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

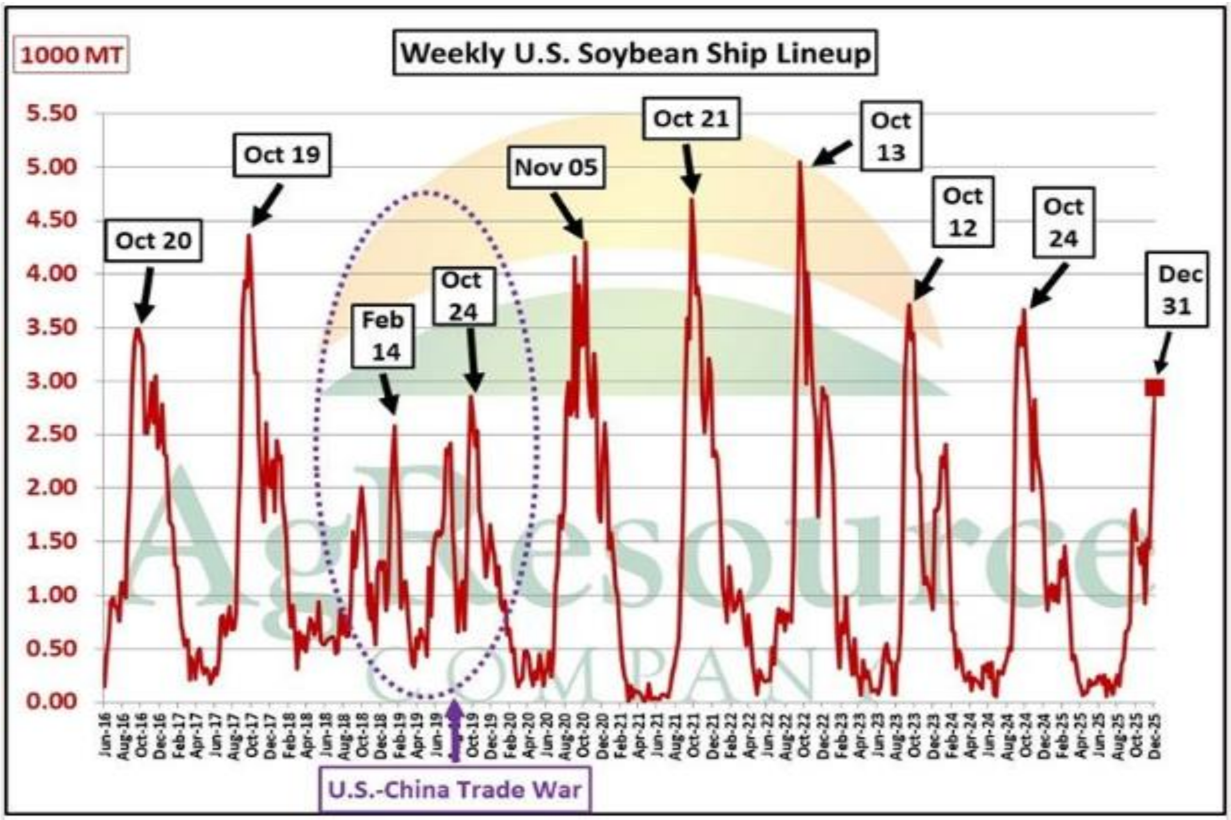
Farmer Bridge Payment Details—

- **New Year's Eve** brought financial details of the USDA's "Farmer Bridge Assistance" payment. Per acre rates for row crops are $44.36 for corn, $30.88 for soybeans, $39.35 for wheat, and $48.11 for sorghum. Big money went to cotton ($117.35) and rice ($132.89) farmers. Payments will have a $155,000 limit to farmers. USDA indicated funds should appear in bank accounts by the end of February. The funds to producers of primary row crops will total $11 bil. with another $1 bil. being allocated to producers of specialty crops and sugar. The formula for determining the per acre amounts was based on the World Agricultural Supply & Demand Estimate (WASDE) report, as well as reports on planted acres, and USDA's calculations of farm income. The formula was apparently similar to the formula used for the Emergency Commodity Assistance Program (ECAP) that was funded by an act signed by then-President Joe Biden in 2024. The administration said the funds were necessary because the "farm economy declined during the Biden administration." Nothing was indicated that current soybean prices may have been negatively impacted by tariffs on China last summer, which have pushed the top buyer of US soybeans toward South America. The farm economy reached a recent high in the middle of the Biden Administration; however, farm income went down as prices for crop inputs rose beginning in 2023 as farmers were more profitable. Payments will be going to those farmers who met the December 19th deadline to ensure their 2025 acreage had been certified. To be eligible for the Farmer Bridge Assistance funds, there is no requirement for farms to utilize federal crop insurance programs. Prevent plant acres are not eligible. (Farm organization reaction and more can be found in the Mailbox Money section.)

Commodity Market Drivers—

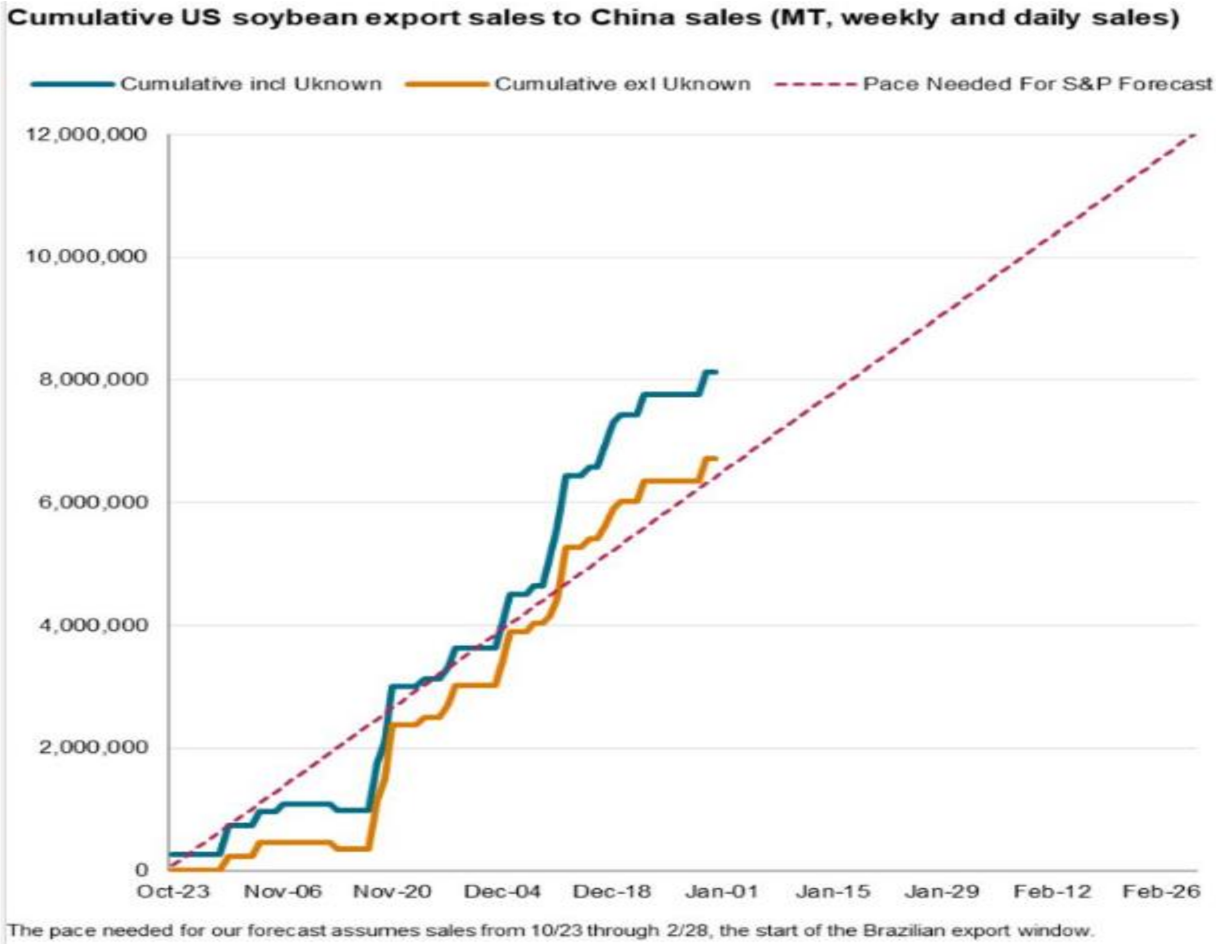
- **About 300 mil. bu. and counting**. That is the latest estimate of how many US soybeans have been purchased by China, since the trade tariff discussions were held at the end of October. Bloomberg reports China has bought at least 8 mil. tons (294 mil. bu.) of US soybeans this year, according to people familiar with the matter, putting the world's top importer on track to meet a pledge it made 2 months ago as part of an apparent trade truce with Washington. State-owned buyers have continued to book US cargoes into late December, sources said. That extends a buying spree that began in October and maintains a pace that has reassured American exporters, otherwise wary that Beijing's commitment might slip amid limited visibility and unclear deadlines. The shipments booked so far are mostly for loading between December and March, the sources said. The White House said after the talks between President Donald Trump and Chinese counterpart Xi Jinping that China had pledged to buy at least 12 mil. tons (440 mil. bu.) of US soybeans by the end of 2025, and 920 mil. bu. per year for the next 3 years. US officials later said 440 mil. by the end of February. Beijing has not confirmed the commitment, but the Chinese government has moved to reduce tariffs on the crop and lifted import bans on 3 American exporters. The return of Chinese buyers is welcome news for US exporters, and a reminder that buying patterns can change fast — but it is not yet a full reset. Even as Beijing takes US shipments, state-owned firms have bought large quantities of beans from Brazil and Argentina, the Chinese sources said. Commercial buyers in particular have stayed on the sidelines when it comes to US purchases. Almost 80% of Brazil's soybean exports went to China in 2025, with exports through November climbing 16% compared to the previous year. That trade continued in December, even in a period when sales are seasonally weaker, and Brazil's upcoming harvest is forecast to be a record. "We cannot confirm from China's side that anything beyond the 12 mil. tons has been pledged," said Ben Buckner, grains and dairy analyst at AgResource Co. The brokerage wrote in a note this week that China was seeking shipments and could reach a "soft target" of 300 mil. bu. in 2025, with an additional 75 mil. bu. in January. Without a formal deal confirmed by both sides, traders say uncertainty over future sales is reinforcing pressure on soybean prices. Futures in  Chicago eased in the year's final trading session Wednesday, on track to decline about 7% in December, the worst monthly performance since July 2024. Matt Bennett, a Windsor, IL, (left) corn and soy farmer, said many farmers have been "pleasantly surprised" with the steady flow of purchases from China so far, but added there has been frustration with the direction of soybean prices. "From our vantage point, once you quantify that they're going to buy 440 mil. bu., you need something in excess of that to get everyone excited," Bennett, of AgMarket.Net, said in a phone interview.

- **As of December 31,** the U.S. soybean ship lineup is estimated at 108 mil. bu., reflecting an 11% increase from the previous week. Next week's soybean export inspections are projected to be 42 mil. bu., which would represent a 53% rise from the prior week. There are currently 7 vessels to be nominated (TBN), a decrease of 2 from the previous week. The ship lineup indicates that U.S. December Census exports could reach 180 mil. bu. In the December WASDE report, the USDA revised its projection for U.S. exports down by 50 mil. bu. to 1.635 bil. bu., while Ag Resource's export projection is 165 mil. bu. lower. Last year's exports totaled 1.882 mil. bu. Notably, 4 vessels (9.15 mil. bu.) have departed for China, and there are 24 vessels (57.7 mil. bu.) identified in the lineup heading to China. Additionally, there may be other vessels that have departed or are destined for China but are currently listed as unknown, according to Ag Resource economist Bill Tierney.

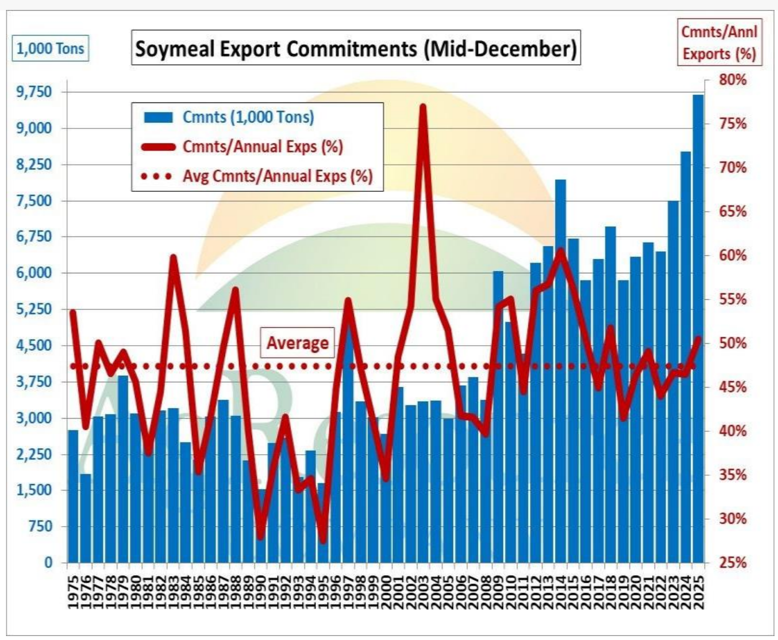


- **Efforts by China to reduce its reliance** on imported soybeans are raising questions about the long-term outlook for U.S. soybean exports, analysts say. China, the world's largest soybean buyer, has been encouraging lower soybean meal use in livestock feed and expanding domestic oilseed production. While imports remain high, any sustained reduction could have ripple effects across global markets. U.S. farmers rely heavily on export demand, with China historically accounting for a significant share of shipments. Analysts said even modest policy shifts in Beijing can influence prices received by American growers. I[L Farmdoc agricultural economists] cautioned that China's goals face practical limits, including feed efficiency and domestic supply constraints. Still, they said U.S. producers must monitor policy signals closely. Diversifying export markets and boosting domestic demand were cited as key strategies to reduce exposure to trade volatility.

- **Considering the USDA's weekly export sales data,** the amount of US soybeans sold to China stands as follows: Total sales to China reported by the USDA since Oct. 23: 247 mil. bu. Total sales to China plus those to unknown destinations: 299 mil. bu.



- **Mid-December U.S. soymeal export commitments were a RECORD** for this time of year. Soymeal commitments are precisely on schedule to meet the USDA's projection for a record 19,200,000 tons. However, over the last 50 years, USDA's December WASDE projection has been too low 61% of the time. In the years that the projection was too low, the median increase in exports was 9.1% above the December projection. That would amount to 1,920,000 tons for the 2025/26 marketing year, says AgResource Chief Economist Bill Tierney.



- **Grain Market details from** General Manager Kevin Walker and staff at Legacy Grain.
  - ✓ **Soybean market drivers**: Soybeans scored new lows for the move on the last trading day of 2025. Randy Martinson, of Martinson Ag. says the market saw technical selling on end of quarter and end of year positioning. It was also first notice day for January soybean contracts and there were heavy deliveries that weighed on the nearby contract. "We had deliveries that were the highest, since November of 2021," he explains. The risk off environment in other areas of the market also spilled over to soybeans and the entire grain complex as gold and silver tumbled on the last day of the year and forced some margin calls. Another major bearish factor is South American weather is favorable for all but Southern Argentina. Martinson says, "What we're seeing is the South America weather played a big role into it. Brazil has been getting their average rainfall. Things are looking pretty good there. They've started harvesting in the northern regions. Martinson says he still thinks the market has lingering concerns about China. "Whether or not they're going to buy that 12 MMT, but also since shipments have been so slow that there could be some cancellations that come later."

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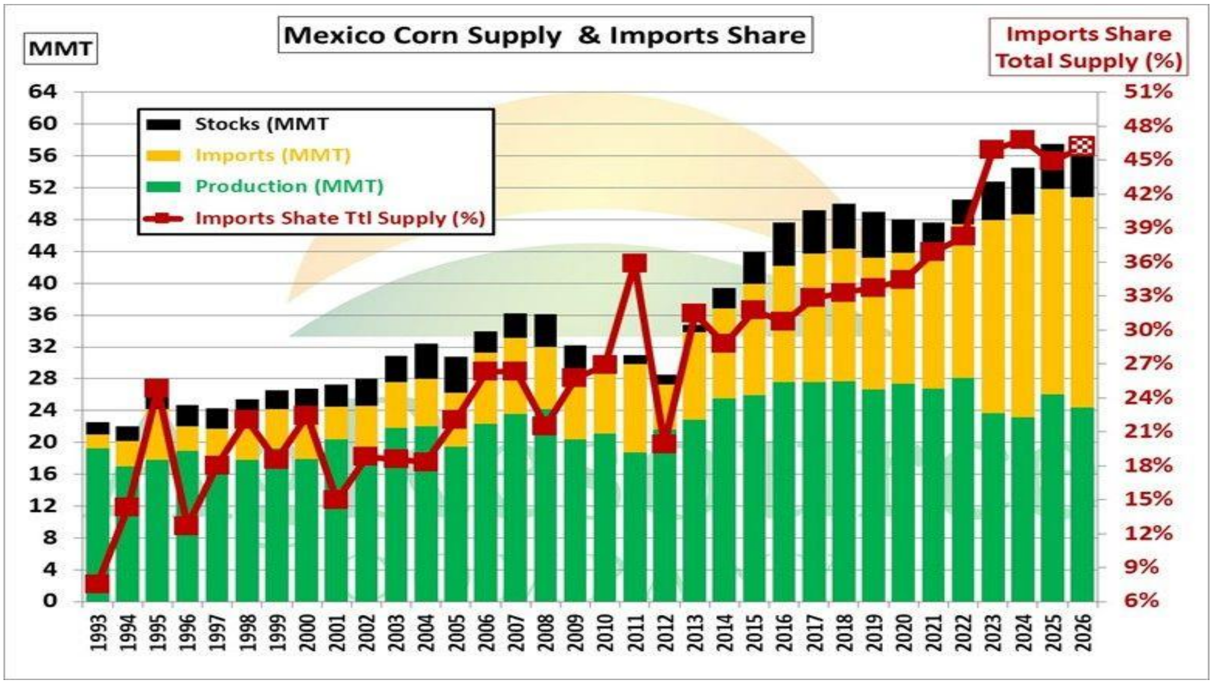
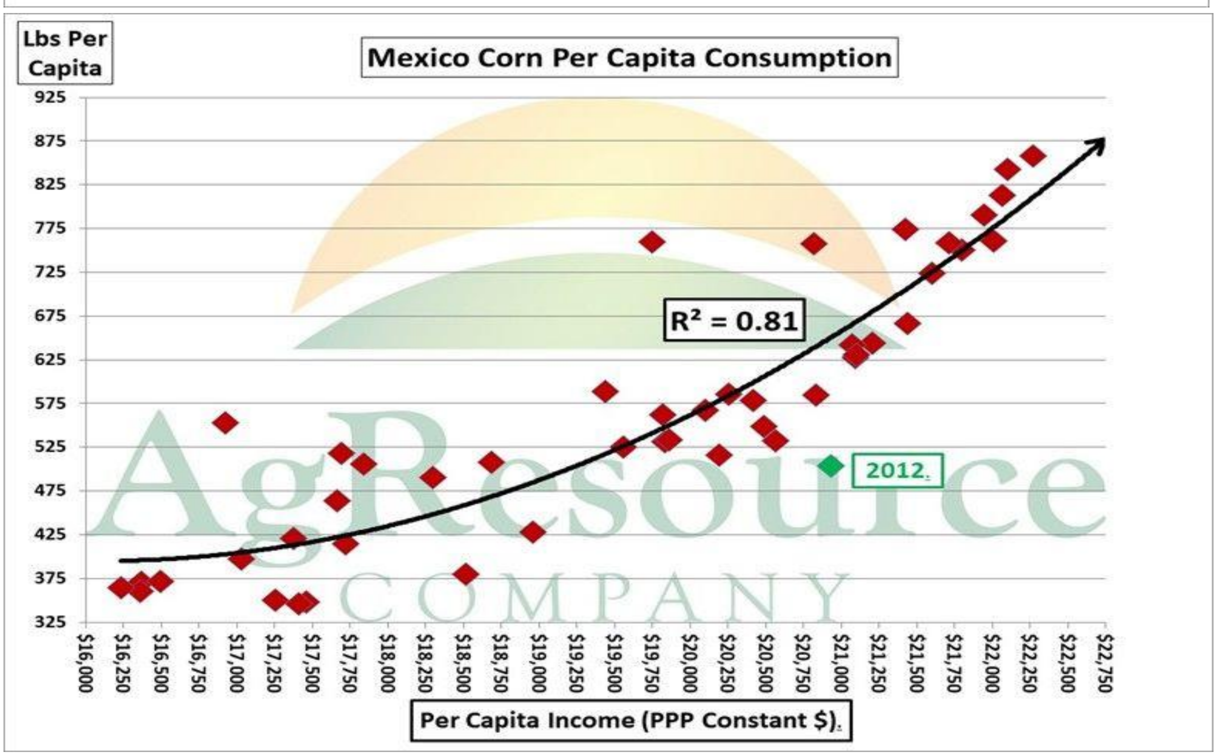
✓ **Corn market drivers**: Corn futures saw some spillover pressure from lower soybeans and wheat but held slight gains on Wednesday and at the bottom end of the trading range. Support is down around $4.35 on the March contract and corn effectively is still trading sideways, according to Randy Martinson of Martinson Ag, due to strong demand. "Exports continue to be good. Ethanol demand continues to be good. The trade is anticipating lower yields in the January 12 report. So, I think that's all helping us to keep the traders in the corn market a little bit honest. Martinson says to break out of the sideways pattern corn will need some help in the January WASDE. "I think it's going to take USDA lowering the yield a little bit in that January 12th report. The trouble is that we're going to see maybe lower yields, but we could see feed demand lowered a little bit. And that's going to be the concerning part.

