



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

Commodity Market Drivers—

- **A growing number of commodity market analysts** are looking toward January's World



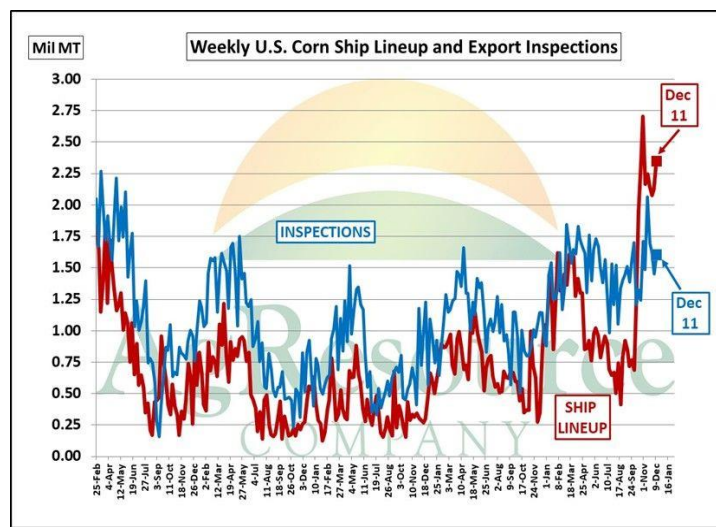
Agricultural Supply and Demand Estimates (WASDE) report with anticipation. Naomi Blohm, (left) Senior Market Advisor with Total Farm Marketing, says one of the positive factors for corn farmers at the moment is the continuing good demand, "Demand for ethanol: Solid. You know, closer to 5.5 bil. bu. So a third of what we grow goes right to ethanol. We're having record corn exports this year of 3 bil. bu. Fantastic." The December WASDE historically provides few changes, and that was the case when it was released on last week. Blohm says

she and other market observers think USDA's ending stocks number may currently be on the high side, "Many of us feel, 'Oh, that corn yield number needs to come down a bit,' in which, if it does, it won't be on the December WASDE, it would be in January. That's going to be a reason why corn ending stocks go below 2 bil. bu. and could be closer to 1.6 or 1.7." If that's the case, she is optimistic about prices and profits, "IF this corn yield number in the United States goes down in January, IF there's this weather issue in South America this winter, and IF the USDA brings that yield number down, we've got reasons for corn futures to be able to really easily climb over \$4.50, and maybe head up towards the \$5 area which would be very welcomed for so many producers." Blohm says the southern rust disease reported in IA and MO was not fully accounted for in USDA's most recent corn yield numbers, but could be reflected in January. (NAFB News Service)

- **Let's get an update on soybean sales to China** from [US Trade Representative Jamieson Greer](#) (right). Tuesday, he told a Senate Appropriations subcommittee "The deadline for China to buy 12 mil. metric tons (440 mil. bu.) of soybeans from American farmers was not the end of December as the White House has said, but the end of the "growing season." Greer's comment at the hearing came on the heels of a report by NBC News showing that the [pace of China's purchases of soybeans](#) in recent weeks was well short of reaching the agreed amount by the end of the calendar year. China, which in October agreed to end its monthslong boycott of American soybeans amid a trade war, to date has bought only about 3 million metric tons, the trade representative told members of the [Agriculture, Rural Development, Food and Drug Administration, and Related Agencies](#) Subcommittee. Greer said there was a "discrepancy" in what the White House has described as the deadline and the actual deadline for the purchases to be completed. The most recent growing season for soybeans ended in November, according to the USDA. CNBC asked Greer's office whether there is a hard or rough deadline for China to reach 12 mil. metric tons of purchases, as agreed to as part of a trade deal with President Donald Trump in October. An official familiar with the issue said, on Thursday, that the deadline for soybean purchases with China has not changed. "The reference to growing season refers to the fact that soybean sales for a growing season typically happen between September to March of the next year — that is what we are seeing now," the official said. "The Fact Sheet conveys that we expect China's purchases to take place largely during the last two months of this year, even if the actual shipments would not take place until later in the sales period for the growing season." Greer's disclosure came in response to a question by Sen. Deb Fischer, R-NE, "There remains anxiety about if and when China will fully follow through on those purchase commitments that were made," Fischer said. She noted that the White House fact sheet on the trade deal said China would purchase 12 mil. metric tons by the end of the calendar year -- contradicting recent comments from Greer. The fact sheet says, "China will purchase at least 12 mil. metric tons (MMT) of U.S. soybeans during the last 2 months of 2025 and also purchase at least 25 MMT of U.S. soybeans in each of 2026, 2027, and 2028." Greer told Fischer, "It is for this growing season, so, thank you for highlighting that." "We've heard from a couple farmers, they wanted to know about that discrepancy, and it is a discrepancy, it's through the growing season," he said. Joe Glauber, a former USDA chief economist, told CNBC in an interview he doesn't know what the administration means when it refers to the growing season. "It's not a term that USDA means by any chance," Glauber said. "Does that mean at harvest, or does that mean actually the end of the marketing year, which is the more common way?" "They are in a perfect cadence to complete that goal," Bessent said, about data from the USDA as of Nov. 14 showed that China had only purchased 330,000 metric tons (12 mil. bu.) Bessent called the figure "bad information."



- Tuesday's WASDE report could have set off fireworks** with new Chinese purchases and shipments. But the match went out. [Karl Plume at Reuters reports](#), "The USDA left its U.S. soybean export forecast unchanged in a monthly report on Tuesday as sales to China have resumed after the top importer had shunned purchases for months amid a bruising trade war with Washington. The USDA pegged soybean exports in the 2025/26 season that ends on August 31 at 1.635 bil. bu. Ending stocks were also unchanged from a month earlier at 290 mil. bu. The world's top soy importer resumed buying U.S. soy after a meeting between presidents Xi Jinping and Donald Trump in late October, where the White House said China agreed to buy 12 million metric tons (440 mil. bu.) from the current crop. Some of the nearly 2.9 million metric tons (106 mil. bu. in confirmed sales to date have already started to ship. The purchases, however, were well below levels that China has imported from the U.S. in recent years. That loss of demand has pressured soybean prices and cost U.S. farmers billions of dollars in lost sales. Corn exports have been robust, and the USDA on Tuesday raised its U.S. corn export forecast as sales of the grain to global buyers have been stronger than anticipated. U.S. corn exports were seen at a record 3.200 bil. bu., up from 3.075 bil. a month earlier, while end-of-season supplies were estimated at 2.029 bil. bu., down from the USDA's prior-month forecast of 2.154 bil.
- The December WASDE is old news**, but for the record, here is a summary from Tuesday's report. The December World Agricultural Supply and Demand Estimates Report shows this month's 2025-2026 U.S. corn outlook is for greater exports and lower ending stocks. Exports were raised 125 mil. bu. to 3.2 bil., reflecting shipments to date. With no supply changes and use rising, ending stocks dropped 125 mil. bu. to 2 bil. The season-average corn price is unchanged at \$4 a bu. U.S. soybean supply, use, and price projections are unchanged. All the supply and use categories for wheat are unchanged this month. However, there are offsetting by-class revisions for feed and residual use and exports. The season-average farm price remains \$5 a bu.
- This week's U.S. corn export inspections** could be 63 mil. bu. That would be up 10.1% from the previous week. This week's ship lineup is 92 mil. bu. That is up 10.4% from the previous week. December Census exports could be 280 mil. bu. In the December WASDE, the USDA raised their projection of U.S. corn exports by 125 mil. bu. to a record 3.2 bil. bu. Last year's exports were 2.858 bil. bu.



- **Grain Market details from** General Manager Kevin Walker and staff at [Legacy Grain](#).
- ✓ **Soybean market drivers: Soybeans** fell lower into the weekend, with contracts 15 to 17¢ cents lower on Friday. Weekly losses were 28¢ cents in the January contract. The CmttyView national average [Cash Bean](#) price was 17¢ lower at \$10.06½. [Soymeal](#) futures were 40¢ to \$1.80 higher in the front months and lower in the deferreds, with January closing the week down at \$4.90. [Soy Oil](#) futures were 55 to 83 points lower, as Jan was down 162 points this week. A private export sale of 4.8 mil. bu. was reported to China by USDA Fri. morning. Known China purchases (via daily flash sales and weekly data) have accumulated 128.6 mil. bu. Another sale was reported for soybean meal totaling 104,328 MT to Mexico, with 93,895 MT for the current marketing year and 10,433 MT for the next MY. We will get another backlogged update to the Export Sales report on Monday. Traders are looking for 30-110 mil. bu. in soybean sales for the week of November 20. Meal sales are estimated at 100,000-450,000 MT, with 5,000-25,000 MT for bean oil. Sinograin, a Chinese state stockpiler, setup another auction for 19 mil. bu. of imported soybeans set for next Tuesday. [Jan 26 Soybeans](#) closed at \$10.76¾, down 16¾¢, [Nearby Cash](#) was \$10.06½, down 17¢.

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TV TradingView

- ✓ Commitment of Traders data was updated this afternoon for the week ending on November 18, with spec funds adding 35,182 contracts to their net long position. That position was 229,625 contracts net long by that date, the largest since October 2020.

- ✓ **Corn market drivers:** Corn futures closed the Friday session with contracts down 4 to 6¢ across most nearbys, as December expired. March settled the week with a 4¢ loss. The CmttyView national average [Cash Corn](#) price was down 5½¢ at \$3.96¾. USDA reported private export sales of 9.8 mil. bu. of corn during the reporting period to unknown destinations this morning. Export Sales data will get another catchup on Monday, with traders looking for 43-86 mil. bu. in corn sales during the week ending on 11/20. [Dec 25 Corn](#) closed at \$4.31½, down 3¾¢.

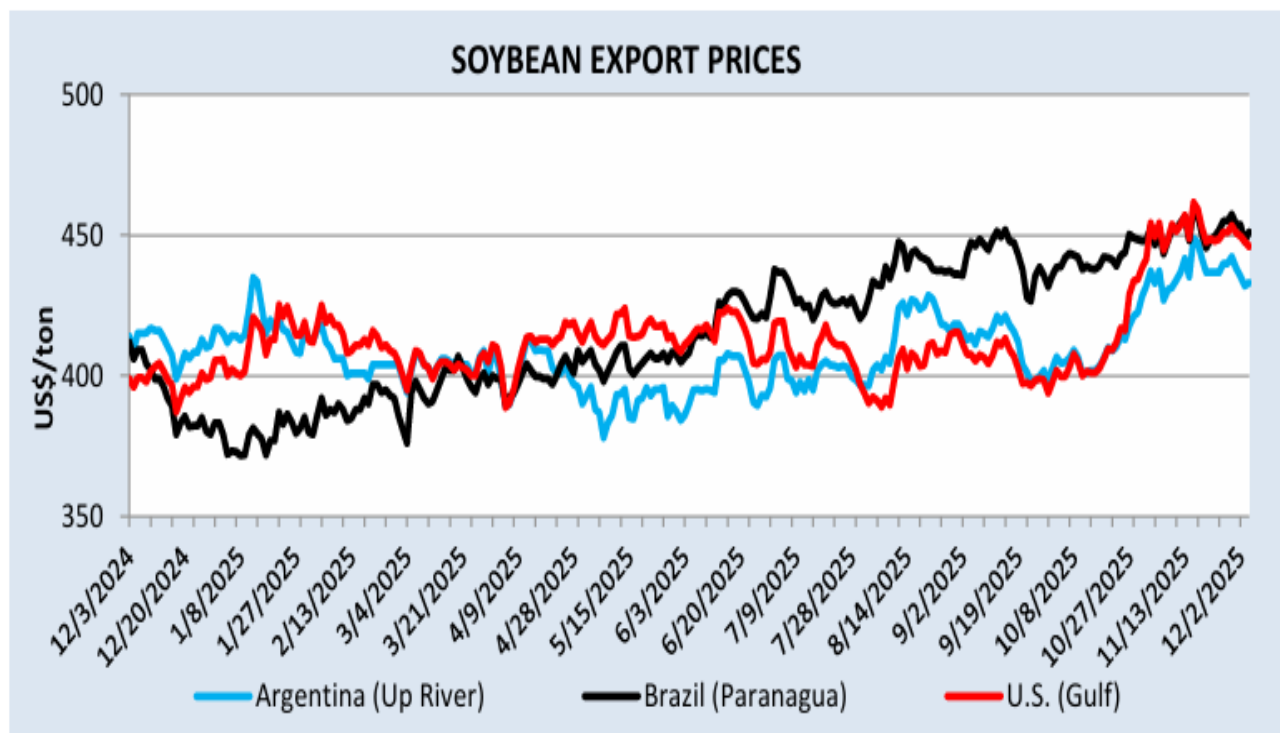
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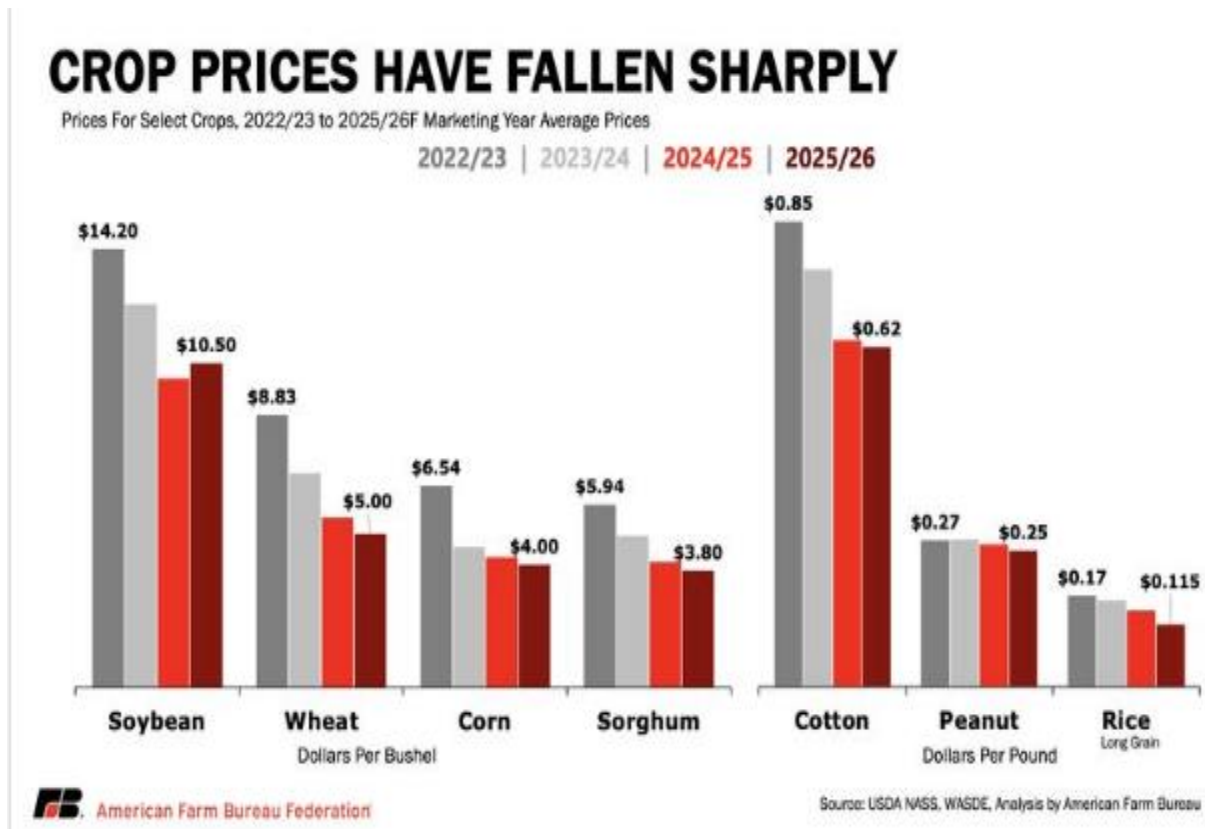
TradingView

CFTC data was released this afternoon showing data for the week ending on November 18, with managed money flipping to a net long of 38,127 contracts. That was a 77,650 contract move on the week.

- **USDA's weekly export report** says exports of corn continued at their torrid pace while soybean shipments remained well behind 2024 year-end totals during the week ending on November 13. The report contains the latest export sales data as USDA continues playing catchup after the government shutdown that ended a month ago. Corn exports from the start of the marketing year through mid-November totaled 638 mil. bu., which the agency says is up 74% year over year. Commitments from overseas buyers to purchase U.S. corn were up 30% annually to 1.6 bil. bu. Soybean exports plunged 41% to 369 mil. bu. USDA said promises to purchase U.S. soybeans were reported at 663 mil. bu., also down 41% year over year. Wheat exports from the start of the marketing year totaled 448 mil. bu., up 23% annually.
- **Over the last month, soybean export prices** have been range bound, consolidating gains seen after China resumed purchases of U.S. soybeans, says USDA's Foreign Agriculture Service in its Oilseeds Report. The spread between Brazil and U.S. soybeans has remained narrow as demand from China, strong U.S. crushing demand, and a weakening U.S. dollar provide support for U.S. soybean prices. Better crush margins in China for Brazilian soybeans and shrinking soybean stocks have supported Brazilian prices over this time. After considerable appreciation in soybean meal prices in October following price movements for soybeans, soybean meal prices have moderated. A sliding U.S. dollar in recent weeks has helped narrow the U.S. premium over meal of South American origin. A record export total for Argentina soybeans in November and continued shipments from Brazil continue to drawdown South American soybean stocks, providing support for soybean meal prices of major exporters.



- **USDA raised its outlook for global wheat production** by 1.1% in its December WASDE report. The increase was thanks in part to gains in several major growing countries like Canada, Australia, and Russia. World production is projected at 30.8 bil. bu, up from the prior forecast of 30.5 mil. bu.. The agency said Canadian wheat output is now projected at 1.47 bil. bu., up from the previous outlook for 1.36 bil. Australian production is now expected to be 1.36 bil. bu., up from 1.32 bil. the previous month, while Russian output is seen at 3.21 bil. bu. versus 3.18 bil. in November.
- **All farmers know how prices have fallen**, but visualization tells the story better. That is what [John Newton provided in his recent presentations](#) to agribusiness on behalf of the American Farm Bureau, where he serves as the VP of Policy and Economics. Newton says:
 - ✓ The challenging economic environment facing farmers, as input costs remain elevated and prices have fallen sharply.
 - ✓ Tailwinds that are needed in the farm economy, including: Bridge economic assistance due to trade uncertainty and negative margins until One Big Bill kicks in, Year-round E15 (that will lower gas prices too), and Enforcement of trade frameworks that have been announced.
 - ✓ The latest policy developments in the beef and cattle markets.
 - ✓ How Farm Bureau members and leaders engage with the White House, Congress, USDA and other agriculture industry stakeholders to find policy solutions for farmers and rural America.



- **“There is a world of differences,”** says the Brock Report. “With many land auctions having occurred in the last month and more bankruptcies than we anticipated, some farmers are going to be expanding their operations considerably. Opportunities are there. The difference between one location and another has wider profit spreads than during most times in recent history. (For example) Big changes are taking place in New York state that will have an impact on many producers in the eastern Corn Belt. The reason corn prices are near \$6.00 per bushel in western New York includes several fundamentals. First and foremost, Coca-Cola is opening a new processing plant in Webster, NY (just west of Rochester) to manufacture Fairlife milk. It's resulting in many dairy producers in the state of New York expanding their herd size. Thus, dairy farmers are buying corn when they normally are not, and processors and grain elevators are scrambling to get the supplies that they need. This has resulted in a sharp increase in basis, which is already carrying over into Ohio and will likely carry into Indiana as well. Producers in Minnesota were telling us that this coming week one major dealer is having an auction for their farm equipment to get their inventories down. This will have a negative impact on some new equipment prices but, at the same time, producers are seeing this as an opportunity to buy used equipment, and in most of these areas, the prices have firmed up considerably in the last six months. The last year of strong farm equipment sales in both tractors and combines was 2022. While some producers were on programs with the large manufacturers to replace their equipment either every year or every three years, these programs are struggling because the residual value has not been favorable. After these two weeks, it would be our opinion that the residual values are starting to improve and thus those programs may be coming back to life. Fortunately, many producers attending (Brock marketing) meetings in the last 2 weeks have been looking at the opportunities ahead. The differences in income in the areas we visited were not altered tremendously by production problems, such as those that occurred in southern states. The difference has been in marketing. Thus, there are many producers that are sitting on cash and looking at this as an opportunity. For those of us old enough to remember, this is like 1986 and 1987. One difference is that back then interest rates and debt levels were very high. That resulted in land prices going flat for a while. If your debt-to-equity ratio is high, you cannot borrow against the farm and even if you can, the high interest rates make it too prohibitive to aggressively go after more ground. You're more focused on paying off what you currently owe the bank. As a result, you just don't have the competition at auction that we continue to see now even with more depressed commodity prices. Another difference between now and then is that farms are viewed as an asset class for investors. Even more than that, farmland is seen as a hedge against inflation just like gold, so given the economic policies since the 2008 financial crisis, and the particularly inflationary policies since Covid, farmland is an attractive asset for money managers. All of this to say that this time around, we don't think that farmland is going to go flat like the 1980's. It is amazing how strong the farmland market is and how much money is chasing this land. A small parcel in northwest Iowa, for example, sold for \$32,000 an acre as 2 neighboring farmers both wanted it badly. This is going to be a very interesting winter.” For the complete commentary and charts go to [The Brock Report](#).

- **Marketing.** "The corn market lost a little ground on the week while beans continued to get smoked." -- [Matt Bennett](#).
- ✓ **Corn—futures.** March '26 corn had a weekly higher close going before Friday's trade. March settled at \$4.40¾, down 5¾¢. This was 6½¢ off the high and ¾¢ off the low. March lost 4¢ for the week.
- ✓ **Corn—cash and basis.** Basis was steady/improved. St. Louis river terminals were 13¢ over March (8¢ wider). This market didn't finish the week looking strong. This likely precipitates some basis strength, especially as growers have remained tight-fisted. We're still hearing some pushes in some areas; but some ethanol plants are slowing down.
- ✓ **Corn—marketing strategy.** While we'd like to see corn rallying, the weakness for soybean prices has been tough to overcome. Demand overall is impressive, so keeping some flex on bushels you sell might be wise. I don't necessarily expect a huge rally, but with big-time demand, we definitely need to see strong production this marketing year.
- ✓ **Corn—2026 crop.** December 2026 corn ended the week at \$4.62, down 2¼¢. Dec26 didn't do much on the week. While some growers are wanting to place hedges in the \$4.70 area, the market doesn't look like it wants to move much. It would be wise to manage some risk on rallies to lock in the ratio from corn to fertilizer while keeping some upside open the more aggressive we get.
- ✓ **Beans—futures.** Beans can't seem to catch a break. On Friday, January beans settled down 16¾¢ at \$10.76¾. This was 17¾¢ off the high and 1¢ off the low. Beans lost 28½¢ on the week. Jan meal settled \$4.90 lower on the week at \$302.50, soy oil ended the week at 50.07¢, down 1.62¢. The bean market again can't seem to find buyers.
- ✓ **Beans—cash and basis.** Basis was steady/improved. At St. Louis terminals, 8¢ over the Jan (15¢ wider with Jan 1 bid, +30¢ or 22¢ more than cash.) While some basis levels have improved, the big drop on the board ensured lower cash prices for beans.
- ✓ **Beans—marketing strategy.** Do we expect this market to catch somewhere here? Yes, I would think IF we fill the gap on beans, we should see some buying come in, but how much remains to be seen. The gap for Jan beans is from \$10.60-10.70, so it wouldn't be shocking to see another 15-20¢ move lower. I'd keep offers in place as this market could be fairly volatile yet, hopefully, we'll get some volatility to the upside.
- ✓ **Beans--2026 crop.** Nov 2026 beans settled at \$10.88¼, down 15¾¢ on the week. With this '26 bean market, we've taken the shine off, much like the rest of the bean complex. Should we consider some sales here? My best advice is to know your break-evens and make sure your marketing plan is set up accordingly.
- ✓ **Price ratio—2026 crop.** 2.35/1, beans to corn, based on fall futures, -2¢/week.

