

Agricultural & Food Policy Center
at Texas A&M University

Representative Farms Economic Outlook for the December 2003 FAPRI/AFPC Baseline



AFPC Briefing Paper 03-3
December 2003

AFPC Briefing Series

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REPRESENTATIVE FARMS ECONOMIC OUTLOOK FOR THE DECEMBER 2003 FAPRI/AFPC BASELINE

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REPRESENTATIVE FARMS ECONOMIC OUTLOOK FOR THE DECEMBER 2003 FAPRI/AFPC BASELINE

The farm level economic impacts of the Farm Security and Rural Investment Act of 2002 on representative crop and livestock operations are projected in this report. The analysis was conducted over the 2001-2008 planning horizon using FLIPSIM, AFPC's whole farm simulation model. Data to simulate farming operations in the nation's major production regions came from two sources:

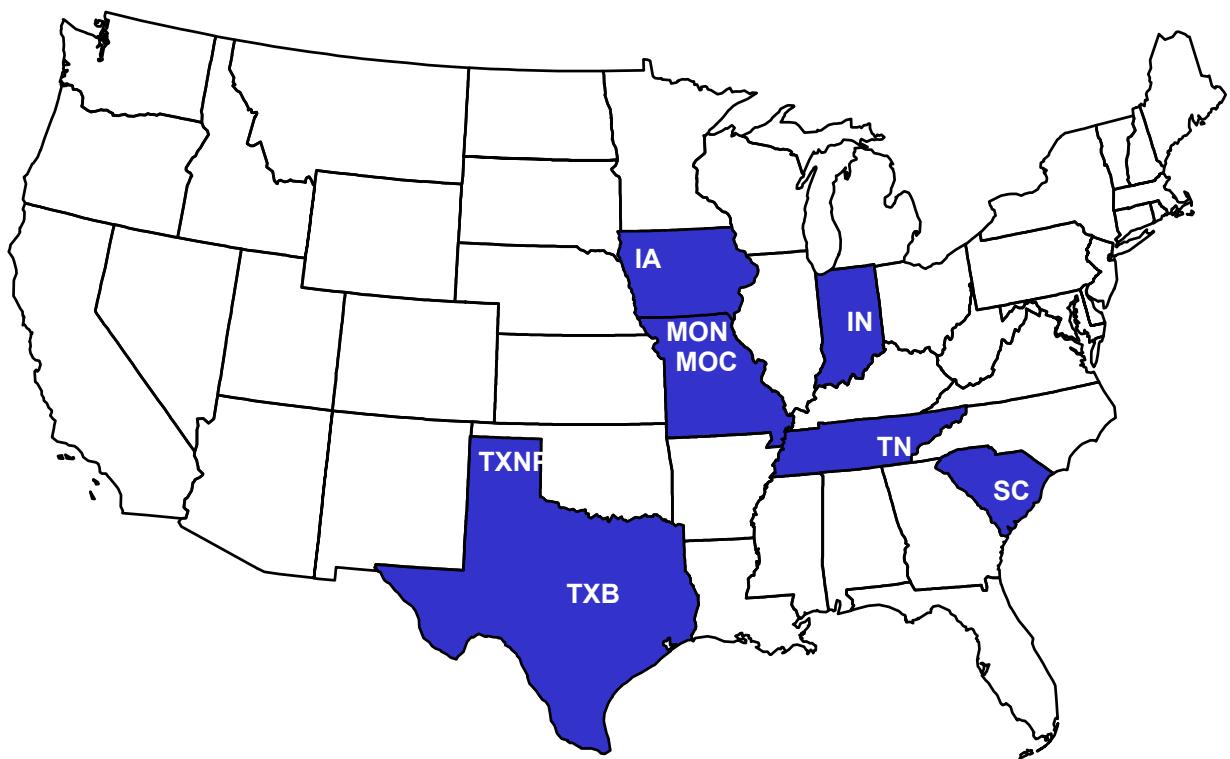
- Producer panel cooperation to develop economic information to describe and simulate representative crop, livestock, and dairy farms, and
- Projected prices, policy variables, and input inflation rates from the Food and Agricultural Policy Research Institute (FAPRI) December 2003 Baseline.

The FLIPSIM policy simulation model incorporates the historical risk faced by farmers for prices and production. This report presents the results of the December 2003 Baseline in a risk context using selected simulated probabilities and ranges for annual net cash farm income values. The probability of a farm experiencing annual cash flow deficits and the probability of a farm losing real net worth are included as indicators of the cash flow and equity risks facing farms through the year 2008.

Definitions of Variables in the Summary Tables

- **Overall Financial Position, 2003-2008** -- As a means of summarizing the representative farms' economic efficiency, liquidity, and solvency position AFPC classifies each farm as being in either a good (green), marginal (yellow) or poor (red) position. AFPC assumes a farm is in a good financial position when it has less than a 25 percent chance each of a cash flow deficit and a 25 percent chance of losing real net worth. If the probabilities of these events are between 25 and 50 percent the farm is classified as marginal. A probability greater than 50 percent places the farm in a poor financial position.
- **Receipts** -- sum of cash receipts from all sources, including market sales, CCP and direct payments, loan deficiency payments, crop insurance indemnities, and other farm related receipts.
- **Payments** -- sum of annual counter cyclical payments, direct payments, and marketing loan gains/LDP for crops and the milk program payment for dairy farms.
- **NCFI** -- net cash farm income equals total receipts minus all cash expenses.
- **Reserves 2008** -- equals total cash on hand at the end of year 2008. Ending cash equals beginning cash reserves plus net cash farm income and interest earned on cash reserves less principal payments, federal taxes (income and self employment), state income taxes, family living withdrawals, and actual machinery replacement costs (not depreciation).
- **Nominal Net Worth** -- equity equals total assets including land minus total debt from all sources and is reported at the end of 2008.
- **CRNW** -- annualized percentage change in the operator's net worth from January 1, 2003, through December 31, 2008, after adjusting for inflation.

