

What's Happening With Crop Input Costs?



Minnesota Crop Insurance
Conference

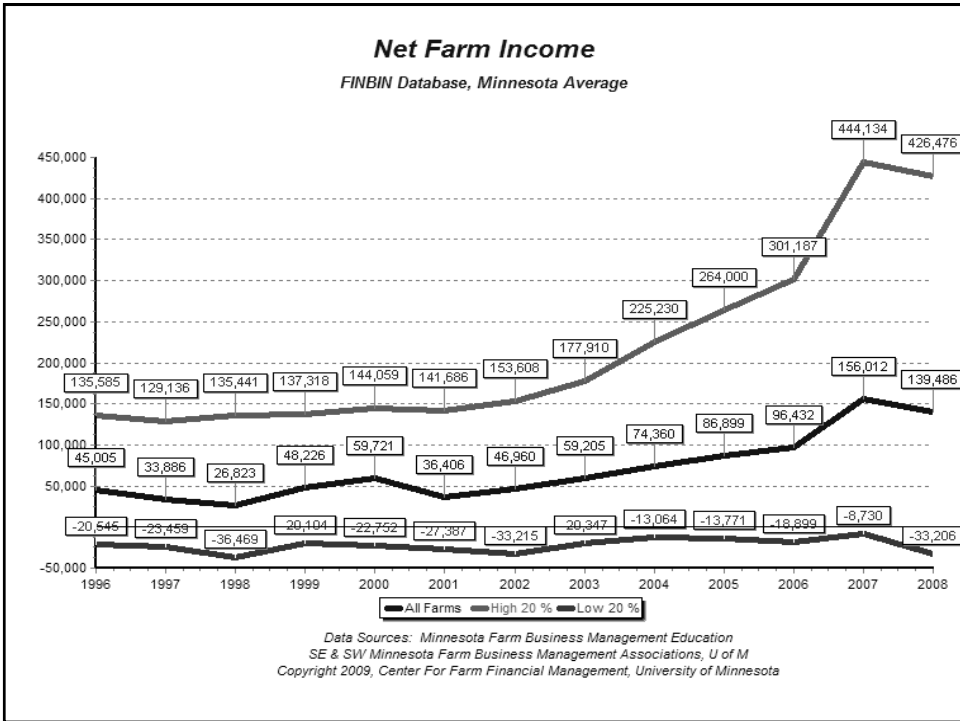
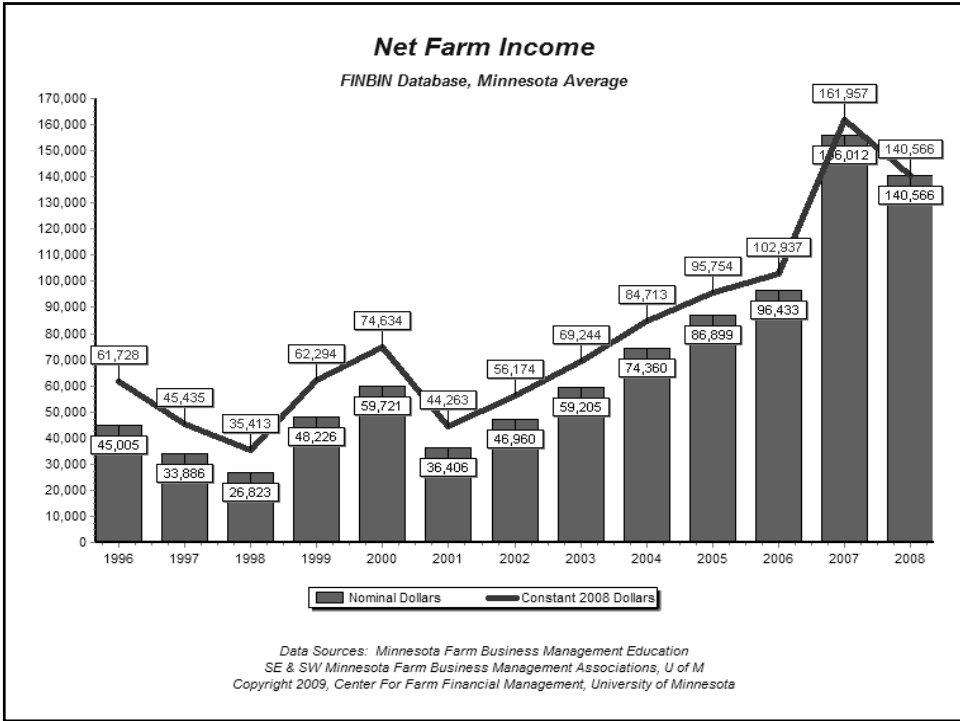
Mankato, Minnesota

