

Webinar Transcript:

Farm Income and Financial Forecasts, February 2026 Update

February 5, 2026

Ashley: Good afternoon, everyone. I'm Ashley, your host for today. On behalf of USDA's Economic Research Service, welcome to the Farm Income and Financial Forecasts webinar, February 2026 update.

Before diving in, let me quickly note that this webinar is being recorded and will be posted to the ERS website. If you have any questions during today's presentation, please submit them using the Q&A feature at the bottom of your screen.

We'll have time for a few questions during the Q&A session after the presentation, and if we don't get to your question today, please feel free to email us, and we'd be happy to follow up.

Now it's a pleasure to introduce today's speaker, Carrie Lekowski.

Carrie is a senior economist and Program Leader in our Resource and Rural Economics Division. As the Farm Income Team Leader, she oversees the planning and implementation of an estimation, research, and analysis program.

Focused on developing sector-wide measures of farm income, value added, and the aggregate farm sector balance sheet. Welcome back, Carrie. The floor is yours.

Carrie: Thank you, Ashley. And to everyone online, thank you for joining us today. I'm excited to unveil our initial outlook for the farm sector income and wealth in 2026.

The farm income forecasts provide what I think is critical insights into the financial health of the agricultural sector, guiding policy makers, producers, and stakeholders in decision making.

In today's webinar, I'll outline the projected trends in farm income for the upcoming year, which reflects key data on drivers such as commodity prices, production costs, government payments, and market conditions.

By analyzing these factors, the forecast aims to offer a comprehensive view of expected changes in net farm income and the farm sector balance sheet highlighting potential challenges and opportunities for U.S. agriculture, producers, and their households.

USDA's Economic Research Service's Farm Income and Wealth Statistics measure, forecast, and explain indicators of the economic performance for the U.S. farm sector.

We release forecasts 3 times a year. With today's release, we're putting out our first calendar year forecast for 2026. And we've updated our forecast for 2025 to include some new and revised data, as it has become available since our last release on September 3rd.

Our data for 2025 is still considered a forecast, until we can incorporate more complete data, including survey-based data, which we will do with our next data release in early September of this year.

The 2025 and 2026 forecasts incorporate commodity projections from the January World Agricultural Supply and Demand Estimates Report, the WASDE report as well as information provided by ERS analysts and other sources.

The new data went live on the ERS website at 11 a.m. Eastern Time along with a written discussion of our main findings.

So, our data covers the farm sector as a whole. And what I mean by that is that that includes the 2 million farm operations in the United States who operate just under 900 million acres of land. About half of those farms are what we consider farm businesses, which are defined as larger farms, and those where the principal occupation of the operator is farming.

These farm businesses account for over 90% of the total value of agricultural production in the U.S. And we have some additional forecasts and data on their finances, like by type of operation and by region.

Lastly, we'll look briefly at the well-being of the 4.6 million people who live in households that operate a farm.

So, this is going to be my overview of what I'll be covering today, starting with profits for the farm sector as a whole, which are forecast to be near 2,025 levels in 2026, specifically, net cash farm income. It's forecast at \$158.5 billion, which is an increase of about \$4.6 billion, or 3%, from 2025. Net farm income is forecast to fall \$1.2 billion, or almost 1%. And I'll discuss the differences in these two measures.

And although the changes in these two measures are expected to be relatively small, they mask some bigger shifts that we are forecasting in the sub-components of farm income or the, you know, aggregate components.

And to start with cash receipts from commodity sales are forecast to fall. \$14 billion, or almost 3% in 2026. And direct government payments are forecast to increase about \$14

billion in 2026. Total production expenses are forecast to increase almost \$5 billion, or 1%. On the farm sector balance sheet, assets, debt, and equity are all forecast to increase with overall equity, expected to increase almost 3% from 2025 to 2026. Next, on farm businesses, which I defined earlier, average net cash farm income. In 2026, it's projected at \$135,000. This is an increase of almost 19%. And lastly, median total farm household income in 2026. It's forecast at \$113,000, approximately, an increase of about 5%.

