USDA, National Agricultural Statistics Service

Indiana Crop & Weather Report

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CROP REPORT FOR WEEK ENDING AUGUST 19

AGRICULTURAL SUMMARY

Indiana crops continue to suffer due to high temperatures and little rain, according to the Indiana Field Office of USDA's National Agricultural Statistics Service. The northwest part of the state did receive rain, but also received strong winds that damaged crops. In the central and southern areas very little rain was received. Soybeans are stressed from the weather situation and there is concern about the pods filling. Corn condition varies across the state.

FIELD CROPS REPORT

There were 6.0 **days suitable for field work**. **Corn condition** declined and is rated 38 percent good to excellent compared with 72 percent last year at this time. Eighty-nine percent of the corn acreage is in the **dough** stage compared with 81 percent last year and 72 percent for the average. Forty-one percent of the corn acreage is now **dented** compared with 34 percent last year and 29 percent for the 5-year average. Three percent of the corn acreage is **mature** compared with 0 percent for last year and 1 percent for the average. Ninety-two percent of the soybean acreage is **setting pods** compared with 83 percent last year and 82 percent for the average. **Soybean condition** declined and is rated 35 percent good to excellent compared with 72 percent last year at this time.

Third cutting of **alfalfa hay** is 56 percent complete compared with 65 percent last year and 52 percent for the 5-year average. Major activities during the week included: spaying for aphids, cleaning out grain bins, readying equipment for harvest, and attending the state fair.

LIVESTOCK, PASTURE AND RANGE REPORT

Pasture condition is rated 0% excellent, 6% good, 19% fair, 32% poor, and 43% very poor. Hay is being fed to livestock because of poor pasture conditions.

CROP PROGRESS TABLE

Crop	This Week	Last Week	Last Year	5-Year Avg
	Percent			
Corn in Dough	89	73	81	72
Corn in Dent	41	22	34	29
Corn Mature	3	NA	0	1
Soybeans Setting Pods	92	78	83	82
Soybeans Shedding Lvs	4	NA	0	0
Alfalfa Third Cutting	56	32	65	52

CROP CONDITION TABLE

Crop	Very Poor	Poor	Fair	Good	Excel-lent
			Percent		
Corn	9	18	35	34	4
Soybean	7	17	41	32	3
Pasture	43	32	19	6	0

SOIL MOISTURE & DAYS SUITABLE FOR FIELDWORK TABLE

	This Week	Last Week	Last Year
		Percent	
Topsoil			
Very Short	37	36	2
Short	31	35	16
Adequate	29	29	77
Surplus	3	0	5
Subsoil			
Very Short	37	36	2
Short	38	39	15
Adequate	24	25	79
Surplus	1	0	4
Days Suitable	6.0	6.4	5.4

