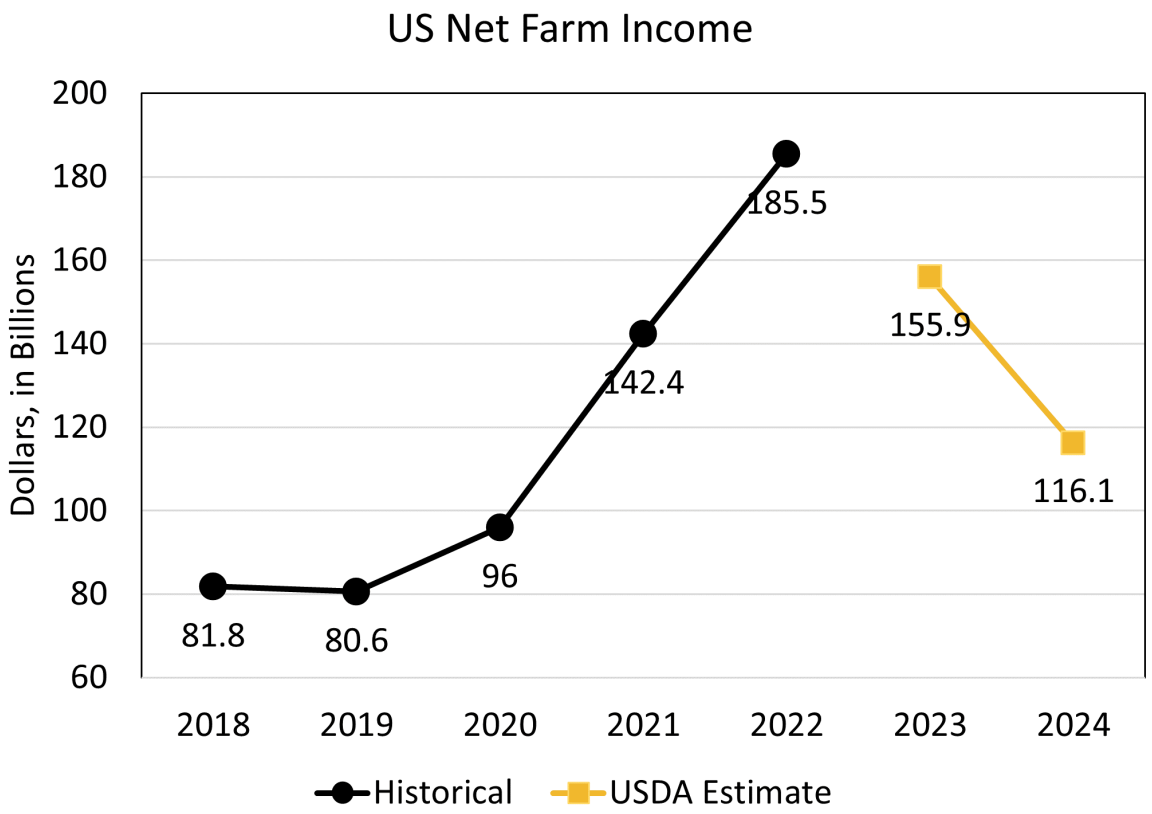
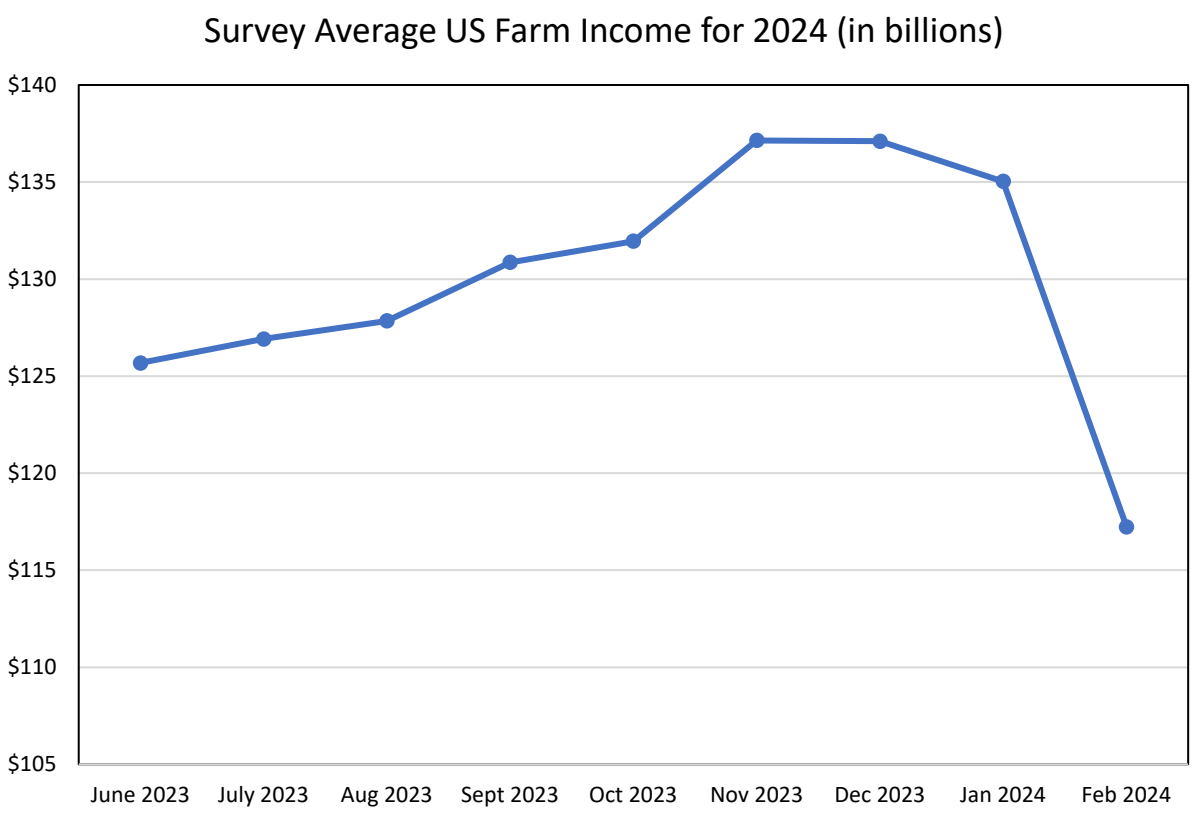
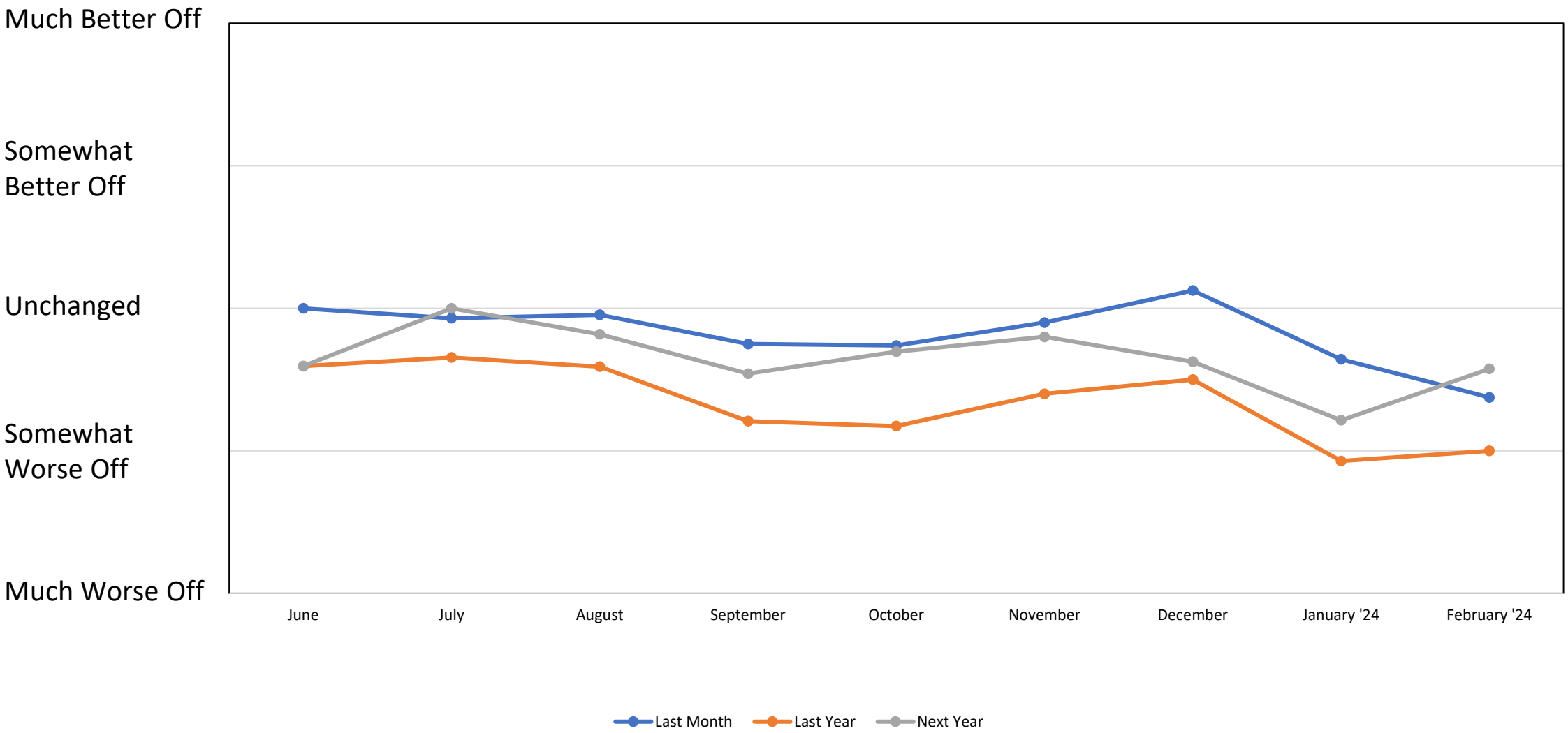


