

USDA Outlook for the 2010 U.S. Farm Economy

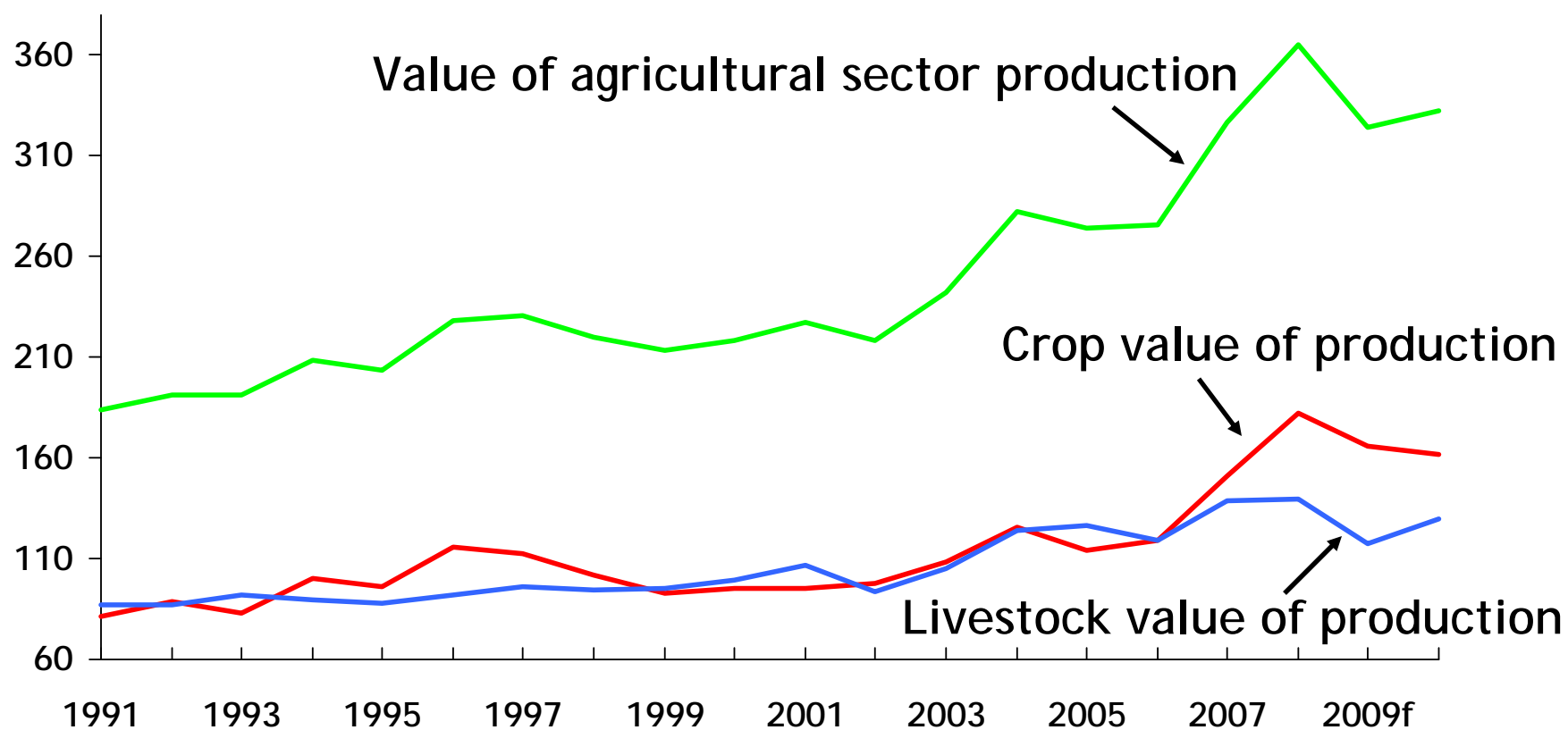
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Resource and Rural Economics Division

2010 USDA Outlook Forum

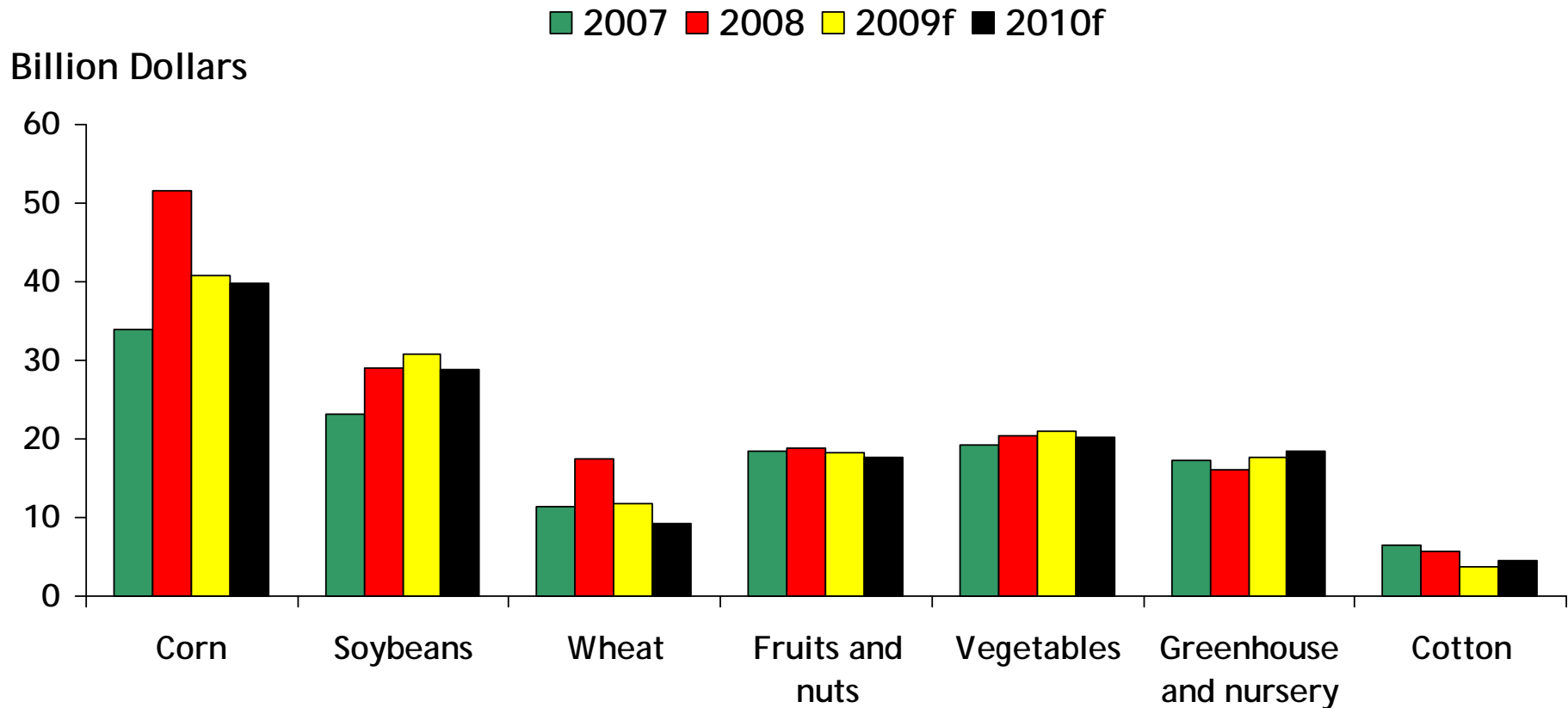


Value of agricultural sector production expected to increase \$7.9 billion in 2010

