

# U.S. Crops

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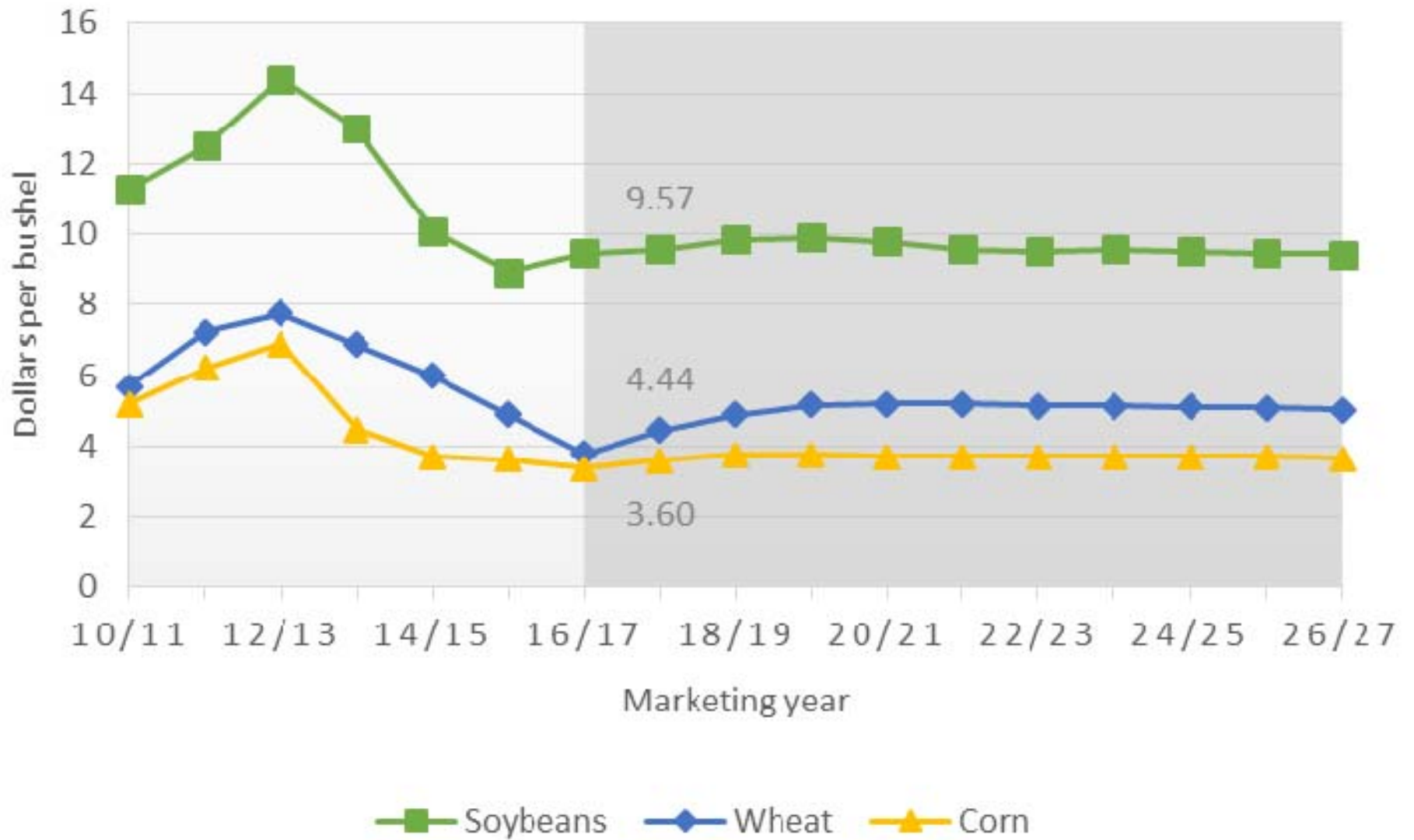
# The baseline

- Assumes continuation of new 2014 farm bill
  - Allows re-enrollment in 2019
- Assumes current trade agreements remain in place
- Incorporates known uncertainty