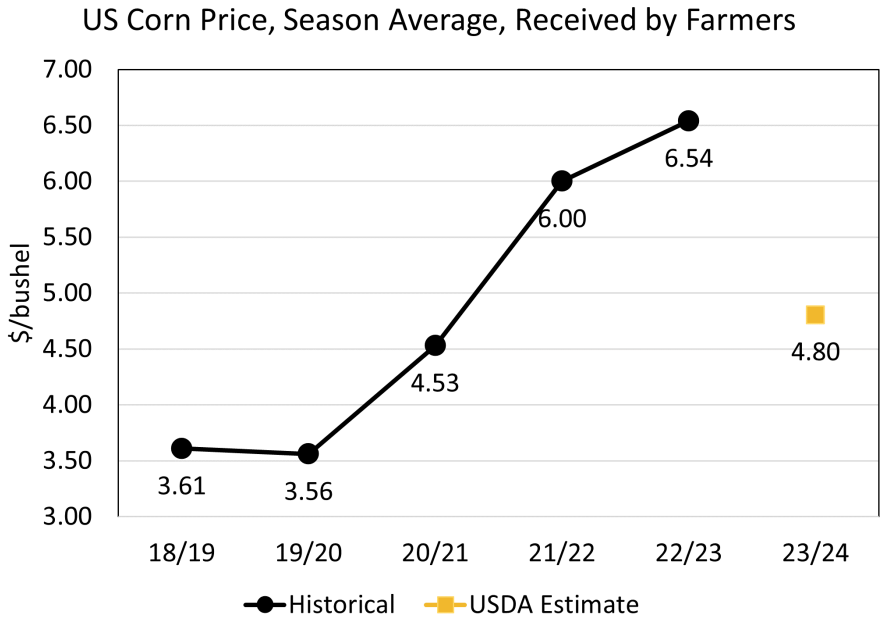
February 2024 Survey
Respondent Insights

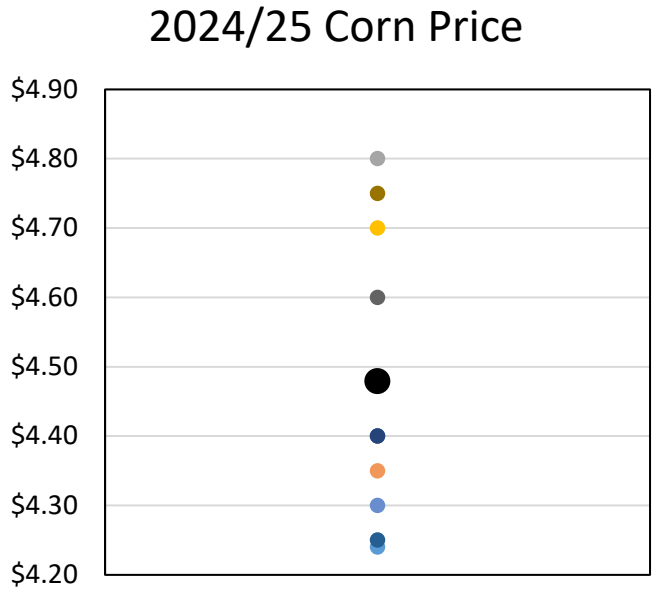

US Net Farm Income
Dollars, in Billions
200
180
160
140
120
100
80
60
81.8
80.6
96
142.4
185.5
155.9
116.1
2018
2019
2020
2021
2022
2023
2024
Historical
USDA Estimate

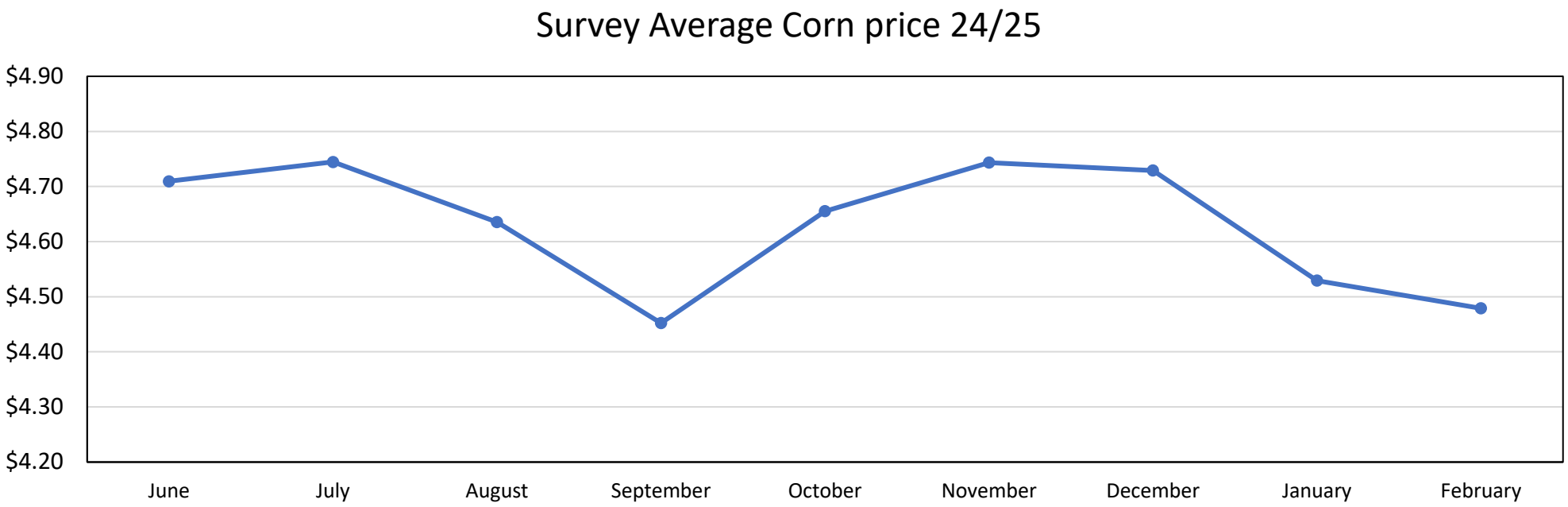

Survey Average US Farm Income for 2024 (in billions)
$140
$135
$130
$125
$120
$115
$110
$105
June 2023
July 2023
Aug 2023
Sept 2023
Oct 2023
Nov 2023
Dec 2023
Jan 2024
Feb 2024

