 61 million above a year ago and above 1977's record 350 million bushels.

White Wheat Exports Improved, Larger 1980 Crop Likely

White wheat stocks on April 1 totaled around 115 million bushels. A year ago, White wheat in the farmer-owned reserve represented about 15 percent of total stocks but subsequent high prices and the reserve in release status caused a sell-off of nearly half of (FOR) stocks. However, as a result of White wheat being included in the recent CCC purchase action, CCC now owns about 12 percent of projected yearend stocks (9.8 million bushels).

Exports during June-December were running about 15 percent short of the year-earlier pace, but stepped-up shipments to China, Egypt, Korea and Bangladesh lifted 1979/80 White wheat export prospects to slightly below last season's 185 million bushels. U.S. wheat shipments to Iran, normally a large soft White wheat buyer, totaled 10 million bushels, compared with an average of 40 million for the past 3 years.

Increased export activity since January helped advance Portland cash White wheat prices while Chicago soft red wheat prices were easing off. Some slowing of export sales for the remainder of the year, and indications of a larger 1980 crop, could cause prices to ease into the new crop year at slightly below last June's level.

Winter White wheat farmers seeded about 4 percent more acres than in 1979. However, April intentions indicate a sharp decrease in spring White wheat plantings as reduced winter killed wheat in the Pacific Northwest required reseeding this spring. Nevertheless greatly improved soil moisture conditions and expanded acreage from last year, point to a 15 percent larger 1980 White wheat crop—224 million bushels as of May 1.

Smaller 1980 Rye Crop Likely

Two successively larger rye crops (1978 and 1979) have resulted in large supplies hanging over the market. The 1979/80 rye supply was the largest in 6 years. June-March disappearance was about equal to the level of the past two years while April 1 stocks were up a third from a year ago. Feed use has not increased despite lower rye prices relative to other feed grains. The exception to an uneventful rye usage year has been the biggest export season since 1974/75. Shipments may reach nearly 3 million bushels mostly representing purchases by Finland.

Reflecting an abundant supply and reduced prices, rye growers cut fall planted acreage by 14 percent. Major rye grain producing States in the North Central area reduced planted acres for the 1980 crop by 35 percent from a year ago. Dry soil conditions in the area could further reduce prospects for the 1980 crop by lowering yields per acre. Ample spring rains could overcome this concern.

Rye: Supply and disappearance

Item	June-March	
	1978/79	1979/80
	Million bushels	
June 1 stocks	4.1	9.7
Production	26.2	24.5
Imports	.1	([1])
Total supply	30.4	34.2
Exports	([1])	2.2
Food	3.1	3.0
Seed	4.9	4.2
Industrial	1.8	1.6
Feed	8.0	7.0
Total disappearance	17.8	18.0
January 1 stocks	12.6	16.2

[1] Less than 50,000 bushels.

TABLE 2.--WHEAT CLASSES: MARKETING YEAR SUPPLY AND DISAPPEARANCE, 1976-79 1/

YEAR BEGINNING JUNE 1	SUPPLY			DISAPPEARANCE			ENDING STOCKS MAY 31
	BEGINNING STOCKS	PRODUCTION	TOTAL 2/	DOMESTIC USE	EXPORTS 3/	TOTAL	
	MILLION BUSHELS						
1976/77							
HARD WINTER	379	976	1,355	332	418	750	605
RED WINTER	57	336	393	140	181	321	72
HARD SPRING	116	411	528	154	124	278	250
DURUM	53	135	190	57	41	98	92
WHITE	60	284	344	65	186	251	93
ALL CLASSES	665	2,142	2,810	748	950	1,698	1,112
1977/78							
HARD WINTER	605	992	1,597	431	535	966	631
RED WINTER	72	350	422	154	197	351	71
HARD SPRING	250	398	649	158	156	314	335
DURUM	92	80	173	44	62	106	67
WHITE	93	216	309	62	174	236	73
ALL CLASSES	1,112	2,036	3,150	849	1,124	1,973	1,177
1978/79							
HARD WINTER	631	836	1,467	437	610	1,047	420
RED WINTER	71	202	273	151	95	246	27
HARD SPRING	335	379	714	158	232	390	324
DURUM	67	134	202	44	72	116	86
WHITE	73	247	320	67	185	252	68
ALL CLASSES	1,177	1,798	2,976	857	1,194	2,051	925
1979/80 4/							
HARD WINTER	420	1,093	1,513	347	737	1,084	429
RED WINTER	27	321	348	150	165	315	33
HARD SPRING	324	365	690	164	210	374	316
DURUM	86	107	194	48	78	126	68
WHITE	68	256	324	65	185	250	74
ALL CLASSES	925	2,142	3,069	774	1,375	2,149	920

1/ DATA, EXCEPT PRODUCTION, ARE APPROXIMATIONS. 2/ TOTAL SUPPLY INCLUDES IMPORTS. 3/ IMPORTS AND EXPORTS INCLUDE FLOUR AND OTHER PRODUCTS IN WHEAT EQUIVALENT. 4/ ESTIMATED.

