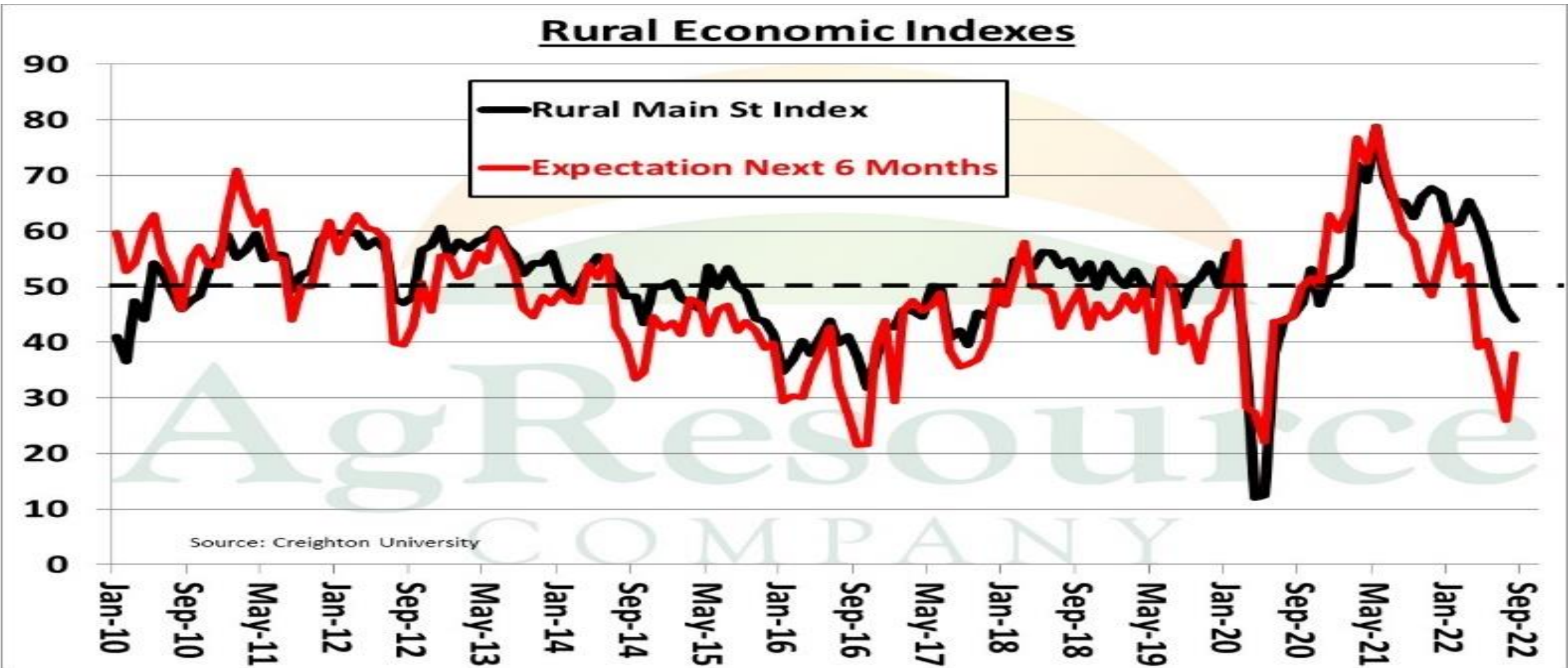




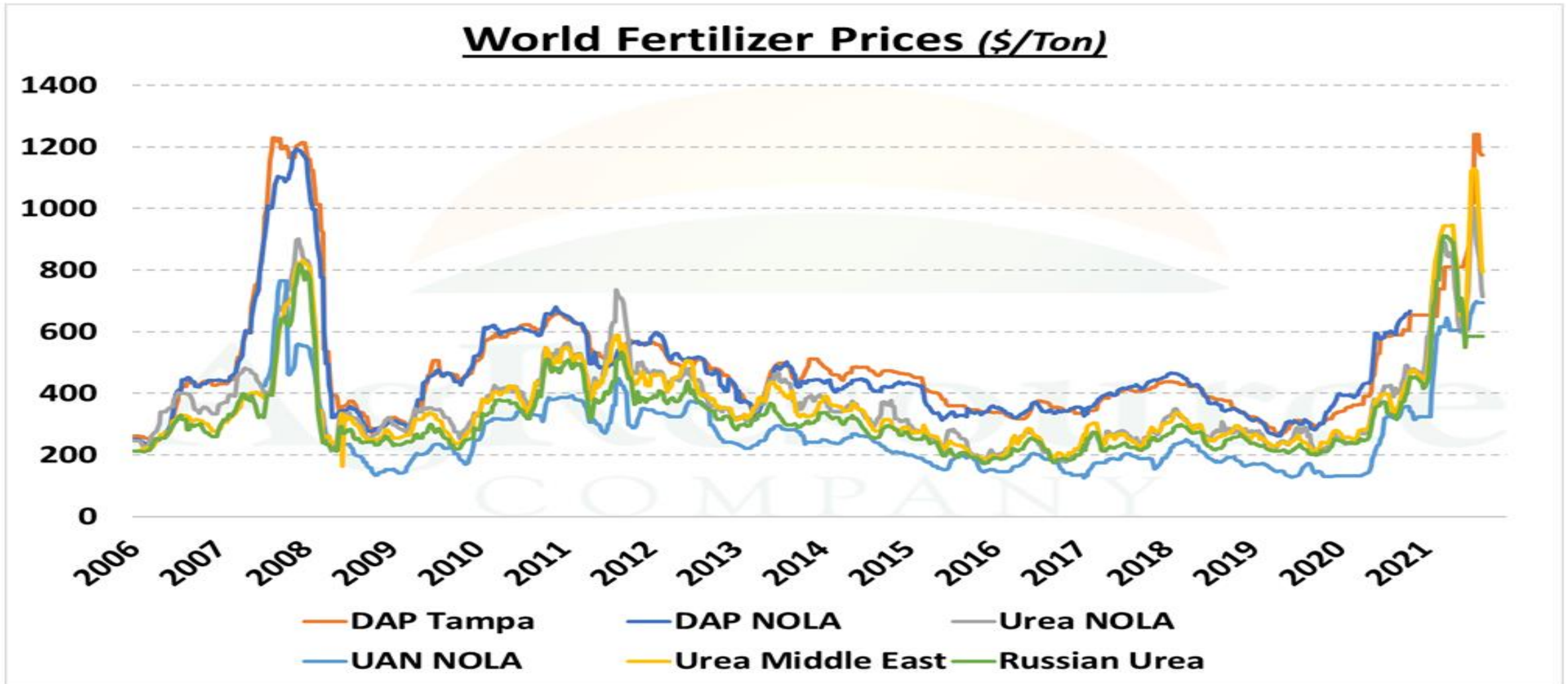
Daniel W Basse
President AgResource Company
Chicago, IL 60606
basse@agresource.com

**The Great Economic Reset/Central Bank War Against Inflation
The Russian War Against Ukraine
Peak US Farmland and Mother Nature's War against Crop Yields**

Anxiety in Rural America; Soaring Costs and a Shortage of Labor Raise Financial Worry

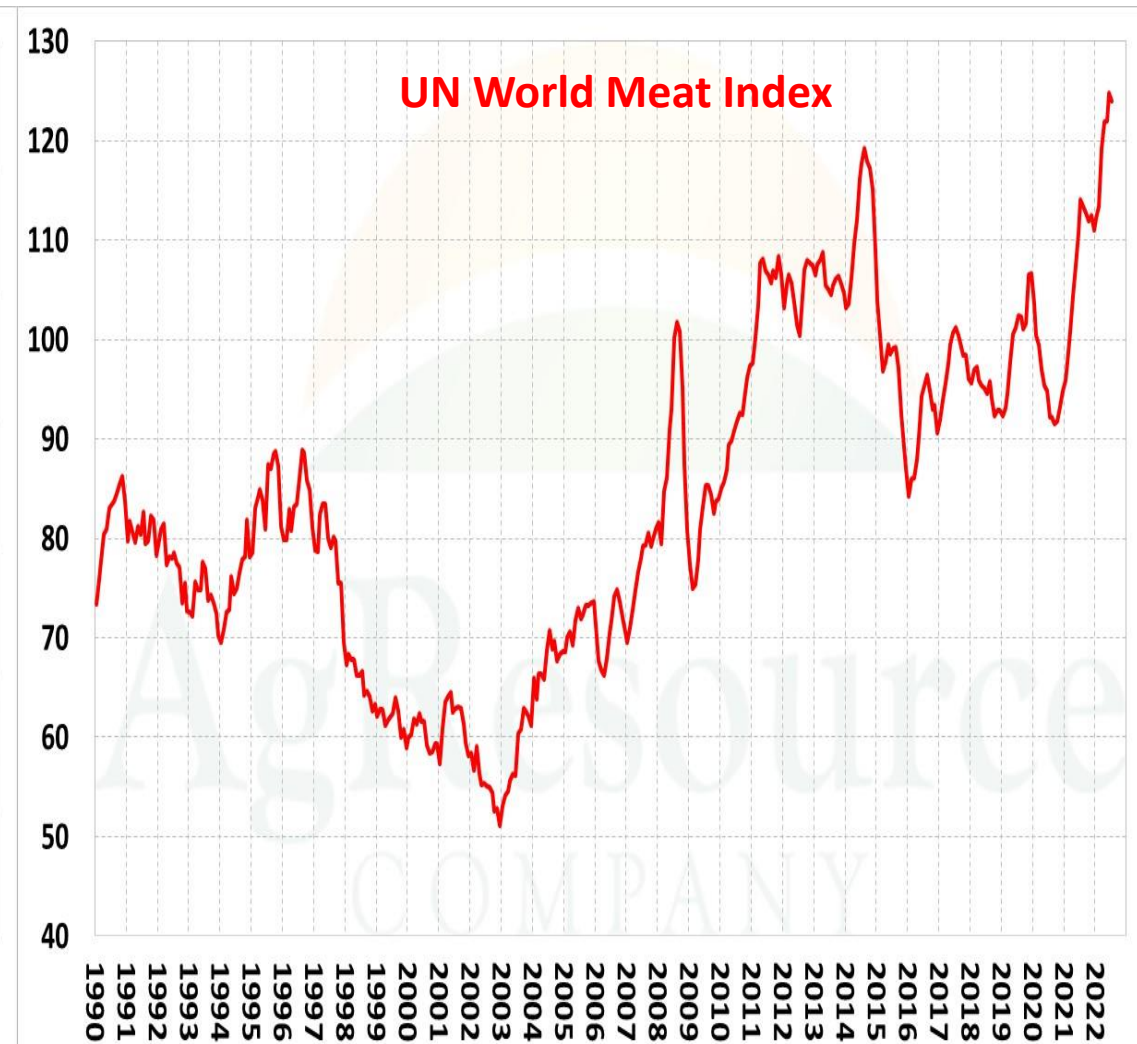
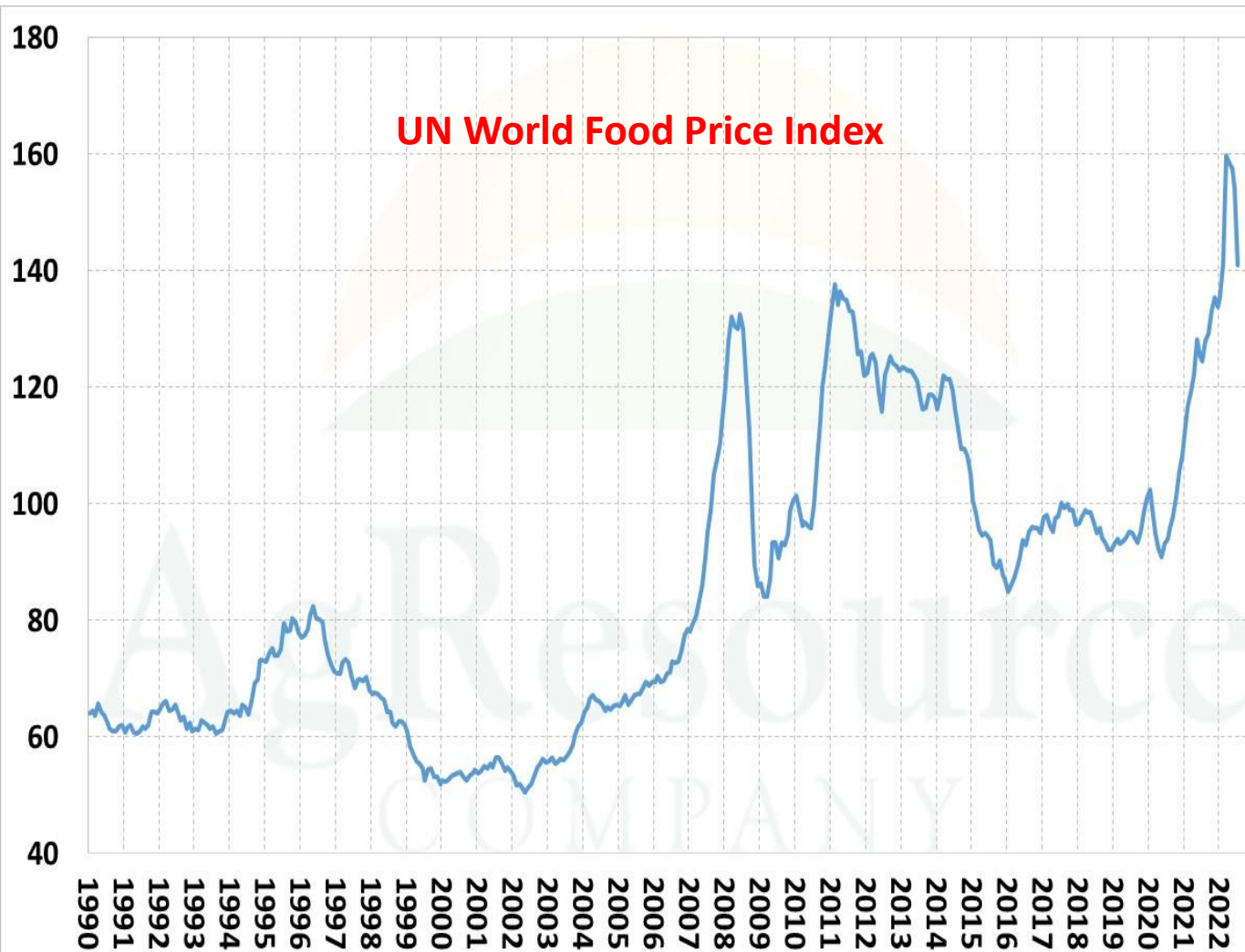