Representative Farm: Feed Grain



Characteristics of Panel Farms Producing Feed Grains.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Feed Grains (acres)
IAG1350	1,350	1,108.00	0.06	449.30	675
IAG2750	2,750	1,491.00	0.17	774.60	1,375
IAG4200	4,200	2,654.00	0.12	1,506.00	2,100
MOCG1700	1,700	2,894.00	0.14	469.10	825
MOCG3630	3,630	4,448.00	0.17	861.00	1,650
MONG2050	2,050	2,924.00	0.13	631.20	900
ING1000	1,000	1,467.00	0.04	310.40	500
ING2200	2,200	4,254.00	0.07	727.70	1,100
TXNP1750	1,750	474.00	0.31	547.40	880
TXNP7000	7,000	2,488.00	0.19	1,841.70	4,280
TXBG2000	2,000	642.00	0.21	383.60	1,350
TXBG2700	1,300	842.00	0.41	382.90	1,150
TNG900	900	616.00	0.24	252.30	450
TNG2400	2,400	2,103.00	0.16	750.30	1,080
SCG1500	1,500	872.00	0.20	500.30	846
SCG3500	3,500	4,076.00	0.15	1,325.20	1,840

Representative Farm: Feed Grain

Economic Viability of Representative Farms over the 2004-2008 Period

Farm Name	P(Cash Flow Deficit)	P(Real Net Worth Declines)
7/6/3	2004-2008	2004-2008
IAG1350	24-21	1-2
IAG2750	27-7	1-1
IAG4200	15-23	1-1
MOCG1700	6-11	1-1
MOCG3630	15-9	1-1
MONG2050	33-46	1-1
ING1000	73-97	1-10
ING2200	52-50	1-1
TXNP1750	63-69	1-32
TXNP7000	55-68	1-7
TXBG2000	70-77	1-27
TXBG2700	99-99	1-98
TNG900	30-8	1-1
TNG2400	28-38	1-1
SCG1500	43-43	1-3
SCG3500	22-17	1-1

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

< 25

26 - 50

> 50

2 P(Cash Flow Deficit) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2004 and 2008.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2001 to 2003 and from 2001 to 2008.

Implications of the December 2003 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Feed Grains and Oilseeds.

	Receipts (\$1,000)	Payments (\$1,000)	NCFI (\$1,000)	Reserve 2008 (\$1,000)	Net Worth 2008 (\$1,000)	CRNW (%)
IAG1350	440.10	71.66	111.70	215.56	1,281.80	3.40
IAG2750	757.16	122.94	277.10	624.69	1,819.58	7.41
IAG4200	1,476.86	240.92	432.77	1,024.48	3,196.32	5.35
MOCG1700	475.22	71.23	213.21	454.97	3,243.69	4.08
MOCG3630	865.84	129.37	386.61	735.27	4,941.26	4.88
MONG2050	645.09	75.45	184.33	209.21	3,150.92	3.15
ING1000	298.48	46.67	44.42	(84.83)	1,530.31	1.04
ING2200	698.70	112.15	126.63	77.04	4,576.36	2.10
TXNP1750	639.85	87.51	101.12	(68.55)	436.77	4.43
TXNP7000	2,077.60	292.71	391.57	157.97	2,751.44	5.14
TXBG2000	414.21	71.53	64.39	(31.71)	582.46	1.65
TXBG2700	421.57	42.05	(27.39)	(592.05)	213.58	(11.26)
TNG900	253.13	38.55	75.04	118.58	629.37	5.37
TNG2400	736.24	112.34	192.88	285.10	2,191.15	3.54
SCG1500	516.37	114.74	94.11	86.74	878.68	3.87
SCG3500	1,368.91	250.21	375.87	1,079.83	4,713.64	5.09

1 Receipts are average annual total cash receipts including government payments, 2004-2008 (\$1,000)

2 Payments are average annual total government payments, 2004-2008 (\$1,000)

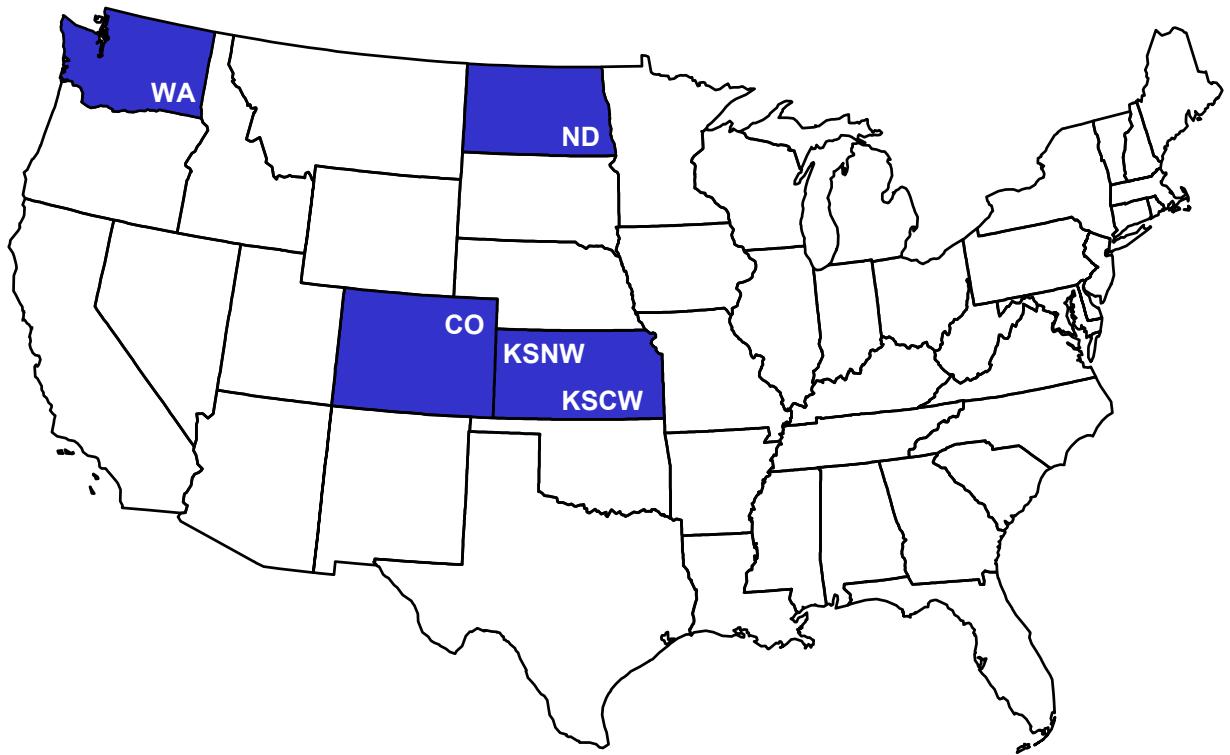
3 NCFI are average annual net cash farm income, 2004-2008 (\$1,000)

4 Reserve 2008 are average ending cash reserves, 2008 (\$1,000)

5 Net Worth 2008 are average nominal ending net worth, 2008 (\$1,000)

6 CRNW are average percentage in real net worth over 2004-2008 period, (%)

Representative Farm: Wheat



Characteristics of Panel Farms Producing Wheat.

