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Expected ACRE Payments Update With NASS Yields¹

National Agricultural Statistics Service (NASS) released their updated Marketing Year Average (MYA) price and their first estimated yields split by irrigation and non-irrigation at the end of February. NASS did not release estimated yields for irrigated Idaho wheat, New Mexico wheat, Delaware corn, and Arkansas corn. So the estimated ACRE payments on those crops are still based on KSU estimated irrigated and dryland yields.

Because the NASS irrigated and dryland yields were released for the other crops those yields are near final. There will still be some adjustment to the MYA price on the spring planted crops but the MYA price for wheat only has 2 1/2 months left in the marketing year so the wheat price is nearly complete. The most current price-yield estimates now show an ACRE payment on Kansas wheat. While many farmers in Kansas did not elect ACRE, if they had many wheat farmers would not be able to meet the farm level benchmark because of record wheat yields. If farmers cannot meet the farm level benchmark then they will not collect the ACRE payment even when the state triggers a payment. KSU is currently estimating no Kansas ACRE payments for irrigated corn, dryland corn, sorghum or soybeans.

Those Kansas wheat farmers with farm level losses may be able to collect SURE payments and any ACRE payment is deducted from the SURE payment. Therefore, any

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Kansas wheat farmer collecting 2009 SURE payments who did not elect ACRE will receive a larger SURE payment and Direct Payment. Therefore, the “loss” of the ACRE payment will be smaller than one might think. The reason is the ACRE payment on Kansas wheat will likely be less than \$10. The ACRE payment will be 4 times larger on Oklahoma and Texas wheat and nine times larger on Washington wheat.

The large wheat ACRE payment for Oklahoma, Texas, and Washington is still expected. The estimated no wheat ACRE payment for Colorado also holds. Texas ranks first as most likely to collect ACRE payments on all 4 crops. The only exception is Texas irrigated corn where no ACRE payment is now forecasted. The Texas NASS irrigated corn yield was 11% higher than the KSU forecast and when combined with the higher MYA corn price eliminated the payment.

There were some surprises. Illinois is expected to receive ACRE payments for corn, sorghum, and wheat but none for soybeans. In spite of the reduction in the NASS Iowa corn yield from August, the post harvest prices have increased enough to eliminate the corn ACRE payment for Iowa. KSU never forecasted an ACRE soybean payment for Iowa.

The tables below contain estimates for ACRE payments by crops and by state. There will be no NASS irrigated yields published for many of the states, so the Farm Service Agency (FSA) will estimate those yields.

Table 1. ACRE Wheat Estimated 2009/10 Payments ranked in order of States most likely to make ACRE payments. Payments are capped at 25%. Idaho and New Mexico with irrigated and non-irrigated practice are estimated yields all other yields are NASS estimates.

