

## SOUTH DAKOTA INCOME AND PRICES SUMMARY 2006

### INCOME

Cash receipts from farm marketings and government payments were up 14 percent in 2005, compared to 2004. Sales from all livestock and their related products accounted for \$2.601 billion, or 46 percent of the total 2005 receipts. Income from livestock was up 7 percent from 2004. Sales from all crops totaled \$2.262 billion, or 40 percent of the total. Income from crops was up 5 percent from 2004. Government payments totaled \$807 million in 2005, up 101 percent from 2004, and are 14 percent of total receipts.

The largest income sources for 2005 were cattle, corn, soybeans, and wheat. Cattle, up nearly 11 percent from 2004, accounted for 33 percent of the total. Corn, down 9 percent from 2004, accounted for 13 percent of the total. Income from soybeans increased 21 percent from 2004 and accounted for 13 percent of the total. Wheat receipts rose 17 percent and accounted for 8 percent of the total.

The 2005 net farm income totaled \$1.926 billion, down 8 percent from 2004.

### PRICES

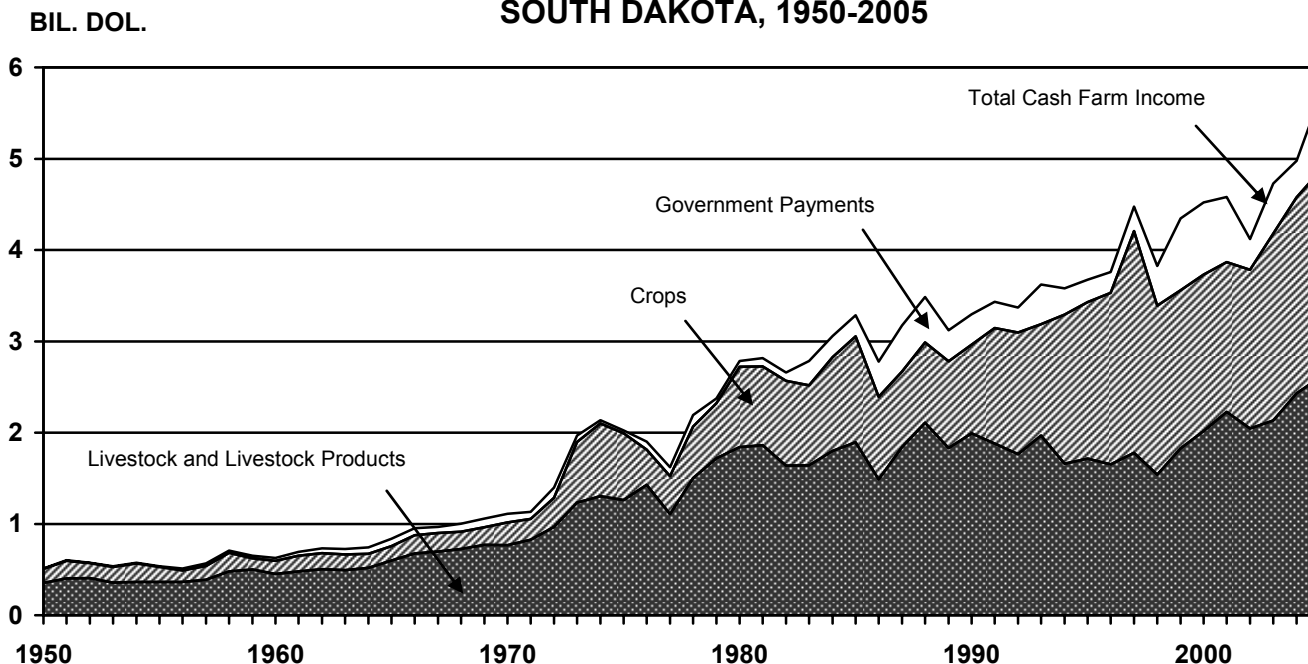
Preliminary 2006 marketing year average (MYA) crop prices were up from 2005 for major South Dakota

crops. All corn MYA price was up 65 percent to \$2.95, \$1.16 above 2005. Soybean prices, with a MYA of \$5.70, were up 6 percent from the previous year. The all wheat MYA price was up 23 percent from 2005 to \$4.50, an increase of 85 cents. The all hay MYA price was up 22 percent to \$76.00 per ton. The all sunflower MYA price was up 22 percent from last year to \$13.90 per cwt. Sorghum increased 70 percent to \$5.70 per cwt.