Now, all of these values here are in nominal dollars, meaning that they're not adjusted for inflation in any way, but many of the slides that I'm going to show later on are inflation adjusted, particularly those where we look across time, more than just a couple of years. We're looking at a longer span of data. And that includes this first chart, which looks at our primary measures of farm sector income over the past 20 years. And it's put into 2026 dollars, so we're adjusting prior years for inflation. We do have these...these measures in the Inflation Adjusted Series back to 1929 on our website.

So, while the measures are moving in different directions in 2026, they're both forecast to remain somewhat stable. The yellow line, that's net cash farm income. And it includes cash receipts from farming, or the sale of farm commodities, as well as cash, farm-related income, government payments to farm operators, less cash expenses, or the costs that farmers incur to produce their agricultural commodities.

After reaching a record high in 2022, net cash farm income fell in 2023 and 2024. In 2025, net cash farm income is forecast to have increased about 5%. And it's forecast to increase another 1% in 2026 in inflation-adjusted dollars.

Net farm income, that's the blue line here, and that's a broader or more comprehensive measure of income that also incorporates non-cash items, like economic depreciation, and it accounts for changes in inventories. Net farm income follows a similar trajectory as net cash farm income, but with a larger projected increase from 2024 to 2025. And net cash... net farm income is forecast to fall nearly 3% in 2026. The forecast for both measures in 2025 would be above their 20-year average.

We forecast farm income from the bottom up, meaning that we forecast its component parts first. And this allows us to identify what is driving the change in income from 2025. And in this chart, I'm going back to using nominal dollars, so not adjusting for inflation. Most of the expected downward pressure on net farm income in 2026 is being driven by receipts for animal and animal products. In this chart, we have on the far left the net farm income forecast for 2025. And then at the far right, the forecast for 2026.

The bars in blue indicate which components would contribute to growth in 2026, while the bars in red indicate which would take away or lower income in 2026. So, if we start from the

left, crop cash receipts, or sales, are forecast to increase by \$2.8 billion. However, we expect about \$7 billion of total crop cash sales in 2026 will actually be from inventories. And that is reflected in the crop inventory adjustment, as net farm income is a measure of income from current production only. And this is the primary reason net farm income is forecast to fall in 2026, while net farm... net cash farm income is forecast to rise slightly. Combined, receipts and the inventory adjustment give us a measure of the value of crop production, which is forecast to fall about \$4.2 billion, or 2% in 2026.

So just to kind of restate the difference between that cash farm income and net farm income, and why they're expected to be different in 2026, net cash farm income measures sales when they occur. So, it's measuring cash receipts, and crop cash receipts are forecast to increase. Net farm income, instead, measures the value of crop production. And that is forecast to decline.

Next, animal and animal product receipts are forecast to decrease \$17 billion in 2026 with just a small adjustment for changes in inventories. And production expenses are forecast to increase \$4.6 billion. And these are shown in red because higher expenses would lower net income. Direct government payments, from farm programs to farm operators, are forecast to increase \$13.8 billion. And all other sources of income, or the residual, is forecast to increase \$9.5 billion. The result is that net farm income is forecast to decrease \$1.2 billion or just under 1% from 2025 to 2026.

The sector gets most of its income from the sale of agricultural commodities, or cash receipts, which are forecast to decrease in 2026 in the aggregate. This chart looks at the totals for cash receipts or the sale of agricultural commodities since 1970 and it's in inflation-adjusted dollars. And our cash receipt data are calendar year estimates and forecasts, so not a marketing year or a crop year, but a calendar year. Like with net income, in 2022, total cash receipts reached a record tie. And have generally trended downward since.

In 2026, total cash receipts are forecast to fall about 4.5%, or \$24 billion. Crop receipts have been declining since 2022, that's the red line, and our forecast to remain relatively stable in 2026. Animal and animal products receipts, the green line, increased in both 2024 and 2025 with 2025 being a record high, based on the forecast, and animal and animal product receipts are forecast to decline about 8%, or almost \$23 billion in 2026.

