



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

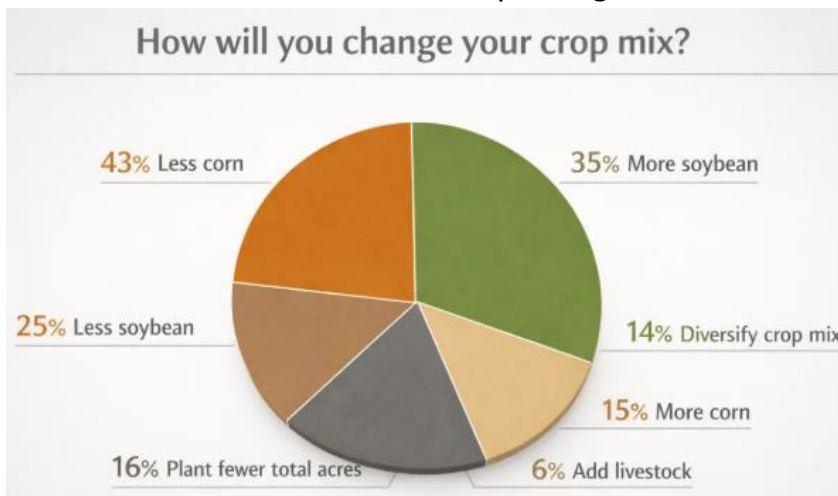
### ***Commodity Market Drivers—***

- **Corn futures closed 3-5¢ lower Friday**, and soybeans were 8-14¢ lower, discounting the expanded ethanol and biofuel targets being announced in Washington as “old news.” Although the market was looking for increased reliance on ethanol and biodiesel to displace higher-priced petroleum, the numbers released by the EPA were pleasing to corn and soybean leaders assembled for a late “National Agriculture Day.” The standards call for 15 bil. gal. of conventional ethanol in 2026 and 2027 and nearly 11 bil. advanced biofuel RINS by 2027...plus 70% reallocation of renewable fuel volumes lost to small refinery exemptions from '23 to '25—making up 2 bil. lost gal. Renewable Fuels Assn. CEO Geoff Cooper, said, “EPA described today’s numbers as historic, and they truly are historic. We’ve never seen (renewable fuel volume targets) this high since the program began over 20 years ago.” The news comes at a time of war-driven high energy and fertilizer prices on top of years of high input costs and low crop prices. National Corn Growers Assn. President Jed Bower called the new quota “a positive move.” Scott Metzger, president of the American Soybean Assn., said: “U.S. soybean farmers needed a win to boost domestic markets this year.” The White House predicted, “These new standards will generate over \$10 bil. of rural economic benefit, create an estimated 100-thousand new jobs, and massively increase our nation’s energy supply. It’ll come right out of the farms.” The new rules are estimated to add \$3 to 4 bil. in net farm income and \$31 bil. in corn and soybean oil biofuel value this year, as biodiesel and renewable diesel use could soar by over 60%. Cooper called the announcement timely, “We think this is going to create tremendous growth opportunities for our industry. It’s going to boost farm income and really provide a boost to the farm sector when it really needs it.” (NAFB News Service) (RIN explanation pg. 2)

- **As expected, EPA released** its finalized renewable volume estimates for 2026 Friday morning, with bio-mass based diesel set at 8.86 bil. RINS (not gallons) with the 2027 total at 8.95 bil. RINS. That exceeded the 7.12 and 7.5 bil. RIN (respectively) previously proposed RVOs. The small refinery exemption reallocation takes that to 9.07 bil. RINS for 2026 and 9.2 bil. RINS for 2027. They also announced that in 2028, foreign fuel and feedstocks will only receive 50% of the RIN value, vs. this year as previously proposed. The regulatory requirement for U.S. refiners to [blend billions of gallons of biofuel into](#) motor fuel is closely watched by corn and soybean farmers.
- **What is a RIN?** A RIN represents biofuel that has been produced and blended into transportation fuel. RINs are tradable, and the market price of RINs plays a central role in the functioning of the RFS. [Univ. of IL biofuels economist Scott Irwin](#) says, "To ensure that annual RVOs are fulfilled, the EPA established a system of compliance based on Renewable Identification Numbers (RINs), which are electronic certificates associated with a specific batch of biofuels. A RIN originates when a qualified biofuel is produced, and it can be bought or sold once that fuel is blended into the surface transportation fuel supply. RINs are generated upon production or import of a qualifying biofuel and are separated (detached) from that fuel when blended or sold into the fuel supply. Detached RINs are tradable, so an obligated party can acquire RINs for compliance either by purchasing the renewable fuel with the RIN attached or by purchasing RINs in the secondary RIN market. An important feature of the RIN system is that the number of RINs generated per physical gallon of biofuel is based on the energy equivalence value with ethanol. Specifically, blending one gallon of ethanol generates one RIN, blending one gallon of FAME (fatty acid methyl ester) biodiesel generates 1.5 RINs, and blending one gallon of renewable diesel generates 1.6 or 1.7 RINs. Accordingly, it is necessary to distinguish between "wet" (actual physical) gallons of a biofuel and RIN-equivalent gallons. For example, one wet gallon of biodiesel generates 1.5 RIN gallons. The Renewable Identification Number (RIN) system ensures compliance with annual mandates under the U.S. Renewable Fuel Standard (RFS). A RIN represents biofuel that has been produced and blended into transportation fuel. If an RFS mandate is binding, this means the policy requires more of a biofuel to be blended into the fuel supply than otherwise would be the case. The price of a RIN with a binding mandate is positive and, in theory, equal to the difference between the supply price that incentivizes production at the mandated quantity and the demand price that induces consumers to utilize the mandated quantity." If the dairy industry had tracking numbers similar to RINS, your gallon jug of milk would have a RIN number code on the label. But if that gallon of milk instead was processed into butter and cheese, the cheese and butter packaging would carry the same number as the original gallon of milk. The dairy RIN would indicate the processor, the dairy farm of origin and possibly the cow number. (Please do not suggest dairy RINS to the Dept. of Health and Human Services or USDA.) (More information about the announcement and reaction is in the Biofuels Section of this newsletter.)

- **What will happen Tuesday**, when USDA's National Agricultural Statistics Service releases its projection for 2026 corn, soybean, and other crop acreage? With NASS getting criticism from past reports, the Acreage Intentions report will be met with some degree of skepticism in some quarters. U.S. farmers are expected to plant fewer corn acres this spring and shift more land to soybeans as rising input costs continue to pressure farm budgets, analysts say. Higher fertilizer and diesel prices, driven in part by global geopolitical tensions, have made corn more expensive to produce than soybeans, which require less nitrogen. As a result, producers are adjusting planting decisions to manage financial risk, according to Reuters. The shift comes as farm income is projected to decline for a 4th consecutive year, according to economists. Lower commodity prices and elevated input costs have squeezed margins across much of the farm sector. Market analysts say the acreage changes could influence grain supplies later this year, potentially supporting corn prices if production falls. Planting decisions remain fluid, however, as farmers weigh weather conditions, input availability and market volatility ahead of the spring planting season. In the NASS March Intentions data traders are looking for 85.55 mil. acres of soybeans planted this spring. That would be up 4.33 mil. acres if realized. traders are looking for 94.37 mil. acres of corn to be reported by NASS. That would be a 4.4 mil. decline from last year if realized.

- ✓ [A Farm Progress survey led by Farm Futures Magazine](#) indicated a few more corn acres than the USDA Outlook projected in February, but still fewer than in 2025. Based on the cumulative numbers from all states in the survey, corn planting intentions in 2026 are expected to drop about 2.4% from 2025, or about half the drop that USDA projected in February. "U.S. farmers are widely expected to slash corn plantings in 2026 as heavy supplies from last year's record 17-bil.-bu. harvest weigh on grain prices and pressure margins," said Bruce Blythe, senior editor at Farm Futures. A 2.4% drop in corn acreage from 2025 would result in farmers planting about 96.4 mil. acres, over 2 mil. lower than



the USDA's February prediction. Soybean acres could be up 1 mil. acres from the USDA's estimate and possibly reach over 86 mil. acres. "Southern acres appear set to shift from unprofitable cotton and rice to more soybeans," Blythe said. "Beans are at levels we haven't had a chance to hedge at in a

long time," says AgMarket.Net co-founder and CEO Matt Bennett. "The combination of stronger soybean prices, the natural corn-to-soybean rotation and what it costs to put corn out this year — all of those things point to a larger shift in soybean acres." →

- **Where is all the growth coming on soybean acres?** The bean acreage boost, [Bennett and Blythe noted](#), comes in part from the fringe of the core grain-producing states. "Soybean acres appear poised to jump in part as farmers in the Southeast shift away from unprofitable cotton and rice," Blythe said. "Optimism around biofuels demand, which helped drive a winter rally in futures above \$12 per bu., is surely making soybeans enticing for many farmers. Additionally, hopes for further purchases from China continue to linger." With a focus on the business of farming and marketing grain crops, Farm Futures serves large-scale farm operators across the country. One of the services that Farm Futures provides to its market-oriented farmer audience is regular surveys to help them adjust production direction to maximize profit. Included in those surveys are topical management and economic questions. The spring survey is designed to indicate planting intentions to help farmers make marketing decisions ahead of USDA's Prospective Planting and Quarterly Stocks reports, which will be released next Tuesday. The caveat on any planting intentions survey is that agronomics largely dictates cropping decisions. In the Farm Futures survey, more than half of the farmer respondents said planting decisions are based on a crop rotation strategy. Another 35% said about 75% of their acreage is tied to a fixed rotation. Bennett, who farms near Windsor, IL, noted crop rotation considerations in discussing his company's survey numbers. "Producers are still going to want to plant corn. Producers can insure more revenue for less money invested this year," Bennett said. "At the same time, it's a bit more prohibitive to plant corn. Last year's aggressive corn acres drive the rotation shift and surging energy and input costs from the crisis in the Middle East add to that pressure." Production costs certainly are an additional pressure weighing on planting decisions. The impact of the war in Iran and continuous tariff turmoil create volatility not only in the grain markets but also at the ag retail store. Bennett's comment on the impact of input costs — chemicals, fuel and fertilizer — echo what Farm Futures heard from

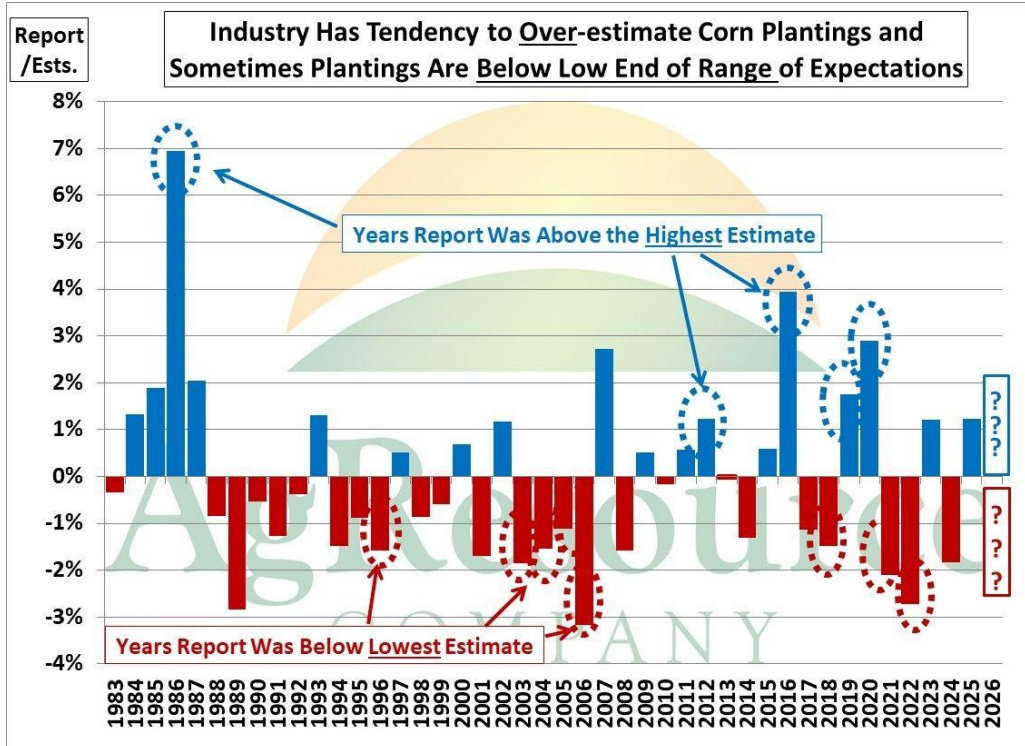


respondents. A solid third of the farmers who participated in the Farm Futures survey said their biggest concern ahead of planting is input prices. Those farmers who added to their response shared comments such as "Moisture, input prices,

and poor prices" and "Staying in business, market prices and maintaining a profit."

Ultimately, Farm Futures Senior Editor Ben Potter said, "Farmers aren't necessarily looking to make big changes to capitalize on commodity price trends. Only 15% of respondents say their acreage intentions have changed over the past 2 months for this reason."

- Grain market analysts have a slight bias** to overestimate corn acreage in the Prospective Plantings Report, says [Chief Economist Bill Tierney of Ag Resource](#). “Over the last 43 years, the average of trade estimates for corn acreage has been too high 58% of the time. However, 2/3 of the time, the trades’ average guesstimate was within 1.1% (plus or minus) of the USDA’s number. December corn futures react to “surprises” in the Plantings Report in a rational manner: declining when acreage is larger than expected and rising when the opposite situation occurs (see chart below). However, the relationship



between price and the Prospective Plantings Report is weak-to-modest. One reason that prices are weakly related to the Prospective Plantings Report is because the March Stocks Report is released at the same time. Our analysis suggests

that corn futures prices are more strongly influenced by “surprises” in the Stocks Report than by “surprises” in the Plantings Report.

- The Univ. of MO Food and Agricultural Policy Research Institute** released its 2026 U.S. Agricultural Market Outlook. The near-term outlook for farm finances shows stark differences between crop and livestock sectors. Net returns remain poor for most row crops, but the cattle sector, in contrast, is experiencing record prices and returns to cow-calf producers. Grain and oilseed prices are expected to rebound modestly in 2026, having fallen from their recent peaks. Corn, soybeans, and wheat prices remain below their average for the last decade. Corn prices are projected to average \$4.31 for the 2026 crop, while soybean prices are projected at \$10.39 a bu. for 2026-2027. Prices for cotton, rice, sorghum, and many other crops are expected to show modest increases, but margins remain poor. The beef cow herd continued declining, resulting in record cow-calf operator profitability. This profitability eventually causes the cycle to turn, and cattle prices are predicted to start declining in 2027. Let’s take a look at some of the highlights. →

- **The baseline reflects current policies**, incorporating programs in place in January 2026, but does not reflect any subsequent policy changes. Current geopolitical events in the Middle East, and the related impact on energy and fertilizer prices, add significant near-term uncertainty to the outlook. Some key results:
  - ✓ Grain and oilseed prices are expected to rebound modestly in 2026 having fallen from their peaks in 2021/22 and 2022/23. Corn, soybeans, and wheat prices remain below their average for the last decade.
  - ✓ Relative prices and trade uncertainty prompted a significant acreage shift from soybeans to corn in 2025. In the outlook, 2026 corn plantings fall to 94.9 mil. acres and soybeans plantings rise to 83.3 mil.
  - ✓ Corn prices are projected to average \$4.21 for the crop harvested in 2026 with a decline in production offset by lower exports, feed and residual use, and lower, but still plentiful, carryout stocks.
  - ✓ Soybean prices are projected at \$10.39 per bu. for the 2026/27 marketing year. Wheat price rebounds from \$4.90 the prior year to \$5.58 per bu. in 2026/27.
  - ✓ Prices for cotton, rice, sorghum, and many other crops, having also declined sharply from recent peaks, show modest increases, but margins also remain poor.
  - ✓ The beef cow herd continued to decline through January 2026 and, along with suspended live animal trade with Mexico and robust demand, has resulted in record cow-calf operator profitability. This profitability eventually causes the cycle to turn, and cattle prices start to decline in 2027.
  - ✓ Lower feed costs have supported livestock profitability. Going forward, the outlook will be sensitive to feed costs, international markets, and animal disease and pest pressures along with domestic demand.
  - ✓ Provisions of the One Big Bill Act (OBBA) increase Commodity Credit Corporation (CCC), Natural Resources Conservation Service (NRCS), and crop insurance government outlays. Section 5 CCC transfers and subsequent expenditures are assumed to continue in the current-policy baseline, with total mandatory outlays in the outlook at similar levels of expenditure since FY 2019.
  - ✓ Net farm income fell by 1/3 between 2022 and 2024 as the drop in crop returns outweighed the effects of stronger cattle prices. Supported by a jump in government payments, farm income in 2025 and 2026 is expected to be above the average of the prior decade.
  - ✓ Consumer food price inflation rose to 2.8% in 2025 with significant contributions from eggs and beef. The outlook is for a 2.5% increase in consumer food prices in 2026.

- **Argentina is shipping grains to overseas markets** at a strong pace this season. Reuters said record sunflower exports and booming corn sales helped to move one of the country's biggest harvests in years. The Rosario Grains Exchange said the shipping is moving at a good pace, even though the conflict in the Middle East is adding volatility to global prices and raising freight costs. Argentina is benefiting from record corn and wheat production and the best sunflower harvest of the 21st century. Sunflower oil exports posted their strongest start to the marketing year since 2005, and shipments of raw sunflower seeds hit unprecedented levels in the first quarter. Corn is also off to a quick start as the new corn export season is expected to break records and top 150 mil. bu. Argentina's edge in the world market could weaken later this year when Brazil's second-season corn crop begins reaching global buyers.
- **A surge of U.S. soybean shipments to China** is providing a boost to export demand, even as uncertainty grows over the future of trade talks between the two countries. Recent export activity shows increased volumes of U.S. soybeans moving to China, the world's largest buyer, as previously arranged purchases are fulfilled. Bloomberg reports the shipments come amid shifting global competition, particularly from Brazil, and reflect continued reliance on the Chinese market for U.S. growers. However, market sentiment has been tempered by delays surrounding a potential summit between U.S. and Chinese leaders, raising questions about future trade policy and demand stability. Analysts say uncertainty over negotiations could weigh on soybean prices and influence farmer marketing decisions. China remains the top destination for U.S. soy exports, making trade relations a key factor for the farm economy. Any disruption or delay in talks could have ripple effects across commodity markets.
- **2027 is a long way away**, but it can't come soon enough for soybean growers. "With increasing demand for soybean meal in feed, China is expected to import more of the oilseed in 2026-27, according to a report from the Foreign Agricultural Service (FAS) of the USDA, reports [World Grain](#). Imports are forecasted at 108 mil. tonnes, up 2 mil. tonnes from the projection for 2025-26. Demand for soybean meal has been driven by lower prices throughout 2025, leading to higher inclusion rates. Robust demand growth from the poultry sector, as well as the growing demand in aquaculture is expected to offset a weaker growth rate for demand from the swine sector, which has seen declining breeding sow numbers and market consolidation," the FAS said. China resumed US soybean purchases following the October 2025 meeting between US President Donald Trump and Chinese President Xi Jinping in Busan, South Korea, where a deal was reached to suspend certain retaliatory measures. As of Feb 26, 2026, USDA FAS export sales data indicated that China had purchased or shipped 397 mil. of its 440 mil. bu. purchase commitment of US soybeans. Soybean crush volume is projected at 103 mil. tonnes in 2025-26, compared to the 101 mil. tonnes the previous year, the FAS said. (With increased demand for soybean oil for biofuels, increased markets are also needed for soybean meal, which China may become.)

- **Corn and soybean Friday market details** from General Manager Kevin Walker and staff at [Legacy Grain](#).

- ✓ **Soybean market drivers:** Soybeans closed the Friday session with contracts down 5 to 14½¢ in most front months, as May was down 2¢ this week. The CmdtyView national average [Cash Bean](#) price as down 14¼¢ at \$10.86. [Soymeal](#) futures posted Friday losses of \$2.20 to \$6.80, with May dropping \$12.70. [Soy Oil](#) futures were down 6 to 61 points on some buy the rumor, sell the fact action with May up 190 points on the week. USDA reported a private export sale of near 4 mil. bu. of soybeans to unknown destinations Fri. morning. Export Sales data pegged total soybean export commitments at 1.368 bil. bu., a drop of 18% from the same period last year. That is now 87% of the USDA export projection and lags the 95% average sale pace. CFTC data showed spec funds trimming 4,093 contracts from their net long position as of 3/24. That took the net long to 197,904 contracts of soybean futures and options. [May 26 Soybeans](#) closed at \$11.59¼, down 14½¢, [Nearby Cash](#) was \$10.86, down 14¼¢.

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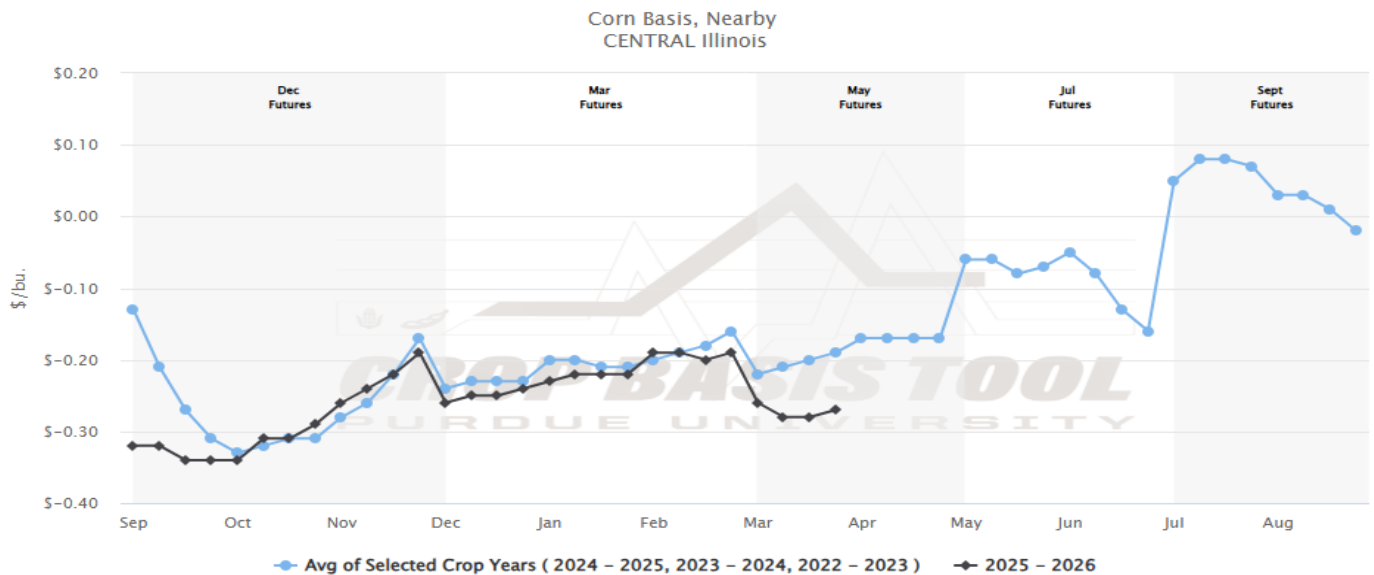
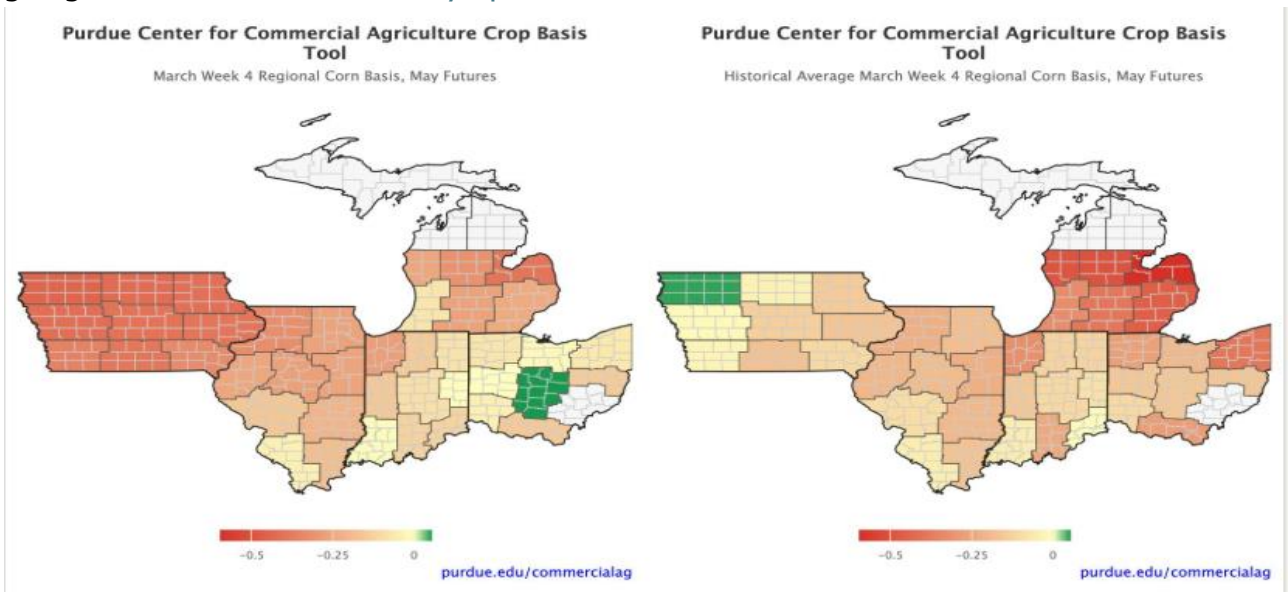


- Corn market drivers:** Corn futures eased back lower into the weekend, closing Friday with contracts steady to 5¢ lower led by the nearbys. Front month May was down 3½¢ this week. The CmdtyView national average [Cash Corn](#) price was down 5¢ to \$4.19½¢. Export Sales data from Thursday tallied old crop corn commitments at 2.71 bil. bu., a 30% improvement from last year. That is now 82% of the USDA export projection and is behind the average pace of 86%. Commitment of Traders data showed a total of 55,744 contracts added to the managed money net long position in corn futures and options as of March 24. That took the total to 284,548 contracts. Commercials added 45,429 contracts to their net short position to 567,545 contracts. [May 26 Corn](#) closed at \$4.62, down 5¢, [Nearby Cash](#) was \$4.19½, down 5¢.

