

SPECIAL UPDATE: IMPACT OF COVID-19 ON AGRICULTURE

FARM ECONOMIC UPDATE

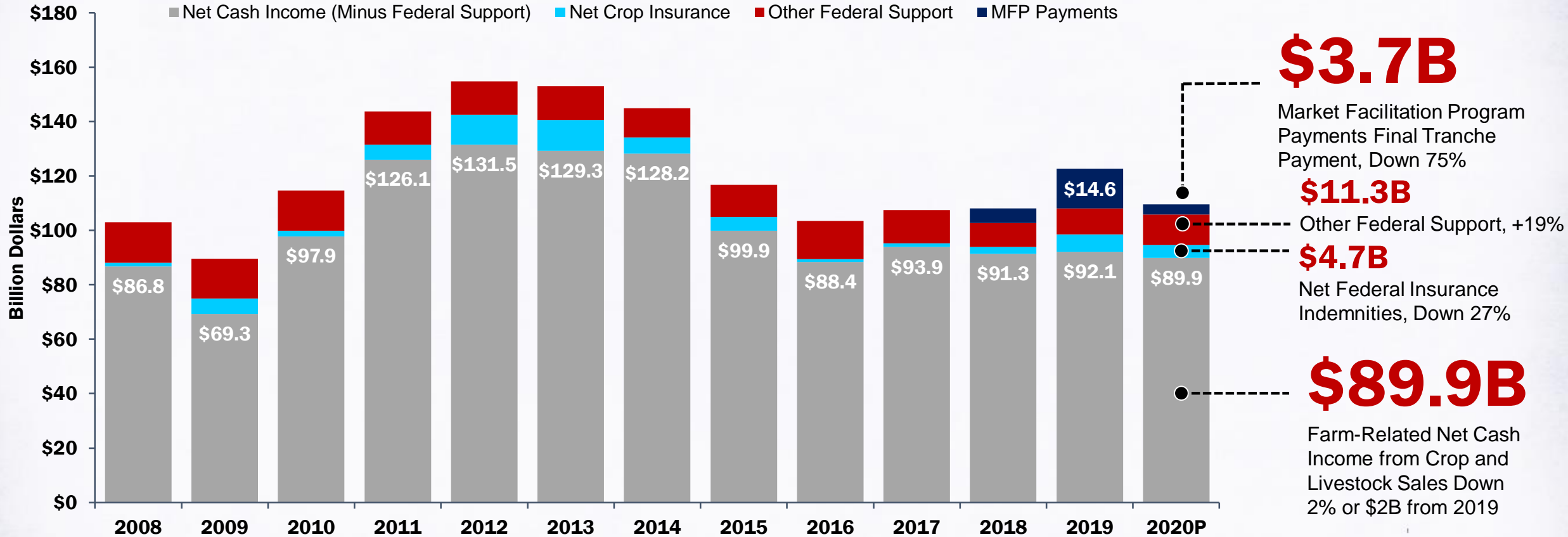
2020



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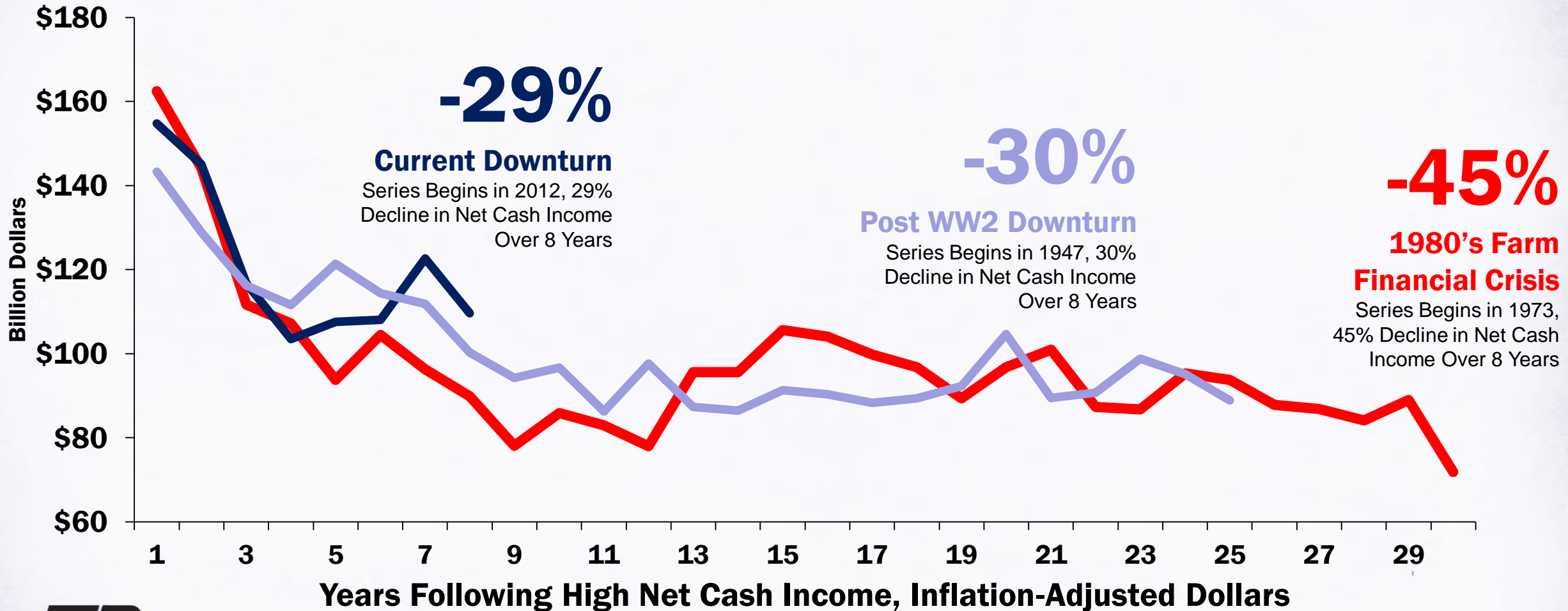
Farm Income Has Fallen Sharply From the “Golden Age” of Farm Income (2011 to 2014)

