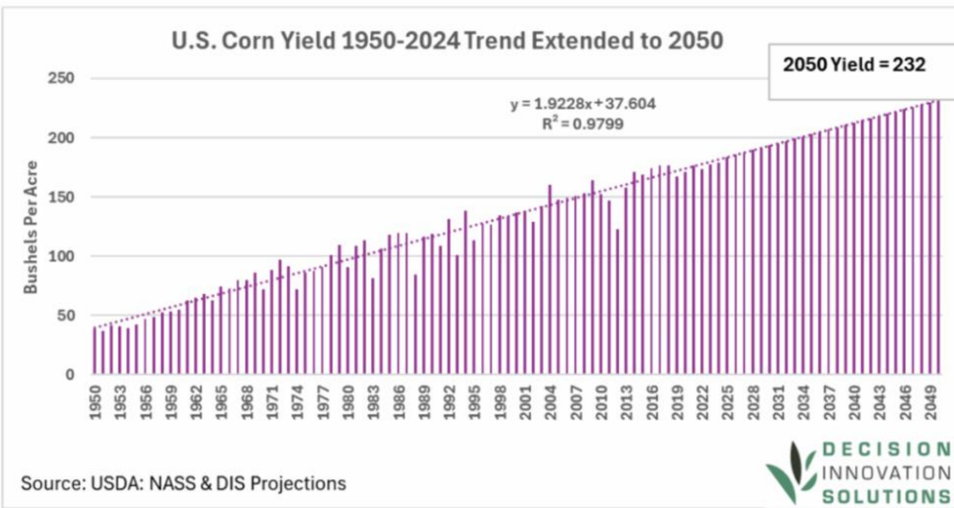
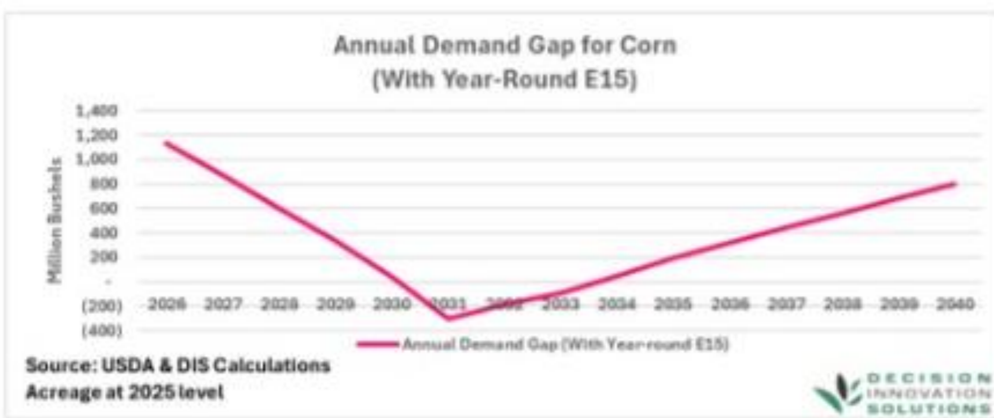
A weekly Cornbelt digest of marketing, economic, agronomic, and management information.

Commodity Market Drivers—

- **A National Corn Growers Assn. report**, America's Crop at Risk: The Future of Corn and Family Farms, underscores that the nation's 250th Birthday is not only an historic milestone, but also a critical turning point for U.S. corn growers facing economic pressures unlike any seen in generations. "As we celebrate 250 years of American resilience and innovation, we must confront the reality that our farmers—who built this nation's economic foundation—are in jeopardy," said NCGA President Jed Bower. "This report makes clear that we are entering one of the most consequential periods in modern agriculture. If we fail to act now, America risks losing not just farms, but the communities, values, and economic strength that agriculture has anchored since the country's founding." Krista Swanson, NCGA Chief Economist, said, "Farmers have achieved extraordinary gains over two and a half centuries. But productivity doesn't necessarily equal profitability—not in today's environment. That is why 2026 represents a pivotal moment. The decisions we make now will shape whether the next 250 years include a thriving American farm sector." In a survey recently conducted by NCGA, only 43% of farmers report having a family successor in place, leaving more than half of farm operations facing uncertain futures. With 96% of farm households relying on off-farm income and nearly two-thirds holding off-farm jobs, many growers worry that the next generation may simply not be able to make farming viable. The report calls for bold action to expand demand, modernize regulatory structures, reduce market concentration, and foster new opportunities. Read the full report here.

- **Are we growing more corn than we can use?** [Economist Dave Miller of IA-based Decision Innovation Solutions] projected future corn yields, and it looks like there will be more corn than can be used. He reports, "Corn yields in the U.S. have been trending upward since the 1930s. As shown in Figure 1, U.S. average corn yields have risen from less than 40 bu. per acre in 1950 to more than 179 bu. per acre in 2024. The rate of increase over that 75-year period was 1.92 bu. per acre per year. One wonders though, what about the future. Where might corn yields be in 2050 if the trend from 1950 to 2024 prevails for the next 25 or so years. To determine this, the U.S. and regional trends were projected forward to 2050. The Midwest yield extended forward to 2025 results in a yield in 2050 of 224 bushels per acre. For Northeast corn, the yield in 2050 would be 192 bushels per acre. For the South the yield in 2050 would be 209 bushels per acre. In the West the yield in 2050 would be 257 bushels per acre. And for the U.S. the yield in 2050 would be 232 bushels per acre (Figure 10). Assuming we retain similar corn acreage nationally to what the U.S. is planting (96 mil. acres) and harvesting (87 mil. acres) now, that would suggest a national corn crop in 2050 of 20.18 bil. bu. of corn. Assuming we will feed 6 – 7 bil. bu. of corn by then, and export about 3 bil., that leaves 10 bil. bu. of corn that will need to find a home in domestic uses like ethanol or sustainable aviation fuel. Currently, we are using about 5.7 bil. bu. of corn per year for ethanol. Will low-carbon biofuels be the demand factor that can use another 4.3 bil. bu. of corn (an increase of 75% compared to the amount of corn used for biofuels now? Even with the use of 4 bil. bu. of corn for E-15, Miller's analysis points to insufficient demand in 2031 for the US corn crop. And E-15 is not assured.





- **As crop farmers prepare to plant** 2026 crops, many are making decisions with the current farm economy in mind. Faith Parum, an economist for the American Farm Bureau, says USDA economists reported key data during the Annual Ag Outlook Forum, "USDA economists revealed at the Agricultural Outlook Forum that there are some modest shifts in crop planting for 2026. We are going to see some declines in corn acreage from the record high levels of 2025 and some increases in soybean acreage, (with) wheat acres kind of remaining steady." USDA said planting decisions are being driven by commodity prices, input costs, and expected returns, "We're seeing lower crop prices and continued elevated production costs, which is going to affect profitability. On the other hand, we're seeing expanded domestic soybean crush capacity, which may be leading to some of that increase in soybean acreage. Overall, though, crop rotations and agronomic considerations will always be a big part of planting decisions for farmers." Parum said it's important to remember, though, that these are early predictions, and subject to change, "So these are predictions and projections that they'll continue to evolve as the USDA gets more and more data. What we're seeing right now, maybe, is a cautious farm economy. Producers are still struggling (with) those tight margins across all our major row crops, and so until we see either higher commodity prices or lower production costs, we'll still see a struggling farm economy." (American Farm Bureau)
- **There's still a lot of old crop grain in storage**, even while farmers prepare for the upcoming 2026 growing season. John Heinberg, the market advisor for Total Farm Marketing, said clearing out old crop grain supplies is a big concern, "Yeah, that's going to be one of the concerns as we move forward here. I mean, you, as well as many others, were counting on just ten more cents off that January report, and they would have seen a lot of bushels moving. Unfortunately, we did not get that with the USDA numbers that came out bumping that carry out to 2.2 bil. Now we've shaved that down to 2.1 bil., but there's still a big pile of corn. Right now, we're in a difficult window. The end of February, going into the first of March, is typically a difficult time for the corn market. We're starting to see that with the way the price has been moving the last couple of weeks here, just because it's a window where we've got a lot of basis contracts, things like that are going to be priced." So, what happens if farmers are forced to move some grain in the current window, "If you're forced to move grain in this window, you want to keep some length back in the marketplace. Options are still extremely cheap, or re-owning through the board with futures might be some ideas to take a look at here going forward. Typically, we get a little bit of a bounce off a selloff in the February into March window. Then we got to watch what's going on with spring planning and things of that nature. Now, a couple of things that are still going to be negatives over the market going forward, obviously, the supply of corn that's out there, and the constant push of producers moving grain, which are going to be a limit to rallies. There's a lot of dryness in central IL and IN on the Drought Monitor maps, and it's too early for it to impact the market now, but that often starts coming into play from May into June." (WRDN radio)

- **Corn and soybean Friday market details from** General Manager Kevin Walker and staff at Legacy Grain.
  - ✓ **Soybean market drivers**: Soybeans posted Friday gains of 6 to 10¢ in the nearby contracts, as May was up 17½¢ on the week. November was up 13¼¢ on the week. The CmdtyView national average Cash Bean price was up 9¼¢ at $10.94. Soymeal futures were steady to $2.10 lower in the front months, as May was $6.70 higher on the week. Soy Oil futures were firm to 9 points higher in the nearbys, with May rallying 255 points this week. The average close for November soybean futures was $11.09 in February, up 55¢ from last year's spring soybean crop insurance price. Managed money added another 20,591 contracts to their net long position as of 2/24, taking the position to 184,202 contracts according to CFTC data released on Friday.   Mar 26 Soybeans closed at $11.57¼, up 9½¢, Nearby Cash was $10.94, up 9¼¢.

✓ **Corn market drivers**: Corn futures posted gains of 4 to 5½¢ across the front months on Friday, as May managed an 8¾¢ gain this week. The CmdtyView national average Cash Corn price was up 5¾¢ to $4.06¼. The spring base Crop Insurance price was set at the close, as the average December corn close for February was $4.62, down 8¢ cents from last year. USDA reported a private export sale of 10 mil. bu. of corn sold to unknown destinations this morning. Commitment of Traders data tallied managed money cutting another 13,548 contracts from their net short position in the week ending on 2/24, taking it to 13,867 contracts. Mar 26 Corn closed at $4.38¾, up 5½¢, Nearby Cash was $4.06¼, up 5¾¢.

- **Corn Export Sales data** as of 2/19 showed corn commitments at 2.48 bil. bu., which is up 29% from the same period last year. That is 75% of the USDA export projected and now slightly behind the 77% average sales pace. Actual shipments are 46% of that estimate and 8 points ahead of the 38% average shipping pace. A couple separate South Korean importers purchased a total of 8 mil. bu. of corn in a tender overnight.

- **Soybean Export Sales report** for the week of February 19 brought the total soybean export commitment total to 1.31 bil. bu., a decline of 19% from the same period last year. That is now 83% of the USDA export estimate and behind the 91% average pace. USDA's Fats & Oils report will be out on Monday, with traders looking for January crush to total 226.3 mil. bu. Brazil's Safras & Mercado estimates the Brazilian soybean crop at 6.53 bil. bu., a drop of 50 mil. bu. from the previous number. Rabobank estimates the crop at 6.65 bil. bu., up 75 mil. bu. from their prior number.
- **Global corn and wheat exports increased last week,** soybeans declined, says Bill Tierney, chief economist at Ag Resource. "Soybean exports were down 5 mil. bu. from the previous week's exports. As of the end of the 20th week of the 2025/26 soybean trade year, cumulative exports are down 2.6% from a year ago. USDA projects total global soybean exports to be up 1.8% from a year ago. The 3 countries that we track on a weekly basis account for 88.0% of global soybean exporters. USDA's February projection for global exports was lowered 4.8 mil. bu. (0.1%) from the previous month. Corn exports were up 62 mil. bu. from the previous week's exports. As of the end of the 20th week of the 2025/26 corn trade year, cumulative corn exports are up 5.9% from a year ago. USDA projects total global corn exports to be up 4.6% from a year ago. The 7 countries that we track on a weekly basis account for 93.0% of global corn exporters USDA's February projection for global exports was raised 60 mil. bu. (0.8%) from the previous month. Wheat exports were up 5.1 mil. bu. from the previous week's exports. As of the 34th week of the 2025/26 marketing year, cumulative wheat exports are up 10.4% from a year ago. USDA projects total global wheat exports to be up 8.3% from a year ago. The 8 countries that we track on a weekly basis account for 89.1% of global wheat exporters. USDA's February projection for global exports was raised 62 mil. bu. (0.9%) from the previous month.

Shipments From Principal Exporters

26-Feb-26

CROP	This Week	Last Week	Year Ago	---- Cumulative ---- This Year	Last Year
	--------	(Metric Tons)	--------	-------- (Metric Tons)	------
Soybeans /1	3,115,775	3,249,741	3,812,616	51,200,474	52,543,288
Corn /1	4,141,920	2,560,717	2,895,056	93,797,980	88,597,323
Wheat /2	3,107,690	2,967,389	3,124,872	128,608,469	116,483,141

1/ This report is for the 20th Week of the 2025/26 Year

2/ This report is for the 34rd Week of the 2025/26 Year

- **USDA published** a first look at 2026 acreage ahead of the USDA Agricultural Outlook Forum, which featured an uptick in soybean acres forecasted to be planted in the U.S. during the upcoming growing season. The additional soybean supplies expected to be produced in 2026 did not stop a 3-day rally in Chicago futures prices, though it may have slowed the rally's momentum as the trading week nears its close. USDA production cost figures are calculated using nominal values, which point to slightly lower losses in 2025 in these estimates. However, even after adjusting 2025 losses for inflation, soybean and corn producers are still facing higher losses in 2026 relative to the prior year. USDA could make revisions to the per acre total cost forecasts to reflect changes in the market since the estimates were published in December 2025 though it seems likely the changes are not going to eliminate production losses for soybean producers in 2026. American Soybean Assn. economist Jacquiline Holland says, "Despite both crops facing higher losses than last year, the lower losses for soybeans could make beans a less punishing option for row crop producers this spring. High nitrogen prices could be a constraining factor for corn producers with the ability to shift acreage rotations. In IL, retail nitrogen prices for anhydrous ammonia and liquid nitrogen have averaged between 17% and 36% higher during the winter months than in the year prior. Holding 2026 yields constant at the prior year's record of 53.0 bpa, USDA forecasts 2026 U.S. soybean production at 4.45 bil. bu. If realized, it would trail the 2021 record of 4.46 bil. bu. as the second largest soybean harvest in the U.S. It would also mark an approximately 188-mil. bu. (4.4%) annual increase in U.S. soybean production. While other countries have increased volumes of U.S. soybean purchases during the 2025/26 marketing year, top global soybean buyer China has booked limited sales of U.S. soybeans. As a cheap South American crop enters export channels in the coming weeks, consumption and pricing of 2026/27 U.S. soybeans will depend largely on trade negotiations with China. Following USDA's data release citing higher 2026 soybean acres and supplies, daily soybean futures price increases were partially attributed to continued market optimism for additional Chinese purchases of U.S. soybeans. The soy complex also derived strength from a rally in soybean oil prices, which were propped up by gains in the energy sector due to trader worries about an uptick in U.S. and Iran military activity in Iran's oil-producing region. USDA's forecasts, which are not derived from the farmer surveys, satellite imagery, nor objective surveys characterized by finalized 2025 data, were largely aligned with traders' pre-report expectations. Even though higher prices persisted in the futures market following USDA's updated forecasts, other signs during Thursday's trading session suggested the rally may be losing momentum. Though Southern Brazil's ongoing soybean harvest has been slowed by rains in recent weeks, favorable weather conditions during the crop's maturation stage in Central-West and Southern Brazil have sealed the fate of another record soybean crop for Brazil in 2025/26.The U.S. soy complex will need demand sentiments to come to fruition in the year ahead to support the production uptick forecasted by USDA's estimates published Thursday."

- "**Its transition time**," says the Brock Report, "This weird limbo between old and new crop fundamentals can make marketing this time of year quite difficult. Last year was a great example of that. Old-crop fundamentals for corn, namely exports, were screaming and the balance sheet was tightening. Around that time, it's our opinion that large speculators, who had built a massive, long position, were starting to understand that the U.S. producer was going to plant A LOT of corn. Not sure anyone saw 98.8 mil. planted acres coming. It's frankly a bit early to feel confident about new-crop acres and certainly production weather. It is never too early to start looking at potential scenarios. This is the start of new-crop speculation season. USDA kicked off last week with its Ag Outlook Forum, providing their first balance sheet for the 2026/27 crop year. Historically, the accuracy of this report is terrible, even by the standards of USDA 'haters.' The first real USDA balance sheet for 2026/27, incorporating the first survey-driven acreage estimates will not be released until May. USDA printed 94 mil. planted acres and a yield of 183 bu. per acre. Both are bullish vs. our view of reality. We'd note that they printed 94 mil. acres of corn last year as well and were off by 4.8 mil. acres. They also printed 181 bpa yield, which ended up off by 5.5 bu., but all anyone can do is flat out guess yield at this point. Put those together and production was off by 1.680 bil. bu. Let's start with our "average" scenario. Our first shot in the dark is 96.5 mil. planted acres and for yield we're at 185.3 bpa, that is simply the mathematical trendline yield. All anecdotal reports are that farmers are going to plant as much corn or more than last year, but we find that to be extremely unlikely on a national level. Corn on-corn acres are darn expensive. There's a fair bit of financial stress, particularly in the south. And after adding nearly 8 mil. planted acres from 24/25 to 25/26, never mind the static number of 98.8 mil., the U.S. as a whole is just going to plant less corn in our opinion. So, if you're on board with that assumption, the question is: How many fewer acres? If we only plant 94 mil. and yield 183 bu., with even reasonably strong demand, we are squarely infringing on bull market territory with a stocks-to-use of 10%. On the flip side, if we plant 96.5 mil. and yield 187 bu, we have a lot of corn, but the stocks-to-use ratio is nowhere near the 16/17 to 18/19 marketing year gluts. Futures should stay above $4.00. We need to understand these scenarios so that as the growing season plays out, we know what to do. We want to be on offense, not defense. We often preach the importance of not hanging onto a single fundamental belief, being a "one fundamental economist," and letting it drive your whole marketing plan. Instead, put that down on the balance sheet and see where it nets out with every other assumption. Our net-net of this exercise is that while we are currently sitting on the largest pile of corn in U.S. history, even the bearish outlook from here really isn't that bearish from today's prices. Patience will be key in navigating this transition from old crop to new crop. This year will not be like last year. Stay focused on what you know, and what you can control. If you set a timeline right now for what you want sold by the March Intentions report, by planting, by July 4, and by harvest, you've already done more than your neighbor." For the complete commentary and charts go to The Brock Report.

- **Marketing.** "Both corn and beans posted nice rallies on the week." -- Matt Bennett.
  - ✓ **Corn—futures**. March '26 corn, which has gone into delivery, rallied into the weekend. March settled at $4.38¾, up 5½¢. This was 1¼¢ off the high and 6¾¢ off the low. March rallied 11¼¢ for the week. May corn closed at $4.48½, up 5¢ on Friday. Technically, we continue to build momentum at higher prices than we've seen in a while.
  - ✓ **Corn—cash and basis**. Basis was steady. St. Louis bids were 25¢ over March (3¢ improved). With plenty of corn on basis contracts likely rolling to the May at the last minute, one may have assumed we'd see March back off. However, corn held in there and rallied as the week progressed. I'd be surprised if basis holds together, especially if we see this rally continue.
  - ✓ **Corn—marketing strategy**. As I've said all along, I like corn ownership, but I'd rather own it on paper than the physical given we have 17 bil. bu. of '26 crop along with the 1.5 bil. carry-in to chew through. Incremental sales on rallies is a great way to approach this market, so if you have corn in the bin, keep those offers current.
  - ✓ **Corn—2026 crop.** December 2026 corn ended the week at $4.69½, up 5¢ on the week. While we have a huge crop to deal with on cash bushels, we also must acknowledge those bushels when marketing our new crop. Keep in mind, Dec corn has struggled to stay above $4.70 for the last couple of years.
  - ✓ **Beans—futures.** Beans had a decent week as buying came in on Friday, ensuring weekly gains. March beans settled at $11.57¼ on the close, up 9½¢. This was 3¾¢ off the high and 11¼¢ off the low. Beans rallied 19¾¢ on the week. May beans closed at $11.70¾, up 7¼¢. March meal settled $5.70 higher on the week at $315.50, while soy oil ended the week at 61.29¢, up 2.37¢. May bean meal closed at $320.50, while May soy oil settled at 61.85¢.
  - ✓ **Beans—cash and basis**. Basis was steady. St. Louis river bids were 27¢ over the March (3¢ improved). Cash beans had a solid week with bids improving on both the market and some basis strengthening. Interior bids have hung right with the river, especially as the export market has cooled off.
  - ✓ **Beans—marketing strategy.** I continue to see reasons to move old beans while keeping gambling bushels on hand. I'm not sure I want to get rid of all of them as a rally can get interesting when the farmer doesn't have any more to sell. At the same time, Brazil has a ton of beans to hit the market, and they certainly use the CME to hedge them. Either way, taking advantage of such a strong rally seems like a good idea to consider.
  - ✓ **Beans--2026 crop**. Nov 2026 beans settled at $11.28¼, up 13¼¢ on the week. New beans in some areas are now at or pushing $11 fall bids. I know for some that it doesn't work just yet, but for others who have solid APHs, profit can definitely be locked in.
  - ✓ **Price ratio—2026 crop**. 2.40/1, beans to corn, based on fall futures, unchg/week.

- **Market advisor's thoughts/suggestions**: [Matt Bennett](). "While month-end doesn't  always give us a rally, we saw some excitement, led by the wheat rally. Wheat came to life after the rain that had been forecasted for wheat country, shifted east. Corn demand has been stellar, to say the least. With world and US demand so strong, the need for big production is a necessity. With the wheat market rallying on weather issues in the US and possibly some war premium as the US/Iran situation is tenuous, some of that enthusiasm has spilled over to corn. In all honesty, given demand, corn doesn't need much of a nudge. As we move forward, rallies likely are paired with some basis weakness, while new crop should stay well-supported until we get a better idea of 2026 corn acres as well as how this safrinha and Argentine corn crops perform. There is still a ton of corn to come to town over the next few months, so we must realize basis likely widens on rallies. As we've said a ton here lately, hedging some new crop in this $4.70 area makes a ton of sense, particularly when we look at a strategy of rolling those hedges out to July this fall. While there's no guarantee we'll have that sort of carry we're going to have a big carry-in, which likely means end-users will want the corn spread out over the months, keeping carry in the market. Again, we're in rare territory right now, so some risk-management might be considered if you feel you need to get caught up…… This bean market seems a little excited about the 45Z and RVO numbers set to be released here soon. With 5.2-5.6 bil. gals. thought to be the levels headed at us, it appears we'll continue building this renewable diesel industry. Let's hope that is the case, as we need as much domestic consumption as we can get. The bean market has been impressive, so those with old beans or who feel they need to catch up on new beans have a chance here to use this rally. I have no idea if it moves on higher, but if we're much more profitable than we were a month ago, it seems like a good idea to consider. When it comes to new beans, I've been a big fan of locking in a worst-case scenario while keeping some upside open. I'm still in that camp if you haven't done much on beans just yet. If a person wanted to buy an $11.30 put, sell a $10.20 and sell a $12.50 put, it would only cost 22¢. This would give you $1.10 of downside protection while giving you the chance to participate in $1.20 of a rally. I like those types of strategies, but they carry margin risk. IF you have margin with one of those, you'd hopefully be happy as it would mean the value of your beans is increasing. Or a person could hedge some beans in here somewhere with the thoughts we'll roll it to May or July next fall with what is likely to be a decent carry. Last year, Nov/July got up to 60¢ for reference's sake.…If you need help with your marketing plan, let us know. I recommend using either the Profitability Calculator on the Channel website or the AgMarket.Net Profitability App. The AgMarket.Net® App, with revised MyFarm software, is now available on Google Play and the Apple App Store as a mobile app. A desktop version is available through the AgMarket.Net® website. Find it at https://www.agmarket.app/app/ to get help on budgets and your marketing plan." Click here to learn more.

