2018 Montana Agricultural Year in Review

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Tough Winter

Source: Billings Gazette, Larry Mayer
Wet Spring

Source: Billings Gazette, Larry Mayer
Montana Cash Receipts (1995 – 2018F)

Source: USDA ERS Farm Income and Wealth Statistics
Prices: Mixed Bag

Wheat Prices, $/bushel

Calf Prices, $/hundredweight

Calves, US

All Wheat, MT

Source: NASS Quickstats
VS

MONTANA

Ag Economy Barometer

Index Value

170
160
150
140
130
120
110
100
90
80
70

116
92
135
129
114

10/15
10/16
10/17
09/18

Month & Year

Source: Purdue University Center for Commercial Agriculture, Producer Survey, September 2018
Ag Economy Barometer

Would you say that your farm operation *today* is better off, worse off, or about the same compared to year ago?
Ag Economy Barometer

Would you say that your farm operation **today** is better off, worse off, or about the same compared to year ago?

![Bar chart showing the distribution of responses among Montana and National farmers.](chart.png)

- **Better Off**
- **Same**
- **Worse Off**

Legend:
- **Orange** = Montana
- **Blue** = National
Ag Economy Barometer

Do you think that a year from now your farm operation will be better off financially, worse off or about the same as now?
Ag Economy Barometer

Do you think that a year from now your farm operation will be better off financially, worse off or about the same as now?

Better Off

Same

Worse Off

Montana National

Montana State University Extension
December Ag Economy Barometer

Source: Purdue University Center for Commercial Agriculture, Producer Survey, December 2018
Sept. 2018 Drought Map

Map created October 12, 2018, based on data through September 30. Produced by the Montana Governor’s Drought and Water Supply Advisory Committee.
Drought Intensity, MT % area
CATTLE
Beef Exports

Source: USDA, ERS

China #16. Hong Kong #5, Taiwan #6
U.S. Average Calf Prices (2018$)

Source: NASS Quickstats
Cattle production in Montana, 2018

• Herd size and calves marketed very flat over time

• ~1.5 million calves produced per year

• Record snowfall and cold temps particularly challenging for cattle producers
  – 11,000+ deaths reported to FSA
CROPS
Montana Major Crop Acreage

![Graph showing the acres planted of major crops in Montana from 2004 to 2018. The crops include wheat, hay, barley, and pulses (lentils, peas, beans). The graph indicates the number of acres planted in millions for each crop category.]

Source: NASS Quickstats, Mercaris

437K organic acres, 22K hemp acres
U.S. Wheat Exports

China is #8; 2018/2019 MY no exports to China

Source: USDA ERS
Montana Grain Prices
(2018$)

Source: NASS Quickstats
Montana Pulse Production

Source: NASS Quickstats
Montana Pulse Prices ($2018)

Source: NASS Quickstats
U.S. Net Farm Income

$ billion, nominal

Net cash farm income

Net farm income

Down 12-13%

MFP?

Note: F = forecast.
LOOKING FORWARD
Domestic production conditions
Winter (FMA) Temperature Forecast

THREE-MONTH OUTLOOK
TEMPERATURE PROBABILITY
1.5 MONTH LEAD
VALID FMA 2019
MADE 20 DEC 2018

EC MEANS EQUAL
CHANCES FOR A, N, B
A MEANS ABOVE
N MEANS NORMAL
B MEANS BELOW
Domestic Production Conditions: Winter (FMA) Precipitation Forecast
Farm Policy

- **Farm Bill**: Passed, not yet implemented

- **USMCA (NAFTA 2.0)**: Signed, not yet ratified

- **Market Facilitation Program**: Sign-up extended
Questions

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