



North Dakota

FARM REPORTER

Issue: 11-07

June 5, 2007

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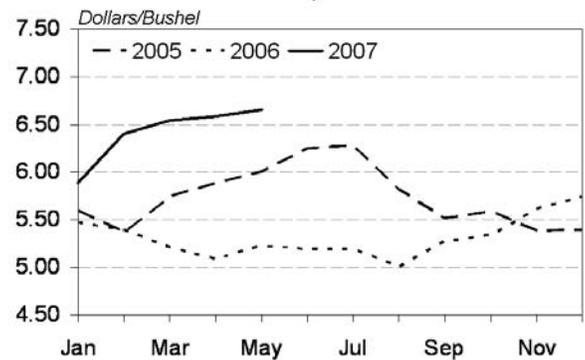
AGRICULTURAL PRICES

North Dakota
 The Index of Prices Received for All Farm Products in May is 125 percent of the 1990-1992 base. This is up 13

percent from last year and 14 percent above two years ago. The All Crops Index, at 131 percent of the base, is up 21 percent from May 2006 while the All Livestock and Products Index, at 114 percent, is down 3 percent from last year. May indexes are calculated using preliminary mid-month prices.

The April Index of Prices Received for All Farm Products, recalculated with full month prices, was 129 percent of the base, up 18 percent from April 2006. The All Crops Index, at 133 percent, was up 25 percent from the previous year while the All Livestock and Products Index, at 118 percent, was unchanged from April 2006.

Soybeans: Prices Received
North Dakota, 2005-2007



Prices Received by Farmers
North Dakota and United States, May 2007

Item	Unit	North Dakota			United States			Effective U.S. Parity Price May 2007
		Entire Month		Preliminary	Entire Month		Preliminary	
		May 2006	Apr 2007	May 2007	May 2006	Apr 2007	May 2007	
		<i>Dollars</i>						
Wheat, All	Bu	3.93	4.85	4.89	4.09	4.89	4.70	10.90
Durum	Bu	3.54	5.40	5.30	3.94	5.45	5.28	NA
Spring	Bu	4.08	4.79	4.80	4.18	4.86	4.91	NA
Winter	Bu	3.27	4.40	4.55	4.06	4.87	4.58	NA
Corn	Bu	1.95	2.92	3.10	2.17	3.39	3.48	8.06
Oats	Bu	1.68	2.42	2.05	1.85	2.46	2.36	4.51
Barley, All	Bu	2.28	2.91	3.10	2.97	3.07	3.33	7.59
Feed	Bu	1.62	3.00	3.10	2.45	3.20	3.47	NA
Malting	Bu	2.40	2.89	3.10	3.11	3.02	3.29	NA
Sunflower, All	Cwt	12.60	15.70	15.90	11.80	15.90	16.40	34.80
Oil	Cwt	10.70	14.80	15.20	NA	NA	NA	NA
Non-oil	Cwt	18.00	17.60	18.00	NA	NA	NA	NA
Baled Hay, All ^{1/}	Ton	47.00	66.00	63.00	113.00	124.00	138.00	NA
Alfalfa ^{1/}	Ton	49.00	70.00	65.00	117.00	128.00	144.00	NA
Other ^{1/}	Ton	36.00	49.00	45.00	95.80	113.00	116.00	NA
Canola	Cwt	10.60	13.10	NA	NA	NA	NA	28.70
Flaxseed	Bu	5.59	6.73	6.85	5.59	6.73	6.85	17.60
Soybeans	Bu	5.22	6.58	6.65	5.68	6.88	7.15	17.80
Dry Edible Beans, All	Cwt	14.70	23.00	21.80	19.30	24.60	25.90	57.10
Navy	Cwt	18.00	20.80	NA	NA	NA	NA	NA
Pinto	Cwt	13.60	23.10	NA	NA	NA	NA	NA
Potatoes, All	Cwt	7.75	7.85	7.10	7.83	8.53	8.69	17.20
Fresh ^{2/}	Cwt	13.30	7.15	NA	10.51	11.68	NA	NA
Processing	Cwt	6.55	7.70	NA	6.30	6.78	NA	NA
Beef Cattle	Cwt	83.90	88.90	80.90	82.20	94.30	93.50	213.00
Steers & Heifers	Cwt	99.30	102.00	100.00	86.30	99.90	98.60	NA
Cows	Cwt	51.10	49.50	51.00	47.40	49.20	51.60	NA
Calves	Cwt	123.00	120.00	123.00	134.00	127.00	126.00	306.00
Sheep	Cwt	32.00	33.00	NA	32.50	33.80	NA	103.00
Lambs	Cwt	92.00	100.00	NA	88.90	97.20	NA	250.00
Hogs	Cwt	51.40	48.60	NA	48.20	47.30	52.00	122.00