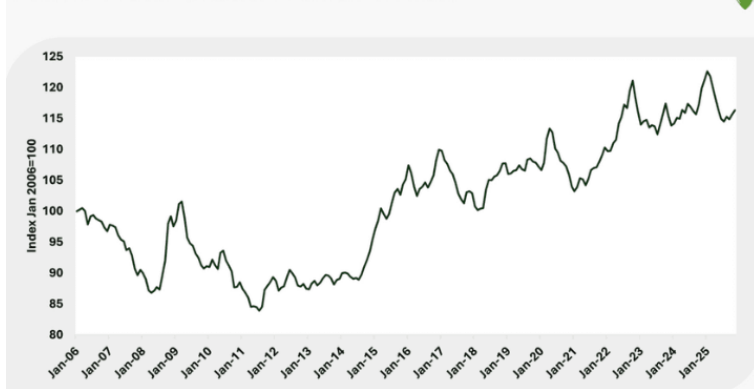
- Market advisor thoughts/suggestions:** [Matt Bennett](#). "With Dec25 going off the board as of Friday, it would have been good technically to see March open up at \$4.43 on Sunday night. That may not be the case with it closing where it did this week. The corn market certainly has shown signs of wanting to rally, but with beans getting killed of late, the weakness seems to be spilling over to corn. I still think corn could be a good value later in the marketing year, but if a person needs to move grain, it may be better to look for that opportunity before the calendar turns as a ton of corn will be moving in the new year. We can always hope for a bullish January report again, but I've never been much on the hope strategy. While we're still hearing some pushes in some areas, we've also heard some ethanol plants are slowing down. Margins on the spot market look to be underwater for many plants, so those not hedged may have to back off on production. This market didn't finish the week looking strong by any means. This likely precipitates some basis strength, especially as growers have remained tight-fisted.....While we're seeing good bean sales to China, the combination of the pace being less than the trade seems to think it should be along with good weather in Brazil has certainly been tough on the market. I'm not sure this bean market is totally over just yet, but to get back on the right track, we're going to need excellent demand news and/or a weather story to develop in Brazil. As of right now, it's tough to see that happening as the current weather and forecast look conducive to the South Americans producing yet another big crop. Overall, the bean crop has had quite a haircut. We need to see this market catch hold here soon or I'm afraid we could be stuck back in that \$9.80 to \$10.80 range we were in before this market took off. The bean market continues to give back much of the rally with prices falling 50-90+ cents. Keep some flex in the plan and look for opportunities to sell increments on rallies. For 2026 beans, IF we see a big Brazilian crop and big US acres this spring, it could be tough to see these prices move back to new highs anytime soon, if at all. I still think the flexible strategies are where I'd place my hedges. If a person can lock in a floor at \$11, which likely requires a ceiling up at \$12 or more, it might be a good way to get started on some hedging for those who haven't done much if anything yet.....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.](#)
- This week on the podcast** we covered the USDA report from December and how I see it affecting us moving forward. This week's episode - [Grain Marketing Update with Matt Bennett \(12/10/2025\)](#)



Farm Economy—

- What happens to the farm economy when the Federal Reserve changes interest rates? [National Corn Growers economist Gretchen Kuck](#) says, “Most global commodity prices- wheat, corn, soybeans- are set in U.S. dollars so in addition to being the most common reserve currency of a globalized market, fluctuations in the U.S. dollar directly impact commodity sales around the world. When the dollar strengthens, U.S. exports get relatively more expensive, as more of a different currency has to be converted to purchase the same amount of product. The converse is also true. Commodity traders keep a close eye on exchange rates and have historically moved very quickly to capitalize on relative discounts offered by currency markets. For example, a 10% decrease in the value of the dollar relative to other currencies is effectively a 10% discount on goods purchased in dollars- a large motivator

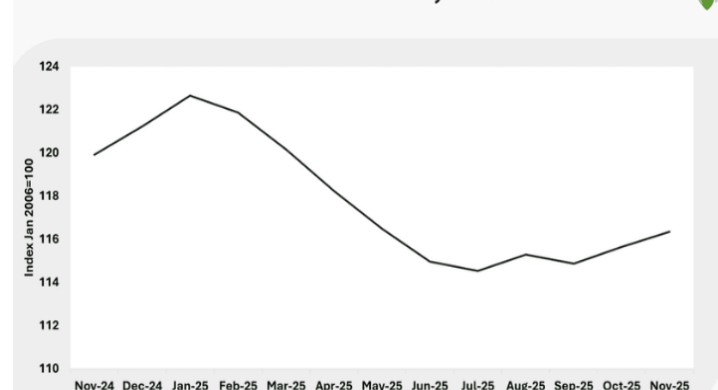
FRED Real Broad Dollar Index



considering that futures markets move cents at a time. Though the U.S. dollar marked the steepest decline (about 10%) for the first half of the year in roughly 5 decades at the beginning of 2025, it still remains relatively high compared to the historical index. This trend in the longer term has supported global competitiveness for other exporters in the past as importers factor in currency advantages in the prices being offered. Even as the relative weakness in 2025 makes it more attractive for importers to purchase corn supplies in U.S. dollars, it also makes goods in other countries 'more expensive' for U.S. importers, whose dollar is now worth relatively less. This impact is felt by farmers who rely on imports of goods like fertilizers, equipment parts, or agrochemicals and experience reduced purchasing power with a weaker dollar, in effect increasing the costs of those imports.

As farmers are already looking at near-record high [input costs](#) impacting their ability to make a profit, this is one more market force in addition to tariffs, countervailing duties, and overall market swings. At a more macroeconomic level, this can contribute to inflationary pressure that has larger impacts on farmer decision-making and the broader economy. Fluctuations in the dollar may also signal changes in domestic and foreign investment decision-making as corporations increase or decrease confidence in the U.S. dollar as a store of value, impacting the supply of dollars or possibly credit options available to corn growers in the longer term.

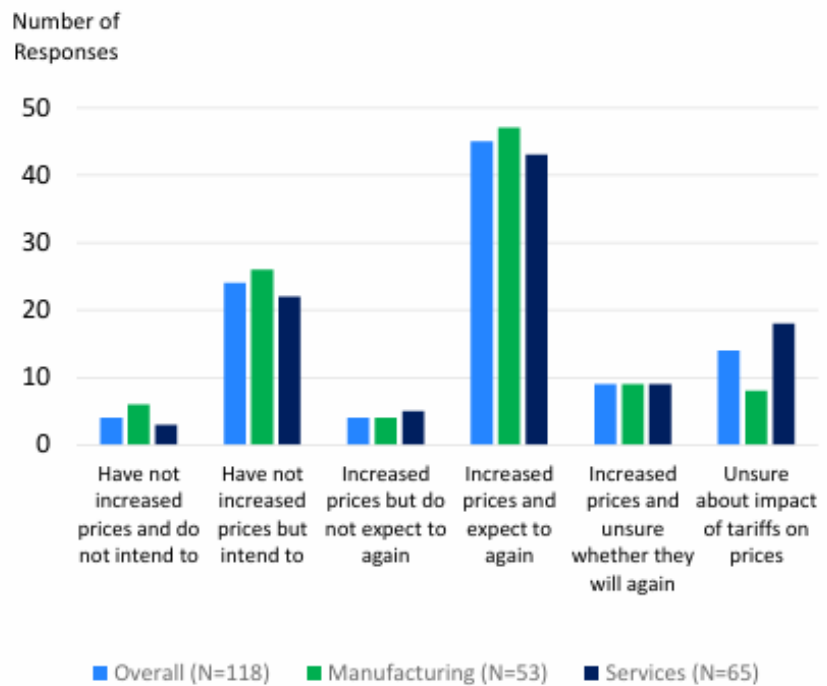
FRED Real Broad Dollar Index, Last 12 Months



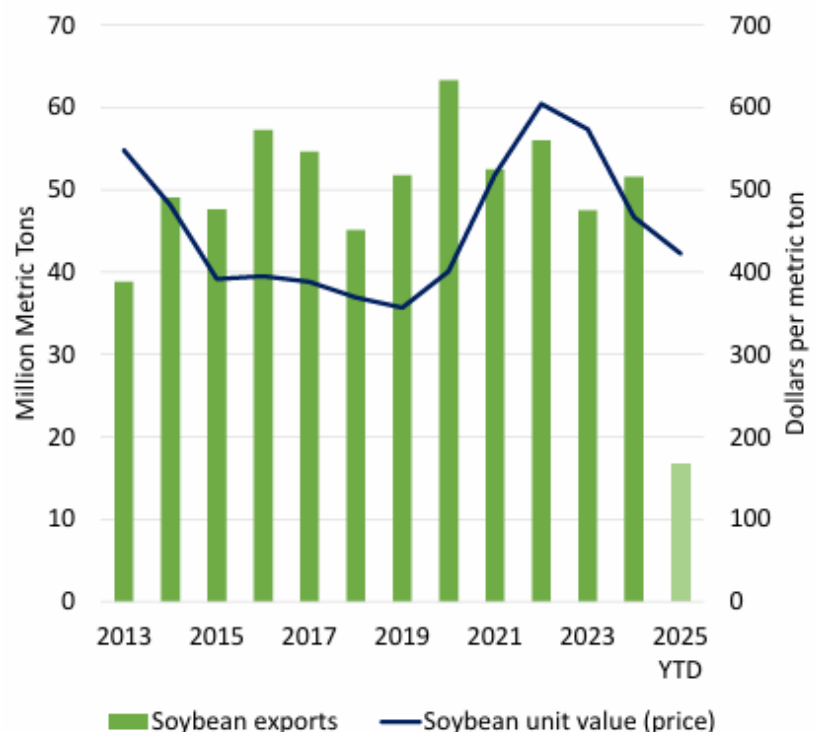
- **The Farm Credit**

Administration received its [quarterly report on economic conditions](#) affecting agriculture and an update on the overall performance of the Farm Credit System. Despite a turbulent year with tariffs and trade, the U.S. economy is expected to end 2025 on a relatively stable footing. In agriculture, producers face a mixed outlook. Bumper crops have created marketing challenges amid a fluid trade environment and a shortage of storage. Grain and soybean producers continue to experience margin compression from low commodity prices and rising fertilizer costs. Meanwhile, strong prices and low cost of feed are boosting livestock profitability. Although liquidity and solvency positions remain relatively strong in the farm sector, continued low or negative profitability for grain producers could erode financial resilience heading into the 2026 loan renewal season. The System reported solid financial results through the first 9 months of 2025. Loan growth continued at a modest pace. More Farm Credit Administration graphs follow. →

Have firms raised prices due to tariffs?

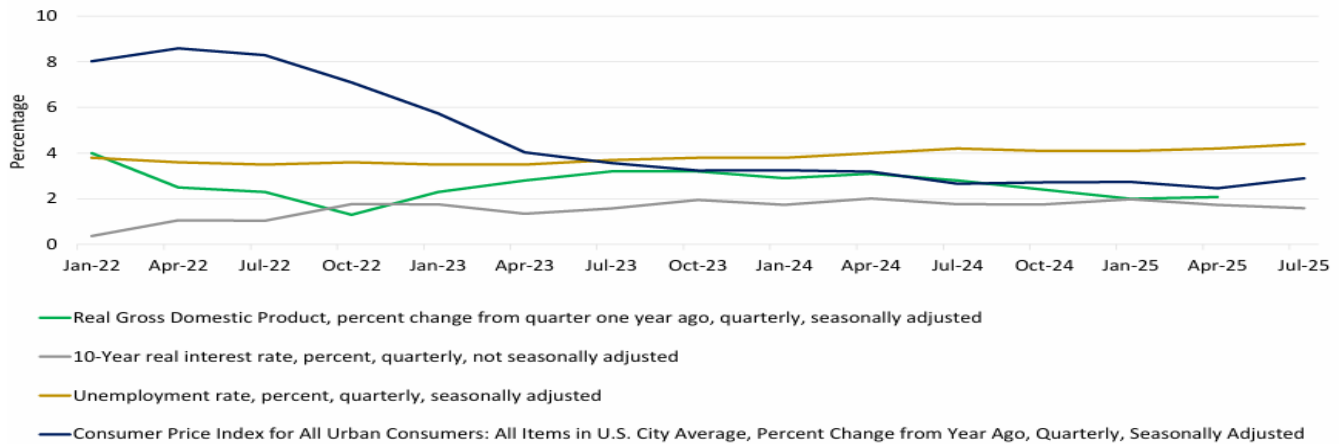


U.S. soybeans exports

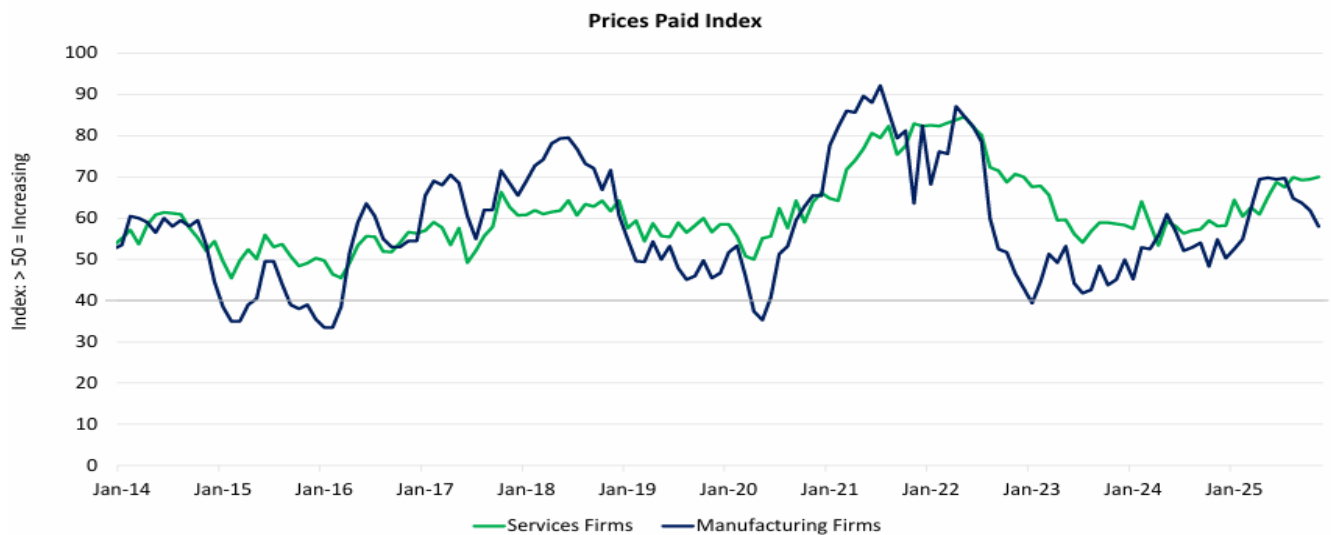




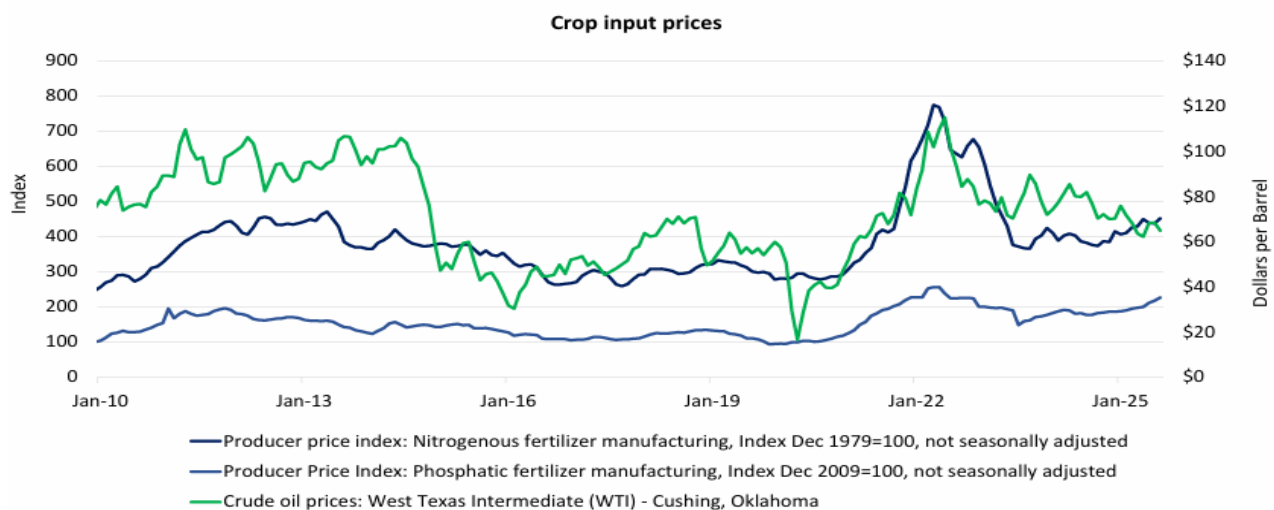
Stable economic indicators in 2025



Input prices continue to rise across most sectors



Crop input prices also squeeze producer margins



- **What do you pay for “tariffed goods?”** CoBank says, “The effective across-the-board tariff rate is now about 17%, but based on tax collections, the actual average import tax paid is only about 10%.” According to a [new year-ahead report from CoBank’s Knowledge Exchange](#), that rate is expected to drop even further as the reduced tariffs on China and imported food products take effect and more bilateral agreements are finalized. The CoBank 2026 outlook report examines several key factors that will shape agriculture and market sectors that serve rural communities throughout the U.S.
 - ✓ Several indicators suggest the economy will continue to remain steady in 2026. With the year-on-year tariff inflationary effect fading by end of the first quarter, core inflation is likely to resume its downward trend in the second half of the year. That will provide sufficient cover for the Federal Reserve to continue cutting interest rates in 2026.
 - ✓ While there is potential for Congressional agreement on the remaining appropriation bills by January, bipartisan cooperation will become less likely as the 2026 mid-term elections approach. Farm Bill programs have been extended through September, but pressure is growing for Congress to take further action before the election.
 - ✓ Global grain and oilseed markets remain oversupplied, but increased biofuels production and improving export conditions are boosting optimism that prices have passed their cyclical bottoms. Demand for U.S. grains and oilseeds will continue strengthening as low prices stimulate usage. But grain farmers will face hard choices for planting this spring.
 - ✓ Despite rising price points for meat and poultry, animal protein demand should remain strong in 2026. The combination of higher revenues and falling feed prices is boosting producer optimism for the year ahead, but not to the degree that expansion is expected to proliferate. Livestock supply conditions have grown notably tighter in the last two years and are likely to remain so over the next 12 to 18 months.
 - ✓ Milk protein is poised for an extended bull-market run as demand for protein-based dairy products continues to climb. While demand for full-fat dairy products also remains strong, butterfat has moved to an oversupply situation. Dairy processors are awash in butterfat with some putting caps on butterfat payments. That means protein will be the leading driver in milk checks in the coming years.
 - ✓ The rise of AI is fueling a historic surge in data-center spending and hyper-scalers will increasingly depend on rural America to achieve their ambitious buildout plans. Rural areas offer what hyper-scalers like Microsoft and Amazon desperately need: land for sprawling campuses and the ability to co-locate data centers with major power infrastructure. U.S. electricity consumption is increasing at its fastest pace since World War II. Earlier this year, the federal government declared a national energy emergency citing the unprecedented surge in electricity demand driven in large part by data centers.

Mailbox Money and Farm Programs—

- **USDA's announcement** [is here](#). (Plenty of rest and coffee are needed before reading.)
- **Your Bridge Payment Acreage deadline is 4 PM CDT on Friday!** That is the deadline to ensure your FSA acreage is accurate for 2025. The USDA is making \$12 bil. available in 1-time bridge payments to American farmers in response to temporary trade market disruptions and increased production costs that are still impacting farmers. These bridge payments are intended in part to aid farmers until investments from the One Big Bill Act, which includes a 10-21% increase in reference prices, are set to reach eligible farmers on October 1, 2026. Of the \$12 bil. provided, up to \$11 bil. will be used for the Farmer Bridge Assistance Program, which provides broad relief to row crop farmers producing a wide range of commodities. Farmers who qualify for the FBA Program can expect payments to be released by February 28, 2026. Eligible farmers should ensure their 2025 acreage reporting is factual and accurate by 5pm EDT on December 19, 2025. (4 PM Central Time) Commodity-specific payment rates will be released by the end of the month. All the funds will be administered by the Farm Service Agency. Questions on the Farmer Bridge Assistance Program can be directed to farmerbridge@usda.gov.
- **How much will payments be?** [Richard Fordyce, USDA Undersecretary](#) for Farm Production and Conservation says once the acreage numbers are in, they'll finalize the payment rates by crop. Those will be ready by the week of Dec. 22. "The reason we wanted to get that done before the first of the year is to give some certainty to producers," Fordyce says. "If they're trying to secure financing for the 2026 crop year, they'll understand where they are financially and where this bridge payment will come in [to help] make a difference." [Farm CPA Paul Neiffer says](#) USDA appears to be considering a calculation for the Farmer Bridge Assistance similar to the Emergency Commodity Assistance Program (ECAP). "ECAP took the December 2024 marketing year average estimates from USDA and then subtracted the estimated cost of production for the 2024 crop and then applied a payment percentage," Neiffer explains. "\$10 bil. was authorized for ECAP, \$11 bil. for

Projected Payments						
	Corn	Soybeans	Wheat	Cotton	Rice	Sorghum
2025 ECAP	\$42.91	\$29.76	\$30.69	\$84.74	\$76.94	\$42.52
2026 FBA Estimates	\$48.35	\$31.77	\$37.38	\$99.15	\$107.98	\$50.19
90% Level Estimates*	\$43.52	\$28.59	\$33.64	\$89.24	\$97.18	\$45.17
Per Acre						

Farmer Bridge Assistance. Therefore, it is likely Farmer Bridge Assistance payment rates will be at least 10% higher on average." Neiffer assumes any

increase in the cost of production for 2025 compared with 2024 will be about the same percentage for all crops. Therefore, the only difference between ECAP and FBA is the estimated marketing year average price. It's clear Southern farmers, those raising cotton and rice, will see higher per-acre payouts than corn and soybean growers in the Midwest.

- **American farm group leaders reacted** to the federal government's newly announced \$12 bil. aid package with cautious relief, saying the funds may help some producers but won't offset major financial strains facing the industry. The payments, which are part of a one-time bridge program aimed at helping farmers manage high input costs and market disruptions, are designed to provide temporary relief as producers prepare for the upcoming planting season. However, growers and agricultural economists argue the amount will not fully cover losses tied to depressed commodity prices, reduced export demand and elevated expenses for fuel, fertilizer and labor. Some producers said while the support offers needed breathing room, it does not address ongoing structural challenges, including trade barriers that have limited market access for major crops. Farm leaders continue to urge policymakers to pursue long-term market solutions alongside emergency support. Specific reactions:
 - ✓ "While we await additional details to assess the impact the payments may have, we also need immediate, market-based solutions," said National Corn Growers Assn. President Jed Bower.
 - ✓ "Passing year-round E15 legislation would be a great first step." Rob Larew of the National Farmers Union said short-term payments are only a first step. "In real time, we're experiencing the consequences of farm policy that's badly outdated," he said.
 - ✓ The National Sorghum Producers applauded the payments. "Our farmers are working hard to plan for next year, and this will help keep operations steady heading toward 2026," said NSP Vice Chair Garrett Love.
 - ✓ Ranking Senate Ag Member Amy Klobuchar, D-MN, said, "The easiest way to give our farmers the relief they need is to end the tariff taxes for good."
- **Even with fresh federal support flowing** to agricultural producers, many farmers say deeper problems persist in rural farm economies. In conservative farming regions such as parts of MN, producers say recent bridge payments are welcome but inadequate to counteract prolonged trade pressures and weak prices for key commodities. Farmers reported that while emergency funds help offset some operating costs, they would prefer stronger market demand and stable export relationships that reduce dependence on government aid. Soybean and sorghum growers highlighted long-standing trade barriers that have weakened crop markets and shifted buyers to international competitors. Many producers also cited ongoing concerns about rising input costs and supply chain challenges that undercut profitability. Rural leaders say long-term solutions, including expanded export markets and strengthened domestic agricultural demand, are essential to improving farm livelihoods beyond temporary relief.

- USDA is committing \$12 bil. in economic assistance** for America's farmers. And American Farm Bureau President Zippy Duvall (below) says the aid will have an immediate impact, but it isn't a cure for agriculture's challenges, "USDA's new \$12 bil. relief package is welcome news across farm country. These payments will help farm families cover critical operating costs, keep equipment running and secure financing for next season, providing some certainty during uncertain times. While farmers are thankful, more work needs to be done. They're suffering from several years of operating in the red.
 

