2007 CROP HIGHLIGHTS

Kentucky crop yields for 2007 were hurt by the hot and dry summer. The Easter Sunday freeze set in motion an eventful 2007 crop year. Much of the wheat crop and almost all of the first cutting of alfalfa hay were destroyed. Planting of row crops and setting of tobacco got the crop season off to a good start when conditions started to turn dry in late May. Rainfall remained short through the summer even as scattered areas received some rain. Dry conditions remained through September when farmers started receiving much needed rain.

BURLEY TOBACCO

Kentucky farmers produced an estimated 154.0 million pounds of **burley** tobacco, up less than 1 percent from the 2006 crop. This was the largest production since the tobacco buyout of 2004. Yield was estimated at 2,000 pounds per acre, down 100 pounds from the 2006 crop. Harvested acreage was estimated at 77,000 acres, an increase of 4,000 acres from the previous year. Barren County continued to be the leading burley production county with 5.91 million pounds produced. For 2007, 13 counties had production of 3.50 million pounds or more.

Seeding of tobacco beds started in March and as of April 1 was 73 percent complete, 8 percent ahead of the 2006 crop. Seeding continued and by April 22, 65 percent of the tobacco seedlings were less than 2 inches tall, 23 percent were 2 to 4 inches tall and 12 percent were over 4 inches. Ninety-five percent of the tobacco seedlings produced were raised in float beds with the remainder in conventional beds. Setting of the crop started late April with 2 percent of the burley acreage set by April 29. Setting during May advanced at a faster rate than in the previous year and the five year average. On May 20, 37 percent of the burley had been set, ahead of the 21 percent for 2006 and 20 percent for average. The set crop was in mostly good to fair condition. Setting continued through late May and into early June at a brisk pace. Burley setting then slowed during mid-June but was virtually complete by late month with a crop condition of 13 percent very poor, 16 percent poor, 34 percent fair, 31 percent good and 6 percent excellent. During setting no major disease or pest problems were noted.

As July started, 55 percent of the tobacco plants were less than 12 inches tall, with 32 percent 12-24 inches in height and 13 percent were over 24 inches. Given the dry weather, tobacco seemed to be weathering the situation better than most crops but some reports of black shank in the western part of the State were received. A few farmers were still setting their tobacco the first week of July while earlier set tobacco was starting to bloom. On July 15, 14 percent of the burley tobacco was blooming or had bloomed with 6 percent topped.

In early August the number one concern for most farmers was a need for rain. Showers received helped but dry conditions continued with topsoil moisture 71 percent very short to short. Black shank had been a problem all growing season but in early August blue mold was spotted in a couple of counties. The presence of these diseases however was not considered serious. By August 12, tobacco was in mostly good to fair condition with 67 percent of the burley topped and 10 percent cut and housed. Both topped and cut percentages were ahead of the 2006 crop and the five year average. Lack of adequate moisture caused curing problems in some of the housed tobacco. Cutting continued rapidly during late August in spite of the extreme heat with 39 percent of the acreage cut by August 26.

By September 2, 54 percent of the burley crop had been cut, ahead of 52 percent for 2006 and 49 percent for average. A few reports were received of the housed tobacco just drying instead of curing due to lack of humidity. Eleven percent of the housed tobacco showed some houseburn. Labor market was tight but most farmers found enough workers to get their crop harvested. Only a few had to delay harvest due to short labor supply. Some farmers sprayed water in their tobacco barns to create some moisture to ensure better curing conditions. During the month farmers continued to report housed tobacco drying fast instead of curing. As of September 30, 93 percent of the burley acreage had been cut, ahead of the previous year and five year average. Of the housed tobacco available, 3 percent had been stripped, 21 percent was ready for stripping with 76 percent not ready.

During October stripping continued with some farmers who commented that their tobacco dried too fast and lost color. Increased humidity in late October and early November helped with tobacco curing and stripping. On November 11, 38 percent of the burley crop had been stripped. This continued to be behind last year with 41 percent and the five year average of 44 percent. Stripping in fall was slowed by generally dry weather. Moisture was needed for the tobacco to come in and out of case for it to cure properly prior to stripping. Many farmers expected the burley tobacco to be light in weight, lighter in color and quality to be lower than normal. Burley tobacco continued to be sold primarily by direct contract with some sold through the auction market. Average price received for burley was \$1.60 per pound, down 5 cents per pound from the 2006 crop.

