USDA
NASS
Minnesota
Field Office
E-mail: nass-mn@nass.usda.gov
http://www.nass.usda.gov/mn/

Agri-View

ISSUE AV-10-06

RELEASED:
May 26, 2006

IN THIS ISSUE:

USDA, NASS
Minnesota Field Office
8 E. 4th St., Suite 500
St. Paul, MN 55101
Phone (651) 296-2230
in cooperation with the Minnesota Department of Agriculture.

U.S. WINTER WHEAT PRODUCTION DOWN 12 PERCENT FROM 2005

Winter wheat production is forecast at 1.32 billion bushels, down 12 percent from 2005. Based on May 1 conditions, the U.S. yield is forecast at 42.4 bushels per acre, 2.0 bushels less than last year. Grain area totals 31.2 million acres, down 8 percent from last season.

MINNESOTA HAY STOCKS UP FROM LAST YEAR

Minnesota stocks of all hay on farms totaled 1,150,000 tons on May 1, 2006, up from 884,000 tons on May 1 of the previous year and up from 575,000 tons in 2004.

U.S. stocks of all hay on farms totaled 21.3 million tons on May 1, 2006, down 23 percent from May 1 of the previous year.

U.S. CATTLE ON FEED UP 9 PERCENT

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11.6 million head on May 1, 2006. The inventory was 9 percent above May 1, 2005, and 11 percent above May 1, 2004. This is the highest May 1 inventory since the series began in 1996.

Placements in feedlots during April totaled 1.63 million, 2 percent below 2005, but 2 percent above 2004. Net placements were 1.54 million. During April, placements of cattle and calves weighing less than 600 pounds were 385,000, 600-699 pounds were 270,000, 700-799 pounds were 444,000 and 800 pounds and greater were 530,000.

Marketings of fed cattle during April totaled 1.79 million, down slightly from 2005 and 5 percent below 2004. This is the lowest fed cattle marketings for the month of April since the series began in 1996.

Other disappearance totaled 87,000 during April, 4 percent below 2005 and 10 percent below 2004.

Upcoming Releases: Crop Production on June 9 at 8:30 a.m. E.T.
Quarterly Hogs and Pigs on June 30 at 3:00 p.m. E.T.
Agricultural Prices on June 29 at 3:00 p.m. E.T.
Crop Acreage and Grain Stocks on June 30 at 8:30 a.m. E.T.

All reports can be viewed at www.usda.gov/nass shortly after the scheduled release time.

Cattle on Feed: Number on Feed, 1,000+ Capacity Feedlots, by Month, State, and United States 2005-2006 1/

State	May 1, 2005	Apr 1, 2006	May 1, 2006 Number	May 1, 2006 as % of 2005	May 1, 2006 as % of Apr
	1,000 Head	1,000 Head	1,000 Head	Percent	Percent
AZ	330	351	346	105	99
CA	500	535	530	106	99
CO	970	1,070	1,060	109	99
ID	240	250	245	102	98
IA	455	500	495	109	99
KS	2,260	2,590	2,530	112	98
NE	2,190	2,400	2,320	106	97
NM	114	139	132	116	95
OK	305	360	340	111	94
SD	200	210	200	100	95
TX	2,630	2,940	2,910	111	99
WA	147	152	152	103	100
Oth Sts	300	315	300	100	95
US	10,641	11,812	11,560	109	98

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.

LAKE REGION HIRED WORKERS UP 4 PERCENT FROM A YEAR AGO

Lake Region: There were 57,000 hired workers on Lake Region (Minnesota, Michigan, and Wisconsin) farms during the week of April 9-15, 2006, up 4 percent from a year ago. Farm operators paid their hired workers an average wage rate of $10.30 per hour during the April 2006 survey week, up 35 cents from $9.95 in April 2005. Field workers received an average of $9.32 per hour, up 33 cents from a year ago. Livestock workers earned $9.94 per hour compared with $10.05 a year earlier. The field and livestock workers combined wage rate, at $9.63 per hour, was up 18 cents from last year. The number of hours worked averaged 38.0 for hired workers during the survey week compared with 34.8 hours a year ago.

