



@NEW10_AGECON

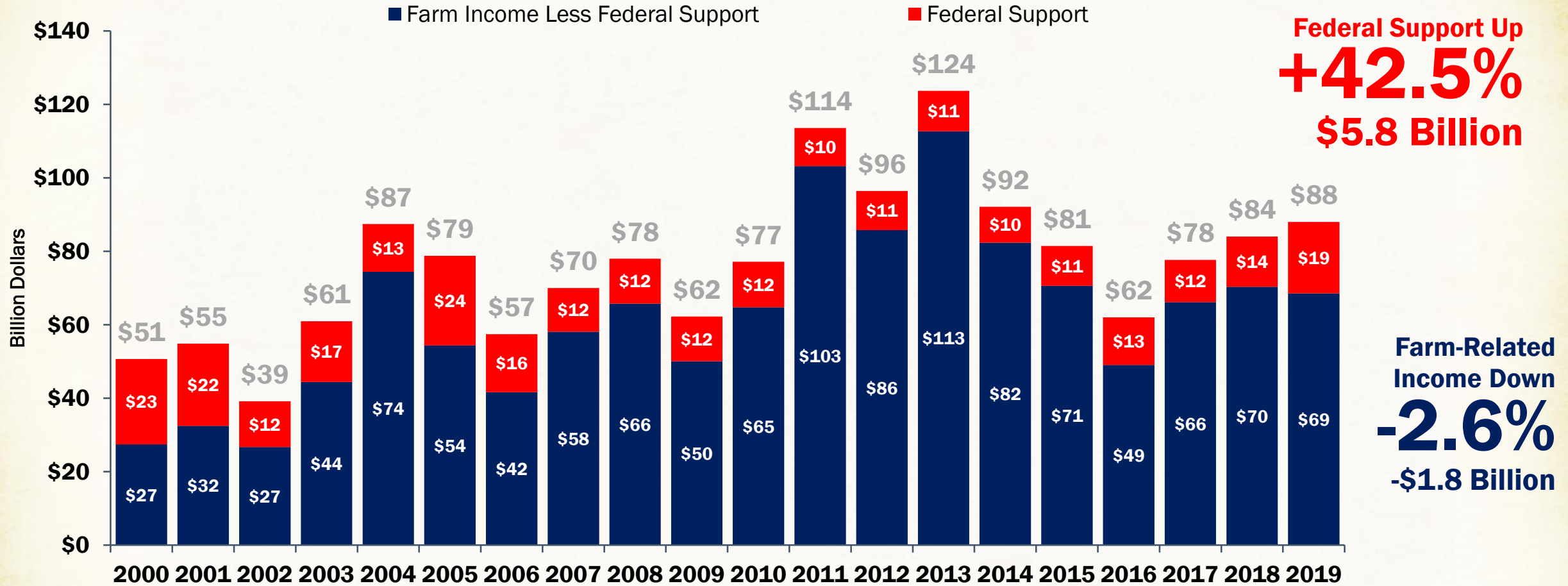
UPDATE ON THE U.S. FARM ECONOMY

DR. JOHN NEWTON, CHIEF ECONOMIST, AMERICAN FARM BUREAU FEDERATION



U.S. Farm Income and Income from Federal Support