- **Mexico is the world's largest corn importer,** with recent years seeing as much as 99% of its corn imports coming from the US. This makes Mexico the U.S.'s largest customer for corn. Several factors are driving the growth in corn imports, says Chief Economist Bill Tierney of Ag Resource:
  - ✓ Relatively flat domestic production year after year (see chart immediately below).
  - ✓ A growing population.
  - ✓ Rising real per capita incomes (see at the very bottom).

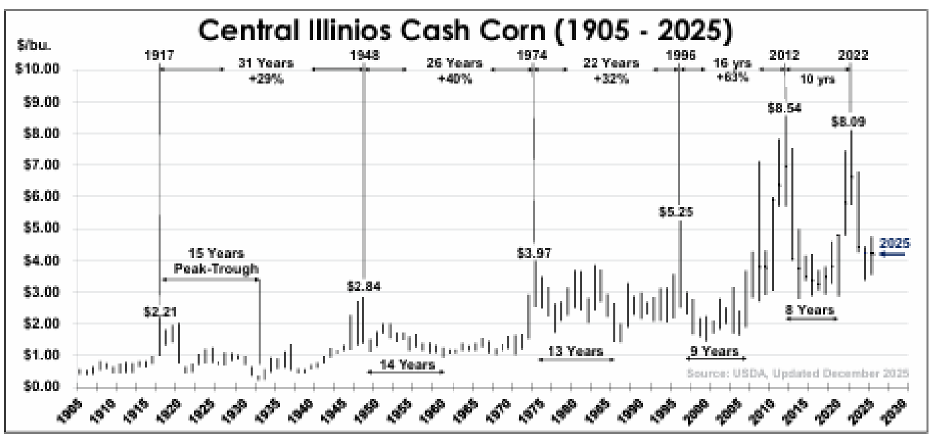




- **Corn exports increased by 26.8%** in MY 24/25 with a total of 2.85 bil. bu. sold, valued at almost $16.4 bil. says the US Grains and BioProducts Council. "This was a tonnage increase of 523 mil. bu. and a value increase of $3.3 bil. compared to the previous marketing year. 66 countries purchased U.S. corn in MY 24/25. Mexico experienced its best year on record for U.S. corn exports in 2024/2025, purchasing over 1 bil. bu., making it the largest market for U.S. corn. Mexican corn purchases equated to 35% of all U.S. corn exported in 2024/2025, for a valuation of approximately $5.75 bil.

- **China's Pres. Xi has ordered** his government to continue to push forward with its mandate to expand grain production, emphasizing a "no relaxation" approach to increasing output. "We must improve the effectiveness of policies to strengthen agriculture, benefit rural areas and enrich farmers, and promote the maintenance of grain and other key agricultural products at reasonable price levels," he said, according to a readout of the meeting from state news agency. Total year-on-year grain production increased by 1.2% in 2025 to a record 714.9 mil. tonnes, according to National Bureau of Statistics data. The Chinese government has set a goal of raising grain production capacity by an additional 50 mil. tonnes by 2030. While China is mostly self-sufficient in corn, wheat and rice, meeting over 90% of its demand with domestic output, soybeans self-sufficiency remains elusive. Despite steadily increasing soybean production over the past 10 years — it is forecast to reach a record 21 mil. tonnes this year — China remains largely dependent on imports.

- **"What will be 2026 corn acreage?**" asks the Brock Report. "In 2025, U.S. farmers planted 98.7 mil. acres of corn and harvested 90 mil. of shelled corn. The rest went primarily to silage. That was a big jump in acreage from 2024/25 when 90.9 mil. acres of corn were planted and just 83 mil. acres were harvested. This was the largest planted acres since 1936, and largest harvested since 1933. Polls of farmers from our December seminar series indicate that acres will be the same or higher this coming spring. One of the reasons is that corn yields on a percentage basis have been progressing much better than soybean yields have been. For this year there are still several variables yet to be determined. Most notable is where exports are going to end. So, let's bump the export figure to 3.4 bil. under the bullish scenario, very attainable. That could still cut this year's carryover to 1.527 bil. bu. and a 9.3% stocks-to-use ratio. That would put the expected average price of corn in the high $4.00 and possibly even the low $5.00 range. The bearish scenario is one we don't believe to be very likely, where we have lowered the estimated exports to 3.1 bil., which would result in an expected average price around $4.00. As this is printed, central Cornbelt prices in the cash market range from $4.30 to $4.55. Under the average scenario, the market is above the expected average. We could very well look back at this as a good selling opportunity. We do plan on advancing sales if futures get back to recent highs. Let's assume acreage stays the same at 98.7 mil. acres. Based on current usage numbers, the carryover would jump to 2.43 bil. bu. and result in an expected average price in the low $4.00 range, maybe lower. Cut the acres to 97.5 mil. and adjust domestic usage down slightly and the carryover would result in 1.59 bil. bu. and a stocks-to-use ratio of 9.8%. This would result in an expected average price in the high $4.00 range. While we have not run the central IL cash corn chart for quite some time, pay close attention to the long-term cycle. Ignoring the fundamentals and just looking at the long term cycle of corn, the market would seem to indicate the odds of a major bull market are slim. The bullish/bearish scenarios as we discussed earlier would also indicate that the odds of cash corn prices getting much above $5.00 per bushel in the central Cornbelt are very slim. But as in years past, bottoms have been long and flat. It takes time to rebuild demand and/or have a major crop disaster. Right now we have the demand, but have yet to see crop production issues anywhere in the world. In just looking at the chart itself, there is a lot of room between $5.00 and $6.00 on the upside; that does not appear that it will be in the cards over the next few months. This is a typical base-building market as of right now." For the complete commentary and charts go to The Brock Report.



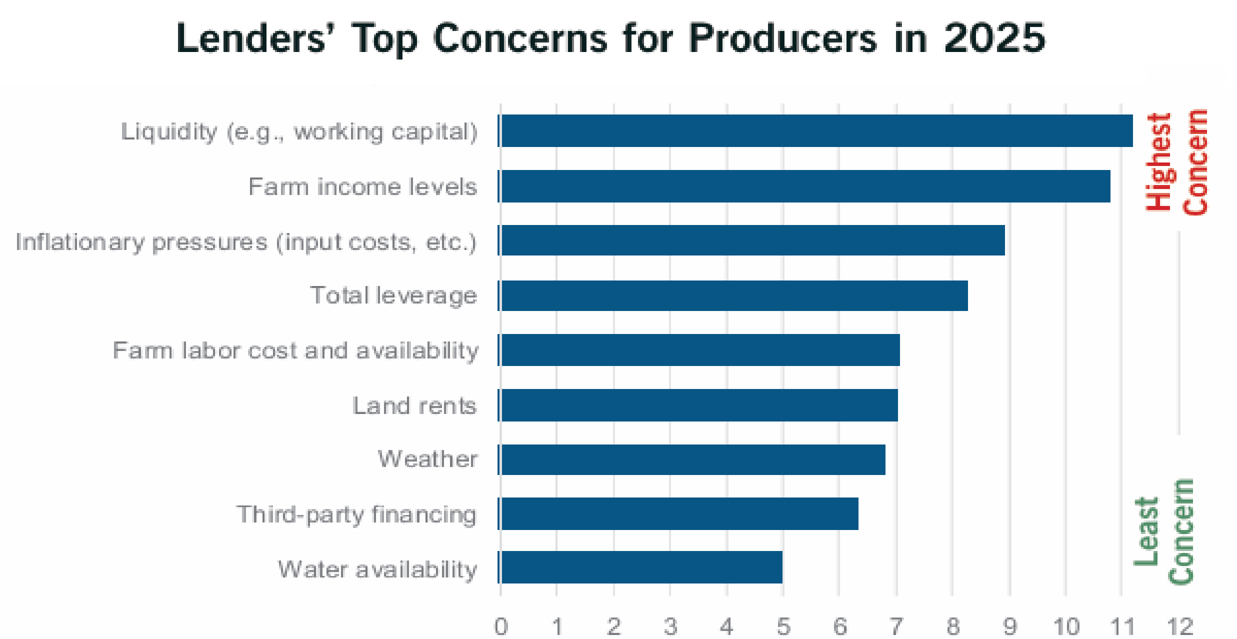
- **Marketing.** "Both corn and beans gave back everything they'd gained the week of Christmas and then some." -- Matt Bennett.
  - ✓ **Corn—futures**. March '26 corn had a crummy week after a couple of weeks with higher closes. March settled at $4.37½, down 2¾¢. This was 3¼¢ off the high and ½¢ off the low. March lost 12½¢ for the week.
  - ✓ **Corn—cash and basis**. Basis was steady/improved. St. Louis river basis was 17¢ over March (1¢ wider). With the big drop in futures, basis tried to bridge the gap. However, the net result for most if not all of us was lower cash prices. Given a ton of January contracts are likely heading to town, there's not a ton of incentive to push bids.
  - ✓ **Corn—marketing strategy**. Now, many elevator systems don't have the bushels bought they assumed they would have by now, so continued movement lower for futures is likely to be met with better basis levels. For those who have HTA contracts, pay attention to this basis. You may get a good shot at locking it in before the USDA report. Either way, I like keeping some ownership of corn, but we need some bullish fodder somewhere in here.
  - ✓ **Corn—2026 crop.** December 2026 corn ended the week at $4.58½, down 10¢. Dec26 was pushing back on that $4.70 level where we were targeting for some risk-management, but getting the market to close in the $4.70s has been a tough ask.
  - ✓ **Beans—futures.** Beans took last week's nice little rally and gave it back-and then some. On Friday, March beans settled down 1¾¢ at $10.45¾. This was 1¼¢ off the high and 7¾¢ off the low. Beans lost 26¾¢ on the week. March meal settled $7.70 lower on the week at $296, while soy oil ended the week at 49.3¢, up .08¢.
  - ✓ **Beans—cash and basis**. Basis was steady/improved. St. Louis basis is 18¢ over the March (6¢ improved on the move to vs March). While originators were narrowing basis, it wasn't near enough to see cash prices improve due to the drop in prices on the board. Cash beans could be in a pickle here.
  - ✓ **Beans—marketing strategy.** Know what you want to get out of your beans and have some offers out. Even if the board continues to flounder, you might get your price if basis has to do the work. On HTA contracts, basis is working in your favor currently, so consider taking advantage.
  - ✓ **Beans--2026 crop**. Nov 2026 beans settled at $10.62¾**,** down 19½¢ on the week. One of the last things we want to see is Nov26 beans moving lower. While we thought there could be a bit of an acreage battle when beans were above $11, it's tough to imagine getting excited about planting $10 fall delivery beans.
  - ✓ **Price ratio—2026 crop**. 2.31/1, beans to corn, based on fall futures, unchg/week.

- **Market advisor's thoughts/suggestions**: Matt Bennett. "It wasn't a good finish to the year or start of the new year by any means. A lack of bullish news along with good weather in South America has buyers on the sidelines. News of the US capturing Venezuelan leader Nicolas Maduro could have an impact on all markets given this being viewed as an act of war to many. Technically, this corn market broke down a bit this past week. We closed under the 100-day moving average at the lowest close we've seen since mid-December. While corn exports and shipments have been phenomenal amidst overall strong demand, the bulls haven't had enough fodder to chew on to close the year. While many were hoping we'd see new money come into this corn market to start the year, Friday's trade didn't look like there was any interest. We need a bullish January USDA report, similar to what we saw in 2025. While most are looking for a drop in corn yields, it stands to reason the USDA would lower demand on a lower production number. Regardless, if we could get stocks established well under 2 bil. bu., this corn market might find some life at any hint of weather issues, either in the US or South America. I'd be surprised if basis works with us while all this corn is moving the next few weeks, so a person might have to stay patient on corn. For 2026 corn, I know last year sticks in most of our heads in that we just didn't get a good chance to hedge any profit margins ahead of harvest as it's tough to know what our yields would be. While this year is starting out with a similar feel, demand has continued to build. I must think we get a few shots to hedge risk, but we'll have to have a plan in place that has flex to it. I still like a strong floor at or above the market which likely requires us to give up some upside. A strategy like that should only be used on a limited basis as we need to make the most out of the market when it finally does rally. However, if we get locked into some $5.30-5.50 corn due to a sharp rally on weather issues, so long as we have the flex to sell more at higher levels, I like that tradeoff..… The bean market can't catch a break. While demand domestically is strong and exports have finally picked up, this crop in Brazil is more than enough to dash any enthusiasm for bean bulls. Given excellent weather overall in South America, the hot and dry conditions in southern Argentina simply aren't enough to get this market's attention. As with corn, we need a bullish USDA report this month. While a drop in bean yields would sure be nice it's tough to bank on that given how good these yields were, especially in the western Cornbelt. Maybe the best chance for beans to rally, other than a USDA surprise, is to see corn lend some support. Regardless, right now this bean market looks rough…..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.

- **Last week we did a wrap on 2025** for the Beck's podcast. Here is this past week's episode - Grain Marketing Update with Matt Bennett (12/30/2025).

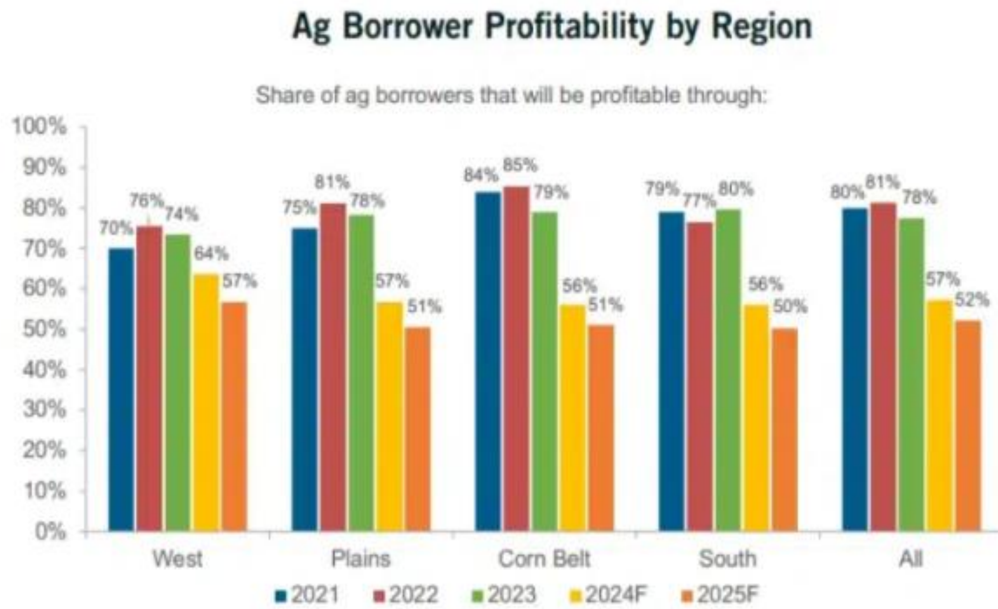
Farm Economy—

- **This is not good news.** There is probably no surprise that agricultural bankers and Farmer MAC have compared notes about the farm economy and the financial pit that has captured many farm operators due to high input costs, and tariff-impacted prices. They say, "Farm profitability was uneven in 2025 as producers across the various sectors faced ongoing shifts in supply, demand and trade relations. At the highest level, farm incomes are expected to bounce back in 2025, according to the USDA farm income projections. This welcome reprieve follows two consecutive years of declines. However, the bounce in 2025 can be traced almost solely to strong profitability in the livestock sector and a surge in government payments. Nearly all crop producers are facing significant downward pressure on profitability as stagnating prices and elevated input costs squeeze margins. Lenders remain acutely attuned to the challenges producers face. For the third consecutive year, they cited liquidity as their top concern in the survey. The last time liquidity did not top the list was 2022, when farm incomes were peaking and inflationary pressures dominated the economy. Inflation has remained a key concern each year since 2022, but to a lesser extent. Lenders' focus on liquidity spotlights the tight margins that many producers face.

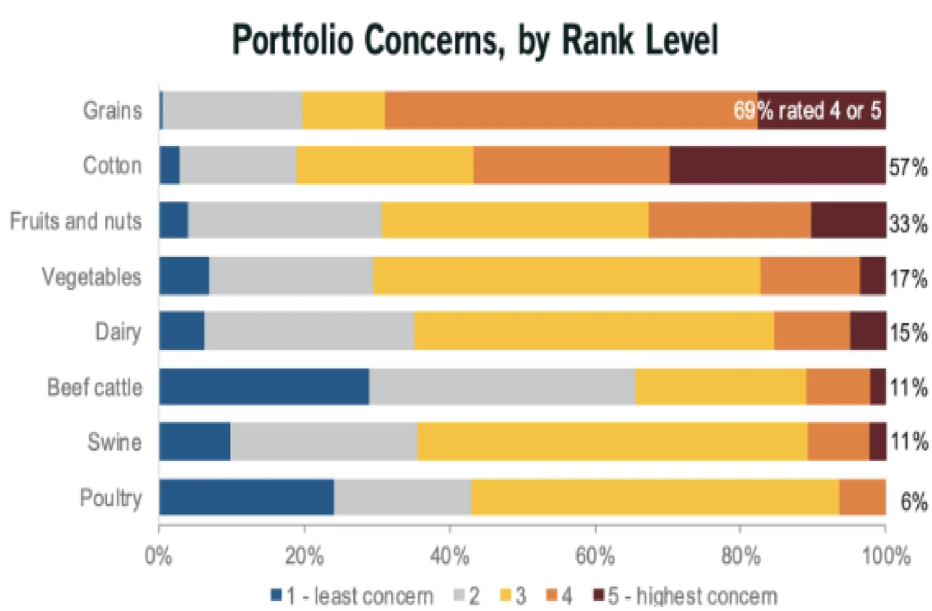


Agricultural lenders surveyed in the new 2025 ABA/Farmer Mac Agricultural Lender Survey expect only 52% of U.S. farm borrowers will be profitable this year, signaling a sharp decline from recent years. It's also a sign that producers across major crop regions are continuing to navigate through a period of tighter margins and severe financial stress. 93% of ag lenders expect farm debt to increase over the next year, which is up slightly from 88% of lenders who responded that way last year. But the high number indicates there will be higher demand for farm loans, something that can be a hallmark of previous downturns. →

- **According to the American Bankers survey**, lenders say the 2025 farm economy is being shaped by soft commodity prices, high input costs and high interest rates — all working together to squeeze margins. "This is the tightest farm income environment we've seen since before the pandemic," said an IA ag lender. Crop producers — especially corn, soybean and cotton operations — face the most pressure due to rising costs, lower commodity prices and declining working capital. Livestock operations, in contrast, remain relatively stable thanks to stronger protein demand and improved feed costs. Lenders forecast that just 52% of their borrowers will remain profitable this year—the lowest level since 2016. In the West: 57% expected to be profitable; Midwest: 52%; Plains: 50%; and the South: 45% expected to be profitable. The gap reflects commodity mix: diversified or livestock-heavy regions remain stronger than grain-dominant areas. "Margins are narrowing quickly, especially for grain producers. Working capital is eroding," noted a Kansas lender. →



- **One result of tighter profitability conditions** is the expectation of increased loan demand. The survey found nearly 93% of responding lenders indicated they expect farm debt to increase over the next year. This would be only a slight increase from 2025, when approximately 88% of lenders reported an increase in farm debt.



- **With an increasing demand for farm loans**, the results from ABA and Farmer Mac say the rising demand for farm loans mirrors previous downturns in the farm economy. "Ag producers were able to use cash to finance operations as farm incomes surged in 2022 and the surrounding years. However, cash has become increasingly scarce for many operations today, prompting some producers to seek new or additional loans," according to the report. "Previous periods of tighter farm incomes have also been accompanied by greater demand to restructure debt. As lenders evaluate farm cash flows, one solution often utilized is terming out debt — that is, refinancing short-term credits into longer-term loans, thus easing the annual impact on the income statement. Indeed, the number of lenders expecting loans backed by farm real estate to increase over the next year jumped in the 2025 survey results. More than 53% of lenders say supplemental income sources — such as wind leases, solar leases, CRP payments or recreational leases — have become critical to producers' bottom lines. Meanwhile, government payments still remain a meaningful revenue source for many operations. Over 30% of lenders say government payments made up more than 25% of borrower income last year; and only about 34% consider future payments in underwriting, citing uncertainty. "Alternative revenue is keeping some operators afloat," a western lender said. "Without government support, profitability would be substantially lower."
- **One of the biggest surprises in 2025** is farmland values remain historically high despite tightening margins. Farmland values rose for the fourth straight year. 2/3 of lenders expect land values to flatten or decline in 2026. Limited supply of land for sale continues to hold values firm. Cash rent trends show stability. 73% of lenders report no change in rental rates this year Nearly 90% expect rents will remain flat or decline next year. "Land values are the pressure valve," one NE lender said. "If they slip, lenders will tighten credit quickly."

