EXHIBIT 3
DATE 3/20/15
HB

2015 Montana Agricultural Outlook

George Haynes

Department of Agricultural Economic & Economics

MSU Extension

Data Source: National Agricultural Statistics Service

Montana Field Office (Eric Sommer, Director)

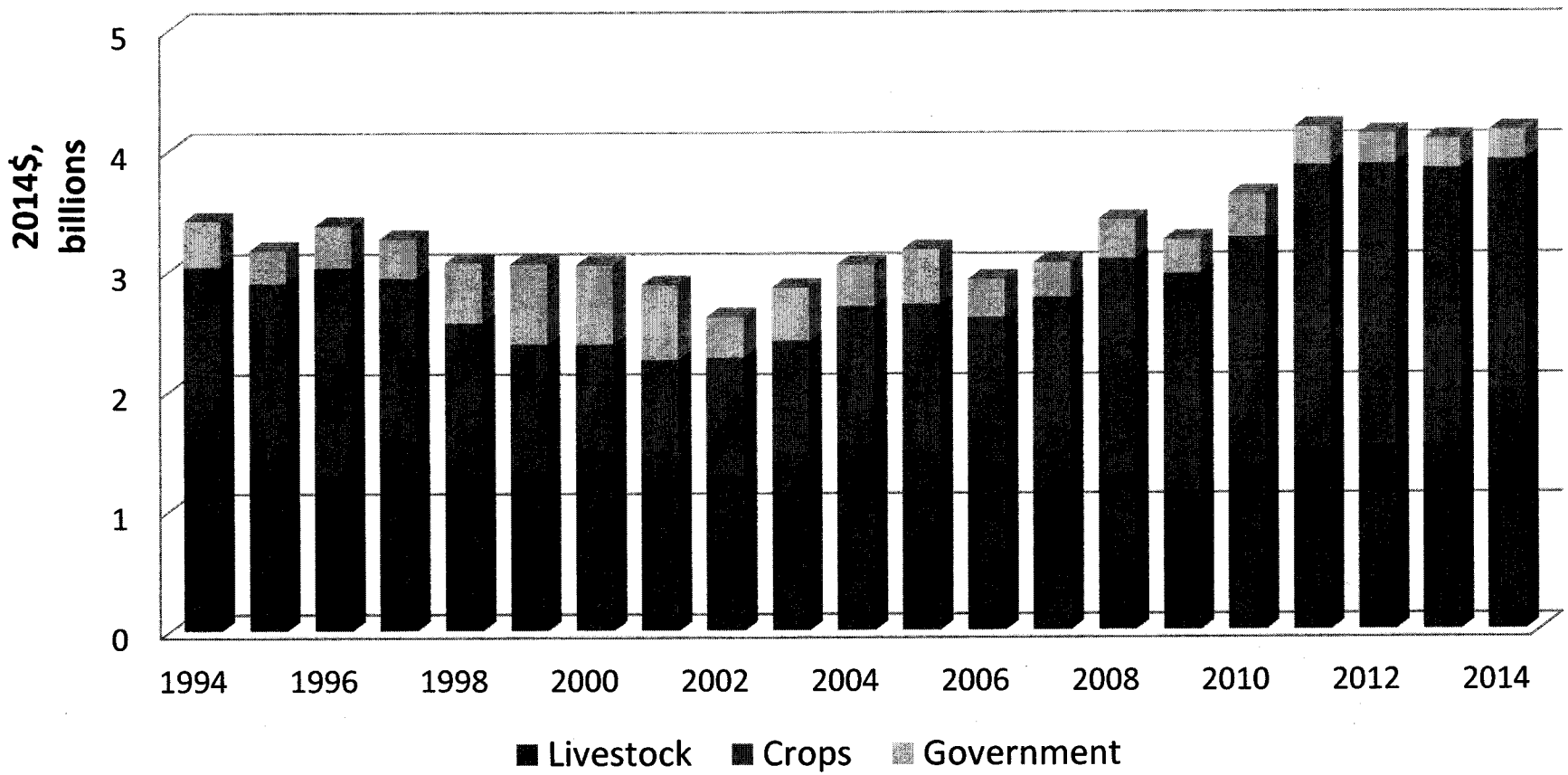
MONTANA STATE UNIVERSITY | EXTENSION

Mountains & Minds

Major Topics

- **$4 billion in cash receipts in 2014**
  - But, uncertainty (nervousness) among producers
- **Very robust cattle market**
  - Calf prices increased by over 30% since 2013
  - But, some movement lower since November 2014
- **Stable grains market**
  - Barley and wheat prices down by 14% since 2013

