



United States Department of Agriculture, Economic Research Service

Factors Influencing the 2012 Drought Impacts: Commodity Prices, Food Prices, and Indemnities

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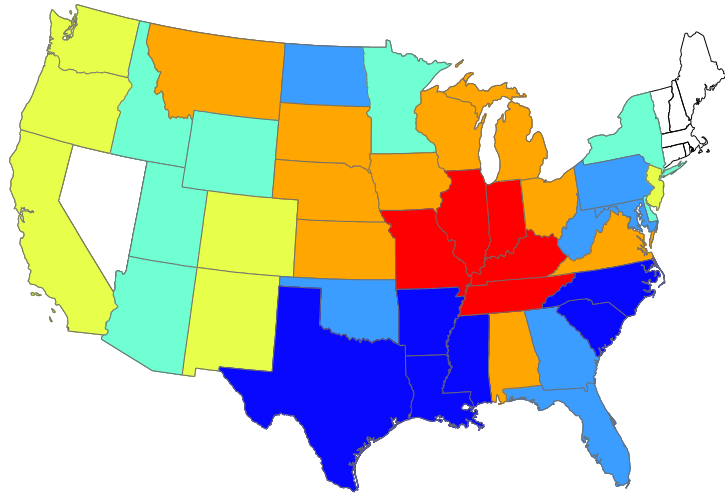
Data Resources

- ERS 2012 Drought Webpage: <http://www.ers.usda.gov/topics/in-the-news/us-drought-2012-farm-and-food-impacts.aspx>
- ERS Farm Income: www.ers.usda.gov/topics/farm-economy/farm-sector-income-finances.aspx
- ERS Food Prices: www.ers.usda.gov/data-products/food-price-outlook.aspx
- USDA RMA Cause-of-loss data: <http://www.rma.usda.gov/data/cause.html>
- ERS Report on Conservation Programs and Drought Risk Adaptation: www.ers.usda.gov/publications/err-economic-research-report/err148.aspx

