

2000 FARM INCOME HIGHLIGHTS

CASH RECEIPTS

Farm product sales during 2000 totaled \$3.61 billion for Kentucky producers, up 1 percent from 1999. Crop sales totaled \$1.27 billion, down 2 percent from 1999 due to a decrease in the tobacco quota and low crop prices. Livestock and livestock product sales generated \$2.33 billion, up 4 percent from the 1999 level. Sales of horses and stud fees were the leading source of cash receipts for Kentucky during 2000 with \$1.04 billion. Tobacco was the number one cash crop for 2000, and accounted for \$674.5 million in cash receipts.

Cash receipts for corn, soybeans, and hay were above 1999 levels. Wheat and tobacco receipts were down. Tobacco receipts fell 8 percent from 1999 to \$674.5 million during 2000 as quota levels were cut. Tobacco accounted for 19 percent of total receipts and remained the number one cash crop for Kentucky. Corn was the number two crop with \$246.7 million in cash receipts, 8 percent above 1999. Corn production was the second largest crop in 8 years. Soybeans ranked third and generated \$163.9 million in sales during 2000, 7 percent above the \$152.6 million reported in 1999.

Soybean production was the highest since 1982. The high production levels offset low crop prices. Wheat and hay were fourth and fifth in crop cash receipts. Wheat sales were \$57.4 million during 2000, 1 percent below the previous year while hay sales, at \$48.0 million, rose 3 percent from the 1999 level.

Receipts from the sale of livestock and livestock products during 2000 were up 4 percent from 1999. Sales of horses, hogs, eggs, catfish, and honey increased from 1999 levels. Sales of horses and stud fees were the largest source of cash receipts in Kentucky, climbing 13 percent to \$1.04 billion, 29 percent of total receipts. Cattle and calf sales ranked second with \$540.9 million, 3 percent below the previous year. Broiler receipts came in third and generated \$343.5 million, down 5 percent from 1999. Receipts from dairy products ranked fourth at \$229.1 million, down 8 percent from 1999. Hogs were fifth with \$89.6 million in cash receipts, during 2000, 15 percent above the previous year. Improved hog prices for 2000 compensated for a declining inventory and accounted for the increased cash receipts.

PRICES RECEIVED BY KENTUCKY FARMERS

Average prices received in 2000 were mixed when compared to 1999 prices. Burley tobacco, winter wheat, and soybean prices were up from the previous year, while corn, hay and other tobaccos were down. Livestock average prices were up from the previous year, while milk prices fell.

The preliminary marketing year average price for corn was \$2.00 per bushel, compared with \$2.11 for 1999. This was the lowest average corn price since 1986. Soybeans averaged \$4.85 per bushel, up two cents from the previous year. The marketing year for corn and soybeans is September through August. Wheat prices averaged \$2.25 per bushel, up from 1999's price of \$2.19. The marketing year for wheat is July through June.

Burley tobacco averaged \$1.968 per pound during the 2000 marketing season, a record high price for burley tobacco. Dark tobacco prices were down for all four dark types.

The All Hay price averaged \$79.00 per ton during 2000, down \$10.00 from 1999's revised price of \$89.00. Other Hay averaged \$68.50 per ton, down \$9.50 per ton from the previous year. Alfalfa Hay averaged \$107.00 per ton, down \$13.00 from the 1999 average.

Cattle and calf prices were above 1999's average prices. Steers and heifers weighing over 500 pounds averaged \$82.70 per hundred pounds, up \$13.20 from 1999 and a record high. Beef cows averaged \$37.80 per hundred pounds in 2000, up \$3.00 from 1999's price of \$34.80 per hundred pounds. Calves under 500 pounds averaged \$96.10 per hundred pounds during 2000, up \$15.90 from 1999. This was a record high price for calves as well.

Hog prices improved over 1999's average price. Barrows and gilts averaged \$40.40 per hundred pounds during 2000, up \$11.60 from 1999. Sows averaged \$34.20 per hundred pounds, up \$12.00 from the previous year. All Hogs averaged \$40.20 per hundred pounds, up \$11.70 from 1999's price of \$28.50 per hundred pounds.

The All Milk price for 2000 averaged \$13.80 per hundred pounds, down \$1.60 from 1999's price of \$15.40. Fluid grade milk price was the same as the All Milk price for both years. Manufacturing grade milk averaged \$9.50 per hundred pounds during 2000, down \$2.00 from the 1999 average price. Milk cow prices at \$1280 per head set a record high in 2000.

The 2000 average price for broilers was 33 cents per pound, compared with 37 cents per pound in 1999. Egg prices, at 90.4 cents per dozen was a record high. It was up 11.9 cents from the previous year.