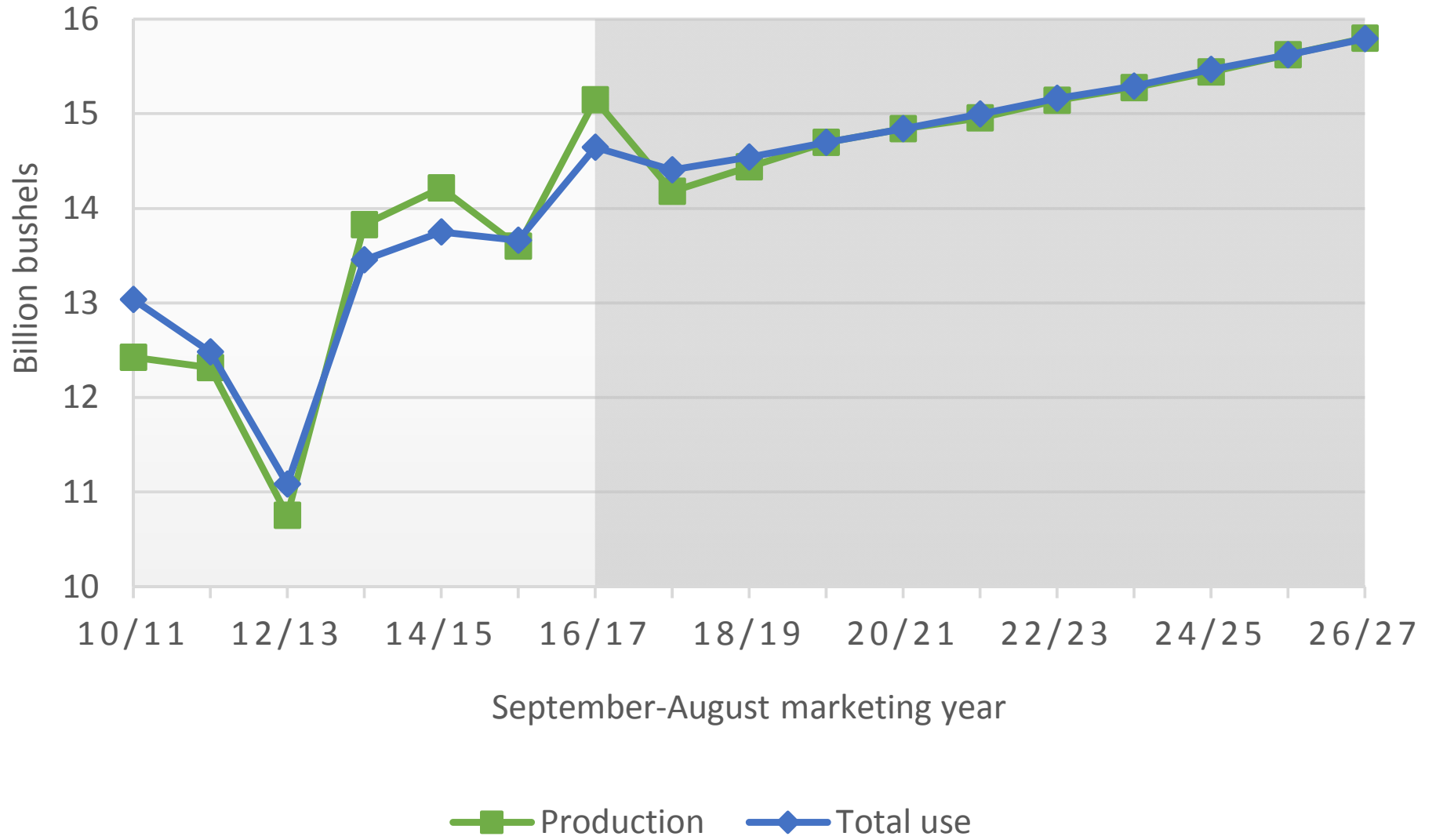
## Total PLC payments



## Crop prices remain well below peaks



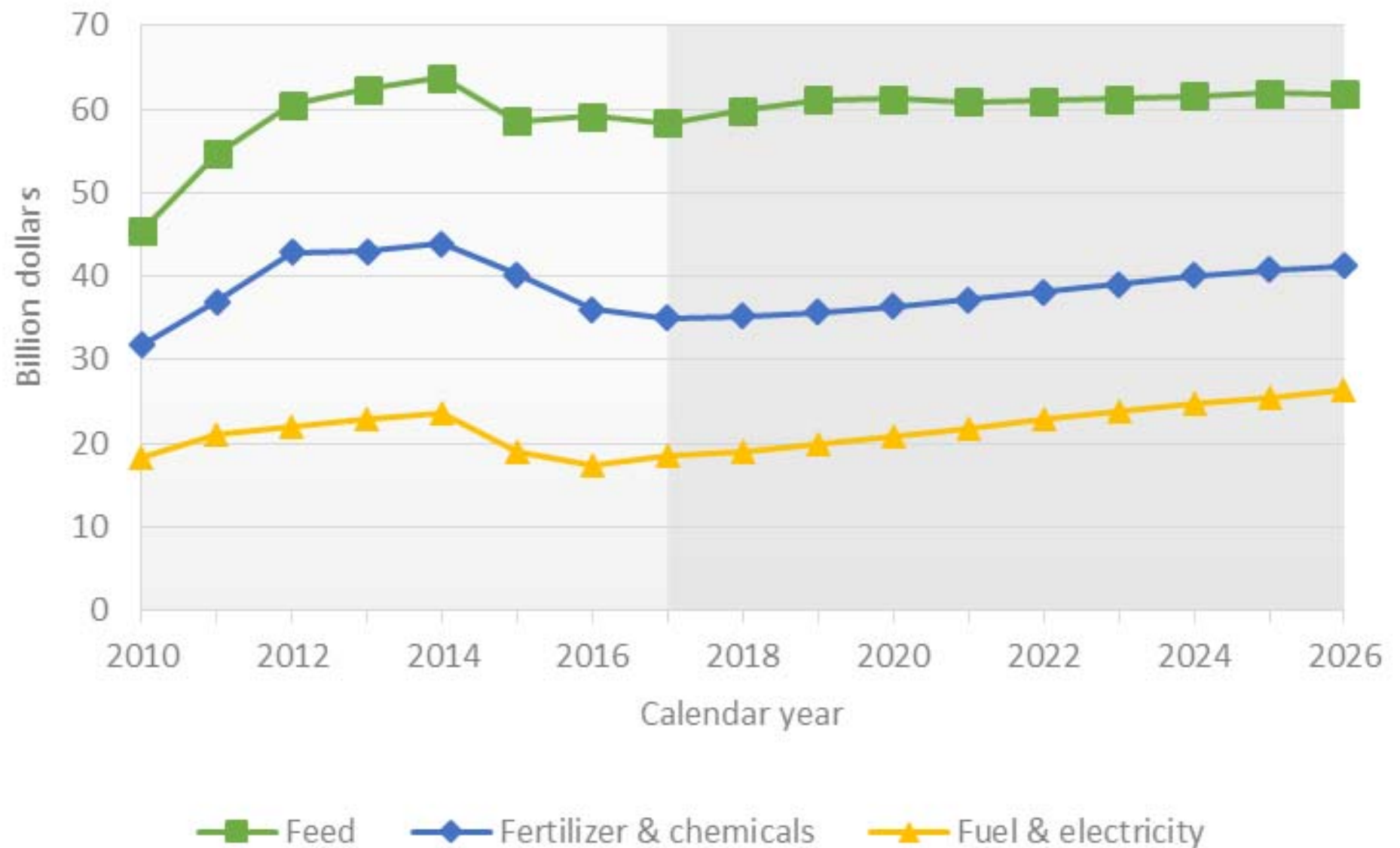
# Record corn production in 2016/17



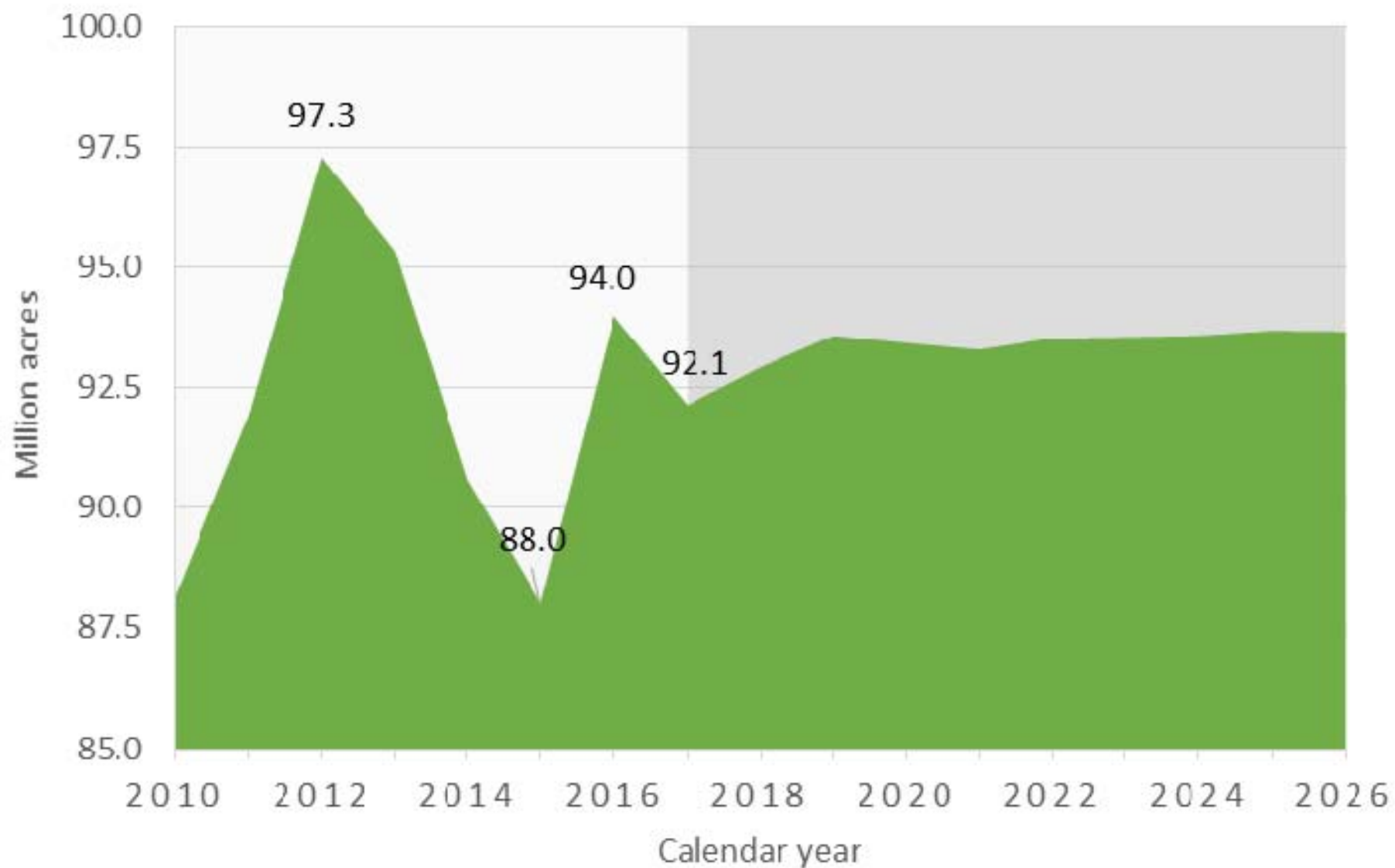
## 2016/17 corn returns surpassed by soybeans



