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Situation and Outlook

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Wheat Outlook

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Wheat Chart Gallery will be updated on August 14, 2013

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Approved by the World Agricultural Outlook Board.

U.S. Wheat Price Prospects Lower Despite Increased Exports and Reduced Ending Stocks

U.S. average wheat prices received by farmers for 2013/14 is projected this month to reach a range of $6.40 to $7.60 per bushel. The midpoint of $7.00 per bushel is down 10 cents from last month's forecast. The June farm price and July preliminary prices came in somewhat below expectations, and U.S. wheat prices are expected to face weakness with a record corn harvest this fall. Moreover, foreign wheat price quotes, especially for exporters such as Ukraine, Russia, and the European Union (EU), have dropped sharply recently. These factors are expected to limit U.S. wheat price rallies during 2013/14.

The evolving fundamentals of the U.S. 2013/14 wheat market are for firm demand and a significant reduction in stocks. U.S. wheat exports are projected up 25 million bushels this month to 1.1 billion. Compared to the previous year, exports are projected up enough to offset most of the decline in expected wheat feed and residual use, leaving total demand almost unchanged. Ending stocks are projected down 25 million bushels this month to 551 million, a 23-percent drop from a year earlier.

Increased wheat production in the EU and the Former Soviet Union (FSU) supports this month's larger projected world wheat production, use, and trade. Declining wheat prices are encouraging world wheat trade expansion, with 2013/14 global trade approaching the 2011/12 record level at over 150 million tons. U.S. export prospects are projected up despite the intense competition, with a very strong start and better export prospects to China and South America.

Domestic Outlook

Increased 2013/14 Exports Drive Ending Stocks Prospects Lower

Projected 2013/14 exports are raised 25 million bushels this month to 1.1 billion, supported by strong sales, especially to China and Brazil. Ending stocks for 2013/14 are projected down 25 million bushels this month to 551 million bushels, a drop of 167 million bushels from 2012/13. Expected domestic use for 2013/14 is unchanged this month.

Total production is forecast at 2,114 million bushels, up fractionally this month, but down 155 million bushels from 2012/13. Forecast area planted and harvested is unchanged this month. The average all-wheat yield remains 46.2 bushels per acre, however forecast yields and production by State and class are revised.

Winter Wheat Production Estimates by Class

Hard red winter (HRW) production is forecast at 791 million bushels, down 1 million bushels from July, but down 212 million bushels from a year ago. The HRW yield is forecast at 38.9 bushels per acre, down 0.1 bushel from July. Production is down from 2012, due to the lower planted area for the 2013 crop, a higher expected abandonment rate, and lower yield due to severe drought and spring freeze damage.

Soft red winter (SRW) production is forecast at 542 million bushels, up 3 million bushels from July and up 122 million bushels from last year. The SRW yield is 62.1 bushels per acre, up 0.4 bushel from July. SRW production is forecast higher than 2012 because of larger harvested area and higher yield.

White winter wheat production for 2013 is estimated to total 209 million bushels, down 2 million bushels from July. The white winter wheat yield is 65.1 million bushels, down 0.8 million from July. The planted and harvested areas, production, and yield for white winter wheat are as follows (hard white winter = HWW and soft white winter = SWW):

2013	HWW	SWW
Planted area (million acres)	0.33	3.05
Harvested area (million acres)	0.26	2.95
Yield (bushels/acre)	46.0	66.8
Production (million bushels)	11.9	197.2

2012	HWW	SWW
Planted area (million acres)	0.34	3.00
Harvested area (million acres)	0.29	2.91
Yield (bushels/acre)	46.0	71.6
Production (million bushels)	13.3	208.3

Spring Wheat Production Estimates by Class

Hard red spring (HRS) production is forecast at 475 million bushels, down 1 million bushels from July and 30 million below 2012. HRS yields are forecast down 0.1 bushel per acre from July to 41.7. Both yields and harvested area are down from 2012.

White spring production is estimated to total 36.5 million bushels, down 0.2 million bushel from July, and 1.0 million less than 2012.The planted and harvested areas, production, and yield for white spring wheat are as follows (hard white spring = HWS and soft white spring = SWS):

2013	HWS	SWS
Planted area (million acres)	0.13	0.46
Harvested area (million acres)	0.12	0.45
Yield (bushels/acre)	74.8	61.5
Production (million bushels)	9.0	27.5

2012`	HWS	SWS
Planted area (million acres)	0.12	0.48
Harvested area (million acres)	0.11	0.46
Yield (bushels/acre)	74.3	62.7
Production (million bushels)	8.5	29.0

Durum wheat production is forecast to total 60.2 million bushels, up 3 million bushels from July but down 22 million from a year ago. Durum production is forecast down compared to 2012 because of lower area. Durum yield for 2013/14 is forecast at 40.1 bushels per acre, up 1.8 from July and higher than a year ago. Forecast planted area, harvested area, and yield and year-to-year changes for 2013 are, respectively, 1.54 million acres (down 0.58 million), 1.50 million acres, (down 0.60 million), and 40.1 bushels per acre (up 1.1 bushels).

Projected 2013/14 Supplies Nearly Unchanged This Month

The 2013/14 outlook for U.S. wheat supplies is raised fractionally from July as production changes by State and class are mostly offsetting. Beginning stocks for 2013/14, at 718 million bushels, are as reported for June 1, in the latest *Grain Stocks* report. Projected imports, at 130 million bushels, are unchanged from July. Production is forecast at 2,114 million bushels, up 0.4 million bushels from July.

Projected 2013/14 Supplies Down From 2012/13

Total supply for 2013/14 is down 172 million bushels from 2012/13 to 2,962 million bushels. Supplies of all classes except SRW are down year to year. HRW supplies decreased the most, as smaller production and imports more than offset higher beginning stocks. Durum supply also decreased sharply percentagewise as smaller production and beginning stocks more than offset higher expected imports. Higher SRW production more than offsets lower beginning stocks, raising 2013/14 supplies from the previous year.

Projected 2013/14 Utilization Up This Month

The 2013/14 outlook for U.S. wheat use is raised 25 million bushels from July. Forecast domestic use for all wheat and wheat by class are unchanged this month. Exports for all wheat are raised 25 million bushels to 1,100 million bushels reflecting strong early season sales, particularly to China and Brazil. HRW exports are forecast up 10 million bushels to 405 million supported by sales to Brazil. HRS exports prospects are increased 10 million bushels to 235 million supported by expected demand for premium quality wheat. SRW is boosted 5 million bushels to 285 million with large outstanding sales to China. Durum and White wheat export prospects are unchanged this month.

Projected 2013/14 Utilization Nearly Reaches 2012/13 Level

Total use in 2013/14 is projected at 2,411 million bushels, just 5 million bushels less than estimated for 2012/13. All classes except SRW have decreased use year to year. SRW use increases due to higher exports.

Food use is projected at 958 million bushels, unchanged from July but up 13 million bushels from 2012/13, as flour extraction rates are expected to fall from a very high level in 2012/13 while consumption grows with population. Feed and residual use is projected at 280 million bushels, down 110 million bushels from 2012/13 as larger supplies and lower prices for feed grains in 2013/14 make wheat feeding less attractive by late summer. Projected exports are up 93 million bushels from 2012/13 exports.

