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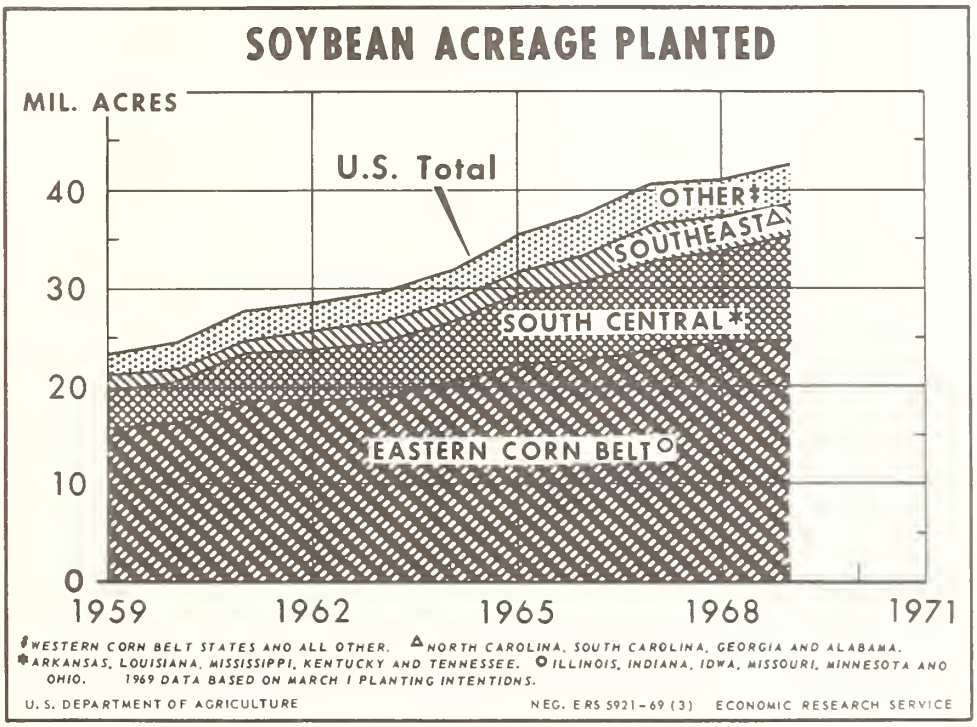

U.S. soybean acreage planted rose from 23 million in 1959 to a record 42 million in 1968. Expansion occurred in all areas, with a sharp increase in the South.

Farmers in early March indicated plans to plant 43 million acres to soybeans in 1969. Producers usually carry out their soybean planting intentions. In 8 of the past 10 years, U.S. soybean plantings were within 1% of intentions. However, actual plantings in 1969 may not match intentions because of growers' later decisions based on Government program provisions which were not fully known on March 1--including the cut in the price support rate for 1969-crop soybeans. (See page 32).

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Each year the USDA surveys farmers in all parts of the country regarding their March 1 plans for soybean acreage to be seeded the following May-June. According to an analysis of the prospective plantings and acreage actually planted to soybeans for the years 1959-68:

(1) On a national basis farmers usually carried out their planting intentions. During the 10-year period, they planted slightly more acreage than earlier planned, but the difference was small--averaging about half of 1%. And total U.S. acreages planted to soybeans in the past 3 years approximated 100% of the March intentions.

(2) Prospective plantings accurately indicated the actual direction of change from the preceding year for each of the 10 years. Soybean acreage showed a steady uptrend, rising from 23 million in 1959 to 42 million in 1968--an increase of 78%.

(3) In only 2 years in the past 10 did the national acreage planted to soybeans significantly exceed March intentions--by 5% in 1961 and 3% in 1965. In 1961 soybean farmers' intentions were uncertain as details of an emergency feed grain program were not known until late March. In 1965, growers' plans were reported during signup for the feed grain, spring wheat and cotton programs. In both 1961 and 1965, soybean prices were favorable at planting time.

(4) In the main Corn Belt, the major producing area, acreage planted to soybeans was within 1% of the March 1 prospective plantings in 7 out of 10 years. Only in 1961 were plantings significantly greater than March 1 plans.