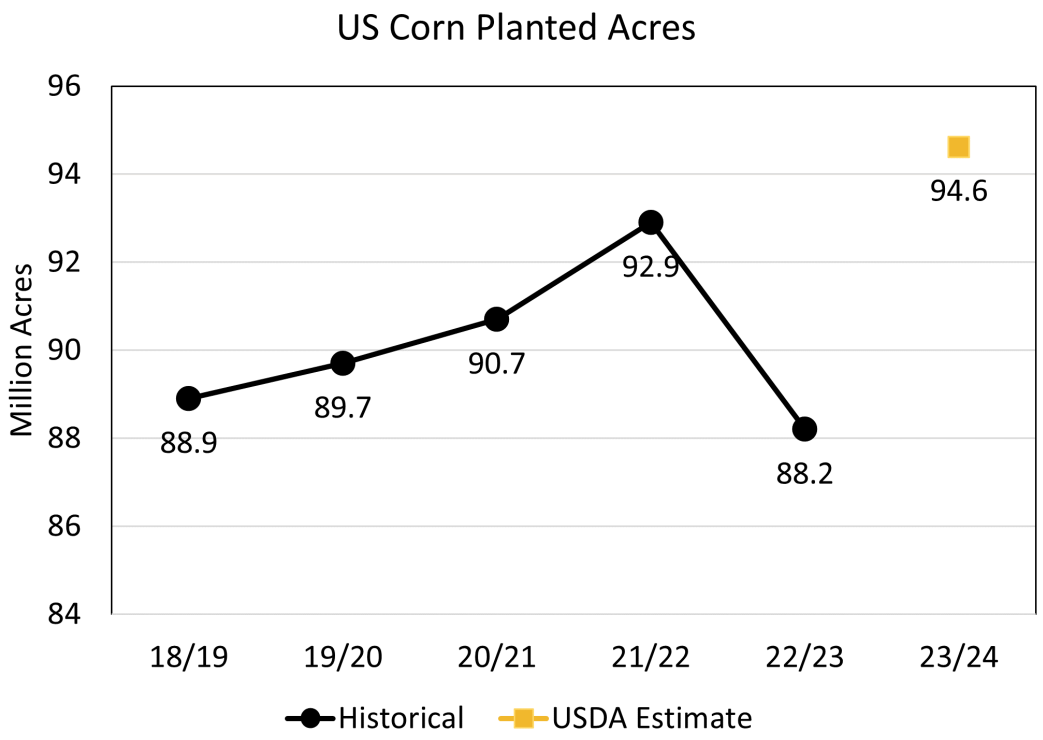
Agriculture Economy Situation

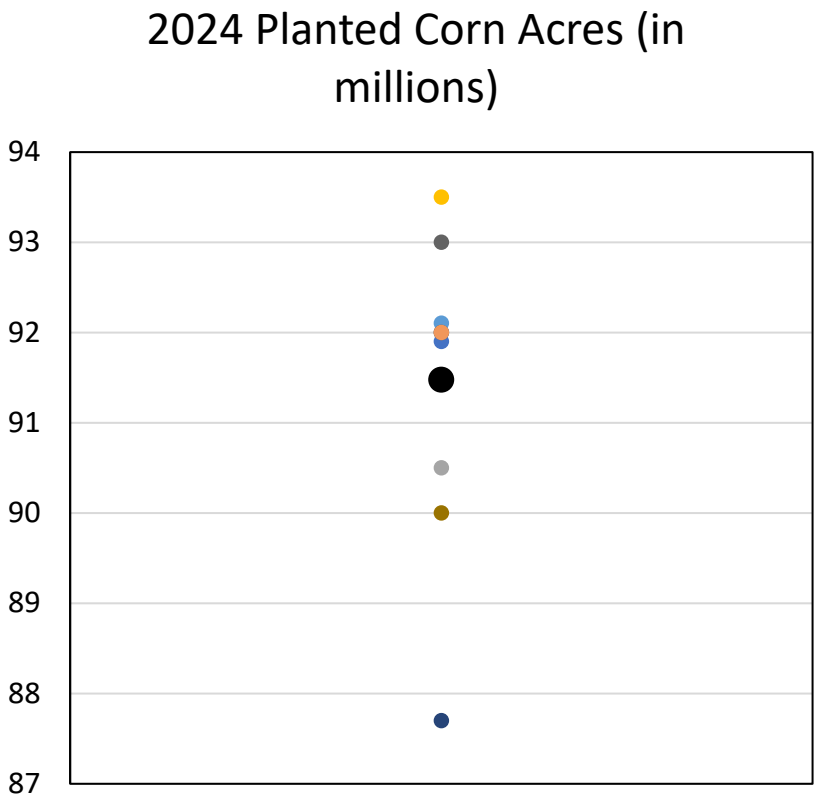


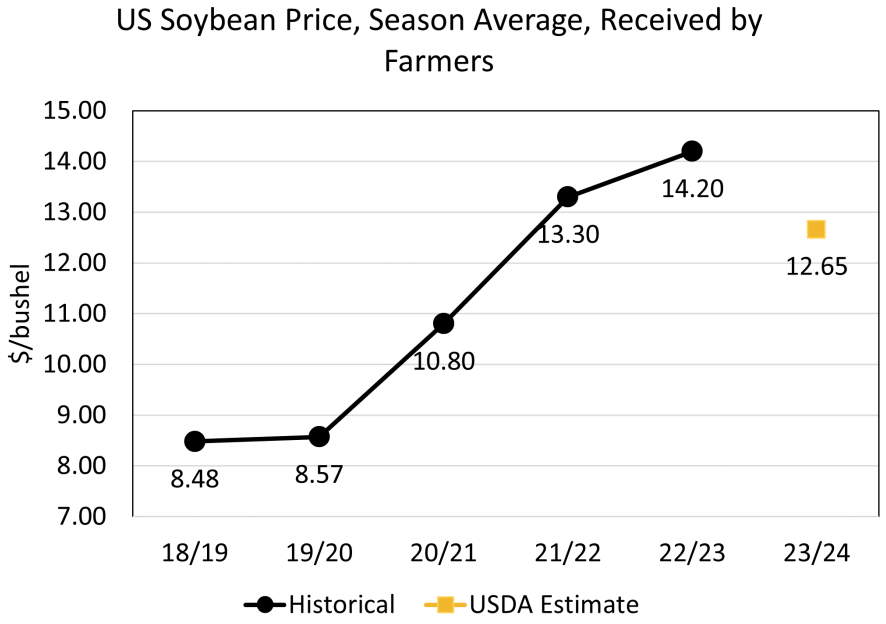

US Corn Price, Season Average, Received by Farmers
7.00
6.50
6.00
5.50
5.00
4.50
4.00
3.50
3.00
$/bushel
3.61
3.56
4.53
6.00
6.54
4.80
18/19
19/20
20/21
21/22
22/23
23/24
Historical
USDA Estimate

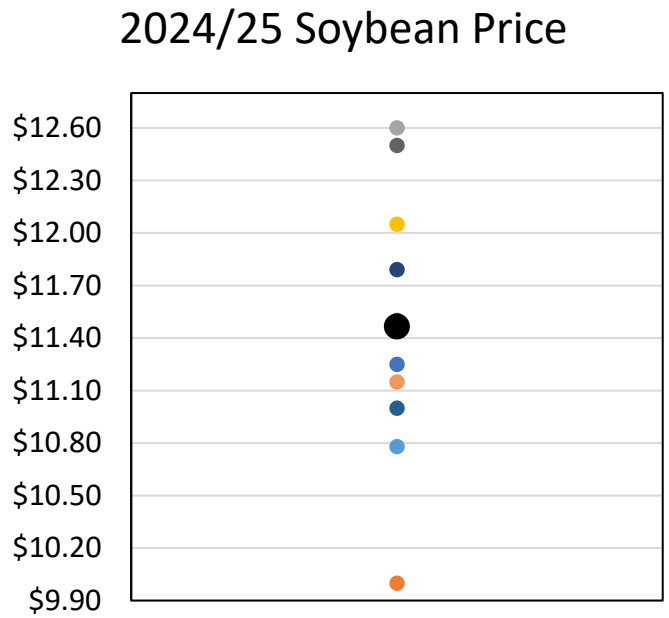

2024/25 Corn Price
$4.90
$4.80
$4.70
$4.60
$4.50
$4.40
$4.30
$4.20

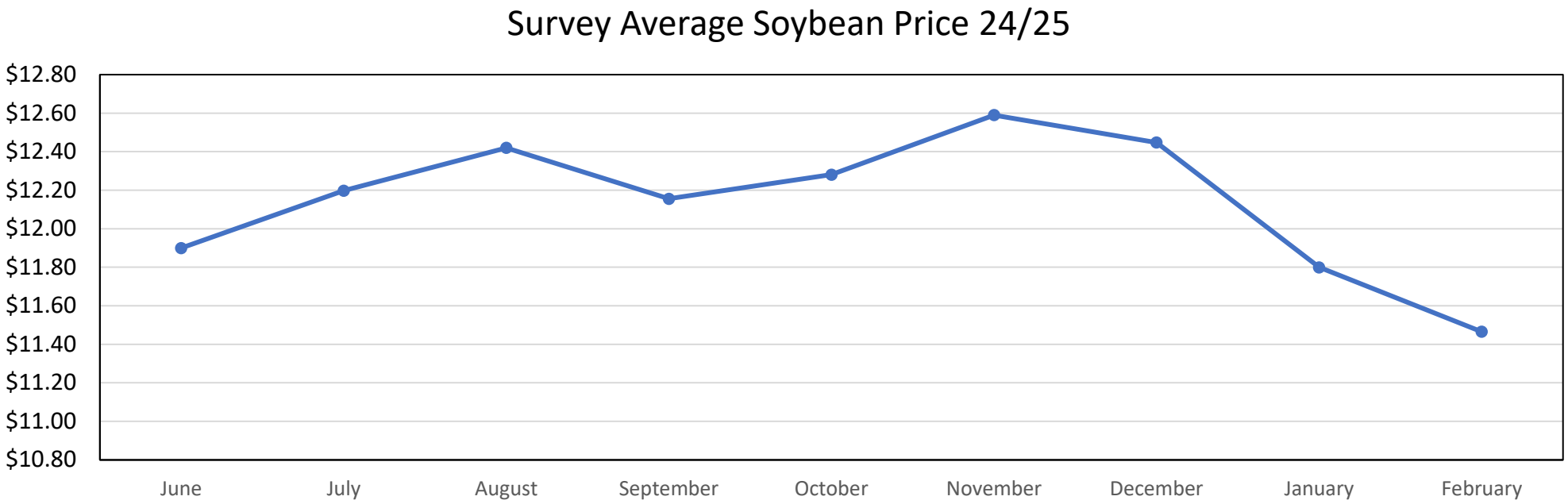

Survey Average Corn price 24/25
$4.90
$4.80
$4.70
$4.60
$4.50
$4.40
$4.30
$4.20
June
July
August
September
October
November
December
January
February

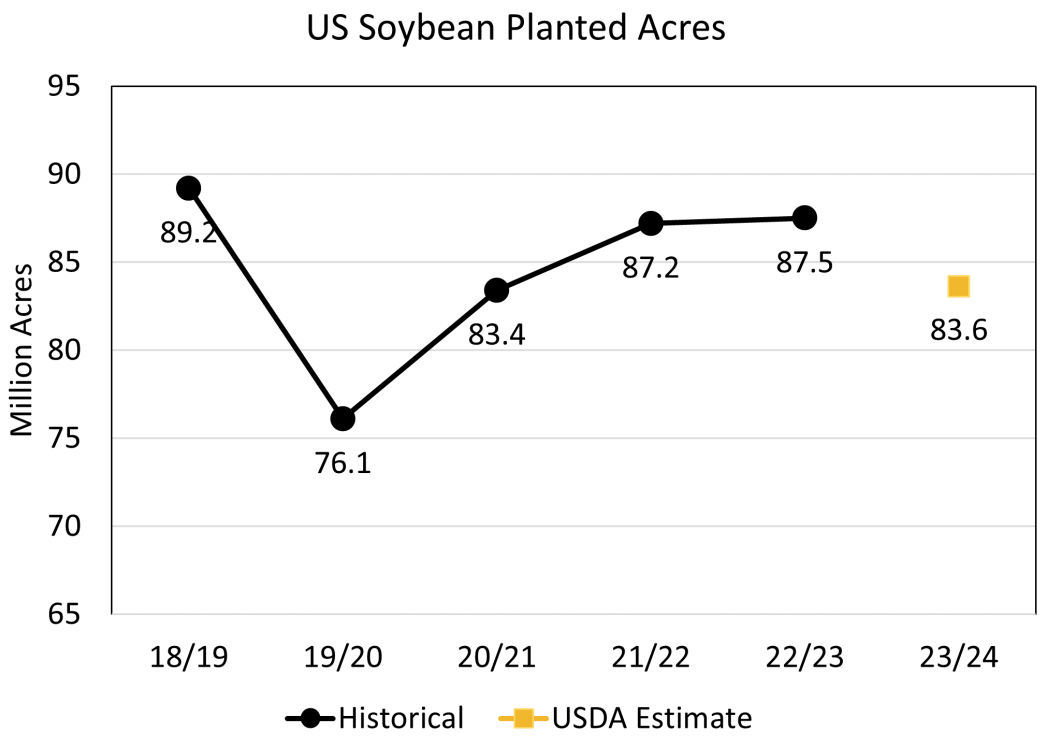

US Corn Planted Acres
Million Acres
96
94
92
90
88
86
84
88.9
89.7
90.7
92.9
88.2
94.6
18/19
19/20
20/21
21/22
22/23
23/24
Historical
USDA Estimate