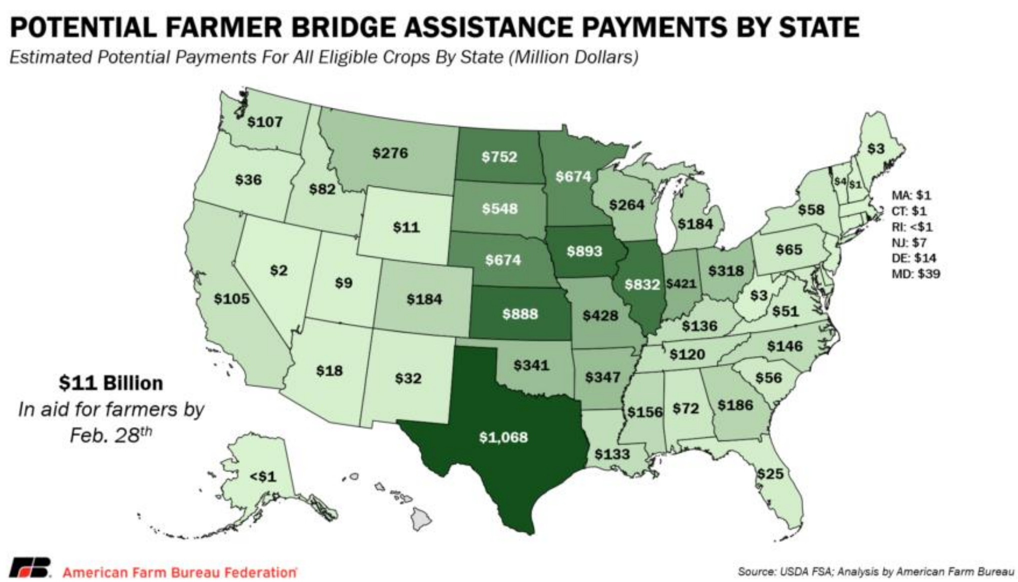
- **Since 2020, AgriBusiness Global** has developed a [yearly forecast of key events likely to impact global agriculture and agribusiness in the year ahead.] Among the top forecasts for 2026 are input prices staying flat or increasing as suppliers compete for farm purchases. They also said China's economy will continue to be challenged as the country's enormous pesticide manufacturing capacity continues to drive margin erosion globally. While this is a positive for end-users of crop inputs, profitability for the supply channel remains challenging. Agro-industry "stagflation" is expected to continue into next year. Flat global demand in the Americas, Europe, and the Asia-Pacific nations is being driven by aging, shrinking populations, and in the U.S., especially, food consumption may drop because of the increasing use of obesity drugs and the Make America Healthy Again program. The energy outlook will remain positive, except where political taxes play a role.
  - ✓ With some dismay we expect stagflation to continue into 2026. Globally the commodity market continues to be beset by overproduction: high grain inventory, oversupply of tree crops and vegetables, and lack of premiums for organic production.
  - ✓ We see global tariffs and the resulting retaliation against tariffs causing short-term volatility in input prices, then settling down to some measure of adaptation in the medium term.
  - ✓ China's enormous pesticide manufacturing capacity continues to drive margin erosion globally. While this is positive for end users of crop inputs, profitability for the supply channel remains challenging.
  - ✓ Global agriculture runs on energy. Continued supply-side policies in the U.S. and the Middle East are keeping energy prices stable and attractive, and helping to maintain a lower but stable value of the U.S. dollar.
  - ✓ A key question, as always in this region, is Brazil. Will it recover from high interest rates and inflation that have caused major defaults in agribusiness sector, which accounts for about 25%-30% of its overall GDP?
  - ✓ As the U.S. economy goes, so goes the cost of money globally. Lower interest rates in the U.S. should drive a lower-but-stable value of the dollar, giving agribusiness predictability in regard to capital investments, inventory levels, and trading of commodities.
  - ✓ In technology, solutions for soil health continue to be needed to adapt farmland to new climate change, the high nutritional needs of improved germplasms, and sustainable long-term equity value for multi-generational farm families.
  - ✓ If tariffs or regulations shift and suddenly are imposed short-term or mid-season, producers will not be able to adjust their planting and/or harvesting decisions and capital investments, which will magnify their losses. Agribusinesses will see losses in export market shifts and potentially higher costs, i.e., in crop inputs. As a consequence, producers will become more dependent on government supports.

Mailbox Money and Farm Programs—

- **Farm organizations had varying reaction** to the Bridge Payment announcement. They were all polite, but expressed disappointment at the USDA's Bridge program.
  - ✓ **The American Soybean Association** Pres. Scott Metzger, credited the Trump administration and USDA for recognizing the economic losses, but said, "The payment rate for soybeans will likely not be enough for soybean farmers to keep their operations financially solvent as we move into the next planting season." He said the $30.88/acre for soybeans 'will not cover the significant financial damage soybean farmers sustained this year due to the high cost of production and losses sustained during the China trade war." Ag economists estimated economic losses for soybean farmers were more than $100 an acre. Metzger said, "Farmers need strong, reliable markets to guarantee the long-term success of the U.S. soybean industry."
  - ✓ **The National Corn Growers** Pres. Jed Bower, also an Ohio farmer, had similar comments. He welcomed the assistance but said in a statement that "more work is needed to develop markets to provide 'long-term economic certainty. While this financial assistance is helpful and welcomed, we urgently need the administration and Congress to develop markets in the US and abroad that will provide growers with more long-term economic certainty," Bower said. "Corn growers have been sounding the alarm about the fact that farmers have been faced with multiple consecutive years of low corn prices and high input costs."
  - ✓ **Pat Clements, president of the National Association of Wheat Growers** (NAWG), said, "Wheat growers are closing the books on a difficult year marked by extremely high input costs and stubbornly low wheat prices," Clements said. "NAWG appreciates the Trump administration's response to the market challenges facing farm families and its efforts to deliver much-needed assistance. While the rates announced today do not come close to making wheat farmers whole for the per-acre losses experienced in 2025, the $39.35 per-acre payment for planted wheat will help lighten the blow of a challenging year."
  - ✓ **National Cotton Council** Chairman Patrick Johnson called the payment rate for cotton growers 'a welcome and much-needed level of assistance.' 'This support is critical for producers struggling to manage current economic pressures and will give lenders and growers the confidence to continue to invest in cotton,' Johnson said."
  - ✓ **National Sorghum Producers** Chair Amy France said the payments "provide near-term certainty while longer-term improvements to the farm safety net and risk management tools take effect. That stability matters as growers plan for the upcoming planting season and work through the impacts of a year of lost international trade."
  - ✓ **(It has been noted** in recent distributions of funding that the administration keeps close tabs on any positive, negative, or neutral expressions from farm organizations.)

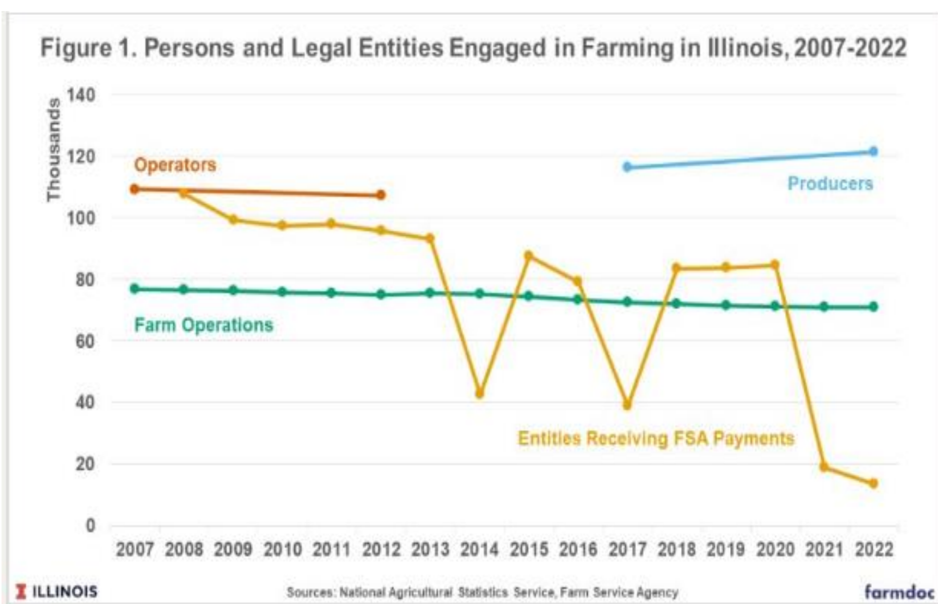
- **No additional farm aid** is expected next year despite earlier suggestions by President Trump and others that extra help is possible, given billions in continuing farm losses. Undersecretary for Farm Production and Conservation Richard Fordyce says his agency is not considering adding to the $12 bil. in farm aid announced recently, despite $44 bil. in farm losses this year. That, even as President Trump suggested openness to more aid and Senate Ag Chair John Boozman, R-AR, offered his help, "So, we look forward to helping you if we need some additional help, looking to Congress. We'll be there for you, sir." Undersecretary Fordyce told Reuters that he doesn't know what next year will bring, but "at this point, we feel like we've kind of done what we can do." That's because of budget limits and the fact that revenue from President Trump's tariffs is now on the line at the Supreme Court, "We have other methods, but they're not as powerful, not as quick. So, it's a very important thing…the decision of the Supreme Court is a very important thing. We can do it other ways, but it's slow, and it's cumbersome, and it doesn't have the power, it doesn't have the national security power." USDA also hoped to release, this week, the payment rate by crop per acre for the announced aid, with actual payments made by February 28th. Payments will be based on what producers planted and reported to the FSA in 2025, with aid serving as a "bridge" to new, higher reference prices next year. (Berns Bureau)
  - ✓ **What is ASA's response to no additional financial aid? "**With soybean production costs well above market prices and a $31 check per acre not making up the difference, what is the game plan? The soybean crushing industry is reminding the EPA that it has strongly supported biodiesel." And new President Scott Metzger of the American Soybean Assn. says, "While the assistance provides some relief, farmers need strong, reliable markets to guarantee the long-term success of the U.S. soybean industry. We urge the Trump administration to focus on immediate, achievable actions which will support domestic soybean markets, including finalizing policies that create a preference for soy-based biofuel feedstocks through the 2026-2027 Renewable Volume Obligations, robust biomass-based diesel volumes, and 45Z Clean Fuel Production Credit tax guidance. Reliable markets depend on policies that grow demand, strengthen rural economies, and provide certainty for the next generation." ASA's Metzger added**,** "ASA urges the administration to deliver long-term demand solutions by finalizing strong biofuels policy. Finalizing EPA's biofuel blending requirements as proposed, including the RIN credit discount for imported biofuel feedstocks that undercut domestic soybean demand, would prioritize American-grown feedstocks, support domestic energy production, and strengthen demand for U.S. soybean oil. Further, the swift finalization of 45Z tax guidance to ensure the positive changes created through One Big Beautiful Bill Act can be realized, is imperative to support biofuel industry investments. Putting these policies in place now will help ensure today's assistance is paired with lasting market opportunity for soybean farmers and rural communities." One soybean crusher says, "US Environmental Protection Agency (EPA) stand firm on your original proposal to support US farmers and US soybean crushing industry. We spent the money and have the talent and resources to "Crush This!" The time is NOW."

- **American Farm Bureau economist Faith Parum** reports, "Even after accounting for crop insurance indemnities and prior ad hoc assistance, the agriculture sector continues to experience multi-bil.-dollar losses each year. The FBA program is a needed step toward easing financial strain in the farm economy, but it is not expected to cover the full extent of row crop losses during this prolonged period of elevated costs, low crop prices and weak margins. Additionally, the $1 bil. allocated for specialty crops falls short of addressing the total losses that specialty crop producers are facing. Importantly, the FBA program is designed to serve as an economic bridge until the One Big Bill Act (OBBA) enhancements take effect beginning in fiscal year 2026. Based on USDA-FSA crop acreage data for 2025, total FBA Program payments are estimated at $10.8 bil., with total projected payments led by corn at $4.3 bil., followed by soybeans ($2.5 bil.), wheat ($1.9 bil.), cotton ($0.9 bil.), rice ($0.4 bil.) and sorghum ($0.3 bil.). Payments broadly reflect the magnitude of estimated losses by crop. Per-acre losses were higher for rice and cotton, while corn, wheat and soybeans experienced smaller—but still negative—returns. Consequently, payment rates are lower for crops with lower loss intensity. At the state level, FBA Program payments are projected to be highest in TX at $1.1 bil., followed by IA at $893 mil., KS at $888 mil. and IL at $832 mil. Midwest and Cornbelt states in total are expected to receive $6.9 bil. (64%), while Southern and Southeast states are expected to receive about $2.8 bil. (26%). Western states and states in the Northeast have fewer acres of crops eligible for the FBA Program and, as a result, are expected to receive a smaller share of overall support.



Participation in FBA is subject to an adjusted gross income (AGI) limitation, with producers whose average AGI exceeds $900,000 ineligible. Payments are also subject to a $155,000 limit per person or legal entity, including corporations, limited liability companies, S corporations and trusts. This payment cap is separate from limits to other USDA programs. While this one-time assistance provides timely support, it is expected to offset only a portion of 2025 losses as producers continue to navigate broader economic challenges in the farm economy.

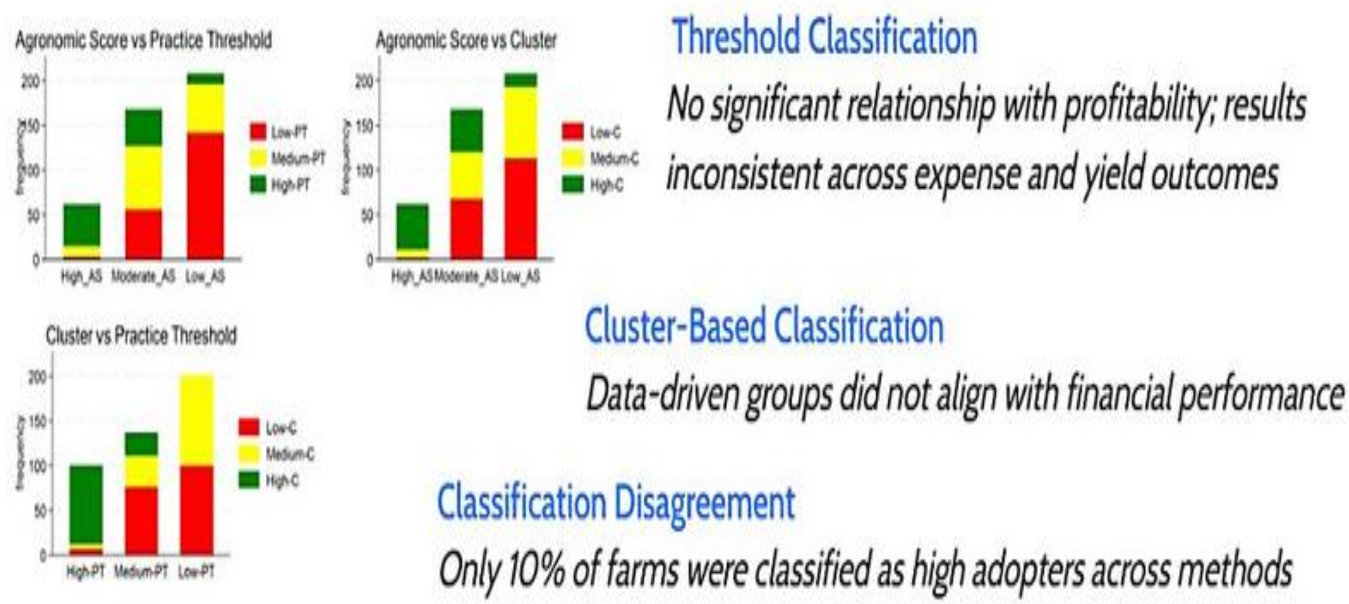
- **Out of curiosity**, who is getting farm program payments? [Farmdoc ag economist Joe Janzen and one of his graduate students] tallied the recipients of FSA payments to identify trends. They report, "Our analysis of FSA payments data shows the number of entities receiving payments has declined over time, dropping faster than the number of farms and falling even when the measured number of individual producers, those actively engaged in farming, has been increasing in NASS data. However, the composition of entities receiving payments has changed. In particular, the prevalence of LLCs as a business structure appears to have increased steadily and substantially. While our methodology for identifying entities may measure the level of LLCs with error, it is suitable for identifying trends over time. We see a substantial increase in farming entities operating as LLCs with corresponding decreases in the use of sole proprietorships. We do not see dramatic shifts in the prevalence of entity types in the data around major farm program policy changes. That is, we cannot determine from aggregate data whether farm program payment limits have changed the incentives for individuals to engage in farming and use specific business structures such as LLCs to do so. farm program payments have generally included payment limits that cap the amount paid to individuals (not legal entities, but the individuals who own them) under each program in each year. These caps may incentivize individuals to create legal entities to become "producers" to evade payment limits. FSA regulations specifically prohibit the adoption of entity ownership schemes to avoid payment limitations to individuals under federal farm subsidy payment programs, but there have been instances where farming operations have been alleged to use a multiple entity farm structure to evade payment caps. Figure 1 shows the number of recipients declined from 107,800 in program year 2008 to 84,611 in 2020, a proportionally larger decline than in the number of farms. When farm programs are widely triggered, the number of payment recipients exceeds the number of farms, suggesting that a substantial number of farming operations have multiple operators. There was a substantial drop in 2021 and 2022 as fewer FSA payments were triggered during these high price years. This broad trend toward fewer recipients does not, however, connect farming operations to persons or legal entities who received payments or assess the types of legal entities chosen by individuals in response to particular economic or policy conditions.



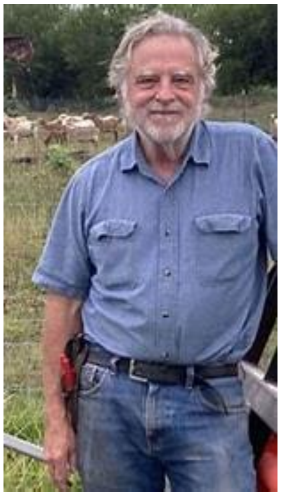
The Business of Farming—

- **Will you use your "bridge" payment** to avoid selling your stored grain? In the past, when there had been an ad-hoc payment, producers used those payments to not market a crop because they had something on hand in their cash supplies. That may not be the best option. Univ. of IL Farmdoc ag economist Joe Janzen (right) has been talking with farmers about payments that come in from the United States government. In the past, what do we know, particularly from the Trump administration's MFP, or Market Facilitation Program, about the payments that took place, which seem very similar to what this bridge payment might be, "Going back in history is a helpful guide, I think, in this case. What would farmers do with this money? Well, I think we know that they probably won't adjust production levels, right? It doesn't really change our incentive to plant a crop or not. But I think it can have an influence on marketing decisions, particularly the decision to hold grain for longer into the end of the marketing year. That's what we saw during the MFP era: the trade aid payments that were made in 2018 and '19. We saw the farmer being a much bigger holder of the crop in 2018 and '19, particularly for soybeans. Some of that was, yes, market conditions, but some of it, and we've done some research to show that some portion of those additional inventories that were held after harvest those years really were on-farm inventories held directly because of the money that was paid out by the administration for those payments." He said the logical question is, will we see that again? "I think anecdotal evidence suggests that may be the case. The farmer's already a pretty large holder from what we've heard ahead anecdotally. We'll get some confirmatory evidence of that when USDA releases its Grain Stocks Report in January. And the big concern is: what does that do? It kind of narrows the marketing window for the farmer. And the potential is that you're stuck holding a crop in, let's say, June and July, with a very short window in which to get that crop sold before we have a 2026 harvest." He said the USDA report in January is comprised of the grain stocks figures, the World Agricultural Supply and Demand Estimates, and the final crop production numbers, along with a winter wheat plantings and acreage figure. The fear is that those combined will set a tone for the marketplace, probably for the first quarter of the year. And if they don't change anything, producers will have missed opportunities to market a crop because they decided to hold at this point. Janzen said the changes could come, but the tone may very well not change very much, "I don't have a crystal ball into what that report will contain. And so, if we do, in fact, see that, and the farmer is a big holder of corn and beans after harvest, they have a bigger marketing challenge than they would in any other year." And that will present a big challenge, "In terms of how do we get that crop priced and not get pushed into a narrow marketing window where prices may not be what we would have hoped they would get to, where we would get sort of in terms of that typical seasonal improvement in price may not be there, given the big crop and the big farmer inventories and then whatever news we get about the size of the crop elsewhere in the world, principally South America." (WILL radio)

- **Does a soil health program on your farm,** put money in your pocket? [KS St. Univ. ag economists](), using the KS St. version of IL Farm Business Farm Management records, wind up with a positive response to that question. They report, "Frameworks such as Conservation Agriculture, Regenerative Agriculture, and Climate Smart Agriculture promote principles like minimizing soil disturbance, maintaining ground cover, diversifying cropping systems, and improving nutrient and water cycling. The environmental benefits of production practices that aim to improve soil health are well established, including improved soil structure and fertility. However, understanding of the farm-level financial implications of practice adoption is limited. Adoption of these practices is a business decision that often requires changes to equipment, labor, and management strategies and may involve transitional costs that delay or reduce profitability. We address two research questions: (1) Are soil health investments related to better farm-level financial outcomes? and (2) Are different soil health classification methods consistent across farms and in their relationship with financial health? The first question targets the central empirical link between management practices and profitability. The second recognizes that how soil health investment is defined and measured may influence adoption classification and, by extension, the interpretation of economic outcomes. Using detailed farm-level financial records and survey-based measures of soil health investment, we find that adoption of soil health practices is associated with modest improvements in farm financial outcomes, as measured by the net farm income ratio. We find some suggestive evidence that this relationship may be driven by lower expenses. However, the strength and consistency of these relationships depend heavily on how soil health adoption is classified. We introduce and compare multiple classification strategies and find that they are rarely consistently categorizing farms, which in turn influences the observed relationship with financial performance."