Projected 2013/14 Ending Stocks Down From July and From 2012/13

The 2013/14 outlook for U.S. wheat ending stocks is lowered 25 million bushels from July to 551 million bushels. Production shifts by class combine with revised export expectations to alter projected ending stocks by class this month. HRW ending stocks are down 11 million bushels from July to 197 million, HRS is projected down 12 million to 170 million, SRW is trimmed 2 million to 111 million, white wheat is reduced 3 million to 51 million, but durum projected ending stocks are increased 3 million bushels to 23 million. The year-to-year decline from 2012/13 is 167 million bushels with lower ending stocks for all classes except HRS.

Total ending stocks for 2013/14 are expected to decrease by 23 percent from 2012/13. Stocks of HRW, white, SRW and durum are expected down 42 percent, 20 percent, 10 percent, and 3 percent, respectively. Stocks of HRS are expected up 3 percent.

2013/14 Price Range Projection

The 2013/14 season-average farm price range is projected at $6.40 to $7.60 per bushel, down from $6.45 to $7.75 per bushel in July. Recent price declines have been sharper than expected and the record corn harvest in the fall is likely to weigh on wheat prices. The $7.00-per-bushel midpoint for 2013/14 is down from the record $7.77 per bushel reported for 2012/13.

Trade Revisions Cause Small Historical Changes Back to 2009/10

Census's annual "13th month" revisions of trade data, processed in July, went back further than usual this year, with wheat export changes back to calendar 2010, generating by-class and by-quarter changes from 2009/10 through 2012/13. The 2009/10 all wheat export revision is very small, up 0.02 million bushels; with the 2010/11 exports up 2.6 million; 2011/12 exports up 3.3 million; but 2012/13 exports down 2.1 million. Imports for 2012/13 are revised up a miniscule 0.025 million bushels. Revised quarterly data can be found on table 3 of this report. The historical by class revisions will be published in the ERS wheat data product released later in the month. Since the stocks data has not been revised, any class or quarter trade revision causes an offsetting adjustment to feed and residual for that quarter or class.

Monthly Outlook Charts

The charts for the report can be found using the link to the Chart Gallery that is on the page just before the tables.

USDA Wheat Baseline, 2013-22

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, along with the analysis underlying the wheat projections for 2013-22, is available at http://www.ers.usda.gov/topics/crops/wheat/usda-wheat-baseline,-2013-22.aspx.

International Outlook

Record-High World Wheat Production Projected This Month

Global production for 2013/14 is up 7.6 million tons this month to 705.4 million as increases for the EU and FSU, as well as smaller increases for Canada, India, and Turkey, swamp reductions for Argentina, and Brazil. Wheat production prospects for the United States are nearly unchanged. As projected, global wheat output would top the 2011/12 record by more than 8 million tons.

Wheat production for the EU, the world's largest producer, is up 2.8 million tons this month to 141.4 million. The largest increase is projected for Spain, up 0.8 million tons to 7.7 million, which brings the country's wheat yield to record high. This past winter and spring Spain enjoyed a combination of very favorable precipitation and temperatures, and the wheat harvest there already has been completed. Overall good conditions in July, mostly warmer and drier weather in northern Europe, resulted in rapid wheat maturation and benefited countries from Ireland and the United Kingdom to France, Germany, and Poland — the major EU wheat producers. Higher wheat production was also reported for Romania, Bulgaria, and Hungary, where hot weather was beneficial for wheat harvesting, with a smaller increase for Lithuania. Partly offsetting within the EU, yield prospects were slightly trimmed for Denmark, Austria, and Greece.

Wheat production prospects in the FSU increased 4.7 million tons this month to 107.0 million, nearly 30 million tons higher than last year. For Kazakhstan, projected wheat production is up 2.5 million tons this month to 17.0 million. Record-high precipitation levels in Akmola and better-than-average precipitation in the North Kazakhstan region (two of the country's three major wheat-producing regions), combined with the moderate temperatures, have generated excellent growing conditions in the country. An outstanding satellite vegetation index approaching the one in 2011 — which set a historical record for Kazakhstan wheat yield — fully supports this increase. Ukraine's wheat production prospects are increased 2.0 million tons this month to 21.5 million. Despite a late spring that abruptly switched to dryness in the southern and eastern parts of the country, reports indicate high wheat yields, with already about 95 percent of wheat being harvested. However, the crop's quality has been reduced by rain during harvest, with the estimated share of feed-quality wheat at 60 percent (20 percent last year), which increases the premium for milling-quality wheat. Moldova, located at the southwestern border of Ukraine, has been enjoying excellent precipitation, and according to the latest harvest reports, is set to produce 1.0 million tons of wheat, up 0.2 million. Russian projected wheat production is unchanged this month at 54.0 million. The winter wheat harvest is close to completion in the South and North Caucasus Districts, and in about two-thirds of the Central District — the major winter wheat growing regions — with reported strong yields, about 30 percent higher than last year. Also, spring wheat growing conditions have been outstanding in most of Siberia, with ample timely rains and moderate temperatures. The exception is the area in the southern Urals that has been suffering from excessive dryness since mid-July, though even this region also recently started to receive much needed precipitation. Persistent rains in parts of the Central and Volga Districts have disrupted harvesting and could affect quality and, in some cases, even the volume of wheat production.

Canadian 2013/14 wheat production is projected up 0.5 million tons to 29.5 million this month, reflecting the positive impact of beneficial weather — abundant rains and favorably cool temperatures — for wheat development across the Prairies States of Saskatchewan, Manitoba, and Alberta, where wheat is in its filling stage. These States produce 97 percent of Canadian spring wheat. As wheat development in Canada is delayed this year, the risks of early frosts that could impact wheat yields could be considered above average. Because of the moisture that is expected to boost wheat yields, wheat quality could be lower than average.

India's wheat production for 2013/14 was increased 0.5 million tons this month to 92.5 million, based on revised government estimates. Most of the crop was harvested months ago, and the government estimate should be close to the final number.

In Turkey, where the wheat harvest has been completed earlier than usual and was helped by warm harvest weather, wheat production is increased 0.4 million tons to 18.0 million. Moderate temperatures, a sufficient amount of rain in the rain-fed areas, and good irrigation supplies reportedly resulted in excellent wheat yields, though grain quality is reportedly quite low.

Increases in 2013/14 wheat output are partly offset by a reduction in prospects for Argentina. Government interventions in wheat exports have been detrimental to wheat producers' planting incentives. In a populist attempt to keep bread prices low, the Government has brought wheat exports to a standstill, and threatened wheat stockholders to revive an obsolete 1974 anti-hoarding law (which involves the confiscation of existing wheat stocks and imprisonment), as well as ordering exporters to sell wheat marked for exports to local markets. These developments happened right in the middle of the wheat planting window in Argentina, where planting starts in the northern parts of the country at the beginning of May and moves toward the south, ending in August in the largest wheat-producing Buenos Aires region. Despite good planting conditions in the south, uncertainty about government interventions and export policy caused a drop in the projected area partly in favor of barley. Barley is not covered by the government regulations, and can also be rotated with soybeans. Wheat planting is almost complete, with some additional area still to be planted in the south of the country. Wheat harvested area in Argentina for 2013/14 is projected down 0.3 million hectares this month, with production down 1.0 million tons, to 12.0 million. Projected 2013/14 wheat output is also reduced for Brazil, down 0.2 million tons to 4.8 million, or by 4 percent. Frosts in late July affected between 9 and 15 percent of wheat area in Parana (or 4-7 percent of the country's total wheat area, Parana being the country's largest wheat-producing state) during the flowering stage of the reproductive period, and are expected to have a corresponding impact on yields.