	Cropland	Assets	Debt/Asset	Gross Receipts	Wheat
	(acres)	(\$1,000)	(ratio)	(\$1,000)	(acres)
WAW1725	1,725	1,360.00	0.17	432.50	1,035
WAW4675	4,675	4,058.00	0.15	1,009.80	3,043
NDW2180	2,180	569.00	0.06	372.00	700
NDW6250	6,250	2,865.00	0.19	1,262.90	2,700
KSCW1385	1,385	766.00	0.22	153.90	928
KSCW4000	4,000	1,694.00	0.15	532.10	2,845
KSNW2800	2,800	1,211.00	0.21	294.00	935
KSNW4300	4,300	1,807.00	0.07	610.70	2,000
COW3000	3,000	1,173.00	0.16	297.10	1,125
COW5440	5,440	1,999.00	0.18	519.50	1,900

Representative Farm: Wheat

Economic Viability of Representative Farms over the 2004-2008 Period

Farm Name	P(Cash Flow Deficit)	P(Real Net Worth Declines)
6/2/2	2004-2008	2004-2008
WAW1725	5-10	1-1
WAW4675	15-15	1-1
NDW2180	38-65	1-27
NDW6250	17-38	1-1
KSCW1385	50-70	1-12
KSCW4000	1-1	1-1
KSNW2800	99-99	1-62
KSNW4300	21-22	1-3
COW3000	1-1	1-1
COW5440	1-1	1-1

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

< 25

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> 50

2 P(Cash Flow Deficit) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2004 and 2008.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2001 to 2003 and from 2001 to 2008.

Implications of the December 2003 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Wheat.

	Receipts (\$1,000)	Payments (\$1,000)	NCFI (\$1,000)	Reserve 2008 (\$1,000)	Net Worth 2008 (\$1,000)	CRNW (%)
WAW1725	455.87	68.54	167.56	392.24	1,565.93	5.30
WAW4675	1,071.70	186.48	365.22	654.10	4,599.05	4.66
NDW2180	375.31	53.09	79.15	113.21	581.38	2.87
NDW6250	1,286.37	179.75	377.59	822.13	3,103.94	4.74
KSCW1385	166.29	37.84	58.42	10.20	681.92	1.70
KSCW4000	579.04	103.77	298.81	749.61	2,034.30	6.08
KSNW2800	329.05	52.80	36.35	(359.26)	916.64	(1.13)
KSNW4300	664.07	106.02	177.24	338.10	2,126.34	3.60
COW3000	303.76	41.79	142.91	308.54	1,397.69	5.82
COW5440	532.84	83.06	243.02	486.83	2,260.91	5.36

1 Receipts are average annual total cash receipts including government payments, 2004-2008 (\$1,000)

2 Payments are average annual total government payments, 2004-2008 (\$1,000)

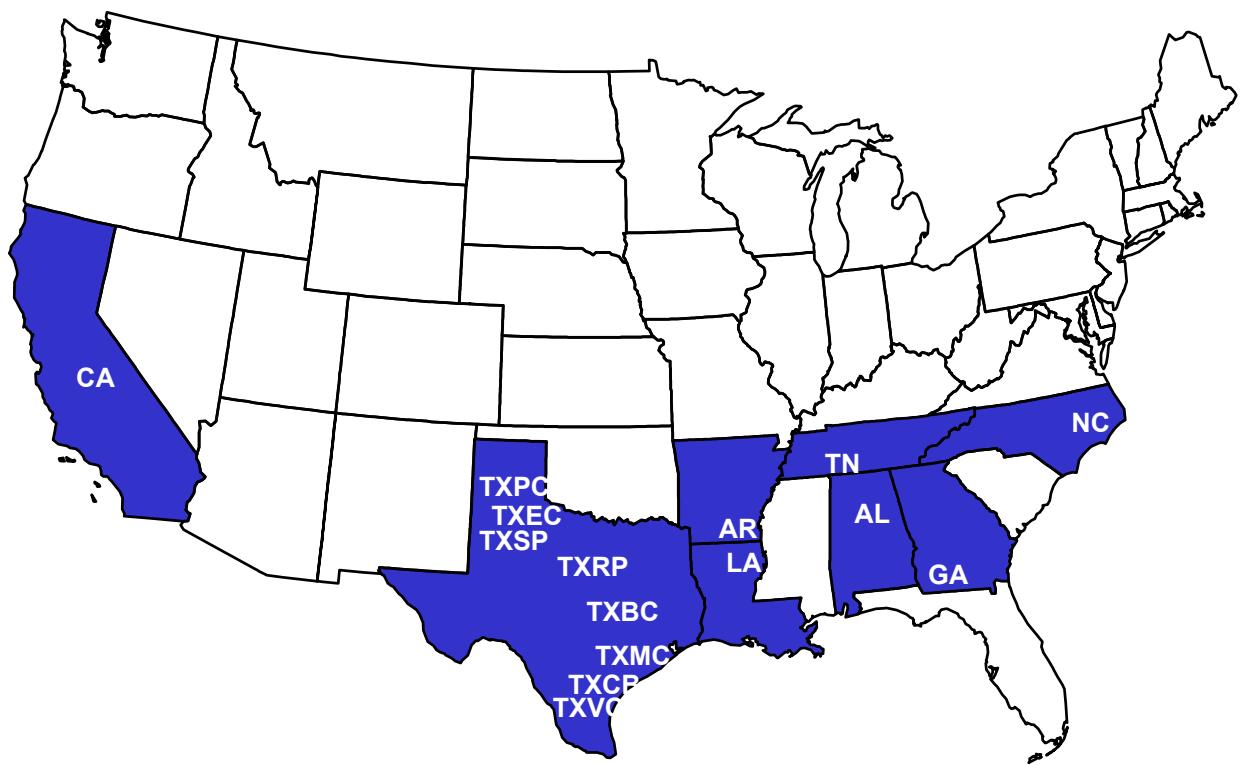
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4 Reserve 2008 are average ending cash reserves, 2008 (\$1,000)

