

USDA Farm Income Forecast

Carrie Litkowski
USDA Economic Research Service
Lead, Farm Income Team

Agricultural Outlook Forum
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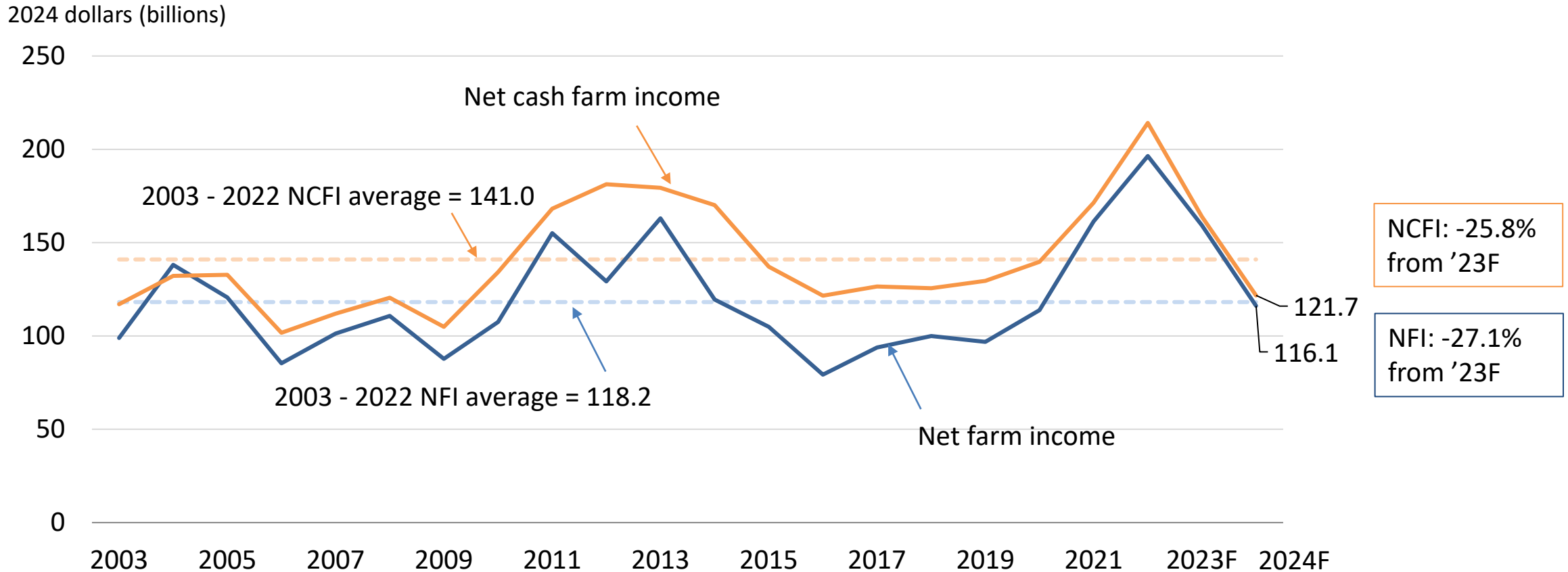
Summary*

1. Net cash farm income for calendar year 2024 is forecast at \$121.7 billion (down \$38.7 billion or 24.1 percent relative to 2023, in nominal dollars). Net farm income is forecast at \$116.1 billion (down \$39.8 billion or 25.5 percent).
2. Cash receipts from crop and animal/animal product sales are expected to decrease \$21.2 billion (4.2 percent) from \$506.8 billion in 2023 to \$485.5 billion in 2024.
3. Direct government payments are forecast to decrease \$1.9 billion (15.9 percent) from 2023 to 2024.
4. Total production expenses are forecast to increase \$16.7 billion (3.8 percent) in 2024.
5. Farm sector assets, debt, and equity are forecast to increase (4.7, 5.2, and 4.7 percent, respectively).
6. Average net cash farm income for farm businesses is forecast to decrease 27.2 percent to \$72,000 in 2024.
7. Median total farm household income is forecast to decrease 0.1 percent to \$99,445 in 2024.

*All values here are in nominal dollars. Inflation is forecast at 2.2 percent in 2024.



Farm sector profits forecast to decline further in 2024



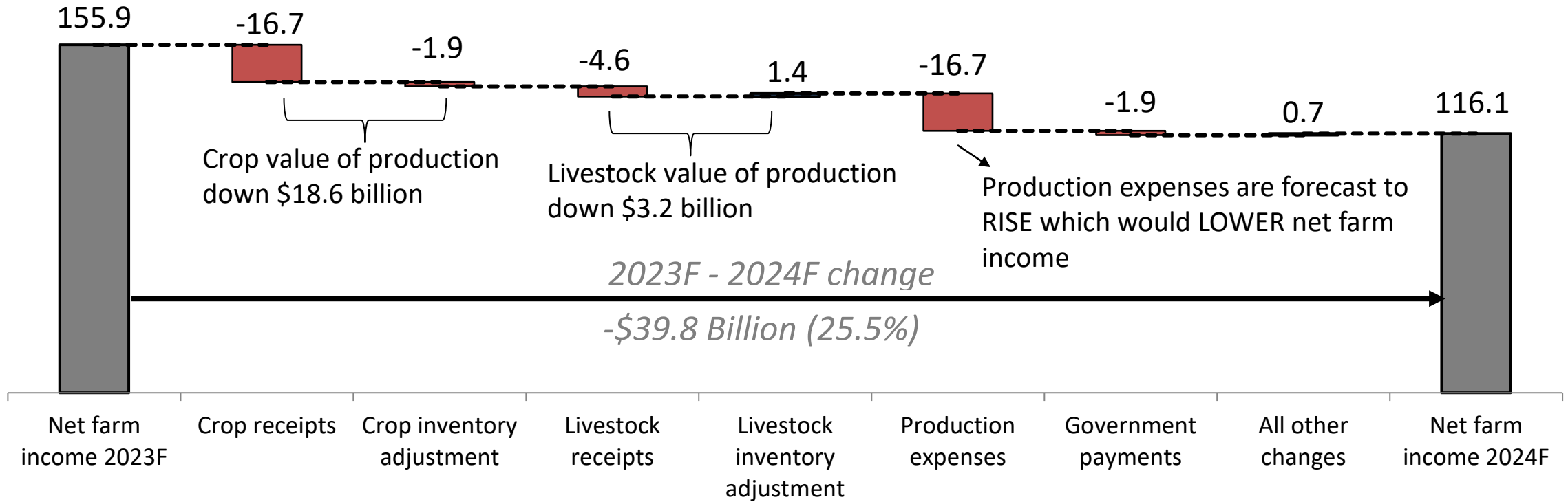
F= forecast. Values are adjusted for inflation using the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2024 by USDA, Economic Research Service.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of February 7, 2024.



