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# Agriculture



In 3rd Qtr 2009, Oklahoma average quarterly wheat prices fell \$1.00 from \$5.57 in 2nd Qtr 2009 to \$4.57 in 3rd Qtr 2009. The most recent quarterly price decrease translates into a 17.95% fall. Although average quarterly wheat prices fell \$2.79/bu (37.91%) on the year, the price of wheat rose to record highs during 2008.

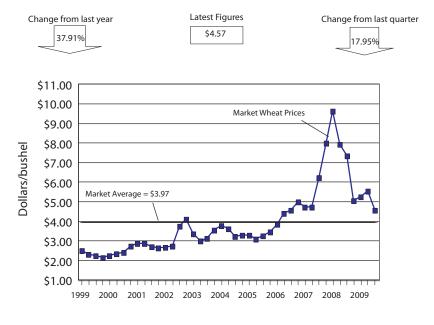
The average price for the whole time period was \$3.97. This means that 3rd Qtr 2009 wheat prices remain \$0.60/bu higher than the average market price for the whole time period.

Regarding wheat prices, the Economic Research Service of the United States Department of Agriculture reported that "prices received by U.S. wheat producers have remained high because of the large quantity of wheat that was forward priced during spring 2008, when prices were very high. Also, part of the wheat crop was marketed early in the market year before prices started to drop." (Consequences of Higher Input Costs and Wheat Prices for U.S. Wheat Producers, United States Department of Agriculture, http://usda.mannlib.cornell.edu/usda/ers/WHS//2000s/2009/WHS-03-24-2009\_Special\_Report.pdf, March 2009.)

Oklahoma wheat cash receipts reached a record high of \$1,103,949,000 in 2008. This total was up \$544,206,000 (97.22%) from the previous year.

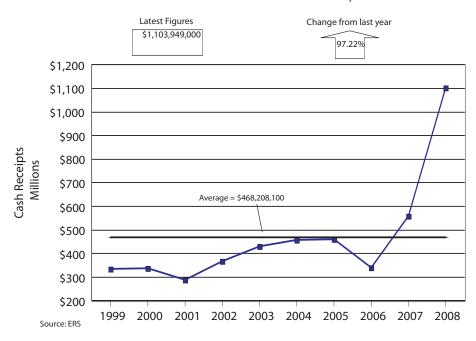
The chart labeled Wheat in Southwest and West Central Oklahoma shows the regional

### Oklahoma Average Wheat Prices



Source: NASS

### Oklahoma Wheat Cash Receipts





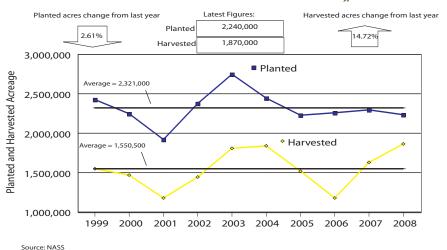
Wheat in Southwest and West Central Oklahoma

2007					2008			
	Planted	Harvested	Yield/Acres in	Production in	Planted	Harvested	Yield/Acres in	Production in
Region	Acres	Acres	Bushels	Bushels	Acres	Acres	Bushels	Bushels
West Central	980,000	680,000	25.5	17,350,000	930,000	770,000	36.0	27,800,000
Southwest <sup>2</sup>	1,320,000	950,000	30.0	28,500,000	1,310,000	1,100,000	38.0	42,000,000
Regional Total	2,300,000	1,630,000	27.8	45,850,000	2,240,000	1,870,000	37.0	69,800,000

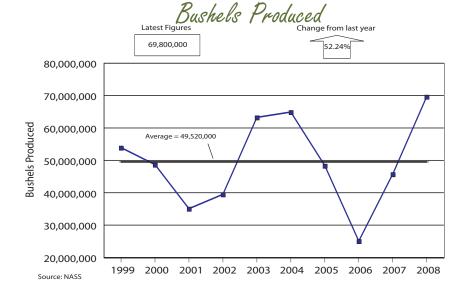
<sup>&</sup>lt;sup>1</sup>Counties in the West Central region include Beckham, Blaine, Custer, Dewey, Roger Mills and Washita.

Source: NASS

#### Southwest and West Central Oklahoma Wheat Production: Planted and Harvested Acreage



#### Southwest and West Central Oklahoma Wheat Production:



breakdown of wheat production in Oklahoma. Yield increased from 27.8 bushels per acre in 2007 to 37.0 bushels per acre in 2008, an increase of 33.33%.

The number of wheat acres planted for the region decreased 2.61% between 2007 and 2008, while the number of harvested acres increased 14.72%.

Production in 2008 increased 52.24% on the year for total Oklahoma production of 69,800,000 bushels. This marked the first time that production has been above 66,000,000 bushels. The average production in bushels for the whole time period was 49,520,000. Production for 2008 was 20,280,000 bushels higher than the average production.





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<sup>&</sup>lt;sup>2</sup> Counties in the Southwest region include Caddo, Comanche, Cotton, Greer, Harmon, Jackson, Kiowa and Tillman.

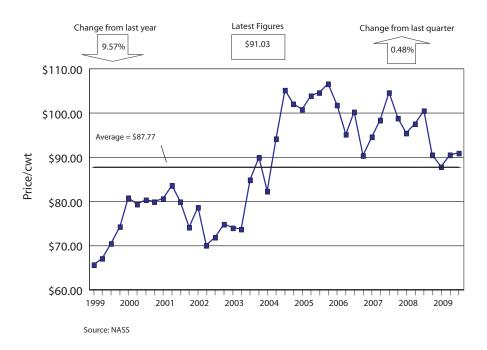


Average quarterly beef cattle prices for 3rd Qtr 2009 were \$91.03/cwt, \$0.43/cwt higher than 2nd Qtr 2009. This quarterly price increase translates into a 0.48% rise in beef cattle prices. Compared to 3rd Qtr 2008, beef cattle prices fell \$9.64/cwt (9.57%). Beef prices for 3rd Qtr 2009 were \$3.26/cwt higher than the ten year average of \$87.77.

Regarding beef cattle prices and the recession, Chris Hurt reported that "beef and cattle prices move downward with recession and upward with recovery. They are generally more directly impacted by changes in economic prospects than pork or poultry markets. The indicators of recovery are beginning to become more numerous in such data as the rise in the average length of work week, rising building permits, falling numbers of new claims for unemployment, and of course the rising stock market. The recovery is expected to be slow by historic standards with unemployment remaining high into 2010. However, the unemployment rate is a lagging indicator and not the one to use as the measure of recovery" (Chris Hurt, "Cattle Prices to "Ride the Recovery" Upward", Cattle Network, www. cattlenetwork.com, October 19, 2009.)

Cash receipts from the sale of cattle and calves during 2008 totaled \$2,436,638,000, down 2.36% from the previous year. Oklahoma cattle and calves cash receipts were \$104,119,500 higher than the average cash receipts.

## Average Beef Cattle Prices



### Oklahoma Cattle and Calves Cash Receipts

