NATIONAL AGRICULTURAL STATISTICS SERVICE

AG UPDATE

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LAND VALUES

The farm real estate value of all land and buildings in **Colorado** averaged $1,300 per acre as of January 1, 2008, up 4 percent from the previous year. The average value of all cropland, at $1,470 per acre, increased 5 percent while the average value of pastureland remained unchanged at $800 per acre. The average value of irrigated cropland advanced 9.4 percent to $3,500 per acre and the value of non-irrigated land increased 11.1 percent to $1,000 per acre.

Farm real estate values in the **United States**, a measurement of the value of all land and buildings on farms, averaged $2,350 per acre on January 1, 2008, up 8.8 percent from 2007. The $2,350 per acre is a record high and $190 more than a year earlier. Both cropland and pasture values for 2008 are record highs. Cropland values rose by 10 percent to $2,970 per acre, up from the previous high of $2,690 in 2007. Pasture value rose by 6 percent to $1,230 per acre.

While commercial and residential development has slowed in many regions, farm real estate values continue to increase. Strong commodity prices and farm programs, outside investments, favorable interest rates, and tax incentives continue to be the factors that drive farm real estate values to record levels. Livestock prices, recreational use, and urban development remain the predominant influences that increase pasture land values.

Regional increases in the average value of farm real estate ranged from 1.6 percent in the Northeast region to 15.5 percent in the Northern Plains region. The highest farm real estate values remained in the Northeast region, where development pressure continued to push the average value to $5,080 per acre. The Northern Plains region had the lowest farm real estate value, at $1110 per acre, up 15.5 percent from the previous year. In the Corn Belt region cropland values rose 14.8 percent, to $4,260 per acre. The Southern Plains region increased 12 percent from the previous year, to $1,490 per acre.

The Northern Plains region also had the highest average percentage increase in pasture value, 19.7 percent above 2007. In the Southern Plains and Mountain regions, which account for more than half of the pasture in the U.S., pasture values per acre increased 17.1 percent and 6.4 percent, respectively.

CASH RENTS

Cash rent for **Colorado** cropland in 2008 increased 5 percent from a year earlier to $62 per acre. The average cash rent for irrigated cropland, at $115 per acre, increased 15 percent from the previous year. Cash rent for non-irrigated cropland, at $24.00, per acre was up $2.00 from a year ago. Pastureland rented for cash averaged $5.00 per acre in 2008, down from 50 cents from the previous year.

Cash rents per acre paid to landlords for cropland in the **United States** rose $11.00 (13 percent), while pasture rents increased $1.00 (8.3 percent) for the 2008 crop and grazing year. Cropland cash rents paid in 2008 averaged $96.00 per acre, compared with $85.00 per acre for 2007. Pasture cash rents averaged $13.00 per acre, compared with $12.00 per acre for 2007. The increases in cropland and pasture land rental rates are the result of producers receiving strong commodity prices.

The Delta region had the highest percentage increase for cropland, 21 percent above 2007. Cropland cash rents increased $14.00 per acre to $140.00 in the Corn Belt region and $6.00 per acre to $64.00 in the Northern Plains region. The Corn Belt and Northern Plains regions account for slightly more than one half of cash rented cropland acreage in the U.S.

The major corn and soybean producing States of Illinois, Indiana, and Iowa experienced increases of 13, 13, and 18, percent respectively, for cropland cash rents. Illinois, Indiana, and Iowa cropland cash rents averaged $160.00, $135.00, and $165.00 per acre, respectively.

While pasture rent in the Northern Plains remained unchanged from the pervious year, rents in the Southern Plains, and Mountain regions both increased by 30 cents. The Northern Plains, Southern Plains, and Mountain region account for nearly 85 percent of the cash rented pasture acreage in the U.S. The cash rent paid for pasture in the Corn Belt region increased $4.50 to $36.00 per acre, which is the highest cash rent paid for pasture in the U.S.

