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A weekly Cornbelt digest of marketing, economic, agronomic, and management information.
October 6, 2025

Commodity Market Headlines—

- **USDA confirms suspension of its data releases during shutdown.** The USDA confirmed it will halt all new data and reports during the U.S. government shutdown. "All reports and data releases will cease," a spokesperson told the Wall Street Journal. According to the agency's contingency plan, most USDA employees will be furloughed, with limited exceptions. The government shutdown disrupts the release of key USDA publications, including the weekly export sales report last Thursday, Monday's Crop Progress report will be delayed, and the October supply and demand (WASDE) report scheduled Thursday, Oct. 9th will not appear. The U.S. government is shut down, and the Trump administration is raising the stakes by halting $18 bil. for infrastructure funding and signaling a willingness to fire thousands of federal workers.
- **Mississippi River levels are low** this fall season—for the 3rd year in a row. "The timing couldn't be worse," says Jon Davis, chief meteorologist at Everstream Analytics. "October is a critical month for barge transportation in the Mississippi River Basin. He says this year's river levels mimic 2024 conditions. Barge restrictions were put in place in September, and currently, the low-water restrictions for are in place for southbound vessels on the Lower Mississippi River.
- **On the calendar:** A Trump/XI meeting is scheduled for November with soybean trade on the agenda. October is the month for setting fall prices for crop insurance for corn and soybeans. The average close for November soybeans in the 3 days of October so far is $10.18, and the harvest price for crop insurance via the average December corn close during October is $4.19. Still a long way to go. Spring guarantees were $10.54 and $4.71.
- **Monday morning markets** were ½¢ higher for Dec corn at $4.19½ and Nov beans were up 4¼¢ at $10.22¼.

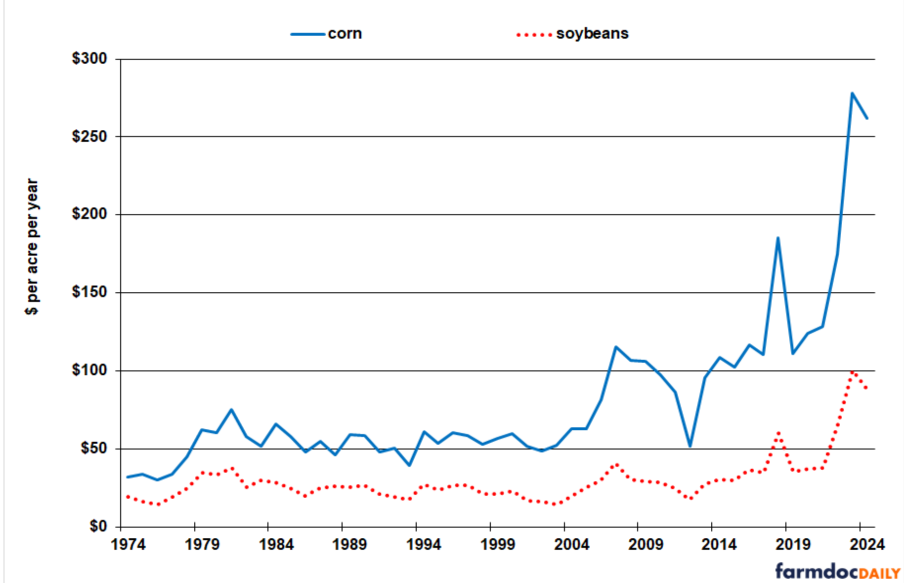
- **Grain Market details from** General Manager Kevin Walker and staff at Legacy Grain.
    - ✓ **Soybean market drivers**: Soybeans pulled back lower into the weekend with contracts down 4 to 6¢ at the close, as December was 4¼¢ higher on the week. The CmdtyView national average Cash Bean price was 5¾¢ lower at $9.40. Soymeal futures were 60¢ lower to 70¢ higher on Friday, with December up $4 this week. Soy Oil futures were 20 to 39 points in the red on heading into the weekend, with December down 14 points since last Friday. The average close for November soybeans in the 3 days of October so far is $10.18, which is part of discovery of the harvest price for crop insurance. Traders were likely squaring up following a couple days of buying on a po10tial for easing of trade 10sions ahead of the Trump/XI meeting later this month. A few spots in southeast NE, IA, and the Dakotas will see 1 to 2 inches of rain in the next week putting a pause to harvest in parts of the country. Lighter totals of less than ½ inch are seen across the rest of the growing regions. For the most part, harvest should be able to continue with a few exceptions. Due to the government shutdown, Monday's Crop Progress report will likely be delayed. Nov 25 Soybeans closed at $10.18, down 5 ¾¢, Nearby Cash was $9.40, down 5¾¢.

- ✓ **Corn drivers**: Corn futures closed out the Friday session with contracts down 2 to 3¢ after early back and forth trade. December was down 3¢ this week. The CmdtyView national average Cash Corn price was down 2¼¢ at $3.76. The harvest price for crop insurance will be found this month via the average December corn close during October. The average for the first 3 days is $4.19. Harvest likely added some pressure, as it rolled along this week with few hiccups due to weather. The next week is looking like spottier totals. A Ukrainian farm union, UAC estimates the 2025 corn crop at 1.14 bil. bu., a 118 mil. bu. increase from last year if realized. Argentina's corn planting is estimated at 20% according to Buenos Aires Grain Exchange, up from 12% last week. Dec 25 Corn closed at $4.19, down 2¾¢, Nearby Cash was $3.76, down 2¼¢.

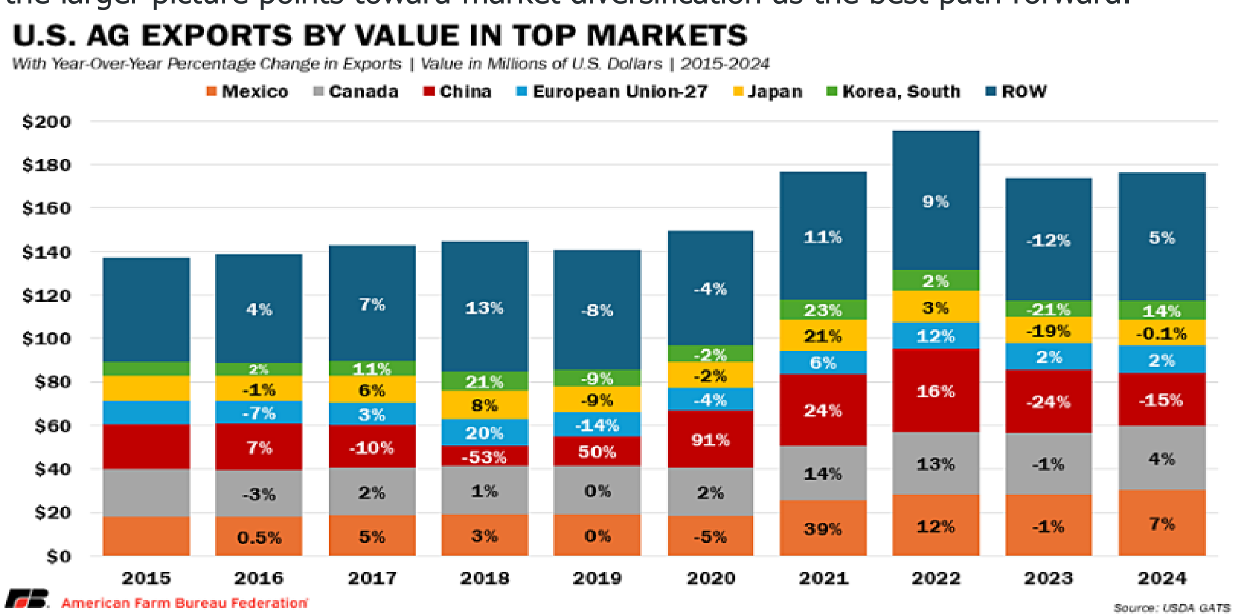
- ✓ Corn and soybean export inspections are higher than last year. Corn shipment inspections were reported at 60 mil. bu. versus 55 mil. during the previous week and 45 mil. at the same point in 2024. Soybean inspections totaled 22 mil. bu., up from 21 mil. a week earlier, but down from the 25 mil. bu. during the same week last year. USDA data showed inspections of wheat for overseas delivery declined week to week, as corn and soybean inspections increased. Wheat inspections in the 7 days ending on September 25 totaled 27 mil. bu., down from almost 34 mil. bu. the previous week. The agency said that's still well above the 20 mil. bu. examined in the same week last year. Since June 1, the government has inspected 350 mil. bu. of wheat for export, up from 304 mil. bu. assessed during the same timeframe last year.

- **What is your marketing plan for the crop being harvested?** (Realistically, now!) If it includes some length of storage, have you included that cost into your price target? (Yep, and few others have also!) But the IL Farmdoc ag economists want you to include storage costs into your calculations and have offered help. (It's different from elevator storage.) "Total storage cost changed little from 1974 through 2005, then moved somewhat higher between 2005 and 2020. Declining interest rates and thus interest opportunity cost of storage mostly offset increasing physical storage costs. Since 2020, interest opportunity cost and physical storage cost have both increased, resulting in higher total storage cost. "Storage starts in October, the month with the lowest average cash price. Storage cost includes (a) physical storage cost at commercial facilities to keep the crop in useable condition and (b) interest opportunity cost of storing instead of selling at harvest. To create a standard format across years, physical storage cost was converted into a cost for the year (i.e. 12 months of storage). Given the notable variations over space, time, and storage cost structure, this article emphasizes longer term trends and relationships.
  - ✓ **Since 2020,** both storage cost components have increased, resulting in higher total corn storage cost, now about $1.50 per bu.
  - ✓ **Since 2020,** both physical storage cost and interest opportunity cost have increased, resulting in higher total storage cost, now about $1.70 per bu.
  - ✓ **It is useful to** examine the ratio of total storage cost per bu. to October (i.e. harvest) price. By this measure of total storage cost, soybeans have, on average, been cheaper to store than corn. Relative to October price, total storage cost averaged 20% for corn with a range of 6% (2012) to 37% (2024) vs. 11% for soybeans with a range of 3% (2012) to 21% (1981).
  - ✓ **Another perspective** is the total cost to store 1 acre of production for 1 year. Despite increasing yield per acre, this cost measure barely changed from the late 1970s through 2005. It has since moved higher as yield increased between 2005 and 2020 and then, after 2020 as both yield and total yearly storage cost per bu. increased.

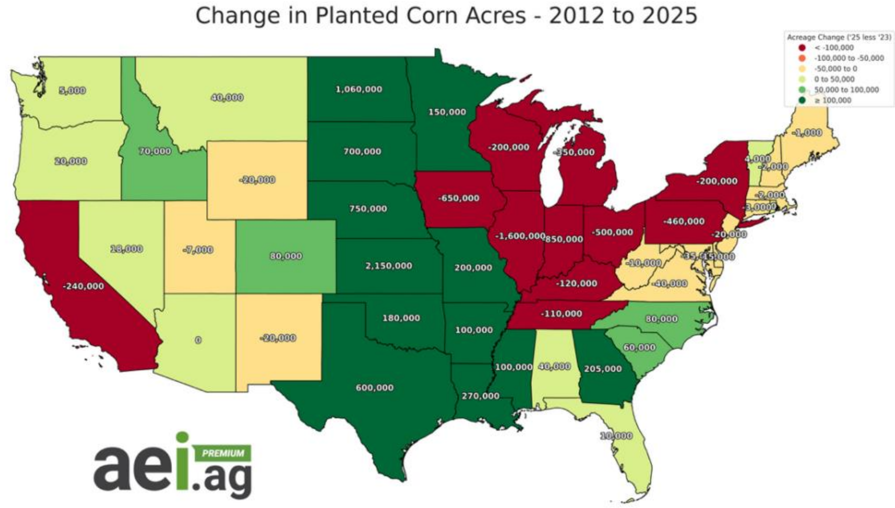
Figure 4. Total Cost to Store 1 Acre of Production for 1 Year, US Corn and Soybeans, 1974-2024 Marketing Years

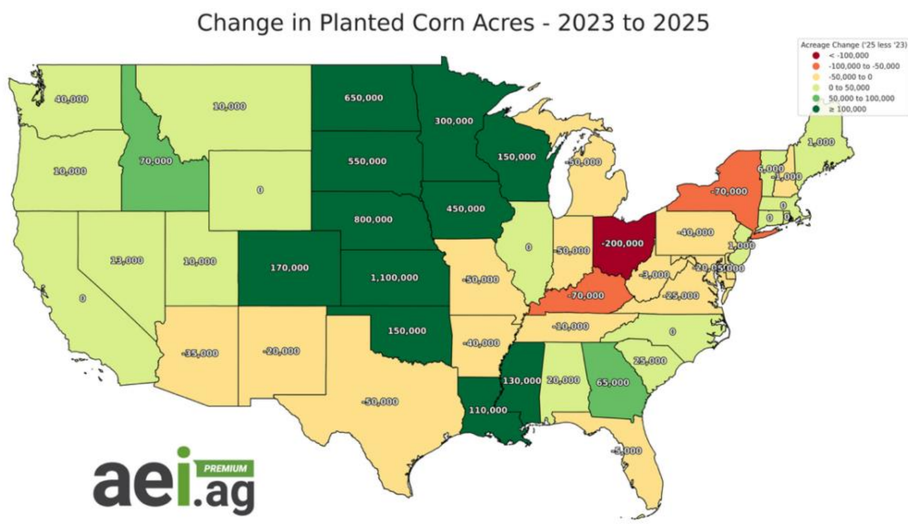


- **Even when U.S. farmers produce crops** that are priced competitively, China has steadily reduced its reliance on the United States, turning instead to Brazil, Argentina and other suppliers. The slowdown of sales in 2025 is not an isolated event: it is part of a longer trajectory in which China is diversifying away from American agriculture, reports [American Farm Bureau economist Faith Parum.] "This shift is not limited to soybeans. China has not purchased any U.S. corn, wheat or sorghum this year, and pork and cotton exports continue only at reduced levels. USDA projects that U.S. agricultural exports to China will total $17 billion in 2025, down 30% from 2024 and more than 50% from 2022. In 2026, exports to China are expected to fall to just $9 billion, the lowest level since the 2018 trade war. The decline reflects more than a single bad year; it is part of a longer trend. In 2012, China purchased more than $25 billion in U.S. farm products, nearly 20% of all agricultural exports. By 2018, sales had fallen to about $9 billion, the lowest level in a decade. While trade partially rebounded in 2020 and 2021 under the Phase 1 agreement with China, the recovery was temporary. Since then, China has steadily diversified its suppliers, turning more to Brazil and Argentina for soybeans, grains and protein. Domestic policy goals in China, including food security and price management, also encourage spreading purchases across multiple countries to avoid dependence on the United States. The 2025 collapse in soybean trade is the continuation of that broader trajectory. Even when U.S. farmers produce a competitive crop, the absence of consistent Chinese demand leaves a hole in export markets that is difficult to fill. For farmers, the message is clear: relying on 1 major buyer carries risks and developing new markets is essential to sustaining farm incomes. Roughly 20% of all U.S. agricultural production is exported and those sales are often what make the difference between profit and loss at the farm level. The long-term decline in agricultural trade with China highlights the urgency of developing new markets. While China will likely remain an important customer, the volatility of recent years shows the risks of overdependence on a single buyer. While trade with China may rebound in certain years, the larger picture points toward market diversification as the best path forward.

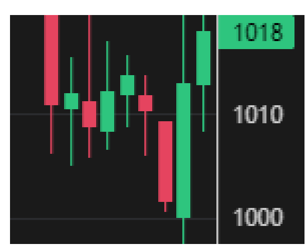


- **The USDA's latest estimate** is that U.S. farmers planted more than 98 mil. acres of corn in 2025, the largest planting in nearly 9 decades. National statistics rightfully capture headlines, but the most valuable insights are often found at the state and county levels. Specifically, the largest corn crop in decades didn't translate into record acreage in all corn-producing states, says [Agricultural Economic Insights staff.]() Comparing state acreages in 2025 with the other big corn years of 2012 (97.3 mil.) and 2023 (94.6 mil.) shows corn acreage has been moving west. Between 2012 and 2025, the biggest gains occurred in KS (+2.15 mil.) and ND (+1.06m) (left). Notably, acreage increased throughout the Great Plains states and across most of the southern US. On the other hand, the I-States and eastern Cornbelt lost corn acreage. IL and IN stand out, planting a combined 2.5m fewer corn acres. Given the 13-year span, one could dismiss the map above as old news. However, the shift west has been persistent, (right) even in recent years. Between 2023 and 2025, the U.S. planted an additional 4.1 mil. acres, a 4% increase. Once again, the majority of those gains occurred in the northern and central Great Plains (above). There was no meaningful increase in corn acreage across the eastern Cornbelt states, including IL and IN. OH stands out as it reduced acreage by 200,000 acres. One could also argue that corn acreage is shifting south, with both LA and MS increasing their corn acreage. The implications are far-reaching. Lenders in the Great Plains are likely getting requests for larger operating lines of credit due to corn's high variable costs. Territory or market trends will vary considerably for input retailers and manufacturers. Grain buyers in 2025 will also face very different supply stories in the Great Plains states (large acreage and high yields) compared to the eastern Cornbelt."





- **The USDA's Grain Stocks Report** (offline until?) showed Old crop corn stocks on hand as of Sept. 1, 2025, totaled 1.53 bil. bu., down 13% from Sept. 1, 2024, according to the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS) Grain Stocks report released today. Of the total corn stocks, 643 mil. bu. was stored on farms, down 18% from last year. Off-farm stocks, at 888 mil. bu., were down 10% from a year ago. The June-August 2025 indicated disappearance was 3.11 bil. bu., compared with 3.23 bil. bu. during the same period a year earlier. Old crop soybeans stored in all positions on Sept. 1, 2025, totaled 316 mil. bu., down 8% from Sept. 1, 2024. Soybean stocks stored on farms totaled 91.5 mil. bu., down 18% from a year ago. Off-farm stocks, at 225 mil. bu., were down 3% from last September. Indicated disappearance for June-August 2025 totaled 691 mil. bu., up 10% from the same period a year earlier. All wheat stored in all positions on Sept. 1, 2025, totaled 2.12 bil. bu., up 6% from a year ago. On-farm stocks were estimated at 692 mil. bu., up 4% from last September. Off-farm stocks, at 1.43 bil. bu., were up 7% from a year ago. The June-August 2025 indicated disappearance was 715 mil. bu., up 5% from the same period last year. Based on the 2024 end of the marketing year analysis, corn for grain production was revised up 25 mil. bu. from the prior estimate. 2024 soybean production was revised up 7.74 mil. bu. from the previous estimate. Source.
- **China may not be buying US soybeans,** partially because of its own production, says World Grain. "With 732 mil. bu. of soybean production projected for marketing year 2025-26, imports are expected to reach 3.89 bil. bu., relying mostly on South American origins, according to a report from the Foreign Agricultural Service (FAS) of the USDA. In its Sept. 26 update, the FAS said generally favorable weather conditions in northern China and slightly higher planted area to 23.9 mil. acres had improved production prospects slightly from last season's 731 mil. bu. The FAS said its relatively stable forecast for soybean imports is linked to restrained 2% growth in crushing demand and continued efforts by the government to limit import growth for the world's top purchaser of soybeans. Since the start of the South American shipping season, China has made record purchases from Brazil, while shunning US purchases amid an ongoing trade war. In May 2025, General Administration of Customs of China (GACC) reported its highest ever monthly import of soybeans at 510 mil. bu. fueled by 444 mil. bu. from Brazil, according to the FAS.
- **The meeting between Presidents Trump and Xi** in November has been billed as a discussion about China buying US soybeans, without regard to whether China needs US beans. The leak about the topic of the meeting tickled the soybean market (right) Wednesday and Thursday, before it settled lower on Friday. Can China totally avoid the US soybean market? Joana Colussi says yes, and Brazil and Argentina have enough soybeans to supply Chinese needs year-round. Colussi is a Brazilian, who formerly was with the Univ. of IL Farmdoc team and recently transferred to Purdue as a research specialist. Here is a video interview with her.



