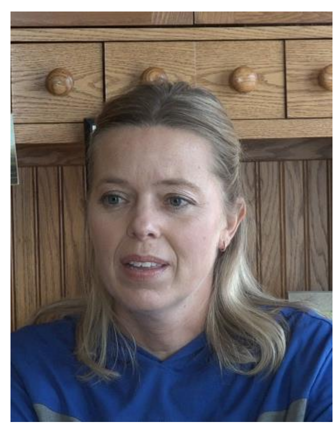
A weekly Cornbelt digest of marketing, economic, agronomic, and management information.

Congressional Devastation of E15—

- **In a season of slam dunks,** that is what happened in the US House of Representatives Thursday to corn growers, the ethanol industry and the wider realm of agriculture. All had been counting on House passage of an omnibus funding bill that included approval of E15 year-round, which would be an option for motorists. Such legislation would consume billions of bushels of corn, ostensibly raise corn prices, and provide a potential for increased profitability for farmers, and corn growers in particular. The science for an increased ethanol blend supported it, the petroleum industry expressed support, fuel retailers were in favor, the White House expressed support, and the ethanol lobby was nearly in 7th Heaven until…..at the last minute it was replaced with a provision to create a "Rural Domestic Energy Council," (known as a "committee") which would study what ethanol was, its impact on agriculture, any contributions it would make to the motor fuel supply, and impact on the farm economy. (Immediate responses from E15 supporters cannot be published because of language policies.) IL Corn Growers Assn. leaders were in Washington last week to lobby for the E15 legislation. And Sarah Hastings (right) of Sidney, IL, chair of the IL Corn Growers Board committee developing ethanol policy, was dismayed, to say the least. **She shares her thoughts in this 7-min. video interview.** Sarah indicates House Speaker Johnson pulled the E15 section of the legislation because some oil refiners wanted some different language, and in turn farmers lost the opportunity for increased use of surplus corn, better market prices, and not having to depend on government handouts, such as more Farmer Bridge Assistance funds. She urged farmers to contact Senators and Representatives urging them to approve E15 on behalf of agriculture. (More: "E15 Aftermath" beginning on page 18)



Commodity Market Drivers—

- **China has fulfilled its commitment** to buy 12 mil. metric tons (440 mil. bu.) of US soybeans, market traders have told Reuters. The report follows skepticism China would fulfill its deal with President Trump after a late-October trade truce. Reuters reports market traders, speaking anonymously, said the 12-mil. target was met after bulk purchases by state stockpiler Sinograin and state trader COFCO. Those were the only buyers of U.S. beans, as private Chinese soybean crushers continued to favor cheaper supplies from Argentina and Brazil. As for China's 3-year soy buying promise, Treasury Secretary Bessent said last month, "Over the next 3.5, we're going to see 87.5 mil. metric tons (3.2 bil. bu.) purchased by the Chinese, and they are right on schedule." That includes the 12 mil. set for shipment between now and May. China shut out US soybeans for many months last year during the height of its annual soy buying season, hastening a crisis in farm country as stockpiles soared and prices and farm income plummeted. Hitting the 12-mil. -ton target will likely boost trader and exporter confidence that China could also meet the broader goal outlined by the White House of buying at least 25 mil. tons of U.S. soybeans through 2028. (Berns Bureau, Washington)
- **"Let's think about this US-China duopoly,"** says Dan Basse, president of AgResource. Speaking at a global grain conference in Saudi Arabia, he said, "I still think this duopoly is solidifying in power centers around the world." He is concerned about a world splitting into US- and China-anchored blocs. The structure, he said, is clearer now. Washington is using tariffs as a political and economic weapon. Beijing is quietly hardwiring new commodity supply chains that largely bypass the United States. Somewhere in the middle is global agriculture — oversupplied and with some suppliers, not least the United States, increasingly priced out of its former markets. For Basse, the big unknown is not whether the duopoly is real (he thinks that argument is settled) but how far US policy can legally go in using the "tariff hammer" to reshape world trade in its favor. "It's hard to forecast what will happen legally in the United States and whether Trump will have to pull new tricks out of his bag to keep some of his tariff actions in place," Basse told World Grain at the 2025 IAOM Mideast & Africa Conference and Expo in Jeddah, Saudi Arabia. The key test is the Supreme Court's pending view of the president's use of emergency powers under the IEEPA to levy tariffs. "If you look at the betting markets, people are forecasting they are not legal," Basse said. "But let's see how this all goes. At the end of the day, I think countries will still buy grain where it's the cheapest," he said. "They can make these pledges to Trump," he said, but if the IEEPA tariffs don't survive Supreme Court scrutiny, "Trump loses a big hammer." And far from delivering a revival of US export power, the tariff offensive risks accelerating trade diversion, he noted. "China's exposure to the United States has really declined now with about 12% of their exports heading into the US," Basse said. "China will still buy more Brazilian corn, more Brazilian soybeans, and more wheat from the Black Sea than it will from the US.

- **The US exported 68.7 mil. metric tons of U.S. soy,** which included whole soybeans, soybean meal, and soybean oil, during the marketing year 2024-2025. That represents a 12.8% increase year-over-year and a 2.95% gain over the 5-year average. That's according to data from the USDA's Global Agriculture Trade System. "With ample production and supply capacity, the U.S. remains well positioned to meet both domestic and global demand for whole soybeans, soybean meal, and soybean oil," said Jim Sutter, CEO of the U.S. Soybean Export Council. The top 5 growth markets for the U.S. Soy complex included Turkey, up 342%, Vietnam, up 89%, Venezuela, up 68%, Colombia, up 48%, and Bangladesh, up 40%. Sutter said that gains in several markets reflect a mix of improved market access and rising demand for animal protein. Along with the new USDA GATS report, recent U.S. export sales reports show a mixed picture for agricultural shipments, with corn export figures hitting a marketing–year low as soybean and sorghum sales fluctuate. USDA data released this month showed a slump in old-crop corn commitments, though new crop sales still exceed last year's pace. Despite weak corn numbers, soybean exports have posted stronger weekly shipments, with China, Mexico and other destinations buying significant volumes, according to export reports. Industry analysts said the divergence highlights ongoing demand uncertainty across commodities, as global supply competition and price sensitivity affect U.S. farm goods. Corn producers hope improving demand from Asian buyers and competitive pricing can help reverse the slump, but export pace remains well below ideal for growers dependent on overseas markets.
- **Grains enjoyed a solid session on Friday** after a better-than-expected round of export sales data from USDA led to a broad round of technical buying today. Corn prices moved 1.25% to 1.5% higher, while soybeans tested much more modest gains. Corn export sales were very strong in the week through January 15 after climbing to a marketing-year high of 157.9 mil. bu. That was also better than the entire set of trade guesses, which ranged between 74.8 mil. and 122.0 mil. bu. Cumulative sales for the 2025-26 marketing year widened its already commanding lead over last year's pace after reaching 1.197 billion bu. Corn export shipments were much more modest, at 56.4 mil. bu. Mexico, Japan, Colombia, South Korea and Taiwan being the top 5 destinations. Legislators failed to pass a bill that would have allowed for year-round sales of E15, which would have boosted domestic demand significantly. Instead, Congress opted to form a study council, which some farm industry groups are calling a stalling tactic that prioritizes oil refiners over U.S. farmers. Meantime, Naomi Blohm, senior market adviser with Total Farm Marketing, looked at some research from NCGA that suggested that a 5% ethanol blending increase (from E10 to E15) would translate to producing an additional 6.8 mil. gals. of ethanol – or 2.4 bil. bu. of corn per year! It would be a "game changer," in Blohm's words. Soybean export sales notched a new marketing-year high in the week through January 15 after reaching 89.9 mil. bu. That was also toward the higher end of analyst estimates, which ranged between 55.1 mil. and 110.2 mil. bu. Cumulative sales for the 2025-26 marketing year are still playing catch-up from year-ago volumes after reaching 708.1 mil. bu.

- **The second week of January was not good** for setting global grain export records. Instead of highs, they went the opposite direction, says AgResource chief economist Bill Tierney. Soybean exports were down 10 mil. bu. from the previous week's exports. As of the end of the 15th week of the 2025/26 soybean trade year, cumulative exports are down 6.5% from a year ago. USDA projects total global soybean exports to be up 1.5% from a year ago. The 3 countries that we track on a weekly basis account for 88.0% of global soybean exporters. USDA's January projection for global exports was lowered 5 mil. bu. (0.1%) from the previous month. Corn exports were down 12.4 mil. bu. from the previous week's exports. As of the end of the 15th week of the 2025/26 corn trade year, cumulative corn exports are up 8.5% from a year ago. USDA projects total global corn exports to be up 3.6% from a year ago. The 7 countries that we track on a weekly basis account for 92.9% of global corn exports. USDA's January projection for global exports was lowered 17 mil. bu. (0.2%) from the previous month. Wheat exports were down 10 mil. bu. from the previous week's exports. As of the 29th week of the 2025/26 marketing year, cumulative wheat exports are up 9.3% from a year ago. USDA projects total global wheat exports to be up 7.5% from a year ago. The 8 countries that we track on a weekly basis account for 89.0% of global wheat exporters. USDA's January projection for global exports was raised 38.5 mil. bu. (0.5%) from the previous month.
- **The US exported 68.7 mil. metric tons (MMT)** of U.S. Soy (whole soybeans, soybean meal and soybean oil) during marketing year (MY) 2024/25. That represents a 12.8% increase year-over-year (YOY) and a 2.95% gain over the 5-year average, according to data from the USDA Global Agricultural Trade System (USDA GATS). This increase is supported by export expansion across all 3 categories:
  - ✓ Whole beans up 10.7% YOY at 1.88 bil. bu.
  - ✓ Soybean meal up 13.9% YOY at 16.3 MMT (record exports in this category).
  - ✓ Soybean oil up 304% YOY at 1.1 MMT.

  "With ample production and supply capacity, the United States remains well positioned to meet both domestic and global demand for whole soybeans, soybean meal and soybean oil." said Jim Sutter, Chief Executive Officer for the U.S. Soybean Export Council (USSEC). "When it comes to U.S. Soy exports, trade flows continue to shift across regions, yet global demand remains strong and increasingly diversified," Sutter added. "Growth across the Americas, Middle East and North Africa, South Asia and Southeast Asia continue to expand and reinforce the importance of broad-based demand for high-quality, sustainable protein." "Additionally, lower soybean prices — while not favorable for U.S. farmers — offer a value to buyers in international markets to experience the high quality and positive attributes of U.S. Soy, which serves to build demand now and in the future." The top five growth markets for the U.S. Soy complex during the past five years, according to data from USDA's GATS were: Turkey, up 342%; Vietnam, up 89%; Venezuela, up 68%; Colombia, up 48%; and Bangladesh, up 40%. Sutter noted that gains in several markets reflect a mix of improved market access and rising demand for animal protein. "While uncertainty continues to impact international trade, one thing is clear: global demand for soy is strengthening," Sutter said.

- **Corn and soybean markets were hit Grain Market details from** General Manager Kevin Walker and staff at Legacy Grain.

  ✓ **Soybean market drivers**: Soybeans saw stronger trade late in the session, as front months were 3 to 4¢ higher at the close. March was 10¢ higher this week. The CmdtyView national average Cash Bean price was 3¾¢ higher at $9.98¾. Soymeal futures were 20¢ to $3.70/ton, as March rallied $9.90 this week. Soy Oil futures were 5 to 21 points higher, with March up 138 points since last Friday. Export Sales data from Fri. morning showed a marketing year high in soybean sales at 90 mil. bu. in the week of 1/15. That was 18.6% above last week and 63.97% larger than the same week last year. China was the largest buyer of 48 mil. bu., with unknown destinations the buyer of 12.5 mil. bu. and 8 mil. bu. sold to Egypt. Soybean meal sales were tallied at 412,671, on the high side of estimate of between 200,000 and 500,000 MT in that week. Soybean oil sales were 10,499 MT in that week on the lower half of 5,000-25,000 MT estimates. CFTC data pegged spec traders in soybean futures and options trimming 2,901 contracts from their net long to 10,060 contracts as of Tuesday. Mar 26 Soybeans closed at $10.67¾, up 3¾¢, Nearby Cash was $9.98¾, up 3¾¢.

✓ **Corn market drivers**: Corn futures posted 5 to 6½¢ gains across most contracts on Friday, as the late week strength took the weekly gain to 5¾¢. This morning's Export Sales report showed international buyers taking advantage of last week's price break. The CmdtyView national average Cash Corn price was up 6¾¢ at $3.93½. USDA's Export Sales report from this morning showed corn bookings at the largest since March 2021 at 158 mil. bu. in the week of January 15. Excluding China purchases and bunched week sales from previous government shutdowns, that was the largest week of sales since 1991. Sales were more than double the same week last year. The largest buyer was unknown destinations at 49 mil. bu., with 33 mil. bu. to Japan, 30 mil. bu. to South Korea, and 16.6 mil. bu. to Mexico. Managed money trimmed their net short position in corn futures and options by just 450 contracts in the week that ended on January 20. That net short was 81,324 contracts in the Commitment of Traders data from Fri. Mar 26 Corn closed at $4.30½¢, up 6½¢, Nearby Cash was $3.93½, up 6¾¢.

- **The recent January Crop Production Report** from USDA surprised almost everyone in the commodity markets with unexpected increases in acreage and yield, especially for corn. The huge corn crop led to higher ending stocks numbers, which were at 2.02 bil. bu. and are now close to 2.23 bil. after the report. IL Farmdoc ag economist Joe Janzen, (right) said the stocks-to-use ratio of 13.6, combined with all that new corn, doesn't bode well going into the end of the marketing year, "Right, it just means this market is pretty amply supplied. All the data that we got kind of points in the same direction. We did get a December 1st grain stocks estimate as well that showed, as of December 1st, sort of immediately after harvest, we had about 13.28 bil. bu. of corn in storage. That compares to about 12 bil. bu. a year ago and about a bil. bu. more sitting on-farm relative to a year ago. So, all that, again pointing to an amply supplied market and a corn price sufficient to ration that has to be down where we're at in this kind of low $4 range on the board." Janzen said the numbers released in January generally set the tone until the Prospective Plantings Report that comes out at the end of March. He said the surprising numbers from the Crop Production Report are having a big impact on the markets, "I think the impact is pretty significant. I think this perhaps puts a ceiling on any potential price rally that we might have seen now. To generate such a rally, we'd probably need some production issues in South America, because that's the big kind of outstanding wildcards in the next couple of months. But this puts a damper on that, just because of the well-supplied nature of the global marketplace today." (WILL radio)

- **USDA is out with its first** World Supply and Demand Estimate for Global Wheat for the year. And the highlight was Argentina's wheat production. World Agricultural Outlook Board Chair Mark Jekanowski, "That crop is about 90% harvested now. Record yields, that'll be record production. And that record is up about 24% from the previous record, so it's really a massive crop." Jekanowski noted that the 130 mil. bu. month-over-month increase, coupled with a 74 mil. bu. rise in Russian wheat production projections, adds to forecasted crop production totals, pushing global ending stocks higher. When it comes to the U.S. wheat balance sheet, "Beginning stocks up a little bit. That's just based on the stocks report information we got, leading to that small increase in total supply of just 4 mil. bu. Feed and residual use were reduced by 20 mil. bu. That's again based on the implied disappearance from the stocks report. And we're left, then when adding up the different sides of the balance sheet, there, we're left with ending stocks up by 25 mil. bu." The USDA dropped the season-ending average price 10¢ to $4.90 a bu. Jekanowski said about 70% of the crop is on the market, as of now. (PNW Ag Network)

- **Chad Hart grabbed a porcupine in his monthly outlook**. [The IA St. market specialist] said the release of multiple USDA reports "at the same time can be a market moving event. That was definitely the case this year. USDA found the 2025 corn and soybean crops were the best yielding crops the US has ever had. Profit opportunities are hard to find once again, with the futures markets showing corn having better prospects than soybeans. Thus, the economic outlook for 2026 remains challenging, the pattern over the past couple years.
  - ✓ Crop production continues to be strong, despite disease challenges this past year. The January update showed disease pressure in the heart of the Cornbelt, but also the strength in crop production across the entire nation. In November, IA and IL were projected to reach records as well, but the southern rust and late dryness knocked 6 bu. off from IA and 7 bu. from IL. But even with those reductions, both states had average yields well above 200 bu. per acre.
  - ✓ The pattern for soybean yields was somewhat similar. The national yield was a record, despite declining yield estimates in IA and IL. The national yield of 53 bu. per acre held over from the November estimate and is 2.3 bu. higher than the 2024 crop. Meanwhile, the IA soybean yield estimate pulled back 1.5 bu. (but still held a record level) and the IL estimate fell 2.5 bu. Combined, the changes left the national yield estimate steady.
  - ✓ With the additional bushels in supply, USDA also adjusted its projections for corn usage. The largest shift was the addition of 100 mil. bu. to feed and residual usage. Given the relative stability in meat production, it's likely that the vast majority of this gain is residual usage, which usually captures harvest and processing losses. One area of corn usage that has been slightly, but consistently, declining is food, seed, and other industrial uses. This category is dominated by corn sweetener production. With this update, USDA reduced this usage by 10 mil. bu. for the 2025 crop. Overall, corn usage has grown to use up more than 16 bil. bu.
  - ✓ Soybean crush continues to grow. USDA bumped crush up by 15 mil. bu., as more renewable diesel production is expected over the coming year. Year-over-year, soybean crush is projected to grow by 125 mil. bu. That growth is needed as soybean exports extend their roller coaster ride. Since 2021, soybean exports have annually flipped from gains to losses and back again. And the 2025 marketing year is a down year, with soybean exports set at 1.575 bil. bu.
  - ✓ In a replay of last year, the pricing outlook for 2026 is mixed. The season-average price estimates based on current futures for the 2025 crops have fallen below USDA's season-average estimate for soybeans, but corn futures are providing more optimism, even after the substantial decline right after the reports' release. The early view for 2026 shows a slight movement back to soybeans, but the lion's share of land stays in corn. Based on current futures, the market is showing a $10.30 per bu. season-average price for 2026 soybeans, roughly in line with USDA's long-term forecast. Meanwhile, the market is showing corn pricing in the $4.40 per bu. range for 2026 corn, providing a 30¢ premium to USDA's forecast.

- **"Let the dust settle,**" says the Brock Report, referring to "the price activity for corn, soybeans and wheat this past week. Most people are now over the initial shock of the January Crop Report released on January 12. This was the largest increase in supplies we can remember seeing in the January Supply/ Demand Report, since 2009. As we have discussed since then, USDA actually did what they needed to do. Corn silage yields were much higher than ever, and thus once cattle and dairy producers cut the quantity they needed for silage, the rest of the corn was left to dry up and harvest as shelled corn. All one had to do was look at where the states' increases in production occurred and they were almost all related to either dairy cattle or beef cattle. Add to that, the beef cattle herd is the lowest since 1952 and thus not as much silage is needed. That's all history now. *We believe that right now is the start of a shift from a supply driven bear market to a demand driven bull market*. One of the reasons we feel this way, particularly for corn, is the massive increase in exports that we've seen at lower prices. Starting early last marketing year and carrying through to today, corn export demand has been incredible. Last year was a record year for exports and we're set to demolish that record this year. By midday Friday as this is written, corn, soybeans and wheat are all significantly higher. What's going to cause the move? Like we said, predicting where the next demand story will come from is nearly impossible. Possibly China steps up to the plate and starts buying more beans. Maybe they'll buy corn, it would be a shock to the market. Again, you cannot forecast how or why this is going to happen, it's merely a significant technical signal that says it is going to happen. The question everyone is going to want to know is when and how high will corn and soybean prices go? The answer— we don't know and neither does anyone else. Just ride the train as far as it goes. Just as with the last soybean rally, which went higher than most anybody thought it would, wait and watch for technical sell signals. At this stage trying to pick an upside objective is very subjective. One possibility is March beans could complete a 50% retracement of the bear move that started Nov. 17 and finished on Jan. 2. That would take March soybeans back to $11.06. We think that is a reasonable target and one that we will be looking at for pushing soybean sales. It's also time to concentrate on new-crop sales. But the timing is not right. Patience is going to be important in these markets. Price activity this week was quite different in corn and soybeans. Soybean prices on Wednesday closed near their highs of the last 3 weeks but more importantly broke through a long-term downward channel which, in our opinion, confirms a bottom. All March soybean futures did over the last 2 weeks was test the support area at $10.40 and now the market is higher than it was trading pre-report days. Soybean oil this week actually closed at the highest levels since August of last year. Very important signals." For the complete commentary and charts go to The Brock Report.