WORKERS ON FARMS, HOURS WORKED PER WEEK, AND WAGE RATES FOR ALL HIRED WORKERS, LAKE REGION AND UNITED STATES, APRIL 2005 - 2006

	Lake Region 1/		**United States 2/**	
	April 10-16 2005	**April 9-15 2006**	**April 10-16 2005**	**April 9-15 2006**
	1,000 Workers			
Workers on Farms				
All Hired Workers	55	57	1,000	956
	Hours Per Week			
Hours Worked				
All Hired Workers	34.8	38.0	39.9	40.8
	Dollars Per Hour			
Workers By Work Type				
Field	8.99	9.32	8.56	8.96
Livestock	10.05	9.94	9.14	9.30
Field & Livestock	9.45	9.63	8.72	9.07
All Workers	9.95	10.30	9.35	9.79

1/ Lake Region = Minnesota, Michigan, and Wisconsin. Excludes agricultural service workers.
2/ Excludes Alaska.

MINNESOTA POTATO STOCKS 47 PERCENT BELOW 2005 LEVEL

May 1 Stocks: Minnesota's fall potatoes in storage totaled 2.7 million hundredweight, 47 percent below the May 1, 2005 level. Stocks in Area 1 totaled 1.0 million hundredweight, down 38 percent from 2005 and stocks in Area 2 totaled 1.7 million hundredweight, down 51 percent from 2005.

MINNESOTA FALL POTATO STOCKS BY REGION

Region 1/	May 1, 2005		May 1, 2006	
	Stocks 2004 Crop	Percent of Total Stocks	Stocks 2005 Crop	Percent of Total Stocks
	1,000 Cwt		1,000 Cwt	
MN Area 1	1,600	31	1,000	37
MN Area 2	3,500	69	1,700	63
State Total	5,100	100	2,700	100

1/ 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.

APRIL EGG OUTPUT UP SLIGHTLY IN MINNESOTA

Minnesota layers produced 245 million eggs during April 2006 versus 244 million in April 2005. Laying flocks in the U.S. produced 7.54 billion eggs in April, up nearly two percent from a year ago.

POULTRY STATS - APRIL

		2005	2006
Total Eggs Produced	MN	244 Mil.	245 Mil.
	U.S.	7,407 Mil.	7,541 Mil.
Number of Layers	MN	11.0 Mil.	11.1 Mil.
	U.S.	343.6 Mil.	348.5 Mil.
Eggs per 100 Layers	MN	2,227	2,205
	U.S.	2,156	2,164
CHICKENS: Hatched (April) Egg-Type	MN	1.2 Mil.	0.9 Mil.
	U.S.	38.0 Mil.	34.6 Mil.
Broiler-Type	U.S.	792.2 Mil.	787.1 Mil.
Eggs in Incubators (May 1) Egg-Type	WNC*	8.1 Mil.	9.1 Mil.
	U.S.	37.3 Mil.	37.0 Mil.
Broiler-Type	WNC*	24.9 Mil.	24.7 Mil.
	U.S.	665.4 Mil.	658.4 Mil.
TURKEYS: Placed (April)	WNC*	9.2 Mil.	8.7 Mil.
	U.S.	23.6 Mil.	23.9 Mil.
Eggs in Incubators (May 1)	WNC*	11.4 Mil.	11.6 Mil.
	U.S.	29.3 Mil.	30.1 Mil.

*West North Central Region (Iowa, Kansas, Missouri, Nebraska, North Dakota, South Dakota, and Minnesota)

APRIL MILK OUTPUT UP 1 PERCENT IN MINNESOTA

Totaling 709 million pounds, the state's April milk production was up 1 percent from April 2005.

Output per cow was 1,575 pounds in April, up 35 pounds from April 2005. Milk cows for April averaged 450,000 head, the same as March, but 5,000 below a year ago.

April 2006 milk output in the 23 major states was 14.23 billion pounds, up 4 percent from April 2005. Milk cows in the 23 states averaged 8.24 million head, up 124,000 from the previous year. At 1,727 pounds, production per cow was 37 pounds more than April 2005.

MARCH/APRIL 2006 MILK STATS

State	Milk Production		Percent of Previous Year	
	Mar	Apr	Mar	Apr
	Million Lbs.		Percent	
California	3,427	3,308	106	104
Idaho	895	884	108	108
Minnesota	**731**	**709**	**102**	**101**
New York	1,058	1,032	104	102
Pennsylvania	944	919	105	102
Wisconsin	2,010	1,961	105	103
23 States	14,604	14,230	106	104

WORLD AGRICULTURAL SUPPLY AND DEMAND ESTIMATES

Note: This report presents USDA's initial assessment of U.S. and world crop supply and demand prospects and U.S. prices for the 2006/07 season. Also presented are the first calendar-year 2007 projections of U.S. livestock, poultry, and dairy products. Projections reflect economic analysis, normal weather, trends, and judgment.