## Production expenses resume growth after 2017

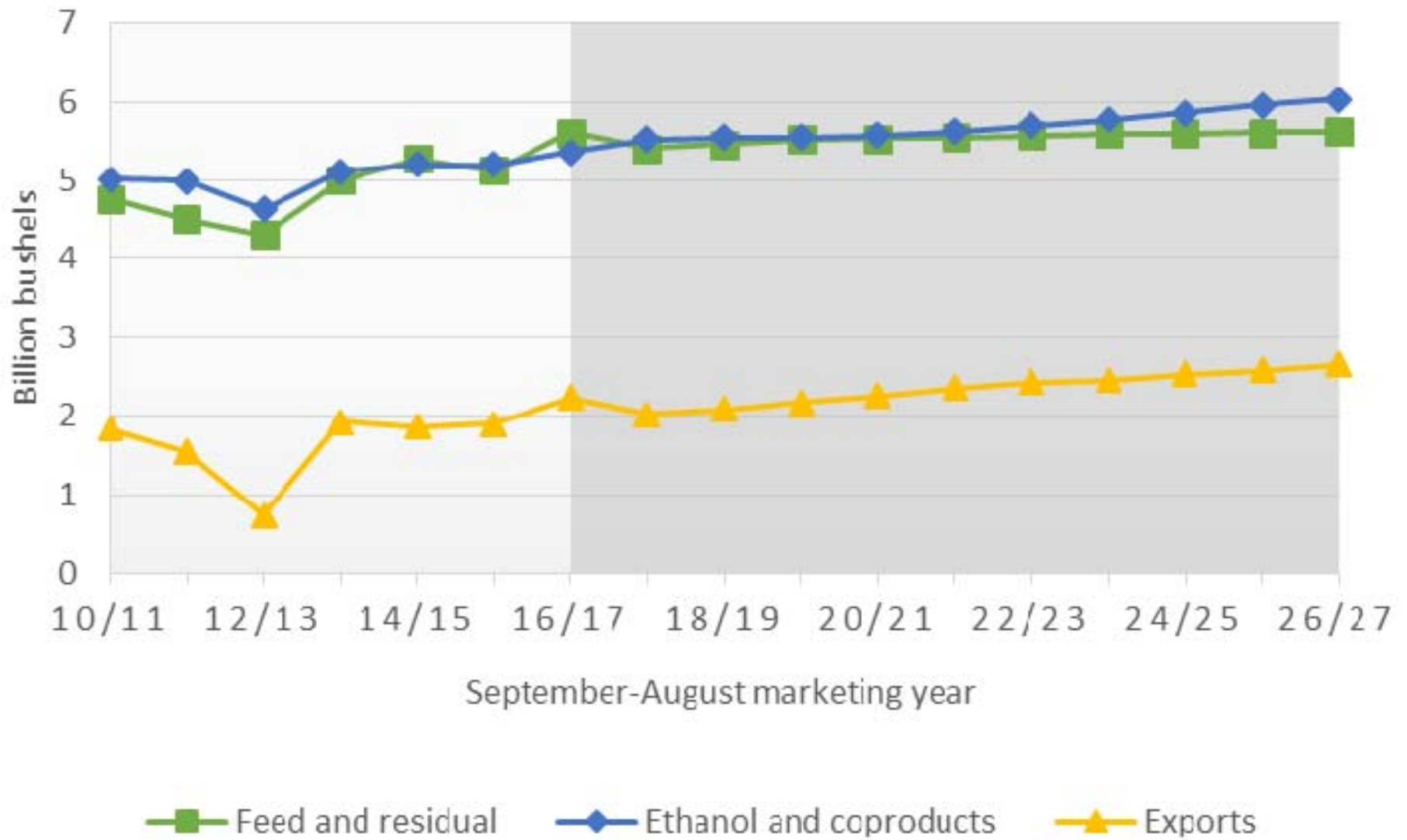


## Corn planted area falls in 2017

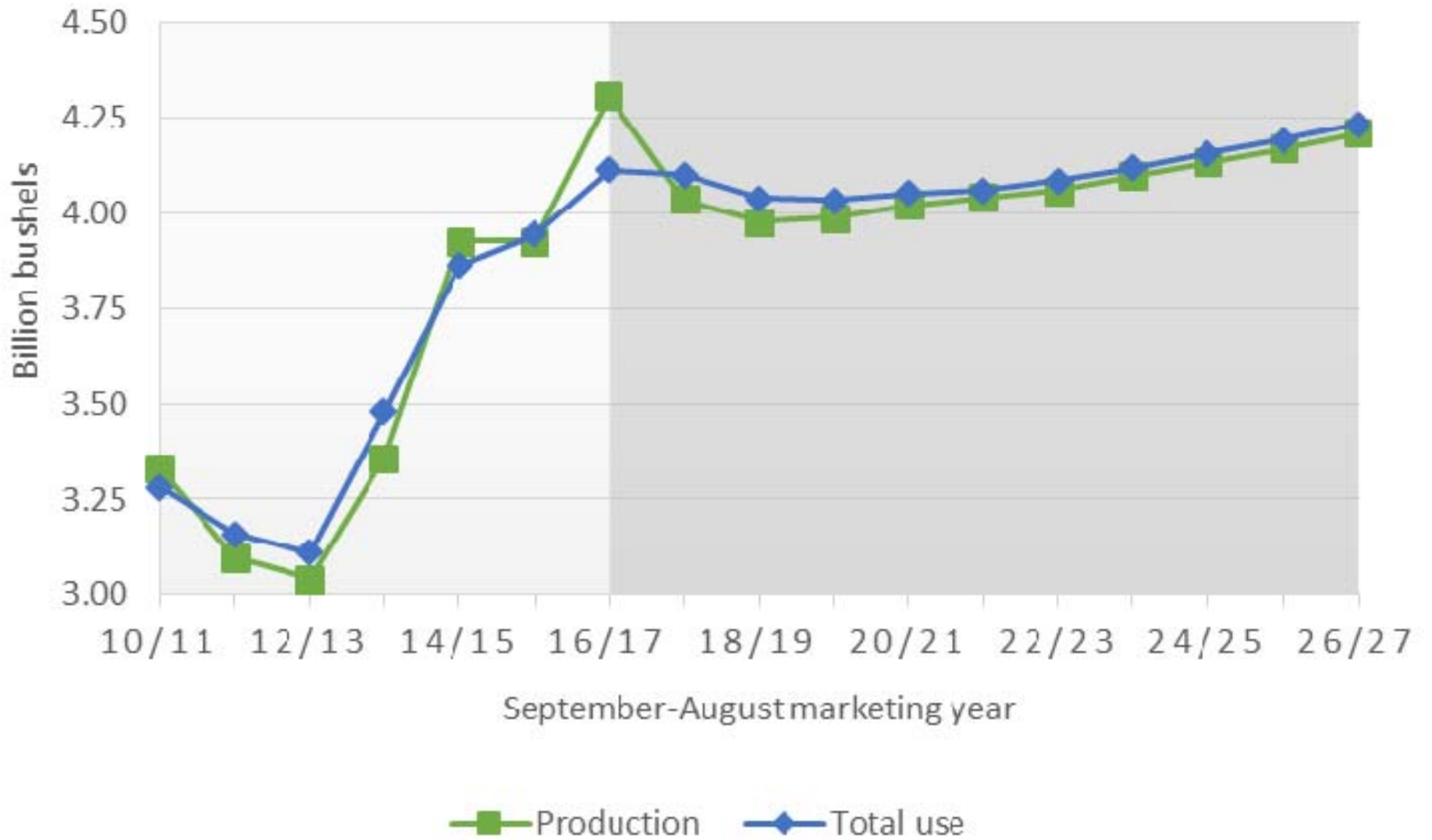




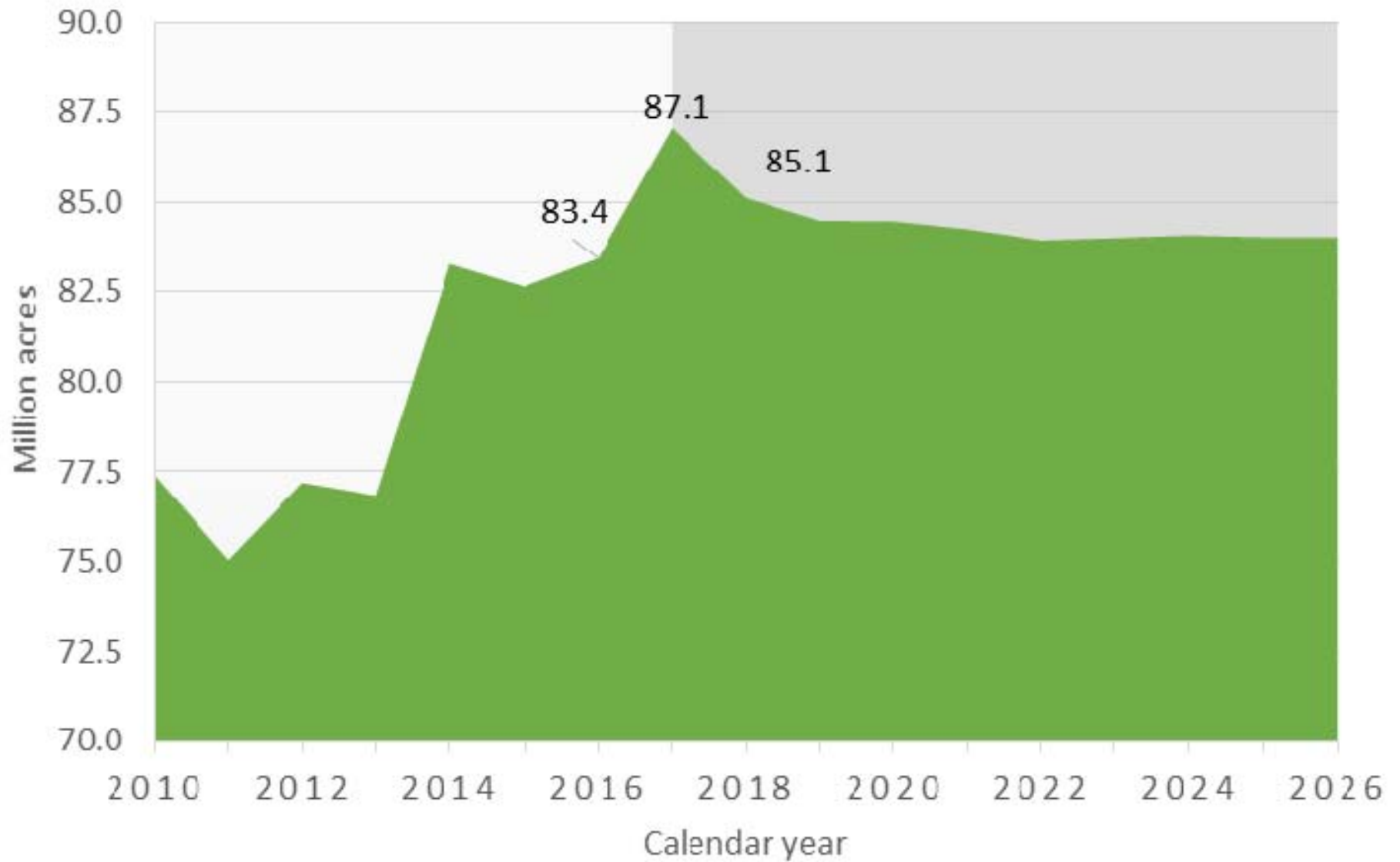
