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Wheat Outlook

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U.S. and World Wheat Production Up, U.S. Price Down

Contents

The next release is Sept. 14, 2004

Approved by the World Agricultural Outlook Board.

Projected U.S. 2004/05 ending stocks of wheat are up 84 million bushels from last month due to an increase in production and reduced exports. Total wheat production is forecast at 2,123 million bushels, up 64 million bushels from last month but down 214 million bushels from last year. This August's production forecast was much larger than industry expectations of 2,072 million bushels and exceeded historical August industry expectations by a wide margin. Based on August 1 conditions, the U.S. yield is forecast at 42.0 bushels per acre, up 1.4 bushels from last month. Projected exports are down 25 million bushels from last month while food use is up 5 million bushels. The projected 2004/05 price range is down 25 cents on each end to $2.95 to $3.55 per bushel.

A near-record 609-million-ton world wheat crop is expected in 2004/05, up nearly 11 million this month. Generally favorable growing conditions have prevailed around most of the world. The average global wheat yield is projected to reach a record 2.8 tons per hectare, up 2 percent this month. While world wheat production is up sharply this month, use is up much less, boosting projected ending stocks 10 million tons this month to 142 million. Competition for exports is expected to intensify as the year progresses, so the U.S. export forecast is down 0.7 million tons to 25.9 million for the June-May marketing year, and down 0.5 million tons to 25.5 million for the July-June trade year.

Domestic Outlook

Winter Wheat Production Up Month-to-Month

Winter wheat production is forecast at 1,489 million bushels, up 20 million from last month but 218 million below 2003. The U.S. yield is forecast at 42.8 bushels per acre, up 0.6 bushel from last month. Hard red winter (HRW), at 853 million bushels, is up 15 million from a month ago. Soft red winter (SRW) is down 3 million from the last forecast, at 380 million bushels. White winter (WW) is up 8 million bushels from last month and totals 256 million bushels. This WW total includes both soft WW and hard WW wheat.

Winter wheat acres harvested for grain are forecast at 34.8 million, unchanged from last month but down 1.7 million acres from last year. National Agriculture Statistical Service's August Crop Production reported harvest progress in the 18 major producing States had reached 88 percent complete by August 1. This is 3 percentage points behind last year and 1 point behind the 5-year average. HRW harvest was nearly complete in the central and southern Great Plains. Harvest was virtually complete in most SRW States.

Forecasted HRW yields in the northern Great Plains are well above last month. Producers indicate better than expected yields due to favorable weather during the grain filling period. Slight yield changes are forecasted this month in several States across the central portion of the SRW growing area. Yields in all other SRW States are equal to a month ago. WW yield forecasts are higher than a month ago in all three Pacific Northwest States. In Idaho, excellent irrigated winter wheat yields, combined with good dryland yields, are expected to result in the second highest winter wheat yield on record.

Spring Wheat Production Also Up Month-to-Month

Spring wheat production, including durum, is forecast at 633 million bushels, up 44 million bushels from last month, but only 4 million above 2003. Spring yields are forecast at 40.2 bushels per acre, up 3.2 bushels per acre from last month and 1.6 bushels above 2003.

Hard red spring (HRS) production is forecast at 502 million bushels, up 43 million bushels from last month, but only 3 million above 2003. HRS yields are forecast at 40.3 bushels per acre, up 3.5 bushels from last month and 1.0 bushel from 2003.

White spring (WS) production is forecast at 42 million bushels, up less than 1 million bushels from last month, but 9 million above 2003. Total white wheat production is forecast at 298 million bushels, up 8 million bushels from last month, but nearly unchanged from 2003.

Durum wheat production is forecast at 89.0 million bushels, up .4 million bushels from last month but down 8 million from 2003. The U.S. yield is forecast at 35.3 bushels per acre, 2.1 bushels more than last month. Area harvested for grain is forecast at 2.5 million acres, down 150,000 acres from last month and 348,000 acres less than last year. August Crop Production reported planted area and acres harvested for grain in North Dakota were both reduced by 150,000 acres as farmers were not able to plant all originally intended durum acres due to persistent wet weather through the middle of June.

Crop Production reported crop development in Minnesota, Montana, and North Dakota was slowed by cool, wet weather during the early part of July. Despite more favorable weather near the end of the month, crop development remains behind normal. Topsoil moisture in the northwest portion of Minnesota has been adequate to surplus throughout the growing season. Harvest is underway in the southern counties of North Dakota. The South Dakota forecasted yield is equal to last year's record-high. Although the Montana crop developed rapidly during the latter half of July, it is still well behind normal.

Revised 2003 Trade and Mill Grind Data Raise Food Use of Wheat

Revised Census trade and mill grind data led to higher food use for 2002/03 and 2003/04 from last month. Higher mill grind estimates for calendar year 2003 raised food use in both marketing years. In addition, substantially higher imports of flour and products relative to exports for calendar year 2003 also raised food use in both marketing years.

The food use estimate for 2002/03 was raised from 918 million bushels to 923 million bushels, all allocated to HRW. The projected food use for 2003/04 was raised from 900 million bushels to 912 million bushels, split between HRW and HRS because of the large magnitude of the adjustment.

Supported by the higher projected food use of wheat in 2003/04, projected food use of wheat in 2004/05 was raised 5 million bushels from last month to 920 million bushels. These 5 million bushels are allocated to HRS because of the expected increase in the availability of good quality supplies of this class of wheat.

Projected U.S. Exports Reduced for 2004/05

Total projected U.S. exports were reduced by 25 million bushels. HRW and white are reduced by 30 million bushels and 5 million bushels, respectively. HRS exports are raised by 10 million bushels because of the expected increase in the availability of good quality supplies of this class of wheat.