Farm-Related Income Down 2.6%, While Federal Support Up 42.5%

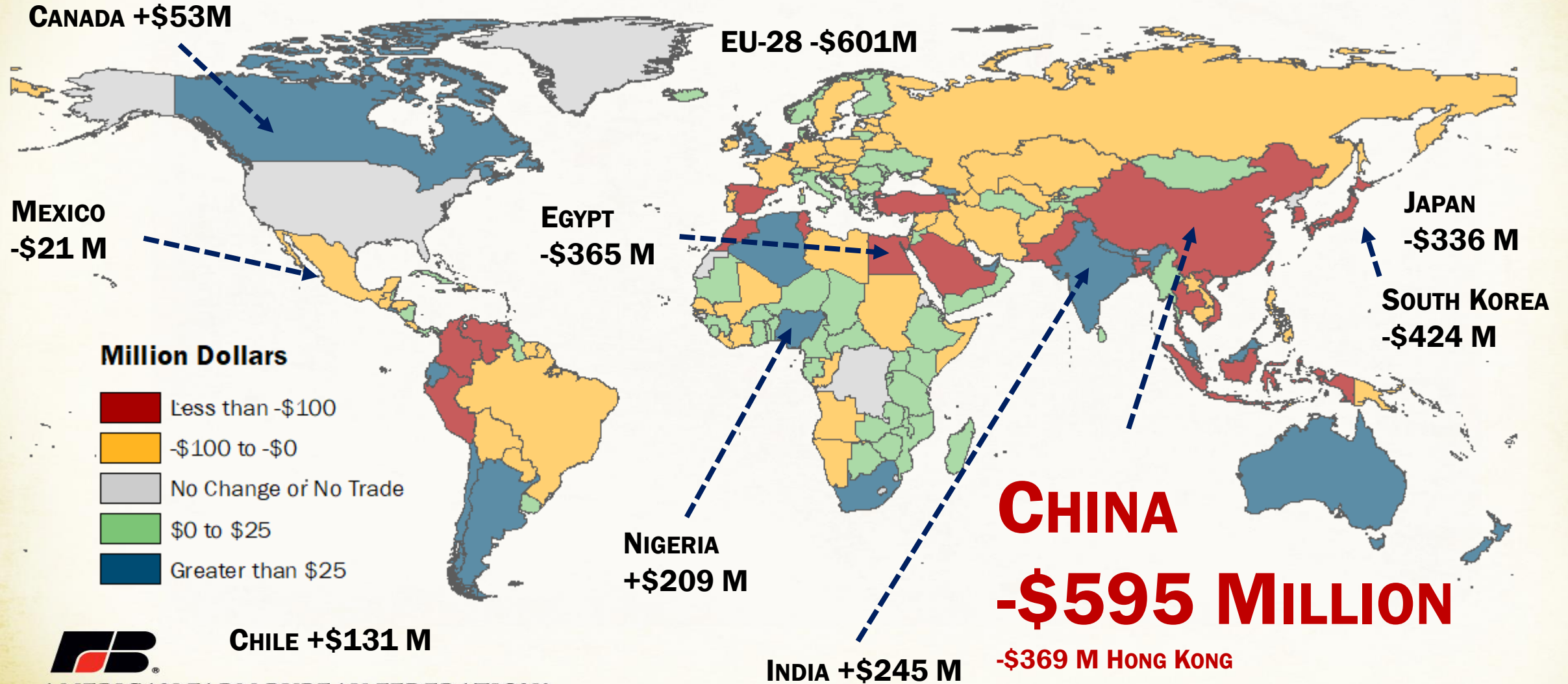


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Source: USDA ERS, Farm Bureau Calculations