## Corn use increases in 2016/17



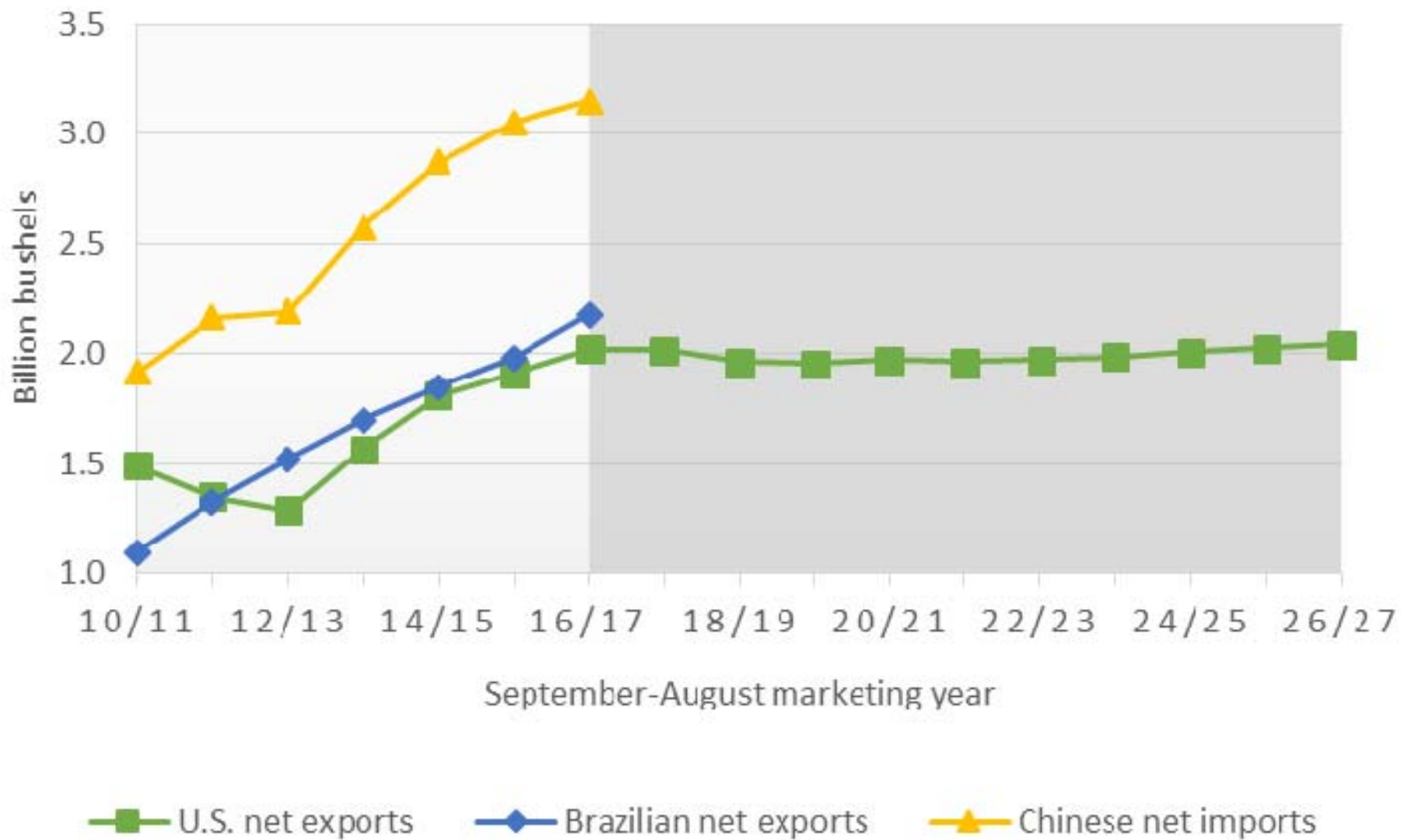
## Record soybean production in 2016



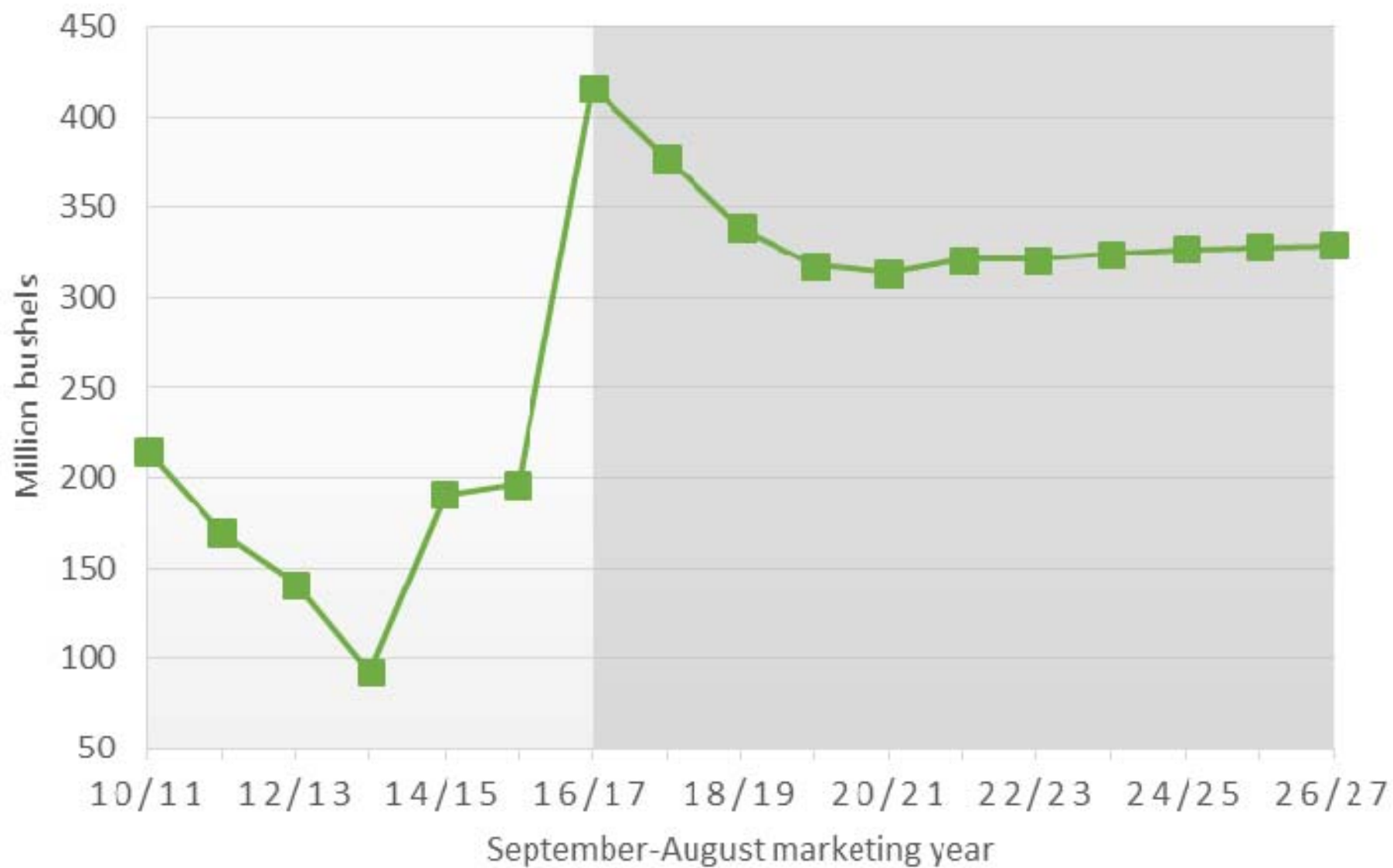
## 2017 soybean plantings could be a record



