

FEATURING : ★ Crop Production ★ Dairy Products ★ Value Added

NOVEMBER CROP PRODUCTION

U.S. HIGHLIGHTS

Corn production was forecast at 10.3 billion bushels, up 1 percent from October 1 and 14 percent above 2002. If realized, this would be the largest corn crop on record. Previous production record was set in 1994.

Corn yields were expected to average a record high 143.2 bushels per acre. This was up 1.0 bushels from October and 13.2 bushels from last year. The previous record yield was set in 1994.

Soybean production was forecast at 2.45 billion bushels, down 1 percent from the October forecast and 11 percent from 2002. If realized, this would be the lowest production since 1996.

Soybean yields were expected to average 33.8 bushels per acre, down 0.2 bushel from October and 4.2 bushels from 2002.

Corn for grain production was forecast at 152.6 million bushels, unchanged from the October 1 estimate and up 44 percent from the drought reduced 2002 crop. Yield was unchanged at 140 bushels per acre, up 38 bushels from a year earlier. The 2003 crop is the second highest yield on record. The record yield occurred in 2001. Weather this fall has been favorable for corn harvesting and by November 9 was 97 percent complete. Farmers are reporting a good quality crop.

Soybean production was forecast at 53.8 million bushels, an increase of 8 percent from the October estimate and up 29 percent from the dry 2002 crop. Yield at 43 bushels per acre was up 3 bushels from the October 1 estimate and a record high. The previous record was set in 2001. Farmers continue to harvest their soybeans and as of November 9, 85 percent of the crop was harvested. Farmers have reported good to excellent yielding soybeans with good quality. Later maturing soybeans suffered little frost damage and double crop soybeans had good yields.

KENTUCKY

Favorable temperatures combined with scattered periods of rainfall allowed farmers this fall to harvest their corn and soybeans and sow winter wheat. Seeded winter wheat is germinating well and growing with adequate soil moisture. Tobacco curing and stripping is coming along fine with farmers reporting good to excellent quality and weight.

This is the last forecast for corn and soybean production. The next estimates will be final production to be released on January 12, 2004. The burley and dark tobacco production forecast ended with the October 1 forecast and the next production estimates for tobacco will be released in January. A special thank-you to the farmers that help make our monthly yield estimates possible.

CROP PRODUCTION

CROP SUMMARY, NOVEMBER 1 KENTUCKY AND UNITED STATES, 2002 - 2003

CROPS	UNIT	ACREAGE HARVESTED		YIELD PER ACRE		PRODUCTION		
		2002	2003	2002	2003	2002	2003	
			Indicated		Indicated		Indicated	% of '02
		(Thousand)				(Thousand)		
KENTUCKY								
Corn for Grain	Bu.	1,040	1,090	102.0	140.0	106,080	152,600	144
Soybeans for Beans	Bu.	1,260	1,250	33.0	43.0	41,580	53,750	129
UNITED STATES								
Corn for Grain	Bu.	69,313	71,765	130.0	143.2	9,007,659	10,277,932	114
Soybeans for Beans	Bu.	72,437	72,538	38.0	33.8	2,749,340	2,451,759	89

U. S. DAIRY PRODUCTS, SEPTEMBER 2003

PRODUCT	September 2002	August 2003 <u>1/</u>	September 2003	Percent of Sept Aug 2002 2003	
(000) Pounds					
BUTTER	92,818	70,144	72,801	78	104
(000) Gallons					
CHEESE					
American Types <u>2/</u>	287,537	302,139	290,404	101	96
Mozzarella	226,158	235,603	229,795	102	98
All Other Types <u>3/</u>	152,343	152,066	166,078	109	109
Total	683,895	709,043	706,277	103	100
(000) Gallons					
FROZEN PRODUCTS					
Ice Cream (Hard)	69,894	75,830	71,627	102	94
Frozen Yogurt (Total)	6,046	5,610	5,350	88	95
(000) Gallons					
MIX FOR FROZEN PRODUCTS					
Ice Cream Mix	42,868	44,604	41,989	98	94
Yogurt Mix	3,569	3,300	3,147	88	95

1/ Revised. 2/ Includes Cheddar, Colby, Monterey, and Jack. 3/ Includes Swiss, cream and all other types. Excludes cottage cheese.

