



# Wheat Outlook: May 2024

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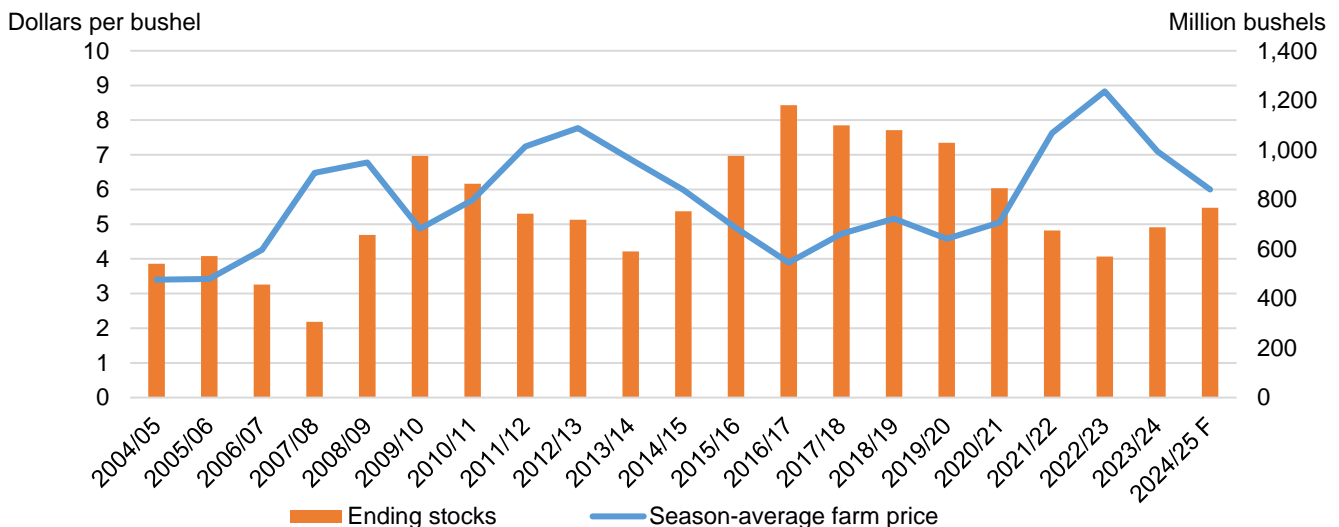
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## U.S. Wheat Stocks Projected at 4-Year High

U.S. wheat ending stocks in 2024/25 are projected at 766 million bushels, up 11 percent from 2023/24, which would be the highest level since 2020/21. Total supplies are up 6 percent from the previous year with larger beginning stocks and production more than offsetting lower imports. USDA, National Agricultural Statistics Service forecast larger Hard Red Winter and White Winter production, more than offsetting smaller Soft Red Winter output. U.S. wheat exports are forecast up 55 million bushels to 775 million, the largest in 3 years as larger supplies are likely to make U.S. wheat prices more competitive with other major exporters. With U.S. wheat ending stocks forecast to build for the second consecutive season and larger corn supplies expected, the season-average farm price for wheat is forecast at \$6.00 per bushel, down \$1.10 from the previous season and well below the record of \$8.83 in 2022/23.

Figure 1  
**U.S. wheat price and ending stocks, 2004/05–2024/25**



F: denotes forecast year.

Source: USDA, Economic Research Service calculations based on data from USDA, World Agricultural Outlook Board.

## Domestic Changes at a Glance:

- U.S. wheat production for the 2024/25 marketing year is forecast at 1,858 million bushels (table 1), up 3 percent from the previous year and 5 percent above the recent 5-year average. USDA's National Agricultural Statistics Service (NASS) provided its first survey-based production forecast for the 2024/25 U.S. winter wheat crop in the May 10 *Crop Production* report. Winter wheat production overall is projected up 2 percent to 1,278 million bushels with larger Hard Red Winter (HRW) and White Winter production more than offsetting smaller Soft Red Winter (SRW) output. Winter wheat harvested area is projected at 25.2 million acres, up 2 percent from last year with a higher harvested-to-planted ratio (74 percent compared with 67 percent last year) more than offsetting smaller planted area.
  - HRW production in the new marketing year is forecast at 705 million bushels, up 17 percent from the previous year on higher harvested area (lower abandoned acres) and yields with conditions that improved substantially over last year's drought-affected crop.
  - SRW production is forecast down 23 percent from the previous year to 344 million bushels with a large drop in area and smaller yield.
  - White winter production is forecast at 229 million bushels, up 16 percent from last year, mainly driven by higher anticipated yield.
  - Durum and Other Spring Wheat production in 2024/25 are collectively estimated at 580 million bushels, up 3 percent from the previous year. Durum production for Arizona and California is derived from the May 10 NASS *Crop Production* report, but the rest of the collective total is calculated based on the NASS *Prospective Plantings* area planted data, the 10-year averages for harvested-to-planted ratios for each State, and the long-term historical trend yields for each State. USDA, NASS will release its first survey-based production forecasts for Durum and Other Spring wheat in the July *Crop Production* report.
- 2023/24 all-wheat exports are raised 10 million bushels to 720 million on the faster pace of export sales and shipments to date, as reported in the USDA, Foreign Agricultural Service (FAS) *U.S. Export Sales Reporting*. Considering the pace of sales and shipments, the following by-class adjustments are applied: HRS is up 10 million bushels to 240 million, HRW is up 3 million bushels to 138 million, SRW is down 5 million bushels to 160 million, and Durum is raised 2 million bushels to 27 million. White is unchanged at 155 million bushels.

