



**MONTHLY AG UPDATE – AUGUST 2011**

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USDA/NASS NEW MEXICO FIELD OFFICE

Issue 2011 AUGUST AG

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**Agricultural Land Values Highlights**

The United States farm real estate value, a measurement of the value of all land and buildings on farms, averaged \$2,350 per acre for 2011, up 6.8 percent from 2010. Regional changes in the average value of farm real estate ranged from a 15.9 percent increase in the Corn Belt region to a 2 percent decline in the Southeast region. The highest farm real estate values remained in the Northeast region at \$4,690 per acre. The Mountain region had the lowest farm real estate value, \$923 per acre.

The United States cropland value increased by \$260 per acre (9.4 percent) to \$3,030 per acre. In the Northern Plains and Corn Belt regions, the average cropland value increased 17.2 and 16 percent, respectively, from the previous year. However, in the Northeast and Southeast regions cropland values decreased by 1.3 percent and 1.1 percent, respectively.

The United States pasture value increased to \$1,100 per acre or 1.9 percent above 2010. The Southeast region had the largest percentage decrease in pasture value, 8.4

**INCLUDED IN THIS ISSUE – AUGUST 2011**

<u>Report</u>	<u>Release Date</u>
<b>Land Values &amp; Cash Rents</b>	<b>August 04, 2011</b>
<b>August Crop Production</b>	<b>August 11, 2011</b>
<b>Farm Expenditures</b>	<b>August 02, 2011</b>
<b>Agricultural Prices Received</b>	<b>July 30, 2011</b>

percent below 2010. The Corn Belt and Northern Plains regions had the highest percentage increase, both 6.6 percent above 2010.

NEW MEXICO: Farm real estate average value per acre for the state was \$500, an increase of 4.2% from 2010. Cropland average value per acre was \$1,820, no change from the previous year. Irrigated cropland value was \$5,500 per acre, no change from 2010. Non-irrigated value was \$410 per acre, a 2.5% increase from 2010. Pasture value increased by 6.9% to \$310 per acre. Farm real estate value of farmland and buildings for 2011 increased to \$19,217 from \$19,169 in 2010.

