Idaho – small economy big Ag

Farm GDP as percent of State Total GDP 2017

Source: Bureau Economic Analysis
MULTIPLIER EFFECTS...AGBIZ IDAHO’S LARGEST INDUSTRY

Exports – new dollars - drive an economy

- $26 billion in sales, 18% of Idaho’s total economic output
- 123,000 Idaho jobs, 1 in every 8 jobs in the state
- $10 billion in value added, 13% of Idaho GDP

Source: Philip Watson University of Idaho
Second Highest, Up 6%

Idaho Cash Receipts, 2020

- Cattle and Calves: 19%
- Milk: 35%
- Other Crops: 12%
- Wheat: 6%
- Sugarbeets: 4%
- Potatoes: 13%
- Hay: 5%
- Barley: 3%
- Other Livestock: 3%
- Other Crops: 12%

$8.5 billion, 2020
Up 6%

$8 billion, 2019

Source: University of Idaho
Changes in Idaho Cash Receipts from 2019

Crops $3.7 billion, ↑15%
- Potatoes: ↑13%
- Barley: ↑10%
- Wheat: ↑17%
- Sugarbeets: ↑29%
- Hay: ↓9%

Livestock $4.8 billion, ↓1%
- Cattle & Calves: ↓6%
- Milk: ↑2%

Source: University of Idaho
Two Months That Tore Apart the Food Chain

Grocery demand skyrocketed, restaurants shut their doors and distribution became exponentially more complex, resulting in the most dramatic shift in history.

WSJ  Annie Gasparro, Jaewon Kang  and Stephanie Stamm April 29, 2020
https://www.wsj.com/articles/two-months-that-tore-apart-the-food-chain-11588174236
Covid-19 Shifts
Demand Not Supply

- 40% of meat workers laid off
- Restaurant to home shift
- Flyrod effect; small demand shifts = large farm prices
- Thin margins = brittle supply chain
- Costco chicken supply chain saves 38 cents under $5
Idaho Exports: Ag Over a Quarter

2019 Exports by Industry

- Semiconductors & Industrial: 53.2%
- Food and Agriculture: 26.1%
- Fertilizer, Pesticide, Chemicals: 6.2%
- Mining Products: 5.7%
- Transportation Equipment: 4.4%
- Wood, Paper, Pulp, Printing: 4.2%
- Other: 6.0%

Ag over a quarter
2019, Idaho’s total export $3.4 billion

2020F Ag near record high

Canada and Mexico over half

Dairy, potatoes, wheat

Source: US Dept. of Commerce, BEA
Idaho Outgrows US

Index Real Cash Receipts (2020 dollars)

Source: USDA-ERS, University of Idaho
Record High Net Farm Income, up 38%...
Without gvt payments a record high

Idaho Net Farm Income (% change from 2019)

- Total Revenues
  - 2019: $2.5 billion
  - 2020: $3.5 billion
  - Increase: +10%

- Total Expenses
  - 2019: $2.5 billion
  - 2020: $2.5 billion
  - Decrease: -2%

- Net Farm Income
  - 2019: $2.5 billion
  - 2020: +38%

Source: U of ID
2020 Government Payments Skyrocket

Idaho Government Payments, 2011-2020

- CFAP
- Market Facilitation
- ARC & PLC
- DMC, MILC, ACRE, LDP, Disaster & Other
- Conservation
- Direct Payments
Idaho Real Net Farm Income Grow 6X US

Real (2020 dollars) Net Farm Income Idaho vs US (1997=1)

Source: USDA-ERS, University of Idaho
Idaho Farm GDP Grows 210%

Indexed Chained (2012) Idaho GDP (1997=1)

Source: US Dept. of Commerce, BEA
Idaho GDP Growth Leads Northwest because of dairy growth

Northwest chained farm GDP index (1997=100)

- Idaho
- Oregon
- Washington

Source: BEA
Farming & Food Processing = steady Jobs

- **Total Idaho**: Over one million jobs
- **Farm**: 41,000 jobs
- **Food mfg**: 19,000 jobs

Source: US Dept. of Commerce, BEA
Idaho Unemployment: Lowest to Highest

Idaho monthly unemployment rate 2007 to 2020 Oct

- 12%
- 4%
- 2.3%
Idaho personal income 2007 to 2020
$16,000 PER ACRE AND 100 SALES

Western Idaho Irrigated Crop
40 acres >
Ave $/Acre and Size

Ave $/Acre  Ave Size

Ave $/Acre

$0  $2,000  $4,000  $6,000  $8,000  $10,000  $12,000  $14,000  $16,000  $18,000


YTD

Ave Size - Acres

0  50  100  150  200  250

Northwest Farm Credit Services
2021 OUTLOOK GOOD

- Snap back to restaurants?
- Leading indicators
- Land prices
- Equipment prices
- Foreign export strength
2019, IDAHO’S TOTAL EXPORT $3.4 BILLION, AG $899 MILLION (26%)

Source: Laura Johnson Idaho Dept. of Ag, USDA ERS, and Global Trade Atlas
Idaho Ag Exports: Dairy, Potatoes and USMCA

ID Ag Exports by Country, 2019

- Canada: 28%
- Mexico: 24%
- Other: 30%
- Japan: 5%
- Korea, South: 7%
- China: 6%

ID Ag Exports Share, 2019

- Dairy products: 19%
- Wheat: 15%
- Vegetable, processed: 13%
- Other: 36%
- Beef: 9%
- Vegetable, fresh: 8%

Source: Laura Johnson Idaho Dept. of Ag, USDA ERS, and Global Trade Atlas