Marketing year average prices are computed by weighting monthly prices by the estimated monthly sales. Page 25 shows the marketing year for the major crops.

Annual 2006 livestock prices decreased from 2005 for all species. The beef cattle price decreased 4 percent to \$91.90. Steers and heifers price decreased 4 percent to \$100.00, and cows were down 11 percent to \$47.80. Calves decreased 4 percent to \$132.00 per cwt. The all hog price of \$46.20 decreased 9 percent from 2005. Barrows and gilts decreased 8 percent, while sows decreased 19 percent. At \$109.00, the lamb price was down 16 percent, while sheep, at \$29.40, were down 36 percent from 2005.

### CASH RECEIPTS, SOUTH DAKOTA, 1950-2005



**CASH RECEIPTS FROM FARM MARKETINGS AND GOVERNMENT PAYMENTS,  
SOUTH DAKOTA, 2003-2005**

COMMODITY	CASH RECEIPTS			PERCENT TOTAL 1/		
	2003	2004	2005	2003	2004	2005
	----- 1,000 DOLLARS -----			----- PERCENT -----		
<b>CROPS:</b>						
WHEAT	318,392	382,927	446,284	6.7	7.7	7.9
CORN	691,650	834,836	757,197	14.6	16.8	13.4
SORGHUM	10,381	13,337	8,737	0.2	0.3	0.2
OATS	7,175	8,048	6,853	0.2	0.2	0.1
BARLEY	8,118	3,455	5,266	0.2	0.1	0.1
RYE	852	1,502	891	2/	2/	2/
FLAXSEED	364	1,054	2,266	2/	2/	2/
SOYBEANS	824,083	609,541	735,812	17.4	12.2	13.0
POTATOES	1,946	1,012	3/	2/	2/	3/
HAY	89,679	176,011	159,469	1.9	3.5	2.8
SUNFLOWER	53,159	68,825	87,702	1.1	1.4	1.5
MISCELLANEOUS CROPS	42,341	46,852	51,704	0.9	0.9	0.9
TOTAL CROPS	2,048,140	2,147,400	2,262,181	43.3	43.1	39.9
<b>LIVESTOCK AND PRODUCTS:</b>						
CATTLE AND CALVES	1,508,783	1,669,156	1,845,390	31.9	33.5	32.5
HOGS	274,685	353,663	368,622	5.8	7.1	6.5
SHEEP AND LAMBS	33,667	30,495	36,019	0.7	0.6	0.6
TURKEYS	51,925	57,285	52,081	1.1	1.2	0.9
EGGS	31,708	40,178	20,460	0.7	0.8	0.4
OTHER POULTRY	3,354	3,832	3,959	0.1	0.1	0.1
DAIRY PRODUCTS	176,746	220,440	218,178	3.7	4.4	3.8
HONEY	21,522	22,575	13,209	0.5	0.5	0.2
WOOL	1,995	1,879	1,549	2/	2/	2/
MISCELLANEOUS LIVESTOCK	27,141	32,049	41,698	0.6	0.6	0.7
TOTAL LIVESTOCK AND PRODUCTS	2,131,526	2,431,552	2,601,165	45.1	48.8	45.9
TOTAL CROPS AND LIVESTOCK	4,179,665	4,578,952	4,863,346	88.4	92.0	85.8
GOVERNMENT PAYMENTS	549,093	400,636	806,662	11.6	8.0	14.2
GRAND TOTAL	4,728,758	4,979,588	5,670,008	100.0	100.0	100.0

