



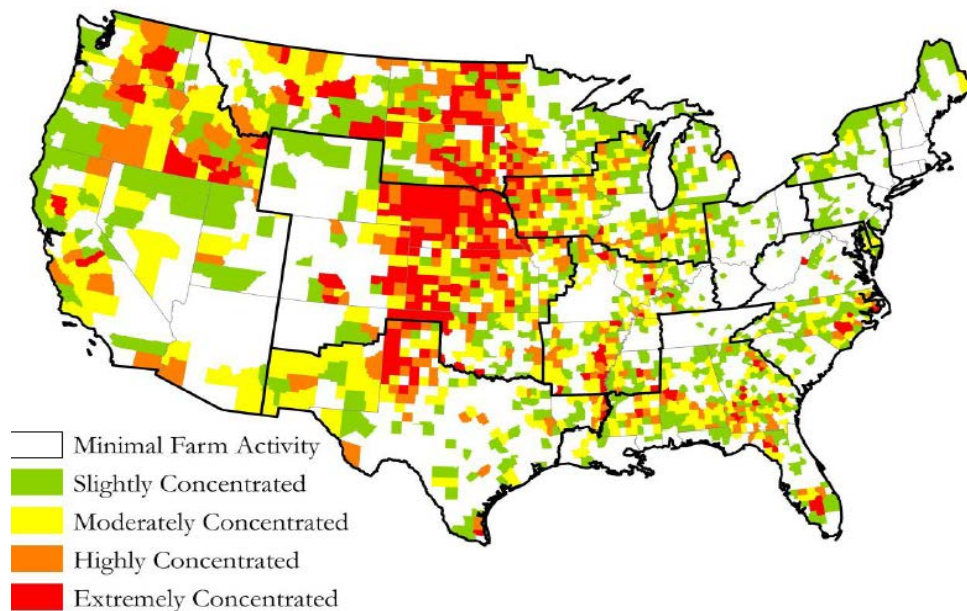
University of Idaho
Extension

Financial Condition of Idaho Agriculture, 2019

*2020 JFAC, Jan 2, 3:55 pm, 2020
Rita Du, Ben Eborn, and Garth Taylor*

Ag Dependent Counties

Farm Sector Concentration

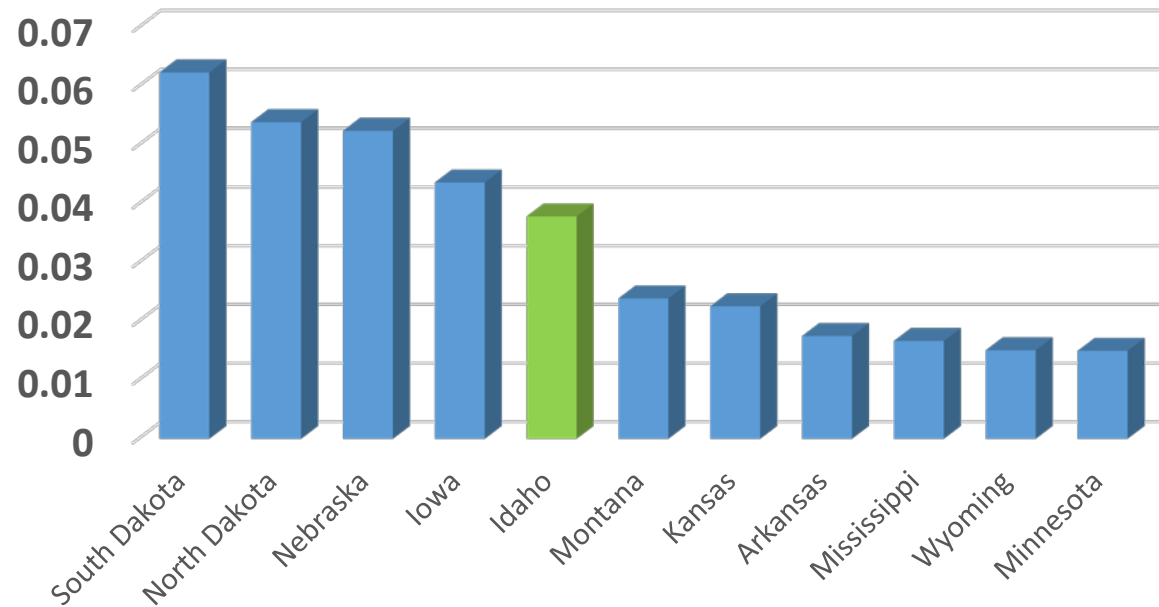


Source: BEA and staff calculations.



Idaho - 5th largest Ag economy

Farm GDP as percent of State Total GDP 2017

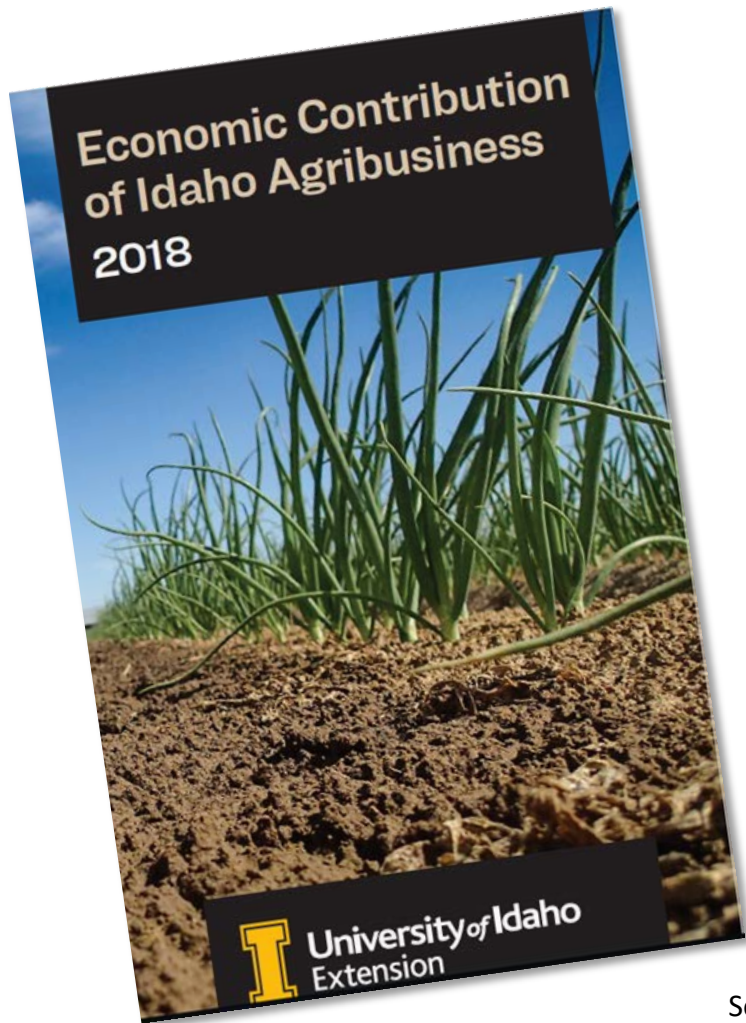




MULTIPLIER EFFECTS...AGBIZ IDAHO'S LARGEST INDUSTRY

Exports – new dollars - drive an economy

- \$26 billion in sales, 18% of Idaho's total economic output
- 123,000 Idaho jobs, 1 in every 8 jobs in the state
- \$10 billion in value added, 13% of Idaho GDP

