



Pic—Jamie Ellis

*Cornbelt Update
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A weekly Cornbelt digest of marketing, economic, agronomic, and management information.

Commodity Market Drivers—

- **The market has turned from bearish to bullish**, say commodity analysts, at least for the time being. When the CME closed on Friday afternoon, one long term market analyst and commodity advisor observed, "Green across the board with big corn harvest week. Let's hold a "Bear Wake." That was based on the net gains for contracts last week across the 5 prime commodities on the grain trading floor.

Funds net buyers of CBOT soy, corn and wheat, traders say

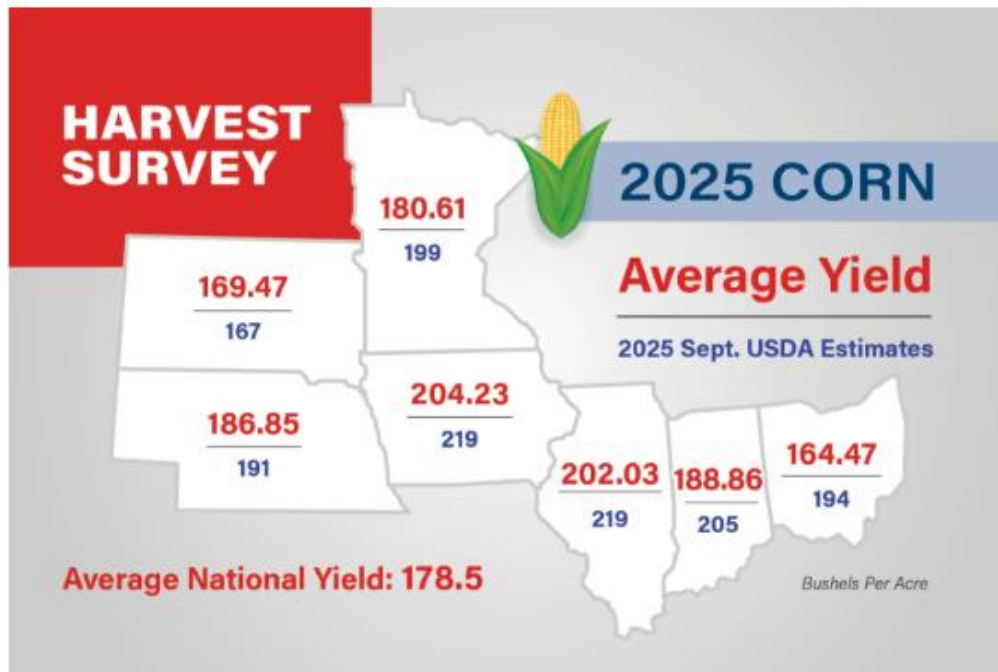
Reuters News | less than a minute ago



CHICAGO, Oct 17 (Reuters) - The table below shows net buying or selling of Chicago Board of Trade grain futures contracts by commodity funds, based on the average of estimates from sources COMFUND/CBT.

	Corn	Soybeans	Wheat	Soymeal	Soyoil
October 17	+2,500	+6,500	+500	+3,500	+1,500
October 16	+12,500	+3,500	+2,000	+1,000	+4,000
October 15	+11,000	+4,000	+500	+1,000	+1,000
October 14	+5,500	+2,000	+1,500	+2,000	0

- **Without the USDA crop enumerators in the field**, farmers, grain traders, processors, and many others are uncertain of the size of the 2025 crop, and its subsequent value. Taking a shot at a speculative guess, based on some farmers' thoughts, [Farm Journal](#) tallied the guesses of 1,100 farmers. "The biggest takeaway is that corn yields are estimated to be down compared with USDA's September estimates in 6 of the 7 Pro Farmer Crop Tour



states. Due to disease pressure and dryness, the 2025 national corn yield could be lower than the 2024 average of 179.3 bu. As of mid-October, yields are steady or lower for 74% of the respondents across the Crop Tour states, a far cry from higher production

estimates for each state in USDA's September Crop Production Report. If production does shrink, as the Farm Journal survey indicates, the national average yield could fall to 178.5 bu. per acre, well below the 186.7 in the USDA September survey. An estimate of the soybean yield was not tallied. Farm Journal staff asked how much of the crop had been harvested. The respondents to the survey guessed 43% for corn and 79% for soybeans. Over 1/3 of the respondents expressed concerns about the shortage of storage, particularly in the Northern Plains.

- **The federal government shutdown** has continued, resulting in another week without the USDA publishing a Crop Progress report. According to a Reuters poll of 10 analysts, the U.S. corn harvesting progress lagged behind last year's pace. On average, the analysts estimated that 44% of the U.S. corn crop had been harvested as of Sunday, with estimates ranging from 35% to 55% for corn. Here's a closer look at the corn crop progress through the perspective of local agronomists. In IA, Eric Wilson, Wyffels agronomy manager, shared that corn harvest is moving quickly, with some farmers in his area nearing the end of corn harvest. Phil Krieg, agronomy service representative for Syngenta Crop Protection in IL, shared that corn harvest is 60% complete. Travis Gustafson, agronomic service representative for Syngenta Crop Protection in NE, estimated that only 10–15% of corn has been harvested.

- **Archer Daniels ([ADM](#)) is offering U.S. farmers incentives** to deliver soybeans to its Decatur, IL, processing facility this month amid sluggish farmer selling caused by low prices, [Reuters' Tom Polansek reports](#). In an uncommon move during peak harvest season, the company is allowing deliveries on price later contracts without incurring storage fees, according to sources familiar with the matter. In exchange, ADM will take ownership of the soybeans, enabling it to process the crops, they added. A company spokesperson declined to comment. Many farmers are putting soybeans into storage in hopes of getting better prices down the road, growers and analysts said, leaving fewer supplies available to major U.S. processors. ADM's offer, also known as free deferred pricing, will be available to farmers until the end of October, and those who participate have until September 2026 to set a sale price, according to the company employee. Farmers said ADM's offer was unusual because processors typically have access to plentiful supplies during harvest time. This year, farmers had agreed to sell less of their crop than normal heading into harvest season, Miranda Wamsley, ADM's vice president of producer origination, said in an interview last month. She did not provide specific amounts. "Because the prices are low, everybody is storing grain on the farm and saying: 'No, you're not getting my grain until prices go up,'" said Steve Pitstick, a farmer in Maple Park, IL. In September, U.S. soybean crushings jumped to their fourth highest level for any month, according to National Oilseed Processors Association data released on Wednesday. Deferred pricing is potentially attractive to farmers harvesting big crops because they otherwise must figure out where to put supplies if they do not want to sell. Storage space is limited on farms and varies at grain elevators. Crops also can be damaged in storage. Although markets remain weak, processors like ADM recently raised their basis bids to encourage crop sales, analysts said. The soybean basis has improved at ADM's Decatur soybean processing plant, after rising by 20¢ last week. On Fri. Oct. 17, ADM was bidding 5¢ over Nov futures for beans delivered to Decatur. Hoping for better prices, several farmers said bids could rise further if growers find ways to store crops without agreeing to deferred pricing.
- **Chinese soybean imports jumped year over year** in September as total purchases of all products surged. Bank of America Global Research said in a note to clients that soybean imports by volume jumped more than 13% last month versus 1.2% in August. Imports from Brazil were up 24% in September, which compares with a 1.4% year-over-year decline in August. However, purchases from the U.S. were down more than 16% on an annual basis, in line with the previous month's decline. Total imports into China jumped 7.4% on an annual basis, a surprise to market-watchers. The trade surplus with the U.S. narrowed from \$102.3 bil. to \$90.5 bil. "Despite concerns of an imminent sharp slowdown in external demand, the data from China highlighted continued resilience in exports, supported by the ongoing tech cycle and stable demand outside the U.S.," said analysts at Bank of America.

- Grain Market details from** General Manager Kevin Walker and staff at [Legacy Grain](#).
 "Chicago ag markets saw higher closes to wrap up the week this week, with soybeans being the upside leader on follow through buying based on what traders say is optimism regarding the Trump-Xi meeting at the end of the month and also news from earlier in the week that bean exports to South American crushers could be on the rise. On the grain side of things, markets also closed higher but found increasing hedge pressure in the case of corn to partially offset technical-related buying that was otherwise noted throughout the course of the session. Big picture themes of US crop sizes and whether the Trump-Xi meeting happens at the end of the month remain the number one driver of price into next week and likely continue to keep choppy price patterns in place."
- ✓ **Corn drivers:** The corn market held onto gains on Friday, despite pulling off the highs into the close. Futures were fractional to 2¢ higher across most contracts, as December was up 9½¢ this week. The CmdtyView national average [Cash Corn](#) price was up 1¼¢ at \$3.81½. December corn futures have had an average October close of \$4.18 for crop insurance. That is below \$4.70 February average, but above the \$4.16 harvest price last year. Harvest should continue in the next week for much of the Western Cornbelt, with the ECB seeing 1-3 inches of rain. That should put a slowdown on any later harvest, though it will add back to some lower river levels along the Mississippi. Yield results thus far for some have been below expectations. The Buenos Aires Grain Exchange estimates the Argentina corn crop at 30% planted, ahead of the same time last year. [Dec 25 Corn](#) closed at \$4.22½, up ¾¢, [Nearby Cash](#) was \$3.81½, up 1¼¢.

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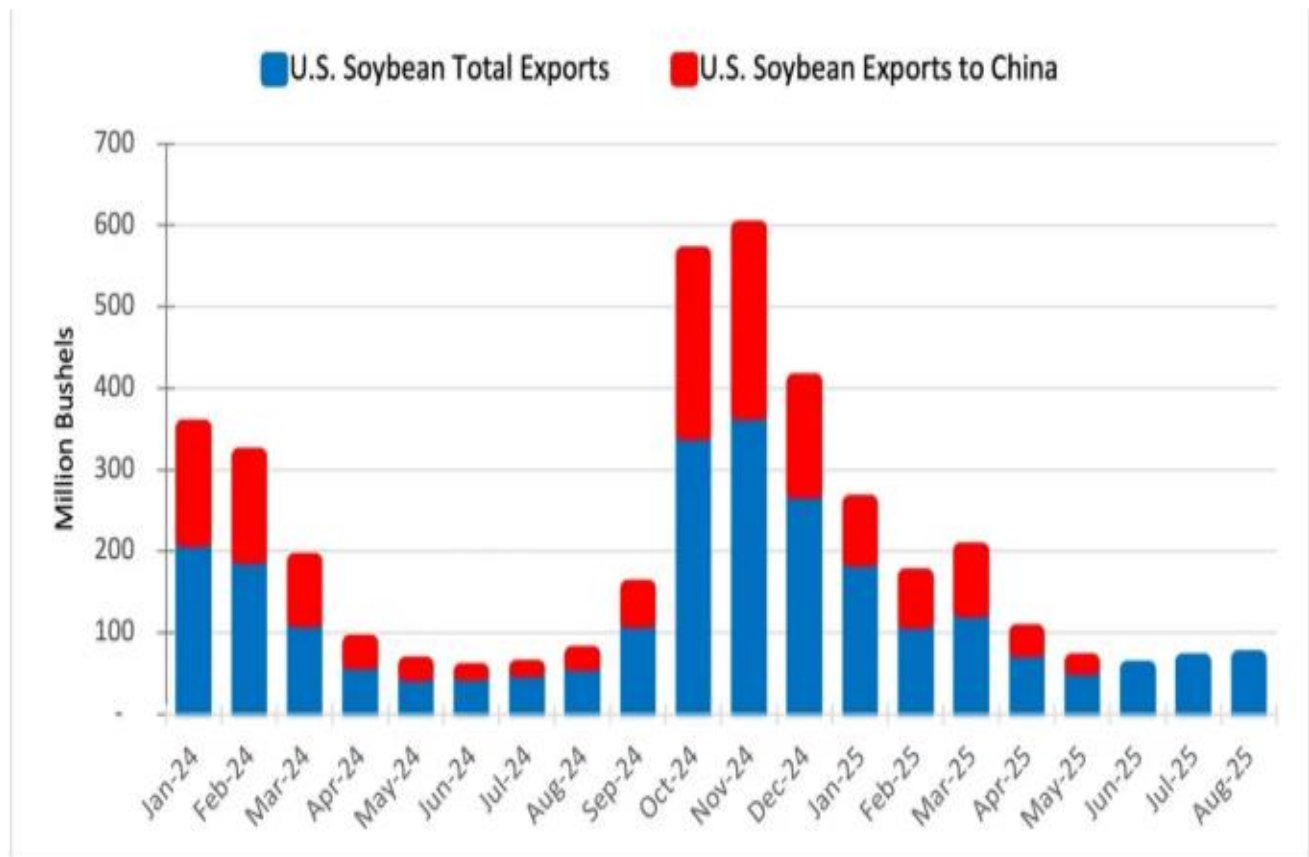


- ✓ **Soybean market drivers:** Soybeans were in rally back mode on Friday, as contracts were up 7 to 9¢ on the session. November popped 12¾¢ higher this week after holding a test of \$10. The CmdtyView national average [Cash Bean](#) price was 9¼¢ higher at \$9.45½, as basis seemed to firm somewhat. Support from the products was noted, as [Soymeal](#) futures were up \$2.40 to \$4.10 on the day, to have December close with a \$6 gain on the week. [Soy Oil](#) was 24 to 29 points higher on Friday, with December 116 points higher over the 5 trade days. With just 2 weeks left for the Crop Insurance discovery for the harvest price, November soybean futures have averaged \$10.16 thus far. That is down from \$10.54 from the Feb price but up from \$10.03 from last year's fall price. Early on Friday morning, President Trump he think's we'll be fine with China ahead of the leaders meeting in a couple weeks. He also stated the 100% tariffs on China are not sustainable. [Nov 25 Soybeans](#) closed at \$10.19½, up 8¾¢, [Nearby Cash](#) was \$9.45½, up 9¼¢.

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- **Prompted by the Trump trade war launched in 2018** and continued again in his second term, [China figured out how to live without our grain](#). The questions were these: For how long and at what price? The theory has been that China stockpiled soybeans following the 2024 election in anticipation of the trade war resuming. The unknown is the size of the stockpile, which is critical to understanding how long China could hold out in trade agreement negotiations. For U.S. farmers, the plan was to endure short-term pain for long-term gain. With China now making a massive soybean purchase from Argentina, adding to significant buys from Brazil and none from the U.S., IA farmer Matthew Kruse believes that country's leaders answered that question: China isn't relying on its stockpile. It has plenty of sourcing opportunities. The Argentine deal, Kruse says in an [Ag Marketing IQ video](#), "looks like just another example of China going out of their way to avoid U.S. soybean purchases—or other ag purchases from the United States." With last week's buy of 257 mil. bu. from Argentina—a solid quarter of that country's soybean and soybean meal production—on top of 440 mil. bu. from Brazil this calendar year (as of August), chances of China making additional U.S. purchases are falling. China made the buy from Argentina in just 3 days following that country's move to cut its export tax on soybeans and other agricultural products. When we look at production cost and commodity grain prices around the world, it's obvious U.S. farmers aren't the only ones fighting to make a profit on their production. Kruse points out that China is "waiting in the wings" for those low-price deals.

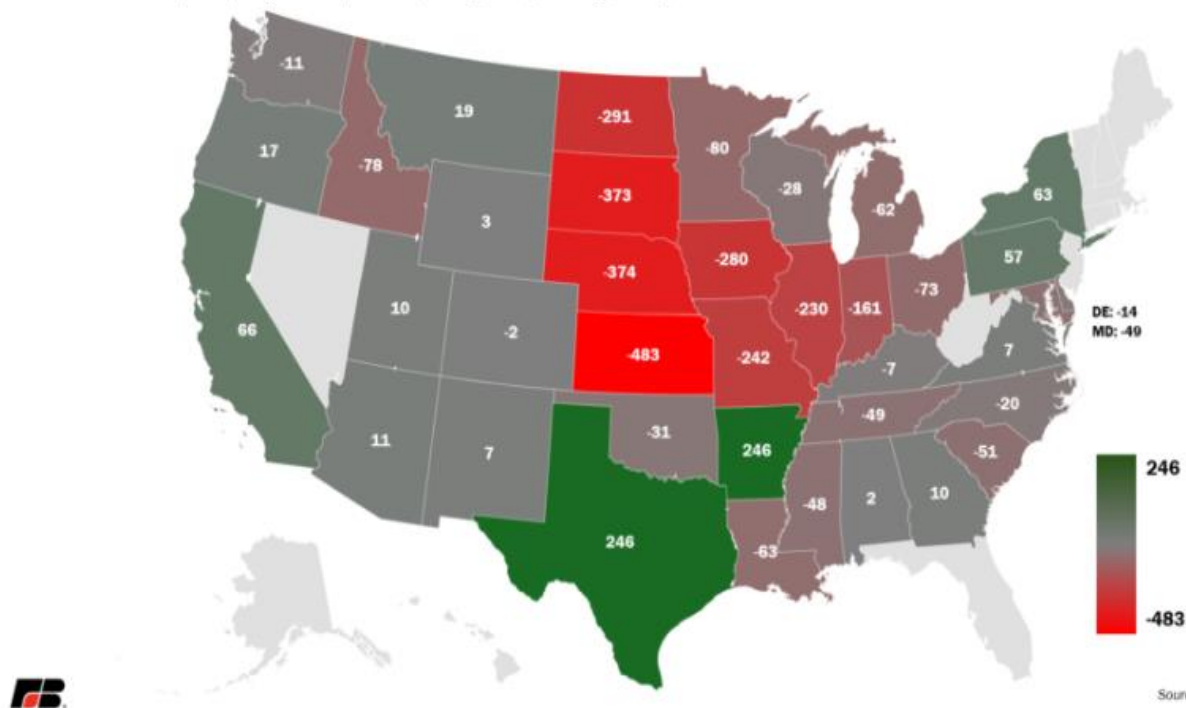


- **High premiums on Brazilian cargoes** are [discouraging soybean buyers in China](#), which means the country has yet to secure much of its needed soybean supply for December and January. Brazilian soybean premiums are holding at \$2.80-2.90 per bu. over the November Chicago soybean contract SX25 compared with U.S. premiums at around \$1.70 per bu. Reuters says the development could prompt the Chinese government to tap state reserves to meet the near-term needs. China covered its needs through November with hefty buys from Argentina in recent weeks but still needs 295-330 mil. bu. for December and January. Crushers have little motivation to secure December-January soybean cargoes as supplies from Brazil have squeezed their margins, said a Shanghai-based trader. Chinese buyers are hoping that an early and record soybean harvest in Brazil in early 2026 will help ease prices. Escalating Washington-Beijing trade tensions continue to shut American soybeans from the market. "China isn't buying U.S. beans because of the trade war, and Brazilian beans have become too expensive," one oilseed trader at an international trading company that supplies agricultural products to China told Reuters anonymously. "China might end up using its own reserves for its year-end needs and into early next year, and will wait until the new South American harvest comes in." "We think new crop shipments from Brazil can start at end of January," said a second oilseed trader. Sources declined to be named as they were not authorized to speak to media. "If a deal goes through, Chinese buyers will likely turn to U.S. beans for the 2-month window, with prices more attractive than South American offers," said Johnny Xiang, founder of Beijing-based AgRadar Consulting.
- **Conab says Brazilian farmers** will increase their 2025-26 acreage and subsequently their grain production. In its Oct. 14 report, [state-owned Conab said](#) the soybean harvest is forecast at 6.525 bil. bu., up from 6.30 bil. in 2024-25 on an expected 3.3% increase in planted area to 117.8 mil. acres. In the country's largest soybean-producing states, Mato Grosso and Paraná, 18.9% and 31% of the area were planted, respectively, in the first 10 days of October. Corn is expected to be cultivated on a larger area in 2025-26 as well, potentially reaching 54.5 mil. acres, with expected production of 5.45 bil. bu. across the 3 harvests. In its previous report, Conab estimated 2024-25 corn production at 5.5 bil. bu. Conab's initial projections for the 2025-26 soybean harvest and global demand suggest Brazil will remain the world's top exporter of the oilseed, potentially exceeding 4.12 bil. bu. A forecasted increase in the blending of biodiesel into diesel and the growing demand for vegetable protein indicated that soybean crushing volume could reach 2.19 bil. bu. in 2026. Conab also sees a significant increase in corn exports with shipments at 1.83 bil. bu. in 2025-26, up from 1.57 bil. bu. the previous year. Growth in domestic consumption also is expected, driven primarily by increased demand for corn for ethanol.
- **Flying under the radar**, Ukraine has achieved a record soybean harvest and export performance in the 2024/25 marketing year, consolidating its position as a key oilseed supplier to Europe. [According to the Ukrainian Grain Association \(UZA\)](#), total soybean production rose 33% year-on-year, while exports grew 28% - despite a 6% drop in yield. 59% will be exported to Europe. Soybean processing will increase 50%, soybean oil exports will increase 52.5% (521,300 tons) and meal exports will be up 95% (1.34 mil. tons.)

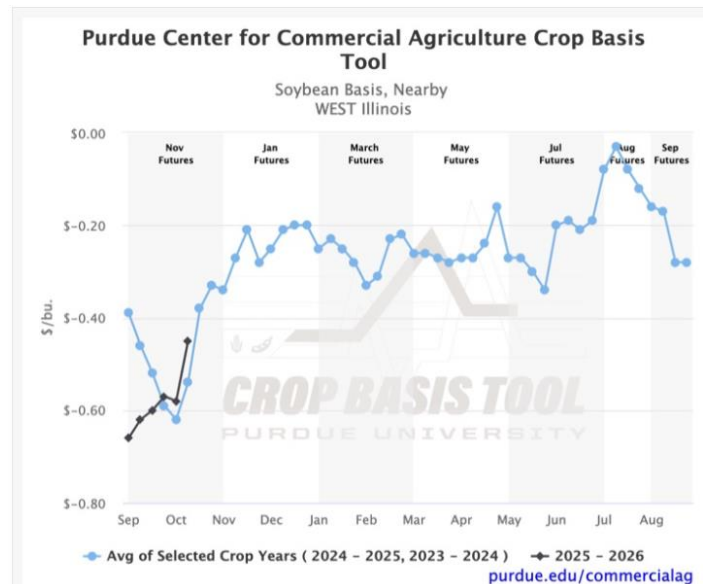
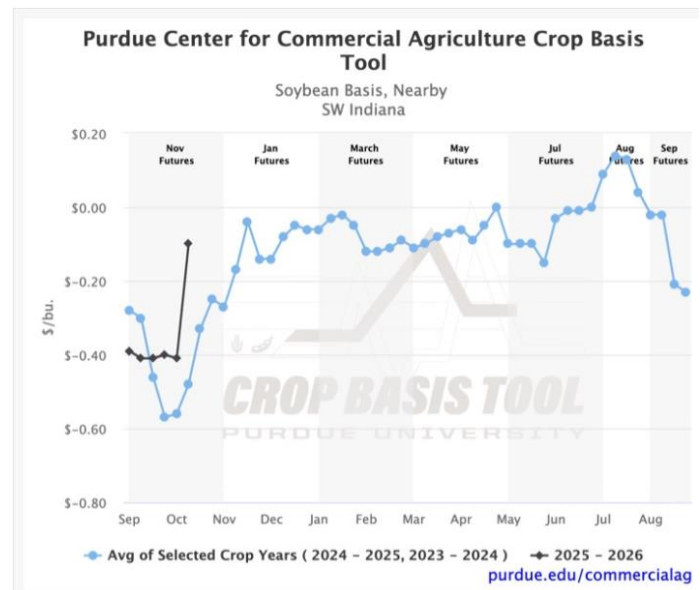
- **If you have excess grain storage**, offer it to some Western Cornbelt farmers. [Bernt Nelson, an economist with the American Farm Bureau](#), says farmers are facing a classic case of supply versus demand, "Corn production for the '25-'26 marketing year is estimated at a record 16.8 bil. bu. Now if we kind of switch gears and look over at soybean production, it's also projected to be higher, at 4.3 bil. bu. If we kind of think about what's happening with demand, demand is lower due to the ongoing trade challenges. And what this really means is that we've got a big crop, and we need to find a place to put it." U.S. storage capacity is estimated at 25.48 bil. bu., which leaves roughly 2.4 bil. bu. less space than needed to hold total production and existing stocks. This shortfall is based on combined corn, soybean, wheat, sorghum, barley and oat production along with beginning stocks reported in USDA's September WASDE. Even where bins are available, the cost of holding grain has increased sharply. Higher interest rates and energy and labor costs all contribute to higher carrying costs. In some cases, interest alone can account for one-quarter to one-third of total storage costs. Holding grain also ties up capital that could otherwise be used for operating expenses or debt repayment. Corn and soybean stocks remain heavy while wheat adds more volume to the system. Storage is adequate on paper but tight in practice, especially in major grain-producing states where infrastructure growth has lagged production. With the October WASDE on hold [and river levels still low](#), farmers are managing not just another large harvest but another year where space, liquidity and timing will determine profitability.