CROP PRODUCTION
AUGUST 1, 2008
COLORADO HIGHLIGHTS

Winter wheat production is now forecast at 58.0 million bushels, up 2 million bushels from July 1 but down from the 94.0 million bushels produced last year. Growers harvested an estimated 2.0 million acres this year with an average yield of 29.0 bushels per acre, 11.0 bushels below the previous year. **Barley** production is forecast at 9.36 million bushels, up 29 percent from last year's crop of 7.25 million bushels. The area

for harvest in 2008, at 78,000 acres, is up from last year by 20,000 acres. Barley yield is estimated at 120.0 bushels per acre, 5.0 bushels below last year's average but unchanged from the July 1 forecast.

Corn production is forecasted at 175.5 million bushels, up 17 percent from last year's 150.5 million bushels. The 1.17 million acres expected to be harvested for grain this year is 10 percent more than a year ago. Average yield is expected to increase 8.0 bushels per acre from last year to 150.0. **Sorghum** production in 2008 is forecast at 4.5 million bushels, down from the 5.6 million bushel crop harvested a year earlier. Growers expect to harvest 180,000 acres this year, up from 150,000 acres harvested last year. Yield prospects are 12.0 bushels below a year ago as producers expect to average 25.0 bushels per acre this year. **Dry bean** production for 2008 is forecast at just over 1.0 million hundredweight, up 39 percent from the 736,000 hundredweight produced a year earlier. Growers expect to harvest 51,000 acres this year, up from 46,000 acres last year. **Sugarbeet** production is forecast at 689,000 tons, down 10 percent from 765,000 tons produced in 2007. Growers expect to harvest 28,700 acres this year compared with 29,200 a year ago. Yields are expected to average 24.0 tons per acre, down from 26.2 a year ago.

Colorado farmers and ranchers expect to harvest 830,000 acres of **alfalfa hay** this year, up from 800,000 acres harvested in 2007. They also expect to harvest 750,000 acres of **other hay** in 2008, unchanged from last year. Alfalfa production is forecast at 2.91 million tons compared with 2.96 million tons produced in 2007 and other hay is estimated at 1.28 million tons, down 11 percent from 1.43 million tons a year ago.

Colorado's **apple** production for this year is forecast at 15.0 million pounds, up from last year's production, of 13.0 million pounds, but still considered a reduced crop due to late frosts that occurred in the major growing areas. The 2008 **peach** crop is expected to increase 2,000 tons from last year to 15,000 tons. **Pear** production is forecast at 1,500 tons, down from 1,700 tons produced a year ago also due to late frost damage.

UNITED STATES HIGHLIGHTS

All wheat production, at 2.46 billion bushels, is virtually unchanged from the July forecast but up 19 percent from 2007. Based on August 1 conditions, the U.S. yield is forecast at 43.5 bushels per acre, unchanged from last month but 3.0 bushels above last year. **Winter wheat** production is forecast at 1.87 billion bushels. This is up 1 percent from last month and 24 percent above 2007. The U.S. yield is forecast at 46.6 bushels per acre, up 0.3 bushel from last month and up 4.4 bushels from last year. The area expected to be harvested for grain totals 40.3 million acres, unchanged from last month but up 12 percent from last year. Hard Red Winter, at 1.06 billion bushels, is up 1 percent from a month ago. Soft Red Winter, at 609 million bushels, is up slightly from the last forecast. White Winter is down 3 percent from last month and now totals 211 million bushels. Of this total, 23.6 million bushels are Hard White and 187 million bushels are Soft White. **Durum wheat** production is forecast at 86.6 million bushels, down 4 percent from July but up 21 percent from 2007. The U.S. yield is forecast at 33.5 bushels per acre, down 1.3 bushels from last month and 0.4 bushel below last year. Expected area to be harvested for grain totals 2.58 million acres, unchanged from last month but up 22 percent from last year. **Other spring wheat** production is forecast at 501 million bushels, down 1 percent from last month but up 5 percent from 2007. Area harvested for grain totals 13.8 million acres, unchanged from last month but up 6 percent from last year. The U.S. yield is forecast at 36.4 bushels per acre, 0.4 bushel below last month and 0.6 bushel below 2007. Of the total production, 466 million bushels are Hard Red Spring wheat, down less than 1 percent from last month.