5 Net Worth 2008 are average nominal ending net worth, 2008 (\$1,000)

6 CRNW are average percentage in real net worth over 2004-2008 period, (%)

Representative Farm: Cotton



Characteristics of Panel Farms Producing Cotton.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Cotton (acres)
CAC2400	2,000	5,018.00	0.13	2,111.20	1,000
CAC9000	9,000	16,717.00	0.14	10,878.50	4,500
TXSP2239	2,239	781.00	0.11	660.60	1,616
TXSP3745	3,745	1,450.00	0.15	856.30	2,625
TXPC2500	2,500	1,453.00	0.18	834.90	1,184
TXEC5000	5,000	1,132.00	0.20	1,300.70	4,300
TXRP2500	2,500	413.00	0.13	234.30	1,122
TXBC1400	1,400	581.00	0.12	266.30	150
TXMC3500	3,500	953.00	0.13	1,231.70	1,750
TXCB1850	1,850	916.00	0.13	527.10	925
TXCB5500	5,500	1,137.00	0.19	1,346.50	2,750
TXVC4500	4,500	2,023.00	0.22	1,264.20	2,388
LAC2640	2,640	970.00	0.35	934.40	1,498
ARC5000	5,000	4,167.00	0.18	2,720.50	1,801
TNC1900	1,900	1,696.00	0.07	713.80	915
TNC4050	4,050	3,963.00	0.13	1,713.60	2,670
ALC3000	3,000	1,752.00	0.12	1,334.90	2,075
GAC1700	1,700	2,127.00	0.24	1,292.30	1,020
NCC1500	1,500	1,621.00	0.12	719.90	1,000

Representative Farm: Cotton

Economic Viability of Representative Farms over the 2004-2008 Period

Farm Name	P(Cash Flow Deficit)	P(Real Net Worth Declines)
2/14/3	2004-2008	2004-2008
CAC2400	22-29	1-3
CAC9000	38-46	1-10
TXSP2239	4-26	1-1
TXSP3745	28-41	1-6
TXPC2500	28-64	1-6
TXEC5000	32-41	1-12
TXRP2500	18-32	1-12
TXBC1400	23-27	1-5
TXMC3500	33-46	1-18
TXCB1850	41-52	1-11
TXCB5500	42-62	1-33
TXVC4500	45-53	1-11
LAC2640	86-87	1-68
ARC5000	11-33	1-1
TNC1900	1-4	1-1
TNC4050	24-26	1-1
ALC3000	16-42	1-4
GAC1700	20-6	1-1
NCC1500	51-93	1-75

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

< 25

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> 50

2 P(Cash Flow Deficit) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2004 and 2008.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2001 to 2003 and from 2001 to 2008.

Implications of the December 2003 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Cotton.

	Receipts (\$1,000)	Payments (\$1,000)	NCFI (\$1,000)	Reserve 2008 (\$1,000)	Net Worth 2008 (\$1,000)	CRNW (%)
CAC2400	2,076.86	222.97	320.25	922.23	5,495.44	3.54
CAC9000	11,003.23	1,048.60	1,692.68	3,538.15	19,181.92	4.74
TXSP2239	681.98	179.78	170.67	368.06	1,092.18	7.38
TXSP3745	880.43	211.14	180.83	254.91	1,702.76	4.59
TXPC2500	881.03	213.61	138.89	67.22	1,415.31	2.43
TXEC5000	1,325.21	302.91	225.75	282.24	1,307.39	5.69
TXRP2500	254.75	68.67	79.89	138.47	517.02	5.91
TXBC1400	292.57	55.68	81.81	130.47	671.66	4.68
TXMC3500	1,289.23	247.68	226.28	413.77	1,245.26	6.39
TXCB1850	554.56	105.81	137.01	269.18	1,094.45	5.55
TXCB5500	1,393.03	325.02	159.47	176.87	1,105.04	1.93
TXVC4500	1,345.99	288.71	251.14	160.14	2,207.86	5.17
LAC2640	967.80	189.20	65.47	(283.16)	518.66	(4.09)
ARC5000	2,569.65	729.21	575.67	1,201.57	4,643.79	5.00
TNC1900	713.79	135.00	315.61	951.51	2,441.21	7.48
TNC4050	1,763.04	326.77	574.80	1,567.82	4,881.48	6.00
ALC3000	1,371.44	269.83	402.78	1,265.40	2,339.50	7.12
GAC1700	1,329.99	349.53	286.17	512.00	2,420.75	6.54
NCC1500	718.11	141.01	55.87	(264.17)	1,344.37	(1.98)

1 Receipts are average annual total cash receipts including government payments, 2004-2008 (\$1,000)

2 Payments are average annual total government payments, 2004-2008 (\$1,000)

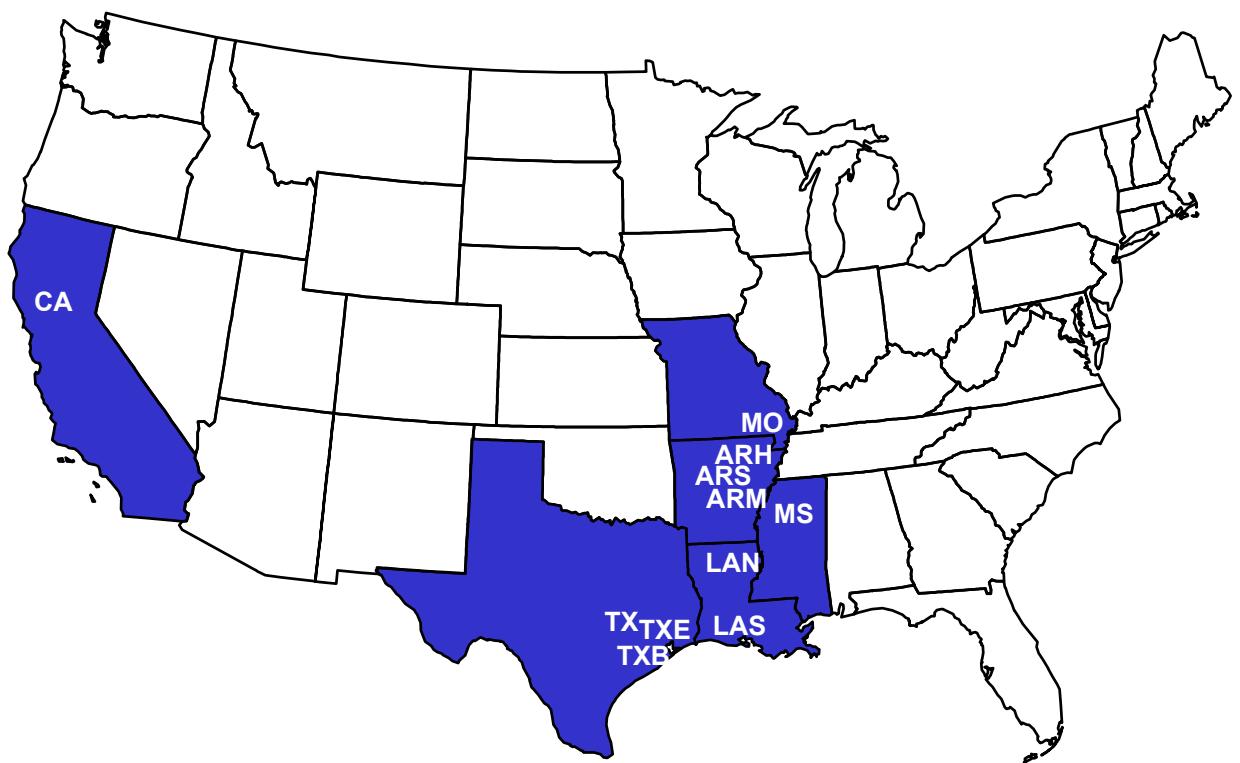
3 NCFI are average annual net cash farm income, 2004-2008 (\$1,000)

