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POTATO STOCKS

North Dakota Growers, dealers and processors held 4.80 million hundredweight (cwt) of potatoes in storage on May 1, 2007, up 50 percent from a year ago but down 33 percent from two years ago. Current stocks represent 19 percent of production, up from 16 percent last year, but down from 27 percent two years ago. Total

stocks are defined as all potatoes on hand, regardless of use, including those that will be lost through future shrinkage and dumping.

Disappearance from the start of harvest to May 1 totaled 20.7 million cwt, up from 17.3 million cwt a year ago and 19.6 million cwt two years ago. April disappearance totaled 2.40 million cwt, up from 2.10 million cwt a year ago but down from 3.10 million cwt two years ago.

United States

The 13 major potato states held 73.2 million cwt of potatoes in storage May 1, 2007, down 4 percent from last year and 17 percent below May 1, 2005, for comparable states. Potatoes in storage account for 19 percent of the 2006 fall storage states' production, down 1 percent from last year.

Disappearance, at 309 million cwt, is up 4 percent from last year. Season to date shrink and loss, at 23.7 million cwt, is up 8 percent from last year. Processors in the 9 major states have used 162 million cwt of potatoes this season, up 8 percent from a year ago and 5 percent above 2 years ago. Dehydrating usage accounts for 34.6 million cwt of the total processing, up 15 percent from last year and 3 percent above the same date in 2005.



**Fall Potatoes: Production and Stocks
13 Major States and United States, May 1, 2006-2007**

| State | Crop of 2005 | | Crop of 2006 | |
|-----------------------|-------------------------|--------------------------------------------------|-------------------------|--------------------------------------------------|
| | Production 1,000 Cwt | Stocks May 1, 2006 ^{1/} 1,000 Cwt | Production 1,000 Cwt | Stocks May 1, 2007 ^{1/} 1,000 Cwt |
| North Dakota | 20,500 | 3,200 | 25,480 | 4,800 |
| California | 3,306 | 400 | 3,783 | 450 |
| Colorado | 22,910 | 5,700 | 22,686 | 5,700 |
| Idaho | 118,288 | 31,000 | 121,820 | 27,500 |
| Maine | 15,455 | 4,300 | 18,270 | 5,400 |
| Michigan | 13,910 | 500 | 14,190 | 900 |
| Minnesota | 17,630 | 2,700 | 20,400 | 4,100 |
| Montana | 3,445 | | 3,518 | |
| Nebraska | 8,245 | 1,200 | 8,633 | 1,400 |
| New York | 5,226 | | 5,700 | |
| Oregon | 22,023 | 5,000 | 18,533 | 4,800 |
| Washington | 95,480 | 17,500 | 89,900 | 14,000 |
| Wisconsin | 27,880 | 3,900 | 29,370 | 3,500 |
| Other States | | 500 | | 650 |
| 13 State Total | 374,298 | 75,900 | 382,283 | 73,200 |

^{1/} Missing states combined into "Other States" to avoid disclosure of individual operations.