TABLE 3.--WHEAT: MARKETING YEAR SUPPLY AND DISAPPEARANCE, SPECIFIED PERIODS, 1975-80 *

YEAR AND PERIODS BEGINNING JUNE 1	SUPPLY				DISAPPEARANCE							ENDING STOCKS		
					DOMESTIC USE									
	BEGINNING STOCKS	PRODUCTION	IMPORTS 1/	TOTAL	FOOD	ALC. BEVERAGES	SEED	FEED 2/	TOTAL	EXPORTS 1/	TOTAL DISAPPEARANCE	GOVT. OWNED	PRIVATELY OWNED 3/	TOTAL
	MILLION BUSHELS													
1975/76														
JUNE-SEPT.	435.0	2,122.5	0.7	2,558.1	195.6	4/	33.0	16.6	245.2	428.4	673.6	---	1,884.5	1,884.5
OCT.-DEC.	1,884.5	---	0.7	1,885.3	150.4	4/	35.0	-29.3	156.1	343.6	499.6	---	1,385.7	1,385.7
JAN.-MAR.	1,385.7	---	0.3	1,386.0	148.5	4/	1.0	52.4	201.9	247.3	449.2	---	936.8	936.8
APR.-MAY	936.8	---	0.6	937.4	94.2	4/	30.0	-5.7	118.5	153.7	272.1	---	665.3	665.3
MKT. YEAR	435.0	2,122.5	2.4	2,559.8	588.6	0.1	99.0	34.0	721.7	1,172.9	1,894.6	---	665.3	665.3
1976/77														
JUNE-SEPT.	665.3	2,142.4	0.9	2,808.5	200.4	4/	32.0	-11.0	221.5	398.8	620.3	---	2,188.2	2,188.2
OCT.-DEC.	2,188.2	---	0.4	2,188.6	152.5	4/	34.0	4/	186.6	220.3	406.8	---	1,781.8	1,781.8
JAN.-MAR.	1,781.8	---	0.4	1,782.1	147.3	4/	1.0	65.5	213.8	178.8	392.6	---	1,389.5	1,389.5
APR.-MAY	1,389.5	---	1.1	1,390.6	87.9	4/	25.0	13.9	126.7	151.6	278.4	---	1,112.2	1,112.2
MKT. YEAR	665.3	2,142.4	2.7	2,810.3	588.0	0.1	92.0	68.4	748.6	949.5	1,698.1	---	1,112.2	1,112.2
1977/78														
JUNE-SEPT.	1,112.2	2,036.3	0.8	3,149.4	193.3	4/	32.0	142.0	367.3	381.7	749.0	8.2	2,392.2	2,400.4
OCT.-DEC.	2,400.4	---	0.4	2,400.7	153.5	4/	23.0	5.1	181.6	225.4	407.0	31.8	1,962.0	1,993.8
JAN.-MAR.	1,993.8	---	0.4	1,994.2	145.5	4/	1.0	41.4	187.9	278.6	466.5	44.8	1,482.9	1,527.7
APR.-MAY	1,527.7	---	0.3	1,528.0	94.2	4/	24.0	-5.2	113.1	238.2	351.3	45.7	1,131.0	1,176.7
MKT. YEAR	1,112.2	2,036.3	1.9	3,150.5	586.5	0.1	80.0	183.3	849.9	1,123.9	1,973.8	45.7	1,131.0	1,176.7
1978/79														
JUNE-SEPT.	1,176.7	1,797.5	0.6	2,974.8	191.7	4/	27.0	124.9	343.6	493.3	836.9	48.9	2,089.0	2,137.9
OCT.-DEC.	2,137.9	---	0.5	2,138.4	153.8	4/	34.0	9.0	196.7	308.8	505.6	49.5	1,583.3	1,632.8
JAN.-MAR.	1,632.8	---	0.5	1,633.3	147.4	4/	1.0	34.6	183.0	224.5	407.5	49.5	1,176.3	1,225.8
APR.-MAY	1,225.8	---	0.3	1,226.1	98.9	0.1	25.0	9.9	133.9	167.5	301.4	50.2	874.5	924.7
MKT. YEAR	1,176.7	1,797.5	1.9	2,976.1	591.8	0.1	87.0	178.4	857.3	1,194.1	2,051.4	50.2	874.5	924.7
1979/80 5/														
JUNE-SEPT.	924.7	2,141.7	0.7	3,067.2	198.0	4/	33.0	53.1	284.1	511.0	795.1	49.9	2,222.2	2,272.1
OCT.-DEC.	2,272.1	---	0.5	2,272.6	157.6	4/	35.0	-23.9	168.7	387.9	556.6	49.6	1,666.4	1,716.0
JAN.-MAR.	1,716.0	---	0.5	1,716.5	148.1	0.1	1.0	59.4	208.6	282.7	491.3	63.3	1,161.9	1,225.2
APR.-MAY														
MKT. YEAR														

1/ IMPORTS AND EXPORTS INCLUDE FLOUR AND OTHER PRODUCTS EXPRESSED IN WHEAT EQUIVALENT. 2/ RESIDUAL; APPROXIMATES FEED USE. 3/ INCLUDES OUTSTANDING AND RESERVE LOANS. 4/ LESS THAN 50,000 BUSHELS. 5/ PRELIMINARY. *TOTALS MAY NOT ADD DUE TO ROUNDING.

