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2008 JUNE ACREAGE

North Dakota Acreage planted to **spring wheat** is estimated at 6.80 million acres, a 2 percent increase from last year's 6.65 million acres. **Durum wheat** planted acreage is estimated at 1.70 million acres, up 15 percent from last year. **Soybean** planted

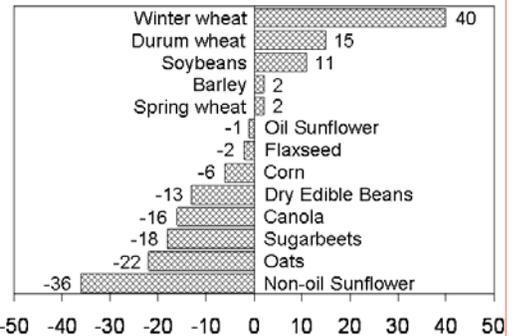
acres, at 3.40 million, are up 11 percent from 2007. Of the acres planted, 94 percent were planted with genetically modified, herbicide resistant seed. **Corn** planted for all purposes is estimated at 2.40 million acres, down 6 percent from last year's record high acreage. Of the total acres, 24 percent were planted with Bt varieties; 34 percent with herbicide resistant varieties; and 31 percent with stacked gene varieties. **Barley** acreage is up 2 percent from last year. **Oat** planted acres decreased to 360,000, down 100,000 from last year.

Canola acreage is down 16 percent from last year to 910,000 planted acres. Acres planted to **oil sunflower**

decreased to 900,000, down 10,000 from last year. **Non-oil sunflower** acreage is estimated at 105,000, down from 165,000 last year.

Flaxseed acreage decreased 5,000 acres from last year to 315,000. **Dry edible bean** acres decreased to 600,000. **Sugarbeet** planted acres are down 18 percent from last year. This is the lowest area planted since 205,800 acres were planted in 1994. **Alfalfa hay** acreage that will be cut is down 100,000 acres from 2007.

Planted Acreage: Percent Change from 2007, North Dakota, June 2008



Crop Summary: Area Planted and Harvested North Dakota and United States, 2007-2008¹

Crop	North Dakota					United States				
	Area Planted				Area Harvested		Area Planted		Area Harvested	
	2007	2008	2008 as % of 2007	5-Yr Avg 2003-07	2007	Forecasted 2008	2007	2008	2007	Forecasted 2008
	1,000 Acres	1,000 Acres	Pct	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres
Barley	1,470	1,500	102	1,484	1,390	1,400	4,020	4,130	3,508	3,640
Corn for Grain ²	2,550	2,400	94	1,780	2,350	2,150	93,600	87,327	86,542	78,940
Hay, All					2,780	2,850			61,625	60,439
Alfalfa					1,650	1,550			21,670	20,778
All Other					1,130	1,300			39,955	39,661
Oats	460	360	78	496	260	150	3,760	3,467	1,505	1,443
Rye ³							1,376	1,190	289	266
Wheat, All	8,595	9,150	106	8,662	8,405	8,850	60,433	63,457	51,011	56,586
Winter	465	650	140	270	445	600	44,987	46,605	35,952	40,252
Durum	1,480	1,700	115	1,702	1,460	1,650	2,149	2,655	2,112	2,583
Spring	6,650	6,800	102	6,690	6,500	6,600	13,297	14,197	12,947	13,751
Canola	1,080	910	84	962	1,070	890	1,183	1,008	1,163	979
Flaxseed	320	315	98	602	317	310	354	340	349	333
Mustard Seed ³							56.0	67.0	52.8	64.0
Rapeseed ³							1.5	0.5	1.0	0.4
Safflower ³							180	191	172	183
Soybeans	3,050	3,400	111	3,360	2,990	3,340	63,631	74,533	62,820	72,121
Sunflower, All	1,075	1,005	93	1,041	1,055	970	2,068.0	2,164.0	2,009.5	2,062.5
Oil	910	900	99	874	895	870	1,764.0	1,850.0	1,717.0	1,768.0
Non-oil	165	105	64	167	160	100	304.0	314.0	292.5	294.5
Sugarbeets	252	206	82	257	247	201	1,269.8	1,080.1	1,246.8	1,027.3
Dry Edible Beans	690	600	87	616	665	575	1,526.9	1,398.0	1,478.7	1,339.2
Dry Edible Peas	515	500	97		500		847.5	820.0	811.3	
Lentils	110	95	86		106		303.0	277.0	295.0	
Potatoes, Fall	97				91		1,010.6		996.7	

