

The Feed – Spring 2020

FARMER  **MAC**

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Agenda

Highlights from
the analysis

Why they are
important for
producers and
lenders alike

Other news and
factoids

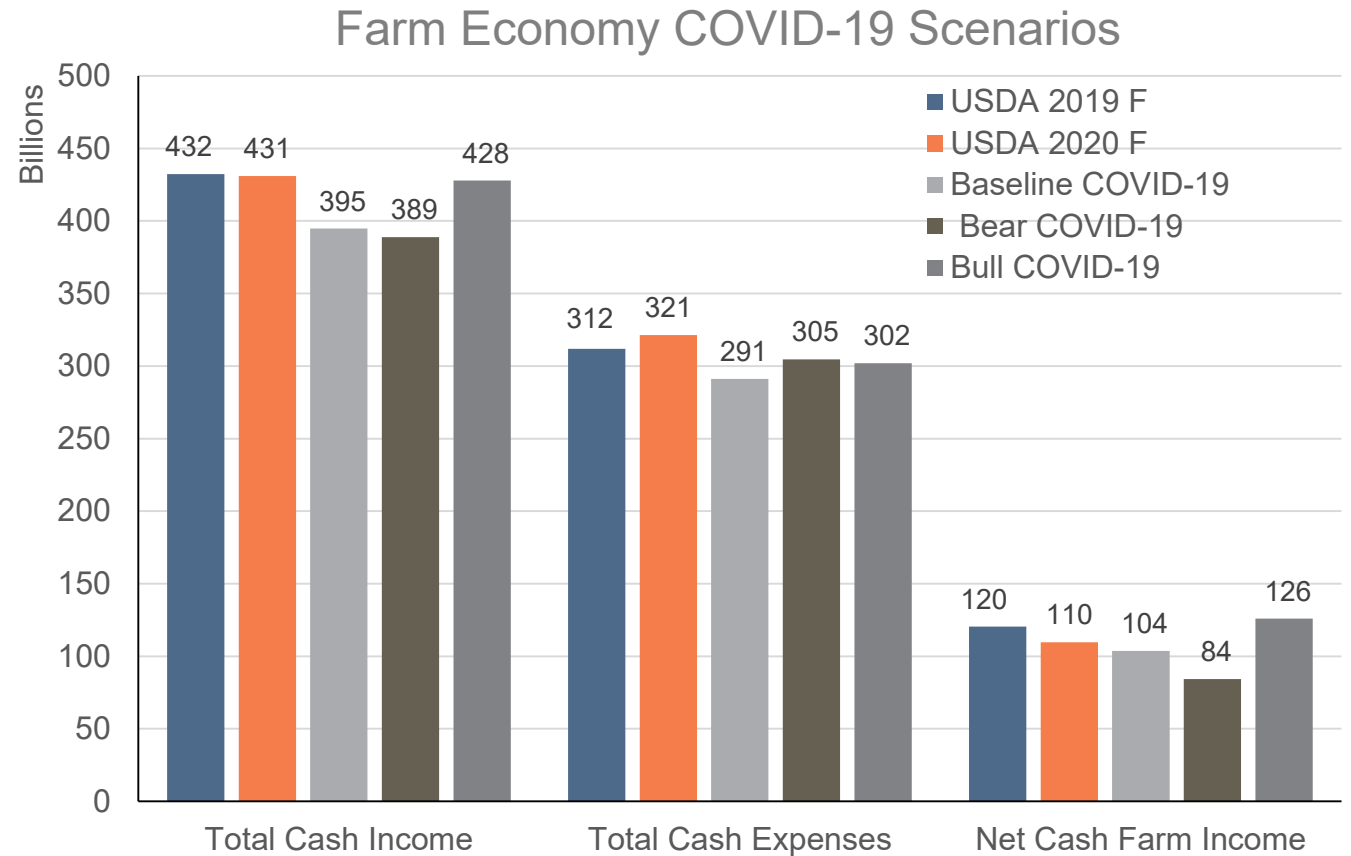
How you can
access this and
future editions