Barley production for 2008 is forecast at 218 million bushels, virtually unchanged from last month and 3 percent above 2007. Based on conditions as of August 1, the average yield for the U.S. is forecast at 59.9 bushels per acre, up 0.1 bushel from July but down 0.5 bushel from last year. Expected area to be harvested as grain or seed, at 3.64 million acres, is up 4 percent from 2007. The top 3 producing States are expected to produce 68 percent of the Nation's barley crop. Harvest across the northern United States, from Minnesota to Washington, progressed behind normal. As of the week ending August 3, barley was 8 percent harvested, behind the 5-year average of 20 percent. Barley crop condition for the week ending August 3 was rated 53 percent good to excellent compared with 62 percent for the same week last year.

Corn production is forecast at 12.3 billion bushels, down 6 percent from last year but 17 percent above 2006. Based on conditions as of August 1, yields are expected to average 155.0 bushels per acre, up 3.9 bushels from last year. If realized, this yield would be the second highest on record, behind 2004. Production would be the second highest on record, behind last year when producers harvested the most acres of corn for grain since 1933. Forecasted yields are higher than last year in the northern and eastern Corn Belt, Ohio and Tennessee Valleys, and northern half of the Atlantic Coast where frequent precipitation this year contrasted with extremely dry weather last year. Expected yields across the southern half of the Great Plains and the Carolinas are below last year due to drought-like conditions throughout much of the growing season. Growers expect to harvest 79.3 million acres for grain, up 350,000 acres from June but 8 percent lower than last year.

U.S. **dry edible bean** production is forecast at 24.2 million cwt for 2008, down 5 percent from last year and down slightly from 2006. Planted and harvested area increased from the June *Acreage* report. Planted area is forecast at 1.40 million acres, a slight increase from the previous forecast but down 8 percent from 2007. Harvested area is forecast at 1.35 million acres, 1 percent above the last forecast but 8 percent below the previous year's harvested acreage.

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Acres, yield, and production, Colorado and United States, 2007-2008

