



MISSISSIPPI DEPARTMENT OF AGRICULTURE AND COMMERCE

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Thanksgivings are Due: Economic Growth Expected From Banner Year in Mississippi Agriculture

With food steaming and eager stomachs waiting, prayers at the Thanksgiving table may linger this year. As always, Mississippians have plenty of reason to be thankful. In a most timely manner, the Good Lord has blessed Mississippi with an overall great year in agricultural production. Thanks are due not only from those engaged in agricultural production but from all citizens of the state. The reason being, the state economy is more than significantly influenced by agriculture, Mississippi's number one industry. So as agriculture thrives, a positive effect ripples to all boundaries of the state.

Innovative tactics and a hard-working ethic have allowed Mississippi to remain competitive and sustainable in a global marketplace that often fields U.S. farmers on uneven ground. Mississippi is among the national leaders in production of several commodities, so many of the dollars that circulate our State stem from agriculturally related transactions. For the majority of Mississippi's production, thanks to timely rains and moderate weather throughout the growing season and cooperative harvest conditions, the State is looking at exceptional harvest numbers among some of the major commodities.

The following highlights harvest summaries of just a few of the many products grown in Mississippi:

Cotton – USDA projections have statewide yields at record levels. From 1.1 million acres harvested, growers are expected to average 916 lbs/acre – a 13% increase from last year's rain laden harvest. A sharp increase in cotton futures prices may be attributed to low yields speculated in Texas and China. With steady demand and good growing conditions in 2003, Mississippi farmers are sure to see the benefits of a stronger market. "Growing conditions were outstanding and harvest weather was great this year," said Ted Kendall IV, Hinds County farmer/rancher. "Poor production forecasts in China have resulted in a spike in cotton futures. This year's harvest, coupled with higher prices, gives reason to look at the state's economy with optimism."

Soybeans – Record yields are forecasted for soybeans also. 1.4 million acres are projected to yield 36 bushels/acre, according to USDA. "This year's crop is one people wait a lifetime for," said Alan Blaine, Mississippi State Extension Soybean Specialist. "Of course, each year, Mississippi has a variable crop, and this year is no different. Overall, this is the earliest planted crop and the best crop we have ever had. Yields are estimated at 36 (bushels) right now, but I feel that number is low. We may see an average between 38-40 (bushels) before it is over. Mother Nature provided some good, timely rain and Midwest temperatures, so we are seeing Midwest yields. Higher prices have people gearing up for next year."

Corn – With corn acreage on the rise in Mississippi over recent years, farmers have established Mississippi as a major corn production state in the Southeast. USDA forecasts Mississippi corn production at a record 130 bushels/acre over 530,000 acres. “I was able to get planted pretty early, and we received very timely rains,” said Willard Jack, Holmes/Humphreys County farmer. “With periodic rains, we were able to cut back on irrigation, and it wasn’t too hot of a summer. Good growing conditions resulted in an early harvest and a high quality crop. We ended up with above average yields at average prices. Overall, this is a good, profitable year due to high yields and lower irrigation costs.”

Livestock – Strong beef demand domestically and worldwide has resulted in increasing prices for U.S. cattle. Mississippi producers are enjoying the highest price levels ever much due to product safety concerns from consumers. “Across the state, growing conditions were good. There seems to be an adequate hay supply going into the winter, and the improved prices are very much welcomed from producers who have stayed in over the past few years,” stated Sammy Blossom, executive vice president of Mississippi Cattlemen’s Association. “The BSE incident in Canada and drought in the western states have caused numbers to decrease, so supply is down for several reasons. As consumer demand is increasing, we will continue to build the herd, but eventually supply will catch up. Right now, Mississippi cattlemen are benefiting from the high prices and increases in demand.”

Mississippi’s poultry industry continues to be the state’s number one valued commodity. Production and prices are steady.

Foreign fish imports have lowered prices in the domestic frozen catfish filet markets over the past few years. Mississippi has lost a few production acres due to unfair trade practices from foreign countries. “Over the past couple of weeks, prices have risen a couple of cents, much to the delight of producers,” said Roger Barlow, President of The Catfish Institute. “Although acreage is slightly down in Mississippi, 2-3% more fish are being processed. With aggressive marketing going into the Lenten season, we are speculating that demand may not be met and hopefully price will be driven up.”

Sweet Potatoes – Producers in North Mississippi are benefiting from a good year for sweet potatoes. “Ideal harvest conditions should result in all acres being harvested,” said Bennie Graves, sweet potato specialist for the Mississippi Department of Agriculture and Commerce. “We are looking at the highest quality crop in a number of years, and prices are up from last year. A record number of potatoes was sold early, and we still have a lot in storage.”

High yields and more attractive commodity markets initially result in more dollars in farmers’ pockets, but ultimately, good agricultural production years affect citizens statewide. As these dollars begin to circulate throughout the state, an economy that has sputtered for some time now will begin to notice growth and profitability. Credit should be given where credit is due. The state’s number one industry is returning more dollars statewide than it has in quite some time, so those involved in agriculture that have persevered through the hard times and continue to provide a safe food and fiber supply are due a sincere “thank you” from Mississippi as we grow into the future. As “thanks” is given this year at each Thanksgiving table in our great state, remember, among many other blessings, Mississippi’s capability to produce a wide variety of crops and products that provides for many and is such a staple in an ever-changing economy.