U.S. Farm Sector Net Cash Income, 2020 inflation-Adjusted Dollars



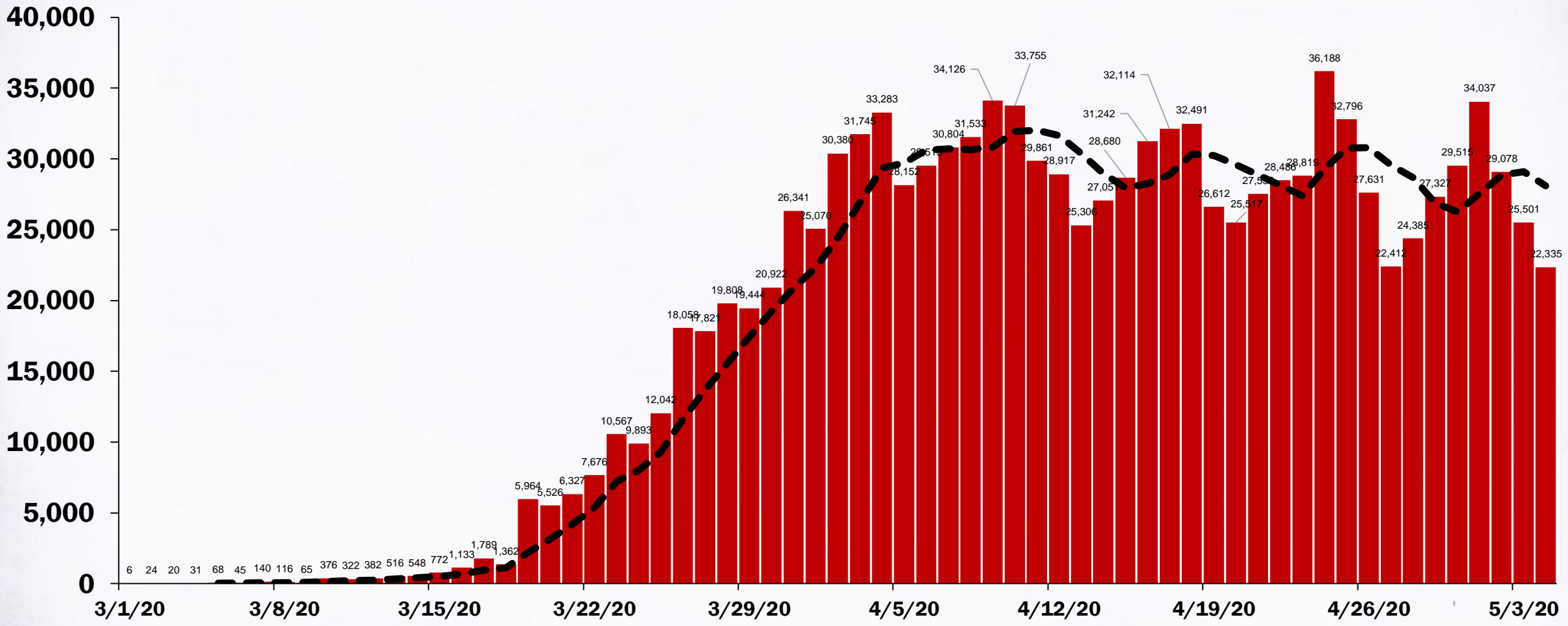
We Were Already In The 8th Year of a Down Farm Economy

Duration Of Farm Economic Troughs



Where Are We on the COVID-19 Curve?

