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CROP PRODUCTION

North Dakota Soybean production is forecast at a record high 110 million bushels, up 3 percent from the September forecast and 6 percent above last year. Based on conditions as of October 1, yields are expected to average 29 bushels per acre, equal to the September forecast, but down 7 bushels from last year. Area to be harvested is estimated at 3.80 million acres, up 31 percent from 2005.

Corn for grain production is forecast at 152 million bushels, down 4 percent from the September forecast and 2 percent below last year. Corn for grain yields are expected to average 105 bushels per harvested acre, unchanged from the September forecast, but 24 bushels below last year. Acreage to be harvested for grain is estimated at 1.45 million, 21 percent above 2005.

Dry edible bean production is forecast at 6.62 million hundredweight (cwt), 23 percent below last year. Yield is forecast at 1,050 pounds per acre, equal to the August forecast, but down 470 pounds from last year. Area for harvest is expected to be 630,000 acres, 12 percent above last year.

All sunflower (oil and non-oil) production for 2006 is forecast at 1.00 billion pounds, down 43 percent from last year. The average yield for all sunflower is forecast at 1,143 pounds per harvested acre, down from 1,586 pounds last year. Harvested acreage is estimated at 875,000, down 21 percent from last year.

Canola production is forecast at 1.12 billion pounds, down 24 percent from 2005. The yield forecast, at 1,200 pounds per harvested acre, is down 240 pounds from last year.



**Crop Summary: Area Planted and Harvested
North Dakota and United States, 2005 and Forecasted October 1, 2006 ^{1/}**

Crop	North Dakota				United States			
	Area Planted		Area Harvested		Area Planted		Area Harvested	
	2005	2006	2005	2006	2005	2006	2005	2006
	<i>1,000 Acres</i>							
Barley	1,200	1,100	1,060	995	3,875	3,452	3,269	2,951
Corn for Grain ^{2/}	1,410	1,690	1,200	1,450	81,759	78,561	75,107	71,047
Corn for Silage			170				5,920	
Hay, All			3,030	2,960			61,649	62,697
Alfalfa			1,650	1,600			22,389	22,407
All Other			1,380	1,360			39,260	40,290
Oats	490	420	240	120	4,246	4,168	1,823	1,576
Rye ^{3/}					1,433	1,396	279	274
Wheat, All	9,090	8,800	8,835	8,290	57,229	57,344	50,119	46,810
Winter	310	200	285	180	40,433	40,575	33,794	31,117
Durum	1,980	1,300	1,950	1,260	2,760	1,870	2,716	1,815
Other Spring	6,800	7,300	6,600	6,850	14,036	14,899	13,609	13,878
Canola	1,040	950	1,015	930	1,159	1,045	1,114	1,008
Flaxseed	890	650	865	640	983	718	955	704
Mustard Seed ^{3/}					49.0	42.5	44.6	40.5
Rapeseed ^{3/}					2.4	1.8	2.0	1.6
Safflower ^{3/}					165	221	160	212
Soybeans	2,950	3,900	2,900	3,800	72,032	75,565	71,251	74,505
Sunflower, All	1,140	900	1,105	875	2,709	1,984	2,610	1,864
Oil	910	770	885	750	2,104	1,686	2,032	1,587
Non-oil	230	130	220	125	605	298	578	277
Sugarbeets	255.0	263.0	243.0	259.0	1,299.8	1,362.8	1,242.9	1,343.6
Dry Edible Beans, All	620.0	670.0	565.0	630.0	1,665.0	1,648.8	1,568.6	1,562.4
Dry Edible Peas	540.0	580.0	515.0	560.0	808.0	895.0	765.9	856.6
Lentils	150.0	150.0	146.0	145.0	450.0	420.0	439.0	402.0
Fall Potatoes, All	92.0	100.0	82.0	95.0	967.7	990.5	949.0	974.4

^{1/} Data are latest estimates available. ^{2/} Area planted for all purposes. ^{3/} Published at U.S. level only.

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CROP PRODUCTION (Continued)

United States

Soybean production is forecast at 3.19 billion bushels, up 3 percent from the September forecast and up 4 percent from the 2005 crop. If realized, this would be the highest production on record. Yields are expected to average 42.8 bushels per acre, up 1.0 bushel from September but down 0.2 bushel from last year's record high yield. Expected area for harvest, at 74.5 million acres, is up 1 percent from September and 5 percent above 2005.