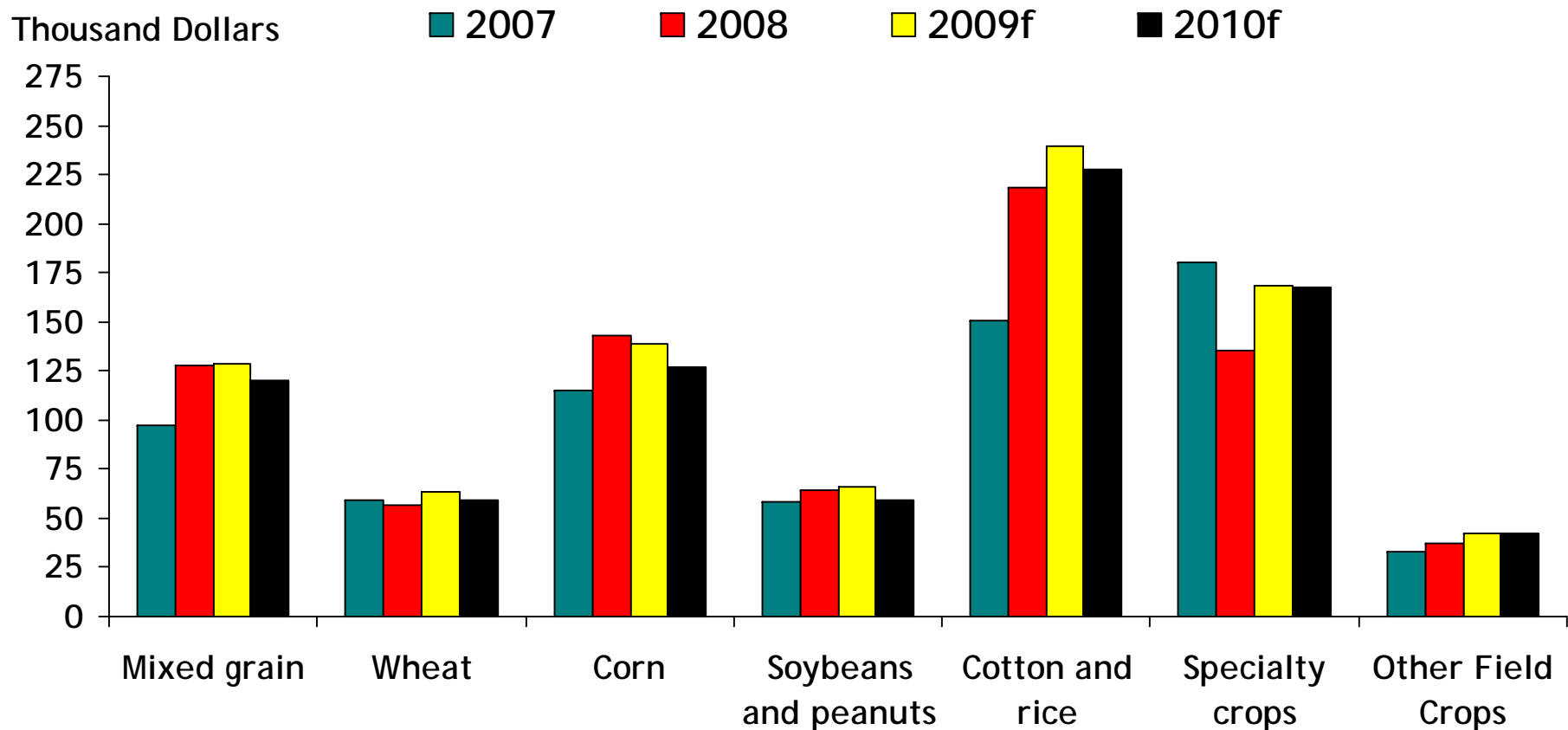
Billion Dollars



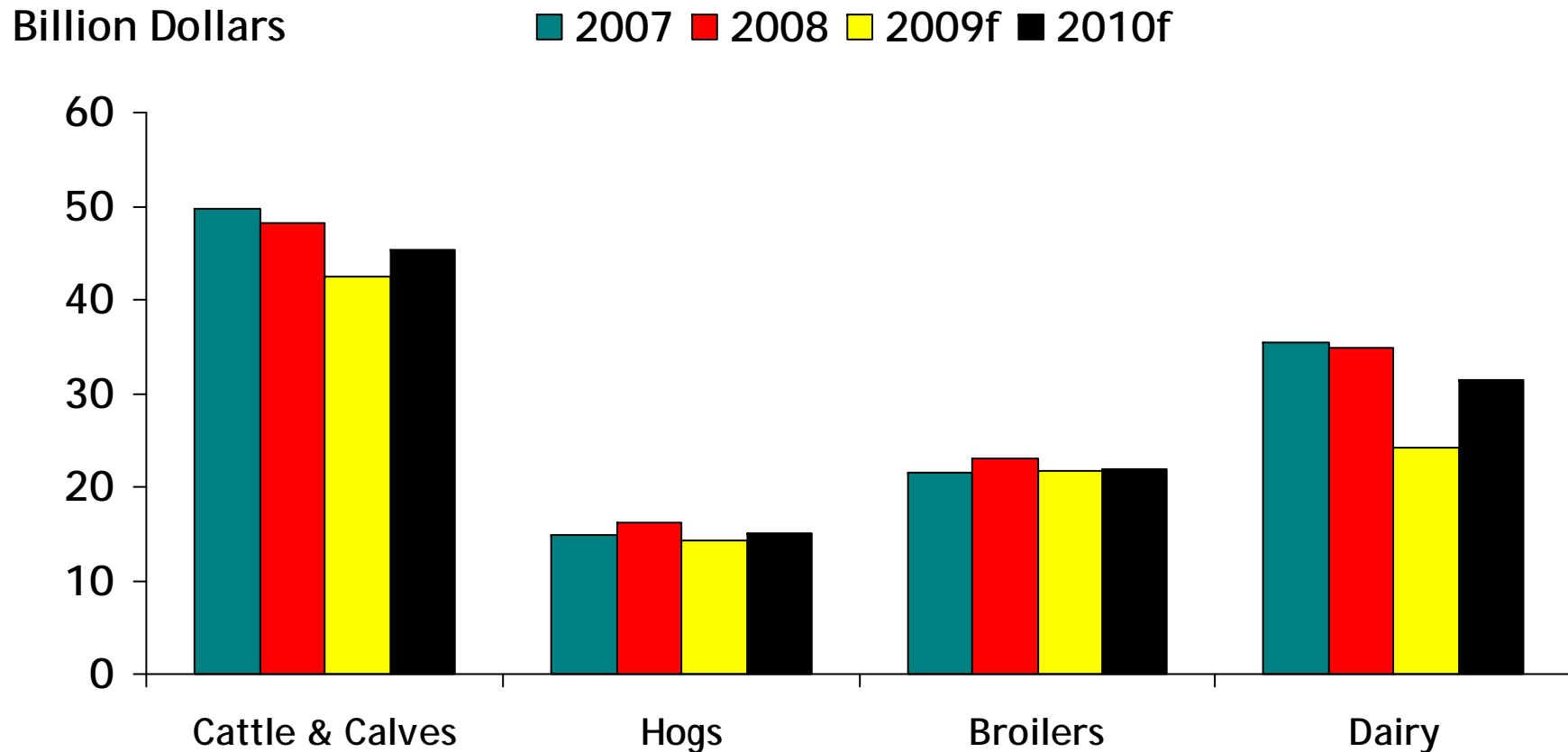
Crop cash receipts expected to decline \$6 billion in 2010