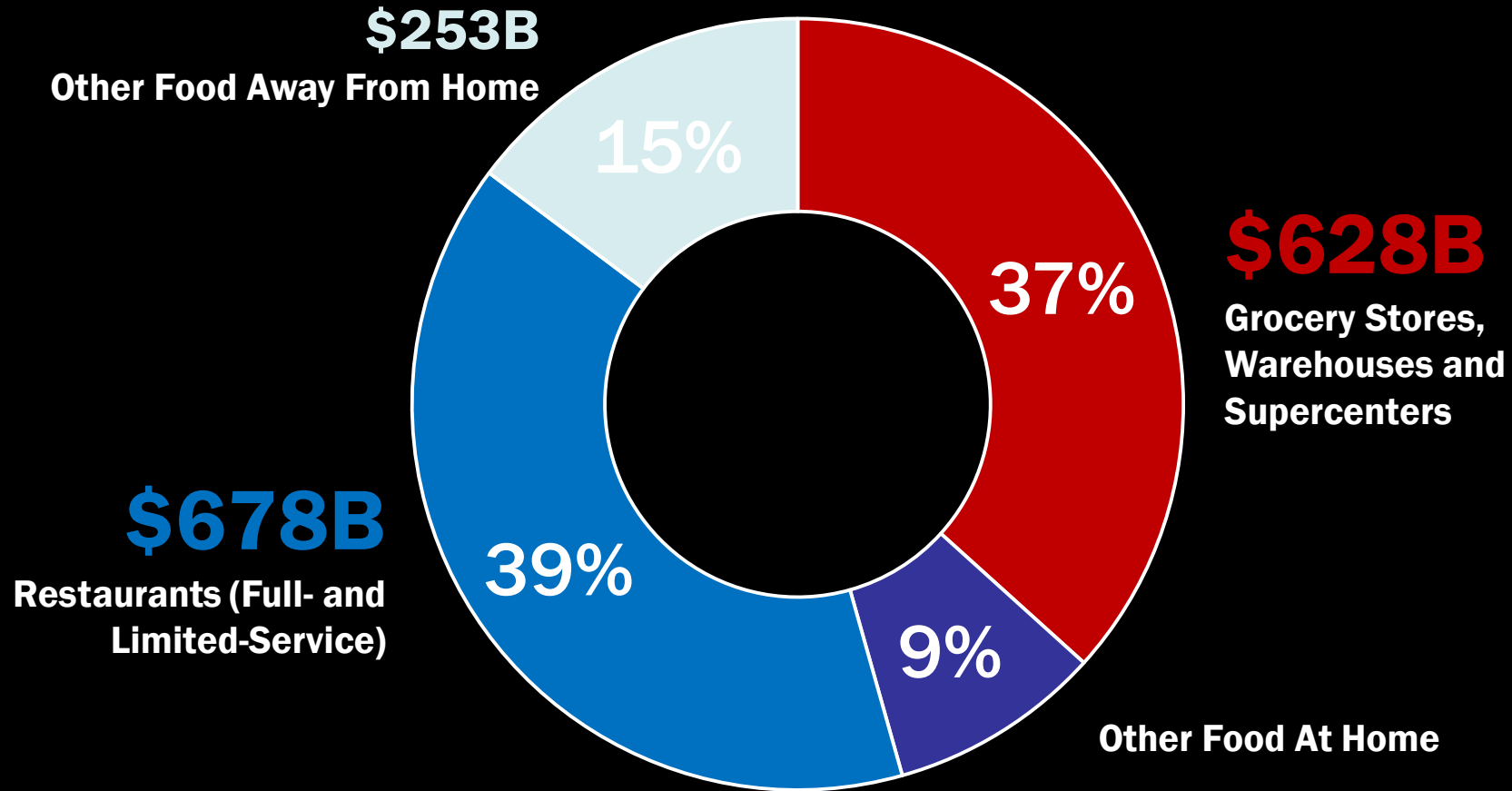
Daily Change In Infected COVID-19 Cases



Source: Johns Hopkins GitHub, Farm