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

***Commodity market price drivers—***

- **A National Corn Growers Assn. report**, America’s Crop at Risk: The Future of Corn and Family

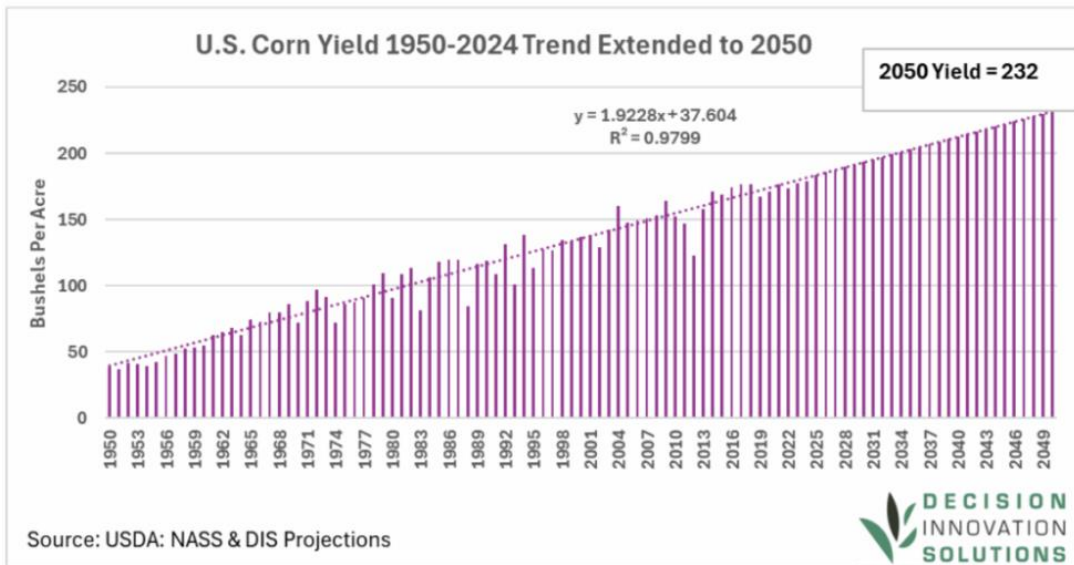


Farms, underscores that the nation’s 250<sup>th</sup> Birthday is not only an historic milestone, but also a critical turning point for U.S. corn growers facing economic pressures unlike any seen in generations. “As we celebrate 250 years of American resilience and innovation, we must confront the reality that our farmers—who built this nation’s economic foundation—are in jeopardy,” said [NCGA President Jed Bower](#) (left). “This report makes clear that we are entering one of the most consequential periods in modern agriculture. If we fail to act now,



America risks losing not just farms, but the communities, values, and economic strength that agriculture has anchored since the country’s founding.” Krista Swanson, NCGA Chief Economist, (right) said, “Farmers have achieved extraordinary gains over two and a half centuries. But productivity doesn’t necessarily equal profitability—not in today’s environment. That is why 2026 represents a pivotal moment. The decisions we make now will shape whether the next 250 years include a thriving American farm sector.” In a survey recently conducted by NCGA, only 43% of farmers report having a family successor in place, leaving more than half of farm operations facing uncertain futures. With 96% of farm households relying on off-farm income and nearly two-thirds holding off-farm jobs, many growers worry that the next generation may simply not be able to make farming viable. The report calls for bold action to expand demand, modernize regulatory structures, reduce market concentration, and foster new opportunities. Read the full report [here](#).

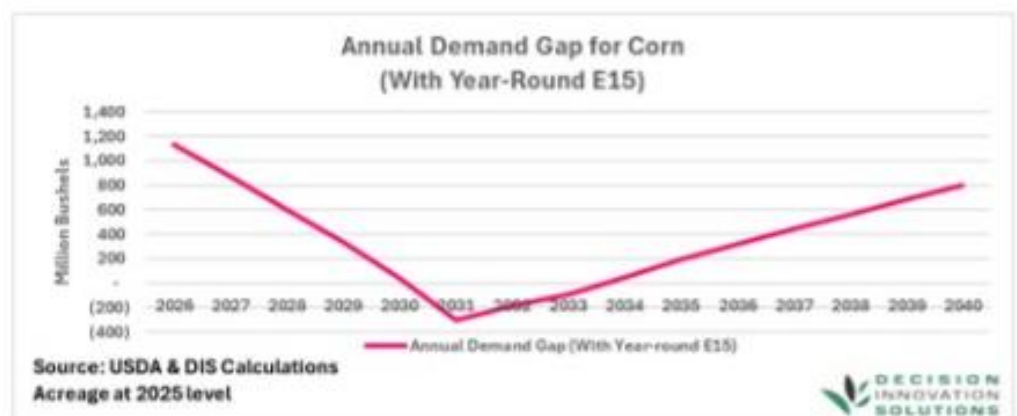
**Are we growing more corn than we can use?** [Economist Dave Miller of IA-based Decision Innovation Solutions](#) projected future corn yields, and it looks like there will be more corn than can be used. He reports, "Corn yields in the U.S. have been trending upward since the 1930s. As shown in Figure 1, U.S. average corn yields have risen from less than 40 bu. per acre in 1950 to more than 179 bu. per acre in 2024. The rate of increase over that 75-year period was 1.92 bu. per acre per year. One wonders though, what about the future. Where might corn yields be in 2050 if the trend from 1950 to 2024 prevails for the next 25 or so years. To determine this, the U.S. and regional