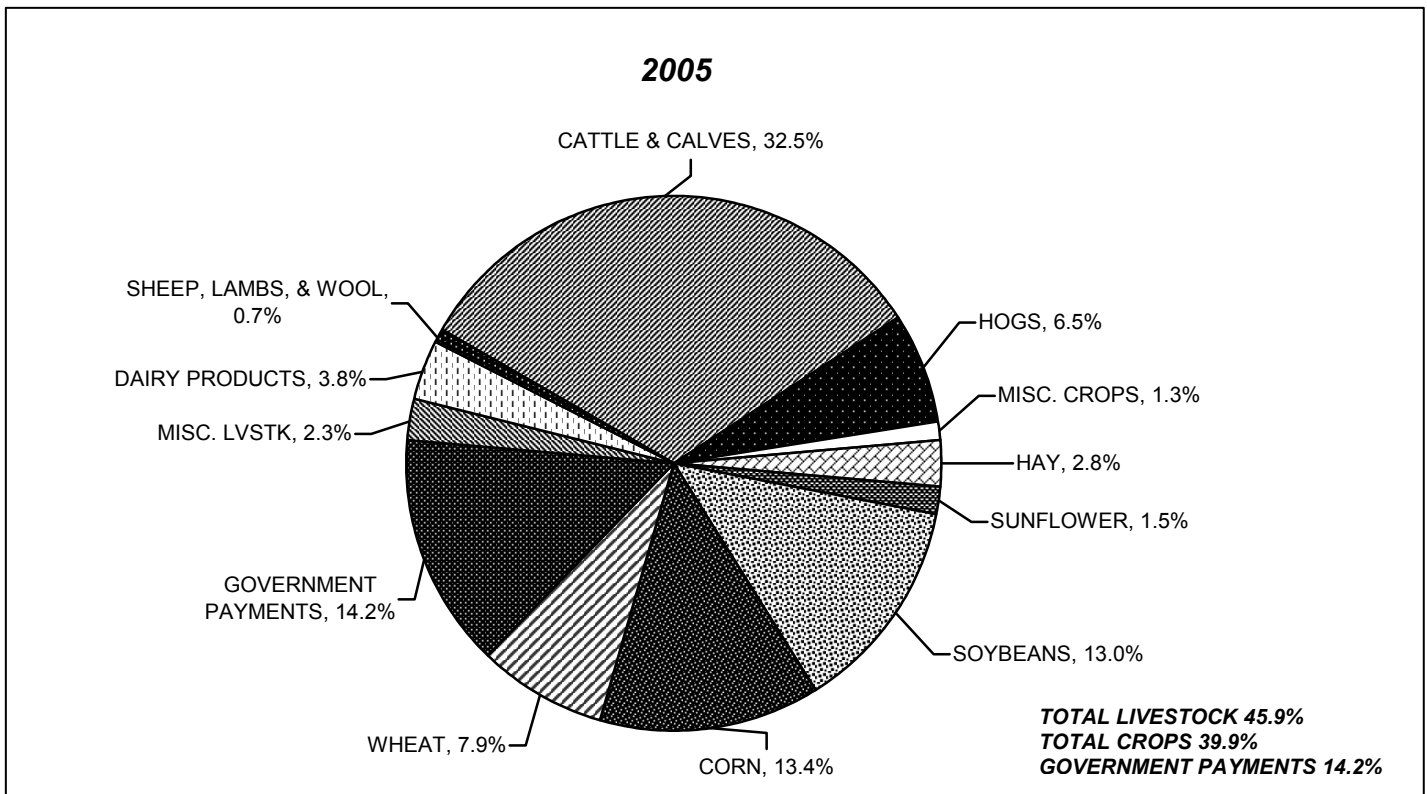
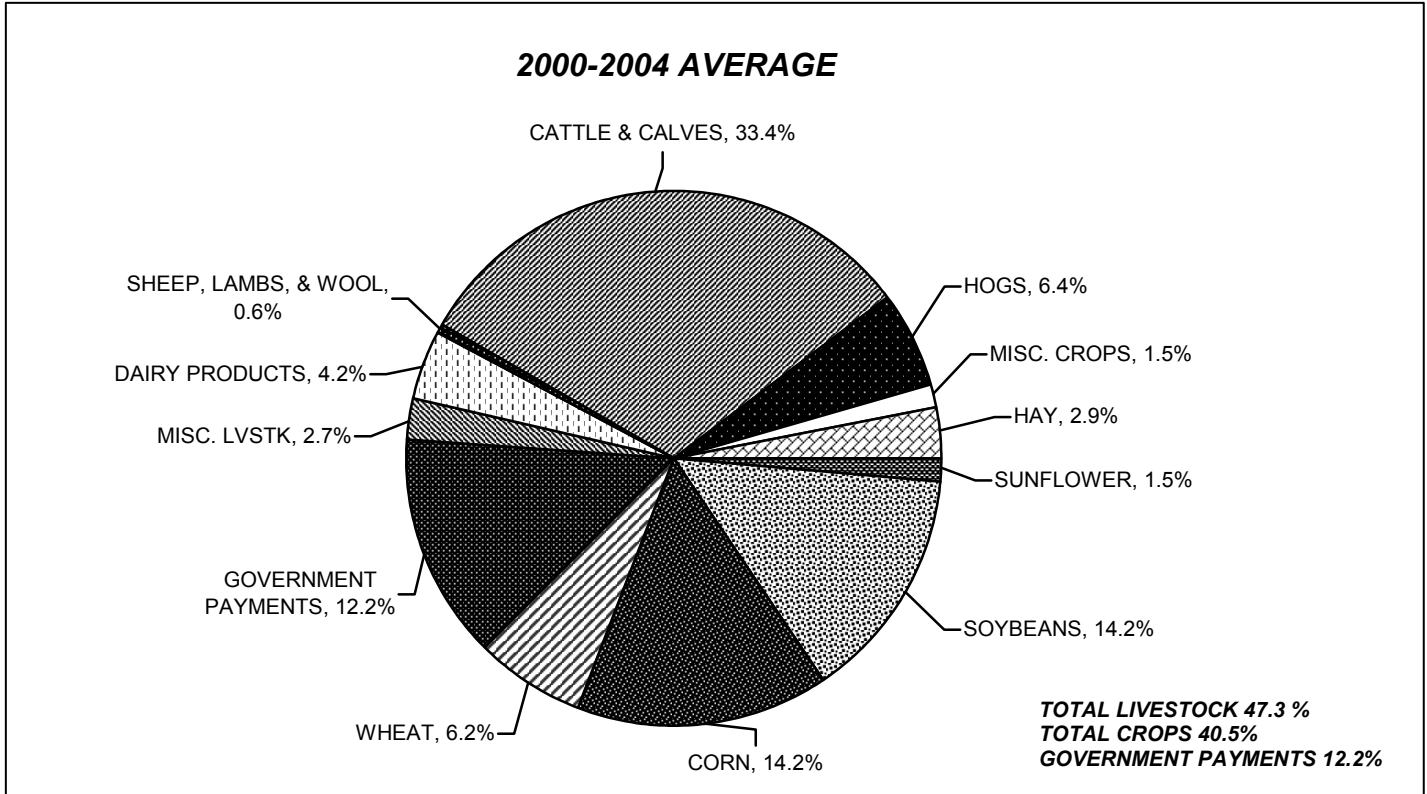
1/ PERCENTAGES MAY NOT ADD DUE TO ROUNDING. 2/ ROUNDS TO LESS THAN ONE TENTH OF ONE PERCENT.  
3/ STATE ESTIMATES DISCONTINUED IN 2004.