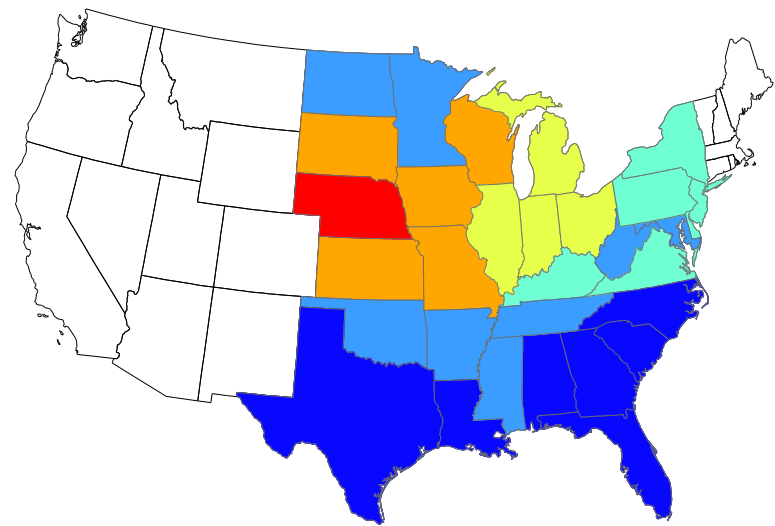


Higher Prices Offset Much of the 2012 Drought Yield Impacts

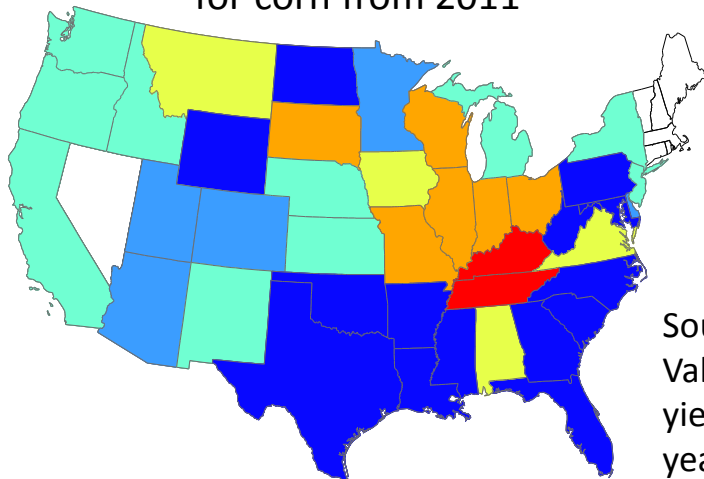
Change in corn yield from 2011



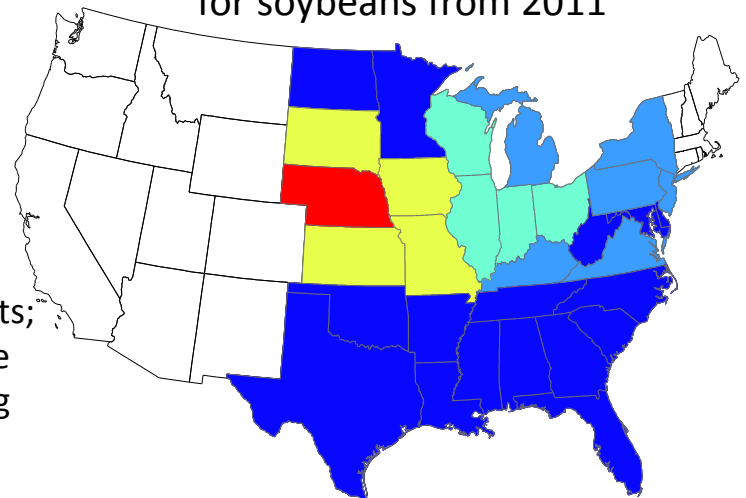
Change in soybean yield from 2011



Change in value of production
for corn from 2011

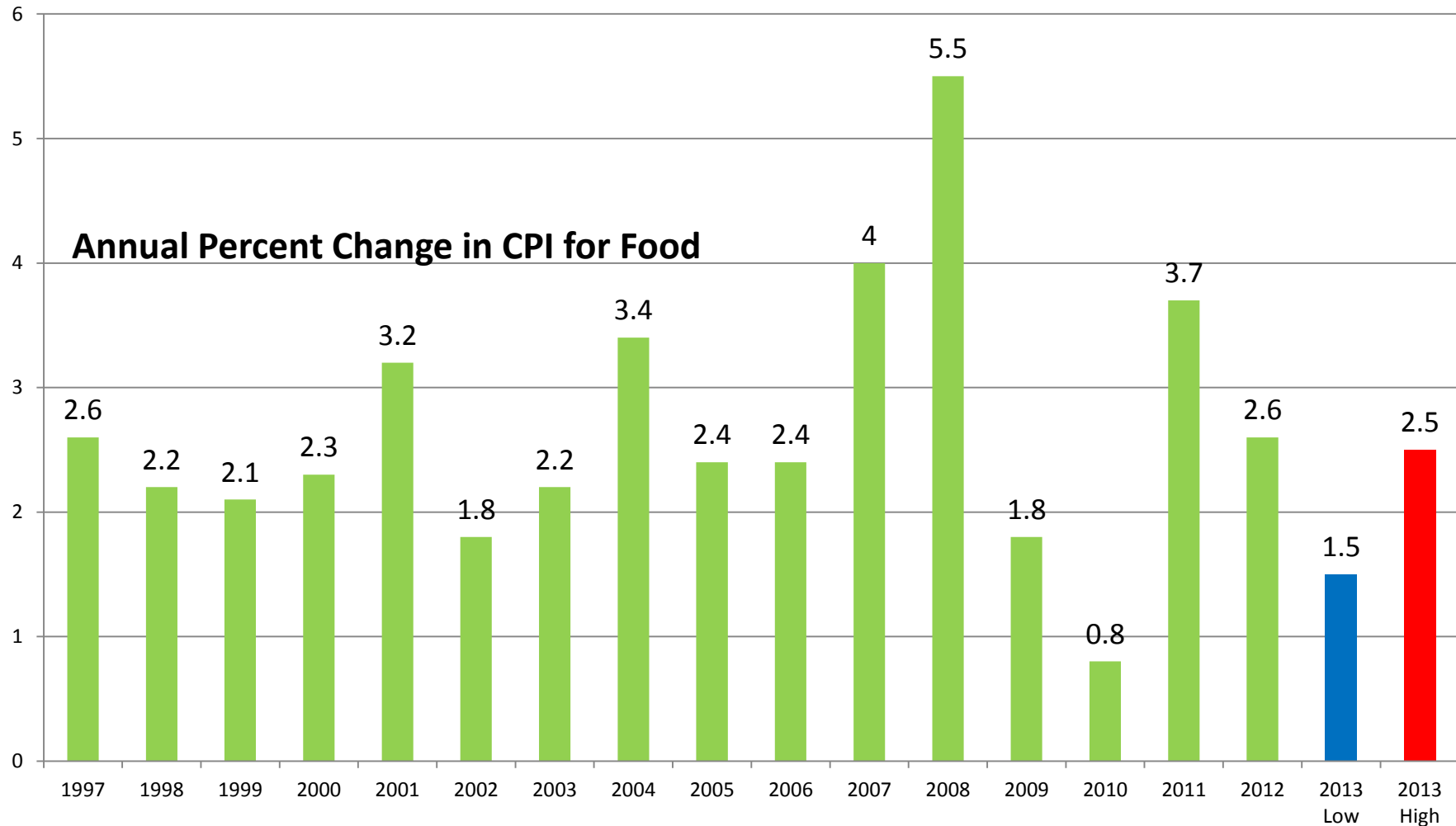


Change in value of production
for soybeans from 2011



Source: USDA NASS Quickstats;
Value of production = average
yield times average marketing
year price

2012-2013 Food Inflation Unlikely to Approach 2007-2008 Levels



Source: BLS CPI Data, 1997-2012



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Drought-related Indemnities and Disaster Payments

