



University of Idaho
Extension

Financial Condition of Idaho Agriculture, 2021

**Senate and House Ag Affairs
February 8, 2022**

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Idaho; Small Economy with Big Ag



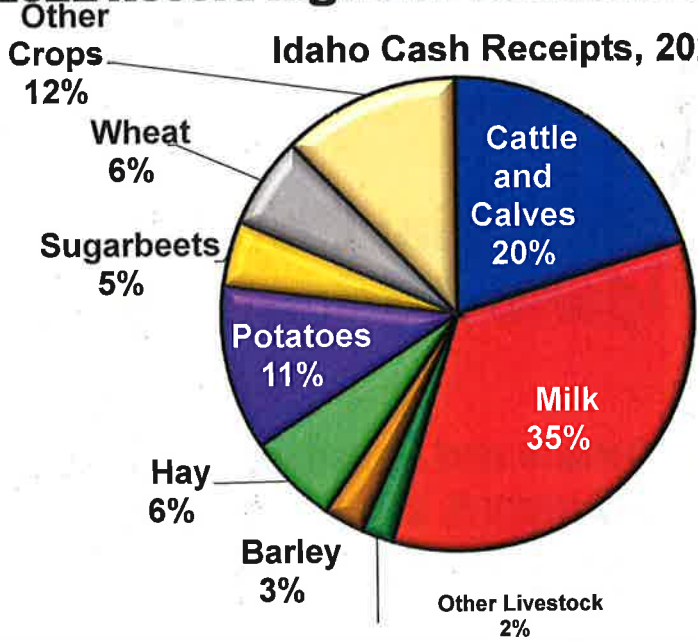
Fifth largest ag state (Ag GDP as % state GDP)

South Dakota, North Dakota, Nebraska, and Iowa

Ag Biz multiplier contribution Sales 17% (high
tech mfg. 7%), Jobs 12%, GDP 12.5 %

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2021 Record High with Backward and Forward Links



