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# ***AFPC Representative Farm Economic Outlook for the FAPRI Preliminary 2024 Baseline***

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**Briefing Paper 23-3**

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**AFPC REPRESENTATIVE FARM ECONOMIC  
OUTLOOK FOR THE FAPRI PRELIMINARY 2024 BASELINE**

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## **AFPC REPRESENTATIVE FARM ECONOMIC OUTLOOK FOR THE FAPRI PRELIMINARY 2024 BASELINE**

The farm-level economic impacts of the FAPRI Preliminary 2024 Baseline on representative crop and livestock operations are projected in this report, assuming provisions of the 2018 Farm Bill are in effect and continue throughout the 2024-2029 projection period. The current representative farm analysis output reflects an evaluation of ARC/PLC program elections for the farms given provisions of the 2018 Farm Bill. Producers are assumed to enroll in the program resulting in the highest ending cash reserves at the end of the projection period; as farm update meetings are conducted, adjustments, if necessary, are made to program elections. The analysis was conducted using a whole farm simulation model developed by AFPC with necessary data sourced from:

- Producer panel cooperation to develop economic information to describe and simulate representative crop, livestock, and dairy farms, and
- Projected prices, policy variables, and input inflation rates from the Food and Agricultural Policy Research Institute (FAPRI) Preliminary 2024 Baseline.

The simulations incorporate historical risk faced by farmers for prices and production. This report presents the results of the Preliminary 2024 Baseline in a risk context using selected simulated probabilities and ranges for annual financial measures. The probability of a farm experiencing negative ending cash reserves and the probability of a farm losing real net worth are included as indicators of the cash flow and equity risks facing farms through the year 2029.

### **DEFINITIONS OF VARIABLES IN THE SUMMARY TABLES**

- **Overall Financial Position, 2024-2029** -- As a means of summarizing the representative farms' economic efficiencies, liquidity positions, and solvency positions, AFPC classifies each farm as being in a good (green), marginal (yellow) or poor (red) position. AFPC defines a farm to be in a good financial position when it has less than a 25 percent chance each of a negative ending cash position and less than a 25 percent chance of losing real net worth through 2029. If the probabilities of these occurrences are between 25 and 50 percent, the farm is classified as marginal. Probabilities greater than 50 percent place the farm in a poor financial position.
- **Receipts** -- 2024-2029 average cash receipts from all farm related sources, including market sales, PLC/ARC payments, marketing loan gains/LDPs, crop insurance indemnities, and other receipts.
- **Payments** -- 2024-2029 average annual PLC or ARC payments and marketing loan gains/LDPs for representative farms and ranches.
- **NCFI** -- 2024-2029 average net cash farm income equals average total receipts minus average total cash expenses.
- **Reserve 2029** -- equals total cash on hand at the end of year 2029. Ending cash equals beginning cash reserves plus net cash farm income and interest earned on cash reserves less principal payments, federal taxes (income and self-employment), state income taxes, family living withdrawals, and actual machinery replacement costs (not depreciation).
- **Net Worth 2029** -- equity equals total assets including land minus total debt from all sources and is reported at the end of 2029.
- **CRNW** -- annualized percentage change in the operator's real net worth from January 1, 2021 through December 31, 2029, after adjusting for inflation.

## EXECUTIVE SUMMARY

The Agricultural and Food Policy Center (AFPC) at Texas A&M University develops and maintains data to simulate 92 representative crop, dairy, and livestock operations in major production areas in 30 states. The chief purpose of this analysis is to project the economic viability of those farms by region and commodity for 2024 through 2029. The data necessary to simulate the economic activity of these operations are cultivated through ongoing cooperation with panels of agricultural producers in selected states. The Food and Agricultural Policy Research Institute (FAPRI) provides projected prices, policy variables, and input inflation rates in their Preliminary 2024 Baseline.

Under the Preliminary 2024 Baseline, 38 of the 64 crop farms are in good liquidity condition (less than a 25 percent chance of negative ending cash reserves by 2029). Thirteen crop farms have between a 25 percent and a 50 percent likelihood of negative ending cash reserves; the chance of experiencing negative ending cash reserves exceeds 50 percent for the remaining 13 crop farms. Additionally, 46 of the 64 crop farms are in a good equity position (less than a 25 percent chance of decreasing real net worth during the study period). Seven crop farms have between a 25 percent and 50 percent likelihood of losing real net worth, and 11 crop farms have greater than a 50 percent probability of decreasing real net worth by 2029. The following discussion provides an overall evaluation by commodity considering both liquidity and equity measures.

- **FEEDGRAIN FARMS:** Fifteen of the 25 feedgrain farms are in good overall financial condition. Six farms are classified in marginal condition; four are in poor condition.
- **WHEAT FARMS:** Nine representative wheat farms are classified in good overall financial condition, none are in marginal condition, and two are in poor condition.
- **COTTON FARMS:** Six of the 13 cotton farms are classified in good condition, three are in marginal condition, and four are in poor condition.
- **RICE FARMS:** Seven of the 15 rice farms are projected to be in good financial condition. Three rice farms are projected to be in marginal condition, and five are in poor condition.
- **DAIRY FARMS:** Eight of the 17 dairies are in good overall financial condition. Three dairies are classified in marginal condition along with another six in poor condition.
- **BEEF CATTLE RANCHES:** Nine of the 11 representative ranches are classified in good financial condition, and two are projected to be in marginal condition; none are in poor condition.

