

NEWS RELEASE



NATIONAL AGRICULTURAL STATISTICS SERVICE

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HIGH FUEL, FERTILIZER PRICES TO LEAD TO FEWER PLANTED CORN ACRES IN 2006, USDA SAYS

Washington, March 31, 2006 – The high cost of fuel and fertilizer is leading U.S. farmers to switch from corn to less input-intensive crops such as soybeans in 2006, according to the *Prospective Plantings* report released today by the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS).

Producers plan to plant 78 million acres of corn in 2006, down 5 percent from 2005. Meanwhile, they intend to plant a record-high 76.9 million acres of soybeans, up 7 percent. For all wheat, NASS expects planted area to remain almost unchanged from last season at 57.1 million acres, despite a major drop in durum wheat acres. Cotton area is expected to rise 3 percent, to 14.6 million acres.

Expected corn acreage is down in most states, the NASS report shows. Illinois expects the largest decline with 700,000 fewer acres, a 6 percent drop from last year's record level. The only states showing increases from last year are North Dakota, Arizona and Utah, while Minnesota remains unchanged from a year ago.

For soybeans, NASS reports expected acreage increases in all growing areas except the Atlantic Coast and in the southern Great Plains. The largest increase is in North Dakota, with a 41 percent jump to a record-high 4.15 million acres. Significant growth in soybean acreage is also expected across the Corn Belt, including Illinois, with a 6 percent increase to 10.1 million acres, and Indiana, with a 9 percent jump to 5.9 million acres.

All wheat planted area is expected to total 57.1 million acres, down slightly from 2005. Winter wheat acreage is up 2 percent, while spring wheat is down 1 percent. Intended durum wheat planted area is 1.83 million acres, down 34 percent from the previous year. If realized, this will be the lowest durum wheat acreage since 1961.

U.S. cotton producers intend to plant 14.6 million acres in 2006, 3 percent more than last year. Upland cotton area is expected to total 14.3 million acres, also up 3 percent. American-Pima cotton growers intend to increase their plantings 24 percent from 2005, to a record 334,000 acres.

NASS reports that U.S. acreage planted to oats will increase 2 percent in 2006, while dry edible bean acres are up 3 percent and sugar beet acres are up 6 percent. Sorghum and hay acreage are virtually unchanged. Meanwhile, barley acreage is expected to decline 5 percent from last year, with rice down 12 percent, peanuts down 16 percent and sunflower down 19 percent.

The *Prospective Plantings* report provides the first official estimates of U.S. farmers' planting intentions for 2006. NASS's acreage estimates are based on surveys conducted during the first two weeks of March among a sample of more than 87,000 farm operators across the United States.

Prospective Plantings, along with all other NASS reports, is available online at www.nass.usda.gov.