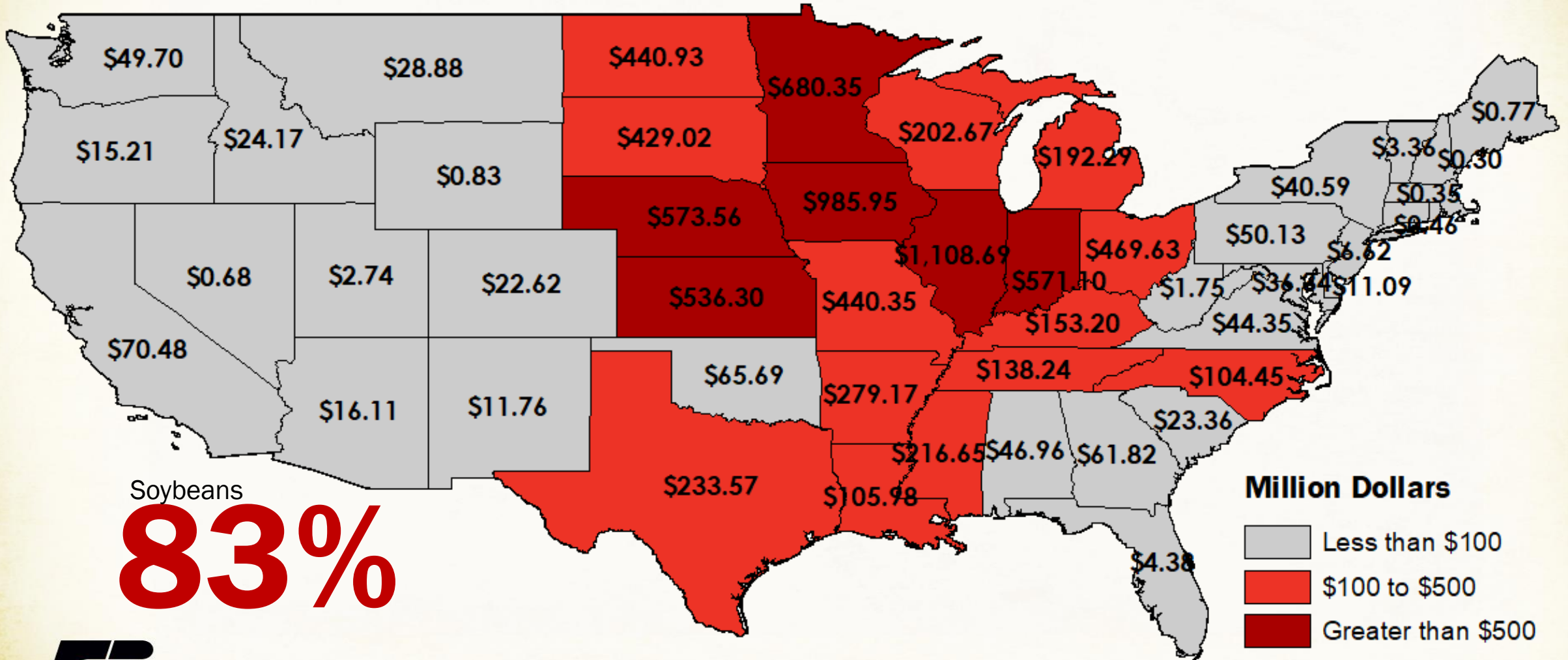
U.S. Ag Exports Slowing, Down 5% or \$4.3B YTD to \$78.5B

Year-Over-Year Change in Agriculture Exports, First Seven Months of Year, 2018 to 2019



Total Trade Aid Direct Payments \$8.5 Billion

As of May 13, 2019, Includes Corn, Cotton, Dairy, Sweet Cherries, Hogs, Shelled Almonds, Sorghum, Soybeans and Wheat

