



United States
Department of
Agriculture

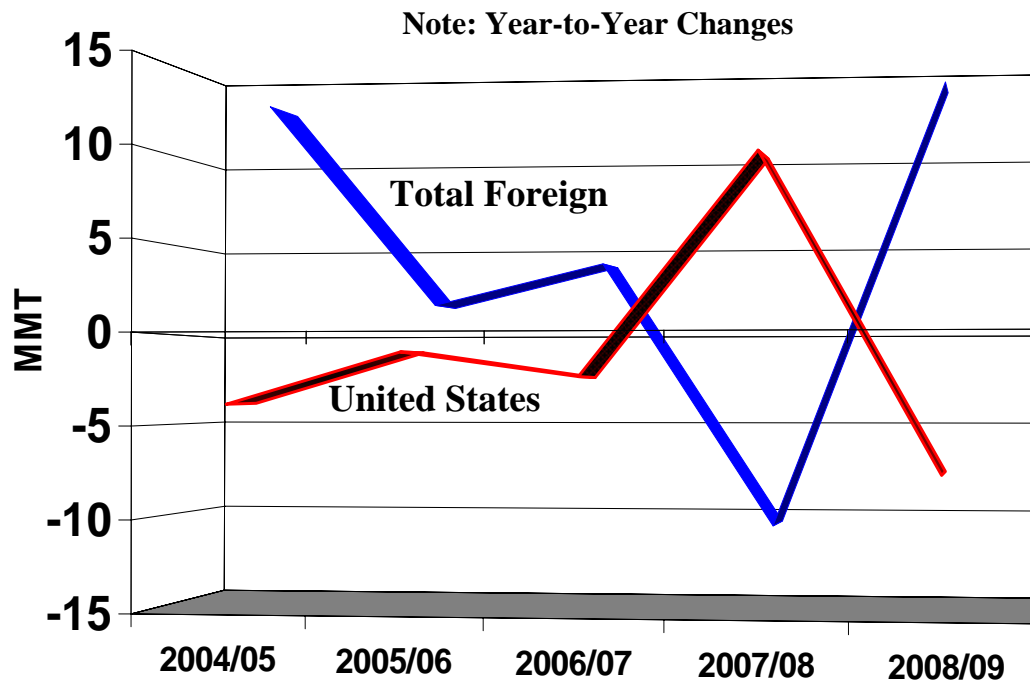
Foreign
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Grain:

World Markets and Trade

2008/09 Foreign Wheat Exports Gains Offset U.S. Declines



Despite record global wheat demand, U.S. exports are forecast to decline as foreign exporters, notably the EU-27, Ukraine, Russia, and Australia, will have larger exportable supplies. Those countries are traditionally more competitive than the United States in North African, Middle Eastern, and Southeast Asian markets because of logistical and freight rate advantages. With Australia's crop prospects expected to double after recovering from 2 years of drought, sharply higher exports will significantly displace U.S. sales in Asia. Intensified competition from the EU-27, Ukraine, and Russia will displace U.S. sales in Mediterranean markets. Drought-reduced crop prospects in the Middle East, particularly in Iran, are the major factors driving more global wheat import demand.