(5) In the South Central region, second-ranking producing area, acreage planted to soybeans consistently exceeded March 1 intentions on an average of about 5% annually. The upward bias in favor of soybeans has been closely associated with one in the opposite direction for corn and oats in the area. Farmers consistently planted less acreage to these 2 crops than indicated by March intentions, averaging -10% for corn and -13% for oats. New land coming into soybean production may be one factor explaining why soybean plantings have exceeded acreage intentions in this area.

Soybeans rank second only to corn among the cash crops in the United States. In 1968, the 42 million acres planted to soybeans covered 31 States. About 58% of the acreage was in the main Corn Belt (Illinois, Indiana, Iowa, Minnesota, Missouri, and Ohio); 23% in the South Central area (Arkansas, Kentucky, Louisiana, Mississippi, and Tennessee); 8% in the Southeast area (Alabama, Georgia, North Carolina, and South Carolina); about 6% in the Western Corn Belt (Kansas, Nebraska, North Dakota and South Dakota); and 5% elsewhere. Rapid expansion of soybean acreage in areas outside the Corn Belt--mainly the South--reduced the proportion of U.S. acreage in the main Corn Belt from about 67% in 1959 to 58% last year. However, soybean yields per acre are considerably higher in the Corn Belt than in other areas.

U.S. Soybean Plantings Seldom Go Much Above Intentions

During 1959-68, there were only 2 years (1961 and 1965) when U.S. acreage planted to soybeans significantly exceeded the spring intentions. In the other 8 years, actual plantings were within 1% of the March 1 report (table 21).

Table 21.--Soybeans: Prospective plantings as compared with acreages planted, by areas, 1959-69

Year	Main Corn Belt 1/			Western Corn Belt 2/		
	Prospective plantings 3/	Acreage planted		Propsective plantings 3/	Acreage planted	
		Actual 4/	Percent of prospective		Actual 4/	Percent of prospective
	1,000 acres	1,000 acres	Pct.	1,000 acres	1,000 acres	Pct.
1959	15,662	15,579	99	1,095	950	88
1960	16,448	16,105	98	996	1,043	105
1961	17,495	18,459	106	1,200	1,345	112
1962	18,699	18,555	99	1,438	1,448	101
1963	19,496	18,736	96	1,464	1,523	104
1964	20,296	20,284	100	1,826	1,641	90
1965	22,085	22,218	101	1,990	2,159	108
1966	22,995	22,707	99	2,396	2,270	95
1967	24,006	23,742	99	2,524	2,324	92
1968	24,708	24,344	99	2,312	2,341	101
1969	24,704			2,252		

Year	South Central 5/			Southeast 6/		
	Prospective plantings 3/	Acreage planted		Prospective plantings 3/	Acreage planted	
		Actual 4/	Percent of prospective		Actual 4/	Percent of prospective
	1,000 acres	1,000 acres	Pct.	1,000 acres	1,000 acres	Pct.
1959	3,858	4,294	111	1,261	1,218	97
1960	4,417	4,443	101	1,297	1,445	111
1961	4,615	4,814	104	1,530	1,551	101
1962	5,052	5,146	102	1,808	1,616	89
1963	5,422	5,814	107	1,712	1,788	104
1964	5,937	6,146	104	1,941	1,939	100
1965	6,281	6,909	110	2,127	2,215	104
1966	7,373	7,870	107	2,396	2,592	108
1967	9,055	9,187	101	2,995	3,436	115
1968	9,201	9,441	103	3,454	3,305	96
1969	10,369			3,404		

Year	All Other States 7/			U.S. Total		
	Prospective plantings 3/	Acreage planted		Prospective plantings 3/	Acreage planted	
		Actual 4/	Percent of prospective		Actual 4/	Percent of prospective
	1,000 acres	1,000 acres	Pct.	1,000 acres	1,000 acres	Pct.
1959	1,296	1,308	101	23,172	23,349	101
1960	1,509	1,404	93	24,667	24,440	99
1961	1,586	1,618	102	26,426	27,787	105
1962	1,759	1,653	94	28,756	28,418	99
1963	1,802	1,601	89	29,896	29,462	99
1964	1,841	1,597	87	31,841	31,605	99
1965	1,783	1,726	97	34,266	35,227	103
1966	1,961	1,855	95	37,121	37,294	100
1967	2,022	2,087	103	40,602	40,776	100
1968	2,086	2,148	103	41,761	41,579	100
1969	2,268			42,997		