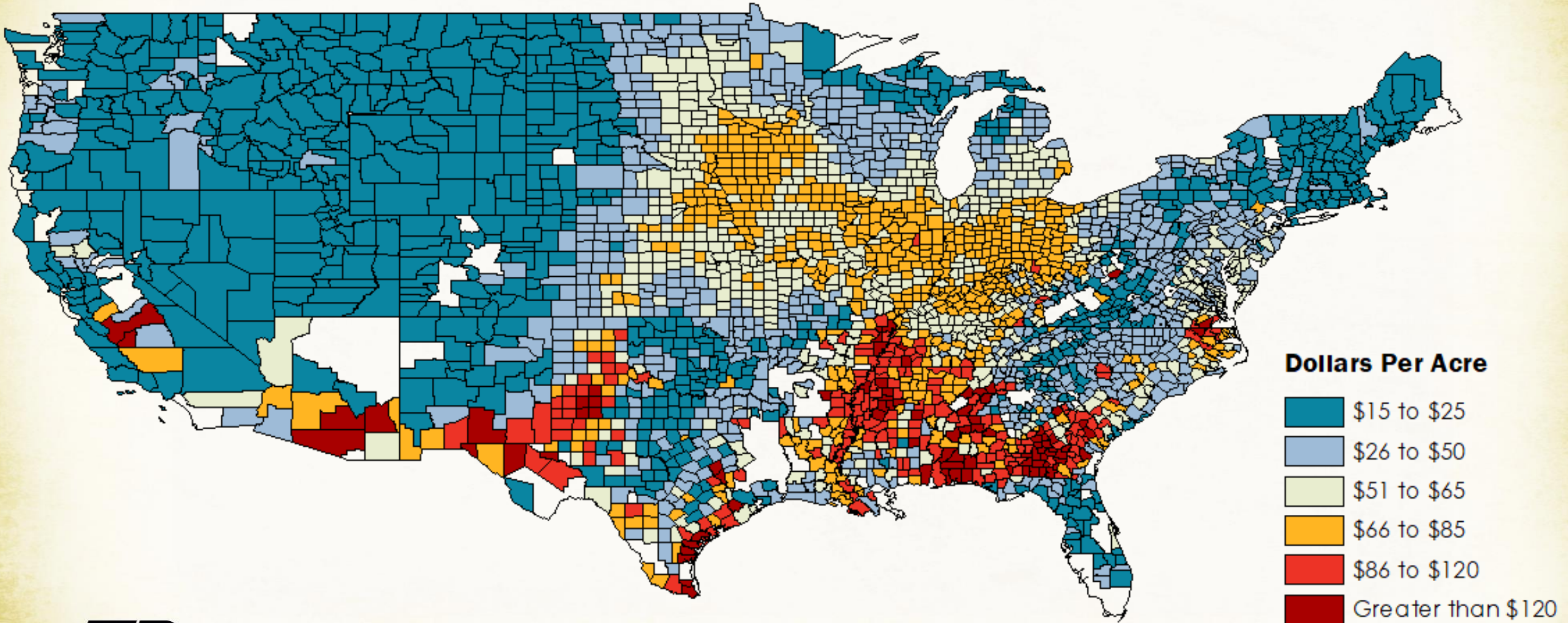


Soybeans
83%

Million Dollars

- Less than \$100
- \$100 to \$500
- Greater than \$500

County-Level #MFP2 Payment Rates Range from \$15 to \$150 per acre

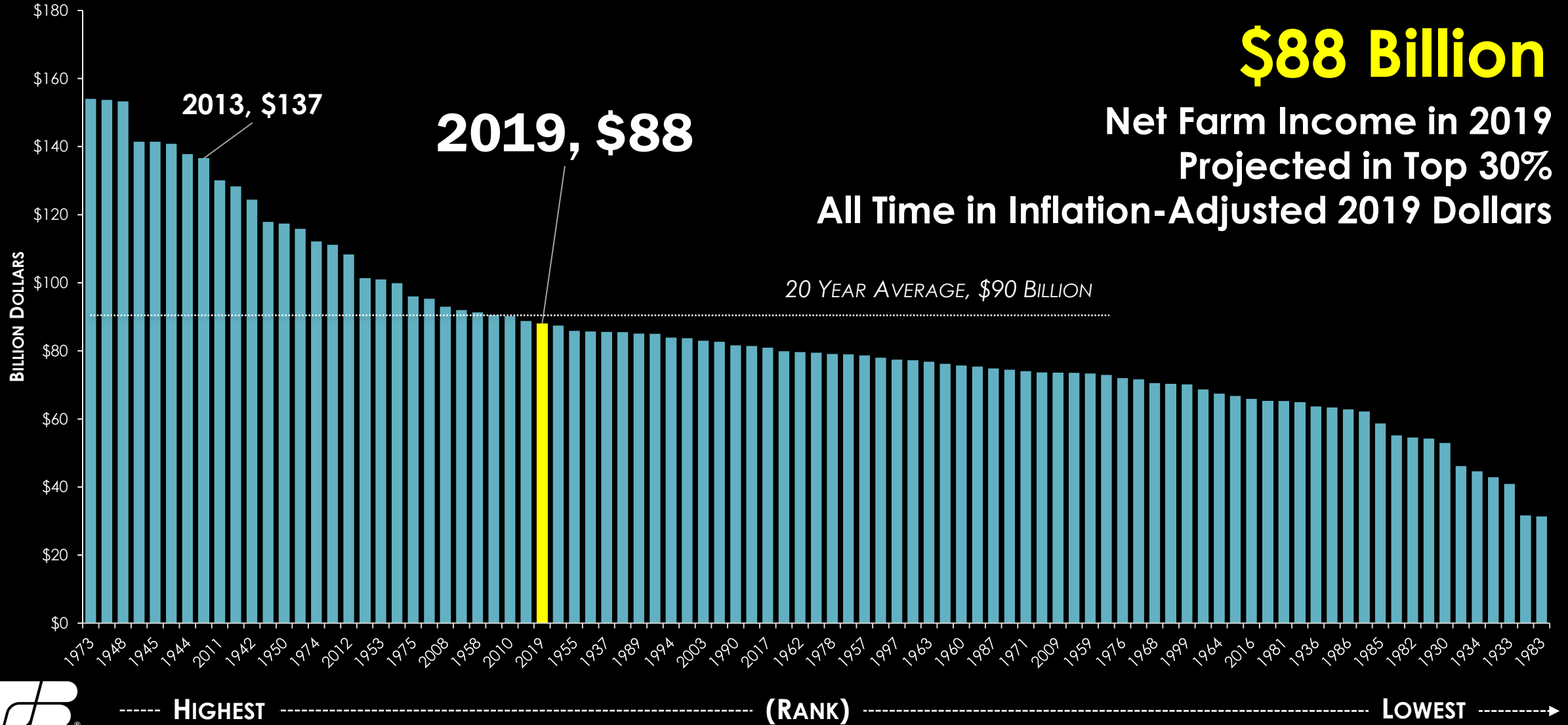