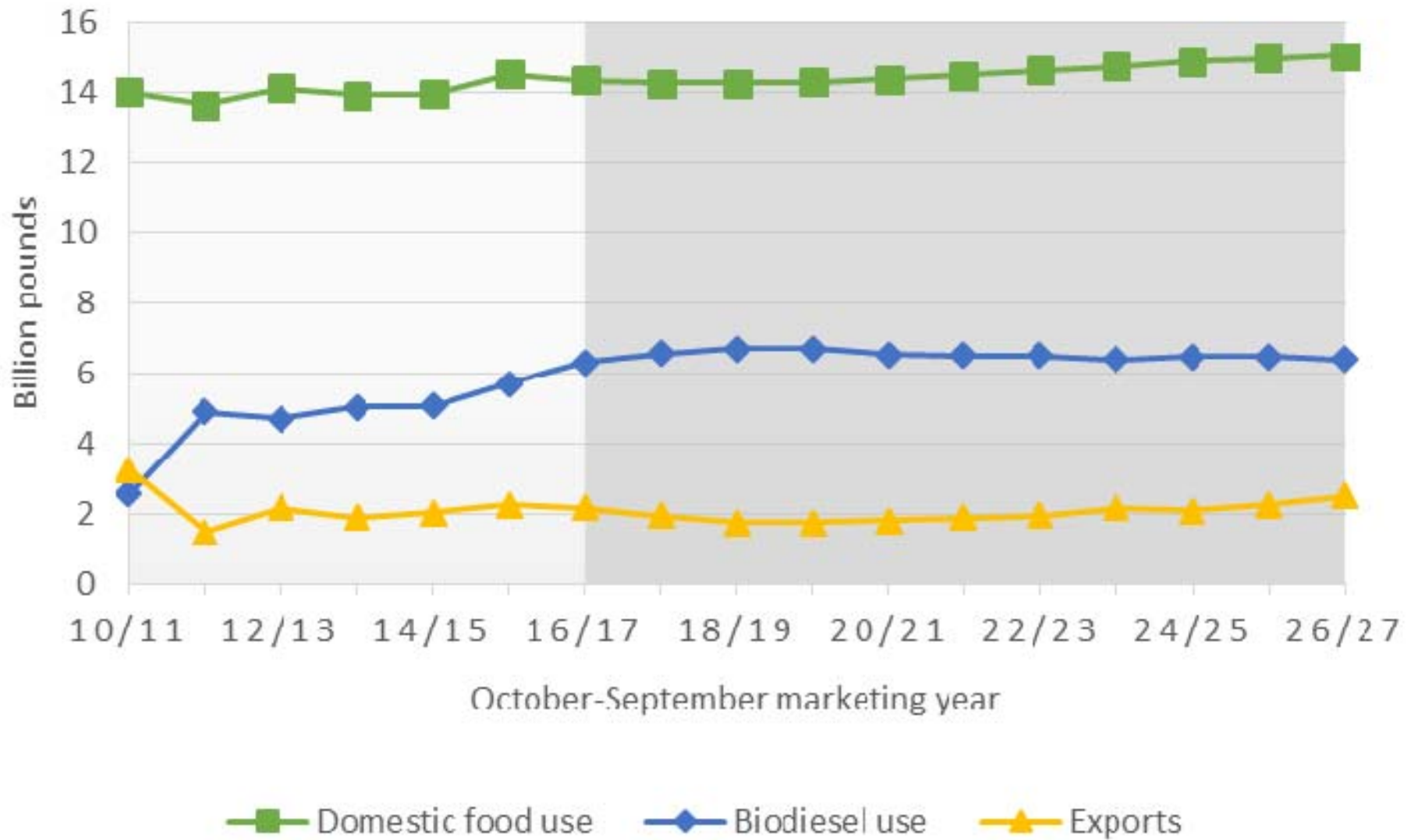
## Soybean exports dependent on China and Brazil



