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

Commodity Market Drivers—

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

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

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

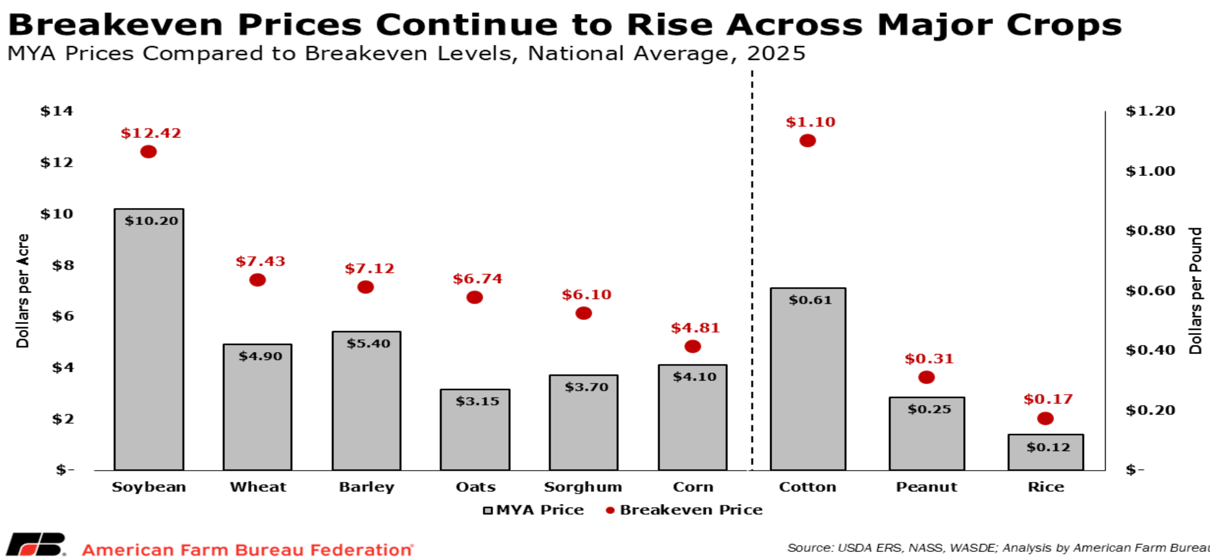
✓ **Corn market drivers**: Corn futures posted 5 to 6½¢ gains across most contracts on Friday, as the late week strength took the weekly gain to 5¾¢. This morning's Export Sales report showed international buyers taking advantage of last week's price break. The CmdtyView national average [Cash Corn]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

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

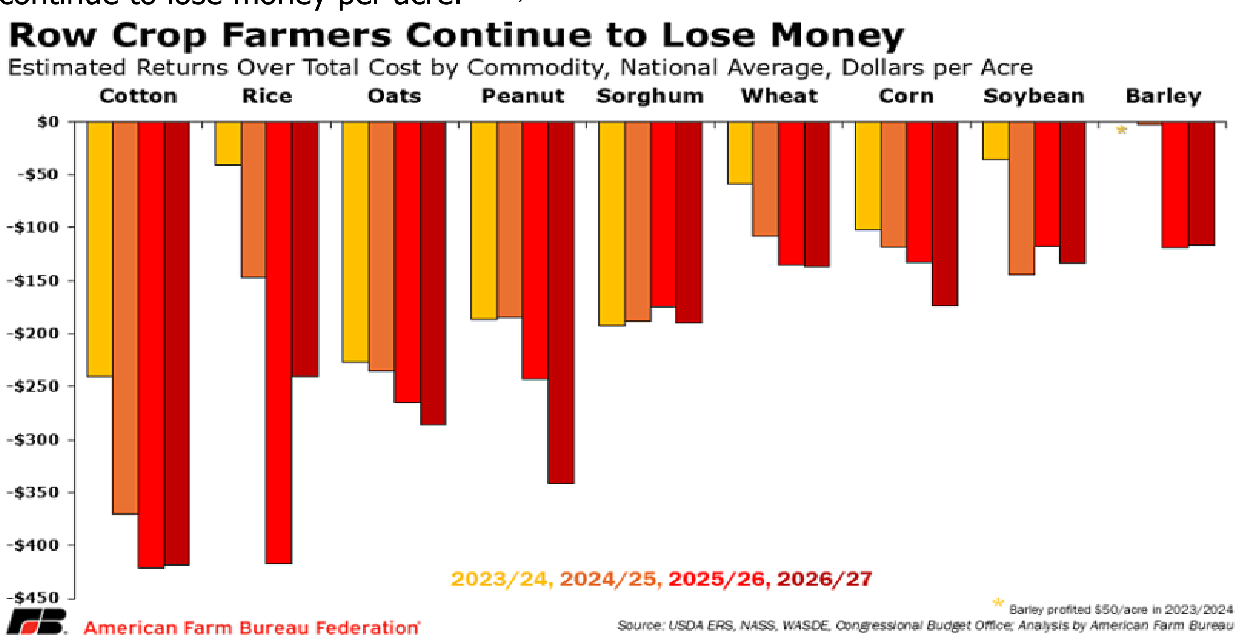
- **USDA is out with its first** World Supply and Demand Estimate for Global Wheat for the year. And the highlight was Argentina's wheat production. World Agricultural Outlook Board Chair Mark Jekanowski, "That crop is about 90% harvested now. Record yields, that'll be record production. And that record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