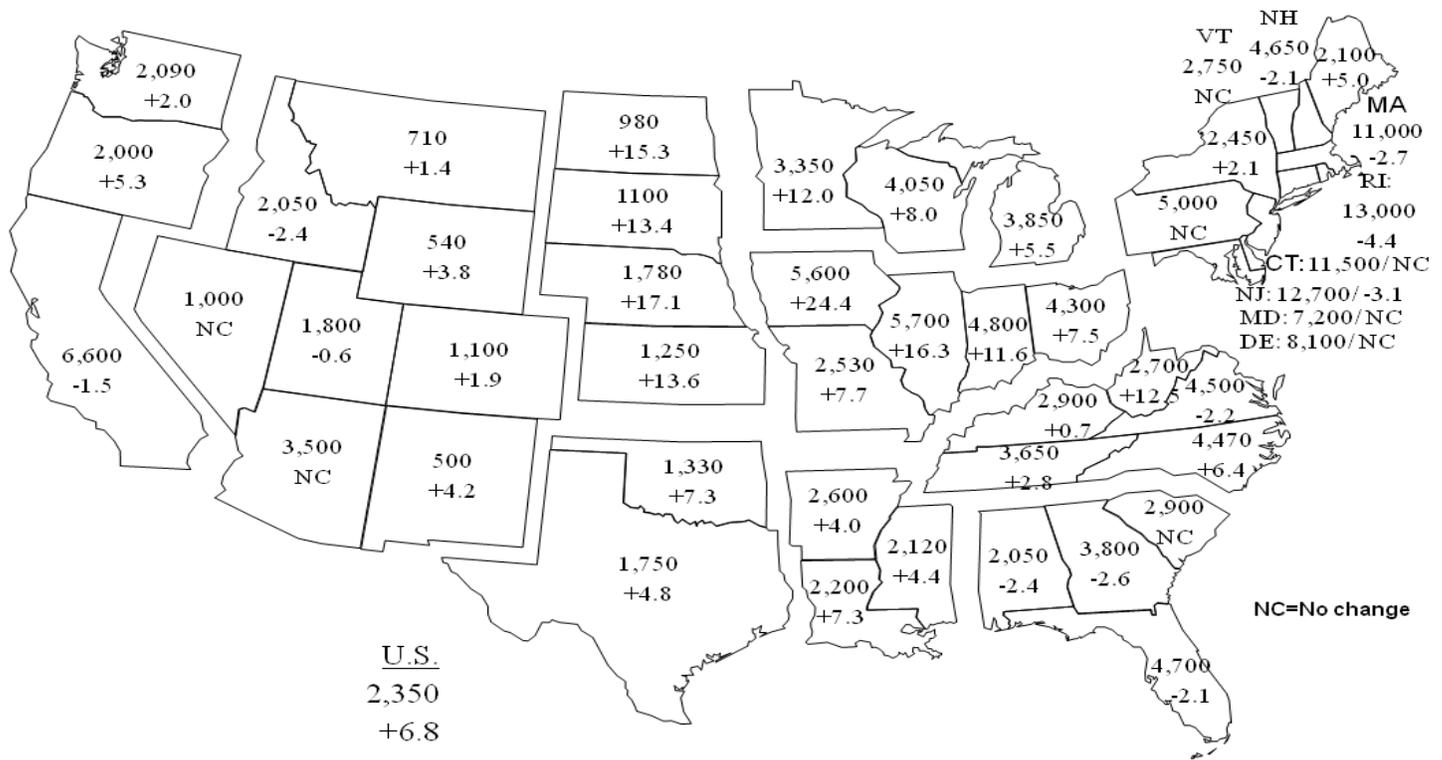
**Farm Real Estate Average Value per Acre, by Region and State, January 1, 2010-2011**

Region and State	All Land In Farms			Crop Land			Pasture and Range		
	2010	2011	Change 2010-2011	2010	2011	Change 2010-2011	2010	2011	Change 2010-2011
	-----Dollars-----		Percent	-----Dollars-----		Percent	---Dollars---		Percent
Southern Plains	1,580	1,660	5.1	1,430	1,520	6.3	1,340	1,420	6.0
OK	1,240	1,330	7.3	1,160	1,190	2.6	1,020	1,040	2.0
TX	1,670	1,750	4.8	1,540	1,650	7.1	1,410	1,500	6.4
Mountain	913	923	1.1	1,530	1,550	1.3	518	525	1.4
AZ <sup>1/</sup>	3,500	3,500	-	8,000	8,000	-	950	950	-
CO	1,080	1,100	1.9	1,290	1,340	3.9	650	640	-1.5
<b>NM <sup>1/</sup></b>	<b>480</b>	<b>500</b>	<b>4.2</b>	<b>1,820</b>	<b>1,820</b>	<b>-</b>	<b>290</b>	<b>310</b>	<b>6.9</b>
UT <sup>1/</sup>	1,810	1,800	-0.6	2,720	2,690	-1.1	920	920	-
<b>48 States <sup>2/</sup></b>	<b>2,200</b>	<b>2,500</b>	<b>6.8</b>	<b>2,770</b>	<b>3,030</b>	<b>9.4</b>	<b>1,080</b>	<b>1,100</b>	<b>1.9</b>

<sup>1/</sup> Excludes American Indian Reservation land. <sup>2/</sup> Excludes Alaska and Hawaii.

