

**COTTON, ROUNDUP READY FLEX - CONVENTIONAL TILLAGE, 850 POUND YIELD
ESTIMATED RETURNS AND EXPENSES PER ACRE, (12/16ROW EQUIPMENT)**

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>PRICE</u>	<u>AMOUNT</u>	<u>YOUR FARM</u>
REVENUE						
COTTON(1)(2)(8)	LINT	LB.	850	\$0.85	\$722.50	_____
VARIABLE EXPENSES						
SEED (3)	3.5 SEEDS/FOOT	THOUS	48.145	\$0.70	\$33.70	_____
TECH FEE (4)	RR FLEX	THOUS	48.145	\$0.95	\$45.74	_____
FUNGICIDE	SEED TREATMENT	ACRE	1	\$7.00	\$7.00	_____
INSECTICIDE(5)						
SEED TREATMENT		ACRE	1	\$11.60	\$11.60	_____
IN-SEASON INSECTICIDES(6):						
FERTILIZER	N (UREA)	LB.	80	\$0.68	\$54.40	_____
	P2O5	LB.	60	\$0.51	\$30.60	_____
	K2O	LB.	90	\$0.54	\$48.60	_____
BORON		LB.	0.5	\$3.00	\$1.50	_____
LIME		TON	0.5	\$35.00	\$17.50	_____
HERBICIDES(7):						
PRE-EMERGE	COTORAN 4L	PT.	2	\$4.38	\$8.76	_____
OVER THE TOP	ROUNDUP POWER MAX	PT.	1.38	\$2.22	\$3.06	_____
OVER THE TOP	DUAL MAGNUM	PT.	1	\$11.87	\$11.87	_____
OVER THE TOP	ROUNDUP POWER MAX	PT.	1.38	\$2.22	\$3.06	_____
HOODED SPRAYER	GRAMOXONE SL	QT	1	\$8.10	\$8.10	_____
	SURFACTANT	PT.	0.2	\$2.58	\$0.52	_____
	VALOR	OZ.	1	\$4.50	\$4.50	_____
GROWTH REGULATOR	MEPEX (Mepiquat Chloride)	PT.	2	\$2.50	\$5.00	_____
SCOUTING		ACRE	1	\$9.50	\$9.50	_____
DEFOLIANT		OZ.	12	\$0.50	\$6.00	_____
BOLL OPENER	ETHEPHON	OZ.	32	\$0.20	\$6.40	_____
MACHINERY REPAIR		AC.	1	\$53.52	\$53.52	_____
MACHINERY FUEL	DIESEL @ \$3.50/GALLON	AC.	1	\$58.47	\$58.47	_____
CROP INSURANCE		AC.	1	\$0.00	\$0.00	_____
OPERATING CAPITAL	6 MONTHS	AC.	\$471.41	6.00%	\$14.14	_____
TOTAL VARIABLE EXPENSES					\$485.55	_____
RETURN ABOVE VARIABLE EXPENSES					\$236.95	_____
MACHINERY EXPENSES						
MACHINERY DEPRECIATION		AC.	1	\$67.83	\$67.83	_____
INTEREST EXPENSE	MACHINERY & EQUIP.	AC.	1	\$29.15	\$29.15	_____
RETURN TO LAND, LABOR, MANAGEMENT, AND RISK					\$139.97	_____
LABOR EXPENSES						
LABOR		HR.	1.76	\$9.75	\$17.16	_____
RETURN TO LAND, MANAGEMENT, AND RISK					\$122.82	_____

--- PLEASE NOTE: THE REVENUE ESTIMATE DOES NOT INCLUDE COUNTER CYCLICAL OR DIRECT GOVERNMENT PAYMENTS. ---

FOOTNOTES

- (1) MOST ARRANGEMENTS INVOLVE TRADING SEED FOR GINNING COSTS.
- (2) A SECOND HARVEST MAY ADD AS MUCH AS \$25/ACRE TO VARIABLE EXPENSES.
- (3) SEED COST VARIES PER VARIETY AND SEED SIZE.
- (4) TECH FEES HAD NOT BEEN SET AT TIME OF PRINTING AND ARE ESTIMATES.
- (5) ADDITIONAL SPRAYS MAY BE NECESSARY FOR SPECIFIC INSECTS.
- (6) IN-SEASON PER ACRE COST INCLUDES BOLL WEEVIL ERADICATION FEES AND CHEMICAL EXPENSES FOR CONTROL OF PLANT BUGS, BOLLWORM AND OTHER INSECT PESTS.
- (7) DUE TO PREVELANCE OF GLYPHOSATE RESISTANT WEEDS, IF WEEDS ARE NOT CONTROLLED, HAND CHOPPING MAY BE NECESSARY.
CHECK WITH FARM SUPPLIERS FOR REBATES AND INCENTIVES BASED ON SEED VARIETY AND HERBICIDES APPLIED.
- (8) COTTON PRICE ESTIMATE INCLUDES THE LOAN RATE PLUS AN ESTIMATED LOAN EQUITY PAYMENT AND SEED AND HAULING ALLOWANCE.