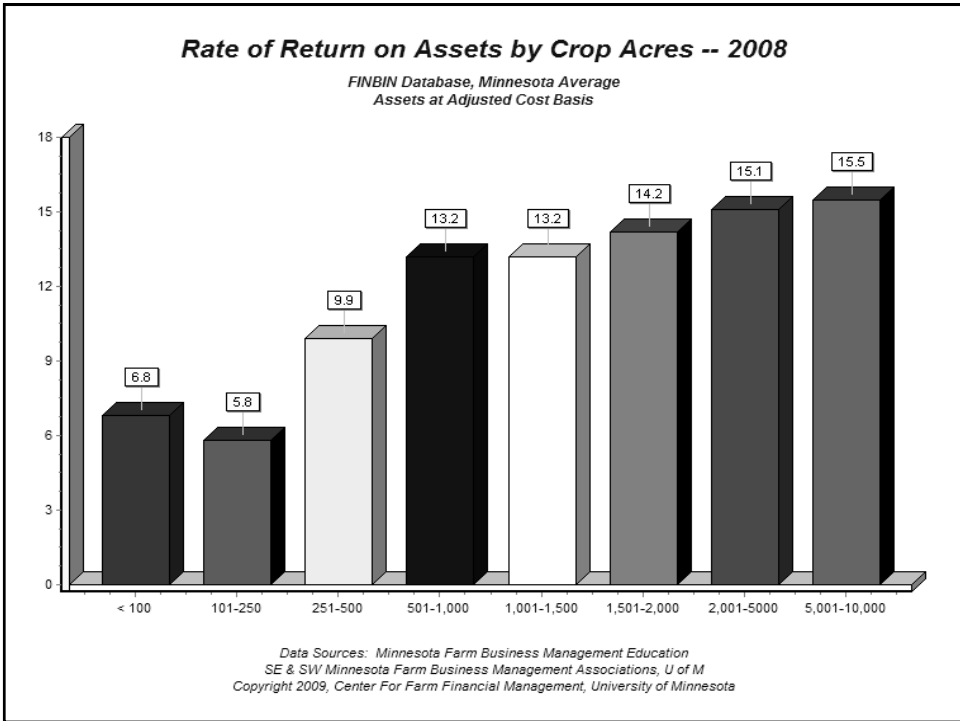
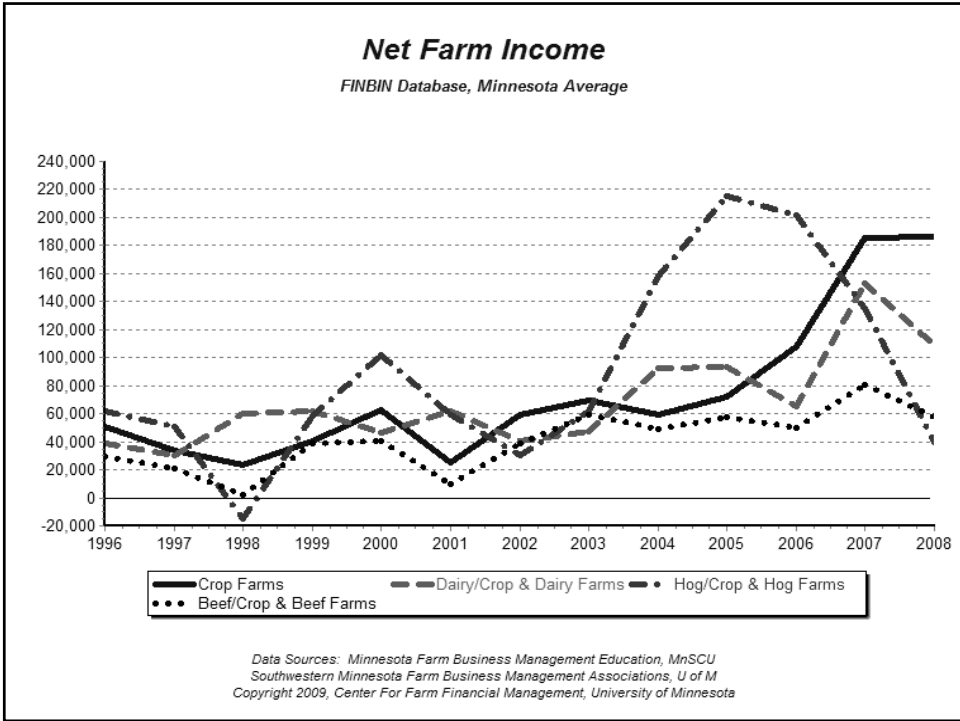
Bob Craven
Center for Farm Financial Management
University of Minnesota