Corn for grain production is forecast at 10.9 billion bushels, down 2 percent from both last month and 2005. Yields are expected to average 153.5 bushels per acre, down 1.2 bushels from September but 5.6 bushels higher than last year. If realized, the yield would be the second largest on record, behind 2004. Area harvested and to be harvested for grain, at 71.0 million acres, is down 1 percent from September and 5 percent below 2005.

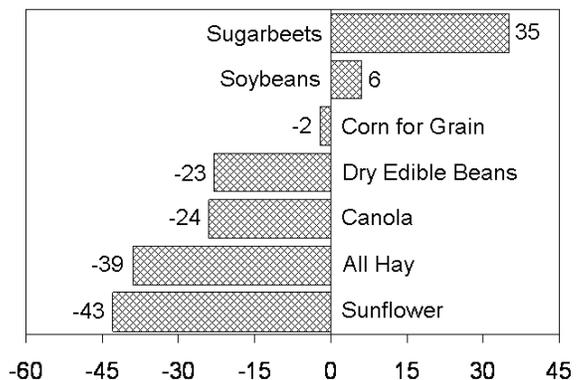
Dry edible bean production is forecast at 23.8 million cwt for 2006, up 2 percent from the August forecast but 13 percent below last year. The average yield is forecast at 1,523 pounds per acre, a decrease of 11 pounds from the August forecast and 221 pounds below last year. Harvested area is forecast at 1.56 million acres, 3 percent above the August forecast but less than 1 percent below last year.

All sunflower production for 2006 is forecast at 2.11 billion pounds, down 47 percent from 2005 but 3 percent above 2004. The October yield forecast, at 1,134 pounds, is 406

pounds less than the 2005 yield. Sunflower farmers expect to harvest 1.86 million acres, up 4 percent from June but down 29 percent from the 2005 acreage.

Canola production for 2006 is forecast at 1.22 billion pounds, down 23 percent from 2005. The average yield forecast, at 1,212 pounds per acre, is 207 pounds below last year's yield. If realized, the yield will be the second lowest on record since estimates began in 1991. Canola farmers expect to harvest 1.01 million acres, up 3 percent from June but down 10 percent from 2005.

2006 Production Forecast Percent Change from 2005 North Dakota, October 1, 2006



Crop Summary: Yield and Production North Dakota and United States, 2005 and Forecasted October 1, 2006 ^{1/}

Crop	Unit	North Dakota				United States					
		2005	2006		2005	2006	2005	2006		2005	2006
			Sep 1	Oct 1				Sep 1	Oct 1		
				1,000	1,000					1,000	1,000
Barley ^{2/}	Bu	54.0		49.0	57,240	48,755	64.8		61.0	211,896	180,051
Corn for Grain	Bu	129.0	105.0	105.0	154,800	152,250	147.9	154.7	153.5	11,112,072	10,905,194
Corn for Silage	Tons	11.0			1,870		18.0			106,311	
Hay, All	Tons	1.86		1.16	5,646	3,440	2.44		2.35	150,590	147,038
Alfalfa	Tons	2.00		1.30	3,300	2,080	3.38		3.33	75,771	74,527
All Other	Tons	1.70		1.00	2,346	1,360	1.91		1.80	74,819	72,511
Oats ^{2/}	Bu	59.0		41.0	14,160	4,920	63.0		59.5	114,878	93,764
Rye ^{2/3/}	Bu						27.0		26.3	7,537	7,193
Wheat, All ^{2/}	Bu	34.4		30.4	303,765	251,770	42.0		38.7	2,104,690	1,812,036
Winter ^{2/}	Bu	39.0		44.0	11,115	7,920	44.4		41.7	1,499,129	1,298,081
Durum ^{2/}	Bu	35.0		25.0	68,250	31,500	37.2		29.5	101,105	53,475
Other Spring ^{2/}	Bu	34.0		31.0	224,400	212,350	37.1		33.2	504,456	460,480
Canola	Lbs	1,440		1,200	1,461,600	1,116,000	1,419		1,212	1,580,985	1,221,990
Flaxseed	Bu	21.0			18,165		20.6			19,695	
Mustard Seed ^{3/}	Lbs						787			35,114	
Rapeseed ^{3/}	Lbs						1,500			3,000	
Safflower ^{3/}	Lbs						1,203			192,545	
Soybeans	Bu	36.0	29.0	29.0	104,400	110,200	43.0	41.8	42.8	3,063,237	3,188,576
Sunflower, All	Lbs	1,586		1,143	1,752,650	1,000,000	1,540		1,134	4,018,355	2,113,625
Oil	Lbs	1,610			1,424,850		1,564			3,177,635	
Non-oil	Lbs	1,490			327,800		1,455			840,720	
Sugarbeets	Tons	18.9	24.0	24.0	4,593	6,216	22.2	24.1	24.5	27,537	32,928
Dry Edible Beans, All ^{4/}	Cwt	1,520		1,050	8,588	6,615	1,744		1,523	27,350	23,800
Dry Edible Peas ^{4/}	Cwt	1,900			9,785		1,828			14,003	
Lentils ^{4/}	Cwt	1,350			1,971		1,176			5,163	
Fall Potatoes, All	Cwt	250			20,500		403			382,743	