Table 4.--Wheat price support loan status on specified dates--1976-79 crops

Crop of	Total loans	Put in reserve	Repaid		Delivered to CCC 1/	Outstanding	
			Loans	Reserve		Loans	Reserve
	Million bushels						
	As of June 1, 1979						
1976	498.8	215.8	234.7	3.1	48.0	0.3	212.7
1977	590.8	192.1	392.2	1.8	2.2	4.3	190.3
1978	254.3	---	136.9	---	---	117.4	---
1979							
Total	***	***	***	***	50.2	122.0	403.0
	As of October 1, 1979						
1976	498.8	216.1	234.7	87.3	48.0	---	128.8
1977	590.8	194.7	392.9	73.8	2.2	1.0	120.9
1978	255.1	---	198.6	---	---	56.5	---
1979	55.6	---	1.3	---	---	54.3	---
Total	***	***	***	***	49.9	111.8	249.7
	As of January 1, 1980						
1976	498.8	216.1	234.7	99.2	48.0	---	116.9
1977	590.8	194.9	393.7	86.1	2.2	---	108.8
1978	255.1	3.4	210.4	---	---	41.3	3.4
1979	115.5	0.6	13.4	---	---	101.5	0.6
Total	***	***	***	***	49.6	142.8	229.7
	As of April 1, 1980						
1976	498.8	216.1	234.7	111.2	48.0	---	104.9
1977	590.8	194.9	393.7	96.5	2.2	---	98.4
1978	255.1	11.2	218.4	0.2	---	25.5	11.0
1979	161.0	12.5	43.5	---	---	105.0	12.5
Total	***	***	***	***	2/ 63.3	130.5	226.8

1/ Outstanding CCC-owned stocks delivered may not add due to dispositions.
2/ Includes 13.7 million bushels of open market purchases in March, additional purchases during April totaled 141.3 million bushels.
Source: Agricultural Stabilization and Conservation Service monthly loan activity reports.

Table 5.--Wheat, flour and wheat products, United States exports by months, 1975-80*

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Total
	1,000 bushels												
	Wheat (Grain only)												
1975/76	77,583	99,988	111,446	125,943	123,762	118,614	92,462	92,069	72,517	77,353	77,111	67,787	1,136,635
1976/77	66,814	85,619	113,202	110,376	100,532	54,296	57,024	49,447	57,773	52,650	70,233	66,501	884,467
1977/78	77,073	83,657	93,432	110,634	69,107	57,565	87,368	64,819	94,669	105,468	103,286	120,060	1,067,138
1978/79	108,931	106,108	131,921	119,611	115,518	92,392	90,027	70,400	67,106	75,548	76,961	78,306	1,132,829
1979/80	104,607	133,283	117,787	129,617	149,040	108,882	114,879	82,683	89,526	94,735	98,327	88 579	96,193 (June)
	Flour (Grain equivalent) 1/												
1975/76	2,664	2,627	2,740	2,045	2,113	2,019	1,380	1,149	1,206	1,525	3,212	4,306	26,986
1976/77	5,605	3,052	5,060	6,028	2,861	1,357	988	3,204	5,871	6,522	8,433	4,893	53,874
1977/78	3,803	3,586	3,411	2,893	2,011	2,204	3,446	1,987	3,820	4,464	6,412	5,844	43,881
1978/79	6,426	4,370	5,124	5,109	4,235	1,399	1,617	1,380	3,050	3,355	2,231	6,589	44,885
1979/80	4,280	4,172	6,370	5,336	3,157	2,586	5,351	2,505	3,649	6,970	2389	2529	4230 (June)
	Wheat products (Grain equivalent) 2/												
1975/76	1,540	1,275	212	340	955	856	1,395	1,223	89	140	481	754	9,260
1976/77	450	869	1,293	444	1,072	329	1,798	1,426	1,398	540	728	844	11,191
1977/78	788	926	269	1,211	925	952	1,821	1,097	1,164	1,059	942	1,694	12,848
1978/79	1,232	816	1,842	1,829	605	1,480	1,575	1,414	1,457	774	2,305	1,086	16,415
1979/80	772	1,797	1,492	1,483	1,190	1,485	1,334	1,168	378	1,083	836	919	912 (June)
	Total wheat, flour and products												
1975/76	81,787	103,890	114,398	128,328	126,830	121,489	95,237	94,441	73,812	79,018	80,804	72,847	1,172,881
1976/77	72,869	89,540	119,555	116,848	104,465	55,982	59,810	54,077	65,042	59,712	79,394	72,238	949,532
1977/78	81,663	88,169	97,113	114,738	72,043	60,722	92,635	67,903	99,653	110,991	110,639	127,598	1,123,867
1978/79	116,588	111,294	138,888	126,550	120,358	95,271	93,219	73,194	71,612	79,677	81,497	85,981	1,194,129
1979/80	109,659	139,252	125,649	136,436	153,387	112,953	121,564	86,356	93,553	102,788	101,552	92026	101335 (June)

1/ Includes meal and groats and durum. 2/ Includes macaroni, rolled wheat and bulgar.

*Totals may not add due to independent rounding.

SOURCE: Bureau of the Census.

Table 6 .--Wheat: Farm price for leading classes and major feed grain in region, 1977-80 1/