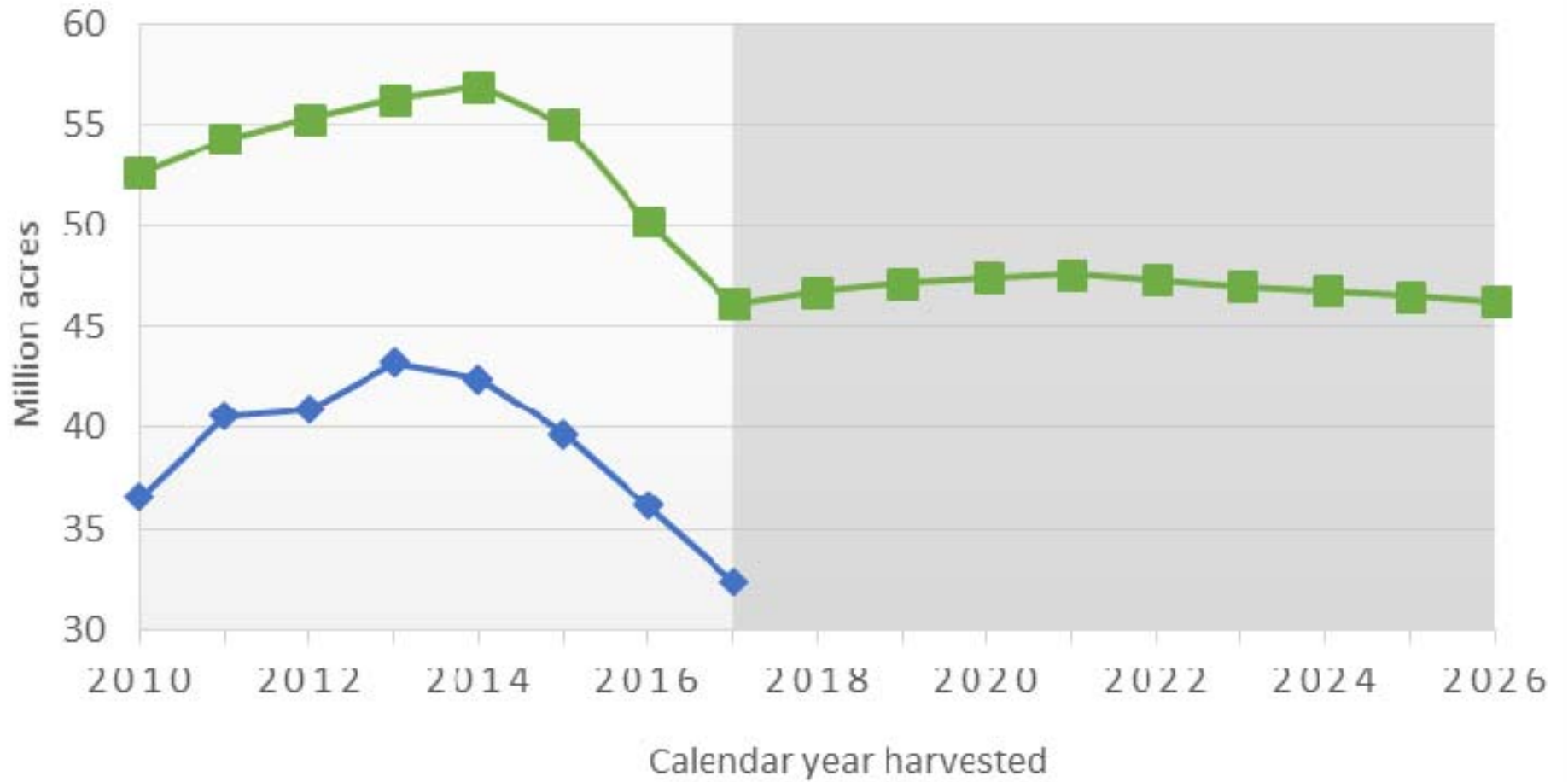
## Soybean ending stocks jump sharply



## Soybean oil for biodiesel use levels off



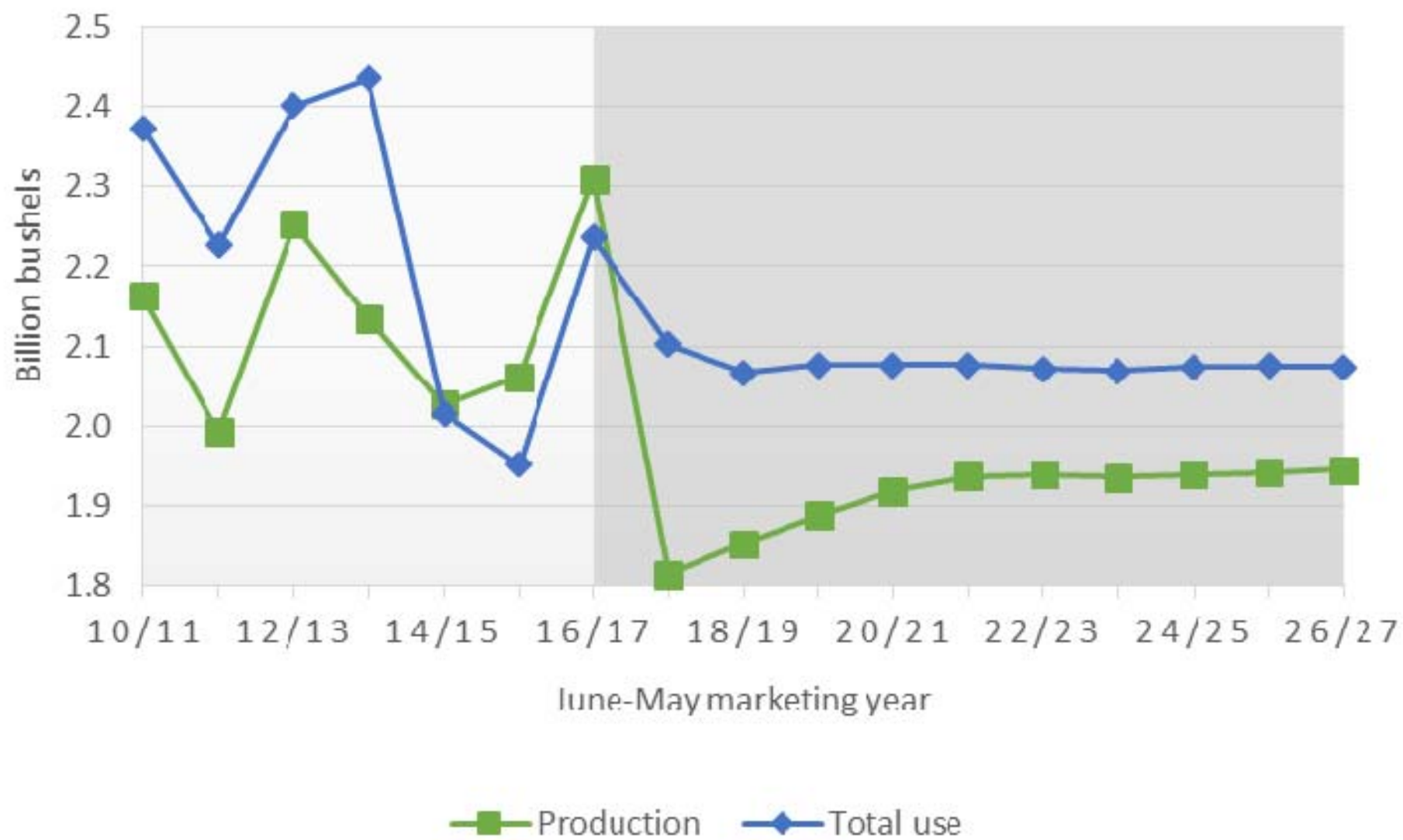
## Winter wheat seedings fall



■ All wheat planted area

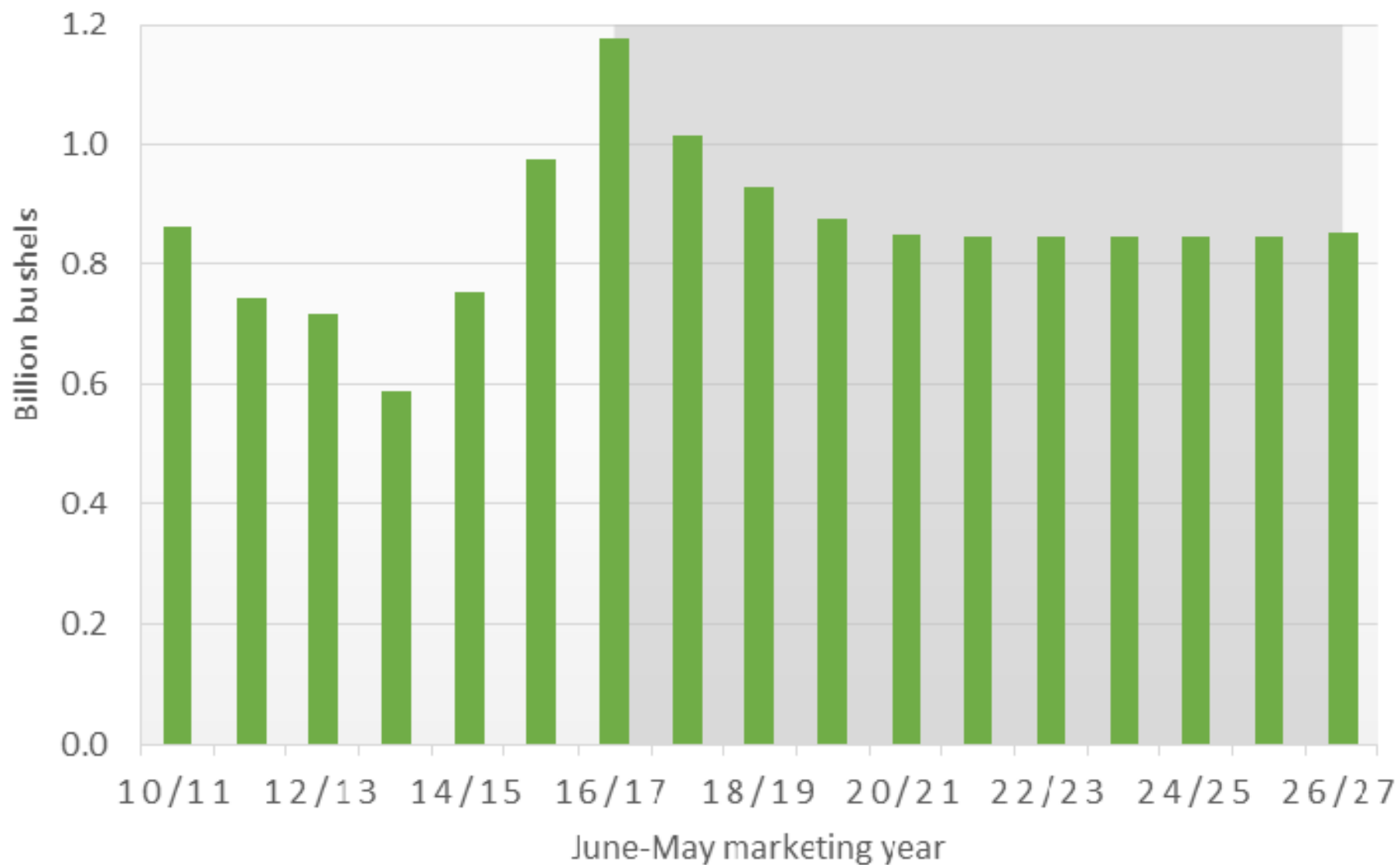