1/ Includes Ohio, Indiana, Illinois, Iowa, Missouri, and Minnesota.
2/ Includes North Dakota, South Dakota, Nebraska and Kansas.
3/ Prospective plantings as of March 1 each year.
4/ As reported in the December annual summary of Crop Production for each year.
5/ Includes Kentucky, Tennessee, Mississippi, Arkansas and Louisiana.
6/ Includes North Carolina, South Carolina, Georgia and Alabama.
7/ Includes New York, New Jersey, Pennsylvania, Michigan, Wisconsin, Delaware, Maryland, Virginia, West Virginia, Florida, Oklahoma, and Texas.

In 1961, prospective plantings indicated 26.4 million acres would be seeded to soybeans, 8% more than in 1960. Farmers' intentions were more uncertain than usual that year as details of the 1961 emergency feed grain program were not known until late March. Farmers actually planted 27.8 million acres to soybeans, 1.4 million acres or 5% more than indicated the preceding March, and 14% above the 1960 acreage. The increase partly reflected the shift of land from feed grains to soybeans. Acreage planted to corn dropped sharply from 81.4 million in 1960 to 65.9 million in 1961, and sorghums declined from 19.6 million to 14.3 million acres, due to acreage diversion to soil conserving crops. Also contributing to the switch to soybeans were the favorable market prices of soybeans at planting time along with the higher 1961 support price of $2.30 per bushel, an increase of 45¢ over the 1960 rate. Soybean prices to farmers in 1960/61 rose from $1.94 per bushel in October to a seasonal high of $3.02 in April, as supply and demand stayed in close balance and the year-end carryover was projected at a minimum.

In 1965, the March 1 survey indicated 34.3 million acres would be planted to soybeans, about 8% above a year earlier. Growers' plans were reported during signup for the 1965 feed grain, spring wheat, and cotton programs. Farmers actually planted 35.2 million acres to soybeans, roughly 1.0 million acres or 3% more than their March intentions, and 11% above 1964. The increase was partly due to the relatively high prices received for 1964-crop soybeans--they peaked at $2.85 per bushel in April 1965. Also, acreage was released from the Conservation Reserve, and probably some of this was planted to soybeans. In some Southern States, the expansion of soybean acreage resulted partly from reduced plantings of feed grains. Also, because of frosts in late May and heavy rains during June, some farmers shifted from spring grains to later seeded crops such as soybeans.

Intentions Indicate Acreage in Corn Belt; South Central Consistently Plants More

During the past decade, acreage planted to soybeans in the main Corn Belt rose 56%--from 15.6 million in 1959 to 24.3 million in 1968. In 7 out of the 10 years the actual acreage planted was within 1% of the March 1 intentions. In 1960 and 1963, plantings were below intentions by more than 1% and only in 1961 did they significantly exceed 1%.

Acreage planted to soybeans in the South Central region increased 120% in the 10 years, from 4.3 million to 9.4 million acres. In each year, planted acreage exceeded the March 1 intentions, averaging about 5% annually. The actual acreages planted ranged from 101% to 111% of the prospective plantings.

In the Southeast, acreage planted to soybeans nearly tripled, increasing from 1.2 million to 3.3 million. Farmers exceeded their spring intentions in 6 of the past 10 years, averaging 103% for the entire period. The yearly ratios varied from 89% in 1962 to 115% in 1967.

In the Western Corn Belt and all "Other States," the prospective plantings/planted ratio varied widely but acreages were considerably smaller than the other areas.

A Closer Look at Acreage Trends in the South Central Region

A similar acreage comparison was made for corn, cotton, oats, rice, and wheat in an attempt to explain the upward bias in the South Central acreage planted/prospective plantings ratio for soybeans.

Actual plantings of cotton, rice, and wheat in the South Central region averaged within 1% of prospective plantings. For corn and oats, however, farmers consistently planted less than their March 1 intentions.