Lower receipts and higher expenses forecast to lower net farm income 2024

Dollars (billions)



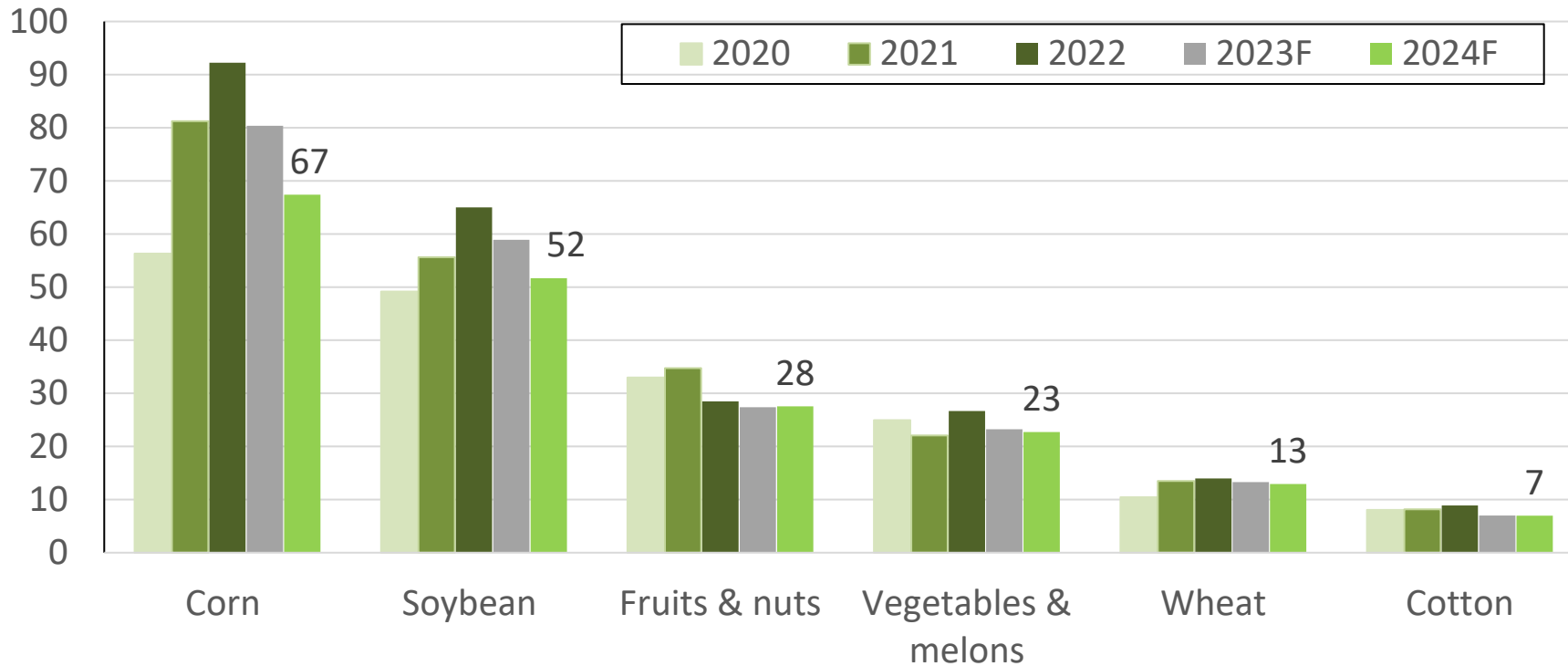
F= forecast.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of February 7, 2024.



Corn and soybeans driving the forecast decline in crop cash receipts in 2024

2024 dollars (billions)



Receipts for **corn** and **soybeans** are expected to decline due to lower prices.

