

Crop Compare - 2008

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NDSU
Extension Service

Which crops to grow in 2008?

- Rotation
- Price and market outlook
- Marketing issues
- Machinery needs
- Profitability
- Return over variable costs

Input Costs and Availability

- Seed 10-200 percent increase
- Fertilizer 65 percent increase
- Fuel 25 percent increase
- Crop insurance increase 20 - 40 percent

Seed Price

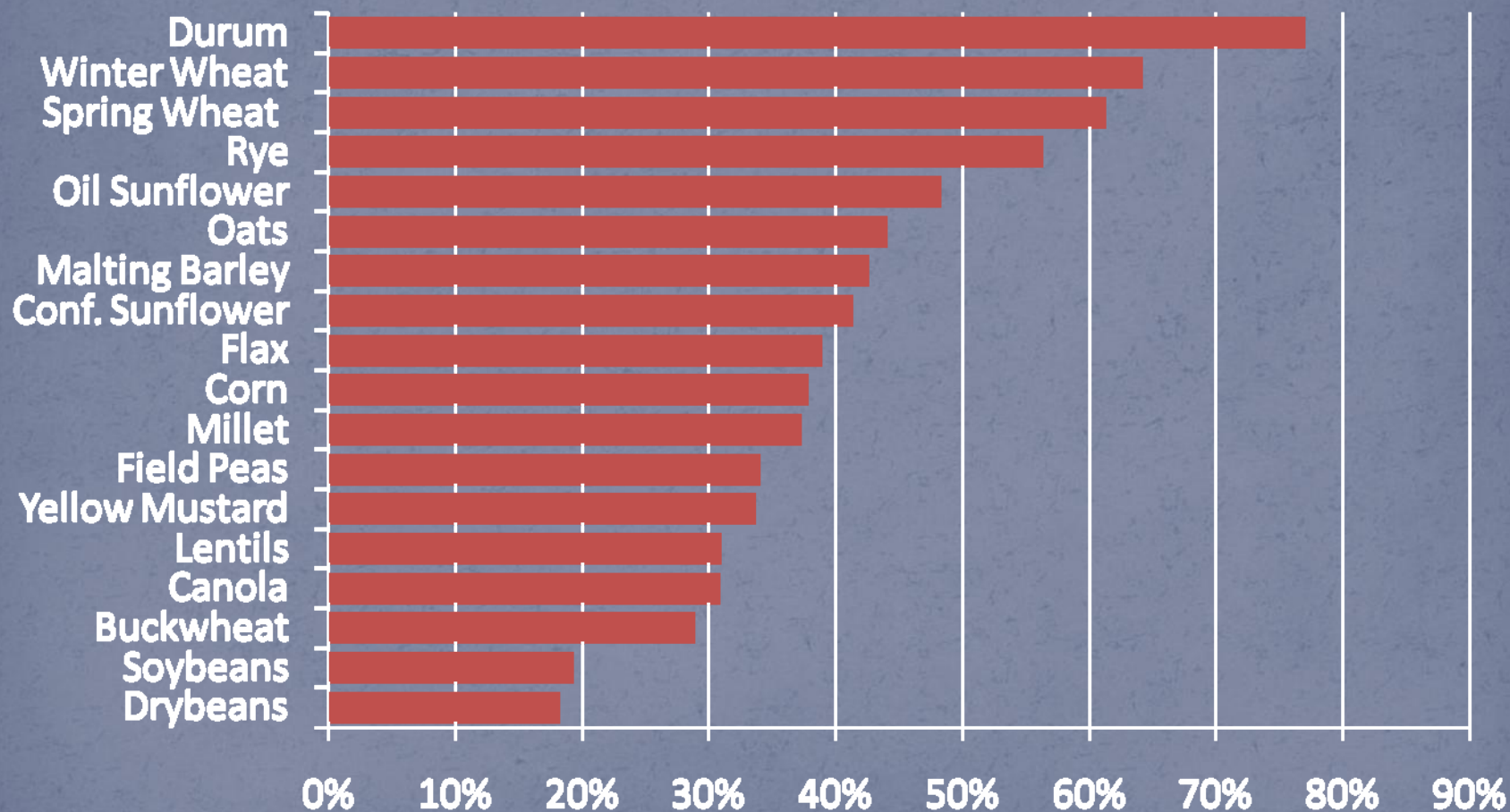
Wheat and Barley	↑ 50 to 200%
Corn	↑ about 15%
Soybean & Sunfl.	↑ 5 to 10%