Table 22.--South Central area 1/: Prospective plantings (March 1) and acreages planted, selected crops, 1959-68

Year	Corn		Cotton		Oats		Rice	
	Prospective plantings	Acreage planted	Prospective plantings	Acreage planted	Prospective plantings	Acreage planted	Prospective plantings	Acreage planted
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
1959	5,857	5,378	2/ 3,925	3,925	1,551	1,352	892	895
1960	5,459	4,928	2/ 4,000	4,000	1,292	1,070	899	900
1961	5,451	3,748	2/ 4,232	4,232	1,243	1,044	901	901
1962	3,715	3,490	4,163	4,172	1,010	967	996	992
1963	3,558	3,355	3,780	3,804	1,053	902	992	992
1964	3,454	3,188	3,825	3,819	820	636	1,001	999
1965	3,239	2,943	3,775	3,744	731	577	999	1,006
1966	3,201	2,948	2,805	2,727	612	539	1,091	1,105
1967	2,878	2,917	2,615	2,469	481	515	1,105	1,105
1968	2,714	2,595	3,105	3,017	508	502	1,325	1,327
1969	2,465		3,175		487		1,194	
1970								
Net Change 1959-68		-2,783		-908		-850		+432

Year	Wheat		Total (5 crops shown)				Soybeans			
					Difference				Difference	
	Prospective plantings	Acreage planted	Prospective plantings	Acreage planted	Acreage	Percent	Prospective plantings	Acreage planted	Acreage	Percent
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Pct.	1,000 acres	1,000 acres	1,000 acres	Pct.
1959	801	745	13,026	12,295	-731	-6	3,858	4,294	+436	+11
1960	737	677	12,387	11,575	-812	-7	4,417	4,443	+26	+1
1961	773	727	12,600	10,652	-1,948	-15	4,615	4,814	+199	+4
1962	626	608	10,500	10,229	-271	-3	5,052	5,146	+94	+2
1963	635	705	10,018	9,758	-260	-3	5,422	5,814	+392	+7
1964	987	1,175	10,087	9,817	-270	-3	5,937	6,146	+209	+4
1965	1,127	1,095	9,871	9,365	-506	-5	6,281	6,909	+628	+10
1966	991	1,207	8,700	8,526	-174	-2	7,373	7,870	+497	+7
1967	2,026	2,060	9,105	9,066	-39	3/	9,055	9,187	+132	+1
1968	2,111	1,913	9,763	9,354	-409	-4	9,201	9,441	+240	+3
1969	1,391		8,712				10,369			
1970										
Net Change 1959-68		+1,168		-2,941				+5,147		

1/ Includes Arkansas, Louisiana, Mississippi, Tennessee and Kentucky.

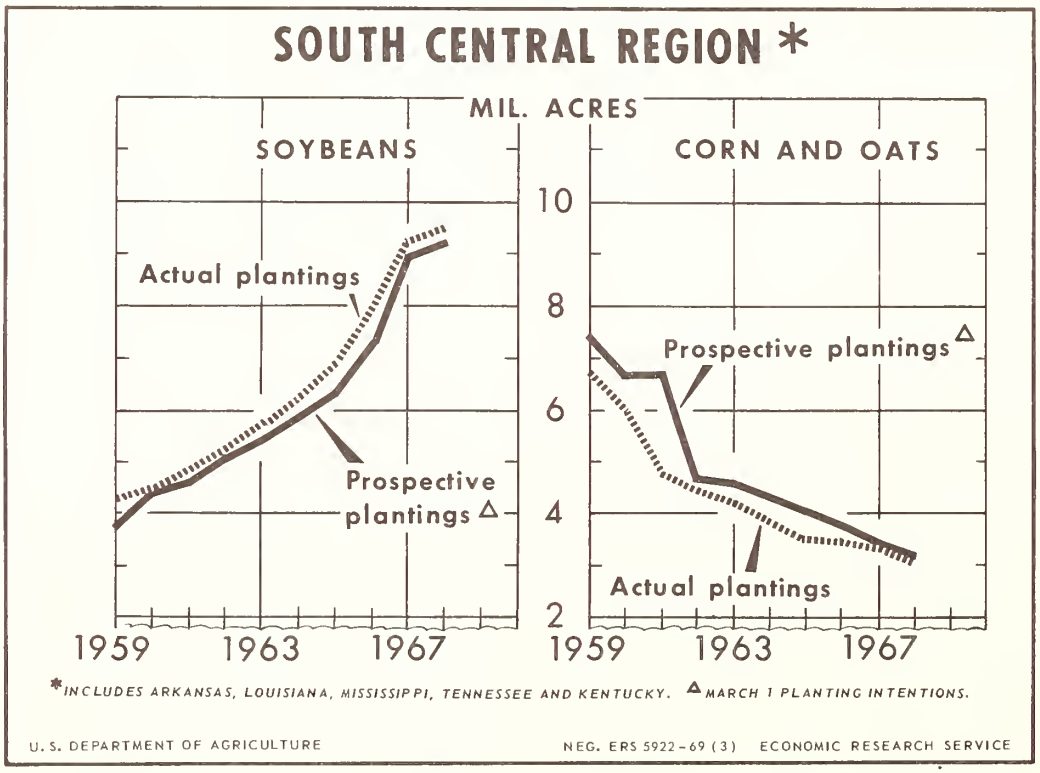
2/ Actual acreage planted; planting intentions not available prior to 1962