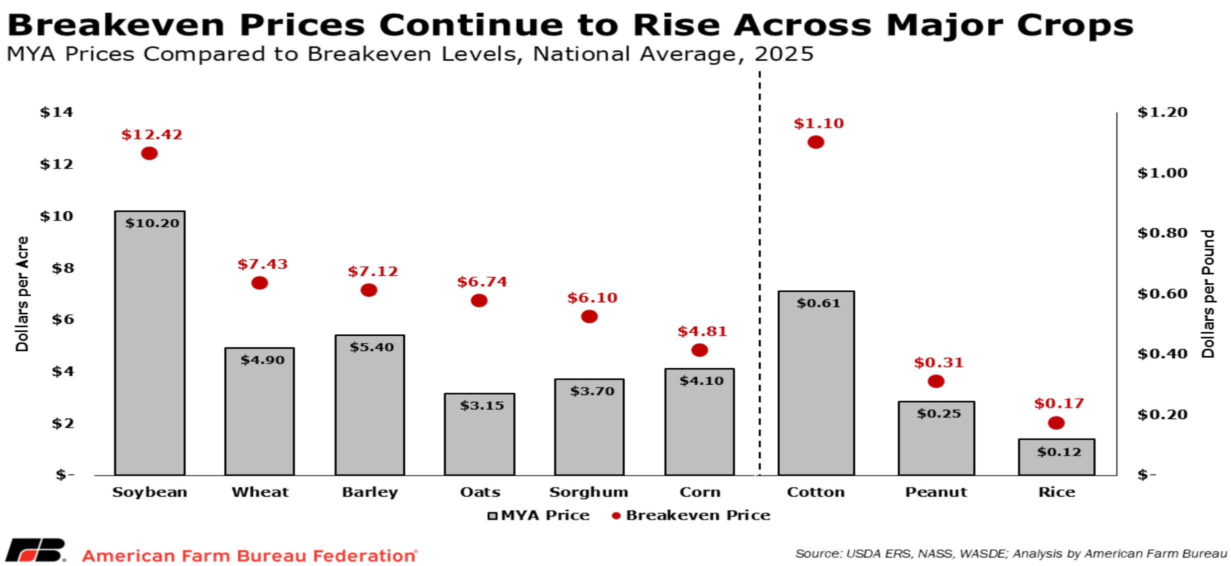
- **Marketing.** "The corn and bean markets both rallied on the week." -- Matt Bennett.
  - ✓ **Corn—futures**. March '26 corn had a good week overall, finishing with nice gains on Friday. March settled at $4.30½, up 6½¢. This was ¾¢ off the high and 8¢ off the low. March rallied 5¾¢ for the week. Technically, we bounced back above 1 moving average, the 5 day, and have recouped over 10¢ of the post-report lows.
  - ✓ **Corn—cash and basis**. Basis was steady/improved. At St. Louis terminals, 20¢ over March (6¢ wider). With the rally on the board, we saw cash prices appreciate from a week ago levels in many areas while basis widened a bit in others. I liked the action this past week, so I'd give this SA weather a chance to see if we can get any more pop.
  - ✓ **Corn—marketing strategy**. I'd try to incrementally sell some bushels here and there. We've had a nice little bounce off the lows, but expecting a big rally is tough in the absence of major weather issues in not only Argentina but Brazil once the *safrinha* crop starts going in the ground. Patience for now with offers in place is how I'd consider handling this for now.
  - ✓ **Corn—2026 crop.** December corn ended the week at $4.55¼, up 5½¢. Dec26 performed well this past week, getting to just 10¢ below where we were when that report came out. We're getting back closer to levels a person can put a true hedge on for bushels that go in the bin next fall.
  - ✓ **Beans—futures.** Beans had a nice week with some gains. On Friday, March beans settled up 3¾¢ at $10.67¾. This was 3¾¢ off the high and 6½¢ off the low. Beans rallied 10¢ on the week. March meal settled $9.90 higher on the week at $299.90, while soy oil ended the week at 53.99¢, up 1.38¢.
  - ✓ **Beans—cash and basis**. Basis was steady. St. Louis river terminals report basis 28¢ over the March (1¢ improved). Cash beans also gained some value on the week with the rally on the board and basis holding together.
  - ✓ **Beans—marketing strategy**. With crop ratings dipping for beans as well, a person should assume some support for beans could continue, especially if they stay dry. While I wouldn't want to have many bushels sitting around, I think it's reasonable to consider seeing how this weather plays out on some or most of the beans a grower has left.
  - ✓ **Beans--2026 crop**. Nov 2026 beans settled at $10.82, up 13¢ on the week. New beans in my opinion should warrant some attention now that we've moved back closer to $11. I wouldn't get too locked into a price that has no flex, but at the same time, a worst-case scenario position up here closer to $11 could get a person in much better shape than we saw just a couple of weeks ago.
  - ✓ **Price ratio—2026 crop**. 2.37/1, beans to corn, based on fall futures, unchg/week.

- **Market advisor's thoughts/suggestions**: Matt Bennett. "With some concern about hot  and dry weather and how it's affected the crops in Argentina, traders have backed off the bearish vibes a bit. It was a kick in the teeth by our politicians to withhold E15 from this bill they're trying to pass. What a better time than now to bolster domestic consumption of the corn we're raising? I'm beyond disappointed in this development but remain hopeful someone with some sense can make progress and get year-round E15 passed! With demand as strong as can be right now, traders were paying attention to Argentina's weather and how it's affecting their corn crop. With crop ratings declining 12% good/excellent this week, 11% last week and 7% the week before, we've seen this crop head south fast. The video I recorded with Eric Snodgrass this week showed little chance for improvement as the forecast has shifted drier than previous runs. It seems to me '26 acres will be robust, even with the profitability issues. However, we need big acres and a big yield the way this demand is rolling along. I'd consider some patience as we see how South America pans out. As far as selling corn, it all boils down to whether you can make it work for your operation. I still think some volatility could enter this year due to strong demand, so getting too sold without some flex could sting. IF we get a nice rally this summer, we all need to take as much advantage of it as possible with how these last few years have gone. While I think acres could come down some, my estimate keeps creeping higher the more growers I visit with. I'm 95+ currently and trying to get a handle on just how many acres we may see in '26. Stay on your toes and consider how to best lock in a worst-case scenario for your operation...… The bean market certainly has a big crop out of Brazil to deal with, but with some dryness in southern Brazil as well as most of Argentina heading in the wrong direction, some weather premium has manifested. While the forecast from USDA is for a 178 mmt crop and some are predicting even higher, some estimates in Brazil are starting to back off even below USDA due to too much rain in some areas and not enough farther south. We must remember with the big estimates for Brazil, world stocks aren't predicted to increase much if any. Demand is still solid, but with China pulling back on pork production, the old days of yearly increases in Chinese demand for beans and bean products are likely over. Thankfully, other world buyers have surfaced-but, as with corn, we need to see our government continue to ramp up domestic consumption if we're going to keep planting beans here in the US as exports are likely to shrink in comparison to those from SA. I'm hopeful we'll see beans rally on SA weather some more. If we do, some risk-management or incremental sales on rallies make sense…..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.

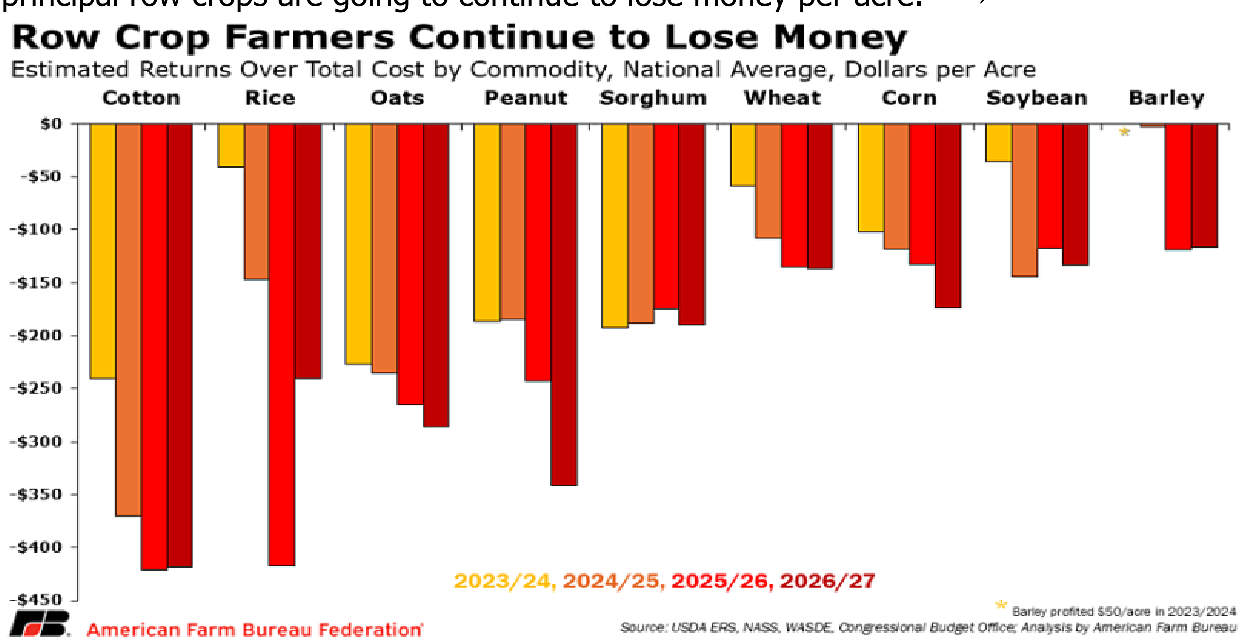
✓ "This week we talked about a whole host of items on the Beck's podcast. Here is the latest episode – Grain Marketing Update with Matt Bennett (1/20/2026)

Farm Economy—

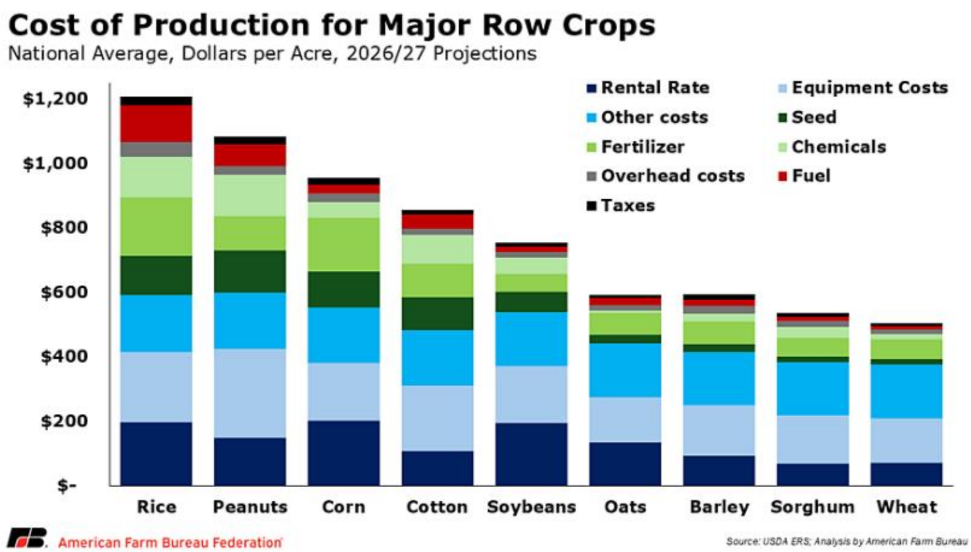
- **While some progress has been made in stabilizing the farm economy** through the Farmer Bridge Assistance Program and Emergency Commodity Assistance Program, recent numbers show that farmers still need help. Economist Faith Parum, of the American Farm Bureau, said farm losses continue to pile up, "Our farmers are really struggling right now. They've seen consecutive years of losses, and so even though we've had some economic assistance from Congress and the White House, we still see losses across the economy." Parum says the economic pressures facing farmers and ranchers come from rising input costs coupled with commodity prices that just aren't keeping up, "We've had historically low



commodity prices, but what's really driving these losses are extremely high production expenses that have increased for the third year in a row. The recent USDA forecast says they're going to increase again in the upcoming crop year. This means that all 9 of our principal row crops are going to continue to lose money per acre." →

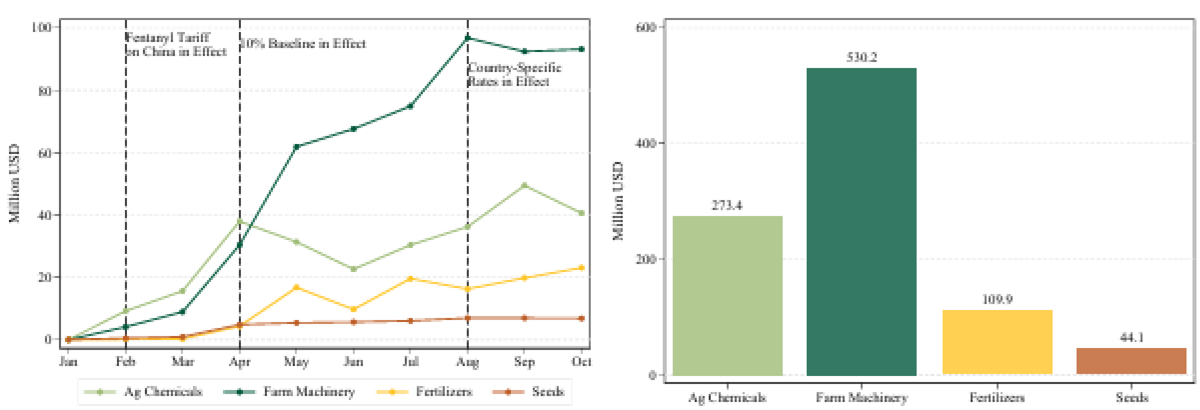


Operating costs—expenses directly tied to producing a yearly crop, such as seed, fertilizer, chemicals, fuel and labor—substantially vary across crops. In 2025, total operating costs ranged from $155 per acre for wheat to more than $764 per acre for rice and $631 per acre for peanuts. In 2026, these costs are expected to rise, ranging from $774 per acre for rice and $160 per acre for wheat. While select inputs have moderated slightly from recent peaks, overall operating expenses remain well above pre-2021 levels. Rising costs since 2020 have been driven primarily by sharp increases in interest expenses (+71%), fertilizer (+37%), fuel and oil (+32%), labor (+47%), chemicals (+25%) and maintenance (+27%), alongside notable gains in seed (+18%) and marketing costs (+18%).Against this backdrop of elevated costs, [commodity prices have remained under pressure](), limiting farmers' ability to cover their costs through the marketplace alone. As a result, many farms are projected to experience losses for a fourth or fifth consecutive year, even after accounting for crop insurance indemnities and ad hoc assistance. Based on loss calculations used in the Farmer Bridge Assistance Program, rice producers face losses of roughly $210 per acre, followed by cotton ($202), oats ($159), peanuts ($131), sorghum ($91), corn ($87), wheat ($70), soybeans ($61) and barley ($42). In total, net losses across the sector are estimated to exceed $50 bil. over the past three crop years. For many farms, aid helps slow the erosion of working capital but does not fully offset negative margins. As a result, producers continue to absorb multiyear losses that strain balance sheets, tighten cash flow and complicate access to operating credit. These loss estimates reflect national averages; actual costs of production and returns vary by region, management decisions and ownership structure. For example, producers who own their farmland may face lower total costs by avoiding cash rental expenses, resulting in higher returns. ERS cost projections make clear that input costs for all of the nine principal row crops remain elevated and sticky. Continued increases in both operating and overhead expenses are pushing breakeven prices higher, while commodity prices remain insufficient to offset those costs for many producers. Much-needed safety net enhancements [through the One Big Bill Act (OBBA)]() are expected to take effect in October 2026, but those changes do not address the pressures farmers face today. In [a recent letter to Congress]() organized by the American Farm Bureau and signed by 56 agricultural organizations, farm groups warned of an economic crisis in rural America, citing multiyear losses driven by record-high input costs and historically low commodity prices.



- **White House imposed tariffs** are not helping the farm economy very much. In fact, just a selected few tariffs have added nearly $1 bil. to the cost that farmers are paying for farm equipment, fertilizer, and seed. That was tallied by [ND St. Univ. Ag Trade Monitor](). "Despite their negative effects on producers, the collected tariffs represent a relatively small share of production expenses. The tariff revenue collected on these 3 input categories represents 0.2% of seed expenditures, 1.3% of pesticide costs, and 0.3% of fertilizer costs. It is important to note that these estimates do not account for tariffs collected on other inputs in the agricultural supply chain, including steel, aluminum, and parts used in machinery and equipment, which may impose additional costs on U.S. producers. Fertilizer tariff exposure was partially limited by exemptions, trade adjustment, and seasonal timing. Fertilizer benefited from exemptions under trade agreements such as USMCA, while current tariffs on remaining fertilizer imports were in effect primarily during the low demand season. Importers front-loaded purchases ahead of tariff implementation and shifted sourcing toward exempted countries like Russia. Given that fertilizers are a key intermediate input in agricultural production, changes in tariff-inclusive import costs may translate into changes in fertilizer prices faced by US producers, raising questions about the extent of tariff pass-through to farmers. This concern is particularly relevant given that USDA's 2025 cost of production estimates indicate fertilizers will represent a substantial share of operating expenses for commodity producers. After the announcement of the Trump tariffs last

IEEPA Tariffs Revenue Collected from Ag Chemicals, Machinery, Fertilizers, and Seeds (Feb to Oct 2025).



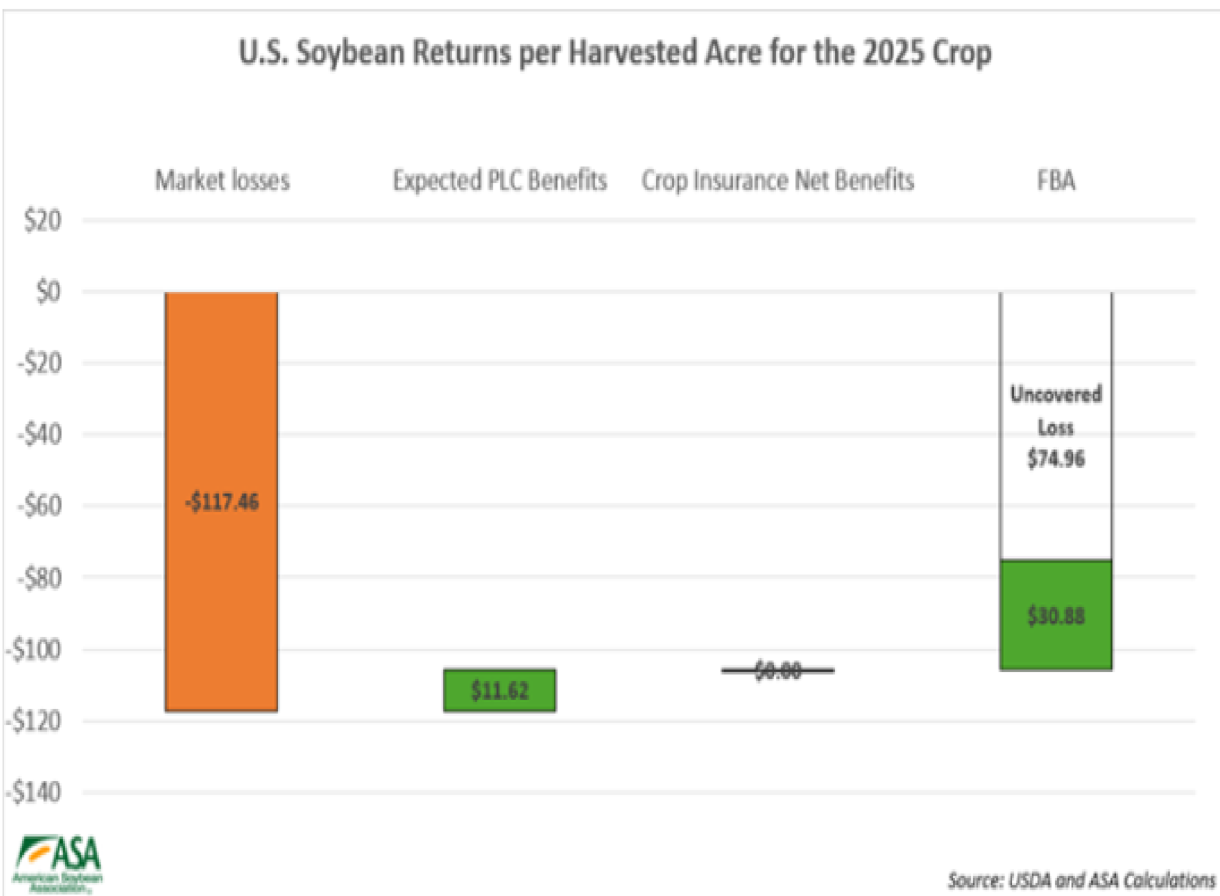
Estimated Monthly IEEPA Tariff Revenues

Estimated Total IEEPA Tariff Revenue (Feb–Oct)

spring, US import patterns point to front-running behaviors ahead of tariff implementation particularly for phosphate fertilizers. For DAP, imports appear to have been pulled forward into the second quarter of the year but ultimately ended about 41% below the 3-year average. MAP imports display a somewhat different dynamic. While the Trump tariffs affected MAP volumes also weakened over the same period, a notable decline in non-tariff imports suggests that the contraction was driven not only by tariff exposure, but also by elevated MAP price during the year. For potash, most imports are exempt, resulting in cumulative import volumes about 7% above the 3-year average.

- **The farm economy continues to struggle in 2026**, and farm groups are calling on Congress to act. Brian Glenn, director of government affairs for the American Farm Bureau, said many farmers are underwater financially, "Farmers are facing extreme economic pressure right now.   with low commodity prices, elevated input costs, and ongoing market uncertainty, and this sustained pressure has led to losses approaching $100 bil. nationwide, across the farm economy." Glenn said farmers and ranchers are grateful for the economic assistance in the Farmer Bridge Assistance program, but it's only a first step. The Farm Bureau led a coalition in sending a letter to Congressional leaders outlining the need, "We called on Congress to act immediately to provide economic support to fill in the gap of remaining losses. And, in addition to short-term assistance, Congress must pass year-round E15, which will support the farm economy and long-term farm viability." Farm Bureau members have sent over 12,000 urgent messages to Congress outlining the severity of the situation, and Glenn said keep those messages coming, "As lawmakers consider the government funding package by month's end, it is critically important that they continue to hear from farmers across the country about these priority issues, the need for economic assistance and year-round E15." (American Farm Bureau)
- **The economic crisis** continues to take its toll on agriculture. American Farm Bureau President Zippy Duvall says Congress must take action to ensure farmers can survive, "Farmers are sounding the alarm about the state of the agricultural economy. Record high supply costs and historically low crop prices continue to throw many farmers into the red. The agricultural trade deficit is making matters even worse. Over the past several years, farmers have lost tens of billions of dollars. Investments included in the One Big Bill Act and other ad hoc programs will provide meaningful first steps in assistance. But they do not cover the extensive losses faced by farmers. Congress must take further action. Federal policy should focus on increasing long-term demand for American-grown products and providing additional financial support. Investing in agriculture ensures a stable food supply for everyone." (American Farm Bureau)
- **IA's corn and ethanol industry** faces continued decline without immediate approval of nationwide, year-round sales of E15 gasoline and access to ultra-low carbon fuel markets, according to a new study released by IA Corn and the IA Renewable Fuels Assn. The study comes as farmers confront a corn carryout exceeding 2 bil. bu. and rising input costs for fertilizer, seed and machinery. It estimates corn price deficits at $1.52 per bu., a level that could force some producers to downsize or leave farming without expanded demand. IA remains the nation's top corn producer and a leading ethanol state, with yields rising about 15% faster than the U.S. average, the study said. However, new markets are critical to sustaining growth. IA Corn Growers Assn. President Mark Mueller said "Rather than including E15, Congress is now trying to appease farmers with this new task force. The fact that this news comes on the same day that talks of a $1.2 tril. taxpayer government funding package comes out is bizarre. Today, corn is priced below the cost of production when we have a solution with E15 that would add 94¢ per bu. Without new corn demand, IA could face a 1980s-style farm crisis," Mueller said.