U.S. 2004/05 Ending Stocks Rise Month-to-Month

The production, food use, and exports changes discussed above raised projected ending stocks for 2004/05 by 84 million bushels. HRW, HRS, and white ending stocks are up by 45 million bushels, 28 million bushels, and 13 million bushels, respectively. SRW ending stocks are down 3 million bushels, while durum is nearly unchanged.

The projected 2004/05 price range is down 25 cents on each end to $2.95 to $3.55 per bushel with the increase of ending stocks. In addition to the price weakening effect of larger stocks, the lower projected corn price also provides less support for the wheat price.

International Outlook

Bumper Yields Generate Near-Record World Wheat Production This Month

A near-record 609-million-ton world wheat crop is expected in 2004/05, up nearly 11 million this month. Generally favorable growing conditions have prevailed around most of the world. The average global wheat yield is projected to reach a record 2.8 tons per hectare, up 2 percent this month. World wheat area is up slightly this month to nearly 219 million hectares, but remains much below the record 239 million reached in 1981/82. Wheat production is up for China, the United States, the new member states of the EU-25, Russia, Ukraine, Canada, Argentina, Kazakhstan, and others.

China's summer grain crop (mostly winter wheat) was reported by the National Bureau of Statistics to be larger than earlier estimates by the Ministry of Agriculture. Spring wheat growing conditions have also been favorable. Average wheat yields are forecast to reach a record 4.2 tons per hectare, boosting production 3 million tons this month to 90 million. The declining trend in China's wheat area is persisting in 2004/05.

Wheat production in the new member states of the EU-25 is up 1.3 million tons this month, with the largest increase for Poland, and smaller increases for the Czech Republic, Slovakia, and Estonia. Harvest reports indicate strong yields, and weather was generally favorable.

Wheat production in Russia and Ukraine is up 1 million tons each, based on harvest progress reports that indicate very good winter wheat yields. While growing conditions for spring wheat in Russia and Kazakhstan have been variable, Kazakhstan wheat production was increased 0.5 million tons based on increased planted area.

Canada's wheat production is forecast up 1 million tons this month to 24.5 million tons as moisture has generally been ample, and crop conditions are reportedly very good. However, colder-than-normal temperatures have delayed development, especially in parts of Saskatchewan and Manitoba, putting some of the crop at risk if there is early frost.

Argentina's wheat production is forecast up 0.5 million tons this month to 14.5 million as favorable rains facilitated late seedings, and forecast area increased. Production forecasts for Bulgaria and Tunisia each increased 0.3 million tons this month based on larger-than-expected production reports.

Increased Beginning Stocks Contribute to Larger Supplies

Global beginning stocks for 2004/05 increased nearly 2 million tons this month mostly because of increased estimates for Kazakhstan and Ukraine. For Kazakhstan, lower-than-expected late season 2003/04 export shipments left ending stocks up 0.5 million tons to 5.6 million tons. However, for Ukraine, the 2003/04 feed use was reduced 0.5 million tons and food use was also revised down, boosting 2004/05 beginning stocks 0.8 million tons. Larger beginning stocks in the former Soviet Union have the potential to influence trade in 2004/05. Larger-than-expected late season 2003/04 imports boosted 2004/05 beginning stocks in Iran, Indonesia, the Philippines, Japan, Thailand, and Algeria.

World Wheat Use Increase Is Modest This Month

Global wheat use in 2004/05 is projected to reach nearly 599 million tons, up less than half a percent this month. World non-feed use is projected to reach 493 million tons, up 5 million tons from the previous year. This increase of about 1 percent is significantly below the rate of population growth because of richer, diversifying diets in many parts of the world. Total wheat use in 2004/05 is expected below that reached in 2002/03 because of less wheat used for animal feed and residual. Global wheat feed use plummeted to an estimated 98 million tons in 2003/04, with tight supplies across Europe and the former Soviet Union. While world wheat feed use is projected to reach nearly 106 million tons in 2004/05, the expansion is limited by the low price of feed grains and the limited growth in animal numbers, especially in the former Soviet Union and non-EU-25 Europe.

2004/05 Ending Stocks Up Sharply This Month

World wheat ending stocks are projected up 10 million tons this month to 142 million tons. The largest increase this month is for China, up 2.9 million tons to 38 million, because of increased production prospects. However, China's wheat ending stocks are still forecast lower than 2004/05 beginning stocks as China is expected to continue to reduce large government-held stocks. The month-to-month increase in stocks for the former Soviet Union is almost as large as for China, 2.8 million tons, as larger stocks are expected in Kazakhstan and Ukraine. Stock prospects are higher this month across a broad range of countries, especially the United States, EU-25, Southeast Asia, North Africa, and Argentina.

Ending stocks for 2004/05 are up 10 million tons this month, and are projected to be 10 million tons larger than beginning stocks, but the ratio of global stocks-to-use is only 23.8 percent, the tightest in decades, except for the previous year.

World Wheat Trade Up, U.S. Exports Down This Month

World wheat trade in 2004/05 (July-June trade year) is projected to reach 105 million tons, up nearly 2 million tons this month. Import prospects are up for Russia, South Korea, and others. Russia is expected to import 1.5 million tons, up 0.5 million this month, mostly from Kazakhstan, because rains during the harvest of winter wheat in Russia has reduced quality, necessitating the import of quality wheat for blending. Imports for South Korea are up 0.4 million tons this month to 3.8 million, due to increased purchases of feed-quality wheat, especially from Russia. Import projections for 2004/05 are up slightly this month for Algeria, Indonesia, and Japan because 2003/04 trade data indicated these countries bought more wheat than expected. However, imports projected for Tunisia were reduced slightly this month.