We can also look at cash receipts by commodity. Again, I'm still in inflation-adjusted dollars. We forecast receipts for about 25 different crop commodity or commodity groupings. This chart focuses on some of the major crops.

Receipts for most crops shown here are forecast to remain somewhat flat in 2026. Corn receipts are expected to increase about 1%, or almost \$1 billion, from 2025 to 2026. And this follows 3 years of declining corn receipts. Receipts for vegetables and melons are also forecast to increase slightly in 2026, while receipts for soybeans, fruits, and nuts, and cotton are expected to decline modestly. Wheat receipts are projected to fall for the fourth year in a row in 2026.

For animal and animal products, we're forecasting that receipts for most commodity groupings will be lower in 2026 than in 2025. One exception on this chart are cattle and calf receipts. They have been increasing every year starting in 2021. And they are expected to increase 2% from 2025 to 2026. If realized, 2026 would be a record high for cattle and cow receipts. Milk or dairy receipts are forecast to decrease 14% in 2026. But accounting for most of the expected decline in animal cash receipts and in cash receipts total are eggs. Receipts for eggs are forecast to fall 67%, or almost \$18 billion based... you know, this is reflecting expectation for lower prices received by farmers and eggs in 2026, after being rather high in prior years. The forecast for 2026 would put them at their lowest level since 2016.

The forecast for animal and animal product cash receipts, in particular is primarily reflecting the expected changes in the prices received by farmers in 2026. Through a simulation, we can deconstruct the change in cash receipts into a price effect and a quantity effect. Or, in other words, we can identify whether changes in prices received or quantities sold are driving the change in cash receipts relative to 2025. The changes here are shown in nominal dollars. So, starting from the left, in 2026, higher quantities sold, that's the blue bar, are projected to contribute to most to the slight, the \$2.8 billion increase in total crop cash receipts as shown by the green bar. For animal and animal products, lower prices are expected to decrease receipts by \$20 billion, that's the orange bar, while quantities sold are expected to be slightly higher. In total, prices for animal and animal products account for most of the overall decrease in cash receipts in 2026.

Government payments are another source of income to farmers. And in total, they are forecast to reach \$44 billion in 2026. We define government payments as payments made to farm operations by the federal government generally from farm programs. And we record them in the year in which they were received by farmers. This chart is in inflation-adjusted dollars and shows payments by major category or type of payment. But first, looking at the total, for government payments, after declining across 2021 and 2024, government payments increased by about \$18 billion in 2025, largely due to what we categorize as supplemental and ad hoc disaster assistance. which makes up most of what is included in the gray bar on this chart.

In 2025, these payments include payments under the Emergency Commodity Assistance Program, ECAP, and other payments that were authorized in the American Relief Act of 2025, which were received by farmers in calendar year 2025. In 2026, we expect supplemental and ad hoc disaster assistance to remain high as payments authorized under the American Relief Act are still being paid out in 2026. In particular, enrollment continues for the Supplemental Disaster Relief Program, which will be making payments this calendar year. Also in 2026, we project higher payments from farm bill commodity programs, where payments are triggered by lower prices or lower revenue. These are shown in orange, and they're projected to increase \$13 billion. They include payments under the Agricultural Risk Coverage, Price Loss Coverage, and Dairy Margin Coverage Programs.

This chart looks at government payments relative to the rest of net farm income. And it also includes another source of income to farmers: commodity insurance indemnities, which are payments to farmers for losses that are covered by insurance. This chart is in inflation-adjusted dollars. The top of the bars, in the peach color, show indemnity payments paid to farmers less the premiums paid by the farmers for federal commodity insurance, which I'll refer to as net insurance payments. Net insurance payments are forecast to increase \$7 billion in 2026. The darker orange bar segment shows direct government payments, which we talked about in the previous slide. Excuse me...The gray bar represents net farm income, excluding net insurance and direct government payments. Net income, less these payments from federal... from the federal government is forecast to fall in 2026 by \$24 billion, or about 20% from 2025.