\$8.8 billion, 2021



\$8.1 billion, 2020

Source: University of Idaho

5 Records Idaho Cash Receipts 2020 to 2021 changes



Crops \$3.8 B ↑4%

Livestock \$5 B ↑6%

1st Potatoes: ↑9%

1st Cattle & Calves: ↑13%

Barley: ↑3%

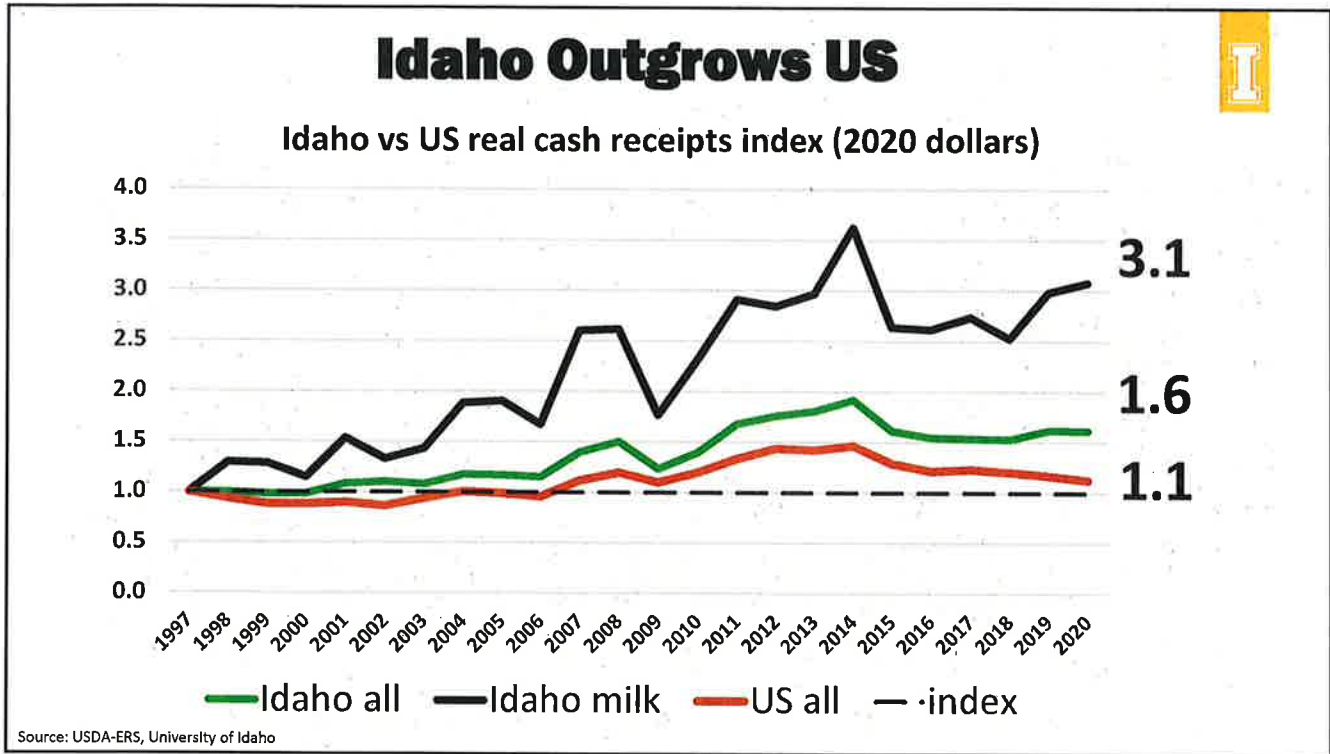
2nd Milk: ↑3%

Wheat: ↑3%

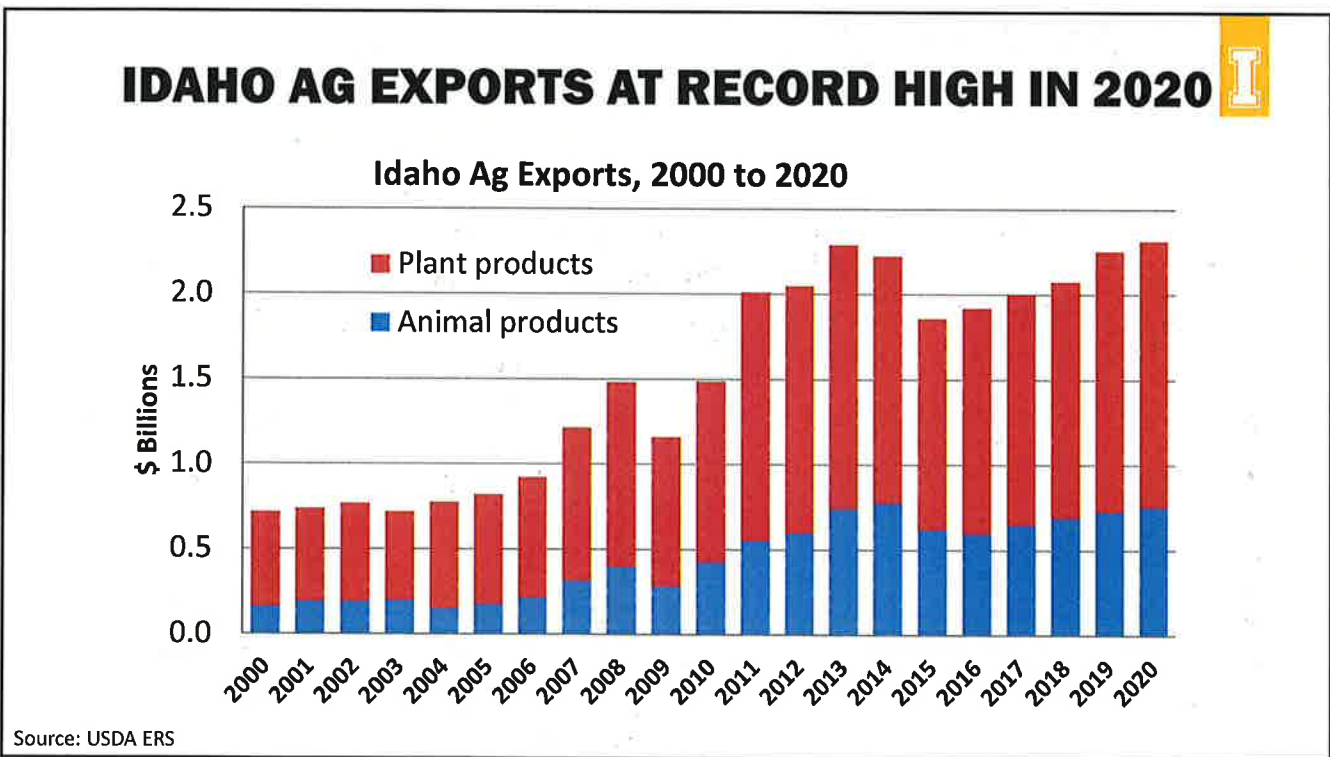
1st Beets: ↑19%

1st Hay: ↑21%

Source: University of Idaho



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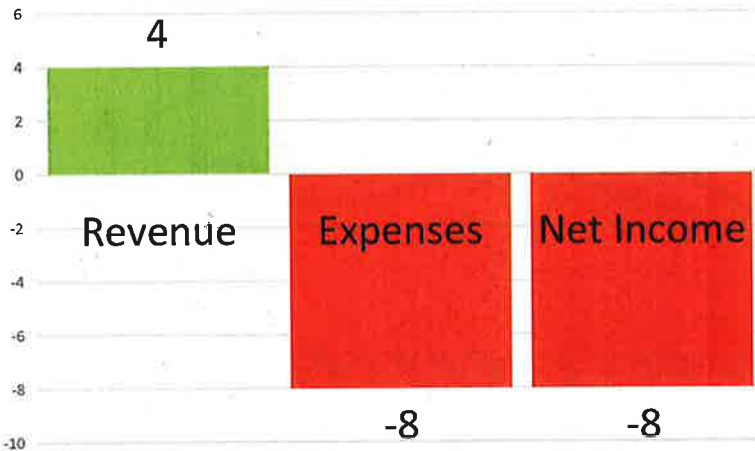


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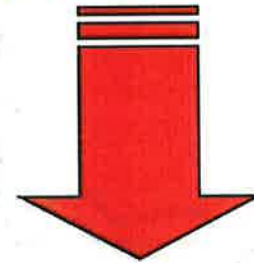
3rd Highest 2021 Net Farm Income, down 8%



Idaho Net Farm Income
(% change from 2020)



