

Today, we highlight some recent reports that provide some context and broad impacts of COVID-19. First, is the April preliminary U.S. consumer sentiment survey (see graphic below). That report is available [here](#). “Consumer sentiment plunged 18.1 Index-points in early April, the largest monthly decline ever recorded. When combined with last month’s decline, the two-month drop of 30.0 Index-points was 50% larger than the prior record.” Still, the most recent index value was above most months in 2008 and 2009.

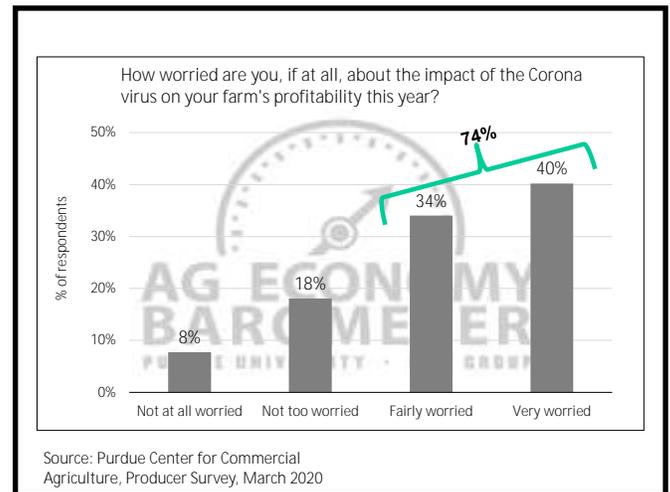
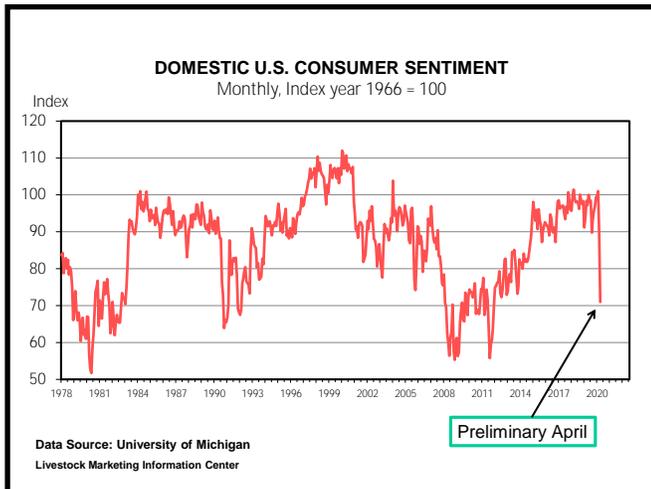
The [Purdue University/CME Group Ag Barometer](#) (the March report was released April 7th) declined in parallel with the national consumer sentiment results. One of their survey questions was, “how worried are you, if at all, about the impact of Corona virus on your farm’s profitability this year?”; their graphic of results is shown (used with permission). Most farmers were “fairly worried” or “very worried.”

Next, we summarize data (released yesterday) by the U.S. Census Bureau’s monthly retail trade (advance report) for March (the website is [here](#)). Compared to a year ago, due to COVID-19, during March U.S. food sector retail sales slipped by 0.7%. Within that category, there was a dramatic divergence. Sales in the category of food services and drinking places (restaurants, etc.) fell dramatically (-24.6%). In contrast, grocery store sales for the month jumped by 27.0% year-over-year.

Finally, we turn to the International Monetary Fund (IMF) report on the world economic outlook, which was released this week. The subtitle of that report is The Great Lockdown. “The

COVID-19 pandemic is inflicting high and rising human costs worldwide, and the necessary protection measures are severely impacting economic activity. As a result of the pandemic, the global economy is projected to contract sharply by -3 percent in 2020, much worse than during the 2008–09 financial crisis. In a baseline scenario — which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound — the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support. The risks for even more severe outcomes, however, are substantial.” The full report is available [here](#).

Year-over-year, the IMF expects U.S. GDP in 2020 to drop (-6.1%). The table below includes GDP projections for selected countries that are vital meat and poultry export markets for the U.S. (Japan, Canada, China, and Mexico), all of which are expected to decline in 2020. Currently, the IMF sees rebounds in economic growth for 2021.



**IMF World Economic Outlook: Growth Projections as of April 2020**

**Real GDP, Annual Percentage Change**

	2019	2020	2021
World Output	2.9	-3.0	5.8
United States	2.3	-6.1	4.5
Japan	0.7	-5.2	3.0
Canada	1.6	-6.2	4.2
China	6.1	1.2	9.2
Mexico	-0.1	-6.6	3.0



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