

FARM SERVICE AGENCY FARM AND RANCH 2018 PLANNING GUIDE

The prices included in this Exhibit are to be used in completing 2018 Cash Flows. These prices are established for term loans. If you are making an annual loan only, it is allowable to use contracted prices, but only on the amount of grain under contract and the file needs to contain documentation to support prices. These prices were obtained by consultation with other agriculture lenders, agricultural agencies, reports and other FSA State Offices.

If the operator is participating in other government programs, the payments need to be described by the type of government program (i.e. CRP). If the payment amounts are available from the FSA Program Division staff, then obtain the payment documents and place the information in the file. You may use the estimated program payments from the following website for annual operating loans or non-typical cash flows for your appropriate county if applicant is signed up for Agriculture Revenue Coverage-County Program (ARC-CO) program:

<http://www.agmanager.info/policy/commodity/Maps/default.asp>

However, you will not be able to use the following planned prices. Instead, you will use current cash price or future price plus/minus basis if using estimated program payments. You will need to document thoroughly in the FBP how the prices were obtained.

2018 Crop and Livestock Prices:

Wheat-bu.	4.50	Cows-cwt.	*--70.00
Milo-bu.	3.25	450# Calves-cwt. (Blended Price)	165.00
Corn-bu.	3.50	750# Calves-cwt. (Blended Price)	140.00
Soybeans-bu.	9.00	Fat Cattle-cwt	115.00--*
Oats-bu.	2.75	Sows-cwt.	45.00
Pinto Beans-cwt.	22.00	Feeder Pigs (50-60 lbs.)	54/hd
Sunflowers (oil)-cwt	17.00	Market Hogs-cwt. (live)	60.00
Sunflowers (confection)-cwt	19.00	Cull Ewes & Rams-lb.	.75
Corn Silage-ton	30.00	Slaughter Lambs-lb	1.45
Other Silage-ton	25.00	Cull Goats-lb	.80
Alfalfa-ton	120.00	Slaughter Goats	1.40
Other Hay-ton	60.00	Milk-cwt.	16.25
Cotton-lb	.60		
--Canola-bu.	6.40--		

The prices listed above for livestock are projected for cow/calf and farrowing operations. For example, since a cow/calf operation would normally include steers and heifers to be sold, the price *--\$1.65--* per pound for 450# calves is blended to cover all calves to be sold at that weight. These prices are not to be used when calves or pigs have been purchased or are being purchased for resale at heavier weights. In those cases, the actual or projected purchase price should be used for the livestock to be bought. When the livestock are sold, the projected price will be based on the appropriate futures market (less basis), contract prices, adjusting current cash prices, etc. The justification for price variance must be documented in the case file. With livestock, as with other commodities, if the individual can provide reliable evidence that a premium price will be received, the higher prices will be allowed in the plan.

Typical price spreads for steers and heifers will be used. The price difference between steers and heifers is generally greater at lighter weights with the gap narrowing as the cattle reach the fat cattle weight. When steers and heifers are to be purchased and sold, the cash flow is to list steers and heifers separately.

Prices for Specialty Commodities (i.e Elk, Deer, Etc.) will be determined by contracts the applicants have with the buyers of the products.

NOTE: Other prices previously approved for your districts by the State Office are voided by this Exhibit. **Modifications to the projected prices are to be approved by the State Office.** Request for modifications should be submitted through the District Director. The request needs to contain justification for the variance in transportation costs or other significant factors that cause the commodity prices to be different in the area.