\$2.6 billion, 2020



\$2.4 billion, 2021

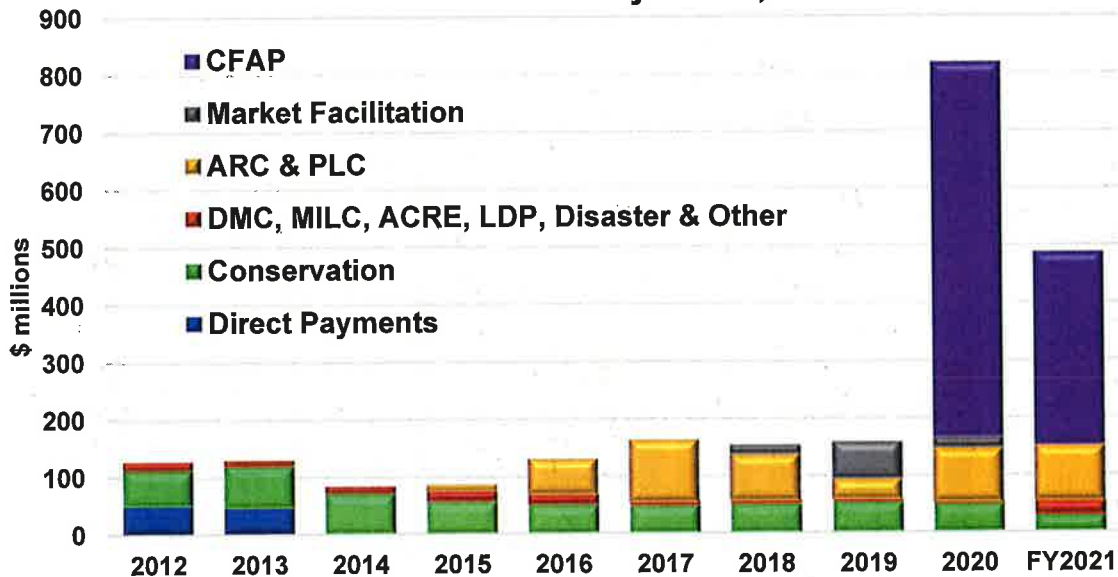
Source: University of Idaho

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Govt Payments drop over 40%

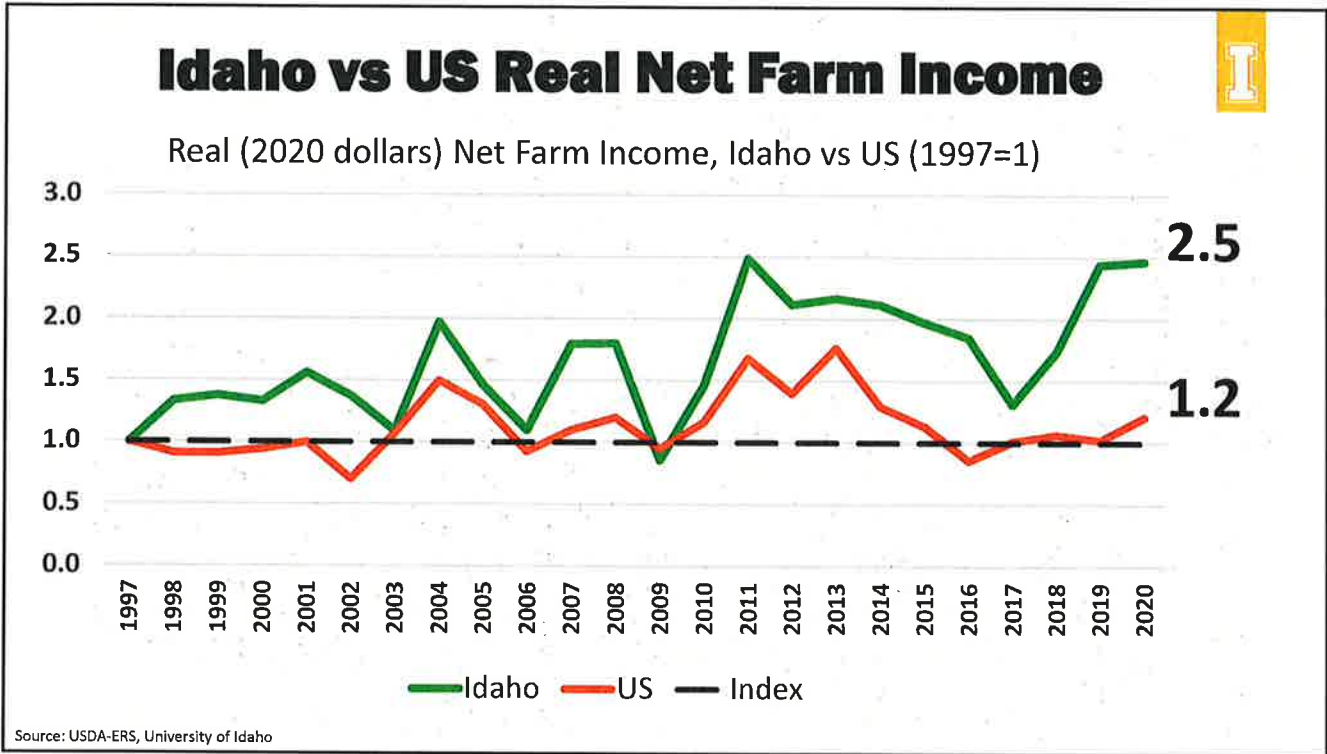


