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National Agricultural Statistics Service

AGRI-VIEW

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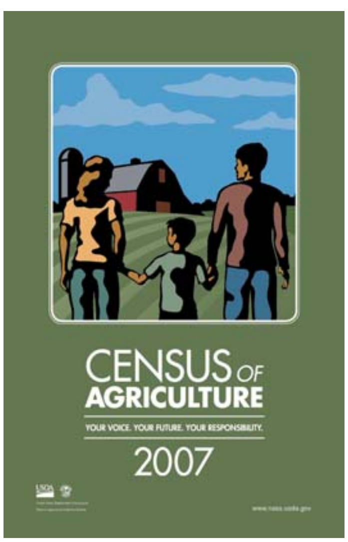

Watch for your Census Questionnaire in late December 2007.

CORN PLANTED ACREAGE AT RECORD HIGH LEVEL FOR MINNESOTA

Minnesota **CORN** acreage is estimated at 8.2 million acres planted for all purposes, up 12 percent from 2006 and up 6 percent from the previous record level in 1981, when Minnesota producers planted 7.7 million acres. Acres to be harvested for grain are 7.65 million.

SOYBEAN acreage in Minnesota is estimated at 6.3 million acres planted, down 14 percent from 2006, and down 19 percent from the record high level of 7.5 million acres in 2003.

SPRING WHEAT planted in Minnesota is estimated at 1.75 million acres, up 3 percent from last year. **WINTER WHEAT** acres are estimated at 60,000 acres, an increase of 10,000 acres from 2006. **SUGARBEETS** account for an estimated 522,000 acres, an increase of 18,000 acres from 2006 and 17,000 acres above the record high level of 505,000 set in 2002.

OAT estimated plantings, of 270,000 acres, are down 7 percent from last year. An estimated 190,000 acres of oats will be harvested for grain. **BARLEY** acreage increased 24 percent from last year with an estimated 130,000 planted acres.

CANOLA growers planted 35,000 acres, up 7,000 acres from last year. The state's **ALL SUNFLOWER** acreage, of 110,000 acres, is up 24 percent from 2006. **FLAXSEED** acreage is estimated at 5,000 acres, down 3,000 acres from last year.

ALFALFA is estimated at 1.3 million acres for harvest, down 4 percent from last year. **OTHER HAY** acreage is estimated at 800,000 acres, up 11 percent from 2006.

CROP	Minnesota			United States		
	2006	2007	2007/2006	2006	2007	2007/2006
	--- 1,000 Acres ---		Percent	--- 1,000 Acres ---		Percent
Corn	7,300	8,200	112	78,327	92,888	119
Soybeans	7,350	6,300	86	75,522	64,081	85
All Wheat	1,750	1,810	103	57,344	60,505	106
Spring	1,700	1,750	103	14,889	13,144	88
Winter 1/	50	60	120	40,575	45,136	111
Oats	290	270	93	4,168	3,860	93
Barley	105	130	124	3,452	4,044	117
Sugarbeets	504	522	104	1,366	1,263	92
Dry Beans	145	145	100	1,630	1,499	92
Canola	28	35	125	1,044	1,165	112
All Sunflowers	89	110	124	1,950	1,864	96
Oil	55	70	127	1,658	1,540	93
Non-Oil	34	40	118	292	324	111
Flaxseed	8	5	63	813	465	57
All Hay 2/	2,070	2,100	101	60,807	61,789	102
Alflalfa 2/	1,350	1,300	96	21,384	21,451	100
Other Hay 2/	720	800	111	39,423	40,338	102

1/ Acres planted in preceding fall.
2/ Harvested Acres.

BIOTECHNOLOGY VARIETIES

The National Agricultural Statistics Service conducts the June Agricultural Survey in all States each year. Randomly selected farmers across the United States were asked if they planted corn, soybeans, or upland cotton seed that, through biotechnology, is resistant to herbicides, insects, or both. Conventionally bred herbicide resistant varieties are excluded. Insect resistant varieties include only those containing bacillus thuringiensis (Bt). The Bt varieties include those that contain more than one gene that can resist different types of insects. Stacked gene varieties include only those containing biotech traits for both herbicide and insect resistance.