- **"Lessons from history"** is the theme of this week's Brock Report, "Emotions are running high in many areas of the country. Many producers have never gone through economic times like these. We have mentioned several times the comparisons to the mid-1980s. I think there is something to be learned from that timeframe. In August of 1983, corn prices were roughly $3.50 per bushel. By September of 1986, the market was at $1.50 per bu. A 57% decline. By June of 1988, the market was back to $3.50, an increase of 133%. In August of 1983, soybeans were $9.00 and by September of 1986, had declined to $4.70. A drop of 48%. By June of 1988, soybeans were back to $10.00, a 113% increase. Compare that to what has happened since 2022. Corn prices have dropped from $8.00 to $3.70, a decline of 54%. Soybeans have declined from $17.50 to $9.70, a decline of 45%. It is ironic that the price changes in percentage terms are so similar to what happened in the mid-1980s. This is not a forecast but something to think about. Markets always go higher and lower than we think is possible. If the next bull market now duplicates that from 1986 to 1988, corn would rally to $8.63 and soybeans to $20.63 by 2027, given the same percentage increases. We cannot stress enough that this is not a forecast, just an observation. In markets, it is always important to get back to the basics. Those of us who lived through the 1980s for the most part became students of the market. You don't go through something like that and not get changed in some way. In today's market, only a small percentage of producers seem to be students of the market. Most of the concentration and time spent has gone into production, increasing yields and kicking tires. To be fair, focusing on production is a huge part of the job and the tires are much cooler than they used to be. Understanding marketing takes work and most people don't want to do that. To most people, it just is not as much fun as the rest of the job. But that is a lesson in history. Markets move in cycles. High prices lead to low prices. Low prices lead to high prices. The only way one understands that is to live through it. These markets may create another generation of students of the market. In last week's Brock Report, we addressed the problems with exports of soybeans and the U.S. relationship with China. This is certainly a concerning problem. On Tuesday, the U.S. released the quarterly grain stocks report. It held surprises — on the bearish side for corn. The numbers were slightly friendly for soybeans. But more important than the numbers is the market reaction. Soybean prices were down hard on Tuesday following the release of the report, opened sharply lower on Wednesday morning and turned around to close higher. Our analysis would indicate that the bearish news was built into the market. Time will tell. The markets may not rebound as strongly as they did from 1986 to 1988, but we do believe that current low prices will increase demand whether it be domestic or in the export market. One big difference between now and the 1980s is production technology has improved tremendously, and yields are significantly higher than they were 30 years ago. Balance sheets are also much healthier and interest rates much lower. But overall, we are of the opinion that grain producers are looking at the worst of times now and that opportunities will improve from where we are today."

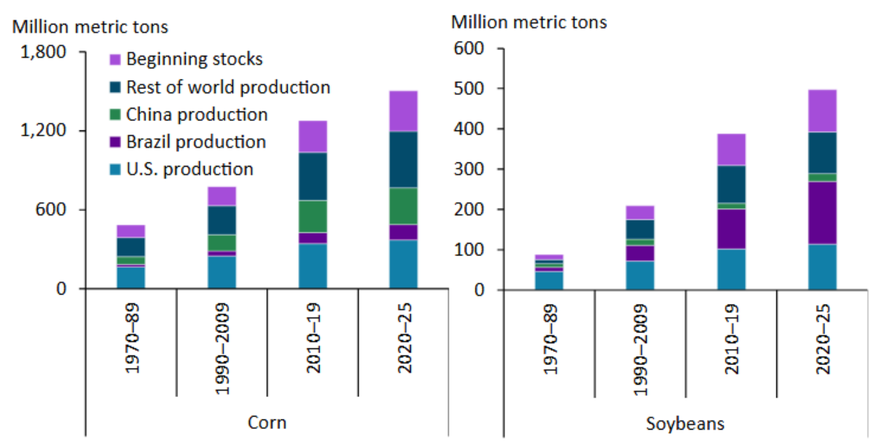
- **Marketing.** "The corn market was slightly lower on the week while beans were up a bit." -- Matt Bennett.
  - ✓ **Corn—futures**. December '25 corn wasn't too exciting last week. Dec settled at $4.19, down 2¾¢. This was 4¢ off the high and ½¢ off the low. Dec lost 3¢ for the week.
  - ✓ **Corn—cash and basis**. Basis was improving. Cash prices were steady to a bit higher. While the board moved lower, basis did the work in many areas. My best bet is so many were harvesting beans that corn wasn't getting delivered.
  - ✓ **Corn—marketing strategy**. Given the cost of storage, you can get a good, limited-risk strategy that is significantly cheaper than commercial storage. For those bushels you can store at home, locking that carry in isn't a bad idea as well. While we can do that with futures, I'd rather have a floor right at the market and po10tially give up some of the upside to make that put more affordable.
  - ✓ **Corn—2026 crop.** December 2026 corn ended the week at $4.61¾, up 1¾¢. I continue to think Dec26 is too cheap. With the fertilizer costs I've seen and had shared with me, coming up with black ink on cash-flows for '26 is going to take some creativity**.**
  - ✓ **Beans—futures.** Beans found some buying at mid-week but backed off into the weekend. On Friday, November beans settled down 5¾¢ at $10.18. This was 10¾¢ off the high and 1½¢ off the low. Beans rallied 4¼¢ on the week. Oct meal settled $1.90 higher on the week at $270.70, while soy oil ended the week at 49.43¢ down .17¢.
  - ✓ **Beans—cash and basis**. Basis was improving. Cash beans were moving in the right direction this past week. While the board rallied, we saw basis improve as well, which isn't always something we enjoy, especially during harvest.
  - ✓ **Beans—marketing strategy**. For those who are trying to figure out what to do with these beans, I still like storing some on the farm when possible. The carry from Nov to July beans is still in this 60¢ range, which is certainly worth the hassle. Considering basis is likely to improve as is generally the case, picking up the carry and some basis should be enough reward to store these beans.
  - ✓ **Beans--2026 crop**. Nov 2026 beans settled at $10.65¾, up 1¢ on the week. It was nice to see Nov26 stabilize this past week. While we were hovering for some time around $11, the last couple of weeks we've seen plenty of selling. IF we get a trade deal and inject life into the bean complex, I'd have some offers in place for next fall's beans.
  - ✓ **Price ratio**—**2026 crop**. 2.31/1, beans to corn, based on fall futures, -1¢/week.

- **Market advisor thoughts/concerns**: Matt Bennett. "With news of US/Chinese talks upcoming and their focus on soybean trade, beans finally saw some optimism. With harvest in full-swing, hedge pressure likely provided some headwinds for prices. With combines rolling, the harvest pressure we've been talking about is certain to pick up. Excellent harvest weather has been the theme for many, so acres are disappearing fast. While some areas of the Cornbelt have talked about much lower yields than a year ago, some have talked about record yields. While I think it's still too early to know where this final yield will land, it seems likely we move yields down some IF we get a USDA report this week. Given the government shutdown, we may not see the October WASDE report. If we don't, what likely drives markets is harvest activity and weather. I struggle to see any big rallies knowing that, but at the same time, this corn market has performed better than one might expect. With a bearish stocks report a week ago and huge acres and yield forecasted for this crop we're currently working on, it would make sense to see prices leak from here. At the same time, focus on 2026 acres due to excessively high fertilizer makes me think the trade is hesitant to keep selling. Basis improved in most areas we follow this past week. Now, IF we'd see this market rally, I can't imagine basis will hold together, especially as so many bushels will be getting delivered in the next 3 to 4 weeks. I haven't changed my stance much on corn. For bushels you can't store at home, I'd prefer selling those bushels, getting your hands on the money and staying long out to April or May with calls or call spreads.... This past week, it appeared beans would just keep moving lower as the trade felt heavy. However, after President Trump announced an aid package for growers, which included talk about his upcoming talks with President Xi of China. Those talks will have a focus on opening ag trade, which the trade viewed as a positive. While talk is cheap, there is no doubt the absence of Chinese soybean purchases has hurt our markets as the trade ponders what our demand looks like with China absent. Pivoting to yields, it seems early beans were better than expected for most, while later beans in many cases were the opposite. Moisture con10ts in single digits alone could impact national yield given so many beans have been and are still being harvested excessively dry. I think figuring out a final yield will take some time, but there's again a chance we don't get an update this week when we typically get the October WASDE report. This bean market could see some volatility ahead, which might give us some life…...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.

Farm Economy—

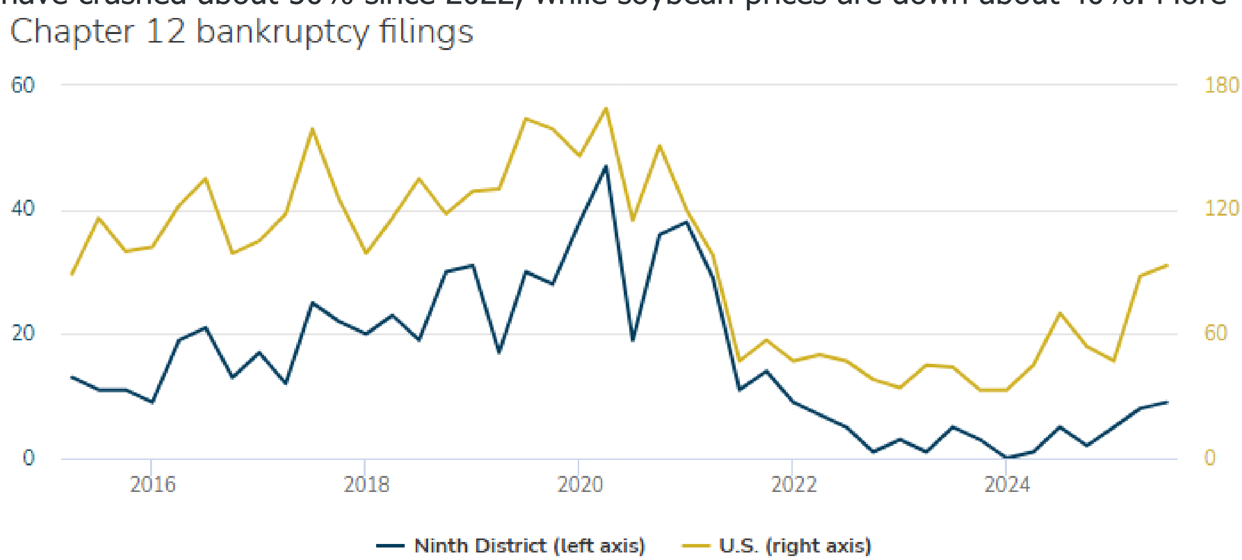
- **The supply of U.S. corn and soybeans** has grown over the past decade and is projected to increase further in the coming years. In the past, large supplies have been partly absorbed by both export markets and biofuel production. However, going forward, exports are unlikely to grow sufficiently to offset projected supply increases. Instead, demand driven by changes in biofuel policies will be critical to absorbing increased corn and soybean availability and supporting prices for these crops. That is the prediction of [economists at the Kansas City Federal Reserve] who look at the broad US farm economy. They report global expansion is a strong competitor to US farmers. "Chart 1 shows that similar gains in productivity and acreage in net exporting countries, such as Brazil, and importing countries, such as China, have doubled global corn and soybean supplies over the past 30 years. However, export demand is unlikely to grow enough to absorb the expected increase in crop supplies moving forward. Although the US has expanded corn and soybean exports since the early 2000s and secured major trading partners such as Mexico, its overall share of global trade has declined. Other exporters have captured large shares of key markets such as China, Japan, and the European Union. Looking ahead, trade disputes and intensifying competition from other exporters could further limit export growth as a driver of U.S. crop demand. Instead, proposed changes to biofuel policy are likely to be the main driver of demand growth for corn and soybeans going forward. There are proposed changes to the RFS quotas for biomass-based diesel, advanced biofuel, and renewable fuel, alongside other fuel types. If approved, the 2026–27 quota for biomass-based diesel would increase by 50% from its 2024 levels, while also increasing quotas for other renewable fuels. The EPA estimates that biodiesel producers would need, on average, an additional 250 mil. gal. per year to meet the RFS mandate—equivalent to more than 200 mil. bu. of crushed soybeans, or roughly 4% of current U.S. soybean production. In the past year, U.S. crop producers have faced tight profit opportunities amid an oversupply of crops relative to demand. Rising competition and recent trade disputes may further weaken export markets for corn and soybeans. However, biofuel production offers potential alternative sources of demand. Recent proposed and enacted federal biofuel policies are likely to create new demand for U.S. corn and soybean crops, partially absorbing production and supporting prices.

Chart 1: Global production and inventories for corn and soybeans have increased over the years



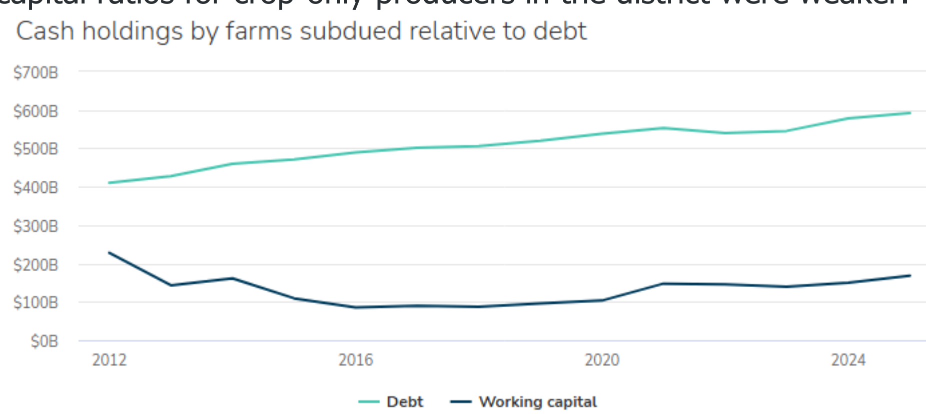
Farm Finance and Lending—

- **We're seeing warning signs in the farm economy.** American Farm Bureau President Zippy Duvall says tariffs are starting to take a toll on agriculture. "International trade is important. In general, America's farmers get 20% of their income from exporting goods to other countries. That's why current trade disputes are so concerning. Just look at what's happening with soybeans. In 2024, China booked about 12 mil. tons of U.S. soybeans for September to November shipment. This year, China hasn't booked any U.S. soybean shipments for the same time period. It's just one example of the challenges facing America's farmers. Row crop prices are down, expenses are up, and now America could lose export markets. Farmers have been patient with the administration, and we're pleased that new trade frameworks are being developed. But time is running out. We must resolve tariff disputes and get trade back on track." (American Farm Bureau)
- **The number of farm operations filing for bankruptcy** remains at historically low levels but has jumped sharply this year as a crisis in the agricultural economy drags on. In the second quarter, (nationally) there were 93 filings, according to the Federal Reserve Bank of Minneapolis, up from 88 in the first quarter and nearly double the 47 at the end of 2024. That's still well below the recent high of 169 in early 2020, and filings nosedived in the 2 years that followed. But since 2022, farm bankruptcies have been trending higher. That coincides with higher production costs and plunging crop prices. For instance, corn prices have crashed about 50% since 2022, while soybean prices are down about 40%. More

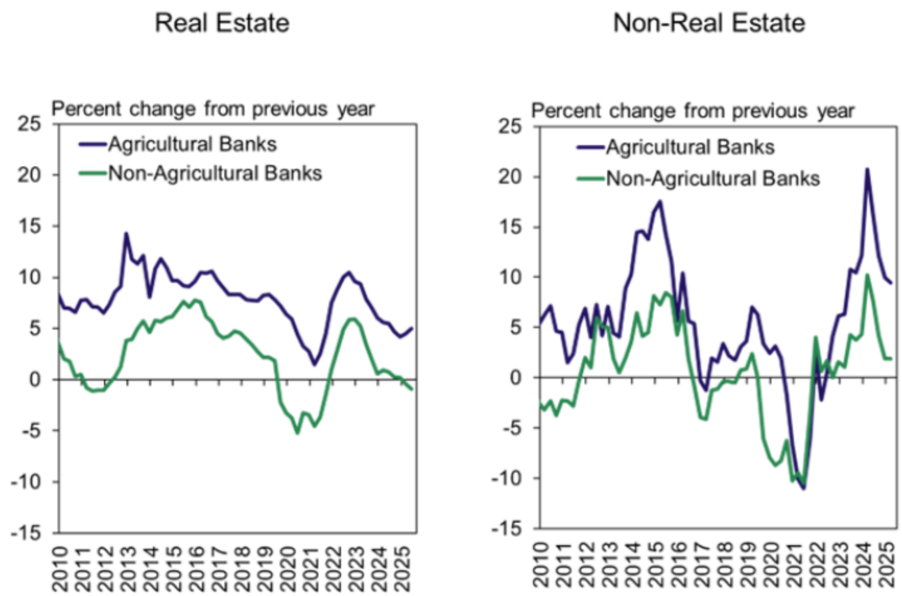


recently, President Donald Trump's trade war this year has kept China, traditionally a top buyer of U.S. soybeans, from placing any orders with American farmers, who are facing an uncertain harvest season. The Federal Reserve's recent survey of farm financial conditions found that weaker income has reduced liquidity for farmers, boosting demand for financing. At the same time, credit conditions deteriorated with roughly 30% of respondents in the Chicago Fed and Kansas City Fed districts reporting lower repayment rates versus 2024, while the Minneapolis Fed region's share was around 40% and the St. Louis Fed's was 50%.

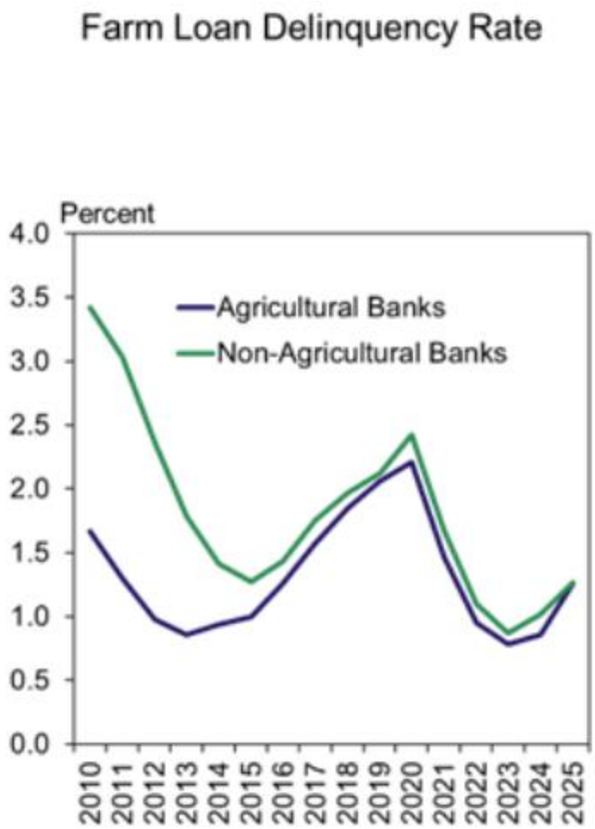
- **Quantifying the bankruptcy filings**, [Joe Peiffer, attorney with IA Ag & Business Legal Strategies](), says the numbers are alarming, “The Administrative Office of the United States Courts points out, in the first 6 months of 2025, 181 chapter 12 bankruptcies were filed nationwide. That's up 57% from what it was in 2024. That's more filings than we had in either 2022 or 2023.” Peiffer says the blame for the rise lies in President Trump’s tariff war and the resulting loss of ag markets, “Now China's buying soybeans from Argentina. It's been buying soybeans from Brazil. Once you lose a market like that the chances of getting it back are really slim, because we're no longer viewed as a reliable supplier because of the trade things that are going on.” Not only the financial loss, but Peiffer says the emotional strain on farmers is immense. He notes the story of one of his clients, “He's scared. He's afraid of all it's going to be like to tell his wife about it. He's embarrassed because he brought in family on both sides to help keep the operation running. So, he's scared. He's afraid of, what are people going to think? Am I the failure that lost the family farm.” Peiffer says it’s “fish or cut bait time” for a lot of farmers, and he recommends they talk to an experienced bankruptcy attorney and a tax advisor. “Things haven’t been good the last couple of years, so what they’re doing is that they’re borrowing money on the land,” Peiffer said. This amounts to trading short-term debt, such as operating loans, for longer-term debt. “All we do at that point is increase the number of payments we’re going to have to make next year.” As Peiffer said, this restructuring is possible because [farm land values remain very strong]() and serve as a source of collateral for farmers to borrow against. And strong growth in land values over the last 2 decades could actually accelerate Chapter 12 filings going forward. A key variable that has held up better than incomes is working capital, or cash on hand for farm operations. Having these cash reserves is crucial both for debt service and for avoiding additional debt needed to finance day-to-day farm operations. After cash reserves dipped in the last decade, farmers built up a bigger cushion during the last few years. Comments from lenders on recent Ag Credit surveys suggested that working capital ratios for crop-only producers in the district were weaker. “Things haven’t been good the last couple of years, so what they’re doing is that they’re borrowing money on the land,” Peiffer said. This amounts to trading short-term debt, such as operating loans, for longer-term debt. “All we do at that point is increase the number of payments we’re going to have to make next year.” As Peiffer said, this restructuring is possible because [farm land values remain very strong]() and serve as a source of collateral for farmers to borrow against. And strong growth in land values over the last two decades could actually accelerate Chapter 12 filings going forward.

