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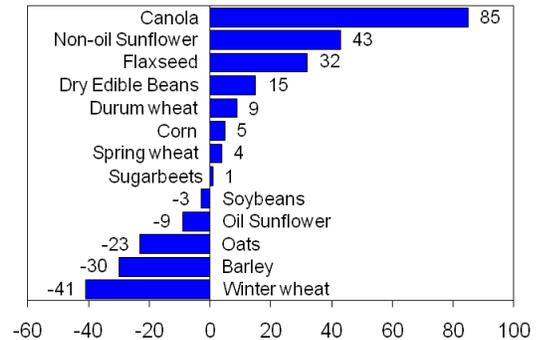
Amber Waves

**2010 JUNE ACREAGE**

**N**orth Dakota Acreage planted to **spring wheat** for 2010 is estimated at 6.70 million acres, a 4 percent increase from last year's 6.45 million acres. **Durum wheat** planted acreage is estimated at 1.80 million acres, up 9 percent from 1.65 million acres last year. **Soybean** planted acres, at 3.80 million, are down 3 percent from last year's 3.90 million acres. Of the acres planted, 94 percent were planted with

genetically modified, herbicide resistant seed. **Corn** planted for all purposes is estimated at 2.05 million acres, up 5 percent from 2009. Of the total acres, 22 percent were planted with Bt (*bacillus thuringiensis*) varieties; 34 percent with herbicide resistant varieties; and 37 percent with stacked gene varieties (containing both insect and herbicide resistance). **Barley** acreage is down 30 percent from last year to 850,000 acres planted. **Oat** planted acres decreased to 270,000, down 80,000 acres from last year. **Canola** acreage is up 85 percent from last year to a record high of 1.35 million planted acres. Acres planted to **oil sunflower** decreased to 700,000, down 70,000 acres from last year. **Non-oil sunflower** acreage is estimated at 165,000, up from 115,000 acres last year. **Flaxseed** planted increased 95,000 acres from last year to 390,000. **Dry edible bean** acres increased to 700,000, up 15 percent from 610,000 acres planted in 2009. **Sugarbeet** planted acres, at 228,000, are up 1 percent from last year and increased 1,000 acres from the March intentions. **Alfalfa hay** acreage that will be cut is estimated at 1.60 million, down 180,000 acres from 2009.

**Planted Acreage: Percent Change from 2009, North Dakota, June 2010**



**Crop Summary: Area Planted and Harvested North Dakota and United States, 2009-2010<sup>1</sup>**

Crop	North Dakota					United States				
	Area Planted			Area Harvested		Area Planted		Area Harvested		
	2009	2010	2010 as % of 2009	5-Yr Avg 2005-09	2009	Forecasted 2010	2009	2010	2009	Forecasted 2010
	1,000 Acres	1,000 Acres	Pct	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres
Barley	1,210	850	70	1,326	1,130	790	3,567	2,972	3,113	2,546
Corn for Grain <sup>2</sup>	1,950	2,050	105	2,032	1,740	1,820	86,482	87,872	79,590	81,005
Hay, All					2,960	2,700			59,755	59,656
Alfalfa					1,780	1,600			21,227	20,732
All Other					1,180	1,100			38,528	38,924
Oats	350	270	77	408	165	130	3,404	3,176	1,379	1,315
Rye <sup>3</sup>							1,241	1,186	252	250
Wheat, All	8,680	8,840	102	8,879	8,415	8,620	59,133	54,305	49,868	48,263
Winter	580	340	59	437	545	320	43,311	37,723	34,485	32,085
Durum	1,650	1,800	109	1,642	1,570	1,750	2,554	2,675	2,428	2,588
Spring	6,450	6,700	104	6,800	6,300	6,550	13,268	13,907	12,955	13,590
Canola	730	1,350	185	940	725	1,330	827.0	1,523.7	814.0	1,491.7
Flaxseed	295	390	132	518	293	385	317	410	314	405
Mustard Seed <sup>3</sup>							51.5	52.0	49.8	49.1
Rapeseed <sup>3</sup>							1.0	1.7	0.9	1.6
Safflower <sup>4</sup>		23.0				21.5	175.0	183.5	165.5	175.0
Soybeans	3,900	3,800	97	3,530	3,870	3,760	77,451	78,868	76,372	77,986
Sunflower, All	885	865	98	1,023	868	843	2,030.0	2,093.0	1,953.5	2,011.3
Oil	770	700	91	864	760	685	1,698.0	1,652.0	1,653.0	1,596.5
Non-oil	115	165	143	159	108	158	332.0	441.0	300.5	414.8
Sugarbeets	225	228	101	240	218	219	1,185.8	1,184.7	1,148.6	1,146.4
Dry Edible Beans	610	700	115	650	580	670	1,537.5	1,742.3	1,463.0	1,670.1
Dry Edible Peas	490	490		535	480		863.3	837.0	837.9	
Lentils	165	200		136	164		415	510	407	
Potatoes, Fall	83			91	75		937.1		919.6	