612-625-6701

rcraven@umn.edu

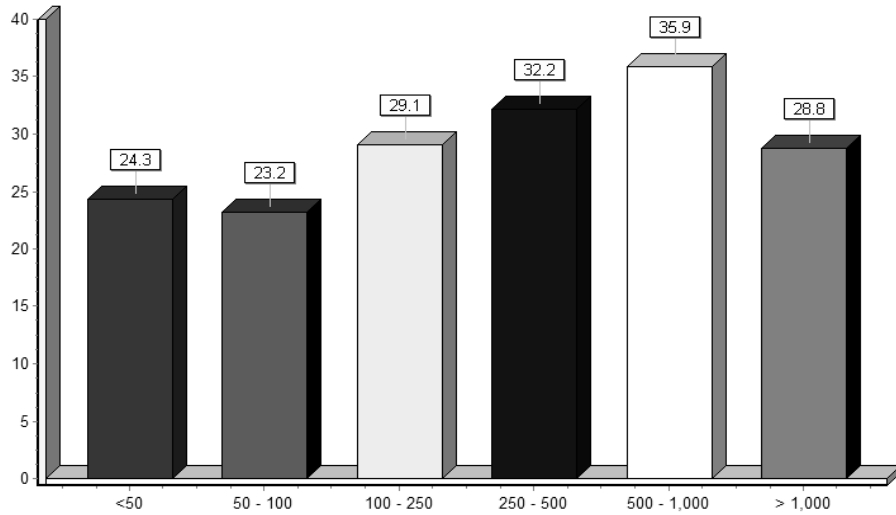
A screenshot of a web browser displaying the FINBIN Farm Financial Database website. The browser window shows the address bar with 'www.finbin.umn.edu'. The website has a navigation menu with links for HOME, GETTING STARTED, GRAPH LIBRARY, ABOUT FINBIN, and ABOUT THE DATA. The main content area features a 'WELCOME TO FINBIN' section with a brief introduction and a list of report types: 'Cost and returns from Roundup Ready soybeans', 'Dairy cost and returns by size or location of herd', and 'Farm financial standards measures by type or size of farm'. Below this is a section titled 'FINBIN WINS AAEA AWARD' dated July 28, 2006, which mentions the award for 'Outstanding Agricultural Economics Extension Website'. At the bottom, it lists data providers: 'MNSCU Farm Business Management' and 'U of MN Farm Management Associations'. The browser's status bar at the bottom shows 'Done' and 'Internet'.





