North Dakota
FARM REPORTER
Issue: 07-09 April 8, 2009

IN THIS ISSUE

Prospective Plantings
Grain Stocks
Agricultural Prices
Wheat Outlook

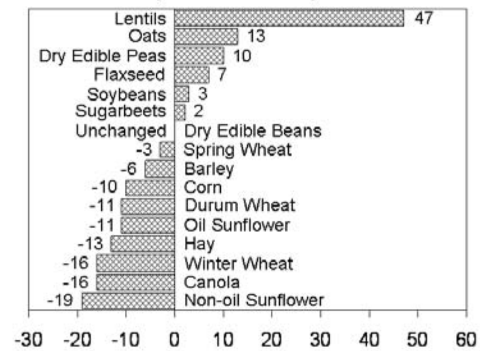
PROSPECTIVE PLANTINGS

North Dakota
Spring wheat producers intend to plant 6.60 million acres, down 200,000 acres from 2008. Area planted to Durum wheat is expected to total 1.60 million acres, down 11 percent from last year. The 2009 winter wheat plantings totaled 530,000 acres, down 16 percent from a year earlier.

Corn growers intend to plant 2.30 million acres, down 10 percent from last year. Soybean growers intend to plant 3.90 million acres, up 3 percent from last year and equal to 2006's record high. Canola planting intentions are 760,000 acres, down 16 percent from 2008.

Dry edible bean acreage intentions is estimated at 660,000 acres, unchanged from last year. Oil sunflower planting intentions are 850,000 acres, down 11 percent from last year. Non-oil sunflower is expected to total 125,000 acres, down 19 percent from last year. Sugarbeet growers expect to plant an estimated 212,000 acres, up 2 percent from last year.

Prospective Plantings: Percent Change from 2008, North Dakota, March 2009



United States
Spring wheat growers intend to plant 13.3 million acres this year, down 6 percent from 2008. Durum wheat area seeded is expected to total 2.45 million acres, down 10 percent from 2008. Winter wheat planted area is estimated at 42.9 million acres, up 2 percent from the Winter Wheat Seedings report.

Corn growers intend to plant 85.0 million acres of corn for all purposes in 2009, down 1 percent from last year and 9 percent below 2007. Soybean growers intend to plant an estimated 76.0 million acres in 2009, up slightly from the acreage planted in 2008. Canola producers intend to plant 857,300 acres in 2009, down 15 percent from 2008.

Dry edible bean growers intend to plant 1.55 million acres in 2009, up 3 percent from the previous year and 1 percent higher than 2007. Sunflower growers intend to plant a total of 2.07 million acres in 2009, down 18 percent from last year. Area intended for oil type varieties, at 1.74 million acres, is down 20 percent from 2008. The area intended for non-oil varieties, estimated at 332,500 acres, is down 6 percent from last year. Sugarbeet area planted for the 2009 crop year is expected to total 1.15 million acres, 6 percent higher than the 2008 planted acreage.

