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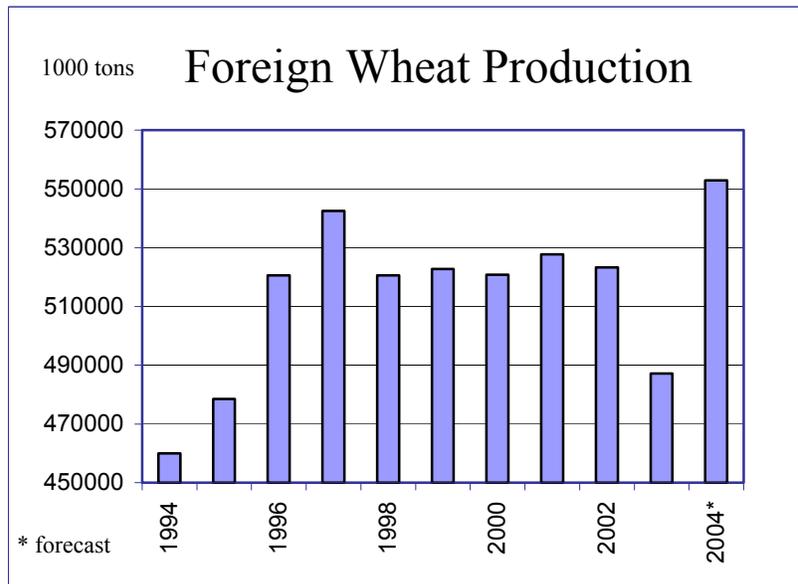
World Agricultural Production

Total Foreign Wheat Production Slightly Higher than Last Month

Total 2004/05 foreign wheat output is forecast at 552.8 million tons, up 1.9 million tons from last month and up 65.7 million from last year. Most of the increases are coming from crops in Romania, Ukraine, and the European Union (EU-25), which are sufficient to counter the output decreases forecast in Kazakstan and Australia.

Forecast wheat production in Romania, this month, is revised upward significantly to 6.4 million tons. This is 4.4 million tons higher than the 2003/04 crop, which was the second lowest on record. The 2004/05 crop is expected to be the highest crop since 2001. A USDA regional crop analyst, reports ideal pre-harvest and harvest weather throughout the wheat growing regions after recent crop travel.

This month, USDA also made significant changes in other major wheat-exporting countries. Production forecasts in Kazakstan and Australia are lowered this month as dryness persists in each country. Kazakstan's wheat production, now forecast at 10.0 million tons, is the lowest since 2000/01. Australian wheat output is forecast at 23.5 million tons, which is considered an above-average crop, but still lower than last year. Wheat production in the European Union (EU-25) is forecast at 130.6 million tons, up 950,000 from last month. Output is increasing mostly in the New Member States, such as Hungary and the Czech Republic. USDA's forecast production levels are discussed in detailed production briefs below. *(For more information, contact Michelle Greenberg at 202-720-7339.)*



Ukraine: Bumper Harvests for Wheat and Barley

The USDA estimates Ukraine wheat production for 2004/05 at 17.5 million tons, up 1.5 million from last month and up 386 percent from last year, when severe winter weather and persistent spring drought destroyed Ukraine's winter wheat crop and total wheat output plunged to 3.6

million tons. Barley production is estimated at 11.5 million tons, up 1.0 million from last month and up 4.6 million from last year. Unusually high precipitation throughout the growing season boosted yield potential of winter wheat and early spring grains. Despite occasional harvest delays caused by continued wet weather during July and August, farmers were able to eventually harvest 98 percent of the area planted to wheat and 97 percent of the barley. Lower sown area will prevent 2004/05 production from reaching the levels achieved in 2001/02 and 2002/03 (21.3 and 20.6 million tons, respectively). Estimated barley output is the highest since 1994/95. Meanwhile, corn production is estimated at 6.6 million tons. The cool, wet weather has resulted in vigorous vegetative growth and high yield potential, but has also delayed crop development. Final output will depend in part on harvest weather. *(For more information, contact Mark Lindeman at 202-690-0143.)*

Kazakstan: Drought Reduces Spring Grain Prospects

The USDA estimates Kazakstan wheat production for 2004/05 at 10.0 million tons, down 2.0 million from last month and down 1.5 million from last year. Barley production is estimated at 1.5 million tons, down 0.5 million from last month and down 0.5 million from last year. Spring wheat accounts for 95 percent of the country's total wheat output, and spring barley for virtually all of the barley. Localized drought has reduced the yield potential of crops in north-central Kazakstan, where 75 percent of the country's wheat and barley is grown. The hot, dry weather accelerated crop development this year, and harvest in the key northern regions began 2 weeks earlier than normal. *(For more information, contact Mark Lindeman at 202-690-0143.)*

Romanian Wheat Yield at 15-Year High

Wheat production is estimated at 6.4 million tons, up 1.2 million from last month, but more than triple the 2.0-million-ton crop produced last season. The 2004/05 season has been very favorable for both winter and summer crops in Eastern Europe. The wheat harvest has finished in Romania and the country is now busy accumulating, storing, and counting the much-anticipated bumper crop. This year's wheat collection will be one of the largest since the regime change of the early 1990's when inputs were highly subsidized. Yields are estimated to average 3.2 tons/ha, tied with the record 1995/1996 crop (which had a larger planted area). Harvested area is estimated at 2 million hectares, just about average. The crop is significantly better than its 5-year 4.6-million-ton average, but the country's varied climate rarely produces an "average" crop. This year, the best yields were recorded on the western plain, but the large Danube Valley in the south also saw high yields.

