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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. The U.S. winter wheat production is forecast at 1.53 billion bushels. This is down 1 percent from last month but 2 percent above 2004. The U.S. yield is forecast at 44.5 bushels per acre, up 0.4 bushel from last month. The World Agricultural Outlook Board (WAOB) projected 2005/06 ending stocks of all wheat are up 81 million bushels from last month due to larger beginning stocks and higher production. The WAOB projected price range for 2005/06 is $2.60 to $3.10 per bushel.

Corn. The U.S. corn production for 2005 is projected at 10.8 billion bushels by the WAOB, down 200 million bushels from last month. The projected trend yield is 145.0 bushels per acre, down 3 bushels from June. Ending stocks for 2005/06 are projected to be 2.24 billion bushels, down 300 million bushels from last month, but 125 million bushels more than last year. Plantings for 2005 are estimated by NASS at 81.6 million acres, up 1 percent from last year and harvested acreage is estimated at 74.4 million acres. The WAOB projected price range for the 2005/06 corn crop is $1.70 to $2.10 per bushel, compared with $2.00 to $2.10 per bushel for the 2004/05 crop.

Soybeans. Soybean production for 2005 is projected by the WAOB at 2.89 billion bushels, down 5 million bushels from the June forecast. The projected trend yield, at 39.9 bushels per acre, is unchanged from last month. Projected ending stocks for the 2005/06 season are reduced to 210 million bushels, down 45 million bushels from last month. U.S. soybean crush for 2005/06 is forecast at 1.69 billion bushel, up 10 million from last month due to improved prospects for soybean meal use. Projected exports are unchanged from last month, at 1.14 billion bushels. Planted area in the U.S. is estimated at 73.3 million acres by NASS, down 3% from last year, and harvested acreage is estimated at 72.4 million acres. Soybean prices for 2005/06 are projected at $5.10 to $6.10 per bushel, compared with $5.80 per bushel for the 2004/05 crop.

Cotton. The U.S. cotton outlook for 2005/06 includes a 500,000-bale increase in ending stocks resulting from lower projected exports. Beginning stocks are reduced 300,000 bales; however, the lower carry-in is offset by slightly larger production, leaving the total supply unchanged. The WAOB projected production at 19.8 million bales, up 10 percent from last month, as the NASS *Acreage* report indicated higher planted area of 14.0 million acres. The export forecast is reduced to 14.5 million bales, due to higher foreign production and reduced imports by China. Ending stocks are forecast at 6.70 million bales, or 33% of total use.

Other Crops. Planted acreage for **sorghum** is estimated at 7.01 million acres, down 6 percent from last year, and the area harvested for grain is forecast at 6.03 million acres, down 7 percent from 2004. **Oats** planted last fall and this spring totaled 4.34 million acres, up 6 percent from last year, and the expected area harvested for grain is 1.98 million acres, up 10 percent from last year. **Barley** growers seeded 3.97 million acres for 2005, a decrease of 12 percent from last year and expect to harvest 3.47 million acres. **Rice** producers seeded an estimated 3.31 million acres, 1 percent below last year's acreage, and the harvested area is forecast at 3.29 million acres, also down 1 percent from 2004. **Hay** producers expect to harvest 61.7 million acres, down fractionally from last year.

Cattle. Mid-July **prices** for choice steers (Nebraska direct, 1100-1300 pounds) averaged $78 per cwt, down $5 from mid-June. Feeder steer prices (Oklahoma City, medium-large frame, 750-800 pounds) were roughly $112 per cwt, down $1 from a month ago.

Hogs. For the first two weeks of July, hog **slaughter** was running 2.1% above a year ago. Cash **prices** at mid-July (Iowa-Southern Minnesota direct, 51-52% lean) averaged $50 per cwt, down $2 from the mid-June price. Third quarter prices are expected to average $47 per cwt.