Commodity and year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average	Loan rate
	All prices for 60 pounds													
	Central and So. Plains (Hard Winter) 2/													
Wheat:														
1977/78	1.94	1.98	1.94	2.06	2.19	2.37	2.38	2.37	2.44	2.55	2.69	2.69	2.30	2.19
1978/79	2.72	2.71	2.74	2.82	2.96	2.98	2.97	2.93	2.96	2.97	3.00	3.12	2.91	2.28
1979/80	3.63	3.81	3.72	3.82	3.86	3.93	3.89	3.81	3.73	3.51				2.43
Sorghum:														
1977/78	1.82	1.75	1.59	1.60	1.74	1.87	1.86	1.87	1.91	2.02	2.16	2.21	1.87	1.79
1978/79	2.15	2.05	1.97	1.96	2.06	2.11	2.12	2.11	2.11	2.12	2.15	2.17	2.09	2.00
1979/80	2.55	2.68	2.51	2.48	2.45	2.45	2.41	2.44	2.44	2.47				2.12
	Cornbelt (Soft Red Winter) 3/													
Wheat:														
1977/78	1.99	1.97	1.88	1.88	2.01	2.35	2.45	2.45	2.48	2.64	2.88	2.89	2.32	2.26
1978/79	2.88	2.90	3.02	3.08	3.23	3.34	3.37	3.37	3.50	3.38	3.44	3.58	3.26	2.34
1979/80	3.85	4.01	3.86	3.93	4.00	3.87	3.99	4.03	4.11	3.82				2.48
Corn:														
1977/78	2.30	2.01	1.74	1.70	1.80	2.07	2.16	2.17	2.21	2.33	2.47	2.50	2.12	1.93
1978/79	2.52	2.39	2.18	2.13	2.12	2.19	2.27	2.31	2.39	2.44	2.51	2.61	2.34	2.18
1979/80	2.78	3.02	2.88	2.81	2.59	2.48	2.71	2.66	2.65	2.63				2.31
	Northern Plains (Spring and Durum) 4/													
Wheat:														
1977/78	2.25	2.16	2.16	2.28	2.45	2.59	2.56	2.60	2.62	2.66	2.81	2.84	2.50	2.26
1978/79	2.79	2.69	2.71	2.78	2.87	2.93	2.86	2.75	2.83	2.84	2.89	3.14	2.84	2.36
1979/80	3.49	3.69	3.62	3.67	3.83	3.76	3.61	3.54	3.60	3.57				2.51
Barley:														
1977/78	2.10	1.71	1.70	1.71	1.91	2.11	2.14	2.15	2.19	2.21	2.34	2.39	2.05	1.74
1978/79	2.25	2.00	2.02	2.14	2.22	2.36	2.33	2.27	2.26	2.34	2.46	2.55	2.27	1.92
1979/80	2.65	2.72	2.50	2.65	2.72	2.79	2.69	2.68	2.52	2.60				2.02
	Pacific Northwest (White) 5/													
Wheat:														
1977/78	2.47	2.52	2.55	2.45	2.40	2.58	2.62	2.69	2.92	3.07	3.17	3.22	2.72	2.31
1978/79	3.23	3.29	3.35	3.36	3.30	3.30	3.34	3.30	3.21	3.22	3.30	3.42	3.30	2.41
1979/80	3.98	3.93	4.12	4.03	3.91	3.89	3.74	3.68	3.80	3.71				2.57
Barley:														
1977/78	2.47	2.44	2.25	2.32	2.10	2.31	2.30	2.36	2.47	2.56	2.64	2.71	2.41	1.99
1978/79	2.69	2.59	2.54	2.35	2.25	2.32	2.31	2.39	2.36	2.44	2.49	2.58	2.44	2.15
1979/80	2.69	3.08	3.00	3.09	3.07	3.34	3.10	3.10	3.10	3.18				2.26
	U.S. AVERAGE													
Wheat:														
1977/78	2.03	2.04	2.13	2.16	2.30	2.46	2.47	2.53	2.59	2.67	2.82	2.82	6/2.33	2.25
1978/79	2.81	2.81	2.88	2.92	2.99	3.04	3.01	2.99	2.99	2.97	3.01	3.20	6/2.94	2.35
1979/80	3.72	3.89	3.74	3.87	3.98	3.94	3.80	3.74	3.78	3.64				2.50

1/ To adjust prices to relative feed value multiply: corn 1.00; wheat 1.05; barley .90; sorghum .95; reported in Consumption of Feed by Livestock, Production Research Report No. 79, ERS, USDA. 2/ Kansas, Nebraska, Texas, Oklahoma, and Colorado. 3/ Ohio, Indiana, Illinois, and Missouri. 4/ North Dakota, South Dakota, and Minnesota. 5/ Washington, Oregon, and Idaho. 6/ Season average price including allowance for unredeemed loans and purchases by CCC.