Farm Economy—

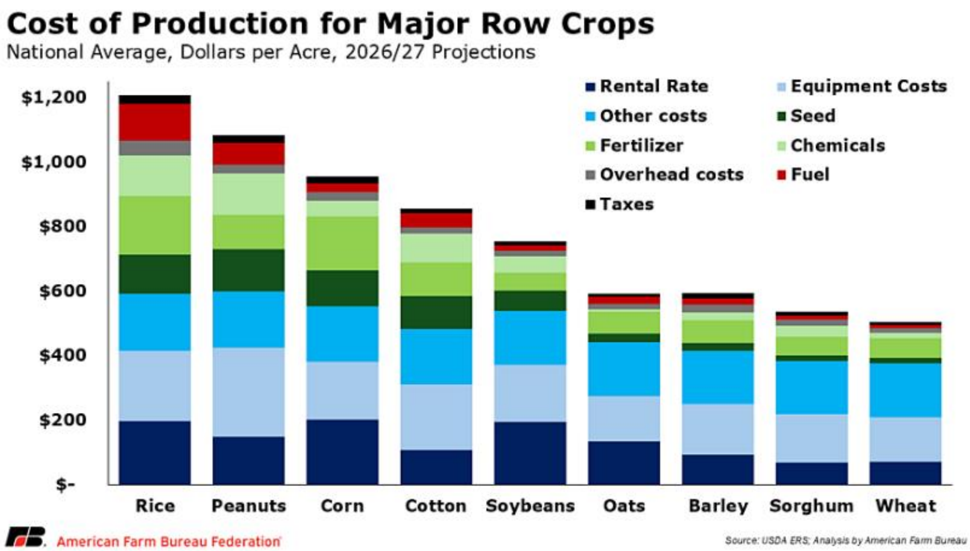
- **While some progress has been made in stabilizing the farm economy** through the Farmer Bridge Assistance Program and Emergency Commodity Assistance Program, recent numbers show that farmers still need help. Economist Faith Parum, of the American Farm Bureau, said farm losses continue to pile up, "Our farmers are really struggling right now. They've seen consecutive years of losses, and so even though we've had some economic



assistance from Congress and the White House, we still see losses across the economy." Parum says the economic pressures facing farmers and ranchers come from rising input costs coupled with commodity prices that just aren't keeping up, "We've had historically low commodity prices, but what's really driving these losses are extremely high production expenses that have increased for the third year in a row. The recent USDA forecast says they're going to increase again in the upcoming crop year. This means that all 9 of our principal row crops are going to continue to lose money per acre." →