^{1/} Data are latest estimates available. ^{2/} Estimates carried forward from September Small Grains 2006 Summary. ^{3/} Published at U.S. level only. ^{4/} Yield in pounds.

WORLD AGRICULTURAL SUPPLY & DEMAND ESTIMATES

Wheat: Projected U.S. 2006/07 ending stocks are lowered 11 million bushels from last month despite higher production and carryin reported in the *Small Grains Summary* and the *Grain Stocks* reports released September 29, 2006. Supplies increase 14 million bushels based on an 11 million bushel increase in 2006 production and a 3 million bushel increase in 2005/06 ending stocks. Exports are increased 25 million bushels this month reflecting tighter world supplies. Soft red winter wheat exports are raised 20 million bushels and durum exports are raised 5 million bushels. The projected price range is raised 15 cents on both ends of the range to \$4.10 to \$4.60 per bushel, reflecting higher domestic and world prices resulting from reduced global production and supplies.

Global wheat production for 2006/07 is lowered 11.0 million tons this month to 585.1 million. Despite reductions in consumption and trade, global ending stocks decline 7.1 million tons to 119.3 million. This is down sharply from 147.2 million tons last year and the lowest stocks in 25 years. Production in Australia is lowered to 11.0 million tons, down 8.5 million from last month. Persistent drought and September heat, similar to 2002/03 in most of the major growing regions, have sharply reduced prospects for this year's crop. At this level, Australia's production would be only 0.9 million tons higher than in 2002/03 when record drought and heat devastated that crop. Production is also lowered in China, EU-25, and Brazil. Together, these reductions far outweigh a 0.4 million ton increase in Canada. Exports for Australia are lowered 5.0 million tons from last month. Partly offsetting this reduction in world trade are increased exports for Canada, EU-25, Kazakhstan, and the United States. With tighter supplies, consumption is lowered 2.7 million tons and world exports are reduced 1.7 million tons.

Coarse Grains: U.S. corn production for 2006 is forecast at 10.9 billion bushels this month, down 209 million bushels on lower harvested area and lower yield. Harvested area is lowered 794,000 acres this month with the biggest reductions in Illinois, Nebraska, and Ohio. Beginning stocks are lowered 41 million bushels based on September 1 stocks reported in the September 29 *Grain Stocks* report. Total supplies for 2006/07 are projected at 12.9 billion bushels, down 250 million bushels from last month. Feed and residual use is lowered 25 million bushels reflecting higher prices and the smaller crop. Ending stocks are reduced 225 million bushels and are just below 1.0 billion bushels. The 2006/07 marketing year average price is raised 25 cents on both ends of the range to \$2.40 to \$2.80 per bushel, reflecting the tighter balance sheet, higher than expected cash prices in recent weeks, and strong futures prices.

U.S. grain sorghum supplies for 2006/07 are raised 11 million bushels this month as higher than projected September 1 stocks more than offset lower production. Production is forecast 3 million bushels lower this month reflecting a slightly lower yield. Feed and residual use is raised 10 million bushels based on larger supplies and higher corn prices. The projected price range is up 25 cents on both ends of the range to \$2.20 to 2.60 per bushel.

Reductions in barley and oat supplies for 2006/07 reflect changes from the *Small Grains Summary* and *Grain Stocks* reports. Barley production is lowered 3 million bushels and oats production is lowered 14 million bushels. The barley

price projection is raised 10 cents on both ends of the range to \$2.55 to \$2.95 per bushel. The oats price projection is raised 10 cents on both ends of the range to \$1.70 to \$2.10 per bushel.