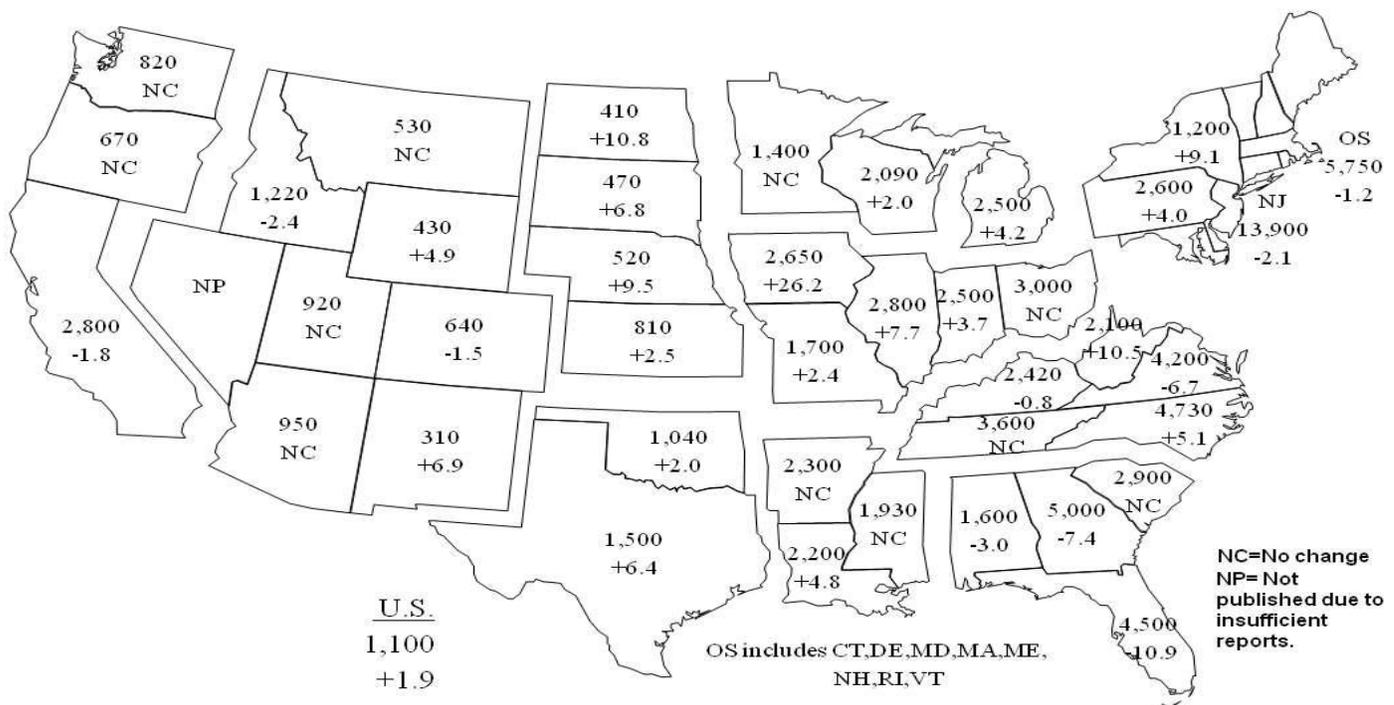
## 2011 Farm Real Estate Value by State

Dollars per Acre and Percent Change from 2010



## 2011 Pasture Value by State

Dollars per Acre and Percent Change from 2010



## CROP PRODUCTION

**NEW MEXICO:** Upland cotton is expected to yield 977 pounds per acre, a 17% decrease from last year's yield of 1,174 pounds per acre. Producers expect to harvest 58,000 acres. American-Pima cotton yields are expected to come in at 832 pounds per acre, 4 bushels below last year's yield of 836 pounds per acre with 3,000 acres expected to be harvested. Sorghum for grain production is forecast at 2.2 million bushels with yields averaging 45.0 bushels per acre compared to 66.0 bushels per acre in 2010. Harvested sorghum acreage is expected to be 49,000 acres. Peanut production is forecasted to reach 28.8 million pounds, down 10% from the 2010 production of 32.0 million pounds with 9,000 acres expected to be harvested. Dry edible bean production is expected to reach 290,000 pounds, 10% below the 2010 production of 322,000 pounds. Harvested acreage is expected to be 12,600 acres. Alfalfa production forecast is at 1.2 million tons, up 5 percent from last year.

