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CROP PRODUCTION

Minnesota **corn** production is forecast at 1.47 billion bushels. If realized, the production will be a record high, breaking the previous record of 1.43 billion bushels set in 2015. Based on conditions as of August 1, yields are expected to average 184 bushels per acre, a decrease of 4 bushels per acre from last year. If realized, the yield will be the second highest of all time, behind last year's record yield. Corn planted acreage is estimated at 8.50 million acres. An estimated 8.00 million of the acres planted will be harvested for grain.

Soybean production is forecast at 364 million bushels down 4 percent from last year's 378 million bushels. The August 1 forecast yield is 47.0 bushels per acre, 3.0 bushels below 2015. If realized, both production and yield will be the second highest, behind the records set in 2015. Soybean planted acreage is estimated at 7.80 million acres with 7.75 million acres to be harvested.

Spring wheat production is estimated at 81.0 million bushels, a decrease of 6 percent from 2015. Yield is forecast at 60.0 bushels per acre, down 3.0 bushels from the July forecast and equal to the 2015 yield. If realized, the yield will tie 2015 for the highest ever in Minnesota.

Oat production for grain is forecast at 6.46 million bushels, down 48 percent from last year. The yield is forecast at 68.0 bushels per acre, down 1.0 bushel from July and down 10.0 bushels from 2015.

Barley production is forecast at 4.80 million bushels, down 48 percent from 2015. Yield is forecast at 64.0 bushels an acre, up 11.0 bushels from July, but down 13.0 bushels from 2015.

Sugarbeet production is estimated at 12.3 million tons, up 1 percent from last year. Yield is forecast at a record 28.5 tons per acre, up 0.5 tons from the previous record of 28.0 tons in 2015.

Minnesota hay yield for **alfalfa and alfalfa mixtures** is forecast at 3.40 tons per acre, with a total production of 3.74 million tons, a 32 percent increase in production from 2015. The forecast yield for other hay is 2.00 tons per acre, with a production of 1.20 million tons.

United States corn production is forecast at 15.2 billion bushels, up 11 percent from last year. Based on conditions as of August 1, yields are expected to average 175.1 bushels per acre, up 6.7 bushels from 2015. If realized, this will be the highest yield and production on record for the United States. Area harvested for grain is forecast at 86.6 million acres, unchanged from the June forecast, but up 7 percent from 2015.

U.S. soybean production is forecast at a record 4.06 billion bushels, up 3 percent from last year. Based on August 1 conditions, yields are expected to average a record 48.9 bushels per acre, up 0.9 bushel from last year. Area for harvest in the United States is forecast at a record 83.0 million acres, unchanged from the June forecast but up 1 percent from 2015. Planted area for the Nation is estimated at a record 83.7 million acres, also unchanged from June.

U.S. other spring wheat production is forecast at 571 million bushels, up 4 percent from the July 1 forecast but down 5 percent from last year. Area harvested for grain is expected to total 11.8 million acres, unchanged from last month but down 9 percent from last year. The United States yield is forecast at 48.3 bushels per acre, up 1.8 bushels from last month and up 2 bushels from last year. Of the total production, 531 million bushels are Hard Red Spring wheat, up 4 percent from the previous forecast but down 6 percent from last year.

All crop forecasts in this report are based on August 1 conditions and do not reflect weather effects since that time. The next corn and soybean production forecasts, based on conditions as of September 1, will be released on September 12.

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**Area Harvested, Yield, and Production Summary – Minnesota and United States:
2015 and Forecasted August 1, 2016**

