

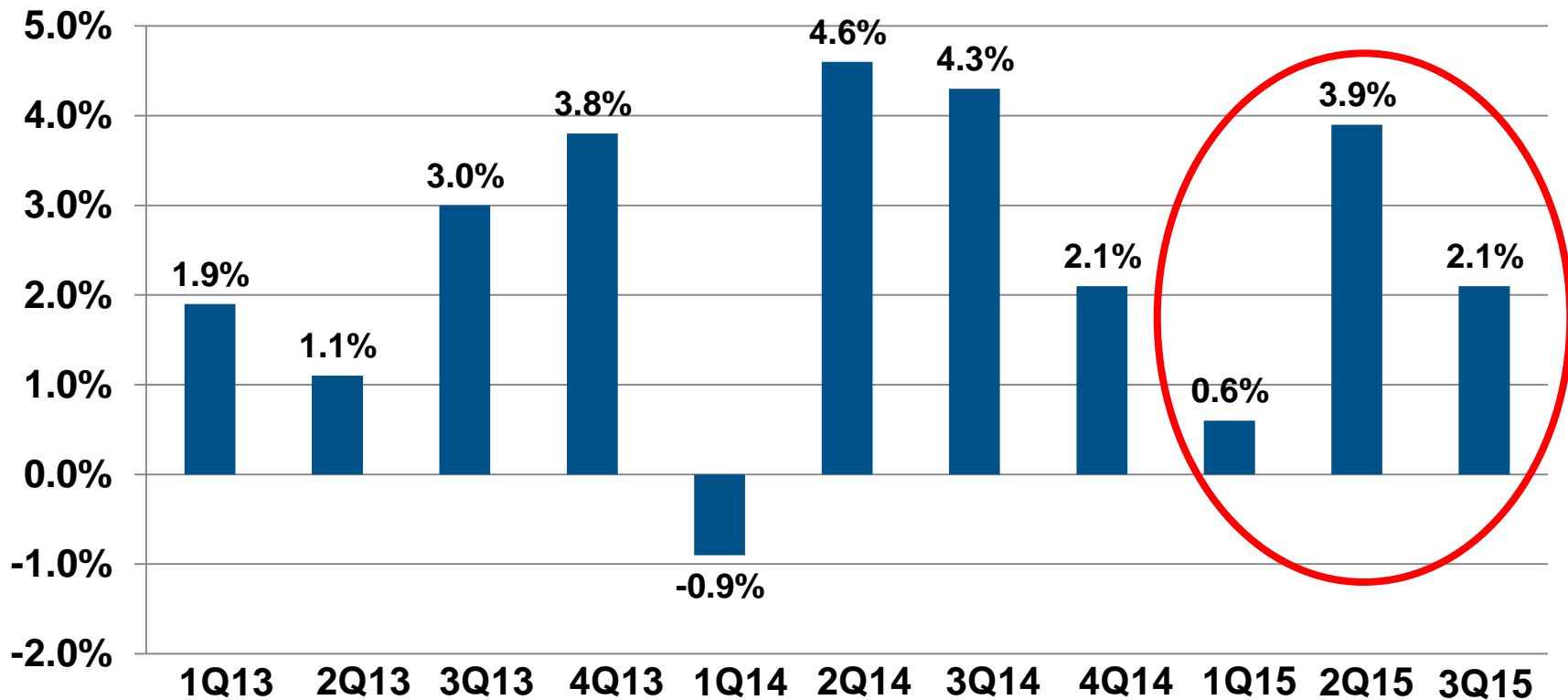


A Lender's View of the Farm Economy

Mary McBride
President
December 7, 2015

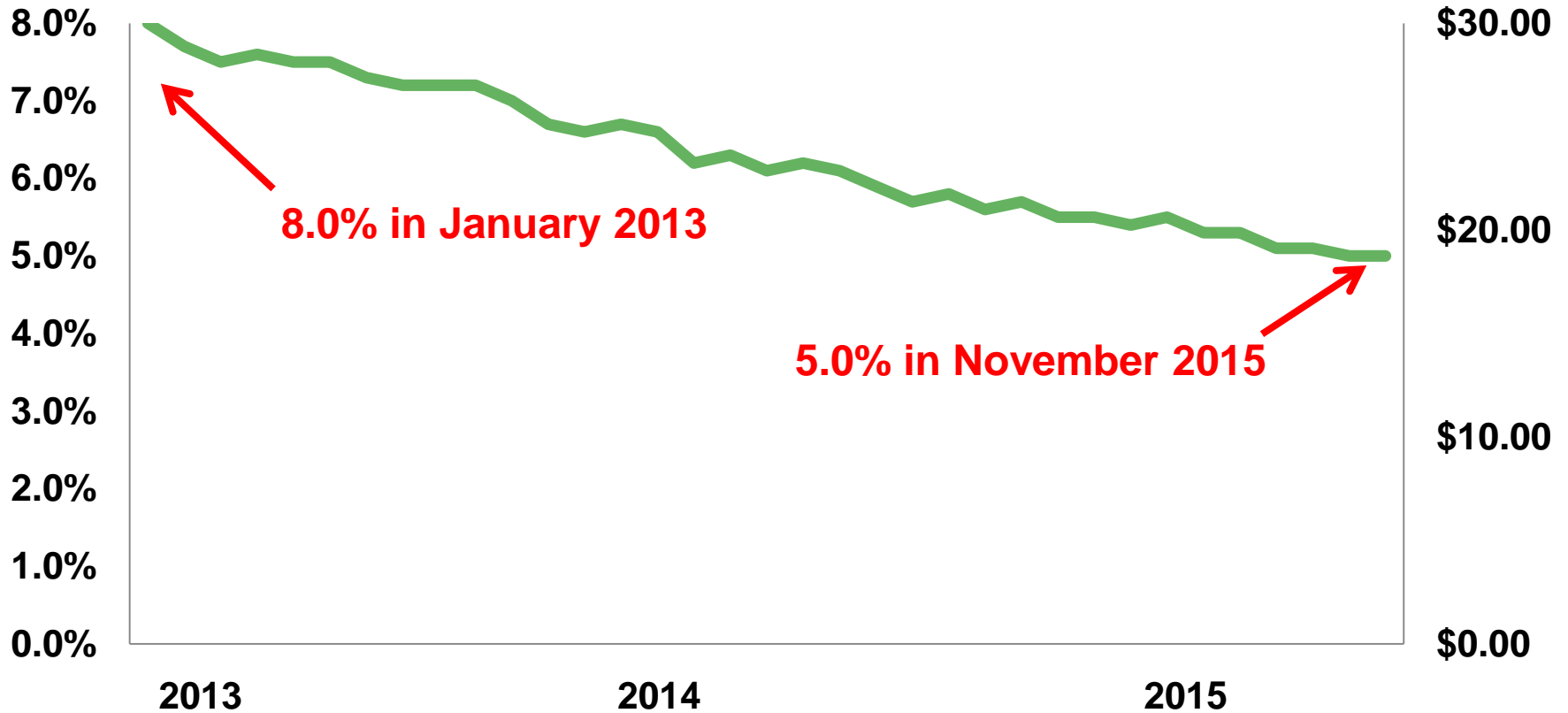
The U.S. Economy: Uneven Growth

Annualized GDP Growth Rate (1/13 – present)