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- If you sell grain to various locations**, depending on the basis, Purdue Univ. ag economist Josh Strine may have something to make your job easier. He says, "Excited to share a new feature on the [Purdue Center for Commercial Agriculture Crop Basis Tool](#)! The Crop Basis Tool has been around for more than 8 years, providing current and historical basis data for corn and soybeans in IN, IL, IA, OH, and MI. For the past 2 years, I have managed this tool, which included writing monthly updates for corn and soybeans basis across the [Eastern Cornbelt](#). While the tool was excellent at analyzing time variance in local basis, it was not suited to visualize geographical differences. I wanted an easier way to understand regional variation while summarizing the basis for 45 crop reporting districts across the region. New interactive maps are now live in the Crop Basis Tool, letting users visualize regional basis differences at the crop reporting district level for corn and soybeans, and at the state level for ethanol plants and soybean processors. [Check out the new feature here](#). These maps will be a regular feature in CCA's monthly updates and AgBriefs on basis going forward. [Subscribe to stay up to date.](#)"



- **Quarterly Grain Stocks** will also be estimated Tuesday by USDA. March 1 soybean stocks are estimated at 2.067 bil. bu. which is up 158 mil. bu. from a year ago if realized. Corn stocks is expected to be tallied at 9.104 bil. bu. for March 1, which would be up 957 mil. bu. from a year ago if realized. Are those burdensome? [Univ. of IL Farmdoc ag economists](#) addressed the “burdensome global stocks” issue but had an unusual take on the answer. “Despite frequent headlines of burdensome grain & oilseed stocks, they are normal when measured appropriately. The important storyline is that stocks have not increased relative to use even though world yield of grains & oilseeds has been at or above trend since 2012. Stocks are not the reason prices and return are low. An intriguing hypothesis is that prices and returns are low because the current market is “priced to perfection,” where perfection means the market currently anticipates a lower-than-normal probability that world grain & oilseed yield in 2026 will fall below trend. If this hypothesis is correct, any shortfall in 2026 yield below trend in any of the world’s major production areas will likely send prices higher to ration supply across current demand momentum. The preceding does not mean prices and returns will be higher come 2026 harvest. If 2026 world yields exceed trend, even by a small margin, prices and returns will remain low. Current estimate of 2025 world corn stock-use ratio (22.8%) is below its longer-term averages of 25.8% since 1974 and 23.5% since 1997. However, the current estimate of 2025 world grain & oilseed stock-use ratio (26.1%) is above its averages of 24.5% since 1974 and 24.6% since 1997. Both stock-use ratios have been working their way lower since 2017. China’s high stock-use ratio reflects in part a two millennial plus concern with peasant revolutions ignited by food shortages. China is now rich enough to hold large buffer stocks, which are reinforced by its need for large imports of farm products. While important to track the size and direction of change in China’s grain & oilseed stock-use ratio, it is also important to understand that China will likely always hold large stocks. To illustrate this point, in only 5 of the last 52 years has China’s grain & oilseed stock-use ratio been below the highest ratio observed for the rest of the world. Are grain and oilseed markets currently “priced to perfection” where perfection means they are anticipating a lower-than-normal likelihood that world yield of grains and oilseeds will be below trend in 2026 (perhaps even further into the future). Support for raising this hypothesis is that, since 2012, collective world grain & oilseed yield has been at or above trend. From the perspective of world supply, no agro-climate disruption has occurred for now 13 years. If the hypothesis is correct, any shortfall in 2026 yield below trend in any of the world’s major production areas will likely send prices higher to ration supply across current demand momentum. However, “Yield always trumps all pricing factors.” If the world’s major production areas have trend or above yields in 2026, grain & oilseed prices will remain low. The key question is, “Why has world yield variability relative to trend been so low since 2012?” If due to crop genetics and/or production practices, the immediate past will more likely than not be the normal going forward. Crop safety net policy also needs to adjust. Providing continuous aid will only encourage poor management. “The market always wins.” Forestalling the removal of poor management only makes the eventual resolution more expensive for farmers, landowners, and the government.

- **How good is your corn?** The Grains and BioProducts Council had it scientifically tested to prove to global buyers that it was top quality. The average aggregate quality of U.S. corn samples tested for the U.S. Grains and BioProducts Council's 2025-2026 [Corn Export Cargo Quality Report](#) was better than or equal to U.S. No. 2 on all grade factors. "The Council's report, now in its 15th edition, is a testament to the organization's dedication and commitment to connecting international end users of feed grains and their co-products to U.S. farmers," said Mark Wilson, Toulon, IL, USGBC chair. Broken corn and foreign material registered at 2.4% after moving through export channels, the lowest in the report's 15-year history. Protein content was measured at 8.5% dry basis, similar to last year's crop, and starch concentration was observed at 72.1%, higher than in 2024-2025. The report is based on 430 yellow commodity corn samples collected from export shipments as they underwent the inspection and grading processes performed by licensed inspectors. By the numbers:
  - ✓ Average test weight (57.8 pounds per bushel (lb./bu)). However, 100.0% of the samples tested at or above the minimum for U.S. No. 2 grade indicating overall good quality.
  - ✓ Average BCFM (2.4%) was lower than 2024/2025, the 5YA and the maximum limit for U.S. No. 2 grade. BCFM predictably increased from 0.3 to 2.4% as the crop moved from harvest through the marketing channel to export.
  - ✓ Average total damage at export (1.6%) was lower than 2024/2025 and the 5YA. 93.0% of the samples were at or below the limit for U.S. No. 1 grade, compared to 92.3% of the samples in 2024/2025.
  - ✓ Average heat damage was 0.0%, the same as 2024/2025 and the 5YA, indicating good management of drying and storage of corn throughout the marketing channel.
  - ✓ Average moisture content in 2025/2026 (14.2%) was estimated to be lower than the 5YA (14.3%). Further discussion of this protocol is included in the "Survey and Statistical Analysis Methods" section.
  - ✓ Protein concentration (8.5% dry basis) similar to 2024/2025 but lower than the 5YA.
  - ✓ Starch concentration (72.1% dry basis) same as 2024/2025 and higher than the 5YA.
  - ✓ Oil concentration (3.8% dry basis) was lower than 2024/2025 and the 5YA.
  - ✓ Average stress cracks (15.0%) was higher than 2024/2025 and the 5YA. Of this year's export samples, 65.9% had less than 15% stress cracks compared to 70.8% of the samples in 2024/2025.
  - ✓ Average 100-kernel weight (36.83 grams) was similar to 2024/2025 and higher than the 5YA, indicating heavier kernels in 2025/2026 than the 5YA.
  - ✓ Average percentage of whole kernels (82.6%) was lower than 2024/2025 and the 5YA.
  - ✓ All but 98.4% tested below the FDA action level of 20.0 parts per billion (ppb) for aflatoxin.
  - ✓ All but 99.4% tested below the 5.0 parts per million (ppm) FDA advisory level for DON.
  - ✓ Of the samples tested for fumonisin in 2025/2026, 96.7% were below the FDA's strictest guidance level for fumonisin of 5.0 ppm, a similar proportion to last 2 years.

- Both the United States and Brazil** compete for the same overseas markets for soybean exports. The competitiveness of soybeans, for both countries, depends on low transportation and landed costs (i.e., transportation costs plus farm values) to China and Europe—two key overseas export destinations. This article compares quarterly and yearly changes in the costs of moving soybeans from the United States and Brazil to Shanghai, China (table 1), and to Hamburg, Germany. From fourth quarter 2024 to fourth quarter 2025 (year to year), transportation costs to China via the U.S. Gulf fell for shipping from Minneapolis, but rose from Davenport, IA. Via the PNW, costs to China fell from Fargo, ND, and Sioux Falls, SD. Costs to Europe via the U.S. Gulf fell from both Minneapolis and Davenport. All U.S. Gulf routes saw truck and barge rates fall. Across all U.S. routes (Gulf and PNW), ocean freight rates increased. Brazil’s transportation costs rose year to year, for all routes, as higher truck and ocean freight rates pushed up Brazil’s total transportation costs. Year to year— except for the Gulf route from Minneapolis, MN, to Europe—U.S. landed costs rose, mainly because of higher soybean farm values. In Brazil, landed costs rose for all routes, either because of higher transportation costs or a combination of higher transportation costs and higher farm values. According to USDA’s Foreign Agricultural Service’s Global Agricultural Trade System data, in fourth quarter 2025, the United States exported 53 mil. bu. of soybeans to China—down 522 mil. bu. (–91%) from 2024. According to Comex Stat (Brazil’s official merchandise trade system) data, Brazil exported 470 mil. bu. of soybeans to China in fourth quarter 2025, up 211 mil. bu (+81%) from 2024. In 2025, the United States exported 277 mil. bu. of soybeans to China—down from 985 mil. bu. in 2024. Conversely, Brazil exported 3.14 bil. bu. of soybeans to China in 2025—up from 2.66 bil. bu. in 2024. According to USDA’s March World Agricultural Supply and Demand Estimates report, total U.S. soybean exports are projected at 1.57 bil. bu. in marketing year (MY) 2025/26, down from 1.88 bil. bu. in MY 2024/25. Brazil is projected to export 4.19 bil. bu. of soybeans in MY 2025/26, up from 3.79 bil. bu. in MY 2024/25.

Table 1. Quarterly costs of transporting soybeans from United States and Brazil to Shanghai, China

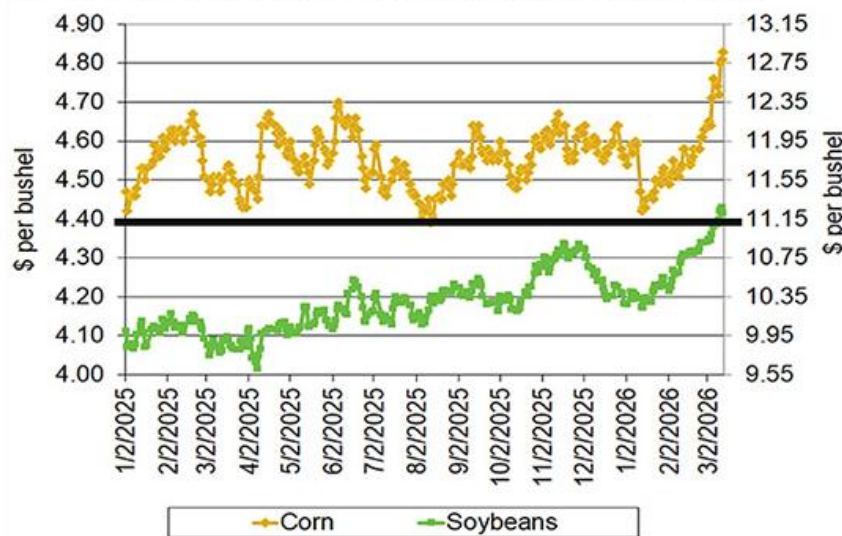
Route	Cost	2024	2025	2025	Percent change		2024	2025	2025	Percent change	
		4th qtr.	3rd qtr.	4th qtr.	Yr. to yr.	Qtr. to qtr.	4th qtr.	3rd qtr.	4th qtr.	Yr. to yr.	Qtr. to qtr.
		Minneapolis, MN					Davenport, IA				
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United States via U.S. Gulf	Truck	17.87	17.35	16.31	-8.73	-5.99	17.87	17.35	16.31	-8.73	-5.99
	Barge	48.92	43.17	38.55	-21.20	-10.70	39.00	35.71	34.13	-12.49	-4.42
	Ocean	48.39	53.40	55.32	14.32	3.60	48.39	53.40	55.32	14.32	3.60
	Total transportation	115.18	113.92	110.18	-4.34	-3.28	105.26	106.46	105.76	0.48	-0.66
	Farm value	356.54	356.78	362.05	1.55	1.48	359.35	364.99	376.26	4.71	3.09
	Landed cost	471.72	470.70	472.23	0.11	0.33	464.61	471.45	482.02	3.75	2.24
	Transport % of landed cost	24.42	24.20	23.33	-1.09	-0.87	22.66	22.58	21.94	-0.71	-0.64

Table 2. Quarterly costs of transporting soybeans from United States and Brazil to Hamburg, Germany

Route	Cost	2024	2025	2025	Percent change		2024	2025	2025	Percent change	
		4th qtr.	3rd qtr.	4th qtr.	Yr. to yr.	Qtr. to qtr.	4th qtr.	3rd qtr.	4th qtr.	Yr. to yr.	Qtr. to qtr.
		Minneapolis, MN					Davenport, IA				
--\$/mt--											
United States via U.S. Gulf	Truck	17.87	17.35	16.31	-8.73	-5.99	17.87	17.35	16.31	-8.73	-5.99
	Barge	48.92	43.17	38.55	-21.20	-10.70	39.00	35.71	34.13	-12.49	-4.42
	Ocean	23.64	24.56	24.97	5.63	1.67	23.64	24.56	24.97	5.63	1.67
	Total transportation	90.43	85.08	79.83	-11.72	-6.17	80.51	77.62	75.41	-6.33	-2.85
	Farm value	356.54	356.78	362.05	1.55	1.48	359.35	364.99	376.26	4.71	3.09
	Landed cost	446.97	441.86	441.88	-1.14	0.00	439.86	442.61	451.67	2.68	2.05
	Transport % of landed cost	20.23	19.25	18.07	-2.17	-1.19	18.30	17.54	16.70	-1.61	-0.84

- “Every month USDA provides an update on the corn and soybean markets,”** says [IA St. Univ. marketing specialist Chad Hart](#), “USDA’s outlook for corn and soybeans has remained remarkably stable. For the 2026 marketing year, USDA’s early projections show an echo of 2024. Corn supplies are projected to decline, as USDA expects fewer corn acres. Corn usage is expected to exceed production, leading to lower corn stocks and slightly higher corn prices. If USDA sticks with their Ag Outlook Forum 2026 corn estimates, then farmers will plant 94 mil. acres of corn. At trendline yields, that results in 15.755 bil. bu. of corn. Meanwhile, total corn usage is projected at 16.07 bil. bu. Feed and residual usage is projected to decline by 200 mil. bu., with the vast majority of the decline coming from the residual (lower harvest and storage losses). Corn usage for ethanol is held steady at 5.6 bil. bu. Food, seed, and other uses are also steady at 1.37 bil. bu. And the export engine slightly slows down with a 200 mil. bu. decline, to 3.1 bil. bu. Lower stocks tend to lead to higher prices and USDA’s early estimate for the 2026 marketing year average price is \$4.20 per bu., 10¢ above the current year’s price. The sizable swings in corn acreage are mirrored in soybeans. In 2024, soybean acres rose and soybean production climbed to 4.37 bil. bu. But growth in domestic crush facilities and gains in soybean exports meant usage grew slightly more than production. However, the tightness in the US soybean market, with stocks at 325 mil. bu., didn’t translate to higher prices. The outlook for 2026 soybeans shows production and usage boomeranging back higher. Farmers are projected to plant 85 mil. acres of soybeans. At trendline yields, that leads to a 4.45 bil. bu. soybean crop, roughly 200 mil. bu. above 2025. Soybean usage expands, as domestic crush is set to add 80 mil. more bu. to reach 2.655 bil. bu. Soybean exports are also expected to grow, reaching 1.7 bil. bu. With the projections for soybean production and usage basically equal, stocks and prices hover around current levels in the USDA projections. So, USDA’s current outlook maintains the low crop prices we have experienced over the past couple of years.

**Figure 1. 2026/27 projected season-average prices (Derived from futures).**



But the futures markets are currently providing more optimism for pricing the 2026 crops. Figure 1 displays the futures-based estimates for the marketing year average prices. While USDA is currently projecting \$4.20 corn and \$10.30 soybeans, futures are running higher. Once the markets absorbed the January figures for production, both markets have been marching slowly

and steadily higher. The geopolitical uncertainty from the Iran war has boosted the pace of those price gains.”

- **“Many people are in the camp that this is a very confusing market,** speaking specifically of the grains,” says the Brock Report. “The corn and soybean markets have been relatively easy since the summer of 2022. At that time, corn and soybeans shifted into a clear supply-driven bear market and the question was not what was going to happen, but when it was going to end. It ended in August of 2025. The market then shifted to a market driven primarily by demand and new demand news. It is a totally different kind of market than the previous 3 years. This requires a shift in mental approach. Successful marketing requires 4 things: Knowledge, disciplined courage, money and the energy to merge the first 3 properly. I’d like to discuss 6 concepts that are important to understand this market. Everybody is entitled to their own opinions. But consider these: 1. Commodity marketing is an art, not a science. God gives different people different skillsets. Some farmers have extremely good skillsets in producing crops. But God did not necessarily give them a skillset on how to market the crop. 2. Anyone who is not confused about this kind of market is just not paying any attention. Markets always have a lot of variables affecting price moves. It is very difficult to maintain emotional stability and be able to think straight. It’s important to stay rational. 3. We often anticipate news that never happens. This has always been the case. Anticipating a drought that never happens. Many of us will be impacted by anticipated moves that never happen in making marketing decisions. 4. Know your stress point. We all have different ones. If the stress gets too great either from financial or emotional issues, it is nearly impossible to make a rational decision. Everyone needs to know what that is. 5. Demand-driven bull markets die hard. In a supply driven bear market, the news keeps getting more bearish. In a demand-driven bull market, the news keeps getting more bullish. Just like happened in 2021, there were several instances where bearish technical signals were given and yet they didn’t work. We may be looking at one right now. I am confident that we’re going to continue to see the corn and soybean balance sheets get more friendly. But on the other hand, don’t forget that soybeans have recently rallied a dollar per bushel and corn over 50¢ per bushel. So, then the question becomes whether or not the bullish news is already discounted. 6. Avoid listening to “market noise”. What do I mean by market noise? One example is radio and tv anchors covering agricultural news on a daily basis. A lot of the news discussed on both radio and tv turns out to be nothing but “noise.” But most of what people watch and listen to on a regular basis is nothing but “noise.” The same can go for social media. There’s an incentive to make bold statements that are focused more on grabbing people’s attention and "views" rather than offering true insight. Corn, soybeans and wheat could all be in the process of making market tops— but nothing is yet confirmed. This could well be like the first leg in 2020 and carrying over into 2021. False signals happened on the way up. But also, as discussed last week, this market has moved substantially. We came into this move and ended January with almost nothing sold in new-crop corn and beans and still holding on to substantial amounts of old-crop corn and soybeans. We’ve started whittling away at the old-crop so that we can shift our brain thoughts to the new-crop. It’s hard to think about two crops at one time. This rally has bailed us and a lot of people out of sitting on a lot of grain for a long time when we normally don’t do so. Stay tuned. For the complete commentary and charts go to [The Brock Report](#).

- **Marketing.** “The corn and bean markets were both higher on the week heading into Friday’s trade.” -- [Matt Bennett](#).
  - ✓ **Corn—futures.** May '26 corn ended the week with small losses after lower trade on Friday. May settled at \$4.62, down 5¢. This was 8½¢ off the high and 1¼¢ off the low. May lost 3½¢ for the week. Technically, this market still looks to be in a nice uptrend with higher lows scored on this recent rally. While we aren’t making new highs, the uptrend looks to be in place.
  - ✓ **Corn—cash and basis.** Basis was steady. While the river remains a hot bid and many areas likely saw some price appreciation, interior bids, especially IL and west didn’t see any basis improvement. This is likely due to a significant amount of corn moving. St. Louis bids were 26¢ over May (8¢ improved).
  - ✓ **Corn—marketing strategy.** IF we see signs of a cease-fire having some authenticity, there’s no doubt energy markets would struggle, which likely spills over to our corn market. Keep this in mind when deciding what to do with regards to sales, particularly after the nice rally we’ve witnessed in the last couple of months.
  - ✓ **Corn—2026 crop.** December 2026 corn ended the week at \$4.90¾, down ¾¢ on the week. Last week saw Dec trade back up to \$495½, or about 3¢ off the high in the prior week. A fair amount of new crops has been getting sold as well, with a nearly-\$5 hedge.
  - ✓ **Beans—futures.** Beans had a decent week going before the drop on Friday. May beans settled at \$11.59¼ on the close, down 14½¢. This was 19½¢ off the high and 3½¢ off the low. Beans lost 2¢ on the week. May meal settled (\$12.7) lower at \$315.30, while soy oil ended the week at 67.41, up 1.90¢.
  - ✓ **Beans—cash and basis.** Basis was steady. St. Louis bids were 11¢ over the May (2¢ improved). Cash beans didn’t do much on the week. With a slightly lower price on the board, the basis improved in many areas, negating the losses.
  - ✓ **Beans—marketing strategy.** If I had old beans, I’d still maybe gamble with a few, although selling them would be a nice reward due to being patient. It’s ultimately up to the beholder but I wouldn’t carry too many bushels if it were me.
  - ✓ **Beans--2026 crop.** Nov 2026 beans settled at \$11.44, up 3¢ on the week. New beans were only down 8¾¢ on Friday, so they didn’t have nearly as bad of a day as nearby beans. Also, it appears new crop has been possibly trying to buy some acres here lately with Nov remaining well-supported. It’s tough to know the direction here, but my worry on new-crop beans is just how big this acreage number could get.
  - ✓ **Price ratio—2026 crop.** 2.33/1, beans to corn, based on fall futures, +1¢/week.