Working Capital to Gross Income By Farm Size - 2008

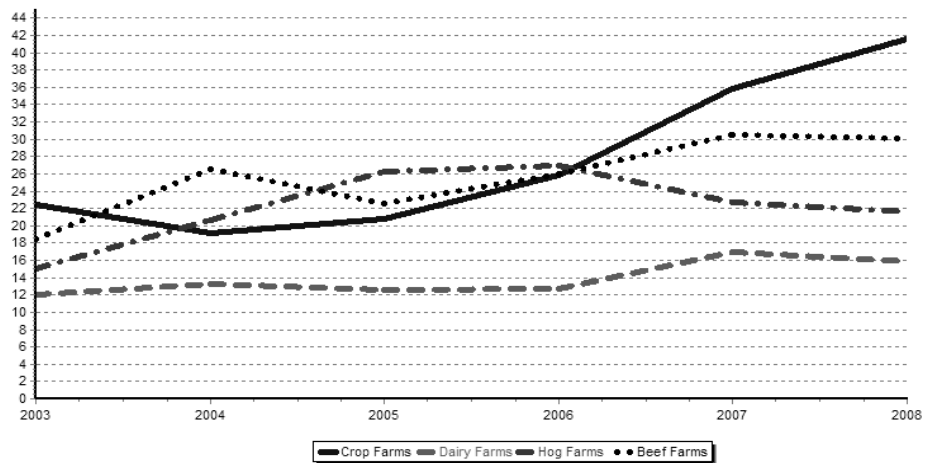
FINBIN Database, Minnesota Average by Gross Farm Income (\$1,000)



Data Sources: Minnesota Farm Business Management Education
SE & SW Minnesota Farm Business Management Associations, U of M
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Working Capital as Percent of Gross Income

FINBIN Database, Minnesota Average



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SE & SW Minnesota Farm Business Management Associations, U of M
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Corn, Cash Rented, 2008

FINBIN Database, So MN

Cost of production	High Cost 20 %	20-40%	40-60%	60-80%	Low Cost 20%
Yield	164	173	176	180	184
Gross return	\$698.07	\$707.17	\$718.81	\$710.92	\$724.95
Seed	77.42	74.55	73.32	73.97	69.48
Fertilizer	146.46	123.55	109.92	108.03	86.08
Chemicals	29.13	24.71	25.65	23.06	20.30
Rent	153.07	151.67	147.34	144.84	132.92
Total direct cost	588.42	536.34	509.34	480.74	419.71
Total costs	677.24	623.72	580.70	540.57	473.02
Net return to operator lbr & mgt	1.63	64.94	116.47	149.45	230.42
Cost of production	3.89	3.53	3.22	3.02	2.61

Corn, Cash Rented

FINBIN Database, Southern MN

	2004	2005	2006	2007	2008	% Diff. 08 vs 04	\$ Diff. 08 vs 04
Seed	44.42	49.29	53.96	60.71	73.92	66%	29.50
Fertilizer	57.54	64.71	72.29	80.98	116.21	102%	58.67
Chemicals	27.22	25.35	23.89	22.14	24.73	-9%	-2.49
Fuel & drying	36.44	31.63	33.56	29.15	30.54	-16%	-5.90
Crop insur.	12.07	9.77	11.15	20.43	27.00	124%	14.93
Rent	107.55	112.37	115.10	125.51	146.66	36%	39.11
Other	91.41	100.81	107.62	125.32	165.92	82%	74.51
Total cost	376.65	393.93	417.57	464.24	584.98	55%	208.33

Corn, Cash Rented

FINBIN Database, Southern MN

	2004	2005	2006	2007	2008	2009 Estimated	2010 Projected
Seed	44.42	49.29	53.96	60.71	73.92	92.40	92.40
Fertilizer	57.54	64.71	72.29	80.98	116.21	185.94	102.26
Chemicals	27.22	25.35	23.89	22.14	24.73	28.44	24.17
Fuel & drying	36.44	31.63	33.56	29.15	30.54	52.18	39.14
Crop insur.	12.07	9.77	11.15	20.43	27.00	21.60	19.44
Rent	107.55	112.37	115.10	125.51	146.66	164.26	164.26
Other	91.41	100.81	107.62	125.32	165.92	155.10	162.85
Total cost	376.65	393.93	417.57	464.24	584.98	699.91	604.53

Corn, Cash Rent, Net Income Per Acre

Assumes 2010 projected expenses, \$24 direct payment/a.