Crop	Area Harvested		Yield per acre		Production	
	2015	2016	2015	2016	2015	2016
	(1,000 acres)		(bushels)		(1,000 bushels)	
MINNESOTA						
Barley.....(Bu)	120	75	77.0	64.0	9,240	4,800
Corn.....(Bu)	7,600	8,000	188.0	184.0	1,428,800	1,472,000
Dry Beans ¹	182.0	163.0	2,140	2,200	3,896	3,586
Hay, Alfalfa.....(Ton)	1,050	1,100	2.70	3.40	2,835	3,740
Hay, Other.....(Ton)	520	600	2.20	2.00	1,144	1,200
Oats.....(Bu)	160	95	78.0	68.0	12,480	6,460
Sugarbeets.....(Ton)	435.0	431.0	28.0	28.5	12,180	12,284
Soybeans.....(Bu)	7,550	7,750	50.0	47.0	377,500	364,250
Wheat, Spring.....(Bu)	1,430	1,350	60.0	60.0	85,800	81,000
UNITED STATES						
Barley.....(Bu)	3,109	2,578	68.9	73.6	214,297	189,652
Corn.....(Bu)	80,749	86,550	168.4	175.1	13,601,198	15,153,472
Dry Beans ¹	1,711.4	1,658.0	1,760	1,781	30,121	29,533
Hay, Alfalfa.....(Ton)	17,778	18,065	3.32	3.40	58,974	61,507
Hay, Other.....(Ton)	36,659	38,062	2.06	2.07	75,414	78,973
Oats.....(Bu)	1,276	1,165	70.2	66.0	89,535	76,854
Sugarbeets.....(Ton)	1,145.4	1,147.0	30.9	31.4	35,359	36,001
Soybeans.....(Bu)	81,814	83,037	48.0	48.9	3,929,160	4,060,188
Wheat, Spring.....(Bu)	12,941	11,835	46.3	48.3	599,080	571,415

¹ Yield in lbs, production in cwt.

**Dry Edible Beans, Area Planted by Commercial Class – Minnesota:
2015 and Forecasted August 1, 2016**

Commercial Class	Planted	
	2015	2016
	(1,000 acres)	
Navy.....	49.5	42.7
Great northern.....	(¹)	(¹)
Pinto.....	10.7	22.2
Light red kidney.....	22.8	10.4
Dark red kidney.....	53.1	47.7
Pink.....	4.1	4.2
Small red.....	(¹)	(¹)
Cranberry.....	(¹)	(¹)
Black.....	34.3	33.1
Other.....	15.5	9.7
All dry beans.....	190.0	170.0

¹ Data are included in "Other" class to avoid disclosing data for individual operations.

U.S. Corn Supply and Use ¹

CORN	2014-2015	2015-2016 (Est.)	2016-2017 ² Projections July
	(million bushels)		
Beginning Stocks	1,232	1,731	1,706
Production	14,216	13,601	15,153
Imports	32	65	50
Supply, total	15,479	15,397	16,909
Feed & Residual	5,314	5,200	5,675
Food, Seed & Industrial	6,567	6,567	6,650
Domestic, total	11,881	11,767	12,325
Exports	1,867	1,925	2,175
Use, total	13,748	13,692	14,500
Ending Stocks, total	1,731	1,706	2,409
Avg. farm price (\$/bu)	3.70	3.55 - 3.65	2.85 - 3.45

U.S. Soybean Supply and Use ¹

SOYBEANS	2014-2015	2015-2016 (Est.)	2016-2017 ² Projections July
	(million bushels)		
Beginning Stocks	92	191	255
Production	3,927	3,929	4,060
Imports	33	25	30
Supply, total	4,052	4,145	4,346
Crushings	1,873	1,900	1,940
Exports	1,842	1,880	1,950
Seed	96	97	95
Residual	50	12	31
Use, total	3,862	3,889	4,016
Ending stocks	191	255	330
Avg. farm price (\$/bu)	10.10	8.95	8.35 - 9.85

¹ Source: USDA OCE World Agricultural Supply and Demand Estimates Report <http://www.usda.gov/oce/commodity/wasde/index.htm>

² Preliminary

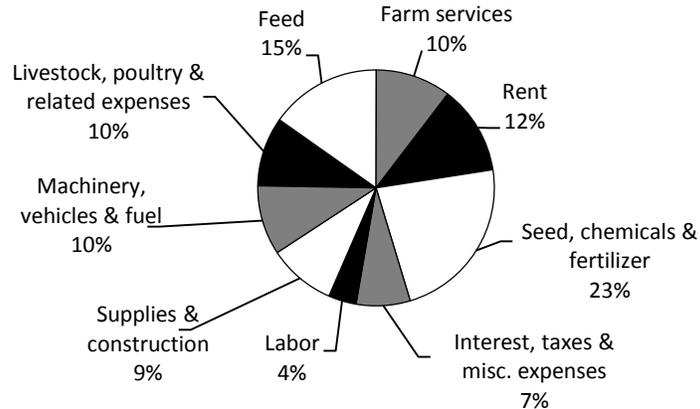
¹ Source: USDA OCE World Agricultural Supply and Demand Estimates Report <http://www.usda.gov/oce/commodity/wasde/index.htm>