4 Reserve 2008 are average ending cash reserves, 2008 (\$1,000)

5 Net Worth 2008 are average nominal ending net worth, 2008 (\$1,000)

6 CRNW are average percentage in real net worth over 2004-2008 period, (%)

Representative Farm: Rice



Characteristics of Panel Farms Producing Rice.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Rice (acres)
CAR424	424	913.00	0.29	334.50	400
CAR2365	2,365	3,560.00	0.23	1,969.90	2,240
CABR1365	1,365	2,744.00	0.21	837.50	1,000
CACR1420	1,420	2,147.00	0.37	1,085.40	1,278
TXR1553	1,553	491.00	0.26	412.80	450
TXR3774	3,774	889.00	0.24	1,072.60	1,589
TXBR1650	1,650	600.00	0.13	541.80	550
TXER3200	3,200	1,107.00	0.26	1,246.70	1,280
LASR1200	1,200	414.00	0.25	422.90	660
LANR2500	2,500	2,427.00	0.25	1,106.80	1,000
MOER4500	4,500	6,176.00	0.12	1,772.20	1,500
MOWR4000	4,000	6,742.00	0.15	1,845.80	2,000
ARSR3640	3,640	4,345.00	0.15	1,413.10	1,742
ARWR1200	1,200	1,750.00	0.19	589.80	600
ARHR3000	3,000	3,470.00	0.17	1,451.70	1,500
MSR4735	4,736	1,660.00	0.21	1,947.00	1,335

Representative Farm: Rice

Economic Viability of Representative Farms over the 2004-2008 Period

Farm Name	P(Cash Flow Deficit)	P(Real Net Worth Declines)
0/5/11	2004-2008	2004-2008
CAR424	99-99	1-89
CAR2365	64-85	1-67
CABR1365	90-94	1-71
CACR1420	99-99	1-96
TXR1553	99-99	1-97
TXR3774	43-59	1-28
TXBR1650	89-99	1-99
TXER3200	56-59	1-19
LASR1200	69-93	1-70
LANR2500	99-99	1-88
MOER4500	12-26	1-1
MOWR4000	46-51	1-2
ARSR3640	40-65	1-11
ARWR1200	99-99	1-72
ARHR3000	69-97	1-24
MSR4735	93-99	1-99

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

< 25

26 - 50

> 50

2 P(Cash Flow Deficit) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2004 and 2008.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2001 to 2003 and from 2001 to 2008.

Implications of the December 2003 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Rice.

	Receipts (\$1,000)	Payments (\$1,000)	NCFI (\$1,000)	Reserve 2008 (\$1,000)	Net Worth 2008 (\$1,000)	CRNW (%)
CAR424	300.71	145.46	(21.30)	(536.02)	369.72	(8.55)
CAR2365	1,769.41	852.93	(40.54)	(1,332.82)	2,075.00	(4.69)
CABR1365	750.91	368.57	(23.59)	(891.73)	1,851.28	(3.03)
CACR1420	972.77	479.53	(232.52)	(1,956.21)	(22.96)	(23.02)
TXR1553	369.12	169.17	18.37	(238.92)	198.04	(8.80)
TXR3774	955.35	426.89	134.28	46.79	750.93	1.37
TXBR1650	482.65	226.03	(12.46)	(366.50)	151.62	(14.17)
TXER3200	1,108.56	484.45	96.62	(11.32)	890.84	1.61
LASR1200	379.59	147.19	39.57	(64.47)	263.52	(2.52)
LANR2500	1,019.35	343.64	13.61	(716.09)	1,588.67	(2.38)
MOER4500	1,660.42	521.08	542.76	1,375.84	7,104.21	4.42
MOWR4000	1,619.86	647.41	384.43	559.74	6,954.50	3.03
ARSR3640	1,261.35	473.32	174.85	(25.10)	4,107.01	1.52
ARWR1200	519.82	201.66	58.93	(306.15)	1,345.79	(0.90)
ARHR3000	1,281.50	502.31	130.06	(291.88)	3,070.61	1.01
MSR4735	1,764.72	549.97	55.40	(745.89)	699.69	(8.47)

