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Wheat Outlook

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Reduced Carryin Stocks Nearly Offset Larger May 2010 Production

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The next release is July 13, 2010.

Approved by the World Agricultural Outlook Board.

U.S. wheat supplies for 2010/11 are increased slightly this month as higher production is mostly offset by lower carryin. Winter wheat production is forecast 24 million bushels higher due mostly to higher hard red winter (HRW) wheat. Winter wheat yields were raised in the central and northern Plains and in the Pacific Northwest. Beginning stocks are projected 20 million bushels lower as strong exports of wheat, flour, and other wheat products during the final weeks of the old-crop marketing year boost 2009/10 exports 20 million bushels. Domestic use for 2010/11 is projected 10 million bushels higher as lower prices encourage more wheat feeding. Ending stocks for 2010/11 are projected 6 million bushels lower, but remain up year to year and the highest since 1987/88. The season-average farm price for all wheat is projected at $4.00 to $4.80 per bushel, down from $4.10 to $5.10 per bushel last month. Recent declines in futures prices and lower-than-expected protein levels in HRW wheat have sharply reduced price prospects for many producers.

World wheat production for 2010/11 marketing year is projected down 3.7 million tons to 668.5 million this month. Foreign production is reduced by 4.3 million to 612.3 million. EU-27 wheat output is projected down 2.1 million tons 143.0 million this month, which is still up 4.1 million tons on last year. Yellow rust outbreaks have been reported in the Middle East, which has a potential of causing substantial wheat losses this year. Production for Syria and Turkey are lowered 1.3 and 1.0 million tons, respectively. Lower supplies and unchanged consumption reduce ending stocks, making foreign ending stocks lower than beginning stocks for the first time since 2007/08.

Domestic Situation and Outlook

Ending Stocks for 2010/11 Are Down Slightly From May

Ending stocks of wheat for 2010/11 are projected to be down 6 million bushels from May as the 20-million-bushel drop in projected carryin stocks and a 10-million-bushel increase in projected feed and residual use more than offset the 24-million-bushel increase in the 2010 winter wheat production forecast. The 2010 winter wheat production forecast is 1,482 million bushels. When this forecast is added to the projected trend for other spring and durum wheat, the total projected wheat production for 2010 is 2,067 million bushels. Supplies for 2010/11 are up 119 million bushels from 2009/10 as the larger projected carryin stocks, up 273 million bushels, more than offsets the lower projected production, down 149 million bushels, year to year.

Winter wheat production. The survey-based forecast of winter wheat production, at 1,482 million bushels, is up 24 million bushels from May. Expected harvested area at 31.8 million acres is unchanged from May, but down 2.7 million acres from last year. Based on May 30 crop conditions, the U.S. winter wheat yield is forecast at 46.6 bushels per acre, up 2.4 bushels from the previous year.

Winter forecasts by class. HRW production is forecast at 979 million bushels, up 19 million bushels from May and up 60 million from a year ago. HRW production is forecast up despite lower planted area because of a lower abandonment rate and a higher yield than in 2009. Texas and Oklahoma 2009 production was adversely impacted by dry conditions and a spring freeze. Forecast planted area, harvested area, yield, and year-to-year changes for 2010 , respectively, are 28.3 million acres, down 3.3 million acres; 23.7 million acres, down 0.4 million acres; and 41.4 bushels per acre, up 3.3 bushels per acre.

SRW production is forecast at 284 million bushels, up 1 million bushels from May, but down 120 million bushels from last year. SRW production is forecast to fall as lower planted and harvested areas more than offset a higher yield. A rain-delayed row-crop harvest and low prices reduced SRW seedings in the fall of 2009. Forecast planted area, harvested area, and yield and year-to-year changes for 2010 from 2009 are 5.9 million acres, down 2.4 million acres; 4.8 million acres, down 2.4 million acres; and 58.8 bushels per acre, up 2.7 bushels per acre, respectively.

White winter wheat production is forecast to total 219 million bushels, up 4 million bushels from May and up 19 million bushels from a year ago. Of the white winter production total, 17 million bushels are hard white (**HW**) and 202 million bushels are soft white (**SW**). The HW 2010 planted and harvested areas are 0.3 million acres and 0.3 million acres, respectively. The previous year, the HW harvested and planted areas are 0.3 million acres and 0.3 million acres, respectively. HW 2010 yield is 59.0 bushels per acre compared to 59.6 bushels in 2009. The SW 2010 planted and harvested areas are 3.0 million acres and 3.0 million acres, respectively. The previous year, the SW harvested and planted areas are 3.0 million acres and 2.9 million acres, respectively. SW 2010 yield is 67.5 bushels per acre compared to 63.8 bushels in 2009.

Durum and other spring wheat production is projected at 585 million bushels, down 16 percent from 2009/10, based on 10-year harvested-to-planted ratios and

State yield trends for 1985-2008. **Other spring** wheat production is expected to be lower in 2010, projected at 511 million bushels, down 13 percent from 2009. Projected **hard red spring** (HRS) production is 476 million bushels and projected white spring production is 35 million bushels, down year to year by 72 million bushels and 1 million bushels, respectively. Total **durum** wheat production is projected at 74 million bushels for 2010, down 35 million bushels from 2009. Production of durum wheat in Arizona and California is forecast at 20.0 million bushels, down 9 million bushels from the previous year.

Projected 2010/11 utilization. Food use is projected at 940 million bushels, up 20 million from the current year, reflecting an expected decrease in average flour extraction rate from the extraordinarily high rate for 2009/10 and constant per capita flour consumption year to year. Feed and residual use is projected at 200 million bushels, up from the 180 million bushels projected for 2009/10 with larger supplies and lower prices. Exports are projected at 900 million bushels, up 15 million bushels from 2009/10, because of expected improved competitiveness of U.S. exports. Thus, ending stocks for 2010/11 are projected at 991 million bushels, up 61 million bushels from 2009/10, and the highest since 1987/88.

Projected 2010/11 price range is $4.00 to $4.80 per bushel, down from $4.10 to $5.10 in May. This compares with $4.85 for the previous year and the record high of $6.78 for 2008/09. Recent declines in futures prices and lower-than-expected protein levels in HRW wheat have sharply reduced price prospects for many producers.