- **Market advisor's thoughts/suggestions:** [Matt Bennett](#). "On Friday, we pulled back, ensuring small losses on the week. While the big Ag Day event at the White House was labeled to have 'good news' for the American farmer, as expected, we received the RVO numbers, which didn't impress the trade as they were likely already figured into prices. The COT report showed funds bought another 48,000 contracts of corn, taking their long up to 280,000, the biggest long we've seen in some time. This corn market is still going to struggle to distance itself from the direction in which energy markets trade. While a bearish report on Tuesday would generally see markets plummet, if the war isn't perceived to end soon, I'm not sure we will go down much. Conversely, if the war appears to be over or close to over, it would be tough to rally corn without a very low acreage number; and if the war has escalated, we should see a sharp move higher. There's no way to know which direction we may go, so a person latching onto some worst-case scenarios isn't a bad thing to consider. A percentage at profitable prices is better than getting none sold in the event we move back lower. The last 3 weeks have seen heavy farmer selling, as evidenced by how much corn the commercial continues to sell. As we get closer to the USDA report, the whole corn complex is still beholden to what happens in the middle east. IF we see energy prices remain strong, corn should have support.... The soybean COT report showed funds actually selling 3,800 contracts, reducing their long to 191,000, still a sizable long. With funds buying 25,000 contracts of meal, the long for the soy complex as a whole has ballooned to 416,000 contracts. The move on Friday didn't have much to do with anything other than 'buy the rumor, sell the fact'. While the RVO numbers are a continued move in the right direction of using more of what we're growing here domestically, the trade already had those types of numbers floated for some time. With estimates for a monster Brazilian crop and most assuming big US bean acres in 2026, it's tough to be bullish fundamentally, especially with a big fund long. IF we see much acreage switch from corn to beans due to fertilizer pricing and availability, the final bean number could be bigger than this Tuesday's report shows. The trend certainly appears to be a bigger bean acreage number due to a variety of issues. I like locking in some beans for those who haven't done much yet, but as always, I'd keep some flex in the plan as we don't know just how crazy things could get in the event this war drags on".....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, we talked about how acres might turn out and how that would affect supply and demand. Here's the link. [Protecting Your Profits: Grain Market Update with Matt Bennett](#)



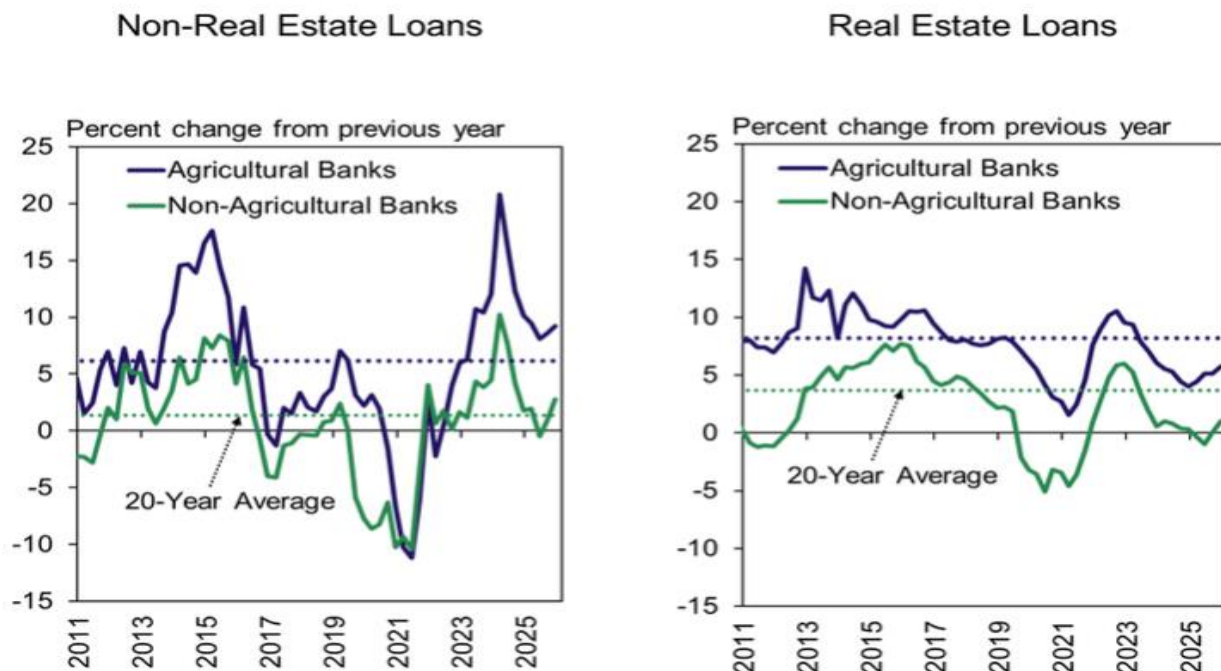
## **Farm Economy---**

- According to the latest monthly survey of bank CEOs** in rural areas of a 10-state region dependent on agriculture and/or energy, the overall Rural Mainstreet Index (RMI) dropped below growth neutral for March to its lowest level since October 2025. The region's overall reading for March plummeted to 40.9 from February's 47.9. This marks the 13th time since January 2025 that the index has moved below the growth neutral threshold. The index ranges between 0 and 100, with a reading of 50.0 representing growth neutral. Weakness in farm commodity prices and elevated agriculture input costs are spilling over into the business community. Approximately, 27.2% of bankers reported that small businesses in their area were experiencing declines in business activity," said Ernie Goss, director of the survey. After falling below neutral growth for January and February, the March farm and ranchland index rose to 50.2 from 45.5 in February. "Farm and ranchland prices have been holding up much better than farm income," said Goss. A central IL banker reported that "Recent rains in our area have improved farmers' moods, but subsoil moisture is very low, and timely rains will be needed to raise the 2026 crops." Another IL banker said, "The communities we serve are totally dependent on the Ag economy. That said, our small businesses on Main Street are suffering along with our grain producers. We are now in our 4th year of tough local economic times due to this sustained downturn in the Ag economy." The March farm equipment sales index increased to a very weak 28.6 from 16.7 in February. "This is the 31st straight month that the index has fallen below growth neutral. "The 2026 conflict in Iran has created even more volatility in the agricultural sector, primarily impacting agricultural equipment sales by tightening farmer operating margins, increasing input costs and shifting farmer planting decisions," said Goss. Despite weak farm income, farm loan delinquency rates remained well contained with more than half, or 52.4%, indicating no change or even declines in delinquency rates, with 47.6% reporting that loan delinquency rates increased modestly. The IL March Rural Mainstreet Index (RMI) sank to 39.1 from 45.8 in February. The farmland price index for March climbed to 48.3 from February's 43.8. According to trade data, IL exports of agriculture goods and livestock for the first month of 2026, compared to the same period in 2025, fell by 25.0%. Compared to the first month of 2024, the IL exports of agriculture and livestock for the first month of 2026 sank by 50.2%.

	Percentage of Bankers Reporting					
	Significant Decline	Moderate Decline	Stable	Moderate Growth	Strong Expansion	
How are small businesses in your community performing?	4.6%	22.7%	68.2%	0.4%	4.1%	
	Percentage of Bankers Reporting					
	Agriculture	Manufacturing	Energy	Services/Retail	Construction	Government/Health/Education
What sectors of your local economy are currently driving growth?	45.5%	0.0%	0.0%	4.6%	36.4%	13.5%

- There are pluses and minuses to the farm economy.** Farmers are not doing well. The [Kansas City Federal Reserve](#) says bankers are doing quite well, thank you. "Earnings performance at agricultural banks improved in 2025 alongside strong growth in farm loans. According to Reports of Condition and Income, farm loan balances at agricultural banks increased about 7% from the previous year and returns on average assets also rose notably. Strong loan growth and favorable loan yields boosted net interest margins, and bank liquidity tightened modestly. Delinquency rates increased slightly over the past year but remained low despite ongoing challenges for many crop producers. The outlook for the U.S. agricultural economy remained subdued and uncertainty was heightened alongside recent volatility in commodity and fertilizer markets. Profit opportunities in the crop sector remained limited despite recent increases in crop prices as concerns surrounding a surge in fertilizer and fuel prices weighed on sentiment. Demand for lending grew and credit conditions tightened gradually alongside reduced working capital for crop producers over the past year. Despite persistent challenges, financial stress has remained limited with support from resilient farmland values, direct government assistance and strong cattle revenues in some regions. Farm debt grew considerably at agricultural banks in 2025. Outstanding balances of non-real estate and real estate loans at agricultural banks increased about 9% and 6% from the previous year, respectively (below). Growth was more constrained at non-agricultural banks but picked up slightly compared with earlier in the year. Farm loan delinquency rates increased slightly but remained low. Just over 1% of all agricultural loan balances were past due more than 30 days at the end of 2025. About a quarter of all agricultural banks had a farm loan delinquency rate above 1% and half had negligible or no delinquent farm loans."

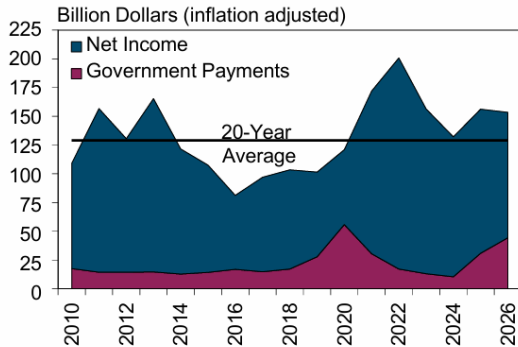
**Chart 1: Farm Debt Outstanding at Commercial Banks**



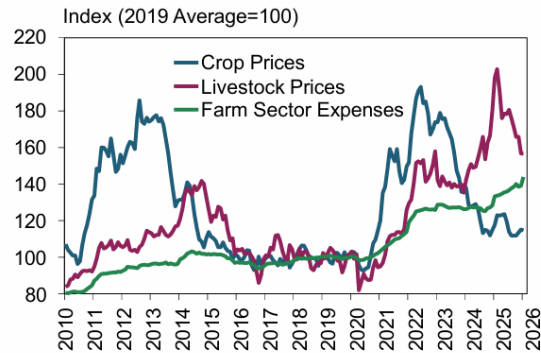
- **From his vantage point** at the Kansas City Federal Reserve, [Nate Kauffman](#) serves as [exec. dir. of the Center for Agriculture](#) and the Economy, and supervises the nationwide analysis of the farm economy for the US Federal Reserve Bank and its Open Market Committee. In a recent presentation, Kauffman revealed his latest findings:

On the surface, economic conditions in U.S. agriculture appeared strong in early 2026, but with notable disparities and risks.

U.S. Net Farm Income

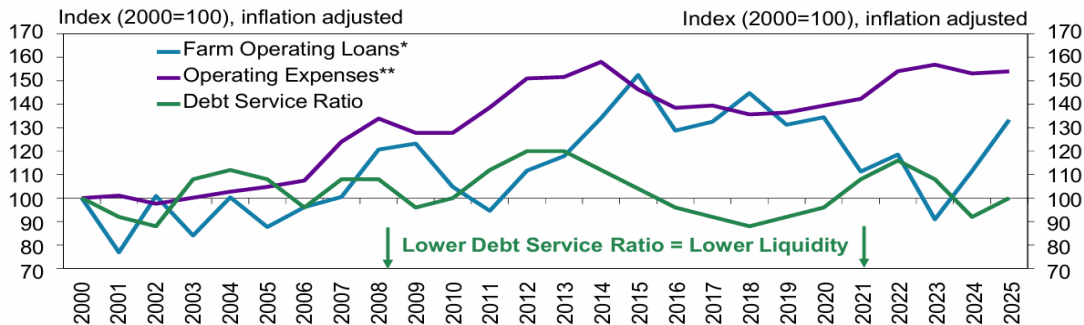


U.S. Ag Commodity Prices and Expenses



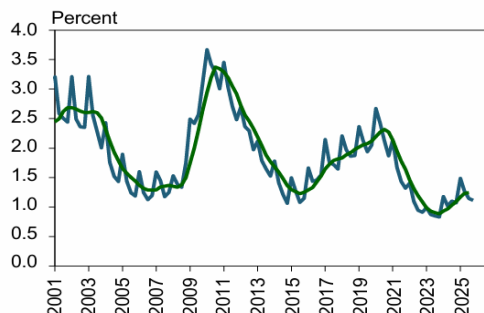
High production costs and tighter liquidity in the crop sector boosted farm lending activity in 2025.

Farm Lending Metrics

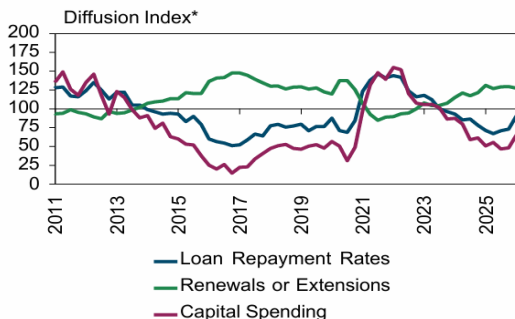


Farm loan delinquency rates have remained low, but some signs of financial tightening have persisted.

U.S. Farm Loan Delinquency Rates, Q4

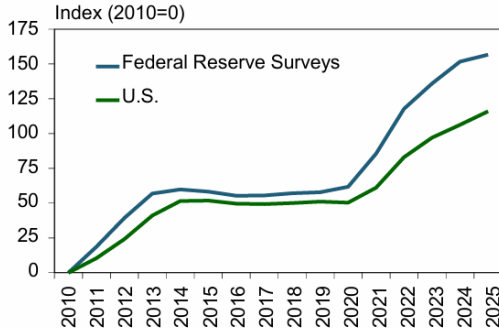


Indicators of Ag Credit Conditions: KC Fed District

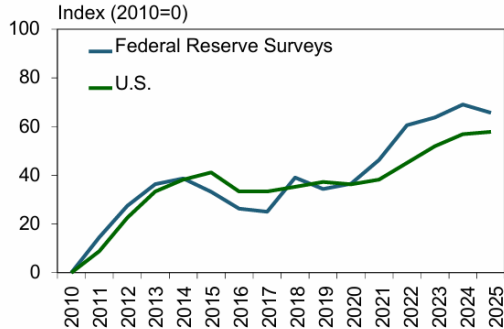


Despite pressures in the crop sector, farm real estate values remained solid through the end of 2025.

Farm Real Estate Values

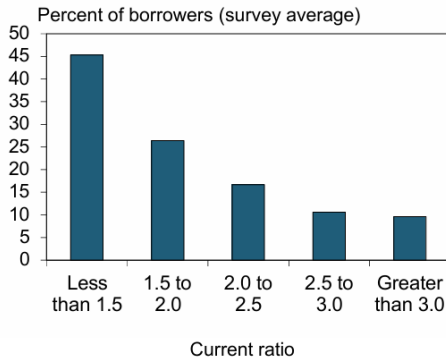


Farmland Cash Rents

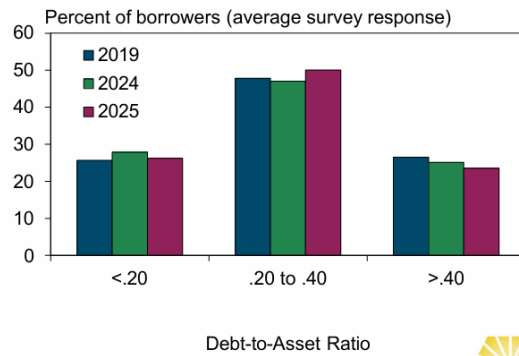


Liquidity is tight for some borrowers, but leverage has remained modest with support from farm real estate values.

Distribution of Farm Borrower Current Ratios, Q4 2025

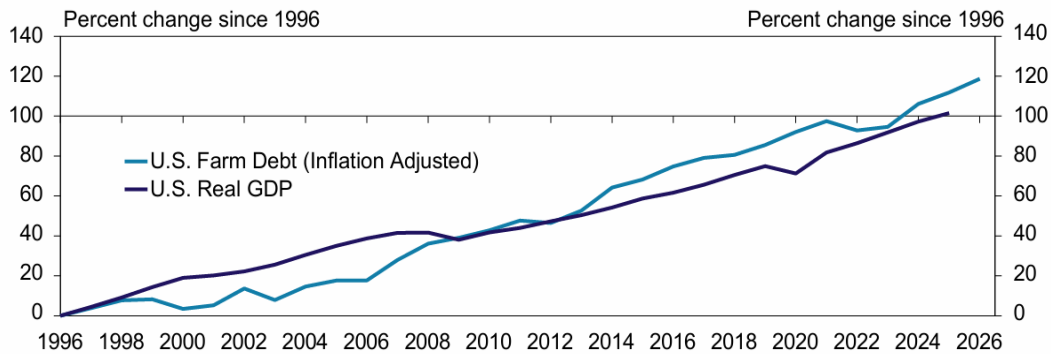


Distribution of Farm Borrower Debt-to-Asset Ratios, Q1



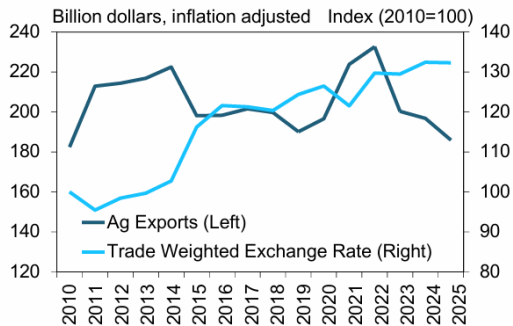
Farm debt has doubled over the past 30 years. But so has the size of the U.S. economy.

U.S. Farm Debt and U.S. Real GDP

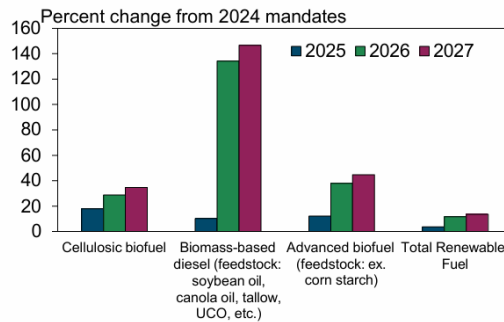


Trade has been a notable headwind for key ag products while biofuel policy has potential to support domestic demand.

U.S. Ag Exports and U.S. Exchange Rate

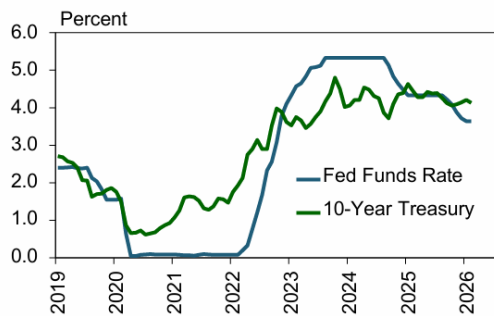


Proposed Changes to Renewable Fuel Standard Volume Obligations by EPA

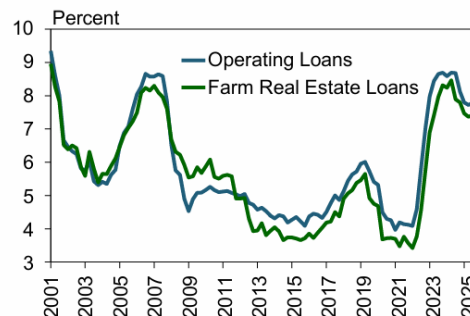


Interest rates on farm loans have declined but remain a somewhat persistent headwind.

Interest Rates



Average Interest Rates on Farm Loans



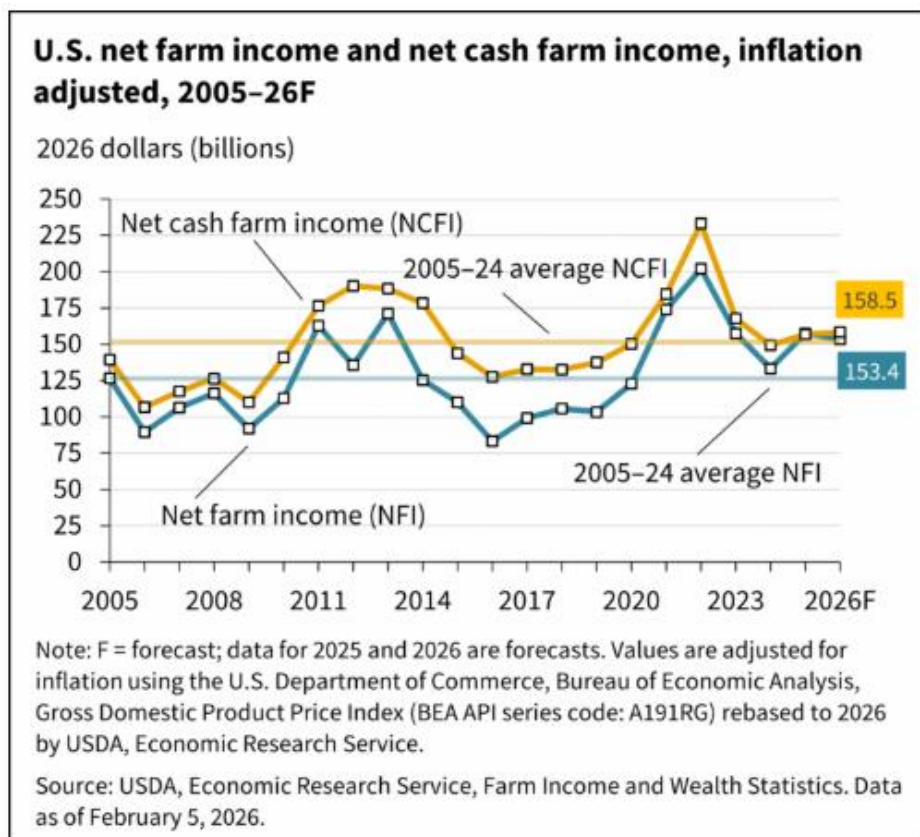
## Summary

- Profit margins among crop producers are likely to remain narrow in 2026, but the strength of recent years continues to provide support.
- Profitability among livestock operations has also supported the U.S. ag economy but, in the cattle industry, herd rebuilding has remained slow.
- Financial stress has increased slightly for crop producers, but many still remain in a stable position alongside strong real estate valuations.
- Economic uncertainty and the potential for reduced economic growth are primary near-term risks associated with Middle East conflict, in addition to costs of fertilizer and fuel.

- How is your competition doing?** Brazil is on track to produce another record soybean harvest during the current growing season. However, the recent pace of expanded soybean acres in Brazil may be about to slow down. Joanna Colussi, a research assistant professor of agricultural economics at Purdue Univ., said the economic conditions in Brazil are becoming much more challenging, "Production costs have been going up over time, especially since the 2021-2022 crop season. In Mato Grosso, Brazil's leading soybean-producing state, costs rose quickly and reached about \$600 per acre in 2023. More than 85% of soybean farmers in Brazil operate on land they own. A big part of that increase was linked to higher fertilizer prices after the Russia-Ukraine conflict." Colussi said Brazil imports a lot of fertilizer, "Brazil imports nearly 85% of its fertilizers. Meanwhile, gross revenue has moved around more than production costs, mainly because of changes in global soybean prices. In the early 2010s, during the commodity price boom, revenues increased and reached about \$740 per acre. Then, during the price downturn in the middle of the decade, they fell to \$400 per acre. Revenues rose again from 2021 to 2023 as soybean prices increased around the world because of strong demand and supply disruptions linked to the pandemic and the Russia-Ukraine conflict." Profitability for Brazil soybeans has changed drastically as soybean prices went down and costs rose, In the early 2010s, profits increased and reached nearly \$290 per acre. Then, in the middle of the decade, profitability declined and fell to around \$60 to \$70 per acre. That changed, starting in 2020, when the pandemic pushed commodity prices higher. Then, profits jumped to about \$440 per acre in 2021, the highest point in the series. Since 2023, profits have been falling as soybean prices declined and production costs stayed high. For the current crop season, the outlook has become even more challenging." Profits in the current growing season will be squeezed even harder, "Brazil is expecting another record soybean harvest, but lower export premiums at Brazilian ports, a less favorable exchange rate, and the soybean trade agreement between China and the U.S. are likely to put even more pressure on producer returns. Profits in Mato Grosso are projected to fall to just \$10 per acre, the lowest level in almost 20 years. For producers who lease land, returns are expected to be negative." (NAFB News Service)
- The Ag economy needs more help** from the government, bioeconomy, and consumers, all key topics last week at a Washington Food and Farm Policy Forum. Last year's increase of crop support triggers and crop insurance subsidies won't kick in 'til later this year. Former Senate Ag Committee aide and current American Farm Bureau Economist John Newton says the bottom line demands more help beyond the \$12 bil. that USDA's already paying farmers, resulting in an industrywide letter to the White House, "We need another ad hoc aid package to help farmers that are dealing with skyrocketing fuel prices and skyrocketing fertilizer prices." While admitting ad hoc help is not the answer but only increasing demand for Ag products actually is. Others addressed the need for new demand in biofuels and bio-based products. Roeslein Renewables' Ben Kruger, "There's \$10 to \$15 bil. for Ag and more. There's 5 to 10 a year for fossil LNGs, oil and gas and traditional energy, and then there's another. Pick a number. It could be as much as \$20 bil. or more for building new ships with flex fuel technology." Ag benefits from airline use of sustainable aviation fuel through the 45Z tax credit, E15 waivers, and year-round sales once enacted, and a robust RFS. (Berns Bureau, Washington)

## The Business of Farming—

- **Farmers may be getting substantial mailbox money this year,** but that apparently does not mean any will get rich.... or break even.



but that apparently does not mean any will get rich.... or break even. [Reuters' P.J. Huffstutter](#) reported that "in a sign of growing stress for U.S. farmers, the Agriculture Department forecast on Thursday that U.S. net farm income would fall 0.7% this year, despite near-record government payments that are expected to account for nearly 29% of producers' bottom line." "Net farm income, a broad measure of profitability in the agricultural economy, is forecast to drop 0.7% to \$153.4 bil. in 2026 from

the year before, USDA said," Huffstutter reported. "When adjusted for inflation, net farm income is projected to decrease by \$4.1 bil. or 2.6%." "Government payments are doing a lot of the work in supporting crop producers," said Wesley Davis, a partner at Meridian Agribusiness Advisors, an agricultural economics consultancy in New York City. But farmers, economists and lawmakers warn that even more government support may be needed to offset the impact of low crop prices, a global grain glut, rising operational costs and lost export sales due to Trump-era trade and economic policy changes. Many farmers are increasingly dependent on federal support to pay their bills - while also taking on record levels of debt - even as government payments near record levels, economists said. USDA forecasts that producers will receive \$30.5 bil. in direct payment support in 2025 and \$44.3 bil. in 2026, excluding additional payouts from federal crop insurance indemnities. Such levels have not been seen since 2020 and 2021 amid COVID-19 pandemic upheaval and trade disruptions during President Donald Trump's first term. USDA forecast that farmers' cash receipts - what they get paid for their crops - would rise this year for corn, hold generally steady for soybeans and fall for wheat. Livestock receipts are expected to drop due mainly to lower egg and milk prices, while cattle receipts will continue to increase. The chair of the [U.S. Senate's agriculture committee said](#) on Tuesday that many farmers were suffering heavy losses, while more than two dozen former USDA officials and industry leaders cautioned lawmakers that U.S. agriculture faced the risk of a "widespread collapse" in part because of the Trump administration's policies.