^{1/} Alfalfa, other and all hay are preliminary prices only. ^{2/} Fresh market prices only, includes table stock. NA=Not applicable.

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AGRICULTURAL PRICES (Continued)

United States

The May All Farm Products Index is 138 percent of its 1990-92 base, up 3 percent from the April index and 24 percent above the May 2006 index. The All Crops Index is 144, up 2 percent from April and 20 percent above May 2006. The Food Grains Index, at 155, is 2 percent below the previous month, but 17 percent above a year ago. The Feed Grains and Hay Index is 158, up 5 percent from last month and 48 percent above a year ago. The Oil Bearing Crops Index, at 128, is up 4 percent from April and 25 percent higher than May 2006. The Livestock and Products Index, at 134, is 4 percent above last month and up 29 percent from May 2006.

Index Numbers of Farm Prices North Dakota and United States, May 2007

Indexes and Ratios	North Dakota			United States		
	May 2006	Apr 2007	May 2007	May 2006	Apr 2007	May 2007
Prices Received	(1990-92 = 100)					
All Farm Products	111	129	125	111	134	138
Crops	108	133	131	120	141	144
Food Grains	123	154	152	133	158	155
Feed Grains & Hay	96	131	137	107	151	158
Oil Bearing Crops ^{1/}	97	126	123	102	123	128
Potatoes & Dry Beans ^{2/}	107	113	109	131	144	148
Livestock and Products	117	118	114	104	129	134
Meat Animals	119	120	115	112	123	124
Dairy Products	108	110	108	91	127	136
Other Livestock Products ^{3/}	112	112	111	103	146	150
Prices Paid	NA	NA	NA	149	157	158
Ratio ^{4/}	NA	NA	NA	74	85	87

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.

MEAT ANIMALS – PRODUCTION & INCOME

North Dakota

Cattle and Calves: Cash receipts from marketings of cattle and calves during 2006 decreased 9 percent from 2005. All cattle and calf marketings during 2006 were down 4 percent from 2005. The 2006 annual average price of cattle and calves, at \$96.70 per 100 pounds live weight (cwt) was down from the record high 2005 price of \$102.00.

Sheep and Lambs: Cash receipts from marketings of sheep and lambs in 2006 decreased 19 percent from 2005.

Marketings decreased 20 percent from the previous year. The average annual price of sheep and lambs per cwt for 2006 increased to \$85.80 from \$84.60 in 2005.

Hogs and Pigs: Cash receipts from marketings of hogs and pigs during 2006 were down 17 percent from the previous year. Marketings were 11 percent below 2005 while the 2006 annual average price per cwt decreased to \$47.40 from \$51.30 in 2005.

