



Second Annual Louisiana Agricultural Outlook Forum  
LSU AgCenter Dean Lee Research Station  
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Alexandria, Louisiana

# Farm Input Expenses for 2025



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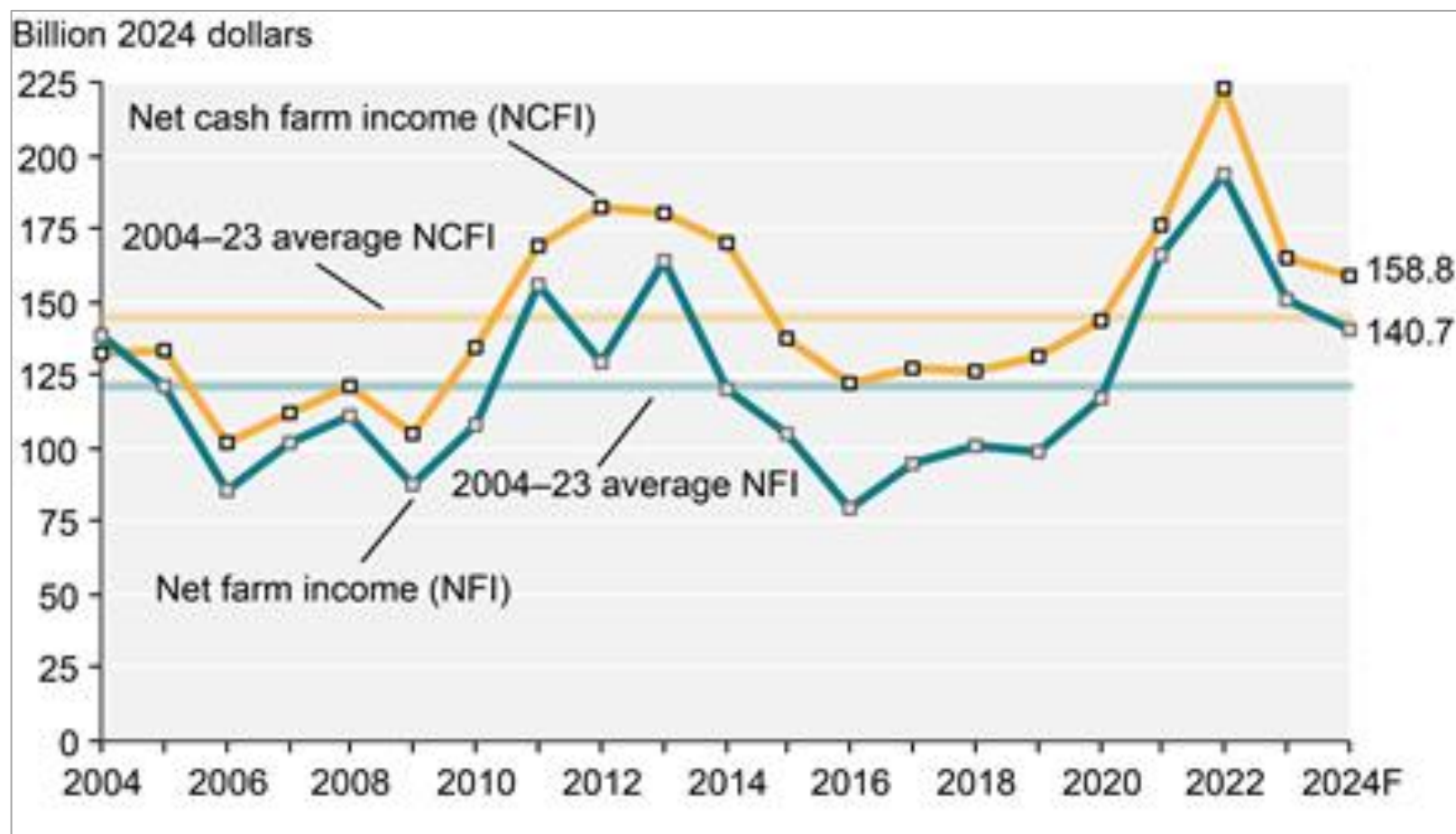
**Louisiana State University Agricultural Center**

Louisiana Agricultural Experiment Station / Louisiana Cooperative Extension Service

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# U.S. Net Farm Income – Highlighting 2023 to 2024

*Previous 20-years*

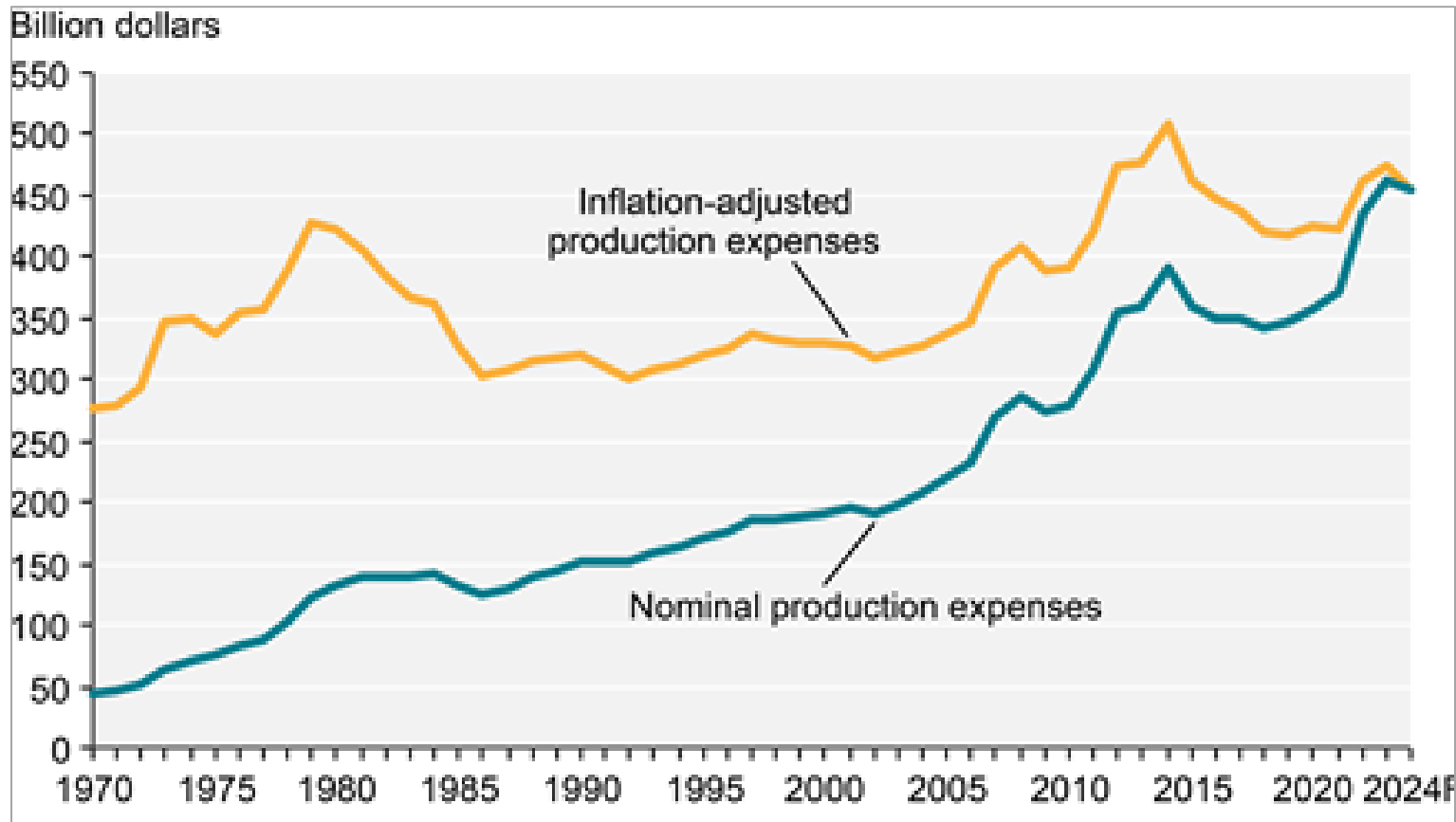


Source: USDA ERS.