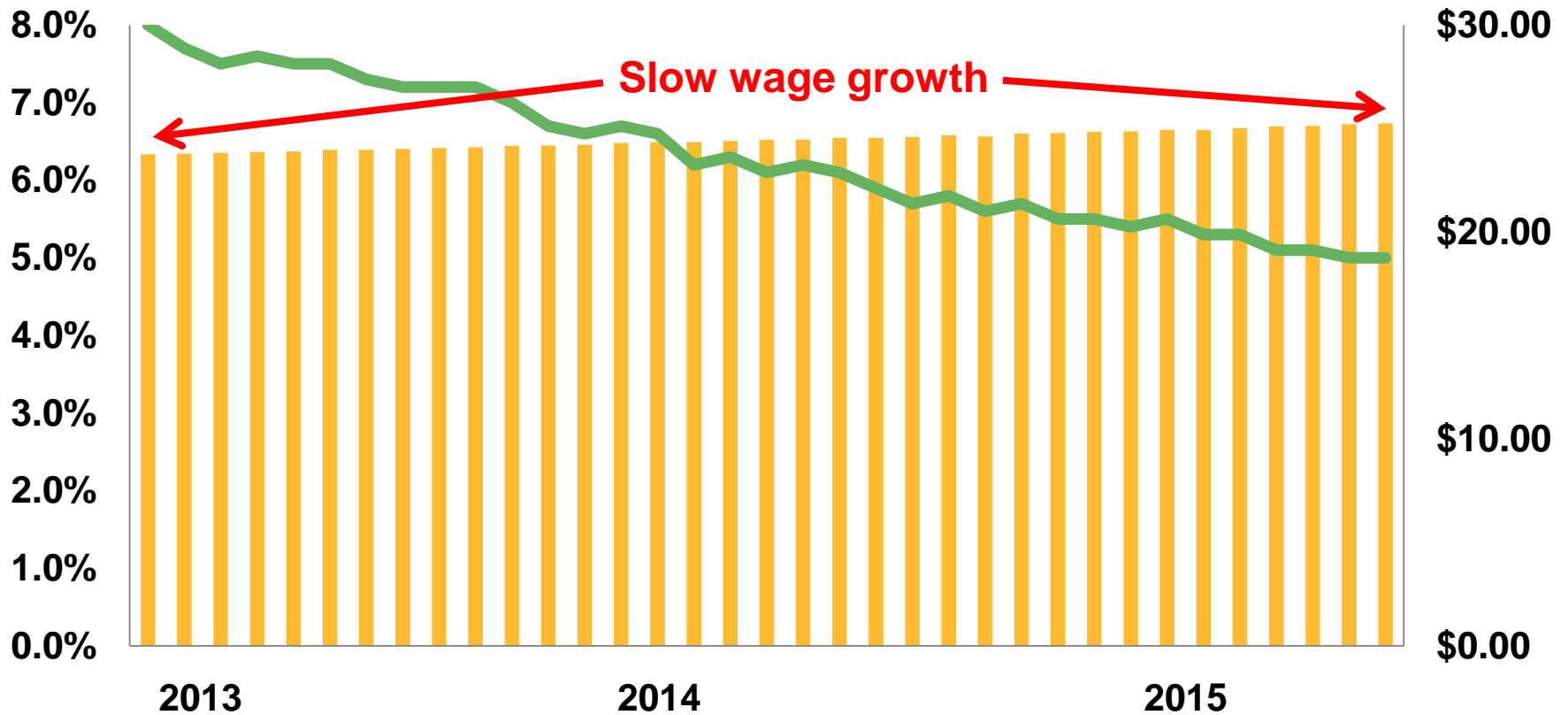
The U.S. Economy: Jobs

Unemployment & Hourly Wages (1/13 – present)



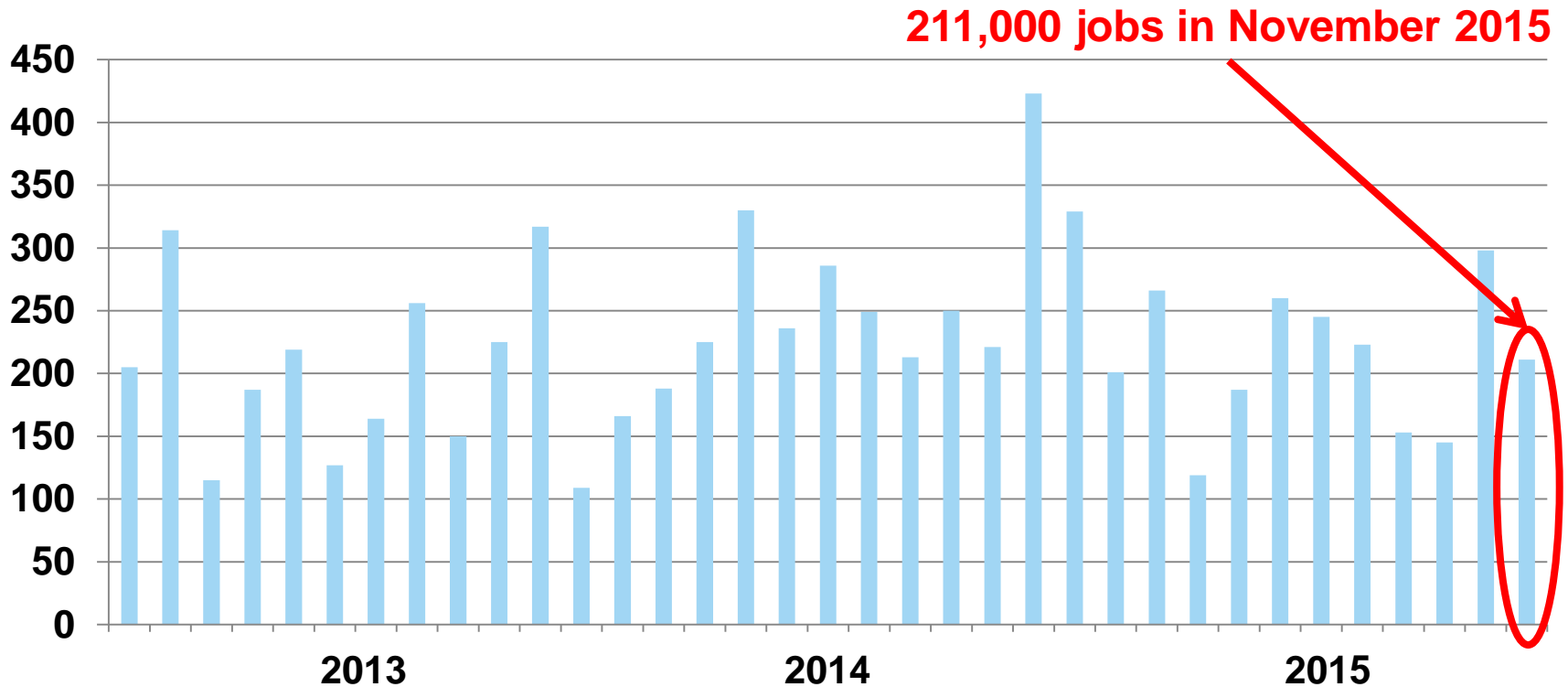
The U.S. Economy: Jobs

Unemployment & Hourly Wages (1/13 – present)