		8/14/09 Projections			Current Projections					
USDA Price and Range		5.20	4.70	5.70	4.85	4.75	4.95			
KSU Price and Range		5.16	4.39	5.94	4.84	4.11	5.56			
		Projected			Projected					
Cur- rent Rank	Sign- up Rank	Gross	Projected	Projected	Gross	Projected	Projected	Percent Yield Change		
		Percent of Guaran- teed Lost	State ACRE Payment	State ACRE Yield	Percent of Guaran- teed Lost	State ACRE Payment	State ACRE Yield			
1	2	Texas	Wheat	38.7%	42.96	27.0	49.8%	42.96	25.0	(7.4%)
2	1	Oklahoma	Wheat	40.2%	\$46.84	22.0	45.6%	46.84	22.0	0.0%
3	4	Arkansas	Wheat	21.3%	66.35	47.0	32.9%	77.72	44.0	(6.4%)
4	5	North Carolina	Wheat	20.8%	68.36	49.0	28.2%	82.20	49.0	0.0%
5	3	Virginia	Wheat	24.5%	94.60	55.0	27.8%	96.67	58.0	5.5%
6	6	Kentucky	Wheat	20.3%	77.48	57.0	27.6%	95.32	57.0	0.0%
7	10	Washington	Wheat	15.7%	57.32	57.8	26.7%	91.00	55.3	(4.3%)
8	8	Maryland	Wheat	19.2%	75.54	60.0	26.6%	98.46	60.0	0.0%
9	14	Delaware	Wheat	13.0%	53.00	66.4	26.3%	101.59	62.0	(6.6%)
10	12	Illinois	Wheat	13.2%	47.55	59.0	25.2%	89.80	56.0	(5.1%)
11	11	Missouri	Wheat	13.8%	41.02	49.0	24.3%	72.09	47.0	(4.1%)
12	18	Idaho Irrigated	Wheat	10.1%	98.95	102.4	21.5%	131.20	100.2	(2.1%)
13	21	Pennsylvania	Wheat	9.2%	31.22	58.0	20.4%	69.37	56.0	(3.4%)
14	16	South Dakota	Wheat	12.1%	30.40	42.5	18.9%	47.37	42.9	1.0%
15	13	Oregon	Wheat	13.2%	43.41	54.0	18.4%	60.56	55.7	3.2%
16	23	Indiana	Wheat	8.4%	33.12	68.0	18.0%	71.16	67.0	(1.5%)
17	19	Michigan	Wheat	9.9%	39.12	67.0	17.7%	69.73	69.0	3.0%
18	9	Idaho Dryland	Wheat	18.3%	59.05	54.2	16.6%	53.58	56.1	3.6%
19	22	Minnesota	Wheat	8.9%	26.59	51.0	14.3%	42.68	52.8	3.5%
20	17	Montana	Wheat	10.2%	18.67	32.5	13.0%	23.76	33.3	2.5%
21	20	Wisconsin	Wheat	9.7%	35.89	63.0	11.5%	42.32	68.0	7.9%
22	24	Ohio	Wheat	4.8%	18.73	71.0	11.4%	44.81	72.0	1.4%
23	26	Kansas	Wheat	(5.5%)	0.00	42.0	4.2%	8.92	42.0	0.0%
24	27	Nebraska	Wheat	(8.6%)	0.00	48.0	2.0%	4.60	48.0	0.0%
25	25	North Dakota	Wheat	0.9%	1.83	39.2	(2.9%)	0.00	44.8	14.3%
26	15	New Mexico Irrigated		12.4%	42.14	57.0	(4.8%)	0.00	75.0	31.6%
27	28	Colorado	Wheat	(37.8%)	0.00	39.0	(32.2%)	0.00	40.6	4.1%
28	7	New Mexico Dryland		20.3%	15.85	13.1	(51.2%)	0.00	25.3	92.8%

Table 2. ACRE Corn Estimated 2009/10 Payments ranked in order of States most likely to make ACRE payments. Payments are capped at 25%. Delaware and Arkansas with irrigated and non-irrigated practice are estimated yields all other yields are NASS estimates.