	12/15/2023	12/5/2024	Percent Change		12/15/2023	12/5/2024	Percent Change
<b>Grains, Oilseeds and Fiber</b>				<b>Energy and Metals</b>			
Corn (Central IL, \$/bu)	4.44	4.01	-9.7%	Crude Oil (Brent futures, \$/barrel)	72.22	68.61	-5.0%
Soybeans (Central IL, \$/bu)	12.77	9.60	-24.8%	Fuel Oil (Futures, No. 2, NY, \$/ gal)	2.62	2.16	-17.6%
Hard Red Winter Wheat (CME futures, \$/bu)	6.43	5.45	-15.2%	Natural Gas (Henry Hub, \$/Mmbtu)	2.49	3.08	+23.7%
Soybean meal (CME futures, \$/ton)	406	290	-28.5%	Ethanol (FOB Chicago, \$/gal)	1.68	1.59	-5.4%
Soybean oil (CME futures, ¢/lb)	50.0	42.0	-16.0%	Spot Silver (\$/oz)	24.30	31.59	+30.0%
Cotton (North Delta, \$/lb)	77.43	68.00	-12.2%	Spot Gold (\$/oz)	2,018	2,018	+0.0%
Rice (Long grain milled, white, AR, \$/cwt)	35.88	35.25	-1.7%	Aluminum (CME, \$/metric ton)	2,020	2,460	+21.8%
Sorghum (#2, Texas panhandle, \$/bu)	4.90	4.12	-15.9%	Copper (CME, \$/lb)	3.87	4.19	+8.2%
Thomson Reuters CRB Total Return Index	260	285	+9.6%	Steel (HRC,FOB U.S. Midwest Mills, \$/ton)	1,085	725	-33.2%
<b>Livestock, Food and Dairy</b>				<b>Financial</b>			
Eggs (\$/dozen, Lg grade A whls., Midwest)	1.80	4.07	+126.1%	U.S. Dollar Index	101.6	105.9	+4.2%
Broilers (\$/lb, Nat'l Composite, ¢/lb)	1.26	1.28	+1.2%	U.S. Prime Rate	8.50%	7.75%	-0.75%
Milk (Class III futures,\$/cwt)	16.14	19.08	+18.2%	U.S. 10-year Treasury note price	112.2	111.0	-1.1%
Butter (CME futures, \$/lb)	2.53	2.60	+2.8%	S&P 500	4,719	6,095	+29.2%
Coffee (CME futures, \$/lb)	1.91	3.13	+63.9%	NASDAQ Composite	14,814	21,495	+45.1%
Flour (Hard red winter, Kansas City, \$/cwt)	17.55	15.70	-10.5%	<b>Fertilizer, Transportation, Lumber</b>			
Hogs (CME Lean Hog Futures, \$/cwt)	71.00	86.38	+21.7%	Anhydrous Ammonia (Illinois,retail, \$/ton)	843	685	-18.7%
Steer/heifer ave, 5-area, dressed, (\$/cwt)	268.00	291.00	+8.6%	Baltic Dry Index (Ocean Freight Index)	2,348	1,180	-49.7%
Feeder Cattle (CME Feeder Cattle Index; \$/cwt)	219.07	259.82	+18.6%	Lumber (\$/1,000 bd. Feet)	540	579	+7.2%
Sources: CME, USDA AMS, Stockcharts.com, DTN Prophetx							

# U.S. Farm Production Expenses

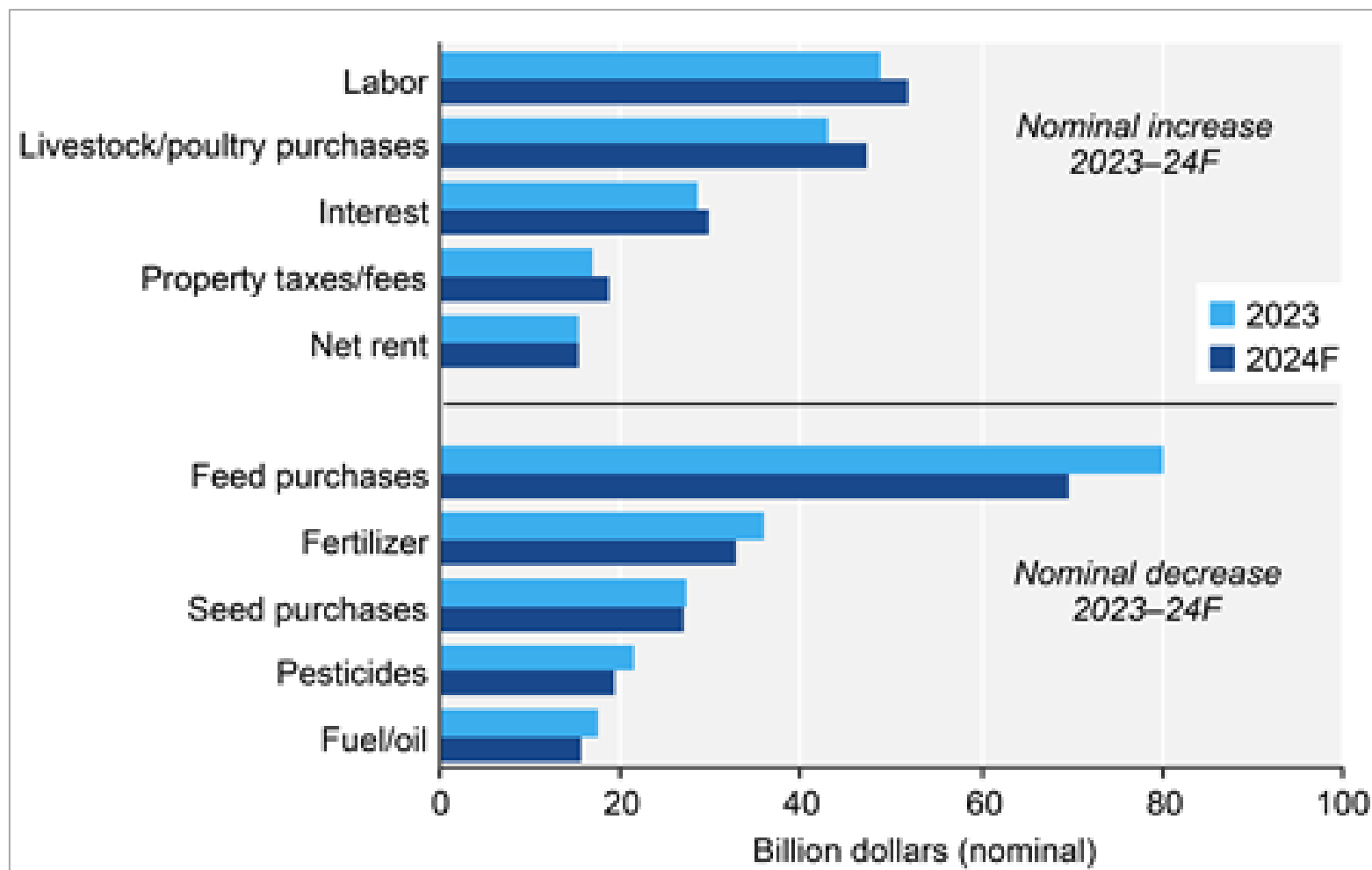
*Historical comparison*



Source: USDA ERS.