Small adjustments in (already harvested 2013/14) wheat production are also made for Bangladesh and Mexico.

Foreign Wheat Use To Reach a Record

With the changes in wheat beginning stock almost fully offsetting, foreign wheat supplies are up 7.5 million tons, while foreign wheat use in 2013/14 is projected to increase 6.9 million tons this month to a record 671.1 million. All the global increase in wheat use is from foreign disappearance, as U.S. domestic wheat use is unchanged.

The largest increase is in wheat food, seed, and industrial use for India, up 2.0 million tons to 87.5 million. In order to at least partly relieve its bulging wheat stocks (currently at twice the required level), and dampen the high growth in domestic wheat prices, the Government of India has recently allocated a total of 9.5 million tons of wheat — 8.5 million tons to bulk consumers, and 1.0 million tons to small private traders — out of wheat stocks in Punjab and Haryana. Another development in India that is expected to increase its food consumption (of both wheat and rice) is that the long-awaited overhaul of the Public Distribution System (PDS), a policy intended to support the hungry (nearly a quarter of the country's 1.2 billion population), finally has a chance to materialize. In July 2013, the cabinet cleared the National Food Security Bill (NFSB), which is expected to be passed into law during the current August session of the Parliament. The food security bill is expected to restructure the PDS, which is acknowledged as being inefficient, leakage prone, and corrupt. Wheat food use is also projected slightly up in Iran, Turkey, and several more countries.

The largest increases in wheat feed use are projected for China, EU, and Syria. China is expected to feed 1.0 million tons more wheat with some of it coming from the abundant but lower quality harvest. A substantial amount of this wheat is below the government quality requirements for storage. State reserves being rotated out of storage because of low quality or damage are also expected to boost wheat feeding. At the same time, China is expected to boost imports of high-quality wheat for both milling purposes (mixing with low-quality wheat), and to replace the sub-par wheat in its state reserves. Some wheat imported into southern China may move directly into feed channels.

With more projected wheat output of marginal quality (because of generally wet growing conditions), the EU is expected to feed another 0.7 million tons, reaching 53.2 million of feed use (about the average of recent years). In Syria, wheat feeding is projected to double, up 0.5 million tons to 1.0 million. Because of the political conflict, the Government is reportedly not capable of procuring its usual share of the harvest, as the large wheat-producing areas in the north are under the insurgents' control. Because of a record in both wheat production and yields, though of low quality, residual use is projected to increase year to year, while farmers in the northern part of the country are expected to use more of their wheat on farms as animal feed. To counterbalance the shortage of wheat in the government-controlled part of the country, and to be able to feed the population, the regime is regularly issuing official tenders and buying larger than expected quantities of wheat. Feed use is also expected to be higher in Moldova and Kazakhstan (up 0.3 and 0.2 million tons) because of higher production; in Morocco (up 0.2 million tons) because of higher beginning stocks; and by less than 0.1 million tons in a number of countries. Wheat feed use is projected lower in Thailand, Vietnam, and Jamaica because of lower expected wheat imports.

World wheat ending stocks for 2013/14 are up 0.6 million tons this month to 173.0 million, as projected increases in production are marginally larger than this month's growth in expected use. The increase in foreign stocks is larger, up 1.3 million tons to 158.0 million, as U.S. wheat stocks are down 0.7 million tons. Projected global stocks are down only 1 percent from last year, and almost 27 million tons lower than in 2011/12. The largest increase this month in ending stocks is for Iran, up 1.3 million tons to a record of 7.4 million. The country appears to continue to amass record-level wheat reserves, a trend that started about a year ago, and is related to the sanctions and other reactions of Western countries to Iran's nuclear program. Ending stocks are also projected up 0.8 million tons for Pakistan, with its reported substantial purchases of wheat mostly from the Black Sea countries. Partly offsetting is a decline in EU wheat ending stocks, down 0.7 million tons to 11.0 million. Despite a hefty increase in production, lower expected imports and higher exports pull the stocks down. There are small (under 0.3 million tons) changes in projected ending stocks this month for a number of countries.

World Wheat Trade Increased Further

World wheat trade projected for the international 2013/14 July-June trade year is further increased this month by 3.7 million tons, to 151.9 million. This is less than 2 million tons away from the 2011/12 record. Importers' recent buying pace indicates continued strong demand for wheat, fuelled by declining international prices. A number of countries are expected to take advantage of lower priced wheat coming from the Black Sea region to maintain a comfortable level of wheat stocks. The largest 2013/14 increases in wheat imports are for Iran and China, up 1.5 and 1.0 million tons, respectively, and for Pakistan, Syria, and Turkey, up 0.5 million tons each. According to the official tenders, trade data and various reports, all these countries continue to purchase large amounts of wheat from all over the world. Turkey with its low-quality harvest is boosting its imports of milling-quality wheat. A discussion related to the other four countries is presented above in the previous section, and also in our July outlook that specifically addresses China's situation (http://usda01.library.cornell.edu/usda/ers/WHS//2010s/2013/WHS-07-16-2013.pdf). A partly offsetting reduction is made for the EU, where wheat import prospects are trimmed 0.5 million tons to 5.0 million, due to an abundant harvest. Other changes in projected 2013/14 international trade year imports are largely offsetting.

Export prospects for 2013/14 are revised for several countries. The larger crops and competitively low prices for the EU, Ukraine, and Kazakhstan are boosting their export outlooks, up 2.0 million tons, each, to reach 22.0, 10.0, and 9.0 million, respectively. Together with Russia, these four exporters are expected to supply almost 40 percent of world wheat exports this year. In addition to an abundant wheat harvest, the high quality of wheat in Kazakhstan is expected to be a factor pushing its exports up. Wheat in the rest of the Black Sea region is expected to be of comparatively low quality this year, thereby creating a premium for higher quality Kazakh wheat. Also in Ukraine, grain exporters will likely enjoy simplified export logistics with new custom regulations that are expected to reduce the number of mandatory certificates for exports. With a larger projected crop, exports are expected 0.5 million tons higher in Canada, reaching 20.0 million. Turkey has been maintaining a high pace of flour exports, and its wheat exports are projected up 0.3

million tons to 3.5 million, as it is expected to export about the same amount of wheat as last year. Higher exports are projected for Uzbekistan, up 0.2 million tons to 0.7 million, reportedly based on its increased sales to Afghanistan in border trade.

Partly offsetting are reductions in export prospects for India, down 2.0 million tons to 5.0 million. Despite a recent 2.0-million-ton increase in the government wheat export quota, domestic prices (that reflect the government-established purchase price), are still much higher than weakening world wheat prices, which makes the country's wheat uncompetitive. The government is still trying to relieve the bulging wheat stocks, and is expected to reduce somewhat the wheat support price and motivate exports.

Exports are reduced for Argentina, down 1.0 million tons to 5.0 million, as lower wheat output and government policies (see above in the production discussion) are expected to strongly limit its wheat exports. The combination of smaller projected wheat output and expected lower quality resulted in a reduction in Brazilian exports by half this month, down 0.5 million tons to 0.5 million.
Exports are also projected down 0.3 million tons to 0.5 million for Pakistan, because of higher competition from Kazakhstan and other Black Sea countries.

