



Farm Report

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Cooperating with Ohio Department of Agriculture
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FEATURING:

Crop Production Farm Expenditures Ag Prices Supply/Demand

**OHIO FORECASTED CORN YIELD DOWN FROM AUGUST,
AND 1 BUSHEL BELOW THE 2009 STATE AVERAGE**

Based on conditions as of September 1, Ohio's average corn yield is forecast at 173 bushels per acre, down 3 bushels from the August 1 forecast and 1 bushel below last year's state yield of 174 bushels per acre. Total production is forecast at 585 million bushels, up 7 percent from 2009. Growers expect to harvest 3.38 million acres for grain in 2010, 240,000 acres more than in 2009.

Soybean yield is forecast at 48 bushels per acre, up 2 bushels from the August 1 forecast but down 1 bushel from the 2009 state average. Total soybean production for Ohio is forecast at 224.6 million bushels, up 1 percent from the previous year. Harvested acreage is forecast at 4.68 million acres, up 150,000 from 2009.

Ohio's 2010 burley tobacco yield is forecast at 2,050 pounds per acre, up 50 pounds from the 2009 average state yield. Total production is forecast at 5.9 million pounds from an expected 2,900 harvested acres.

U.S. Corn production is forecast at a record 13.2 billion bushels, down 2 percent from the August forecast, but up from the previous record of 13.1 billion bushels set in 2009. Based on conditions as of September 1, yields are expected to average 162.5 bushels per acre, down 2.5 bushels from the previous

month and 2.2 bushels below last year's record of 164.7 bushels. Forecasted yields decreased from last month throughout much of the Corn Belt, Tennessee Valley, and Delta. Yields were up from August in the lower portions of the Southeast.

U.S. Soybean production is forecast at a record high 3.48 billion bushels, up 1 percent from August and 4 percent above last year. Based on September 1 conditions, yields are expected to average a record high 44.7 bushels per acre, up 0.7 bushel from both last month and last year. Compared with last month, yields are forecast higher or unchanged across the central and northern Corn Belt, with the exception of Michigan. The largest increases in yield from last month are expected in Maryland and Virginia, both up 4 bushels. With the exceptions of Louisiana and the Carolinas, yields are forecast down across the Delta States, Southern Great Plains, and Southeast. The largest decline from the August 1 forecast is expected in Oklahoma, down 7 bushels as drought conditions across much of the State hampered yield expectations. If realized, the forecasted yield in Illinois, Minnesota, Nebraska, New York, and North Dakota will be a record high. Area for harvest in the United States is forecast at 78.0 million acres, unchanged from June but up 2 percent from 2009.

OHIO AND UNITED STATES, SEPTEMBER 1, 2010, WITH COMPARISONS

CROP	Harvested Acres		UNIT	Yield Per Acre		Production	
	2009	2010		2009	2010	2009	2010
	Thousands					Thousands	
OHIO							
Corn for Grain	3,140	3,380	bu.	174.0	173.0	546,360	584,740
Soybeans for Beans	4,530	4,680	bu.	49.0	48.0	221,970	224,640
Winter Wheat	1,980	760	bu.	72.0	61.0	70,560	46,360
Oats	45	50	bu.	75.0	70.0	3,375	3,500
Alfalfa Hay	380	360	ton	3.4	3.4	1,292	1,224
All Other Hay	660	670	ton	2.4	2.3	1,584	1,541
Tobacco, All	3.4	2.9	lb.	2,000	2,050	6,800	5,945
Apples	-	-	lb.	-	-	115.5	110.0
Grapes	-	-	ton	-	-	5.7	3.8
UNITED STATES							
Corn for Grain	79,590	81,005	bu.	164.7	162.5	13,110,062	13,159,700
Soybeans for Beans	76,372	77,986	bu.	44.0	44.7	3,359,011	3,482,899
Winter Wheat	34,485	32,085	bu.	44.2	47.5	1,522,718	1,522,902
Oats	1,379	1,315	bu.	67.5	66.3	93,081	87,239
Alfalfa Hay	21,227	20,732	ton	3.35	3.49	71,030	72,455
All Other Hay	38,528	38,924	ton	1.98	2.09	76,412	81,439
Tobacco, All	354.2	331.1	lb.	2,322	2,193	822,567	726,253
Apples	-	-	lb.	-	-	9,914,900	9,476,100
Grapes	-	-	ton	-	-	7,294.8	7,093.4