RANK OF NORTH DAKOTA COUNTIES

Rank of North Dakota Counties ¹

| County | Crop Production – 2006 | | | | | | | | | Livestock Inventory | | | | |
|---------------|------------------------|-------------|--------|------|----------------|--------|-----------|------------|------------------|------------------------|-----------------------|-----------------------|-----------------------|----------------------|
| | Spring Wheat | Durum Wheat | Barley | Oats | Oil Sun-flower | Canola | Soy-beans | Corn Grain | Dry Edible Beans | All Cattle Jan 1, 2007 | Beef Cows Jan 1, 2007 | Milk Cows Jan 1, 2007 | All Sheep Jan 1, 2007 | All Hogs Dec 1, 2006 |
| Adams | 37 | 16 | 48 | 47 | 46 | | | 50 | | 24 | 25 | | 1 | 25 |
| Barnes | 10 | | 24 | 19 | 24 | | 4 | 7 | 23 | 32 | 33 | | 15 | 16 |
| Benson | 17 | | 7 | 12 | 19 | 13 | 18 | 13 | 5 | 29 | 25 | | 33 | |
| Billings | 52 | 22 | 49 | 40 | | | | 52 | | 18 | 12 | | 42 | |
| Bottineau | 4 | 13 | 1 | 6 | 1 | 6 | 32 | 40 | 32 | 36 | 29 | | 33 | |
| Bowman | 38 | 8 | 26 | 45 | 47 | | | 42 | | 15 | 14 | | 2 | 5 |
| Burke | 26 | 5 | 17 | 1 | 26 | 10 | | | | 43 | 41 | | 31 | |
| Burleigh | 43 | 19 | 41 | 48 | 15 | 23 | 35 | 34 | | 6 | 4 | | 11 | |
| Cass | 6 | | 32 | 21 | 21 | | 1 | 2 | 15 | 41 | 39 | | | 8 |
| Cavalier | 1 | 26 | 6 | 36 | 12 | 1 | 24 | 51 | 9 | 48 | 48 | | 33 | 22 |
| Dickey | 42 | | 45 | 11 | 39 | | 8 | 3 | 17 | 11 | 18 | | 16 | 4 |
| Divide | 51 | 2 | 42 | 9 | 37 | 19 | | | | 39 | 42 | | | 9 |
| Dunn | 23 | | 30 | 7 | 41 | | | 31 | | 2 | 1 | 17 | 18 | 12 |
| Eddy | 39 | | 21 | | 30 | 28 | 21 | | 18 | 41 | 37 | | 26 | |
| Emmons | 47 | | 35 | | 6 | | 29 | 23 | | 9 | 8 | 2 | | |
| Foster | 28 | | 10 | | 23 | 20 | 14 | 15 | | 43 | 36 | | 10 | 11 |
| Golden Valley | 46 | 15 | 46 | 10 | 45 | | | 37 | | 30 | 37 | | 13 | |
| Grand Forks | 5 | | 25 | 37 | 4 | 40 | 10 | 12 | 3 | 35 | 44 | | 38 | 2 |
| Grant | 48 | | | | | | | 5 | | 7 | | 14 | 4 | 14 |
| Griggs | 30 | | 18 | 24 | 32 | | 13 | 16 | 16 | 39 | 42 | | | |
| Hettinger | 13 | 9 | 44 | 34 | 28 | 18 | | 32 | | 32 | 31 | 14 | 22 | 21 |
| Kidder | 50 | | 39 | 29 | 27 | 34 | 30 | 20 | | 6 | 3 | | 6 | |