- **With less than a month until the tax filing deadline**, farmers and ranchers across the country are busy putting together their finances. American Farm Bureau President Zippy Duvall says recent updates to tax law could provide a bright spot in an otherwise dismal farm economy. "Farmers face high supply costs, low commodity prices and global unrest. At least there is some certainty for farmers when it comes to the tax code. The One Big Bill Act delivered major tax relief and incentives that will directly benefit farm and ranch families. Making permanent the 2017 individual tax code provisions will benefit almost every farm family. Qualified business income deductions, enhanced business expensing, and estate tax relief means farmers can invest more into their business and make plans for the next generation. It's encouraging that Congress and the administration cut red tape for farmers who need help to manage razor-thin margins." (American Farm Bureau)
- **Energy and fertilizer costs** are top of mind for farmers with boots on the ground heading into the spring planting season. Wayne Cleveland, executive director of the TX Grain Sorghum Producers, said diesel prices have quickly climbed higher "The deal in the Middle East is going to have a profound effect on fertilizer. With the Strait of Hormuz shutting down, it's already affected diesel. We were talking about sub-\$2 diesel 2 months ago, and everybody's thinking, 'Oh, it's going to go down lower. There's no reason for it to go up.' And then now, you know, I put diesel in my truck, and it was \$4.79 a gal. And this is coming from a guy who doesn't do this for a living. Imagine a guy who burns through a couple of hundred gal. a day of diesel. So, it really has a profound effect, not just on us, you know, as farmers, but on the economy as well, because you start tightening down in other places, you know, and you see other prices start to get wonky."
- **There are likely farmers who traded in used equipment** for new pieces in 2025 but may not be aware of how to report trade-in value on their income taxes. The 2017 Tax Cuts and Jobs Act changed how you claim the new purchase. Joe Peiffer, Attorney with Ag & Business Legal Strategies, explains that whatever the dealer allowed as a trade-in will now be taxed as ordinary income. He gives an example, "In the past, before 2017 if you traded it in on a \$1,000,000 combine and they offered you \$250,000, your tax basis in the new combine would be \$1,000,000 less the \$250,000 they'd offered you that had no tax basis in it, because you had already depreciated it out. So, you then depreciate \$750,000 for the new combine." But today, that's all changed, "After the tax and jobs creation act of 2017, you would report the \$250,000 that they allowed you for the trade-in as though you sold the combine and got a \$250,000. That meant that, since you depreciated it fully, you would then report that all as depreciation recapture, which is taxed as ordinary income tax rates." Peiffer says keep those sales documents handy for your tax preparer, "I would suggest giving them a copy of your trade-in agreement that shows how much you were allowed on the trade in, and then he or she'll be able to take that off and realize, in my example, that you got a \$250,000 as trade-in. They'll look at that and ask, "What was your tax basis in it," and report the gain as necessary. And then they'll know what you paid for the new one. So, then they can now depreciate that whole thing." As always, consult your tax professional or attorney before filing your taxes. (NAFB News Service)

## ***Farm Programs and Mailbox Money—***

- **Federal farm support programs** are playing an increasingly central role as U.S. producers navigate a period of economic uncertainty marked by high costs and weak commodity prices. Programs administered by the USDA, including income support and disaster assistance initiatives, have provided a financial backstop for many farmers facing tight margins. Recent enrollment in aid programs has remained strong, reflecting ongoing stress in the agricultural sector. Industry groups say current conditions, including elevated fertilizer and fuel costs, have made federal assistance essential for maintaining operations. Some policymakers, however, are debating whether existing programs provide sufficient coverage, particularly as Congress works to finalize a new Farm Bill. Analysts say continued reliance on federal support underscores broader structural challenges in agriculture, including price volatility and rising production expenses.
- **In addition to the biofuels announcement Friday**, the administration also unveiled an enhanced [SBA loan guarantee program for small businesses in the agriculture industry](#), increasing the government loan guarantee from 75% to 90%. The loans, which come with a 90% federal guarantee, will be available to a broad range of producers in the agriculture and logistics industries, to expand food production and supply – with the aim of reducing grocery costs for consumers. The Grocery Guarantee is created to drive investment in our nation’s food supply chain – infusing farmers, ranchers, and logistics providers with expanded access to capital that will increase production, processing, and distribution. By fueling domestic capacity and fill America’s grocery stores with affordable, nutritious, homegrown food. The SBA International Trade Loan (ITL) Program provides long-term, affordable financing to support American producers – offering borrowers additional flexibility through an increased SBA guarantee of 90% compared to the standard 75% guarantee for the agency’s popular 7(a) Loan Program. The Grocery Guarantee will give local lenders greater confidence to deploy capital into the food supply chain, supporting investments in production capacity, processing, and distribution to increase the supply of domestic food products and lower grocery prices. On May 1st, small businesses in the following NAICS Groups and National Industry Codes will become eligible for the expanded ITL Loan program:
  - ✓ 1111 oilseed and grain farming.
  - ✓ 1121 Cattle Ranching and Farming.
  - ✓ 1122 Hog and Pig Farming.
  - ✓ 1151 Support Activities for Crop Production.
  - ✓ 1152 Support Activities for Animal Production.
  - ✓ Lenders and small businesses interested in the updated International Trade Loan program can contact SBA’s national team of [Finance Managers](#) for more information.

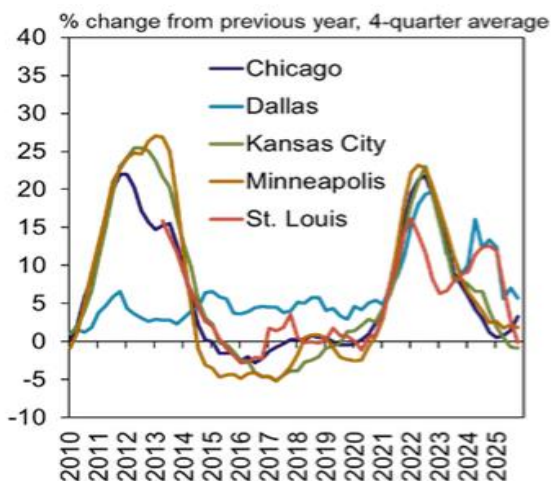
**Land Prices, Farmland Issues, and Data Centers—**

- Farmland values in the Midwest** and Plains states remained firm in 2025 despite steady deterioration in farm financial conditions. According to Federal Reserve Surveys of Agricultural Credit Conditions, farm income and credit conditions deteriorated gradually in the fourth quarter and farm loan interest rates declined slightly. Despite tighter farm finances, the value of cropland was unchanged or slightly higher than the previous year across all participating Districts. Resilient land valuations and distribution of ad hoc government assistance have supported the sector and financial stress remained limited through the end of 2025. Farmland values remained mostly firm across Districts. In the Kansas City and St. Louis Districts, non-irrigated cropland values were unchanged from the previous year, while they grew slightly in the Chicago and Dallas Districts (left panel). However, regional conditions varied in their effects on farmland values, as values rose more than 5% in Northern IN, KS, and TX, but fell 4% in SD (right panel).

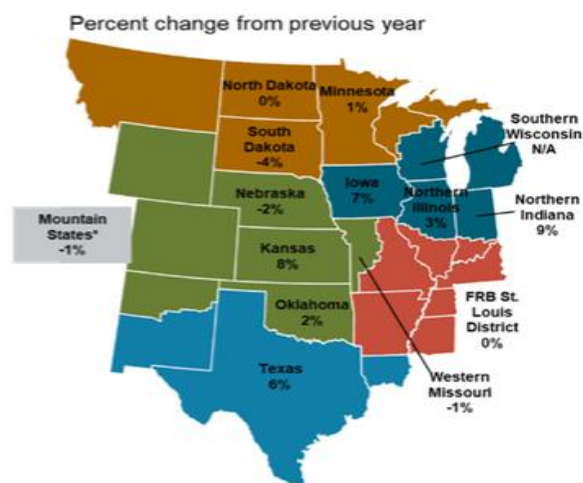
Federal Reserve Bank District	Average Change in Farmland Value*
Minneapolis	- 1.0%
Chicago	+ 6.0%
Kansas City	- 0.3%
St. Louis	- 0.1%
Dallas	+ 5.7%

\* For non-irrigated farmland, 4Q24 to 4Q25

Nonirrigated Cropland Values



Nonirrigated Cropland Values, Q4 2025



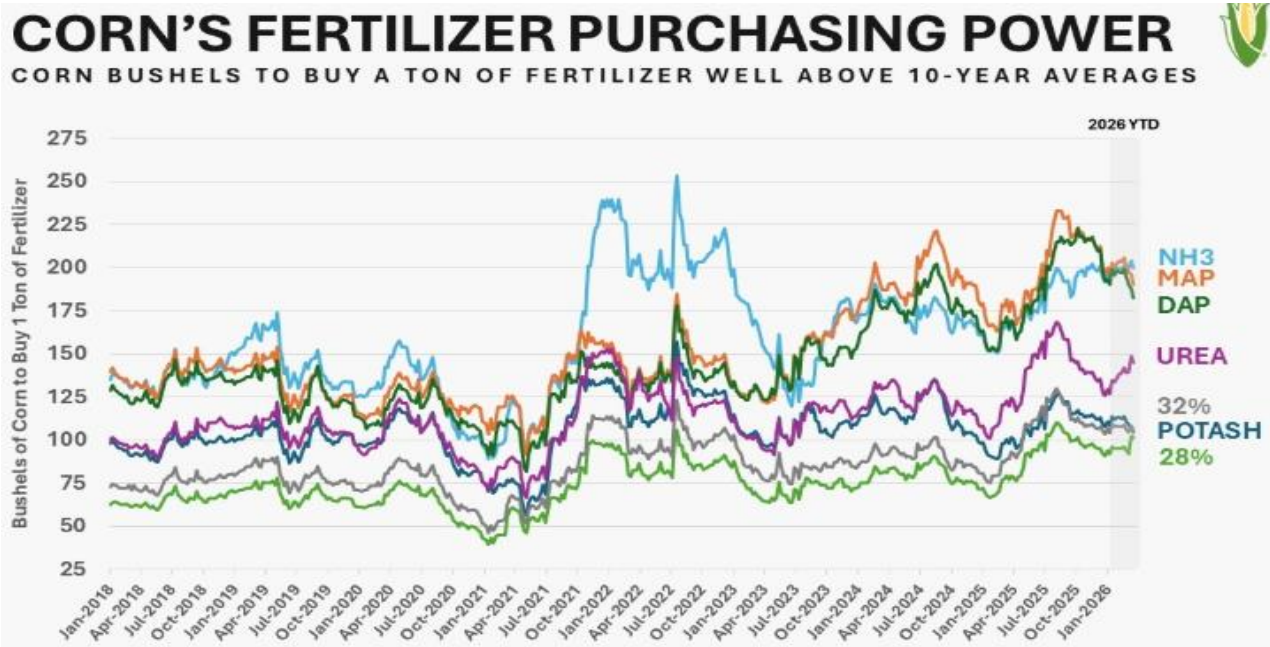
Softer farm finances continued to weigh on credit conditions, but deterioration was slower in many areas. The pace of decline in farm loan repayment rates was similar to recent quarters in the Dallas and Chicago Districts, but slowed in the Kansas City, Minneapolis and St. Louis regions. The share of lenders reporting that loan repayment was lower than the same time a year ago dropped considerably in many areas. Interest rates on farm loans continued to decline from their 2023 peaks but remained higher than the 10-year average. Across participating Districts, average interest rates on all types of farm loans declined to around 7.5%, or about 100 basis points above the 10-year average. Average rates in the Chicago Fed region fell to around 6%, the lowest across Districts, while the Dallas District had rates that were the highest at just below 8%.

- USDA's National Agricultural Statistics Service** issued findings from the latest Tenure, Ownership, and Transition of Agricultural Land (TOTAL) survey. Bryan Combs of the National Agricultural Statistics Service says landowners rented out a lot of land to farmers for growing crops, "The total survey provides comprehensive data on the financial and demographic aspects of agricultural land ownership. We last conducted this survey in 2014, and it's basically gathering information on both operating landlords and non-operating landlords. Those landlords collectively rented out 350 mil. acres of farmland. There were over 2 mil. landlords who leased agricultural land to farmers. This is a slight increase from 2014. Of the 348 mil. acres of land rented, over 85% of that is concentrated in the Plains, the West, and the Midwest region, and roughly 60% of the land rented out is cropland. If we look at who is renting out that land, there are over 1 mil. non-operating landlords, and we compare that to 260,000 operating landlords. Those non-operating landlords have asset values that total \$1.7 tril., which is a 47% increase from 2014." Combs said that debt rose for landowners participating in the survey during the past decade, "It remained relatively low, at about 3% of the land debt building value. And most landlords own their land debt-free and don't have any recent capital expenditures. The average age of principal operators did increase to 69.2 years old, which was up from 66.5 years in 2014, the same thing we see in the Census of Agriculture, with that average age continuing to tick up over survey cycles." (NAFB News Service)
- More than 800,000 acres burned** in NE wildfires this month, with the Morrill Fire alone scorching over 640,000 acres. [The fires disrupted cattle operations](#) by eliminating pasture for over 40,000 head, prompting emergency actions from lawmakers. For agriculture, the damage has been especially severe in Nebraska's cattle sector. The fires wiped out vast stretches of grazing land at a critical time of year, leaving ranchers scrambling to feed herds during calving season. One of the most troubling outcomes was that more than 40,000 head of cattle lost access to pasture. Some of the most immediate relief hasn't come from Washington; it has come from neighbors. The NE Dept. of Ag reported that a line of 20 trucks delivered emergency supplies of hay bales. State and federal officials are also mobilizing to support recovery. NE Governor Jim Pillen issued an emergency order to speed the delivery of feed and supplies by easing transportation regulations, emphasizing the urgency of getting resources to livestock producers.
- USDA has eliminated a farmland access program for young farmers**, alleging it is a violation of USDA policies on diversity. That touched off the anger of [Rep. Angie Craig, D-MN, minority leader on the House Agriculture committee](#). "Once again, the Trump administration has turned its back on America's farmers. Instead of focusing on lowering input costs for farm families by ending Trump's inflationary tariffs and the war in Iran – which has sent prices for fertilizer and fuel skyrocketing – the Trump administration thinks it is more important to rescind funding for a program passed by Congress that helps farmers buy and retain farmland. Even if farmers cannot rely on an unpredictable president, they should be able to rely on the administration to uphold the law. Instead, this administration again is refusing to implement a law it doesn't agree with. This is a total slap in the face for farmers and will not withstand legal scrutiny. The American people deserve better."

## ***Fertilizer, Fuel, and Other Inputs—***

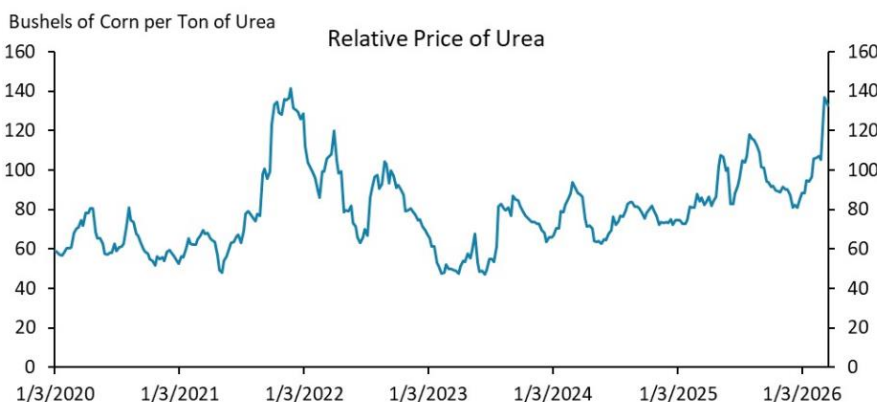
- **Current fertilizer trends and dynamics** from United Prairie, Tolono, IL, Mar. 30, 2026.
  - ✓ **UAN:** Pricing remains stable this week as purchasing has slowed. • Suppliers are being cautious with available tons as they continue to evaluate events overseas. • Canadian UAN producers continue to sell Q2 availability and are getting close to being sold out for spring.
  - ✓ **Urea:** NOLA values firmed yesterday and following the tone set internationally. March barges officially touched \$700/st fob. • Further out, yesterday the first half of April barges traded between \$690- 695/st NOLA and up \$15 from Wednesday.
  - ✓ **NH3:** Domestic US ammonia values have moved higher again this week. • Mild conditions promote applications across the Cornbelt.
  - ✓ **Phosphates:** NOLA DAP barge was offered at \$695/st. • NOLA DAP and MAP prices increased as supply tightens.
  - ✓ **Potash:** Potash markets remain mostly stable with normal in-season Spring demand. • Yesterday prompt, loaded barges trade hands at \$305/st fob NOLA.
  - ✓ **10-34-0:** Dry phosphate pricing has shown further strength this week. In talking with acid suppliers, they feel a price increase is warranted, particularly when looking at their cost of production. • 10-34-0 and starters continue to be positioned. Inventories will be challenged with the delay in acid shipments. • Some remain a month behind on acid shipments. Production is running well, but rail car availability is hampering shipments.
- **Retail fertilizer prices continued to be mostly higher** during the third week of March 2026, according to sellers [surveyed by DTN](#). Nutrients remained elevated with the military conflict continuing between the United States and Iran. Prices for 6 of the 8 major fertilizers were higher compared to last month, while one was slightly lower and one was unchanged. DTN designates a significant move as anything 5% or more. UAN28 led the way higher, as the nitrogen fertilizer was 15% higher compared to last month. The liquid nitrogen fertilizer had an average price of \$473 per ton. Urea was 11% higher than a month ago and had an average price of \$677/ton. Anhydrous was 8% more expensive compared to last month and had an average price of \$931/ton. UAN32 was 5% higher, looking back to the prior month, and had an average price of \$489/ton. 2 nutrients were slightly higher in price. MAP had an average price of \$886/ton and 10-34-0 \$671/ton. 1 fertilizer was slightly less expensive compared to last month. DAP had an average price of \$851/ton. 1 nutrient's price was unchanged from last month. Potash had an average price of \$487/ton. On a price per pound of nitrogen basis, the average urea price was \$0.74/lb. N, anhydrous \$0.57/lb. N, UAN28 \$0.85/lb. N and UAN32 \$0.73/lb. N. All 8 fertilizers are now higher in price compared to 1 year earlier: 10-34-0 by 3%; potash 7%; MAP 9%; DAP 11%; UAN32 19%; both urea and anhydrous 22%; and UAN28 by 33%.

- Economists Krista Swanson and Gretchen Kuck** of [National Corn Growers](#) may think there is no end in sight to the negative dynamics of fertilizer prices. They report: "Several fertilizer products trade as Chicago Board of Trade (CBOT) commodities, which means prices can react in real time, indicating how markets are responding to global geopolitical developments. Urea showed an immediate move following the start of the war: the nearby Gulf Free-On-Board (FOB) March 2026 contract jumped \$128 per ton between February 27 and March 3. The May 2026 urea contract rose more slowly at first, but the rally then continued ahead. The contract's March 19 close of \$681 per ton is an increase of \$276 per ton (68%) from the end of February. At \$681 per ton, urea is elevated but not at a record high. In April 2022, prices surpassed \$1,000 per ton. Since the end of February, the Gulf FOB April 2026 contract for diammonium phosphate (DAP) has increased \$40 per ton (6%). The move is smaller than the price response seen in urea contracts but is still concerning given DAP's sustained high price level in recent years. DAP prices were already relatively high prior to the Strait of Hormuz constraints, reflecting existing market supply restrictions. Like urea, DAP reached highs of \$1,000 per ton in 2022, and prices have been slow to decline from their peak. Before the hikes seen in March 2026, DAP was persistently pricing at \$600 per ton, while urea had fallen over time to below \$500 per ton." Today, the nearby (May 2026) corn contract is about \$4.70 per bu. The relationship between these 2 commodities is an important indicator of how market conditions will be felt in the farm economy. Looking at the decisions farmers are facing right now, current May contract prices it takes roughly 145 bu. of corn to buy 1 ton of urea versus about 125 bu. in April 2022—even though the urea Gulf FOB price was nearly 50% higher at the time.



As can be seen, fertilizer has been high in the price of corn for an extended period *before* the further dramatic spikes of the beginning of March, particularly for anhydrous ammonia and phosphate products. This trend unsurprisingly coincides with the fourth straight year of projected negative returns. →

- “If you had asked me in February or December** what my biggest concern was for farmer profitability, I probably would have already told you fertilizer,” says Gretchen Kuck, economist for the National Corn Growers. “This is not a new idea, this is not a new concept, as far back as September, we had a survey of growers saying up to 40% were planning to reduce fertilizer applications to weather some of these economic conditions. We already had a really interesting year in fertilizer markets leading up to this crisis, you had elevated high prices that we've had since 2020, you've had we're heading into our fourth year of projected net negative returns for corn growers, which makes it really hard to cash flow some of those increased really high production costs and you're having farmers having to make a lot of really tough decisions already. Maybe we're hoping for prices to come down and hadn't bought, but you've had US tariffs rerouting some supply chains, you've had restrictions from China on phosphate, you've had countervailing duties on phosphate, so it's been a really complicated year already, and this is not really a new idea that farmers are concerned about high fertilizer prices. Despite the war, corn prices have remained relatively low. That's forcing farmers to make difficult decisions about fertilizer applications and overall profitability. They could choose to cut back application rates. Producers aim for the highest yield per acre rather than the highest profit per acre.”
- Producers currently purchasing fertilizer** ahead of the planting season are facing significant cost increases given the ongoing conflict in the Middle East, says the economics staff at the Kansas City Fed. “The Strait of Hormuz is a key shipping channel for globally traded fertilizers. Notably, more than a third of global exports of urea, a widely used solid nitrogen fertilizer, typically pass through this waterway. Since the beginning of the year, the price of urea has increased by about 55%, sharply rising with the onset of conflict with Iran. As a nitrogen-intensive crop, fertilizer purchases comprise a large component of corn production expenses. As such, corn growers face higher input costs with supply shocks in the urea market. Urea markets have already been under pressure from persistently high natural gas costs alongside the Russia-Ukraine war and export restrictions from China. At



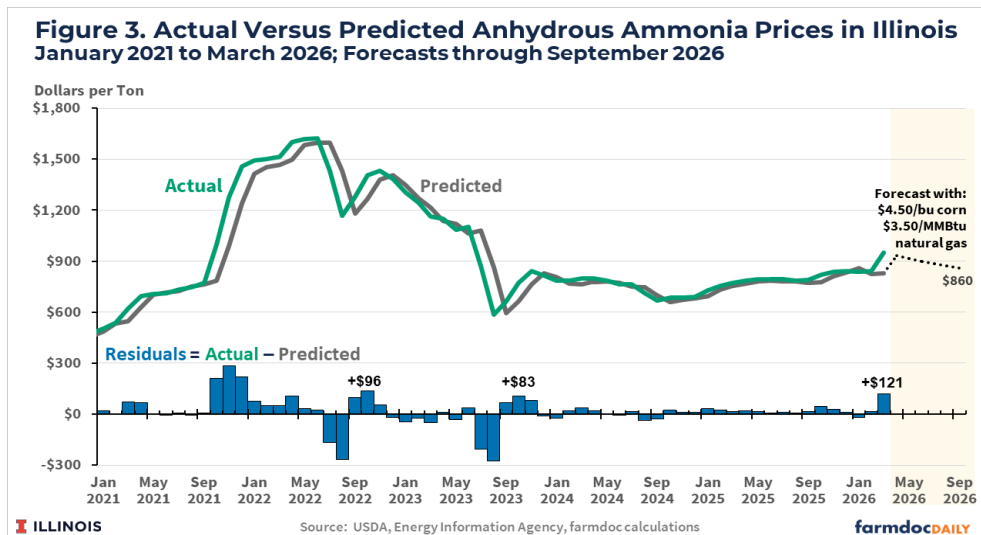
present, the relative price of urea, or implied trade-off between corn and urea, is close to the record high experienced in 2021 amidst natural gas supply disruptions. However, recent increases in the price of corn may support profitability. In addition, many producers

secured fertilizer for this year’s growing season last Fall ahead of the surge in prices. Going forward, developments in global urea markets and movement in commodity prices will be important for evaluating the outlook for corn profitability.”

- **The economic reaction to the shipping shutdowns** has been severe. Urea export prices in the Middle East surged by roughly 40% almost immediately, jumping from under \$500 to over \$700 per metric ton. Because agriculture operates on a highly interconnected global network, U.S. fertilizer prices have already spiked. "This conflict obviously is having an immediate impact on fuel and fertilizer prices," said [Univ. of IL ag economist Gary Schnitkey](#). "We now see anhydrous ammonia over \$900 a ton. Anhydrous ammonia and all the fertilizers were going up before this, but the conflict has increased that increase." Complicating matters is a move, as reported by Josh Linville VP Fertilizer at StoneX, by China which has already banned the export of urea, MAP, and DAP through August of 2026. China is one of the world's largest fertilizer exporters. It also recently banned the export of fertilizers to protect its domestic supplies." →
- **What about phosphate?** Fertilizer specialist Josh Linville of StoneX thinks the status of phosphate is more critical of urea, nitrogen, or other nutrients. "In the phosphate market, 5 countries control, we think about 85-90% of production and export levels out there. And so, look at the market today. The number 1 historically speaking is China. They normally export between 8 and 10 mil. ton. At least that's what they did before 2022. And today the Chinese government is not allowing that to happen. In fact, again, same thing as urea. Before we even got into this year, the Chinese government said, "No, we're not going to export phosphate until August of this year." So, the number 1 manufacturer and producer and exporter doesn't exist right now. Number 3 on the list is Saudi Arabia. Well, they're blocked behind the Strait of Hormuz. Now, they are trying to ship tons across Saudi Arabia. It's not nearly as quick as what it's going to be going through the Persian Gulf. So, it's going to be a help a little bit more than what we thought it was going to be, but it's still an impact. Number 5 is the US and we've continued to have poor production rates near historical low operating rates as far as our production levels and it's just it's an ongoing situation with old equipment, old processing facilities, a degrading quality phosphate rock supply and so there's not a whole lot. They're doing everything they can to try and bump it up, but it just takes some time. But again, like urea, we went from this small little piece, which phosphate, that's not small, but it's blown up. And now for the other 2 that are on the list for like Russia and for Morocco. Well, now they got to worry a little bit about what's going on around the world and anhydrous is one of the two biggest variable cost inputs for phosphate production. 3 of the world's 10 largest exporters sit in the Persian Gulf and are blocked from the world. So, not only have we cut out to a large quantity 3 of the top 5 global exporters, the other 2 are suffering from very high production cost. Even if this whole thing calms down and we start to see supplies get better and global phosphate prices start to fall, if we don't see improvements on anhydrous and sulfur, the production cost for global manufacturers of phosphate is so high, I don't think we can handle much more price degradation before they just start shutting down production. They're not going to produce it for a loss. So, as bad as urea is, as bad as nitrogen is, I still maintain phosphates in worse shape. It's just because that demand is more elastic and the prices are already high. That's the reason we're not seeing the attention. But if demand starts to step up for phosphate, watch out. This thing can take off from a price perspective very, very quickly."