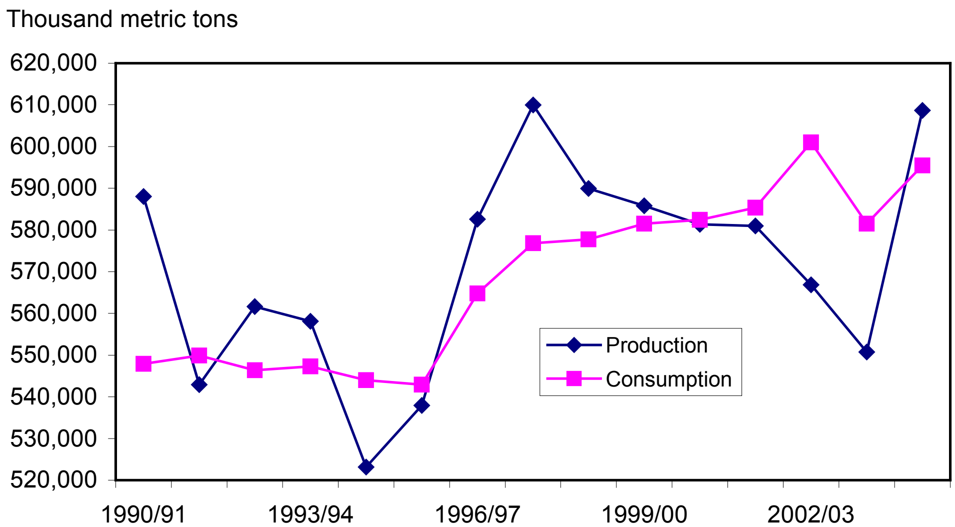
Export competition is expected to be fierce in 2004/05 with increased production in several exporters. Ukraine is expected to export 3 million tons of low-quality wheat, up 1 million tons this month. Russia is up 0.5 million tons to 5 million, and

Bulgaria is up 0.3 million to 0.7 million. At the other end of the quality spectrum, projected exports for Canada are up 0.5 million tons this month to 16 million.

U.S. export prospects were reduced 0.5 million tons this month to 25.5 million because of expected strong competition, declining foreign wheat prices, and relatively tight U.S. wheat supplies in 2004/05. As the season progresses, U.S. exports sales and shipments are expected to slow dramatically. Because the United States harvests earlier than most of its competitors, wheat export sales have been strong early in the season. According to *U.S. Export Sales*, as of August 5, 2004, outstanding sales were 5.5 million tons, up 25 percent compared with a year ago.

Figure 1

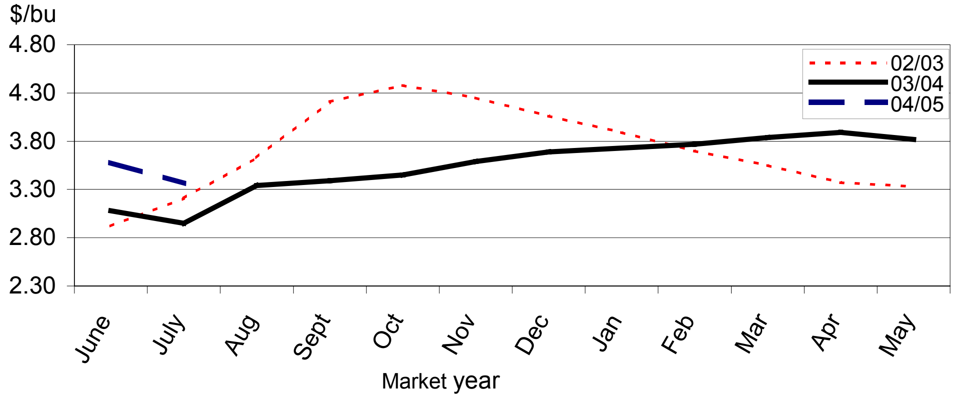
World wheat production and consumption



Source: Foreign Agricultural Service, USDA

Figure 2

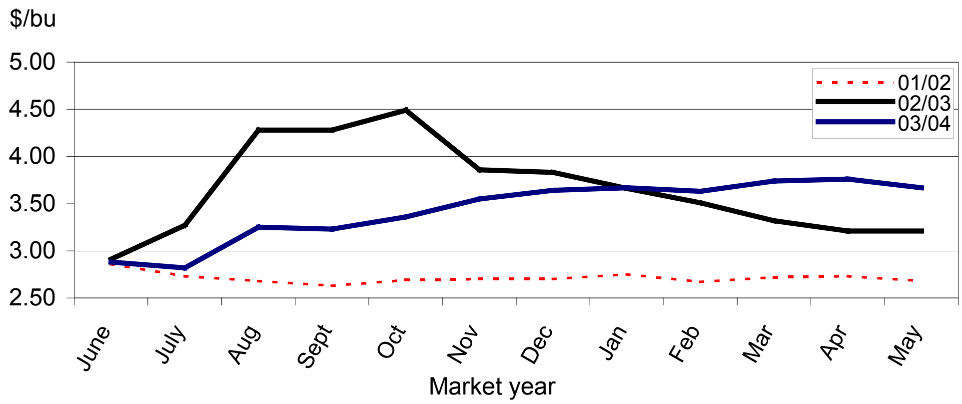
All wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 3

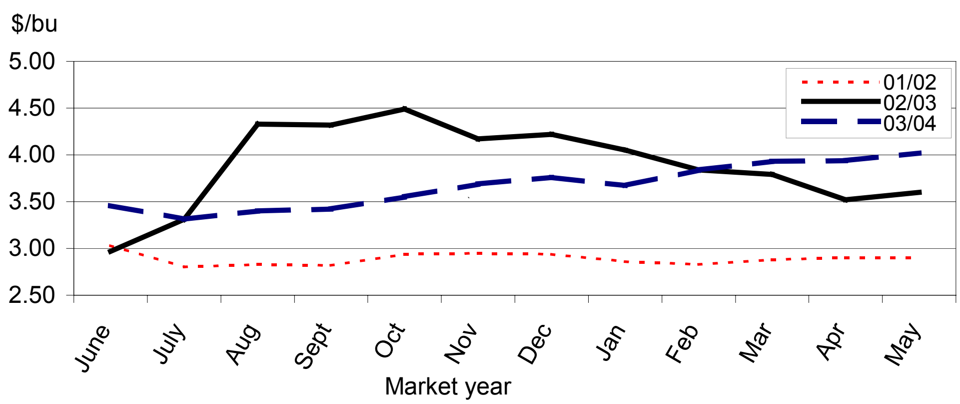
Hard red winter wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 4