- U.S. wheat exports for June 2023 through March 2024 reached 577 million bushels, down 11 percent from the same period last year. Official U.S. wheat trade statistics for June through March are based on data from the U.S. Department of Commerce, Bureau of the Census. The pace of exports in April appears to be similar to March, based on export sales data reported by USDA, FAS and grain inspections data from USDA, Federal Grain Inspections Service (FGIS).
- U.S. wheat exports for 2024/25 are forecast at 775 million bushels, up 55 million year over year on larger supplies, but still historically low.
- U.S. wheat imports for 2023/24 are unchanged at 140 million. U.S. wheat imports for June 2023 through March 2024 totaled 118 million bushels, accounting for 84 percent of the marketing year projection. Imports for these 10 months are up 16 percent from the same period last year. There are no changes to imports by class.
- U.S. wheat imports for 2024/25 are forecast to be down 20 million bushels to 120 million. With abundant domestic supplies, wheat imports are expected to revert to a more typical level after being elevated in 2023/24 as a result of drought in major HRW areas.
- Feed and residual use for 2024/25 is forecast up 10 million bushels to 100 million based on the larger expected crop.
- The 2023/24 season-average farm price is unchanged at \$7.10 per bushel based on USDA, NASS reporting prices to date and expected futures and cash prices for the remainder of the marketing year. The March 2024 farm price reported in the USDA, NASS Agricultural Prices publication was \$6.01 per bushel, down from \$6.36 per bushel in February 2024.
- The 2024/25 season-average farm price is projected lower at \$6.00 per bushel based on larger domestic wheat supplies and abundant corn supplies.

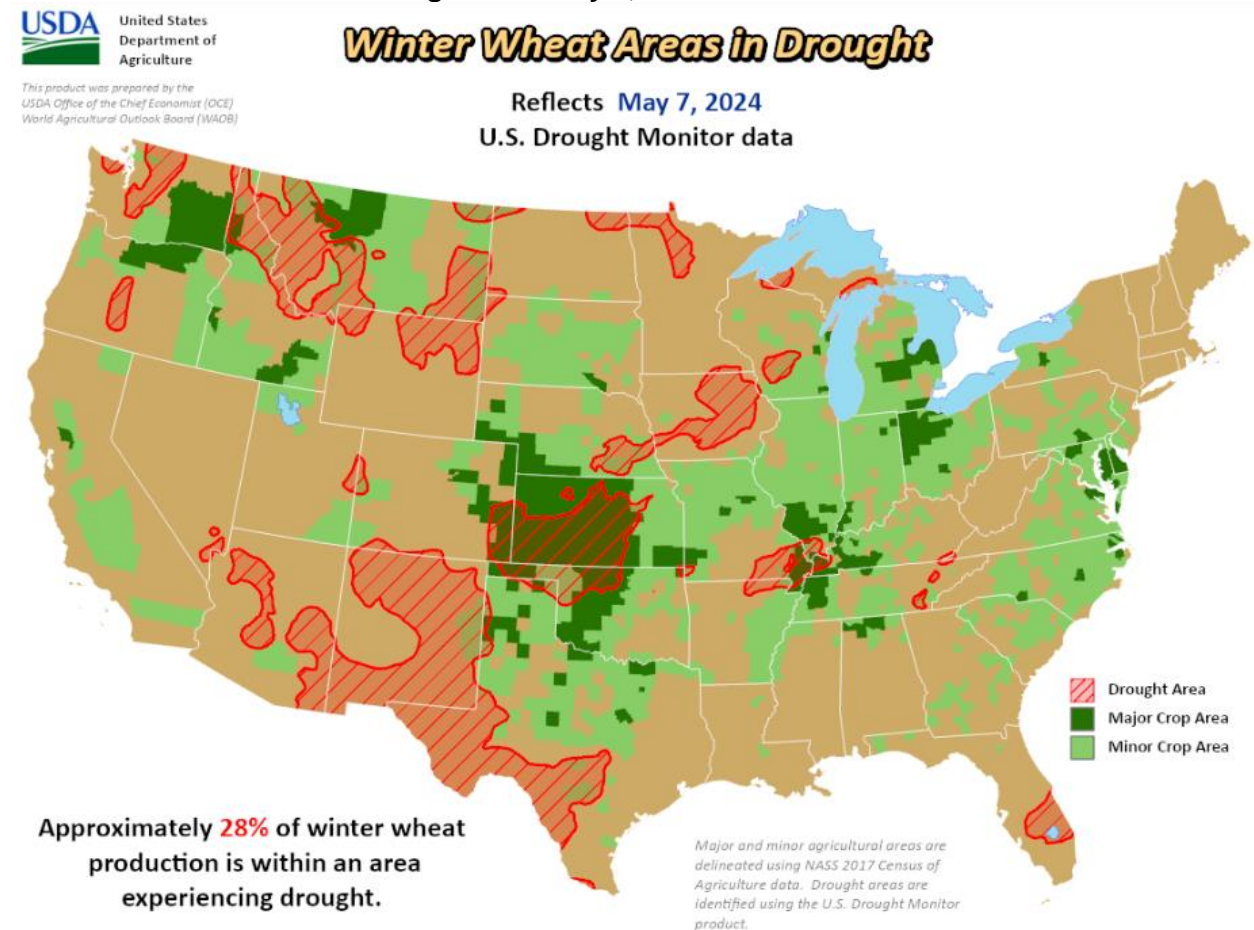
**Table 1****U.S. wheat supply and use at a glance 2023/24 and 2024/25 (in million bushels)**

