

# 2018 Montana Agricultural Year in Review

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# Tough Winter



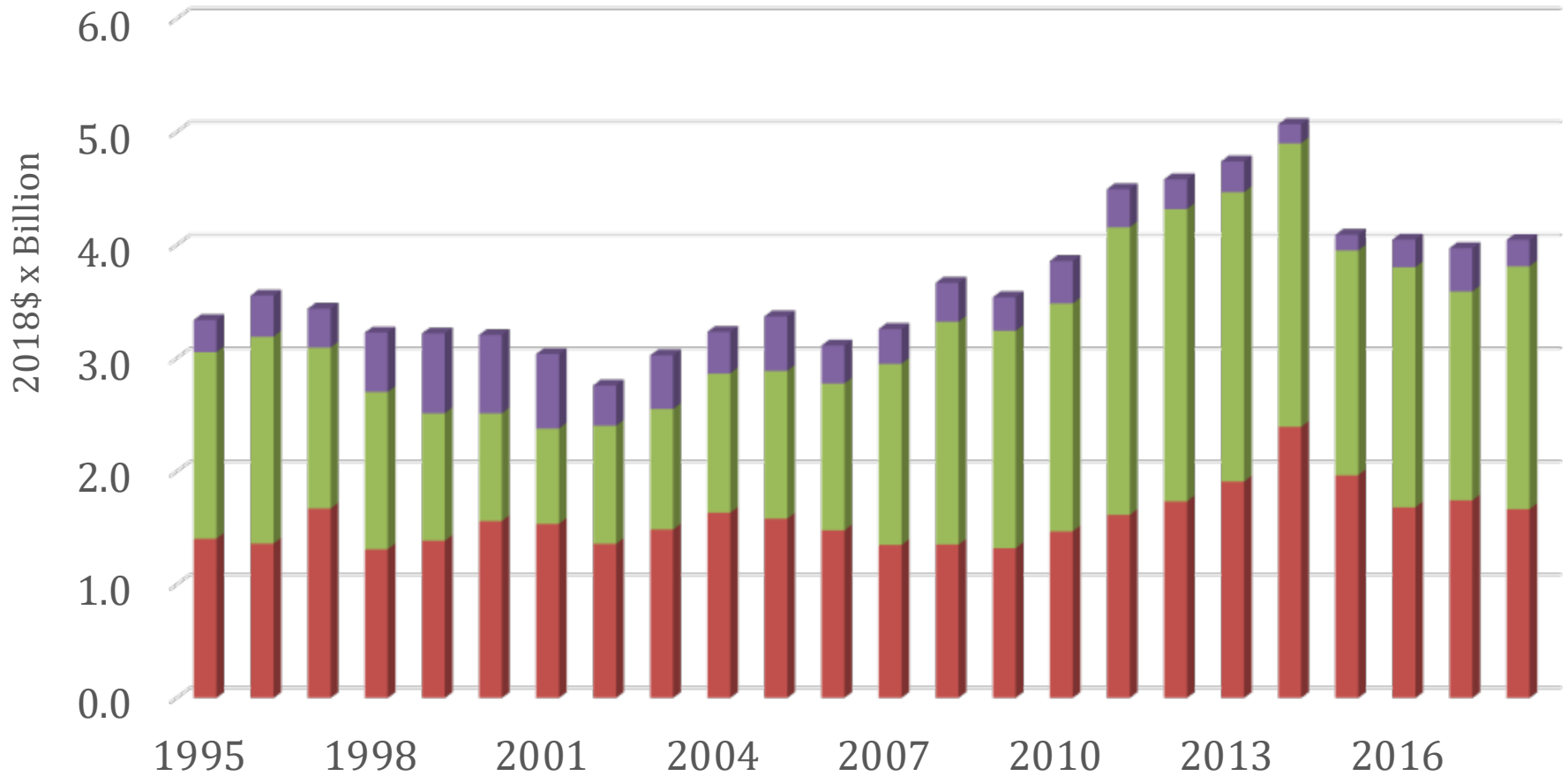
Source: Billings Gazette, Larry Mayer

# Wet Spring



Source: Billings Gazette, Larry Mayer

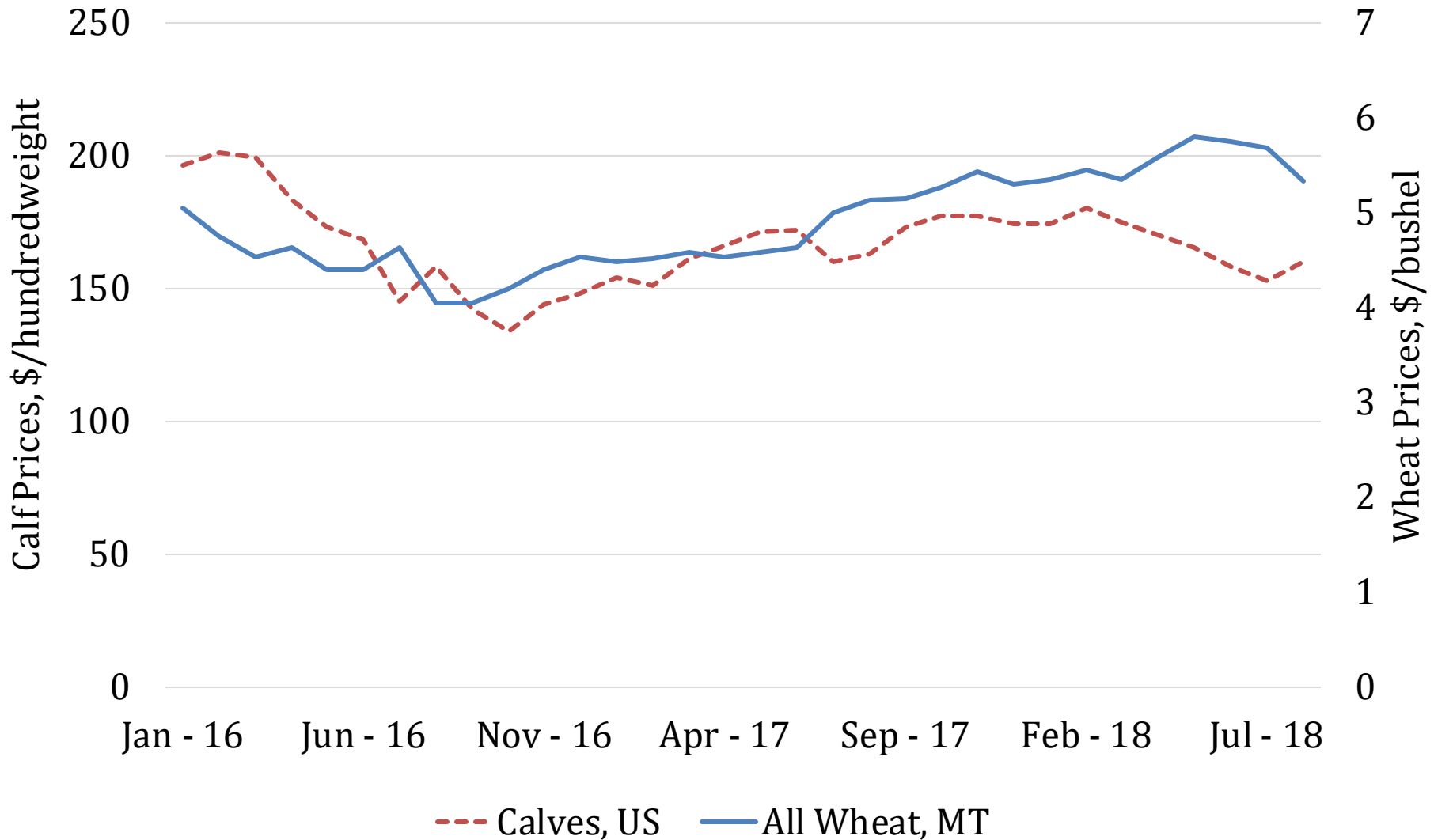
# Montana Cash Receipts (1995 – 2018F)