Fertilizer Prices Test 2008 High; Ongoing War Will Cause Fertilizer Shortages in 2023



FAO World Food/Meat Price Index

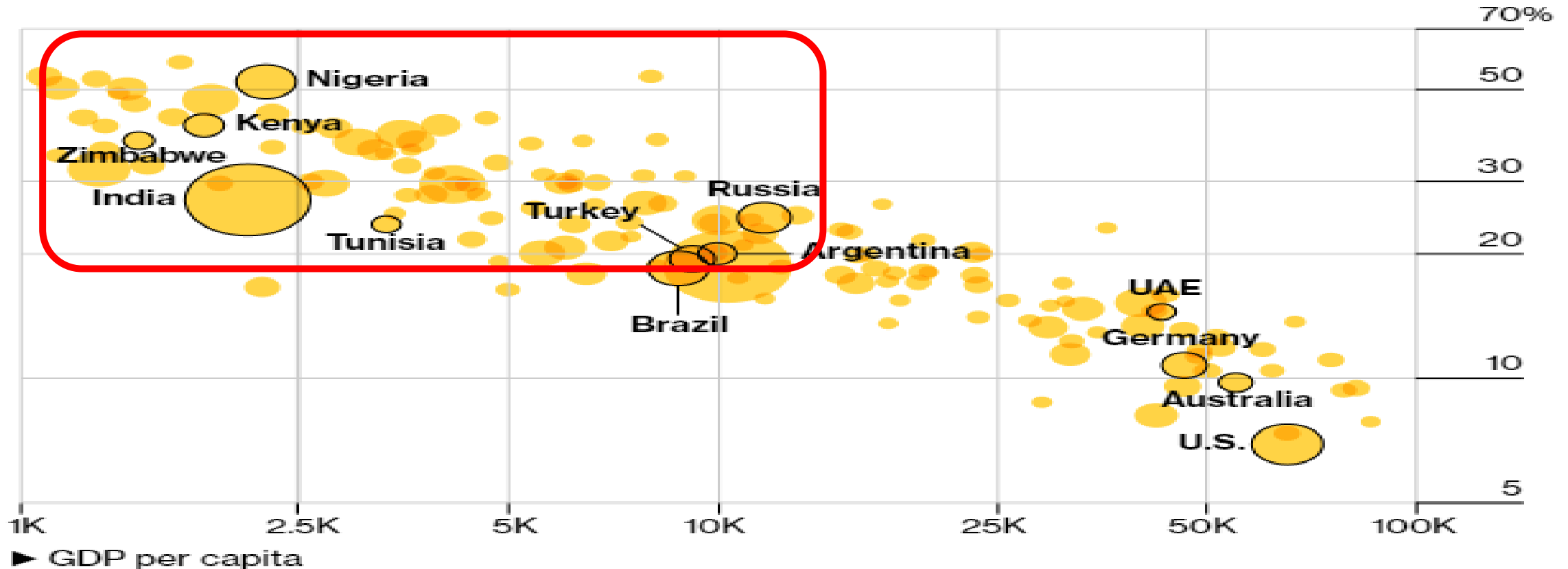
(2014-2016 = 100)



Rising Food Prices Threatens Policy Change from Political Leaders in half of the World

Circle size = population

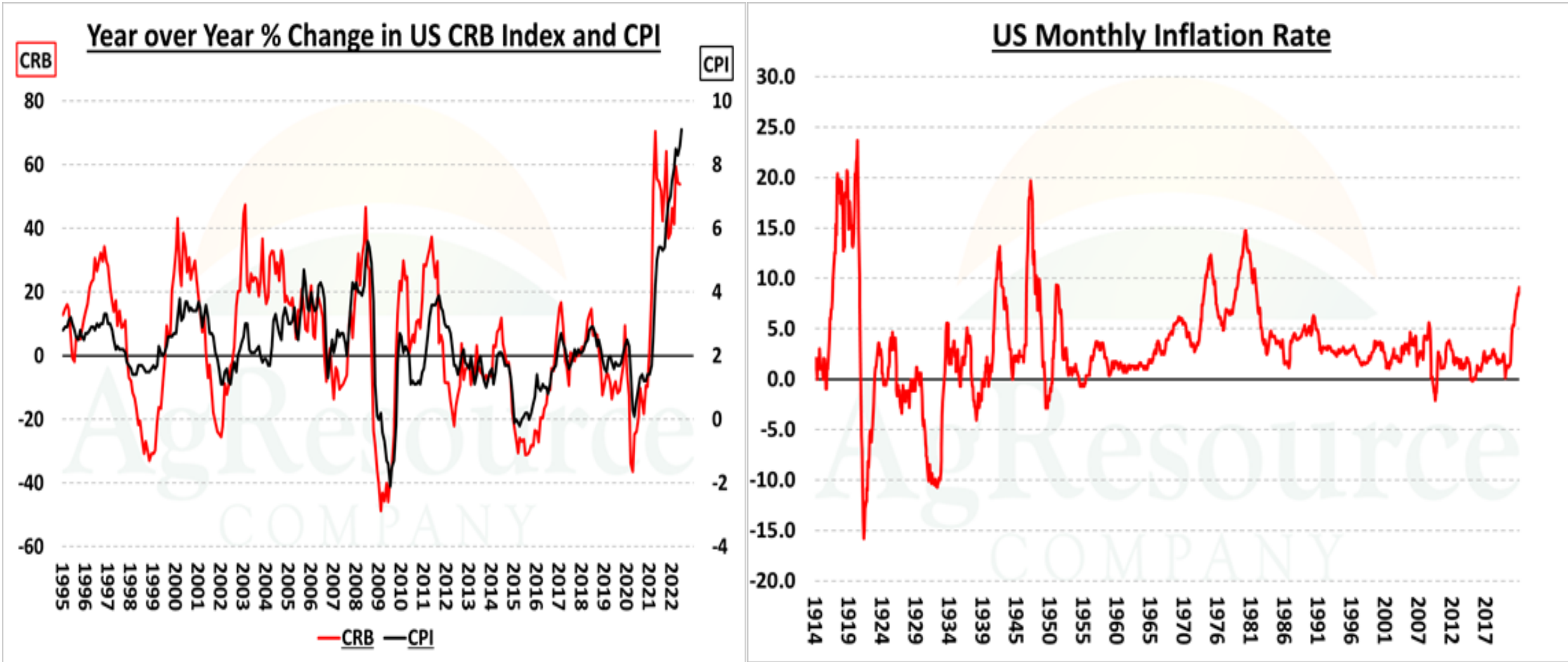
Share of consumer expenditure spent on food ▼



Source: World Bank

Note: Expenditure figures are from 2017. Population and GDP per capita figures are from 2019 or the most recent year available from World Bank. A log10 scale is used on both axes.

CRB Index has been Solid Forecaster of CPI – US Inflation is Peaking on Rising Interest Rates



Sharpest Rise in US Food Prices Since 1977; The Biden Administration Pledges Action

US Monthly Food Inflation Rate



Recessions Follow Fuel/Food Price Spikes; The Case for a 2023 US/World Recession Grows

RECESSIONS TYPICALLY FOLLOW A FUEL & FOOD SQUEEZE LIKE THIS ONE!

United States: PCE: Food & Energy
(year-over-year percent change)