Q&A



Highlight 1: Reviewing the Farm Income Forecasts

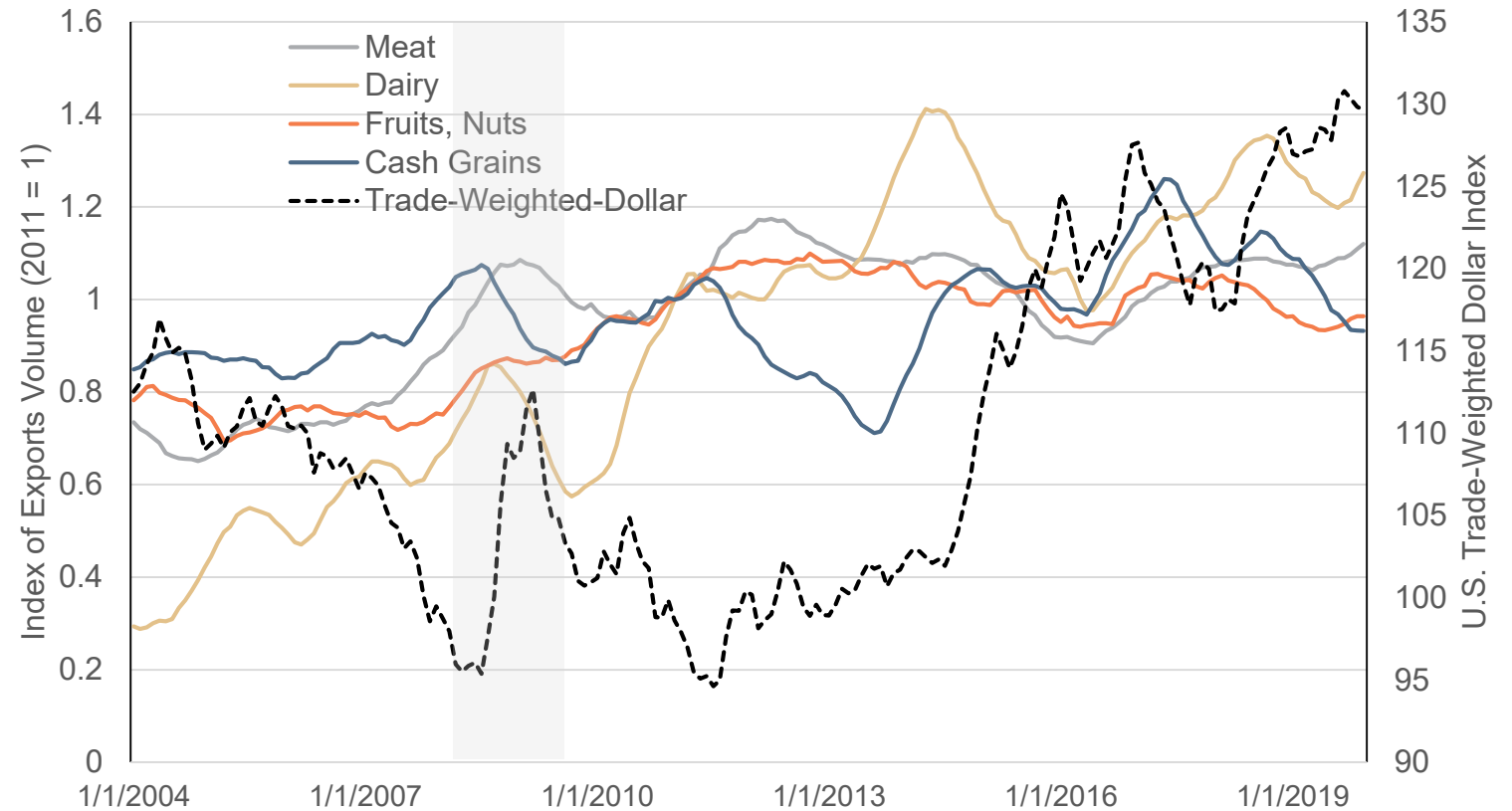
- Prices now off from January prices for almost all major commodities
 - Short vs. long term impacts
- Government support will represent the highest share of income since 2000
 - Market risk exposure
- Expenses likely to decline
 - Variation by commodity