Source: USDA ERS Farm Income and Wealth Statistics

■ Livestock ■ Crops ■ Government

# Prices: Mixed Bag



Source: NASS Quickstats



# AG ECONOMY BAROMETER

PURDUE UNIVERSITY · CME GROUP



VS

# MONTANA



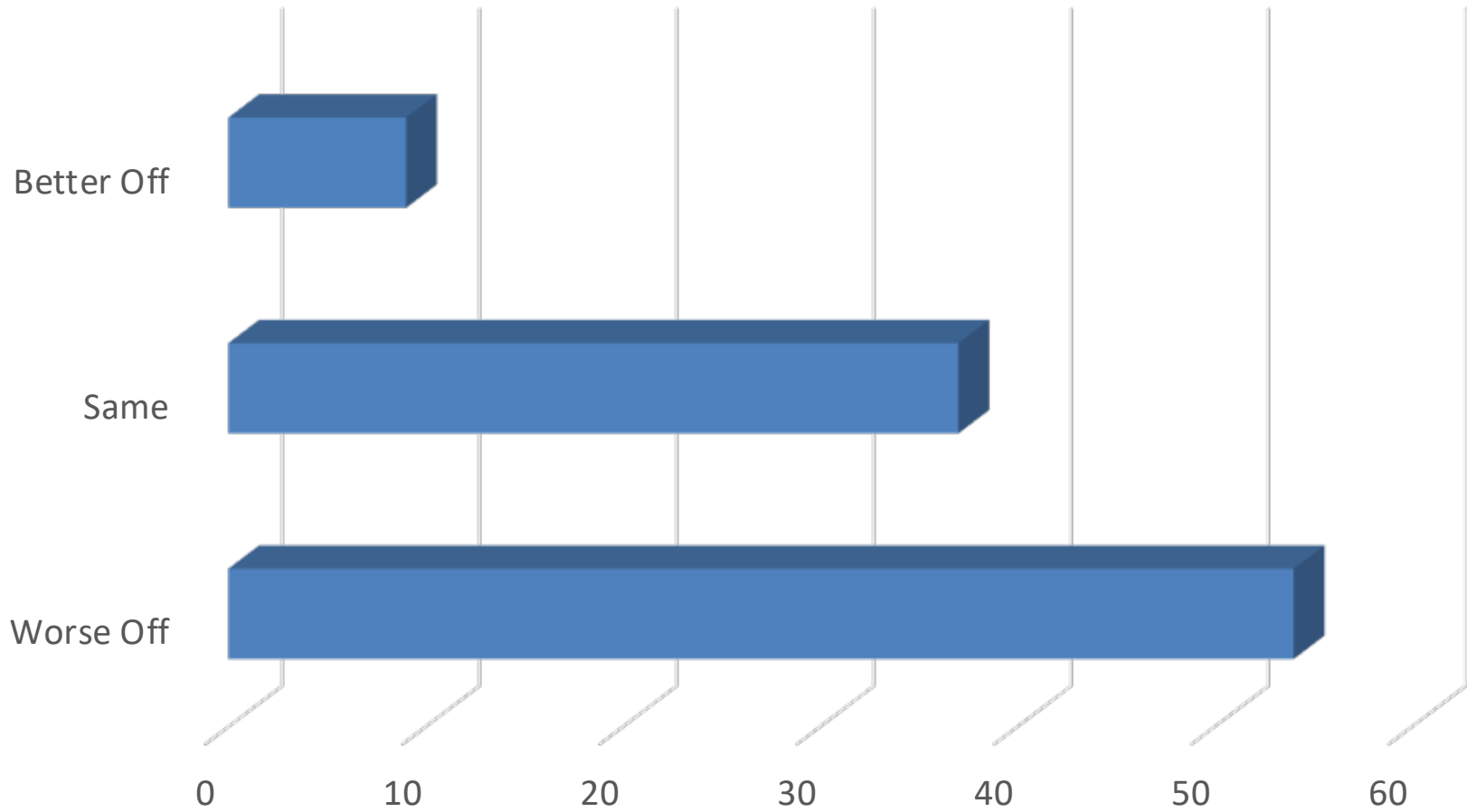
Ag Economy Barometer



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

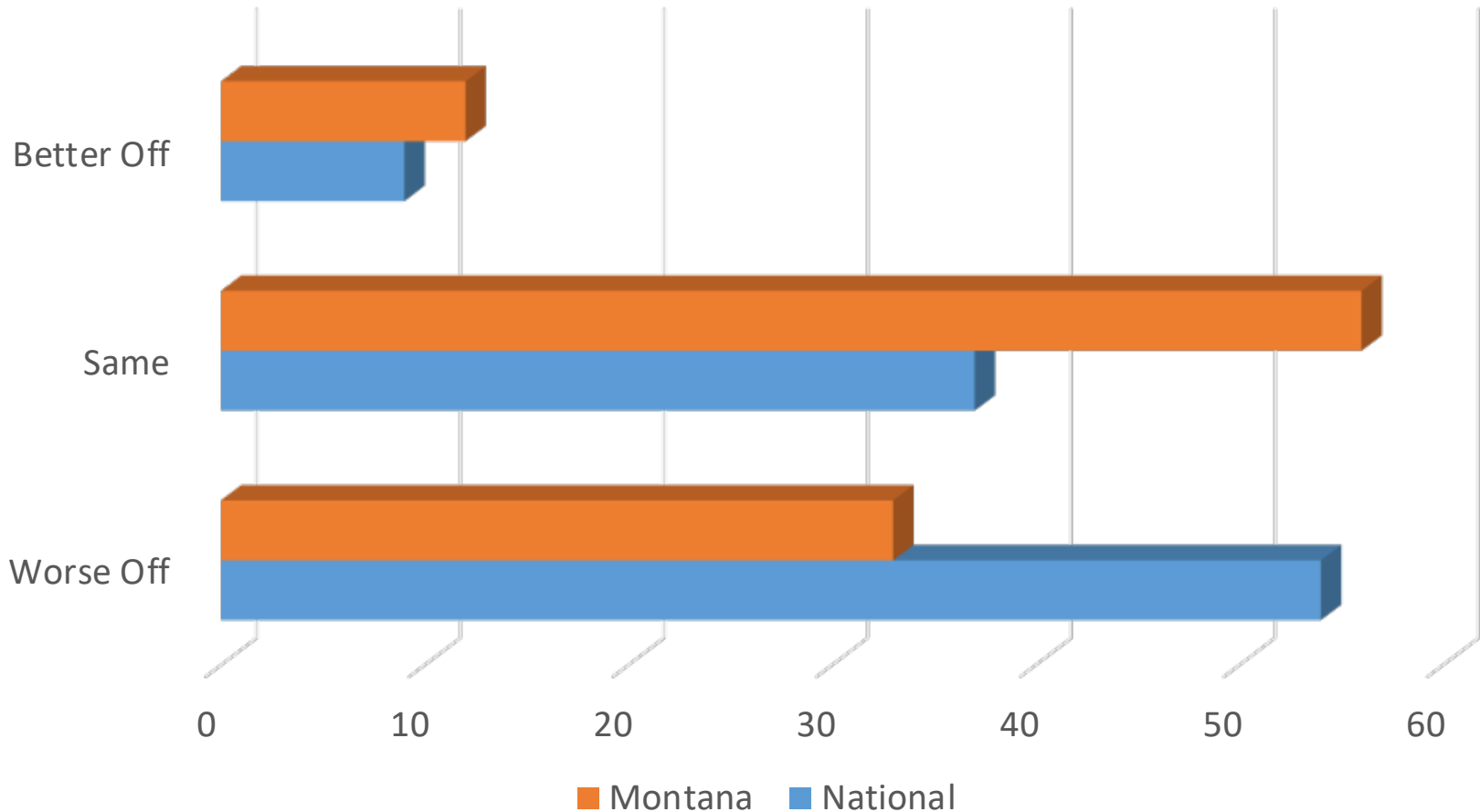
# Ag Economy Barometer

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



# Ag Economy Barometer

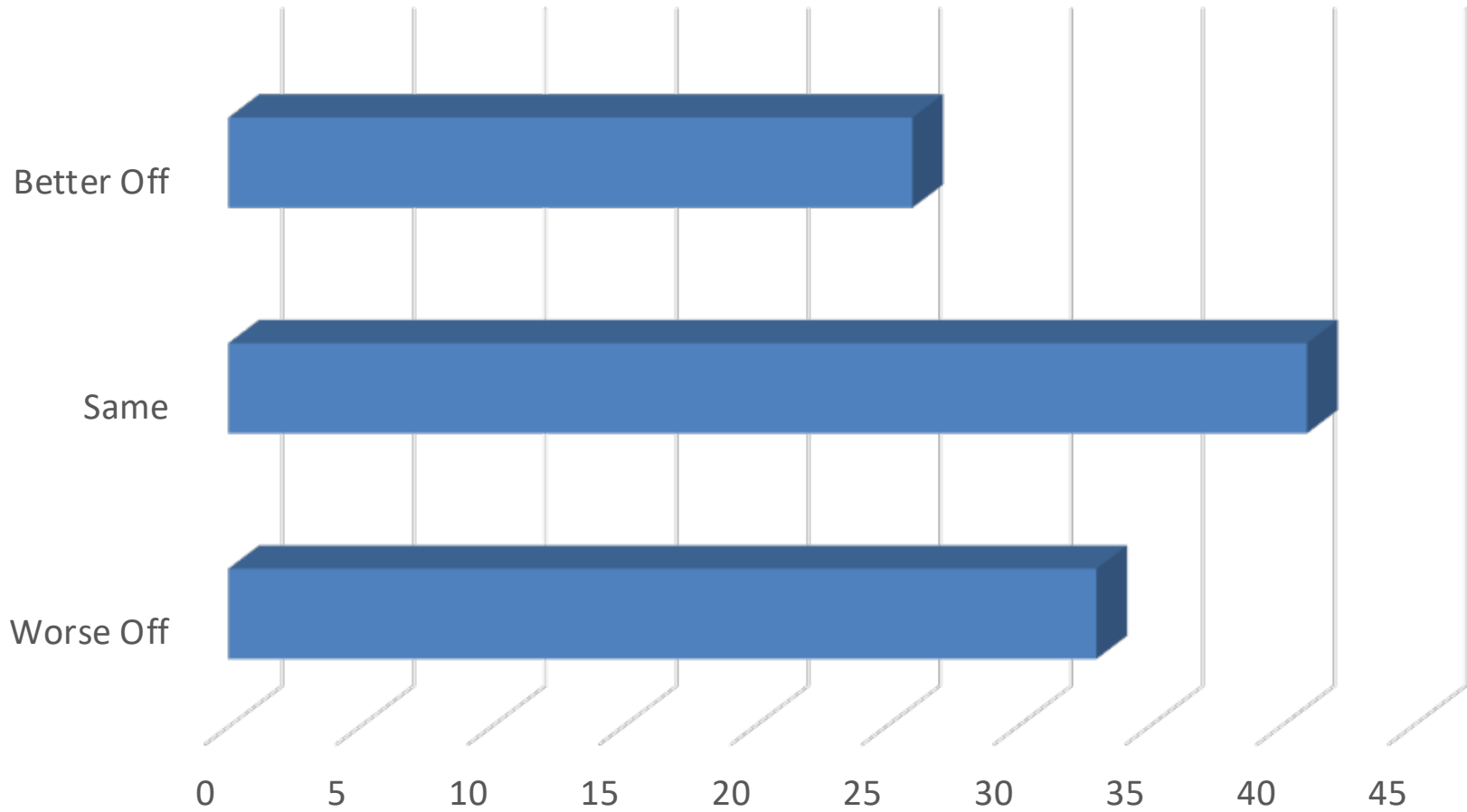
Would you say that your farm operation **today** is better off, worse off, or about the same compared to year ago?