Cur- rent Rank	Sign- up Rank	8/14/09 Projections			Current Projections			Percent Yield Change
		Projected Gross Percent of Guaran- teed Lost	Proj- ected State ACRE Payment	Proj- ected State ACRE Yield	Projected Gross Percent of Guaran- teed Lost	Proj- ected State ACRE Payment	Proj- ected State ACRE Yield	
		USDA Price and Range	3.50	3.10	3.90	3.70	3.45	3.95
		KSU Price and Range	3.24	2.60	3.89	3.54	2.83	4.24
1	1	Texas Dryland Corn	20.8%	61.46	73.7	40.5%	73.41	50.3 (31.7%)
2	16	Oklahoma Irrigated Co	10.8%	69.00	176.8	39.2%	158.90	110.0 (37.8%)
3	14	Arkansas Irrigated Corn	11.4%	70.55	170.4	8.0%	49.18	161.2 (5.4%)
4	24	Arkansas Dryland Corr	7.2%	32.47	130.7	3.6%	16.17	123.7 (5.4%)
5	13	Illinois Corn	11.6%	74.60	176.1	3.6%	22.95	175.0 (0.6%)
6	10	North Dakota Corn	12.2%	53.10	118.6	3.3%	14.47	119.0 0.3%
7	2	Colorado Irrigated Corn	20.0%	137.89	171.0	3.2%	21.74	188.6 10.3%
8	4	Washington Corn	15.7%	121.22	201.2	1.1%	8.35	215.0 6.8%
9	7	Idaho Corn	12.8%	81.09	171.0	(0.8%)	0.00	180.0 5.3%
10	3	Texas Irrigated Corn	17.4%	119.88	176.7	(1.0%)	0.00	196.3 11.0%
11	26	Iowa Corn	5.7%	36.51	186.2	(1.3%)	0.00	182.0 (2.2%)
12	23	Nebraska Irrigated Corn	7.3%	49.90	196.9	(2.1%)	0.00	197.5 0.3%
13	12	Michigan Corn	11.6%	59.94	140.9	(2.1%)	0.00	148.0 5.1%
14	5	Delaware Irrigated Cor	15.6%	108.65	182.0	(2.5%)	0.00	201.3 10.6%
15	17	Minnesota Corn	9.5%	57.22	168.1	(3.5%)	0.00	175.0 4.1%
16	22	Kansas Irrigated Corn	7.4%	51.85	201.0	(3.8%)	0.00	205.3 2.2%
17	18	Indiana Corn	9.2%	53.62	164.0	(4.1%)	0.00	171.0 4.3%
18	11	Maryland Corn	12.1%	59.59	133.8	(4.6%)	0.00	145.0 8.3%
19	20	Missouri Corn	8.1%	41.75	146.9	(5.2%)	0.00	153.0 4.2%
20	6	Wisconsin Corn	14.9%	76.70	135.8	(5.3%)	0.00	153.0 12.6%
21	9	Delaware Dryland Corr	12.7%	51.80	109.7	(6.2%)	0.00	121.6 10.8%
22	27	Pennsylvania Corn	5.1%	24.05	137.8	(8.1%)	0.00	143.0 3.8%
23	19	Virginia Corn	8.9%	38.44	120.8	(8.5%)	0.00	131.0 8.4%
24	28	Ohio Corn	4.1%	23.02	166.0	(10.4%)	0.00	174.0 4.8%
25	8	Oregon Corn	12.7%	86.98	184.2	(11.9%)	0.00	215.0 16.7%
26	25	Kentucky Corn	5.8%	30.06	151.0	(13.0%)	0.00	165.0 9.3%
27	29	Nebraska Dryland Corr	1.4%	6.34	137.7	(17.1%)	0.00	149.0 8.2%
28	30	South Dakota Corn	0.1%	0.54	141.8	(18.3%)	0.00	153.0 7.9%
29	21	Kansas Dryland Corn	7.5%	26.84	102.8	(21.4%)	0.00	122.7 19.4%
30	15	Oklahoma Dryland Cor	11.0%	32.76	83.2	(29.7%)	0.00	110.0 32.3%
31	31	Colorado Dryland Corr	(8.1%)	0.00	52.6	(54.8%)	0.00	67.1 27.7%

Table 3. ACRE Soybean Estimated 2009/10 Payments ranked in order of States most likely to make ACRE payments. Payments are capped at 25%. All yields are NASS estimates.