**UNITED STATES:** Soybean production is forecast at 3.06 billion bushels, down 8 percent from last year. Based on August 1 conditions, yields are expected to average 41.4 bushels per acre, down 2.1 bushels from last year. All cotton production is forecast at 16.6 million 480-pound bales, down 9 percent from last year's 18.1 million bales. Yield is expected to average 822 pounds per harvested acre, up 10 pounds from last year. Upland cotton production is forecast at 15.8 million 480-pound bales, down 10 percent from 2010. American-Pima production is forecast at 737,200 bales, up 46 percent from last year. Sorghum production is forecast at 241 million bushels, down 30 percent from last year. Peanut production is forecast at 3.61 billion pounds, down 13 percent from last year. Dry edible bean production is forecast at 20.5 million pounds for 2011, down 36 percent from last year. Alfalfa production forecast is at 65.0 million tons, down 4 percent from last year.

**August 2011 Crop Summary: Area Harvested, Yield, and Production, 2010 and Forecasted August 1, 2011**

Crop	Unit	Area Harvested		Yield Per Acre		Production	
		2010	2011	2010	2011	2010	2011
		-----1,000 Acres-----		-----Units-----		-----1,000 Units-----	
<b>NEW MEXICO</b>							
All Cotton <sup>1/2/</sup>	Lb.	49.7	61.0	1,156.0	969	119.7	123.2
Upland Cotton <sup>1/2/</sup>	Lb.	47.0	58.0	1,174.0	977.0	115.0	118.0
A-P Cotton <sup>1/2/</sup>	Lb.	2.7	3.0	836.0	832.0	4.7	5.2
Hay (Alfalfa)	Tn.	220.0	230.0	5.2	5.2	1,144	1,196
Sorghum for Grain	Bu.	68	49	66.0	45.0	4,488	2,205
Peanuts	Lb.	10.0	9.0	3,200.0	3,200.0	32,000	28,800
Dry Edible Beans	Lb.	13.8	12.6	2,330.0	2,300.0	322	290
<b>UNITED STATES</b>							
All Cotton <sup>1/2/</sup>	Lb.	10,698.7	9,666.5	812.0	822.0	18,104.1	16,554.2
Upland Cotton <sup>1/2/</sup>	Lb.	10,497.0	9,379.0	805.0	809.0	17,600	15,817
A-P Cotton <sup>1/2/</sup>	Lb.	201.7	287.5	1,200	1,231	504.1	737.2
Hay (Alfalfa)	Tn.	19,956.0	19,329.0	3.4	3.36	67,903	64,996
Sorghum for Grain	Bu.	4,808	4,388	71.8	54.8	345,395	240,638
Soybeans	Bu.	76,616.0	73,823.0	43.5	41.4	3,329,341	3,055,882
Peanuts	Lb.	1,255.0	1,117.0	3,311	3,234	4,155,600	3,612,050
Dry Edible Beans	Lb.	1,842.7	1,190.2	1,726	1,718.0	31,801	20,451

<sup>1/</sup> Production ginned and to be ginned. <sup>2/</sup> Yield reported in pounds per acre; production in bales (480 lb. net wt.).

## U.S. Total Farm Production Expenditures Edge Up in 2010 Higher Expenditures for Tractors and Self Propelled Machinery Lead Slight Increase