**Table 1. FAPRI Preliminary 2024 Baseline Crop and Livestock Prices, 2022-2029.**

	2022	2023	2024	2025	2026	2027	2028	2029
<b>Crop Prices</b>								
Corn (\$/bu.)	6.54	4.98	4.45	4.37	4.31	4.35	4.33	4.28
Wheat (\$/bu.)	8.83	7.29	6.63	5.91	5.68	5.75	5.74	5.70
Upland Cotton Lint (\$/lb.)	0.8480	0.7754	0.7149	0.7322	0.7361	0.7375	0.7411	0.7438
Sorghum (\$/bu.)	5.94	4.94	3.94	3.98	4.00	4.07	4.06	4.01
Soybeans (\$/bu.)	14.20	13.06	10.80	10.70	11.01	11.13	11.06	10.91
Barley (\$/bu.)	7.40	7.39	6.45	5.96	5.70	5.67	5.64	5.57
Oats (\$/bu.)	4.57	3.68	3.46	3.46	3.46	3.48	3.52	3.54
All Rice (\$/cwt.)	19.20	17.42	14.97	16.04	16.02	16.53	16.76	16.92
Soybean Meal (\$/ton)	431.03	377.80	286.42	280.87	290.42	294.12	291.80	286.57
All Hay (\$/ton)	239.00	212.60	193.35	181.02	174.92	175.28	178.28	180.98
Peanuts (\$/ton)	536.00	556.88	481.75	452.84	446.40	447.19	447.66	448.05
<b>Cattle Prices</b>								
Feeder Cattle (\$/cwt)	181.51	240.49	267.64	282.75	287.79	277.34	260.92	247.79
Fed Cattle (\$/cwt)	144.40	177.25	182.81	187.87	190.17	184.74	176.56	169.77
Culled Cows (\$/cwt)	76.20	96.06	98.07	102.25	104.55	100.26	93.34	87.44
<b>Milk Price</b>								
U.S. All Milk Price (\$/cwt)	25.34	20.68	20.84	21.49	21.16	20.96	20.74	20.72

Source: Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri-Columbia.

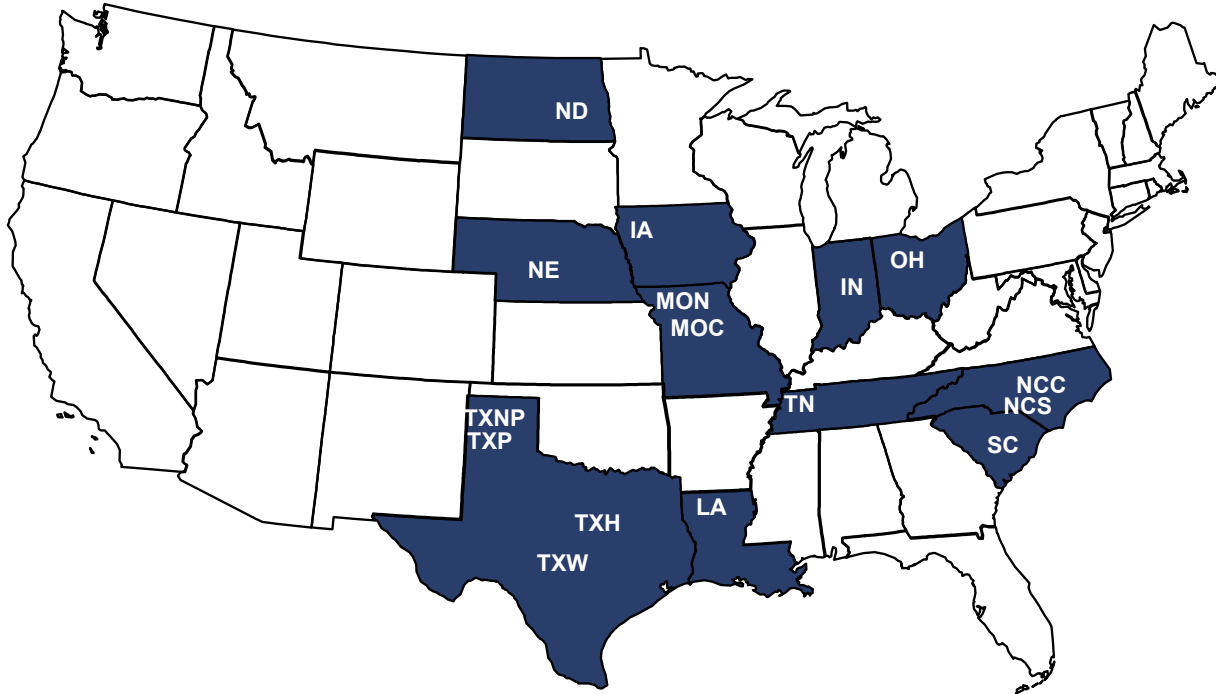
**Table 2. FAPRI Preliminary 2024 Baseline Assumed Rates of Change in Input Prices and Annual Changes in Land Values, 2023-2029.**

	2023	2024	2025	2026	2027	2028	2029
<b>Annual Rate of Change for Input Prices Paid (%)</b>							
Seed Prices (%)	1.86	-0.05	0.78	0.18	0.56	1.10	1.26
All Fertilizer Prices (%)	-20.58	-19.98	-16.70	5.34	6.94	3.80	-1.42
Herbicide Prices (%)	-10.61	-0.25	0.69	1.67	2.07	2.23	2.05
Insecticide Prices (%)	-9.90	6.12	1.16	1.80	2.09	2.21	2.09
Fuel and Lube Prices (%)	-13.81	-10.80	0.36	1.41	1.63	1.64	1.11
Machinery Prices (%)	3.97	-7.12	-3.64	0.75	1.86	2.23	1.64
Wages (%)	3.66	4.00	3.29	3.23	3.20	3.28	3.29
Supplies (%)	1.79	<sup>5</sup> 0.18	1.75	2.21	2.11	2.14	2.22
Repairs (%)	4.36	-0.12	1.57	2.06	2.13	2.26	2.36
Services (%)	3.90	0.38	1.00	1.96	2.32	2.48	2.32
Taxes (%)	3.55	9.33	6.91	2.63	1.31	2.88	3.39
PPI Items (%)	0.39	-2.76	-1.45	0.95	0.73	0.49	0.25
PPI Total (%)	0.82	-1.32	-0.80	0.96	0.94	0.92	0.78
<b>Annual Change in Consumer Price Index (%)</b>	4.09	2.40	2.24	2.18	2.18	2.23	2.17
<b>Annual Rate of Change for U.S. Land Prices (%)</b>	7.37	0.28	-2.01	0.64	1.42	1.55	1.09

Source: Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri-Columbia.

# Representative Farm: Feed Grains

- Overall, fifteen feed grain farms are characterized as good, six are marginal, and four are in poor condition.
- Ten of the twenty-five farms will be under moderate to severe cash flow stress; five of these farms also have a greater than 25 percent chance of losing real net worth.