And many fruit, vegetable, tree nut, and nursery growers are facing the same rise in costs and instability in the marketplace—but they will receive less than 10% of the bridge support. We look forward to working with leaders in Washington to ensure farm families receive support that matches the scale of what they've endured. (American Farm Bureau)

- The bailout package** was still a work in progress when it was announced Dec. 8, just days before it required farmers to sign up for it by Dec. 19. President Trump was making the initial White House announcement of farm aid from tariff revenue, "So we're going to use that money to provide \$12 bil. in economic assistance to American farmers. This relief will provide much-needed certainty to farmers as they get this year's harvest to market and look ahead to next year's crops." But suddenly, Secretary Rollins had a different number, "We are very pleased to announce that today, we are going to be effectuating an \$11 bil. bridge payment to our farmers. The money will move by February 28th of 2026. But, by the end of this month, so just in the next couple of weeks, every farmer who is able to apply for it, will know exactly what that number looks like." The president tried to correct Rollins, but to no avail, "It's \$12 bil." Rollins "Well, we're holding \$1 bil. back, and today we're announcing \$11 bil. We are holding \$1 bil. back, just to ensure that we are covering." Rollins says the package will cast a wide net among crops, "All of our row crops, but some specialty crops and others that we are still working with to best understand where they are in the farm economy." Trump stressed help for soybeans hit hard by China's import ban, now eased after his temporary tariff truce with China's President Xi. Farmers lost billions of dollars in soybean exports to China amid the tariff fight. China historically bought half of U.S. soybeans and switched to South American beans in recent months before agreeing to renew U.S. purchases, but there is uncertainty it will meet all its commitments. (Berns Bureau, Washington)

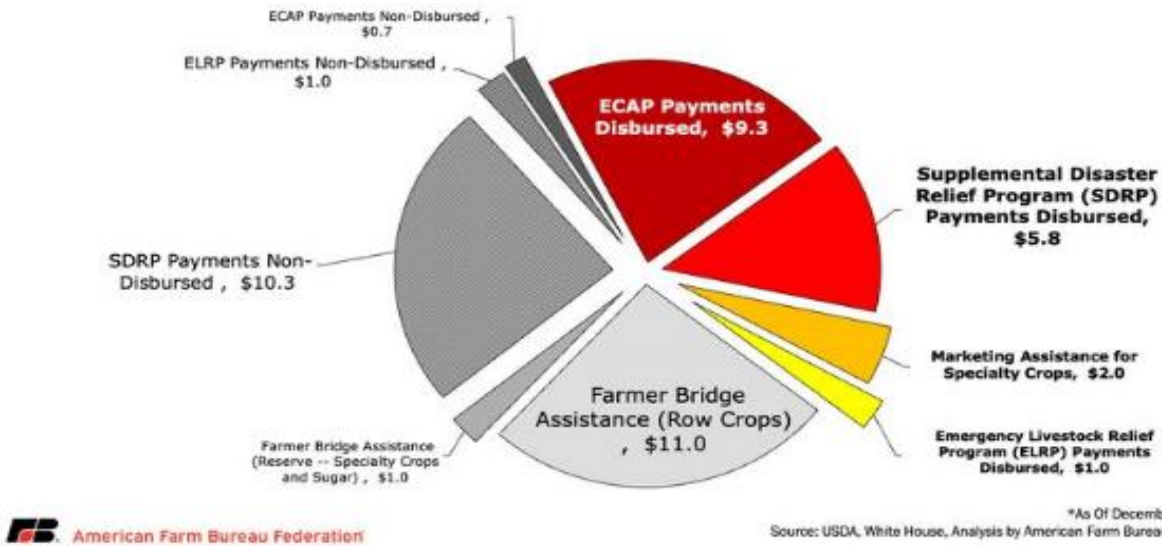
- **President Trump is relying on tariff revenue** to fund \$11 bil. in farm aid he and Secretary Rollins announced last week. But those tariffs are being considered by the U.S. Supreme Court and could be struck down. Trump made clear at the start of his announcement that he was using tariff revenue to fund farm aid, since farmers caught up in Trump's fight over unfair trade by China and others weren't to blame, "What we're doing is, we're taking a relatively small portion of that, and we're going to be giving and providing it to the farmers in economic assistance." But relying on tariff revenue instead of emergency funds from the Commodity Credit Corporation could be problematic, given that the Supreme Court could rule against Trump's tariffs. And Sen. Chuck Grassley, R-IA, thought Trump would use the CCC for another reason. He said, "The tariff money goes into the federal treasury, and the only way it's going to get out of the federal treasury is by appropriation by Congress. That's a fact of life." Trump, wary of a negative Supreme Court ruling, argued tariffs were the quickest and easiest way to reign in other nations' unfair trade practices, telling a rice farmer seeking relief, "So, your problem's solved in 1 day. That's why we have to win the Supreme Court case. In 1 day, that problem's solved." But a loss at the High Court, Justice Amy Coney Barrett said during tariff arguments, could trigger refunds—another possible issue for relying on tariff revenue for farm aid. (Berns News Bureau)
- **President Trump may be open** to more tariff-based farm aid, but stressed opening new ag markets at his farm aid announcement last week instead. Trump was asked about more tariff-funded farm aid, Reporter: "Are you open to tapping into tariff revenue again, should farmers find they need additional relief to get to that level playing field?" Trump: "Yeah, yeah, but if...we're going to make the farmers so strong...and I'm not even talking about financially, they just want to be able to produce what they can produce." And as for using \$11 or 12 bil. in tariff revenue now to bridge farmers into next year and improved price support levels, "This money would not be possible without tariffs. The tariffs are taking in hundreds of billions of dollars and we're giving some up to the farmers, because they were mistreated by other countries." But the Supreme Court could overturn those tariffs...and Senate Majority Leader John Thune, R-SD, was asked about that, though he skirted the legal threat, "To me, it makes all the sense in the world, that if you've got a lot of revenue coming in from tariffs, and you need sort of a bridge for farmers. A lot of the changes that we made last summer in the reconciliation bill don't take effect until next year...and the farmers and the safety net programs will benefit from those. In the meantime, to have something that benefits them bridge that time when they've had this loss of markets." President Trump and Ag Secretary Rollins stressed the long-term goal of freeing farmers from ad hoc emergency aid, "Instead of farming for government checks, they can farm to feed their family and sell their products and pass it onto the next generation, that this bridge is absolutely necessary, based on where we are." (Berns Bureau, Washington)

- **What should you do with the Mailbox money**, when it comes at the end of next February? [KS St. Univ. ag economists suggested several alternatives](#), saying, "These payments can offer valuable support, especially in tight financial years. How to use them depends on the operation's needs, goals, and expectations about future policy. That said, it's important to recognize that while these programs have become a recurring feature of the farm safety net, their timing, eligibility criteria, and payment amounts can vary and are not guaranteed in advance. As such, managing these payments needs to be given careful consideration since their timing and size may be more variable than other program payments. Making the most of them may involve balancing immediate needs with steps that strengthen the operation's financial position for the long term.
- ✓ While it's tempting to focus on short-term needs, overdue upgrades, or immediate tax strategies, the most strategic use of a large payment may be to reinforce your farm's long-term financial position. Currently many farm operations have already experienced a drop in working capital. Rebuilding this cushion should be a top priority. Additionally, because ad hoc payments can be more variable in terms of timing and size, it is important for a farm to build up adequate working capital as a buffer.
- ✓ Even if your cash flow looks strong today, it's worth asking how this payment affects the next 6 to 24 months. Could it reduce the need for operating credit? Could you avoid restructuring debt by keeping some of the cash on hand or should you prepay expenses in anticipation of a payment are all questions farmers should ask. In addition, discounts on input purchases can be taken advantage of during certain times of the year, which could lower some input costs.
- ✓ If the operation has sufficient liquidity, using part of the disaster payment to reduce debt can improve your position going into future years. Think especially about high-interest debt or balances that have been rolled over from previous years. Debt repayment should be prioritized when:
 - The operation has sufficient cash for short-term needs.
 - The payment is not needed to service current-year expenses.
 - Interest rates on existing debt are high.
 Paying down debt now can also free up borrowing capacity for future needs—without requiring major restructuring.
- ✓ New equipment is one of the most common uses for unexpected cash. But treat this decision like any other capital investment—not necessarily a reward. Farm equipment purchases can reduce short-term tax liability, especially under 100% depreciation rules, but that doesn't automatically make them a good use of funds. Remember: equipment investments can lock up capital (e.g. cash) in assets that are hard to liquidate. In some cases, holding onto cash and building up working capital can offer more flexibility during volatile times.
- ✓ Disaster payments can skew the perceived profitability of rented ground. If landlords see higher cash reserves or income this year, they may push for higher rent. Be cautious about how this one-time payment affects your financial negotiation. Make it clear that the payment is not ongoing income, and that rental decisions are based on realistic, future long-term returns and not on historical temporary relief.

- **If you are tallying your USDA payments,** and comparing all the promised payments, there is a shortfall in what has made it to your mailbox. That is according to Dr. John Newton, formerly with the Senate Ag Committee and Terrain Ag, and now VP of policy and economics for American Farm Bureau. He provided the graph (non-disbursed shaded gray)

Less Than Half Of Ad Hoc Aid Delivered

Ad Hoc Economic Support Disbursed and Non-Disbursed Since January 2025, Billion Dollars*



and says, [President Zippy Duvall noted](#) that " Farmers are grateful to the administration for providing resources that, for many, could make the difference between staying in business to plant another crop, or giving up a family farm. But it's also important to point out that more work needs to be done. This bridge support is a down payment, and members in Congress have already expressed their desire to fill in the gaps. Consider that many fruit, vegetable, tree nut and nursery growers are facing the same sharp rise in costs and the same instability in the marketplace as the rest of the agricultural community—yet they received less than 10% of the bridge support. Farmers have weathered billions in economic losses that have only been partially offset by this bridge support and other Congressional packages. There is more work to do, and Farm Bureau is committed to working with Congress and the administration to provide additional assistance where it is needed. Economic support provides a much-needed bridge, but it is only one piece of what farmers and ranchers will need to weather this moment. (Several government policy) actions show willingness to address the pressure agriculture is under. But they also reveal the scale of the challenge. The relief announced this week offers timely help, yet the farm economy remains in a deep, prolonged downturn. Farm families need lasting certainty, and we appreciate our partners in Washington for taking this important first step by delivering a \$12 bil. package. But the need is far greater. Years of losses have taken a heavy toll, and farm families still face challenges many times larger than what this relief can cover. We look forward to working with leaders in Washington to ensure farm families receive support that matches the scale of what they've endured."

- **Reuters writers say they have doubts** about the Trump bailout program as being very effective. PJ Huffstutter says, “This morning, [Leah Douglas](#) and I reported on the Trump administration’s new \$12 bil. farm aid package — and why many producers say it won’t come close to covering this year’s losses. Farmers and economists described the money as a lifeline, but a small one. Losses across major crops are estimated at \$35–\$44 bil., driven by low prices, higher input costs, lost exports, and rising debt. Here’s some back-of-the-cocktail-napkin math for soybean growers I thought was interesting: The American Soybean Association told me their economists estimate soybean farmers are losing about \$109 per acre this year. USDA's WASDE yesterday says farmers planted 81.1 mil. acres of soybeans — so that's roughly \$8.8 bil. in losses. They estimate Washington's aid package covers about a quarter of that. Meanwhile, specialty crop growers — think potatoes and cherries — qualify for only a narrow slice of the aid. Several told us the funding available to them won’t come close to covering the scale of their losses. As one farmer told me, the money “plugs holes and slows the bleeding,” but doesn’t change the broader economics facing the farm sector heading into 2026.”
[Our story is here.](#)

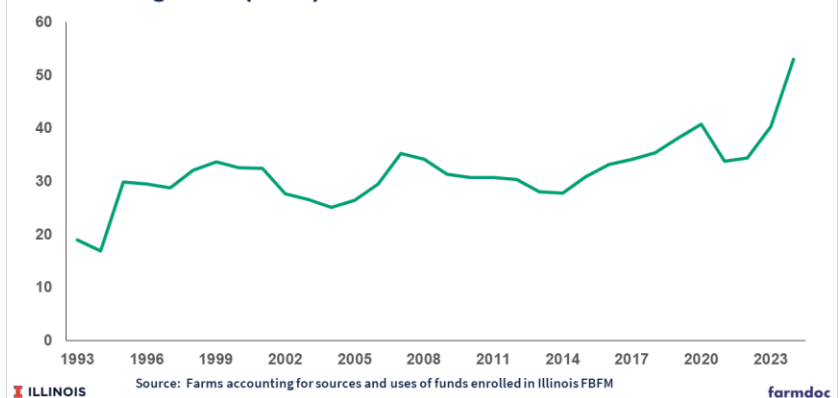


- **When you get the mailbox money, [and open the check, remember:](#)**
 - ✓ Government payments are taxable: Talk with your tax advisor early to avoid surprises. Deferring grain sales or making end-of-year purchases may reduce liability, but don’t let tax strategy drive major financial decisions. The goal of a business is to maximize after-tax income, which may not always coincide with minimizing tax payments.
 - ✓ Payment limitations may apply: Government programs often come with caps and eligibility rules. Work with FSA or your accountant to confirm what applies to your operation.
 - ✓ Carrying Over Grain: Some operations may hold grain due to improved cash flow. This decision can affect tax liability and price risk exposure.
 - ✓ Large, 1-time ad hoc payments are an opportunity to strengthen your farm’s balance sheet, improve cash flow flexibility, and reduce financial stress. Taking time now to build a plan can help ensure this payment supports your operation’s future, not just the past season’s losses. Using the entire payment for tax savings without evaluating long-term needs may result in a deficiency of cash in the near term. Consider assessing cash flow both in the near and long-term before using the ad hoc payment to make any large capital purchases. Ad hoc payments can be an opportunity to rebuild your financial foundation but may have lower benefits if treated as extra cash to deploy quickly.

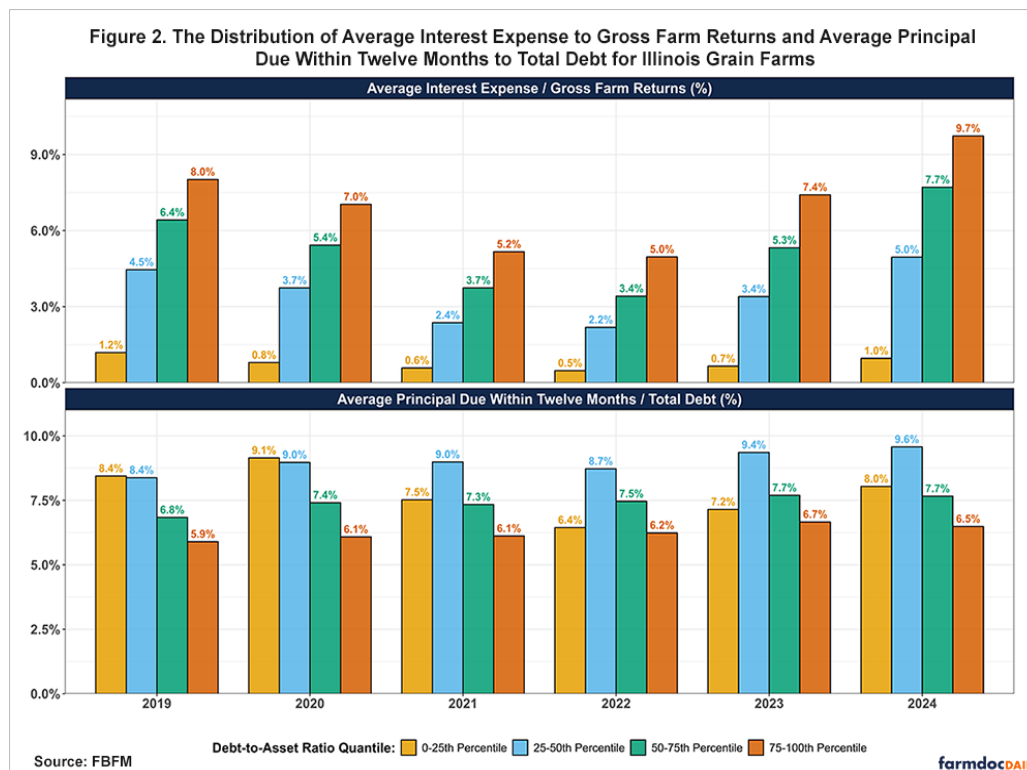
The Business of Farming—

- **What are you doing with your money?** Yes, that is your business, but [Farm Business Farm Management tracks sources and uses of funds](#) and says its widely variable. "From 1993 to 2004, net farm income averaged \$77 per operator acre. During the ethanol build, net farm income increased, reaching a high of \$356 per acre in 2012. Farm income then fell, averaging \$80 per operator acre from 2015 to 2019. Income then increased for a variety of factors, including short supplies of crops in major producing areas, ad hoc payments associated with COVID, and supply disruptions caused by the Ukraine-Russia war. Income hit a high of \$451 per operator acre in 2022. Since 2022, net income has declined, reaching a low of \$9 per operator acre in 2024. Overall, average non-farm income per operator acre has been relatively stable across farms. Net farm income has been much more variable, driving much of the variability in total sources of funds averaged across all farms. On average, non-farm income acts as a large buffer for many farms in IL. Uses are:
 - ✓ Machinery and building purchases. Machinery and building purchases have been variable over the past 30 years, typically lagging changes in incomes. For example, the sum of farm and non-farm reached a high of \$524 per operator acre in 2022, before falling to \$142 in 2023 and \$82 in 2024.
 - ✓ Family living has been on a general increasing trend over time, beginning at \$54 per operator acre in 1993 and increasing to \$125 per acre in 2023. There is variability in family living expenditures.
 - ✓ Income tax has increased over time from \$14 per operator acre in 1993 up to the \$40 range in the last several years. Note that income tax will be paid on both farm and non-farm income, so the value is not due only to farm income.
 - ✓ Higher debt capital use, along with higher interest rates, has increased interest expenses on farms in recent years. Interest expenses increased from \$34 per operator acre in 2021 to \$53 per operator acre in 2024, the highest interest expense level since data was available in 1993.
- ✓ In 2023 and 2024, machinery and building expenditures exceeded the sum of farm and non-farm incomes by large margins, suggesting further declines in machinery and building purchases in the near term. Non-farm income is an important source of funding on Illinois grain farms. Without that source of income, the cash flow situation would be much worse on many farms in IL. This is the one income source that has consistently increased over this time period.

Figure 3. Interest Expenses on Farms Enrolled in Illinois Farm Business Farm Management (FBFM)

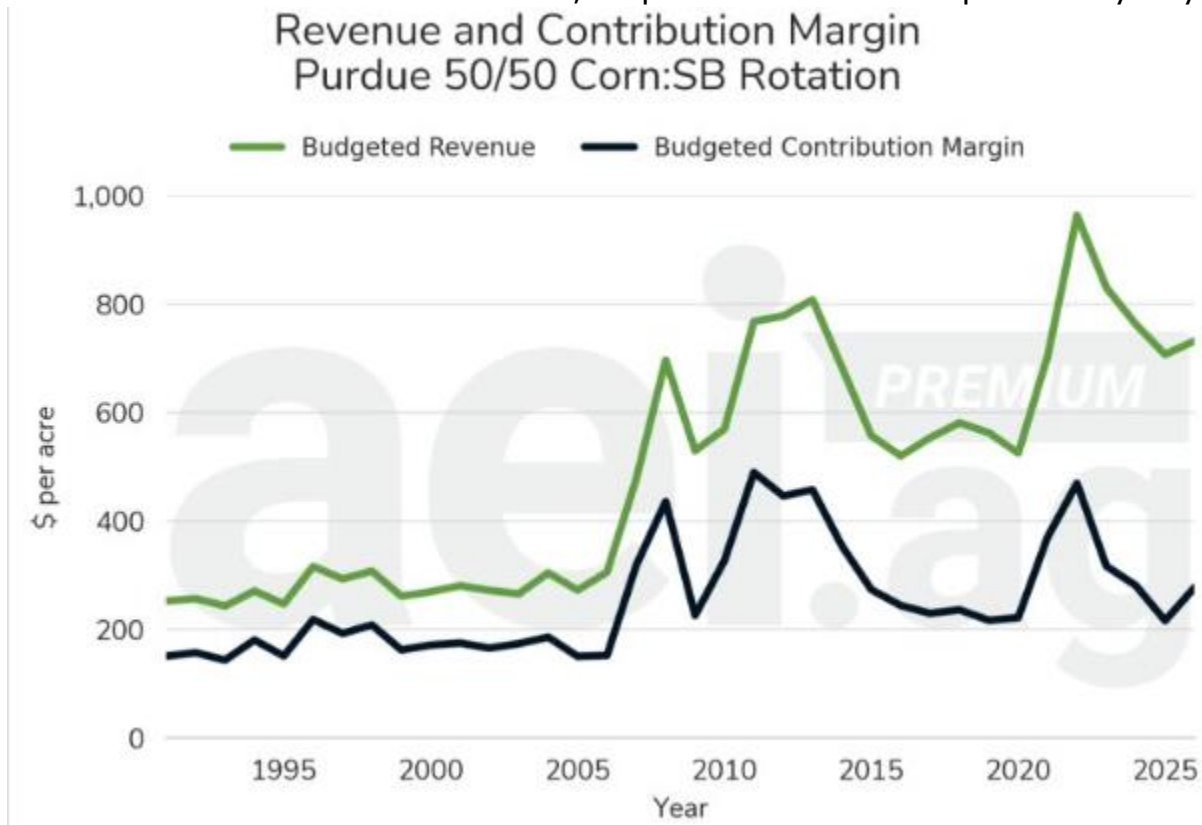


- **Interest rates, driven by the Federal Reserve,** have gone up and down over the past 5 years. But how have farmers managed their debt burdens during that time? That question was answered by examination of financial records of thousands of IL farms in the Farm Business Farm Management cooperative. [Farmdoc ag economist Gerald Mashange](#) reports, "From August 2019 to March 2020, the federal funds target rate was lowered by 225 basis points, from 2.25-2.50% to 0-0.25%, and remained at near zero until the spring of 2022. During this period of low interest rates, debt-to-asset ratios declined across all quartiles. Although grain farms, on average, increased their total debt within each quartile group, the value of their total assets increased by an even greater amount, driving the ratio lower. Figure 2 shows the distribution of 2 related measures by their debt-to-asset quartile group. The top panel reports the average ratio of interest expense to gross farm returns, while the bottom panel reports the average share of



total debt coming due within the next 12 months. The top panel of Figure 1 shows that half of grain farms (those in the 0-25th and 25-50th percentile) maintained *strong* interest expense ratios throughout the 2019-2024 period, with average values of 5% or less, even as interest rates rose. However, grain farms belonging to the 50-75th percentile and 75-100th percentile debt-to-asset ratio groups saw their respective average interest expense ratios rise from 3.4% (*strong*) and 5.0% (*strong*) in 2022, to 7.7% (*cautionary*) and 9.7% (*cautionary*) by 2024. The bottom panel of Figure 2 indicates that, even as average interest expense ratios have risen for farms above the 50th percentile of the debt-to-asset distribution, their share of principal due within twelve months has remained relatively stable over time, particularly in 2023 and 2024. Less-levered farms (0-25th and 25-50th percentiles) typically report a larger and somewhat more variable portion of their total debt maturing within a year, while the most levered farms (50-75th and 75-100th percentiles) carry a smaller, but more stable share. Taken together with the top panel, this suggests that, on average, the most highly levered farms have not experienced increases in the fraction of debt coming due as large as those below the 50th percentile, but they are devoting a growing and larger share of their gross farm returns to cover their debt servicing costs.

- **When creating crop budgets for 2026,** [Purdue ag economist David Widmar](#) says there are 2 facts to consider: Revenue per acre has trended higher over the last 2 decades, and Contribution margins? Still ~\$200 per acre. That means it now takes more revenue to generate each dollar of contribution margin. This is a form of financial leverage that amplifies both booms and squeezes in the farm economy. [He is holding a webinar 12/17](#) to explain what that means for next year and beyond. Corn may be the margin leader, but beans are needed for rotational benefits, despite the shortfall in crop revenue yearly.



- **Farmers can be “creditors” as well as “debtors”** in a bankruptcy event. The shutdown of Pure Prairie Poultry in WI several months ago left a large number of producers hanging out to dry with no financial recompense. Kelly Wilfert, a farm management outreach specialist for the Univ. of WI, said they are helping farmers prepare for future possibilities, “As we looked at the Prairie Poultry situation and started looking at what we usually don't think of our farmers as creditors, right? Usually, we think of the bank or Farm Credit, but in a lot of situations, farmers can also be creditors. They're owed money, whether it's from a processing company, whether it's from a co-op, whether it's from someone they've done custom harvest work for, and so when you run into this situation where suddenly the paycheck hasn't come, what do you do?” The Univ. of WI is putting together resources to help farmers if that situation ever arises again, “But we're going to be working on developing resources so that you're already starting to think about that before it ever happens. So that, in that moment, when you're hit with that chalk, you actually know what steps I want to take so that I can try to, quite frankly, when we think about collections work, it's often, get in line. How do you get in line and make sure that you've got the priority, or at least as good of a priority as you can get to get paid out?” (WRDN radio)

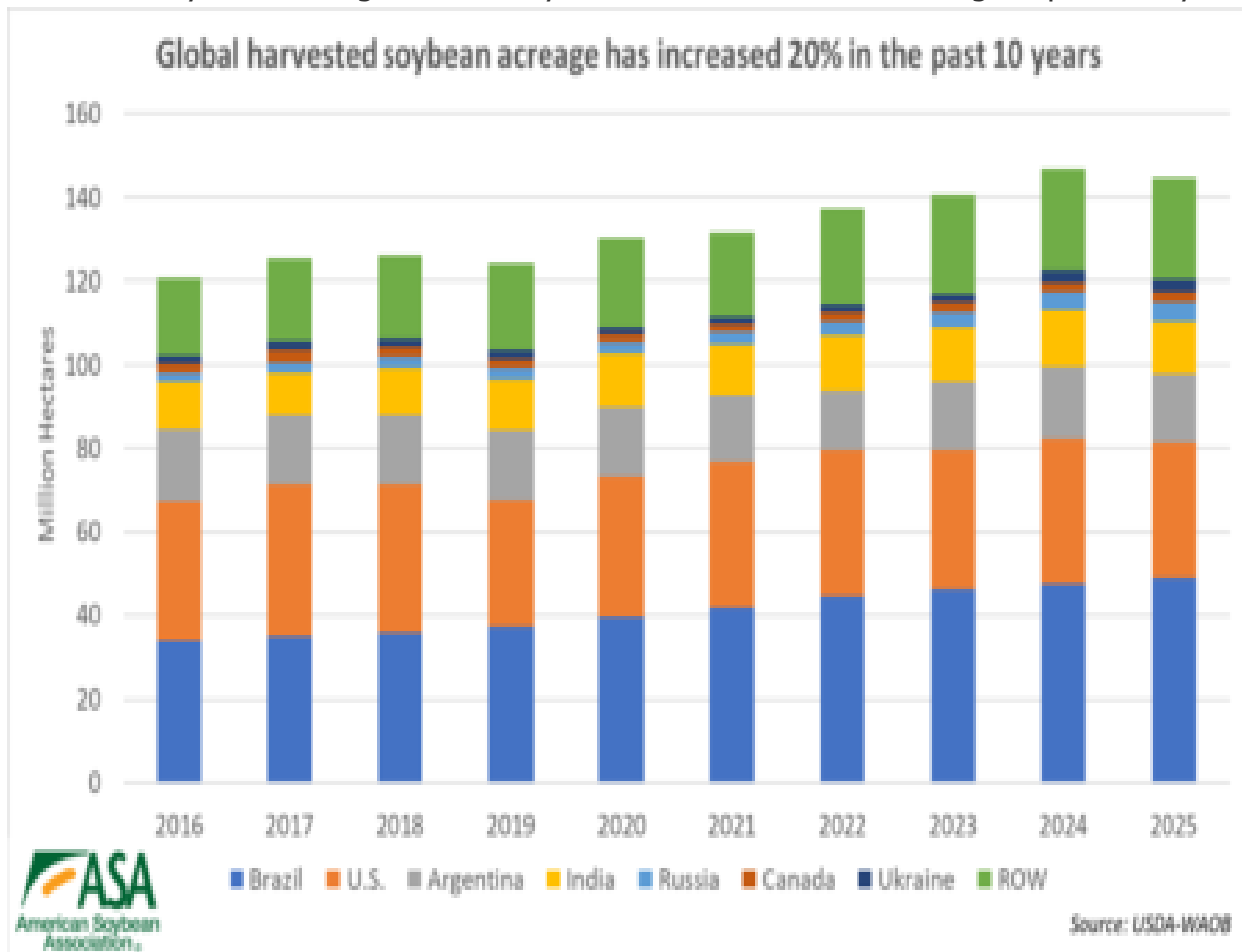
The Cost Squeeze of Soybean Production—

- **“Soybean producers are staring down the barrel** of a third year of negative market returns,” say [soybean economists Scott Gerlt and Jacqui Holland](#). “It’s not just the revenue side of the income statement where soybean farmers are being squeezed. Farmers are facing elevated prices for land, machinery, seeds, pesticides and fertilizers. According to USDA, farm production expenses are expected to reach \$467.4 bil. for 2025 – a \$12 bil. increase over 2024. According to annual soybean cost of production reports published by USDA’s Economic Research Service (ERS), land (28%), machinery and repairs (28%), seeds (12%), pesticides (7%), and fertilizers (7%) are the most critical inputs for soybean



