

News Release For Immediate Release

Written by Paul Carr – Regional Extension Educator

April 21, 2003

County Corn Loan Rates Change For 2003 Crop

Last year county loan rates were changed for the 2002 crop to fit under the new national loan rates and to better reflect local price differences. When the county rates were announced many people noticed large disparities in rates between neighboring counties, especially those across state lines. Many had noticed that the loan rate for corn in Minnesota counties along the Iowa border was 6-8 cents lower than the rate in the counties on the Iowa side. In addition Minnesota counties along the Iowa border from Rock to Freeborn County were only pennies away from the lowest corn loan rates in the country.

USDA recently released revised county loan rates for 2003. The national loan rates stay the same at \$1.98/bushel for corn and \$5.00/bushel for soybeans. However, county loan rates for corn have changed for everyone in southern Minnesota and northern IA. 2003 corn loan rates in Minnesota are three cents higher than they are for the 2002 crop. Corn loan rates for 2003 have been lowered by one cent in Iowa counties with the exception of Kossuth Co. Iowa, where it has been lowered by two cents. This has dramatically narrowed the disparity in rates between state border counties. Soybean loan rates in Minnesota counties for 2003 will remain the same as the 2002 rates while loan rates in Iowa will be increased by two cents per bushel.

2003 will mark the third consecutive year that corn loan rates in Minnesota counties have changed. For example, the loan rate for corn in Faribault County has gone from \$1.72 to \$1.78 to \$1.81 over the three years from 2001 to 2003. Since the national loan rate for corn is set to go from \$1.98 to \$1.95 starting with the 2004 crop, it would be expected that county loan rates for corn will again be changed next year.

2003 Southern Minnesota Corn Loan Rates					
(All rates are 3 cents higher than the 2002 rate.)					
<u>County</u>	<u>Rate</u>	<u>County</u>	<u>Rate</u>	<u>County</u>	<u>Rate</u>
Blue Earth	\$1.84	Lincoln	\$1.85	Redwood	\$1.85
Brown	\$1.84	Lyon	\$1.84	Renville	\$1.86
Faribault	\$1.81	Martin	\$1.80	Rice	\$1.85
Fillmore	\$1.86	Mower	\$1.84	Rock	\$1.81
Freeborn	\$1.82	Murray	\$1.85	Sibley	\$1.85
Goodhue	\$1.86	Nicollet	\$1.83	Steele	\$1.87
Houston	\$1.88	Nobles	\$1.81	Wabasha	\$1.86
Jackson	\$1.79	Olmsted	\$1.85	Waseca	\$1.85
LeSueur	\$1.85	Pipestone	\$1.87	Winona	\$1.91
Dodge	\$1.83				

Loan rates are located at: <http://www.fsa.usda.gov/dafo/psd/LoanRate.htm>