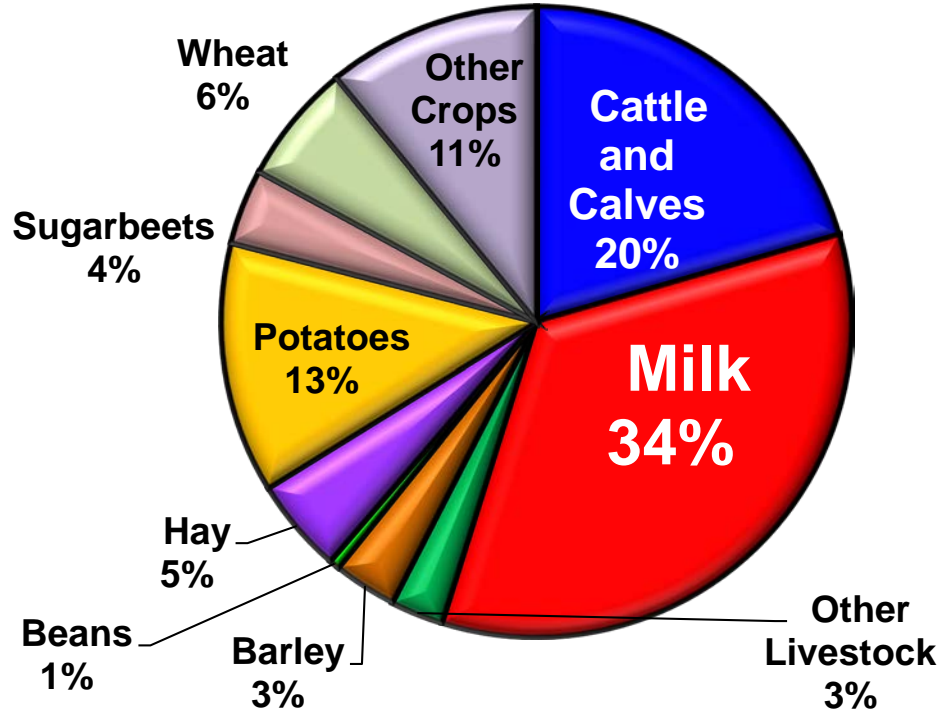


Source: Watson U of ID



Second Highest Cash Receipts

Idaho Cash Receipts, 2019



\$8.3 billion, 2019



\$7.5 billion, 2018



Cash Receipt: Ups & Downs

Crops \$3.6 billion, ↑12%

Livestock \$4.8 billion, ↑10%

Potatoes: ↑15%

Cattle & Calves: ↓1%

Barley: ↑17%

Milk: ↑19%

Wheat: ↓1%

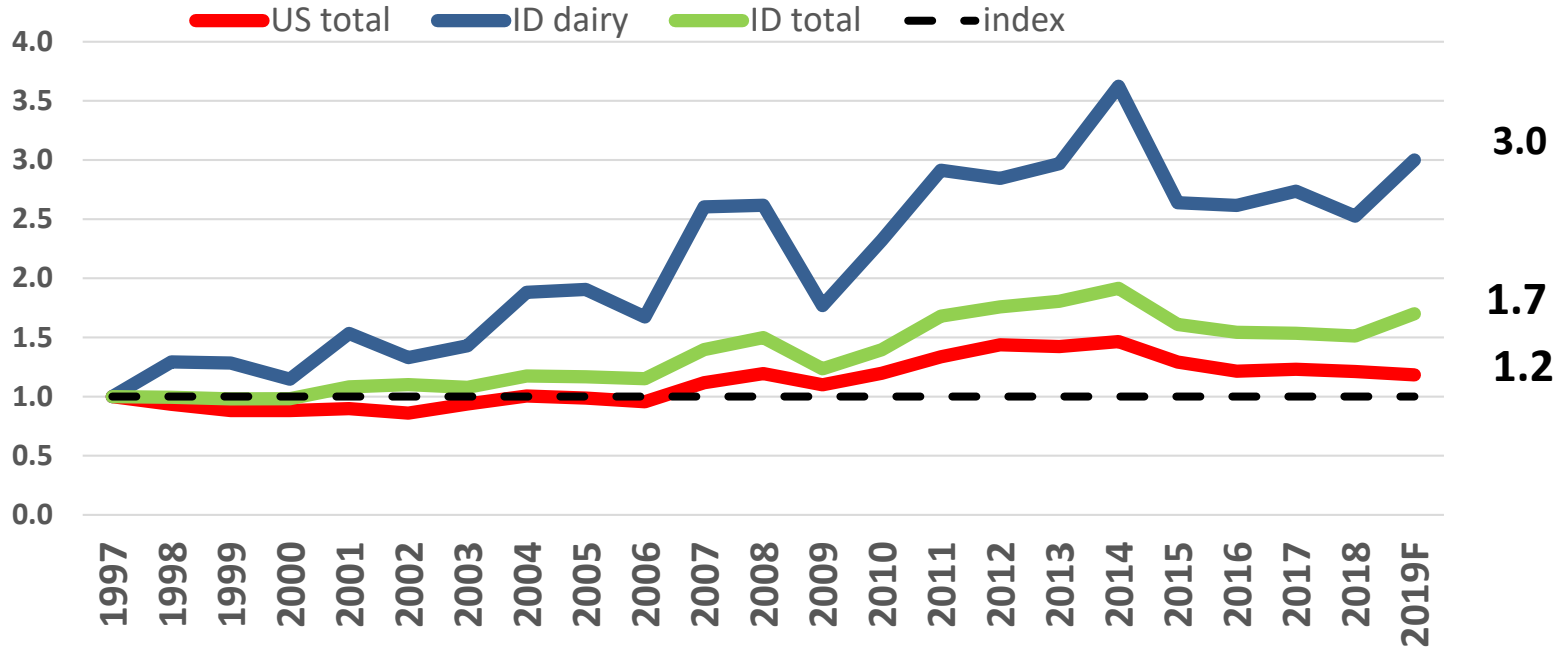
Sugarbeets: ↑12%

Hay: ↓4%



Idaho real cash receipts outgrows US

Index Real Cash Receipts (2019 dollars)