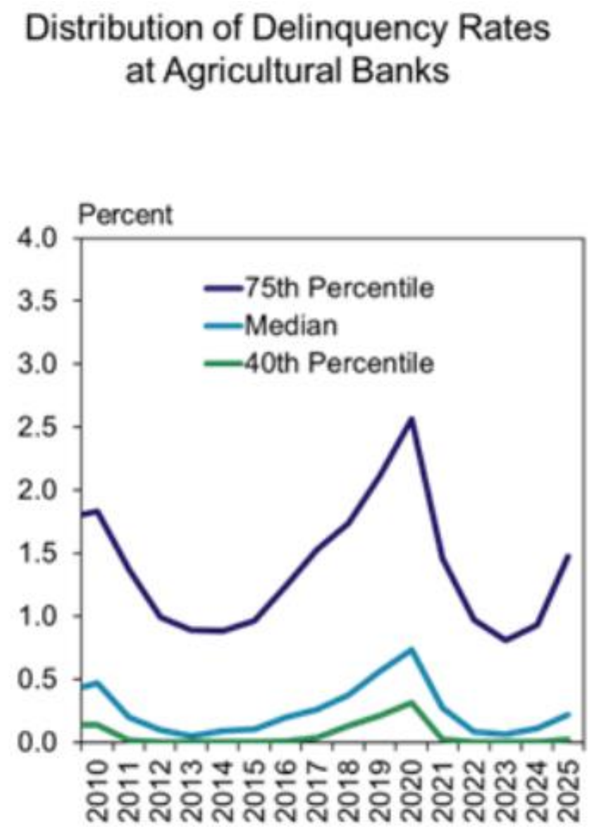


- **Nationally, farm debt at commercial agricultural banks** continued to grow at a moderate pace in the second quarter, report the Kansas City Fed's ag economists who look at the national data. According to Reports of Condition and Income, growth in farm debt remained considerably stronger at banks most concentrated in agricultural lending compared with other banks. Demand for financing has increased alongside weak profit margins and reduced working capital for crop producers. Delinquency rates on agricultural loans remained low, but increased slightly alongside gradual deterioration in farm financial conditions. Earnings and capital performance at agricultural banks remained sound with support from loan growth while liquidity tightened. Disparities in the agricultural economy persisted through September with favorable conditions for livestock producers and weak profit opportunities in the crop sector. Strength in livestock industries, particularly cattle, has supported farm finances in some regions. Recent ad hoc government payments associated with the American Relief Act and resilient farm real estate values have also eased some stress in the sector. Looking ahead, however, low crops prices and elevated production expenses will likely continue weighing on farm finances and credit conditions in the coming months. Similar to the past year, farm debt grew steadily at agricultural banks but was generally flat among all other commercial lenders. Farm real estate debt was 5% higher than a year ago at agricultural banks and decreased slightly at non-agricultural banks (left). Growth in production debt also remained strong at those banks concentrated in farm lending, increasing nearly 10% from a year ago. Strong growth has pushed aggregate farm debt balances at agricultural banks to record highs. Outstanding real estate and non-real estate debt at the cohort of agricultural lenders from the second quarter climbed further and remained well above recent historic averages adjusted for inflation. For non-agricultural banks, production debt remained subdued and outstanding balances of real estate debt were slightly below the 20-year average. Growth has remained strong for a large share of agricultural banks. During the second quarter, total farm loan balances increased more than 5% at half of all agricultural banks and more than 10% at a quarter of those banks. Farm debt grew by less than 5% for a quarter of agricultural banks and decreased for the remaining quarter."



- **Farm loan delinquencies are increasing,** report ag economists within the Federal Reserve system. [Reports generated at the Kansas City Federal Reserve] about the US farm economy indicate an increase in the number of operating loans that are not being fully retired. "Farm loan delinquency rates increased slightly alongside weaker farm finances but remained low. About 1.3% of farm loans at both agricultural and non-agricultural banks were delinquent in the second quarter (left panel). More than a third of agricultural banks had no past due or nonaccrual farm loans and only a quarter of agricultural banks had delinquency rates above 1.5% (right panel, green and purple lines).





Delinquent farm loans include all agricultural loans past due 30 or more days or non-accruing. Agricultural banks include all banks with farm loans comprising at least 25% of total loans.

- **The past few years have been challenging** for farmers in the Federal Reserve's Ninth District. The latest Minneapolis Fed Ag Credit Survey shows the pressure is growing on the district's producers, with slumping incomes and worsening financial conditions over the last 2 years. "Farmers are suffering this year," a ND lender commented on the survey. "If it's prolonged into 2026, we could see some farms fail." While the number of bankruptcies has risen, the total remains low by historical standards, but there are reasons to expect those numbers to increase. Court information shows the number of operations filing for Chapter 12 increased in the first 2 quarters of this year. However, the increase does come off a very low floor, and the overall level is still very low as a total of 9 farms in the Ninth District filed for bankruptcy in the second quarter of this year.

Report From the Farm—

- **For the first time in more than 20 years,** Chinese importers have not yet bought soybeans from the autumn U.S. harvest, forcing farmers to store their crops on hopes that prices will eventually rise from around a 5-year low**.** In a sign that hard times are expected to continue in rural America, Trump has promised to give proceeds from tariff revenues. The crisis is particularly acute in IL, reports Reuters' Tom Polansek who rode in combines with Chris Gould of Maple Park, IL, and talked with IL Soybean Assn. director Ryan Frieders who both farm west of Chicago. "U.S. soybean exports to China dropped 39% by volume to 216 mi. bu.

from January to July, before the autumn harvest began, the latest government data show. By value, shipments sank 51% to $2.5 bil., robbing farmers of billions of dollars' worth of business. The U.S. made a big increase in exports to Bangladesh at just over 14 mil. bu., a fraction of China's typical demand. Despite rising shipments to Vietnam, Egypt, Thailand and Malaysia, total U.S. soybean exports were down 8% by volume from the same period a year ago to 694 mil. bu. Along with industry officials, Frieders, who farms in Waterman, IL, traveled to Turkey and Saudi Arabia in February to meet with buyers and visit processors on a trip sponsored by the U.S. Soybean Export Council trade group. "There's talk about India and expanding there, and Southeast Asia, and North Africa: those are markets of the future," said Frieders, adding, "there isn't this lost market that we haven't looked at that could just suddenly explode and be a new China." USDA Secretary Rollins said on social media in September that Taiwan committed to $10 bil. in U.S. agriculture purchases over the next 4 years, including soybeans. She called the commitment a "game-changer," but it was misleading: such a commitment would not represent an increase. The U.S. exported $3.8 bil. worth of U.S. agricultural products to Taiwan in 2024, according to U.S. data. If that same pace of sales continued over 4 years, it would total $15 bil.

Farm Bailout(s)—

- **The White House is considering** a financial aid program for U.S. farmers, according to multiple outlets, floating the potentially tariff-funded idea as the agriculture industry navigates low commodity prices and high operating costs amid Trump's trade war. The aid package would provide $10 bil. for U.S. farmers, according to Forbes, which cited unnamed people familiar with the discussions who said money could start being distributed in the coming months. Trump officials are evaluating how money made from tariffs could supplement farmer payments. Official details about the bailout are scarce, though Treasury Secretary Scott Bessent told CNBC that information regarding "substantial support" for farmers would be released Tuesday. Trump told reporters in the Oval Office on Thursday his administration will provide "some of that tariff money" to farmers, "who are, for a little while, going to be hurt until the tariffs kick into their benefit." (In 2018, Trump reimbursed farmer financial losses with $28 bil. from the Commodity Credit Corp., which only has $4 on hand because Congress has not finalized budgets for the new fiscal year. Tariff money is the only cash flowing into government coffers while Congress debates the budget.)
- **U.S. Treasury Secretary Bessent** said on Thursday that the federal government would support American farmers in light of China's refusal to buy soybeans and that an announcement would be made on Tuesday. Chinese importers have not yet bought soybeans from the autumn U.S. harvest during the trade war between Washington and Beijing, costing U.S. farmers billions of dollars in lost sales. Bessent (left) blamed China for the sagging farm economy. Trump on Wednesday that soybeans would be a major topic of discussion when he meets with Chinese President Xi Jinping in November. Almost every recent U.S. trade deal included buying of American farm products, Bessent said, "So we're going to see other countries substitute for China." But despite efforts by the Trump administration and the soybean industry, no other countries have emerged as anywhere near able to replace the volumes that China usually buys. Bessent also blamed a record harvest for affecting prices. Bessent said he met with Trump and USDA Secretary Rollins Wednesday and to expect some news on Tuesday on support for U.S. farmers, especially soybean farmers. "On Tuesday, you're going to see substantial support for the farmers, and we're also going to be working with the "Farm Credit Bureau" to make sure that the farmers have what they need for next planting season," Bessent said. It will be very helpful for Trump and China's Xi to meet in person and set the framework for trade going forward, Bessent said. "I think this round, which would be our 5th round of talks, should show a pretty big breakthrough," Bessent said. →

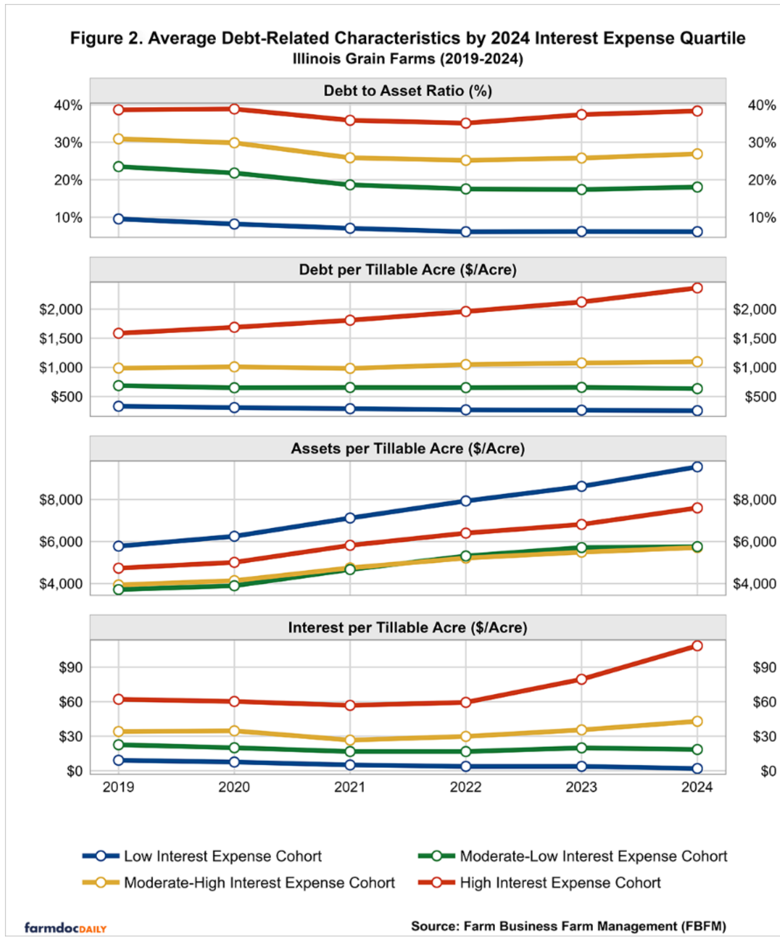
- **Meantime, Secretary Rollins** complained in a leaked text exchange with Treasury Secretary Scott Bessent that a $20 bil. US bailout of Argentina didn't help U.S. soybean growers. That, as Buenos Aires lifted export tariffs on grains, flooded the Chinese market with soybeans, and causing prices to drop at a time when the U.S. typically dominates international sales. (Berns Bureau, Washington) →
- **"Rescind the Argentine bailout."** Sen. Amy Klobuchar, D-MN, the Ranking Member of

the Senate Ag Committee, led 13 colleagues in calling on President Trump to halt his plan to send a $20 bil. bailout to Argentina. The Argentinian government just suspended its soybean export taxes, undercutting American farmers in the international market. "Despite that, you are still reportedly moving forward with the bailout for the country," the Senators said in a letter to the White House. "American soybean farmers, already hurting from your sweeping tariffs, deserve better." The senators said it's unclear why the White House would use taxpayer dollars to bolster the re-election campaign of a foreign president while the country takes steps to undermine U.S. farmers. As the American Soybean Assn. puts it, "U.S. soybean prices are falling, the harvest is underway, and farmers read headlines about no deal with China, but that the government is extending billions to Argentina."
- **The federal government shutdown** comes at an especially bad time for farmers. China is shut off to U.S. soybeans, crop prices are low, input costs are high, bills are due, new loans are needed soon, and the government is shut down. Sen. and farmer Chuck Grassley, R-IA, (right) says, "Going to the county offices to sign papers, to give them information they need about your farming operation if you're in the farm program, if you expect price supports and stuff that's in law. I would say, if you're in CRPs, you probably can't sign up for it." Sen. Majority Leader John Thune, SD, said the shutdown will hit farmers and many others, "The Farm Service Agencies, the Federal Highway Administration employees, the Park Service employees, these are all people that are going to be affected by this." Approximately half of USDA's staff is furloughed, and Grassley says that could have far-reaching effects, "Trade negotiations might be stalled, and getting an agreement with China would be slowed down. That would be very detrimental and immediate. What might not be immediate is the low prices that farmers are getting and the safety net kicking in. Farmers wouldn't get that money until sometime into next year." (Berns Bureau)

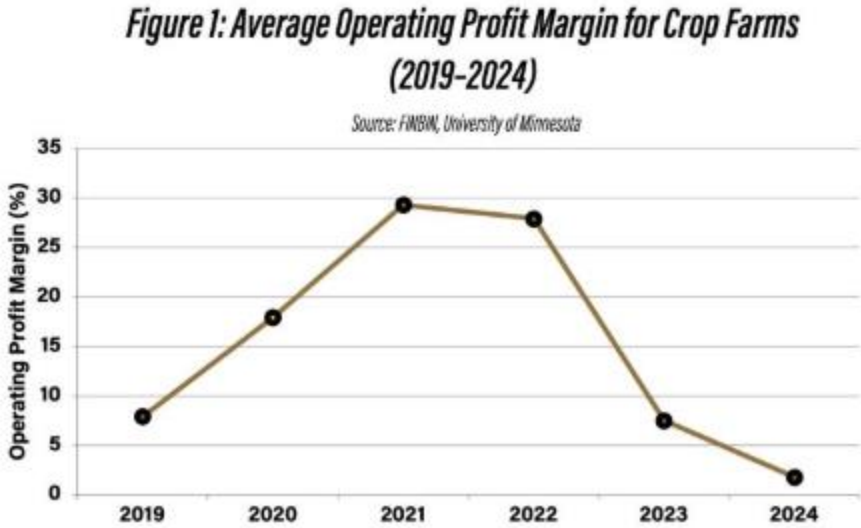
***The Business of Farming*—**

- **As farmers move into the fall,** it's time to look at what next year might be like for crop budgets and how fertilizer plays into that. Gary Schnitkey IL Farmdoc ag economist said farmers might have thought that the prices would be going down, and, depending on the crop, it might be, "Looking at crop budgets for 2026 is where we're at. We're building in higher fertilizer costs for corn, and that's being led by both anhydrous ammonia or nitrogen and DAP. If we're looking at prices right now, they are higher than they were at this time last year. So, we built in a higher projection. Soybean costs are a little bit lower, primarily because, surprisingly, potash isn't higher, and the tariff situation, even though we rely heavily on Canada, we seem to have an exemption now, so that's going to flow okay, I suppose." Once again, early projections seem to show soybeans as more profitable than corn in 2026, "Higher cost for corn is going to make corn relatively less profitable, and soybeans are impacting that relationship. We'll see where farmers make their decisions as far as profitability, but right now, we're predicting soybeans to be more profitable than corn. So, again, that's been the case for a while, and you're beginning to think, well, we do a lot of 50-50 corn and soybeans in this state. Maybe we're going to have to shade more to soybeans, but that doesn't look the best either if we consider that China hasn't bought any of our soybeans, so we'll see where all that goes." (WILL radio)
- **Input costs have skyrocketed for U.S. farmers** who are already looking at plans for 2026. Ag Secretary Rollins, speaking at the Agri-Pulse 11th annual Ag Outlook Forum, talked about how much higher costs have risen since the first Trump administration, "As I was traveling around the country, I heard a lot about fertilizer, seed, labor, interest rates, tractors, how it had all gone sky high, especially in the last four years. U.S. farm production inputs all cost so much more today than they did under the last Trump administration: seed costs up 18%; fuel and oil up 32%; electricity costs up 36%; labor costs up 47%; the cost of vehicles and machinery is up 45%; interest expenses up by 73%; and fertilizer costs increased 37%." (IL Farm Business Farm Management may have quite different numbers in this time frame.) The Secretary is very worried about foreign influence on the U.S. ag sector and has taken steps to stop it, "I am incredibly concerned about undue foreign influence on this last market, especially given that a significant portion of our fertilizer production is overseas. To that end, USDA and the Department of Justice signed a Memorandum of Understanding that aligns a joint commitment by both of our agencies under Attorney General Pam Bondi and myself to protect American farmers and ranchers from the burdens imposed by high and volatile input costs, such as feed, fertilizer, fuel, seed, equipment, and other essential goods, while ensuring competitive supply chains, lowering consumer prices, and the resilience of U.S. agriculture and the food supply." The agencies will be looking at competition and consolidation in agriculture, "The antitrust division of the DOJ will work hand-in-hand with USDA, effective immediately, to take a hard look and scrutinize competitive conditions in the agricultural marketplace, including antitrust enforcement that promotes free market competition. Farmers have enough challenges to deal with. Sky-high input prices should not be one of them. Indeed, USDA and DOJ are taking bold action today and putting farmers and ranchers first, and there will be more announcements on that to come, but that work begins today." (Radio Oklahoma Network)

- **Interest rates and operating debt are realities** for many farmers. And their lenders, who are probably keeping in frequent contact are likely using a variety of financial yardsticks to help gauge whether the farm is declining financial or climbing out. IL Farm Business Farm Management economists report, "Debt-to-asset ratios declined from 2003 to 2012, then stabilized, with modest increases for highly leveraged farms, between 2012 and 2019, and fell again from 2019 to 2022, before ticking upward in 2022–2024. In contrast, interest per tillable acre fluctuated with interest rate cycles, rising steadily after 2013, easing during the pandemic, and then rising sharply from 2022 to 2024, especially for the 25% of grain farms carrying the heaviest debt loads. On a per-acre basis, we follow 4 cohorts over time: farms with various interest expenses. Using these 2024 quartile levels of interest per tillable acre, we classify farms into 4 cohorts as shown in Figure 2. The average debt-to-asset ratios, debt per tillable acre, assets per tillable acre, and interest per tillable acre reported in Figure 2 represent the same sets of farms tracked over time. The average debt-to-asset ratio for the high interest expense cohort consistently remained above 35% from 2019 to 2024, placing these farms in the *cautionary* risk category (30%–60%) according to the Center for Farm Financial Management's Farm Financial Scorecard. The moderate-high interest expense cohort, representing grain farms with mid-to-high interest expense per tillable acre in 2024, displayed a much different dynamic over the period. The average debt-to-asset ratio was 30.89% (*cautionary*) in 2019 and declined to a low of 25.17% (*strong*) in 2022 before rising to 26.89% (*strong*) in 2024. Unlike the high interest expense cohort, average debt per tillable acre for the moderate-high interest expense cohort remained relatively stable over this period, rising from $987.68 in 2019 to $1,096.32 in 2024. Meanwhile, average assets per tillable acre grew substantially, from $3,934.93 in 2019 to $5,712.25 in 2024. Average interest per tillable acre fell from $34.09 in 2019 to $29.83 in 2022, then increased to $35.50 in 2023 and $42.97 in 2024, as interest rates rose. As interest rate policy and farm income conditions continue to evolve, close monitoring of these highly leveraged farms will be essential for anticipating potential financial strain in the sector."