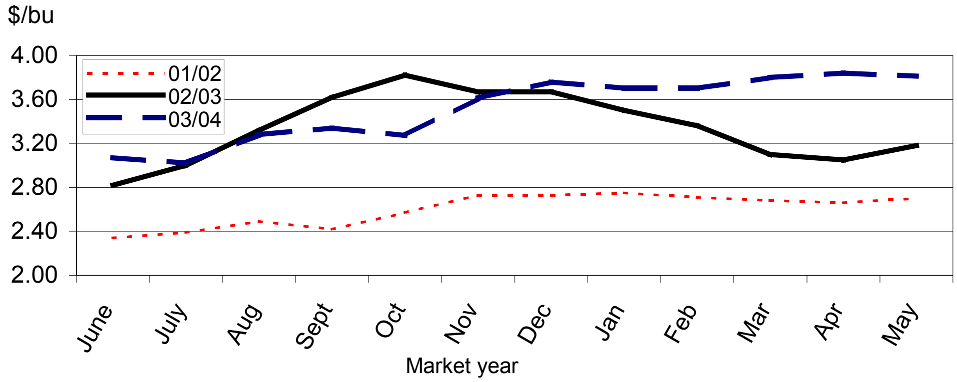
Hard red spring wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 5

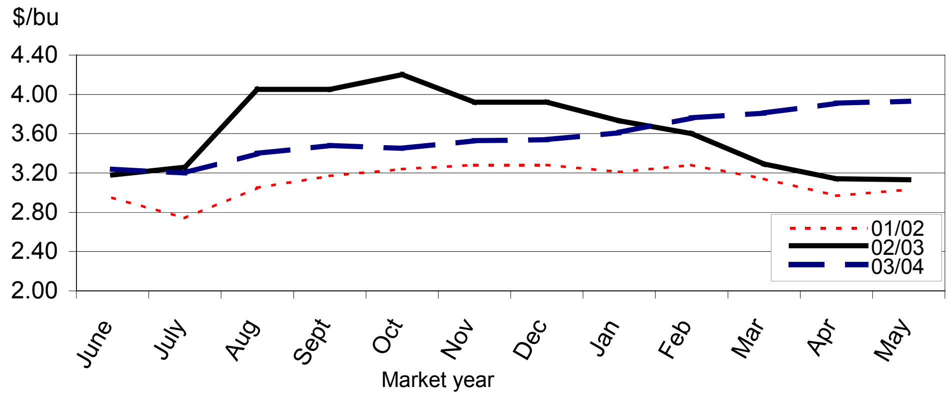
Soft red winter wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 6

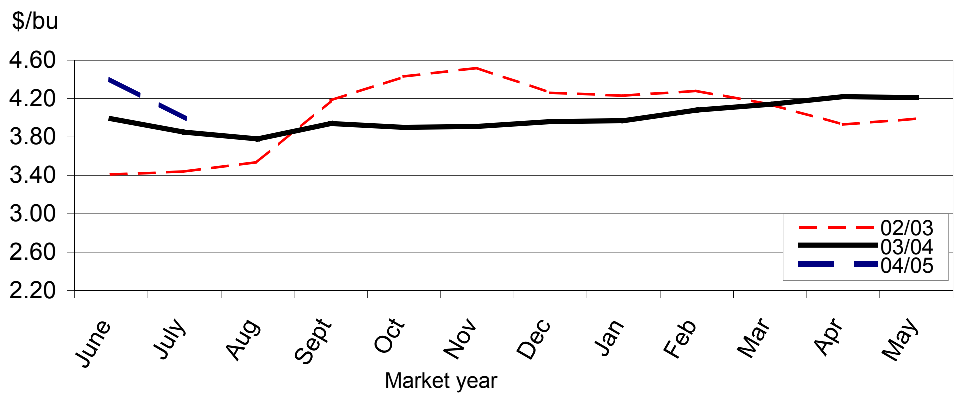
Soft white wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

Figure 7

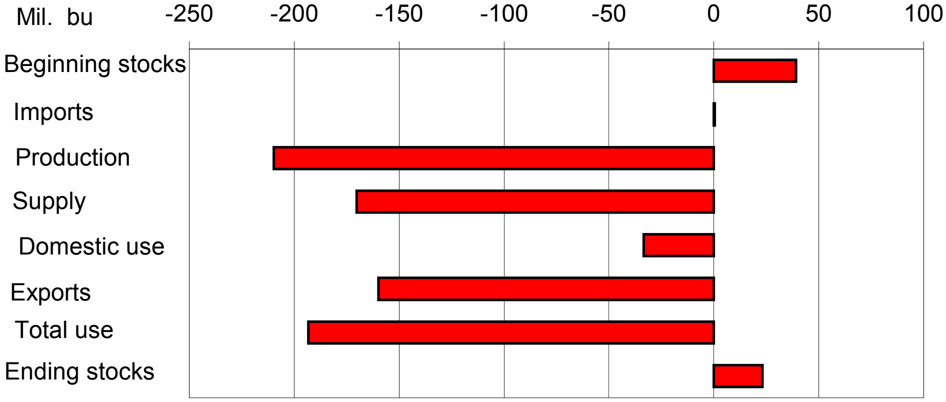
Durum wheat average prices received by farmers



Source: *Agricultural Prices* , NASS, USDA.