<sup>1</sup> Data are latest estimates available. Potato, dry edible pea and lentil estimates will be released July 9. <sup>2</sup> Area planted for all purposes. <sup>3</sup> Published at U.S. level only. <sup>4</sup> Estimates for North Dakota began in June 2010.

## 2010 JUNE ACREAGE (Continued)

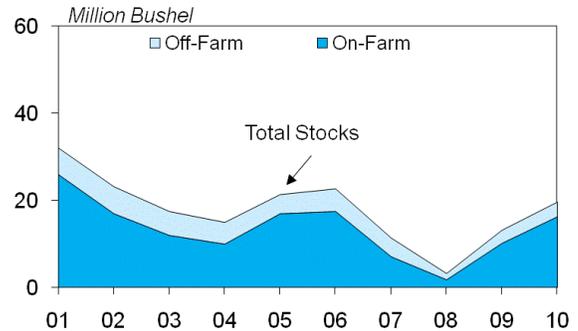
**United States**  
**Spring wheat** planted area is estimated at 13.9 million acres, up 5 percent from 2009. **Durum wheat** area seeded is estimated at 2.68 million acres, up 5 percent from 2009. **Soybean** planted area is estimated at 78.9 million acres, up 2 percent from 2009. **Corn** planted area for

all purposes is estimated at 87.9 million acres, up 2 percent from last year. **Barley** producers seeded 2.97 million acres, down 17 percent from the previous year. **Sunflower** area planted totals 2.09 million acres, up 3 percent from 2009. **Dry edible bean** planted area is estimated at 1.74 million acres, up 13 percent from last year.

## GRAIN STOCKS

**North Dakota**  
**All wheat** stored in all positions on June 1, 2010 totaled 123 million bushels. This is a 68 percent increase from a year ago and highest June 1 level since 128 million bushels were reported in 2002. **Durum wheat** stocks in all positions totaled 19.7 million bushels, up 49 percent from 13.2 million bushels in 2009. **Barley** stored in all positions totaled 44.3 million bushels. This is a 48 percent increase from a year ago. **Oats** stocks stored in all positions totaled 3.40 million bushels, up from 3.34 million bushels a year ago. **Corn** stocks in all positions totaled 73.0 million bushels, down 30 percent from last year's record high. **Soybean** stocks in all positions totaled 10.2 million bushels, down 43 percent from a year ago.