**Characteristics of Panel Farms Producing Feed Grains, 2023.**

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Feed Grains (acres)
IAG1350	1,350	4,448.00	0.14	1,293.20	1,350
IAG3400	3,400	15,275.00	0.15	3,057.10	3,400
NEG3000	3,000	12,160.00	0.16	3,558.80	3,000
NEG4500	4,500	25,055.00	0.17	5,141.40	4,200
NDG3000	3,000	7,427.00	0.14	1,819.10	2,500
NDG9000	9,000	26,574.00	0.14	5,528.80	7,500
ING1000	1,000	5,339.00	0.12	895.70	1,000
ING3500	3,500	18,134.00	0.13	3,376.50	3,500
OHG850	850	5,889.00	0.15	711.00	765
OHG1800	1,800	8,247.00	0.14	1,638.20	1,620
MOCG2300	2,300	18,835.00	0.17	1,919.40	2,300
MOCG4200	4,200	32,861.00	0.15	3,320.00	4,200
MONG2300	2,300	18,185.00	0.13	2,234.80	2,250
LANG2500	2,500	5,168.00	0.24	2,326.80	1,875
TNG3000	3,000	8,886.00	0.17	2,530.30	3,000
TNG5000	5,000	15,166.00	0.18	4,525.10	5,000
NCSP2000	2,000	6,924.00	0.15	2,010.80	1,600
NCC2030	2,000	3,715.00	0.10	1,363.20	1,400
SCC2200	2,200	5,649.00	0.15	2,329.60	1,350
SCG3500	3,500	12,207.00	0.15	3,434.20	2,525
TXNP3450	3,450	11,786.00	0.12	3,248.50	1,554
TXNP10880	10,880	26,992.00	0.13	10,197.80	5,234
TXPG3000	3,000	8,429.00	0.17	2,236.50	1,880
TXHG3000	3,000	4,098.00	0.18	1,399.70	2,000
TXWG1600	1,600	2,617.00	0.21	702.90	1,100

# Representative Farm: Feed Grains

## Economic Viability of Representative Farms over the 2024-2029 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
	2024	2029	2024-2029	2024-2029
15/6/4				
IAG1350			24-61	23-39
IAG3400			1-1	1-1
NEG3000			1-1	1-1
NEG4500			15-36	1-3
NDG3000			8-32	8-13
NDG9000			1-1	1-1
ING1000			1-1	1-1
ING3500			1-1	1-1
OHG850			11-44	1-1
OHG1800			1-1	1-1
MOCG2300			5-28	1-1
MOCG4200			1-7	1-1
MONG2300			1-1	1-1
LANG2500			52-39	92-51
TNG3000			16-29	18-17
TNG5000			1-1	4-1
NCSP2000			8-52	40-48
NCC2030			1-1	1-1
SCC2200			1-1	6-2
SCG3500			1-1	1-1
TXNP3450			1-1	1-1
TXNP10880			1-1	1-1
TXPG3000			20-23	6-3
TXHG3000			22-33	33-32
TXWG1600			58-75	51-60

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

<25

25-50

>50

2 P(Negative Ending Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2024 and 2029.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2021 to 2024 and from 2021 to 2029.

## Implications of the Preliminary 2024 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Feed Grains and Oilseeds

	Receipts	Payments	NCFI	Reserve 2029	Net Worth 2029	CRNW
	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(%)
IAG1350	1,202.35	55.96	145.62	(150.15)	3,765.53	(0.53)
IAG3400	2,830.14	114.34	655.95	2,168.79	14,985.15	2.09
NEG3000	3,253.26	138.28	695.77	2,708.67	12,331.18	2.95
NEG4500	4,659.55	165.50	774.10	496.98	22,738.39	1.22
NDG3000	1,652.46	62.13	346.48	303.16	6,880.34	0.91
NDG9000	4,996.53	179.40	1,496.40	5,467.10	28,439.61	3.46
ING1000	828.45	38.01	276.06	722.63	5,400.20	2.14
ING3500	3,148.17	114.71	707.83	2,349.06	18,096.29	2.11
OHG850	642.72	15.44	178.05	30.23	5,337.73	0.85
OHG1800	1,494.92	50.03	688.89	3,120.16	9,303.71	4.39
MOCG2300	1,747.25	44.22	603.57	512.28	17,399.52	1.54
MOCG4200	3,039.37	70.48	1,122.22	2,210.22	31,895.33	1.96
MONG2300	2,078.88	60.77	873.38	3,807.17	18,999.31	2.81
LANG2500	2,334.85	177.16	337.52	202.92	4,556.08	2.19
TNG3000	2,331.07	64.45	382.05	541.99	8,130.98	1.41
TNG5000	4,153.96	97.78	1,077.18	4,296.29	16,093.38	4.22
NCSP2000	1,874.24	114.78	265.53	(37.76)	5,899.67	(0.15)
NCC2030	1,376.80	122.67	484.12	2,251.03	4,801.90	6.03
SCC2200	2,181.29	80.73	475.26	1,553.07	5,856.51	3.13
SCG3500	3,298.28	213.39	750.00	2,917.12	12,286.57	2.61
TXNP3450	3,115.23	153.96	679.22	3,493.06	12,701.17	3.19
TXNP10880	9,685.32	269.84	1,566.37	9,552.58	29,130.10	3.32
TXPG3000	2,237.98	201.40	349.30	402.38	7,678.09	1.39
TXHG3000	1,363.41	101.14	213.94	280.74	3,562.76	0.76
TXWG1600	703.68	69.97	93.17	(297.76)	1,987.78	(0.89)