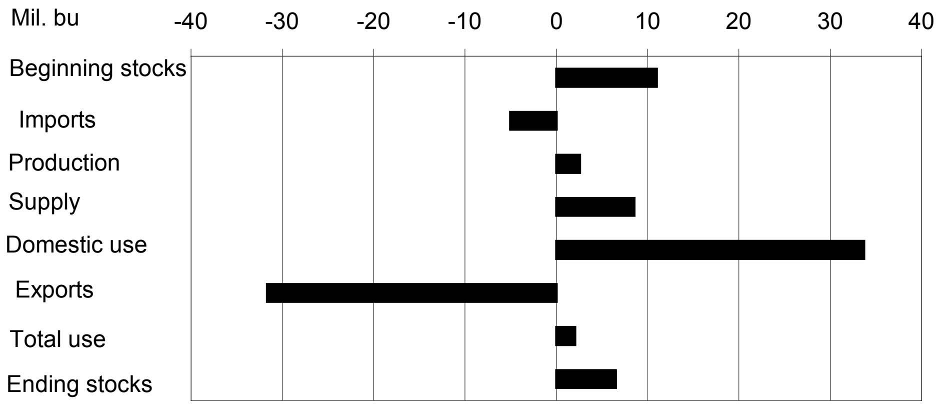
Changes From Previous Marketing Year, 2002/03 to 2003/04

Figure 8
Hard red winter wheat



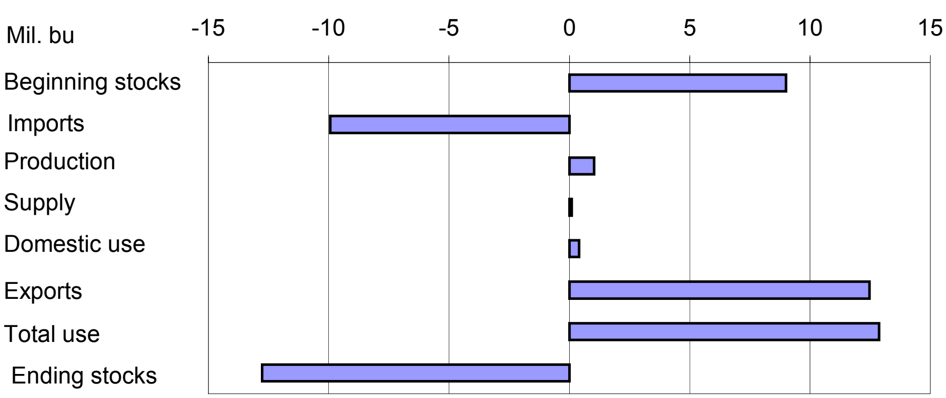
Source: WASDE, USDA.

Figure 9
Hard red spring wheat



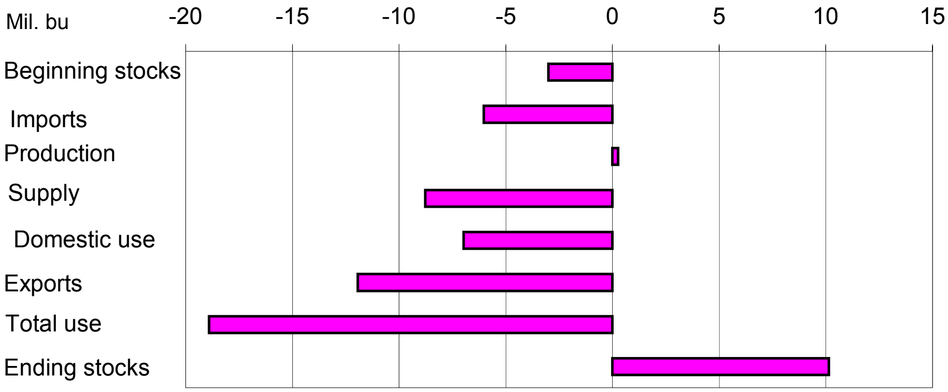
Source: WASDE, USDA.

Figure 10
Soft red winter wheat



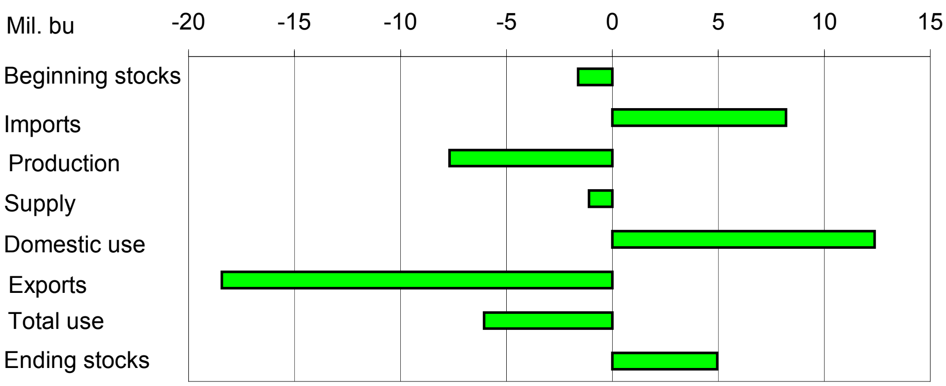
Source: WASDE, USDA.

