



Wheat Outlook: September 2024

Andrew Sowell, coordinator

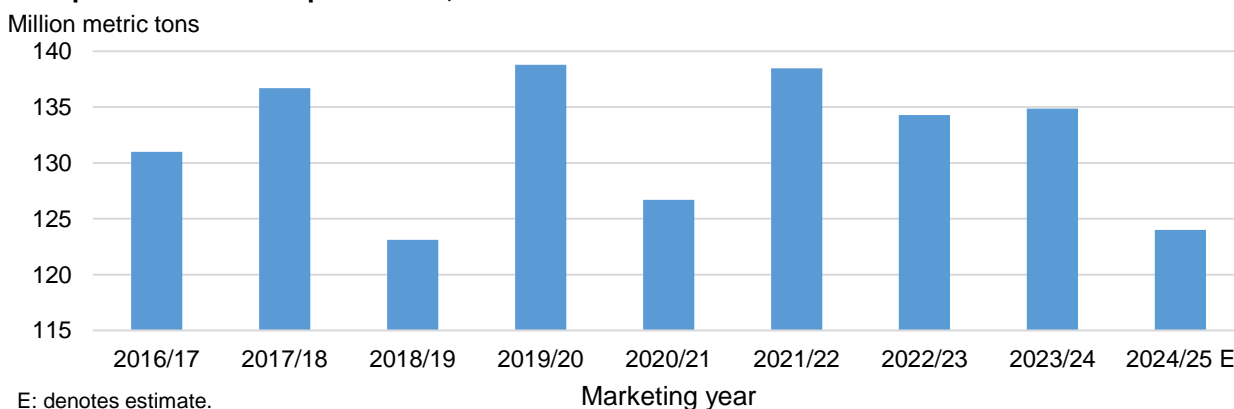
In this report:

- [Domestic Outlook](#)
- [International Outlook](#)

European Union Wheat Production at 6-Year Low

Wheat production for the European Union (EU) is forecast at 124.0 million metric tons (MMT), down 4.0 MMT from last month to the lowest level since 2018/19. The reduced crop size this month comes mainly due to smaller production in Germany, France, Spain, and Poland. Wet and overcast conditions across northwestern Europe have caused major issues for wheat production this year. France, the leading producer in the bloc, is estimated to have the smallest wheat crop since 1987/88 with crop quality also a major concern. EU exports are forecast 17 percent lower year over year and domestic consumption is also expected to decline. Ending stocks are forecast historically tight at 9.9 MMT. The smaller EU crop comes in a season when Russia and Ukraine are forecast to have lower production compared with last year. Reduced competition from these major exporters is a key contributor to expectations of strong year-to-year growth in U.S. wheat exports in 2024/25.

Figure 1
European Union wheat production, 2016/17–2024/25



E: denotes estimate.

Note: USDA official statistics do not include the United Kingdom with the European Union for the marketing years 2016/17 to present.

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

Domestic Changes at a Glance:

- U.S. wheat production projection for 2024/25 is unchanged this month and remains at 1,982 million bushels (table 1), up 9 percent from last year. USDA, National Agricultural Statistics Service (NASS) will provide updated wheat area and production estimates in the September 30 *Small Grains Annual Summary*. Those estimates will be incorporated into the October *World Agricultural Supply and Demand Estimates (WASDE)*.
- U.S. wheat exports for 2024/25 are unchanged at 825 million bushels with no by-class adjustments. U.S. wheat exports for June–July 2024 totaled 129 million bushels (grain equivalent units), up 21 percent from the same months last year. The official U.S. wheat trade statistics for June–July 2024 are based on data from the U.S. Department of Commerce, Bureau of the Census. The pace of exports in August appears to be even stronger than July, based on export sales data reported by USDA, Foreign Agricultural Service (FAS) and grain inspections data from USDA, Federal Grain Inspections Service (FGIS).
- Imports for 2024/25 are unchanged at 105 million bushels with no by-class adjustments. Official U.S. wheat imports for June–July 2024 totaled 19 million bushels, down 17 percent from June–July 2023.
- The 2024/25 all-wheat season-average farm price remains at \$5.70. The July 2024 farm price reported in the USDA, NASS *Agricultural Prices* publication was \$5.52 per bushel, down from \$5.86 per bushel in June 2024.