Change from 2023F

- Corn -16.1%
- Soybeans -12.3%
- Fruits/Nuts +0.7%
- Veg/Melons -2.3%
- Wheat -2.6%
- Cotton -0.6%

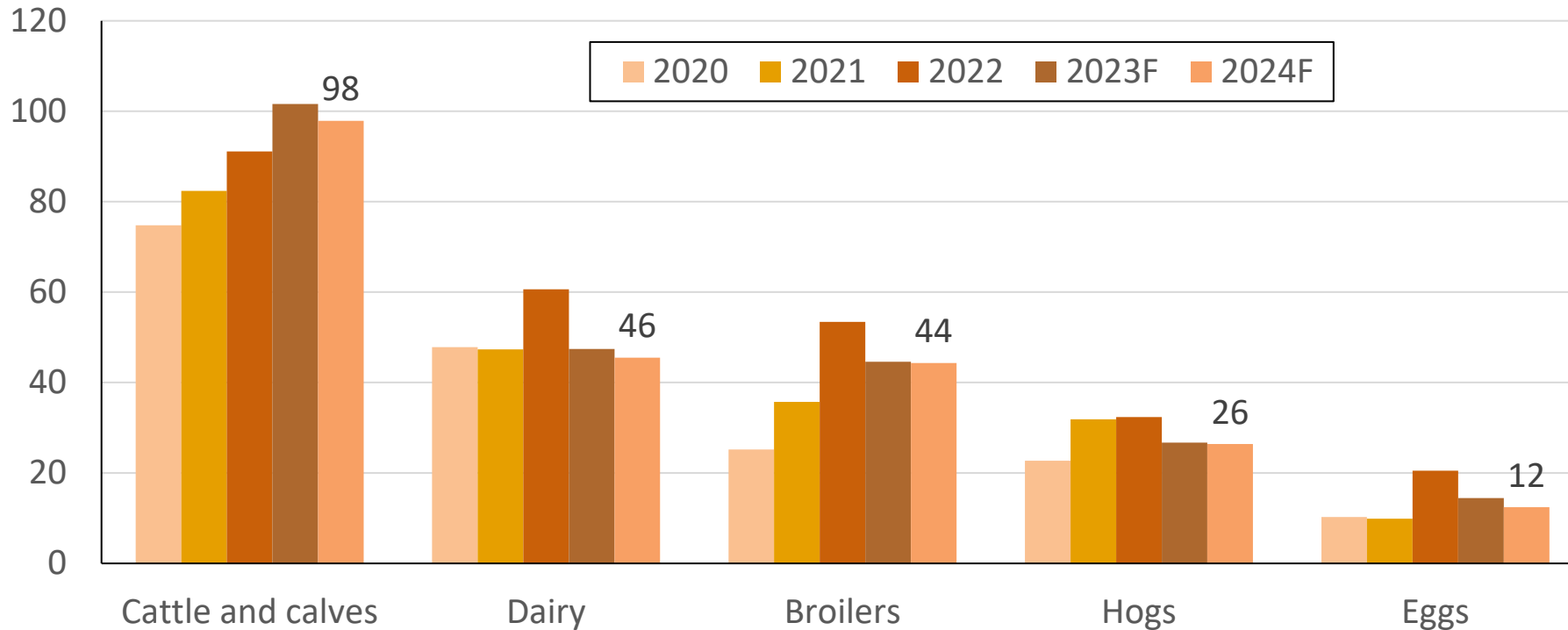
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Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of February 7, 2024.



Cash receipts for all animal/animal products groupings forecast to decrease in 2024

2024 dollars (billions)



Receipts for **cattle** are expected to fall due to lower quantities sold while lower prices are expected to pull down receipts for **eggs**.

Change from 2023F
 Cow/calf -3.7%
 Dairy -4.1%
 Broilers -0.6%
 Hogs -1.1%
 Eggs -13.9%

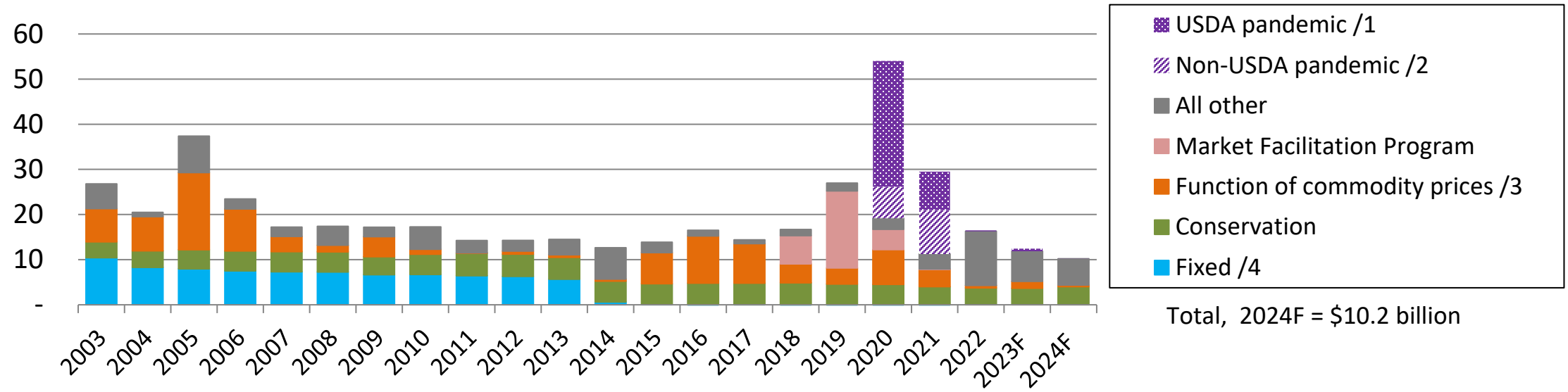
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Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of February 7, 2024.



Total direct Government payments expected to continue to decline in 2024

2024 dollars (billions)



1/ Includes payments from the Coronavirus Food Assistance Program and other USDA pandemic assistance for producers.

2/ Includes loans from the Small Business Administration's Paycheck Protection Program.