Montana
Gross Revenue Estimates



MONTANA STATE UNIVERSITY | EXTENSION

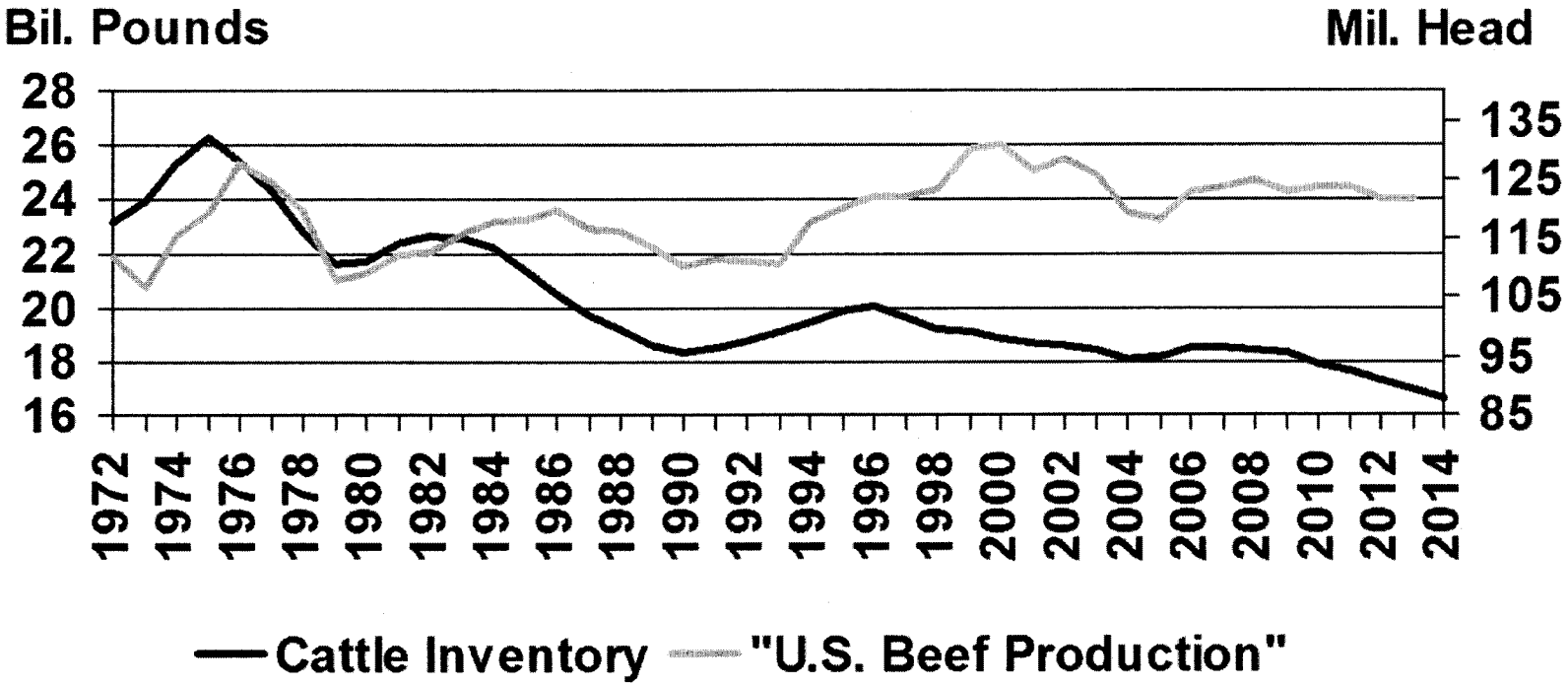
Mountains & Minds

CATTLE

MONTANA STATE UNIVERSITY | EXTENSION

