

## **Machinery Cost Report Updated for 2008**

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The Minnesota extension report "Machinery Cost Estimates" was updated recently to reflect higher fuel prices and machinery purchase prices. The updated publication and the accompanying spreadsheet are available for downloading at: <http://www.apec.umn.edu/faculty/wlazarus/interests-farmmachinery.html>.

A diesel fuel price of \$3.15/gallon was used in the report, up from \$2.70/gallon when the last update was done in September of 2007 (this report will be updated again in June due to the volatile fuel price situation). It is less clear how much the purchase prices of equipment have changed in recent months. A 5% price increase in machinery prices from last September was assumed and was based on trends in the index of wholesale machinery prices which are tracked by the U.S. Bureau of Labor Statistics. Holding the other parameters constant, those two changes translate into an average 6% higher cost/ac for the cropping operations included in the report.