

SUMMARY OF SOUTH GEORGIA CROP ENTERPRISE ESTIMATES, 2014

By A.R. Smith, N.B. Smith and W.D. Shurley, UGA Extension Economists, Department of Agricultural and Applied Economics

February 2014 Update												
Conventional Tillage	IRRIGATED						NON-IRRIGATED					
	Cotton	Peanuts	Corn	Soybeans	Grain Sorghum	Int Mgmt Wheat	Cotton	Peanuts	Corn	Soybeans	Grain Sorghum	Wheat
EXPECTED YIELD per ACRE	1,200 lbs	4,700 lbs	200 bu	60 bu	100 bu	75 bu	750 lbs	3,400 lbs	85 bu	30 bu	65 bu	55 bu
EXPECTED SEASON AVG PRICE	\$0.78 /lb	\$436 /ton	\$4.60 /bu	\$10.80 /bu	\$4.14 /bu	\$5.65 /bu	\$0.78 /lb	\$440 /ton	\$4.60 /bu	\$10.80 /bu	\$4.14 /bu	\$5.65 /bu
GROSS RETURN per ACRE	\$936	\$1,024	\$920	\$648	\$414	\$424	\$585	\$748	\$391	\$324	\$269	\$311
VARIABLE COSTS per ACRE												
Seed	91	91	94	50	14	50	91	91	51	50	8.25	32
BWEP	1						1					
Fertilizer & Lime*	125	64	282	71	153	123	97	64	109	71	97	88
Chicken Litter												
Chemicals	100	173	30	63	21	41	98	146	14	32	20	15
Custom Application												
Hand Weeding	8	8					8	8				
Scouting	10	10					10	10				
Fuel and Lube**	48	62	26	22	26	36	46	62	26	22	26	20
Repairs and Maintenance	25	43	17	14	17	18	24	43	17	14	17	10
Irrigation***	94	71	94	59	41							
Labor	28	30	12	10	12	14	27	30	12	10	12	7
Insurance	14	22	14	10	20	9	26	30	17	15	13	11
Land Rent												
Other												
Interest on Operating Capital	18	19	18	10	10	9	14	16	8	7	6	6
Gin & Warehouse (net after cottonseed)	-21						-13					
Drying and Cleaning		63	61		31	7		45	26		20	5
Marketing and Fees		15						11				
TOTAL VARIABLE COSTS per ACRE	\$540	\$670	\$649	\$309	\$344	\$306	\$428	\$556	\$281	\$220	\$220	\$194
RETURN ABOVE VARIABLE COST per ACRE	\$396	\$354	\$271	\$339	\$70	\$118	\$157	\$192	\$110	\$104	\$49	\$117
BREAKEVEN PRICE (Variable Cost)	\$0.45 /lb	\$285 /ton	\$3.25 /bu	\$5.14 /bu	\$3.44 /bu	\$4.08 /bu	\$0.57 /lb	\$327 /ton	\$3.30 /bu	\$7.35 /bu	\$3.39 /bu	\$3.52 /bu
FIXED COSTS per ACRE												
Machinery and Equipment	117	129	62	52	60	60	110	129	62	52	60	36
Irrigation	125	125	125	125	125							
Buildings												
Miscellaneous Overhead	27	33	32	15	17	15	21	28	14	11	11	10
TOTAL SPECIFIED FIXED COSTS per ACRE	\$269	\$287	\$220	\$192	\$202	\$75	\$131	\$157	\$76	\$63	\$71	\$46
TOTAL COST EXCL. LAND & MGT per ACRE	\$809	\$957	\$869	\$501	\$546	\$381	\$559	\$712	\$357	\$283	\$291	\$240
RETURN TO LAND AND MGT per ACRE	\$127	\$66	\$51	\$147	-\$132	\$43	\$26	\$35	\$34	\$41	-\$22	\$71
BREAKEVEN PRICE (Total Costs)	\$0.67 /lb	\$407 /ton	\$4.34 /bu	\$8.35 /bu	\$5.46 /bu	\$5.08 /bu	\$0.75 /lb	\$419 /ton	\$4.20 /bu	\$9.44 /bu	\$4.47 /bu	\$4.36 /bu
BREAKEVEN YIELD per ACRE	1,037 lbs	4,395 lbs	189 bu	46 bu	132 bu	67 bu	717 lbs	3,241 lbs	78 bu	26 bu	70 bu	42 bu

* Expected fertilizer \$/lb. of nutrient are as follows:

N=

\$0.55

P=

\$0.40

K=

\$0.45

** Season Average Diesel fuel price of:

\$3.60 per Gallon

*** Average of diesel and electric irrigation application costs. Electric is estimated at \$7/appl and diesel is estimated at \$16.50/appl when diesel cost \$3.60/gal.



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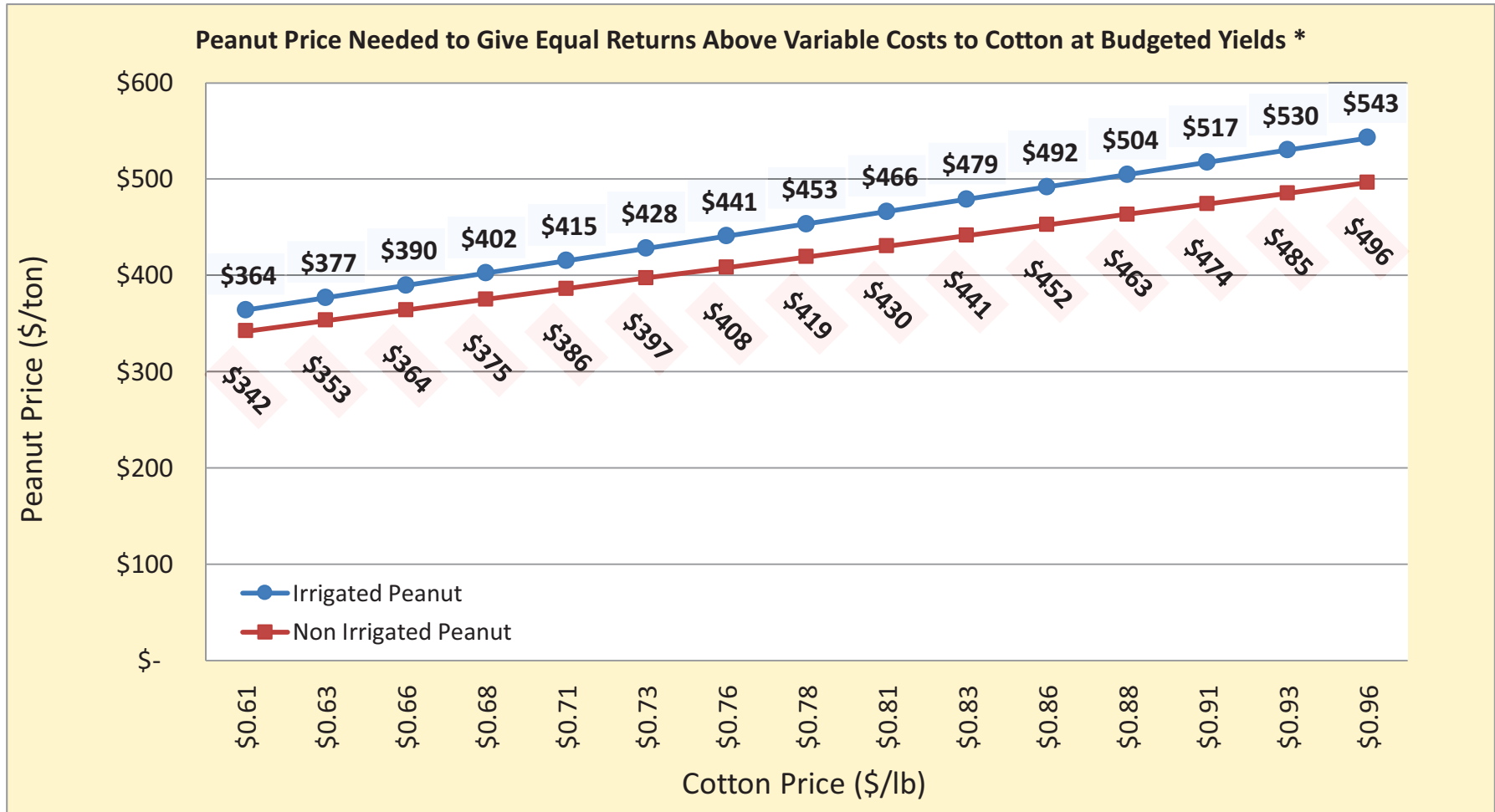
February 2014 Update										
Strip-Tillage	IRRIGATED					NON-IRRIGATED				
	Cotton	Peanuts	Corn	Soybeans	Grain Sorghum	Cotton	Peanuts	Corn	Soybeans	Grain Sorghum
EXPECTED YIELD per ACRE	1,200 lbs	4,700 lbs	200 bu	60 bu	100 bu	750 lbs	3,400 lbs	85 bu	30 bu	65 bu
EXPECTED SEASON AVG PRICE	\$0.78 /lb	\$436 /ton	\$4.60 /bu	\$10.80 /bu	\$4.14 /bu	\$0.78 /lb	\$440 /ton	\$4.60 /bu	\$10.80 /bu	\$4.14 /bu
GROSS RETURN per ACRE	\$936	\$1,024	\$920	\$648	\$414	\$585	\$748	\$391	\$324	\$269
VARIABLE COSTS per ACRE										
Seed	100	91	94	50	14	100	91	51	50	8
Cover Crop Seed*	23	23	23	23	23	23	23	23	23	23
BWEP	1					1				
Fertilizer & Lime**	125	64	283	71	153	97	64	109	71	97
Chicken Litter										
Chemicals	106	187	34	80	20	104	160	18	48	20
Custom Application										
Handweeding	8	8				8	8			
Scouting	10	10				10	10			
Fuel and Lube***	42	47	21	20	21	40	47	21	20	21
Repairs and Maintenance	22	36	17	13	14	22	36	15	13	14
Irrigation****	82	59	82	47	29					
Labor	24	24	10	9	10	24	24	10	9	10
Insurance	14	22	14	10	20	26	30	17	15	13
Land Rent										
Other										
Interest on Operating Capital	18	19	19	10	10	15	16	9	8	7
Gin & Warehouse (net after cottonseed)	-21					-13				
Drying and Cleaning		63	61		31		45	26		20
Marketing and Fees		15					11			
TOTAL VARIABLE COSTS per ACRE	\$554	\$667	\$658	\$333	\$344	\$456	\$565	\$298	\$257	\$233
RETURN ABOVE VARIABLE COST per ACRE	\$382	\$357	\$262	\$315	\$70	\$129	\$183	\$93	\$67	\$36
BREAKEVEN PRICE	\$0.46 /lb	\$284 /ton	\$3.29 /bu	\$5.55 /bu	\$3.44 /bu	\$0.61 /lb	\$332 /ton	\$3.51 /bu	\$8.56 /bu	\$3.58 /bu
FIXED COSTS per ACRE										
Machinery and Equipment	104	105	54	49	52	104	105	54	49	52
Irrigation	125	125	125	125	125					
Buildings										
Miscellaneous Overhead	28	33	33	17	17	23	28	15	13	12
TOTAL SPECIFIED FIXED COSTS per ACRE	\$257	\$263	\$212	\$191	\$194	\$127	\$133	\$69	\$62	\$63
TOTAL COST EXCL. LAND & MGT per ACRE	\$811	\$930	\$871	\$523	\$538	\$583	\$698	\$368	\$319	\$296
RETURN TO LAND AND MGT per ACRE	\$125	\$94	\$49	\$125	-\$124	\$2	\$49	\$23	\$5	-\$27
BREAKEVEN PRICE (Total Costs)	\$0.68 /lb	\$396 /ton	\$4.35 /bu	\$8.72 /bu	\$5.38 /bu	\$0.78 /lb	\$411 /ton	\$4.32 /bu	\$10.62 /bu	\$4.56 /bu
BREAKEVEN YIELD per ACRE	1,040 lbs	4,270 lbs	189 bu	48 bu	130 bu	747 lbs	3,175 lbs	80 bu	30 bu	72 bu

* Value only if the cover crop is not harvested, i.e. wheat for grain, etc.