- **The American Soybean Assn.** says the Farm Bridge Assistance program "only offered a fraction of relief for the impact of market losses on harvested acres of U.S. soybeans in 2025. Soybean farmers are facing dire economic conditions as we enter the 2026 planting season, and we urge Congress to address economic losses not covered by FBA while we wait for key biofuel policy action by the administration," said ASA President Scott Metzger. "We are grateful for the support of Congress and the administration in providing economic assistance this past year, but export market losses continue to push soybean farmers to the brink. Strong renewable volume obligations and final biofuel tax guidance will support future domestic market demand for soy-based biodiesel and renewable diesel, but in the interim, additional farm support will help bridge the gap for our significant uncovered losses from the 2025 crop. According to recent ASA calculations, U.S. soybean farmers are still facing 64% in uncovered losses for the 2025 crop, as the FBA program did not address market losses. As ASA waits for final tax guidance on the 45Z Clean Fuel Production Credit, robust 2026-2027 Renewable Volume Obligations, and finalization of a rule from the administration to support domestic feedstocks for biofuels to support market demand, soy growers are pressing for an additional support package to stave off a significant economic crisis. ASA looks forward to working with Congress and the administration to ensure soybean farmers remain solvent as they enter the 2026 growing season."

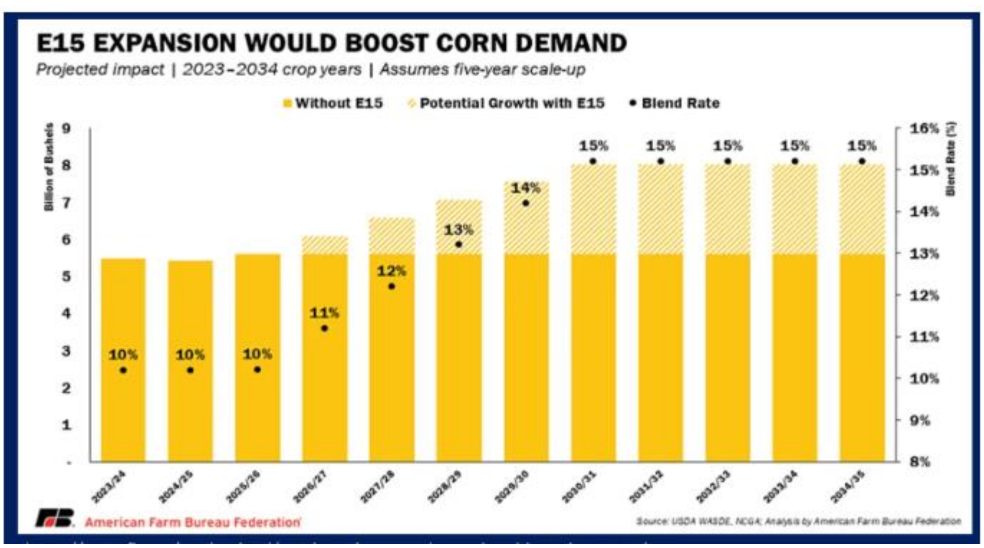


- **It’s been a tough go for the U.S. agricultural economy** so far in 2026. Matt Clark, (right) the interim executive director for Terrain Ag, said the livestock sector entered the year in better shape than the grain producers, “Unfortunately, we're off to a bit of a tough start for 2026; there's no way around that. In some ways, the cattle market had kind of a shock to end 2025. Most of that market has recovered a little bit, so that's good. Not all the way, but we've seen some improvement there, at least in some prices. So, for your cow-calf, guys, they're doing okay, still. Probably some losses up-chain, but the real struggle right now is on the grain side.” He said the recent USDA crop production report didn’t help with low crop prices, “Not only was 2025 a struggle, but we also started off 2026 with an update from the USDA that was probably a little harder than what nearly all of us thought. So, you had a scenario where corn production went higher. Almost everybody was thinking it would go a little bit lower. Soybeans as well. And as a result, we have a lot of stocks to work through in 2026, and the prices are tough. There's no way around that.” It’s not just corn and soybean prices that are struggling, “Wheat’s in that same bus, too, in terms of being difficult on prices. So, from a farm economic standpoint, we're starting pretty tough, and you see it when you're out driving kind of around in some of the grain areas. Just kind of hear it when I'm talking with our customers or the customers of Farm Credit. And you see it through some of the telling data, such as tractor sales or combine sales being very, very low — historically low, actually. As a result, I would say we're starting off 2026 pretty tough.” Where are producers sitting early in the year and making plans, “I am still concerned again, I think for your cow-calf guys, they're doing okay. Hog guys have started to turn the corner. They're doing all right. There are some current concerns around dairy, but calf prices have been good for them. That's helped. The concern is still on the grain side, as I go into 2026, it is still pretty high. What I've done mostly is just try to lay out what the cash-flow scenario is going to be with government payments and then with the remaining grain sales. So, if you think about a month and a half or so, we'll get the farm bridge assistant payments. That'll be some money. Again, probably not enough to make everyone whole, but again, helpful.” (Backroads of IL Podcast)

***E15 Aftermath*— (**Cont. from page 1**)**

- **In response to this development**, Ohio farmer and National Corn Growers Association President Jed Bower released the following statement: "Corn growers are disgusted, disappointed and disillusioned that after spending years of calling for passage of E15, Congress has again punted, and it has done so in a spectacularly weak and offensive way. Bizarrely, members of Congress are now planning to establish a rural energy council to explore this legislation as if we are in the beginning stages of discussing E15. We already have a bill. We already have an agreement with the petroleum industry after months of negotiation. But instead of acting, Congress is now suggesting a process-ridden task force that kicks the can down the road once again. Congress is choosing to leave America's 500,000 corn farmers behind in favor of a handful of refineries. It's truly sad. As we look at this and we look at the foreclosures and the bankruptcies rising in rural America … what does Congress think they're doing here?" Agri-Pulse reports, "Corn growers were escorted out of the House office building Wednesday by Capitol Police. Midwest Republican House lawmakers, after meeting with House leadership Wednesday, blamed the Senate for being the roadblock on the issue."

- **Why is the corn grower, regardless of their state,** upset with what occurred in the US House Thursday night? The details are that "Nationwide, year-round E15 authorization presents the most straightforward path to preserve existing ethanol demand and create new growth. Even a modest increase in the national blend rate could have a measurable impact. According to NCGA (National Corn Growers Association), a 1% increase in the average ethanol blend rate would add 1.36 bil. gals. of ethanol, equal to about 486 mil. bu. of corn. A 5% increase, to move from E10 to E15, would translate to 6.8 bil. gals. of ethanol, or roughly 2.4 bil. bu. of corn a year."



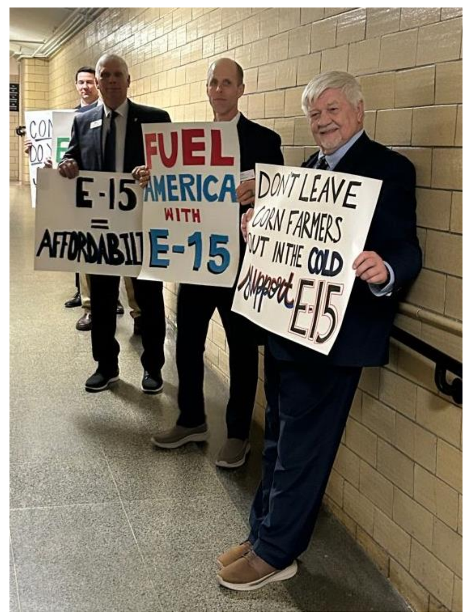
- **IL Corn Growers Assn. Pres. Mark Bunselmeyer,** said, "It is tough to understand why Congress can't remove an artificial barrier to increased corn demand that costs taxpayers nothing but would help family farmers and rural communities. [This decision should not be difficult;] fix the policy that blocks ethanol access to the marketplace and gives farmers and rural communities a fighting chance. We have been advocating for year-round E15 since the U.S. EPA approved the fuel in 2011. Kicking the can down the road yet again and loading the decision with unnecessary bureaucracy is not what IL corn farmers need."

- **Rep. Nikki Budzinski, IL-13,** (right) House Ethanol Caucus Co-chair, said," Less than 2 weeks ago, USDA raised its forecast for U.S. corn production to 17 bil. bu. for the 2025-2026 marketing year – a record total for corn. It also showed the increase in supply outpacing demand. This data paints a clear picture – we're on the brink of a farm crisis… export markets are being decimated by the President's global trade war; farmers are being priced out of their own operations. Until late last night, we had a bipartisan agreement for year-round E15 that had support from corn growers, biofuels producers, and the oil refiners. Compromise language reined in medium and large refineries that have taken advantage of the EPA's small refinery exemption programs to skirt their renewable blending obligations under the RFS. We had a deal – a real compromise – yet House Republicans couldn't get out of their own way. They just gave up and decided that assurances of a "Rural Energy Task Force" is enough to help farmers. Give me a break. I would love for House Republican Leadership to look my farmers directly in the eye and explain how this creates certainty and a dependable economic future for our rural communities. They could not be clearer – they need year-round E15. At a time when this president is only causing more uncertainty, give our farmers the certainty they deserve. In a time when our economy is under attack by our own President, let's give drivers at the pump and the rural economy the break they deserve."

- **Growth Energy,** the nation's largest biofuel trade Assn., was very unhappy after it was announced that a legislative fix for year-round E15 was dropped from the January government funding bill. It was further incensed that Congress would instead form a "rural energy council" to formulate another compromise bill with petroleum interests, and with expectations for a vote in February. "What an incredible travesty as Congress picked refiners over American farmers and drivers today," said Growth Energy CEO Emily Skor. This failure will lead to farmers missing out on a critical market during the worst farm crisis in 4 decades. "It's imperative we get this over the finish line expeditiously," Skor added.
- **"We are extremely disappointed** that Congress appears to have again failed in adopting a simple technical fix that would have made lower-cost American-made E15 available to consumers nationwide all year long," said Geoff Cooper, president and CEO of the Renewable Fuels Assn. "Allowing year-round E15 would have provided a lifeline to farmers who are facing the worst economic crisis in almost 50 years, while also helping American families struggling with higher energy bills." He also pointed out that there was already a compromise deal broadly supported by ethanol and oil refiners in place.

- **Midwest lawmakers pleaded for action** on year-round E15 at an emotional House Rules Committee hearing, after a deal on the legislation fell apart last week.
  - ✓ **Rep. Adrian Smith, R-NE**, defended his party's Rural Domestic Energy Council to salvage his Nationwide Consumer and Fuel Retailer Choice Act by the end of February, "This council is not a substitute for action, and I refuse to let it be used as a delaying tactic. My colleagues and I on this council will deliver a viable, durable path forward for nationwide year-round E15." That idea arose after a deal with large and small oil refiners fell apart over small refinery exemptions.
  - ✓ **Rep. Eric Sorenson, D-IL**, "The decision to not include year-round E15 in the funding package yesterday is deeply disappointing and a missed opportunity to lower costs for families and deliver certainty for America's farmers. Delaying action again—this time to create a so-called "rural energy council" to study and draft legislation that already exists and has strong support from both parties does nothing to help farm country and consumers who are reeling from Trump's reckless economic policies. Republicans had a clear opportunity to provide a vital market during the worst agricultural crisis in a generation and instead chose to play political games like always. We do not need another study or task force. We need a vote and a solution! I'll keep pushing to get E15 across the finish line!

- ✓ **Rep. Robin Kelly, D-IL**, "Speaker Johnson and Senate Majority Leader Thune should grow a spine and stick to the bipartisan deal funding nationwide, year-round E15. But once again, they're cowing to President Trump's demands to curry favor with major oil and gas companies. Our farmers in IL and across the country are ready to enhance our nation's energy supply, reduce emissions, and lower fuel costs for all Americans. Instead, President Trump is more focused on buying Greenland, running Venezuela for oil interests, and bailing out Argentine farmers. Farmers already have to navigate President Trump's challenging tariffs on top of rising costs and a lackluster Farm Bill. Let's secure E15 sales all year, nationwide."
- ✓ **Rep. Harriet Hageman, R-WY**, said, "I understand that in this policy dispute, my fellow members on this panel must fight for their constituents. And I respect what they've done, and I respect each of them, individually. But I also fight for my businesses."
- ✓ **Rep. Angie Craig, D-MN,** "This government funding bill was an opportunity for Republicans to deliver on their promise to expand domestic markets for family farmers and provide additional farm and family relief to address Trump's affordability crisis. Instead, they continue to pick winners and losers. They turned their back on family farmers and hardworking people across our country by refusing to pass commonsense, bipartisan policies that would provide relief to everyone – farmers and working people – being squeezed by the president's tariffs and backward policies. The Republicans' government funding bill does not include additional farm aid that farmers urgently need; it rejects year-round E15; and it leaves food assistance hanging by a thread and our states facing down a looming budget crisis due to the unfunded mandates in the so-called 'Big Beautiful Bill.' Today's vote was a chance to address rising costs, support American families and create domestic market opportunities for our farmers. Family farmers continue to get screwed by this administration. It's time to call it what it is."



- ✓ **Rep. Mariannette Miller-Meeks, R-IA,** related personal conversations with those on the brink, "We have record numbers of bankruptcies, talking to your neighbor whose neighbor committed suicide, and how to support those farmers and give them some measure of hope." With year-round E15, that Miller-Meeks said should have been delivered "yesterday" and not with another study, "But let's be clear, the council exists because we failed in our primary duty to deliver immediate relief to rural America." (Berns News Bureau) →

- **The House Rules Committee** called an emergency meeting on further action on the Nationwide Consumer and Fuel Retailer Choice Act. Cosponsor Rep. Zach Nunn, R-IA, (right) said on the House floor, "Permanent E15 could boost corn demand by up to $2.4 bil. annually. It would increase our domestic market access for corn farmers and support the viability of farmers and manufacturers in our community." But the fate of the E15 bill was uncertain despite its returning RIN credits to small refineries for 2016 through 2018 and allowing their future use. Renewable Fuels Assn. CEO Geoff Cooper blamed mid-sized refiners for trying to "blow up" a deal worked out with large and some small refiners. And he dismissed as more "foot dragging" and "kicking the can down the road a new House energy council to break the legislative logjam." The National Corn Growers did as well. (Berns Bureau, Washington)

- **Monte Shaw, executive director** of the IA Renewable Fuels Assn., (left) says the state faces 3 choices — and only one avoids disaster, "There's the status quo, where supply continues to go up faster than demand. I think if we don't do anything in the next couple of years, it's going to be a capital C crisis." Shaw says massive government payments aren't realistic, leaving demand growth as the only workable path, "The other alternative is to grow demand, because the first two are, quite frankly, unacceptable." Economist Dave Miller of Decision Innovation Solutions says USDA projections show a growing demand gap that could crush prices, "If we use the USDA long-term outlook demand and we get trendline yields, we end up at about 25% of the stocks-to-use ratio. The corn prices in the U.S. haven't been at loan rate for well over a decade." Miller says year-round E15 could close that gap in the near term, "If we could have E15 on a year-round basis, we could take that demand gap actually down to zero by 2031." But he cautions that E15 alone won't be enough in the long term. Future growth, he says, depends on ultra-low-carbon ethanol for aviation and marine fuels, "Globally, the marine fuel market is a 70 to 80 bil. gal. a year market. If corn could take even 2 to 3% of that market with ultra-low carbon ethanol, it would very much help to close this demand gap." That future, Shaw says, depends on policy decisions being made right now, "We are in, I think, the fight of our future. Right now, this morning in D.C., they're fighting to insist that year-round nationwide E15 is put in one of the vehicles that they're trying to move by the end of this year." He calls it a now-or-never moment for IA agriculture, "We are at a tipping point where we don't want the current farm income price crisis to go from a small C to a capital C." (American Ag Network)

- **IL Gov. JB Pritzker added his support,** urging Congress to approve E15. "Agriculture is the number one industry in IL. Our farmers feed the world, and they have the potential to fuel it as well. As Trump's tariffs hurt farmers nationwide and rising costs put strain on American families, Congress must require permanent, year-round E15," he said. "E15 enhances our nation's energy supply, helps the economy, and supports a cleaner environment all at once. Year-round E15 is not optional — it's essential. That's why I was the first Governor in the Cornbelt to sound the alarm for Congress in November. I once again urge the federal government to act in favor of our farmers and the environment." →

- **"IL is a national leader in corn and ethanol production.** Year-round E15 would keep energy dollars in the Midwest, reduce reliance on foreign oil, and cut harmful emissions without additional cost to taxpayers," said Jerry Costello II, (right) Director of the IL Department of Agriculture. "Allowing nationwide, year-round use of American ethanol is a practical solution that strengthens the energy supply, reduces costs for consumers, and provides the long-term certainty that IL farmers deserve."

- **"IL farmers cannot afford to do business**. The best solution is a stronger economy," said U.S. Senator Dick Durbin, (left, center) D-IL. "First, the President must stop these trade wars that are damaging our top farm export markets. Second, Congress must pass permanent E15, which will immediately help farm families, while cutting the cost of gasoline for everyone by up to 30¢ a gal. As a member of the Senate Agriculture Committee, I will fight to get E15 finished now."

Farm Programs—

- **Big money, but a long way off.** The Congressional Budget Office, which calculates and projects Congressional appropriations, is forecasting A LOT of ARC/PLC money heading to farmers in the next 2 years. Univ. of IL Farmdoc Policy Specialist Jonathan Coppess says, "The changes enacted in the Reconciliation Farm Bill have had a massive impact on spending from ARC and PLC. In total, the 10-year spending projections went from $48.7 bil. (January 2025) to $113.2 bil. (February 2026), more than double the previous ten-year spending estimate. The February 2026 baseline also marks the first time these programs have exceeded the $100 bil. level in a CBO baseline. Most of the projected spending is in PLC, which went from $32.8 bil. to $94.7 bil., a nearly 3-fold increase. ARC-CO experienced a modest increase going from $14.8 bil. in 2025 to $16.9 bil. in 2026, although CBO booked all spending for the 2025 crop (FY2027) in PLC at a total of $15.4 bil. This projection is higher than an earlier estimate but, as will be discussed, is likely due to CBO's allocation of the additional 30 mil. new base acres. Note that projected spending from ARC-IC is also included but is less than $2 bil. (2% to 1.5%) in both baselines and increased little ($1.1 bil. to $1.7 bil.). Additionally, crop insurance is projected to increase spending by nearly $23 bil. (17% increase) to over $155.5 bil. (FY2027-2036). Total projected spending for conservation is projected to increase by $14.9 bil. (26% increase) for the 10-year totals, however, the Conservation Reserve Program (CRP) is projected to spend $1.15 bil. less in the 10 fiscal years of the February 2026 Baseline."

Program Crop	Planted Acre Projections (millions)							Proj. New Base as % Proj. Avg. Planted
	2026	2027	2028	2029	2030	2031	Avg.	
Corn	94.0	93.8	93.5	93.3	93.0	93.0	93.4	119%
Soybeans	85.0	83.0	84.0	84.0	84.5	84.5	84.2	77%
Wheat	44.0	44.0	44.0	44.0	44.0	43.5	43.9	141%
Seed Cotton	9.2	9.5	9.5	9.6	9.6	9.6	9.5	163%
All Rice	2.7	2.7	2.7	2.7	2.7	2.7	2.7	196%
Peanuts	1.7	1.7	1.7	1.7	1.7	1.7	1.7	167%
Sorghum	6.3	6.3	6.3	6.3	6.3	6.3	6.3	135%
Total	***242.8***	***240.9***	***241.7***	***241.6***	***241.8***	***241.3***	***241.7***	***112%***

  - ✓ **But Coppess suggests** keeping a bottle of headache pills handy. "Tariff tantrums and mercurial management are fueling market instability and worse. One result is that the squeeze on farmers due to lower crop revenues and higher costs is likely to worsen substantially. Farm policy appears to be broken, however, and is likely to cause more harm than provide help. As base acres become the problem they were designed to prevent, the design leads a growing list of policy failures, from massive ad hoc payments to an increasingly unsound crop insurance program and ineffective conservation programs. CBO projections, for example, are merely an educated guess about a future that cannot be known. Those projections will be wrong in one direction or another. They are useful, however, for perspectives and to highlight developing problems, such as those with base acres. If history provides any guidance, it is that broken farm policy will unfortunately break many farmers. A cliff appears to be approaching at an accelerating rate of speed. Multiple course corrections are needed immediately."

***Mailbox Money*—**

- **Don't stay up waiting for a second USDA check.** Multiple appropriation bills have been passed by the House, and the Senate will approve them this week, but nothing is in the package for agriculture. Not E15, not any financial support. You are not the only one who is dismayed, angry, irritated, furious, irate, bitter, exasperated, offended, and downright mad.

  - ✓ **A multitude of federal funding bills** passed by the House Thursday, but left agriculture in the cold. DTN reports, "Senate Agriculture Committee Chairman John Boozman, R-AR, (top right) and Senate Agriculture Appropriations Subcommittee Chairman John Hoeven, R-ND, (lower right) said last week the $12 bil. Farmer Bridge Assistance Program the Trump administration announced in December was not enough and Congress should provide more aid in a continuing resolution. The lawmakers had talked about adding as much as $15 bil. in aid to a legislative package." The proposed expansion would broaden coverage to include prevent-plant acres, expand specialty crop aid and adjust loan limits, advocates said. Hoeven told DTN in an email lawmakers will have to find another way to push for aid. At this point, it looks like we will pass the appropriations bills without a continuing resolution, so there isn't a vehicle at this time to include the additional ag disaster assistance," Hoeven said. "We will continue looking for opportunities to advance this assistance, such as a potential supplemental appropriations bill. The lack of new funding comes as the American Farm Bureau on Wednesday released an analysis 'indicating the economic crisis in farm country is likely to continue this year. The analysis shows farmers will enter the 2026-27 crop year facing accumulated losses exceeding $50 bil. over the past 3 crop years. The report also noted USDA projects 2026-27 input costs will increase anywhere from 2.2% to 3.3% across main principal crops." →

  - ✓ **Farm Credit Council President and CEO Christy Seyfert** applauded Sens. Bozeman and Hoeven after they called for expanded agriculture assistance in the upcoming continuing resolution. "Farm Credit thanks Chairmen Boozman and Hoeven for championing expanded agriculture assistance," Seyfert said. "Many row crop and specialty crop producers continue to struggle because of economic and weather pressures outside their control." She also said Farm Credit has supported increasing these loan limits since the beginning of the Farm Bill process. However, the legislation that was initiated in the House was devoid of the farm financial support. The Senate still needs to vote but any change would require the House to agree, with negligible chance.