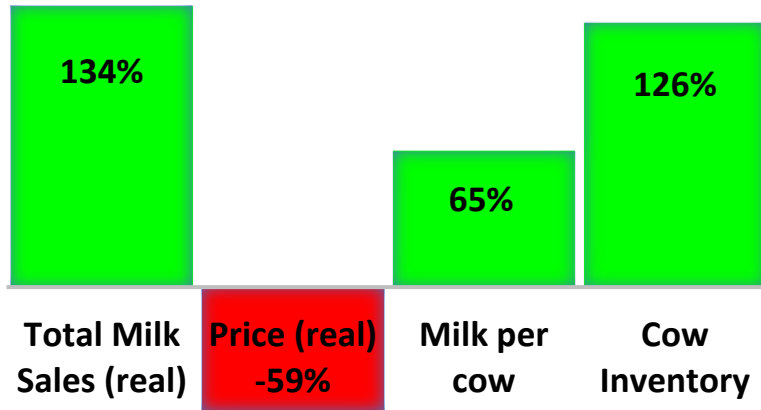


Growth comes from production not price



Dairy

Growth In Real Value Of Milk (1980 to 2016)



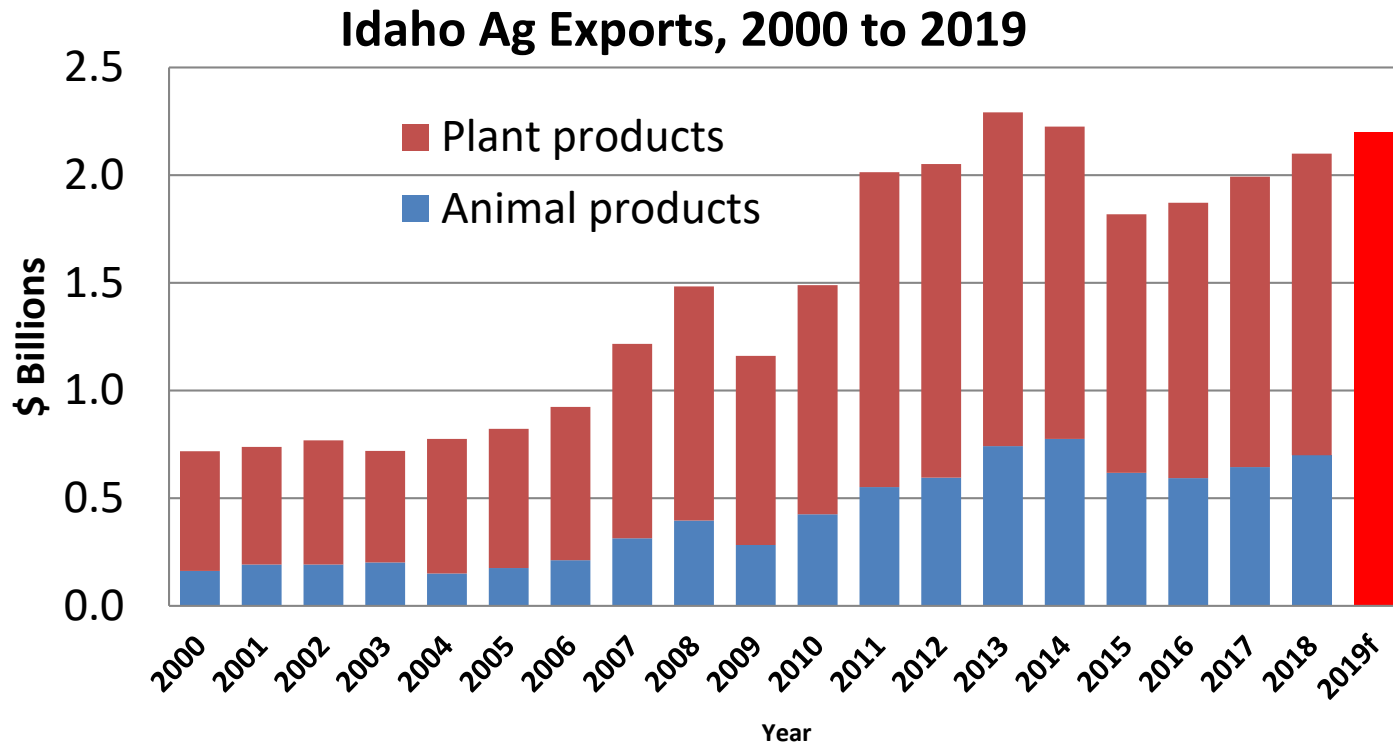
Potatoes

Growth In Real Value Of Potato (1980 to 2016)





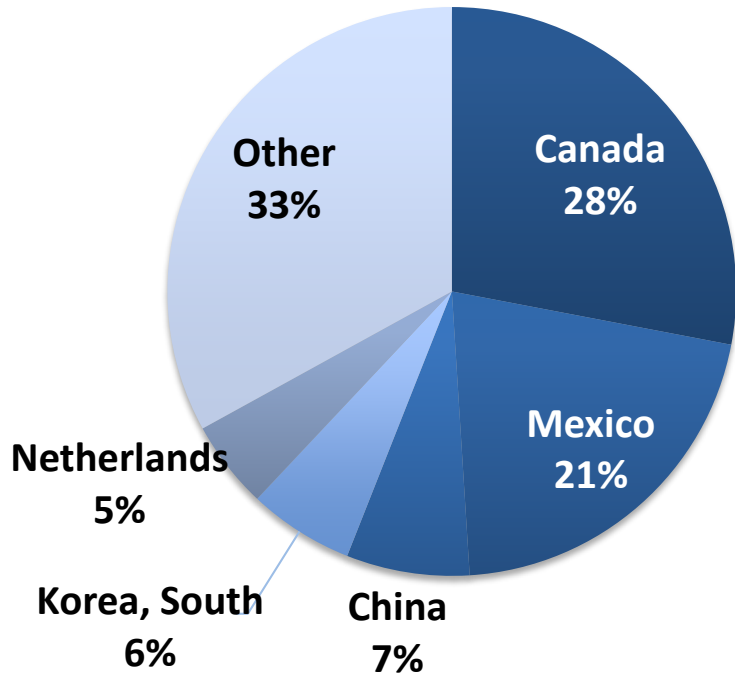
2018, IDAHO'S TOTAL EXPORT \$4 BILLION, AG \$848 MILLION (21%)