Next, let's look at production expenses, which is spending on inputs used to produce farm commodities, or the costs that farmers incur. These include spending on items such as feed, fertilizer, hired labor. This chart shows total expenditures, cash and non-cash, both in nominal and inflation-adjusted dollars. After rising significantly in 2022, total expenses have remained elevated. For 2026, we're forecasting that they will remain near 2025 levels. Nominally, we expect total expenses to rise 1%, but that is less than the expected rate of inflation. So, when adjusted for inflation, total expenses are forecast to fall 0.9%.

When we look at expenditures by category, the outlook is mixed. And this chart is back in nominal dollars. It compares expenditures by category in 2024/5 and 6. Above the dotted line, we have categories where we expect spending to increase in 2026 relative to 2025. Below the dotted line, are those categories where we expect spending to fall.

So, starting with where we expect spending to increase. Spending on livestock and poultry purchases is projected to have increased significantly in 2025 and is expected to continue to increase through 2026. Labor expenses and property taxes are also forecast to continue increasing. If realized, all three categories would be at a record high in 2026 when inflation

adjusted. Below the line, spending on feed is expected to continue to decline in 2026, falling nearly 7%. Historically, feed has been the largest expense category. But in 2026, it is expected to be lower than livestock and poultry purchases. Spending on pesticides and fuels and oils are also forecast to fall in 2025...26.

Net farm income provides us with useful information, I think, about annual short-run profits. But it doesn't tell us everything about the financial position of the farm sector. For more information, we can look at the U.S. Farm Sector Balance Sheet. It provides information on the value of assets, both physical and financial, and the level of debt in the sector over time. We expect that the balance sheet will continue to improve in 2026. But it is slowing down. Farm sector equity, the value of assets less debt, shown by the green area on this chart, has increased every year after 2019. It is projected to increase 1% from 2025 to 2026. That one is below the average annual growth rate, over the past 20 years, which is about 3%. So that's what I mean when I...say, the balance sheet may be slowing down relative to historical benchmarks. The forecast growth in equity primarily reflects increases in the value of farm sector real estate assets, which represent about 80% of total farm sector assets. And they're forecast to grow almost 2% in 2026. But expected declines in animal and crop inventories are putting downward pressure on asset growth. The level of debt held by the farm sector is shown by the blue area at the bottom of this chart. Total debt is forecast to continue increasing through 2026, increasing by 3% in both 2025 and 2026. And this actually matches the 20-year average annual growth rate in debt. The increase is following growth in both real estate and non-real estate debt.

Here's another way that we can look at the farm sector balance sheet. This chart looks at the amount of debt relative to assets and relative to equity as a percentage. These are solvency ratios, which provide a measure of the sector's ability to repay financial liabilities, that's debts and loans, through the sale of assets. And it can be an indicator of financial stress. In 2024, these ratios started rising, indicating lower solvency, as debt grew at a faster rate than assets. We're forecasting these ratios to continue to worsen modestly through 2026. It is important to note that these solvency ratios are for the sector as a whole and include farm operations with no debt. There's a lot of variation in the amount of debt that's held by individual farms. Additional financial ratios, including liquidity and efficiency measures, are available on our website. One of those additional ratios is the debt service ratio, which can provide information on liquidity or the amount of capital readily available as cash. Here, it is charted with the farm sector bankruptcy rates. As shown by the red bars, farm bankruptcy rate rose in 2024 after declining for the four prior years, from 2020 to 2023. We project that the bankruptcy... well, and then it incre... yeah, it increased in 2024, and we project that the bankruptcy will continue to increase in 2025 to nearly 2 billion bankruptcies per 10,000 farms. This is based on Chapter 12 filings through September of

2025, so about 3 quarters of data. The debt service ratio, as shown by the line on this chart, describes the share production income, gross income needed for debt payments. Lower values are preferred, meaning that less production income is needed to make debt payments or service debt, which improves liquidity. However, the debt service ratio is expected to increase in 2026 following the forecast decline in the value of ag sector production and a slight increase in interest expenses.