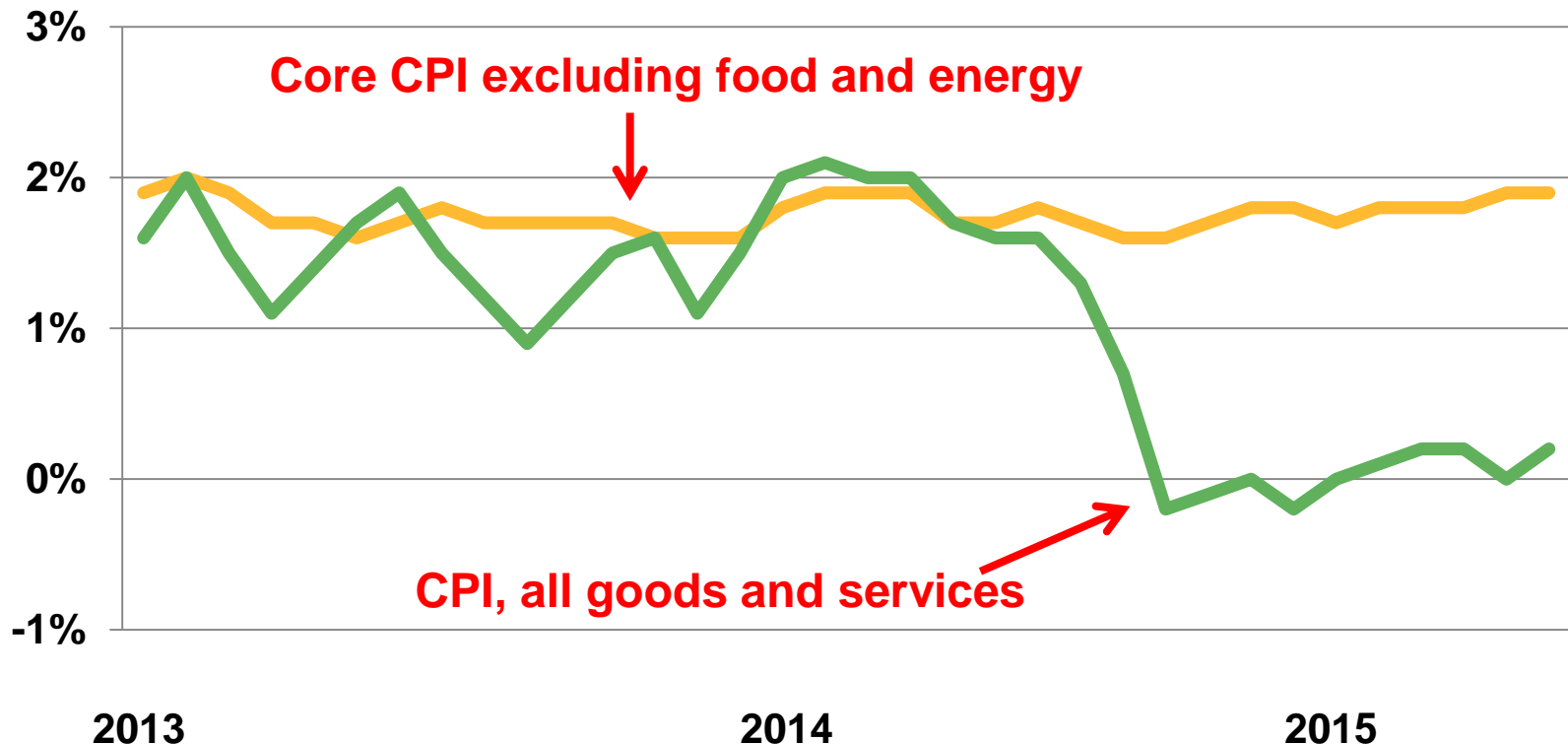
The U.S. Economy: Jobs

U.S. job creation, by month (1/13 – present)



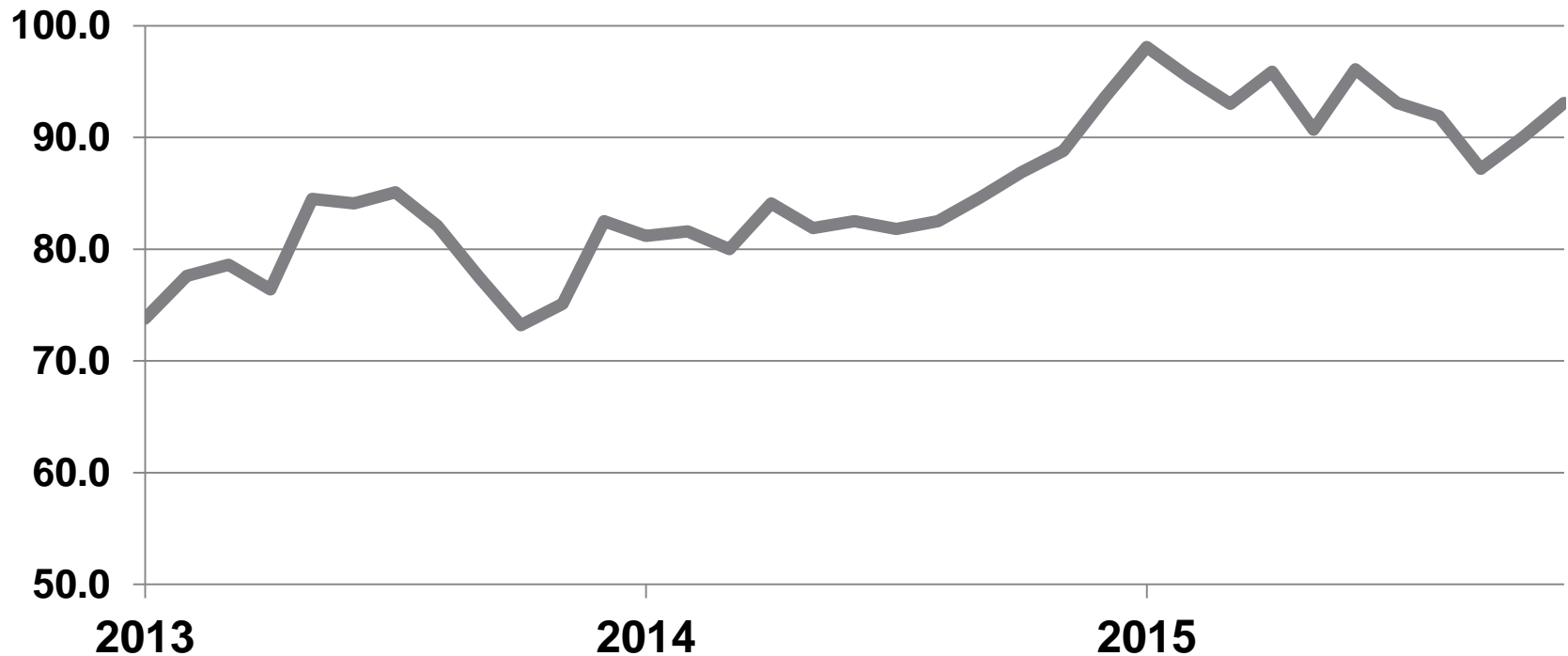
The U.S. Economy: Inflation

Consumer Price Index (1/13 – present)



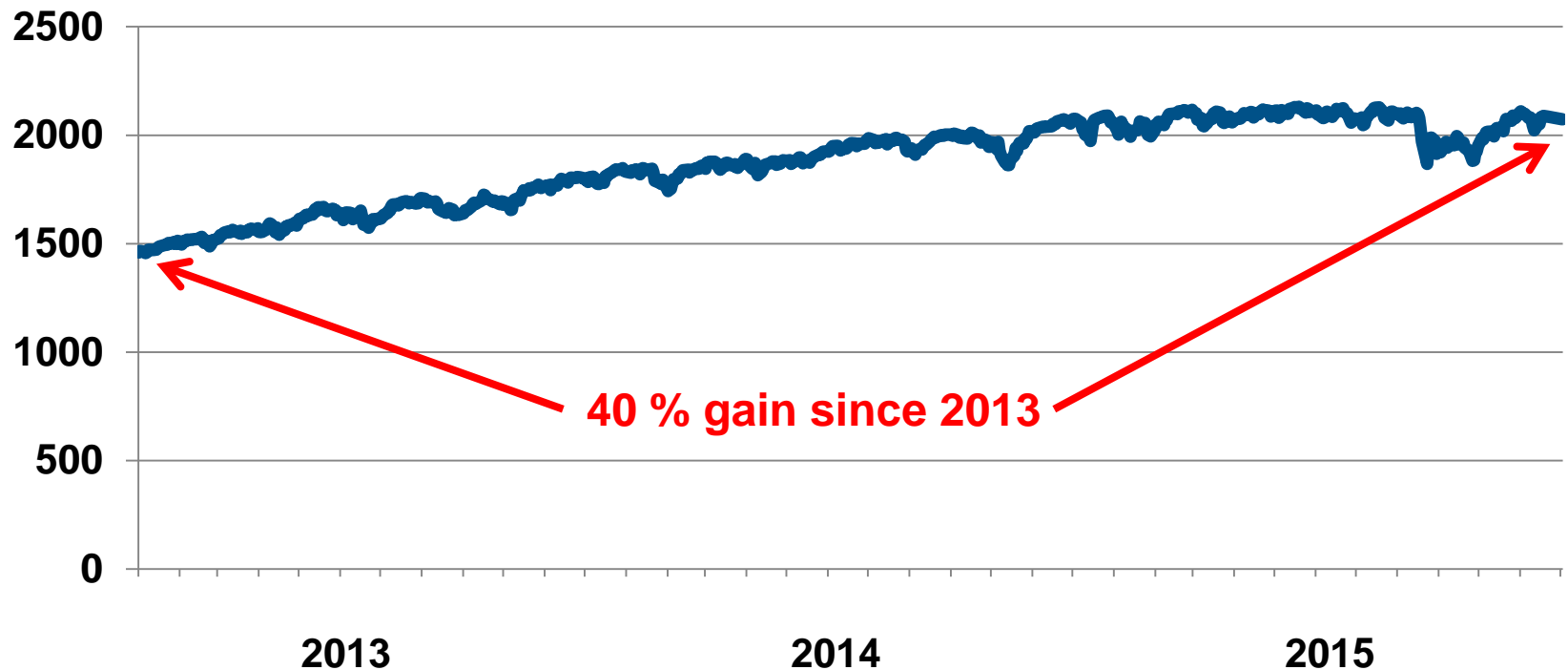
The U.S. Economy: Consumer Confidence

Consumer Confidence (1/13 – present)



The U.S. Economy: Asset Values

S&P 500 (1/13 – present)



THE WALL STREET JOURNAL.