Bureau Compilations

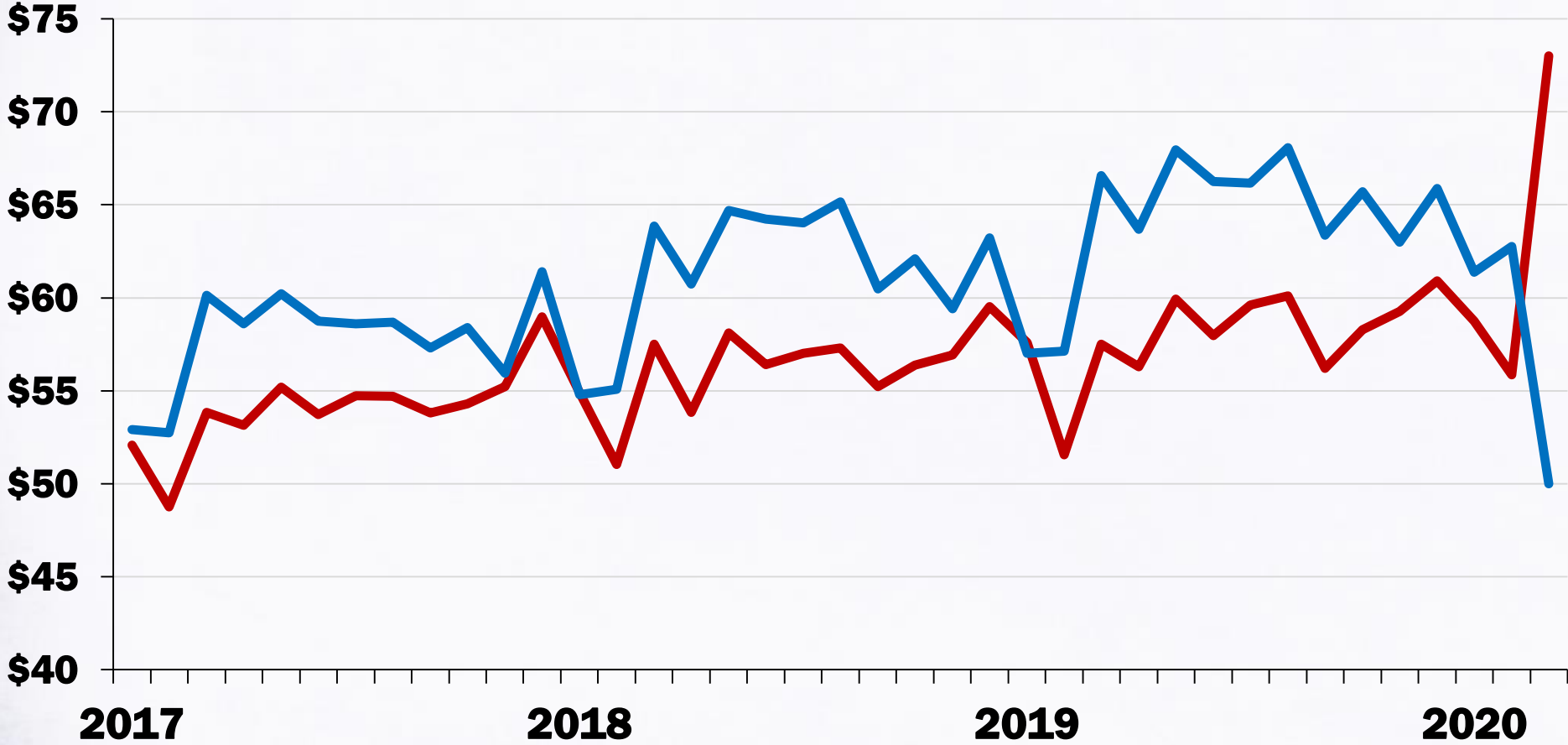
Americans Spent \$1.7 Trillion in 2018 on Food