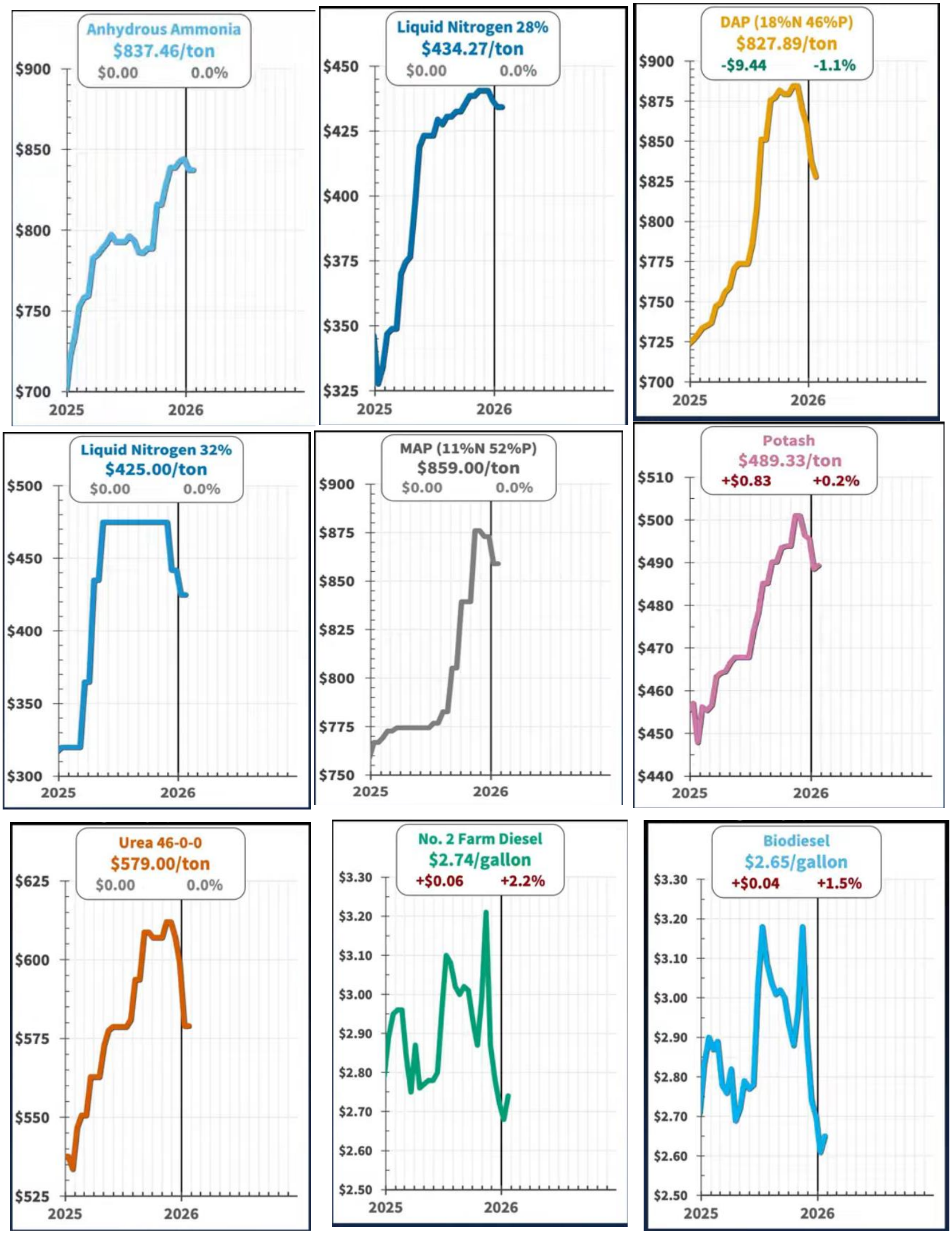


Operating costs—expenses directly tied to producing a yearly crop, such as seed, fertilizer, chemicals, fuel and labor—substantially vary across crops. In 2025, total operating costs ranged from $155 per acre for wheat to more than $764 per acre for rice and $631 per acre for peanuts. In 2026, these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