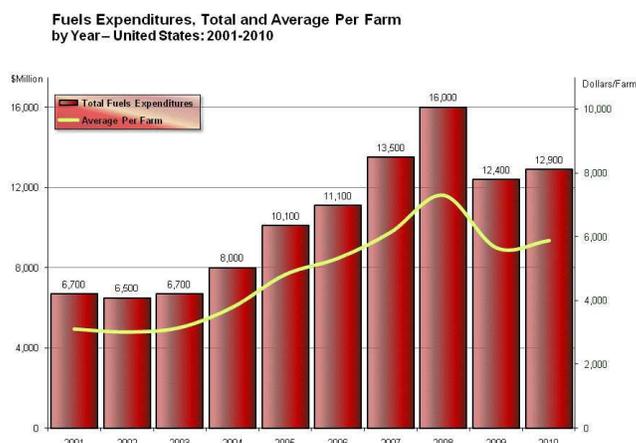
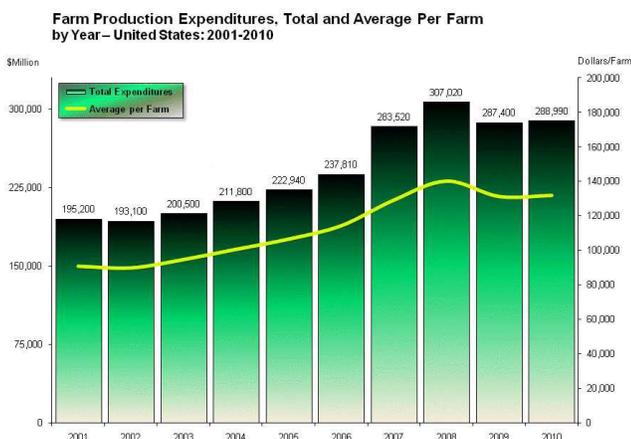
U.S. Total Farm Production Expenditures totaled \$289.0 billion in 2010 up from \$287.4 billion in 2009. The 2010 Total Expenditures rose 0.6 percent compared to the 2009 Total Expenditures. This is in contrast to a fall of 6.4 percent for 2009 Total Expenditures when compared to 2008 Total Expenditures. Total Expenditures for 2009 remain unchanged from a year ago. Expense items showing increases from the previous year were; Tractors and Self Propelled Machinery, up 17.2 percent, Rent, up 14.6 percent, Other Farm Machinery up 6.4 percent, Seed and Plants, up 5.2 percent, Fertilizer, Lime, and Soil Conditioners, up 4.5 percent, Fuels, up 4.0 percent, Taxes, up 3.8 percent, Farm Supplies & Repairs, up 2.6 percent, and Feed, up 0.9 percent.

Major factors that impacted expenditures this year were general economic conditions and the price of crude oil. The sharp decline in petroleum prices was a major factor affecting Total Expenditures. Fuels, down 22.5 percent over previous year, had the largest decrease of any capital or non-capital expense. The decreasing cost of crude oil also contributed to the drop of Fertilizer and Agricultural Chemicals in 2009.

Total Fuels Expense was \$12.9 billion dollars. Diesel, the largest sub-component, was \$8.2 billion accounting for 63.1 percent of the total Fuels Expense. Diesel expenditures were up 13.2 percent in 2010. Gasoline was \$2.6 billion, down 4.9 percent. LP Gas was \$1.5 billion, down 24.9 percent. Other Fuels were \$0.7 billion, down 10.0 percent.

The four largest expenditures at the U.S. level totaled \$134.4 billion and accounted for 46.5 percent of Total Expenditures in 2010. They were Feed, 15.7 percent; Farm Services, 12.4 percent; Labor, 9.5 percent; and Rent, 9.0 percent.

In 2010, the U.S. Total Farm Expenditure average per farm was \$131,793 compared with \$131,137 in 2009, an increase of 0.5 percent. On average, U.S. farm operations spent: \$20,705 on Feed, \$16,281 on Farm Services, \$12,496 on Labor, \$11,128 on Livestock and Poultry Purchases, and \$11,812 on Rent. For 2009, U.S. farms spent an average of: \$20,533 on Feed, \$16,609 on Farm Services, \$11,818 on Livestock and Poultry Purchases, \$13,141 on Labor, and \$10,312 on Rent.



See tables on next page.