¹ Data are latest estimates available. Updated potato, dry edible pea and lentil estimates will be released July 11. ² Area planted for all purposes. ³ Published at U.S. level only.

2008 JUNE ACREAGE (Continued)

United States

Spring wheat area planted is estimated at 14.2 million acres, up 7 percent from last year. **Durum wheat** planted area for is estimated at 2.66 million acres, up 24 percent from last year's level. **Soybean** planted area is estimated at 74.5 million acres, up 17 percent from last year. **Corn** planted area for all purposes is estimated at 87.3

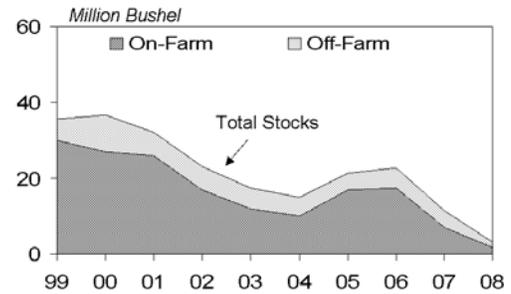
million acres, down 7 percent from last year. **Barley** growers seeded 4.13 million acres, up 3 percent from the 4.02 million acres seeded last year. **Sunflower** area planted totals 2.16 million acres, up 5 percent from 2007. **Dry edible bean** planted area is estimated at 1.40 million acres, down slightly from the March 1 forecast and down 8 percent from 2007.

GRAIN STOCKS

North Dakota

All wheat stored in all positions on June 1, 2008 totaled 28.9 million bushels. This is a 52 percent decrease from a year ago. All wheat stocks include Durum, spring and winter wheat. **Durum wheat** stocks in all positions totaled 3.25 million bushels, down 72 percent from a year ago. **Barley** stored in all positions totaled 16.8 million bushels, down slightly from last year's 16.9 million. **Oats** stocks in all positions totaled 3.49 million bushels, up 24 percent from a year ago. **Corn** stocks in all positions totaled a record high 69.6 million bushels, 106 percent above a year ago. **Soybean** stocks in all positions totaled 13.9 million bushels, down 45 percent from a year ago.

