

SOUTH DAKOTA 2008 INCOME AND 2009 PRICES SUMMARY

INCOME

Cash receipts from farm marketings and government payments in 2008 were up 34 percent from 2007. Sales from all crops totaled \$5.366 billion, or 63 percent of the total. Income from crops was up 62 percent from 2007. Sales from all livestock and their related products accounted for \$2.681 billion, or 32 percent, of the total 2008 receipts. Income from livestock was down less than 1 percent from 2007. Government payments totaled \$401 million in 2008, up 26 percent from 2007, and are 5 percent of total receipts.

The largest income sources for 2008 were corn, cattle, soybeans, and wheat. Corn, up nearly 94 percent from 2007, accounted for 27 percent of the total. Cattle, down nearly 5 percent from 2007, accounted for 21 percent of the total. Income from soybeans increased 37 percent from 2007 and accounted for 17 percent of the total. Wheat receipts rose 71 percent and accounted for 15 percent of the total.

The 2008 net farm income totaled \$3.058 billion, up 66 percent from 2007.

PRICES

Preliminary 2009 marketing year average (MYA) crop prices were down from 2008 for major South Dakota

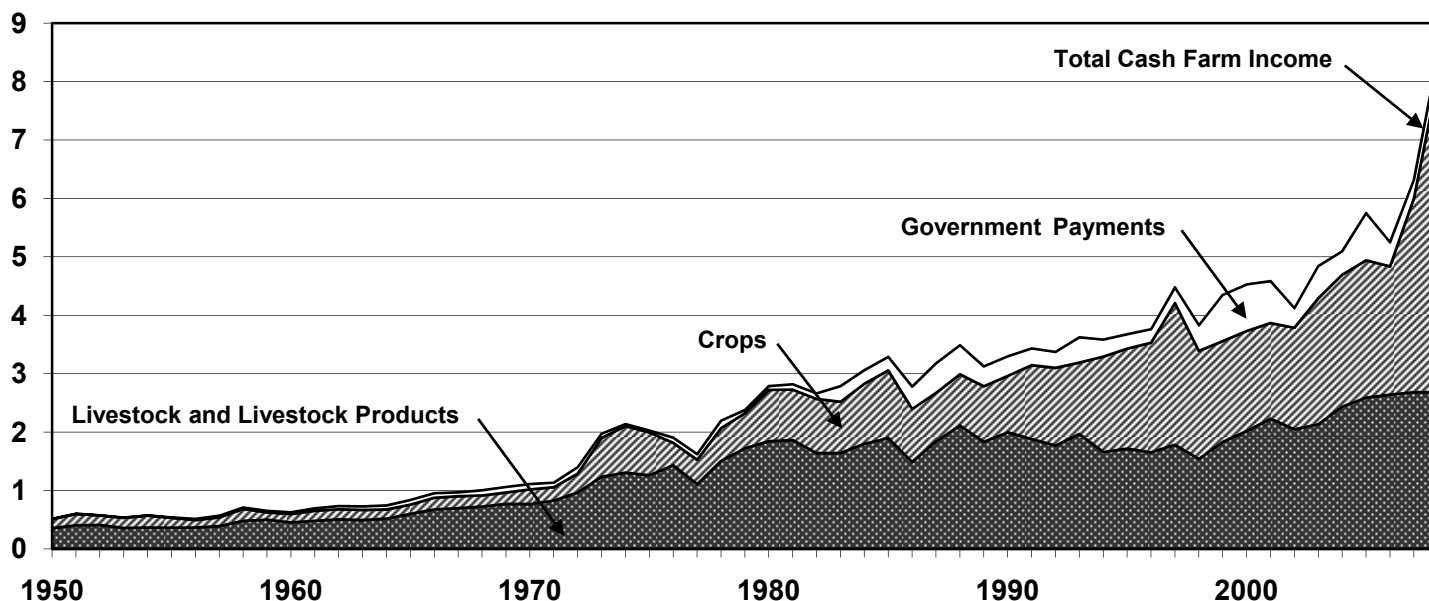
crops. All corn MYA price was down 10 percent to \$3.40, 38 cents below 2008. Soybean prices, with a MYA of \$9.05, were down 6 percent from the previous year. The all wheat MYA price was down 26 percent from 2008 to \$5.10, a decrease of \$1.82 per bushel. The all hay MYA price was down 16 percent to \$78.00 per ton. The all sunflower MYA price was down 35 percent from last year, to \$12.80 per cwt. Sorghum decreased 13 percent to \$4.90 per cwt.