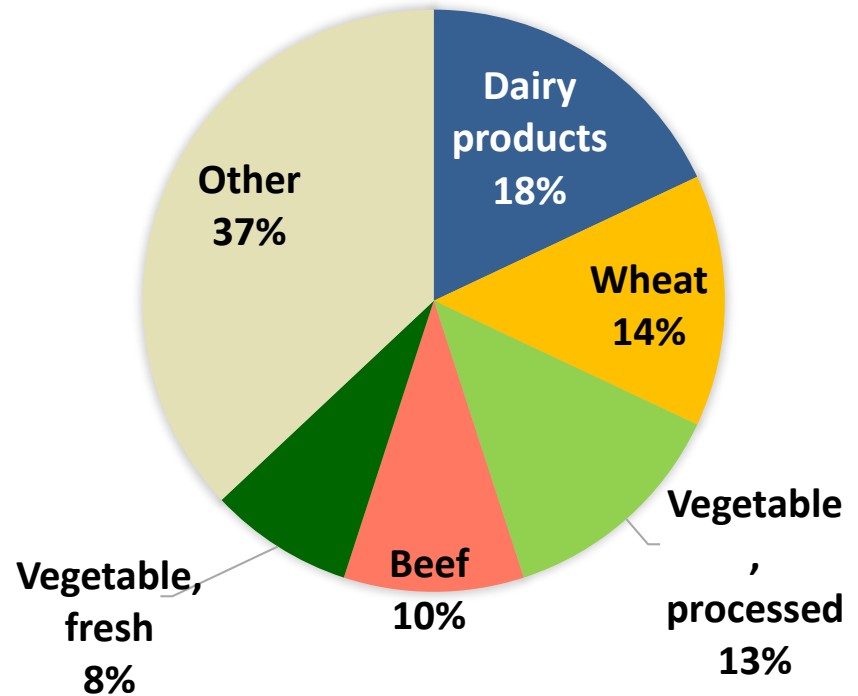
Idaho Ag Exports: Dairy, Potatoes and NAFTA