So, so far, we've been discussing forecasts for the farm sector as a whole. In the next few slides, we'll be looking at an important subset of farms, which we call farm businesses. Farm businesses are farms where the primary occupation of the operator is farming plus those farms that had \$350,000 or more in gross cash farm incomes. That's income before expenses. According to data from the Agricultural Resource Management Survey, or ARMS, about half of all farms meet this definition and are represented on this chart by the green and blue segments for intermediate and commercial farms. These farm businesses account for over 90% of agricultural production and hold most of the farm sector assets. However, they only represent... they only account for about half of all farms. Residence farms, those farms where the operator is retired or whose primary occupation is not farming, account for the remaining share of farms, and contribute a much smaller share of production assets and debt. Using farm-level data from the 2024 ARMS, we're able to do a micro-simulation and project average income levels in 2025 and 2026 based on the forecasts for the sector as a whole. And we can break down those forecasts for farm business income by commodity specialization and geographic region. So, we're shifting perspective here and looking only at farm businesses and looking at average net cash farm income levels.

So, let's start by looking at farm businesses that specialize in crops. And these are in inflation-adjusted dollars. Using ARMS, we can categorize farms by commodity specialization, which is determined by the one commodity or group of commodities that makes up at least 50% of the farm's total value of agricultural production. For all types of farm businesses, average net cash farm income is projected to increase in 2026 after declining in 2025. This follows the sector-wide forecast for higher government payments in 2026, and largely stable cash receipts for crops, which we talked about earlier. For farms specializing in corn, average net cash farm income has been declining since 2022 and it's projected to increase in 2026, getting it back to near its level in 2024. Farms specializing in wheat and cotton are expected to see the largest increase in average net cash farm income in 2026 due to higher government payments.

For farm businesses specializing in animal and animal products, we are projecting that most types of farm businesses will see average net cash farm income decrease in 2026.

The one exception on this chart is cattle and calf farm businesses, where average net cash farm income is projected to increase. This follows the sector forecast for higher cattle receipts and higher government payments. For all other types of animal operations, average net cash farm income is expected to decline following declines in cash receipts. Poultry farms are expected to see the largest decline reflecting the large decline forecast for egg seeds. Excuse me...

We can project how average net cash farm income for farm businesses can be expected to change in 2026 by resource region by looking at how ag production is distributed geographically. Across all farm businesses, average net cash farm income is forecast to increase 19% from 2025 to 2026. And we project that all regions will see an increase in average net cash farm income for farm businesses. Farm businesses in the Prairie Gateway are projected to see the largest increase at 60%. This region leads the nation in cattle. The sector forecasts for higher cattle receipts, along with higher government payments, would lead to larger income growth for this region relative to the others. Conversely, lower dairy receipts are projected to limit average income growth in the Northern Crescent and Fruitful Rim.

With my final slides, we'll look at households that operate farms. Up to this point, we've discussed the financial performance of farm operations. But the well-being of households that own and operate farms does not always match the farm's earnings. Farm profits are often shared with other stakeholders, such as landlords or contractors. And the well-being of farm operator households is determined by a combination of on-farm and off-farm activities. Now we're going to look at family farms and the households of the principal farm operator. In 2023, family farms accounted for about 96% of all farms, and 83% of the total value of agricultural production. Nearly 5 million people live in a household attached to a farm.

One measure of their well-being is household income. This... Farm households typically receive income from both farm and off-farm sources. This chart looks at off-farm income, off-farm income, and total household income at the median. The median represents the income level at which half of all households have lower incomes, and half have higher. Note this chart shows income and inflation adjusted dollars. At the median, income earned on the farm is low. Although it is forecast to increase slightly in 2025 and 2026, it is expected to remain below zero, meaning that, at the median, the farm household is operating the farm at a loss. But recall that half of all farms are what we call residential farms, which are small farms where the primary occupation of the operator is not farming. This results in low, and usually negative, farm income at the median. Therefore, many farm households rely primarily on off-farm income to cover living expenses. Off-farm income

sources include off-farm wages income, either of the operator or other family members, non-farm business earnings, dividends, and transfers. Median off-farm income is forecast to increase slightly, about 1% in 2026, after adjusting for inflation. Total farm household income at the median is forecast to increase 5%, nominally, or almost 3% when adjusted for inflation in 2026.