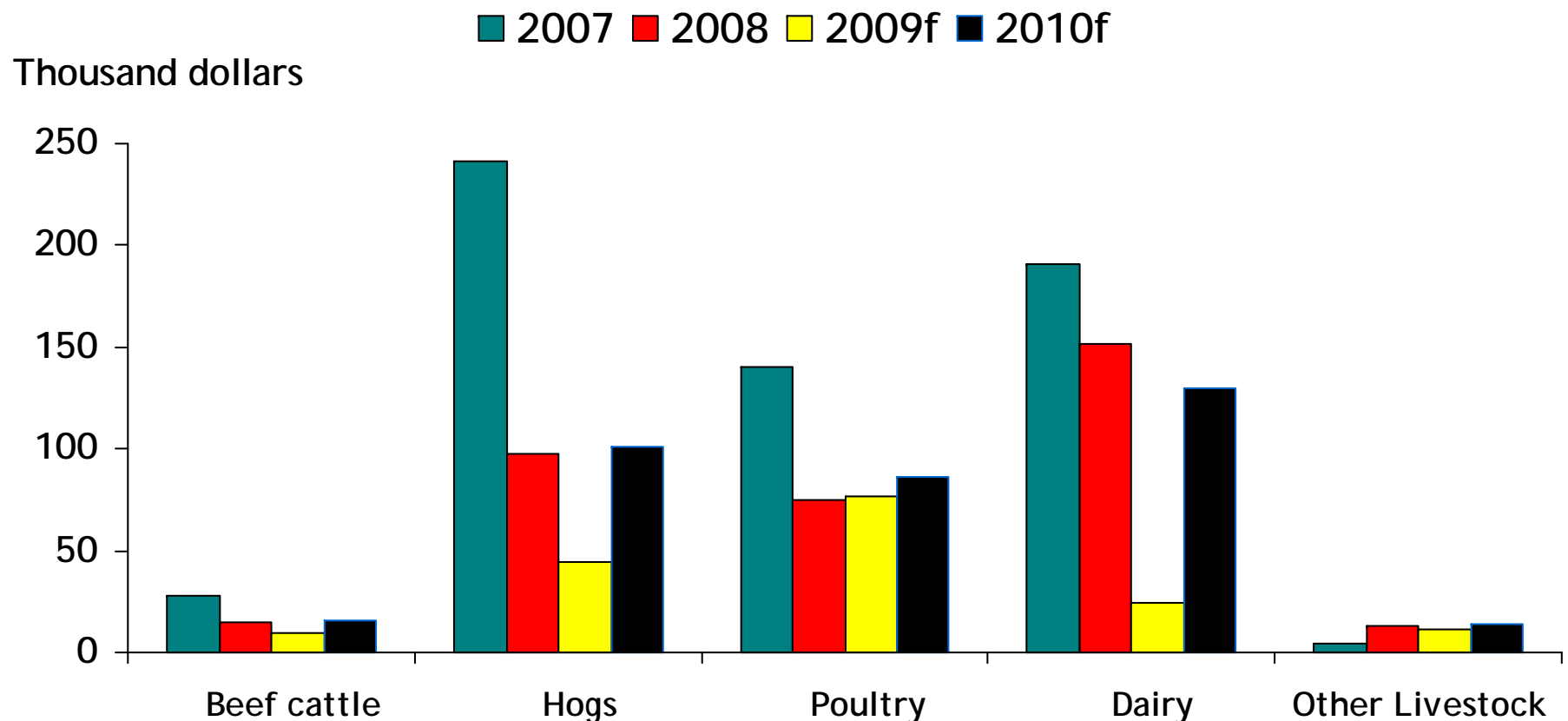
Lower average net cash incomes projected in 2010 for crop farm businesses