**Durum Wheat Stocks
North Dakota, June 1, 1999-2008**



**Stocks: By Position, Current and Previous Quarter
North Dakota and United States, 2007-2008**

Crop	Date	North Dakota			United States		
		On Farm 1,000 Bushels	Off Farm ¹ 1,000 Bushels	Total All Positions 1,000 Bushels	On Farm 1,000 Bushels	Off Farm ¹ 1,000 Bushels	Total All Positions 1,000 Bushels
Wheat, All ²	June 1, 2007	32,000	28,310	60,310	73,190	382,963	456,153
	Mar 1, 2008	28,000	43,300	71,300	91,990	617,280	709,270
	June 1, 2008	9,300	19,550	28,850	25,635	279,983	305,618
Durum Wheat	June 1, 2007	7,100	4,310	11,410	8,950	12,430	21,380
	Mar 1, 2008	6,000	5,900	11,900	8,100	17,058	25,158
	June 1, 2008	1,800	1,450	3,250	2,350	5,938	8,288
Barley	June 1, 2007	5,000	11,850	16,850	14,580	54,300	68,880
	Mar 1, 2008	11,000	17,700	28,700	28,270	82,154	110,424
	June 1, 2008	3,300	13,500	16,800	9,950	58,275	68,225
Oats	June 1, 2007	2,400	420	2,820	18,400	32,198	50,598
	Mar 1, 2008	5,700	830	6,530	31,000	47,988	78,988
	June 1, 2008	2,700	790	3,490	16,100	50,704	66,804
Corn	June 1, 2007	24,000	9,800	33,800	1,826,600	1,706,843	3,533,443
	Mar 1, 2008	68,000	47,200	115,200	3,780,000	3,078,722	6,858,722
	June 1, 2008	40,000	29,600	69,600	1,970,900	2,057,117	4,028,017
Soybeans	June 1, 2007	15,500	9,850	25,350	500,000	592,185	1,092,185
	Mar 1, 2008	21,000	19,300	40,300	593,000	840,982	1,433,982
	June 1, 2008	6,600	7,300	13,900	226,600	449,491	676,091
Rye ^{3,4}	June 1, 2007	---	---	---	220	261	481
	June 1, 2008	---	---	---	150	246	396
Flaxseed ⁴	June 1, 2007	---	---	---	---	---	2,444
	June 1, 2008	---	---	---	---	---	1,512
Canola ⁴	June 1, 2007	---	---	---	---	---	294,905
	June 1, 2008	---	---	---	---	---	344,977
Rapeseed ⁴	June 1, 2007	---	---	---	---	---	2,192
	June 1, 2008	---	---	---	---	---	2,389
Dry Edible Peas ⁴	June 1, 2007	---	---	---	---	---	1,406
	June 1, 2008	---	---	---	---	---	2,003
Lentils ⁴	June 1, 2007	---	---	---	---	---	554
	June 1, 2008	---	---	---	---	---	503
All Chickpeas ⁴	June 1, 2007	---	---	---	---	---	377.0
	June 1, 2008	---	---	---	---	---	298.0
Small ⁴	June 1, 2007	---	---	---	---	---	47.0
	June 1, 2008	---	---	---	---	---	67.0
Large ⁴	June 1, 2007	---	---	---	---	---	330.0
	June 1, 2008	---	---	---	---	---	231.0

¹ Includes stocks at mills, elevators, warehouses, terminals and processors. ² Includes Durum, other spring and winter. ³ Three-state total including Minnesota, North Dakota and South Dakota only. ⁴ Published at the U.S. level only.

AGRICULTURAL PRICES

North Dakota

The Index of Prices Received for All Farm Products in June is 232 percent of the 1990-1992 base. This is up 66 percent from last year and 111 percent above two years ago. The All Crops Index, at 266 percent of the base, is up 80 percent from June 2007 while the All Livestock and Products Index, at 111 percent, is down 1 percent from last year. June indexes are calculated using preliminary mid-month prices.

United States

The All Farm Products Index is 162 percent of its 1990-92 base, up 7 percent from the May index and 18 percent above the June 2007 index. The All Crops Index is 190, up 11 percent from May and 35 percent above June 2007. The Livestock and Products Index, at 137, is 2 percent above last month and June 2007.

Index Numbers of Farm Prices North Dakota and United States, June 2008

Indexes and Ratios	North Dakota			United States		
	June 2007	May 2008	June 2008	June 2007	May 2008	June 2008
Prices Received	(1990-92 = 100)					
All Farm Products	140	200	232	137	151	162
Crops	148	238	266	141	171	190
Food Grains	167	349	334	168	283	276
Feed Grains & Hay	154	222	252	159	227	250
Oil Bearing Crops ¹	134	226	253	135	217	243
Potatoes & Dry Beans ²	113	114	124	132	161	181
Livestock and Products	112	120	111	134	134	137
Meat Animals	100	114	101	121	123	123
Dairy Products	155	159	155	155	141	149
Other Livestock Products ³	130	130	129	140	149	154
Prices Paid	NA	NA	NA	161	186	189
Ratio⁴	NA	NA	NA	85	81	86

¹ Includes non-oil sunflower. ² North Dakota includes sugarbeets. ³ United States excludes wool. ⁴ Ratio of Index of Prices Received to Index of Prices Paid. NA=Not applicable.