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Source: USDA and Farm Bureau Compilations

Inflation-Adjusted Net Farm Income

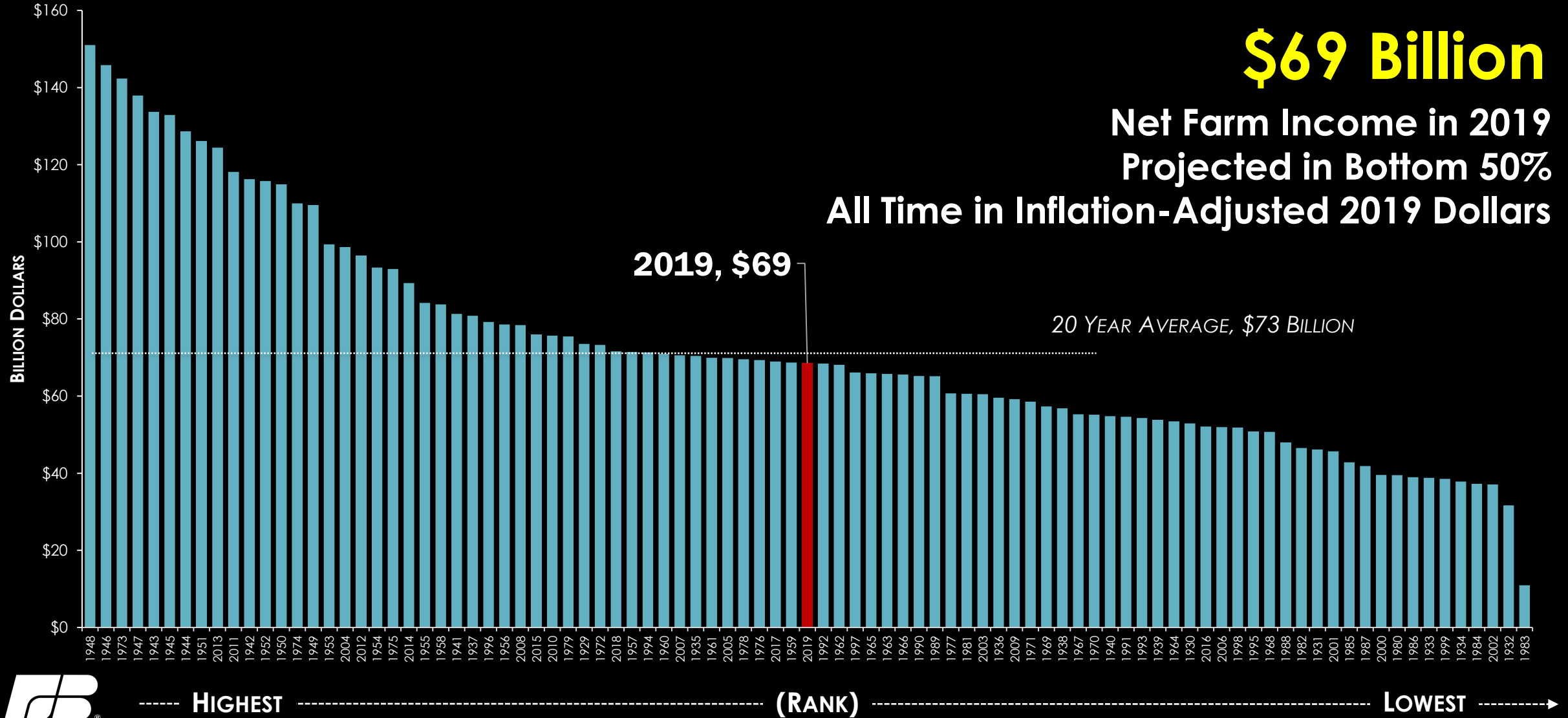
2019 Dollars, Sorted From High to Low, 1929 to 2019