Yield per Acre

Price/Bu	140	157.5	175	192.5	210
2.5	-231	-187	-143	-99	-56
3.25	-126	-69	-12	45	102
4	-21	49	119	189	259
4.75	84	168	251	334	417
5.5	189	286	382	478	574

Corn, Cash Rent, Cost of Production

*2010 expenses with a \$24 direct payment and
\$36 labor & management charge /acre*

Yield per Acre

Rent/Acre	150	175	200
164	4.11	3.52	3.08
200	4.35	3.73	3.26
250	4.68	4.01	3.51
300	5.02	4.30	3.76

Corn, Cash Rent, Net Income Per Acre

Assumes 2009 projected expenses, \$24 direct payment/a.

Yield per Acre

Price/Bu	140	157.5	175	192.5	210
2.5	-326	-282	-238	-195	-151
3.25	-221	-164	-107	-50	7
4	-116	-46	24	94	164
4.75	-11	72	155	238	322
5.5	94	190	287	383	479

Soybeans, Cash Rented

FINBIN Database, Southern MN

	2004	2005	2006	2007	2008	% Diff. 08 vs 04	\$ Diff. 08 vs 04
Seed	24.24	28.7	29.67	32.06	35.69	47%	11.45
Chemicals	17.19	21.27	19.32	21.24	29.06	69%	11.87
Fuel	10.96	14.72	16.15	16.88	23.77	117%	12.81
Crop insur.	13.69	12.34	12.89	16.44	28.69	110%	15.00
Rent	106.55	111.51	113.8	123.13	145.00	36%	38.45
Other	75.68	83.94	89.98	96.23	115.95	53%	40.27
Total cost	248.31	272.48	281.81	305.98	378.16	52%	129.85

Soybeans, Cash Rented

FINBIN Database, Southern MN

	2004	2005	2006	2007	2008	2009 Estimated	2010 Projected
Seed	24.24	28.7	29.67	32.06	35.69	46.40	46.40
Chemicals	17.19	21.27	19.32	21.24	29.06	33.42	28.41
Fuel	10.96	14.72	16.15	16.88	23.77	19.02	17.11
Crop insur.	13.69	12.34	12.89	16.44	28.69	20.08	16.07
Rent	106.55	111.51	113.8	123.13	145.00	162.40	162.40
Other	75.68	83.94	89.98	96.23	115.95	129.86	136.36
Total cost	248.31	272.48	281.81	305.98	378.16	411.18	406.74

Soybeans, Cash Rent, Net Income Per Acre
Assumes 2010 projected expenses, \$24 direct payment/a.

Yield per Acre

Price/Bu	42	46	50	54	58
6	-131	-107	-83	-59	-35
7.5	-68	-38	-8	22	52
9	-5	31	67	103	139
10.5	58	100	142	184	226
12	121	169	217	265	313