CONTACT INFORMATION
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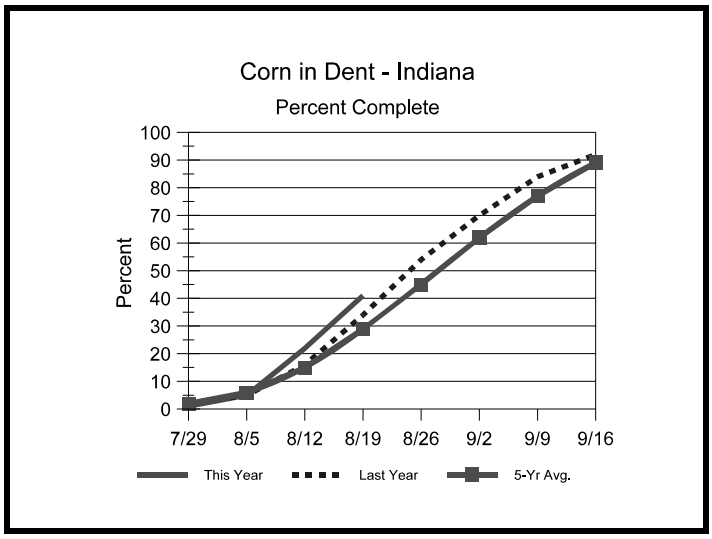
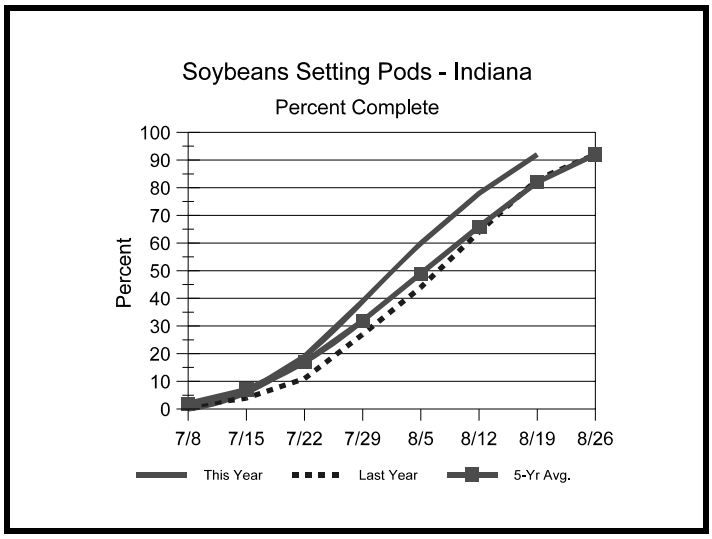
http://www.nass.usda.gov/Statistics_by_State/Indiana/

Crop Progress





Other Agricultural Comments And News

Pricing Corn Silage in 2007

Pricing from the seller's (corn grower's) point of view:

- "Production costs (excluding harvesting) are the same whether corn is harvested as grain or silage. I want to maximize return per acre."

1. Estimate income less harvest costs if crop was sold for grain:

- Estimate grain yield (bu./acre), multiply by price of corn if sold (from the field) as grain, and then subtract harvesting and any storage costs to get gross post-harvest return per acre. This is usually the minimum price ($/acre) for which you would be willing to sell standing corn. Harvest costs would include combining, hauling grain, drying, storage and any other marketing costs incurred for the sale of the crop as grain. For example, if estimated corn grain yield is 100 bu/acre, out of the field price of corn grain is $3.60 and grain harvest costs are $39/acre, then income less harvest costs would be $330 per acre.

Example: (100 bu./ac. x $3.60/bu.) - $39/ac.= $321/acre

2. Estimate silage yield per acre.

- A. For severely drought-stressed corn that has little if any corn grain, measure height of several plants (not including the tassel). Calculate average height (in feet) and multiply by 0.9 to estimate tons of corn silage (35% dry matter) per acre. For example average height is 6.5 ft x 0.9 = 5.9 tons of corn silage per acre.

Note: This is not an appropriate method of estimating yield of normal or even mildly drought-stressed corn.

- B. For mild to moderately drought-stressed corn, estimate grain yield (bu./acre) and divide that number by a value between 5 and 8. Five is for fields with moderate drought-stress (grain yield substantially depressed) and 8 is for fields with little drought stress (yields essentially equal to normal). If uncertain, 6 to 7 is a good compromise.

Example: Grain yield is estimated at 100 bu./acre (mild to moderate stress) divided by 6.5 = 15.4 tons of corn silage (35% dry matter) per acre.

3. Estimate price of corn silage needed to match return when selling grain.

- From step 1 above, return via grain was $321/acre and estimated silage yield (step 2B) is 15.4 tons. $321/acre divided by 15.4 tons/acre = $20.84/ton of corn plants standing in field (assumed harvested at 35% dry matter). This price should be increased a bit to cover the value of the organic matter that will not be returned to the field.

Buyer's (livestock producer's) Point of View.

- "I don't care what I feed my cows as long as the diet provides the right nutrients. I want to maximize return per cow."