Figure 11
White wheat



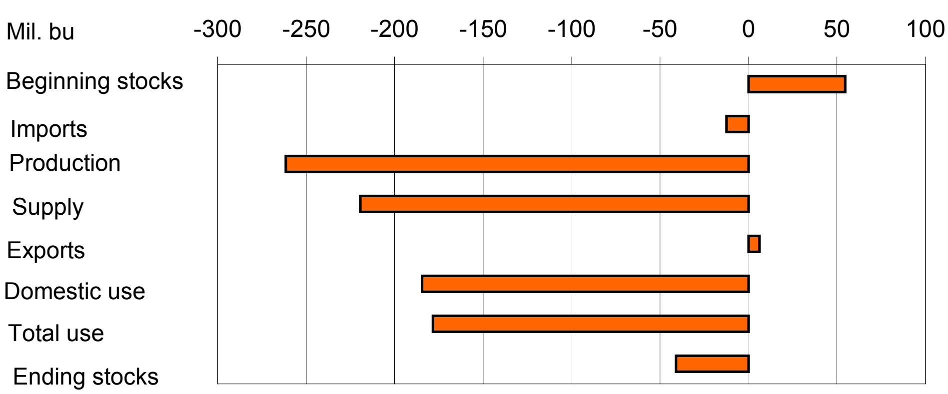
Source: WASDE, USDA.

Figure 12
Durum



Source: WASDE, USDA.

Figure 13
All wheat



Source: WASDE, USDA.

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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/data.htm. These tables contain the latest data on supply and disappearance, monthly food-use estimates, prices, exports, and imports.

Recent Report

China's Wheat Economy: Current Trends and Prospects for Imports. The last 10 years have been a period of volatility for wheat production and trade in China. This report provides an overview of current wheat production and consumption trends in China, including factors that contributed to slumping imports in recent years. http://www.ers.usda.gov/publications/whs/may04/whs04D01/

Related Websites

WASDE (http://usda.mannlib.cornell.edu/reports/waobr/wasde-bb/)
Grain Circular, http://www.fas.usda.gov/grain_arc.html
Wheat Briefing Room, http://www.ers.usda.gov/briefing/wheat/

Table 1--Wheat: U.S. market year supply and disappearance, 8/16/04

Item	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03E	2003/04P	2004/05P
Area: (mil. ac)								
National total base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Eff. base/Ctr. acres								
0,50/92,85	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CRP base retired	10.1	9.7	0.0	0.0	0.0	0.0	0.0	0.0
Planted	70.4	65.8	62.7	62.5	59.4	60.3	61.7	59.7
Harvested	62.8	59.0	53.8	53.1	48.5	45.8	52.8	50.6
Yield: (bu/acre)	39.5	43.2	42.7	42.0	40.2	35.0	44.2	42.0
Supply:			Million bushels					
Beginning stocks	443.6	722.5	945.9	949.7	876.2	777.1	491.4	546.0
Production	2,481.5	2,547.3	2,295.6	2,228.2	1,947.5	1,605.9	2,336.5	2,122.9
Imports 1/	94.9	103.0	94.5	89.8	107.6	84.6	72.4	60.0
Total supply	3,020.0	3,372.8	3,336.0	3,267.7	2,931.2	2,467.6	2,900.3	2,728.9
Use:								
Food	914.1	910.0	928.8	949.6	926.4	922.7	912.0	920.0
Seed	92.5	80.4	91.7	79.5	83.4	83.8	79.8	81.0
Feed and residual	250.5	390.7	279.3	300.4	182.0	119.4	203.0	200.0
Total domestic	1,257.1	1,381.1	1,299.7	1,329.5	1,191.8	1,125.9	1,194.9	1,201.0
Exports 1/	1,040.4	1,045.7	1,086.5	1,062.0	962.3	850.2	1,159.4	950.0
Total use	2,297.5	2,426.9	2,386.2	2,391.6	2,154.1	1,976.2	2,354.3	2,151.0
Ending stocks:	722.5	945.9	949.7	876.2	777.1	491.4	546.0	577.9
Farmer-owned reserve	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CCC inventory 2/	94.0	128.0	104.0	97.0	99.0	66.0	61.0	60.0
Free stocks	628.5	817.9	845.7	779.2	678.1	425.4	485.0	517.9
Stocks-to-use ratio	31.4	39.0	39.8	36.6	36.1	24.9	23.2	26.9
Prices: ($/bu)								
Target price	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loan rate	2.58	2.58	2.58	2.58	2.58	2.80	2.80	2.75
Contract rate	0.63	0.66	0.64	0.59	0.48	0.52	0.52	0.52
Ave. farm price	3.38	2.65	2.48	2.62	2.78	3.56	3.40	2.95-3.55
Gov't. pmts.								
(mil. dollars)	1,412	2,717	3,827	3,606	2,474	1,173	1,230	1,548
Market value								
of production								
(mil. dollars)	8,287	6,781	5,594	5,782	5,414	5,717	7,944	6,899

Totals may not add due to rounding. E=Estimated, P=Projected.
1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Includes Food Security Reserve.

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

Table 2--Wheat: U.S. market year supply and disappearance, 8/16/04 1/

2003/04E	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	32.178	13.1	8.273	5.231	2.915	61.70
Harvested	25.443	12.7	6.809	5.001	2.869	52.84
Yield: (bu/acre)	41.8	39.3	55.7	59.6	33.7	44.20
Supply:			Million bushels			
Beg. stocks	188.31	145.00	55.00	75.00	28.11	491.42
Production	1,062.89	499.93	379.20	297.88	96.64	2,336.53
Imports 2/	0.58	14.04	21.94	14.03	21.81	72.40
Total	1,251.77	658.97	456.13	386.91	146.55	2,900.34
Utilization:						
Food	376.00	223.00	153.00	85.00	75.00	912.00
Seed	34.98	19.08	15.78	6.57	3.45	79.85
Feed and residual	103.41	-10.77	85.82	31.41	-6.82	203.04
Total domestic	514.38	231.31	254.60	122.97	71.63	1,194.89
Exports 2/	509.88	271.66	137.53	191.94	48.43	1,159.45
Total	1,024.26	502.97	392.13	314.91	120.06	2,354.33
Ending stocks:	227.51	156.00	64.00	72.00	26.49	546.00
2004/05P	HRW	HRS	SRW	White	Durum	All wheat
Area:			Million acres			
Planted	30.969	12.905	8.263	4.991	2.592	59.72
Harvested	23.828	12.459	7.061	4.687	2.521	50.56
Yield: (bu/acre)	35.8	40.3	53.8	63.6	35.3	42.00
Supply:			Million bushels			
Beg. stocks	227.51	156.00	64.00	72.00	26.49	546.00
Production	853.08	502.49	380.23	298.14	88.95	2,075.00
Imports 2/	1.00	9.00	12.00	8.00	30.00	60.00
Total	1,081.59	667.49	456.23	378.14	145.44	2,681.00
Utilization:						
Total domestic	481.00	265.00	255.00	116.00	84.00	1,201.00
Exports 2/	350.00	240.00	150.00	180.00	30.00	975.00
Total	831.00	505.00	405.00	296.00	114.00	2,176.00
Ending stocks:	250.59	162.49	51.23	82.14	31.44	505.00