**Durum Wheat Stocks**  
**North Dakota, June 1, 2001-2010**



**Stocks: By Position, Current and Previous Quarter**  
**North Dakota and United States, 2009-2010**

Crop	Date	North Dakota			United States		
		On Farm	Off Farm <sup>1</sup>	Total All Positions	On Farm	Off Farm <sup>1</sup>	Total All Positions
		<i>1,000 Bushels</i>	<i>1,000 Bushels</i>	<i>1,000 Bushels</i>	<i>1,000 Bushels</i>	<i>1,000 Bushels</i>	<i>1,000 Bushels</i>
Wheat, All <sup>2</sup>	June 1, 2009	48,000	25,200	73,200	140,745	515,760	656,505
	Mar 1, 2010	125,000	59,205	184,205	348,250	1,008,107	1,356,357
	June 1, 2010	87,000	36,241	123,241	209,900	763,492	973,392
Durum Wheat	June 1, 2009	10,200	3,000	13,200	13,300	11,774	25,074
	Mar 1, 2010	24,500	6,429	30,929	34,300	21,216	55,516
	June 1, 2010	16,300	3,375	19,675	23,900	10,703	34,603
Barley	June 1, 2009	13,500	16,500	30,000	27,010	61,723	88,733
	Mar 1, 2010	34,500	21,758	56,258	67,370	89,985	157,355
	June 1, 2010	25,000	19,259	44,259	40,440	74,701	115,141
Oats	June 1, 2009	2,200	1,140	3,340	17,480	66,619	84,099
	Mar 1, 2010	4,500	863	5,363	30,900	67,091	97,991
	June 1, 2010	2,800	595	3,395	17,600	62,747	80,347
Corn	June 1, 2009	68,400	36,400	104,400	2,205,400	2,056,027	4,261,427
	Mar 1, 2010	100,000	34,104	134,104	4,548,000	3,145,787	7,693,787
	June 1, 2010	44,000	29,001	73,001	2,131,400	2,178,644	4,310,044
Soybeans	June 1, 2009	10,000	7,900	17,900	226,300	369,859	596,159
	Mar 1, 2010	14,000	15,793	29,793	609,200	660,868	1,270,068
	June 1, 2010	4,500	5,663	10,163	232,600	338,417	571,017
Rye <sup>3,4</sup>	June 1, 2009	---	---	---	227	282	509
	June 1, 2010	---	---	---	250	682	932
Flaxseed <sup>4</sup>	June 1, 2009	---	---	---	---	---	2,552
	June 1, 2010	---	---	---	---	---	1,557
Canola <sup>4</sup>	June 1, 2009	<i>1,000 Pounds</i>	<i>1,000 Pounds</i>	<i>1,000 Pounds</i>	<i>1,000 Pounds</i>	<i>1,000 Pounds</i>	<i>1,000 Pounds</i>
	June 1, 2010	---	---	---	---	---	448,090
Rapeseed <sup>4</sup>	June 1, 2009	---	---	---	---	---	473
	June 1, 2010	---	---	---	---	---	300
Dry Edible Peas <sup>4</sup>	June 1, 2009	<i>1,000 Cwt</i>	<i>1,000 Cwt</i>	<i>1,000 Cwt</i>	<i>1,000 Cwt</i>	<i>1,000 Cwt</i>	<i>1,000 Cwt</i>
	June 1, 2010	---	---	---	---	---	3,869
Lentils <sup>4</sup>	June 1, 2009	---	---	---	---	---	450
	June 1, 2010	---	---	---	---	---	399
All Chickpeas <sup>4</sup>	June 1, 2009	---	---	---	---	---	491
	June 1, 2010	---	---	---	---	---	284
Small <sup>4</sup>	June 1, 2009	---	---	---	---	---	117
	June 1, 2010	---	---	---	---	---	86
Large <sup>4</sup>	June 1, 2009	---	---	---	---	---	374
	June 1, 2010	---	---	---	---	---	198

<sup>1</sup> Includes stocks at mills, elevators, warehouses, terminals and processors. <sup>2</sup> Includes Durum, other spring and winter. <sup>3</sup> Three-state total including Minnesota, North Dakota and South Dakota only. <sup>4</sup> Published at the U.S. level only.

## AGRICULTURAL PRICES

### North Dakota

The Index of Prices Received for All Farm Products in June is 140 percent of the 1990-1992 base. This is down 20 percent from last year and 39 percent below two years ago. The All Crops Index, at 144 percent of the base, is down 26 percent from June 2009 while the All Livestock and Products Index, at 121 percent, is up 25 percent from last year. June indexes are calculated using preliminary mid-month prices.

### United States

The June All Farm Products Index is 139 percent of its 1990-1992 base, down 1 percent from the May index but 4 percent above the June 2009 index. The All Crops Index is 147, down 3 percent from May and 6 percent below June 2009. The Livestock and Products Index, at 130, is 1 percent below last month but up 17 percent from June 2009.