Livestock cash receipts expected to increase \$11.5 billion in 2010

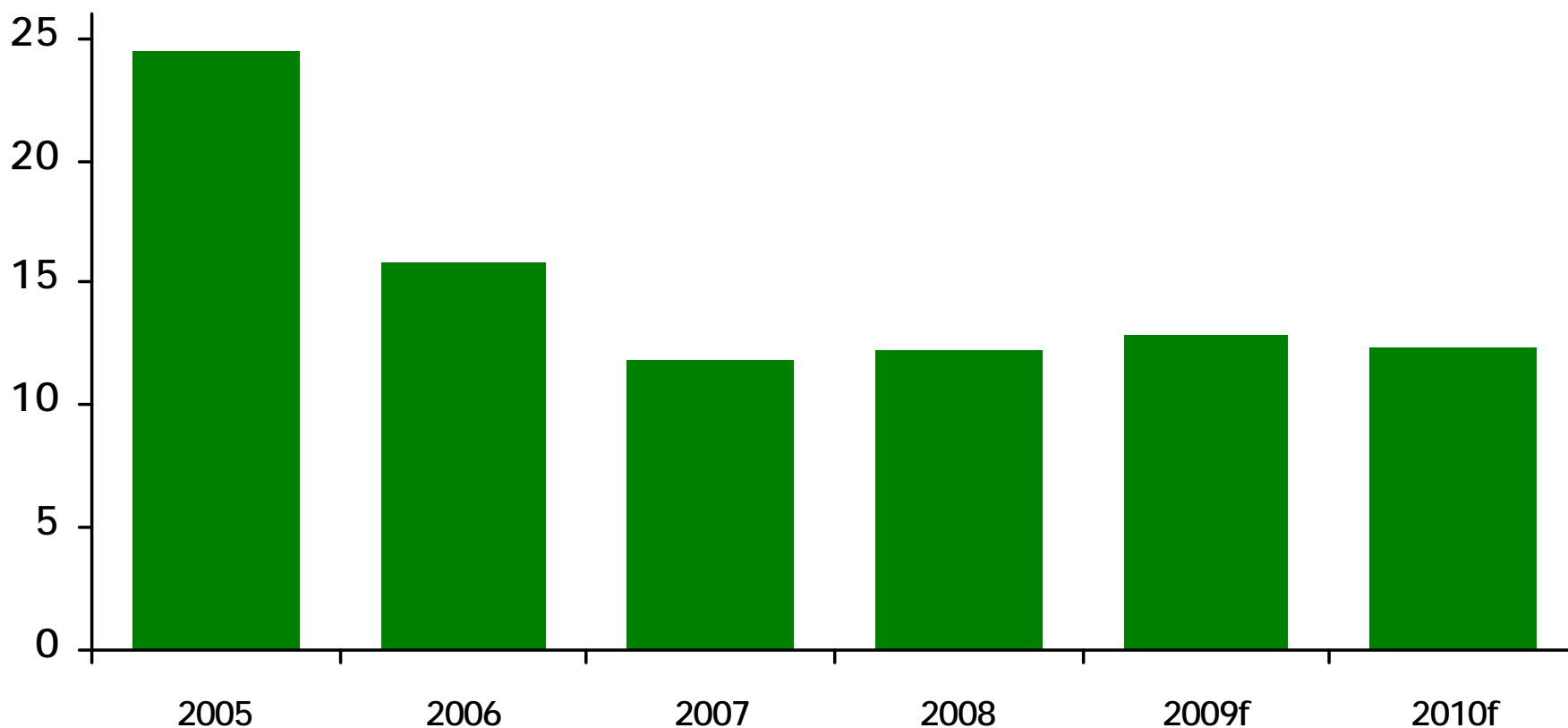


Average net cash income for livestock farm businesses expected to recover in 2010



Government payments expected to decline \$0.5 billion in 2010

Billion Dollars

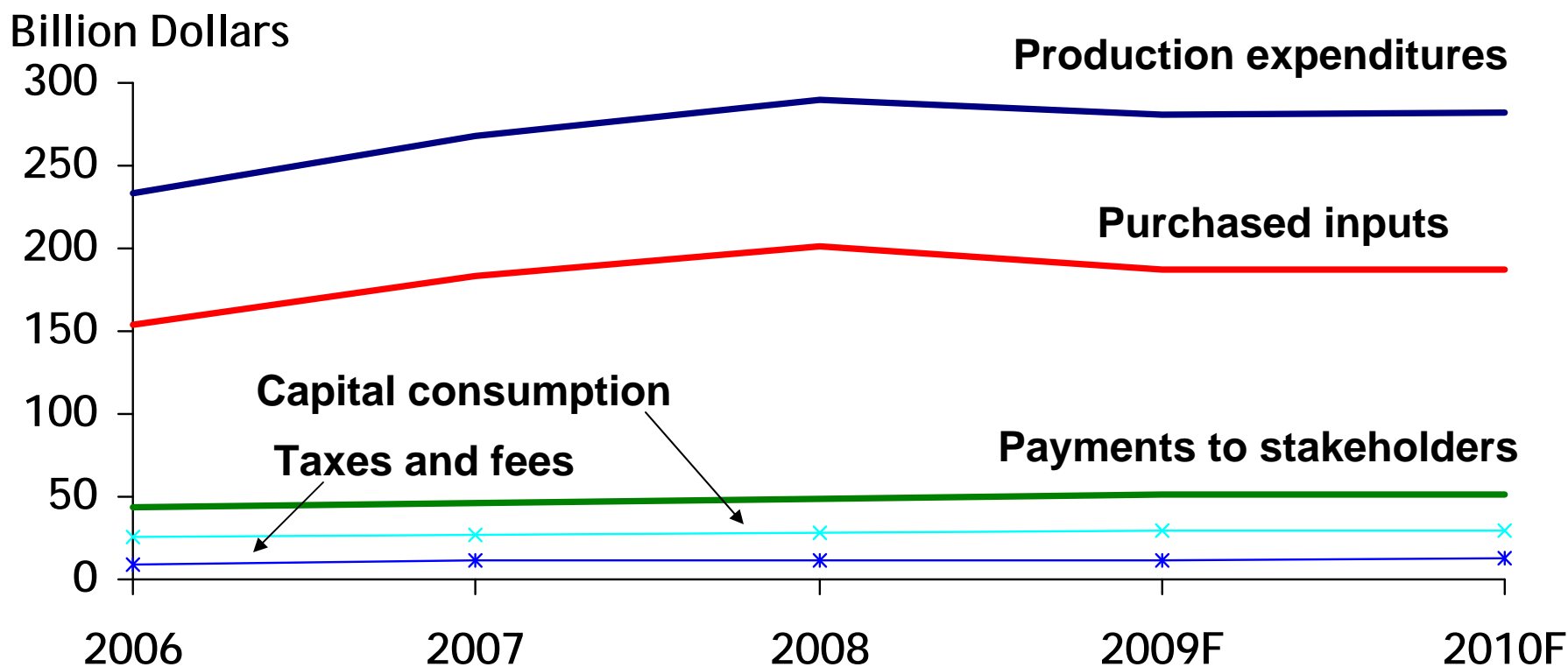


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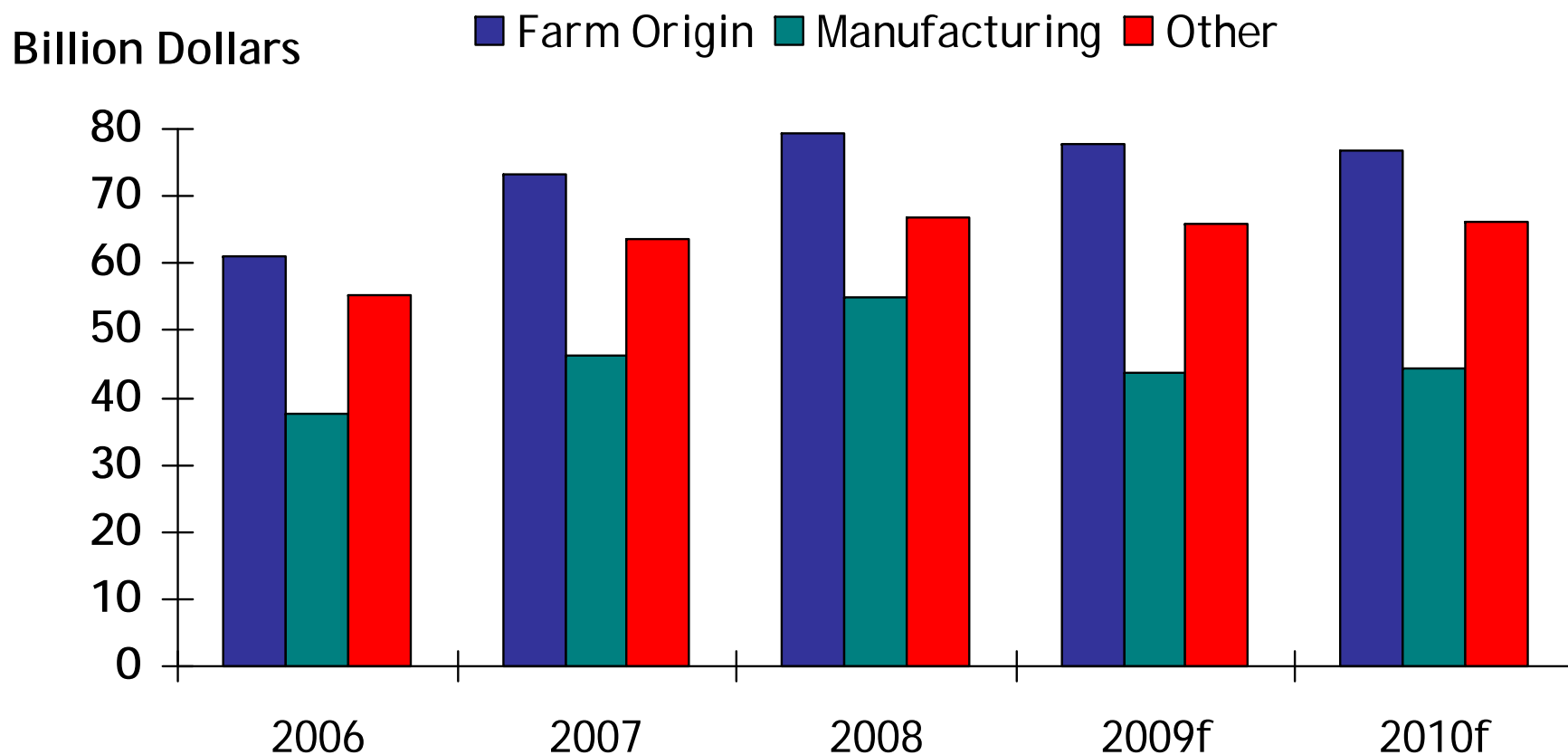