Determine what other feed, or more likely, feeds can be used to provide the nutrients provided by corn silage (remember, cows require specific nutrients, they do not require specific feeds). Your nutritionist can formulate several diets with different feeds and determine feed costs for the various diets. An alternate method is to estimate the value of corn silage based on the value of the nutrients it provides. Corn silage provides net energy, effective fiber, and crude protein to dairy cows and those three nutrients comprise the bulk of the economic value of corn silage to a dairy producer.

Using a statistical technique, the economic value of those three nutrients can be estimated based on the prices and nutrient composition of all (or most) of the feeds available in a market. The method is complicated, but the calculated values appropriate for central Ohio at a specific point in time are available in the Buckeye Dairy News (http://dairy.osu.edu/bdnews/bdnews.html).

Both methods require knowledge of the nutrient composition of the corn silage or corn plants (this is usually not known and the future price of nutrients and

(Continued on Page 4)

Weather Information Table

Week ending Sunday August 19, 2007

Station	Past Week Weather Summary Data							Accumulation				
								April 1, 2007 thru August 19, 2007				
	Air Temperature				Precip.		Avg 4 in Soil	Precipitation			GDD Base 50°F	
	Hi	Lo	Avg	DFN	Total	Days	Temp	Total	DFN	Days	Total	DFN
Northwest (1)												
Chalmers_5W	93	56	72	+1	0.11	1		13.30	-4.37	39	2424	+113
Francesville	89	53	71	+0	0.91	3		18.46	+0.81	46	2301	+171
Valparaiso_AP_I	88	53	70	+0	2.23	3		11.74	-6.58	37	2394	+290
Wanatah	89	50	69	-2	1.25	4	77	16.88	-0.99	47	2209	+195
Winamac	88	53	71	+1	0.94	3	77	18.29	+0.64	47	2320	+190
North Central(2)												
Plymouth	87	53	69	-3	1.52	4		18.98	+1.00	52	2251	+22
South_Bend	87	54	70	-2	0.93	3		17.68	+0.48	42	2434	+341
Young_America	91	52	71	+0	0.20	3		12.07	-4.81	47	2424	+239
Northeast (3)												
Columbia_City	87	52	70	+0	0.98	2	76	12.32	-4.77	50	2271	+276
Fort_Wayne	88	52	71	-1	0.42	1		12.08	-3.87	47	2472	+286
West Central(4)												
Greencastle	95	55	74	+1	0.10	2		13.83	-6.23	41	2427	-34
Perrysville	96	54	75	+3	0.26	3	84	12.63	-6.47	40	2660	+359
Spencer_Ag	93	58	76	+4	0.23	1		19.34	-1.22	41	2521	+201
Terre_Haute_AFB	93	56	76	+4	0.01	1		15.71	-3.41	42	2674	+222
W_Lafayette_6NW	95	49	72	+2	0.19	1	80	14.54	-3.14	44	2478	+298
Central (5)												
Eagle_Creek_AP	96	59	78	+6	0.00	0		10.63	-7.37	45	2820	+389
Greenfield	94	55	74	+3	0.35	2		11.43	-8.41	53	2562	+235
Indianapolis_AP	96	62	79	+6	0.00	0		10.73	-7.27	44	2860	+429
Indianapolis_SE	94	56	75	+2	0.31	2		13.91	-4.79	48	2560	+146
Tipton_Ag	94	54	73	+3	0.24	3	82	12.29	-5.68	50	2383	+266
East Central(6)												
Farmland	92	48	70	+0	2.26	2	74	13.04	-4.45	48	2324	+259
New_Castle	90	52	71	+0	0.00	0		12.97	-6.18	39	2367	+253
Southwest (7)												
Evansville	104	64	84	+8	0.15	2		11.18	-7.12	39	3146	+317
Freelandville	96	60	78	+4	2.27	2		14.78	-4.27	42	2839	+305
Shoals	99	54	78	+5	0.09	1		15.36	-5.31	39	2656	+210
Stendal	103	63	83	+8	0.04	1		14.04	-6.35	43	3142	+480
Vincennes_5NE	99	62	80	+6	2.33	3		16.98	-2.07	44	2950	+416
South Central(8)												
Leavenworth	100	62	80	+8	0.22	1		15.00	-6.14	47	2888	+451
Oolitic	100	55	78	+5	0.07	1	83	13.69	-6.17	37	2602	+263
Tell_City	99	65	81	+6	0.00	0		17.16	-3.68	31	3079	+378
Southeast (9)												
Brookville	98	52	77	+6	0.00	0		11.53	-7.73	34	2689	+471
Greensburg	95	58	77	+6	0.00	0		13.99	-5.32	42	2726	+454
Scottsburg	102	53	78	+5	0.08	1		16.71	-2.87	40	2779	+261