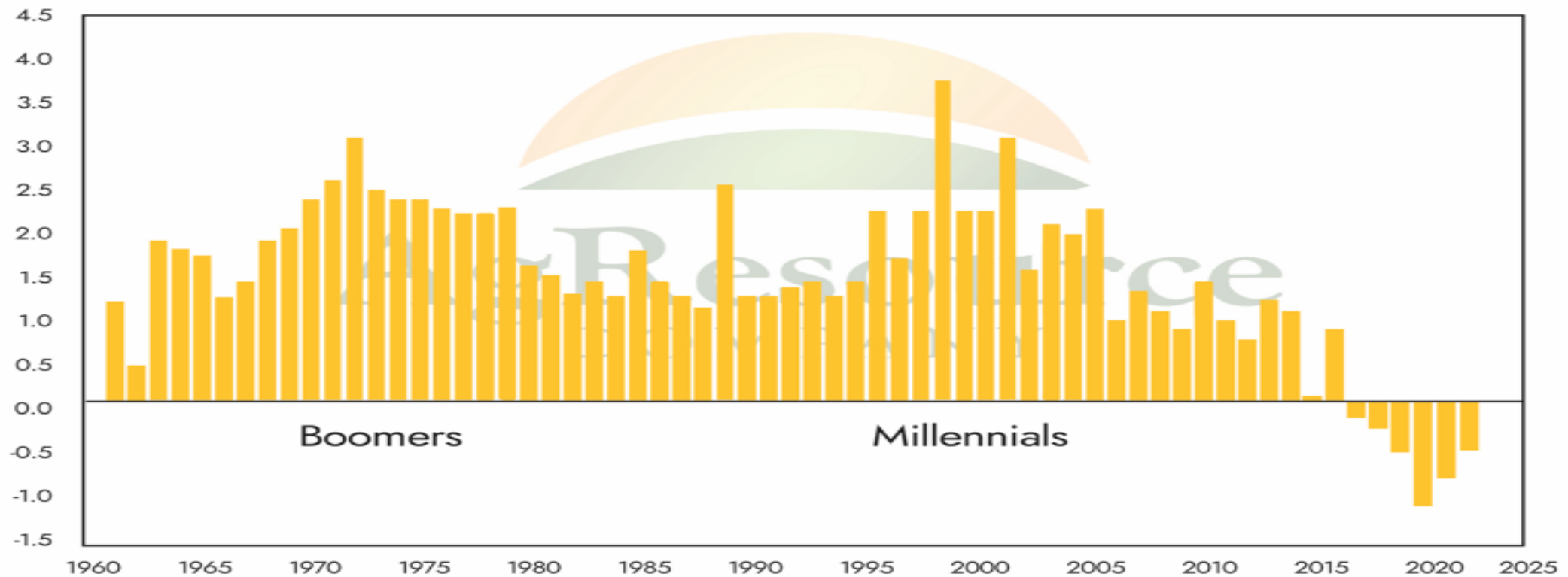


Shading indicates recession

Source: Haver Analytics, Rosenberg Research

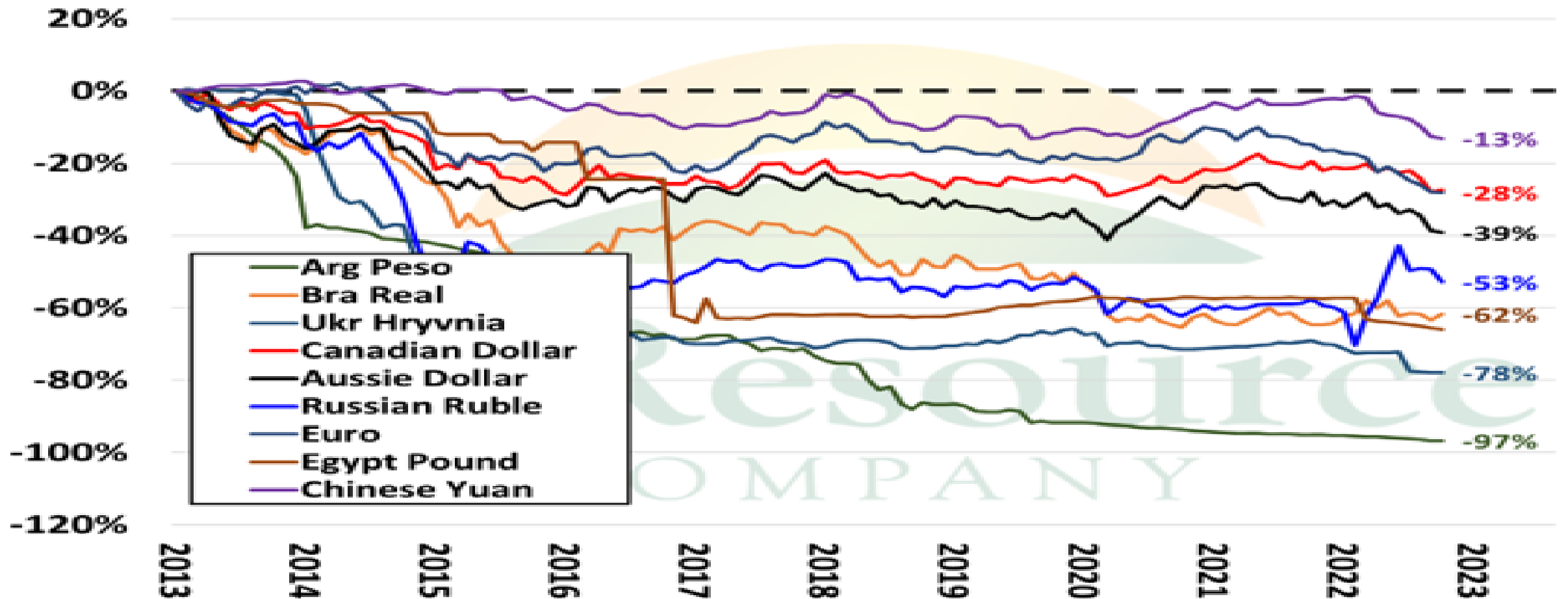
US Wage Inflation is Here to Stay; Forces Investment in Technology

U.S. Working Age Population, 15-64 years of Age
(Change from the previous year millions of people)

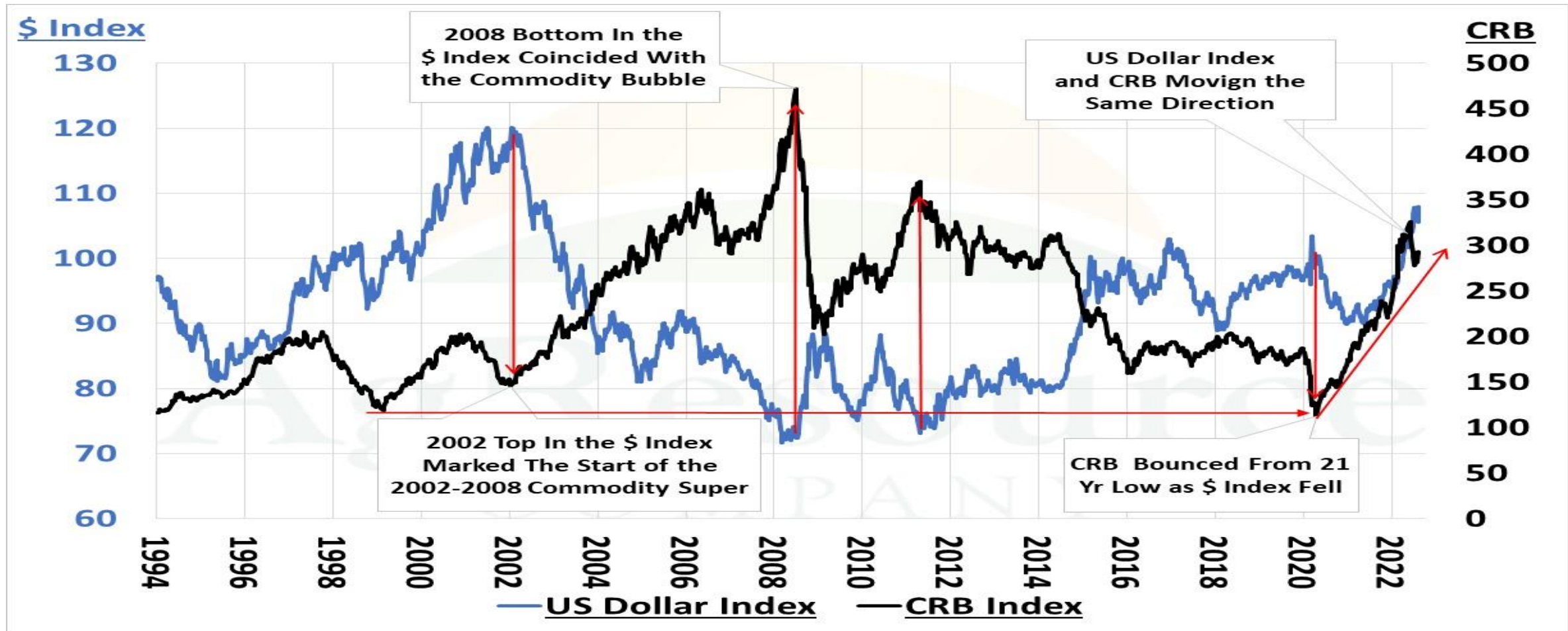


US Dollar at 20 Year High; China Yuan down 8% on 2021 and Lowest in 2 Years!

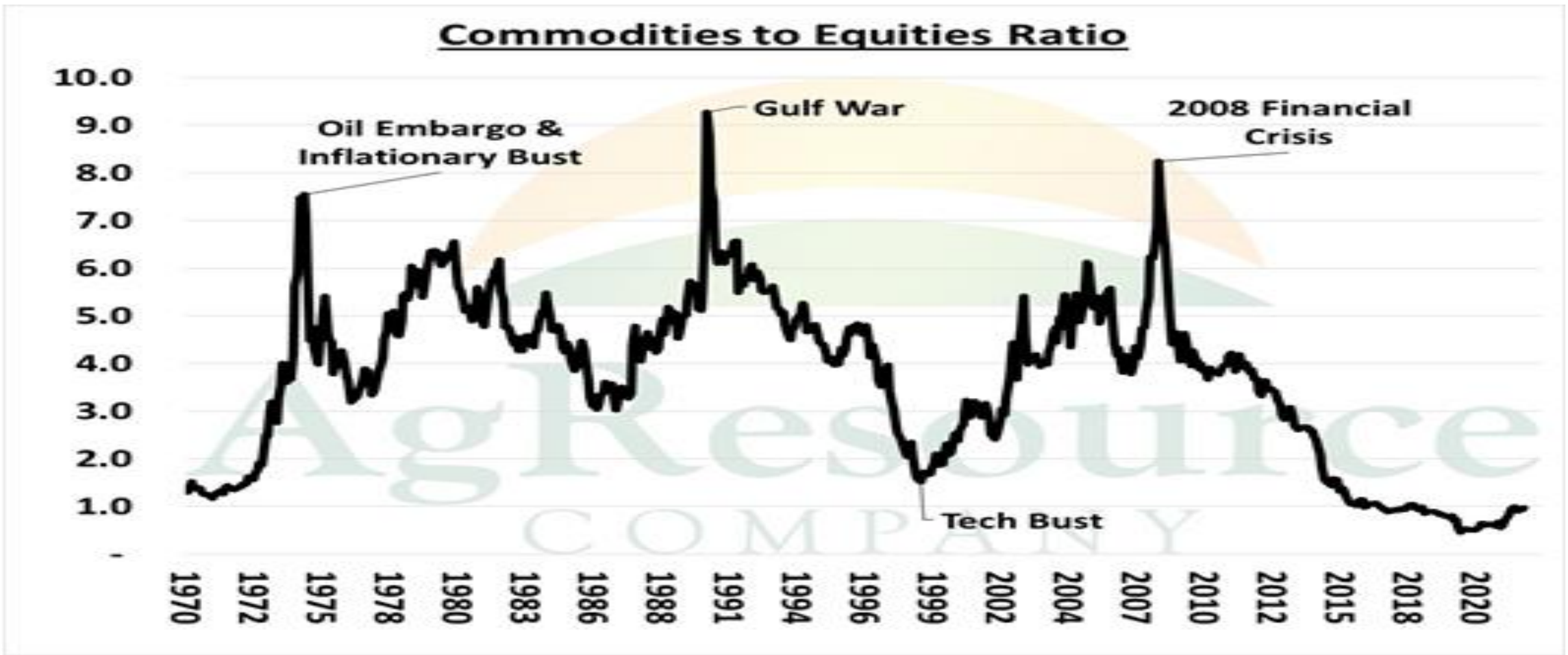
Currency Performance Against USD Since 2013



Only Time Looking Back to 1985 that Commodities and the US Dollar have Both Rallied?

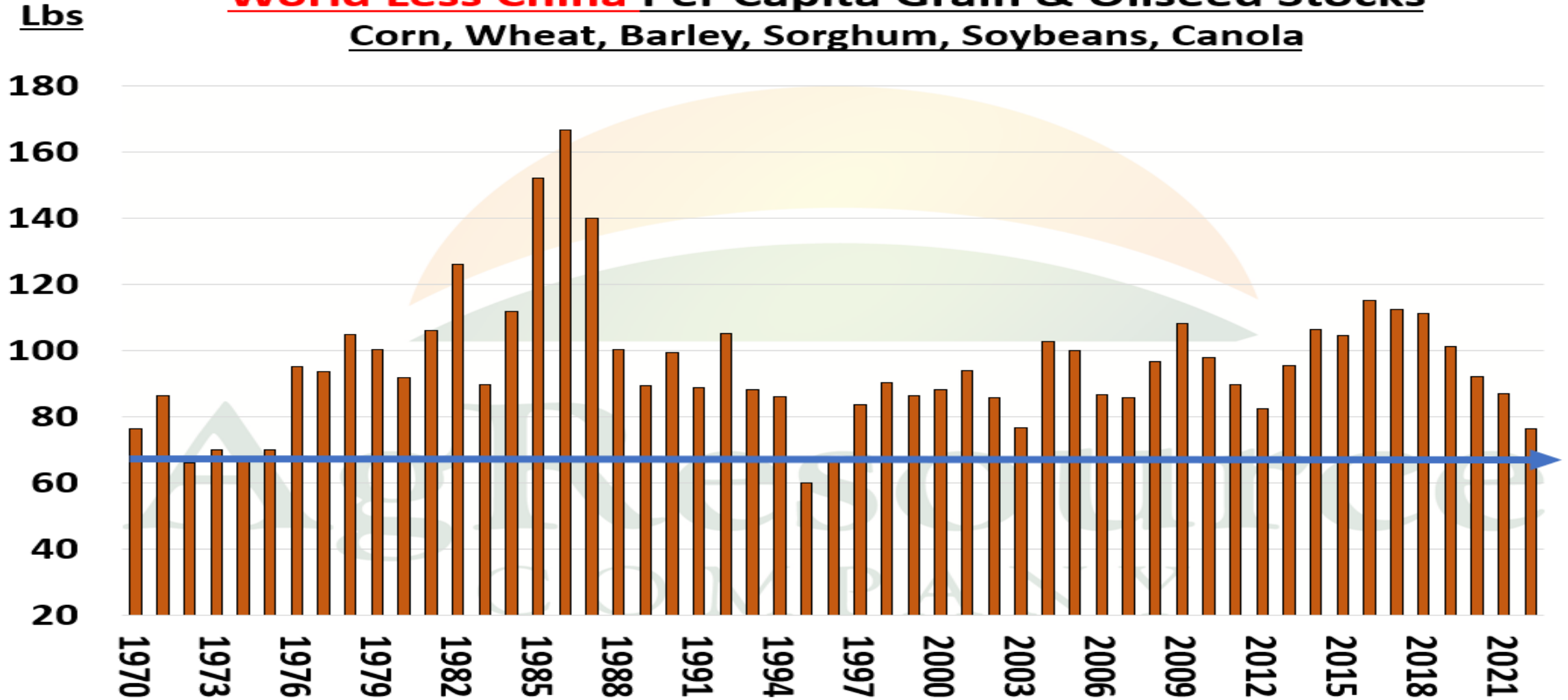


Ratio Out of Line; Deeper Fall for Equity Values on Central Bank Tightening?