** Expected fertilizer \$/lb.of nutrient are as follows: N= \$0.55 P= \$0.40 K= \$0.45

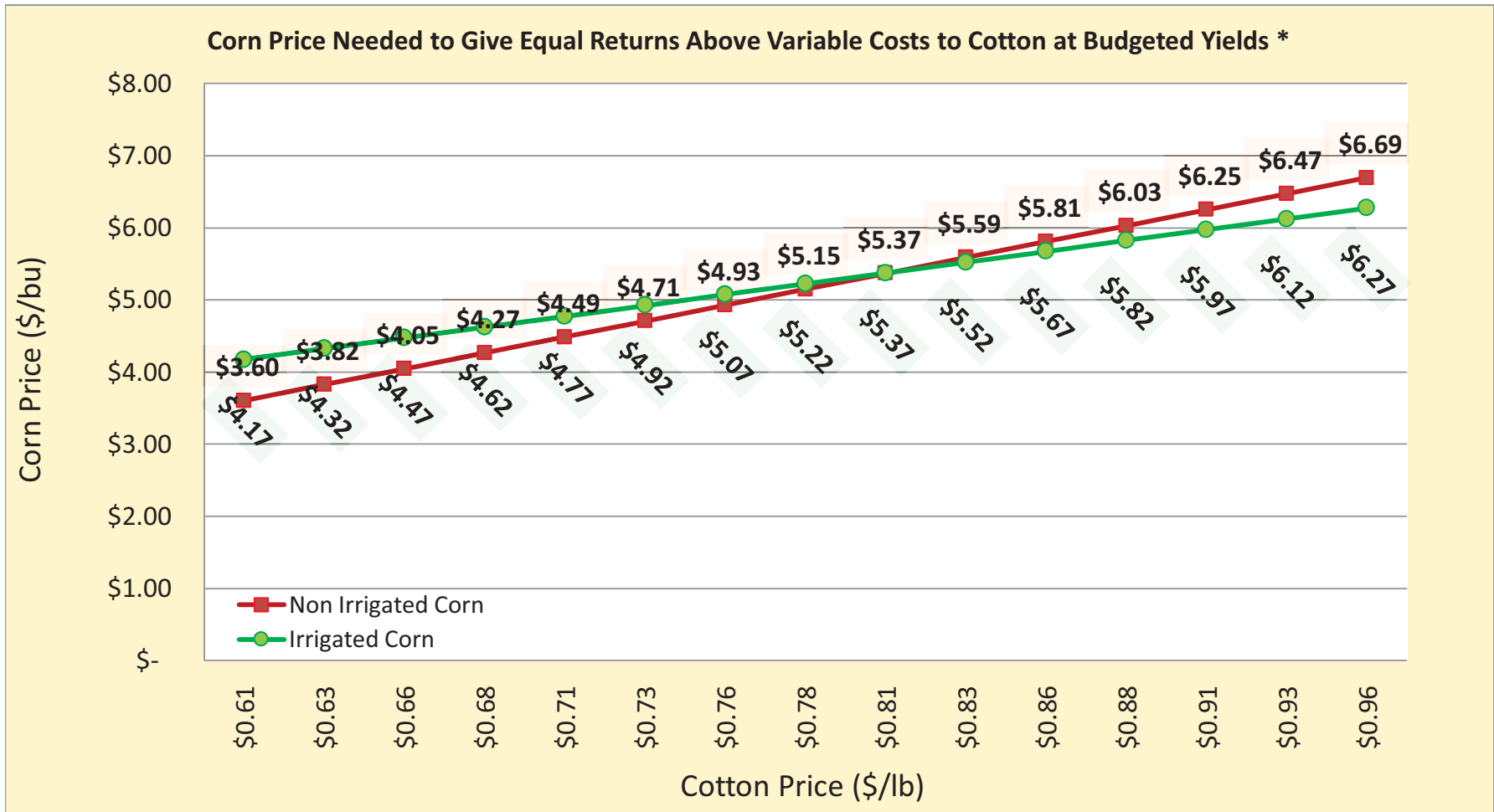
*** Average of diesel and electric irrigation application costs. Electric is estimated at \$7/appl and diesel is estimated at \$16.50/appl when diesel cost \$3.60/gal.

**** Season Average Diesel Fuel Price: \$3.60 per Gallon



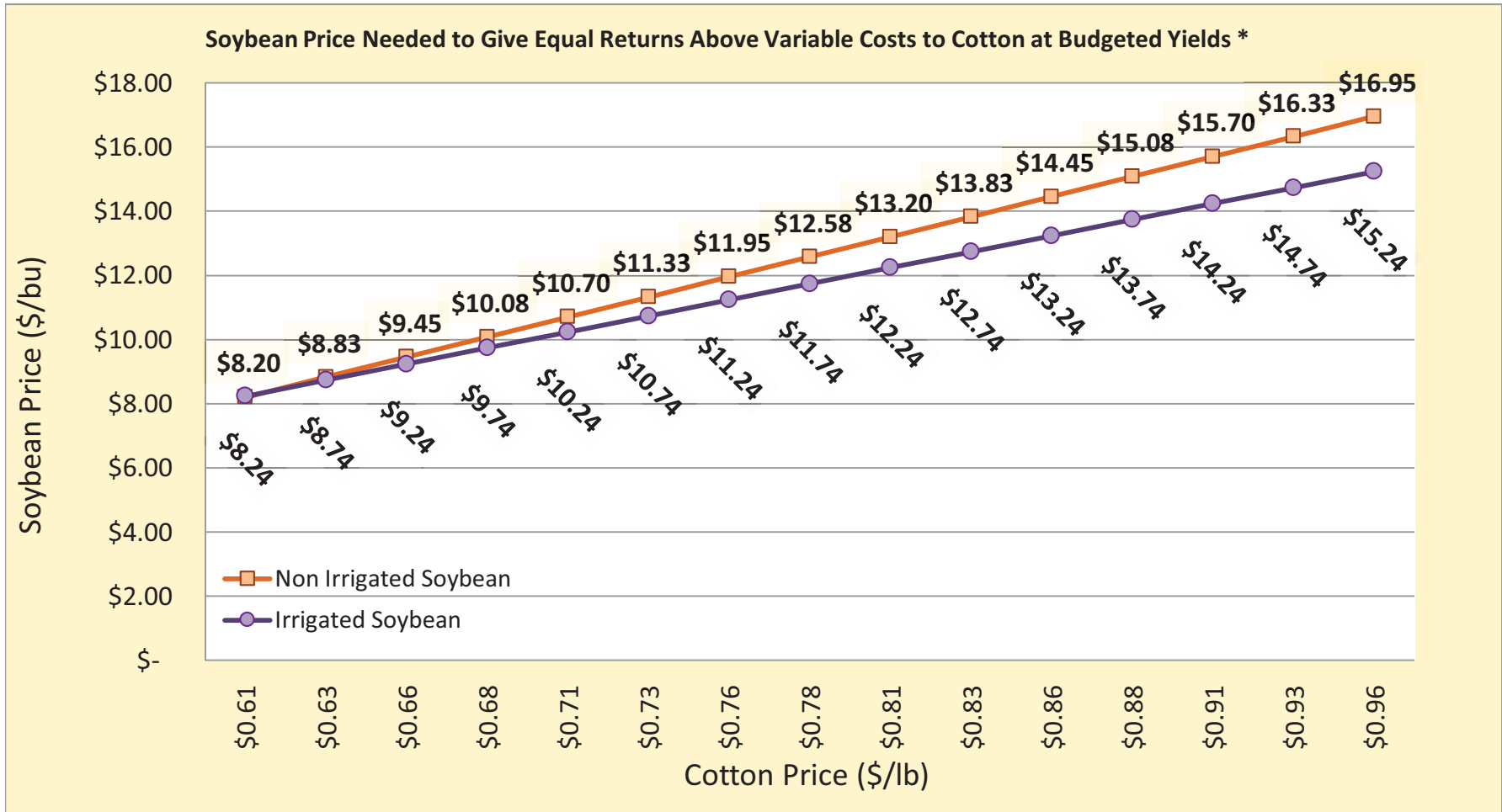
* The above chart is based on the following assumptions:

- 1) Irrigated peanut is compared to irrigated cotton and non-irrigated peanut is compared to non-irrigated cotton.
- 2) Irrigated peanut yield is 4700 lbs. and irrigated cotton yield is 1200 lbs.
- 3) Non-irrigated peanut yield is 3400 lbs. and non-irrigated cotton yield is 750 lbs.
- 4) Prices shown are those needed to cover budgeted operating costs for conventional till production listed in the crop comparison tool.



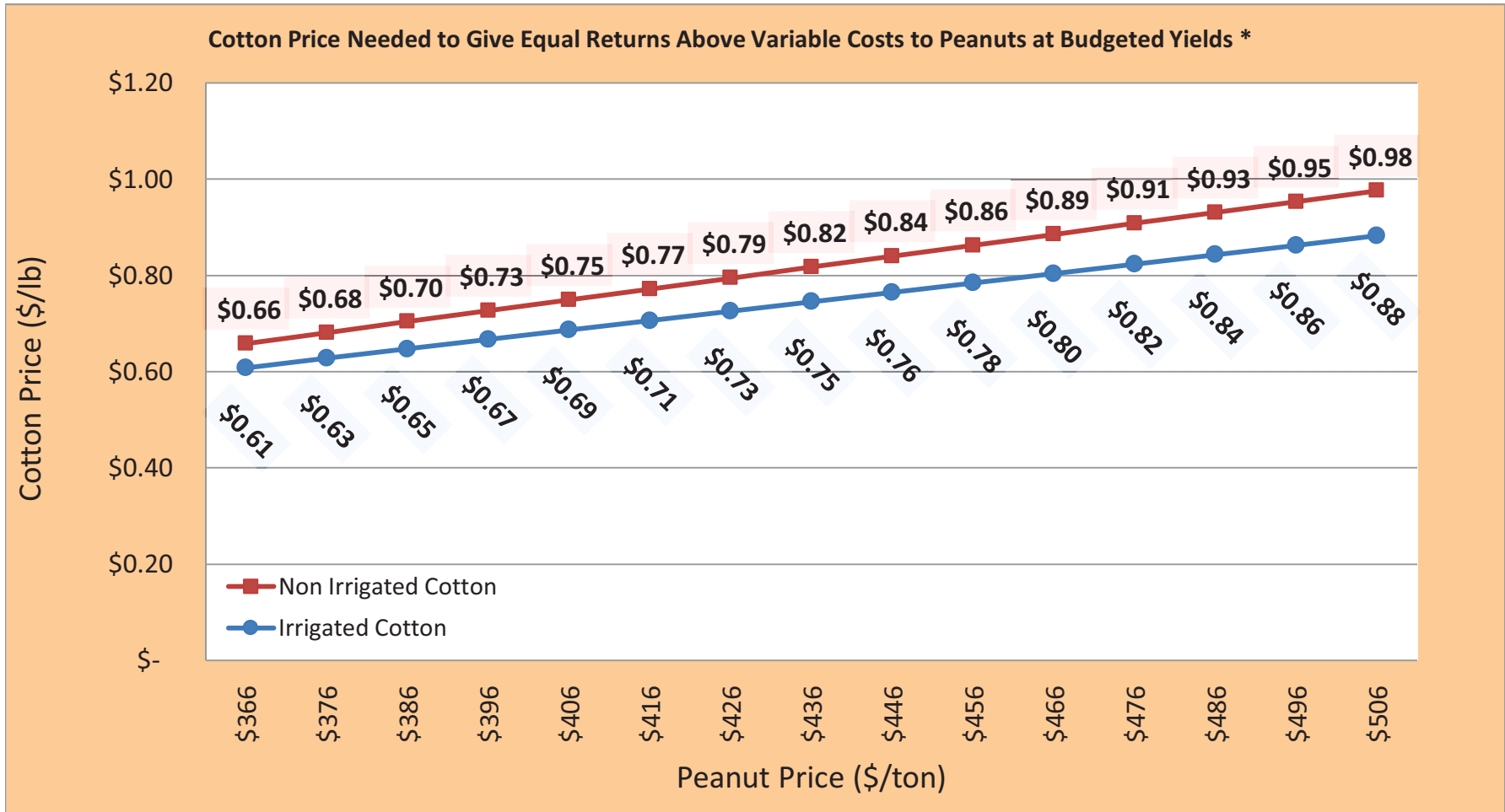
* The above chart is based on the following assumptions:

- 1) Irrigated corn is compared to irrigated cotton and non-irrigated corn is compared to non-irrigated cotton.
- 2) Irrigated corn yield is 200 bu. and irrigated cotton yield is 1200 lbs.
- 3) Non-irrigated corn yield is 85 bu. and non-irrigated cotton yield is 750 lbs.
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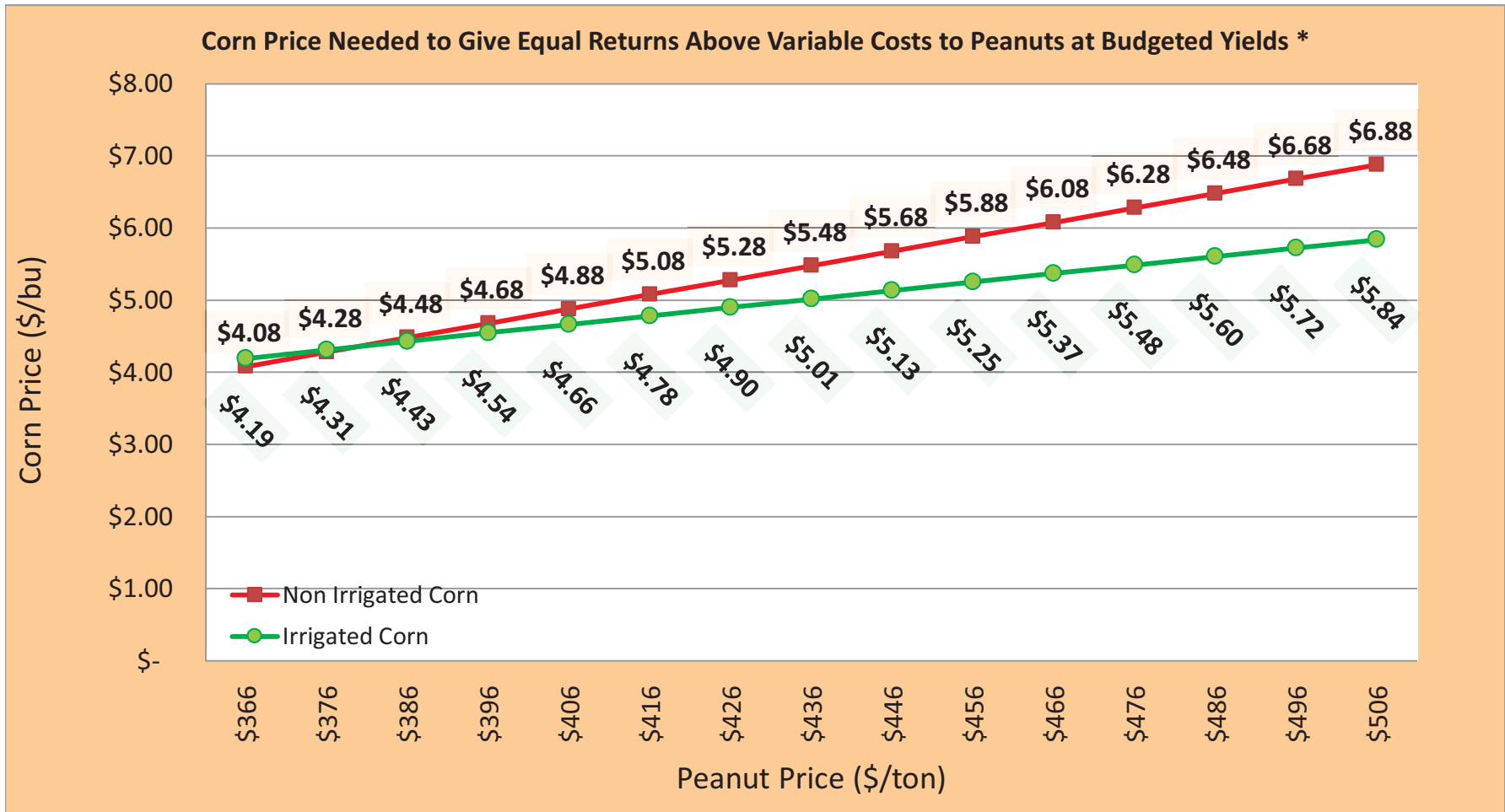
* The above chart is based on the following assumptions:

- 1) Irrigated soybean is compared to irrigated cotton and non-irrigated soybean is compared to non-irrigated cotton.
- 2) Irrigated soybean yield is 60 bu. and irrigated cotton yield is 1200 lbs.
- 3) Non-irrigated soybean yield is 30 bu. and non-irrigated cotton yield is 750 lbs.
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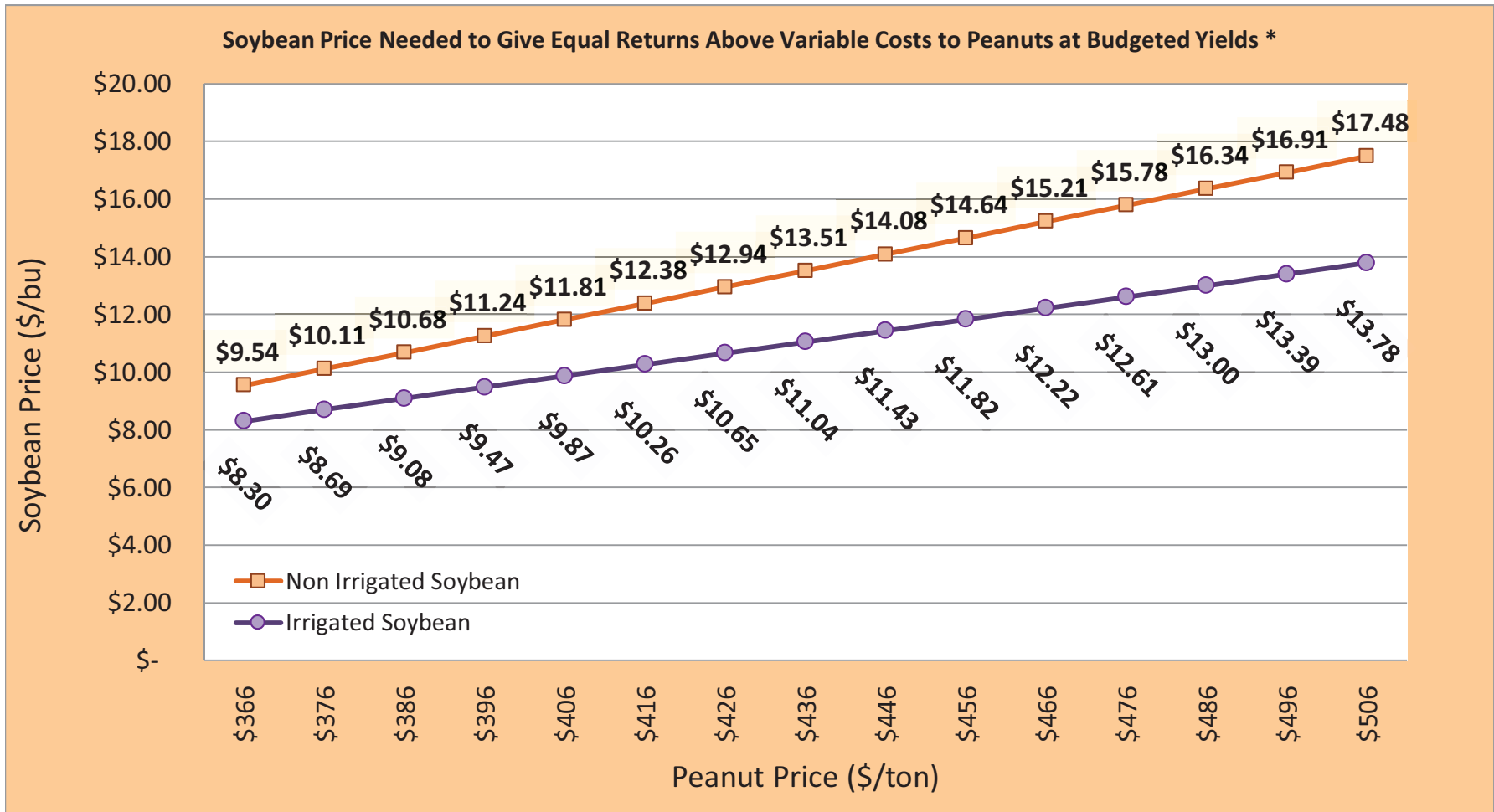
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- 1) Irrigated cotton is compared to irrigated peanut and non-irrigated cotton is compared to non-irrigated peanut.
- 2) Irrigated cotton yield is 1200 lbs. and irrigated peanut yield is 4700 lbs.
- 3) Non-irrigated cotton yield is 750 lbs. and non-irrigated peanut yield is 3400 lbs.
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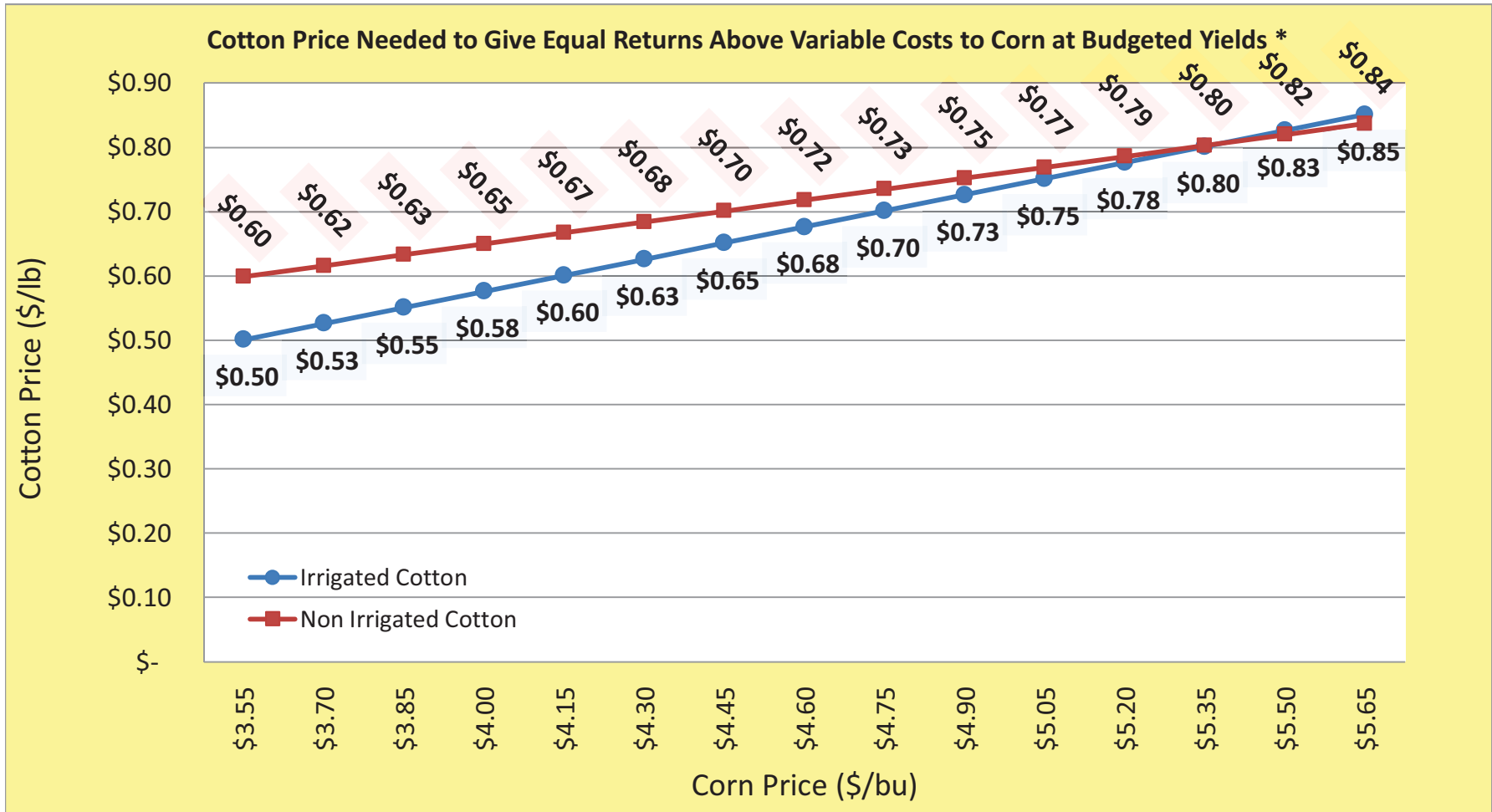
* The above chart is based on the following assumptions:

- 1) Irrigated corn is compared to irrigated peanut and non-irrigated corn is compared to non-irrigated peanut.
- 2) Irrigated corn yield is 200 bu. and irrigated peanut yield is 4700 lbs.
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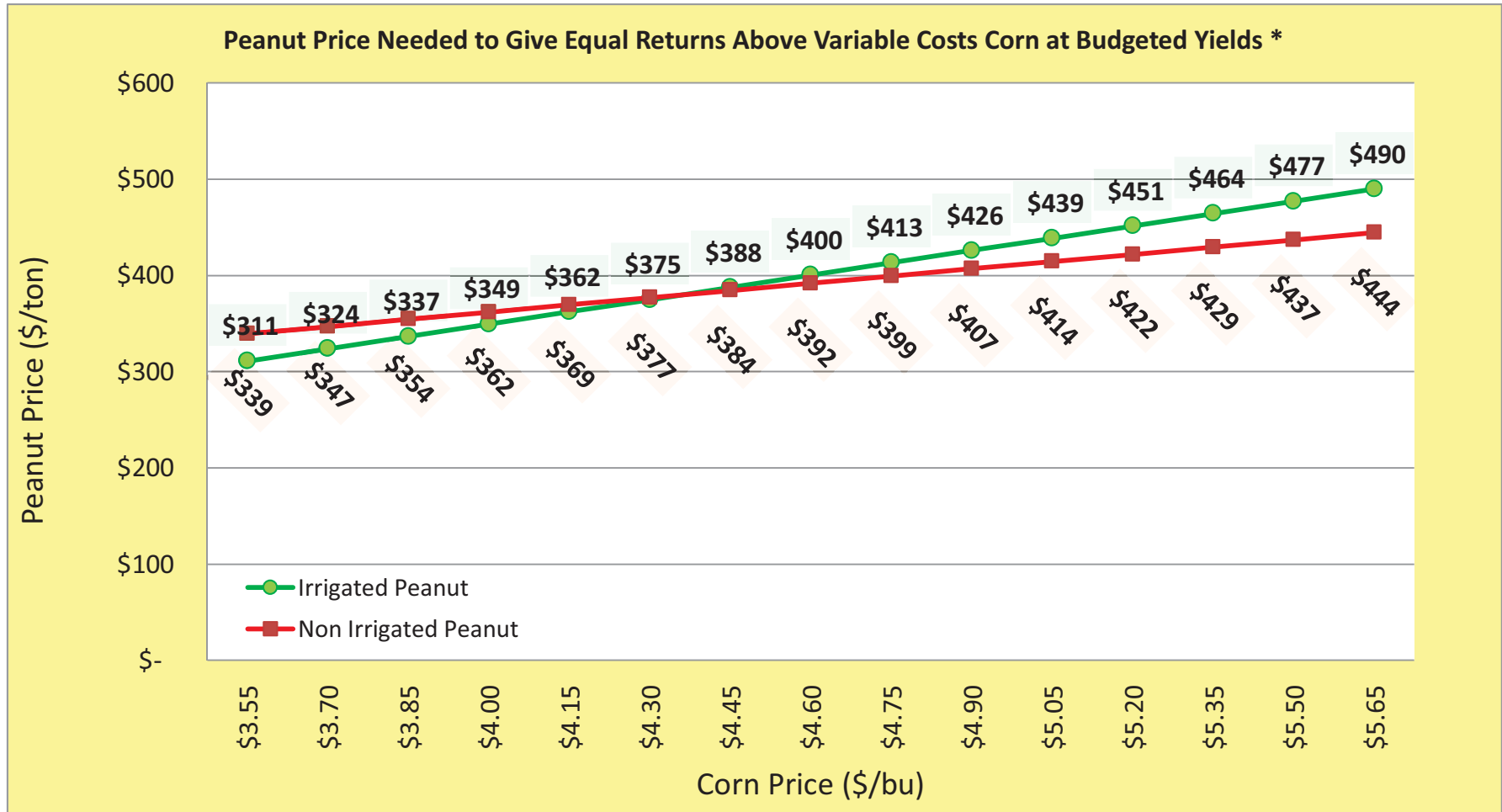
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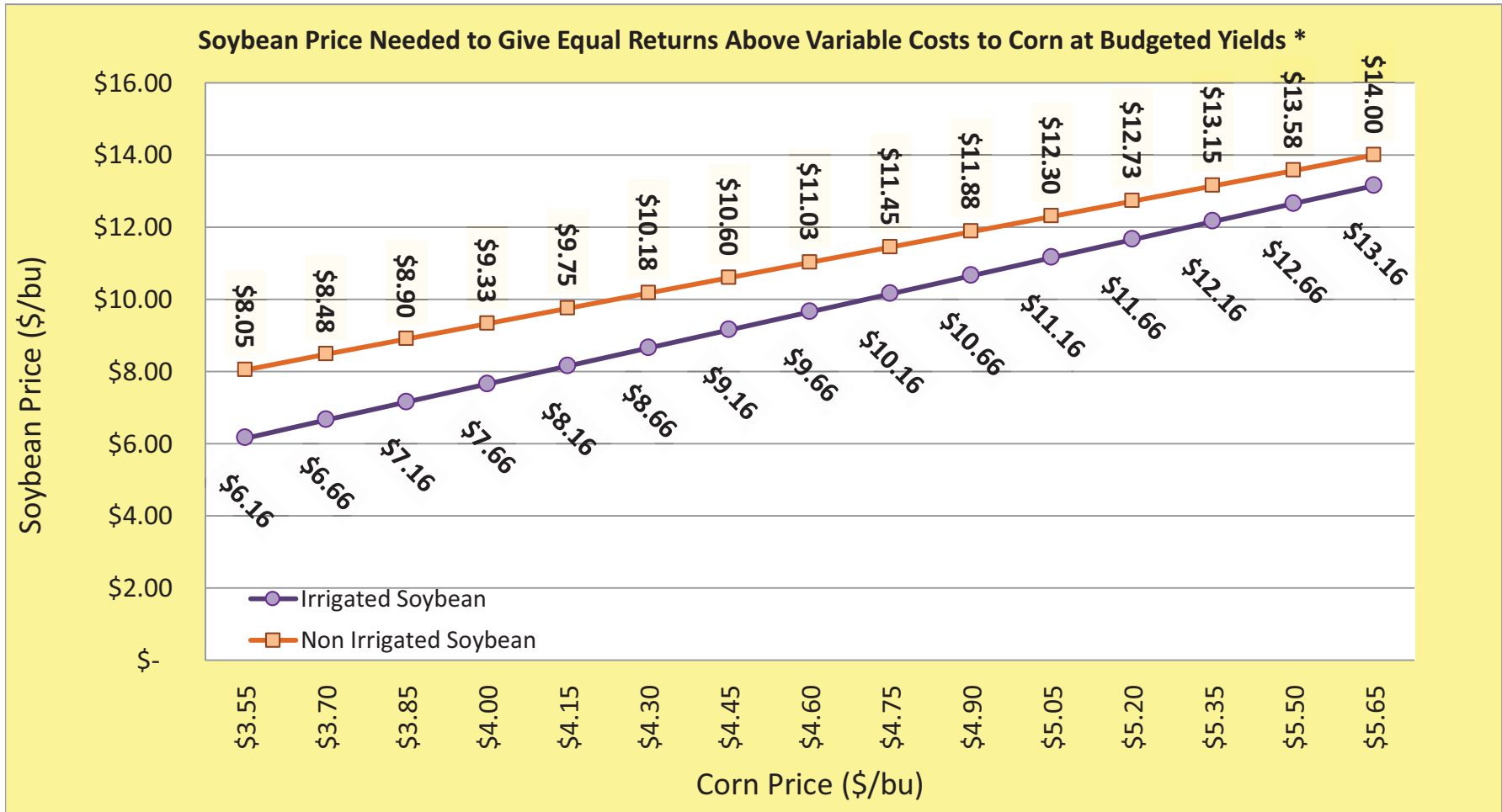
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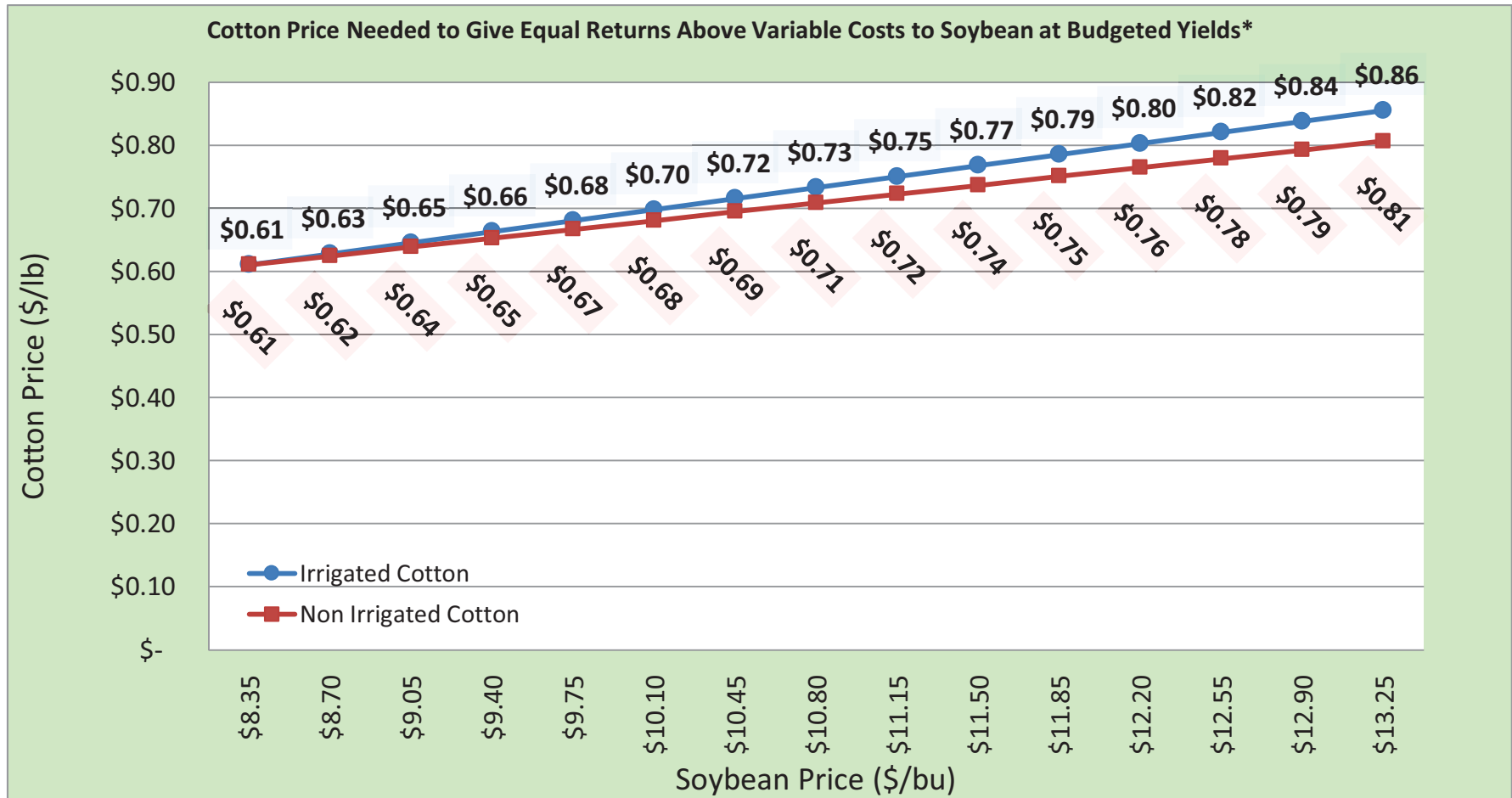
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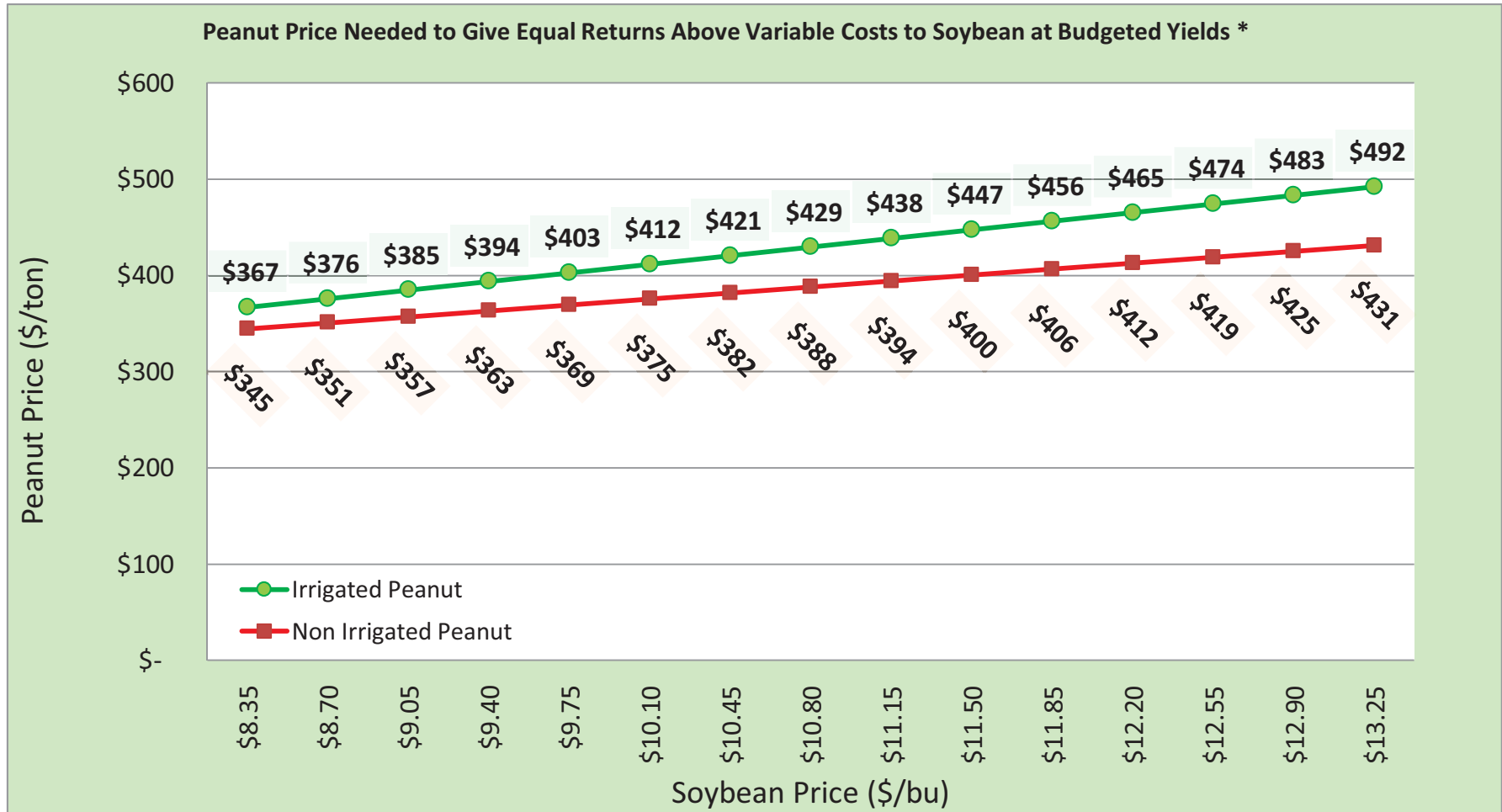
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Conventional Tillage Chart