trends were projected forward to 2050. The Midwest yield extended forward to 2025 results in a yield in 2050 of 224 bushels per acre. For Northeast corn, the yield in 2050 would be 192 bushels per acre. For the South the yield in 2050 would be 209

bushels per acre. In the West the yield in 2050 would be 257 bushels per acre. And for the U.S. the yield in 2050 would be 232 bushels per acre (Figure 10). Assuming we retain similar corn acreage nationally to what the U.S. is planting (96 mil. acres) and harvesting (87 mil. acres) now, that would suggest a national corn crop in 2050 of 20.18 bil. bu. of corn. Assuming we will feed 6 – 7 bil. bu. of corn by then, and export about 3 bil., that leaves 10 bil. bu. of corn that will need to find a home in domestic uses like ethanol or sustainable aviation fuel. Currently, we are using about 5.7 bil. bu. of

corn per year for ethanol. Will low-carbon biofuels be the demand factor that can use another 4.3 bil. bu. of corn (an increase of 75% compared to the amount of corn used for biofuels



now? Even with the use of 4 bil. bu. of corn for E-15, Miller's analysis points to insufficient demand in 2031 for the US corn crop. And E-15 is not assured.

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

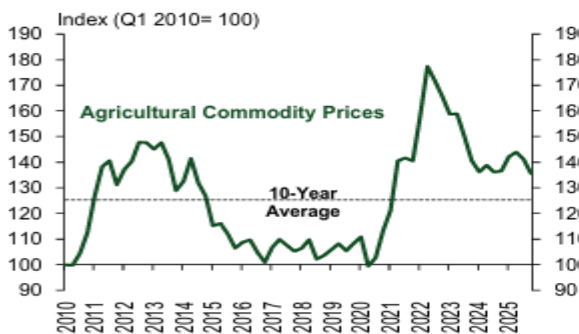


## Farm Economy---

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

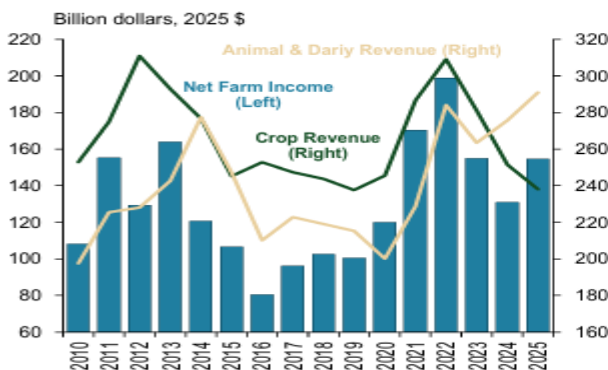
**Average U.S. agricultural prices ended 2025 about 5% lower than the beginning of the year.**

U.S. Agricultural Price Index<sup>1</sup>



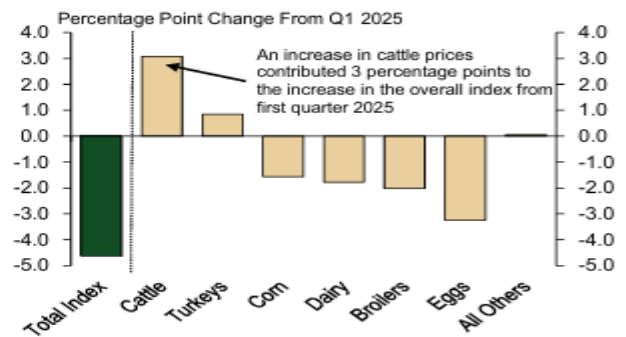
**Farm income in 2025 increased nearly 20% compared with the previous year as higher cattle, hog, turkey and egg revenues offset weak crop revenues.**