State of Agriculture in 2026—

- **Joe Maxwell has done a lot of thinking** about American agriculture**.** You may not know  him (MO farmer and former MO Lt. Gov.) And you may not be familiar with the farm organization he leads (Farm Action). But he's identified a number of issues which many other farmers may silently think, "Yeah, that is an issue." Within the current farm economy, "Commodity prices remain under pressure, input costs stay stubbornly high and government payments — while keeping some farms afloat — often mask deeper structural problems," says Maxwell (left). "We're on this hamster wheel. Government sends out a bailout; input companies raise prices, and the money flows right back up to them. We think we're being helped, but really, we're just passing the money through." Maxwell challenges one of agriculture's most familiar slogans. "Let's be honest — we don't feed the world anymore," he says. "We import 60% of our fruit, over a third of our vegetables and record amounts of beef. We have a $47 bil. agricultural trade deficit. The world is starting to feed us." He argues that U.S. farm policy has become overly dependent on exports of feed and fuel crops, while overlooking food crops and livestock production that directly feed Americans. Maxwell calls for farm programs that reward food production rather than commodity production. "Every year we lose up to 1.8 mil. acres of pasture to row crops," he notes. "That's a failure of policy. We make it easier and more profitable to grow corn for fuel than to raise beef or vegetables for food. That's not national security — that's national vulnerability." Maxwell points to consolidation as the most dangerous — and least understood — threat facing independent producers. From fertilizer and seed to meatpacking and grocery shelves, he says control has concentrated into the hands of just a few corporations. "The power dynamic in agriculture has flipped," Maxwell explains. "Farmers used to have leverage. Now, a handful of companies control nearly every input we need to farm — and they set the prices we pay. Then they control the markets we sell into, and they set those prices, too. That's not a free market — that's corporate feudalism." The problem, he says, isn't just economic — it's political. "These corporations have so much money and influence they shape farm policy to fit their own balance sheets," Maxwell adds. "When we go to Washington asking for help, they're already there, writing the rules. Until we restore fair competition and transparency, every bailout, every policy tweak is just feeding the beast." When asked whether Farm Action supports another round of USDA bailouts for struggling producers, Maxwell doesn't hesitate. "We recognize farmers are in crisis," he says. Despite his criticism, Maxwell frames his message as one of hope — if farmers and ranchers take the lead. "We can't sit back and wait for Washington to fix this," he says. "We have to step up, be part of the conversation, and demand policies that keep family farms in business." "We have to lead," he says, pausing before adding, "because no one else is going to do it for us." He says the future of U.S. agriculture depends on whether farmers choose to engage in these hard conversations — the ones about fairness, policy, and the future of independent family farms. (Farm Journal Podcast with Joe Maxwell.)

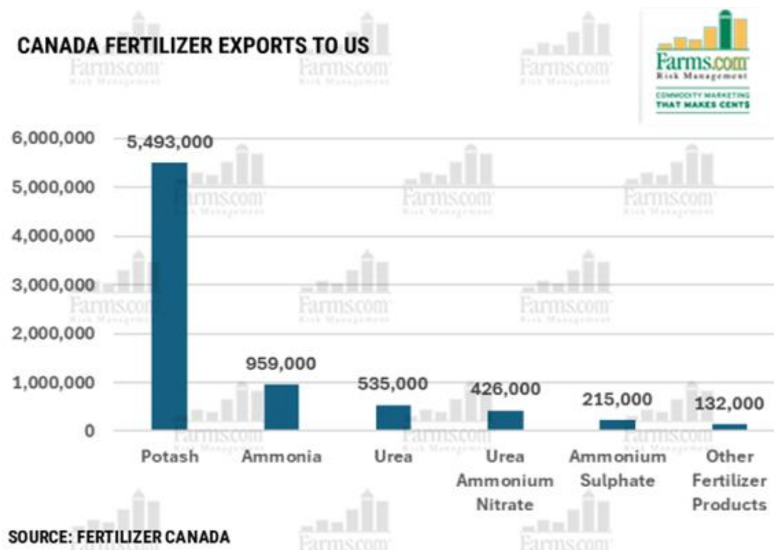
- **2025 was a year of mixed fortunes in agriculture**, depending on the commodity, crop versus livestock, while disease threats persisted. As for crop growers, now former USDA Chief Economist Seth Meyer (right) says the squeeze this past year continued, "As commodity prices have come down from their '22, '23 peak, we haven't necessarily seen the same moderation in the input price side. And that tends to squeeze margins significantly." That's compounded by trade war disruptions with China and others. As for livestock producers?, "Things have been looking pretty good. We've seen record high feeder and fed cattle prices." Fueled by a contracting cattle herd and strong consumer demand for beef, but also by the threat of the New World Screwworm closing the border with Mexico to live cattle, "Strict protocols in place, ramping up feral fly production and investing in the ability to push that fly further south." But President Trump also ended his tariffs on Brazilian beef to lower U.S. consumer prices—a move that had domestic cattle producers crying foul. High-path avian influenza, meanwhile, forced culling of flocks and sky-high egg prices. The U.S. turned to more imported hens while the disease subsided. (Berns Bureau, Washington)

Land Prices and Farmland Issues—

- **USDA is going after farmland owned by foreign entities.** Identification of it is the first step, and a notice has been filed that rulemaking will change, and comments are being sought about that process. There is a desire for better reporting on foreign ownership from USDA, spurred mainly by Chinese ownership of agricultural land. It is not just US land owned by foreign governments, but land owned by companies headquartered abroad. Chinese parent ownership has faced state penalties for failing to file with the state despite meeting USDA filing guidelines. That was highlighted when AR officials fined Syngenta $280,000 and ordered the company to sell more than 150 acres from a research farm in the state for not filing its ownership interests with AR state officials. USDA's latest report on foreign agricultural land holdings shows people from outside the country own nearly 45 mil. acres of land, as of the end of 2023. The bulk of that is forest land owned by Canadian timber companies. That takes up about 3.5% of all privately held agricultural land. Foreign holdings also increased by more than 1.5 mil. acres from 2022. Chinese investors held 277,336 acres at the end of 2023. Two companies, Murphy Brown LLC (Smithfield Foods) and Brazos Highland Properties LP – combine to hold nearly 64% of that Chinese-held land. 5 states make up the 93% of Chinese land holdings: TX (123,708 acres); NC (44,263 acres); MO (42,905 acres); UT (33,035 acres) and FL (12,798 acres). Chinese interests filed reports for 15 purchases in 2023, mostly from Syngenta Seeds LLC and Murphy Brown LLC.

Fertilizer, Fuel, and Other Inputs—

- **Fertilizer prices rose in 2025** compared to 2024, driven by strong demand and persistent supply constraints. According to the most recent Commodity Markets Outlook from the World Bank, global fertilizer prices could finish 2025 around 20% higher than the previous year, with urea, DAP (diammonium phosphate), and MOP (potassium chloride) all experiencing substantial gains due to tight exports and robust usage. With fertilizer prices continuing to rise, this is reducing affordability for farmers and beginning to curb global demand; an effect Rabobank expects to intensify in 2026. While global fertilizer use is still increasing, high prices are set to slow that growth next year. In nitrogen markets, some analysts expect prices to ease as new production capacity becomes available, though the outlook remains uncertain. Energy costs, especially natural gas, remain central to fertilizer costs. Natural gas is the primary feedstock for nitrogen fertilizers, meaning that gas price volatility directly affects production costs. In the United States and Europe, evolving Liquid Natural Gas (LNG) flows and storage conditions keep supply tight and prices elevated. In contrast, broader energy markets show potential downward pressure on oil and gas prices into 2026, according to major financial institutions like Goldman Sachs and World Bank projections. They anticipate weaker energy price indices near year-end 2026 due to supply growth and slower demand. A possible Ukraine–Russia peace deal in 2026 could ease sanctions on Russian oil and allow more crude back into global markets, putting downward pressure on prices (which has already been happening). If Russia's exports rebound, they could add to an already large OPEC+-reported oversupply, and some analysts believe this extra volume could push oil prices below current 2026 forecasts. A major potential influence on the North American fertilizer market in 2026 is the possibility of U.S. tariffs on Canadian fertilizer imports, after President Donald Trump suggested imposing "very severe tariffs" to reduce dependence on foreign supply and boost domestic production. Because Canada is the dominant supplier of several key fertilizer nutrients like providing more than 80% of U.S. potash imports, any tariff-driven price increase could significantly raise input costs for American farmers and disrupt the tightly integrated North American fertilizer supply chain. Lower energy (diesel fuel) costs may offset some of the higher fertilizer input costs. Experts suggest that farmers will need to adapt and adopt strategies to manage budgets carefully. U.S. government data suggests fertilizer can comprise up to 40% of some crop production costs, highlighting the severe budget pressure caused by increasing input costs.



Risk Management and Crop Insurance—

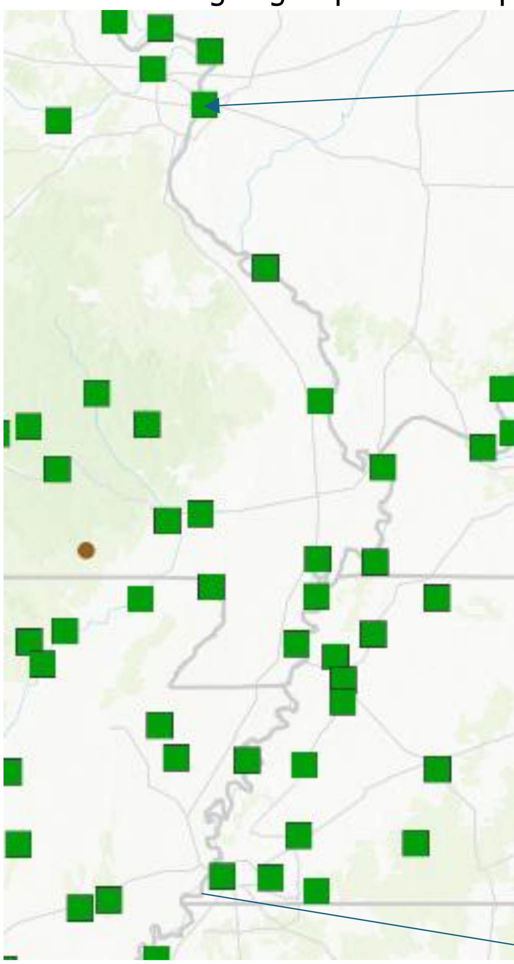
- **National Crop Insurance Services (NCIS)** is encouraging farmers, policymakers, and ag professionals to check out its Keep America Growing podcast. The latest episode  features former Congressman Mike Conaway, R-TX, (left) who previously chaired the House Agriculture Committee. In the interview, Conaway reflects on how crop insurance has evolved during his time in politics, and why it has never been more important, "I think on balance, where we are today, crop insurance is better off. It's never been more needed than where we find ourselves today, given the combination of stunningly higher input costs, trade ruckus that's been going on, and lower commodity prices. Things are really difficult in agricultural America right now, and crop insurance is that one piece of the safety net that can be counted on. Ad hoc disaster comes and goes, but the importance of crop insurance, I don't think can be overstated. For the borrower as well as the lender, banks just won't lend unless you've got a backstop of crop insurance." Conaway also points to recent legislative wins — including improvements included in last year's budget reconciliation package — as meaningful, long-term investments in the farm safety net, "Rep. Glenn Thompson and Sen. John Bozeman – the chairmen – did a really good job of working in a difficult environment to get something done on a bipartisan basis. They were able to order billions of investments in crop insurance over the 10-year budget window with increased discounts on premiums, really significant investments on the client customer side, but I think they also made some great investments in the private sector delivery system to make sure that it's fair to not only the crop insurance agents but the companies themselves, because the private sector delivery system is such an integral part of the success." The conversation also touches on how crop insurance performed during last year's federal government shutdown and continued to deliver for farmers when other programs stalled, "Well, first off, nobody enjoys the shutdown. It's a terrible tool. Both parties, when they're a minority, try to use it, take advantage of it to get policy wins that they wouldn't otherwise be able to, do given the votes on things. So, it's an awful tool. Dreadful. It's very disruptive to most everything, but it did not disrupt crop insurance. Adjusters stayed in the fields. Claims were being processed. Farmers received the assistance. The private sector delivery system stood tall and deliberate throughout that entire 6 weeks." The full interview with former Rep. Mike Conaway is available now as part of the Keep America Growing podcast. Episodes can be found at CropInsuranceInAmerica.org or wherever podcasts are available. (National Crop Insurance Services)

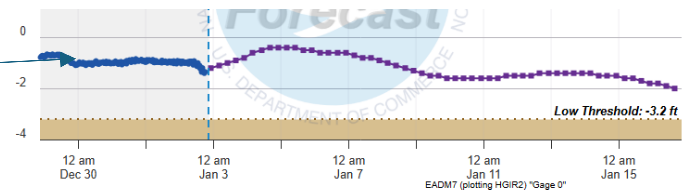
Transportation—

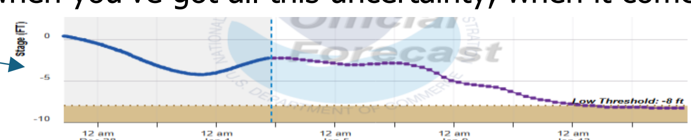
- **A proposed merger could mean a big change** for the U.S. railroad industry. Union Pacific is working to acquire Norfolk Southern, which would create the nation's first transcontinental railroad. The purchase agreement is awaiting approval from the Surface Transportation Board. Mike Steenhoek, (left) executive director of the Soy Transportation Coalition, said there's been positive and negative reactions from shippers, "I'm hearing both. I'm hearing from agricultural shippers, those who actually are quite supportive of the proposed merger between Union Pacific and Norfolk Southern, and they point to the fact that you're going to likely have more steam or service from one area of the country to the next. So, you'll have an agricultural shipper that has a collection of facilities that are west of the Mississippi River, and they would like to have greater access to maybe some of the livestock markets in the southeast part of the United States, or to the east coast for the ports over there, say, if there are problems at West Coast ports or markets in the west, so you have this prospect for more seamless service." The merger will mean fewer "handoffs" between railroad companies, "One of the realities within supply chains is that handoffs are expensive, but because we have a couple of Western railroads, a couple of Eastern railroads, you have a collection of these handoff locations, like Chicago, Memphis, Kansas City, etc., and freight does not like to be treated like a baton in a track and field relay race. The more you can eliminate handoffs, the better." However, there's a lot to not like about the potential merger, "People point to the fact that this is not our first rodeo. We've had mergers, acquisitions, and consolidations within the rail industry for a number of decades, and what that does is it often results in higher rates, a decline in service, and for agriculture and other industries, what you want is as many transportation providers competing for your business. That's good for us, and when, suddenly, you start eliminating or reducing those transportation providers, you start changing that competitive balance away from the customer, agricultural shippers, in our case, or the railroad. So rightfully, there are a number of shippers who are very concerned about this." (Agriculture of America) →

- **Lawmakers are starting to weigh in on the proposed UP-NS merger**. Sen. Tammy Baldwin, D-WI, called on the Surface Transportation Board to reject the merger application, saying, "If approved, the merger would greatly reduce competition in Class I rail and worsen the already poor service and high costs experienced by farmers and food manufacturers while jacking up consumer costs as businesses pay more to get their products to market. As farm families watch the cost of almost everything skyrocket, the last thing they need is a rail merger that all but promises to raise prices and worsen already inadequate service for farmers, manufacturers, and businesses," Baldwin said. "Approving this merger would take us in the wrong direction by stifling competition, worsening service, and raising costs on the consumers and businesses who are already facing growing headwinds because of the Trump administration's trade policies." The merger would be the most significant consolidation in freight rail in decades and reshape the entire rail industry.
- **For the controversial rail merger to be approved,** it must satisfy the demands of companies that depend on the railroads for shipping. The Rail Customer Coalition (RCC) has formed with dozens of member organizations across multiple rail customer industries to highlight their concern that competition must remain intact. As pointed out by the RCC, 4 railroads control 90% of U.S. freight rail traffic, and rail customers face frequent service disruptions while freight rail rates have increased more than 40% (inflation-adjusted) over the past 2 decades. "Farmers and ag retailers operate on razor-thin margins, so even a small, artificial cost increase can have a big impact," says RCC member Daren Coppock, president & CEO, Agricultural Retailers Association. "When rail service is dominated by just a few players, they hold the power to set terms that work for them — not for the shippers and customers who depend on rail to move agricultural commodities, fertilizer, ag chemicals, fuel and other essential supplies. That imbalance drives up costs and threatens the reliability of our entire supply chain." According to the National Grain and Feed Association, 3.2 mil. rail cars of grains, oil seeds and other agricultural products move by rail on an annual basis. That adds up to be 10% of all rail shipments. At least 26% of grain has at least one rail movement. In reaction to the merger being officially filed for STB review, The Fertilizer Institute gave this statement: "The fertilizer industry relies heavily on rail, and many shippers already operate with limited transportation options, increasing costs and continued service challenges, all with a "take-it-or-leave-it" approach from railroads. Our priority is a rail system that provides reliable service and a balanced relationship between carriers and carload shippers, with accountability for systemic rail service failures and a rate review process that is efficient, timely and economical. While we are still reviewing today's STB filing, it is difficult to see how any coast-to-coast merger would improve this imbalance or meet the standard set out in the Surface Transportation Board's merger rules. Today railroads hold all the cards, and larger railroads only give carriers a bigger deck. Now that UP and NS have submitted their merger application, we urge the Board to make the merger's impact on carload shippers, including fertilizer and agriculture, a priority during the review process. The potential for this merger makes needed rail policy reforms to reset the balance between railroads and carload shippers even more critical."

- **Heading into 2026,** U.S. agriculture faces questions about transportation challenges. Mike Steenhoek, (right) executive director of the Soy Transportation Coalition, said no one likes uncertainty, "Large industries like agriculture and supply chains that serve industries like agriculture, they don't like uncertainty, and there has been a considerable amount of that, of course, when it comes to things like export markets, and things like origin of manufacturing for ship building, and whether we're going to penalize ships being built in China or not. There's a lot of uncertainty that really had an impact on supply chains." One of the biggest challenges has been the consistently low water levels in the Mississippi River, "One of them that continues to be an area of concern for us is that we have year 4 of low water conditions on the Mississippi River, and that's certainly had a negative impact on barge transportation. We're kind of outside our main concentrated, intense window of barge shipping right now, particularly on the Upper Mississippi River, but something that's continued to be an area of concern." Steenhoek said one of the biggest transportation positives in 2025 was railroad shipping, "Rail service was pretty commendable throughout the course of the year, and so that certainly has been beneficial to us also. You know, when you've got all this uncertainty, when it comes to our export markets, what you want is for your supply chain to not be adding insult to injury. You want it to be operating as efficiently as possible, because you don't want one more cost to be added to the overall transaction. And so, you obviously celebrate those occasions where the supply chain is operating well. But then, when you have issues like those on the Mississippi River, you know it's obviously an area for concern." (Map indicates water levels at both St. Louis and Memphis are low.)(Agriculture of America)

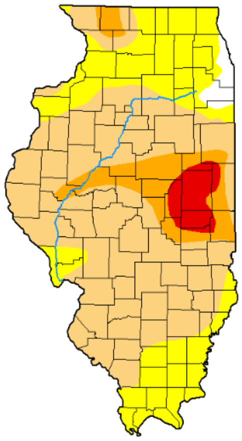


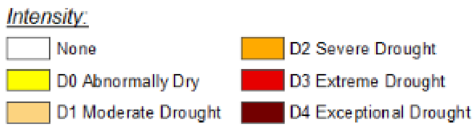




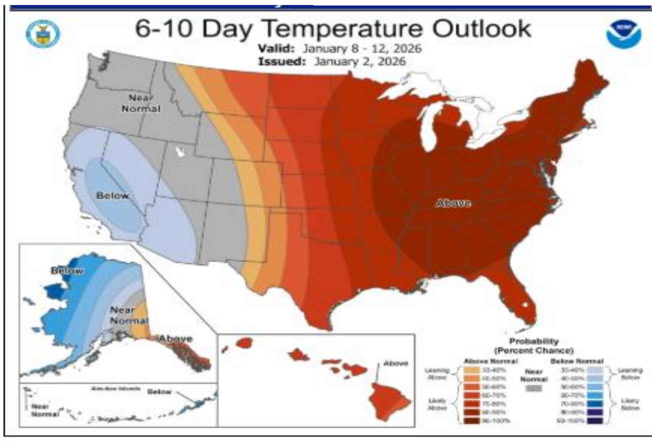
Weather and Climate—

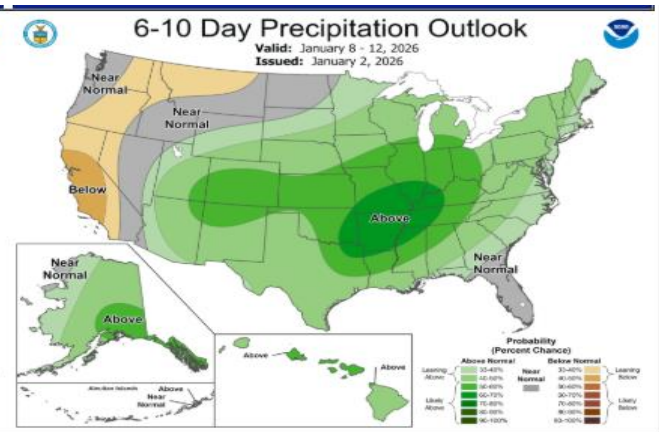
- **For early January,** what is the combination of above normal termperatures and above normal precipitation? It is not snow. Let’s hope some of it percolates into the dry Prairie soil between I-80 and I-64, with a little extra where I-74 and I-57 cross in East Central IL.