SOURCE: ECONOMIC RESEARCH SERVICE, USDA.

**CASH RECEIPTS,  
STATE RANKING, 2005**

ITEM	UNIT	1	2	3	4	5	6	7	8	9	10	S.D. RANK
CROPS	MIL. DOL.	CA 23,253	IL 6,859	IA 6,674	FL 6,306	TX 5,694	MN 4,338	WA 3,987	NE 3,925	IN 3,537	OH 3,138	17 2,262
LIVESTOCK & LIVESTOCK PRODUCTS	MIL. DOL.	TX 10,662	CA 8,454	IA 7,947	NE 7,545	KS 6,868	NC 5,602	WI 5,014	MN 4,963	AR 4,215	OK 4,215	18 2,601
GOVERNMENT PAYMENTS	MIL. DOL.	IA 2,284	TX 2,094	IL 1,773	NE 1,414	MN 1,388	NC 1,193	KS 1,080	IN 914	MS 857	ND 831	12 807
TOTAL	MIL. DOL.	CA 32,410	TX 18,449	IA 16,905	NE 12,884	KS 11,055	MN 10,689	IL 10,620	NC 9,457	FL 8,195	WI 7,343	18 5,670

## CASH RECEIPTS, SOUTH DAKOTA PERCENT OF TOTAL



**CASH RECEIPTS FROM FARM MARKETINGS,  
SOUTH DAKOTA, 2006 1/**

MONTH	CROPS		LIVESTOCK		TOTAL	
	1,000 DOLLARS	PERCENT	1,000 DOLLARS	PERCENT	1,000 DOLLARS	PERCENT
JANUARY	221,113	10.8	290,717	11.4	511,830	11.1
FEBRUARY	152,436	7.4	204,414	8.0	356,851	7.8
MARCH	144,238	7.0	193,727	7.6	337,966	7.3
APRIL	128,410	6.2	168,393	6.6	296,804	6.5
MAY	126,836	6.2	217,460	8.5	344,296	7.5
JUNE	135,020	6.6	202,230	8.0	337,250	7.3
JULY	149,690	7.3	190,709	7.5	340,399	7.4
AUGUST	188,526	9.2	233,035	9.2	421,561	9.2
SEPTEMBER	129,831	6.3	201,724	7.9	331,555	7.2
OCTOBER	310,563	15.1	249,014	9.8	559,577	12.2
NOVEMBER	216,448	10.5	213,607	8.4	430,054	9.3
DECEMBER	153,107	7.4	178,541	7.0	331,647	7.2
TOTAL	2,056,218	100.0	2,543,571	100.0	4,599,790	100.0

1/ PERCENTS MAY NOT ADD DUE TO ROUNDING.

**FARM PRODUCTION EXPENSES,  
SOUTH DAKOTA, 2003-2005**

ITEM	2003	2004	2005
	----- MILLION DOLLARS -----		
FEED	264.4	336.4	291.1
LIVESTOCK	318.4	353.6	420.2
SEED	263.0	299.2	331.0
FERTILIZER & LIME	247.0	311.1	364.3
PESTICIDES	223.3	243.6	236.9
FUEL & OIL	191.3	216.9	272.7
ELECTRICITY	63.4	63.1	68.8
REPAIR & MAINTENANCE	210.4	264.0	236.0
MACHINE HIRE & CUSTOM WORK	80.7	101.3	81.9
MARKETING, STORAGE & TRANSPORTATION	65.3	88.4	86.2
OTHER MISCELLANEOUS	453.3	494.8	555.6
INTEREST	284.2	295.3	342.5
LABOR EXPENSES	92.4	145.4	164.0
NET RENT TO NON-OPERATOR			
LANDLORDS	313.0	259.9	282.3
CAPITAL CONSUMPTION	442.6	478.2	496.8
PROPERTY TAXES	224.0	224.0	240.3
TOTAL PRODUCTION EXPENSES	3,736.6	4,175.3	4,470.3