U.S. Farm Income and Revenue<sup>3</sup>



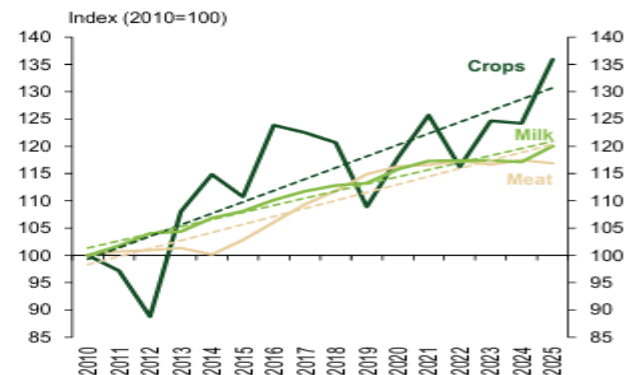
**Despite continued strength in cattle prices, the overall index declined compared with early 2025 alongside lower prices for corn, milk, broilers and eggs.**

Contribution to Price Index Change<sup>2</sup>



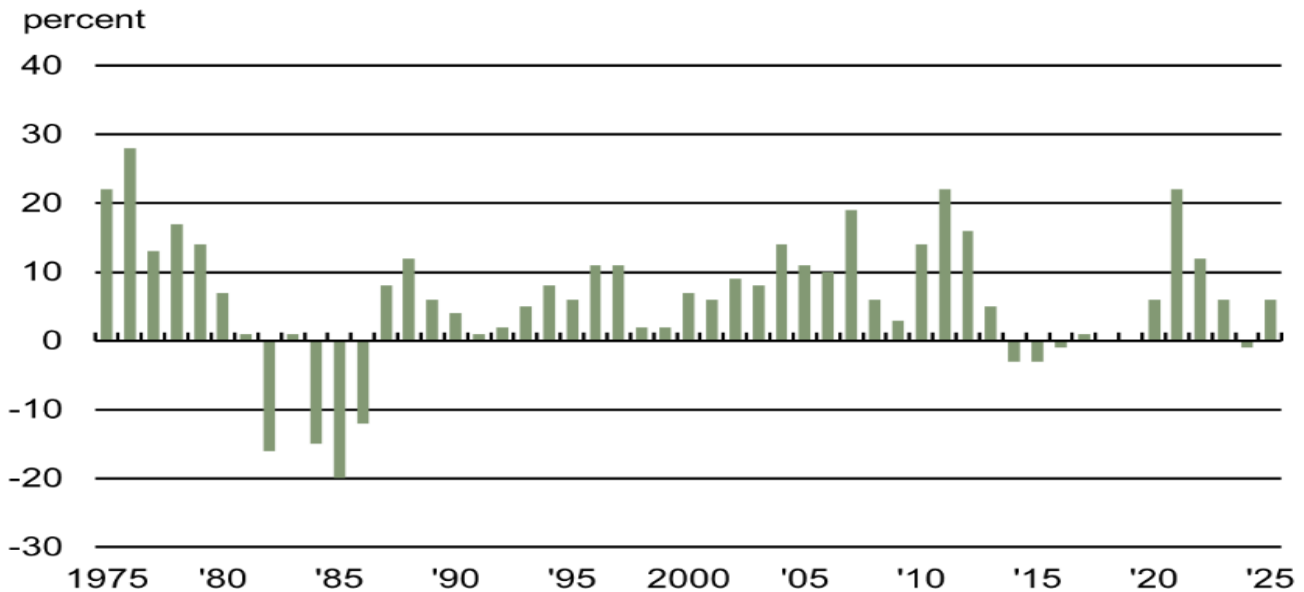
**Crop and dairy prices were weighed down by strong production in 2025 while meat production declined slightly alongside lower beef and pork volumes.**

U.S. Agricultural Production<sup>4</sup>



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

**. Annual change in Seventh District farmland values**



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

## ***Land Prices and Farmland Issues—***

- **Housing development next door? Shopping center?** Or a data center? A data center would be quiet, with very little traffic, no bright lights, but would have priority on your electric power, and