DARK TOBACCOS

Since 2005, dark tobacco grown in Kentucky has been combined into two groups, dark fire and dark air. Dark tobacco is grown primarily in Western Kentucky, sells for a higher price than Burley tobacco and contracts almost all of the production sold to the tobacco companies.

The increase in <u>dark fire-cured</u> tobacco production resulted from an increase in harvested acreage. Production was 24.8 million pounds, an increase of 3.10 million pounds from the 2006 crop. Acreage was estimated at 8,000 acres, an increase of 1,800 acres from the previous year

and yield was estimated at 3,100 pounds per acre, down 400 pounds from the 2006 crop. Price received by growers was \$2.40 per pound, unchanged from the previous year.

Dark air-cured tobacco production was 11.8 million pounds, virtually unchanged from the 2006 production. Farmers harvested 4,200 acres of dark air tobacco with a yield of 2,800 pounds per acre. Harvested acreage was up 400 acres from 2006 while yield was down 300 pounds per acre. Price received by growers was \$2.20 per pound, the same as 2006.

CORN

Corn for grain was estimated at 175.4 million bushels, an increase of 16 percent from the 2006 crop and the largest corn crop on record. The previous high was 173.3 million bushels in 2004. Production was up due to the increase in harvested for grain acreage. Yield was estimated at 129 bushels per acre, down 17 bushels from last year's crop. This would be the lowest yield in five years. Acreage harvested for grain was estimated at 1.36 million acres, up 320,000 acres from the previous year. This was the largest harvested acreage since 1986. Union County was the leading corn production county with 14.8 million acres. Twelve counties had production of 5.00 million bushels or more.

Soil temperatures were warm this spring and by April 8, 26 percent of the intended corn acreage had been planted, ahead of 13 percent for both the previous year and the five year average. Temperatures then turned cold and planting progress slowed. By the end of April, 59 percent of the corn was planted compared to 72 percent for last year and 64 percent for the average. Twenty-one percent of the crop had emerged, well behind last year's 43 percent and the five year average of 37 percent. During early May precipitation slowed planting but by May 20, 96 percent of the corn had been planted with 86 emerged. Starting in temperatures started to increase and soil moisture started to dry. Planting was virtually complete by the end of May.

The first week of June the average emerged corn height was 20 inches, with the most advanced height 33 inches. With the hot dry weather much of the corn crop stopped growing as it waited for moisture. A few areas saw some twisting of the stalk and other signs of moisture related stress. During June most areas of Kentucky were very dry and corn and other crops were becoming stressed due to lack of

moisture. Going into July, condition of the crop was 9 percent very poor, 11 percent poor, 20 percent fair, 44 percent good and 16 percent excellent. As of July 1, 50 percent of crop had silked or was silking, ahead of both last year's 43 percent and the five year average of 37 percent. Soil conditions for Kentucky remained dry during July prior to receiving some widespread rain in late month. Ninety-one percent of the corn had silked or was silking on July 29. Fifty-six percent of the crop was in the milk stage or beyond, 32 percent was in the dough stage and 12 percent was in the dent stage.

Dry crop conditions continued during August. By the second week there were reports of the mature crop drying down fast. Condition of the crop had slipped and was rated 6 percent very poor, 14 percent poor, 26 percent fair, 45 percent good and 9 percent excellent. As the month progressed, mature corn fields continued to dry down ahead of schedule due to the extreme heat. On August 19, 25 percent of the crop was mature awaiting harvest. Harvesting of the corn crop began in late August with 9 percent harvested by August 26. This was ahead of 4 percent for the previous year and the five year average. A wide range of yields were reported for corn harvested for grain. Harvesting of grain and silage advanced at a rapid pace in early September. By September 2, 23 percent of the corn had been harvested. Yields were good in some places, while other yielded only half of their average production. Corn continued to dry quickly with 81 percent mature on September 2. This was almost two weeks ahead of schedule. Harvesting continued at a rapid pace through the month. By September 30, 82 percent of the crop had been harvested. This was well ahead of 50 percent harvested last year and the five year average of 59 percent. Reported yields varied widely depending on the amount and timing of rain received. Harvesting of the crop was virtually complete by late October.

