



North Dakota

# FARM REPORTER

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## AGRICULTURAL PRICES

**N**orth Dakota  
The Index of Prices  
Received for All Farm  
Products in April is 156 percent of

the 1990-1992 base. This is down 26 percent from last year but 19 percent above two years ago. The All Crops Index, at 169 percent of the base, is down 31 percent from April 2008 while the All Livestock and Products Index, at 118 percent, is down 1 percent from last year. April indexes are calculated using preliminary mid-month prices.

**U**nited States  
The April All Farm Products Index is 131 percent of its 1990-92 base, up 4 percent from the March index but 10 percent below the April 2008 index. The All Crops Index is 155, up 6 percent from March but 8 percent below April 2008. The Livestock and Products Index, at 112, is 3 percent above last month but down 12 percent from April 2008.



**Prices Received by Farmers  
North Dakota and United States, April 2009**

Item	Unit	North Dakota			United States			Effective U.S. Parity Price Apr 2009
		Entire Month		Preliminary	Entire Month		Preliminary	
		Apr 2008	Mar 2009	Apr 2009	Apr 2008	Mar 2009	Apr 2009	
		<i>Dollars</i>						
Wheat, All	Bu	11.90	6.46	6.30	10.10	5.70	5.69	13.70
Durum	Bu	14.00	7.44	7.80	14.30	7.63	7.87	NA
Spring	Bu	11.70	6.45	6.20	10.50	6.50	6.27	NA
Winter	Bu	9.10	5.01	4.75	9.62	5.26	5.16	NA
Corn	Bu	4.89	3.46	3.45	5.14	3.86	3.87	8.45
Oats	Bu	3.24	1.84	1.90	3.47	2.77	2.16	5.58
Barley, All	Bu	4.49	5.20	4.70	4.56	4.88	4.78	9.23
Feed	Bu	4.01	2.96	2.90	4.67	2.73	2.72	NA
Malting	Bu	4.70	5.41	4.90	4.51	5.40	5.14	NA
Sunflower, All	Cwt	23.70	22.40	21.20	24.50	22.60	21.90	42.10
Oil	Cwt	23.40	19.60	NA	NA	NA	NA	NA
Non-oil	Cwt	24.10	32.90	NA	NA	NA	NA	NA
Baled Hay, All <sup>1</sup>	Ton	67.00	93.00	91.00	147.00	129.00	129.00	NA
Alfalfa <sup>1</sup>	Ton	70.00	100.00	95.00	161.00	137.00	133.00	NA
Other <sup>1</sup>	Ton	50.00	70.00	69.00	120.00	109.00	117.00	NA
Canola	Cwt	25.00	15.20	14.80	24.90	15.40	14.80	37.10
Flaxseed	Bu	16.60	9.41	8.80	16.60	9.29	8.80	22.40
Soybeans	Bu	11.90	8.38	9.40	12.00	9.12	9.89	20.50
Dry Edible Beans, All	Cwt	30.20	26.60	24.70	34.30	32.50	29.50	66.00
Navy	Cwt	34.40	21.50	NA	NA	NA	NA	NA
Pinto	Cwt	29.30	27.10	NA	NA	NA	NA	NA
Potatoes, All	Cwt	7.80	8.05	8.60	8.45	9.27	10.42	19.40
Fresh <sup>2</sup>	Cwt	9.60	12.40	NA	11.66	11.89	NA	NA
Processing	Cwt	6.50	6.40	NA	6.50	7.02	NA	NA
Beef Cattle	Cwt	83.60	83.50	82.50	86.80	79.00	82.80	241.00
Steers & Heifers	Cwt	95.00	90.50	94.00	91.80	84.00	87.70	NA
Cows	Cwt	51.00	46.50	48.00	50.70	44.60	47.50	NA
Calves	Cwt	106.00	102.00	104.00	116.00	107.00	109.00	345.00
Sheep	Cwt	23.00	27.00	NA	28.40	33.10	NA	105.00
Lambs	Cwt	102.00	102.00	NA	99.40	100.00	NA	272.00
Hogs	Cwt	44.90	44.50	NA	44.40	43.80	43.40	132.00

<sup>1</sup> Alfalfa, other and all hay are preliminary prices only. <sup>2</sup> Fresh market prices only, includes table stock. NA=Not applicable.