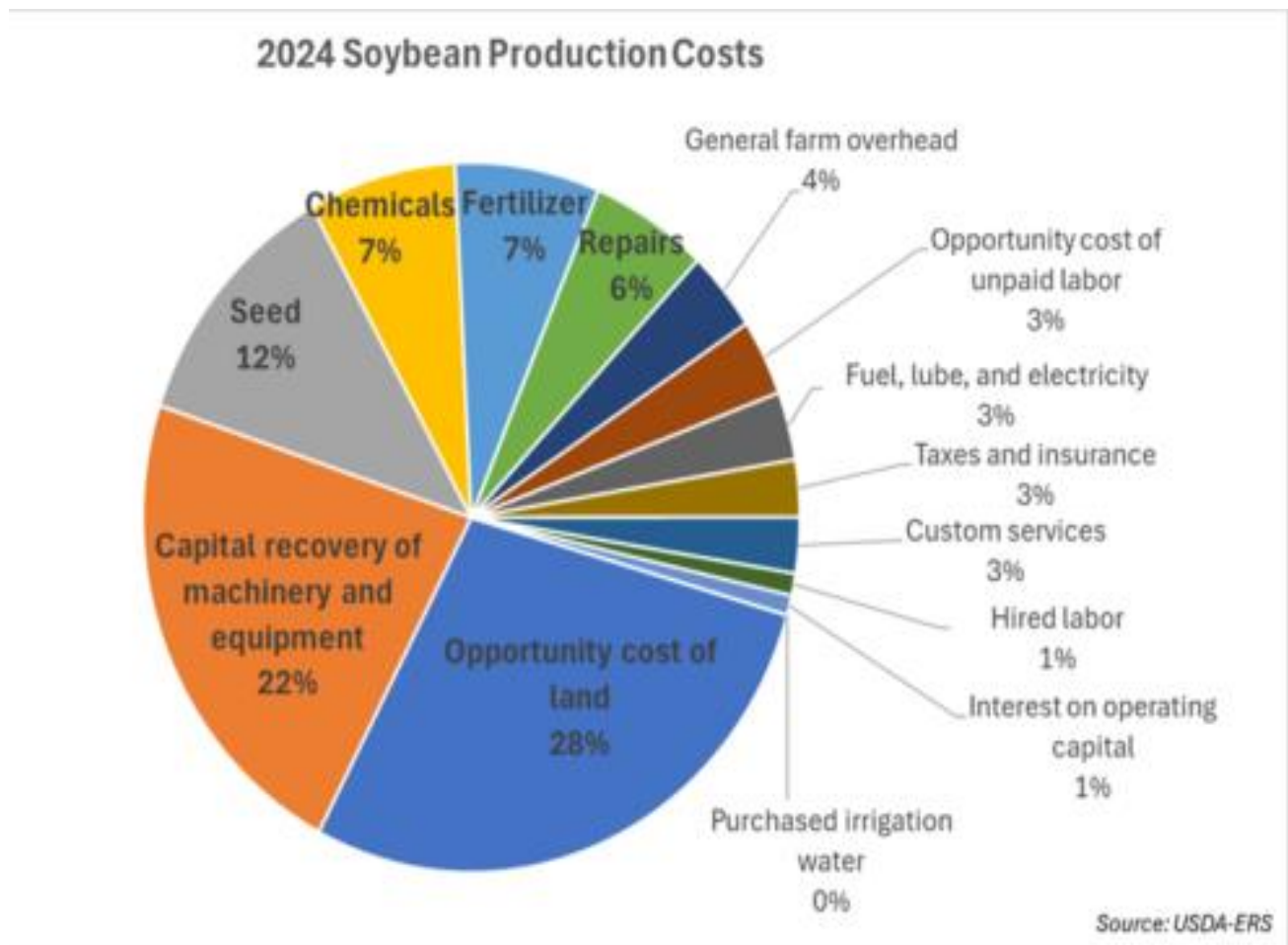
production and account for 83% of a soybean operation’s annual expenses per planted acre. An ASA economic analysis projects soybean farmers will net an \$89 per planted acre market loss on their 2025 crops. Elevated tariff rates on key inputs —particularly fertilizers and pesticides — have become a significant cost factor in farm production economics. Data from the ND St. Univ. Agricultural Trade Monitor indicates that the average tariff rate on agricultural input products has increased to 9.4%, compared with less than 1% prior to the implementation of the IEEPA tariffs. The most pronounced effects have been observed in pesticide imports, where effective tariff rates — including most-favored-nation adjustments — now average around 16% for herbicides, up from 5–6% previously. Specialized pesticide imports from India, a major global supplier, currently face an effective tariff rate approaching 44%. Although fertilizer tariffs remain comparatively lower due to exemptions from the IEEPA tariffs, import volumes have nonetheless declined. According to The Fertilizer Institute, U.S. fertilizer import volumes through August of 2025 were down 32% year-over-year for phosphates and 6% for potash. Countervailing duties on Moroccan phosphate imports — the largest global source — along with reductions in U.S. domestic fertilizer output, have further tightened supply. China is the second-largest phosphate processor but has been exporting less product over the past several years. →

- ✓ **"The resulting supply chain realignment"** continues to reinforce elevated input costs across the U.S. agricultural sector. Global acreage adjustments also play a key role in shaping input demand and pricing. Changes in crop composition alter nutrient requirements, which in turn affect fertilizer trade flows and price volatility. For example, in 2025 U.S. soybean acreage declined by 6 mil. acres while corn acreage expanded by 8 mil.



acres, increasing domestic fertilizer demand and contributing to higher prices. Looking ahead, Brazil — the world's leading soybean exporter — is projected to expand soybean area by 4 mil. acres and corn area by 2 mil. acres for the 2025–2026 growing season. Such acreage shifts are likely to sustain firm global fertilizer demand and continue exerting upward pressure on input costs. Industry data indicates that the development of a new pesticidal product now requires an average of 12.3 years and \$301 million from discovery through registration, based on 2019 benchmarks. This represents an 8.8% increase in development time and a 5.7% increase in cost compared with the preceding five-year period. For new seed traits, the average development timeline has extended to 16.5 years at a cost of \$115 mil., according to 2022 estimates. Inflation is a central element of economics. When returns increase, more dollars are available to chase limited inputs. This results in an increase in input prices. →

- ✓ **"When farmer revenues drop,** input prices should fall again. Alternatively, if revenues do not fall, higher input prices should spur suppliers to produce more, which would also bring input prices down. However, that is generally not the pattern that occurs with crop inputs. During the 2000 to 2013 period, input prices and crop prices generally moved together, albeit to



higher levels. As crop prices remained depressed during the 2014 to 2020 era, input prices held firm at elevated levels. Once crop revenues again increased from 2021 to 2023, input prices spiked. While crop prices have been falling since this period, input prices have only continued to increase. Soybean growers have faced revenue challenges this year with the trade war. This event caught farmers at a time when input costs were at levels that allowed no room in operating margins to absorb lower prices. Many factors have pushed up operating costs, including tariffs, regulations, lawsuits and the broader economy. The crop sector faces a phenomenon whereby input costs follow crop prices upward but tend to remain at elevated levels even after crop prices retreat. This has led to negative soy margins for the past three years. As international supply in the soy space continues to grow, controlling costs will be crucial to remaining competitive in foreign markets."

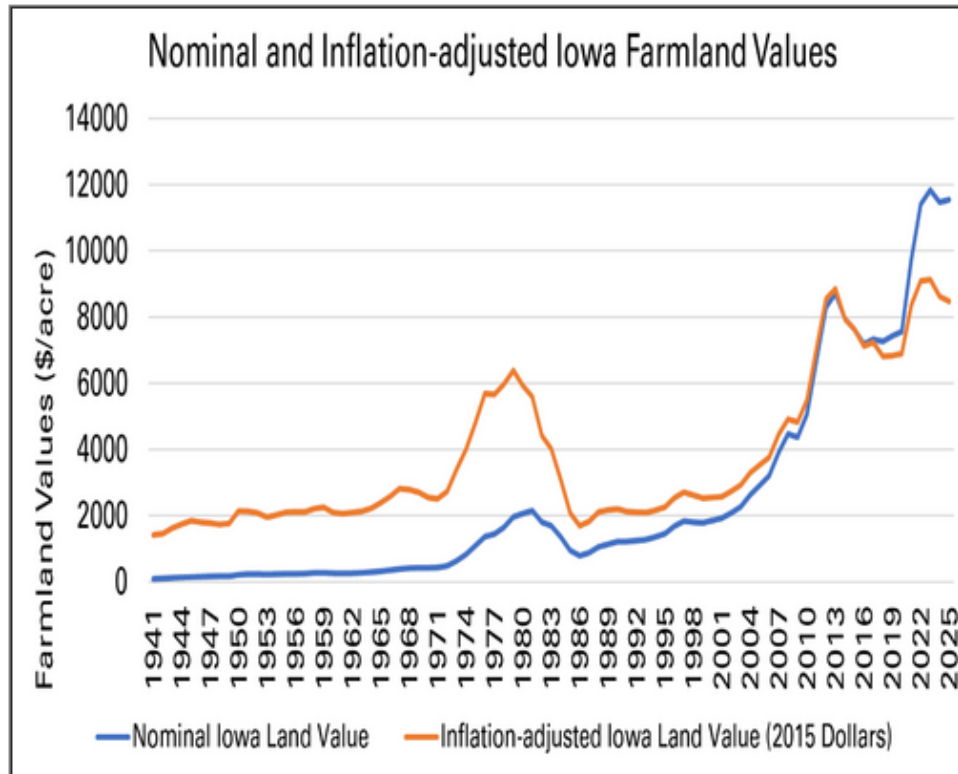
Land Prices and Farmland Issues—

- **How long can you afford to pay cash rent** on land that is not covering that cost? “Reasons operators hold on even while losing money are twofold,” explained [Michael Langemeier, Purdue Extension ag economist](#) and director of the Purdue Center for Commercial Agriculture. “First, it is often difficult to find another tract to replace the tract that an operator is giving up. “Second, the goal is not to break even every year. Rather, the goal is to have net returns in the good years that more than offset negative net returns in the bad years.” Langemeier believes it’s important to back up decisions about how long you can afford to hold on to cash-rented land in times of negative net return with numbers. The staff of the Center for Commercial Agriculture updated a spreadsheet for calculations, titled the long-run cash-rent spreadsheet, plus an [article that explains the process](#).
- ✓ **Working capital.** “The critical determination of whether it is not feasible to continue cash-renting a particular farm depends on erosion of working capital over time,” Langemeier said. “Even during times of low prices and/or high input costs, an operator will likely continue renting if erosion in working capital is relatively small, and/or the beginning working capital was relatively strong. “Working capital is computed by subtracting current liabilities from current assets. Suppose a farm had cash and crop inventories of \$500,000, and operating debt and principal due in the next year on machinery and land of \$250,000. The farm would have working capital of \$250,000 and a current ratio of 2.0.”
- ✓ **Working capital and rent decisions.** To make meaningful comparisons, divide working capital by number of crop acres, Langemeier said. To determine working capital per acre per year, use beginning working capital per acre, earnings per acre, and the percentage of acres included in the analysis for the cash-rent parcel vs. the entire farm operation.
- ✓ **Working capital and liquidity.** At what point does this drop in working capital become a crisis? “The answer is farm-dependent, depending on your unique situation,” Langemeier said. “When working capital per acre is below \$350, liquidity becomes tight. Cash to make necessary payments becomes scarce. Also, when the working-capital-to-gross-revenue ratio falls below 35%, liquidity becomes tight. In general, a farm would not want the working-capital-to-gross-revenue ratio to fall below 20% for an extended period.”
- ✓ **Bottom line.** If working capital per acre falls below \$350, walk away from high cash-rent ground or find an alternative, Langemeier advised. Alternatives include renegotiating cash rents or considering a share or flex lease. Share and flex leases shift more risk to the landowner in exchange for an opportunity to benefit when better times return. “The larger the tract is in proportion to total acreage in your farm operation, the larger the increase in overhead costs per acre resulting from walking away from the tract,” he said. That doesn’t mean you made the wrong decision. It is just a cause-and-effect outcome, he concluded.

- What does it takes in ad hoc payments** or grain price improvements to support land values? Good question, and Randy Dickhut of Agricultural Economic Insights provides his answer: "It was a commonly held belief that the large federal government ad hoc payments of 2018-20 helped support cropland prices from sliding further than experienced at the time. Currently, 2024-25 ad hoc payments and projected 2025-26 ARC/PLC payments have or will add cash revenue into the hands of farmers and landowners. Additional ad hoc money here at the end of 2025 and the beginning of 2026 will soon be on its way. Will the additional government spending for agriculture again support stable or increasing land values? Could a grain price increase offset the need for further ad hoc payments?
 Government payments have made or will make up a significant portion of net farm income. Federal dollars made up 27% of 2019's income, 46% of 2020's, and is projected to make up 23% of income projected for 2025. During 2018-20, government farm support payments made a big difference in farm income. This additional revenue to land was one of the key factors supporting land values during that time. Another view of how important ad hoc support payments were during 2018-20 comes from [Farmdoc ag economists](#). That illustrated the per acre impact of federal money for an average central IL farm. Projections for program payments in 2025 and 2026 are also important in forecasting the profitability of producers and farmland. Over the 6 most recent large government payment years (2018-20 & 2024-26P), the per acre payment averaged \$64.50 or more depending on the amount of 2026 ad hoc money. Many factors go into the farmland market establishing the price of land. One basic factor is the net income each acre can produce over the long run. During these lower grain price and tight margin times, federal farm support payments help stabilize crop and commodity farm incomes. The extra revenue will undoubtedly help farmers' profitability and can lend a bit of economic support to farmland prices. A question to be asked is what level of grain price increases would equate to the same amount of support to farm incomes as a \$11 bil. of ad hoc money? The following chart examines that question for just three major commodities. The last USDA forecast of yields and production of the three grains were utilized to calculate the per acre revenue increase for each crop and then the total national affect on farm revenues if every bushel produced was sold at the higher price. As you can see, if grain market prices increased to the estimated amount used in the calculation, it would generate extra revenue to producers that might offset the ask for further ad hoc payments.

	<u>Corn</u>	<u>Soybeans</u>	<u>Wheat</u>	
National Yield/acre	185 Bu	53.5 Bu	53.3 Bu	
Price Increase/bu	\$ 0.35	\$ 1.00	\$ 1.00	
Per Acre Revenue	\$ 64.75	\$ 53.50	\$ 53.30	
National Revenue	\$5.6 Bil	\$4.3 Bil	\$2.0 Bil	
3 Crop Total				\$11.9 Bil

- **The annual IA St. Univ. Land Value Survey** found that average farmland values increased 0.7%, or \$83, to \$11,549 per acre. The nominal value of an acre of farmland this year increased over last year's nominal value but is still about \$286 per acre lower than the 2023 peak of \$11,835. Dr. Rabail Chandio, who is responsible for the annual survey, said that she typically considers changes of less than 5%, whether up or down, as more of an adjustment than a true



market change. "Changes of that size often reflect variation across counties and crop reporting districts rather than a consistent statewide trend," she said. "It wasn't a boom or a bust, just a very uneven adjustment, with the story changing as you move across the state. Strong yields, limited land supply, and solid livestock income helped prop

up values in some areas, but lower commodity prices, high interest rates, and rising costs pulled them down in others." When the nominal value increases but the inflation-adjusted value decreases, as it did this year, it can still be helpful for farmers, but only to a point, Chandio said. "A farmer selling land this year will receive more dollars than last year, and that can still support goals like paying down debt (whose real burden also shrinks with inflation), transitioning to retirement, or reinvesting elsewhere. In that sense, the higher nominal price provides some benefit," she said. However, when inflation-adjusted values fall, additional money from land sales won't stretch as far as it might have previously. "Sellers may find that the proceeds won't buy as much machinery, land, or inputs as they would have a few years ago. So, while selling today can still improve a farmer's financial position, the real economic gain is smaller than the nominal price increase suggests," Chandio said. 60 counties reported increases in nominal land values; however, 78 counties reported a decrease in inflation-adjusted values. Lower commodity prices were cited as a negative factor influencing the market by 32% of respondents, marking the most common factor among respondents. Other negative factors cited by respondents include long-term interest rates (22%) and tariffs and trade uncertainty (13%).

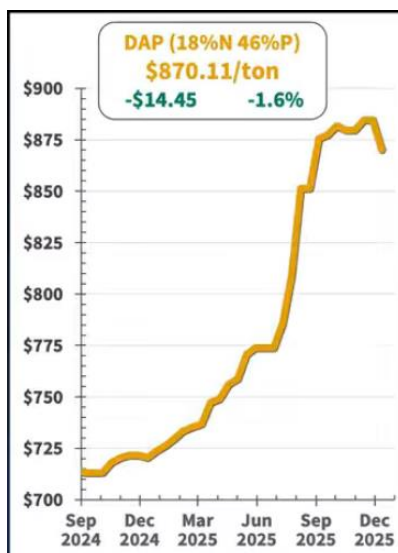
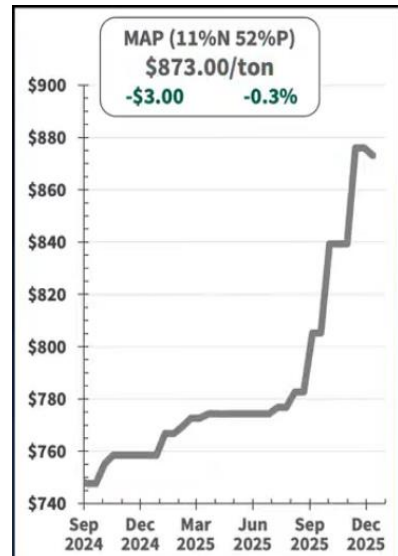
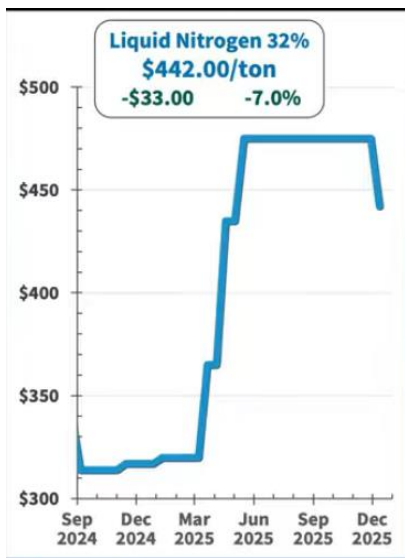
Fertilizer, Fuel, and Other Inputs—

- **Fertilizer trend dynamics**, compliments of United Prairie, Tolono, IL.



- ✓ **UAN:** Quotes are unchanged across the system. • Transactions are spotty and appear when prepay dollars roll in. The market is generally quiet as retailers evaluate the ammonia fill and prepay pricing.
 - ✓ **Urea:** NOLA values are slightly higher today, though remain in the range of last business done. January barges traded up to a \$358/s.t, up \$3 from yesterday, but in-line with Monday. • March barges traded today between \$362-363/s.t. NOLA, \$3-4 up from mid-week activity, but in-line with this past Friday. • Canadian values continue to lower as more domestic offers emerge. Latest delivered values across Saskatchewan are now referenced at \$740/mt. The Canadian dollar's recent appreciation has improved imports, keeping pressure on domestic values.
 - ✓ **NH3:** US fill and prepay ammonia programs are beginning to come out from suppliers. • In season S. Plains demand is emerging,
 - ✓ **Phosphates:** China has suspended all exports of DAP, MAP, and NPs until August 2026. • NOLA DAP trade up from lows.
 - ✓ **Potash:** NOLA potash prices remain stable. • There is anticipation in the market for a winter fill nearby.
 - ✓ **10-34-0:** Lower dry phosphate values have flipped the P205 spread. 10-34-0 is now reflected as a premium to MAP. • Acid suppliers indicating a roll-over on pricing for January. The current spread east to west is \$20/s.t.
- **Global fertilizer use recovered in 2024**, reaching a new record, according to the [International Fertilizer Association's \(IFA\) Public Summary Medium-Term Outlook 2025-2029](#) report. The report was released in 2025 and covers "fertilizer years," which run from January one year to January of the next year for some countries but run from midyear to midyear for other countries. Fertilizer use (nitrogen, phosphorus, potash) increased 4.5% to 198 mil. metric tons (mmt) of nutrients in 2023 and is projected to rise another 4.4%, to reach 206 mmt in 2024. This marks a 17-mmt increase from the low of 189 mmt in 2022 and 4 mmt above the previous record demand of 202 mmt set in 2020. Increases in global fertilizer usage are expected between 2025 and 2029, though at a slower pace than in the past two years, according to IFA. With an annual growth rate projected between 1% and 2%, total use is forecast to be 224 mmt by 2029, an increase of 18 mmt compared to 2024.

- **The IL Fuel and Fertilizer Cost Report** is generated by Jim Raftis at the IL Dept. of Ag. This report is based on [prices ending the week of Dec. 12.](#)

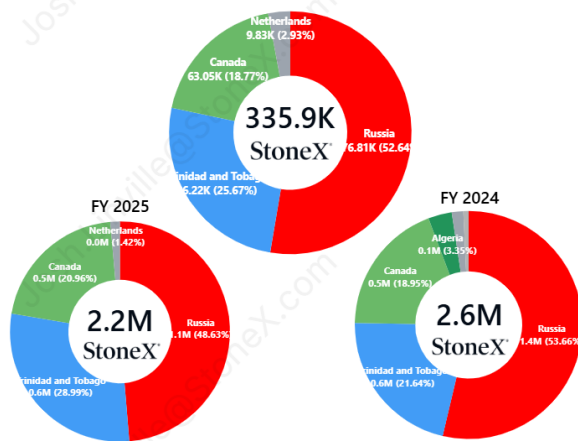


- **The biggest news in the North American fertilizer market** are the unexpected threats from President Trump to place tariffs on Canadian fertilizers, says Josh Linville of StoneX. "This has raised alarms across the U.S. fertilizers markets as it tries to figure out what it means or what it could mean. At this point, we do not have details of the tariffs that are being threatened. We only know that the threat has been made. In the past, we have seen similar announcements/moves as he attempts to put himself in better position for negotiations. As always, the effect of tariffs differs across the spectrum of fertilizers. Potash is where it would hurt, U.S. highly reliant on imports to meet demand, Canada is 90% of that flow, would expect that U.S. farmers must pay the tariff rate to keep tons flowing from Canada to meet spring needs." →
- **Fertilizer industries on both sides of the Canada-U.S. border** are making their case for the continued supply of Canadian potash. That response follows President Trump's most recent tariff threat, saying he might place 'severe' tariffs on Canadian fertilizer in order to increase output by the American industry. The Assn. representing the U.S. fertilizer industry believes that meeting U.S. farmer demand through domestic supplies would simply be impossible. Potash is one of 3 critical nutrients needed to grow a healthy crop, especially corn and potatoes. Canada has the largest available potash deposits, with Saskatchewan being the world's largest producer, followed by the world's other two largest exporters, Russia and Belarus. The U.S. mines around 400 thousand tons of its own potash supplies annually, but American farmers use another 5 mil. tons beyond that amount. Those 5 mil. tons of potash come almost entirely from Canada. This, according to Stuart Smyth, an agricultural professor at the Univ. of Saskatchewan, "Given that we export about 50% of our potash to the US, I just don't think there's any way you could scale that capacity up tenfold in the matter of a few months. Because seeding starts for them in February, in the southern U.S." The U.S. Fertilizer Institute's Veronica Nigh agrees with Smith. She explains that American potash deposits are not nearly as large or as readily available. And large-scale mining extraction of those deposits would take between 10 and 15 years. The existing Canadian potash mines are the largest in the world and are immediately adjacent to the United States. As such, the U.S. agricultural industry depends heavily on Canada for its annual potash requirements, "US growers would very much like to see additional production for mined nutrients like potash and phosphorus. That can take at least 10 years. There are only 3 major exporters in the world. Russia and Belarus are the other two. Much rather get our potash from our friends in Canada." President Keith Currie of the Canadian Federation of Agriculture says that in the event Trump does increase those tariffs, his recent announcement of a \$12 bil. farm bailout would be largely eaten up by the fertilizer price increases that American farmers would experience, "Even just the talk is really creating a lot of unstable markets out there, and that cost would go directly onto the margins of the US farmers. And this is why we need to have those conversations with our colleagues south of the border, to make sure that they're putting pressure on the President, to make sure he doesn't harm the industry any further." (NAFB News Service)

- **The global nature of fertilizer** creates a supply threat from numerous nations.

