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Tennessee's Farm Assets Climb 3 Percent

Tennessee's farm business sector assets in 2003 rose three percent from 2002 to a record \$30.6 billion. The value of farm real estate, accounting for 80 percent of the sector's assets, increased more than three percent to \$24.6 billion. On average, farm real estate values in Tennessee have grown 4 percent annually during the 2000's, compared to 7 percent during the 1990's. With assets, farm debt has also increased. During 2003, farm debt was at \$3.01 billion, up three percent from 2002. Real estate debt was the largest portion of farm debt, at \$1.86 billion. Farm equity also increased three percent from 2002 to \$27.6 billion.

Farm Business Balance Sheet: Tennessee, December 31, 1999-2003

Item	1999	2000	2001	2002	2003
	Million Dollars				
Farm Assets	25,931.0	26,989.7	28,465.4	29,755.7	30,649.5
Real Estate	20,317.9	21,168.4	22,397.7	23,827.4	24,608.9
Livestock & Poultry ¹	1,253.2	1,330.4	1,348.4	1,366.1	1,348.4
Machinery & Motor Vehicles ²	2,163.8	2,166.9	2,273.4	2,271.2	2,328.6
Crops ³	407.0	471.8	498.2	442.8	464.7
Purchased Inputs	45.1	54.8	47.2	63.1	63.0
Financial	1,743.9	1,797.3	1,900.5	1,785.0	1,835.9
Farm Debt ⁴	2,457.4	2,605.5	2,756.9	2,917.1	3,013.4
Real Estate	1,411.9	1,522.0	1,621.4	1,772.4	1,861.8
Farm Credit System	593.1	667.5	738.6	850.2	901.4
Farm Service Agency	78.7	75.1	73.6	69.9	62.6
Commercial Banks	546.4	589.6	615.8	655.0	695.9
Life Insurance Companies	30.7	28.4	28.8	29.4	29.8
Individual and others	163.0	161.4	164.5	167.9	172.0
Nonreal estate	1,045.4	1,083.4	1,135.5	1,144.8	1,151.6
Farm Credit System	300.3	286.2	329.8	338.5	344.7
Farm Service Agency	73.2	72.0	70.8	67.8	65.0
Commercial Banks	366.2	397.2	398.8	392.7	385.6
Individual and others	305.7	328.0	336.0	345.7	356.3
Equity	23,473.6	24,384.2	25,708.5	26,838.6	27,626.1
Ratio:	Percent				
Debt/Equity	10.5	10.7	10.7	10.9	10.9
Debt/Assets	9.5	9.7	9.7	9.8	9.8

¹ Excludes horses, mules, and broilers. ² Includes only farm share value for trucks and autos. ³ All non-CCC crops held on farms plus the value above loan rate for crops held under CCC. ⁴ Excludes debt for nonfarm purposes.

Source: Economic Research Service, U.S. Department of Agriculture, October 2004.

Cotton Ginnings: Running Bales Ginned (Excluding Linters) Prior to November 15, Crop Years 2001-2004

State	Running Bales Ginned			
	2001	2002	2003	2004
All Cotton				
AL	464,700	334,950	452,000	517,150
AZ	321,200	305,350	215,850	281,800
AR	1,485,600	1,253,350	1,340,700	1,408,650
CA	1,099,500	954,850	737,550	1,071,600
FL	73,850	30,550	71,000	58,650
GA	1,070,150	733,250	987,400	1,083,900
LA	926,400	582,700	973,750	773,100
MS	1,828,550	1,359,450	1,808,200	1,828,550
MO	551,350	432,900	443,550	540,650
NM	39,350	20,250	25,200	19,400
NC	749,550	416,300	460,900	833,950
OK	92,300	85,350	77,800	103,200
SC	259,400	56,950	137,400	235,400
Tennessee	771,350	555,450	577,000	622,750
TX	2,742,400	2,096,050	2,151,750	2,544,550
VA	82,300	47,250	46,950	83,350
US	12,557,950	9,264,950	10,507,000	12,006,650

Prices Received: The preliminary All Farm Products Index of Prices Received by Farmers in November, at 114, based on 1990-92=100, is 1 point above October. The Crop Index remained unchanged from October while the Livestock Index increased 1 point (0.9 percent). Producers received higher commodity prices for tomatoes, eggs, hogs, strawberries, and grapes. Lower prices were received for lettuce, oranges, soybeans, corn, and cattle. The seasonal change in the mix of commodities farmers sell, based on the past 3-year average, also affects the overall index. Increased average marketings of dairy, cattle, and cotton offset decreased marketings of soybeans, peanuts, and potatoes. The preliminary All Farm Products Index is down 2 points (1.7 percent) from November 2003. The Food Commodities Index increased 3 points (2.6 percent) from last month to 120. The index is unchanged from November 2003.