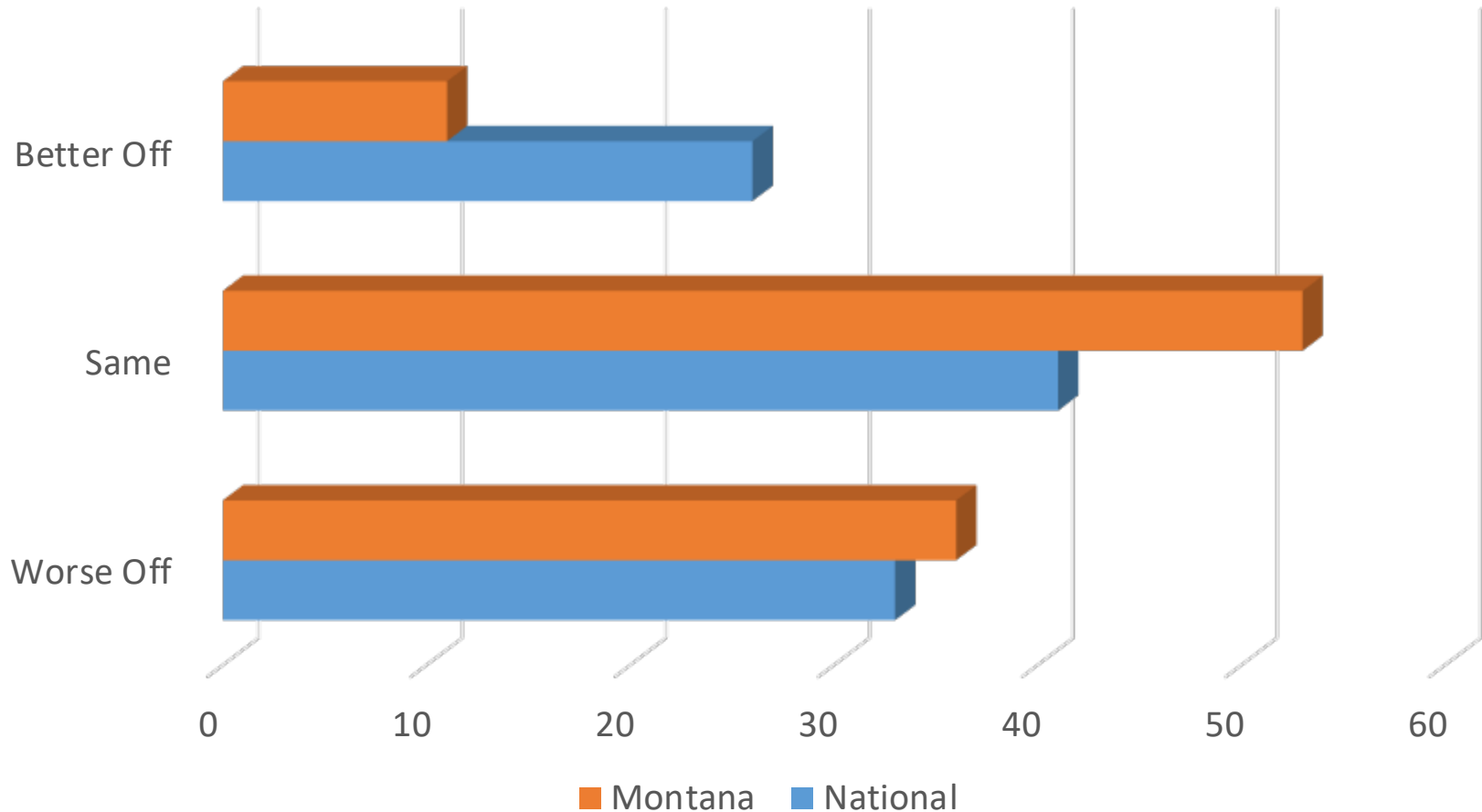
# Ag Economy Barometer

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

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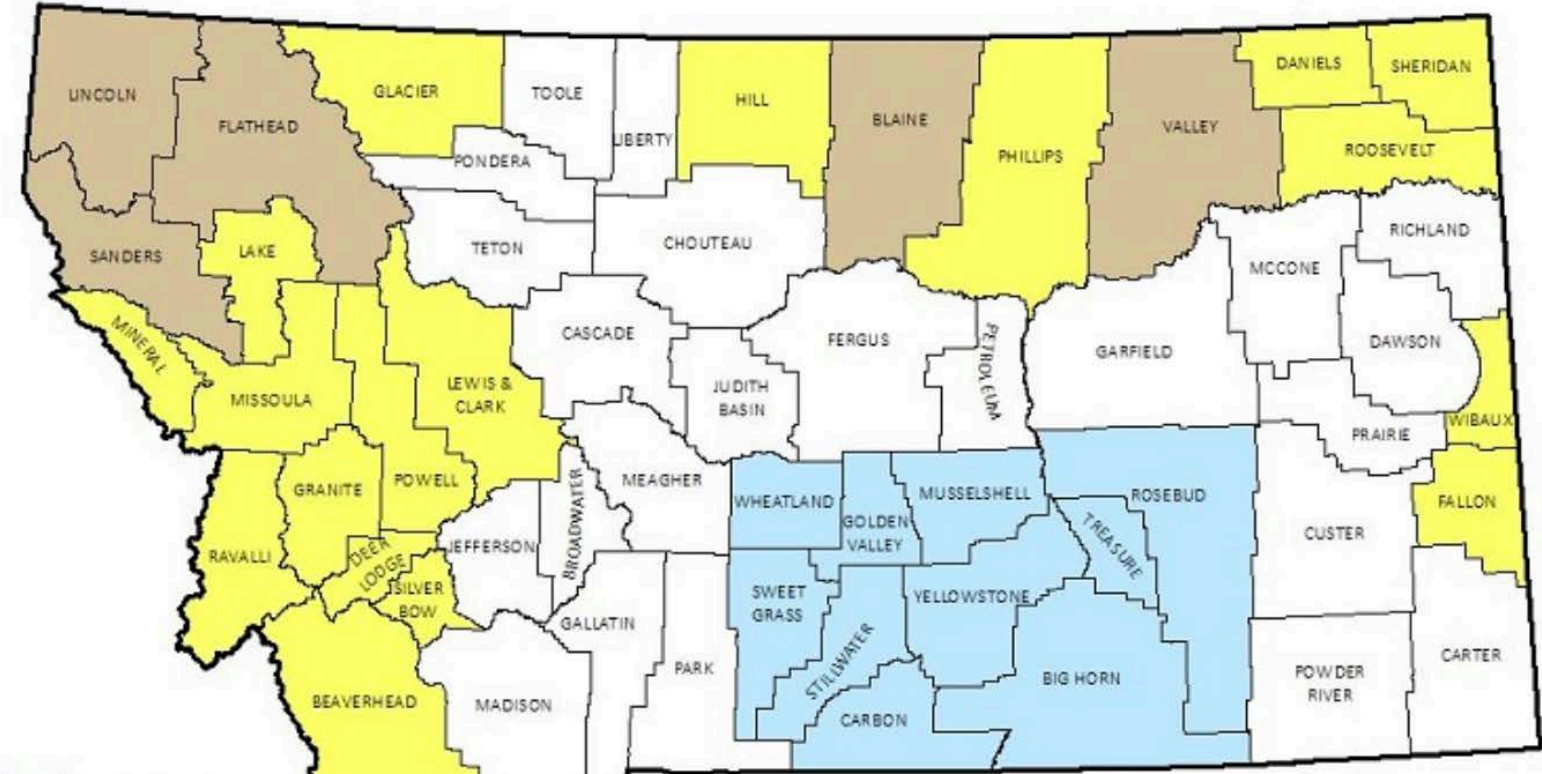


# December Ag Economy Barometer



Source: Purdue University Center for Commercial Agriculture, Producer Survey, December 2018

# Sept. 2018 Drought Map



- Extremely Moist
- Moderately Moist
- Slightly Moist
- Near Average
- Slightly Dry (D0)
- Moderately Dry (D1)
- Severely Dry (D2)
- Extremely Dry (D3)
- Exceptionally Dry (D4)

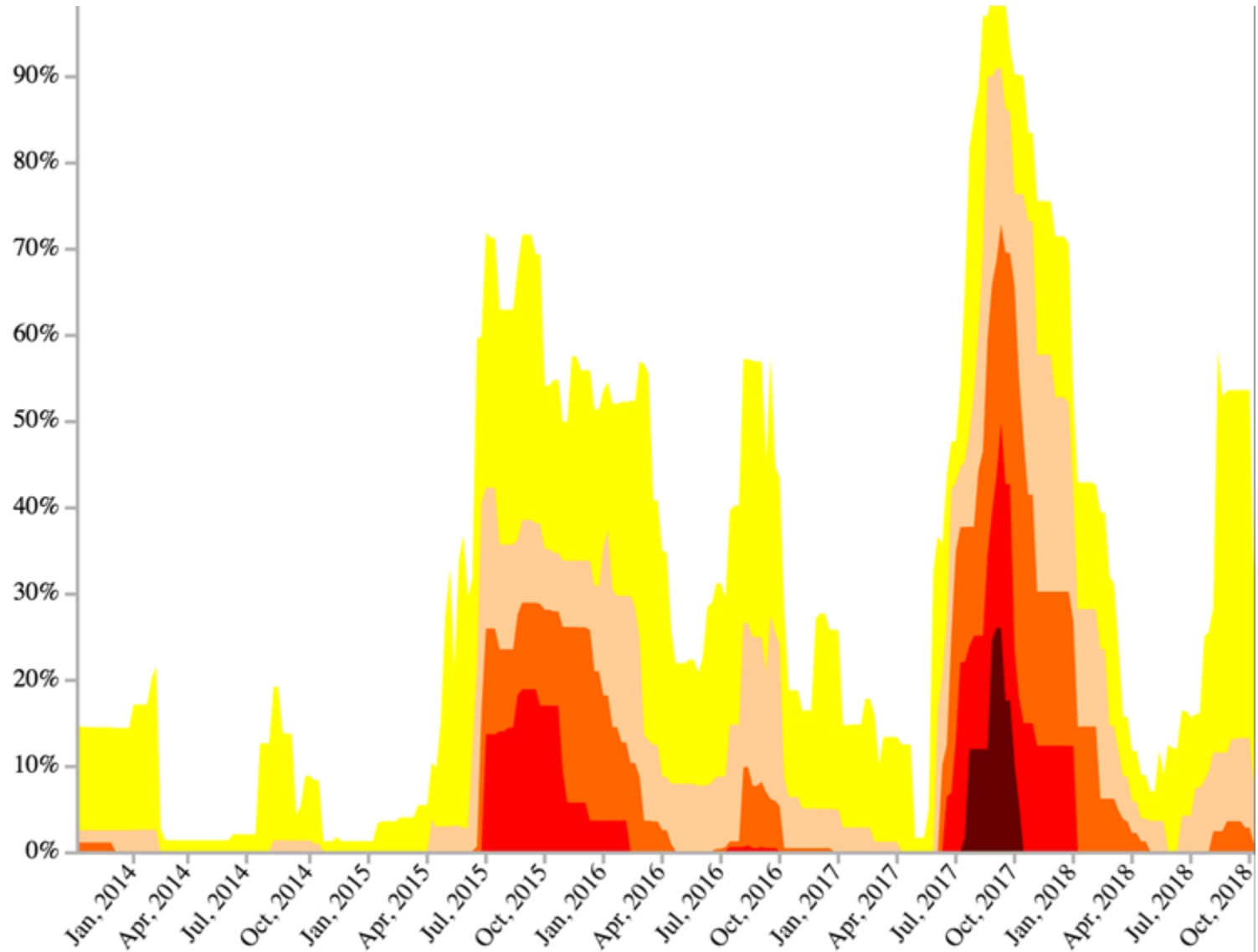
Map created October 12, 2018 based on data through September 30.  
 Produced by the Montana Governor's Drought and Water Supply Advisory Committee.