54% of Food Expenditures in 2018 Occurred Away From Home



COVID-Related Changes in Expenditures in Grocery Stores and Food Service Disrupts Food Supply Chains

Billion Dollars



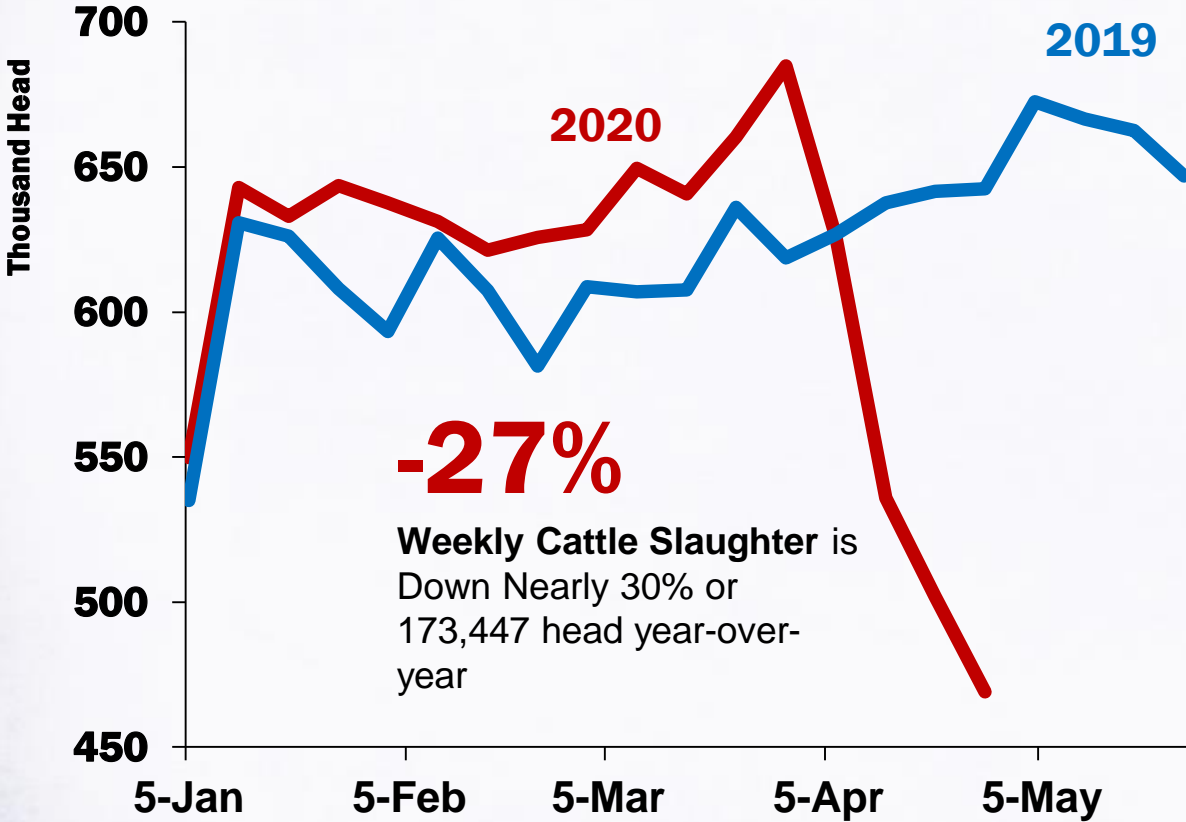
\$73B

Grocery Stores,
+27% March 2020 Compared to March 2012, Largest YoY Increase Ever

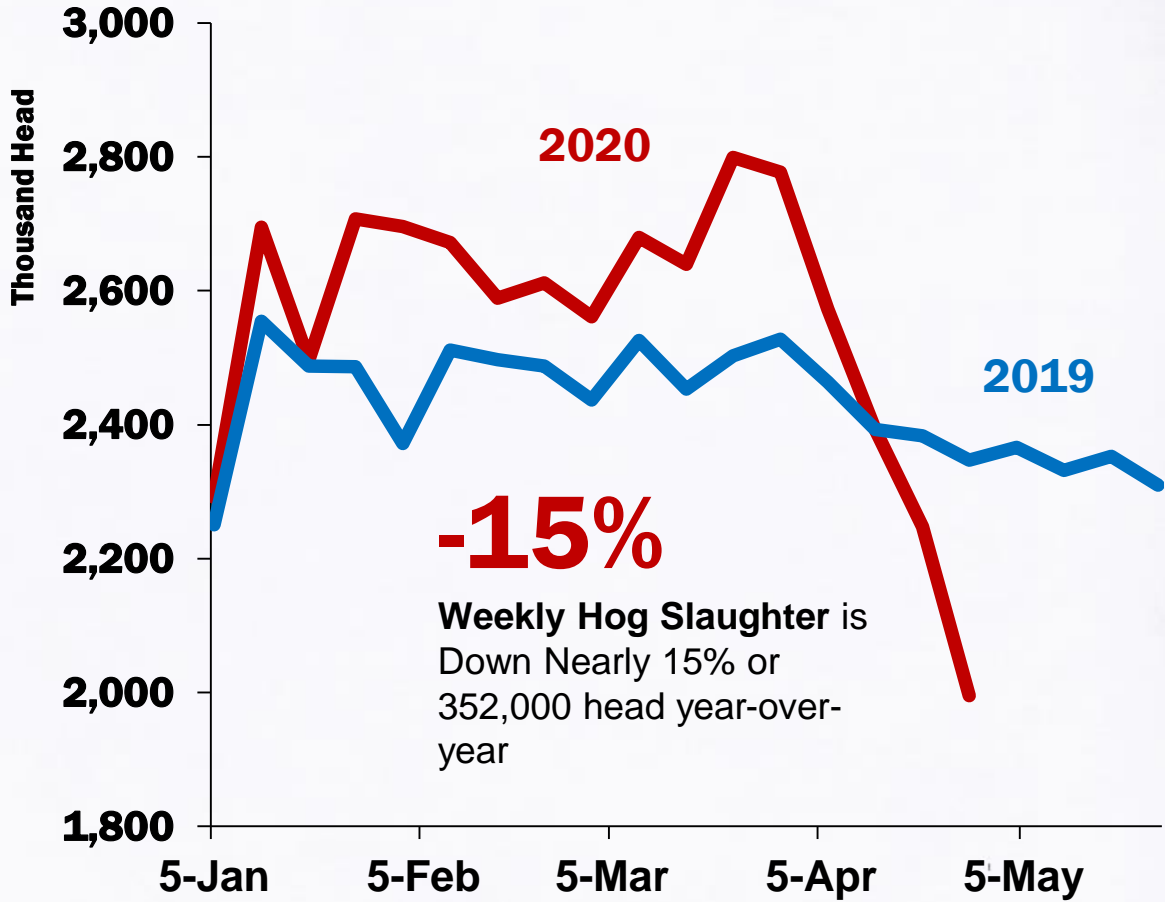
Food Service and Drinking,
-25% March 2020 Compared to March 2012, Largest YoY Decline Ever