3/ Includes counter-cyclical payments, average crop revenue election (ACRE) payments, loan deficiency payments, marketing loan gains, certificate exchange gains, Price Loss Coverage (PLC), Agriculture Risk Coverage (ARC), and dairy payments in which commodity payment rates vary with market prices.

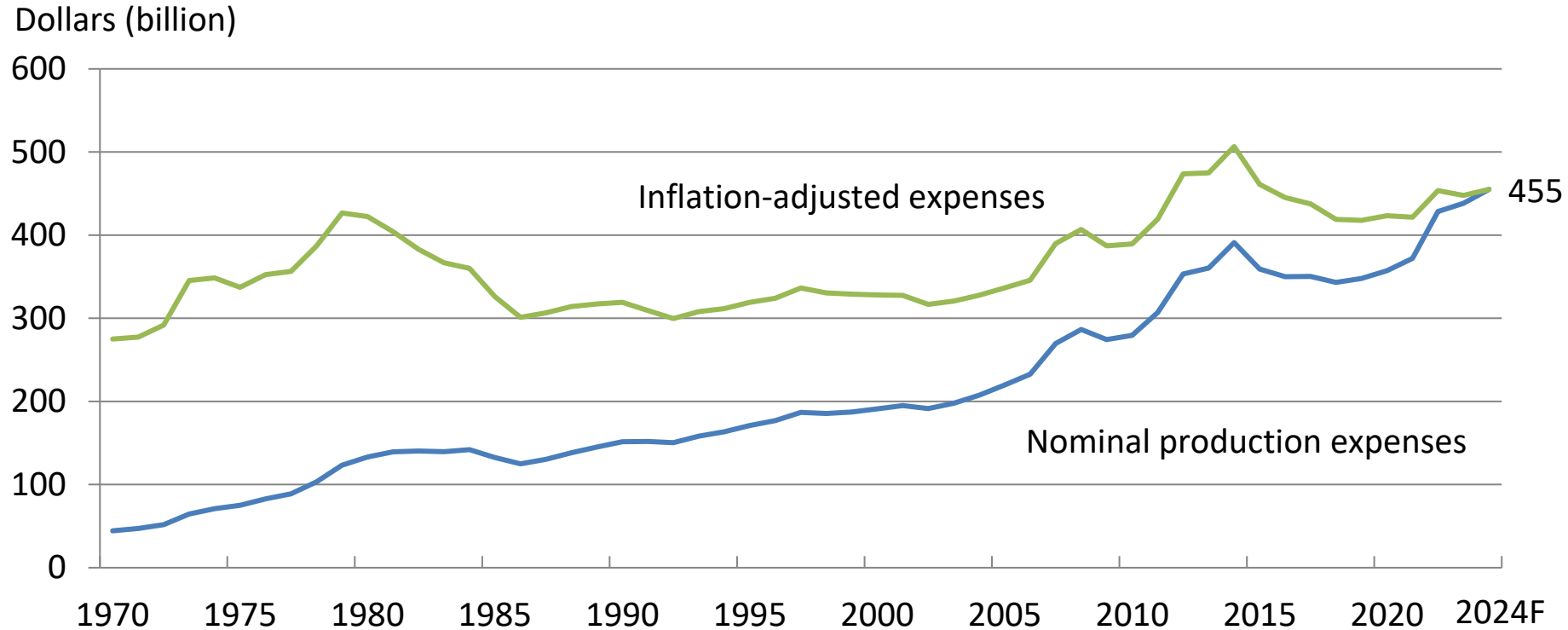
4/ Fixed payments are through 2013 and cotton transition payments in 2014 whereby payment rates are fixed by legislation.

F= forecast. Values are adjusted for inflation using the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2024 by USDA, Economic Research Service. Source: USDA, Economic Research Service, Farm Income and Wealth Statistics (using data from FSA, NRCS, CCC, SBA).

Data as of February 7, 2024.