Marketing year average prices are computed by weighting monthly prices by the estimated monthly sales. Page 23 shows the crop marketing monthly percents for the major crops.

Annual 2009 livestock prices were mostly down from 2008. The beef cattle price decreased \$3.90 per cwt., to \$87.40. Steers and heifers price decreased \$8.50, to \$90.40, and cows were down \$5.50, to \$47.40. Calves remained unchanged at \$111.00 per cwt. The all hog price of \$41.70 decreased \$5.10 from 2008. Barrows and gilts decreased 13 percent, to \$42.80, while sows increased 17 percent, to \$33.30. At \$104.00, the lamb price was down \$1.00, while the sheep price, at \$28.30, was up 43 percent from 2008.

CASH RECEIPTS, SOUTH DAKOTA, 1950-2008

BIL. DOL.



**CASH RECEIPTS FROM FARM MARKETINGS AND GOVERNMENT PAYMENTS,
SOUTH DAKOTA, 2006-2008**

COMMODITY	CASH RECEIPTS			PERCENT TOTAL 1/		
	2006	2007	2008	2006	2007	2008
	----- 1,000 DOLLARS -----			----- PERCENT-----		
CROPS:						
WHEAT	417,748	700,828	1,196,712	8.0	11.1	14.2
CORN	731,365	1,130,468	2,188,994	13.9	17.9	25.9
SORGHUM	8,180	17,123	30,228	0.2	0.3	0.4
OATS	6,580	6,112	9,798	0.1	0.1	0.1
BARLEY	2,279	3,546	7,762	2/	0.1	0.1
FLAXSEED	1,608	959	1,377	2/	2/	2/
SOYBEANS	688,279	1,018,243	1,399,039	13.1	16.1	16.6
HAY	100,739	146,978	208,407	1.9	2.3	2.5
SUNFLOWER	71,647	116,172	170,311	1.4	1.8	2.0
MISCELLANEOUS CROPS	167,698	177,722	153,499	3.2	2.8	1.8
TOTAL CROPS	2,196,123	3,318,151	5,366,127	41.9	52.5	63.5
LIVESTOCK AND PRODUCTS:						
CATTLE AND CALVES	1,864,978	1,792,437	1,699,376	35.5	28.4	20.1
HOGS	406,994	359,194	393,124	7.8	5.7	4.7
SHEEP AND LAMBS	29,132	30,642	26,898	0.6	0.5	0.3
TURKEYS	55,352	74,175	89,023	1.1	1.2	1.1
EGGS	26,312	51,420	55,752	0.5	0.8	0.7
OTHER POULTRY	12,362	14,337	14,982	0.2	0.2	0.2
DAIRY PRODUCTS	196,107	311,903	341,508	3.7	4.9	4.0
HONEY	10,046	13,525	28,643	0.2	0.2	0.3
WOOL	1,521	1,930	1,987	2/	2/	2/
MISCELLANEOUS LIVESTOCK	35,737	33,501	30,155	0.7	0.5	0.4
TOTAL LIVESTOCK AND PRODUCTS	2,638,541	2,683,064	2,681,448	50.3	42.5	31.7
TOTAL CROPS AND LIVESTOCK	4,834,664	6,001,215	8,047,575	92.2	95.0	95.3
GOVERNMENT PAYMENTS	411,708	317,077	400,726	7.8	5.0	4.7
GRAND TOTAL	5,246,372	6,318,292	8,448,301	100.0	100.0	100.0

1/ PERCENTAGES MAY NOT ADD DUE TO ROUNDING. 2/ ROUNDS TO LESS THAN ONE TENTH OF ONE PERCENT.
NA = NOT AVAILABLE.

