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National Agricultural Statistics Service

AGRI-VIEW

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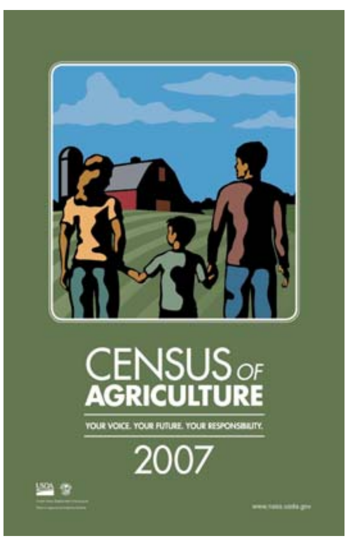


Have you completed your Census Questionnaire?

STATE'S UTILIZED APPLE PRODUCTION INCREASED

MINNESOTA: Utilized apple production for 2007 was estimated at 20.1 million pounds, up 3.1 million pounds from 2006. The 2007 total apple production is estimated at 26.0 million pounds, an increase of 3.0 million pounds from last year's crop.

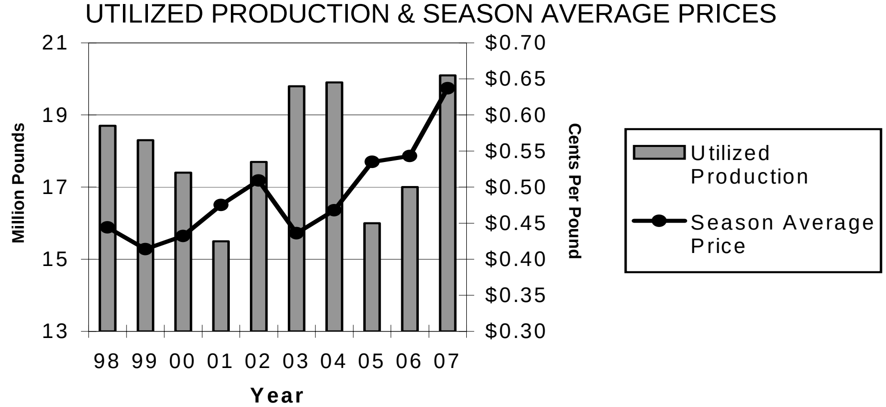
The value received for the 2007 crop was up 39 percent from 2006. The preliminary average price received for Minnesota apples was 63.7 cents per pound compared with 54.3 cents in 2006, up 9.4 cents per pound. The price includes fresh sales (both retail and wholesale) plus processing sales on a delivered wholesale basis. Both production and price estimates are subject to revision when the updated annual summary is published in August.

UNITED STATES: Utilized apple production for 2007 is estimated at 9.30 billion pounds, down 6 percent from 2006. Utilized apple production in Washington decreased 4 percent, to 5.40 billion pounds, from 2006. Michigan's utilized production decreased 10 percent from 2006, while utilized production in New York increased 2 percent from 2006. A change in varieties produced was the primary reason for the reduction in Washington production, with more growers switching from the Red Delicious variety. In New York, hailstorms damaged some of the crop; however, apple numbers and quality were high. Low summer precipitation levels in Michigan reduced fruit sizes but fruit quality remained high. A severe frost decimated orchards in the Southeast and Iowa, Missouri, Illinois, and Kentucky. Reports of tree damage and total crop loss were common in these States.

CROP YEAR	UTILIZED PRODUCTION (MILLION LBS.)	SEASON AVERAGE PRICE (CENTS PER LB.)	VALUE (1,000 DOLLARS)
MINNESOTA			
2003	19.8	43.6	8,624
2004	19.9	46.8	9,307
2005	16.0	53.5	8,563
2006	17.0	54.3	9,228
2007	20.1	63.7	12,807
UNITED STATES			
2003	8,703	20.9	1,817,240
2004	10,361	13.5	1,403,001
2005	9,603	17.4	1,675,097
2006	9,756	22.9	2,237,547
2007	9,301	25.8	2,397,849

MINNESOTA'S APPLES

UTILIZED PRODUCTION & SEASON AVERAGE PRICES



U.S. CATTLE ON FEED UP 1 PERCENT

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 12.1 million head on January 1, 2008. The inventory was 1 percent above January 1, 2007, and 2 percent above January 1, 2006.