Corn for Grain: Plant population per Acre, Selected States, 2006-10

State	Month	2006	2007	2008	2009	2010
		Number	Number	Number	Number	Number
IL	Sept	28,050	28,000	29,150	29,650	29,750
	Nov	28,000	28,100	28,950	29,600	-
IN	Sept	26,450	27,350	28,500	28,350	28,300
	Nov	26,350	27,350	28,350	28,350	-
IA	Sept	28,600	29,100	29,300	29,500	30,050
	Nov	28,600	29,100	29,250	29,400	-
MN	Sept	28,850	29,850	30,150	30,800	29,850
	Nov	28,900	29,750	30,150	30,600	-
NE	Sept	24,750	25,000	24,500	25,700	25,750
	Nov	24,600	25,000	24,250	25,700	-
OH	Sept	26,250	26,900	27,750	28,300	28,400
	Nov	26,200	26,600	27,800	28,200	-
WI	Sep	27,250	28,800	28,800	28,150	28,600
	Nov	27,450	28,800	28,250	27,700	-

MIDWEST PRODUCTION EXPENDITURES DOWN 3.5 PERCENT IN 2009

Farm production expenditures in the Midwest Region totaled 88.2 billion, down 3.5 percent from 2008 according to the National Agricultural Statistics Service (NASS), USDA. In the Midwest Region, 12 of the 17 expenditure categories decreased from the 2008 level while taxes remained unchanged. The categories containing the largest expenditure decreases from 2008 to 2009 were tractors and self-propelled farm machinery (down 21.4 percent), other farm machinery (down 20.5 percent), fuels (down 18.1 percent), miscellaneous capital expenditures (down 14.3 percent), farm improvement and construction (down 14.2 percent), trucks and autos (down 14.2 percent), interest (down 7.7 percent) and fertilizer, lime and soil conditioners (down 6.0 percent). Four expenditure categories increased from 2008 to 2009: seeds and plants (up 14.3 percent), feed (up 2.6 percent), rent (up 2.2 percent) and labor (up 0.9 percent). The Midwest's largest expense items in 2009 were feed (12.8 percent), rent (12.3 percent), farm services (10.2 percent), fertilizer, lime and soil conditioners (9.7 percent), seeds and plants (8.1 percent). The average expenditures per Midwest Region's farm in 2009 were \$140,680 compared to \$145,810, for 2008. On the average, Midwest Region farm operations in 2009 spent \$18,050 on feed; \$17,316 on rent; \$14,283 on farm services; \$13,661 on fertilizer, lime, and soil conditioners and

\$11,459 on seed and plants. The estimates for 2008 indicated that Midwest Region farms spent an average of \$17,590 on feed; \$16,951 on rent; \$14,637 on farm services; \$14,541 on fertilizer, lime, and soil conditioners; and \$10,024 on seeds and plants.

United States Total Farm Production Expenditures totaled \$287.4 billion in 2009 down from \$307.0 billion in 2008. This is the first major decline of farm expenditures since 1986. The 2009 Total Expenditures fell 6.4 percent compared to the 2008 rise of 8.3 percent. Total Expenditures for 2008 remain unchanged from a year ago. Two expense items showing increases from the previous year were; Rent, up 0.9 percent, and Seed and Plants, up 2.6 percent. Expenditures with the largest percentage drop were: Fuels, down 22.5 percent; Other Farm Machinery, down 20.3 percent; Tractors and Self Propelled Machinery, down 18.4 percent; Farm Improvements, down 10.8 percent; and Fertilizer, Lime, and Soil Conditioners, down 10.7 percent. The four largest expenditures at the United States level totaled \$136.1 billion and accounted for 47.4 percent of Total Expenditures in 2009. They were Feed, 15.7 percent; Farm Services, 12.7 percent; Labor, 10.0 percent; and Livestock and Poultry purchases, 9.0 percent.