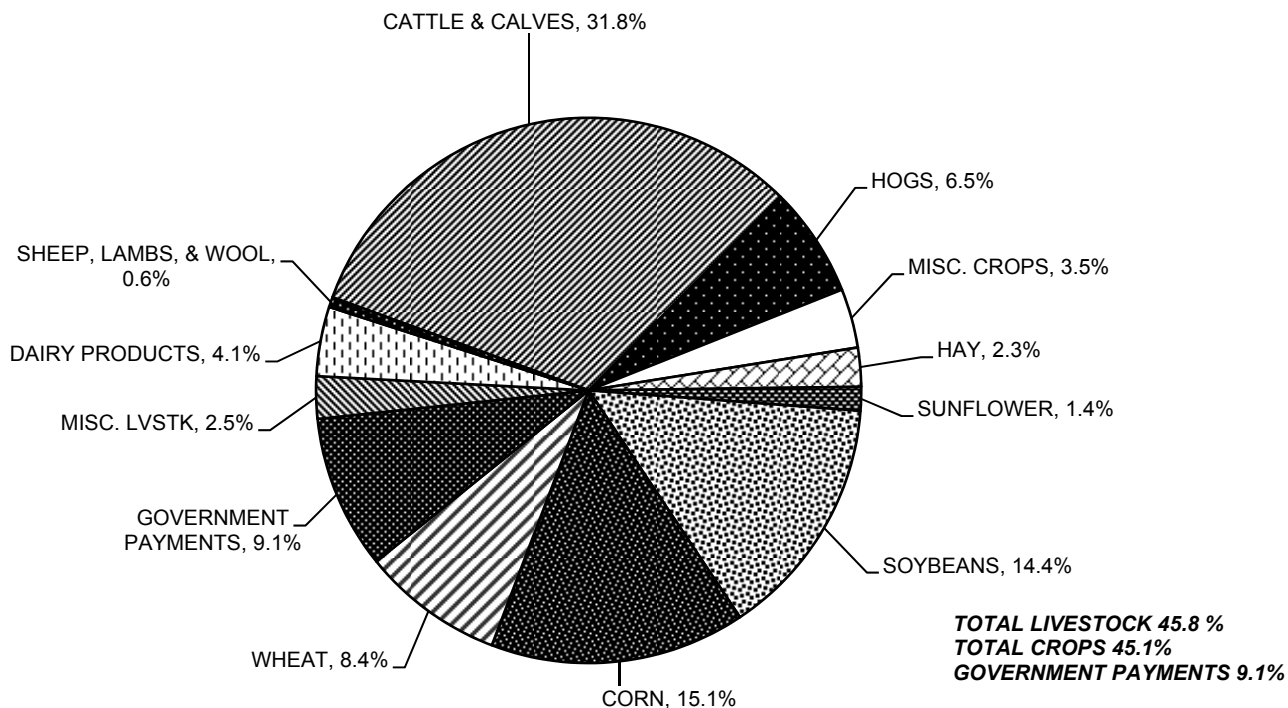
**CASH RECEIPTS,
STATE RANKING, 2008**

ITEM	UNIT	1	2	3	4	5	6	7	8	9	10	S.D. RANK
CROPS	MIL. DOL.	CA 25,554	IA 14,885	IL 14,232	MN 9,752	NE 8,996	TX 8,142	IN 7,105	KS 6,755	ND 6,717	FL 6,593	12 5,366
LIVESTOCK & LIVESTOCK PRODUCTS	MIL. DOL.	TX 11,031	CA 10,632	IA 9,868	NE 8,320	KS 7,213	NC 6,461	WI 6,311	MN 6,087	GA 4,658	AR 4,350	22 2,681