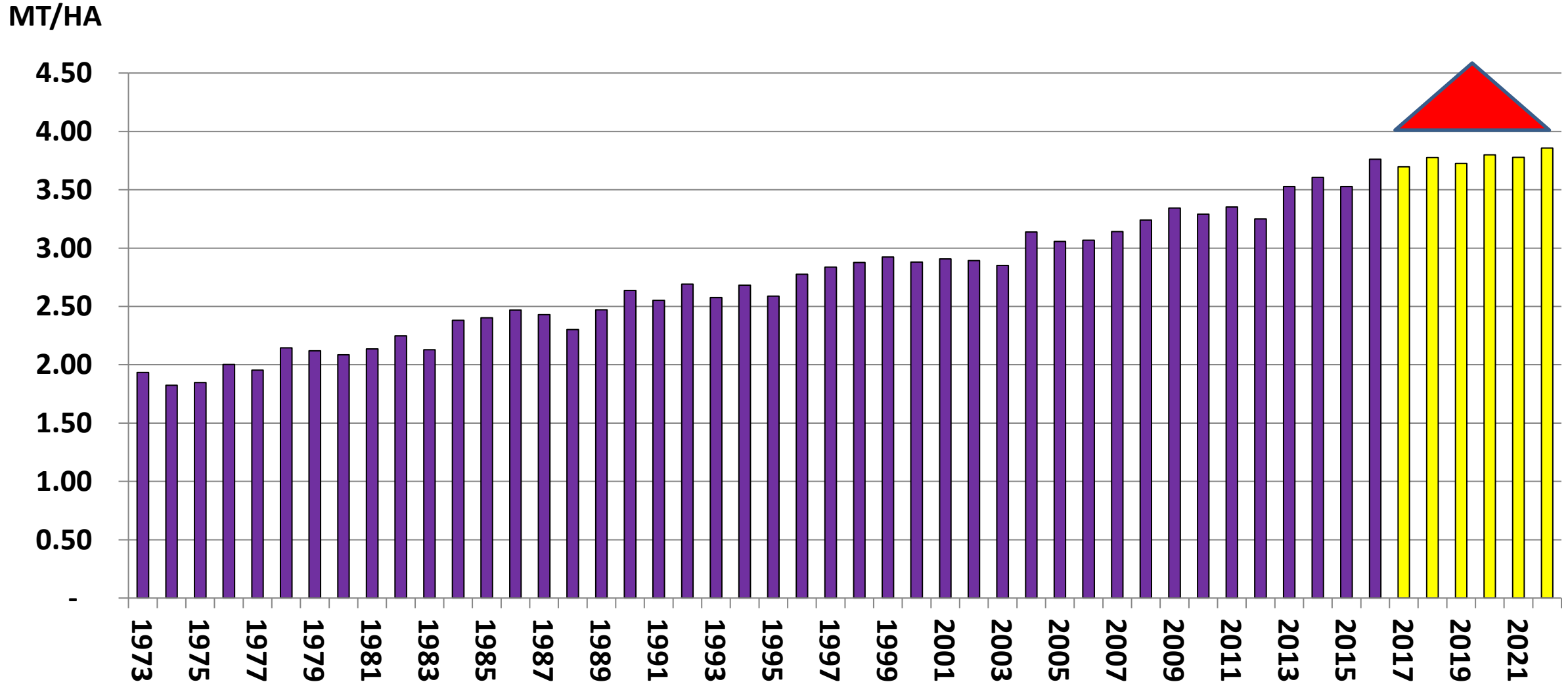
On the Doorstep of a World Food Crisis

World Less China Per Capita Grain & Oilseed Stocks
Corn, Wheat, Barley, Sorghum, Soybeans, Canola

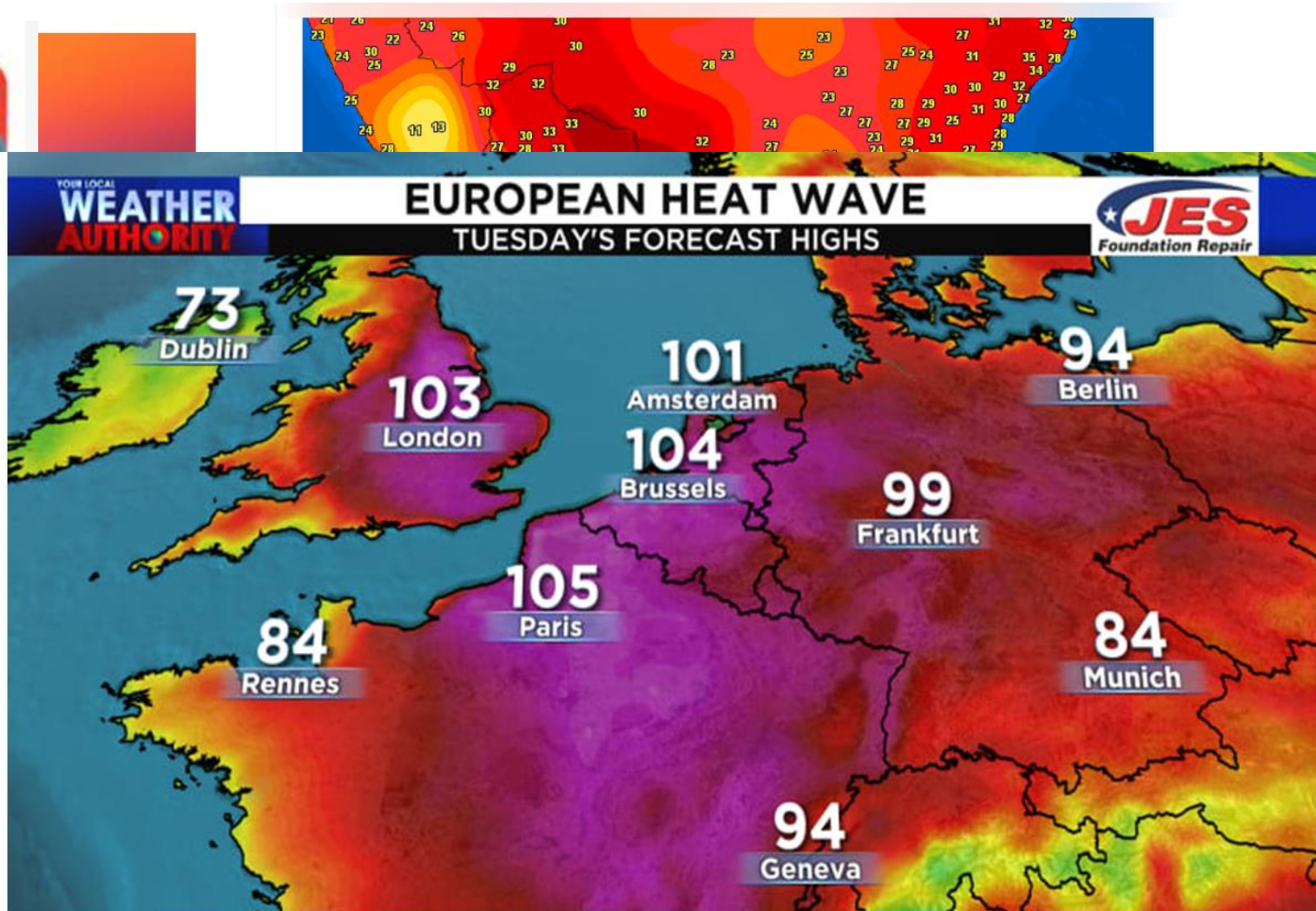
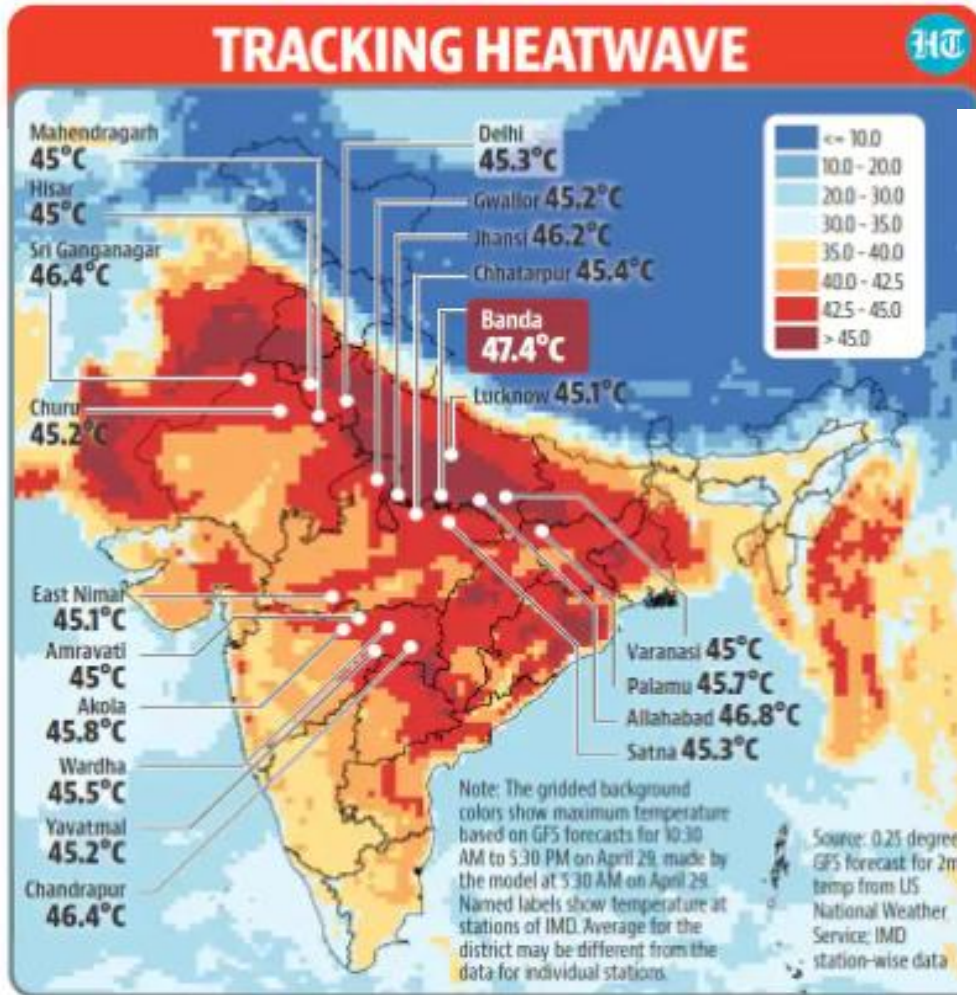


