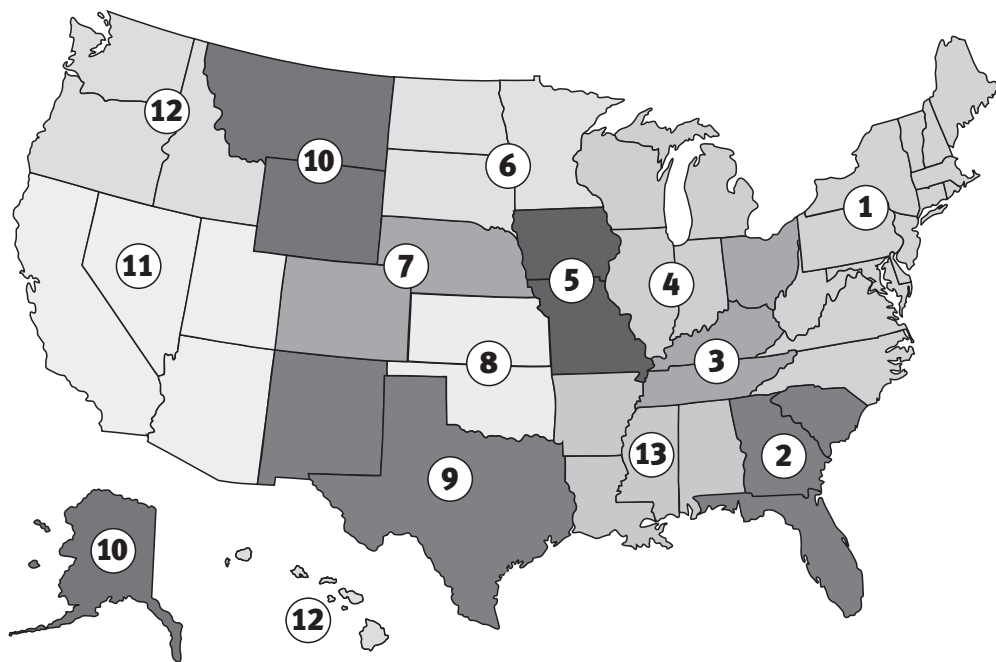


American Angus Association Regional Managers

**Region 1**

CHRIS JEFFCOAT
282 Saint Lukes Rd.
Littlestown, PA 17340
717-476-1496
cjffcoat@angus.org

**Region 2**

DAVID GAZDA
Director of Field Services
1985 Morton Rd.
Athens, GA 30605
706-227-9098 (home)
706-296-7846 (cell)
dgazda@angus.org

**Region 3**

ALEX TOLBERT
273 Chinn Ln.
Harrodsburg, KY 40330
706-338-8733
atolbert@angus.org

**Region 4**

CASEY JENTZ
6908 Paoli Rd.
Belleville, WI 53508
608-234-1998
cjentz@angus.org

**Region 5**

ADAM CONOVER
201 W. Union St.
Macon, MO 63552
816-676-8560
aconover@angus.org

**Region 6**

ROD GEPPERT
20174 N. Hwy. 1806
Fort Pierre, SD 57532
605-295-3673
rgeppert@angus.org

**Region 7**

DREW FELLER
PO Box 111, 809 18th St.
Wisner, NE 68791
402-841-4215
dfeller@angus.org

**Region 8**

JEFF MAFI
12512 W 68th
Coyle, OK 73027
816-344-4266
jmafi@angus.org

**Region 9**

RADALE TINER
3707 Marielene
College Station, TX 77845
979-492-2663
rtiner@angus.org

**Region 10**

KURT KANGAS
PO Box 819
Big Timber, MT 59011
406-366-4190
kkangas@angus.org

**Region 11**

TERRY COTTON
816-390-3227
tcotton@angus.media

**Region 12**

JAKE TROUTT
6344 Beacon Light Rd.
Eagle, ID 83616
208-921-6774
jtroutt@angus.org

**Region 13**

MARK SIMS
13912 Greenridge Rd. S.E.
Huntsville, AL 35803
580-595-0901
msims@angus.org

Purdue Ag Outlook

Purdue ag economists forecast weak crop prices, farm incomes in 2017.

by **DARRIN PACK,**
Purdue University

Farm incomes will likely continue to slump next year with grain prices remaining at or near their lowest levels in about a decade, according to an analysis by agricultural economists at Purdue University.

U.S. agricultural exports are expected to recover slightly after two years of decline, but not nearly enough to offset increasing global grain stocks, says Chris Hurt, editor of the *Purdue Agricultural Economics Report* (available at <https://ag.purdue.edu/agecon/Documents/PAER%20AUGUST%202016.pdf>), an acre of average Indiana farmland was worth \$7,041 last year, down from a peak of \$8,129 in 2013 — a 13.4% decline.

“In the last three years, U.S. production has outpaced usage for corn, soybeans and wheat,” Hurt says. “Abundant inventories of grains and soybeans mean low prices.”

Corn prices for Indiana producers are expected to average \$3.45 per bushel

in 2017, down from \$3.85 per bushel in 2015. Soybean prices are expected to fare better, hovering around \$9.50 to \$10 per bushel primarily because of lower production last season in South America and relatively stable global demand. Hurt cautions that soybean prices could fall to around \$9 per bushel if South American production picks up and more U.S. acres are planted in beans.

“Market prices in the next few years will be in the process of adjusting acreage to cause increases in corn and wheat prices but at the expense of more soybean acres and lower bean prices,” Hurt says.

Livestock outlook

Livestock producers typically benefit when the grain they use to feed their animals is cheaper. But three years of steadily increasing production has kept beef cattle prices low with little recovery in sight, says Jim Mintert, director of the Center for Commercial Agriculture.

“After averaging near \$153 per hundredweight (cwt.) in 2016, prices for 500- to 600-pound steers in Kentucky could average in the \$120s in 2017,” Mintert says. “Calf prices at this level are below the break-even price on many cow-calf operations, which could bring herd expansion to a halt in 2017.”

Craig Dobbins, farm management specialist, says the weak overall prospects for the Indiana agricultural economy have hurt farmland values.

According to the annual *Purdue Farmland Value Survey* (available online at <https://ag.purdue.edu/agecon/Documents/PAER%20AUGUST%202016.pdf>), an acre of average Indiana farmland was worth \$7,041 last year, down from a peak of \$8,129 in 2013 — a 13.4% decline.

“The primary force behind the farmland value decline has been the decline in crop production profitability,” Dobbins says. “While there are several positive forces in the farmland market,

these positive factors are overridden by low farm commodity prices and low contribution margins.”

The *Purdue Agricultural Economics Report 2017* outlook was published by the Purdue University Department of Agricultural Economics. It includes 12 sections by 11 different authors and short video summaries with analysis on topics ranging from the effect of the presidential election on the U.S. economy to cash rents, farm financial management and crop insurance.

For a free download of the report, go to <https://ag.purdue.edu/agecon/Pages/Purdue-Agricultural-Economics-Report.aspx>.

Editor's Note: Darrin Pack is the Ag Answers editor and writer for Purdue University's *Agricultural Communications Service*.