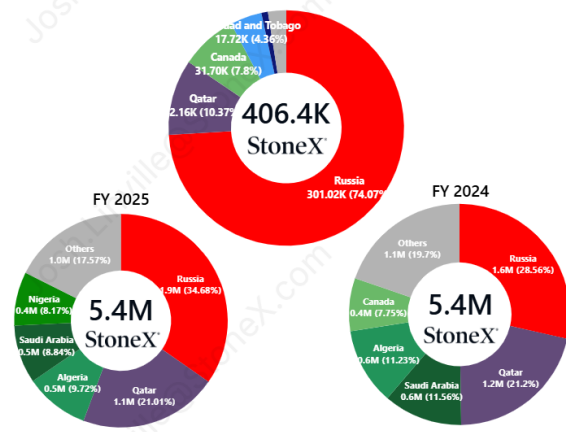
Market Share of U.S. UAN Imports in FY 2026 (ST)
(Jul - Aug)

Source: U.S. Dep. of Commerce



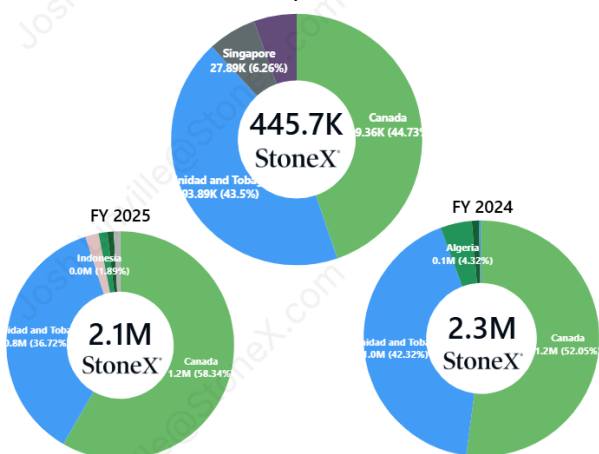
Market Share of U.S. Urea Imports in FY 2026 (ST)
(Jul - Aug)

Source: U.S. Dep. of Commerce



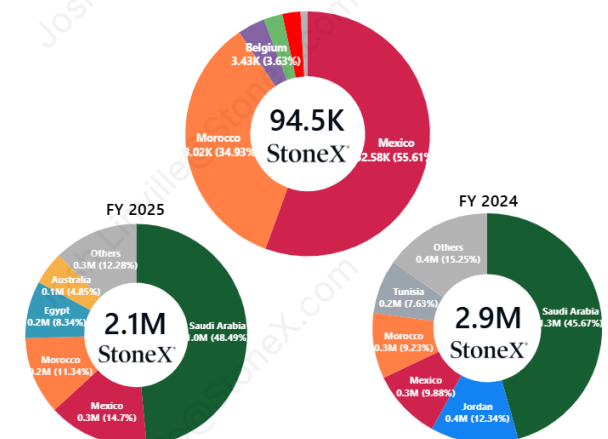
Market Share of U.S. NH3 Imports in FY 2026 (ST)
(Jul - Aug)

Source: U.S. Dep. of Commerce



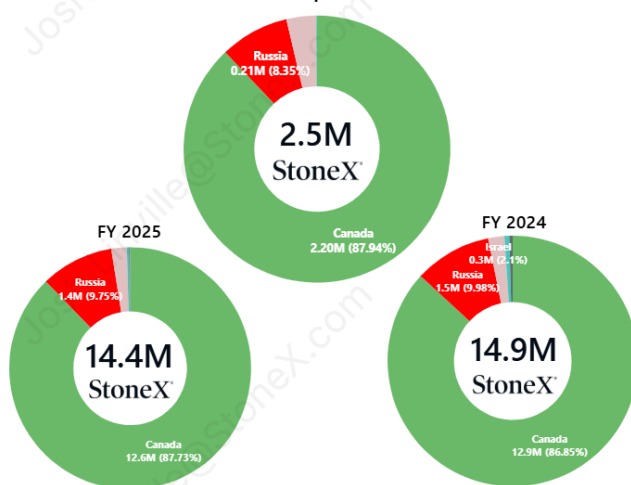
Market Share of U.S. DAP, MAP Imports in FY 2026 (ST)
(Jul - Aug)

Source: U.S. Dep. of Commerce



Market Share of U.S. Potash Imports in FY 2026 (ST)
(Jul - Aug)

Source: U.S. Dep. of Commerce



Risk Management and Crop Insurance—

- **Crop insurance is getting less expensive.** To be more specific, and maybe accurate, let's say farmers will have to pay less to get expected crop insurance coverage. [IL Farmdoc ag economists](#) report, "Over the last 2 years, Federal crop insurance premium subsidies have been raised far more by procedures outside the Farm Bill than inside the Farm Bill. 2 USDA administrative actions raised the premium subsidy rate for ECO (Enhanced Coverage Option) insurance to 80%. They conservatively are estimated to raise Federal premium subsidies by \$13.2 bil. over 10 FYs (Federal Fiscal Years). The 2025 Farm Bill was scored as raising Federal premium subsidies over 10 FYs by \$4.4 bil. for individual farm insurance units and SCO (Supplemental Coverage Option) insurance. Federal subsidies are rising and farmer premiums are declining.

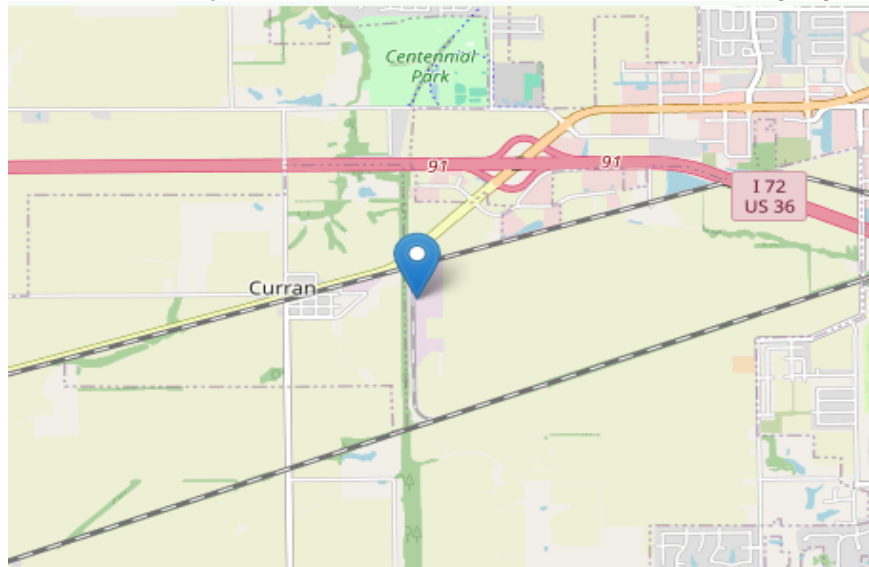
Coverage Level	CAT	50%	55%	60%	65%	70%	75%	80%	85%
2025 crop subsidy	100	67	64	64	59	59	55	48	38
2026 crop subsidy	100	67	69	69	64	64	60	51	41

The 2025 Farm Bill raised projected 10-year spending on Federal crop insurance premium subsidies by \$4.4 bil., according to CBO. The increase reflected higher subsidy rates for individual farm insurance units and SCO, as well as a higher SCO coverage level. A larger expansion in Federal premium subsidies occurred outside the Farm Bill process than within the process that arguably was intended to set subsidy rates. USDA, RMA administrative actions in 2024 and 2015 on ECO subsidy rates are conservatively estimated to increase Federal premium subsidies by \$13.2 billion, triple the 2025 Farm Bill increase. The \$13.2 bil. increase in ECO premium subsidies over 10 FYs is estimated as follows using data from USDA, RMA *Summary of Business*: $\{[(2025 \text{ ECO total premiums of } \$1.9 \text{ bil. times } 80\% \text{ subsidy rate}) \text{ minus } 2024 \text{ ECO subsidies of } \$0.2 \text{ bil.}] \text{ times } 10 \text{ years}\}$.

Transportation—

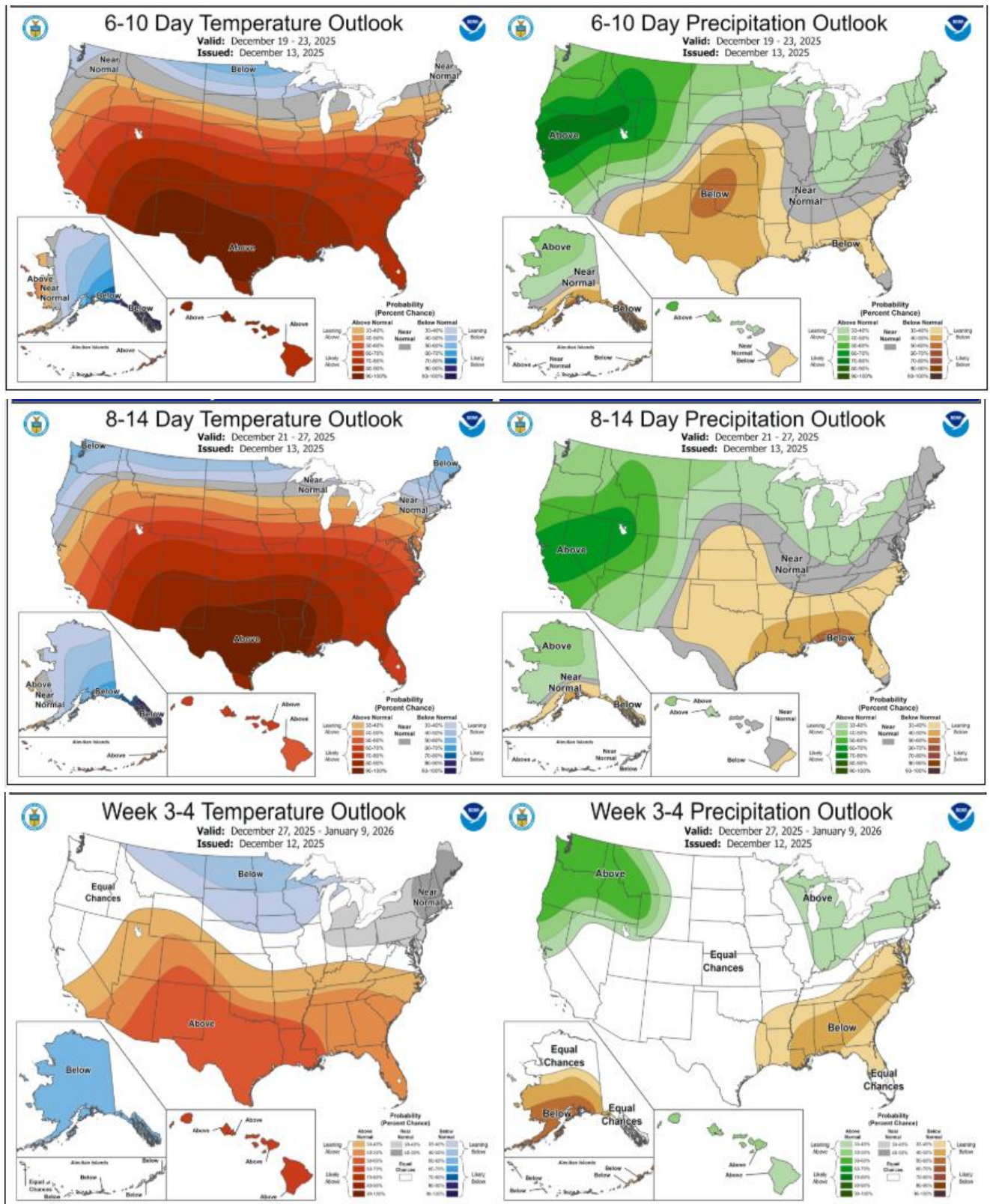
- **BNSF railroad is jumping into the fertilizer transportation business.** It is starting a new [Seasonal Fertilizer Unit Train Program](#). BNSF Railway (BNSF) recently announced a new seasonal fertilizer unit train (FT) program. FTs each contain 85-100 cars (provided by BNSF) of urea, dry phosphates, or ammonium sulfate fertilizer. The trains run during peak fertilizer season—January 1 to June 30. The fertilizer trains will be offered for reservation with no auction or prepayment required. An FT reservation commits a shipper to at least 4 trips, to avoid a cancelation charge. FTs can be loaded only from North St. Louis, MO; St. Louis, MO; Sauget, IL; and Gateway, IA. As of December 3, BNSF has already allocated 10 FTs (to start in January and February). An additional 10 FTs will begin in February and March. BNSF also recently announced tariff rate adjustments for fertilizers. Effective January 1, rates for urea and dry phosphates will increase by \$5 per net ton (in both BNSF-owned cars and shipper-owned cars). Prices for other fertilizer commodities will be adjusted on a lane-by-lane basis.

- Demand for US grain transportation has remained strong** throughout 2025 with barge movements and Class 1 rail grain carloads above the prior three-year average, according to [USDA transportation economists](#). “In October and November 2025, Mississippi and Ohio River water levels were critically low, forcing barges to carry lighter loads. Currently, water levels are allowing deeper drafts to be loaded on the Ohio and lower Mississippi. In October and November, downbound barged grain shipments through MRS locks were up 1% and down 5%, respectively, from the same times last year.” Rail grain carloads have been above average for most of the year. In the past 12 weeks, grain carloads were 9% above average. Rail service numbers also have been strong. Train speeds in the last 3 months were 3% above average for the same weeks. The absence of China from the US soybean market in October did limit the secondary market for shuttle trains. Last October, BNSF shuttle trips averaged about \$1,280 per car, per trip. This October, the tops averaged about \$680 per car, per trip. Total barged grain movements year-to-date were up 13% to 29.7 mil. tons and up 10% from average. “However, soybean and wheat barged volumes were below average (down 20% and 15%, respectively). With China’s absence from the soybean market, soybeans’ share of total barged volumes dropped 8% from last year. Yet, if recent purchases by China materialize, they will raise barge transportation demand. In November, downbound grain shipments River were above average on the Illinois River (Lagrange Lock and Dam) and below average on the Ohio River (Olmsted Lock).”
- On December 1, Canadian National Railway (CN)**—through its subsidiary Illinois Central Railroad— petitioned the Surface Transportation Board (STB) to officially confirm CN’s right to access an ADM grain elevator at Curran, on the southwest corner of Springfield, IL. [In seeking confirmation by STB](#), CN claims Union Pacific Railroad (UP) has obstructed CN’s access to the grain elevator by refusing to qualify CN crews. CN further claims that UP’s actions cause competitive harm, and that the “timing and context underscore the competitive stakes.” CN notes the ADM elevator is also served by Norfolk Southern Railway (NS), an operator that UP seeks STB authorization to acquire. According to CN, UP’s refusal to qualify CN’s crews to access the ADM elevator “shields [UP’s] proposed merger partner from near term competition... [and] functions as a targeted foreclosure strategy.”



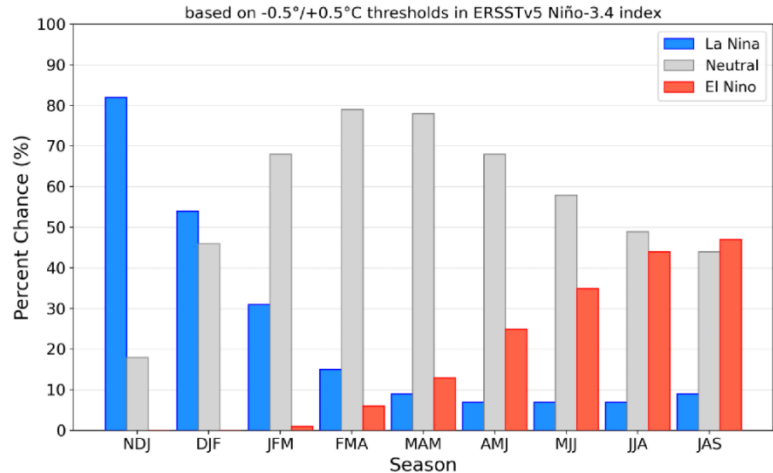
Weather and Climate—

- Is winter over yet?



- The Climate Prediction Center** last week issued an [ENSO update](#), “La Niña is favored to continue for the next month or 2, with a transition to ENSO-neutral most likely in January-March 2026 (68% chance). The IRI multi-model predictions indicate La Niña will continue in the December-February (DJF) 2025-26 season, but then ENSO-neutral is favored for January-March (JFM) 2026. Together with the North American Multi-Model Ensemble, the team continues to slightly support a weak La Niña through DJF (54% chance), before transitioning to ENSO-neutral in JFM. Even after equatorial Pacific SSTs transition to ENSO-neutral, La Niña may still have some lingering influence through the early Northern Hemisphere spring 2026 (e.g., [CPC's seasonal outlooks](#)). In summary, La Niña is favored to continue for the next month or 2, with a transition to ENSO-neutral most likely in January-March 2026 (68% chance.)

Official NOAA CPC ENSO Probabilities (issued December 2025)

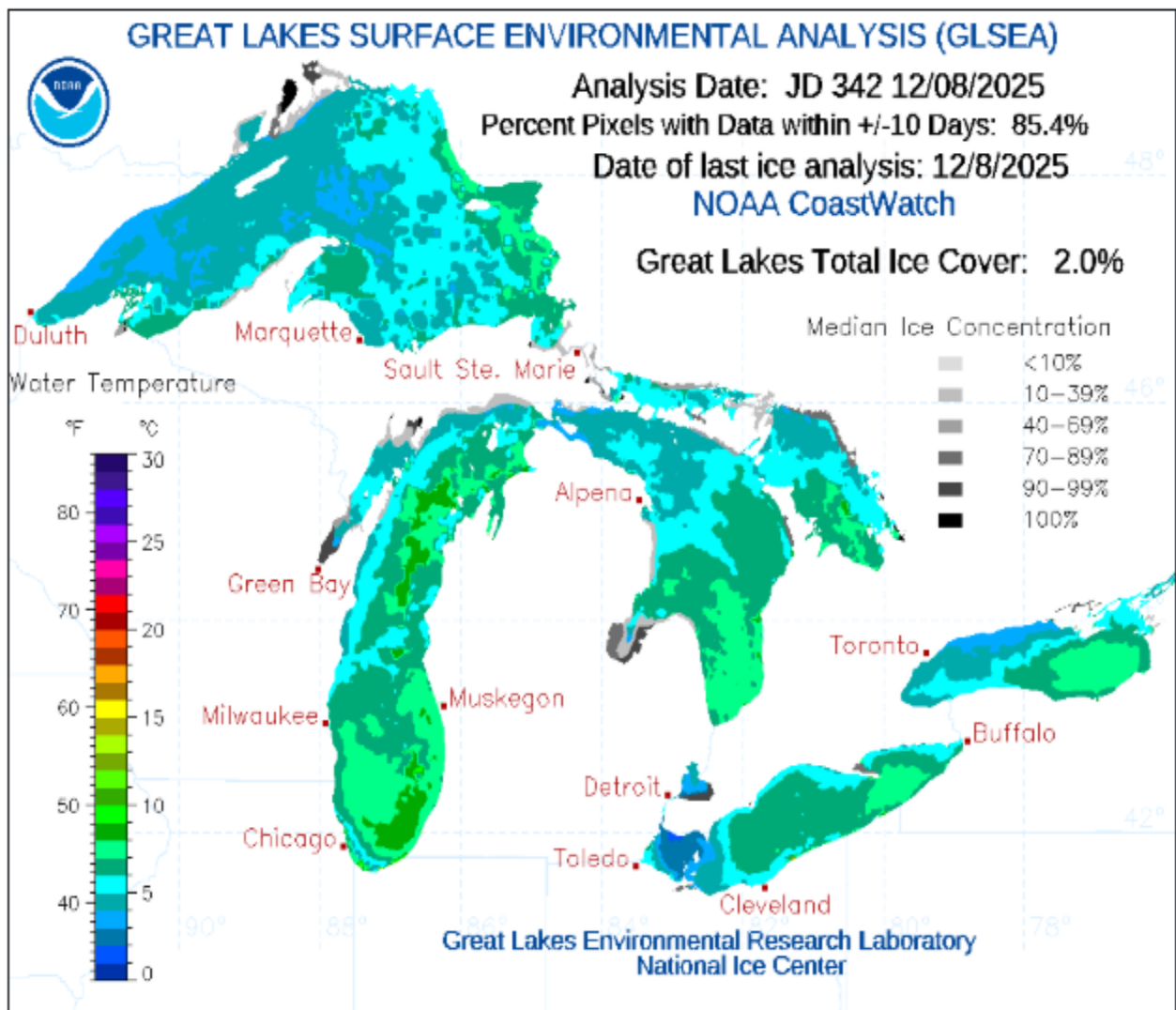


- “We had another wintery week,”** says IL State Climatologist Trent Ford, “with average temperatures ranging from the high teens in northern IL to the low 30°s in southern IL, between 6° and 13° below normal. The first 10 days in December have been a top 10 coldest start to the month throughout much of the state, including in Urbana and Mt Carroll, marking a huge shift from a much warmer than average fall season. Multiple rounds of winter storms brought mixed forms of precipitation to most of the state this week. Totals ranged from virtually 0 in southwest IL to nearly 2 in. in far northeast IL. Among the precipitation was another dose or 2 of snowfall, with parts of northern IL picking up another 5 to 8 in. this week. This has been a top 5 snowiest start to the winter in many parts of the northern half of the state, including in Peoria, Moline, and Chicago. This year is the snowiest start to any season on record in Springfield. In fact, our state capital has had 3 more inches of snow this year than the start of the vaunted 1977-78 winter. That said, an early start to snow does not necessarily portend a snowy season throughout. Looking ahead, we’ll see another system move through on Saturday into Sunday. Central IL looks like the snow winner from this next system, too, with a broad range of 2-4 inches expected from Galesburg to Danville. Total liquid precipitation will stay below half an inch for the week. Following the next round of winter weather on Saturday, extremely cold air will settle in on Sunday and into Monday. Actual temperatures will struggle to get above 0 on Sunday, and wind chill values could be in the -5 to -15° range for most of the day. With those temperatures, it is vital that folks limit their time outside and bundle up to minimize exposed skin. Fortunately, temperatures moderate quite a bit throughout this next week, with highs poking into the upper 40°s by next weekend.”

- **When you are downwind from an ice cube, the air is usually cold.** The historical average ice cover on December 9 is approximately 5–10% for the entire Great Lakes basin. Ice formation typically begins in late November to early December in shallower or more sheltered areas. Early December averages are low overall, as significant buildup occurs later (peaking at ~53% basin-wide in late February/early March). Variability is high: Some years see near 0% (e.g., warm Decembers like 2023), while colder snaps can push it to 15–20%. This early-season low is normal, but long-term trends indicate shorter ice seasons and reduced coverage overall.

Current Lake Ice

Right now, only about 2 percent of the Great Lakes are ice-covered.



Agronomy—

- **Ag Retailer trade magazine CropLife** issued its survey of the top 100 ag retailers and revealed what farmers were buying and using and how retailers were responding:
 - ✓ Despite the challenging farm economics, 37% of retailers were more profitable in 2025 than in 2024, an increase in the number that were more profitable in 2024 over 2023.
 - ✓ 64% of retailer increased Micronutrient sales, 60% increased Adjuvants and 56% reported biological sales up in 2025. Those 3 segments are relatively consistent with 2024. None of those segments had more retailers decrease rather than increase, which reinforces that retailers are leaning further into these segments even in a more challenged environment and farmers are acknowledging their potential.
 - ✓ On the AI front, 18% of retailers plan to invest in AI systems in 2026, which is lower than expected (depending on how it was defined in the survey). For example, if a retail company isn't paying the price of a premium LLM for each of its teams (meaning Gemini Pro or ChatGPT Plus for example) at a minimum, then they are missing out on opportunity to improve their team's effectiveness.

Company	# of Locations	Revenue Range	CP%	Fert%	Seed%	Custom App%
1 	1500	>\$1 Billion	41%	41%	13%	5%
2 	475	>\$1 Billion	39%	42%	16%	3%
3 	354	>\$1 Billion	29%	44%	15%	12%
4 	237	>\$1 Billion	38%	47%	12%	3%
5 	265	>\$1 Billion	23%	58%	14%	3%
6 	77	>\$1 Billion	26%	52%	21%	1%
7 	151	>\$1 Billion	50%	35%	11%	4%
8 	77	>\$1 Billion	26%	56%	11%	7%
9 	60	>\$200m	19%	61%	14%	6%
10 	89	>\$200m	23%	58%	13%	6%

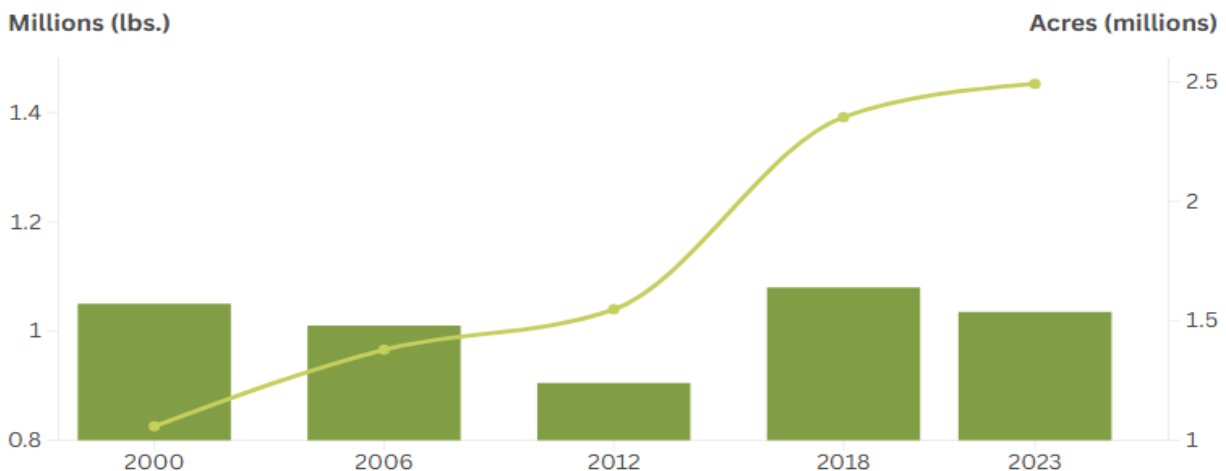
Source: CropLife 100, 2025

- **A legislative effort to restrict the application of crop protectants** around school property was introduced in the IL Legislature last year but did not get to the voting stage. [That may happen in the 2026 legislative session](#), and farmers near schools may have new rules when applying any type of crop protection chemical. [House Bill 1596](#) would require certified pesticide applicators to provide written notice, 24 to 72 hours before spraying, to private and public schools, day cares, and public parks and playgrounds within a half mile of the application site. The notification requirement would apply only to large-scale operations over 5 acres that use boom sprayers, tractor-mounted sprayers and airplanes to apply weed killers — not residential applications. A report indicates there are more than 700 Illinois schools within a quarter mile of a farm field, and children on playgrounds are in danger of respiratory issues when recess conflicts with crop spraying. The IL Dept. of Ag oversees the state's 38,000 certified pesticide applicators and operators with just 17 inspectors. Those inspectors also administer certification exams, splitting their time between testing new applicators, recertifications and conducting field investigations. In response to questions about understaffing, the Dept. of Ag provided a written statement saying that "effective staffing and resource use are essential for state agencies, including evaluation of long-term need, changing of job duties, and rearranging geographical positions to better distribute workload."