2008 & 2009 Regional and United States Farm Production Expenditures

Midwest Region (IL, IN, IA, MI, MN, MO, OH and WI)	Midwest Region		U.S. ¹	
	2008 ¹⁰	2009	2008 ¹⁰	2009
	Million Dollars			
Total Farm Production Expenditures ²	91,350	88,150	307,020	287,400
Livestock, Poultry & Related Expenses ³	6,640	6,420	28,300	25,900
Feed	11,020	11,310	46,900	45,000
Farm Services ⁴	9,170	8,950	38,000	36,400
Rent ⁵	10,620	10,850	22,400	22,600
Agricultural Chemicals ⁶	3,890	3,770	11,700	11,500
Fertilizer, Lime & Soil Conditioners ⁶	9,110	8,560	22,500	20,100
Interest	4,040	3,730	12,000	11,000
Taxes (Real Estate & Property)	3,270	3,270	10,700	10,400
Labor	4,680	4,720	29,700	28,800
Fuels	4,750	3,890	16,000	12,400
Farm Supplies & Repairs ⁷	4,620	4,580	15,900	15,500
Farm Improvements & Construction ⁸	5,220	4,480	15,800	14,100
Tractors & Self-Propelled Farm Machinery	4,260	3,350	11,400	9,300
Other Farm Machinery	2,440	1,940	5,900	4,700
Seeds & Plants ⁹	6,280	7,180	15,100	15,500
Trucks & Autos	1,270	1,090	4,500	4,000
Miscellaneous Capital Expenditures	70	60	220	200

1/ Excludes AK & HI. 2/ Includes landlord and contractor share of farm production expenses. 3/ Includes purchases and leasing of livestock and poultry. 4/ Includes all crop custom work, veterinary services, custom feeding, transportation costs, marketing charges, insurance, leasing of machinery and equipment, 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, 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, and seed purchased for resale. Includes seed treatment. 10/ Revised.

OHIO WINTER WHEAT AND CORN PRICES UP FROM LAST YEAR

The August winter wheat price for Ohio was \$4.92 per bushel, up 40 cents from July and 66 cents above the August 2009 average price of \$4.26. The State's August soybean price of \$10.50 per bushel was up 30 cents from July, but 60 cents below what was received at the same time last year. Ohio's August corn price of \$3.83 per bushel was up 26 cents from July and 40 cents above the previous August price of \$3.43 per bushel. The alfalfa hay price in August of \$146.00 per ton was up \$1.00 from July but \$4.00 per ton lower than the price received one year ago.

Other hay at \$76.00 per ton was down \$14.00 from July, and \$14.00 below the price received last year at this time.

The August beef cattle price in Ohio of \$86.80 per cwt was down 40 cents from July but \$9.50 per cwt higher than the August 2009 average price. The steer and heifer price of \$91.00 per cwt was down 40 cents from July but \$9.70 per cwt higher than the August 2009 average price. The August cow price of \$49.00 per cwt was down 70 cents from July but \$7.50 higher than the price received a year ago. Calves, at \$109.00 per cwt were up \$1.00 from July but \$17.80 above the previous August price. Ohio's August hog price of \$61.10 per cwt was up \$2.60 from July and \$25.20 more than was received the previous August. The August sow price of \$57.00 per cwt was up \$3.20 from July, and \$27.40

higher than the August 2009 average price. The August barrow and gilt price of \$61.50 per cwt was up \$2.50 from the previous month, and \$25.30 more than was received in August 2009. The August milk price of \$17.80 per cwt was up 50 cents from July and \$4.60 higher than the August 2009 price of \$13.20 per cwt.