- **Year-round E15 legislation and extra farm aid** didn't make it into any of the spending packages still moving through Congress.
  - ✓ **Sen. Chuck Grassley, R-IA,** (right) "Evidently, the appropriations bills that have to pass by January 30th will not include anything." Not billions in added farm bridge payments or year-round E15 opposed by small refiners, "A lot of states that have these small refineries, their members of Congress are defending them and saying there had to be greater compromise."

  - ✓ **Rep. Angie Craig, D-MN, (below)** ranking member on the House Agriculture Committee said House Agriculture Democrats had agreed on a package of aid to both farmers and participants in the Supplemental Nutrition Assistance Program (SNAP), which Republicans restricted in the One Big Bill Act. Craig's bill proposed $17 bil. in agricultural aid. "Democrats have put an offer on the table that helps both hungry families and hurting farmers. Farmers know a good deal when they see it," Craig told DTN in an email Tuesday. "Republicans must decide whether they are capable of making a deal that helps farmers, families and Republican state budgets or continue to back the president's agenda which leaves working people and family farmers behind." To no surprise, the SNAP legislation did not get considered in the House either.

- **The House eliminated financial assistance** even after receiving a letter sent to Congress. 56 organizations representing a cross-section of agriculture signed the letter, sending a strong message to Congress. The letter described an existential threat looming over many farms, stating that, "America's farmers, ranchers, and growers are facing extreme economic pressures that threaten the long-term viability of the U.S. agriculture sector. An alarming number of farmers are financially underwater, farm bankruptcies continue climbing, and many farmers are having difficulty securing the financing they need to grow a crop this year." The letter also said that for the last 3 or 4 years, the reality of record-high input costs and rapidly declining and historically low crop and specialty crop prices has culminated in negative farming margins and losses approaching $100 bil. nationwide. Losses for commodity crops and specialty crops remain deep, and the gap needs to be closed. National Potato Council CEO Kam Quarles said this is deeply concerning, "What we are facing right now, there is no, there's no Band-Aid for that other than this economic relief package. There's nothing else out there that will close this gap for specialty crop producers who are in really, really difficult economic situations right now." Quarles says Congress is working on things for specialty crops that will help down the road, "But the problem is, if you're an individual farmer, and you go bankrupt, you go out of business before those policies ever kick in, then it just doesn't really matter." (NAFB News Service)

The Business of Farming—

- **Cash rent for IL farmland has become** a challenge for most farmers to pay and still be profitable with current production costs and commodity prices. The IL Farmdoc ag economists tackled that issue in their latest budget projections, which suggest negative returns on cash rented farmland in 2026. "Projections for 2026 show that every debt-free owned acre of farmland can subsidize the projected losses on 15 acres of cash rented farmland. The average land tenure position of IL grain farms suggests an average net farm income in 2026 that will be positive but insufficient to cover average family living expenses and income taxes without additional non-farm income. Higher rates of farmland ownership with low debt loads results in better income prospects for 2026 and more resiliency during poor income periods in general. However, limited purchase opportunities and the cash flows needed to finance farmland purchases remain significant barriers for farmers."
  - ✓ **Owned farmland:** For farmland with no debt, the projected net income to owned land is $232 per acre. Owned farmland with an average debt load for Illinois grain farms would also include an interest cost of around $50 per acre, reducing the net farmer return projection to $182 per acre.

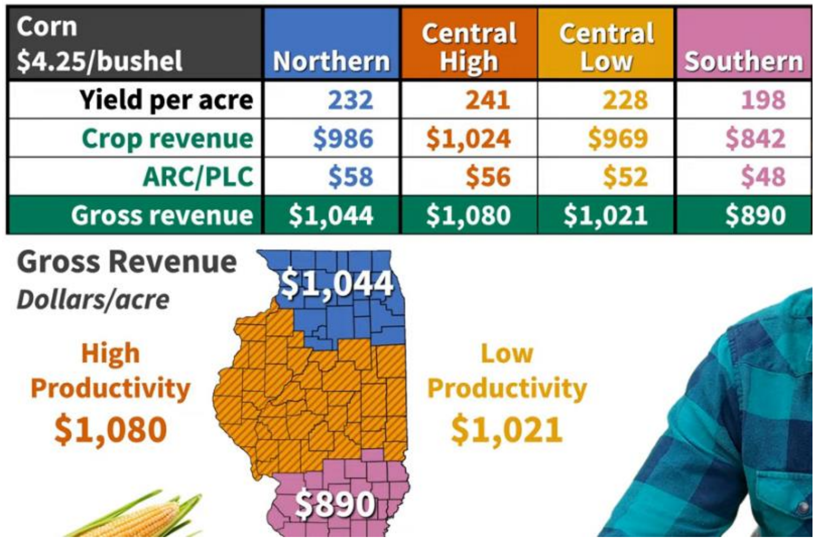
Table 1. 2026 Projected Income ($ per acre), Owned vs Rented Land
High Productivity Farmland in Central Illinois, 50% corn and 50% soybeans

	Owned (No Debt)	Owned (Average Debt)	50/50 Share Rent	Cash Rent
Crop revenue	$907	$907	$907	$907
ARC/PLC[1]	56	56	56	56
Gross revenue	**$963**	**$963**	**$963**	**$963**
Direct costs	$375	$375	$375	$375
Power costs	166	166	166	166
Overhead costs	111	111	111	111
Non-land costs	**$651**	**$651**	**$651**	**$651**
Operator and land return	$312	$312	$312	$312
Land Costs[2]	**$80**	**$130**	**$294**	**$327**
Farmer return	**$232**	**$182**	**$18**	**-$15**

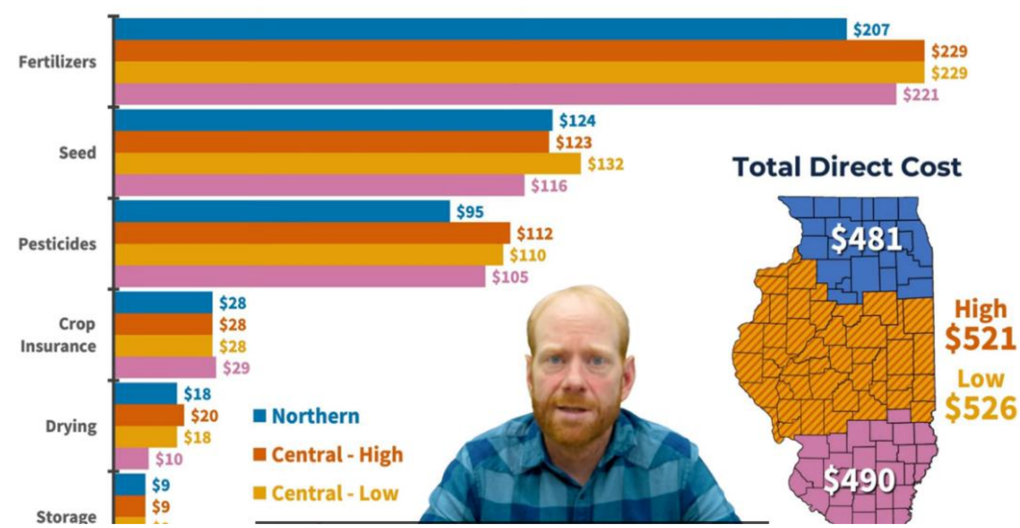
[1]Projected ARC/PLC support based on information and expectations in January 2026; if triggered, payments would not be received until October 2027
[2]Land costs include property taxes for owned land with no debt, property taxes and land loan interest on owned land with debt, 50% of gross revenues less 50% of direct costs for share rent, and a fixed rental rate for cash rent

  - ✓ **Cash rented farmland:** The average cash rent level projected for 2026 in central Illinois is $327 per acre, which results in a negative farmer income projection of -$15 per acre for 2026 on cash rented acres.
  - ✓ **The 2026 projections suggest** that every acre of debt-free owned farmland can offset the negative returns to 15 acres of cash rented farmland (232/15 = 15.47). Every acre of owned farmland with average debt levels could offset the losses on 12 acres of cash rented farmland (182/15 = 12.13).
  - ✓ **These projections include** an expected ARC/PLC payment for 2026 of $56 per acre. No additional ad hoc assistance is included. Improved return prospects could be achieved with higher commodity prices or reductions in productions costs to levels below the average projections included in the crop budgets. In contrast, lower prices or costs exceeding current projections could result in even lower average returns and farm income levels.

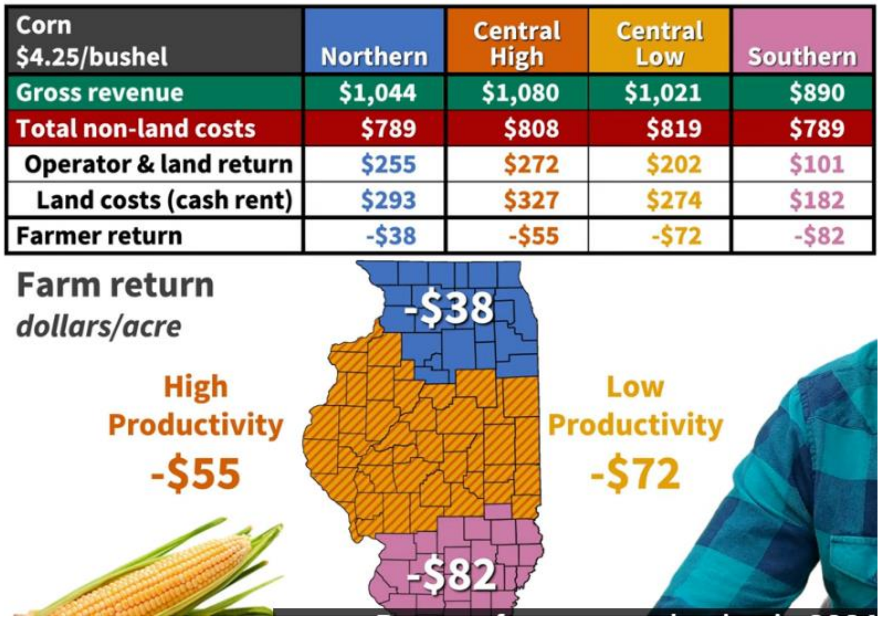
- **"Our crop budget publications** include projections for the revenues and costs associated with the major row crops produced across the northern, central, and southern regions of IL," says IL Farmdoc ag economist Nick Paulson. "Projections for 2026 were initially released in August of 2025 and were recently updated in January of 2026 to reflect current market conditions and expectations. [First, let's take a look at the numbers for corn production](). On the revenue side, we are currently projecting a $4.25 per bu. corn price for the 2026 crop and assuming trend yield levels across IL regions. Trend yield expectations range from a high of 241 bu. per acre on high-productivity farmland in central IL to a low of 198 bu. per acre in southern IL. In addition to crop revenue, our budgets include sizeable projected federal payments from the ARC and PLC commodity programs ranging from $48 to $58 per acre. Total projected revenues for corn production in 2026 range from $890 per acre in southern IL to $1,080 per acre in central IL. Production costs are separated into non-land and land cost categories. Subcategories of non-land costs include direct input, power costs, and overhead costs. Direct costs include major input such as fertilizers, pesticides, and seed, as well as the costs associated with drying and storage and crop insurance. Power costs include those associated with a farm's machinery and light vehicles. Finally, overhead costs include hired labor, building costs, insurance, interest expenses on non-real estate loans, and other miscellaneous costs. Total non-land costs for corn production in IL in 2026 are projected to range from $789 per acre in the northern and southern regions to more than $800 per acre in central IL." →



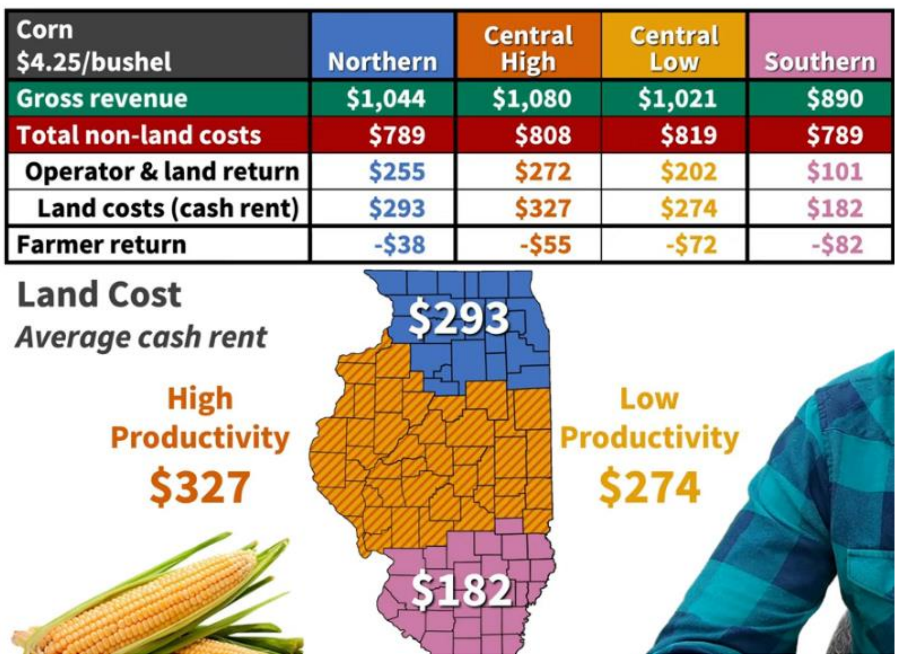
Corn $4.25/bushel	Northern	Central High	Central Low	Southern
Yield per acre	232	241	228	198
Crop revenue	$986	$1,024	$969	$842
ARC/PLC	$58	$56	$52	$48
Gross revenue	$1,044	$1,080	$1,021	$890



- **"For the costs associated with farmland**, our IL crop budgets include a projection for the average rental rate for cash rented farmland in the region," says Paulson. "Land costs for 2026 are projected to range from $182 per acre in southern IL to $327 per acre for high- productivity land in central IL.Net farmer returns provide the difference between projected revenues and both non-land and land costs. Returns for corn production in 2026 are projected to be negative across all regions in IL, ranging from -$82 per acre in southern IL to - $38 per acre in northern IL. We now turn to our soybean budgets for 2026, where we are currently using a $10.40 per bu. price and expected trend yields ranging from 61 bu. per acre in southern IL to 76 bu. per acre on high-productivity land in central IL. Adding in the expected ARC and PLC payments results in revenue projections ranging from $682 per acre in southern IL to $846 per acre in central IL. Non-land costs on soybean acres tend to be lower than those for corn across 3 subcategories. For 2026 we are projecting the lowest non-land costs for soybeans in northern IL at $476 per acre, and the higher non-land costs for soybeans in southern IL at just over $500 per acre. Projected farmer returns to soybean production for 2026 are higher than those for corn. Returns are just above break-even levels at $17 per acre in northern IL, $6 per acre on lower-productivity land in central IL, and $25 per acre for high-productivity land in central IL." →



Corn $4.25/bushel	Northern	Central High	Central Low	Southern
Gross revenue	$1,044	$1,080	$1,021	$890
Total non-land costs	$789	$808	$819	$789
Operator & land return	$255	$272	$202	$101
Land costs (cash rent)	$293	$327	$274	$182
Farmer return	-$38	-$55	-$72	-$82



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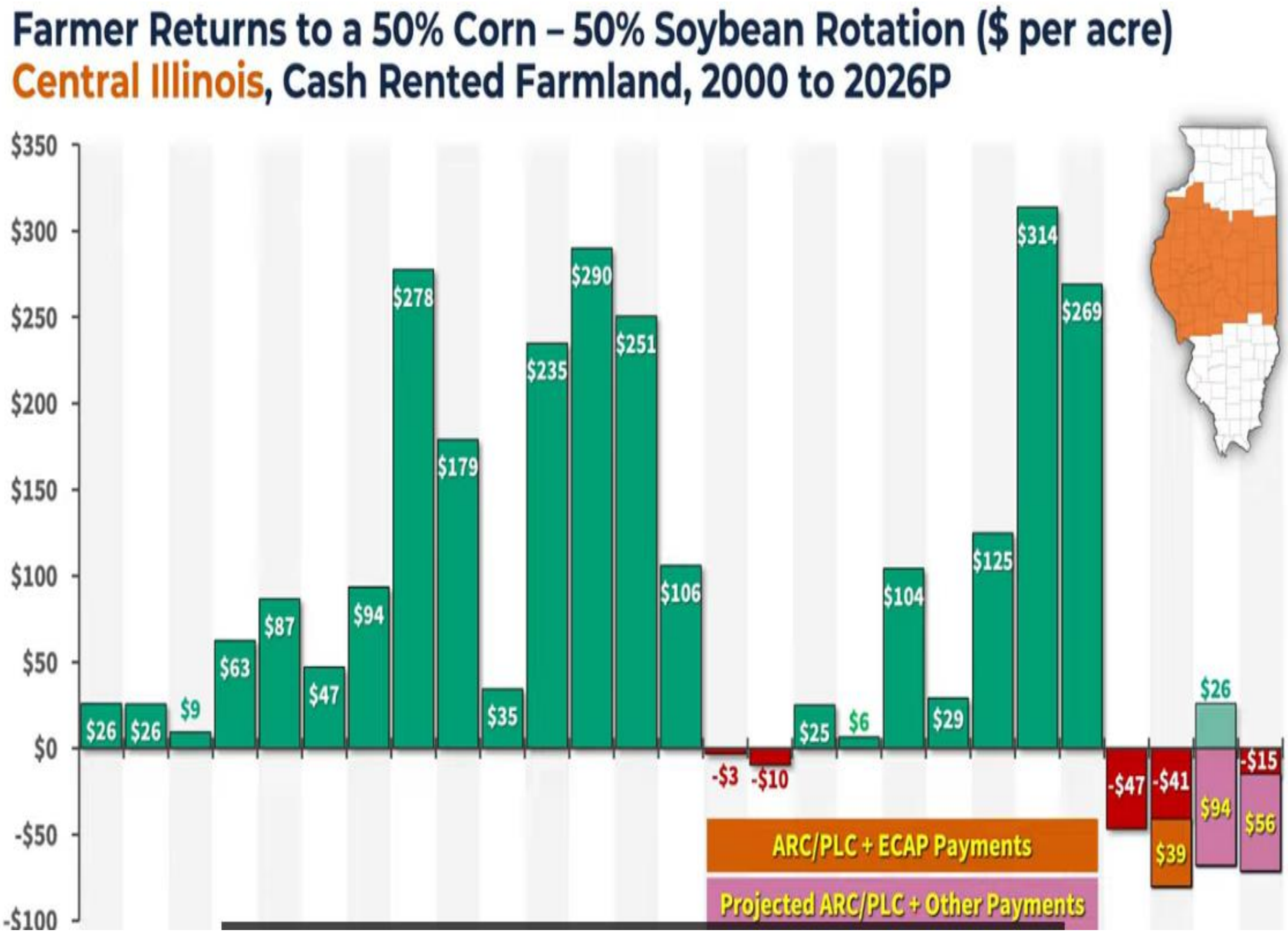
- **Projected soybean returns** in southern IL are just below break-even at -$5 per acre. For a 50-50 corn-soybean rotation, average net returns across all regions of IL are negative for 2026. For example, high-productivity farmland in central IL is projected to generate a negative return of -$15 per acre. These projections for 2026 continue what is now a 4-year run of poor returns to corn and soybean production in IL. Returns averaged -$47 per acre in 2023. In 2024, returns averaged -$41 per acre even after large government payments were provided through the commodity and emergency commodity assistance programs. Central



IL returns are currently expected to be marginally positive for 2025 due to payments from commodity programs and the farmer bridge assistance program exceeding $90 per acre. In addition to projected revenues and costs for corn and soybean production, our IL crop budgets include figures for wheat and double-crop soybeans. The historic revenues and costs for IL grain farms provide historical figures for the past 5 crop years that are summarized from actual IL grain farms that are cooperative members of the IL Farm Business Farm Management Association that can be compared with projected budget numbers."