✓ This past week on the podcast, I recorded form our booth at Commodity Classic. Here's the link. Grain Marketing Update with Matt Bennett (2/26/2026)

Tariff Territory—

- **Sen. Chuck Grassley, R-IA,** (right) predicts President Trump's tariffs will continue in one form or another, despite more expected court challenges. Grassley says new legal questions around Trump's tariffs to replace those the Supreme Court struck down may not matter, since those levies expire in 150 days—unless Congress extends them, "So, I think with that check, it doesn't make much difference what the courts might say, because I doubt that you'd get a final opinion by the Supreme Court in the next 150-days." Grassley predicts Trump's tariffs are not going away: What matters is how they're used, "We're going to have tariffs under a Trump Administration. So, we need to use a 'rifle approach' to get tariffs down where they're unjustified. And on agricultural inputs, they're very unjustified." Grassley expects trade deals made already that boost beef, pork, corn, soybeans, and ethanol to survive. But he's cautious, "I will bet you that a lot of these countries, however far they went in their agreement with the president, are willing to stay there, as long as they're certain of it. And, of course, they could back out, but I don't necessarily think they will, because I think trade with the United States is very important to them." And then there's the question of refunding tariffs that add to the cost of farm inputs like fertilizer, seeds, pesticides, and equipment, "The Supreme Court is silent on whether refunds will need to be issued for the tariffs that President Trump has already levied. It also didn't address whether the president has authority under other provisions to impose tariffs." The president has removed tariffs on some fertilizer inputs, but not all, "He could take tariffs off of all fertilizers coming into the United States, as one way of helping the family farmer, and in turn, helping get the price of food down." But Grassley says, markets are key, "The best thing the president can do is to get more markets overseas, particularly with China, particularly with soybeans…and then get the input costs with farmers down by taking tariffs off." Grassley says lower diesel and gas prices have also helped lower the cost of transporting food to consumers, though grocery costs remain high. Grassley says Congress needs to reassert its constitutional power over tariffs but says Trump's alternative ones will likely survive while others would end up in court, "It's likely there will be additional tariff cases in the future, but members of Congress have not questioned past presidents or this one on their use of 1963 and '74 legislation." This preceded the 1977 law the Supreme Court said only gave Trump power to regulate with quotas or embargoes, but not tariffs. The American Soybean Assn. urged the president to refrain from imposing tariffs on agricultural inputs using other authorities. (Berns Bureau, Washington)

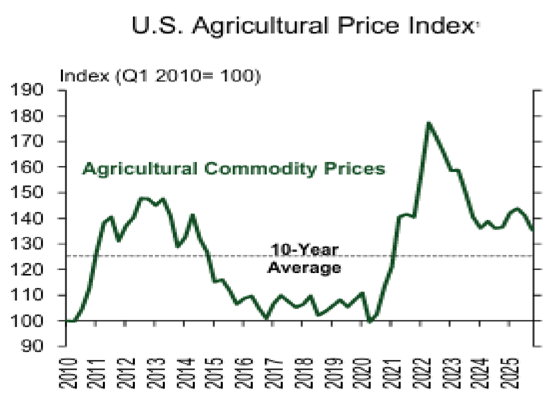
- **A new House bill would** "prohibit the imposition of additional tariffs on agricultural inputs imported from countries with normal trade relations." The Tariff Free Farming Act would provide farmers with relief from already high input costs. "The president's tariffs are a tax on our farmers and ranchers, who already fight for survival on razor-thin margins. Every dollar added to the cost of fencing, fertilizer, or equipment threatens their livelihoods, and ultimately drive-up prices for American families at the grocery store," said Rep. Jill Tokuda, D-HI. Under Tokuda's bill, tariffs on inputs like seed and fertilizer, feed and fuel, and machinery, would go back to the rates as of January 19, 2025. At that time tariffs for some listed ag inputs were at 0%. On Feb. 1, 2025, President Trump signed executive orders imposing 25% tariffs on Canada and Mexico, and 10% additional tariffs on China, then on all other nations shipping farm input products to the US. The U.S. collected about $958 mil. from tariffs on ag inputs from Feb to Oct 2025, says ND St. Univ.
- **President Trump said he will increase a temporary tariff** from 10% to 15% on U.S. imports from all countries. Reuters said that's the maximum level allowed by law, and he made the move after the U.S. Supreme Court struck down his tariff program. Ag groups responded to the Court's decision by calling on the White House for increased certainty in trade policy and to carve out exceptions for agricultural inputs in any new tariffs. While the administration said it will pursue its trade agenda through other mechanisms, ag groups and other businesses urged the White House to recalibrate its tariff policy. "We ask the administration to find other ways to resolve trade disputes and finalize recently announced trade frameworks," said American Farm Bureau President Zippy Duvall. "America's farmers need stability to ensure that families across America can put food on their tables."
- **US farmers have been looking for some stability** after a mercurial year under President Trump's tariffs. But after new trade upheaval last week, it's becoming increasingly clear that uncertainty is the only constant. "One of the things in this industry is that there's always uncertainties," Krista Swanson, chief economist at the National Corn Growers Association, said in an interview at the Commodity Classic conference in San Antonio. "So we're constantly in this place of trying to balance these things." The latest shift came as Trump implemented a new 10% global tariff aimed at preserving his trade agenda, after the US Supreme Court struck down the president's original sweeping duties. He also threatened to raise the number to 15%. Dissatisfaction among farmers — a cornerstone of Republican support — carries potential political consequences. Sentiment among growers has darkened at the start of 2026, while former farm leaders and government officials warn current trade policies are inflicting lasting damage. The escalating friction over tariffs risks alienating rural voters ahead of midterm elections. "The global tariff now throws more volatility and uncertainty into the market," said Caleb Ragland, chairman of the American Soybean Association. "We're drastically held back when these burdens of tariffs and other issues make it where we can't be competitive." China, the world's top consumer of the oilseed, avoided buying soybeans from the US for much of the season, only recently resuming purchases to meet a pledge to secure 440 mil. bu. this season. Whether the Asian nation will meet a commitment to purchase 920 mil. bu. a year through 2028 remains to be seen in the wake of the Supreme Court decision.

- **The Supreme Court's decision on tariffs** was closely watched by America's farmers, who rely on trade for 1/5th of their income. American Farm Bureau President Zippy Duvall says that open markets are crucial to rebuilding the farm economy. "America's farmers understand the president's efforts to use tariffs to create a more level playing field for farmers. Unfortunately, trade disruptions and declining prices for agricultural goods created additional hardships for farmers who are already dealing with crippling inflation and declining farm prices. We appreciate the president responding to trade and market disruptions by delivering important financial assistance. But open and fair markets are critical to helping rebuild the farm economy. We urge the administration to work swiftly to find other ways to resolve trade disputes and finalize recently announced trade frameworks. We strongly encourage the president to avoid using any other options to impose tariffs on agricultural inputs that would further increase costs." (American Farm Bureau)
- **A variety of farm and food industry executives** weighed in on the Supreme Court decision dismantling a broad range of tariffs impacting their share of the food industry:
  - ✓ **Dan Basse, president and founder** of Chicago-based AgResource, said the decision has stripped Trump of a significant amount of leverage regarding the imposition of tariffs on other countries. "He's really lost a big hammer."
  - ✓ **Scott Metzger, president** of the American Soybean Association. "US soybean growers are reliant upon imports for critical farming tools like fertilizer, seeds, pesticides and agriculture equipment. Moving forward, certainty and dependable market access are essential for US soy to remain competitive globally."
  - ✓ **US House Agriculture Committee ranking member Angie Craig** of MN praised the Supreme Court's decision but bluntly stated that the tariffs "have already caused lasting damage to farm country. While Trump promised to deliver a 'Golden Age' for agriculture, his tariffs cost our farmers billions in lost revenue and handed our export markets to agricultural competitors like Argentina and Brazil," Craig said.
  - ✓ **Rob Larew, president** of the National Farmers Union, had a similar reaction to the decision, noting that "many family farmers and ranchers have already felt the consequences of this tariff agenda." "We urge the administration not to pursue similar tariffs under other authorities, and we call on Congress to exercise its oversight role to ensure trade policy supports — not undermines — America's family farmers and ranchers," he said.
  - ✓ **Eric Dell, president** and chief executive officer of the American Bakers Association (ABA), saying the court's decision "provides important clarity for the commercial baking industry." "This ruling is significant for the commercial baking sector given industry businesses' reliance on global supply chains for ingredients, packaging and equipment,"

Farm Economy---

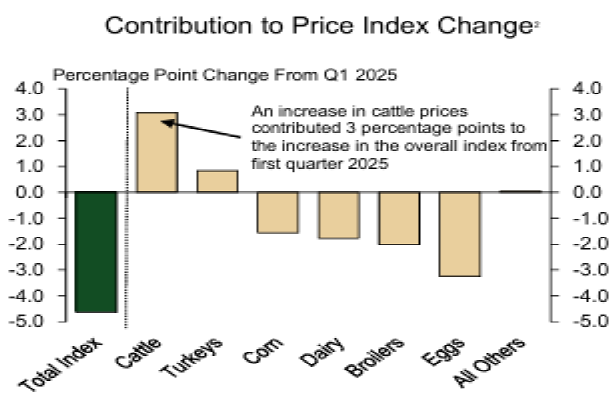
- **Conditions in the US farm economy** were uneven during 2025 with strong revenues in the livestock sector and continued weakness in the crop sector. On average, agricultural prices declined modestly in the final months of the year alongside lower prices for many key commodities. In the crop sector, prices for most products were subdued and revenues declined for the third consecutive year. Substantially higher cattle sales and modestly higher cash receipts for hogs, eggs and turkeys boosted livestock revenues during the year and supported an increase in net farm income relative to 2024. Domestic demand for agricultural products was solid through the end of 2025 and exports of many commodities increased from the previous year, but soybean exports were substantially lower. Agricultural credit conditions deteriorated gradually throughout the year, but direct government payments and resilient farmland values have eased some of the strain from weak profitability for crop producers. The outlook for crop profits remained subdued and could weigh further on credit conditions in the coming months, but leverage in the sector was steady in 2025, and aggregate farm financial stress was limited**.** [The report was collated by the Kansas City Fed ag economists](#).

Average U.S. agricultural prices ended 2025 about 5% lower than the beginning of the year.



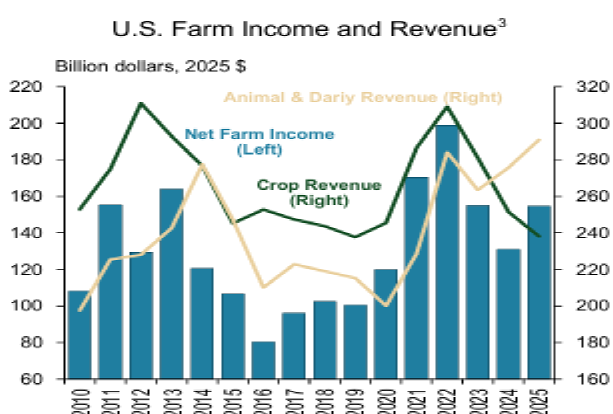
Sources: USDA and staff calculations

Despite continued strength in cattle prices, the overall index declined compared with early 2025 alongside lower prices for corn, milk, broilers and eggs.

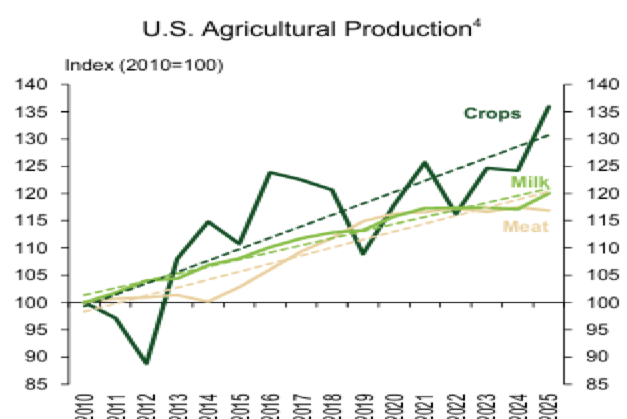


Sources: USDA and staff calculations

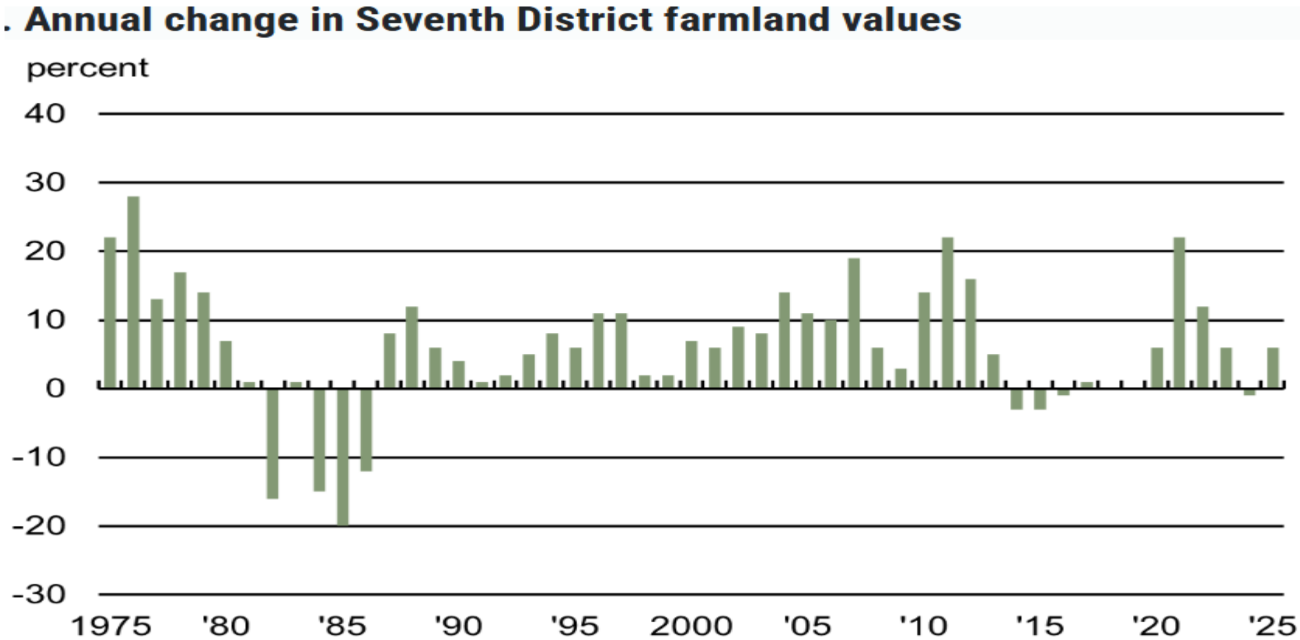
Farm income in 2025 increased nearly 20% compared with the previous year as higher cattle, hog, turkey and egg revenues offset weak crop revenues.



Crop and dairy prices were weighed down by strong production in 2025 while meat production declined slightly alongside lower beef and pork volumes.

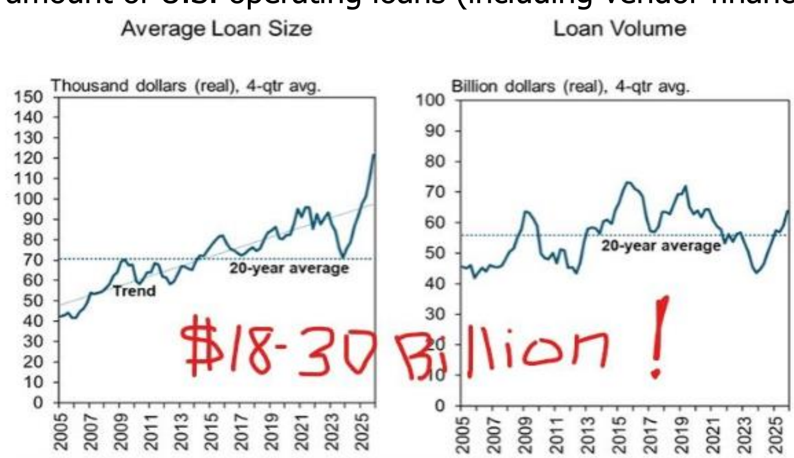


- **An annual increase of 6%** in the [Chicago Federal Reserve District's agricultural land values] in 2025 reversed the modest decrease in 2024 (below). Values for "good" farmland in the district moved up 2% in the fourth quarter of 2025 from the third quarter, according to 102 respondents from agricultural banks who completed the January 1 survey. IL, IN, and IA had single-digit annual increases in their farmland values for 2025, following annual decreases for 2024. WI also had an annual increase in agricultural land values for 2025, which was slightly higher than last year's increase. From 2014 through 2019, the yearly changes in District farmland values were somewhat negative to flat. In contrast, there were annual increases in farmland values from 2020 through 2025, except for in 2024, when there was a small decline.



Agricultural credit conditions continued to deteriorate in the fourth quarter of 2025. The share of the District's farm loan portfolio assessed as having "major" or "severe" repayment problems was 5.6% in the fourth quarter of 2025—the highest it's been since the second quarter of 2020. Repayment rates for non-real-estate farm loans were lower in the October through December period of 2025 compared with a year ago, and the renewals and extensions of these loans were higher. In the final quarter of 2025, demand for non-real-estate farm loans relative to a year ago was up for the ninth consecutive quarter, while the availability of funds for agricultural lending relative to a year earlier was down for the 11th consecutive quarter. Notably, 30% of survey respondents' banks tightened their credit standards for farm loans in the fourth quarter of 2025 compared with a year earlier, while 69% of the respondents' banks kept their credit standards essentially unchanged. With that said, 77% of responding bankers noted that their banks did not raise the amounts of collateral required for customers to qualify for non-real-estate farm loans during the final quarter of 2025 relative to a year ago, while 23% noted their banks required larger amounts. Agricultural interest rates edged down from the end of the third quarter to the end of the fourth quarter of 2025 and were last lower at the end of the third quarter of 2022.

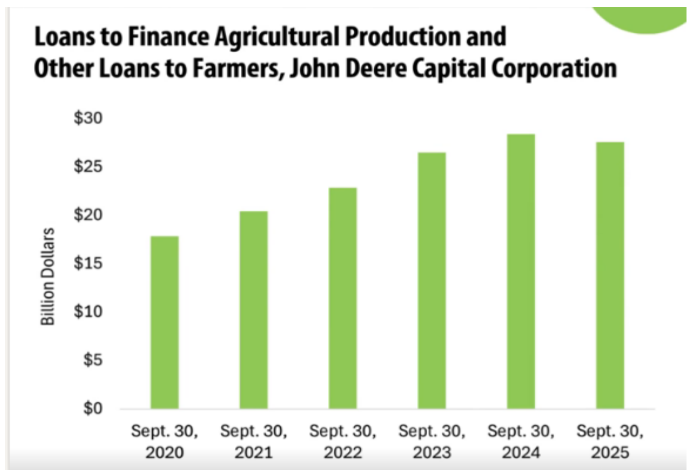
- **Farm incomes generally decreased** across the Minneapolis Federal Reserve District. That's according to lenders responding to the 4th quarter Ag Credit Survey by the Minneapolis Fed. Lenders also reported that purchases of capital inputs fell, though farm household spending continues to edge up. Demand for loans increased, while the rate of loan repayment dropped, and loan renewal and extension activity increased. Interest rates for agricultural loans fell notably. Land values in the district barely increased from the previous year, while cash rents were mixed. The outlook for the first quarter of 2026 was pessimistic, and survey respondents expected a further decrease in farm incomes. Capital expenditures also dropped, as 56% of the respondents reported decreased investment in equipment and buildings from a year ago, compared with only 11 % that reported increased spending.
- **Farmers likely have a good handle** on how much money they owe, and to whom and for what. But beyond their information and those to whom the money is owed, there may be a wide gap in information about how deep the farm debt may be. That is the contention of Scott Sartor of CropTell.com, a farm financial analyst, who says $30 bil. is the dollar amount of U.S. operating loans (including vendor finance and non-traditional finance). He also agrees that $30 bil. "up in the air" is not just a balance sheet issue; it represents seed, labor, inputs, and families planning an entire season. Operators must provide complete and timely financial information so risk can be properly assessed. Lenders, in turn, have a responsibility to respond with timely decisions and clear communication. I am hearing from many farmers that renewals are moving more slowly this year, with shifting requirements and limited clarity around timelines, adding strain when margins are already tight. More concerning is the perception among some growers that lenders may be waiting for government or disaster payments before declining renewals. That dynamic undermines trust in what should be a transparent, good-faith partnership. Credit is not charity; it is a disciplined business relationship on both sides. Significant delays or decisions tied to anticipated government payments needs to be called out. We cannot fix what we do not surface. Food security depends on reinvestment. Reinvestment depends on reliable capital." Sartor says farmers are very nervous because of 5 factors:



  - ✓ Higher cost of production culminating to increased operating capital needs
  - ✓ Slower loan renewals
  - ✓ Weak farm balance sheets
  - ✓ Exit of some traditional lenders from the market
  - ✓ Carryover debt hangovers

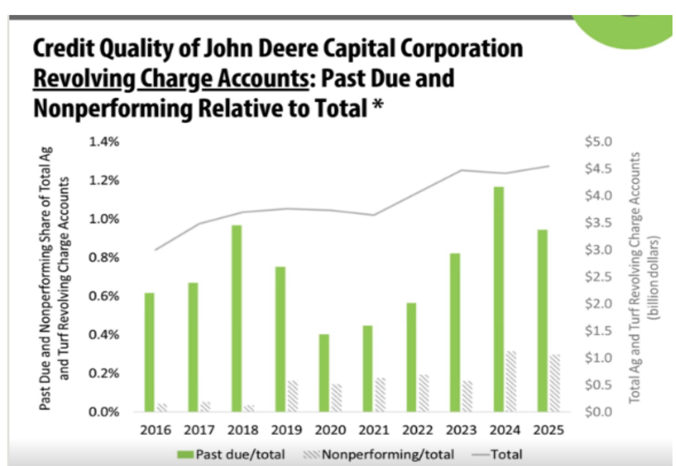
- **Those non-traditional lenders** have also been the subject of study at KS. St. Univ. where ag economists are also looking at their impact on farm debt. Ag economist Jennifer Ifft says, "Within the farm machinery market, John Deere operates not only as a manufacturer and marketer but also as a nontraditional lender. It makes credit available to farms purchasing machinery and equipment. Plus, in cooperation with other input suppliers, it offers financing for other products (e.g., seed, crop protection). For example, its multi-use program offers financing for crop inputs and John Deere equipment parts and service. Across the farm sector, nontraditional lending likely has been undercounted because these lenders don't always have public reporting requirements. As a financing entity for John Deere, John Deere Capital Corporation publicly reports its financial information. When available, this type of data from nontraditional lenders can lead to a better understanding of farm debt volumes and credit quality. [Click through the slides for highlights of John Deere's participation in farm debt financing.]

  - ✓ As of Sept. 30, 2025, John Deere Capital Corporation reported more than $27.5 billion in ag loans, according to reports published by the Federal Financial Institutions Examination Council. This was slightly less than the ag loans reported in 2024 but still a substantially larger volume than previous years. Between 2020 and 2025, ag loan volumes increased by 54%.



  - ✓ Quarterly and annual reports released through the U.S. Securities and Exchange Commission point to John Deere Capital Corporation's credit quality. The business reported $28 bil. in ag and turf customer receivables — assumably for equipment — at year-end 2025, which was Nov. 2. Of those loans, an estimated 1.1% were past due, and 1.1% were nonperforming. This was a marginal decrease from 2024 after past due peaks of around 1.5% from 2016–18 and a decline to 0.8% in 2021–22.

  - ✓ With respect to revolving charge accounts for the ag and turf segment, these accounts totaled an estimated $4.5 bil. at year-end of 2025. The past due share was 0.9% — down from 1.2% in the prior year. The nonperforming share was constant at 0.3% in 2024 and 2025. 2024 and 2025 levels are comparable to the 2018 level and substantially greater than 2020–21 levels.



