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AFPC Representative Farm Economic Outlook for the 2025 FAPRI Baseline

Briefing Paper 25-1

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Agricultural and Food Policy Center

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AFPC REPRESENTATIVE FARM ECONOMIC OUTLOOK FOR THE FAPRI 2025 BASELINE

The farm-level economic impacts of the FAPRI 2025 Baseline on representative crop and livestock operations are projected in this report, assuming provisions of the 2018 Farm Bill are in effect and continue throughout the 2025-2030 projection period. The current representative farm analysis output reflects an evaluation of ARC/PLC program elections for the farms given provisions of the 2018 Farm Bill. Producers are assumed to enroll in the program resulting in the highest ending cash reserves at the end of the projection period; as farm update meetings are conducted, adjustments, if necessary, are made to program elections. The analysis was conducted using a whole farm simulation model developed by AFPC with necessary data sourced from:

- 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) 2025 Baseline.

The simulations incorporate historical risk faced by farmers for prices and production. This report presents the results of the baseline in a risk context using selected simulated probabilities and ranges for annual financial measures. The probability of a farm experiencing negative ending cash reserves 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 2030.

DEFINITIONS OF VARIABLES IN THE SUMMARY TABLES

- **Overall Financial Position, 2025-2030** -- As a means of summarizing the representative farms' economic efficiencies, liquidity positions, and solvency positions, AFPC classifies each farm as being in a good (green), marginal (yellow) or poor (red) position. AFPC defines a farm to be in a good financial position when it has less than a 25 percent chance each of a negative ending cash position and less than a 25 percent chance of losing real net worth through 2030. If the probabilities of these occurrences are between 25 and 50 percent, the farm is classified as marginal. Probabilities greater than 50 percent place the farm in a poor financial position.
- **Receipts** -- 2025-2030 average cash receipts from all farm related sources, including market sales, PLC/ARC payments, marketing loan gains/LDPs, crop insurance indemnities, and other receipts.
- **Payments** -- 2025-2030 average annual PLC or ARC payments and marketing loan gains/LDPs for representative farms and ranches.
- **NCFI** -- 2025-2030 average net cash farm income equals average total receipts minus average total cash expenses.
- **Reserve 2030** -- equals total cash on hand at the end of year 2030. 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).
- **Net Worth 2030** -- equity equals total assets including land minus total debt from all sources and is reported at the end of 2030.
- **CRNW** -- annualized percentage change in the operator's real net worth from January 1, 2022 through December 31, 2030, after adjusting for inflation.

EXECUTIVE SUMMARY

The Agricultural and Food Policy Center (AFPC) at Texas A&M University develops and maintains data to simulate 91 representative crop, dairy, and livestock operations in major production areas in 30 states. The chief purpose of this analysis is to project the economic viability of those farms by region and commodity for 2025 through 2030. The data necessary to simulate the economic activity of these operations are cultivated through ongoing cooperation with panels of agricultural producers in selected states. The Food and Agricultural Policy Research Institute (FAPRI) provides projected prices, policy variables, and input inflation rates in the baseline.

Under the FAPRI 2025 Baseline, 10 of the 64 crop farms are in good liquidity condition (less than a 25 percent chance of negative ending cash reserves by 2030). Seven crop farms have between a 25 percent and a 50 percent likelihood of negative ending cash reserves; the chance of experiencing negative ending cash reserves exceeds 50 percent for the remaining 47 crop farms. Additionally, 18 of the 64 crop farms are in a good equity position (less than a 25 percent chance of decreasing real net worth during the study period). Eight crop farms have between a 25 percent and 50 percent likelihood of losing real net worth, and 38 crop farms have greater than a 50 percent probability of decreasing real net worth by 2030. The following discussion provides an overall evaluation by commodity considering both liquidity and equity measures.

- FEEDGRAIN FARMS: Three of the 25 feedgrain farms are in good overall financial condition. Five farms are classified in marginal condition; seventeen are in poor condition.

- WHEAT FARMS: Four representative wheat farms are classified in good overall financial condition, one is in marginal condition, and six are in poor condition.

- COTTON FARMS: Only one of the 13 cotton farms is classified in good condition, two are in marginal condition, and ten are in poor condition.

- RICE FARMS: Two of the 15 rice farms are projected to be in good financial condition. No rice farms are projected to be in marginal condition, but 13 are in poor condition.

- DAIRY FARMS: Twelve of the 16 dairies are in good overall financial condition. None of the representative dairies are classified in marginal condition, but four are classified in poor overall financial condition.

- BEEF CATTLE RANCHES: Ten of the 11 representative ranches are classified in good financial condition, while only one is projected to be in marginal condition; none are in poor condition.

Table 1. FAPRI 2025 Baseline Crop and Livestock Prices, 2023-2030.

	2023	2024	2025	2026	2027	2028	2029	2030
Crop Prices								
Corn ($/bu.)	4.55	4.30	4.22	4.17	4.20	4.21	4.19	4.19
Wheat ($/bu.)	6.96	5.54	5.47	5.31	5.40	5.48	5.52	5.51
Upland Cotton Lint ($/lb.)	0.7610	0.6545	0.6541	0.6869	0.7082	0.7173	0.7191	0.7179
Sorghum ($/bu.)	4.93	4.28	3.93	3.92	4.02	4.06	4.06	4.08
Soybeans ($/bu.)	12.40	10.16	10.00	10.02	10.23	10.33	10.30	10.29
Barley ($/bu.)	7.39	6.62	5.46	5.29	5.34	5.36	5.34	5.32
Oats ($/bu.)	3.92	3.42	3.39	3.50	3.55	3.55	3.53	3.53
All Rice ($/cwt.)	17.20	15.62	15.11	15.67	15.65	16.02	16.13	15.98
Soybean Meal ($/ton)	366.37	289.83	284.99	288.03	295.86	302.32	304.67	306.50
All Hay ($/ton)	208.00	171.72	171.07	170.25	168.95	169.12	169.87	170.56
Peanuts ($/ton)	538.00	537.36	512.53	491.83	490.65	494.80	498.86	504.06
Cattle Prices								
Feeder Cattle ($/cwt)	242.99	282.75	294.13	302.39	305.87	301.58	291.69	277.69
Fed Cattle ($/cwt)	175.54	187.12	191.69	195.53	197.43	195.62	190.83	183.59
Culled Cows ($/cwt)	95.78	120.07	132.66	133.97	133.03	128.91	122.43	114.23
Milk Price								
U.S. All Milk Price ($/cwt)	20.34	22.60	22.85	22.13	21.05	21.30	21.61	21.38

Source: Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri-Columbia.