ID Ag Exports by Country, 2018

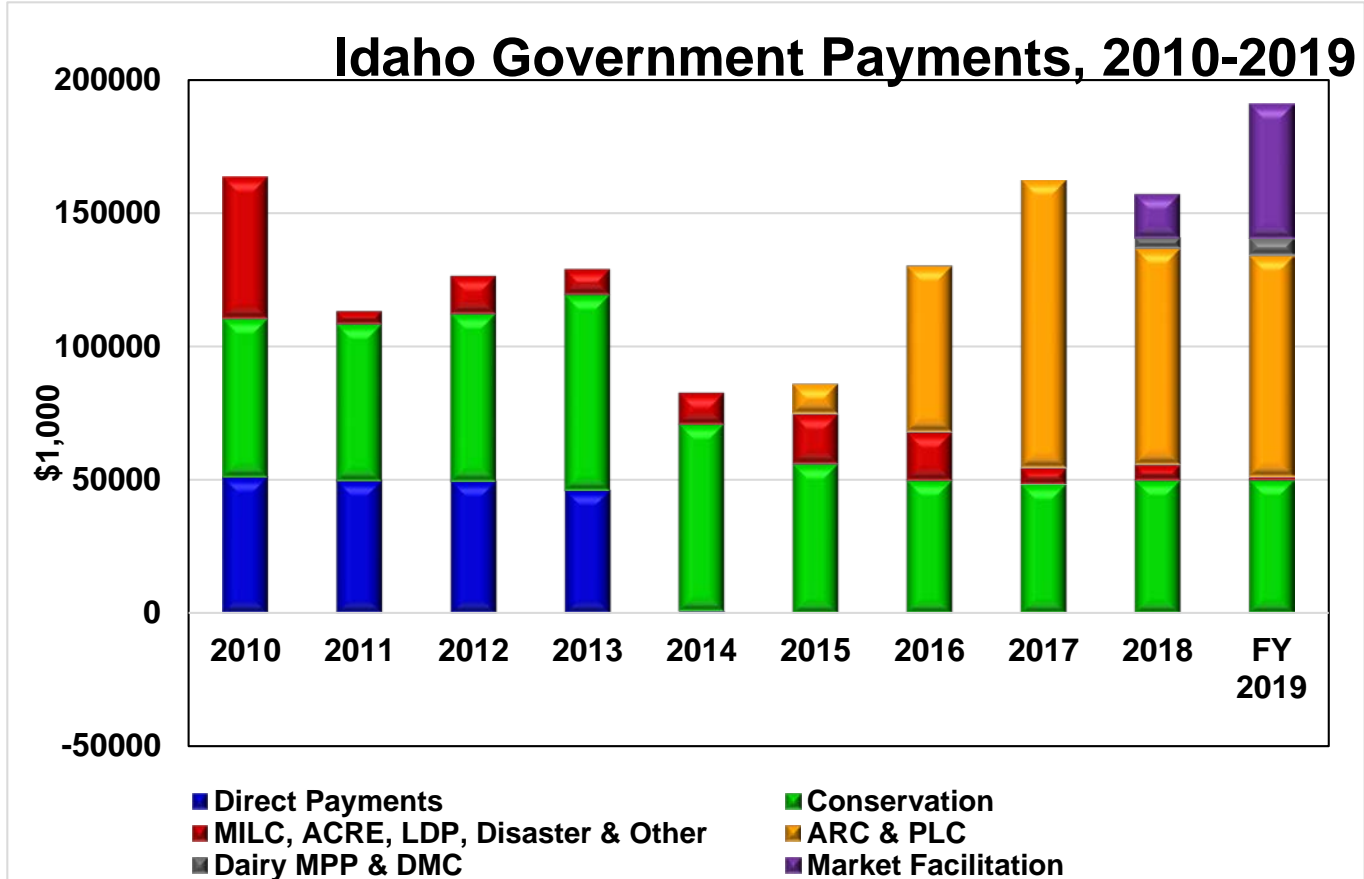


ID Ag Exports Share, 2018





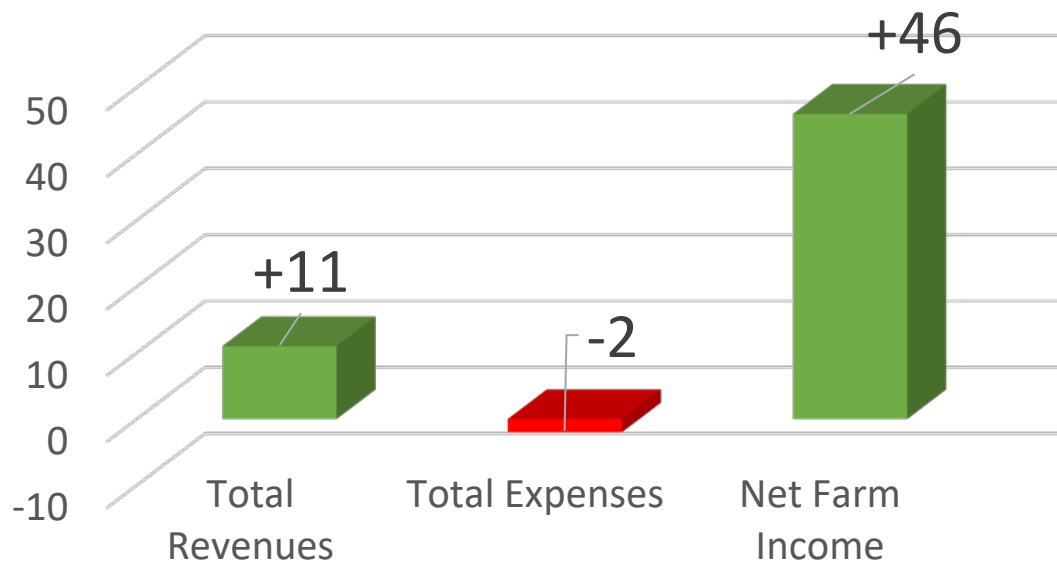
Idaho support programs jump



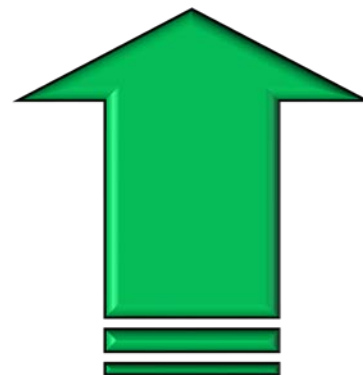


Record High Net Farm Income

Idaho Net Farm Income
(% change from 2018)