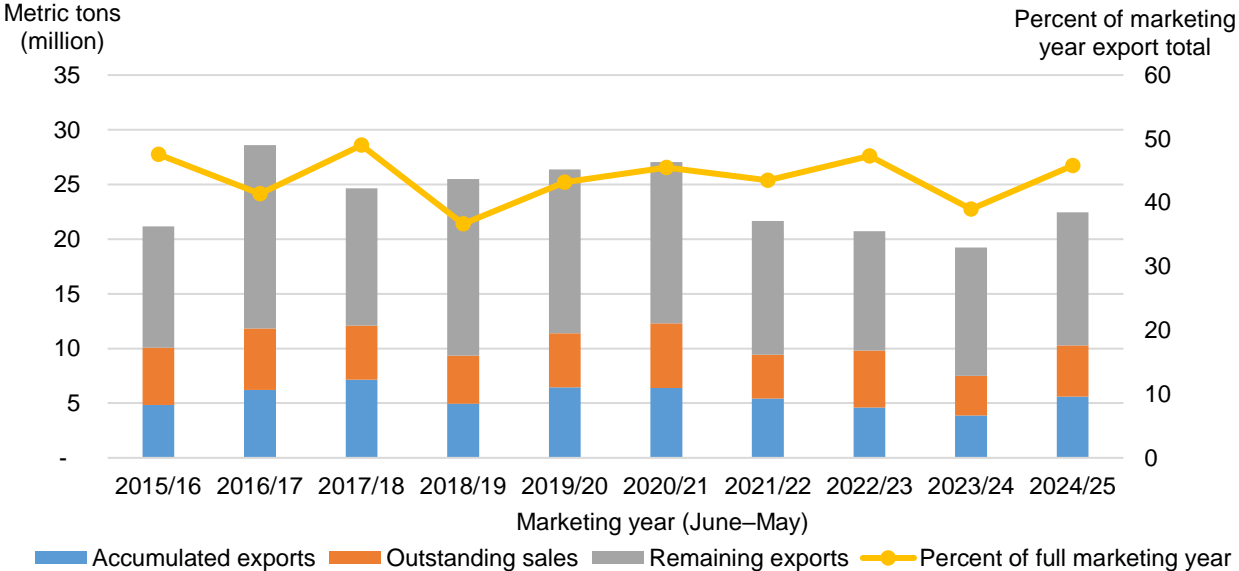
Table 1					
U.S. wheat supply and use at a glance 2023/24 and 2024/25 (in million bushels)					
Balance sheet item	2023/24 September	2024/25 August	2024/25 September	Month-to-month change	Comments
Supply, total					June–May marketing year
Beginning stocks	570	702	702	0	
Production	1,812	1,982	1,982	0	U.S. wheat production to be updated in the September 30 USDA, National Agricultural Statistics Service <i>Small Grains Annual Summary</i> report
Imports	138	105	105	0	Imports running at a slower pace than last year
Supply, total	2,520	2,789	2,789	0	
Demand					
Food	961	964	964	0	
Seed	64	62	62	0	
Feed and residual	86	110	110	0	
Domestic, total	1,111	1,136	1,136	0	
Exports	707	825	825	0	Export sales proceeding at faster pace than a year ago with larger domestic supplies
Use, total	1,818	1,961	1,961	0	
Ending stocks	702	828	828	0	Ending stocks still up 18 percent year to year and would be the highest in 4 years
Season-average farm price	\$6.96	\$5.70	\$5.70	\$0.00	
<small>Note: Totals may not add due to rounding. Source: USDA, Economic Research Service calculations and USDA, World Agricultural Outlook Board, <i>World Agricultural Supply and Demand Estimates</i>.</small>					

U.S. Wheat Export Pace Update

The 2024/25 U.S. export forecast was not changed in September and is projected at 825 million bushels, which is up 17 percent from the 52-year low reached in 2023/24. U.S. cumulative export sales, as reported in the USDA, Foreign Agricultural Service (FAS) U.S. Export Sales,

are well ahead of the same point last year. Total U.S. commitments (the sum of accumulated exports and outstanding sales) are at 10.3 million metric tons (MMT) as of August 29, up 37 percent from a year ago. The largest year-to-year increase in sales is for Hard Red Winter (HRW), which is up 85 percent based on substantially larger supplies after drought affected the crop in the previous 2 growing seasons. Total commitments for Hard Red Spring (HRS), White, and Durum are also up substantially from a year ago. Conversely, Soft Red Winter (SRW) is the only class with lower total commitments from a year ago. Official USDA forecasts are for HRW, HRS, White, and Durum exports to be up year to year while SRW is down. Total all-wheat commitments as of August 29 account for 46 percent of the full marketing year forecast, up from 39 percent last year (figure 2) and slightly above the recent 10-year average of 44 percent.