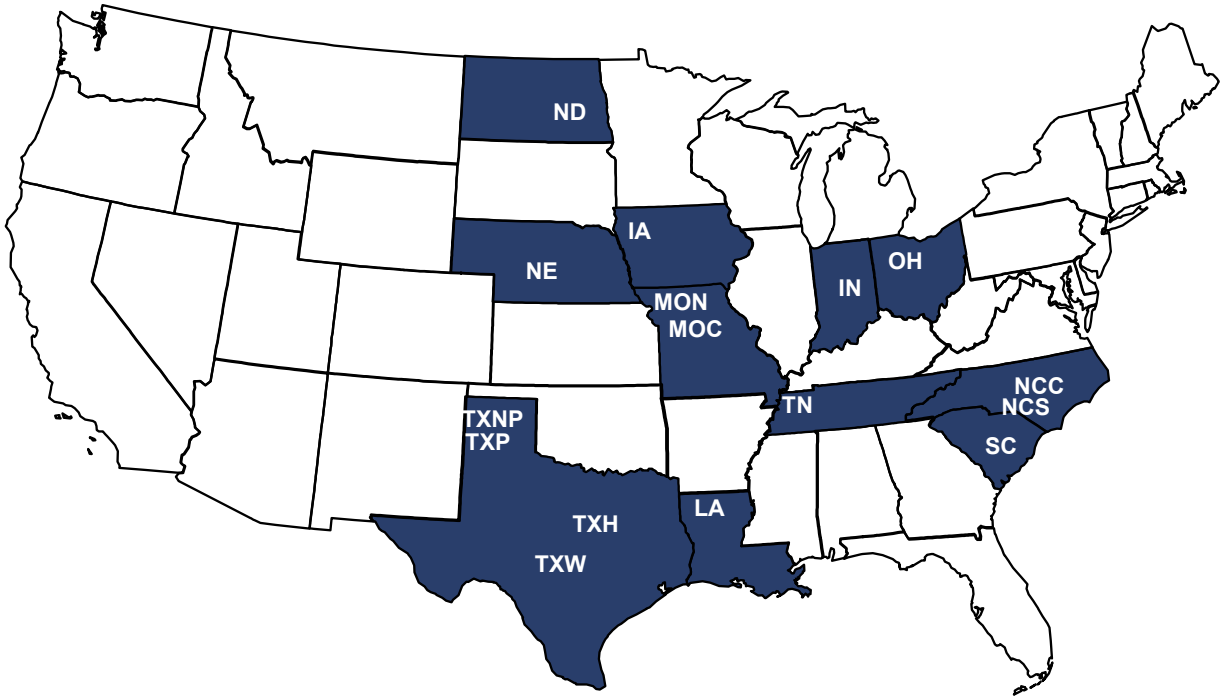
Table 2. FAPRI 2025 Baseline Assumed Rates of Change in Input Prices and Annual Changes in Land Values, 2024-2030.

	2024	2025	2026	2027	2028	2029	2030
Annual Rate of Change for Input Prices Paid (%)							
Seed Prices (%)	0.07	-0.35	0.32	-0.29	0.19	0.69	0.93
All Fertilizer Prices (%)	-5.31	0.73	6.42	-2.96	-1.46	-0.97	-0.14
Herbicide Prices (%)	-7.92	1.04	3.00	1.66	2.10	2.03	1.96
Insecticide Prices (%)	-7.90	1.67	3.08	1.77	2.06	2.03	1.99
Fuel and Lube Prices (%)	-6.49	-4.84	-3.36	0.17	2.52	3.49	4.65
Machinery Prices (%)	1.69	-2.56	6.29	-3.35	2.10	1.72	1.47
Wages (%)	3.32	4.48	5.73	3.57	3.49	3.21	3.08
Supplies (%)	-1.08	2.56	2.99	2.17	2.10	2.18	2.22
Repairs (%)	1.98	2.31	3.53	2.36	2.38	2.32	2.27
Services (%)	2.34	1.63	3.60	2.17	2.49	2.33	2.22
Taxes (%)	5.88	7.60	6.20	2.20	1.61	2.28	2.86
PPI Items (%)	-1.27	1.37	2.04	0.25	0.76	0.50	0.31
PPI Total (%)	-0.53	1.76	2.49	0.60	1.08	0.89	0.76
Annual Change in Consumer Price Index (%)	2.95	2.85	3.29	2.22	1.82	2.24	2.24
Annual Rate of Change for U.S. Land Prices (%)	5.04	0.04	-1.41	-0.39	0.61	0.65	0.54

Source: Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri-Columbia.

Representative Farm: Feed Grains

- Overall, three feed grain farms are characterized as good, five are marginal, and seventeen are in poor condition.
- Twenty-two of the twenty-five farms will be under moderate to severe cash flow stress; seventeen of these farms also have a greater than 25 percent chance of losing real net worth.



Characteristics of Panel Farms Producing Feed Grains, 2024.