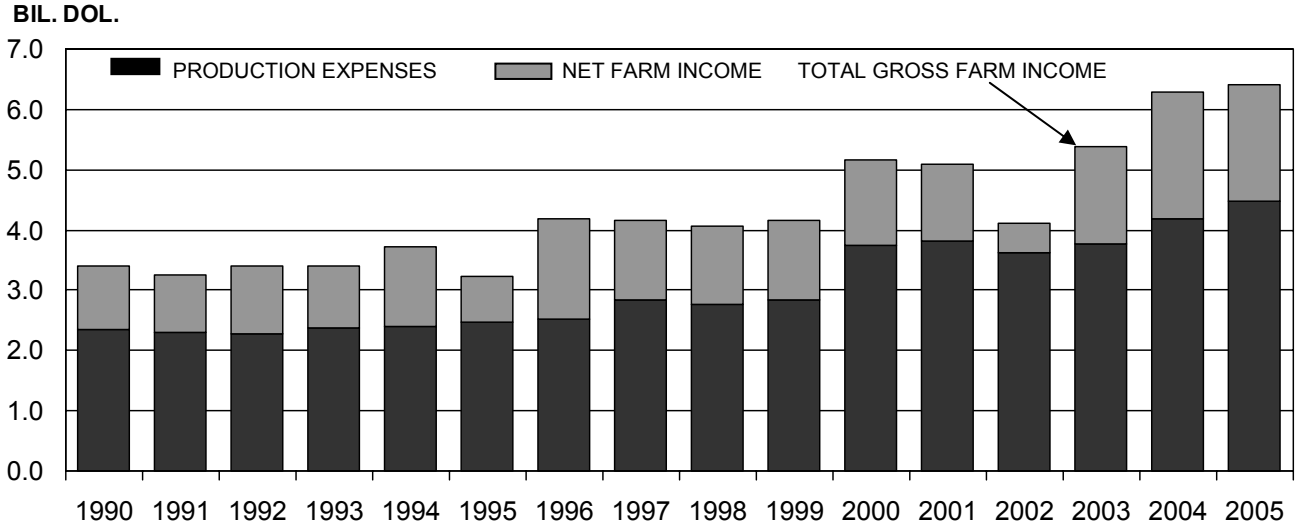
**NET FARM INCOME: VALUE ADDED TO AGRICULTURAL SECTOR,  
SOUTH DAKOTA, 2001-2005**