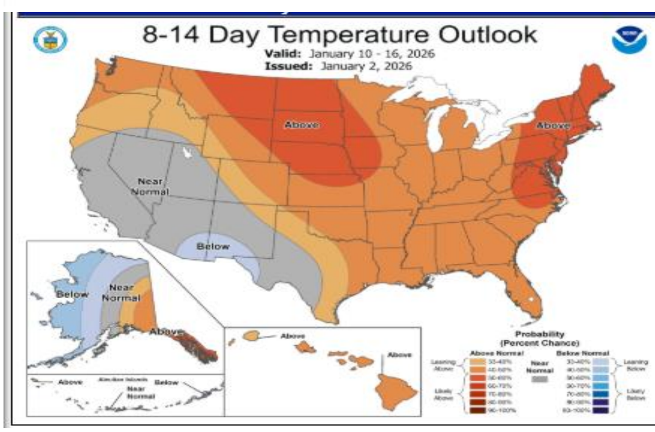


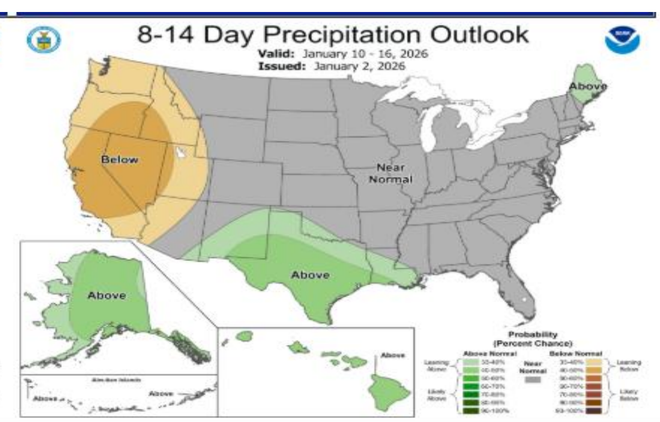


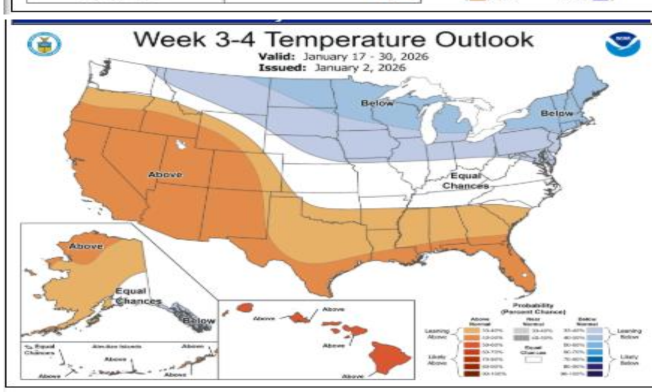
	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	1.91	98.09	70.57	13.56	4.06	0.00
Last Week 12-23-2025	3.82	96.18	67.76	25.22	4.06	0.00
3 Months Ago 09-30-2025	0.00	100.00	73.95	27.73	0.00	0.00
Start of Calendar Year 01-07-2025	54.08	45.92	14.85	0.00	0.00	0.00
Start of Water Year 09-30-2025	0.00	100.00	73.95	27.73	0.00	0.00
One Year Ago 12-31-2024	40.79	59.21	20.41	0.00	0.00	0.00

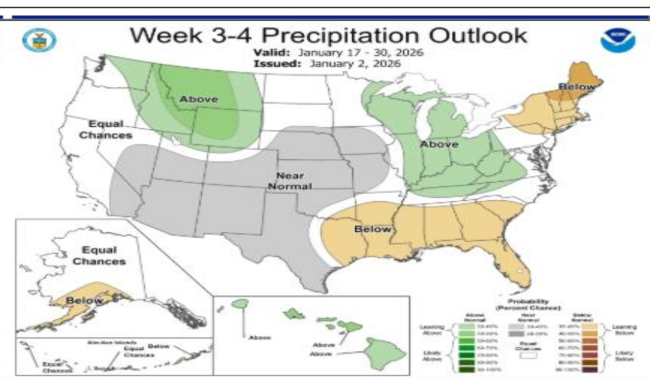




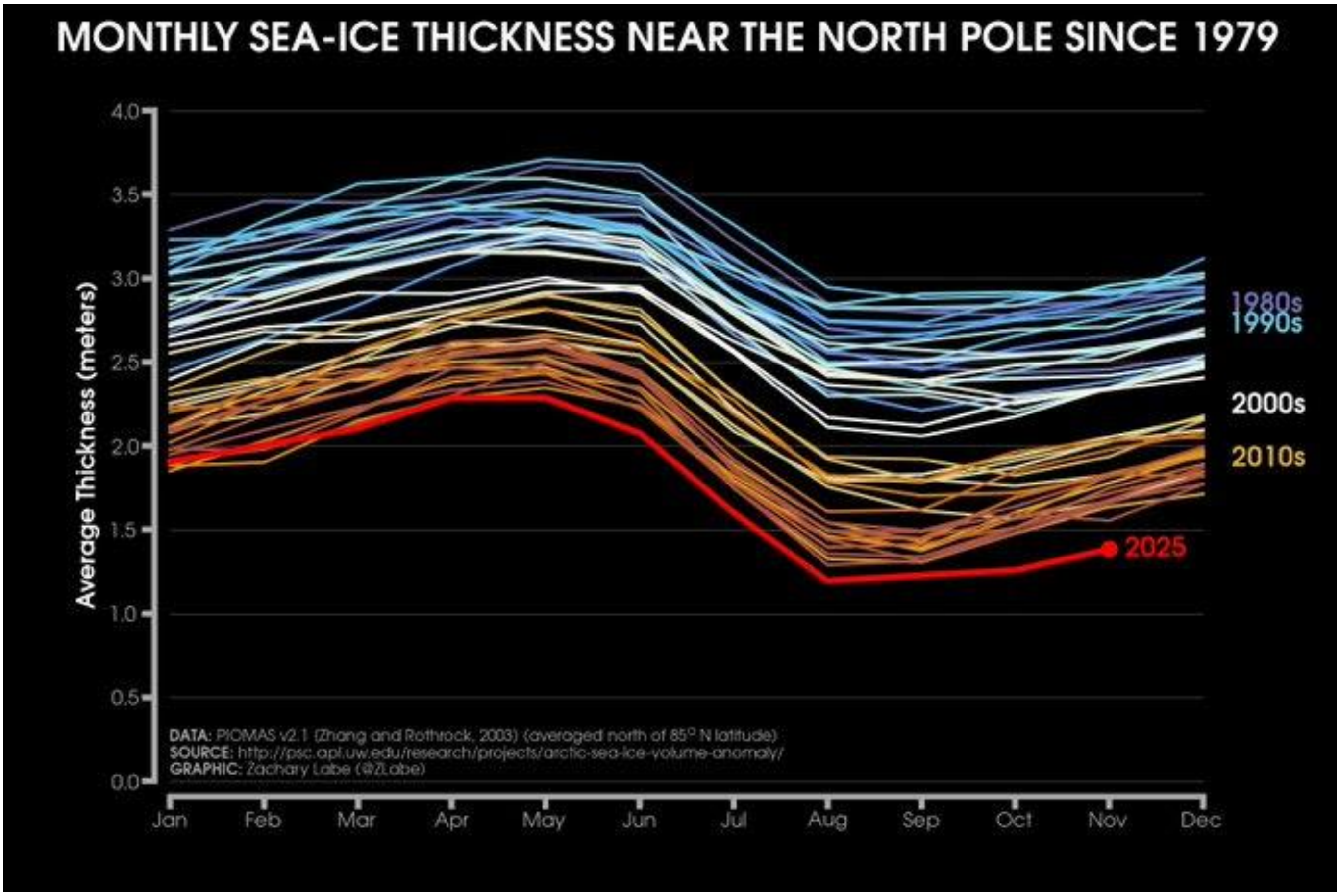








- **Santa Claus may want to find another home** for the Mrs. and their elf squadron, further away from the North Pole. While the scenery may be good, his home may soon drop through the Polar ice, which is getting thinner every year. The folks who measure it, say, "Artic sea ice reached an all-time record low this year around the North Pole."



- **Could a Cornbelt state mimic Idaho** when it comes to drought? December was a wet month across much of the Pacific Northwest, and while much of that fell as rain rather than snow, any precipitation is welcome news, especially in places like northern Idaho. Erin Whorton, a hydrologist and water supply specialist with the Idaho Natural Resources Conservation Service, says the panhandle has been under pressure for some time, leading to moderate, severe, and even exceptional drought conditions this summer, "We really see a lot of impacts on different sectors, like hydropower generation, fisheries, and decreased soil moisture affecting dry-land agriculture in that area. So that area has really felt drought impacts. However, it's been in this drought for 3 years. So, if we look at the long-term drought indexes, that area has been in a long-term drought, and it takes a while to recover from that." She noted that while these precipitation events are very welcome, the region is a far cry from recovered, "You know, drought recovery is maybe a multi-year process where we need a couple of years of good snowpacks to replenish things like shallow groundwater and see stream flow conditions return to normal. We'll have to see how it goes this winter." The latest drought numbers from the USDA show some extreme drought conditions in Idaho. (PNW Ag Network)

Agronomy—

- **By cutting your fertility budget this year,** your soybeans may show indications of needing potassium. But before you implement a rescue treatment, sit back and be patient. It seems soybeans will show symptoms of low-K when the soil is dry, and agronomists recommend waiting for a shower to allow K uptake before tissue testing for potassium.
  - ✓ Learn the R1 date and use that as the standardized scale.
  - ✓ Take a sample from the uppermost, fully expanded trifoliate leaf. Look for darker color and coarser texture in the leaf.
  - ✓ Typically, do not include the petiole in your tissue sample, because potassium is highly concentrated there in a healthy soybean plant.
  - ✓ Use a proactive approach: Take the uppermost expanded trifoliate leaf and divide the field into management zones. In each zone, you want to take at least 18 leaves, no less.
  - ✓ Gather enough plant material to send to the lab to dry, grind and analyze for the most accurate results.

  The severity of the deficiency determines where you are in that window. Agronomist Carrie Ortel said you have 20 days after R1 to apply a corrective application of potassium to get a 90% yield response. However, if you have a "hidden hunger" situation with mild to moderate deficiency, that window of opportunity expands all the way out to 44 days after R1 to get an almost full yield response. "That is going to allow us to have the time that we need to go out there and be proactively tissue testing if we are concerned about a deficiency, sending those samples to the lab, interpreting those results and responding accordingly. We have the time that we need to actually incorporate these management practices," she said.

- **Bayer's corn research technology** starts with a cotton research protocol. "Deltapine's New Product Evaluator (NPE) Program for cotton is unique because it hands real product evaluation to real growers, using their field-based results and insights to shape commercial variety decisions. Now that model is in the early stages of testing for corn as well. Brian Naber of Bayer says the Deltapine NPE cotton program has led to a similar evaluation and development initiative in corn, "This is year number 18 in cotton. We're in year number 3 in corn. We have a program up there that we call Groundbreakers. We're essentially bringing what we refer to as Preceon, which is short-statured corn. And the corn seed, in and of itself, is just one of the components. How we seed, it will be different than tall corn. How we feed it will be much different than tall corn and the access, because the corn is now only 5 to 7 feet tall, how a farmer can protect it by essentially getting out there with their ground rigs, will be completely different." He says the protocols which have been used in cotton are proving to be successful with the new corn varieties as well, "This is a good example of, yes, it is corn, but agronomically it is completely different than tall corn. And really the inspiration of NPE has what inspired us to do Groundbreakers in corn so that we can build and co-create a new agronomic system for corn." Naber says the resulting seed from the Groundbreakers program should be available commercially in about 2 years.

Conservation, Environment, Carbon—

- **The Environmental Protection Agency** proposed a new Waters of the U.S. Rule to give U.S. agriculture more clarity on what constitutes an actual water of the U.S. The public comment deadline is rapidly approaching. Courtney Briggs, senior director of government affairs for the American Farm Bureau Federation, said the time is now for farmers and ranchers to submit comments, "It's important that the EPA and the Army Corps hear the voice of agriculture. They can go to regulations.gov and search for WOTUS and provide their comments there, or on our website at fb.org, searching WOTUS, and you can go to our advocacy page, and we have set it up for our members to engage." Briggs said it's important that farmers highlight this is a "durable rule;" one that faithfully implements the Supreme Court's decision in Sackett, and one that we think is going to inject a lot of clarity and certainty for the regulated community. So, I think farmers need to express that this is a positive rule moving in the right direction and express their support for the rule." Even though the deadline for submitting comments is coming up soon, there is still a lengthy process before the rule can be implemented, "Folks have until January 5 to provide comments, and then the rest of the regulatory process needs to play out. EPA and the Corps need to review all the comments and provide responses, and then there needs to be another round of interagency review." For more information, go to fb.org/wotus. →

- **The EPA's comment period** for its proposed "Waters of the U.S." or WOTUS rule is ending Jan 5., but uncertainty over its wetlands definition remains a concern, even after the Supreme Court's decision in Sackett. The proposed WOTUS rule adheres to the Supreme Court's requirement for a continuous surface connection to a U.S. water. But then it veers off to require surface water "at least during the wet season," muddying the definition and suggesting such temporarily wet areas could still need EPA permits. Damien Schiff, the senior attorney for environmental and natural resources with the Pacific Legal Foundation, argued before the Supreme Court in 2023 that a regulated wetland must be 'wet,' "It's an easy-to-administer test. Ordinary citizens can use their own eyes to reliably determine whether or not their land is regulated." But Schiff argued in a Washington Post opinion piece that the Trump EPA rule doesn't go far enough in ending WOTUS uncertainty. The High Court cited 2 exceptions to a continuous surface connection—drought and low tides. Schiff argued that "wet seasons" suggest surface water might be absent for months at a time. Sen. Chuck Grassley, R-IA, weighed in last month, "If the regulation isn't clear that any land that has runoff that's not directly connected to a stream that's directly connected to a water regulated by the federal government, then we ought to clarify that." Grassley voiced suspicion that regulators would use any wiggle room to regulate to the fullest extent possible. Sackett Attorney Schiff urged that the Environmental Protection Agency should "finish the job" and ensure "continuous" means "continuous" and "wet season" has no place in defining federal power. (Berns Bureau, Washington)

- **If it is hard to track your applied nitrogen flowing down the river,** cheer up, because there is an easier way! The IL Nutrient Loss Reduction Strategy (NLRS) has launched a new online Data Portal, providing partners—like Illinois' soil and water conservation districts—with an improved way to explore, understand, and share progress toward statewide nutrient reduction goals. This transition moves NLRS reporting from book-style publications to a dynamic, interactive platform that preserves the structure and science behind the Strategy while improving accessibility, transparency, and usability for conservation professionals, partners, and decision-makers. Hosted on the Great Lakes to Gulf website, the Portal was developed in cooperation with the National Great Rivers Research and Education Center (NGRREC) and the Univ. of IL National Center for Supercomputing Applications (NCSA). Districts and partners are encouraged to explore the NLRS Data Portal and become familiar with the available tools and datasets. As an evolving resource, partner feedback is essential to ensuring the Portal remains useful, accurate, and relevant for conservation work on the ground. Click HERE to explore. 2026 updates will include:

  - ✓ Interactive maps for the agricultural and stormwater sectors
  - ✓ Statewide water quality data
  - ✓ Updated datasets through 2025
  - ✓ A new executive summary to support partner communications and reporting

USDA—

- **USDA ended 2025 with a snowstorm of news releases**, including statements advocating the administration is "putting farmers first."

  - ✓ (USDA) has been working to promote government efficiency, streamline unnecessary regulations, and eliminate waste, fraud, and abuse in all USDA programs. Today's action not only reduces government bureaucracy and makes it easier for USDA customers to access our programs, but it also strengthens our ability to take swift action when recipients and cooperators—and even recipients of subawards and subcontracts—are not compliant with Federal law and applicable Executive Orders."

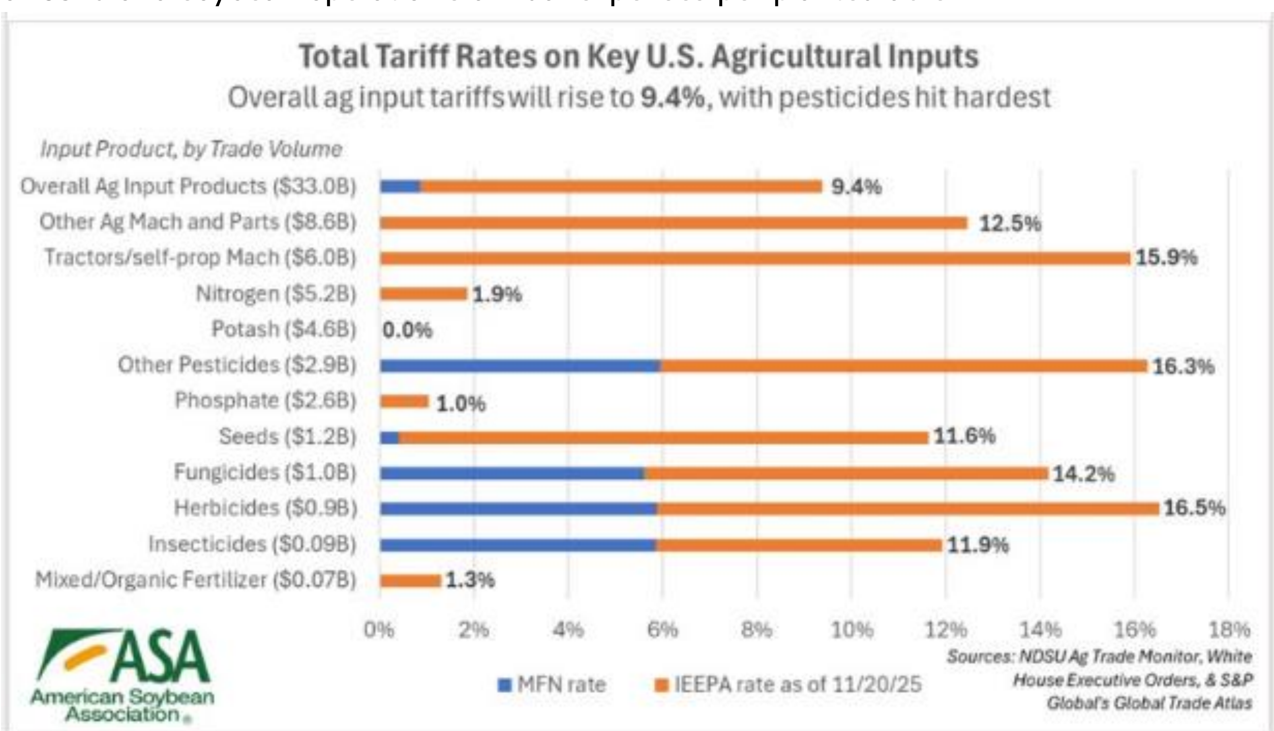
  - ✓ A focused effort to establish new priorities for future research and development activities funded by the U.S. Department of Agriculture (USDA) to strengthen national security, protect U.S. agriculture, and support American farmers and consumers. Create new export opportunities for American commodities, lower the cost of critical agricultural inputs, and root out DEI from all USDA programs.

  - ✓ USDA announced a number of coordinated actions to continue to emphasize American agricultural research and innovation by ensuring ideas stay in America or among our allies, not with hostile nations. These historic actions strengthen transparency around foreign ownership of U.S. agricultural land and ensure federal programs and purchasing preferences do not support supply chains controlled by foreign adversaries.

- **USDA's 10-year prognosis for the farm economy** is out. USDA's Economic Research Service polished off its 10-year crystal ball for numbers. Way too many to report, but here are the ones that are top of mind for an IL grain farm.
    - ✓ Corn planted acreage is forecast to be 95 mil. planted and 86.9 mil. harvested in 2026/27 then declined to 91 mil. planted and 82.9 mil. harvested in 2035/36. Yield is forecast to average 182 bu. in 2026 then increase to 200 bu. per acre in 2035. Total production will increase over time to 16.580 bil. bu. with stocks to use staying above 12% and farm prices at $4.40 per bushel for the long term. Production costs range from $445 per acre in 2026 to $495 per acre in 2035. Net returns remain in $300 range.
    - ✓ Soybean planted acreage is forecast to be 85 mil. planted and 84 mil. harvested in 2026/27 then declined to 83 mil. planted and 82 mil. harvested in 2035/36. Yield is forecast to average 53 bu. in 2026 then increase to 57.5 bu. per acre in 2035. Total production will increase over time to 4.725 bil. bu. with stocks to use staying 6-7% and farm prices at $10.00 range per bushel for the long term. Production costs range from $254 per acre in 2026 to $283 per acre in 2035. Net returns remain in low $300 range.
- **USDA officials** have cut 20,000 staff members in Washington, and plan to send thousands more to 5 cities across the US where "the cost of living is less." That is not sitting well with the USDA employees, according to Government Executive, a Washington, DC publication reporting on government employees in Washington. "The Agriculture Department received overwhelmingly negative feedback on its plan to relocate thousands of staff and consolidate dozens of offices, as employees, lawmakers and stakeholders said it could lead to a significant brain drain and disruptions to key farmer-support programs. While just 10% of the USDA workforce is currently in the Washington area, the department is looking to relocate around 2,600 of those employees to new locations. The department is standing up 5 regional hubs around the country that will house relocated employees, located in Raleigh, NC; Kansas City, MO; Indianapolis; Fort Collins, CO; and Salt Lake City, UT. It is slashing other regional offices across the country and consolidating many support functions. The department solicited emailed comments from the public between Aug. 1 and Sept. 30. USDA received nearly 47,000 responses, most of which were from form letters or part of an organized campaign. Of the 14,000 remaining messages, 82% expressed a negative sentiment, according to USDA's analysis of the responses. Just 5% expressed a positive tone. Among the most common concerns, USDA said, were for the impacts of reductions in personnel and resources. USDA retirees similarly wrote in to warn the department that the institutional knowledge of the workforce provides an "invaluable contribution" to farmers and that such expertise could be in jeopardy as a result of the changes. Dozens of lawmakers from both the House and Senate, who were not identified in USDA's analysis, also wrote in and warned about a loss of skilled workers and impacts to the nation's "scientific edge." They took issue with the administration's choices for the new hubs and expressed concern over the potential loss of local input. The mostly negative feedback from stakeholders is not expected to deter the Trump administration as it reshapes the department, with several employees telling *Government Executive* the plan was proceeding full steam ahead."

Trade and Tariffs—

- **Rising input costs for farmers** has been an issue the Trump administration has made a policy priority as it advances through its first year – and with good reason. Soybean producers are staring down the barrel of a 3rd year of negative market returns[. ASA Economists Scott Gerlt and Jacquie Holland]() report, "Soybean growers find themselves in a precarious position as the 2025 harvest season wraps up. When harvest began in September 2025, November futures prices were between 25% - 30% lower than at the same point in 2022. The lower revenue levels limit the amount of liquid assets farmers have available to pay off 2025 expenses this fall. It's not just the revenue side of the income statement where soybean farmers are being squeezed. Farmers are facing elevated prices for land, machinery, seeds, pesticides and fertilizers. According to USDA, farm production expenses are expected to reach $467.4 bil. for 2025 – a $12 bil. increase over 2024. According to annual soybean cost of production reports published by USDA's Economic Research Service (ERS), land (28%), machinery and repairs (28%), seeds (12%), pesticides (7%), and fertilizers (7%) are the most critical inputs for soybean production and account for 83% of a soybean operation's annual expenses per planted acre."