1 Receipts are average annual total cash receipts including government payments, 2004-2008 (\$1,000)

2 Payments are average annual total government payments, 2004-2008 (\$1,000)

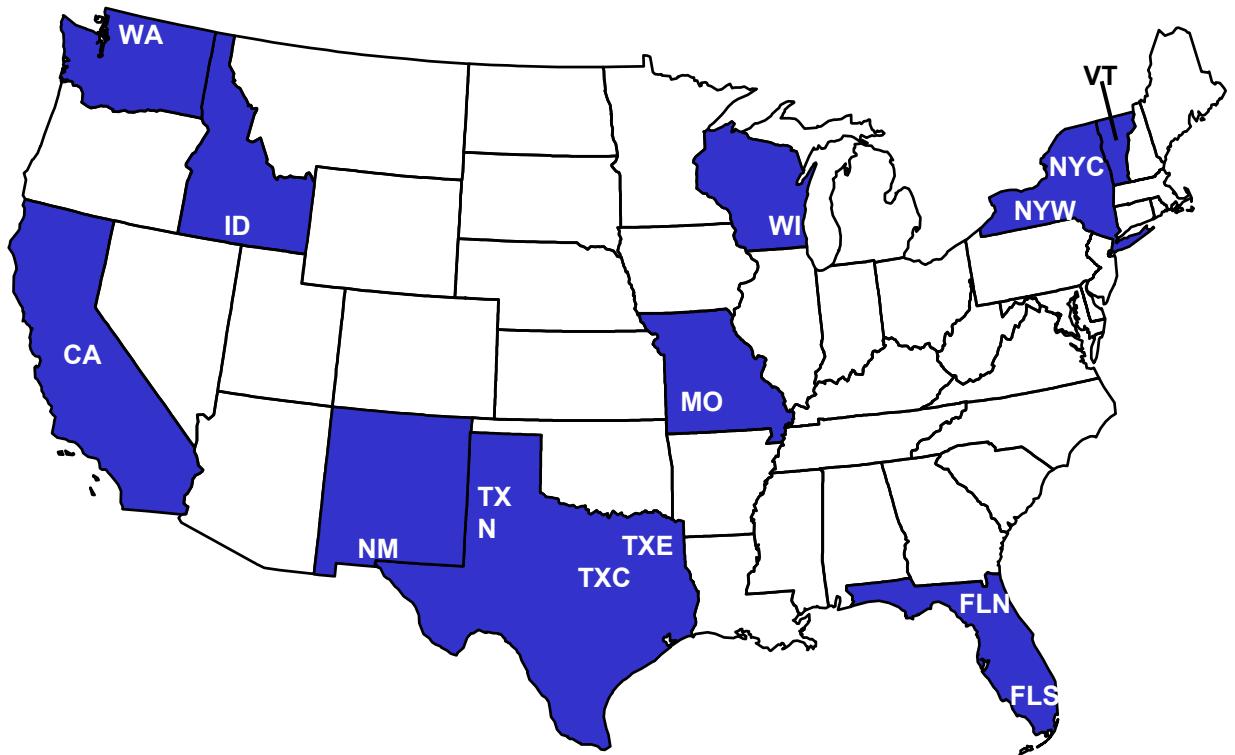
3 NCFI are average annual net cash farm income, 2004-2008 (\$1,000)

4 Reserve 2008 are average ending cash reserves, 2008 (\$1,000)

5 Net Worth 2008 are average nominal ending net worth, 2008 (\$1,000)

6 CRNW are average percentage in real net worth over 2004-2008 period, (%)

Representative Farm: Dairy



Characteristics of Panel Farms Producing Milk.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Cows (number)
CAD1710	800	9,963.00	0.17	5,090.30	1,710
NMD2000	400	6,267.00	0.21	6,021.20	2,000
WAD185	120	1,047.00	0.13	687.60	185
WAD900	605	4,677.00	0.20	3,089.10	900
IDD750	240	3,681.00	0.24	2,433.60	750
IDD2100	560	10,040.00	0.10	6,506.30	2,100
TXND2400	260	8,766.00	0.20	6,660.00	2,400
TXCD500	250	2,031.00	0.36	1,329.90	500
TXCD1300	460	5,427.00	0.14	4,260.40	1,300
TXED330	600	1,823.00	0.40	781.30	330
TXED750	750	3,732.00	0.10	2,222.00	750
MOD85	260	950.00	0.27	243.90	85
MOD400	730	1,986.00	0.20	1,128.90	400
FLND500	600	2,829.00	0.12	1,839.10	500
FLSD1500	400	6,698.00	0.33	4,290.90	1,500
WID135	600	2,136.00	0.21	487.90	135
WID700	1,200	4,022.00	0.17	2,305.70	700
NYWD800	1,440	4,712.00	0.19	2,707.50	800
NYWD1200	2,160	7,537.00	0.21	4,015.10	1,200
NYCD110	296	879.00	0.14	428.30	110
NYCD500	1,100	3,208.00	0.15	1,752.50	500
VTD134	220	938.00	0.13	455.90	134
VTD350	700	2,920.00	0.21	1,227.70	350

Representative Farm: Dairy

Economic Viability of Representative Farms over the 2004-2008 Period

Farm Name	P(Cash Flow Deficit)	P(Real Net Worth Declines)
9/7/7	2004-2008	2004-2008
CAD1710	7-5	1-1
NMD2000	78-44	1-11
WAD185	17-33	1-2
WAD900	67-50	1-25
IDD750	99-83	1-44
IDD2100	17-11	1-1
TXND2400	69-53	1-35
TXCD500	99-99	1-87
TXCD1300	15-22	1-4
TXED330	99-99	1-98
TXED750	11-12	1-2
WID135	92-75	1-8
WID700	40-40	1-11
NYWD800	75-69	1-26
NYWD1200	74-63	1-24
NYCD110	1-1	1-1
NYCD500	28-31	1-1
VTD134	9-16	1-1
VTD350	99-95	1-63
MOD85	99-61	1-6
MOD400	39-23	1-3
FLND500	21-20	1-2
FLSD1500	99-99	1-87

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

< 25

26 - 50

> 50

2 P(Cash Flow Deficit) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2004 and 2008.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2001 to 2003 and from 2001 to 2008.

Implications of the December 2003 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Milk.