Area and Crop	Planted Acres		Harvested Acres		Unit	Yield Per Acre		Production	
	2007	2008	2007	2008		2007	2008	2007	2008
	1,000 acres		**1,000 acres**			**Units per acre**		**1,000 units**	
Colorado:									
All Corn 1/	1,200	1,300	1,060	1,170	Bu.	142.0	150.0	150,520	175,500
All Sorghum 1/	220	230	150	180	Bu.	37.0	25.0	5,550	4,500
All Wheat	2,520	2,190	2,369	2,038	Bu.	40.3	5/	95,520	5/
Winter Wheat	2,500	2,150	2,350	2,000	Bu.	40.0	29.0	94,000	58,000
Spring Wheat	20	40	19	38	Bu.	80.0	5/	1,520	
Oats	75	45	10	10	Bu.	80.0	5/	800	5/
Barley	60	80	58	78	Bu.	125.0	120.0	7,250	9,360
Proso Millet	270	330	260	4/	Bu.	33.0	4/	8,580	4/
All Hay	...	...	1,550	1,580	Tons	2.83	6/	4,385	6/
Alfalfa Hay	...	...	800	830	Tons	3.70	3.50	2,960	2,905
Other Hay	...	...	750	750	Tons	1.90	1.70	1,425	1,275
Sugarbeets	32.0	34.8	29.2	28.7	Tons	26.2	24.0	765	689
Dry edible beans	48.0	55.0	46.0	51.0	Cwt.	1,600	2,000	736	1,020
Sunflowers, All	119.0	170.0	113.0	158.0	Lbs.	1,202	6/	135,800	6/
Sunflowers, Oil	105.0	145.0	100.0	135.0	Lbs.	1,150	6/	115,000	6/
Sunflowers, Non-Oil	14.0	25.0	13.0	23.0	Lbs.	1,600	6/	20,800	6/
All potatoes	62.2	61.4	61.9	60.7	Cwt.	355	7/	21,989	7/
Summer potatoes	3.0	4.4	2.8	4.0	Cwt.	350	360	980	1,440
Fall potatoes	59.2	57.0	59.1	56.7	Cwt.	355	7/	20,981	7/
Apples	...	...	...	...	Lbs.	...	...	13,000	15,000
Peaches	...	...	...	...	Tons	...	...	13.0	15.0
Pears	...	...	...	...	Tons	...	...	1.7	1.5
United States:									
All Corn 1/	93,600	86,977	86,542	79,290	Bu.	151.1	155.0	13,073,893	12,287,875
All Sorghum 1/	7,718	7,301	6,805	6, 442	Bu.	74.2	63.7	504,993	410,134
All Wheat 2/	60,433	63.,457	51,011	56, 586	Bu.	40.5	43.5	2,066,722	2,462,418
Winter Wheat	44,987	46,605	35,952	40,252	Bu.	42.2	46.6	1,515,989	1,874,857
Spring Wheat	13,297	14,197	12,947	13,751	Bu.	37.0	36.4	479,047	500,988
Oats	3,760	3,467	1,505	1,443	Bu.	60.9	62.3	91,599	89,897
Barley	4,020	4,130	3,508	3,640	Bu.	60.4	59.9	211,825	217,976
Rye	1,376	1,190	289.0	266.0	Bu.	27.4	5/	7,914	5/
Proso Millet	570	605	515	4/	Bu.	32.3	4/	16,615	4/
All Hay	...	...	61,625	60,439	Tons	2.44	2.45	150,304	147,955
Alfalfa Hay	...	...	21,670	20,778	Tons	3.35	3.41	72,575	70,944
Other Hay	...	...	39,955	39,661	Tons	1.95	1.94	77,729	77,011
Sugarbeets	1,268.8	1,110.1	1,246.8	1,051.8	Tons	25.6	24.1	31,912	25,319
Dry edible beans	1,526.9	1,401.9	1,478.7	1,353.6	Cwt.	1,716	1,786	25,371	24,172
Sunflowers, All	2,068.0	2,164.0	2,009.5	2,062.5	Lbs.	1,437	6/	2,888,555	6/
Sunflowers, Oil	1,764	1,850	1,717	1,768	Lbs.	1,454	6/	2,496,970	6/
Sunflowers, Non-Oil	304.0	314.0	292.5	294.5	Lbs.	1,339	6/	391,585	6/
All potatoes 3/	1,148.6	1,057.3	1,129.7	1,040.4	Cwt.	397	7/	448,407	7/
Summer potatoes	53.7	48.0	51.3	45.5	Cwt.	332	321	17,032	14,627
Fall potatoes	1,010.6	929.1	996.7	916.2	Cwt.	410	7/	409,082	7/
Soybeans	63,631	74,783	62,820	73,341	Bu.	41.2	40.5	2,585,207	2,972,577
Apples	...	...	...	...	Lbs.	...	...	9,113,900	9,165,200
Peaches	...	...	...	...	Tons	...	...	1,128.7	1,093.9
Pears	...	...	...	...	Tons	...	...	873.0	821.8

1/ Planted for all purposes; harvested for grain. 2/ Includes Durum Wheat. 3/ Includes Winter and Spring Crops.
4/ Jan. 2009. 5/ September 28, 2008. 6/ October 12, 2008. 7/ November 9, 2008.

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The average U.S. yield is forecast at 1,786 pounds per acre, an increase of 70 pounds from 2007 and 209 pounds above the 2006 yield. If realized, this will be the highest yield on record for the U.S. Production is expected to be lower in 11 of the 18 producing States, primarily due to reduced acreage. If realized, North Dakota and Wyoming will have their highest dry bean yields on record, at 1,650 and 2,360 pounds per acre, respectively.