KENTUCKY CROPS RANKED BY 2002 VALUE OF PRODUCTION

RANK	COMMODITY & UNIT	2001 CROP YEAR <u>1/</u>		2002 CROP YEAR		CHANGE IN VALUE
		Price Per Unit	Total Value	Price Per Unit	Total Value	
		(Dollars)	(1,000 Dollars)	(Dollars)	(1,000 Dollars)	(02 as % of 01)
1.	Tobacco, All, lb.	1.985	505,436	2.015	499,320	99
2.	Hay, All, baled, ton	71.00	393,695	71.00	391,920	100
3.	Corn (for grain), bu.	2.08	324,896	2.55	270,504	83
4.	Soybeans (beans), bu.	4.47	218,136	5.75	235,463	108
5.	Wheat, All, bu.	2.50	59,400	3.00	54,060	91
6.	Sorghum (grain), bu.	1.92	1,632	2.66	2,195	134
7.	Commercial Apples, lb.	.290	2,030	.318	1,272	63
8.	Barley, bu.	1.43	972	1.50	768	79
9.	Peaches, lb.	.487	877	.545	654	75
	TOTAL		1,507,074		1,456,156	97

1/Revised.

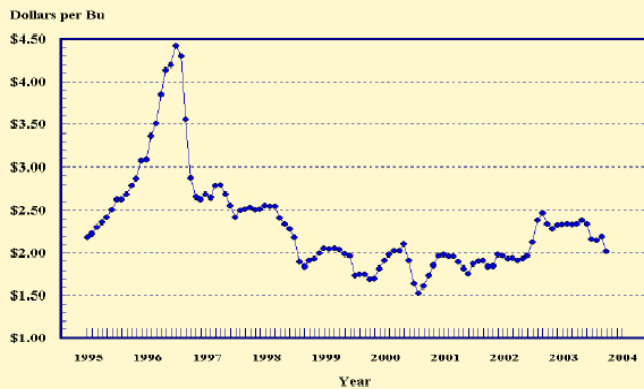
**VALUE ADDED TO THE KENTUCKY ECONOMY
BY THE AGRICULTURAL SECTOR VIA THE PRODUCTION
OF GOODS AND SERVICES, 1999 - 2002 ^{1/}**

Item	1999 ^{2/}	2000 ^{2/}	2001 ^{2/}	2002
	(1,000 Dollars)			
Value of crop production	1,088,892	1,474,859	1,209,936	1,048,308
Food grains	57,774	56,635	62,963	59,158
Feed crops	276,367	306,609	348,068	339,033
Cotton	0	0	0	0
Oil crops	151,029	142,745	202,014	221,808
Tobacco	737,048	674,469	566,276	443,031
Fruits and tree nuts	2,877	4,439	5,214	5,056
Vegetables	8,760	12,000	14,000	
All other crops	64,116	66,016	66,405	67,948
Home consumption	6,419	6,278	6,207	6,420
Value of inventory adjustment ^{3/}	(215,498)	205,668	(61,211)	(109,146)
Value of livestock production	2,164,546	2,407,241	2,298,690	2,054,710
Meat animals	633,136	630,469	594,103	479,918
Dairy products	249,172	229,080	263,736	208,560
Poultry and eggs	448,309	473,755	599,265	505,866
Miscellaneous livestock	924,274	1,045,267	805,852	766,335
Home consumption	12,693	11,513	11,654	10,499
Value of inventory adjustment ^{3/}	(103,038)	17,157	24,080	83,532
Revenues from services and forestry	706,902	727,937	722,544	705,635
Machine hire and customwork	19,495	24,174	20,852	38,725
Forest products sold	171,780	180,000	170,000	160,000
Other farm income	233,894	216,848	198,551	181,764
Gross imputed rental value of farm dwellings	281,733	306,915	333,141	325,146
Value of agricultural sector production	3,960,340	4,610,037	4,231,169	3,808,653
(less) Purchased inputs	1,865,126	1,865,382	1,766,751	1,780,911
Farm origin	580,467	577,376	575,717	584,760
Feed purchased	367,671	352,565	354,076	353,321
Livestock and poultry purchased	116,501	130,923	122,939	123,107
Seed purchased	96,295	93,888	98,702	108,332
Manufactured inputs	445,250	446,845	431,337	421,234
Fertilizers and lime	219,130	208,736	195,334	190,506
Pesticides	97,356	87,812	89,720	87,812
Petroleum fuel and oils	99,248	121,496	113,002	110,573
Electricity	29,516	28,801	33,281	32,343
Other purchased inputs	839,409	841,161	759,697	774,917
Repair and maintenance of capital items	197,644	206,388	195,652	219,656
Machine hire and customwork	54,220	48,240	38,474	44,006
Marketing, storage, and transportation expenses	149,146	117,294	117,953	109,250
Contract labor	56,173	74,589	45,332	49,792
Miscellaneous expenses	382,226	394,650	362,286	352,213
(plus) Net government transactions	150,735	363,452	208,189	48,836
+ Direct Government payments	232,109	448,473	293,379	137,901
- Motor vehicle registration and licensing fees	9,874	10,500	10,669	12,530
- Property taxes	71,500	74,521	74,521	76,535
Gross value added	2,245,949	3,108,107	2,672,607	2,076,579
(less) Capital consumption	599,817	613,176	625,898	647,674
Net value added	1,646,132	2,494,931	2,046,709	1,428,905
(less) Payments to stakeholders	731,881	764,698	740,819	684,198
Employee compensation (total hired labor)	199,925	178,874	217,463	215,786
Net rent received by nonoperator landlords	272,358	296,711	261,577	209,598
Real estate and nonreal estate interest	259,598	289,113	261,779	258,814
Net farm income	914,251	1,730,233	1,305,890	744,707