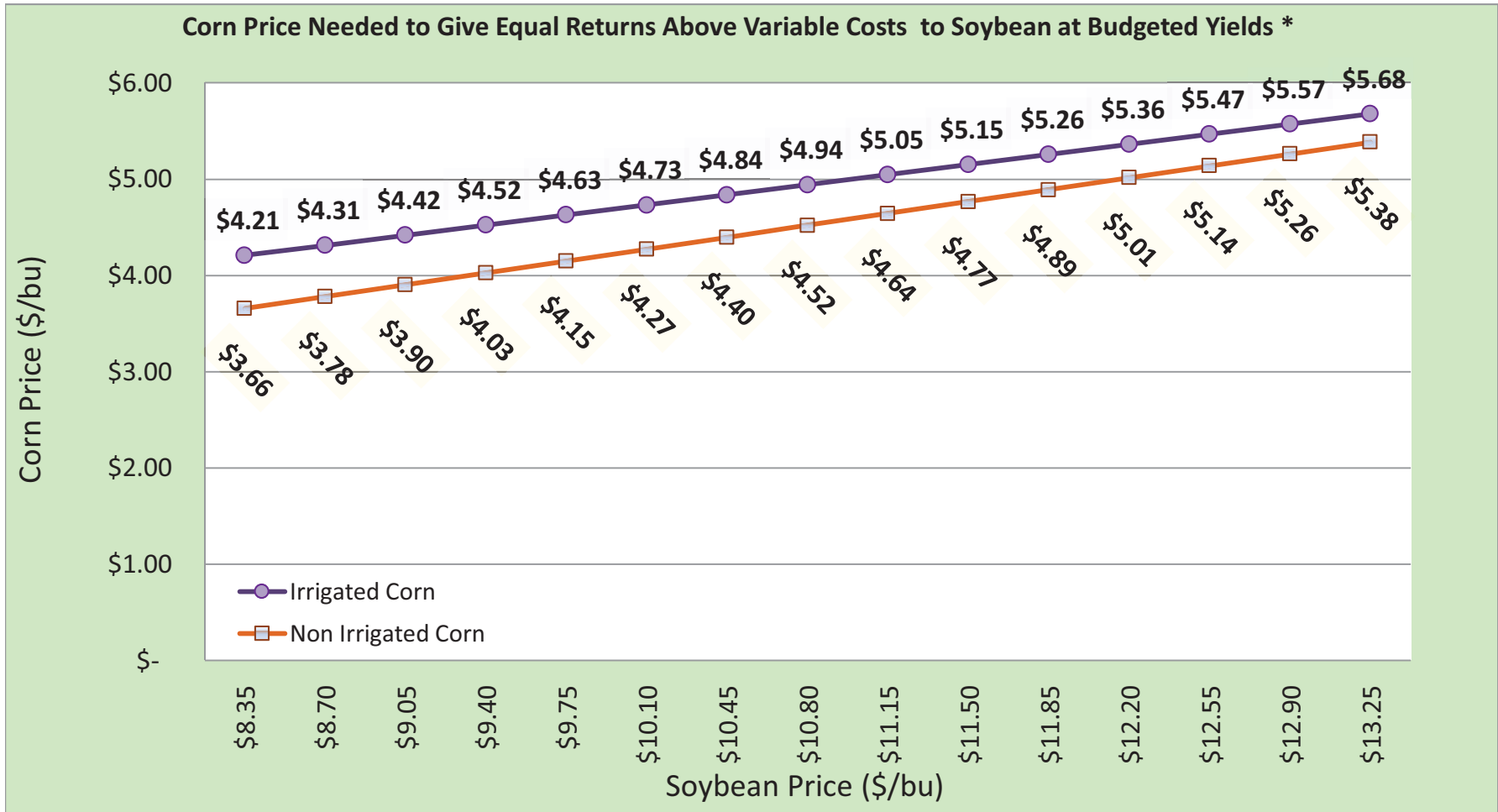
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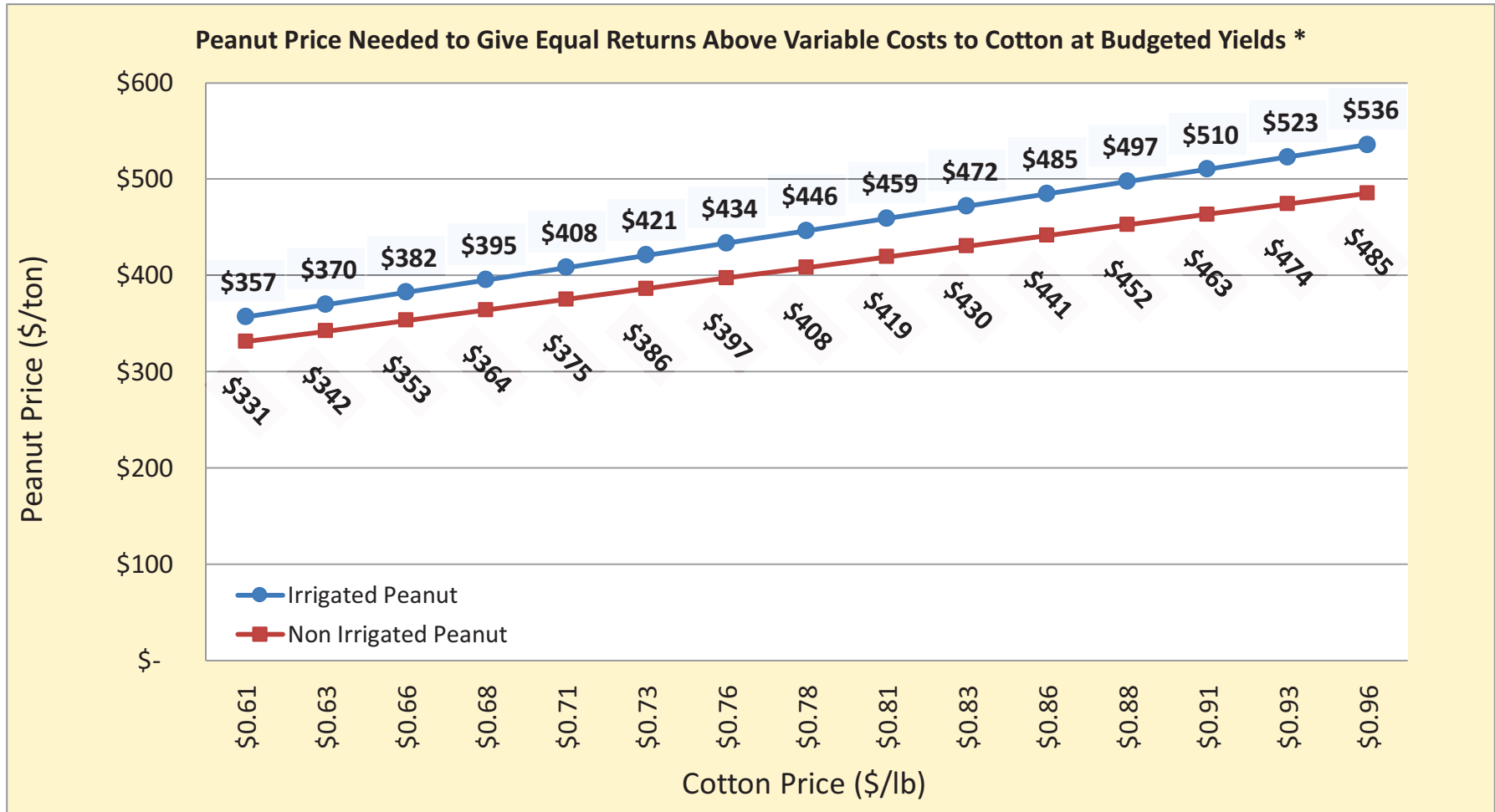
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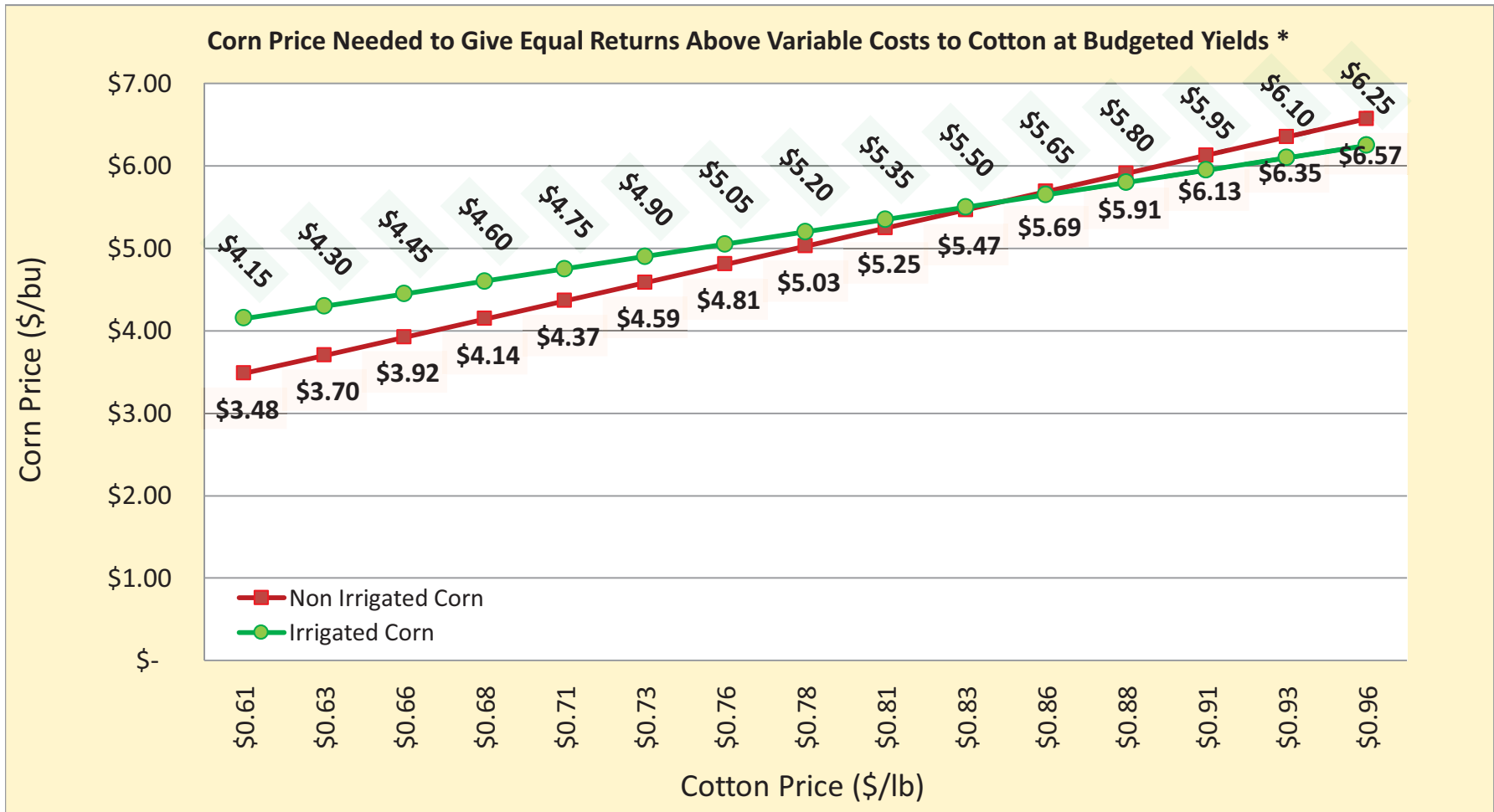
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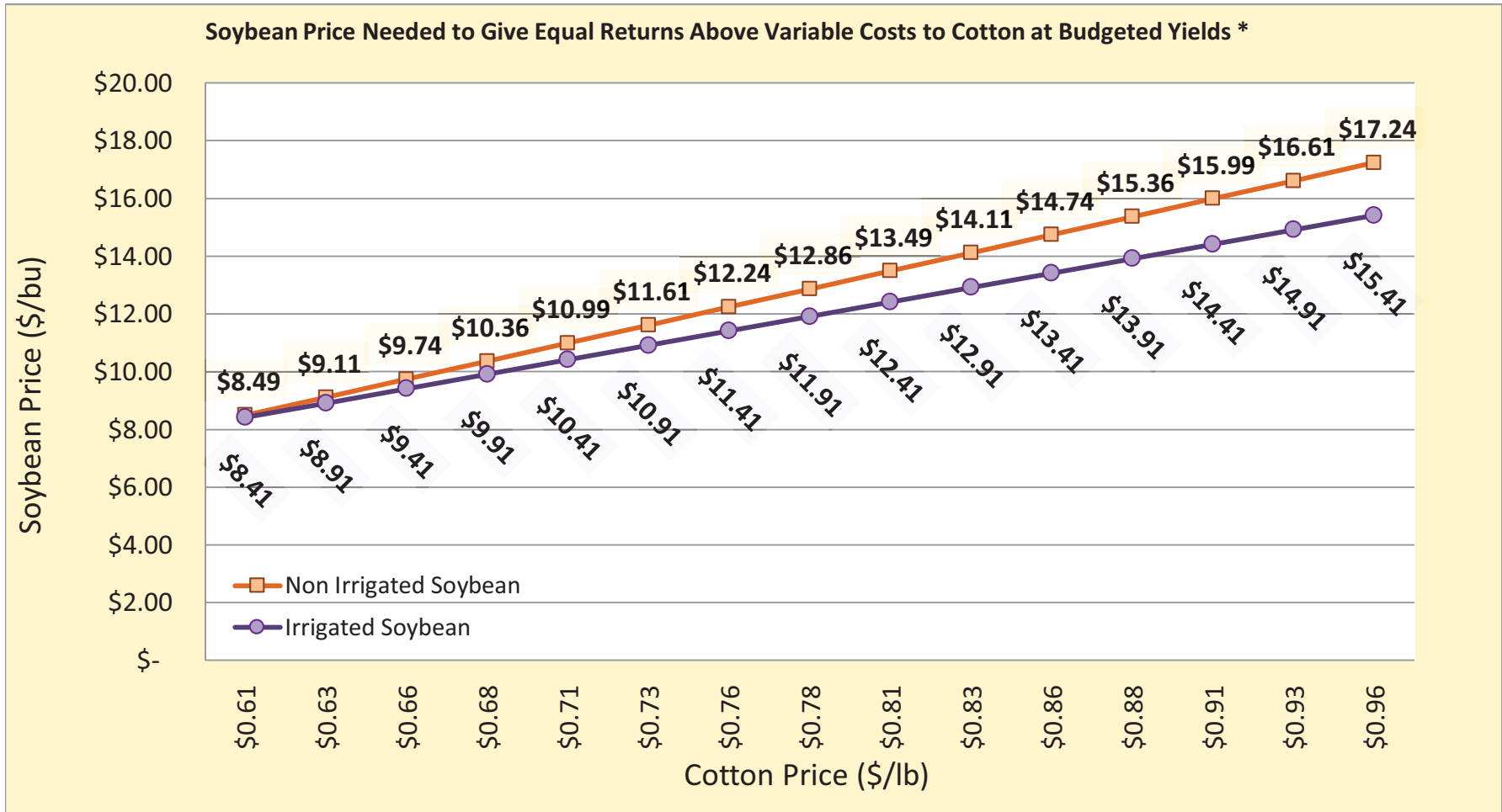
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- 4) Prices shown are those needed to cover budgeted operating expenses for strip tillage production listed in the crop comparison tool.