# U.S. Farm Production Expenses

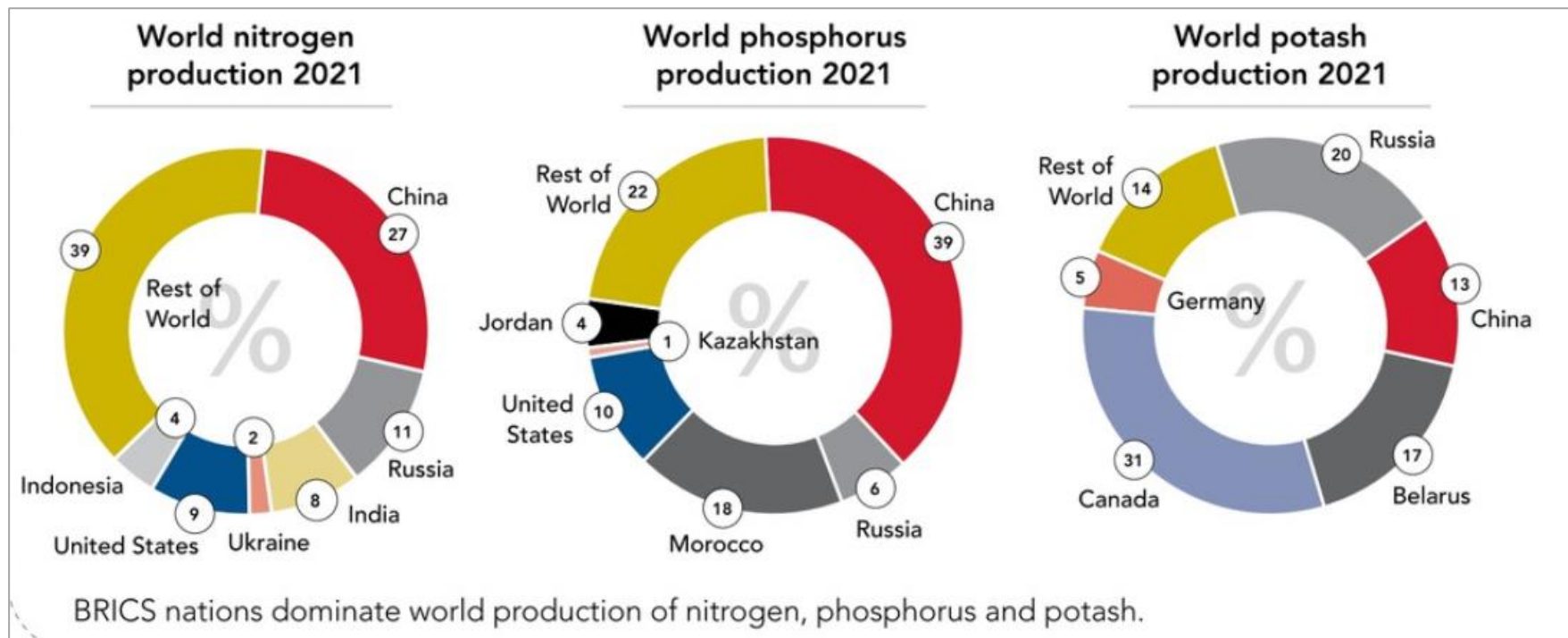
*Selected comparison of expenses for 2023 versus 2024*



Source: USDA ERS.

