Farm Crisis
Partner Toolkit

Farm Crisis Talking Points

• Net farm income is forecast to decline by 8.7 percent in 2017, to $62.3 billion, in the fourth consecutive year of declines.

• The 2017 debt-to-asset ratio is the highest the agriculture industry has seen in three decades.

• A recent Kansas City Federal Reserve report shows that farm lending has dropped by 40 percent from a year ago, the largest decline in 20 years.

• Agricultural lenders are increasing interest and collateral requirements to loan terms due to the heightened risk.

• Nearly 90 percent of agricultural lenders have seen an overall decline in farm profitability in the last 12 months.

• Farm debt is forecast to increase by 5.2 percent, while farm asset values are forecast to decline by 1.1 percent in 2017.

• Financial liquidity measures, including working capital, are forecast to weaken in 2017, as are solvency measures such as the debt-to-asset ratio.

• Delinquency rates for farm real estate and non-real estate loans are increasing.

• Farm lending at commercial banks continued to decline in early 2017. The volume of non-real estate farm loans originated in the first quarter declined 16 percent from 2016, according to the Federal Reserve Bank of Kansas City.