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

would lower your water table because of its thirst for cooling water. Data centers come quietly with unannounced land purchases, and what used to be a friendly neighbor's farm is now the culmination of Darth Vader. At one time, just a handful of years ago, IL government was trying to attract them and was quite successful. IL ranks among the top 5 states with the

most data centers. "It's a big concern because they're popping up all over and there's just a lot of unanswered questions right now," [IL Farm Bureau President Philip Nelson](#) said, adding the topic was a topline issue raised during recent meetings with county Farm Bureau presidents. "What's driving the concerns really comes down to 2 things: The water usage and the electricity consumption these data centers are going to draw as they're sited. If you're living next to one of these, what's the impact on your property?" Data center companies seek cost efficiency, power potential, favorable state regulations and land availability when they make siting decisions, making farmland desirable. IL now has dozens of proposed projects. County Farm Bureaus are eyeing additional resolutions on data centers, potentially creating a standalone policy, as American Farm Bureau Federation delegates did in January. While data centers aren't new to IL, most have been centralized in urban and suburban areas. Last summer, Bill Bodine, IL Farm Bureau director of business and regulatory affairs, started receiving calls from members with questions about data centers. Bodine works with members on a case-by-case basis, analyzing project details and how they line up with IFB policy. Decisions are made at the county level whether to oppose a project. "We as a statewide organization don't normally engage in local siting decisions," Bodine said. "That's the county Farm Bureau's decision. We help them with that." Both Bodine and Sangamon Co. Farm Bureau Pres. Scott Landrey pointed to the utilization of Agricultural Areas as a way for farmland owners to preserve the integrity of farming operations by providing a means of keeping land in agricultural use for at least 10 years. Landrey said a meeting was held for members to learn more about the state statute. For struggling rural communities, the property tax implications and additional revenue from data centers is enticing, but farmland owners with concern cautioned money can't be the only consideration when local governments are presented with proposed data centers.

## ***Risk Management and Crop Insurance—***

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

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

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

- **If you have not committed extensive funds toward spring planting**, this may be time to consider the Conservation Reserve Program. That is the proposal of [IL Farmdoc Ag Policy Specialist Jonathan Coppess](#), (right) based on the Supreme Court's spanking of the White House over the tariff issue. "The tough realities that could unfold in the countryside should counsel against complacency or worse. Instead, the prudent path would be to take policy action soon to seek to head off the worst possibilities," says Coppess, a former Administrator of the Farm Service Agency. "History teaches that farmers under economic and market stress tend towards overproduction, usually at the worst possible time. The primary reason for this is the reality that each individual farmer is motivated to maximize production and push the operation to make ends meet, often to pay bills and mortgages; those individual decisions create major problems in the aggregate, and usually in the form of oversupplying markets which drives down prices. It is here that CRP could be particularly useful and beneficial in these uncertain, chaotic times. It could provide an off-ramp from the downhill descent of overproduction. One problem, however, is the program is currently limited by an arbitrary 27-mil. acreage enrollment cap and is likely at or very near that limit." Coppess indicates changes can be made and will be met with reaction from the Congressional Budget office that increased CRP acreage will be most costly. What is needed most is the political will to get ahead of the problems. Congress does not appear all that interested in addressing these real problems, however, as evidenced by the legislation being considered by the House Agriculture Committee this week. "The House legislation would reauthorize CRP through fiscal year 2031 but continue the arbitrary acreage cap of 27 mil. acres. Because current enrollments are near the cap, this allows almost no flexibility to respond to whatever potential problems might result from the trade, tariff, and market chaos. The consequences of missing this opportunity could be dire for many farmers, while also ultimately very expensive for the American taxpayer. The lessons from history are clear. The results of inaction are likely to be painful and produce long lasting damage. It remains a question of whether anyone in a position to do something about it cares enough to try." Coppess recalls that CRP discussion on the 1985 Farm Bill authorized a 45 mil. upper limit, and it was accepted because of commodity surpluses and depressing crop prices. Since that time, CRP has had an arbitrary 27 mil. cap.



