

SOYBEAN PRODUCTION COSTS AND RETURNS 2007 - 2008 ^{1/ 2/}

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	2007	2008	2007	2008	2007	2008
Dollars Per Planted Acre						
Gross value of production						
Primary product: Soybeans	358.74	446.45	400.76	502.58	218.32	389.55
Total, gross value of production	\$358.74	\$446.45	\$400.76	\$502.58	\$218.32	\$389.55
Operating costs:						
Seed	39.77	44.35	38.54	42.98	37.86	42.21
Fertilizer ^{3/}	15.31	25.12	14.21	23.42	23.56	38.84
Chemicals	15.00	15.73	14.61	15.29	11.67	12.21
Custom operations	6.51	6.56	5.54	5.54	7.60	7.60
Fuel, lube, and electricity	15.23	20.20	12.14	15.82	12.88	16.78
Repairs	12.36	12.91	10.88	11.25	10.79	11.15
Purchased irrigation water	0.11	0.12	0.00	0.00	0.00	0.00
Interest on operating capital	2.34	2.80	2.15	2.56	2.34	2.88
Total, operating costs	\$106.63	\$127.79	\$98.07	\$116.86	\$106.70	\$131.67
Allocated overhead:						
Hired labor	1.93	2.07	1.19	1.23	2.79	2.89
Opportunity cost of unpaid labor	16.16	16.77	14.83	15.34	17.21	17.80
Capital recovery of machinery and equipment	64.59	70.98	61.37	67.16	57.48	62.90
Opportunity cost of land (rental rate)	88.58	94.58	102.77	110.67	57.41	61.83
Taxes and insurance	8.71	9.64	8.57	9.51	6.65	7.38
General farm overhead	13.89	14.29	13.87	14.34	13.50	13.96
Total, allocated overhead	\$193.86	\$208.35	\$202.60	\$218.25	\$155.04	\$166.76
Total, costs listed	\$300.49	\$336.13	\$300.67	\$335.11	\$261.74	\$298.43
Value of production less total costs listed	58.26	110.32	100.09	167.47	-43.42	91.12
Value of production less operating costs	252.12	318.66	302.69	385.72	111.62	257.88
Supporting information:						
Yield (bushels per planted acre)	45	43	49	46	26	36
Price (dollars per bushel at harvest)	7.95	10.48	8.22	11.04	8.32	10.79
Enterprise size (planted acres) ^{1/}	303	303	299	299	321	321
Production practices: ^{1/}						
Irrigated (percent)	9	9	4	4	6	6
Dryland (percent)	91	91	96	96	94	94

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, 2006. ^{2/}Excludes government payments. ^{3/}Cost of commercial fertilizer, soil conditioners, and manure.