GRAIN STORAGE SURPLUS OR DEFICIT OVER STOCKS AND ESTIMATED PRODUCTION

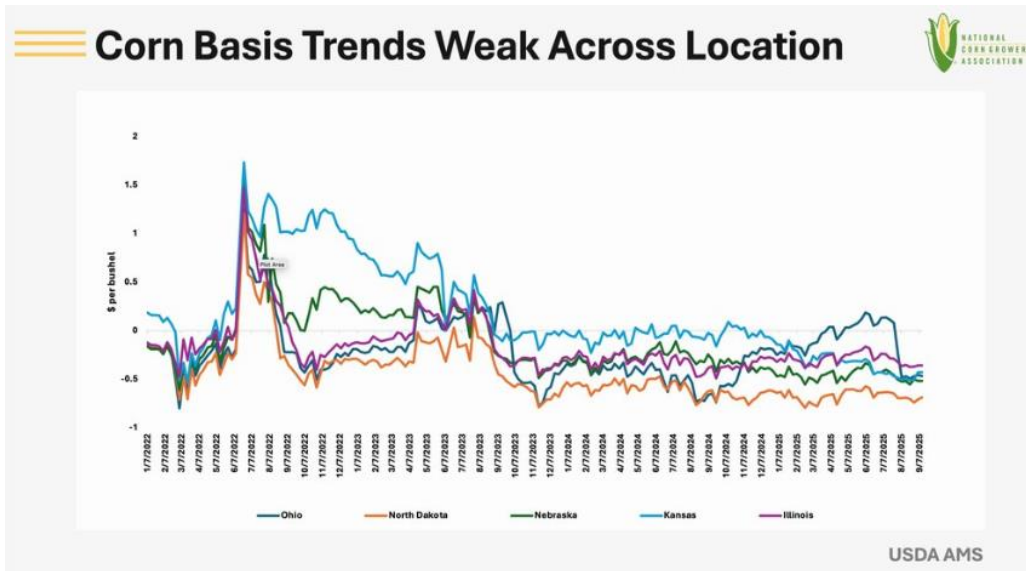
Million Bushels (Corn, Soybeans, Wheat, Sorghum, Barley, Oats)



- What is happening with the grain basis this fall?** [Purdue ag economist Josh Strine](#) says, "As corn and soybean harvest progress across the country, recent basis movements have pushed nearby basis levels above their historical averages in much of the Eastern Cornbelt. This marketing year, the corn and soybean basis began below the 2- and 3-year averages, respectively, and recent movement has flipped the relationship in many USDA crop reporting districts. Although the 2025 – 2026 marketing year started with a weaker basis than the 3-year average, the typical seasonal decline has been more gradual. As a result, the \$0.10/bu deficit to the trend line in early September has turned into a \$0.07/bu surplus over the trend line by mid-October. While many markets in IL, IN, OH, and MI have seen basis surpass the historical average, the change is less prevalent in IA. East-Central IA may be the most extreme case where nearby corn basis has remained at a 5-year low for the past 6 weeks. Soybean basis strengthening has been even more pronounced across portions of the Eastern Cornbelt. Top and bottom charts show the nearby soybean basis in Southwest IN and Western IL, respectively. In Southwest IN, basis increased by \$0.31/bu between the first and second week of October. In Western IL, basis increased by \$0.13/bu between the first and second week of October. Similar but milder trends can be seen across the region. Strong river basis may signal increased export demand, as grain moved on barges is often destined for the Gulf for export. While the Crop Basis Tool does not include Mississippi River basis, basis strengthening in Eastern IA and Western IL may be further evidence of increased export demand. As harvest continues into November, historical trends would suggest that basis across the region should continue to increase. However, if this year's early upturn is tied to a slow harvest, further gains may be limited. Expectations may also be reduced in the short run in areas where the 2025 – 2026 basis level has surpassed the historical average. To see where your local basis sits, you can visit the [Purdue Center for Commercial Agriculture's Crop Basis Tool](#)."



- **The strategy to hold out for a stronger price or basis** is shaped by the availability and cost of adequate storage, says [National Corn Growers economist Gretchen Kuck](#). “In August, we published a [look](#) at storage capacity in the U.S. While this article showed tight but adequate storage at the national level, reexamining this in the context of 1) current basis indicators, 2) additional corn acres largely outside of storage and transportation-dense areas, and 3) a higher-than-expected 1.532 bil. bu. old crop [carryout](#) adds more shape to



understanding where and how tight storage availability really is. Though it is early in the marketing year, a trend of negative basis has persisted in 2025 through sales of old crop corn and the new crop beginning to

come online, particularly in regions outside of the central Cornbelt. A negative or weak basis is an indicator of a region experiencing larger local supply relative to local demand. This could be a function of tight storage or high transportation costs to an area with demand. In a new complicating factor this year, corn is currently competing with an even weaker soybean basis in some regions given the absence of China buying. The September 30 Grain Stocks report revised corn stocks in all positions (on and off farm) for the 2024/25 year to 1.532 bil., up about 200 mil. bu. This reveals some information on marketing strategies and was a bearish signal to the market. Farmers have held an additional 200 mil. bu. of corn in storage that will take up space in the already-heavy market and bins alike. In some regions

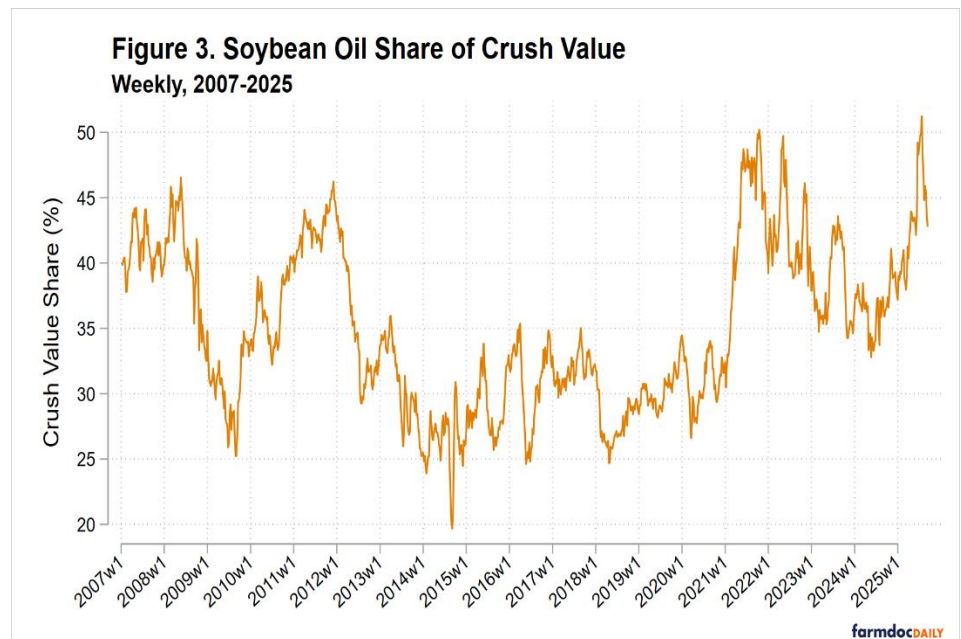
CHANGE IN PRODUCTION 2025/26 (SEPT FORECAST) AND 2024/25

	Bushels Difference	Percent Change
ILLINOIS	97,950,000	4%
INDIANA	76,350,000	8%
IOWA	220,050,000	8%

more than others, limited storage options and weak basis are adding frustration to already-low corn prices. The market is working to accommodate large supplies, complicated

cross-commodity and geographical dynamics, and shifting transportation needs. As farmers face difficult economic conditions, NCGA emphasizes the need for policy solutions to increase durable demand and ensure that commodity flows can move as reliably and efficiently as possible to meet that demand.”

- **There are many factors which determine value** in the soybean market and [IL Farmdoc ag economists](#) provide some guidance on what is known and unknown. "Price interrelationships in the soybean complex have changed. The soybean oil share of the value of crush output has become larger and more volatile. Similarly, crush margins, the value of oil and meal less the value of soybeans, have been subject to significant swings. Co-movement in price changes for the 3 components of the crush – soybeans, oil, and meal – has shifted and the correlation between these price changes has broken down. For soybean industry stakeholders considering the possibility of further growth in biomass-based diesel production due to recent EPA rulemakings, soybean complex price swings in the past five years suggest pricing relationships have yet to find a 'New Normal'. Between 2013 and 2020, the oil value share ranged between 25 to 35%. Since 2020, it has only rarely been below 35%. In both 2021 and 2025, it briefly reached 50%. Notably, the 2021 surge in oil's share of crush value was due



to changes in relative prices: oil increased more than meal. In 2025, oil prices rose as meal prices fell. Notably, changes in oil and meal prices explain much less of the variation in soybean prices in this more recent period. It appears a previously stable relationship among soybean crush components has broken down. The result suggests new models are necessary to describe pricing in the soybean complex when there is growing domestic demand for soybeans as a feedstock in US renewable fuels production. As US soybean demand has shifted away from exports and toward domestic biofuels demand, old relationships among crush component prices are being updated. In this process, the shares of soybean value due to the value of oil and meal are shifting and becoming more variable. Crush margins too are becoming more volatile. Regression analysis suggests this makes soybean price changes harder to predict. Farmers and others trying to anticipate future prices should expect to make larger prediction errors. One component of this unpredictability has likely been the uncertain US policy environment for renewable fuels. Future supply and demand information should be examined not only for its implications for soybean price levels, but also price volatility and correlation with product prices."

- **After some fireworks late last week** due to the back-and-forth trade war escalation between China and the U.S., things have been quieter for the most part in the markets this



week. China and the U.S. placed reciprocal fees on maritime shipping from each country. Garrett Toay of AgTraderTalk (left) said it's yet another escalation, "It's just an escalation of the trade war. I mean, it doesn't really impact grains, because China is not buying any grains, but we had the tit-for-tat of China implementing that on

US-borne ships. The problem is, there aren't any U.S. ships, so it's really a non sequitur there. But I think the biggest thing is obviously, it angered President Trump with essentially the weaponization of the Rare Earth (minerals) that caused the response from President Trump. And then, both sides spoke over the weekend, and kind of calmer heads prevailed on Sunday." He said the market really didn't react to last week's rhetoric, "The thing is, the market really hasn't reacted, and I don't think for the bean market, I don't think we will react until we see some sort of response from China, and their side is kind of radio silent. So yes, the start of the week was very quiet, not only because of the government shutdown to begin with, but then you had bank holidays as well. It was exceptionally quiet in a quiet market." Toay talked about what he's watching in the soybean market, "I'm more of a spread trader. I follow cash and spreads so that, to me, it tells me more about what's happening on the commercial side, the farmer movement, that sort of thing, and the bean spreads last week were actually kind of interesting. This market, coming into harvest, was doing everything in its power to discourage beans from coming to the market. We had wide cash carries, we had cheap basis, we had wide board-spread carries, and then the spread started to move a little bit last week, narrowing. And then I think what that did was the pipeline got a little thin. We do need beans to move, and with the spreads narrowing and basis appreciation, I mean, I think that caught the market's attention. A lot of these markets, for example, locally, were 30–40¢ off harvest lows on the soybean basis. Part of that is the harvest is in the last half, and when we get past that 50% mark, we tend to look for a market bottom, if you will." With the government shutdown, Toay said traders aren't likely to assume much risk without the necessary market information, "We're with the government being closed, not just the USDA, but we don't have a commitment to traders. We don't know what the market positions are. So, I don't think you're getting a lot of trading. You look at the last shutdown in October, volatility really kind of collapses. Traders head for the sidelines, so I don't necessarily think that anyone's going to assume big risk without knowing what's really going on in the market, as far as the internal structure. So, that lends the quieter trade, if you will." (Agriculture of America)

- **"Looking outside agriculture,"** is important, say authors of the [Brock Report](#). "Many things have been happening. The war being settled in the Middle East (or at least we think so) is likely the biggest foreign policy news of the year. Other highlights of the economy include: 1) Profits at large banks are at record large levels; 2) A lot of companies are expanding by buying competitors; 3) Corporate lending is up considerably; 4) Electric car sales are stumbling; 5) Downtown office rents in New York city are booming; 6) The stock market is up 10.4% from the first of the year after weathering through a scary correction in the month of April. we have discussed in seminars and occasionally in The Brock Report the "Farmer Benner's business cycle forecast." Without going into detail, it indicates a very strong market going into 2026 but then some very challenging times starting somewhere in that year that could last for 3 years. We'll see. We don't pretend to be a stock market forecaster and don't advise making decisions based on the Farmer Benner cycle. But if you Google that business cycle on the internet, the graphs will come up, and you will find the results since 1860 are scarily accurate. What all this indicates, in our opinion, is a strong U.S. economy, at least for the next 4 to 6 months. Like in all business cycles, it will likely become overheated and thus many asset values will become overpriced, including the stock market. Another factor feeding into this that rarely is discussed is generational wealth being moved from baby boomers to their kids. Many people under age 45 are inheriting wealth that they don't know what to do with. It's being pushed into real estate and housing prices and much of it is also going into the stock market. (Is there an) impact on the farm economy? We anticipate good news starting very soon. The negative issue for the last several months has been the lack of Chinese buying of our grain. From what we can see, China needs to buy another 9 mil. tons or more of soybeans from now until the end of January. Brazil's early harvest beans will start hitting in late January. In the meantime, China is faced with a decision about whether to tap into its reserves or finally start buying U.S. beans. U.S. soybeans are much cheaper than Brazil soybeans and even though price may not matter, the quantity does and they need soybeans. That will spill over and help the corn market as well. This past week, soybean meal futures established a key reversal up on Wednesday. Thursday the market witnessed reasonably good follow-through in the soy complex to the upside. As pointed out in last week's Brock Report, the November 2025/ July 2026 soybean spread confirmed a bottom a couple of weeks ago. It is all falling into place. Most wheat contracts had a key reversal on Wednesday. Open interest has been increasing sharply in the Chicago contract. We believe that is due to new buying coming into the market. In the case of corn, it will follow on the heels of the soybean market. As pointed out last week, the carrying charge spreads have indicated this market has already made a bottom. Basis levels on the Mississippi have improved considerably for both corn and soybeans in the last two weeks. As producers are starting to near the end of harvest, commercial companies are going to bid up cash grain prices in order to try and fill their storage, fill barges and fill trains. This should all have a positive influence on grain prices."

- **Marketing.** “The corn and bean markets were both higher on the week, which is saying something with us being in the middle of harvest.” -- [Matt Bennett](#).
- ✓ **Corn—futures.** December '25 corn saw some buying come in this past week. Friday, Dec settled at \$4.22¾, up ¾¢. This was 2¼¢ off the high and 1½¢ off the low. Dec rallied 9¾¢ for the week. Harvest continues to roll on, with hedge pressure no doubt a feature.
- ✓ **Corn—cash and basis.** Basis was mostly steady. St. Louis terminals were bidding 14¢ over Dec (3¢ wider). With the rally on the board, basis held steady. However, I would assume basis improvements would be more centered around those areas that are getting close to the end of harvest or have seen it finish. Where harvest is still going and especially where yields are big, basis could be shaky for a while longer.
- ✓ **Corn—marketing strategy.** For growers who are forced to go to town, I’m still not a fan of paying for commercial storage. I’d rather be able to participate in a rally on paper and get the money in hand. Given this is a market with carry, it gives us good opportunity on those bushels at home to hedge that carry.
- ✓ **Corn—2026 crop.** December 2026 corn ended the week at \$4.57½, up 4¼¢. Dec26 worked back up towards \$4.60 on the week but closed a bit below. While it was a step in the right direction, I struggle to get too aggressive in locking stuff in just yet.
- ✓ **Beans—futures.** Beans also saw some buying come in this past week after a couple of crummy weeks. On Friday, November beans settled up 8¾¢ at \$10.19½. This was 2¢ off the high and 9¢ off the low. Beans rallied 12¾¢ on the week. Dec meal settled \$6 higher on the week at \$281, while soy oil ended the week at 51.13¢, up 1.16¢.
- ✓ **Beans—cash and basis.** Basis was improving. At St. Louis, basis was 9¢ over the Nov (3¢ wider). With the board rallying and basis holding steady in many areas, we saw cash prices tick up.
- ✓ **Beans—marketing strategy.** For bushels that must go to town, commercial storage is very expensive. While we expect beans to have some life IF we get a trade deal at some point and/or Brazil has any weather issues, there are certainly no guarantees. I’d have some offers in on any stored beans, and if you choose to sell them across the scale, getting some ownership with calls or call spreads would be a consideration.
- ✓ **Beans--2026 crop.** Nov 2026 beans settled at \$10.64¼, up 7½¢ on the week. With this '26 bean market, I’d like to see a run back towards \$11 to do any hedging, but even at those levels, it’s tough for some of us to make it work without assuming huge yields.
- ✓ **Price ratio—2026 crop.** 2.32/1, beans to corn, based on fall futures, -1¢/week.

- **Market advisor thoughts/concerns:** [Matt Bennett](#). "We certainly have a ton of grain being sold, so it's safe to say there's a fair amount of buying coming in to offset that (harvest) pressure. While I'm sure happy we saw some buying come in, I wouldn't plan on corn rallying a ton in the short-term. IF we see more up in this market, it's likely to be met with some basis weakening. When looking at old crop, even if this yield works lower, demand is likely to have the air let out of it as well moving ahead. I still maintain the best chance for a corn rally is when we start talking about 2026. Given these input costs and the grower in a strained financial situation, I struggle to see corn acres within 3 or 4 mil. acres of this 2025 growing season. The other thing that could give us a boost is of course a trade deal with China and/or weather issues in Brazil. IF we see beans rally, it would certainly support this corn market by way of spillover support and especially the thought that the grower might increase bean acres by a decent amount if we see some sort of rally. If Dec corn goes off the board at \$4.20, March is likely to take a look at \$4.20 as well, and so on. So, if we want ownership, while we'll give up basis appreciation on those commercially stored bushels, we certainly won't get a push for that corn if it's in their facility. And...if the corn is owned with calls or call spreads, our investment to own that corn is quantified. We'll owe for storage whether the market rallies or not. So, keep these things in mind as you spread your risk out and lock in worst-case scenarios.....This past week, the bean market came in with a little less concern over the US/Chinese trade situation as the Trump team tried to walk back the rhetoric a bit. While we aren't celebrating by any means, it appears the trade talks are still on at the end of the month. The issue of course is how much of the US shipping window we continue to lose as China has yet to buy any US beans. This US crop looks to be close to the USDA's yield above 53 bu. in my opinion. Given the yields we continue to hear, I'd say beans have a better shot at a yield closer to the USDA than corn does. My best guess on beans is we'll have a good chunk of volatility if and when we see a trade deal, so having offers in place on both old and new beans might not be a bad idea. I personally like the March call spreads as we should know the trade deal status and Brazilian weather by the time those go off the board. For bushels stored at home, I'm still a big proponent of getting that carry locked in for those beans. If we're putting them in the bin due to carry, we should consider doing something about it. Overall, my thoughts on beans have a decent range, depending on how the trade deal and Brazilian weather goes. Locking in income can be accomplished if we are proactive.....If you need help with your marketing plan, let us know. I recommend using either the Profitability Calculator on the Channel website or the AgMarket.Net Profitability App. The AgMarket.Net® App, with revised MyFarm software, is now available on Google Play and the Apple App Store as a mobile app. A desktop version is available through the AgMarket.Net® website. Find it at <https://www.agmarket.app/app/> to get help on budgets and your marketing plan." [Click here to learn more.](#)



Farm Economy—

- **Interest rates will be the topic Oct. 28-29** when the Federal Reserve Open Market Committee meets. The members just received the following from their [ag economists](#):
- ✓ **Chicago Fed:** Net farm income prospects for the District were unchanged over the reporting period, though elevated uncertainty continued to unsettle agricultural operators. Corn and soybean fields were in good shape across most of the District. Dry conditions assisted harvest but hurt yields in some places; in addition, crop disease trimmed yields a bit. Fruit and vegetable production was subpar for most products. Soybean prices were lower, in part due to the absence of new-crop exports to China. Corn prices were down despite strong export volumes. Cattle and hog prices increased to record territory, while milk and egg prices declined. Concerns about higher input costs for 2026 intensified due to rising fertilizer prices. Farm operations, particularly crop producers, have already cut costs, with a contact saying, “there is limited flexibility left to further reduce expenses.” Contacts noted that lack of clarity on the economic outlook was putting a damper on capital investment, such as equipment purchases and repairs.
- ✓ **St. Louis Fed:** Agriculture conditions are strained and have further deteriorated. In addition to high input costs and low commodity prices, recent adverse weather conditions have resulted in lower quality of crops. A contact in West TN reported that 2025 has been extremely challenging for agriculture due to extreme weather and poor crop conditions, especially for non-irrigated fields. Contacts continue to express that government support will be a critical lifeline for many farmers; however, they noted that some payments may come too late. A farmer in AR estimated that up to one-third of AR farmers may go bankrupt or exit the industry to avoid losing land or homes. On the other hand, contacts in the protein business reported that demand for protein continues to be very strong, with volume sales showing year-over-year growth and with labor being the main constraint to expansion.
- ✓ **Minneapolis Fed:** Agricultural conditions weakened since the previous report. Corn production in District states was expected to set new records, and soybean harvests were very strong as well, but low crop prices and elevated expenses were weighing down producer incomes. Contacts were extremely concerned about the impacts of China’s decision not to order soybeans from U.S. producers.
- ✓ **Kansas City Fed:** Disparities in the Tenth District agricultural economy persisted through the end of September. Profit opportunities for crop producers remained weak while conditions in livestock industries were considerably stronger, particularly for cattle producers. In a recent survey, over 80% of lenders in crop-heavy areas reported declines in farm income and working capital, compared to about 40% in areas with more cattle production. Agricultural credit conditions deteriorated gradually, and many lenders reported that weak conditions in the farm economy were having a modest negative effect on local economic conditions. Contacts remarked that strong cattle prices supported diversified operations but the weakness in crop profits were weighing heavily on farmer sentiment.

- **For the seventh time in 2025**, the overall [Creighton Univ. Rural Mainstreet Index](#) (RMI) sank below growth neutral 50.0, according to the monthly survey of bank CEOs in rural areas of a 10-state region dependent on agriculture and/or energy. The region's overall reading for September fell to 38.5 from 48.1 in August. The index ranges between 0 and 100, with a reading of 50.0 representing growth neutral. Survey Director Ernie Goss said, "Weak agriculture commodity prices for grain producers continue to dampen economic activity in the 10-state region. Almost 3 of 4 bank CEOs and chief loan officers indicated that falling agriculture commodity prices represented the greatest threat to banking operations over the next 12 months." Approximately 3 of 4 bank CEOs reported that tariff increases have had a negative impact on farm operations. In IL, "The state's September Rural Mainstreet Index (RMI) dropped to 24.8 from 38.8 in August. The farmland price index for September increased to 45.3 from 38.6 in August. The state's new hiring index for September fell to 36.8 from 49.6 in August. According to USDA 2024 data, IL produced \$22.5 bil. of farm commodities, accounting for 4.4% of the U.S. total. The top 2 commodities and their U.S. shares were corn at 15.2% and soybeans at 16.3%."