Global 2006/07 coarse grain production is lowered 4.7 million tons to 964.8 million tons. Higher corn production in China and Mexico and higher EU-25 barley production are more than offset by lower barley production in Australia and Canada and lower corn production in the United States. The largest foreign changes this month are for Australia barley and China corn. Barley production in Australia is reduced 3 million tons as drought and heat have reduced crop prospects substantially. China corn production is raised 3 million tons to a record 141 million tons on record area and a projected yield just below last year's record. Canada's corn and barley production are reduced 0.2 million tons and 0.3 million tons, respectively, based on official estimates from Statistics Canada. Mexican corn production is raised 0.7 million tons reflecting favorable crop weather this summer. EU-25 barley production is raised 0.6 million tons based on harvest results that put yields above expectations. World coarse grain exports and consumption are adjusted slightly. Global coarse grain ending stocks are lowered 5.2 million tons to 120.6 million.

Oilseeds: U.S. oilseed ending stocks for 2006/07 are projected at 16.3 million tons, up 0.7 million tons from last month and up 2.2 million tons from revised 2005/06 ending stocks. Total U.S. oilseed production is projected at 96.4 million tons, up 2.7 million tons from last month. Soybean production is forecast at a record 3,189 million bushels, up 96 million due to higher yields and increased harvested area. Planted and harvested area are both raised 0.6 million. Total soybean supplies are up 60 million bushels as higher production is partly offset by lower carryin. Soybean exports and crush are raised 20 million and 10 million bushels, respectively, due to increased supplies. Soybean ending stocks are projected at 555 million bushels, up 25 million from last month. Other oilseed changes include increased peanut, canola, and cottonseed production and reduced sunflowerseed production.

U.S. season average soybean prices for 2006/07 are projected at \$4.90 to \$5.90, unchanged from last month. Also unchanged are projected soybean meal prices at \$147.50 to \$177.50 per short ton and soybean oil prices at 23.0 to 27.0 cents per pound.

Global oilseed production for 2006/07 is projected at 390.4 million tons, up 3.9 million tons from last month and up 2.1 million tons from 2005/06. Foreign oilseed production is raised 1.2 million tons due mainly to higher rapeseed, sunflowerseed, and cottonseed production. Rapeseed production is projected higher for EU-25 based on better than expected yields in Germany, Poland, and Canada. Australia's rapeseed production is reduced sharply this month due to the impact of drought, which was especially severe during the critical month of September. Cottonseed production is raised mainly due to higher output in China, which more than offsets a small reduction for Australia. Other changes include increased sunflowerseed production for Ukraine and EU-25, and increased palm oil production for Malaysia. Global oilseed stocks for 2006/07 are raised this month as higher production and increased beginning stocks are only partly offset by increased use.

MILK PRODUCTION

North Dakota

Milk production for the July-September 2006 quarter totaled 119 million pounds, down 10 percent from the same period a year earlier and 5 percent from the revised April-June 2006 quarter. Average milk cows during the current quarter, at 31,000 head, were down 1,000 head from both a year earlier and the previous quarter. Milk produced per cow during the July-September quarter was 3,850 pounds, down from 4,110 pounds a year earlier and 3,910 pounds the previous quarter.

United States

Milk production in the U.S. during the July-September quarter totaled 44.7 billion pounds, up 1.4 percent from the July-September quarter last year. The average number of milk cows in the U.S. during the quarter was 9.12 million head, 57,000 head more than the same period last year.



**Milk Cows and Production: Selected States and United States
July - September, 2005-2006**

State	July-September Milk Cows ^{1/}		July-September Milk Production ^{2/}		
	2005	2006	2005	2006	Change From 2005
	<i>1,000 Head</i>	<i>1,000 Head</i>	<i>Million Pounds</i>	<i>Million Pounds</i>	<i>Percent</i>
North Dakota	32	31	132	119	-9.8
California	1,759	1,771	9,367	9,554	2.0
Minnesota	452	450	2,013	2,050	1.8
New York	648	643	3,053	3,049	-0.1
Wisconsin	1,236	1,244	5,817	5,823	0.1
United States	9,060	9,117	44,134	44,737	1.4

1/ Includes dry cows, excludes heifers not yet fresh. 2/ Excludes milk sucked by calves.

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