Total production expenses forecast to increase in 2024

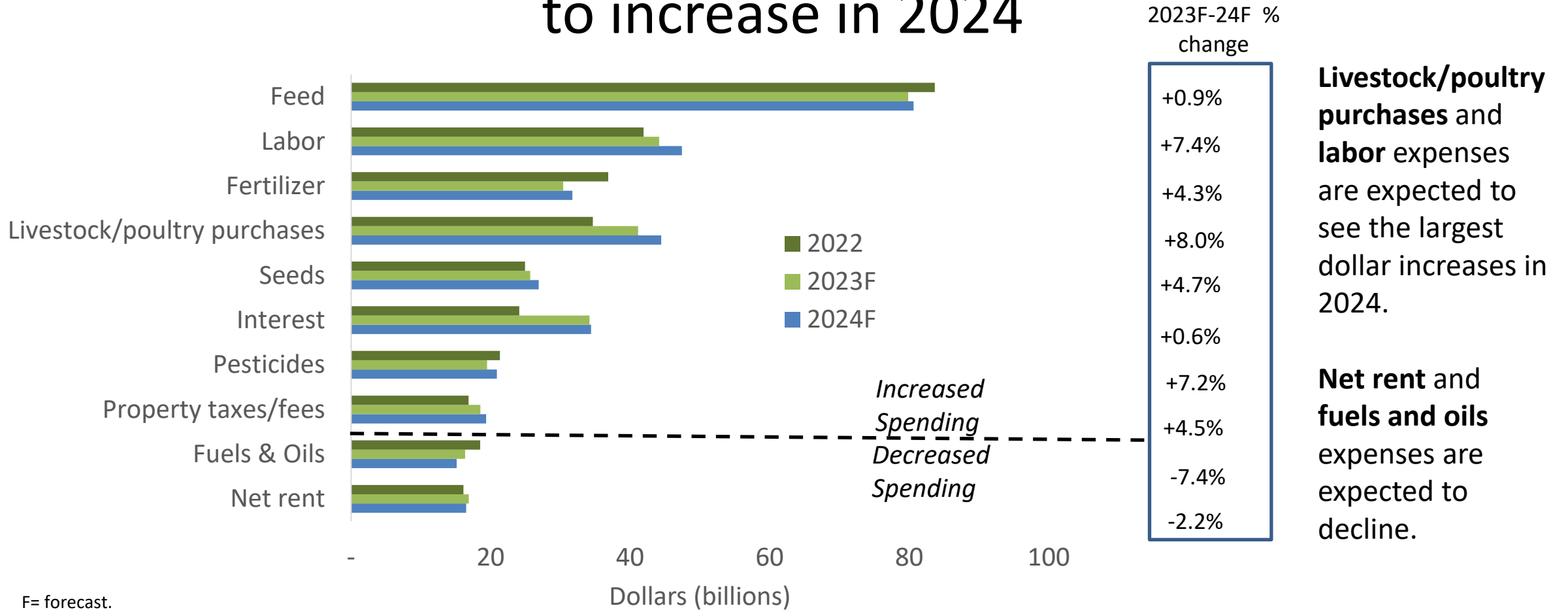


Total expenses forecast to have decreased 1.3% in 2023 and to increase 1.6% in 2024 when adjusted for inflation.

F= forecast; data for 2023 and 2024 are forecasts. Values are adjusted for inflation using the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2024 by USDA, Economic Research Service.
Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of February 7, 2024.



Spending for most categories of expenses expected to increase in 2024



Livestock/poultry purchases and labor expenses are expected to see the largest dollar increases in 2024.

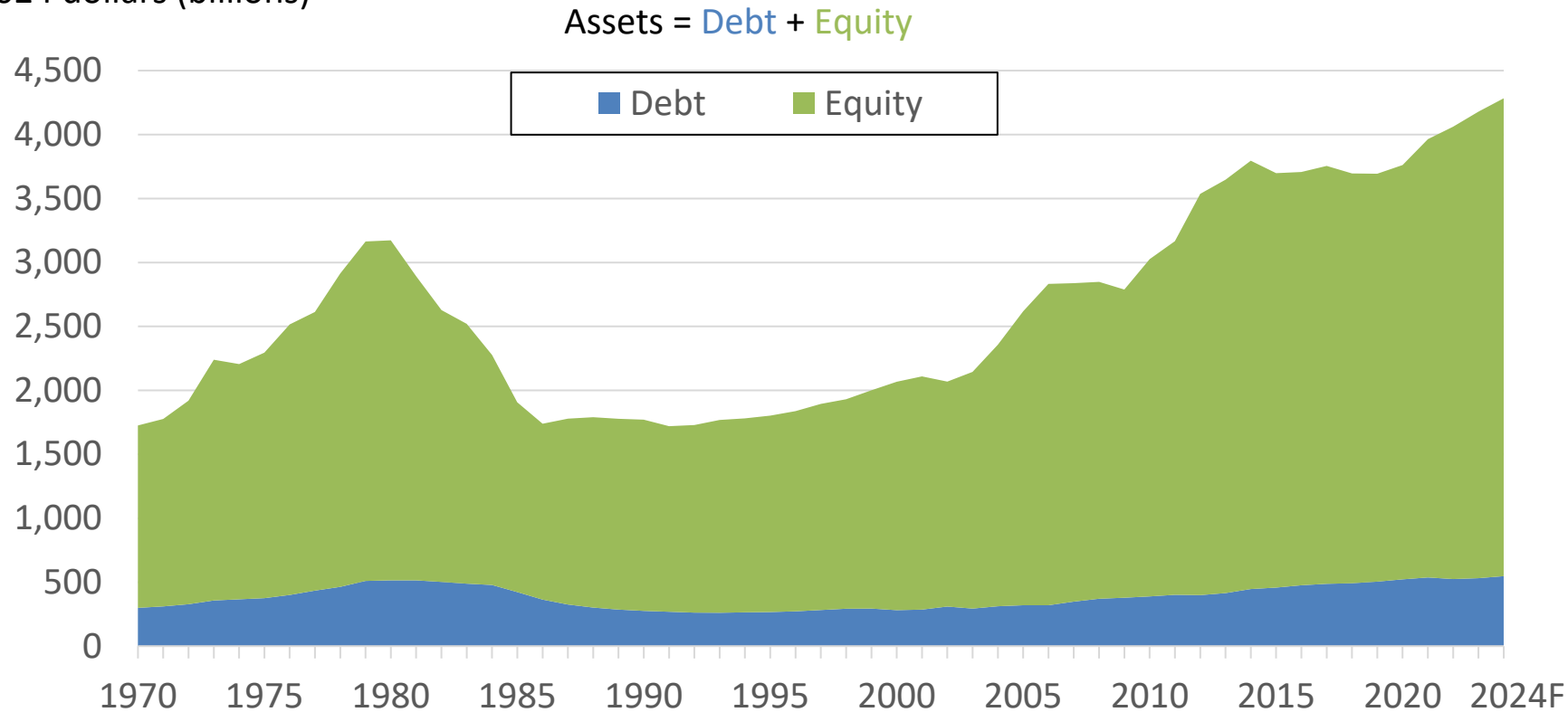
Net rent and fuels and oils expenses are expected to decline.