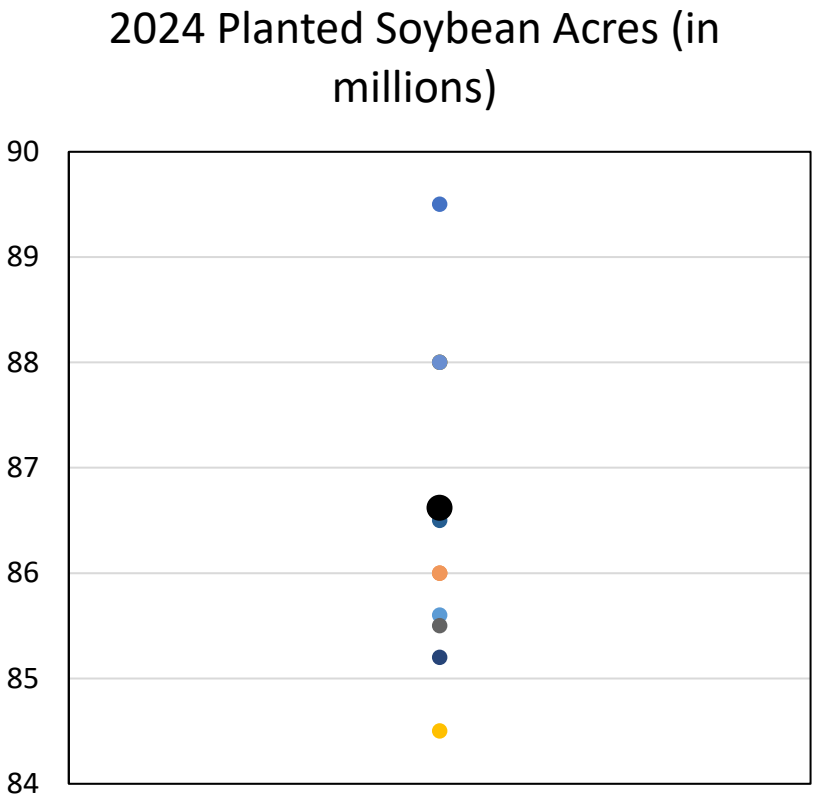

2024 Planted Corn Acres (in millions)
94
93
92
91
90
89
88
87

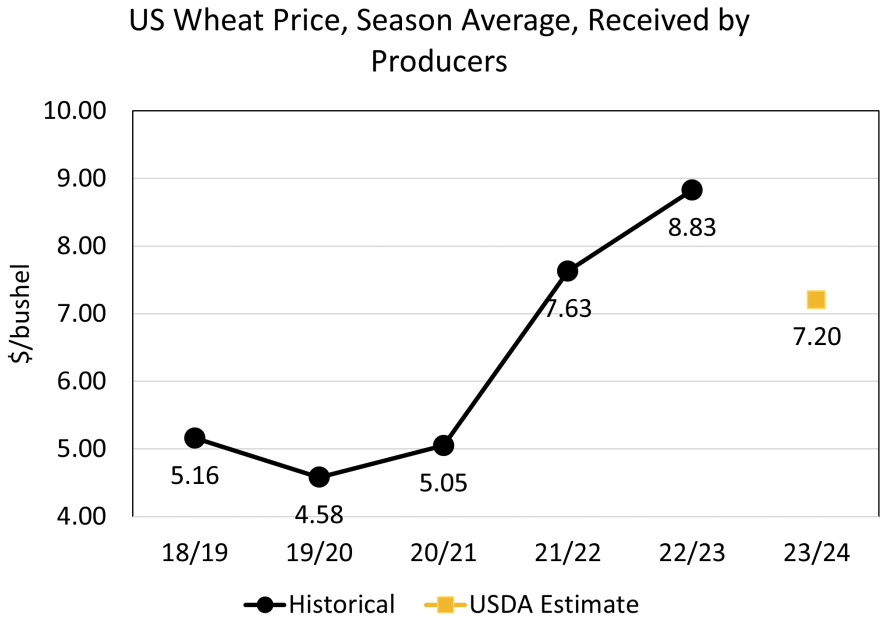

US Soybean Price, Season Average, Received by Farmers
15.00
14.00
13.00
12.00
11.00
10.00
9.00
8.00
7.00
$/bushel
8.48
8.57
10.80
13.30
14.20
12.65
18/19
19/20
20/21
21/22
22/23
23/24
Historical
USDA Estimate

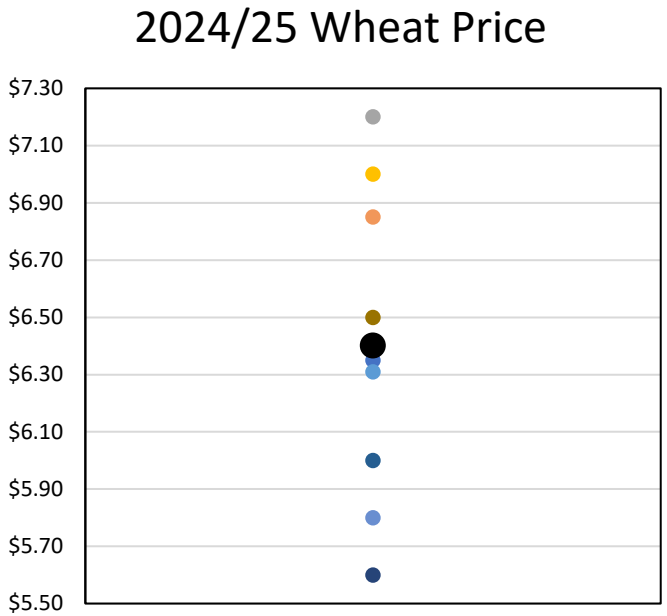

2024/25 Soybean Price
$12.60
$12.30
$12.00
$11.70
$11.40
$11.10
$10.80
$10.50
$10.20
$9.90

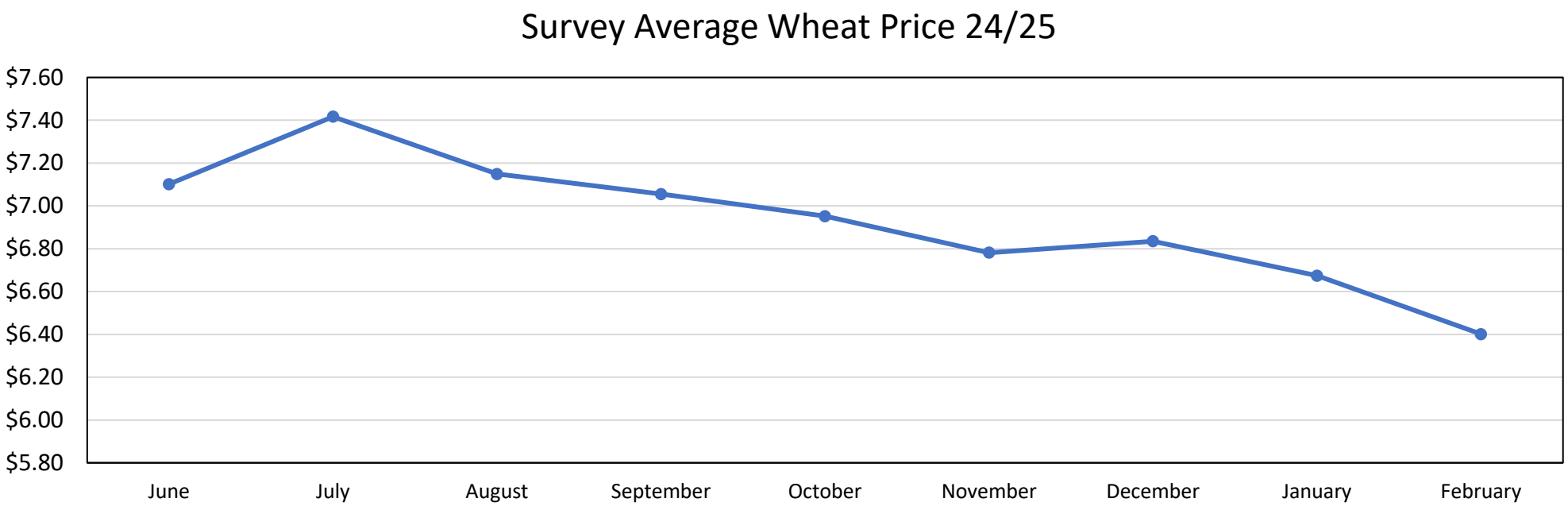

Survey Average Soybean Price 24/25
$12.80
$12.60
$12.40
$12.20
$12.00
$11.80
$11.60
$11.40
$11.20
$11.00
$10.80
June
July
August
September
October
November
December
January
February

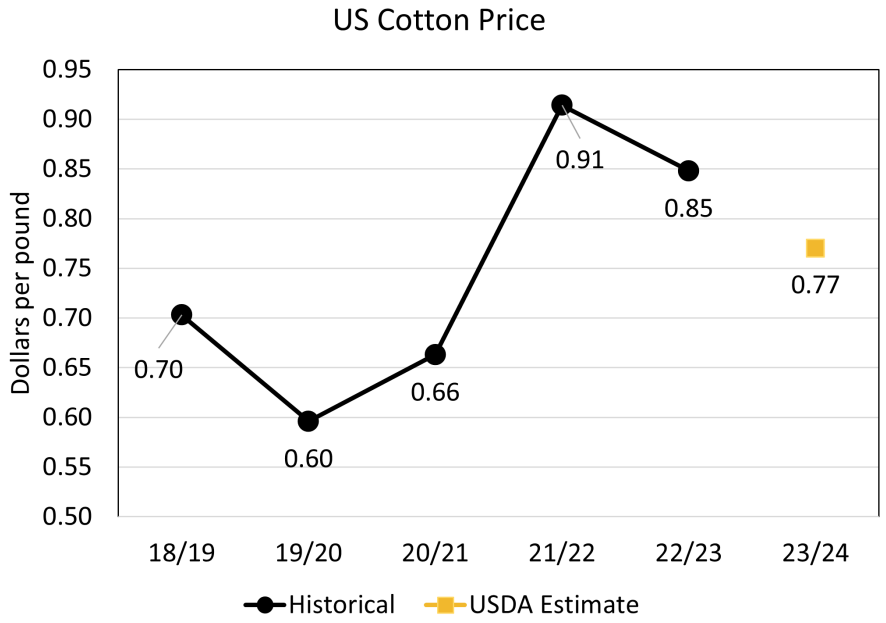

US Soybean Planted Acres
Million Acres
95
90
85
80
75
70
65
89.2
76.1
83.4
87.2
87.5
83.6
18/19
19/20
20/21
21/22
22/23
23/24
Historical
USDA Estimate