Figure 2
Cumulative exports sales through August 29 and full marketing year exports, 2015/16–2024/25



*Data for 2024/25 are calculated based on the current export forecast for the year.
 Note: Accumulated exports and outstanding sales are as of week 13, exact dates vary by year. Remaining exports is the difference between total commitments as of that date (based on USDA, Foreign Agricultural Service, *U.S. Export Sales* data) and the full marketing year exports (calculated based on data from the U.S. Department of Commerce, Bureau of the Census).
 Source: USDA, Economic Research Service calculations; USDA, Foreign Agricultural Service, *U.S. Export Sales*; U.S. Department of Commerce, Bureau of the Census.

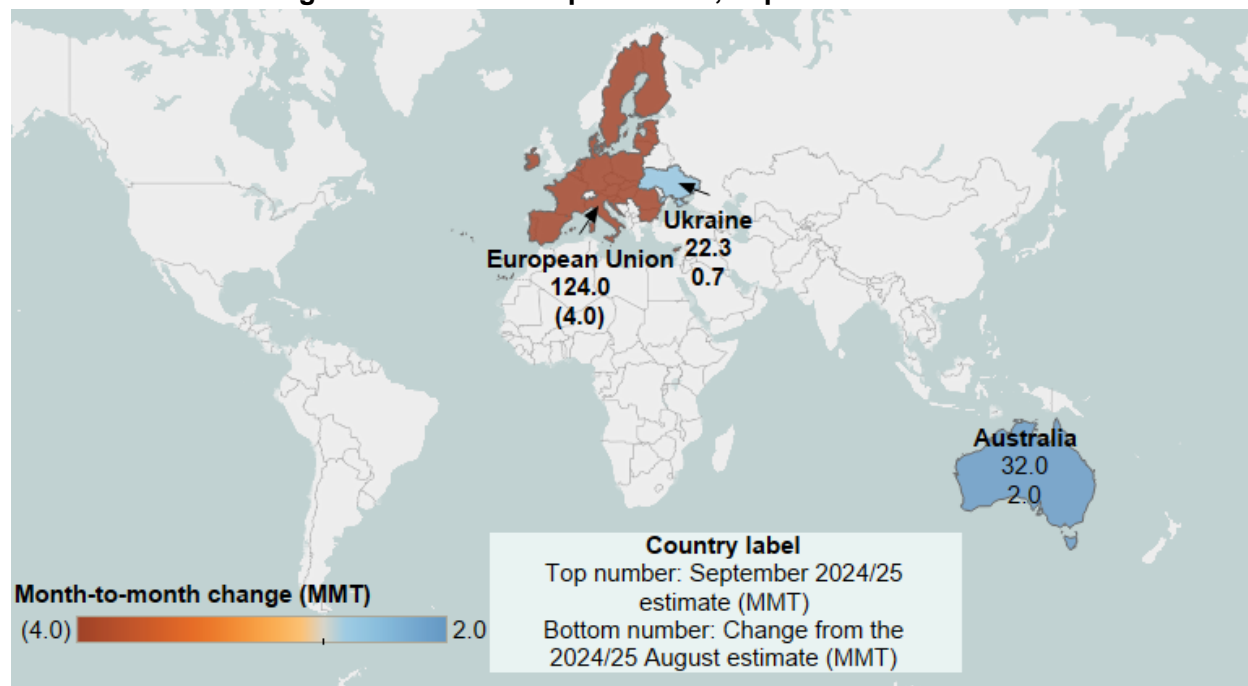
International Outlook

Global Wheat Production Forecast Higher in 2024/25

Global wheat production in 2024/25 is forecast down 1.4 million metric tons (MMT) but remains a record at 796.9 MMT (figure 3). Production for the **European Union (EU)** is lowered substantially based on smaller crops in Germany, France, Spain, and Poland. Excess rain and lack of sunlight in France and Germany resulted in reduced crop size and diminished quality. **Australia** is raised with higher yields reflecting favorable conditions throughout the growing season. Most regions benefitted from sufficient rainfall, although some growing areas in Victoria and South Australia faced dry conditions. Area harvested is also adjusted higher in alignment with data from the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES). See the latest *World Agricultural Production* report from USDA, Foreign Agricultural Service for more information about Australia wheat production. **Ukraine's** wheat production is raised with final harvest data reported by the Ministry of Agrarian Policy and Food.