GOVERNMENT PAYMENTS	MIL. DOL.	TX 1,181	IA 804	KS 648	IL 636	MN 544	MO 538	NC 519	NE 519	ND 511	CA 434	11 401
TOTAL	MIL. DOL.	CA 36,621	IA 25,556	TX 20,353	NE 17,834	IL 16,993	MN 16,382	KS 14,615	IN 10,284	NC 10,271	WI 10,116	13 8,448

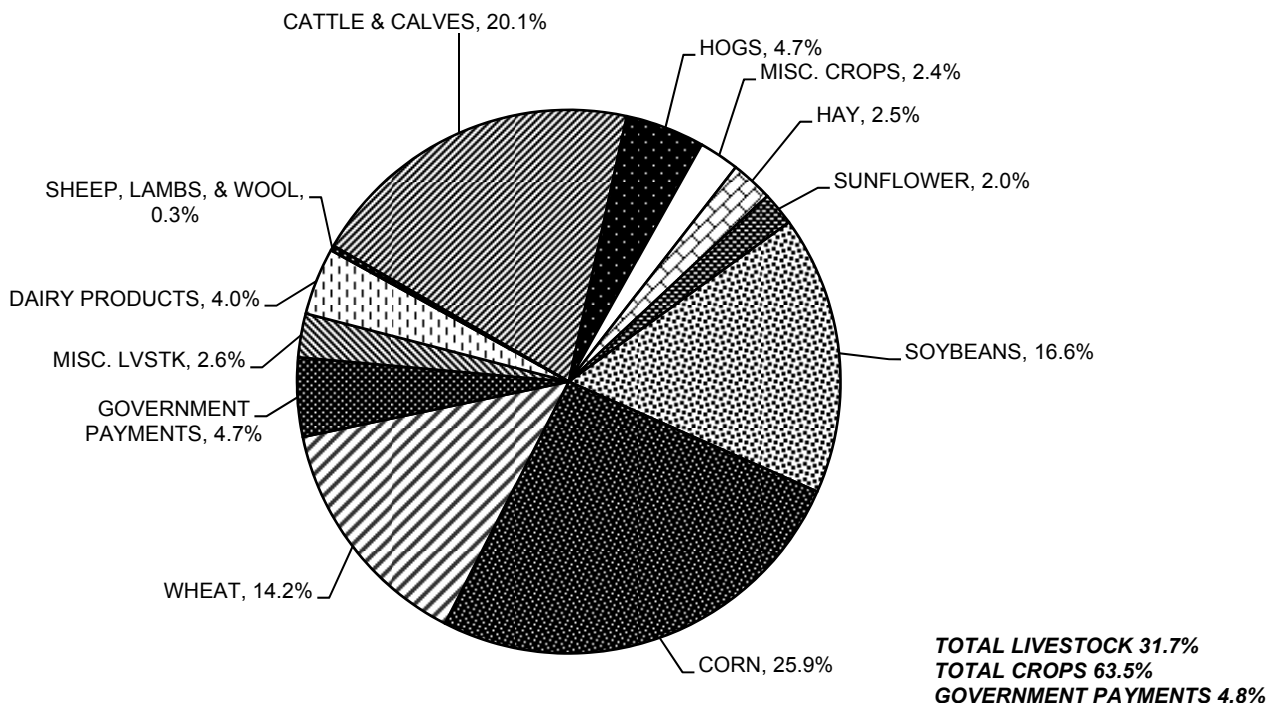
SOURCE: ECONOMIC RESEARCH SERVICE, USDA.