2010 Winter Wheat Condition Better Than Last Year

The NASS June 7 *Crop Progress* reported that 66 percent of the 2010 winter wheat crop was rated good to excellent as of June 6, and only 9 percent was rated poor to very poor. A year ago at this time, the 2009 crop good to excellent rating was 44 percent and the poor to very poor was 28 percent. Three States have a 2010 wheat crop with much poorer conditions. The percent of the wheat crop in Missouri, North Carolina, and Illinois rated poor to very poor was 34 percent, 27 percent, and 18 percent, respectively.

Spring Wheat Emergence Ahead of Last Year and in Better Condition

The NASS June *Crop Progress* reported for the week ending June 6 that 90 percent of the spring wheat crop had emerged, 8 percentage point ahead of last year, but 4 percentage points behind the 5-year average. Eight-four percent of the 2010 crop is rated good to excellent, up from 73 percent for the 2009 crop at this time of the year.

Supply and Use for 2009/10

Total supplies for 2009/10, at 2,988 million bushels, are unchanged from May. Supplies for 2009/10 are up 56 million bushels from the previous year as much higher beginning stocks more than offset lower production and projected imports.

Total projected use for 2009/10, at 2,058 million bushels, is up 20 million bushels from May because of higher projected exports. Total use for 2009/10 is down 217 million bushels from the previous year because of both lower domestic use and lower exports.

Projected **food use**, at 920 million bushels, is unchanged from May, but down 7 million bushels year to year. The flour extraction rate for 2009/10 remains at the very high level of the 2008/09 marketing year, but per capita flour consumption is expected to be down significantly year to year. The expected lower per capita consumption more than offsets the larger U.S. population.

Projected **seed use** is unchanged from May at 73 million bushels. Seed use is low because of the smallest winter wheat plantings since 1970. Seedings were down as rain-delayed row crop harvesting preventing plantings and prices were lower year to year at planting time. Total projected **feed and residual use**, at 180 million bushels, is unchanged from May.

All-wheat **accumulated exports to date** are sharply below last year's pace and the 5-year average. Both HRW and SRW accumulated exports are below the pace of their 5-year averages and especially below last year's pace; however, the pace last year for these two classes was substantially above their 5-year average. Accumulated HRS exports have picked up in recent weeks, closing in on last year's pace, but are still substantially behind the 5-year average. Accumulated white wheat exports have fallen off the pace with the 5-year average in recent months, but are still substantially above last year's pace. Accumulated durum exports sharply exceed the 5-year average and especially last year's pace. U.S. exports of durum to the European Union and North Africa are up this year.

Total **projected exports** for 2009/10, at 885 million bushels, are up 20 million bushels from May. Exports for 2009/10 are down 130 million bushels from 2008/09 as relatively high U.S. prices and strong competition, particularly from the Black Sea exporters of Russia, Ukraine, and Kazakhstan, have limited export opportunities for U.S. wheat.
(See http://www.ers.usda.gov/Briefing/Wheat/Wheatsupplyuse.htm for an explanation of how U.S. grain, flour, and selected-product exports are estimated from Census Bureau data.)

The projected 2009/10 exports are down 378 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 have steadily reduced the demand for relatively higher priced U.S. wheat.

The **by-class export changes** from May based on the export pace to date and projected changes with U.S. export competitors. Projected HRW exports are raised 15 million bushels and projected SRW exports are raised 5 million bushels. Projected exports of the other classes are unchanged.

Projected **ending stocks** for 2009/10, at 930 million bushels, are down 20 million bushels from May. Ending stocks for 2009/10 are 273 million bushels above 2008/09 and 624 million bushels above 2007/08. Ending stocks for 2007/08 were the lowest since the late 1940s. The projected 2009/10 ending stocks are the highest since 1999/00. The month-to-month changes resulted in lower projected ending stocks for HRW and SRW. Ending stocks for the other classes are unchanged.

The year-to-year percentage increase in projected all-wheat ending stocks is 42 percent. Projected ending stock increases year-to-year for HRW, HRS, SRW, and durum are 43 percent, 76 percent, 21 percent, and 88 percent, respectively. In contrast, the projected ending stocks for white wheat are down year-to-year by 4 percent.

The projected marketing-year **average farm price** is $4.85 per bushel, down $.05 from May.

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 http://www.ers.usda.gov/briefing/wheat/2010baseline.htm.

International Situation and Outlook

EU-27 and Middle East Changes Trim Global Production Prospects

World wheat production for 2010/11 is projected down 3.7 million tons to 668.5 million this month. Foreign production is reduced by 4.3 million to 612.3 million, while the forecast for U.S. winter wheat production is up slightly by 0.65 million tons. The largest drops in production are for EU-27 and the countries in the Middle East region (mainly Syria and Turkey).

Wheat output for the world's largest wheat producer, EU-27, is projected down 2.1 million tons to 143.0 million this month, which is still up 4.1 million tons a year ago. This would be the third-highest wheat yield and production for the EU on record. While weather conditions in Europe during the fall, winter, and spring were exceedingly favorable for winter wheat development (winter wheat accounts for the bulk of wheat produced in the EU), during the month of May both the eastern and western parts of the European continent experienced adverse, though inverse, weather conditions, with the East being very wet and the West very dry. Excessive rainfall in the eastern and (partly) central European countries resulted in accumulated moisture two to three times higher than average. In Poland, Hungary, and Slovakia, rivers overflowed their banks and flooded fields in the lowlands, damaging the growing wheat crop. Strong rains also affected the Czech Republic and Lithuania. Though localized, these events will affect both wheat yield and the quality of this year's crop. At the same time, in western Europe the United Kingdom and northern France experienced drier-than-normal conditions in April and May, slightly lowering wheat yield potential in those countries.

Wheat production prospects in the Middle East are also lowered for 2010/11 this month as a region wide yellow rust epidemic, reported by international agencies, is causing substantial wheat losses. Yellow rust outbreaks have been reported in Syria, Turkey, Lebanon, Iraq, and Iran. Winter grain growing conditions throughout the Middle East were excellent with a warm winter (one of the warmest on record, with a minimal dormancy period) and abundant precipitation. But the warm and moist weather also created favorable conditions for a new and virulent strain of yellow stripe rust. Soft wheat is more susceptible to this fungal disease than hard wheat varieties. The concentration of rust-affected crops is the highest in northeast Syria and southern and southeast Turkey, where the governments reported outbreaks in the prime wheat growing regions. It is hard to quantify the losses, as wheat is currently being harvested in those regions, and further reports of field losses will help clarify the scale of the problem. This month, wheat production in Syria is projected down 1.25 million tons to 3.75 million (25 percent), and in Turkey by 1.0 million tons to17.5 million (5.7 percent). In Lebanon, which has a tiny acreage, rust has been reported far and wide, and wheat is projected down 0.03 million tons to 0.1 million (23 percent down).