BIOTECHNOLOGY VARIETIES, SELECTED STATES AND UNITED STATES, PERCENT OF ALL PLANTED ACRES, 2006-2007

STATE	Corn								Soybeans	
	Insect Resistant (Bt) Only		Herbicide Resistant Only		Stacked Gene Varieties		All Biotech Varieties		Herbicide Resistant Only	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
	Percent		*Percent*		*Percent*		*Percent*		*Percent*	
IA	32	22	14	19	18	37	64	78	91	94
MN	28	26	29	32	16	28	73	86	88	92
ND	29	29	34	37	20	22	83	88	90	92
SD	20	16	32	34	34	43	86	93	93	97
WI	22	19	18	23	10	22	50	64	85	88
US	25	21	21	24	15	28	61	73	89	91

MINNESOTA JUNE 1 ALL SOYBEAN STOCKS LEVEL LARGEST SINCE 1987

The Minnesota June 1 Grain Stocks Survey estimated **SOYBEANS** stored in all positions at 140.4 million bushels, up 8 percent from a year earlier. This is the largest June 1 all soybean stocks level since 1987. On-farm storage of 91 million bushels ties the record for the largest June 1 on-farm stocks level and accounts for 65 percent of total stocks. **CORN** stocks in all positions totaled 460.2 million bushels, down 19 percent from a year earlier. On-farm storage of 330 million bushels accounts for 72 percent of the total. **ALL WHEAT** stocks in all positions totaled 16.2 million bushels, down 31 percent from June 1, 2006. On-farm stocks, at 4.4 million bushels, account for 27 percent of the total. All wheat is at its lowest June 1 stocks level since 1974. **BARLEY** stocks in all positions totaled 8.87 million bushels, down 40 percent from a year earlier and a record low June 1 level. On-farm stocks of 600 thousand bushels account for 7 percent of the total and is the lowest June 1 on-farm barley stocks level on record. **OAT** stocks in all positions totaled 14.6 million bushels, up 13 percent from a year earlier. On-farm stocks, at 2.45 million bushels, account for 17 percent of the total.

JUNE 1 MINNESOTA & U.S. GRAIN STOCKS

COMMODITY	ON FARM		OFF FARM		TOTAL ALL POSITIONS		2007/2006 Percent
	2006	2007	2006	2007	2006	2007	
				-1,000 BUSHELS-			
				MINNESOTA			
CORN	420,000	330,000	149,515	130,214	569,515	460,214	81
SOYBEANS	91,000	91,000	39,587	49,423	130,587	140,423	108
ALL WHEAT	9,200	4,400	14,310	11,796	23,510	16,196	69
BARLEY	1,100	600	13,588	8,273	14,688	8,873	60
OATS	3,300	2,450	9,649	12,171	12,949	14,621	113
				UNITED STATES			
CORN	2,350,500	1,826,600	2,011,199	1,707,101	4,361,699	3,533,701	81
SOYBEANS	495,500	500,000	495,199	591,085	990,699	1,091,085	110
ALL WHEAT	111,010	73,190	460,180	382,503	571,190	455,693	80
BARLEY	30,770	14,580	77,161	54,350	107,931	68,930	64
OATS	25,190	18,400	27,376	32,784	52,566	51,184	97

MINNESOTA HOG NUMBERS UNCHANGED FROM MARCH

Minnesota hog producers had an inventory of 6.9 million hogs and pigs on June 1, 2007, up 1 percent from last year but unchanged from the revised March 1, 2007, figure. This is a new record inventory for June 1. Breeding hogs totaled 610 thousand head, up 3 percent from a year earlier, and market hogs and pigs, at 6.29 million head, were up 1 percent from a year ago.

Minnesota's March-May 2007 pig crop totaled 2.65 million head, up 2 percent from a year earlier and up 4 percent from the December 2006-February 2007 pig crop. The 285 thousand sows that farrowed averaged 9.30 pigs per litter, tying the record high litter rate for the March-May quarter set in 2006.