	Cropland (acres)	Assets ($1,000)	Debt/Asset (ratio)	Gross Receipts ($1,000)	Feed Grains (acres)
IAG1350	1,350	4,601.00	0.24	1,116.90	1,350
IAG3800	3,800	19,362.00	0.20	2,908.60	3,800
NEG3000	3,000	11,370.00	0.19	2,975.30	3,000
NEG4500	4,500	25,242.00	0.20	4,303.80	4,200
NDG3000	3,000	7,731.00	0.17	1,515.90	2,500
NDG9000	9,000	32,045.00	0.16	4,505.90	7,500
ING1500	1,500	9,606.00	0.19	1,176.80	1,500
ING4000	4,000	25,947.00	0.19	3,382.50	4,000
OHG850	850	5,757.00	0.16	580.10	765
OHG1800	1,800	7,769.00	0.14	1,345.00	1,620
MOCG2300	2,300	18,736.00	0.17	1,590.90	2,300
MOCG4200	4,200	32,813.00	0.16	2,775.10	4,200
MONG2300	2,300	18,298.00	0.15	1,927.30	2,250
LANG2500	2,500	5,003.00	0.45	1,990.30	1,875
TNG3000	3,000	8,891.00	0.24	2,092.80	3,000
TNG5000	5,000	13,681.00	0.20	3,728.00	5,000
NCSP2000	2,000	6,496.00	0.21	1,753.10	1,600
NCC2045	2,000	6,112.00	0.19	1,247.10	1,800
SCC2200	2,200	5,015.00	0.17	2,021.60	1,350
SCG3500	3,500	11,262.00	0.16	3,020.00	2,525
TXNP3520	3,520	9,911.00	0.18	3,050.00	1,321
TXNP12160	12,160	30,722.00	0.18	10,145.90	5,340
TXPG3000	3,000	9,935.00	0.19	2,314.10	2,055
TXHG3000	3,000	4,007.00	0.32	1,133.90	2,000
TXWG1600	1,600	2,554.00	0.34	600.00	1,100

Representative Farm: Feed Grains

Economic Viability of Representative Farms over the 2025-2030 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
3/5/17	2025	2030	2025-2030	2025-2030
IAG1350			98-99	88-98
IAG3800			65-93	1-59
NEG3000			18-58	2-26
NEG4500			81-96	10-72
NDG3000			64-93	15-84
NDG9000			1-33	1-6
ING1500			93-98	1-53
ING4000			94-99	1-71
OHG850			79-95	1-44
OHG1800			1-1	1-1
MOCG2300			45-79	1-11
MOCG4200			6-42	1-1
MONG2300			1-1	1-1
LANG2500			99-99	84-97
TNG3000			92-94	30-74
TNG5000			44-38	1-8
NCSP2000			85-98	49-89
NCC2045			99-99	97-99
SCC2200			30-51	9-27
SCG3500			4-29	1-15
TXNP3520			16-22	1-1
TXNP12160			56-86	10-60
TXPG3000			3-73	1-29
TXHG3000			99-99	79-99
TXWG1600			99-99	81-98

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

<25 | 25-50 | >50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2025 and 2030.

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 2022 to 2025 and from 2022 to 2030.

Implications of the 2025 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Feed Grains and Oilseeds

	Receipts	Payments	NCFI	Reserve 2030	Net Worth 2030	CRNW
	($1,000)	($1,000)	($1,000)	($1,000)	($1,000)	(%)
IAG1350	1,228.90	37.40	(13.94)	(1,968.75)	2,454.58	(6.91)
IAG3800	3,128.58	90.92	177.00	(2,388.77)	14,749.32	(2.13)
NEG3000	3,095.83	84.46	406.83	(291.25)	9,758.75	(0.36)
NEG4500	4,459.43	105.88	272.42	(4,157.84)	18,816.88	(2.45)
NDG3000	1,641.42	49.79	135.53	(1,224.09)	5,642.89	(3.27)
NDG9000	4,854.12	146.77	955.90	835.09	29,034.45	0.12
ING1500	1,273.38	33.43	191.60	(1,016.85)	7,749.96	(1.35)
ING4000	3,664.92	87.87	156.40	(3,637.16)	19,857.41	(2.11)
OHG850	628.61	15.71	133.42	(456.44)	4,851.98	(1.23)
OHG1800	1,452.97	44.79	596.10	2,110.11	8,330.37	2.40
MOCG2300	1,699.31	40.98	483.97	(816.66)	16,345.65	(0.43)
MOCG4200	2,961.17	65.85	923.02	383.26	29,994.79	0.09
MONG2300	2,034.95	47.03	755.47	3,228.17	17,876.39	1.14
LANG2500	2,179.10	79.81	(48.05)	(3,513.33)	1,070.99	(15.34)
TNG3000	2,270.23	58.08	137.95	(1,906.50)	6,015.42	(3.11)
TNG5000	4,041.67	89.05	734.56	527.05	12,929.87	1.65
NCSP2000	1,848.46	45.14	94.39	(2,246.22)	4,100.96	(4.86)
NCC2045	1,364.87	50.74	(69.25)	(2,303.69)	3,163.44	(8.31)
SCC2200	2,147.57	35.67	342.02	(60.80)	4,460.01	(0.01)
SCG3500	3,223.73	93.44	526.20	463.32	10,215.09	0.03
TXNP3520	3,264.34	88.77	498.07	681.79	9,383.51	1.11
TXNP12160	10,815.49	218.44	571.59	(3,825.29)	24,565.78	(1.56)
TXPG3000	2,401.64	99.76	225.89	(558.22)	7,768.49	(1.76)
TXHG3000	1,215.38	42.35	(81.68)	(2,547.06)	1,143.56	(14.40)
TXWG1600	655.27	32.32	(37.85)	(1,471.23)	826.31	(12.18)