SOYBEANS

Production of <u>soybeans</u> was estimated at 28.1 million bushels, down 53 percent from the 2006 crop and the smallest crop in eight years. The smaller crop was brought about by a decrease in yield and smaller harvested acreage. Yields were down significantly from the 2006 crop. Yield was estimated at 26 bushels per acre, down 18 bushels from last year's record tying high yield of 44 bushels. Acreage harvested as beans was estimated at 1.08 million acres, down 290,000 acres from the previous year and the smallest harvested acreage in 19 years. Daviess County was the leading production county with 2.55 million bushels. Six counties had production exceeding 1.00 million bushels.

Kentucky farmers began planting soybeans in late April but progress was slowed by cool soil temperatures. By the end of April, only 2 percent of the State's acreage had been planted. This was behind the 2006 planting of 6 percent and the five year average of 4 percent. Farmers in May were generally planting in dry soils. By early June some producers were waiting for rain to complete their planting because some soil moisture was too dry for germination. On June 17 virtually all of the single crop soybeans had been planted and 24 percent of the double crop soybeans were planted. Double crop soybeans were planted following the winter wheat harvest. Planting continued into the first week of July. During July soybeans were blooming and setting pods. By July 29, 66 percent of the soybeans were blooming with 36 percent setting pods. Both were ahead of the 2006 crop and the five year average.

During August soybeans needed rain for pod development. As August progressed, the soybean condition declined due to lack of moisture. Fields planted earlier in the year did better than the double cropped beans. Double crop soybeans were a general disappointment due to the dry hot growing conditions. The plants never really got established and growing. As the drought continued into September, the quality of the soybean crop declined further. Some double crop fields were cut for silage or hay instead of harvested for beans. As of September 2, 92 percent of the soybeans were setting or had set pods, 28 percent had leaves turning yellow and 11 percent had dropped leaves. During September crop condition continued to decline. Soybean harvest started in late September and by September 23, 12 percent of the crop had been harvested. This was ahead of last year's 3 percent and the average of 4 percent. Small size of the bean produced was a concern for some producers, especially those with double crop soybeans. Soybean harvesting continued through October into November. Yields were down due to the dry summer and varied greatly across the State depending on rainfall received and when it rained. The dry summer especially hurt double crop soybeans.

OTHER CROPS

Kentucky farmers harvested 12.3 million bushels of winter wheat during the summer of 2007. The was down 46 percent from the large 2006 crop and the smallest crop in 16 years. The smaller crop resulted from reduced harvested acreage and lower yield per acre. The smaller acreage resulted from many farmers abandoning their winter wheat for grain after experiencing devastating freezing temperatures mid-April. Yield was estimated at 49 bushels per acre, down 22 bushels from the 2006 record high of 71 bushels per acre.

The winter wheat crop came out of a relatively mild winter in mostly good condition. Following good Spring development, a killing frost Easter weekend dashed the hopes of many farmers in Kentucky. Following the freeze, 80 percent of the winter wheat crop condition was rated poor or very poor. Many farmers cut their damaged wheat for hay or burned it down and replanted with early season soybeans. Of the crop left in the field, farmers expected greatly reduced yields. Wheat disease and pest issues were minor. Harvesting of the wheat for grain began in early June with 8

percent harvested by June 3. By July 8, 93 percent of the winter wheat crop had been harvested. Final yield and test weights were better than farmers initially expected.

Alfalfa hay production was estimated at 540,000 tons, down 48 percent from the 2006 crop. Yield was estimated at 1.80 tons per acre, down 1.9 tons from a year earlier. Harvest acreage at 300,000 acres was the largest harvested acreage since 2002. Other hay production was estimated at 3.60 million acres, down 32 percent from the 2006 crop. Yield at 1.50 tons per acre was down .90 ton from a year earlier. Harvested acreage at 2.40 million acres was up 200,000 acres from the 2006 crop.

An Easter freeze destroyed much of the first cutting of alfalfa hay that was well developed at the time of the freeze. To compensate for the loss of the first cutting of alfalfa hay and to fill the void left by drought limited alfalfa and other hay yields, farmers cut an estimated 2.70 million acres for hay. This was a record high. Famers cut as many acres of alfalfa and other hay as they could to produce hay supplies to winter their cattle.