DOW JONES *Market Cap* ** FRIDAY, SEPTEMBER 18, 2015 - VOL. CCLXVI NO. 67 **WSJ.com** *** \$3.00

DJIA 16174.79 * +31.21 0.0% NASDAQ 4093.95 * +0.2% STOCK 500 361.21 * +0.2% 10-YR TREAS. * 34/32, yield 2.235% OIL 348.90 * +0.25 GOLD \$1,117.90 * +1.90 EURO \$1.1417 YEN 120.02

'We want to take a little bit more time...'

JANET YELLEN, Fed chief



Fed Delays Rate Liftoff

By **JOE HILGENRATH**

The Federal Reserve left short-term interest rates unchanged after weeks of market-churning debate, putting off a historic move to end an era of ultra-cheap credit amid worries about weak growth overseas.

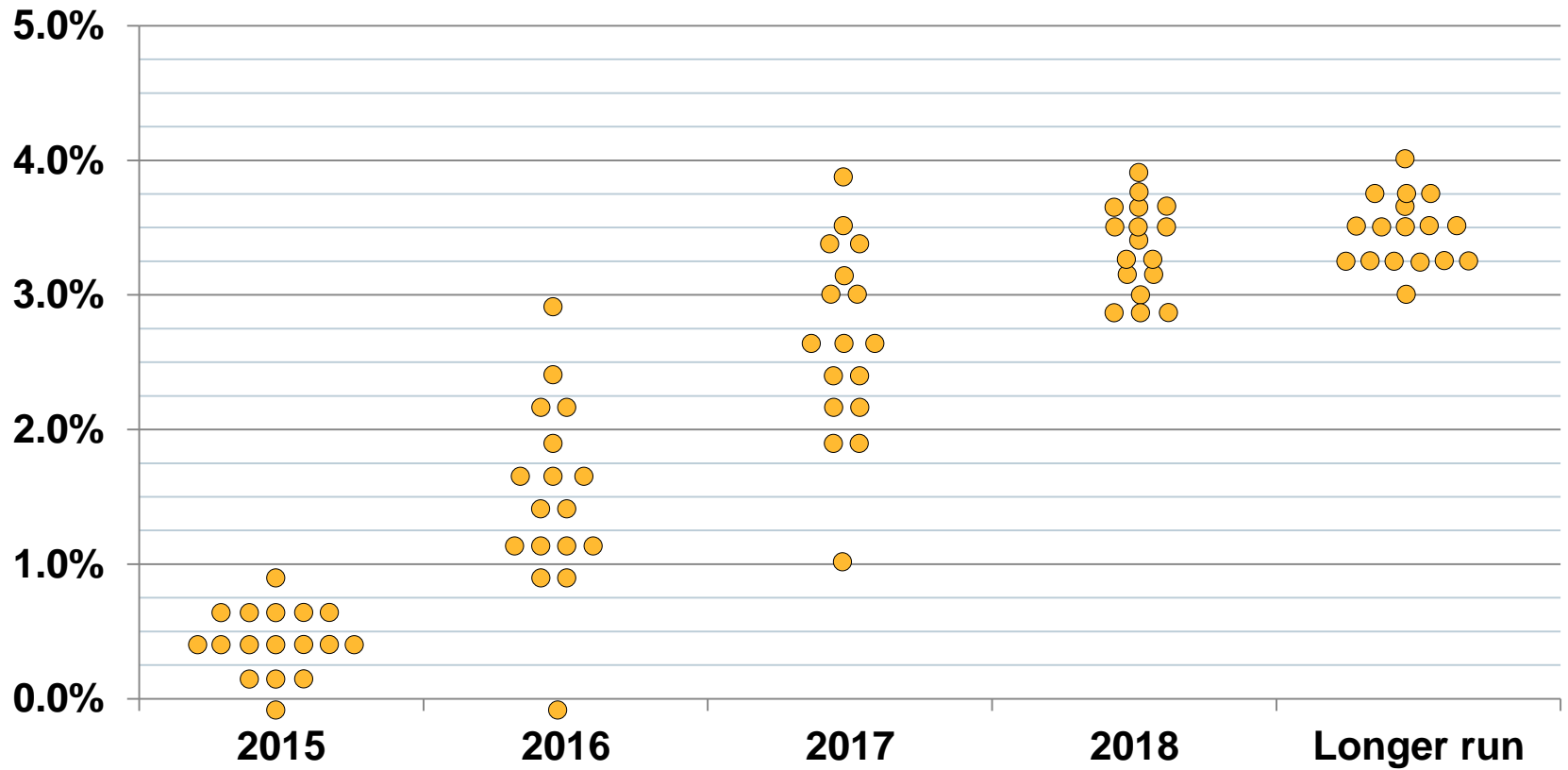
While central-bank officials don't believe recent global economic and market turbulence will throw the U.S. economy off track, they want to be sure before they push rates higher.

"In light of the developments that we have seen and the impacts on financial markets, we want to take a little bit more time to evaluate the likely impacts on the United States," Fed Chairwoman Janet Yellen said Thursday at a press conference following a two-day policy meeting.

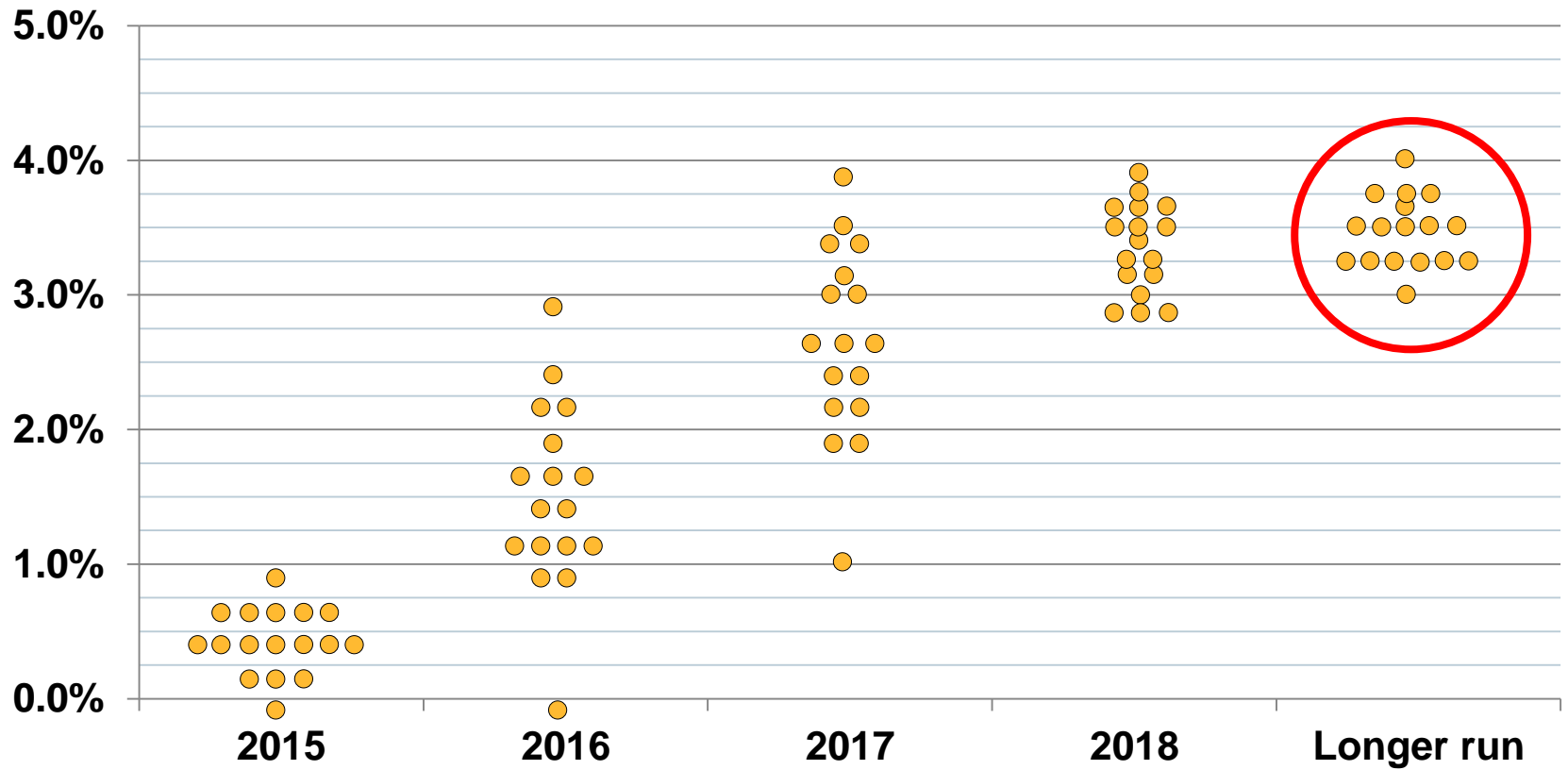
The decision left uncertain for a while longer just when the Fed would raise its benchmark rate, which has been near zero since December 2008. Most of the policy makers at the meeting, 13 of 17, indicated they still expect to move this year, but that was down from the 15 who held that view in June. The central bank has two more scheduled policy meetings this year, in late October and mid-December.