Prospective Plantings: Area Planted
North Dakota and United States, 2007-2009

Crop	North Dakota				United States			
	2007	2008	Indicated 2009	2009 as % of 2008	2007	2008	Indicated 2009	2009 as % of 2008
	1,000 Acres	*1,000 Acres*	*1,000 Acres*	*Percent*	*1,000 Acres*	*1,000 Acres*	*1,000 Acres*	*Percent*
Barley	1,470	1,650	1,550	94	4,018	4,234	3,953	93
Corn, All	2,560	2,550	2,300	90	93,527	85,982	84,986	99
Hay, All [1]	2,680	3,220	2,800	87	61,006	60,062	60,297	100
Oats	460	320	360	113	3,763	3,217	3,400	106
Wheat, All	8,595	9,230	8,730	95	60,460	63,147	58,638	93
Winter	465	630	530	84	45,012	46,281	42,889	93
Durum	1,480	1,800	1,600	89	2,156	2,731	2,445	90
Spring	6,650	6,800	6,600	97	13,292	14,135	13,304	94
Canola	1,080	910	760	84	1,176.0	1,011.0	857.3	85
Flaxseed	320	335	360	107	354	354	386	109
Soybeans	3,100	3,800	3,900	103	64,741	75,718	76,024	100
Sunflower, All	1,075	1,115	975	87	2,070.0	2,516.5	2,069.5	82
Oil	910	960	850	89	1,765.5	2,163.0	1,737.0	80
Non-Oil	165	155	125	81	304.5	353.5	332.5	94
Sugarbeets	252	208	212	102	1,268.8	1,090.8	1,151.6	106
Dry Edible Beans, All	690	660	660	100	1,527.4	1,495.0	1,546.1	103
Chickpeas, All (Garbanzo)	17.0	9.3	16.0	172	125.2	81.9	96.6	118
Small	4.5	4.0	13.0	325	11.1	10.1	27.3	270
Large	12.5	5.3	3.0	57	114.1	71.8	69.3	97
Dry Edible Peas	515	520	570	110	847.5	882.5	966.0	109
Lentils	110	95	140	147	303.0	271.0	375.0	138

[1] Acreage for harvest.

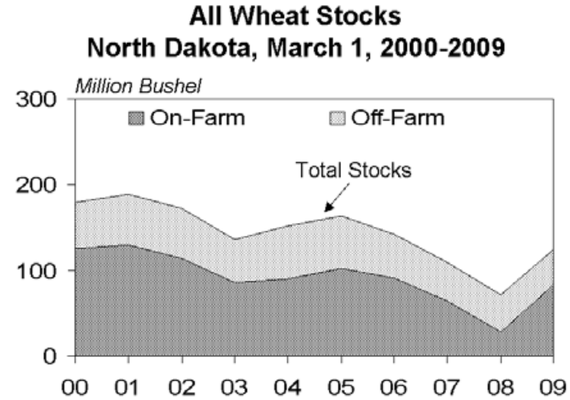
~ Not Copyright Protected - Compiled and Published by ~
USDA, National Agricultural Statistics Service, North Dakota Field Office ▪ P.O. Box 3166 ▪ Fargo, ND 58108-3166
701-239-5306 ▪ E-mail: nass-nd@nass.usda.gov ▪ Internet: http://www.nass.usda.gov/nd/

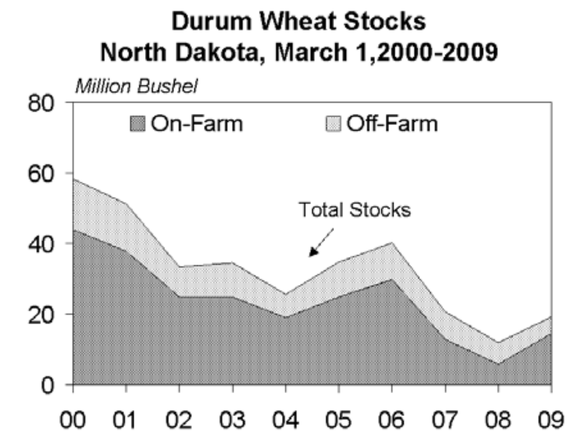
GRAIN STOCKS

North Dakota
All wheat stored in all positions in North Dakota on March 1, 2009 totaled 124 million bushels. This is up 74 percent from a year ago. All wheat stocks include Durum, spring and winter wheat. Durum wheat stocks in all positions totaled 19.3 million bushels, up 62 percent from a year ago. On-farm stocks, at 14.5 million bushels, are up from last year's record low 6.00 million bushels.

Barley stocks in all positions totaled 39.3 million bushels, up 37 percent from a year ago. On-farm stocks are 20.5 million bushels, up 86 percent from March 1, 2008. Corn stocks in all positions totaled 143 million bushels, up 24 percent from a year ago. Of the total stocks, 93.0 million bushels are stored on farms, up from 68.0 million bushels last year. Soybean stocks in all positions totaled 36.2 million bushels, down 10 percent from a year ago. On-farm stocks totaled 22.5 million bushels on March 1, 2009, up from 21.0 million bushels last year.