1 Receipts are average annual total cash receipts including government payments, 2025-2030 ($1,000)

2 Payments are average annual total government payments, 2025-2030 ($1,000)

3 NCFI is average annual net cash farm income, 2025-2030 ($1,000)

4 Reserve 2030 is average ending cash reserves, 2030 ($1,000)

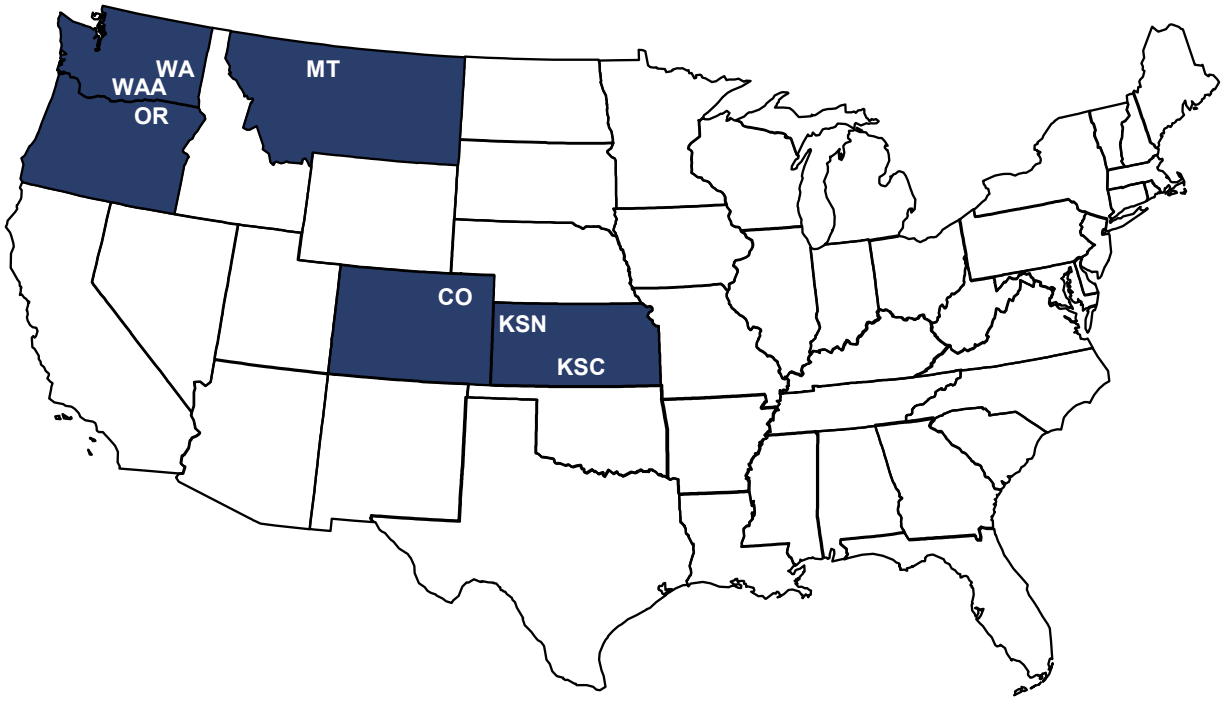
5 Net Worth 2030 is average nominal ending net worth, 2030 ($1,000)

6 CRNW is average percentage change in real net worth over 2025-2030 period, (%)

Representative Farm: Wheat

- Four wheat farms are projected to be in good overall financial condition; one representative wheat farm is in marginal condition, and six are in poor condition.

- Seven of the eleven wheat farms are expected to feel significant liquidity pressure over the period; six of these farms also have a greater than 25 percent chance of losing wealth by the end of the projection period.



Characteristics of Panel Farms Producing Wheat, 2024.

	Cropland (acres)	Assets ($1,000)	Debt/Asset (ratio)	Gross Receipts ($1,000)	Wheat (acres)
WAW3600	3,600	4,255.00	0.16	1,493.60	1,840
WAW10000	10,000	14,852.00	0.17	4,055.40	6,000
WAAW8050	8,050	4,439.00	0.31	960.50	3,800
ORW6500	6,500	4,219.00	0.23	671.30	3,250
MTW10000	10,000	15,505.00	0.18	2,244.80	3,720
KSCW3000	3,000	5,541.00	0.14	1,604.40	1,000
KSCW8000	8,000	11,248.00	0.17	4,135.70	3,000
KSNW4000	4,000	5,917.00	0.27	941.90	1,200
KSNW9000	9,000	16,899.00	0.16	4,375.70	900
COW3000	3,000	5,423.00	0.13	676.30	1,013
COW11500	11,500	20,211.00	0.18	2,842.70	3,633

Representative Farm: Wheat

Economic Viability of Representative Farms over the 2025-2030 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
4/1/6	2025	2030	2025-2030	2025-2030
WAW3600			68-93	52-89
WAW10000			14-65	17-54
WAAW8050			95-99	75-98
ORW6500			72-99	53-96
MTW10000			13-18	1-1
KSCW3000			7-19	1-4
KSCW8000			19-33	6-19
KSNW4000			99-99	32-91
KSNW9000			1-1	1-1
COW3000			1-1	1-1
COW11500			43-71	3-39

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

<25 | 25-50 | >50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2025 and 2030.

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 2022 to 2025 and from 2022 to 2030.

Implications of the 2025 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Wheat

	Receipts	Payments	NCFI	Reserve 2030	Net Worth 2030	CRNW
	($1,000)	($1,000)	($1,000)	($1,000)	($1,000)	(%)
WAW3600	1,611.30	92.01	56.27	(1,169.06)	2,772.58	(5.34)
WAW10000	4,366.63	186.16	333.97	(957.18)	11,898.29	(1.89)
WAAW8050	1,021.38	37.54	(53.57)	(2,232.35)	1,557.69	(11.61)
ORW6500	715.00	24.81	28.01	(1,261.64)	2,388.80	(6.14)
MTW10000	2,404.53	132.67	843.59	821.20	14,573.66	1.01
KSCW3000	1,798.37	23.26	331.67	570.00	5,444.60	1.03
KSCW8000	4,623.20	88.67	585.42	922.51	10,559.53	0.77
KSNW4000	1,018.41	31.73	90.35	(1,883.36)	3,697.83	(3.83)
KSNW9000	4,548.13	55.45	1,295.27	4,008.52	17,823.20	2.66
COW3000	742.25	17.19	328.88	754.58	5,575.83	1.61
COW11500	3,065.37	55.05	448.00	(941.06)	17,113.38	(0.74)