F= forecast.
 Source: USDA, Economic Research Service, Farm Income and Wealth Statistics
 Data as of February 7, 2024



On balance sheet, equity forecast to grow in 2024

2024 dollars (billions)



3.7T, +2.4%

In inflation-adjusted dollars, farm sector equity, asset, and debt forecast to rise 2.4, 2.5 and 2.9 percent, respectively in 2024.

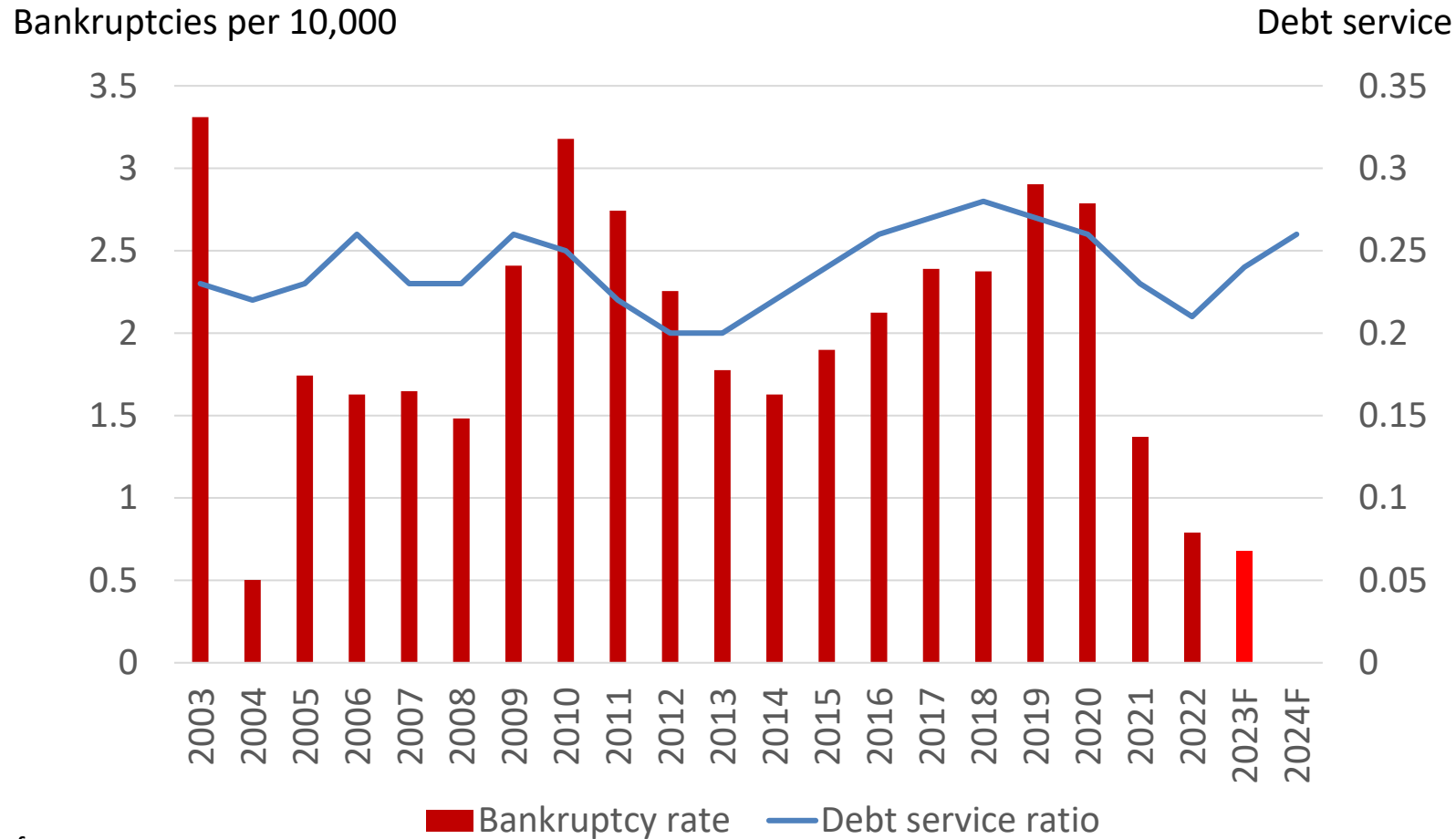
0.5T, +2.9%

F= forecast; data for 2023 and 2024 are forecasts. Values are adjusted for inflation using the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2024 by USDA, Economic Research Service.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics, Data as of February 7, 2024.



Debt service ratio is expected to rise in 2024



Bankruptcy rate is expected to be at lowest level in 2023 since 2004.

Debt service ratio describes the share of production used for debt payments.

F = forecast.

Sources: Debt Service Ratio from the USDA, ERS Farm Income and Wealth Statistics; Bankruptcy data from U.S. Courts Statistical Tables. Data as of February 7, 2024.



“Farm businesses” include operations with most production, assets, and debt



Farm businesses include **intermediate and commercial farms** and account for about half of the 2 million farm operations in the U.S.