	Receipts	Payments	NCFI	Reserve 2008	Net Worth 2008	CRNW
	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(%)
CAD1710	5,548.24	40.78	1,148.58	3,388.88	11,795.66	6.29
NMD2000	6,365.98	9.16	697.54	642.00	6,634.62	5.45
WAD185	716.38	16.71	167.11	417.47	1,323.29	6.52
WAD900	3,276.74	46.03	281.79	276.72	4,455.98	3.02
IDD750	2,561.63	9.16	115.67	(602.38)	2,936.76	0.51
IDD2100	6,893.92	44.35	1,587.00	4,478.58	13,429.44	7.05
TXND2400	7,049.23	9.16	497.30	139.00	7,885.67	1.90
TXCD500	1,393.63	9.16	(67.65)	(1,064.47)	694.99	(8.62)
TXCD1300	4,499.41	9.16	658.20	1,793.94	6,184.13	4.86
TXED330	792.49	9.16	(92.53)	(1,188.38)	525.23	(9.96)
TXED750	2,286.04	9.16	490.19	1,468.98	4,735.14	5.85
MOD85	247.60	8.23	58.58	(13.22)	834.12	2.87
MOD400	1,184.33	22.74	279.91	448.58	2,246.10	5.91
FLND500	1,926.00	9.16	415.17	1,204.12	3,680.04	7.34
FLSD1500	4,523.37	9.16	(303.82)	(3,459.97)	2,855.63	(6.54)
WID135	500.65	16.29	83.86	(47.64)	1,940.66	1.77
WID700	2,431.41	30.67	324.18	495.99	4,113.11	3.30
NYWD800	2,860.75	40.45	204.26	(196.14)	4,187.13	1.32
NYWD1200	4,247.49	52.21	315.82	(163.63)	6,613.31	1.59
NYCD110	437.96	14.68	163.62	463.12	1,143.30	7.42
NYCD500	1,844.75	26.51	303.35	395.03	3,489.38	4.07
VTD134	467.75	14.17	122.77	286.64	1,100.19	4.67
VTD350	1,285.71	10.98	34.32	(486.64)	2,247.86	(0.89)

1 Receipts are average annual total cash receipts including government payments, 2004-2008 (\$1,000)

2 Payments are average annual total government payments, 2004-2008 (\$1,000)

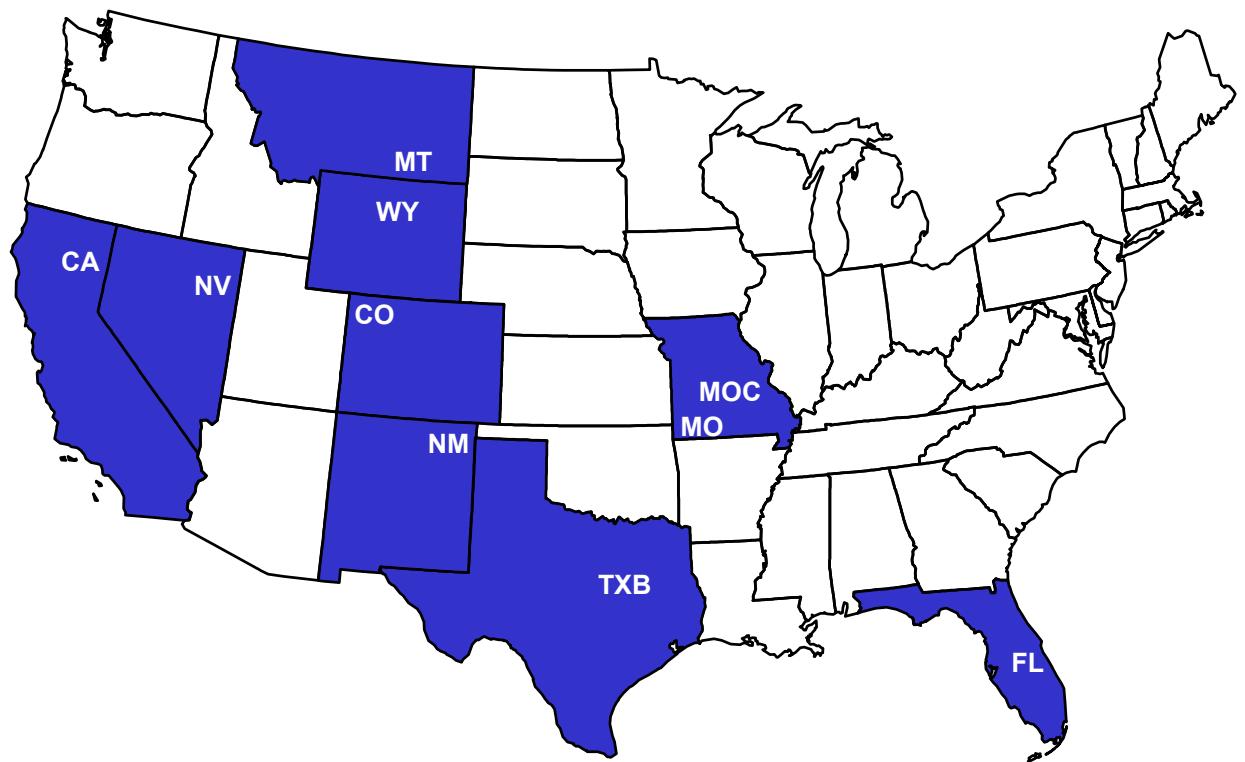
3 NCFI are average annual net cash farm income, 2004-2008 (\$1,000)

4 Reserve 2008 are average ending cash reserves, 2008 (\$1,000)

5 Net Worth 2008 are average nominal ending net worth, 2008 (\$1,000)

6 CRNW are average percentage in real net worth over 2004-2008 period, (%)

Representative Farm: Cow/Calf



Characteristics of Panel Farms Producing Beef Cattle.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Cows (number)
CAB500	-	8,881.00	0.01	259.90	500
NVB680	1,900	2,015.00	0.02	273.30	680
MTB500	-	2,473.00	0.01	275.00	500
WYB500	330	2,425.00	0.03	284.30	500
COB250	450	9,088.00	0.01	142.20	250
NMB240	-	2,566.00	0.01	121.20	240
MOB150	240	922.00	0.15	141.50	150
MOCB350	40	2,278.00	0.02	187.50	350
TXBB150	200	797.00	0.04	1,225.70	150
FLB1155	5,400	10,112.00	0.01	513.20	1,155

Representative Farm: Cow/Calf

Economic Viability of Representative Farms over the 2004-2008 Period

Farm Name	P(Cash Flow Deficit)	P(Real Net Worth Declines)
1/8/1	2004-2008	2004-2008
CAB500	99-85	1-1
NVB680	65-78	1-36
MTB500	1-1	1-1
WYB500	14-34	1-3
COB250	41-96	1-1
NMB240	13-52	1-1
MOB150	8-31	1-1
MOCB350	12-37	1-1
TXBB150	16-37	1-30
FLB1155	13-40	1-1

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

< 25

26 - 50

> 50

2 P(Cash Flow Deficit) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2004 and 2008.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2001 to 2003 and from 2001 to 2008.

Implications of the December 2003 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Beef Cattle.