1 Receipts are average annual total cash receipts including government payments, 2024-2029 (\$1,000)

2 Payments are average annual total government payments, 2024-2029 (\$1,000)

3 NCFI is average annual net cash farm income, 2024-2029 (\$1,000)

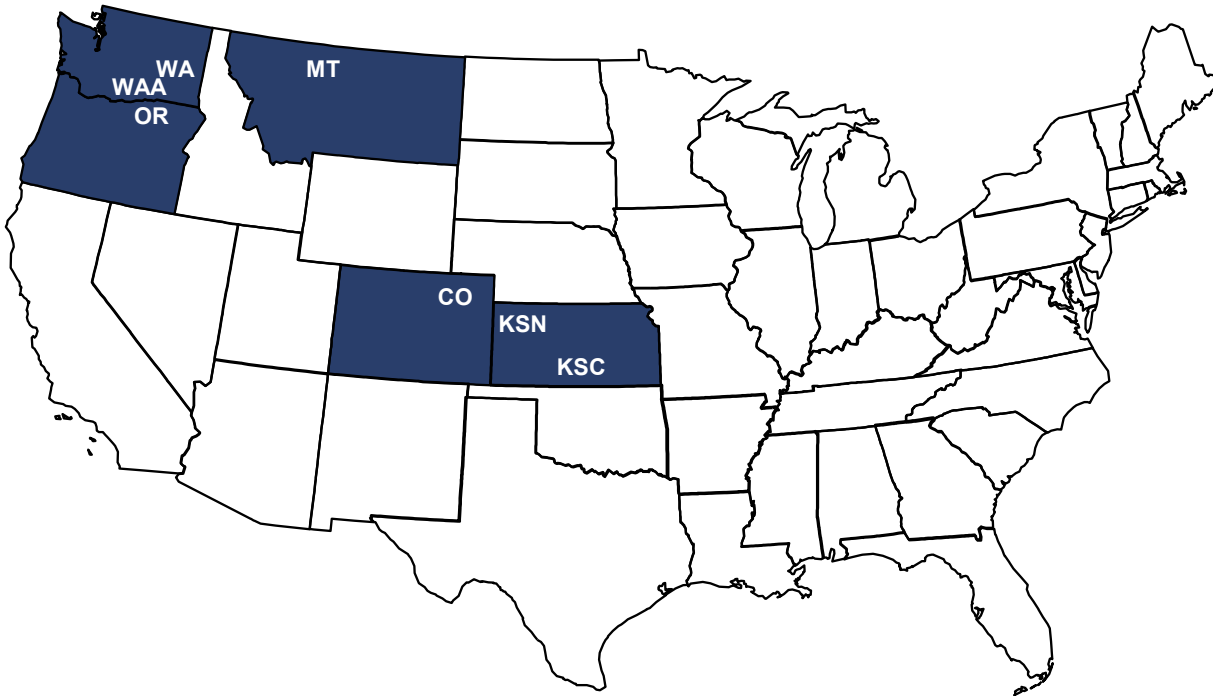
4 Reserve 2029 is average ending cash reserves, 2029 (\$1,000)

5 Net Worth 2029 is average nominal ending net worth, 2029 (\$1,000)

6 CRNW is average percentage change in real net worth over 2024-2029 period, (%)

# Representative Farm: Wheat

- Nine wheat farms are projected to be in good overall financial condition; none of the representative wheat farms are in marginal condition, but two are in poor condition.
- Two of the eleven wheat farms are expected to feel significant liquidity pressure over the period; these two farms also have a greater than 25 percent chance of losing wealth by the end of the projection period.



## Characteristics of Panel Farms Producing Wheat, 2023.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Wheat (acres)
WAW2800	2,800	4,818.00	0.13	1,618.40	1,840
WAW10000	10,000	15,745.00	0.13	5,548.10	5,800
WAAW8050	8,050	4,458.00	0.26	1,255.30	3,800
ORW6500	6,500	4,115.00	0.19	862.90	3,250
MTW9500	9,500	12,401.00	0.13	2,346.80	3,534
KSCW3000	3,000	5,773.00	0.15	1,955.40	1,000
KSCW8000	8,000	11,795.00	0.14	5,105.60	3,000
KSNW4000	4,000	3,951.00	0.13	1,171.20	1,200
KSNW8000	8,000	15,697.00	0.11	3,733.90	1,200
COW3000	3,000	5,232.00	0.14	779.90	1,013
COW11500	11,500	19,842.00	0.16	3,438.60	3,633

# Representative Farm: Wheat

## Economic Viability of Representative Farms over the 2024-2029 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
	2024	2029	2024-2029	2024-2029
9/0/2				
WAW2800			3-1	5-1
WAW10000			2-10	4-7
WAAW8050			73-89	38-77
ORW6500			30-85	2-44
MTW9500			1-1	1-1
KSCW3000			1-1	1-1
KSCW8000			1-2	2-1
KSNW4000			4-12	8-13
KSNW8000			1-1	1-1
COW3000			1-1	1-1
COW11500			2-14	5-3

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

<25

25-50

>50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2024 and 2029.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2021 to 2024 and from 2021 to 2029.

## Implications of the Preliminary 2024 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Wheat

	Receipts	Payments	NCFI	Reserve 2029	Net Worth 2029	CRNW
	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(%)
WAW2800	1,544.17	126.40	332.76	1,430.92	5,069.52	3.05
WAW10000	5,122.01	264.28	796.50	3,420.52	15,898.66	2.33
WAAW8050	1,078.39	43.83	87.84	(1,011.91)	2,654.62	(3.70)
ORW6500	748.11	28.63	105.71	(580.79)	2,966.15	(2.05)
MTW9500	2,242.56	177.81	870.08	3,039.48	13,564.43	3.59
KSCW3000	1,862.01	37.93	480.45	1,595.31	6,323.60	4.05
KSCW8000	4,777.18	106.82	890.81	3,800.22	12,936.75	3.85
KSNW4000	1,060.29	36.80	256.81	590.90	3,743.89	1.20
KSNW8000	3,381.59	101.19	1,087.93	5,617.68	17,658.77	3.81
COW3000	750.96	31.67	350.83	1,031.32	5,587.90	3.46
COW11500	3,157.87	97.01	661.56	1,456.85	18,631.46	1.58