Global Coarse Grain, Wheat & Oilseed Yields Rise

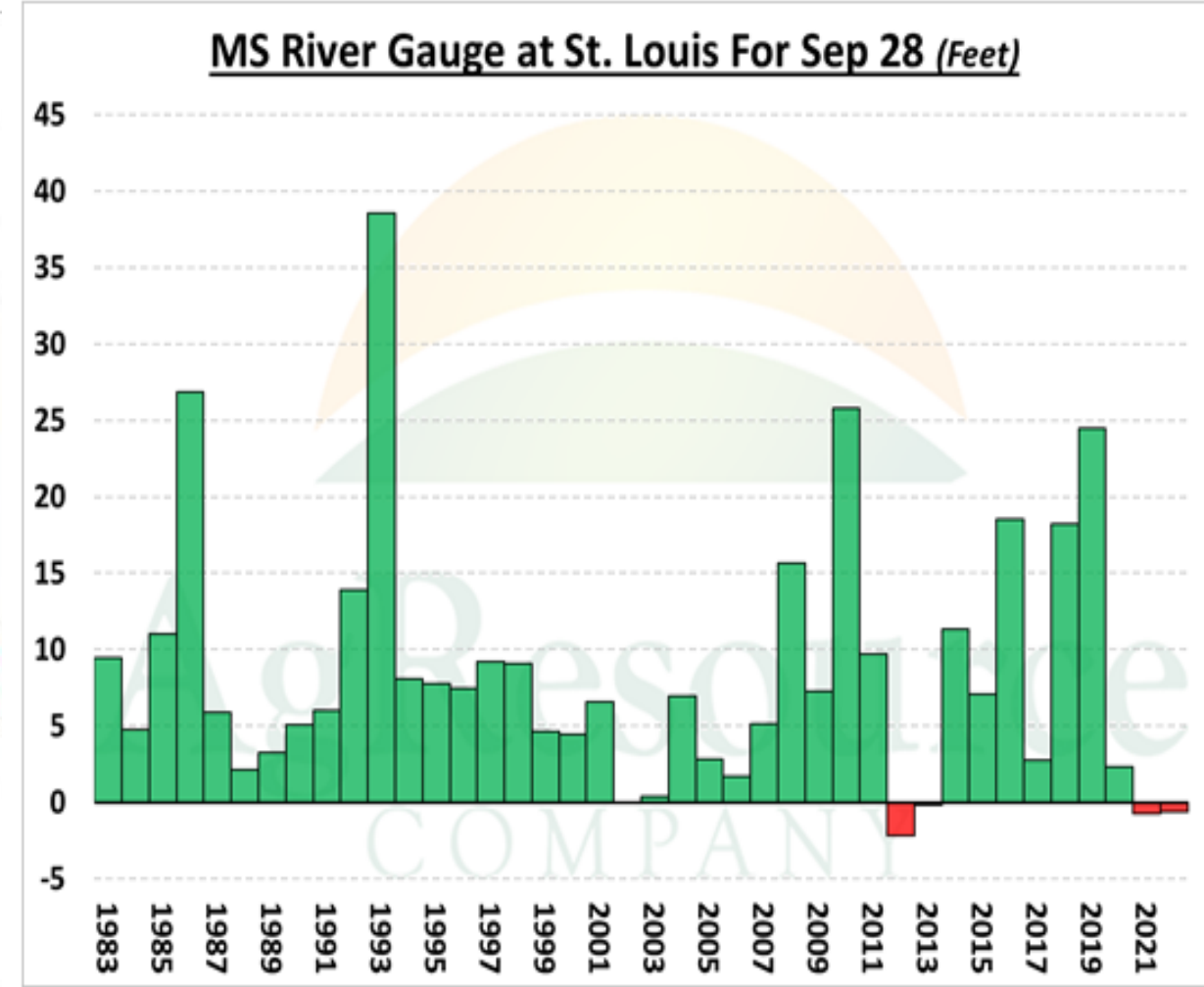
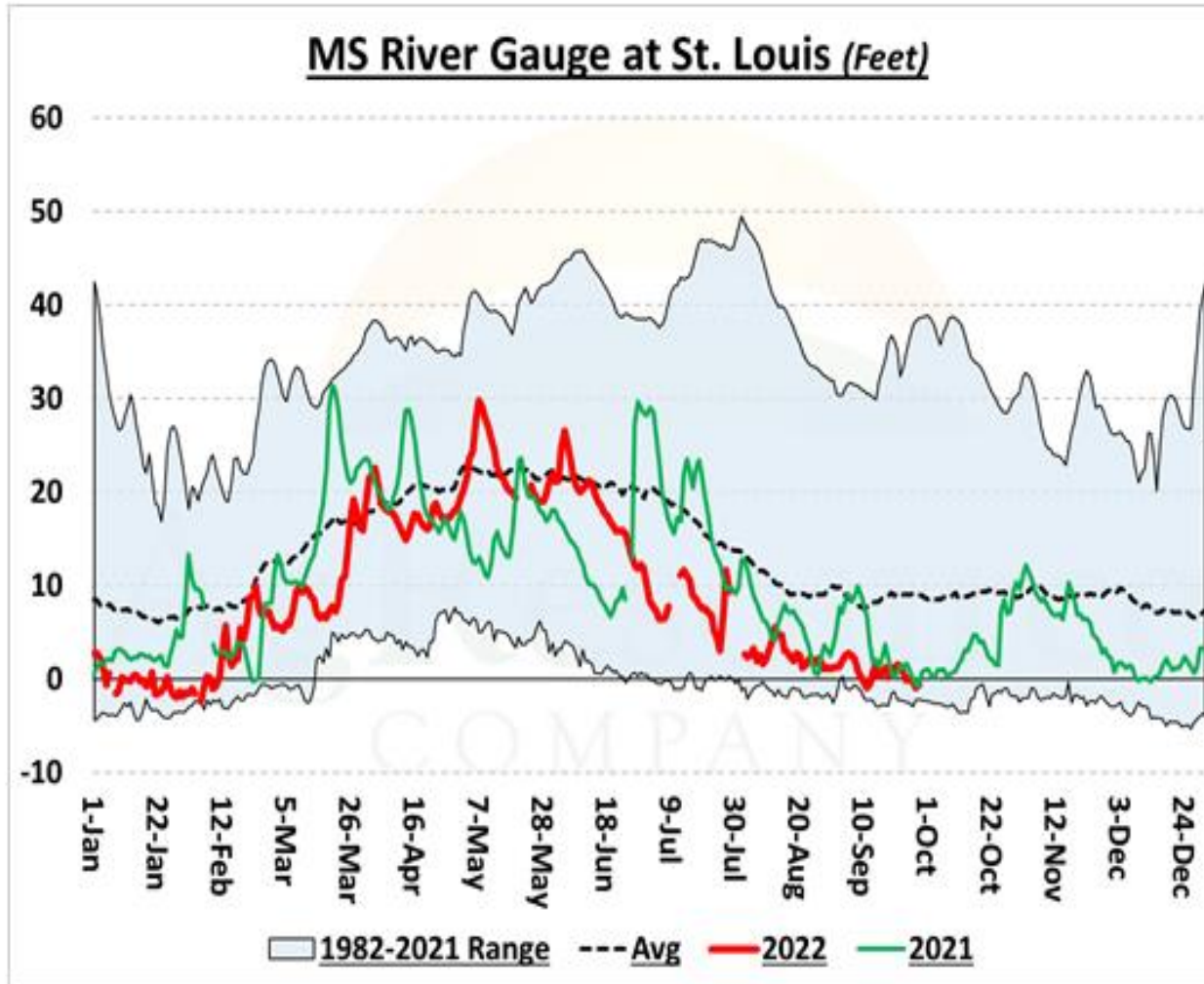
Corn, Wheat, Barley, Sorghum, Soy, Canola Combined



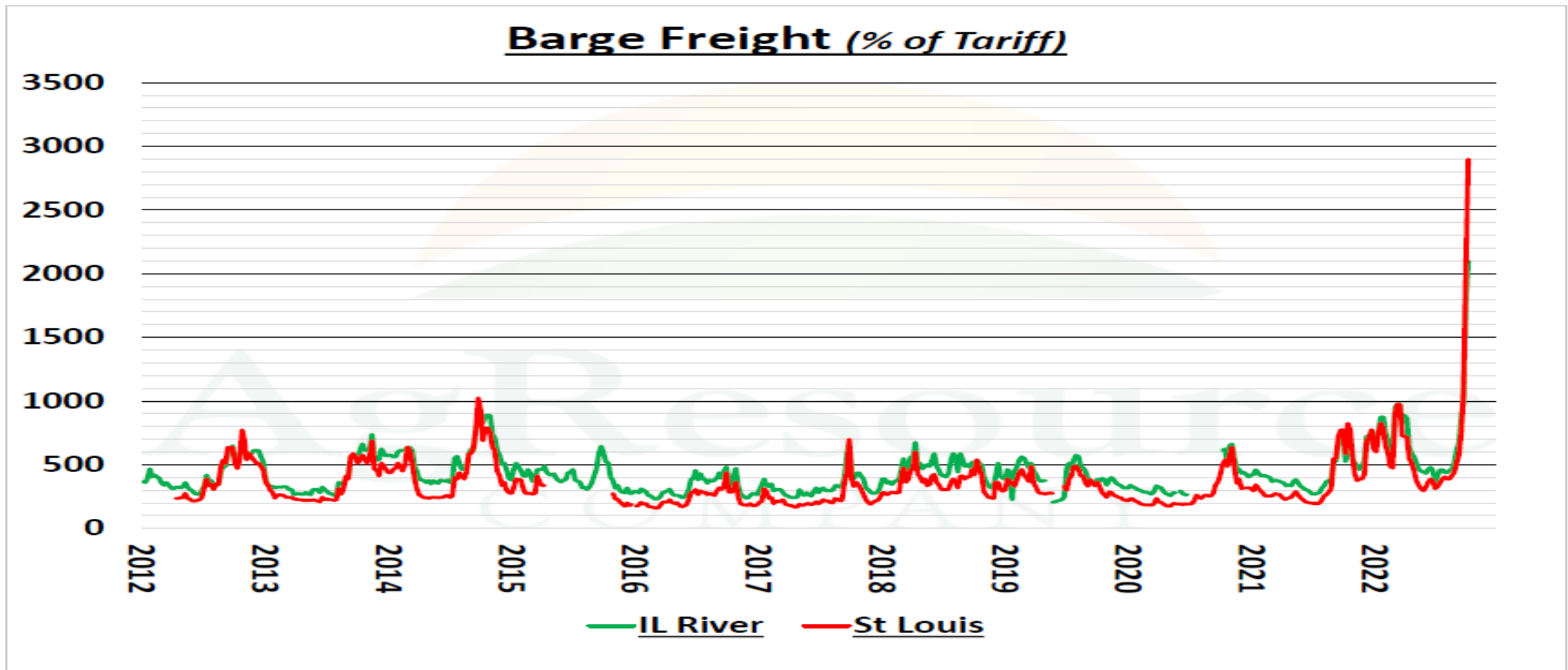
Heatflation – the New Normal and its Drag on World Crop Yields