U.S. stock markets gyrated after the Fed announcement. Please see **RATES** page A2

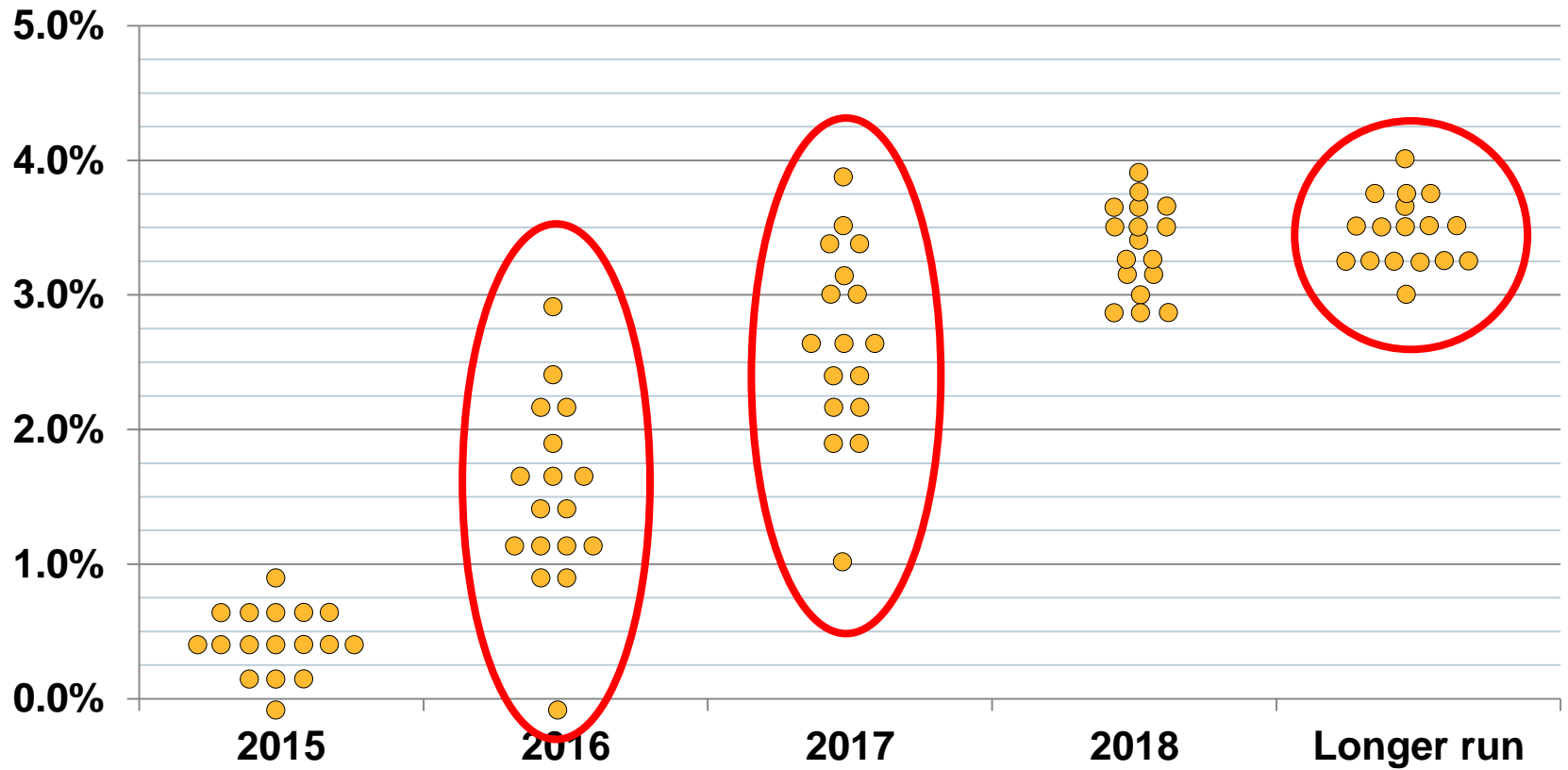
All Eyes on the Fed



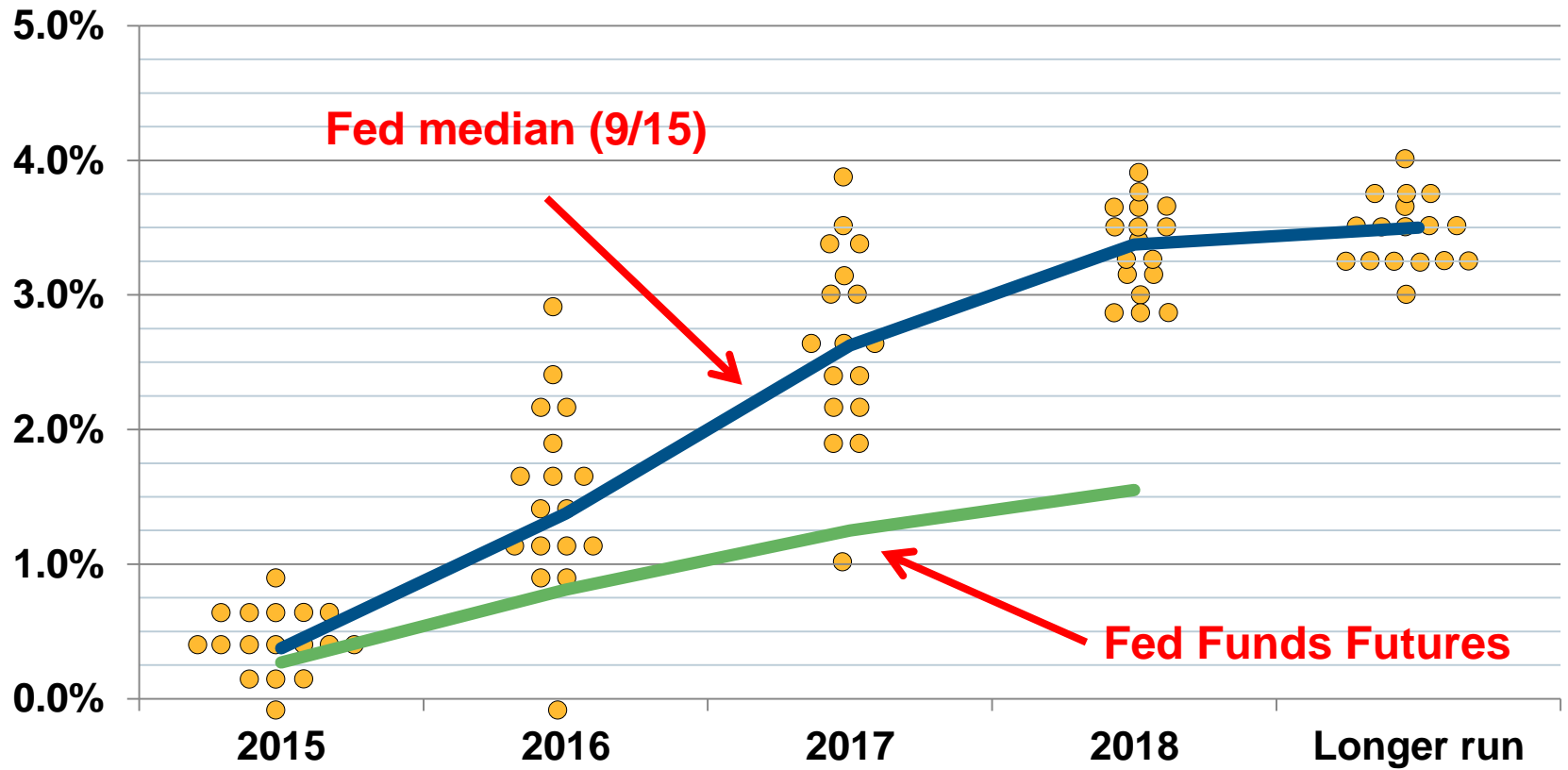
All Eyes on the Fed