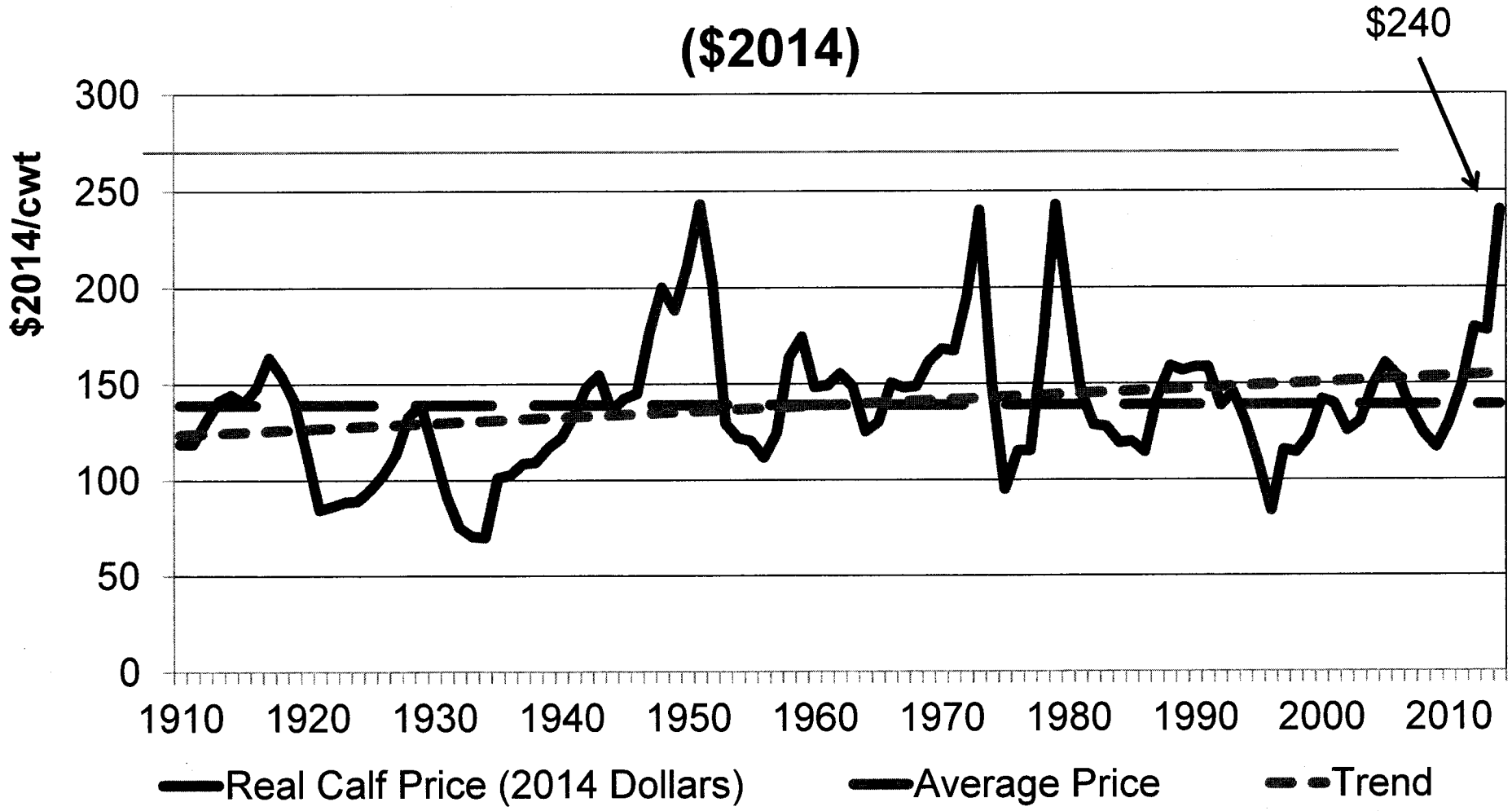
Mountains & Minds

US Beef Production and Cattle Inventory (January 1, 2014)



Beef Calf Price

($2014)



Current price = $220.

