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The following estimates, forecasts, and projections are mainly taken from recent publications of the National Agricultural Statistics Service, Economic Research Service, and the World Agricultural Outlook Board of the USDA.

Wheat: Winter wheat production is forecast at 1.24 billion bushels, down 5 percent from May 1, and down 9 percent from last year. Based on June 1 conditions, the U.S. yield is forecast at 41.0 bushels per acre, down 2.1 bushels from the May forecast. Grain area totals 30.2 million acres, unchanged from last month. The World Agricultural Outlook Board (WAOB) projected U.S. 2002/03 ending stocks of all wheat are down 64 million bushels from last month as lower production and increased use more than offset higher forecast carryin stocks. The projected price range for 2002/03 is $2.65 to $3.25 per bushel, compared with an estimated $2.78 for 2001/02.

Corn: The U.S. 2002 corn crop is projected at 9.65 billion bushels by the WAOB, down 3 percent from last month, but up 2 percent from last year. Most of the lower production is reflected in projected 2002/03 ending stocks. Ending stocks of corn are projected down 320 million bushels from 2001/02 and would be the smallest since 1996/97. Projected exports are down 25 million bushels from last month to 2.08 billion bushels. The projected price range for the 2002 corn crop is $1.90 to $2.30 per bushel, compared with $1.85 to $1.95 for 2001/02.

Soybeans: U.S. 2002 soybean output is projected by the WAOB at 2.87 billion bushels, up 20 million bushels from last month, but down 1% from 2001. Ending stocks for the 2002/03 season are forecast at 265 million bushels, up 10 million bushels from last month. Projected exports are down 10 million bushels from last month to 965 million bushels. Soybean prices for 2002/03 are projected at $4.00 to $4.90 per bushel, compared $4.25 for 2001/02.

Cotton: The U.S. 2002 cotton production is projected by the WAOB at 17.8 million bales, the same as last month. The world balance sheet for 2002/03 includes slightly higher beginning and ending stocks. Production, consumption, and trade are unchanged.

Cattle. Mid-June **prices** for choice steers (Nebraska direct, 1100-1300 pounds) averaged $64 per cwt, down $3 from mid-May. Feeder steer prices (Oklahoma City, medium-large frame, 750-800 pounds) were nearly $77 per cwt, relatively unchanged from a month ago.

Hogs. During the first two weeks of June, hog **slaughter** has been running roughly 106% of a year ago. Cash **prices** at mid-June (Iowa-Southern Minnesota direct, 51-52% lean) were over $35 per cwt, down almost $1 from mid-May. Second quarter prices are expected to average $34 per cwt.

Other Livestock. May **milk production** was up 3.2.% from the previous year. Production per cow increased 3.0%, while the number of cows increased only slightly from a year ago. The **cheddar cheese price** (U.S. 40 pound blocks, wholesale) was down the first two weeks of June. Total **cheese** production reported for the month of April, 2002 was 4.1% above the previous year. **Butter** production during this same time period was 21.5% above the previous April. **Nonfat dry milk** production was up 19.4% from the previous year. US table **egg production** during May 2002 totaled 6.13 billion, up slightly from May 2001. Wholesale market **egg prices** for the second quarter of 2002 (Grade A large, New York) are expected to average 57-58 cents per dozen, compared with 63.3 cents a year ago. Third quarter 2002 egg prices are expected to average 59-62 cents per dozen, compared with 61.4 cents a year earlier. **Broiler-**Type chicks hatched during May 2002 totaled 798 million, up 2% from last year. Weekly Broiler-Type Placements in 19 selected states for the week ending June 15, 2002, were 174 million, slightly above a year ago. The wholesale 12-city average price for whole **broilers** for the second quarter of 2002 is expected to be 56-57 cents, compared with 59.2 cents from the second quarter of last year. Third quarter 2002 broiler prices are expected to average 57-59 cents per pound, compared with the 61.1 cents for a year earlier. Cumulative **turkey poult placements** for the 2002 marketing year through May 2002 were 223 million, 1% above the same period a year ago. Placements in May 2002, at 25.6 million, were down 4% from last May. Prices (8-16 lb. hens, Eastern Region) for the second quarter of 2002 are expected to be 62-63 cents compared with 65.0 cents for the second quarter last year. Turkey prices for the third quarter of 2002 are expected to average 63-67 cents per pound, compared with the 67.1 cents average for the third quarter of 2001. **Supplies in refrigerated warehouses** at the end of May 2002 compared with a year earlier were: total chicken, up 24%; turkey, up 27%; pork, up 30%; bellies, up 35%; beef, up 24%; frozen orange juice, down 4%, butter, up 67%; and American cheese, up 6%.