Idaho Government Payments, 2012-2021

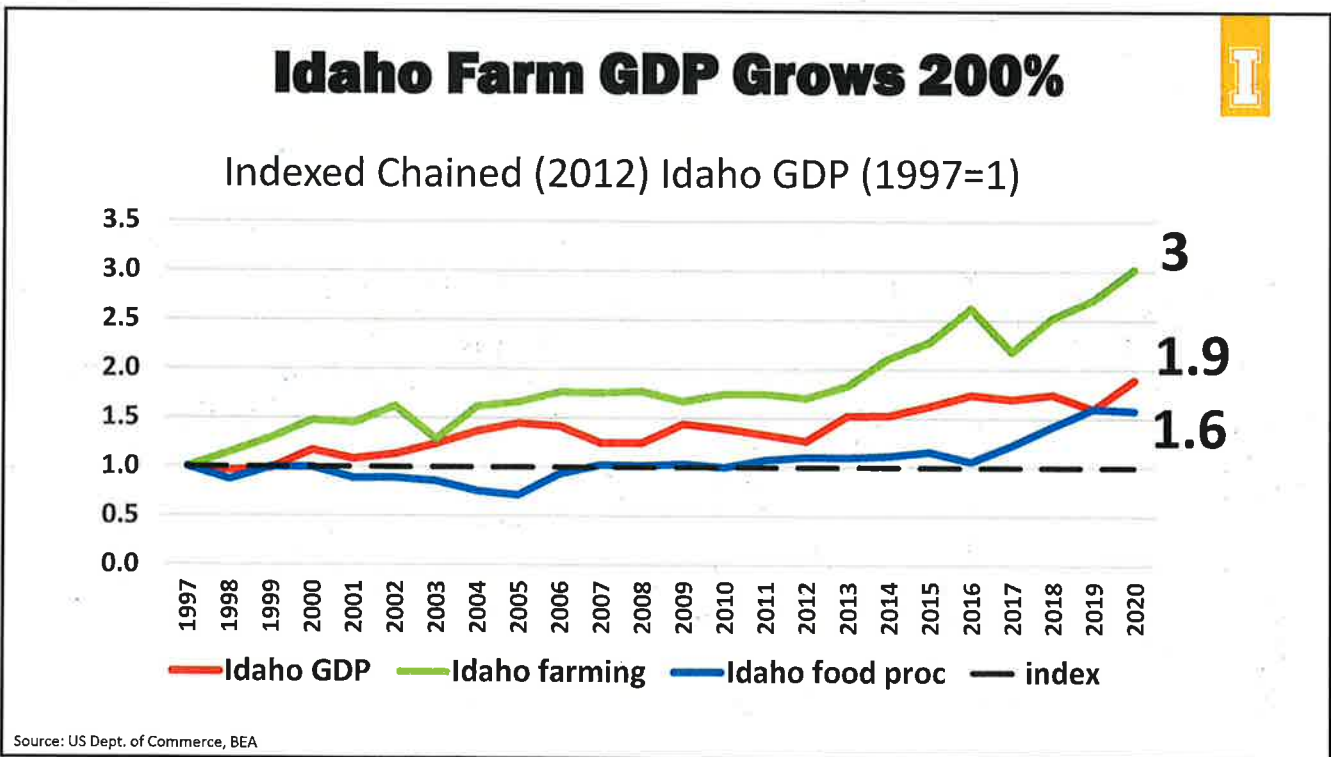


Source: University of Idaho

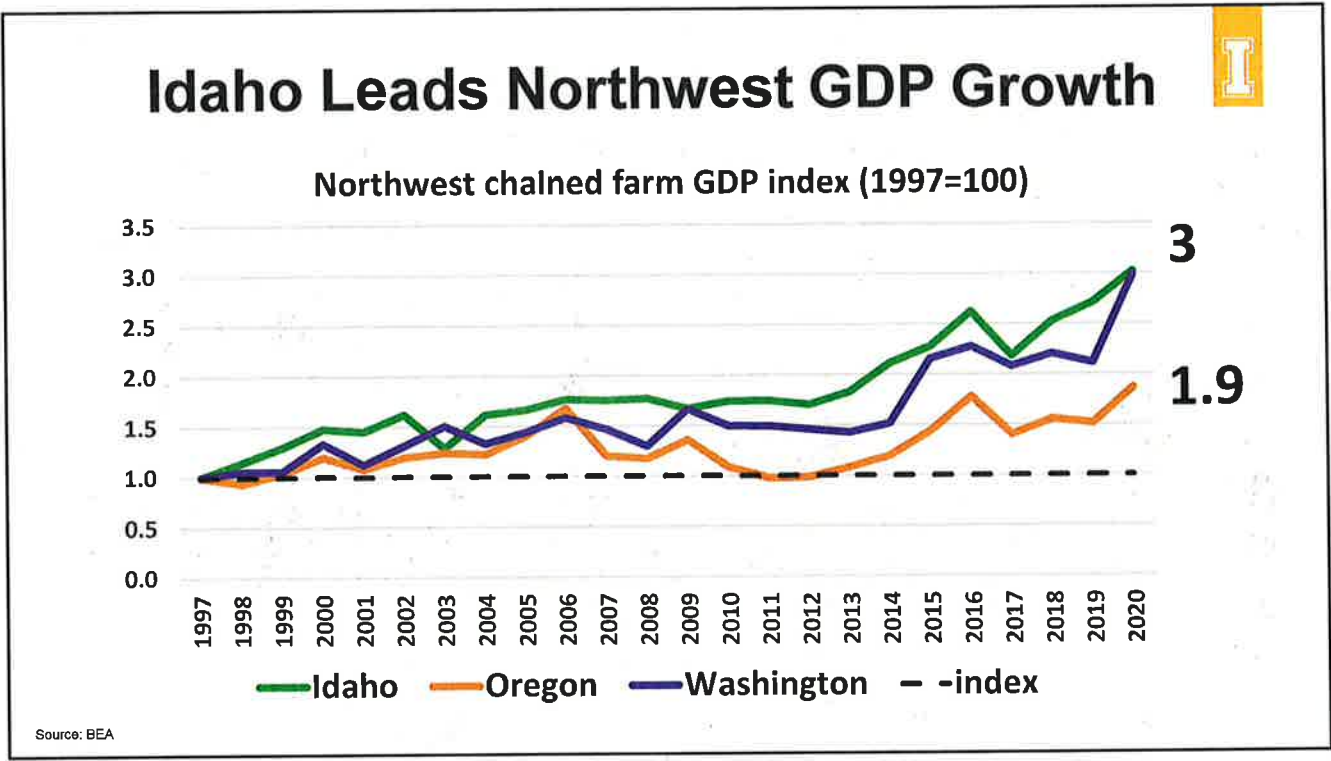
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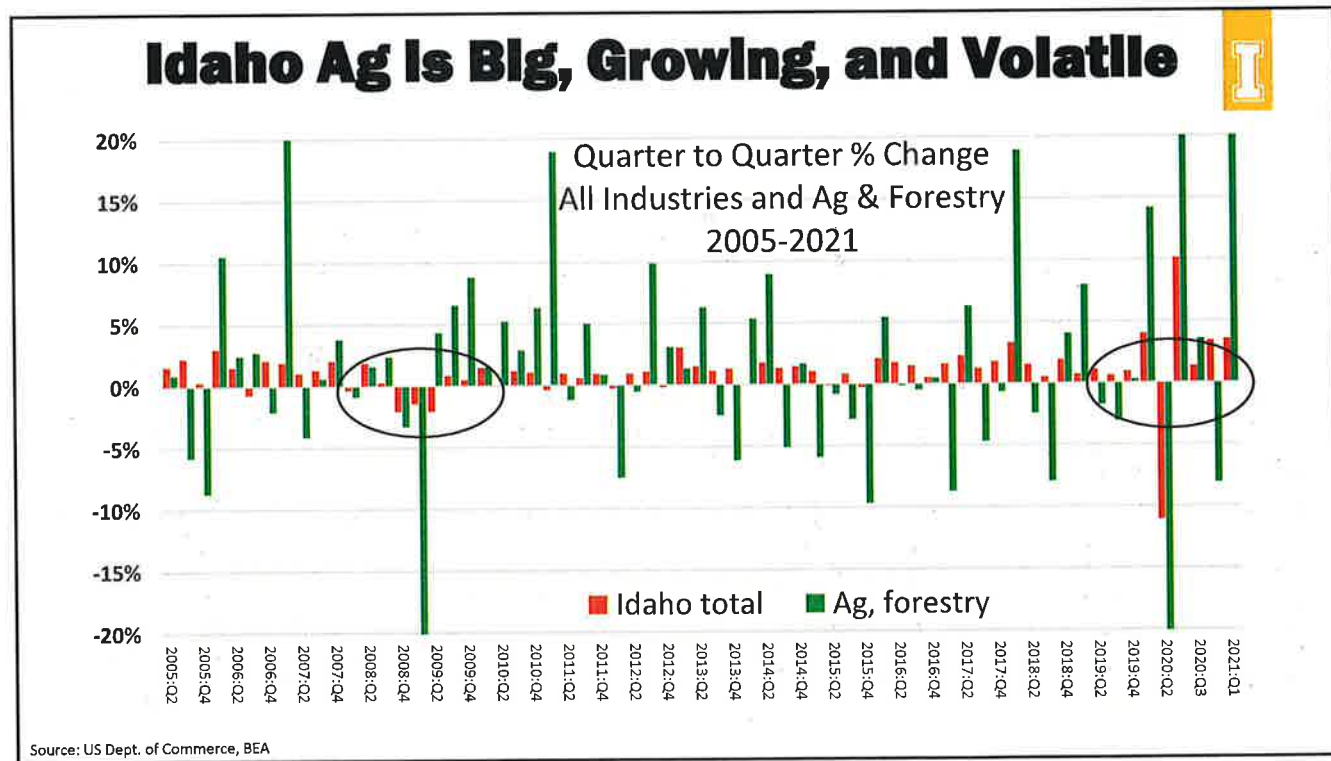