Meat Animals: Production & Income, North Dakota, 2001-2006

Year	Production 1,000 Pounds	Marketings 1,000 Pounds	Average Price Per 100 Lbs Dollars	Value of Production 1,000 Dollars	Cash Receipts 1,000 Dollars	Value of Home Consumption 1,000 Dollars	Gross Income 1,000 Dollars
Cattle & Calves							
2001	662,659	736,820	79.50	524,046	585,742	5,824	591,566
2002	686,606	836,925	73.10	500,095	612,180	5,402	617,582
2003	745,605	870,000	79.40	588,039	690,905	6,165	697,070
2004	763,410	799,250	92.50	702,022	738,975	7,408	746,383
2005	748,313	782,250	102.00	761,799	799,083	8,311	807,394
2006	796,116	750,740	96.70	761,769	726,132	7,231	733,363
Sheep & Lambs							
2001	9,095	10,263	53.60	4,983	5,504	73	5,577
2002	9,255	13,909	54.40	5,430	7,569	90	7,659
2003	7,472	10,799	71.50	6,130	7,718	82	7,800
2004	7,705	8,265	87.70	6,617	7,249	80	7,329
2005	7,655	9,398	84.60	6,821	7,949	87	8,036
2006	6,653	7,478	85.80	5,432	6,414	78	6,492
Hogs & Pigs							
2001	92,042	97,840	45.40	44,657	47,917	489	48,406
2002	79,018	82,040	36.40	31,345	32,704	386	33,090
2003	66,980	67,409	39.70	29,645	30,252	425	30,677
2004	66,934	69,628	51.40	38,920	42,112	561	42,673
2005	69,670	75,582	51.30	43,894	49,571	551	50,122
2006	64,046	67,538	47.40	38,476	41,269	516	41,785

FARM LABOR

Northern Plains

During the week of April 8-14, 2007, farm operators paid hired workers an average of \$10.63 per hour in the Northern Plains region of Kansas, Nebraska, North Dakota and South Dakota. This compares with \$9.84 per hour during April 9-15, 2006. Paid workers with fieldwork responsibilities averaged \$10.04 per hour during the 2007 period and livestock workers averaged \$9.75.

United States

Farm operators paid their hired workers an average wage of \$10.17 per hour during the April 2007 reference week, up 39 cents from a year earlier. Field workers received an average of \$9.35 per hour, up 40 cents from last April, while livestock workers earned \$9.55 per hour compared with \$9.31 a year earlier.

**Hired Workers: Wages Rates by Type of Worker
Northern Plains and United States¹**

Item	Northern Plains ²		United States ³	
	April 9-15, 2006	April 8-14, 2007	April 9-15, 2006	April 8-14, 2007
	<i>Dollars per Hour</i>	<i>Dollars per Hour</i>	<i>Dollars per Hour</i>	<i>Dollars per Hour</i>
All Farm Workers	9.84	10.63	9.78	10.17
Field	9.67	10.04	8.95	9.35
Livestock	8.64	9.75	9.31	9.55
Field and Livestock	9.25	9.91	9.06	9.41

¹ Excludes agricultural service workers. ² Northern Plains includes Kansas, Nebraska, North Dakota and South Dakota. ³ Excludes AK.

AG CHEMICAL USAGE

North Dakota

Farm operators applied nitrogen to 43 percent of the soybean acres in 2006. Phosphate was applied to 42 percent of the soybean acres, and potash to 3 percent of the soybean acres. Comparison data for soybean acreage came from 2004. During 2004, nitrogen was applied to 64 percent of soybean acreage, phosphate 63 percent, and potash 11 percent.

During 2006, nitrogen was applied to 99 percent of the spring wheat acres. Phosphate was applied to 88 percent, potash 21 percent, and sulfur applications covered 11 percent. Comparison data for spring wheat acreage came from 2004. During 2004, nitrogen was applied to 98 percent of the spring wheat acreage, phosphate 86 percent and potash 27 percent. No data was available for sulfur applications for spring wheat acreage in 2004.

Nitrogen was applied to 92 percent of the durum wheat planted acreage in 2006. Phosphate was applied to 71 percent, potash to 7 percent and sulfur to 4 percent. Comparison data for durum wheat came from 2004. During 2004, nitrogen was applied to 95 percent of the durum wheat acreage, phosphate 70 percent, and potash 6 percent. No data was available for sulfur applications for durum wheat acreage in 2004.

Glyphosate iso. salt was the most commonly applied herbicide for soybeans in 2006, with 93 percent of the acreage covered. Chlorpyrifos, used on 27 percent of the soybean acreage, was the most popular insecticide. During 2004, Glyphosate was applied to 88 percent of the soybean acreage. No data was available for insecticide applications for soybean acreage in 2004.