Balance sheet item	2023/24 April	2023/24 May	2023/24 month-to-month change	2024/25	Comments
<b>Supply, total</b>					<b>June-May marketing year</b>
Beginning stocks	570	570	0	688	
Production	1,812	1,812	0	1,858	USDA, National Agricultural Statistics Service estimates 2024/25 winter wheat production up 2 percent to 1,278 million bushels with larger Hard Red Winter and White production more than offsetting smaller Soft Red Winter production
Imports	140	140	0	120	
Supply, total	2,522	2,522	0	2,665	
<b>Demand</b>					
Food	960	960	0	962	
Seed	64	64	0	62	
Feed and residual	90	90	0	100	2024/25 feed and residual up on larger domestic supplies
Domestic, total	1,114	1,114	0	1,124	
Exports	710	720	+10	775	Faster pace of trade in 2023/24; expecting larger supplies and greater competitiveness in 2024/25
Use, total	1,824	1,834	+10	1,899	
Ending stocks	698	688	-10	766	Stocks forecast to build for second straight season, reaching highest level since 2020/21
Season-average farm price	\$7.10	\$7.10	0	\$6.00	Prices expected lower based on larger domestic supplies and competition with abundant U.S. corn supplies
Source: USDA, Economic Research Service calculations and USDA, World Agricultural Outlook Board, <i>World Agricultural Supply and Demand Estimates</i> .					

# Winter Wheat Conditions Improved Relative to Last Year

Conditions for winter wheat are substantially improved from a year ago, which is reflected in USDA, NASS *Crop Production* statistics showing improvement in the yield and the harvested-to-planted ratio. This theme is also visible in the USDA, NASS crop condition ratings that show that 50 percent of winter wheat is rated as being in good or excellent condition as of May 5, 2024. Last year at this time, only 29 percent of the crop was in good or excellent condition. Drought in the major HRW-producing States in the Southern Great Plains has greatly diminished compared with a year ago. According to the USDA *Drought Monitor*, 28 percent of U.S. winter wheat production was in areas reported with drought on May 7 (figure 2). This compares with 48 percent at the same time last year.

Figure 2  
**U.S. winter wheat areas in drought as of May 7, 2023**



Note: This product was prepared by the USDA, Office of the Chief Economist (OCE), World Agricultural Outlook Board (WAOB). Major and minor agricultural areas are delineated using National Agricultural Statistics Service (NASS) 2017 Census of Agriculture data. Drought areas are identified using the U.S. Drought Monitor product.  
Source: USDA, World Agricultural Outlook Board, Agricultural Weather and Assessments Group.

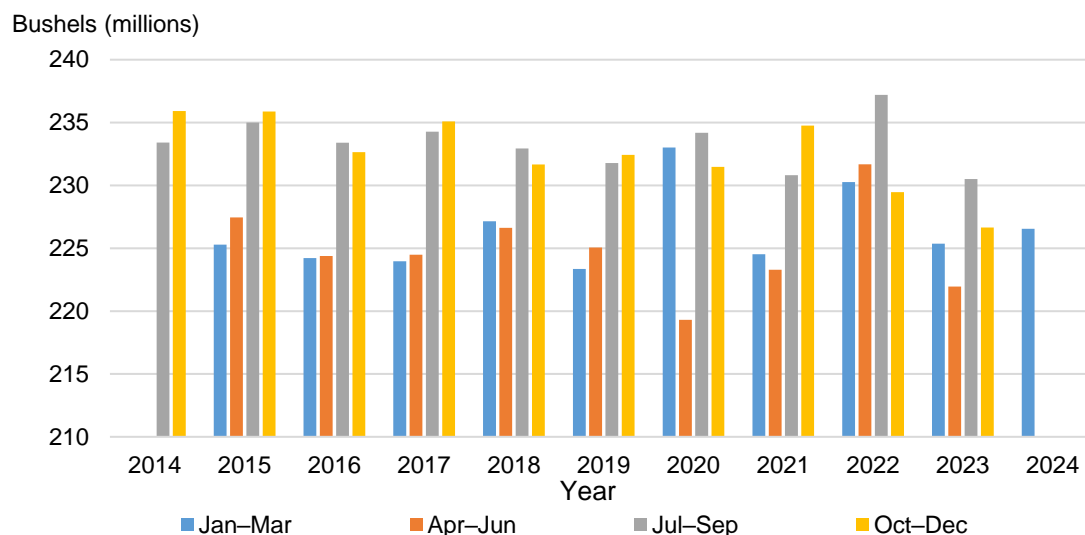
Drought is also affecting areas that represent about 15 percent of U.S. spring wheat production, up from 11 percent a year ago. Spring wheat condition ratings are not available as the crop is still being planted. Dry conditions in some growing areas have allowed for a relatively fast start to spring wheat planting. USDA, NASS reports that 47 percent of spring wheat is planted as of May 5, up from 21 percent last year and the 5-year average of 31 percent. Emergence is estimated at 12 percent compared with 4 percent last year and the 5-year average of 9 percent.

