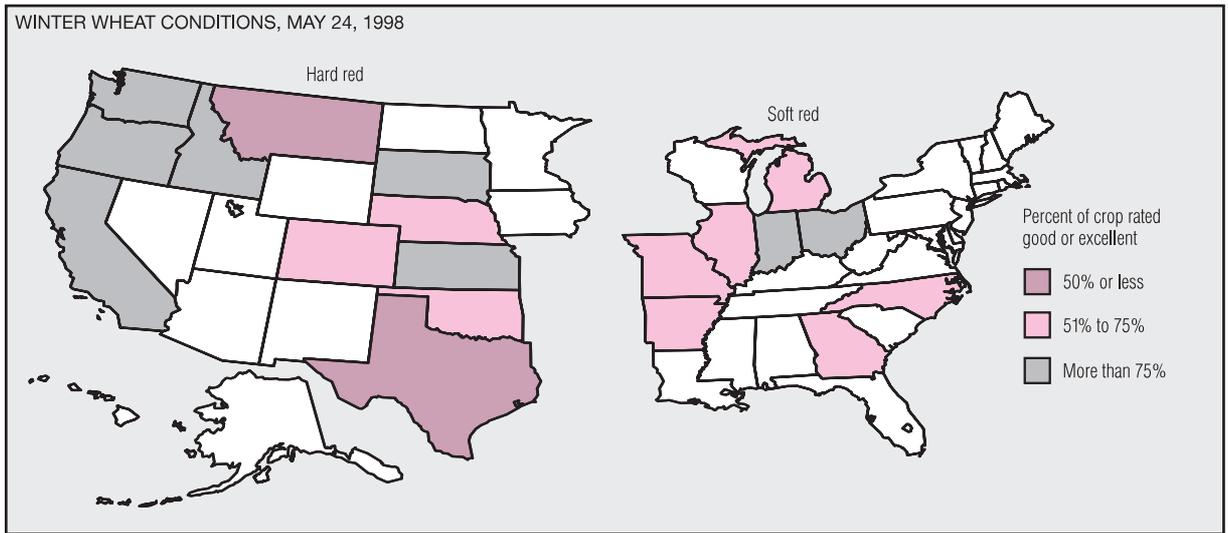
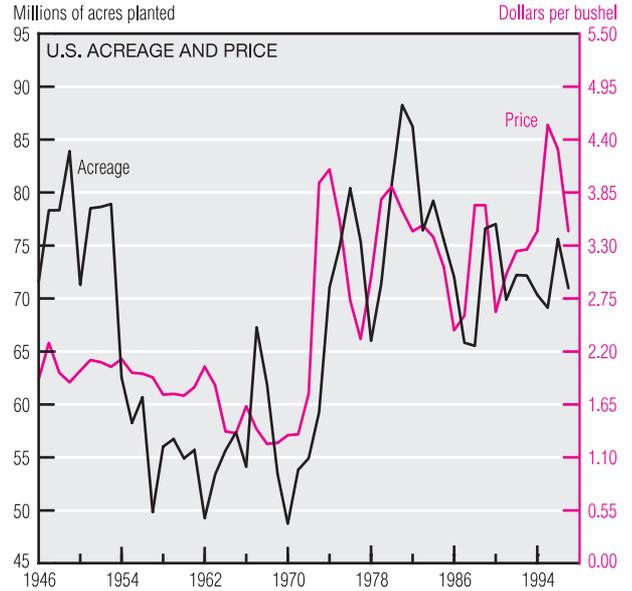
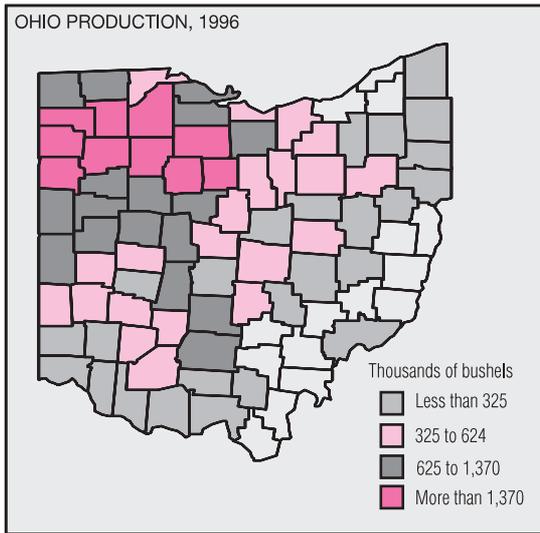


# Wheat



SOURCES: U.S. Department of Agriculture, Economic Research Service, *Wheat Outlook*, May 1998, and National Agricultural Statistics Service; and Ohio Agricultural Statistics Service, *Ohio Farm Report*, vol. 98, no. 9 (May 15, 1998).

One of Ohio's most important commodities is wheat, which accounted for \$246.9 million, or 15%, of its total agricultural exports in 1996—third only to feed grains and soybeans. In fact, Ohio ranked thirteenth nationwide in 1997 production of the crop.

The U.S. Department of Agriculture's 1998 wheat outlook anticipates increased supply, lower prices, and heightened consumption. Production of both hard and soft winter wheat is expected to decline from 1997 levels because fewer acres were planted and because the yield is pegged to drop

3.1 bushels per acre. Even so, with beginning stocks 73% higher than a year ago and a steady year-over-year increase in imports, the U.S. wheat supply is forecast to rise 5%, reaching its highest level since 1990.

The hard red winter crop survived the cold weather but needs rain to mature, especially in Montana and Texas. Disease caused by excessive moisture is a concern in the soft red regions. As of May 24, however, 69% of the nation's winter wheat crop was in good or excellent condition, far higher than last year's 51%.

Wheat demand is projected to be fairly strong. Domestic feed and residual use should increase, with

larger supplies keeping pressure on wheat prices and making wheat an attractive livestock feed this summer. U.S. exports of the crop are predicted to rise a healthy 9%, the result of thinner supplies from competitors like Argentina and Canada.

Ohio should benefit from these developments. More than 80% of its crop is rated good or excellent, and growers anticipate a yield of 62.0 bushels per acre—much better than the U.S. estimate of 41.9. Ohio's 1998 winter wheat crop, forecast at 72 million bushels, would account for 16% of all U.S. soft red winter wheat production.