Source: USDA, ERS
Note: 2009, 2010 forecasts

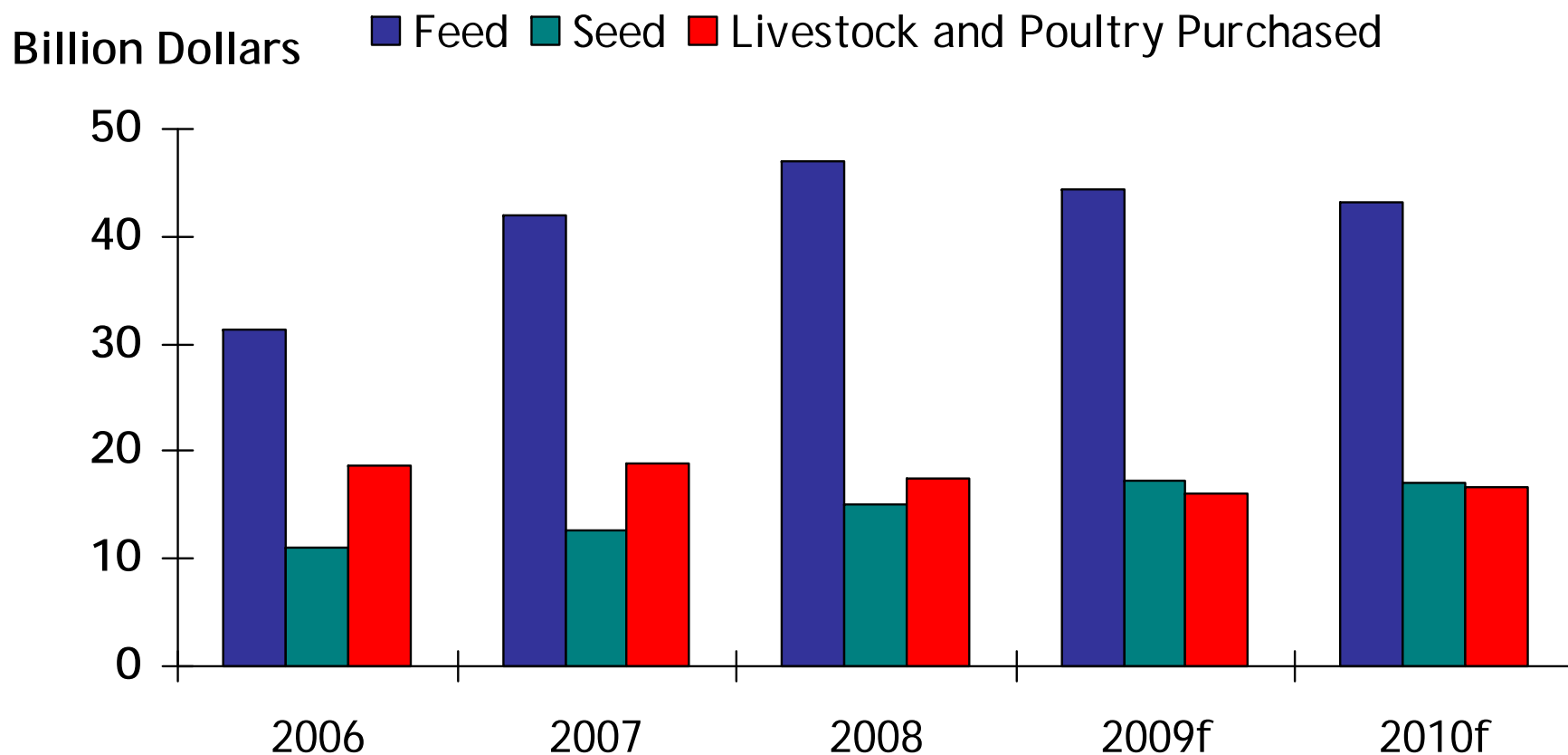
Farm production expenditures expected to remain steady in 2010