Prices Received by Farmers North Dakota and United States, June 2008

Item	Unit	North Dakota			United States			Effective U.S. Parity Price June 2008
		Entire Month		Preliminary	Entire Month		Preliminary	
		June 2007	May 2008	June 2008	June 2007	May 2008	June 2008	
		<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	
Wheat, All	Bu	5.22	11.20	10.40	5.03	8.87	8.28	13.50
Durum	Bu	5.65	14.30	12.40	5.49	13.50	12.10	NA
Spring	Bu	5.17	10.80	10.10	5.17	10.70	10.10	NA
Winter	Bu	¹	8.35	8.50	5.00	8.17	8.00	NA
Corn	Bu	3.32	5.13	5.80	3.53	5.28	6.12	8.51
Oats	Bu	2.33	3.27	3.30	2.54	3.63	3.64	5.53
Barley, All	Bu	3.28	5.25	5.28	3.30	4.52	4.70	9.30
Feed	Bu	3.13	¹	4.80	3.50	4.99	4.18	NA
Malting	Bu	3.29	5.29	5.40	3.25	4.38	4.94	NA
Sunflower, All	Cwt	16.30	26.50	28.30	17.00	27.50	28.70	42.40
Oil	Cwt	15.80	27.00	NA	NA	NA	NA	NA
Non-oil	Cwt	18.60	25.00	NA	NA	NA	NA	NA
Baled Hay, All ²	Ton	60.00	70.00	72.00	131.00	166.00	161.00	NA
Alfalfa ²	Ton	63.00	73.00	75.00	137.00	177.00	172.00	NA
Other ²	Ton	45.00	51.00	54.00	111.00	134.00	130.00	NA
Canola	Cwt	¹	¹	27.00	NA	25.30	27.00	38.60
Flaxseed	Bu	7.81	16.80	17.30	7.81	16.80	17.30	22.80
Soybeans	Bu	7.08	12.20	13.50	7.51	12.10	13.50	21.00
Dry Edible Beans, All	Cwt	22.70	31.10	32.00	24.40	35.70	38.60	68.50
Navy	Cwt	23.60	34.90	NA	NA	NA	NA	NA
Pinto	Cwt	22.40	29.90	NA	NA	NA	NA	NA
Potatoes, All	Cwt	6.50	6.90	6.85	7.75	9.16	10.37	20.90
Fresh ³	Cwt	4.80	8.85	NA	10.31	14.30	NA	NA
Processing	Cwt	6.55	6.30	NA	6.71	6.71	NA	NA
Beef Cattle	Cwt	64.70	79.70	66.60	88.80	91.10	91.60	258.00
Steers & Heifers	Cwt	93.00	99.00	96.00	93.20	95.90	95.90	NA
Cows	Cwt	52.50	54.00	54.00	50.10	53.90	53.80	NA
Calves	Cwt	121.00	107.00	104.00	124.00	119.00	120.00	374.00
Sheep	Cwt	25.00	26.00	NA	28.20	27.70	NA	118.00
Lambs	Cwt	102.00	110.00	NA	96.80	100.00	NA	293.00
Hogs	Cwt	56.20	52.00	NA	54.30	55.30	53.60	141.00

¹ Price not published to avoid disclosure of individual farms. ² Alfalfa, other and all hay are preliminary prices only. ³ Fresh market prices only, includes table stock. NA=Not applicable.