| LaMoure | 29 | | 27 | 15 | | | 5 | 4 | 20 | 21 | 30 | 12 | 29 | 6 |
| Logan | 48 | | 33 | 30 | 13 | | 25 | 26 | | 12 | 19 | 10 | 31 | |
| McHenry | 18 | 21 | 8 | 3 | 3 | 12 | 28 | 19 | | 3 | 6 | 5 | 8 | 19 |
| McIntosh | 45 | | 37 | 20 | 8 | | 20 | 28 | | 12 | 15 | 7 | 21 | |
| McKenzie | 31 | 7 | 14 | 31 | | 26 | | 38 | 34 | 8 | 5 | | | |
| McLean | 8 | 4 | 19 | 4 | 10 | 4 | | 21 | 13 | 16 | 16 | 10 | 26 | |
| Mercer | 40 | 14 | 31 | 17 | | 22 | | 36 | | 17 | 20 | | | |
| Morton | 36 | 30 | 35 | 26 | 36 | 33 | | 43 | | 1 | 1 | 1 | 7 | 16 |
| Mountrail | 27 | 3 | 12 | 14 | 34 | 8 | | | | 19 | 11 | | 22 | |
| Nelson | 21 | | 13 | 35 | 17 | 14 | 19 | 22 | 12 | 46 | 45 | 8 | | 23 |
| Oliver | 44 | | 38 | 31 | 40 | | | 24 | 33 | 14 | 25 | 8 | 26 | 16 |
| Pembina | 3 | | 28 | | 25 | 21 | 12 | 17 | 1 | 53 | 51 | | | 15 |
| Pierce | 22 | | 16 | 22 | 11 | 11 | 23 | 25 | 24 | 28 | 28 | 14 | | |
| Ramsey | 19 | 20 | 2 | | 16 | 9 | 17 | 11 | 8 | 51 | 51 | | 38 | |
| Ransom | 33 | | | 41 | 31 | | 11 | 8 | 11 | 25 | 21 | | 18 | 1 |
| Renville | 13 | 11 | 3 | 16 | 7 | 5 | 33 | | | 51 | 47 | | | |
| Richland | 15 | | | 22 | | | 2 | 1 | 25 | 23 | 22 | | 3 | 10 |
| Rolette | 25 | 23 | 22 | 8 | 29 | 7 | 31 | 47 | | 36 | 33 | | | |
| Sargent | 35 | | | | | | 7 | 6 | 19 | 34 | 39 | 4 | 29 | 7 |
| Sheridan | 32 | 25 | 19 | 33 | 18 | 15 | 27 | | | 31 | 32 | | | |
| Sioux | 53 | | | | | | | | | 22 | 10 | | | |
| Slope | 34 | 12 | 43 | 38 | | 29 | | 46 | | 27 | 23 | | 22 | 23 |
| Stark | 16 | 10 | 40 | 13 | 33 | 31 | | 35 | | 10 | 12 | 3 | 18 | 25 |
| Steele | 24 | | 34 | | 43 | | 9 | 10 | 7 | 47 | 50 | | 12 | |
| Stutsman | 12 | | 5 | 2 | 9 | 25 | 3 | 9 | 14 | 4 | 8 | 5 | 9 | |
| Towner | 9 | 17 | 11 | 45 | 20 | 2 | 22 | 27 | 10 | 48 | 48 | | 33 | 3 |
| Traill | 20 | | 29 | | 44 | | 6 | 5 | 6 | 48 | 51 | | 14 | |
| Walsh | 7 | | 23 | 22 | 14 | 16 | 16 | 18 | 2 | 43 | 45 | | 22 | |
| Ward | 2 | 6 | 4 | 5 | 2 | 3 | 26 | 30 | 27 | 19 | 16 | | 42 | 13 |
| Wells | 11 | 24 | 15 | 18 | 5 | 17 | 15 | 14 | 4 | 36 | 33 | | | |
| Williams | 41 | 1 | 9 | 41 | 42 | 24 | | 41 | 21 | 26 | 23 | | 37 | |