Prices Received by Farmers: Tennessee & U.S., November 2004 with Comparisons

Commodity	Unit	Tennessee			United States		
		November 2003	October ¹ 2004	November ² 2004	November 2003	October ¹ 2004	November ² 2004
Dollars Per Unit							
Winter Wheat	bu.	³	3.76	---	3.56	3.34	3.39
Corn	bu.	2.43	2.24	2.05	2.20	2.15	2.00
Cotton Lint	lb.	.622	.479	.451 ⁴	.630	.495	.471 ⁴
Cottonseed	ton	130.00	101.00	92.00	120.00	107.00	104.00
Soybeans	bu.	6.91	5.48	5.35	7.05	5.56	5.31
All beef cattle	cwt.	70.00	79.20	77.60	93.40	86.10	84.20
Steers/heifers	cwt.	88.00	100.00	98.00	99.90	91.00	89.10
Cows	cwt.	43.00	48.00	47.00	47.70	49.90	48.60
Calves	cwt.	97.00	113.00	113.00	111.00	126.00	124.00

¹ Entire month. ² Mid-month. ³ Not published to avoid disclosure of individual firms. ⁴ Based on purchases first half of month.

Prices Received: Corn & Sorghum, Tennessee, by Month, for Marketing Years, 2002-2003 and 2003-2004¹

Year	Aug	Sept	Oct	Nov	Dec	Jan ²	Feb	Mar	Apr	May	Jun	Jul	MYA
Dollars Per Bushel													
Corn													
2002-2003	2.54	2.52	2.61	2.66	2.71	2.58	2.60	2.66	2.72	2.77	2.81	2.64	2.58
2003-2004	2.45	2.27	2.05	2.43	2.61	2.44	2.63	2.93	3.01	2.95	2.72	2.73	2.37
Sorghum													
2002-2003	2.63	2.70	2.73	2.67	2.62	³	⁴	³	⁴	³	⁴	⁴	2.68
2003-2004	2.37	³	2.37	2.53	2.68	2.67	3.00	³	³	³	³	³	2.41

¹ Marketing year is August-July. ² Second year. ³ Not published to avoid disclosure of individual firms. ⁴ Insufficient sales to support a price.

Corn: Farm Marketings, Percent of Sales, by Month and State, 2002-2003 and 2003-2004¹

Year	Aug	Sept	Oct	Nov	Dec	Jan ²	Feb	Mar	Apr	May	Jun	Jul
Percent												
Corn												
2002-2003	14	40	7	4	4	11	5	5	3	3	2	2
2003-2004	6	46	16	2	3	12	3	4	3	1	2	2

¹ Monthly farm marketings, based on a sample survey, as a percent of total used for calculating marketing year average prices. ² Second year.

USDA Confirms Asian Soybean Rust in Tennessee

USDA researchers have reported findings of soybean rust on soybean leaves in Louisiana, Mississippi, Alabama, Georgia, Arkansas, Missouri, Florida, and confirmation of rust in Tennessee on December 1. There may be more findings as time goes on. Soybean rust is a fungus disease of soybeans and many other cultivated legumes such as peas and beans. It has the ability to spread by wind-blown spores over long distances and under suitable climatic conditions, rapidly infect large production regions. According to Dr. Melvin Newman, UT Extension Plant Pathologist, "soybean rust has the ability to quickly reduce yields significantly, but the extent of economic impacts in Tennessee will depend on the timing, spread and severity of rust establishment and outbreaks and on how soybean producers respond."

On November 10, 2004, the U.S. Department of Agriculture's Animal and Plant Health Inspection Service confirmed the presence of soybean rust on soybean leaf samples taken from two plots associated with a Louisiana State University research farm. While this is the first instance of soybean rust to be found in the United States, the detection comes at a time when most soybeans have been harvested across the country. As a result of the harvest, the impact of the fungus should be minimal this year. Soybean rust is caused by either of two fungal species, *Phakopsora pachyrhizi*, also known as the Asian species, and *Phakopsora meibomia*, the New World species. The Asian species, the one found in Louisiana, is the more aggressive of the two species, causing more damage to soybean plants. The sample found near Memphis tested positive for *Phakopsora pachyrhizi*.