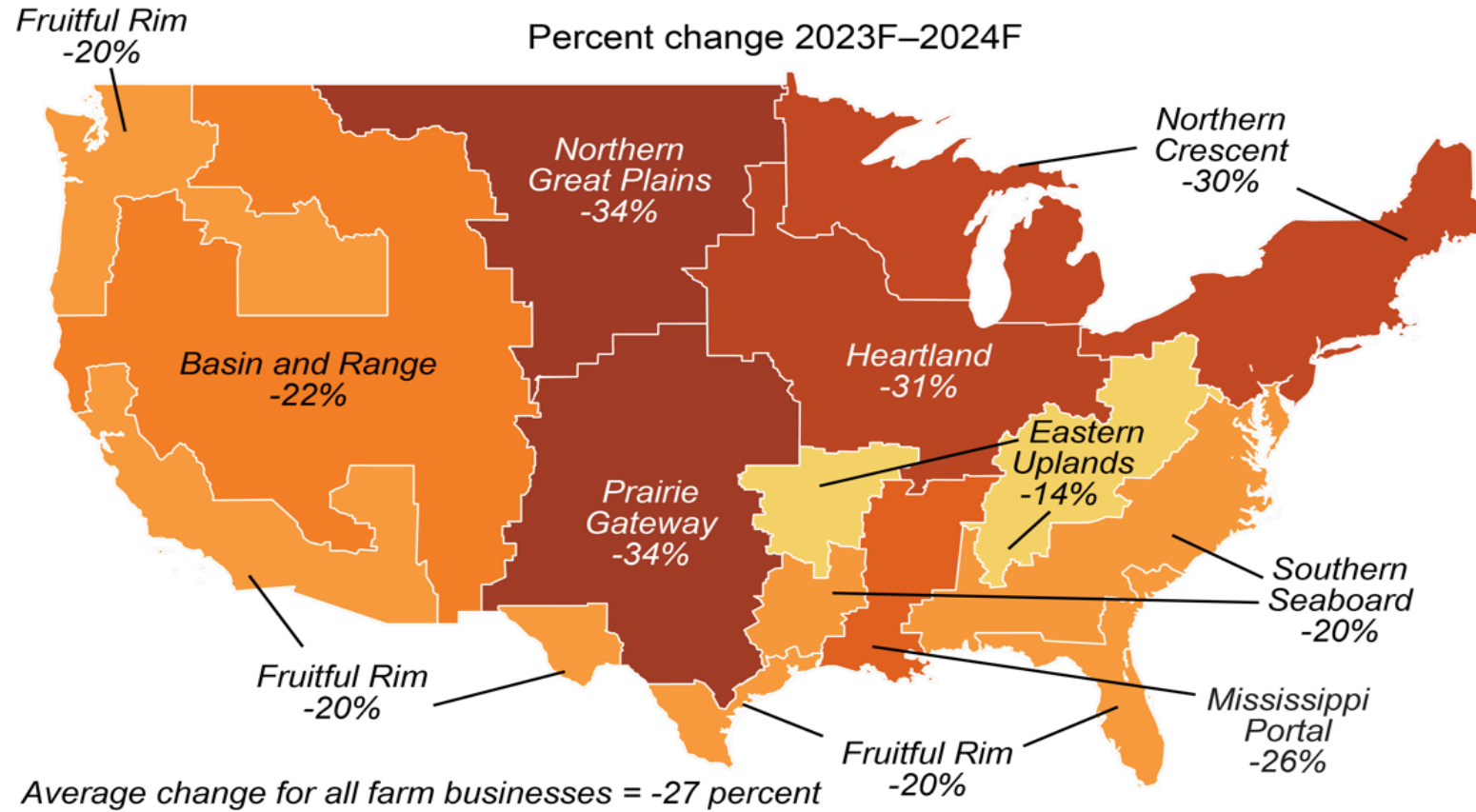
ERS uses ARMS to classify the sector into a typology of farms that are **residence** (retired or non-farm primary occupation, GCFI less than \$350K), **intermediate** (primary occupation is farming, GCFI less than \$350K), and **commercial** farms (GCFI of \$350K or more, plus non-family farms)

GCFI = gross cash farm income (before expenses)

Source: USDA, Agricultural Resource Management Survey (ARMS), 2022.



Farm businesses in all regions expected to see lower average net cash income in 2024



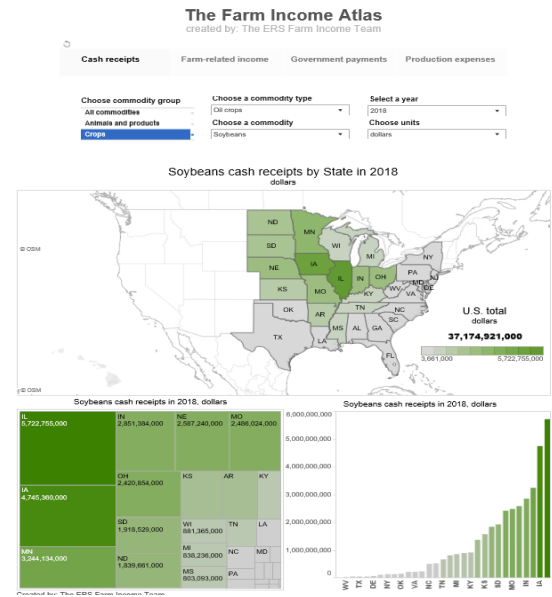
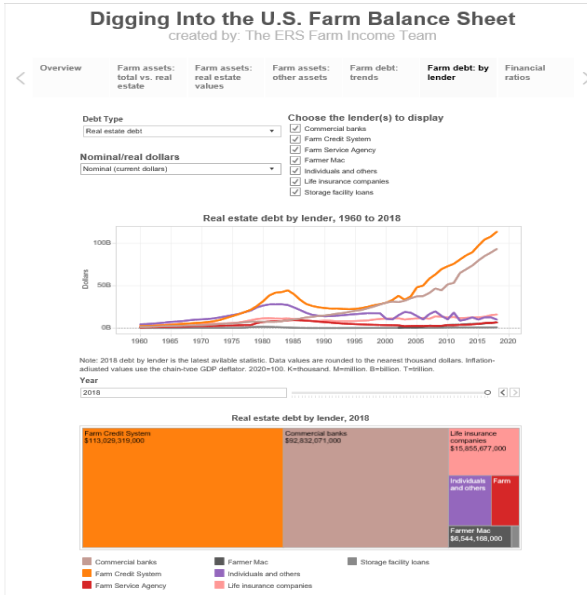
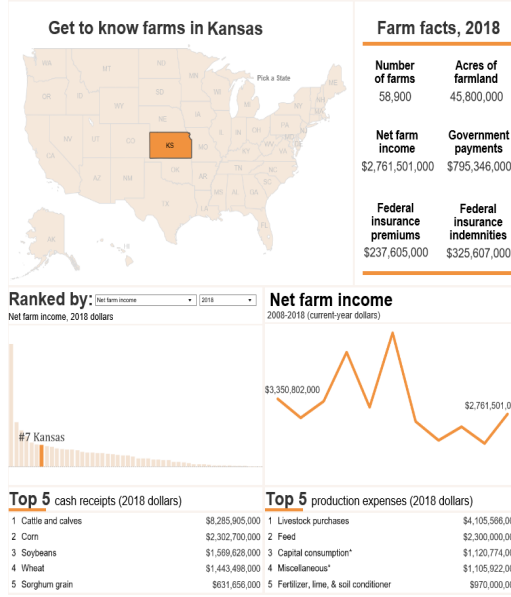
Farm businesses are defined as operations with gross cash farm income of over \$350,000 or smaller operations where farming is reported as the operator's primary occupation. The partial budget forecast model is based on data from the 2022 Agricultural Resource Management Survey (ARMS) using parameters from the sector forecasts. The model is static and does not account for changes in crop rotation, weather, and other location-based production impacts that occurred after the base year. Data as February 7, 2024. Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.