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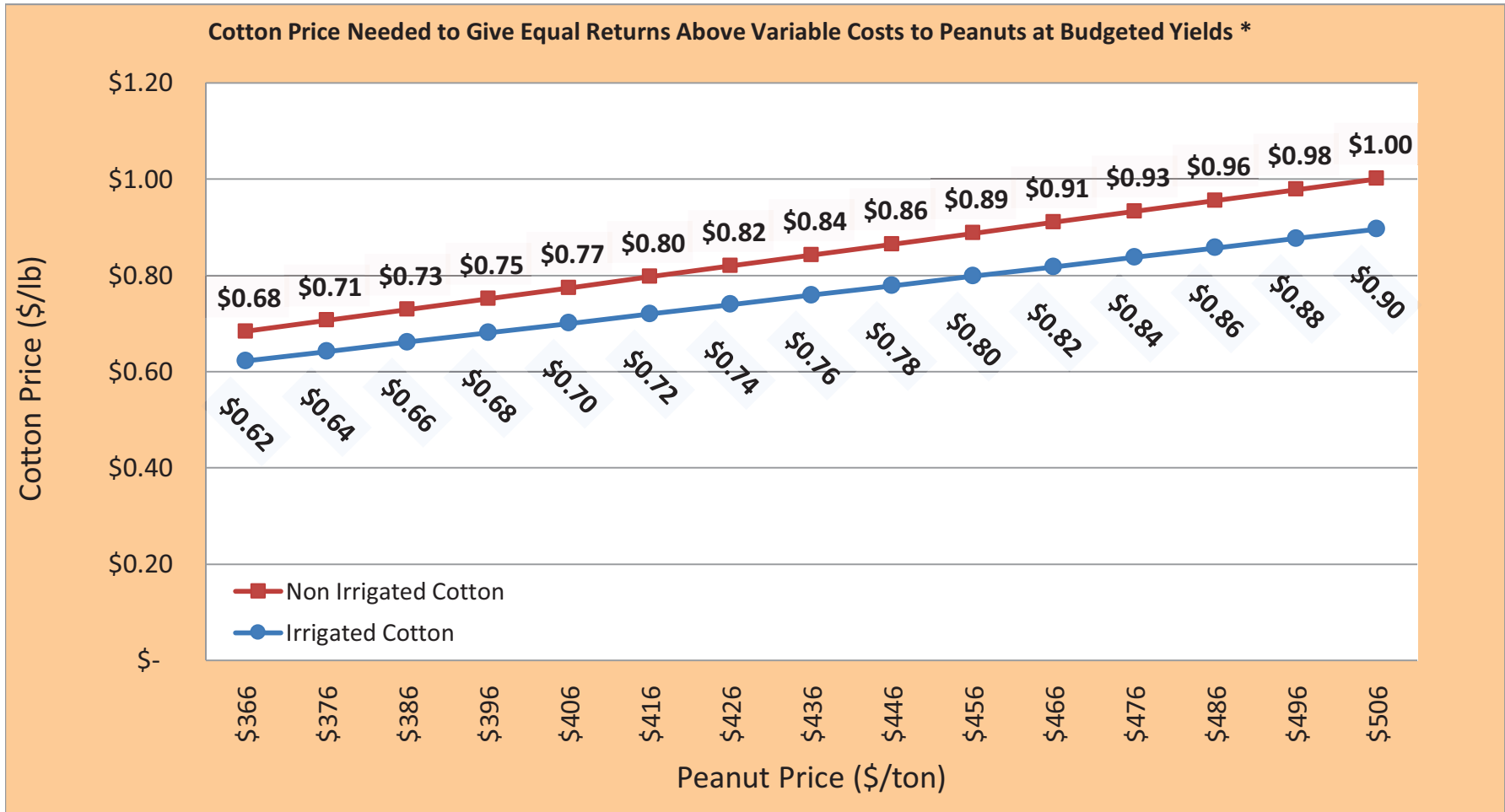
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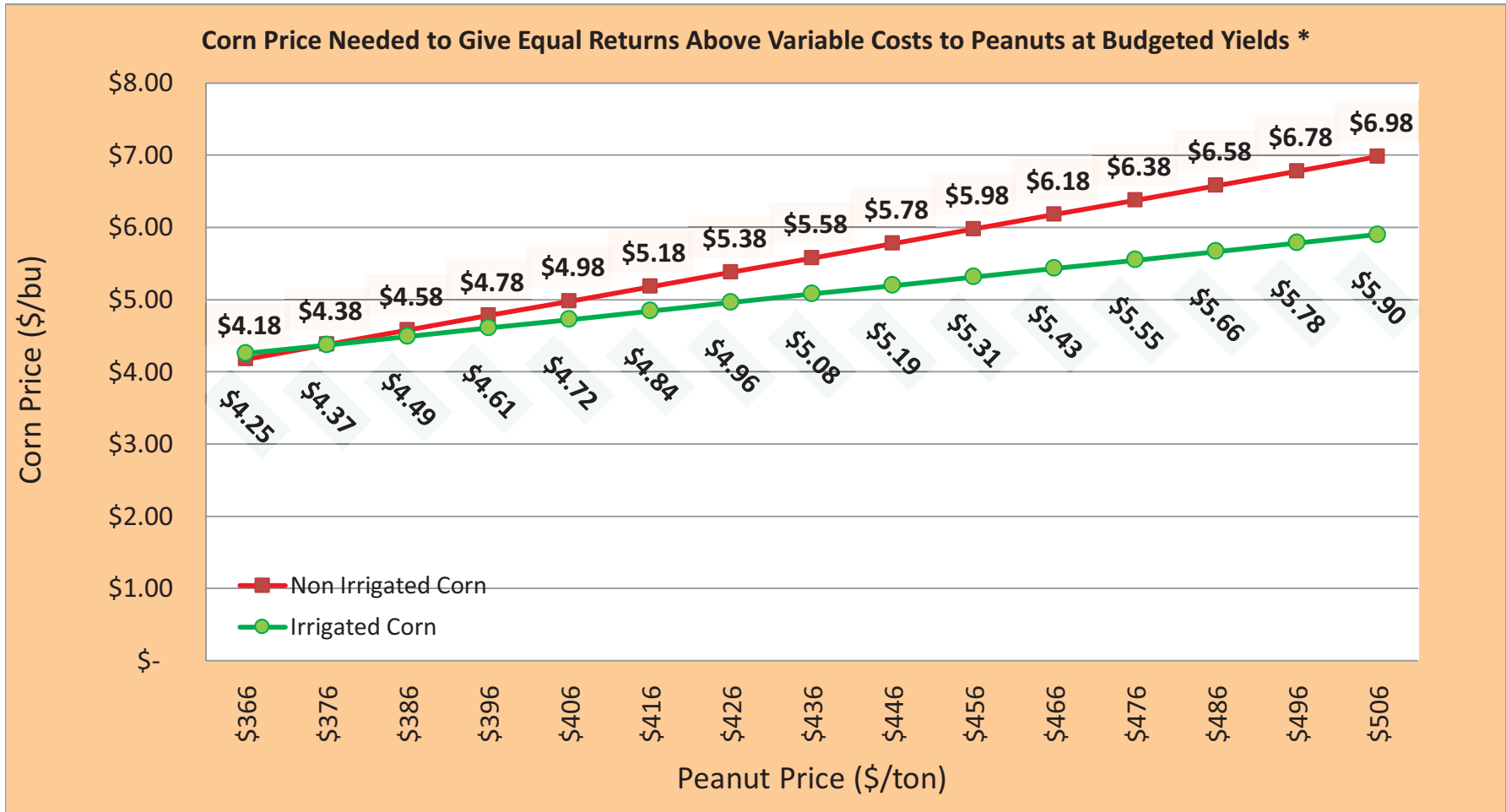
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Strip Tillage Chart