Purchase inputs expenditures expected to decline \$0.1 billion in 2010

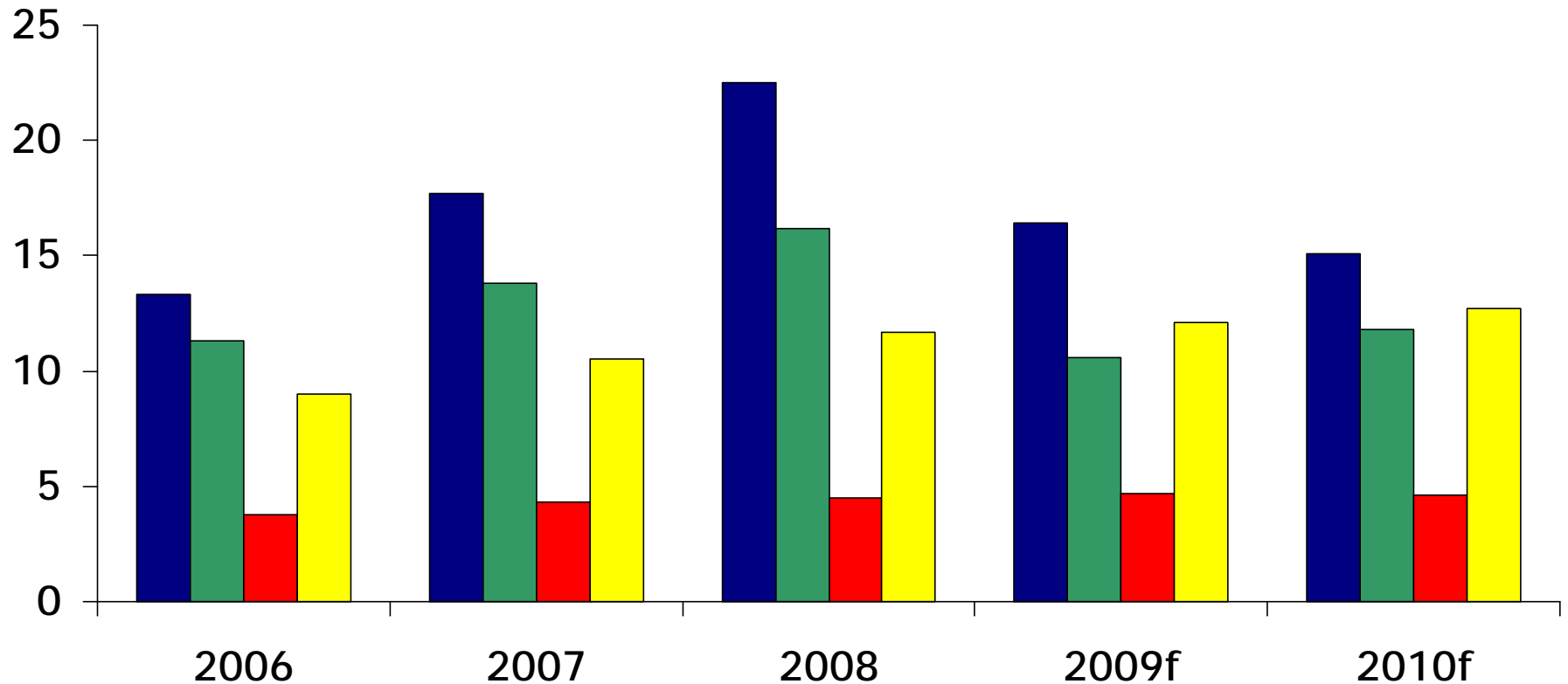


Farm origin expenses expected to decline \$0.7 billion in 2010



Manufacturing input expenses expected to rise \$0.5 billion in 2010

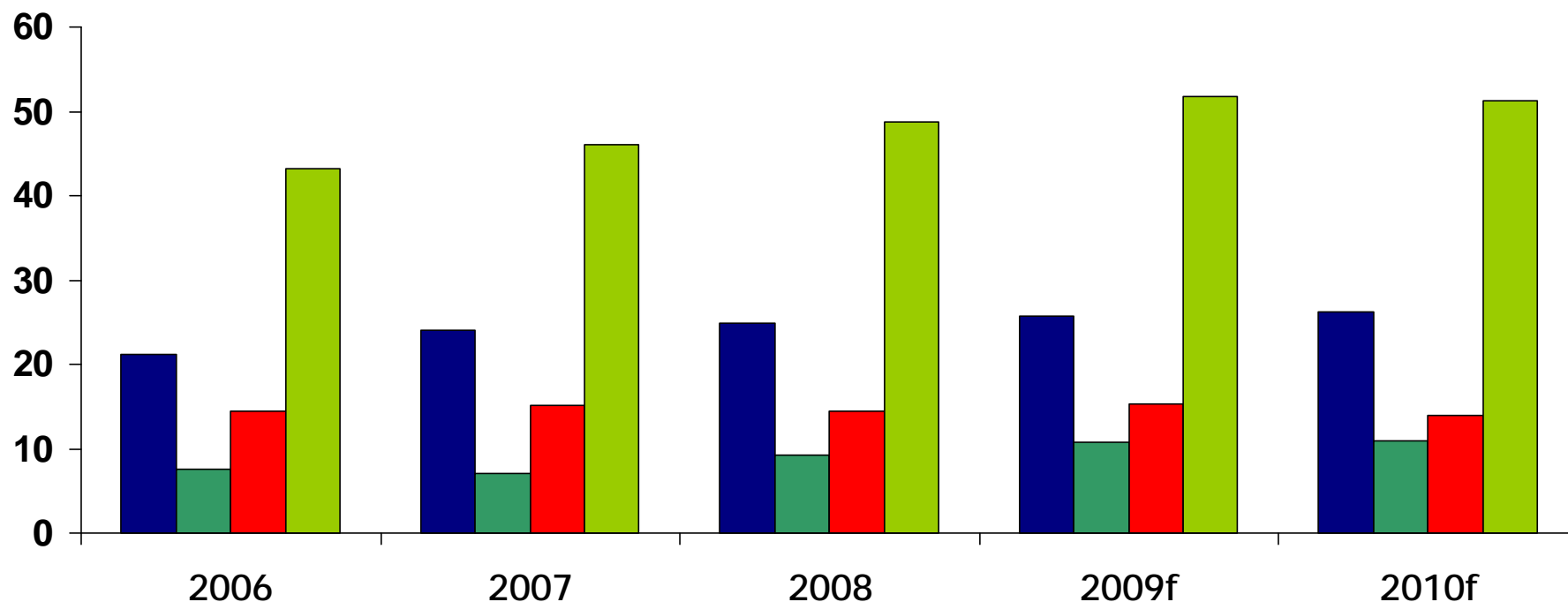
Billion Dollars ■ Fertilizer and lime ■ Fuels and oils ■ Electricity ■ Pesticides