Placements in feedlots during December totaled 1.70 million, 1 percent below 2006 and 10 percent below 2005. Net placements were 1.64 million head. During December, placements of cattle and calves weighing less than 600 pounds were 480,000, 600-699 pounds were 505,000, 700-799 pounds were 420,000, and 800 pounds and greater were 296,000.

Marketings of fed cattle during December totaled 1.65 million, 1 percent above 2006, but 4 percent below 2005. This is the second lowest fed cattle marketings for the month of December since the series began in 1996. **Other disappearance** totaled 58,000 during December, 34 percent below 2006, and 36 percent below 2005.

Cattle on Feed: Number on Feed, 1,000+ Capacity Feedlots, by Month, State, and United States, 2007-2008 1/

State	Jan. 1, 2007	Dec. 1, 2007	Jan. 1, 2008		
			Number	as % of 2007	as % of Dec
AZ	334	367	368	110	100
CA	550	555	560	102	101
CO	1,100	1,070	1,100	100	103
ID	260	240	235	90	98
IA	520	570	570	110	100
KS	2,540	2,500	2,480	98	99
NE	2,540	2,520	2,530	100	100
NM	136	*149	160	118	107
OK	350	345	350	100	101
SD	225	215	230	102	107
TX	2,870	3,010	2,960	103	98
WA	184	168	164	89	98
Other States	365	390	390	107	100
US	11,974	*12,099	12,097	101	100

* Revised
1/ Cattle and calves on feed are animals for slaughter market being fed a ration of grain or other concentrates and are expected to produce a carcass that will grade select or better.

MINNESOTA POTATO STOCKS 1 PERCENT BELOW 2007 LEVEL

January 1 Stocks: Minnesota's fall potatoes in storage totaled 11.5 million hundredweight, 1 percent below the January 1, 2007, level. The breakdown of January 1, 2008, stocks by type indicate 12 percent red, 5 percent white and 83 percent russet. Stocks in Area 1 totaled 2.2 million hundredweight, down 24 percent from 2007, and stocks in Area 2 totaled 9.3 million hundredweight, up 7 percent from 2007.

MINNESOTA FALL POTATO STOCKS

Type	Jan. 1, 2007		Jan. 1, 2008	
	Stocks 2006 Crop (000) Cwt	Percent of Total Stocks	Stocks 2007 Crop (000) Cwt	Percent of Total Stocks
Red	1,280	11	1,380	12
White[1]	690	6	580	5
Russet	9,630	83	9,540	83
Total	11,600	100	11,500	100

1/ Yellow type potatoes are included in White type.

MINNESOTA FALL POTATO STOCKS BY REGION

Type	Jan. 1, 2007		Jan. 1, 2008	
	Stocks 2006 Crop (000) Cwt	Percent of Total Stocks	Stocks 2007 Crop (000) Cwt	Percent of Total Stocks
MN Area 1	2,900	25	2,200	19
MN Area 2	8,700	75	9,300	81
State Total	11,600	100	11,500	100

NOTE: Minnesota Area 1 includes the following counties: Kittson, Roseau, Lake of the Woods, Marshall, Beltrami, Pennington, Polk, Red Lake, Mahnomen, Norman, Clearwater, Clay, Becker and Wilkin counties. Minnesota Area 2 includes all remaining counties in the State.

