Wheat

US Wheat Supply/Demand

	12/13		13/14	
	0	**0**	**0**	**0**
Planted	55.7	55.7	56.4	56.4
Harvested	49.0	49.0	46.7	46.7
Yield	46.3	46.3	44.1	**44.6**
Production	2,269	2,269	2,057	**2,080**
Carry In	743	743	731	**746**
Imports	130	125	130	130
Domestic	1,386	1,381	1,322	1,322
Exports	1,025	**1,010**	925	**975**
Carry Out	731	**746**	670	**659**

World Wheat Supply/Demand

	12/13		13/14	
	0	**0**	**0**	**0**
Carry In	199.47	199.47	180.17	179.87
Production	655.64	655.59	701.00	**695.86**
Imports	141.97	143.77	140.43	140.83
Domestic	674.94	675.19	694.89	694.48
Exports	137.38	**139.26**	143.32	144.12
End Stocks	180.17	179.87	186.38	**181.25**

World Wheat Production

	12/13		13/14	
	0	**0**	**0**	**0**
US	61.76	61.76	55.98	55.98
EU-27	132.06	132.06	138.77	**137.74**
Canada	27.20	27.20	29.00	29.00
Australia	22.08	22.08	24.50	24.50
Argentina	11.00	11.00	13.00	13.00
China	120.60	120.60	121.00	121.00
FSU	77.21	77.21	107.09	**102.59**
India	94.88	94.88	92.00	**92.00**
Pakistan	23.30	23.30	24.00	24.00
Other	85.55	85.50	95.66	96.05
World	655.64	655.59	701.00	**695.86**

World Wheat End Stocks

	12/13		13/14	
	0	**0**	**0**	**0**
US	19.89	**20.29**	18.25	**17.93**
EU-27	9.82	**9.32**	14.35	**11.52**
Canada	5.21	**4.91**	6.50	**5.70**
Australia	4.22	**3.42**	4.79	**3.99**
Argentina	0.77	0.77	0.72	0.72
China	58.75	58.75	61.75	61.75
FSU	14.36	14.36	16.20	**15.70**
India	24.20	24.20	21.20	20.20
Pakistan	3.56	3.56	3.46	3.46
Other	39.39	40.29	39.16	40.28
World	180.17	179.87	186.38	**181.25**

Production: 2012/13 No changes.

2013/14 Save some money and call the Indian Ag Attaché home. Not much point keeping him when he's at 87 Mmt and you stick with 92 Mmt! The FSU decline of 4.5 Mmt (2 Mmt Russia, and 2.5 Mmt Ukraine) will have surprised more than a few, but we believe USDA is going in the right direction on this one. USDA did not have time to follow ABARE on the Aussie crop
The US crop was raised (surprisingly for most people, except for those who were selling futures 15¢ into the hole just prior to the report being issued)

Consumption: 2013/14 USDA lowered world feed use for wheat 2.5 Mmt (EU and FSU), and raised food/seed use by 2 Mmt (mostly India).
With the USDA also feeding 3.5 Mmt less coarse grains this month than last, we would dearly love to see their models and logic for a 6 Mmt fall in grain feeding in a context prices that are lower than a month ago.

Exports: 2013/14 USDA raised US exports due to the 'fast early pace, and reduced supplies elsewhere', whilst making a token 1 Mmt drop in Russian exports. USDA still refuses to take account of a potential 4 Mmt increase in Russian stocks due to intervention buying, which would take 4 Mmt off the exportable surplus.
With 2.5 Mmt less FSU exports, the gap was made up by 1.5 Mmt in the EU and 1 Mmt in Canada.
India at 8 Mmt remains totally infeasible and illogical basis domestic prices and the world market - even ignoring the issue of crop size.

Stocks: World stocks lowered 5 Mmt, of which almost 3 Mmt is in the EU

Conclusion: The world is suddenly only just in stock-building mode in wheat, with all the major exporters actually declining.
(although in our opinion, basis current prices, the USDA's world trade matrix is completely wrong).
And if one day USDA gets their Indian numbers right, the picture will look even less rosy.
But with still 2 Bbu of US corn stocks, finding the bull story in grains will remain tough.