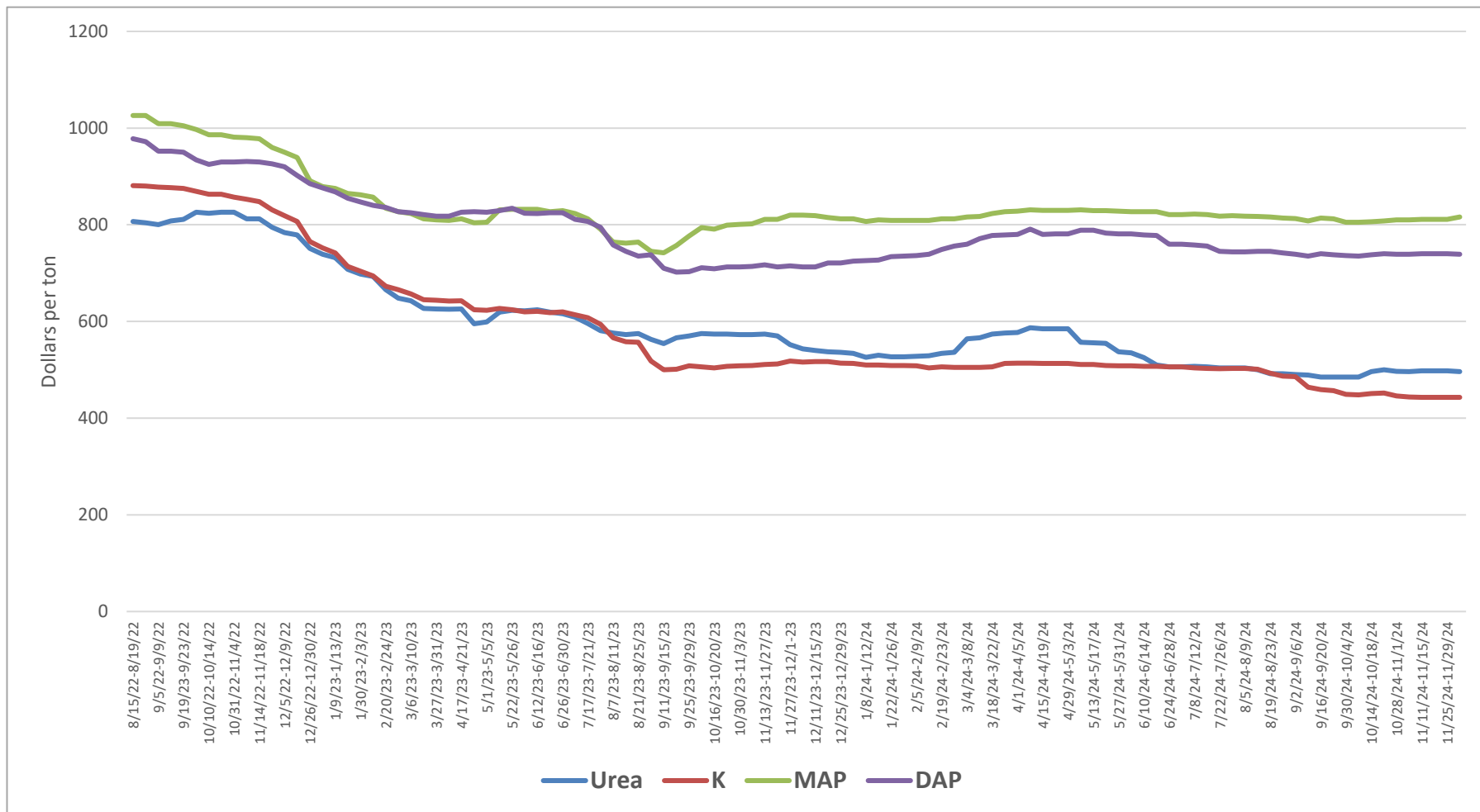
# Global Fertilizer Production

## *G7 versus BRICS production*



# U.S. Retail Fertilizer Prices

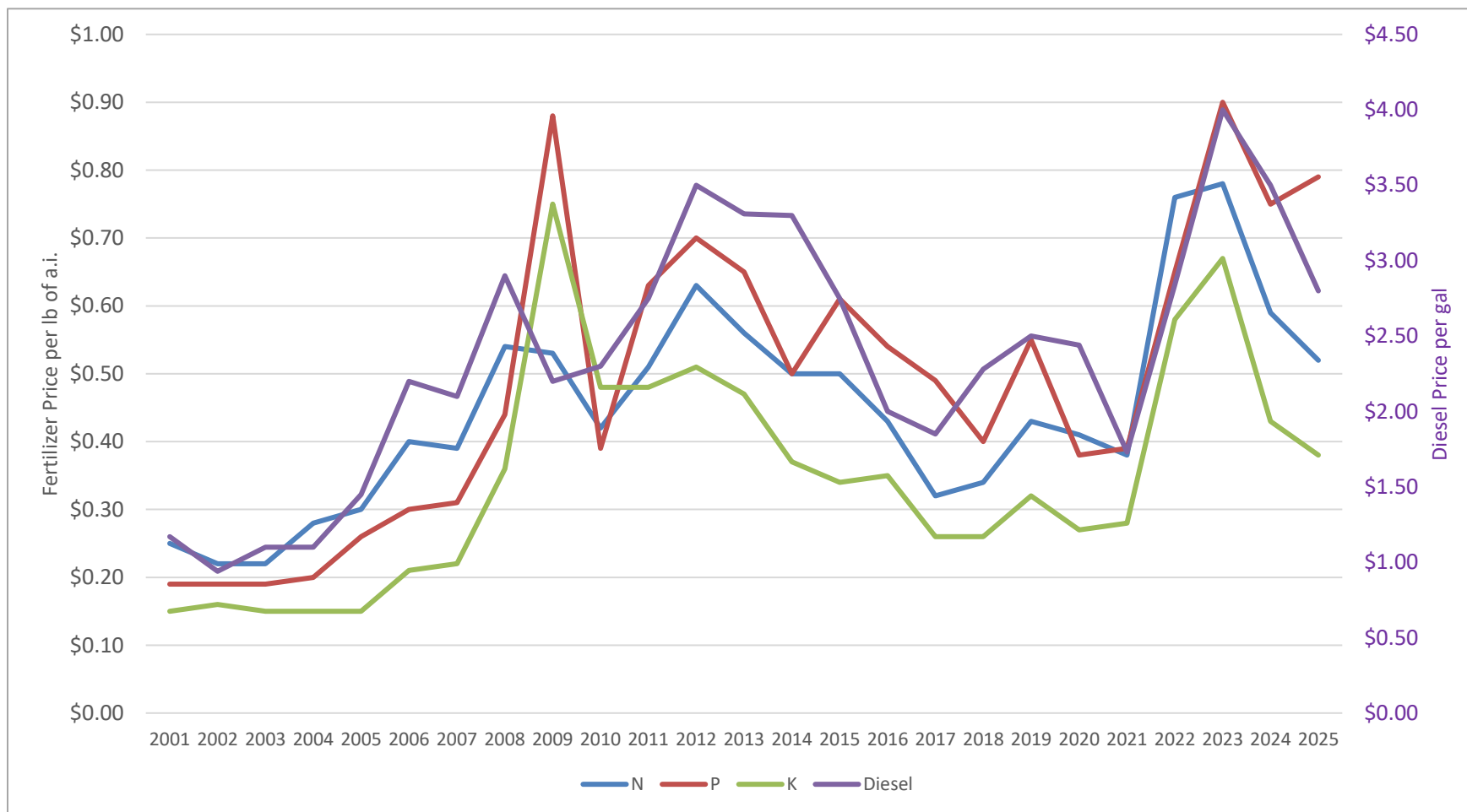
*Survey of retailer price quotes from August 2022 to December 2024*





# Fertilizer and Fuel Input Prices in Louisiana

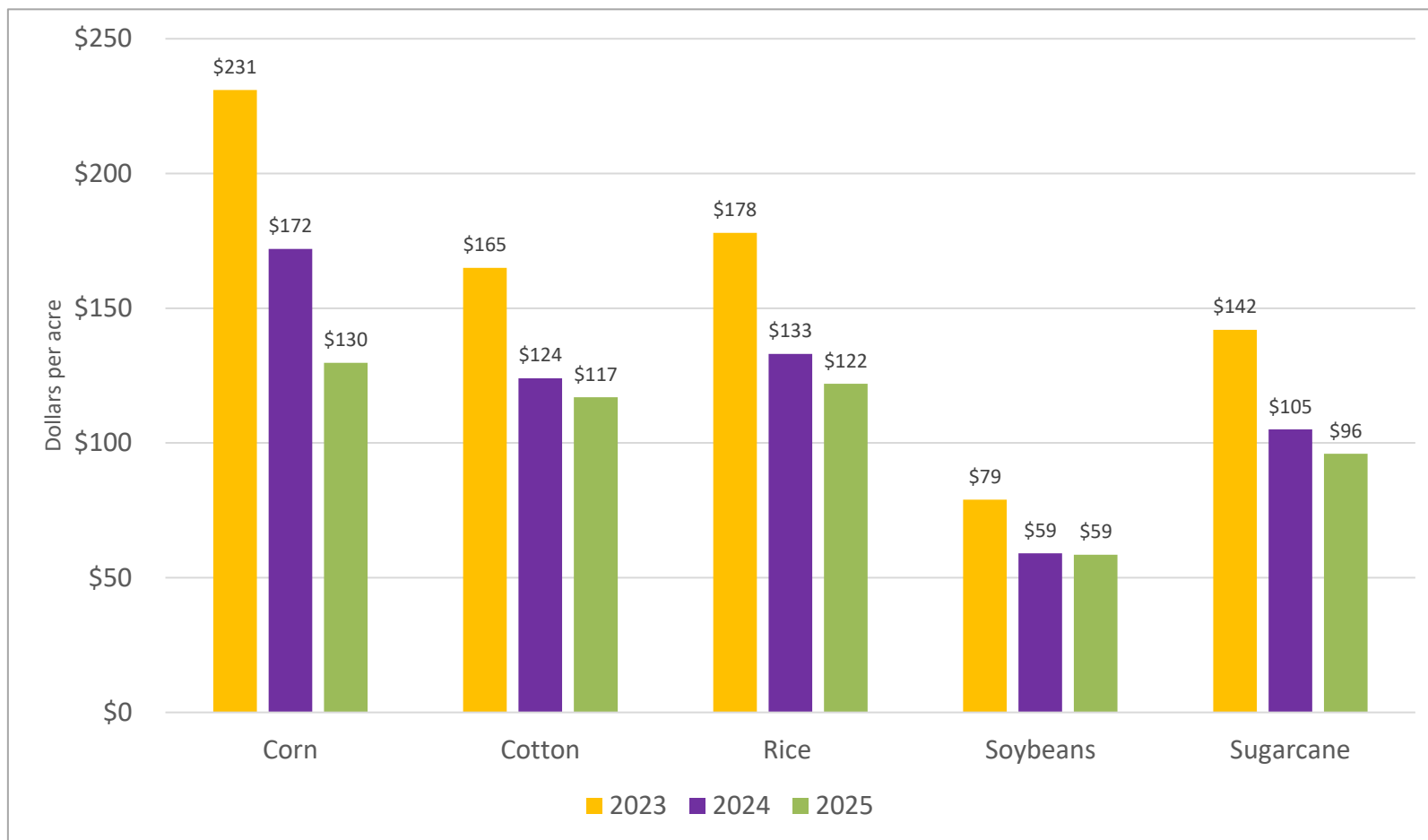
*Long term trend denotes the implied volatility*