More at: <http://usda.mannlib.cornell.edu/usda/current/FarmProdEx/FarmProdEx-08-03-2010.pdf>

**Farm Production Expenditures: Farms Reporting, Average per Farm, and Total,  
All Farms, United States, 2009-2010 1/**

Expenditure	Farms Reporting		Average per Farm		Total Expenditures	
	2009	2010	2009	2010	2009	2010
	Percent		----- Dollars -----		Million Dollars	
Livestock, Poultry & Related Expenses 3/	25.1	23.2	11,818	11,128	25,900	24,400
Feed	56.9	57.0	20,533	20,705	45,000	45,400
Farm Services 4/	92.8	93.2	16,609	16,281	36,400	35,700
Rent 5/	29.3	28.3	10,312	11,812	22,600	25,900
Agricultural Chemicals	44.8	40.0	5,247	4,834	11,500	10,600
Fertilizer, Lime & Soil Conditioners	47.8	48.7	9,171	9,577	20,100	21,000
Interest	36.2	34.5	5,019	4,652	11,000	10,200
Taxes	99.6	99.3	4,745	4,925	10,400	10,800
Labor	28.8	28.3	13,141	12,496	28,800	27,400
Fuels	82.5	82.8	5,658	5,883	12,400	12,900
Farm Supplies & Repairs	81.0	79.8	7,072	7,251	15,500	15,900
Farm Improvements & Construction	53.9	50.9	6,434	5,746	14,100	12,600
Tractors and self-propelled farm machinery	21.2	20.4	4,243	4,971	9,300	10,900
Other farm machinery	22.7	22.2	2,145	2,280	4,700	5,000
Seeds and plants 6/ 9/	38.2	38.1	7,072	7,434	15,500	16,300
Trucks and autos	21.2	19.4	1,825	1,733	4,000	3,800
Miscellaneous Capital Expenses 7/ 8/	13.3	11.6	91	87	200	190
<b>Total Farm Production Expenditures 2/</b>	<b>100</b>	<b>100</b>	<b>131,137</b>	<b>131,793</b>	<b>287,400</b>	<b>288,990</b>

**Crop Farms, United States, 2009-2010 1/**

Livestock, Poultry & Related Expenses 3/	10.3	8.9	3,150	3,333	3,100	3,200
Feed	20.2	20.1	3,861	3,645	3,800	3,500
Farm Services 4/	88.3	88.9	22,051	21,663	21,700	20,800
Rent 5/	32.2	31.7	19,206	22,601	18,900	21,700
Agricultural Chemicals	56.2	50.8	10,568	9,790	10,400	9,400
Fertilizer, Lime & Soil Conditioners	58.8	59.4	17,580	18,643	17,300	17,900
Interest	36.6	35.7	6,046	5,520	5,950	5,300
Taxes	99.7	99.5	6,199	6,614	6,100	6,350
Labor	30.7	31.7	20,323	19,580	20,000	18,800
Fuels	78.6	77.7	8,180	8,124	8,050	7,800
Farm Supplies & Repairs	75.3	74.0	9,857	9,946	9,700	9,550
Farm Improvements & Construction	48.4	48.2	7,520	6,874	7,400	6,600
Tractors and self-propelled farm machinery	23.2	22.4	6,605	7,811	6,500	7,500
Other farm machinery	24.6	24.0	3,303	3,541	3,250	3,400
Seeds & Plants 6/ 9/	52.4	51.9	14,226	14,998	14,000	14,400
Trucks & Autos	21.8	20.3	2,286	2,218	2,250	2,130
Miscellaneous Capital Expenses 7/ 8	14.8	12.4	142	104	140	100
<b>Total Farm Production Expenditures 2/</b>	<b>100</b>	<b>100</b>	<b>161,104</b>	<b>165,006</b>	<b>158,540</b>	<b>158,430</b>