Table 7.--Wheat: Major cash market prices for leading classes, 1977-80

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
	Dollars per bushel												
	Kansas City, No. 1 Hard Red Winter (ordinary protein)												
1977/78	2.31	2.35	2.31	2.47	2.56	2.81	2.80	2.82	2.84	3.07	3.21	3.12	2.72
1978/79	3.12	3.14	3.14	3.24	3.42	3.48	3.39	3.42	3.50	3.52	3.53	3.64	3.38
1979/80	4.17	4.34	4.12	4.26	4.39	4.53	4.51	4.33	4.32	4.07			
	13% protein												
1977/78	2.51	2.43	2.38	2.53	2.61	2.86	2.87	2.92	2.92	3.09	3.36	3.25	2.81
1978/79	3.20	3.17	3.15	3.26	3.42	3.48	3.40	3.43	3.52	3.55	3.58	3.71	3.41
1979/80	4.22	4.42	4.28	4.39	4.55	4.67	4.60	4.40	4.35	4.14			
	Chicago, No. 2 Soft Red Winter												
1977/78	2.29	2.20	2.08	2.20	2.27	2.59	2.65	2.69	2.64	2.82	3.11	3.14	2.56
1978/79	3.18	3.22	3.32	3.42	3.51	3.68	3.68	3.73	3.88	3.79	3.60	3.86	3.57
1979/80	4.36	4.39	4.23	4.28	4.30	4.13	4.26	4.36	4.39	4.18			
	St. Louis, No. 2 Soft Red Winter												
1977/78	2.15	2.14	1.97	2.01	2.28	2.70	2.74	2.75	2.71	2.90	3.09	2.99	2.54
1978/79	3.05	3.16	3.21	3.23	3.41	3.57	3.50	3.57	3.66	3.51	3.62	3.68	3.43
1979/80	4.08	4.18	4.04	4.08	4.02	4.10	4.28	4.26	4.32	4.11			
	Toledo, No. 2 Soft Red Winter												
1977/78	2.21	2.13	2.03	2.08	2.21	2.53	2.57	2.62	2.55	2.77	3.07	3.03	2.48
1978/79	3.09	3.13	3.21	3.32	3.46	3.73	3.72	3.73	3.69	3.66	3.56	3.71	3.50
1979/80	4.17	4.37	4.22	4.28	4.29	4.21	4.28	4.21	4.32	4.08			
	Toledo, No. 2 Soft White												
1977/78	2.21	2.16	2.04	2.06	2.18	2.52	2.56	2.62	2.56	2.77	3.07	3.03	2.48
1978/79	3.10	3.26	3.45	3.63	3.69	3.87	3.77	3.72	3.63	3.44	3.35	3.53	3.54
1979/80	4.08	4.31	4.15	4.17	4.12	4.20	4.18	4.10	4.14	3.90			
	Portland, No. 1 Soft White												
1977/78	2.79	2.88	2.88	2.80	2.75	2.91	2.97	3.17	3.33	3.41	3.62	3.60	3.09
1978/79	3.60	3.74	3.72	3.77	3.76	3.76	3.71	3.70	3.65	3.70	3.70	3.91	3.73
1979/80	4.46	4.67	4.45	4.31	4.13	4.16	4.10	4.10	4.26	4.13			
	Minneapolis, No. 1 Dark No. Spring (ordinary protein)												
1977/78	2.43	2.29	2.22	2.51	2.61	2.71	2.68	2.73	2.72	2.86	3.08	3.10	2.66
1978/79	3.06	2.95	2.96	3.07	3.21	3.32	3.15	3.12	3.12	3.18	3.29	3.62	3.17
1979/80	4.23	4.31	4.10	4.18	4.31	4.27	4.18	4.06	4.13	4.04			
	14% protein												
1977/78	2.65	2.54	2.48	2.75	2.87	2.96	2.92	2.94	2.90	3.03	3.23	3.27	2.88
1978/79	3.21	3.11	3.13	3.26	3.41	3.47	3.32	3.30	3.36	3.42	3.45	3.73	3.35
1979/80	4.32	4.42	4.19	4.29	4.45	4.29	4.17	4.07	4.08	4.02			
	Hard Amber Durum, No. 1 (medium)												
1977/78	2.84	2.84	2.80	3.12	3.42	3.54	3.51	3.62	3.61	3.60	3.72	3.79	3.37
1978/79	3.72	3.56	3.55	3.52	3.69	3.70	3.53	3.60	3.64	3.72	3.71	3.98	3.66
1979/80	4.75	4.99	4.88	5.27	5.80	5.38	4.99	4.93	5.05	4.98			

Source: Grain Market News, Agriculture Marketing Service.

Table 8.--Wheat: Monthly average export prices at selected ports, 1976-80

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
	Dollars per metric ton												
	GULF: NO. 1 HARD RED WINTER, ORDINARY PROTEIN												
1976/77	146	142	127	120	111	107	106	109	111	107	102	95	115
1977/78	93	97	96	100	104	112	115	114	116	124	130	124	110
1978/79	126	127	128	131	137	138	136	138	140	140	140	143	135
1979/80	168	175	169	174	178	178	180	176	173	164	156		
	GULF: NO. 1 SOFT RED WINTER												
1976/77	129	128	115	114	105	101	101	103	106	102	100	94	108
1977/78	83	85	80	83	91	104	107	108	110	116	125	121	101
1978/79	123	124	126	130	136	141	137	140	144	144	144	141	136
1979/80	164	169	163	165	163	164	172	170	168	162	153		
	PORTLAND: NO. 2 WESTERN WHITE												
1976/77	133	134	126	122	112	110	104	108	112	110	111	110	116
1977/78	105	107	108	105	104	109	112	118	124	128	136	134	116
1978/79	136	141	139	141	140	141	139	139	137	138	138	148	140
1979/80	171	178	167	163	160	157	155	157	162	157	155		
	DULUTH: NO. 2 NORTHERN SPRING, 14% PROTEIN												
1976/77	162	155	137	126	120	115	111	112	114	111	111	105	123
1977/78	98	94	93	103	107	109	107	107	106	110	118	120	106
1978/79	119	116	117	121	127	129	120	122	123	126	127	138	124
1979/80	163	166	1/	167	167	158	150	1/	1/	1/	146		

1/ No price quotes available.

Source: Grain Market News.

Table 9.--Wheat: Rotterdam, c.i.f., quotations for cargoes/parcels in nearest shipment position, by months, 1976-80 1/

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
	Dollars per metric ton												
	Canadian No. 1 CWRS - 13.5												
1976/77	2/188	2/175	158	156	145	141	139	145	146	135	133	134	150
1977/78	127	122	117	129	137	144	145	153	155	2/148	2/154	2/159	141
1978/79	2/157	161	163	166	170	177	NQ	NQ	2/169	2/164	2/159	NQ	165
1979/80	NQ	NQ	NQ	NQ	2/213	2/215	NQ	NQ	NQ	NQ			
	United States No. 2 Hard Winter, 13.5%												
1976/77	172	176	159	150	139	131	132	133	140	132	130	121	143
1977/78	114	116	116	120	126	135	137	134	132	139	151	142	130
1978/79	150	146	147	148	156	161	157	155	160	165	157	166	156
1979/80	193	204	200	205	209	212	212	200	200	197			
	United States Dark Northern Spring, 14%												
1976/77	181	176	158	148	138	137	142	145	148	134	130	127	147
1977/78	115	111	110	121	126	131	132	144	147	147	147	146	131
1978/79	142	138	140	144	153	159	150	164	170	164	154	166	154
1979/80	192	202	194	199	205	204	205	206	205	196			

1/ Hamburg Mercantile Exchange prices for Rotterdam. Averages: Basis daily market quotes. 30 days delivery. 2/ Canadian Western Spring Wheat (CWRS)--No. 2--12.5 protein.