- **Midwest crop producers** have experienced a significant downturn in corn, soybean, and wheat prices since late 2023, resulting in a drop in net returns in 2024. Moreover, current expectations are that prices will continue to remain at or below the cost of production for at least a couple more years. In this Center for

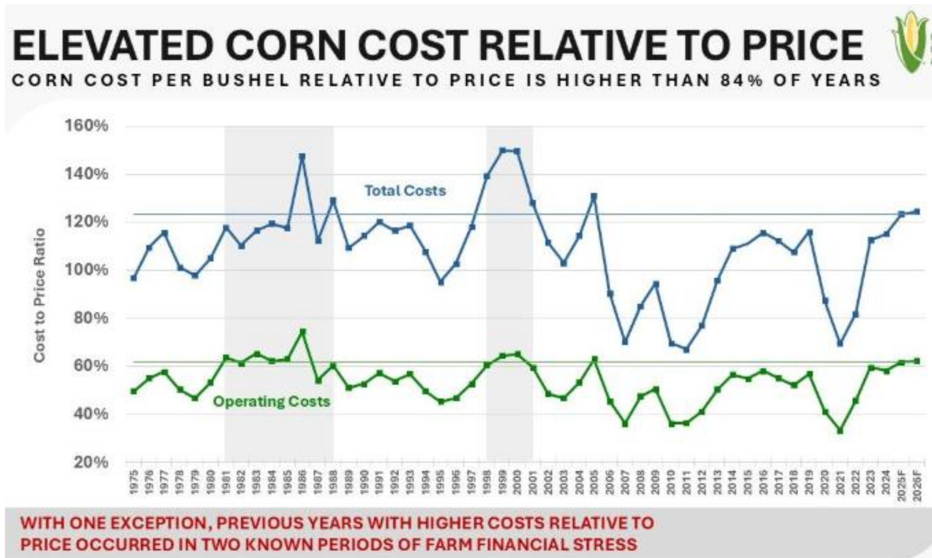


  Commercial Agriculture article from Purdue University Agricultural Economics, we examine farm-level financial data, focusing on operating profit margins and debt-to-asset ratios. Using the FINBIN database for 2024, approximately 56% of the farms with a debt-to-asset ratio above 60% also had a negative operating profit margin ratio. This represents approximately 11.0% of all crop farms. Of the farms with managers who had less than 10 years of experience, 48% had a debt ratio above 60% in 2024, and 47% had a negative operating profit margin ratio. Putting the pieces together, in 2024, using the FINBIN database, approximately 4 to 6% of crop farms were financially stressed. Although this is not a high percentage by historical standards, the expected low net returns in 2025/26 could dramatically increase the percentage of farms that are financially stressed by the end of 2026. After averaging over 25% in 2021 and 2022, the average operating profit margin for crop farms in the FINBIN database dropped to 7.5% in 2023 and 1.8% in 2024. Given the continuation of relatively low crop prices, the operating profit margin is expected to drop again in 2025, leading to increased concerns pertaining to financial stress. By examining farm-level data for 2024, this article provides an important baseline for upcoming financial stress discussions. This analysis reinforced that the farms most vulnerable to financial stress include those operated by less experienced managers, those that lease most of their acreage, operations with high debt-to-asset ratios, and farms with limited off-farm income. Although FINBIN data does not directly isolate farms that lease most of their land, the evidence suggests that less experienced operators often fall into this category. Moreover, heavy reliance on leased land typically means fewer land assets on the balance sheet, leaving machinery and buildings, assets that depreciate quickly during downturns, as the primary collateral base. This weakens the ability to refinance or restructure debt, a common tool used by lenders to alleviate financial strain. As a result, these operations are particularly exposed when net returns remain low, showing the importance of close financial monitoring and proactive management in the years ahead.

- **As farmers harvest their corn** and look ahead to 2026, the continued high cost to produce corn relative to the sales values for the 4th consecutive year is a big concern. This has been a major focus for National Corn Growers Association. NCGA chief economist Krista Swanson answers 2 questions "I've received recently that provide more insights into costs, yields, and prices."

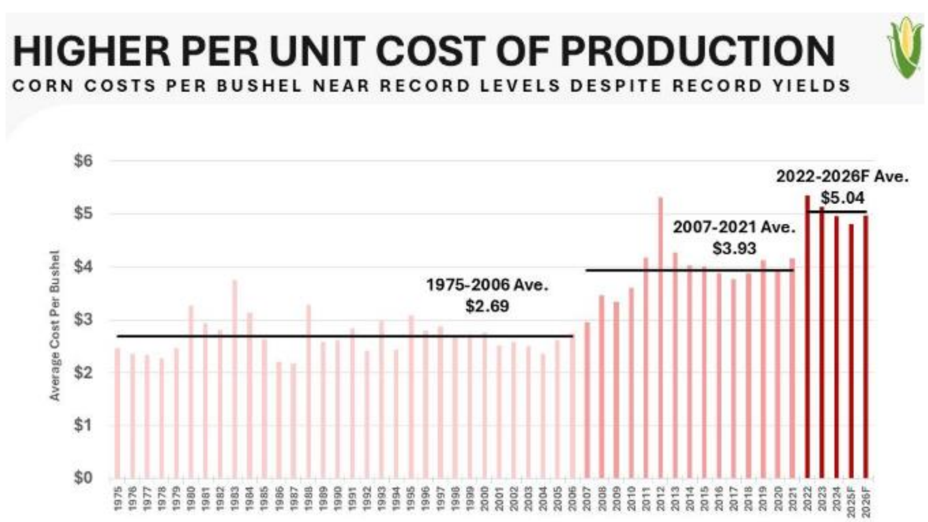
  Q: Have increasing corn yields offset the increasing cost of production?

  A: When the cost to grow an acre of corn is spread across more bushels produced on that acre, the cost per unit to grow each bushel of corn is reduced. Yields have more than doubled since 1975, but costs have risen faster than productivity gains. Since 2022, the cost per bushel has been around $5. Between 2007 and 2021, it generally trended from $3 to $4 per bushel, aside from the outlier 2012 severe drought year. Between 1975 and 2006, it generally ranged from $2 to $3 per bushel.



  Q: What are per unit costs as a percentage of corn price for a fairer comparison of costs over time?

  A: The per bu. costs relative to price for 2025 are not a record high point, but they are higher than 84% of years since 1975. There is one outlier year, 2005, when drought reduced yields resulted in a higher per unit cost and corn price was also very low. Aside from that exception, previous years with higher costs relative to price occurred in 2 recognized periods of farm financial stress.



Land Prices and Farmland Issues—

- **Farmers still negotiating 2026 farm leases** may want to consider variable cash leases with landowners. IL Farmdoc ag economists have revised their parameters for 2026 variable cash leases based on the latest economics. "The revisions result in slightly smaller rent factors to be applied to measures of corn and soybean revenue to determine variable cash rents. While the decline in crop revenues from highs in 2022 results in larger reductions in variable cash rents than those observed in average cash rents, farmer returns and return projections remain negative for 2023 to 2026." These revised factors (based on equating variable rents to average cash rents from 2007-2024) are 2-3 percentage points lower than previous suggestions (based on equating variable rents to average cash rents from 2000 to 2021). Rent factors for soybeans are 37% for north, 38% for central-high, 35% for central-low, and 27% for south. These revised rent factors are 3-4 percentage points lower than the previous suggestions. An example calculation is provided using averages for central IL, high productivity farmland. In 2024 corn yields and prices averaged 244 bu/acre and $4.30 per bu, respectively, generating an average of $1,049 per acre in crop revenue. Applying the rent factor of 30% results in a variable cash rent level of $313 per corn acre. Soybean yields and prices averaged 75 bu/acre and $10.05 per bu in 2024, resulting in average crop revenue of $754 per soybean acre. Applying the 38% rent factor results in a variable rent level of $289 per soybean acre. Merits of variable leases include risk-sharing for the tenant and greater upside rent level potential for the landlord based on current economic conditions and relative simplicity compared with share rent agreements as they avoid the landlord needing to be involved with as many management decisions. While negotiating a variable lease may be more difficult in the beginning, the automatic nature of adjustments to economic conditions can alleviate the need for annual negotiations between the tenant and landlord. While the lower crop revenues since 2022 result in lower variable lease rent levels, the variable lease rental arrangements still do not result in producers covering today's high production costs.

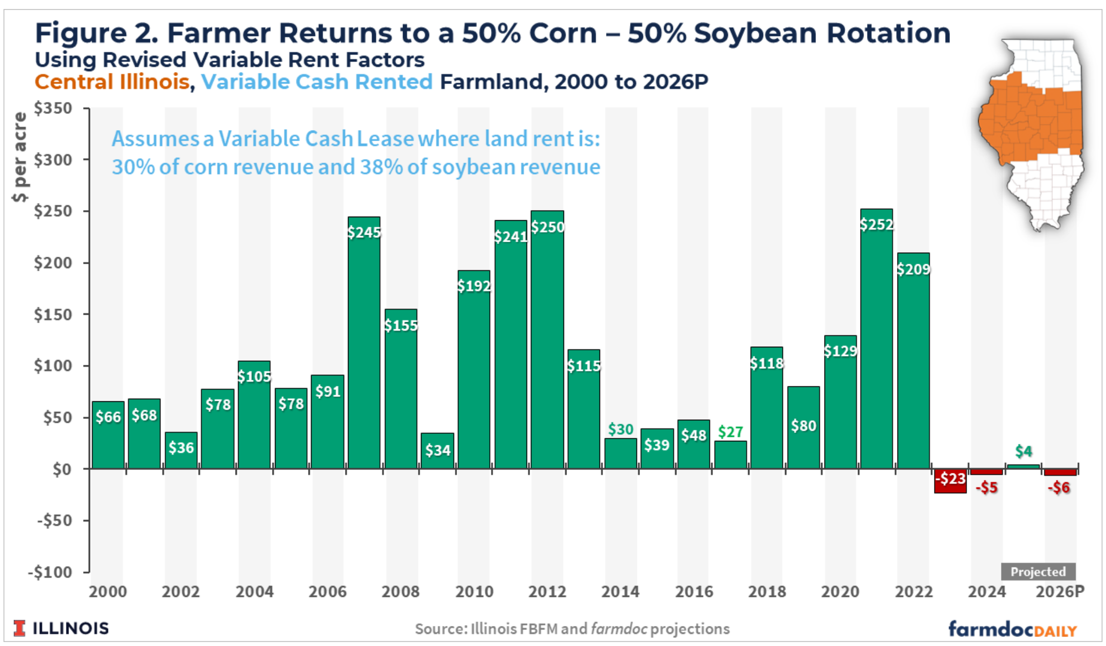


Figure 2. Farmer Returns to a 50% Corn – 50% Soybean Rotation
Using Revised Variable Rent Factors
Central Illinois, Variable Cash Rented Farmland, 2000 to 2026P

- **Wind turbines can bring significant financial opportunity** to farmland, with Dr. Dave Muth noting land value premiums of 3-16% and lease revenues now exceeding $20,000 per turbine each year. While investors often value the cash flow more than traditional farmers, Muth emphasizes that contracts, easements, and decommissioning responsibilities must be carefully considered to protect landowners in the long term. Dr. Dave Muth, a trained mechanical engineer, has particular interest in the design and function of wind turbines. But as Director of Capital Markets for Peoples Company, he also sees the revenue potential that turbines can bring to landowners. Muth pointed out that institutional and financial investors tend to value the future cash flow from turbine leases more aggressively than traditional farmers. "It's the discounted cash flow. It's a very financially driven analysis," he said. "How much are investors playing, and how much value do they put on that revenue stream? That's where it starts to dial in on how much value add we see." Of course, value isn't the only factor in play. Muth stressed that landowners need to weigh the legal and logistical impacts of entering a wind agreement. "You've got to make sure you're comfortable with the contract and what it provides for you," he said. "There are real considerations, such as underground easements, infrastructure, and 40x40 concrete blocks under the ground. These are not temporary structures." He emphasized the importance of having legal and contractual protections in place, especially when it comes to decommissioning. "You need expertise, legal advice, and contractual protections," Muth said. "Making sure the right bonding is in place, so the land is returned to its initial state. That's a big piece of it." While aesthetics and long-term use are considerations, Muth acknowledged the undeniable financial appeal. With commodity markets uncertain and farming costs rising, wind turbine revenue can provide a financial buffer. "It used to be $10,000 to $12,000 a turbine annually. Now, we're seeing north of $20,000 per turbine, all in," said Muth. Payments may include base lease rates, production incentives, and additional fees for underground

  infrastructure. Landowners may also give up some control. "These easements are recorded; they're real. That's why we've built out our energy management team, because landowners need help navigating this," he said. Wind turbines can boost farmland value and provide a valuable revenue stream, especially for investors. But they come with long-term implications that require careful consideration and legal guidance."

Fertilizer, Fuel, and Other Inputs—

- **The high cost of fertilizer** is a top-of-mind topic in agriculture, especially as farmers plan for 2026. IL Farmdoc ag economist Gary Schnitkey says it may come as a surprise that 96% of the nitrogen that farmers use is actually produced in the US. However, it's the 4% that comes in from other places that, on the margin, really makes the difference, "It's 96% that is produced here in the US that's used here. That has increased over time. Primarily, I would attribute that to the fracking revolution for natural gas, which gave us a natural gas advantage over many other places. We do produce most of our nitrogen here, and that's concentrated in 4 companies, with CF Industries being the largest." Approximately 21% of the nitrogen was produced in the US in 2000. Most potash or potassium used in the U.S. comes from outside the country, "Most of our potash or potassium comes from Canada. So, if we're getting it from Canada, the tariff situation plays a role. So far, I think that potash is exempt from tariffs. Those things can change daily also, so right now we think we're sitting pretty good on potash, and should we proceed normally, but we'll see." (WILL radio)
- **The latest on fertilizer supply and price trends,** given the potential for sanctions on Russian fertilizer comes from Josh Linville of StoneX.
  - ✓ **UAN:** This is where sanctions get very dangerous as all that needs to happen is the U.S. alone sanctions Russia. The global UAN market is relatively small, with western nations making up the majority of demand. Australia has already blocked Russian fertilizer. Canada has already blocked Russian fertilizer. Large parts of Europe have blocked Russian fertilizer. The U.S. has remained one of Russia's last major export opportunities. This is the one product where the world hurts just on the U.S. approach. U.S. blocking Russia would be devastating for North America and likely the world and would remain until relations improved.
  - ✓ **Urea:** Russia is the largest exporter, fortunately for Russia, "allies" Brazil and India are huge urea importers. If western countries proceeded with sanctions, Russia could focus on those two countries alone and be fine (no need to lower export rates). From a U.S. perspective, there would be a short-term "shock."
  - ✓ **Phosphates:** Like urea, Russia only needs to turn to countries like India and Brazil to offload all their annual phosphate exports. The U.S. reaction to sanctions in the phosphate sector would be almost nothing. U.S. counter vailing duties have blocked Russian phosphate for years. With nothing flowing in this direction, there is no real need for the markets to respond. Now, if sanctions were so biting that the world stopped doing business with Russia (extremely unlikely), that would be different. Global phosphate markets are already dealing with a tight S&D due to China's export pull-back. It can ill afford to lose more. Very little concern that sanctions would impact the phosphate marketplace. →

- ✓ **NH3:** Sanctions would likely have little to no effect unless the entire globe participated (very unlikely). Russia used to be the world's largest NH3 exporter with 4.4M tons per year considered normal. After invading Ukraine, their exports fell off. They relied on a pipeline that ran thru Ukraine and loaded vessels in the Odessa region. Since, they have clawed back a bit on exports, but still well below form. None of their tons flow to the U.S. market, so sanctions would not likely have any effect. If sanctions were successful in slowing their export rates, it would be felt minorly (given they are already a shell of their former self). Very little concern that sanctions would impact the NH3 marketplace.
- ✓ **Potash:** Russia was the world's 2nd largest potash exporter in 2024, with some of those tons flowing to the U.S. marketplace. If the U.S. proceeds with sanctions which block Russia, it would impact the S&D. Fortunately, Canada is the world's largest supplier, and we could lean more heavily on them. Would guess that the lack of Russian flows would impact the coasts more than the interior of the U.S. The U.S. potash market waking up to news that Russian flows are blocked would likely boost price ideas for a time as it deals with the shock. However, we believe that new trade routes would get established and normalized once again. That would bring values back in line. Moderate concern that sanctions would impact the potash market.

- **Just before USDA laid off and/or fired** half of its employees, the dedicated folks in Springfield assembled data for farmers about fertilizer and farm fuel prices:

Fertilizer (Synthetic)

Distributor (Dollars Per Ton)

Class	Sale Type	Package	Price Range	Average	Change	Freight	Delivery Period
Anhydrous Ammonia	Ask		774.00 - 885.00	816.00	27.27	F.O.B.	Current
DAP (Diammonium Phosphate 18-46-0)	Ask		780.00 - 950.00	881.78	4.45	F.O.B.	Current
Liquid Nitrogen (28-0-0)	Ask		400.00 - 464.00	435.60	3.00	F.O.B.	Current
Liquid Nitrogen (32-0-0)	Ask		475.00	475.00	0.00	F.O.B.	Current
MAP (Monoammonium Phosphate 11-52-0)	Ask		691.00 - 1,020.00	839.33	34.17	F.O.B.	Current
Potash (White 0-0-62)	Ask		430.00 - 530.00	493.50	3.33	F.O.B.	Current
Urea (46-0-0)	Ask		575.00 - 625.00	607.00	(1.75)	F.O.B.	Current

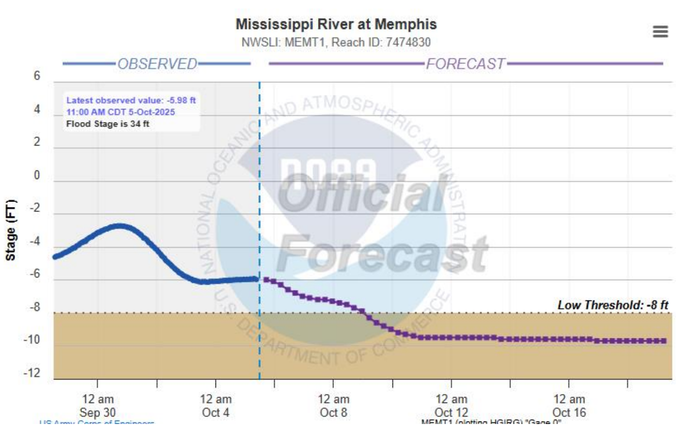
Fuels

Fuel Distributor (Dollars Per Gallon)

Class	Sale Type	Package	Price Range	Average	Change	Freight	Delivery Period
No. 2 Diesel (Farm)	Ask		2.86 - 2.99	2.93	(0.08)	F.O.B.	Current
Biodiesel (Farm)	Ask		2.78 - 3.18	2.93	(0.07)	F.O.B.	Current

