



**WELLS
FARGO**

Agriculture and Global Finance

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Wells Fargo Ag Industries

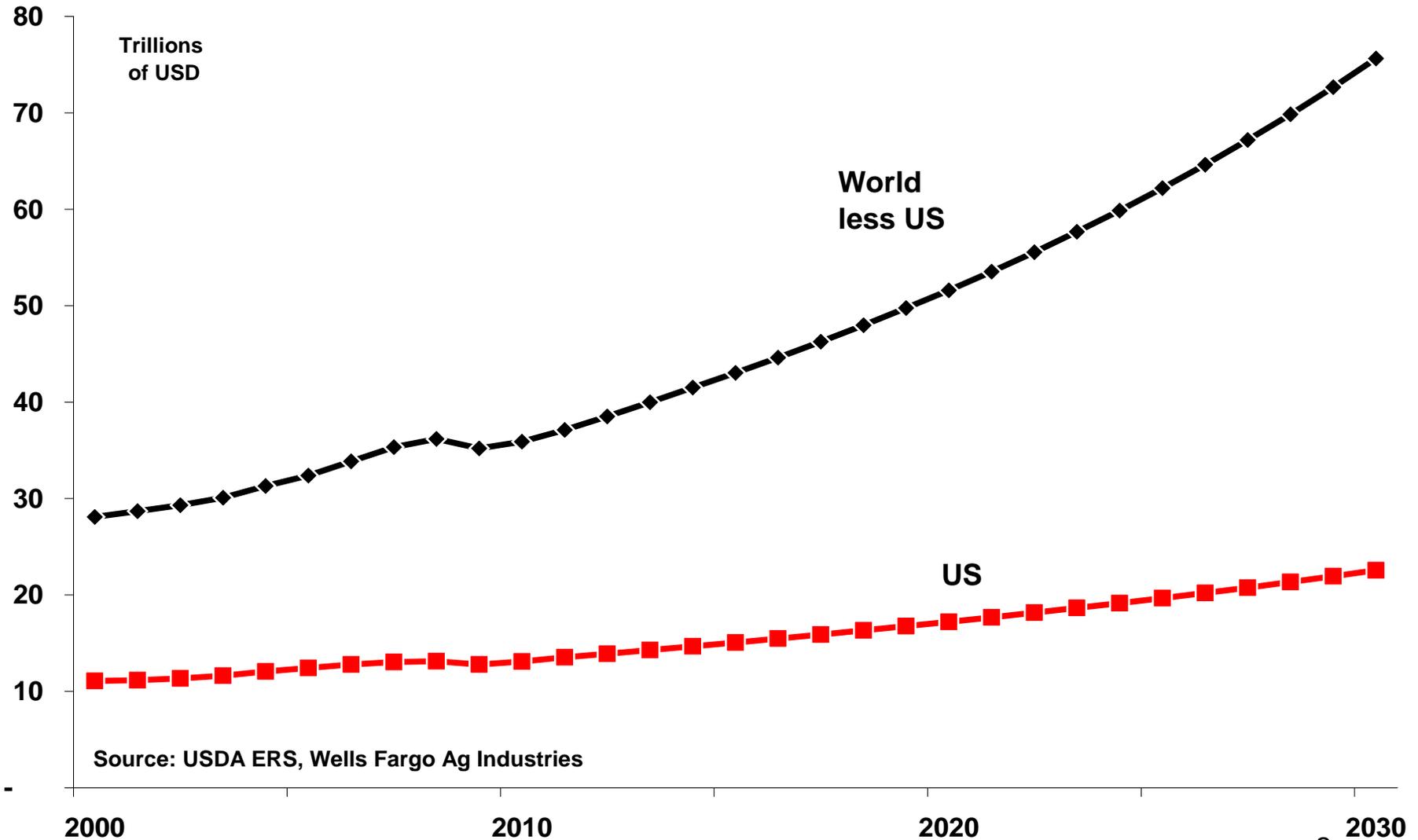
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Ready or not ... Your world is changing

- **Where will the growth be?**
 - ◆ US is the “best” market
 - ◆ ROW is the market that “matters”
- **How will the change impact you?**
 - ◆ International trade isn’t just for the “big boys” anymore
 - ◆ They have new problems to solve
 - ◆ Commodities “embed” many elements