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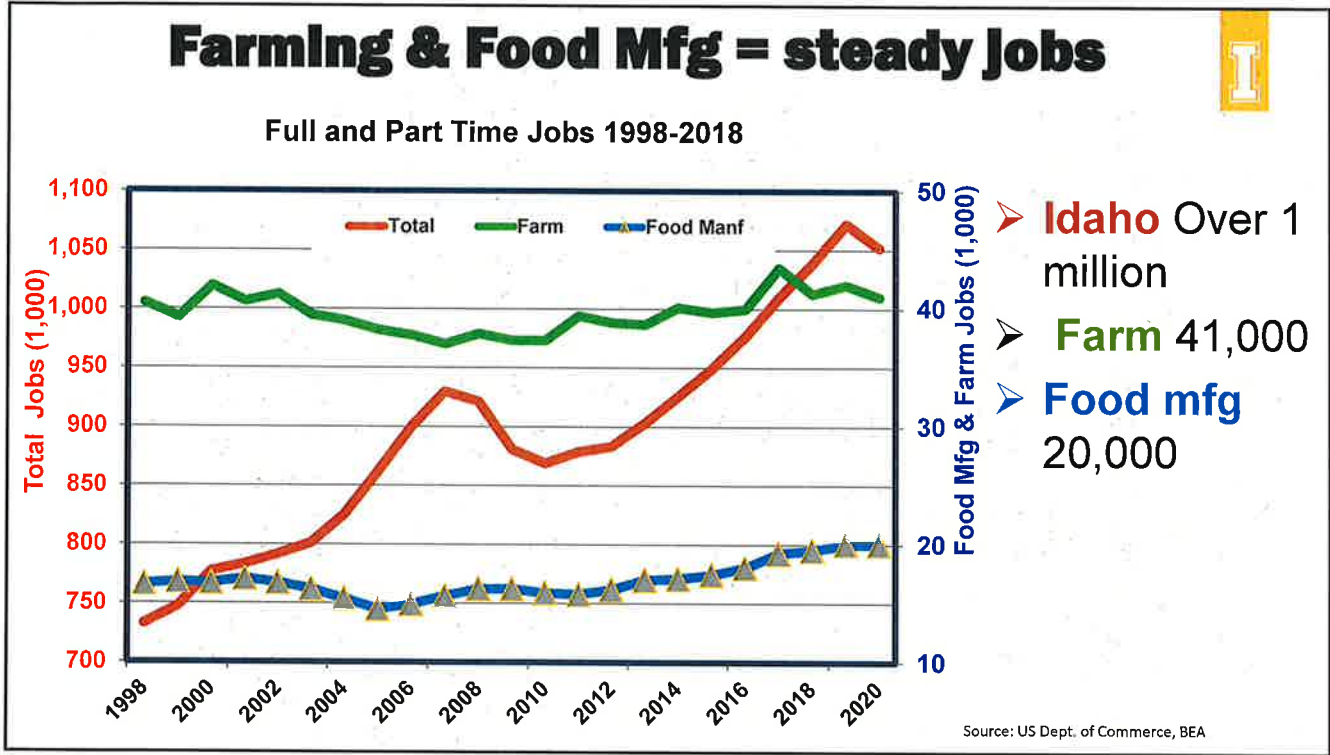
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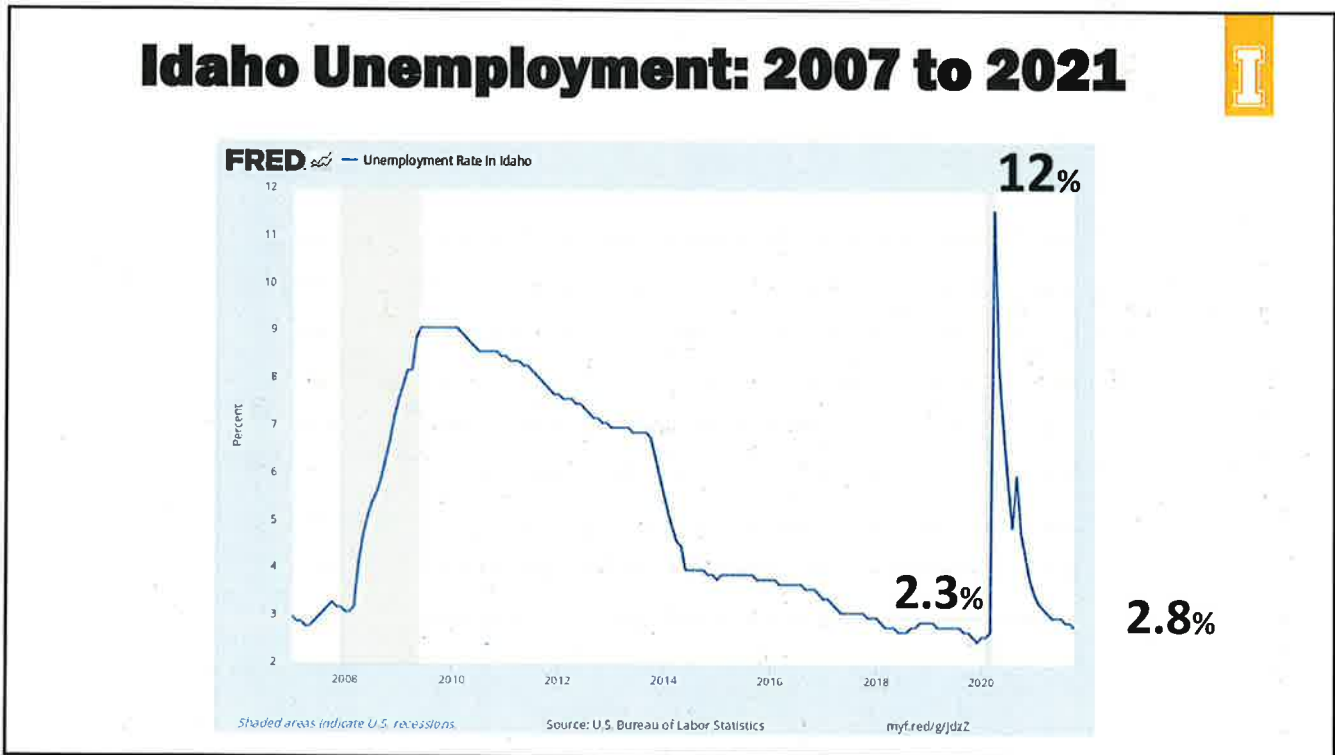
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