Alfalfa and alfalfa mixtures production is forecast at 70.9 million tons, down 2 percent from last year. Yields are expected to average 3.41 tons per acre, slightly higher than the 3.35 tons from last year. Harvested area is forecast at 20.8 million acres, unchanged from June but 4 percent below the previous year's acreage. Yields are forecast to be above last year across the Corn Belt, Ohio Valley, and Tennessee Valley due to good moisture supplies. California, Nevada Utah, and Colorado yields are expected to be slightly lower than last year, however Oregon, Idaho, and Wyoming's yields are expected to be slightly higher.

Other hay production is forecast at 77.0 million tons, down 1 percent from last year. Based on August 1 conditions, yields are expected to average 1.94 tons, down slightly from last year. Harvested area, at 39.7 million acres, is unchanged from June but down 1 percent from the previous year. Abundant moisture in the Corn Belt and eastern portions of the U.S. increased yields from last year. Yields are within 1 ton of last year in all States except Texas where moisture deficiencies have reduced yields by 1.2 tons per acre.

Production of **sugarbeets** in 2008 is forecast at 25.3 million tons, down 21 percent from last year and 26 percent below 2006. Production forecasts are down from last year in all estimating States. Growers expect to harvest 1.05 million acres in 2008, up 2 percent from the June forecast but 16 percent lower than last year.

The initial 2008 U.S. **apple** production forecast is set at 9.17 billion pounds, slightly more than the 2007 crop year and down 7 percent from 2006. Multiple spring freezes and summer hailstorms damaged orchards across the nation; however, trees in most areas of the U.S. experienced a recovery from the devastating growing weather in 2007. The August 2008 forecast of U.S. **peach** production is 1.09 million tons, down less than 1 percent from the July 1 forecast and 3 percent below 2007. South Carolina's forecast, at 52,000 tons, is down 3,000 tons from the July 1 forecast but over four times above last season's frost damaged crop. U.S. **pear** production for 2008 is forecast at 821,750 tons, down 6 percent from last year and 2 percent below 2006. Bartlett pear production for California, Oregon, and Washington is forecast at 408,000 tons, 7 percent above the June forecast but 4 percent less than a year ago. Other pear production in the Pacific Coast States is expected to total 394,000 tons, 8 percent below last year but 2 percent above 2006.

MILK PRODUCTION
JULY 2008

Milk production in **Colorado** during July 2008 totaled 252 million pounds, up 13 million pounds from the 239 million pounds produced during the same period a year earlier. The average number of milk cows for July of this year was 129,000 head, up 10,000 head from July 2007. Production per cow averaged 1,950 pounds for July, down 55 pounds from a year ago.

Milk production in the 23 major States during July totaled 14.8 billion pounds, up 1.7 percent from July 2007. June revised production at 14.7 billion pounds, was up 3.2 percent from June 2007. The June revision represented a decrease of 19 million pounds or -0.1 percent from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,742 pounds for July, unchanged from July 2007. The number of milk cows on farms in the 23 major States was 8.47 million head, 143,000 head more than July 2007, and 5,000 head more than June 2008.

Milk Cows and Milk Production, 23 States

Item	Unit	2007	2008
Colorado:			
Milk Cows 1/…….	1,000 head	119	129
Milk Per Cow 2/..... …	Lbs.	2,005	1,950
Production 2/……..….	Mil. lbs.	239	252
23 State Total:			
Milk Cows 1/……	1,000 head	8,322	8,465
Milk Per Cow 2/..... ……..	Lbs.	1,742	1,742
Production /……..…..	Mil. Lbs.	14,500	14,750

1/ Includes dry cows. Excludes heifers not yet fresh.

2/ Excludes milk sucked by calves.

UPCOMING REPORTS

Colorado and U.S. data from most of the following reports will appear in subsequent issues of AG UPDATE. However, those who have an immediate need for the data may call this office after 1:15 P.M. on the day of release - toll free 1-800-392-3202. The complete USDA report is also available on the Worldwide Web at: **http://www.nass.usda.gov**

Aug. 15 - Farm Labor
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Aug. 22 - Cattle on Feed
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Aug. 22 - Cold Storage
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Aug. 22 - Livestock Slaughter
Aug. 29 - Agricultural Prices

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