



# Prices for Crop and Livestock Cost-Return Budgets

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The following prices and input costs have been assembled to facilitate forward planning for the farm business. Table 1 outlines the short-run (one year) planning prices used for the cost-return budgets in this handbook. Wheat, corn, grain sorghum, and soybean price projections were based on the Kansas Agricultural Statistics price series and include a buy/sell markup of \$0.15 per bushel. They are projections for 1998.

Oil sunflower price projections are for prices at harvest (October) at Goodland for 1998. Soybean meal price projections are for Kansas City 1998 prices and include a markup of \$20.00 per ton.

Calf price projections are Dodge City prices for October, 1998, while feeder cattle projections are Dodge City prices for April, 1998. Market cattle price projections are for the Western Kansas Direct series, and market hog projections are for St. Joseph, Missouri. Each of these price projections, except for sunflowers, was based on the relevant futures closing price on August 27, 1997 and then adjusted for historical basis over 1992-1996. Sunflower price projections were based on a regression model using soybean meal and soybean oil futures prices. Cull cow prices were based on a five-year historical relationship with fed cattle prices, while feeder pig and cull sow prices were based on the historical relationship with market hog prices. Sheep prices were the July 15, 1997 prices obtained from Kansas Agricultural Statistics.

Hay price projections in Table 1 are the May through July, 1997 average Kansas Agricultural Statistics prices for alfalfa and other hay. Brome hay is \$3 per ton above other hay and prairie hay is \$3 per ton below. Silage prices were determined from grain prices. SEW feed mix prices were based on corn and soybean meal price projections and current prices for other ingredients. Mineral and salt prices were based on a July 1997 price survey.

Long-run planning prices are shown in Table 2. Commodities which have futures-based counterparts in Table 1 used short-run prices and historical cash prices to determine their long-run (1998-2002) values. For other commodities, long-run prices were based on 1992-1996 historical averages of their underlying short-run price series.

Table 3 outlines the location-specific projections of harvest time crop prices (wheat: July; corn, grain sorghum, and soybeans: October). Short-run price projections were for harvest 1997, and based on August 27, 1997 deferred futures prices as well as historical bases over the 1992-1996 period. Long-run price projections are the average harvest time prices for the 1998 to 2002 period. These long-run commodity prices were based on short-run projections and historical 1992-1996 location-specific crop prices. For more information on how deferred futures prices, basis, and historical cash prices are used in projecting short and long-run prices, see MF-2226 *Prices for Crop Cost Return Budgets*. Table 4 outlines the input costs used for the crop cost-return budgets in this handbook.

**Table 1. Prices for Short-Run Planning**

| Crop or Feed*        |            |            | Livestock*             |              |         |
|----------------------|------------|------------|------------------------|--------------|---------|
| Crop or Feed         | Crop Price | Feed Price | Species                | Weight (lbs) | Price   |
| Wheat (bu)           | \$ a       | \$ 3.94    | Steer calf (fall)      | 450          | \$96.30 |
| Grain sorghum (bu)   | a          | 2.53       | Steer calf (fall)      | 550          | 88.75   |
| (cwt)                | a          | (4.52)     | Feeder Steer (spring)  | 650          | 85.55   |
| Corn (bu)            | a          | 2.90       | Feeder steer (spring)  | 750          | 81.40   |
| Soybeans (bu)        | a          | 6.30       | Feeder steer (spring)  | 850          | 78.50   |
| Sunflowers-oil (cwt) | 10.16      | _____      | Market steer (annual)  | 1,225        | 72.85   |
| Alfalfa hay (ton)    | 91.00      | 91.00      | Heifer calf (fall)     | 450          | 85.25   |
| Brome hay (ton)      | 76.00      | 76.00      | Heifer calf (fall)     | 550          | 81.30   |
| Prairie hay (ton)    | 70.00      | 70.00      | Feeder heifer (spring) | 650          | 79.12   |
| Cane hay (ton)       | 45.00      | 45.00      | Feeder heifer (spring) | 750          | 77.40   |
| Corn silage (ton)    | 23.25      | 23.25      | Market heifer (annual) | 1,175        | 72.85   |
| Sorghum silage (ton) | 20.35      | 20.35      | Cull Cow (annual)      | 1,050        | 46.25   |
| SBM (ton)            | _____      | 215.00     | Feeder pig (annual)    | 45           | 34.20   |
| Salt (cwt)           | _____      | 4.00       | Market hog (annual)    | 240          | 43.65   |
| Mineral (cwt)        | _____      | 22.00      | Cull sow (annual)      | 450          | 34.20   |
| SEW Base Mix (ton)   | _____      | 415.00     | Market lamb (annual)   | 120          | 84.00   |
| Sew Starter (ton)    | _____      | 635.00     | Feeder lamb (annual)   | 60           | 90.00   |
|                      |            |            | Cull ewe (annual)      | 100          | 28.00   |