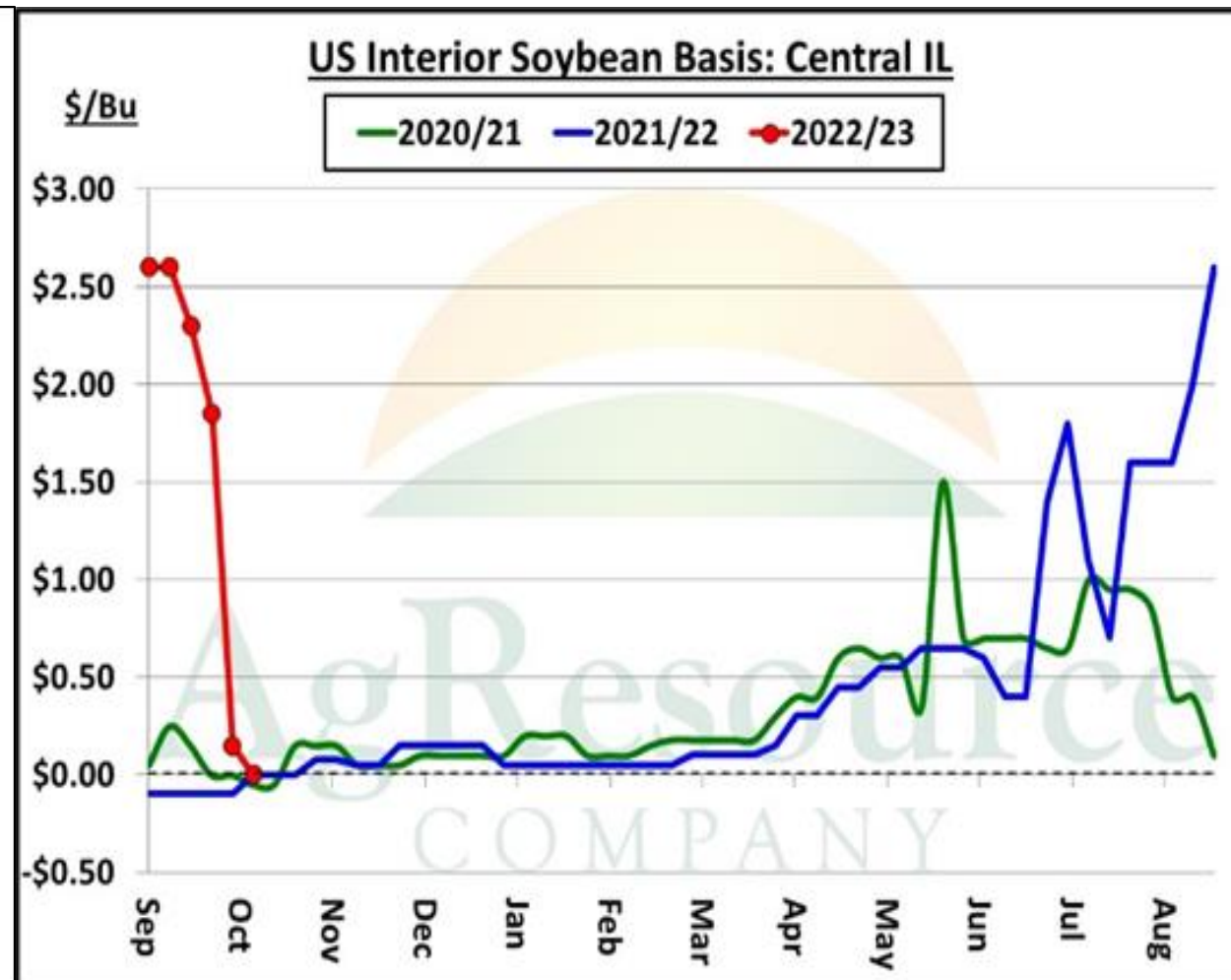
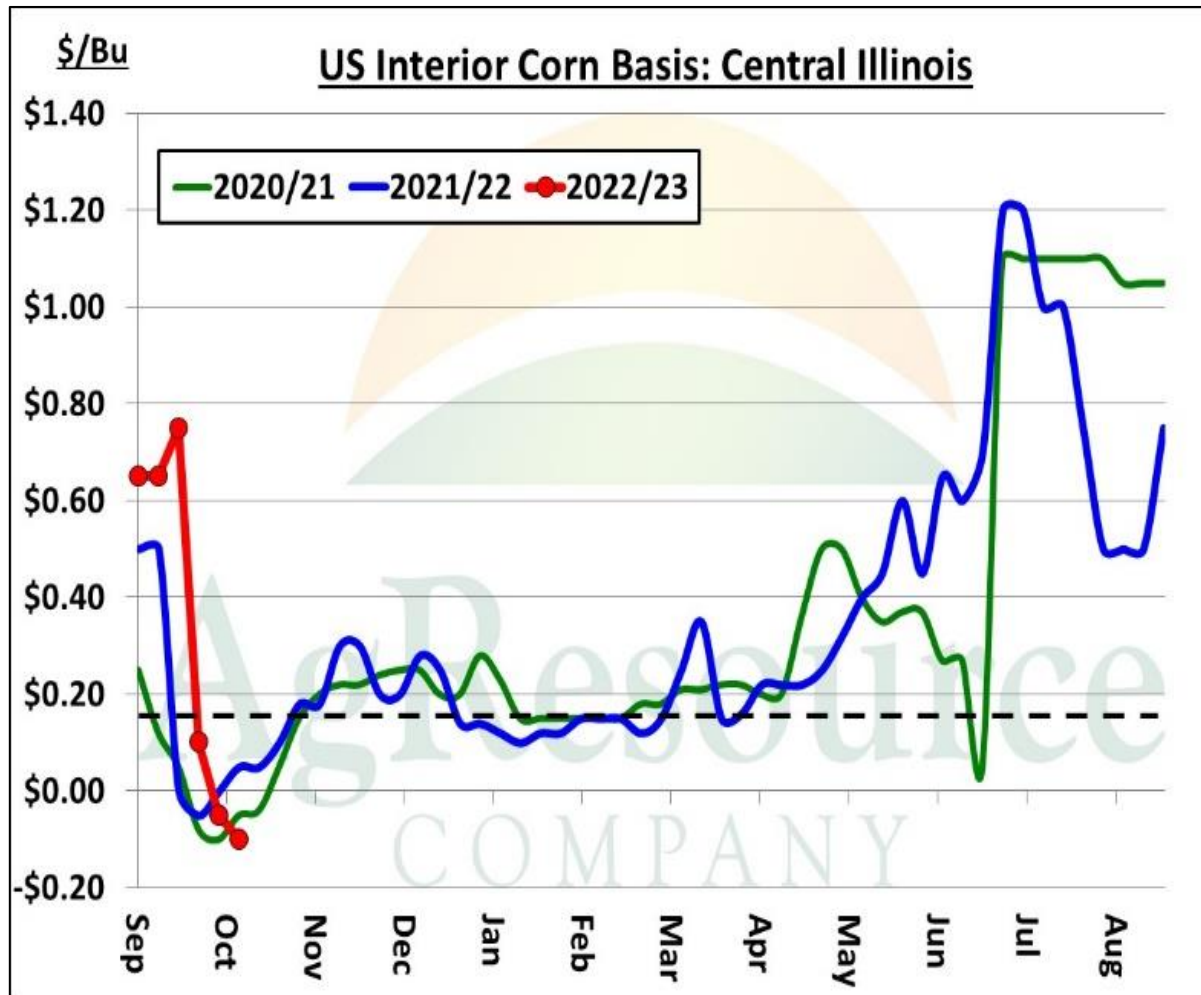
Mississippi River Nears Historic Low as Central US Harvest Quickens



Barge Freight Rates Soar on Low Flows; Cash Basis bids crack around Miss River Locations



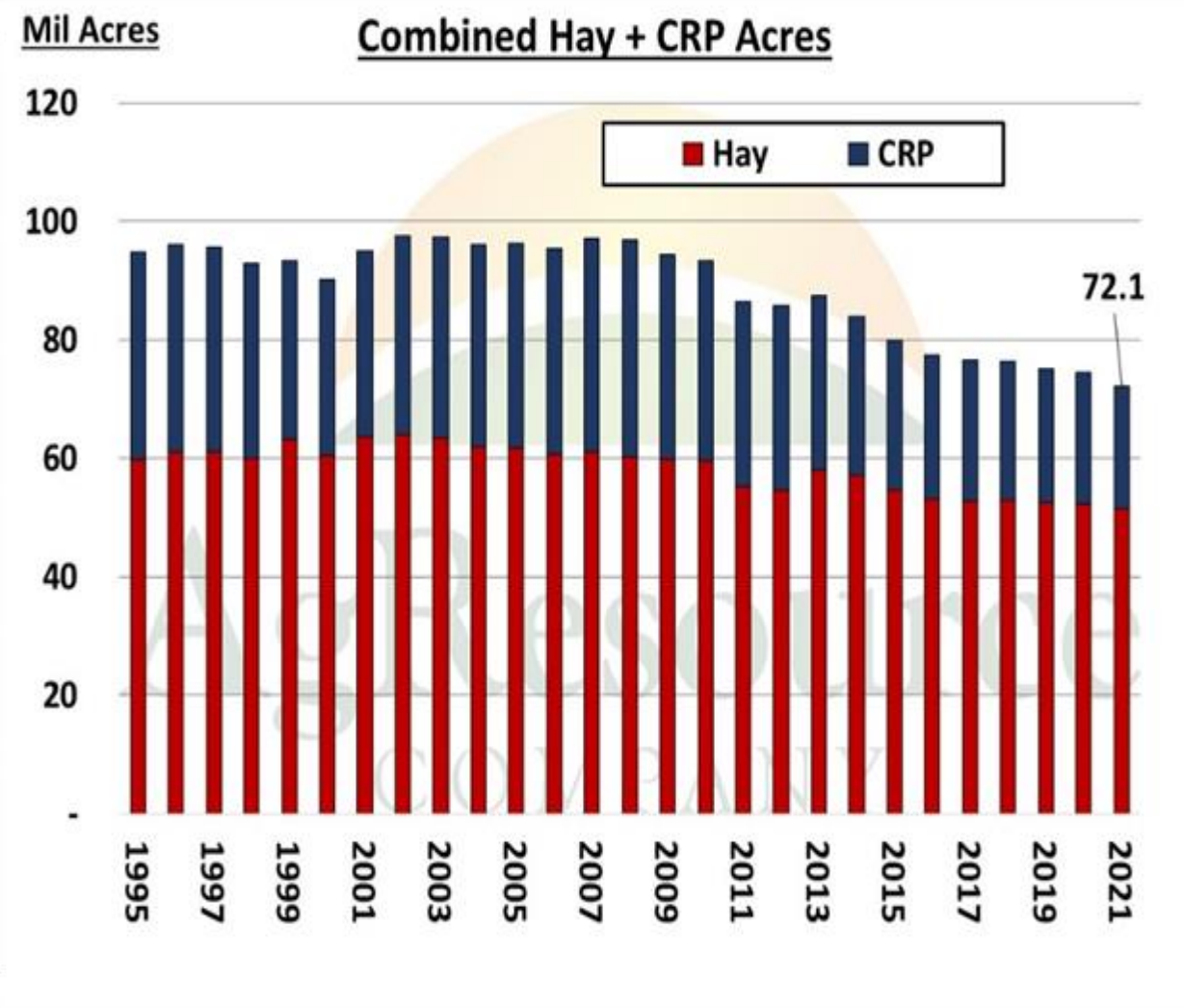
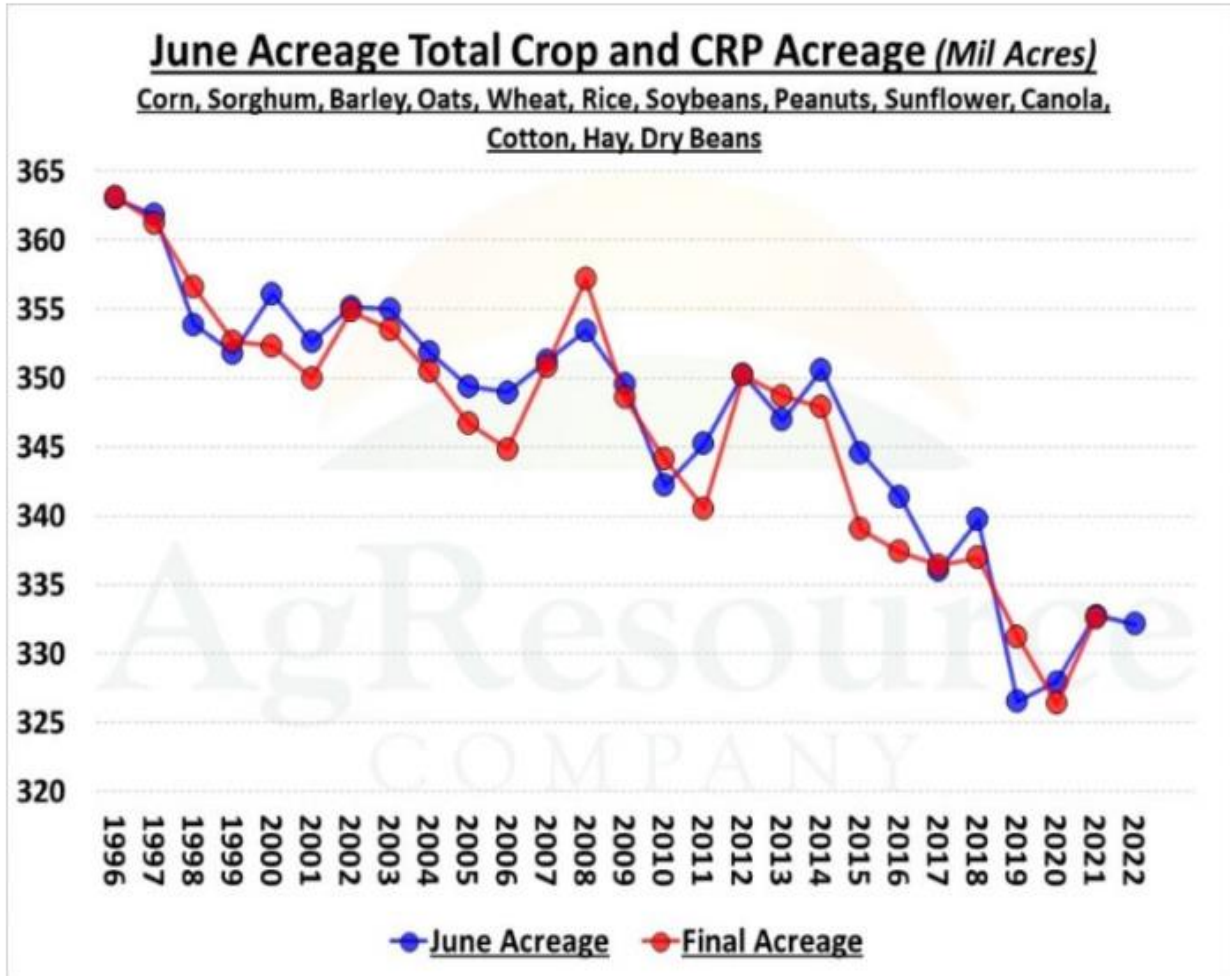
Rising Barge Tariff Rate Punishes Central IL Basis Bids. \$2.50/Bu drop-in soybean basis in 5 weeks



Peak US Farmland- Important Thesis in the coming years



Peak US Farmland? No More Land to Farm - 25 Mil acre steal since 2010 from Hay/CRP



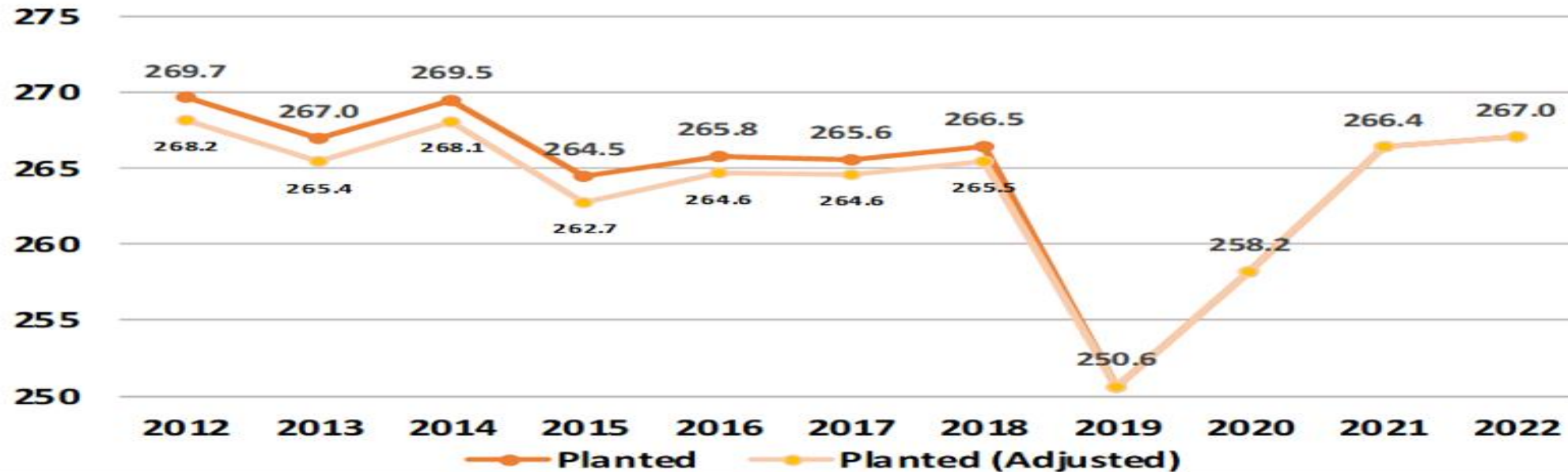
US Reaches Peak Farmland Minus Hay Acres which is at their lowest levels since 1907!