Hog producers in Minnesota intend to farrow 285 thousand sows during the June-August 2007 quarter. If realized, this would be up 2 percent from the same period a year earlier. Producers intend to farrow 285 thousand sows during the September-November 2007 quarter. If realized, this would be up 2 percent from the same period in 2006.

FARROWING INTENTIONS

State	SOWS TO FARROW			
	Jun '07-Aug '07	as % of 2006	Sep '07-Nov '07	as % of 2006
	1,000	Pct.	1,000	Pct.
AR	41	103	39	103
CO	81	99	83	99
IL	225	113	225	105
IN	140	100	140	100
IA	460	101	470	98
KS	89	105	90	103
MI	55	115	54	108
MN	**285**	**102**	**285**	**102**
MO	180	106	180	103
NE	180	103	180	97
NC	550	98	540	98
OH	80	95	81	98
OK	180	95	180	97
PA	46	102	46	107
SD	72	94	73	103
TX	51	106	50	111
WI	25	96	23	79
Other States 1/	218	105	221	105
US	2,958	102	2,960	100

1/ Individual State estimates not available for the 33 other states.

JUNE 1, 2007, HOG INVENTORIES AND MARCH-MAY 2007 FARROWINGS

STATE	TOTAL		BREEDING		MARKET HOGS & PIGS						SOWS FARROWED MARCH-MAY 2007			
					Under 60 Pounds	60-119 Pounds	120-179 Pounds	180+ Pounds	TOTAL					
	Number	2007 as % of 2006	Number	2007 as % of 2006					Number	2007 as % of 2006	Number	2007 as % of 2006	Pigs Per Litter	Pig Crop 1/
	1,000	Pct.	1,000	Pct.	----------------1,000			---------------	1,000	Pct.	1,000	Pct.	Number	1,000
AR	280	100	85	100	140	20	15	20	195	100	41	100	9.70	398
CO	830	99	150	100	370	95	85	130	680	99	79	98	8.85	699
IL	3,900	93	440	102	1,270	860	760	570	3,460	92	225	107	9.00	2,025
IN	3,250	102	310	97	1,090	760	560	530	2,940	102	140	104	8.90	1,246
IA	17,800	107	1,080	100	5,190	4,630	3,800	3,100	16,720	108	460	99	9.20	4,232
KS	1,880	102	165	103	615	335	325	440	1,715	102	87	104	8.90	774
MI	1,000	102	110	110	320	215	175	180	890	101	52	111	8.95	465
MN	**6,900**	**101**	**610**	**103**	**2,530**	**1,560**	**1,300**	**900**	**6,290**	**101**	**285**	**102**	**9.30**	**2,651**
MO	3,000	111	370	106	1,270	530	505	325	2,630	112	190	112	9.10	1,729
NE	3,050	102	360	99	1,010	710	550	420	2,690	102	180	100	9.25	1,665
NC	9,500	99	1,020	100	3,500	1,900	1,670	1,410	8,480	99	550	100	9.05	4,978
OH	1,640	101	165	100	590	365	305	215	1,475	101	82	100	9.30	763
OK	2,310	97	360	100	930	315	230	475	1,950	97	195	105	9.30	1,814
PA	1,110	101	100	100	290	305	225	190	1,010	101	44	94	9.00	396
SD	1,280	90	145	91	425	260	235	215	1,135	90	70	83	9.50	665
TX	980	101	110	105	275	215	190	190	870	101	46	98	9.20	423
WI	410	95	50	91	155	85	65	55	360	96	25	93	8.80	220
Other Sts 2/	3,630	97	486	105	1,212	734	629	569	3,144	96	215	102	9.28	1,998
US	62,750	102	6,116	101	21,182	13,894	11,624	9,934	56,634	102	2,966	101	9.15	27,141

1/ Number of pigs born March-May that were on hand June 1, or had been sold.
2/ Other States estimates include 33 remaining States.