All Eyes on the Fed



All Eyes On The Fed

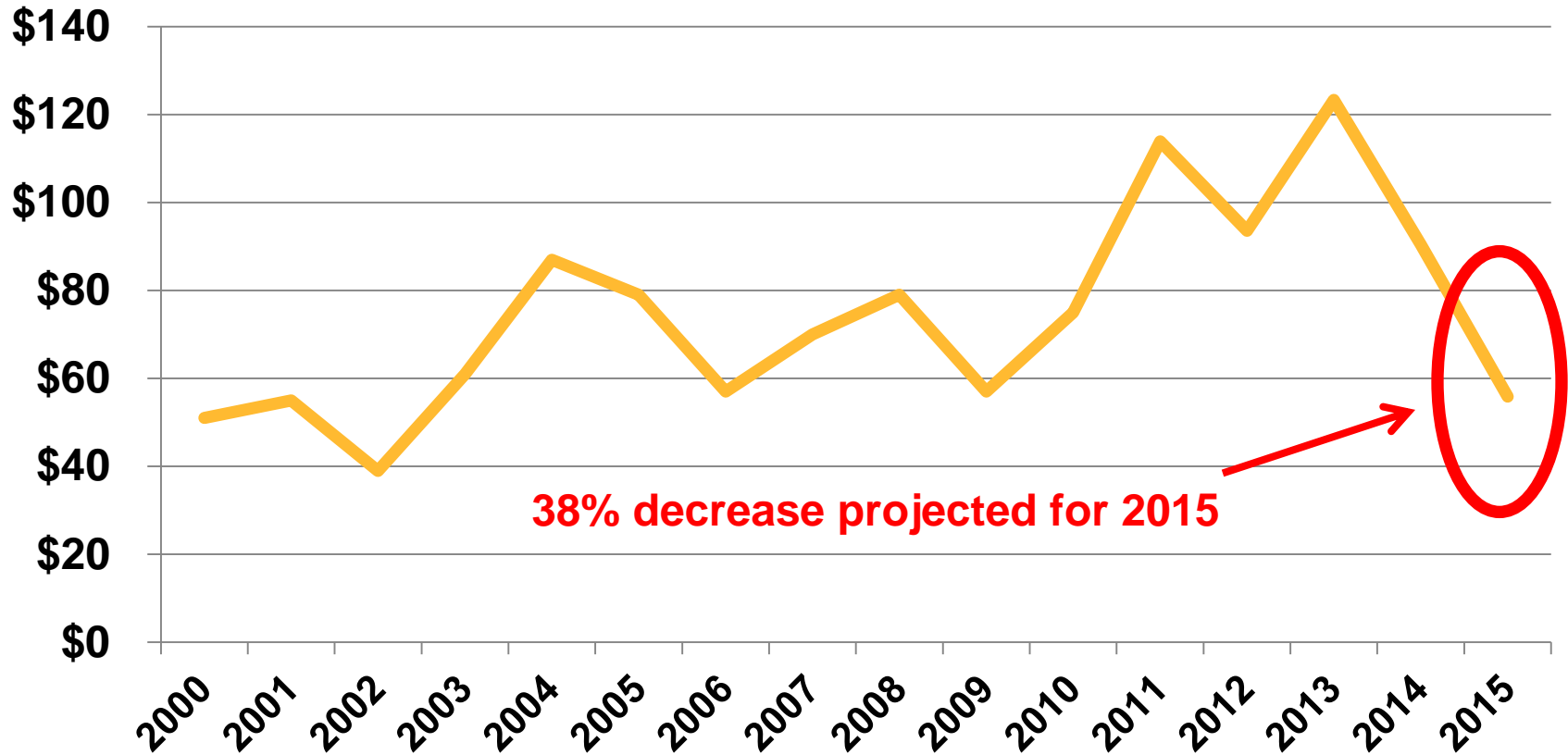


Headwinds For The U.S. Farm Economy



Falling Farm Income

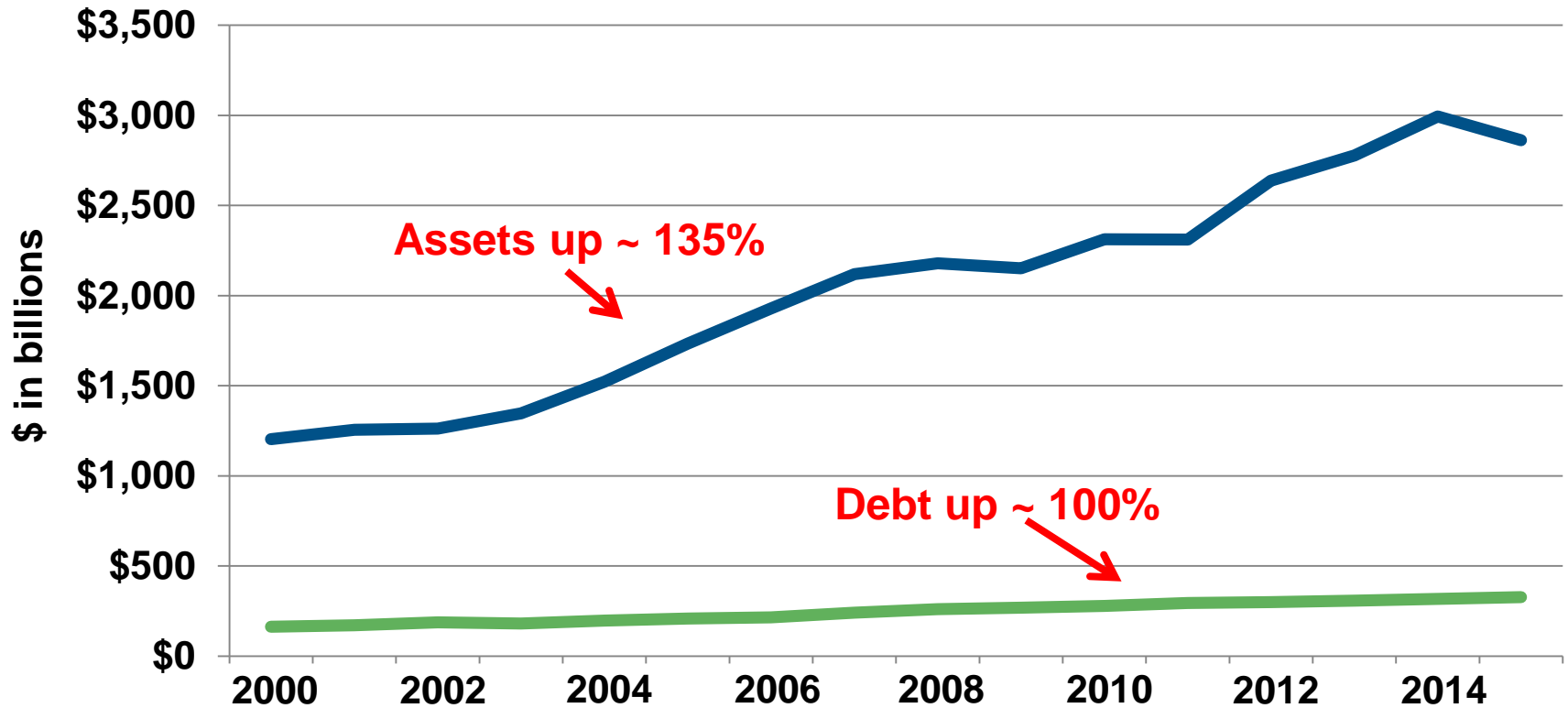
U.S. Net Farm Income (\$ in billions)