DFN = Departure From Normal (Using 1961-90 Normals Period).
GDD = Growing Degree Days.
Precipitation (Rainfall or melted snow/ice) in inches.
Precipitation Days = Days with precip of .01 inch or more.
Air Temperatures in Degrees Fahrenheit.

The above weather information is provided by AWIS, Inc.
For detailed ag weather forecasts and data visit the AWIS home page at
www.awis.com

(also not known). When you do not have complete information, averages often are the best available option. Assuming average nutrient composition of drought-stressed corn silage and using the dollar value of nutrients averaged over the past year, corn silage (35% dry matter) has a maximum value to a dairy farmer of $47 to $61/ton (average $54/ton). A range is given because of the uncertainty associated with using averages and with the statistical method used to calculate the value of the nutrients. For normal (not drought stressed) corn silage, the maximum value would be in the $58 to $60 range based on this year's nutrient prices.

The $54/ton (+/- $7/ton) price is the maximum price a dairy farmer should be willing to pay for corn silage when it is fed to the cow. In other words, all costs and losses associated with silage making have been paid. A dairy farmer should not pay more than about $54/ton because other feeds could replace corn silage at a lower cost.

To arrive at a price to pay for a standing crop based on the $54/ton (+/- $7/ton) nutrient value, the costs for harvesting, storing and associated shrink and risk must be deducted.

The average cost of storing corn silage is about $4/ton (35% DM) and since the dairy farmer usually owns the storage system this cost is deducted. During good fermentation approximately 10% of the dry matter put into a silo is lost (carbon dioxide, seepage, etc.) and this cost, sometimes referred to as shrink, also needs to be deducted when buying corn plants, rather than already-fermented silage.

- Maximum feed value of corn silage when fed to a cow: $54/ton
- Cost of storage - $4/ton
- Cost of shrink - $5/ton
- Maximum value of chopped corn plants when put in silo $45/ton

If you are purchasing standing corn and the dairy farmer is paying for chopping, that cost must also be deducted:

- Maximum value of chopped corn plants when put in silo $45/ton
- Cost of chopping, hauling, fill - $6/ton
- Maximum price of standing corn plants (before risk) $39/ton

When a dairy farmer purchases either standing corn or chopped corn plants, he is assuming it will have the correct dry matter, ferment properly and turn into good corn silage. This usually happens, but not always. Drought-stressed corn carries the additional risk of having high nitrates. The risk of a poor fermentation and high nitrates must be considered and the price of either standing corn or chopped corn plants should be discounted. Negotiations between the grower and dairy farmer ultimately determines this discount.

- Maximum price of standing corn plants $39/ton
- Risk adjustment (negotiated) -Negotiated
- Maximum price of standing corn plants (after risk adjustment) Negotiated

Determining Actual Selling/Purchase Price

In the example above, the grower must sell standing corn plants at $22.50/ton (the $21.40 calculated in Step 3 was increased to cover the value of organic matter) to make the same return as he would if he sold the crop as corn grain. The standing corn plants are worth something less than $39/ton to a dairy farmer. Therefore the negotiation range would be between $22.50/ton and $39/ton. On average, things average out which means the selling/buying price for standing corn in this example would be about $30/ton.

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