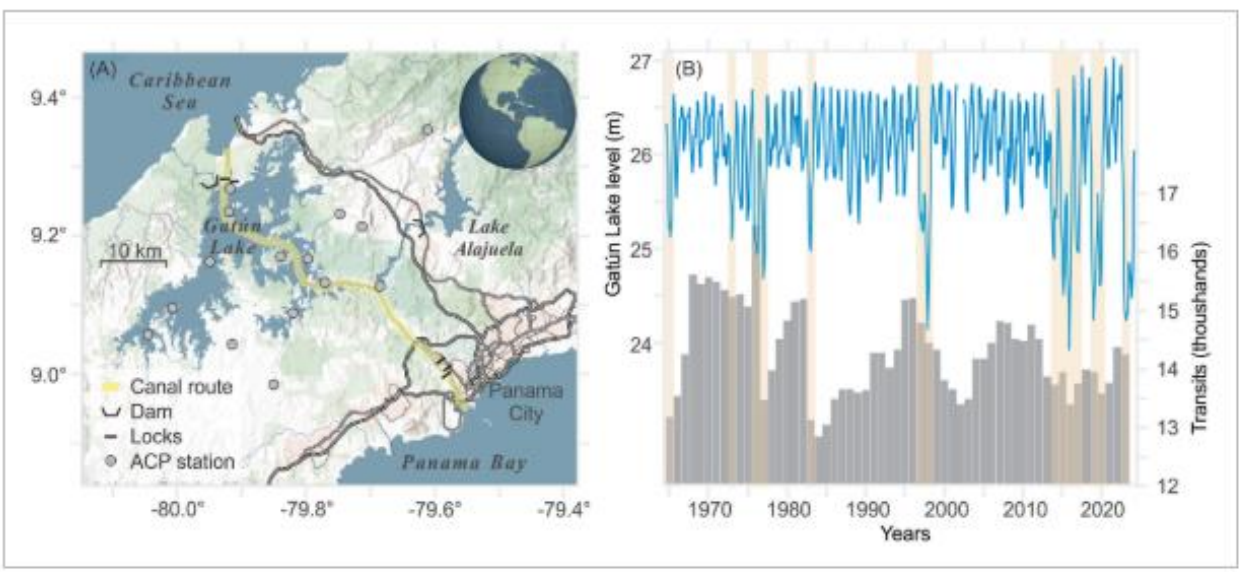
Transportation—

- **For decades, the Mississippi River** has provided U.S. farmers with a decisive cost advantage in global markets. U.S. inland waterways save shippers an estimated $7 bil. to $9 bil. each year compared to rail or truck alternatives. A single barge can carry roughly 60-70,000 bu. of grain and a standard 15-barge tow (a common sight on the Mississippi) moves as much cargo as 2 100-car-unit trains or about 1,000 semi-trucks. That scale, combined with lower fuel use and lower labor per ton, makes barge transport the most economical option for moving bulk commodities. When water levels are normal, this efficiency keeps delivered costs low, strengthens export bids at Gulf terminals and supports stronger local prices for farmers. But when the river runs shallow, that advantage quickly erodes and barges must carry lighter loads, requiring additional trips and increasing the per-ton cost of shipping grain, say American Farm Bureau economists. That efficiency explains the importance of the river to reaching global markets. Nearly half of all corn and soybean exports (48%) are first moved by barge down the Mississippi system, underscoring how vital the river is to keeping those crops competitive. By contrast, wheat, barley and sorghum rely more on rail, with trucks making up only a small share of total export movement. This mix explains why disruptions on the river disproportionately affect corn and soybean farmers. As of Oct. 5, the Army Corps of Engineers reported the Mississippi River at St. Louis at just 0.60 feet, measured against the local "zero-stage" reference point that corresponds to 379 feet above sea level. That reading is more than 23 feet lower than at the end of July (a nearly 95% drop in less than 2 months) and about 90% below the average stage observed since early 2019. Farther south, the Memphis gauge has already fallen to –6 feet, meaning the river's surface is 6 feet below the gauge's zero reference, and without significant rainfall is projected to near –10 feet by Oct. 17. In response to these declines on Sept. 15 the U.S. Coast Guard imposed additional draft and tow size restrictions on the lower Mississippi River. These restrictions have already led to steep declines in southbound grain traffic. USDA's Agricultural Marketing Service, which tracks weekly barge movements of corn, soybeans, wheat, oats, barley, sorghum and rye, reported that in just over a month total southbound Mississippi River grain shipments fell from 90 mil. bu. to 19 mil. — a 79% drop. Within that total, corn movements fell 72%, soybeans 89% and wheat 55%. Current volumes are well below the 2019–2021 average of 1.63 mil. short tons, a period with limited drought impacts. The Mississippi River has long been one of the greatest cost advantages for American agriculture. New Orleans is the clearest example of this advantage, which handles 43% of all bulk agricultural exports and serves as the direct link between the Corn Belt and global buyers. This concentration makes the river system indispensable to U.S. trade, but also magnifies the risks when navigation is disrupted."



- **Ships that go through the Panama Canal** carry about $270 bil. worth of cargo annually. In 2023 and 2024, the canal was partially closed due to drought, which backed up dozens of ships for weeks during transit. That, in turn, hampered the supply chain for several industries, which further cost the global economy. The threat of similar trouble could be much worse in the years ahead. A research paper titled "Drying of the Panama Canal in a Warming Climate" forecasts that drought will further lower the level of Gatún Lake, which provides fresh water to work the canal's lock system. Climate change, the authors write, will affect the annual rainfall in the area. Without a major change in how the canal is built or a slowdown in global warming, the risk of closures will persist for decades. "Our findings highlight the growing risk to one of the key links in the global supply chain and underscore the need for proactive adaptation or mitigation to maintain canal functionality." It is not possible to forecast the financial effects of a drop in the number of ships that go through the canal each year. However, supply chain restraints usually fuel inflation. Among the most obvious is the transit of ships that carry crude oil. A sharp drop-off in this traffic means supply to net importers of crude will fall. Income for producers will also be threatened. The Panama Canal can be added to the list of major infrastructures whose functions are being compromised by climate change.

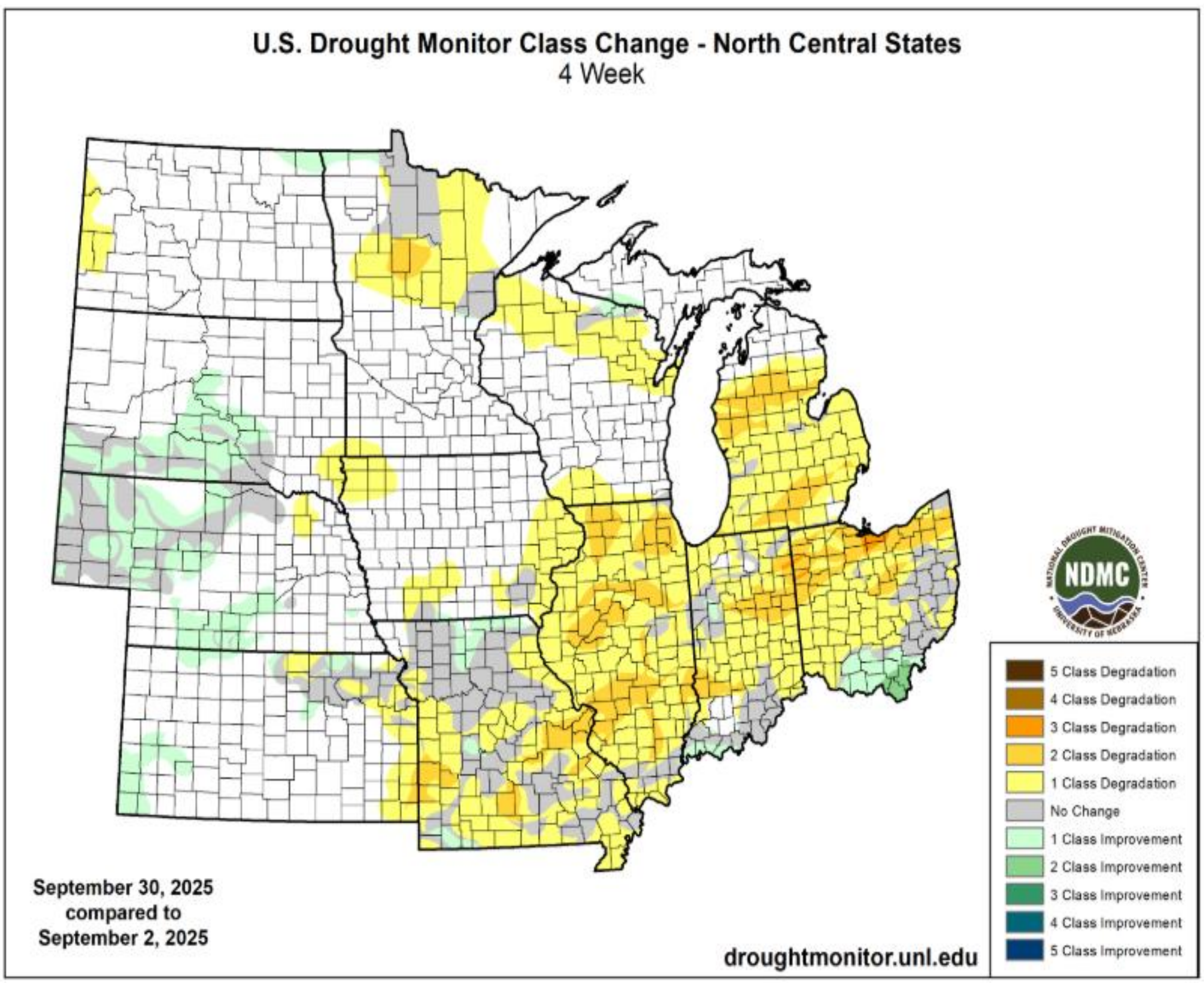
  - ✓ Gatun Lake water levels decline under higher emissions pathways but remain more stable under low emissions pathways.
  - ✓ Lower water levels are driven by reduced wet season rainfall and increased evaporation, though the magnitude of future drying is uncertain.
  - ✓ Without mitigation or adaptation measures, the risk of shipping disruptions will grow in a warming climate



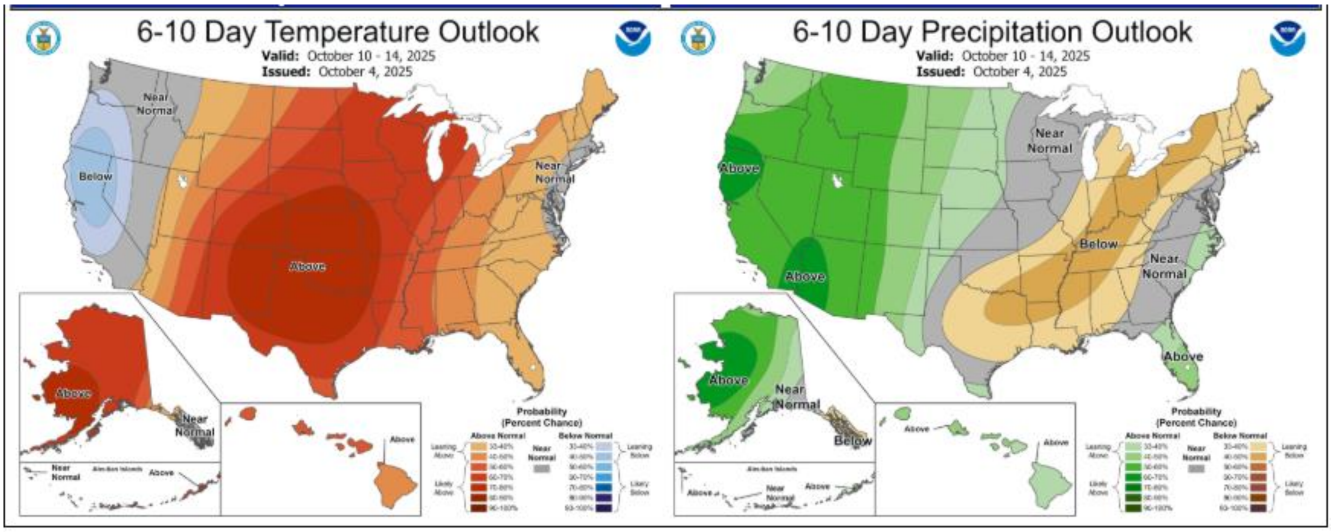
The Panama Canal, and water levels of Gatún Lake in relation to the number of canal transits. (right) Monthly water level of Gatún Lake and number of transits through the Panama Canal per year 1965–2023; vertical bars (yellow) denote the lowest 10% of Gatún Lake water levels (*n* = 14 years).

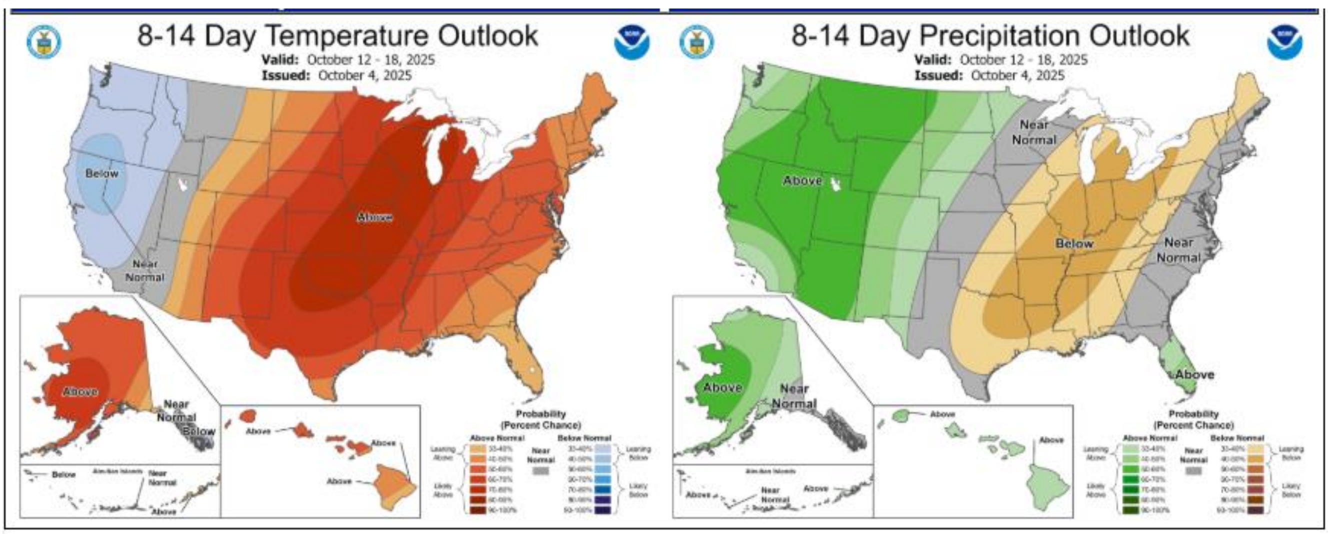
Weather and Climate—

- **Warm temperatures and lack of widespread precipitation** were driving the Drought Monitor for the past week. Well-above-normal temperatures covered the Midwest region during the last week of September, with temperatures of 6-10 degrees above normal in OH, IN, northern IL, IA, WI and Lower MI. Heavy rain amounts of 1-3 inches, with locally higher amounts, fell in far southern portions of MO, IL, IN and OH, much of KY, and parts of west-central MO and southeast MI. The heavy rainfall in the aforementioned areas was sufficient for 1-category improvements where short-term precipitation shortfalls lessened, and soil moisture and streamflow increased. Mostly dry weather occurred in northeast MO, central and northern IL, the northern half of the MI Lower Peninsula, IA, MN, WI and the MI Upper Peninsula. Decreases in soil moisture and streamflow and growing short-term rainfall deficits led to 1-category degradations in parts of northern MN, the central MI Lower Peninsula, northern IN, northwest OH, central and northern IL and nearby southern WI and the St. Louis area. Impacts from this short-term drought included poor crop yields in Ohio, widespread poor forage production across southern MO recently and disease in white-tailed deer in KY.



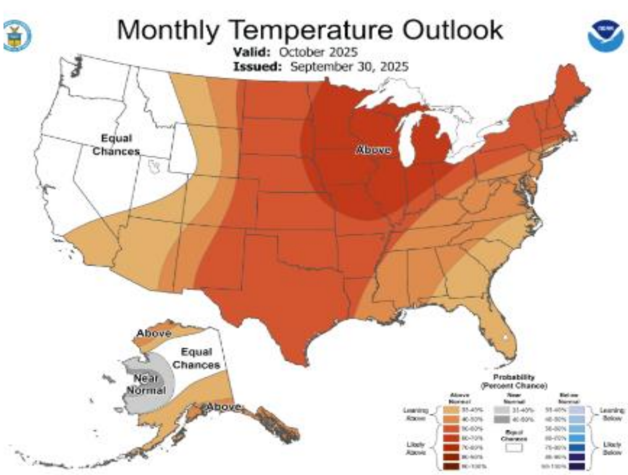
- **Farmers in the midst of harvest,** or beginning to see the last acre, should have fair harvest weather this week, based on the Climate Prediction Center's forecasts.

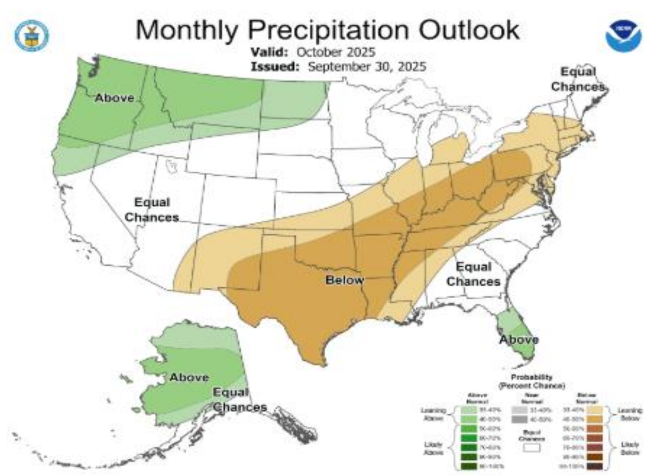




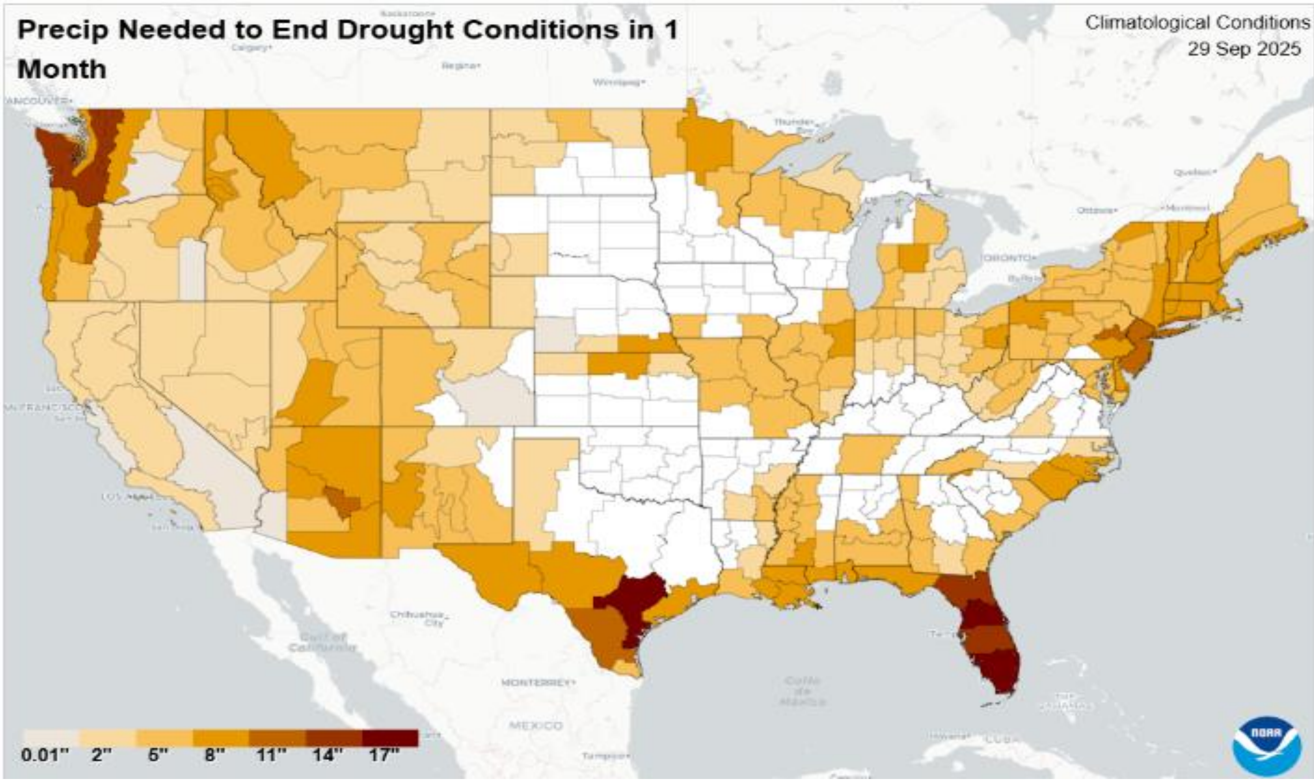
Updated OFFICIAL 30-Day Forecasts

Issued: September 30, 2025

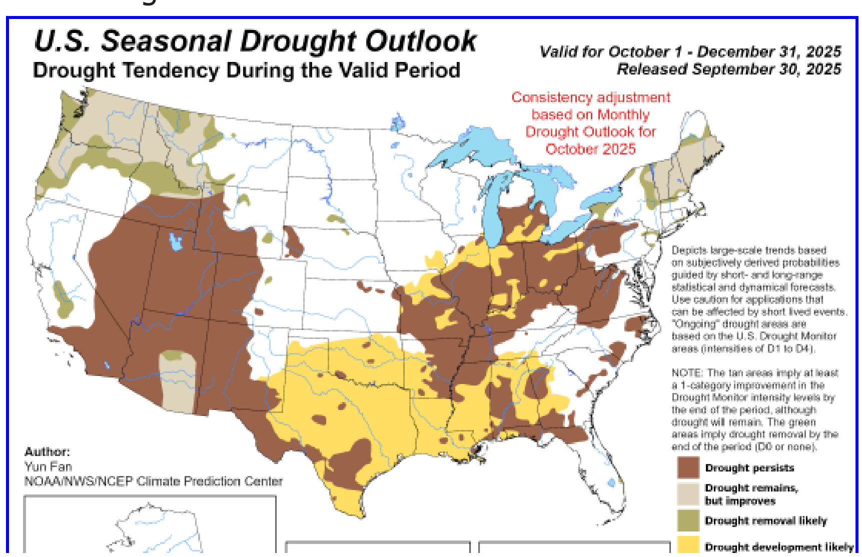




- **The drought is hanging on,** and the longer it stays, the more rain it will take to return to normal soil moisture. While the areas of heaviest rain brought significant improvement in drought conditions, many other areas remain in desperate need of rain. Here are estimates of the additional rainfall needed to end the drought. Very little rain is forecast this week, and along with unusually warm weather, drought impacts are likely to expand and/or intensify.