38% decrease projected for 2015

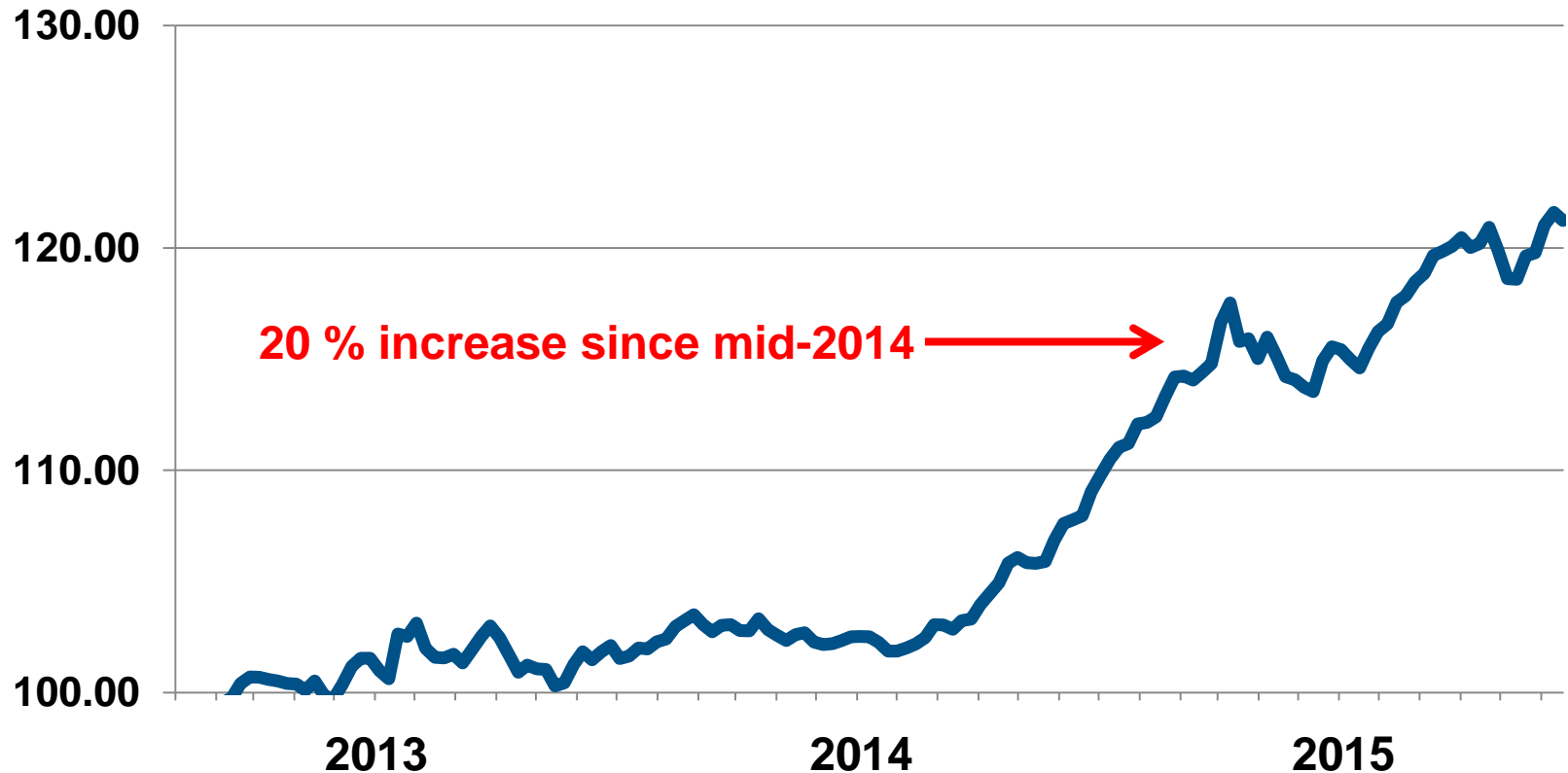
U.S. Farm Assets Vs. Debt

U.S. Farm Assets Vs. Debt, 2000-2015



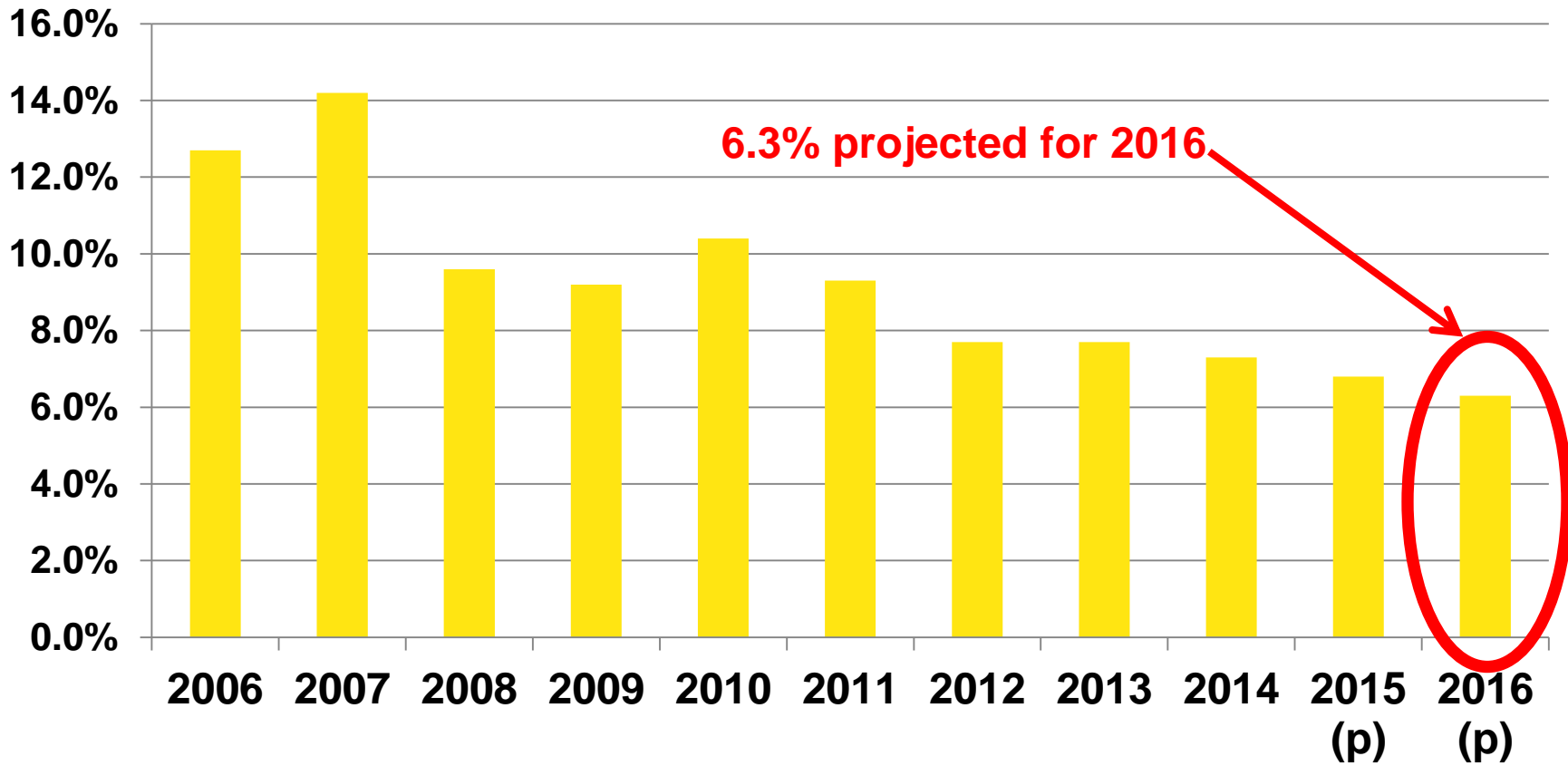
Dollar Appreciation

Trade-Weighted Value Of U.S. Dollar

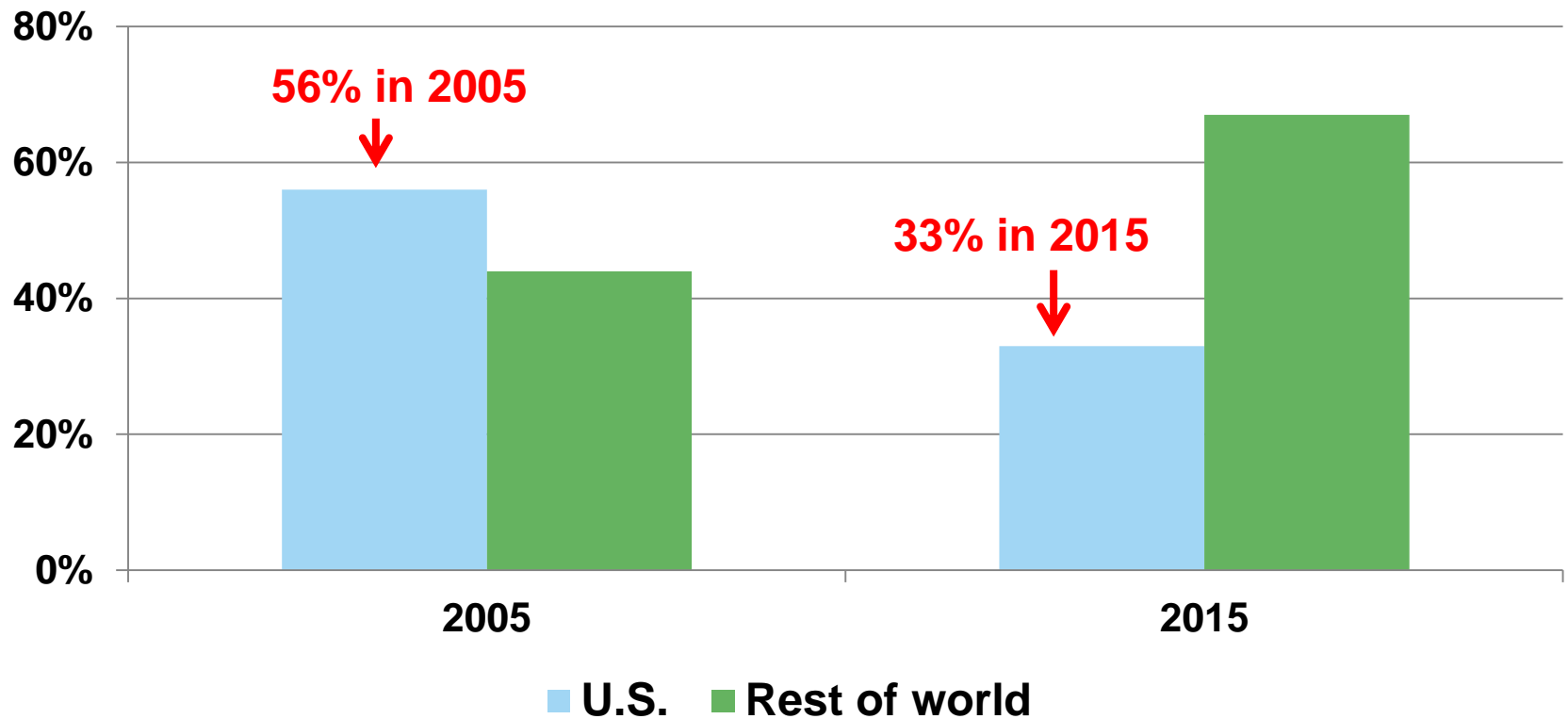


Deceleration In China

China GDP 2006-2016