3/ Less than .05 percent.

Acreage planted to the 5 crops dropped about 3 million during 1959-68 in the South Central region, while soybean acreage increased about 5 million (table 22). Corn acreage declined 2.8 million, oats about 0.8 million, and cotton 0.9 million. Rice increased 0.4 million acres because of larger allotments whereas wheat rose 1.2 million. Wheat acreage increased sharply in 1964 as the program shifted from allotments to a voluntary basis. Wheat acreage is often double-cropped with soybeans in this area. Apparently, some land formerly used for corn, oats, and cotton was shifted to soybeans during 1959-68, largely accounting for the increase in soybean acreage. In addition, some new land in this region was brought into production, but acreage data are not available. The total acreage for the 6 crops shown in table 22 was 18.8 million in 1968 compared with 16.6 million in 1959. This suggests that a good part of the 2.2 million-acre increase may be attributed to new land being brought into cultivation along with acreage released from the Soil Bank Program.

Corn acreage planted in the South Central area dropped 52% during the last 10 years--from 5.4 million to 2.6 million acres in 1968. Acreage planted as a percentage of prospective plantings varied from 69% in 1961 to 96% in 1968 (excludes 1967 which was 101%, the only year plantings exceeded intentions). The average deviation from intentions to plant was -10%. The underlying trend toward planting more soybeans and less feed grains, favorable prices for soybeans at planting time, and some uncertainties as to the details and participation in the feed grain programs all contributed to farmer decisions to plant less corn than March 1 intentions indicated.

Oat acreage in the South Central region dropped 63% in the decade to 0.5 million acres in 1968. The planted/prospective planting ratio varied from 77% in 1964 to 99% in 1968 (excluding 1967). The average deviation from planting intentions was -13%.



U. S. Soybean Plantings May Not Match Intentions This Year

As of early March this year, U.S. farmers planned to plant 43 million acres to soybeans. This would be 3% above 1968, continuing the acreage advance for the 9th consecutive year. If yields decline to about the average of recent years, in contrast to 1968 record high yields, total 1969 output will about equal last year's 1.1 billion bushels.

Actual soybean plantings the past 3 years have been nearly identical to intentions. However, plantings this year may not match intentions because of growers' later decisions based on Government program provisions which were not fully known on March 1--including the 12% cut in price support for 1969-crop soybeans. Also, growers' intentions were reported during signup period (February 3 through March 21) for the 1969 Feed Grain, Wheat, and Cotton programs. Other factors such as weather, labor prospects, or economic conditions, and the impact of the March 1 intentions report itself can influence producers' actions up to the time of seeding. A one million acreage change in soybean plantings is equivalent to about 25 million bushels of soybeans.

USDA announced on March 6 that 1969-crop soybeans will be supported at $2.25 per bushel, No. 1 grade, compared with $2.50 per bushel, No. 2 grade, in 1968. The new support represents a net reduction of about 30¢ per bushel from the 1968 rate since No. 2 soybeans usually sell about 5¢ per bushel below No. 1.

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