- **The overall Rural Mainstreet Index** dropped below a growth-neutral level of 50.0 for February. That's according to the most recent monthly survey of bank CEOs in rural areas of a 10-state region dependent on agriculture or energy. The region's overall reading for February fell to 47.9 from 52.0 in January. This marks the 12th time that the index has dropped below growth-neutral since January 2025. "Due to weakness in the farm economy, especially for grain, about 75% of bankers support additional Congressional financial support for the agriculture sector," said Ernie Goss of Creighton University. "Pullbacks in farm exports for 2025 continue to undermine the regional farm economy," said Goss. A central IL banker said, "Our area of Central IL is in a drought. Drainage tiles which ALWAYS run are not passing any water. We will need timely rains to raise a decent crop in 2026." According to the February survey, farm loan delinquency rates are plateauing at a very modest rate of less than 1.5%. After rising above growth neutral in December, the farm and ranchland index fell below the threshold for the last two months with a February index of 45.5, down from January's 46.0. According to trade data from the International Trade Association (ITA), regional exports of agriculture goods and livestock for the first 11 months of 2025, compared to the same period in 2024, fell from $11.5 bil. in 2024 to $10.8 bil. in 2025, for a decline of 6.6%. Between 2024 and 2025, NE was the leading state with an expansion of 35.1%, and IL was the lagging state with a drop of 34.9%. The farm equipment sales index sank to a very weak 16.7 from 18.8 in January. "This is the 30th straight month that the index has fallen below growth neutral. Lower interest rates and the $12 bil. of federal farm support have yet to stimulate farm equipment sales," said Goss. Rural bankers remain pessimistic about economic growth for their area over the next 6 months. The February confidence index rose to 45.8, its highest reading since March 2022 and up from 44.0 in January. "Despite $12 bil. of federal farm support, weak grain prices and negative farm cash flows, combined with tariff retaliation concerns, continue to weigh on banker confidence," said Goss. The IL February Rural Mainstreet Index (RMI) declined to 45.8 from 50.1 in January. The farm and ranchland price index for February fell to 43.8 from January's 46.0. According to the latest trade data from the ITA, IL exports of agriculture goods and livestock for the first 11 months of 2025 stood at $3.1 bil., compared to $4.8 bil. for the same period in 2024, for a 34.9% decline. (Survey below reflects responses of Independent Community Banks of America.)

	Percentage of Bankers Reporting			
	Strongly Disagree	No Opinion	Agree	Strongly Agree
The ICBA is urging Congress to pass additional financial relief for U.S. farmers. Do you:	4.0%	21.0%	49.2%	25.8%

	Percentage of Bankers Reporting		
	Little or No Change	1% to 4%	5% to 10%
Farm loan delinquency rates for your bank over the past six months are:	65.2%	30.4%	4.4%

	Percentage of Bankers Reporting				
	Data Security & Other Areas	Marketing	Lending	Communications with Customers	Internal Staff Effectiveness
Where do you expect AI to have the greatest impact on your banking operations:	9.0%	13.6%	13.8%	22.7%	40.9%

- **USDA's Secretary Rollins** told her USDA Outlook Forum in Washington about a farm economy still facing strong headwinds. Rollins stressed gains for agriculture amid a lackluster 2026 price forecast and trade uncertainty after the Supreme Court struck down the president's tariffs, "Ethanol exports were up 11%, dairy exports up about 15%, and corn exports last year were up almost 29%." Helping to narrow the Ag trade gap by almost $9 bil., while Rollins claimed a drop in input prices, "Altogether, when adjusted for inflation, the average cost of production is going down in 2026, the first decline in more than 5 years." And in a mid-term election year that historically goes against the president's party, Rollins said the One Big Bill, saved producers an estimated $400 mil. a year for crop insurance. With coverage improvements for new and beginning farmers, permanent death tax exemption for many, and full bonus depreciation and immediate expensing for investments. "USDA is also now beginning the process of adding up to 30 mil., 30 mil. acres to our ARC and PLC programs." And pressing Congress for year-round E15 sales while finalizing 45Z and RFS rules to boost feedstock demand. That, as USDA has just started accepting bridge payment applications for $11 bil. for crops, and $1 bil. for specialty crops. (Berns Bureau, Washington)
- **The USDA Secretary also spoke to the Commodity Classic** audience. She blamed all of the high input prices on the Biden administration, and said they had all declined in the past year under her administration. "The Department of Agriculture forecasts that the overall average cost of production will decline in 2026 for the first time in 5 years, Rollins said in a speech at Commodity Classic in San Antonio," Agri Pulse reported. "This is good progress, but there's still so much work to do,' she said. 'My commitment to you is we will never stop until we get our arms around why all these inputs, so many, have increased

20%, 30%, 40% at a time when our farmers are barely surviving. We will not rest until we get to the bottom of it and we provide real solutions to you.'" Rollins (left in picture) has drawn some backlash over the last week from farmers who disagree with her recent comments about lower input costs Agri Pulse reported. She did not address the diminished market opportunities for farmers as a result of tariff battles with multiple nations typically buying US commodities. FSA Administrator Richard Fordyce (right in picture) said USDA processed more than 35,000 online applications in just 72 hours since enrollment for FBA opened on Monday. That totaled $1.7 bil. of the $11 bil. in FBA funds. American Farm Bureau Federation President Zippy "Duvall said he is pleased the FBA payments are going out, but he also believes there remains a need for greater aid and expects Congress will act," DTN reported. "'There are a lot of conversations about another aid package coming out of Capitol Hill,' Duvall said. 'There have also been more discussions at USDA. I feel like everybody in this administration understands the need and difficulties farmers are having.'"

- **The USDA Secretary says** she has a [5-point plan to boost the farm economy](), which turn around the farm economy this year. As farmers continue to face challenges, the agency will prioritize:
  - ✓ deregulation
  - ✓ trade deals
  - ✓ lower input costs
  - ✓ expansion of domestic biofuel markets
  - ✓ a stronger farm safety net

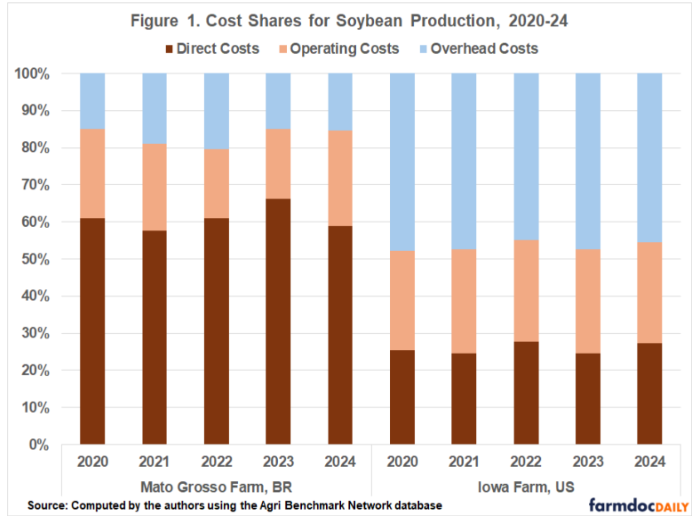
  On the trade front, USDA claimed the Trump administration has brokered trade deals or frameworks with 15 nations and governmental bodies. Secretary Rollins said farm input costs are now going down for the first time in 5 years. Not everyone agrees with that claim. "I do think that mental health of a farmer is also an important piece of that, and I'm working on a pretty big program to announce on that very soon," Rollins added.

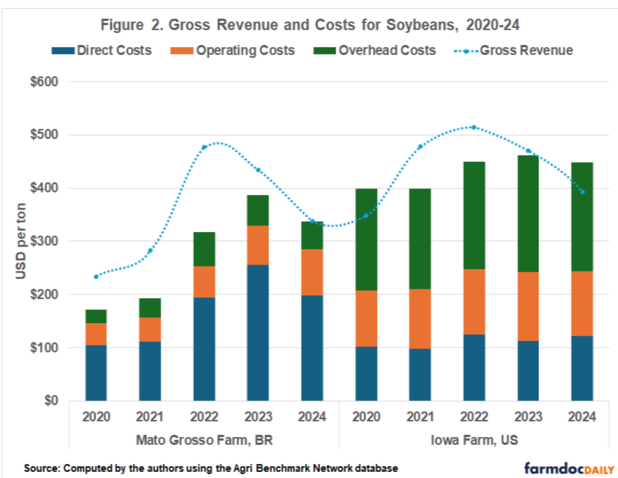
Farm Programs and Mailbox Money—

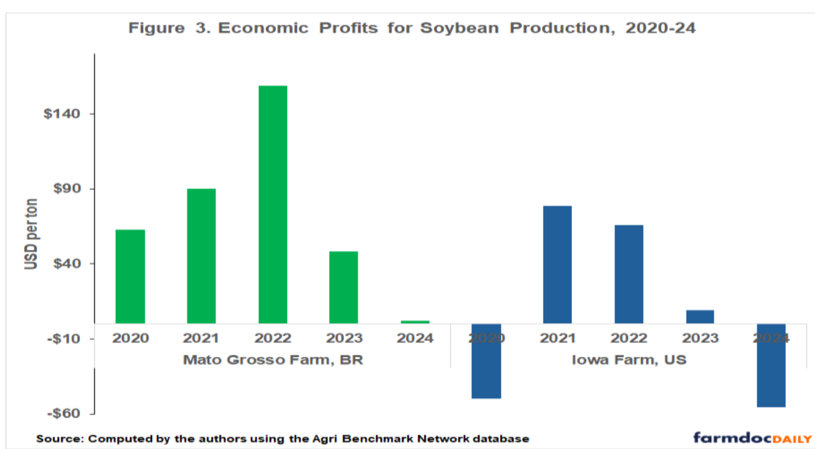
- **USDA said the enrollment period** is open for the Farmer Bridge Assistance Program, which provides $11 bil. in a 1-time bridge payments to row crop producers and $1 bil. for specialty crops. USDA said improving the farm economy is a top priority of the agency. "We have simplified and streamlined the application process for the bridge program to ensure producers get the financial assistance they need as quickly as possible while kicking off their spring planting season," USDA said. "If our farmers are not able to economically continue their operations, then we will not be able to feed ourselves in this country." Pre-filled applications will be available online to producers with a Login.gov account who filed their 2025 crop acreage report for eligible commodities. April 17 is the deadline to submit completed FBA applications. Producers can complete FBA applications online or submit them to their FSA county office.
- **Farmers attending the recent Commodity Classic** had the opportunity to enroll in the USDA's Farmer Bridge Assistance program. IL Soybean Association (ISA) District 6 Director and El Paso, Ill. farmer, Rob Shaffer, (right) a co-chair of the Commodity Classic, was one of the first farmers to electronically submit his FBA program application to the Farm Service Agency. "Because of this new electronic option, I didn't have to drive to my local Farm Service Agency office and instead was able to submit my application online in less than 3 minutes," said Shaffer. The electronic application for the FBA Program is part of a larger initiative by the USDA to modernize the agency—an effort called "One Farmer, One File." Shaffer said, "It will be nice to have the FBA funds but because of high input prices, they won't last for long." The FBA enrollment program closes April 17, 2026. Farmers can learn more and apply today at fsa.usda.gov/resources/programs/farmer-bridge-assistance-fba-program.

The Business of Farming—

- **What is your cost of soybean production,** versus your competitors? (BTW your competitor is not your neighbor but your counterpart in Brazil. And [Purdue ag economists](#) delved into the production economics.) "Differences in technology adoption, input prices, soil fertility, trade policy restrictions, exchange rate effects, and labor and capital market conditions lead to variation in input use across soybean farms in the United States and Brazil. Figure 1 presents the input cost shares for each farm, categorized into 3 major groups: direct costs, operating costs, and overhead costs. By contrast, overhead costs represent the largest cost component on the U.S. farm, accounting for nearly one-half of total costs during the 2020-24 period. This large share primarily results from higher land costs, which experienced substantial appreciation over the last few years. Overall, total costs were consistently higher on the U.S. farm than on the Brazilian farm during the 2020–24 period, (left). The sharp increase was largely attributable to rising direct costs, as higher international prices for imported inputs, especially fertilizers, substantially increased production expenses. Despite rising production costs, soybean gross revenue generally outpaced or kept pace with costs after 2020 on the Brazilian typical farm analyzed, supported by higher soybean prices. The same did not occur on the U.S. farm (right). Based on the difference between revenues and total production costs (direct, operating, and overhead), data shows economic profits for soybean production on representative farms in Mato Grosso and IA from 2020 to 2024. →



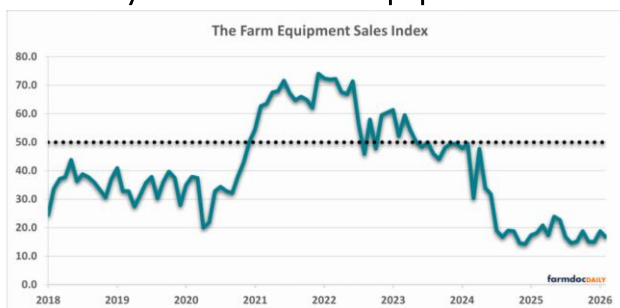


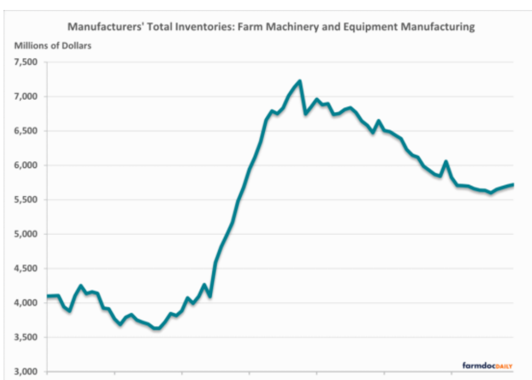


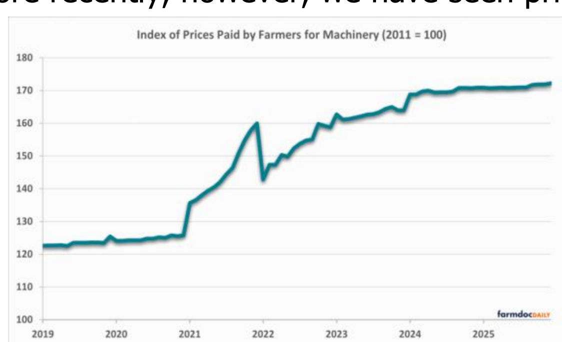
- **Farmers interested in tracking their Brazilian competition**, may be interested in a new service from Purdue Univ. featuring the knowledge and talents of Dr. Joana Colussi. She says, "We are excited to launch the weekly Purdue Center for Commercial Agriculture AgBriefs series – short, research-based insights to support better farm management decisions. In this first episode, we compare soybean production costs and profitability between Iowa, U.S., and Mato Grosso, Brazil, using agri benchmark data from 2020–2024. Brazil has gained a cost advantage in recent years, and farm-level data helps explain why." Watch to see what these structural differences mean.

Farm Equipment Dynamics —

- **How is your local farm equipment dealer doing?** Probably all of them are doing about the same. Farmers are not buying. Equipment makers are slowing production down. White House tariffs are stinging the entire system. Univ. of IL Farmdoc ag economist Gerald Mashange says, "The U.S. farm machinery and equipment market experienced challenges across many fronts in 2025. Recent data suggests many new and used equipment sales categories continued to decline last year. Major manufacturers, Deere & Co., CNH Industrial N.V., and AGCO, are adjusting their inventories by scaling back production. Perhaps most significant was the introduction of sweeping tariffs in 2025, which squeezed manufacturer margins. Mashange uses the Creighton Univ. index (right). Data from the Association of Equipment Manufacturers provides a granular illustration of the decline in retail sales at a national level (below left). In 2020, farm tractor sales increased by 17.74%, but the overall market downturn became more pronounced thereafter. In 2023, tractor sales fell an additional 8.23%, though combine sales managed a modest 1.39% rise. By 2024, both categories were firmly declining. Preliminary data for 2025 indicates continued deterioration in the market. The used market is also following a declining trend in inventories. According to the USDA's Agricultural Prices report by the National Agricultural Statistics Service. More recently, however, we have seen price increases level off (right) as declining grain prices and farm incomes, along with higher borrowing and input costs, have dampened demand. These factors—compounded by the margin pressures introduced by the 2025 tariffs—suggest a prolonged downturn as farmers navigate challenging production and credit conditions.





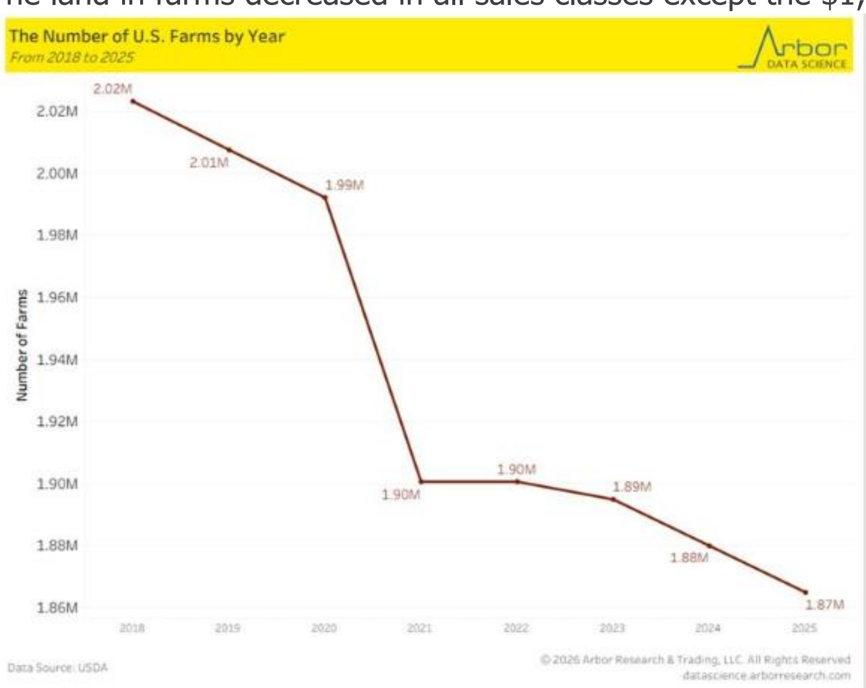


Land Prices and Farmland Issues—

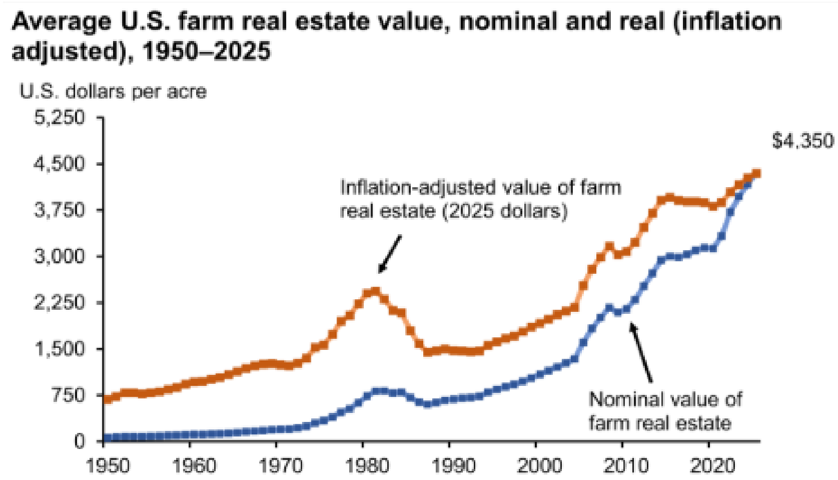
- **Housing development next door? Shopping center**? Or a data center? A data center would be quiet, with very little traffic, no bright lights, but would have priority on your electric power, and would lower your water table because of its thirst for cooling water. Data centers come quietly with unannounced land purchases, and what used to be a friendly neighbor's farm is now the culmination of Darth Vader. At one time, just a handful of years ago, IL government was trying to attract them and was quite successful. IL ranks among the top 5 states with the most data centers. "It's a big concern because they're popping up all over and there's just a lot of unanswered questions right now," IL Farm Bureau President Philip Nelson said, adding the topic was a topline issue raised during recent meetings with county Farm Bureau presidents. "What's driving the concerns really comes down to 2 things: The water usage and the electricity consumption these data centers are going to draw as they're sited. If you're living next to one of these, what's the impact on your property?" Data center companies seek cost efficiency, power potential, favorable state regulations and land availability when they make siting decisions, making farmland desirable. IL now has dozens of proposed projects. County Farm Bureaus are eyeing additional resolutions on data centers, potentially creating a standalone policy, as American Farm Bureau Federation delegates did in January. While data centers aren't new to IL, most have been centralized in urban and suburban areas. Last summer, Bill Bodine, IL Farm Bureau director of business and regulatory affairs, started receiving calls from members with questions about data centers. Bodine works with members on a case-by-case basis, analyzing project details and how they line up with IFB policy. Decisions are made at the county level whether to oppose a project. "We as a statewide organization don't normally engage in local siting decisions," Bodine said. "That's the county Farm Bureau's decision. We help them with that." Both Bodine and Sangamon Co. Farm Bureau Pres. Scott Landrey pointed to the utilization of Agricultural Areas as a way for farmland owners to preserve the integrity of farming operations by providing a means of keeping land in agricultural use for at least 10 years. Landrey said a meeting was held for members to learn more about the state statute. For struggling rural communities, the property tax implications and additional revenue from data centers is enticing, but farmland owners with concern cautioned money can't be the only consideration when local governments are presented with proposed data centers. →

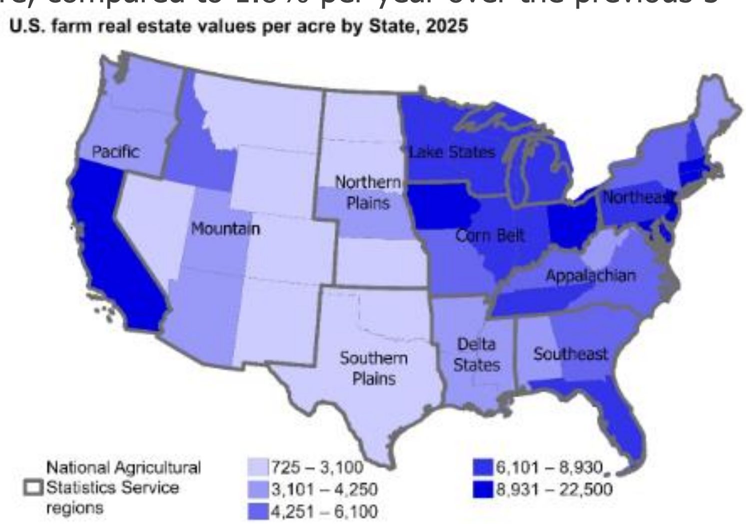
A rendering of the proposed CyrusOne data center in Sangamon County. (Courtesy of CyrusOne)

- **An 86-year-old PA farmer** turned down nearly $15 mil. data center offer for his 261-acre farm, prioritizing preservation over profit. With guidance from Jeff Swinehart of Lancaster (PA) Farmland Trust, who has spent decades helping landowners protect farmland through conservation easements and partnerships with local townships, the farmer was able to sell his development rights for about $2 mil. Swinehart's work ensures that farms like this remain in agriculture for future generations. The land, Swinehart emphasized, was deeply personal for farm owner Mervin Raudabaugh. "He references about when his wife passed away…holding her on these properties. So, the properties are more than just monetary gain to him. They're his legacy, it's been his life," said Swinehart who manages the Lancaster Farmland Trust in an adjacent county. "He was still able to preserve these two farms, realize his dream of seeing these farms remain available for the next farmer, but still was able to walk away with $2 mil. from preserving his farm," Swinehart said. "In his testimony at 86, $2 mil. is more than enough money." In an era of rising land values and relentless development pressure, that kind of conviction may be the most valuable asset rural America has.
- **The number of farms** in the US for 2025 is estimated at 1,865,000, down 15,000 farms from 2024. The number of farms decreased in all sales classes except the $1,000,000 or more sales class. In 2025, 48.0% of all farms had less than $10,000 in sales and 78.8% of all farms had less than $100,000 in sales. In 2025, 9.9% of all farms had sales of $500,000 or more. Total land in farms, at 873,950,000 acres, decreased 2,510,000 acres from 2024. The land in farms decreased in all sales classes except the $1,000,000 or more sales class which increased by 850,000 acres. In 2025, 25.7% of all farmland was operated by farms with less than $100,000 in sales, while 50.1% of all farmland was operated by farms with sales of $500,000 or more. The average farm size for 2025 is 469 acres, up from 466 acres the previous year. Number of U.S. farms continue to shrink and are at lowest level in 7 years...15,000 farms were lost in 2025 with largest decline in Texas



- **Farm real estate (land and structures)** accounted for a forecasted $3.67 trillion (83.6%) of the total value of U.S. farm assets in 2025 (see more on farm assets and debt, including real estate.) Following a period of stabilization in farmland values from 2014 to 2020, farmland values began to appreciate in 2021, even after adjusting for inflation. The trend continued into 2025. The value of U.S. farmland averaged $4,350 per acre, an increase of 4.3% over 2024 values, or 1.9% when adjusted for inflation. Over the previous 5-year period (2019 to 2024), the compound annualized growth rate (CAGR) was 5.8%, or 2.0% after adjusting for inflation. In addition to regional differences in the value of land, the rate of growth varies by region. Over the preceding 5-year period (2019 to 2024), the Northern Plains region experienced the highest average real annualized growth rate (3.5%) and rose the least in the Delta States region (0.1%). Farm real estate values also vary according to agricultural land use. Cropland values maintain a premium over pastureland due to cropland's higher per-acre returns. Between 2024 and 2025, inflation-adjusted U.S. average cropland values increased by 2.2% to $5,830 per acre, compared to a 2.5% compound annualized growth rate (CAGR) over the previous 5 years (2019 to 2024). Meanwhile, average pastureland values increased by 2.4% to $1,920 per acre, compared to 1.8% per year over the previous 5 years (all values are adjusted for inflation). The difference between cropland and pastureland values also varies by region. Cropland values are higher than pastureland values in every region. In the Pacific region, the average cropland value per acre ($9,830) was slightly more than 4 times higher than the average pastureland value per acre ($2,450) in 2025. Another measure of value is the annual rental cost of using land for agricultural production. Between 2024 and 2025, average inflation-adjusted U.S. cropland rental rates decreased by 1.7% to $161, while pastureland rental rates decreased by 2.4% to $15.5 per acre.