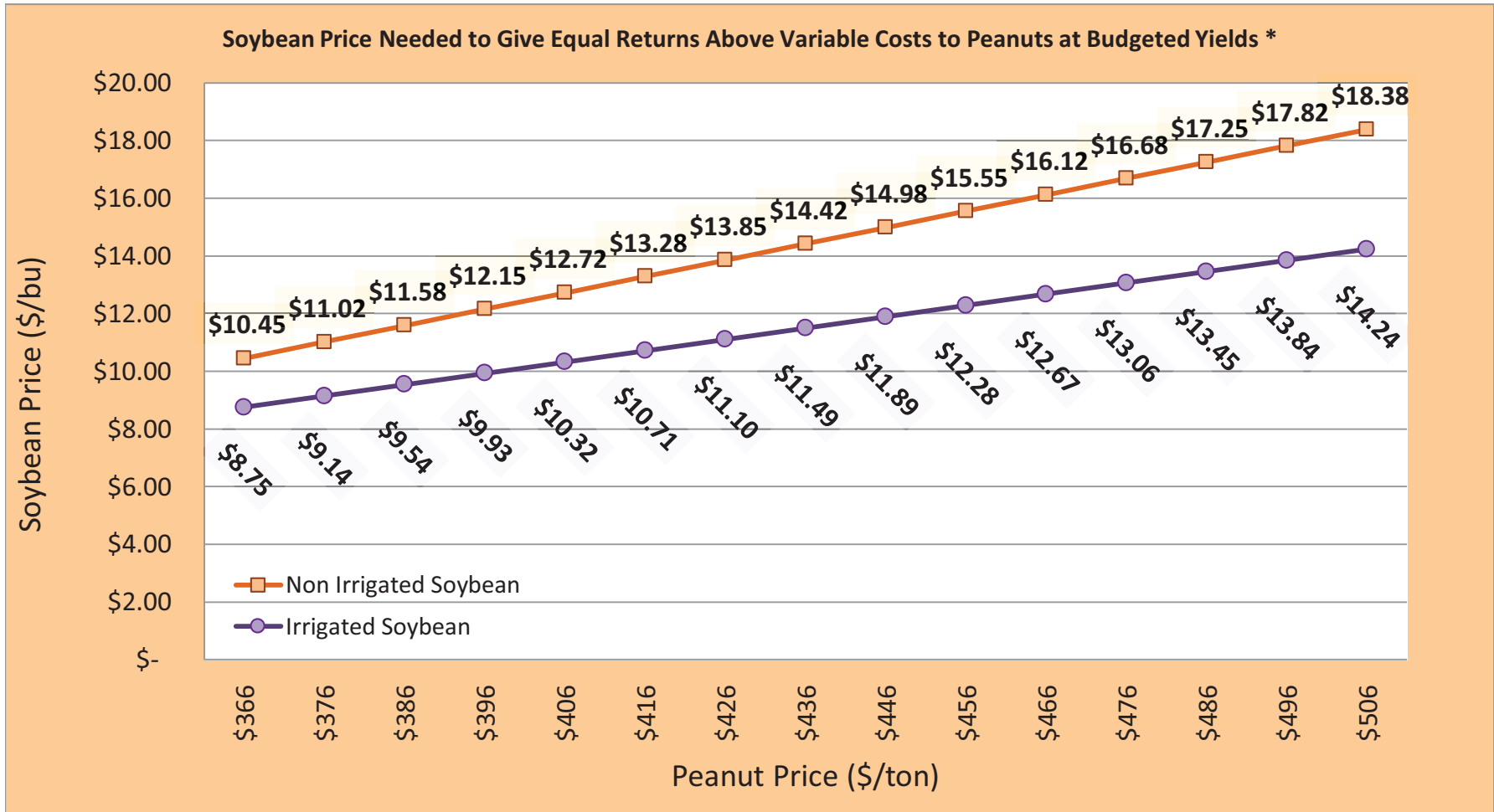
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- 1) Irrigated cotton is compared to irrigated peanut and non-irrigated cotton is compared to non-irrigated peanut.
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- 3) Non-irrigated cotton yield is 750 lbs. and non-irrigated peanut yield is 3400 lbs.
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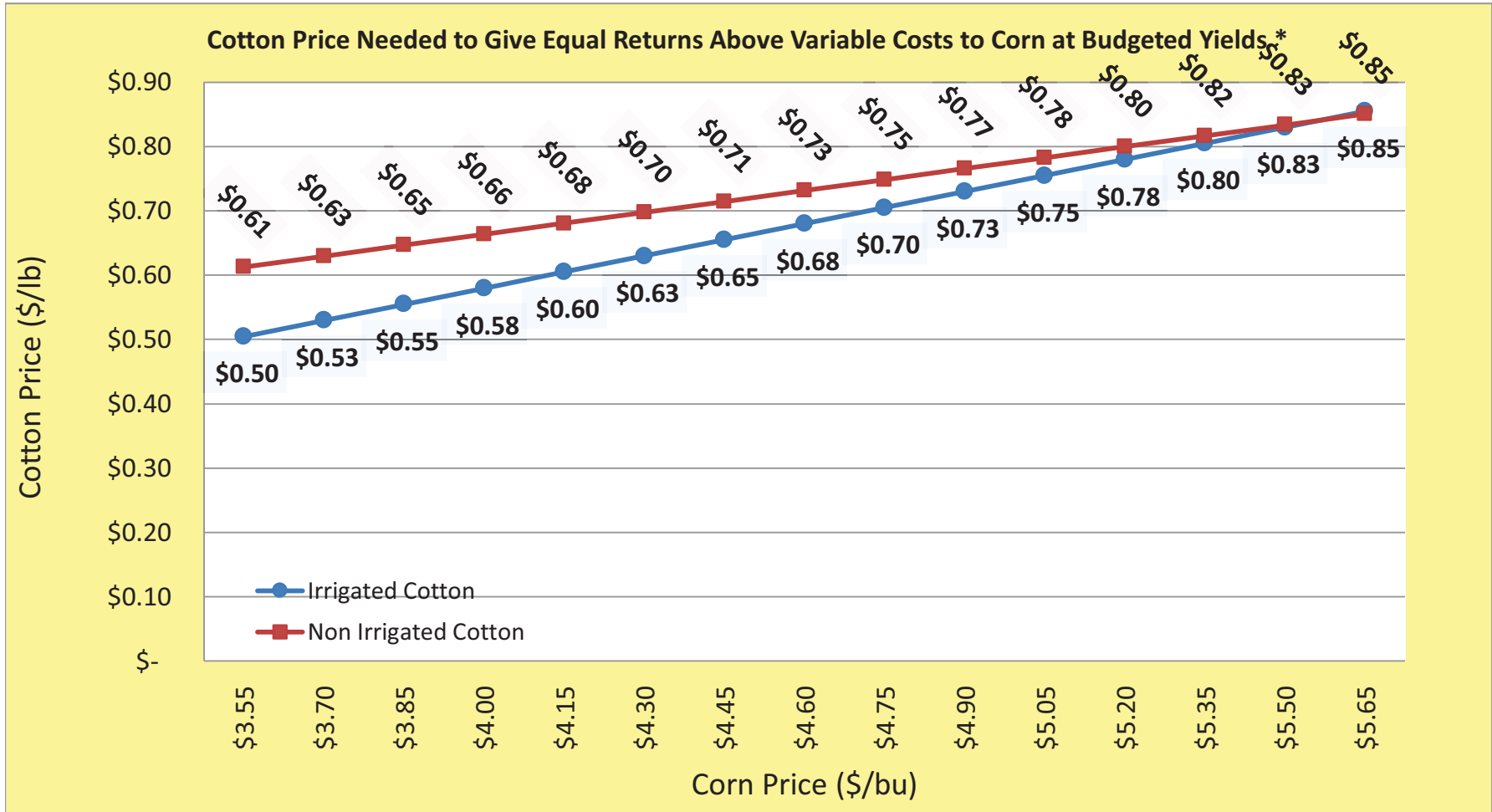
- 1) Irrigated corn is compared to irrigated peanut and non-irrigated corn is compared to non-irrigated peanut.
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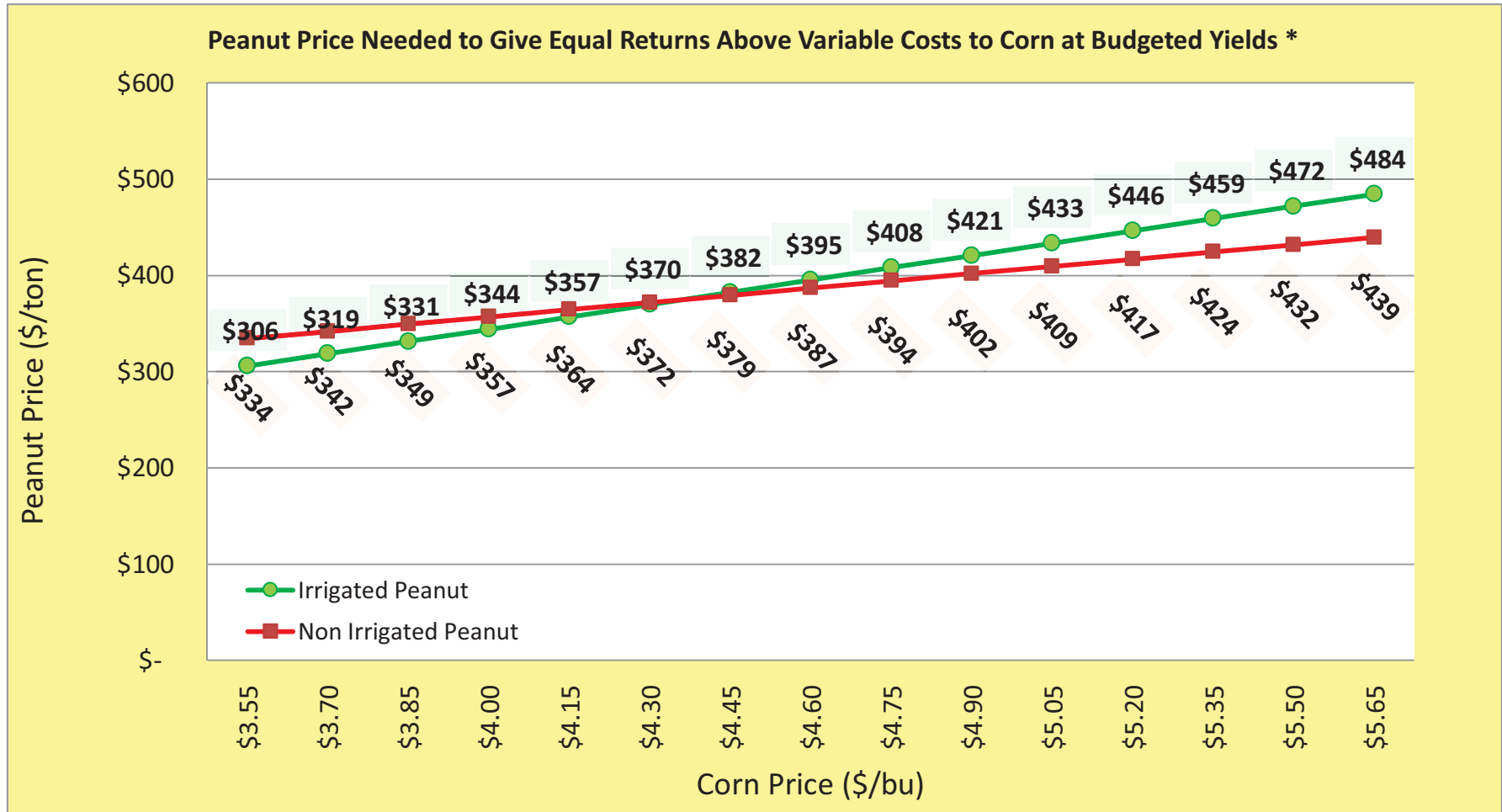
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Strip Tillage Chart