Futures Prices
(no basis adjustments – 3/18/2015)

Location	05/15	08/15	010/15	11/15
Chicago Mercantile Exchange				
Feeder Cattle, $/cwt	209	210	208	207
Live Cattle, $/cwt	145	143	147	148

CROPS (*GRAIN, HAY & PULSES*)

MONTANA STATE UNIVERSITY | EXTENSION

Mountains & Minds

Global Wheat Production Shares

	2013/14		2014/15	
	mmt	%	mmt	%
Canada	38	5	28	4
China	122	17	126	18
EU-27	143	20	151	21
India	94	13	96	13
FSU-12	104	15	112	16
U.S.	58	8	55	8
Other	157	18	152	18
Total	**715**	**100**	**720**	**100**

Source, WASDE-534, 2014

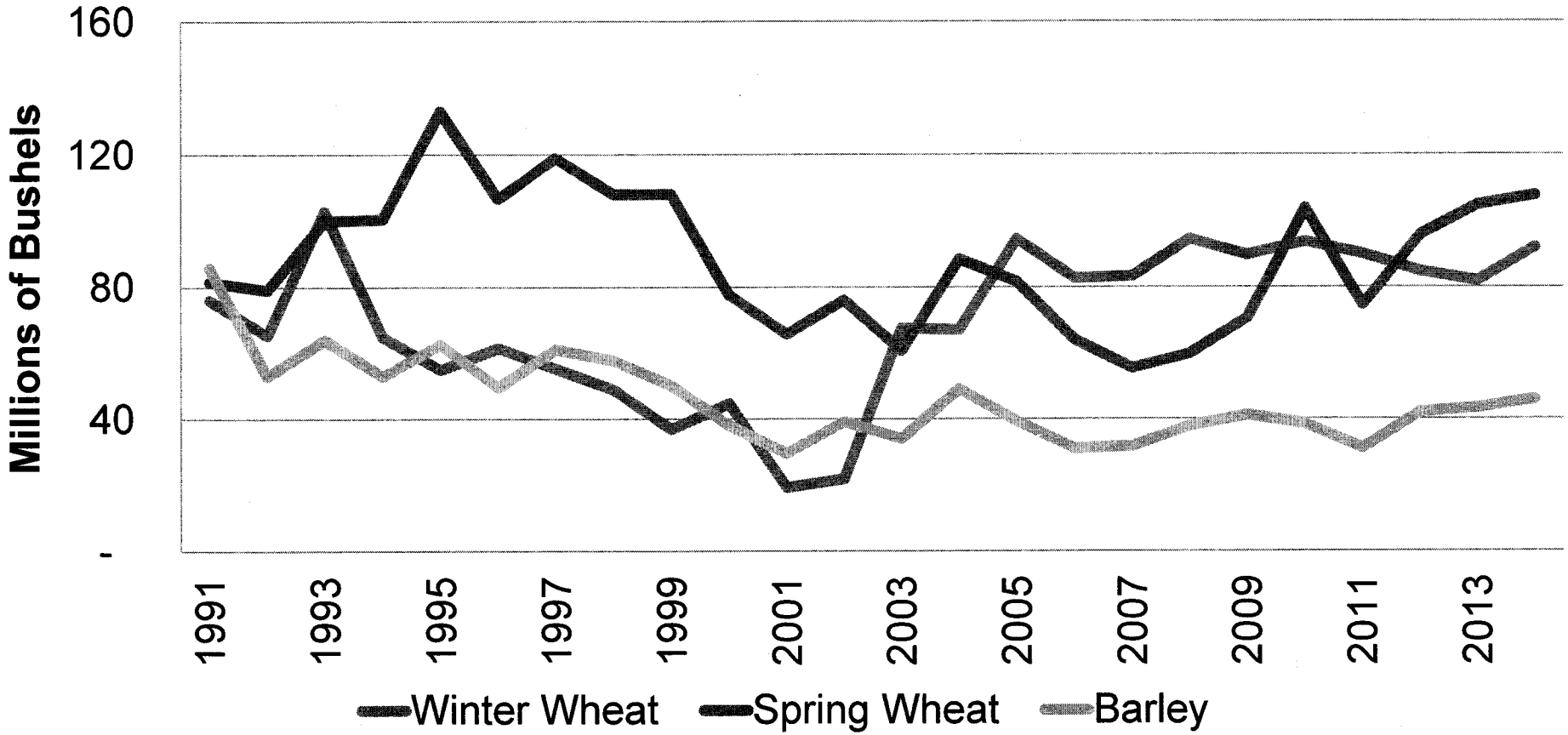