Cur- rent Rank	Sign- up Rank		8/14/09 Projections			Current Projections			Percent Yield Change
			Projected Gross Percent of Guaran- teed Lost	Proj- ected State ACRE Payment	Proj- ected State ACRE Yield	Projected Gross Percent of Guaran- teed Lost	Proj- ected State ACRE Payment	Proj- ected State ACRE Yield	
		USDA Price and Range	9.40	8.40	10.40	9.45	8.70	10.20	
		KSU Price and Range	9.67	7.89	11.45	9.38	7.65	11.10	
			Projected	Proj- ected	Proj- ected	Projected	Proj- ected	Proj- ected	
			Gross	ected	ected	Gross	ected	ected	
			Percent of	State	State	Percent of	State	State	
			Guaran- teed Lost	ACRE Payment	ACRE Yield	Guaran- teed Lost	ACRE Payment	ACRE Yield	
1	1	Texas Soybean Estim	7.9%	17.44	25.0	7.1%	15.85	25.0	0.0%
2	6	Arkansas Irrigated Soy	0.6%	2.16	38.4	2.5%	8.84	39.2	1.9%
3	2	North Dakota Soybean	4.8%	13.47	29.0	1.2%	3.45	30.0	3.4%
4	21	Mississippi Soybean Es	(12.5%)	0.00	41.0	0.8%	2.79	38.0	(7.3%)
5	7	Minnesota Soybean Est	0.4%	1.44	40.0	0.3%	1.07	40.0	0.0%
6	4	Illinois Soybean Estim	2.7%	11.43	44.0	(1.5%)	0.00	46.0	4.5%
7	15	Iowa Soybean Estimate	(6.8%)	0.00	52.0	(4.5%)	0.00	51.0	(1.9%)
8	11	Wisconsin Soybean Est	(2.9%)	0.00	39.0	(5.3%)	0.00	40.0	2.6%
9	3	Indiana Soybean Estim	3.2%	13.93	45.0	(5.4%)	0.00	49.0	8.9%
10	5	Michigan Soybean Esti	0.8%	2.66	37.0	(7.1%)	0.00	40.0	8.1%
11	14	Ohio Soybean Estimate	(5.6%)	0.00	47.0	(9.9%)	0.00	49.0	4.3%
12	12	Nebraska Irrigated Soy	(3.8%)	0.00	56.8	(10.9%)	0.00	60.6	6.7%
13	16	North Carolina Soybean	(7.4%)	0.00	32.0	(14.6%)	0.00	34.0	6.3%
14	22	Pennsylvania Soybean	(15.8%)	0.00	45.0	(18.1%)	0.00	46.0	2.2%
15	19	Missouri Soybean Estim	(10.8%)	0.00	40.0	(20.3%)	0.00	43.5	8.8%
16	10	Nebraska Dryland Soy	(2.9%)	0.00	41.1	(23.2%)	0.00	49.2	19.6%
17	9	Kentucky Soybean Esti	(2.6%)	0.00	40.0	(23.8%)	0.00	48.0	20.0%
18	20	South Dakota Soybean	(11.9%)	0.00	37.0	(26.5%)	0.00	42.0	13.5%
19	23	Arkansas Dryland Soy	(18.3%)	0.00	29.8	(27.2%)	0.00	32.5	9.2%
20	17	Virginia Soybean Estim	(7.7%)	0.00	32.0	(27.6%)	0.00	38.0	18.8%
21	18	Kansas Soybean Estim	(9.5%)	0.00	38.0	(28.4%)	0.00	44.0	15.8%
22	8	Oklahoma Soybean Est	(0.2%)	0.00	25.0	(30.3%)	0.00	31.0	24.0%
23	13	Maryland Soybean Esti	(4.8%)	0.00	33.0	(33.1%)	0.00	42.0	27.3%
24	24	Delaware Soybean Esti	(25.5%)	0.00	34.0	(54.7%)	0.00	42.0	23.5%

Table 4. ACRE Grain Sorghum Estimated 2009/10 Payments ranked in order of States most likely to make ACRE payments. Payments are capped at 25%. All yields are NASS estimates.

		8/14/09 Projections			Current Projections			
USDA Price and Range		3.00	2.70	3.30	3.30	3.10	3.50	
KSU Price and Range		2.91	2.48	3.35	3.08	2.62	3.54	
Cur- rent Rank	Sign- up Rank	Projected			Projected			Percent Yield Change
		Gross Percent of Guaran- teed Lost	Projected State ACRE Payment	Projected State ACRE Yield	Gross Percent of Guaran- teed Lost	Projected State ACRE Payment	Projected State ACRE Yield	
1	3	31.5%	47.82	47.0	29.26%	46.66	48.0	2.1%
2	6	13.3%	41.85	94.0	16.42%	50.55	82.0	(12.8%)
3	2	31.9%	25.17	23.7	13.79%	13.54	27.9	18.1%
4	5	22.3%	62.73	84.0	13.60%	37.41	79.0	(6.0%)
5	7	13.1%	40.33	92.0	12.27%	36.97	86.0	(6.5%)
6	9	7.5%	21.44	90.0	(2.97%)	0.00	93.0	3.3%
7	1	33.1%	41.94	39.0	(4.52%)	0.00	56.0	43.6%
8	4	25.0%	68.79	70.6	(4.78%)	0.00	91.5	29.7%
9	8	9.6%	24.56	79.0	(8.48%)	0.00	88.0	11.4%
10	11	(1.9%)	0.00	60.0	(11.48%)	0.00	61.0	1.7%
11	10	0.4%	0.41	35.0	(39.16%)	0.00	45.0	28.6%