

SOYBEAN PRODUCTION COSTS AND RETURNS 2003 - 2004 ^{1/} ^{2/}

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	2003	2004	2003	2004	2003	2004
Dollars Per Planted Acre						
Gross value of production						
Primary product: Soybeans	233.47	253.46	237.11	272.08	253.84	213.38
Total, gross value of production	\$233.47	\$253.46	\$237.11	\$272.08	\$253.84	\$213.38
Operating costs:						
Seed	27.42	29.71	27.78	29.56	25.03	28.79
Fertilizer	7.39	8.09	6.87	7.59	13.49	14.92
Soil conditioners	0.12	0.13	0.09	0.10	0.35	0.42
Manure	0.46	0.48	0.48	0.51	0.18	0.20
Chemicals	16.92	16.07	17.40	16.61	15.79	14.42
Custom operations	6.32	6.38	5.48	5.53	6.31	6.40
Fuel, lube, and electricity	8.73	9.44	7.16	7.72	7.13	7.66
Repairs	9.77	10.70	8.73	9.64	7.86	8.48
Purchased irrigation water	0.12	0.13	0.00	0.00	0.00	0.00
Interest on operating capital	0.41	0.64	1.39	0.61	0.44	0.64
Total, operating costs	\$77.66	\$81.77	\$75.38	\$77.87	\$76.58	\$81.93
Allocated overhead:						
Hired labor	1.90	2.04	1.24	1.27	1.95	2.22
Opportunity cost of unpaid labor	16.11	16.12	15.09	15.14	16.93	16.85
Capital recovery of machinery and equipment	43.43	47.49	40.68	44.92	38.54	41.54
Opportunity cost of land (rental rate)	81.93	83.88	95.93	98.97	55.11	58.18
Taxes and insurance	5.80	5.85	5.89	5.95	3.85	3.87
General farm overhead	11.66	11.86	12.10	12.35	7.54	7.69
Total, allocated overhead	\$160.83	\$167.24	\$170.93	\$178.60	\$123.92	\$130.35
Total, costs listed	\$238.49	\$249.01	\$246.31	\$256.47	\$200.50	\$212.28
Value of production less total costs listed	-5.02	4.45	-9.20	15.61	53.34	1.10
Value of production less operating costs	155.81	171.69	161.73	194.21	177.26	131.45
Supporting information:						
Yield (bushels per planted acre)	36	45	36	49	37	38
Price (dollars per bushel at harvest)	6.56	5.60	6.57	5.58	6.82	5.63
Enterprise size (planted acres) ^{1/}	268	268	280	280	171	171
Production practices: ^{1/}						
Irrigated (percent)	9	9	5	5	8	8
Dryland (percent)	91	91	95	95	92	92

Economic Research Service is publishing regional estimates using resource regions conforming with the standards recommended by the American Agricultural Economics Association (AAFA) Task Force on Commodity Costs and Returns. **Western Kentucky is in the Heartland region, while eastern Kentucky is in the Eastern Uplands.** ^{1/}Developed from survey base year, 2002. ^{2/}Excludes government payments.