No reductions in wheat production are made for Iraq or Iran. In Iraq, the rust-related losses of wheat are being offset by production revisions, which add data for the northern Kurdish provinces of Iraq.

In Iran, growing conditions in the parts of the country not affected by yellow rust are very good, and currently are projected to offset yield losses in affected areas. (See story from USDA's Foreign Agricultural Service on June 10, 2010 at: http://www.pecad.fas.usda.gov/highlights/2010/06/Middle%20East/.)

Changes in wheat production in Russia and Ukraine this month are offsetting. In Russia, wheat production for 2010/11 is projected down 0.5 million tons to 57.5 million, as wheat winterkill was reported higher than anticipated, reaching 2.6 million hectares. In some regions in the Volga and Central Black Soil districts, winterkill varied from 25 to 60 percent of sown area. In Ukraine, the wheat production estimate is raised 0.5 million tons to 20.0 million, reflecting a good level of precipitation in May and better growing conditions. Partly offsetting this month's small wheat production increases in Algeria (up 0.2 million tons to 3.9 million) and Pakistan (up 0.1 million to 22.6 million) are reductions in production for Serbia, Bosnia and Herzegovina, and Croatia, for a total drop of 0.23 million tons.

Lower Supplies, Unchanged Consumption Reduce Ending Stocks

Global wheat consumption is projected to be practically unchanged this month, at 667.5 million, while foreign consumption is down 0.2 million tons to 634.4 million. Foreign feed and residual use is expected to be lower by 0.7 million tons.. Several offsetting adjustments have contributed to these numbers. The two largest offsetting changes in wheat feeding are made for EU-27 and China. In EU-27, where higher 2009/10 estimated wheat exports and lower projected 2010/11 output reduced wheat supplies by 3.1 million tons, and incentives for feeding barley are strong, wheat feeding is reduced this month by 1.0 million to 58.0 million (while barley feeding is increased by 1.0 million tons). In China, wheat feeding is up 1.0 million tons to 8.0 million, in line with the previous years' estimates.

For a number of countries, 2010/11 wheat consumption is changed this month reflecting 2009/10 and 2010/11 trade adjustments. Higher imports by Afghanistan, Bangladesh, Burkina, Burma, Sri Lanka, Tanzania, Thailand, and Vietnam resulted in an increase in wheat consumption (mostly food) by them, for a total of 0.65 million tons. The largest increases were made for Afghanistan by 0.3 million tons and for Bangladesh by 0.1 million tons. Higher exports and/or lower imports in Bolivia, Bosnia and Herzegovina, Brazil, Chile, Iraq, and Lebanon generated reductions in these countries' wheat consumption. The largest changes are for Iraq, down 0.48 million tons mainly in wheat feeding as good production prospects appear to put a lid on the country's imports; and for Brazil, down 0.2 million tons of both feed and food wheat consumption, where 2009/10 exports are raised reflecting its high pace to Asian countries following introduction of exports subsidies. In Turkey, wheat feed consumption is down 0.2 million tons following a 1.0-million-ton reduction in production that was only partly offset by a 0.5-million-ton increase in wheat imports.

Global ending stocks for 2010/11 are projected down 4.2 million tons to 193.9 million, just 1.0 million tons higher than global beginning stocks. Foreign ending stocks are projected 0.6 million tons lower than 2010/11 beginning stocks. This is the first time since 2007/08 that foreign ending stocks are declining year to year. Foreign ending stocks in 2007/08 were almost 2.1 million tons lower than beginning.

Most of the decrease in foreign ending stocks this month is in the EU-27, down 2.1 million tons as the drop in supplies described above has been only partly offset by a decline in wheat feeding. In Kazakhstan, ending stocks are projected down 1.0 million tons to 4.6 million, as the country has been making efforts to expand its exports and trim stocks. The country does not have an adequate system of grain silos, most having been built during the Soviet era, and farmers often are left without any alternatives but to store grain in the fields. But recently the Government and the national holding company KazAgro started planning to expand silo capacity and to improve exports infrastructure.

Australia's 2010/11 ending stocks are down 0.5 million tons to 4.9 million, reflecting an increase in projected 2010/11 wheat exports. In Russia, stocks are down 0.5 million tons to 7.8 million, mirroring lower wheat production. Ending stocks are also down in China by 0.8 million tons to 62.9 million, an insignificant decrease given the size of Chinese wheat stocks. Other numerous changes in stocks are offsetting. Ending stocks are increasing for Bangladesh, Morocco, Mexico, and Sri Lanka -- 0.3 million tons each; Algeria, Cote d'Ivoire, Korea, and Kyrgyzstan -- 0.2 million tons each. Ending stocks are lowered stocks for India, Syria, and Turkey -- 0.3 million tons each; and Brazil and Serbia -- 0.1 million tons each.

World Wheat Trade Boosted This Month

World wheat trade for July-June trade year 2010/11 is projected up 2.2 million tons to reach 130.9 million. In Kazakhstan, higher exportable supplies and inadequate storage facilities that have been depressing domestic prices combined with substantial government subsidies for grain transportation through Russian territory to Black Sea ports, boost exports prospects by 1.0 million tons to 8.5 million. Australian exports for 2010/11 are currently seen at the level of 2009/10, which is 0.5 million tons higher reaching 14.0 million. Exports prospects for Ukraine are also up 0.5 million tons based on increased production and competitiveness. India's exports are up 0.3 million tons to 0.4 million following the government announcement about an agreement to partially lift the wheat export ban, which had been in place for 3 years, to allow exports to Bangladesh. Small exports changes are made for Croatia, Malaysia, Mexico, and New Zealand.