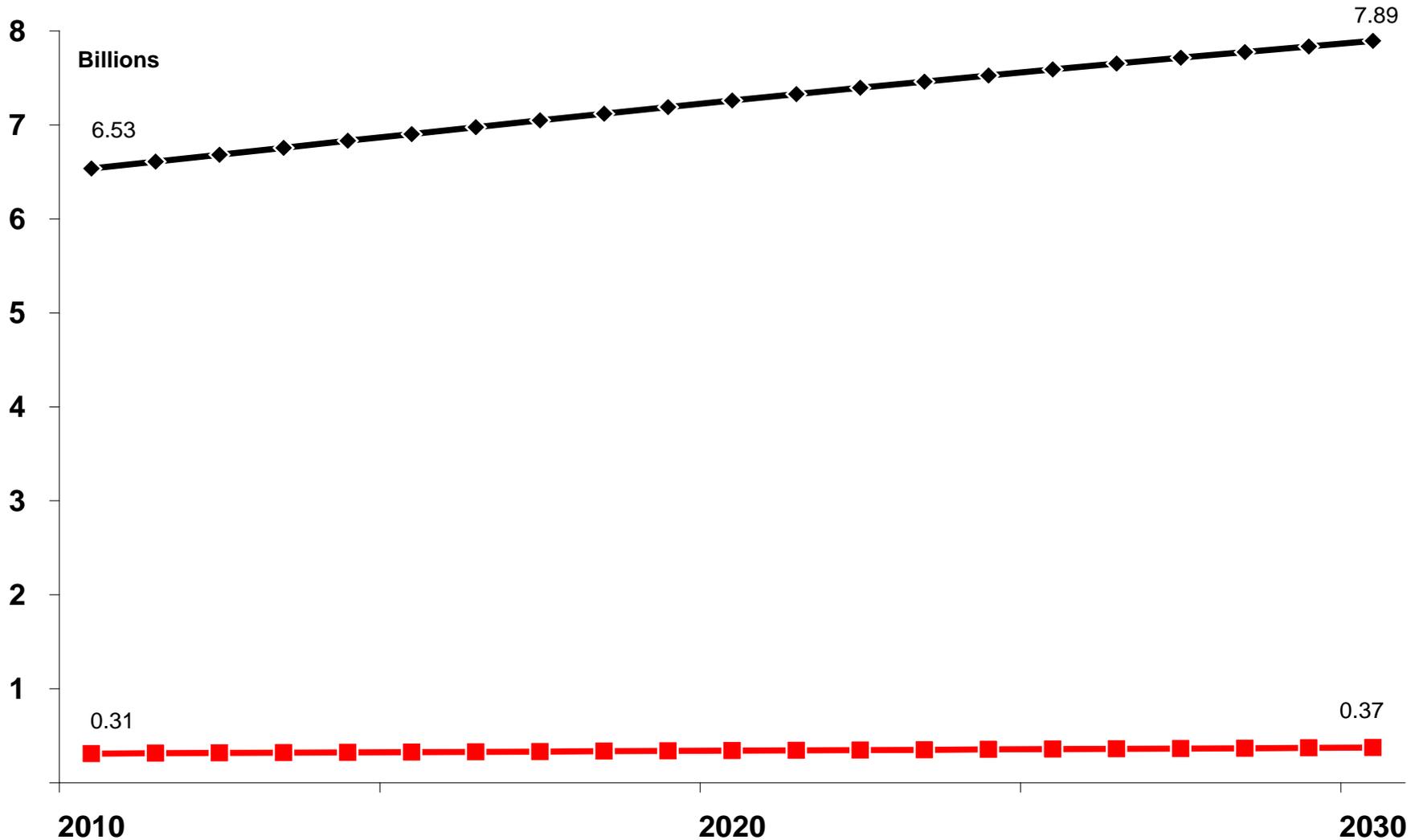
Forecasts? What are they worth?