Trade. June U.S. **trade projections** for wheat and soybeans improved while 2001/2002 export prospects for corn and broilers declined, compared with last month. Rice, cotton, beef, pork, and turkeys were unchanged from May. June projections for the volume of exports for the 2001/2002 marketing year compared to 2000/2001 are: **wheat** down 6%; **corn** up 8%; **rice** down slightly; **soybeans** up 4%; **soybean meal** up 1%; **soybean oil** up 56%; and **cotton** unchanged. June projections for the volume of meat exports in calendar 2002 compared to 2001 are: **beef** up 5%; **pork** up 4%; **broilers** up 11%; and **turkeys** up slightly. The **U.S. trade** deficit for goods and services increased to $35.9 billion in April, from a revised $32.5 billion in March. The **U.S. agricultural trade** surplus was 309 million in April, compared with 906 billion in March.

Prices: The rate of inflation, as monitored by the CPI for all urban consumers, was unchanged in May but has increased 1.2% over the last 12 months. The PPI decreased 0.4% in May and has decreased 2.7% over the last 12 months. The May prime rate, averaging 4.75%, has been unchanged since January. Compared to a year earlier, feed prices in May were up 4%; feeder livestock and poultry down 11%; fertilizer down 18%; ag chemicals down 2%, farm machinery up 3%, seeds up 7%, and fuels down 16%.

World Weather and Crop Developments (June 9-16). In the **United States**, the planting season was nearly complete in the western Corn Belt and rapidly approached completion in the eastern Corn Belt. Warm weather and ample soil moisture promoted rapid emergence of recently planted crops and stimulated vigorous vegetative growth of previously emerged crops in most areas east of the Rocky Mountains. However, areas of excessive dryness existed in the Great Plains and Atlantic Coastal Plain. Heavy rain provided beneficial moisture in parts of the western and southern Corn Belt and adjacent areas of the central and southern Great Plains. However, winter wheat harvest was delayed in some areas and some low-lying areas were flooded. The northern High Plains received additional beneficial rain, while parts of the upper Mississippi Valley received detrimental precipitation. Late-week warm weather promoted winter grain maturation in western **Europe**. Showers and thunderstorms boosted soil moisture for winter grains and spring-sown crops in the Central and Volga regions of **Russia**. The fourth consecutive week of unseasonably cool weather slowed crop development in the Urals Region in Russia and Kazakstan. Rains soaked spring grain areas in Siberia, Russia. Light showers boosted topsoil moisture for winter grain planting in Western Australia, South **Australia**, and Victoria. Dry weather, however, continued to hamper planting in New South Wales and Queensland. In Canada, stormy weather lingered across the Prairies, increasing topsoil moisture for spring crop germination. The monsoon continued to advance northward, bringing showers to sorghum and groundnut areas of South **Asia**. Heavy showers fell throughout **Indochina** and the southern **Philippines**, increasing moisture supplies for rice and corn. Rain in central and northern **China** boosted moisture reserves for summer crops but hampered winter wheat harvesting. Summer crop harvesting was winding down in **Argentina**, while in **Brazil**, coffee harvesting was in full swing. Warm, dry weather reduced moisture supplies across the lower **Rio Grande** watershed, but scattered showers provided some moisture in north-central and central **Mexico**.

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