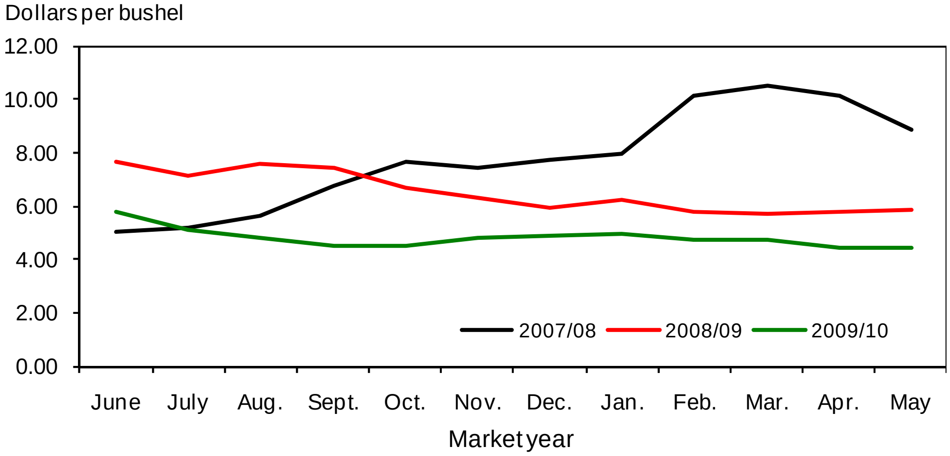
The largest increase of projected imports this month is for Syria and Turkey, up 1.0 and 0.5 million tons, respectively. Both countries will face the consequences of lower domestic supplies (see earlier section on yellow rust outbreak), and by increasing imports are partly offsetting their lower wheat production prospects. Imports are raised for Afghanistan for both 2010/11 and 2009/10 by 0.3 million tons, based on evidence of 2.3-million-ton imports in the previous years, and the need to maintain a certain per capita level of wheat consumption. Similar food security-related considerations are behind the 0.2-million-ton increase in 2010/11Bangladesh imports. Imports for 2010/11 are reduced for Iraq by 0.4 million tons to 3.6 million, where better crop prospects warrant sufficient supplies. Smaller import changes are made for Bahrain, Bosnia, Burma, Kyrgyzstan, and Sri Lanka.

2009/10 Wheat Trade and U.S Exports Increased This Month

World wheat trade in 2009/10 is forecast 1.8 million tons higher this month at 129.2 million. The major increase is for EU-27, where exports are raised by 1.0 million tons to 21.0 million. Currently all EU exports benefit from a depreciated euro, and the amount of wheat export licenses is substantially higher than expected before the crisis. Exports from Brazil are up 0.5 million tons due to a strong pace of shipments. Small exports changes are made for Malaysia and New Zealand. Numerous imports changes are made based on the pace of shipments.

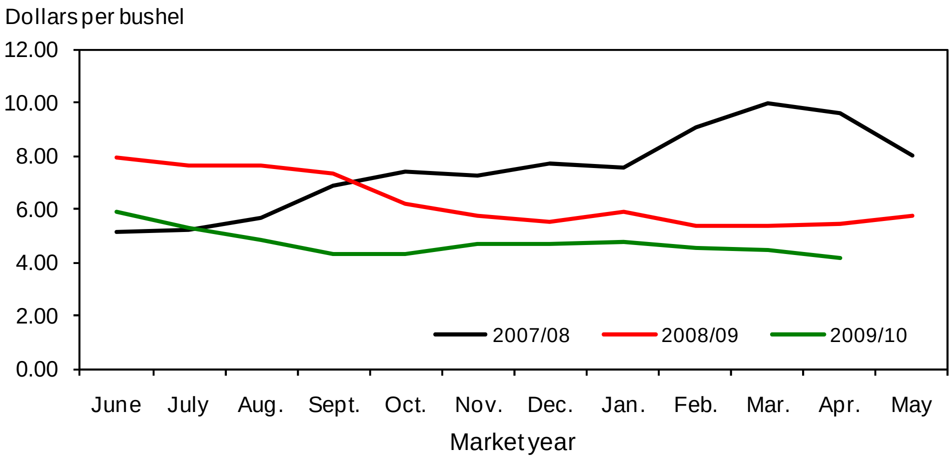
The U.S. wheat export forecast for July-June trade year is increased 0.5 million tons to 24.0 million. According to the Census, July through April 2010 wheat grain shipments reached 19.6 million tons, while May 2010 wheat inspections were 2.0 million tons. Given that flour and product exports on a wheat-equivalent basis are almost 0.8 million tons for the year, it will be necessary for June 2010 exports to reach just 1.6 million tons to fulfill the 24.0-million-ton forecast, and the pace of shipments to date supports the increase in the U.S. export prospects.

Figure 1
All wheat average prices received by farmers



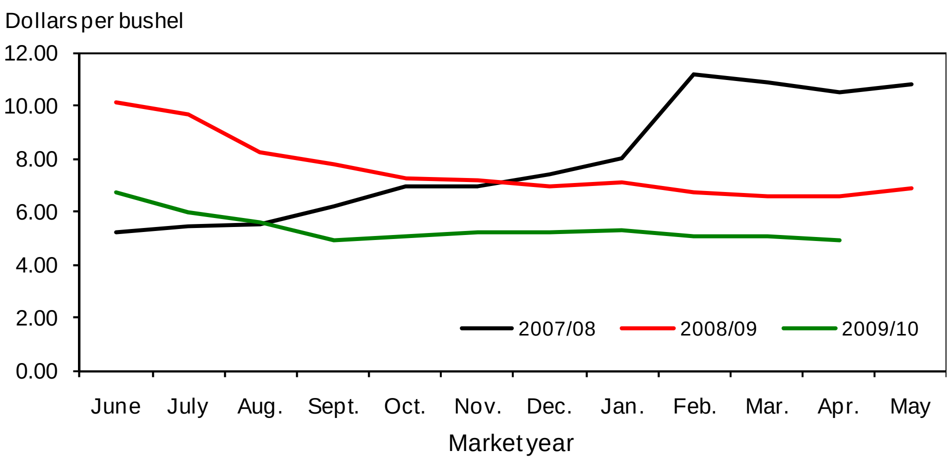
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 2
Hard red winter wheat average prices received by farmers