"Growers have several months to prepare for rust mitigation plans for the next growing season", added Dr. Newman. "There is no doubt that producers will have to manage this new disease. But, soybean rust can be managed with the judicious use of fungicides." During the winter, UT Extension soybean pathologists and specialists will be having meetings and training as many people as possible to be first detectors and triage personnel to help scout for rust symptoms. First detectors can be Extension agents, field reps, CCA's, consultants, company reps and any others that work in the field with soybeans. They will be trained to recognize soybean rust and other soybean foliar diseases and will be given instructions on how to submit suspect leaf samples. Triage personnel across the state will be trained to use microscopes to I. D. rust samples. If samples are then suspected of have rust they will be submitted to the UT Extension plant disease and pest lab in Nashville. Dr. Newman concluded, "Yes, the discovery of rust is not good, but we are lucky that we have this time to prepare and we have the knowledge that other countries like Brazil are able to manage it with fungicides. Just don't panic and stay up on the latest recommendations from your County Extension agents."

For frequently asked questions about rust and the impact it may have in Tennessee, please refer to UT's website: http://www.utextension.utk.edu/fieldCrops/soybean/diseases/Rust_FAQ.htm.

Spirit of Christmas Alive and Well at Tennessee Christmas Tree Farms

Nashville, Tennessee -- "Hectic holiday schedules can make the spirit of Christmas seem like a thing of the past," says Rob Beets, marketing specialist with the Tennessee Department of Agriculture. "Many of the cherished traditions of Christmas - like choosing and decorating the tree - tend now to be hurried through, squeezed in between too many activities and social obligations," says the specialist. "Between holiday mall traffic, mandatory office parties and obligatory gift giving, it's no wonder that Christmas festivities can become chores instead of times of fellowship with family and friends." "Believe it or not, though, there are places in Tennessee where the holiday spirit of yesteryear still thrives," says Beets, "a place you can take your children, and let them get a taste of the way Christmas should be."

"Tennessee has more than 50 Christmas tree farms spread throughout the state," says the specialist. "Most have a wide selection of cut-and-carry trees. Some farms also offer live balled and burlapped trees for planting after the holidays." "When you go to a Tennessee Christmas tree farm, you are assured of three things," says Beets; "a fair price, a great holiday experience, and a fresh cut, fragrant tree. When a tree is cut in front of you, there is no doubt you are getting the freshest tree possible. You can't say that about most of the larger retail stores, whose trees are cut as early as October."

Beets also points out that customers get an accurate view of the shape of their tree when they choose it, unlike typical retail stores tree whose branches need to "fall out" after having been tightly wrapped and stacked in heavy piles for transportation and storage. Proper care of a natural tree helps keep it green throughout the Christmas season. "The main thing you need to do to keep a tree green is simply keep the tree stand full of water," Beets says. Beets says the quality of tree farm trees and the family experience have created many loyal customers for Christmas tree growers, who see the same families coming back year after year. For a complete listing of Tennessee Christmas tree farms and for tips on how to choose and care for your natural tree, visit the Market Development Web site at www.picktnproducts.org and click on the Christmas tree or call TDA Market Development at (615) 837-5160.

National Animal ID Program Listening Session Set for Tennessee - The Tennessee Department of Agriculture joined with the U.S. Department of Agriculture in announcing a listening session to discuss the development, structure and implementation of national animal identification program for all livestock and poultry animals. The listening session is set for Dec. 15 from 9 a.m. to 11:30 a.m. (CST) at the West Tennessee Experiment Station, located at 605 Airways Blvd. in Jackson, Tennessee. The meeting is open to the public, especially those involved in the livestock industry in Tennessee and surrounding states. Registration begins as 8 a.m. for anyone wanting to make comments. The listening session features USDA Under Secretary for Marketing and Regulatory Programs Bill Hawks. "This session will provide a public forum to discuss the national animal identification system" said Hawks. "A national system will help the government and industry more quickly control outbreaks of a variety of animal diseases and reduce the economic impacts on the market."

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