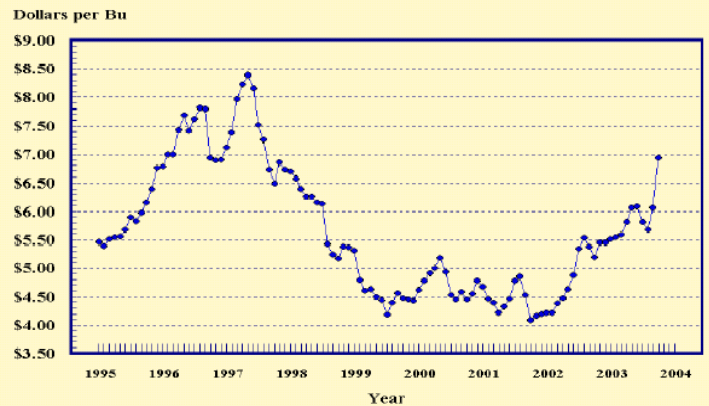
^{1/}Value of agricultural sector production is the gross value of the commodities and services produced within a year. Net value-added is the sector's contribution to the National economy and is the sum of the income from production earned by all factors-of-production, regardless of ownership. Net farm income is the farm operator's share of income from the sector's production activities. The concept presented is consistent with that employed by the Organization for Economic Cooperation and Development. ^{2/}Revised. ^{3/}A positive value of inventory change represents current-year production not sold by December 31. A negative value is an offset to production from prior years included in current-year sales. Negative numbers are shown in parenthesis. Source: Economic Research Service/USDA.

PRICES RECEIVED

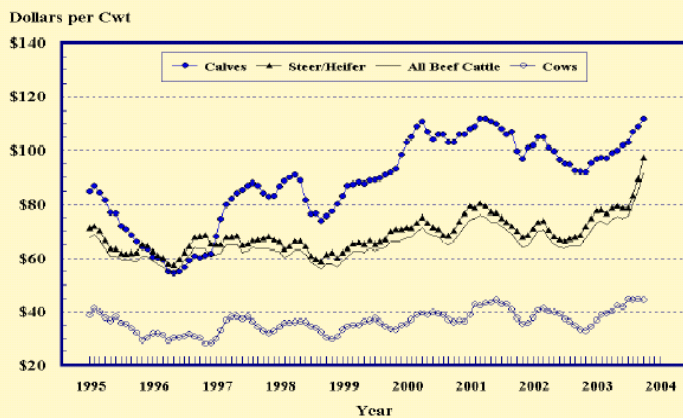
Prices Received, Corn, US



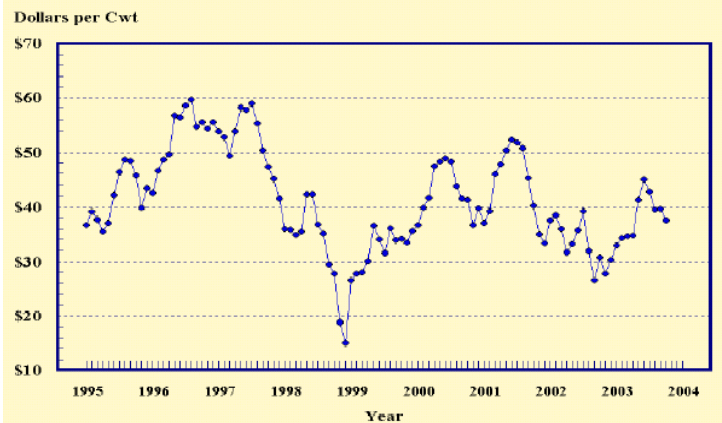
Prices Received, Soybeans, US



Prices Received, Cattle, US



Prices Received, Hogs, US



Internet Access: Kentucky Agricultural Statistics Service (KASS) data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the National Agricultural Statistics Service (NASS) homepage located at <http://www.usda.gov/nass/>