Source: USDA ERS, Farm Bureau Analysis

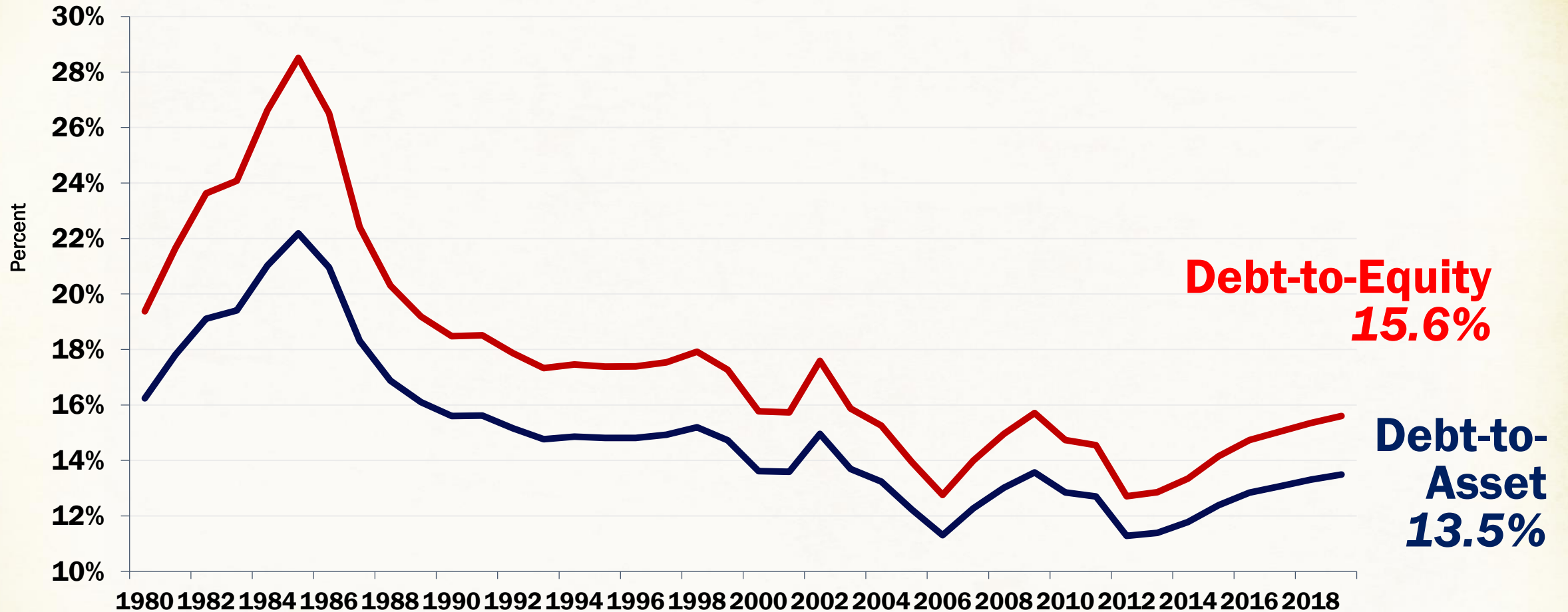
Inflation-Adjusted Net Farm Income (without Gov't Support)