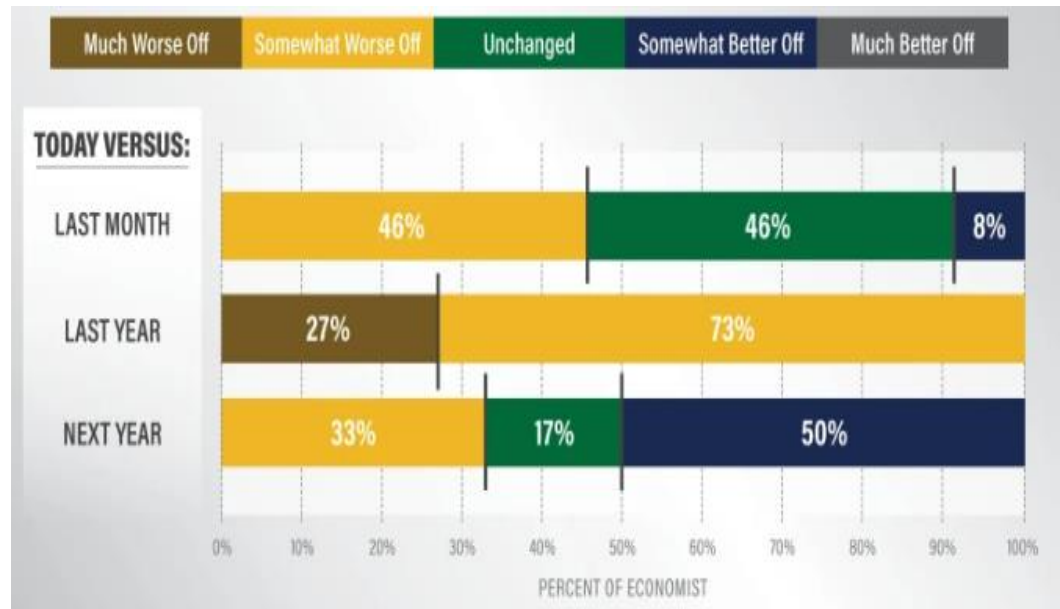
Table 2: The Rural Mainstreet Economy, September 2025				
	Percentage of Bankers Reporting			
	A Recession	An Economic Slowdown		An Expansion
The U.S. economy is currently in:	3.8%	92.2%		4.0%
	Percentage of Bankers Reporting			
	Labor Shortages	Regulatory Costs	Farm Loan Defaults	Falling Farm Commodity Prices
What represents the greatest threat to regional banking operations over the next 12 months?	7.6%	7.8%	11.5%	73.1%
	Percentage of Bankers Reporting			
	Significant Negative	Modest Negative	Little or No Impact	Modest Positive Impact
What has been the impact of the 2025 tariffs on agriculture operations?	26.9%	46.4%	23.1%	3.6%

- **Economic analysts like CoBank** say recent economic data has generally been more positive in nature, tempering expectations for significant interest rate cuts before the end of the year. A new report from CoBank's Knowledge Exchange said the most likely scenario is an additional 4 or 5 cuts of 25 basis points through 2026, leaving the overnight rate around 3% by the end of next year. Tariff policy uncertainty, the sharp drop in immigration, and a massive surge in AI investments have made interpreting traditional economic reports more difficult. The CoBank report suggests sharp swings in monthly import volumes, a flatter working-age population growth, and a soaring stock market make it more difficult to gauge how "Main Street" America is doing economically. "The intense politicization of attitudes has rendered longstanding public sentiment surveys erratic and unhelpful in gauging actual economic conditions," said Rob Fox, vice president of the Knowledge Exchange.

- **The Federal Reserve Bank of Kansas City** launched the Center for Agriculture and the Economy. This initiative underscores the Bank's ongoing commitment to including perspectives from agriculture and rural areas in discussions on the national economy. "For many years, the Kansas City Fed has provided critical insights into one of the nation's most vital industries, which is agriculture," said Jeff Schmid, president and CEO of the Kansas City Fed. "The establishment of the Center formally recognizes our District's investment in the area and highlights the vital importance that we place on gathering insights from all of those who have a role in the ag economy." The new Center will serve as a resource within the Federal Reserve System by providing timely analysis of industry developments and conducting ongoing research on the agricultural economy and the rural regions where production predominates. Production agriculture is central to the Tenth District's overall economy.
- **An alternative view of today's farm economy** has been offered by [Farm Action](#), which contends, "Beneath the headlines about trade wars and bailouts lies a deeper truth: America's agricultural system is structurally flawed. Recurring bailouts for commodity crops aren't the result of bad luck or temporary trade disputes. They're symptoms of a farm economy built for overproduction, dependency, and instability. The numbers reveal how concentrated our agricultural system has become. In 2024, soybeans were the [number one U.S. agricultural export](#), valued at about \$24.5 bil. More than half of all U.S. soybeans were exported, and China historically bought [more than half of that total](#) (roughly \$12.6 bil. worth). Soybeans contributed [\\$46.9 bil.](#) to total U.S. farm income. This means that one buyer—China—effectively underpinned much of the farm economy. When that buyer walks away, the entire system shakes. China's pivot to South America exposed just how fragile this arrangement is: after [halting U.S. soybean purchases](#) in May 2025, China quickly replaced American supplies with shipments from Brazil and now Argentina. Meanwhile, with a strategic reserve of 40 mil. tons, China now wields outsized influence over global soybean prices—leaving U.S. farmers holding crops they can't sell and facing prices below the cost of production. This isn't a temporary trade hiccup. It's a structural vulnerability created by decades of policy choices that prioritize export growth over domestic food security. Washington is now debating a third round of farm aid in less than a year, with USDA and congressional leaders weighing whether to use Commodity Credit Corporation funds (a federal account USDA uses to finance farm programs) or new appropriations. The playbook is familiar: when markets fail, bailouts follow. During the last trade war, farmers received \$28 bil. in relief payments—nearly all of which went to producers of commodity crops such as soybeans, corn, and cotton. Meanwhile, specialty crop growers—fruits, vegetables, and other foods that nourish American families—were largely excluded from these programs. But these payments don't fix the underlying problems—they reinforce them. As [FarmDoc Daily has noted](#), repeated payments actually inflate land and input costs, deepening farmers' dependence on future aid. Since 2014, safety-net and ad hoc payments have exceeded market losses by an estimated \$88 bil., helping drive up farm asset values by 52% and debt by 73% over the past decade. In short, the more bailouts we issue—and the narrower their reach—the more distorted and dependent the system becomes."

- **According to the latest [Ag Economist's Monthly Monitor](#),** all respondents say the U.S. ag economy is in worse shape than 1 year ago (27% much worse off, 73% somewhat worse off). As this year marks the third year of economic hardships for many row crop producers, economists believe we might have found the bottom of this ag cycle. "We've got to bridge the gap to next year, where things look better from the policy perspective," says Grant Gardner, Univ. of KY ag economist.

"From that point on, it's about what farmers can weather, and if we can get a bump to push beans to \$11 cash price and see cash \$5 corn. That's what's needed

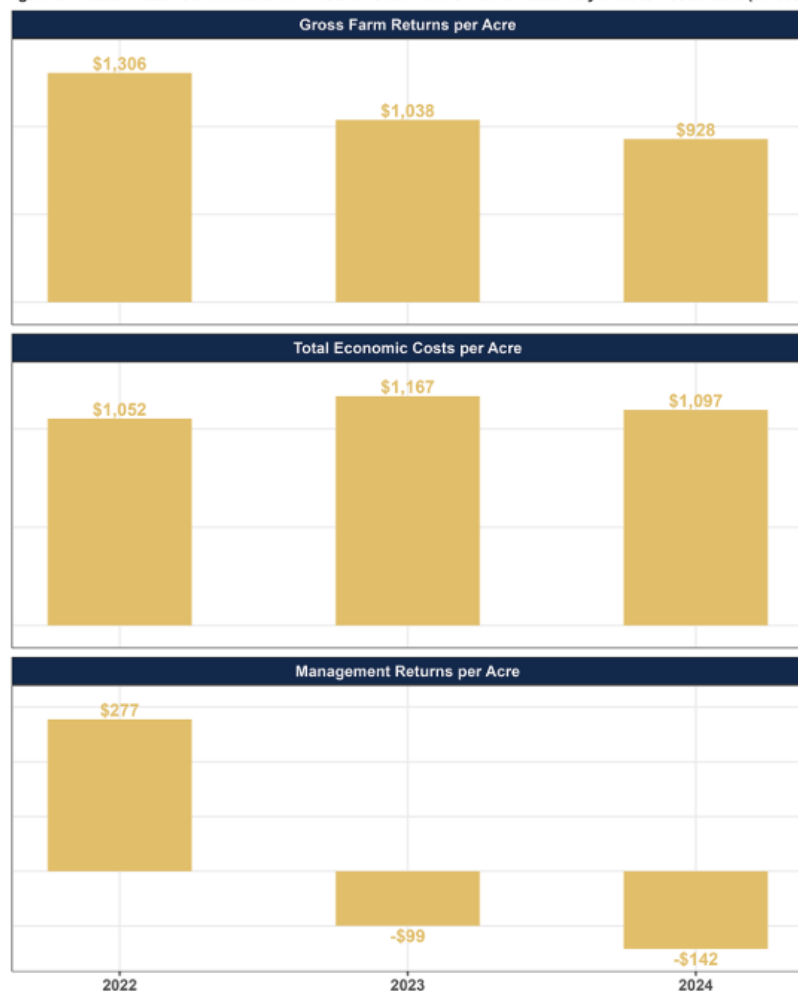


with input prices today." "The current era of relatively low commodities prices can be defined not as prices relative to historical prices, but the price ratio to input costs," says Ben Brown from the Univ. of MO. "The financial burden of these low-price ratios to input cost situations becomes particularly acute when consecutive years are stacked together — as we are seeing now." Ag economists point to one action that would inject positivity in the outlook for row crop profitability — a trade deal with China. Based on the September survey, 77% say current U.S.-China trade policies hurt farmers, but uncertainty still looms as 54% think China will buy U.S. soybeans in 2025. While Brown agrees there's no 1-for-1 substitute for China when it comes to trade, he's optimistic for expanding efforts to additional export countries and building domestic demand. "There has been a lot of talk about reshuffling the deck and effectively trading players. That will happen to a point, but there is not a full substitution — we call this "slippage." If we can't replace China, can we reconstruct them?" Brown says. "I would argue we can. It comes in a variety of small changes that seem inconsequential but add up." Brown and Gardner agree there's a lot at stake with the current conditions and farmers could go out of business. "My sense is there are farms that will go out of business regardless of if there are payments or not," Brown says. Gardner says the current financial support being discussed for farmers won't equal profitability for farmers, but rather just survivability. "If you look at where the payments were recently, it may cover some loss, and it may cover enough loss to keep a farmer producing into the next calendar year, but it won't make them whole. There's still going to be a loss," Gardner says.

Farm Finance and Lending—

- **How is your debt to asset ratio?** And the next question is what is your return to management? [IL Farmdoc ag economists](#) divide farms by their vulnerability vis-à-vis their debt to asset ratio, and have found an interesting twist. “Our analysis showed that farms with a *strong* debt-to-asset ratio (< 30%) had the highest median total economic costs in 2024, at \$1,117 per acre. These farms likely faced higher costs because they owned more assets, resulting in greater interest charges for both land and non-land items. Farms in the *cautionary* category (30–60%) had the lowest total costs at \$1,097 per acre, while

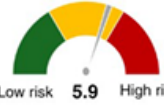
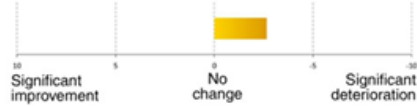
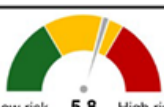
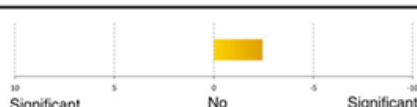
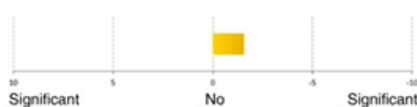
Figure 2. Median Returns and Economic Costs of Grain Farms with a Cautionary Debt to Asset Ratio (30-60%)



those in the *vulnerable* category (> 60%) were slightly higher at \$1,115 per acre. Cost line items also varied across groups. *Strong* farms incurred the highest labor (\$69/acre) and overhead (\$177/acre) costs, whereas *vulnerable* farms faced the highest crop (\$371/acre) and land (\$292/acre) costs. Although *vulnerable* farms did not have the highest total economic costs overall, their elevated crop and land expenses highlight key areas for improving efficiency—such as adjusting crop rotations, capturing early purchase discounts, or reducing exposure to high-cost rented or owned land.” Now, looking at your level of vulnerability and your *economic cost*, look at your

returns to management. Median management returns declined sharply across all debt categories from 2022 to 2024, but the pattern of decline varied meaningfully by financial position. *Strong* grain farms (< 30% debt-to-asset ratio) experienced the steepest drop, followed by cautionary farms (30–60%), while *vulnerable* farms (> 60%) reported the smallest decline. By 2024, *vulnerable* farms—despite their higher leverage—earned both the highest gross farm returns per acre and the least negative management returns among all groups. They were also the only group to reduce their total economic costs per acre over the period. These findings are not surprising when looking at management returns.”

- **Current-day circumstances** such as growing farm-sector debt and weak crop returns heighten the need to monitor financial conditions, says the [Univ. of MO Rural and Farm Finance Policy Analysis Center \(RAFF\)](#). This brief highlights 4 classes of farm financial indicators. In aggregate, they summarize the farm economy's current state.

Indicators by Class	Risk	Momentum
Farmer and Banker Sentiment Credit Conditions (Kansas City Federal Reserve Bank) Ag Economy Barometer (Purdue-CME Group)	 Low risk 5.9 High risk	 Significant improvement No change Significant deterioration
Farm Income and Balance Sheet Health Net Farm Income (Food and Agricultural Policy Research Institute) Net Cash Farm Business Income (USDA Economic Research Service) Representative Farm Financial Conditions (Ag and Food Policy Center) Liquidity and Solvency Ratios (USDA Economic Research Service) Farmland Prices (Rural Mainstreet Index, Creighton University)	 Low risk 5.8 High risk	 Significant improvement No change Significant deterioration
Farm Machinery Market Dynamics Equipment Sales (Association of Equipment Manufacturers) Farm Equipment Sales (Rural Mainstreet Index, Creighton University) Ag and Turf Loan Performance (John Deere Capital) Receivables Performance (CNH Industrial Capital)	 Low risk 5.7 High risk	 Significant improvement No change Significant deterioration
Credit Quality Bank Loan Delinquencies (Federal Reserve Board of Governors) Nonperforming Assets (Farm Credit Administration) Ag Mortgage Credit Quality (MetLife)	 Low risk 5.8 High risk	 Significant improvement No change Significant deterioration
Farm Economy Overall	 Low risk 6.2 High risk	 Significant improvement No change Significant deterioration

- ✓ **Farmer and banker sentiment.** Since 2022, lenders within the 10th Federal Reserve District, which has its headquarters in Kansas City, have reported weakening agricultural loan repayment rates, based on responses to the district's quarterly agricultural credit conditions survey. Sentiment about repayment rates did improve slightly between this year's first and second quarters (Figure 1). For the most part, lenders' views about repayment rates and renewals and extensions have had an inverse relationship. Lenders in the district noted growth in renewal and extension activity since 2021 — likely due to farms holding debt longer or adding to their debt loads.
- ✓ **Farmer income and balance sheet health.** Based on the September 2025 forecast from the USDA Economic Research Service, the average U.S. farm business will increase its net cash income by 9.2% between 2024 and 2025. Farms businesses specializing in hog production and those specializing in dairy production will earn 17.9% and 10.7%, respectively, more in net cash income in 2025 than 2024, according to the forecast. The forecast shows a decline in net cash income for the two crop farm business types: a 1% decline for specialty crops farm businesses⁴ and a 14.8% drop for corn farm businesses. These data reinforce that poorer financial performance (i.e., current conditions for many crop producers) may not be evident in farm-sector measures that summarize the farm economy overall. →

- ✓ **Farm machinery market dynamics.** Financial conditions contribute to whether farms upgrade or buy more machinery and equipment. Sales data published by the Association of Equipment Manufacturers indicate tractor and combine unit sales in 2025 have underperformed sales in 2024 and the five-year average. Figure 8 shows retail sales in August 2025 totaled slightly more than 16,000 units. Between 2020 and 2024, retail sales in August averaged more than 20,000 units. Languishing sales have created spillover effects for equipment dealers and manufacturers. For example, this summer, John Deere announced another round of layoffs.
- ✓ **Credit quality.** Loan performance (e.g., delinquency and nonaccrual rates) sends signals about whether borrowers can stay current on repaying their debt. In recent quarters, agricultural loans, which finance farm investments other than real estate, have consistently had relatively low delinquency rates. During second-quarter of 2025, agricultural loans averaged a lower delinquency rate (1.2%) than the rates for the 5 loan types shown; however, the agricultural loan delinquency rate has trended upward since late 2023.
- **The prior generation on your farm** may recall “marketing assistance loans” available from the local FSA office. While they have been off the radar screen for years, they may be coming into focus as a means of cash for farmers, while longer term finances are sorted out. [Chris Clayton at DTN](#) reports “With farmers locked out of ARC and PLC payments, as well as marketing assistance loans, the latter is affecting more farmers of some commodity crops more than others.” Politico noted that currently, administration officials have no plan to shift money around to allow farmers to tap into marketing loans while the government is shut down. A commodity loan can provide some market flexibility and some quick liquidity -- if a producer has a way to store their grain. This could make MALs more useful this year, as farm-finance experts have already highlighted that farmers will face cash flow problems. Producers who used alternative financing could also face earlier demands to repay their operating loans. As of September, the MAL interest rate was 5%, which is set at 1% above the CCC borrowing rate and is a fixed rate. It is a 9-month loan, and farmers to obtain a marketing loan are expecting a price rally in that period of time to sell their grain, and repay the loan and interest. One farmer said, “I don't understand why more people don't use it ... It's a gift for cash flow. Even if you don't have any outstanding debt or anything, if you can save 10% to 20% on buying your seed corn in November or December, you just borrow from the government at 5% and save 'x' amount of dollars. It's an absolute no-brainer.” Generally, few corn, soybean and wheat farmers bother using MALs, according to USDA data. USDA's published national prices are at \$2.20 a bushel for corn, \$6.20 a bushel for soybeans and \$3.38 a bushel for wheat. Clayton says those prices are considered low, but there is another layer on top of that because counties also have different loan rates tied more to local basis and markets. In McLean County, IL, for instance, the loan rates are \$2.25 for corn and \$6.34 for soybeans. Using the \$2.20 national corn price, a farmer putting 50,000 bushels under a MAL would get a \$110,000 loan at 5% interest for 9 months. Less than 4% of the 2024 crop was under FSA loan, as an indicator of program use by farmers.”

USDA (and US Government) Shutdown—

- **The shutdown has added frustration** to the harvest season, and farmers are carrying the burden, says [ag economist and consultant Michelle Klieger](#). "Stretching into week three, the current government shutdown is forcing farmers to make business critical decisions with limited information. A federal standstill is rarely beneficial, but the timing of this particular shutdown adds extra stress to an already pressurized agricultural sector. Not only did October 1st mark the beginning of a new fiscal year for the federal government, but most of ag country is also in the middle of harvest season and waiting for supply and demand data typically provided in the World Agricultural Supply and Demand Estimates by the USDA. American ag is resilient, but can it withstand another season of unknowns, and will there be long term effects from the current shutdown? If there's one thing we learned from the previous shutdown, it's that some aspects of agriculture are too crucial to be halted indefinitely. [Export inspections](#) are still being conducted, and livestock information is still being dispersed. Banks are still doing loan work and both [drought monitoring](#) and vegetation health surveillance is underway. Farm payments have stopped for programs like CRP, ARC and PLC with [67% of government staff in these departments currently on furlough](#) and unable to issue conservation or assistance payments. There are no flash sales happening. And, as mentioned above, the WASDE report for October has not been issued. Let's not forget that the current Farm Bill is now expired and without funding some aspects of agriculture could revert to outdated regulations. In a worst-case scenario, the 2025 government shutdown is the straw to break a farm's back. If yields are estimated to be in surplus of demand and crops are sold under what farmers need to recoup operational costs the books won't balance. Unable to breakeven and also unable to secure any new loans to make good on outstanding notes farmers could be stuck with mounting interest payments. Even if farm families are not forced to close up shop, they are still in a gambling situation. Should they [sell crops](#) now and take what they can get? Or is it better to wait, store what they have and hope that cash prices rise during winter months? Those decisions could come down to a farm's ability to pay storage fees or make good on outstanding bills without harvest income. The lapse in data collection directly affects a farmer's ability to assess risk. As part of the shutdown the Commodities Future Trading Commission is not operational. Growers are left with September's data and estimates as they consider harvest sale options for October and November. Supply could be easier to calculate considering drought information and vegetation health data is collected largely without human intervention. Supplies could be tighter than September estimates suggest due to drought which would bode well for growers. However, understanding supply dynamics is more valuable when you have a realistic perception of demand. Growers were frustrated during planting season by biofuel uncertainty and global trade shifts. Now they wonder how saturated biofuel markets are and if demand from overseas remains stable. The longer the government shutdown continues, the more inflexible American agriculture becomes. Unfortunately, this shutdown adds an element of chaos to an already complicated year for American growers."

- **Even though the USDA** has been [forced to furlough nearly half its staff](#), many of its most essential functions will continue — unless the shutdown goes on long enough. Which ones?
 - ✓ **Over 90% of the staff** at the USDA's Food Safety and Inspection Service remain at work, some without pay. Food safety inspections of meat and poultry processing plants are continuing during the shutdown, as are investigations and lab work on disease outbreaks and public health, such as [avian flu](#), swine fever, rabies [and screwworm](#).
 - ✓ Around 71% of the USDA's spending [goes toward nutritional assistance](#), and these programs are still operating during the shutdown — for now. Supplemental Nutrition Assistance Program (SNAP) recipients are still receiving their funds (until Nov. 1).
 - ✓ Axios reported Tuesday that [WIC will continue to be funded](#) "for the foreseeable future" using tariff revenues. Beyond that, though, it's unclear.
 - ✓ Programs related to preventing and combatting wildfires are continuing unabated, as is protection of federal land and infrastructure that's necessary to "ensure health and safety of the public."
 - ✓ USDA's work on the newest version of the Dietary Guidelines for Americans is continuing during the shutdown. That might sound like an odd thing for the agency to prioritize, given that Health and Human Services Secretary [Robert F. Kennedy, Jr. has been cagey about when the guidelines will be released](#).
- **Everyone is aware of the government "shutdown,"** but the reasons why are elusive and frequently hidden in impolite political speak. In a [Farm Progress article](#), "The secretary blamed Democrats for the current stalemate, contending they have "literally, lost their minds" and accusing them of holding the government "hostage." "This is a new level of insanity from the Democrats," Rollins said. "Hopefully, we get through it sooner or later. We've got to open the government." While most in the US would rather have the government serving the public than not, it has come to a halt. Farm Progress says, "Democrats are refusing to pass the Republicans' budget extension bills without a deal to extend Affordable Care Act tax credits. Those credits are set to expire in December. About 24 mil. Americans rely on the ACA for health insurance. Without the tax breaks, those recipients could see their health care costs increase by over 100%, potentially leaving millions without coverage. Republicans insist they will not negotiate on the tax credits without a budget deal first. While most [recent polling](#) shows [public opinion](#) is split regarding who to blame for the shutdown, there is little doubt that the continued impasse is bad for farmers." And while the Republicans are blaming the Democrats, the Democrats say the Republicans are refusing to accept anything that is bipartisan, a form of politics which has helped the US to function (generally) rationally for 250 years.

Bailout Issues—

- **US farmers have not received any of the funding** promised by the White House. And farmers were “perturbed” when they learned \$20 bil. was quickly sent to Argentina, and they will get angrier when they learn Argentina is going to get another \$20 bil. from US sources. The [news service Axios](#) is reporting, “The U.S. is working on a multibillion-dollar rescue plan for [Argentina](#) funded by the private sector, Treasury Secretary Scott Bessent (left) told a group of reporters. Bessent said the \$20 bil. facility — aimed at shoring up Argentina's debt market — would work alongside the Trump administration's measures announced last week. It would bring support for Argentina from, or arranged by, the [U.S. to roughly \\$40 bil.](#) “We've actually been working on it for weeks,” Bessent told a roundtable of reporters at the Treasury Department. “It is a private sector solution to Argentina's upcoming debt payments,” Bessent added. “Many banks are interested in it, and many sovereign funds have expressed interest in it,” Bessent said. News of the plan comes after Bessent announced last week that Treasury had agreed on a \$20 bil. currency swap framework with Argentina's central bank. Bessent said on Wednesday that the U.S. had bought more Argentine pesos this morning. The peso took a hit last month after President Javier Milei's party lost key local elections, raising doubts among investors about his economic program.”
- **President Donald Trump has for weeks** been talking about providing a bailout for America’s farmers harmed by his tariff policies, especially soybean farmers whose top buyer, China, [hasn’t bought any U.S. soybeans](#) since at least May. Multiple figures have been tossed around for the bailout, possibly between \$10 bil. and \$14 bil., but no firm plans reportedly have been set. Wondering who and which farming sectors would benefit from the bailout, [Fox Business host Stuart Varney asked Secretary of Agriculture Rollins](#) on Thursday, “Will every farmer get some money in this bailout? All of them? Or is it targeted to one group of farmers?” Her answer reflected politics more than policy. Obviously,” Secretary Rollins replied, “the president remains very focused on, as he has said, all along — he calls them ‘his farmers,’ but those who have been with him for a really long time, from the very beginning.” Asked about the \$20 bil. to \$40 bil. bailout President Trump has reportedly decided to give to Argentina, a direct competitor of America’s soybean farmers, Secretary Rollins [said](#): “The president’s focus remains 100% on America first.” Rep. Angie Craig, D-MN, (right) on Wednesday [blasted the Argentina bailout](#). “While family farmers in MN and ME are losing business to Argentina, the Trump Administration is organizing a \$40 bil. bailout to Argentina — because who needs to reopen the government when you could just spend all your time and energy finding taxpayer dollars to give to our top agricultural competitors?”



