

Drought Management Advisory Council Report: Agriculture 2012-2013

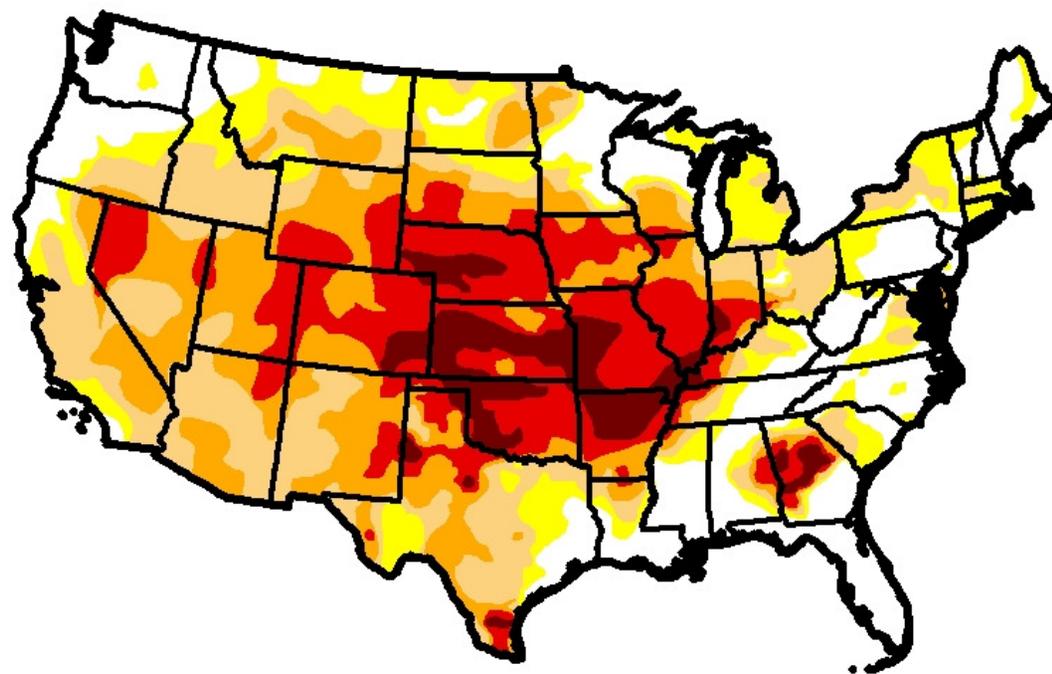
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State of Agriculture

- “Farmers are in a business...”



2012



2012

- Nationally
 - Decline in grain production
 - Decline in cattle inventories
 - Lack of feed
- North Carolina
 - Fared better than most

Results of the 2012 Drought

- 2.8% decline in grain production
 - 123.4 bushels per acre (2012)
- Increased grain prices (\$7.20/bu. Ave.)
- Purchased seed from Central America
- Decreased number of cattle
 - 1.6% smaller than 2012
 - 7.5% smaller than 2007
 - smallest since 1952

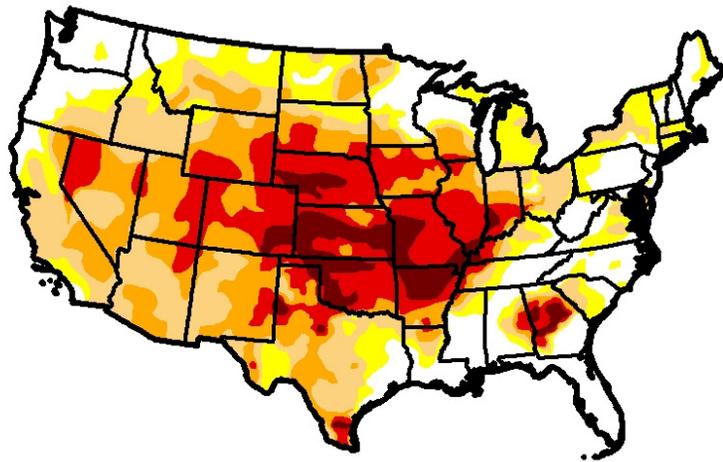
Projections for 2013

- Bloomberg 02/22/2013
 - USDA Report
 - Corn stocks expected to increase by harvest 2014
 - Corn yields of 163.6 bushels/acre
 - Soybeans expected to follow.
 - Wheat inventories to fall 7.4%

Projections for 2013

- Livestock
 - More heifers retained
 - Slow increase in number of cows, 2-5 years
 - Decreased feed costs
 - Increased profitability in feeder markets
 - Cattle and hogs

Projections for 2013



- Dependent on many factors.

Future Needs

- 2013 -----2050
- 7 billion ----- 9.3 billion
- Increase production with fewer inputs
- Increase production with less desirable inputs
- Develop resistance to pests/disease

Questions?