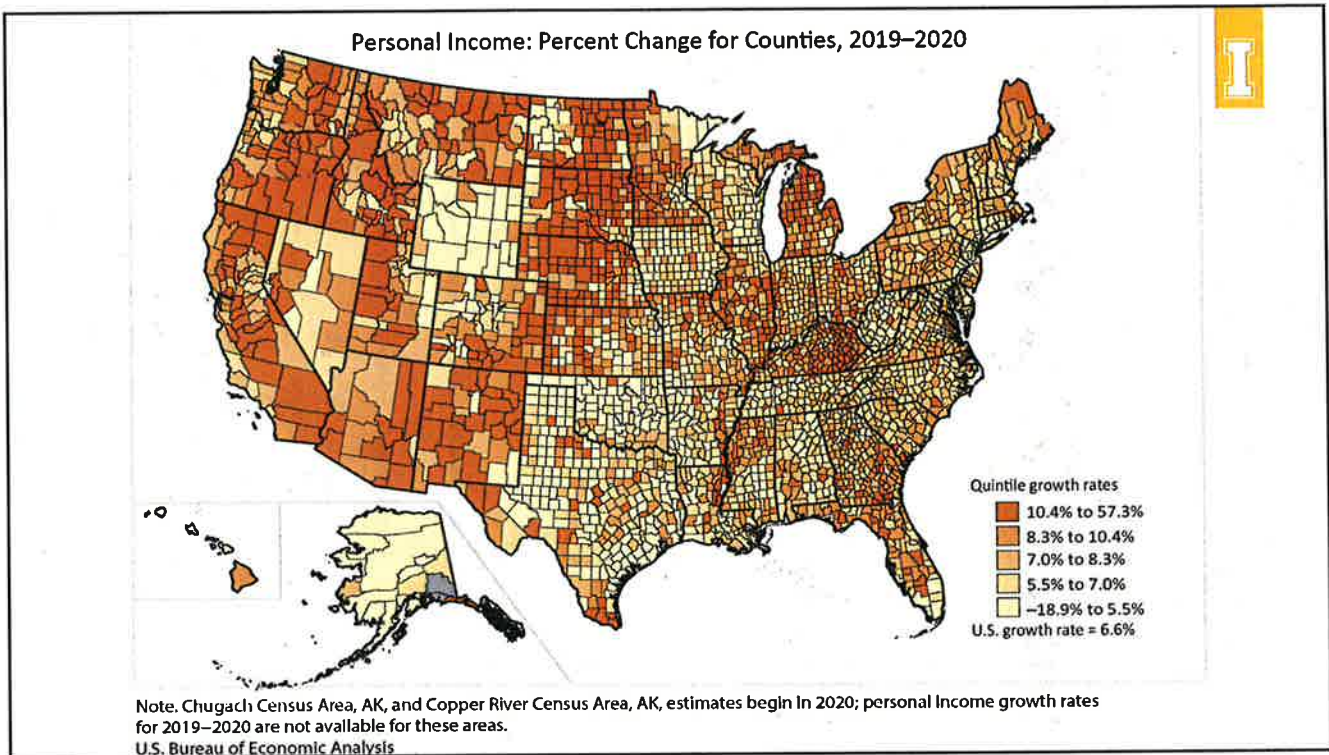
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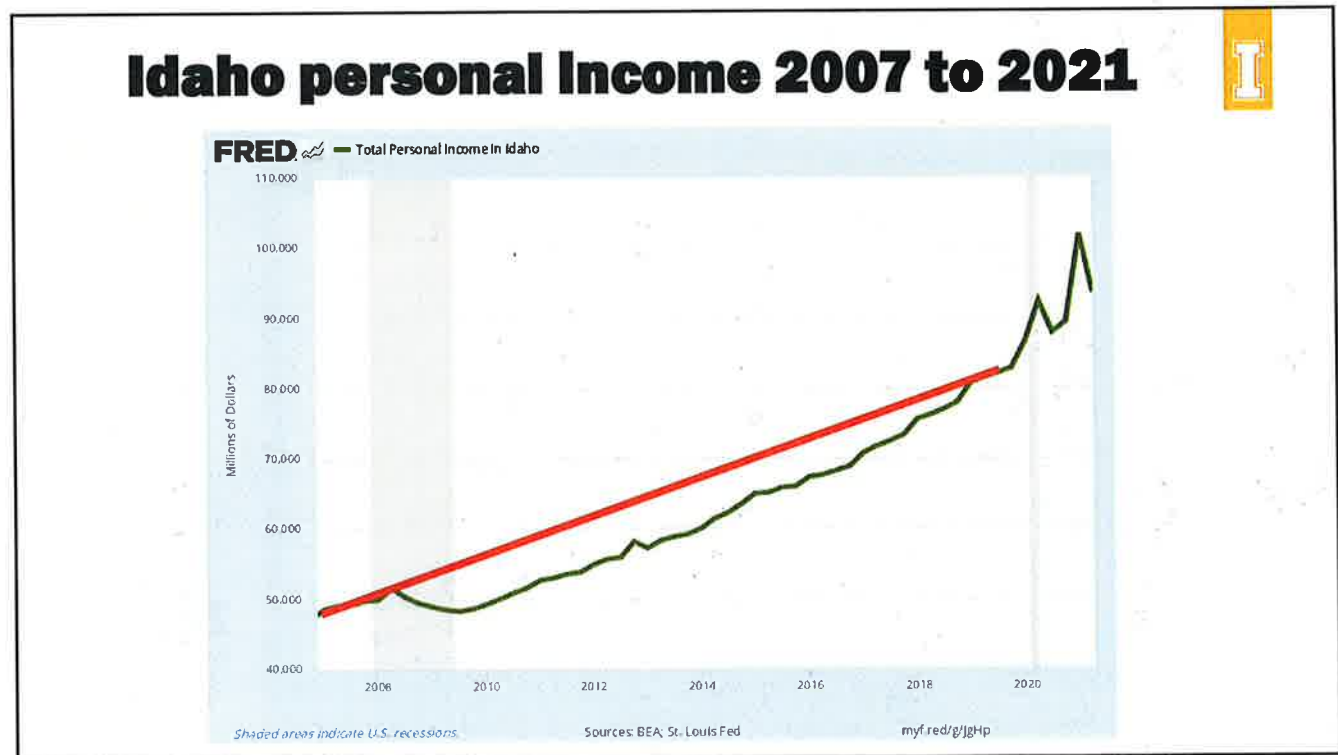
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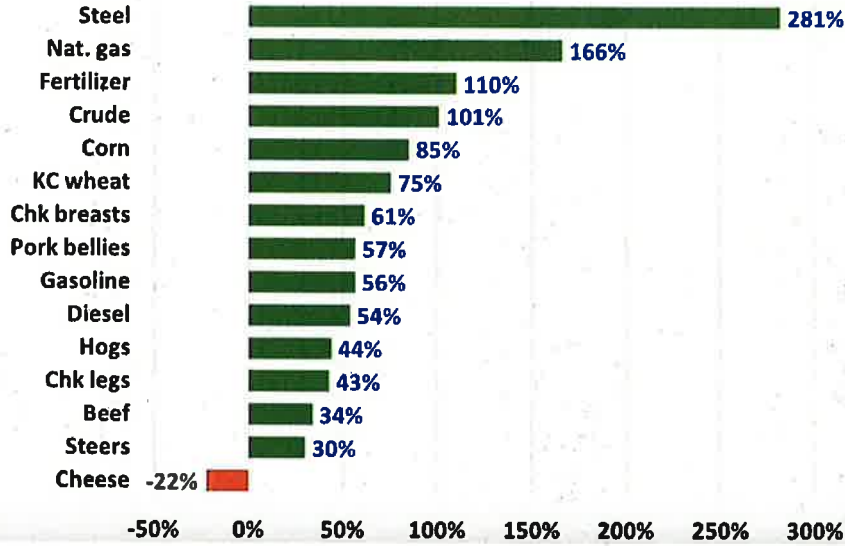