RA Crop Insurance Base Prices

	2006	2007	2007 Increase	2008
Corn	2.59	4.06	57%	?
Soybean	5.93	8.09	36%	?
Wheat	4.22	5.23	24%	?
Canola	10.90	15.20	39%	?
Sunflower	10.90	14.80	36%	?

North Central Budgets

Change in Direct Costs 2007-2008

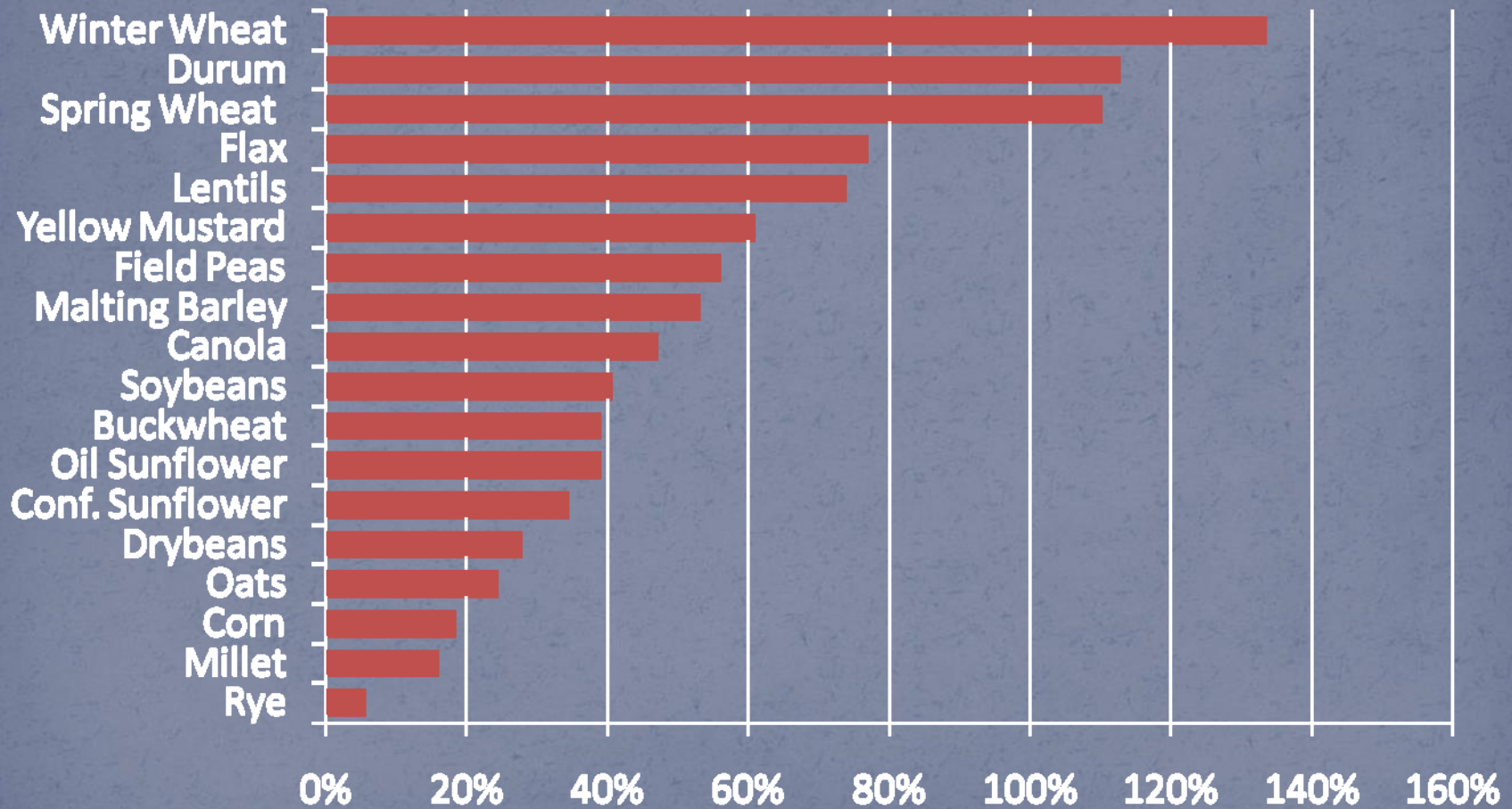


Direct Costs 2008

Spring Wheat	126.73
Durum	142.47
Malting Barley	107.09
Corn	184.27
Soybeans	94.44
Drybeans	145.04
Oil Sunflower	132.64
Conf. Sunflower	153.66
Canola	144.59
Flax	91.66
Field Peas	105.72
Oats	92.51
Lentils	108.57
Yellow Mustard	85.17
Buckwheat	71.47
Millet	54.31
Winter Wheat	137.42
Rye	98.02

North Central Budgets

Change in Price Projections 2007-2008



Price Projections 2008

Spring Wheat	\$9.00
Durum	\$10.00
Malting Barley	\$4.81
Corn	\$3.20
Soybeans	\$8.33
Drybeans	\$0.24
Oil Sunflower	\$0.20
Conf. Sunflower	\$0.26
Canola	\$0.20
Flax	\$10.35
Field Peas	\$6.18
Oats	\$2.24
Lentils	\$0.20
Yellow Mustard	\$0.26
Buckwheat	\$0.19
Millet	\$0.09
Winter Wheat	\$8.50
Rye	\$2.64

Harvest 2008 Futures – Feb 7

- Corn \$5.19
- Soybeans \$12.77
- Spring Wheat \$11.03
- Oats \$3.69

Objective

- The objective of “crop compare” is to calculate the cash price needed for other crops to yield the same return over variable costs as the base crop