U.S. Export Prospects for 2013/14 Inch Up

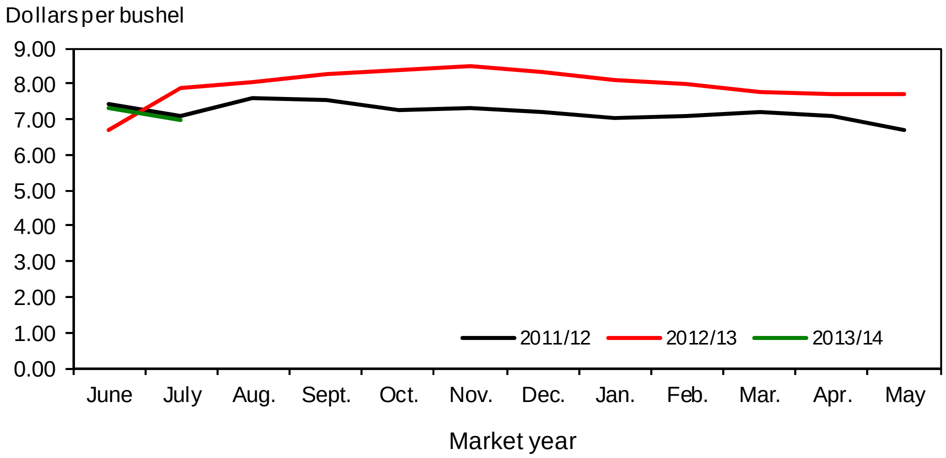
U.S. wheat exports for 2013/14 July-June are projected to increase 0.5 million tons this month to 30.0 million, up 8 percent on the previous year. The pace of exports was strong in July 2013, and outstanding sales as of August 1, 2013 were 8.0 million tons (vs. 5.1 million last year), making total commitments higher by more than 50 percent from a year ago. This month's increase in the U.S. exports prospects is comparatively small, and mostly reflects increased exports to China and South America (partly replacing lower Argentine exports). Large foreign production and low world prices are expected to limit U.S. exports later in the year, particularly for lower quality wheat. For the local June-May marketing year, U.S. exports are up 25 million bushels to 1,100 million (or 29.9 million tons).

World 2012/13 Trade Is Up

World wheat trade in the international 2012/13 July-June year was adjusted up 0.7 million tons to further reflect reported trade data, licenses, and sales. Imports were increased by 0.2 million tons, each, for Iran (imports reaching 5.4 million tons, the highest level since 2001/02), Morocco, Philippines, Uzbekistan, and Yemen. Smaller increases were also made for a number of countries. Partly offsetting are small decreases in imports for China, Egypt, Turkey, and several other countries. Wheat exports for 2012/13 are up for the EU, India, Kazakhstan, Turkey, the Unites States, and Uzbekistan in the range of 0.2-0.3 million tons each, based on recent data. Exports are down in the same range for Canada and Uruguay. Smaller adjustments are made for many countries.

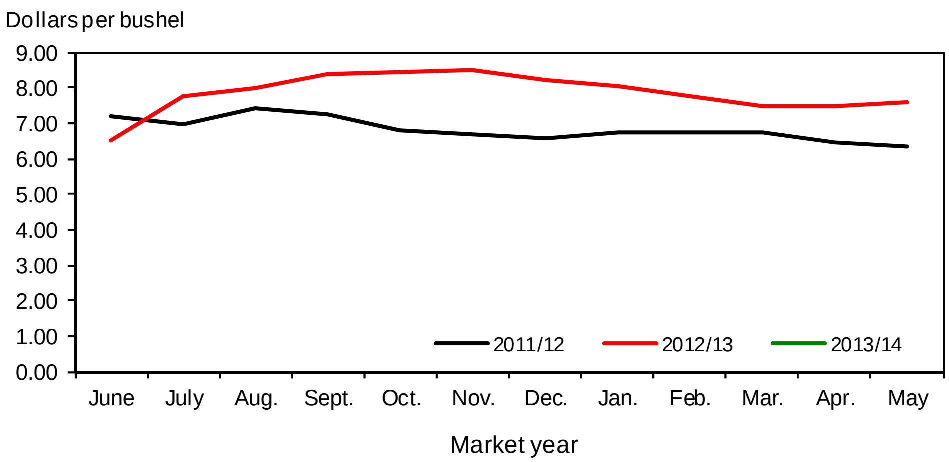
U.S. exports for the international July-June marketing year of 2012/13 are increased 0.3 million tons to 27.7 million. The U.S. increase was based on June 2013 Census data for grain, flour, and selected products. For the local June-May marketing year, U.S. exports are up 2.1 million bushels to 1,007 million bushels (or 27.42 million tons).

Figure 1
All wheat average prices received by farmers



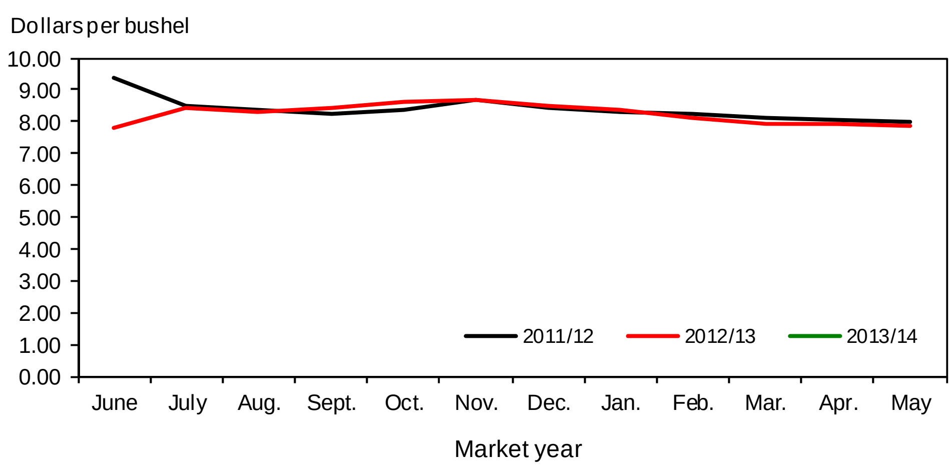
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 2
Hard red winter wheat average prices received by farmers



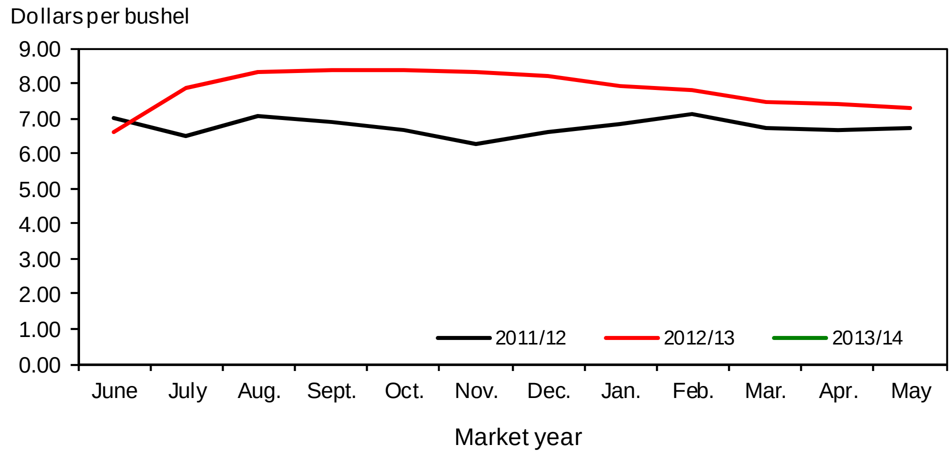
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 3
Hard red spring wheat average prices received by farmers