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MILK PRICES MUST CATCH UP

Price Inflation since Aug. 1, 2021

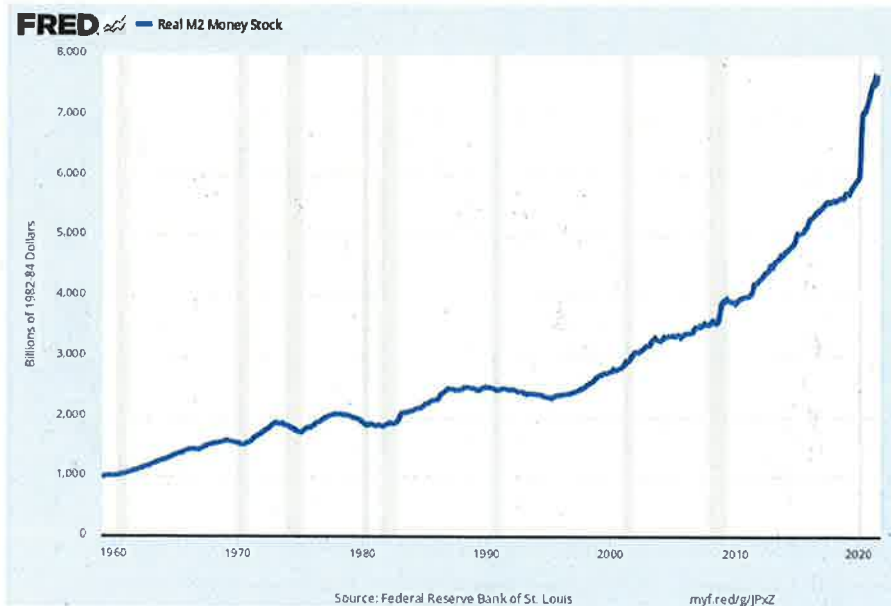


Source: USDA Bloomberg

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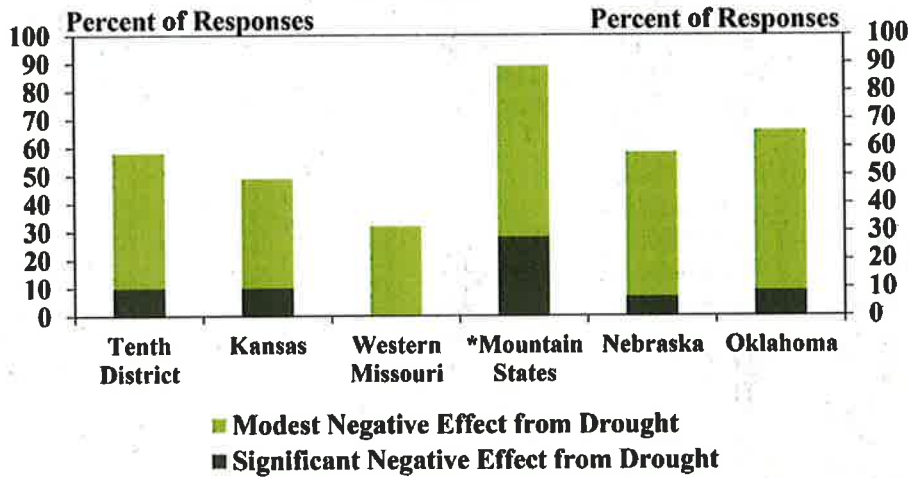


M2 MONEY SUPPLY



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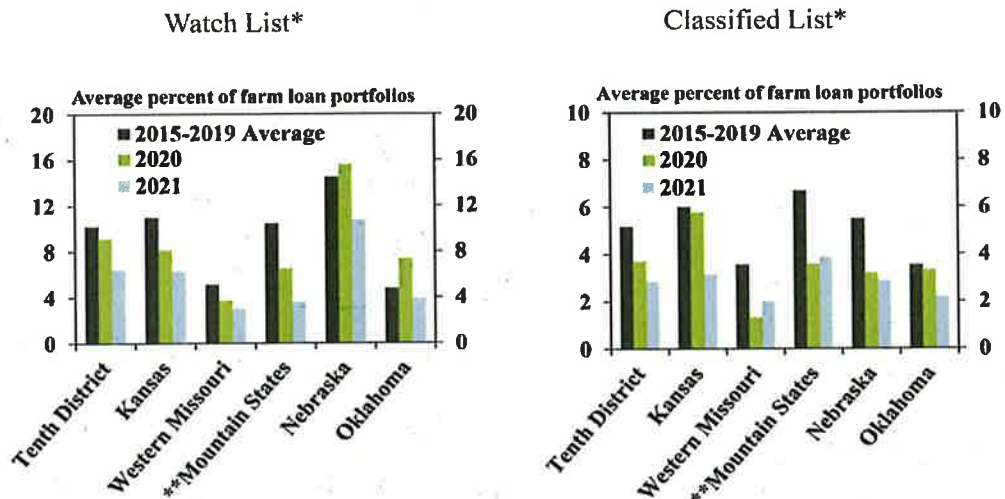
Chart 7: Impact of Drought on Financial Conditions of Farm Operations, Q3



Note: Respondents were asked to indicate what has been the impact of drought on financial conditions of farm operations in their lending area.
 *Mountain States include Colorado, northern New Mexico and Wyoming, which are grouped because of limited survey responses from each state.