- **If you happen to be.....in market for farm equipment;** Andy Campbell, director of insights for Tractor Zoom, provides an update on the equipment market, "With row crop tractors, specifically, I do think they're a bit of a sleeper right now. It's really because I think they're expensive, and they're sitting on dealers' lots. There's an incentive for them to move it, but unlike in '24, there were way too many of them. Dealers were incentivized to move them through auction, and they did, and they took some pretty big hits. Now the sentiment is, let's hold on to these things." While retail sales are still weaker, Campbell said auction values are getting stronger, "What we're seeing with real crop tractors is exactly an auction that's strengthening right now. So, the auction market is actually getting a little bit stronger than we saw in late '25, but the retail values are still dropping a little bit. So, there's your opportunity to potentially go talk to a dealer and then make that deal. You can get a warranty. You can get financing. We've obviously been going through a tough time with the overall farm economy. A lot of equipment values are down, but not so much with the sprayers, and I think that has a lot more to do with their immediate ROI. Dealer retail values actually were rising a little bit, but I think there's still too much oversupply in the market. It's not going to last forever, because the spring, up until March and April, is your main buying season there, and so that oversupply is going to get whittled down." (Agriculture of America)

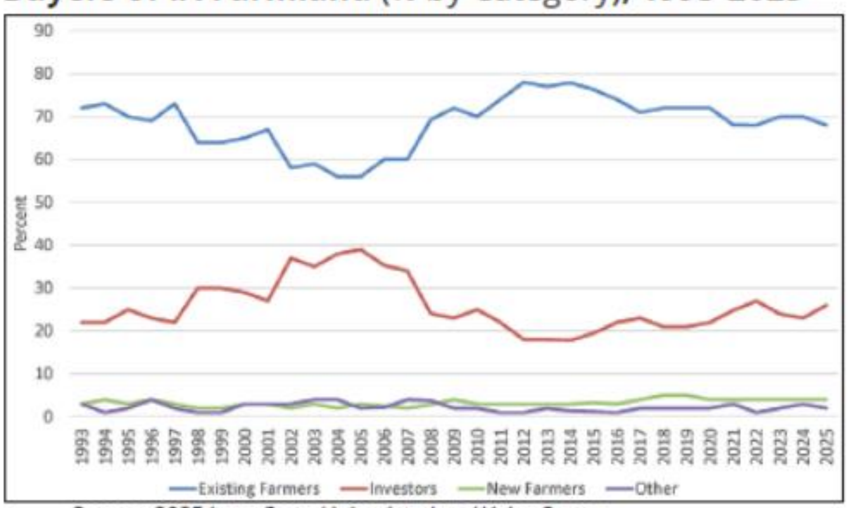
MAHA Brouhaha—

- **The recently released Dietary Guidelines** for Americans contained some good news for U.S. livestock producers, especially beef. Dr. Shalene McNeil, executive director of nutrition, science, health, and wellness for the National Cattlemen's Beef Assn., said, "I was actually excited to see them, because I think they reaffirm the science on beef that not only the Beef Checkoff has invested in, but that other scientists have conducted over the past several decades, which really shows that beef can be included in a healthy dietary pattern, and I think these new dietary guidelines reflect that research." She talked about what changed with these new Guidelines, "A lot of the dietitian community is really debating this. I've been watching this, and there's a lot about the dietary guidelines that are the same. We're still recommending more fruits and vegetables. We're still talking about eating portions that help you maintain a healthy weight. We're still talking about eating a variety of foods. What's really different, though, when we look at it from a beef lens and a beef producer lens, maybe, is that we've never seen dietary guidelines that have placed such importance on high-quality proteins, like beef." Protein was clearly a priority with these new Dietary Guidelines, "They've actually recommended more dietary protein than the past committees have recommended, so that's a big change. And then we've seen more positive language about the inclusion of real Whole Foods, including animal foods like beef, in healthy diets. We've seen recognition of beef's healthy fats as well. So, a lot of the positive attributes of beef that we haven't seen highlighted in past guidelines are now highlighted in these new dietary guidelines." (Radio Oklahoma Network)

Land Prices and Farmland Issues—

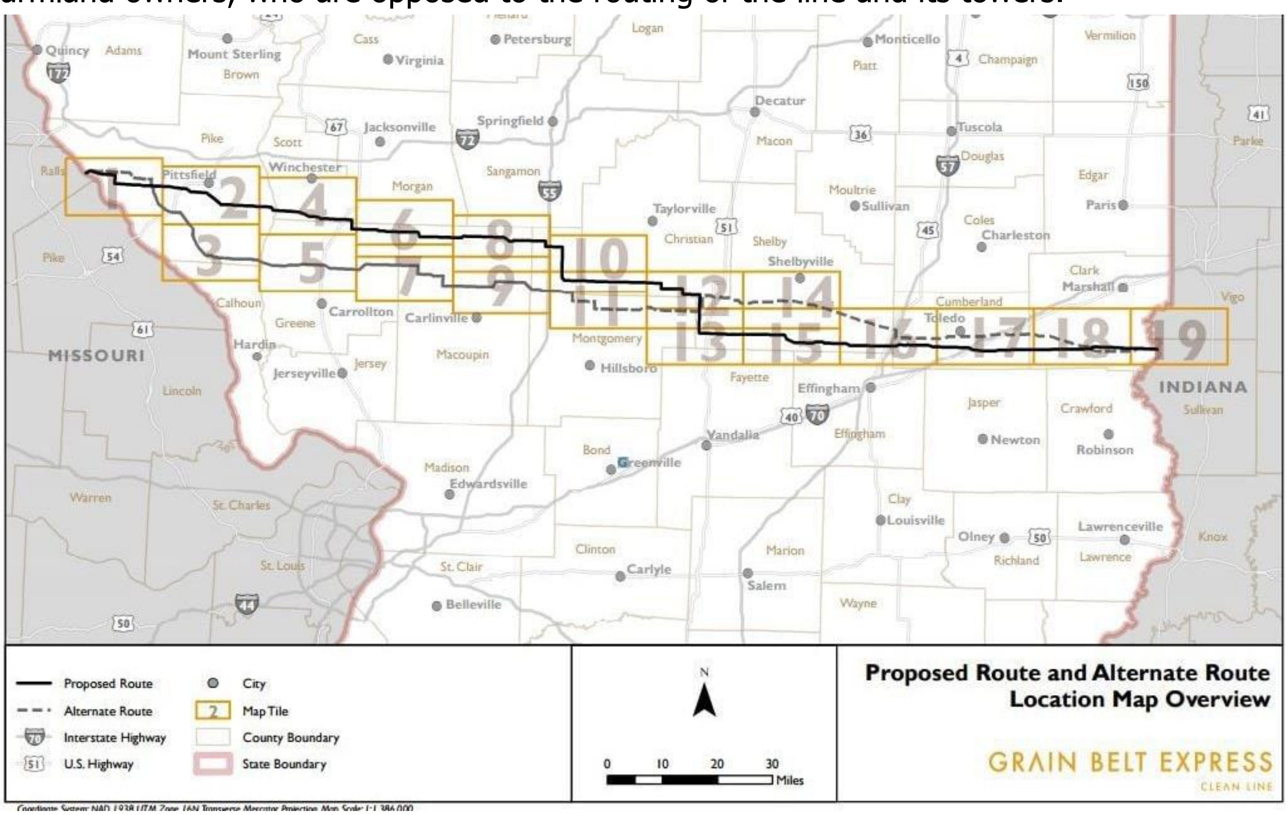
- **This past year, Midwest farmland values** maintained themselves in a slightly choppy, sideways trend, reports Doug Hensley, president of Hertz Real Estate Services. And in spite of overtly negative media headlines and similarly negative sentiment in the countryside, farmland values and rents have both largely held their own. "The farm economy is 'uncomfortable' right now because cashflows aren't good, and row-crop farmers are not making much money – if any. So, producers are putting off new equipment purchases and are trying to cut costs on inputs," Hensley explains. "But it's not to the 'painful' level, at least not yet, because there is enough equity to carry most farm operations, and farmers are not willing to give up land." Hensley added, farm lenders will tell you that until you see guys walking away from rented land, along with widespread weaker land rents, and lower land values, the sentiment in the countryside can be unconvincing. "If there is any livestock in the area, you will also see support in land prices," says Hensley. Cattle production has been incredibly profitable in recent years. Poultry was profitable this year. Hog production cashflows have improved. "Livestock profits are keeping land values very firm, in areas where livestock production is common," Hensley notes. Another supportive factor is the diminished volume of land for sale. "Yes, farmland demand is down overall, but the supply of land coming to the market is down just as much or more," reports Hensley. "There have been a few areas where the land market has been very thin, but even then, there have been enough buyers in the room, that we've seen very few no-sale auctions," says Hensley. Farmer interest is still high in buying land. 68% of IA farmland purchased in 2025 was by existing farmers, according to IA St. Univ. annual farmland survey. Investors accounted for 26% of sales. With a sideways land market, farm investors will see a 2% to 3% return produced from the income through their farm lease, rather than the average historical 10% to 11% returns, which includes capital appreciation. 84% of IA farmland is owned with no debt, and neighboring States are likely similar. By far, most of today's land sales are to settle estates, with inheriting landowners who prefer to take their newfound wealth into other assets. "We may also see a few more 'financial clean-up' sales by active farmers who do not own enough debt-free land," recognizes Hensley, but there won't be many.

Buyers of IA Farmland (% by Category), **1993-2025**



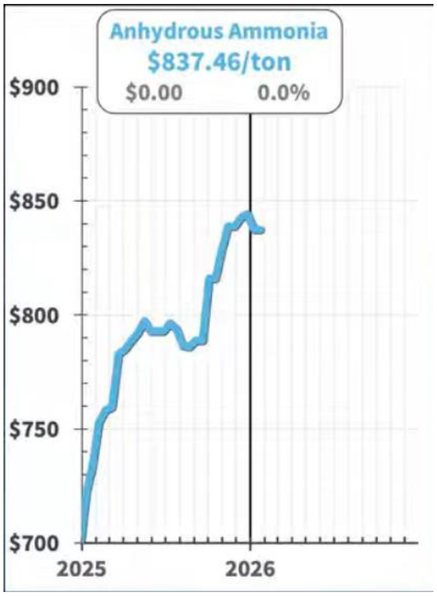
Source: 2025 Iowa State Univeristy *Land Value Survey*.

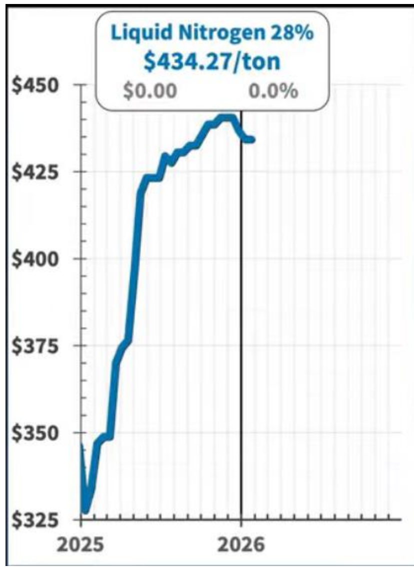
- **The USDA launched** a new online portal to streamline reporting of transactions involving U.S. agricultural land by foreign persons, which can include businesses and governments. The new online portal is part of a broader effort to strengthen enforcement and protect American farmland as USDA continues its implementation of the National Farm Security Action Plan. "We're increasing transparency and scrutiny of one of our most valuable national assets in American farmland," said Ag Secretary Rollins. 'This online portal will allow us to obtain verifiable information about foreign interests in American agricultural land and protect the security of our farmers." The new online portal is available at usda.gov. Users can access the portal with Login.gov, a sign-in service that provides secure online access to participate in certain government programs and their reporting requirements. The new digital portal will gather the same information found on the current form FSA-153.
- **South Central IL farmland is back on the target** with a ruling of the IL Supreme Court. Justices allowed the Grain Belt Express to proceed with construction, after a multi-year delay. The electric transmission line was designed to carry wind energy from KS to an electric grid station at Mt. Vernon, IN. The project has been underway for 10+ years, most of which has been securing right of way access from landowners, a process fought by IL Farm Bureau for a significant part of the time. The project had received a $4.9 bil. loan from the Biden Administration to finance the project, but that was quickly pulled by the new Trump administration. Funding apparently is still in question, but that is still unsettling to IL farmland owners, who are opposed to the routing of the line and its towers.

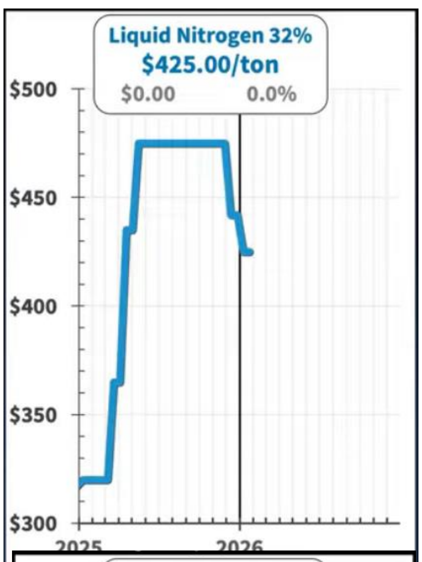


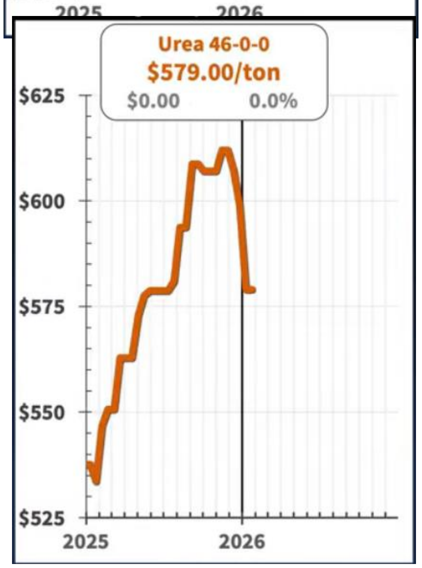
Fertilizer, Fuel, and Other Inputs—

- IL Fuel and Fertilizer Cost Report collated by [Jim Raaftis of the IL Dept. of Ag](), Jan 23, 2026.









- **Speaking on a National Ag Law Center webinar recently**, Deputy USDA Secretary Stephen Vaden says one of the biggest concerns is the fertilizer market and the concentration by Mosaic and Nutrien. "It should have never been allowed to happen in the first place that those 2 companies were able to so constrain the supply of so many of the fertilizers that our farmers depend on that they were able to get pricing power." He says anti-competitive behavior has put U.S. farmers at a major disadvantage. "It's unacceptable. This administration is going to do everything it can to ensure that farmers have the fertilizer they need at a price they can pay and a price that allows food to be purchased at a price that the consumer can pay. We're not going to allow these 2 companies to do anything to undermine this or another new market participant." Vaden says the 2 companies have operations to Canada. "Where they openly – their word work together, my word collude – to control prices up there. That would be such a clear violation of the antitrust laws of the United States, but they don't bring that venture down here to the United States." Vaden says similar concerns have emerged with farm equipment manufacturers. "It's not just right to repair. It's the right to pick where you purchase from. Ask any farmer who's bought a piece of equipment recently. Can you pick which dealer you purchase from? The answer is no." He said those restrictions can lead to unnecessary and added costs for farmers who choose to buy equipment outside their local dealer network.
- **According to the Energy Information Administration (EIA)**, for the week ending January 19, the U.S. average diesel fuel price was $3.530 per gallon—up 7.1¢ from the previous week and down 18.5¢ from the same week last year. The rise from the previous week comes after 8 weeks of consecutive price declines. (From the week ending November 17 to the week ending January 12, the U.S. average diesel price dropped 40.9¢.).

Risk Management and Crop Insurance—

- **The Secretary of Agriculture contends prevented planting** only occurs in the Prairie Pothole region of the Dakotas. That was her response to farmer complaints last fall when USDA's Risk Management Agency eliminated the opportunity for buy-up crop insurance on prevented planting. Now, 14 senators, on both sides of the aisle, have asked USDA to restore the provision. "Eliminating the option for producers to purchase additional buy-up coverage for prevented planting is troubling, especially at a time when our farmers need access to all risk management tools available to them," the senators wrote. The senators noted, ad hoc disaster assistance "is never guaranteed nor able to be relied upon," which is why prevented-planting policies were crafted going back to 1995. The Senators letter to USDA said prevented planting covered 65 mil. acres and all covered commodities in all 50 states, not the several thousand acres identified by the Secretary. USDA made the change and published the rule in the Federal Register to make it official. That has occurred, and now the USDA is being asked to reverse its decision and withdraw the official policy. The letter said, "We ask that USDA reverse this decision and allow producers access to the additional prevented plant coverage for 2027 and beyond to help provide a layer of certainty when disasters beyond their control render them unable to plant a crop."

- **Crop damage from cold temperatures?** Producers with Federal Crop Insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage should report losses to their crop insurance agent or local Farm Service Agency (FSA) office within 72 hours of discovering damage and follow up in writing within 15 days.
  - ✓ Livestock Indemnity Program and Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish.
  - ✓ Tree Assistance Program for damaged orchards and vineyards.
  - ✓ Emergency Conservation Program and Emergency Forest Restoration Program for land and forest recovery.

Transportation Issues—

- **The Surface Transportation Board** last week put up a red signal light and unanimously rejected a merger application from Union Pacific and Norfolk Southern. It seems the request was incomplete because it lacked required information. The railroads submitted the formal application on Dec. 19, 2025. In its decision, the board said it was required to reject the filing "without prejudice," allowing the companies to submit a revised application that addresses the deficiencies identified by regulators. The board emphasized that its action was based solely on the incompleteness of the initial filing and should not be viewed as an indication of how it might ultimately rule on a revised proposal. The decision does not represent a rejection of the potential merger itself. The STB said applications of this nature must include specific information, which was missing from the Dec. 19 submission. Union Pacific and Norfolk Southern were instructed to inform the board by Feb. 17 whether they plan to refile. Any revised application must be submitted no later than June 22, 2026.

- **What did farmers do with all the grain produced in 2025?** They bought a train ticket for it, says the USDA's grain transportation economists. Class I railroads originated 1.38 mil. rail grain carloads in 2025—the highest annual total since the Surface Transportation Board began collecting these data in 2017. The 2025 total was 9% higher than in 2024 and 7% higher than the prior 5-year average. Except for CSX Transportation (CSX), all Class I railroads were above average in 2025. (CSX originated 82,000 grain carloads—down 11% from average.) In 2025, BNSF Railway, Union Pacific Railroad, and Norfolk Southern Railway each originated 7% more grain carloads than average. Of all the Class I railroads, the U.S. operations of Canadian National Railway (CN) and Canadian Pacific Kansas City (CPKC) showed the largest increases. CN originated 80,000 grain carloads, up 18% from average.

- **The newly released** Economic Importance of Inland Waterways to U.S. Agriculture report (2026) is an update and enhancement to the 2019 report, analyzing and quantifying the economic importance of U.S. inland waterways in transporting agricultural commodities. A large part of the global competitiveness of U.S. agricultural commodities owes to the inland waterways system—a low-cost means to transport bulk goods, both domestically and for export to international markets. Besides facilitating cost-effective grain transport, the inland waterways also provide cost-effective upbound transportation for fertilizer inputs. Approximately 11,000 miles of U.S. inland waterways are federally maintained and partially funded through a user fuel tax that contributes to the Inland Waterways Trust Fund (IWTF). Notably, despite the demonstrated commercial value of the U.S. inland waterways system, much of its infrastructure is aging. The average lock structure is now over 60 years old, and many facilities are operating well beyond their intended design life. The new report accomplishes several objectives:

Figure 1: Waterways and States included in the 2025 study

  - ✓ Includes stakeholder input on how the inland waterways system benefits agriculture and what challenges and needs the system's users face;
  - ✓ Quantifies the inland waterways' economic importance to the Nation and to each of the selected U.S. States;
  - ✓ Analyzes the impacts of inland waterway capacity expansion and disruption; and
  - ✓ Analyzes the U.S. agricultural export market and the importance of the inland waterways to keeping the United States competitive on the global market. The study's final piece compared the U.S. and Brazilian soybean export markets and examined the relationship between inland transportation costs and global competitiveness. U.S. competitiveness in the global soybean market was found to be heavily influenced by the efficiency of its inland transportation systems. Whereas U.S. soybean shippers have long benefited from the cost efficiencies of the inland waterways, Brazil has historically relied more heavily on truck and rail transportation. However, in recent years, upgrades to Brazil's transportation infrastructure have spurred more use of rail and barge transportation in that country. With these changes, Brazil has steadily reduced its inland transportation costs and narrowed the gap with the United States.

Table 1. Economic impacts of grain exports on U.S. inland waterways

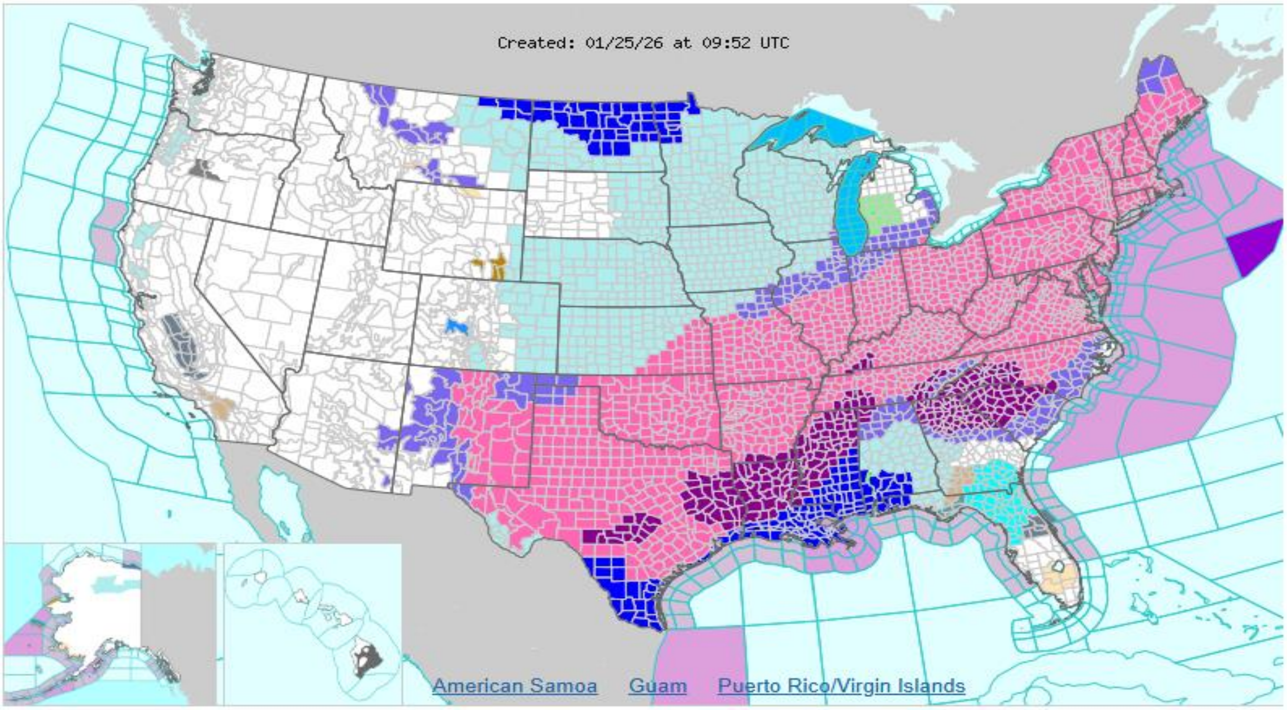
Commodity	Tons exported (million)	Jobs (thousand)	Labor income (billion $)	GDP (billion $)
Soybeans	23.8	56	4.9	11.7
Corn	23.8	48	2.5	4.3

- **On the issue of waterways**, they currently are either frozen or jammed with ice floes, an issue for some regions of grain transportation, says Mike Steenhoel of the Soy Transportation Coalition. On barges, he says there are "safety concerns for inland waterway workers – both those working on a barge and those on the shoreline loading the barge – will arise during extreme winter events.
  - ✓ Ice accumulation on the river can narrow the width of the shipping channel, which can result in having to limit the number of barges comprising a single flotilla or unit.
  - ✓ Ice accumulation on the river will result in reduced flow and potential shallow locations in the channel. Notice the below chart of water levels on the Mississippi River at St. Louis. As you can see, the river level was 4.35 ft. on January 16th, 2026. On January 22nd (one week later), water levels are at -2.21 ft. – a drop of almost 7 ft. Much of this is attributed to recent severe winter weather.