User Input

- All yields
- All variable costs
- Futures price and basis for base crop

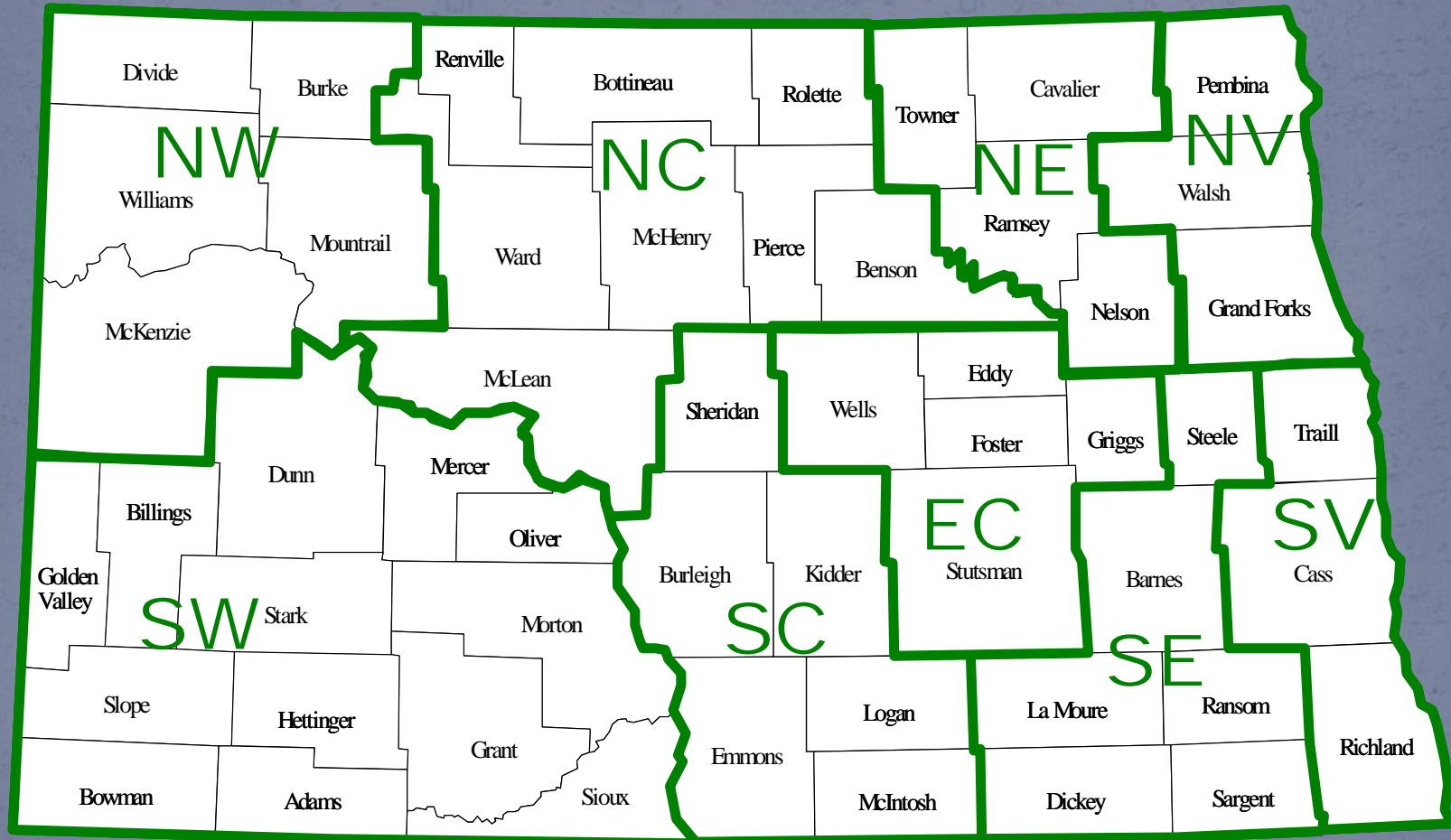
Shortcoming of Crop Compare

- Fixed costs are not included
 - Machinery ownership
 - Owner/operator labor
- Differences in management and risk are not included

Adjustments for fixed costs:

- Machinery
- Storage
- Labor
- Management
- risk

NDSU Crop Budget Regions



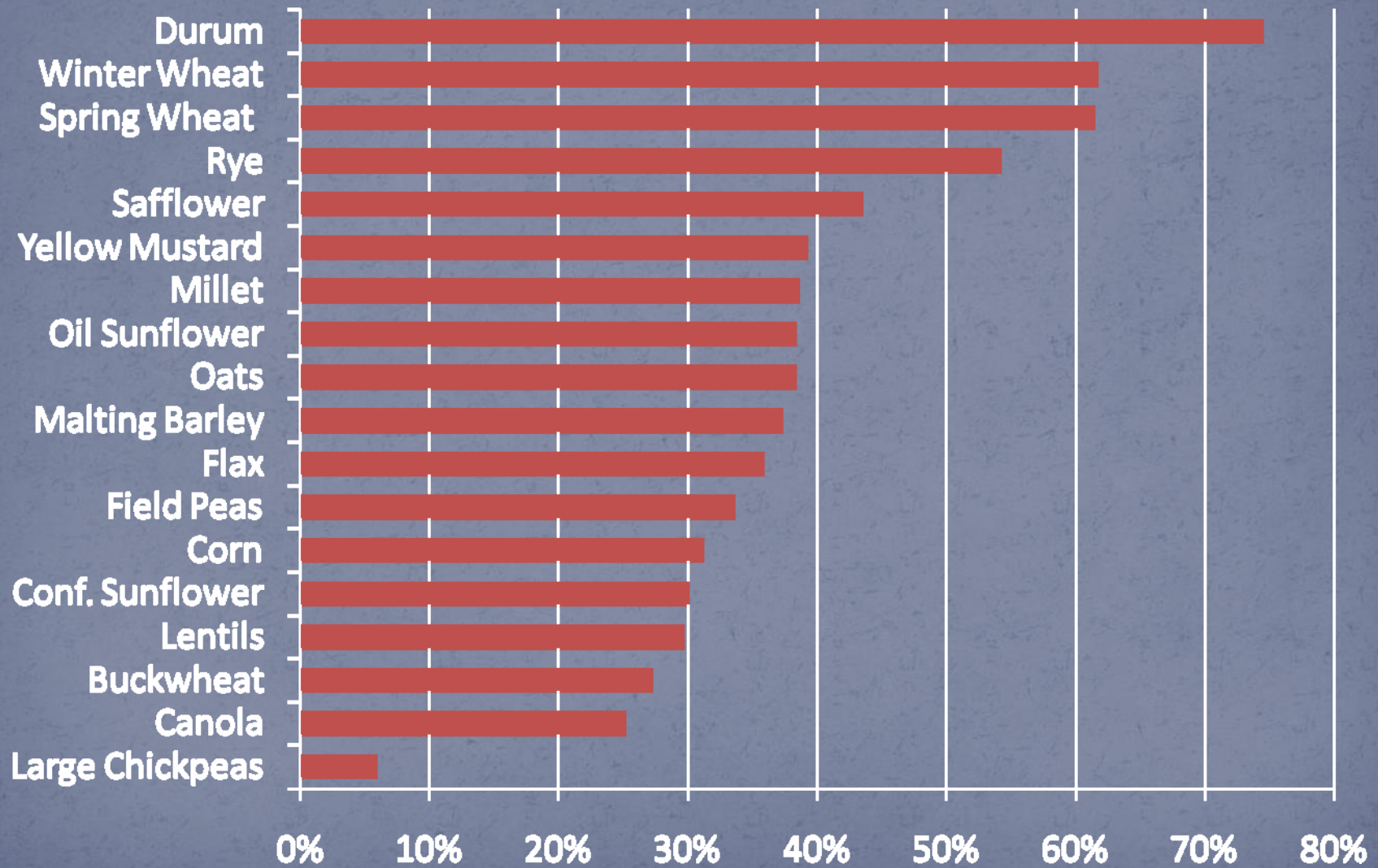


Crop Compare (an Excel spreadsheet)
available to download at:

[http://www.ag.ndsu.nodak.edu/aginfo/
farmmgmt/farmmgmt.htm](http://www.ag.ndsu.nodak.edu/aginfo/farmmgmt/farmmgmt.htm)