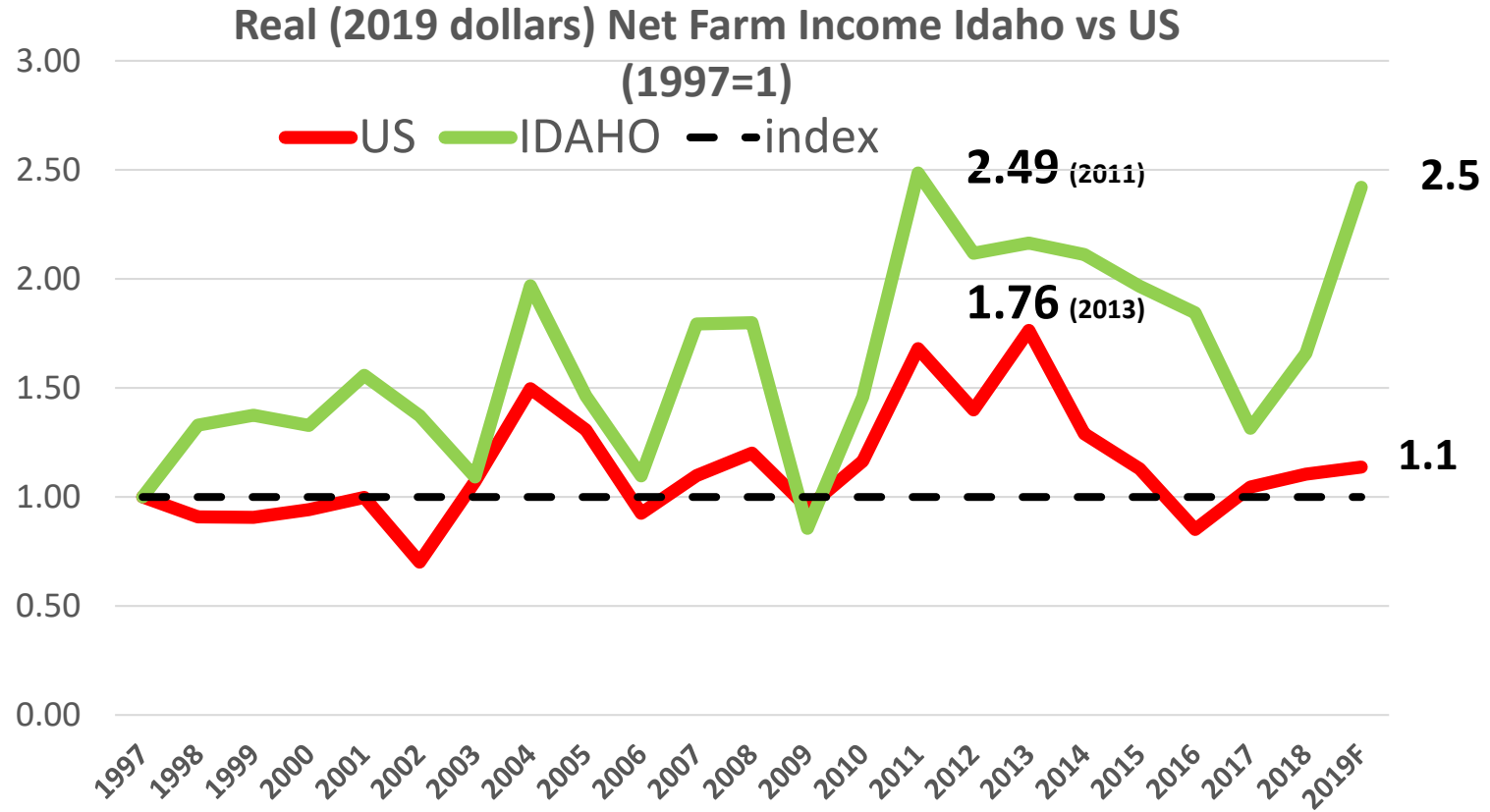


\$2.7 billion, 2019



\$1.8 billion, 2018

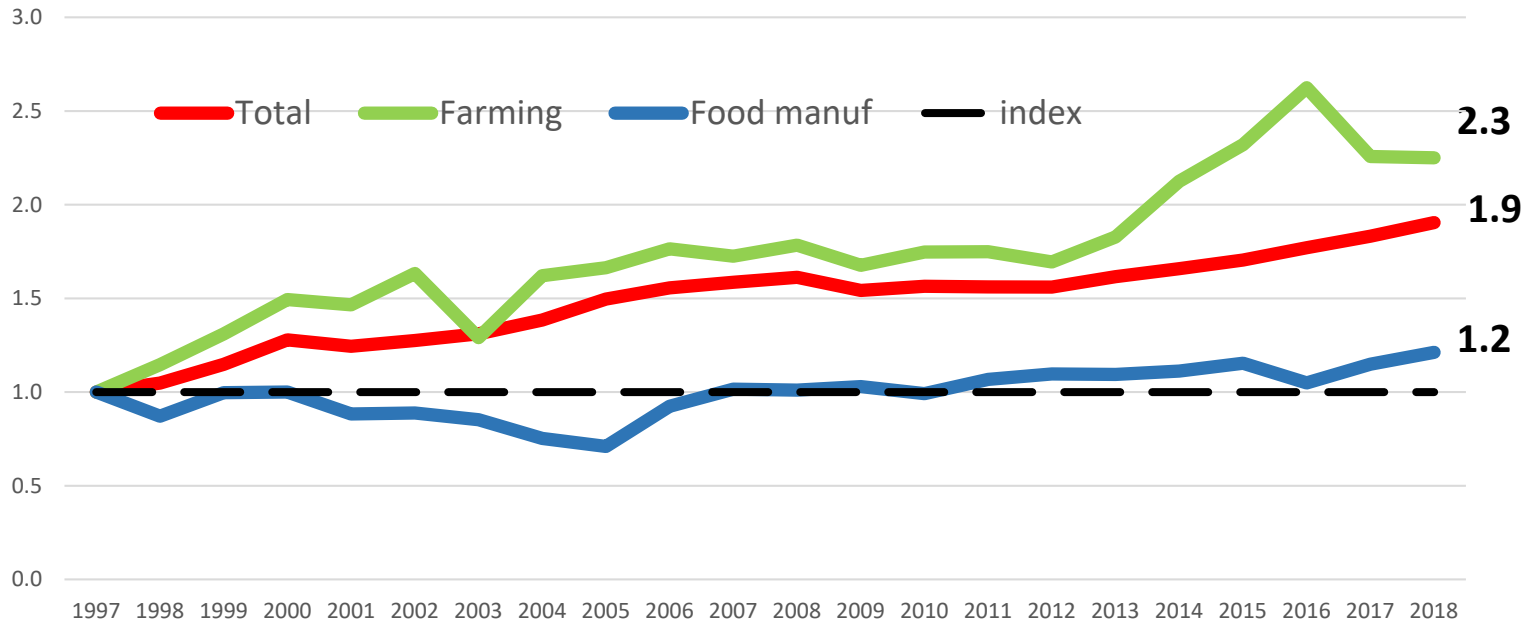
Idaho real net farm income outgrows US





Farm GDP 40% more than Idaho GDP

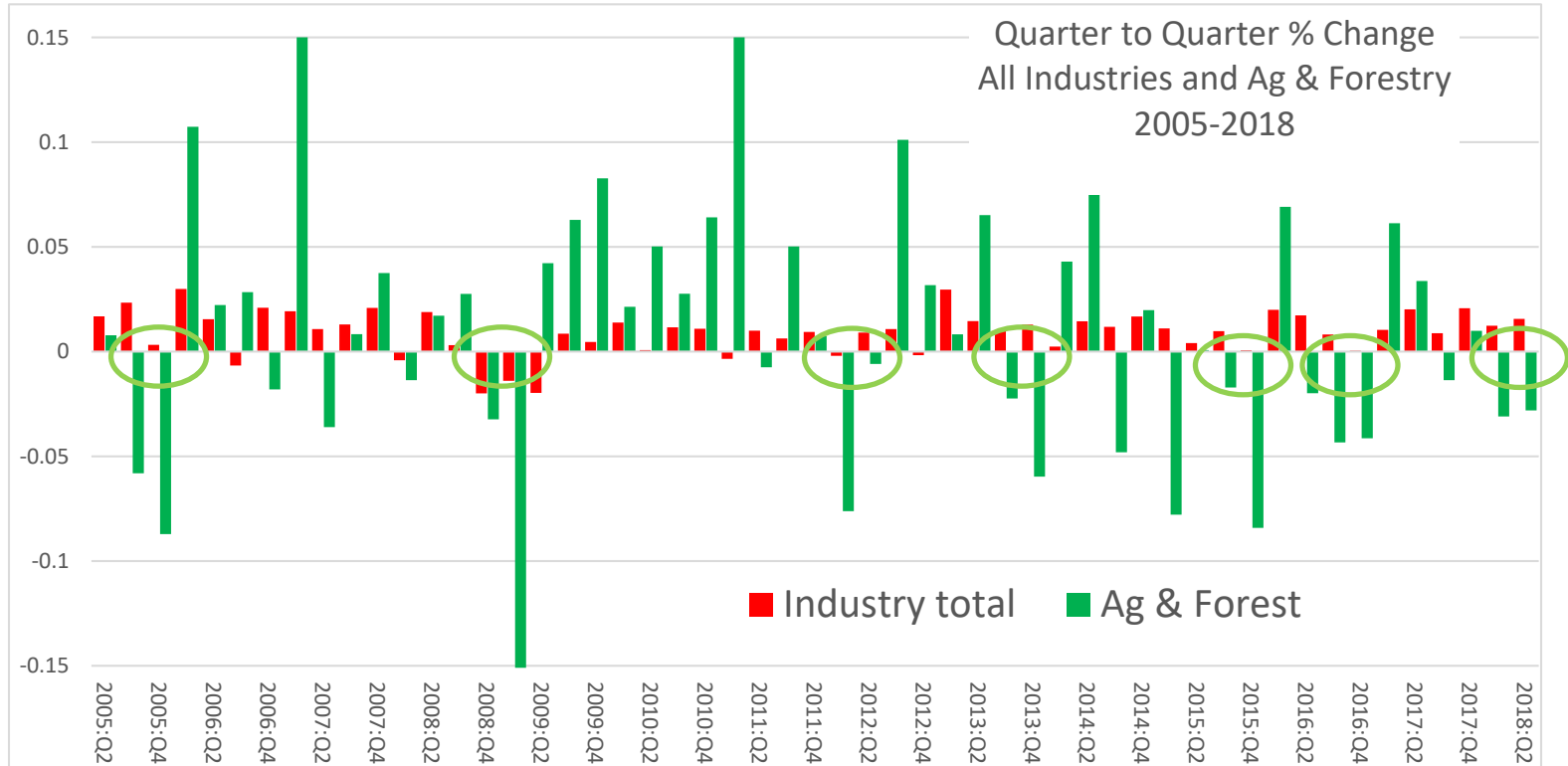
Indexed Chained Idaho GDP (1997=1)