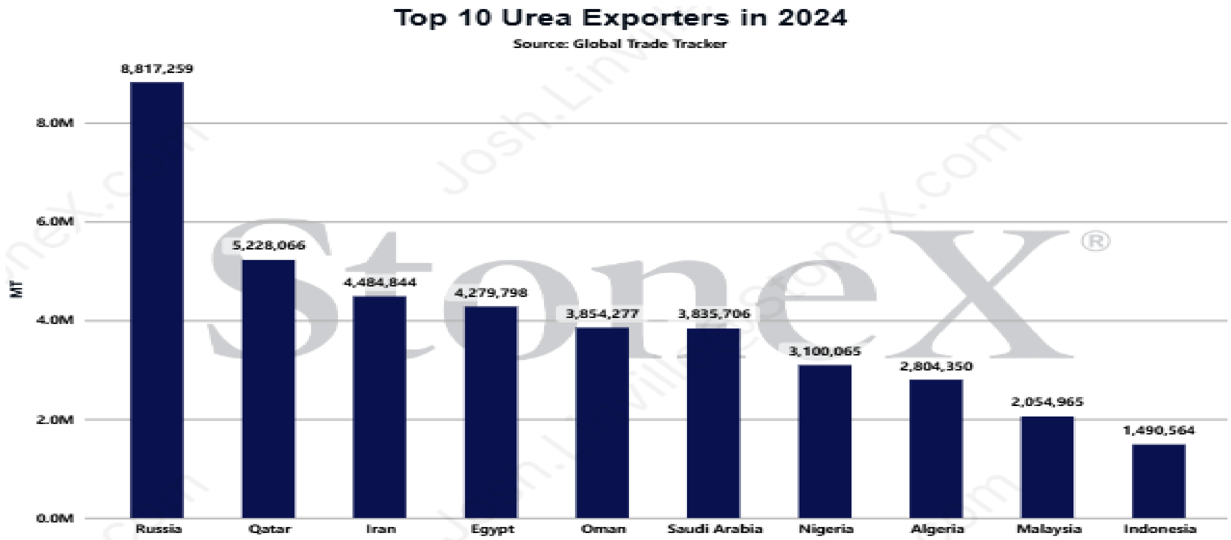


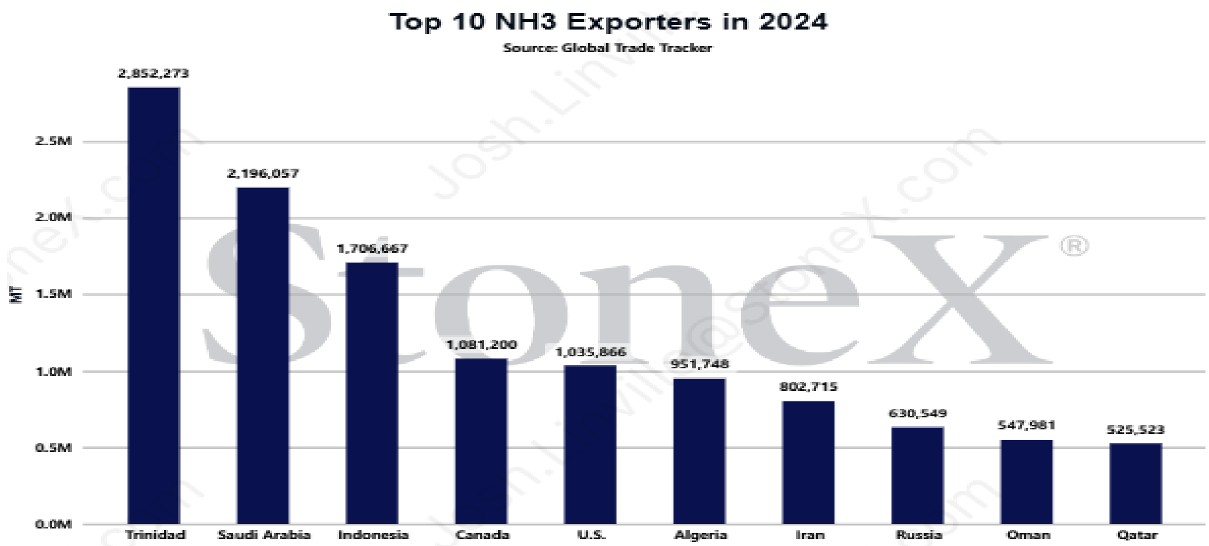


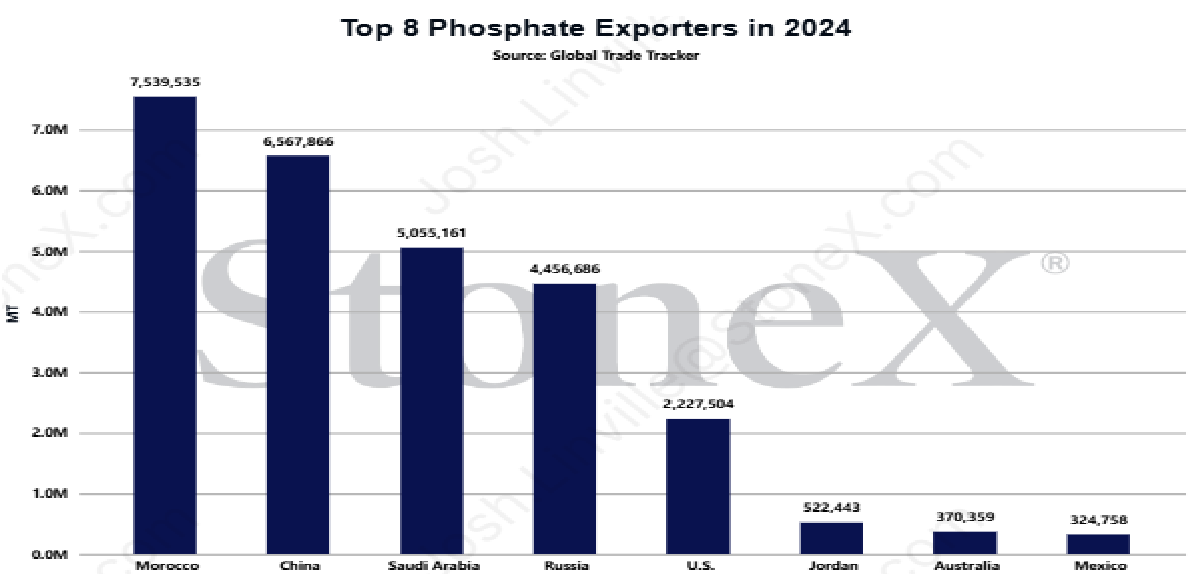
Fertilizer, Fuel, and Other Inputs—

- **Comparing the cost of fertilizer to the price of corn,** how are you making out? Josh Linville, vice president of fertilizer for StoneX says, "Fertilizer prices are some of the worst in history for this time of year vs corn values."
  - ✓ Urea – 2nd worst in history this time of year
  - ✓ UAN – 2nd worst in history this time of year
  - ✓ DAP – tied for 3rd worst in history this time of year (after starting the year worst ever)
  - ✓ NH_3 – 2nd worst in history this time of year
  - ✓ Each individual fertilizer has its reasons for the high price, but it combines for an incredibly horrible situation for farmers who have to spend even more of their bushels on fertilizer inputs. →
- **After the weekend strike on Iran,** pricing for urea (already in the US) increased, according to Linville. He reported Monday morning that trade has been active this morning, mostly on NOLA urea. For the physical commodity, the price is up $70 (full March traded $468 and full April traded $457 Friday, however today the price for the second half of March is quoted at $550. He says, "No doubt UAN/NH3/phosphate values are not far behind."
- **Unrelated to pricing, what about availability?** With the new US attacks on Iran, which controls the Straits of Hormuz, to exit the Red Sea, the availability of many fertilizers may be threatened. Fertilizer ships do not like to transit war zones, says Josh Linville of StoneX.
  - ✓ Obviously, we are watching/hoping for peace which would mean little to no impact on fertilizer markets
    - Maybe a slight discount on pricing as wartime premiums are removed
  - ✓ However, what happens if there is an attack?
    - 3 of the 10 largest urea exporters in the world need the Strait of Hormuz to export
    - 3 of the 10 largest NH3 exporters in the world need the Strait of Hormuz to export
    - 1 of the 5 largest DAP/MAP exporters in the world need the Strait of Hormuz to export
  - ✓ The Strait is one of the most important bodies of water in the world
    - If that Strait shuts down, the world will focus on oil/gas/energy impacts
    - However, it would have a massive impact on nitrogen and phosphate values
  - ✓ Also remember that the timing for fertilizer literally could not be worse
    - The phosphate market is already suffering from the lack of Chinese exports (not expected back until August at earliest)
    - The nitrogen market is ramping up for spring need shipments and has several supply problems already in place
    - There is never a good time for war, but this couldn't be much worse

- **With military action in the Middle East,** what nations that are involved are major suppliers of fertilizer that is being priced and shipped to the US? There are many, says Josh Linville of StoneX.







- **A new 10% U.S. tariff on fertilizers and other goods** from around the world took effect on Tuesday. Meatingplace said a list of tariff exemptions included beef, some fertilizers, and metals like steel and aluminum that are already under Section 232 national security tariffs. The 10% tariff under Section 122 was announced last week after the Supreme Court struck down President Donald Trump’s widespread use of tariffs, in place since February 2025. “Section 122 only allows tariffs for 150 days without congressional action,” Meatingplace said. “The President had said over the weekend he was raising them to 15%, the cap set in Section 122, but Tuesday’s action remained at 10%.” Fertilizers that are exempt from the new import tariffs include urea, ammonium nitrate, UAN, ammonium sulfate, along with DAP, MAP, and others. Ammonia, sulfuric acid, and sulfur are not exempt, unless they are imported via the U.S.-Mexico-Canada Trade Agreement.
- **After the tariffs were first announced in April 2025**, U.S. fertilizer imports in the second half of the year decreased drastically, according to an economist with The Fertilizer Institute. In a webinar titled "Navigating 2026: The Changing Landscape of the Fertilizer

Market," TFI staffers discussed what the fertilizer industry saw in 2025 and what could happen in 2026. Imported fertilizer, however, was an exempted item from the various tariffs in 2025, chief economist Veronica Nigh (left) said. But there does appear to be a connection to the announcement of tariffs and the amount of nutrient imports into the U.S., she said. Nigh said a recent ND St. Univ. study of the tariffs and U.S. fertilizer imports concluded that the effect of the tariffs went beyond the tariffs themselves. It was probably the uncertainty that came with the tariffs that affected the slowing rate of nutrient imports into the U.S. in the second half of 2025, she said. "We just didn't see (imports) building in 2025, and now this is where we find ourselves as we entered 2026," Nigh said. She said there were several supply issues in 2026 that will have a direct impact on the global fertilizer market. Russia is one of the 3 main suppliers of potash fertilizer, along with Canada and Belarus. Nigh said it will be important to see if Russia is exempt in the new Section 122 tariffs, as it was in the IEPPA tariffs. Because of modest agricultural production in the nation, Russia has a significant exportable supply of fertilizer. They are the only country to be an exporter of all 3 major fertilizers. "When Russia moves, the market will move, and it will move in a significant way," Nigh said. A wildcard in 2026 could be the geopolitical challenge between the U.S. and Iran. Roughly 8% of global exports of urea come from Iran, she said. Iran is a significant player in that region of the world, and a conflict between the U.S. and Iran "could get messy," Nigh said.

Risk Management and Crop Insurance—

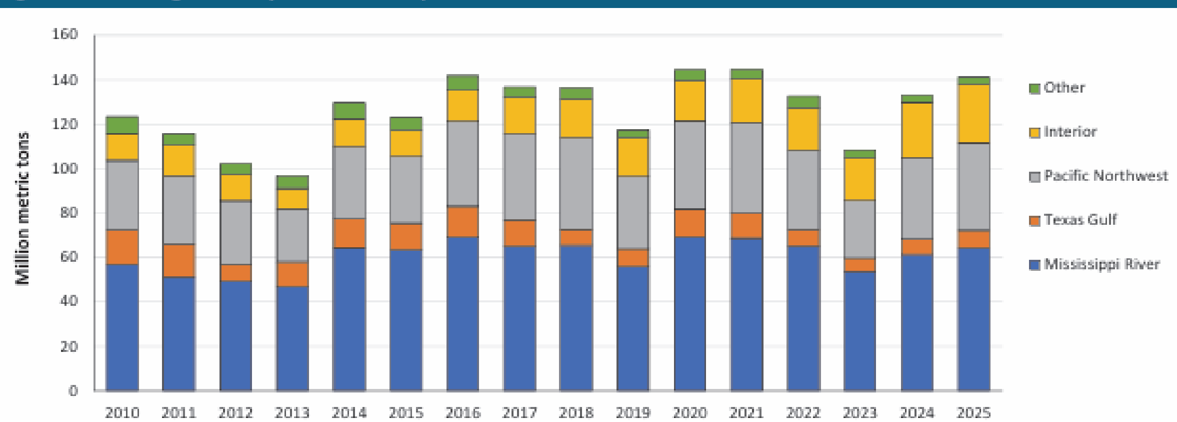
- **Yes, USDA is paying a bigger share** of your SCO and ECO premiums, but does that mean you should automatically sign up? NO, say IL Farmdoc ag economists who say there are some counties where it will benefit, and others not. Here are the differences:
  - ✓ "Several (farmers) have noted that the Risk Management Agency's (RMA) expected yields for some counties lag behind their actual yields. In areas where RMA's expected yields are too low relative to actual yield expectations, insurance payments will be triggered less frequently and at levels insufficient to offset losses. This, then, causes skepticism about using area-based products such as SCO and ECO. The chance of receiving a payment decreases when expected yields lag actual yields. Since its inception in 2015, RMA's expected yields have lagged actual yields in most IL counties. The same is true across the Midwest. Expected yields have been more likely to be below actual yields since SCO's introduction in 2015. RMA's procedures do not appear to reflect the pace of yield increases in the Midwest. As a result, SCO and ECO will not pay as often nor as much as they should in Illinois and the Midwest. Still, the very high premium subsidies of 80% will likely result in expected payouts from SCO and ECO which exceed the amount of farmer-paid premiums, over time, particularly for ECO at the 95% level. The Insurance Evaluator incorporates the observed historical relationships from 2015 through 2025 between RMA's Expected Yields and actual yields by county when reporting results. Thus, the estimated net benefits (expected indemnity payments less farmer-paid premium) account for the fact that actual yields have tended to be higher than what expected yields would suggest.
  - ✓ Why is ECO 95% preferred over ECO 90% and SCO? In the vast majority of cases, ECO-95% will perform better than ECO-90%. The 95% guarantee will trigger in many more situations than the 90% guarantee, which when interacting with an 80% subsidy, increases the net payment benefits producers can expect to receive. SCO will add additional protection, but not as much as that offered by ECO95%. ECO-95% will trigger in many more situations than SCO.
  - ✓ Should I avoid SCO and ECO if my APH yield is above RMA's yield? SCO and ECO will perform independently from the COMBO product. Payment rates are independent from farm APH. The only impact of a farm's APH will be on the dollar amount of the premium and payment. The farm with the higher APH yield will pay a 10% higher premium and receive 10% larger indemnity payments, if they occur, for the SCO and ECO products. In other words, all farms with SCO or ECO coverage within a county will receive a payment, if triggered, regardless of their individual APH. Farms with higher APH yields will receive larger payments and pay higher premiums than farms with lower APH yields. Farms with higher APH yields, however, tend to receive fewer insurance payments on the COMBO product. If anything, farms with higher APH yields may find ECO and SCO more attractive because of the rating issues associated with the COMBO products.

- **February markets have closed for corn and soybeans,** and the spring price discovery is tentatively $4.61 for corn and $11.08 for soybeans, according to Farm Credit Services of America. That compares to 2025 rates of $4.70 for corn and $10.54 for beans. While those numbers are unofficial, USDA's Risk Management Agency will make the final determination with the past week's market volatility and provide official numbers March 3. Your job is to have contact with your crop insurance agent and "seal the deal" by Mar. 15. Beware that March 15 is a Sunday, and his or her company may need your signature by Friday, March 13. Don't make that an "unlucky" date and not take care of your business.

Transportation Issues—

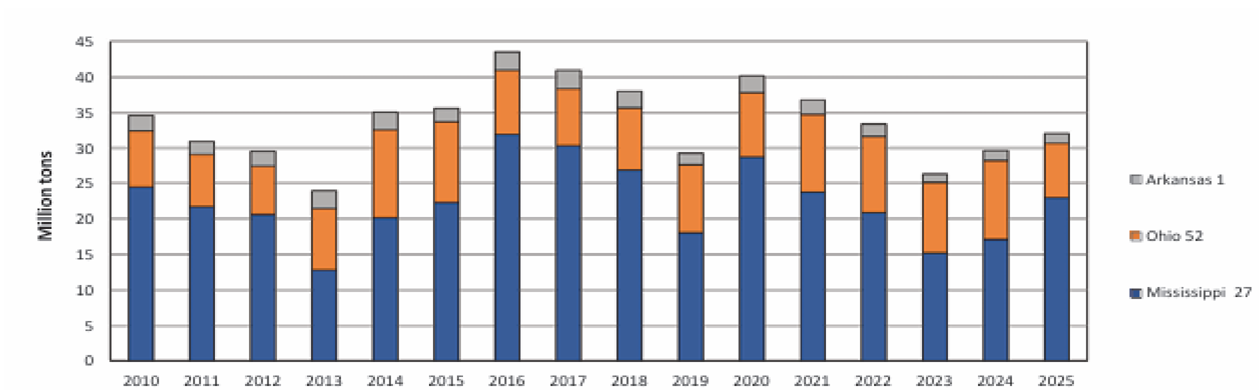
- **Diesel prices are up** and have been rising for nearly 2 months. According to the Energy Information Administration (EIA), for the week ending February 23, the U.S. average diesel fuel price was $3.809 per gal.—up 19.8¢ from the previous week and up 11.2¢ from the same week last year. From the week ending January 19 to the week ending February 23, the average diesel price rose 27.9¢. The current week's price is also the highest since November 24, 2025, when the average diesel price was $3.831 per gal. According to EIA's February Short-Term Energy Outlook, oil prices will fall in 2026, as global oil production exceeds demand, causing oil inventories to rise. EIA projects the Brent crude oil price will average $58 per barrel in 2026, 16% less than in 2025 and up $2 per barrel from EIA's January forecast. EIA also projects diesel prices to average $3.43 per gal. in 2026, down 23¢ from the 2025 average price of $3.66 per gal. and unchanged from January forecast.
- **For the last 10 years,** the United States has exported approximately 25% of the grain it produces. On average, these exports include 46% of wheat production, 47% of soybean production, and 15% of corn production. But that is changing, according to USDA grain transportation economists. "After declining for 2 consecutive years from a peak of 5.5 bil. bu. in 2021, total U.S. grain inspected for export rose substantially again in 2024 and, in 2025, reached a near record high of 5.36 bil. bu. (fig. 1). Driven mostly by an increase in corn inspections, the 2025 total was up 6% from 2024 and up 30% from 2023. In 2025, corn inspected for export was up 40% from 2024 and up 97% from Figure 1. Total grain inspected for export 2023. Wheat inspections were up 15% from 2024 and up 40% from 2023. Soybean inspections fell 27% from 2024 and 21% from 2023." →

Figure 1. Total grain inspected for export



- **The increased demand for grain exported** from the Cornbelt has challenged the Mississippi River, because of its incessant low water levels. The [USDA's Grain Transportation economists] report, "Despite drought-induced low water in the Lower Mississippi River in the last 4 months of 2025, barges moved 1.2 bil. bu. of grain on the Mississippi River to New Orleans for export in 2025 (fig. 2)—11% more than 2024 and 25% more than 2023. In 2025, an average of 28 oceangoing grain vessels were loaded per week

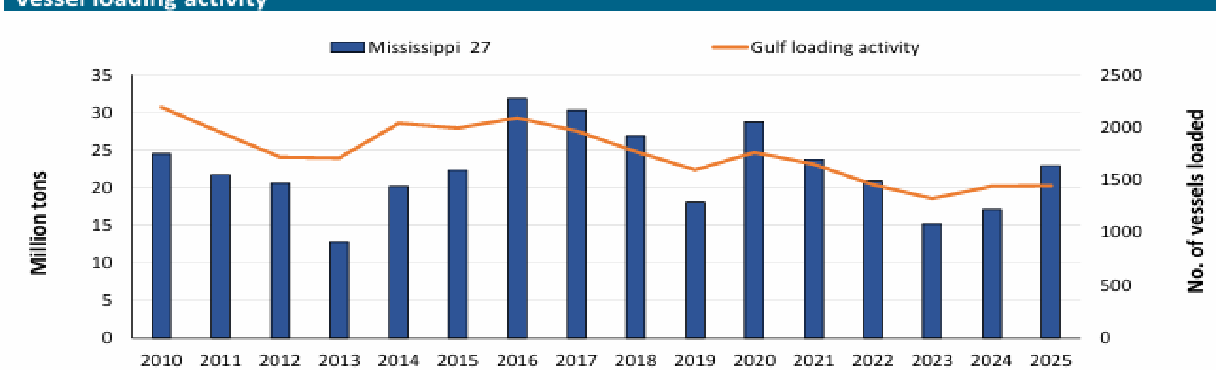
Figure 2. Total grain movements by barge



Source: USDA, Agricultural Marketing Service analysis of U.S. Army Corps of Engineers' Lock Performance Monitoring System data. GTR 02-26-26

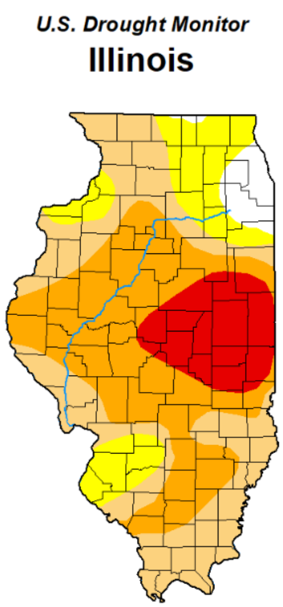
in the U.S. Gulf, versus 26 in 2023. Historically, the total tonnages of barged grain transiting the Mississippi River (at Locks No. 27) have closely paralleled the grain vessel-loading activity of oceangoing vessels (number of grain vessels loaded) in the U.S. Gulf.1 The 2 indicators continued to be closely tied in 2025. With improved service and a number of rail tariff rate adjustments, U.S. Class I railroads originated 9% more carloads of grain in 2025 than in 2024, and 17% more than in 2023. In June 2025, both BNSF Railway and Union Pacific Railroad reduced most rail tariff rates for hard red winter wheat. As of February 19, 2026, year-to-date (YTD) grain inspected for export in all port regions was up 21% from the same 2025 period. This total was buoyed by a 21% rise in soybean inspections from the same 2025 period— reflecting resumed purchases by China. Also, compared to the same 2025 period, corn inspections were up 13% and wheat inspections were up 18%. As of February 21, 2026, YTD barged grain volumes through the Mississippi River System (MRS) were down 35% from the same 2025 period. This dip partly reflected the ice-induced MRS slowdown of the past few weeks. Also, as of February 12, 2026, a YTD weekly average of 32 grain vessels were loaded in the U.S. Gulf, up from 28 vessels in 2025."