The preliminary All Farm Products Index of Prices Received by Farmers in August, at 145 percent, based on 1990-1992=100, increased 3 points (2.1 percent) from July. The Crop Index is up 5 points (3.3 percent) and the Livestock Index increased 1 point (0.8 percent). Producers received higher prices for wheat, corn, milk, and cattle and lower prices for broilers, lettuce, onions, and cantaloups. In addition to prices, the overall index is also affected by the seasonal change based on a 3-year average mix of commodities producers sell. Increased monthly marketings of cattle, grapes, sweet corn, and potatoes offset decreased marketings of wheat, hay, strawberries, and milk.

The preliminary All Farm Products Index is up 19 points (15 percent) from August 2009. The Food Commodities Index, at 145, increased 3 points (2.1 percent) from last month and increased 21 points (17 percent) from August 2009.

AGRICULTURAL PRICES, OHIO AND UNITED STATES, AUGUST 2010 WITH COMPARISONS

Commodity ¹	Unit	OHIO			U.S.
		August 2009	July 2010	August 2010	August 2010
Winter Wheat	Bu.\$	4.26	4.52	4.92	5.60
Corn	Bu.\$	3.43	3.57	3.83	3.65
Soybeans	Bu.\$	11.10	10.20	10.50	10.10
All Hay	Ton \$	115.00	122.00	119.00	111.00
Alfalfa hay	Ton \$	150.00	145.00	146.00	116.00
Other Hay	Ton \$	90.00	90.00	76.00	96.10
Apples	Lb.\$	0.477	0.460	0.470	0.317
Hogs	Cwt \$	35.90	58.50	61.10	61.30
Sows	Cwt \$	29.60	53.80	57.00	58.10
Barrows & Gilts	Cwt \$	36.20	59.00	61.50	61.50
All Beef	Cwt \$	77.30	87.20	86.80	93.20
Cows	Cwt \$	41.50	49.70	49.00	58.20
Steers & heifers	Cwt \$	81.30	91.40	91.00	97.70
Calves	Cwt \$	91.20	108.00	109.00	120.00
Sheep	Cwt \$	36.90	47.50	-	-
Lambs	Cwt \$	99.60	122.00	-	-
Milk sold to plants	Cwt \$	13.20	17.30	17.80	16.60
Milk for fluid use	Cwt \$	13.30	17.50	-	16.60
Milk of mfg. grade	Cwt \$	11.30	13.50	-	15.10
Eggs ³	Doz \$	0.560	-	-	0.624
FEED PRICE RATIOS					
Hog-corn ratio ²		10.47	16.39	15.95	16.79

1/ Monthly average except for current month. Current month is mid-month price. 2/ Bushels of corn equal in value to 100 pounds of hogs live weight. 3/ State level data no longer published.

SEPTEMBER U.S. SUPPLY AND DEMAND ¹

	Corn		Wheat		Soybeans	
	2009/10	2010/11 ²	2009/10	2010/11 ²	2009/08	2010/11 ²
	Million Bushels					
Beginning Stocks	1,673	1,386	657	973	138	150
Production	13,110	13,160	2,216	2,265	3,359	3,483
Imports	8	10	119	100	15	10
Total Supply	14,791	14,556	2,991	3,338	3,512	3,643
Domestic Use	11,425	11,340	1,137	1,186	1,868	1,808
Exports	1,980	2,100	881	1,250	1,495	1,485
Total Use	13,405	13,440	2,018	2,436	3,363	3,293
Ending Stocks, Total	1,386	1,116	973	902	150	350
Average Price (\$/bu.)	3.55	4.00-4.80	4.87	4.95-5.65	9.60	9.15-10.65

1/ From World Agricultural Supply and Demand Estimates, ERS, FAS, USDA. 2/ Projected.

U.S. INDEX SUMMARY TABLE

Index 1990-92=100	2009		2010	
	July	August	July	August
Prices Received	130	126	142	145
Prices Paid	178	177	182	182
Ratio ¹	73	71	78	80

1/ Ratio of index of prices received by farmers to index of prices paid.

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