1 Receipts are average annual total cash receipts including government payments, 2024-2029 (\$1,000)

2 Payments are average annual total government payments, 2024-2029 (\$1,000)

3 NCFI is average annual net cash farm income, 2024-2029 (\$1,000)

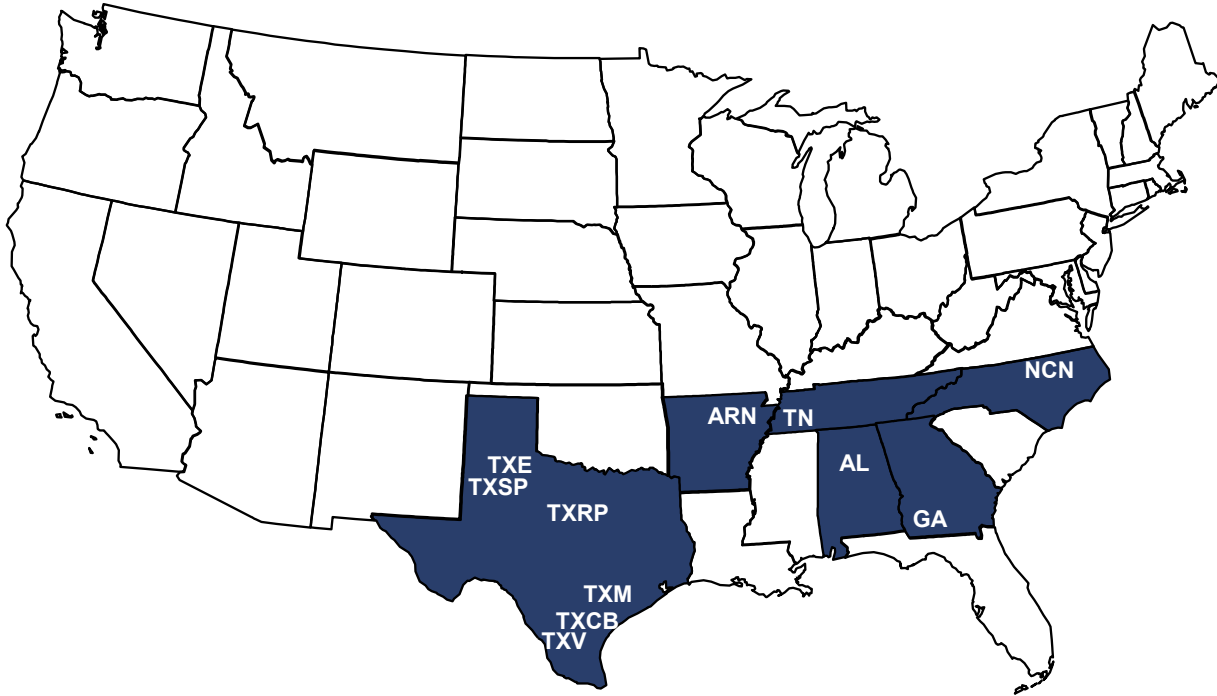
4 Reserve 2029 is average ending cash reserves, 2029 (\$1,000)

5 Net Worth 2029 is average nominal ending net worth, 2029 (\$1,000)

6 CRNW is average percentage change in real net worth over 2024-2029 period, (%)

# Representative Farm: Cotton

- Six of the thirteen cotton farms are characterized in good overall financial condition over the 2024-2029 projection period, three are in marginal condition, and four are in poor condition.
- Six representative cotton farms are projected to experience significant cash flow problems (having a greater than 25 percent chance of a cash flow deficit); five of these six farms along with one additional farm are expected to face a 25 percent or greater chance of losing real equity over the period.



## Characteristics of Panel Farms Producing Cotton, 2023.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Cotton (acres)
TXSP5000	5,000	4,428.00	0.24	2,292.60	4,260
TXEC5000	5,000	7,656.00	0.15	2,936.80	4,700
TXRP4000	4,000	3,226.00	0.33	1,095.70	2,400
TXMC3000	3,000	4,700.00	0.23	2,126.10	1,500
TXCB4000	4,000	5,190.00	0.19	2,492.80	2,000
TXCB10000	10,000	13,851.00	0.14	6,428.10	5,000
TXVC6000	6,000	11,305.00	0.17	4,314.70	2,620
ARNC5000	5,000	17,399.00	0.17	5,238.50	2,500
TNC3000	3,000	6,236.00	0.19	2,306.30	600
TNC4000	4,000	9,217.00	0.16	3,649.00	1,500
ALC3500	3,500	8,769.00	0.14	3,293.70	1,050
GAC2500	1,250	12,839.00	0.14	3,828.90	1,250
NCNP1600	1,600	4,805.00	0.16	1,516.30	640

# Representative Farm: Cotton

## Economic Viability of Representative Farms over the 2024-2029 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
	2024	2029	2024-2029	2024-2029
6/3/4				
TXSP5000			74-98	83-97
TXEC5000			1-10	67-44
TXRP4000			91-98	67-94
TXMC3000			36-47	32-31
TXCB4000			34-61	58-69
TXCB10000			4-7	18-12
TXVC6000			4-25	14-23
ARNC5000			1-1	2-1
TNC3000			2-2	19-1
TNC4000			1-1	12-1
ALC3500			1-1	2-1
GAC2500			1-1	1-1
NCNP1600			31-84	43-72

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

<25

25-50

>50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2024 and 2029.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2021 to 2024 and from 2021 to 2029.

## Implications of the Preliminary 2024 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Cotton

	Receipts	Payments	NCFI	Reserve 2029	Net Worth 2029	CRNW
	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(%)
TXSP5000	2,149.23	3.04	(49.39)	(3,024.36)	813.96	(20.41)
TXEC5000	3,043.04	277.81	522.26	2,165.94	7,532.53	2.21
TXRP4000	1,102.84	84.45	(36.19)	(1,650.86)	1,234.90	(9.18)
TXMC3000	2,110.97	147.06	296.48	103.08	3,926.55	1.18
TXCB4000	2,437.57	161.85	134.13	(346.05)	3,766.85	(2.06)
TXCB10000	6,240.25	358.98	765.01	3,647.99	13,811.39	2.28
TXVC6000	4,186.06	280.03	342.86	823.52	9,705.71	0.38
ARNC5000	5,186.79	342.81	1,203.80	4,312.01	18,142.96	3.66
TNC3000	2,312.70	196.86	497.59	1,559.65	6,524.70	4.13
TNC4000	3,649.13	275.60	623.57	3,123.17	10,093.34	4.23
ALC3500	3,256.66	224.88	866.96	4,763.93	10,437.31	5.38
GAC2500	3,837.74	395.40	827.59	3,273.04	13,885.46	3.63
NCNP1600	1,412.79	57.10	138.01	(606.70)	3,674.18	(1.80)

1 Receipts are average annual total cash receipts including government payments, 2024-2029 (\$1,000)

2 Payments are average annual total government payments, 2024-2029 (\$1,000)

3 NCFI is average annual net cash farm income, 2024-2029 (\$1,000)

4 Reserve 2029 is average ending cash reserves, 2029 (\$1,000)

5 Net Worth 2029 is average nominal ending net worth, 2029 (\$1,000)

6 CRNW is average percentage change in real net worth over 2024-2029 period, (%)

# Representative Farm: Rice

- Seven of the fifteen representative rice farms are projected to be in good overall financial condition, three are in marginal condition, and five are in poor overall financial health.
- Eight of the rice farms are expected to face significant cash flow problems; five of these eight farms also are projected to face a 25 percent or greater threat of losing real net worth.