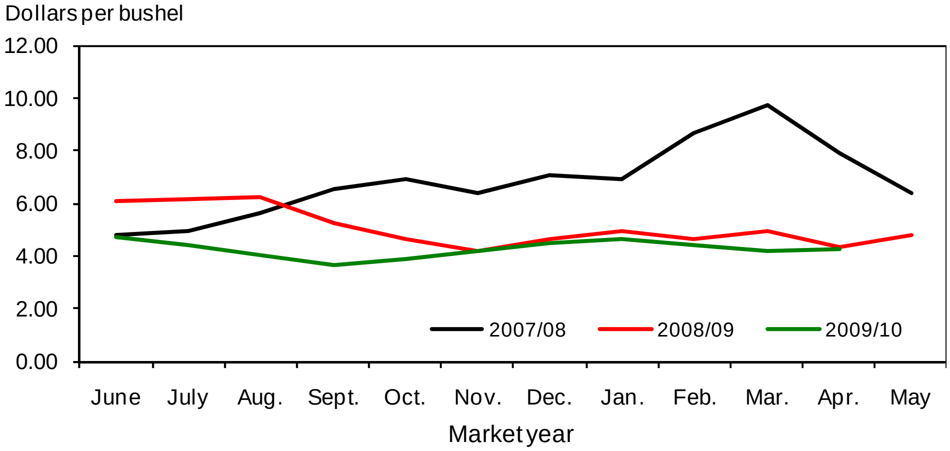
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 3
Hard red spring wheat average prices received by farmers



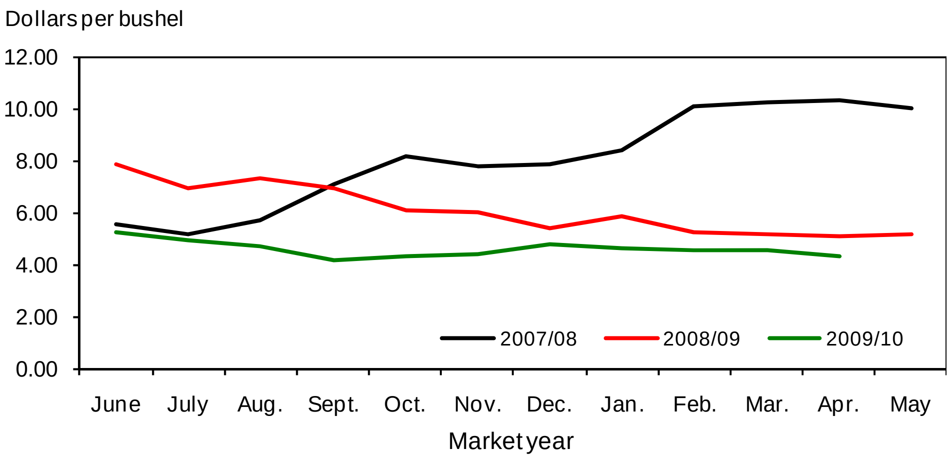
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 4
Soft red winter wheat average prices received by farmers



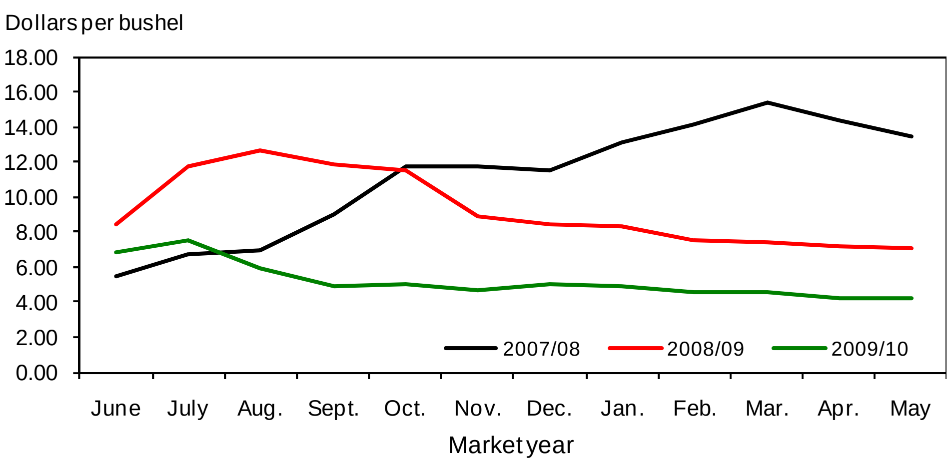
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 5
Soft white wheat average prices received by farmers



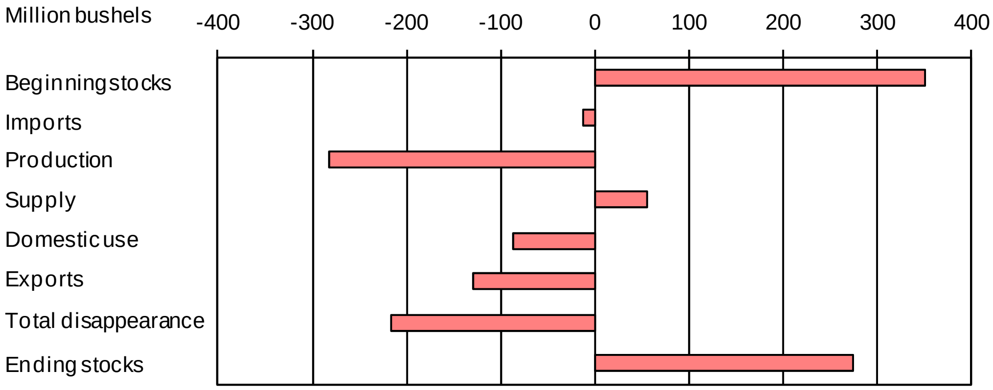
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 6
Durum wheat average prices received by farmers



