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2005 FARM INCOME HIGHLIGHTS

CASH RECEIPTS

Cash receipts received by Kentucky farmers for the sale of farm commodities totaled \$3.97 billion for the year 2005. This was down 4 percent (\$153.9 million) from the revised 2004 value of \$4.13 billion. Livestock and livestock product sales generated \$2.70 billion, down 1 percent from the 2004 level. Crop cash receipts totaled \$1.27 billion, down 8 percent.

Sales of horses and stud fees were the leading source of cash receipts for Kentucky farmers during 2005 with \$1.01 billion (25 percent of the State's total receipts). Receipts were up \$60.0 million from the 2004 level. All poultry (broilers, eggs and other poultry) continued second with \$813.8 million, down less than 1 percent from the previous year. Broiler receipts made up \$704.3 million of the poultry total. Cattle and calves' were third with \$561.3 million, down 10 percent from 2004. Tobacco (the largest crop) was fourth with \$342.5 million, down 19 percent from 2004. The large tobacco decrease was due to farmers

quitting tobacco production after the 2004 buyout and lower prices.

Livestock products made up 68 percent of the total cash receipts for 2005. Sales of horses and stud fees made up 37 percent of livestock and livestock product receipts during 2005. All poultry made up 30 percent and cattle and calves made up 21 percent. Sheep and lambs and wool experienced the largest increase in livestock receipts from 2004 with 28 percent for sheep and lambs and 43 percent for wool.

Crop cash receipts made up 32 percent of Kentucky's total cash receipts. Tobacco sales accounted for 27 percent of crop cash receipts. This was followed by corn (\$336.1 million) with 26 percent and soybeans (\$319.9 million) with 25 percent. Floriculture and barley receipts saw the largest increase from the previous year, both up 9 percent.

PRICES RECEIVED BY KENTUCKY FARMERS

Livestock average prices were above 2004. Crop prices were below 2004 for all major crops except wheat and hay.

Cattle and calf prices were up during 2005. Steers and heifers weighing 500 pounds and over averaged \$104.00 per hundred pounds, up \$8.90 from 2004. Beef cows averaged \$49.90 per hundred pounds in 2005, up 20 cents from 2004's price of \$49.70 per hundred pounds. Calves under 500 pounds averaged \$123.00 per hundred pounds during 2005, up \$11.00 from 2004. All three set record high prices.

Hog prices increased from 2004's average price. Barrows and gilts averaged \$49.30 per hundred pounds during 2005, up 90 cents from 2004. Sows averaged \$41.70 per hundred pounds, up \$1.40 from the previous year. All hogs averaged \$49.10 per hundred pounds, up \$1.00 from 2004's price of \$48.10 per hundred pounds.

The all milk price for 2005 averaged \$16.20 per hundred pounds, down 80 cents from 2004's price of \$17.00. Milk cow price at \$1,700.00 per head, was up \$160.00 per head from 2004.

The 2005 average price for broilers was 43.0 cents per pound, compared with 44.0 cents per pound in 2004. Egg price at 70.9 cents per dozen, was down 14.9 cents from the previous year.

The average price for corn in 2005 was \$2.05 per bushel, compared with \$2.24 in 2004. Soybeans averaged \$5.55 per bushel, down 32 cents from the previous year. The marketing year for corn and soybeans is September through August. Wheat prices averaged \$3.20 per bushel, up from 2004's price of \$2.96. The marketing year for wheat is July through June.

Burley tobacco averaged \$1.560 per pound during 2005, compared with \$2.000 in 2004. Dark tobacco prices were below 2004.

The all hay price averaged \$81.00 per ton during 2005. Alfalfa hay averaged \$118.00 per ton, up \$15.00 per ton from the 2004 average. All other hay averaged \$68.50 per ton, up \$9.50 per ton from the previous year.