

## **AG NOTES**

**By John Teague**  
**August 18, 2020**

### **FARMERS MARKET**

We had 14 vendors, one of the largest groups ever. We had all sorts of vegetables, a good assortment of baked goods, cut flowers and plants, and soaps and lotions from goats' milk. The buyers were there in good numbers, and the activity is heavy.

Come to support local farmers at the market on Thursday afternoons, starting a 2:30 pm with no early sales. The Farmers Market pavilion is next to the big blue water tower at the Celebration Grounds.

### **WHAT'S THE MARKET?**

The last week's market report is provided by Drs. Andrew Griffith and Aaron Smith, livestock and crop economists with UT Extension. They shared these comments. (I may add comments in brackets.)

Fed cattle traded \$3 higher compared to last week on a live basis. Prices on a live basis were primarily \$103 to \$105 while dressed prices were mainly \$166 to \$169. The 5-area weighted average prices thru Thursday were \$104.49 live, up \$3.21 compared to last week and \$168.06 dressed, up \$4.87 from a week ago. A year ago, prices were \$105.40 live and \$170.46 dressed. (This is progress over where the market has been for a long time. This price depression has suppressed calf prices still.)

Based on Tennessee weekly auction market price averages, steer prices were unevenly steady with instances of \$2 lower to \$2 higher while heifer prices were steady to \$1 lower compared to last week. (Coming into the fall, calf prices may struggle a bit due to high supply of smaller and unweaned calves.)

Harvest cow prices were \$4 to \$5 lower while harvest bull prices were \$2 to \$5 lower compared to week ago prices.

Corn, cotton, soybeans, and wheat were up for the week. This week markets were influenced by the USDA August WASDE report and a derecho that created a path of destruction from Eastern Nebraska through Iowa and into Wisconsin and Illinois.

The August WASDE report indicated record national corn and soybean yields of 181.8 bu/acre and 53.3 bu/acre. In Tennessee, yields were estimated at 178 bu/acre for corn, up 1 bu/acre from last year, and 49 bu/acre for soybeans, up 2 bu/acre compared to last year. Overall, the WASDE report indicated abundant U.S. supplies for all four major row crops.

The derecho that carved a path through several Corn Belt states is estimated to have damaged 5-10 million acres of crops creating production uncertainty for parts of Iowa and Illinois. It is likely that soybeans will recover more easily than corn, however at this point in time production losses remain uncertain. The derecho also potentially destroyed a substantial amount of grain storage. This could have basis repercussions if storage capacity cannot be restored before harvest or alternatives (bags, piles etc) developed. Lost production was not factored into the WASDE report.

September 2020 corn futures closed at \$3.25, up 18 cents since last Friday. For the week, September 2020 corn futures traded between \$3.07 and \$3.27. November 2020 soybean futures closed at \$8.99, up 32 cents since last Friday. September 2020 wheat futures closed at \$4.96, up 1 cent since last Friday. September 2020 wheat futures traded between \$4.88 and \$5.00 this week.

This week the USDA extended the deadline for producers to apply for CFAP direct payments to producers. The new deadline is September 11, 2020. Those producers with unpriced corn, soybeans, and cotton as of January 15, 2020 should contact their FSA office or visit <https://www.farmers.gov/cfap> to apply. (There were other changes to the Coronavirus Food Assistance Program, such as adding the mature sheep numbers into the adjustments, and specialty crops that are listed on the website.)

## **AG COVID-19 RELIEF**

There is another new relief program announced this morning by the Tennessee Department of Agriculture for agriculture, agritourism, and forestry businesses. It is called the Coronavirus Agricultural and Forestry Business Fund.

This is not the same as the Farm Service Agency programs for producers under the Coronavirus Food Assistance Program. It is not necessarily for producers that would qualify for the FSA's CFAP program, but more for ag businesses that were impacted by the virus shutdowns.

For details, there is information at Tennessee Department of Agriculture. Go to <https://www.tn.gov/agriculture/topic/cafb.html>

## **WISDOM**

More on courage. There are some good quotes in the Cornerstones section of the Progressive Farmer that I have not shared yet. But there are some good ones. Here are three.

There is a passage in the Book of Deuteronomy in the Bible that reads "Be strong and of a good courage, fear not, nor be afraid..." Winston Churchill said "Courage is rightly esteemed the first of human qualities...because it is the quality which guarantees all others." Edmund Spenser said "What cannot be cured must be endured." That'll need courage depending on how severe things are.

A fourth one from Baltasar Gracian said "Without courage, wisdom bears no fruit." Think about that one.