Totals may not add due to rounding. E=Estimated, P=Projected. 1/ ERS estimates of area, yield, and domestic use. 2/ Imports and exports include flour and other products expressed in wheat equivalent.
Source: *World Agricultural Supply and Demand Estimates,* WAOB, USDA.

Table 3--Wheat: Quarterly supply and disappearance (1,000 bu), 8/16/04

Market year		Produc-tion	Imports 1/	Supply	Food	Seed	Feed	Exports 2/	Ending stocks
					Million bushels				
1998/99									
	Jun-Aug	2,547	24	3,294	226	1	425	257	2,385
	Sep-Nov	---	24	2,409	241	55	-74	292	1,896
	Dec-Feb	---	28	1,923	213	1	7	251	1,450
	Mar-May	---	27	1,477	230	23	32	246	946
	Mkt. year	2,547	103	3,373	910	80	391	1,046	946
1999/00									
	Jun-Aug	2,296	31	3,272	230	6	269	322	2,445
	Sep-Nov	---	19	2,465	241	55	-5	290	1,884
	Dec-Feb	---	19	1,903	223	2	26	236	1,417
	Mar-May	---	25	1,442	235	28	-10	239	950
	Mkt. year	2,296	95	3,336	929	92	279	1,086	950
2000/01									
	Jun-Aug	2,228	20	3,198	239	1	318	288	2,353
	Sep-Nov	---	25	2,378	253	50	-24	293	1,806
	Dec-Feb	---	21	1,828	228	3	11	246	1,338
	Mar-May	---	23	1,361	230	25	-4	235	876
	Mkt. year	2,228	90	3,268	950	79	300	1,062	876
2001/02:									
	Jun-Aug	1,947	26	2,849	234	3	238	218	2,156
	Sep-Nov	---	29	2,185	245	52	-23	288	1,623
	Dec-Feb	---	28	1,651	221	2	-7	225	1,210
	Mar-May	---	25	1,235	226	26	-26	231	777
	Mkt. year	1,947	108	2,931	926	83	182	962	777
2002/03 E:									
	Jun-Aug	1,606	27	2,410	233	3	185	240	1,749
	Sep-Nov	---	23	1,772	238	54	-74	235	1,320
	Dec-Feb	---	16	1,336	219	3	17	190	907
	Mar-May	---	19	926	233	24	-8	186	491
	Mkt. year	1,606	85	2,468	923	84	119	850	491
2003/04 P:									
	Jun-Aug	2,337	19	2,847	233	2	308	265	2,039
	Sep-Nov	---	23	2,062	242	53	-59	305	1,520
	Dec-Feb	---	14	1,534	214	2	5	293	1,021
	Mar-May	---	17	1,037	224	22	-51	297	546
	Mkt. year	2,337	72	2,900	912	80	203	1,159	546

Totals might not add due to rounding. E=Estimated, P=Projected. 1/ Imports
and exports include flour and selected products expressed in wheat equivalent.
Source: *World Agricultural Supply and Demand Estimates,* WAOB, USDA.

Table 4--Monthly food use estimates for last 12 months (1,000 bu), 8/16/04

Item		Apr.	May	June	July	Aug.	Sept.
Mill grind	+	71,125	72,723	69,577	72,648	79,399	76,348
Food imports 1/	+	2,368	2,421	2,053	2,284	2,160	2,016
Non-flour food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	1,827	918	1,130	1,440	4,543	1,561
Food use	=	73,666	76,226	72,500	75,492	79,016	78,803
Item		Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Mill grind	+	77,232	73,923	69,388	69,257	68,707	72,895
Food imports 1/	+	2,224	2,170	2,257	2,096	1,988	2,311
Non-flour food use 2/	+	2,000	2,000	2,000	2,000	2,000	2,000
Food exports 1/	-	1,256	1,117	2,579	3,117	1,964	1,806
Food use	=	80,200	76,976	71,066	70,236	70,731	75,400

1/ Wheat flour and flour products converted to wheat grain equivalent. 2/ ERS estimate of cereal use.

Totals may not add due to rounding.

Source: Economic Research Service, USDA.

Table 5--Wheat: National average price received by farmers, 8/16/04 1/

Month	All wheat		Winter		Durum		Other spring	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
				($/bu)				
June	3.08	3.58	2.94	3.47	3.99	4.40	3.45	3.87
July	2.95	3.36	2.89	3.31	3.85	3.99	3.29	3.60
August	3.34		3.28		3.78		3.39	
September	3.39		3.32		3.94		3.42	
October	3.45		3.37		3.90		3.54	
November	3.59		3.55		3.91		3.67	
December	3.69		3.63		3.96		3.75	
January	3.73		3.66		3.97		3.66	
February	3.77		3.68		4.08		3.83	
March	3.84		3.76		4.14		3.92	
April	3.89		3.79		4.22		3.94	
May	3.82		3.72		4.21		4.01	

1/ Preliminary mid-month weighted average price for current month.