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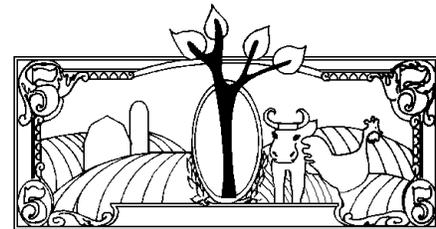
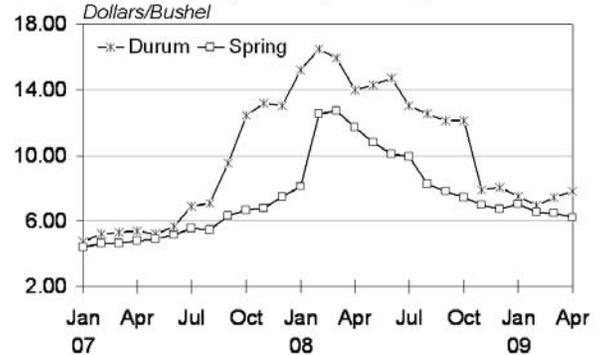
## AGRICULTURAL PRICES (Continued)

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

Indexes and Ratios	North Dakota			United States		
	Apr 2008	Mar 2009	Apr 2009	Apr 2008	Mar 2009	Apr 2009
<b>Prices Received</b>	(1990-92 = 100)					
All Farm Products	211	160	156	146	126	131
Crops	244	173	169	169	146	155
Food Grains	377	207	200	301	200	201
Feed Grains & Hay	197	188	175	218	169	169
Oil Bearing Crops <sup>1</sup>	226	165	174	215	164	177
Potatoes & Dry Beans <sup>2</sup>	114	117	115	149	161	176
Livestock and Products	119	114	118	127	109	112
Meat Animals	112	108	110	114	105	109
Dairy Products	162	161	162	138	90	92
Other Livestock Products <sup>3</sup>	139	137	138	148	137	140
<b>Prices Paid</b>	NA	NA	NA	179	178	178
<b>Ratio <sup>4</sup></b>	NA	NA	NA	82	71	74

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

Durum & Spring Wheat: Prices Received  
North Dakota, January 2007-April 2009



## UPCOMING NASS SURVEYS

Mid-year USDA Agricultural Survey data collection starts May 27 and runs through July 17. The specific survey titles are the **Agricultural Resource Management Study (Phase 1), June Quarterly Crops/Stocks Survey, June Quarterly Hog Survey, June Area Frame Survey** (annually), **July Cattle Survey** and **July Sheep and Goat Survey**. These surveys are used in estimating the planted and harvested acreage for principle crops, the amount of stored grain, livestock inventories and more. Without the data from these surveys, policymakers, farm organizations and others who make critical decisions that affect farmers/ranchers would make those decisions based on opinion rather than fact...and that's dangerous.

The **Small Grains Variety Survey** collects information on barley and wheat (durum, spring and winter) varieties grown in North Dakota. The North Dakota Wheat Commission, NDSU Extension Service, NDSU Experiment Station and the American Malting Barley Association provide supporting funds for this survey. The survey period is May 28 - June 30. This provides a snapshot of the different barley and wheat varieties grown in North Dakota, and the first district level planted acreage estimates for these crops.

The following is a schedule of upcoming NASS reports for May-July. Most of these reports will be published in upcoming Farm Reporters. For more immediate information, call our office at 701-239-5306 or 1-800-626-3134 after the release time or go online to: <http://www.nass.usda.gov/nd/>.

These are the following release dates:

	May	CST
Crop Production.....	12	7:30 am
Potato Stocks.....	15	2:00 pm
Agricultural Prices.....	29	2:00 pm
	June	CST
Crop Production.....	10	7:30 am
Potato Stocks.....	12	2:00 pm
U.S. Hog and Pigs Report.....	26	2:00 pm
Agricultural Prices.....	29	2:00 pm
Acreage Report.....	30	7:30 am
Grain Stocks Report.....	30	7:30 am
	July	CST
Crop Production.....	10	7:30 am
Barley Varieties Release.....	10	2:00 pm
Wheat Varieties Release.....	17	2:00 pm
Milk Production.....	17	2:00 pm
U.S. Cattle Report.....	24	2:00 pm
U.S. Sheep Report.....	24	2:00 pm
Agricultural Prices.....	31	2:00 pm

## **Growing Crops for Biofuels Has Spillover Effects**

Volatile petroleum prices, along with Federal policies aimed at reducing U.S. dependency on oil imports and mitigating climate change, have sparked rapid growth in biofuel demand. In response, production of agricultural commodities that serve as feedstock for biofuels has increased. Federal policy initiatives and private-sector investment point to continued growth in biofuel production and, consequently, increased demand for agricultural products.

The Energy Independence and Security Act (EISA) of 2007 includes provisions for a Renewable Fuel Standard (RFS) to increase the supply of alternative fuel sources by requiring fuel producers to use at least 36 billion gallons of biofuel by 2022. The RFS provision establishes a level of 15 billion gallons of conventional ethanol by 2015 and at least 21 billion gallons of cellulosic (noncornstarch) ethanol and advanced biofuels (including ethanol from sugarcane and biodiesel) by 2022.