- **Over 50 state grower groups, including IL Corn and IL Soybean Assns.,** and 8 national ag groups filed a [letter with the Department of Commerce](#) on Friday asking it to revoke countervailing duties on imports of phosphate fertilizer as the sunset review begins. [The letter was signed by groups](#) like the National Corn Growers Assn., American Soybean Assn. several others, and said that if the duties continue, they will further worsen the dire economic conditions faced by American farmers. "Maintaining the phosphate fertilizer duties will allow a small set of powerful corporations to continue to limit supply options for farmers," the letter said. "This has already prevented farmers from accessing the tools that meet their crop production needs and resulted in lower yields and negative economic impacts." In 2020, the Commerce Department, acting on a petition filed by The Mosaic Company, imposed duties on phosphate fertilizers imported from Morocco and Russia.
- **Sen. Tammy Baldwin, D-WI,** joined several colleagues in introducing a bill designed to provide more transparency in fertilizer pricing. Baldwin said fertilizer prices have risen rapidly since the war began in Iran, "Right now, I don't have to tell any farmers about the price that they're seeing for fertilizer. It's 25%, and that is in no small part because of President Trump's war with Iran. About one-third of all the world's fertilizer passes through the Straits of Hormuz, and since the attacks on that shipping lane, we've seen these prices skyrocket. The transparency legislation that we're talking about, and by the way, this is strong, bipartisan legislation, would bring greater visibility into our fertilizer market. It would provide farmers with access to information about supply, pricing, and market trends updated on a weekly basis through the USDA. We think that's so important, because knowledge allows you to plan, and right now, that's sorely lacking in this market." When there's no transparency, there's no sense of competition. The competition lowers costs too, so it's just another important issue." (WRDN radio) →
- **Congressman Eric Sorensen (IL-17)** joined a bipartisan group of lawmakers to introduce the *Fertilizer Transparency Act* to help provide IL farmers with more certainty and better information about fertilizer prices. This legislation would require USDA to create a mandatory price reporting system to offer market participants of all sizes with comparable levels of market information on fertilizer components, including nitrogen, phosphorus, and potassium fertilizer products. This is to provide more certainty and help IL farmers make the most cost-effective decisions possible with access to clear data about the cost of fertilizer," [said Congressman Eric Sorensen](#). "Right now, farmers in my district are struggling. Fertilizer costs were already rising and now are climbing higher because of Trump's war with Iran. At the same time, commodity prices continue to drop. With this legislation, we're working across the aisle to provide family farmers with long overdue transparency to ensure fair pricing." "During this difficult economic time for Illinois corn farmers, we are looking for opportunities to provide more tools and more information that will help family farms navigate the turbulent and increasingly expensive fertilizer marketplace. The IL Corn Growers Association is grateful for this bipartisan proposal," said Mark Bunselmeyer, President, IL Corn Growers Association.

- **As a result of conflict in the Middle East**, the U.S. average diesel fuel price (as of March 23) has risen \$1.48 in 3 weeks to \$5.375 per gal. Railroad fuel surcharges are based on the Energy Information Administration’s on-highway diesel (OHD) fuel price. Because fuel surcharges are lagged by 2 months, March’s diesel price increases will be reflected in May’s fuel surcharges. [USDA grain transportation economists](#) help with the calculation.
- **Speaking of future costs, how much should you expect** to pay for anhydrous ammonia next fall? The [IL Farmdoc ag economists](#) have that worked out for you, if you want to set aside a small fortune for your fall nitrogen expense. They can do that with surprising accuracy because one of the key elements in anhydrous ammonia is natural gas and watching the natural gas futures at the Henry Hub pipeline terminal in Ertha, LA, gives a good prediction for anhydrous prices 7 months in the future. Here is their explanation. “Recently, average retail anhydrous ammonia prices in IL have approached \$1,000 per ton, well above the historical average of \$737 per ton. The simple model’s forecast suggests



anhydrous ammonia prices will remain high into the fall, potentially creating a challenge for farmers’ early input decisions for the 2027 crop. Higher natural gas prices are also typically associated with higher anhydrous

ammonia prices as natural gas is a major input into the manufacture of synthetic nitrogen fertilizers. Average monthly natural gas prices also increased from late 2020 to reach highs above \$8 per mil. BTU in mid-2022. Natural gas prices also spiked in January 2025, with the average price reaching \$7.72, but returned to an average of \$3.62 in February. The estimated regression has a good fit, explaining 95% of the variation in monthly anhydrous ammonia prices in IL. Nitrogen fertilizer prices have increased substantially since the Mid-East conflict commenced. Those higher fertilizer prices are likely to continue into the fall. This longer-run price increase could result in a larger impact on farmer production costs and returns in 2027 than in 2026. At that point, decision-making for the 2027 crop will present challenges. Many farmers typically purchase a portion of their nitrogen in the fall. However, high nitrogen prices could lead to shifts from historical purchasing norms, as some farmers may anticipate or hope for lower prices in the early months of 2027. Given that nitrogen fertilizers are not used intensively on soybeans, higher nitrogen prices could also lead to a shift towards more soybean acres and fewer corn acres.”

## ***Transportation Issues—***

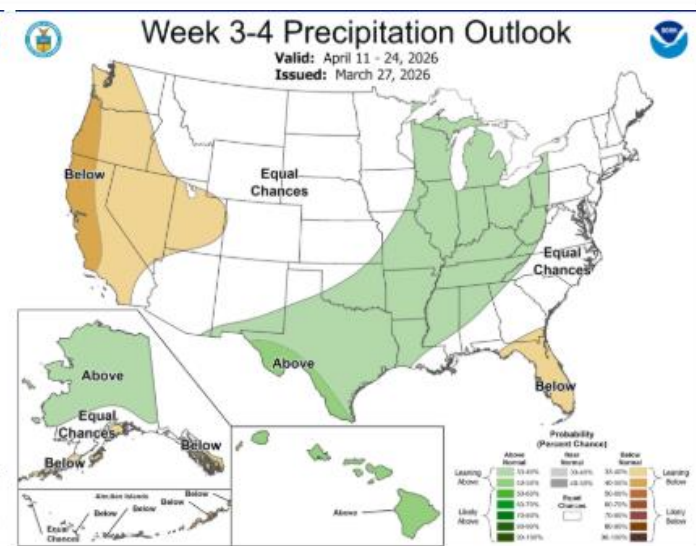
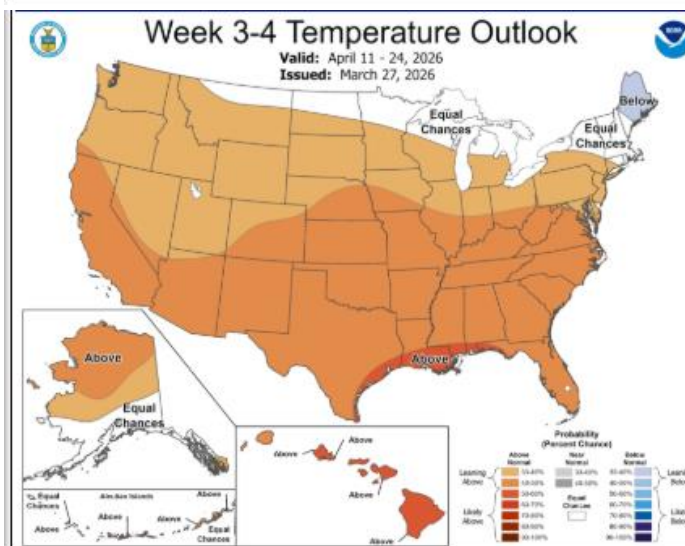
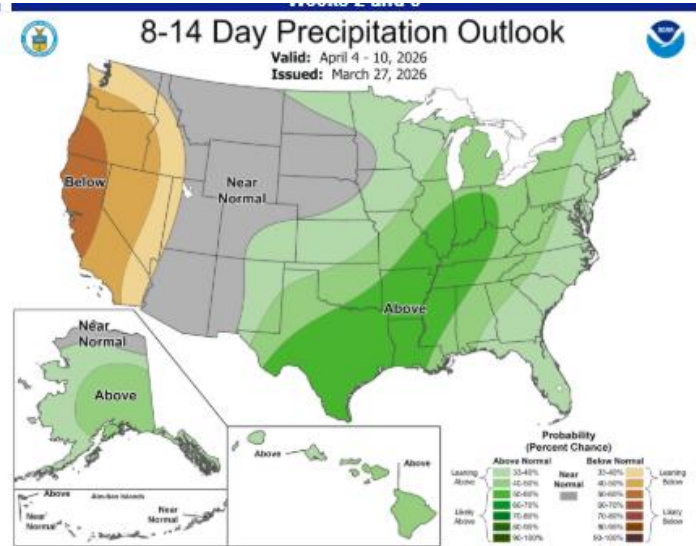
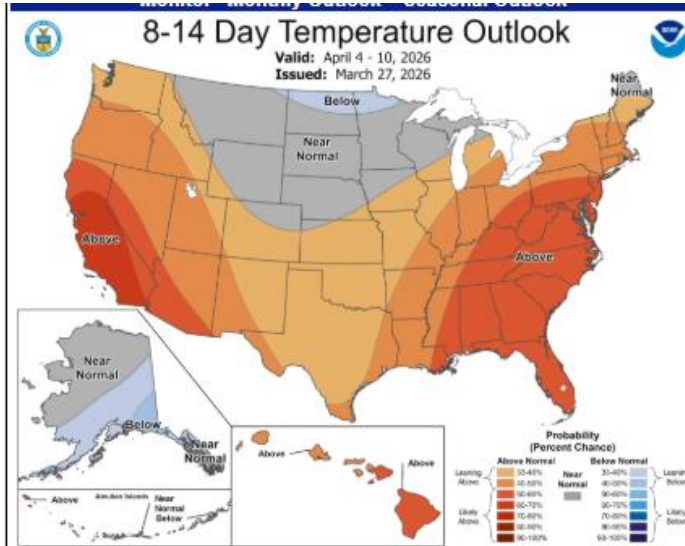
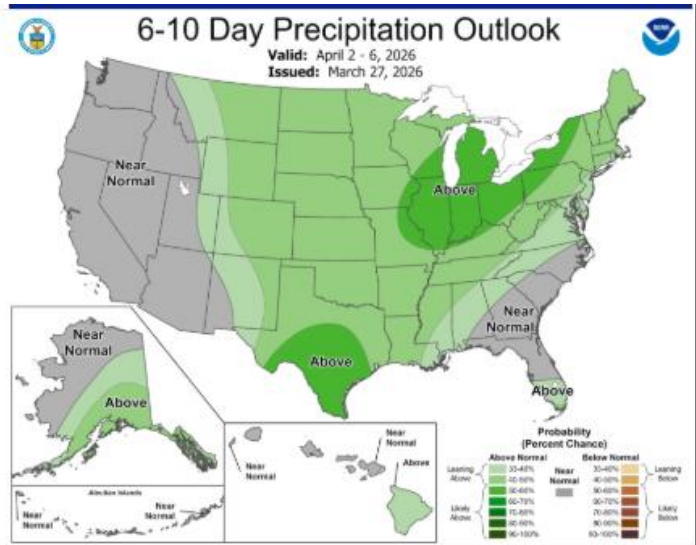
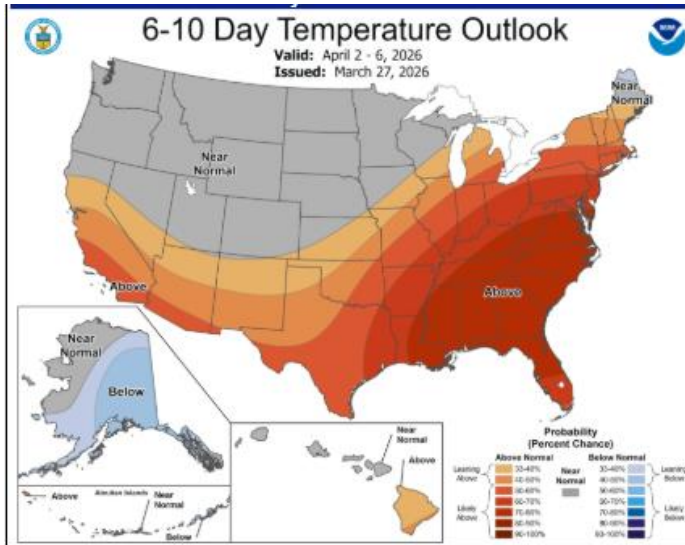
- **Without too much surprise,** the BNSF Railroad does not want to see 2 of its biggest competitors merging. [The Union Pacific and Norfolk Southern](#) are seeking permission from the Surface Transportation Board, but there has been more opposition than support. And BNSF executives have issued their thoughts as well. The topic was dominant at the recent convention of the National Grain and Feed Assn., where members are primary customers of the rail industry and have numerous opinions about how such a merger will impact local elevators and grain transportation costs. Katie Farmer, president and chief executive officer of BNSF Railway, a 35-year rail industry veteran who has spent her entire career at BNSF, said she has been through three successful and one failed Class I rail mergers. “I think history is important, and I think looking at the facts are important,” she said. “I think this is not good for our industry. I think it’s going to reduce the options that you have. I think it’s going to raise rates. And that’s where BNSF is as well.” Farmer said she did not believe that a consolidation of over 50% of all rail volume would provide shippers more options and competitive rates. She also noted that UP’s previous merger did not result in better efficiencies for their customers. “UP touts that they have 2,000 companies that are in support of this merger,” Farmer said. “If you actually look at the application, there’s less than 500 customers, and of those 500 customers, they make up less than 6% of all the rail volume that exists today. Conversely, the real Customer Coalition, who represents 50% of all rail customers, have come out publicly and said that if this unprecedented consolidation happens, that every farmer, every manufacturer, every energy producer, and the American consumer is going to pay for this merger.”
- **The Mississippi River is open for business!** On March 19, the National Grain and Feed Association declared the Mid-Mississippi River open for navigation after the MV John R. Operle (with an empty dry cargo covered barge suitable for loading) reached Dubuque, IA, on March 18. Last year, the Mid-Mississippi River opened 9 days earlier, March 13, 2025, second highlight). This week, on March 24, the U.S. Army Corps of Engineers announced that the first barge tow of the season had arrived at St. Paul, MN—the last Upper Mississippi River (UMR) port to open each year because of ice on Lake Pepin. In 2025, the navigation season on the UMR began on March 20 (GTR, March 27, 2025, first highlight). In 2025, 12.8 mil. tons of downbound grain transited Lock and Dam 25 (the lowest lock before the Mississippi meets the Illinois River), up 39% from 2024. The Army Corps of Engineers moved the Motor Vessel Crockett through Lock and Dam 2 in Hastings, MN, this week, with 2 additional barges en route to St. Paul, MN, and it was immediately followed by 4 additional tows. The lockage marked the unofficial start to the navigation season because the lock and dam is the last 1 before reaching St. Paul. The average first tow arrives around the third week in March. The earliest date for a tow to reach St. Paul occurred on March 4 in 1983, 1984, and 2000. Keeping the Mississippi River navigation system open is critical for the nation’s economy. A 15-barge tow is the equivalent of more than 1,050 semi-trailers or 200 rail cars. One barge can carry more than 50,000 bu. of grain.

- **Downriver, at Helena, AR,** fertilizer is being unloaded. Pat Scates, of the prominent Southern IL Scates Family, reports, "The 2026 planting season has kicked in high gear in the delta region. SGI Helena River Terminal crew offloading a potash barge for a customer to keep the warehouse full. Good to see normal water levels back in the Mississippi River after extended lower water levels."

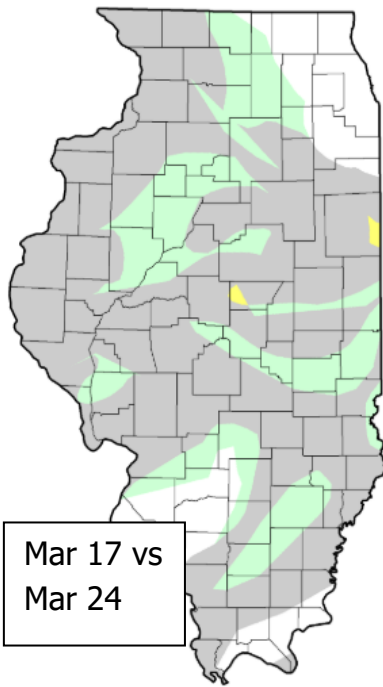
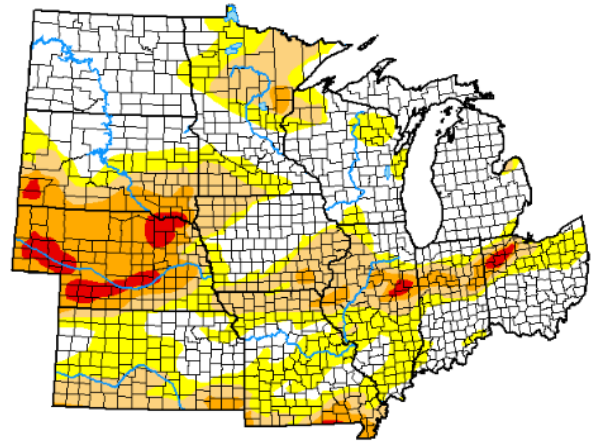


### ***Weather and Climate—***

- **"Some of the more impressive daytime high temperatures** this week included 92°F in Springfield and 89°F in Bloomington-Normal," says IL State Meteorologist Trent Ford. "Springfield's 90°F day this week was the earliest in the year since 1907, and only the second time on record where the capital hit 90°F in March. With only a few days left, March temperatures have been 4 to 8°F above normal. This month has been a top 10 warmest on record in Champaign-Urbana, and the warmest March since 2012. We had a little bit of a quieter weather week, with precipitation and storms mainly contained to east-central IL. 7-day precipitation totals ranged from virtually nothing in far southern IL to just over 3 in. in east-central IL. This week also brought another round of severe weather to central IL, including over a dozen reports of smaller hail on Thursday evening. March precipitation to date has ranged from around 1.5 in. in northwest Illinois to nearly 7 in. in central IL. In fact, this month is already the third wettest march on record in Springfield, and the wet start to spring has made quite a dent in our drought. Looking ahead, our temperature roller coaster ride continues this week, with temperatures gradually increasing into the 70s°F and 80s°F by Wednesday, followed by a drop back into the 50s°F and 60s°F by next weekend. We keep the wet weather rolling, too, as 7-day precipitation forecasts show between 1 and 2 in. expected across the entire state this week."



- Unseasonable warmth enveloped most of the Midwest**, with temperature departures ranging from 5 to 20 degrees F above normal; the greatest anomalies were centered over western IL and southern MO. Conversely, parts of MI, WI, and MN observed below-normal temperatures. Precipitation was highly variable: northern and eastern areas (including much of OH, IN, IL, northern MI, and MN) received 0.5 inches or more, with some locations seeing 150% to 300% of normal weekly rainfall. This above-average moisture and corresponding improvements in streamflow and soil moisture led to the reduction of extreme drought (D3) and severe drought (D2) in IN and OH,



alongside D2 improvements in IL. Moderate drought (D1) and abnormal dryness (D0) were also trimmed across IL, IN, OH, and northern MI. However, the southern half of the region largely missed out on precipitation, receiving as little as 5% of normal rainfall. Growing deficits and degrading conditions

*Drought Conditions (Percent Area)*

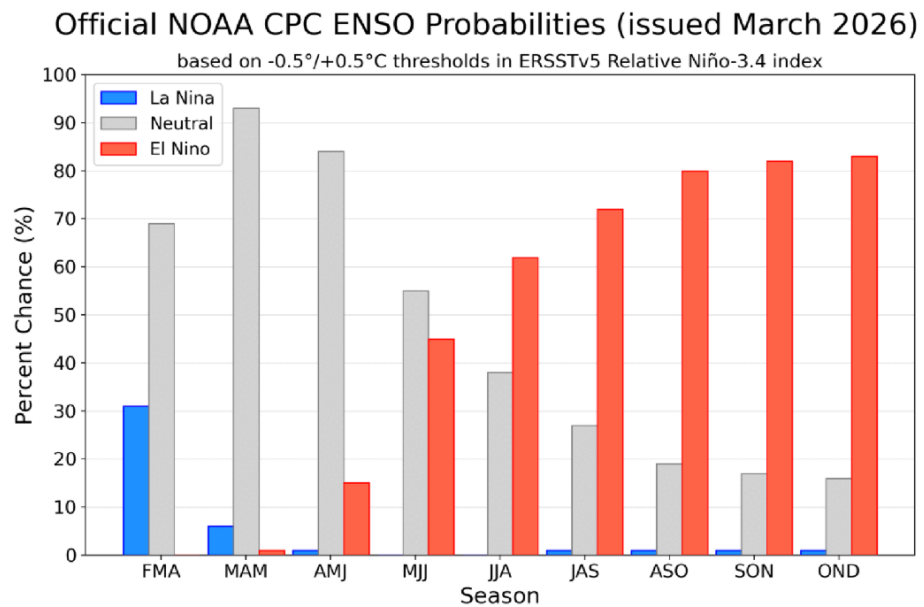
	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
<b>Current</b>	45.17	54.83	31.71	13.88	2.88	0.00
<b>Last Week</b> <small>03-17-2025</small>	46.66	53.34	30.85	12.34	2.49	0.00
<b>3 Months Ago</b> <small>12-23-2024</small>	41.45	58.55	27.61	5.37	1.03	0.00
<b>Start of Calendar Year</b> <small>01-06-2025</small>	38.60	61.40	30.14	6.93	1.26	0.00
<b>Start of Water Year</b> <small>09-30-2024</small>	53.65	46.35	22.66	6.32	0.24	0.00
<b>One Year Ago</b> <small>03-25-2024</small>	21.74	78.26	50.56	15.36	2.12	0.00

in these southern areas led to the expansion of moderate drought (D1) in parts of IA and MO, as well as an increase in abnormal dryness (D0) in northeast OH.

- Severe weather across much of the central US** is raising concerns for farmers as spring planting season begins. Forecasters report a recent pattern of strong storms, including tornadoes and heavy rainfall, along with sharp temperature swings that could disrupt fieldwork and damage infrastructure. Wet conditions in some areas may delay planting, while high winds and storms pose risks to farm buildings and equipment. The New York Post reports livestock producers also face challenges from rapidly changing weather conditions. Timely planting is critical for crop yields, and prolonged delays could affect production potential for key commodities such as corn and soybeans. The volatile weather outlook adds another layer of uncertainty for producers already dealing with tight margins and fluctuating input costs. Meteorologists say conditions could remain active in the coming weeks as seasonal patterns shift.

- After nearly a year and a half of a La Niña weather system**, North America is facing a major shift to an El Niño system. Some climate scientists say there is a possibility of a Super El Niño event as the growing season progresses this summer. The last Super El Niño event was experienced 10 years ago, beginning in mid-2016 and continuing into 2017. An El Niño system is formed when the surface temperatures of the Pacific Ocean, the world’s largest body of water, rise a couple of degrees above long-term normal — and this change has already taken place. Effects of an El Niño system take several months to develop, but by early summer, it will cause air temperatures to rise above normal, along with a milder and wetter growing season, and this will continue into the fall and winter. Kent Moore is a professor of atmospheric physics at the Univ. of Toronto. Moore says that the magnitude of a weather event like a Super El Niño is hard to predict in its early stages. He says that an El Niño system has already set up for this growing season and will continue into the fall and winter. But Moore says only time will tell if this El Niño will be a ‘super’ event, “We measure the strength of the El Niños by the temperature, and so a Super El Niño is just a very, very warm El Niño. Because the sea-surface temperature in the Pacific is much warmer, we’ll definitely get an El Niño later in the summer and into the fall. As the weeks and months go by, we’ll get better guidance, and we’ll be surer as to whether or not we’re going to get one of these super events.” Professor Moore explains that major system events, like La Niña and El Niño, are caused by temperature changes in the Pacific Ocean. And, due to the sheer size of the Pacific, the upcoming El Niño event will have a worldwide effect, “The whole globe is warmer. The biggest effect of El Niño is in Eastern Canada. In the States, it tends to get wetter. It’s a bit wetter off on the West Coast as well. Effects in Canada are more localized in the winter. That’s when we tend to get these weather patterns that are impacted by El Niño. Looking into the upcoming fall and winter season later this year, Professor Moore says that the El Niño effects will be seen in the central and western parts of the continent.