### Index Numbers of Farm Prices North Dakota and United States, June 2010

Indexes and Ratios	North Dakota			United States		
	June 2009	May 2010	June 2010	June 2009	May 2010	June 2010
<b>Prices Received</b>	(1990-92 = 100)					
All Farm Products	174	137	140	133	141	139
Crops	194	141	144	157	152	147
Food Grains	217	135	145	194	156	133
Feed Grains & Hay	198	134	136	172	152	148
Oil Bearing Crops <sup>1</sup>	188	162	161	203	168	167
Potatoes & Dry Beans <sup>2</sup>	136	127	126	162	147	145
Livestock and Products	97	125	121	111	131	130
Meat Animals	90	126	122	106	130	124
Dairy Products	109	112	109	87	116	121
Other Livestock Products <sup>3</sup>	127	127	126	147	147	149
<b>Prices Paid</b>	NA	NA	NA	180	183	182
<b>Ratio <sup>4</sup></b>	NA	NA	NA	74	77	76

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

### Prices Received by Farmers North Dakota and United States, June 2010

Item	Unit	North Dakota			United States			Effective U.S. Parity Price June 2010
		Entire Month		Preliminary	Entire Month		Preliminary	
		June 2009	May 2010	June 2010	June 2009	May 2010	June 2010	
		<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	
Wheat, All	<i>Bu</i>	6.76	4.34	4.51	5.72	4.33	3.80	14.40
Durum	<i>Bu</i>	7.17	4.00	3.95	6.83	4.28	4.21	NA
Spring	<i>Bu</i>	6.72	4.43	4.60	6.66	4.61	4.67	NA
Winter	<i>Bu</i>	5.56	3.93	3.40	5.47	4.21	3.66	NA
Corn	<i>Bu</i>	3.85	2.98	3.00	4.01	3.48	3.38	9.00
Oats	<i>Bu</i>	2.06	1.80	<sup>1</sup>	2.37	2.19	2.02	5.90
Barley, All	<i>Bu</i>	4.83	3.21	2.85	4.70	4.25	3.63	10.10
Feed	<i>Bu</i>	2.38	2.01	2.05	3.16	2.49	2.75	NA
Malting	<i>Bu</i>	5.06	3.38	3.10	5.38	4.51	4.00	NA
Sunflower, All	<i>Cwt</i>	19.00	16.40	16.50	18.40	14.90	15.00	44.80
Oil	<i>Cwt</i>	16.90	14.50	NA	NA	NA	NA	NA
Non-oil	<i>Cwt</i>	30.90	22.00	NA	NA	NA	NA	NA
Baled Hay, All <sup>2</sup>	<i>Ton</i>	81.00	61.00	59.00	123.00	116.00	114.00	NA
Alfalfa <sup>2</sup>	<i>Ton</i>	87.00	66.00	63.00	128.00	121.00	119.00	NA
Other <sup>2</sup>	<i>Ton</i>	61.00	46.00	45.00	107.00	99.70	99.10	NA
Canola	<i>Cwt</i>	<sup>1</sup>	16.90	17.00	17.20	17.00	17.00	39.40
Flaxseed	<i>Bu</i>	9.59	8.31	8.35	9.59	8.31	8.35	23.50
Soybeans	<i>Bu</i>	10.90	9.06	9.00	11.40	9.41	9.39	22.20
Dry Edible Beans, All	<i>Cwt</i>	27.90	23.70	22.90	29.80	27.80	30.70	69.70
Navy	<i>Cwt</i>	24.40	27.70	NA	NA	NA	NA	NA
Pinto	<i>Cwt</i>	28.30	23.30	NA	NA	NA	NA	NA
Potatoes, All	<i>Cwt</i>	8.05	9.85	9.95	9.48	8.57	8.28	20.20
Fresh <sup>3</sup>	<i>Cwt</i>	8.70	10.60	NA	13.00	8.36	NA	NA
Processing	<i>Cwt</i>	7.85	10.70	NA	7.42	8.91	NA	NA
Beef Cattle	<i>Cwt</i>	59.50	87.80	80.80	80.10	94.80	91.10	247.00
Steers & Heifers	<i>Cwt</i>	84.00	103.00	96.00	84.90	99.70	95.70	NA
Cows	<i>Cwt</i>	49.00	63.00	58.00	45.40	59.20	58.20	NA
Calves	<i>Cwt</i>	102.00	126.00	121.00	109.00	122.00	121.00	348.00
Sheep	<i>Cwt</i>	25.00	35.00	NA	28.90	46.10	NA	105.00
Lambs	<i>Cwt</i>	108.00	137.00	NA	104.00	123.00	NA	278.00
Hogs	<i>Cwt</i>	42.00	59.80	NA	43.30	62.10	57.70	134.00

NA=Not applicable. <sup>1</sup> Price not published to avoid disclosure of individual firms. <sup>2</sup> Alfalfa, other and all hay are mid-month prices only. <sup>3</sup> Fresh market prices only, includes table stock.