- **The National Farmers Union** recently sent [letters to President Trump and Congressional leaders](#) urging immediate action to provide economic relief to family farmers and ranchers facing deteriorating economic conditions. NFU emphasized that aid should reach the family farm operations that need it most. The group also asked for parallel efforts to rebuild fair markets and curb corporate consolidation in agriculture. "Family farmers and ranchers face severe economic challenges and a deepening crisis if they don't receive assistance," said NFU President Rob Larew. Larew emphasized that aid payments must be directed to family agricultural operations and balanced among regions and crops. The payments must be paired with efforts to investigate monopolies in the agriculture industry and their resulting impacts on the farm economy. Resources must also be dedicated to developing new and enhanced domestic markets for American crops while enhancing existing markets, including markets at the local and regional level.
- **USDA Secretary Rollins** acknowledged the government shutdown is holding up emergency farm aid. Rollins told Fox News farmers won't see an emergency aid package until the government shutdown ends, "As soon as the shutdown lifts, we'll be ready to roll something out." And with more than 42,000 USDA staffers furloughed, many from FSA and NRCS, figuring losses is hard, "We're not even entirely sure what the damage is yet, so it's hard to craft." The White House quickly provided \$20 bil. in a US financial bailout to Argentina while it replaces US soybean exports to China. Rollins was asked about



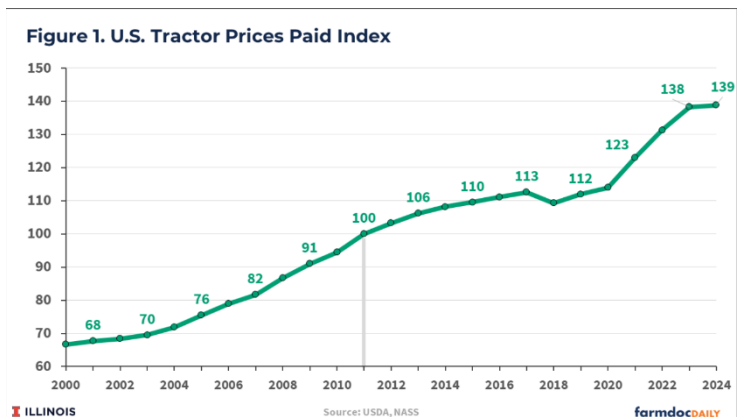
Argentina, "What I've heard the president say over and over, and Secretary Bessent over and over, is that countries like Argentina, for the sake of world peace and stability, it's important that Argentine President Milei, a close Trump friend, is able to retain his leadership position in Argentina, and very, very important that Argentina continues to partner with America." Farm interests have criticized the bailout, as

Argentina helps fill the void left by China shutting out US soybeans. (Berns Bureau)

- **The farm economy is threatening the livelihoods** of families across the country. American Farm Bureau President Zippy Duvall says survival could mean temporary federal assistance, "Across the country, farms are disappearing as families close the gates on the farms tended by their parents, grandparents, and generations before them. Prices paid for crops have fallen off a cliff since 2022, and U.S. agriculture has experienced a trade deficit during the same time period. Farmers need a lifeline. We're urging leaders to authorize bridge payments for farmers before the end of 2025. This assistance must be broad enough to ensure farmers of all sizes and products can survive to see another season. While emergency aid will help temporarily ease the burden facing farmers, only long-term solutions will improve economic conditions in rural America. That includes fair trade agreements, year-round renewable fuels, and protecting interstate commerce, just to name a few." (American Farm Bureau)

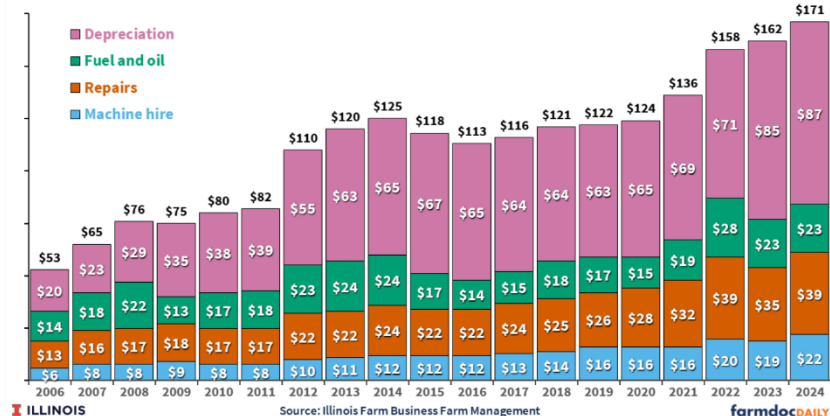
The Business of Farming—

- **Are you in the market for a new tractor or combine?** Or are you in the market for better machinery cost management? [IL Farmdoc ag economists](#) say, “Between 2021 and 2023, prices of new agricultural equipment increased by over 20%, resulting in similar increases in machinery costs on farms. To remain competitive, farmers may wish to reassess machinery management strategies, particularly when older machinery needs to be replaced.” They begin with the cost of tractors and data from USDA’s NASS. “From 2020 to 2023, tractor prices increased by 21%, compared to 14% from 2011 to 2023. Those significant price increases correspond with supply chain challenges which arose during the COVID pandemic and a general rise in inflation, which continues to this day. Labor shortages have also occurred. Continuing supply disruptions caused by trade disputes are likely to persist and further increase costs. Machine manufacturers have also reduced output due to concerns about generally lower demand for machinery resulting from lower grain farm incomes.



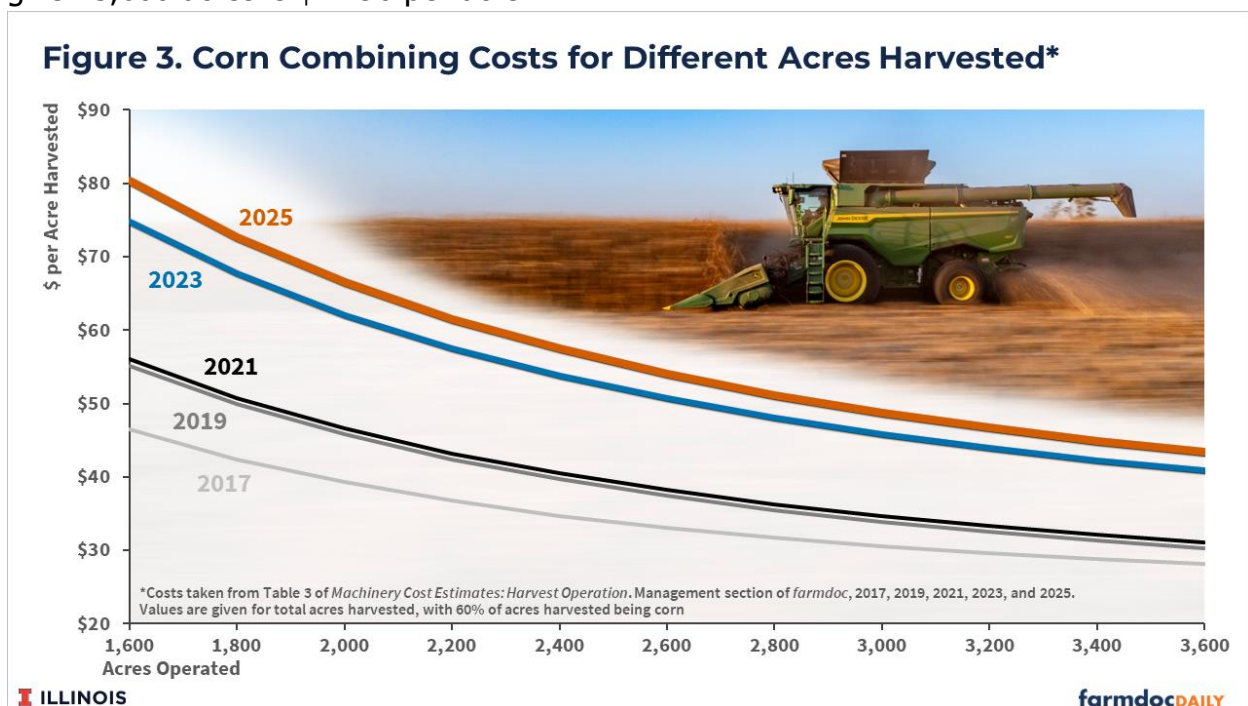
Increases in machine prices are a large contributor to machinery-related costs on Midwest farms. Figure 2 shows per-acre machinery costs summarized from farms enrolled in IL Farm Business Farm Management on central IL farms growing corn on high-productivity farmland. Machine-related costs include:

Figure 2. Machinery Related Costs for Corn in \$ per acre, Illinois



- ✓ Depreciation represents an economic charge for the use of machinery. Depreciation costs increased from \$69 per acre in 2021 to \$87 in 2024.
- ✓ Fuel and oil increased from \$19 per acre in 2021 to \$23 in 2024.
- ✓ Repairs increased from \$32 per acre in 2021 to \$39 in 2024.
- ✓ Machine hire increased from \$16 per acre in 2021 to \$22 in 2024.
- ✓ Overall, machinery-related costs have increased from \$136 per acre in 2021 to \$171 per acre in 2024, representing a 25% rise, roughly in line with the price increase reflected in USDA’s tractor price index. →

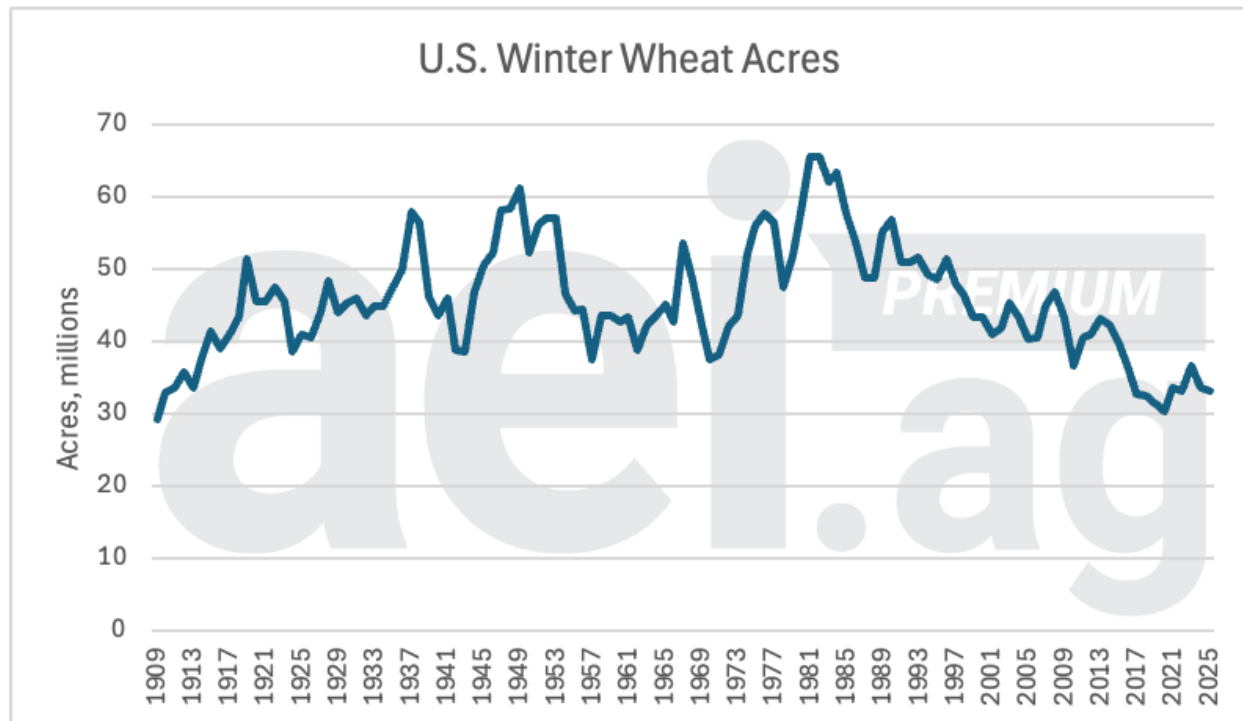
- **Now, let's talk combines.** [The IL Farmdoc ag economists](#) say machinery management decisions may need to be reassessed due to these higher costs, particularly as machinery needs to be preplaced. A prime area for consideration is relative to combines. On most farms, combines represent the single largest machinery investment, and harvest costs often equal more than 50% of total machinery-related costs. Per-acre combine costs are directly related to the number of acres harvested with each combine. The 2025 costs for different acres harvested are shown in Figure 3. Also, shown are costs for previous years' estimates: 2017, 2019, 2021, 2023, and 2025. All costs shown in Figure 3 are calculated based on the purchase of new machines, and 60% of the harvested acres are corn. At 3,600 total acres harvested, indicating 2,160 corn acres ($3,600 \times 0.60$) and 1,440 soybean acres are harvested. The cost of combining corn is \$43.40 per acre. Costs of combining soybeans given 3,600 acres is \$42.90 per acre.



The number of acres has become more critical since 2021. The values in Figure 3 suggest significant cost disadvantages for those harvesting less than 3,000 acres with a combine. For farms above 3,000 acres, combining more acres can result in lower costs. Harvesting more than 3,000 acres can be achieved in several ways:

- ✓ Farms with less than 3,000 acres could form a partnership and own a combine jointly. Obviously, that situation would require cooperation and sharing of machinery agreements. Given today's economic conditions, those savings may well be worthwhile.
- ✓ 3 farms with 3,000 acres may have 3 combines. Combining operations so 9,000 acres are harvested with 2 combines instead of 3 would result in significant cost savings.
- ✓ Some farms with fewer acres may consider having acres custom-harvested.

- **If you grow wheat, will your acres increase this fall?** Wheat acres compete with corn, and [Purdue economist David Widmar of Agricultural Economic Insights](#) has been digging into the acreage battle over the years. He rhetorically asks, “What do you think is the probability of the 2026 ‘Winter Wheat and Canola Seedings’ report estimating U.S. winter wheat acres less than 32.0 mil. acres? For 2025, the U.S. planted 33.2 mil. acres of winter wheat, which was only 380,000 fewer acres than the 2024 crop (Figure 1). In recent memory, winter wheat acreage jumped to 36.7 mil. acres in 2023, but it quickly gave that acreage back the following year. For context, the 2023 crop would have been the first winter wheat crop planted after Russia invaded Ukraine in 2022. In 2020, the U.S. planted 30.5 mil. acres, which is slightly ahead of the 1909 low-water mark of 29.2 mil. acres.



- **For the record, 2025 wheat acres** were on the decline with planted and harvested area to 45.328 mil. and 37.241 mil. acres, respectively. The Oct. 9th WASDE wheat report was missed with the USDA shut down. It would have updated U.S. winter wheat production is estimated at 1.402 bil. bu., rising 3% on the year, and spring wheat is projected at 496.76 mil. bu., a drop of 9%, but with the second-best average yield on record at 51.7 bu. per acre. The average yield for winter wheat is seen at 54.9 bu. per acre on planted area of 33.153 mil. acres and harvested area of 25.508 mil. acres, while planted area for spring wheat is at 9.99 mil. acres with harvested area of 9.61 mil. acres. Illinois: Winter Wheat: 61.6 mil. bu., compared to 60.2 mil. in 2024; Average Yield: RECORD 88 bu. per acre, compared to 86 a year ago; Planted Area: 780,000 acres, compared to 770,000 last year; Harvested Area: 700,000 acres, the same as the year before.

Land Prices and Farmland Issues—

- **The farmland market continued its year long search for direction** in the third quarter, says [retired Farmers National head Randy Dickhut](#). “Depending on the survey and the time frame, farmland prices moved slightly up, down a bit, or stayed flat. This is evidence of a market that is plateauing and trying to find reasons for prices to either go up or move down. The factors influencing the land market continue to be in flux with more questions than answers at this juncture. Activity in the farmland market during the fourth quarter of 2025 and into 2026 will depend on buyer’s and seller’s views of the ever-changing factors. With the land market waiting on direction, what is ahead? In looking at the Factors Influencing the Land Market table, there are a few more questions, some of the same trends, and additional uncertainties here at the start of October.
- ✓ Margin compression in crop production due to low commodity prices and high input costs is a real challenge to a farmer’s income and liquidity. The questions surrounding income and price factors include whether if and when there will be additional ad hoc government payments and whether exports and domestic demand for U.S. commodities can grow and expand to drive prices and incomes higher. The ad hoc payments of 2018-20 supported land values at the time and kept farm income higher than it would have been.
- ✓ Cap rates will likely stay low as land prices seem to be mostly stable while at the same time rental rates are easing somewhat lower. Also, farmers and investors are willing to take the low cash return in order to have a safe, inflation hedging long-term asset.
- ✓ The supply of farmland for sale and the level of demand to buy it will continue to be a big influencing factor in the land market. Will the potential for a few more sales from financially challenged producers and retiring farmers materialize to the extent that the extra number of farms for sale would outstrip demand? Will demand from farmers, the predominant buyers of land, soften more due to low crop incomes and lower working capital?
- ✓ The final and biggest unknown is the geopolitical factor. What will transpire on tariffs, trade negotiations, and grain and livestock exports for U.S. agriculture? Will extra government payments come in time and at a level to stabilize producer’s profitability? Will there be a new Farm Bill that addresses current and future profitability issues? World trade and government actions will also affect U.S. farmers and ranchers.
- ✓ The next few months may or may not resolve the questions and uncertainties in the farmland market. Most participants in the market do not expect a lot of change in land prices up or down. The perceived value of farmland as a safe, secure, and long-term profitable investment for both producers and investors may be the factor that keeps farmland values stable despite the multitude of headwinds indicating otherwise.”
(AEI Premium October 2025)

- **Reps. Elise Stefanik, R-NY, and Rick Crawford, R-AR,** have reintroduced the Promoting Agriculture Safeguards and Security Act that will protect U.S. national security by prohibiting foreign adversaries from purchasing or controlling American agricultural land and businesses. “Food security is national security, and I’m proud to reintroduce this legislation that will stand up against our foreign adversaries as they attempt to control our agriculture industry,” Stefanik said. “The U.S. cannot allow ownership bids of assets by communist China, Russia, Iran, and North Korea to undermine the efforts of our farmers, who work hard to feed and fuel our communities.” The PASS Act will ensure that the USDA is involved in reviewing foreign acquisitions of American agricultural land and businesses, and blacklists America’s foreign adversaries from controlling U.S. agricultural land. “U.S. agriculture is a critical industry with real and significant impacts on our national security,” Representative Crawford added.

From the Farm—

- **Evergreen FS, Inc. board member,** 5th-generation farmer, and volunteer firefighter



Craig Swartz was interviewed by CNN last week. Working 100+ hours a week during harvest, he hit pause on everything to spend an hour talking about the need for new trade agreements for US farmers. The Emington resident farms in Livingston Co. (Thanks to Sabrina Burkiewicz of GROWMARK for the pic.)

- **Tough times, (very tough times) are in the Dakotas.** Farmers in the region received a letter from the local co-op, which reads: "Each season brings its own challenges, and we work together to address them head-on. This harvest is no exception, with soybeans presenting the greatest concern. At present, selling a soybean train is nearly impossible, and with the export market essentially at a standstill, we do not know when trading conditions will improve. China is currently sourcing soybeans from South America, and with tariffs in place, it is unclear when they will turn their attention back to U.S. soybeans." "To actually get a letter like that from the elevator, we've never seen anything like that before," one farm wife said. "For them to say they might not have a market for our soybeans, it took me by surprise." [American Soybean Assn. economist Jacquie Holland](#) says, "We've seen basis and cash prices that are several dollars below the cost of production. China is expected to import record soybean volumes this year, and Brazilian exports could supply virtually all of China's soybean imports this year. That's not realistically how trading works, but it is proof that China has the upper hand in this situation." Holland says there are several precautions farmers can take to mitigate risk while maximizing profit on their soybean crops. "The forward curve is offering farmers a price incentive to not sell soybeans at harvest but to store them and wait to sell sometime next year," she says. "There is no guarantee without a trade deal that farmers are going to see that price appreciate throughout the marketing year to justify paying for storage fees."

Fertilizer, Fuel, and Other Inputs—

- **What is the problem with fertilizer?** IL Farmdoc ag economists provided a [webinar overview of Fertilizer Market Trends and Management Decisions for 2026](#). "The idea of continued consolidation in agriculture continues to be a pain point for many. The industry needs MORE input producers, vendors, suppliers and farmers... not fewer."

Summary

- **Fertilizer prices remain high, contributing to poor return prospects**
 - Reconsider N rates based on MRTN which accounts for current crop and fertilizer prices and yield response to N (maximize profit, not yield)
 - P and K replacement rates and soil testing
 - Timing shifts can reduce nutrient losses, but flexibility and cost also considerations
- **Global fertilizer use continues to grow, stable (N, K) or declining (P) in US**
 - Import reliance in US greatest for K; smaller but still important for P and N
 - Efficiency of use in US continues to improve (more bushels per lb of N/P/K)
- **Consolidation in fertilizers, and other inputs, a concern**

- **Three fertilizers saw significant retail price moves** in opposite directions during the second week of October 2025, [according to sellers surveyed by DTN](#). Once again, prices for half of the 8 major fertilizers were up from last month and the other half were down. 3 fertilizers had sizeable price moves, with 2 of those moves higher and the 3rd lower. The 2 fertilizers with significantly higher prices were DAP and anhydrous. DAP was 7% more expensive compared to last month, with an average price of \$921 per ton. Anhydrous was again 6% higher compared to last month, with an average price of \$814/ton. Prices for 2 other fertilizers were slightly higher. MAP had an average price of \$922/ton, and UAN28 was \$419/ton. Urea led the 4 fertilizers with lower prices than last month. The nitrogen fertilizer was 5% less expensive compared to last month with an average price of \$601/ton. Prices for the 3 remaining fertilizers were slightly lower than last month. Potash had an average price of \$485/ton, 10-34-0 \$666/ton and UAN32 \$466/ton. On a price per pound of nitrogen basis, the average urea price was \$0.65/lb. N, anhydrous \$0.50/lb. N, UAN28 \$0.75/lb. N and UAN32 \$0.73/lb. N.
- **The latest fertilizer supply and price trends for IL farmers**, from United Prairie Co-op of Tolono, IL.
 - ✓ **UAN:** The market remained quiet in the US, Canada and Europe as both retailers and producers are content. • UAN pricing and ship windows this week continued to be unchanged with focus on ammonia for fall.
 - ✓ **Urea:** NOLA activity once again quiet this week with no physical trade to speak of. • November barge offers were seen between \$380 383/s.t. • January NOLA urea paper continues to show a slight carry with trade today at \$386/s.t.
 - ✓ **NH3:** US market pricing remained largely stable and quiet. • Application could begin in the N. Plains next week.
 - ✓ **Phosphates:** Inland demand picked up in the Cornbelt this week. Hand-to-mouth buying is expected for fall application.
 - ✓ **Potash:** North America potash prices held steady this week. • Sluggish demand and narrowing barge windows have tempered market activity in anticipation of expected weather-driven buying.
 - ✓ **10-34-0:** 10-34-0 markets remain unchanged with suppliers reporting they still have lower cost inventory to sell through. • While there are no official programs out for spring starters, suppliers have started quoting one off pricing. • Weakening dry markets have narrowed the P205 spread. 10-34-0 remains a discount to MAP on a P205 basis.