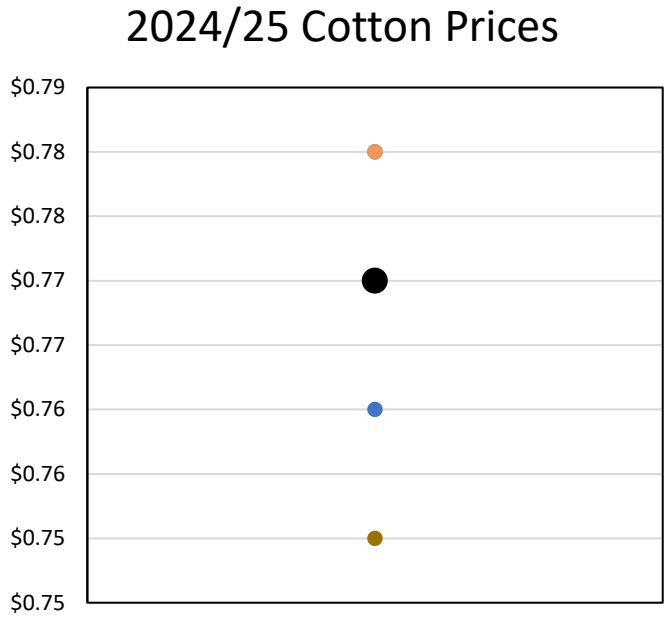

2024 Planted Soybean Acres (in millions)
90
89
88
87
86
85
84

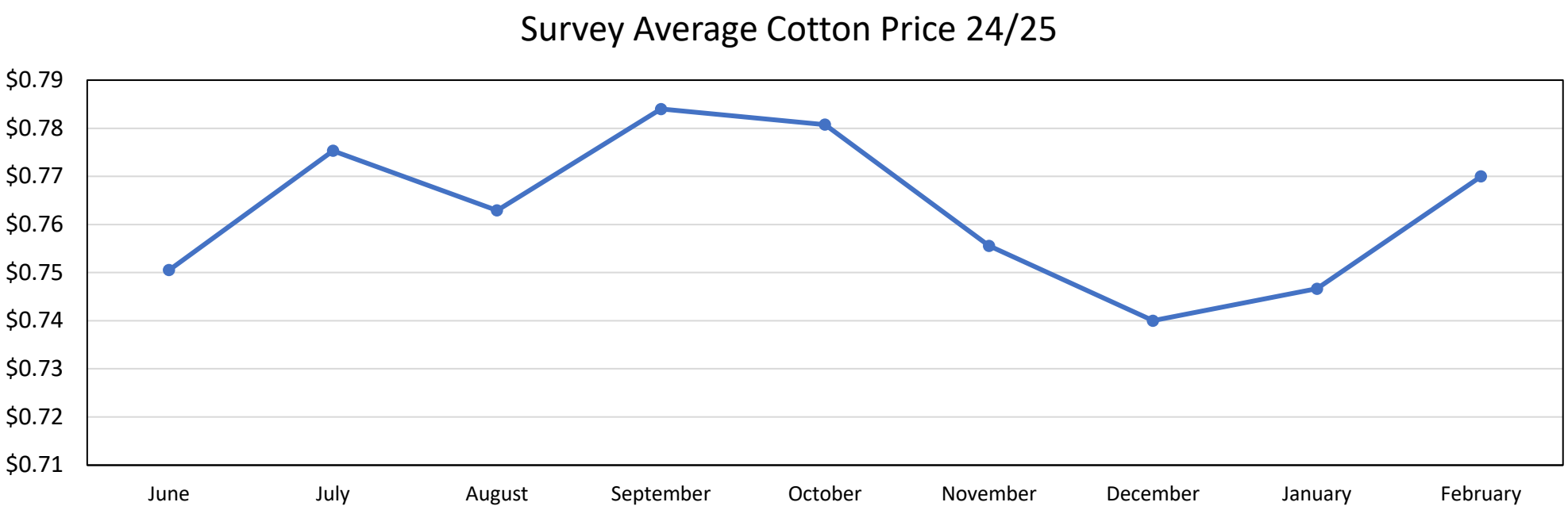

US Wheat Price, Season Average, Received by Producers
10.00
9.00
8.00
7.00
6.00
5.00
4.00
$/bushel
5.16
4.58
5.05
7.63
8.83
7.20
18/19
19/20
20/21
21/22
22/23
23/24
Historical
USDA Estimate

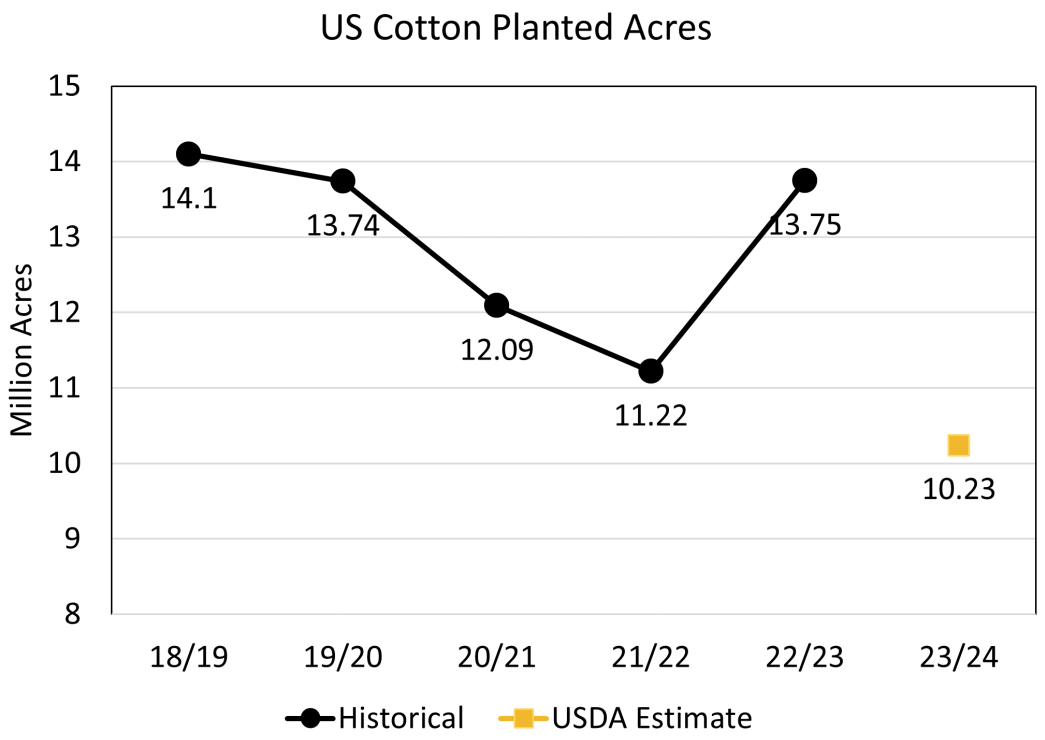

2024/25 Wheat Price
$7.30
$7.10
$6.90
$6.70
$6.50
$6.30
$6.10
$5.90
$5.70
$5.50

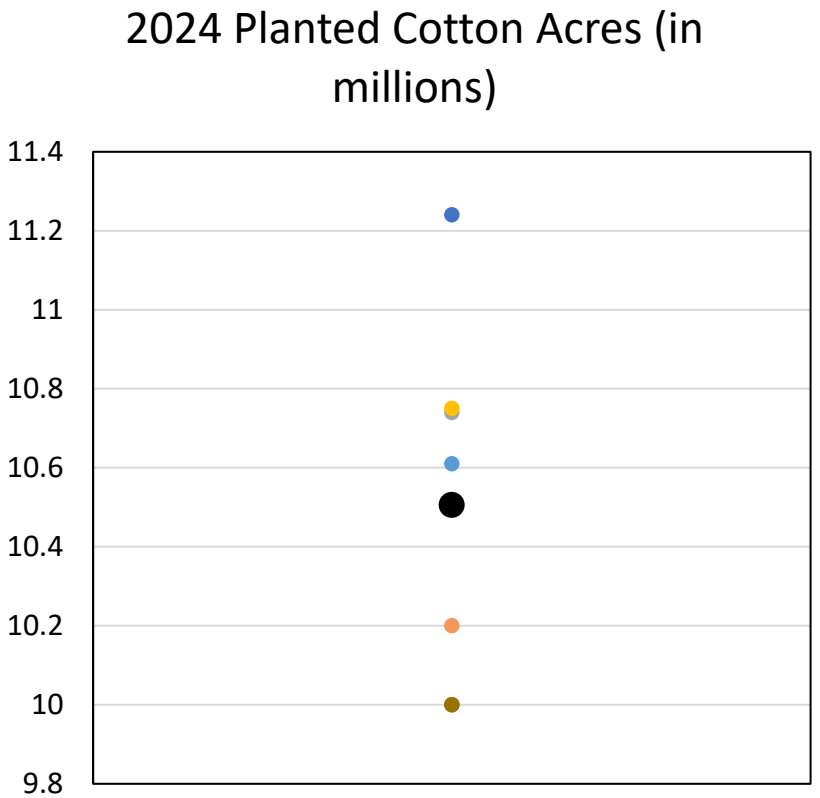

Survey Average Wheat Price 24/25
$7.60
$7.40
$7.20
$7.00
$6.80
$6.60
$6.40
$6.20
$6.00
$5.80
June
July
August
September
October
November
December
January
February