## Characteristics of Panel Farms Producing Rice, 2023.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Rice (acres)
CAR1200	1,200	6,959.00	0.13	2,461.00	1,200
CAR3000	3,000	19,923.00	0.25	6,468.30	3,000
CABR800	800	7,100.00	0.17	1,775.70	800
CACR800	800	5,730.00	0.24	82.90	1
TXR1500	1,500	3,537.00	0.18	1,220.90	600
TXR3000	3,000	2,361.00	0.16	2,980.00	1,500
TXBR1800	1,800	1,677.00	0.09	2,258.80	900
TXER2500	2,500	1,380.00	0.39	2,614.80	1,000
LASR2000	2,000	2,991.00	0.22	1,767.40	1,000
ARMR7000	7,000	17,147.00	0.19	6,497.20	700
ARSR3500	3,500	8,995.00	0.18	3,252.90	1,200
ARWR2500	2,500	12,651.00	0.15	2,466.70	833
ARHR400J	4,000	11,465.00	0.17	4,173.80	2,640
MSDR5000	5,000	26,649.00	0.16	4,830.10	1,667
MOBR4500	4,500	14,405.00	0.18	3,309.00	1,500

# Representative Farm: Rice

## Economic Viability of Representative Farms over the 2024-2029 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
	2024	2029	2024-2029	2024-2029
7/3/5				
CAR1200			21-44	12-6
CAR3000			99-99	90-98
CABR800			48-42	12-3
CACR800			99-99	96-99
TXR1500			52-29	30-5
TXR3000			26-8	39-10
TXBR1800			4-1	14-1
TXER2500			78-49	85-51
LASR2000			37-5	76-8
ARMR7000			5-5	21-8
ARSR3500			8-5	13-2
ARWR2500			51-85	17-29
ARHR4000			54-78	60-55
MSDR5000			1-1	1-1
MOBR4500			6-9	2-1

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

<25

25-50

>50

2 P(Negative Ending Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2024 and 2029.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2021 to 2024 and from 2021 to 2029.

## Implications of the Preliminary 2024 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Rice

	Receipts	Payments	NCFI	Reserve 2029	Net Worth 2029	CRNW
	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(%)
CAR1200	2,539.22	284.50	352.45	39.49	6,682.62	1.35
CAR3000	6,325.79	424.71	(186.77)	(7,057.01)	11,388.84	(4.55)
CABR800	1,876.16	268.85	343.92	39.19	6,441.98	1.33
CACR800	1,656.48	219.94	(121.41)	(2,720.69)	2,821.84	(7.12)
TXR1500	1,252.06	81.22	285.31	184.13	3,426.84	2.49
TXR3000	2,980.96	124.14	576.35	1,375.26	3,228.86	8.23
TXBR1800	2,240.92	95.37	480.19	1,828.71	2,838.07	10.72
TXER2500	2,583.41	123.54	340.52	34.35	1,358.78	8.20
LASR2000	1,789.94	83.17	365.37	598.19	3,065.98	4.52
ARMR7000	6,308.31	324.10	943.51	3,341.82	16,595.94	2.69
ARSR3500	3,148.04	141.56	639.42	1,701.16	8,923.98	3.02
ARWR2500	2,395.53	111.90	274.86	(1,009.52)	10,938.77	0.13
ARHR4000	4,111.45	168.50	454.79	(1,141.39)	9,533.10	(0.31)
MSDR5000	4,581.46	151.17	1,455.25	3,978.43	27,277.37	3.00
MOBR4500	3,150.67	125.96	616.12	1,280.77	13,687.14	2.19

1 Receipts are average annual total cash receipts including government payments, 2024-2029 (\$1,000)

2 Payments are average annual total government payments, 2024-2029 (\$1,000)

3 NCFI is average annual net cash farm income, 2024-2029 (\$1,000)

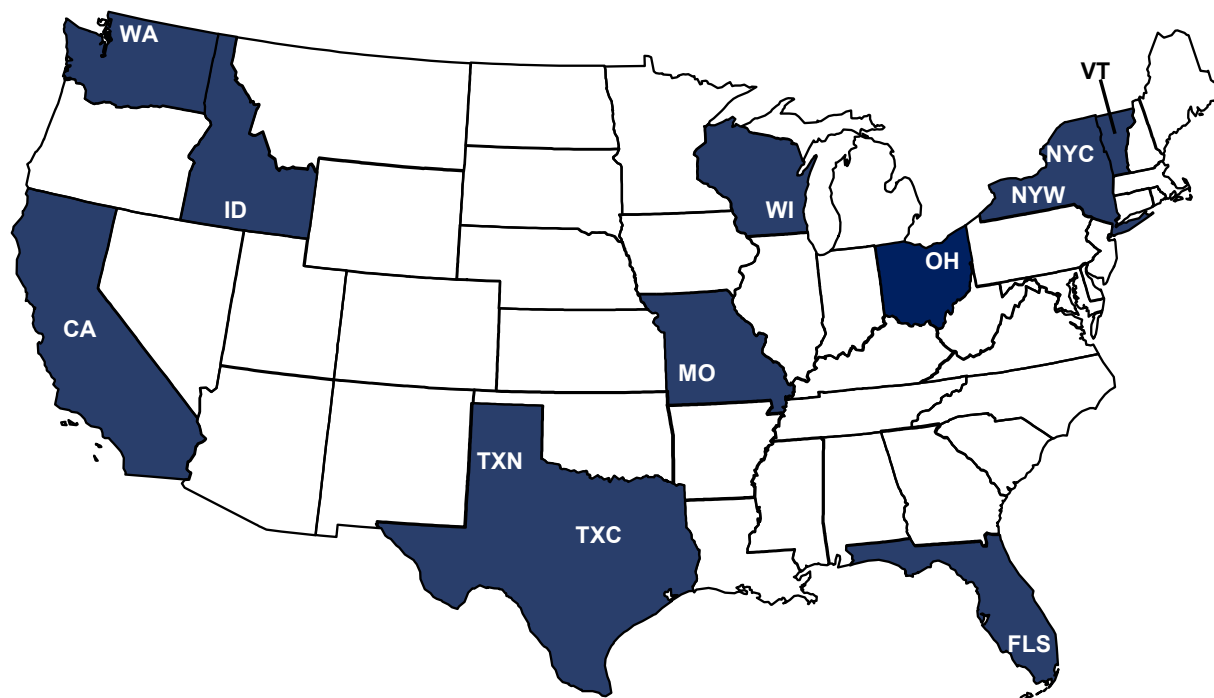
4 Reserve 2029 is average ending cash reserves, 2029 (\$1,000)