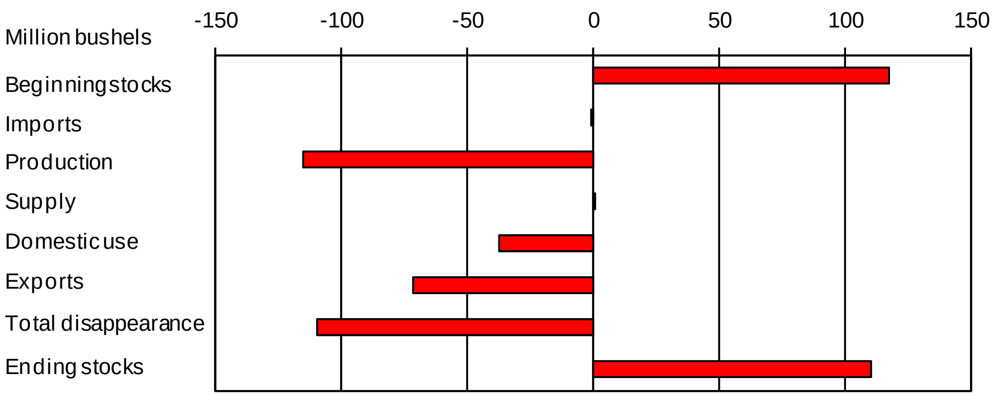
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

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



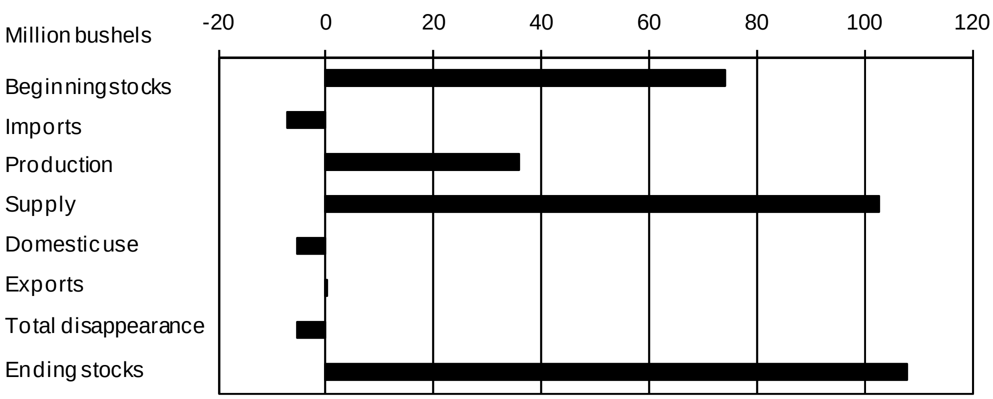
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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



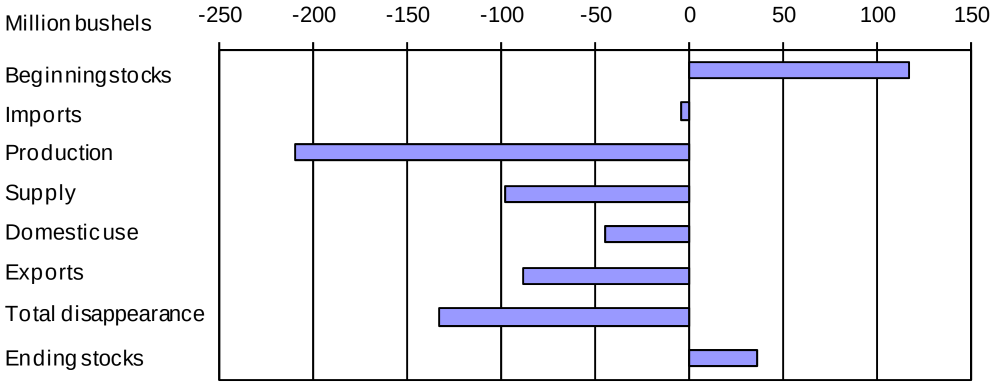
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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



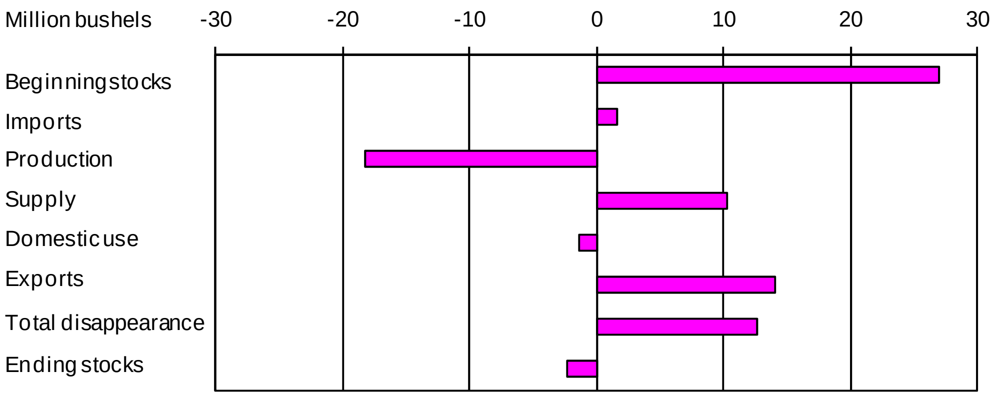
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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



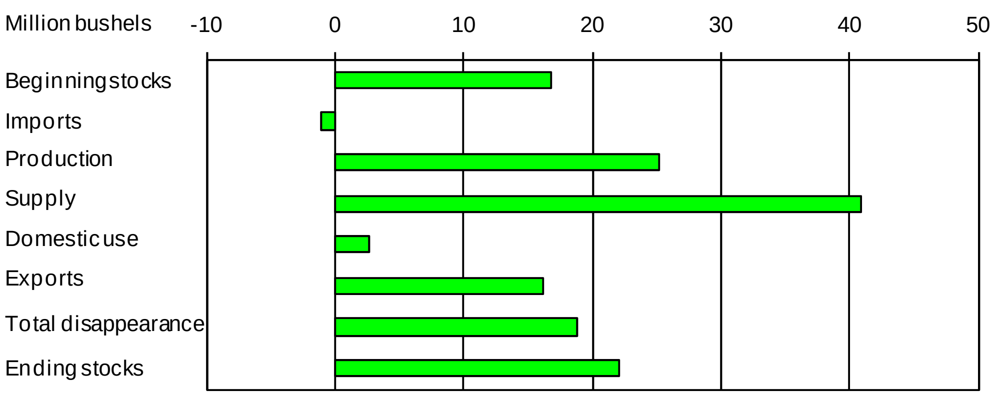
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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*.

