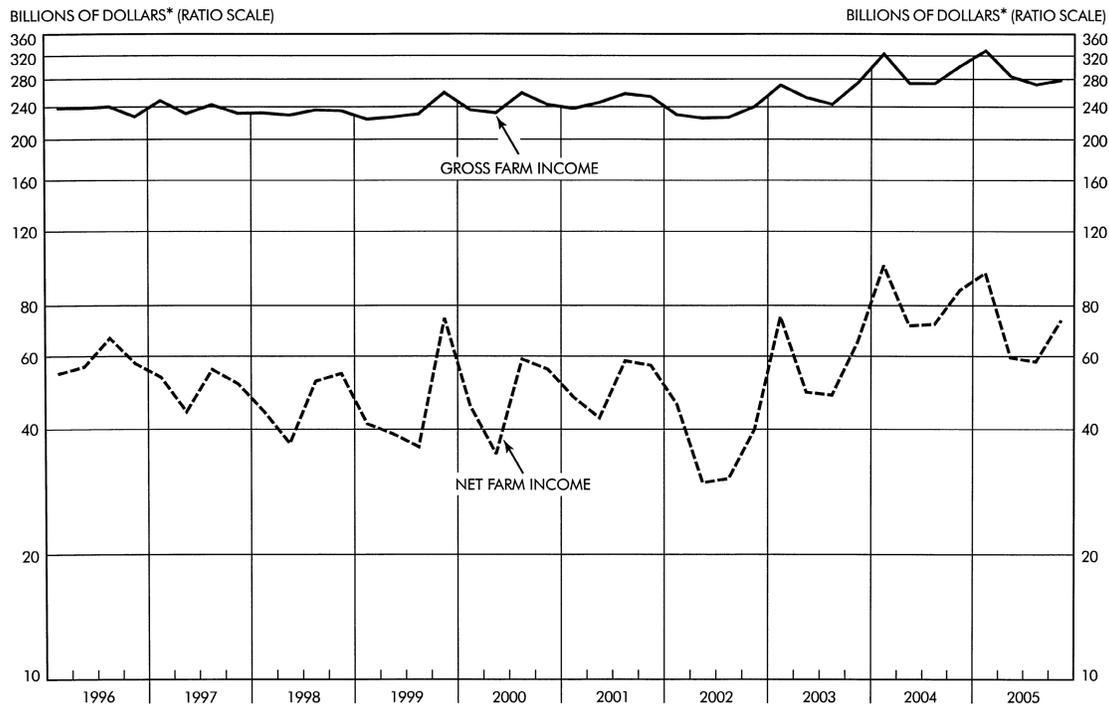


FARM INCOME

According to the current forecast for 2005, gross farm income is forecast at \$290.5 billion, and net farm income at \$71.8 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	Crops ²					
1996	235.8	199.4	92.9	106.5	7.9	7.3	176.9	59.0	
1997	238.0	207.8	96.5	111.3	.6	7.5	186.7	51.3	
1998	232.6	196.5	94.2	102.2	-.6	12.4	185.5	47.1	
1999	235.0	187.8	95.7	92.1	-.2	21.5	187.2	47.7	
2000	242.0	192.1	99.6	92.5	1.6	22.9	193.1	48.9	
2001	248.7	200.1	106.7	93.3	1.1	20.7	197.1	51.5	
2002	229.9	195.0	94.0	101.0	-3.4	11.2	193.4	36.6	
2003	259.8	216.6	105.6	111.0	-2.5	17.2	200.3	59.5	
2004	292.3	241.2	123.5	117.8	7.0	13.3	209.8	82.5	
2005	290.5	239.6	123.7	116.0	-3.0	21.4	218.7	71.8	
2003: I	270.4	211.1	106.7	104.4	-2.4	33.9	195.3	75.1	
II	252.0	219.3	108.2	111.1	-2.5	6.4	202.8	49.2	
III	242.9	210.3	106.7	103.6	-2.4	7.3	194.5	48.4	
IV	274.0	225.7	100.8	124.9	-2.6	21.2	208.7	65.3	
2004: I	322.2	255.9	125.3	130.6	7.4	26.2	222.5	99.7	
II	273.2	231.9	123.5	108.4	6.7	4.9	201.7	71.5	
III	273.1	231.2	121.5	109.7	6.7	5.7	201.1	72.0	
IV	300.8	245.9	123.6	122.4	7.2	16.4	213.8	87.0	
2005: I ^P	327.8	254.4	134.0	120.4	-3.1	42.1	232.0	95.8	
II ^P	284.1	246.0	117.2	128.8	-3.0	7.9	224.4	59.8	
III ^P	271.4	233.6	120.4	113.2	-2.9	9.1	213.0	58.4	
IV ^P	278.5	224.5	123.1	101.4	-2.8	26.4	204.7	73.7	

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.