Highlight 2: Pandemics and Demand

- Pandemic vs. Recession
- Foreign demand: strong exports for now, but future impacts from global downturn?
- Domestic demand: pandemic and recession have overlapping impacts, but low prices can incentivize consumption

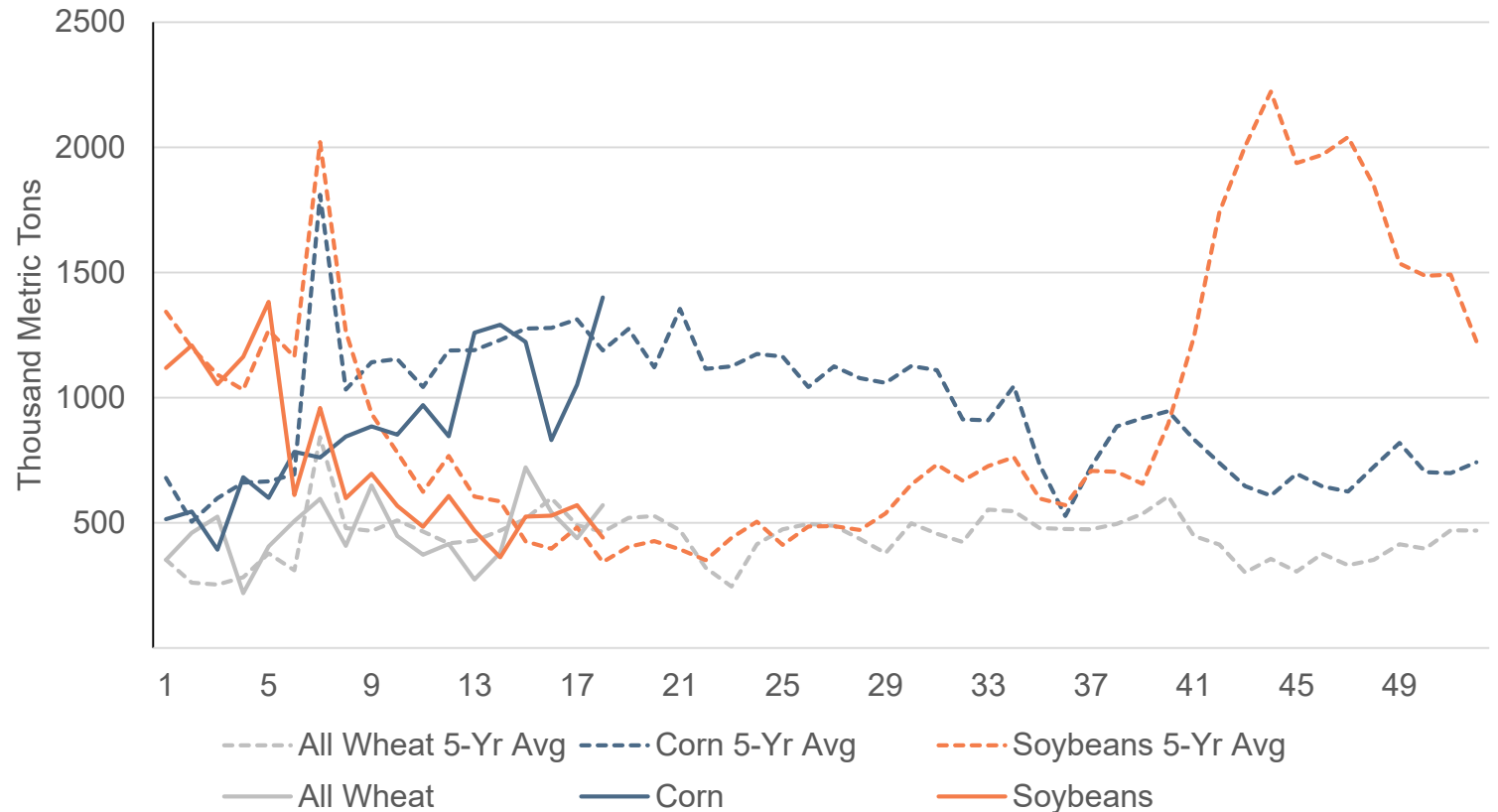
Value of Exports and the U.S. Trade Dollar Index