Statewide herbicide growth vs. soybean area planted

Use of all pesticides on soybeans has more than doubled in Illinois since 2000 even as soybean acreage has stayed flat.

■ Pesticides application (Millions lbs.) ■ Acres



Source: USDA [National Agricultural Statistics Service, Quick Stats Database](#) • Custom query for "Soybean Acres Harvested in Illinois, 1996-2024" and "Amount of herbicides used on Corn and Soy in Illinois, 1996-2024."

Rep. Bradley Fritts, a Dixon Republican, worries HB 1596 could conflict with existing Environmental Protection Agency deadlines. Applicators cannot spray dicamba after June 12, and with a 72-hour notification requirement, that window narrows even further. "I think all of us who have been involved in the agricultural space take this incredibly seriously," said Fritts, who is also a corn and soybean farmer. "I think there's a lot of things to think through here, because this has unbelievable consequences for our industry."

- **Cattle in a pasture typically avoid Canada Thistle**, but there is something else that loves it and eats it alive! Canada thistle rust fungus has only one goal in life: attacking Canada thistle. Researchers found that the fungus alone cut the number of Canada thistle plants in half in 2 years in 1 study and by 22% in the others. The rust fungus combined with herbicides completely suppressed thistles at both sites after 2 years. So far, the rust fungus isn't available on farm store shelves. Researchers collected the rust fungus and successfully applied it as a dry powder by hand or with a leaf blower on healthy thistles. However, they note that collecting the fungus was not easy. The best time to identify Canada thistle rust is in the spring. Look on the underside of leaves for bright orange splotches. Then return in September and collect leaves with rust-colored teliospores. Once you dry, grind and blend leaves into a fine powder, you're ready to apply the fungus.
- **Cover crops can be useful in the fight against weeds** but can also result in unanticipated outcomes, says SIU agronomist Karla Gage. "[If cover crops reduce the number of weeds exposed to herbicides](#), this can slow the development of herbicide resistance. Biomass is the greatest predictor of weed suppression by cover crops. The greater the biomass produced, the greater the weed suppression. An analysis of several cover crop studies across the Midwest suggests it takes about 2.2 tons per acre to reduce weed biomass by 75%. A multistate study funded by the United Soybean Board and led by the Univ. of WI suggested 3 tons per acre of cereal rye biomass is enough to provide optimal suppression of waterhemp; this is about 3-foot-tall cereal rye planted at about 60 pounds per acre. Selecting a cover crop should depend on farm goals. Winter grass cover crops, such as cereal rye, establish well and grow quickly in the spring.



These cover crops intercept light and create a surface mulch that inhibits weed seed germination while providing habitat for seed predators that consume weed seeds. Cereal rye, wheat, winter barley and others also produce allelochemicals. These are chemicals that can inhibit the germination and growth of weeds. Brassicas (radish, rapeseed) grow rapidly in the fall but may winterkill and decompose quickly, which reduces their weed suppression potential. Legumes (clovers, hairy vetch) add nitrogen to soil but also decompose quickly, providing less weed suppression than grasses. Mixtures of cover crop species can be beneficial but rarely suppress weeds more than a single high-biomass grass species like cereal rye. While cover crop planning and management can be challenging, the use of cover crops can be a valuable Integrated Weed Management tool. Cover crops can reduce the number of weeds exposed to herbicides. By reducing the number of plants exposed, the probability of selecting for herbicide resistance is reduced."

Conservation, Environment, Carbon—

- **The Trump USDA is embarking upon, brace yourself,** a regenerative agriculture initiative. “Regenerative agriculture has no widely agreed-upon definition, but USDA called it ‘a conservation management approach that emphasizes natural resources through improved soil health, water management and natural vitality for the productivity and prosperity of American agriculture and all of our communities,” [Agri-Pulse reported](#). [“The program appears similar to the \\$1.4 bil. Partnership for Climate-Smart Commodities program begun during the Biden administration,” Agri-Pulse reported.](#) “That program, which was canceled and then rebranded as Advancing Markets for Producers, uses both government and corporate matching funds to help farmers implement a host of conservation practices.” The funding for the pilot project would be delivered ‘through existing programs our farmers already know and already trust,’ which Natural Resources Conservation Service Chief Aubrey Bettencourt specified would be the Environmental Quality Incentives Program and the Conservation Stewardship Program,” Agri-Pulse reported. “‘It’ll be the same application that our farmers know already,’ Bettencourt said. ‘The difference is, they’ll be able to apply for multiple practices on a single application.’” [A significant problem may point to inadequate staffing](#), since the Trump administration cut 2,400 NRCS staff earlier this year, and plans to cut another 1,200 in the coming year.
- **Farmers recently received some good news** when it comes to regenerative agriculture practices. Brian Glenn, director of government affairs for the American Farm Bureau, says USDA’s new Regenerative Agriculture Initiative leverages existing programs like EQIP (EQIP) and CSP to advance goals toward growing a healthier America, “Through this program, USDA acknowledges that farmers have long-practiced regenerative agriculture on their farms, both through federal conservation programs and on their own. We are certainly still digging into the details of this new initiative, and we are looking forward to making sure that it is administered in a way that is workable.” He said the new initiative will apply to 2 programs many farmers already participate in, “Including the Environmental Quality Incentives Program – EQIP - and the Conservation Stewardship Program or CSP, and it dedicates \$400 mil. to EQIP and \$300 mil. to CSP to fund regenerative agriculture projects that improve soil health, embrace water quality, and boost long-term productivity for farmers.” (The programs are similar to the \$3 bil. Biden program for regenerative agriculture.) He said farmers and ranchers are careful stewards of natural resources, and many already incorporated regenerative agriculture into their farming practices, “Regenerative agriculture is truly any production system that minimizes environmental impacts, maximizes production, and increases the productivity of soil. Over time, farmers rely on healthy land to grow their nutritious crops and raise healthy animals.” (American Farm Bureau)

- **The Food and Agriculture Climate Alliance** also welcomed the USDA's announcement of a \$700 mil. Regenerative Agriculture Pilot Program. It's a farmer-focused initiative designed to advance voluntary conservation and expand practical soil health and water management efforts that support the long-term productivity of America's farmers, ranchers, and forest owners. The pilot's focus on measurable outcomes will help strengthen confidence in the environmental benefits of longstanding conservation and regenerative practices. "We look forward to hearing more details about the implementation of this new initiative to ensure it is practical and available for a wide variety of producers, including livestock, row crops, and specialty crops alike," the group said in a statement. Earlier this year, the FACA Steering Committee developed Regenerative Agriculture Guiding Principles, including Advancing Measurable Soil Health and Ecosystem Benefits, Voluntary Science-Based and Incentive-Driven Guidelines, and Economic Viability and Farm Sustainability. Similar programming in the Biden administration was eliminated when the new USDA administration took over.
- **Production of ethanol has grown in importance**, but the resulting production of CO-2 has been a critical downside, when it comes to the need for sequestration. While CO-2 wells have been generally successful, building CO-2 pipelines across thousands of miles of farmland has created expense and anger among landowners. That may be coming to an end with the re-use of an existing pipeline across northern NE and sequestration of the CO-2 in a Rocky Mountain location. CEO Tom Buis of the American Carbon Alliance expressed his confidence in a long-sought compromise. "The introduction of the Securing America's Fuels Act is such an important development. This bipartisan legislation would restore the full value of the 45Z clean fuel production credit for sustainable aviation fuel and extend it through 2033. For agriculture and biofuels, this kind of certainty matters. It helps unlock investment, strengthens demand for American-grown crops, and positions farmers and producers to participate in rapidly growing global fuel markets. We are also seeing clear signals from the private sector about where those markets are headed. Major international energy companies are making billion-dollar investment decisions based on access to low-carbon fuel supply chains and reliable carbon infrastructure. Recent announcements out of NE underscore how critical carbon capture and pipeline connectivity have become in attracting global capital and securing new market opportunities for agriculture. We are encouraging our members to weigh in with Congress in support of the [Securing America's Fuels Act](#). It would restore the full \$1.75 credit rate for sustainable aviation fuel under Section 45Z and extend the credit through 2033. For farmers and biofuel producers, this legislation is about certainty. A longer runway for 45Z gives producers the confidence to invest, expands demand for American-grown crops, and helps open new aviation fuel markets at home and abroad. It also reinforces the role agriculture plays in America's energy future." [He is seeking farmer aid to lobby Members of Congress in support.](#)

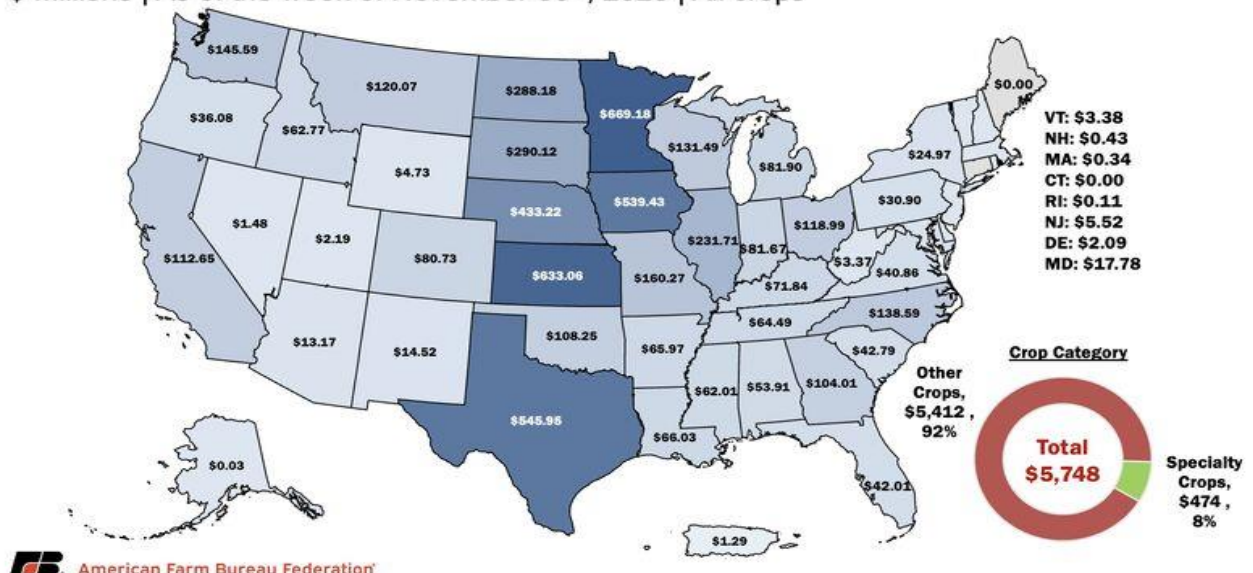
- **In the world of carbon sequestration**, 5 major global gas companies announced a major new partnership to build a large-scale e-methane production facility in NE. Biogenic CO₂ sourced from ethanol producers is a critical feedstock for e-methane production, and the ability to secure CO₂ delivery via pipeline is the primary reason this project targeted NE. It's a clear signal that international capital is flowing into the Midwest to secure reliable, low-carbon fuel sources for export markets. Methane, also known as natural gas, is usually drilled out of the ground, but can also chemically be formed. When burned, synthetic methane emits greenhouse gases but is considered less polluting due to its cleaner production process and re-use of CO₂. A final investment decision is expected in 2027 on the facility, with startup scheduled for 2030. A statement from the 5 companies said the Live Oak Project will leverage the abundant biogenic CO₂ resources, captured from NE bioethanol plants. →
- **ADM has officially turned** on the largest bioethanol carbon capture facility in the world, and it's now connected to Tallgrass' multi-state CO₂ storage network. This is a pivotal moment for U.S. carbon infrastructure. ADM's Columbus, NE plant is [capturing CO₂ and sending it through the 400-mile Trailblazer pipeline](#), a former natural-gas line, into Wyoming's deep saline formations for permanent storage. The system can move 10+ million tons of CO₂ per year, making it one of the most significant carbon corridors operating today. This project shows what U.S. carbon management will actually look like. This project shows what U.S. carbon management will actually look like. Smart reuse, fast build-outs, and multi-state integration.



- **USDA Deputy Secretary Vaden said the re-assignment** of more than half of the current USDA staff in the Washington, D.C., area to 5 regional hubs across the country will be finished by 2026. In comments to Agri-Pulse, Vaden said the reorganization process will have moved over 2,000 USDA employees to 5 cities, including Raleigh, NC; Kansas City, MO; Indianapolis, IN; Fort Collins, CO; and Salt Lake City, UT. However, [Civil Eats](#) reported that several provisions in the recently passed agriculture funding bill may make it harder to implement the USDA's reorganization plans. Several provisions require the agency to get Congressional approval before closing field offices of the Natural Resources Conservation Service, Rural Development, and the Farm Service Agency's county offices or farm loan offices. Another provision said the Ag Secretary cannot eliminate programs or projects, or relocate offices, programs, and employees, without approval from Congressional appropriations committees.
- **USDA has been distributing funds to farmers** who sustained crop losses, whether insured or not in 2023 and 2024. The program is known as Supplemental Disaster Relief Payments. American Farm Bureau economist Danny Munch says deadlines are near for farmers to apply for the payments. This is the final opportunity for producers who suffered natural disasters in 2023 and 2024 to receive federal disaster assistance under this program. For those wanting to understand how these expanded SDRP provisions work, the programs cover: Quality loss; Shallow loss (losses too small to trigger an insurance indemnity, even after a qualifying disaster); Uninsured crops; Value-loss crops; Trees, bushes and vines; On-farm storage losses; Milk losses.
 - ✓ SDRP Stage 2: Quality loss & shallow loss <https://lnkd.in/eKRdMdk4>
 - ✓ SDRP Stage 2: Uninsured crops, storage & milk losses <https://lnkd.in/e-aKJqPF>

SUPPLEMENTAL DISASTER RELIEF PAYMENTS SO FAR

\$ Millions | As of the week of November 30th, 2025 | All crops



- **The USDA has launched a comprehensive review** to ensure [SNAP benefits](#) are restricted to U.S. citizens, citing internal audits that revealed payments to deceased individuals and duplicate claims across states. The department has demanded state-level data to verify eligibility, warning that non-compliance could result in withheld federal funds. However, 22 Democratic-led states have refused to provide the data, prompting legal disputes over privacy and enforcement measures. Critics claim the USDA has not substantiated its fraud allegations, with the Congressional Research Service noting that most overpayments stem from errors rather than intentional fraud. Supporters praise the move as a step toward addressing obesity and diabetes, critics argue it stigmatizes low-income families and complicates grocery shopping. Public health experts emphasize the need for systemic solutions, such as education and access to affordable healthy foods, alongside these restrictions.
- **USDA Secretary Rollins (right) sent a letter** to CA Gov. Newsom (left) demanding that



the state abandon a proposal that would redistribute land based on race, ethnicity, and



national origin. The letter comes as the CA Land Equity Task Force considers a draft proposal that would encourage and facilitate land transfers and financial assistance exclusively to certain minorities. "Those proposed policies would grievously hurt farmers, ranchers, and agricultural producers," the Secretary said in the letter. "All people should be treated equally, and what CA has proposed directly targets those who work from sunrise to well past sunset, faithfully tending our nation's land and livestock." In 2022, the state's legislature established the task force to develop recommendations on how to equitably increase access to minority farmers and tribes. The task force is currently reviewing a [draft](#) that recommends action that would only apply to certain minorities.

- **The USDA's National Agricultural Statistics Service** will conduct the 2025 Organic Survey. In early December, NASS will mail survey codes to respondents with an invitation to reply online. NASS will follow up by mailing the full questionnaire in early January. Last conducted in 2021, this Census of Agriculture special study will look to gather new data on organic production, marketing practices, incomes, and expenses in the U.S. This effort is critical to help determine the economic impact of organic agriculture production on the nation. The results will be available on October 30, 2026. "Organic agriculture is a growing industry, and it's our job as a federal statistical agency to help measure this part of the agriculture sector," said NASS Administrator Joseph Parsons.

Agri-Politics—

- **Several significant comments** impacting agriculture originated last Monday during a White House event featuring invited IA farmer, Cordt Holub. Several of the comments indicated a lack of understanding of farm issues, when Trump and others addressed:
 - ✓ Year-round E15 sales came up during President Trump's farm aid announcement at the White House when Trump turned to IA farmer Cordt Holub, saying, "Trying to get E15 year-round. Let's continue to work on that. I think we can have a lot of domestic product used here in the country, and we can keep 'America first'...and if we keep that E15, you can have the first..." Trump said: "So, E15 is a big deal?" Holub replied: "E15's a great deal—year-round."
 - ✓ Trump and USDA Secretary Rollins also addressed high farm input costs—especially fertilizer, though Trump seemed to contradict his tariff exemption policy for key fertilizers, "A lot of it does come from Canada, so we'll end up putting very severe tariffs on that if we have to...very severe tariffs on, from coming in from other countries...you'll be making your own fertilizer very soon." Rollins said: "In fact, Secretary Burgum, our Secretary of the Interior, I, Secretary Bessent, and others, we have a whole plan in place, including the reshoring of fertilizer and the opportunity to do it in America."
 - ✓ As for farm equipment, Trump said, "Farming equipment has gotten too expensive. And a lot of the reason is, they put these environmental 'excesses' on the equipment, which don't do a **** thing except make it complicated, make it impractical, and you really have to be, in many cases, you need about 185 IQ to turn on a lawnmower. (laughing)" Trump vowed to end the environmental requirements, but only if John Deere and other farm equipment makers lower their prices. (Berns News Bureau, Washington)
- **Rep. Angie Craig, D-MN, leveled a rather blistering attack** on some of her colleagues on the House Agriculture Committee. [The minority leader said](#), "It has become crystal clear that the White House is not listening to farmers or families right now and that many of our Republican colleagues, sadly, are not speaking up. An idiotic trade war. Band-aid relief programs that pick winners and losers in the ag economy. Non-stop lies and misinformation about SNAP. Pretending there is no affordability crisis. Rural hospitals are closing. Health care costs are going up everywhere. That's this administration and today's Republican Party. Instead of admitting that tariffs are increasing costs for all Americans, shutting farmers out of markets that took years and billions of dollars to develop and making food more expensive for American families – the administration has prioritized rushing a \$40 bil. bailout to Argentina. Instead of ending the trade war that has contributed to increasing farm bankruptcies this year compared to recent years and cost farmers nearly \$30 bil. in losses, the Trump administration announces a farm aid package for row crops that fails to meet the moment of helping American farmers after a challenging crop year – particularly leaving specialty crop farmers, sugar producers and foresters out in the cold. Our committee can do something about that."

- **The House has passed the PERMIT Act** to streamline permitting under the Clean Water Act and ease the regulatory burden on agriculture. The PERMIT Act passed 221-205 and takes aim at overregulation of waters of the U.S., making it easier to farm or build infrastructure. Rep. Andy Biggs, R-AZ, said, during the Biden Administration, expansive WOTUS interpretations treated dry washes and ephemeral streams as navigable waters, piling up permits that crippled ranchers and farmers." Biggs offered an amendment approved by voice vote to double the time now allowed for land hit by drought to be out of production, "Under the current 5-year window, pauses that ranchers and farmers might take can often revert to wetlands, triggering EPA oversight that locks out grazing. My amendment protects these parcels so they can return to production when conditions improve, without fear of federal reclamation." Democrats argued a 10-year window would upend a post-1985 Clean Water Act exemption for prior-converted cropland, adding more uncertainty after the Supreme Court better defined a WOTUS." The PERMIT Act exempts farmland from federal permits for stormwater discharges into navigable waters, with federal and state exemptions for pesticide discharges. The legislation now awaits Senate consideration. (Berns Bureau, Washington) →
- **The Fertilizer Institute has praised** the House passage of the PERMIT Act. "Permitting reform is essential to strengthening America's fertilizer supply chain," said TFI President and CEO Corey Rosenbusch. "For new phosphate and potash mining projects to nitrogen production and modern distribution facilities, today's permitting process is too often defined by years'-long delays and significant uncertainty." He added that the PERMIT Act provides the guardrails needed to keep critical projects moving while maintaining protections for water quality and natural resources. TFI members routinely face permitting delays for new and expanded fertilizer production operations that stretch into decades and cost millions. The delay impacts the farmers who rely on an affordable, and abundant supply of fertilizer.
- **The U.S. House of Representatives also unanimously passed** the ePermit Act, a bipartisan effort led by Reps. Dusty Johnson, R-SD, and Scott Peters, D-CA. Johnson says the legislation represents a pivotal step toward restoring efficiency and predictability, especially for industries that rely heavily on multi-agency environmental reviews, "Both parties have agreed that our permitting system is too slow. It's too complicated, and frankly, it's too stuck in the past. That's too bad because really the story of America has been, in no small part, a history of big ideas and big projects. It's time for us to get back to that: for more housing, for more broadband, for more critical infrastructure that's going to power this American economy for decades to come. Too often in the last few years, our permitting process has stood in the way of that." The current permitting framework often struggles to keep pace with modern demands. Review timelines can stretch for years, with root causes tied not to environmental questions but to outdated workflows, extensive paper documentation, limited transparency, and inconsistent interagency coordination. The ePermit Act aims to resolve these issues by directing federal agencies to adopt a unified digital permitting platform. The legislation now awaits Senate consideration.

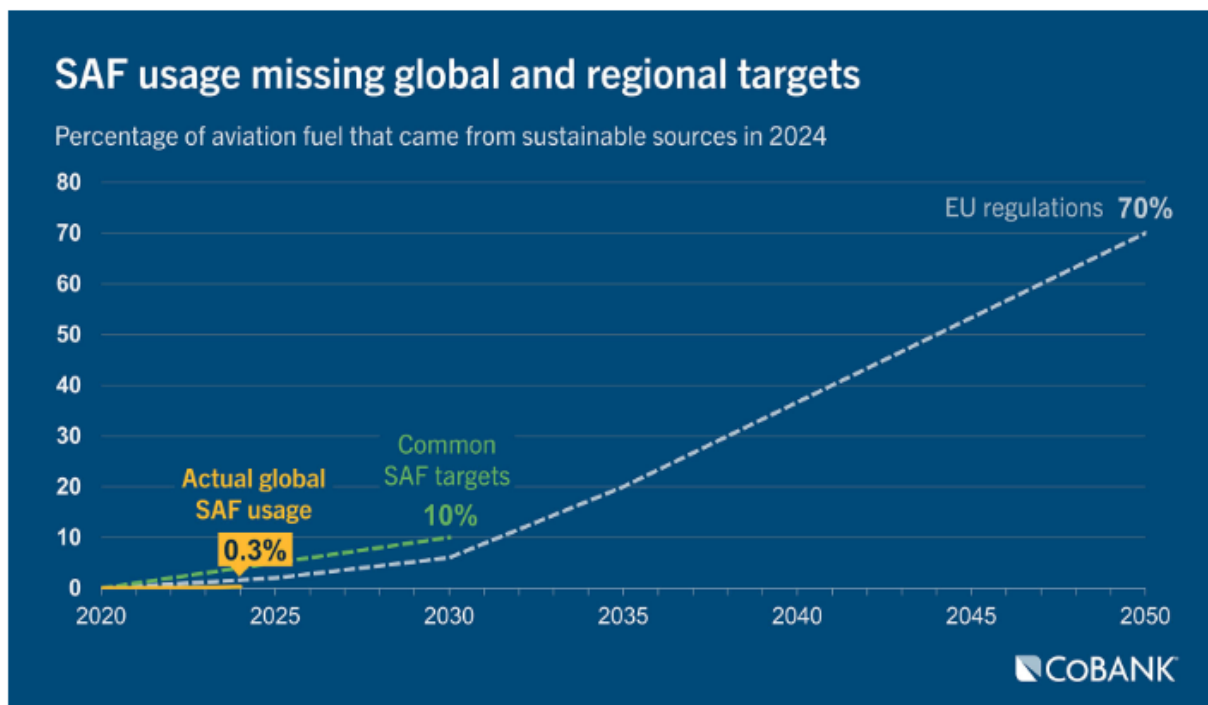
Illinois Issues —

- **IL Ag Director Jerry Costello** is not buying the concept that the USDA's "Bridge" funding is adequate. "Tariffs are crushing farmers again," Costello (right) said in a statement. "Financial losses are worse this time around, yet the aid package is 50% smaller. We're seeing repeated devastation with greater losses than Trump 1. It defies logic." USDA said the program would use "a uniform formula to cover a portion of the modeled losses" farmers incurred during the 2025 crop year, but it did not say how large of a portion those payments would cover. Costello, however, said the limited size of the program ensures it will not be enough to cover all the losses farmers have suffered as a result of the trade disputes. "It's a much, much smaller relief package than last time, and this is a much larger problem than what we experienced during the first Trump administration and the first Trump tariffs," he said in an [interview with Capitol News Illinois](#). "In 2017, tariffs are put in place. In 2018 and 2019, there's an estimated loss of over \$27 bil. in the agricultural space," Costello said. "What's interesting about that is about 72% of that literally was specific to soybeans, and about 95% of that was specific to China. So, at that point in time – again, first Trump administration – the aid package was \$23.1 (bil.)." Costello also noted that nearly a third of the agricultural losses at that time were concentrated in just 3 states – IA, IL and KS. This time around, Costello said, the global trade disputes extend beyond just China, and in the agricultural sector they involve many more crops than corn and soybeans. But the aid package is only half the size as the one in the first Trump administration. Costello said the trade wars have affected the farm economy on at least two fronts – lower prices due to shrinking export markets, and higher production costs because of tariffs imposed on imported goods such as fertilizers, tractors and other kinds of farm equipment. During the first Trump administration, he said, IL sales of soybeans to China fell from \$1.3 bil. in 2017 to \$116 mil. in 2018 – roughly a 90% drop. By 2020, they had fallen further, to just \$29 mil. "So, I mean, those are major, major losses," he said. One result, he said, is that farmers have ended up storing their products in silos, either because the market prices are too low or there simply aren't enough buyers. "So, when you've got all of your storage that's being consumed, or most of your storage being consumed, a lot of farmers are forced to sell into a market that's depressed if they have nowhere to go with it," he said. "So, they're forced to take those losses." Meanwhile, he said, tariffs being imposed on products coming into the United States from overseas are driving up the cost for farmers to put a crop in the ground. "Just this past year, because of tariffs, nitrogen tariffs are up 10%," he said. "Herbicide, pesticide, insecticide are up 20%. Ag equipment, up 13%; tractors, up 16%. So, there are huge implications because of the tariffs on a lot of the inputs." While those factors are affecting farmers' bottom lines today, Costello said his biggest concern is that they could become long-term drags on the farm economy, making it difficult or impossible for individuals and families to earn their livelihoods by farming. "Right now, we have more people farming that are over 75 than under 35," he said.