ITEM 1/	2001	2002	2003	2004	2005
	----- 1,000 DOLLARS -----				
VALUE OF CROP PRODUCTION	1,686,450	1,347,297	2,168,615	2,732,147	2,228,576
FOOD GRAINS	221,765	193,234	319,244	384,429	447,175
FEED CROPS	742,758	809,627	815,015	1,045,782	950,009
OIL CROPS	640,877	700,400	878,261	680,694	827,184
FRUITS AND TREE NUTS	284	354	347	395	367
VEGETABLES	9,013	9,838	8,555	8,067	7,694
ALL OTHER CROPS	25,481	24,470	26,717	28,033	29,752
HOME CONSUMPTION	3,703	4,100	2,804	2,177	901
VALUE OF INVENTORY ADJUSTMENT 2/	42,569	(394,725)	117,672	582,570	(34,506)
VALUE OF LIVESTOCK PRODUCTION	2,142,576	1,851,111	2,089,070	2,489,707	2,675,877
MEAT ANIMALS	1,909,190	1,764,058	1,817,135	2,053,314	2,250,032
DAIRY PRODUCTS	205,058	163,584	176,746	220,440	218,178
POULTRY AND EGGS	78,070	74,570	86,987	101,295	76,500
MISCELLANEOUS LIVESTOCK	32,948	43,623	50,658	56,503	56,455
HOME CONSUMPTION	1,391	1,634	2,571	3,676	4,118
VALUE OF INVENTORY ADJUSTMENT 2/	(84,381)	(196,358)	(45,027)	54,479	70,594
REVENUES FROM SERVICES AND FORESTRY	529,223	561,353	568,896	663,298	709,092
MACHINE HIRE AND CUSTOMWORK	62,382	44,062	31,158	91,638	80,238
FOREST PRODUCTS SOLD	617	648	680	714	727
OTHER FARM INCOME	286,659	333,233	349,027	356,955	379,621
GROSS IMPUTED RENTAL VALUE OF FARM DWELLINGS	178,565	183,410	188,031	213,991	248,506
VALUE OF AGRICULTURAL SECTOR PRODUCTION	4,358,249	3,759,762	4,826,581	5,885,152	5,613,545
PURCHASED INPUTS	2,411,382	2,278,149	2,390,995	2,781,197	2,958,724
FARM ORIGIN	857,283	818,899	845,734	989,210	1,042,230
FEED PURCHASED	304,965	305,682	264,401	336,384	291,117
LIVESTOCK AND POULTRY PURCHASED	318,497	257,837	318,380	353,604	420,155
SEED PURCHASED	233,821	255,380	262,953	299,222	330,958
MANUFACTURED INPUTS	703,236	680,826	725,004	834,721	942,596
FERTILIZERS AND LIME	253,563	229,096	247,022	311,125	364,306
PESTICIDES	210,562	215,042	223,328	243,631	236,863
PETROLEUM FUEL AND OILS	176,090	162,511	191,288	216,895	272,672
ELECTRICITY	63,021	74,177	63,366	63,070	68,755
OTHER PURCHASED INPUTS	850,863	778,424	820,257	957,266	973,898
REPAIR AND MAINTENANCE OF CAPITAL ITEMS	283,533	254,818	210,378	264,039	235,965
MACHINE HIRE AND CUSTOMWORK	105,389	95,182	80,691	101,313	81,884
MARKETING, STORAGE, AND TRANSPORTATION EXPENSES	67,890	54,881	65,263	88,373	86,158
CONTRACT LABOR	7,271	6,786	10,607	8,760	14,307
MISCELLANEOUS EXPENSES	386,780	366,757	453,318	494,781	555,584
NET GOVERNMENT TRANSACTIONS	521,462	133,949	315,459	166,388	557,259
DIRECT GOVERNMENT PAYMENTS	717,253	335,023	549,093	400,636	806,662
MOTOR VEHICLE REGISTRATION AND LICENSING FEES	12,077	10,855	9,655	10,269	9,135
PROPERTY TAXES	183,714	190,219	223,979	223,979	240,268
GROSS VALUE ADDED	2,468,329	1,615,562	2,751,045	3,270,343	3,212,080
CAPITAL CONSUMPTION	423,083	432,401	442,626	478,236	496,842
NET VALUE ADDED	2,045,246	1,183,161	2,308,419	2,792,107	2,715,238
PAYMENTS TO STAKEHOLDERS	787,994	713,346	689,615	700,631	788,797
EMPLOYEE COMPENSATION (TOTAL HIRED LABOR)	139,161	132,718	92,438	145,409	163,969
NET RENT RECEIVED BY NON-OPERATOR LANDLORDS	326,231	282,519	312,972	259,883	282,293
REAL ESTATE AND NON-REAL ESTATE INTEREST	322,602	298,109	284,205	295,339	342,535
<b>NET FARM INCOME</b>	<b>1,257,252</b>	<b>469,815</b>	<b>1,618,804</b>	<b>2,091,476</b>	<b>1,926,441</b>