The crop has been substantially raised since last month due to new data obtained from farmers and other in-country sources, during the recent crop travel by the PECAD analyst. The near-ideal seasonal weather for the winter season confirms this record crop. This month, the production estimate is based on a 3.2 ton-per-hectare yield. Final estimates will not be available until late fall.

Despite the size of the crop, the only potential downside for this year's production might be quality issues related to rains that occurred in some areas during harvesting. In any event, this year's large crop was welcomed by producers after last year's winter frosts and spring drought devastated the wheat harvest, bringing it down to a record low. In addition, the wheat harvest

will soon be followed by another bumper harvest of Romania's leading grain: corn. Again, weather has been nearly ideal with heavy summer rains creating high soil moisture levels. While it is quite rare for both the winter and the spring crops to be so large, plenty of storage (some old and mostly idle) from the Soviet-era days can quickly be readied for whatever is harvested. *(For more information, contact Bryan Purcell at 202-690-0138.)*

India: Soybean Area Revised Higher

India's 2004/05 soybean production is forecast at 7.0 million tons, up 1.3 million from last month and up 0.2 million from last year. The current 2004/05 soybean area forecast is 7.7 million hectares, up 1.3 million from last month and up 1.2 million from last year.

The upward revision in production this month is a result of new information on area. The Agriculture Ministry reports a significant expansion in plantings of soybeans compared to last year, but abandonment will be larger than usual owing to drought in July. The revival of the monsoon in early August and favorable prices are the dominant factors contributing to the increased plantings. Maharashtra, the second largest soybean producing state, is reported to have sown its largest soybean area to date. *(For more information, contact Jim Crutchfield at 202-690-0135.)*

China: Cotton Area Revised Downward

China's 2004/05 cotton crop was lowered this month to 29.5 million bales (6.42 million tons), down 0.5 million from last month, but up 7.2 million from last year's unexpectedly small crop. The revision is based on a 2-percent reduction in estimated area to 5.7 million hectares. According to China's National Bureau of Statistics, cotton area in 2004/05 was expected to reach an estimated 5.65 million hectares, up more than 10 percent from last year, in response to very high cotton prices last spring. The forecast yield of 1,127 kilograms per hectare is essentially unchanged from last month. Cotton harvesting has begun and will continue through November. In Shandong, Henan, and Hubei provinces, below-normal temperatures and above normal rainfall in August may have delayed crop development and lowered yield prospects. On the other hand, maturing cotton in several major producing provinces, including Xinjiang, Jiangsu, Anhui and Hebei, enjoyed mostly favorable weather in August and early September. Excellent yields in these provinces are expected to offset any potential yield reductions in other areas of the country. *(For more information, contact Paulette Sandene at 202-690-0133.)*

This report uses information from the Foreign Agricultural Service's (FAS) global network of agricultural attachés and counselors, official statistics of foreign governments and other foreign source materials, and the results of economic and satellite imagery analysis. Estimates of foreign area, yield, and production are from the Production Estimates and Crop Assessment Division, FAS, and are reviewed by USDA's Inter-Agency Commodity Estimates Committees. Estimates of U.S. area, yield, and production are from USDA's National Agricultural Statistics Service. Numbers within the report may not add to totals because of rounding. This report reflects official USDA estimates released in the World Agricultural Supply and Demand Estimates (WASDE-414), September 10, 2004.

Printed copies are available from the National Technical Information Service. Download an order form at http://www.ntis.gov/products/specialty/usda/fas_a-g.asp, or call NTIS at 1-800-363-2068.

The Production Estimates and Crop Assessment Division, FAS, prepared this report. The next issue of World Agricultural Production will be released after 9:00 a.m. Eastern Time on October 12, 2004.

Conversion Table

Metric tons to bushels

Wheat, soybeans	=	MT * 36.7437
Corn, sorghum, rye	=	MT * 39.36825
Barley	=	MT * 45.929625
Oats	=	MT * 68.894438

Metric tons to 480-lb bales

Cotton	=	MT * 4.592917
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Metric tons to hundredweight

Rice	=	MT * 22.04622
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Area & weight

1 hectare	=	2.471044 acres
1 kilogram	=	2.204622 pounds

For further information, contact:
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