Figure 3

Month-to-month change in 2024/25 wheat production, September 2024



MMT=million metric tons.

Note: Change compared to the August 2024 estimate for 2024/25. Changes less than 0.2 MMT are not included.

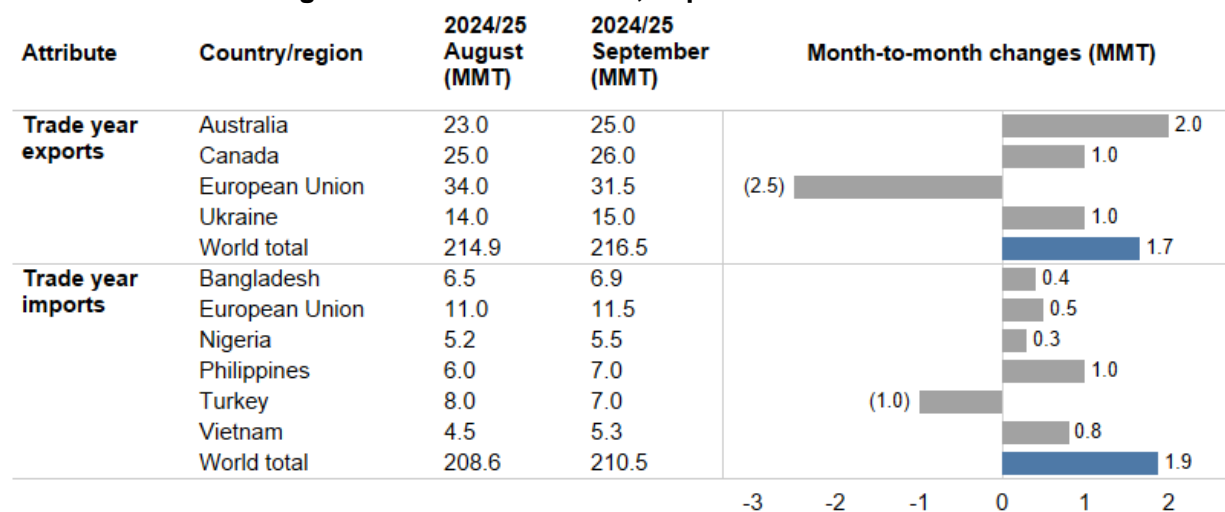
Source: USDA, Economic Research Service; USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database.

Global Trade Raised in 2024/25

Global wheat exports for the July–June 2024/25 trade year (TY) are forecast up 1.7 MMT to 216.5 MMT (figure 4). The largest export increase is for **Australia**, which is raised with a larger crop. **Canada’s** projected exports are raised on larger estimated supplies due to multi-year stocks revisions from Statistics Canada. Exports for **Ukraine** are raised with a larger crop, fast pace of exports, and lower estimated domestic use. Conversely, the **EU** is expected to have lower exports based on reduced supplies.

Figure 4

Month-to-month change in 2024/25 wheat trade, September 2024



MMT=million metric tons.

Note: Change compared to the August 2024 estimate for 2024/25. Changes less than 0.2 MMT are not included.

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

Global imports are forecast up 1.9 MMT to 210.5 MMT. In many cases, adjustments to 2023/24 trade and consumption provided perspectives on the direction of imports for the year to come. This is the case for the **Philippines**, where imports are forecast up sharply based on higher expected demand for milling and feed quality wheat. Similarly, **Vietnam** is also forecast to have sharply higher imports with higher expected feed use. **EU** imports are forecast higher with tighter domestic supplies and larger availability of wheat from Ukraine. **Bangladesh** is expected to import more due to expectations of stronger consumption amid high rice prices. **Nigeria’s** imports are raised due to the suspension of its wheat import duty through December 31. Partly offsetting these increases, **Turkey** is expected to import less due to its wheat import ban that remains until October 15.

Global Feed and Residual Use Raised

Global wheat consumption, already record high, is further raised this month primarily due to higher feed and residual use across several countries (table 2). The **Philippines** is expected to have much larger feed and residual use with stronger trade in 2023/24 portending expectations of stronger demand in the coming year. **Vietnam's** feed and residual use is forecast higher for a similar reason. Feed and residual use is raised for **Australia** and **Canada** based on larger domestic supplies. Feed and residual use for the **United Kingdom** is forecast higher based on concerns with the quality of its domestic crop. Conversely, **EU** feed and residual use is lowered with a smaller domestic crop. Global food, seed, and industrial (FSI) use is slightly higher with small offsetting changes.