NQ - Not quoted.

Compiled from Foreign Agriculture Grain Circular, Foreign Agriculture Service.

Table 10.--Wheat and flour: Price relationships at milling centers, annual and by periods, 1976-80

Year and periods	At Kansas City: Cost of wheat to produce 100 lb. of flour 1/	At Kansas City: Wholesale price of- Bakery flour per 100 lb. 2/	At Kansas City: Wholesale price of- Byproducts obtained 100 lb. flour 3/	At Kansas City: Total products Actual	At Kansas City: Total products Over cost of wheat	At Minneapolis: Cost of wheat to produce 100 lb. of flour 1/	At Minneapolis: Wholesale price of- Bakery flour per 100 lb. 2/	At Minneapolis: Wholesale price of- Byproducts obtained 100 lb. flour 3/	At Minneapolis: Total products Actual	At Minneapolis: Total products Over cost of wheat
	Dollars									
1976/77										
June-Sept.	8.47	8.31	1.70	10.01	1.54	8.98	9.64	1.74	11.38	2.40
Oct.-Dec.	6.92	7.05	1.71	8.76	1.84	7.16	8.04	1.72	9.76	2.60
Jan.-Mar.	6.75	6.70	1.63	8.33	1.58	7.02	7.78	1.66	9.44	2.42
Apr.-May	6.12	6.02	1.62	7.64	1.52	6.66	7.02	1.66	8.68	2.02
Season average	7.06	7.02	1.66	8.68	1.62	7.46	8.12	1.70	9.82	2.36
1977/78										
June-Sept.	5.61	5.86	1.19	7.05	1.44	5.97	6.70	1.23	7.93	1.96
Oct.-Dec.	6.34	6.46	1.33	7.79	1.45	6.69	7.24	1.23	8.47	1.78
Jan.-Mar.	6.77	6.88	1.37	8.25	1.48	6.82	7.52	1.25	8.77	1.95
Apr.-May	7.54	7.86	1.14	9.00	1.46	7.45	8.52	1.08	9.60	2.15
Season average	6.56	6.76	1.26	8.02	1.46	6.73	7.49	1.20	8.69	1.96
1978/79										
June-Sept.	7.29	7.49	1.27	8.76	1.47	7.27	8.03	1.16	9.19	1.92
Oct.-Dec.	7.83	7.77	1.67	9.44	1.61	7.78	8.15	1.48	9.63	1.85
Jan.-Mar.	7.98	7.84	1.61	9.45	1.47	7.74	8.05	1.44	9.49	1.75
Apr.-May	8.31	8.46	1.35	9.81	1.50	8.26	8.65	1.29	9.94	1.68
Season average	7.85	7.89	1.47	9.36	1.51	7.76	8.22	1.34	9.56	1.80
1979/80										
June-Sept.	9.87	9.91	1.70	11.61	1.74	9.88	10.22	1.61	11.83	1.95
Oct.-Dec.	10.50	10.39	1.85	12.24	1.74	9.99	10.57	1.63	12.20	2.21
Jan.-Mar. 4/	9.79	10.02	1.77	11.79	2.00	9.46	10.20	1.45	11.65	2.19
Apr.-May										
Season average										

1/ Based on 73 percent extraction rate, cost of 2.28 bushels: At Kansas City, No. 1 Hard Winter, 13 percent protein, and at Minneapolis, No. 1 Dark Northern Spring, simple average of 13 percent and 15 percent protein. 2/ Quoted as 95 percent patent at Kansas City and standard patent at Minneapolis, bulk basis. 3/ Assumed 50-50 millfeed distribution between bran and shorts or middlings, bulk basis. 4/ Preliminary.

Compiled from reports of Agricultural Marketing Service and Bureau of Labor Statistics, Department of Labor.

Table 11.--Cereal and bakery products: Retail price index, 1967-80

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Average
	(Index 1967 = 100)												
1967	99.8	99.7	99.9	99.9	99.7	99.9	99.9	99.8	99.7	99.7	99.8	99.9	99.8
1968	100.1	100.6	100.9	101.1	101.1	101.4	101.4	101.7	101.9	102.3	102.4	102.6	101.5
1969	103.0	103.5	103.5	103.8	104.4	104.7	105.4	105.9	106.6	107.2	107.7	108.0	105.3
1970	108.2	108.7	109.8	110.2	111.0	111.2	111.6	112.4	112.8	113.0	113.9	114.1	111.4
1971	114.2	114.8	114.5	114.6	114.3	114.1	113.8	113.7	114.3	114.8	115.0	114.7	114.4
1972	114.5	114.4	114.4	114.6	114.6	115.0	115.8	116.3	117.8	119.0	120.2	122.1	116.6
1973	123.0	123.5	124.7	132.4	139.0	145.8	148.5	149.7	154.4	158.6	161.4	164.3	143.8
1974	165.3	166.7	168.2	170.4	174.7	177.6	181.7	185.3	187.3	189.1	188.9	187.0	178.5
1975	185.2	184.6	182.6	181.6	181.6	181.9	182.2	182.0	181.1	180.6	180.2	180.8	182.0
1976	181.3	180.9	180.3	180.4	180.1	179.9	179.3	179.9	180.0	181.3	182.6	182.5	180.7
1977	182.8	183.3	182.7	184.9	185.4	187.1	189.0	190.8	194.5	194.4	194.8	198.2	189.0
1978	199.4	201.3	203.1	203.8	205.1	206.6	207.9	210.0	212.2	213.5	214.5	216.2	207.8
1979	217.8	220.1	223.7	225.6	227.0	228.7	231.6	234.2	236.8	238.6			