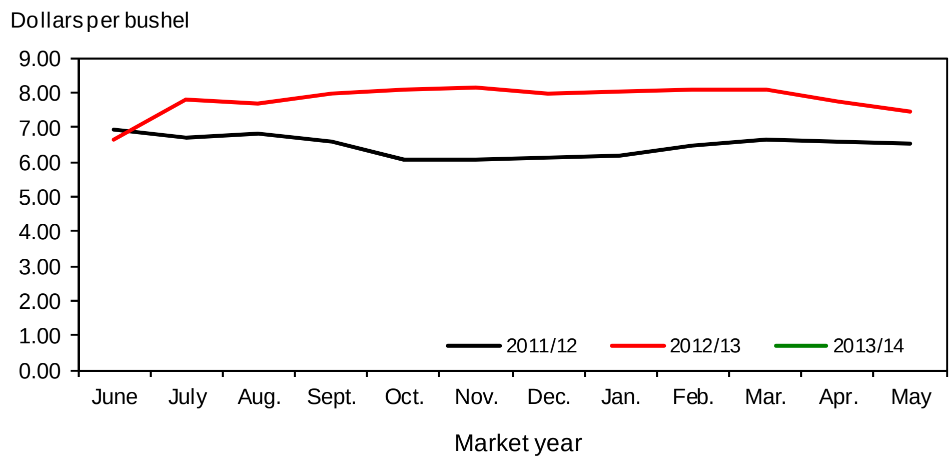
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 4
Soft red winter wheat average prices received by farmers



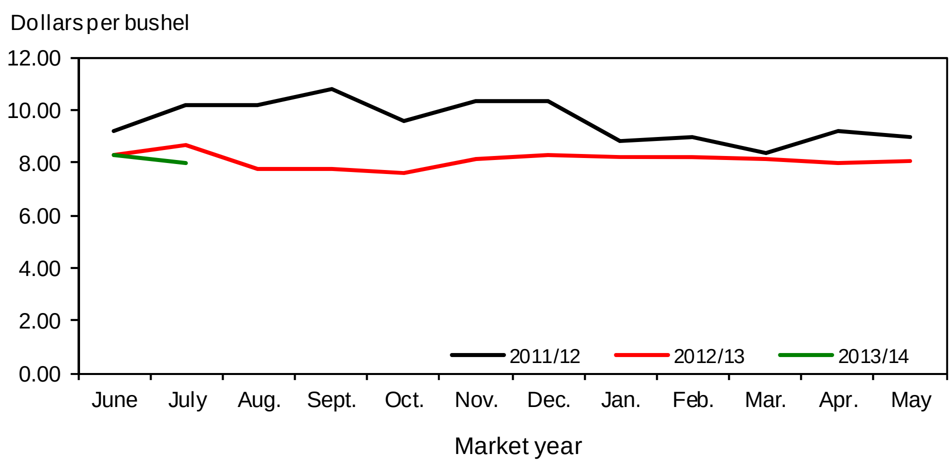
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 5
Soft white wheat average prices received by farmers



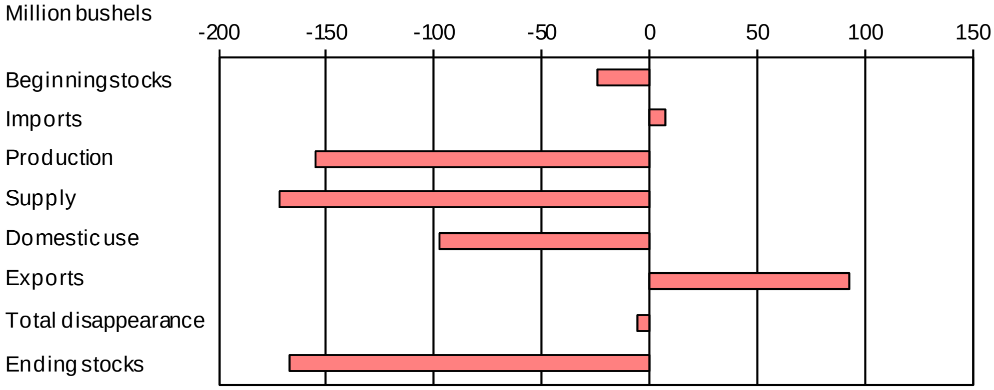
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 6
Durum wheat average prices received by farmers



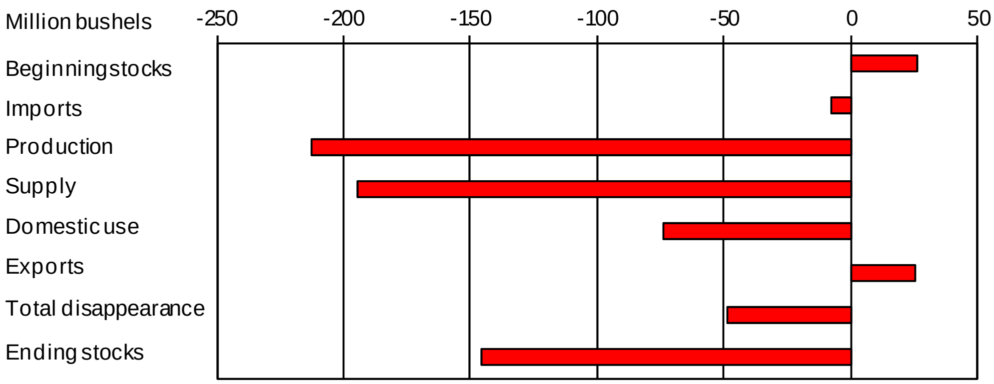
Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

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



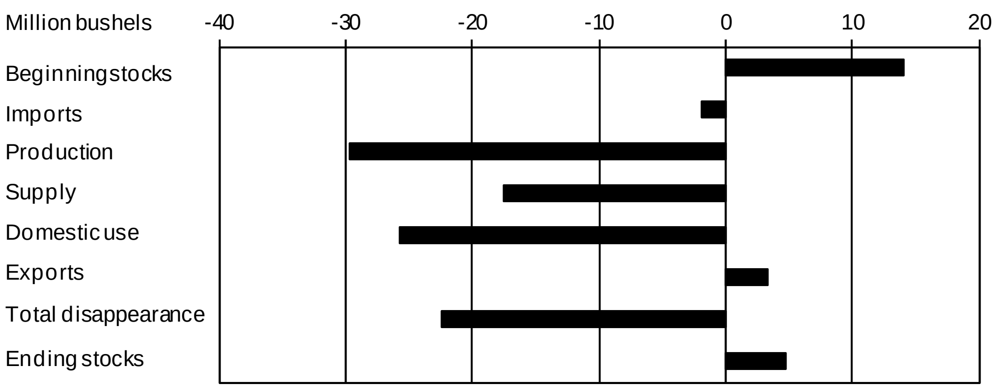
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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