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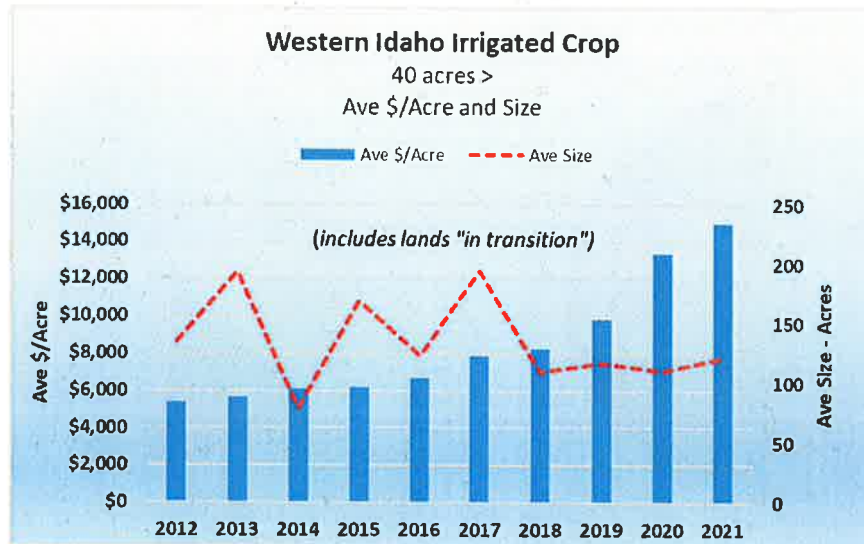
Chart 3: Problem Loan Rates, Q3



Note: Respondents were asked to indicate the percentage of their bank's farm loan portfolio currently on the "Watch" and "Classified" lists.
 *For purposes of this article, a "Watch List" loan is interpreted as a qualifying credit but is being closely monitored for potential problems (deterioration in borrower financial conditions, management changes, etc.). A "Classified List" loan is a loan with a defined weakness (inadequate debt service, insolvent collateral position, etc.) that requires specific documentation and potential bank reserve adjustments.
 ** Mountain States include Colorado, northern New Mexico and Wyoming, which are grouped because of limited survey responses from each state.

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WESTERN IDAHO IRRIGATED OVER \$14,000



source: NWFCFS
database

Northwest Farm Credit Services

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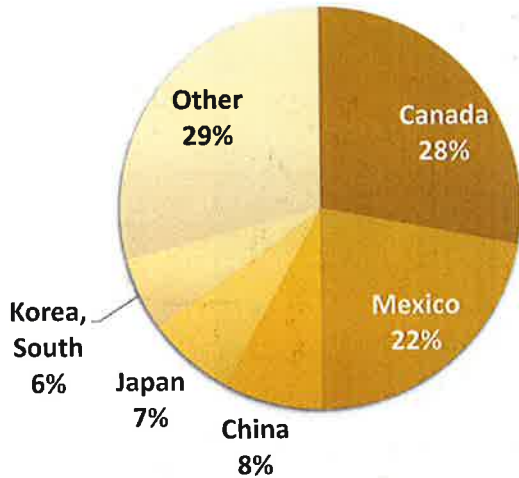
2022 OUTLOOK – VERY WORRIED

- Drought
- Inflation – land rent, fertilizer, fuel, Roundup
- Leading indicators, Land and dairy herd
- Export strength
- 2022 USDA
 - NFI down 4.5% (after up 25%)
 - Cash receipts up 6.8%
 - Dairy net cash farm income up 50%
- KSU (NFI down 2/3 and 30% farms negative)

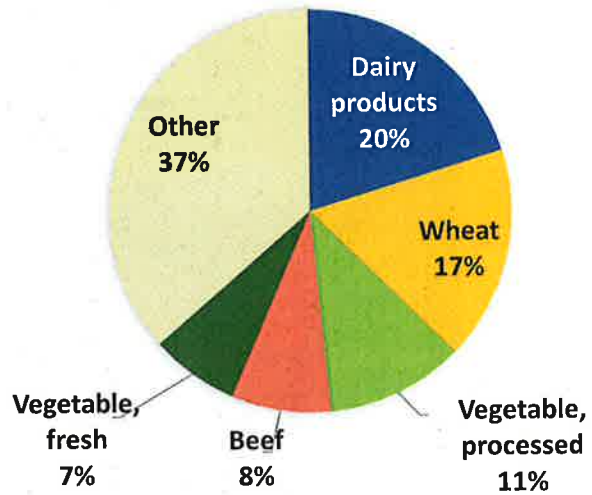
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Idaho Ag Exports: Dairy, Potatoes and USMCA

ID Ag Exports by Country, 2020



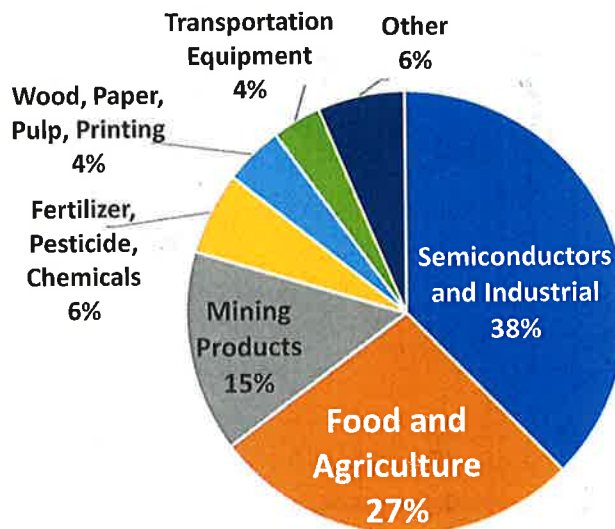
ID Ag Exports Share, 2020



Source: U.S. Census Bureau and USDA ERS

Record Idaho Ag Exports

2020 Idaho Exports by Industry



- 2020, Idaho's total export \$3.4 billion
- 2020 Ag exports \$930 million, record high
- Canada and Mexico half
- 2/3 dairy, potatoes, wheat, and beef

Source: Idaho Commerce and U.S. Census Bureau