Farm Economy
(Look back ‘18 currently and a look ahead to 2019)

Getting OLD!!

A Look back to 2018

LATE SPRING
ISSUES WITH SPRING FERTILIZER (LOGISTICS)
NEAR NORMAL GROWING SEASON UNTIL....................
FALL FROM HELL!
A Fall from hell!

- September/October lost months
- Early October Snowstorm w/ 12”
- 75% SB were combined after the snow
- Wet soybeans 18% moisture
- Good yield Both corn and beans

FALL FERTILIZER SEASON

30%-40% of a normal fall

Prices

- No weather rally in ‘18
- Tariff
- Slow harvest held prices somewhat stable
- World stocks dropped again for corn – demand was robust
- World wheat production fell (Russia & Australia)

CURRENT STATE OF THE FARMER

- Larger than average inventory on farm
- Tariff
- Less need for expenses (pre-pay)
- Uncertain on what to plant
- Slower to pay off operating/AR
- Still sound financially (for the most part)
- Trump Payment
Planting
Spring '19

EARLY!!!!
INDICATIONS:
CORN UP 10%
SOYBEANS DOWN 5%
WHEAT FLAT TO UP 5%
LESSER CROPS
STEADY TO UP 5%
ALL OPTIONS DEPEND ON WEATHER - TIMING

LOOKING TO 2019

PRICES ON INPUTS
FERTILIZER – FLAT TO A LITTLE SOFTER
SEED – FLAT
CHEMICAL – FLAT
FUEL – DOWN
LAND COSTS - STEADY

COMMODITY PRICES 2019
SOYBEANS – STEADY TO LOWER
CORN – STEADY
WHEAT - STEADY
MINOR CROPS – LOWER IF ACRES INCREASE

CONCERNS ON THE “FARM”

RETAILERS ARE “NERVOUS”.
CREDIT WILL BE TIGHTER
CREDIT LINE AT THE BANK IS “ENOUGH”
LESS “INCENTIVE” PROGRAMS
CUT CORNERS
WASHINGTON DC

QUESTIONS????????????

Farming looks mighty easy when your plow is a pencil and you’re a thousand miles from the corn field.

— Dwight D. Eisenhower —