## ***Agri-Politics—***

- **The political attacks on FFA** took a [brief break last week in Washington](#) when the leaders of the House Agriculture Committee issued a statement saluting FFA and American agriculture youth organizations. Chairman Rep. Glenn Thompson, R-PA, and minority leader Rep. Angie Craig, D-MN, jointly said, "Today, as National FFA Week comes to a close, it is important to recognize the critical role that youth organizations such as FFA play in developing the next generation of agricultural leaders. Participating in these organizations facilitates formative experiences that alter the course of students' lives for the better. Young leaders from all walks of life and diverse backgrounds are empowered to envision brighter futures for themselves, their communities, and American agriculture. "At the House Committee on Agriculture, we affirm our support for the crucial work carried out by youth agricultural organizations and recognize the indispensable impact these organizations have in shaping the agricultural workforce and our nation's future leaders." →
- **The Thompson/Craig salute to FFA closely follows** the attacks on FFA by several of their fellow House members because of financial contributions from Syngenta to FFA, with the Congressmen accusing FFA of following the precepts of the Chinese Communist Party. In a Feb. 3 letter to FFA CEO Scott Stump, Reps. Tracey Mann, R-KS; Jason Smith, R-MO.; and David Schweikert, R-AZ., stated that FFA's ties to Syngenta are "problematic" due to the potential influence of the Chinese Communist Party. Syngenta has been a long-time contributor to FFA leadership programs but has not been involved beyond the contribution. While castigating FFA for taking Syngenta contributions, Federal Election Commission data indicates Mann accepted \$10,000 in donations from sources affiliated with Syngenta during the 2023-24 election cycle. He also accepted \$6,000 from Syngenta affiliates during the 2021-22 election cycle. Smith accepted \$2,500 from Syngenta's political action committee during the 2023-24 election cycle, according to the FEC's Feb. 6, 2025, report. In 2024, a Delaware-based Syngenta subsidiary donated \$250,000 to a Trump inauguration fund. Posturing or not, the lawmakers may already be impacting FFA which has reportedly been forced to divert resources from student programs to comply with the lawmakers' request.
- **U.S. farm groups are urging Congress to move quickly** on a new Farm Bill, warning that continued delays could increase uncertainty for producers heading into the 2026 growing season. Commodity organizations say programs covering crop insurance, conservation, nutrition assistance and farm safety nets need long-term stability. Congressional hearings are underway, but farm leaders say producers need clarity well before planting and financing decisions are finalized. Agricultural economists note that high input costs, volatile weather and global competition have increased reliance on federal support programs. Farm groups warn that a delayed bill could complicate lending decisions and participation in conservation initiatives. Congressional leaders say negotiations are ongoing but acknowledge challenges in reaching bipartisan agreement. Farm organizations say timely passage is critical to maintaining confidence in the U.S. farm economy. The House Ag Committee will begin debate on Farm Bill 2.0 proposed by Chairman Rep. Glenn Thompson, R-PA, Tuesday. It will not be exactly bright and early, but at 5 pm.

### ***And finally, this—***

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

### ***Mark Your Calendar! --***

- **Pesticide safety education programs** are underway and extend through April 8 at numerous locations around IL. The [Illinois Pesticide Safety Education Program](#) is for those needing an operator or applicator license, with on-line access. [Private applicator training clinics are in-person at these locations and dates.](#) [Commercial Applicator/Operator In-Person Clinics](#) are underway and will be held through March 10.
- **Extension's Crop Management Conf.** will be on-line this year, and available from Mar 1-Apr. 30 with the latest research updates to improve productivity and output of crop science experts. Full event details and registration are available at [go.illinois.edu/CMC](http://go.illinois.edu/CMC).
- **Sustaining your farm legacy** will be the focus of several 2026 meetings beginning Mar. 2 and on-line programs, being jointly presented by Extension and IL Farm Bureau, for IL farmland owners and agricultural stakeholders. [Details, dates, and registration are here.](#)
- **The Center for Digital Agriculture** at the Univ. of IL will hold its 2026 conference on Mar. 9 at the I Hotel in Champaign. The focus is on how cutting-edge AI technologies are transforming the future of farming. [Details and registration are here.](#) 9 am to 4:30 pm.
- **The Ag Tech Summit** is set for March 10 at the IL Conference Center at Champaign, from 9 am to 5 pm and features speakers, panels, and exhibits. [Details about the free event are here.](#)
- **Trash or Treasure?** Univ. of IL crop physiologists will discuss how to maximize the value of your residue. This free webinar will be hosted on Tuesday, March 10 at 11:00 AM CST by the IL Soybean Assn. Whether you no-till, cover crop, double crop or have higher yields today than a decade ago, you've got residue in your field. [Details and registration here.](#)

Understanding the rapidly changing agricultural industry can be a daunting task. At Heartland Bank, our team of ag specialists will work with you to meet the goals of your farming operation. With over 160 combined years of agricultural service experience, we are focused on providing outstanding service and results throughout Central and Northern Illinois. Whether it's farmland real estate, operating and equipment loans, or farm management expertise, we have the professionals who you can trust to improve your farmland's productivity and asset value. Contact one of our knowledgeable experts today at 309-661-3276 or toll free at 1-833-797-FARM (3276).

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