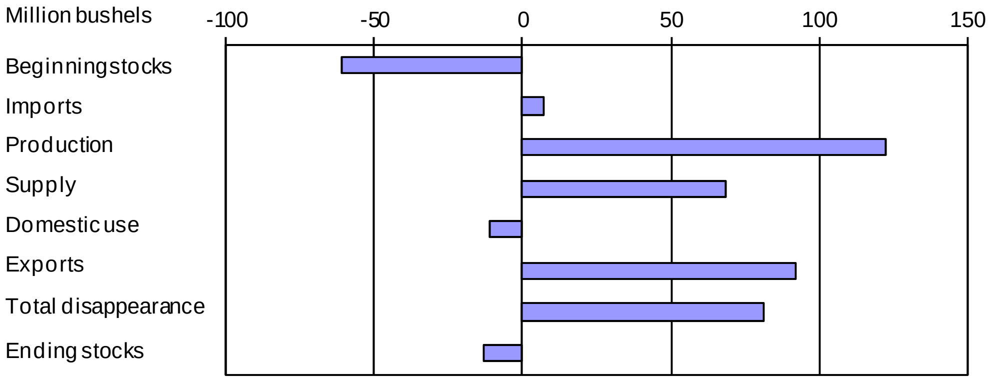
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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



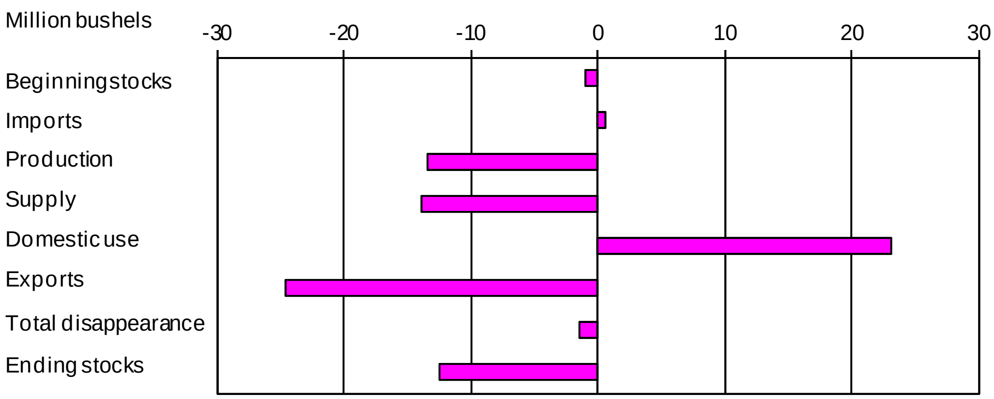
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

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



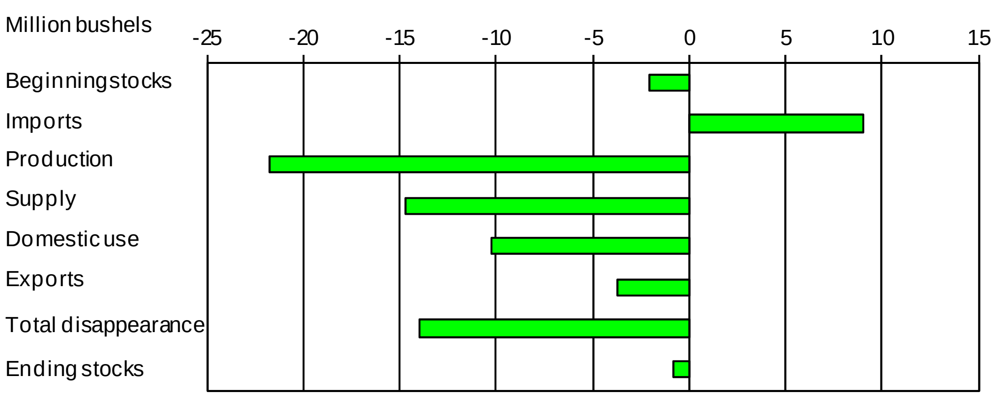
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates.*

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



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

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



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

Contacts and Links

Contact Information

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Table 1--Wheat: U.S. market year supply and disappearance, 8/14/2013

Item and unit		2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Area:								
Planted	Million acres	60.5	63.2	59.2	53.6	54.4	55.7	56.5
Harvested	Million acres	51.0	55.7	49.9	47.6	45.7	49.0	45.7
Yield	Bushels per acre	40.2	44.9	44.5	46.3	43.7	46.3	46.2
Supply:								
Beginning stocks	Million bushels	456.2	305.8	656.5	975.6	862.2	742.6	718.3
Production	Million bushels	2,051.1	2,499.2	2,218.1	2,206.9	1,999.3	2,269.1	2,114.1
Imports 1/	Million bushels	112.6	127.0	118.6	96.9	112.1	122.8	130.0
Total supply	Million bushels	2,619.9	2,932.0	2,993.2	3,279.5	2,973.7	3,134.5	2,962.4
Disappearance:								
Food use	Million bushels	947.9	926.8	918.9	925.6	941.4	945.0	958.0
Seed use	Million bushels	87.6	78.0	69.5	70.9	76.3	73.4	73.0
Feed and residual use	Million bushels	16.0	255.2	149.8	129.3	162.3	390.4	280.0
Total domestic use	Million bushels	1,051.4	1,260.0	1,138.2	1,125.8	1,180.0	1,408.8	1,311.0
Exports 1/	Million bushels	1,262.6	1,015.4	879.3	1,291.4	1,051.1	1,007.4	1,100.0
Total disappearance	Million bushels	2,314.1	2,275.4	2,017.5	2,417.2	2,231.0	2,416.2	2,411.0
Ending stocks	Million bushels	305.8	656.5	975.6	862.2	742.6	718.3	551.4
Stocks-to-use ratio		13.2	28.9	48.4	35.7	33.3	29.7	22.9
Loan rate	Dollars per bushel	2.75	2.75	2.75	2.94	2.94	2.94	2.94
Contract/direct payment rate	Dollars per bushel	0.52	0.52	0.52	0.52	0.52	0.52	0.52
Farm price 3/	Dollars per bushel	6.48	6.78	4.87	5.70	7.24	7.77	6.40-7.60
Government payments	Million dollars	1,118						
Market value of production	Million dollars	13,289	16,626	10,654	12,827	14,323	17,631	14,799