<http://www.drought.mt.gov>

<http://www.nris.mt.gov/drought>

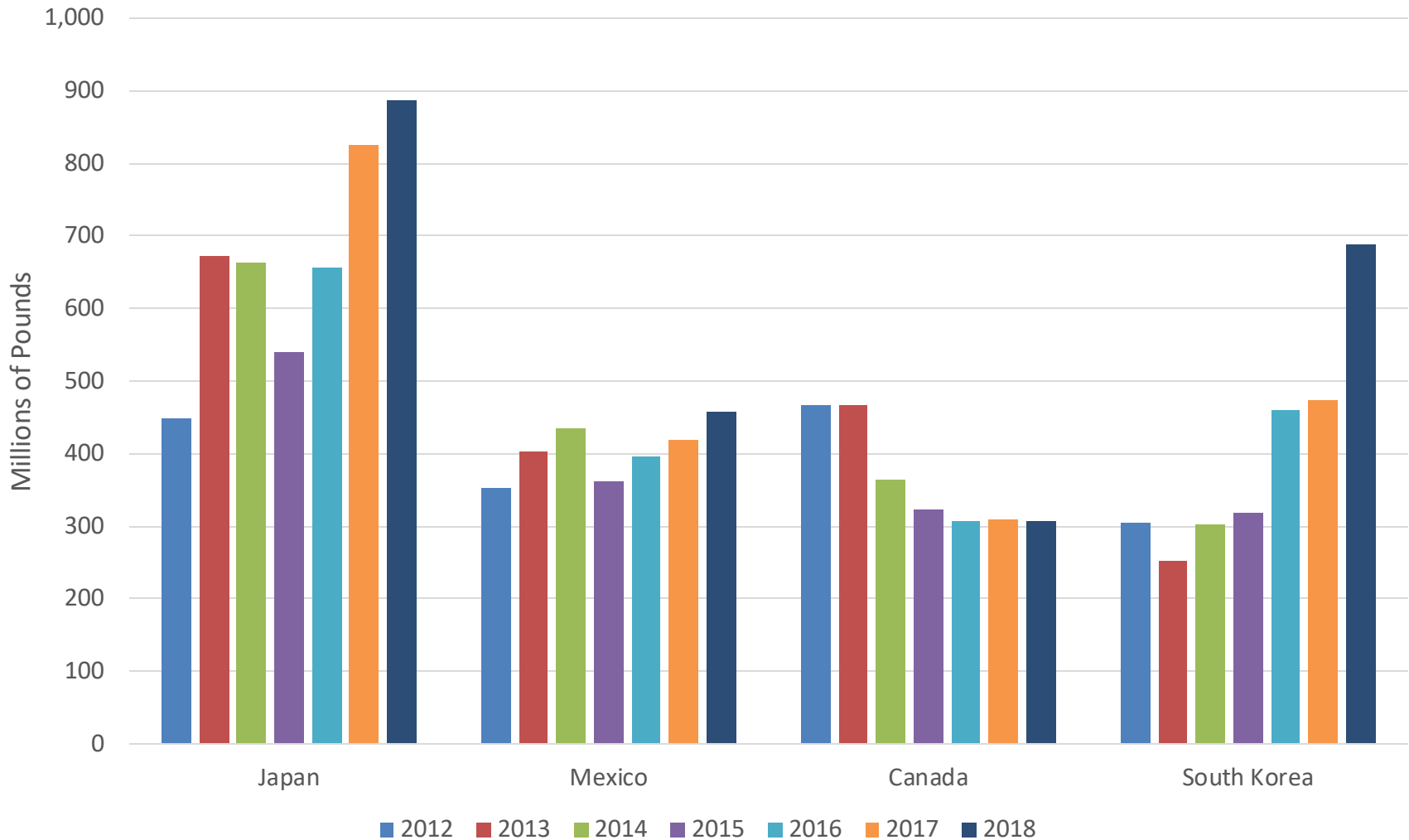
# Drought Intensity, MT % area



Source: Drought.gov

# CATTLE

# Beef Exports

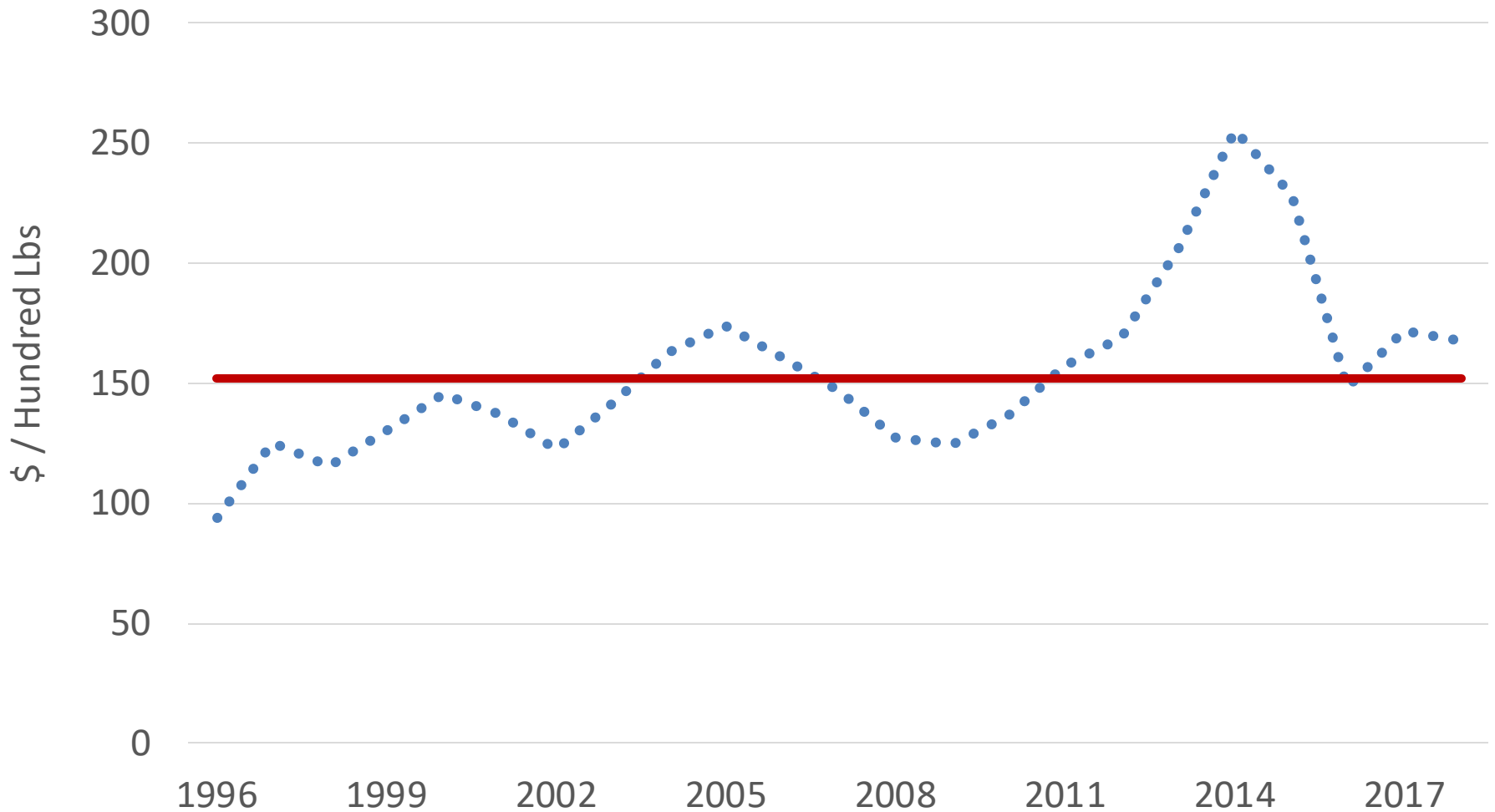


Source: USDA, ERS

China #16. Hong Kong #5, Taiwan #6