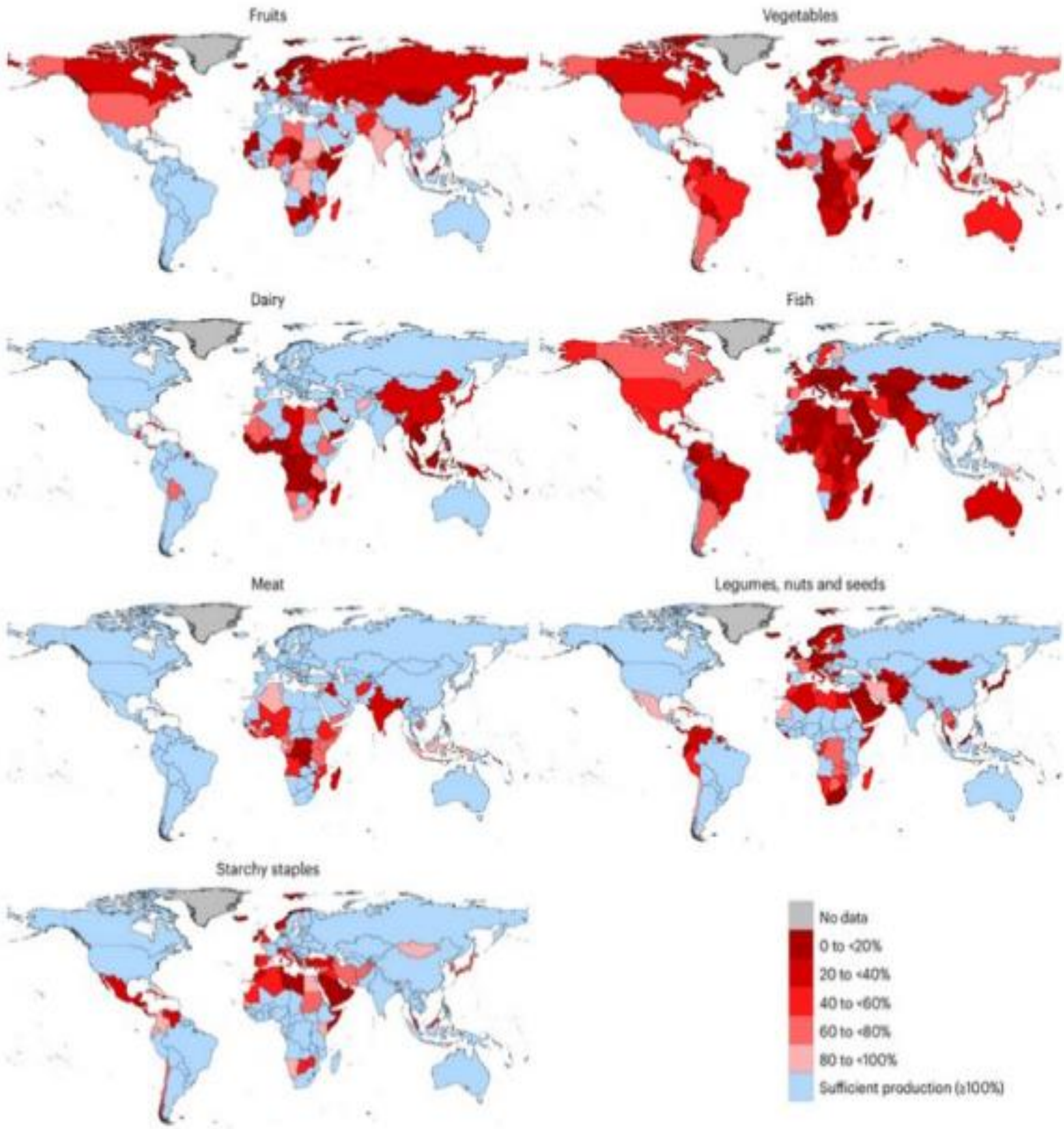
"Soybean growers have faced revenue challenges this year with the trade war. This event caught farmers at a time when input costs were at levels that allowed no room in operating margins to absorb lower prices. Many factors have pushed up operating costs, including tariffs, regulations, lawsuits and the broader economy. The crop sector faces a phenomenon whereby input costs follow crop prices upward but tend to remain at elevated levels even after crop prices retreat. This has led to negative soy margins for the past three years. As international supply in the soy space continues to grow, controlling costs will be crucial to remaining competitive in foreign markets."

- **Negotiations on renewal of the USMCA** are closer than we think. Canadian Prime Minister Mark Carney said that while several sectoral tariffs receive most of the attention, the larger USMCA continues to operate as the world's largest free-trade agreement. And that, according to Carney, puts Canada in a stronger position than many, though it was under Justin Trudeau, "We're in a stronger position today with the United States than we were at the start of the year. We can always do better, but if you look at where we are, we have the best deal of any country in the world. Relative to other countries, 85% of our trade's tariff-free to the U.S. market." In the upcoming USMCA review and following negotiations, Carney said that the existing sectoral tariffs involving steel, aluminum, lumber, and automotive sectors will be a necessary portion of the review and negotiations to follow. And he says that he does not expect those negotiations to go smoothly with a Donald Trump-led administration in the U.S. Carney says that priorities tend to constantly shift as trade discussions progress — especially when it seems like U.S. negotiators are making choices that go against their own American interests, "The United States needs to make a choice. Does it recognize that the U.S., itself, is in a stronger position if there is relatively free movement of automobiles, steel, aluminum, and lumber across the US border, or not? And does it view its competitors as Canada, or does it view its competitors as China? These are perspectives that the U.S. takes different views on at different points in time." And while Canada's negotiating team prepares for the formal USMCA review coming up in the new year, the prime minister explained that efforts to diversify Canada's export markets continue. Mark Carney also discussed several large domestic projects designed to make Canada its own best customer, and less dependent on an American market and neighbor that has changed, "The United States has fundamentally changed its trading relationships with everybody in the world, Canada included. What we can control is what we build here at home, and trade deals and relationships abroad; all of that puts us in a stronger position. More independent. We're just entering the next phase of these discussions. There will be negotiations in the end, which will start early in the next year." (NAFB News Service)

- **It is good that most of the world is blue** (on the maps below). And the blue indicates nations which are self-sufficient in the indicated foods. But where there are shades of red, there is obviously a market and demand for various foods. Those nations are the target for food exporters, and Swiss ag economist Robert Finger has pointed out potential targets for exporters.

Fig. 1: Percentage of self-sufficiency for specific food groups.

From: Gap between national food production and food-based dietary guidance highlights lack of national self-sufficiency



National food availability from domestic production as proportion from recommended intake by the Livewell diet in grams per capita per day for 187 (dairy, 186) countries in 2020. Thereby, 100% means that all recommendations of a food group are met.

- **The USDA is accepting applications** for its agribusiness trade mission to the Philippines, taking place April 13–16, 2026. U.S. exporters interested in exploring trade opportunities in the Philippines' thriving market and rapidly growing economy must apply by Friday, Jan. 9, 2026. "U.S. agricultural exporters have an abundance of new opportunities in the Philippines," said Luke Lindberg, USDA's Undersecretary for Trade and Foreign Agricultural Affairs. "This trade mission will connect U.S. producers with key buyers in the Philippines, expand economic opportunities, support rural prosperity, and keep American agricultural products globally competitive." The Philippines is the 9th-largest export market for America's agricultural and food exports, averaging $3.6 bil. annually during the last 5 years. For U.S. companies interested in exploring the market, strong export opportunities include beef, pork, poultry, dairy, fruits, vegetables, and many other commodities. While in Manila, participants will conduct several business-to-business meetings with potential importers and attend on-site visits.

Illinois Issues—

- **Beginning Jan. 1, IL has a few new laws** of interest to agriculture.
  - ✓ **Farmers and agricultural businesses** can now use a restricted Class B CDL for up to 210 days each year, an increase from the previous 180-day limit. The extended seasonal license allows drivers to operate semis and other large farm vehicles during the entirety of planting and harvest without obtaining a Class A CDL.
  - ✓ **Landowners must be compensated** for any property damage caused during pipeline construction. The law requires full restoration of the land, including soil conservation features, such as terraces and grass waterways, as well as repairs to surface and subsurface drainage systems.
  - ✓ **Any sole-source aquifer** that provides at least half of an area's drinking water, such as the Mahomet Aquifer in east-central Illinois, is off-limits for carbon sequestration projects located above, beneath or crossing the aquifer.
  - ✓ **The soybean is now the official state bean**, recognizing IL as the top soybean-producing state.
- **Former IL Pork Producers Pres. Chad Leman** says state lawmakers need to address estate planning for farmers. Leman said taxes are an ongoing issue for the future of farming in IL. "We continue to deal with estate planning and how do we pass these farms on to the next generations. How can we make it tax-friendly to do so? That will need to be addressed at the state level," Leman told The Center Square. The General Assembly has failed to advance legislation that would amend the IL estate tax. According to the IL Farm Bureau, family farm estates are taxed at a minimum of 10 to 20 times the farm's annual income. Representing more than 800 pork producers across IL, the IPPA says the IL pork industry contributes an estimated $13.8 bil. to the state's economy and supports over 57,000 jobs in the Land of Lincoln.

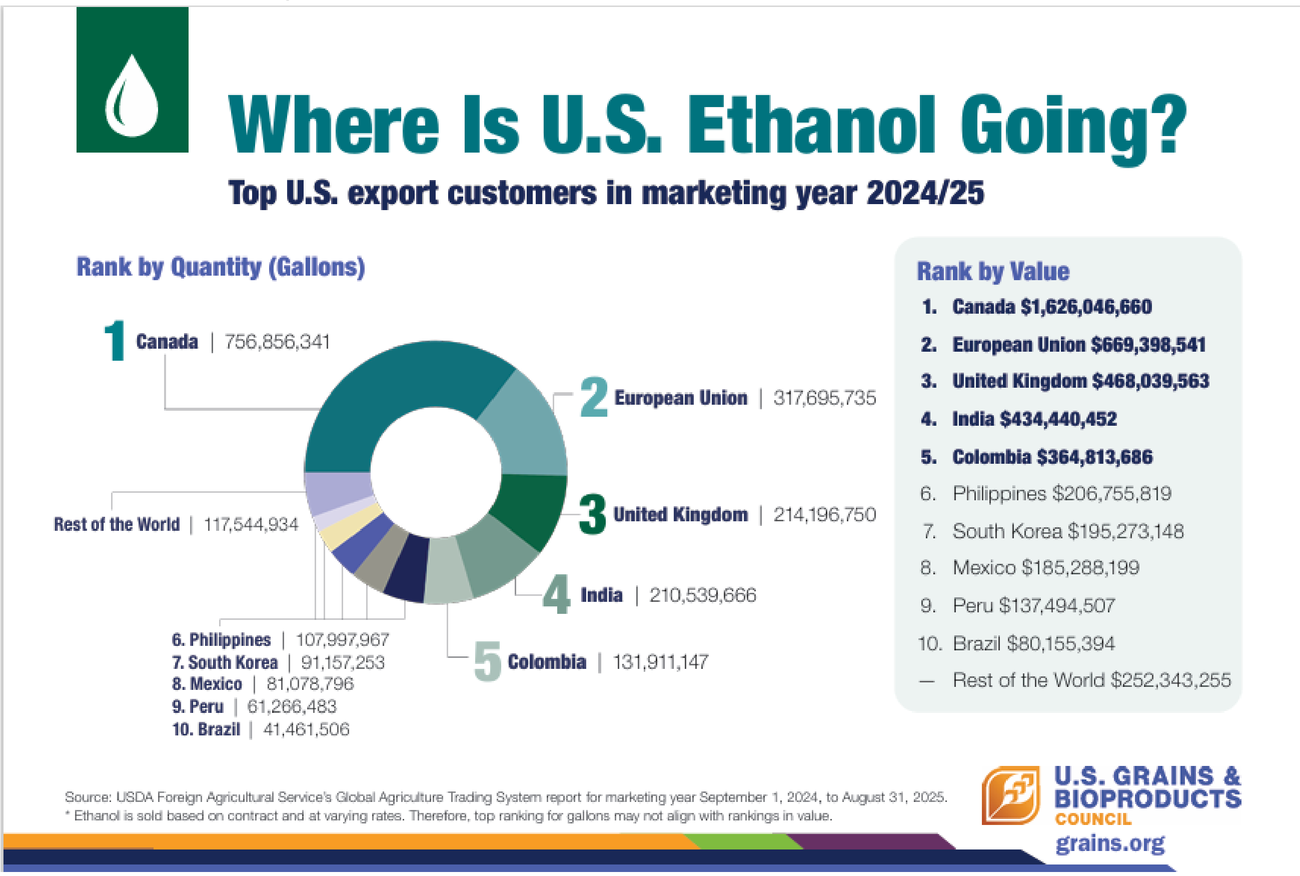
Agri-Politics—

- **Brace yourself! says Jim Wiesemeyer.** You have probably heard his authoritative perspectives on Washington law making and breaking. "This past year has brought renewed turbulence in trade and farm support, and for the year ahead, farmers can expect more of the same in terms of how policies interact within disciplines and in an accelerated fashion."

- ✓ "Look at when Treasury Secretary [Scott] Bessent announced the bond swap with Argentina. It zapped soybeans and affected the timing of Chinese purchases of U.S. soybeans," Wiesemeyer says. "That was almost an off-the-cuff statement, and it had major implications." The disconnect in U.S.-China trade relations will continue to unfold with repercussions.
- ✓ Legislators have said they are talking about more financial assistance programs for farmers; however, he doesn't see a frictionless discussion surrounding the topic. Because not only of Republicans, but also a number of Democrats who say there are other issues to resolve before we sign off on this. But the verdict is out if they'll succeed," he says.
- ✓ From the president's comments about beef prices being too high to the repetitive use of "affordability" around food prices, Wiesemeyer sees the subject of consumer pricing continuing to garner attention.
- ✓ While the latest MAHA report showed a more "practical" approach to the use of pesticides and modern ag technologies, he says there is more to come from a policy standpoint. "We're going to get the first serious definition of ultra-processed food. We've had legal cases in California, where some companies are being challenged on the impacts of ultra-processed food in children. The next commission report will be important," he says.
- ✓ "Federal government deregulation will hit overdrive in 2026," Wiesemeyer says. He says Trump's approach to simplifying permitting processes, led by Interior Secretary Doug Burgum, could bring lower energy prices — a continuation of the trend in gasoline prices plus the promise of lowering or tempering the run-up in electricity prices.

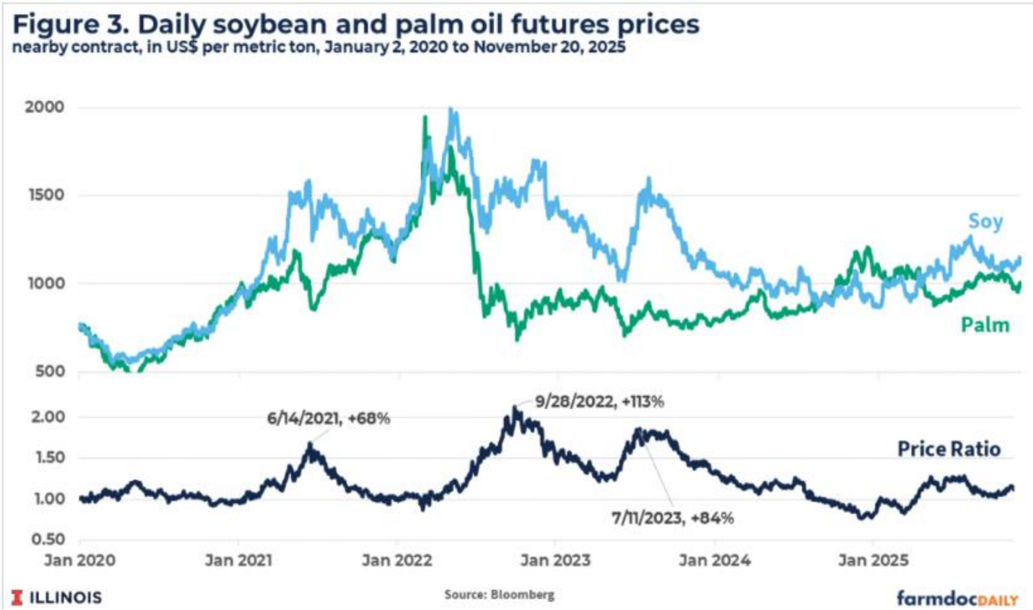
Biofuels News--

- **Are we really burning all of the ethanol being produced? No**. U.S. ethanol exports set a new record in MY 24/25, with 2.1 bil. gals. exported at a total value of $4.6 bil. This was an increase of 23.3%, a volume increase of 402.4 mil. gals, and a valuation increase of $525.6 mil. 70 countries purchased U.S. ethanol in MY 24/25. Canada remains the top year-over-year market for U.S. ethanol, purchasing over 35.5% of all U.S. ethanol exports in 2024/2025. This marketing year, U.S. ethanol exports to Canada increased by 16.8% to more than 757 mil. gals. (268.4 mil. bu.). Exports were valued at over $1.6 bil.

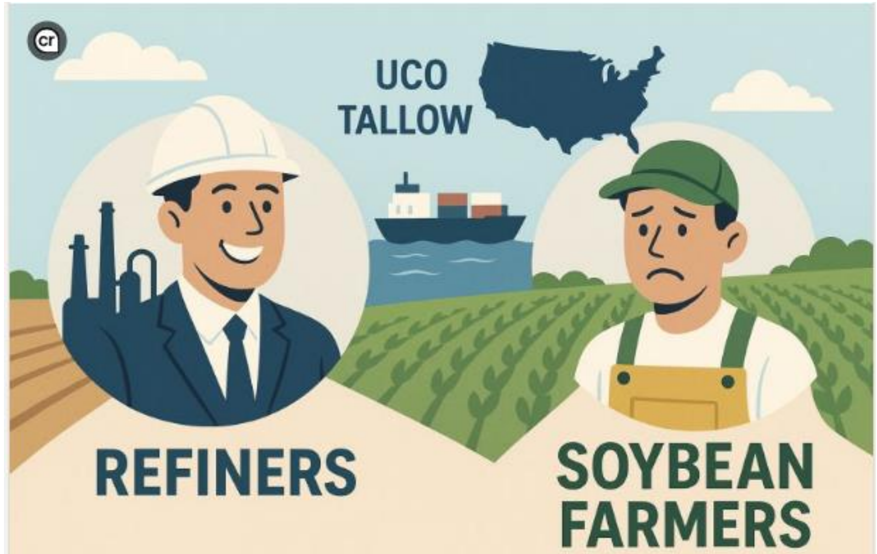


- **Clean Fuels Alliance America** welcomed a ruling by the California Air Resources Board to sunset the oxides of nitrogen mitigation requirement for biodiesel blends of up to B20, or 20% biodiesel, in the Alternative Diesel Fuel (ADF) regulation. Clean Fuels first called for sunsetting the B20 restrictions in the ADF in 2022, after CARB data showed the regulator triggers for lifting the restrictions had been met. California previously required producers to mix a minimum of 55% renewable diesel with biodiesel blends from B6 to B20 to mitigate the oxides of nitrogen concerns in older heavy-duty vehicles. CARB's own emissions modeling showed this step is not needed and has contributed to keeping overall biodiesel blends below 10%. While recent CARB actions have created regulatory headwinds for biodiesel, the decision to sunset the oxide mitigation requirement is a constructive step forward that's based on solid data.

- **Soybean oil and palm oil** are the 2 most widely available vegetable oils in the world and are substitutes in many products, including as feedstocks in the production of biofuels. For many years, soybean oil and palm oil prices moved together, but since 2020, the close co-movement between soybean oil and palm oil prices has weakened, say [IL Farmdoc Ag Economists](). Prices now diverge more often and for longer periods. This change suggests that the types of supply and demand shocks hitting these markets have shifted. We suggest these shocks are becoming less global and more regional or national; aggregate vegetable oil supply and demand still matter, but these now interact with region-specific disruptions, particularly those related to biofuels policy, that affect one oil more than the other. After 2020, soybean and palm oil prices begin to diverge more often and for longer periods. Before and after the 2022 price spike that coincides with another broad increase in agricultural and energy prices, prices for soybean oil surged well above palm oil prices. In other cases, soybean and palm oil prices appear to move in opposite directions. In late 2024, palm oil futures prices actually exceeded soybean prices for the first time since the 1990s. Figure 3 (left) shows daily nearby soybean oil and palm oil futures prices from January 2020 to November 2025, both in levels and in terms of the price ratio of soybean to palm oil. Prices diverge beginning in early 2021. The price ratio returns to near parity during the early 2022 commodity price spike, but there is a second sharp divergence as prices for both commodities fell off of early 2022 highs. In mid-2023, prices diverge again with soybean oil prices jumping sharply. This coincides with a surge in US renewable diesel capacity and production, leading to a stronger increase in demand for soybean oil as a feedstock. Although programs such as the Renewable Fuel Standard and California's Low Carbon Fuel Standard had been in place for years, renewable diesel production rapidly increased during this period which may have helped push soybean oil prices higher. These peaks in Figure 3 occur during a period of very tight global supplies associated with the Russia-Ukraine war and Indonesia's temporary ban on palm oil exports. The rising importance of soybean oil as a biofuels feedstock in US has increased the importance of domestic policy decisions, such as blending incentives and volume obligations, in driving U.S. soybean oil use and price.