ECONOMIC ANALYSIS AND REVIEW PROVIDED BY:
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COTTON, ROUNDUP READY FLEX - CONVENTIONAL TILLAGE, 850 POUND YIELD
ESTIMATED LABOR, POWER AND MACHINERY INPUTS, (12/16-ROW EQUIPMENT)

MONTH	OPERATION	EQUIPMENT	HOURS PER ACRE	
			MACHINE	LABOR
NOV-DEC	CHOP STALKS	ROTARY MOWER	0.10	0.12
MAR-APR	CHISEL	CHISEL PLOW, 19'	0.10	0.13
	DISK	DISK, 29'	0.06	0.07
APR-MAY	DISK	DISK, 29'	0.06	0.07
	PREPARE SEEDBED	CULTIMULCHER, 20'	0.09	0.11
	SPREAD FERTILIZER	215 HP TRACTOR	0.07	0.08
	PLANT	PLANTER, 12 ROW	0.06	0.08
	APPLY COTORAN PRE-EMERGE	SP BOOM SPRAYER, 90'	0.01	0.01
	APPLY ROUNDUP/DUAL OVER TOP	SP BOOM SPRAYER, 90'	0.01	0.01
MAY-JUN	CULTIVATE	CULTIVATOR, 12 ROW	0.05	0.07
	CULTIVATE	CULTIVATOR, 12 ROW	0.05	0.07
JUL-AUG	BOLLWORM SPRAY	SP BOOM SPRAYER, 90'	0.01	0.01
	CULTIVATE	CULTIVATOR, 12 ROW	0.05	0.07
	APPLY ROUNDUP OVER THE TOP	SP BOOM SPRAYER, 90'	0.01	0.01
	APPLY GRAMOXONE	HOODED SPRAYER	0.05	0.06
	SECONDARY SPRAY	SP BOOM SPRAYER, 90'	0.01	0.01
	APPLY MEPEX (2X)	SP BOOM SPRAYER, 90'	0.02	0.03
	APPLY DEFOLIANT/BOLL OPENER	SP BOOM SPRAYER, 90'	0.01	0.01
SEP-DEC	HARVEST	SP PICKER, 6 ROW	0.14	0.18
	HAUL-BOLL BUGGY	215 HP TRACTOR	0.14	0.18
	MODULE BUILDER	150 HP TRACTOR (2X)	0.29	0.36
		TOTAL		1.76

MACHINE	HOURS PER ACRE	-----INTEREST COST-----		-COST PER HOUR-		-----COST PER ACRE-----			
		PER HOUR	PER ACRE	F.C.	V.C.	FIXED	REPAIR	FUEL	VAR
TRACTOR, 215HP	0.89	\$8.45	\$7.53	\$15.80	\$55.69	\$14.10	\$13.94	\$35.74	\$49.68
TRACTOR, 150HP	0.14	\$6.98	\$1.01	\$13.06	\$42.23	\$1.89	\$1.87	\$4.24	\$6.11
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PICKER, 6 ROW	0.14	\$42.50	\$6.15	\$136.28	\$177.74	\$19.73	\$16.40	\$9.32	\$25.73
BOLL BUGGY	0.14	\$3.20	\$0.46	\$10.37	\$5.33	\$1.50	\$0.77	\$0.00	\$0.77
MODULE BUILDER	0.14	\$3.80	\$0.55	\$12.37	\$6.33	\$1.79	\$0.92	\$0.00	\$0.92
MODULE BUILDER	0.14	\$3.80	\$0.55	\$12.37	\$6.33	\$1.79	\$0.92	\$0.00	\$0.92
CHISEL PLOW	0.10	\$3.83	\$0.39	\$8.49	\$6.38	\$0.87	\$0.65	\$0.00	\$0.65
DISK	0.12	\$9.92	\$1.18	\$22.10	\$13.20	\$2.62	\$1.56	\$0.00	\$1.56
SP SPRAYER	0.13	\$46.73	\$6.21	\$100.82	\$97.79	\$13.40	\$8.07	\$4.92	\$12.99
HOODED SPRAYER	0.05	\$6.30	\$0.32	\$14.00	\$9.80	\$0.72	\$0.50	\$0.00	\$0.50
PLANTER, 12 ROW	0.06	\$27.00	\$1.64	\$60.48	\$45.00	\$3.67	\$2.73	\$0.00	\$2.73
CULTIVATOR	0.16	\$4.51	\$0.73	\$10.37	\$8.00	\$1.69	\$1.30	\$0.00	\$1.30
CULTIMULCHER	0.09	\$6.03	\$0.52	\$13.55	\$5.35	\$1.17	\$0.46	\$0.00	\$0.46
MOWER	0.10	\$9.00	\$0.88	\$10.25	\$15.75	\$1.01	\$1.55	\$0.00	\$1.55
TOTAL			\$29.15			\$67.83	\$53.52	\$58.47	\$111.99

--- PLEASE NOTE: TOTALS MAY BE DIFFERENT DUE TO ROUNDING. ---

BREAKEVEN CALCULATIONS
(BASED ON THE PREVIOUS PAGE'S BUDGET)

BREAKEVEN YIELD TO COVER VAR EXPENSES AT A PRICE/LB OF.....	PRICE/LB	BREAKEVEN YIELD/AC
BREAKEVEN YIELD TO COVER ALL EXPENSES EXCEPT FOR LAND, MANAGEMENT AND RISK AT A PRICE OF.....	\$0.85	571.2
	\$0.85	705.5
BREAKEVEN PRICE TO COVER VAR EXPENSES AT A YIELD/AC OF.....	YIELD/AC	BREAKEVEN PRICE/LB
BREAKEVEN PRICE TO COVER ALL EXPENSES EXCEPT FOR LAND, MANAGEMENT AND RISK AT A YIELD OF.....	850	\$0.57
	850	\$0.71