7 Ag recessions since 2005

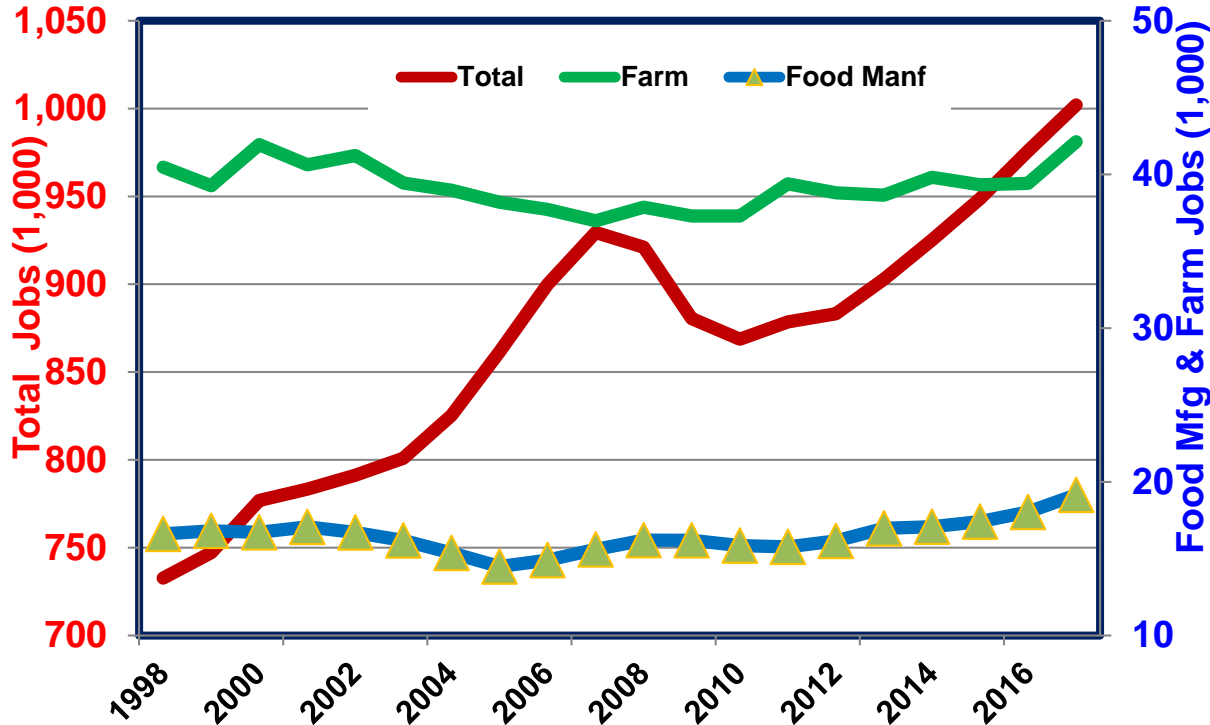
(quarter to quarter Idaho GDP % change)



Farming & food manufacturing = steady jobs



Full and Part Time Jobs 1998-2018

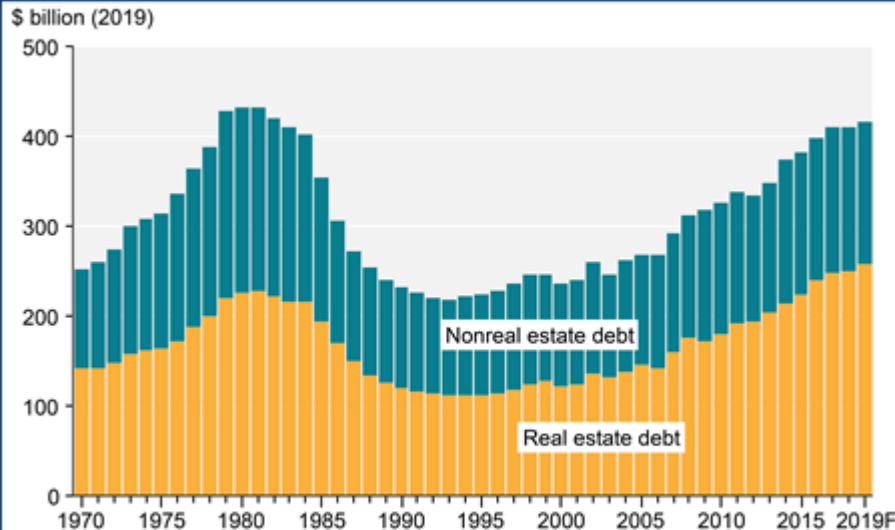


- **Total Idaho**
 - Over one million 1,002,000 jobs
 - Up 3%
- **Farm**
 - 41,000 jobs
 - Down 7%
- **Food mfg**
 - 19,000 jobs
 - Up 1%



Asset values unchanged and liquidity ratios close to long term averages

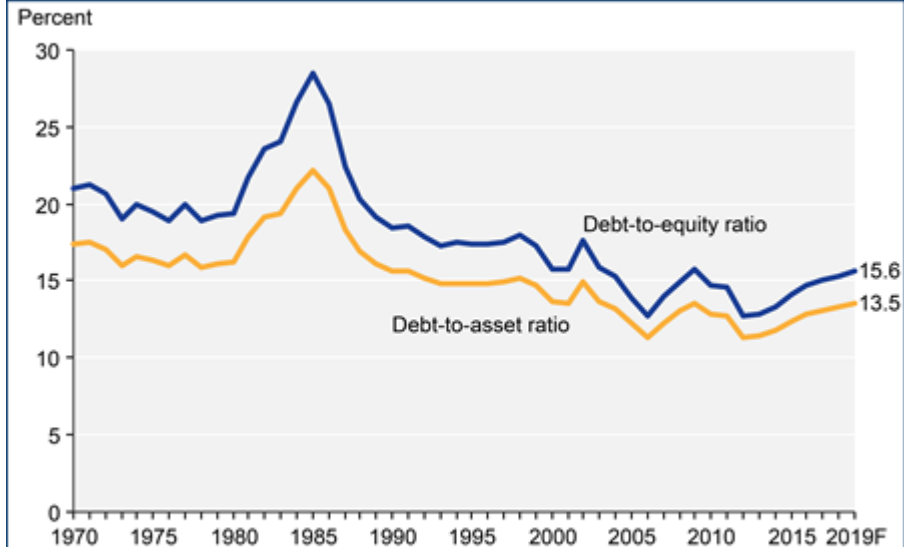
Farm sector debt, inflation adjusted, 1970-2019F



Note: F = forecast. Values are adjusted for inflation using the chain-type GDP deflator, 2019=100.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of August 30, 2019.