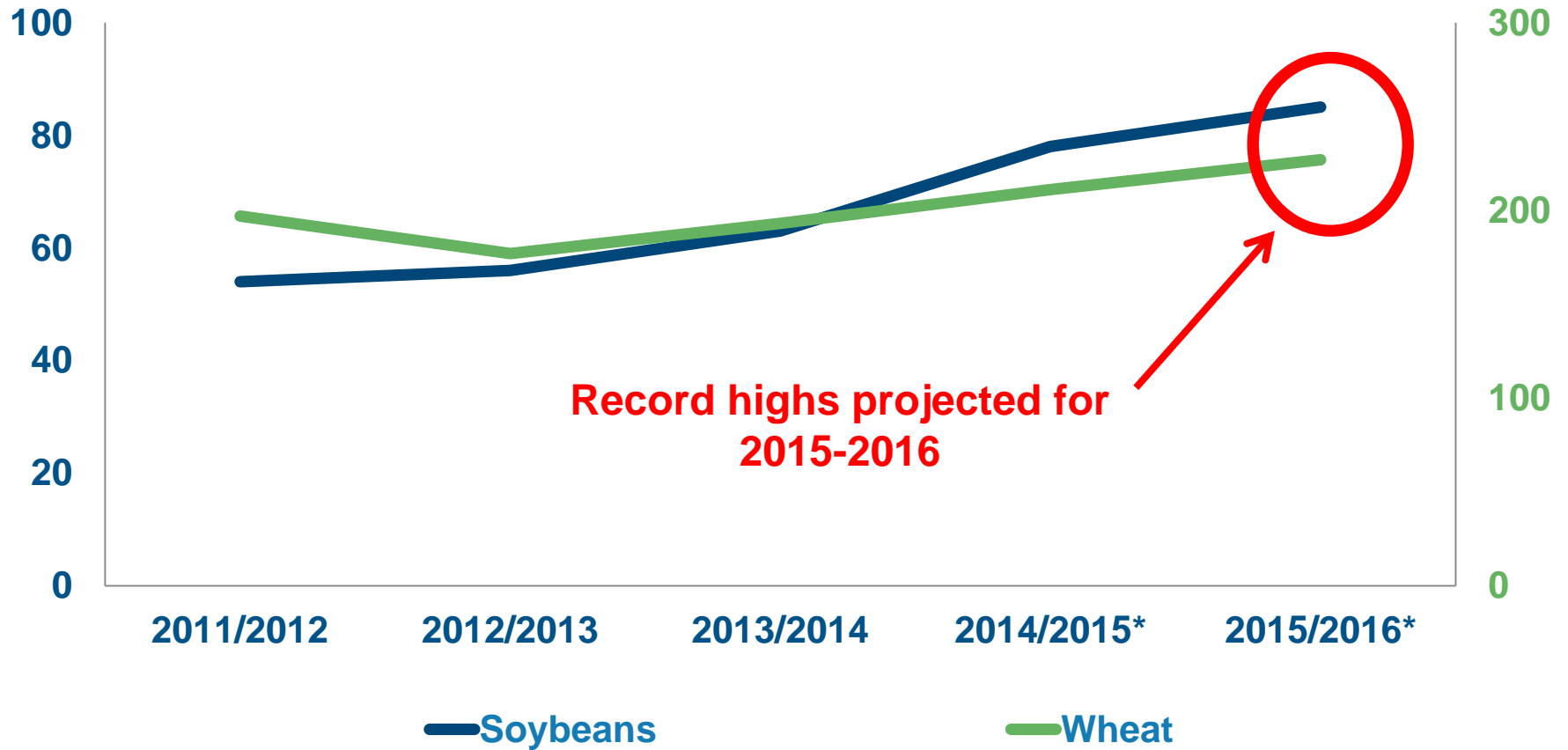


Share of World Coarse Grain Trade



Surging Supplies

Soybean & Wheat – Global Ending Stocks (MMT)



Cooperatives As A Stabilizing Force





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Mary McBride
President, CoBank
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