**Livestock Farms, United States, 2009-2010 1/**

Livestock, Poultry & Related Expenses 3/	37.2	34.4	18,882	17,199	22,800	21,200
Feed	86.8	85.7	34,120	33,993	41,200	41,900
Farm Services 4/	96.5	96.6	12,174	12,088	14,700	14,900
Rent 5/	26.9	25.6	3,064	3,407	3,700	4,200
Agricultural Chemicals	35.5	31.5	911	974	1,100	1,200
Fertilizer, Lime & Soil Conditioners	38.8	40.3	2,319	2,515	2,800	3,100
Interest	35.9	33.6	4,182	3,975	5,050	4,900
Taxes	99.4	99.2	3,561	3,610	4,300	4,450
Labor	27.2	25.7	7,288	6,977	8,800	8,600
Fuels	85.8	86.7	3,602	4,138	4,350	5,100
Farm Supplies & Repairs 7/ 8/	85.6	84.3	4,803	5,152	5,800	6,350
Farm Improvements & Construction	58.4	53.1	5,549	4,868	6,700	6,000
Tractors and self-propelled farm machinery	19.6	18.8	2,319	2,758	2,800	3,400
Other farm machinery	21.2	20.8	1,201	1,298	1,450	1,600
Seeds & Plants 6/ 9/	26.6	27.3	1,242	1,541	1,500	1,900
Trucks & Autos	20.6	18.7	1,449	1,355	1,750	1,670
Miscellaneous Capital Expenses 7/ 8/	12.0	11.0	50	73	60	90
<b>Total Farm Production Expenditures 2/</b>	<b>100</b>	<b>100</b>	<b>106,715</b>	<b>105,922</b>	<b>128,860</b>	<b>130,560</b>

1/ Excludes AK and HI. 2/ Includes landlord and contractor share of farm production expenses. Totals may not add due to rounding.

3/ Includes purchases and leasing of livestock and poultry. 4/ Includes all crop custom work, veterinary custom services, transportation costs, marketing charges, insurance, leasing of machinery and equipment, general and miscellaneous business expenses, and utilities.

5/ Includes public and private grazing fees. 6/ Includes material and application costs. 7/ Includes bedding and litter, marketing containers, power farm shop equipment, oils and lubricants, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry. 8/ Includes all expenditures related to new construction or repairs of buildings, fences, operator dwelling (if dwelling is owned by operation), and any improvements to physical structures of land. 9/ Excludes bedding plants, nursery stock, seed purchased for resale, and includes seed treatment.

AGRICULTURAL PRICES RECEIVED

**NEW MEXICO:** Alfalfa hay prices for July averaged \$240.00 per ton, \$83.00 above the July 2010 price of \$157.00 and \$51.00 above the national average of \$189.00 per ton. All Hay prices for July were \$235.00 per ton, \$81.00 above the July 2010 price of \$154.00 and \$65.00

above the national average of \$170.00 per ton. Milk cow replacements for July were \$1,460 per head, up \$140 from July 2010. Milk prices increased \$1.00 from the June price of \$20.80 per hundredweight to \$21.80 per hundredweight.

Prices Received by Farmers: Selected Commodities, June 2011 and July 2010-2011

Commodity	Unit	New Mexico			U.S. <sup>1/</sup>
		July 2010 <sup>2/</sup>	June 2011 <sup>2/</sup>	July 2011 <sup>1/</sup>	July 2011
-----Dollars-----					
<b>CROPS</b>					
Grain Sorghum	Cwt.	-	-	-	11.40
Cotton, Upland	Lb.	-	-	-	0.797
Potatoes	Cwt.	-	-	-	13.46
Hay, all baled	Ton	154.00	230.00	235.00	170.00
Alfalfa, baled	Ton	157.00	235.00	240.00	189.00
Peanuts	Lb.	(D)	0.249	0.248	0.246
Corn	Bu.	-	-	-	6.46
Wheat, all	Bu.	-	-	-	7.18
<b>LIVESTOCK</b>					
Sheep <sup>3/</sup>	Cwt.	-	-	-	50.80
Lambs <sup>3/</sup>	Cwt.	-	-	-	189.00
Cows	Cwt.	64.00	-	-	74.40
Steers & Heifers	Cwt.	99.00	-	-	115.00
Calves	Cwt.	118.00	-	-	142.00
Milk	Cwt.	15.40	20.80	21.80	22.10
Milk Cow Replacement	Head	1,320.00	-	1,460.00	1,480.00

<sup>1/</sup> Mid-month <sup>2/</sup> Entire month <sup>3/</sup> June - entire month

(D) Withheld to avoid disclosing data for individual operations.