Many Ways to Explore the Data

<https://www.ers.usda.gov/data-products/farm-income-and-wealth-statistics/>

Visualizations let you dive into the financials of the farm sector



Tailored financial reports

Decade: 2010 | Nominal/real dollars: Nominal (current dollars) | Submit

Value added to the U.S. economy by the agricultural sector, 2010-2019F

United States	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019F
Value of crop production	168,122,733	199,336,796	212,907,390	233,764,522	206,311,831	184,329,260	189,302,127	187,926,642	168,763,376	163,200,896
Value of animal and products cash receipts	100,366,874	291,843,834	231,614,279	220,946,367	211,680,065	192,915,647	195,791,229	194,867,066	195,468,648	197,268,088
Value of farm production	7,464,640	7,303,972	8,230,448	6,515,834	7,191,320	4,796,100	5,486,889	5,757,587	6,041,888	7,387,653
Value of nonfarm production	55,142,751	71,739,544	82,136,538	79,846,938	65,868,944	58,938,107	55,843,515	53,920,441	56,668,520	59,689,789
Value of total production	142,914,379	180,827,136	182,968,176	178,266,764	162,669,805	142,296,229	142,296,229	142,296,229	142,296,229	142,296,229

Current and archived comprehensive datasets

Year	State	Articulary	Variable description total	Variable description part	Variable description part	Amount	Unit	Base	Publication date	Chain type	GDP deflator
2018	US	CRANR1000000	Cash receipts value, all total commodities	All	All other crops	27281127	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, other all other crops	All	All other crops	27541594	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, animal products	All	All other crops	24781638	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, berries/berries	All	All other crops	924943	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, farm farm products	All	All other crops	92228	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, cattle/cattle and calves	All	All other crops	6662926	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, cotton/cotton lint	All	All other crops	29720	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, cotton/cotton lint	All	All other crops	422922	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, cotton/cotton lint	All	All other crops	461720	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, corn/corn	All	All other crops	959292	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, corn/corn	All	All other crops	57737	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, corn/cotton	All	All other crops	309886	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, cane/cane for sugar	All	All other crops	1392542	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, carrot/carrot	All	All other crops	40187	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, dairy/dairy products	All	All other crops	839849	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, dairy/dairy products	All	All other crops	899427	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, dairy/dairy products	All	All other crops	638989	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, feed/feed	All	All other crops	5884947	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, feed/feed	All	All other crops	48296	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, fruits/fruits	All	All other crops	2518294	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, forest/forest products	All	All other crops	77114	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, forest/forest products	All	All other crops	399572	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, hay/hay	All	All other crops	675079	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, livestock/animal and products	All	All other crops	1667171	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, livestock/animal and products	All	All other crops	894229	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, millet/proso millet	All	All other crops	3702	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, millet/proso millet	All	All other crops	7970	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, oil crop/oil crops	All	All other crops	47000	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, oil crop/oil crops	All	All other crops	4098979	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, other/other	All	All other crops	7720	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, poultry/poultry/eggs	All	All other crops	3921630	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, potato/potatoes	All	All other crops	1149002	\$	1000	2018-11-01	2018	111.954
2018	US	CRANR1000000	Cash receipts value, potato/potatoes	All	All other crops	3768751	\$	1000	2018-11-01	2018	111.954

Questions?

Farm Sector Income and Finances:

<https://www.ers.usda.gov/topics/farm-economy/farm-sector-income-finance/>

Contact Information:

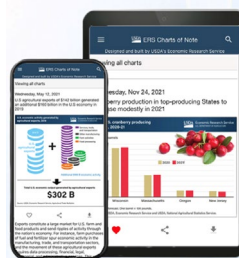
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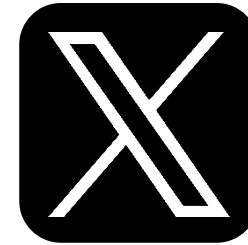
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