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

Date run: 8/14/2013

Table 2--Wheat by class: U.S. market year supply and disappearance, 8/14/2013

Market year, item, and unit			All wheat	Hard red winter 1/	Hard red spring 1/	Soft red winter 1/	White 1/	Durum
2012/13	Area:							
	Planted acreage	Million acres	55.74	29.86	11.69	8.12	3.94	2.12
	Harvested acreage	Million acres	48.99	24.67	11.48	6.97	3.78	2.10
	Yield	Bushels per acre	46.32	40.69	43.95	60.27	68.61	38.99
	Supply:							
	Beginning stocks	Million bushels	742.62	317.15	151.00	185.00	64.00	25.47
	Production	Million bushels	2,269.12	1,003.86	504.52	419.80	258.98	81.96
	Imports 2/	Million bushels	122.76	17.67	43.85	17.86	7.40	35.97
	Total supply	Million bushels	3,134.49	1,338.68	699.37	622.67	330.39	143.40
	Disappearance:							
	Food use	Million bushels	945.00	400.00	228.00	152.00	85.00	80.00
	Seed use	Million bushels	73.40	33.01	14.05	18.97	5.33	2.04
	Feed and residual use	Million bushels	390.39	182.85	60.71	135.05	2.57	9.21
	Total domestic use	Million bushels	1,408.79	615.86	302.76	306.02	92.90	91.25
	Exports 2/	Million bushels	1,007.36	379.94	231.61	192.64	174.49	28.69
	Total disappearance	Million bushels	2,416.15	995.80	534.37	498.67	267.39	119.94
	Ending stocks	Million bushels	718.34	342.88	165.00	124.00	63.00	23.46
2013/14	Area:							
	Planted acreage	Million acres	56.53	29.36	11.71	9.96	3.97	1.54
	Harvested acreage	Million acres	45.73	20.33	11.39	8.73	3.78	1.50
	Yield	Bushels per acre	46.23	38.93	41.68	62.09	65.01	40.08
	Supply:							
	Beginning stocks	Million bushels	718.34	342.88	165.00	124.00	63.00	23.46
	Production	Million bushels	2,114.09	791.36	474.82	542.15	245.55	60.20
	Imports 2/	Million bushels	130.00	10.00	42.00	25.00	8.00	45.00
	Total supply	Million bushels	2,962.43	1,144.24	681.82	691.15	316.55	128.66
	Disappearance:							
	Food use	Million bushels	958.00	400.00	240.00	155.00	85.00	78.00
	Seed use	Million bushels	73.00	32.00	17.00	15.00	6.00	3.00
	Feed and residual use	Million bushels	280.00	110.00	20.00	125.00	25.00	.00
	Total domestic use	Million bushels	1,311.00	542.00	277.00	295.00	116.00	81.00
	Exports 2/	Million bushels	1,100.00	405.00	235.00	285.00	150.00	25.00
	Total disappearance	Million bushels	2,411.00	947.00	512.00	580.00	266.00	106.00
	Ending stocks	Million bushels	551.43	197.24	169.82	111.15	50.55	22.66

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

Date run: 8/14/2013

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 8/14/2013

Market year and quarter		Production	Imports 1/	Total supply	Food use	Seed use	Feed and residual use	Exports 1/	Ending stocks
2005/06	Jun-Aug	2,103	19	2,662	231	2	261	244	1,923
	Sep-Nov		20	1,944	238	50	-61	286	1,429
	Dec-Feb		20	1,450	219	1	4	252	972
	Mar-May		22	995	228	24	-49	220	571
	Mkt. year	2,103	81	2,725	917	77	157	1,003	571
2006/07	Jun-Aug	1,808	26	2,406	235	2	205	214	1,751
	Sep-Nov		29	1,780	243	56	-47	212	1,315
	Dec-Feb		32	1,346	225	1	28	235	857
	Mar-May		34	891	234	22	-69	247	456
	Mkt. year	1,808	122	2,501	938	82	117	908	456
2007/08	Jun-Aug	2,051	30	2,538	240	1	257	323	1,717
	Sep-Nov		21	1,738	245	60	-120	421	1,132
	Dec-Feb		24	1,156	227	2	-44	261	709
	Mar-May		37	746	236	25	-77	257	306
	Mkt. year	2,051	113	2,620	948	88	16	1,263	306
2008/09	Jun-Aug	2,499	28	2,833	236	2	393	345	1,858
	Sep-Nov		28	1,886	238	54	-124	295	1,422
	Dec-Feb		36	1,458	219	1	28	170	1,040
	Mar-May		35	1,075	233	21	-41	206	657
	Mkt. year	2,499	127	2,932	927	78	255	1,015	657
2009/10	Jun-Aug	2,218	28	2,902	231	1	261	200	2,209
	Sep-Nov		24	2,234	237	45	-83	252	1,782
	Dec-Feb		30	1,812	222	1	31	201	1,356
	Mar-May		37	1,393	229	21	-59	227	976
	Mkt. year	2,218	119	2,993	919	69	150	879	976
2010/11	Jun-Aug	2,207	27	3,210	235	2	259	265	2,450
	Sep-Nov		24	2,473	242	52	-63	311	1,933
	Dec-Feb		23	1,956	221	1		308	1,425
	Mar-May		22	1,448	228	16	-67	407	862
	Mkt. year	2,207	97	3,279	926	71	129	1,291	862
2011/12	Jun-Aug	1,999	21	2,882	230	5	206	295	2,147
	Sep-Nov		32	2,179	244	52	-17	238	1,663
	Dec-Feb		30	1,693	231	1	43	217	1,199
	Mar-May		29	1,228	236	19	-70	301	743
	Mkt. year	1,999	112	2,974	941	76	162	1,051	743
2012/13	Jun-Aug	2,269	25	3,037	238	1	429	264	2,105
	Sep-Nov		33	2,137	247	55	-31	197	1,671
	Dec-Feb		35	1,705	225	1	10	234	1,235
	Mar-May		30	1,265	235	16	-17	312	718
	Mkt. year	2,269	123	3,134	945	73	390	1,007	718
2013/14	Mkt. year	2,114	130	2,962	958	73	280	1,100	551

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

Date run: 8/14/2013

Table 4--Wheat: Monthly food disappearance estimates (1,000 grain-equivalent bushels), 8/14/2013

Mkt year and month 1/		Wheat ground for flour	+	Food imports 2/	+	Nonmilled food use 3/	-	Food exports 2/	=	Food use 4/
2011/12	Jun	70,554		2,237		2,000		1,743		73,048
	Jul	72,573		2,098		2,000		1,327		75,344
	Aug	79,317		2,308		2,000		2,390		81,235
	Sep	76,269		2,245		2,000		1,652		78,863
	Oct	81,402		2,247		2,000		1,487		84,162
	Nov	77,915		2,568		2,000		1,763		80,720
	Dec	73,135		2,464		2,000		1,291		76,308
	Jan	74,522		2,579		2,000		1,233		77,868
	Feb	73,931		2,057		2,000		1,330		76,658
	Mar	78,437		2,555		2,000		1,843		81,149
	Apr	74,497		2,622		2,000		1,513		77,606
	May	76,171		2,530		2,000		2,310		78,390
2012/13	Jun	72,876		2,173		2,000		1,760		75,290
	Jul	75,861		2,296		2,000		2,912		77,245
	Aug	82,910		2,345		2,000		2,193		85,063
	Sep	79,725		2,069		2,000		2,283		81,511
	Oct	81,567		2,462		2,000		1,840		84,189
	Nov	78,073		2,438		2,000		1,613		80,897
	Dec	73,283		2,369		2,000		1,442		76,210
	Jan	72,290		2,191		2,000		1,550		74,931
	Feb	71,716		2,101		2,000		1,674		74,143
	Mar	76,088		2,391		2,000		1,744		78,734
	Apr			2,581				1,432		1,149
	May			2,530				2,042		488
2013/14	Jun			2,277				2,430		-152

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/topics/crops/wheat/estimating-wheat-supply-and-use/food-use-estimates.aspx for more information.
Source: Data through the 2nd quarter of 2011 was calculated using data from U.S. Department of Commerce, Bureau of the Census' Flour Milling Products (MQ311A) and U.S. Department of Commerce, Bureau of Economic Analysis' Foreign Trade Statistics. Subsequent flour milling calculations are based on data from the North American Millers Association.

