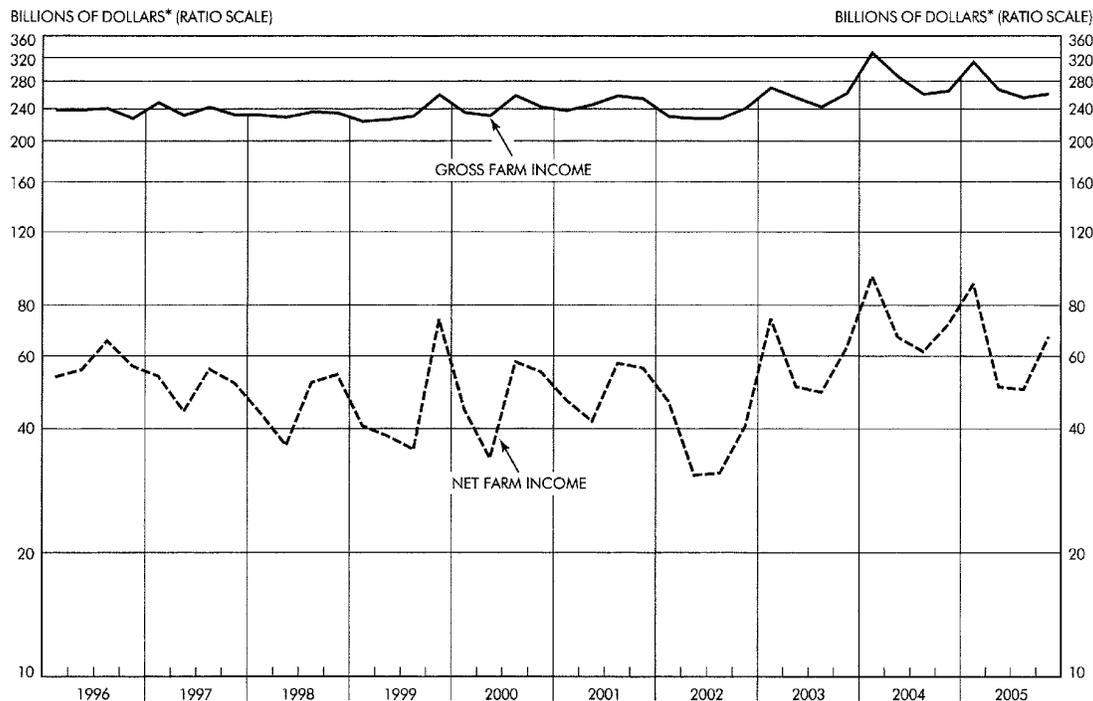


FARM INCOME

According to the preliminary forecast for 2005, gross farm income is forecast at \$273.4 billion, and net farm income at \$64.4 billion.



*SEASONALLY ADJUSTED ANNUAL RATES
SOURCE: DEPARTMENT OF AGRICULTURE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Income of farm operators from farming							Production expenses	Net farm income
	Gross farm income					Value of inventory changes ³	Direct Government payments ⁴		
	Total ¹	Cash marketing receipts		Crops ²					
	Total	Livestock and products							
1996	235.8	199.4	92.9	106.5	7.9	7.3	177.9	57.9	
1997	238.2	207.9	96.5	111.4	.6	7.5	186.9	51.3	
1998	232.4	196.4	94.2	102.2	-.6	12.4	185.9	46.5	
1999	234.5	187.7	95.7	92.1	-.2	21.5	187.4	47.1	
2000	241.3	192.1	99.6	92.5	1.6	22.9	193.4	47.9	
2001	248.3	200.1	106.7	93.4	1.1	20.7	197.7	50.6	
2002	230.7	195.1	93.8	101.3	-3.3	11.0	193.4	37.3	
2003	256.9	211.6	105.5	106.2	.8	15.9	197.6	59.2	
2004	285.0	235.4	122.2	113.2	6.1	14.5	211.4	73.6	
2005 ^P	273.4	222.4	117.9	104.6	-3.4	24.1	208.9	64.4	
2003: I	269.3	208.9	106.6	102.3	.8	31.4	195.1	74.1	
II	254.9	218.8	108.1	110.7	.8	5.9	204.3	50.6	
III	242.2	206.8	106.5	100.3	.8	6.8	193.1	49.1	
IV	261.1	212.1	100.7	111.4	.8	19.7	198.1	63.1	
2004: I	327.9	260.5	126.2	134.3	6.7	28.6	233.9	94.0	
II	287.2	245.3	138.3	107.1	6.3	5.4	220.3	67.0	
III	260.4	221.3	118.0	103.3	5.7	6.2	198.7	61.7	
IV	264.5	214.6	106.6	108.0	5.5	17.9	192.7	71.8	
2005: I ^P	311.1	235.2	127.6	107.6	-3.6	47.5	220.9	90.1	
II ^P	266.9	230.2	120.3	109.9	-3.6	8.9	216.2	50.6	
III ^P	255.1	218.5	114.3	104.2	-3.4	10.3	205.2	49.9	
IV ^P	260.4	205.8	109.3	96.5	-3.2	29.8	193.3	67.1	

¹ Cash marketing receipts, Government payments, value of changes in inventories, other farm related cash income, and nonmoney income produced by farms including imputed rent of operator residences.

² Crop receipts include proceeds received from commodities placed under Commodity Credit Corporation loans.

³ Physical changes in beginning and ending year inventories of crop and livestock commodities valued at weighted average market prices during the period.

⁴ Includes only Government payments made directly to farmers.

NOTE.—Data for 2004 and 2005 are forecasts.

Source: Department of Agriculture.