

2007 Iowa Farm Economics Summary

Prices Received Index - Iowa

The 2007 Iowa Index of Prices Received by Farmers increased significantly for all farm products compared to 2006. The 2007 index for All Farm Products averaged 129 (1990-92=100), up 27 percentage points from last year. The high for the year was 143 in December. The low of 115 occurred in January.

The All Crop index averaged 145 (1990-92=100), 46 percentage points higher than last year. The high for the year was 174 in December and the low was 125 in January.

The Livestock and Livestock Products index averaged 114 (1990-92=100), 10 percentage points above 2006. The high for the year was 121 in August and the low of 105 occurred in January.

Cash Receipts

Iowa farmers continued third in total cash receipts, excluding government payments, in 2007. The state ranked third in livestock and livestock products receipts and second in crop receipts. Iowa farmers sold farm commodities worth \$19.7 billion in 2007, up 2.4 percent. Livestock and livestock products contributed 47 percent and crops 53 percent of the total for 2007.

Livestock and Livestock Product Receipts and Prices

Livestock and livestock product receipts at \$8.86 billion in 2007 was up 14 percent from the \$7.77 billion in 2006. Steer and heifer prices averaged \$91.40 per hundredweight in 2007, up 3 percent from \$88.30 in 2006. The average price ranged from a high of \$96.70 in April to a low of \$87.00 in July.

Barrow and gilt prices averaged \$48.80 per hundredweight during 2007, up 1 percent from \$48.30 in 2006. Prices ranged from a high of \$56.00 in June to a low of \$40.50 in November.

Lamb prices averaged \$94.70 per hundredweight in 2007, up 8 percent from 2006. Prices ranged from a high of \$102.00 in July and August to a low of \$88.00 in January and February.

All milk prices averaged \$19.10 per hundredweight in 2007, up 47 percent from the \$13.00 in 2006. Average monthly prices ranged from a high of \$21.80 in November to a low of \$14.80 in January.

Crop Receipts¹

Iowa farmers received \$10.2 billion from the sale of crops in 2007. This is up 36 percent from the \$7.49 billion received in 2006 and does not include any

government payments for set-aside acres, deficiency payments, CCC forfeitures, or disaster aid.

The marketing year average price received for corn in 2006-2007 was \$3.03 per bushel. The marketing year began with \$2.08 per bushel in September of 2006 and ended with \$3.26 per bushel in August of 2007. During the 2007 calendar year, average monthly prices ranged from a high of \$3.74 per bushel in December to a low of \$3.04 in January.

The marketing year average price for soybeans in 2006-2007 was \$6.58 per bushel. The marketing year began with \$5.11 per bushel in September of 2006 and ended with \$7.66 per bushel in August of 2007. The average monthly prices for the 2007 calendar year ranged from a high of \$10.30 per bushel in December to a low of \$6.21 per bushel in January.

The marketing year average price for oats in 2006-2007 was \$1.94 per bushel. The marketing year began with \$1.79 per bushel in July of 2006 and ended with \$2.71 in June of 2007. Average monthly prices for the 2007 calendar year ranged from a high of \$3.16 per bushel in December to a low of \$2.43 in August.

The marketing year average price for all hay in 2006-2007 was \$88.00 per ton. Calendar year prices in 2007 ranged from a high of \$116.00 per ton in December to a low of \$89 per ton in January and February.

Crop Values²

The value of Iowa 2007 farm crops, including fruits, nuts and commercial vegetables, totaled \$14.9 billion, up 48 percent from the 2006 value of \$10.0 billion.

Corn, soybeans and hay accounted for 99.8 percent of Iowa's crop value. Corn accounted for 63.7 percent, soybeans for 32.2 percent, and hay for 4.0 percent of the total crop value.

Feed Ratios

The 2007 Beef-Corn ratio averaged 27.0, down 13.4 percentage points from 2006. The highest 2007 monthly Beef-Corn ratio was 28.6 in January, and the lowest, 24.1, occurred in December.

The 2007 average Hog-Corn ratio was 14.4, down 7.7 percentage points from last year and 21.2 percentage points below the 1987 record high average. The highest 2007 monthly Hog-Corn ratio was 16.3 in both July and August, and the lowest was 11.2 in December.

¹ Crop receipts are the amount of payment received from the quantity of crops sold based on monthly sales. ² Value of production is the total production of a crop multiplied by the market year average price.