Table 2

Month-to-month changes in 2024/25 global wheat consumption (1,000 metric tons), September 2024

Country	Use category	August	September	Month-to-month change
Australia	Feed and residual	3,500	4,000	500
Canada	Feed and residual	4,000	4,500	500
European Union	Feed and residual	46,000	44,500	(1,500)
Philippines	Feed and residual	2,700	3,500	800
Turkey	Feed and residual	1,300	1,000	(300)
Ukraine	Feed and residual	2,500	2,200	(300)
United Kingdom	Feed and residual	6,000	6,500	500
Vietnam	Feed and residual	1,900	2,500	600
World	Feed and residual	151,159	151,909	750
Bangladesh	FSI consumption	7,400	7,700	300
Canada	FSI consumption	5,300	5,100	(200)
Philippines	FSI consumption	3,250	3,500	250
World	FSI consumption	646,399	646,754	355
<i>World</i>	<i>Total consumption</i>	<i>797,558</i>	<i>798,663</i>	<i>1,105</i>
<i>World</i>	<i>Trade-adjusted consumption</i>	<i>804,015</i>	<i>804,901</i>	<i>886</i>

FSI = food, seed, and industrial.

Note: Table excludes changes smaller than 200,000 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)*.

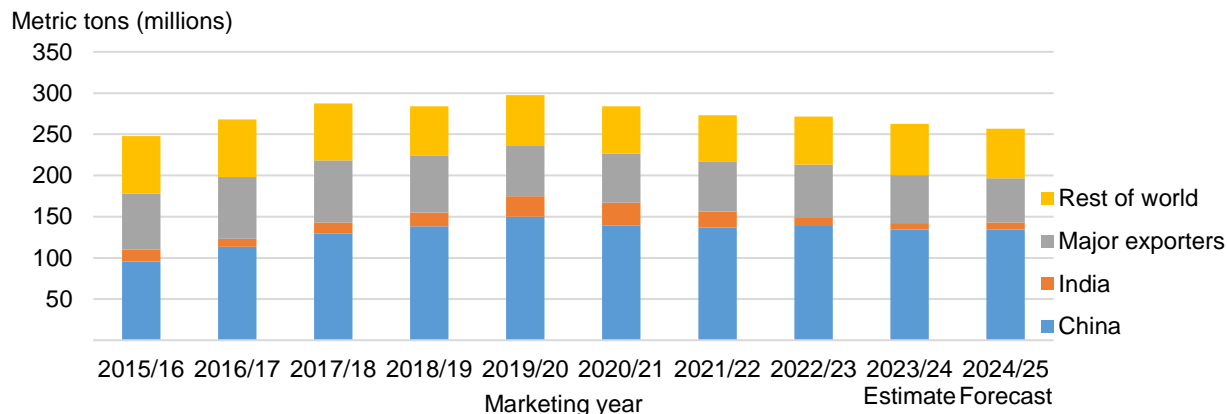
Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

Global Wheat Stocks Raised Slightly

Global wheat ending stocks are forecast up 0.6 MMT to 257.2 MMT but remains the lowest in 9 years (figure 5). The largest stocks revision this month is for **Canada**, which is up 1.5 MMT based on large revisions by Statistics Canada to ending stocks for marketing years 2021/22 through 2023/24. The largest downward revision is for **Australia** (-1.0 MMT) based on expectations of continued strong exports and stronger domestic use. **Kazakhstan's** ending stocks are forecast up 0.5 MMT based on larger beginning stocks which resulted from smaller-

than-expected 2023/24 exports. Exporter ending stocks overall are forecast up 0.7 MMT to 54.4 MMT but remain 12 percent lower than the recent 5-year average. Stock levels for major exporting countries are often considered an important analysis metric as these are the stocks available to the world market, which affects global wheat prices. Outside of major exporting countries, **Turkey** is lowered 0.7 MMT on reduced imports. **Brazil** is raised 0.5 MMT based on larger beginning stocks due to higher 2023/24 imports.

Figure 5
Global wheat ending stocks, 2015/16–2024/25



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

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

Suggested Citation

Sowell, A. (2024). *Wheat outlook: September 2024* (Report No. WHS-24i). U.S. Department of Agriculture, Economic Research Service.

Use of commercial and trade names does not imply approval or constitute endorsement by USDA.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.