- **Despite the failure of Congress to endorse E15,** agriculture did go home with a significant chunk of money in an Energy and Water Development appropriation bill. "This legislation provides critical funding for the modernization, operation and maintenance of aging lock and dam infrastructure on the inland waterways system—a crucial component of our nation's agriculture, energy and manufacturing supply chains," Waterways Council Inc. (WCI) stated. According to a summary by Senate Democrats, key takeaways included \$10.435 bil. (\$1.75 bil. above the FY2025 enacted amount) for the U.S. Army Corps of Engineers, language that "delineates" how the funds are to be spent on which projects and a "historic" \$3.473 bil. (a \$702 mil. boost over FY2025) for the Harbor Maintenance Trust Fund to improve navigation by dredging ports and maintaining the nation's waterways.

Weather and Climate—

- **Pretty!** Friendly? Not so much.

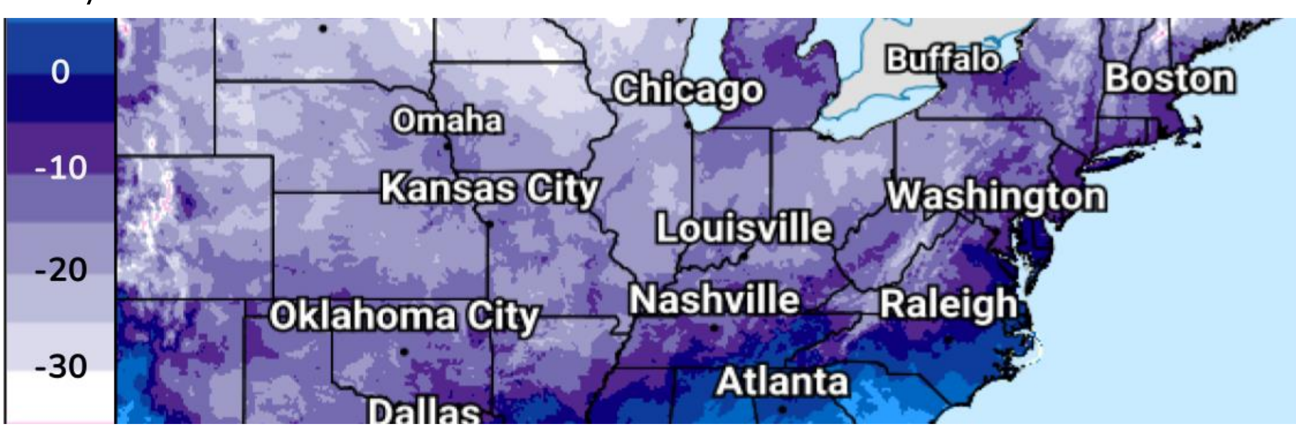


- **"Winter has come back with a vengeance** after a temporary pause," says [IL State Meteorologist Trent Ford.] "Average temperatures this week ranged from the low teens in northern Illinois to the mid-20°s in southern IL, between 4 and 8° below normal statewide. Nighttime low temperatures this week regularly dipped into the single digits, if not below zero, including -5° in Rockford and -2° in Aurora. The wind was also a factor, pushing wind chill values close to -20° on a few days. We had another mostly dry week along with the cold. 7-day totals ranged from around half an inch in northeast IL to virtually nothing in southwest IL. January to date has been somewhat to very dry across the state, adding to what has already been a very dry start to 2026. In fact, the first 2/3 of January was the 4th driest on record in Carbondale and the 10th driest in Charleston, both of which having less than .5 in. of total precipitation so far. Looking ahead, the cold will stick around for at least another week. Temperatures will struggle to make it out of the single digits through most of the weekend, and it's likely most of the northern half of the state will spend the rest of the month below freezing. Meanwhile, a very strong winter storm is swinging through the mid-south this weekend, bringing significant precipitation to southern IL. At this point, almost all the precipitation looks to come in the form of wet snow for southern IL, although folks should be very weather aware this weekend as forecasts can change very quickly. Expected snowfall totals through Monday increase as you go south, with most of central IL expected to pick up around 3-4 in. while areas south of I-64 could see between 8 and 12 in., with some isolated pockets of heavier snow. It will be a very good weekend to stay home and catch up on shows and some good football, unfortunately without the Bears."

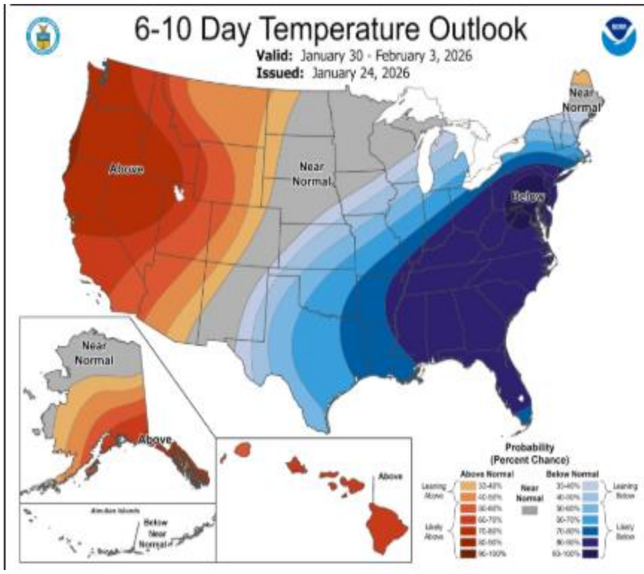
- **Most everyone knew** the massive ice and snowstorm was approaching this past weekend, due to the large weather forecasting complex at Boulder, CO. A public relations firm working on behalf of the facility says, "Our ability to understand the intensity, timing, and impact of this storm is thanks to advanced weather mapping and modeling developed

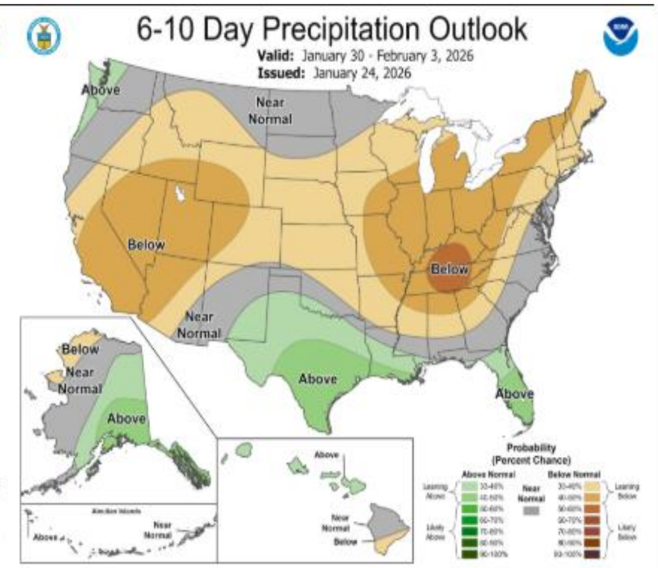
by the National Center for Atmospheric Research or "NCAR." Their tools help meteorologists pinpoint what a storm is going to do long before it actually hits, giving emergency crews, transportation teams, and the public a crucial head start in preparing. However, NCAR's tools and data that we take for granted are at risk due to federal budget cuts. Without NCAR, millions of Americans are at risk of unpredictable future weather anomalies. The bottom line is this: as storms continue to intensify, the kind of advanced modeling NCAR provides is essential. It helps protect lives, keeps infrastructure functioning, and gives communities the information they need to prepare. We need to make sure we have these tools in place." Why does a weather station need a PR company? The NCAR facility has been marked for closure, because it deals with "climate," which is not acceptable to the Trump administration. Departure of NCAR staff and closure of the facility could occur in the coming federal fiscal year….eventually because of a case of election fraud, says CNN.

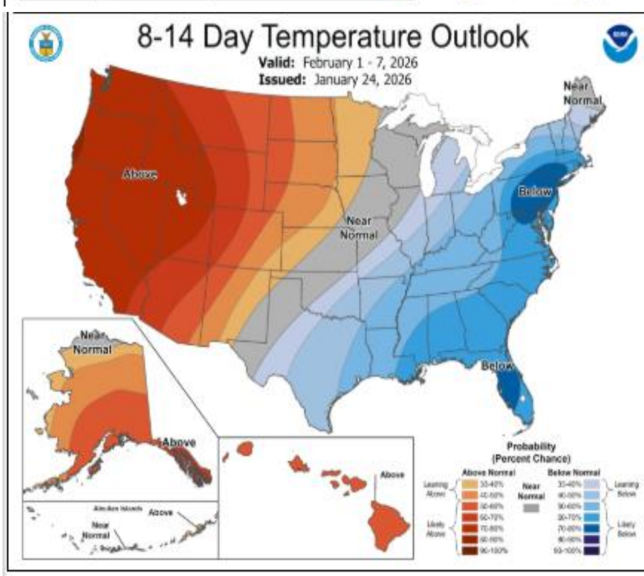
- **The National Weather Service** expects the minimum wind chill for IL through the end of January to be -20-30°.

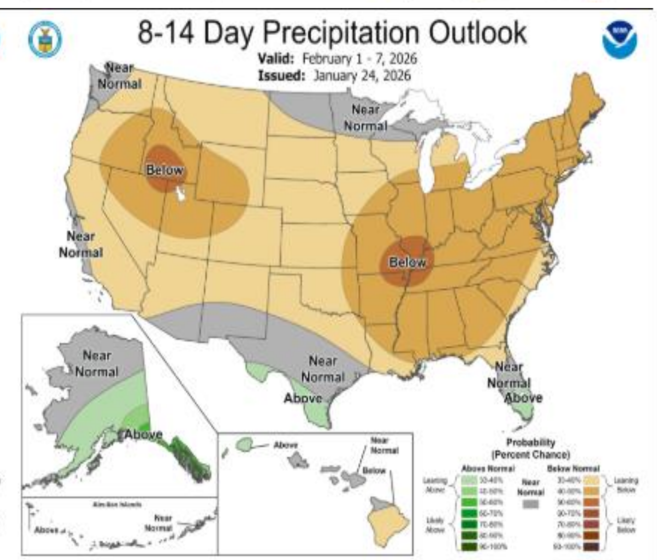


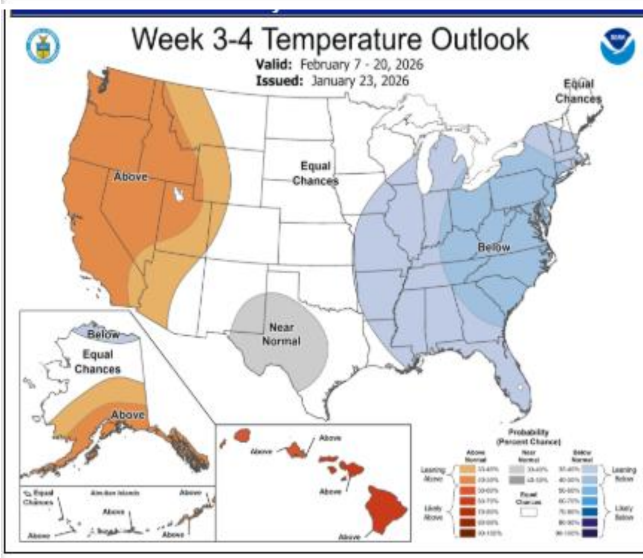
- **So, what's next?**

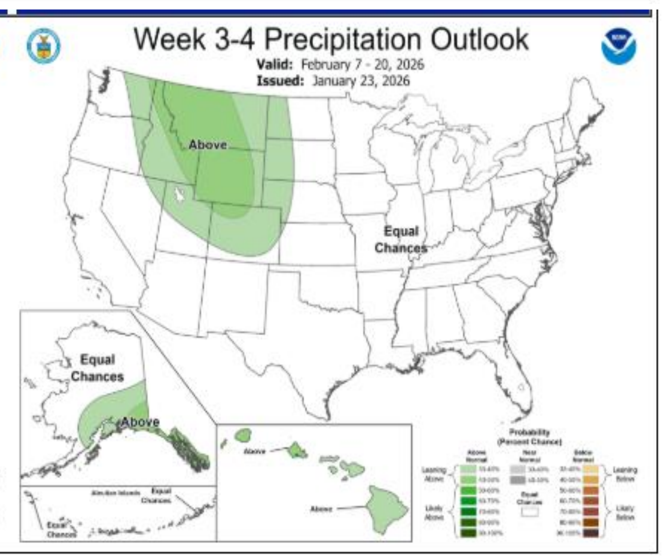




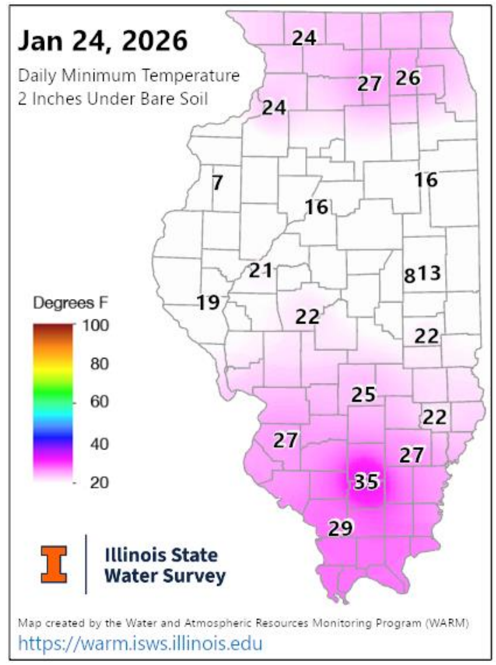








- **Connecting weather and agronomy** currently raises the concern for your wheat crop with the cold temperatures. Univ. of IL wheat breeding specialist Dr. Jessica Rutkoski was asked, "Will the current cold temperatures have an impact on wheat?" She quickly responded, "This is a good question. The minimum soil temperature data for IL indicates that the soil temperatures are still warm enough for wheat to be fine. Central IL has the coldest soil and it is still above 0°F. (I attached the map from Saturday, which I think was the most concerning day). Soil temperatures less than 0°F can affect some wheat varieties, but the hardiest varieties can withstand -15°F. The snow will help prevent the soil from getting colder over the next few days. Wheat that was not planted deep enough will be at risk because it will be exposed to the cold air temperatures and not insulated by soil. Also, the soil temperature maps don't tell you what is going on in every individual field. This the possibility of winter kill should be considered in the spring."



Agronomy—

- **Got bugs in your beans? Call Emily!** Her Insect Eavesdropper is a revolutionary sensor that identifies pests by listening to them eat. Emily Bick is an entomologist with the Univ. of WI, who says her microphones turn plant vibrations into vital data for farmers and researchers across the globe, we're essentially putting a microphone — in this case, it's not like the typical broadcast microphone — we're putting in a contact microphone. It's a piezoelectric microphone, and we're either clipping it on or strapping it onto the plant. That microphone is made up of a little brass disc that, when the surface or the substrate or the plant vibrates, we're able to get that set of vibrations and kinds of electrical signals. So, we're trying to make this as cost-effective as possible, and we get it tested on things like asking some really critical questions for growers, things like, 'Is my corn rootworm trait actually working in the middle of the season?'" The Insect Eavesdropper has made a lot of progress in the last 17 years, "We've actually ended up labeling 27 pest species, and some of those actually have multiple life stages, like our corn rootworms. Northern, southern, and western, we have adults and juveniles labeled separately. We've also tested it on 17 different cropping systems, so we're getting the data. This past summer, we had these sensors out in 30 different sites across the U.S. This past year, we had them in 4 different countries across the world. We essentially collected so much data that we had to change our database structure to accommodate this. I think it was 17.4 years of data that we collected this past summer." Her team is still in the research and development stage of the project, although they've already had commercial interest. They've handed out the sensor to people across the U.S. and the world to see what works and what doesn't. (Mid-West Farm Report)

- **The U.S. Supreme Court will review** the Durnell Roundup case. Monsanto had petitioned the court to hear Durnell in April 2025. The company asked the Court to address the split in authority among federal circuit courts on the application of federal preemption, a cross-cutting issue in the Roundup litigation. The company expects a decision on the merits during the Court's 2026 session, which ends in June. "The Supreme Court decision to take the case is good news for U.S. farmers, who need regulatory clarity," said Bayer CEO Bill Anderson. "It's also an important step in our multipronged strategy to significantly contain this legislation." Anderson also said it's time for the U.S. legal system to establish that companies should not be punished under state laws for complying with federal warning label requirements, as every leading regulator in the world has concluded that glyphosate-based herbicides can be used safely.
- **Growers face tough decisions** about where to prioritize their fertilizer dollars for maximum return. Crop Nutrition Week is February 2–6 and is designed to help growers optimize their approach to the 2026 growing season. AgroLiquid agronomist Stephanie Zelinko suggests Crop Nutrition Week can help them prepare, "Like any growing season, you know, growers have to be very conscious of what dollars they're spending on their crop and making sure that aligns with that potential return that they're going to get. And so, what our hopes are with Crop Nutrition week is that we're going to cover a lot of these different factors, things like soil interaction, fertilizer placement, timing, and environmental conditions, and all those things that ultimately influence that nutrient availability and uptake to the plant. And once you know those nutrient factors, then you can be responsible with those fertilizer dollars and make sure that we're always going to get that return. You know, we focus on N, P, and K. We think micronutrients, such as zinc, specifically for corn, but there are a lot of missing pieces that can be in that soil test. So, if you're missing something like manganese or boron, those can play a bigger part in that overall fertilizer response that you're going to see in the crop than just applying some more nitrogen or phosphorus." Where should growers start to optimize their fertilizer investment, "Always a soil test. You know, when we're looking at fertilizer dollars, that's kind of like the blood test for humans. It's going to tell you what your soil has, how healthy it can be, and what it's going to provide for that crop, and so, looking at what you have, gives you a good inventory. And then you can start working through and figuring out what nutrients you need to add, which ones are going to respond the best, and then help you determine, you know, if you have a limited budget, help you determine where to spend those dollars the best." Zelinko encourages growers to get registered for the content at cropnutritionweek.com, "Once you're registered, you'll get all the information you need, including some of those updates and additional facts and tools and resources that are available to the growers. There is no deadline to sign up for crop nutrition week, and everything is archived, so if you happen to miss out on day 1 or 2, then you're able to go back and get some additional information. However, registering does allow you to be eligible to win some prizes throughout the week, so that does allow some additional benefits to signing up early for that." (AgroLiquid)

Conservation, Environment, Carbon—

- **The USDA has launched a $700 mil.** Regenerative Pilot Program to support whole-farm conservation practices aimed at improving soil health, water quality, and long-term agricultural productivity. The initiative aligns with growing scientific evidence showing regenerative agriculture can rapidly restore soil function and sequester carbon more effectively than tree planting. Advocates say the program could mark a major shift toward farmer-led, outcome-based land stewardship in the U.S. The USDA's Natural Resources Conservation Service has unveiled a $700 mil. Regenerative Pilot Program to promote whole-farm conservation. Funding includes $400 mil. via the Environmental Quality Incentives Program and $300 mil. through the Conservation Stewardship Program. USDA emphasized soil health as critical to the future viability of farmland and farmers, while the farmer-led group RIPE praised the initiative for aligning with its goal of removing barriers to effective conservation. NRCS officials say this approach builds on 90 years of conservation work while ensuring long-term American-grown production. Studies show that regenerative agriculture can begin sequestering carbon in soil within the first growing season, compared to the decade-long lag for tree planting. Soil-based carbon storage also avoids risks such as fire, disease, or logging that threatens long-term forest carbon permanence. Research indicates practices like cover cropping and agroforestry can significantly boost soil organic carbon compared to conventional farming. An advisory council will include 3 MAHA reps.
- **In a related note….**Questions are being asked whether very much of USDA's conservation programs will have adequate staff for administration, and local project supervision. The One Big Bill included a record $36 bil. in baseline conservation funding for programs such as EQIP, CSP, the Agricultural Conservation Easement Program and the Regional Conservation Partnership Program. At the same time, staffing levels have been slashed at local USDA offices. The National Sustainable Agriculture Coalition tracks USDA staffing levels via Freedom of Information Act requests and confidential sources. In a September report, it stated that 95% of NRCS employees who accepted buyouts and incentives through the federal government's Deferred Resignation Program were field staff, people who work directly with farmers. Jesse Womack, conservation policy specialist for the coalition, said there are about 9,000 NRCS employees, but that number could decrease this year if USDA's budget request for 8,000 employees is approved.
- **Mike Klimesh, the Majority Leader of the IA Senate**, drew applause from the IA Corn Growers Assn. when he introduced a bill that proposes widening the corridor to find new paths for the carbon capture and sequestration pipeline, relying on eminent domain only after all reasonable alternatives have been exhausted. The IA Corn Growers Assn. applauded the bill for its increased flexibility as IA fights to pursue low-carbon ethanol markets. IA Corn Growers President Steve Kuiper said, "Without access to low-carbon fuels through the carbon pipeline, farmers will lose the ability to participate in new markets, like sustainable aviation fuel or marine fuel, and be forced to watch other states like NE adopt CCS technology." He also said this bill is a big step in the right direction.

- **Applications are now being accepted** for the 2026 IL Leopold Conservation Award. The award honors farmers and forestland owners who go above and beyond in their

management of soil health, water quality, and wildlife habitat on working land. The $10,000 award honors farmers, ranchers, and forestland owners who go above and beyond in their management of soil health, water quality and wildlife habitat on working land. Sand County Foundation and national sponsor, American Farmland Trust, along with state partners, present the Leopold Conservation Award to private landowners in 28 states. Given in honor of renowned conservationist Aldo Leopold, the award recognizes landowners who inspire others to consider conservation opportunities on their land. In his influential 1949 book, *A Sand County Almanac*, Leopold advocated for "a land ethic," an ethical relationship between people and the land they own and manage. Award nominations may be submitted on behalf of a landowner, or landowners may nominate themselves. The deadline to submit is February 15, 2026. Nominate/apply here.