Other. June **milk production** was up 5.4% from the previous year. Production per cow increased 4.7%, while the number of cows increased 0.6% from a year earlier. The **cheddar cheese price** (U.S. 40 pound blocks, wholesale) was up the first two weeks of July. Total **cheese** production reported for the month of May 2005 was 4.0% above the previous year. **Butter** production during this same time period was 9.2% above last year. Production of **nonfat dry milk for human food** was down 19% from May 2004. US table **egg production** during June 2005 totaled 6.25 billion, up 1% from June 2004. Wholesale market **egg prices** for the third quarter of 2005 (Grade A large, New York) are expected to average 61-63 cents per dozen, compared with 66.2 cents a year ago. Fourth quarter 2005 egg prices are expected to average 65-69 cents per dozen, compared to 68.0 cents a year earlier. **Broiler**-Type chicks hatched during June 2005 totaled 796 million, up 1% from last year. Weekly Broiler-Type Placements in 19 selected states for the week ending July 16, 2005, were 176 million, down slightly from a year ago. Cumulative placements for the 19 selected states for the period January 2, 2005 - July 16, 2005 totaled 4.93 billion, up 2% from the 4.83 million chicks placed for the same period a year ago. The wholesale 12-city average price for whole **broilers** for the third quarter of 2005 is expected to be 73-75 cents, compared with 75.7 cents from a year earlier. Fourth quarter 2005 broiler prices are expected to average 71-77 cents per pound, compared with the 68.3 cents for a year earlier. **Turkey** Poult Placements in June 2005, at 24.3 million, were up 4% from June 2004. Cumulative placements for the 2005 marketing year are 225 million poults, down 3% from a year ago. Prices (8-16 lb. hens, Eastern Region) for the third quarter of 2005 are expected to be 71-73 cents compared with 73.1 cents for the third quarter last year. Turkey prices for the fourth quarter of 2005 are expected to average 74-80 cents per pound, compared with the 77.1 cents average for the fourth quarter of 2004. **Supplies in refrigerated warehouses** at the end of June 2005 compared with a year earlier were: total chicken, down 11%; turkey, down 15%; pork, up 32%; bellies, up 90%; beef, down 17%; frozen orange juice, down 25%; butter, down 4% and American cheese, down 2%.

Trade. June U.S. **trade projections** for rice, soybeans, cotton, and turkeys improved, compared with last month. Wheat, corn, beef, pork, and broilers were unchanged from May. June projections for the volume of exports for the 2005/2006 marketing year compared to 2004/2005 are: **wheat** down 10%; **corn** up 8%; **rice** up 13%; **soybeans** up 2%; **soybean meal** down 5%; **soybean oil** unchanged; and **cotton** up 15%. June projections for the volume of meat exports in calendar 2006 compared to 2005 are: **beef** up 6%; **pork** up 8%; **broilers** up 3%; and **turkeys** up 2%. The **U.S. trade** deficit for goods and services decreased to $55.3 billion in May, from a revised $56.9 billion in April. The **U.S. agricultural trade** showed a surplus of $35 million in April, compared with a deficit of $39 million in March.

Prices. The rate of **inflation**, as monitored by the **CPI** for all urban consumers, increased 0.1% in June and has increased 2.5% over the last 12 months. The **PPI** was unchanged from May but has increased 3.6% over the last 12 months. The June **prime rate**, averaging 6.01%, was up from 5.98% in May. Compared to a year earlier, **feed** prices in June were down 10%; **feeder livestock and poultry** were up 4%; **fertilizer** up 17%; **ag chemicals** were unchanged; **farm machinery** up 6%, **seeds** up 8%, and **fuels** up 35%.

World Weather and Crop Developments (July 10-17). In the **United States**, Hurricane Dennis brought moderate to heavy rain to the Mississippi Delta, Southeast, middle Mississippi Valley, and Ohio River Valley, generally improving crop conditions. Cloud cover and rain associated with the hurricane held temperatures below normal across these regions, while above-normal temperatures prevailed across most other areas, favoring rapid crop development. Conditions were mostly dry, with only light, scattered rain, from the western Corn Belt across the northern and central Great Plains and Rocky Mountains to the Pacific Coast. Generally dry weather favored winter grain harvesting in most of **Ukraine** and **Russia**. Soaking rains boosted prospects for spring grains in the Urals Region in **Russia** and major grain areas in Kazakstan. Monsoon showers intensified throughout **Thailand** and oil palm areas of **Indonesia** and **Malaysia**. Monsoon showers benefited recently planted summer crops across much of **India**, while dry weather in Gujarat favored fieldwork following last month's torrential rain. Widespread rain in southeastern **Australia** brought additional drought relief and further improved moisture supplies for winter grains. In **Canada**, excessive wetness continued to plague southern Manitoba, raising concern for spring crops in or nearing reproduction. Dry weather promoted coffee harvesting, although early-week showers likely caused minor delays along the coast of **Brazil**. In **Argentina**, beneficial showers helped to improve winter wheat planting prospects.

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