

Call it my optimistic farmer's nature, but I am hopeful we are truly starting to see signs of a turnaround with the ag economy.

I don't have to dwell too much on the past few years. If you have been farming in North Carolina, you know the struggle all too well – hurricanes and tropical storms, chronically low commodity prices, trade wars, nuisance lawsuits. Any one of these is a setback for a farm, but all of them together push even a healthy farm to the brink.

I had hoped 2019 would be a year of recovery for our farmers, but it also proved challenging and more like treading water. Our farmers need to catch a break, and as we shift into 2020, I believe we are starting to see some signs for more immediate optimism.

We have seen some upward movement in some of the commodity prices. Soybeans were up in December and some analysts are predicting stronger prices ahead. Wheat saw an uptick in price and the massive losses of hogs in China from African Swine Fever certainly points to a tightening in the supply of pork since China is the largest producer of pork in the world.

But the best signs I have seen so far this year was the signing of phase I of a trade agreement with China in January. Followed by the approval by Congress of the U.S. Mexico Canada Trade Agreement. Both signaled a desire for the United States' biggest trade partners to work together.

The China agreement included tobacco, which is very welcomed news for tobacco growers. I quickly met with members of China Tobacco International North America to express our interest in resuming trade. Members of our trade office in China also began reaching out to contacts to discuss trade opportunities going forward.

Export markets are essential to agriculture in North Carolina and the United States. Around 95 percent of the world population lives outside the United States, which represents tremendous markets for our farmers. We also know the population over the next 30 years is expected to grow, offering reason for long-range optimism. But in the midst of the past five years, many farmers were wondering if they could hold on until the market turned around.

I was happy that the first phase of trade agreements was signed with China and I look forward to more agreements benefitting agriculture ahead.

I encourage you to attend our annual Agriculture Development Forum to hear more about these recent developments from N.C. State University economists. They study the markets and always offer interesting insights into what farmers might expect in the coming year.