Drought Status – September 2014

Photo courtesy Marko Manoukian, Phillips County Extension

MONTANA STATE UNIVERSITY | EXTENSION

Mountains & Minds

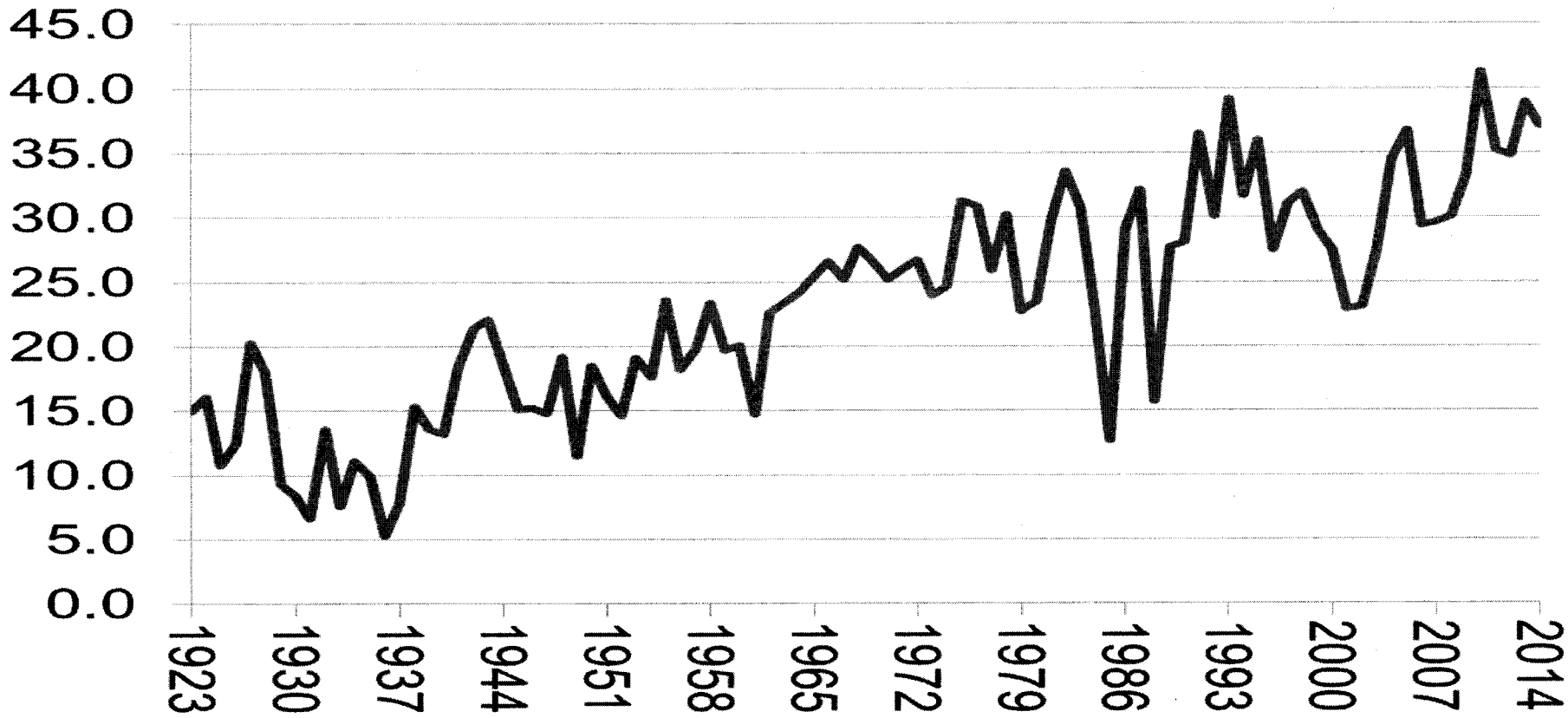
Montana Grain Production



MONTANA STATE UNIVERSITY | EXTENSION

Mountains & Minds

Montana Wheat Yields/Acre
1923 - 2014

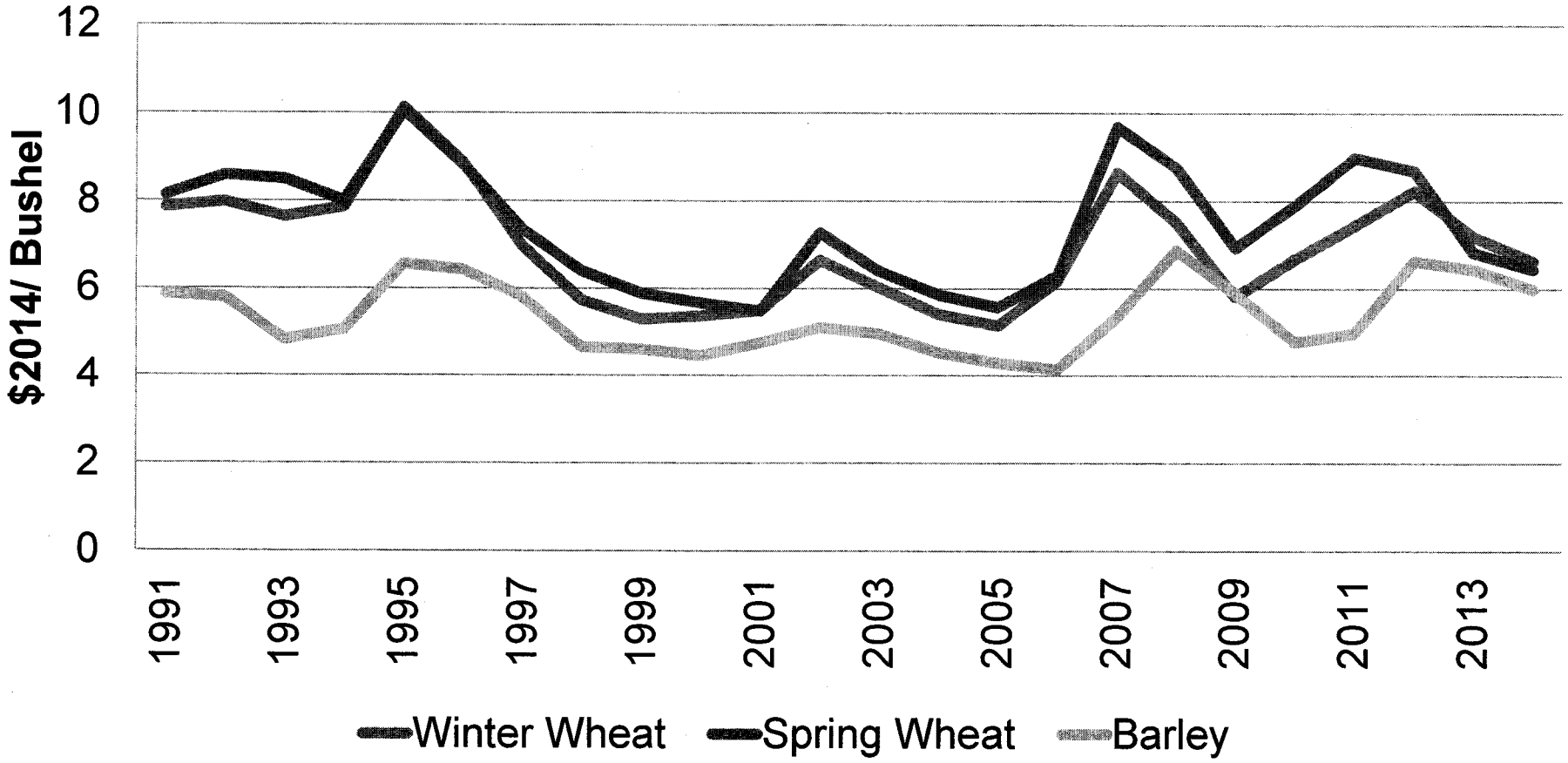


MONTANA STATE UNIVERSITY | EXTENSION

Mountains & Minds

Montana Grain Prices

(2014$)



MONTANA STATE UNIVERSITY | EXTENSION

Mountains & Minds

Futures Prices

($/bu, no basis adjustment – 3/18/2015)

Location	05/15	07/15	09/15	12/15
Minneapolis Grain Exchange				
Hard Red Spring Wheat	5.80	5.84	5.94	6.04
Kansas City Board of Trade				
Hard Red Winter Wheat	5.55	5.60	5.71	5.87
Chicago Board of Trade				
Corn	3.77	3.85	3.92	4.02

Wheat gained $0.80/bushel in 12/14; corn up $0.30

2015

- **Cattle Market**
  - Futures prices are trending lower, but well above historical averages
- **Wheat/Barley**
  - Futures prices are trending lower, but nearing historical averages

Questions?

George Haynes, Ph.D.
haynes@montana.edu

Kate Binzen Fuller, Ph.D.
kate.fuller@montana.edu