Depending on the severity of the system, the Canadian Prairies, the U.S. Midwest, and the Great Plains States could see a drier fall and winter, and milder temperatures into the winter months, “If we do have a mild winter next year, it’s likely that the snowpack will be reduced. That will again lead to drier conditions come spring 2027, just because the ground will be very dry.” (NAFB News Service)



## Agronomy—

- Help is on the way, says the IL Soybean Assn.** ISA has introduced half a dozen new agronomic professionals in its [2026 Soy Envoy Class](#). They have enrolled in the service program to assist farmers with agronomic challenges during the new growing season. These Envoys are in the field every day, sharing what they are seeing and turning it into practical recommendations farmers can use to improve performance and respond to challenges as they arise.” Serving from April through October, IL Soy Envoys will deliver crop reports, agronomic updates and local recommendations through FieldAdvisor.org and the Field Advisor podcast. Their updates give farmers a clear view of field conditions and issues developing across the state. They will provide In-season crop reports from across IL, Local agronomic recommendations, Regular updates on [FieldAdvisor.org](#) and the Field Advisor podcast, Observations from the field throughout the growing season. This year’s class represents a range of experience across IL agriculture, including research, retail agronomy and farming operations:
  - ✓ **Matt Montgomery**, CCA, Chatham, Agronomy Education Lead, Beck’s Hybrids
  - ✓ **Marissa Scott**, Newark, Farmer, Friestad Farm
  - ✓ **Scott Krone**, Rantoul, Product Development Agronomist, GDM Seeds
  - ✓ **Brandon Hall**, CCA, CCS, Wataga, Location Operations Manager, West Central FS
  - ✓ **Jamie Horton**, Woodlawn, Agronomist, Pitchford Elevator
  - ✓ **Tim Laatsch**, CCA, Altamont, Owner and President, Field Hawk Ag Research, LLC
- Do you do your own spraying or hire it done?** The cost is going up says [Univ. of IL ag economist Gary Schnitkey](#), who says over the past 2 years, expenses have risen. In 2026, it’ll cost 17% more to operate a pull-type sprayer, at \$6.80 an acre. That’s up from \$5.80 2 years ago. Operating a self-propelled sprayer will cost 5% more, at \$6.10 an acre, up from \$5.80 an acre 2 years prior. That includes overhead, equipment, fuel and labor, but is the cost factor, not what should be charged for custom spraying.

Spraying costs						
Operation	Total	Tractor overhead	Implement overhead	Fuel and lube	Labor	Fuel use
	\$/ac.					gal.
Self-propelled	6.10	N/A	5.70	0.10	0.30	0.0
Pull-type	6.80	1.40	4.60	0.30	0.50	0.1

- **IA St. Univ. ag economists have just published** their latest custom rate numbers, gathered from a survey of farmers. "[The Iowa Farm Custom Rate Survey](#) was sent to 1,122 people in early February 2026. The 2026 report is based on 205 responses and 4,698 custom rates provided by Iowa farmers, custom operators, and farm managers. Thirty-two percent of the respondents perform custom work, 20% hire work done, 47% indicated doing both, and 2% did not indicate whether they perform or hire custom work. For each type of work, the average rate from the survey, the median, and the range are shown. The average is calculated as the simple average of all responses. The median is the middle number among the ordered responses (from smallest to largest). The reported range excludes the minimum and the maximum values to avoid reporting extreme values. The reported rates are expected to be charged or paid in 2026 and include fuel and operator labor (unless otherwise noted). The average price for diesel fuel as of February 2026 was assumed to be \$2.89 per gal. Rental rates for some machinery items are shown in the last section of this report, along with a worksheet for estimating rental rates for other items."
- **EPA Administrator Lee Zeldin** told a recent Washington, DC agricultural forum his agency has made big progress in reducing the backlog of pesticide registration reviews, while some remain controversial. Zeldin says EPA's pesticide review backlog has been reduced by more than 40%, "The pesticide review backlog when I came in was 14,500. The good news is that the backlog is now down to 8,500." Zeldin says while EPA's budget was cut by the White House, staff were added at the Office of Chemical Safety, "The investment was key to reducing the backlog." 2 widely used herbicides, dicamba and glyphosate, have been challenged in and out of the courts. EPA has rewritten rules for use of dicamba and is working on glyphosate. Zeldin says he won't predetermine outcomes, "That's not how it works. We have dedicated scientists who've been there 20, 30 years. They're going to do their review, and then I'm going to communicate their findings with the public, and I don't want to tell them at this stage of the review, politically, this is what I want your findings to show." The House Farm Bill proposal shields chemical companies from lawsuits by those harmed by pesticides and limits state and local governments' power to regulate safety warnings. It will soon be up for Floor debate. (Berns Bureau, Washington)

### ***Conservation, Environment, and Carbon—***

- **The high price of beef** has farmers considering how to add a herd back into their operations. Univ. of IL research showed that one of the best options is to graze cattle on cover crops. Extension Beef Specialist Travis Meteer said it changes the entire economic equation, "Having livestock is one of the fastest ways to make cover crops pay. Because it's forage, it's feed for cattle and other ruminants, too. It's a no-brainer. We have to have, in a farming operation, we have to have some sustainability to profitability, and I just don't think we can rely on government payments to make our farms sustainable. Right now, livestock, right now, looks like a really good option." Meteer notes that while varieties and technologies have improved, the concept of grazing cover crops brings a historic rotation back to modern row-crop operations. (WILL radio)

- **Cover crop program? “We got that!”** The IDoA is relaunching the Infield Conservation for Operationalizing Vital Ecosystem Resilience (I-COVER) program to encourage early establishment of cover crops through new techniques and technology. Pre-enrollment begins April 1 for the program, which provides cost-share and financial incentives to producers and landowners who are new to cover crops or who use innovative methods to establish cover crops earlier in the season. I-COVER is a three-year program supporting cover crops planted in 2026, 2027 and 2028, funded by IDOA through a \$7 mil. grant from the USDA’s Natural Resources Conservation Service (NRCS) under the Regional Conservation Partnership Program. Jerry Costello II, IDOA director, says, “This program incentivizes farmers to protect and preserve Illinois soil, which is among the most fertile in the world.” To protect the financial interests of farmers, the program was paused last summer. IDOA shared in a press release the department did not want farmers to invest in the I-COVER program without assurance that reimbursements would be available. Costello and staff have worked with USDA NRCS to reopen the program, continuing Illinois’ commitment to soil health initiatives. All applicants who applied during the previous program period must submit a new application to be considered for funding. Pre-enrollment and applications are available online. Visit [agr.illinois.gov](http://agr.illinois.gov) and select the I-COVER Program link on the home page. Sign-up begins April 1! (Read the details, you have time!) And yes, there is money involved! Selected applications will be eligible for the following rates for each year of the program. Rates vary based on species number and type:
  - ✓ \$61.13 per acre for one or more cover crop species, winter killed.
  - ✓ \$85.65 per acre for single cover crop species, spring terminated.
  - ✓ \$105.40 per acre for one or more cover crop species, spring terminated.

## **USDA—**

- **Young and beginning farmers** will have a more difficult time getting access to land, after USDA eliminated 49 of its 50 programs designed to provide help to aspiring farmers. [The National Young Farmers Coalition](#) says, “The USDA issued termination notices for 49 of 50 [Increasing Land, Capital, and Market Access \(ILCMA\)](#) projects – innovative, community-based, and locally-led projects designed to tackle the greatest barriers that young, beginning, and underserved producers face in the U.S. Terminations, effective on March 26, totaling nearly \$300 mil. across 40 U.S. states and territories. Termination letters claim that “most of the awards did little to improve land access” and that there was “excessive spending on outreach and technical assistance.” What the letters omit is that current USDA leadership spent over a year systematically undermining the program – freezing funding, cutting off communication with awardees, and withholding the approvals grantees needed to move forward with land acquisitions, farmland down payment assistance, low-interest loans, and other core project activities. “The Trump administration actively blocked awardees from delivering critical resources to the next generation of U.S. farmers and ranchers — then cited the absence of progress as grounds for termination,” said Amanda Koehler, Manager of the Land, Capital, and Market Access Network. “After years of public investment in this program, the administration is cancelling contracts as it’s finally ready to meet its potential and calling it fiscal responsibility. The waste here is theirs.” →

- **According to one of the cancellation letters** to young farmers shared with [POLITICO](#), USDA determined that the program “involved discriminatory preferences based on Diversity, Equity and Inclusion” as well as “wasteful spending.” The letter also cited a March 2025 directive from USDA Secretary Rollins directing [USDA to review existing grants](#) to ensure they do not promote DEI and are “free from fraud, abuse and duplication.” “USDA will prioritize unity, equality, meritocracy, and color-blindness in furtherance of the Department’s mission,” Farm Service Agency Associate Administrator Steven Peterson wrote in the March 23 letter. The cancellations come one day after more than a dozen Democratic state attorneys general filed suit against USDA, alleging that Rollins’ new grant spending requirements — which were issued late last year and take aim at diversity, equity and inclusion provisions — violate congressional intent. The funding cancellations come as the challenges facing farmers — especially young and beginning farmers — remain steep. The vast majority of farmland is owned by nonfarming landlords, [according to an annual survey](#) released March 12 by USDA’s National Agricultural Statistics Service. “If we want our country’s agriculture production to continue to work, we have to support new and emerging farmers. Otherwise, big corporate Ag entities are happy to continue gobbling up small and independent farms as more farmers retire,” Sen. Tina Smith (D-MN) told POLITICO in a statement. “Canceling these grants for new farmers will just make the problem worse.” House Agriculture Ranking Member Angie Craig (D-MN) said the cuts are unlikely to withstand a lawsuit, when USDA refuses “to implement a law, it doesn’t agree with.”
- **As the nation celebrated National Ag Day last Tuesday**, the National Agricultural Aviation Assn. honors the men and women whose work in aerial application supports global food production and modern agriculture. National Ag Day highlights the vital contributions of farmers, ranchers, aerial applicators, and the broader agricultural community. For more than a century, aerial applicators have helped farmers deliver a safe, affordable, and abundant supply of food, fiber, and bioenergy, while also protecting forests and controlling the pests that threaten human and animal health. Each year, American farmers rely on aerial application to treat approximately 127 mil. acres, or nearly 28 % of U.S. cropland, applying fertilizers, seeds, and crop protection treatments with precision and efficiency. “Aerial application plays a vital role in modern agriculture by allowing crops to be protected quickly, precisely, and with minimal impact to the soil,” said Andrew Moore, NAAA CEO.
- **The USDA is continuing to invest in rural infrastructure projects**, announcing new funding for community facilities as part of broader efforts to support rural economies. Recent projects include investments in public services such as schools, emergency response facilities and community centers. USDA officials say the funding is aimed at improving quality of life and sustaining economic activity in rural areas tied closely to agriculture. Local leaders say such projects can help stabilize rural populations and support workforce development, particularly in regions where agriculture remains a primary economic driver. The funding is part of USDA’s long-standing rural development mission, which includes loans and grants for infrastructure and community services. Officials say continued investment will be critical as rural communities face economic pressures linked to volatility in the farm sector.

## **Trade, Tariffs, (and USMCA) —**

- **The USDA launched a Trade Reciprocity** for U.S. Manufacturers and Productions Mission to Vietnam last week to open new markets, strengthen export opportunities, and secure fair and reciprocal trade for American farmers, ranchers, and producers. “American farmers, ranchers, and producers thrive when they have strong, reliable markets for their high-quality products,” said USDA Under Secretary Luke Lindberg, who’s leading the mission. “By strengthening our trade relationship with Vietnam, we’re opening doors for U.S. agriculture, ensuring they have a fair chance to compete and succeed.” In 2025 alone, agriculture, fishery, and forest product exports surged by 45 % to a record \$5.6 bil., making Vietnam the eighth-largest market for the U.S. The mission’s goal is to expand on the momentum by expanding market access, connecting suppliers with new buyers, and advancing negotiations for America’s farmers and ranchers. USDA will return to Vietnam later this year for a broader agribusiness trade mission to continue expanding opportunities.
- **Is Thailand a market for US soybeans?** One can ask either Jim Sutter, CEO of the US Soybean Export Council, or the 450 folks pictured below wanting to buy US soybeans. They wanted to hear what Sutter and US soybean growers, such as Vice Chair Roberta Simpson-Dolbeare, or Secretary Scott Gaffner, both of IL had to say last week. “The conference in Bangkok saw strong engagement across market outlooks, supply chains, sustainability, and trade dynamics—highlighting how U.S. agriculture continues to deliver consistent, reliable value to Southeast Asia. With Southeast Asia’s demand for food and feed continuing to grow, the importance of collaboration, reliability, and long-term partnership remains clear. We look forward to building on these engagements.”



- **In a related note from USSEC CEO Jim Sutter,** “In 2025, U.S. Soy reached an important milestone – more than 70% of our soy exports were verified under the [U.S. Soy Sustainability Assurance Protocol \(SSAP\)](#). Not only is this an achievement to be proud of – I certainly am! - it demonstrates U.S. Soy’s global leadership as a trusted, verified source of sustainably-produced soy. More 1,200 products across 22 countries are now labeled with the Sustainable U.S. Soy or Fed with Sustainable U.S. Soy brand. 207+ companies have utilized transferable SSAP certificates. Sustainability-verified carbon footprint data is available via SSAP Certificates. U.S. Soy remains the lowest carbon footprint soy by origin. It’s exciting and encouraging to see U.S. farmers’ long-standing stewardship practices translated into measurable value and real results for the U.S. soy value chain.”
- **Mexican demand for American pork has been rapidly growing** in recent years, and the trend continued in 2025. For the 5th-straight year, pork exports to Mexico reached a new record number, coming in at 1.24 mil. metric tons, valued at \$2.85 bil. last year. Gerardo Rodriguez is the regional director of Mexico and Central America for the U.S. Meat Export Federation. He said consumer education programs, made possible through support from USDA and the National Pork Board, help persuade Mexican shoppers to buy more U.S. pork for in-home consumption, The food trucks that USMEF utilizes for sampling and tasting demonstrations can be adapted to include more educational tools to show Mexican consumers how U.S. pork cuts can be conveniently prepared from home, The convenience includes demonstrating the use of increasingly popular appliances such as air fryers when preparing pork at home. (NAFB News Service) →
- **But on the dark side...**Mexico has launched [trade complaints against US pork producers](#). “In 2024, exports to Mexico were over \$2.6 bil. In addition, Mexico’s geography creates the possibility of land exports, which is a unique export market condition for the U.S. pork industry. Mexico then initiated 2 cases on U.S. pork in December. The first case alleges that the U.S. was dumping product (selling below fair value) during a 3-year time period (2022-2024) into Mexico on hams and shoulders specifically. The 2nd case alleges that the federal government and 5 state governments (IN, NC, IA, IL and MN) gave subsidies to grain



producers and pork producers and processors. They claim this created an unfair advantage to the U.S. because producers may have received funds from the federal government and packers may have received some benefits to modernize a packing plant, which went on to lower the price of U.S. pork hams and shoulders exported to Mexico. If Mexico reaches an adverse

determination, tariffs could be applied to U.S. hams and shoulders.

- **IL Farm Bureau members just returned** from Mexico, where trade issues were explored ahead of the plan for the US, Mexico, and Canada to consider [continuation of the USMCA agreement this summer](#). While Estefanía Perez, deputy director for the U.S. Grains and BioProducts Council (USGBC), said agriculture was not expected to be discussed when the first round of USMCA talks began March 16, she said the industry remains a major



component of the negotiations. “The agricultural chapter is not within the first round of conversations,” Perez said, noting other trade items like automobiles and electronics are first on the discussion list. “We are pending ... (and) are just ready for when they will talk about these (agriculture) topics.” U.S. agricultural exports to Canada and Mexico have risen by \$20 bil. since USMCA took effect July 1, 2020, reaching \$60 bil. in 2024, as reported by the [Agricultural Coalition for the USMCA](#), which is made up of 40 farm and agricultural groups, including the American Farm Bureau Federation. Mexico and Canada account for roughly one-third of U.S. total agricultural exports, and IL farmers across commodity sectors rely on this North American trade to support prices and demand. Mexico alone accounts for over 17% of U.S. agricultural exports. The country relies heavily on imported grains and pork to meet domestic demand, with U.S. agricultural exports to Mexico valued at \$30.6 bil. At the U.S. Embassy in Mexico City, Director of the USDA Agricultural Trade Office and Foreign Agricultural Service in Mexico Sean Cox told IFB members Mexico ranked among the top destinations for U.S. corn, soybeans and meat exports in 2025. Corn and soybean exports totaled more than \$8 bil. in value, while meat exports, including pork, beef and poultry, reached nearly \$6 bil.

### ***Illinois issues--***

- **IL Governor JB Pritzker signaled** he could support [changes to the state’s estate tax structure](#), calling reform “something that I could support.” [Landon Larkin, a self-labeled multi-generational farmer](#) says, “For those in agriculture, this is worth paying attention to. IL currently has one of the lower estate tax exemption thresholds in the country. For many farm families, especially those who are land-rich and cash-poor, that can create real pressure during generational transitions. In some cases, it forces decisions that would not otherwise be made. Selling ground. Taking on debt. Restructuring ownership. All to meet a tax obligation rather than a long-term plan. Any movement toward reform could have meaningful implications for how farmland is transferred across generations in this state. It is still early, and details matter. But this is one to watch closely for anyone involved in farmland ownership, estate planning, or long-term agricultural operations in IL.” →

- **The Family Farm Preservation Act** seems to be the top priority of many agricultural groups lobbying IL lawmakers. IL Farm Bureau says, "Getting the Family Farm Preservation Act passed remains the top legislative priority for Illinois Farm Bureau for the 2026 spring legislative session. Over the past 2 years, the bill has garnered widespread, bipartisan support. With your help, we will seek to get it to the governor's desk this year for his signature. SB 2970 and HB 4736 contain the Family Farm Preservation Act. The legislation raises the \$4 mil. threshold to \$6 mil. and converts it from exemption to a threshold for taxation, with spousal portability, and a \$12 mil. maximum which increases with inflation.
- **Other agricultural legislative issues of concern include:**
  - ✓ **Landowner Protections Energy Storage Systems** – SB 3409 (Sen. Belt) and HB 4956 (Rep. DeLuca) It requires energy storage systems to enter an Agricultural Impact Mitigation Agreement (AIMA) with the IL Dept. of Agriculture. (Ag supports)
  - ✓ **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. (Ag opposes)
  - ✓ **Broadband Deployment** – SB 3838 (Sen. Joyce) This would expand use of this access to private property to 150,000 or more locations across Illinois but does not require notice to landowners. (Ag opposes)
  - ✓ **Implements of Husbandry Weight Limits** – SB 3208 (Sen. Joyce) This legislation is intended to 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. (Ag supports)
  - ✓ **Clean Transportation Standard** - SB 3693 (Sen. Koehler) The clean transportation standard requires fuel providers, such as refineries, to lower the carbon footprint associated with the production of "on road" transportation fuel, which is measured by carbon intensity via the GREET model. (ag supports)
  - ✓ **Per Acre Payment** - SB 3227 (Sen. Turner) program will include a per acre payment rate of not less than \$5 per acre to 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. (ag supports)
  - ✓ **Paraquat Ban** – SB 3161 (Sen. Ellman) This legislation would ban the use of paraquat in Illinois, an herbicide that only licensed applicators may use. (Ag opposes)
  - ✓ **School Pesticide Notification** – HB 1596 (Rep. Faver Dias) This legislation would require commercial applicators and farmers 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. (Ag opposes) The IL Fertilizer and Chemical Assn. says its priority in the Legislature this spring is stopping this bill.

- ✓ **Wetlands Protection** – SB 2401 (Sen. Ellman) and HB 3596 (Rep. Moeller) It would prohibit any movement of dirt on a wetland and impose severe, punitive penalties. (Ag opposes)
- ✓ **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. (Ag opposes)
- ✓ **EPA Permitting Environmental Justice** - HB 5374 (Rep. Gabel) This legislation could force industrial, renewable energy, and data center development into agricultural land. (Ag opposes)
- ✓ **CO2 Pipeline Eminent Domain Repeal** - SB 2842 (Sen. Halpin) This legislation repeals eminent domain authority for the construction of carbon dioxide pipelines. (Ag supports)
- ✓ **Navigable Water** - HB 5165 (Rep. Walsh, Jr.) This bill is a public taking of private property as many bodies of water are privately owned. (Ag opposes)
- ✓ **Data Center Construction Requirements** – HB 5513 (Rep. Gabel)/SB 4016 (Sen. Villivalam) & SB 3761 (Sen. Simmons) These provisions would further incentivize, beyond CEJA, renewable energy, increasing the footprint into production agricultural land and support the development of the grain belt expressway, both of which IFB opposes. (Ag opposes)
- ✓ **Data Center Stewardship** – SB 3120 (Sen. Murphy) Data Center Stewardship – SB 3120 (Sen. Murphy) This legislation requires a data center that receives tax incentives from the state to report its water stewardship strategy and records demonstrating its sustained implementation of its water stewardship strategy to qualify for the tax credits. (Ag supports)
- ✓ **Electric Transmission** - HB 4823 (Rep. Walsh) It limits landowner involvement and requires the ICC to make decisions quickly, including authorizing eminent domain. (Ag opposes)
- ✓ **Natural/Coal Gas Baseload Energy Generation** - SB 3929 (Sen. Joyce), SB 2727 (Sen. Cunningham), HB 4798 (Rep. Walsh, Jr.), HB 5537 (Rep. Spain) These bills attempt to address Illinois' current baseload energy deficit by either pushing the closure date back or eliminating the emission standards for natural gas and/or coal. (Ag supports)
- ✓ **Agrioltaics System** - SB 2958 (Sen. Koehler) and HB 4830 (Rep Chung) 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. (Ag supports)
- ✓ **Wildlife Competition** - SB 3063 (Sen. Holmes) This legislation would ban hunting tournaments or competitions that offer any kind of inducement for otherwise legal hunting/trapping activities, removing a tool that helps control wildlife, including nuisance wildlife, while promoting hunting/trapping, especially youth. (Ag opposes)

- ✓ **State Fleet Biodiesel** – HB 4399 (Rep. Delgado)/SB2900 (Joyce) 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. (Ag supports)
- ✓ **Tree Management** - HB 4622 (Rep. Meier) This legislation gives landowners the ability to effectively manage their own land by petitioning IDOT to remove a tree if the tree's growth is affecting crop growth or otherwise hindering the parcel owner's economic use of the land when the problem can only be effectively remediated by removing the tree. (Ag supports)
- ✓ **Biofuel Infrastructure Tax Credit** – SB 3072 (Sen. Cappel) This legislation creates an income tax credit for a qualified fuel retail facility to offset the cost of updating or installing infrastructure that can handle higher blends of ethanol, biodiesel, and renewable diesel. The bill will help increase the use of higher blends of biofuels across the state. (Ag supports)
- ✓ **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. (Ag supports)
- ✓ **Dissolving Townships** - HB 4625 (Rep. Sosnowski) This legislation automatically dissolves township governments with a population of less than 500 on January 1, 2029, without voter approval. (Ag opposes)
- ✓ **H2A Exemption Paid Leave** - SB 2889 (Sen. Fowler) This legislation would exempt H2A workers from the requirements of the Illinois Paid Leave Act. (Ag supports).

### ***Agri-Politics—***

- **Supply problems, pricing issues, and other criticisms** are rife within the fertilizer industry. [Rep. Angie Craig, D-MN](#), the minority leader for the House Ag Committee has introduced the Fertilizer Transparency Act. "President Trump's tariffs and war with Iran have increased fertilizer costs even as farmers lose markets and commodity prices remain low, putting farmers in an impossible position. We need better insight into fertilizer markets to ensure farmers are getting a fair price for the tools they need to grow our food. I am proud to champion the Fertilizer Transparency Act to increase transparency in fertilizer markets for our nation's farmers," said Ranking Member Craig. Since launching his global trade war, Trump's tariffs have increased the cost of inputs like fertilizer and fuel. Combined with tens of billions of dollars in lost exports and low commodity prices, the current [war with Iran](#) has caused [fertilizer costs to spike](#) further, creating a crisis in farm country as farmers prepare for the spring planting season. The Fertilizer Transparency Act will create a mandatory price reporting system to level the playing field and give market participants access to crucial information on fertilizer components, ensuring fairer pricing and more transparency for farmers and agri-businesses who rely on accurate and timely information to make business decisions." [Read the bill text here.](#)

- **Lawmakers from both parties** voiced support for U.S. farmers during a Senate Agriculture Committee hearing focused on expanding domestic agricultural production, as producers face rising costs and financial pressure. At the hearing, titled “Increasing Domestic Production of U.S.-Grown Agricultural Products,” members heard testimony from agricultural trade group leaders on challenges facing the farm sector. Republicans emphasized expanding domestic and export markets, reducing regulatory burdens and advancing policies such as biofuels and the Buy American Cotton Act to improve profitability. Democrats focused on strengthening nutrition and specialty crop programs, making year-round E15 fuel sales permanent, addressing farm labor shortages and ensuring equitable distribution of federal aid. Lawmakers from both parties also raised concerns about tariffs, global conflicts and consolidation in agriculture, as well as the need for labor reform and increased research investment. The hearing underscored broad agreement that federal policy will play a key role in supporting long-term resilience in U.S. agriculture.
- **When contacting your legislators** to discuss your concerns about the challenges facing farmers today, it’s important to keep a level head. David DuCharme, an agricultural lobbyist, says don’t assume, just because of their party affiliation, that they don’t understand, “I think that there are members of the majority party that actually get it, that they understand it, but they may not have the numbers to be able to move kind of what is a, you know, a very large ship and to move it quickly.” DuCharme says they do hear stories about what’s going on out there, “But I do think that our messages are resonating. I think that from a political standpoint, some of them feel like they can’t do the right thing because there will be a consequence for that.” DuCharme says residents in every state must understand what’s causing the problems, “Please, don’t tell them that this is the Trump Administration. While not completely helpful at times, you know, some states found themselves in a huge budget deficit. It’s a fiasco. It has been created by overspending, spending money that they knew they weren’t going to have.” In some states budget problems have piled up quickly, “You wouldn’t believe it, but one state had a \$14 bil. surplus 2 years ago. Last year, they came in with a \$20 bil., allegedly \$20 bil. deficit. They raised taxes by \$9.2 bil. and, you know, they came in this year, and they’re in the hole again.” More than anything else, DuCharme says many states have a spending problem. (Ag Information Network)

### ***Farm Bill 2.0—***

- **Uncertainty surrounding the next Farm Bill** continues as lawmakers remain divided on several key agricultural and nutrition policy issues. Members of Congress from both parties agree on the need to update farm programs, but disagreements over funding levels, nutrition assistance and regulatory provisions have slowed progress. Reuters reports key sticking points include the future of the Supplemental Nutrition Assistance Program, disaster aid funding and proposals to expand year-round sales of higher ethanol blends such as E15. Farm groups have urged Congress to act quickly, citing financial stress among producers and the need for policy certainty ahead of planting season. Without a new Farm Bill, many existing programs will continue under temporary extensions, leaving long-term policy questions unresolved. Lawmakers have indicated negotiations are ongoing, but no clear timeline has emerged for final passage.

