



2021 Projected Crop Returns Summary

This publication summarizes projected returns for row crops produced in Mississippi in 2021. Returns are calculated through income and expense estimates, which are presented in the *2021 Planning Budgets* created by the Mississippi State University Department of Agricultural Economics. Estimated crop prices (Table 1) are based on the forward futures contract price, including the average cost basis at the estimated time of harvest delivery. Table 2 presents the estimated average crop yields across all seed types and production practices from the 2021 Planning Budgets. Average yields are presented for Delta and non-Delta areas.

Expenses, which are defined as “total specified expenses,” include estimated variable and fixed costs associated with crop production. Variable costs include seed, fertilizer, chemical, fuel, repair and maintenance, and any other costs that are incurred only through crop production. Fixed costs include machinery costs, which are incurred regardless of crop production.

Returns are calculated for corn, cotton, and soybean production. The returns for each crop are an average across all seed types and production practices used in the 2021 Planning Budgets. Therefore, actual returns accrued may be different than those presented here. Returns are estimated for Delta and non-Delta areas and for irrigated and nonirrigated production. Returns are estimated in dollars per acre.

Table 1. Estimated crop prices.

Crop	Price (\$)
cotton lint (lb)	0.6442
cottonseed (lb)	0.08
soybean (bu)	9.67
corn (bu)	3.73

Table 2. Estimated crop yields.

Crop	Delta yield	Non-Delta yield
cotton lint, irrigated (lb/acre)	1500	1200
cottonseed, irrigated (lb/acre)	2025	1620
cotton lint, nonirrigated (lb/acre)	1070.33	950
cottonseed, nonirrigated (lb/acre)	1445	1282.5
soybean, irrigated (bu/acre)	54.33	50
soybean, nonirrigated (bu/acre)	33.5	36
corn, irrigated (bu/acre)	220	N/A
corn, nonirrigated (bu/acre)	170	170

Source: 2021 Planning Budgets, Mississippi State University Department of Agricultural Economics.

Delta Area Returns

Figure 1 shows estimated returns above total specified expenses in the Delta area. Returns for the Delta area are mixed, with the highest returns of \$149.76 per acre received from irrigated corn production. Nonirrigated corn production is estimated to have returns of \$132.32 per acre. Cotton returns are much more dependent on irrigation, with average returns for irrigated cotton estimated at \$148.03 per acre; nonirrigated cotton returns are minimal at \$14.94 per acre. Irrigated soybean returns are an estimated \$49.50 per acre, and nonirrigated soybean returns are estimated to result in a loss of \$28.93 per acre.

Non-Delta Area Returns

Returns for the non-Delta area can vary greatly from the Delta area due to different production practices and inputs used. In non-Delta areas, returns for nonirrigated crops tend to be higher than for nonirrigated crops grown in the Delta. Returns for nonirrigated corn are estimated at \$131.77 per acre. Irrigated corn returns are not estimated since corn irrigation is not a common practice in non-Delta areas. Irrigated and nonirrigated cotton returns are \$50.19 per acre and \$23.07 per acre, respectively. Irrigated soybean returns are \$52.28 per acre, and nonirrigated soybean returns are \$14.88 per acre. Figure 2 shows returns for the non-Delta area.

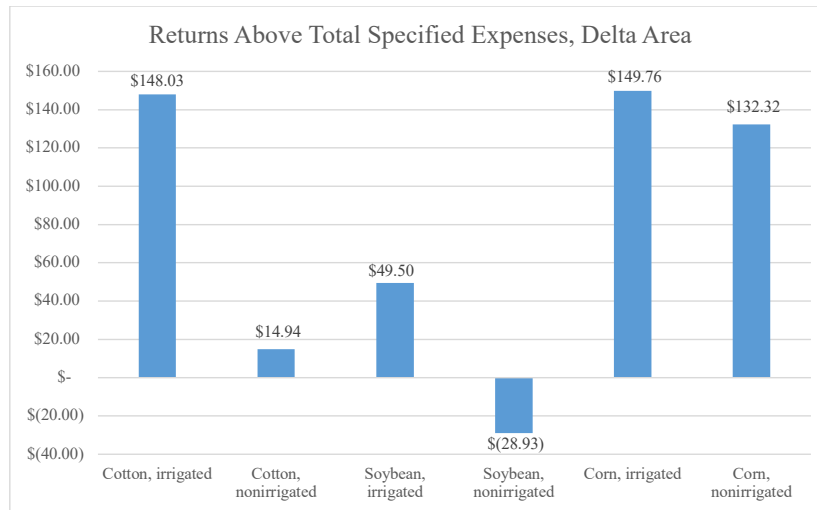


Figure 1. Returns above total specified expenses for irrigated and nonirrigated cotton, soybeans, and corn produced in the Delta area of Mississippi.

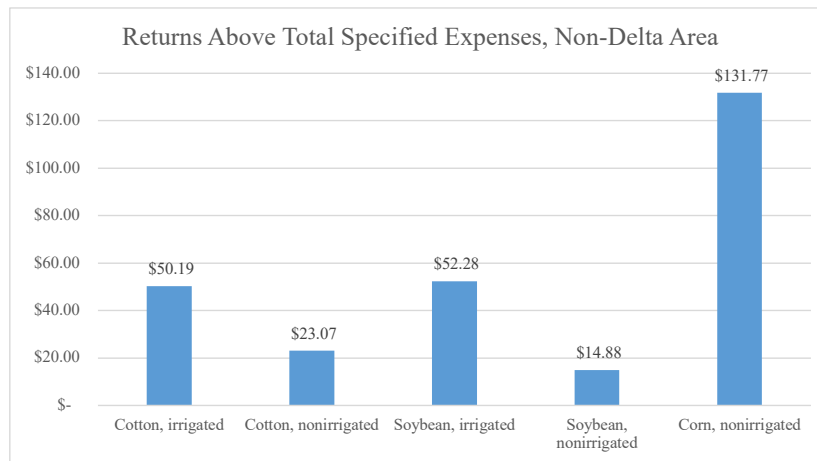


Figure 2. Returns above total specified expenses for irrigated and nonirrigated cotton, soybeans, and corn produced in the non-Delta areas of Mississippi.

Conclusion

Growers and others involved in agricultural finance can use the information presented in this publication to make planting and financial decisions. This information is based on planning budgets created by the Mississippi State University Department of Agricultural Economics. The returns presented in this article are estimates; actual returns will change based on your particular situation.

For more information on the 2021 Planning Budgets and for interactive budget spreadsheets, please visit <https://www.agecon.msstate.edu/whatwedo/budgets.php>.

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