This chart looks at household income by the type of farm that the household operates. For households attached to residential and intermediate farms, median total household income, as shown by the red line, tracks very closely with off-farm income, the blue line, and is forecast to increase slightly in 2026. And all farm accounts for essentially all of the household's income at the median for these types of farms. For households attached to a commercial farm, total household income follows more the trends in on-farm income, which usually accounts for most of the household's income at the median. Farm income, the gray line, for commercial farms is expected to increase about 14% in 2026 and total household income to increase about 11%.

All of the information I presented today is available on our website. We have data tables, data visualizations with charts and maps, and a written summary of the findings with even more information. Our next release is scheduled for September 3rd at which time, we'll update our 2026 forecast again, again, and put out state-level estimates for 2026.

In 2 weeks, USDA will be hosting the Agricultural Outlook Forum. It's being held just outside of Washington, D.C, and will be live-streamed, so you could join remotely. And registration is still open. It's USDA's largest gathering. And you can see the full agenda on the website. There will be a session on farm income if you want to hear more. And I hope to see you there!

With that... I'm going to hand it back over to Ashley, see if we can take a few questions.

Ashley: Thanks so much, Carrie. Let's go ahead and start with that Q&A session. If we don't get to your question today, please send us an email, and we'd be happy to follow up. But for our first question, we have, why is there an increase in all other income between 2025 and 2026, and what's included there?

Carrie: Yeah, that was the first waterfall chart that I showed. Well, first, all other income includes non-commodity income earned by farm operations that's related to the farm operation. For example, it uses the farm assets or production inputs. The increase that we're forecasting in 2026 is primarily coming from...insurance indemnities, which we expect to be higher in 2026, relative to 2025.

Ashley: Great, thanks, Carrie. Our next question asks, what is your source of insight for the price indexes for expenses, and what's the rationale for the price level you anticipate?

Carrie: Yes. In measuring for... and forecasting production expenses, we do, use indicators of, production inputs, or prices. They come largely from the National Agricultural Statistics Service, our sister agency in USDA. They put out monthly prices paid indexes for the major production inputs. And we use those as they become available. So, for 2025, I believe we had prices paid indexes through at least November of 2025. And then there are no prices paid indexes for 2026 yet, so that information, we largely trend. So, we're taking the information that we do have, the historical data from NASS on prices paid, and then trending it out into 2026. I mean, there are some exceptions here, for example, for fuel and oil expenses. We do pick up forecasts on energy prices from the, the Energy Information Agency, the EIA. But for the most part, we're using these NASS prices indexes and trending them through to the new forecast year.

Ashley: Got it. Alright, let's see here. Next one asks, can you explain what is included in the price loss coverage of the government payment, and why it's high in 2026?

Carrie: Yeah, I think I can give just a very brief explanation, I'm not an expert on the program. But the Price Loss Coverage Program is one of the farm commodity programs that come from the Farm Bill that payments are triggered when, generally, when prices fall, till below a certain threshold. And, you know, as kind of, I think, might have been evidenced in some of the slides that I talked about, particularly with crops, we do expect prices for a lot of crops to be low, at least you know, maybe relative to a couple of years ago. So, they were expected to fall to the point where they'll trigger payments. And I guess an important qualification here, too, is that price loss coverage payments are received after the fact, right? They're after you harvest your crop. So there, you know, you'll receive payments from the Price Loss Coverage Program for your 2025 crop. Those are the payments that will be received in 2026. But I encourage you to reach out to the Farm Service Agency if you have more questions about how the price loss coverage program works. But in our forecast, you know, we're looking at the expectations, and we've consulted with them on how much money we think will go out under that program to farmers in 2026.