United States
All wheat stored in all positions on March 1, 2009 totaled 1.04 billion bushels, up 46 percent from a year ago. Durum wheat stocks in all positions on March 1, 2009 totaled 32.8 million bushels, up 30 percent from a year ago. Barley stocks in all positions on March 1, 2009 totaled 128 million bushels, up 16 percent from March 1, 2008. Corn stocks in all positions on March 1, 2009 totaled 6.96 billion bushels, up 1 percent from March 1, 2008. Soybeans stored in all positions on March 1, 2009 totaled 1.30 billion bushels, down 9 percent from March 1, 2008.





**Stocks: By Position, Current and Previous Quarter
North Dakota and United States, 2008-2009**

Crop	Date	North Dakota On Farm	North Dakota Off Farm [1]	North Dakota Total All Positions	United States On Farm	United States Off Farm [1]	United States Total All Positions
		1,000 Bushels	*1,000 Bushels*	*1,000 Bushels*	*1,000 Bushels*	*1,000 Bushels*	*1,000 Bushels*
Wheat, All [2]	Mar 1, 2008	28,000	43,300	71,300	91,990	617,280	709,270
	Dec 1, 2008	130,000	46,300	176,300	454,000	968,374	1,422,374
	Mar 1, 2009	83,000	41,400	124,400	280,200	756,372	1,036,572
Durum Wheat	Mar 1, 2008	6,000	5,900	11,900	8,100	17,058	25,158
	Dec 1, 2008	18,500	4,800	23,300	26,100	18,405	44,505
	Mar 1, 2009	14,500	4,800	19,300	18,700	14,101	32,801
Barley	Mar 1, 2008	11,000	17,700	28,700	28,270	82,154	110,424
	Dec 1, 2008	35,000	19,500	54,500	77,050	95,766	172,816
	Mar 1, 2009	20,500	18,800	39,300	44,060	83,895	127,955
Oats	Mar 1, 2008	5,700	830	6,530	31,000	47,988	78,988
	Dec 1, 2008	6,500	NA	NA	42,600	72,322	114,922
	Mar 1, 2009	3,300	1,280	4,580	30,000	65,364	95,364
Corn	Mar 1, 2008	68,000	47,200	115,200	3,780,000	3,078,722	6,858,722
	Dec 1, 2008	170,000	58,000	228,000	6,482,000	3,595,564	10,077,564
	Mar 1, 2009	93,000	50,300	143,300	4,085,000	2,873,397	6,958,397
Soybeans	Mar 1, 2008	21,000	19,300	40,300	593,000	840,982	1,433,982
	Dec 1, 2008	39,000	22,800	61,800	1,189,000	1,086,577	2,275,577
	Mar 1, 2009	22,500	13,700	36,200	656,500	645,106	1,301,606
		1,000 Pounds	*1,000 Pounds*	*1,000 Pounds*	*1,000 Pounds*	*1,000 Pounds*	*1,000 Pounds*
All Sunflower	Mar 1, 2008	294,000	392,800	686,800	392,305	634,711	1,027,016
	Mar 1, 2009	324,000	300,600	624,600	545,480	596,271	1,141,751
Oil Sunflower	Mar 1, 2008	250,000	285,600	535,600	331,380	463,490	794,870
	Mar 1, 2009	275,000	253,700	528,700	438,835	482,573	921,408
Non-oil Sunflower	Mar 1, 2008	44,000	107,200	151,200	60,925	171,221	232,146
	Mar 1, 2009	49,000	46,900	95,900	106,645	113,698	220,343

[1] Includes stocks at mills, elevators, warehouses, terminals and processors. [2] Includes durum, other spring and winter. NA = Off Farm unallocated includes State data not published to avoid disclosure of individual operations.

AGRICULTURAL PRICES

North Dakota
The Index of Prices Received for All Farm Products in March is 160 percent of the 1990-1992 base. This is down 28 percent from last year but 21 percent above two years ago. The All Crops Index, at 175 percent of the base, is down 32 percent from March 2008 while the All Livestock and Products Index, at 112 percent, is down 6 percent from last year.