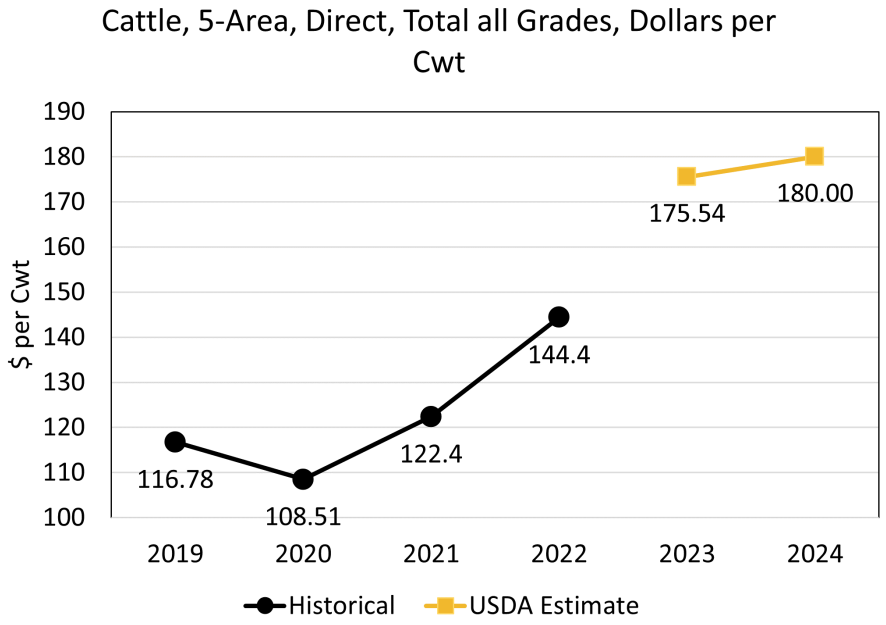

US Cotton Price
Dollars per pound
0.95
0.90
0.85
0.80
0.75
0.70
0.65
0.60
0.55
0.50
0.70
0.60
0.66
0.91
0.85
0.77
18/19
19/20
20/21
21/22
22/23
23/24
Historical
USDA Estimate

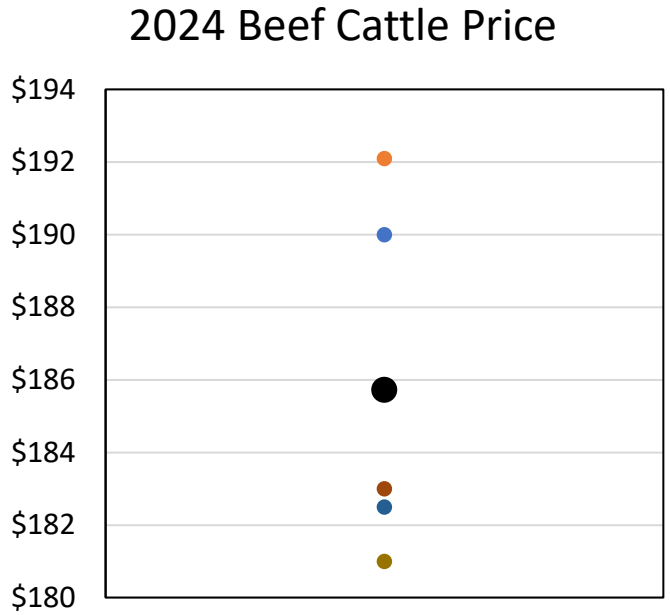

2024/25 Cotton Prices
$0.79
$0.78
$0.78
$0.77
$0.77
$0.76
$0.76
$0.75
$0.75

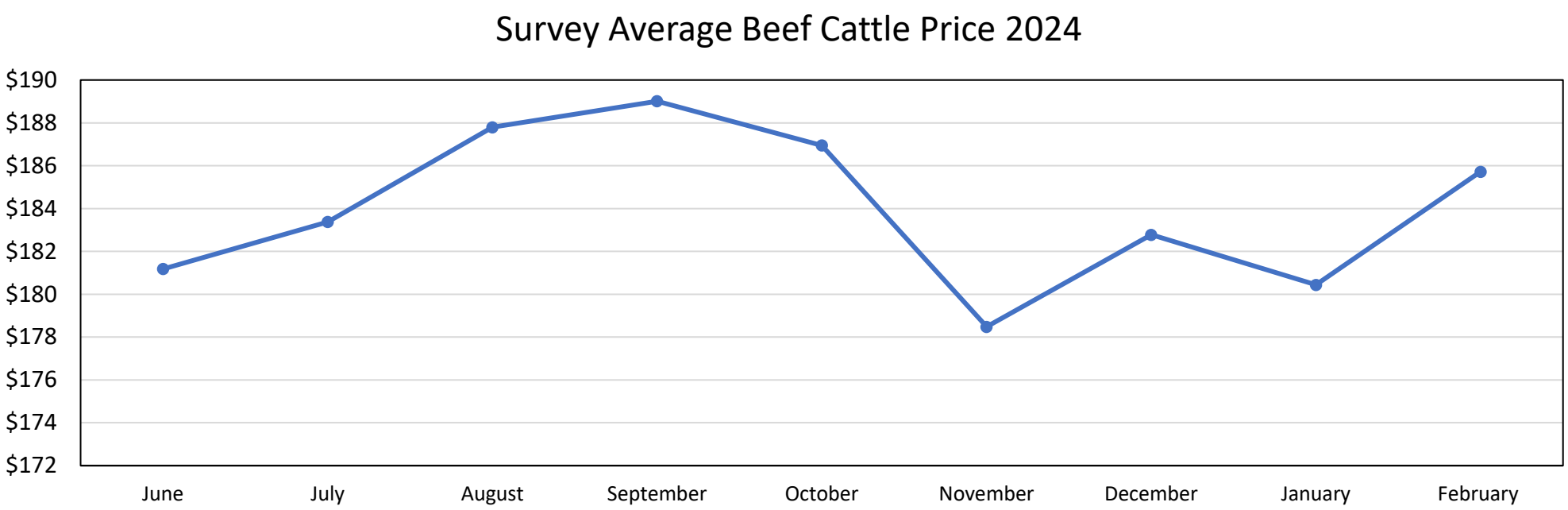

Survey Average Cotton Price 24/25
$0.79
$0.78
$0.77
$0.76
$0.75
$0.74
$0.73
$0.72
$0.71
June
July
August
September
October
November
December
January
February

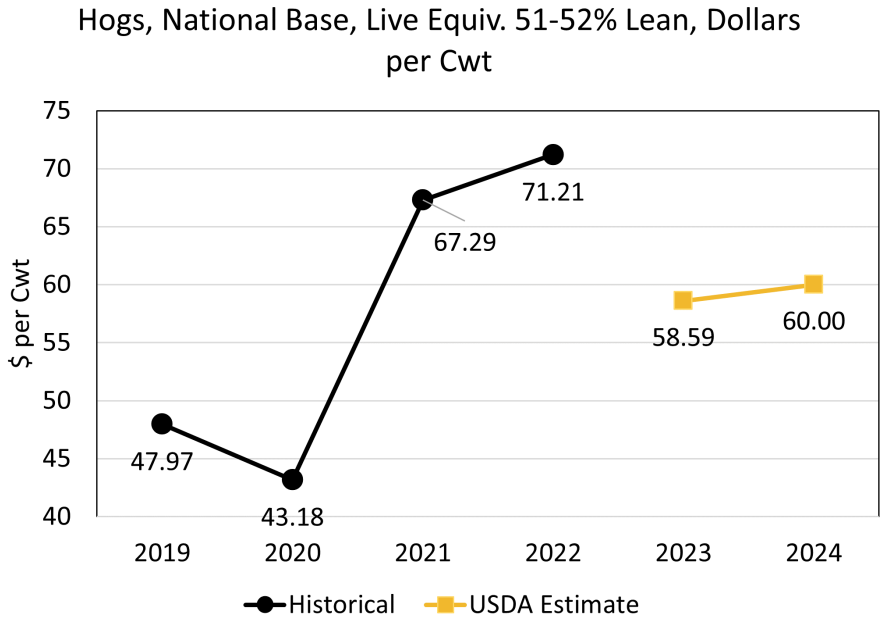

US Cotton Planted Acres
Million Acres
15
14
13
12
11
10
9
8
14.1
13.74
12.09
11.22
13.75
10.23
18/19
19/20
20/21
21/22
22/23
23/24
Historical
USDA Estimate

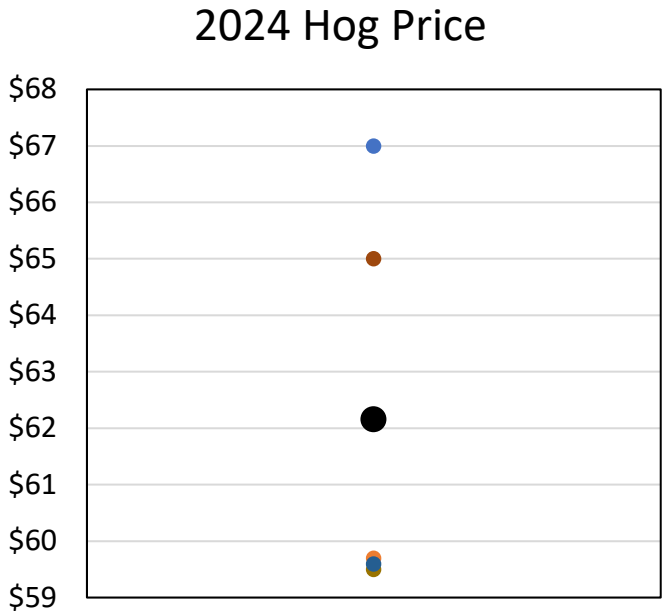

2024 Planted Cotton Acres (in millions)
11.4
11.2
11
10.8
10.6
10.4
10.2
10
9.8

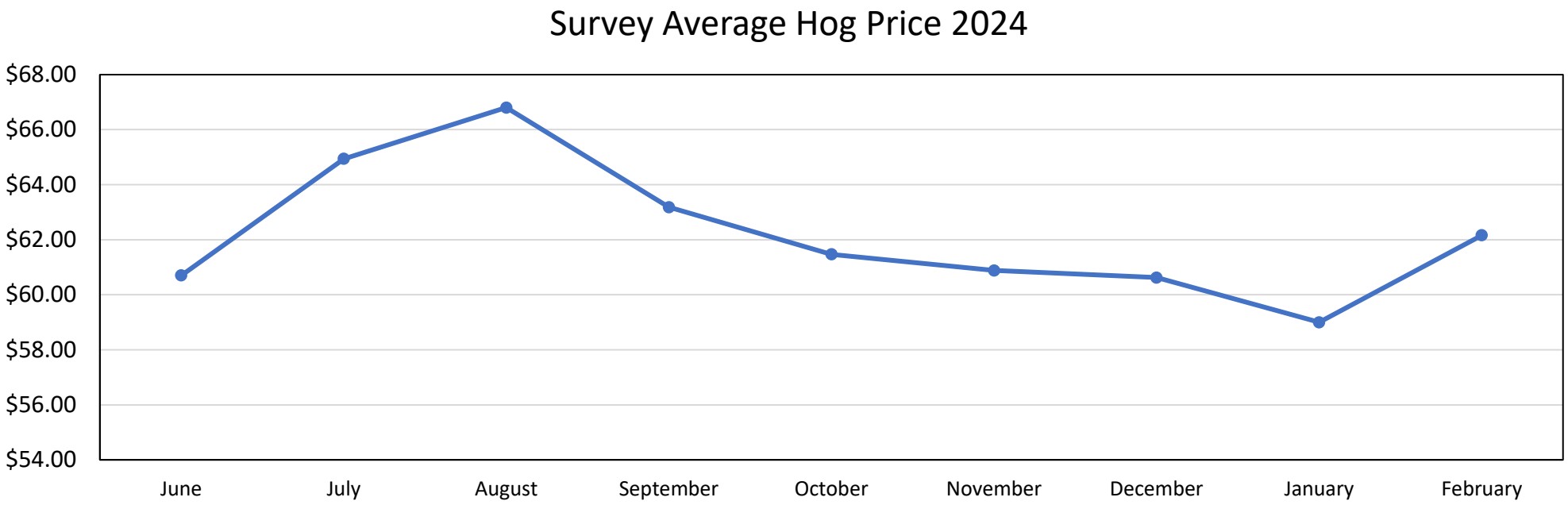

Cattle, 5-Area, Direct, Total all Grades, Dollars per Cwt
$ per Cwt
190
180
170
160
150
140
130
120
110
100
116.78
108.51
122.4
144.4
175.54
180.00
2019
2020
2021
2022
2023
2024
Historical
USDA Estimate