¹ County rank may not be published to avoid disclosure of individual data.

MILK PRODUCTION

United States
Milk production in the 23 major States during April totaled 14.4 billion pounds, up 1.6 percent from April 2006. March revised production, at 14.8 billion pounds, was up 1.2 percent from March 2006. The March revision represented an increase of 11 million pounds or 0.1 percent from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,745 pounds for April, 19 pounds above April 2006.

The number of milk cows on farms in the 23 major States was 8.28 million head, 39,000 head more than April 2006, but 6,000 head less than March 2007.

Milk Cows and Production By Month, 23 Major States ^{1/}, 2006-2007 ^{2/}

| Month | Milk Cows ^{3/} | | Milk Per Cow ^{4/} | | Production | | |
|-----------|-------------------------|------------|----------------------------|--------|------------|------------|------------------|
| | 2006 | 2007 | 2006 | 2007 | 2006 | 2007 | Change from 2006 |
| | 1,000 Head | 1,000 Head | Pounds | Pounds | Mil Pounds | Mil Pounds | Percent |
| January | 8,198 | 8,280 | 1,711 | 1,724 | 14,027 | 14,276 | 1.8 |
| February | 8,206 | 8,277 | 1,586 | 1,582 | 13,018 | 13,098 | 0.6 |
| March | 8,224 | 8,285 | 1,775 | 1,783 | 14,599 | 14,771 | 1.2 |
| April | 8,240 | 8,279 | 1,726 | 1,745 | 14,222 | 14,443 | 1.6 |
| May | 8,257 | | 1,782 | | 14,712 | | |
| June | 8,269 | | 1,697 | | 14,033 | | |
| July | 8,258 | | 1,688 | | 13,937 | | |
| August | 8,255 | | 1,676 | | 13,838 | | |
| September | 8,251 | | 1,613 | | 13,307 | | |
| October | 8,255 | | 1,652 | | 13,637 | | |
| November | 8,260 | | 1,614 | | 13,332 | | |
| December | 8,276 | | 1,690 | | 13,983 | | |
| Annual | 8,246 | | 20,210 | | 166,645 | | |

^{1/} AZ, CA, CO, FL, IA, ID, IL, IN, KS, KY, MI, MN, MO, NM, NY, OH, OR, PA, TX, VT, VA, WA AND WI.
^{2/} 2006 revised. ^{3/} Includes dry cows, excludes heifers not yet fresh. ^{4/} Excludes milk sucked by calves.

WHEAT OUTLOOK

Expected National Average Farm Price Is Up for 2007/08

The 2007/08 U.S. wheat outlook is for higher production with increased feed use and exports and a modest growth in ending stocks. Total production is projected at 2.2 billion bushels, up 20 percent from 2006/07. The survey-based forecast of winter wheat production is up 24 percent as area and yield are higher than last year. Durum and other spring wheat are projected at 558 million bushels, up 9 percent from 2006/07. Total wheat supplies are projected up 7 percent from 2006/07 as lower carryin partly offsets higher expected production. Ending stocks for 2006/07 are reduced 10 million bushels this month reflecting an increase in the 2006/07 export projection.

Total wheat use for 2007/08 is projected 6 percent higher as domestic use and exports are expected to rise year to year. Domestically, food use is projected at 930 million bushels and feed and residual use is projected at 230 million bushels. Exports are projected at 975 million bushels. Ending stocks are projected up 57 million bushels to 469 million, the second lowest since 1996/97. Relatively tight stocks, strong export demand, and higher corn prices are expected to boost 2007/08 farm prices. The national average farm price for 2007/08 is projected at \$4.35 to \$4.95 per bushel, well above the 2006/07 forecast of \$4.27 per bushel.

World wheat production is expected to increase in 2007/08, but remain lower than global use, resulting in declining world wheat stocks. Global ending stocks are projected down 6 percent to the lowest level in 26 years. Tight wheat supplies in Canada and the EU-27 are expected to lead to declining stocks and exports, reducing competition for U.S. exports. Increased U.S. supplies support export prospects.

Winter Wheat Production Up 24 Percent from 2006

The National Agricultural Statistics Service (NASS) survey-based forecast of U.S. winter wheat production is 1,616 million bushels, up 24 percent from 2006. Based on May 1, 2007 conditions, the U.S. yield is forecast at 43.5 bushels per acre, 1.8 bushels above last year. Harvest area totals 37.2 million acres, up 19 percent from last year.

Hard red winter (HRW) production is up 51 percent from a year ago to 1,028 million bushels with an average yield of 38.4 bushels per acre, 6.4 bushels above last year's drought reduced yields. Soft red winter (SRW) production is down 11 percent and totals 347 million bushels with an average yield of 52.0 bushels per acre, down 11.3 bushels from last year. White winter wheat production totals 241 million bushels, up 7 percent from a year ago.