- **The drought outlook** for the remainder of the year predicts widespread drought conditions across many parts of the nation. This map is effective for the remainder of 2025. During the past 30 days, a rapid one-to-three class degradation was observed across much of the middle and southern portions of the region due to widespread precipitation deficits over the region during the period. Given the lack of wet signals in the WPC's next 7 days forecast and CPC's extended range forecasts, both the CPC monthly and seasonal outlooks favor equal chances of below, near, or above-normal precipitation during OND. [Therefore, persistence is forecast for existing drought conditions across parts of the Midwest](#).



Agronomy—

- **Limiting your number of field passes** for tillage and nitrogen applications can be good for both your bottom-line and the environment. That is the findings of Farmdoc farm management specialist Gary Schnitkey and Laura Gentry of Precision Conservation Management (PCM). Their analysis is presented during an October 7th webinar focused on nitrogen management, cover crops, and cost savings.

- ✓ **Schnitkey says,** "PCM collects every field pass that goes over a field. There's of10 7, 8, to 9 of those field passes, surprisingly large number when you begin to think about it. And for each 1 of those field passes, we also collect the cost implied, whether that's DAP, anhydrous ammonia, and nitrogen solutions or other types of fertilizer, as well as pesticides. Some of the takeaways from looking at that program are,
- ✓ 1) costs are important. And that may not be a shocking result, but it is true, costs are important. And some of the things that we find, for example, related to the nitrogen practices are staying within the university recommendations, MRTN. Those are of10 lower rates, lower than 60% of the farms in PCM. Those are the profit-maximizing alternatives. And continuing the nitrogen path,
- ✓ 2) the number of nitrogen passes that you make are important. And our results would suggest keeping those dedicated nitrogen passes, whether that's anhydrous ammonia in the fall or ammonia in the spring or post-plant, keeping them to 1. Obviously, that that requires some sort of other nitrogen pass if you're doing it post-plant, for example, but that can be kept to a minimum by putting nitrogen on with pre-plant with herbicide. And the final thing is that anhydrous ammonia is the cheapest way of putting nitrogen on. So, if we can do that, whether that's post-plant, and post-plant nitrogen, anhydrous ammonia will do as well as nitrogen solutions. But, you know, those things do matter.
- ✓ 3) We find overwhelming support for the MRTN. It's the labor, time associated with that, which we put in terms of dollars with a machinery cost rate if you're doing it yourself, or a machinery hire cost if you're having it applied by someone else. Stabilizer, if we're doing that in the fall, is a $10 to $15 expense. So, you know, anhydrous ammonia in the fall is of10 the least expensive time, but then you add $10 to $15 that you should be putting on it, which of10 negates the advantage of anhydrous ammonia in fall. There appears to be a type of producer who will put on MRTN, and probably also only does 1 tillage pass. And the whole package turns out to be more profitable than maximizing yields. So, maximizing profits isn't the same as maximizing yields and we see that all the time in the PCM data." →

- ✓ **Laura Gentry says,** "There are other ways that we apply nitrogen fertilizer every year and if we use the MRTN rate, which is the total nitrogen application for the whole year. And so, it's certainly not just what you're applying in the fall. It includes any nitrogen that's in the MAP or the DAP. I mean, 200 pounds of DAP fertilizer is 36 pounds of nitrogen that's applied. Farmers generally don't include that because they think, "Well, I'm applying it earlier in the fall, I don't expect that nitrogen to be there," and they're usually right. But it still is a nitrogen contribution that for what is leaving our fields, it does count towards what we lose in the Nutrient Loss Reduction Strategy. And so that nitrogen is included. Any nitrogen that we put on as a carrier with any of our herbicides counts. Any nitrogen that we apply is counted in that MRTN value." Regarding nutrient loss from fields, "Corn and then soybean double cropped with wheat, which is the best rotation that we have seen, large-scale rotation for conventional agriculture in terms of reducing nutrient losses and especially nitrate nitrogen losses. So, very significant loss from that rotation, we can count on.
- ✓ **Gary Schnitkey adds,** "And the other thing about that is if you want to significantly reduce nitrogen, plant cereal rye between corn and soybeans. Because you're not necessarily putting nitrogen on then, but the land is releasing organic N, which is susceptible to water losses. And that cereal rye from corn to soybeans really is important (to reduce) nitrate losses."

- **"While you are in the combine cab** it might be worth thinking about next season's soybean crop," says IL crop physiologist Connor Sible about research underway. "First thing we've been looking at is planting date. The value of early planting holds true. It doesn't win every year going the earliest, but it still holds pretty high yield levels and po10tials. An advantage there as well as you can put the beans in a little earlier, maybe colder, when we wouldn't be able to be putting in the corn. And then when the prime windows come up, we can get the corn in, get it off to a good start. So, we're seeing a good trade-off there. So early planting soybeans. A little bit behind that is how do you manage early soybean versus traditionally planting it after the corn? We're seeing fertilizer responses, 10d to be a little better on the later planted beans, a little counterintuitive. You think early planting, higher yield, better response po10tial, but when you're planted late, they grow so fast, the soil can't keep up. So that's some of the fertilizer work we've been seeing on soybeans. We're looking mostly at phosphorus applications in the springtime on that. Phosphorus and then sulfur. And some of the sulfur comes with nitrogen, but really, it's sulfur response that we're seeing there. Harvest is coming up. Seed size looks like it might be a little smaller this year. So, my big thing for the farmers is to walk behind those combines and make sure we're getting as much seed. Harvest loss is on my mind going into the next few weeks with the seed size I think we're going to have for corn and beans." (WILL radio)

- **“We’ll see 1 or 2** new active herbicide ingredients coming probably next year, but they'll be new to us,” says IL week specialist Aaron Hager, who adds, these are fairly old active ingredients from Europe. Diflufenican is one active ingredient that Bayer CropScience will bring into the marketplace. The original concept from the company several years ago was to bring it only as a premix product with 1 or 2 different other active ingredients, but apparently that decision now has been changed, and it will be straight diflufenican. It can be fairly active on the Amaranthus complex, but again, by itself, like so many other examples that we've looked at now for close to 30 years, there's very, very few active ingredients, especially in the pre-emergence marketplace, that'll take us all the way from planting through the post-application timing. It'll be kind of a limited launch, I think, in '26, but more full-scale launch there on more broad acres starting about 2027. →
- **“Remember metribuzin?” Aaron Hager rhetorically asks.** “Several years ago, we started to take another look or a fresh look at Metribuzin in soybean, simply because that is an active ingredient that allows us to exploit one of the very few weaknesses of the resistance complex that we see in our waterhemp populations here in IL. And that is the fact that when we see resistance to the Photosystem II inhibitors or the PS2 inhibitors, that type of resistance is almost always a non-target site. So, in other words, it's a metabolic type of resistance. And by that, we mean the target site remains in a sensitive formation, but yet the plant is actively able to metabolize the herbicides before it causes any sort of detrimental effect. So, when you have metabolic triazine resistance, which would render things like Atrazine and Princep ineffective, but Metribuzin, being an asymmetrical triazine, still remains effective. We used to use Metribuzin in soybean here in IL back in the '70s and '80s, but what we have found is that it can still be one of the most effective soil residual herbicides that we have now on multiple resistant populations. But just like every other product, we have to make sure that we get the application rate correct based on the soil texture for the individual field that we're going to be applying. →
- **“The more tactics that we can bring to bear** on these populations, the better off in the long run we're going to be because, you know, we really haven't changed the story now for almost 30 years, but we cannot chemically solve this problem that we have with waterhemp. It's not going to work. You know, we've gone through an era where, you know, when I started here 32 years ago, some of the ALS inhibitors, things like Pursuit and Classic and Pinnacle, pretty much had the majority of the soybean market, but because resistance evolved primarily in waterhemp, we do not see the ex10sive use of that chemistry. We had to find something else in soybean, which turned into the diphenylethers, things like the Flexstars and the Cobras. We have widespread resistance to that. About the time that happened, along came 1996 and the first year of the Glyphosate or the Roundup Ready technology. And a lot of people looked at the weed science community and said, "We don't need you anymore. Glyphosate or Roundup is going to be all that we're going to need." Well, history has shown us again that this species has adapted to that. So, I can remember a time almost 30 years ago when our group published a paper that showed 2-way resistance in a waterhemp population, and that was that was news at the time. Now we're up to 6 in 1 population, and eventually we'll find 7, and eventually we'll get to 8.” →

- **Hager says the combine is really the last scouting opportunity** for a growing season. "So, obviously you know what your weed control program was, and that's your last real look to

see, okay, how effective was it? If we see that we've got clean fields, what did we do right? Go back, look at the rates, look at the rainfall application, look at the parameters that you had on your post application. If it worked that well, I wouldn't recommend changing a lot if you don't have any surviving weeds. If you have surviving weeds, that's a different ball game. Why did they survive? Are we talking about the continued evolution of resistance? Are you talking about something like waterhemp, maybe even giant ragweed in Northern IL, that simply emerged after that herbicide had dissipated from the soil? What sort of adjustment do you need to make? Because ultimately, we've tried to convince this message now for years the way that you actually win against an Amaranthus population resistant to herbicides from 6 or 7 different classes is not just open up a new jug. That's not going to work indefinitely. The weakness, of course, is the fact the seeds do not remain viable indefinitely in the seed bank. So, doing whatever it is that you can do to try to limit seed production, if you can do that for 3 or 4 consecutive years, it's not uncommon to see the waterhemp populations in a field dramatically decline very, very quickly. That's how you stay in front of it. That's how you get back in front of it." There's always an opportunity, I think, in the fall of the year after you do that scouting operation, if you see things like a lot of winter annual species emerging, if you've got the time to do something like a fall application would be something that could be fairly beneficial for you because generally speaking, the winter annuals are always going to be more sensitive in the fall of the year than they are the following spring after they've overwintered and resumed growth." (WILL radio)

- **Now is the time to evaluate** how well fungicides sprayed on corn worked this season. Univ. of IL plant pathologist Boris Camiletti provides some quick guidance:
  - ✓ Question: "In July, if I scout my fields and don't find tar spot, should I spray?"
    Boris Camiletti: "No."
  - ✓ Question: "If I scout it 3 weeks later, and I don't see tar spot, should I spray?"
    Boris Camiletti: "No."
  - ✓ Question: "If I scout it that same 3 weeks later, and I do see tar spot, should I spray?"
    Boris Camiletti: "You have to see if it is developing, so you need to check the progress, not only if you see the symptoms or not."
  - ✓ What that exchange tells you about this fall is fairly simple if you left a check in your corn field, said the U of I plant pathologist. Look at the yield map to see if the fungicide worked. If you didn't leave a check, plan accordingly for next year. (WILL radio)

- **Sulfur is key for crop yields, but why is that?** Zach Weimortz of Keg River Chemical says sulfur is the 4th major nutrient, right alongside nitrogen, phosphorus, and potassium. He added that sulfur is essential for crop yield, protein quality, and helping plants efficiently use those other key nutrients. The best way to think of the importance of sulfur is to think of a whiskey barrel filled with water, "Each slat is going to be a different nutrient. And if one of those slats is short or deficient, you can only fill up so much water in that whiskey barrel before it starts overflowing. So, if sulfur is your limiting factor, you're not going to be maximizing your other nutrients that your plant needs to, you know, have that yield bump." Weimortz said growers should add sulfur to their existing operation as a supplement to get the most out of their soil throughout the season, "Ammonium sulfate is mobile in your soil. It can be leached. Even though it is readily available, it doesn't necessarily carry through your entire growing season. So, while you might benefit early in the growing season, you know, you're going to be short later. And so, I often recommend don't necessarily replace your ammonium sulfate in your program but rather look at it as a management decision and doing a blend of the 2, ammonium sulfate and elemental sulfur. You've got one product that's going to be readily available, it's going to catch your crop early, and you have elemental sulfur that's going to carry you through the entire season." Weimortz noted elemental sulfur inherently is slow to break down, meaning growers have a roughly 3-year breakdown following application. He added that the typical rule of thumb is 30 to 40% breakdown per season, meaning not only do the crops benefit throughout the initial season, but the soil will benefit with continued management. (PNW Ag Network)

    - **Univ. of IL Farmdoc ag economists** hosted a webinar titled "Overview of Fertilizer Market Trends and Management Decisions for 2026". The group discussed the latest fertilizer market developments and management strategies ahead of the 2026 growing season. Topics include:

✓ Trends in anhydrous ammonia, urea, DAP, MAP, and potash prices
✓ N application timing and rate decisions
✓ P & K management and soil test levels
✓ Consolidation in the fertilizer industry
✓ Projected 2026 fertilizer costs per acre

USDA—

- **Mailbox money is arriving! (Sometime…..)** The government shutdown has prevented American farmers from receiving some payments and aid, piling on to an industry facing falling crop prices, rising debts and trade wars. The USDA's contingency plan estimated roughly 42,000 department staff will be furloughed during the shutdown — around 49% of its workforce. USDA's Farm Service Agency, which handles aid programs for the nation's growers, will be among the USDA's hardest hit. Approximately 6,370 of the 9,460 who work at the agency are expected to be furloughed, according to reports. Last week, Trump announced some tariff revenue would go to U.S. farmers, but no details about the amount of aid or how it would be dispersed have been released. On Wednesday, the scope of the shutdown's potential impact to U.S. farmers was beginning to emerge. Even short interruptions in payments could deepen farmers' economic turmoil. 'It costs money to run those combines,' said Chad Hart, agricultural economist with IA St. Univ." The shut down effects the processing of farm loans and making payments to farmers, including billions of dollars in disaster aid contained in Trump's tax-cut and spending bill. The USDA has stopped issuing weather-related disaster payments, accepting and processing farm loans, providing technical assistance for conservation programs, and other agency work. It will also not process annual commodity and land conservation payments typically issued by October.
- **With USDA in a shutdown mode,** daily issues will not be a bother to top executives who remain. It also gives them a chance to implement their massive restructuring plans for shifting around the USDA workforce, which is on layoff status, to distant cities which may have little attraction for family disconnects. The restructuring plan remains "top secret" in government lingo, since it has not been shared with Congress, farm leaders of any political ilk, or anyone who has "leaked" any details to the media. There should be no surprise that the restructuring plan will be parallel to Project 2025, which was the strategy for Donald Trump to restructure the US government as is now happening in other federal agencies. Russell Vaught, head of the Office of Management and Budget, was the overall author of Project 2025, and USDA Secretary Rollins had a role in the drafting. During his July 30 testimony before the Senate Agriculture Committee, Deputy USDA Secretary Vaden said the restructuring plan was formulated in relative secrecy out of respect for USDA workers. "Out of common courtesy and respect, they should hear that decision from the secretary first, and not from a leak that originates from somewhere else," he said. While Vaden's sentiment toward employees may be admirable, it doesn't answer the question of how USDA determined employees should be relocated in the first place. And farmers are curious about how USDA is being rebuilt, restaffed, where, and when, since current administration tariff policy has quickly pulled farmers into becoming dependent upon programs administered, by what used to be, their local Farm Service Agency office. Who knows what it will look like, where it will be, and how farm programs will be accessed?

- **The White House Office of Management and Budget** requires the USDA to maintain a plan for agency operations in the absence of appropriations. The plan shows a total of 85,907 USDA employees on board before the government shutdown took place on Wednesday morning at 12 am. According to the plan, a total of 42,256 agency employees were placed on furlough. The plan shows that the work getting paused during a shutdown includes most of the Risk Management Agency, Natural Resources Conservation Service, Foreign Agricultural Service, Food and Nutrition Service, and other segments of the agency. The shutdown particularly affects employees who work face-to-face with farmers. More than 6,000 of the 9,000-plus Farm Service Agency employees are going on furlough. By comparison, just 533 of the 7,600-plus people working at the Food Safety and Inspection Service, which regulates meat and poultry processing, are to be furloughed. Pesticide registration work at the EPA will continue. USDA's shutdown plan information is available here. USDA Departments are individually identified with number of staff prior to the shutdown, and those remaining during the shutdown, such as 45 remaining within the 501 staff members within the National Agricultural Statistics Service (NASS). The detail is to be developed over a long period of time anticipating a government shutdown. In general:
  - ✓ All USDA offices are closed and will not re-open until the shutdown is lifted.
  - ✓ The majority of SWCD offices are housed in USDA agency offices.
  - ✓ SWCD staff cannot use any federal resources and all work on any programs must be halted.
  - ✓ Nearly 2/3 of Farm Service Agency (FSA) staff will be furloughed. Payment for disaster relief, Agriculture Risk Coverage (ARC) & Price Loss Coverage (PLC), Conservation Reserve Program, and more are stopped. New loans and most started but not completed loan processing is stopped. Existing loans continue to accrue interest and payments required.
  - ✓ 96% of NRCS staff will be furloughed. Key operational activities such as processing of contract payments to farmers and ranchers and conservation planning activities ceased.
  - ✓ Risk Management Association (RMA) will continue to administer programs for up to 180 days because of program integrity funding for farm safety net programs. New product development and agency oversight and compliance activities will largely cease.
  - ✓ Core programs of the nutrition safety net, including SNAP, Child Nutrition programs and WIC, shall continue operations during a lapse in appropriations, subject to the availability of funding. State administered programs may continue subject to funding availability but should expect delays or lapses in federal reimbursements.
  - ✓ The Food Safety and Inspection Service will continue to perform inspection of meat, poultry, and egg products, as well as investigations necessary to protect public health. However, state meat inspections services may be impacted by federal reimbursements and cost shares. IL is 1 of 29 states to operate its own meat inspection program.
  - ✓ The Agricultural Marketing Service (AMS)grant distribution and review processes have ceased but many of their product inspection programs will continue as they are fee based and not subject to appropriations to operate. Many of AMS's oversight and compliance responsibilities, including Grain inspection and Packers and Stockyards Act (formerly known as GIPSA) have ceased.

- **"Not in a good place."** The U.S. agriculture industry continues to lose sales from trade severances with China and other partner nations, prompting Ag Secretary Brooke Rollins to say the farming economy is "*not in a good place*." During an appearance on the Fox Business Channel, she said the administration is working around the clock. Rollins also said a "Golden Age" was around the corner for farmers, and they'd have an announcement on farmer support likely next week. Not everyone agrees with the Golden Age comment. The Hill said Sen. Chuck Grassley, R-IA, slammed the administration's decision to support the Argentine government financially while China purchases an increasing number of soybeans from the South American nation. In a post on X, the Senator said farmers are still "very upset" about Argentina selling soybeans to China right after the USA bailout. With no sales to China, Grassley said farmers need a trade deal with China "Now."
- **Few grain producers were likely at** the 40th International Sweetener Symposium when Deputy Secretary of Agriculture Stephen Vaden reaffirmed USDA's "Farmers' First" Commitment, saying, "Every action that we're taking is with an America First and Farmers First philosophy. You saw a taste of that a little earlier, when the Department announced that we were going to set the tariff rate quota for specialty sugar." Vaden also stressed the critical role farmers play in protecting the nation's food supply, *"One of the things that it's important to keep in mind is that for everything this administration does, no harm must come to America's farm and rural communities."*

Conservation, Environment, Carbon—

- **The Environmental Protection Agency has proposed** to abandon its regulation of greenhouse gas emissions. While that will be good news for livestock producers concerned about emissions from livestock being regulated, it could potentially derail one of the prime arguments for expansion of biofuels in transportation. "If finalized, today's announcement would amount to the largest deregulatory action in the history of the United States," said Administrator Lee Zeldin of the EPA. If EPA declares there is no reason to regulate greenhouse gas emissions, the implications for ethanol could be far-reaching, especially in terms of policy support, market demand, and public perception. The backbone of the Renewable Fuel Standard (RFS) is that it reduces greenhouse gas emissions relative to gasoline. Motor vehicle emissions are responsible for 23% of all U.S. greenhouse gas emissions. There will be a lot at play going forward as EPA moves through its own rule-making process, the final rule comes about and the eventual litigation over EPA's recission.
- **With the federal shutdown** now in effect, many SWCD staff do not have access to their offices, emails, computers, or other USDA resources. As a result, communication with your local SWCD may be limited until the shutdown is lifted. If you are having trouble reaching your local SWCD in the meantime, you may contact the Association of IL Soil and Water Conservation Districts office at 217-744-3414 or email us info@aiswcd.org**.** We remain in close contact with NRCS and will continue to share updates as more information becomes available. This situation also highlights why advocacy efforts are more important than ever! We are working closely with partners and lawmakers to push for stable, diversified funding sources that ensure SWCDs can continue serving IL communities, even during shutdowns.