Principal Crop (Minus Hay) Acres United States



Million Acres

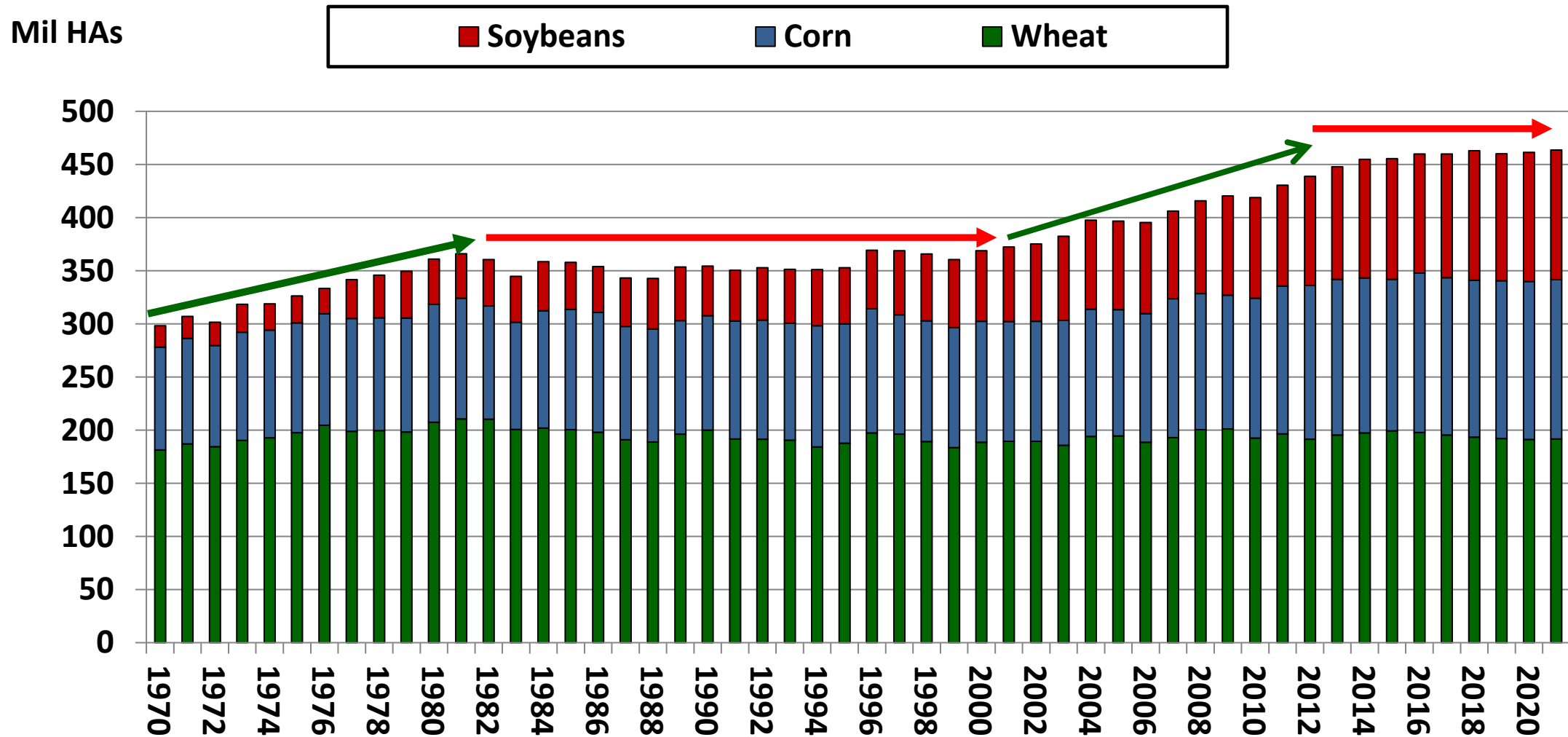


NASS implemented program changes beginning with the 2019 crop year. Full details of the changes can be found at https://www.nass.usda.gov/Surveys/Program_Review/index.php. The Planted (Adjusted) line in the chart above provides principal crop totals for comparable estimates across all years.

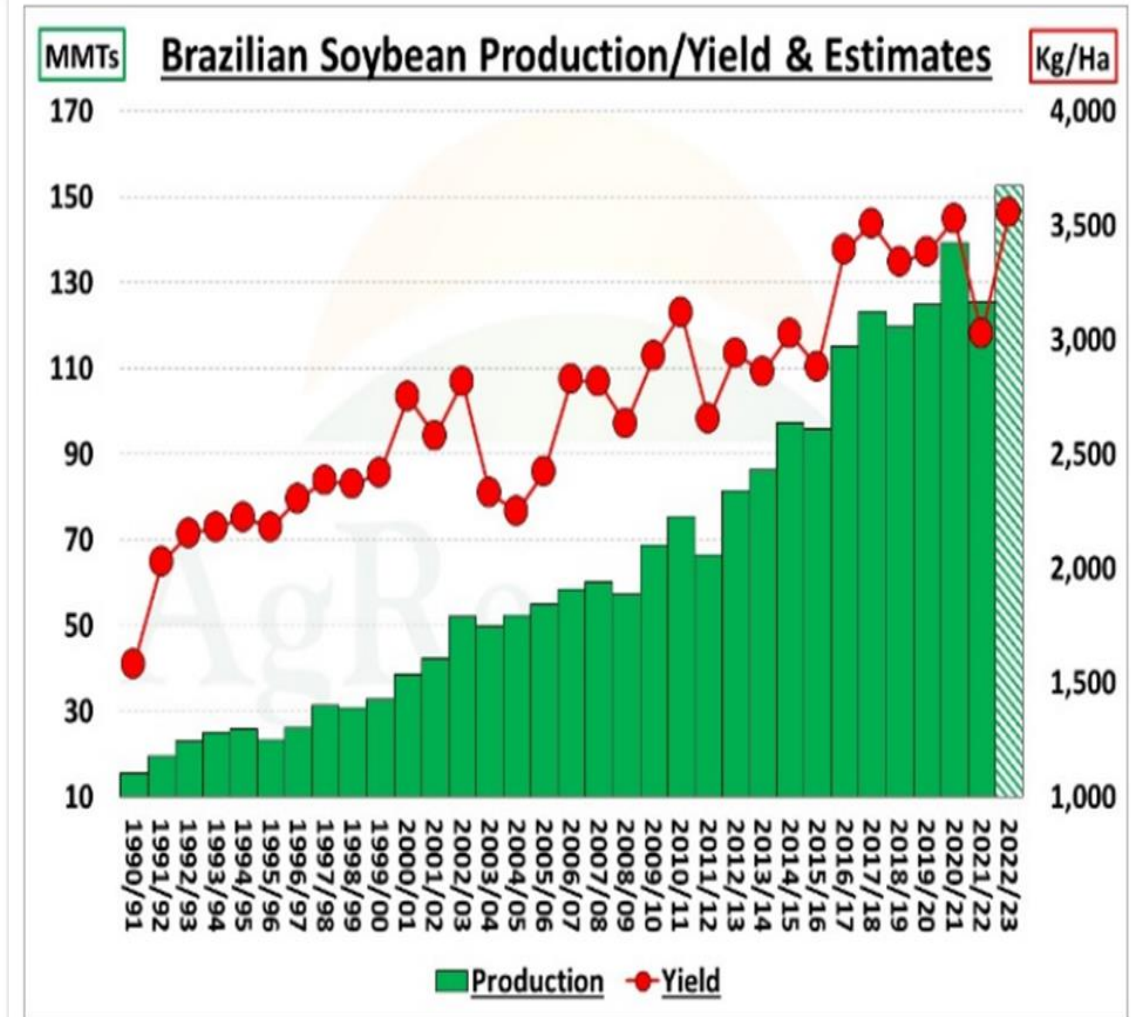
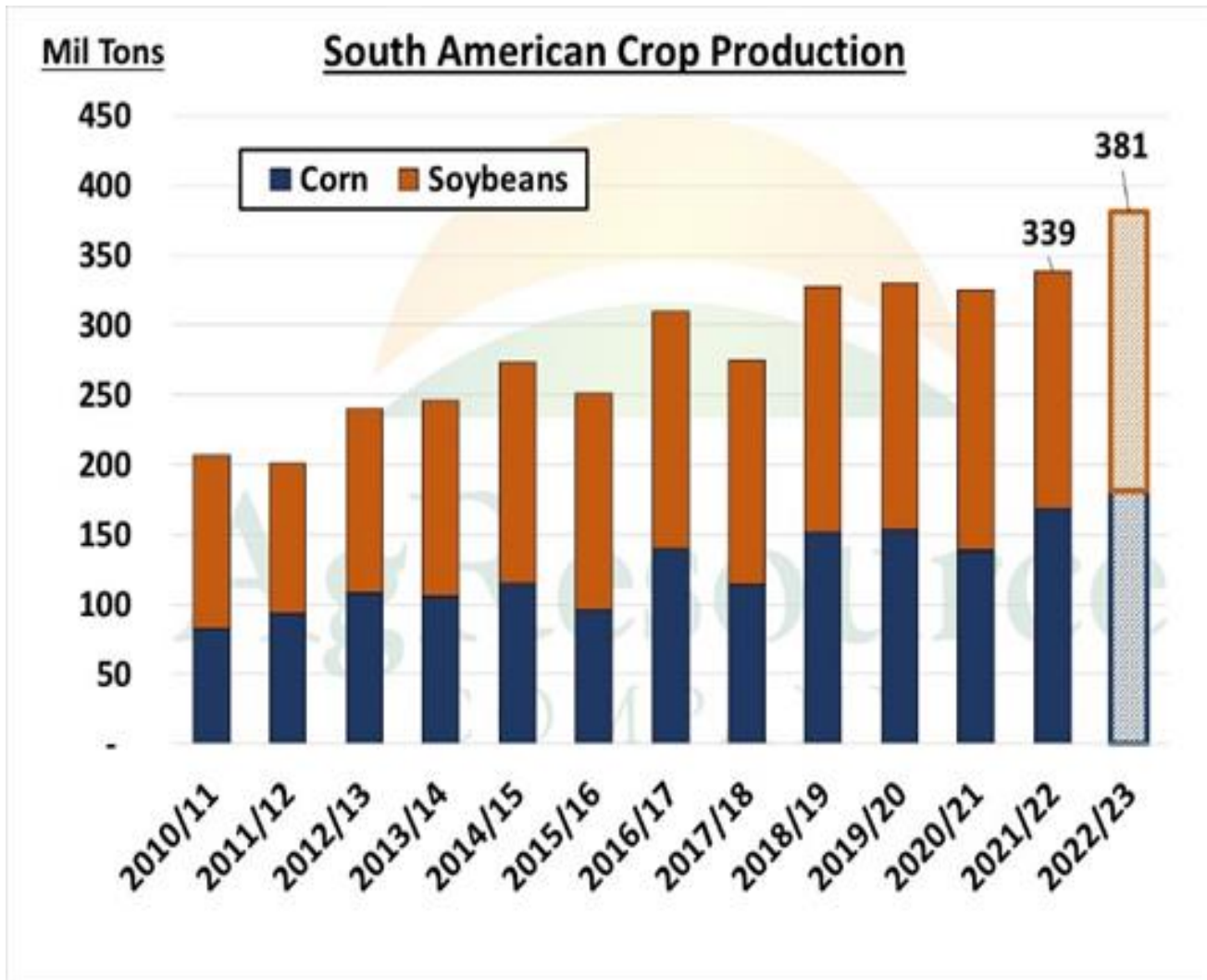
US Share of World Grain Trade Holds Near a Record Low