Biofuels News--

- **The biofuels outlook for 2026 is positive**, says Jacqui Fatka, biofuels economist for CoBank. She has been on the speaking circuit, [sharing her outlook](#):
 - ✓ The dawn of 45Z is here, creating significant new revenue streams for ethanol producers, but it fails to offer the needed replacement for biodiesel producers who are transitioning to life without the \$1 blenders tax credit.
 - ✓ The "carrot" may not be enticing enough to bring SAF production online with the reduction of the 45Z tax credit for sustainable aviation fuel. New legislation out this week does seek to extend 45Z and bring back the premium for SAF to help again incentivize this infant industry.
 - ✓ The [International Air Transport Association \(IATA\)](#) reported SAF production in 2025 represents only 0.6% of total jet fuel consumption and is projected to tick up to 0.8% in 2026, illustrating that meeting the 10% by 2030 SAF target is unlikely.
 - ✓ Maritime fuel may offer a quick entry point to build demand for biofuels. Promising new study out from [Maersk Tankers](#) on the use of higher ethanol blends in its ships. If just 5% more ethanol displaces the total maritime fuel pool, it could add 4-5 bil. gals. of new ethanol demand and 1.5 bil. bu. or more of corn demand. Today only 0.001% of global marine fuel is ethanol.
 - ✓ And we wait for action from EPA on Renewable Volume Obligation (RVO) levels, SRE reallocations and whether EPA will move forward with a 50% RIN reduction on imported feedstocks.

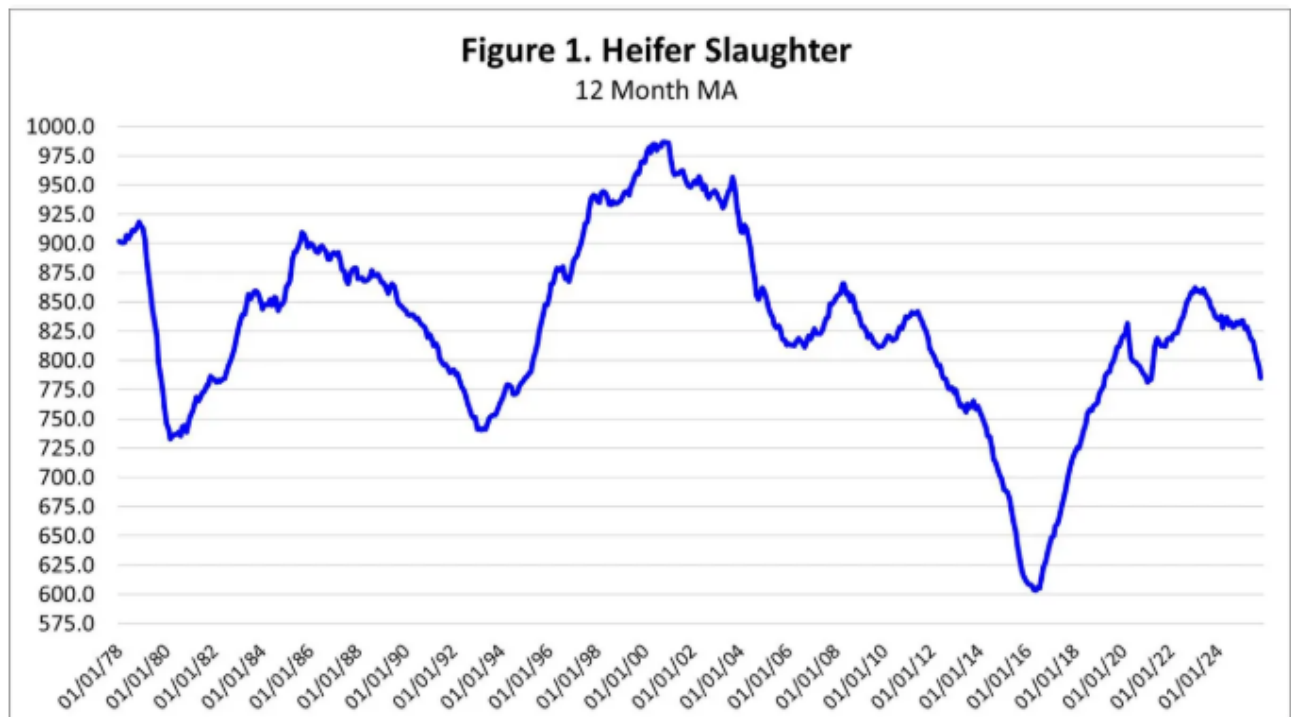


- **Biofuel blending quotas will not likely be completed** by the end of the year, [reports Reuters](#), which says that extends uncertainty over the policy important to agriculture and the oil industry. “The slowdown would throw one of the administration's most consequential energy policy choices into next year and folds the highly anticipated quotas into a growing cluster of interlocking decisions the White House is weighing on biofuels policy. Together, the moves have raised expectations the administration may look to strike a broader - albeit elusive - agreement between rival oil and agricultural interests. The Environmental Protection Agency, which administers biofuels policy, has scheduled meetings with stakeholders on the quota rule early next, two sources told Reuters, a sign that the issue will be pushed into next year. The EPA told Reuters it was still reviewing public comments on the volume requirements and declined to offer any guidance on timing. The volume mandates are administered under the Renewable Fuel Standard (RFS), the federal program that mandates the blending of biofuels such as ethanol and biodiesel into the U.S. fuel supply. A delay in finalizing the mandates is important because fuel makers, farmers and commodity traders use them to lock in supply contracts, hedge volatile crop and energy markets, and justify investments in new production capacity. The delay now under discussion could please domestic oil refiners that have invested in the bio-based diesel sector but would risk [frustrating U.S. farmers and biofuel producers, says Reuters](#).”
- **A new economic analysis** finds that EPA’s proposal is to assign 50% of the Renewable Identification Number (RIN) credits to imported biofuels and biofuels made from imported feedstocks compared to domestic would strengthen domestic soybean markets while preserving flexibility in biomass-based diesel sourcing. [The study, funded by the United Soybean Board](#) and conducted by World Agricultural Economic and Environmental Services (WAEES), evaluated feedstock demand, farmer income, and commodity pricing under different final decisions for EPA’s proposed 2026–2027 Renewable Fuel Standard volumes. The half-RIN proposal ensures that imported feedstocks remain available for biofuel producers but reduces policy incentives to substitute foreign oils for U.S. soybean oil. According to the study, the option still allows imports to be used but makes domestic feedstocks, including soybean oil, more competitive. EPA’s pending volume rule already projects record biomass-based diesel use, which would support domestic crushing and soybean oil utilization.
- **A recent study commissioned by Clean Fuels Alliance America** and Farmers Fueling the Future found the CA indirect land use change assumptions for U.S. soy-based biodiesel and renewable diesel are outdated and lacking modern agricultural practices and current science. The analysis, conducted by Life Cycle Associates, highlights substantially lower ILUC emissions for soy-based fuels than those currently used by the CA Air Resources Board. Considerations include advances in economic modeling, land-use data, yield responsiveness, trade patterns, and carbon stock measurements. CARB last updated its soybean ILUC value in 2018, using modeling tools and data that predate many of today’s improvements in agricultural productivity and global market dynamics. “This study confirms that today’s farmers are meeting growing clean fuel demand through higher yields and responsible practices, and not land expansion,” said Dave Walton, Exec. Board Member.

- **Executive Director Allison Graab** of the Sustainable Aviation Fuel Coalition applauded the introduction of the “Securing America’s Fuels Act” in the U.S. House. The SAF Act restores the full value of the credit for SAF and extends the entire 45Z tax credit through 2033. Sen. Mike Flood, R-NE, one of the sponsors, said now is the right time for this legislation as America is on the cusp of the next great biofuels' revolution. “This Act is yet another way that Congress can grow our biofuels economy and encourage innovation that creates great jobs across Rural America,” Flood said. Rep. Sharice Davids, D-KS, said the SAF Act ensures that clean fuel production incentives are strong and long-term, so businesses, farmers, and innovators can plan for the future with confidence. “Sustainable aviation fuel isn’t just good for the environment, it’s good for our farmers, communities, and economy,” said Tracey Mann, R-KS.

Animal Agriculture--

- **Is anyone holding back heifers for breeding?** [Derrell Peel at OK St. can't find any](#). He says, “The USDA’s July Cattle report showed the smallest beef replacement heifer inventory in the history of the report back to 1973, although no comparison to last year was possible (the report was not available last year). The October Cattle on Feed showed that the percentage of heifers in feedlots was unchanged from July and still above average, as it has been since late 2018. It is true that heifer slaughter is down 6.6% so far this year and is falling faster than steer slaughter, which is down 4.4% for the year to date. Figure 1 shows average monthly heifer slaughter since January 1978. Average heifer slaughter peaked most recently in January 2023 and has declined 9.0% as of October 2025. Heifer slaughter is quite variable and does decrease during periods of herd expansion. However, at this point, the decrease in heifer slaughter is not enough to indicate significant heifer retention.”



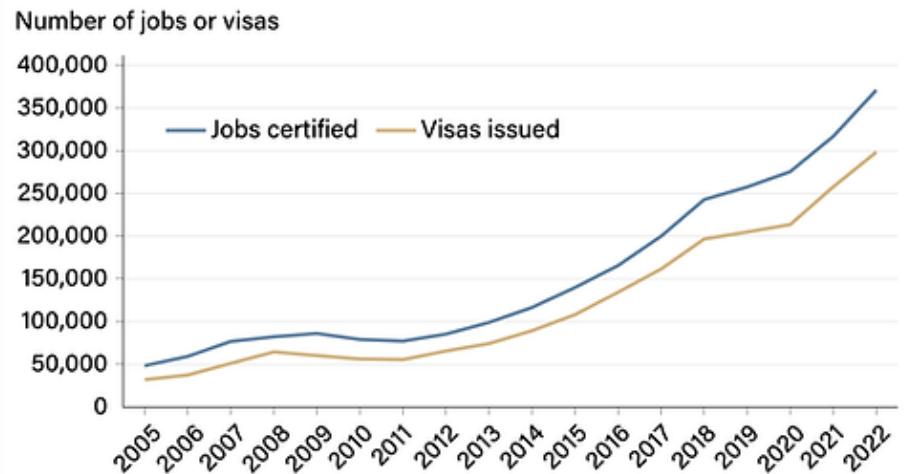
- **August pork exports** reached 519 mil. lbs., just 1% below a year ago, valued at nearly \$686 mil. The real standout remains Mexico, where shipments jumped 8%, with value up 9% to more than \$252 mil., the second highest on record. Dan Halstrom, president and CEO of the U.S. Meat Export Federation, says 2024 closed out as a record year in both volume and value, underscoring strong demand and the competitiveness of U.S. Pork worldwide, "Right now, we're down slightly, but if you look at Mexico, which set a record last year, we're on pace to set another record, easily. Same thing with Central America. Same thing with Colombia. The drag on pork slightly down has been Asia, especially in the first quarter of this year, but since then, Japan and Korea are making a comeback, so we may well end up with a very similar story as last year, and maybe very close to a new record again this year." Mexico remains the top customer for U.S. pork, and Halstrom says that creativity in how pork is showcased has played a huge role. Halstrom says Africa is an emerging market, "You look at the average age of a consumer in Africa is 19 years old, and it's also the fastest-growing population in the world. 5 to 10 years from now, the potential middle-class spending power is going to be enormous. Africa is a two-pronged approach. You got the very low-end pork liver, and you got the very high-end for steak cuts into high-end white tablecloth dining. Those are both going on today. What happens over time is that it emerges to the middle, and you see the middle class buying, but it's not going to take 40 years for it to happen, like it did with Mexico. In 5 or 10 years, we'll be talking Africa."
- **A bipartisan group of 23 senators** called on the USDA to expedite development of a comprehensive bird flu vaccination strategy amid rising infections in livestock flocks. Lawmakers warn that outbreaks of highly pathogenic avian influenza, or HPAI, have killed millions of birds nationwide, threatening poultry producers already coping with supply chain pressures and volatile markets. While USDA announced plans earlier in the year to pursue a vaccine, senators say the lack of a clear timeline and implementation framework has left farmers without a dependable tool to protect flocks. The group emphasized that any vaccination approach should be grounded in scientific research and include input from producers, veterinarians and trade stakeholders. They also highlighted concerns about how vaccination policies could affect international trade if foreign partners remain wary of U.S. poultry exports. USDA has pledged research funding but has not yet released detailed operational plans.
- **The American Lamb Board** is excited to share a new seasonal promotion designed to help drive consumers to restaurants that proudly feature American lamb, and to highlight the hard work of our U.S. sheep producers. ALB launched the Feast It Forward Giveaway, giving consumers a chance to win a gift card to their favorite restaurant serving American lamb. It's a holiday incentive that keeps American lamb top-of-mind during one of the busiest dining seasons of the year. Participants can enter by visiting the Holiday Headquarters at Americanlamb.com. They can nominate their favorite restaurant that serves lamb and submit their entry. Winners will be announced at the end of December. "It's a fun giveaway that celebrates the chefs, restaurants, and the producers who bring our American Lamb experiences to life," said ALB Chair Jeff Ebert. "We support the restaurants that champion American Lamb and give consumers another reason to enjoy it."

- **To develop the next generation of pork industry leaders**, the National Pork Board, the National Pork Producers Council, and state pork Assns. have created an immersion program to deliver hands-on, in-depth training for those passionate about pigs and pork. Participants rotate through roles at both national organizations and a state pork Assn. to gain real-world experience and build relationships. Mykenzie Darg, a current program participant, appreciates the opportunities, "I've gotten the opportunity to travel to state meetings, exec meetings, board meetings, and conferences in almost every region of the United States. I've hit a handful of states. So, just being able to connect with producers that are truly passionate and giving them the time to make their state Assn. as good as it can be, you can see the true passion when you sit in a room with them." Darg says the Immersion Program has given her firsthand experience in every link of the pork supply chain. One of the biggest takeaways, she says, has been the opportunity to delve into the day-to-day work of the National Pork Board's communications team, gaining a deeper understanding of how messages are conveyed from producer to consumer, "So, one project that I've gotten to lead is producing the Producers' State Toolkit, which focuses on our producers. One of the communications directors from a state Assn. was super-excited about some of the work we were sending out for the producer toolkit, the way that she was able to use it for her state, push it out in their newsletter, and they did some social media posts with the templates that I was able to create. So, it's very exciting when you get to hear how excited a state is about the work that you're doing." (National Pork Board)
- **Kevin Rasmussen, National Pork Board member** from IA, says the new Checkoff-funded, industry-supported "Taste What Pork Can Do™" consumer brand campaign is making pork more relatable and relevant for today's consumer — shifting it from a "special occasion" protein to an everyday, convenience item for busy consumers. For example, retailers offer a wider range of fresh pork, as well as popular further-processed products that can be prepared by air frying, roasting, grilling, or smoking, in a pan, and even some pre-packaged meals, "But the new products that are coming out from our retailers are so exciting. One of our local retailers has prepared barbecued boneless ribs that you just heat up in the microwave for 3 minutes. Another one the local retailer has is some flavored carnitas, and it's just like pulled pork. Heat it in the microwave for 3 minutes, and it's tasteful. It's got everything that this ad campaign has been talking about, and now we're actually seeing these new products." The National Pork Board launched the campaign in May, but the Checkoff-funded research, planning, and implementation involved several members of the supply chain. After all, a rising tide lifts all ships, "This is what we've been asking for several years, and now we're seeing it happen. National Pork Board can't do this. The retailer, the further processor, needs to do this, but they need to be motivated to do this. And that was one of the great things about the ad campaign. We got all these processors together and said, 'How do you want to do this?' And they all bought into it, and they were excited to take part in this." (National Pork Board)

Food and Nutrition—

- **Food prices are rising because of the labor crisis in the US.** That is the finding of MI St. Univ. study scheduled for release on Wednesday. The report commissioned by [Grow It Here](#) reveals a direct connection between the nation's worsening agricultural labor shortage and rising food prices for American families. The study, authored by MI St. economist Dr. Zachariah Rutledge and to be released on December 17, provides fresh data showing how long-term workforce challenges are contributing to higher grocery bills and greater instability across the food supply chain. Rutledge will describe key findings and Grow It Here's farmer spokespeople will answer questions about the reality they are seeing on the ground. Grow it Here is a non-profit recently founded to coordinate farmer voices across the nation on the need for ag workers. The coalition is made up of farmers who are joining forces to describe how without ag workers domestic food production will be threatened and prices will rise for American consumers. The organization says demand for workers is rising at a time when there are fewer applicants, and ICE has been deporting many workers.
- **The White House ordered an investigation** into food price-fixing. Axios said President Donald Trump is facing rising pressure about the inflation of food prices at the nation's grocery stores. The President issued an executive order last weekend directing the Department of Justice and Federal Trade Commission to establish task forces on anti-competitive behavior in the food supply chain. The order directs them to specifically look at whether control of food-related industries by foreign entities is increasing the cost of food products in the U.S. or creating a national or economic security threat to Americans. The task forces are expected to be ready to brief Congressional leaders within 6 months. The order calls on the DOJ to pursue criminal charges if it finds evidence of price fixing in the U.S. food industry. Of the Big 4 Meatpackers, 2 are subsidiaries of Brazilian companies, and Smithfield is controlled by China's WH Group.

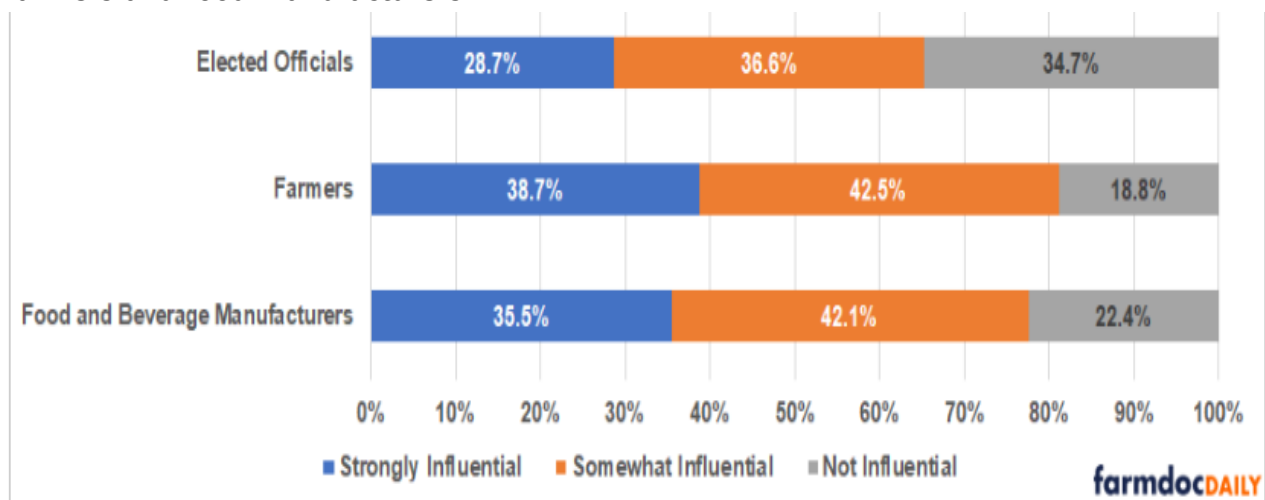
The number of H-2A jobs certified increased more than sevenfold from fiscal years 2005 to 2022



Note: Around 80 percent of H-2A certified jobs result in visas issued to H-2A workers. Some employers do not follow through to hire the workers, and some H-2A workers fill two or more certified jobs.

Source: USDA, Economic Research Service using data from the U.S. Department of Labor and the U.S. Department of State.

- Every 5 years, federal Dietary Guidelines** are updated and released, based on current recommendations made by a scientific advisory committee. The guidelines were due to be updated in 2025 but are now being pushed to early 2026 with expectations that the final DGA will diverge from the advisory committee's recommendations to satisfy Health Secretary Kennedy and the MAGA movement. For example, some media outlets have reported that the dietary guidelines will stress the importance of eating protein and reduce emphasis on limiting saturated fats, but Kennedy wants more consumption of saturated fat. [Univ. of IL Farmdoc Ag policy specialists](#) used national survey data about consumer attitudes about dietary guidelines. Overall, consumers generally agreed to a strong extent with most of the recent recommendations. Over 50% strongly agreed with the recommendations to eat all types of vegetables and to choose food and beverages with less added sugars. The recommendations most likely to see dissent were eating fish or seafood twice a week and moving to low-fat or fat-free dairy milk or yogurt. As for who should be developing the recommendations, over 90% of respondents strongly believe it should be nutrition experts, HHS professionals, USDA, and medical experts. Elected officials were the least desired by the public for making dietary recommendations. They scored lower than farmers and food manufacturers.



- The holidays bring large increases in food spending** for both food at home and food away from home. Consumers' decisions during this season can have important implications for farmers and ranchers. Farmdoc, at the University of Illinois, said persistent inflation has impacted consumer food decisions in recent years, including their holiday meals. This year's estimates of Thanksgiving meal costs showed prices were slightly lower than in previous years. A survey showed 69% of respondents expect food prices to affect their meal plans this year. The concern was much higher for people who utilize nutrition assistance programs like SNAP. Despite the challenges, demand for many holiday favorites like turkey remains strong. Despite recent concerns regarding high beef prices, a larger share of consumers report plans to serve beef in their holiday meals compared to recent years. Consumers are adapting by shopping for food deals and shopping earlier than normal.

- **The USDA has launched a comprehensive review** to ensure SNAP benefits are restricted to U.S. citizens, citing internal audits that revealed payments to deceased individuals and duplicate claims across states. [The department has demanded state-level data](#) to verify eligibility, warning that non-compliance could result in withheld federal funds. However, 22 Democratic-led states have refused to provide the data, prompting legal disputes over privacy and enforcement measures. Over 20 Democratic-led states and Washington, D.C., have filed lawsuits against the USDA's February request for sensitive SNAP recipient data, arguing it violates federal privacy protections. A California federal judge temporarily blocked the USDA from penalizing non-compliant states, though the agency plans to appeal. Critics claim the USDA has not substantiated its fraud allegations, with the Congressional Research Service noting that most overpayments stem from errors rather than intentional fraud. Federal waivers now allow 18 states to restrict SNAP purchases of items like soda and candy under the "Make America Healthy Again" initiative, aiming to promote healthier diets and reduce taxpayer spending on low-nutrition products. While supporters praise the move as a step toward addressing obesity and diabetes, critics argue it stigmatizes low-income families and complicates grocery shopping. Public health experts emphasize the need for systemic solutions, such as education and access to affordable healthy foods, alongside these restrictions.
- **Within the nutrition realm**, seed oils have been relegated as n'er-do-wells by the Kennedy MAGA followers. But the soybean checkoff program is fighting back on behalf of soybean growers. "Scientific evidence supports the role of seed oils in reducing the risk of chronic disease and improving cardiovascular health. In fact, the FDA recognizes seed oils, specifically soybean oil, for its qualified health claim that it may reduce the risk of heart disease. Unfortunately, widespread misinformation has left many people feeling confused about seed oils. Through a strategic collaboration with the [Soy Nutrition Institute Global](#) (SNI Global) and leading nutrition researchers, the Soy Checkoff ensures the latest

REGISTER TODAY FOR A FREE WEBINAR

ANALYZING THE HEALTH AND ECONOMICS OF SEED OILS



Carla Schultz
United Soybean Board Director,
Michigan farmer



Julie Ohmen
CEO - Soy Nutrition Institute
Global (SNI Global)



Carson Fort
Govt. Affairs Manager -
American Soybean Assoc.

Dec. 18 at 1 p.m. CT / 2 p.m. ET

Sponsored by:  

science-based findings are widely available. In addition, a recent World Agricultural Economic and Environmental Services study reveals significant economic benefits of vegetable oils and fats keeping consumer expenditures affordable at the grocery store. This

study was completed with support from the Soy Checkoff and the American Soybean Association. [Join us for this insightful webinar](#) on Thursday, Dec. 18 at 1 p.m. Central / 2 p.m. Eastern to hear the facts on the health and economic impacts of seed oils."