Current Crop Conditions Much Improved From 2006

NASS's May 11 Crop Production reported that HRW expectations in the central and southern Great Plains were well above normal prior to the April 7-8 freeze. The week following the freeze, condition ratings fell but improved slightly in Kansas and Texas by April 29. As of April 29, heading had advanced ahead of normal in Texas but slightly behind in Oklahoma and well behind average in Kansas. Wheat conditions in Nebraska are rated mostly good to excellent with development ahead of normal and last year. Crop development in Montana and Colorado is slightly behind last year with condition rated as good to excellent.

Spring Wheat Production Projected Up From 2006

Other spring seeded area for 2007 is projected down slightly from 2006 while durum seeded area is held constant. Assuming 10-year average harvest-to-planted ratios for other spring and for durum and 1985-06 trend yields, total U.S. spring wheat production in 2007 is projected to be 558 million bushels, 44 million bushels more than the drought reduced 2006 crops. Production of durum wheat in Arizona and California is forecast at 16.6 million bushels, up 20 percent from the previous year.

Projected Exports for 2006/07 Raised

For 2006/07, U.S. wheat exports are raised 10 million bushels from last month to 910 million bushels to reflect the pace of HRW and hard red spring shipments. The increased exports reduced ending stocks for 2006/07 to 412 million bushels, down 159 million bushels from 2005/06.

Source: *Wheat Outlook*, USDA-ERS, May 15, 2007

HAY STOCKS & WINTER WHEAT PRODUCTION

North Dakota

Stocks of all hay stored on North Dakota farms totaled 609,000 tons on May 1, 2007, down 66 percent from the previous year. Disappearance of hay from December 1, 2006 – May 1, 2007, totaled 3.77 million tons, virtually the same as a year ago. This is the lowest hay stocks have been since 1999 due mainly to the lowest production since 1989.

United States

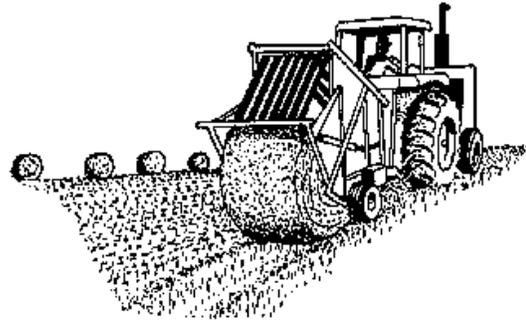
Winter wheat production is forecast at 1.62 billion bushels, up 24 percent from 2006. Based on May 1 conditions, the U.S. yield is forecast at 43.5 bushels per acre, 1.8 bushels above last year. Grain area totals 37.2 million acres, up 19 percent from last year. The portion of the winter wheat crop rated good to excellent on April 29, at 56 percent, was 20 percentage points above last year.

All hay stored on U.S. farms May 1, 2007 totaled 15.0 million tons, down 30 percent from the previous year and the lowest since 1950. Disappearance of hay from December 1, 2006 - May 1, 2007, totaled 81.4 million tons, 3 percent less than the disappearance of 83.9 million tons for the same period a year earlier.

Hay Stocks and Winter Wheat Production North Dakota and United States, 2005-2007

| Item | Unit | 2005 | 2006 | 2007 |
|-----------------------------------|---------------|-----------|-----------|-----------|
| Winter Wheat ^{1/} | | | | |
| United States | | | | |
| Harvested for Grain | 1,000 Acres | 33,794 | 31,117 | 37,172 |
| Yield Per Acre | Bushels | 44.4 | 41.7 | 43.5 |
| Production | 1,000 Bushels | 1,499,129 | 1,298,081 | 1,615,613 |
| Hay Stocks | | | | |
| North Dakota | | | | |
| Quantity, May 1 | 1,000 Tons | 917 | 1,806 | 609 |
| Quantity, December 1 | 1,000 Tons | 5,580 | 4,375 | |
| United States | | | | |
| Quantity, May 1 | 1,000 Tons | 27,758 | 21,345 | 14,988 |
| Quantity, December 1 | 1,000 Tons | 105,205 | 96,397 | |

^{1/} 2007 winter wheat forecasted yield and production.



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