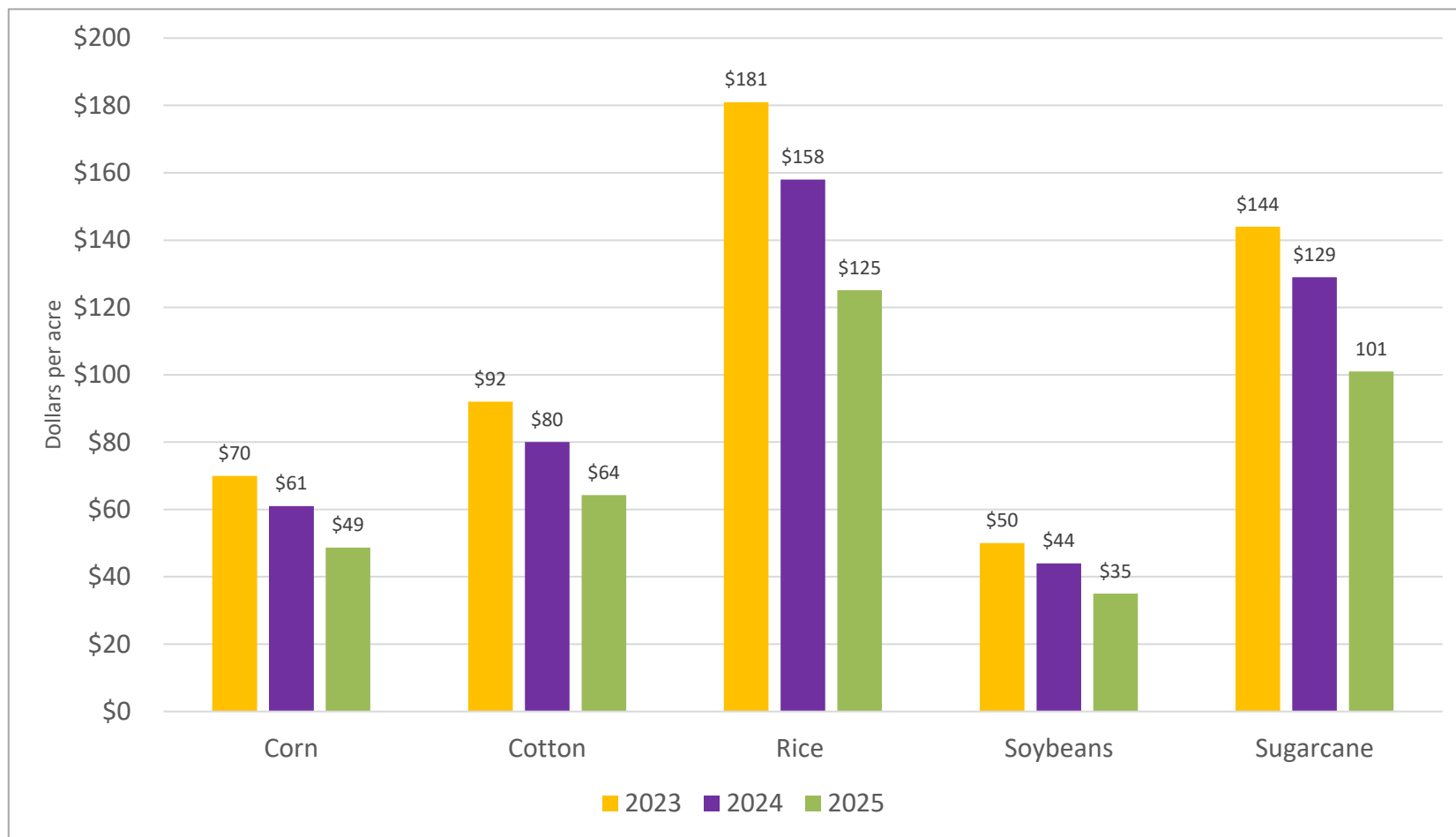
# Fertilizer Costs for Selected Row Crops