Date run: 8/14/2013

Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 8/14/2013

Month	All wheat		Winter		Durum		Other spring	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
June	6.70	7.32	6.55	7.18	8.31	8.27	7.78	7.72
July	7.89	6.95	7.76	6.86	8.67	7.94	8.39	7.38
August	8.04		7.92		7.76		8.27	
September	8.27		8.25		7.77		8.38	
October	8.38		8.33		7.61		8.56	
November	8.47		8.38		8.11		8.65	
December	8.30		8.15		8.31		8.48	
January	8.12		8.01		8.24		8.34	
February	7.97		7.85		8.19		8.11	
March	7.79		7.63		8.12		7.95	
April	7.71		7.52		8.01		7.90	
May	7.68		7.49		8.06		7.84	

1/ Preliminary mid-month, weighted-average price for current month.
Source: USDA, National Agricultural Statistics Service, Agricultural Prices.

Table 6--Wheat: National average prices received by farmers by class (dollars per bushel), 8/14/2013

Month	Hard red winter		Soft red winter		Hard red spring		White	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
June	6.53	7.35	6.59	6.92	7.81	7.73	6.61	7.29
July	7.74		7.84		8.41		7.76	
August	7.97		8.30		8.32		7.66	
September	8.36		8.38		8.42		7.99	
October	8.43		8.35		8.60		8.10	
November	8.49		8.34		8.69		8.14	
December	8.20		8.19		8.50		7.99	
January	8.02		7.90		8.38		8.03	
February	7.75		7.78		8.11		8.05	
March	7.50		7.46		7.94		8.05	
April	7.49		7.42		7.91		7.71	
May	7.56		7.31		7.86		7.42	

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

Date run: 8/14/2013

Table 7--Wheat: Average cash grain bids at principal markets, 8/14/2013

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. 1 hard red winter (ordinary protein) Texas Gulf, TX 1/ (dollars per metric ton)	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
June	7.61	8.32	8.13	8.65	6.75	8.44	276.31	313.42
July	9.13	8.14	9.73	8.36	8.66	7.96	345.76	--
August	9.43	--	9.77	--	9.07	--	349.07	--
September	9.56	--	9.86	--	9.27	--	353.29	--
October	9.62	--	9.97	--	9.39	--	358.07	--
November	9.73	--	10.04	--	9.62	--	360.64	--
December	9.36	--	9.71	--	9.26	--	347.78	--
January	9.09	--	9.41	--	8.91	--	335.47	--
February	8.70	--	9.04	--	8.66	--	318.94	--
March	8.35	--	8.72	--	8.62	--	309.75	--
April	8.30	--	8.75	--	8.59	--	308.28	--
May	8.53	--	8.90	--	8.79	--	319.12	--
	No. 1 dark northern spring (13% protein) Chicago, IL (dollars per bushel)		No. 1 dark northern spring (14% protein) Chicago, IL (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)	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
June	9.02	9.08	9.31	9.18	9.08	9.13	--	--
July	10.06	8.56	10.12	8.57	9.17	8.59	--	--
August	9.70	--	9.71	--	9.79	--	--	--
September	9.81	--	9.82	--	9.86	--	--	--
October	10.22	--	10.17	--	9.66	--	--	--
November	10.12	--	10.15	--	10.21	--	--	--
December	9.82	--	9.83	--	9.85	--	--	--
January	9.34	--	9.43	--	9.48	--	--	--
February	9.24	--	9.33	--	9.34	--	--	--
March	9.08	--	9.17	--	9.45	--	--	--
April	8.77	--	9.11	--	9.30	--	--	--
May	--	--	--	--	9.30	--	--	--
	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)	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
June	6.64	7.22	6.56	6.94	6.62	6.75	6.97	--
July	8.46	6.72	8.57	6.60	8.70	6.50	8.53	7.23
August	8.60	--	8.70	--	8.69	--	8.69	--
September	8.60	--	8.62	--	8.59	--	8.77	--
October	8.41	--	8.49	--	8.40	--	8.75	--
November	8.52	--	8.58	--	8.38	--	8.87	--
December	8.04	--	8.03	--	7.91	--	8.56	--
January	7.88	--	7.69	--	7.40	--	8.53	--
February	7.70	--	7.40	--	7.10	--	8.59	--
March	7.41	--	7.18	--	7.00	--	8.16	--
April	7.41	--	6.97	--	6.87	--	7.93	--
May	7.22	--	7.01	--	6.91	--	7.71	--

-- = Not available or no quote.
1/ Free on board.
Source: USDA, Agricultural Marketing Service, State Grain Reports, http://www.ams.usda.gov/AMSv1.0/ams.fetchTemplateData.do?template=TemplateS&navID=MarketNewsAndTransportationData&leftNav=MarketNewsAndTransportationData&page=LSMarketNewsPageStateGrainReports.

Date run: 8/14/2013

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 8/14/2013

Item		Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013
Exports	All wheat grain	76,874	91,025	101,785	108,878	96,400	98,174
	All wheat flour 1/	1,077	1,112	928	785	1,506	1,623
	All wheat products 2/	489	597	851	656	704	927
	Total all wheat	78,440	92,734	103,564	110,318	98,610	100,724
Imports	All wheat grain	9,523	9,121	6,464	8,629	7,689	8,104
	All wheat flour 1/	819	847	848	914	1,019	875
	All wheat products 2/	1,406	1,279	1,563	1,680	1,534	1,416
	Total all wheat	11,747	11,248	8,875	11,223	10,241	10,396

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

Date run: 8/14/2013

Table 9--Wheat: U.S. exports, Census and export sales comparison (1,000 metric tons),8/8/13

Importing country	2011/12		2012/13		2013/14 (as of 8/08/13)		
					Shipments	Out-standing	Total
Data source	Census 1/	Export sales 2/	Census 1/	Export sales 2/	Export sales 2/		
Country:							
China	542	534	883	743	970	2,671	3,641
Japan	3,513	3,512	3,639	3,544	357	590	947
Mexico	3,794	3,496	2,907	2,760	655	607	1,261
Nigeria	3,228	3,248	3,031	3,002	494	401	895
Philippines	2,050	2,039	1,850	1,965	220	402	622
Korean Rep.	2,133	1,983	1,311	1,385	194	167	361
Egypt	916	950	1,737	1,678	58	0	58
Taiwan	893	888	1,065	1,038	179	137	189
Indonesia	794	830	488	534	126	84	210
Venezuela	642	594	632	631	53	199	252
Iraq	571.8	572	209	209	0	0	0
EU-27	1,186	1,228	1,323	971	57	35	91
Total grain	27,951	26,627	26,837	26,348	5,572	8,047	13,619
Total (including products)	28,563	26,813	27,116	26,410	5,580	8,052	13,632
USDA forecast of Census				27,416			29,937

1/ Source: U.S. Department of Commerce, U.S. Census Bureau

2/ Source: USDA, Foreign Agricultural Service, *U.S. Export Sales* .

Source: USDA, Foreign Agricultural Service, *U.S. Export Sales* .