Southwest Budgets

Change in Direct Costs 2007-2008

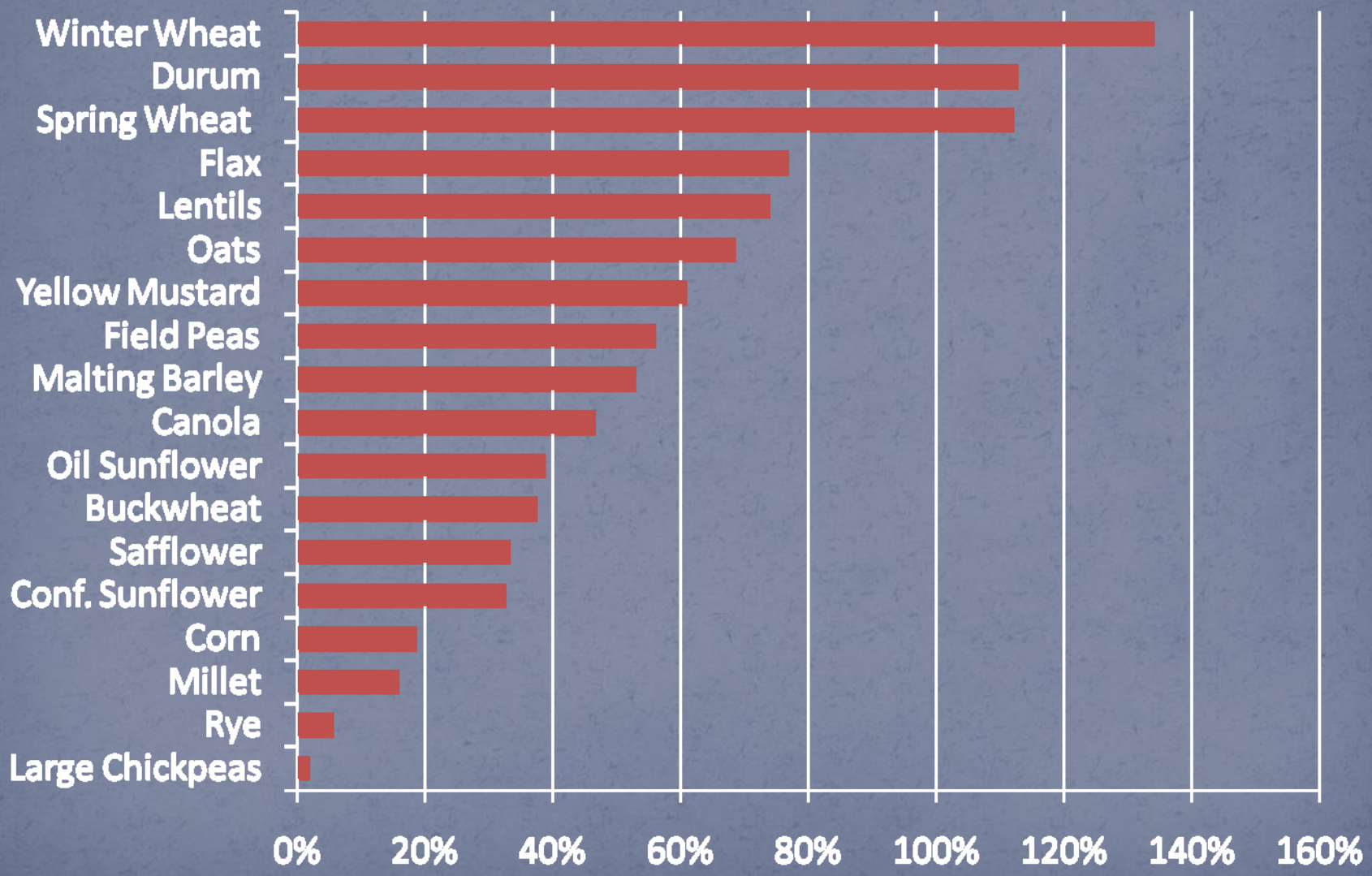


Direct Costs 2008



Southwest Budgets

Change in Price Projections 2007-2008



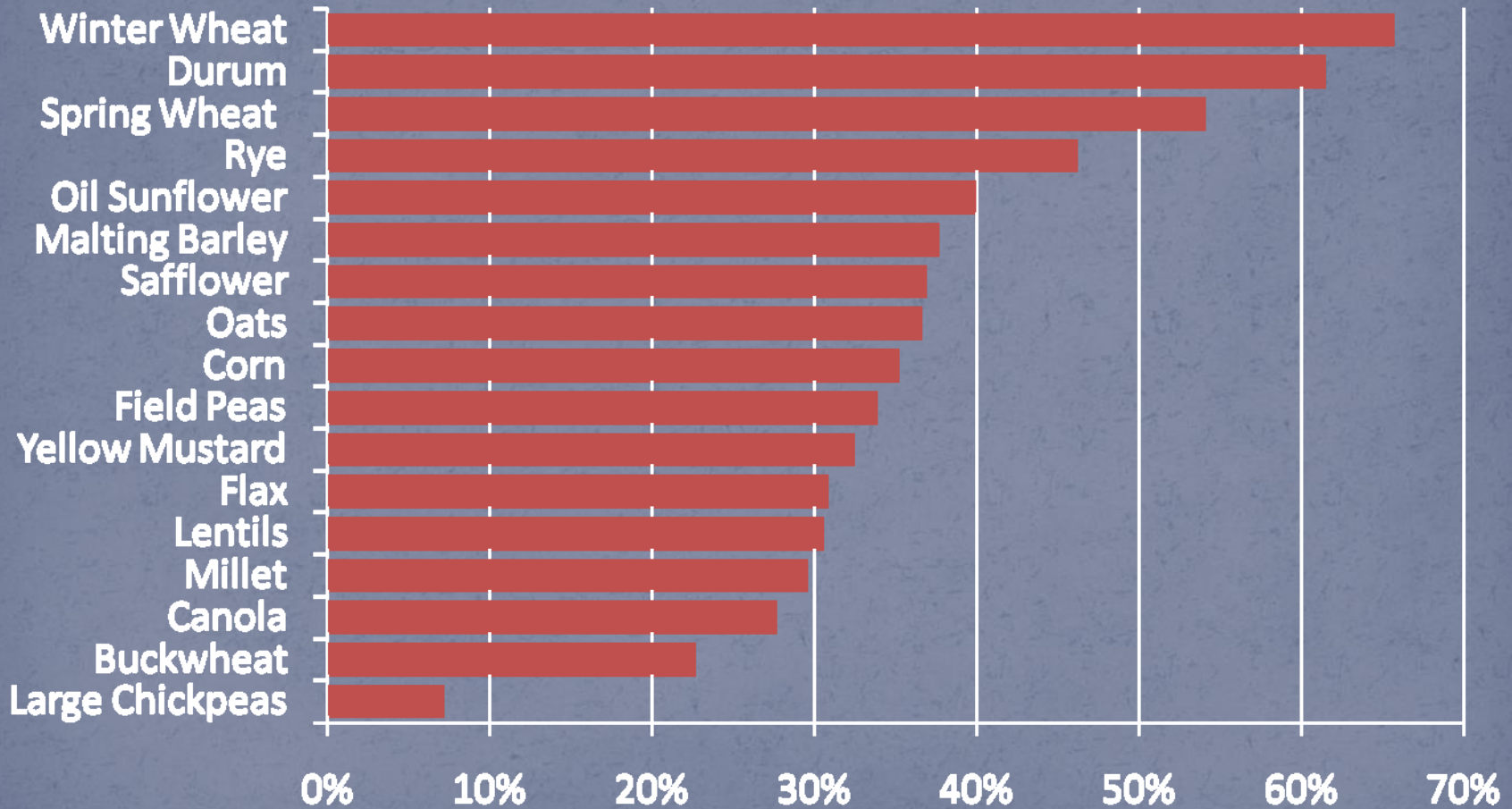
Price Projections 2008





North West Budgets

Change in Direct Costs 2007-2008

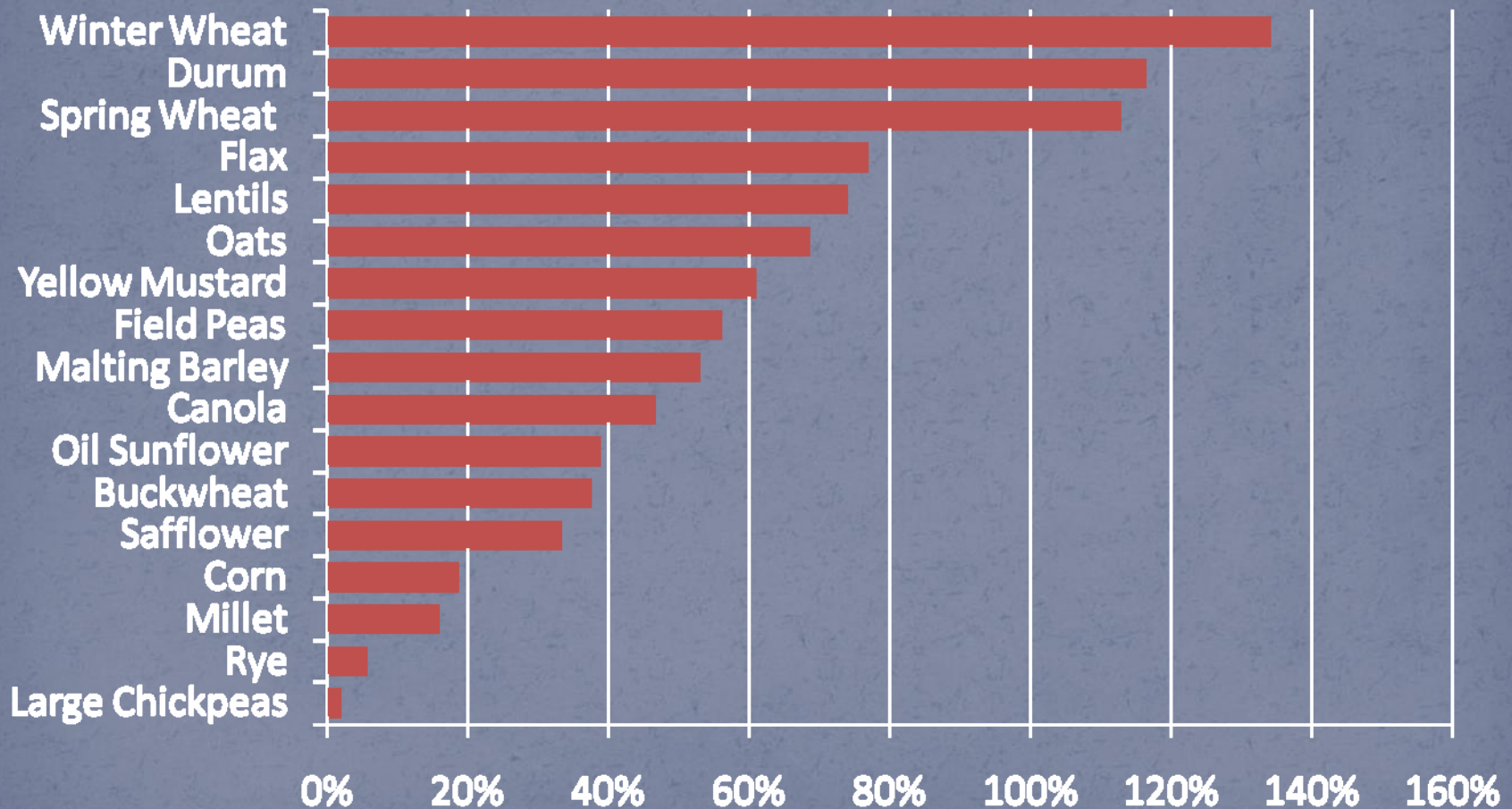


Direct Costs 2008

Large Chickpeas	212.19
Buckwheat	68.28
Canola	153.88
Millet	58.80
Lentils	102.13
Flax	93.01
Yellow Mustard	81.18
Field Peas	104.63
Corn	140.74
Oats	97.94
Safflower	92.01
Malting Barley	104.29
Oil Sunflower	140.04
Rye	93.87
Spring Wheat	119.34
Durum	131.26
Winter Wheat	118.42

North West Budgets

Change in Price Projections 2007-2008



Price Projections 2008

Large Chickpeas	\$0.27
Rye	\$2.58
Millet	\$0.09
Corn	\$3.44
Safflower	\$0.20
Buckwheat	\$0.20
Oil Sunflower	\$0.19
Canola	\$0.20
Malting Barley	\$5.05
Field Peas	\$6.18
Yellow Mustard	\$0.26
Oats	\$3.00
Lentils	\$0.20
Flax	\$10.14
Spring Wheat	\$9.00
Durum	\$10.00
Winter Wheat	\$8.50