² Preliminary

FARM PRODUCTION EXPENDITURES

Minnesota farm production expenditures totaled \$17.3 billion in 2015. This was down 10 percent from the 2014 total expenditures. Feed expense, which declined 8 percent to \$2.64 billion, represented the largest single production expense for Minnesota farmers in 2015, accounting for 15 percent of the total. Rent payments were the second largest expense, totaling \$2.11 billion and 12 percent of the total. This was down 8 percent from 2014. The largest percentage decreases were Other Farm Machinery (down 43 percent) to \$350 million and purchases of Tractors and Self-propelled Machinery (down 32 percent) to 530 million.

FARM PRODUCTION EXPENDITURES, Minnesota, 2015



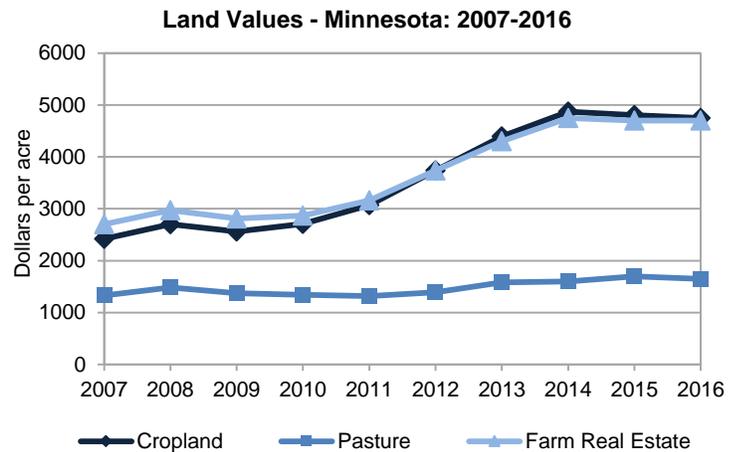
Farm Production Expenditures – Minnesota: 2014-2015

Expenditure - Farm Share	Farms Reporting ¹		Average per Farm ²		Total Expenditures	
	2014	2015	2014	2015	2014	2015
	(percent)		(dollars)		(million dollars)	
Total Farm Production Expenditures ³	100.0	100.0	259,257	235,462	19,185	17,330
Livestock, Poultry & Related Expenses ⁴	22.6	25.3	23,243	22,418	1,720	1,650
Feed	39.1	40.6	38,649	35,870	2,860	2,640
Farm Services ⁵	93.6	96.0	26,351	24,321	1,950	1,790
Rent ⁶	41.7	41.0	30,946	28,668	2,290	2,110
Agricultural Chemicals ⁷	51.3	54.7	9,189	9,375	680	690
Fertilizer, Lime & Soil Conditioners ⁷	57.6	56.7	21,892	22,418	1,620	1,650
Interest	45.0	43.1	7,703	7,745	570	570
Taxes (Real Estate & Property)	100.0	100.0	9,730	9,375	720	690
Labor	27.5	25.1	8,243	8,967	610	660
Fuels	85.4	79.9	12,162	8,152	900	600
Farm Supplies & Repairs ⁸	82.2	78.3	12,838	11,821	950	870
Farm Improvements & Construction ⁹	53.9	59.1	14,459	9,918	1,070	730
Tractors & Self-Propelled Farm Machinery	19.7	14.7	10,541	7,201	780	530
Other Farm Machinery	27.1	23.2	8,378	4,755	620	350
Seeds & Plants ¹⁰	60.6	58.9	21,892	21,875	1,620	1,610
Trucks & Autos	16.3	14.2	2,703	2,310	200	170
Miscellaneous Capital Expenses	1.8	4.5	338	272	25	20