CASH RECEIPTS, SOUTH DAKOTA PERCENT OF TOTAL

2003-2007 AVERAGE



2008



**CASH RECEIPTS FROM FARM MARKETINGS,
SOUTH DAKOTA, 2009 1/**

MONTH	CROPS		LIVESTOCK		TOTAL	
	1,000 DOLLARS	PERCENT	1,000 DOLLARS	PERCENT	1,000 DOLLARS	PERCENT
JANUARY	434,729	9.4	219,922	9.7	654,651	9.5
FEBRUARY	293,207	6.4	174,110	7.7	467,318	6.8
MARCH	367,930	8.0	182,943	8.1	550,873	8.0
APRIL	333,898	7.2	190,539	8.4	524,437	7.6
MAY	348,431	7.6	179,318	7.9	527,749	7.7
JUNE	374,854	8.1	203,603	9.0	578,457	8.4
JULY	337,899	7.3	149,398	6.6	487,297	7.1
AUGUST	339,407	7.4	182,338	8.1	521,745	7.6
SEPTEMBER	233,557	5.1	164,257	7.3	397,813	5.8
OCTOBER	614,163	13.3	186,613	8.2	800,776	11.6
NOVEMBER	491,934	10.7	219,038	9.7	710,971	10.3
DECEMBER	442,505	9.6	211,028	9.3	653,534	9.5
TOTAL	4,612,514	100.0	2,263,107	100.0	6,875,621	100.0

1/ PERCENTS MAY NOT ADD DUE TO ROUNDING. PRELIMINARY ESTIMATES, ECONOMIC RESEARCH SERVICE, USDA.

**FARM PRODUCTION EXPENSES,
SOUTH DAKOTA, 2006-2008**

ITEM	2006	2007	2008
	----- MILLION DOLLARS -----		
FEED	385.1	518.8	497.4
LIVESTOCK	424.9	447.5	380.4
SEED	342.1	420.0	565.9
FERTILIZER & LIME	382.2	573.1	777.5
PESTICIDES	210.0	295.5	388.5
FUEL & OIL	269.1	344.4	423.5
ELECTRICITY	69.4	77.1	72.1
REPAIR & MAINTENANCE	263.2	306.0	333.4
MACHINE HIRE & CUSTOM WORK	84.9	129.7	112.4
MARKETING, STORAGE & TRANSPORTATION	111.4	164.5	146.2
OTHER MISCELLANEOUS	560.1	739.1	897.1
INTEREST	326.9	345.9	326.9
LABOR EXPENSES	164.0	246.5	287.5
NET RENT TO NON-OPERATOR LANDLORDS	304.0	369.3	459.6
CAPITAL CONSUMPTION	541.9	561.7	602.9
PROPERTY TAXES	241.1	238.2	273.1
TOTAL PRODUCTION EXPENSES	4,623.8	5,577.9	6,190.0