Risk Management—

- **Record-high cattle prices** offer a significant financial opportunity for those producers who leverage smart marketing and risk management strategies. That's according to Dr. James Mitch, a livestock economist at the Univ. of AR, "The prices are really high, but we looked at volatility in the market and how there are still some pretty big market swings in either direction. Plus \$15 a hundredweight, minus \$15 a hundredweight, depending on the week and the location you're talking about, and so maybe taking some of that risk off the table is still an important consideration - lots of ways to do that, like you mentioned, with Livestock Risk Protection. There are futures markets. Options for contracting are all available. With LRP, in the past couple of years, they've increased the subsidies on it to make the premiums a little bit more affordable for producers, which is good, but again, cattle prices are really, really high, and so the premiums on doing some of this risk management is going to be more expensive, and I think that's an important consideration as well. With where the cattle market currently is, the futures market's pricing in seasonality, and so, being aware that if you're going to market some cattle in the spring, and looking at what LRP is currently offering, it might not match up exactly, just because of how strong of a calf market that we're currently in. The best scenario is still for the market to improve, but you have that product in place in case something adverse does happen. So, I think that's kind of the advice I tell people." It's also important to think about the long-term, "With cattle prices really, really high right now, what are some ways that you can invest that money back into your operation to set yourself up for success in the future? What type of improvements can you make in terms of productivity and efficiency and setting yourself up for success in the next couple of years, I think, is another I think is another thing to be thinking about right now as well." (Radio Oklahoma Network)
- **Crop insurance for bee hives?** [IL Farmdoc ag economists](#) say, "API is a subsidized insurance product that has potential advantages for beekeeping operations. It offers a chosen level of protection against lower-than-average precipitation. Because the premiums are subsidized, the cost of this insurance coverage is reduced. API is not a sufficient risk management strategy on its own. It should be utilized along with other risk management practices, such as diversifying apiary locations, ensuring good nutrition, and monitoring for pests and disease. Most beekeepers in IL are hobbyists, with about 75% keeping 5 or fewer colonies according to the [2025 IDOA Apiary Inspection Annual Report](#). Because of this, many IL beekeepers may think the API program does not apply to them. However, API does not require a minimum number of colonies to buy a policy, so it works for small beekeepers as well as larger ones. In fact, the average API policy size in IL has ranged from 18 colonies per policy in 2018 up to 87 in 2022, showing that relatively small IL beekeepers have already used this insurance in the past. API insurance can be purchased through any [authorized crop insurance agent](#). The enrollment deadline for each year is December 1 of the prior year. The premium payment deadline is September 1 of the following year, so premiums do not need to be paid up front. [The USDA Risk Management Agency](#) provides more information as well as [an interactive decision tool](#) that can be used to search for grids, explore policy options and cost, and plot out historical rainfall indices and policy outcomes."

Transportation—

- **Railroad-based elevator managers have noticed**, and you may have also noticed changes in the grain basis. Bree Baatz of Terrain Ag has been watching the dynamics:
 - ✓ With the USDA grain transportation report paused due to the government shutdown, secondary shuttle freight remains a key signal for soybean market activity—and it's flashing lower demand ([China](#)).
 - ✓ October is seasonally peak freight demand each year post-harvest, but this year? Not so much...
 - ✓ Last month railroads slashed soybean shuttle tariff rates by over \$1,000/car to most export markets, which highlights [abundant shuttle freight seeking markets](#):
 - ✓ Secondary Shuttle Freight Snapshot (week ending Oct 9): ~\$450/car, down \$750 or 60% lower than last year at \$1,200/car AND the 3-year average (2022–2024). While not as low as 2019's trade war levels, this is the weakest level since that bottom.
 - ✓ Why the Drop? China's soybean import needs are fully covered by South America through November, with December purchases already taking place —typically the U.S. export window. Brazil is expected to start new crop harvest in January = China can avoid U.S. soybeans in the short term.
 - ✓ What to Watch: If foreign buyers return with a year-end buying spree, transportation capacity should still be available. But keep an eye on secondary shuttle freight bids/offers for December delivery—they'll be the real tell on any demand shift.

Shuttle Rail Freight Demand Remains Subdued For Now

October Delivery – Secondary Rail Freight Weekly Average Bids/Offers
Union Pacific Railroad & BNSF Railway

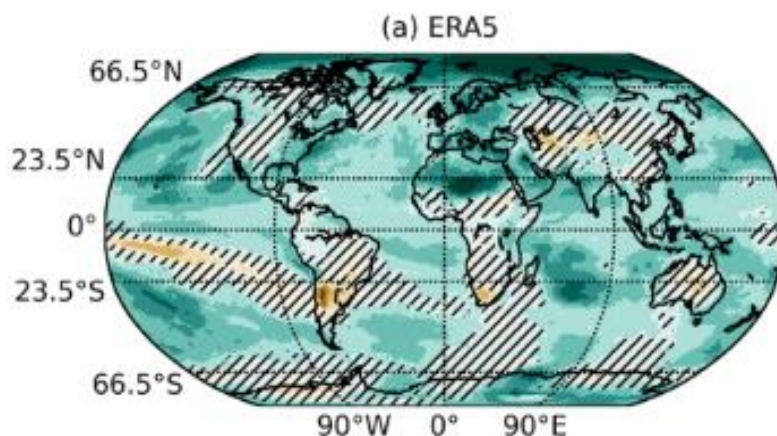
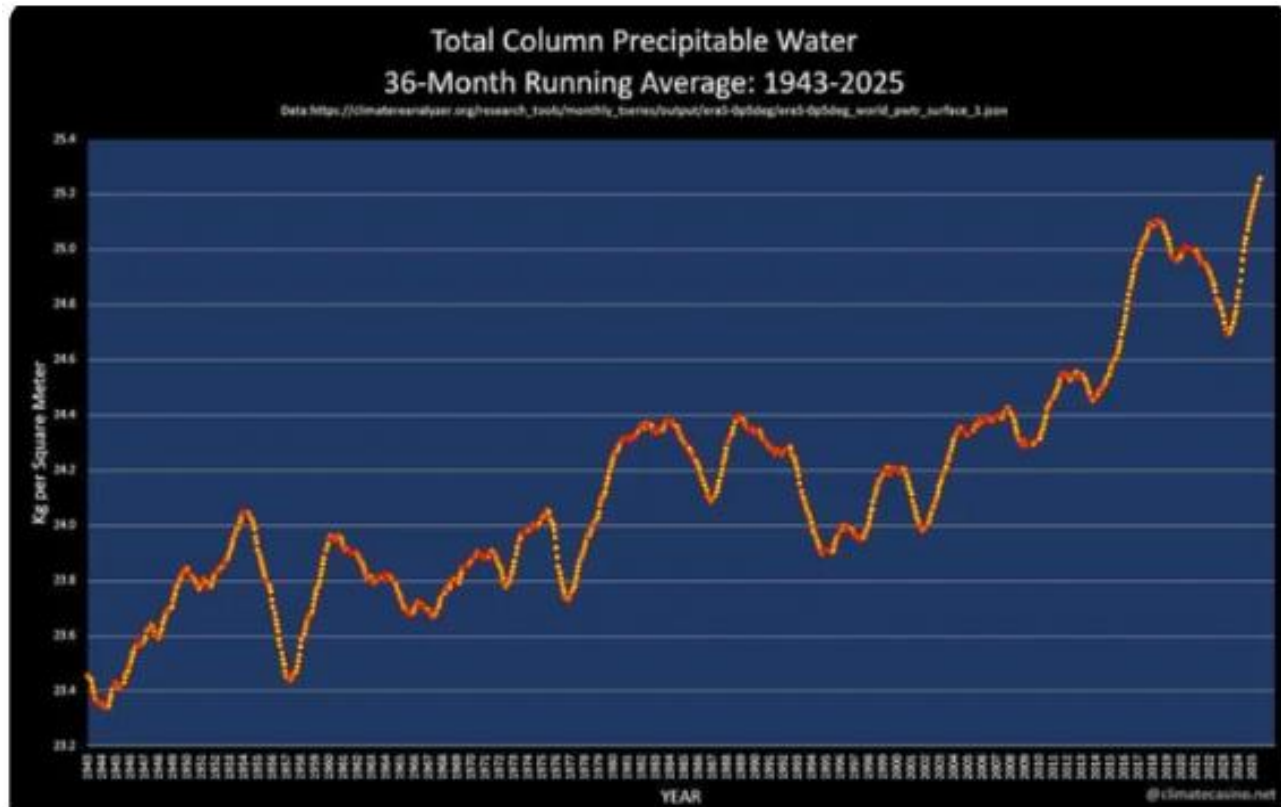
Average Premium/Discount to Tariff (\$/railcar)



- ✓ **The U.S. and China have begun charging competing port fees** on ocean shipping firms that move everything from holiday toys to crude oil. Reuters said the new fees will make the high seas a key front in the continuing trade war between the world's biggest economies. China has started collecting the levies on U.S.-owned, operated, built, or flagged vessels, but clarified that Chinese-built ships are exempt from the same levies. The China-imposed extra port fees will be collected at the first port of entry on a single voyage or the first 5 voyages within a year. Earlier this year, President Donald Trump announced plans to levy fees on China-linked ships. Yahoo said an investigation during former President Joe Biden's administration found that China uses unfair trade policies and practices to dominate the global maritime, logistics, and building sectors.

Weather and Climate—

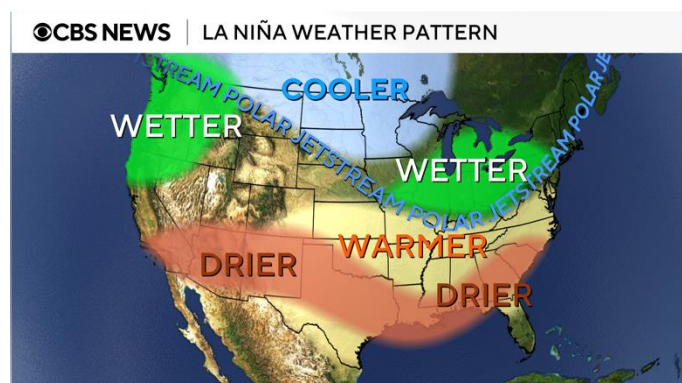
- **Has it seemed like much of IL has been in a drought** for the past couple months? There is no reason for that, says BlueWaterOutlook.com. BWO says there is plenty of water in the atmosphere, even a record amount, going back in the records to the 1940's. "Total column precipitable water (TPW) in the northern mid-latitudes shows a recent record high. (below) The atmosphere is holding more moisture within a total column from the earth's surface high into the atmosphere. This means that if lift is provided to form precipitation, it could be much more intense, resulting in an increase in "rain bombs" and flash flooding. (The reason for the record TPW? A warmer planet can hold more moisture.)"



In this map, darker shades of green indicate the most significant increases. This includes the eastern U.S. and U.S. South.

- We are officially in the second half of meteorological fall and** still experiencing warmer weather as winter approaches, says IL State Meteorologist Trent Ford. "Average temperatures this week ranged from the high 50°s to mid-60°s across the state this week, between 3° and 8° above average. The fall season so far has been a top 10 warmest on record throughout the Midwest, including in Chicago, Peoria, and St. Louis. Precipitation was hard to come by yet again this week, with only measurable rainfall for the western third of the state. Virtually all the state north of Interstate 64 has had less than 50% of normal rainfall since early September. The U.S. Drought Monitor expanded both severe drought and extreme drought across central and northern IL this week, in response to low flow on several streams and declining reservoir levels across the state. 2025 to date has been the 3rd driest year on record in Champaign and 4th driest on record in Normal. So, now for the good news. A major weather change is on its way, bringing both cooler and wetter weather this weekend and into next week. A series of fronts will move through the state on Saturday and Sunday and bring measurable rainfall to pretty much everyone. Forecasted totals have been moving around quite a lot, but currently most of the state is expected to pick up at least an inch over the next 5 days, with some areas of south-central IL maybe getting as much as 3 inches. Irrespective of the totals, we need as much rain as we can get, even if it makes for some pretty poor football and apple picking weather. Behind the fronts is some cooler air that will make it feel like real fall. High temperatures early next week are in the 60°s statewide, and lows will dip into the low 40°s and high 30°s. Farther out, the final week of the month is expected to bring back the above average temperatures, but with near normal precipitation as we remain in a bit more of a disturbed pattern. The latest outlooks for November show us absolutely nothing, with equal chances of warmer, cooler, wetter, and drier than average weather. That is, in fact, good news as we don't see strong indications of our recent dry and warm weather persisting, because we need months of wetter weather to climb out of our current drought situation."

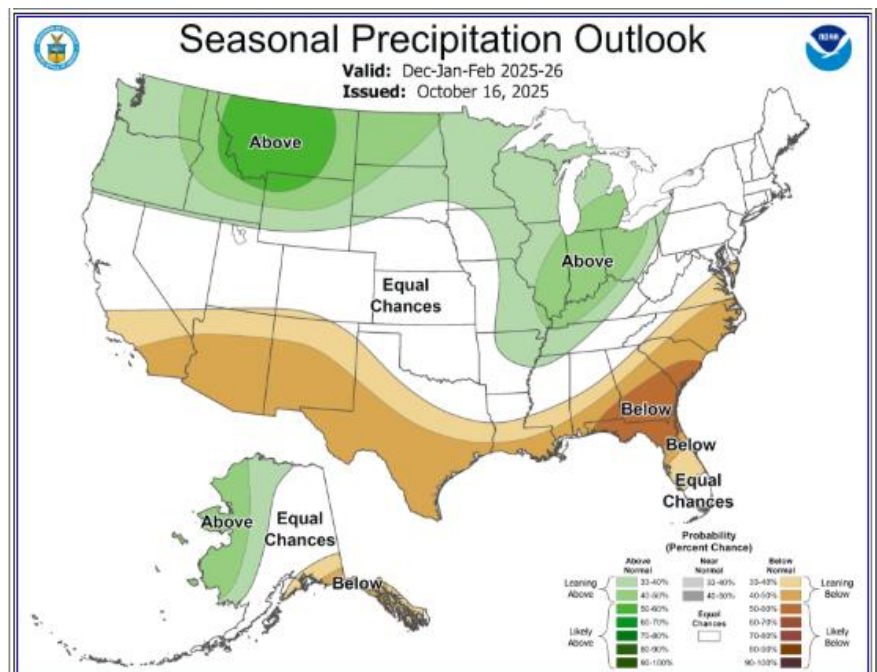
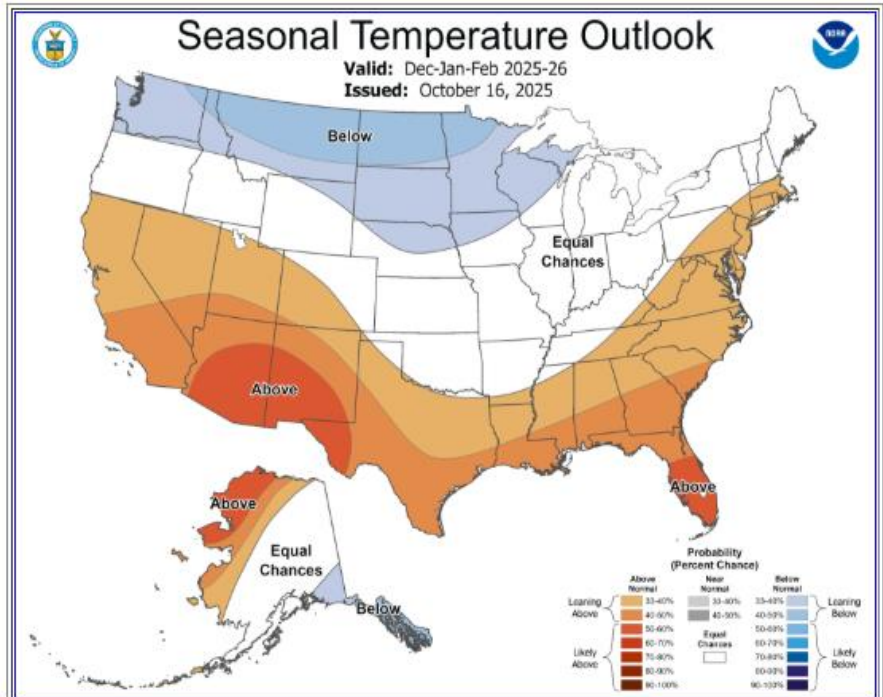
- When La Niña is active**, it typically brings drought to southern parts of the country and flooding rains to the Pacific Northwest and Canada, [according to NOAA](#). During winter months, this phase of ENSO often leads to warmer and drier conditions in the South and cooler conditions across the North, which tend to accompany greater amounts of precipitation. Forecasters have said they expect La Niña to last through February 2026 before transitioning back to the neutral phase of the cycle as the spring season begins.



NOAA's winter outlook does not offer snowfall predictions, but it does forecast above-normal overall precipitation between December and February for the Pacific Northwest and northern CA along the West Coast, as well as the northern Rockies, Great Plains and western Great Lakes, all of which are consistent with the presence of La Niña.

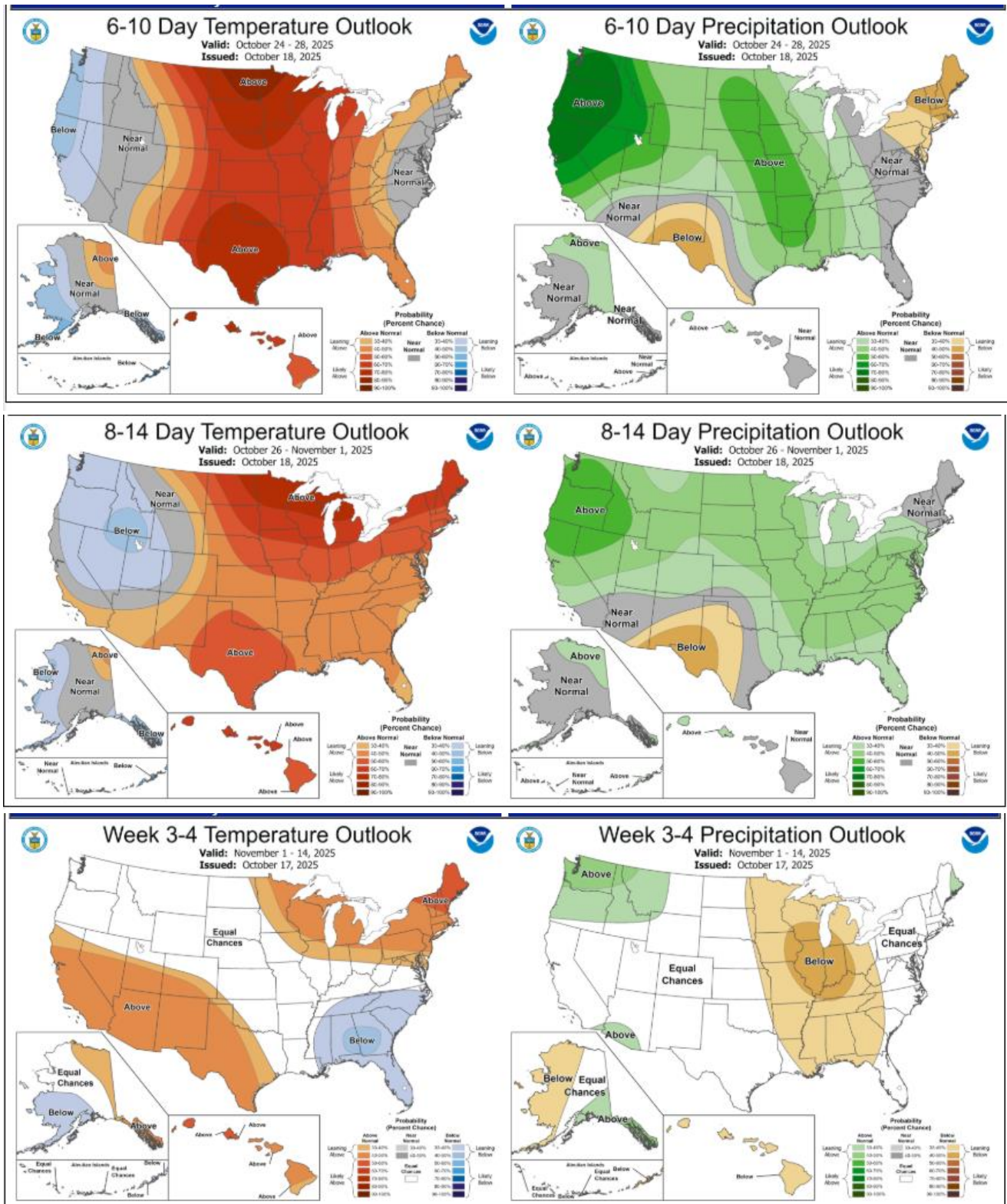
- Winter is a couple months away, but NOAA wants you to be prepared.** The seasonal [outlook for temperature and precipitation](#) have been released for December through February. The temperature outlook for Nov-Dec-Jan (NDJ) 2025-2026 favors above-normal seasonal mean temperatures for much of the contiguous U.S. (CONUS) with the exception of most of the northern tier of the country where Equal-Chances (EC) of either of the 3 categories is forecast.

The highest odds of warmer than normal conditions are located in the Southwest, southern High Plains, and coastal areas of northwestern AK. Below-normal seasonal mean temperatures are favored for the AK Panhandle. There is an elevated likelihood of above-normal seasonal precipitation amounts for the Pacific Northwest and northern CA eastward to the northern Rockies and Plains and western Great Lakes in the NDJ 2025-2026 precipitation outlook. Drier-than-normal conditions are most likely for the southern tier of the U.S. from the Southwest eastward to southern TX and the Southeast. Moving through the winter seasons to early Spring 2026, the evolution of the precipitation outlooks from NDJ 2025-2026 through FMA 2026 shows a continuation of favored

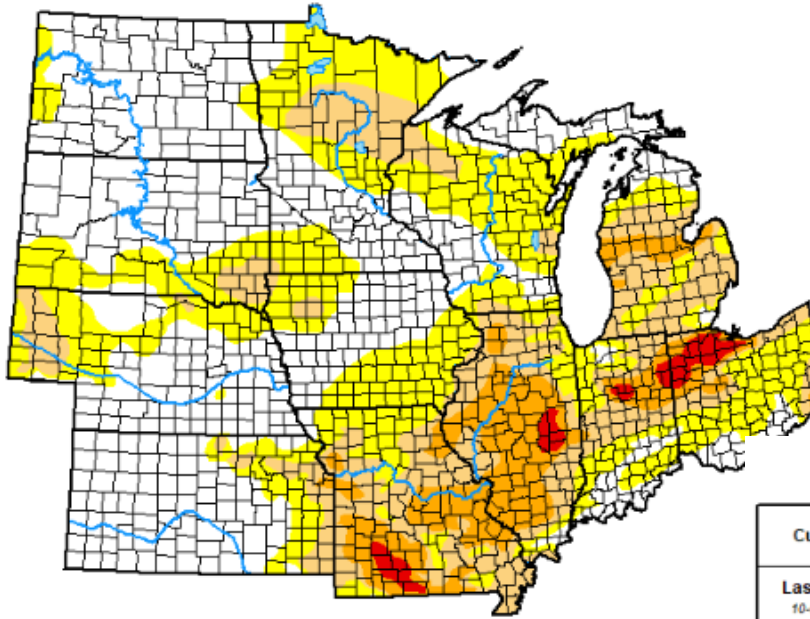


above-normal precipitation across the northern tier eastward to the Great Lakes through JFM 2026 with an extension to include the Ohio Valley from DJF 2025-2026 through FMA 2026. Highest odds for above-normal precipitation are for the northern Rockies and High Plains, especially during DJF 2025-2026.

- **In the meantime**, weather for the finish of the harvest season will be warm and wet, says the National Weather Service.



- **Heavy rain brought widespread improvement** to most of KY, the southern reaches of OH and IN, eastern OH, and a few areas near southern Lake Michigan says the [Drought Monitor](#). A few patches in central OH assessed a 2-category improvement. Lesser amounts fell elsewhere, leading to scattered areas of deterioration across IL, central IN, MI, east central and northwestern WI, MN,



northwestern IA, and parts of MO (especially the western tier). For the past 2 months, precipitation totals 4 to 8 in. below normal are fairly widespread across most of MO and IL, plus parts of southwestern IA and the east-central MI Lower Peninsula. Much of northern IN and northwestern OH are 3 to locally 5 inches below normal during this period.