USDA—

- **USDA Deputy Secretary Stephen Vaden** unveiled the Lender Lens on the Rural Data Gateway. This dashboard will make Rural Development's entire commercial guaranteed loan portfolio available to the public, guaranteed borrowers, and commercial lending stakeholders. Lender Lens will give communities a clear view into where federal investments are being made by introducing a series of intuitive data visualizations that allow users to monitor performance, spot trends, and proactively manage their Rural Development loan guarantee portfolio. The dashboard shows key metrics, including total loan volume, average loan size, loan distribution by sector, geographic spread, and delinquency rates, allowing an at-a-glance look at nationwide activity. Data is refreshed monthly and can easily be downloaded down to the individual loan, giving users timely, flexible access to the information they need. Learn more at rd.usda.gov.
- **The USDA is awarding more than $11 mil. in grant funding** to support dairy businesses and producers through the Dairy Business Innovation Grant Program. The initiatives support small and mid-sized dairy businesses in the development, production, marketing, and distribution of dairy products. "This funding through the Dairy Business Innovation Initiatives makes important investments in the domestic dairy industry, furthering USDA's efforts to ensure Americans have access to affordable, wholesome U.S. dairy products," said Dudley Hoskins, USDA Undersecretary for Marketing and Regulatory Programs. The initiatives will use the funding to provide valuable technical assistance and sub-award funds to dairy farmers and businesses across their regions, supporting them with business plan development, marketing, and branding. For more information, go to the AMS Dairy Business Innovation webpage.

- **The USDA is now accepting applications** for the USDA 1890 National Scholars Program, which aims to encourage students at the nation's land-grant universities to pursue careers in food, agriculture, and natural resource sciences. The application deadline is March 8, 2026. Students around the country are invited to compete and submit their applications through an online application portal. The USDA 1890 National Scholars Program is available to eligible high school seniors entering their freshman year of college who will attend one of the 1890 land grant universities and pursue degrees in agriculture, food, natural resources, or related academic disciplines. The program is also open to rising college sophomores and juniors who meet the same criteria. "Our land-grant universities are critical in educating the next generation of agriculturalists, and the USDA 1890 National Scholars Program supports this effort by providing students with more real-world work experience and support for their education," said Ag Secretary Rollins. This program is seemingly averse to the USDA's stated Diversity, Equity, and Inclusion (DEI) policy.
- **If a foreign entity owns or occupies land near you,** the USDA wants to know about it. USDA is launching a new online portal to streamline reporting of transactions involving U.S. agricultural land by foreign persons, which can include businesses and governments, under the Agricultural Foreign Investment Disclosure Act of 1978 (AFIDA). The new online portal is part of a broader effort to strengthen enforcement and protect American farmland as USDA continues its implementation of the National Farm Security Action Plan. The new online portal is available at afida.landmark.usda.gov. AFIDA became law in 1978, and its regulations were created to establish a nationwide system for the collection of information pertaining to foreign ownership of U.S. agricultural land. The regulations require foreign investors who acquire, transfer or hold an interest in U.S. agricultural land to report such holdings and transactions to the Secretary of Agriculture. The data obtained from AFIDA disclosures are used in the preparation of an annual report to Congress, which is published online. The AFIDA regulations define the term "foreign person" and specifies the information that must be included in the report. AFIDA focuses on foreign persons who hold direct or indirect interest in the agricultural land, provided those foreign persons with an indirect interest have "significant interest or substantial control" in the direct interest holder. The new portal is part of USDA's efforts to streamline its process for electronic submission and retention of AFIDA disclosures, as initially required by the Consolidated Appropriations Act, 2023. USDA also shared its annual AFIDA report for 2024 with Congress, which is available online. The report lists foreign holdings of U.S. agricultural land as 46 million acres, as of December 31, 2024, and includes a section on land and acquired by China, Russia, Iran, and North Korea in recent years. One of the key tenets of USDA's National Farm Security Action Plan (PDF, 1.2 MB) is strengthening processes around disclosure of foreign persons who have an interest in U.S. farmland. This historic plan, announced in July 2025, calls for aggressive implementation of reforms to the AFIDA process including improved verification and monitoring of collected AFIDA data.

Trade and Tariffs—

- **EU officials are considering pausing their trade deal** with the U.S. if President Trump follows through on his threat to slap tariffs on EU countries that oppose his Greenland takeover plan. Last year's U.S. trade deal with the EU's 27-nation trading block was one of the biggest in history, complemented by a separate UK deal, both greatly expanding U.S. farm exports. Now, EU ambassadors are discussing retaliation, including a pause in tariff relief, over President Trump's threat to hit eight EU nations with new tariffs next month for opposing his Greenland takeover bid. White House National Economic Adviser Kevin Hassett told Fox News on acquiring the Danish territory, "The president has a strong view that it's a national security matter for the U.S. to have more control over Greenland." Others argue it's about Greenland's minerals and worry Trump's also risking NATO and an 8-decade transatlantic alliance. House Foreign Affairs member Rep. Madeleine Dean, D-PA, said, "Denmark, Greenland, the Kingdom of Denmark, that's our ally, it's our friend. So, I'm puzzled by the President's threats of tariffs." More concerning on the heels of another 25% tariff against China and those trading with Iran. But Hassett cautions, "It's really a good time for cooler heads to prevail and for us to disregard the rhetoric and get to the table and see if there can't be a deal that's worked out that's best for everybody." The controversy comes at a perilous time for U.S. producers as record harvests depress crop prices and earlier export losses from tariff retaliation, especially by China, remain. (Berns Bureau)
- **A decision from the Supreme Court** is expected any day regarding the legality of President Trump's tariff policy, and that decision could have immense implications. Arlan Suderman, of StoneX Group, says the Trump Administration does have a "Plan B" waiting should the high court not rule in its favor, "Other legal means for implementing the tariffs, but they're much more cumbersome and time consuming, and so he wouldn't be able to use it as a threat in negotiations as much, and so we would lose some negotiating power from that." Suderman says where we would see that most is with China, "China backed off on their rare earth minerals restrictions because of the threat of 100% tariff. That gets taken away with, potentially, with an adverse ruling, and that would allow China to fully pick the winners and losers in the world on manufacturing and on defense weapons. And in fact, the White House issued summarizing results of a study detailing out how dependent we are for not only manufacturing and consumer goods, from cell phones to pickup trucks, but to defense weapons, and how critically short we are for the rare earth minerals for defense weapons to being a national security issue." Agriculture could feel the impact most directly through imported proteins, "When you look at the proteins and meats that we import, it's a substantial amount since we're down on beef numbers, cattle numbers now because of the multi-year drought in the west. And so, we import a tremendous amount of beef, particularly from Brazil, but also Australia, etc. And so, if you lose the ability on the tariffs, we could see a big impact there, where we would see a surge of imported meat come in to hurt our domestic producers. Might be good for the consumer, you'd argue, but certainly negative for our cattle industry that we're trying to incentivize to expand right now." (NAFB News Service)

- **Just 2 days after President Trump described the USMCA as 'irrelevant'**, Canada has forged a framework for a new strategic partnership with China, its second-largest trading partner — albeit only a small fraction of its first-place American partner. Canadian Prime Minister Mark Carney said the preliminary deal with China is structured to remove trade barriers and to reduce tariffs. He went on to say that President Xi told him that China is also willing to strengthen its coordination with Canada to address global political challenges. Under the goods portion of the deal, China is expected to lower tariffs on Canadian canola seed and meal from 84% to an average 15% tariff by March first, "This is enormous progress. Starting from March first, we fully expect canola tariffs to drop from 85% to approximately 15%. And that's going to create an opportunity combined, between meal and seed, a $7 bil. market opportunity. A new era, whether it's in canola, other grains, pulses, lobster, beef, pork, it's a return to Canada as an important agricultural partner with China." Conversely, Ottawa has agreed to accept Chinese electric vehicles, in the first year to a market cap equaling 3% of Canada's new car market, with a 6% tariff rate, "Let's put this in context. 49 thousand vehicles, which is the cap on Chinese electric exports to Canada. Canadians buy about 1.8 mil. autos a year. So, that's less than 3% of the size of the Canadian auto market. That allows for a smooth transition to get more affordable cars in the electric vehicle market for Canada." It's now been reported that the Canadian government provided U.S. trade officials with notice that it planned to offer lower tariffs on limited numbers of Chinese vehicles in its negotiations. U.S. Trade Representative Jamieson Greer's reaction to the Canada-China deal was only to say that such low numbers of Chinese vehicles would not adversely impact American companies' exports to Canada. And President Trump's response, when hearing of the deal, was almost one of approval, "Well, that's okay, that's what he should be doing. I mean, it's a good thing for him to sign a trade deal. If you can get a deal with China, you should do that." Taking the long view, Mark Carney stated that Ottawa hopes to grow Canada's non-U.S. trade by at least 50% over the next decade. (NAFB News Service)
- **While the White House may be playing coy** on renewal of the USMCA, Terrain Ag economist Bree Baatz says there is every reason to renew. "Mexico is our largest agricultural trading partner, purchasing over $30 bil. in commodities in 2024," she explains. This represents a 7% increase from the previous year, and — barring geopolitical impacts — the trend shows no signs of slowing. With a growing population, rising disposable incomes and a shift toward protein-rich diets, Mexico's demand for U.S. grains and livestock feed is poised to grow even further. "As their population grows and more people move from lower income brackets into the middle class, we're seeing a significant increase in protein consumption," Baatz says. This shift directly benefits U.S. farmers, as Mexico imports more beef, grains, and feed products to meet the needs of its evolving consumer base. "When consumers have more disposable income, they improve their diets, which means more animals and more feed. That's fabulous for U.S. farmers," she says. "This partnership is vital for the long-term success of U.S. agriculture," Baatz says. "Mexico is ours to lose."

- **Most, if not all, farmers will tell you** all they want from Washington D.C. is help leveling the playing field when they try to sell their commodities overseas. But how can that be done? Gregg Doud, President and CEO of the National Milk Producers Federation and former USTR Ag Negotiator under the first Trump Administration, says the U.S. needs to have a good tax policy, one that's competitive with the rest of the world. He added that the United States also needs to have a good regulatory policy, something the Administration is working on, "Tariffs are just one piece of that, and, really, it's about reciprocity. How do we balance? All we have to do is be neutral on the tariff side. We win the game and beat other countries in terms of our manufacturing capacity, our agricultural production capacity, when you talk about taxes and regulatory policy, and these other things. So, the tax bill is absolutely enormous for us economically in the U.S. That bill makes us competitive. So now, okay, we've got to get to work on these other things." Doud added that tariffs can't be applied like a blanket. They must be specific, with specific purposes and goals in mind. He added that it's important that everyone involved understands that not all things are equal in the real world, "The Chinese do not operate based upon supply and demand and a profit and loss. They intentionally subsidize industries to command them and take control. And so, with tariffs, you have to have some ability to offset and deal with that. We want reciprocity. We just want whatever you're charging us, we'll charge them." (PNW Ag Network)
- **Changes are coming to soy trade,** they might not be the ones you're thinking about, says US Soybean Export Council CEO Jim Sutter (right). "Global commodity demand has grown exponentially since the early 90s, with corn up 164%, wheat up 56% and soybeans up an incredible 305%. World trade for soy is ultimately driven by population and income growth. The strongest markets for trade? The regions with oilseed deficits. And those developing and emerging countries that are transitioning with demand for more animal and plant-based proteins. The U.S. is positioning itself for increased domestic demand for soybean oil thanks to the strong renewable-fuels market for biodiesel, renewable diesel and sustainable aviation fuel. This means that the U.S. will look to export more soybean meal in the near future than it has historically. We expect meal exports to grow 41% in volume by 2034/35, primarily to countries that have a need for feed including: Colombia, Indonesia, Mexico, Thailand and Vietnam, among others. It is also worth noting that despite the growth in soy crush and soy meal exports, we expect that whole-bean exports will be 70% of U.S. soy exports. U.S. soy exports to destinations other than China are up for marketing year 2025/26 compared to the same timeframe a year ago. The growth we have seen in global markets is a testament to the reputation U.S. soy has around the globe and demonstrates that U.S. soy is positioned well for the future. There is a lot to be optimistic about as we kick off 2026. Sutter speaks this week at the Soybean Summit in Champaign.

Agri-Politics—

- **A new Civil Eats Food Policy Tracker report** last week underscored the flurry of federal actions shaping U.S. food and agriculture policy, including dairy, nutrition and farm support initiatives. The tracker catalogs policy shifts such as changes in school dairy standards, nutrition guidelines and evolving farm safety-net programs, offering stakeholders a comprehensive view of current trends. Experts say such transparency is key for producers and consumers navigating the complex intersection of health, agriculture and economics. A surge in legislative and executive activity reflects growing attention to food affordability, nutrition and agricultural sustainability amid broader economic pressures. The tracker also highlights state-level debates over farmland taxation and conservation, indicating that agriculture policy is increasingly a multi-layered issue across the U.S.
- **Trump 2.2.** What would the IL Soybean Assn. like to see in the second year of the second Trump administration? ISA's policy specialist Matt Johnston (right) weighs in on the potential issues:

  - ✓ For soybean farmers, MAHA presents potential regulatory risks. Early MAHA materials referenced both pesticide exposure and concerns about seed oils, including products created from soy. ISA is working to ensure any federal consideration of pesticides or oils includes farmer input, environmental realities and the economic role soy plays in food, feed and fuel markets.
  - ✓ Biofuels remain one of the strongest demand drivers for IL soybeans, but the current mix of incentives brings both promise and uncertainty. IL soybean farmers benefited from policy certainty, something 45Z alone does not provide. The opportunity for biofuels is large, but so is the need for clarity. The outlook for 2026 hinges on whether Congress provides long-term stability for soy-based fuels.
  - ✓ Lawmakers appear ready to focus on essentials in a "Skinny" Farm Bill, rather than on major structural changes. A skinny bill that protects crop insurance, addresses rising loss ratios in Illinois for corn and soy farmers, and avoids unexpected disruptions, would be the most beneficial outcome for 2026.
  - ✓ More recently, China has begun booking additional U.S. soybeans for the 2025/26 marketing year, which is an encouraging sign. But it's far from a return to the dominance U.S. soy once held. Looking forward, diversifying markets, supporting infrastructure improvements, and expanding domestic demand, such as crush and biofuels, will be key strategies for building resilience.

Farm Bill 2.0—

- **2 Republican lawmakers** on the U.S. Senate Ag Committee say they support expanding farmer aid in the next continuing resolution. A proposal from Chairman John Boozman and Senate Ag Appropriations Committee Chairman John Hoeven would expand the USDA's Farmer Bridge Assistance Program funding to cover a greater share of farmer losses, make prevent-plant acres eligible for assistance, and align payment limits with the One Big Bill Act. The lawmakers say they would also like to provide more aid for losses exceeding national averages, increase support for specialty crop producers, deliver relief for sugar growers and raise farm ownership and operating loan limits. Read more. This is a response to a letter sent by 56 ag groups. The deadline for Congress to pass the next continuing resolution is January 30. Ag groups are now telling Hill leaders farmers face an "existential crisis" with losses nearing $100 bil. and say USDA's $11 bil. in bridge payments won't save many. House and Senate Ag chairs and the Senate Ag spending chair have met, and Politico reports discussed adding $15 bil. to an appropriations bill Congress looks to pass this month. Senate Ag Chair John Boozman (right) told Agri-Pulse earlier, "But I think most people feel like, because of the unique generational situation we're in now, with high input prices, very low commodity prices, our markets not being as good as we'd like, it's made it very, very difficult." Nothing was in the budget legislation passed Thursday night by the House, leaving the Senate without much leeway.

Illinois Issues—

- **There are indications** the IL Dept. of Agriculture may hold back a percentage of grant money that funds over a dozen agricultural organizations in IL. Because of uncertainty of SNAP and other federal funds coming to IL state programs, the Office of the Governor has identified $482 mil. in the 2026 fiscal year budget to be put on reserve. A total of $5.5 mil. has been earmarked as reserved from IDOA, the Dept. of Natural Resources and 2 other agencies. While Gov. Pritzker's September order directed the agencies to identify ways to reserve 4% of fiscal year 2026 General Fund appropriations, those announced last week amounted to less than 1% of the $55.1 bil. budget. "We expect that most agencies will not see their funding requests fulfilled – and continued fiscal management in Fiscal Year 2026 will help ensure the ability of the State Agencies to face the challenges expected over the next few years," Alexis Sturm, Pritzker's budget director, said in the letter. "Prioritizing and limiting hiring and other operational expenditures will be key." Many groups, such as Extension, FFA, County Fairs, and others depend on the IDOA budget for operational funding. IDOA is one of the least impacted state agencies. →

- **IL state government,** as well as IL taxpayers, could soon be saddled with the substantial cost of feeding recipients of the SNAP program, which provides food assistance to millions. Democratic lawmakers gathered in Washington last week to "focus on how decisions made by USDA during the government shutdown and severe delays in issuing H.R. 1 (the so-called "One Big Bill") implementation guidance have put states and counties in an untenable position. As a result, it will be impossible for states to avoid the unfunded mandates handed down by the Trump administration and congressional Republicans through cuts to SNAP in H.R. 1, which saddled state governments with $65 bil. in additional SNAP administrative costs and, for the first time in history, food assistance costs. "Life under Trump is too expensive. Inflation is up, groceries are increasingly unaffordable for too many Americans, and the job market is stagnating," said the Ag Committee's minority leader, Rep. Angie Craig, D-MN**. "**Congress needs to stop picking winners and losers. We need to look out for Americans who need food assistance today, as well as for those who may unexpectedly lose their job or fall on hard times in the future. Cutting the heart out of SNAP puts states and counties in the impossible position of deciding between cutting food assistance for seniors and children, raising local tax rates or even opting out of the program entirely."

Biofuels News--

- **What is the future now for E15?** It has been relegated to a committee designed by a NE Congressman. Rep. Adrian Smith, R-NE**,** (right) talked about his Rural Domestic Energy Council, "It was formed because of this impasse involving medium-sized refiners. Obviously, refiners are an important part of the mix. We know that liquid fuels, overall, that dynamic has been bringing folks together between oil and ethanol, for example, biofuels in general. And so, the attacks on liquid fuels overall, from some, are bringing stakeholders together. This actually, I think, helps us in moving forward, realizing that what we do is really about consumers, certainly producers. Whether it's corn growers or ethanol production itself, we have, I think, a great opportunity to help consumers, and that is important." Smith said there are roadblocks they have to face when bringing up year-round E15, "Well, when you look at the details of the size of refiners, and how you measure that, how you define what is a small refiner, and what isn't. We have to get those details worked out in a way that brings more votes. And obviously, the coalition we want to be big enough to get all the votes we need, and we have to continue working to gather those votes. But again, I'm grateful that E15, all by itself, says a clean E15 issue has a lot of support. There are these other details that folks want to get worked out as well, and we have to do that to get this across the finish line." (American Ag Network)

- **There is a deep back-story** to the Congressional failure to support farmers. Without the passage of nationwide, year-round E15 in the US House Thursday and access to low-carbon ethanol markets like sustainable aviation fuel and marine fuel, the corn and ethanol industry could be in trouble. That's according to a new study from IA Corn and the IA Renewable Fuels Assn. Producers and organizations have pushed hard in Congress for year-round E15 for a decade. Monte Shaw, (right) the executive director of the IA Renewable Fuels Assn., said, "The conflict is that you have certain segments of the refining industry that are using their power in Congress to stop it because they don't want to compete. Luckily, due to the leadership of IA Governor

Reynolds and a bill she promoted 3 years ago, almost every IA motorist can now go to a pump and buy E15. Many times, it's offered next to E10, sometimes it's replaced E10, but where it's offered next to it, it is 15¢ a gal. cheaper. 60 – 70¢ a gal. cheaper than E-0. You know, no ethanol. So, you can see why some in the oil industry say, 'We don't want to go down this road. We're going to lose 5% of the fuel in the tank.'" The petroleum and ethanol industries reached an agreement on E15, there was a deal on the table where we've had to give up some things with the Renewable Fuel Standard (RFS), and even the American Petroleum Institute, are supporting year-round E15 as part of a package. But there are still people who are trying to stop it. It was supposed to be in a spending bill, one of those spending bills that's coming due at the end of January from when we had the government shut down before. It was supposed to be there. It was agreed to be in there, and then some senators from primarily oil states got it pulled out." E15 supporting Representatives met with the Speaker of the House last week to advocate for year-round E15. And there is no other train leaving the station this year that we can put this bill on, and we are in an absolute, real farm crisis. We need demand. We don't want $15 bil. (in FSA payments). I mean, would you rather have another $15 bil. in farm bailout or would you rather have permanent growing demand in E15?" Shaw said, "We won't have another opportunity, probably, for years, just because of the way politics and different things are going in D.C. and the way we pass bills these days. So, we viewed this as a now-or-never, a do-or-die situation, and with what's at stake in the ag economy right now, we need to pull out every stop and get this done. So, failure is not an option." Unfortunately, elimination of the E15 legislation occurred, and year-round E15 options for motorists is not an immediate expectation. (NAFB News Service)

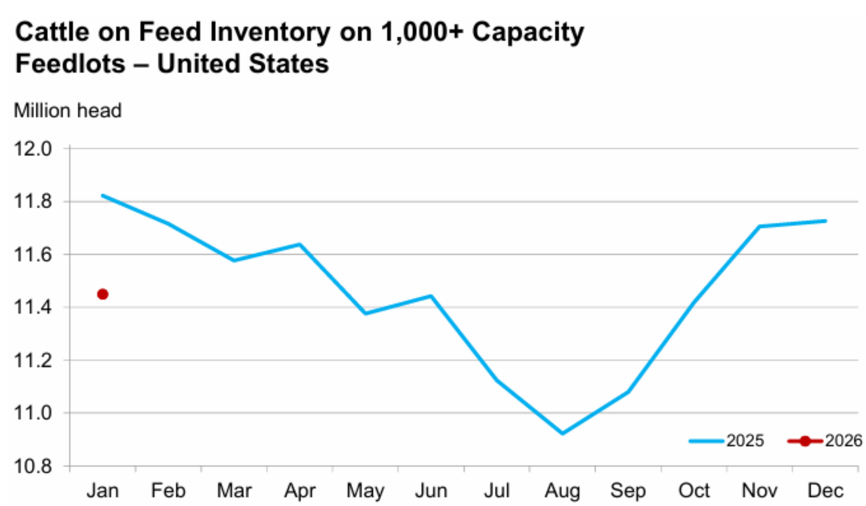
- **U.S. Grains and BioProducts Council Chair Mark Wilson** and President Ryan LeGrand recently traveled with Growth Energy CEO Emily Skor and Renewable Fuels Assn. President Geoff Cooper to Ottawa, Canada. The group met with government officials and other energy and transportation sector leaders. "Canada is one of U.S. agriculture's most important export markets, with room to continue growing, especially in biofuels," said Wilson. "Both Emily and Geoff brought their expertise and outlooks on the state of U.S. ethanol production, and I think we made an impression that our industry is ready to meet any and all increases in Canada's biofuel production." Conversations covered the human and environmental benefits of ethanol and biofuels' role in uplifting producers and the broader agricultural community. "There are so many factors that make Canada such a vital market for our producers, ranging from sheer demand to its proximity to key growing regions," said LeGrand. (Pictured: USGBC Chairman Mark Wilson of Toulon, IL; Renewable Fuels Association (RFA) President and CEO Geoff Cooper; USGBC President and CEO Ryan LeGrand; and Growth Energy CEO Emily Skor.) →

- **In comments submitted last week** to Environmental and Climate Change Canada, the Renewable Fuels Assn. expressed strong support for Canada's Clean Fuel Regulations and shared its view on potential amendments to the program. The comments responded to a December discussion paper that laid out potential targeted amendments meant to "strengthen resiliency and support of the development of Canada's low-carbon fuel sector, while maintaining the Regulations' primary focus on lowering GHG emissions and transitioning to a low-carbon economy." Specifically, the RFA voiced its support for the potential addition of a CFR compliance credit "multiplier" for low-carbon fuels made in Canada as a means of harmonizing biofuel production incentives on both sides of the border. "The credit multiplier, which acts as an incentive, is a market-based, flexible approach that prioritizes logistical and economic efficiency and protects consumers from the potential for higher fuel prices," said RFA General Counsel Edward Hubbard, Jr.