- **House and Senate Ag chairs** are trying to find a path forward for a Farm Bill but still need the votes and language to get there. Everyone agrees on the need for a Farm Bill. That's how House Ag Chair Rep. Glenn Thompson, R-PA, described it at a Washington farm forum, "We need this now. Not a month from now, not a year from now, but it needs to be done now." Something Thompson said the president insisted on in a recent tweet. But the question is how to get there, after House Ag passed a GOP bill with support from 7 Democrats. Thompson says he's working to line up bipartisan floor support that will boost Farm Bill chances in the Senate Ag Committee, "I think Senator Boozman needs that. This bill's going to pass, but it needs to pass with strong bipartisan support out of the House. I think that helps Senator Boozman with what he needs to do in the Senate." Where Democratic objections to SNAP state cost sharing and MAHA objections to GOP pesticide reforms could be show-stoppers. The most recent action on the Farm Bill came in the House, when Ag Committee members voted 34-17 to advance a new Farm Bill. However, Farm Aid reported that the bill itself remains controversial, and several sticking points may make it difficult to advance out of the full House. One particularly contentious part of the bill is protection for pesticide companies from legal claims about the product's health impacts. The inclusion threatens Republican support from the Make America Healthy Again movement. (Berns Bureau, Washington)
- **Senate Ag Chair John Boozman, R-AR**, spoke at a Capitol ag forum last week and cited big disagreements with Democrats amid his push to move a Farm Bill out of committee. Boozman was asked if he'd agree to Democrats' demand to delay boosting SNAP state cost sharing in states with high payment error rates, "No." And what about Republicans getting Prop 12 limits, FIFRA preemption, and pesticide labeling reforms, "There is opposition in the Senate to that, and in the Senate, we need 60 votes. We need both sides to work together. My message has been, find me some others on the other side that we can work with, and so far, that's been difficult to do." Boozman still insists he'll get a Farm Bill passed. Top Ag minority leader Amy Klobuchar, D-MN, says her side needs changes first—especially a delay of SNAP cost sharing that she says gives a pass to high and low error rate states, "But the ones in the middle, which are the entire Midwest, red state, blue state, NE, MN, IA, WI, and also big states like TX and CA, get totally screwed, because we get the cost shift, and the high-error-rate states that have higher error rates than us get off from the cost shift." But the one thing both Klobuchar and Boozman agree on is the need to include year-round E15 in a Farm Bill, "It's long past time, as I noted, to make E15 year-round." House Ag kept that off their Farm Bill as non-germane but could amend the bill on the floor when it's taken up. Boozman says he'll keep trying for a Senate bill independent of House action but is also seeking to work out differences with the House beforehand and behind the scenes. (Berns Bureau, Washington)

- **Senate Ag Chair John Boozman**, R-AR, said he plans to take up a 5-year Farm Bill within weeks, regardless of any possible delays a similar bill may face in the House. E & E News quoted the Chair as saying “weeks, not months,” although he didn’t offer any specifics. Bozeman did tell U.S. agriculture groups not to think delays were inaction, as he noted lawmakers and congressional leadership are discussing how to advance the bill. Longtime Sen. Chuck Grassley, R-IA, is betting on a House bill, “If the House passes it, I think we’ve got a good chance. But I don’t think we’ve got a good chance, as hard as Senator Boozman’s working, and he’s working very hard, but I think that we’re going to have to work off the House bill.” Further complicating Senate Farm Bill action are limited floor time and the mid-term election calendar. [Boozman wants to address numerous issues:](#)
  - ✓ Expand production and demand for ethanol and biofuels like biodiesel, renewable diesel and SAF through the Renewable Fuel Standard, year-round sales of E15 and 45Z credit.
  - ✓ Increase purchases of U.S.-grown food and agricultural products for food assistance programs such as the National School Lunch Program, the Fresh Fruit & Vegetable Program and regional food banks.
  - ✓ Support local and regional meat and poultry processing by creating new outlets and market access for these products.
  - ✓ Protect fair competition and reduce highly concentrated markets by better enforcing antitrust and pro-competition laws.
  - ✓ Create more opportunities to capitalize on consumer demand through value-added production verification programs like USDA Organic and similar certifications by strengthening technical assistance and cost-share options.
  - ✓ Remove regulatory barriers and increase incentives and market access for biobased products, such as through the BioPreferred Program.
  - ✓ Enhance and add risk management tools to support producer profitability and provide a safety net.

### ***Biofuels News--***

- **The U.S. Environmental Protection Agency** has finalized new renewable fuel standards that increase biofuel blending requirements and aim to strengthen domestic energy production, according to a federal announcement. The rule, part of the federal Renewable Fuel Standard program, sets new volume targets for 2026 and 2027 and is expected to boost demand for ethanol, biodiesel and other renewable fuels. Officials said the standards are designed to reduce reliance on foreign oil while supporting U.S. farmers and rural economies. “Today’s (Mar. 27) announcement is truly historic for our nation’s farmers and energy producers. These numbers represent the highest levels of biofuels ever required to be blended into our fuel supply,” said USDA. The policy also includes measures intended to prioritize domestically produced biofuels over imports, reinforcing energy security goals. The Renewable Fuel Standard requires refiners to blend renewable fuels into the nation’s fuel supply or purchase credits to comply. Industry groups have closely watched the rule, which influences commodity markets, fuel prices and investment in ag and energy sectors. →

- ✓ **Rep. Nikki Budzinski, D-IL**, Co-Chair of the bipartisan Congressional Biofuels Caucus, led 48 Members of Congress in a letter to EPA Administrator Zeldin expressing support for their proposed rule, which is now reflected in the final version. "I'm glad the EPA listened to our bipartisan coalition, putting rural communities and farm families first."
- ✓ **Mark Bunselmeyer, Pres.** IL Corn Growers said, "Today, the U.S. Environmental Protection Agency announced it will use its existing authority to ensure continued access to E15 (often marketed as Unleaded 88) this summer - a move that helps protect consumers from losing access to a lower-cost, lower-emission fuel option." He emphasized both the opportunity and the challenge ahead. This decision provides short-term certainty at the pump. But it requires renewal every 20 days without permanent action from Congress. At a time when fuel prices have risen 30% since the onset of the Iran conflict, expanding access to domestic, renewable fuels like E15 is more important than ever. E15 offers a clear path forward. Lower costs for consumers; Lower emissions; and Stronger markets for U.S. farmers. The bottom line: temporary solutions aren't enough. A permanent, year-round E15 policy is critical to deliver long-term stability for both consumers and agriculture. At a time when fuel prices have risen 30% since the onset of the Iran conflict, expanding access to domestic, renewable fuels like E15 is more important than ever."

- ✓ **Sarah Hastings, chair of the industrial committee** of the IL Corn Growers Association, says the biofuels announcement Friday was a positive step. Demand for corn, and likely increase price, will result from the EPA announcement about increasing renewable volumes of ethanol flowing into the US motor fuel supply, along with a step toward increased volumes of 15% ethanol availability during summer months. [Her analysis is included in this short video.](#)



- **The Renewable Fuels Assn.** says its "new poll shows that [registered voters overwhelmingly back the expansion of the lower-cost E15 ethanol fuel blend](#) and legislation to make the fuel permanently available year-round and nationwide. RFA President and CEO Geoff Cooper, said, "By a margin of 8-to-1, voters who expressed an opinion on E15 support efforts to broaden the availability of this more affordable, cleaner-burning fuel. It's time for Congress to listen to American voters and get the job done. Hardworking families across the country clearly understand that E15 can help them save money, while enhancing our national energy security at a time of great uncertainty. Many in Congress [have voiced support](#) for passing year-round E15 legislation, but now it's time for action." The survey of more than 2,000 registered voters indicates that 71% support efforts to increase the availability of E15.

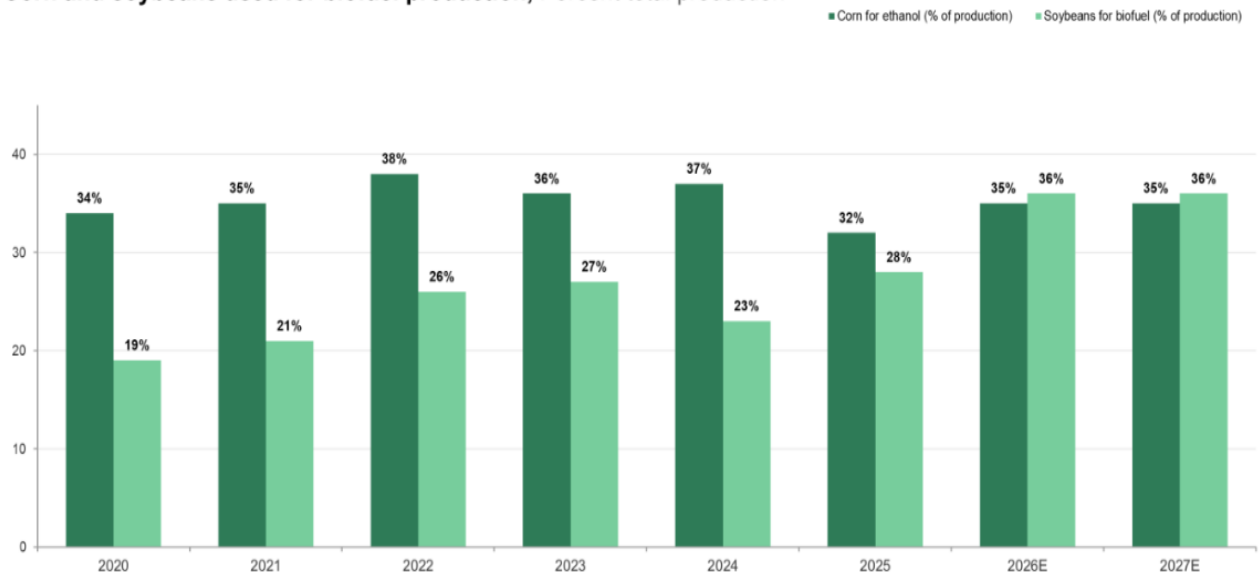
- **Summertime E-15**, allowed for 2026, but not yet approved for year-round use, remains a goal of the biofuels industry. Farmers, the ethanol industry, and farm-state lawmakers say permanent year-round E15 legislation is still needed, even after the administration again waived summertime E15 restrictions. E15 sales at nearly 5 thousand gas stations nationwide will continue this summer after the EPA and White House announced the latest summertime waiver amid the Iran war and high gas prices. But farm-state lawmakers insist it's not enough.
- ✓ **The Renewable Fuels Assn.** welcomed a decision by the Environmental Protection Agency to allow uninterrupted sales of lower-cost E15 this summer. At a time of rising gasoline prices, year-round sales of E15 will help American drivers save money at the pump, strengthen the rural economy, and boost energy independence. The RFA thanked EPA Administrator Lee Zeldin and the White House for announcing waivers that will allow continued sales of E15 at almost 5,000 gas stations across the country. "With geopolitical conflict roiling energy markets worldwide, we applaud the President and Administrator Zeldin for acting quickly and decisively to combat potential fuel shortages and help keep a lid on gas prices this summer," said RFA President and CEO Geoff Cooper. In announcing the decision, EPA pointed out that the lower-cost, American-made E15 blend is legal for use in more than 95% of vehicles on the road today.
- ✓ **Growth Energy CEO Emily Skor**, said, "We applaud the administration's decision this week to allow uninterrupted summer sales of E15 – helping ensure American drivers continue to have access to a lower-cost, American-made fuel option. With global energy markets facing uncertainty, E15 plays a critical role in protecting consumers from price volatility – saving drivers up to 30¢ per gal. while strengthening U.S. energy security. This also provides important certainty for retailers, refiners, and biofuel producers. [Now it's time for Congress to pass a permanent fix.](#)"
- ✓ **National Corn Growers President Jed Bower**, "E15 would provide certainty to the retailers, which, in turn, builds the infrastructure out, and then, in turn, bring it back to the corn farmer at a time when we're so desperately in need of some relief." And by extending the fuel supply with E15, some 28 cents cheaper than gasoline, Bower argues consumers will also see relief, "We're all in a tough time, and it's not only the growers, but the consumers, as well, saving them at the pump. But we have to have that certainty for that infrastructure to go in and for people to have the ability to find that at every station." Short of a so-far elusive deal with oil refiners, lawmakers are looking for a legislative vehicle for year-round E15. Still possible are the Farm Bill, a war supplemental spending bill, and a budget reconciliation bill, the latter needing only 51 Senate votes to pass. (Berns Bureau, Washington)
- ✓ **National Farmers Union President Rob Larew**, said, "Nationwide access to E15 is a much-needed win for family farmers and consumers alike. It helps lower costs at the pump while creating markets for farmers."

- ✓ **Sen. Amy Klobuchar, D-MN**, said every cent saved at the pump can make a real difference, adding that, "We must now act in Congress to pass my bipartisan legislation to permanently allow the sale of nationwide, year-round E15."
- ✓ **Sen. Deb Fisher, R-NE**, spoke at a recent Senate Ag hearing, "The patchwork of emergency fuel waivers does not provide certainty. How does Congress passing a year-round E15, which I've had a bill for that for ten years, how does that translate into greater corn demand?"
- ✓ **Pres. Zippy Duvall, president of the American Farm Bureau**, said biofuels play an important role in meeting America's energy needs and are a win-win for farmers and drivers. "E15 gasoline saves consumers 10 to 30¢ per gal. at the pump," Duvall said.
- ✓ **Senate Ag Chair John Boozman, R-AR**, speaking at Washington agriculture conference said it may be possible to attach year-round E15 to a Senate Farm Bill as he pushes back on oil industry demands to exclude small refiners from any deal. Boozman says he'd be glad to include year-round E15 in a Senate Farm Bill if he can get a sign-off from the Energy and Public Works Committee, which has E15 jurisdiction. And that may be necessary, given oil industry objections holding up a year-round E15 deal, "A few months ago, they came out and said, 'We're for it, but you've got to get rid of these small refineries.' And I happen to have one in AR. It's the only 1 in my state that produces gasoline and jet fuel." Forcing fuel prices even higher if that refiner shuts down, a problem for other states with small refiners like TN and OK. But Boozman will keep pushing for year-round E15, "So, we're very much in favor of getting E15 done. (Berns Bureau, Washington)
- ✓ **Kurt Kovarik, Clean Fuels' Vice President of Federal Affairs**, stated, "The entire U.S. clean fuel industry – from farmers and feedstock providers to fuel customers – is grateful to see this rule finalized. U.S. biodiesel, renewable diesel, and SAF producers are eager to get to work and bring the 7 bil. gal. of existing production capacity up to speed to meet 10% or more of America's demand for diesel fuel." Kovarik continued, "The robust biomass-based diesel volumes set in this rule support America's farmers and consumers. Biodiesel and renewable diesel represent 10% of the value of every bushel of U.S.-grown soybeans, contributing to American energy dominance and domestic market demand for agriculture commodities. American farmers and other feedstock providers are eager for the growing domestic clean fuel market to drive value in agriculture, along with economic growth and job creation in rural communities. American consumers are desperate for secure, affordable domestic energy. Today's rule is a clear win for the nation's energy security." Last year, Clean Fuels coordinated with all industry stakeholders to advocate a robust RFS biomass-based diesel volume of at least 5.25 bil. gal. for 2026. EPA delivered effective volumes of 8.86 bil. RINs for 2026 and 8.95 bil. RINs for 2027."

- ✓ **EPA finalized its RFS Set 2 rule** last week with record renewable fuel volumes of 26.8 billion gallons for 2026 and 27.0 billion for 2027, the highest levels in the program’s 20-year history. USDA also estimates the rule will add about \$3 to \$4 bil. to net farm income. The extra boost to farm profits will be meaningful for growers facing tighter corn and soybean margins. The increase for soybean demand is ~500 mil. bu. The swing in domestic soybean demand is helpful, particularly as China exports remain uncertain. The increase won’t fully replace Chinese exports (~980 mil. bu. in 2024), but it does anchor a stronger domestic demand floor in a less certain trade environment.

## Share of US soybeans used for biodiesel will likely grow from ~28% in 2025 to over 35% in 2026 and 2027

Corn and soybeans used for biofuel production, Percent total production



- **Sustainable aviation fuel** is emerging as a key tool in the aviation industry’s effort to reach net-zero carbon emissions by 2050, as companies look to reduce their environmental footprint without overhauling existing aircraft. Unlike conventional jet fuel, sustainable aviation fuel, or SAF, is produced from renewable sources such as used cooking oil, agricultural waste and forestry residues. Business Airport International reports these fuels can cut lifecycle carbon emissions by as much as 80% compared with traditional petroleum-based fuels while working in current engines and infrastructure. The aviation sector has already made progress on efficiency, but industry leaders say SAF represents the most immediate path to deeper emissions reductions. Business aviation, while a small share of global emissions, has taken a leading role in adopting the fuel. Challenges remain, including limited supply and higher production costs. Still, policymakers and industry groups are pushing for expanded production, viewing SAF as critical to meeting long-term climate goals.

- **Ethanol at sea** is emerging as a significant fuel source for marine commerce. The Grains and BioProducts Council says, “The global shipping industry is entering a period of structural fuel transition. International shipping consumes roughly 300 million tons of fuel annually, and pressure to reduce emissions is intensifying across regulatory, financial and cargo-owner channels. Within this evolving landscape, alcohol fuels, particularly methanol and ethanol, are increasingly emerging as practical transition options. One of ethanol’s key advantages is production scale. The United States produces roughly 15 to 16 bil. gals. of ethanol annually, with approximately 2 bil. gal. of additional nameplate capacity available. This is supported by nearly 200 biorefineries, extensive rail and storage infrastructure and established global export channels. As a liquid fuel stable at ambient temperature and pressure, ethanol can be stored, transported and handled using infrastructure broadly comparable to existing liquid fuel systems. This contrasts with fuels such as hydrogen or ammonia, that may require cryogenic storage, specialized containment or entirely new bunkering systems. Shipowners will ultimately evaluate fuels based on cost, reliability and regulatory compliance, and alcohol fuels offer several operational advantages. Established liquid fuel logistics networks provide a foundation for supply development, while dual-fuel vessel configurations introduce flexibility in fuel sourcing and operations. As the maritime industry advances toward lower emissions, scalable fuels that can be deployed today will play a critical role. Ethanol, supported by the strength of the U.S. agricultural economy, an established industrial base and global trade networks, is well positioned to contribute to that transition.”

- **American Soybean Assn. Pres. Scott Metzger** (left) was pleased with the outcome of the biofuels announcement Friday. “The 2026-2027 RVOs will increase soybean oil use, boost U.S. soybean processing, and grow domestic biofuel markets for our crop. The updated 2026-2027 Renewable Volume Obligation rule will increase biomass-based diesel blending to approximately 5.4-5.5 bil. gals.—an over 60% increase from 2025 volumes. Further, the rule reallocates 70% of retroactive 2023-2025 small refinery exemption volumes that EPA took action on last year in addition to the 2026-2027 compliance years. ASA appreciated EPA clearing a significant backlog of legacy SREs dating back to 2016, which were remanded to the agency, and is glad to see a significant reallocation of volumes back into the blending pool to support additional biofuel production and increase soybean demand. Domestic biofuel production accounts for over half of all domestic soybean oil consumption and serves as a critical U.S. market for soybean farmers. Renewable volume obligations set through the Renewable Fuel Standard are the cornerstone of driving domestic soy-based biofuel demand. The EPA 2026-2027 Renewable Volume Obligations are the most significant year-over-year improvement in Renewable Fuel Standard rulemaking for biomass-based diesel and, subsequently, for U.S. soybean farmers.”



- **A letter signed by over 20 agricultural and biofuel groups** was sent to officials at the [Agriculture, Treasury, and Energy Departments, and the White House](#), asking for reasonable guidelines to allow farmers to benefit from the 45Z tax credit. The credit is intended to facilitate the sale of ethanol and other biofuels in the aviation sector. "Farmers are facing structural economic issues where projected costs exceed expected revenues," the letter said. "Biofuels are a critical market for U.S. farmers, and tax incentives like the 45Z tax credit are essential policy instruments to secure long-term demand for liquid fuels made from American-grown feedstock." [The letter also said stable, long-term market incentives will help farmers](#) outpace their global competitors, and allow them to make capital, input, and management decisions that shape the next several growing seasons. "Clear 45Z guidance is critical for farmers and their lenders to plan ahead with confidence," they said.
- **Data from the Energy Information Administration** analyzed by the Renewable Fuels Assn. showed ethanol production expanding 2.1% to 1.12 mil. bbls. a day during the week ending March 20. That's equivalent to almost 47 mil. gal. daily. Output was 6% higher than in the same week last year and 7.8% above the 3-year average for the week. Ethanol stocks swelled 2.9% to 27.2 mil. bbls., the largest weekly volume in a year. Stocks were 0.7% less than in the same week last year but 3.2% higher than the 3-year average. Inventories were built across all regions except the West Coast. The volume of gasoline supplied to the U.S. market, a measure of implied demand, rose 2.2% to 8.92 mil. bbls. a day. Demand was 3.3% higher than a year ago. Ethanol exports dropped 32% to an estimated 119,000 bbls. a day, a 10-week low.

### ***Animal Agriculture--***

- **If you want a trucking gig until its planting time, [NE wants you!](#)** On March 16, in response to wildfires that have burned more than 800,000 acres in NE, the State's governor waived hours-of-service restrictions and raised maximum load width/weight limits for commercial motor carriers assisting affected areas and industries. Effective for 14 days, the waiver is intended to expedite transport of feed, hay, and other critical supplies. Motor carriers operating under the waiver must obtain the required over-dimension or overweight permits from NE Department of Transportation, and the fees for these permits are also temporarily waived. Additionally, Nebraska seeks truckers to haul hay for cattle rescued from the State's largest wildfire. A stipend to offset high fuel prices offers truckers 50 cents per mile for up to 500 miles per trip. To collect the stipend, participating truckers must register with Nebraska's Department of Agriculture and provide photo proof of the following: pickup and delivery of supplies (which may include a photo of a bill of lading or equivalent); pickup location and date; drop-off location and date; and round-trip mileage. To help, the NTA is offering the NE Trucking Heroes Stipend through its charitable arm, the Nebraska Trucking Cares Fund, overseen by the NTA Women's Council. Truckers, farmers, and ranchers who help transport emergency relief supplies can get support to offset the high cost of fuel.

- **Wildfires burning across parts of the central and western US** are raising concerns for cattle producers and grazing operations as the 2026 fire season intensifies. Large fires in the Plains have already scorched significant acreage, damaged pastureland and reduced available forage for livestock. The Washington Post reports ranchers in affected areas are working to relocate cattle and secure feed supplies. Fire conditions have been fueled by dry weather, strong winds and low humidity, creating an elevated risk across key agricultural regions. Agriculture officials warn that prolonged fire activity could have lasting impacts on herd management and feed costs, particularly if grazing land recovery is slow. Experts say the early severity of fires may signal a challenging season ahead, with continued risks to both livestock operations and rural infrastructure.
- **Massive NE wildfires** are threatening to slow efforts to rebuild the U.S. cattle herd, as key grazing land in one of the nation's top beef-producing states has been destroyed. Fires fueled by high winds have burned roughly 775,000 acres of pasture, removing a critical feed source for tens of thousands of cattle, according to state officials. The loss of grassland is expected to delay herd expansion plans, even as producers have been encouraged by historically strong cattle prices. Industry leaders say the fires compound ongoing challenges, including drought and high production costs, which have already pushed U.S. cattle inventories to multi-decade lows. Ranchers may be forced to move cattle, rely on more expensive feed, or reduce herd sizes in the short term. Analysts note that while strong beef demand has supported prices, the destruction of pastureland could further tighten supplies and prolong the timeline for herd recovery.
- **Last week, a federal appeals court** upheld Florida's ban on lab-grown meat, which has been in place since 2024. The Center for the Environment and Welfare said the decision is another setback for those working to overturn Florida's ban on lab-grown protein. "Lab-grown meat is an experimental product with many unknowns because there is a lack of long-term health studies," said Will Coggin, research director at the Center. "Florida is joined by many other states that share concerns about petri (PEE-tree) dish protein, and it's a sensible policy that keeps pace with consumer expectations." Lab-grown meat is produced by extracting animal cells and growing them in large metal vats known as bioreactors. While the federal government approved the sale of lab-grown meat in 2023, there's still no research on the long-term health effects of consuming the products. To date, 7 states beyond Florida have enacted legislation banning the product.