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	44.45	55.55	26.46	9.56	1.36	0.00
Last Week 10-07-2025	45.26	54.74	26.12	8.24	0.68	0.00
3 Months Ago 07-15-2025	67.55	32.45	10.52	1.40	0.00	0.00
Start of Calendar Year 01-07-2025	30.52	69.48	45.47	14.34	2.68	0.00
Start of Water Year 10-01-2024	18.32	81.68	35.03	8.92	1.45	0.43
One Year Ago 10-15-2024	10.32	89.68	61.56	23.87	2.90	0.43

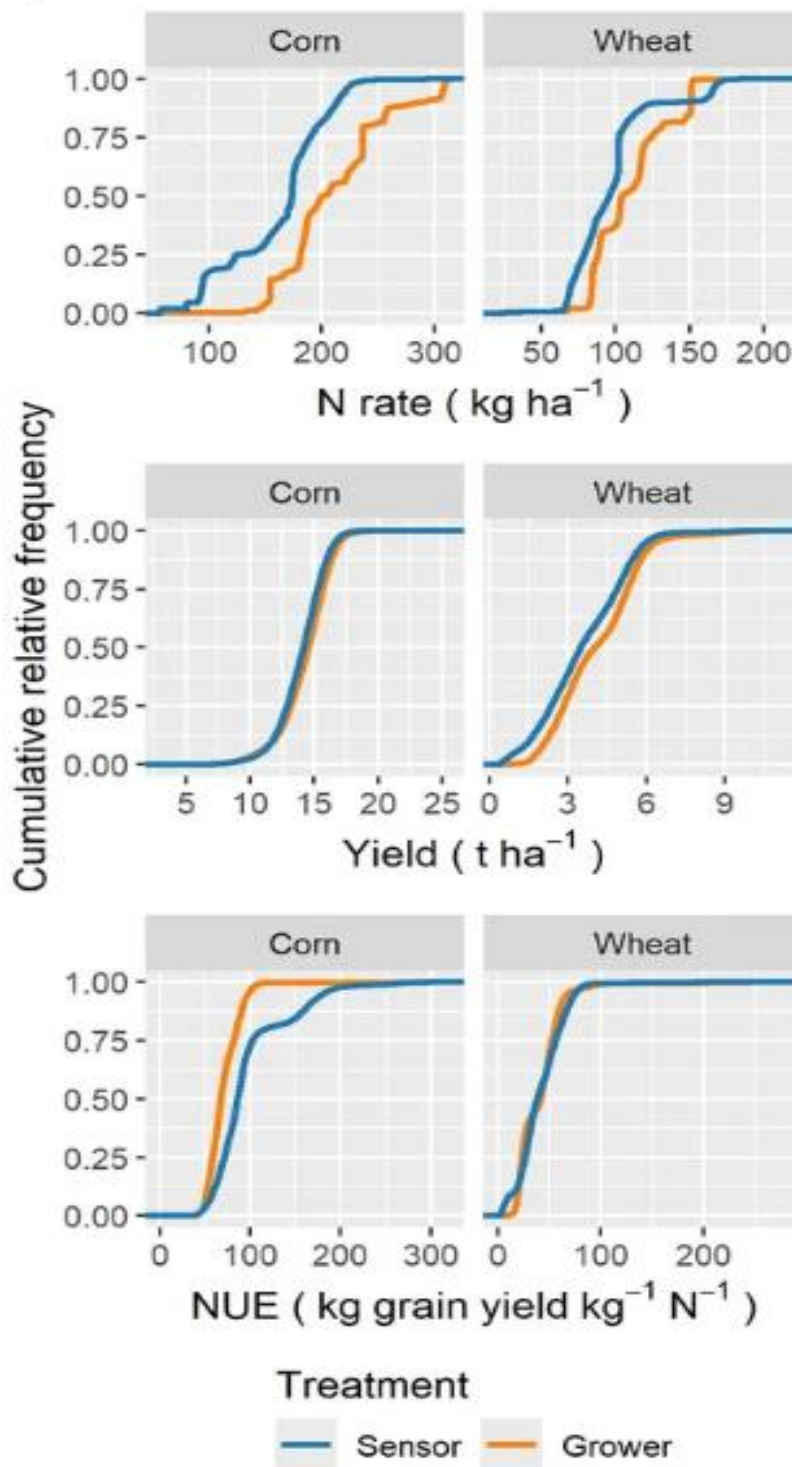
Agronomy—

- **If you have not had any rain for a couple months**, agronomist Howard Brown, retired from Illini FS, now Sunrise FS, Urbana, says don't expect your soil to provide an accurate soil test. "The lack of rainfall will likely necessitate adjustments to some management practices due to the altered soil environment. Here are management changes to consider: Defer soil testing to spring or the fall of 2026.
 - ✓ Dry soil makes it difficult to consistently sample the expected depth with the soil probe, often resulting in less than seven inches. A shallow sampling depth can lead to higher soil test results that are not representative of the typical seven-inch depth.
 - ✓ Dry soil can alter soil test results. Soil pH can be depressed by as much as 0.5 units due to soluble salts accumulating in the sampled zone. Dry soil conditions may cause clay layers to collapse, resulting in a lower K Test.
 - ✓ It will take several rains over time to recharge the soil to what is considered "normal". With cold weather soon to arrive, deferring sample collection to Spring or Fall, 2026, is advised. Consider collecting soil samples in the Spring if fertilizers are applied in the Fall, and in the Fall if fertilizers are applied in the Spring. This allows plenty of time to create a nutrient management plan. →

- **And dry soils will not satisfactorily accommodate** anhydrous ammonia, says agronomist Howard Brown. "Anhydrous ammonia is applied as a liquid under pressure. The applied liquid quickly expands into a gas until it combines with water, forming ammonium-N, which is considered stable. Free ammonia migrates through the soil until it either finds water or the soil surface, where it can escape as a gas. Dry soil dramatically increases resistance to tillage equipment, including anhydrous ammonia knives. Be prepared for an increase in tool bar repairs and possibly knife replacement before the end of the application season. Check the knife and tube for excessive wear before starting an application. It is more efficient and safer to check equipment each morning for wear or breakage rather than having a breakdown in the middle of a large field. Inspect welds in high-stress areas for cracks or breaks." →
- ✓ **Concerns about escaping ammonia.** Be prepared to address calls from downwind neighbors or urban residents about the smell of free ammonia after applying to dry soil this fall. It does not take much free ammonia gas to create concern among the urban public. A small amount of free ammonia can create concern about the leaking gas. How much is lost if the smell is noticeable? It is impossible to quantify the amount lost by leakage. Establishing a NuTRAC site would enable the estimation of the current amount of plant-available nitrogen and monitoring changes over time.
- ✓ **Ammonia volatilizing from soil leakage is hidden from view.** Anhydrous ammonia is a colorless gas. The white cloud visible directly behind a knife is condensed water vapor. The white cloud behind the knife fades quickly, but ammonia gas may leak for much longer. The best way to minimize the loss of free ammonia is to apply it when the soil is moist and to ensure the knife trench is covered with loose soil. If you get out of the tractor and smell free ammonia as you walk across the applied acres, it may be time to shut down until the soil captures some moisture.
- **If fertilizer must be reduced,** can a cover crop recycle some to replace what farmers are not wanting to buy and apply? [For the fertilizer quandary](#), one solution is to consider planting some cover crops this fall, recommends David Hula, [reigning world corn yield record holder](#). "Nitrogen, potash, boron, sulfur... those are mobile nutrients, so if you plant a cover crop it's going to pick up those nutrients, and then when you kill that cover crop, you can recycle that residue that was left over, or the residual nutrients that were left over," explains Hula. Cover crops can scavenge for nutrients from previous crops, store them and then release them for use the following season – a process that can help reduce the need for synthetic fertilizers. Hula adds that corn and soybean growers don't need to be using no-till on the farm to benefit. "You can strip-till into those cover crops, or early in the spring you can work the cover crops in to get the benefits," he says. [Randy Dowdy](#) says one of the benefits he's seen is that microbial activity likes to colonize around a living root mass.

- **Fertility researchers at the Univ. of NE** put sensors in 74 wheat and corn fields [to track nitrogen management](#). In corn, sensors reduced nitrogen use by ~40 kg/ha (88 lbs./2.4 acres) without yield loss, boosting efficiency by over 30%. In wheat, results were more variable — “reminding us there’s no one-size-fits-all solution but in the right fields, it’s a game-changer for sustainable, profitable farming.”

Figure 2



In corn, sensors reduced nitrogen use by ~40 kg/ha (88 lbs./2.4 acres) without yield loss, boosting efficiency by over 30%. In wheat, results were more variable — “reminding us there’s no one-size-fits-all solution but in the right fields, it’s a game-changer for sustainable, profitable farming.”

“Our findings highlight that corn field yield productivity, its variability, and soil texture were the most influential factors affecting sensor-based NUE. Sensor-based approach in corn outperformed grower practices in moderate to high-variability fields. These results suggest that while sensor-based N management enhances NUE in corn, its effectiveness in wheat may vary more. This study provides valuable insights into the practical limitations and site-specific factors influencing the success of sensor-based technologies, aiding in developing improved decision-support tools for precision nitrogen management.”

The biggest wins came in fields with high yield variability and

under high fertilizer price scenarios. It’s exciting to see how real-time, site-specific decisions can make farming more resilient and sustainable.”

- **Will EPA approvals of new crop protectants speed up?** Douglas Troutman, President Donald Trump’s nominee to lead the Environmental Protection Agency’s Office of Chemical Safety and Pollution Prevention, pledged during a Senate hearing to speed up reviews of new chemicals and pesticides while maintaining safety standards. Troutman, nominated to serve as assistant administrator for toxic substances, told the Senate Environment and Public Works Committee that his goal is to ensure new substances are reviewed in a timely manner with practical, science-based restrictions. He said the agency will rely on newly transferred staff and a \$17 mil. software investment to accelerate reviews. Senators pressed Troutman on whether he would adjust EPA pesticide evaluations to better reflect real-world conditions. Sen. Pete Ricketts (R-Neb.) said the agency often assumes farmers use the maximum allowable amounts of pesticides, which can distort risk assessments. Troutman did not commit to changing that practice but said he would consult with experts and comply with existing laws. (IL Fert and Chem. Assn.)
- **CropLife America (CLA) has released** its [ESA 101-type slide deck](#) to the public. It is a collaborative effort of CropLife America, the Agricultural Retailers Association, and the Council for Producers & Distributors of Agrotechnology, to provide a public resource to use for the Ag input industry with a focus on new language and mitigations included on pesticide labels. CLA wants farmers to become familiar with the slides, the language and the overall effort toward more education about pesticide use and regulations.

EPA Implementation Timeline for ESA Strategies



- **Ammonia training classes are over**, but if there is an emergency for someone to obtain a “competent attendant” designation, [click here](#) to access the [Temporary Certified Competent Attendant](#) online training. This training may only be taken once but will allow the individual to work with anhydrous ammonia through December 31st of this year.

- **The top Senate Republican is privately warning the White House** that American farmers — a key GOP constituency — will continue to suffer if the Trump administration doesn't reopen FSA offices amid the government shutdown. Senate Majority Leader John



Thune, R-SD, (left) is quietly pressing the administration officials to let farmers continue to access Marketing Assistance Loans, which allow them to meet cash flow needs during harvest season and as they make planting decisions for next year, according to 4 people with direct knowledge of the conversations, including 2 Trump officials. Politico reports that it would also require USDA to reopen thousands of shuttered county Farm Service Agency offices across the country to facilitate those loans. So far, administration officials say they have no plans to shift other money around for the agriculture

loans like they've done with troop pay and other priorities. "We're working that issue, and I hope to get an answer soon," Thune said in a brief interview Thursday.

- **The government shutdown is hitting the nation's farmers** and ranchers in multiple ways. [Politico points out that the shutdown is stalling the delivery of farm loans](#), the release of critical market reports, and the administration's plan for emergency assistance for farmers. Row-crop producers who grow corn, wheat, and soybeans have been weathering uncertainty for months, including tariff troubles and high input costs for things like machinery and fertilizer. Politico said every day the government isn't open adds to the anxiety in farm country, especially as growers are harvesting crops and having to pay bills and their banks. The risks of farm bankruptcies continue to climb this year. A New York Times report said the shutdown is interfering with planning for next year as farmers have to make decisions about what's ahead in 2026. Those plans depend on information only the federal government can provide, including market data and available loans.
- **The US Forest Service has been part of USDA for 120 years**, but that may change. Senate Energy and Natural Resources Chair Mike Lee, R-UT, is promoting legislation to move the Forest Service to the Interior Department, where its mission historically sat until President Theodore Roosevelt oversaw a switch to the USDA in 1905. POLITICO's E&E News reports Lee priorities include making the forest chief's position a political appointment subject to Senate confirmation for the first time. The draft legislation, called the "Forest Service Reorganization Act of 2025," would also create the separate wildland fire agency, which Lee has promoted for the Interior Department, and would waive overtime pay caps for wildland firefighters.

Conservation, Environment, Carbon—

- **It's time to unleash American ethanol in the maritime fuel market.** Ethanol is low-cost, broadly available, and reduces emissions by 60%+ says Geoff Cooper, head of the Renewable Fuels Assn. "Diplomats from around the world will [meet](#) in England's capital city October 14–17 to vote on whether to adopt a new set of international regulations focused on reducing GHG emissions from oceangoing ships. And whether the interests of U.S. fuel producers, farmers, and shippers are at the table—or on the menu—remains to be seen. This proposed regulatory program, developed by the International Maritime Organization (IMO), is known as the "[Net-Zero Framework](#)" and operates similarly to a low carbon fuel standard for on-road fuels (like those already in place in CA, OR, WA, and Canada). Marine shipping companies around the world, including U.S. businesses, have voiced their [support](#) for the IMO program. The U.S. ethanol industry sees the IMO Net-Zero Framework as an enormous potential market opportunity for American-made renewable fuels produced from American-grown crops like corn, sorghum, and soybeans. How enormous? Well, the ships that would be subject to the IMO regulations typically consume roughly 70–80 bil. gals of fuel per year worldwide. Even if U.S. ethanol captured just 5% of the global maritime fuel market, it would equate to a game-changing demand boost of 4–5 bil. gals., while simultaneously increasing corn demand by 1.5 bil. bu. or more. Just imagine the economic impact that this sort of new demand would have on the rural communities where ethanol is produced and corn is grown!" says Geoff Cooper. →
- **"Absolutely not!" says Donald Trump.** [The Trump administration unequivocally rejected the proposal](#) to integrate biofuels into shipping and has threatened to retaliate if nations support it, setting the stage for a fight over the climate deal. An international vote to formally approve cutting maritime [emissions](#) was delayed by a year on Friday, [in a victory for the Trump White House](#), which opposes the carbon-cutting plan. The London-based International Maritime Organization (IMO), which is the shipping body of the United Nations, voted in April for a global pricing system to help curb greenhouse gases. Delegates instead voted on a hastily arranged resolution to postpone proceedings, which passed by 57 votes to 49, to appease Donald Trump. "I am outraged that the International Maritime Organization is voting to pass a global Carbon Tax," Trump wrote on his Truth Social platform Thursday. "The United States will NOT stand for this Global Green New Scam Tax on Shipping." Ahead of last week's London gathering, a majority 63 IMO members that in April voted for the plan had been expected to maintain their support and to be joined by others to formally approve the NZF (Net Zero Fund). Leading up to Friday's decision, China, the European Union, Brazil, Britain, and several other members of the IMO reaffirmed their support. The NZF requires ships to progressively reduce carbon emissions from 2028 or face financial penalties. Shipping accounts for nearly 3% of global greenhouse gas emissions, according to the IMO, while the CO2 pricing plan should encourage the sector to use less polluting fuels.

Tariffs, Trade, and Agriculture—

- **The US Trade Representative is named Jamieson Greer**, but that name is “mud” to many senators, many of them Republican. [They had lunch with Greer last week](#), and he did not get to enjoy his meal, when the senators began expressing their opinions about the US bailing out an Argentine politician before US farmers. “China is retaliating to keep their trade advantage with us,” Sen. Jon Husted, R-OH, told Axios. “And we need to win.” “And we encouraged the USTR to be a tough negotiator in these things — on behalf of American farmers and American manufacturers and everybody that’s being cheated in the process,” he continued. Senators from big soybean producing states — including Husted, Chuck Grassley, R-IA, (near right) and Joni Ernst, R-IA— had tough questions for Greer (far right) during lunch on Wednesday, multiple sources in the room told Axios. “I made very clear, we’ve got to get an agreement with China, so we don’t have that problem,” Sen. Chuck Grassley told Axios on Tuesday. He posted [last month](#), “Why would USA help bail out Argentina while they take American soybean producers’ biggest market???” Sen. Kevin Cramer, R-ND, told [Punchbowl News](#) that the bailout seems to go against Trump’s signature “America First” ethos. Cramer argued “the brand gets damaged a little.” “I am against bailing out any countries,” Sen. Rand Paul, R-KY, [told reporters](#) on Wednesday, adding “if we had an extra \$20 bil. laying around, we should put it towards our own debt.” Trump’s now-[\\$40-bil. bailout](#) for Argentina is exacerbating GOP trade war fears.
- **Treasury Secretary Scott Bessent** confirmed that the meeting between President Trump and China’s leader Xi Jinping is back on after their latest trade fight, keeping hope alive for a deal on soybeans. Bessent told Fox Business News that President Trump will meet with China’s Xi at the Asia Pacific Economic Cooperation Summit in South Korea next month, despite their recent trade flare-up, “He will be meeting with Party Chair Xi in Korea. There has been substantial communication over the weekend.” President Trump threatened 100 % tariffs against China by November 1st after Beijing announced export controls on rare earth minerals used in military and civilian electronics. That was after Trump said he’d bring up China’s effective ban on U.S. soybeans at his planned summit meeting with Xi, “He’s got things that he wants to discuss with me, and I’ve got things that I want to discuss with him, and one of the things is soybeans.” Trump threatened not to meet with Xi after Beijing announced export controls but then posted on Truth Social that things “will work out” with China, that Xi “just had a bad moment.” Bessent sounded a note of optimism later, “I am optimistic that this can be de-escalated.” Bessent said talks with Beijing were continuing, and Trump could choose not to impose new tariffs on China. But the Treasury secretary said all options were “on the table” to discourage Chinese export controls. (Berns Bureau)



- **The U.S. has traditionally had a healthy agricultural trade surplus** for years. As global dynamics change due to multiple political and economic factors, U.S. agricultural imports now exceed exports. [A new study says the deficit is likely to get worse](#) in the years ahead. Univ. of IL and TX Tech Univ. researchers say the U.S. is importing much more than it exports. From 2017 to 2018, the dispute between the U.S. and China resulted in export values dropping by \$9 bil. (73%) for soybeans, \$431.7 mil. (67%) for wheat, \$92.6 mil. (61%) for corn, and \$312.5 mil. (37%) for sorghum. The total value of lost agricultural exports amounted to approximately \$14 bil. At the same time, the U.S. is losing export markets to other large grain producers like Brazil, Canada, Australia, and Ukraine. "U.S. row crop exports are trending in a negative direction, and forecasts predict the downward trend will continue. Producers may look to other markets, but there's only one China, and they're not coming back tomorrow. Even if you pulled these tariffs back right now, sales would not resume. And other markets have barriers to trade; for example, the EU has tight restrictions on imports of genetically modified crops," ag economist William Ridley (right) stated. "U.S. row crop exports are trending in a negative direction, and forecasts predict the downward trend will continue. Producers may look to other markets, but there's only one China, and they're not coming back tomorrow. Even if you pulled these tariffs back right now, sales would not resume. And other markets have barriers to trade; for example, the EU has tight restrictions on imports of genetically modified crops," Ridley stated. The only good news is that the U.S. is actively working on new trade agreements.
- **At a press conference on Tuesday**, Democrats decried President Trump's tariff war, saying it's costing American farmers crucial markets they are unlikely to get back anytime soon. MN governor Tim Walz pointed out that in 2024, China bought 992 mil. bu. of soybeans, but this year, they have bought none, "Donald Trump didn't create these markets. In fact, government didn't create these markets. Farmers themselves, through checkoff programs and hard work over decades, established markets globally that allow us to thrive, allow us to produce way more food than we're going to use here. It allows us to feed the world. It brings stability and right now all of this is at risk." Rep. Sharice Davids, D-KS, says this is just a repeat of what happened in President Trump's first term, "His trade war caused US farmers to lose \$27 bil. in exports just between 2018 and 2019 and unfortunately, history is repeating itself, and American farmers are caught in the middle." Democrats are also critical of President Trump crediting Argentina \$20 bil. to shore up its economy and then sold billions of dollars of soybeans to China. (NAFB News Service)



- **Perspectives from a soybean salesman**, are offered by Jim Sutter, (right) CEO of the US Soybean Export Council:



- ✓ Customers are reporting strong business growth, translating into more demand for soy. Combined with what looks to be the smallest production increase in the last four years, I expect the global balance sheet will start tightening with global prices reflecting the supply-demand market reality. Once short-term factors, like the Chinese boycott, get resolved, U.S. Soy will be in a strong position to take advantage.
- ✓ Nearly every customer I speak with reinforces that they recognize the superior quality, value and sustainability of U.S. Soy. In fact, more partners are looking for trials to see that proof in action, which is an exciting opportunity USSEC is working hard to deliver on.
- ✓ Sustainability expectations are accelerating. Some countries in Asia require carbon footprint data reporting on all their raw ingredients. In the European Union, companies are responding to their customers' demands and taking sustainable sourcing into their own hands as the long-awaited EU Deforestation Regulation (EUDR) is delayed. With the U.S. Soy's Sustainability Assurance Protocol (SSAP) and Sustainable U.S. Soy (SUSS) programs solidly in place, U.S. Soy is well-positioned to lead the world in sustainably sourced soy.
- ✓ These conversations leave me encouraged. Demand is up, our differentiation is recognized and appreciated, and customers are looking for us to help them meet their growing sustainability needs. While times are tough right now, opportunity is just around the corner.

- **US Soybean Export Council leaders** are just back from Europe, promoting increased soybean demand in

Europe, says Chair, Janna Fritz, "The EU is our third largest soybean market for USSOY. This past week was spent learning and working to increase demand in the EU at the European Commodities Exchange in Berlin, Germany. While EU consumers favor non-GMO, they need all types of soybean meal for their livestock feeding needs. Great work was done by the USSEC EU Team."



- **The Farmers for Free Trade motorcade** tour continues to cross the country meeting with producers and speaking out against President Trump's trade policies, which they say is costing many farmers their livelihood. The latest event was in Westby, WI on Wednesday,

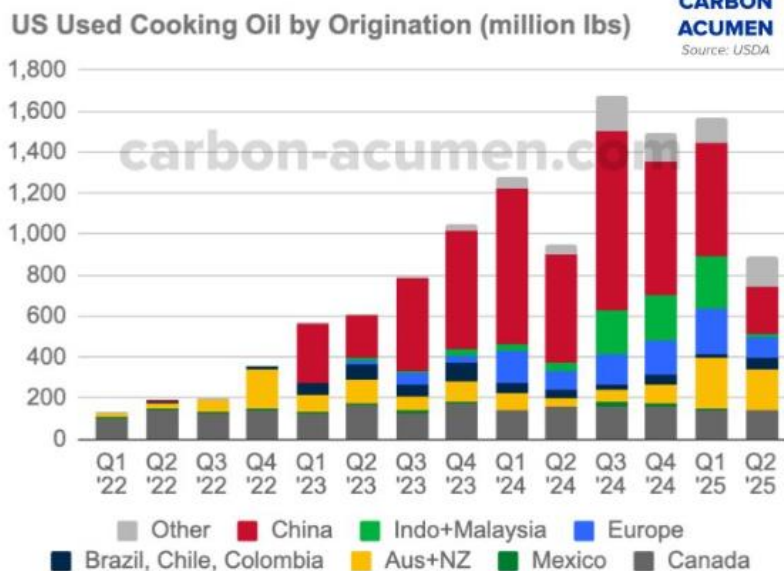


where WI State Senator Brad Pfaff told farmers that trade access, specifically to China, is essential for rural economic prosperity, "To lose an international market like we, like we have a buyer that buys a significant percentage of American soybeans, it's just really frustrating, and I know that I speak for all of

you with concerns of what's happening." Pfaff stressed the need to find new markets in the US to help counter the loss of major international markets, "We have to be really serious about how we can build this agriculture supply chain that uses more domestically grown corn and soybeans and really build out the market domestically here for our agriculture commodity crops." The tour will continue through harvest season and conclude with a Washington, D.C. event featuring members of Congress. The vehicle and its crew stopped in Bloomington earlier in September. [The report on that event is in this 23-min video.](#) (NAFB News Service)

- **With the U.S.–Mexico–Canada trade deal** facing a 2026 review, ag leaders say farmers must have a strong voice. Rep. Adrian Smith, R-NE, recently hosted USDA Undersecretary for Trade and Foreign Agricultural Affairs Luke Lindberg to hear from NE producers. Top of mind for corn growers is the dispute they've had with Mexico, which had rejected NE white corn. "Looking at this biotech corn dispute. Now, the USMCA process took 2 years to decide to formulate the panel for the dispute, and then that process took s years, including some months for language interpretation. I would say there's an app for that. We shouldn't need that much time, and that some of my input moving forward is let's shorten that process." Lindburg blamed the Biden administration for the treaty terms set up by the Trump administration. Lindberg says the administration is moving quickly on multiple fronts, and he said the North American trade deal has been a win, "Farmers are winning because agreements like this are in place, and there's a lot more big wins on the horizon. We're very excited about a number of the agreements the President is negotiating right now." The USDA also announced a new 3-point trade plan, including rapid-response trade missions and fresh export financing tools to boost farm sales abroad. (Rural Radio Network)

- **Used cooking oil (UCO)** may no longer be coming from China to replace US soybean oil into biofuel formulations. “Trump on Tuesday cast the potential move as retaliation against Beijing for its refusal to buy American soybeans, which he said ‘is an Economically Hostile



Act’ that is purposefully ‘causing difficulty for our Soybean Farmers,’” [Bloomberg](#) reported. ““We are considering terminating business with China having to do with Cooking Oil, and other elements of Trade, as retribution. As an example, we can easily produce Cooking Oil ourselves, we don’t need to purchase it from China,’ Trump posted on social media. The benchmark S&P 500 turned negative as

Trump’s comments re-escalated the conflict with China. Just hours earlier, both Trump and US Trade Representative Jamieson Greer expressed confidence that friction would ease through ongoing trade talks.” Reuters said that the U.S. was the top market for Chinese cooking oil, importing a record 1.27 mil. metric tons in 2024, worth approximately \$1.1 bil. U.S. imports plunged this year, totaling 290,700 tons from January through August.