**NET FARM INCOME: VALUE ADDED TO AGRICULTURAL SECTOR,
SOUTH DAKOTA, 2004-2008**

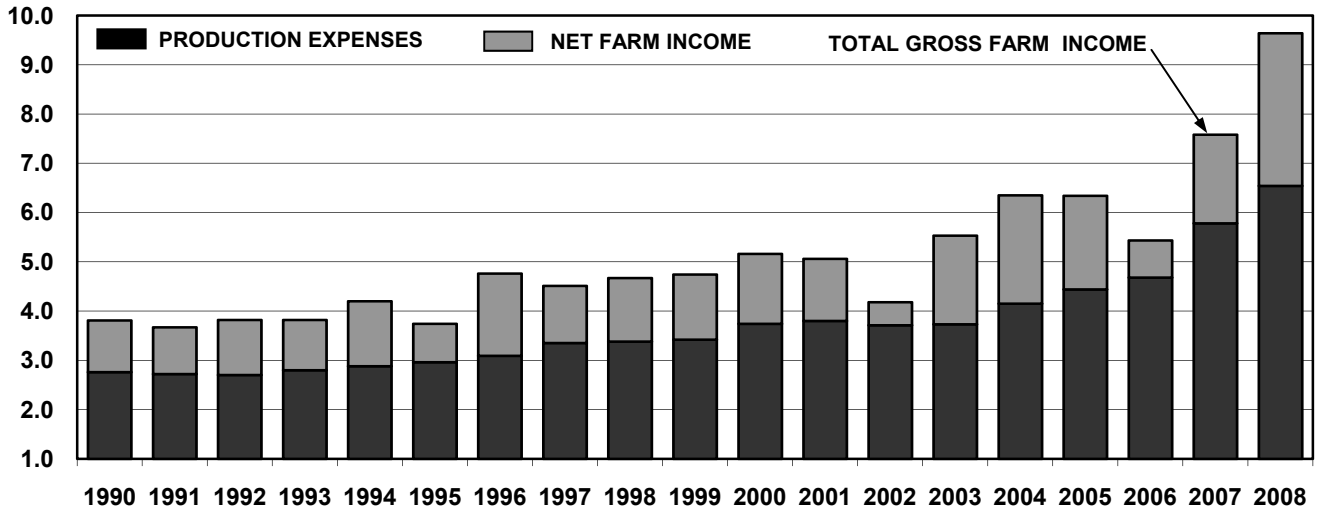
ITEM 1/	2004	2005	2006	2007	2008
	----- 1,000 DOLLARS -----				
VALUE OF CROP PRODUCTION	2,782,213	2,292,496	1,710,874	3,930,620	5,633,724
FOOD GRAINS	384,429	464,827	418,568	701,570	1,197,799
FEED CROPS	1,045,782	869,461	860,141	1,318,919	2,460,712
OIL CROPS	680,694	865,166	762,297	1,136,403	1,572,206
FRUITS AND TREE NUTS	1,245	1,550	1,840	2,130	2,400
VEGETABLES	12,029	13,624	15,127	14,384	13,075
ALL OTHER CROPS	133,700	135,820	138,150	144,745	119,935
HOME CONSUMPTION	3,216	1,758	2,083	551	662
VALUE OF INVENTORY ADJUSTMENT 2/	521,118	-59,710	-487,332	611,918	266,935
VALUE OF LIVESTOCK PRODUCTION	2,495,066	2,668,434	2,567,372	2,698,606	2,668,041
MEAT ANIMALS	2,050,833	2,238,584	2,301,104	2,182,273	2,119,398
DAIRY PRODUCTS	220,440	218,484	196,107	311,903	341,508
POULTRY AND EGGS	101,781	81,341	94,026	139,932	159,757
MISCELLANEOUS LIVESTOCK	61,475	50,799	47,304	48,956	60,785
HOME CONSUMPTION	6,058	6,815	6,882	4,322	5,196
VALUE OF INVENTORY ADJUSTMENT 2/	54,479	72,411	-78,051	11,220	-18,603
REVENUES FROM SERVICES AND FORESTRY	674,797	590,513	743,164	671,231	900,178
MACHINE HIRE AND CUSTOMWORK	91,638	77,527	44,605	50,718	85,897
FOREST PRODUCTS SOLD	425	345	270	190	190
OTHER FARM INCOME	368,651	270,288	432,077	344,237	484,436
GROSS IMPUTED RENTAL VALUE OF FARM DWELLINGS	214,083	242,353	266,212	276,086	329,655
VALUE OF AGRICULTURAL SECTOR PRODUCTION	5,952,076	5,551,443	5,021,409	7,300,457	9,201,943
PURCHASED INPUTS	2,767,766	2,900,344	3,092,154	4,002,901	4,582,231
FARM ORIGIN	987,739	1,034,485	1,152,147	1,386,309	1,443,679
FEED PURCHASED	337,889	288,552	385,145	518,816	497,410