- **Will the EPA and White House authorize more imports** of Chinese used cooking oil, or rely on US soybean oil for biodiesel production, as indicated by Reuters. Former USDA ag economist Agata Kingsbury says, "The administration's possible delay of biofuel import-credit cuts may keep a handful of refiners happy, but it risks disappointing a much larger farmers' lobby, and all while 2026 midterms creep closer. What's interesting is that current tariffs on imports already seem to be slowing UCO and inedible tallow influx into the US. Keeping those tariffs in place could become the tradeoff: protecting domestic producers, encouraging further soybean crush expansion, and keeping imported feedstocks less competitive at the border. In other words, there are tools on the table to balance campaign promises, industry pressure, and long-term energy strategy. The question is which constituency will be more vocal and louder, winning this round, and which gets told to wait until November 2026."



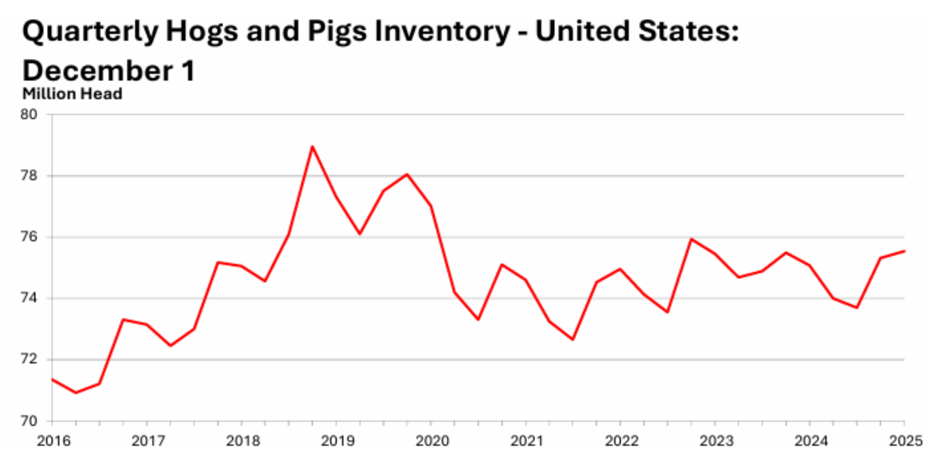
- **This US Environmental Protection Agency (EPA) has been diligent** in utilizing the facts when proposing RVO and SRE policy, says soybean crusher Jay Nelson of Platinum Crush LLC. "The facts are in regarding the combination of the1/2 Rin proposal and increased blending obligations. It is good for the American farmer, and it is good for US energy production! The time is now to finalize the proposal as written." Nelson points to the position of the American Soybean Assn. which says, "A new economic analysis finds that EPA's proposal to assign 50% of the RIN credits to imported biofuels/biofuels made from imported feedstocks compared to domestic would strengthen domestic soybean markets while preserving flexibility in biomass-based diesel sourcing."

- **National Corn Growers** did not raise the year-round E-15 issue in its response to the "Farmer Bridge Assistance" package, but that would be a priority for Congress. Such a provision almost passed at the end of 2024 but was stripped out of a spending bill because Elon Musk used new-found influence with Congress and the incoming Trump administration to reduce the size of the legislation. E-15 was not important in the sales of electric vehicles. E15 never went anywhere in Congress in 2025, though California passed E15 into law.

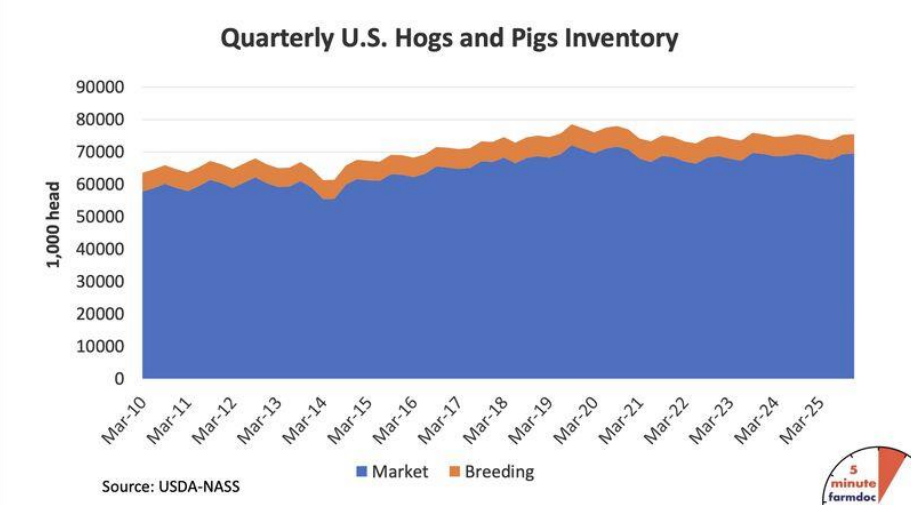
Animal Agriculture--

- **Beef prices are expected to continue climbing** in the coming year as tight cattle supplies in the United States and abroad strain the global market, analysts said. U.S. cattle inventories remain near multi-decade lows following years of drought that forced ranchers to shrink herds. At the same time, Brazil, the world's largest beef exporter, is seeing reduced exportable supplies due to herd cycles and strong domestic demand. The combination is limiting available beef at a time when consumer demand has remained relatively steady. Wholesale prices have already risen, and higher costs are expected to reach grocery stores and restaurants. Economists say herd rebuilding in the U.S. will take time, meaning supply pressures are unlikely to ease quickly. Ranchers face high feed and land costs, slowing expansion. While higher prices may benefit producers, analysts caution that consumers could shift to cheaper proteins if beef becomes too expensive. on their risk management plans.

- **The latest USDA hog inventory report** shows modest changes in U.S. hog numbers, underscoring continued uncertainty for pork producers heading into the new year. USDA data indicates that total hog and pig inventories are slightly higher than a year ago, while the breeding herd remains relatively stable. Farrowing intentions suggest producers are cautiously managing production amid fluctuating feed costs and uneven demand. Analysts said pork markets remain sensitive to export trends, particularly shipments to Mexico and Asia, as well as domestic consumer spending. Feed prices have eased compared to recent years, offering some relief, but margins remain tight. Producers continue balancing the risk of overproduction against the need to maintain cash flow. Industry groups said profitability will depend heavily on market access and price stability in 2026. The report highlights the delicate position pork producers face as they navigate uncertain economic conditions. →



- **IL Farmdoc ag economist Jason Franken** says the recent increase in farrowings will have a long tail for pork prices. "The unanticipated increase in inventory of the lightest category of market hogs stems from the unexpectedly higher September-November pig crop, up 0.4% from a year ago in contrast to expectations of 1.3% lower, reflecting a 0.3% increase in sows farrowed and a record 11.93 pigs-per-litter for the period just surpassing the prior record of 11.92 pigs-per-litter set last year and continuing the upward trend. While records are often hard earned, evidence from around the world suggests further productivity advancements are biologically feasible. The resulting greater than expected inventory of light-weight market hogs poses bearishly higher slaughter levels for April through June. Given that farrowing intentions for this winter are 1.9% higher than actual farrowings a year ago and those for spring are about 2.0% higher, respective slaughter levels should remain above last year from July through September and for the remainder of 2026. Overall, the numbers are consistent with USDA projections that 2026 pork production will be up just slightly at 0.05% above 2025 levels. Hog and pork production typically cycles with profitability, or lack thereof, respectively spurring expansion or contraction. Given the importance of feed costs, a hog-to-corn price ratio around 20-to-1 (for instance, $80/cwt hogs ÷ $4/bu corn = 20) is a historical rule-of-thumb indicator of hog profitability, resultant increases in farrowings, and subsequent hog herds. Despite a string of 19 consecutive profitable months, as documented by IA St. Univ., and hog-to-corn price ratios exceeding 20 for much of that period, the breeding herd still hasn't expanded, and as noted earlier, is the smallest for this time of year since 2014. Such restraint seems sensible, with anticipation of continued productivity advancements in pigs-per-litter and the hog-to-corn price ratio currently hovering between 18 to 19 for November and December. Hence, projected increased farrowings and pork production will require intensive and efficient use of the existing breeding herd (i.e., better conception rates and less sow loss to achieve more litters per sow)." He expects better profitability in the 2nd and 3rd quarters.
- **It is noteworthy that the breeding herd declined by 0.9%,** but because of the increased number of pigs saved, the number of hogs increased by 0.3%. "With slightly more hogs than a year ago, prices should mostly be near or a bit below year ago levels. This forecast places 1st quarter prices at about $85.43/cwt, rising to $95.66/cwt and $97.17/cwt by the 2nd and 3rd quarters, respectively, before dropping to $83.21/cwt for the 4th quarter."



- **A recent Pork Checkoff-funded study** focused on older adults and compared 2 nutritional lifestyle diets — one centered on lentil protein and the other on lean, fresh pork. Researchers wanted to determine whether the type of protein source and overall diet composition influenced health outcomes. Kristen Hicks-Roof, PhD, RDN, director of nutrition research with the National Pork Board, explains what the study revealed and what it could mean for protein choices moving forward, "And so, what they did is they looked at these 2 diets, and they wanted to say, 'Well, how would these 2 diets, based on the different protein sources, have an impact on health outcome?' What they found was that in both diets, regardless of the protein choice, they had improvements in body fat loss, insulin sensitivity or diabetes prevention, favorable changes in inflammation, metabolic and age-related differences, so things like neuroactive metabolites, which are very "sciency," but then also maintaining grip strength, which is very important for older adulthood." Thus, nutrition research addresses misconceptions, informing health and wellness professionals in supporting the "Taste What Pork Can Do®" consumer brand campaign strategy that spans throughout the supply chain. Visit pork.org for the latest nutrition information and find resources for healthcare professionals. (National Pork Board)
- **Livestock auction markets sit directly** in the middle of every transaction. That means trucking regulations have a direct impact on both markets and producers. Jara Settles, general counsel for the Livestock Marketing Assn., said that's why overburdensome trucking rules are a big concern for the Assn., "Obviously, livestock auction markets sit in the middle of livestock transactions, so those animals have to be hauled to us, and then they have to be hauled away from us after the sale. And so, onerous or overburdensome regulations in the trucking space are extremely impactful and very much felt by our markets, and then also by the producers that they serve. So LMA has been at the table for years on the conversation surrounding electronic logging devices, and then the underlying conversation about hours of service." She talks about what they've seen in the regulatory space during the last decade, "Livestock haulers are a special breed. They require special training. They require special equipment, and those haulers are just different. They haul a different commodity. They take different approaches because they're hauling live animals. They have to go slower. They have to drive more carefully because of what they're hauling. As a result, they should be able to use some flexibilities that take into account what they're hauling." They've had some success in getting flexibility for livestock haulers, we've been advocating across the board for whatever flexibilities can come the way of those livestock haulers. Specifically, the industry is getting behind the HELP Act, which has been introduced by Representative Heard of Colorado, and that would just eliminate livestock haulers from compliance with hours-of-service rules and the electronic logging device mandate. We've been electronic logging device-exempt since 2017. It's going great. Let's just make that a codified rule. And then during COVID, there was an emergency declaration that allowed those haulers to move those livestock hours of service free for 29 months. It went well. Let's just go ahead and put that into the rule book and allow those livestock haulers to make professional and livestock welfare-minded decisions on their own." (Radio Oklahoma Network)

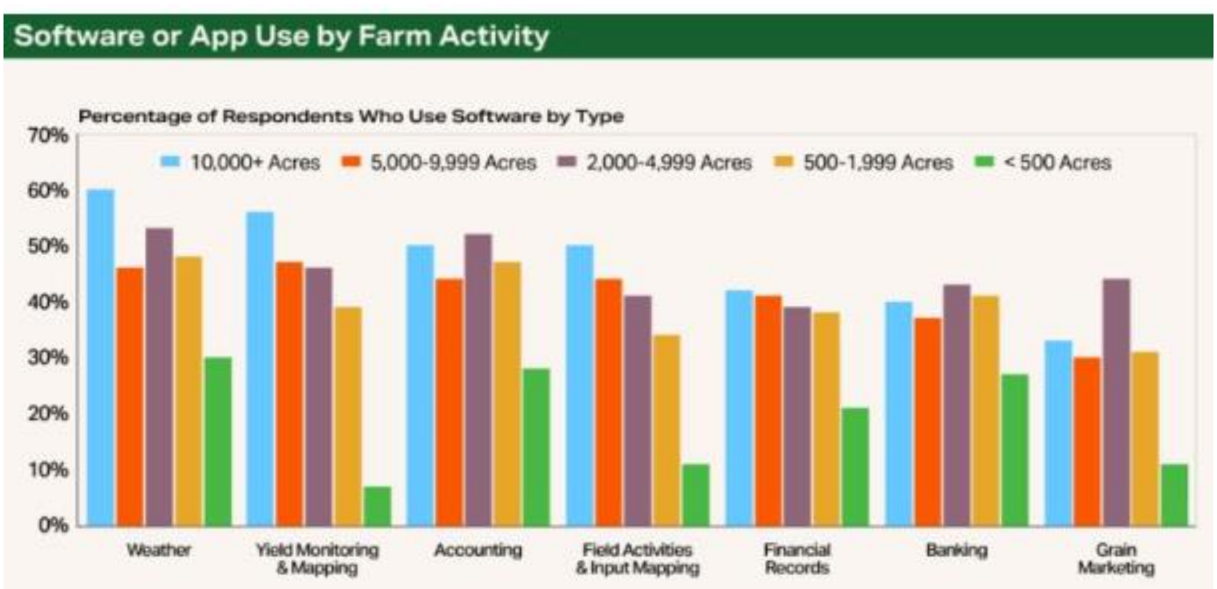
- **The impact will be very large when Tyson closes its** processing facility in Lexington, NE, effective on January 20, 2026. The Univ. of NE said this is the first time that one of the "Big 4" meatpacking companies has permanently closed a major plant, and it will have a substantial economic impact. The estimated annual statewide economic impact of the Tyson plant closure is $3.283 bil., including both direct and multiplier effects on the NE economy. Total labor income losses are projected to be $530.41 mil. per year across the 7,000 jobs that support those workers in other sectors. The closure will also substantially reduce tax revenues. Annual losses in state personal income tax revenue are estimated at $232 mil. NE state sales tax revenues are projected to decline by $10.16 mil. per year.
- **Beef prices are projected to continue increasing** in 2026 as U.S. beef production continues to decline, with no obvious signs of a rebuilding cattle herd. That comes from John Lovett of the Univ. of AR. At the beginning of 2025, U.S. cattle inventories were at their lowest point since the 1950s, and the industry has been in liquidation mode since it peaked at 94.7 mil. head in 2019. "Since then," Lovett said, "the nation's beef herd has decreased by eight mil. head of cattle." Liquidating cattle inventories is one phase of a typical cattle cycle, which is a ten-to-12-year pattern of expanding and contracting cattle numbers, driven largely by changes in producer profitability and worsened by drought. Bloomberg said cheap beef could be driven further out of reach for many consumers as Brazil, another large cattle supplier, is heading into a period of shrinking cattle numbers that could push global prices higher.
- **State agriculture officials in IA** confirmed a case of highly pathogenic avian influenza in a backyard flock of chickens and ducks in Dallas County, IA, (just west of Des Moines) marking the state's latest detection of the virus. The IA Dept. of Ag said the affected birds were euthanized to prevent the spread of the disease, and quarantine measures were put in place around the premises.

Technology—

- **Your dream for fiber optic cable** to your farm may turn into a nightmare. A Senate bill introduced in late November would rescind roughly $21 bil. in unspent federal funds originally designated for broadband programs, setting up a potential debate over how the money should be used. The legislation, sponsored by Sen. Joni Ernst, R-IA, and co-sponsored by Sen. Ted Cruz, R-TX, targets a portion of the Broadband Equity, Access and Deployment (BEAD) program that has not yet been allocated to states. BEAD was created under the 2021 Infrastructure Investment and Jobs Act to expand high-speed internet access in underserved areas nationwide. Under the bill's provisions, about half of the BEAD funds, those not tied directly to construction of broadband networks, would be returned to the U.S. Treasury. Supporters of the measure cite delays and unused funds as reasons for reconsidering the current funding structure. State officials and others say the funds could still support workforce, permitting and related efforts tied to broadband deployment. It is unclear whether the bill has enough support to advance in the 119th Congress.

- **In terms of pros and cons,** China is building solar farms that seem to only be pros. Far beyond the electrical engineering aspects, their construction is located on poor, dry soil, which is being converted to productivity with the use of agrivoltaic practices. "The biggest  gains from China's mega solar farms may be measured as much in restored soils and stabilized dunes as in megawatt hours. By concentrating 253 Gigawatts of photovoltaic capacity in these fragile areas, planners are betting that the physical structures of the farms, combined with targeted vegetation and water management, can slow or even reverse desertification trends. The 253 G target is not an abstract number, it reflects a coordinated program to use solar arrays as windbreaks and shade structures that protect young plants and reduce soil moisture loss. At China's largest farms, operators are experimenting with ground covers, controlled grazing and limited irrigation to amplify these effects, effectively turning the power plant into a soil restoration project that runs in parallel with electricity generation. Tibetan sheep graze between the rows of panels in Hainan prefecture, using the shade as shelter from the high-altitude sun while trimming vegetation that might otherwise interfere with the equipment. This arrangement turns a potential maintenance cost into a source of income for herders, while the animals' presence helps fertilize the soil and keep plant growth in balance. Reporting on how the sea of solar panels has created this symbiosis shows that the panels' shade reduces stress on plants, while the animals' movement prevents any one species from dominating. The result is a more diverse ground cover that stabilizes the soil, cuts dust and supports local herders, all within the footprint of China's biggest solar farm. China is not limiting this dual-use approach to grazing. Across Asia, farmers are increasingly experimenting with agrivoltaics, integrating crops and aquaculture with solar infrastructure so that land and water produce both food and electricity. Their harvest is increasingly more bountiful thanks to an innovative way of farming that integrates renewable energy into fields and ponds, with panels providing shade that can protect sensitive crops and fish from heat stress. In China, this model has been applied to aquaculture operations that account for a significant share of the country's total fishery output, turning ponds into energy sites without sacrificing production. Observers who follow climate and technology trends have highlighted how China's innovative use of agrivoltaics and mega solar parks is combating desertification and boosting local economies, turning once marginal lands into thriving agricultural hubs. A widely shared discussion of how China's solar farms are combating desertification underscores that the biggest solar projects are now judged not only by their capacity but by their ability to anchor broader ecological restoration. In that sense, China's largest solar farm is functioning as a pilot for how infrastructure can be designed to heal, not just to extract."

- **The Federal Communications Commission** recently blacklisted all new foreign-made drones and components due to concerns that the foreign equipment is an unacceptable risk to U.S. national security. Politico said the technology is on the Commission's "Covered List," barring foreign drone manufacturers from receiving the FCC's approval to sell new drone models for import or sale into the U.S. Agri-Pulse said the ban's timing hurts as many farmers are financially struggling because of high production costs, which makes the precise application of crop protection products and fertilizers especially important. Most precision agriculture is increasingly accomplished through using drones. "Foreign-manufactured drones represent a significant majority of the agricultural drone market, and sudden restrictions on their use without sufficient domestic alternatives would add new financial burdens on already over-stressed farmers," the American Soybean Assn. said in a statement. The FCC said the ban won't ground the thousands of already deployed unmanned aircraft in the U.S. The ruling comes as China hawks in Congress amplify warnings about the security risks of drones made by DJI, which accounts for more than 90% of the global market share. But efforts to crack down on Capitol Hill have been met with some pushback due to the potential impacts of curbing the drone usage on U.S. businesses and law enforcement, in addition to agriculture.
- **According to Bushel's 2025 State of the Farm Report**, larger farms today are prioritizing technology and software as well as operational efficiency. And, despite increased financial pressure in the agricultural economy, they're still planning to grow.
  - ✓ The largest farms revealed that technology was the second-highest priority for them – likely a key to scaling for any smaller operation with an eye on growth.
  - ✓ Among the producers with the largest operations surveyed, the share of respondents who indicated they intend to grow increased sharply from 30% in 2024 to 70% in 2025.
  - ✓ Understanding the priorities of larger farms could offer ideas when scaling up, making improvements or navigating a period of increased financial pressure and consolidation.



- **Congrats to all involved** in IL Alternative Protein Innovation Task Force, which released its findings revealing how the state can bolster its position as a national agricultural and biomanufacturing powerhouse at an event held at the University of Illinois Urbana-Champaign and hosted by the iFAB Tech Hub. Task Force co-chairs Sen. Mattie Hunter and Rep. Mary Beth Canty unveiled key report recommendations. A few of the main takeaways: alternative proteins can diversify markets for corn, soy and wheat, strengthening rural economies; can generate high-quality manufacturing jobs; and provide a much-needed source of nutritional foods for our increasingly food insecure society. A panel of industry experts from ADM, Primient, LanzaTech and Griffith Foods discussed the reasons why IL is a leader in this industry and has competitive advantages thanks to its rich ecosystem: plentiful feedstocks of corn and soybean; major food companies; an advanced workforce

with a continuous talent pipeline from IL and others; and premier universities and national labs.

Farm and Check-off Organizations —

- **USDA Secretary Rollins and the leaders** of the House and Senate Agriculture Committees will all be featured speakers at the American Farm Bureau Convention next weekend. Rollins will speak about the challenges and opportunities ahead for American agriculture during the general session on January 12. The chair of the Senate Ag Committee, John Boozman, R-AR, and Ranking Member Amy Klobuchar, D-MN, will be joined by the chair of the House Ag Committee, Glenn Thompson, R-PA, and Ranking Member Angie Craig, D-MN, on a panel to discuss their vision for the future of U.S. agriculture and their plans for 2026. The congressional panel will take place on January 11. The Farm Bureau's 107th annual convention is on January 9-14, 2026, in Anaheim, CA.