Agri-Politics—

- **Senate Ag Appropriations Committee Chair John Hoeven, R-ND**, is urging added relief for farmers to undercut China’s retaliatory leverage in tariff negotiations with the White House, “It’s critical that we don’t allow China to use our farmers as a pressure point.” That’s amid the ongoing tariff talks with Beijing that Senator John Hoeven argues is a reason for farm relief, “U.S. producers deserve to be treated fairly in the global marketplace, not to be used by China as a tool in their negotiations on fair trade, which we demand.” Hoeven says it’s time to send a signal, “By acting now and providing assistance to our producers during these negotiations, we will send a very strong signal to China that their tactics will not work.” Hoeven says that’s why he’s been working with the administration on emergency assistance to bridge the gap until trade talks are completed, “Along with Senate Ag Committee Chair Senator Boozman, R-AR,, we’ve done a lot of work, and we’re ready to go when the Secretary and the president decide it’s time to move forward with a plan that will bridge that gap and keep our farmers afloat.” President Trump told reporters recently he wants to use tariff revenue to do that. Secretary Rollins said the administration is looking at all options, as disaster aid that was already approved is paid out. (Berns Bureau, Washington)

- **The farm crisis hasn't been forgotten** during the federal government shutdown...and some lawmakers are sounding the alarm louder than ever, "American agriculture is in serious trouble, and Congress must act now with short-term assistance." Sen. Cindy Hyde-Smith, R-MS, (right) says it's not a regional or political issue, but a food security and economic one, "Without immediate action, we risk losing not only farms, but also the rural communities and the food security they provide. This is no longer a warning. It's an emergency." The former



state ag commissioner is one of several senators who've sounded the alarm in recent days, as they also wait on the administration to act. The government shutdown has slowed that effort, and Sen. Chuck Grassley, R-IA, (left) says it has added to farmers' plight, "Farmers had to do business at the FSA offices, and they can't get it done." Because FSA offices are closed coast-to-coast.

Hyde-Smith says the misery is piling up, "Even with strong crop yields this year, many farmers are facing losing between \$100 and \$400 per acre." Hyde-Smith says new price-support levels in tax legislation enacted last summer help but won't kick in until next year. Until then, she says farmers are counting on lawmakers to "come together and meet the moment." (Berns Bureau, Washington)

- **On another issue**, Sen. Grassley sees biofuels as a partial solution to the China soybean issue. Grassley, R-IA, is not optimistic that the upcoming meeting between President Trump and China's Xi Jinping will bear fruit on soybeans. But Grassley has other suggestions. Grassley regrets saying it, but the rare earth minerals that China is now limiting for export are more important to the U.S. economy than the U.S. soybeans that Beijing has shut out. And he says recent events don't bode well for soybeans at the upcoming Asia-Pacific Economic Cooperation Summit in South Korea, "Very low optimism, to answer your question, for this reason: that I saw it on the agenda when the Chinese negotiator came to Washington 3 or 4 weeks ago, and then 2 weeks ago, it was on the agenda in Spain, and I never heard anything coming out of either meeting about soybeans." President Trump said recently he'd bring up China's tariff ban on U.S. soybeans with Jinping, after first threatening 100% tariffs on China over rare earth minerals, then easing the threat. But Grassley urges Trump to boost domestic demand for soybeans with biofuels as a better option, "He can finalize the proposed rules to increase RVOs. Secondly, reallocate 100% of small refinery exemptions, and maintain the half-RINS for foreign feedstocks and fuels." And Grassley is urging the president to back his bipartisan year-round E15 legislation, "Until we get the legislation passed, we're never going to get the investment by retailers to make sure the E15 pumps can be equipped to put out E15 on a regular basis." Grassley says annual summertime E15 waivers the last few years have helped, but not enough. The ethanol industry says year-round sales would add another 5 to 7 bil. gals. of demand. (Berns Bureau, Washington)

Illinois Issues--

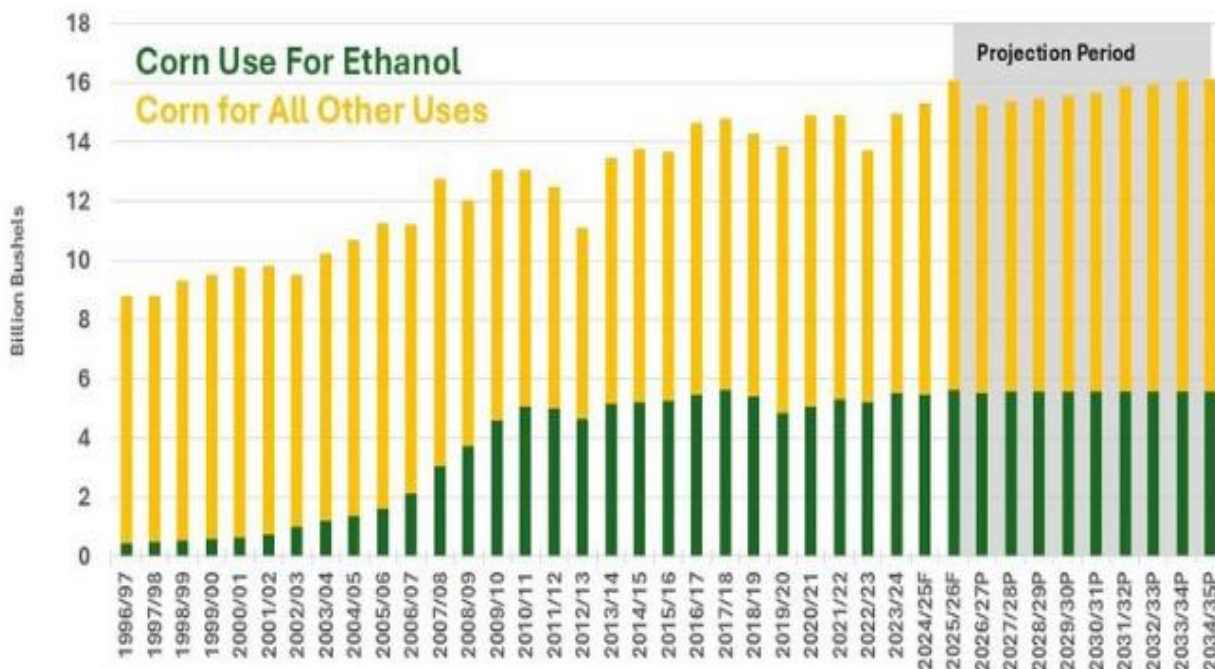
- **The IL General Assembly** will return in November. State lawmakers were in Springfield for a week of the fall veto session.
 - ✓ Most of the conversation surrounded immigration-enforcement activities in Chicago. Lawmakers pushed legislation to limit the authority of ICE and National Guard troops seeking to round-up undocumented non-citizens.
 - ✓ State budget projections point to a growing deficit as revenue from tax collections is falling far short of expectations. State budget analysts point to corporate tax cuts passed by Congress as having a direct impact on state collections since much of the state tax code follows federal law. There are projections of a possible \$2 bil. budget hole for the next fiscal year.
 - ✓ The CTA mass transit reform legislation and funding will also be on the agenda. An urgent issue over the summer has lessened somewhat as the various transit agencies in the Chicago area have cobbled together stop gap funding to tide things over for the near future.
 - ✓ The General Assembly will return to Springfield in 2 weeks.
- **Discussions regarding a proposed energy omnibus bill** have started up in Springfield. IFB is opposed to the bill because it will increase the burden on all electricity ratepayers including farmers. This is especially concerning because of the current economic challenges farmers are facing. We also have concerns with the way the bill changes the law regarding some electric transmission lines and the fact that it does not appropriately address siting issues for battery storage installations. Late last week, IL Farm Bureau staff testified in opposition to the bill before the Senate Energy and Public Utilities Committee and the House Executive Committee. Both committees held subject matter hearings to receive input from various stakeholders, but no committee vote was taken. It is not clear yet if the General Assembly will take any action on an energy bill during veto session or if they will wait until the start of the next legislative session in January.
- **The only item of agricultural interest** in the Veto Session was [hemp regulation](#). Legislation to regulate hemp sales has [stalled](#) in Springfield for several consecutive sessions. The state's hemp growers and legal marijuana industry have been at odds, while Pritzker has warned that an existing "gray market" allows unregulated and potentially dangerous hemp-derived THC products to flood the market. It's unclear whether lawmakers can pass regulations this fall. But Pritzker has become frustrated by the legislature's inaction. "It is a shame on legislators and on this state that we are not already doing something about it," Pritzker said in September. "We need help from the legislature to make it happen and if not, we may need to impose executive authority to try to shut those sales of intoxicating hemp down."

Biofuels News--

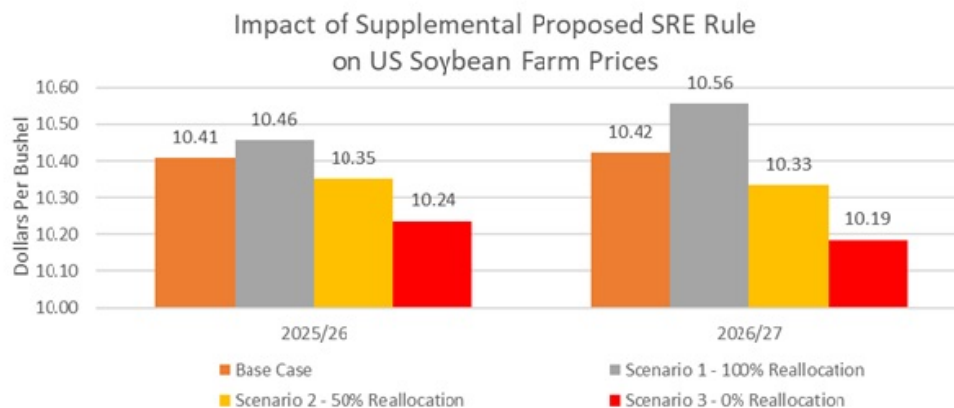
- **Ethanol bolstered growth in U.S. corn demand** from the mid-1990s through 2010, but outdated regulations are preventing further progress, contends [National Corn Growers economist Krista Swanson](#). "A stable blend rate isn't enough to maintain U.S. domestic ethanol use as motor gas declines in the future. The last thing corn growers need is a declining domestic demand segment that further depresses already below-breakeven market prices. Alternatively, clearing hurdles for higher ethanol blends supports American corn growers with market-driven price support for homegrown biofuel. A 1% increase in the national average blend rate uses 486 mil. bu. more corn in domestic ethanol, a 5% blend rate increases uses 2.4 bil. bu. more corn in ethanol. This is critical point for farmers. With policy change to allow year-round E15 and higher ethanol blends, we can unlock expanded use for American corn, strengthen rural economies, and provide consumers with a reliable, lower-emissions, cost-effective energy source. Clearing the hurdles for higher blends of ethanol provides potential for market-driven demand for homegrown corn. This is a solution farmers need now. Full implementation of E15 lays the groundwork for future solutions. Ethanol isn't just a solution for farmers. It's an American-made high-performance biofuel that lowers transportation costs, reduces emissions, and [supports the economy](#)."

CORN USE FOR ETHANOL AT A PLATEAU

GROWTH SINCE 2011 IS LESS THAN 1/10 OF GROWTH FROM 2000-2010



- Profitability in the ethanol segment is there**, thanks to a slight rise in the profit margins in the third quarter through the first half of September. Dan O'Brien, an agricultural economist with KS St. Univ., talked about the profitability of the U.S. ethanol sector that uses roughly 35% of a corn crop in any given year, "The calculations through the first 3 weeks of September are looking pretty good. Profits based on that IA model, kind of straddling IL and NE and parts of KS, at least showing about 24¢ a gal. in terms of profitability. The ethanol price has jumped up here of late. So, with the ethanol price going higher and the corn price sideways-to-lower, that's when you get profits like this. So, for the last 3 months, we've had about 12¢ profitability in July, August, about 19-20¢, and here early in the first 3 weeks of September, 24¢." How long profitability will last depends on several factors, including whether grain sorghum gets used in more ethanol production, "Unless an ethanol plant is closing down for some type of refurbishing or whatever, it would seem to be a pretty good time to run. Really, I guess, how long we will maintain pretty decent motor fuel prices, and that will bring ethanol along as well in the light of the U.S. economy and also add in moderate strength in even grain sorghum usage. "Overall, I guess, that will be the story as we look at the ethanol market. Again, low-price feed stocks come into whatever we have for the ethanol market, and if that holds up at least decently, then you'd hope for a time of at least okay profitability for ethanol plants." (WILL radio)
- Clean Fuels Alliance America** has sent a [letter to the Environmental Protection Agency \(EPA\)](#) and a [copy to USDA Secretary Rollins](#), saying EPA's pending Supplemental Notice on Renewable Fuel Standards (RFS) for 2026 and 2027 may have a major negative impact on the U.S. agricultural economy. "U.S. soybean farmers and processors could lose between \$3.2 bil. and \$7.5 bil. in crop value over the next 2 years if EPA does not completely reallocate recently exempted RFS volumes." Clean Fuels Alliance America is the largest U.S. trade association for the biomass-based diesel industry. The EPA is co-proposing additional



RFS volumes in 2026 and 2027 reallocating completely (100%) or partially (50%) retroactively exempted small refinery exemptions (SREs) for 2023 and 2024, as well as those projected to be

granted for 2025. "Biomass-based diesel is essential to America's farm security, now more than ever. Domestic biodiesel, renewable diesel and sustainable aviation fuel (SAF) production supports 10% of the value of every bushel of soybeans grown in the United States," said the letter. Clean Fuels Alliance America says EPA's refusal to re-allocate the exempted volumes will have a significant detrimental impact.

- **There's no question that ethanol is a popular fuel choice** in the United States, but what about the rest of the world? Doug Berven is the vice president of corporate affairs with POET, "Yeah, around the world, it's interesting, because gasoline and diesel are still popular choices, okay, but biofuels are coming on strong in many, many countries. In fact, last year, we set a record in exports around the world, from the United States, of bioethanol. This year, we're on pace to break that record again. So, you've got countries like Brazil, where their minimum blend rate of ethanol is E30 now. 30% ethanol is the lowest blend rate you can get at a gas pump. It's either 30% bioethanol or 100% bioethanol. Believe it, that's their choice. There is no E10 or E15. It's 30% or 100%. That's where our country needs to go, and many other countries need to go." What about other countries, "Now, in India, they have just gone to an E20 blend rate nationwide. And interestingly, they have banned the use of sugarcane in the country to make ethanol, which is also a popular feedstock. If you make bioethanol out of sugarcane, you hinder the sugar market, so they're banning sugar cane from being used and just using maize or corn in India. Canada is moving to E15 quickly. Japan is talking about E10 now. The EU, the UK, and Southern Asia are all moving to higher blend rates of ethanol." Other countries are discovering the advantages of ethanol, "1) it's less expensive. 2) it's clean. 3) it reduces cost for the consumer. 4) it's perfectly fine for all cars. The good news is we're seeing a greater implementation of higher blends of bioethanol around the world." (Midwest Communication)
- **US ethanol is a magnet for the rest of the world.** Nearly 450 international buyers and end-users of ethanol and its co-products from more than 40 countries are arriving in Washington, D.C. this week for Global Ethanol Summit 2025 (GES), ready to engage with experts from around the world on global ethanol opportunities while connecting with industry partners. Hosted by the U.S. Grains & BioProducts Council (USGBC), and supported by Growth Energy, the Renewable Fuels Association (RFA), and BASF, GES is a premier industry event that features more than 400 policymakers, ministerial level officials and senior industry leaders, researchers, ethanol producers, traders and industry stakeholders. The conference will address emerging markets in on-road and off-road applications, ethanol's contributions to economic and agricultural development, its impact on reduced carbon emissions, robust environments and improved human health, carbon intensity discussions and implementation measures, removing trade restrictions and ethanol use and technological advancements. The conference runs through Wednesday in Washington, D.C. More information about GES 25, including the agenda, is available [here](#) or on social media using the hashtag #GES25. Before attending GES, the Council organized 12 trade teams to show international buyers and end-users' aspects of the U.S. ethanol value chain to strengthen relationships. Three trade teams arrived from the Philippines, Vietnam and South Korea in the U.S. before GES and visited corn-growing states during harvest, explored ethanol and DDGS production at ethanol plants and viewed terminal facilities.

Animal Agriculture--

- **President Trumps “magic” to cut consumer prices for beef** will give US beef producers the same anger that soybean growers have. [The commonality is Argentina](#). “We would buy some beef from Argentina,” he told reporters aboard Air Force One during a flight from Florida to Washington. “If we do that, that will bring our beef prices down.” Trump has been working to help [Argentina bolster its collapsing currency](#) with a \$20 bil. credit swap line and additional financing from sovereign funds and the private sector ahead of midterm elections for his close ally, President Javier Milei. Milei used the first \$20 bil. to temporarily eliminate Argentina’s export taxes to allow China to purchase soybeans at a cut rate. Now, a second \$20 bil. bailout of Argentina will pull excess Argentine beef into the US to compete with beef produced in US feedlots.
- **Every cattleman is concerned** about Trump’s plan to interfere with the cattle market. [Bloomberg](#) reported, “President Donald Trump said his administration had struck an agreement to bring down the price of beef for consumers during an event in the Oval Office on Thursday. Trump didn’t provide details on what the federal effort entailed but conceded that beef was one area where his efforts to fight inflation hadn’t paid enough dividends. We are working on beef, and I think we have a deal on beef that’s going to bring the price down, Trump said. ‘That would be the one product that we would say is a little bit higher than we want it, maybe higher than we want it, and that’s going to be coming down pretty soon too. We did something, we worked our magic.’” [Reuters](#) says, “The USDA is developing a plan to revitalize the decimated U.S. beef herd but will not offer payments to producers. The USDA is working on short- and long-term solutions to the problem and will provide more details in mid-October. We have no current plans to offer any payment to beef producers. We see how the government getting involved can completely distort the markets. And so currently there will be no plan, no plan is even under consideration, to insert ourselves through payments into the beef cattle industry. Instead, the plans will focus on opening up more working lands and expanding risk-mitigation tools,” USDA said. Bloomberg columnist Javier Blas says, “Meantime, in the non-magic wholesale market, beef prices remain near an all-time high, while ground beef and steak retail prices are the highest ever.”



- As the beef industry** works through the lowest beef cattle inventory since 1951, participants have combatted the lower number of cattle by growing them larger in the feedlot. [Cattle slaughter weights have changed](#) — just as beef production has — through the years. “The weekly average live weight for slaughtered cattle at the time of this writing is 1,414 lb., which is 21 lb. heavier than the same week one year ago, and 58 lb. heavier than the same week in 2023. Thus, slaughter weights have increased 4.3% in 2 years. This compares to cattle weights of 1,335 lb. in 2014 when prices were at record levels up to that point. Thus, it is clear cattle feeders have really been pushing cattle to heavier weights the past couple of years. The average slaughter cattle weight the same week in the year 2000 was 1,228 lb., which is approaching 200 lb. lighter than today. The increasing weights in and of themselves fail to put it into full perspective. Consider the quantity of cattle being slaughtered on a weekly basis is in excess of 500,000 head. This means there were more than 10 million more pounds of live weight during one week in 2025 compared to the same week in 2024 — and closer to 30 million lb. more than the same week in 2023. Despite this plethora of information, it still does not fully address why beef prices and cattle prices are so strong. One would also need to consider beef imports and exports, the quantity of domestic and international beef consumers and beef demand in general. All of these factors influence beef and cattle prices. The point is that cattle inventory is not the only variable in this equation as beef markets are extremely dynamic. Lastly, cattle producers will grow the herd when profitability is sufficient to do so. The market is probably there, but how quickly will the industry retain females to grow the herd?” The White House has a problem with current beef prices and says it is going to use “magic” to solve its concerns but has not defined what “magic” would entail.
- When analyzing the economic forecast for pork producers**, Lee Schulz, chief economist at Ever.Ag, says of the latest Hogs and Pigs Report, “That gave us inventories as of Sept. 1, and then helped us kind of project those numbers 6 months to a year ahead, as we kind of look at those slaughter supplies and kind of anticipate what those numbers are. I would put it in the category of a bit of a shocker, because not only did we see numbers below a year ago, which was a little bit of a surprise, but compared to pre-report expectations, as there's about 7 analysts that were asked about what they expected the numbers to be, and USDA came in much lower than those numbers.” Schulz says if the latest Hogs and Pigs Report is taken at face value, it suggests tighter supplies than many had anticipated going into the release. That could have implications for prices and market movement heading into the end of the year, as producers and analysts reassess supply expectations and demand outlooks, “What USDA told us is actually, till about mid-November, we could expect to see a few more supplies than compared to last year. But then, as we kind of turn the corner into mid-November through February, as they help us with those pipeline supplies, that's where USDA says we're going to get tighter supplies to compared to a year ago.” In 2025, pork producers have seen a return to profitability, averaging around \$20 per head, bringing margins close to the levels last seen in 2021. (National Pork Board)

- **KS officials issued a public notice** after testing confirmed the invasive Asian longhorned tick posed an emerging threat to animal and human health. Successful Farming reports this was the first known detection in KS of the prolific tick, which afflicts wildlife, pets, and livestock. The tick is a hazard for cattle as it infects red and white blood cells and causes weakness, fever, loss of appetite, and even death. The reddish-brown tick is known to carry a variety of pathogens and has proven efficient at establishing populations in new areas due to its ability to reproduce without mating. In Asia, the tick has transmitted a virus causing human hemorrhagic fever. "Right now, our concern is mainly for cattle," said Gregg Hanzlicek, a KS St. Univ. professor. "But like any tick, people should: wear long sleeves, use insect repellent, and check for ticks after being in grassy or wooded areas."
- **The USDA is pushing back against Texas Ag Commissioner Sid Miller.** During a conversation with RFD-TV, a USDA spokesperson said Miller, a very close friend of USDA Secretary Rollins, is proposing "ineffective solutions" in the fight against the New World Screwworm. In an exclusive statement to RFD-TV, the agency defended its \$750 mil. plan to build a sterile fly production facility at the southern border, calling it the "most aggressive response in U.S. history." The USDA also accused Miller of disregarding proven methods for cheap publicity. The spokesman said, "Commissioner Miller is blatantly disregarding tried and true strategies in favor of clickbait publicity stunts instead of working with us to find real solutions."
- **JBS USA broke ground Tuesday** on its "state of the art" sausage making facility and celebrated with city and state leaders a "turning point" for the community. The roughly 110-acre site on the southeast side of Perry, IA, is slated to be operational a year from now and officials said the plant would add a second shift about 6 months later, to hit the full 500-job metric. IA Secretary of Ag Mike Naig said the plant would add "tremendous value" to the IA pork industry.
- **MN pork producer Lori Stevermer**, the former president of the National Pork Producers Council, saw firsthand how challenging things are in U.S. agriculture and the pork industry. She said there is no doubt that things are rough in the U.S. farm economy, "I would say these are some interesting and challenging times for our farm economy. If you look at the grain sector, obviously, they've got high input costs, low market prices, so they are feeling some losses and not profitability. It's the opposite, I should say, for the pork industry. Our inputs are low, our market prices are good, and so we are seeing some profitability. But you have to recall that back in '23 and '24 we went through some pretty severe losses too, so I think that makes it, overall, a challenge for agriculture." Once again, as we look at this farm economy and the challenges, not just with prices, but as you alluded to, with labor, which has been a concern of ours for a number of years. I mean, we need people to work on our farms. We need people to work in our packing plants. There's just not enough labor or bodies in the rural areas, and so, talking about some type of visa reform, H-2A visas, which are only seasonal. How can they be year-round, so we can get them working?"
(Backroads of Illinois Podcast)

- **The National Cattlemen's Beef Association** is accepting nominations for the 2026 Environmental Stewardship Awards. Established in 1991, the Environmental Stewardship Award Program recognizes outstanding stewardship practices and conservation achievements of cattle producers across the country. "Since its inception 35 years ago, this prestigious program has recognized 235 cattle operations for their stewardship efforts," said NCBA President Buck Wehrbein. For nominations, go to environmentalstewardship.org.