# U.S. Average Calf Prices (2018\$)



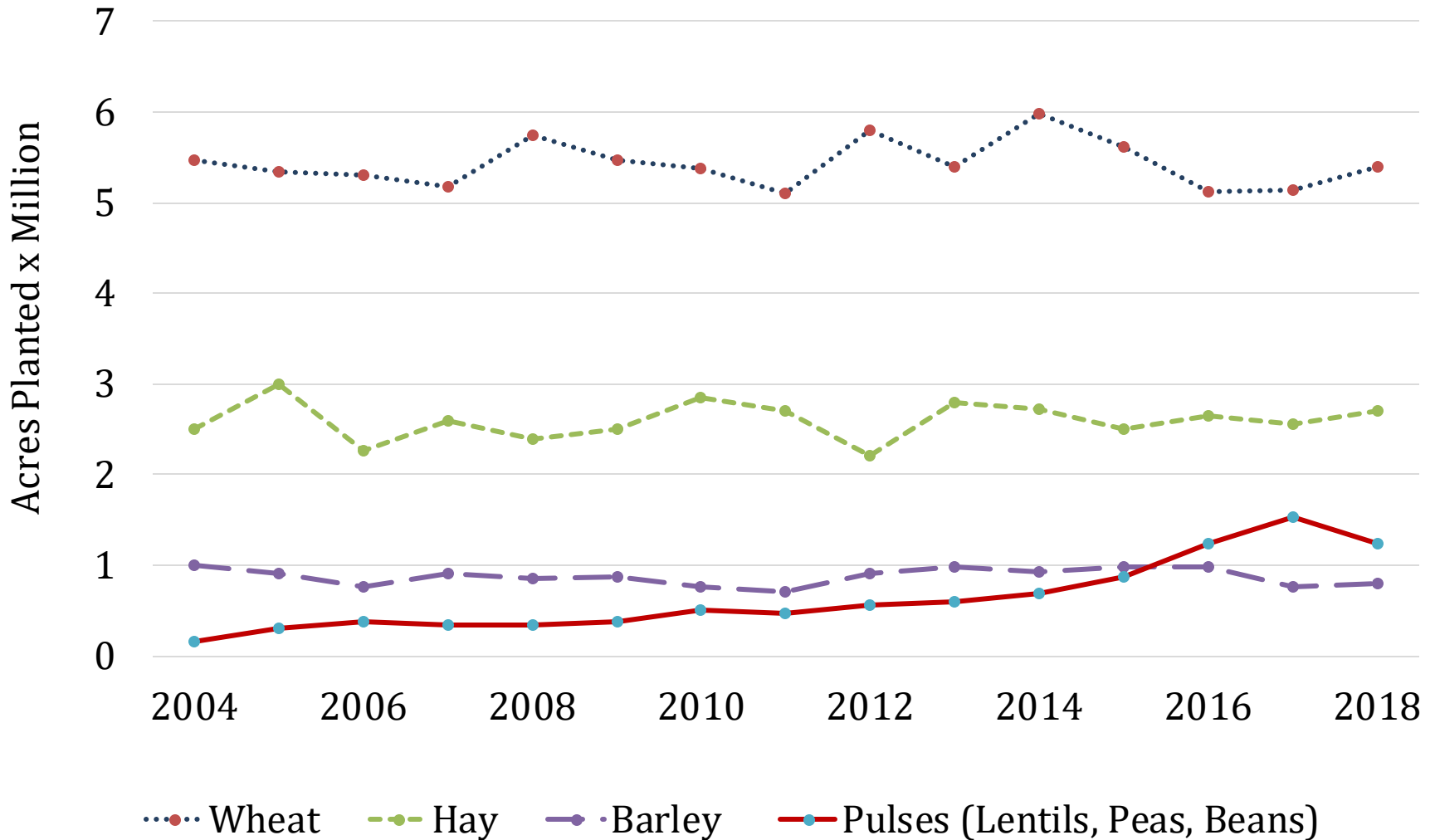
Source: NASS Quickstats

# 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

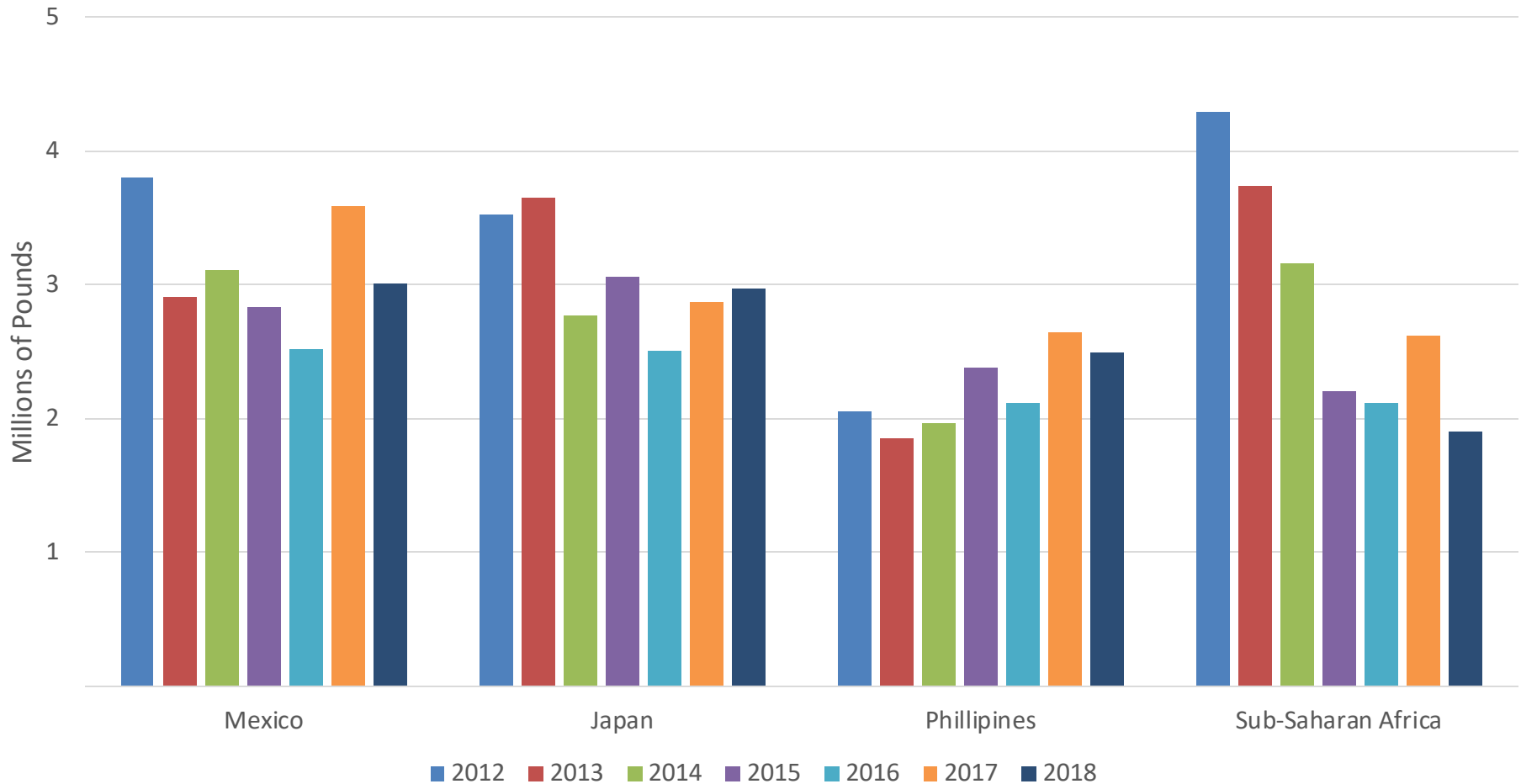
# Montana Major Crop Acreage



437K organic acres, 22K hemp acres

Source: NASS Quickstats, Mercaris