Because spring planting is still underway in the Northern Hemisphere and remains several months away in the Southern Hemisphere, these projections are highly tentative. National Agricultural Statistics Service (NASS) forecasts are used for U.S. winter wheat. For other U.S. crops, the March 31 NASS Prospective Plantings report is used for planted acreage.

WHEAT: The 2006/07 U.S. wheat outlook is for a decrease in production, exports, and stocks, and higher prices. Total production is forecast down 11 percent from 2005/06 to 1.9 billion bushels. The survey-based forecast of winter wheat production is down 12 percent because of increased abandonment and reduced yields. Spring and durum production is projected at 550 million bushels, based on trend yields and the most recent 10- year average of harvest-to-planted ratios. Total wheat supplies are down 8 percent.

Total wheat use is projected to decrease 5 percent in 2006/07, mostly because of lower exports. Exports of 900 million bushes are down 100 million bushels, due to tight U.S. supplies. U.S. ending stocks of 447 million bushels are down 18 percent. The 2006/07 price range is $3.50 to $4.10 per bushel, compared with an estimated $3.42 for 2005/06.

COARSE GRAINS: The 2006/07 U.S. outlook for coarse grains includes decreased feed grain supplies, higher use, falling stocks, and higher prices. The 2006/07 corn crop is projected at 10.55 billion bushels, 5 percent below last year. Total corn supply, at 12.8 billion bushels, is down 3 percent as the smaller corn crop is only partially offset by higher beginning stocks.

Projected 2006/07 corn use expands 6 percent to a record 11.6 billion bushels. Domestic use for ethanol production increases 34 percent from last year to 2.15 billion bushels while exports increase 6 percent to 2.15 billion. The export increase is due to reduced foreign competition and lower global feed-quality wheat supplies. Ending stocks of 1.1 billion bushels are down by about half from year-earlier levels. The projected price range for corn is $2.25 to $2.65 per bushel, compared with $1.95 to $2.05 for 2005/06.

OILSEEDS: U.S. oilseed production for 2006/07 is projected at 94.7 million tons, down 2 percent from 2005/06. Soybean production is projected at 3,080 million bushels, down 6 million bushels from 2005/06. With soybean production projected near last season's level, most of the reduction comes from other oilseeds including sunflowerseed, cottonseed, peanuts, and canola. Soybean supplies are projected to reach a record 3,649 million bushels, up 9 percent from 2005/06 due to sharply higher beginning stocks. Soybean crush is projected to increase to 1,750 million bushels, reflecting sharply higher domestic soybean oil demand, a moderate increase in domestic soybean meal disappearance, and increased soybean meal export prospects.

Although increased availability of corn by-products limits prospects for growth in domestic soybean meal use, domestic soybean oil disappearance is projected to increase 6 percent primarily due to rapidly expanding biodiesel production. Soybean exports are projected to increase to 1,090 million bushels for 2006/07. Large U.S. soybean supplies combined with lower- than-expected Brazilian stocks are projected to boost U.S. soybean exports to near-record levels. Ending stocks for 2006/07 are projected at a record 650 million bushels, up 85 million bushels from 2005/06. The 2006/07 U.S. season-average soybean price is projected at $5.10 to $6.10 per bushel, compared with $5.65 per bushel in 2005/06.

Source: USDA-WASDE-434, May 12,2006

AGRI-VIEW(USPS-413810) is published monthly in March, June, November and December; semi-monthly in February, April, May, August, September, and October; three times/month in January and July. Subscription rates are $12.00 per year for non-reporters, and free for survey respondents by the Minnesota Agricultural Statistics Service, PO Box 7068, St. Paul, MN 55107. Periodicals class postage paid at St. Paul, Minnesota and other mailing offices. **POSTMASTER**: Send change of address to AGRI-VIEW, PO Box 7068, St. Paul, MN 55107

Douglas A. Hartwig
Director

Dan Lofthus
Deputy Director