Analysis of June 29, 2007, Stocks and Acreage Reports
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The Planting Intentions report was released June 29, 2007. It appears that the planted acreage of corn - 92.88 million acres - held up in spite of the wet spring and difficult planting conditions. The acreage actually increased 3 percent over the March intentions report. This new acreage total is approximately 14 million acres greater than last year. This could be due to replanting some wheat acreage to corn after the freeze on Easter week and planting of some marginal land due to economic conditions. Analysts had expected about 90.585 million acres. This is the highest acreage planted since 1944. Weather will now replace acreage as the focal point for the corn market. Concern over stationary fronts blocking moisture from the south is weakening, although corn yield are mainly determined by conditions for pollination and ear-setting. The later planting dates could make the corn crop more vulnerable to summer heat in July. The above-normal temperature recorded this year makes this a legitimate concern. Planted acreage of soybeans, conversely, will be only 64.081 million acres, down 15% from last year. This will be the lowest planted acreage since 1995. Illinois and Iowa registered the largest decreases. Analysts expected about 67.838 million acres.

It appears that some of the acres expected to have been planted to soybeans due to the lateness of the planting season did not materialize. Wheat acreage is reported to be 60.505 million acres, up 6 percent from 2006. On the grain stocks side, corn stocks in all positions on June 1, 2007, totaled 3.53 billion bushels, down 19 percent from June 1, 2006. Of the total stocks, 1.83 billion bushels are stored on farms, down 22 percent from a year earlier. Off-farm stocks, at 1.71 billion bushels, are down 15 percent from a year ago. The March - May 2007 indicated disappearance is 2.53 billion bushels, compared with 2.63 billion bushels during the same period last year. Soybeans stored in all positions on June 1, 2007, totaled 1.09 billion bushels, up 10 percent from June 1, 2006, and the largest June 1 stocks on record.

On-farm stocks totaled 500 million bushels, up 1 percent from a year ago. Off-farm stocks, at 591 million bushels, are up 19 percent from the previous year. Indicated disappearance for the March - May 2007 quarter totaled 696 million bushels, up 3 percent from the same period a year earlier. All wheat stored in all positions on June 1, 2007, totaled 456 million bushels, down 20 percent from a year ago. On-farm stocks are estimated at 73.2 million bushels, down 34 percent from last year. Off-farm stocks, at 383 million bushels, are down 17 percent from a year ago. The March - May 2007 indicated disappearance is 401 million bushels, up slightly from the same period a year earlier. Analysts expected corn stocks to be 3.467 billion bushel. Soybeans stocks as to June 1, 2007, were expected to be 1.076 billion bushel, and wheat stocks at 422 million bushel. Essentially, stocks were larger than expected across all the grains, perhaps the higher prices are rationing use. Wheat stocks are, however, at a low level.

So what does this mean for prices? It was expected that corn would experience a sharp downward correction with soybeans and wheat up significantly. As of this writing, corn prices are down only $.05 - $.07 cents, soybean prices are up about $.10, and wheat is up $.10 - $.15. Utilization (use) and weather will now shape the rest of the season. On the use side, some slowdown in biodiesel expansion is holding down prices advances, and corn demand for ethanol continues to grow. Basis levels are fluctuating widely. Local corn basis ranges from $.25/bushel in the southwest to over $.50 in the central region. Soybean basis is over $1.00 per bushel on spot contracts with fall bids at $.60 - $.70 under Chicago. Using forecasting software with the new numbers, the two estimates for corn prices for fall are $3.31 from futures and $2.85 from fundamentals. Fall corn contracts are under $3.00/bushel at this point. Soybean forecasted prices are $7.47 from futures and $6.87 from fundamentals. This range in forecasts is now narrower than before. The influence of fund trading has made futures prices robust. The transition to local prices via the wide basis show the fundamental demand. Wheat prices will likely stay in the upper $5.00 to $6.00 range due to the winter wheat crop conditions and failure of wheat crops in the Ukraine and elsewhere.

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