LIVESTOCK AND POULTRY PURCHASED	353,609	419,921	424,865	447,521	380,412
SEED PURCHASED	296,241	326,012	342,137	419,972	565,857
MANUFACTURED INPUTS	830,056	927,368	930,657	1,290,120	1,661,547
FERTILIZERS AND LIME	315,786	362,217	382,166	573,095	777,464
PESTICIDES	241,804	230,853	209,980	295,509	388,478
PETROLEUM FUEL AND OILS	214,671	268,622	269,103	344,397	423,529
ELECTRICITY	57,795	65,676	69,408	77,119	72,076
OTHER PURCHASED INPUTS	949,971	938,491	1,009,350	1,326,472	1,477,005
REPAIR AND MAINTENANCE OF CAPITAL ITEMS	269,616	236,711	263,175	305,955	333,351
MACHINE HIRE AND CUSTOMWORK	96,550	81,491	84,947	129,715	112,374
MARKETING, STORAGE, AND TRANSPORTATION EXPENSES	84,866	90,532	111,416	164,456	146,199
CONTRACT LABOR	9,863	13,542	13,107	28,489	17,534
MISCELLANEOUS EXPENSES	489,076	516,215	536,705	697,857	867,547
NET GOVERNMENT TRANSACTIONS	171,452	571,214	160,358	66,119	115,611
DIRECT GOVERNMENT PAYMENTS	400,630	808,706	411,708	317,077	400,726
MOTOR VEHICLE REGISTRATION AND LICENSING FEES	10,264	9,307	10,283	12,745	12,060
PROPERTY TAXES	218,914	228,185	241,067	238,213	273,055
GROSS VALUE ADDED	3,355,762	3,222,313	2,089,613	3,363,676	4,735,323
CAPITAL CONSUMPTION	477,391	515,473	541,931	561,741	602,899
NET VALUE ADDED	2,878,371	2,706,840	1,547,682	2,801,935	4,132,424
PAYMENTS TO STAKEHOLDERS	673,718	785,006	794,925	961,751	1,073,983
EMPLOYEE COMPENSATION (TOTAL HIRED LABOR)	148,990	155,190	164,033	246,490	287,522
NET RENT RECEIVED BY NON-OPERATOR LANDLORDS	284,514	343,996	303,979	369,312	459,570
REAL ESTATE AND NON-REAL ESTATE INTEREST	240,214	285,820	326,913	345,949	326,891
NET FARM INCOME	2,204,653	1,921,834	752,757	1,840,184	3,058,441