Farm and Family Matters—

- **Older adults sometimes leave billions of dollars** in government assistance on the table each year and don't realize it. It's money that could help cover utilities, rent, health care, and prescription drugs. Sean Voskuhl, OK State Director for the AARP, talks about those federally funded programs that go unused every year, "First, let's talk about SNAP – the Supplemental Nutrition Assistance Program. Almost 60% of adults 50 and over who qualify for SNAP aren't using it. Chances are good that if social security is your only form of income, you may qualify for SNAP benefits." Older adults that often live in multigenerational households will find that SNAP can help stretch the budget for a shared household." But that's not all. Voskuhl said in most states, the Senior Farmers Market Nutrition Program is also available, "It helps people ages 60 and over to get access to locally grown fruits and vegetables. There is also a Commodity Supplemental Food Program that provides monthly boxes to low-income people ages 60 and over." It's a well-known fact that healthcare costs are another big expense in retirement, especially prescription medication. Almost one-third of adults 50 and older reported trouble paying for their prescriptions, "The Medicare Savings Programs could help pay premiums, deductibles, or co-pays for Medicare Part A and Part B. The Medicare Part D Extra Help Program helps people with limited income reduce their Part D, which is prescription drug costs. Even if you don't think you qualify, it's important to apply. These benefits often go unused because people don't think they qualify when they actually do."

Food and Nutrition News--

- **Recently, there have been multiple changes** to requirements for the [Supplemental Nutrition Assistance Program \(SNAP\)](#) which offers a food safety net for more than 42 mil. Americans. And now, starting November 1, new eligibility and operational requirements for SNAP will come into effect. Able-bodied Adults Without Dependents will only be able to receive SNAP benefits for 2 months within a 3-year period, unless they engage in some type of work activity or participate in vocational training. Previously the age limit was 59 years old, now it will be 65. The previous age limit for dependent children was 18 years, now it will be 14. Although pregnant individuals or people unable to work due to physical or mental conditions are still protected, homeless individuals, veterans, or young adults are not exempt from complying with the new measures. Limited exceptions will be made for good reasons, such as caring for young children or health issues. Those who can work must.

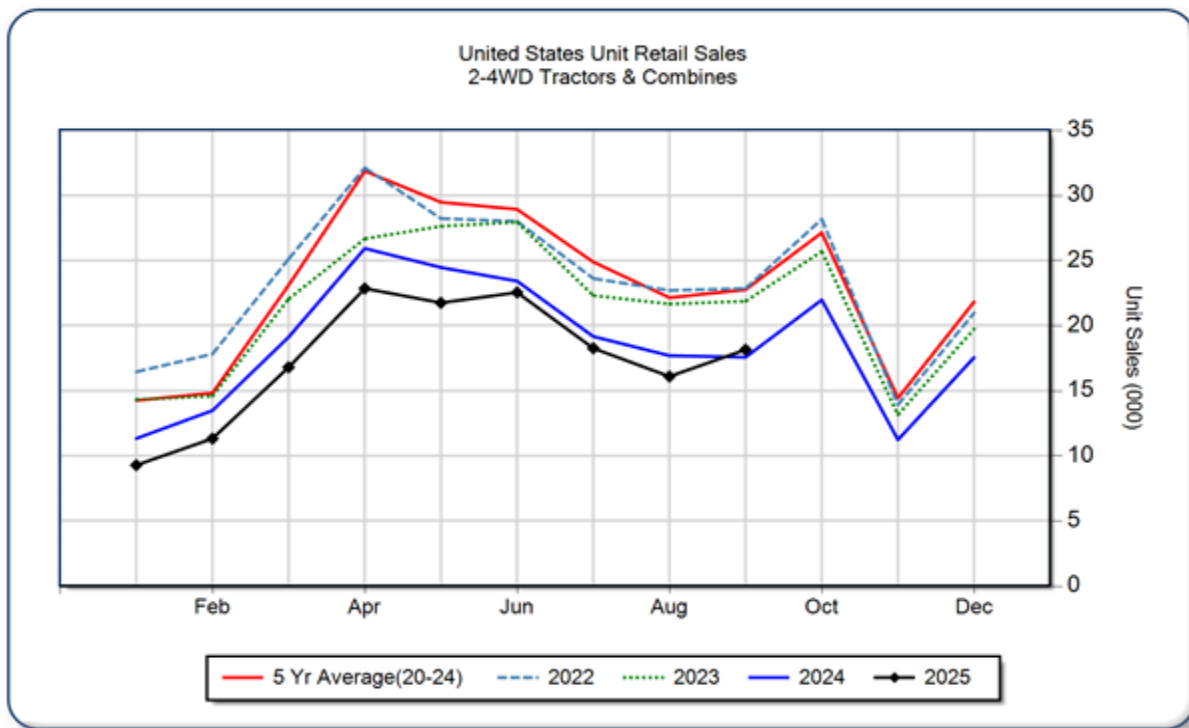
- **The partial federal shutdown** threatens to block next month's benefits for low-income people who participate in the nearly Supplemental Nutrition Assistance Program, and USDA is blaming the situation on Democrats, despite Republican refusal to accept any bi-partisan agreement. The USDA, which oversees the program, sent letters on Oct. 10 [to the state agencies](#) that administer it telling them not to send certain files to the contractors that would clear the way for the EBT cards to be loaded at the start of November. Additionally, Secretary of Agriculture Rollins said this week [on social media](#) that [funding for SNAP would run out on Nov. 1](#). State officials say a pause in benefits would be a blow to families and the broader economy. It's possible that the government could find funding to keep the program going even if the shutdown continues, but at \$8 bil. a month, that would be a challenge.
- **In a further attempt** to reduce the SNAP program, [USDA will penalize states which either distribute too much or too little in the way of benefits](#) for the indigent. If the reform were to take effect immediately, only 8 states would make the cut and receive full funding. If a state is unable to get its error rate below the 6% threshold in time, it will need to cover between 5% and 15% of the cost of SNAP benefits. Those with higher error rates generally must pay more, but state with especially high mistake rates will have as late as 2030 to comply. As a result of the cost shift, the Congressional Budget Office [estimates](#) that some states will end up reducing or eliminating SNAP benefits for about 300,000 people. Subsidies through child nutrition programs could also decrease for about 96,000 children. The new error rate requirement is one of several changes made to SNAP by the [One Big Bill](#) legislation passed over the summer. The [deadline to comply with several other provisions](#) is coming up in November. SNAP, formerly called the Food Stamp Program, provides food assistance to an estimated 42 mil. people nationwide. That's about 1 in every 8 people. For FY 2024, IL had 10.64% in overpayments and .93% in underpayments. USDA says that is an 11.56% error rate, and if IL cannot reach the 6% rate by November, it will have to cover up to 15% of the total SNAP benefit for IL residents.

Agribusiness—

- **The Farmers Business Network** issued its annual crop protection market report, highlighting its outlook for pricing and supply trends. "There's a lot of uncertainty going into 2026, and you can contrast that to 2025, where tariffs were mostly known going into spring," said John Appel, FBN vice president of category management. "2026 is going to be structurally very different." He also said that at certain points in 2025, product prices were at multi-year lows, so there was no more room to go down. He said now that the channel is largely depleted, "We know that, structurally, these tariffs are going to come into place from a cost perspective." FBN anticipates the pricing for glyphosate and glufosinate coming from China rising because of a 20% tariff. "Others like 2,4-D, you have significant duties on products like that, and on top of that, countervailing and anti-dumping duties could be up to 170%," he added.

- **According to recent data** from the [Association of Equipment Manufacturers](#) (AEM), U.S. sales of agricultural tractors grew 4.1% in September 2025 compared to the year before.

	September			YTD - September			Beginning Inventory Sep 2025
	2025	2024	%Chg	2025	2024	%Chg	
2WD Farm Tractors							
< 40 HP	10,336	10,080	2.5	99,618	106,338	-6.3	61,476
40 < 100 HP	5,438	4,636	17.3	39,691	40,806	-2.7	26,367
100+ HP	1,655	1,871	-11.5	13,091	17,390	-24.7	7,870
Total 2WD Farm Tractors	17,429	16,587	5.1	152,400	164,534	-7.4	95,713
4WD Farm Tractors	300	446	-32.7	1,900	3,109	-38.9	683
Total Farm Tractors	17,729	17,033	4.1	154,300	167,643	-8.0	96,396
Self-Prop Combines	414	530	-21.9	2,688	4,456	-39.7	1,233

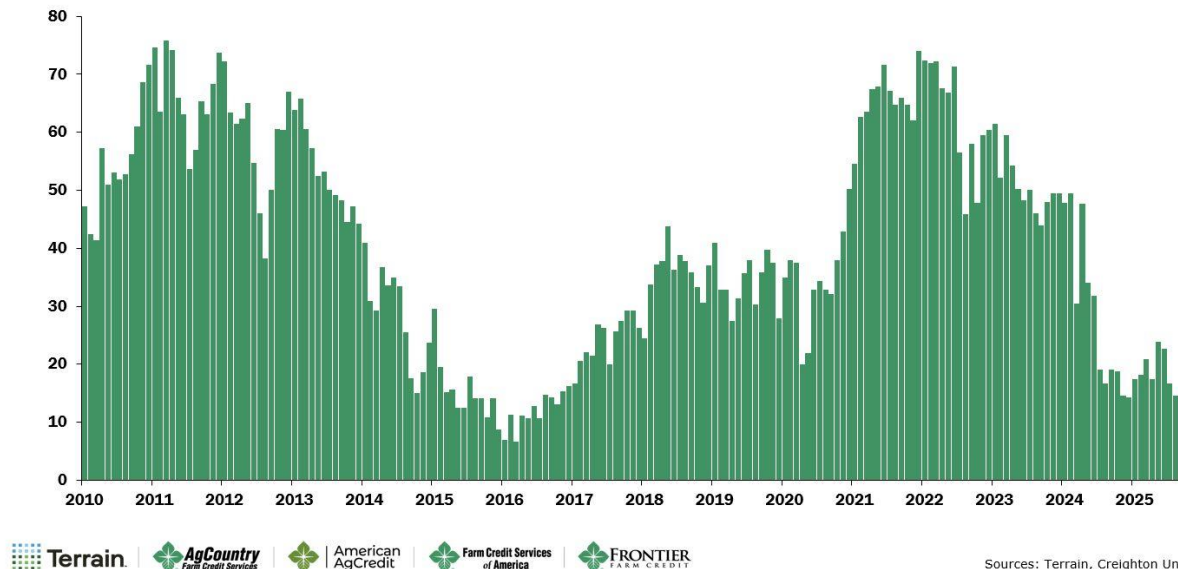


U.S. sales of 2-wheel-drive tractors increased 5.1% in the same period. Meanwhile, Canadian Sales of agricultural tractors rose 7.2% with combine sales jumping 42% in September 2025 compared to the year before. "After challenging months of continued sales declines in the U.S. market, this modest increase is certainly encouraging," said Curt Blades, Senior Vice President at the Association of Equipment Manufacturers. "Although there are some uncertainty and volatility in the marketplace, we are optimistic this positive trend will continue, particularly as the harvest season progresses. This improvement in both the U.S. and Canadian market is a testament to the resilience of our industry and the ongoing demand for agricultural equipment." →

- **Before the latest AEM announcement,** Creighton University published its index of farm equipment sales. At that time. Then-Terrain Ag Economist John Newton said, “It's no secret that the slowdown on the crop farm economy is impacting machinery sales. We're now approaching the lows last seen during the last downturn in the farm economy.”

Farm Equipment Sales Have Slowed Sharply

Mainstreet Economy Index of Farm Equipment Sales



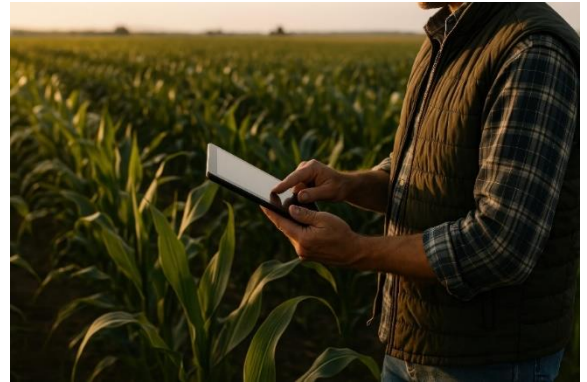
Sources: Terrain, Creighton University

- **Farm Foundation,** in partnership with The Mosaic Company for Sustainable Food Systems and the PepsiCo Foundation, announced the launch of FarmPath. It's a national program designed to create more resilient, diversified, and innovative farming communities to strengthen rural economies, support food security, and promote a flourishing future for American agriculture. FarmPath will equip the next generation by increasing the success rate of beginning farmers by taking a number of steps, including equipping them with mentorship, planning tools, and practical pathways to accomplish their goals. It will also set new farmers up with mentors and experts to help them preserve and practice critical skills. FarmPath will build a supportive community with a cohort-based approach grounded in shared experiences and mutual support, as well as scaling sustainable practices and natural resources use through hands-on and virtual training. “FarmPath is about opening doors and sharing wisdom,” said Shari Rogge-Fidler, president of Farm Foundation.
- **ADM has opened a new Central Milling lab** in its specialty manufacturing at Decatur, to provide insights into how flour performs in the real world of bakeries and restaurants. When wheat is received, the lab bakes approximately 30 loaves of bread each day, enabling ADM to evaluate performance and ensure the company can procure the highest-quality wheat for customers. Currently, the lab supports [31 ADM facilities across North America](#).

Technology—

- **Buckle your seatbelt!** “Built on the new Illinois Chat platform developed by the [National Center for Supercomputing Applications](#) (NCSA) at the Univ. of IL and Illinois Computes, CropWizard is turning AI innovation into on-farm intelligence. Developed by AIFARMS, and the Center for Digital Agriculture (CDA), CropWizard helps farmers and researchers make data-driven decisions for sustainable, digital crop production, transforming complex agronomic data into clear, actionable insights.”

- ✓ **CropWizard.** CropWizard serves as an interactive question-answering and decision-support service powered by generative AI designed for agricultural professionals. Using Illinois Chat’s fully automatic retrieval-augmented generation (RAG) framework, [CropWizard](#) consults over 200,000 curated agricultural publications, mainly Extension documents from U.S. land-grant universities and a growing set of open-access research papers. CropWizard also consults a portfolio of computational tools specific to agriculture to answer data-driven questions. The result is a “virtual agronomist” capable of offering tailored farming advice, research insights, and computational analyses of user data. Users can ask CropWizard about pest management, crop rotation, or nutrient requirements, or even upload images for multimodal question-answering using integrated detection tools. This close relationship



between Illinois Chat and CropWizard demonstrates the growing potential of campus-built AI ecosystems. By building on a platform created at NCSA for broad educational and research use, CropWizard exemplifies how Illinois researchers can rapidly deploy domain-specific AI tools that are secure, transparent, and locally governed. Linking the technology and the IL farm

community will be IL Extension veteran Dennis Bowman (above). Learn more about Illinois Chat in this article by NCSA: <https://ncsa.illinois.edu/illinois-chat-is-launched-for-campus-community/> →

- ✓ **AIFarms.** The Artificial Intelligence for Future Agricultural Resilience, Management, and Sustainability ([AIFARMS](#)) Institute brings together researchers in artificial intelligence and agriculture, combining their expertise to promote advances in agriculture through AI. Our mission is to use core AI research areas such as computer vision, machine learning, data science, soft object manipulation, and intuitive human-robot interaction, to address major challenges in agriculture, such as, [Sustainable intensification without increased labor](#); [Efficiency and Welfare in animal agriculture](#); [Environmental Resilience in Crops](#); [Soil health](#); and [Technology adoption](#). Leading this effort are world-class researchers from our 5 academic partners, who will direct a team of Ph.D. students and postdoctoral researchers, to form a research cohort trained to the highest level in both computer science and agriculture. Joint computer science + agriculture degree programs at BS and Master's levels will be augmented with AI content to help build a highly qualified workforce. Our outreach efforts will work to ensure all communities benefit from emerging technologies. We are working to create the AIFARMS Hub, a global clearing house for AI-driven agriculture research, to foster and coordinate a large external community around AI-driven innovation in agriculture, with a far broader research agenda than one institute can tackle alone. Early research initiatives include Autonomous Farming, Labor Optimization for Livestock, Environmental Resilience, Soil Health, and Cross-Cut Thrust: technology adoption.

Farm Safety and Welfare—

- **“My husband noticed plumes of smoke by the engine. The combine was on fire!”**
Public relations professional and farm wife Sara Hewitt said, “We made an extremely conscious effort about four years ago to ensure every piece of equipment had fire extinguishers (combines, tractors, grain trucks) along with first aid kits and tourniquets. We documented every field with GPS coordinates and closest physical addresses. That fire extinguisher saved our combine from being fully engulfed and a total loss. It kept the rest of this field from starting on fire. It bought us time and safety until the fire department could get to us. Knowing the exact field location for dispatch meant a faster response time. My challenge to you this harvest season:
 - ✓ If you work with farmers, make safety part of your service. Ask the questions: do you have a fire extinguisher here? How about a first aid kit? Offer the reminder.
 - ✓ If you farm yourself, please don't skimp on safety. Purchase the fire extinguishers. Purchase the first aid kits. Put them in every piece of machinery. Know how to use them. Know your field locations. Be prepared. Have the conversations. Put in the work to ensure your family's safety.
 - ✓ As we sort through insurance and next steps, the small yet intentional changes in safety are what made all the difference.

Farm and Check-off Organizations —

- **A group of 13 FFA members** has been selected to serve as young leaders for agriculture through the National FFA #SpeakAg Pioneers program. The 2025-2026 cohort of #SpeakAg Pioneers will promote agricultural advocacy and literacy to other members and the public by hosting workshops and creating content for social media. The #SpeakAg Pioneers will attend the upcoming 98th National FFA Convention and Expo in Indianapolis from October 29 through November 1. They will also participate in other local and national events to interact with policymakers and advocate for agriculture on behalf of more than 1 mil. FFA members in all 50 states, Puerto Rico, and the Virgin Islands. "Teaching students communications and advocacy through agricultural education empowers them to share their stories, champion their communities, and speak up for the future of agriculture," said Celya Glowacki with the National FFA. "The skills help them prepare to make an impact."
- **The National FFA Organization** is one of 6 national organizations to receive a \$10 mil. grant from [Lily Endowment, Inc.](#) The grants are being awarded through the latest round of Lily Endowment's initiative, called the "Character Through Youth Programs," which helps youth-serving organizations with a nationwide reach create, test, implement, and sustain strategies that support character development in young people ages 5 to 18. "The organizations like National FFA have a long history of supporting young people and helping them grow into healthy, resilient adults," said Ted Maple, Lily Endowment's vice president for education and youth programs. "With their distinctive missions and programs, they are embarking on new creative and strategic approaches to support youth-serving organizations through the first round of the initiative." Ambra Tennery, director of education programs in the programs and events division for the National FFA Organization, said, "We are honored to receive this support from Lily Endowment."
- **Emergency response departments** are a vital part of life in rural America when there are problems. Departments from IL, MN, and WI received over \$600,000 to fund much-needed equipment and technology upgrades. Through its Fund for Rural America, Compeer Financial awarded 160 Emergency Response Equipment Grants to help volunteer fire, rescue, and ambulance departments improve their operational efficiency, safety, and response times. Rural volunteer emergency response departments are struggling with multiple challenges while serving their communities due to fewer volunteer first responders, outdated personal protective equipment, increases in service requests, and rising costs for essential equipment. "For first responders to give their best, they need to be equipped with the proper tools," said Karen Schieler, manager of giving at Compeer Financial. "We recognize the challenges volunteer emergency response departments face with funding, and we hope these grants help them continue to take care of critical situations in rural America."

And now a short break for this message—

- **Within hours of the Trump administration taking office**, the Soybean Innovation Lab (SIL) at the Univ. of IL was shuttered and its staff and assets in central Africa were eliminated as the US Agency for International Development (USAID) was defunded. An international benefactor appeared and SIL Director Pete Goldsmith feverishly salvaged all that was possible. [And he was quite successful!](#) As the link indicates, the Soybean Innovation Lab is back in business, with the release of 3 soybean varieties from the Pan-African Variety Trials that have been bred for central African production, and the first private-sector soybean varieties ever registered in Uganda.



★★★★★

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Our involvement in PAT™ provided an opportunity to benchmark our varieties against regional products, including those that we traditionally could not access or include within the trials. We also used PAT™ data to support internal data during our releases in Nigeria, Zimbabwe, and Malawi, and we frequently use it as a reference in markets where we don't have internal data.

Dr. Learnmore Mwadzingeni
Seed Co

Through PAT™, Seed Co turned field data into new market opportunities and regional growth — setting a model for agribusinesses looking to expand their seed portfolio.

PAT™ is where research meets market.

The overall purpose is to introduce the explosive new African market to soy, which will result in major import demand for US soybeans, something which DOGE could not understand when US AID and the Soybean Innovation Lab were terminated in January.

Mark Your Calendar! --

- **MAHA isn't over**—and IL farmers need to understand what's coming next. In this webinar, Callie Eideberg, former Senior Staffer to the Senate Ag Committee and DC policy insider, will reveal how the movement could affect your farm operations. Make sure you're prepared for the policies shaping your farm's future. Sponsored by the IL Soybean Assn, October 21, 10 am. [Register here.](#)

- **Nutrient Loss Reduction Strategy Conf.** will be held Nov. 5. in the I Hotel and Conf. Center in Champaign. Agenda and details will be forthcoming.
- **A workshop for watershed leaders** will be held Nov. 5-7 at Allerton Park and Retreat Center near Monticello. The workshop is an interactive forum on new viewpoints, real questions, and a hands-on approach to learning. Watershed leaders from IL, IA, WI, MO, and MN will be participating. Registration is \$275. INFO: 608-792-5550.
- **NACD, in partnership with NRCS**, has issued a request for proposals for Technical Assistance (TA) Grants. Applications are due by November 6, 2025, at 11:59 p.m. ET and must be submitted through the NACD Application Portal. For more information, to apply, or to register for the informational webinar, visit [NACD's website](#).
- **The IL Beef Foundation** will hold its 2025 Cattlemen's Gala and Fundraiser Nov 21 in Springfield. A dinner, program, auction, and raffle will precede entertainment. [Details and tickets are available here](#).
- **The 2025 Farm Assets Conference** is scheduled for Friday, December 12 at the Agri-Center, on Carroll Drive, off Route 9 on the west side of Bloomington. The program starts at 8:00 a.m. Registration for 2025 is \$80 per person through noon December 8 and \$100 thereafter. [Register here](#) for Farm Assets Conference details.
- **The Illinois Farm Economics Summit** addresses current economic conditions and policy issues impacting global, US, and IL agriculture. They include Farmdoc presentations, discussion, and Q&A on grain and livestock markets, farm financials and profitability, farm and risk management, farmland values and leasing, farm policy, and more. Preregistration for the 2025 IFES meetings is \$80 per person through December 7th. Registration is \$100 per person beginning December 8th. Walk-in registrations will be accepted the day of the meetings if space allows but cannot be guaranteed. Register for [Dekalb](#), [Peoria](#), [Mt. Vernon](#).
- **The 2026 IL Soybean Summit** will be Jan. 27-28 at the I-Hotel in Champaign. [There are a multitude of reservation choices here](#). The event will be all day Tuesday, a dinner event for ISA members Tuesday night, and the morning of Wednesday.
- **AgMarket.Net** conference, Farming for Profit not Price, will be Feb 1-2 in Nashville, TN. It is designed to educate and provide tools and resources we have for farmers and producers across the country. [Details, speakers, topics, and registration are here](#).



- **Cornbelt Update** is a weekly service of the Illinois Soybean Association and provided to its farmer leadership.
- www.ilsoy.org
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