***Tariffs, Trade, and Agriculture*—**

- **A leading Senate Ag Committee member** argues China is no longer a reliable trading partner and U.S. producers must look to value-added farm goods to make up for losses in the Chinese market, "It's a fool's market, it's fool's gold. If you build a market that you think is going to depend on China from year to year, count me out." Sen. Roger Marshall, R-KS, (right) told an Ag Outlook Forum that, as China continues to avoid U.S. soybeans, farmers need to look to value-added exports and other markets, "So, the president gets an ethanol deal done in England. We're only using 20% of the tariff rate quota that we have going in there in ethanol. So now, I need the ethanol companies, and they're doing it, they're going to go in there and try to get those ethanol deals done." Marshall claims India is another potential market for ethanol and dairy. But the Senator says the emphasis must be on value-added products, not just exports, "If you think that trade is going to solve all our woes, I think you're wrong. I think the focus needs to be on turning corn, turning commodities into protein or biofuels." Soybean growers argue their loss in China can't be made up elsewhere. Marshall says it's time to look elsewhere, but for goods that have more value. (Berns Bureau, Washington)

- **Another Senator** took to the Senate floor about China not buying soybeans that lowered farm income and Trump tariffs that simultaneously raised farm expenses. Sen. Charles Grassley, R-IA, (left)said, "I concluded my remarks two days ago by saying farmers need immediate relief, and that's especially true if it's the federal government's action that has caused the economic hardships. And I'm going to speak about some of that federal government action. It happens that fertilizer is one of the largest expenses in growing crops. Most fertilizers used in the United States [are] imported. The tariffs on fertilizers have sent shockwaves throughout the supply chains. Most often, those waves come crashing down on the farmers, who bear the brunt of increased costs of fertilizer. Tariffs not only cause farmers to pay more for their inputs, but they have also seen tariffs reduce markets for U.S. farm products. Taking away tariffs on ag inputs and striking meaningful deals to open markets would send immediate signals to the ag economy, helping farmers' bottom lines."

- **Wanting to find more markets for IL soybeans,** IL Soybean Assn. leaders traveled to the 4th largest market for soybeans and pitched the concept of buying more from IL farmers. The location was Indonesia. The nation purchased a staggering $1.24 bil. of U.S. soybeans in 2024 and is poised to grow enormously as a strategic trading partner. Now, ongoing dialogue between the countries aims to remove barriers, build trust and understanding, and supply accelerating demand for tempeh, tofu and animal feed, according to IL Soybean Assn. (ISA) representatives who participated in a July 2025 trade mission to the country. Scott Gaffner, a Greenville soybean farmer and ISA Secretary, said "Indonesia places great importance on religious standards and ensuring that imported products meet halal requirements is critical. By meeting face-to-face, we were able to provide clear information, address concerns, and reinforce confidence in the quality and integrity of IL and U.S. soy." ISA leaders saw striking parallels with the early stage growth of China as a soy market. The timing of the trade mission proved critical. Just days before the delegation's arrival, the U.S. and Indonesian governments signed a historic trade deal that promises to ease barriers and open additional opportunities for U.S. agricultural exports, including soybeans. ISA representatives say the nation's appetite for high-quality soy will only grow. Soy protein is needed for poultry feed, as well as for human foods, and biodiesel markets also are opening up in Indonesia, expanding use cases even further. The ISA team met with major buyers, government officials and religious leaders, even visiting a coffee plantation to explore Indonesia's broader export culture. These face-to-face moments made a lasting impression. "This trade mission really pulled all of my roles

together in a meaningful way," says Gaffner, who is also involved with U.S. Soybean Export Council (USSEC), World Initiative for Soy in Human Health (WISHH) and USA Poultry and Egg Export Council (USAPEEC). "Tempeh and tofu aren't occasional foods, they're staples for millions of families. Add to that the fast growth in poultry and aquaculture, and it's clear that U.S. soy isn't just a commodity in Indonesia, it's a solution to food security and protein demand." The delegation's conversations with tempeh producers and retail food distributors offered valuable insight into how IL farmers can align their production to meet international consumer expectations. "It comes down to quality, traceability and consistency," Holst says. "That's what they trust us to deliver." For Gaffner, this work is essential. "This is the same effort that opened China years ago, and now we're laying that foundation in places like Indonesia. It's not just travel, it's an investment, one that pays back directly on the farm."

- **A trade mission to Nigeria.** A memorandum of understanding with Vietnam. A purchase from Bangladesh. These countries are not typically major customers for soybeans from the U.S. But, according to Reuters, desperate farmers, their trade organizations and President Trump's administration are turning to far corners of the world in hopes of averting a disaster for agriculture from a trade war that has kept China from purchasing U.S. supplies. The efforts are failing to offset the loss of the country's biggest customer for soybeans.
- **USDA officials arrived in Taiwan** to lead an agribusiness trade mission to expand market access and boost U.S. agricultural exports. The delegation includes 39 agribusinesses and trade organizations and representatives from 3 state agriculture departments. "On a per capita basis, Taiwan already punches above its weight in purchasing high-quality American agriculture, but we will showcase more of our amazing brands and food products," said USDA's Luke Lindberg. The trade mission comes on the heels of an announcement by Taiwan officials who intend to increase purchases of several categories of U.S. agricultural products by over 30% during the next 4 years. The U.S. has a $3.1 bil. trade surplus with Taiwan after shipping a total of $3.8 bil. in 2024. Trade opportunities include soybeans, corn, wheat, dairy, beef, fresh fruits, tree nuts, and more. USDA's next trade mission heads to Mexico in November.

Agri-Politics—

- **One commodity market analyst** said there are signs this government shutdown may last longer than previous ones. Arlan Suderman, the chief commodities analyst for StoneX, (left)said, the longest went 35 days in 2018-2019. That cost our U.S. economy $3 bil., but in perspective, that's 0.02% of GDP. So, it is still rather small overall. It is a big deal for those people who are not getting paid. It's a big deal for those who may be missing services they need, and for farmers, that's like at FSA offices, etc." U.S. agriculture will miss out on the regular reports it relies on, "It also means no reports that we lean on in the marketplace; the flash USDA export sales reports, the weekly export sales reports, the weekly export inspections reports, the weekly crop progress and condition report, and the WASDE report may end up getting delayed or canceled, as well. We did that last in January 2019, when it was canceled, but also in October of 2013, when the WASDE report was canceled. That leaves us without USDA's production estimates until November." That means American agriculture will have to rely on other sources for information, "It leaves the market kind of in a fog in the meantime, leaning on private sector data. Basically, everyone's looking for how much the size of the corn crop will be reduced. Will the soybean crop be reduced? If so, what will the scope of the change be? Generally, the harvest yields that we've seen so far argue for a much lower corn yield, if you want to believe the anecdotal reports. On soybeans, it's a much different story. Even in some of the most drought-stricken areas we are seeing poor yields, and also some very impressive yields." (American Ag Network)

- **Congress has a lot on its plate this fall**, after many lawmakers spent time in their districts meeting with constituents during the August recess. At a recent meeting with the media, Rep. Dan Newhouse, R-WA, (right) was asked if he thought farmers had a lot of challenges in front of them right now, "I think you get the award for the understatement of the year. There is a lot in front of farmers right now, a lot of challenges and a dearth of bright spots. Farmers are a resilient bunch, no doubt, but there are so many challenges that it's very difficult to overcome." Bottom line, Newhouse says, there needs to be a balance, "I'm a farmer too, as you know, and we're facing the same things at home on my farm, with my son and his wife trying to keep things together, and it's very difficult. The high cost of literally everything and the prices we're receiving for the products we produce are just not keeping up." So, addressing these challenges, Newhouse says, must be a priority, "That's why some of the things like trade issues are so important, we depend on international markets in a big way. So, we've got to get these trade deals done as soon as possible." So as a farmer himself, Newhouse understands the problems and takes them seriously, "I carry that with me back here to Washington D.C. to make sure my colleagues understand the dire nature that agriculture is facing, the situation they're facing right now. And the things that we do here absolutely have an impact on producers around the country, and we have to be very careful about what we do here and avoid negative impacts." Newhouse says these are very challenging times we're experiencing, and we'll need to work together to get through them. (NAFB News Service)

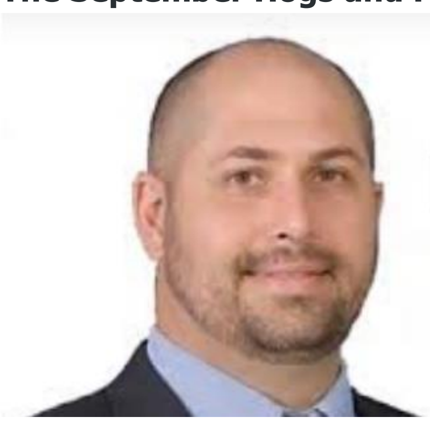
- **Not all farm organizations run on the same track**, and Farm Action prefers a different route on many issues. One of those is CA Proposition 12, which requires all hogs be raised under CA rules. While most farm organizations want the Supreme Court to overturn the rule, Farm Action co-founder Joe Maxwell, a MO farmer, says, "I think what's unfortunate in this country is that if you've got money, and you represent the big packers in this country, you have that money, and you hire lobbyists, and they're in Washington, D.C. every day, walking the halls while independent hog farmers are back home raising hogs and crops, and so, oftentimes, their voice just isn't heard. He said Farm Action wants legislators to know that the National Pork Producers Council doesn't speak for all hog farmers. This law has allowed (independent producers) to have a market opportunity for America's independent hog farmer to keep them in business, to stop that downturn in the number of hog farmers we're losing every year in the US." Maxwell said that Prop 12 didn't take effect until 2024, and it "levels the playing field" for smaller hog producers, "You're an independent hog farm, and you struggle to find a market, to find a place to sell your hogs. When Proposition 12 came into place on January 1, 2024, it opened the door for independent hog farmers to say, 'Hey, we'll raise hogs, produce pork the way Californians want it,' and Californians are paying up to a 5% premium to those farmers to do so." (Farm Action)

Biofuels News--

- **Celebrate!** CA Gov. Gavin Newsom on Oct. 2 signed a bill that will allow E15 to be sold within the state. E15 is now approved for use in all 50 states. AB 30 was passed unanimously by both the CA Senate and CA Assembly earlier this year. According to Newsom's office, the availability of E15 could help bring down the cost of gasoline in CA by up to 20¢ per gal. and save Californians as much as $2.7 bil. annually.
  - ✓ The Renewable Fuels Association is applauding Newsom for signing the bill. "Thanks to Gov. Newsom's leadership and decisive action, CA is on the road to lower gas prices and a cleaner future for families across the state," said Geoff Cooper, CEO of the RFA. He hopes CA will add almost 600 mil. gal. of new demand for American ethanol or 200 mil. bu. of corn and hopes the CA move will give added momentum to year-round US E15 legislation.
  - ✓ The American Coalition for Ethanol said, "CA approval of E15 is a milestone for the U.S. fuel market," said Ron Lamberty, chief marketing officer at ACE. "Retailers have proven E15 works for their customers and since most of them already have E15 compatible tanks, lines and dispensers, it works for their businesses, too."
  - ✓ The ink wasn't even dry on Gov. Newsom's signature when new NCGA Pres. Jed Bower urged Congress to follow the CA lead. "While today's development is a sign of progress, many consumers across the country still lack year-round access to E15. We call on Congress to pass legislation that will extend access nationwide."
- **Sen. Chuck Grassley, R-IA,** led over 45 Senate and House colleagues in urging the Environmental Protection Agency to finalize a rule on imported Renewable Identification, or RIN, Numbers. They also want the agency to hold firm on the proposed biomass-based diesel volumes. In a letter to EPA, lawmakers said such measures would ensure the Renewable Fuel Standard continues to strengthen American energy security and support America's farmers and renewable fuel producers. "While many farmers are struggling to break even, all federal biofuels policies should prioritize domestic agriculture and biofuel production, not foreign fuels made from foreign feedstocks," the letter said. "Also, while farmers face the uncertainty of foreign market demand, the Import RIN reduction would provide support for the farm economy, so farmers could sell more products domestically." Earlier this year, the EPA proposed record biomass-based diesel volumes, including a 50% reduction in RINS for imported renewable fuels.
- **The Energy Information Administration** said U.S. ethanol output dropped during the week ending on September 26. Production fell to an average of 995,000 barrels per day from 1.024 mil. a week earlier. Agency data also said that's down from 1.015 mil. produced during the same week in 2024. In the Midwest, output averaged 940,000 barrels a day, down from 964,000 during the previous week and 961,000 at the same point a year ago. Ethanol inventories through the week totaled 22.8 mil. barrels, down from 23.5 mil. during the prior week.

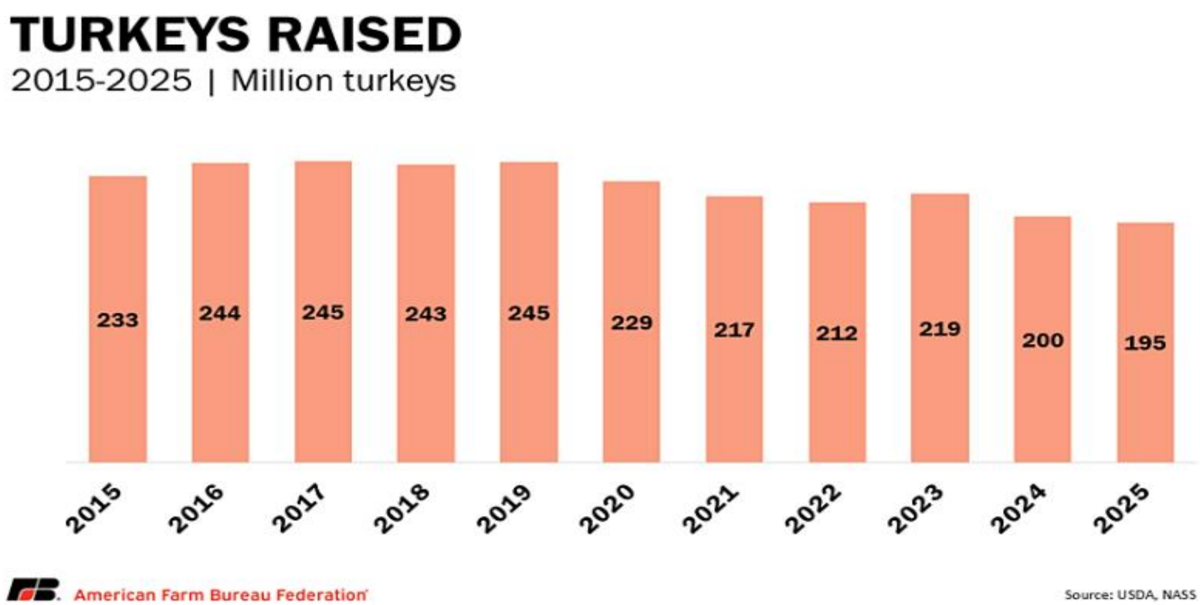
Animal Agriculture--

- **The FDA has conditionally approved** Dectomax-CA1 injectable solution for the prevention and treatment of New World screwworm (NWS) larval infestations and prevention of NWS reinfestation for 21 days. "We understand the urgency with which America's farmers and ranchers are asking for tools to fight New World screwworm," said FDA Commissioner Marty Makary. "We are making this treatment available to cattle producers immediately while the sponsor collects the data needed for a full approval."
- **Mexico's government instituted new regulations** on livestock movement because of the New World screwworm infestation in the country. Restrictions were put in place as tensions with the United States continue to heat up. The Mexican Cattle Feeders Association (AMEG) said restricting the movement of livestock from the south to the northern part of the country "threatens the economic viability of the sector that generated $192 bil. in 2024." AMEG said the only proven method to eradicate the screwworm was the release of sterile flies.
- **Global meat prices hit a fresh record high** in September — in the longest run of monthly gains since 2021 — as shrinking U.S. cattle herds are unable to keep up with strong demand for beef. An index tracking meat-commodity costs rose 0.7% for an 8th straight monthly increase, the United Nations' Food and Agriculture Organization said Friday. The rally has been largely driven by rising beef prices — with the U.S. cattle herd reaching the smallest in decades, higher prices in top exporter Brazil, and worries over the deadly New World Screwworm pest in Mexico.
- **The September Hogs and Pigs report** totaled fewer head than expected. Farmdoc livestock economist Jason Franken (left) says, "this report's downward revisions of June 1st inventories by nearly 2% appear to be the alternative explanation (to expected expansion). As such, the September 1st inventory of all hogs and pigs, at 74.5 mil. head, is up 1.02% from revised estimates for last quarter but down 1.35% from last year, well below the range of pre-report estimates (0.3% lower to 1.1% higher). Likewise, market hog inventories are up 1.14% from last quarter but down 1.31% from a year ago, while the breeding herd is down 0.25% from last quarter and 1.82% from last year, both again well below the range of expectations (0.2% lower to 1.2% higher and 0.2% lower to 0.1% higher, respectively). It's the smallest breeding herd since September 2014. The June-August pig crop, which is 2.58% smaller than last year, is also well below pre-report expectations. For 2026, prices are forecast to average $91.63/cwt in the 1st quarter and then rise seasonally to $98.82/cwt and $101.45/cwt in the 2nd and 3rd quarters."