1 Receipts are average annual total cash receipts including government payments, 2025-2030 ($1,000)

2 Payments are average annual total government payments, 2025-2030 ($1,000)

3 NCFI is average annual net cash farm income, 2025-2030 ($1,000)

4 Reserve 2030 is average ending cash reserves, 2030 ($1,000)

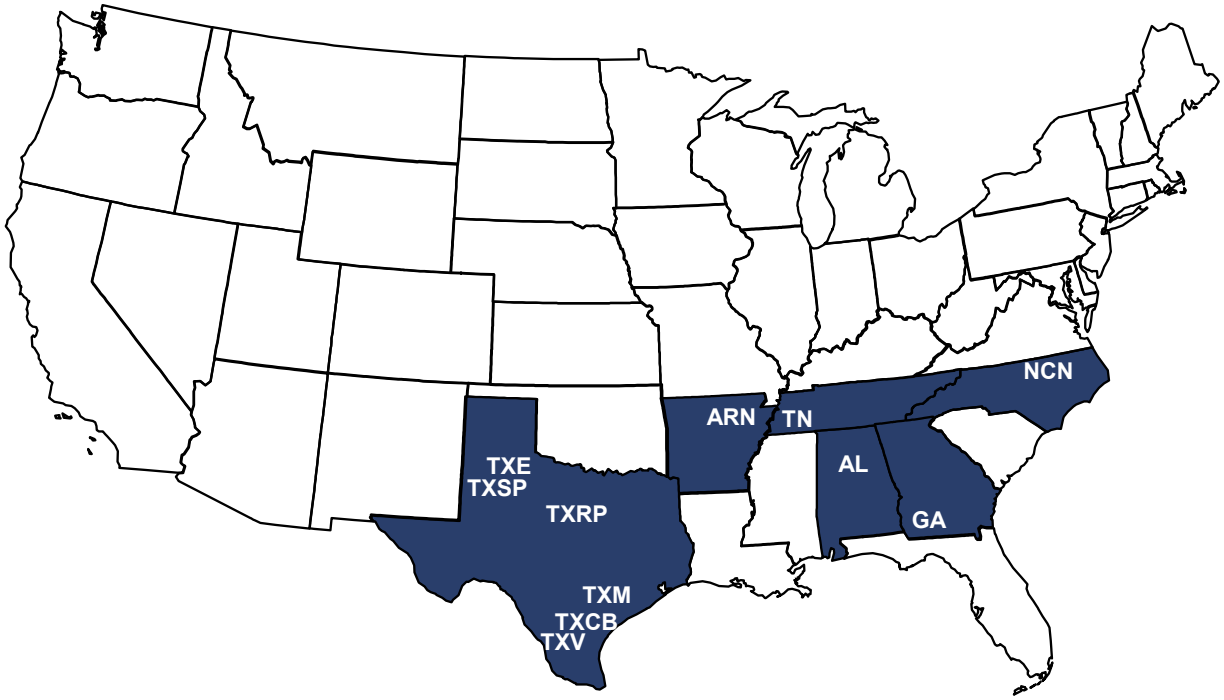
5 Net Worth 2030 is average nominal ending net worth, 2030 ($1,000)

6 CRNW is average percentage change in real net worth over 2025-2030 period, (%)

Representative Farm: Cotton

- Only one of the thirteen cotton farms is characterized in good overall financial condition over the 2025-2030 projection period, two are in marginal condition, and ten are in poor condition.

- Twelve representative cotton farms are projected to experience significant cash flow problems (having a greater than 25 percent chance of a cash flow deficit); ten of these twelve farms are expected to face a 25 percent or greater chance of losing real equity over the period.



Characteristics of Panel Farms Producing Cotton, 2024.

	Cropland (acres)	Assets ($1,000)	Debt/Asset (ratio)	Gross Receipts ($1,000)	Cotton (acres)
TXSP5000	5,000	4,258.00	0.43	1,956.50	4,260
TXEC5000	5,000	6,306.00	0.39	2,393.30	4,700
TXRP4000	4,000	3,441.00	0.43	931.40	2,400
TXMC3000	3,000	4,718.00	0.34	1,803.10	1,500
TXCB4500	4,500	5,112.00	0.27	2,407.40	1,800
TXCB11000	11,000	15,140.00	0.43	6,067.70	5,500
TXVC6000	6,000	13,240.00	0.21	2,454.60	2,080
ARNC5000	5,000	16,251.00	0.19	4,645.80	2,500
TNC3000	3,000	5,710.00	0.26	1,918.50	600
TNC4000	4,000	8,195.00	0.21	3,030.50	1,500
ALC3500	3,500	7,306.00	0.18	2,705.50	1,050
GAC3500	1,500	15,482.00	0.18	4,742.00	950
NCNP1600	1,600	4,715.00	0.26	1,284.00	640

Representative Farm: Cotton

Economic Viability of Representative Farms over the 2025-2030 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
1/2/10	2025	2030	2025-2030	2025-2030
TXSP5000			98-99	94-99
TXEC5000			90-96	67-88
TXRP4000			98-99	82-99
TXMC3000			75-94	65-90
TXCB4500			89-98	47-92
TXCB11000			99-99	94-99
TXVC6000			95-99	52-95
ARNC5000			22-35	1-5
TNC3000			81-86	37-58
TNC4000			79-89	35-72
ALC3500			6-18	6-14
GAC3500			8-40	1-8
NCNP1600			99-99	79-99

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

<25 | 25-50 | >50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2025 and 2030.

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 2022 to 2025 and from 2022 to 2030.

Implications of the 2025 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Cotton

	Receipts	Payments	NCFI	Reserve 2030	Net Worth 2030	CRNW
	($1,000)	($1,000)	($1,000)	($1,000)	($1,000)	(%)
TXSP5000	2,117.26	2.84	(255.54)	(5,774.22)	(1,486.58)	(64.71)
TXEC5000	2,744.95	128.27	(7.54)	(4,021.44)	1,920.94	(11.83)
TXRP4000	1,043.71	36.59	(164.98)	(2,821.50)	217.19	(28.66)
TXMC3000	1,986.06	71.31	66.38	(1,950.31)	2,059.91	(7.82)
TXCB4500	2,574.20	74.43	(74.92)	(2,753.28)	1,897.06	(11.62)
TXCB11000	6,467.36	153.47	(915.63)	(13,368.81)	4.01	(38.18)
TXVC6000	3,195.91	130.40	(19.88)	(3,457.68)	8,596.85	(4.35)
ARNC5000	5,050.22	180.87	875.66	734.87	15,246.59	1.18
TNC3000	2,142.79	85.79	205.37	(1,147.26)	4,082.03	(1.76)
TNC4000	3,385.74	128.99	139.04	(1,693.13)	5,828.84	(2.91)
ALC3500	3,015.23	99.47	500.53	1,038.80	7,168.29	1.71
GAC3500	4,983.13	86.77	486.86	466.39	13,889.56	0.32
NCNP1600	1,379.17	16.87	(5.60)	(2,487.03)	2,129.53	(9.04)

1 Receipts are average annual total cash receipts including government payments, 2025-2030 ($1,000)

2 Payments are average annual total government payments, 2025-2030 ($1,000)

3 NCFI is average annual net cash farm income, 2025-2030 ($1,000)

4 Reserve 2030 is average ending cash reserves, 2030 ($1,000)

5 Net Worth 2030 is average nominal ending net worth, 2030 ($1,000)

6 CRNW is average percentage change in real net worth over 2025-2030 period, (%)

Representative Farm: Rice

- Only two of the fifteen representative rice farms are projected to be in good overall financial condition; none of the representative rice farms are in marginal condition; however, thirteen are in poor overall financial health.