## All-Wheat Food Use Unchanged for 2023/24

The May 1 USDA, NASS *Flour Milling Products* report showed wheat milled for flour during the January–March quarter at 227 million bushels, down less than 1 percent from the revised total for October–December and up 1 percent from the first quarter of 2023 (figure 3). Wheat milled for flour in the first quarter was only marginally lower than the recent 5-year average for that quarter. Conversely, wheat milled for flour in October–December 2023 was the lowest for that quarter since the USDA, NASS flour milling dataset began in 2014.

Figure 3

### U.S. wheat milled for flour, by year and quarter, 2014–24



Note: Data from this source unavailable before July 2014.

Source: USDA, National Agricultural Statistics Service, *Flour Milling Products*.

The USDA, Economic Research Service calculates monthly all-wheat food use based on data from the USDA, NASS *Flour Milling Products* report, along with net imports of wheat flour and products, as well as an estimated level of nonmilled food use. U.S. all-wheat food use for June–March is calculated at 800 million bushels (table 2), down 2 percent from the same period last

year and 1 percent below the recent 5-year average. All-wheat food use for 2023/24 is forecast unchanged from the April forecast at 960 million bushels, a 5-year low.

**Table 2: U.S. wheat food use, million bushels, 2013/14–2023/24**

Marketing year	June–March	Marketing year total	Percent of total
2013/14	796	955	83.3
2014/15	799	958	83.3
2015/16	799	957	83.4
2016/17	791	949	83.4
2017/18	804	964	83.4
2018/19	796	954	83.4
2019/20	806	962	83.8
2020/21	803	961	83.6
2021/22	806	971	83.0
2022/23	814	973	83.7
5-year average	805	964	83.5
2023/24	800	960	83.3

Note: 5-year average refers to marketing years 2018/19 through 2022/23.

Source: USDA, Economic Research Service calculations; USDA National Agricultural Statistics Service.

By-class changes to food use projections were driven by ongoing pricing dynamics between classes. U.S. HRW food use is raised 4 million bushels to 382 million, while HRS is reduced 2 million bushels to 253 million (table 3). The proportion of mill grind for HRW is expected to remain strong as this class has remained at a substantial discount to HRS for much of the current marketing year (figure 4). SRW food use is lowered 2 million bushels to 158 million with the expectation that incorporation of SRW into mill grinds will be somewhat closer to historical levels this year after being elevated in 2022/23. White wheat food use is estimated unchanged at 84 million bushels. Durum food use is unchanged at 83 million bushels with the food use during July–March calculated at 69 million bushels, which is roughly on pace to reach the full year forecast.

Table 3

**U.S. wheat food use, by class, 2019/20–2023/24**

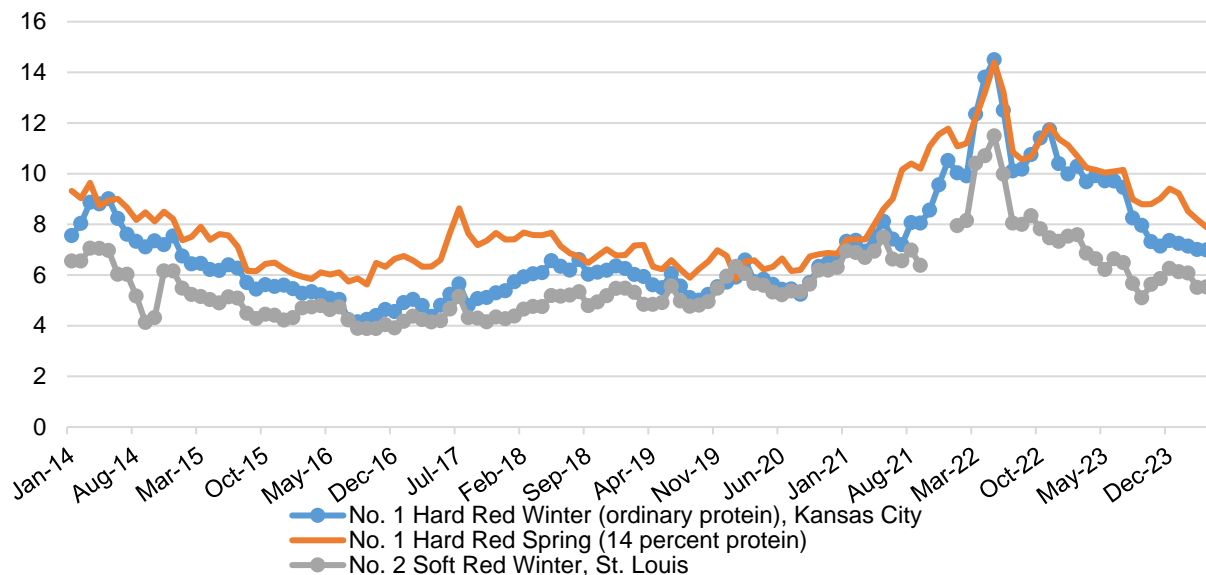
	Final	Final	Final	Final	April	May	Change
Class	2019/20	2020/21	2021/22	2022/23	2023/24	2023/24	2023/24
<i>Bushels (millions)</i>							
HRW	378.2	376.8	410.6	373.9	378.0	382.0	4.0
HRS	265.0	263.0	245.0	266.0	255.0	253.0	-2.0
SRW	148.0	148.0	154.0	163.0	160.0	158.0	-2.0
White	85.0	85.0	83.0	85.0	84.0	84.0	0.0
Durum	85.4	87.7	78.8	84.7	83.0	83.0	0.0
Total	961.6	960.5	971.4	972.6	960.0	960.0	0.0