Next-Generation Biofuels: Near-Term Challenges and Implications for Agriculture

The Energy Independence and Security Act (EISA) of 2007 mandates a tripling in U.S. biofuel use to 36 billion gallons by 2022. Achieving this goal will depend on rapid expansion in next-generation biofuels, primarily from cellulose. The EISA mandates expanded use of cellulosic biofuel to 16 billion gallons in 2022, on a trajectory to surpass corn ethanol use under the Renewable Fuel Standard.

Advanced conversion technologies will be used to create next-generation biofuels from widely available, largely nonfood biomass, including wood waste; crop residues; dedicated energy crops such as switchgrass, energy cane, and biomass sorghum; municipal solid waste; and algae. While some next-generation processes that yield biobutanol or petroleum-equivalent fuels will use corn and other first-generation feedstocks, overall next-generation biofuels likely will have less direct impact on food crops than first-generation biofuels.

Little Production of Next-Generation Biofuel Expected in Short Term

There are more than 30 U.S. companies developing biochemical, thermochemical, and other approaches to produce next-generation fuels. Most of these firms are currently engaged in small-scale production, experimenting with a variety of feedstocks. Most are also focusing on cellulosic ethanol, a fuel identical to corn ethanol—now commonly used as a gasoline additive. Because ethanol provides only two-thirds of the energy of gasoline and faces blending and transportation constraints, some companies are developing products like green gasoline, green diesel, and biobutanol, which are closer substitutes for fossil fuels.

The U.S. Environmental Protection Agency (EPA) announced in early 2010 that the cellulosic biofuel mandate for 2010 would be reduced from 100 million gallons to 6.5 million gallons. There were no changes to mandated levels for subsequent years. ERS estimates that production capacity may be somewhat higher for cellulosic biofuel, about 10 million gallons, with capacity expanding to over 200 million gallons by 2012. Production is likely less than capacity, particularly with the short-term prevalence of pilot and demonstration facilities that are not operated on a continuous basis. Total production capacity for next-generation biofuels, including cellulosic biofuel, biobutanol,

and biobased petroleum equivalents, is expected to be about 88 million gallons per year (primarily one company) by the end of 2010, less than the average capacity of a single new corn ethanol plant. Total sector capacity is expected to surpass 350 million gallons by 2012.

Range Fuels and Dynamic Fuels are expected to complete the first commercial next-generation biofuel plants in 2010. Range's plant in Soperton, GA, will use pine tree waste as the feedstock. According to the EPA, the plant's initial capacity has been reduced from 10 million to 4 million gallons per year and initial output will be methanol. The company's ethanol production is expected to commence at a later stage of development.

Dynamic Fuel's plant in Geismar, LA, is expected to start commercial operations in late 2010, using animal fat as the feedstock and producing a biobased diesel fuel. Poet, which has a pilot plant operational in Scotland, SD, may have the first commercial plant to produce cellulosic ethanol. The facility will be co-located with one of Poet's existing corn ethanol plants in Emmetsburg, IA, and is scheduled to be operational in late 2011 or early 2012, using corn cobs as the feedstock. Most other companies have pilot or demonstration plants, with average estimated production capacity of less than 1 million gallons in 2010, but future plans to expand.

In the short term, production of next-generation biofuels will be limited and thus will have a minor impact on feedstock demand. Furthermore, some companies will exploit already existing streams of forestry waste and municipal solid waste while supply arrangements for agricultural biomass (crop residues and energy crops) are developed. But if production of next-generation biofuels gets on an expansionary path, agriculture could eventually play a large role. Biomass inventory and other analyses by the U.S. Department of Energy (DOE), USDA, and EPA conclude that of all potential sources of biomass, U.S. agricultural sources (crop residues and energy crops) are the most significant.

To read the entire article, go to: <http://www.ers.usda.gov/AmberWaves/june10/Features/NGBiofuels.htm>

Source: Amber Waves, USDA-ERS, June 2010

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