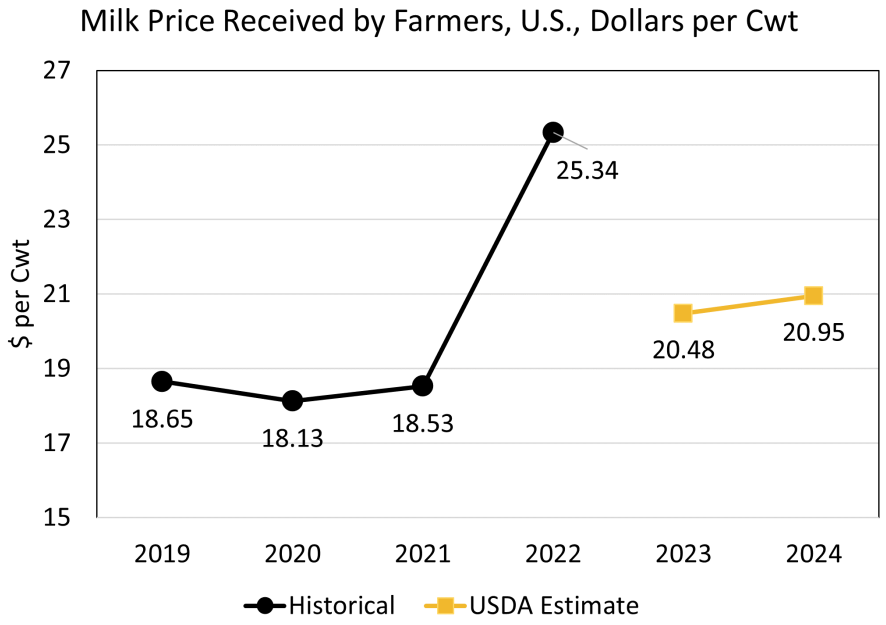

2024 Beef Cattle Price
$194
$192
$190
$188
$186
$184
$182
$180

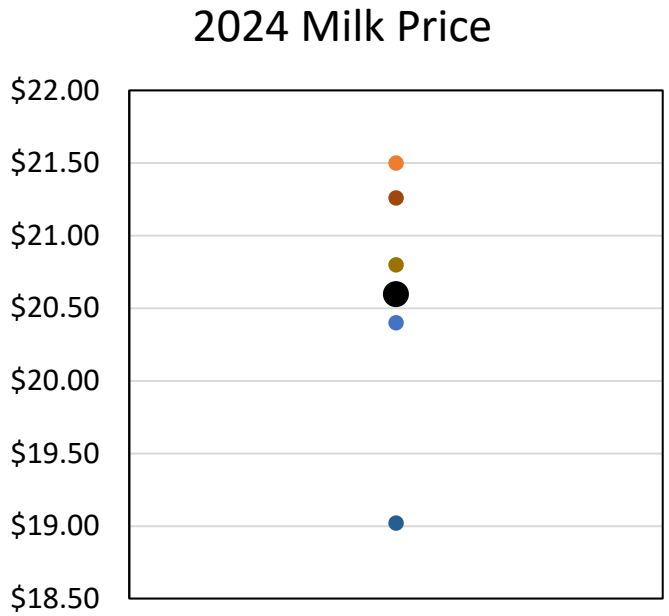

Survey Average Beef Cattle Price 2024
$190
$188
$186
$184
$182
$180
$178
$176
$174
$172
June
July
August
September
October
November
December
January
February

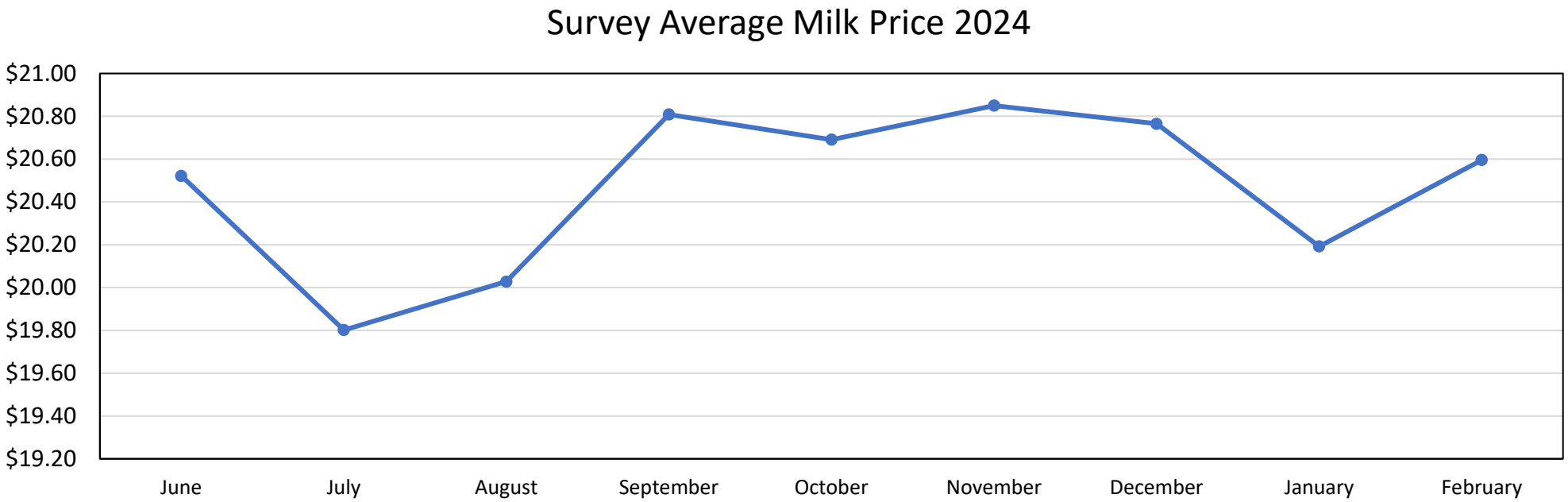

Hogs, National Base, Live Equiv. 51-52% Lean, Dollars per Cwt
$ per Cwt
75
70
65
60
55
50
45
40
47.97
43.18
67.29
71.21
58.59
60.00
2019
2020
2021
2022
2023
2024
Historical
USDA Estimate


2024 Hog Price
$68
$67
$66
$65
$64
$63
$62
$61
$60
$59

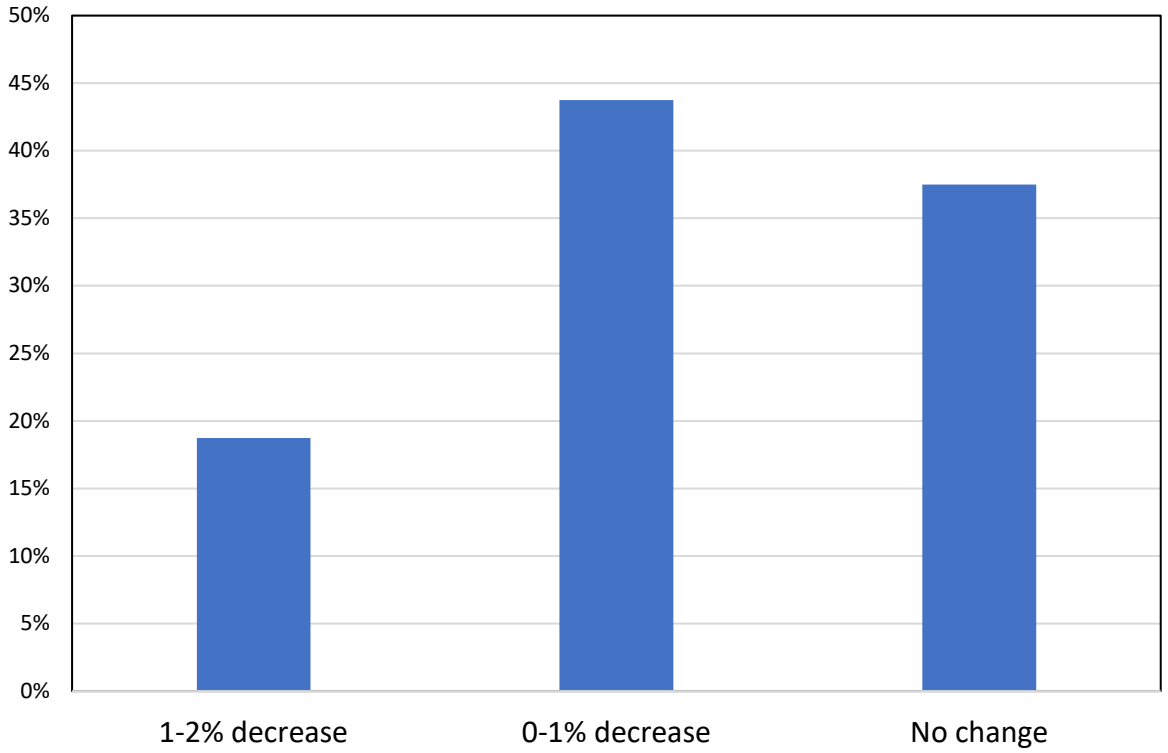

Survey Average Hog Price 2024
$68.00
$66.00
$64.00
$62.00
$60.00
$58.00
$56.00
$54.00
June
July
August
September
October
November
December
January
February