HRW = Hard Red Winter; HRS = Hard Red Spring; SRW = Soft Red Winter.  
 Source: USDA, Economic Research Service calculations using data from, USDA, National Agricultural Statistics Service and U.S. Department of Commerce, Bureau of the Census.

Figure 4

**U.S. wheat cash prices, January 2014–April 2024**

Dollars per bushel



Note: The Hard Red Spring quote is for Minneapolis and refers specifically to Dark Northern Spring, a subclass of Hard Red Spring. Prices are monthly averages of daily quotes.

Source: USDA, Economic Research Service calculations using data from USDA, Agricultural Marketing Service.



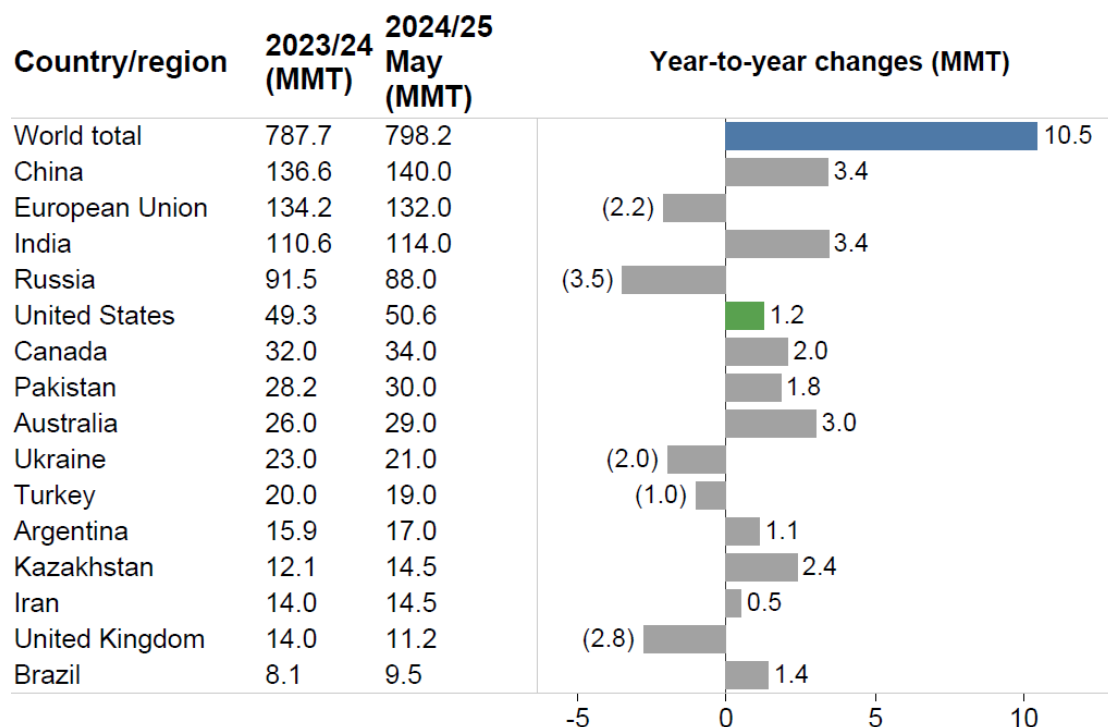
# International Outlook

## Global Wheat Production Forecast at Record in 2024/25

Global wheat production is forecast at a record 798.2 million metric tons (MMT) in 2024/25 (figure 5). **China** and **India** are forecast to have record crops with expanded area and higher anticipated yields. The **European Union (EU)** is forecast to have a smaller crop based on lower area harvested as rain during the fall of 2023 impeded planting in key Member States including **France** and **Germany**. For more information on conditions affecting EU wheat production, see the May 2024 *World Agricultural Production* report published by USDA, Foreign Agricultural Service (FAS). The same conditions affecting the EU wheat crop also reduced harvested area and expected production in the **United Kingdom**. The world's leading wheat exporter, **Russia**, is forecast to have a slightly smaller crop but still its third largest on record. The **United States** is forecast to have a larger crop as a result of improved conditions for winter wheat, particularly in major Hard Red Winter producing regions. Area harvested is up due to lower abandonment and yields are also forecast higher than the previous year.