Figure 3. Grain movements by barge through Mississippi Locks and Dam 27 and Gulf vessel loading activity

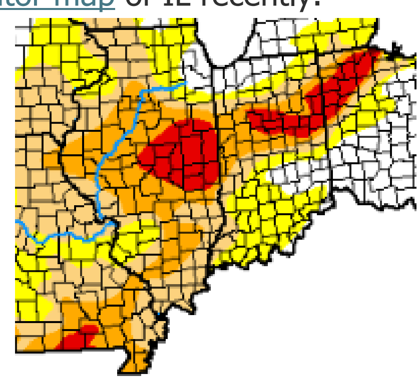


Weather and Climate—

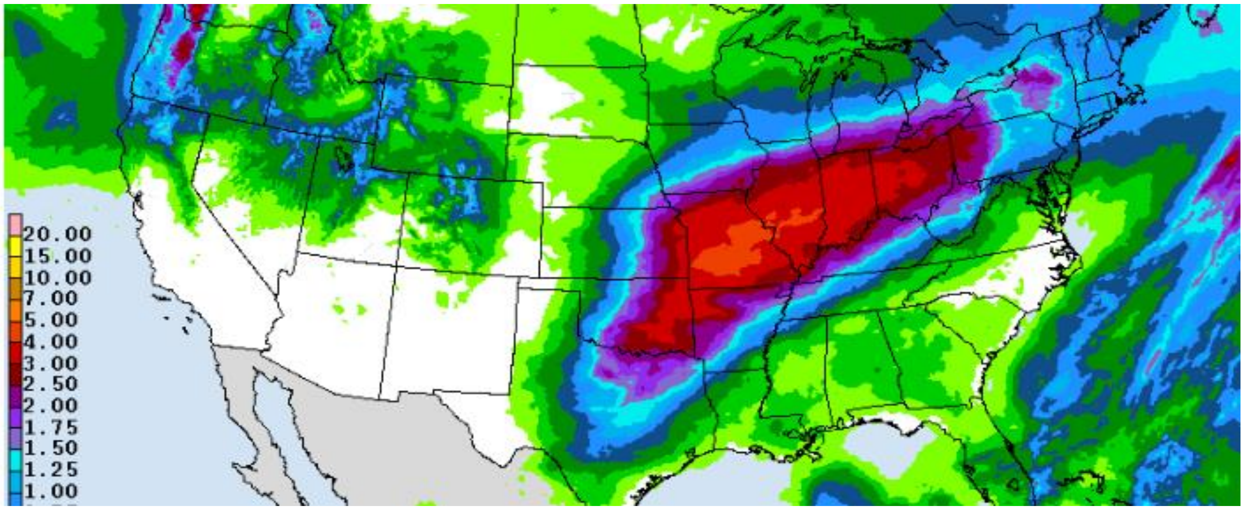
- **"Temperatures were all over the place this week,"** says IL State Meteorologist Trent Ford, "as is common for late February. Overall, average temperatures were 1 to 3° warmer than average in northeast IL, and within 1° of average everywhere else. Some of the more impressive daytime high temperatures this week included 74° in Flora and 72° in Carbondale, while nighttime low temperatures dipped as far as 10° in Galesburg and Quincy. February will likely end 2 to 3° warmer than normal statewide in IL, although meteorological winter will likely end 1 to 2° colder than normal statewide, when all is said and done. We had another middling week of precipitation, with 7-day totals mostly less than .5 in. in most places. A narrow band along Interstate 74 from Peoria to Bloomington-Normal picked up 1 to 3 in. of snow early Thursday morning, which melted quickly as temperatures quickly reached into the 40°s. February has been 1 to 4 in. drier than normal across the state, and only a very narrow band around I-70 will end the month slightly wetter than normal. February adds to growing precipitation deficits from fall and this winter, and some places in east-central IL have had 11 to 12 in. less than average precipitation dating back to September. In fact, the last 6 months has been the driest 6-month period on record in Bloomington-Normal, reflecting how extreme our drought has become. The most recent U.S. Drought Monitor shows extreme drought across east-central IL and severe drought in most of central and parts of southern IL. After a brief warm up early this weekend, Sunday will bring much colder weather and some snow and rain across the state. Next week, we can expect seasonable temperatures in the 40s and 50s, but with multiple chances of rain across the state. The latest 7-day precipitation forecasts from National Weather Service show the entire state picking up at least 1 inch of precipitation next week, with totals exceeding 2 to 4 inches in central and south-central IL. Although that kind of rain is not a drought buster, it would be a great start to improve our current conditions."



- **Very little precipitation** has appeared on the [Drought Monitor map]() of IL recently. Continuing a recent theme, improving drought conditions in the vicinity of the Great Lakes contrasted with ongoing drought farther south and west. Notably, patchy extreme drought (D3) persisted from southern MO into northwestern OH. Some locations in the lower Ohio Valley and neighboring areas may soon complete their driest meteorological winter (December-February period) on record. From December 1 – February 24, precipitation in Paducah, KY, totaled 3.21 inches, just 285 of normal. Even lower season-to-date totals were observed in Springfield, MO (3.13 inches); Carbondale, il (2.49 inches); Poplar Bluff, MO (2.44 inches); Joplin, MO (2.16 inches); Gape Girardeau, MO (2.09 inches); and West Plains, MO (1.75 inches).

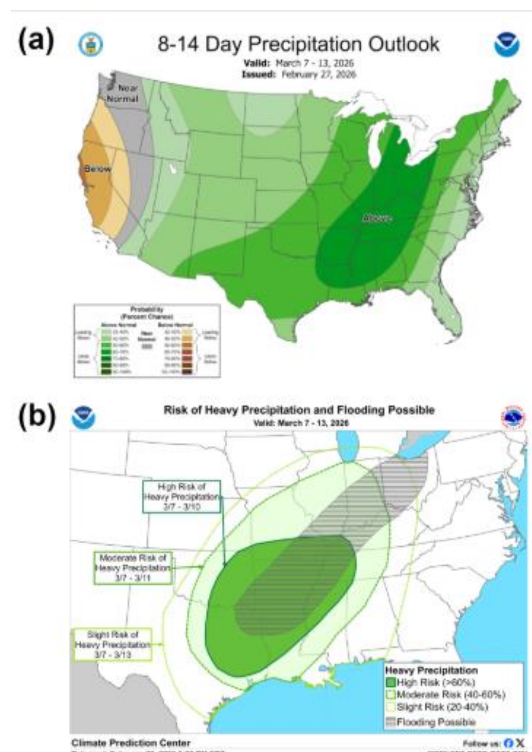


- **Teams in the "red zone"** typically are expected to score. Let's hope you are in the red zone this coming week, if you have had a scoring drought.



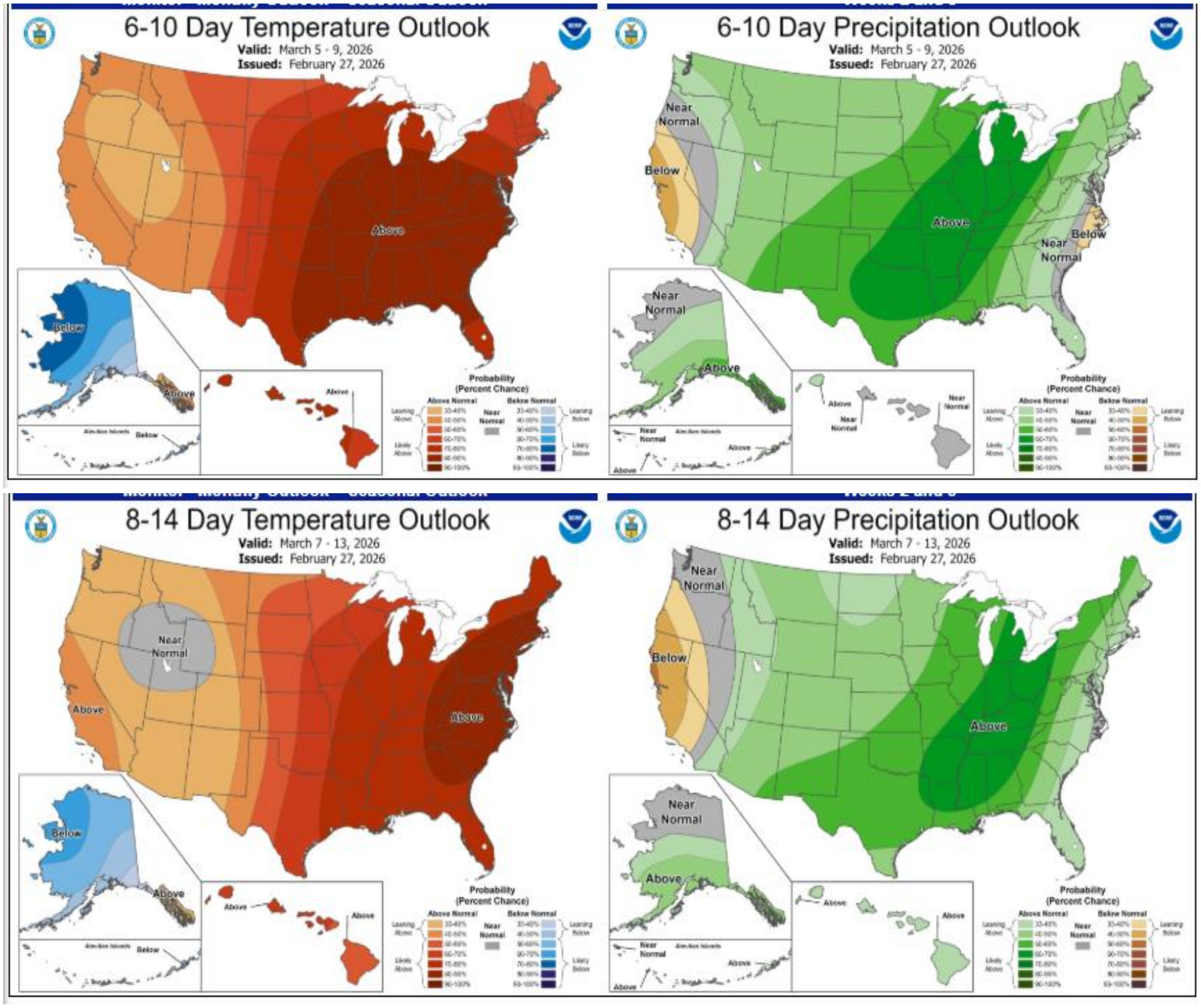
- **The Climate Prediction Center** has issued a risk of heavy precipitation for parts of the Midwest that includes large portions of IL during the current week. Multiple low-pressure systems tracking across the Great Plains and Midwest, combined with a strong influx of low-level moisture, are expected to drive a significantly wet pattern over the U.S.

  - ✓ (a) A swath of enhanced probabilities for above-normal precipitation, reaching 60 to 70% at the highest, is indicated over much of the South and interior East during week-2.
  - ✓ (b) A high risk of heavy precipitation (>60% probability) is indicated for the Lower Ohio, Tennessee, Middle and Lower Mississippi Valleys and Southern Plains Mar 7 to 10. Broader moderate (40 to 60%) and slight (20 to 40%) risks of heavy precipitation stretch from eastern TX to the lower Great Lakes. Flooding is possible across parts of the Middle and Lower Mississippi, Ohio, and Tennessee Valleys and the lower Great Lakes region.
  - ✓ Multiple rounds of heavy precipitation and thunderstorms are expected, with weekly totals potentially exceeding 3 inches in some areas (4 inches locally) and 3-day totals in high-risk zones possibly exceeding 2 inches.



  - ✓ Isolated river flooding from heavy precipitation and snowmelt is possible. Short-term precipitation is expected to moisten current dry soils, and chances for flash and isolated river flooding increase with the continuation of above-normal precipitation into the Week 2 period.

- **Despite Sunday's wintery "dipsy-doodle,"** March should provide needed warmth and water. (Not just moisture, but water.)



- **AccuWeather long-range experts** say the 2026 severe weather season is shaping up to be significantly different from last year's exceptionally active spring that saw hundreds more tornadoes compared to the average. While tornado activity is expected to trend lower this year compared to 2025, the risk will shift toward more frequent and heavier downpours, flooding, and damaging straight-line wind events. The Severe Weather Forecast predicts an increased risk of severe weather episodes across the eastern Plains into the mid-Mississippi River Valley and western Ohio Valley in March and April. Cooler and more stable air may limit severe storms farther north early in the season before conditions get more favorable in late April and May. "Flash floods and damaging winds can be just as destructive as tornadoes and can often impact a much larger area," said Meteorologist Alex Duffus. "Flash flooding is a big concern this year."

Agronomy—

- **Trophies were handed out last week** at the Commodity Classic to winners in the National Corn Yield Contest. But what do they have in common, and how are yields changing annually? Those are questions that Mark Jeschke of Corteva tries to answer: "Yields of national winners in the non-irrigated classes have increased at a rate more than double that of the increase in U.S. corn yields overall, a trend that has remained relatively consistent over the past couple decades. The yield trend in the irrigated classes has been much more erratic due to ultra-high yields (>450 bu/acre) reported by a small number of contest participants in the irrigated classes beginning around 2013. I was curious what the non-irrigated yield trend would look like without these ultra-high yield outliers. Turns out, when you kick these entries out of the dataset, two interesting patterns emerge. First, the yield trend becomes much more linear (R2 value increases from 0.44 to 0.76) and the rate of increase drops to only 2.7 bu/acre/year, which is still greater than the national average, but is considerably lower than that of the non-irrigated contest classes. Second, the trendlines for the irrigated and non-irrigated classes converge. From 2002 to 2013, there is a consistent yield gap between the irrigated and non-irrigated classes of around 20-40 bu/acre. From 2014 onward though, this yield gap essentially disappears." More.

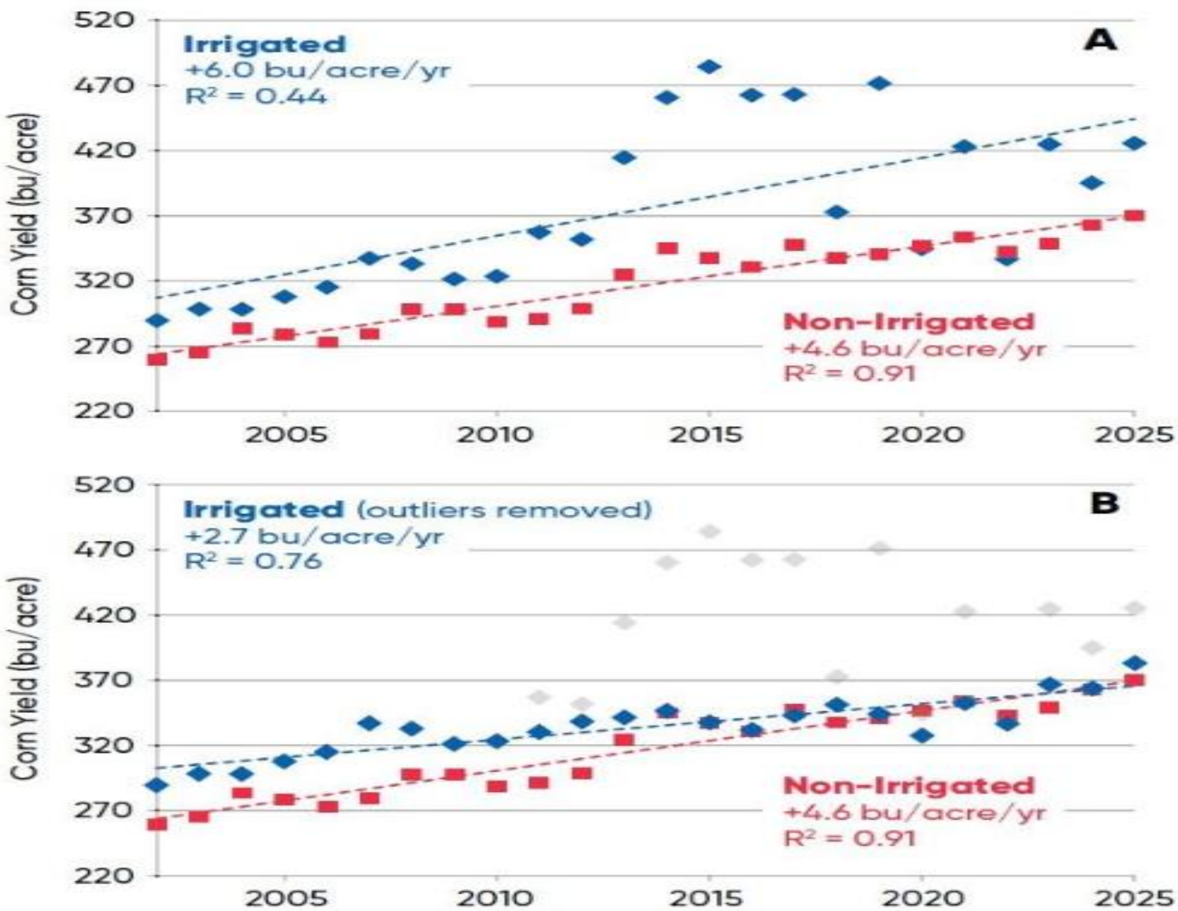
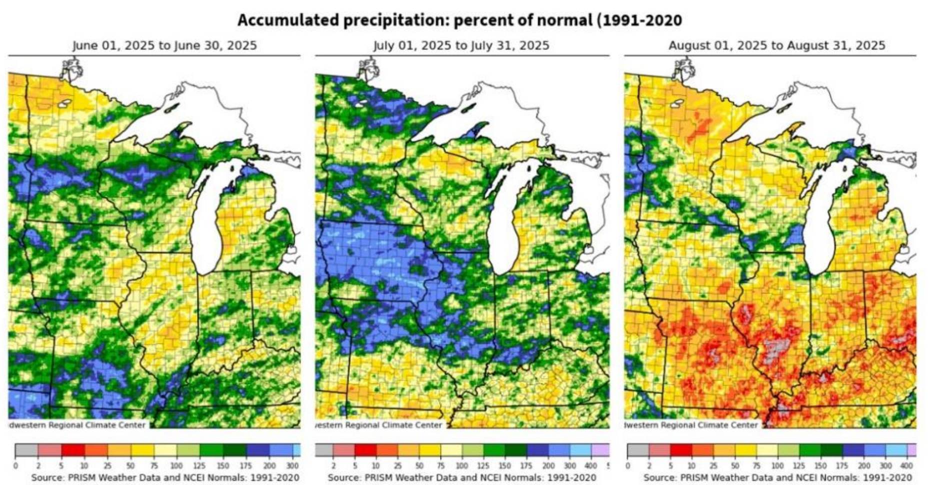


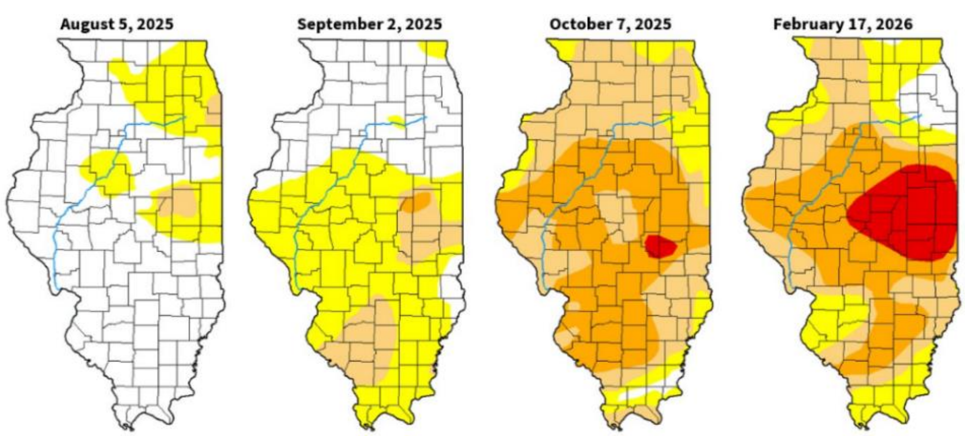
Figure 2. Average yields of NCGA National Corn Yield Contest Winners in irrigated and non-irrigated classes, 2002-2025 (top), and contest winner yield trends with ultra-high yield grower entries in irrigated categories removed (above).

- **A lot has changed on the Univ. of IL. campus** since its founding in 1867, but a storied plot of land near the south quad has been preserved nearly intact for a century and a half. The Morrow Plots, famed in song and story represent the oldest continuously running agricultural experiment in North America, and are the second oldest in the world. And this year, they turned 150. "The Morrow Plots are a huge part of our story in the College of ACES. They're a direct example of how we live out our land-grant mission, providing evidence-based recommendations that serve the public," said German Bollero, dean of the College of Agricultural, Consumer and Environmental Sciences at IL. "We're so excited to

celebrate 150 years of agricultural research and outreach that the Morrow Plots represent." It's not an overstatement to say the Morrow Plots have directly impacted the way Americans farm. When the plots were established, farming was more of an art than a science. But methodical, controlled experiments in the plots proved certain practices -- crop rotation and judicious fertilizer use -- were winners for boosting crop yield, soil health, and farm profitability. With the advent of Univ. of IL Extension in 1914, another key milestone, results from the plots were shared with farmers to implement across the state and beyond. "None of this would have been possible without the foresight of early campus leaders, who saw the value of long-term, practical research. This perspective allowed researchers to understand how farming practices shape soil, crops, and ecosystems over decades, not just seasons," said Adam Davis, head of the Department of Crop Sciences, which oversees the Morrow Plots. "Together, these insights continue to inform strategies that sustain productivity while protecting natural resources." Now in 2026, the college celebrates the Morrow Plots' 150th anniversary with a revitalized exterior, thanks to a gift from Bayer's Crop Science division; a dedicated webcam where viewers can check out activities in the plots year-round; and a public tour and symposium scheduled for Oct. 28, along with other events throughout the year. The October event will also formally unveil the Alma Mater Plots, an 80-acre parcel in the university's south farms that carries the Morrow Plots' research focus into the current era. A large focus of the Alma Mater Plots is accounting for tile drainage in cropping system performance, both as a tool and as a conduit for water and nutrient export. sign up for updates about the revitalization project and anniversary events.

- **Back to the spring of 2025 may seem like history,** but Univ. of IL crop specialist Giovani Preza Fontes says, "For the fourth year in a row, both crops benefited from a warm, relatively dry June. Without heavy rainfall or saturated soils after planting, stands were generally good in most fields, with good root development, canopy color, and leaf area. The warm early-summer weather kept crop development ahead of schedule. Early planted corn began to pollinate, and soybean plants started to flower around June 22. The rainfall tap pretty much closed off over most of the state in August (right). Parts of southern and south-central IL received little or no rain in August. Parts of east-central IL, including Champaign, recorded their driest August since 2013. Drought conditions worsened across central and southern IL through September, with only 3.1 inches of statewide rainfall combined in August and September (left). Crop condition ratings fell to about 55% good + excellent by the end of September, well below any year since 2021. In each of the last 4 years, the early August to early September period has been dry or very dry over much of IL. Yet yields have been mostly good to very good, including new state records for corn in 2022 (214 bushels per acre) and 2024 (217 bu. per acre). Statewide, total precipitation from October 2025 through January 2026 was less than 7 inches, about 4 inches below normal. Here in Champaign, that total plus the first 3 weeks of February is less than 4 inches. According to the U.S. Drought Monitor map from last week, nearly 95% of IL is currently in some state of dryness: 21% is at D1 – Abnormally Dry; 28% is at D2 – Moderate Drought; 33% is at D3 – Severe Drought; and 13% is at D4 – Extreme Drought (above). The area designated D4 is an area of drought centered on Champaign County that appeared in early July 2025, increased in severity into last fall, and has expanded in the months since.





- **Do you sweet talk your crops?** Cuss at them? Ignore them? When you shake a

cornstalk to test its strength, it might enjoy the attention. But most farmers never know that. Someone who does is Ami Rai, (left) a Univ. of IL researcher focused on metabolomics. What he knows that you don't is that your corn and beans are active every day in some facet of their metabolism. They may be trying to tell you they need rain, and you may know it because of the way the plant looks. And it has just told you it's thirsty. But plants can also tell you they are hungry, or cold, or fussy about the bugs crawling all over. It is the effort of Ami Rai to identify the chemicals being produced in a plant and determine what it means. Here is what he does, in scientific terms. (But you won't get very far.) He says, "The metabolites a plant produces control how it resists disease, tolerates drought, and interacts with its environment. Over time, natural selection favors plants that make the right chemicals, and the genome evolves to support those biochemical strategies." Rai and his co-authors explore what's been discovered about plants' chemical repertoire in the past decades, including plant responses to stressful conditions. For example, researchers have used metabolomic tools to discover the specific compounds involved in salt, drought, heat, and heavy metal tolerance in common crop plants, offering finely tuned targets for future breeding efforts. When you drive by your corn, wave to it, tell it how good it looks, and it may provide another bushel or 2.