Payments to stakeholders expected to fall \$0.5 billion in 2010

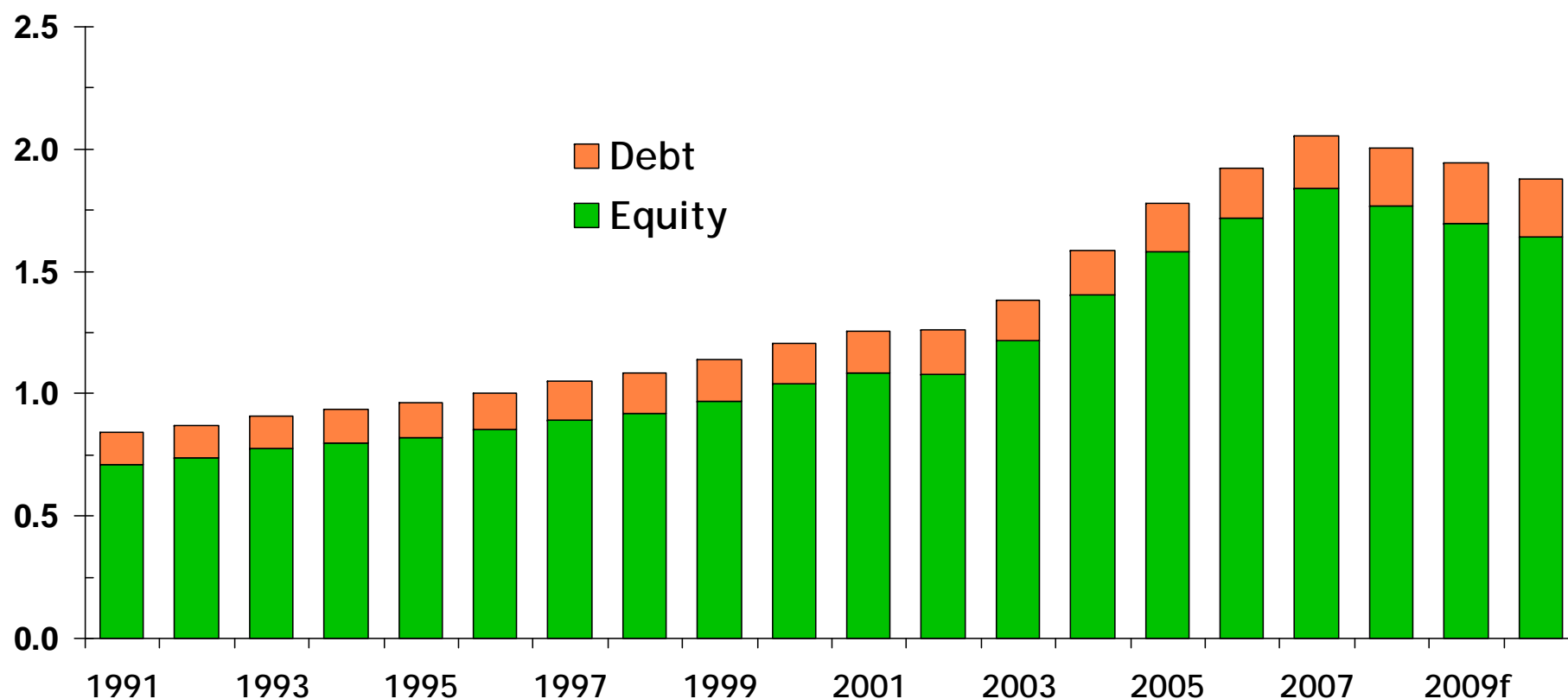
■ Hired Labor ■ Non-Operator Landlords ■ Lenders ■ Total Payments