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

Table 6--Wheat prices received by farmers by class, 8/16/04

	Hard red winter		Soft red winter		Hard red spring		Soft white	
Month	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
				($/bu)				
June	2.88	3.48	3.07	3.41	3.46	3.87	3.24	3.81
July	2.82		3.02		3.31		3.20	
August	3.25		3.28		3.40		3.40	
September	3.23		3.34		3.42		3.48	
October	3.36		3.27		3.55		3.45	
November	3.55		3.61		3.69		3.53	
December	3.64		3.76		3.76		3.54	
January	3.67		3.70		3.67		3.61	
February	3.63		3.70		3.84		3.76	
March	3.74		3.80		3.93		3.81	
April	3.76		3.84		3.94		3.91	
May	3.67		3.81		4.02		3.93	

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

Table 7--Wheat: Average cash grain bids at selected markets ($/bu), 8/16/04

Month	KC HRW #1 ordinary		KC HRW #1 13% protein		Portland #1 HRW Ord.		FOB Gulf $/mt (#2 HRW)	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
June	3.63	4.13	3.74	4.35	3.76	4.11	130.93	155.22
July	3.34	3.97	3.66	4.07	3.47	3.72	130.87	151.86
August	3.87		4.02		4.04		151.10	
September	3.74		3.85		4.05		146.92	
October	3.79		3.40		4.02		148.64	
November	4.21		4.39		4.53		163.04	
December	4.31		4.40		4.61		166.82	
January	4.32		4.37		4.47		165.99	
February	4.25		4.36		4.47		162.93	
March	4.30		4.44		4.47		167.89	
April	4.35		4.48		4.58		167.85	
May	4.28		4.51		4.37		163.60	

Month	Minneapolis DNS 13% protein		Minneapolis DNS 14% protein		Minneapolis #1 HAD milling		Portland DNS 14% protein	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
June	4.11	4.35	4.12	4.56	N/Q	N/Q	4.48	4.78
July	3.88	4.08	4.00	4.31	N/Q	N/Q	4.31	4.27
August	4.04		4.15		5.30		4.60	
September	3.83		4.03		N/Q		4.51	
October	4.12		4.31		N/Q		4.55	
November	4.37		4.59		N/Q		4.91	
December	4.24		4.43		N/Q		4.97	
January	4.30		4.44		N/Q		5.06	
February	4.44		4.64		5.30		5.11	
March	4.33		4.63		5.33		5.10	
April	4.51		4.69		N/Q		5.13	
May	4.54		4.69		N/Q		5.05	

Month	St. Louis #2 soft red		Chicago #2 soft red		Toledo #2 soft red		Portland #1 soft white	
	03/04	04/05	03/04	04/05	03/04	04/05	03/04	04/05
June	3.46	3.51	3.11	3.46	3.12	3.49	3.47	4.05
July	3.29	3.21	3.23	3.26	3.17	3.25	3.56	3.94
August	3.56		3.63		3.50		3.90	
September	3.43		3.46		3.33		3.85	
October	N/Q		3.42		3.31		3.70	
November	4.19		3.87		3.73		3.98	
December	3.99		3.92		3.79		4.05	
January	3.98		3.90		3.85		4.11	
February	3.94		3.84		3.79		4.14	
March	4.02		3.85		3.83		4.20	
April	3.88		3.92		3.92		4.29	
May	3.64		3.73		3.71		4.18	

N/Q=no quote. Source: *Grain and Feed Weekly Summary and Statistics,* AMS, USDA.

Table 8--Wheat: U.S. exports and imports for last 6 months, 8/16/04 1/

	Exports, (1,000 bu)					
Item 1/	Dec.	Jan.	Feb.	Mar.	Apr.	May
Wheat grain	80,781	109,607	94,480	96,685	102,588	91,917
Wheat flour	1,636	1,789	1,342	1,020	732	1,386
Products	929	1,347	783	795	533	980
Total	83,346	112,743	96,605	98,500	103,853	94,283
	Imports, (1,000 bu.)					
Item 1/	Dec.	Jan.	Feb.	Mar.	Apr.	May
Wheat grain	2,186	2,146	2,444	3,564	3,259	3,475
Wheat flour	937	964	910	1,045	888	898
Products	1,941	1,135	1,080	1,275	1,223	1,051
Total	5,064	4,245	4,434	5,884	5,370	5,424

Source: Economic Research Service, USDA. 1/ Wheat flour and products converted to wheat grain equivalent. Totals may not add due to rounding.

Table 9--Wheat: U.S. exports, Census and export sales comparison, 8/16/04 1/

	2002/03		2003/04		2004/05 (as of 8/5/04)		
Importing country	Shipments				Shipments	Outstanding sales	Total
Data source	Census	Export sales	Census	Export sales	Export sales		
	1,000 metric tons						
Country:							
Egypt	1,085	1,107	4,022	3,942	142	483	625
Japan	3,076	2,998	3,132	3,139	520	671	1,191
Mexico	2,392	2,486	2,814	2,863	424	277	701
Nigeria	1,666	1,660	2,192	2,221	467	328	794
EU	1,127	1,236	1,617	2,052	179	171	350
South Korea	1,202	1,257	1,478	1,329	239	291	530
China	78	80	1,138	1,166	685	1,230	1,915
Philippines	1,524	1,560	1,119	1,139	282	310	592
Taiwan	919	958	1,016	1,066	173	54	227
Peru	403	449	905	914	252	0	252
Total grain	22,396	20,805	30,771	29,599	4,914	5,502	10,416
Total (including products)	23,242	20,840		29,663	4,932	5,519	10,451
USDA forecast of Census					25,855		

1/ Export sales and shipments from USDA's weekly *U.S. Export Sales* report.
Source: *U.S. Export Sales,* FAS.