*Three-year summary of total fertilizer costs per acre*



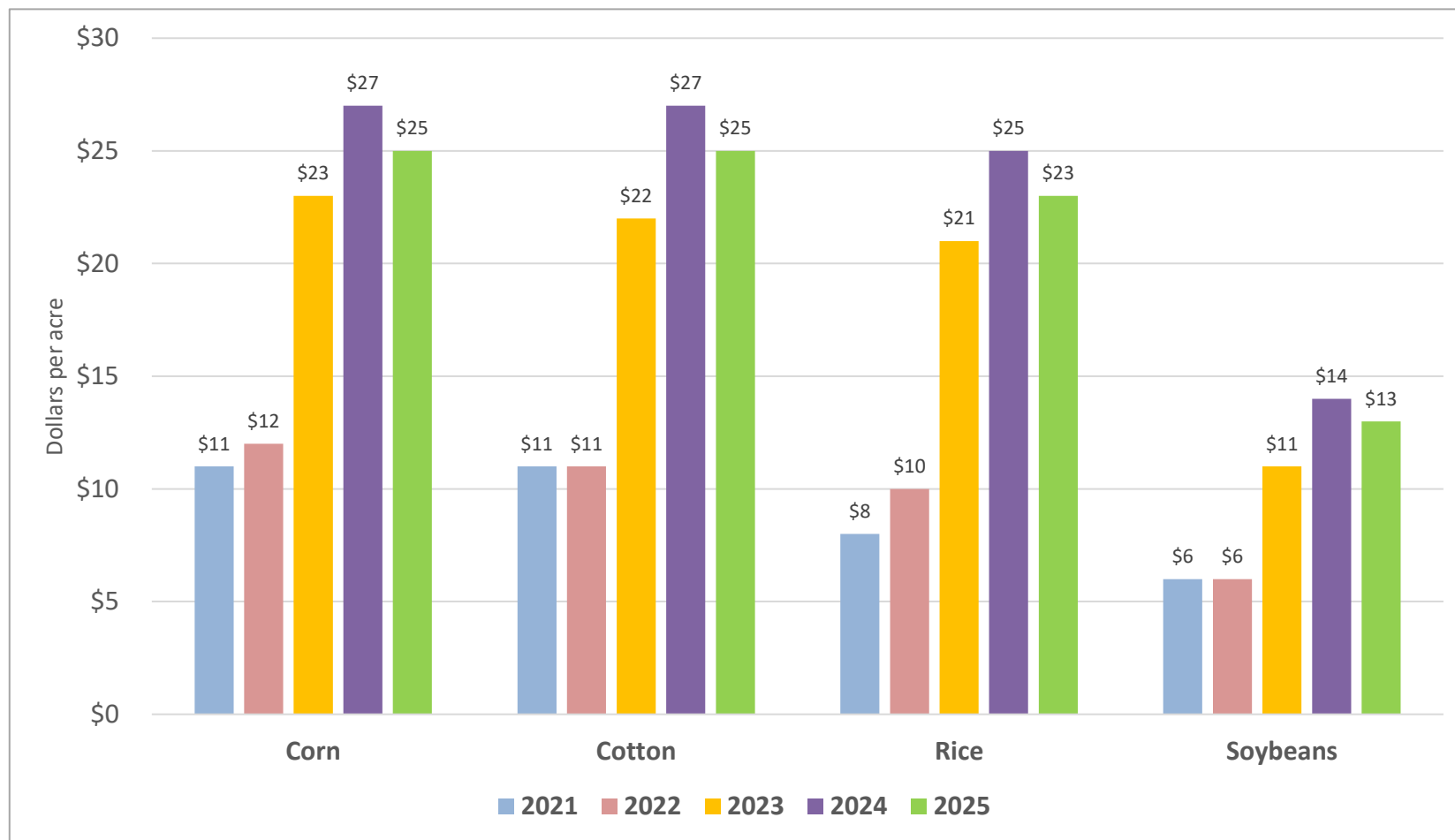
# Fuel Costs for Selected Row Crops

*Three-year summary of total fertilizer costs per acre*



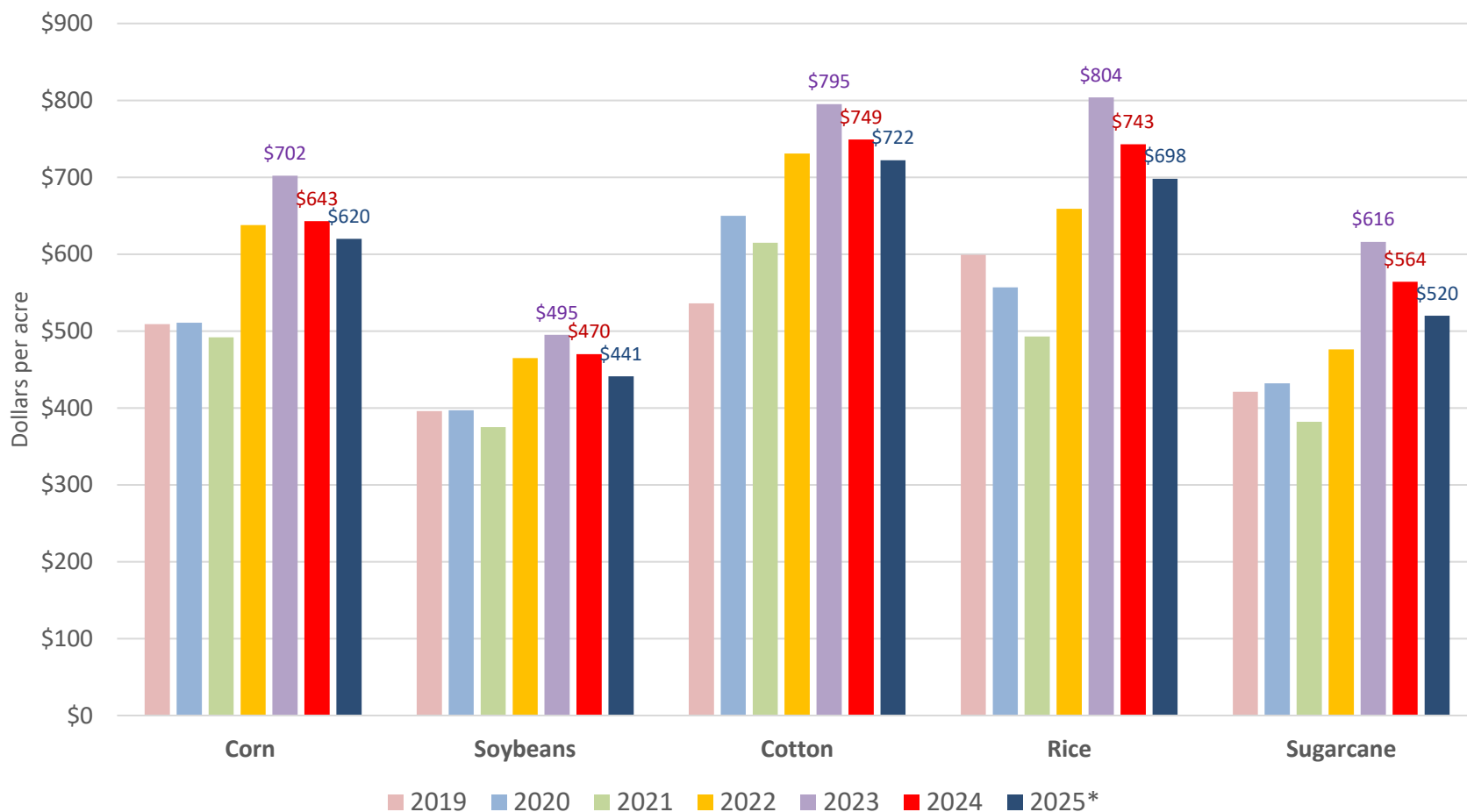
# Interest for Selected Row Crops

*Obtained from the AgCenter's projected commodity cost and returns*



# Estimated Production Costs for Louisiana Crops

*Direct expenses are expected to decline again in 2025-but remain elevated*



# Farm and Risk Management Tools

*Decision support aids developed by the LSU AgCenter*

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- Enterprise Budgets
  - PDF and Microsoft® Excel
- Farm Financial Benchmarking
  - Excel spreadsheets for multiple crops and rent
- ARC/PLC Farm Program Payment Matrices
  - Excel spreadsheets by crop, practice, parish
- Crop Insurance

<https://www.lsuagcenter.com/topics/crops>

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# Breakeven Analysis for Louisiana Crops

*An early look at 2025...*

Crop	Expected Yield per acre	Expected Var. Costs per acre	BE price need to Cover Var. Costs ONLY	Expected Fixed Costs per acre	BE price need to Cover Total Costs
Corn	<b>200 bu</b>	\$621	\$3.10	\$165	\$3.93
Soybeans	<b>60 bu</b>	\$447	\$7.45	\$140	\$9.78
Cotton	<b>1,100 lbs.</b>	\$722	\$0.66	\$289	\$1.09
Rice	<b>77.00 cwt</b>	\$698	\$9.07	\$138	\$10.86

*The breakeven (BE) price estimates do not include land rent, overhead, or family living expenses.*

# Breakeven Analysis for Louisiana Crops

*An early look at 2025...*

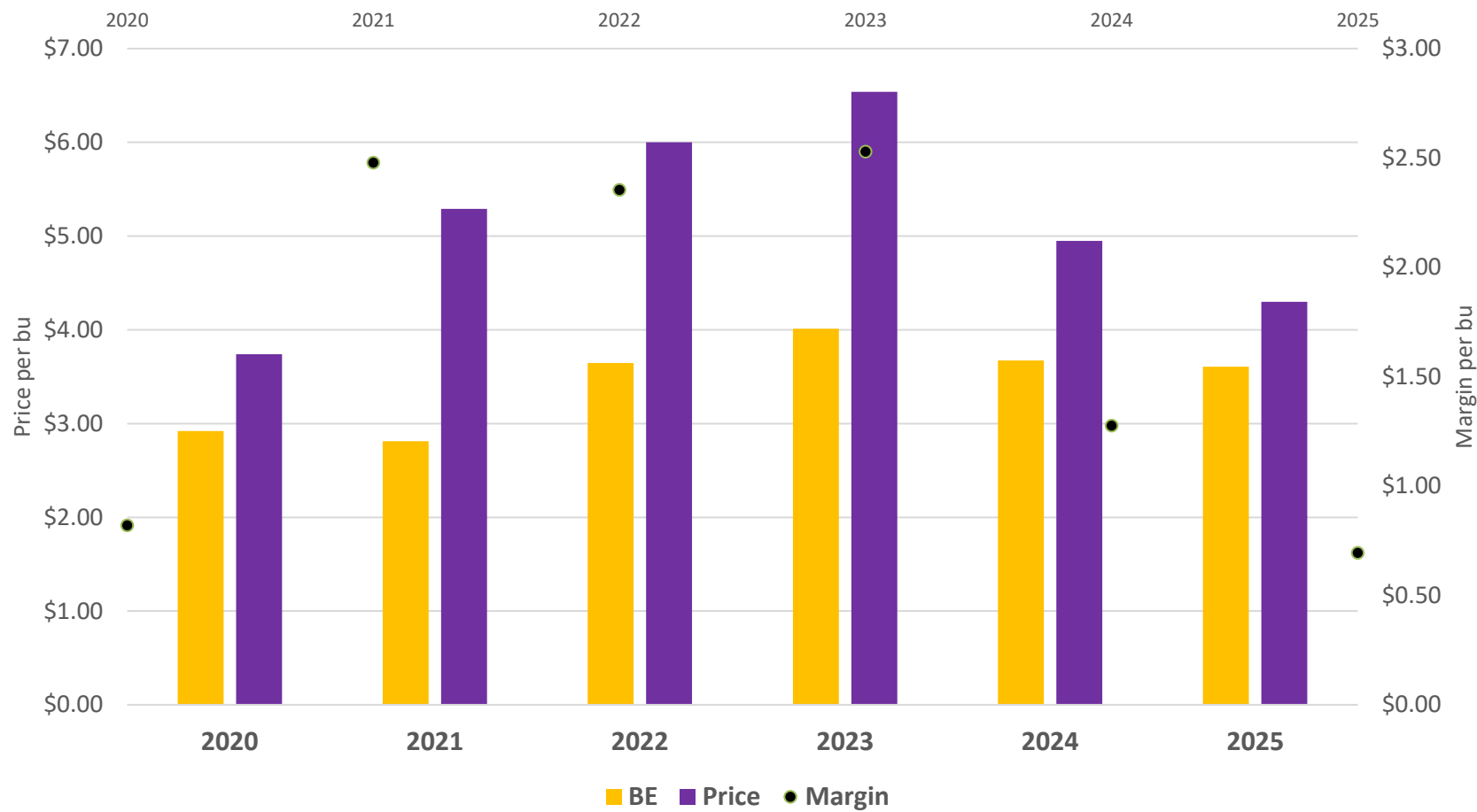
Crop	Expected Yield per acre	Expected Var. Costs per acre	Expected Fixed Costs per acre	Expected Cash Rent	BE price need to Cover Total Costs
Corn	<b>200 bu</b>	\$621	\$165	\$100	\$4.43
Soybeans	<b>60 bu</b>	\$447	\$140	\$100	\$11.45
Cotton	<b>1,100 lbs.</b>	\$722	\$289	\$100	\$1.00
Rice	<b>77.00 cwt</b>	\$698	\$138	\$100	\$12.16
Raw Sugar	<b>7,700 lbs.</b>	\$520	\$251	1/6 <sup>th</sup> share	\$0.199