PRICE TRENDS ARE SIMILAR FOR FRUITS, VEGETABLES & SNACK FOODS

An increase in the price of fruits and vegetables relative to less healthy foods could reduce consumers' incentives to purchase fruits and vegetables and result in less healthy diets. Whether such a change in relative prices and incentives has occurred in the United States is difficult to prove because of substantial quality improvements in many fresh fruits and vegetables. For commonly consumed fresh fruits and vegetables for which quality has remained fairly constant, analysis of price trends reveals a price decline similar to that of dessert and snack foods. This price trend evidence suggests that the price of a healthy diet has not changed relative to an unhealthy one, although a healthy diet might not include every fresh fruit or vegetable currently available.

What Is the Issue?

In theory, it should be easy to compare food prices from a time when Americans were thinner to current prices and demonstrate whether relative prices of healthy and less healthy foods have changed. In practice, an increase in the relative prices of fresh fruits and vegetables is difficult to prove. Standard price comparisons using Consumer Price Index (CPI) numbers suggest that prices of fresh fruits and vegetables have increased relative to prices of other foods. However, these numbers have been shown to overstate the rate of price increase for many types of foods, and especially for fresh fruits and vegetables. A primary reason is the difficulty in accounting for quality changes, like year-round availability and convenient pre-washed packaging. The question remains whether prices of fresh fruits and vegetables have increased over time, holding quality constant.

What Did the Study Find?

Bureau of Labor Statistics' (BLS) average food price data—not index numbers—reveal that, relative to dessert and snack foods, prices have remained stable for a variety of fresh fruits and vegetables that have not had substantial quality improvements and were commonly consumed in the 1980s. Inflation-adjusted price trends for these largely unchanged fruits and vegetables show patterns similar to those of the less healthful foods: prices for healthy and unhealthy foods declined at about the same rate relative to all other goods.

Specifically, from 1980-2006, inflation-adjusted prices of chocolate chip cookies, cola, ice cream, and potato chips fell

by an average of 0.5-1.7 percent each year. During the same period, inflation-adjusted prices of Red Delicious apples, bananas, Iceberg lettuce, and dry beans fell by an average of 0.8-1.6 percent each year. Inflation-adjusted prices of cabbage, carrots, celery, cucumbers, and peppers fell by an average of 0.5-1.5 percent each year, over a slightly shorter period of time

Rising price trends were observed for broccoli and field-grown tomatoes. These trends are not counter-examples, but reveal that the selection process was not exclusive enough to screen out all foods that have undergone quality change. Unlike in 1980, today's consumer expenditures for broccoli are for partially or fully prepared products—washed and bagged florets and other cut products. Similarly, a technological improvement in the late 1980s changed the types of tomatoes grown and their sensory qualities. The price trend evidence is specific to the foods examined. It neither indicates nor suggests that inflation-adjusted prices for all fresh fruits and vegetables are declining similarly. It does suggest that a wide class of unprepared fresh fruits and vegetables—those that have not been combined with labor-saving attributes and those that have long been available year-round—display declining prices along with prices of commonly consumed dessert and snack foods. The price trend evidence suggests that the price of a healthy diet has not changed relative to an unhealthy diet, although a healthy diet might not include every fresh fruit or vegetable currently available. Many innovative fresh fruit and vegetable products have been introduced in recent years. These newer products account for a growing share of produce sold by retailers. The growing availability of such products suggests that many consumers value these innovations. A remaining question is whether low-income households also share in the benefits provided by foods that are more convenient and more readily available.

How Was the Study Conducted?

The study used BLS U.S. city average food price data, deflating the monthly time series price data (1980-2006) by the CPI to construct inflation-adjusted price trends for 4 dessert and snack foods and 11 fresh fruits and vegetables. Identifying fresh fruits and vegetables that were largely the same product in 1980 and 2006 was accomplished by selecting foods with long, mostly uninterrupted, time series retail price data. Excluded from the study were foods with seasonal periods each year with no reported prices.

Source: *ERS Report*, USDA-ERS, March 2008

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