5 Net Worth 2029 is average nominal ending net worth, 2029 (\$1,000)

6 CRNW is average percentage change in real net worth over 2024-2029 period, (%)

# Representative Farm: Dairy

- Eight of the 17 dairy operations are in good overall financial condition, three of the dairies are classified in marginal condition, and six dairies are in poor condition.
- Six of the dairies are projected to experience severe cash flow stress; five of these six operations are also expected to face a greater than 50 percent chance of losing real net worth by 2028.



## Characteristics of Panel Farms Producing Milk, 2023.

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Cows (number)
CAD2000	700	29,146.00	0.41	12,784.80	2,000
WAD300	250	5,607.00	0.26	1,587.50	300
WAD1200	850	20,431.00	0.16	7,793.90	1,200
IDD1500	850	11,865.00	0.24	9,759.60	1,500
TXND3800	1,920	27,061.00	0.26	20,025.30	3,800
TXCD1500	616	12,647.00	0.40	7,598.30	1,500
WID275	900	7,305.00	0.20	2,055.20	275
WID2400	3,300	31,859.00	0.19	15,243.70	2,400
OHD400	800	9,759.00	0.19	2,707.90	400
NYWD400	800	6,917.00	0.17	2,572.20	400
NYWD1200	2,100	22,923.00	0.18	7,743.00	1,200
NYCD150	300	3,004.00	0.23	904.90	150
NYCD1500	3,000	26,912.00	0.19	9,601.40	1,500
VTD160	220	2,333.00	0.33	909.40	160
VTD400	1,000	7,285.00	0.21	2,954.80	400
MOGD550	460	5,012.00	0.15	1,979.00	550
FLSD2400	600	15,174.00	0.24	14,947.80	2,400

# Representative Farm: Dairy

## Economic Viability of Representative Farms over the 2024-2029 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
	2024	2029	2024-2029	2024-2029
8/3/6				
CAD2000			99-99	72-91
WAD300			94-97	4-45
WAD1200			1-1	1-1
IDD1500			51-29	16-13
TXND3800			70-41	18-17
TXCD1500			98-98	69-79
WID275			1-1	1-1
WID2400			2-1	1-1
OHD400			10-9	1-1
NYWD400			1-1	1-1
NYWD1200			1-1	1-1
NYCD150			91-99	37-94
NYCD1500			1-1	1-1
VTD160			99-99	79-99
VTD400			83-98	10-65
MOGD550			1-1	1-1
FLSD2400			36-28	13-14

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

<25

25-50

>50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2024 and 2029.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2021 to 2024 and from 2021 to 2029.

## Implications of the Preliminary 2024 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Milk

	Receipts	Payments	NCFI	Reserve 2029	Net Worth 2029	CRNW
	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(%)
CAD2000	12,630.71	78.04	(453.66)	(15,030.80)	11,516.17	(6.72)
WAD300	1,596.06	19.40	85.88	(971.94)	3,983.95	(1.00)
WAD1200	7,932.49	34.95	1,558.42	5,816.93	22,898.76	4.60
IDD1500	10,062.27	56.87	1,061.65	1,458.05	11,422.02	3.84
NVD1000	5,864.70	17.18	194.37	(1,981.84)	5,328.39	(2.23)
TXND3800	20,933.78	91.96	1,914.29	1,336.29	24,905.52	3.42
TXCD1500	7,899.86	21.07	86.49	(5,561.97)	5,667.39	(4.80)
WID275	2,148.26	53.47	586.87	1,701.81	7,561.64	4.21
WID2400	16,137.35	100.21	3,299.62	12,422.19	36,376.16	5.76
OHD400	2,737.32	34.60	509.79	1,008.79	9,395.12	2.76
NYWD1200	7,731.16	56.26	1,688.60	5,646.84	23,871.56	3.75
NYCD150	879.55	15.22	37.02	(853.55)	1,867.80	(3.75)
NYCD1500	9,572.44	41.37	2,062.68	9,155.70	28,842.88	4.59
VTD160	893.89	14.76	(61.64)	(1,466.72)	728.38	(11.84)
VTD400	2,905.89	35.41	106.78	(1,488.88)	5,079.65	(2.20)
MOGD550	1,859.08	14.19	476.67	2,079.92	5,684.30	4.78
FLSD2400	14,814.36	40.35	1,229.15	2,127.90	14,586.74	3.77