Cattle and Hog Processing Down Sharply Due to COVID-19-Related Plant Closures

Weekly Cattle Slaughter

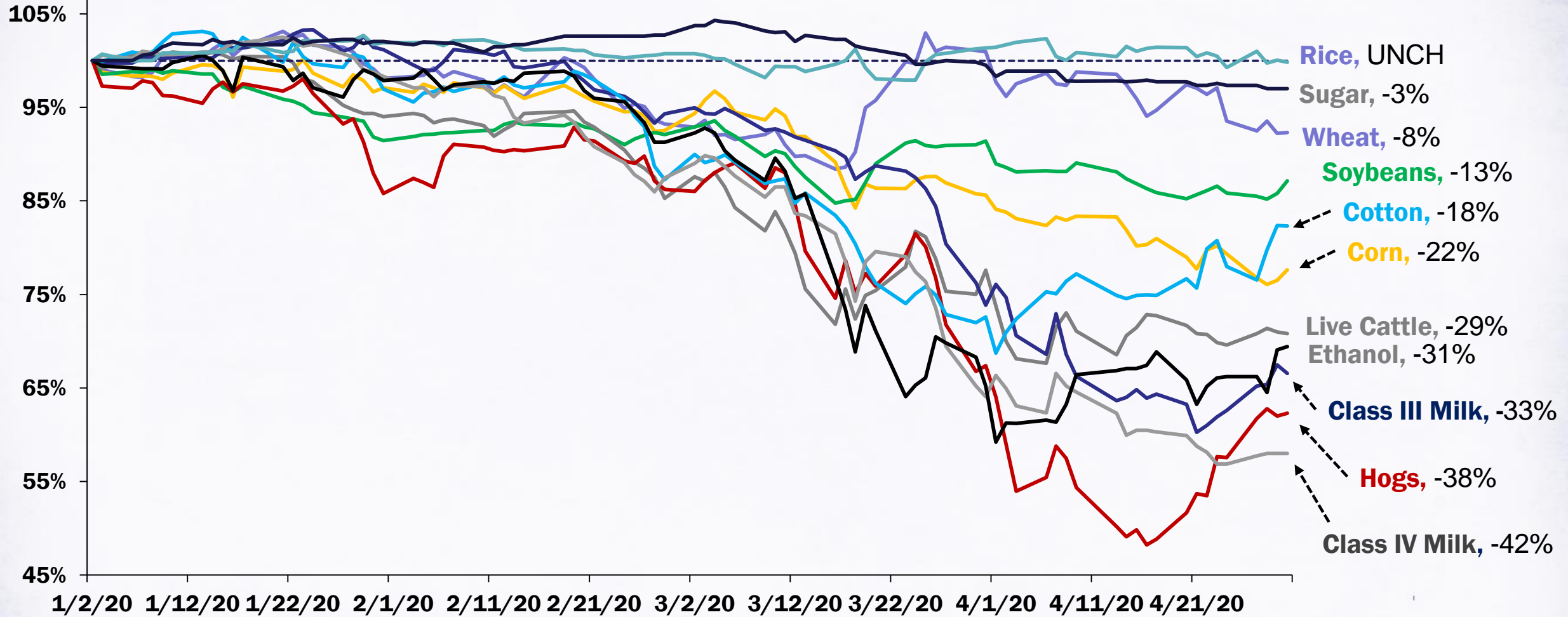


Weekly Hog Slaughter



Impact of COVID-19 on U.S. Commodity Futures Prices

Cumulative Percent Change in Price Since January

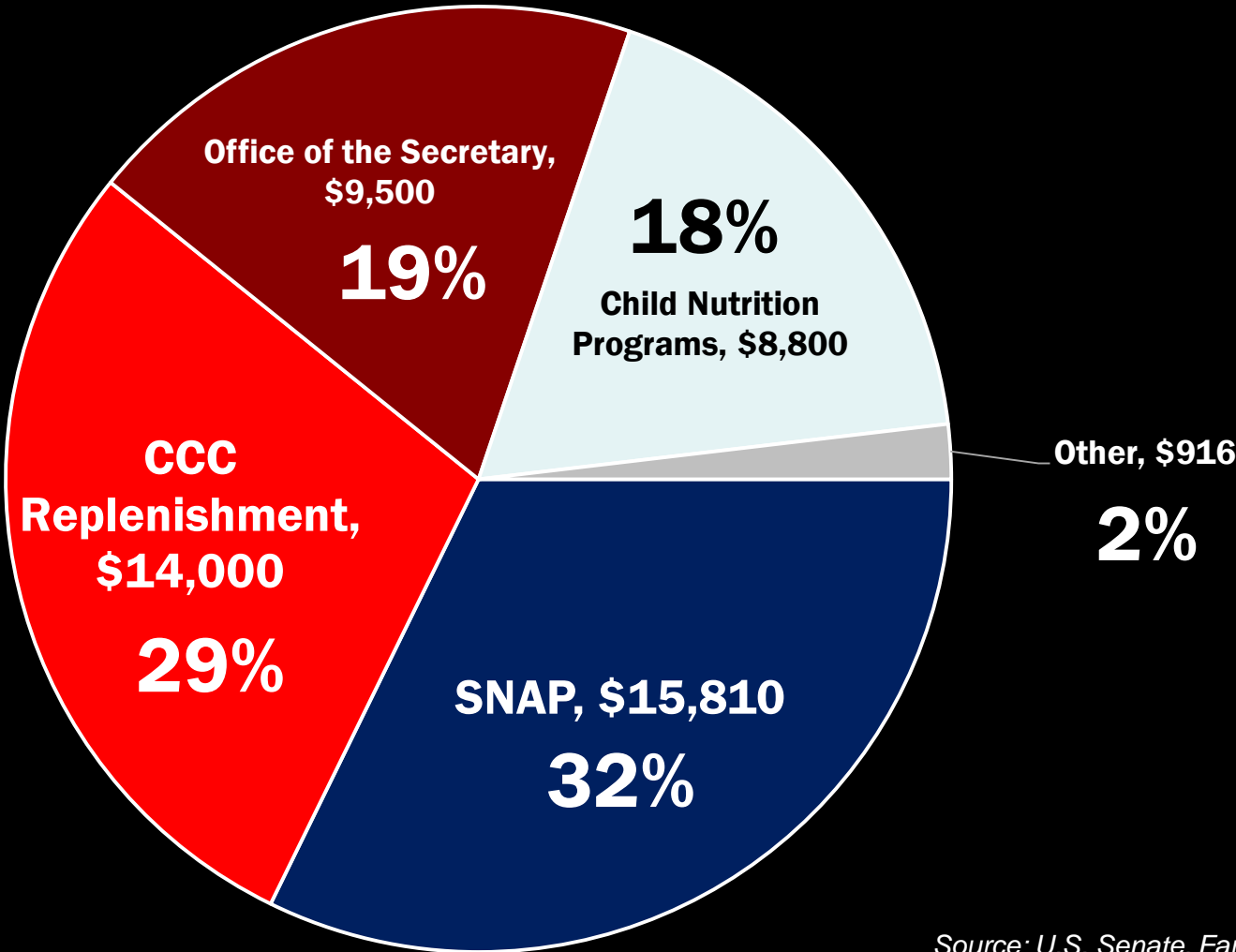


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Source: Barchart, Farm Bureau Compilations