- Thirteen of the representative rice farms are expected to face significant cash flow problems; these same farms are also projected to face a 25 percent or greater threat of losing real net worth.

Characteristics of Panel Farms Producing Rice, 2024.

	Cropland (acres)	Assets ($1,000)	Debt/Asset (ratio)	Gross Receipts ($1,000)	Rice (acres)
CAR1200	1,200	5,999.00	0.23	2,149.50	1,200
CAR3000	3,000	17,774.00	0.15	5,868.80	3,000
CABR800	800	7,713.00	0.18	1,631.00	800
CACR800	800	5,413.00	0.25	1,467.30	800
TXR1500	1,500	4,546.00	0.30	946.90	600
TXR3000	3,000	1,744.00	0.09	1,657.60	450
TXBR1800	1,800	1,633.00	0.54	2,070.50	900
TXER2500	2,500	1,471.00	0.55	1,982.40	700
LASR2000	2,000	3,336.00	0.14	1,792.60	1,000
ARMR7000	7,000	15,672.00	0.25	5,476.00	700
ARSR3500	3,500	8,472.00	0.18	2,837.00	1,200
ARWR3250	3,250	13,051.00	0.19	2,812.70	1,625
ARHR4000	4,000	12,064.00	0.25	3,578.20	2,400
MSDR5000	5,000	25,771.00	0.18	4,583.30	1,667
MOBR4500	4,500	13,854.00	0.20	2,818.30	1,500

Representative Farm: Rice

Economic Viability of Representative Farms over the 2025-2030 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
2/0/13	2025	2030	2025-2030	2025-2030
CAR1200			95-99	95-99
CAR3000			48-99	98-99
CABR800			71-99	94-99
CACR800			99-99	99-99
TXR1500			99-99	83-99
TXR3000			78-99	62-92
TXBR1800			97-96	44-67
TXER2500			99-99	86-97
LASR2000			1-1	1-1
ARMR7000			84-87	40-67
ARSR3500			45-56	17-29
ARWR3250			81-98	1-34
ARHR4000			99-99	76-99
MSDR5000			1-13	1-1
MOBR4500			78-89	3-39

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

<25 | 25-50 | >50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2025 and 2030.

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 2022 to 2025 and from 2022 to 2030.

Implications of the 2025 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Rice

	Receipts	Payments	NCFI	Reserve 2030	Net Worth 2030	CRNW
	($1,000)	($1,000)	($1,000)	($1,000)	($1,000)	(%)
CAR1200	2,222.94	31.56	(137.22)	(3,306.83)	2,310.53	(11.90)
CAR3000	6,034.57	66.73	(718.13)	(8,520.11)	8,096.57	(10.97)
CABR800	1,678.32	29.34	(71.28)	(2,271.71)	4,514.57	(6.63)
CACR800	1,523.48	23.11	(253.78)	(3,445.56)	1,479.79	(16.29)
TXR1500	1,270.72	44.98	51.77	(2,025.70)	2,351.36	(6.18)
TXR3000	2,832.46	71.94	12.85	(2,054.75)	70.06	(33.40)
TXBR1800	2,189.99	53.18	136.22	(1,585.79)	197.52	(19.97)
TXER2500	2,483.71	71.61	(54.53)	(2,401.78)	(882.21)	1,365.79
LASR2000	1,991.51	49.80	462.35	1,287.02	4,062.69	4.58
ARMR7000	5,998.83	183.35	298.08	(3,216.23)	10,709.72	(2.74)
ARSR3500	3,046.42	95.21	428.78	(208.19)	7,445.02	(0.06)
ARWR3250	3,050.37	93.69	238.74	(1,864.42)	10,375.54	(1.51)
ARHR4000	3,821.50	100.58	(92.56)	(5,752.47)	5,566.93	(8.82)
MSDR5000	4,538.29	119.81	949.79	1,557.46	23,131.73	0.28
MOBR4500	3,001.17	89.29	351.68	(1,498.67)	11,288.43	(0.99)

1 Receipts are average annual total cash receipts including government payments, 2025-2030 ($1,000)

2 Payments are average annual total government payments, 2025-2030 ($1,000)

3 NCFI is average annual net cash farm income, 2025-2030 ($1,000)

4 Reserve 2030 is average ending cash reserves, 2030 ($1,000)

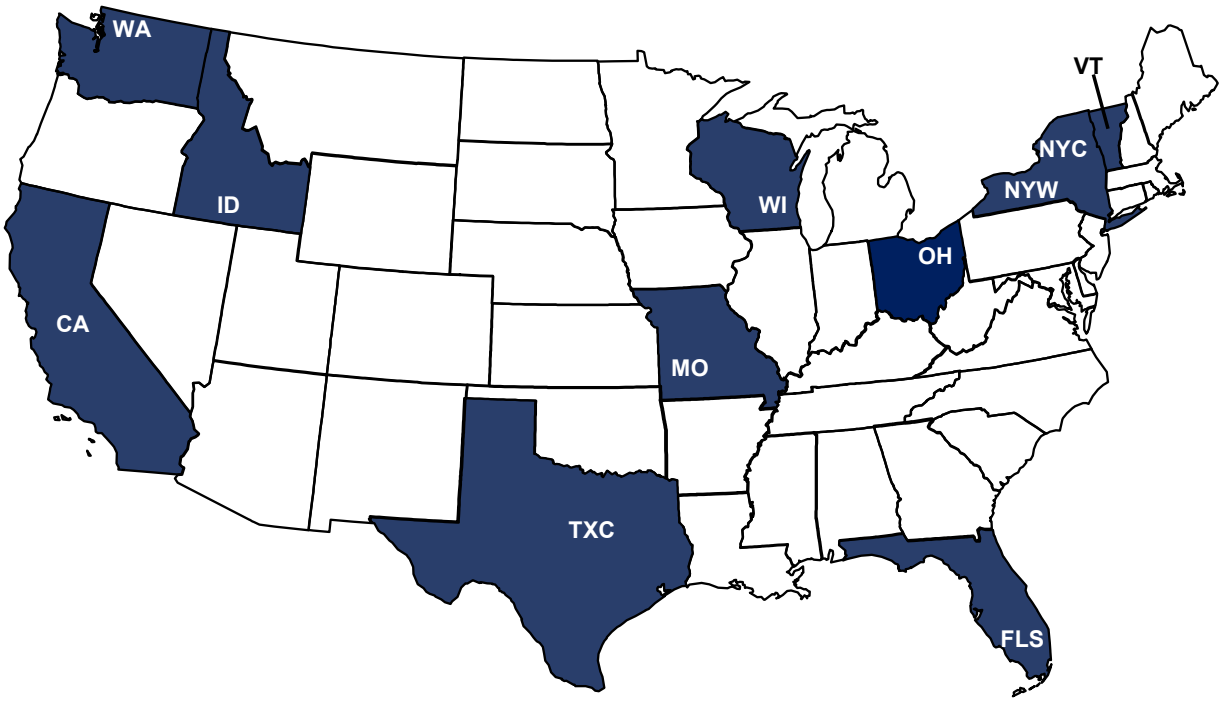
5 Net Worth 2030 is average nominal ending net worth, 2030 ($1,000)