- **The Energy Information Administration** said ethanol output dropped during the 7 days ending on January 15. Production of biofuel fell to an average of 1.119 mil. bbls a day, down from 1.196 mil. bbls the previous week, which was the highest level since recordkeeping began in 2010. The EIA report said the Midwest, by far the biggest-producing region, output averaged 1.066 mil. bbls a day, down from 1.139 mil. during the prior week. Ethanol inventories through the week of January 16 rose to 25.739 mil. bbls. That's up from the prior week, and the highest level since April 11.

Animal Agriculture--

- **As the new year gets underway,** there's growing excitement around adding more protein to the plate. Momentum is building with the "Taste What Pork Can Do®" consumer brand campaign. José de Jesús, the assistant vice president of consumer marketing with the National Pork Board, says ground pork is gaining traction as a flavorful whole-food option for everyday meals, "Ground pork is not just delicious, versatile, and easy to prepare, but it's also affordable, and given where the price point is for other proteins, we believe there's a huge opportunity for ground pork to shine. We're focused and will continue to be focused on ground pork year-round, and we're working with our partners, like retailers, to ensure that it is featured more often at the meat case." Ground pork's value is up 2.1%, and volume is up 3.9% year to date. De Jesús explained that Gen Z and millennial preferences are driven by culinary creativity, versatility, and flavor, while still aligning with their nutrition goals, "Everything that we do is data driven. We start there. It kind of gives us the pathway, really, into the marketplace to really understand, you know, where consumers are, what do they need, and then how can we fill that gap for consumers? So far, it's been great. We test the creative to make sure that the creative is landing very well with our consumer segments." De Jesús says one area that really stands out is working with content creators and digital platforms to tell the pork story in a fresh way — showing consumers how pork fits on their plate and making it relevant and engaging, "We have a very robust portfolio, both in the fresh and process side, that allows us to have fun, if you will, with the type of cuts that we offer. But at the end of the day, what we're trying to do is we need to make pork relevant with younger consumers. And to do that, you know, you have to make pork cool, right? And that's one of the things that is so embedded in our strategy. And really, how do you come up with dishes that are easy to prepare, that have many different functionalities, from the standpoint of versatility, and then obviously, the dishes that kind of hit on flavor?" (National Pork Board)
- **Friday's USDA Cattle on Feed Report** found 11.5 mil. head in feedlots, down 3% from a year ago. Steers and steer calves made up 61% of the inventory and their numbers were down 3%. Heifers and heifer calves were also down 3%. Inbound placements totaled 1.55 mil. some 5% below year ago numbers. Outbound marketings were 1.77 mil. and that was 2% above levels 12 months earlier.



- **The latest beef and pork price forecasts** are a bright spot in an otherwise gloomy Ag picture this year. The crop outlook remains grim, but not so for cattle and hogs. World Ag Outlook Board Chair Mark Jekanowski talked about USDA's January Outlook for beef production and steer prices, "For 2026, we raised our beef production forecast by 10 mil. lbs. But still, it's tight supplies that are kind of dominating the market. Beef production is expected to be down 260 mil. pounds, which is providing some support for cattle and beef prices." With an increase in prices, "We raised our steer price for 2026 by 75¢ per cwt, now at $235.75 per cwt. That would be up $11.38 from last year." Strong demand is also supporting hog and pork prices in the face of expected increased production, "If realized, pork production will be up about 640 mil. lbs. from last year. I think it's important to point out that despite those higher supplies, prices are holding up." The Outlook Board is holding hog prices steady at $66.75 per cwt. (Berns Bureau, Washington)
- **The Center for the Environment and Welfare** released an analysis of a letter, widely promoted by animal rights operatives on Capitol Hill, signed by "farmers" who support CA Proposition 12 and oppose a federal fix to the onerous law. Lawmakers are currently considering several pieces of legislation to override the measure. In response, radical animal rights groups continue to highlight a letter allegedly signed by 5,000 "farmers and producers" who support Prop 12. However, CEW's new analysis suggests the letter is not what it might seem at first. Many of the backers are not pork or egg producers, with some not involved in agriculture at all. The list appears to include over 100 vineyards, 150 honey producers, 25 mushroom growers, 8 hemp or marijuana farms, and even a goat yoga operator. "Mushroom farmers, beekeepers, and goat yoga providers are not credible experts on pork policy," said Jack Hubbard, executive director of CEW.
- **The cash cattle markets are in a "wait-and-see" mode.** Cattle Market Analyst Brad Kooima said the leverage is with the feedlots. There's not much incentive to sell cattle at the current price points, "The longer you wait, the better it gets, right? I mean, that has been the pattern through this tight supply cattle cycle that we've been in. In other words, the feedlot, for a change, has leverage, right? And so, he's just going to think, 'Come on. We're not going to take $232 or 3, or I still hold out hopes that we can be someplace north of $235. People might think I'm nuts, but I actually think there's a small chance that we can get above $235, but we'll see once. We must first get to $235, and there are a couple of factors in play. So, I think with the futures hanging up here, there's some incentive to hold cattle, which, short-term, should help the market. Now, what other factors are in play? You have got a futures market that's a premium. You've got really nice weather." Severe winter weather is often a great incentive to move some cattle out of feedlots, "So, it's not like some big blizzard threat that you think you better sell cattle quickly before you get ruined with some bad weather. You have cheap feed, and replacement feeder cattle costs are a challenge. You've got several things in play here, where it seems to me there could be a bit of holding action going on. And for the old guy in the room here, that is kind of the fundamental that I want to keep my arms around." (American Ag Network)

- **Ag Secretary Rollins** announced the launch of the New World Screwworm Grand Challenge. This funding opportunity marks a pivotal step in USDA's comprehensive strategy to combat NWS and prevent its northward spread. As part of the Grand Challenge, USDA's Animal and Plant Health Inspection Service will make up to $100 mil. available to support innovative projects that enhance NWS sterile fly production, strengthen response strategies, and safeguard U.S. agriculture, animal health, and trade. APHIS invites proposals that support objectives that develop novel NWS traps and lures, develop and increase understanding of NWS therapeutics and treatments for animals, and develop other tools to bolster preparedness or response to NWS. Eligible applicants are invited to submit proposals that align with and support these priorities by the deadline on February 23, 2026. The notice of the opportunity is available on the NWS Grand Challenge webpage.
- **In December, Mexico started an anti-dumping investigation** and an anti-subsidy investigation into American pork hams and shoulders. Erin Borror, the vice president of economic analysis for the U.S. Meat Export Federation, said USMEF is assisting exporters in sharing information with Mexican authorities. That information shows strong Mexican demand for U.S. pork has pushed importers to outbid other buyers in the region, taking in larger volumes and higher prices, As Borror explains, the pork trade is vital on both sides of the border. Mexico is the top destination for U.S. pork. American pork exports topped 1.2 mil. metric tons in 2025, valued at about $2.8 bil., both record numbers. Mexico accounts for about 42% of U.S. pork export volume." Demand for U.S. pork in Mexico has also been driven by disease pressure. Like many pork-producing countries, Mexico's domestic industry has battled porcine reproductive and respiratory syndrome (PRRS) and the porcine epidemic diarrhea (PED) virus, USMEF is working closely with the National Pork Producers Council and the Office of the U.S. Trade Representative in responding to the investigation. (NAFB News Service)
- **Any farmer wanting to sell a large volume of grain** should find a poultry farm as a market. The U.S. chicken industry is on a decades-long winning streak. Steady growth in consumer demand, coupled with efficiency gains in broiler production have powered the sector's remarkable growth during the last 30 years. According to a new report from CoBank's Knowledge Exchange, the near-term outlook for broiler production remains exceptionally strong. But the opportunities for increasing output are becoming more limited. Higher capital costs, tight labor availability, and increased local regulation have stalled site expansions. Chick availability has trended downward as genetic priorities have shifted from hatchability to meat yield, and adding more pounds per bird has its limits. "The potential long-term challenge becomes how big is too big for birds on the processing line, and what will drive consumer preferences for chicken products into 2030 and beyond," said Brian Earnest, lead animal protein economist at CoBank. With a change in genetics, producers can now get over 1,000 pounds of chicken from a single egg-laying hen.

- **Leaders and staff from the American Sheep Industry Assn.** met last week with USDA officials to urge the inclusion of wool under the new Farmer Bridge Assistance program. The group met with USDA Farm Production and Conservation Under Secretary Richard Fordyce following the department's December announcement of $12 bil. for the program. ASI presented testimony detailing ongoing market disruptions, high harvesting costs and persistently low wool prices that sheep producers have faced since 2019. USDA officials said wool would be considered for funding through the program's competitive reserve for uncovered commodities, though no final decisions have been made. USDA indicated that wool will be considered within the competitive reserve for uncovered commodities, but no decisions have been made at this time. Fordyce did say that additional information can be expected in the coming weeks.
- **KS is contending with the worst outbreak** of bird flu in the US, with more than 414,000 birds confirmed infected with highly pathogenic avian influenza (HPAI), federal officials said. The majority of infections, about 380,000, have occurred at a single commercial poultry farm. State officials said migrating wild waterfowl likely are spreading the virus and urged poultry owners to strengthen biosecurity measures to protect flocks during the peak winter spread.

Farm and Check-off Organizations —

- **The Agriculture Council of America** will observe National Ag Day on March 24, 2026. The annual event recognizes and celebrates the abundance provided by agriculture, acknowledging the essential role it plays in our daily lives. This year's theme is "Agriculture: Together we grow: Celebrating 250 Years of Progress in Agriculture." This year's theme emphasizes the collaborative efforts of farmers, ranchers, and all stakeholders in the agricultural sector who work tirelessly to provide safe, abundant, and affordable products, and also recognizes 250 years of progress. A series of events is scheduled in Washington, D.C., and virtually, to mark the day, including an Ag Day Virtual Event. At 9:00 am, a livestream of events from the USDA will be available. Ag Day at the USDA will run from 8:30 am to Noon at the USDA's Whitten Patio, where attendees will hear from multiple speakers.

The Labor Dilemma—

- **Last week** House Ag Committee Chairman Rep. Glenn Thompson, R-PA, teased potential ag labor reforms in the first quarter of 2026. During a panel at the American Farm Bureau annual convention, Thompson claimed that legislation related to ag labor had been drafted based on recommendations from a 16-person task force. Thompson cited farmer testimony as evidence of the program's perceived issues. No official information or statements have been published at this time.

Farm Family and Rural Life Issues—

- **WA St. Rep. Tom Dent has been recognized** by farm organizations in his state for working to bring awareness about the mental health challenges and suicides that plague the agricultural industry, "They don't understand the depth of debt that our agricultural producers may be in, what it takes to do the job, and they don't understand how the crops are marketed, you know, where the payday comes from. They don't understand that, so it's a challenge to continually work with them." Dent says many people don't like to talk about suicide or to acknowledge it, "You know, we keep talking about it because it's real. We keep talking about it, that, you know, there's help out there. You don't have to live this way. You keep doing it. The one thing that I will say in the 11 years that I've been doing this; I've seen the needle move." And getting the farmers to accept help, Dent says, is also a challenge, "Yeah, the stigma is there. Yeah, nobody wants to park their pickup out in front of the mental health counselor's office, right? I get that part, but maybe there's a way around that, maybe there are other ways to do that. But whatever we do, let's find a way to get some help because it's not permanent. You know that the mind is really an amazing thing, but it can go to a dark place, and we just need to bring it back." (NAFB news service).
- **More than 72 mil. Americans receive Social Security benefit checks**, so it's important they keep up to date on potential changes. Sean Voskuhl of AARP said there are 3 big changes that recipients need to pay attention to, "The Cost-of-Living Adjustment went up by 2.8%, so folks will see a rise by about $56 a month. The amount of income subject to Social Security tax has increased, so you'll pay tax on work income up to $184,500. Also, the amount of income for a Social Security credit is going up too." The income amount needed to receive one credit will increase by $80 to $1890." There are other changes that tie Social Security benefits and Medicare beneficiaries together. "The Centers for Medicare and Medicaid Services announced that the standard monthly premium for Medicare Part B, which covers doctor visits and other outpatient care, will climb from $185 to $202.90. Most enrollees pay this standard rate typically as a deduction from their Social Security payments, so the premium increase has the effect of partially offsetting the Cost-of-Living increase by almost $18 per month." There is some good news for folks on Medicare when it comes to the latest AARP prescription drug report. "The report finds that out-of-pocket costs for the first 10 Medicare-negotiated prescription drugs has fallen by an average of more than 50% for people in stand-alone Part D plans when the negotiated prices took effect on January 1. The Centers for Medicare and Medicaid Services said the drug price negotiation program is expected to save enrollees $1.5 bil. in out-of-pocket costs in 2026. This is a huge savings for millions of Americans." There's also a new tax break for 2026 for filers who are 65 and older, "They can qualify for a new senior bonus deduction of up to $6,000 for individuals and $12,000 for married couples depending on income eligibility. The One Big Bill Act increased inflation adjustments for the standard deduction, and a new bonus senior deduction will allow tens of millions of seniors to save hundreds of dollars on their taxes this year. (AARP)

Food and Nutrition Issues—

- **Watch for the food you produce** to be political footballs this election season. Both cuts in SNAP benefits and MAHA priorities have become political lightning rods. The Democratic Party is previewing this year's mid-term elections by highlighting the continued importance of food aid, affordability, the job market, and the health of local economies. A report from Politico said that over 22 mil. households will lose SNAP benefits under the One Big Bill Act. "On the 1-year anniversary of Donald Trump taking office for his second term, families everywhere have been devastated by Trump's tariffs and the Big Ugly Bill," said DNC spokesman Abhi Rahman. "Trump has sacrificed families who need critical food assistance to put dinner on the table to line the pockets of his billionaire backers." Research compiled by the Democratic National Committee said the states projected to have the most families losing SNAP benefits include CA, NY, and FL. The report warned of spillover damage to farmers and grocers, such as reduced food purchases and a reduction in local employment. With the elimination of billions of dollars from the Supplemental Nutrition Assistance Program (SNAP), and the administration telling state governments to pick up the shortfall, all states are scrambling to find funds for food assistance. IL budget officials have calculated a potential $4 bil. outlay to cover food needs of the indigent and have begun to reduce state spending in an effort to find the necessary revenue.

Multi-Media Resources—

- **US House Slam Dunks Corn and Ethanol.** After a decade of debate on the merits of E-15 ethanol, the corn, ethanol, and petroleum industries thought Congress would approve year-round use of 15% ethanol blends. Enabling legislation was teed up for a January 23 vote in the House, when Speaker Johnson pulled the provision from a massive budget bill and said it would be forwarded to a new committee for consideration. The corn industry, needing a massive new use for a massive 2025 crop was devastated. That included Sarah Hastings, who leads the ethanol initiative for the IL Corn Growers Board and provides her insight **in this short video**.
- **What will be your corn disease issue this year?** Will you have southern rust back again in 2026? Or will it be your old favorite, tar spot? There is not much you can do now, other than look for corn hybrids with some tar spot resistance. Southern rust may be a once in a decade menace. Darcy Telenko of Purdue provides her thoughts about corn disease management, along with details of the Crop Protection Network website that provides a warning if a disease is nearby and the speed of its spread. She spoke recently to the IL ag retailers so they can provide some local help, and **shares that in this short video**.
- **Still got Grandpa's weed hook?** Weed hooks will be in short supply late next summer when the waterhemp will be peeking over soybeans and looking for a place to spread hundreds of thousands of seeds. That is because Liberty (glufosinate) is failing to control waterhemp at an increased rate. Purdue weed specialist Brian Young visited with IL ag retailers last week about helping farmers control waterhemp, and there are not many answers that rely upon crop protectants, **as he says in this short video**.

- **Pesticide litigation and legislation will be increasing**. The Make America Healthy Again movement is not farmer friendly, but it is here to stay, says Alex Dunn, CEO of CropLife America, the trade organization for ag retailers. She spoke to IL fertilizer and crop protectant dealers recently sharing her concerns about Secretary JFK, Jr. and the MAHA group. She says agriculture is in their crosshairs and farmers need to be aware of their issues that will challenge long term agronomic and production practices **in this short video**.
- **Has your soil changed from what Grandpa farmed?** Univ. of IL soil and fertility specialist Andrew Margenot says even flat, black soil can slowly erode and change over time. But he also soils in IL have made changes, based on comparison of current samples with those taken 150 years ago (maybe on your farm!) On a farm where Drummer soil may have evolved to Flanigan, farmers should know if it makes a difference, and how that soil should best be farmed. He shared his thoughts with ag retailers and **in this short video**.
- **How much should farmers spend on nitrogen in 2026?** Farmer profitability in 2026 and beyond may force many changes in agronomic practices. Univ. of IL fertility specialist John Jones visited recently with the IL fertilizer industry, looking at nitrogen rates on corn, using yield and economic responses from that crop. **He shares his thoughts in this short video.**
- **Farm economics may change 2026 agronomic practices**. While farmers need agronomic products and services, they may not be able to afford this year what they spent last year. Univ. of IL Farmdoc ag economist Nick Paulson visited recently with the IL fertilizer and crop protection industry and gave them fore warning that financial pressures may force changes away from long time practices. What he shared with those folks, he shares **in this short video**.
- **There is a lot going on underground, literally!** Nutrient cycling and re-cycling are constant below the soil surface, says Giovani Preza Fontes, Univ. of IL crop production specialist, who updated the fertilizer industry recently on his research. Much of his new data is based on nutrients being released from organic matter by cover crops as they decompose. He has the first year of data from a 3-year project, which begins to help farmers make fertility management decisions, as he says **in this short video**.
- **EPA, Farmers, and Ag Retailers: Same Page Requirement.** Farmers typically have a close relationship with their fertilizer and crop chemical dealer. And those folks also need to know about the farm economy and what farmers can afford, and what management changes that need to happen. That is the priority of Darren Coppock, CEO of the Ag Retailers Assn. who spoke recently to the IL Fertilizer and Chemical Assn. He says much of the problem comes from tariffs applied to fertilizers and chemicals that are imported into the US. But he also says the EPA's recent initiative into the Endangered Species Act needs to have input from farmers and the farm chemical industry. His thoughts are **in this short video.**

Mark Your Calendar! --

- **Pesticide safety education programs** are underway and 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 are underway and will be held through March 10.
- **If you are a candidate to be** a Certified Crop Advisor, CCA information is here. Registration period extends through Jan 26, for the exams conducted Feb. 4-18.
- **Extension Agronomy Summits** will be in 8 locations, until 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.
- **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. Farmers looking for alternative income will find numerous information resources.
- **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.
- **Precision Conservation Management** has scheduled 6 bi-monthly webinars to help farmers leverage field data for profitability, and how PepsiCo is rewarding conservation practices like reduced tillage, cover crops, and nutrient efficiency. Registration here. The first will be February 3, and all are in the 11 am to 12 noon time slot.
- **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.
- **CattleCon 2026** will be in Nashville, Feb. 3-5. Programs will focus on government policy, and cattle family sustainability. National Environmental Stewardship Award and the Beef Quality Assurance Awards will be handed out. Details and registration are here.

- **The IL Dairy Summit** will be Feb. 4 at Highland Community College in Freeport. This year's theme is Foraging Profitability. There is no fee to attend the summit, but registration is required. To register, visit www.illinoismilk.org.
- **IL Extension will host** the Dudley Smith Farm winter meeting Feb. 10 at the Christian Co. Extension office. Registration at 9 am, and program ends with lunch. Presentations will be on cattle production, profitability, market outlook, and a soil health panel. Details here.
- **Don't miss the Paxton-Buckley-Loda** Annual Farm Toy Show, set for Feb. 14, 9 a.m. to 2:30 p.m. at the PBL Gym in Paxton. Exhibits, competition, trophies, pedal tractor pull. For more information, check out the flyer! FFA Show tractor is a Case 430 $75, only 100 made.
- **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.
- **The Illinois Beef Expo** is set for the IL State Fairgrounds, Feb. 19-22, 2026. The IL Angus Assn. will hold its Annual Banquet and Conf. Feb. 20 at the IL Building, IL St. Fairgrounds.
- **The AISWCD** will be hosting an Advocacy Day on behalf of the Soil and Water Conservation Districts at the Capitol on Tuesday, February 24, 2026. For all registration-related questions, please reach out to **rebecca.sadaj@aiswcd.org**.
- **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: "3 days. Thousands of farmers. 1 goal: leaving with strategies that actually work."
- **Extension's Crop Management Conf.** will be on-line this year, and available from Mar 1-Apr. 30 with the latest research updates to improve productivity and output of crop science experts. Full event details and registration are available at go.illinois.edu/CMC.
- **Sustaining your farm legacy** will be the focus of several 2026 meetings beginning Mar. 2 and on-line programs, being jointly presented by Extension and IL Farm Bureau, for IL farmland owners and agricultural stakeholders. Details, dates, and registration are here.
- **The Center for Digital Agriculture** at the Univ. of IL will hold its 2026 conference on Mar. 9 at the I Hotel in Champaign. This year's theme, Generative AI in Agriculture, spotlights how cutting-edge AI technologies are transforming the future of farming. Details and registration information are available here.

ILLINOIS SOYBEAN ASSOCIATION

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