Conservation, Environment, and Carbon—

- **There's been a shift in recent years** when it comes to the "Waters of the U.S." discussions. Mary-Thomas Hart, chief counsel of the National Cattlemen's Beef Assn., said, "We talked about this during the Biden administration, and we had seen a unanimous Supreme Court decision giving the EPA pretty clear direction on how the agency needed to go about interpreting which water features were federally jurisdictional. The Biden administration was reluctant, at best, to follow that advice from the Supreme Court. And while we saw the right language put in place, while we saw the regulation, the words on paper be what we wanted, there was a lot of resistance out in the country from staffers who were actually applying those words." There was a shift in the discussion was taking place, "That's the biggest shift that we've seen in the last year, not only a revised regulatory definition that kind of tries to further narrow down that jurisdictional definition but really giving explicit guidance to staff out in the country, so that there's a lot less wiggle room. Again, the goal for NCBA, the goal for the cattle industry, is to ensure that every landowner, not an attorney, not a hydrologist, not an engineer, can look at the water features on their property, and at least make a preliminary determination about whether a water feature is going to be subject to federal permitting. (Agriculture of America)

- **If you have not committed extensive funds toward spring planting**, this may be time to consider the Conservation Reserve Program. That is the proposal of IL Farmdoc Ag Policy Specialist Jonathan Coppess, based on the Supreme Court's spanking of the White House over the tariff issue. "The tough realities that could unfold in the countryside should counsel against complacency or worse. Instead, the prudent path would be to take policy action soon to seek to head off the worst possibilities," says Coppess, a former Administrator of the Farm Service Agency. "History teaches that farmers under economic and market stress tend towards overproduction, usually at the worst possible time. The primary reason for this is the reality that each individual farmer is motivated to maximize production and push the operation to make ends meet, often to pay bills and mortgages; those individual decisions create major problems in the aggregate, and usually in the form of oversupplying markets which drives down prices. It is here that CRP could be particularly useful and beneficial in these uncertain, chaotic times. It could provide an off-ramp from the downhill descent of overproduction. One problem, however, is the program is currently limited by an arbitrary 27-mil. acreage enrollment cap and is likely at or very near that limit." Coppess indicates changes can be made and will be met with reaction from the Congressional Budget office that increased CRP acreage will be most costly. What is needed most is the political will to get ahead of the problems. Congress does not appear all that interested in addressing these real problems, however, as evidenced by the legislation being considered by the House Agriculture Committee this week. "The House legislation would reauthorize CRP through fiscal year 2031 but continue the arbitrary acreage cap of 27 mil. acres. Because current enrollments are near the cap, this allows almost no flexibility to respond to whatever potential problems might result from the trade, tariff, and market chaos. The consequences of missing this opportunity could be dire for many farmers, while also ultimately very expensive for the American taxpayer. The lessons from history are clear. The results of inaction are likely to be painful and produce long lasting damage. It remains a question of whether anyone in a position to do something about it cares enough to try." Coppess recalls that CRP discussion on the 1985 Farm Bill authorized a 45 mil. upper limit, and it was accepted because of commodity surpluses and depressing crop prices. Since that time, CRP has had an arbitrary 27 mil. cap.
- **Farmers and conservation groups** filed a lawsuit last week challenging the Environmental Protection Agency's reapproval of dicamba herbicide that's sprayed on genetically resistant cotton and soybeans. "The re-registration of dicamba flies in the face of a decade of damning evidence, real-world farming know-how, sound science, and the law," said George Kimbrell, legal director of the Center for Food Safety and a counsel in the case. "In reality, the Trump administration has once again betrayed farmers and poisoned the environment to pad corporate pesticide profits, so we'll see them in court." He also said EPA administrator Lee Zeldin's "hollow promises" that new restrictions on Dicamba will prevent damaging drift to nearby farms and backyard gardens is totally unsupported by the facts or common sense. "Zeldin insists he's working closely with the Make America Healthy Again movement to make pesticides safer," said Nathan Donley of the Center for Biological Diversity. "We aren't fooled."

- **The U.S. Fish and Wildlife Service** has removed the lesser prairie chicken from the Endangered Species Act list. The National Cattlemen's Beef Assn. and the Public Lands Council filed litigation seeking to remove the listing when the lesser prairie chicken was first listed in 2022. "The ESA listing of the lesser prairie chicken, coupled with the designation of critical habitat across cattle country, created an unnecessary and unlawful burden for ranchers," said NCBA President Gene Copenhaver. "Established science has repeatedly proven that healthy rangelands maintained by cattle grazing are exactly where the lesser prairie chicken thrives." He also said grazing creates robust, sustainable habitat for the bird.
- **If you need something to celebrate this week,** how about Soil Health Week? No matter where you are in IL, there is something nearby that will be educational, maybe even fun, and certainly worth your while participating. Here is the master list for your daily scheduling. And with many being virtual, travel may not be required. Some of the programs include learning what the Practical Farmers of IA do (without going to IA!), taking a field walk at Heyworth with the IL Soybean Agronomy team, watching a movie at Aledo, taking home a treat from Glaciers End at Marion, or being entertained by soil scientist extraordinaire Ray Archuleta (right).

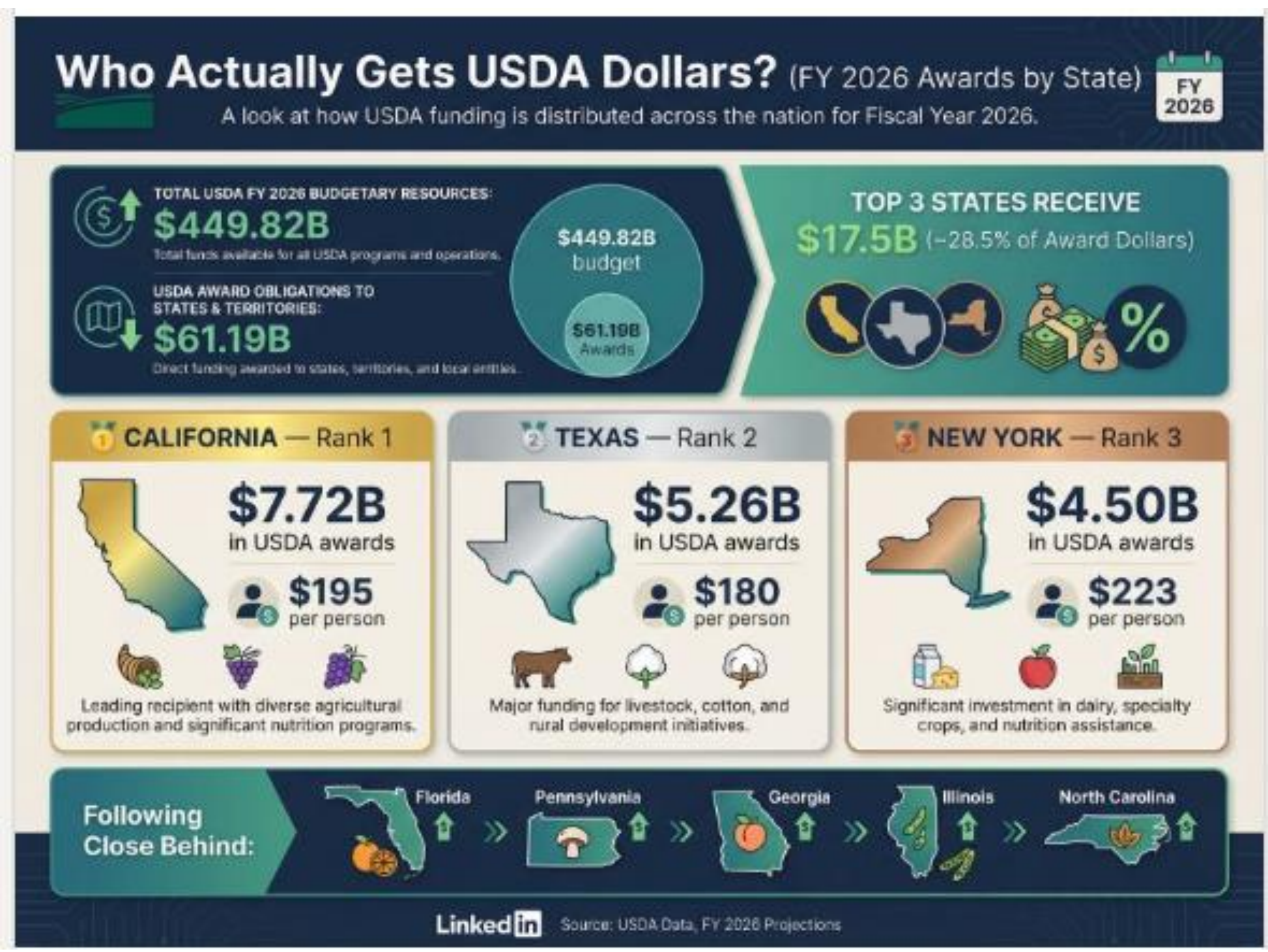
USDA—

- **Ag Secretary Rollins announced the "One Farmer, One File"** modernization plan, another action with sweeping technological improvements at the USDA. Speaking during the Commodity Classic, she said USDA's plan is to create a single, streamlined record that follows farmers, no matter where they go in the USDA system. "The modernization of old, duplicative, wasteful systems has just one goal in mind, which is to improve our customer service so the people we serve are able to farm and feed America and the world," she said. "So, the 'One Farmer, One File' prevents our farmers from duplicating tasks while it increases their productivity and time in the field." Not only will it reduce the administrative burden for farmers, but it will also make program delivery more efficient, save time for USDA staff, and decrease spending on disparate information technology systems. And anyone in USDA looking at a farmer's record will be able to see his entire history, financial records, and members of his farm program entity.
- **The USDA's National Agricultural Statistics Service** released the 2024 Census of Horticultural Specialties Report, of detailed production and sales data for floriculture, nursery, and specialty crops in 2024. Horticulture sales in 2024, compared to 2019, all show an increase in sales and number of operations due to the addition of mushroom and hemp grown under protection in the latest Census of Horticultural Specialties. The number of horticulture operations in the U.S. totaled 23,060. "The horticulture census provides data on sectors for which there are no other comprehensive data sources," said NASS Administrator Joseph Parsons. "It's a valuable tool to highlight the contribution horticulture growers bring to our local, state, and national economies, as well as changes in the industry during the past 5 years." Family or individual-owned businesses make up the largest number of operations at 56%.

- **USDA announced the imminent disposal** of USDA's South Building and Braddock Place, designed to reduce the real estate footprint of the U.S. Government in the National Capital Region. "This is a long overdue move to protect the American taxpayer dollars from being wasted on expensive real estate inside the Washington, D.C., area when our government should be closer to the producers we serve," Rollins said. "More than 85% of the South Building is unoccupied, and there's a $1.6 mil. backlog in deferred maintenance." She also said it's "unacceptable" to put these costs on the U.S. taxpayer. "We're being strong stewards of taxpayer dollars while also ensuring top-notch customer service and fulfilling our promise to American farmers," Rollins added. USDA Deputy Secretary Stephen Vaden added that the massive, underutilized real estate footprint wasn't sustainable in the USDA budget. →

- **But there is more to the saga**, as reported by a Washington D.C. publication that tracks government actions. Government Executive reports that clearing out the South Building will take the rest of 2026, but USDA wants to move 2,600 employees to new offices in 5 US cities across the country by the time school starts in September. Those locations are Raleigh, NC; Kansas City, MO; Indianapolis; Fort Collins, CO; and Salt Lake City, UT. It has not yet announced any further details for those locations, or what employees will be assigned to those locations. "USDA currently has 4,600 employees in the Washington area and is looking to shrink that number to 2,000. Just 10% of the department's workforce is currently in the capital region. It will utilize layoffs to meet the goal as needed if employees refuse reassignments, officials have said. The department has already shed more than 15,000 employees from its initiative that allowed employees to sit on paid leave for several months before resigning. During Trump's first term in 2019, the USDA relocated its Economic Research Service and National Institute of Food and Agriculture to Kansas City, over the objections of employees and some lawmakers. Following the move, both agencies lost more than half of their staff, leading to a significant loss of productivity from which it took the agencies years to recover. USDA solicited feedback on its reorganization plan last year, leading to 14,000 unique responses. Of those, 82% expressed negativity toward the plan, while 5% took a positive tone. Employees, lawmakers and stakeholders submitting the comments warned of a significant brain drain and disruptions to key farmer-support programs if the changes were implemented."

- **The USDA is asking farmers to help improve** how federal crop and livestock data are collected, saying accurate reports are essential to fair and orderly markets. USDA announced last week a Request for Information seeking public feedback on its statistical reporting methods. USDA reports on acreage, yields and inventories can significantly influence commodity prices, crop insurance guarantees and marketing decisions. Officials said declining survey participation, shifting planting patterns and increasingly volatile weather have made data collection more challenging. Farm groups and market analysts have raised concerns that outdated methods may not fully reflect conditions on the ground. USDA is seeking ideas to modernize tools, improve producer response rates and better communicate uncertainty in reports. Officials said the goal is to ensure reports reflect real farm conditions without unnecessarily moving markets.
- **In FY 2026, USDA has $449.82 bil. in budgetary resources**, but only $61.19 bil. shows up as awards flowing to states. And nearly a third of that ($17.5 bil.) goes to just 3 states including CA, TX, and NY. If you're a nonprofit, university, or ag organization trying to scale impact, you can't just chase USDA funding in the abstract. You need to know which states are capturing the bulk of awards and how your own state stacks up. The graphic below looks only at USDA award obligations (grants, co-ops, contracts) by state in FY 2026 and not total USDA outlays like direct SNAP benefit payments, which are tracked separately in the budget.



Trade, Tariffs, (and USMCA!) —

- **President Trump's temporary tariffs** to replace those the Supreme Court struck down are a bridge back to highly discretionary levies, say trade experts. A former USTR Assistant General Counsel in both the Trump and Biden Administrations, Patrick Childress, says the window on Trump's short-term tariffs will close quickly, before stiffer ones take over, "We have 150 days at most before these Section 301 investigations conclude, and we expect that once those 301 investigations conclude, those tariff rates are going to snap right back to pre-Supreme Court decision levels." Perhaps more quickly for China and Brazil, where 301 cases are already underway. Emily Blanchard is an associate business professor at Dartmouth, "The big news for firms is 'nope,' as of Friday, it is very clear that the administration is going to continue to pursue these high tariffs through other tariff authorities, leaving current and future uncertainty over tax revenue, refunds, and trade deals made or stalled by recent developments. But not uncertain is the president's intentions, voiced by Ag Trade Negotiator Julie Callahan (below) at USDA's Ag Outlook Forum, "Access to the U.S. market should not be considered a given or a right. And a lot of our trading partners in the past have felt that they could treat American companies and American farmers as they wanted, and they would still have access to our market." Callahan argues reciprocal tariffs have been a "game changer," opening multiple markets at a time for meats, dairy, crops, and biofuels that had been closed for decades. (Berns Bureau, Washington)

- **The Chief Ag Trade Negotiator** Julie Callahan recently addressed rumors that the 6-year review of USMCA this year could turn into separate bilateral talks with Canada and Mexico. Callahan told the recent USDA Ag Outlook Forum that she'd also heard the rumors that the USMCA review would devolve into separate bilateral talks. Callahan conceded, "Certainly, there are areas of the USMCA that we want to take a look at that focus more on our agricultural trade deficit with Canada, our agricultural trade deficit with Mexico." But just as in the original USMCA talks, Callahan says talks will occur between and across all 3 North American partners. And that's due to differences in trade frictions, "Canada's dairy quotas are a very bilateral issue. Mexico has less interest in that, so it really is a discussion between the United States and Canada." While U.S.-Mexico talks could focus on GMO non-tariff barriers and outstanding seasonal produce issues. But Canada remains a big concern, "From 2020 to 2024, our agricultural trade deficit with Canada went from $3 bil. to almost $12 bil. Something is going on there that we really need to look at." Callahan insists there must be "reciprocity" in trade, and the U.S. shouldn't be offshoring its "value-added" Ag production. She says the U.S. must find ways to turn its USMCA ag trade deficits into surpluses, so that all U.S. producers can benefit from the agreement. (Berns Bureau, Washington)

- **New data from the Angus Reid Institute** (Canadian public opinion research) shows that a vast majority of Canadians have pretty well had enough of Trump's views on Canada. The latest poll heard from over 1,650 respondents, with just 21% of Canadians holding a favourable view of the United States under President Trump. And only about 22% said they view Canada's closest neighbor as a reliable trading partner or as a friendly ally. That poll also found that close to 70% believe Canadian negotiators should take a hard line on all upcoming trade negotiations, and that any completed deal involving the U.S. should be treated with a certain amount of caution. Eric Grenier is an independent public polls analyst based in Ottawa, who works with both private and public clients, "69% of Canadians say that we should take a harder approach when it comes to our negotiations with the United States. It's pretty clear what's been causing it. It's Donald Trump and the entire government apparatus that is taking its cue from Trump. It's impacting Canadians' views of how much they can trust the United States to be a good trading partner in the future. A lot of Canadians do think that things will get better, but they'll never get back to where they were." Comments made by the U.S. Trade Representative, Jamieson Grier, immediately after the State of the Union address only served to amplify the results of that opinion poll. Speaking to a Canadian journalist after Trump's address in Washington, Grier said that Canada must become an active participant in the America First trade agenda, and that Canada must be willing to accept an ongoing American tariff agenda, just like every other country that trades with the U.S, "We're focused on having an America First trade policy. If Canada wants to come in and participate in this type of reshoring we're trying to do, we're happy to have those discussions. When we go to other countries, and we make a deal with them, the other countries agree that we can have a tariff on them. And they open their markets to us. If Canada wants to agree that we can have some level of higher tariff on them, and open up their markets to us, that's a helpful conversation."
- **President Trump left no doubt in his State of the Union address** about new and possibly stiffer tariffs to replace those struck down by the U.S. Supreme Court. Trump called the Supreme Court ruling "unfortunate" and told Congress his new replacement tariffs, once temporary ones expire, "Will remain in place under fully approved and tested alternative legal statutes. They're a little more complex, but they're actually, probably better." Giving incentive to those who made U.S. trade deals—from the EU and UK to Japan and Australia--not to back away from them, "Knowing that the legal power that I, as president, have to make a new deal, could be far worse for them." With possibly stiffer new tariffs, compelling those with deals to keep them. Some, like Taiwan, with favorable terms on items like computer chips, are already seeking to preserve gains. And Trump's Chief Ag Negotiator Julie Callahan sees reason for the U.S. to keep that deal, "The Taiwan agreement, duty-free access addressing the beef and pork non-tariff barriers that we at USTR had been tackling for years and years." But former U.S. trade office lawyer Patrick Childress says one thing's clear--Trump's latest short-term tariffs are a bridge to long-standing ones like Sections 232 and 301, "We expect that once those 301 investigations conclude, those tariff rates are going to snap right back to pre-Supreme Court decision levels." And despite agriculture's continued concern that tariffs will do more harm than good, USTR's Callahan argues they've opened markets for everything from meats and dairy to grains and biofuels. (Berns Bureau)

- **Most people cannot find Bangladesh on the map.** But CEO Jim Sutter of the US Soybean Export Council has been there multiple times to arrange sales of US soybeans. He says, "U.S. Soy's opportunities in Bangladesh are a story of persistence, relationship building and value creation working together to overcome challenges. In 2025, five leading companies across Bangladesh's soy value chain signed a $1.25 bil. agreement to purchase U.S. Soy over the next year, signaling a meaningful step-up in imports. Bangladesh's crush industry expansion is expected to increase soybean demand as new capacity comes online, and current soybean meal imports of around 1 MMT per year, while challenging for crushers, represents a real growth lane for U.S. soybean meal. Large conglomerates are already importing SSAP-verified shipments and are optimistic about adopting the Fed with Sustainable U.S. Soy label, tying diversification directly to sustainability and assurance. All of this makes Bangladesh a strong example of diversification in action: managing political and financial risk while leaning into new processing capacity, growing protein demand, and the pull for verified sustainable U.S. Soy in both beans and meal." It is number 4 in global population, behind India, China, and Indonesia, and soy protein addresses hunger.

BANGLADESH

MARKET DEVELOPMENT PHASE ↑ EMERGING | COLLABORATION BEGAN 1996 | US SOY

POPULATION	URBAN POPULATION	PROJECTED POPULATION	PROJECTED URBAN POPULATION	GDP	ECONOMIC GROWTH RATE	PER CAPITA INCOME
174.4 M	51.3%	199.9 M	64.9%	$450.1 B	4.2%	$2,593

MIDDLE EAST, NORTH AFRICA + SOUTH ASIA

SOUTH ASIA

SOY CONSUMPTION

MARKETING YEAR 2024/25

MARKET SECTOR / SEGMENT	VOLUME OF SOY USE	GROWTH POTENTIAL BY 2035
ANIMAL FEED (TOTAL)	7.83 MMT	24%
POULTRY	1.7 MMT	26%
SWINE	N/A*	-
OTHER LIVESTOCK + DAIRY	170,000 MT	9%
AQUACULTURE FEED	600,000 MT	30%
SOY FOODS	N/A	-
SOYBEAN OIL	1.06 MMT	25%
OTHER	N/A	-

SOY MARKET

MARKETING YEAR 2024/25

PRODUCT	TOTAL MARKET VOLUME [1]	TOTAL IMPORTS [1]	U.S. SOY IMPORTS [1]	U.S. SOY IMPORT MARKET SHARE
SOY COMPLEX Total product volume, not in soy equivalents	-	3.57 MMT	1.26 MMT	35%
WHOLE SOYBEANS	2.16 MMT	1.83 MMT	988,800 MT	54%
SOYBEAN MEAL + CAKE	2.76 MMT	950,000 MT	275,000 MT	29%
SOYBEAN OIL	1.16 MMT	800,000 MT	0 MT	0%

Total = All uses + origins | MT = Metric Tons | MMT = Million Metric Tons

SOURCES:

- **U.S. agriculture is ready for some stability** in ag trade policies and opportunities. Mark Welch, a grain marketing analyst from Texas A & M Univ., said it's past time for more certainty in overseas trade policy, "Reestablishing some of our basic trading agreements and arrangements and partnerships, that, to see China's a huge buyer of our soybeans, and has been for a long, long time. We typically export half of our soybeans, and half of those go to China. And so, then, to have the prospects of something again approaching something normal over the last several years, an opportunity maybe coming back into the market, for now, for the '25-'26 crop that we're marketing." Stability is even more important when U.S. growers have a lot of commodities to market and face stiff competition overseas. He said there are at least some reasons for more optimism, "So, it's certainly nice to see some optimism there on perhaps some soybean export sales to China, perhaps more normalized trading relations with India, with soybean oil exports, some of the soybean co-products or byproducts, including the oil and the meal. What might trade possibilities for those products be? And then, of course, if there's some legislation that perhaps is moving through that will be more friendly for renewable fuels." (KDHN radio)
- **The US Grain and BioProducts Council** says it is pleased with new trade opportunities with several nations which have agreed to reduce restrictions on US grains:
  - ✓ A USTR fact sheet, commits El Salvador to addressing and preventing barriers to U.S. agricultural products in its market, including fumigation requirements, facility registration, product registration and acceptance of currently agreed certificates issued by U.S. regulatory authorities.
  - ✓ A reciprocal trade agreement on U.S. corn and distiller's dried grains with solubles exports to El Salvador are up 124% and 98%, respectively, in the first quarter of the 2025/2026 marketing year, and with the agreement signed, we hope we will continue to see a rise in trade for those products and others the Council represents.
  - ✓ Guatemala's Minister of Economy Adriana Gabriela Garcia signed an agreement on reciprocal trade that included significant wins for the U.S. ethanol industry. It commits Guatemala to an E10 ethanol blend mandate for on-road vehicles with the intent to purchase at least 50 mil. gal. of U.S. ethanol annually.
  - ✓ Agreements were announced with Bangladesh that established commitments for purchases and expanded demand for U.S. ethanol. The agreement with Bangladesh included a commitment to purchase approximately $3.5 bil. of U.S. agricultural products, including wheat, soy, cotton and corn.
  - ✓ Indonesia agreed to give tariff-free access for U.S. ethanol, corn, distiller's grains, corn gluten meal, sorghum and barley and adopt transportation fuels mixed with E5 by 2028, up to E10 by 2030 and down the line, include E20 in its fuel mix.

- **Farmers for Free Trade held the first of a series** of nationwide USMCA roundtable discussions bringing together farmers, agribusiness leaders, and local officials to highlight what's at stake as the mandatory 6-year review of the U.S.-Mexico-Canada Trade Agreement approaches this summer. The message was clear that USMCA is the backbone of American agricultural trade, and farmers need Congress to prioritize its renewal. A CropLife America participant spoke out that a full renegotiation would create a slippery slope of uncertainty for agriculture, urging policymakers to maintain the provisions that are already working. Brian Kuehl, executive director of Farmers for Free Trade, said agricultural exports to Canada and Mexico grew from $9 bil. in 1992 to $58.8 bil. in 2025.

