Agenda

- Highlights from the analysis
- Why they are important for producers and lenders alike
- Other news and factoids
- How you can access this and future editions
- Q&A
Highlight 1: Off-Cycle Ag Economic Update

- **Lots of newly updated data on the agricultural economy published since USDA’s last forecast back in February**

- **Authoritative Analytics forecast suggest 2017 may have been stronger than initially expected**

- **Outlook for 2018 is relatively flat income**

Highlight 2: Chinese Ag Trade

- **China imports a lot of agricultural goods**
- **Newly enacted/proposed tariffs only affect a portion of all agricultural goods exported from the U.S. to China**
  - But some of them really matter like soybeans, pork, wheat, and a handful of nut products
- **Population and income growth still make China a tremendous growth opportunity for U.S. producers**

Source: United Nations Trade data accessed from USDA, Foreign Agricultural Service, GATS.
Highlight 3: Dairy Doldrums Reversing

- **Strong exports in February and March pulling up dairy prices**
- **USDA recently revised milk prices by $0.60 per cwt**
- **Current futures prices imply average profitability by late 2018 and into 2019**

Source: University of Wisconsin Understanding Dairy Markets, Authors Calculations.
Highlight 4: Weather

- **Drought persists in Southern Plains and Southwest**
- **California water low but not dire straights**
- **Some dryness in Midwest but otherwise fairly good conditions**
Highlight 5: Aw Nuts

- **U.S. almond, pistachio, and walnut acreage continue to grow**
- **Strong demand and weather-related production concerns have lifted Almond prices**
- **Walnut markets are dealing with lower export demand compared to last year**

Source: USDA, National Agricultural Statistics Service.
China soybean snub?
Tight protein margins
Farm bill bust
Economic booster shot
Details on The Feed

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