- **USDA's 2026 projection for beef production** was lowered by 110 mil. pounds from last month to 25.81 bil. pounds. A sharp decline in fed cattle slaughter expected in the first quarter was partially offset by a slight increase in second quarter slaughter and heavier carcass weights. In 2026, the dairy cow herd is projected to average 9.57 mil. head, an increase of 30,000 head, and milk production is forecast to be higher at 234.7 bil. pounds, 0.2 bil. pounds higher than last month's forecast. Quarterly commercial pork production forecasts for 2026 are unchanged, leaving the annual production forecast unchanged at 28.3 bil. pounds, 2.5% higher than last year. In poultry, projected broiler production was adjusted higher in the first half of 2026, reflecting recent hatchery data, while 2026 broiler export projections were unchanged. Projected broiler prices were adjusted lower in the second quarter on recent price trends.

- **Rob Brenneman, president of the National Pork Producers Council**, was in Washington, D.C., on Tuesday to celebrate National Ag Day. While it was a celebration of everything agricultural provides for the country, there are also serious challenges to discuss. One of the top issues that would make National Ag Day even better is a fix for Prop 12, "Prop 12, no doubt, would make a tremendous Ag Day. We just cannot have 50 different ways to raise pigs. You know, it's tough enough. We've got 5 ourselves between Prop 12 and LWD and other things, you know, and it just makes it hard to empty a building or breed accordingly, and none of them affect the quality of the meat. A high-quality product, we want to continue that. And how it's raised doesn't affect the quality of that product, but how we take care of the animal does affect the quality of that product. And so, no matter what the circumstances, every producer I know, the quality of the animal, or the health of the animal, all that is top priority to make sure that we give all the things it needs to stay alive." Other states are trying to follow in California's footsteps with their own ballot initiatives, "Well, they're trying to get ballot initiatives, and we as NPPC have been fighting against those to make sure that we don't get different ballot initiatives, number one, so we don't have a patchwork of ways to raise pigs. We just can't do that. It's just no good for anybody." Like other segments of agriculture, rising costs are squeezing the bottom lines of U.S. pork producers, "Well, cost-wise, we all know that we've got a benefit from lower commodity prices, which isn't always fair. But you know, high prices caused us problems in previous years because of commodities. But the thing is that the commodity price goes up and down, and we can hedge against some of that and try and control that cost some. But when it comes to the fixed cost between interest and, like you said, LP, electricity, labor, insurance, repairs, and maintenance, all that stuff has gone up in 5 years, in our case, about 30 bucks a pig. That doesn't just go away, and that's the toughest part of the whole picture. That's not controllable." (WMBD radio)



- **It was a party within a party**, and the IL Pork Producers were happy with the success of their Swine Mixer in February as a replacement for their annual pork conference and trade show. So they've decided to do it again, and want you to reserve Feb. 16, 2027, for it. The Abraham Lincoln Museum and Library has been reserved in Springfield. See you there!

## ***Farm and Check-off Organizations —***

- **Precision Conservation Management (PCM)** has been selected as a recipient of funding through the National Fish and Wildlife Foundation (NFWF) Conservation Partners Program, part of \$8.7 million awarded nationwide to support on-the-ground conservation efforts. “Conservation adoption at scale doesn’t happen in isolation,” said Greg Goodwin, Director of PCM. “This support from NFWF helps cover the cost of technical assistance required to help farmers adopt new practices, and it makes our work with other partners go even further by reducing overhead costs that can limit a program’s reach.” The grants were awarded through the [Conservation Partners Program](#), a partnership between NFWF and the USDA Natural Resources Conservation Service (NRCS), The J.M. Smucker Co., PepsiCo, and General Mills. The projects supported by the 12 grants announced today will hire or support field professionals to provide training to private landowners, equipping them with the tools needed to conserve, maintain, and restore natural resources on their lands, implement sound management practices, and access financial assistance through Farm Bill conservation programs. Projects will also provide training to producers about regenerative agriculture systems and how they can adopt these practices to benefit their land and way of life. PCM Director Greg Goodwin said the funds would allow expansion of staff and service to more farmers.



- **Pres. Zippy Duvall of the American Farm Bureau** expressed his appreciation Friday for a number of benefits scattered throughout agriculture. “Farmers need a lifeline to make it through this growing season, and we appreciate the president’s support for including emergency assistance in the next funding bill. His call for quick passage of a new, modernized farm bill also underscores the need for Congress to come together to pass the legislation, which has been delayed for years. “We also appreciate the Environmental Protection Agency for finalizing record-high renewable volume obligations for 2026 and 2027, which will help drive increased demand for American grown crops. Now is the time for Congress to take the next step and make E15 blended gasoline available year-round and we welcome the president’s push for Congress to take action. Drivers deserve a year-round choice of lower cost gasoline that will help grow the farm economy by boosting demand for corn by almost 50%. “We stand ready to work with the administration and Congress to move these priorities forward to ensure farmers and ranchers can continue to meet the food, fiber and fuel needs of America’s families.”



## Technology—

- **Artificial intelligence is changing how we see the world** and how we look at the crops in our fields. While agriculture has long used light reflection to gauge basic plant health, new AI tools are taking this technology a step forward. Associate Professor of computer sciences at the Univ. of IL, Mohammed El-Kebir is using drones and AI to decode plant genetics from the sky, hunting for hidden, highly heritable traits that he says could build better, stronger crops for the future, “So first we had to ensure that the vegetation indices that we find actually come from a function class that is differentiable in its parameters. So, this could be a linear model. It can be a neural network. It can be anything. So, it's a very mild restriction. And then the second thing that we had to do was the heritability computation itself also had to be differentiable. That one is a little bit tricky, but we managed to, you know, develop an algorithm that accomplishes both requirements. And because of that, we could actually optimize heritability and find new traits that maximize heritability.” In short, light reflection, artificial intelligence, and drone-based data collection are used to identify highly heritable plant traits. These traits can then be linked to DNA snippets for further study and potential manipulation to improve crops. (WILL radio)
- **The Environmental Protection Agency (EPA)** is officially removing the requirement for Diesel Exhaust Fluid (DEF) sensors on all diesel equipment. This isn't just a technical tweak. For farmers, truckers, and motor coach operators, it's a solution to a long-standing nightmare: sudden speed losses and total vehicle shutdowns caused by faulty sensors. EPA Administrator Lee Zeldin, who has spent much of the last year touring all 50 states, made it clear that the agency heard the frustration. “Failing DEF systems are not an East Coast or West Coast or Heartland issue; it is a nationwide disaster,” Zeldin said. He noted that Americans are “justified in being fed up” with systems that cost them days in the field or on the road. When you look at the broader economy, including the trucking and construction sectors, the total savings are projected to hit \$13.79 bil. a year. The preliminary EPA survey findings confirmed what many drivers already knew: traditional Urea Quality Sensors are a primary source of warranty claims and “inducements”—those frustrating moments when a computer-controlled sensor forces a vehicle to slow down or stop because it thinks something is wrong with the fluid. Looking ahead, the administration isn't stopping here. The EPA is already working on a new deregulatory proposal to completely eliminate DEF-related “deratements” (the forced slowing of vehicles) for all new engines. While critics might worry about air quality, the EPA maintains that these changes don't weaken emission standards. Instead, the goal is to meet those standards using technology that actually works in the real world without leaving a trucker stranded on the shoulder or a farmer stuck mid-harvest.



- What does Chinmay Soman have up his sleeve?** 12? years ago the Univ. of IL Ag Engineer began building little 4-wheeled robots about twice the size of a shoe box which would run up and down corn rows collecting intelligence, distributing products, and otherwise entertaining onlookers, fascinated with how the robot never collided with a corn stalk. Then Chinmay built a bigger unit that could spread 50 lbs. of cover crop seed without a human chaperone. Now he is extending an invitation: "Are you ready for the next revolution in field robotics? Go to



<https://lnkd.in/gfSuTPf9> to register your interest today!"

- A new smart platform invented by Purdue Univ. researchers** to wirelessly monitor subsoil health could change the landscape of agricultural sensing systems. The invention addresses a critical need in agriculture nationwide: the efficient use of water, fertilizers and



pesticides. Due to the variability of soil conditions across large fields, applying uniform amounts of these inputs can lead to significant waste, increasing costs for farmers and causing environmental harm if nutrient runoff reaches water systems. "This not only reduces environmental impact, but also improves crop yields and lowers operational costs, ultimately making food production more sustainable and affordable." Called

HARVEST — hybrid antenna for radio-frequency-enhanced volumetric water content and electrical-conductivity-based soil tracking — the invention is a wireless platform that eliminates the need for onboard electronics. The system employs nail-shaped sensing probes that are "physically and electrically coupled to a triple-ring antenna positioned above the ground, reducing signal loss while preserving sensitivity to subsurface changes," said [developer Rahim Rahimi](#). "Monitoring this zone is essential because changes in moisture and salinity here often dictate crop health and stress long before symptoms appear aboveground. Understanding these conditions allows for timely interventions, preventing yield loss and improving environmental stewardship," Rahimi said. "Our hope is to see HARVEST sensors deployed at scale — across different crop types and farming systems — working in tandem with smart tractors, irrigation systems and decision-support software,"

## ***The Labor Dilemma—***

- **Wages for agricultural labor** have gotten to an almost unsustainable level in some states, thanks in part to an increasingly complicated system of calculating what should be paid. Kate Tynan, Vice President at the Northwest Horticultural Council, says whether it's piece-rate or hourly, prevailing wage, or AEW, surveys offer unquantifiable data, "Some years, we'll have a survey that comes out and sets one wage for all of the apple harvest, which is not representative of the vast majority of apple harvests. Other times, you might have a wage that tries to get down to a granular level of, let's say, color picking a medium-density Gala orchard. Well, is the state workforce agency going to have the same interpretation as the grower on what that means? Who knows?" Tynan says they had an interesting situation just last year, "Where the state released a survey where they initially attempted to set a prevailing wage for pruning trees by the bin. I'd like to find anybody who can prune a tree by the bin." And the prevailing wage, Tynan says, has many issues, "So, there are just a number of glaring issues that have come up as a part of this prevailing wage system that we've seen in Washington state, but could occur in any state across the country, and we really believe that needs to be addressed to make sure that this program is sustainable not only now, but into the future." (Ag Information Network)

## ***Agribusiness—***

- **Pres. Donald Trump said on Friday** that he wanted top agriculture supply brands, including John Deere, Case and Caterpillar, to lower farmers' tractor and equipment costs. Deere & Co shares were down 2% after the statement, while Case manufacturer CNH fell 1%. Caterpillar was roughly unchanged. "I want John Deere and Case and all of them - they're great companies, Caterpillar... I want these companies to give it to you in the form of lower tractor and equipment costs," Trump said at a White House event. There was no indication which company executives were present, but CEO Eric Hansotia of AGCO was present with his gold Fendt tractor (right). "Moments like this are an opportunity to recognize farmers for what they do every day," said Hansotia. "For generations, American farmers have helped shape this nation, and AGCO is proud to stand with them as agriculture continues to evolve and lead us into the future." There is no word if Hansotia gave the gold tractor to Pres. Trump, after hints about that.

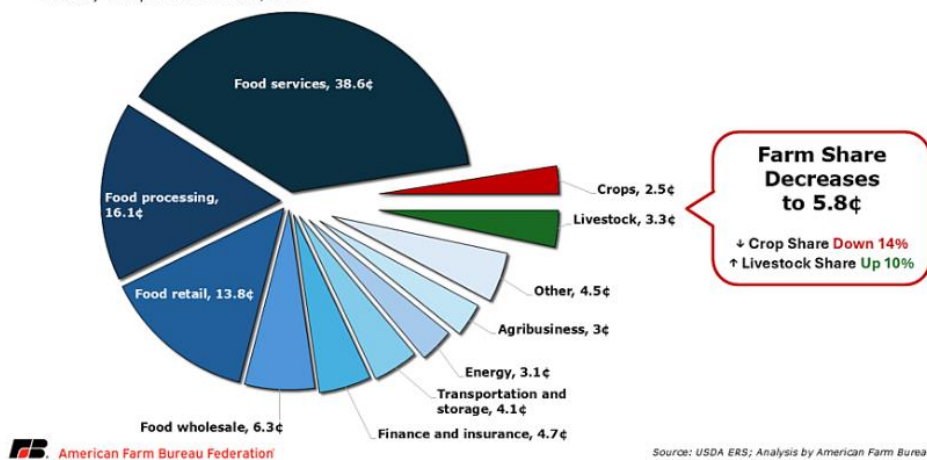


## Food and Nutrition Issues—

- New estimates from the USDA** tell us that the farmer's share of the food dollar keeps shrinking. Faith Parum, an economist with the American Farm Bureau Federation, says that the number varies slightly by commodity, "The farmers receive less than 6¢ of the industry dollar. 2.5¢ of that is crop farmers, and 3.3¢ of that is livestock producers. So, what that means is, after accounting for production expenses, every dollar that American spends on food, 5.8¢ is going back to the farmer." The USDA uses data from the Bureau of Economic Analysis to come up with the report numbers, considering a variety of factors, "How much of that dollar is put in each commodity. So, you can imagine something like eggs, where there's minimal processing and minimal labor involved, might have a higher share of the food dollar. Then we think about something like snack food that has obviously gone through a lot of processing, labor, there's a lot of marketing involved, and so the farmer's share is less, in that case." The Food Dollar Report shows that even when grocery store prices go

### Farmers Share of the Industry Dollar is Less than 6¢

Industry Group Bill for All Food, 2024



up, farmers are still price takers, not price makers, "We'll continue to see headwinds in the farm economy despite higher grocery store prices or despite inflation, because the farmer's share of that is so small, and that's because the majority

of that money is going to that further processing, food services, storage, marketing, and not directly back to the farm gate." (American Farm Bureau)

### Farmer Share of Marketing Bill Declines 2%

Farm share of marketing bill, 2007-2024 (cents per dollar)



- **Data from the U.S. Economic Research Service's** Food Dollar Series provides a clear picture of how consumer food spending is distributed across the U.S. food supply chain. The latest estimates show that crop producers capture about 2.5¢ of every food dollar, down from 2.9¢ in 2023. Livestock producers receive about 3.3¢, up from 3¢ a year earlier. Combined, U.S. farmers and ranchers account for about 5.8¢ of the total value added in the food system, down from 5.9¢ in 2023. In 2024, farmers received 11.8¢ of every dollar spent on domestically produced food, down from 12.1¢ in 2023, a 2.5% decrease year over year. The remaining 88.2¢ of the food dollar went toward the marketing bill, which includes costs associated with food processing, transportation, packaging, wholesaling, retailing, and food service. This shift illustrates how an increasing share of food spending is driven by services and supply chain activities rather than farming.
- **USDA announced the launch of a national public awareness campaign** to inform meat, poultry, and egg producers about the "Product of the USA" voluntary labeling standard that went into effect on January 1, 2026. The campaign is also designed to increase consumer understanding of what the label means. "American consumers want to support America by buying American, and this label will strengthen our food supply chain through transparency, fairness, and trust," said USDA. "This new standard policy ensures producers who invest in a fully American supply chain can compete fairly, and it gives consumers the confidence they deserve about the food they bring home."

### ***Farm and Family Issues—***

- **If you were not at the Univ. of IL farm safety program Mar. 30**, you needed to be. The week of March 30 to April 3 is Stand Up for Grain Safety Week, and a cadre of researchers, specialists, and other speakers were telling farmers how to survive their farming operations. One of the focal points is grain bins, where grain has been stored since last fall. It went in dry, likely, but problems can always crop up, particularly with temperature variations that move moisture, create mold, create grain pillars, and create havoc when the grain will not flow out of a bin when one shouts and swears at it. "The quality of grain never gets better once it is put away in the fall. The longer you keep it, the bigger the chance you will have problems," says John Lee of the IL Grain and Feed Assn. "I think farmers are storing grain longer because of the (lower) prices." Almost every grain bin entrapment begins with poor grain quality issues like crusting, bridging, plugged sumps or steep grain slopes caused by poor airflow. Most grain entrapments happen when someone is working alone and when an individual believes the risk is minimal. For many farmers or grain elevator employees, it's work they have done for years. But an emergency can happen quickly, and you can't rely on strength, experience or routine. Most accidents happen when someone enters a bin because the grain is stuck. "Otherwise, you wouldn't be in there anyway (except for cleaning)," he said. "The average grain bin rescue takes 3.5 hours, according to the IL Fire Service Institute," Lee said. That estimate starts after emergency crews arrive on scene. (Show this article to your spouse, who may put it on the refrigerator door.)

## Feeding the Economy—

- **Every year, the Feeding the Economy report** provides a comprehensive look at the full economic footprint of U.S. food and agriculture. Among the report's biggest takeaways is that food and agriculture support \$10.4 tril. in total U.S. economic output, representing about 20% of all economic activity. The sector supports almost 29 mil. jobs, or roughly 30% of total U.S. employment, even though on-farm jobs account for less than two %. Food and agriculture generate over \$1.3 tril. in tax revenue, reinforcing their role as a foundation of local, state, and federal economies. Maintaining domestic food and agriculture production helps anchor jobs, income, and economic activity within the United States. The report highlights a broad reality: agriculture is not just one sector of the overall economy, but it is a foundational driver of economic activity, supporting millions of jobs, trillions in output, and significant tax revenue across every state. [Each year, the Feeding the Economy Report](#) measures the downstream, off-the-farm economic impact of U.S. agriculture. Danny Munch, an economist with the American Farm Bureau, said the report tracks 3 layers of impact, "The first is direct activity, which includes the base level of food and ag production that is traditionally measured, but it also measures supply industries like transportation, finance, equipment manufacturing, inputs at that second stage, and then lastly, the ripple effects of those 2 stages on how wages are earned and spent throughout the rest of the system." He said when you combine those layers, ag supports about \$10.4 tril. in economic output, or about 20% of the entire U.S. economy, "Food and ag support about 49 mil. jobs, which is about 30% of total U.S. employment, or close to 1 in every 3 jobs nationwide. The interesting piece here is where those jobs are. Less than 2% are on the farm, but when you add food manufacturing, wholesale, and retail, which adds another 24 mil. jobs, or about 15% of the workforce." With the overall farm economy struggling, Munch said it's vital to highlight the broad economic importance of agriculture in America, "So, all the benefits we were talking about, jobs, wages, tax revenue, they're tied to where that production happens. If production shifts overseas due to cost pressures, regulatory burdens, or competitive challenges, that economic activity moves with it. So, it's not just about the food supply, it's about all these other jobs, tax revenue, and economic commerce that supports industries across every corner of every state." Learn more or read the report at [feedingtheeconomy.com](http://feedingtheeconomy.com). (American Farm Bureau) →

### National Economic Impact



**48,732,652**  
Jobs



**\$3.0 T**  
In Wages



**\$1.3 T**  
In Taxes



**\$177.4B**  
In Exports



**\$10.4 T**  
Output

Download


- **The Corn Refiners are one of many groups** that combine to produce the Feeding the Economy Report, and John Bode, president of the Corn Refiners says, “This major report measures the impact of American food and agriculture on the economy, and this year, it found a \$10.4 tril. impact, and that is a growth over last year, and shows that food and agriculture accounts for 20% of the American economy. We get it to policymakers. We also put it up on FeedingTheEconomy.com. I encourage everyone to go there. It is a rich source of data. It's broken down by state and congressional district, so members of Congress can look at the impact in their district, and the information is very detailed. So, for example, in the agricultural manufacturing sector, the manufacturing of American agricultural production is 2.3 mil. jobs. That is over twice as many jobs as automobile manufacturing in the U.S. It is the largest segment of the manufacturing sector.” (RFD Radio Network)

**Noteworthy—**

- **Huub Lelieveld** will receive the 2026 World Food Prize for translating the science of food safety into a global force for action, helping prevent millions of cases of foodborne illness, dismantle barriers to trade and humanitarian aid, reduce food loss and waste, accelerate responsible technological innovation and strengthen the foundation for a more food-secure world. He has marshaled a movement across 113 countries to deliver the scientific evidence for modern regulations, legislation and international standards that safeguard the world’s food supply. Through 6 decades of research, institution-building and tireless advocacy, [he has united scientists, industry leaders and policymakers](#) around a commitment to safe and nutritious food for all. (RFK, Jr. was not a part of this monumental global effort.)

**The Visionary Who Transformed  
Food Safety Science Across 113 Countries  
Named World Food Prize Laureate**

2026 LAUREATE  
**HUUB LELIEVELD**  
THE NETHERLANDS

 **WORLD FOOD PRIZE  
LAUREATE  
ANNOUNCEMENT**

**#FOODPRIZE26**

## ***And finally, this—***

- **He had served with the US Marine Corps**, but [a grain bin turned out to be more hazardous](#). Oliver Kragelund and his crew of 4 or 5 men were cleaning out grain bins at the elevator in Atlanta, IL, a routine but high-risk task that kicks off every harvest season. Oliver's team was doing things right: a spotter at the door, emergency shutoffs within reach, safety protocols largely in place. By end of day, the crew was nearly finished. Oliver,



true to his Marine Corps instinct to lead from the front, sent the rest of the men out and stayed behind to finish the last few sweeps himself. It was the thinnest layer of soybeans near a sump hole (one small oversight, one momentary slip) and his right foot went in. The paddle drag caught his foot and began pulling. Within seconds, the man stationed at the door

heard Oliver yell and shut the equipment down. The machine stopped but Oliver's foot was pinned beneath two and a half feet of concrete, wedged in the chain. There was no easy way in or out. Once paramedics arrived, Oliver found himself in the unusual position of being the most knowledgeable person on scene about the facility's layout and equipment. Recovery was slow in the way it always is for people who are used to moving. Oliver had run 5Ks. He'd done combat sports. Grain elevator work is physical, demanding, daily labor. Being sidelined for nine months while an amputation wound healed (including a follow-up surgery for infection) was its own kind of difficulty. About a year and three months after the accident, he was fitted with his first prosthetic limb. Physical therapy followed: relearning how to walk, rebuilding conditioning, finding a new normal. Within three months, he was mostly walking unassisted. Within six, fully so. Phantom pain lasted about two years before fading. Some discomfort after long active days remains - the trade-off, he says, of being young and determined enough to push himself. He says, "Safety doesn't make money directly. But if you don't get hurt, you have fewer accidents, fewer fatalities. Everybody is better off, including yourself."

## ***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](#).
- **Extension's Crop Management Conf.** will be on-line this year, and available from Mar 1-May 31, with research updates to improve productivity and output of crop science experts. Full event details and registration are available at [go.illinois.edu/CMC](http://go.illinois.edu/CMC). CEU's available.

- **Sustaining your farm legacy** will be the focus of several 2026 meetings 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.](#)
- **Grain Bin Safety Week** begins with a kickoff event Mar 30 at the Univ. of IL. Topics and demonstrations include dust explosions, machine guarding, and ladder and electrical safety. Register here: <https://extension.illinois.edu/events/2026-03-30-stand-4-grain-safety-week-kickoff-event>.
- **A Farmdoc webinar** discussing the USDA's Prospective Plantings report will be conducted March 31 at 1 pm and will include a market outlook based on the grain stocks issued the same day. [Details and registration information are here.](#)
- **IL Soybean Growers and John Deere** will host a webinar about "See and Spray" technology and the A.I. facet to the practice. Discussion will not just cover field results, but the dollars-and-sense questions every farmer asks first. Farmers will learn how See & Spray actually "sees," what conditions matter most, and why it's changing how farmers think about coverage and cost. [Details and registration](#) for the Mar. 31 webinar at 10 am.
- **A nutrient stewardship field day** will be April 3 at Stockton from 1-4 pm. Learn more about integrating livestock into row crop operations. Also, featured: fenceless grazing in action, hybrid corn selection, and erosion/ water quality improvement through managed grazing systems. [Details and registration information.](#)
- **Precision Conservation Management** will conduct a webinar April 7 to detail what 10 years of field-level data tells about improving farm profitability. PCM leaders will share practical takeaways from PCM's dataset highlighting how tillage, nitrogen management, and cover crops influence farmers' bottom line, not just yield. [Details and registration here.](#)
- **IL Conservation On-Farm Network virtual meeting.** Agriculture specialists from across Illinois and the broader Midwest region for monthly discussions to explore new research, troubleshoot field conditions, and provide updates on policies and programs related to conservation agriculture. April 8. [Details and registration.](#)
- **Virtual cover crop meeting April 15.** An informal space to exchange cover crop ideas and troubleshoot challenges with fellow farmers. [Details and registration.](#)
- **Modern Approaches to conservation drainage design** will be discussed May 6-7 at Danville, with a focus on drainage water management, saturated buffers, and bioreactors. Watch for details to come on this event which offers practical guidance on key edge-of-field practices and how to assess site suitability across real-world conditions.



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