

June 30 USDA Acreage Report May Have More Questions Than Answers

JONESBORO, ARK.

USDA's mid-year Acreage report, due out Thursday, may provide more questions than answers in a turbulent growing season, said Scott Stiles, extension economist-risk management, for the University of Arkansas Division of Agriculture.

The June 30 report, based on a survey of growers by the National Agricultural Statistics Service, will include total acres planted through June 16.

"In a typical year, estimates of planted acreage would be reasonably accurate at this point, but this year uncertainty remains and comes from a number of factors," Stiles said. "These include not only flooding and late planting, but also the amount of forward contracting and crop insurance participation, all of which could have influenced growers' planting decisions.

"This year's weather has added more volatility to commodity markets that are already dealing with very tight U.S. supplies of corn, soybeans and cotton," he said.

Spring flooding affected a wide swath of key U.S. cropland from the eastern Corn Belt and northern Plains to the Mississippi Delta and more flooding has occurred around the Missouri River.

Growers planted when they were able and the crop landscape will likely be different from that pictured in USDA's March 31 planting intentions report, which came out about two weeks before severe weather began to take its toll on Arkansas and neighboring states.

"It is very possible that soybean acreage will be increased above March intentions as many acres of corn and rice were unable to be planted in a timely manner," Stiles said.

In its June Supply/Demand report, USDA took a rare step in cutting U.S. planted acreage for corn and rice ahead of the June 30 Acreage report, reducing planted acreage of corn by 1.5 million acres and rice by 168,000 acres from the March planting intentions.

While the June 30 Acreage report could provide a more detailed crop picture, "the acreage uncertainty will remain in commodity markets after June 30," Stiles said. "In the end, it's what gets harvested that will matter most."

The data in the June 30 report will provide the planted and harvested acreage for the July 12 USDA supply/demand estimates.

According to the March 31 planting intentions report Arkansas growers were:

- Expected to plant 3.25 million acres of soybeans in 2011, up from 3.19 million in 2010. Nationwide, soybean plantings are down 1 percent to 76.6 million acres.

- Expected to plant 1.401 million acres of rice, down from 1.79 million last year

- Expected to plant 630,000 acres of cotton, up 16 percent from last year's 545,000 acres. Cotton acreage increases had been expected in every state.

- Corn acres were expected to expand 23 percent from 390,000 acres in 2010 to 480,000 in 2011. Nationally, the expected acreage for corn grew 105 percent to 92.17 million acres. Δ