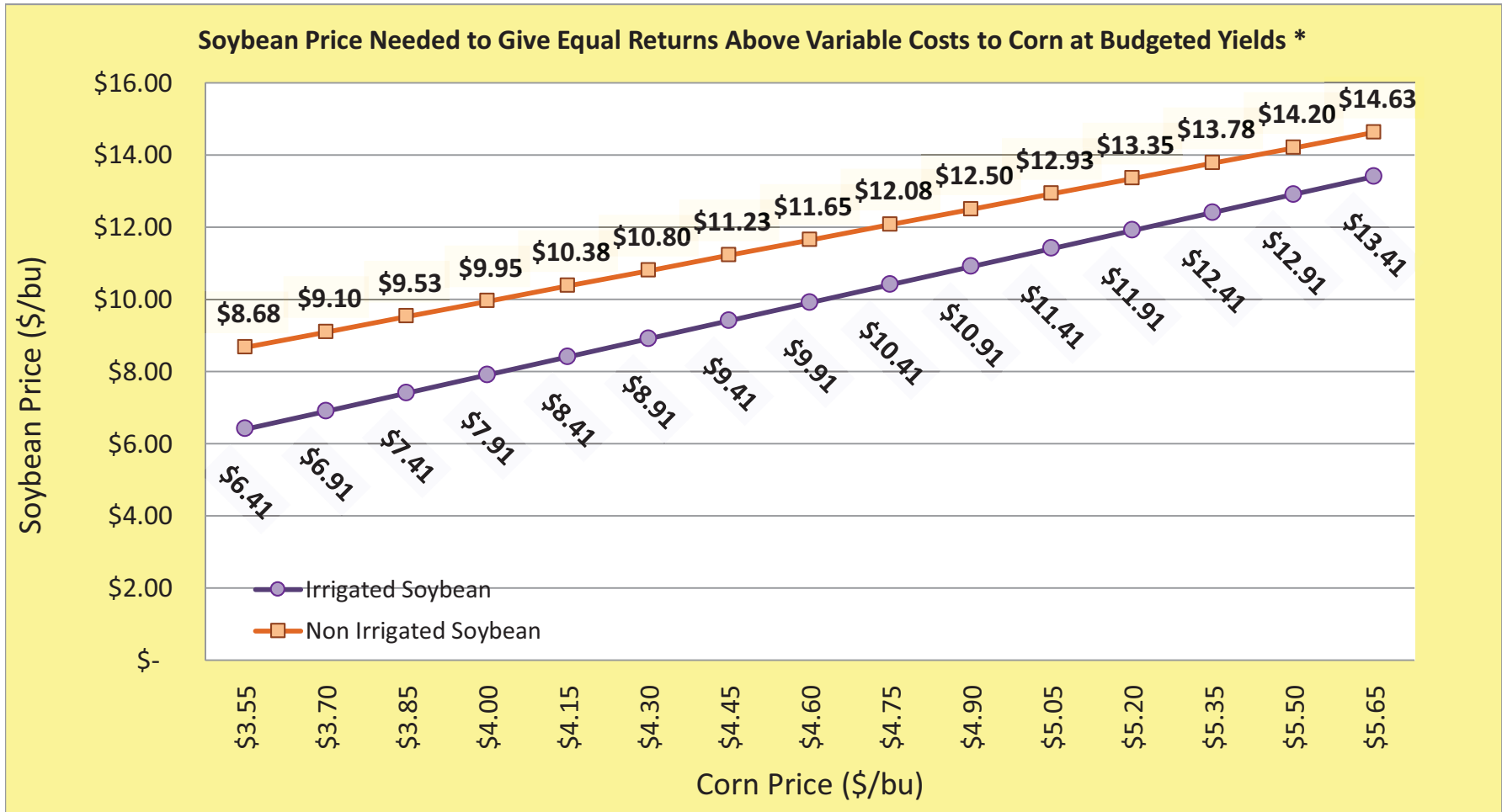
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- 3) Non-irrigated cotton yield is 750 lbs. and non-irrigated corn yield is 85 bu.
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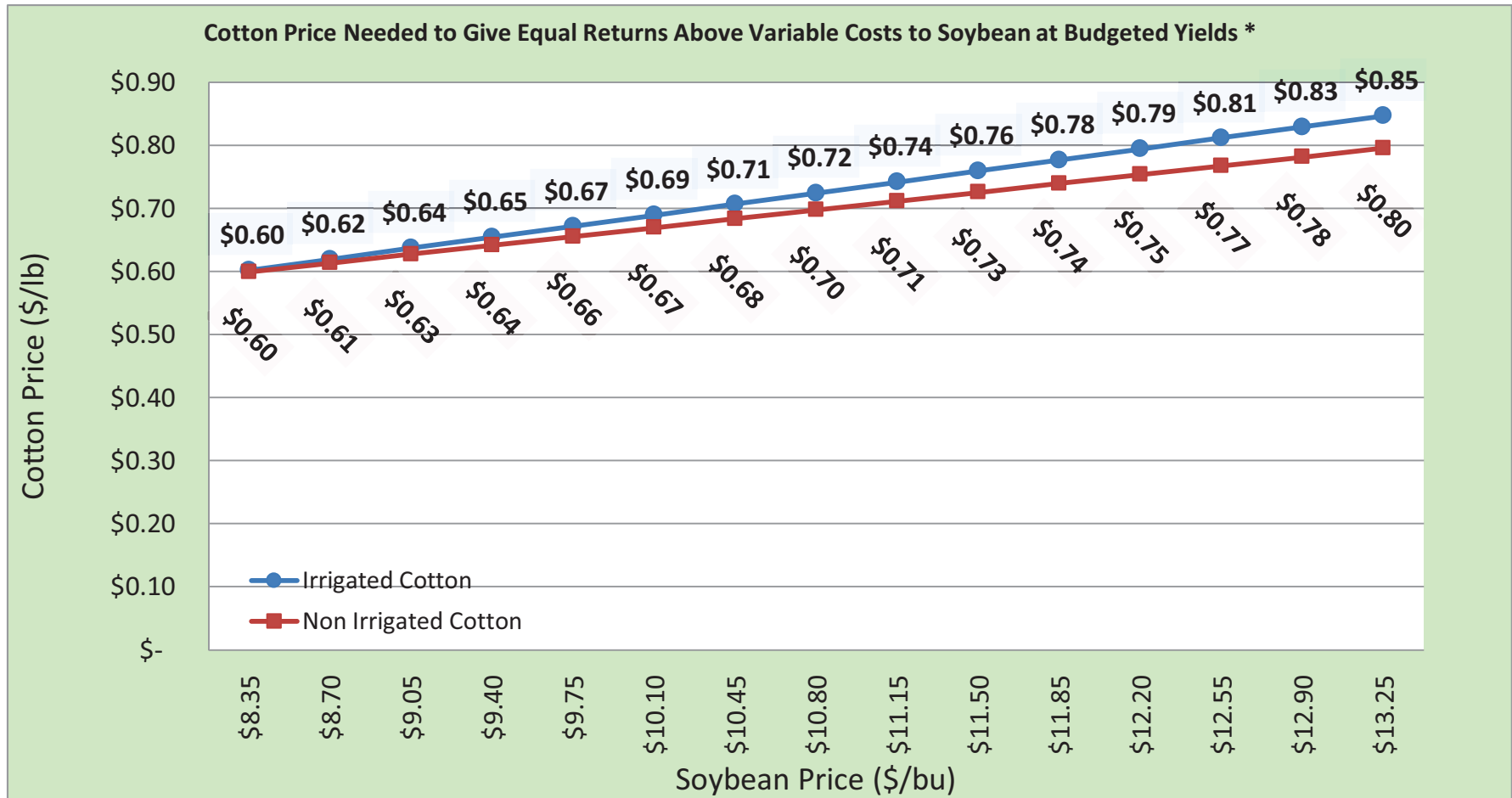
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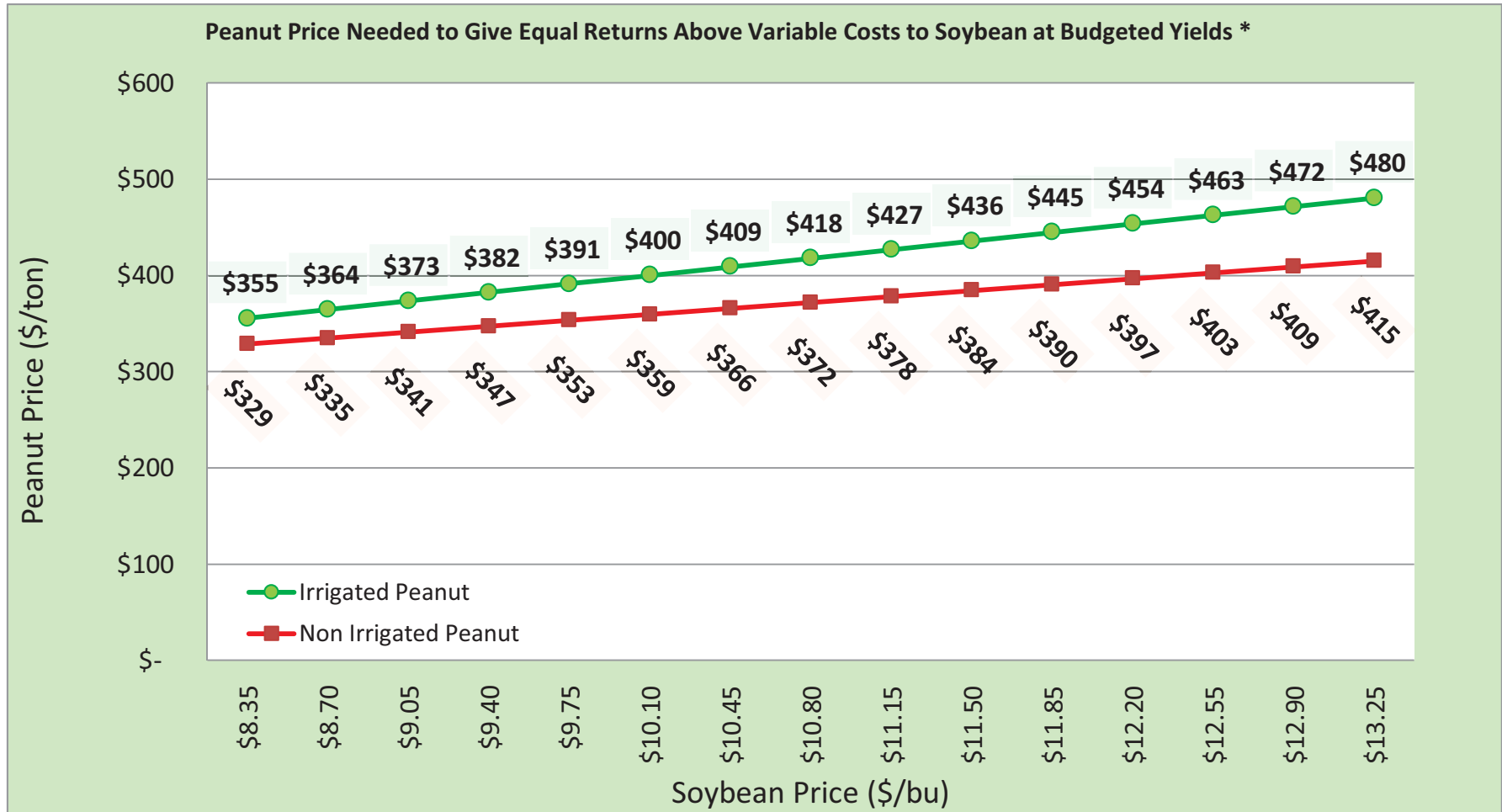
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Strip Tillage Chart



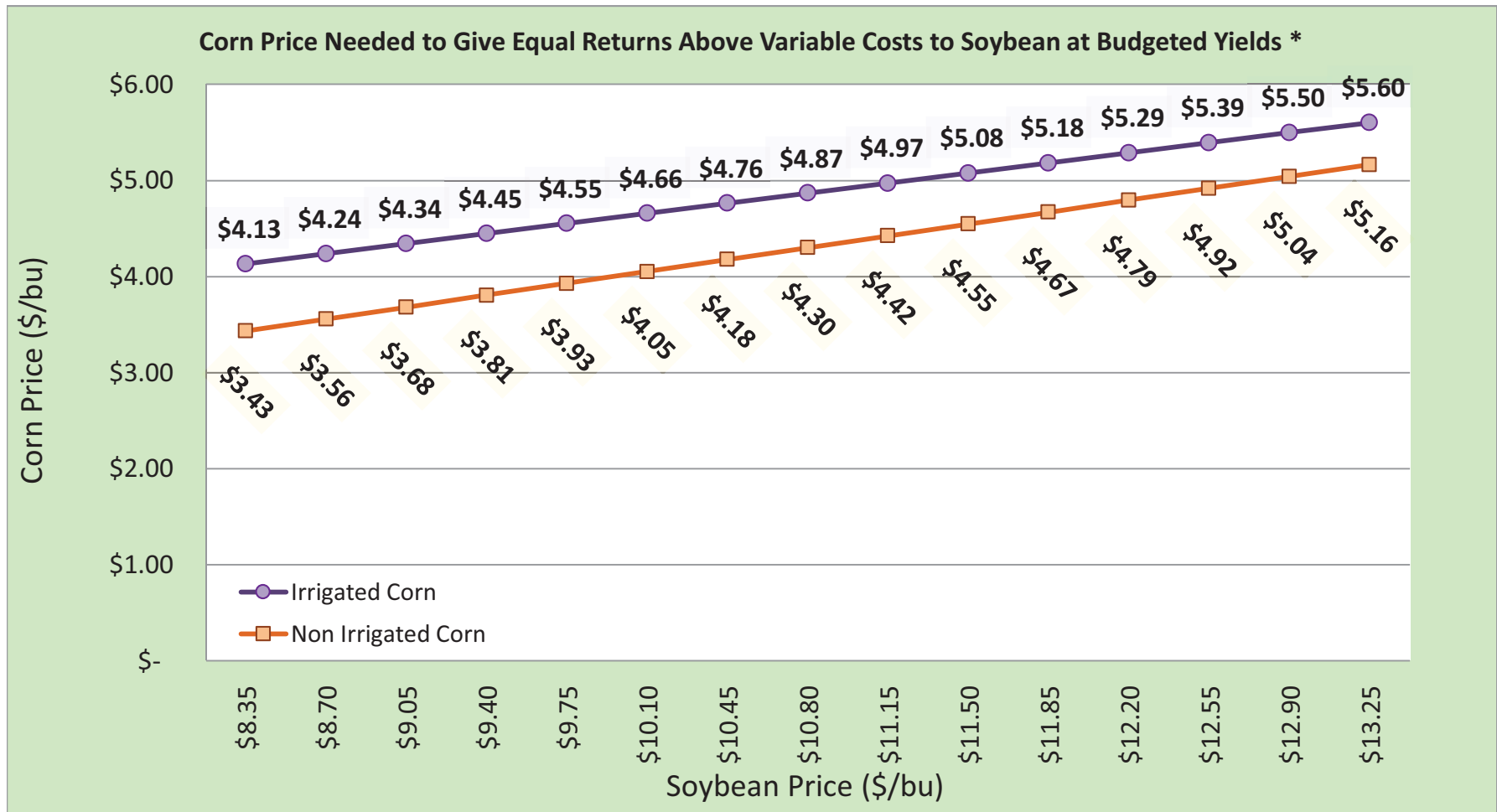
* The above chart is based on the following assumptions:

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- 3) Non-irrigated cotton yield is 750 lbs. and non-irrigated soybean yield is 30 bu.
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- 2) Irrigated corn yield is 200 bu. and irrigated soybean yield is 60 bu.
- 3) Non-irrigated corn yield is 85 bu. and non-irrigated soybean yield is 30 bu.
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