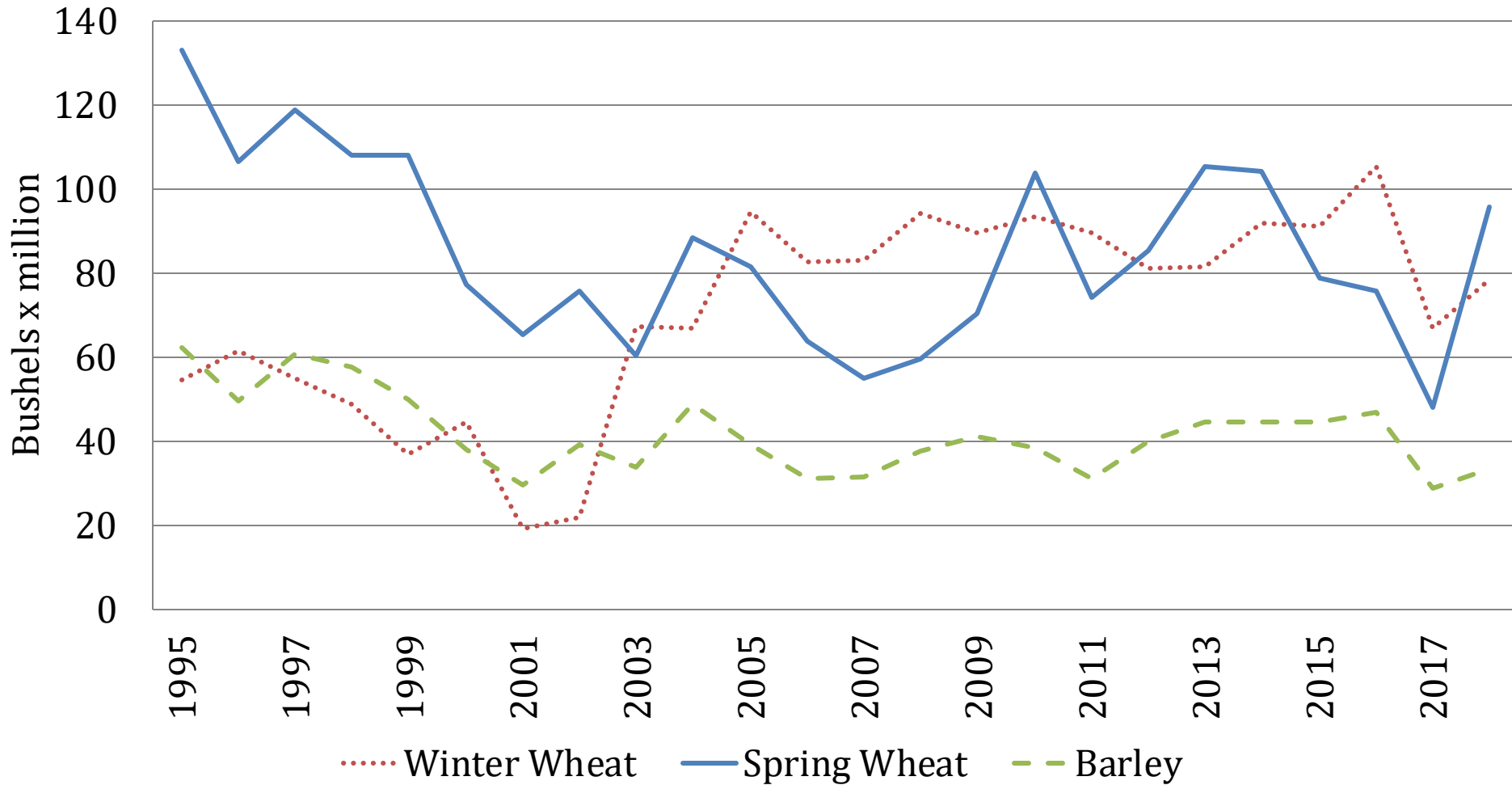
# U.S. Wheat Exports



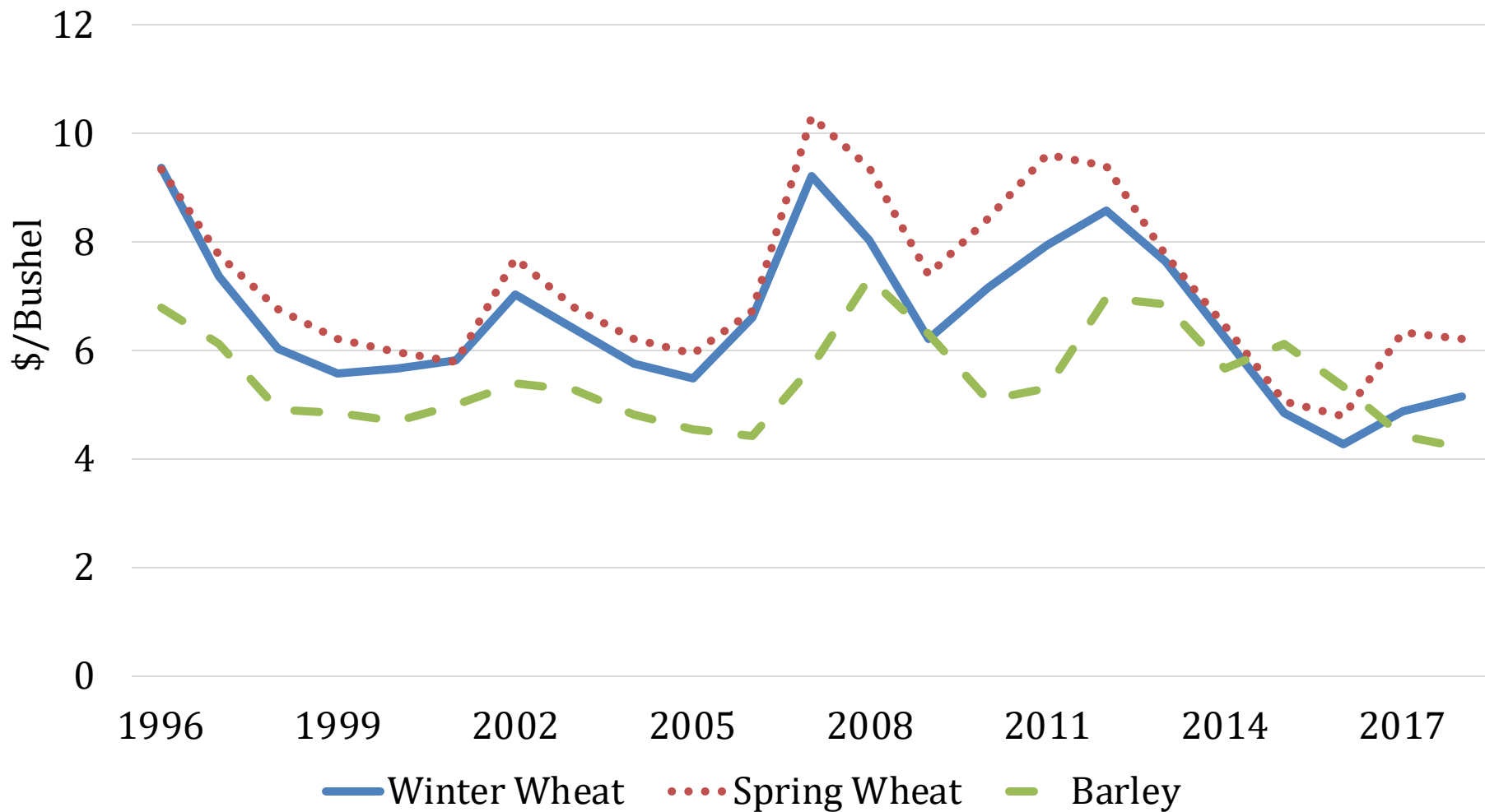
Source: USDA ERS

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

# Montana Grain Production



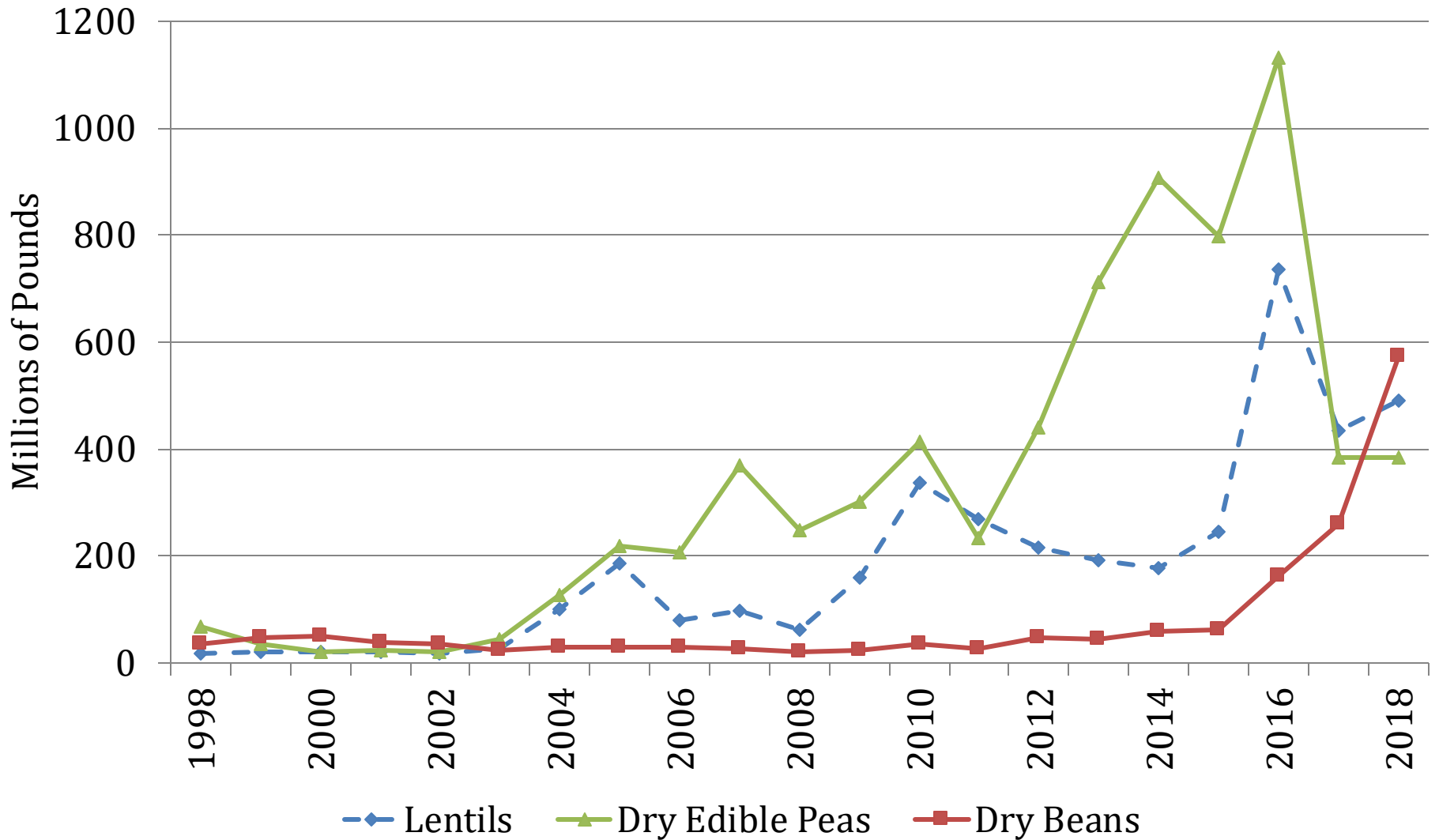
# Montana Grain Prices (2018\$)