Food and Agriculture Provisions of the CARES Rescue Package

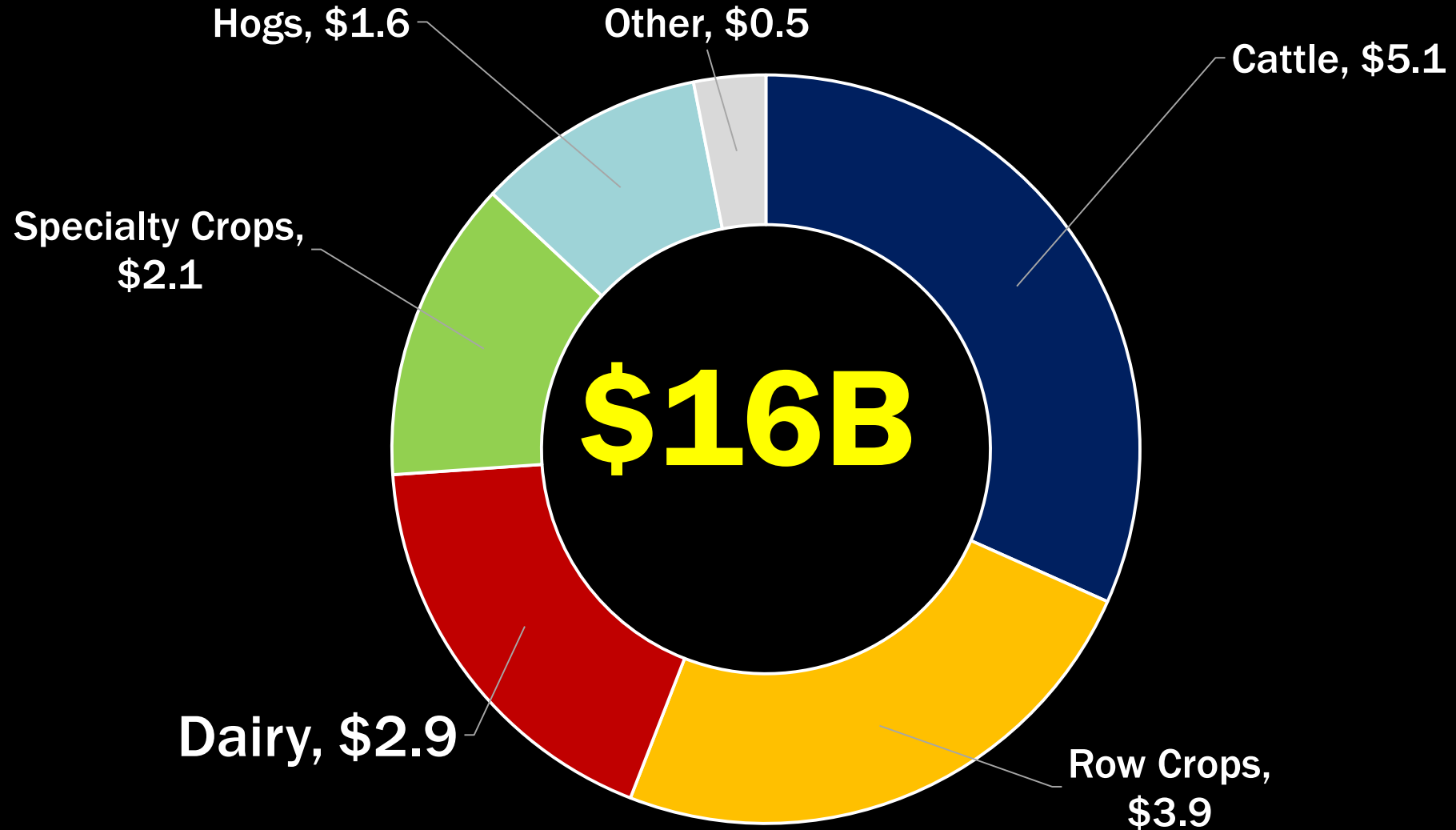
Million Dollars



Source: U.S. Senate, Farm Bureau Calculations

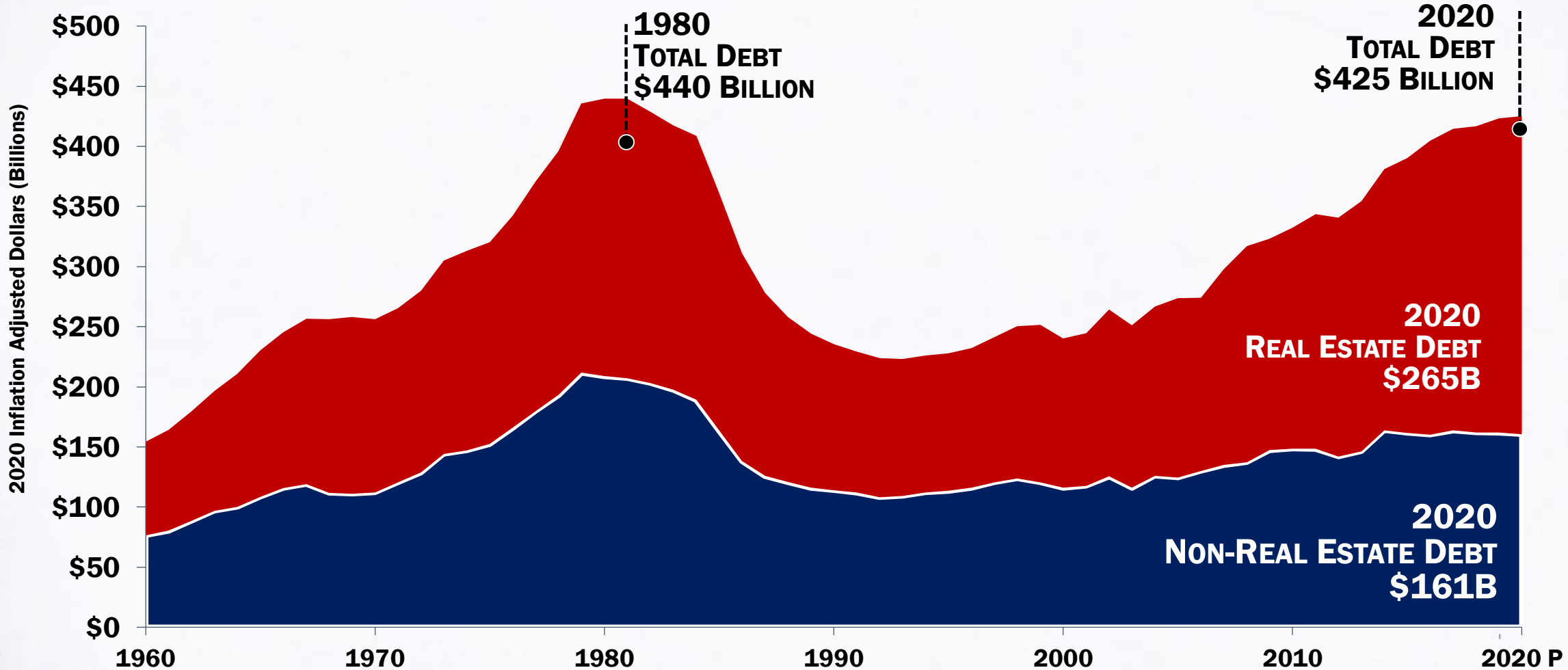
Direct Payments in the COVID-19 Relief Package