The share of total domestic corn production supplying the ethanol market grew from 7.5 percent in 2001 to 22.6 percent in 2007. The 2007 USDA Agricultural Baseline, which was produced before EISA became law. The 2007 USDA Agricultural Baseline, which was produced before EISA became law, assumed that production of corn-based ethanol will reach 12 billion gallons by 2016, or 3 billion gallons below the federally mandated target for that year. By 2016, ethanol production is expected to consume over 35 percent of U.S. corn production. To meet the EISA mandates, ethanol production from cellulosic feedstocks would have to grow from current pilot project levels to roughly 4.25 billion gallons in 2016 and 21 billion gallons in 2022.

ERS used a national agricultural sector model to estimate expected market and environmental outcomes of expanded feedstock production. The model compares the implications of producing 12 billion gallons of corn-based ethanol in 2016 (the 2007 USDA baseline estimate) with production of 15 billion gallons (as reflected in the RFS).

Growing demand for corn and other biomass feedstocks will transform the agricultural landscape as regional cropping patterns adjust and production practices adapt. While biofuels have been viewed as an environmentally preferred alternative to fossil-based fuels, there is growing concern about the potential effects of feedstock development on resource use and environmental quality. By increasing demand for agricultural feedstocks, the new RFS will encourage increased production of crops that may lead to conversion of land for use in crop production, and more intensive use of fertilizers and other inputs, increasing the potential for environmental degradation.

Higher demand for corn, for biofuel as well as for animal feed and human food, has increased corn production in traditional corn-growing regions and elsewhere. As farmers responded to higher corn prices, prices and production levels for other crops adjusted as well. Crop producers have generally benefited from higher returns to corn and other grain crops. Some livestock and poultry producers, however, are worse off. More corn going to biofuels, together with reduced production of soybeans, sorghum, and other feed crops, has contributed to a net increase in grain feed costs for livestock producers. The availability of distillers' grains, a byproduct of corn-based ethanol production that can be used as a feed supplement for some livestock, may lessen the impact on feed costs. These changing feed markets, according to ERS analysis, will prompt a slight decline in animal production.

Given the spillover effects of expanded corn acreage on agricultural markets and the environment, technologies are being developed to produce cellulosic ethanol from a wide range of feedstocks, including crop residues and new crops dedicated to energy production, such as switchgrass. Other potential feedstocks which would not compete for existing cropland - forestry byproducts, municipal solid waste, and even algae - are under development. Since these technologies are not yet commercially operational, corn is likely to remain the major feedstock through the next decade.

Cultivated cropland is expected to expand in all U.S. regions but one, as producers respond to higher crop prices. ERS research suggests that the largest increases in cultivated cropland will likely occur in the traditional corn-producing regions of the Corn Belt (1.6 million more acres in 2016), Northern Plains (1.5 million acres), Delta (540,000 acres), and Lake States (510,000 acres). These estimated changes are conditional on model assumptions regarding corn yield growth, energy costs, ethanol conversion rates, and other factors affecting ethanol productivity and returns.

Corn accounts for roughly three-fourths of the estimated increase in national acreage cultivated under the 2016 baseline case. Corn acres are expected to expand in all regions, with the Corn Belt and Northern Plains showing the largest gains due to comparative advantage in corn production. More farmers are expected to plant corn on a continuous basis, rather than rotating corn with soybeans or other crops. Some of the additional acreage planted to corn and other crops will likely come from land enrolled in USDA's Conservation Reserve Program (CRP).

**Source: Amber Waves, USDA-ERS, March 2009**

## LIVESTOCK SLAUGHTER

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### United States

Commercial red meat production for the United States totaled 4.14 billion pounds in March, up 1 percent from the 4.09 billion pounds produced in March 2008.

Beef production, at 2.14 billion pounds, was 2 percent above the previous year. Cattle slaughter totaled 2.73 million head, up slightly from March 2008. The average live weight was up 29 pounds from the previous year, at 1,305 pounds.

Veal production totaled 12.2 million pounds, 8 percent above March a year ago. Calf slaughter totaled 79,800 head, up 12 percent from March 2008. The average live weight was down 10 pounds from last year, at 263 pounds.

Pork production totaled 1.97 billion pounds, up slightly from the previous year. Hog kill totaled 9.65 million head, down slightly from March 2008. The average live weight was up 1 pound from the previous year, at 272 pounds.

Lamb and mutton production, at 15.9 million pounds, was down slightly from March 2008. Sheep slaughter totaled 222,000 head, 4 percent below last year. The average live weight was 143 pounds, up 4 pounds from March a year ago.

January to March 2009 commercial red meat production was 12.1 billion pounds, down 3 percent from 2008. Accumulated beef production was down 2 percent from last year, veal was up 5 percent, pork was down 4 percent from last year, and lamb and mutton production was down 8 percent.

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