United States
The March All Farm Products Index is 126 percent of its 1990-92 base, unchanged from the February index but 14 percent below the March 2008 index. The All Crops Index is 147, up 1 percent from February but 12 percent below March 2008. The Livestock and Products Index, at 108, is down 1 percent from last month and 16 percent from March 2008.

Index Numbers of Farm Prices
North Dakota and United States, March 2009

Indexes and Ratios	North Dakota			United States		
	Mar 2008	Feb 2009	Mar 2009	Mar 2008	Feb 2009	Mar 2009
Prices Received	*(1990-92 = 100)*					
All Farm Products	222	162	160	146	126	126
Crops	256	180	175	167	146	147
Food Grains	412	207	208	306	203	204
Feed Grains & Hay	195	187	185	200	170	172
Oil Bearing Crops [1]	221	182	166	205	173	164
Potatoes & Dry Beans [2]	116	127	122	147	153	155
Livestock and Products	119	114	112	129	109	108
Meat Animals	114	110	107	112	105	104
Dairy Products	161	159	161	139	89	88
Other Livestock Products [3]	129	129	128	159	141	137
Prices Paid	NA	NA	NA	174	174	174
Ratio [4]	NA	NA	NA	84	72	72

[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, March 2009

Item	Unit	North Dakota			United States			Effective U.S. Parity Price Mar 2009
		Entire Month		Preliminary	Entire Month		Preliminary	
		Mar 2008	Feb 2009	Mar 2009	Mar 2008	Feb 2009	Mar 2009	
		Dollars	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*
Wheat, All	*Bu*	12.90	6.50	6.51	10.50	5.79	5.85	13.40
Durum	*Bu*	15.90	6.92	6.70	15.40	7.53	7.05	NA
Spring	*Bu*	12.70	6.52	6.55	10.90	6.62	6.51	NA
Winter	*Bu*	13.10	5.03	5.20	9.96	5.26	5.27	NA
Corn	*Bu*	4.58	3.55	3.60	4.70	3.87	3.96	8.27
Oats	*Bu*	3.12	1.83	[1]	3.43	2.76	2.11	5.47
Barley, All	*Bu*	4.17	5.26	4.81	4.18	4.94	4.82	9.03
Feed	*Bu*	3.69	3.11	3.11	4.29	2.63	2.98	NA
Malting	*Bu*	4.35	5.55	5.00	4.14	5.50	5.07	NA
Sunflower, All	*Cwt*	25.40	23.30	22.40	25.90	23.00	21.50	41.20
Oil	*Cwt*	25.70	21.10	NA	NA	NA	NA	NA
Non-oil	*Cwt*	24.10	33.90	NA	NA	NA	NA	NA
Baled Hay, All [2]	*Ton*	65.00	87.00	93.00	133.00	132.00	129.00	NA
Alfalfa [2]	*Ton*	70.00	90.00	100.00	144.00	143.00	137.00	NA
Other [2]	*Ton*	48.00	66.00	70.00	116.00	107.00	109.00	NA
Canola	*Cwt*	26.50	15.60	14.10	26.40	15.60	14.10	36.40
Flaxseed	*Bu*	17.60	9.92	8.70	17.50	9.92	8.70	21.90
Soybeans	*Bu*	11.30	9.18	8.50	11.40	9.55	9.13	20.10
Dry Edible Beans, All	*Cwt*	29.90	26.20	25.40	32.20	30.10	28.80	64.60
Navy	*Cwt*	32.20	22.90	NA	NA	NA	NA	NA
Pinto	*Cwt*	29.60	26.40	NA	NA	NA	NA	NA
Potatoes, All	*Cwt*	7.60	9.10	8.95	8.37	8.87	9.07	19.00
Fresh [3]	*Cwt*	10.50	13.90	NA	11.42	12.36	NA	NA
Processing	*Cwt*	6.60	7.20	NA	6.15	6.84	NA	NA
Beef Cattle	*Cwt*	88.80	85.00	82.80	87.80	78.80	78.50	236.00
Steers & Heifers	*Cwt*	95.00	91.00	89.00	92.90	83.80	83.50	NA
Cows	*Cwt*	51.00	45.00	45.00	51.50	43.90	44.00	NA
Calves	*Cwt*	115.00	103.00	102.00	118.00	105.00	104.00	338.00
Sheep	*Cwt*	25.00	26.00	NA	28.70	31.90	NA	103.00
Lambs	*Cwt*	101.00	102.00	NA	97.40	100.00	NA	266.00
Hogs	*Cwt*	42.60	44.00	NA	40.30	43.90	44.20	129.00