Figure 5

### Year-to-year change in 2024/25 wheat production, May 2024



MMT=million metric tons.

Note: Change compared to the May 2024 estimate for 2023/24. Changes less than 0.2 MMT are not included.

Source: USDA, Economic Research Service; USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database.

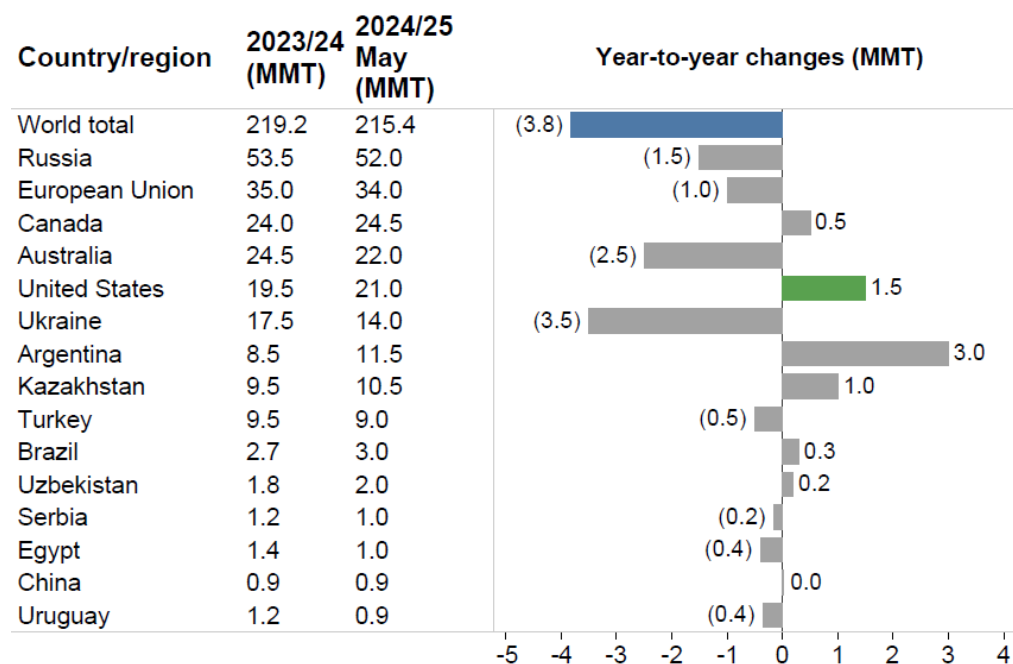
Other key exporters, **Kazakhstan** and **Canada**, are expected to have larger crops with higher area and yield. **Argentina**'s harvested area is expected to be smaller on expectations of limited profitability. However, Argentina's overall production is forecast up with higher yields. **Australia** is forecast to have a larger crop on the basis of higher yields. **Ukraine**'s production is expected lower with reduced harvested area. Planting decisions for this crop were made during the fall of 2023, when exports were slow. Profitability of growing wheat remains uncertain amidst the continuing conflict. **Pakistan** is expected to harvest a record crop due to larger harvested area and higher yields amidst favorable weather and good crop management. **Brazil** is expected to have the second largest production on record with higher area and yield.

## Global Trade Forecast Down from Record in 2024/25

Global wheat exports for the July–June 2024/25 international trade year (TY) are forecast down 3.8 MMT to 215.4 (figure 6). Changes in export share largely reflect year-to-year changes in exportable supplies.

Figure 6

### Year-to-year change in 2024/25 wheat trade year exports, May 2024



MMT=million metric tons.

Note: Change compared to the May 2024 estimate for 2023/24. Changes less than 0.2 MMT are not included.

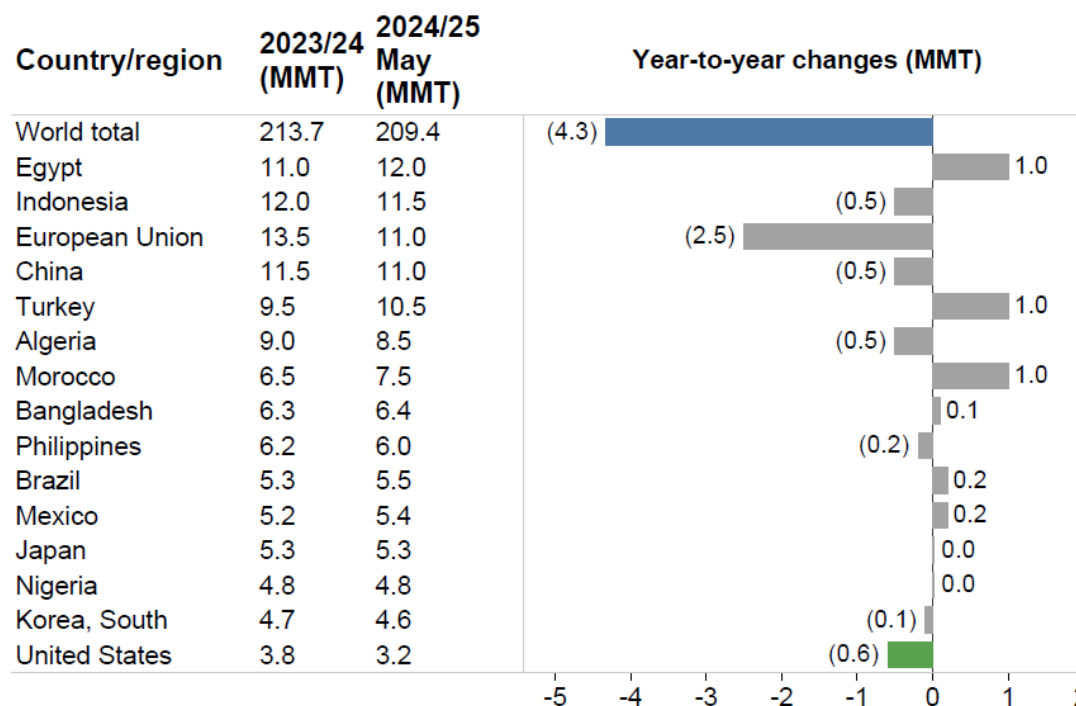
Source: USDA, Economic Research Service; USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database.