Illinois Issues—

- **Changes in IL Estate Tax Law** are the primary priority of IL Farm Bureau, and likely will be at the top of the agenda until the House and Senate recess at the end of May. It is the Family Farm Preservation Act – SB 2970 (Sen. D. Turner) and HB 4736 (Rep. Chung). Over the past 2 years, the bill has garnered widespread, bipartisan support. But at the end of the legislative session when the budget is approved, estate tax revenue is retained. Other legislative proposals supported/opposed by IL Farm Bureau include:
  - ✓ **Pesticide PFAS Ban –** HB 4523 (Rep. Blair-Sherlock) and SB 3400 (Sen. Martwick) This legislation would prohibit any restricted use pesticides from having PFAS added during the manufacturing process, which would prohibit most restricted use pesticides currently in use. IFB opposes HB 4523 and SB 3400.
  - ✓ **Broadband Deployment –** SB 3838 (Sen. Joyce) This legislation allows all broadband providers that receive a state or federal grant to improve broadband service to access road rights-of-way or existing electric easements to install broadband infrastructure by providing a notice to the landowner. However, it does not require providers to inform the landowner of how they will comply with National Electric Safety Code overhead clearances, while electric cooperatives are required to do so. IFB opposes SB 3838.
  - ✓ **Implements of Husbandry Weight Limits –** SB 3208 (Sen. Joyce) This legislation, as amended, would change the weight limit for implements of husbandry as follows: 36,000 pounds for a single axle and 52,000 pounds for two or more axle vehicles. IFB supports SB 3208 as amended.
  - ✓ **Clean Transportation Standard** - SB 3693 (Sen. Koehler) IFB, in partnership with IL Corn, has been involved in the negotiations of this legislation. IFB supports 3693.
  - ✓ **Per Acre Payment -** SB 3227 (Sen. Turner) Per Acre Payment - SB 3227 (Sen. Turner) Policy supports voluntary programs between the state or municipalities with farmers to solve issues with water quality and/or nutrient management and robust conservation programs that will help farmers achieve state nutrient loss reduction goals. Provides that the program will include a per acre payment rate of not less than $5 per acre. IFB supports 3227.

- ✓ **2, 4D Ban** – HB 1645 (Rep. Mussman) 2, 4D Ban – HB 1645 (Rep. Mussman) HB1645 bans the sale and use of ester formulations of 2,4-dichlorophenoxyacetic acid. IFB opposes HB 1645.
- ✓ **School Notification Pesticide Notification** – HB 1596 (Rep. Faver Dias) School Notification Pesticide Notification – HB 1596 (Rep. Faver Dias) This legislation would require applicators to notify at least 24 hours, but not more than 72 hours, in advance when spraying any restricted use pesticide within ½ mile of any school, daycare, park, forest preserve, bikeway, trail, or public conservation area. IFB opposes HB 1596
- ✓ **Glyphosate Ban -** HB 3803 (Rep. Mason) This legislation provides that no person shall distribute, sell, offer for sale, or use glyphosate or any products containing glyphosate within the State. IFB opposes HB 3803.
- ✓ **Wetlands Protection** – SB 2401 (Sen. Ellman) and HB 3596 (Rep. Moeller) This legislation would declare as a "wetland" any land area greater than 1/10th of an acre with soil conditions moist enough to support vegetation. It would prohibit any movement of dirt on a wetland and impose severe, punitive penalties. IFB is opposed to SB 2401 and HB 3596.
- ✓ **Open Burn Permit** - HB 4459 (Rep. Briel) The legislation creates a civil violation of up to $100,000 for individuals that conduct a burn without a permit, and up to $500,000 for individuals that conduct a burn without a permit on a no burn day. IFB opposes HB 4459
- ✓ **EPA Permitting Environmental Justice** - HB 5374 (Rep. Gabel) Requires the Environmental Protection Agency to evaluate permit applications for effects on environmental justice. This legislation could force industrial, renewable energy, and data center development into agricultural land. FB opposes HB 5374.
- ✓ **Livestock Management Facility Act** amendments SB 2331, 2332, 2333. They restrict expansion, livestock numbers, and water resources. IFB opposes all.
- ✓ **CO2 Pipeline Eminent Domain Repeal** - SB 2842 (Sen. Halpin) This legislation repeals eminent domain authority for the construction of carbon dioxide pipelines. IFB supports SB 2842.
- ✓ **Navigable Water** - HB 5165 (Rep. Walsh, Jr.) This legislation completely redefines navigable waters for public use in Illinois to now include any waterway that in its natural or improved condition, is capable of being used by the public for canoeing, boating, paddling, and angling, whether or not it is capable of commercial navigation. This bill is a public taking of private property as many bodies of water are privately owned. IFB opposes HB 5165. →

- ✓ **Data Center Construction Requirements** – HB 5513 (Rep. Gabel)/SB 4016 (Sen. Villivalam) & SB 3761 (Simmons) These bills regulate construction of data centers. While drafted differently, these aim to increase the fees associated with the construction of data centers in Illinois and require reporting of water usage among other items. However, data centers can avoid these costs by developing their own energy via renewables or connecting into the grain belt expressway. These provisions would further incentivize, beyond CEJA, renewable energy, increasing the footprint into production agricultural land and supporting the development of the grain belt expressway, both of which IFB opposes. IFB opposes these bills as introduced. IFB will support data center legislation that protects private property rights, ratepayers, and water quality/usage.
- ✓ **Agrivoltaics System** - SB 2958 (Sen. Koehler) and HB 4830 (Rep Chung) This legislation defines agrivoltaics as projects that are intentionally designed to allow continued agricultural production of marketable products between and under solar panels. It also specifically states that pollinator habitat does not qualify as agrivoltaics, and that apiaries only qualify if paired with other marketable ag products. This definition eliminates potential loopholes where solar developers could gain an advantage for their application for state incentive programs by claiming they were incorporating agrivoltaics on their project but only planting pollinator habitat or including minor apiary production. IFB supports SB 2958 and HB 4830.
- ✓ **Foreign Data Centers**- - SB 3578 (Sen. Rezin) It prohibits a company owned by or headquartered in a foreign adversary (China, Cuba, Iran, North Korea, Russia, Venezuela) from constructing a data center in Illinois if a study shows it will not provide self-generated load and will impact the electric supply of PJM or MISO. IFB supports SB 3578.
- ✓ **Wildlife Competition** - SB 3063 (Sen. Holmes) This legislation would ban legal hunting/trapping activities, removing a tool that helps control wildlife, including nuisance wildlife, while promoting hunting/trapping, especially youth. IFB has opposed this legislation in the past. Events like "Racoon Roundup" would be prohibited. IFB opposes SB 3063.
- ✓ **State Fleet Biodiesel** – HB 4399 (Rep. Delgado)/SB2900 (Joyce) This legislation requires any diesel-powered vehicles owned and operated by the state of Illinois to use a B19 biodiesel blend, except in December, January, February, or March where a B10 blend can be used, leading to higher blends of biodiesel used across the state. IFB supports SB 2900 and HB 4399.
- ✓ **Motor Fuel Blend** - HB 4878 (Rep. Rosenthal) Motor Fuel Blend - HB 4878 (Rep. Rosenthal) This legislation authorizes the sale of E15 blends at any time of the year, if permitted by federal law or authorization is granted. This will expand the use of higher blends of ethanol. IFB supports HB 4878.

- ✓ **University of Illinois Extension Grants** - HB 4035 (Rep. Briel) This legislation supports continued public funding of the University of Illinois Extension and urges county Farm Bureaus to participate in the development of the University of Illinois Extension as an efficient educational organization in their county and support the continuation of basic agricultural education programs for Illinois families. IFB supports HB 4035.

- **Also, among IL Legislative bills** that are deemed unfriendly to agriculture, and being opposed by the IL Fertilizer and Chemical Assn. include the following:
  - ✓ HB 4523/SB 3400 (Blair-Sherlock/Martwick) - Amends the Illinois Pesticide Act and is looking to fully ban PFAS (active and inert ingredients) in pesticides.
  - ✓ HB 1596 (Rep. Laura Faver Dias) - Requires 72-hour written or email notice before certain pesticide applications, including notice to schools and parks within a half mile of the application site.
  - ✓ HB 1156 (Guzzardi) - Prohibits producing ethanol using seeds that have been treated with pesticide.
  - ✓ HB 1645 (Mussman) - Prohibits the sale and use of ester formulations of 2,4-D.
  - ✓ HB 3803 (Mason) - Prohibits the distribution, sale, offer for sale or use of glyphosate and products containing glyphosate in IL.
  - ✓ HB 4610/SB 3227 (Hoffman/D. Turner) - Creates the Nitrogen Reduction Incentive Act to incentivize farmers to reduce their nitrogen rate and use "innovative biological products" instead of nitrogen in return for $5 per acre.
  - ✓ HB 5305 (Moeller) - Amends the IL Pesticide Act. Provides that, beginning January 1, 2029, it is unlawful to distribute any corn, soybean, or wheat seed coated or treated with a pesticide containing neonicotinoids.
  - ✓ SB 3161 (Ellman) - Amends the IL Pesticide Act preventing use of any herbicide product containing paraquat dichloride or any other chemical form of paraquat.

Agri-Politics—

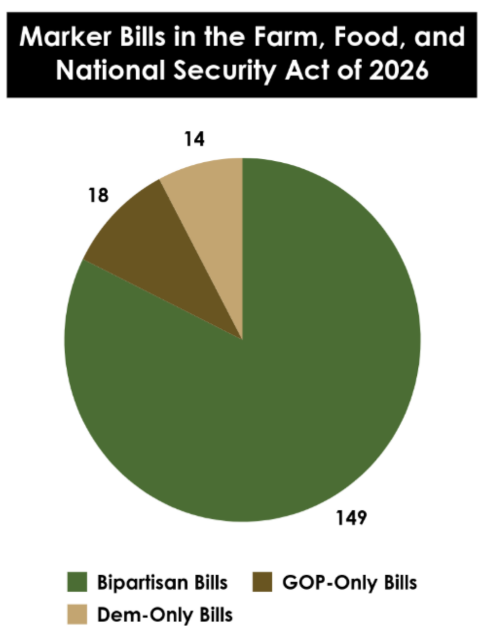
- **The political attacks on FFA** took a brief break last week in Washington when the leaders of the House Agriculture Committee issued a statement saluting FFA and American agriculture youth organizations. Chairman Rep. Glenn Thompson, R-PA, and minority leader Rep. Angie Craig, D-MN, jointly said, "Today, as National FFA Week comes to a close, it is important to recognize the critical role that youth organizations such as FFA play in developing the next generation of agricultural leaders. Participating in these organizations facilitates formative experiences that alter the course of students' lives for the better. Young leaders from all walks of life and diverse backgrounds are empowered to envision brighter futures for themselves, their communities, and American agriculture. "At the House Committee on Agriculture, we affirm our support for the crucial work carried out by youth agricultural organizations and recognize the indispensable impact these organizations have in shaping the agricultural workforce and our nation's future leaders." →

- **The Thompson/Craig salute to FFA closely follows** the attacks on FFA by several of their fellow House members because of financial contributions from Syngenta to FFA, with the Congressmen accusing FFA of following the precepts of the Chinese Communist Party. In a Feb. 3 letter to FFA CEO Scott Stump, Reps. Tracey Mann, R-KS; Jason Smith, R-MO.; and David Schweikert, R-AZ., stated that FFA's ties to Syngenta are "problematic" due to the potential influence of the Chinese Communist Party. Syngenta has been a long-time contributor to FFA leadership programs but has not been involved beyond the contribution. While castigating FFA for taking Syngenta contributions, Federal Election Commission data indicates Mann accepted $10,000 in donations from sources affiliated with Syngenta during the 2023-24 election cycle. He also accepted $6,000 from Syngenta affiliates during the 2021-22 election cycle. Smith accepted $2,500 from Syngenta's political action committee during the 2023-24 election cycle, according to the FEC's Feb. 6, 2025, report. In 2024, a Delaware-based Syngenta subsidiary donated $250,000 to a Trump inauguration fund. Posturing or not, the lawmakers may already be impacting FFA which has reportedly been forced to divert resources from student programs to comply with the lawmakers' request.
- **Cutting SNAP benefits and beneficiaries had been the objective** of the Trump administration as a means of saving money going to "blue" states. A federal judge has temporarily stopped the Trump administration from withholding SNAP benefit funding from 22 Democratic-led states amid a dispute over demands for detailed personal data on benefit recipients. The legal dispute centers on the Supplemental Nutrition Assistance Program (SNAP), commonly known as food stamps. About 40 mil. people nationwide rely on SNAP benefits, which are financed by the federal government but administered by state agencies. USDA wanted voter rolls from those states, to eliminate "waste, fraud, and abuse." A U.S. District Judge in San Francisco, issued a preliminary injunction preventing the USDA from cutting off funds to states that declined to provide the requested information. The ruling bars the agency from halting payments based on data demands it issued in recent months tied to the administration's broader data-sharing initiative.

Farm Bill 2.0—

- **U.S. farm groups are urging Congress to move quickly** on a new Farm Bill, warning that continued delays could increase uncertainty for producers heading into the 2026 growing season. Commodity organizations say programs covering crop insurance, conservation, nutrition assistance and farm safety nets need long-term stability. Congressional hearings are underway, but farm leaders say producers need clarity well before planting and financing decisions are finalized. Agricultural economists note that high input costs, volatile weather and global competition have increased reliance on federal support programs. Farm groups warn that a delayed bill could complicate lending decisions and participation in conservation initiatives. Congressional leaders say negotiations are ongoing but acknowledge challenges in reaching bipartisan agreement. Farm organizations say timely passage is critical to maintaining confidence in the U.S. farm economy. The House Ag Committee will begin debate on Farm Bill 2.0 proposed by Chairman Rep. Glenn Thompson, R-PA, Tuesday. It will not be exactly bright and early, but at 5 pm.

- **House Ag Committee Chair Glen Thompson's Farm Bill 2.0** will be marked up on Tuesday afternoon, March 3, in Washington, D.C. Brian Glenn, director of government affairs for the American Farm Bureau Federation, said the new Farm Bill proposal is robust, "There are 802 pages of text that include important policy updates to farm programs that have not been updated since the 2018 Farm Bill, so these are much-needed updates and improvements. This is a bipartisan bill that delivers wins for agriculture across the country." The bill updates multiple farm and food programs, enhances conservation, and bolsters assistance for specialty crops. Glenn says it's critical for the committee to get the bill over the finish line, "So the American Farm Bureau is urging House Agriculture Committee members to work together during markup to find common ground and pass this bipartisan Farm Bill out of the committee. There have already been several amendments filed from both Republican and Democrat members of the House Ag Committee, and they surely will be discussed and debated during markup." Glenn says that once the bill passes favorably out of committee, responsibility shifts to House leadership, "The next step will be House leadership scheduling time on the calendar for the bill to be voted on the House floor. After 3 years of delays with this comprehensive Farm Bill, farmers desperately need policy that will help give them the tools and certainty to continue growing food and fiber for every family here in America." (American Farm Bureau)
- **Chairman Glenn Thompson contends** the Agriculture Committee and its products are bi-partisan, despite the political acrimony for the past year. As he prepares to open the floor for amendments to his 802-page proposal for Farm Bill 2.0, he issued some statistics to make his point. "Of the 181 bills that influenced H.R. 7567, 82% had bipartisan cosponsors. Along with these bipartisan bills, FFNS 2026 contains provisions from 14 Democrat-only bills and 18 Republican-only bills. This number does not include additional provisions in H.R. 7567 that originated from bipartisan Member priorities that did not have a formal marker bill filed. "I always like to say that a good Farm Bill process is 'tri-partisan' because it's a collaboration between Republicans, Democrats, and stakeholders," Chairman Thompson said**.** "The Farm, Food, and National Security Act of 2026 reflects this principle from start to finish and across all 12 titles. The numbers don't lie — this is a bipartisan Farm Bill, and calling it anything else is a serious mischaracterization of the facts. I look forward to deliberating on this bill next week with my colleagues on both sides of the aisle as we work to move American agriculture forward." The committee will begin marking up H.R. 7567 Tuesday, March 3, at 4 pm CST. Watch the markup live here, and follow along on social media for instant updates. For more details on the 2026 Farm Bill, visit the committee's website for title-by-title summaries and one pagers.

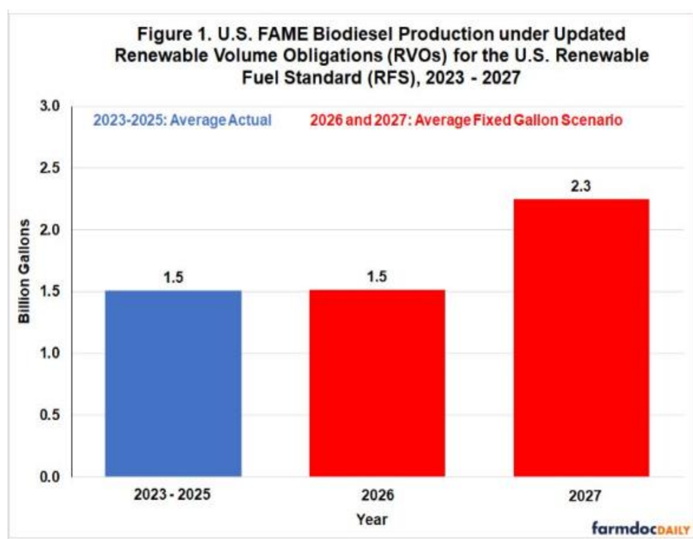


- **The House Ag Committee recently released its text** for an updated Farm Bill, something farmers have been awaiting.
  - ✓ Ryan Yates of the American Farm Bureau says ag has waited long enough, "American farmers and ranchers deserve better, and they deserve long term certainty. As I've said before, trying to manage American farm policy based on the status quo of 2018 is just unconscionable." Yates says he's confident in Congressional ag leadership: It's the rank-and-file members he's concerned about, "I think those committees are working and doing everything they can. They want to get a Farm Bill done, but the margins in Congress are challenging, and so I think what we're trying to do is, is to continue to build the grassroots support, give them the support that they need and the cover they need to really ensure that they can find a path forward to get this thing done this year." A lot of Farm Bill items were passed as part of last year's 'One, Big, Bill.' But much work was left on the table, "Many updates remain when we're looking at the conservation title, credit title, rural development title, again, I think there's some important things that need to be updated. And you know, it's while they're smaller parts of the Farm Bill, each one is equally important and has a direct impact on rural communities." (NAFB News Service)
  - ✓ **The IL Soybean Growers has issued a member call to action** urging IL soybean growers to "Email Congress today and urge them to advance a Farm Bill out of the House Agriculture Committee and onto the House floor. In addition to urging passage of a Farm Bill, this action also allows you to share key IL Soybean Grower priorities directly with your Representative. These priorities will ensure the Farm Bill is a win for IL farmers. Your voice matters. Lawmakers need to hear directly from farmers about why the Farm Bill and these priorities are essential for the future of IL agriculture." Click here if you need the email address for your Representative. Here is an alternative.
  - ✓ **The Fertilizer Institute voiced strong support** for key conservation, innovation, and nutrient stewardship provisions included in the House Agriculture Committee's Farm Bill proposal. The organization is grateful that Chairman Rep. Glenn Thompson, R-PA, recognized the important role that nutrient stewardship and conservation technologies play in helping farmers produce abundant, affordable food while protecting natural resources. "These provisions in the draft Farm Bill reflect a practical, science-based approach to strengthening American agriculture," said Corey Rosenbusch, president and CEO of the Institute. Of particular importance to TFI is the inclusion of a clear definition of plant biostimulants, as well as an exclusion to ensure that these innovative, nutrition-based products are not regulated as pesticides. "Incentivizing precision agriculture and enhanced efficiency technologies through conservation programs is a smart investment," Rosenbusch added. "These tools help farmers get the most out of their applied fertilizer and deliver economic benefits on the farm while enhancing environmental protections."

Biofuels News--

- **Speaking at the National Ethanol Conference**, Renewable Fuels Assn. President and CEO Geoff Cooper celebrated a record year in 2025 for the industry. He also strongly urged Congress and the White House to fully unleash American ethanol to boost the farm economy, reduce consumer fuel prices, and strengthen domestic energy security. "We saw glimpses of our industry's potential last year, and 2025 was another good year for the U.S. ethanol industry," Cooper told attendees. "But we could have done so much more if simply given the opportunity." He also said that opportunity begins with eliminating outdated regulations that restrict E15 sales during the summer driving season. Despite bipartisan support and a broad coalition agreement that included the American Petroleum Institute, legislative efforts to secure permanent, nationwide year-round E15 sales narrowly failed in 2024 and again in early 2026. "Unleash E15!" Cooper said. "Let's get it done." Cooper called on members of Congress to act swiftly, stressing that year-round E15 would lower fuel costs, strengthen U.S. energy security and provide economic relief to farmers. →
- **But Congress is not making any effort** to approve year-round 15% ethanol, because the "Freedom Caucus" falsely believes it will cost tax money, and the Freedom Caucus controls the majority in Congress. In actuality, the adoption of 15% ethanol for the US motor fuel supply will not be a tax cost, but a multi-billion-dollar tax savings, and will increase the demand for ethanol, the demand for corn, and raise corn prices, according to the National Corn Growers and the Renewable Fuels Assn. Elon Musk and his Doge squad removed the language from a House budget bill early in 2025 because ethanol was not a priority for the Musk electric car industry. Similar legislation was removed from the House budget bill at the end of January, despite an amendment by Rep. Zach Nunn, R-IA, to approve E-15, and that initiative was replaced by formation of a Domestic Rural Energy Council. That group met, negated earlier agreements between the ethanol industry and petroleum refiners and closed the door on beneficial ethanol legislation for the 2026 legislative calendar. Its recommendations were due at the end of February, but that deadline was met with silence. Lawmakers have told the biofuels industry that with the priorities of the fall mid-term elections, there will not be any substantial legislation approved for the balance of the current Congressional term.
- **The EPA says it has calculated needs** for ethanol for 2026 and 2027 and sent the report to the Office of Management and Budget. The rule includes the highest-ever renewable volume targets and maintains the 15-bil. gal. conventional biofuel requirement. The industry continues to hold out hope the EPA will fully reallocate all biofuels gallons lost to small-refinery exemptions. Ethanol industry officials say, "We've been surviving on summertime E15 on emergency waivers for what, 5 years now? At some point, some EPA is going to say, 'how is it an emergency every single year?' I mean, look, we've written them letters every year and said, it's an emergency. You've got to waive it so we can keep selling it."