Bureau of Labor Statistics, U.S. Department of Labor.

Table 12.--Wheat Flour: Supply and disappearance, United States, 1960-79

Calendar year	Wheat ground	Millfeed production	Flour production 1/	Flour and product imports 2/	Total supply	Exports: Flour	Exports: Products 2/	Domestic disappearance	Total population July 1	Per capita disappearance
	1,000 bu.	1,000 tons	- - - - 1,000 cwt. - - - -						Millions	Pounds
1960	582,719	4,827	255,596	141	255,737	42,135	58	213,544	180.7	118
1961	591,999	4,858	260,709	131	260,840	43,528	42	217,270	183.7	118
1962	595,353	4,876	262,403	132	262,535	47,719	22	214,794	186.5	115
1963	589,245	4,794	260,291	136	260,427	44,498	19	215,910	189.2	114
1964	591,654	4,890	261,905	142	262,047	42,328	26	219,693	191.8	115
1965	564,724	4,645	250,591	145	250,736	30,597	194	219,945	194.2	113
1966	568,673	4,619	253,176	179	253,355	33,091	178	220,086	196.5	112
1967	549,801	4,423	245,390	222	245,612	21,056	16	224,540	198.6	113
1968	569,649	4,511	254,310	233	254,543	28,068	133	226,342	200.6	113
1969	567,956	4,458	254,194	274	254,468	26,333	158	227,977	202.6	113
1970	563,714	4,409	253,094	325	253,419	26,054	144	227,221	204.8	111
1971	555,092	4,279	249,810	341	250,151	20,685	152	229,314	207.0	111
1972	557,801	4,303	250,441	477	250,918	20,335	194	230,389	208.8	110
1973	567,287	4,395	254,661	550	255,211	16,107	265	238,839	210.4	114
1974	562,962	4,483	251,097	665	251,762	14,453	335	236,974	211.9	112
1975	582,675	4,701	258,985	621	259,606	12,364	219	247,023	213.5	116
1976	618,284	4,920	275,077	604	275,681	16,064	439	259,178	215.1	120
1977	618,125	4,880	275,784	604	276,388	22,053	372	253,963	216.8	117
1978	621,321	4,861	277,905	773	278,678	22,170	431	256,077	218.5	117
1979 3/	634,954	4,932	283,905	823	284,728	20,927	109	263,692	219.6	120

1/ Commercial production of wheat flour, whole wheat, industrial and durum flour and farina reported by Bureau of Census. Production prior to 1970 includes estimate for non-commercial wheat milled. 2/ Imports and exports of macaroni products (flour equivalent). 3/ Preliminary. This table revises "Wheat Flour: Supply and utilization 1960-77" data last published in the Wheat Situation, WS-243, February 1978, page 27.

Table 13.--Wheat and Wheat Flour: World trade, production, stocks and utilization, July-June 1977-80

Country or region	1977/78	1978/79	1979/80	Forecast 1980/81
	Million metric tons			
Exports:				
Canada	15.9	13.5	14.0	14.0 - 16.0
Australia	11.1	6.7	14.5	10.0 - 14.5
Argentina	2.6	3.3	3.9	2.5 - 4.5
Sub-total	29.5	23.5	32.4	28.0 - 34.0
W. Europe	6.3	9.5	10.2	10.0 - 12.0
USSR	1.0	1.5	0.5	0 - 1.0
All others	4.5	4.4	1.9	2.0 - 4.0
Total non-U.S.	41.3	38.8	45.0	43.0 - 50.0
USA 1/	31.5	32.4	37.0	32.6 - 40.8
World total	72.9	71.2	82.5	79.0 - 90.0
Imports:				
W. Europe	7.1	6.7	6.7	6.0 - 7.0
USSR	6.6	5.1	11.9	9.0 - 15.0
Japan	5.8	5.7	5.6	5.4
E. Europe	5.0	4.2	6.2	4.0 - 5.0
China	8.6	8.0	8.0	8.0 - 10.5
All others	39.9	41.4	44.1	42.0 - 49.0
World total	72.9	71.2	82.5	79.0 - 90.0
(World total including intra EC-9)	79.7	77.3	88.1	83.5 - 95.5
Production: 2/				
Canada	19.9	21.1	17.7	17.5 - 21.5
Australia	9.4	18.1	16.3	11.5 - 16.0
Argentina	5.7	8.1	7.8	7.5 - 9.0
W. Europe	47.7	58.5	55.4	58.0
USSR 3/	92.2	120.8	90.1	90.0 - 115.0
E. Europe	34.5	35.8	27.7	34.8
India	29.0	31.7	35.0	32.0
All other foreign	89.1	104.6	111.8	105.0 - 120.0
Total foreign	327.4	398.9	361.7	365.0 - 405.0
USA	55.4	48.9	58.3	57.0 - 66.5
World total	382.8	447.8	420.0	420.0 - 460.0
Utilization: 4/				
USA	23.1	23.3	21.1	20.3 - 22.9
USSR 3/	106.8	106.5	116.3	98.0 - 110.0
China	49.6	62.0	68.5	65.0 - 69.0
All other foreign	221.0	232.7	231.6	233.0 - 242.0
World total	400.5	424.6	437.4	423.0 - 440.0
Stocks, ending: 5/	82.6	105.9	88.5	80.0 - 105.0