**Russia** and the **European Union** are forecast to have slightly smaller exports with reduced crops but will remain the world’s leading exporters by a wide margin. **Canada, Argentina,** and **Kazakhstan** are forecast to have larger exports with bigger crops. **Australia’s** TY exports are forecast down year to year based on expected timing of shipments, but exports on the local marketing year (October–September) are forecast larger. Exports for the **United States** are forecast higher on larger supplies and expectations of improved competitiveness. While this export total is up from the last 2 years, it would still be the third lowest since 1971/72. **Ukraine’s** exports are forecast smaller with tighter supplies.

Global imports are also forecast lower in 2024/25, down 4.3 MMT to 209.4 (figure 7). **Egypt** is forecast as the world’s leading wheat importer, with imports growing year to year as the country rebounds from currency shortages and works to rebuild its stocks. Imports for **Indonesia** and **China** are forecast lower but remain robust. **EU** imports are forecast to stay historically high but would be down substantially due to smaller supplies in **Ukraine**, its main wheat supplier.

Figure 7

### Year-to-year change in 2024/25 wheat trade year imports, May 2024



MMT=million metric tons.

Note: Change compared to the May 2024 estimate for 2023/24. Changes less than 0.2 MMT are not included.

Source: USDA, Economic Research Service; USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database.

Imports are forecast higher for **Turkey** with a smaller domestic crop. Much of Turkey’s imports are used to be processed and re-exported as flour. Several North African countries are dealing with drought, most notably **Morocco**, which is expected to have higher imports to offset lower

domestic supplies. Morocco's crop is forecast as the smallest since 2007/08. **Algeria** is affected by the drought to a lesser degree as production is still up and imports are down slightly year to year. Imports for the **United States** are expected to be lower, but at a more normal level after being elevated in 2023/24. U.S. imports will likely continue at a normal pace from Canada, its typical supplier. However, shipments from the EU are likely to be smaller as U.S. supplies are expected to be more plentiful in the new marketing year. See the feature article in the November 2023 *Wheat Outlook* for more details about U.S. imports from the EU in 2023/24.

## Global Wheat Consumption Higher, Ending Stocks Lower

Food, seed, and industrial (FSI) consumption is forecast higher in 2024/25, with the largest year-on-year increases expected for **India**, **China**, and **Pakistan** (table 4). FSI consumption tends to increase gradually over time in most countries with population growth. India's projected growth in FSI is also attributable to government food security programs to increase wheat availability for consumers. In China, wheat flour consumption is related to economic growth and dietary shifts toward more convenience foods such as bread and bakery products. High global rice prices may also contribute to expanding wheat consumption in some countries as consumers seek more affordable staples. Wheat consumption in **Pakistan** is seen higher as consumers move toward lower-priced staples instead of more premium foods amid steep food price inflation. For **Bangladesh**, rising wheat consumption is influenced by changing dietary patterns among city dwellers shifting from rice to wheat and expanded interest in bakery products.

Conversely, feed and residual use in 2024/25 is forecast down in 2024/25. China accounts for the bulk of this reduction as feed and residual use there was elevated in 2023/24 amid crop quality concerns that are not anticipated to reoccur this year. Low corn prices will encourage substitution away from wheat in feed rations. The EU is expected to have lower feed and residual use due to a smaller crop, large supplies of competing feed grains, and reduced imports from Ukraine. Similarly, Russia and the United Kingdom are forecast to have lower feed and residual use due to smaller crops. India's feed and residual use is forecast lower as less wheat is lost to spoilage in government-held stocks.