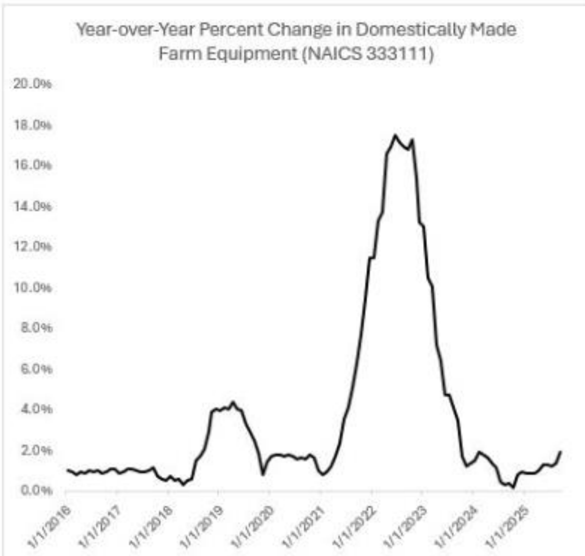
- **What makes a good day for Mark Bunselmeyer?** "No line at ADM makes my day better." Mark Bunselmeyer is not only an IL corn grower delivering grain into Decatur, but President of the IL Corn Growers, elected recently to lead ICGA's policy and promotional initiatives, ensuring IL corn farmers "have a seat at the table." It's important to be a member of ICGA and other commodity groups to have representation that is aware of the challenges facing our industry at the state and national level. A voice that is not only fighting to promote positive legislation, but also a voice working to combat proposed legislation that would restrict and prohibit farmers from raising crops and livestock." Mark has been rooted in central IL for his entire life. Mark farms in Macon County, where he grows corn and soybeans, working alongside his father and brother-in-law, continuing a multi-generational tradition of family farming (which involves the truck line at ADM.) On the farm, Mark uses no-till practices, and has been enrolled with Precision Conservation Management (PCM) for the past 5 years, using PCM data to fine-tune his conservation and nutrient management strategies. His favorite data in the RAAP report is looking at his nitrogen use efficiency (NUE), which helps him understand how effectively he is turning fertilizer into yield. (Sometime ask him about horseradish and FFA being big parts of his family life.) →

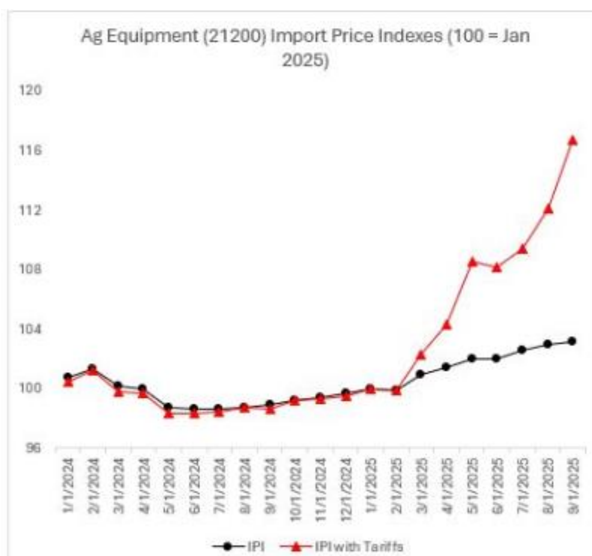
Emery, Mindy, Mark, and Gehrig Bunselmeyer

- **If you want to ask, "what is in a RAAP report,"** here is the answer:
  Every February/March, PCM Specialists deliver individualized RAAP Reports to enrolled farmers in their region. These reports cover several topics, including the previous crop year's data, financial analysis, and recommendations from agronomy and conservation experts.
  - ✓ Programs and Opportunities (Exclusive PCM offerings AND other programs available)
  - ✓ Local Resource Concerns – Updates on NLRS Strategy, latest on regulatory talk and conservation policy
  - ✓ Data Security Review – Outside of these individual RAAP reports, farmer data is aggregated and anonymized.
  - ✓ Summary of Farm Data
  - ✓ Field-Specific Data
  - ✓ MRTN Rate Comparison
  - ✓ Field-to-Market Sustainability Metrics
  - ✓ Financial Analysis – By crop, By practice
  - ✓ Individual Field Pages (field-by-field comparisons, historical comparisons)

Agribusiness—

- **President Trump has stated he wants farm equipment** makers to [lower the price for their products](). [Supply Chain specialist Jason Miller at MI St. Univ.]() says, "That not only isn't going to happen, but costs are going to keep increasing as we enter 2026. The top chart shows year-over-year percent change in the producer price index for farm equipment (NAICS 333111). Back in Q3 2024, prices increased at just 0.2% year-over-year. Year-over-year price increases have risen steadily in 2025 and were 1.9% as of the most recent PPI reading in September. As prices haven't gone negative year-over-year even as [production plunged]() in 2016, 2023, and 2024 there is no basis for expecting prices to decline even under normal conditions. The bottom chart gives us the nonnormal conditions, which charts the import price index for ag equipment (BEA End Use Import Code 21200) as well as my extension of the index that incorporates changes in effective tariff rates. The data run through September. As of September, import prices excluding tariffs were up 4.2% year-over-year. When you factor in the change in effective tariff rates, that number is up 18.4% year-over-year. To put that number in perspective, it is as large an increase as the PPI experienced in 2022. Now, if I'm a domestic producer and know that imported products are now 18.4% more expensive, why in the world would I lower my price? If anything, I'd raise them because I face less competition (plus my own costs have gone up due to tariffs on various imported inputs). Likewise, since most large ag equipment manufacturers have plants in the USA and other countries, they rely on imports to round out their product portfolios. Rather than increase prices for those imports by 18%, I may raise prices on imported varieties by 8% and domestically made varieties by 3% next year. In no world do I lower prices. The academic in me can't help but chuckle about mutually inconsistent policies; these provide the best lecture examples to make students think holistically. The American in me is saddened that our machinery makers and farmers are being negatively impacted by ill-conceived tariff policies." (Fascinating responses to his LinkedIn post.)





- **Steve Freed,** a longtime commodity analyst, has announced his retirement. Associated with ADM Investor Services, Inc. (ADMIS) for more than 30 years, as head of research at ADMIS, Freed offered market outlook presentations to broker customers and ADM Milling customers, and he visited ADM customers in China. In the early days of farmer crop tours, Freed would be at the report session providing price outlooks to hundreds of farmers wanting to know the economic impact of what their yield estimates were. He could also be heard on many Cornbelt radio stations providing market reports and outlooks for farmers.

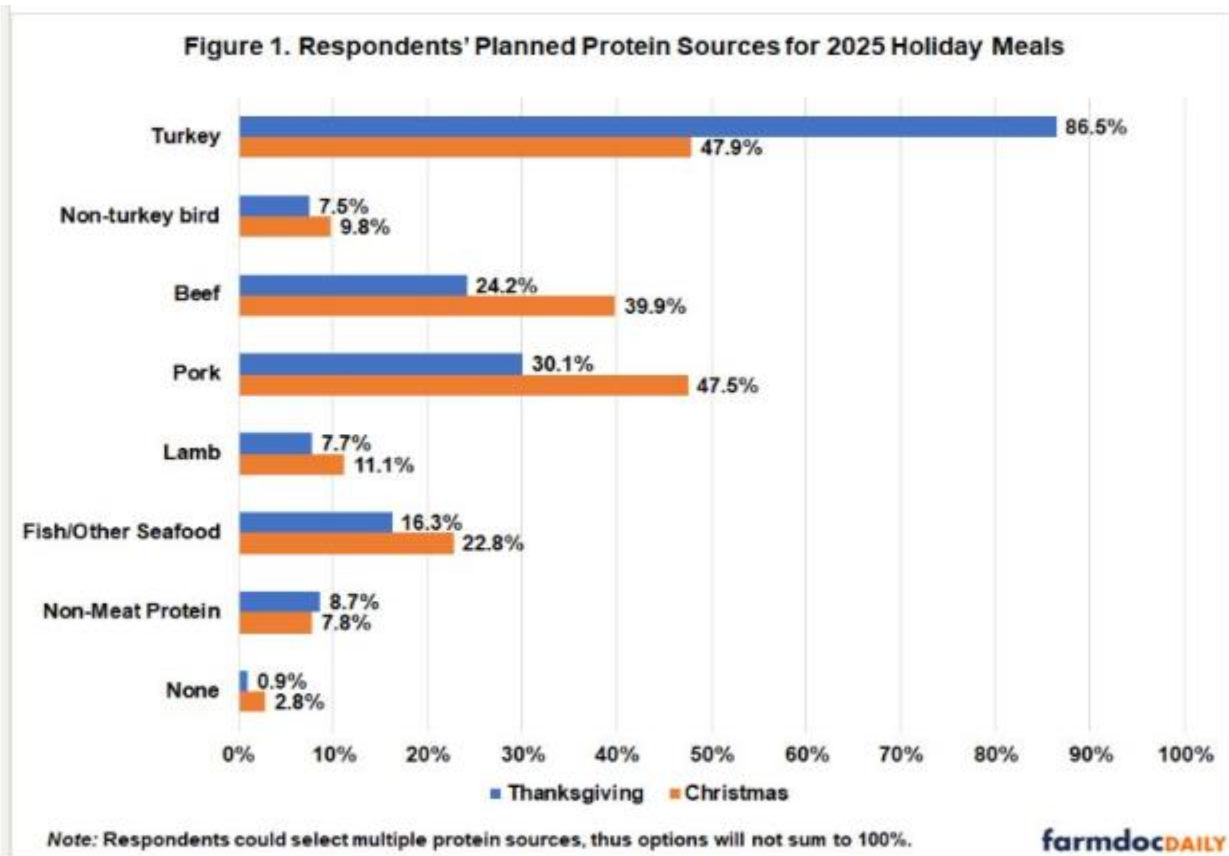
- **Meet our 2025 Collaboration of the Year: ADM re:generations™** ADM re:generations and its partners were honored for outstanding cross-sector collaboration advancing regenerative agriculture across more than 5 mil. acres globally. Through partnerships with farmers, technical assistance providers, data innovators, and global brands, the program is helping make regenerative agriculture accessible, measurable, and meaningful. Built on three pillars—data and measurement, technical assistance, and financial incentives—the program demonstrates a farmer-first approach that is making lasting change. "Regenerative agriculture gives us a way to bring everyone to the table, align on outcomes, and invest together in practices that make agriculture more resilient for the next generation," says Michelle French, Senior Director of Global Sustainability Programs at ADM. 👉 Learn more about ADM re:generations: https://lnkd.in/eGURdFhf

Food and Nutrition Issues—

- **MAHA is cutting grain farmers out of the food pyramid,** says Josh Sosland, editor of Milling and Baking News, in a column published in World Grain magazine. **"**With the impending release of the 2025-2030 Dietary Guidelines, Washington, DC, has been abuzz with speculation about changes that will be part of the government's guidance for healthy eating. A draft version of a graphic to accompany the Guidelines has been circulating. The changes it implies are as bad for grain-based foods as could be imagined. In the drawing, grains are relegated to a position just beneath sweets. Meanwhile, fats and oils, originally in the "use sparingly" category with sweets, would be promoted to the base, together with other proteins and dairy products. Robert F. Kennedy Jr., secretary of Health and Human Services, told Bloomberg a revised pyramid will be adopted again "one way or the other." Given Kennedy's willingness to buck the scientific consensus in dramatically changing infant and childhood vaccination guidance, it would be no surprise if his dietary agenda becomes reality. Government- funded school meals, billions per year, are required to comply with the Guidelines. One of 10 lunches consumed in America, nearly 30 mil., is a government-funded school lunch. The figure is 1 in 20 for breakfasts. Additionally, while most Americans

disapprove of Kennedy's policies, upward of 40% approve, many passionately so, and may be more likely to embrace the secretary's disdain for grains. Already struggling with sagging demand, the proposed recommendations are the last thing needed by the grain-based foods industry. Industry groups are striving to ensure sanity prevails in the government's nutrition guidance. Even groups that seemingly would benefit from the changes, including certain meat groups, are wary of changes adopted on political whims, lacking scientific consensus. Without such consensus, they fear changes may be abruptly reversed if a different party gains political control. The stakes for all in ensuring rigorous science remains the basis for the Dietary Guidelines could not be higher." Breads, cereals, pasta, and other products made with flour, whether they are high fiber, high protein, or not, are being nearly eliminated by Dr. MAHA.

- **Christmas and New Years Day are history.** Were your family meals impacted by food prices ahead of the holidays? Univ. of IL Farmdoc ag policy specialists surveyed consumers to gauge the impact of current food price trends. 69% of respondents who typically celebrate a winter holiday meal expect food prices to affect their plans. The most common ways consumers planned to adapt to high prices were shopping for deals and shopping early. We also find that demand for many holiday favorites (e.g., turkey) remains strong, and despite recent discussions of beef prices, a larger share of consumers report planning to serve beef at their holiday meals relative to prior years. We do not find evidence that beef prices have dampened demand or consumer interest in serving beef at their holiday meals. Relative to prior years, we find that holiday plans to serve beef increased for both Thanksgiving (18.8% in 2023 vs. 24.2% in 2025) and Christmas (34.4% in 2023 vs. 39.9% in 2025)

  While many of the responses to prices described were reported at similar rates across respondents who use and do not use nutrition assistance programs, three responses were significantly more likely to be reported by those using nutrition assistance programs than those who do not. Specifically, those who use nutrition assistance programs were significantly more likely to report increasing use of a food bank or food pantry to get ingredients for holiday meals (30.5% versus 14.2%), increase use of government food assistance to get ingredients for holiday meals (31.2% versus 12.2%), and ask guests to pay a portion of the grocery bill for holiday meal (13.9% versus 8.9%). These results are in line with recent reports that food pantries have seen increased demand associated with temporary lapses in SNAP and the holiday season.

Farm Family and Rural Life Issues—

- **Of all the things to take care of on the farm,** your mental health may be the most important. American Farm Bureau President Zippy Duvall says no one needs to face mental health issues alone, "Farmers know what it means to work through tough times, but taking care of mental health is just as important as taking care of crops and livestock. Farm Bureau is proud to lead the Farm State of Mind Alliance, bringing together partners to make mental health resources easier to find and use. The Alliance offers free, confidential tools like Togetherall, a 24/7 online peer community moderated by licensed professionals, and resources connecting farm families to counseling and stress-management support. Farmers are facing challenges unlike any we've seen in a generation – but no one has to face them alone. It's okay not to be okay, and help is here when you need it. (American Farm Bureau)
- **"I grew up in the era of 'suck it up, buttercup. We'll get her done,"** says WA St. lawmaker and farmer Tom Dent. "That was… that's reality," he said, "That's what we grew up with." Agriculture, Dent noted, sits at the intersection of multiple stressors that amplify mental health risks. Regulatory pressure, volatile markets, rising input costs, and weather uncertainty all converge on farmers and ranchers. "The challenge that we're having in our industry right now is all the challenges we've talked about—the regulatory challenge, the financial challenges—from all angles coming at the people in the agricultural world," he said. He recalled legislation led by a colleague to examine mental health and suicide in agriculture. "That's where I really got immersed in this," Dent said. "We have to do something, because this is a major issue." According to Dent, agriculture has "the highest suicide rate of any sector in the United States of America." Dent believes the solution starts with honesty and compassion. "Any one of us can have a mental health issue on any one day," he said. "And it doesn't mean that we're not going to recover and be fine." He urges people to watch out for one another. "Don't be afraid to ask them. Don't be afraid to love them, don't be afraid to hug them, because that's what we all need."
- **In times of crisis on the farm, help is available.** That's the message from Farm Rescue, a nonprofit that serves Midwest agricultural states. David Endorf of Jefferson County, NE, says farmers often have a hard time asking for help. He says Farm Rescue can help with things like planting, haying, and harvesting, especially if someone has experienced illness or injury or a natural disaster, "Farm Rescue does their best they can to help in those situations, and in most cases, it's providing labor, and in others, it's labor and equipment." Endorf said the organization always needs volunteer help from those with a background in agriculture. He said it's a great way for retired producers to give back. In his case, that's personal after he experienced a crisis of his own and needed help, "It's a great organization. It's a very fulfilling opportunity to help other people and to volunteer. In my life, it's filled my need to have something to do in retirement, something to fill some time, and something to help other people. In 2004, my farm was hit by a tornado, and over 40 people showed up. This is my way of giving back." Endorf is a Farm Rescue volunteer. He encourages people to give back or to nominate families in need by going to FarmRescue.org (KRVN/Rural Radio Network)

- **Medicaid is being cut, Obamacare has been phased out,** and healthcare in rural areas is minimal at best. IL health officials had asked for $200 mil. per year to help cover the shortfall. However, IL will be getting $193 mil. for the next 5 years from the federal Centers for Medicare and Medicaid Services. The cash comes from the One Big Bill approved by Congress in July, which had $50 bil. for rural health care. The Congressional Budget Office has estimated that the new law will reduce federal Medicaid spending by $911 bil. over 10 years. The IL Department of Healthcare and Family Services said that Illinois' 1.9 mil. rural residents face barriers to getting care and often have worse health outcomes as a result, with higher rates of conditions such as hypertension, diabetes and infant and maternal mortality. "This funding will be utilized to help bridge those existing gaps," the department said in the statement. In Washington, TV doctor Mehmet Oz, a leader in the Trump administration's medical policy, said, "The formula also ties $12 bil. of the 5-year funding to whether states are implementing health policies prioritized by the Trump administration's "Make America Healthy Again" initiative. Examples include requiring nutrition education for health care providers, having schools participate in the Presidential Fitness Test or banning the use of SNAP benefits for so-called junk foods, Oz said. The money that the states get will be recalculated annually, Oz said, allowing the administration to "claw back" funds if, for example, state leaders don't pass promised policies. Estimates suggest rural hospitals could lose around $137 bil. over the next decade because of the budget measure. As many as 300 rural hospitals were at risk for closure because of the GOP's spending package. "When you put that up against the $50 bil. for the Rural Health Transformation Fund, you know — that math does not add up."

Mark Your Calendar! --

- **Pesticide safety education programs** start Jan. 6 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 will be at 9 locations through March 10.
- **IL Soy begins 2026 with a trio of webinars** on "Rethinking How IL Farm Economics Work." Univ. of IL Ag economists Gary Schnitkey and Nick Paulson present the strategy from 2-3 pm each day. Jan. 6: cash rent decisions, Jan. 7: re-evaluating farm investments, Jan 8: stronger secondary revenue. Details and registration are here.
- **If you are a candidate to be** a Certified Crop Advisor, the IL Certified Crop Advisors Assn. will host a study session on January 8 for the next exam opportunity. CCA information is here. Registration period is Jan 7-26, for the exams conducted Feb. 4-18.
- **The National No-Tillage Conference** will be held at Hyatt Regency St. Louis at The Arch St. Louis, MO, Jan. 6-9, 2026. It will be your chance to learn from the top minds in no-till and connect with fellow innovators. Download the Updated Program Register here.

- **The Purdue Top Farmer Conference** will be Jan. 9 at Purdue's Beck Agricultural Center in West Lafayette. The conference will stimulate your thinking about agriculture's future and how you can position your farm to be successful in the years ahead. Register and details.
- **Extension Agronomy Summits** will be in 8 locations, Jan 12-Feb. 24. Speakers will provide research updates from university experts to gain insightful tips for making informed decisions around farm management. Dates, locations, and registration details.
- **A Field Advisor Forum** will be held by the IL Soybean Assn. Jan. 15, at the U of I Atkins Golf Club at Urbana. Speakers will address "economic chaos," weather, and a wide variety of agronomic issues and challenges during the 8 am to 3 pm program. Detailed agenda, and registration are here. (Program can be accessed virtually.) CCA credits are available.
- **The winter convention** of the IL Fertilizer and Chemical Assn. will be Jan. 20-22 at the Peoria Civic Center. Agenda, registration and other details are here. There are numerous presentations on agronomic and regulatory issues of farmer interest during all 3 days. →
- **Cattlemen in northern IL** can join colleagues from IA, WI, and MN at the Driftless Region Beef Conf. Jan 22-23 at Dubuque, IA, with topics on profitability. Details and Registration.
- **The annual meeting and auction** of IL FFA will be held at the President Abraham Lincoln Hotel, Springfield on January 23-24, 2026. The annual meeting registration form is now available. The hotel room block is open until January 2, 2026. All the details are here.
- **The 2026 IL Soybean Summit** will be Jan. 27-28 at the I-Hotel in Champaign. There are a multitude of reservation choices here. The event will be all day Tuesday, a dinner event for ISA members on Tuesday night, and the morning of Wednesday.
- **Everything Local** is set for Jan. 27-30 at Springfield's BOS Center. Specialty Growers will meet Jan. 30 at 1 pm, Herb and Vegetable Growers, along with the IL Hort Society, will have meetings at 4:30 on Jan. 29. Exhibit hall hours will be from 8 am to 6 pm on Jan 28 and 29 only. Breakout sessions with speakers Jan 27 through Jan. 30. Program details and conference registration are here.
- **AgMarket.Net** conference, Farming for Profit not Price, will be Feb 1-2 in Nashville, TN. It is designed to educate and provide tools and resources we have for farmers and producers across the country. Details, speakers, topics, and registration are here.
- **Feb. 3 begins month long opportunities** for livestock producers needing certification for livestock management. The Livestock Management Facilities Act requires facilities designed for 300 or more animal units to have at least one employee certified in environmentally aware manure management techniques. Facilities with more than 1,000 animal units must have a certified livestock manager attend a workshop and pass the IDOA exam or complete the online training and pass the online test. Details, dates, and locations.

- **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.
- **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. Details, including registration information, will be shared after the start of the new year. They are seeking displays that visually showcase the important soil and water conservation work in IL.
- **Commodity Classic** is set for February 25-27 in San Antonio, TX, with a 30^{th} birthday celebration. Details (to date) and registration information are here. The 2026 catch phrase is: "Three days. Thousands of farmers. One goal: leaving with strategies that actually work for your operations."
- **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 from 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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