Source: NASS Quickstats

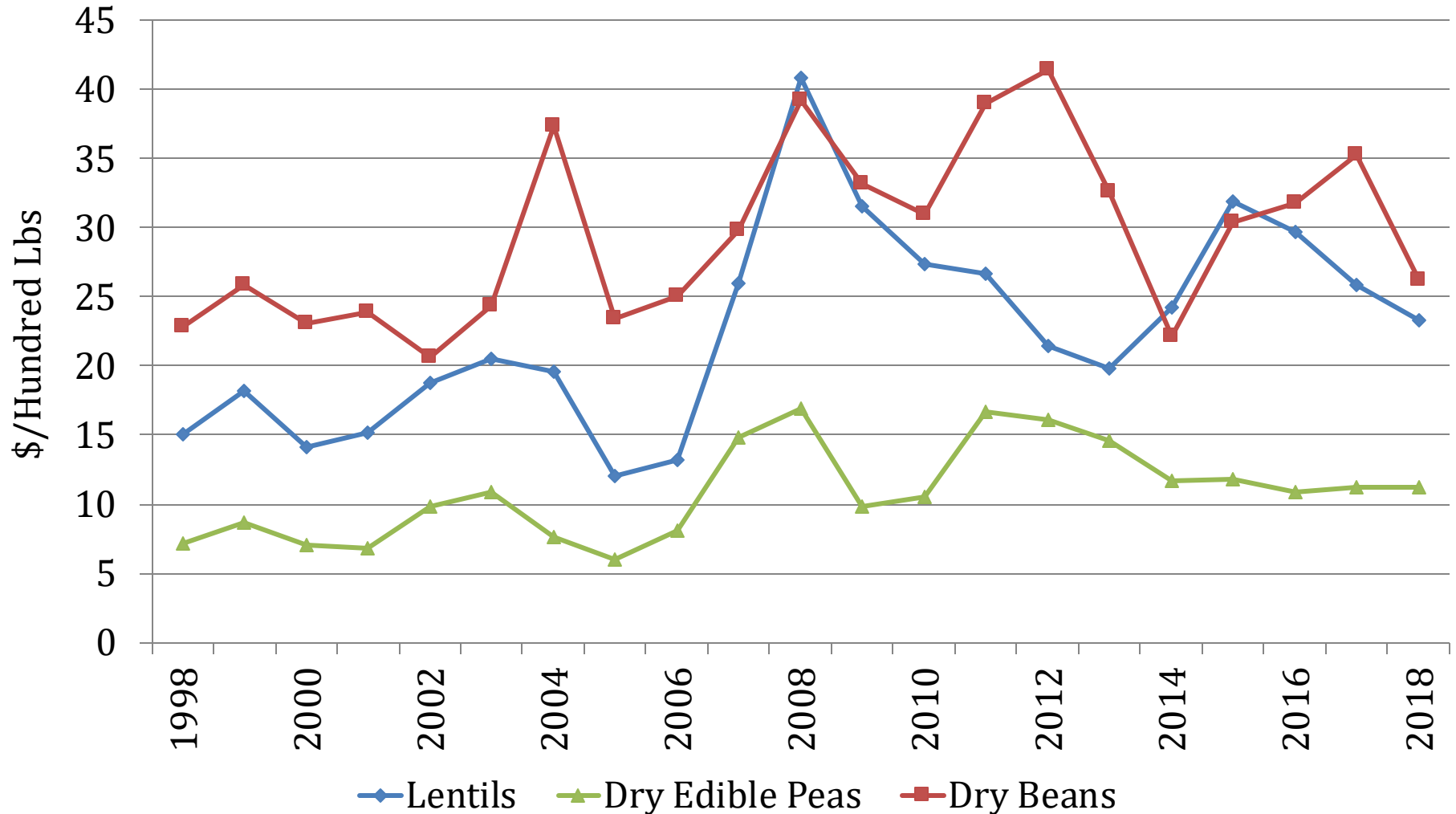


# Montana Pulse Production



Source: NASS Quickstats

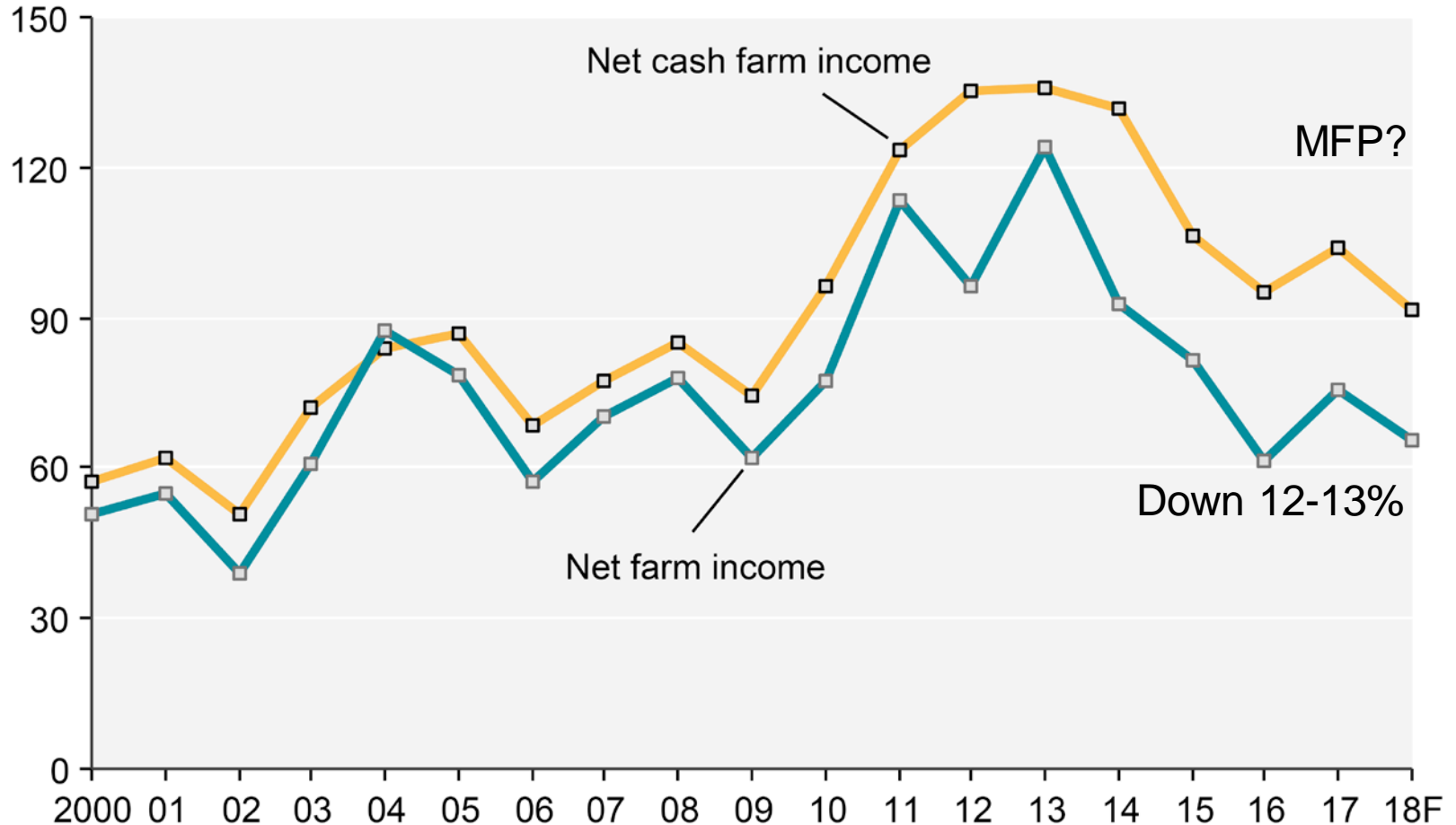
# Montana Pulse Prices (\$2018)



Source: NASS Quickstats

# U.S. Net Farm Income

\$ billion, nominal



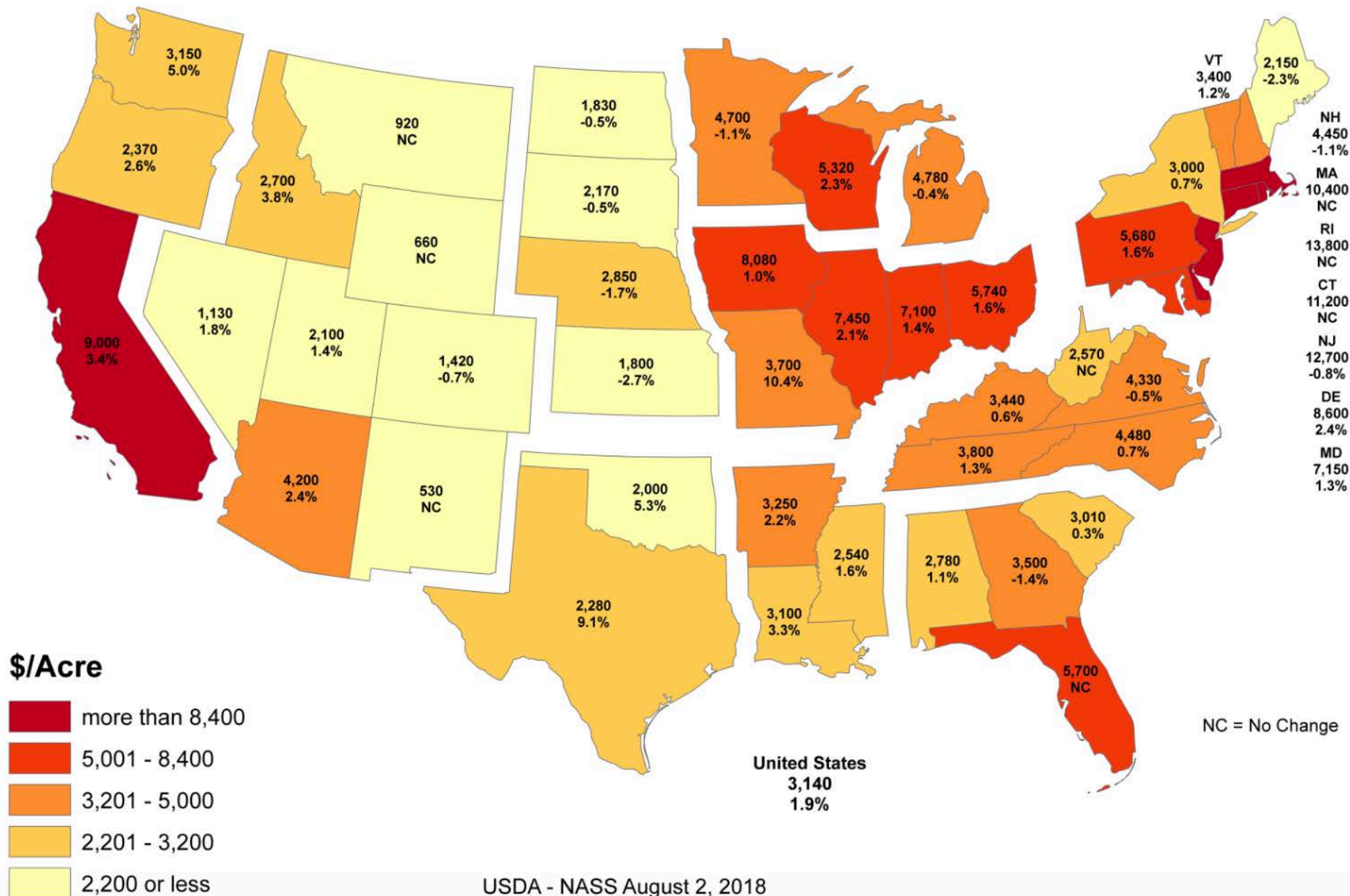
Note: F = forecast.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.