- **The U.S. pork industry is staying vigilant** when it comes to foreign animal diseases. Dr. Meredith Petersen, director of swine health for the National Pork Board, said they're keeping an eye on multiple diseases, including African Swine Fever, "So, the industry is really focused on all foreign animal disease preparedness, including African swine fever, classical swine fever, and Foot and Mouth Disease. The three foreign animal diseases we have in pigs are not currently in the United States. It's really important for our industry and for our producers that we do everything we can to prevent them from coming to the United States, and then also prepare for if that were to happen. we know that that risk is there, and USDA has been doing work to increase our exclusion efforts there." (Backroads of Illinois Podcast)
- **The U.S. District Court for the 4th District of SD** denied much of the USDA's motion to dismiss the New Civil Liberties Alliance's R-CALF, et al. v. USDA Lawsuit. The NCLA, representing farmers, ranchers, and livestock producers, challenged the USDA and its 2024 rule requiring electronically readable (EID) eartags for certain cattle and bison transported across state lines, rather than the long-used visual tags, but the District Court rejected USDA's arguments. "NCLA wants to end this costly and unnecessary mandate, which is disproportionately borne by smaller and independent cattle producers," says NCLA.
- **A new report from the Animal Agriculture Alliance** shows so-called animal activist groups range quite a bit of money for their anti-meat activities each year. Emily Ellis, Director of Communications and Content with the Animal Agriculture Alliance, says these groups can be well financed, "We've calculated that this handful of groups that we include on the web brings in more than $865 mil. annually that they use towards various campaigns, including anti-meat campaigns and anti-meat lobbying efforts. So quite a bit of funding that they have behind them to target animal agriculture." Ellis says they are seeing an uptick in campaigns against secondary targets, "A few of the common tactics that we see is the targeting of restaurant, retail, food service brands. Maybe they can't get a farm to change the way they're doing production practices. They're going to target the restaurant brand that this farm sells to. If that brand, who doesn't want any negative publicity, doesn't want any of that negative pressure, it's really hard for them to say no sometimes to those pressure campaigns. So, when they do adopt those campaigns, it trickles down to the farm level." Ellis says the Animal Agriculture Alliance warns farmers to be on the lookout for activist activity and be prepared. (Animal Agriculture Alliance)
- **The latest Turkeys Raised Report** from the USDA shows a continued decline in the total number of birds produced in the U.S. since 2016, with the only bounce higher coming from 2022 to 2023. Turkeys raised in the U.S. during 2025 are forecasted to be 195 mil., down 3% from the number raised during 2024. The top 6 states accounted for a total of 68% of all turkeys produced in the U.S. during 2025. The largest turkey-producing state is MN at 32 mil. turkeys, unchanged from the previous year. 2nd-place NC produced 28 mil. turkeys, up 4% from a year ago. AR produced 22 mil. turkeys, down 12% from last year. IN produced 20 mil. turkeys, unchanged from 2024. MO produced 15 mil. turkeys, down 3% from last year. VA is down 2% from the previous year, produced 15 mil. turkeys. →

- **Shoppers preparing for upcoming fall holidays**, including Thanksgiving, should brace for higher turkey prices this year. New analysis from the American Farm Bureau Federation's Market Intel series says economic factors as well as disease challenges have driven wholesale turkey prices up about 40%. While prices may be higher, the analysis shows there will be enough birds to meet consumer demand and Thanksgiving specials are likely to be offered by retailers. But American Farm Bureau economist Berent Nelson says there is some good news as turkeys for Thanksgiving are already in the pipeline and shouldn't see much impact due to the rising number of avian influenza cases, "It shouldn't have a major impact going forward on the prices as we get closer to Thanksgiving. I think you'll see a little more consistency. The prices are definitely higher than last year. We see that uptick now in the wholesale price by about 40%, so we'll definitely see some price increases there, but I don't think they're going to go a whole lot higher above where they are at." (American Farm Bureau)



The Farm Labor Dilemma--

- **A new wage rate rule** for agricultural guestworkers takes a much-needed step towards reforming regulations that have put labor out of reach for many of America's farmers. The Department of Labor announced a new rule that revises agriculture wage rates for all 50 states and Puerto Rico. AFBF President Zippy Duvall said, "For many farmers, prices for the products they raise are low while production expenses are at record highs, so a fair wage rate is essential. In most states, the new rates will help farmers afford to get crops from the fields to the tables of America's families. This new rule holds promises for many farm families who would be out of business if not for the H-2A program. We look forward to working with the administration to ensure more transparency, predictability and clarity as it implements the rule, and we remain committed to working with Congress for more lasting reforms that provide mutual benefit for workers and farmers."

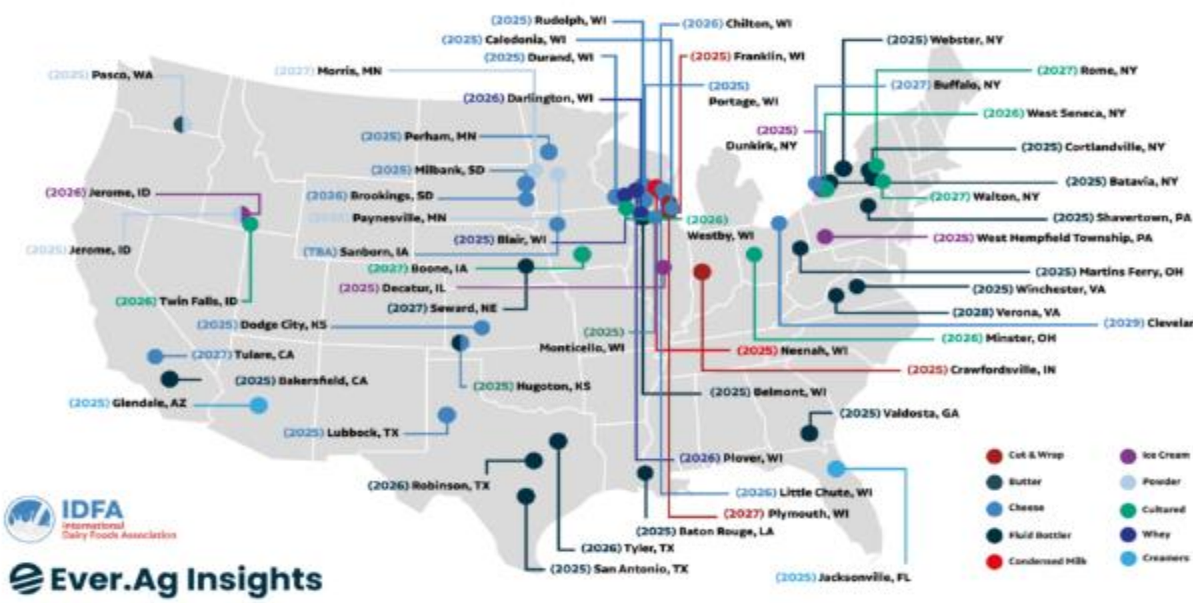
Farm and Family Matters—

- **The government shutdown** has healthcare as the centerpiece. And rural families need to beware they are in the target. The Affordable Care Act, approved during the Obama Administration has been a significant source of health care, and reports 17% of its clientele have rural addresses. Chris Clayton of DTN reports, "Roughly 4 mil. rural Americans -- including a fair number of farmers -- could end up paying significantly higher health care premiums if the enhanced tax credits for the Affordable Care Act (ACA) expire. While there is a lot of talk about whether people in the country illegally receive healthcare, there is less talk about how much rural America relies on those tax credits. Health and Human Services (HHS) last year cited that 17% of individuals buying insurance through the Affordable Care Act (ACA) marketplace are rural residents, or about 4 mil. people overall. Nationally, rates of uninsured rural Americans have been cut in half since 2010, falling from 23.8% to 12.6% in 2023, according to the American Community Survey. Uninsured levels remain slightly higher than in urban areas, which is about 10.9%. The tax credits have been a major driver for reducing the number of uninsured Americans. All totaled, Health and Human Services (HHS) reported last January that 24.2 mil. people bought health insurance through the ACA marketplace for 2025 -- a record number. The fight in Washington revolves heavily around the American Rescue Plan Act (ARPA), which in 2021enhanced the ACA's tax credits to lower premium costs. ARPA expanded the tax credits for people earning from 133% to 400% of the federal poverty level. The Inflation Reduction Act (IRA) then extended the enhanced tax credits through the end of 2025. For a family of four making $110,000 -- 342% of the federal poverty level in 2025 -- premiums this year were capped at 7.1% of household income, or $7,755 a year. Next year, they would pay $10,956, or an increase of $3,201 per year. "A lot of farmers are going to be faced with a choice: buying a healthcare insurance policy versus making their loan payment to keep themselves out of foreclosure or, in some cases, putting food on the table," said Gary Wertish, president of the MN Farmers Union.

Agribusiness—

- **AGCO is asking a federal court** to allow a rare legal appeal in the Federal Trade Commission's ongoing right-to-repair lawsuit against John Deere. The request follows an August ruling that granted Deere access to confidential competitor information gathered during the FTC's investigation, including details like sensitive pricing, sales, and financial data from AGCO, as well as CNH Industrial and Kubota. AGCO argues the ruling lacks heightened protections usually applied to non-party materials and says immediate review is needed to prevent disclosure of vital business information. Once released, the company contends that the data cannot be protected from misuse in either the FTC case or related farmer lawsuits. Farm Equipment Magazine says the appeal would go to the U.S. Court of Appeals for the Seventh Circuit, where AGCO hopes to clarify what legal standards govern the release of government-held competitor data in antitrust cases. Deere vows to vigorously defend itself.

- **Corteva said on Wednesday** it would separate its seed and pesticide businesses into separate listed companies, as the agrichemicals firm seeks to sharpen its strategic focus, reports Reuters. The separation will allow each company to set specific capital allocation strategies, respond faster to market shifts and pursue growth opportunities independently, Corteva said. "We don't believe Corteva's valuation multiple has been hurt or constrained by having the pesticide business in the portfolio... pesticide business has benefited from the halo effect of the higher-value seed business," said one stock analyst. Corteva added its crop protection unit would be responsible to settle the environmental claims, including pollution linked to PFAS, or "forever chemicals". Corteva's seed business accounted for 57% of its total sales in 2024, with remaining coming from its other segment, which produces herbicides, fungicides, insecticides and seed treatments. The company itself was formed from chemical conglomerate DowDuPont's 3-way split in 2019. Corteva's split follows 6 years of cost cuts and investment in new technologies. Since the separation, Corteva's shares have risen over 133%, and its market value now stands at $45.93 bil.
- **$11 bil. in new dairy processing investments!** Incredible growth for U.S. dairy in response to surging demand around the world for wholesome, nutritious dairy protein and products, in new and expanded manufacturing capacity across 19 states, according to data released today by the International Dairy Foods Association (IDFA). With U.S. milk production expected to grow 15 bil. lbs. by the end of the decade and dairy consumption and export demand rising as consumers seek out wholesome protein and nourishment, dairy processors have undertaken more than 50 individual building projects between 2025 and early 2028. These new and upgraded facilities add to the billions-of-dollars of new processing capacity that has come online in the past decade as consumers seek out foods and beverages that boost strength and endurance, enhance health, and reduce illness. "The U.S. dairy industry is a vital part of the nation's manufacturing economy, contributing $779.45 bil. in overall economic impact, more than 3.05 mil. jobs that generate $197.6 bil. in wages, and more than $83 bil. in taxes to state and local economies," said IDFA.



Technology—

- **China is surging ahead of the US in agriculture technology.** The VA Tech College of Agriculture and Life Sciences released its annual Global Agricultural Productivity Report last week. Among the key findings, global agricultural productivity growth, which is averaging 0.76% annually, is only about 1/3 of the target rate of 2% per year needed to sustainably and profitably meet the demands of the world's agri-food systems. Asia has emerged as a global productivity leader, especially in China, India, and Vietnam. The growth is driven by R&D investment and technology adoption. In contrast, much of Sub-Saharan Africa and Latin America remains reliant on land expansion and input intensification, which can generate short-term output gains but can also erode ecosystems and stall sustainable growth. While the U.S. averaged -0.05% annual growth during the past decade, China surged ahead at 1.9%, backed by twice the R&D funding and threatening the U.S. edge in global agriculture.

Farm and Check-off Organizations —

- **Salute Ken Hartman of Waterloo, IL**, (right) for a job (better than) well done the past 12 months as President of the National Corn Growers Assn. Last week, Hartman stepped up to the NCGA position of Chairman of the Board, and handed over the presidential briefcase to Jed Bower, (left) a 5th-generation OH corn and soybean farmer saying the challenging rural economy will be his top priority in the year ahead. "We need new markets to help alleviate the economic crisis that's threatening the survival of countless family farms across the country," Bower (below) said. "That's why we will continue to encourage Congress to act immediately to pass legislation that expands consumer access to higher blends of ethanol year-round and urge the Trump administration to move quickly to develop new foreign markets." Grower leaders have ramped up pressure on Congress to pass the Nationwide Consumer and Fuel Retailer Choice Act of 2025, which would eliminate a dated clause in the Clean Air Act that prevents the sale of E15 during the summer months. Growers argue this change would provide more predictability and boost demand for corn.

- **Tens of thousands of FFA members**, advisors, alumni, and supporters from across the country will gather in Indianapolis for the 98th National FFA Convention and Expo. This celebration of agricultural education and leadership takes place from Oct. 29-Nov. 1. "This year's convention is more than just an event; it's a celebration of our members' dedication and a launchpad for the next generation of leaders," said Christine White, chief program officer for the National FFA Organization. "It's a time where we honor the hard work of today and ignite the spark of inspiration for tomorrow, empowering a community that will shape the future of agriculture and innovation for years to come." Last year, over 71,000 people attended the event, which is the largest annual gathering of FFA members. Attendees will participate in award ceremonies, explore careers, do hands-on service projects, and more. FFA members will participate in a variety of competitions. Presiding over the event is IL FFA leader Thad Bergschneider (right) of Franklin, an ag finance major at the Univ. of IL, and former IL FFA State President.

- **US Grains and Bioproducts Council Chairman Mark Wilson**, of Toulon, IL and Council members traveled to London to join a trade mission that focused on expanding ethanol use in on-road and aviation fuel. Wilson was joined in the United Kingdom by representatives from Council members ADM, Eco-Energy LLC, Growth Energy, Marquis Inc, Murex, POET and the Renewable Fuels Association. "I'm always proud to see our membership be so involved in Council programming and this was an important opportunity for the U.S. ethanol industry to contribute its perspective on the trade relationship between the U.S. and the U.K.," Wilson said. The Council's delegation met with major players in the U.K. energy industry including Sustainable Aviation UK, a leading coalition advocating for increased integration of sustainable aviation fuel (SAF) and Renewable Energy Association, a trade association partnering with businesses leading the energy transition. "The U.K. is gradually raising its mandate for SAF inclusion, and as an important export market for U.S. producers, it's vital to keep legislative barriers for biofuel trade low," Wilson said.

- **IL Corn was proud** to be at the 2025 U.S. Bioethanol Supply Conference, hosted by the U.S. Grains & BioProducts Council. "We shared the story of IL corn farmers and ethanol industry and connected with Japanese industry leaders to strengthen ties and explore opportunities for greater ethanol adoption in Japan. Why does this matter for IL farmers?"
    - ✓ Japan represents a growing market for ethanol.
    - ✓ Expanding international demand means stronger markets and better prices for IL corn.
    - ✓ IL is a premiere origin for exports of corn and ethanol, but it's also a prime location for foreign direct investment.
    - ✓ The recently announced agreement between the U.S. and Japan outlines investment of $550 bil. in U.S. industry.
    - ✓ IL Corn and IEDC are working together to drive those investments in IL, creating jobs and driving demand for corn and ethanol.
    - ✓ IL Corn's investment in trade partnerships continues to open doors worldwide, delivering long-term value back to the farm gate.

- **National Farmers Union President Rob Larew** reacted positively to a recent announcement from the USDA and Department of Justice. He applauded the 2 agencies joining in a new initiative to scrutinize competitive conditions in the agricultural marketplace. "American agriculture is at a breaking point," Larew said. "Rising input costs are hitting family farmers and ranchers hard, and corporate consolidation is a major cause." He also said that if just a handful of companies control the markets for seed, fertilizer, and other farm supplies, they can raise their prices at will. "This leaves farmers squeezed between skyrocketing costs and low prices for their products, which is unsustainable for farm families, rural communities, and consumers," Larew said. The Farmers Union commends the USDA and DOJ for hearing the group's call to action, confronting the challenges, and looks forward to easing the economic burden in farm country.

- **IL Soybean Assn. is seeking nominations** for "a Certified Crop Adviser (CCA) who's passionate about soybean management or excels in soils consulting." It is for the annual Master Adviser and Dave Rahe Excellence in Soils Consulting awards, funded by the IL Soybean checkoff program. Nominations are now open until October 10. These past winners will give you some ideas for your nominations.
  - ✓ Active IL CCAs involved in soybean management and working with farmers are eligible for the Master Adviser award, recognizing their contributions to IL soybean production. Nominate a CCA by clicking HERE and providing nominee details.
  - ✓ The Dave Rahe Excellence in Soils Consulting award, named in honor of the late Soy Envoy, Dave Rahe, is an accolade given to one IL CCA nominated for their excellence in soils consulting within IL soybean production systems. To nominate a CCA for the Dave Rahe Excellence in Soils Consulting award, click HERE.
- **Lance Muirheid farms alongside his dad** as the seventh generation on their family's 1,700-acre farm near Decatur, IL, where they raise corn, soybeans, and wheat. Like many farmers, Lance knew the basics of his grain's journey, harvest the crop, haul it to town, and from there it disappears into a system bigger than any one operation. Even with ADM in his backyard, Lance admitted he didn't always think about where his corn actually ended up. That changed when he joined IL Corn's GR.O.W. Program mission to Washington, D.C. "I got assigned to the ethanol committee, and honestly, all I really knew was that ethanol had corn in it, and I put it in my truck," Lance said. "But learning about octane, tax policy, and the work being done to get more corn into the gas tank gave me a whole new perspective. It was eye-opening to see how my crop makes its way through the system and how important policy is in making that happen." For Lance, it was more than just technical education, it was a source of pride. "Not only is it going into ethanol, but it's renewable fuel. Knowing that I'm growing something that's part of a cleaner future, which was a feel-good moment."

And finally, these —

- **A collection of new video interviews** has been posted on You Tube, for your information. Six are from the Sept. 30 Midwest Ag Conference at the Chicago Fed.
  - ✓ China's soybean demand has kept soybean prices near the cost of production, but with US trade tariffs at issue, China has turned to Brazil to replace US soybeans. Dr. Joana Colussi, a native of Brazil, who has shared her knowledge at the Univ. of IL, and now at Purdue, says Brazil is expanding soybean production to meet Chinese demand, but times are tough for Brazilian farmers in doing that. The video is here.
  - ✓ Kreg Ruhl is vice President of inputs for GROWMARK, and fertilizer is consuming a lot of his attention. But he reminds farmers that fertilizer is in global demand, and they will have to pay global prices to get it. The video is here.
  - ✓ Sometimes weather is dominating agriculture, but this year White House trade issues have upset the farm economy. The National Corn Growers have expressed continued concern about the uncertainty and that was the topic in this conversation with Krista Swanson, chief economist for the National Corn Growers. The video is here.
  - ✓ Dr. Shawn Arita watches trade policy and its impact on agriculture, and he says there is both a possibility of potential grain and downside risk. He spoke Sept. 30 to the Midwest Agriculture Conference at the Chicago Federal Reserve. The video is here.
  - ✓ There is both trade uncertainty and high production costs in agriculture. But the chief ag economist for the Chicago Federal Reserve says farmers need to know how to deal with high input costs. David Oppedahl convened numerous other ag economists for his annual Midwest Agriculture Conference and was asked what he learned from it. The video is here.
  - ✓ Dr. John Newton, who has taken his economic leadership widely, addressed a multitude of issues at the recent Midwest Agriculture Conference of the Chicago Fed, and said he believes the US and China will soon resolve their trade differences. Newton is now leading Terrain Ag for the Farm Credit System. The video is here.
  - ✓ IL Director of Agriculture Jerry Costello weighs in on the current trade dilemma for farmers. He also addresses the issues of cuts to the SNAP food program and USDA's plan to remove long term corn and soybean research programs from the Univ. of IL, which he hopes is not being done due to politics. The Costello conversation is here.

Mark Your Calendar! --

- **The costs of various forms of tillage** will be the subject of an October 7 webinar by the staff of Precision Conservation Management. Register for the webinar 11 am to 12 noon.
- **The Illinois Conservation On-Farm Network (ICON)** convenes 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. The next will be Wednesday, October 8, 2025 9am-10am. Event Location: Zoom **|** **Use this link to register**.
- The **Green Infrastructure Grant Opportunities (GIGO)** Program funds projects to construct green infrastructure best management practices (BMPs) that prevent, eliminate, or reduce stormwater runoff into Illinois' rivers, streams, and lakes. Projects that implement treatment training (multiple BMPs in a series) and/or multiple BMPs within the same watershed may be more effective and efficient than a single large green infrastructure BMP. More Information on this funding opportunity can be found **HERE**. The NOFO can be found **HERE**. Proposals are due October 8, 2025, at 1:00 PM.
- **IL Stewardship Alliance** will hold a Harvest Celebration Oct. 12 at Indian Creek Farmstead at Petersburg. Tickets and details.
- **If you need ammonia training** ahead of the fall application season**,** The last in-person Competent Attendant Training of the year will be held on Tuesday, October 14, from 9:00 a.m. to 12:00 p.m. at the Agricenter in Bloomington, IL This training covers essential safety practices and regulatory requirements for ammonia facilities. Attendees who complete the course will receive a 3-year certification as a competent attendant. **Register here:** https://ifca.com/IFCA_Training
- **Nutrient Loss Reduction Strategy Conf.** will be held Nov. 5. in the I Hotel and Conf. Center in Champaign. Agenda and details will be forthcoming.
- **NACD, in partnership with NRCS,** has issued a request for proposals for Technical Assistance (TA) Grants. Applications are due by November 6, 2025, at 11:59 p.m. ET and must be submitted through the NACD Application Portal. For more information, to apply, or to register for the informational webinar, visit NACD's website.

- **Websites of interest:**
- National Grain and Feed Association
- IL Dept of Agr., Bur. of Warehouses
- Grain and Feed Association of Illinois
- NOAA forecast maps
- NOAA 7-day forecast, Dalton City