Milk Price Received by Farmers, U.S., Dollars per Cwt
$ per Cwt
27
25
23
21
19
17
15
25.34
20.48
20.95
18.65
18.13
18.53
2019
2020
2021
2022
2023
2024
Historical
USDA Estimate

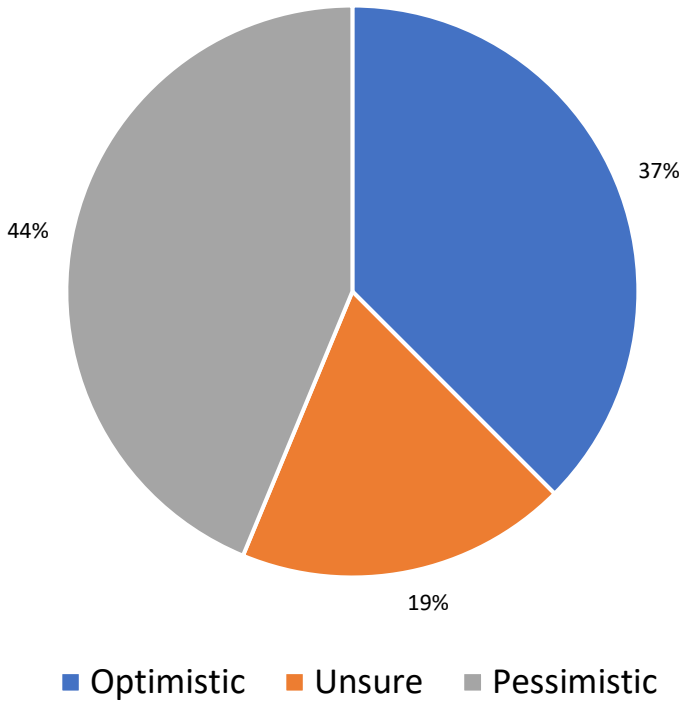

2024 Milk Price
$22.00
$21.50
$21.00
$20.50
$20.00
$19.50
$19.00
$18.50

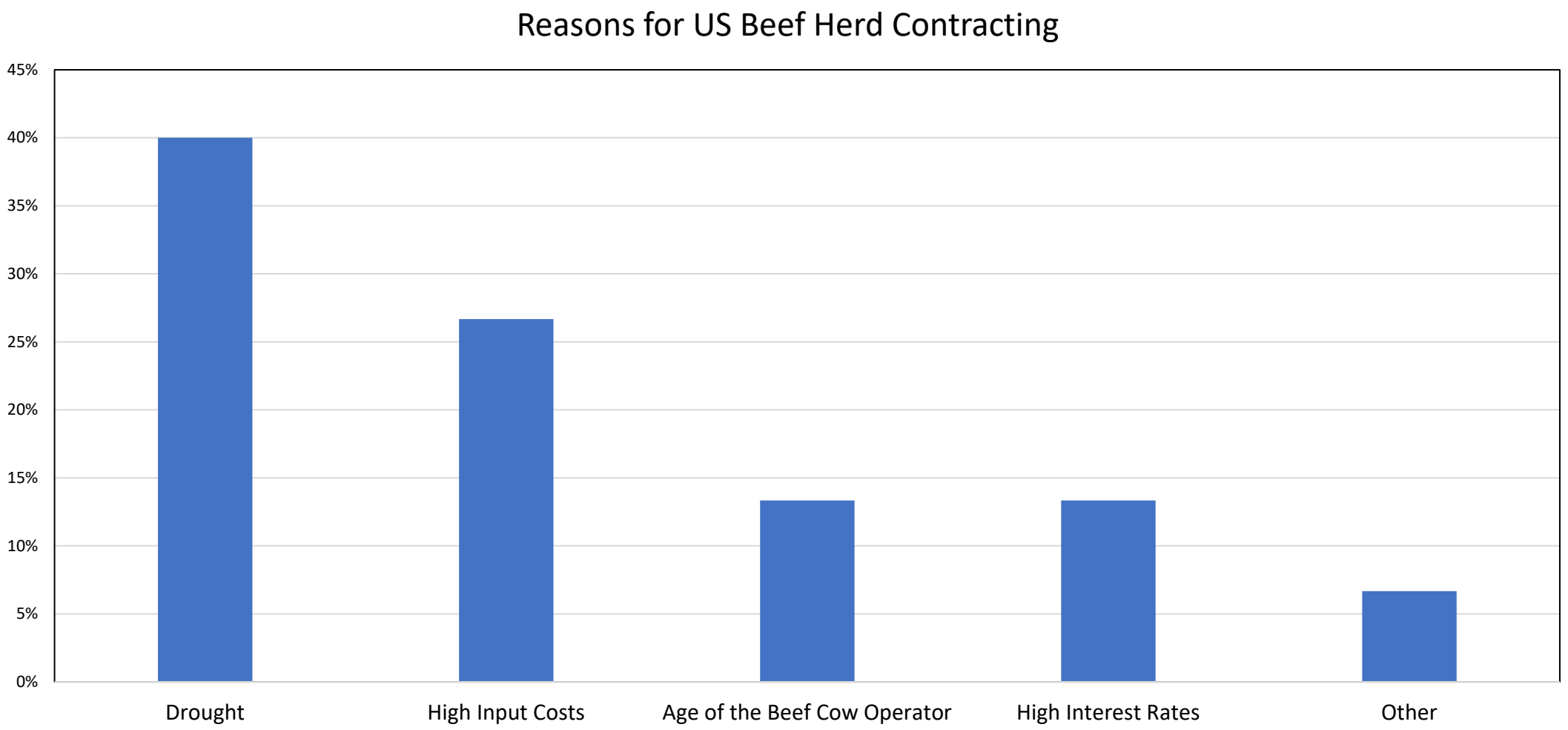

Survey Average Milk Price 2024
$21.00
$20.80
$20.60
$20.40
$20.20
$20.00
$19.80
$19.60
$19.40
$19.20
June
July
August
September
October
November
December
January
February

How will the Federal Reserve Change current interest rates?



Are you becoming more optimistic or pessimistic about interest rate cuts in 2024?




Reasons for US Beef Herd Contracting
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
Drought
High Input Costs
Age of the Beef Cow Operator
High Interest Rates
Other

- ***What are the two most important factors driving agriculture's economic health today, and in 12 months?***
  - Changes in operating and input costs, including interest rates.
  - Commodity prices, including differing movement between crop and livestock prices, and the impact of domestic/global supplies.
  - Complicated macroeconomic factors and general uncertainty of the economy, including political initiatives and geopolitical risks.
- ***What factor(s) will impact crop prices in the next 6 months?***
  - Planted acres and weather in the U.S. and South America, and its subsequent impact on production.
  - Geopolitical risks and the strength of the global economy. Specific references made to the Chinese economy and commodity demand.
- ***What factor(s) will impact livestock prices in the next 6 months?***
  - Domestic demand, including changes in the factors impacting demand, and maintaining consumer buying interest.
  - Beef sector challenges including drought, rebuilding the cattle building herd, and prices being supported by falling grain prices and contracting supplies.
- ***What factors have you been watching that have had less impact on agricultural markets than you expected?***
  - Certain geopolitical factors, including the Chinese economy, conflict in the Red Sea and Ukraine-Russia conflict.
  - Changing South American crop production estimates.
  - Domestic interest rates and their impact on agricultural lenders and producers.
  - Consumer demand and spending, particularly related to animal proteins.
- ***What factors have you been watching that have had more impact on agricultural markets than you expected?***
  - Some respondents stated international trade/economic issues, including the Black Sea region and China… indicating mixed feelings on the impact and importance of these factors.
  - Foreign export competition and U.S. economic competitiveness (including the impact of U.S. dollar strength).
- ***USDA is now forecasting 2024 net farm income to fall $40B (or 25.5% in nominal terms) to $116.1B. If this forecast proves accurate, what fallout would you expect to occur in the agriculture industry?***
  - Consensus of minimal immediate fallout in 2024 and more concern if farm income is lower in 2025 and beyond – some discussion of potential impacts include:
    - Slowdown of equipment sales.
    - Moderation of land values and rental rates.
    - Consolidation in farm service businesses.
    - Worsening of financial ratios, including increased debt-to-asset ratios and loan delinquencies/defaults.
    - Pressure on legislators to complete the next farm bill and/or offer aid to farmers.

- ***What are the implications to the industry of declining cattle inventories?***
  - Consensus of high price impact and generally better times for cow-calf operators, more difficulties for other areas of the beef supply chain; concerns for longer-term market damage and loss of industry infrastructure.
  - Consolidation of operations accelerated as cattle numbers continue to decline; potential risk of overreaction in the market and reduced ability to handle eventual rebound in supplies.
  - Creation of a squeeze for packers, including loss of efficiency and capacity.
  - Shifts in retail sector and consumer consumption over time.
- ***What are the potential impacts of ocean transportation issues on U.S. trade?***
  - Increased freight costs due to lengthened trips, making U.S. exports less competitive in global markets and increasing uncertainty; broader conservation related to the transaction costs and benefits of trade shifting.
  - U.S. commodities disadvantaged compared to competitors with increased travel time to critical Asian markets when having to use alternative routes.
- ***What do you view as the most negative aspect regarding the outlook of U.S. agriculture?***
  - Higher interest rates for longer than anticipated.
  - Over-production and creation of situation when the U.S. is oversupplied relative to demand.
  - Volatile, declining commodity prices and broader declines in profitability creating uncertainty.
- ***What do you view as the most positive aspect regarding the outlook of U.S. agriculture?***
  - Relatively strong farm balance sheets to weather periods of stress and handle downturns.
  - Demand for biofuels and opportunities for new markets.
  - Declining costs for some inputs.
  - Strong consumer demand, specifically for beef, and broader strength for other commodities.