6 CRNW is average percentage change in real net worth over 2025-2030 period, (%)

Representative Farm: Dairy

- Twelve of the 16 dairy operations are in good overall financial condition; none of the dairies are classified in marginal condition, but four dairies are in poor condition.

- Four of the dairies are projected to experience moderate to severe cash flow stress; these same four operations are also expected to face a greater than 50 percent chance of losing real net worth by 2030.



Characteristics of Panel Farms Producing Milk, 2024.

	Cropland (acres)	Assets ($1,000)	Debt/Asset (ratio)	Gross Receipts ($1,000)	Cows (number)
CAD2500	700	29,883.00	0.18	16,122.80	2,500
WAD300	300	6,220.00	0.28	1,967.80	300
WAD1500	1,200	23,028.00	0.19	10,295.20	1,500
IDD1500	850	14,356.00	0.15	10,812.70	1,500
TXCD1500	766	21,889.00	0.22	9,105.50	1,500
WID275	900	7,671.00	0.20	2,150.10	275
WID2400	3,300	34,807.00	0.17	16,600.90	2,400
OHD480	900	13,208.00	0.21	3,675.60	480
NYWD400	800	7,759.00	0.16	2,793.30	400
NYWD1500	2,800	32,780.00	0.19	11,307.00	1,500
NYCD150	300	3,170.00	0.23	955.90	150
NYCD1500	3,000	29,245.00	0.17	10,618.30	1,500
VTD160	220	2,475.00	0.27	973.90	160
VTD400	1,000	7,608.00	0.18	3,127.60	400
MOGD550	460	5,135.00	0.15	1,962.80	550
FLSD2400	600	17,972.00	0.16	16,094.00	2,400

Representative Farm: Dairy

Economic Viability of Representative Farms over the 2025-2030 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
12/0/4	2025	2030	2025-2030	2025-2030
CAD2500			10-24	1-3
WAD300			92-96	2-70
WAD1500			1-4	1-1
IDD1500			2-9	1-4
TXCD1500			24-22	1-1
WID275			1-1	1-1
WID2400			1-1	1-1
OHD480			1-1	1-1
NYWD400			1-1	1-1
NYWD1500			1-1	1-1
NYCD150			88-99	2-86
NYCD1500			1-1	1-1
VTD160			99-99	24-99
VTD400			49-94	1-67
MOGD550			1-1	1-1
FLSD2400			2-1	1-1

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

<25 | 25-50 | >50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2025 and 2030.

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 2022 to 2025 and from 2022 to 2030.

Implications of the 2025 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Milk

	Receipts	Payments	NCFI	Reserve 2030	Net Worth 2030	CRNW
	($1,000)	($1,000)	($1,000)	($1,000)	($1,000)	(%)
CAD2500	15,434.22	69.93	1,980.18	3,144.78	28,973.84	1.62
WAD300	1,893.48	10.35	141.98	(1,262.94)	3,986.69	(3.05)
WAD1500	10,027.94	39.53	1,681.35	5,542.67	23,798.61	2.93
IDD1500	10,523.64	48.08	1,385.58	4,350.97	15,532.20	2.92
TXCD1500	8,738.31	36.29	1,388.36	2,062.24	21,135.26	2.43
WID275	2,179.01	49.92	546.69	1,412.41	7,618.91	2.34
WID2400	16,387.81	93.59	3,128.04	12,675.33	38,291.27	3.62
OHD480	3,842.11	21.18	1,017.87	3,321.61	13,536.99	3.15
NYWD400	2,719.59	20.12	646.71	2,334.77	8,317.68	2.90
NYWD1500	11,082.58	55.62	2,995.71	11,264.85	36,230.77	4.04
NYCD150	932.71	7.01	51.88	(1,053.35)	1,978.24	(4.61)
NYCD1500	10,230.08	33.56	2,422.85	10,687.59	31,944.01	3.49
VTD160	941.15	6.86	(59.95)	(1,409.11)	933.14	(11.35)
VTD400	3,044.54	20.05	104.29	(1,545.41)	5,438.31	(3.50)
MOGD550	1,942.05	5.54	487.23	2,006.56	5,695.15	3.28
FLSD2400	16,692.80	39.45	2,619.48	9,783.38	23,486.72	6.46