2019 Dollars, Sorted From High to Low, 1929 to 2019



Farm Equity Ratios Have Fallen For 7 Consecutive Years

Debt-to-Asset and Debt-to-Equity Remain Below Historical Highs

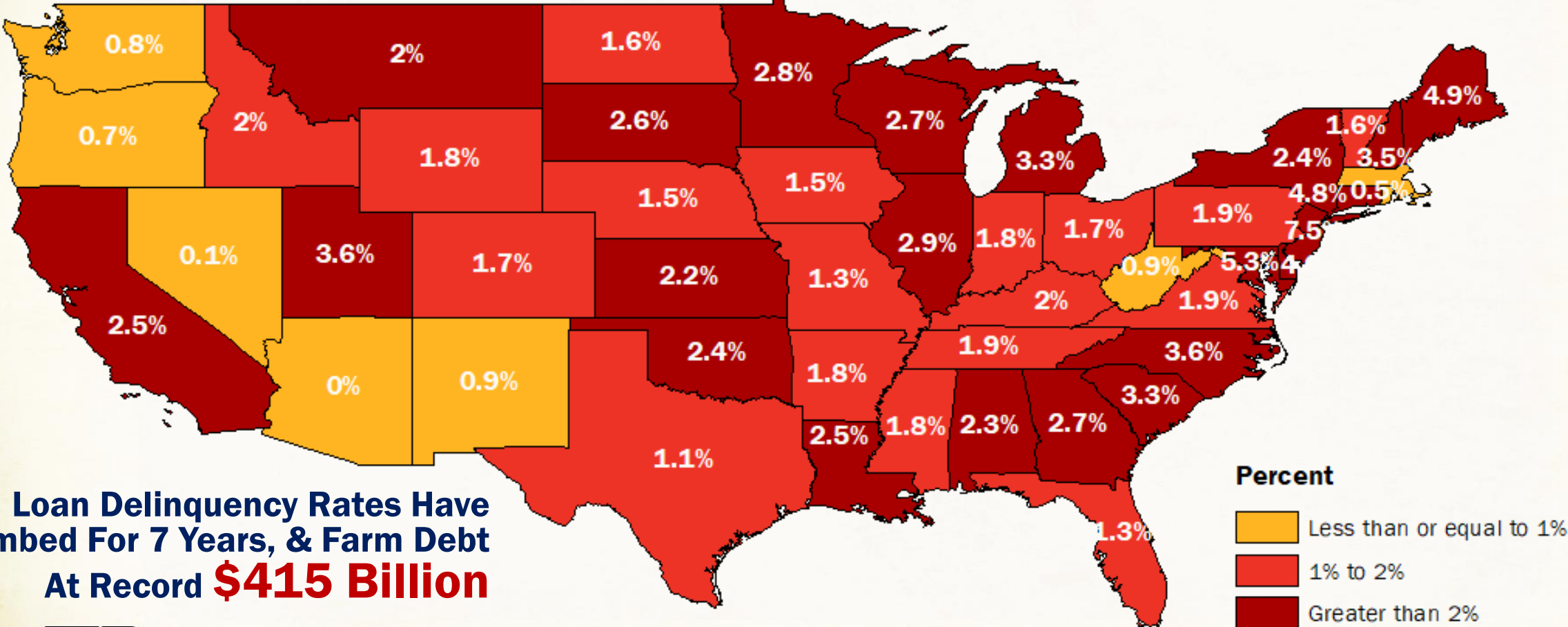


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Source: U.S. Census Bureau, Farm Bureau Calculations

\$4 Billion, 2.1%, of Commercial Farm Loans Are More Than 30 Days Past Due

Percent of Farm Loans More Than 30 Days Past Due, 2Q 2019



Percent

- Less than or equal to 1%
- 1% to 2%
- Greater than 2%

Loan Delinquency Rates Have Climbed For 7 Years, & Farm Debt At Record \$415 Billion



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Source: FDIC, Farm Bureau Calculations

Chapter 12 Farm Bankruptcies By Region, U.S. +13%

July 2018 to June 2019

Northwest, 27 Filings

+50%

Midwest, 240 Filings

+12%

Northeast, 24 Filings

+9%

Mid-Atlantic, 53 Filings

+15%

West, 25 Filings

+14%

Southwest, 45 Filings

+15%

Southeast 100 Filings

-3%



Source: U.S. Courts, Farm Bureau Calculations



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