- **A perennial problem with biofuel policy** is the small refineries want exempted from policies they find expensive, and not allow them to compete with large refineries when it comes to blending ethanol and accounting for RINS (Renewable Identification Numbers.) Reuters reports, "The Trump administration has settled on a plan that would require big oil refineries to make up for at least half of the biofuel blending volumes obligations waived in recent years under the Small Refinery Exemption program, according to 3 sources familiar with the discussions. The decision could be unwelcome news for larger oil refiners that have argued that additional blending obligations would raise their costs. But it could help the biofuel industry by boosting demand for blending credits. The question of whether to reallocate those exempted blending obligations to larger refiners is a point of contention between the agriculture and fuel industries. Biofuel groups have pushed the administration to fully reallocate the exempted gallons, saying it is crucial to support biofuel producers and the farmers growing their feedstocks. Refiners, meanwhile, have warned that reallocation unfairly forces larger plants to cover for smaller rivals, raising their compliance costs and potentially increasing pump prices." →
- **Weighing in on the proposal** to benefit the small refiners, biofuel economists Scott Irwin and Todd Hubbs offer their evaluation of the impact. "Proposals have recently surfaced to eliminate the half-RIN provision from the final EPA renewable volume obligation (RVO) rulemaking for 2026-2027 in exchange for higher fixed biomass-based diesel requirements. This represents a potentially consequential policy tradeoff with meaningfully different implications for domestic and import market participants. The higher RVOs do indeed benefit the domestic biomass-based diesel industry, with total capacity utilization effectively reaching 100% in 2027 under the updated RVOs. Total feedstock demand of 55 bil. lbs. in 2026 and 63 bil. lbs. in 2027 exceeds our earlier projections under the half-RIN proposal, which were 48 and 59 bil. lbs., respectively. However, the distribution of feedstock demand changes. By dropping the half-RIN disincentive on imported feedstock, domestic feedstock suppliers lose approximately 8 bil. lbs. of demand per year, a reduction of about 20% compared to what they would have received under the half-RIN regime. This loss flows directly to import suppliers, who emerge as one of the main beneficiaries of the policy compromise. In essence, by dropping the half-RIN, the domestic biomass-based diesel industry would secure higher volume mandates but at the cost of redirecting feedstock demand towards import suppliers." (FAME: Fatty Acid Methyl Ester, or soy diesel)



- **The National Oilseed Processors Association** (NOPA), the American Soybean Association (ASA), and Clean Fuels Alliance America today commended the Environmental Protection Agency for transmitting its final 2026-2027 Renewable Fuel Standard (RFS) rule to the Office of Management and Budget (OMB) for interagency review. The 3 organizations applauded the Administration for its commitment to America's farmers, rural communities, and the biofuels industry, calling the proposal released last June the strongest, most pro-American RFS rule in the program's history. The work that has gone into crafting this rule reflects a genuine dedication to American energy independence and agricultural opportunity, and the groups expressed gratitude for the Administration's efforts to this point. Scott Metzger, president of ASA, said, "For soybean farmers, this rule directly impacts what we plant, how we market our crop, and ultimately whether we can turn a profit. EPA put forward a strong proposal last summer, and we appreciate the progress made to this point. We look forward to seeing that same strength reflected in the final rule. Clear, dependable RFS volumes will help provide the stability farmers need to plan with confidence."
- **Sustainable aviation fuel pioneer LanzaJet** was presented with the 2026 Industry Award during the National Ethanol Conference in Orlando, FL. The award from the Renewable Fuels Assn. honored the company for becoming the world's first to produce jet fuel from ethanol at a commercial-scale facility last year. "Preparing an entirely new technology means stepping into the unknown," said RFA President and CEO Geoff Cooper. "It means years of research without guarantees, overcoming technical setbacks, earning trust from partners and regulators, and having the resilience to persist when the path forward isn't yet clear," Cooper said. The accomplishment is the result of 15 years of research, innovation, investment, and teamwork. "LanzaJet has not only advanced the global deployment of sustainable aviation fuel but also created new opportunities for decarbonization, economic development, and energy security for the world," he added.
- **During a trade mission to Indonesia**, Emily Skor, head of Growth Energy, had the chance to sit down with government and private sector leaders to make the case for U.S. biofuels. Indonesia moving to E10 could be a massive market opportunity for our farmers and bioethanol producers. The recent trade agreement with Indonesia removes tariff barriers on 99% of U.S. products, opening a massive market of 280+ mil. people. The deal lifts Indonesia's tariff on U.S. ethanol and supports the country's move toward the adoption of higher ethanol blends — creating new demand for American biofuels and a major win for rural America. The US Trade Representative reported, "its adoption of 10% ethanol blends nationwide could open a 900 mil. gal. market to American producers and farmers. There is a growing global appetite for low-carbon, low-cost biofuels, and America is well-positioned to dominate that market."
- **The Energy Information Administration** said U.S. ethanol output was down modestly during the week ending on February 20, while ethanol inventories rose to the highest level in a month. Production fell to an average of 1.113 mil. barrels a day, which the agency said was down from 1.118 mil. the previous week. Ethanol inventories on February 20 rose to 25.646 mil. barrels, the most in storage since the 7 days ending on January 16.

- **New statistical reports** from the Renewable Fuels Assn. show the value of the U.S. ethanol industry's exports rose to a record $7.6 bil. in 2025. The rise was fueled by a record 2.18 bil. gals. of ethanol exports and 11.6 mil. metric tons of distillers' grains shipments. "Growth in the export market provided crucial support for U.S. ethanol producers this past year," said RFA President and CEO Geoff Cooper. "Our trading partners around the world are increasingly embracing American-made ethanol because it helps lower their fuel costs, reduces emissions, and decreases their reliance on petroleum." The value of U.S. ethanol exports soared to $4.8 bil., also a record high. Shipments to Canada set an annual record for a single destination, totaling over 792 mil. gals. The U.S. remained a net exporter for the 16th consecutive year, as imports accounted for less than 0.1% of domestic consumption.

	Agriculture	Ethanol Production	Exports	Total
GDP	$29.9B	$15.4B	$3.8B	$50.4B
Income	$17.5B	$8.0B	$2.0B	$28.3B
Employment	233.1K	66.8K	6.2K	316.5K

Animal Agriculture--

- **Cattle on feed on February 1 and placements in feedlots declined** year-over-year. That's according to the recent Cattle on Feed Report. About 11.5 mil. head of cattle and calves were on feed at the beginning of the month, which the USDA said is down 2% on an annual basis. Placements last month totaled 1.74 mil. head, down 5% from the same month a year ago. The agency also said marketings of fed cattle in January plunged 13% on an annual basis, and other disappearance fell by 8% to 55,000 head.
- **U.S. meat exporters are facing increased pressure overseas** as global production rises and price-sensitive buyers look for lower-cost supplies. USDA data show beef and pork exports remain strong by historical standards, but shipments have softened in several key Asian markets. Industry groups say a strong U.S. dollar, higher production costs and growing competition from South America are affecting price competitiveness. Export markets are critical to U.S. livestock prices, particularly for cuts less favored by American consumers. The U.S. Meat Export Federation says trade access plays a major role in supporting farm-level returns. Trade officials say ongoing negotiations and market development efforts are focused on maintaining access and expanding demand. Industry leaders warn that continued competition could pressure producer margins if exports slow further.

- **Except for beef,** U.S. meat production will increase in 2026. At the recent Ag Outlook Forum, USDA livestock analyst Anthony Fischer noted continuing contraction of the nation's beef herd, even with cattle reaching higher weights, "Exports will be up for pork and broilers, down for beef. For beef, exports are expected to decrease due to tight domestic supplies as well as reduced competitiveness in global markets due to higher prices that will temper some demand." Fischer added that consumer demand for all meats is expected to increase year-over-year. When it comes to the prices producers can expect for their animals, "Fed and feeder steers are both expected to be up as firm beef demand is expected to translate into stronger demand for feedlot placement." (PNW Ag Network)
- **The National Pork Board** has a comprehensive business intelligence team analyzing data throughout the supply chain, including consumer preference, volume, value, and purchase trends. Kiersten Hafer, the vice president of business intelligence and innovation for NPB, said they bring together all that information that matters most for growth in the industry, "Things are changing dramatically by the day, the way that consumers consume food and make food choices. The accessibility of food and protein, in particular, are some of the things that drive them to change pretty quickly. So, we want to be on top of that and stay ahead of where they're going next and make sure that pork is able to be a part of those conversations and consideration." The extensive data collected by Hafer and her team played a critical role in shaping the "Taste What Pork Can Do®" consumer brand campaign. Those data-driven consumer insights helped guide messaging, creative, retail strategy, and digital strategies to truly meet consumers where they are, "It's a really important time for us now to be thinking about the campaign, and how do we take all of those things and come at the consumer in the way that they're thinking about food and the way that they're thinking about meat and pork and just putting a meal on the table at the end of the day. It allows us to tie all of that together into something that's quick and easy." Hafer stressed how NPB honors the legacy and livelihood of producers, while creating new opportunities to connect pork with consumers in meaningful ways.
- **Cattle producers are currently seeing record profits,** but experts warn that there are long-term risks of buying expensive breeding stock right now. Travis Meteer, an Extension Beef Educator with the Univ. of IL, says buying a cow at the top of the market now and holding her until the inventory cycle turns is a risky financial move, "If you are going to buy a high-priced cow, you need to sell a high-priced cow. So, if we are doing that and looking at cow depreciation and that curve, the significant depreciation that occurs is late in life, and so we just have to manage that. And we know if you buy a cow for a high price at the point of the lowest inventory, then waiting for that cow to be 8, 9, or 10 years old and sell her at the point where we've recovered the most numbers, and sell at the highest inventory of the cycle, that's a great way to lose money. But if we're cognizant of appreciation and depreciation, we can keep these heifers. We can turn them into bred heifers that are profitable next year. We can make young cows, and we can sell good-priced young cows and still be profitable here in the years to come." Meteer suggests producers can avoid depreciation traps by developing and selling older cows while their market values are high. That is to say, buying a high-priced heifer can be offset by selling an older but still productive cow. (WILL radio)

Farm and Check-off Organizations —

- **This week was a busy one** for IL Corn**. "**Between IL Corn board meetings and Corn Congress at the 30th year of Commodity Classic, we've been focused on one thing: strengthening policy and positioning IL farmers for long-term profitability. Corn Congress, led by NCGA Chm. Ken Hartman (right) kicked off our agenda, where delegate growers from state corn organizations across the country collaborated to set sound federal policy stances that increase opportunity and protect profitability for U.S. corn farmers. It's always energizing to reconnect with familiar faces, compare notes from across states, and align priorities that matter back home. And beyond policy discussions, we add value in another important way: visibility. During the week, we coordinate dedicated media opportunities for IL farmers connecting them with national and regional ag outlets for interviews and insights. It's strategic, organized exposure that most individual farmers wouldn't have the time, access, or platform to secure on their own. That means free, high-impact PR that elevates IL corn, tells our farmers' stories, and ensures their voices are part of the broader conversation about markets, sustainability, and innovation. From workshops and trade show conversations to federal policy, sustainability standards, and proactive media engagement - this week is about making sure IL corn growers have a seat at every table that shapes their future."

- **Nominations are now open** for the IL Soybean Association's fifth class of 20 Under 40 farmers, a program created to celebrate the accomplishments of young IL farmers. Open to farmers of all commodities and operation sizes, 20 Under 40 recognizes the farmers who show up early, stay late, and still find time to give back. They push boundaries in the field and beyond it. They lead with integrity, serve with purpose and understand that success isn't just about yields, it's about responsibility, sustainability and legacy. The 2026 20 Under 40 nomination period closes Sunday, May 31, 2026**:** ilsoy.org/20-under-40/ .

- **The American Soybean Association applauded** USDA for announcing the "One Farmer, One File" Initiative at Commodity Classic in San Antonio, Texas. Streamlining digital services at USDA will increase efficiency and provide U.S. soybean farmers with additional flexibility in how they access USDA services. ASA Vice President Dave Walton said, "Farmers rely on USDA's support and technical assistance more than ever, but we also know firsthand how time-consuming paperwork and duplicative reporting requirements can be. The efficiencies implemented through this initiative will help reduce that burden and save precious time that can be spent in the field."
- **The US Soybean Export Council** has re-organized with new faces and officers to conduct international promotion of soybeans and soy products. From the IL soybean family are vice-chair Roberta Simpson-Dolbeare, and Secretary Scott Gaffner. Roberta is a long-time chair of the World Initiative for Soy in Human Health (WISHH). Gaffner is an ISA Director and has made several international trips with USSEC.
- **IL Soybean Growers have $40,000** to help you bring your great idea to life and will help launch that March 4 and 5 in Bloomington at the 2nd Springboard Challenge. The 2026 SpringBoard Seed Funding Challenge is looking for proof-of-concept innovations that grow demand for soy-based products. Think beyond the field — this is about materials, chemistry, and engineering. Something in bioplastics, lubricants, PFAS substitutes, biopolymers, and on-farm soy innovations. This is a natural fit for researchers in Materials Science & Engineering, Chemical & Biomolecular Engineering, Chemistry, Agricultural & Biological Engineering, and related departments at the Univ. of IL. There's also a free in-person workshop on March 4–5 in Bloomington, IL at ISA headquarters to help teams understand what's fundable.

Technology—

- **The 2026 World Ag Expo drew attendees and exhibitors** from around the world in Tulare, CA, for the world's largest annual outdoor agricultural exposition. Over 100,000 people attended the 2026 World Ag Expo. In addition to the attendees, 1,179 exhibitors displayed the latest in agriculture. Attendees explored cutting-edge equipment, technology, services, and solutions. Many exhibitors also showcased live demonstrations, providing a hands-on experience. "After 20 years of exhibiting at World Ag Expo, Todd Blosser of Midwest Bio-Systems said, "The flow of people and conversations was great!"
- **U.S. researchers are developing advanced materials** that could make farm equipment lighter, stronger and more durable, potentially lowering costs for producers. Scientists at several Midwestern universities are studying bio-inspired materials designed to flex under stress without breaking. The materials could be used in irrigation systems, crop supports, and key machinery components exposed to heavy wear. Engineers say improved durability could reduce downtime during critical planting and harvest periods, when equipment failures are especially costly. Industry analysts note that materials innovation is becoming increasingly important as farms grow larger and equipment demands increase. Researchers say the work highlights how engineering advances can support efficiency, sustainability and long-term productivity in U.S. agriculture.

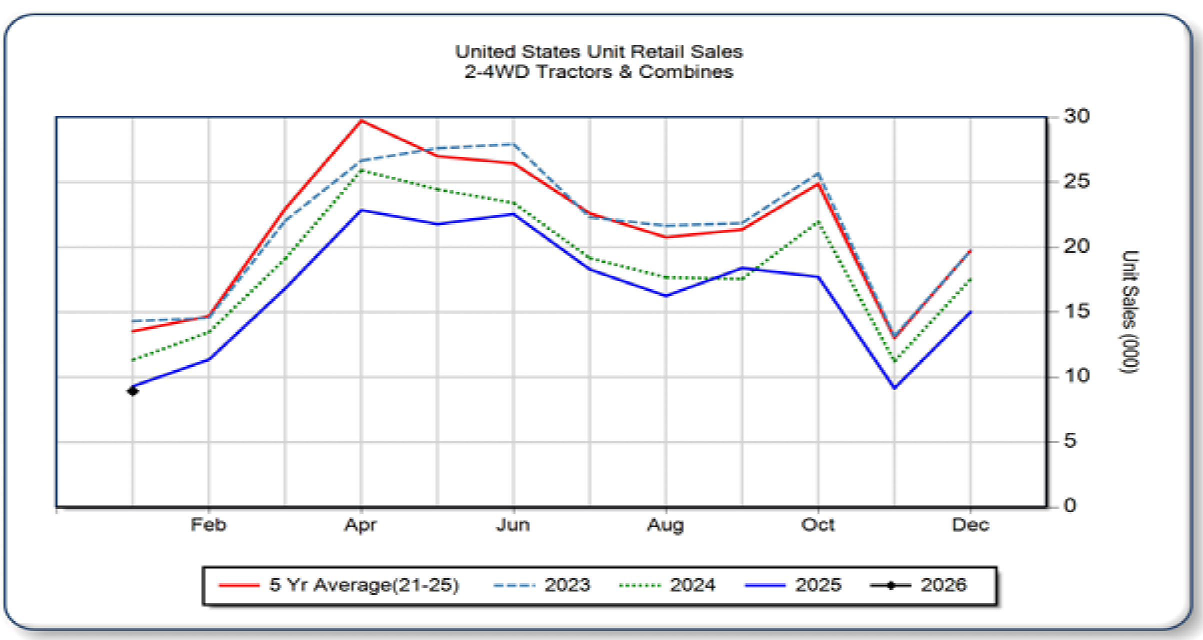
- **Artificial intelligence and precision technology** are playing a growing role on U.S. dairy farms as producers seek greater efficiency and ways to manage ongoing labor shortages. Dairy cooperatives and technology firms say AI-driven tools can track milk production, feeding behavior and animal health indicators in real time. Early detection of illness allows farmers to treat cows sooner, helping reduce losses and improve herd performance. Industry analysts say adoption is accelerating as tight margins push farms to produce more with fewer workers. USDA officials note that digital tools are increasingly integrated into productivity, animal welfare and conservation programs. Smaller dairies still face cost and broadband access challenges, but experts say technology is becoming more accessible as prices decline and rural connectivity expands. Analysts expect precision tools to play a larger role in future dairy management decisions.

Agribusiness—

- **Producers from across the U.S. and Canada** gathered in NE as Farmer 2 Farmer made its return. It's the signature event for the Farmers Business Network. Co-founder Charles Baron says the mood reflected the margin pressure many operations are feeling, "This is a tight year. We know credit is tight. Margins are under pressure. And so, FBN is here to bring a full suite of tools, from marketing to inputs, livestock to help producers become more profitable." Baron says the event helps farmers tackle those headwinds with grain marketing and cattle nutrition boot camps. A core piece of FBN's model continues to be price transparency, particularly in areas such as seed and crop protection. Baron says the company now estimates its platform has delivered significant savings, "We're now estimating that price transparency and the price savings producers have realized through FBN has led to over $183 mil. of savings from those customers who have purchased from FBN." The conference took place in Omaha and featured over 30 educational sessions plus exhibitors ranging from livestock services to solar developers. But labor advocates argue the program puts downward pressure on domestic wages and conditions. (Rural Radio Network)
- **Some U.S. farmers are turning to specialty crops** and alternative enterprises as low commodity prices and high input costs squeeze traditional farm profits. Extension specialists say interest is increasing in wine grapes, specialty grains, produce and agritourism ventures. On-farm processing and direct-to-consumer sales are also drawing attention as farmers look to diversify income streams. USDA data show fertilizer, fuel and equipment costs remain elevated, while corn and soybean prices have struggled to recover. Farm economists say diversification can help spread financial risk, though it often requires new skills, marketing strategies and upfront investment. Producers caution that specialty agriculture is not a solution for every operation, particularly large-scale farms. Still, many see diversification as a way to adapt as market volatility and cost pressures persist across U.S. agriculture.

- **Marketing agency Osborn Barr Paramore** launched a new report outlining the purchasing mindset of U.S. growers. The new report offers timely analysis on the factors influencing the decision-making of U.S. farmers and outlines where opportunities exist for brands to better serve growers. OBP surveyed 300 corn and soybean growers during the recent harvest season, with the focus on current trends in farm input planning and buying behavior. "Farmers are now saying the quiet part out loud: they need brands to meet them where they are in the face of a market environment that breeds risk and incessant operational evaluation," said Rhonda Riles, OBP President. The report, titled "OBPulse: The Purchasing Mindset of Growers," is available at obpagency.com.
- **Tractor sales are down, but combine sales are up** reports the Assn. of Equipment Manufacturers. "According to the Assn. of Equipment Manufacturer's monthly "Flash Report," the sale of all tractors during January, 2026, in the U.S. were down 5% from the same month last year. In January, a total of 8,771 tractors were sold which compared to 9,200 sold in 2025. For the month, 2-wheel drive smaller tractors (under 40 HP) were down 7% from last year, while 40 & under 100 HP were up 9%. Sales of 2-wheel drive 100+ HP were down 26%, while 4-wheel drive tractors were down 19%. Combine sales in January totaled 163 up 68% from last year.

	January			YTD - January			Beginning Inventory
	2026	2025	%Chg	2026	2025	%Chg	Jan 2026
2WD Farm Tractors							
< 40 HP	5,011	5,367	-6.6	5,011	5,367	-6.6	59,127
40 < 100 HP	2,861	2,629	8.8	2,861	2,629	8.8	23,389
100+ HP	817	1,103	-25.9	817	1,103	-25.9	5,966
Total 2WD Farm Tractors	**8,689**	**9,099**	**-4.5**	**8,689**	**9,099**	**-4.5**	**88,482**
4WD Farm Tractors	**82**	**101**	**-18.8**	**82**	**101**	**-18.8**	**417**
Total Farm Tractors	**8,771**	**9,200**	**-4.7**	**8,771**	**9,200**	**-4.7**	**88,899**
Self-Prop Combines	**163**	**97**	**68.0**	**163**	**97**	**68.0**	**755**



Farm Family and Rural Life Issues—

- **Do you need a degree in higher education,** but not have the time to do it? Do you want to learn more about agriculture, but need flexibility? Univ. of IL is offering an "online graduate certificate is for early- to mid-career professionals aiming to enhance their expertise in agribusiness management, food production economics, and sustainability. The program offers comprehensive courses that cover global food production and the distribution of agricultural commodities and food products. You will dive into financing and risk management in agricultural production and explore various contemporary challenges in the food and agriculture sector." But what will you learn? Glad you asked:
  - ✓ Gain a comprehensive understanding of global agricultural supply chains, from initial inputs to consumer markets.
  - ✓ Assess the factors driving food product demand in diverse economic environments.
  - ✓ Navigate the complexities of trade policies and their impact on food supply and demand.
  - ✓ Make strategic, informed decisions in agricultural risk management.
  - ✓ Analyze agriculture as a viable and dynamic investment class.
  - ✓ Evaluate the influence of environmental and agricultural policies on sustainability and ESG (Environmental, Social, and Governance) practices.

- **Applications are now open for FarmPath,** a national, multi-year program designed to make farming more accessible and achievable for aspiring and beginning farmers across the U.S. The free 3-year program provides practical education in best practices for resilient agriculture and farm management, access to experienced mentors, and connections to a national network of professionals working across food and agriculture. FarmPath integrates training in production skills with in-depth instruction on the systems, markets, and decisions that shape long-term success. "Through structured business training, mentorship, professional networks, and up to $10,000 in implementation funding, FarmPath is Farm Foundation's direct investment in a new generation of farmers prepared to meet this moment in American agriculture," said Shari Rogge-Fidler, the president and CEO of Farm Foundation. FarmPath is open to individuals from a wide range of backgrounds. Additional information, eligibility details, and the application are available at FarmPath.org.

- **If you are unloading a grain bin,** make sure your family knows where you are and that you are not stuck in the bin, submerged in grain, or caught in an auger. All farmers should read this item from the IL Corn Growers. Most farmers won't. A few will. If you won't, hand it to your family and have them read it. Most of them will. They care about you, as much as you should care about them. They would rather have you around, not in a grain bin. Bins are handy for holding grain, and cost a lot, but not near the value of your loss to family. We probably all remember a farmer who has lost his life in a grain bin. That is not what you want to be remembered for. Your family would rather have you, not neighbors' sympathy.

And finally, this—

- **After going a year with skeleton staff** in all IL Soil and Water Conservation District offices, the IL Assn. of SWCD's has created legislation which will help with funding, not depend on insufficient state budget funds, and expect future growth. Trying to build a future for IL Soil and Water Conservation Districts, Executive Director Eliot Clay of the Assn. of IL SWCD's is seeking legislation in the IL House and Senate to do that. He outlines the need, and a creative funding stream for the future as rural land is converted into housing, manufacturing, and data centers in this 12-minute video, along with an endorsement.

Mark Your Calendar! --

- **Pesticide safety education programs** are underway and extend through April 8 at numerous locations around IL. The Illinois Pesticide Safety Education Program is for those needing an operator or applicator license, with on-line access. Private applicator training clinics are in-person at these locations and dates. Commercial Applicator/Operator In-Person Clinics are underway and will be held through March 10.
- **Extension's Crop Management Conf.** will be on-line this year, and available from Mar 1-Apr. 30 with the latest research updates to improve productivity and output of crop science experts. Full event details and registration are available at go.illinois.edu/CMC.
- **Sustaining your farm legacy** will be the focus of several 2026 meetings beginning Mar. 2 and on-line programs, being jointly presented by Extension and IL Farm Bureau, for IL farmland owners and agricultural stakeholders. Details, dates, and registration are here.
- **Farmdoc ag economists** will be the featured speakers at the WILL Agriculture Day Mar. 3 to be held at the Beef House in Covington, IN. Program from 7:30 am Central time to 2:30 pm. Topics cover: Weather, Markets, South America, Weeds, Budgeting, Crop Insurance. Details and registration here.
- **The Central IL Marketing Club** will hear from Dr. Joana Colussi of Purdue Univ. about Brazil's ability to supply all of China's soybean needs at its Mar 3 meeting. The Brazilian native, formerly with the IL Farmdoc staff, will address the Marketing Club via a video link at 6:30 p.m. Anyone wanting to view/listen, send a link request to: StuAgNews@aol.com.
- **IL State Ag Product Expo** will be March 7 & 8 at the IL State Fairgrounds in the Expo Building on Main St. Details and registered exhibitors are located here. Event also features IL winemakers.
- **The Center for Digital Agriculture** at the Univ. of IL will hold its 2026 conference on Mar. 9 at the I Hotel in Champaign. The focus is on how cutting-edge AI technologies are transforming the future of farming. Details and registration are here. 9 am to 4:30 pm.
- **The Ag Tech Summit** is set for March 10 at the IL Conference Center at Champaign, from 9 am to 5 pm and features speakers, panels, fireside chats, networking and exhibits. Details about the free event are here.
- **Trash or Treasure?** Univ. of IL crop physiologists will discuss how to maximize the value of your residue. This free webinar will be hosted on Tuesday, March 10 at 11:00 AM CST by the IL Soybean Assn. Whether you no-till, cover crop, double crop or have higher yields today than a decade ago, you've got residue in your field. Details and registration here.

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