WINTER FORAGE CONDITIONS SEND COWS TO SLAUGHTER AND CALVES TO FEEDLOTS

While some much-needed precipitation has fallen in areas of the Southeast and Southern Plains States, it is too late to produce much cool-season forage or wheat pasture for cattle for the remainder of the winter. It will, however, be of some value for Spring and Summer pastures, wheat, and other grain crops in 2008. Rising fuel prices, reported inadequate supplies of some fertilizers, large inventories of hogs and poultry, and a deteriorating domestic economic outlook are additional factors exerting negative pressures on the cattle and beef sector.

Feedlot placements were significantly higher in November 2007 than industry analysts had expected, especially in the lighter weight categories, and could be followed by heavy placements in December for the same reasons—lack of winter pastures and no lower cost options for providing homes for these calves for the remainder of the winter. In a normal year, a portion of calves born in the spring would be placed on wheat pasture after weaning, where they would remain until reaching feedlot placement weights in mid-March, or as late as May if wheat were grazed out. Placement of these calves in feedlots would normally have been spread throughout the winter and spring of 2008 as they came off cool season pastures, especially wheat pasture. Prospects for grazing on wheat pasture declined as wheat prices increased this fall, and prices for wheat are currently high enough that there is not likely to be wheat pasture available for graze-out this spring. Under present conditions, the greater fall placements will likely shift some fed cattle marketings ahead of a normal schedule, with some of these cattle likely to be marketed earlier in the year than is consistent with typical seasonal patterns. This shift is more likely if January 1 cattle-on-feed inventories in feedlots of 1,000-plus head are much over last year's record 11.8 million head.

Source: *Livestock, Dairy, & Poultry Outlook*/LDP-M-163/ Economic Research Service, USDA, (www.ers.usda.gov), January 18, 2008

TURKEY PRICES HIGHER IN FOURTH QUARTER 2007

Although peak prices for whole turkeys in 2007 did not reach the levels they did in 2006, the average price in fourth quarter 2007 was 90.8 cents per pound for whole hens in the Eastern market, about a penny higher than the previous year. The average price for all of 2007 was 82.1 cents per pound, marking the fourth consecutive year of higher overall prices. In the first quarter of 2008, whole turkey prices are expected to remain above year-earlier levels, but higher production of turkeys, and to a lesser extent broilers, are expected to put downward pressure on prices during the remainder of 2008, with the overall price for 2008 expected to be down 5 percent from the previous year.

Turkey production in November was 524 million pounds, 3.9 percent higher than in November 2006. The increase in turkey meat production was chiefly due to a higher number of birds slaughtered and higher average weights. The number of turkeys slaughtered in November was up 1.5 percent from the previous year, and the average weight at slaughter rose 1.8 percent to 27.6 pounds. In addition, the average meat production per bird rose by 2.4 percent. Turkey meat production in December 2007 is also expected to be higher than the previous year, as the number of birds slaughtered and the average liveweight are both expected to remain above the previous year's levels. The estimate for turkey meat production in the fourth quarter was increased by 10 million pounds to 1.53 billion, up 3.9 percent from fourth-quarter 2006. The turkey meat production estimate for 2008 is 5.94 billion pounds, up less than 1 percent from 2007, with higher production in the first half of the year being moderated by slightly lower production in the second half of 2008.

Source: *Livestock, Dairy, & Poultry Outlook*/LDP-M-163/ Economic Research Service, USDA, January 18, 2008

HOG PRICES LIKELY TO REMAIN BELOW PRODUCTION COSTS IN 2008

Larger hog supplies in 2008 are expected to pressure hog prices lower. Live equivalent prices for 51-52 percent lean hogs in 2008 are expected to range between $41 per cwt and $44 per cwt, more than 9 percent below prices in 2007. USDA is forecasting 2007/08 corn prices at between $3.70 and $4.30 per bushel, more than 32 percent higher than in 2006/07. Higher feed prices can be expected to widen the existing negative gap between costs of producing market-ready slaughter hogs and the price that producers receive for finished animals. According to Iowa State University's Estimated Returns for Farrowing and Finishing Hogs in Iowa, (www.econ.iastate.edu/faculty/lawrence/Lawrence_website/livestockreturns.htm) the cost of producing a market-ready slaughter animal in December exceeded the hog prices by more than $25 per head.