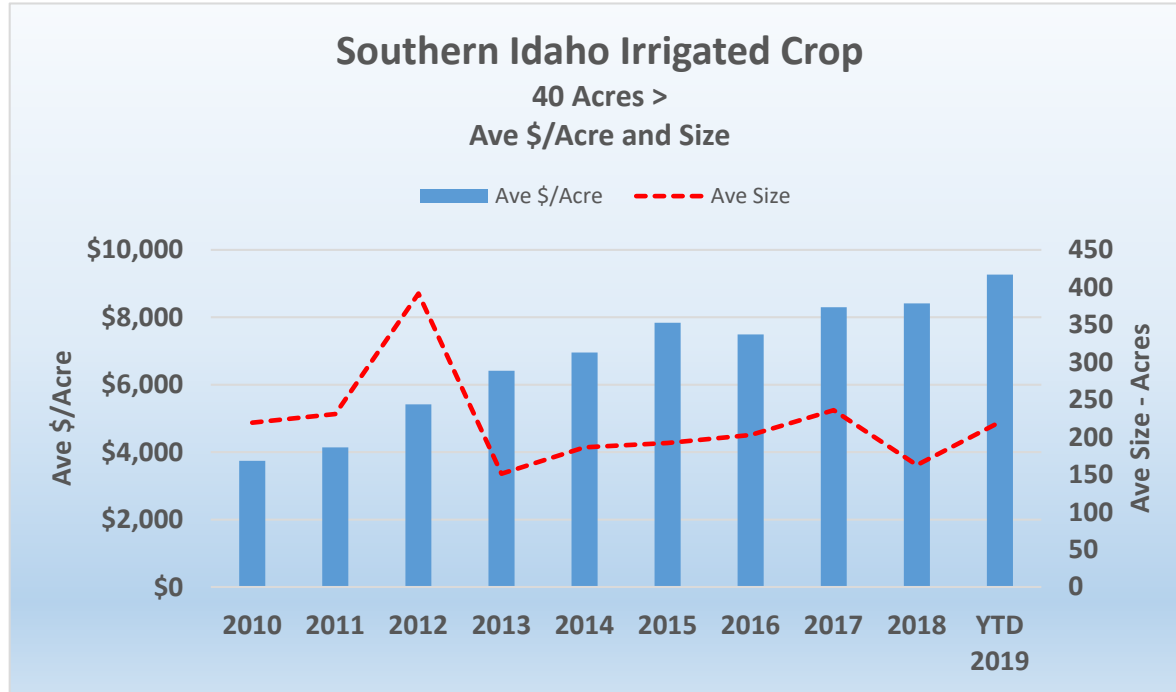
Farm sector solvency ratios, 1970-2019F



Note: F = forecast.

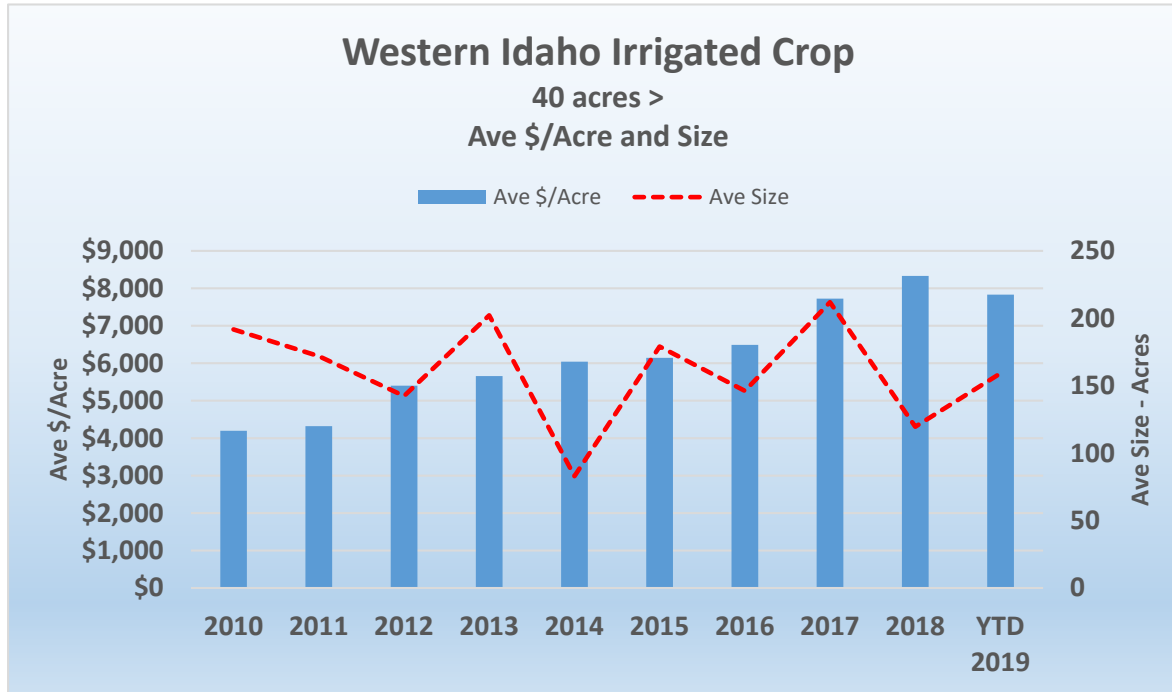
Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of August 30, 2019.

Land Value Trends



source: NWFCs database

Land Value Trends



source: NWFCs
database

2020 OUTLOOK GOOD

- **FORWARD INDICATORS**

- Land prices up
- Idaho increasing dairy herds and 2020 forecast good prices
- Beef prices steady
- Forage follows milk prices
- Milk exports are up

- **EXPORTS DETERMINE US COMMODITY PRICES**

- Strongest dollar in 5 years
- Trade problems
- Large grain stocks and Russia the largest exporter

- **STEADY INPUT COSTS**



University of Idaho

College of Agricultural
and Life Sciences

QUESTIONS?