Billion Dollars



Source: USDA, Farm Bureau Calculations

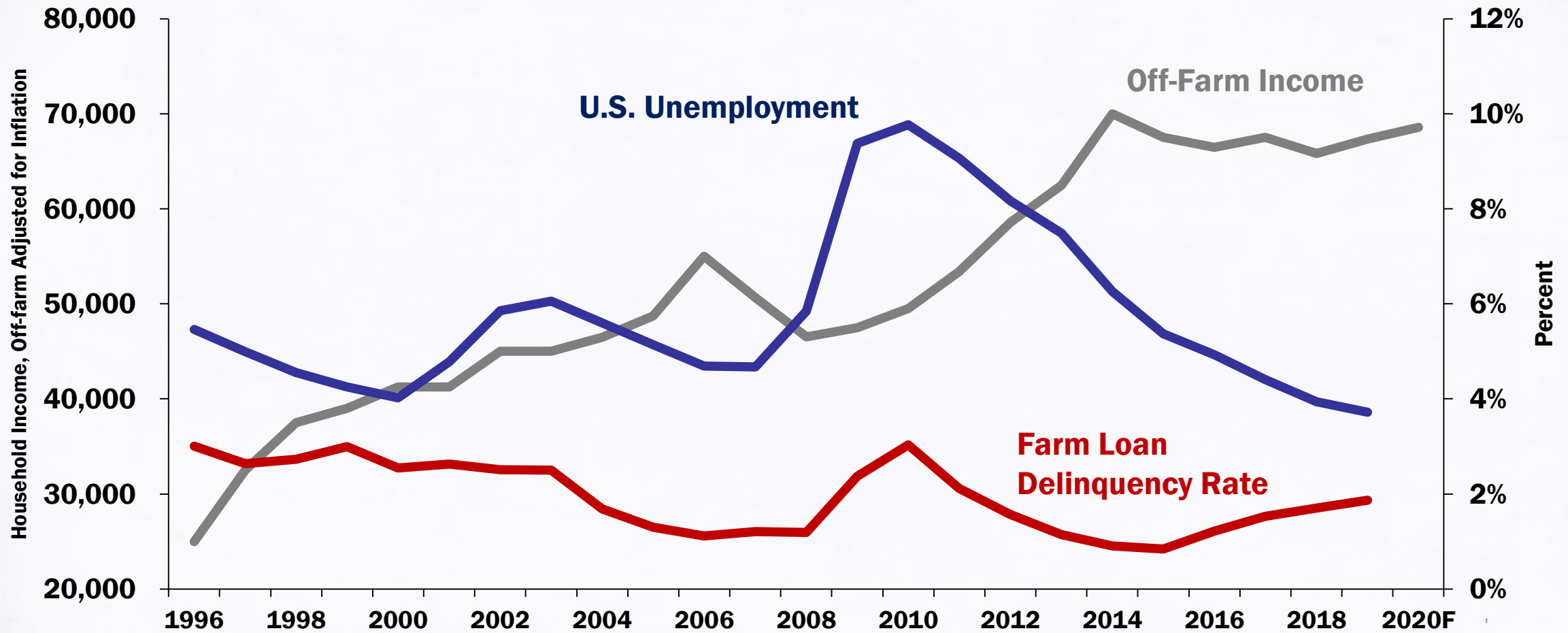
Total Farm Debt at \$425B & Real Estate Debt Rose to A Record-High \$265B, +\$3B, in Inflation-Adjusted Dollars



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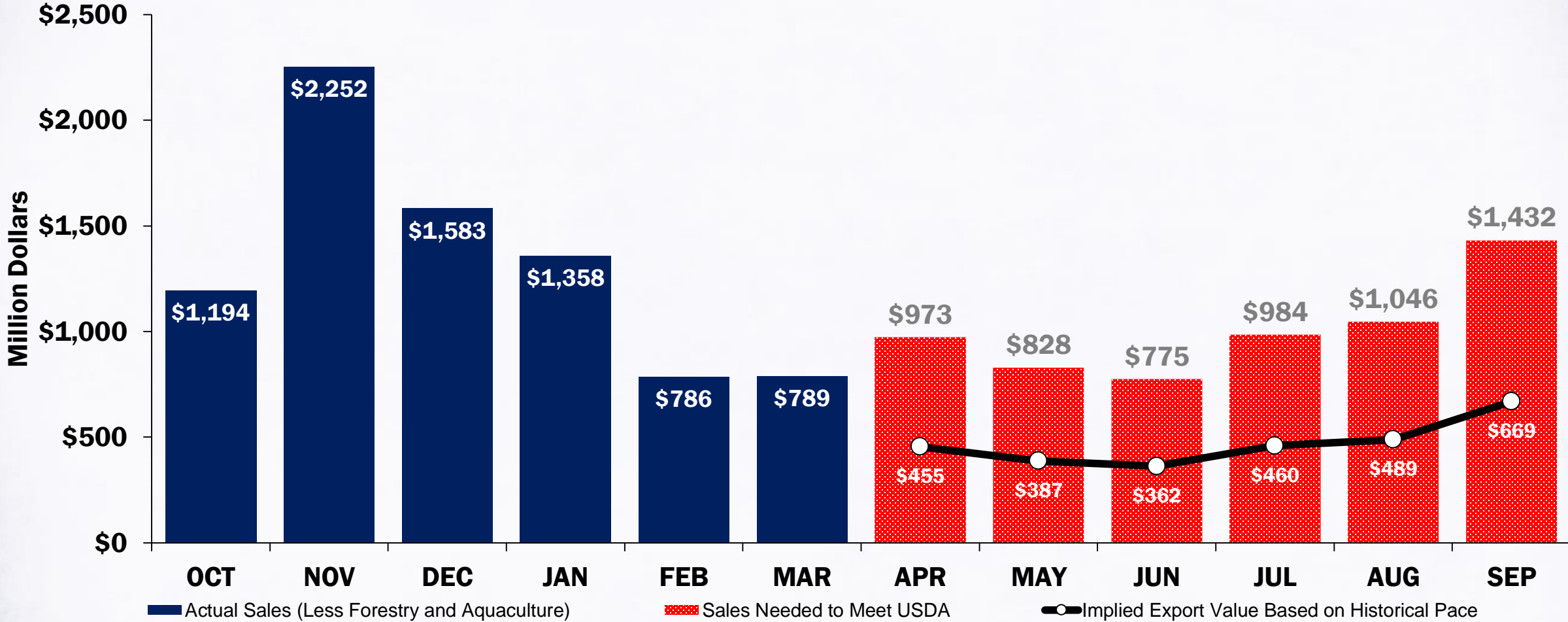
Source: USDA ERS, Farm Bureau Calculations

High Unemployment Could Lead to Higher Delinquency Rates in Agriculture in Coming Months in Absence of Direct Aid



Agricultural Export Pace Needed to Reach \$14 Billion

Actual Sales to China, Implied Export Value Based on Historical Pace, and Sales Needed to Meet USDA Forecast



Ag Sales Pace Needed to Reach \$36.5 Billion Phase 1*

Actual Sales to China, Implied Export Value Based on Historical Pace, and Sales Needed to Meet USDA Forecast and Phase 1 Commitment