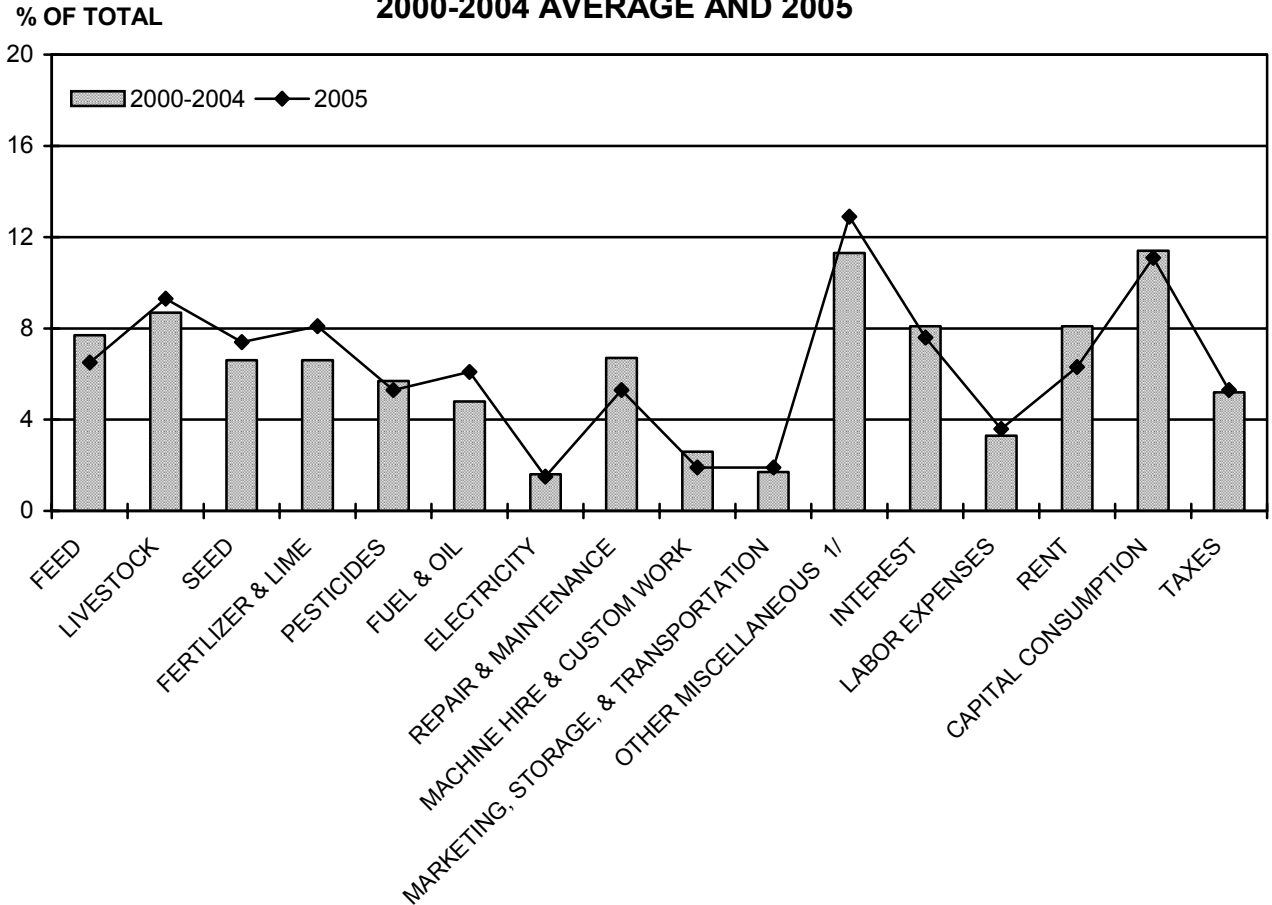
1/ VALUE OF AGRICULTURAL SECTOR PRODUCTION IS THE GROSS VALUE OF THE COMMODITIES AND SERVICES PRODUCED WITHIN A YEAR. NET VALUE-ADDED IS THE SECTOR'S CONTRIBUTION TO THE NATIONAL ECONOMY AND IS THE SUM OF THE INCOME FROM PRODUCTION EARNED BY ALL FACTORS-OF-PRODUCTION REGARDLESS OF OWNERSHIP. NET FARM INCOME IS THE FARM OPERATOR'S SHARE OF INCOME FROM THE SECTOR'S PRODUCTION ACTIVITIES. THE CONCEPT PRESENTED IS CONSISTENT WITH THAT EMPLOYED BY THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT. 2/ A POSITIVE VALUE OF INVENTORY CHANGE REPRESENTS CURRENT-YEAR PRODUCTION NOT SOLD BY DECEMBER 31. A NEGATIVE VALUE IS AN OFFSET TO PRODUCTION FROM PRIOR YEARS INCLUDED IN CURRENT-YEAR SALES.

SOURCE: ECONOMIC RESEARCH SERVICE, USDA

### FARM INCOME, SOUTH DAKOTA, 1990-2005



### PRODUCTION EXPENDITURES, SOUTH DAKOTA, 2000-2004 AVERAGE AND 2005



1/ OTHER MISCELLANEOUS INCLUDES CONTRACT LABOR; MOTOR VEHICLE REGISTRATION AND LICENSING FEES; MISCELLANEOUS EXPENSES WHICH INCLUDE VETERINARIAN SERVICES, CUSTOM FEEDING EXPENSES, GROSS INSURANCE, AND OTHER MANAGEMENT EXPENSES.