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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
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Table 1--Wheat: U.S. market year supply and disapperance, 6/14/2010

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	53.8
Harvested	Million acres	50.0	50.1	46.8	51.0	55.7	49.9	47.1
Yield	Bushels per acre	43.2	42.0	38.6	40.2	44.9	44.4	43.9
Supply:								
Beginning stocks	Million bushels	546.4	540.1	571.2	456.2	305.8	656.5	929.6
Production	Million bushels	2,156.8	2,103.3	1,808.4	2,051.1	2,499.2	2,216.2	2,067.3
Imports 1/	Million bushels	70.6	81.4	121.9	112.6	127.0	115.0	110.0
Total supply	Million bushels	2,773.8	2,724.8	2,501.5	2,619.9	2,932.0	2,987.7	3,106.9
Disappearance:								
Food use	Million bushels	909.6	917.1	937.9	947.9	926.6	920.0	940.0
Seed use	Million bushels	77.6	77.1	81.9	87.6	75.1	73.1	76.0
Feed and residual use	Million bushels	180.6	156.6	117.1	16.0	258.3	180.0	200.0
Total domestic use	Million bushels	1,167.8	1,150.8	1,136.8	1,051.4	1,260.0	1,173.1	1,216.0
Exports 1/	Million bushels	1,065.9	1,002.8	908.5	1,262.6	1,015.5	885.0	900.0
Total disapperance	Million bushels	2,233.7	2,153.6	2,045.3	2,314.1	2,275.5	2,058.1	2,116.0
Ending stocks	Million bushels	540.1	571.2	456.2	305.8	656.5	929.6	990.9
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	45.2	46.8
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	4.85	4.00-4.80
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	10,748	9,096

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: 6/11/2010

Table 2--Wheat: U.S. market year supply and disappearance, 6/14/2010

Market year, item, and unit			All wheat	Hard red winter 1/	Hard red spring 1/	Soft red winter 1/	White 1/	Durum
2008/09	Area:							
	Planted acreage	Million acres	63.19	31.34	13.45	11.20	4.49	2.72
	Harvested acreage	Million acres	55.70	25.93	12.83	10.08	4.28	2.57
	Yield	Bushels per acre	44.87	39.90	39.91	60.88	59.53	32.57
	Supply:							
	Beginning stocks	Million bushels	305.82	137.53	68.00	55.00	37.00	8.29
	Production	Million bushels	2,499.16	1,034.69	512.14	613.58	254.93	83.83
	Imports 2/	Million bushels	126.98	1.51	45.24	33.60	8.48	38.15
	Total supply	Million bushels	2,931.96	1,173.74	625.37	702.18	300.41	130.27
	Disappearance:							
	Food use	Million bushels	926.60	384.42	224.16	155.00	85.00	78.03
	Seed use	Million bushels	75.08	35.47	17.06	15.93	4.61	2.02
	Feed and residual use	Million bushels	258.28	52.49	32.20	161.49	10.78	1.32
	Total domestic use	Million bushels	1,259.97	472.38	273.42	332.42	100.39	81.37
	Exports 2/	Million bushels	1,015.49	446.93	209.96	198.76	136.02	23.83
	Total disappearance	Million bushels	2,275.46	919.31	483.37	531.18	236.41	105.20
	Ending stocks	Million bushels	656.51	254.43	142.00	171.00	64.00	25.07
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	115.00	1.00	38.00	29.00	10.00	37.00
	Total supply	Million bushels	2,987.68	1,174.45	727.93	603.56	310.62	171.12
	Disappearance:							
	Food use	Million bushels	920.00	373.00	228.00	156.00	83.00	80.00
	Seed use	Million bushels	73.07	31.70	20.00	11.37	6.00	4.00
	Feed and residual use	Million bushels	180.00	30.00	20.00	120.00	10.00	.00
	Total domestic use	Million bushels	1,173.07	434.70	268.00	287.37	99.00	84.00
	Exports 2/	Million bushels	885.00	375.00	210.00	110.00	150.00	40.00
	Total disappearance	Million bushels	2,058.07	809.70	478.00	397.37	249.00	124.00
	Ending stocks	Million bushels	929.61	364.74	249.93	206.20	61.62	47.12

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: 6/11/2010

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 6/14/2010

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	18	-38	206	657
	Mkt. year	2,499	127	2,932	927	75	258	1,015	657
2009/10	Jun-Aug	2,216	28	2,900	231	1	259	199	2,209
	Sep-Nov		24	2,234	237	46	-84	253	1,782
	Dec-Feb		30	1,812	220	1	37	202	1,352
	Mkt. year	2,216	115	2,988	920	73	180	885	930
2010/11	Mkt. year	2,067	110	3,107	940	76	200	900	991

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: 6/11/2010

Table 4--Wheat: Monthly food disapperance estimates (1,000 grain-equivalent bushels), 6/14/2010

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		1,902		2,000		1,865		73,511
	Feb	70,906		1,755		2,000		1,864		72,797
	Mar	75,228		2,120		2,000		1,194		78,153
	Apr	73,708		2,082		2,000		1,257		76,533
	May	75,364		2,068		2,000		1,406		78,026
2009/10	Jun	72,104		2,010		2,000		2,505		73,609
	Jul	74,023		1,984		2,000		2,047		75,960
	Aug	80,902		2,164		2,000		3,420		81,646
	Sep	77,793		1,960		2,000		1,901		79,852
	Oct	78,638		2,302		2,000		2,824		80,115
	Nov	75,269		2,186		2,000		2,450		77,005
	Dec	70,651		2,108		2,000		1,592		73,167
	Jan	72,585		2,038		2,000		1,896		74,727
	Feb	72,009		1,852		2,000		2,222		73,638
	Mar	76,398		2,502		2,000		3,053		77,847

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: 6/11/2010

Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 6/14/2010

Month	All wheat		Winter		Durum		Other spring	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	7.62	5.74	7.51	5.49	8.48	6.83	10.10	6.66
July	7.15	5.13	7.10	4.98	11.70	7.57	9.52	5.96
August	7.61	4.83	7.30	4.67	12.60	5.90	8.18	5.52
September	7.43	4.48	6.99	4.20	11.90	4.93	7.76	4.85
October	6.65	4.47	6.03	4.26	11.50	4.97	7.20	4.99
November	6.29	4.79	5.65	4.60	8.93	4.62	7.10	5.19
December	5.95	4.85	5.40	4.68	8.40	4.98	6.89	5.14
January	6.20	4.92	5.70	4.68	8.26	4.95	7.02	5.29
February	5.79	4.73	5.26	4.52	7.53	4.61	6.61	5.05
March	5.71	4.70	5.27	4.45	7.40	4.57	6.50	5.04
April	5.75	4.42	5.26	4.19	7.18	4.23	6.49	4.89
May	5.84	4.39	5.52	4.10	7.05	4.27	6.76	5.04