Billion Dollars



Farm sector assets, debt and equity expected to decline in 2010

Trillion Dollars

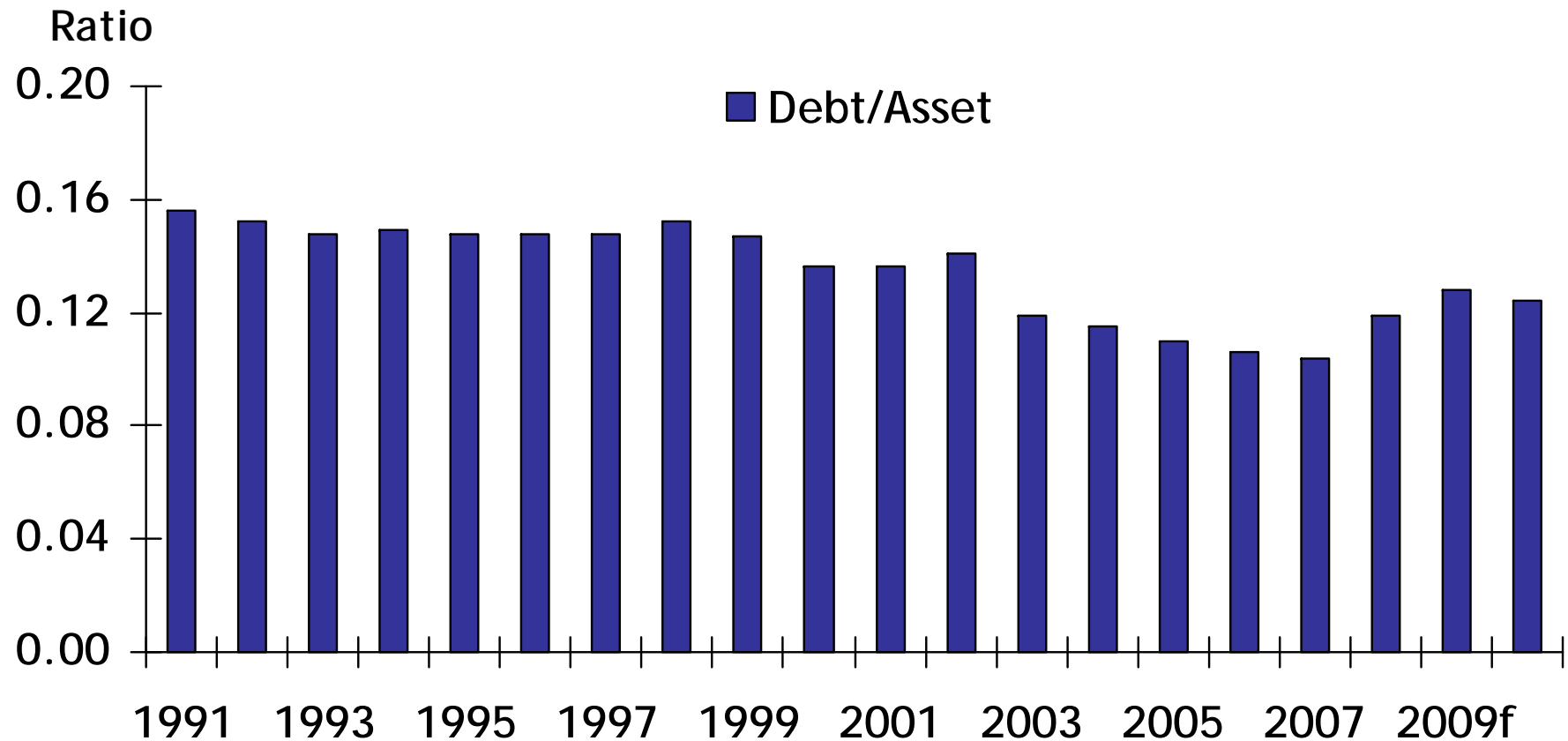


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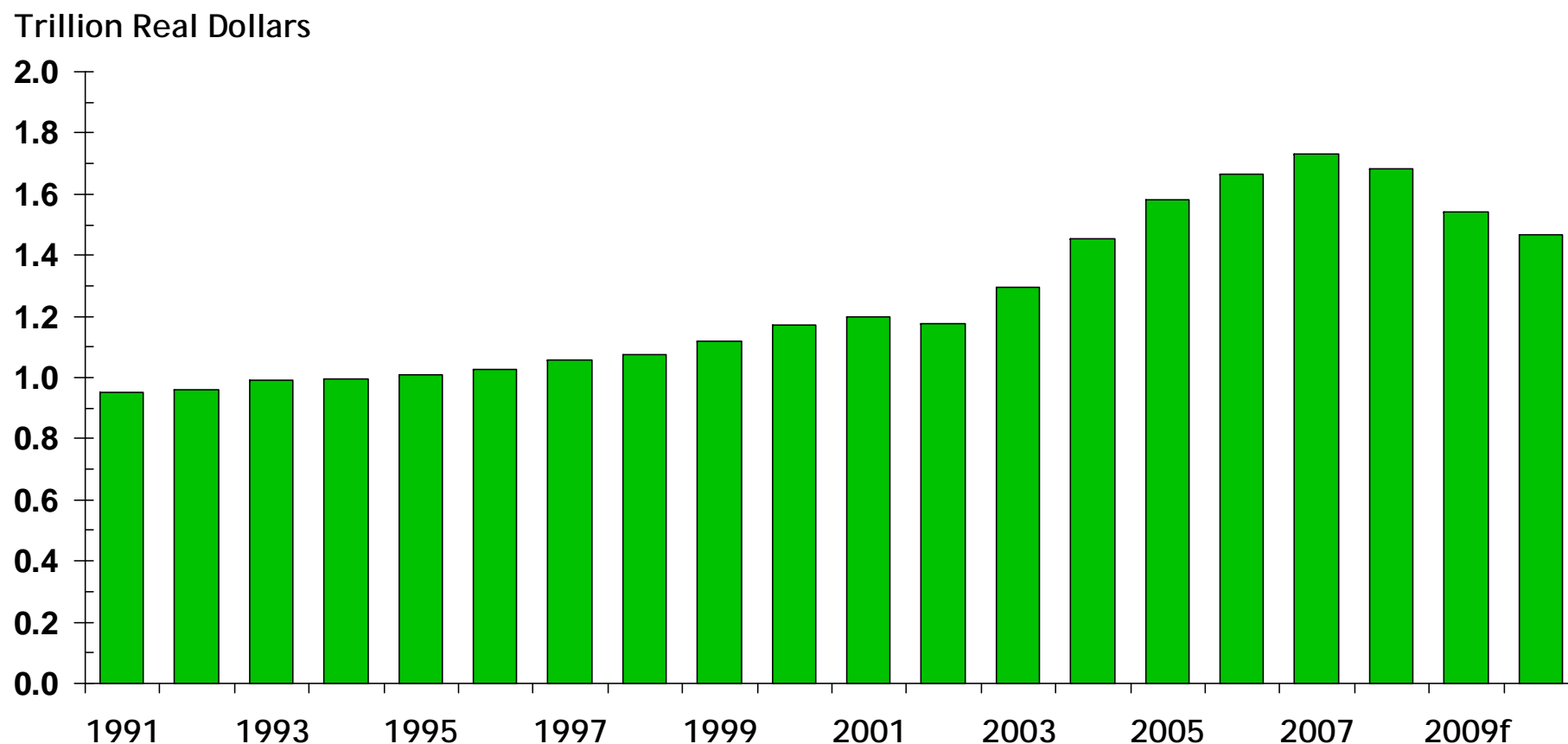


Source: USDA, ERS
Note: 2009, 2010 forecasts

Share of farm assets financed by debt expected to decline in 2010



Inflation-adjusted farm sector equity peaked in 2007



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Base Year 2005
GDP Chain-weighted Deflator
Source: USDA, ERS
Note: 2009, 2010 forecasts

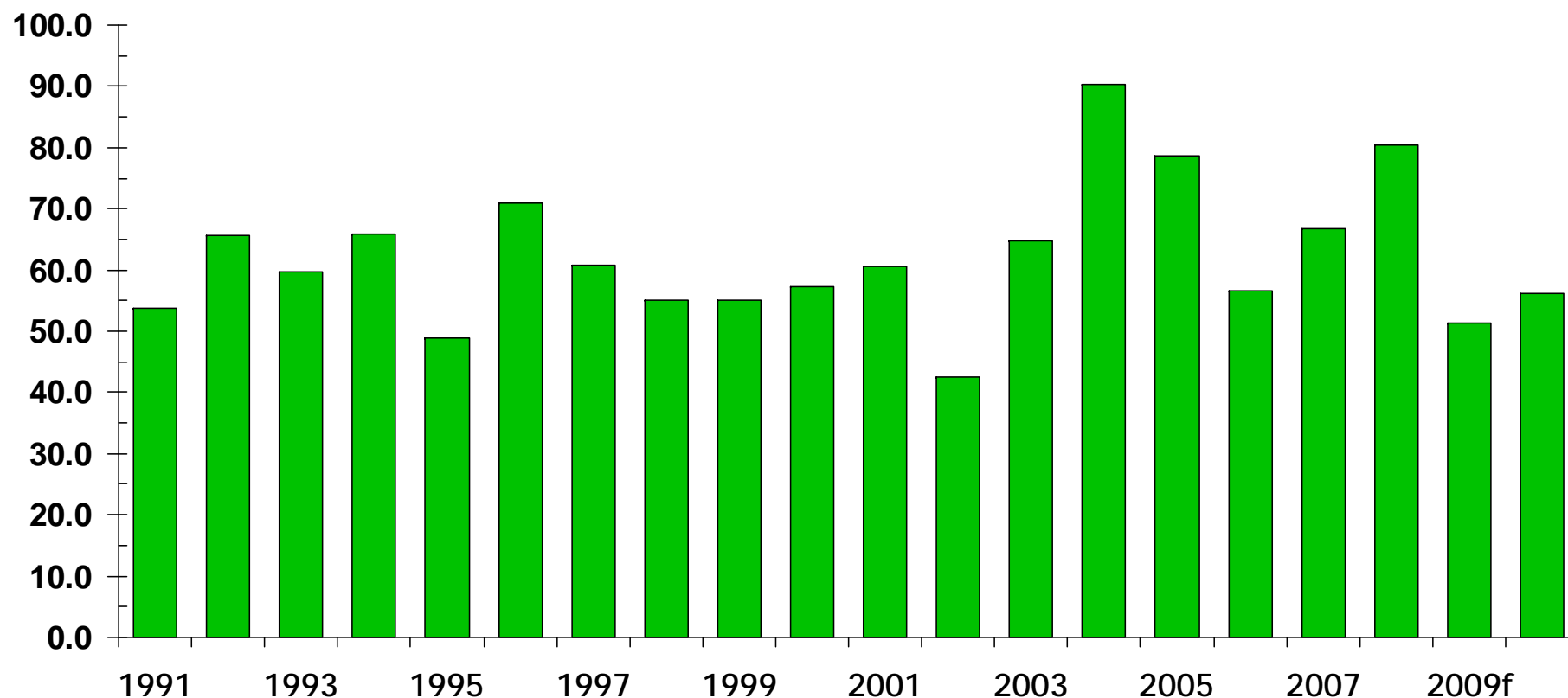
Net Farm Income expected to rise in 2010

		2010f	Change from 2009f
Value Agricultural Sector Production		\$332.1	\$7.9
Purchased Inputs	(-)	\$187.2	\$0
Net Government Transactions	(+)	(\$0.6)	(\$1.6)
Gross Value Added	=	\$144.3	\$6.4
Capital Consumption	(-)	\$30.1	\$0.2
Net Value Added	=	\$114.2	\$6.1
Payments to Stakeholders	(-)	\$51.2	(\$0.5)
Net Farm Income	=	\$63.0	\$6.7

Note: Billion dollars

Inflation-adjusted net farm income peaked in 2004

Billion Real Dollars



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Base Year 2005
GDP Chain-weighted Deflator
Source: USDA, ERS
Note: 2009, 2010 forecasts