USDA GDP Projections



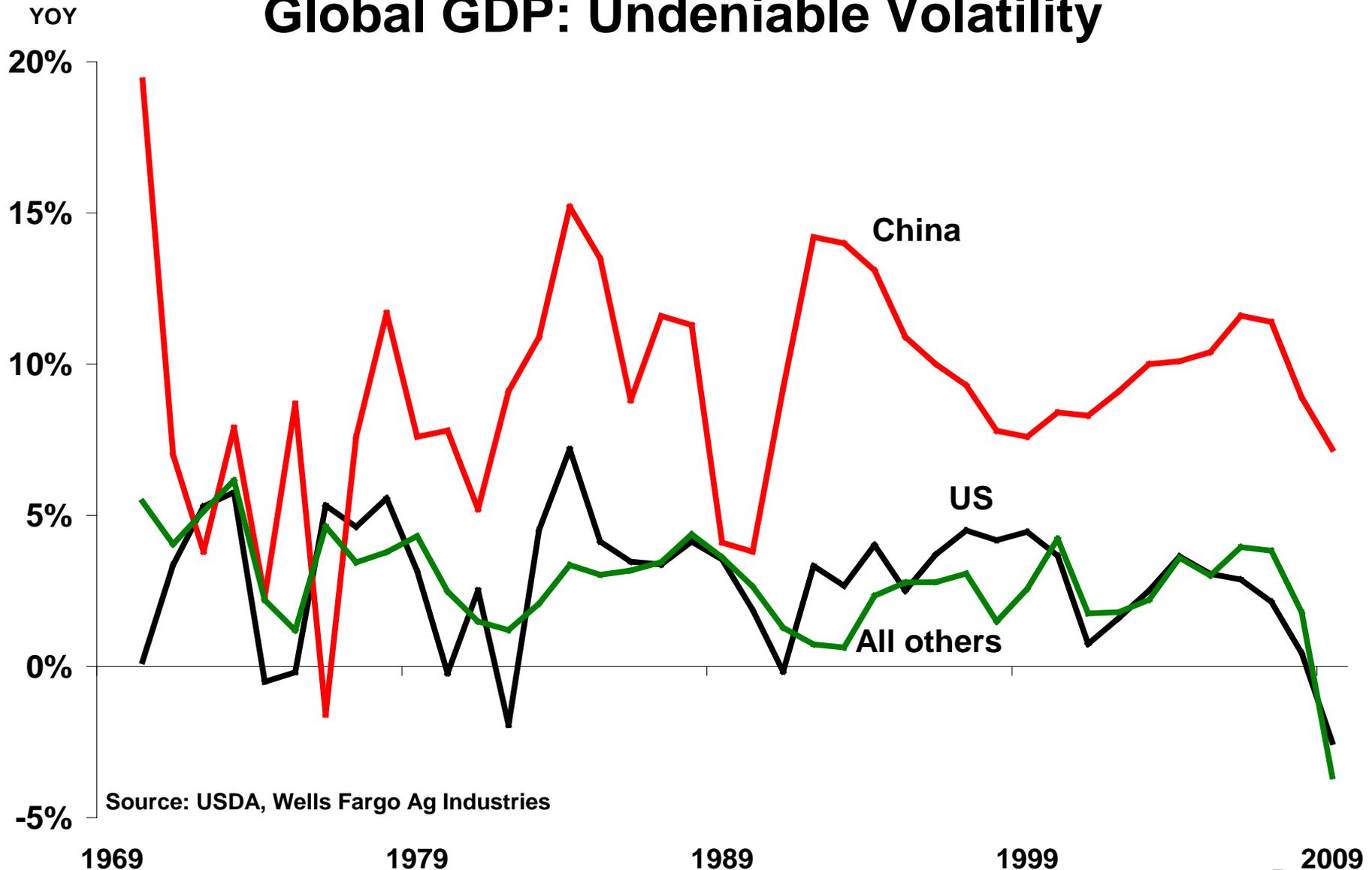
Climbing up Maslow's hierarchy

USDA Population Projections



Will you bet against it?

Global GDP: Undeniable Volatility



Source: USDA, Wells Fargo Ag Industries

Financing US agribusiness overseas

■ Transactional

- ◆ Letters of credit
- ◆ Size of the firms involved
 - ☒ Specialty crops
 - ☒ Logistics

■ Structural

- ◆ Asset valuation and structure
- ◆ Foreign currency risks
- ◆ Management capacity

Foreign firms in your market

- Foreign firms buying US assets
- Foreign banks specializing in agriculture
 - ◆ Why are they here?
 - ◆ Are they really different?
 - ◆ Do they change the market?
- What's being imported along with the commodity?
 - ◆ Cost of capital
 - ◆ Environmental standards
 - ◆ Governmental goals

**When the environment changes,
it's the adaptable that thrive
not the well adapted.**