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

WHEAT OUTLOOK

Consequences of Higher Input Costs and Wheat Prices for U.S. Wheat Producers

The recent historic rise in farm input costs and wheat prices has had economic effects on the U.S. wheat sector. A cumulative distribution of forecasted production costs for wheat farms shows that current high (but falling) wheat prices will allow a greater share of producers to cover their production costs in 2008 (90 percent) than in 2004 (82 percent), despite higher input costs in 2008. However, if farm-gate prices for wheat continue to fall into 2009, and if prices for inputs do not drop off similarly, many more wheat producers may find themselves unable to cover production costs and the U.S. wheat sector may see further attrition of planted area.

Wheat and Input Prices Are Up

Like the prices of many other agricultural commodities, the price of wheat rose to record highs during 2008. Low stocks and adverse weather conditions around the world tightened global supplies of wheat in 2007. This, in turn, boosted foreign demand for U.S. wheat. Supplies were high in 2007/08 relative to levels in previous years. The resulting increase in U.S. wheat exports (the highest in 15 years) depleted the surplus U.S. supply, contributing to the lowest ending stocks since the late 1940s. These and other factors helped account for the sharp increase in U.S. wheat prices in 2008. The farm-gate season average price rose to $6.48 per bushel in 2007/08, besting the previous high of $4.55 per bushel in 1995/96.

Rapidly rising input costs offset this unprecedented runup in wheat prices for producers. USDA's National Agricultural Statistics Service reports that prices paid for production inputs have been rising since 2004, particularly for fuel and fertilizer. The pace of the increase for these two inputs accelerated in 2008. U.S. energy prices rose to historical highs in 2008, a reflection of rising international energy prices and the low value of the U.S. dollar. Both fuel and fertilizer prices have come down in recent months but remain high.

Long-term Competitiveness of the U.S. Wheat Sector

The U.S. wheat sector faces challenges to its long-term competitiveness. Domestically, wheat planted area has declined for the last few decades for various reasons. Internationally, Ukraine and Russia have emerged as new competitors with the United States in foreign markets in years when their production is high. Traditional global competitors include Canada, Argentina, Australia, and the European Union. The overall result is a slightly smaller expected share of expanding world wheat trade for U.S. wheat.

U.S. wheat planted area has trended down for many years. U.S. wheat planted area has varied widely during the past half century and peaked in the early 1980s. Wheat area dropped off sharply in the late 1980s, primarily due to farmers retiring large portions of cropland under USDA's Acreage Reduction Program (ARP), which was designed to reduce government-owned stocks of particular commodities, including wheat. By 1987-88, nearly 30 percent of the national wheat base acreage had been idled by farmers participating in this voluntary program, enabling them to become eligible for such commodity program benefits as nonrecourse loans and deficiency payments. U.S. wheat area partially recovered in the mid-1990s as stocks declined and prices rose, thus lessening the need for ARPs. The program was eliminated under the 1996 Farm Act.

Planting flexibility provisions introduced in the 1996 Farm Act removed most planting constraints on producers, increased competition among field crops for area, and continued to apply downward pressure on U.S. wheat acreage. Planted wheat area in the United States has dropped by about 30 percent from an annual average of 85 million acres in the early 1980s to an annual average of 59.6 million acres over the 5-year period 2004/05 to 2008/09.

Source: *Wheat Outlook*, USDA-ERS, March 2009

USDA, NASS, North Dakota Field Office
PO BOX 3166
FARGO, ND 58108-3166