*The breakeven (BE) price estimates do not include overhead or family living expenses.*



# Estimated Breakeven and Margin for LA Corn

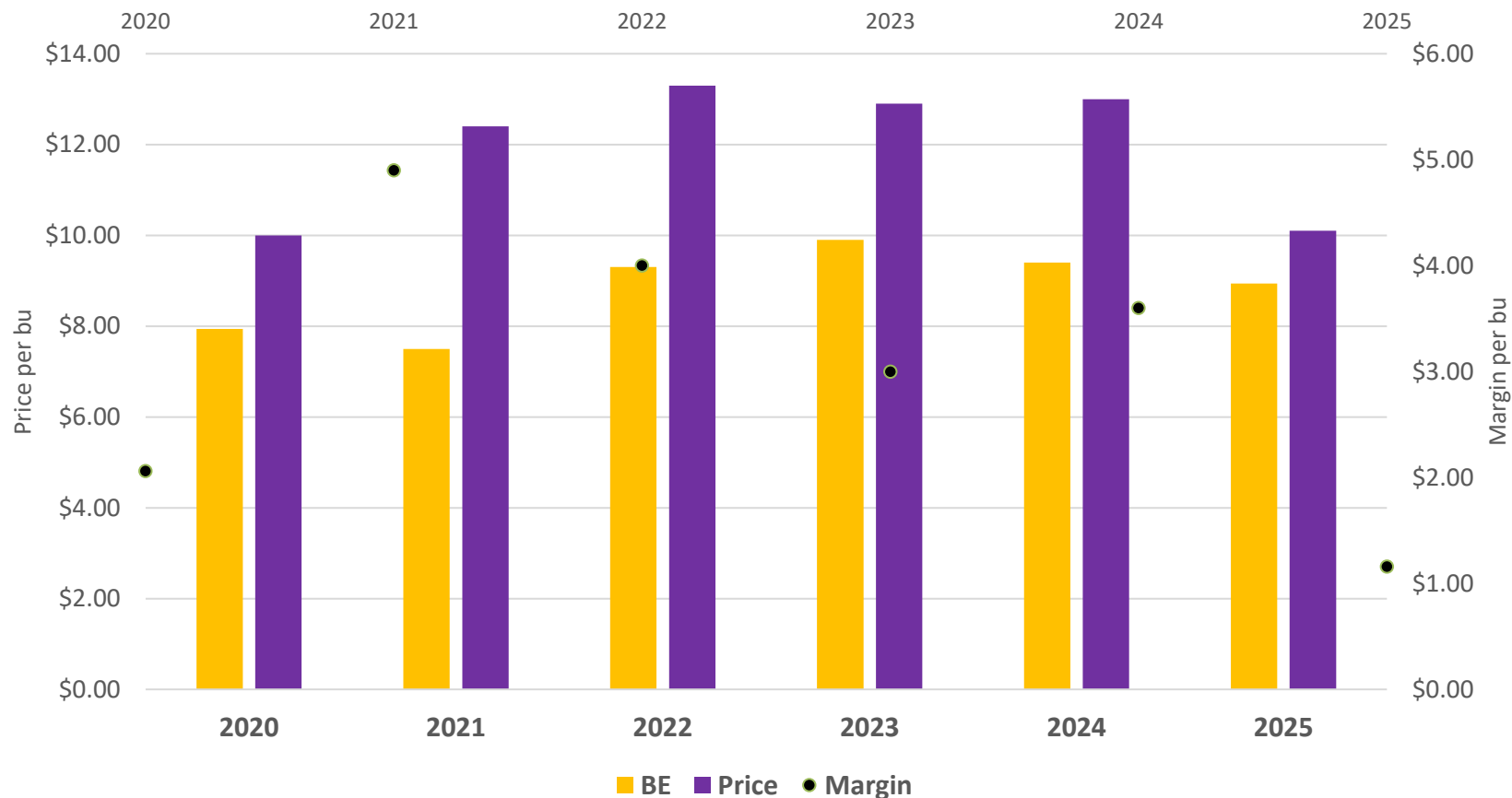
*Historical breakeven C.O.P, price, and margin (NRAVC) per unit*



*estimates assumes yield of 175 bu/ac and \$621 per acre direct cost estimate for 2025.*