◆ Winter wheat seedings

## Wheat production drops sharply

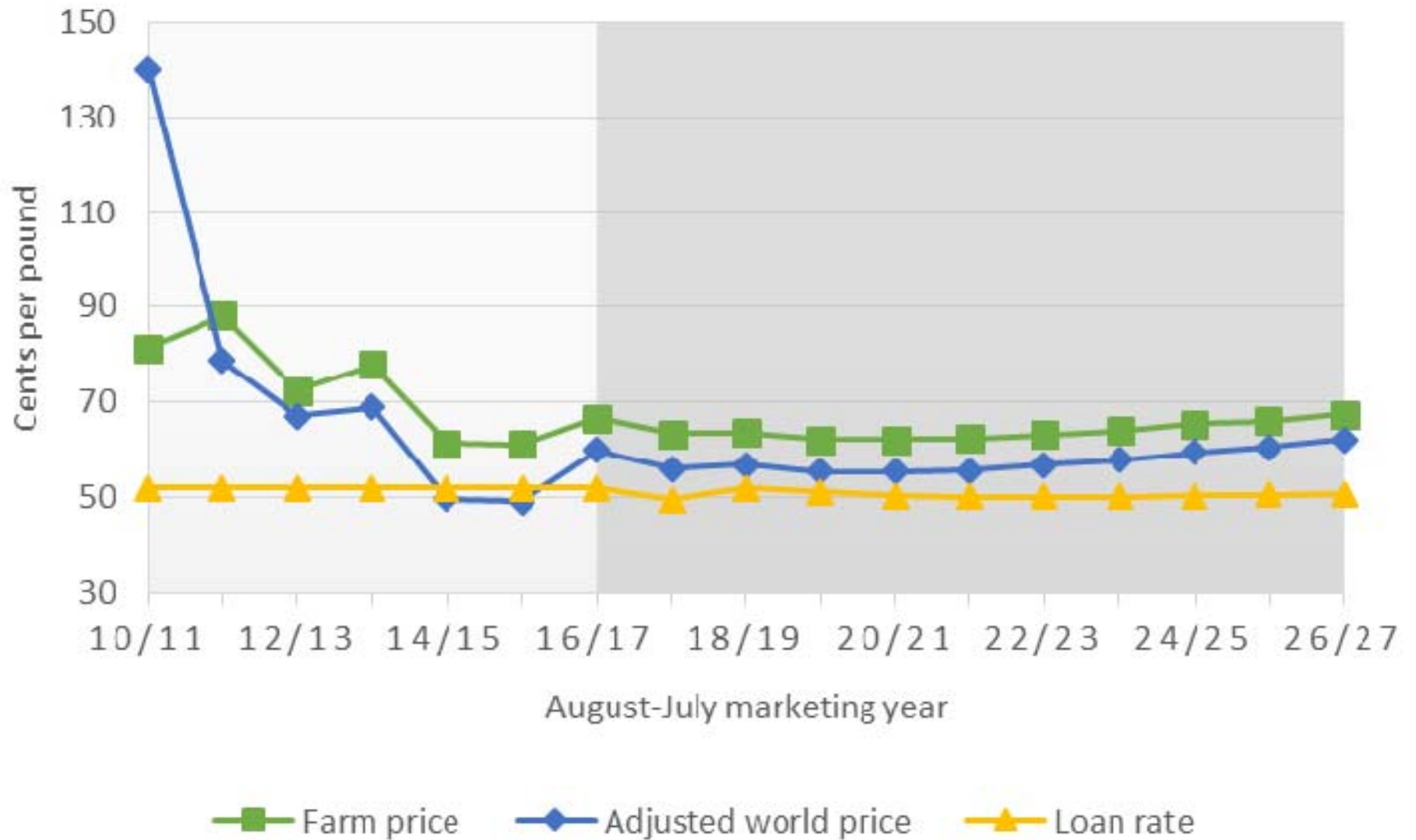




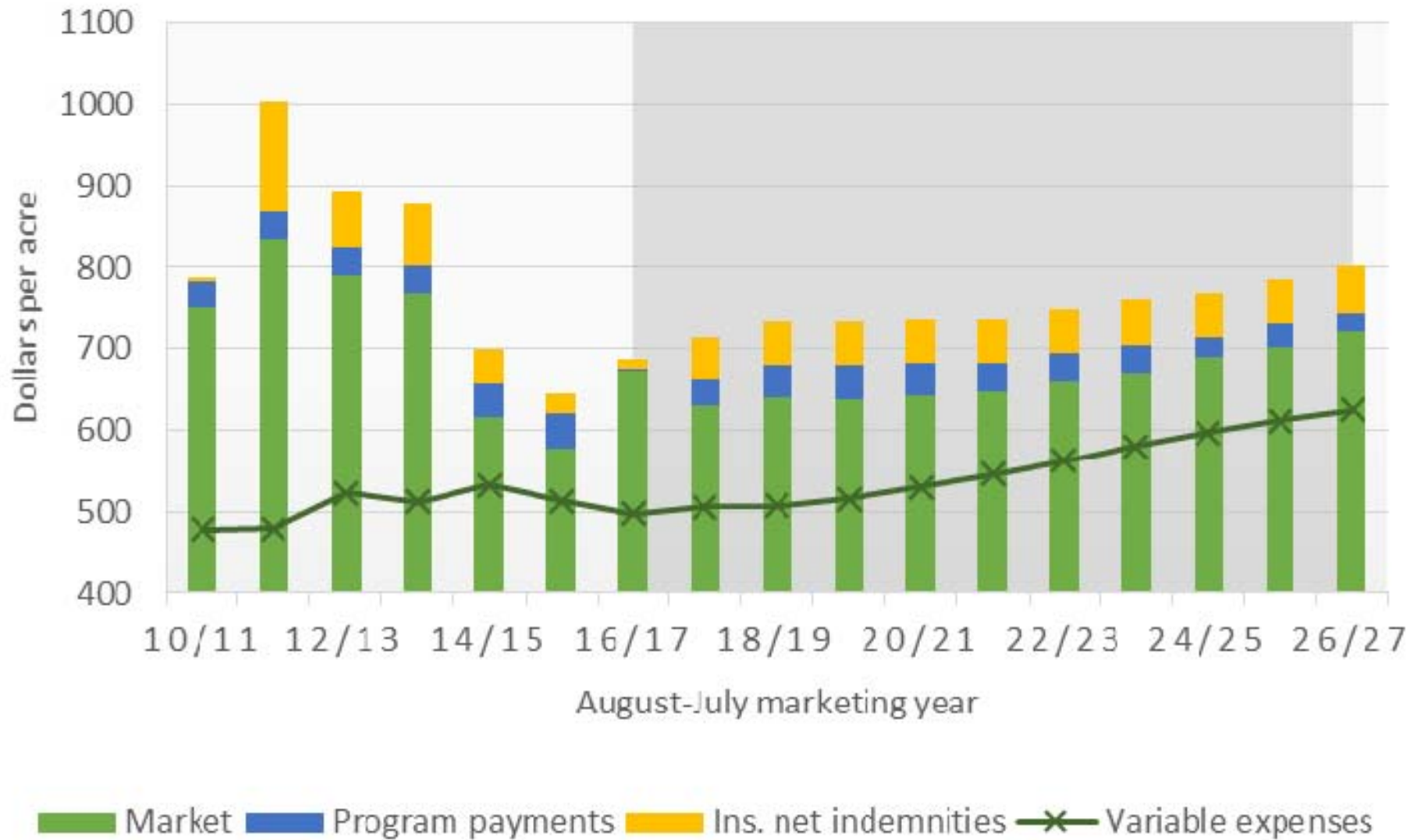
## Wheat ending stocks are drawn down



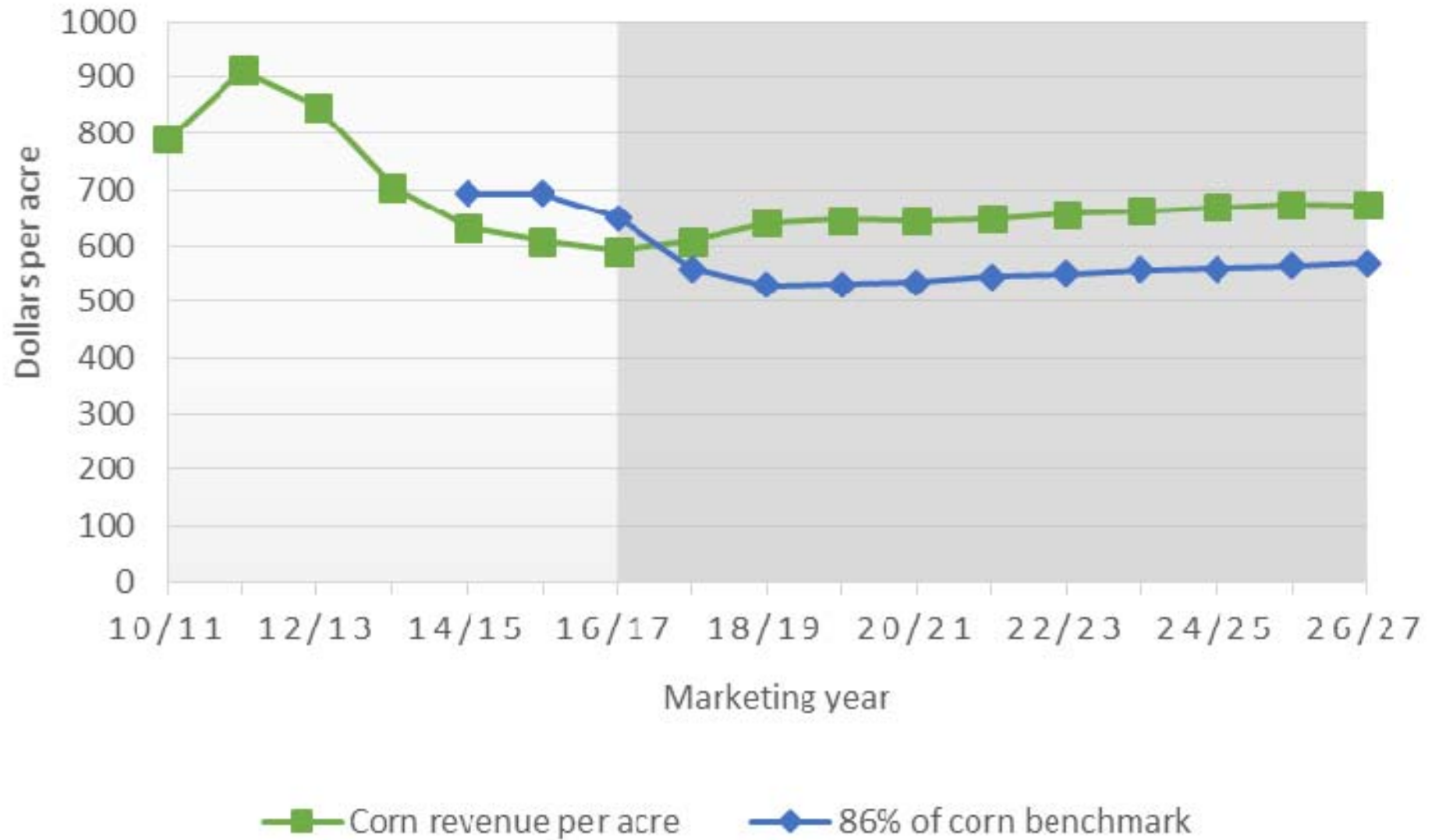
## Upland cotton prices experience some recovery