1 Receipts are average annual total cash receipts including government payments, 2025-2030 ($1,000)

2 Payments are average annual total government payments, 2025-2030 ($1,000)

3 NCFI is average annual net cash farm income, 2025-2030 ($1,000)

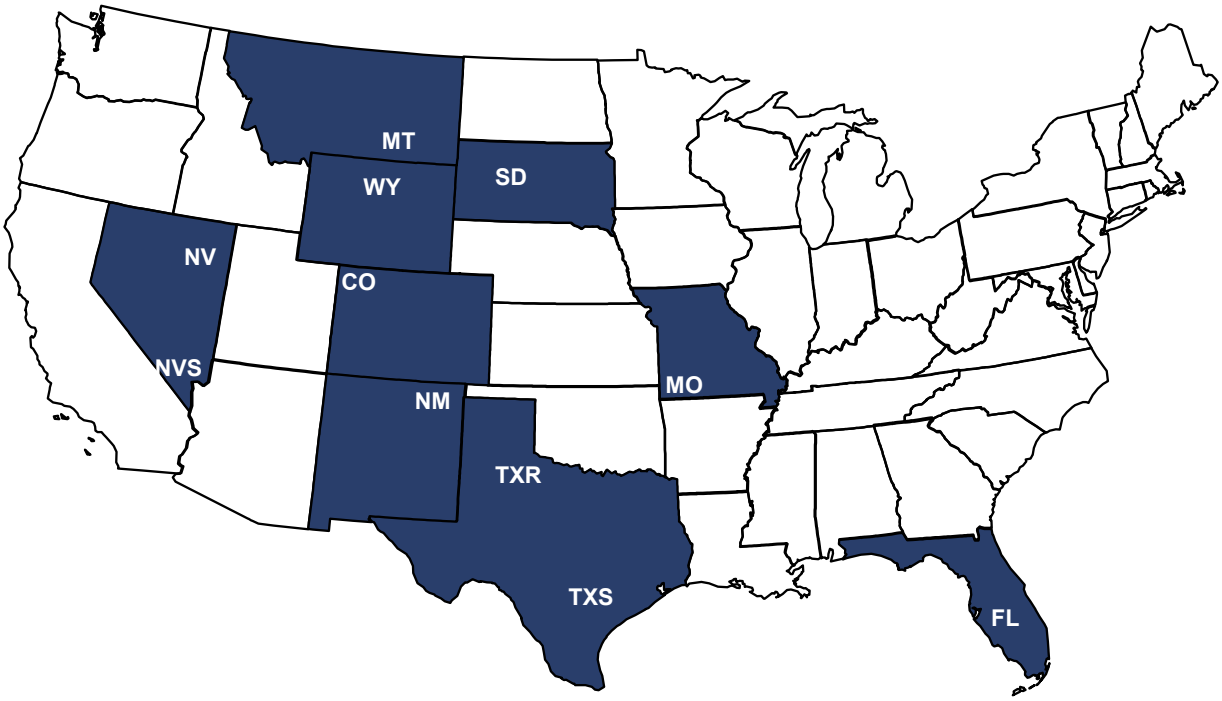
4 Reserve 2030 is average ending cash reserves, 2030 ($1,000)

5 Net Worth 2030 is average nominal ending net worth, 2030 ($1,000)

6 CRNW is average percentage change in real net worth over 2025-2030 period, (%)

Representative Farm: Cow/Calf

- Ten of the 11 cow-calf operations are projected to be in good overall financial condition, and one of the ranches is in marginal condition; none of the representative ranches are projected to be in poor condition.
- Only one ranch faces the threat of moderate cash flow stress; none of the representative ranches are projected to face greater than a 25 percent chance of losing real wealth.



Characteristics of Panel Farms Producing Beef Cattle, 2024.

	Cropland (acres)	Assets ($1,000)	Debt/Asset (ratio)	Gross Receipts ($1,000)	Cows (number)
NVB750	1,300	15,993.00	0.01	1,223.50	750
NVSB550	125	4,539.00	0.02	773.30	550
MTB600	900	9,401.00	0.01	877.10	550
WYB475	330	3,501.00	0.04	647.20	475
COB250	650	17,137.00	0.01	469.50	250
NMB210	0	7,413.00	0.01	348.50	210
SDB600	1,000	11,536.00	0.02	960.10	580
MOB300	450	6,125.00	0.02	619.60	300
TXRB400	0	15,394.00	0.01	693.10	400
TXSB300	100	9,521.00	0.01	453.60	225
FLB1000	200	43,474.00	0.01	1,414.60	1,000

Representative Farm: Cow/Calf

Economic Viability of Representative Farms over the 2025-2030 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
10/1/0	2025	2030	2025-2030	2025-2030
NVB750			1-1	1-1
NVSB550			1-1	1-1
MTB600			1-1	1-1
WYB475			16-6	1-1
COB250			3-1	1-1
NMB210			1-1	1-1
SDB600			53-27	1-1
MOB300			1-1	1-1
TXRB400			1-1	1-1
TXSB300			1-1	1-1
FLB1000			1-1	1-1

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

<25 | 25-50 | >50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2025 and 2030.

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 2022 to 2025 and from 2022 to 2030.

Implications of the 2025 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Beef Cattle

	Receipts	Payments	NCFI	Reserve 2030	Net Worth 2030	CRNW
	($1,000)	($1,000)	($1,000)	($1,000)	($1,000)	(%)
NVB750	1,158.70	0.00	518.97	2,348.76	17,398.90	0.40
NVSB550	817.11	0.00	312.47	1,099.38	5,309.62	1.81
MTB600	1,117.77	0.00	715.50	2,752.28	11,745.30	2.72
WYB475	666.37	0.00	159.00	182.22	3,540.95	(0.38)
COB250	486.00	0.00	208.81	505.08	17,485.28	(0.74)
NMB210	373.02	0.00	196.70	559.51	7,829.25	(0.21)
SDB600	1,054.80	0.00	271.04	129.80	11,721.21	(0.57)
MOB300	654.91	4.64	211.86	370.35	6,307.43	(0.42)
TXRB400	726.48	0.00	283.74	841.60	15,947.26	(0.45)
TXSB300	478.28	0.00	202.41	424.84	9,807.74	(0.59)
FLB1000	1,469.83	0.00	564.23	1,853.66	44,631.98	(0.63)

1 Receipts are average annual total cash receipts including government payments, 2025-2030 ($1,000)

2 Payments are average annual total government payments, 2025-2030 ($1,000)

3 NCFI is average annual net cash farm income, 2025-2030 ($1,000)

4 Reserve 2030 is average ending cash reserves, 2030 ($1,000)

5 Net Worth 2030 is average nominal ending net worth, 2030 ($1,000)

6 CRNW is average percentage change in real net worth over 2025-2030 period, (%)

AFPC Briefing Series

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