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), 6/14/2010

Month	Hard red winter		Soft red winter		Hard red spring		White	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	7.91	5.89	6.07	4.69	10.10	6.72	7.88	5.25
July	7.59	5.30	6.15	4.38	9.68	5.99	6.89	4.95
August	7.61	4.82	6.19	4.04	8.20	5.57	7.31	4.70
September	7.31	4.33	5.27	3.64	7.80	4.87	6.96	4.14
October	6.20	4.28	4.60	3.84	7.27	5.04	6.10	4.30
November	5.72	4.68	4.17	4.21	7.17	5.24	5.97	4.39
December	5.48	4.68	4.63	4.50	6.97	5.17	5.39	4.74
January	5.86	4.73	4.92	4.61	7.10	5.32	5.83	4.59
February	5.39	4.54	4.61	4.37	6.73	5.06	5.26	4.52
March	5.37	4.49	4.97	4.14	6.57	5.06	5.12	4.52
April	5.47	4.16	4.31	4.26	6.57	4.91	5.10	4.34
May	5.76		4.75		6.90		5.13	

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

Date run: 6/11/2010

Table 7--Wheat: Average cash grain bids at principal markets, 6/14/2010

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)	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	9.19	6.63	10.82	7.07	--	6.09	346.60	--
July	8.68	5.58	8.97	6.30	8.49	5.38	329.60	221.42
August	8.64	5.15	9.02	5.68	8.76	5.03	335.61	205.48
September	7.52	4.56	7.87	5.13	7.63	4.69	299.06	--
October	6.17	5.06	6.58	5.47	--	4.91	245.15	--
November	6.21	5.58	6.55	5.99	--	5.09	236.57	--
December	6.06	5.37	6.45	5.94	5.44	5.10	--	--
January	6.59	5.24	6.98	5.78	5.91	--	247.93	--
February	6.21	5.10	6.50	5.61	5.51	4.61	--	--
March	6.23	4.99	6.60	5.61	5.59	4.60	--	--
April	6.10	4.86	6.63	5.70	6.14	4.69	--	--
May	6.70		7.24		6.08		--	--

	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)	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	11.35	7.39	11.46	7.96	10.79	7.99	--	--
July	11.35	6.30	11.46	6.82	9.69	7.02	--	--
August	9.38	5.73	9.87	6.17	9.85	6.37	--	--
September	7.91	5.06	8.51	6.30	9.14	6.11	--	--
October	6.93	5.35	7.37	6.36	7.94	6.50	--	--
November	6.61	5.90	6.80	7.29	8.12	6.95	--	--
December	6.78	5.46	7.78	6.79	8.00	7.08	--	--
January	7.02	6.02	8.02	7.39	8.21	6.71	--	--
February	6.84	6.03	7.64	7.57	7.83	6.76	--	--
March	6.78	5.82	7.57	7.48	7.82	6.83	--	--
April	6.98	5.62	7.72	6.88	7.83	6.87	--	--
May	7.52		8.13		8.27		--	--

	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)	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	6.20	5.04	7.20	4.96	7.39	4.85	7.97	5.91
July	5.92	4.14	6.87	4.45	6.59	4.21	7.93	5.32
August	6.05	3.33	6.77	4.18	6.29	4.09	8.23	4.90
September	5.17	2.68	5.45	3.70	5.15	3.72	6.91	4.53
October	3.96	3.04	3.76	4.01	4.02	4.09	5.33	4.67
November	4.03	3.69	3.68	4.53	4.02	4.54	5.23	4.89
December	4.07	3.82	4.01	4.67	4.08	4.56	5.28	4.96
January	4.51	4.13	4.62	4.55	4.71	4.57	5.76	4.83
February	4.41	4.18	4.28	4.37	4.20	4.29	5.68	4.76
March	4.45	4.11	4.40	4.38	4.24	4.26	5.53	4.64
April	4.44	--	4.43	4.43	4.28	4.24	5.46	4.76
May	5.07		4.96		4.84		5.74	

-- = 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: 6/11/2010

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 6/14/2010

Item		Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010
Exports	All wheat grain	77,627	68,117	54,438	65,060	76,522	73,780
	All wheat flour 1/	2,255	1,609	1,194	1,231	1,722	2,525
	All wheat products 2/	592	863	451	670	539	609
	Total all wheat	80,475	70,589	56,084	66,961	78,783	76,915
Imports	All wheat grain	7,202	4,890	5,082	9,321	9,460	9,671
	All wheat flour 1/	987	820	811	798	784	910
	All wheat products 2/	1,329	1,377	1,310	1,252	1,075	1,605
	Total all wheat	9,518	7,086	7,203	11,372	11,319	12,186

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: 6/11/2010

Table 9--Wheat: U.S. exports, Census and export sales comparison (1,000 metric tons),5/11/10

Importing country	2007/08		2008/09		2009/10(as of 4/29/10)		
	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	2,811	454	3,265
Nigeria	2,504	2,597	2,638	2,661	2,960	443	3,403
Mexico	2,575	2,568	2,617	2,423	1,788	154	1,942
Egypt	2,908	3,276	1,865	1,928	456	0	456
Iran	0	0	1,764	1,764	113	0	113
Philippines	1,525	1,538	1,461	1,480	1,376	192	1,568
Iraq	1,912	1,964	1,162	1,205	307	0	307
South Korea	1,499	1,509	1,131	1,127	956	246	1,202
Brazil	533	501	753	24	214	0	214
Colombia	949	948	806	749	521	26	547
EU-27	1,774	1,915	654	918	586	0	586
Total grain	33,636	32,564	27,029	25,973	19,675	2,348	22,023
Total (including products)	34,373	32,617	27,624	26,061	19,777	2,355	22,132
USDA forecast of Census							23,541

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.