

Appendix A—Expected Grower Prices and Expected Net Returns for Dry Peas and Lentils, 1997-2005

Appendix table A-1

Calculating the expected grower prices of dry peas in Montana: 1997-2005

Year	Grower price	Unadjusted expected grower price	$P_t^1 - UEP_t^2$	Adjustment factor	Adjusted expected grower price	Effective expected grower price (incl. LDP or MLG)
		\$/cwt				\$/cwt
1997	6.40	9.05	-2.65	0.00	9.05	9.05
1998	4.90	7.71	-2.81	-2.65	5.06	5.06
1999	6.00	6.31	-0.31	-2.73	3.58	3.58
2000	5.00	5.75	-0.75	-1.92	3.83	3.83
2001	4.90	5.28	-0.38	-1.63	3.65	3.65
2002	7.20	5.15	2.05	-1.38	3.77	3.77
2003	8.10	6.07	2.03	-0.81	5.26	5.89
2004	6.00	7.19	-1.19	-0.40	6.79	6.79
2005	n.a.	6.87	n.a.	-0.50	6.37	6.37

n.a. = not available.

¹Actual observed grower price.

²Unadjusted expected grower price has the following weighting scheme: 0.5, t-1, 0.3, t-2; and 0.2, t-3 (P_t).

Source: Computed by USDA, ERS from prices reported by USDA, National Agricultural Statistics Service.

Appendix table A-2

Calculating the expected grower prices of lentils in Montana: 1997-2005

Year	Grower price	Unadjusted expected grower price (UEP)	$P_t^1 - UEP_t^2$	Adjustment factor	Adjusted expected grower price	Effective expected grower price (incl. loan rate)
		\$/cwt				\$/cwt
1997	13.20	15.49	-2.29	0.00	15.49	15.49
1998	10.30	14.54	-4.24	-2.29	12.25	12.25
1999	12.60	12.39	0.21	-3.27	9.13	9.13
2000	10.00	12.03	-2.03	-2.11	9.92	9.92
2001	11.00	10.84	0.16	-2.09	8.75	8.75
2002	13.80	11.02	2.78	-1.64	9.38	9.38
2003	15.40	12.20	3.20	-0.90	11.30	11.94
2004	15.60	14.04	1.56	-0.32	13.72	13.72
2005	n.a.	15.18		-0.08	15.10	15.10

n.a. = not available.

¹Actual observed grower price.

²Unadjusted expected grower price has the following weighting scheme: 0.5, t-1, 0.3, t-2; and 0.2, t-3 (P_t).

Source: Computed by USDA, ERS from prices reported by USDA, National Agricultural Statistics Service.

Appendix table A-3

Expected net returns for dry peas in Montana: 1997-2005

Year	Expected yield	Expected price	Variable cost of production ¹	Uninflated expected net returns/acre	Value of yield loss reduction	Nitrogen credit for next crop	Augmented expected net returns/acre	Deflated (yr. 2000 \$) augmented net returns
	Cwt/acre			\$/acre			Constant \$/acre	
1997	18.70	9.05	60.18	109.06	14.09	1.70	124.85	130.86
1998	18.90	5.06	60.80	34.83	12.81	1.70	49.34	51.15
1999	18.68	3.58	55.57	11.30	9.84	1.20	22.34	22.83
2000	17.74	3.83	53.77	14.17	9.26	1.25	24.69	24.69
2001	15.82	3.65	49.87	7.87	8.30	1.77	17.95	17.53
2002	15.26	3.77	53.06	4.47	9.26	1.50	15.23	14.62
2003	13.00	5.89	62.07	14.50	11.29	1.85	27.64	26.00
2004	12.30	6.79	62.73	20.79	11.98	2.30	35.07	32.14
2005	13.52	6.37	64.62	21.50	12.13	2.54	36.17	32.39

¹Uses data from North Dakota as a proxy.

Source: Compiled by USDA, ERS from data of North Dakota State University Extension Service and Northern Great Plains Research Laboratory.

Appendix table A-4

Expected net returns for dry peas in Montana: 1997-2005

Year	Expected yield	Expected price	Variable cost of production ¹	Uninflated expected net returns/acre	Value of yield loss reduction	Nitrogen credit for next crop	Augmented expected net returns/acre	Deflated (yr. 2000 \$) expected net returns
	Cwt/acre			\$/acre			Constant \$/acre	
1997	9.00	15.49	50.96	88.45	14.09	1.70	104.24	109.26
1998	9.50	12.25	56.06	60.32	12.81	1.70	74.82	77.56
1999	10.23	9.13	55.21	38.19	9.84	1.20	49.23	50.31
2000	11.28	9.92	52.06	59.84	9.26	1.25	70.35	70.35
2001	12.32	8.75	53.50	54.30	8.30	1.77	64.37	62.86
2002	13.22	9.38	52.07	71.93	9.26	1.50	82.69	79.37
2003	13.22	11.94	60.43	97.42	11.29	1.85	110.56	104.00
2004	13.08	13.72	68.74	110.72	11.98	2.30	125.00	114.58
2005	12.72	15.10	70.87	121.20	12.13	2.54	135.87	121.67

¹Uses data from North Dakota as a proxy.

Source: Compiled by USDA, ERS from data of North Dakota State University Extension Service and Northern Great Plains Research Laboratory.