# Estimated Breakeven and Margin for LA Soybeans

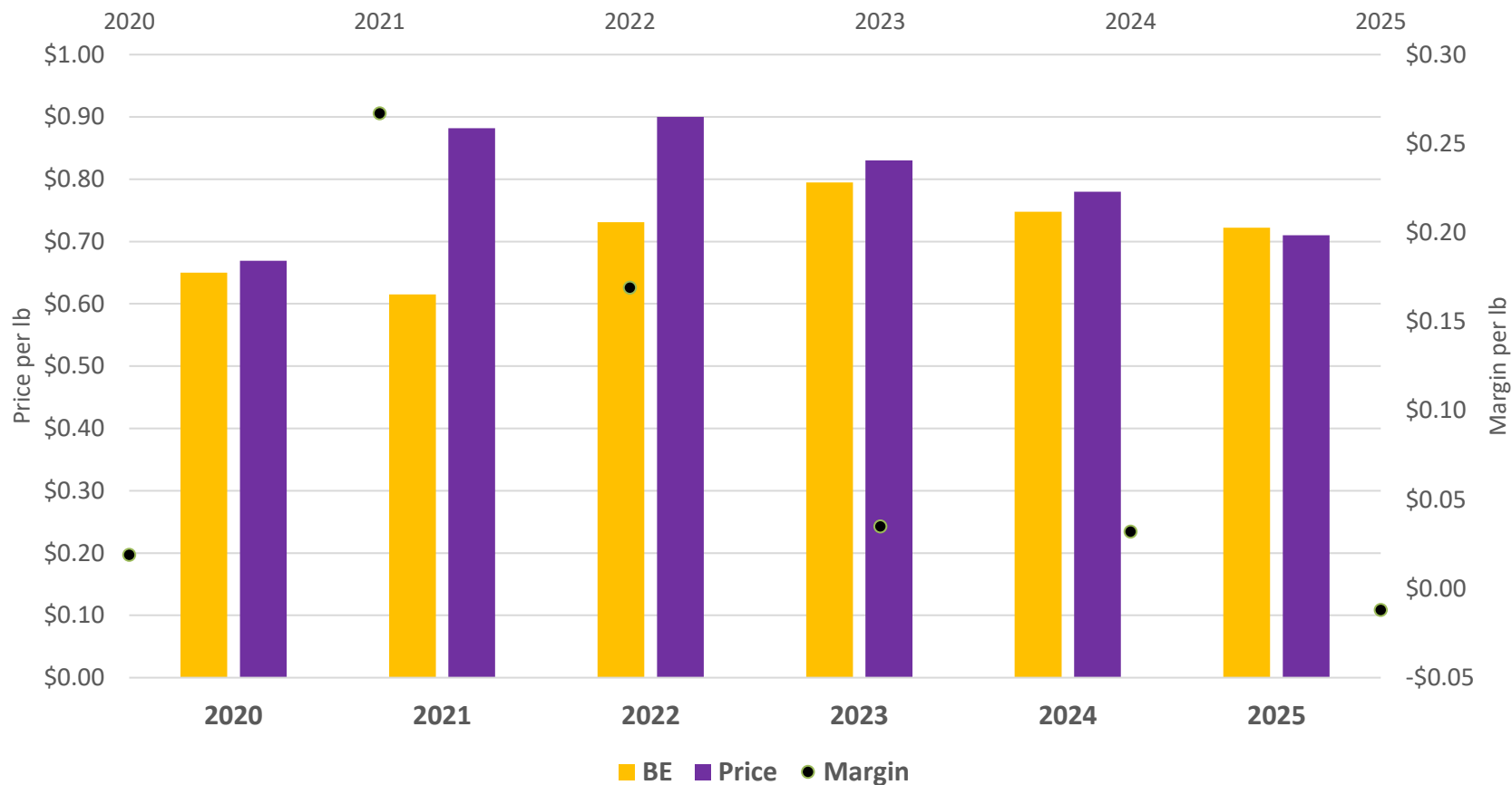
*Historical breakeven C.O.P, price, and margin (NRAVC) per unit*



*estimates assumes yield of 50 bu/ac and a \$449 direct cost estimate for 2025.*

# Estimated Breakeven and Margin for LA Cotton

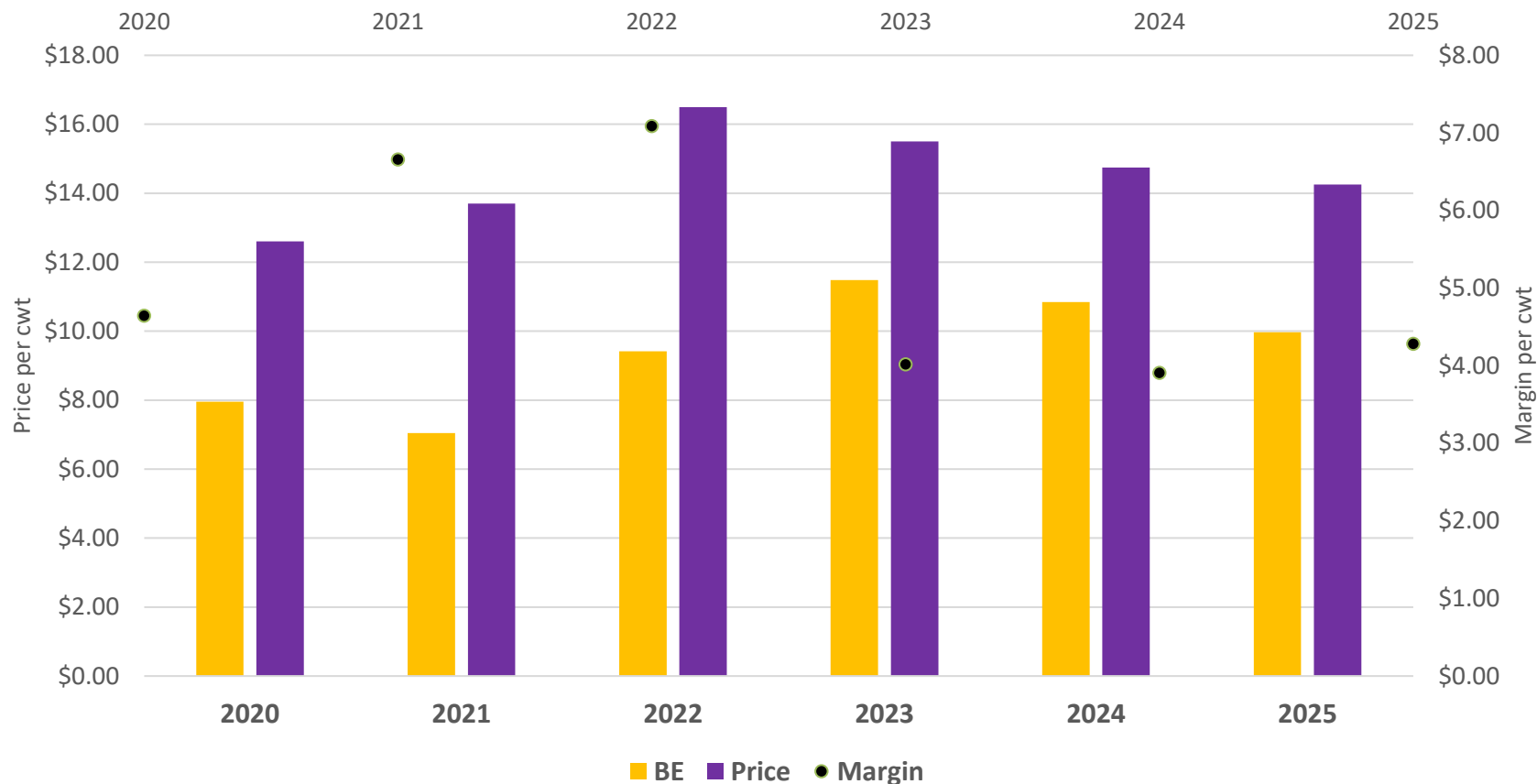
*Historical breakeven C.O.P, price, and margin (NRAVC) per unit*



*estimates assumes yield of 1,000 lbs./ac and a \$722 direct cost estimate for 2025.*

# Estimated Breakeven and Margin for LA Rice

*Historical breakeven C.O.P, price, and margin (NRAVC) per unit*



*estimates assume yield of 70 cwt/ac and a direct cost estimate of \$698 per acre in 2025.*

# Estimated Breakeven and Margin for LA Sugarcane

*Historical breakeven C.O.P, price, and margin (NRAVC) per unit*



Estimates assumes yield of 8,000 lbs./ac and a 1/6 share rent reflects grower's (GRW) share of raw sugar price. Reflects a \$520 weighted farm direct cost per are for 2025.

# Farm and Risk Management Tools

*Decision support aids developed by the LSU AgCenter*

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*Appreciation is extended to the following organizations for their support of this applied ag economic research.*



Cotton  
Incorporated



**Louisiana State University Agricultural Center**

Louisiana Agricultural Experiment Station / Louisiana Cooperative Extension Service

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