*a See Table 3 for location-specific prices*

**Table 2. Prices for Long-run Planning**

| Item                   | Crop/Price   | Feed Price      |
|------------------------|--------------|-----------------|
| <b>Crop or Feed</b>    |              |                 |
| Wheat (bu)             | \$ a         | \$ 3.93         |
| Grain sorghum (bu)     | a            | 2.56            |
| Grain sorghum (cwt)    | a            | 4.56            |
| Corn (bu)              | a            | 2.90            |
| Soybeans (bu)          | a            | 6.28            |
| Sunflowers, oil (cwt)  | 10.53        |                 |
| Alfalfa hay (ton)      | 74.00        | 74.00           |
| Brome hay (ton)        | 58.00        | 58.00           |
| Prairie hay (ton)      | 52.00        | 52.00           |
| Cane hay (ton)         | 35.00        | 35.00           |
| Corn silage (ton)      | 22.70        | 22.70           |
| Sorghum silage (ton)   | 19.85        | 19.85           |
| SBM/ton                | _____        | 209.45          |
| Salt (cwt)             | _____        | 4.00            |
| Mineral                | _____        | 22.00           |
| <b>Beef</b>            |              |                 |
|                        | Weight (lbs) | Livestock Price |
| Steer calf (fall)      | 450          | \$85.68         |
| Steer calf (fall)      | 550          | 79.45           |
| Feeder steer (spring)  | 650          | 78.64           |
| Feeder steer (spring)  | 750          | 74.55           |
| Feeder steer (spring)  | 850          | 71.95           |
| Market steer (annual)  | 1,225        | 72.85           |
| Heifer calf (fall)     | 450          | 75.69           |
| Heifer calf (fall)     | 550          | 72.55           |
| Feeder heifer (spring) | 650          | 72.06           |
| Feeder heifer (spring) | 750          | 70.50           |
| Market heifer (annual) | 1,175        | 72.85           |
| Cull cow (annual)      | 1,050        | 45.15           |
| <b>Swine</b>           |              |                 |
| Feeder pig (annual)    | 45           | \$ 34.15        |
| Market hog (annual)    | 240          | 44.50           |
| Cull sow (annual)      | 450          | 34.20           |
| <b>Sheep</b>           |              |                 |
| Market lamb (annual)   | 120          | \$ 78.40        |
| Feeder lamb (annual)   | 60           | 81.55           |
| Cull ewe (annual)      | 100          | 25.55           |

*a See Table 3 for location-specific prices*

**Table 3. Location-Specific Crop Prices for Short-run and Long-run Planning  
by Kansas Farm Management Association Area**

|                       | 1998 Harvest Price Projections,<br>\$/bu. (Short-run) |        |        |          | 1998-2002 Avg Harvest Price Projections,<br>\$/bu (Long-run) |        |        |          |
|-----------------------|-------------------------------------------------------|--------|--------|----------|--------------------------------------------------------------|--------|--------|----------|
|                       | Wheat                                                 | Corn   | Milo   | Soybeans | Wheat                                                        | Corn   | Milo   | Soybeans |
| Northwest & Southwest |                                                       |        |        |          |                                                              |        |        |          |
| Scott City            | \$ 3.69                                               | \$2.62 | \$2.33 | \$5.78   | \$ 3.58                                                      | \$2.54 | \$2.25 | \$ 5.64  |
| North Central         |                                                       |        |        |          |                                                              |        |        |          |
| Salina                | 4.03                                                  |        | 2.48   |          | 3.92                                                         |        | 2.40   |          |
| Beloit                |                                                       | 2.46   |        | 5.85     |                                                              | 2.50   |        | 5.71     |
| South Central         |                                                       |        |        |          |                                                              |        |        |          |
| Hutchinson            | 3.91                                                  | 2.59   | 2.35   | 5.92     | 3.81                                                         | 2.51   | 2.28   | 5.78     |
| Northeast             |                                                       |        |        |          |                                                              |        |        |          |
| Topeka                | 4.00                                                  | 2.65   | 2.38   | 6.07     | 3.90                                                         | 2.58   | 2.30   | 5.93     |
| Southeast             |                                                       |        |        |          |                                                              |        |        |          |
| Emporia               | 3.87                                                  | 2.56   | 2.24   | 6.23     | 3.77                                                         | 2.48   | 2.17   | 6.09     |

**Table 4. Input Costs for Forward Planning (MF Series)\***

| <b>Seed Item</b>                                     | <b>Cost</b> | <b>Unit</b> |
|------------------------------------------------------|-------------|-------------|
| Wheat                                                | \$0.200     | lb          |
| Grain Sorghum                                        | 1.050       | lb          |
| Corn                                                 | 1.150       | 1,000 seeds |
| Soybeans                                             | 0.350       | lb          |
| Alfalfa                                              | 2.850       | lb          |
| Sunflowers-Confectionary                             | 1.050       | 1,000 seeds |
| Sunflowers-Oil                                       | 0.650       | 1,000 seeds |
| Popcorn                                              | 0.920       | 1,000 seeds |
| Dry Edible Beans                                     | 0.500       | lb          |
| <b>Input Item</b>                                    | <b>Cost</b> | <b>Unit</b> |
| N. (Anhydrous) - Actual Ingredient (based on 80-0-0) | \$0.170     | lb          |
| N. (Dry) - Actual Ingredient (based on 34-0-0)       | 0.310       | lb          |
| P. - Actual Ingredient (based on 0-45-0)             | 0.280       | lb          |
| K. - Actual Ingredient (based on 0-0-60)             | 0.130       | lb          |
| Lime                                                 | 0.005       | lb          |
| Labor                                                | \$10.800    | hour        |
| Interest (Operating)                                 | 10.000      | %           |

\*As of June 15, 1997.