Fertilizer, Fuel, and Other Inputs—

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



Multi-Media Resources—

- **US House Slam Dunks Corn and Ethanol.** After a decade of debate on the merits of E-15 ethanol, the corn, ethanol, and petroleum industries thought Congress would approve year-round use of 15% ethanol blends. Enabling legislation was teed up for a January 23 vote in the House, when Speaker Johnson pulled the provision from a massive budget bill and said it would be forwarded to a new committee for consideration. The corn industry, needing a massive new use for a massive 2025 crop was devastated. That included Sarah Hastings, who leads the ethanol initiative for the IL Corn Growers Board and provides her insight **in this short video**.
- **What will be your corn disease issue this year?** Will you have southern rust back again in 2026? Or will it be your old favorite, tar spot? There is not much you can do now, other than look for corn hybrids with some tar spot resistance. Southern rust may be a once in a decade menace. Darcy Telenko of Purdue provides her thoughts about corn disease management, along with details of the Crop Protection Network website that provides a warning if a disease is nearby and the speed of its spread. She spoke recently to the IL ag retailers so they can provide some local help, and **shares that in this short video**.
- **Still got Grandpa's weed hook?** Weed hooks will be in short supply late next summer when the waterhemp will be peeking over soybeans and looking for a place to spread hundreds of thousands of seeds. That is because Liberty (glufosinate) is failing to control waterhemp at an increased rate. Purdue weed specialist Brian Young visited with IL ag retailers last week about helping farmers control waterhemp, and there are not many answers that rely upon crop protectants, **as he says in this short video**.
- **Pesticide litigation and legislation will be increasing**. The Make America Healthy Again movement is not farmer friendly, but it is here to stay, says Alex Dunn, CEO of CropLife America, the trade organization for ag retailers. She spoke to IL fertilizer and crop protectant dealers recently sharing her concerns about Secretary JFK, Jr. and the MAHA group. She says agriculture is in their crosshairs and farmers need to be aware of their issues that will challenge long term agronomic and production practices **in this short video**.
- **Has your soil changed from what Grandpa farmed?** Univ. of IL soil and fertility specialist Andrew Margenot says even flat, black soil can slowly erode and change over time. But he also soils in IL have made changes, based on comparison of current samples with those taken 150 years ago (maybe on your farm!) On a farm where Drummer soil may have evolved to Flanigan, farmers should know if it makes a difference, and how that soil should best be farmed. He shared his thoughts with ag retailers and **in this short video**.

- **How much should farmers spend on nitrogen in 2026?** Farmer profitability in 2026 and beyond may force many changes in agronomic practices. Univ. of IL fertility specialist John Jones visited recently with the IL fertilizer industry, looking at nitrogen rates on corn, using yield and economic responses from that crop. **He shares his thoughts in this short video.**
- **Farm economics may change 2026 agronomic practices**. While farmers need agronomic products and services**,** they may not be able to afford this year what they spent last year. Univ. of IL Farmdoc ag economist Nick Paulson visited recently with the IL fertilizer and crop protection industry and gave them fore warning that financial pressures may force changes away from long time practices. What he shared with those folks, he shares **in this short video**.
- **There is a lot going on underground, literally!** Nutrient cycling and re-cycling are constant below the soil surface, says Giovani Preza Fontes, Univ. of IL crop production specialist, who updated the fertilizer industry recently on his research. Much of his new data is based on nutrients being released from organic matter by cover crops as they decompose. He has the first year of data from a 3-year project, which begins to help farmers make fertility management decisions, as he says **in this short video.**
- **EPA, Farmers, and Ag Retailers: Same Page Requirement.** Farmers typically have a close relationship with their fertilizer and crop chemical dealer. And those folks also need to know about the farm economy and what farmers can afford, and what management changes that need to happen. That is the priority of Darren Coppock, CEO of the Ag Retailers Assn. who spoke recently to the IL Fertilizer and Chemical Assn. He says much of the problem comes from tariffs applied to fertilizers and chemicals that are imported into the US. But he also says the EPA's recent initiative into the Endangered Species Act needs to have input from farmers and the farm chemical industry. His thoughts are **in this short video.**