Ashley: Thanks, Carrie. Let's see here. Next up, is the lower seed fertilizer and pesticide costs due to lower use at the farm level, or lowering of the costs of those inputs?

Carrie: Yeah, we do consider both. So, when we're forecasting out expenses, particularly for those three, we consider planted acres, it's kind of like our quantity measure of how much use, you know, how much... the quantity of, say, something like pesticides might be required. And then we also look at the prices paid for those inputs. And as I explained in the previous question, for 2026, we're largely trending, going off trends, recent trends in the prices paid data to get at the price. From year to year, there generally isn't a lot of change in the planted acres. And I can't remember off the top of my head, what the forecast for 2026

is on planted acres. But it's not a big change, so I think those forecasts are reflecting more the...the anticipated or the trended, price outlook for those inputs in 2026.

Ashley: Alright, Next question. What is driving the increase in off-farm household income?

Carrie: Yeah. It has been trending upward, I mean, slightly, for the last couple of years. And when doing the forecast, well, first, let me start by saying that the majority of household income is coming from wages and salaries that are earned in off-farm jobs by the farm operator and or their spouse and other family members. And we are projecting that wage and salary income will increase in 2026 as are a lot of the other off-farm income sources, such as interest and dividends. For the estimate years, we get data on, you know, off-farm income from the agricultural resource management, but when forecasting them to project the changes, we're looking at forecasts for some of the key macroeconomic indicators, such as gross domestic product and then the employment cost index.

Ashley: Thanks, Carrie. Next up, does the information on slide 19 factor in the sale of dairy beef calves being sold into the beef cattle market with regards to dairy operator cash receipts?

Carrie: I didn't quite get all the question but let me tell you what it does include. It's average net cash farm income, so it, you know, we have a consistent measure of cash farm income, so it factors in cash receipts. It factors in, any, you know, income from marketing or production contracts for milk government payments. And then we subtract out the expected expenses to get at the projection here, and also to get at the estimates. Am I missing anything in that question, Ashley, that they were specifically asking about?

Ashley: I... I don't think so. It was asking, does the information on slide 19 factor in the sale of dairy beef calves being sold into the beef cattle market with regard to we operate our cash receipts.

Carrie: Okay, so no, I didn't answer that question. This... that brings up an interesting point about these... this data by commodity specialization. It would... it would include the sale of actual dairy cows, because when we talk about average net cash farm income for these different commodity specializations, it includes any other crops that they... or commodities or animals that they may produce, grow, or sell. So yeah, so if a dairy farm, if it gets most of its value production for milk, but they also sell some of their dairy herd, or cows or whatever, that would be captured in the average net cash farm income for a dairy farm business.

Ashley: Thanks, Carrie. We'll take one more question. This one asks whether we should consider this release as taking the place of the previously scheduled December release, with another set to occur next month, or is this the regular February release?

Carrie: No. Let's just say this, this, this is not taking the place of the December release. We just skipped the December release due to the lapse in federal funding. So, this release reflects new and revised data that would have been incorporated in December plus data that has already become available since then. And then we'll have our next release at our usual time in early September...September 3rd, to be specific.

Ashley: Great! Thanks, Carrie. And thank you to our listeners for joining us today. A recording of this webinar will be posted to the ERS website in the next week or two. If you have any additional questions or feedback, please reach out via email. We'd be happy to hear from you. Next slide, please.

If you enjoyed today's topic, mark your calendar for Tuesday, February 10th for our next webinar, spotlighting the 2025 edition of America's Farms and Ranches at a Glance. Join us as ERS economist Katherine Lacy presents the latest statistics on U.S. farms and ranches, including production trends, financial performance, and farm household financial characteristics by farm size. For more details and to register, visit the ERS website. We hope to see you there! Next slide, please.

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Thank you for joining us today. This concludes our webinar.