Highlight 3: Corn and Soybeans

- Corn and soybean supplies forecast to increase in 2020 due to yields, good crop progress reports
- How deep is the impact to ethanol?
- Can wheat hold on to early 2020 promise?

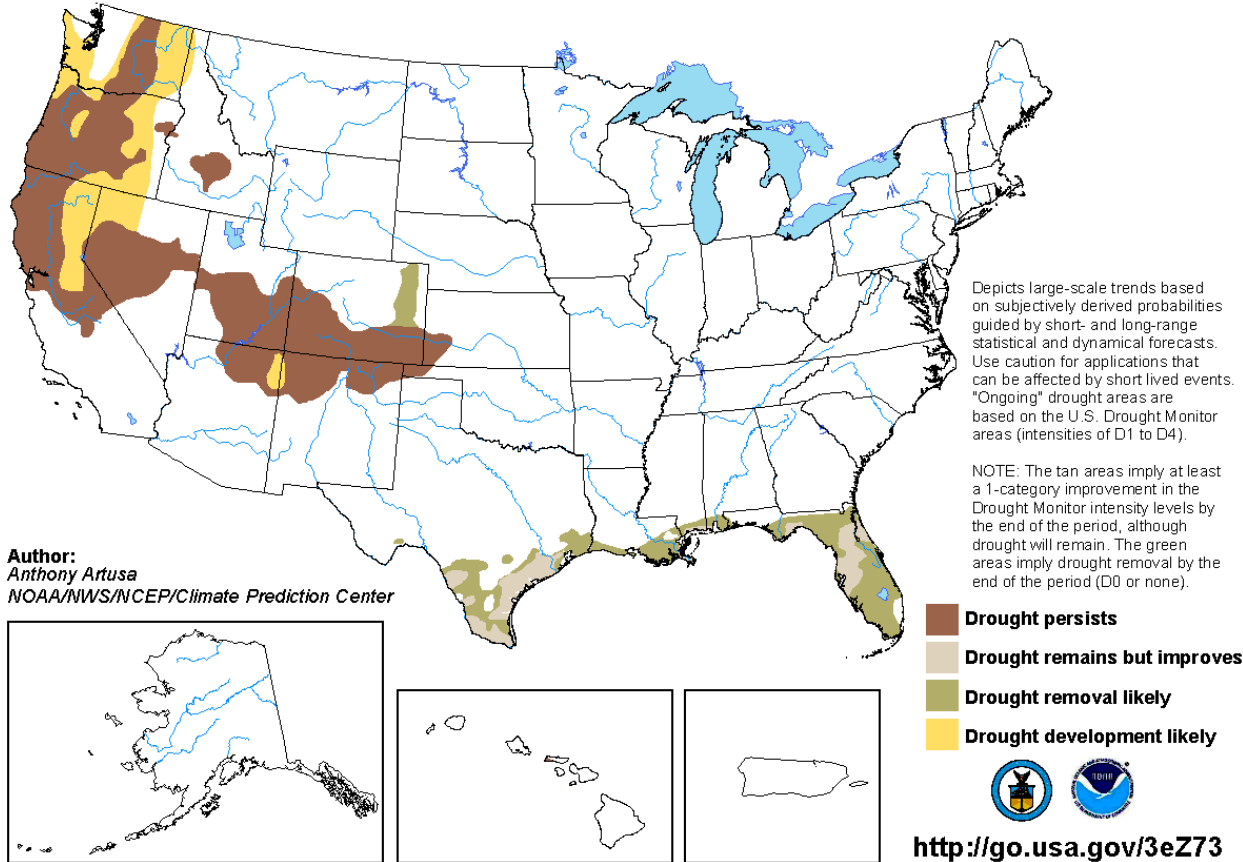
Weekly Cash Grain Exports



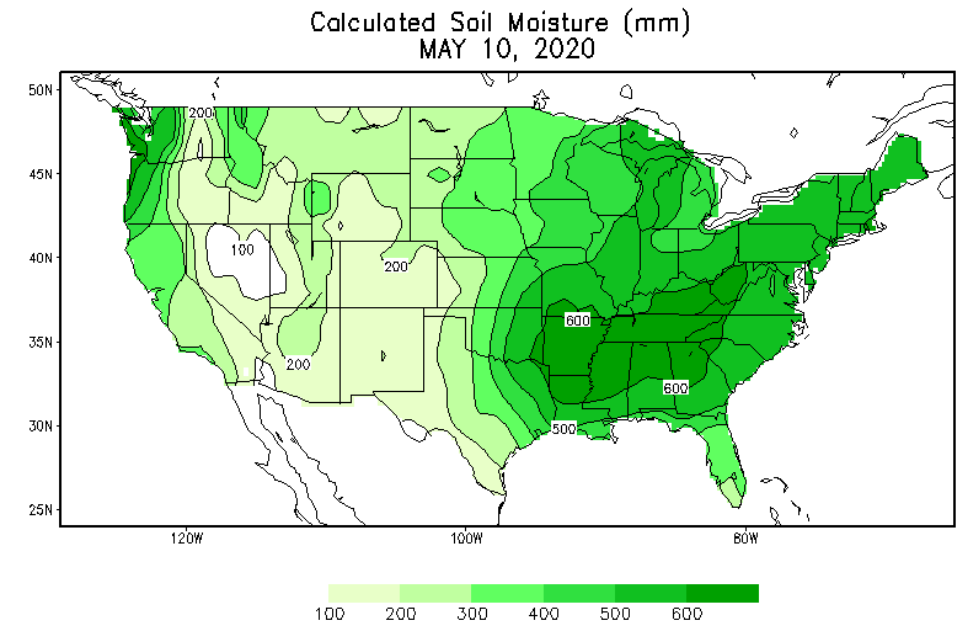
Highlight 4: Weather

U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period

Valid for April 16 - July 31, 2020
Released April 16

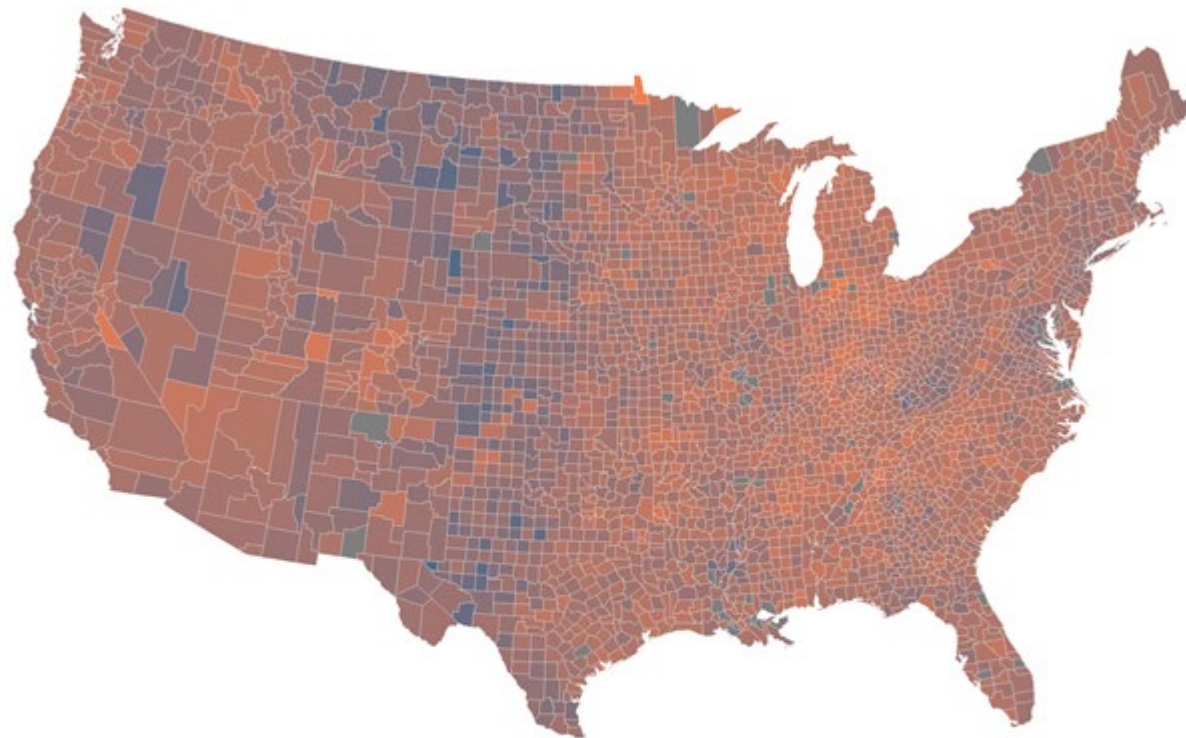


- Midwest and Southeast expected to remain wet
