

## Farm Production Costs Climb 17 Percent

U.S. farmers paid 17 percent more for their production inputs this April compared to a year ago. Prices went up in 10 of the 12 cost of production categories. Fertilizer, Fuels, Seeds, and Feed led the way with double digit percent increases. Livestock & Poultry and Autos & Trucks were the only categories to avoid increases, declining 10 percent and 2 percent respectively.

The largest increase was seen in fertilizer, where the U.S. prices paid index for fertilizer jumped 65 percent from April 2007. Muriate of Potash doubled its price from a year ago to \$561 per ton, while Urea rose 22 percent to \$522 per ton. In the North Central Region (including IL, IN, IA, MI, MN, MO, OH and WI), farmers paid on average \$769 per ton for Anhydrous Ammonia, \$779 per ton for Superphosphate and \$372 for 28% Nitrogen Solution. The mixed fertilizer 9-23-30 cost farmers in the North Central Region \$720 per ton on average, a leap of 98 percent from 2007.

Compared to April 2007, the U.S. fuel prices index grew 43 percent. The average U.S. prices for unleaded service station gasoline, unleaded bulk delivery, and L.P. bulk delivery were \$3.28, \$3.33, and \$2.28 per gallon respectively. Diesel bulk delivery again realized the largest increase, going up 49 percent from a year ago to \$3.61 per gallon. In the Lake States Region (MI, MN and WI), the average gallon of unleaded service station gasoline was up 63 cents per gallon to \$3.22. This was the lowest of any region in the U.S. The Pacific Region tallied the highest average for unleaded service station gasoline at \$3.44.

The U.S. prices paid index for feed increased 27 percent from April 2007. Nationally, feed grains, complete feeds, hay/forages, concentrates, and supplements all increased from last year. Feed grains saw the largest increase at 52 percent above the previous year. In the Lake States Region, average feed commodity prices increased for all those that were surveyed, with the exception of Liquid Molasses which was unchanged at \$16.40 per cwt. Dairy feed with protein concentrate between 32 and 38% rose 24 percent to \$488 per ton. The price of alfalfa meal climbed 13 percent.

U.S. farmers paid 7 percent more for new machinery compared to April 2007. The average prices for the general categories of 2-wheel drive tractors and balers rose between 1 and 6 percent. Prices increased for 51 of the 55 items surveyed.

The U.S. prices paid index for chemicals edged up 4 percent from a year ago. Herbicide prices went up for 18 items surveyed and went down or stayed the same for five. The largest jump was Glyphosate 4#/gal, increasing 40 percent to \$40.50 per gallon. Fungicides saw 11 of the 15 published items increase. Calcium Polysulfide showed the largest increase, climbing 44 percent to \$11.60 per gallon. Fourteen of the 26 Insecticides surveyed rose in price.

**FEED: Prices Paid**  
**Lake States Region 1/, April 2004-2008**

Commodity	2004	2005	2006	2007	2008
	Dollars per 50 pounds				
Stock Salt	4.15	4.57	4.51	4.87	5.17
Trace Mineral Blocks	5.00	5.08	5.39	5.75	6.07
	Dollars per cwt.				
Alfalfa meal	14.00	13.80	14.70	16.70	18.90
Molasses, liquid	13.70	13.90	15.90	16.40	16.40
Soybean meal, 44% protein	17.40	11.90	13.10	14.40	22.10
	Dollars per ton				
Dairy feed 32-38% protein concentrate	313.00	381.00	328.00	394.00	488.00

1/Lake States: MI, MN, WI. Source: USDA, NASS, WI FO

**FERTILIZER: Prices Paid**  
**North Central Region 1/, April 2004-2008**

Commodity	2004	2005	2006	2007	2008
	Dollars per ton				
Anhydrous	387	429	543	536	769
Nitrogen Solution	175	215	241	270	372
Sulfate of	208	253	263	269	390
Urea 44-46%	277	327	368	450	547
Superphosphate	261	295	315	409	779
Muriate of Potash	178	242	271	277	562

1/North Central States: IL, IN, IA, MI, MN, MO, and WI.

**FUEL: Prices Paid**  
**Lake States Region 1/, April 2004-2008**

Commodity	2004	2005	2006	2007	2008
	Dollars per gallon				
Gasoline, unleaded Service station 2/ Bulk delivery 2/	1.74	2.19	2.56	2.59	3.22
Diesel fuel, bulk delivery 3/	1.76	2.21	2.59	2.62	3.27
L.P. gas, bulk delivery 3/	1.32	1.97	2.29	2.47	3.61
	1.14	1.42	1.61	1.65	2.20

1/Lake States: MI, MN, WI. 2/Includes all taxes. 3/Excludes all taxes. Source: USDA, NASS, WI FO

**FARM MACHINERY: Prices Paid**  
**United States, April 2004-2008**

Commodity	2004	2005	2006	2007	2008
	Dollars				
Tractor, 2-wheel drive, P.T.O. horsepower 30-39	16,100	16,700	17,500	18,400	18,700
70-89	33,900	36,800	37,600	38,900	39,300
140-159	86,900	91,900	95,500	100,000	104,000
Manure spreader 225-300 bu. cap.	10,900	11,900	12,200	12,800	13,700
Mower conditioner, pull type 8-10 foot sickle	14,800	15,900	16,300	17,200	18,400
14-16 foot sickle	23,000	24,600	25,700	26,200	28,300
Round baler, 1200-1500 lb.	19,500	20,300	20,300	21,900	23,300

Source: USDA, NASS, WI FO

**SEED: Prices Paid**  
**United States, April 2004-2008**

Commodity	2004	2005	2006	2007	2008
	Dollars				
Alfalfa, per cwt. Proprietary	291.00	281.00	286.00	292.00	342.00
Corn, per 80,000 kernels Biotech	122.00	131.00	137.00	154.00	184.00
Non-Biotech	91.10	93.40	95.10	100.00	115.00
Soybean, per bu. Biotech	30.50	34.60	34.10	36.70	40.00

Source: USDA, NASS, WI FO

**AGRICULTURAL CHEMICALS: Prices Paid**  
**United States, April 2004-2008**

Commodity	2004	2005	2006	2007	2008
	Dollars per gallon				
2,4-D, 4#/gal.	15.20	15.90	16.20	15.90	17.20
Acetochlor, (Harness Surpass) 6.4-7#/gal.	71.40	67.60	68.90	69.20	71.70
Atrazine (AAtrex) 4#/gal.	12.20	12.40	12.10	12.20	15.30
Dicamba (Banvel) 4#/gal.	91.00	92.60	90.10	82.40	77.60
Glyphosate, (Roundup) 4#/gal.	39.70	33.80	29.30	28.90	40.50
Chlorothalonil (Bravo), 6#/gal	47.40	45.20	46.70	47.00	48.20
Pendimethalin (Prowl) 3.3#/gal.	23.10	23.50	24.30	28.20	29.70

Source: USDA, NASS, WI FO