Source: *Livestock, Dairy, & Poultry Outlook*/LDP-M-163/ Economic Research Service, USDA, January 18, 2008

FEED GRAINS PRODUCTION SLIGHTLY LOWER THIS MONTH AND USE INCREASED

Feed grain supplies for 2007/08 are down nearly 1 percent from December but up 16 percent from 2006/07. The 2007 corn and sorghum crops were down month-to-month, but barley and oats production were unchanged. Beginning stocks were revised slightly with corn down and sorghum up, resulting in a small net decrease for total feed grains.

Total use of feed grains increased this month, as higher corn and barley feed and residual use more than offset a decrease in feed and residual use of sorghum. Feed and residual use for oats was unchanged. Forecast sorghum exports increased, but food, seed, and industrial use were lowered for corn and barley. The decline in feed grain supply was less than the increase in use, but together they reduce ending stocks 9 million metric tons this month, to 39.3 million. In 2006/07, ending stocks for the four feed grains were 36.2 million tons.

Source: *Feed Outlook*/FDS-08a/ Economic Research Service, USDA, January 15, 2008

HAY AND SILAGE SUPPLIES INCREASE

Stocks of all hay stored on farms totaled 104 million tons on December 1, 2007, up 8 percent from the previous year. Disappearance of hay from May-December 2007 totaled 61.3 million tons, compared with 67.1 million tons for the same period a year ago.

In the first 8 months of the hay marketing year (May-April), hay prices have averaged higher in 2007 than in 2006. Alfalfa hay prices averaged $26 per ton above prices a year earlier during May through December. Other hay prices averaged $18.83 per ton above prices a year earlier during May through December.

Source: *Feed Outlook*/FDS-08a/ Economic Research Service, USDA, January 15, 2008

DECEMBER MILK OUTPUT UP 2.6 PERCENT IN MINNESOTA

Totaling 736 million pounds, the state's December milk production was up 2.6 percent from December 2006.

Output per cow was 1,590 pounds in December, up 15 pounds from last December. Milk cows for December averaged 463,000 head, unchanged from November, and 8,000 head above a year ago.

December 2007 milk output in the 23 major states was 14.4 billion pounds, up 3.1 percent from December 2006. Milk cows in the 23 states averaged 8.38 million head, up 107,000 from the previous year. At 1,719 pounds, production per cow was 29 pounds greater than December 2006.

NOVEMBER/DECEMBER 2007 MILK STATS

State	Milk Production		Change From Previous Year	
	Nov	Dec	Nov	Dec
	Million Lbs.		*Percent*	
California	3,312	3,446	105.6	104.5
Idaho	950	985	106.7	108.2
Minnesota	**695**	**736**	**103.3**	**102.6**
New York	986	1,013	104.0	102.1
Pennsylvania	869	891	101.3	100.2
Wisconsin	1,930	2,006	103.3	101.3
23 States	13,846	14,414	103.9	103.1

U.S. TURKEYS RAISED IN 2007 UP 4 PERCENT FROM 2006

Turkeys raised in the United States during 2007 totaled 272 million birds, up 4 percent from the 262 million raised in 2006.

Minnesota ranked first in the number raised with 48.0 million, followed by North Carolina with 39.0 million, Arkansas with 31.0 million, Virginia with 22.0 million, Missouri with 20.0 million, California with 16.0 million, and Indiana with 15.3 million. These states accounted for 70 percent of the turkeys produced in the United States during 2007.

TURKEYS RAISED – SELECTED STATES

State	Thousand Head 2007	2007 as % of 2006
AR	31,000	103
CA	16,000	101
IN	15,300	111
IA	8,300	101
MI	4,800	104
MN	**48,000**	**107**
MO	20,000	100
NC	39,000	104
OH	5,100	100
PA	11,000	105
SC	10,500	109
SD	4,500	107
VA	22,000	102
U.S.	271,689	104

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