The Labor Dilemma—

- **Finding enough labor to get the work done on the farm** and navigating the regulations for the workforce have become increasingly troublesome in recent years. Mike Stranz, Vice President of Advocacy for the National Farmers Union, says reform is more important now than ever, “With all of the added emphasis on the agricultural workforce in the last year and the extra stresses that have been put on the sector because of a lot of the administration’s actions, it’s even more important to make progress on workforce reform.” For example, Stranz says there could be more adjustments to the H-2A program, or probably better yet, “Doing some more broad-reaching and far-reaching reforms through the Farm Workforce Modernization Act. Now’s the time to make bipartisan progress. And with the bills that have been out there, or the bill that’s been out there for quite a long time now, now might be the opportunity that we’ve been waiting for.” Especially, Stranz says, given the recent improvements to border security, “It may well be that with the seeming improvements to border security concerns, paired with the greater emphasis we’ve all had on the need for a secure and reliable farm workforce, that adds up to a better shot for the Farm Workforce Modernization Act to move forward. And I think that reaches across both parties, and it could be an opportunity to make some real headway in 2026.” (NAFB news Service)
- **What is the solution that combines the farm labor shortage** and a solution to the Trump immigration controversy? [Serbia native Marko Papic](#), who immigrated to the US, “believes the ideological divide between the political left and right has become so entrenched that neither side is likely to propose viable reform. The left frames most migrants as fleeing mortal danger, while a segment of the right views immigration primarily through a cultural or racial lens. Papic is an economic researcher and strategist, who says, “Both sides are so far apart,” he said, “that I think it’s really up to the Midwest... centrist Republicans and Democrats in Midwest farm states... to tell both sides, ‘y’all are crazy. Here’s a solution.’” In other words, the states most dependent on immigrant labor may ultimately become the force that pressures Congress to act. Despite concerns about the moral and humanitarian dimensions of enforcement, Papic argued that public backlash over brutality is unlikely to change policy. Instead, the pocketbook will. “Out of all the issues out there, President Trump has the highest approval rating... on immigration,” he said. But his weakest numbers are inflation and affordability. As labor shortages drive up prices in agriculture, hospitality, and service industries, Papic predicts voters will eventually recognize the economic need for legal, regulated foreign labor. “The median voter... eventually gets it,” he said. “America is going to need workers from outside of the U.S.... other countries have these programs, they work. Let’s move on.” For agriculture, the takeaway is clear: labor uncertainty is far from over, and the path to stability will require sustained, coordinated political pressure from the states that feed the nation.

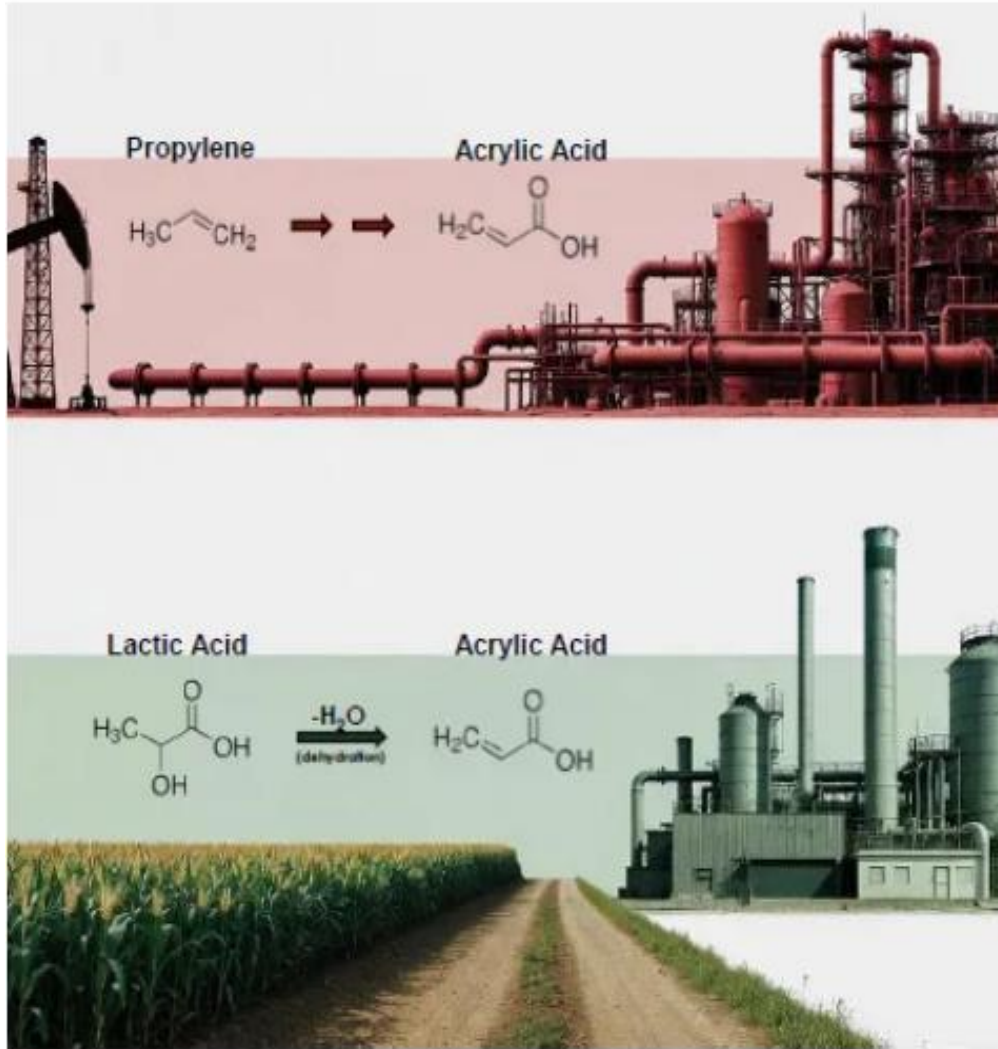
Agribusiness—

- **As he was announcing up to \$12 bil. in relief payments** to farmers, Bloomberg said President Donald Trump pressured farm equipment manufacturers to drop their prices. The president said his administration would allow companies like Deere and others permission to “take off a lot of the environmental restrictions they have on machinery,” blaming them for driving up the costs for farmers. The president said manufacturers are “going to have to reduce their prices because farming equipment has gotten too expensive, and a lot of the reason is that they put these environmental excesses on the equipment, which don’t do a damn thing except make it complicated.” Fox Business reported that the administration is going to take a lot of that “nonsense” off the equipment. [Bloomberg reported](#) that “President Donald Trump pressured farm-equipment manufacturers to drop prices for tractors as he announced \$12 bil. in farmer relief, his latest efforts to address Americans’ concerns about shaky economic conditions under his leadership.” “Trump said Monday that his administration would give companies such as Deere & Co. permission to ‘take off a lot of the environmental restrictions that they have on machinery,’ blaming them for driving up costs for farmers,” Woodhouse reported. “They’re going to have to reduce their prices because farming equipment has gotten too expensive, and a lot of the reason is because they put these environmental excesses on the equipment, which don’t do a **** thing except make it complicated,” the president said.” [Bloomberg also reported](#) that “farm machinery costs started surging around the COVID-19 supply-chain disruptions, while increasingly high-tech options such as satellite connectivity have also raised prices. Import tariffs on steel and aluminum have pushed up costs for U.S. manufacturers.” [Farm Journal reported](#), “While Trump didn’t provide specifics on how the details of that plan will come together, Trump said EPA Administrator Lee Zeldin would be involved in carrying out the effort. There’s speculation on whether that will be removing diesel exhaust fluid (DEF) requirements on tractors or also addressing the long-standing right-to-repair issue. Earlier this year, EPA announced guidance to change, not eliminate, DEF requirements, allowing for softer power loss in new trucks (from model year 2027) when DEF runs low, preventing sudden shutdowns and enabling software fixes for existing vehicles, easing burdens on truckers and farmers.” [On the other hand](#), “John Deere’s top finance chief Josh Jepsen pushed back gently on President Trump’s claim that regulations alone are driving up tractor prices, saying the true path to lowering costs for America’s farmers lies in cutting-edge tech — from AI weed detection to digitized acres — that can save growers money long before the rule books change.”



Technology—

- **Don't deny you have heard of acrylics and acrylic acid.** But now you can boast of being familiar with the corn version of acrylics. That is lakril, and lakril is made from corn and can do everything that acrylics can do which are made from petroleum. High-5 time! [CEO Justin Brown of Lakril](#) says, "We take bio-based sugars (like those from corn)



and turn them into green chemicals used around the world," he says. "If you've used diapers, medical bandages, adhesives, or paint, you've used the products we feed into." That "green chemical" is acrylic acid and its derivatives—part of a \$12 billion+ global market. Today, all acrylic acid is made from petroleum. Lakril's breakthrough technology changes that, using corn-based sugars instead of

fossil fuels while still delivering the exact same molecule manufacturers expect. And here's the key: [Lakril](#) can do it at cost parity. No premium for going green. No subsidy required. No regulatory risk. Just a drop-in replacement that performs and costs exactly the same - only with up to an 80% reduction in greenhouse gases. For IL farmers, the math is simple: More demand. More stability. More opportunities for value-added corn markets. What's Ahead? Late December: Pilot plant startup; Q1 2026: Begin shipping samples; 2026: Series A fundraising and growth planning." If you boil Lakril's vision down to a single sentence, Brown says it plainly; "We're taking corn and turning it into products used in a \$12 bil.+ global market."

- **Last week, a delegation of MAIZALL corn farmers** completed a biotechnology mission to Bogota, Colombia. MAIZALL is an alliance formed by Abramilho (Brazil), MAIZAR - Asociación Maíz y Sorgo Argentino (Argentina), the National Corn Growers Association and the U.S. Grains and BioProducts Council (USA). Our delegation was led by Manuel Ron, MAIZALL's President and farmer from Argentina. We held 3 days of strategic and technical discussions with Colombian trade associations, members of Congress and with ministries and regulatory agencies, including ICA, INVIMA, and the Ministries of Agriculture, Environment, Trade and Health. The discussions focused on the operational-, economic-, environmental and social benefits of biotech crops for farmers in our 3 countries. Our aim was to emphasize the importance of science-based and timely decision-making with respect to new biotech crops for cultivation, trade and global food security. Participant Bernhard Kiep of Brazil said, "In today's polarized world, it is absolutely critical that farmers remain united and embrace technology. History has shown that when farmers adopt innovation, they not only improve yields but also enhance environmental efficiency. Profitability goes hand in hand with healthy soils—ensuring sustainability for future generations. Congratulations to the 3 leading corn producers worldwide for driving progress and setting an example for the global farming community!" (Past NCGA Pres. Ken Hartman at center.)



Farm and Check-off Organizations —

- **The National Grain and Feed Assn.**, which is the trade association for grain elevators and grain dealers, has called for Congress to re-authorize the Commodity Futures Trading Commission as a stand-alone agency, instead of combining its functions in other parts of government. [NGFA also urged Congress](#) to consider some changes regarding the rules of commodity trading. NGFA is opposed to 24/7 futures trading, saying cash markets cannot operate around the clock and the 2 need to be closely aligned. NGFA also called for elimination of the 3-day lag in issuance of the commitment of traders reports.

- **Brent Gatton from Bremen, Ky,** has been elected as the new chairman of the [United Soybean Board](#). He says, "Farmers have weathered a year marked by real economic uncertainty, and I'm privileged to step into this role at such a pivotal moment," said Gatton (right). "The Soy Checkoff remains relentlessly focused on creating value for U.S. soybean farmers by protecting existing markets, accelerating new uses, and opening new doors for U.S. soy around the world. As Chair, I'm focused on pushing forward investments that move volume while also promoting our sustainability to keep U.S. soybean farmers competitive in the global marketplace." He has served on the United Soybean Board for the past seven years and has held key leadership positions, including Vice Chair of USB and Chair of the Value Alignment Committee. Previously, Gatton also served on the board as Treasurer and Chair of the Audit & Evaluation Committee. In addition to his USB appointments, he also serves as Vice Chairman of the Kentucky Soybean Board. There are no IL members of the newly elected/appointed 9 member USB Executive Committee.
- **The IL Beef Association** recently hosted a Cattlemen's Gala celebration to raise money and mark the tenth anniversary of their IL Beef Foundation. The evening raised more than \$40,000 in funding to support scholarships and grants to fund educational pursuits for young beef producers in the state. Nearly 250 IBA members and beef producers from across the state attended the event, which included a formal dinner, live and silent auctions and a country music band performance. The foundation provides scholarships annually to eight young beef producers pursuing a college education. Applications for the college scholarship program are currently being accepted through January 1, 2026. One Cattlemen's Gala evening highlight was a special presentation of \$20,000 given to create the Jamie Willrett Young Leader Development Fund, in remembrance of a former IBA President and industry leader who passed in 2024.



Noteworthy—

- **IL Corn saluted [Kenny Hartman](#)**, past President of the National Corn Growers, and now serving as NCGA Board Chairman. “Kenny’s journey began in the 1990s on the IL Corn Marketing Board, ultimately serving as vice chairman and chairman. Later, after a phone call from then-ICGA President Steve Ruh, he returned to serve on the IL Corn Growers Assn. board. From there, his leadership expanded: vice president and president of ICGA, committee roles on national action teams, chairing [Commodity Classic](#) planning, and eventually ascending the NCGA officer rotation, culminating in his term as president. Kenny is quick to redirect credit to the organizations and farmers behind every win. But the list of policy achievements during his years of service is long:



- ✓ Creation and protection of the ethanol market.
- ✓ Shaping Farm Bill tools like ARC/PLC and modern risk-management programs.
- ✓ Strengthening crop insurance to protect farmers in volatile markets.
- ✓ Expanding global export opportunities, doubling MAP and FMD funding.
- ✓ Leading the U.S.–Mexico biotechnology dispute, helping secure continued access for U.S. corn.
- ✓ Influencing tax policy, including the estate tax threshold critical for farm succession.”

“These are the tools that allow farmers to stay profitable today,” Kenny said. “We would not have the markets we have without IL Corn and National Corn Growers. What we’re doing today matters even more for the farmers who come after us,” he said. Whether securing E15, advancing higher blends and sustainable aviation fuel, negotiating market access, or defending tools like atrazine, today’s policy work directly shapes tomorrow’s farming landscape.” Kenny saluted IL Corn and ICGA, saying, “You all make us look good. I hope to stick around — I’ve enjoyed every moment.”

- **Corn growers and other ethanol advocates** have some extra firepower. Geoff Cooper, head of the Renewable Fuels Association was again named a top lobbyist by The Hill, an influential Washington, DC publication. As they put it, “The Hill’s Top Lobbyists have made measurable impacts on the course of policy and politics ... The lobbyists on this list represent the industry’s savviest, most influential and well-connected advocates across Capitol Hill.”



- **Jason Solberg** has been named interim President of the IL Fertilizer and Chemical Assn.



He has been the IFCA's Director of Programs and Compliance, and takes over the top management role with the departure of Kevin Johnson. Solbert says, "In stepping into this interim role, my focus is on engaging with our members and reinforcing the collaborative efforts that have always driven our organization forward. Together, we will continue to strengthen IFCA and

showcase the essential contributions our members make to IL agriculture. By tackling challenges, and working toward practical solutions, we can continue to advance our industry and expand the value we deliver. By exchanging ideas, tackling challenges, and working collectively toward solutions, we can further enhance our industry and deliver even greater value to those we serve." Johnson has joined the IL Soybean Assn. staff.

- **Congratulations are in order for Phil Nelson.** The Seneca farmer is returning to lead the IL Farm Bureau, after his election at the organization's annual meeting last weekend. Nelson Defeated Brian Duncan who was seeking a second term. Evan Hultine was re-elected Vice President. Nelson had served as ILFB president from 2003 to 2013 and says one of his top priorities is to re-establish the connections with the American Farm Bureau, after a divisive relationship over the past couple years and to also re-organize leadership of Country Financial.



Agriculture This Week on Video—

- **Profitability will be hard to come by** in 2026 for corn and soybean growers, based on prospects for crop production expenses being covered by grain prices. He says production costs and cash rents are too high for expected grain prices. That is the forecast from IL Farmdoc ag economist Nick Paulson. [His calculations are included in this short video.](#)
- **What research should IL soybean checkoff finance?** That is what the IL Soybean Assn. agronomy team wants to know from farmers. ISA has surveys out for farmers to fill out to express their needs and priorities, such as red crown rot. ISA's Agronomy Team also has a demonstration field in southern McLean County along Route 51 for programs during the growing season. Agronomy team member Stephanie Porter provides details [in this short video.](#)
- **Corn has good demand,** but the soybean market is a victim of politics. That is part of the reason for its diminished demand, says IL Farmdoc ag economist Joe Janzen. So, what should farmers do about soybean marketing given the prospects for beans not following a traditional marketing path due to political trade actions against China. Janzen's thoughts about grain marketing are outlined [in this short video.](#) →

- **Are there tariffs or not on Canadian potash** entering the US. The White House has flip-flopped, says Pres. Kevin Johnson of the IL Fertilizer and Chemical Assn. and that is not good because of the US reliance on Canadian potash. China has shut down its phosphate exports, and that is a problem for global supply. How was the fall season for anhydrous application and what will be the spring look like? Will mailbox money be used for fertilizer? KJ provides his thoughts [in this short video](#).
- **Farm policy is changing**, not just its content, but the entire concept and how it is treated in Congress, says Jonathan Coppess, Univ. of IL farm policy specialist. The lack of policy continuation, new changes in crop insurance, farm "bridge" payments, and doubts about any "skinny" Farm Bill are on the table. Coppess says Congress has too much conflict and election preparation on its mind to address any farm issues, and that includes retention of the Conservation Reserve. His thoughts on those and other issues are [in this wide ranging video conversation](#).
- **In tight budget times**, how can farmers save on nitrogen expense? That is a good question for Dr. Gary Schnitkey of the Univ. of IL Farmdoc team. He puts on his Precision Conservation Management thinking cap and says farmers are applying more nitrogen than is being used by their corn crop. There is a good way to balance the needs of the corn and cut some expense and Schnitkey works through that process [in this short video visit](#).
- **There is a truckload of dynamics** in the US cattle market, says Brittany Goodrich of the Univ. of IL Farmdoc team. And some the political dynamics are making it difficult for beef producers to manage their production, marketing, and price risk she says. One of farm groups responding to comments about retention of the USMCA asked for "country of origin labeling" and that could become a political issue based on consumer reaction. Her perspectives on those and herd expansion are [in this short video](#).
- **There are many biofuel policies** afoot in Washington DC currently, and Scott Irwin of the Univ. of IL Farmdoc team sees them as bullish for ethanol, biofuels, and both corn and soybean markets. In a wide-ranging conversation, Irwin says there are positives in current administration policies about the renewable fuel standard, tax advantages for biofuels, penalties of imported feedstocks, and resulting improvements in commodity markets. He also addresses significant benefits for ethanol producers and tax credits they are getting that could flow back to the farm. [There are lots of issues in this short video](#).
- **Significant funding exists for agricultural research** at the Univ. of IL, and Associate Dean Rodney Johnson outlines where it is being invested in this wide-ranging visit. Morrow Plots I and II are discussed along with retention of the corn and soybean genetics collections which had been politically threatened to be transferred to "red" states. Johnson expected political disruption of the research program, and says stress and unknowns from Washington are being slowly resolved for the most part. He also notes that federal funds have been channeled to the Univ. of IL since 1892. He provides extensive information benefitting farmers [in this video conversation](#). →

- **Every year weed researchers report** an increasing number of fields of waterhemp have become immune to the newest herbicides. That has been the case also at the Univ. of IL, where Logan Miller in the laboratory of Aaron Hager says chemistry failures have given way to timing of application. He outlines his latest research on application timing [in this short video interview](#).
- **Some farmers who automatically apply potash and phosphate** every year or two assume it is needed to maintain yields. Other farmers take soil tests to verify the amount of P & K removal by their crops. But Univ. of IL fertility specialist Andrew Margenot has a different idea. Don't test the soil. Actually test the grain that is being harvested to see how much P & K is leaving the field. The "why" and "how" are answered [in this video conversation](#).
- **Prospects are grim** for being able to control waterhemp and other weeds that are overcoming the control abilities of even the latest herbicides to hit the market. That is the observation of Univ. of IL weed scientist Aaron Hager. Hager says he's found waterhemp populations which are immune to Liberty (glufosinate), which farmers have been depending upon for control. Hager discusses many issues at the top of farmers' minds about weed control [in this video interview](#). And you may want to pull Dad's weed hook off the wall.
- **Harken back to your high school biology class** when your teacher introduced the word allelopathy. That principle of science is one of the reasons that farmers can successfully control weeds with the growing popularity of cover crops. Karla Gage of Southern IL Univ. uses herbicides for weed control, but says weeds are becoming immune to them. And when one looks at the biology within a cover crop can utilize it for surprising biological benefits. She offers numerous suggestions [in this video visit](#), including ways to control waterhemp.
- **Southern rust last year**, tar spot several years ago, red crown rot showing up in beans? How can a corn or soybean grower survive when diseases are overwhelming his/her crops? That was the focus of a visit with IA St. Univ. plant pathologist Darren Mueller whose farmers in IA have the same headaches as IL farmers. That conversation [is in this short video interview](#).
- **Sometimes crop protectants** either won't do the job or won't cooperate with their application. Instead of using the hair pulling tactic, use an adjuvant, suggests Purdue's Bryan Young. He says they can solve your problems, but you have to know which one, how much to use, and many other challenges. Young provided some valuable suggestions in [this video interview](#).

Mark Your Calendar! --

- **Pesticide safety education programs** will extend through April 8 at numerous locations around IL. The [Illinois Pesticide Safety Education Program](#) is for those needing an operator or applicator license, with on-line access. [Private applicator training clinics are in-person at these locations and dates.](#) [Commercial Applicator/Operator In-Person Clinics](#) will be at 9 locations through March 10.
- **The Illinois Farm Economics Summit** addresses current economic conditions and policy issues impacting global, US, and IL agriculture. Register for Dec. 15 [Dekalb](#), Dec 16 [Peoria](#), and Dec. 17 [Mt. Vernon](#). 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.
- **The IL Soybean Association** will conduct a webinar Dec. 16 with Univ. of IL ag economist Bill Ridley on navigating tariffs, strategies farmers can control to manage risk and capture new markets. [Details and registration.](#)
- **IL Soy begins 2026 with a trio of webinars** on "Rethinking How IL Farm Economics Work." Univ. of IL Ag economists Gary Schnitkey and Nick Paulson present the strategy from 2-3 pm each day. Jan. 6: cash rent decisions, Jan. 7: re-evaluating farm investments, Jan 8: stronger secondary revenue. [Details and registration are here.](#)
- **If you are a candidate to be** a Certified Crop Advisor, the IL Certified Crop Advisors Assn. will host a study session on January 8 for the next exam opportunity. [CCA information is here.](#) [Registration period](#) is Jan 7-26, for the exams conducted Feb. 4-18.
- **The National No-Tillage Conference** will be held at Hyatt Regency St. Louis at The Arch St. Louis, MO, Jan. 6-9, 2026. It will be your chance to learn from the top minds in no-till and connect with fellow innovators. [Download the Updated Program](#) [Register here.](#)
- **The Purdue Top Farmer Conference** will be Jan. 9 at Purdue's Beck Agricultural Center in West Lafayette. The conference will stimulate your thinking about agriculture's future and how you can position your farm to be successful in the years ahead. [Register and details.](#)
- **Extension Agronomy Summits** will be in 8 locations, Jan 12-Feb. 24. Speakers will provide research updates from university experts to gain insightful tips for making informed decisions around farm management. [Dates, locations, and registration details.](#)
- **A Field Advisor Forum** will be held by the IL Soybean Assn. Jan. 15, at the U of I Atkins Golf Club at Urbana. Speakers will address "economic chaos," weather, and a wide variety of agronomic issues and challenges during the 8 am to 3 pm program. [Detailed agenda, and registration are here.](#) (Program can be accessed virtually.) CCA credits are available.
- **The winter convention** of the IL Fertilizer and Chemical Assn. will be Jan. 20-22 at the Peoria Civic Center. [Agenda, registration and other details are here.](#) There are numerous presentations on agronomic and regulatory issues of farmer interest during all 3 days. →

- **Cattlemen in northern IL** can join colleagues from IA, WI, and MN at the Driftless Region Beef Conf. Jan 22-23 at Dubuque, IA, with topics on profitability. [Details and Registration](#).
- **The annual meeting and auction** of IL FFA will be held at the President Abraham Lincoln Hotel, Springfield on January 23-24, 2026. The [annual meeting registration form](#) is now available. The [hotel room block](#) is open until January 2, 2026. [All the details are here](#).
- **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 on Tuesday night, and the morning of Wednesday.
- **Everything Local** is set for Jan. 27-30 at Springfield's BOS Center. Specialty Growers will meet Jan. 30 at 1 pm, Herb and Vegetable Growers, along with the IL Hort Society, will have meetings at 4:30 on Jan. 29. Exhibit hall hours will be from 8 am to 6 pm on Jan 28 and 29 only. Breakout sessions with speakers Jan 27 through Jan. 30. [Program details and conference registration are here](#).
- **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](#).
- **Feb. 3 begins month long opportunities** for livestock producers needing certification for livestock management. The Livestock Management Facilities Act requires facilities designed for 300 or more animal units to have at least one employee certified in environmentally aware manure management techniques. Facilities with more than 1,000 animal units must have a certified livestock manager attend a workshop and pass the IDOA exam or complete the online training and pass the online test. [Details, dates, and locations](#).
- **2026 USDA Agricultural Outlook Forum** will be Feb. 19-20. USDA's annual Agricultural Outlook Forum—this year themed “Meeting Tomorrow’s Challenges, Today”—offers opportunities for exchanging ideas, information, and best practices among producers, processors, policymakers, government officials, and nongovernmental organizations. [Details and free registration, with participants in person and on-line](#).
- **Commodity Classic** is set for February 25-27 in San Antonio, TX, with a 30th birthday celebration. [Details \(to date\) and registration information are here](#). The 2026 catch phrase is: “Three days. Thousands of farmers. One goal: leaving with strategies that actually work for your operations.”



- **Cornbelt Update is a weekly service of the Illinois Soybean Association and provided to Illinois Soybean Growers.**
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