Soybeans, Cash Rent, Cost of Production

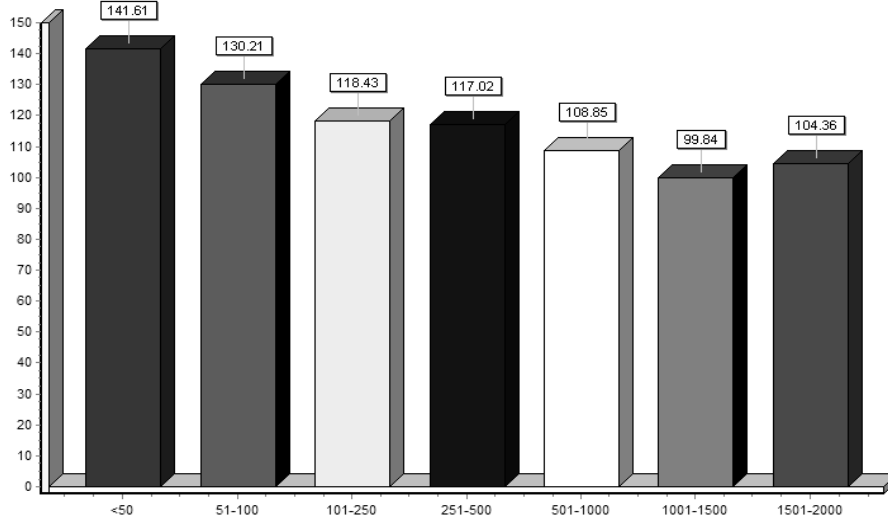
*2010 expenses with a \$24 direct payment and
 \$28 labor & management charge /acre*

Yield per Acre

Rent/Acre	42	50	58
162.40	9.78	8.21	7.08
200	10.67	8.97	7.73
250	11.87	9.97	8.59
300	13.06	10.97	9.45

Machinery Cost By Number of Acres - Corn

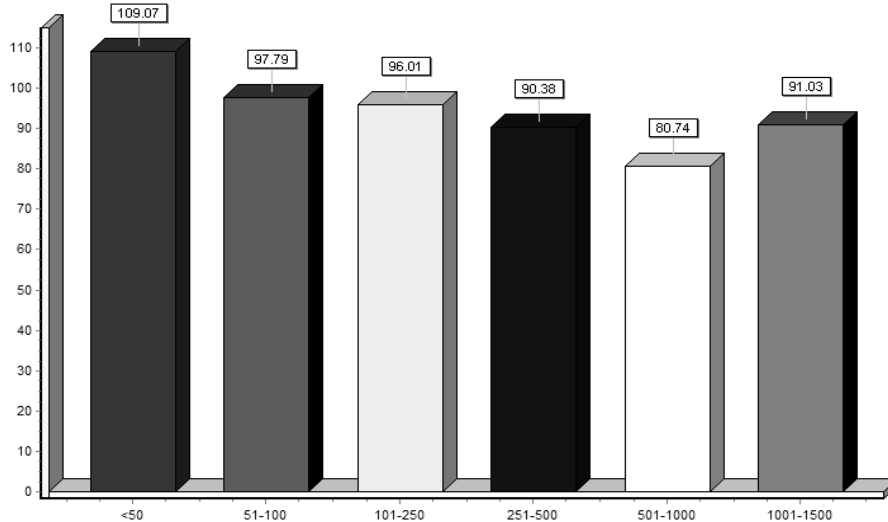
Corn, Rented, FINBIN Database, Southern Minnesota, 2008



Data Sources: Minnesota Farm Business Management Education
SE & SW Minnesota Farm Business Management Associations, U of M
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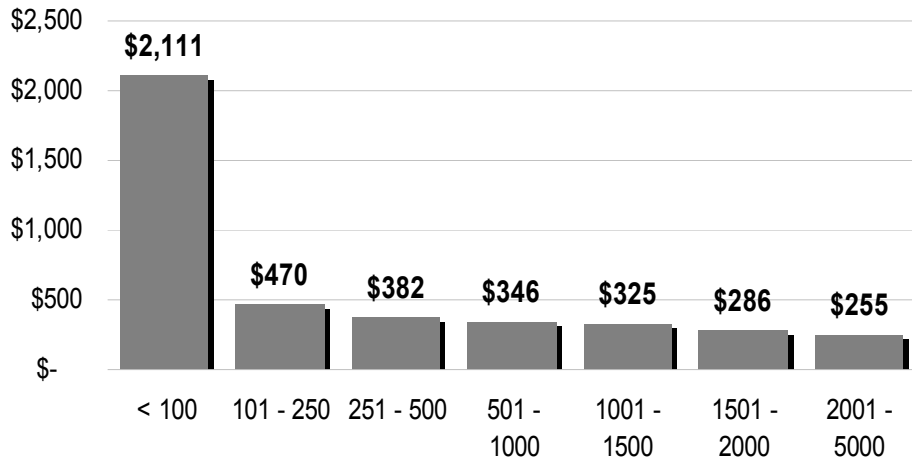
Machinery Cost By Number of Acres - Soybeans