## Upland cotton returns reflect price improvement



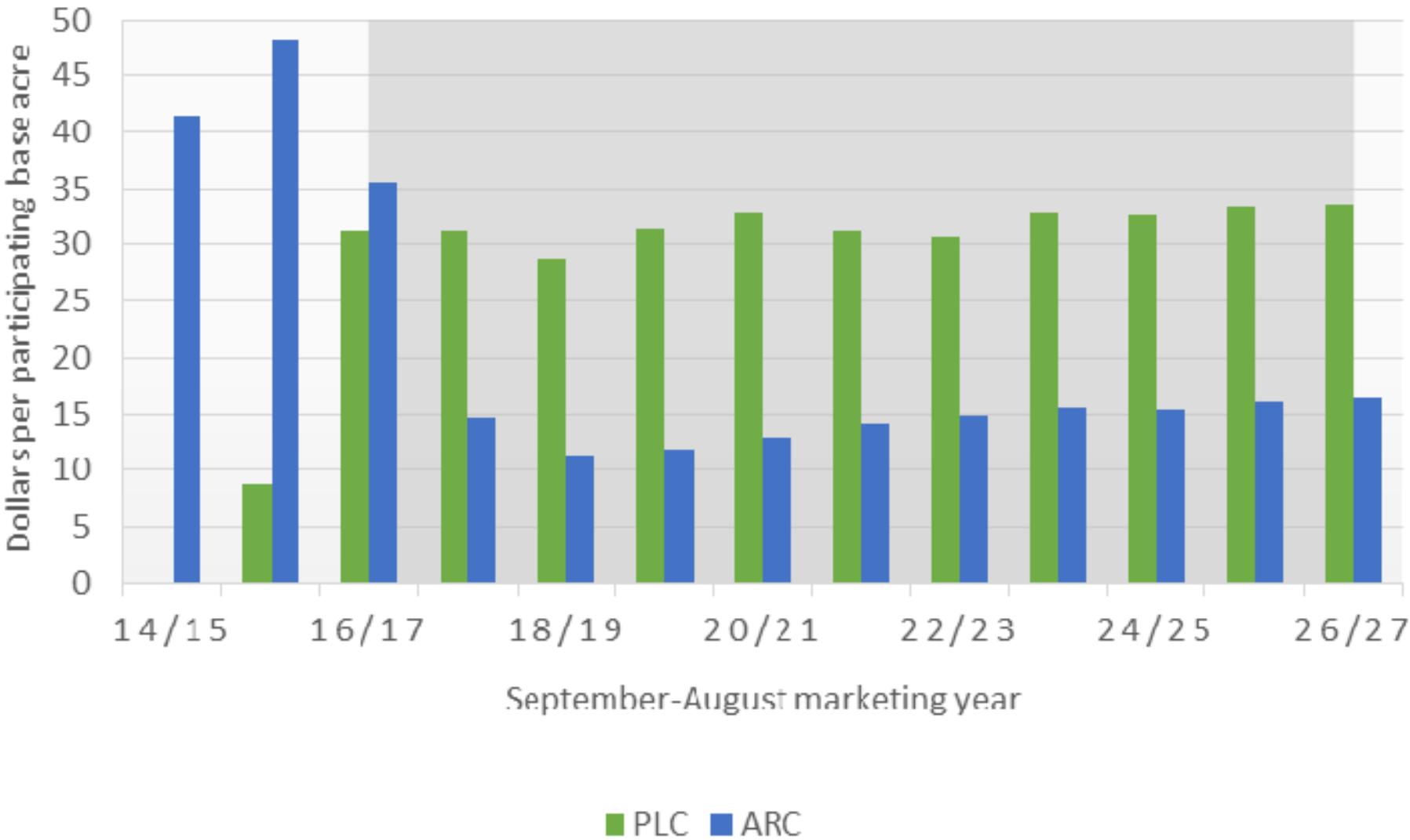
## Moving averages reduce ARC benchmarks



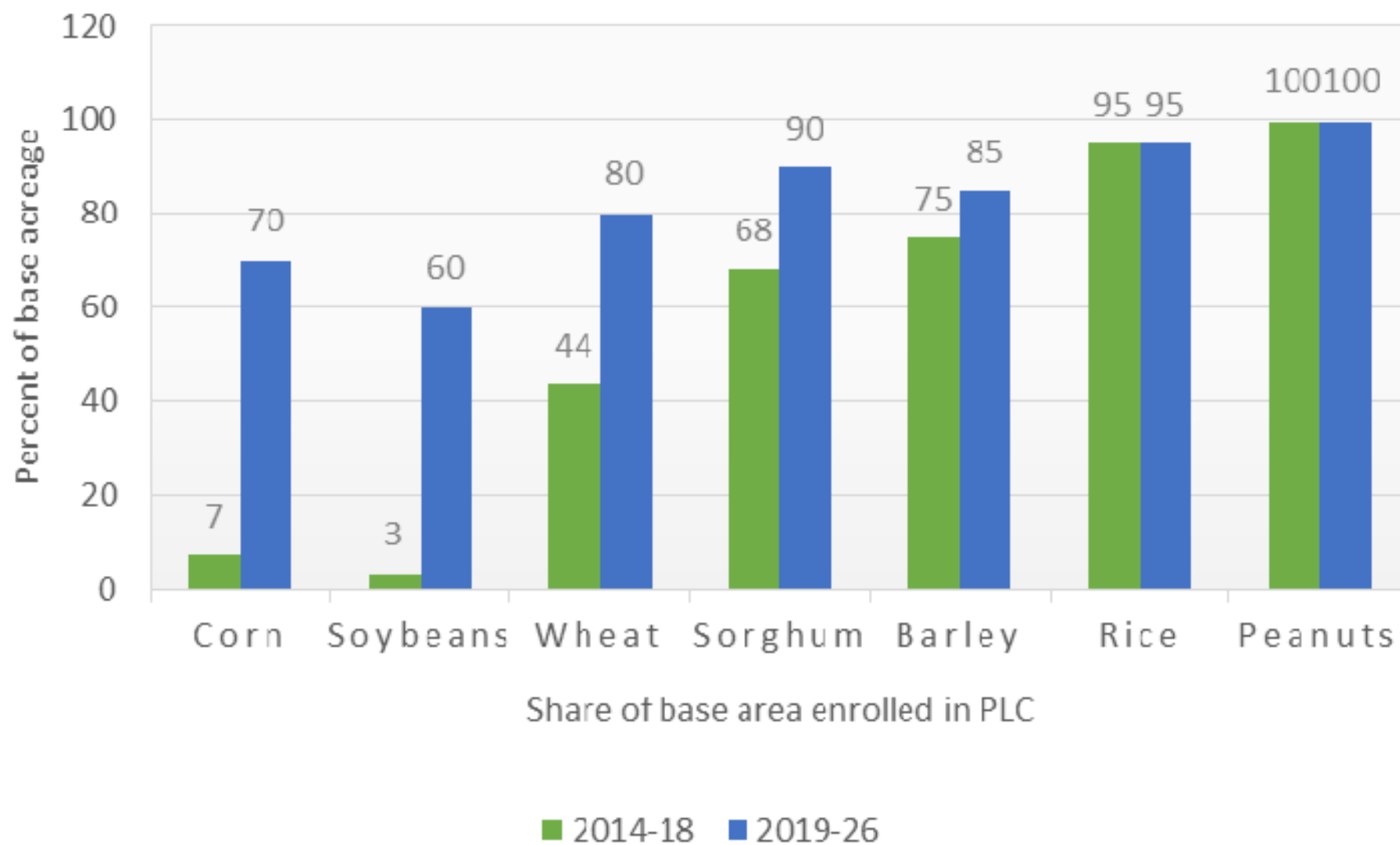
## Corn prices hover around reference price



# PLC payments surpass ARC payments for corn



## PLC enrollment expected to increase in 2019



# Thank you!

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