1/ Includes transshipments through Canadian ports; excludes products other than flour. 2/ Production data include all harvests occurring within the July-June year shown, except that small grain crops from the early harvesting Northern Hemisphere areas are "moved forward"; i.e., the May 1978 harvests in areas such as India, North Africa, and southern United States are actually included in "1978/79" accounting period which begins July 1, 1978. 3/ "Bunker weight" basis: not discounted for excess moisture and foreign material. 4/ Utilization data are based on an aggregate of differing local marketing years. For countries for which stocks data are not available, (excluding the USSR) utilization estimates represent "apparent" utilization, i.e., they are inclusive of annual stock level adjustments. 5/ Stocks data are based on an aggregate of differing local marketing years and should not be construed as representing world stock levels at a fixed point in time. Stocks data are not available for all countries and exclude those such as China and parts of Eastern Europe; the world stock levels have been adjusted for estimated year-to-year changes in USSR grain stocks, but do not purport to include the entire absolute level of USSR stocks.

Source: Foreign Agricultural Service. World Grain Situation: FG-17-80.

TABLE 14--RYE: MARKETING YEAR SUPPLY, DISAPPEARANCE, AREA AND PRICES, 1975-79 *

YEAR BEGINNING JUNE 1	SUPPLY: BEGINNING STOCKS	SUPPLY: PRODUCTION	SUPPLY: IMPORTS	SUPPLY: TOTAL	DISAPPEARANCE: DOMESTIC USE: FOOD	DOMESTIC USE: ALC. BEVERAGES	DOMESTIC USE: SEED	DOMESTIC USE: FEED 1/	DOMESTIC USE: TOTAL	EXPORTS	TOTAL DISAPPEARANCE	ENDING STOCKS MAY 31: GOVT. OWNED	ENDING STOCKS: PRIVATELY OWNED 2/	ENDING STOCKS: TOTAL
	MILLION BUSHELS													
1975/76	6.6	16.0	0.9	23.5	4.2	2.1	4.2	7.6	18.0	1.1	19.1	---	4.4	4.4
1976/77	4.4	15.0	0.2	19.6	3.7	1.9	4.2	5.3	15.1	3/	15.2	---	4.4	4.4
1977/78	4.4	17.3	0.1	21.8	3.6	1.9	4.8	7.4	17.7	3/	17.7	---	4.1	4.1
1978/79 4/	4.1	26.2	0.1	30.4	3.7	2.4	4.9	9.4	20.4	0.3	20.7	---	9.7	9.7
1979/80 5/	9.7	24.5	0.1	34.3	3.7	2.5	4.2	8.1	18.5	4.0	22.5	N.A.	N.A.	11.8

YEAR BEGINNING JUNE 1	AREA: PLANTED	AREA: HARVESTED FOR GRAIN	YIELD: PER HARVESTED ACRE	AVERAGE PRICES: RECEIVED BY FARMERS	AVERAGE PRICES: MINNEAPOLIS, NO. 2	NATIONAL AVG. LOAN RATE
	- - - - - MILLION ACRES - - - - -		BUSHELS	- - - - - - - - DOLLARS PER BUSHEL - - - - - - - -		
1975/76	2.8	0.7	21.9	2.36	2.84	0.89
1976/77	2.7	0.7	20.7	2.47	2.87	1.20
1977/78	2.7	0.7	24.6	2.05	2.53	1.70
1978/79 4/	3.0	1.0	26.3	1.98	2.44	1.70
1979/80 5/	3.1	0.9	25.9	2.05		1.79

1/ RESIDUAL; APPROXIMATES TOTAL FEED USE. 2/ INCLUDES OUTSTANDING LOANS. 3/ LESS THAN 50,000 BUSHELS. 4/ PRELIMINARY. 5/ PROJECTED.

LIST OF TABLES

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WS-252 MAY 1980

Weights, Measures and Conversion Factors

Bushel weights:
- Wheat & soybeans = 60 lbs.
- Corn, sorghum & rye = 56 lbs.
- Barley (grain) = 48 lbs.: malt = 34 lbs.
- Oats = 32 lbs.

Bushels to metric tons:
- Wheat & soybeans = bushels x .027216
- Barley = bushels x .021772
- Corn, sorghum, rye = bushels x .025400
- Oats = bushels x .014515

1 Metric ton equals:
- 2204.622 lbs.
- 22.046 hundredweight
- 10 quintals
- 1,000 kilograms
- 36.7437 bushels wheat or soybeans
- 39.3679 bushels corn, sorghum, or rye
- 45.9296 bushels barley
- 68.8944 bushels oats

Area:
- 1 Acre = .404694 hectares
- 1 Hectare = 2.4710 acres

Yields:
- Wheat = bushels per acre x 0.6725 = quintals per hectare
- Rye, corn = bushels per acre x 0.6277 = quintals per hectare
- Barley = bushels per acre x 0.5380 = quintals per hectare
- Oats = bushels per acre x 0.3587 = quintals per hectare