1/ VALUE OF AGRICULTURAL SECTOR PRODUCTION IS THE GROSS VALUE OF THE COMMODITIES AND SERVICES PRODUCED WITHIN A YEAR. NET VALUE-ADDED IS THE SECTOR'S CONTRIBUTION TO THE NATIONAL ECONOMY AND IS THE SUM OF THE INCOME FROM PRODUCTION EARNED BY ALL FACTORS-OF-PRODUCTION, REGARDLESS OF OWNERSHIP. NET FARM INCOME IS THE FARM OPERATORS' SHARE OF INCOME FROM THE SECTOR'S PRODUCTION ACTIVITIES. THE CONCEPT PRESENTED IS CONSISTENT WITH THAT EMPLOYED BY THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT. 2/ A POSITIVE VALUE OF INVENTORY CHANGE REPRESENTS CURRENT-YEAR PRODUCTION NOT SOLD BY DECEMBER 31. A NEGATIVE VALUE IS AN OFFSET TO PRODUCTION FROM PRIOR YEARS INCLUDED IN CURRENT-YEAR SALES.

SOURCE: ECONOMIC RESEARCH SERVICE, USDA

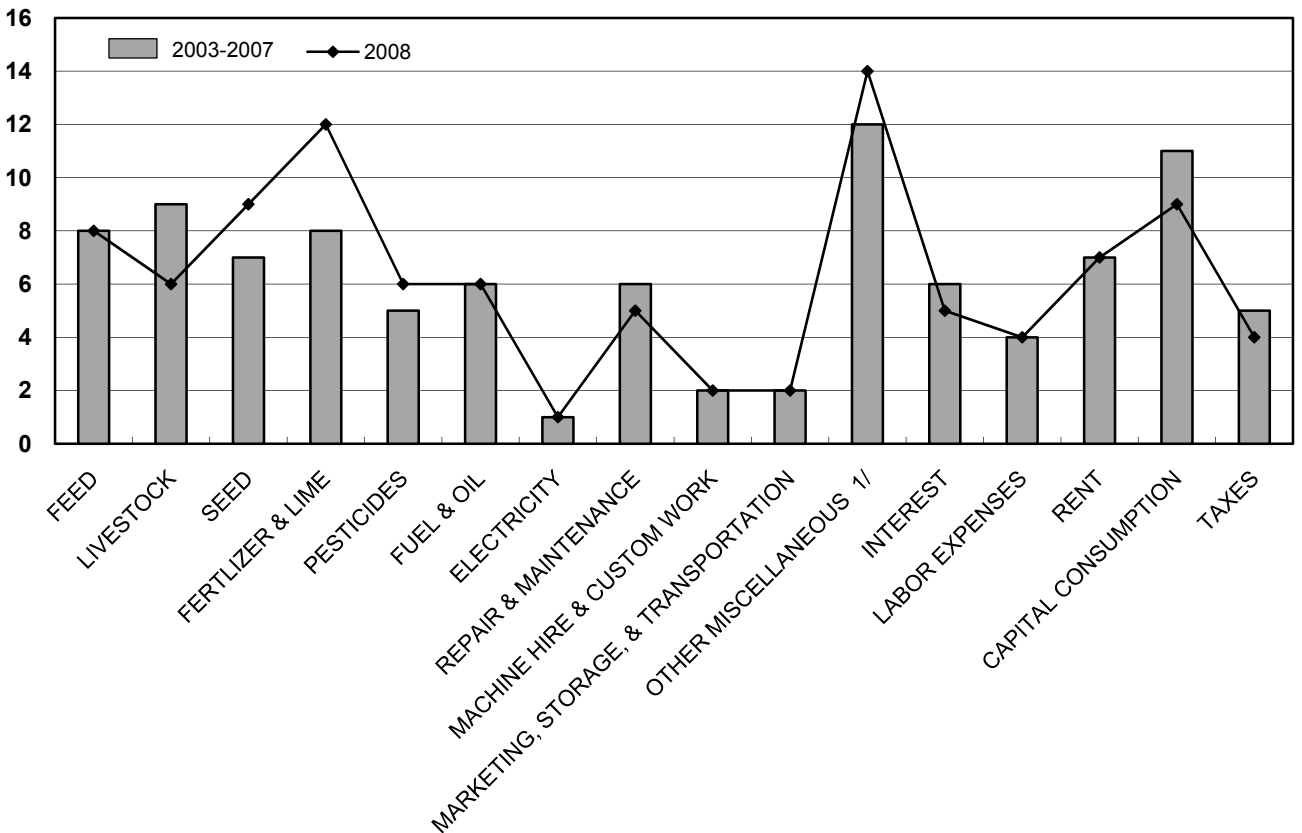
FARM INCOME, SOUTH DAKOTA, 1990-2008

BIL. DOL.



PRODUCTION EXPENDITURES, SOUTH DAKOTA, 2003-2007 AVERAGE AND 2008

% OF TOTAL



1/ OTHER MISCELLANEOUS INCLUDES: CONTRACT LABOR, MOTOR VEHICLE REGISTRATION AND LICENSING FEES, VETERINARIAN SERVICES, CUSTOM FEEDING EXPENSES, GROSS INSURANCE, AND OTHER MANAGEMENT EXPENSES.