	Receipts (\$1,000)	Payments (\$1,000)	NCFI (\$1,000)	Reserve 2008 (\$1,000)	Net Worth 2008 (\$1,000)	CRNW (%)
CAB500	275.68	-	38.45	(42.19)	9,982.91	1.58
NVB680	296.72	-	27.73	(42.25)	2,189.64	0.50
MTB500	291.69	-	141.91	456.43	3,088.31	3.10
WYB500	301.62	-	82.36	151.88	2,751.53	1.79
COB250	149.64	-	49.70	164.43	10,329.21	1.76
NMB240	128.25	-	39.83	106.79	2,878.81	1.52
MOB150	152.90	9.55	66.44	59.49	1,006.65	3.67
MOCB350	197.42	-	56.20	115.77	2,596.05	1.86
TXBB150	1,289.45	2.73	79.88	115.20	911.16	1.42
FLB1155	541.36	-	104.06	232.48	11,549.45	1.72

1 Receipts are average annual total cash receipts including government payments, 2004-2008 (\$1,000)

2 Payments are average annual total government payments, 2004-2008 (\$1,000)

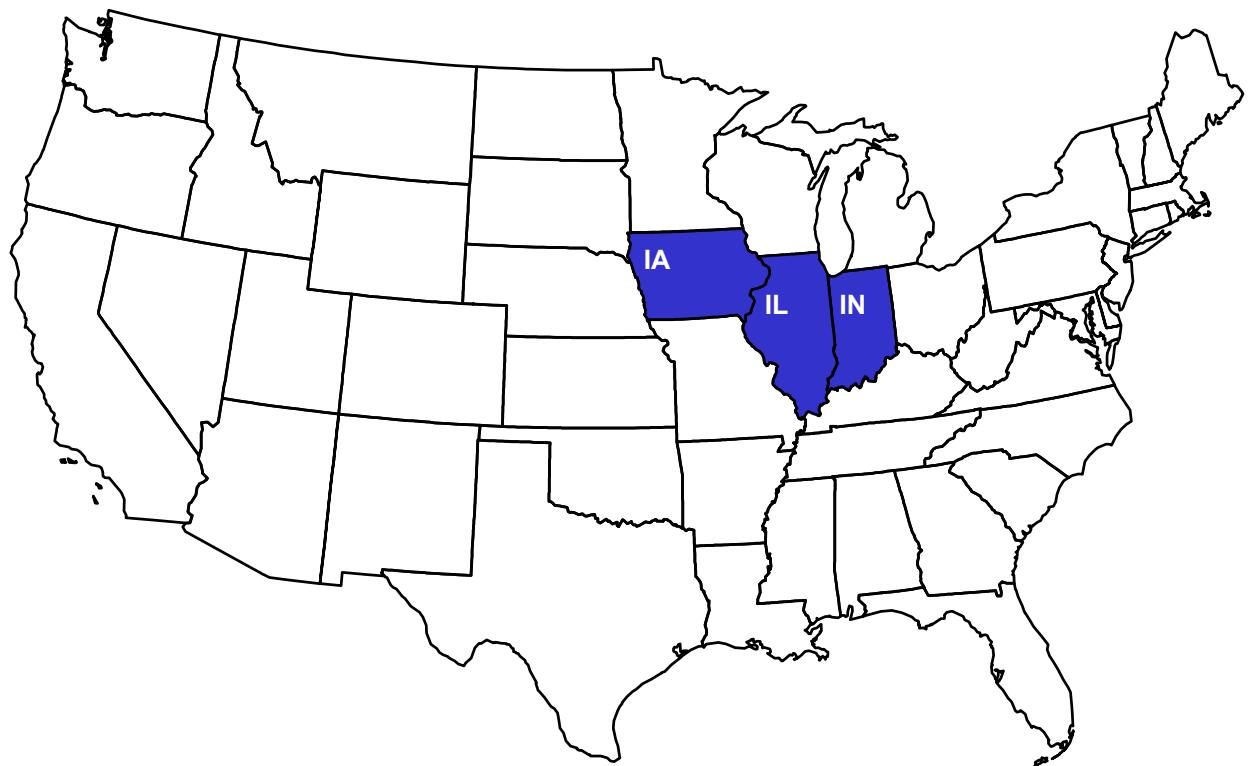
3 NCFI are average annual net cash farm income, 2004-2008 (\$1,000)

4 Reserve 2008 are average ending cash reserves, 2008 (\$1,000)

5 Net Worth 2008 are average nominal ending net worth, 2008 (\$1,000)

6 CRNW are average percentage in real net worth over 2004-2008 period, (%)

Representative Farm: Hog



Characteristics of Panel Farms Producing Hogs.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Sows (number)
ILH200	1,400	1,263.00	0.30	584.70	200
ILH750	1,950	5,422.00	0.28	1,872.90	750
INH600	3,200	4,956.00	0.30	2,098.40	600
IAH400	667	881.00	0.15	885.00	400

Representative Farm: Hog

Economic Viability of Representative Farms over the 2004-2008 Period

Farm Name	P(Cash Flow Deficit)	P(Real Net Worth Declines)
1/2/1	2004-2008	2004-2008
ILH200	96-86	1-13
ILH750	91-48	1-1
INH600	91-71	1-1
IAH400	67-81	1-36

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

< 25

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> 50

2 P(Cash Flow Deficit) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2004 and 2008.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2001 to 2003 and from 2001 to 2008.

Implications of the December 2003 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Hogs.

	Receipts (\$1,000)	Payments (\$1,000)	NCFI (\$1,000)	Reserve 2008 (\$1,000)	Net Worth 2008 (\$1,000)	CRNW (%)
ILH200	584.47	55.49	113.46	(82.62)	1,047.24	3.36
ILH750	1,916.65	107.30	532.31	264.29	5,449.88	5.98
INH600	2,199.30	194.45	457.30	(108.61)	4,748.61	5.64
IAH400	908.99	34.15	99.11	(16.86)	830.41	2.47

1 Receipts are average annual total cash receipts including government payments, 2004-2008 (\$1,000)

2 Payments are average annual total government payments, 2004-2008 (\$1,000)

3 NCFI are average annual net cash farm income, 2004-2008 (\$1,000)

4 Reserve 2008 are average ending cash reserves, 2008 (\$1,000)

5 Net Worth 2008 are average nominal ending net worth, 2008 (\$1,000)

6 CRNW are average percentage in real net worth over 2004-2008 period, (%)

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