Table 4

**Year-to-year changes in global wheat consumption (1,000 metric tons), May 2024**

Country	Use category	2023/24	2024/25	Year-to-year change
Afghanistan	FSI consumption	8,500	8,900	400
Bangladesh	FSI consumption	6,900	7,200	300
China	FSI consumption	116,500	117,000	500
India	FSI consumption	105,594	107,000	1,406
Pakistan	FSI consumption	28,300	29,000	700
<b>World</b>	<b>FSI consumption</b>	<b>638,343</b>	<b>644,029</b>	<b>5,686</b>
Canada	Feed and residual	4,500	4,000	(500)
China	Feed and residual	37,000	33,000	(4,000)
European Union	Feed and residual	47,500	46,500	(1,000)
India	Feed and residual	6,750	6,000	(750)
Russia	Feed and residual	18,000	17,000	(1,000)
United Kingdom	Feed and residual	7,100	6,000	(1,100)
<b>World</b>	<b>Feed and residual</b>	<b>160,079</b>	<b>151,762</b>	<b>(8,317)</b>
<i>World</i>	<i>Total consumption</i>	<i>798,422</i>	<i>795,791</i>	<i>(2,631)</i>
<i>World</i>	<i>Trade-adjusted consumption</i>	<i>800,336</i>	<i>802,369</i>	<i>2,033</i>

FSI = food, seed, and industrial.

Note: Table excludes changes smaller than 300,000 metric tons. Trade-adjusted consumption is slightly different than the sum of all countries consumption because it accounts for the difference between marketing year export and import figures. This is the global consumption statistic that matches the data presented in the *World Agricultural Supply and Demand Estimates (WASDE)*.

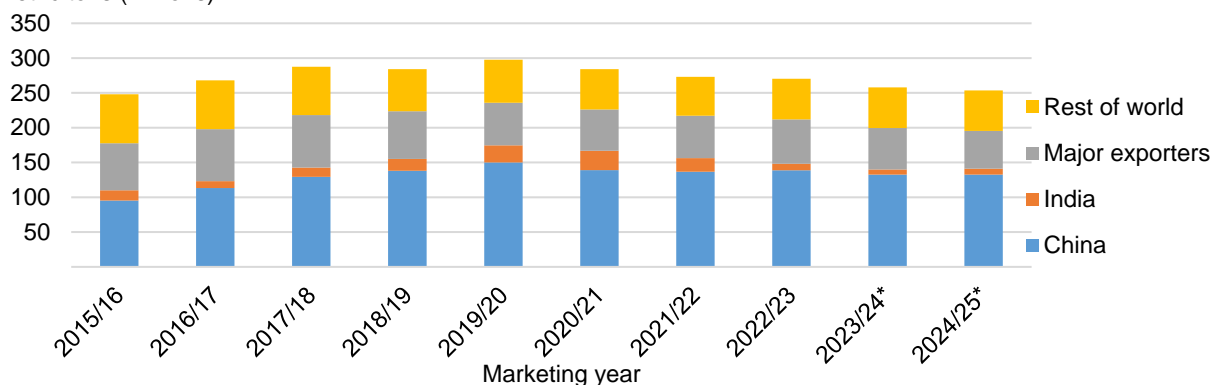
Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

Global wheat ending stocks are forecast to tighten for the fifth consecutive season with China accounting for just over half of the total (figure 8). Stocks for China are forecast up slightly in the coming year. India's ending stocks are projected slightly larger, but still less than a third of the record level observed in 2020/21.

Figure 8

**Global wheat ending stocks, 2015/16–2024/25**

Metric tons (millions)



\*2024/25 is a forecast. 2023/24 is an estimate. All other years are final.

Major exporters include Argentina, Australia, Canada, the European Union, Kazakhstan, Russia, Ukraine, and the United States.

Source: USDA, Economic Research Service calculations using data from USDA, World Agricultural Outlook Board.

Stocks for major exporters are forecast tighter, led by Russia (down 3.5 MMT) and the EU (down 2.3 MMT) on smaller crops and robust exports. U.S. ending stocks are forecast to grow 2.1 MMT to 20.9 MMT on rebounding domestic supplies. Argentina's ending stocks are forecast to decline 1.5 MMT to a more typical level of 2.3 MMT after being elevated in 2022/23 and 2023/24. Projected ending stocks changes for most other exporters are minimal.

## Overview of 2023/24 Global Wheat Market Changes

2023/24 global wheat production is raised 0.4 MMT from the previous month to 787.7 MMT, mainly on revisions based mainly on official data sources. The largest revisions are for Uruguay (up 0.5 MMT), Turkey (up 0.5 MMT), Ukraine (down 0.4 MMT), and Ethiopia (up 0.4 MMT to 5.6 MMT).

2023/24 global feed and residual use is lowered 1.3 MMT to 160.1 MMT. Canada (up 1.0 MMT) is revised on account of larger implied disappearance in the latest Statistics Canada stocks data. Russia is down 1.0 MMT and the EU is lowered 0.5 MMT with higher exports for both countries. Iran is revised down 0.5 MMT with smaller estimated imports. Global FSI consumption for 2023/24 was revised up 0.7 MMT on mostly smaller revisions. The largest FSI change was for India, revised down 0.6 MMT to 105.6 MMT to account for higher estimated stocks and exports.

Global stocks are revised lower by 0.5 MMT to 257.8 MMT. The largest revisions are for Canada, down 1.0 MMT on updated Government stocks data, and Russia, down 1.0 MMT on higher exports.

Global trade is raised for TY 2023/24 with exports up 2.5 MMT from the previous month. Higher exports for Russia more than offset a reduction to Argentina. Imports are raised for Saudi Arabia, Bangladesh, and China, more than offsetting reductions to Iran and Turkey. For more details on 2023/24 trade revisions, see the May 2024 *Grain: World Markets and Trade* report published by USDA, FAS.

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