Data as of August 30, 2018.

# 2018 Farm Real Estate Value by State

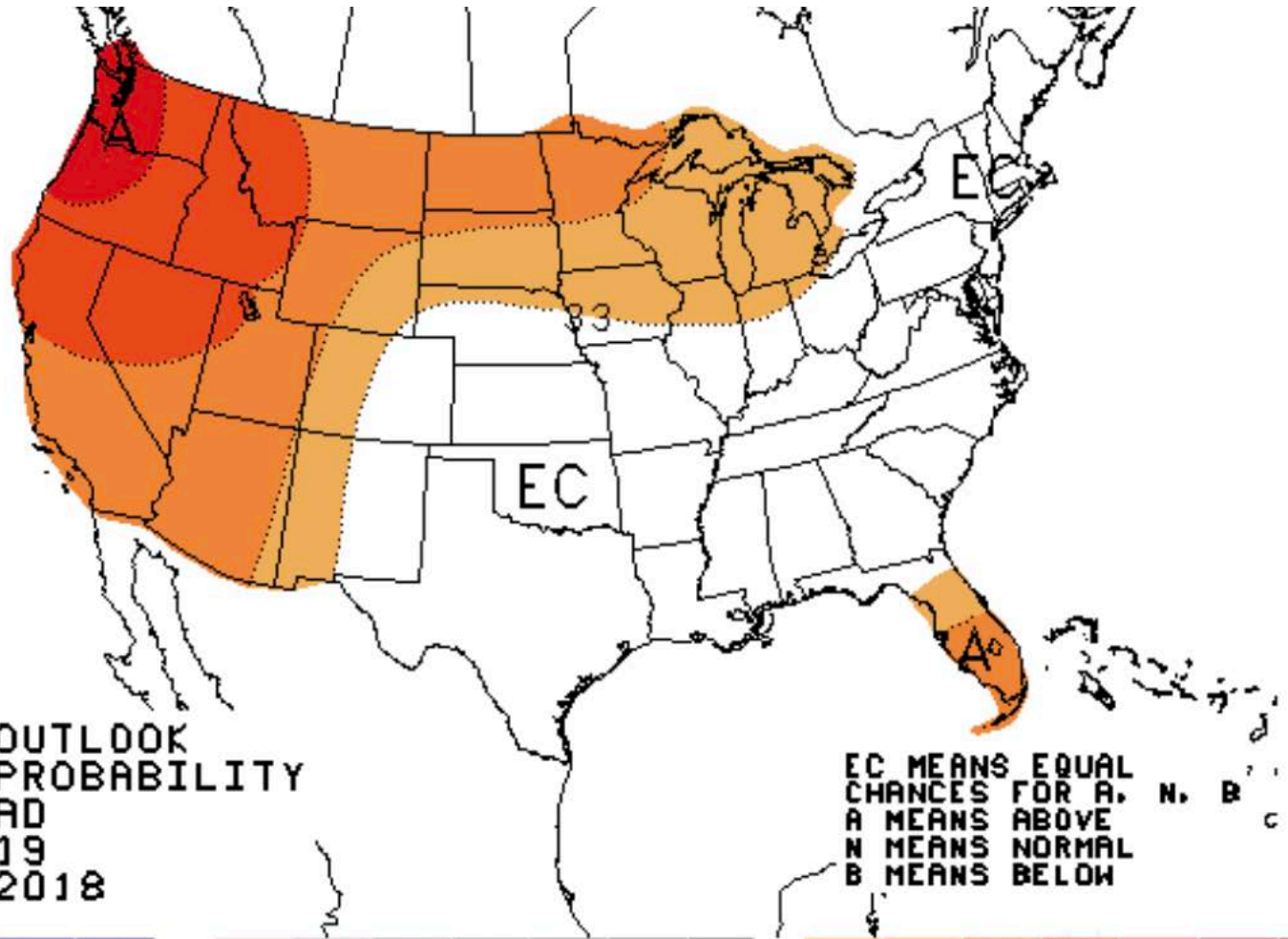
Dollars per Acre and Percent Change from 2017



# LOOKING FORWARD

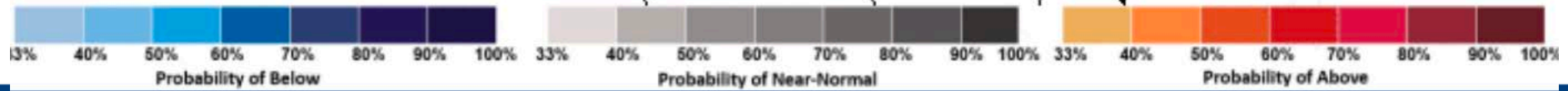
# Domestic production conditions

## Winter (FMA) Temperature Forecast



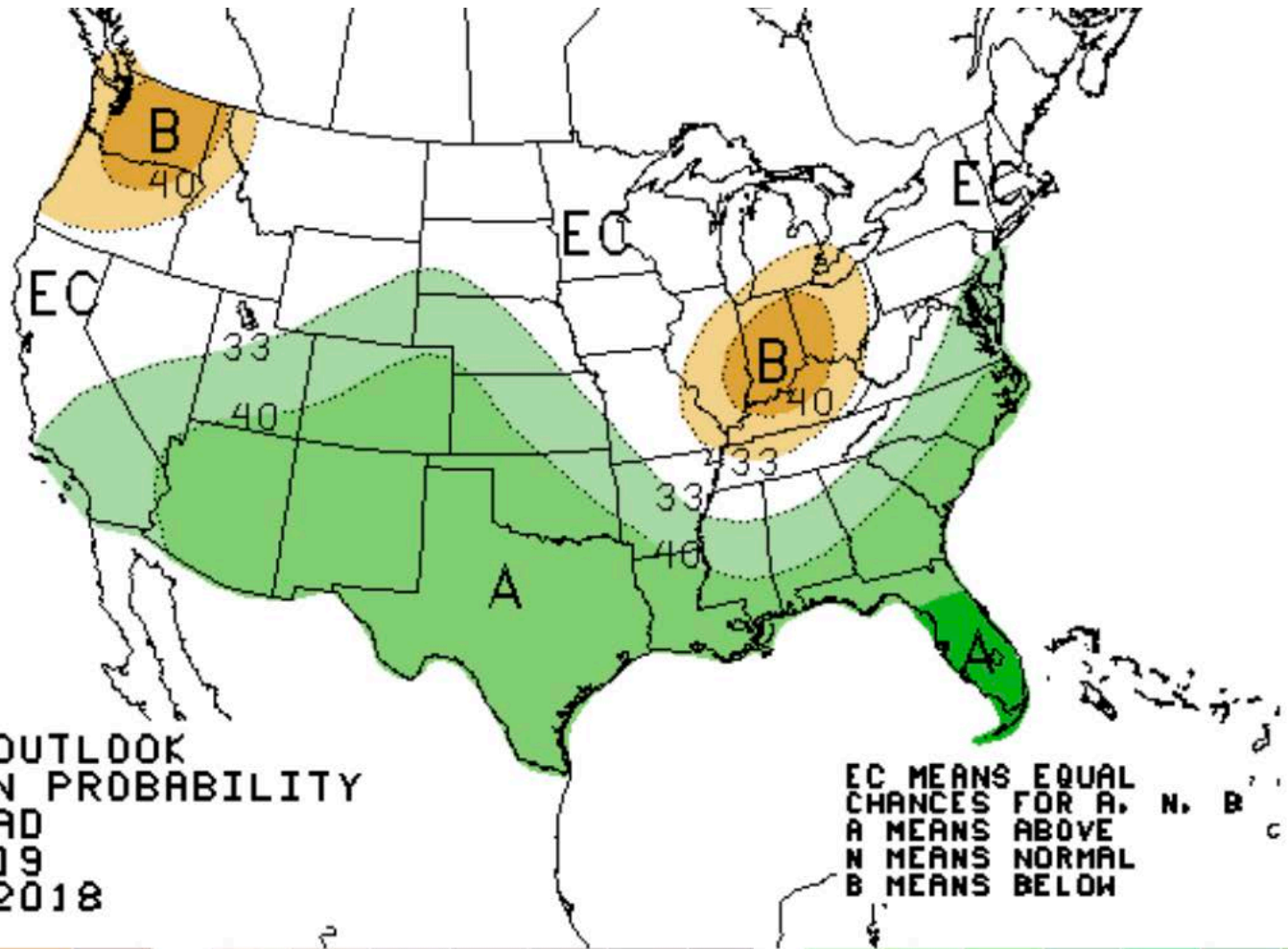
THREE-MONTH OUTLOOK  
TEMPERATURE PROBABILITY  
1.5 MONTH LEAD  
VALID FMA 2019  
MADE 20 DEC 2018

EC MEANS EQUAL  
CHANCES FOR A, N, B  
A MEANS ABOVE  
N MEANS NORMAL  
B MEANS BELOW

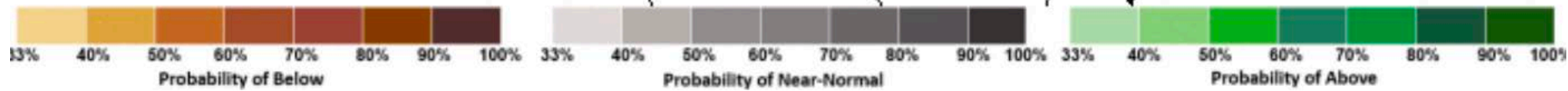




# Domestic Production Conditions: Winter (FMA) Precipitation Forecast



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





# 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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