1 Receipts are average annual total cash receipts including government payments, 2024-2029 (\$1,000)

2 Payments are average annual total government payments, 2024-2029 (\$1,000)

3 NCFI is average annual net cash farm income, 2024-2029 (\$1,000)

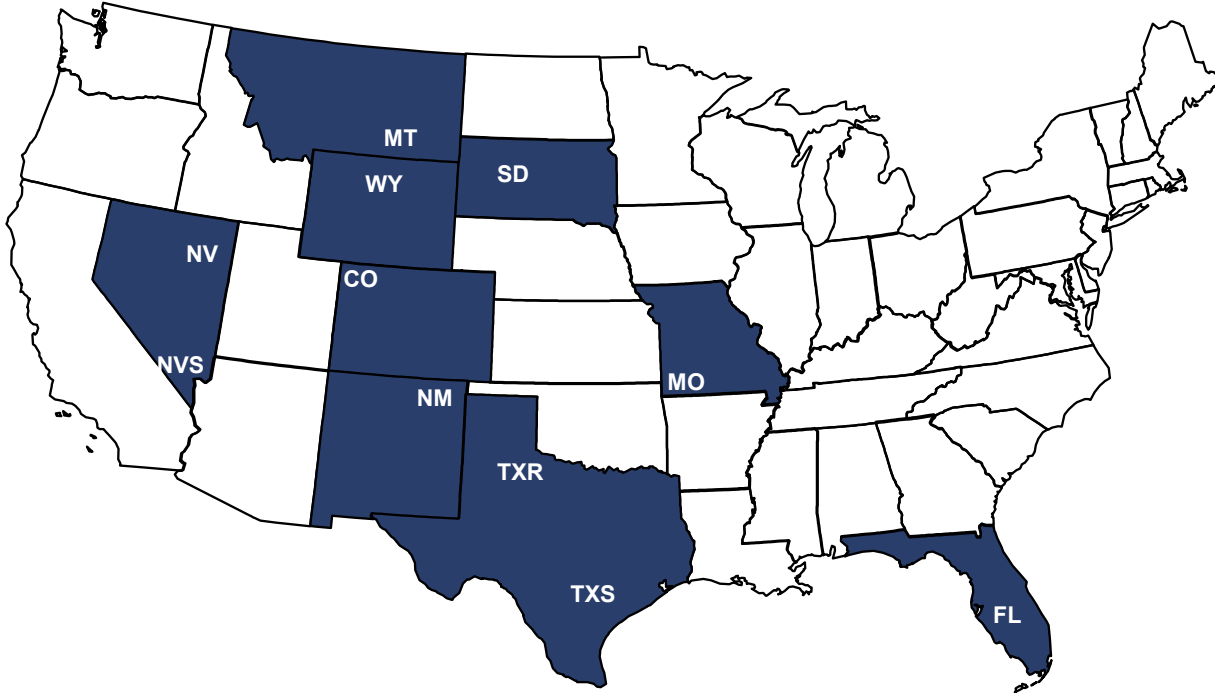
4 Reserve 2029 is average ending cash reserves, 2029 (\$1,000)

5 Net Worth 2029 is average nominal ending net worth, 2029 (\$1,000)

6 CRNW is average percentage change in real net worth over 2024-2029 period, (%)

# Representative Farm: Cow/Calf

- Nine of the 11 cow-calf operations are projected to be in good overall financial condition, and two of the ranches are in marginal condition; none of the representative ranches are projected to be in poor condition.
- Only one ranch faces the threat of severe cash flow stress; none of the representative ranches are projected to face greater than a 25 percent chance of losing real wealth.



**Characteristics of Panel Farms Producing Beef Cattle, 2023.**

	Cropland (acres)	Assets (\$1,000)	Debt/Asset (ratio)	Gross Receipts (\$1,000)	Cows (number)
NVB650	1,300	11,775.00	0.01	813.00	650
NVSB550	125	4,026.00	0.03	727.00	550
MTB600	900	9,497.00	0.01	718.60	540
WYB475	330	3,052.00	0.03	611.10	475
COB250	650	16,027.00	0.01	435.30	250
NMB210	0	6,953.00	0.01	296.40	210
SDB600	1,000	10,777.00	0.04	840.00	540
MOB300	450	5,907.00	0.02	656.10	300
TXRB400	0	14,451.00	0.02	601.00	400
TXSB300	100	9,700.00	0.01	485.90	225
FLB1000	200	41,017.00	0.01	1,235.90	1,000

# Representative Farm: Cow/Calf

## Economic Viability of Representative Farms over the 2024-2029 Period

Farm Name	Overall Ranking		P(Negative Ending Cash)	P(Real Net Worth Declines)
	2024	2029	2024-2029	2024-2029
9/2/0				
NVB650			1-1	1-1
NVSB550			1-1	1-1
MTB600			1-1	1-1
WYB475			37-26	4-9
COB250			14-1	48-7
NMB210			1-1	3-1
SDB600			99-96	3-16
MOB300			1-1	1-1
TXRB400			48-1	1-1
TXSB300			1-1	1-1
FLB1000			7-1	1-1

1 Viability is classified as good (green), moderate (yellow), and poor (red) based on the probabilities:

<25

25-50

>50

2 P(NegativeEnding Cash) is the probability that the farm will have a cash flow deficit. Reported values represent the probabilities for 2024 and 2029.

3 P(Real Net Worth Decline) is the probability that the farm will have a loss in real net worth relative to the beginning net worth. Reported values represent the probabilities for losing real net worth from 2021 to 2024 and from 2021 to 2029.

### Implications of the Preliminary 2024 FAPRI Baseline on the Economic Viability of Representative Farms Primarily Producing Beef Cattle

	Receipts	Payments	NCFI	Reserve 2029	Net Worth 2029	CRNW
	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(%)
NVB650	883.75	0.00	322.19	884.86	12,802.56	1.41
NVSB550	793.25	0.00	291.82	888.87	4,840.57	3.35
MTB600	841.48	0.00	500.65	1,771.43	11,272.12	2.85
WYB475	615.43	0.00	132.94	83.10	3,111.03	0.65
COB250	453.07	0.00	196.34	360.93	16,689.49	0.64
NMB210	333.54	0.00	165.24	337.79	7,403.23	0.97
SDB600	939.79	0.00	171.65	(427.18)	10,587.78	0.21
MOB300	638.02	7.46	216.00	468.23	6,250.01	0.96
TXRB400	661.16	0.00	231.46	438.93	15,161.04	0.84
TXSB300	526.84	0.00	289.59	917.26	10,640.17	1.46
FLB1000	1,342.73	0.00	463.21	1,088.90	42,850.15	0.72

1 Receipts are average annual total cash receipts including government payments, 2024-2029 (\$1,000)

2 Payments are average annual total government payments, 2024-2029 (\$1,000)

3 NCFI is average annual net cash farm income, 2024-2029 (\$1,000)

4 Reserve 2029 is average ending cash reserves, 2029 (\$1,000)

5 Net Worth 2029 is average nominal ending net worth, 2029 (\$1,000)

6 CRNW is average percentage change in real net worth over 2024-2029 period, (%)

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