Soybeans, Rented, FINBIN Database, Southern Minnesota, 2008

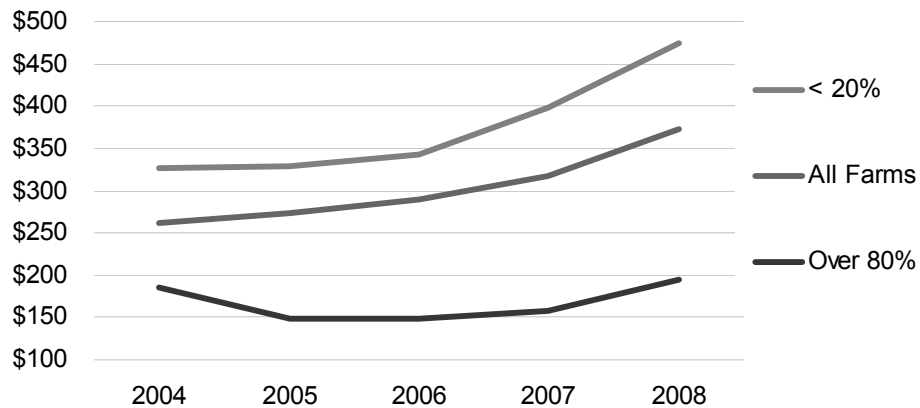


Data Sources: Minnesota Farm Business Management Education
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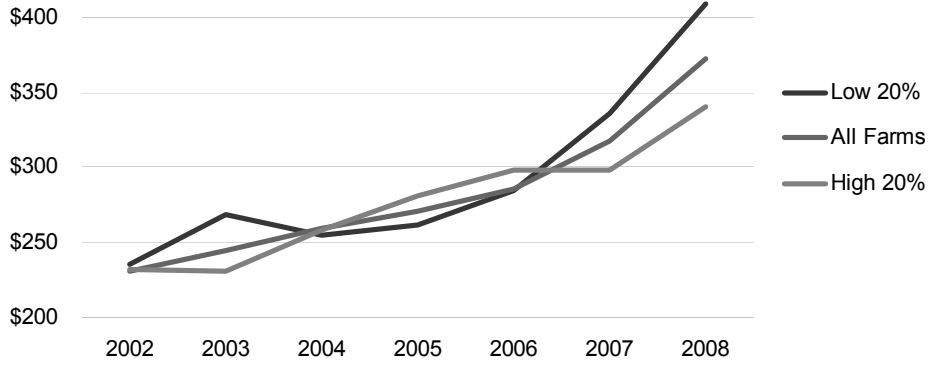
Machinery Investment per Acre by Farm Size Crop Farms 2004-2008



Machinery Investment per Acre by Debt to Asset Ratio



**Machinery Investment per Acre by Net Farm Income
Crop Farms >\$250k Gross Farm Income**



Dairy, 2008

FINBIN Database, MN

No. of Cows	1-50	51-100	101-200	201-500	>500
Milk per cow	16,566	18,910	19,824	23,038	24,024
Avg. milk price per cwt.	19.77	19.35	19.61	19.38	19.43
Gross return	3,118	3,359	3,602	4,174	4,331
Feed cost	1,404	1,605	1,716	1,883	1,837
Breeding, vet, supplies	319	324	326	373	340
BST	4	9	14	35	71
Hired labor	68	126	248	466	543
Depreciation and Interest	218	231	268	251	241
Total costs	2,563	2,852	3,132	3,675	3,767
Net return to operator lbr & mgt	185	208	228	293	432
Cost of production	18.63	18.24	18.46	18.10	17.62