1. Number of farms reporting item divided by total number of farms. 2. The average per farm is computed by dividing the line-item total expense by the total number of farms at that level. Totals may not add due to rounding. 3. Includes the operator, landlord, and contractor shares of farm production expenses. Totals may not add due to rounding. 4. Includes purchases and leasing of livestock and poultry. Intra-state and inter-state transfers of livestock are captured. 5. Includes all crop custom work, veterinary custom services, transportation costs, marketing charges, insurance, leasing of machinery and equipment, utilities, general expenses, and miscellaneous business expenses. 6. Includes cash rent paid, share rent, plus public and private grazing fees. 7. Includes material and application costs. 8. Includes bedding and litter, marketing containers, power farm-shop equipment, oils and lubricants, temporary fencing, miscellaneous non-capital equipment and supplies, repairs and maintenance of equipment not depreciated, and other small, non-capital equipment. 9. Includes all expenditures related to new construction or repairs of buildings, fences, operator dwelling (if dwelling is owned by operation), and any improvements to physical structures of land. 10. All purchases of seed, plants, or seed treatments for nursery and farming operation are included. Bedding plants, nursery stock, and seed purchased for resale are excluded.

LAND VALUES

Minnesota's farm real estate value, a measurement of the value of all land and buildings on farms, averaged \$4,700 per acre. This is unchanged from last year's level. Cropland value decreased 1 percent from last year to \$4,750 per acre. Pasture, at \$1,650 per acre, decreased 3 percent from a year ago.



Land Values – Minnesota: 2012-2016

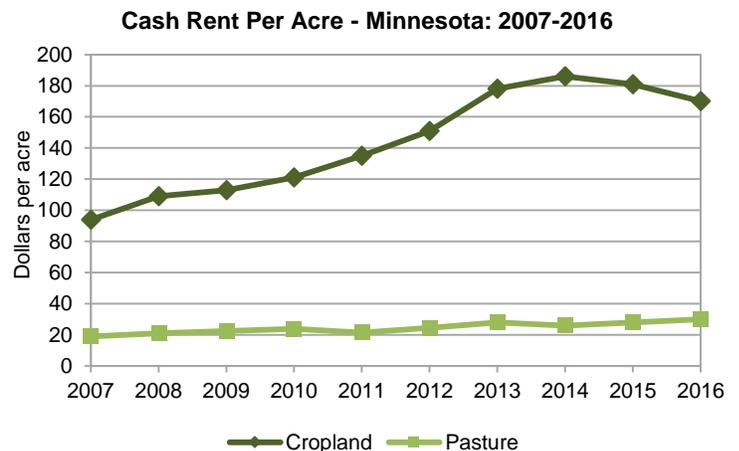
Item	2012	2013	2014	2015	2016
Cropland, Average Value (dollars per acre)	3,740	4,390	4,870	4,800	4,750
Pasture, Average Value (dollars per acre)	1,390	1,580	1,600	1,700	1,650
Farm Real Estate, Average Value (dollars per acre)	3,740	4,300	4,750	4,700	4,700
Value of Farmland & Buildings ¹ (million dollars)	97,240	111,370	123,025	121,730	(NA)

(NA) Not available. ¹ Total value of land and buildings is derived by multiplying average value per acre of farm real estate by the land in farms.

CASH RENTS

Cropland cash rent paid to Minnesota landlords in 2016 averaged \$170.00 per acre. Non-irrigated cropland rent averaged \$170.00 per acre, down \$11.00 from a year earlier. Irrigated cropland rent averaged \$185.00 per acre, down \$25.00 from last year. Pasture rented for cash averaged \$30.00 per acre, up \$2.00 from the previous year.

County level cash rent averages will be released on September 9, 2016.



Cash Rent – Minnesota: 2012-2016

Item	2012	2013	2014	2015	2016
Cropland, cash rent expense (dollars per acre)	151.00	178.00	186.00	181.00	170.00
Irrigated, cash rent expense (dollars per acre)	200.00	205.00	210.00	210.00	185.00
Non-irrigated, cash rent expense (dollars per acre)	150.00	177.00	185.00	180.00	170.00
Pasture, cash rent expense (dollars per acre)	24.50	28.00	26.00	28.00	30.00