- Lower irrigation water allocations expected in California



Highlight 5: Rural Economy Impacts

High Risk Labor by County



Share of Labor in High Risk, Retail and Construction or Manufacturing



- Economic downturn is having disparate impacts across production regions
 - Great plains and most rural counties showing highest resilience
- Regions with high exposure to service industries and manufacturing have seen largest impacts

Other News

Production risk
negligible?

ASF Update

2019 Working
Capital

Consumer-
oriented crops

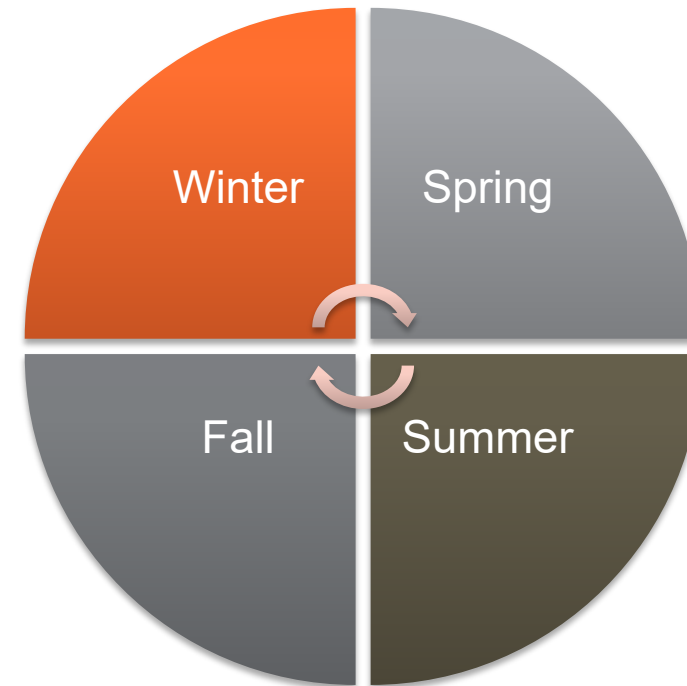
Meat Processing
Update



Details on The Feed

- **Quarterly publication**
- **Focus on sectors and stories relevant to the season**
- **Available on the Farmer Mac website to download or subscribe**
(<https://www.farmermac.com/thefeed/>)
- **Subscribers automatically receive it via email**
- **Send comments and requests to thefeed@farmermac.com**

Publication Schedule





Questions?



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Thank You!