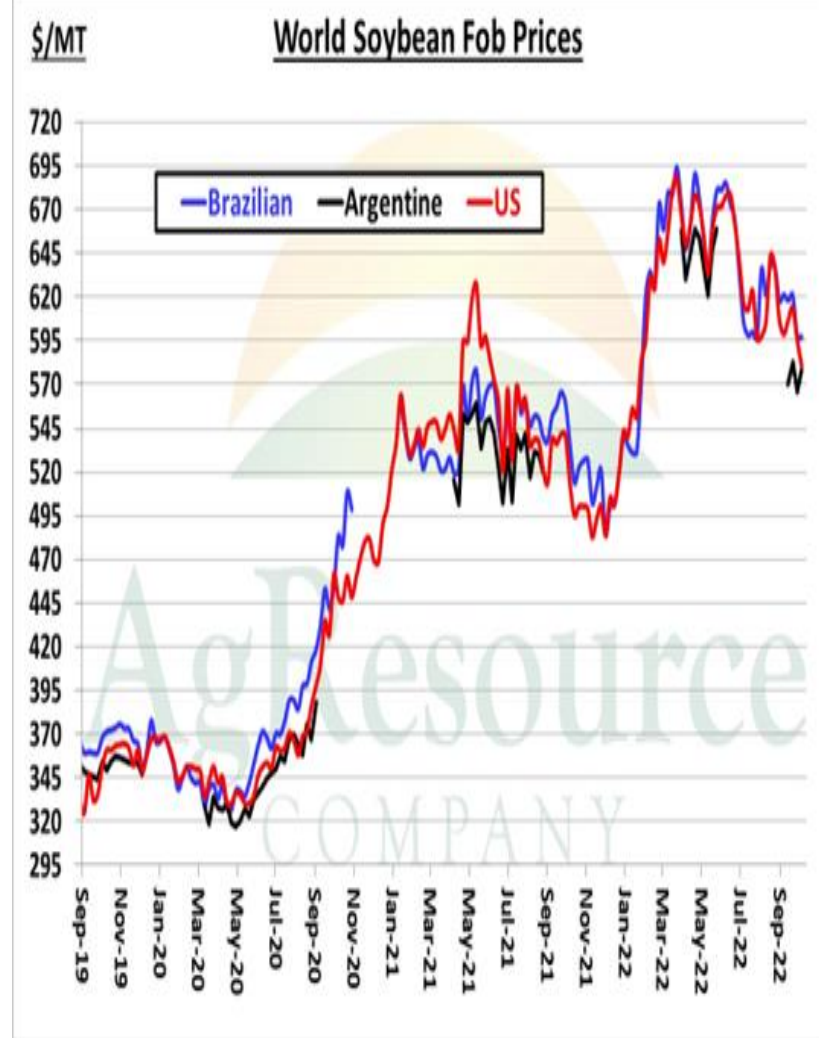
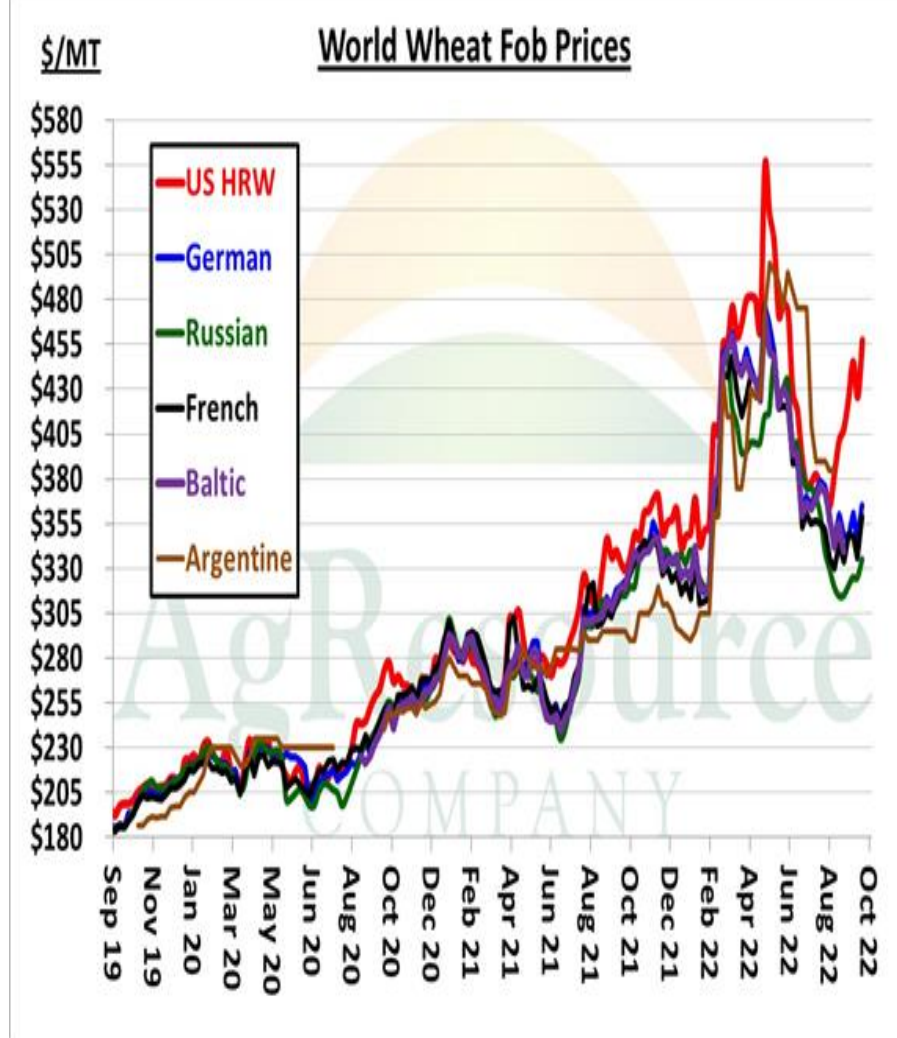
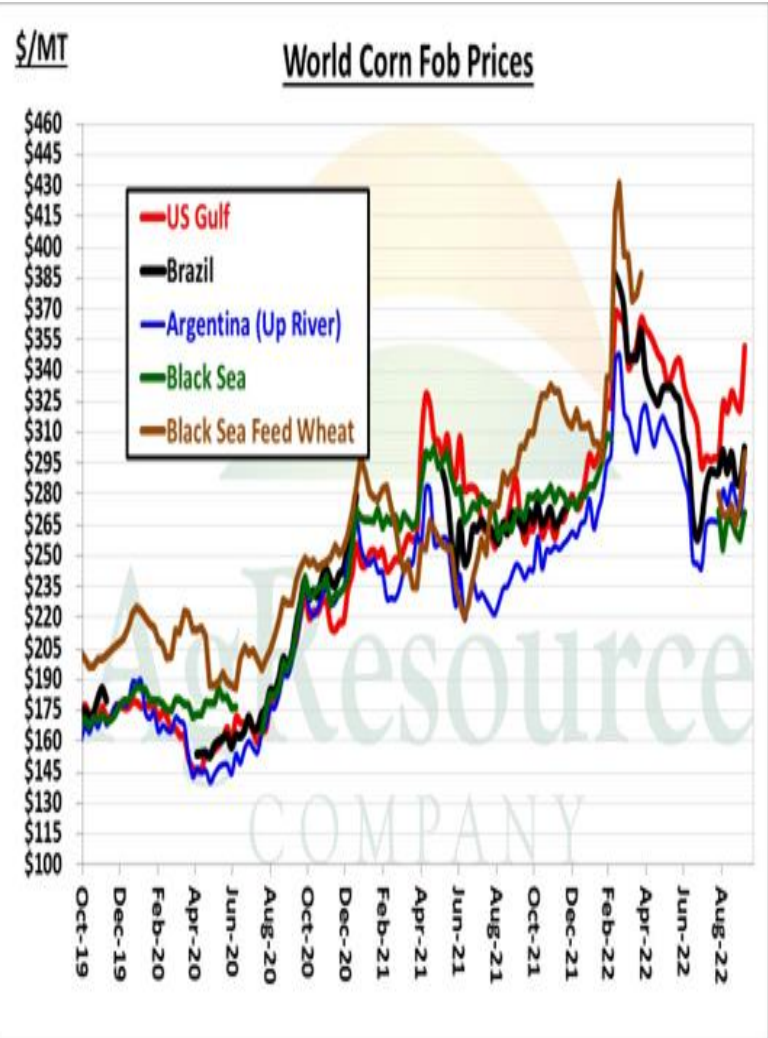
Global Major Grain Area Harvested Less China; 20-25 Mil Additional Acres Needed in Next 5 Years



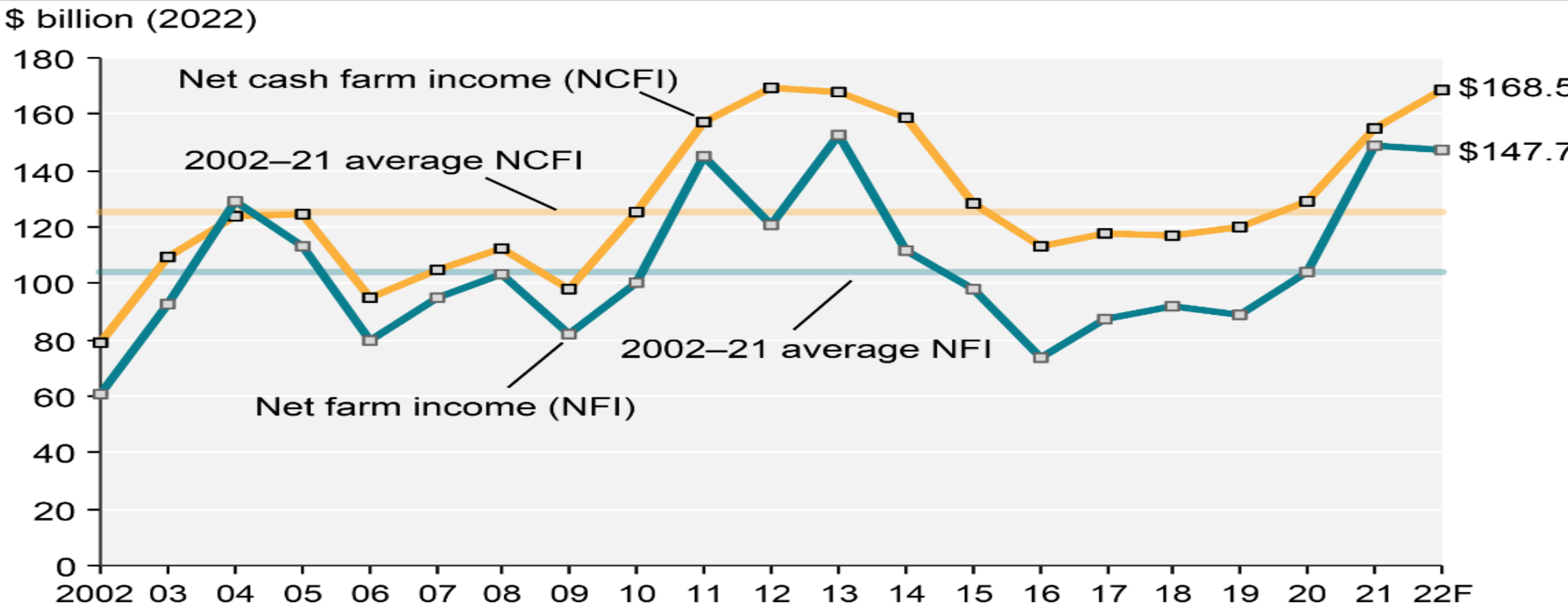
Record Increase in South American Crops; Right or Wrong! Key Growing Season Ahead!



US FOB Corn/Wheat are Most Expensive in the World! US Soybeans Will on January 1st



U.S. net farm income and net cash farm income, inflation adjusted, 2002–22F



Note: F = forecast. Values are adjusted for inflation using the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2022 by USDA, Economic Research Service.
 Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.
 Data as of September 1, 2022.



It's not enough to know the news.
You need to trust the analysis.

Thank You