Fenoxaprop-p-ethyl was the most commonly applied herbicide for spring wheat in 2006, with 45 percent of the acreage covered. Other herbicides used for spring wheat include MCPA, 2-ethylhexyl, Glyphosate iso. salt, Fluroxypyr 1-MHE applied to 44 percent, 37 percent, and 34 percent of the acreage, respectively. The fungicide Propiconazole was applied to 10 percent of the spring wheat acreage in 2006. During 2004, MCPA was applied to 60 percent of the spring wheat acreage, Fenoxaprop 49 percent, Bromoxynil octanoate 25 percent, and Bromoxynil 20 percent. Tebuconazole and Propiconazole, at 15 and 13 percent, respectively, were the most popular fungicides applied for spring wheat in 2004.

Glyphosate iso. salt was the most commonly used herbicide for durum wheat, covering 50 percent of the 2006 acreage. Other herbicides used were Fenoxaprop-p-ethyl at 43 percent, MCPA, 2-ethylhexyl at 37 percent, and 2,4-D, 2-EHE at 28 percent. During 2004, Fenoxaprop was the most commonly applied herbicide for durum wheat, covering 48 percent of the 2004 acreage. Other commonly used durum wheat herbicides used in 2004 were Glyphosate, MCPA, and 2,4-D applied to 46 percent, 45 percent, and 36 percent, respectively.

The agricultural chemical use estimates in this report refer to on-farm use of commercial fertilizers and pesticides on targeted crops for the 2006 crop year. The farmers operating the sampled fields were personally interviewed late in the growing season or after the farm operator had indicated that planned fertilizing and pesticide applications were completed.

SOYBEAN OUTLOOK

U.S. Soybean Output Expected Lower in 2007

A combination of lower acreage and yields is expected to cut 2007 U.S. soybean output by 443 million bushels (14 percent) to 2,745 million bushels. The 2007/08 export volume is projected staying firm around 1,080 million bushels and the domestic soybean crush would be up a moderate 20 million bushels to 1,790 million. A big drop in the expected supply is foreseen nearly halving 2007/08 ending stocks to 320 million bushels from 610 million this year. A gradual tightening of the market should reinforce 2007/08 soybean prices, which are forecast at \$6.50-\$7.50 per bushel, compared with \$6.30 for the current crop year.

With a more moderate gain in China's imports now predicted, a lower 2006/07 export forecast raises Brazil's expected soybean stocks by October to a record high 18.1 million tons. Likewise, Argentine stocks are seen climbing to an unprecedented 20.2 million tons due to a lowering of the export forecast from 7.55 million to 7.2 million tons.

Reduction of 2007 Soybean Acres Likely To Tighten New Year's Ending Stocks

Based on a sharp 11 percent decline in U.S. planting intentions for soybeans (to 67.1 million acres), the 2007 harvested acreage is anticipated to fall to 66.1 million acres from 74.6 million in 2006. Historical yields by region would indicate a national average soybean yield near 41.5 bushels per acre in 2007. Last year's above-normal yield was 42.7 bushels per acre. The likely combination of lower acreage and yield may cut 2007 soybean output by 443 million bushels (14 percent) to 2,745 million bushels. Countering the crop reduction would be a record large soybean carryover, which would limit the overall decrease in 2007/08 supply to 283 million bushels.

Steady U.S. soybean demand is expected in 2007/08. Export volume is projected at 1,080 million bushels, the same as in 2006/07. Soybean stocks this fall will be ample and exports brisk. But by December, stocks could be much lower than in December 2006 and exports may start slowing. U.S. market share of world soybean exports could slip as rising competition from South America accrues almost all of the anticipated import gains for the year. Also expected for 2007/08 is a moderate 20-million-bushel increase in domestic soybean crush to 1,790 million bushels. With exports of soybean meal unlikely to expand very much, the crushing gains will be mainly led by moderate growth in the domestic use of soybean meal.

Source: *Oil Crops Outlook*, USDA-ERS, May 14, 2007

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