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

**Commodity market price drivers—**

- **“The extended closure of the Strait of Hormuz** and extreme weather have jolted the price index for farm commodities to a 2-year high as fertilizer headaches and the prospect of smaller harvests drive food inflation risks. The Bloomberg Agriculture Spot Index, which tracks 10 of the world’s top-selling crop products, has climbed for a third straight month to the highest level since November 2023. That’s a pronounced shift from before the war, when most crop prices were

**Crop Prices Hit Highest Since 2023**

Farmers battle twin disruptions from war and weather

▶ Bloomberg Agriculture Spot Index

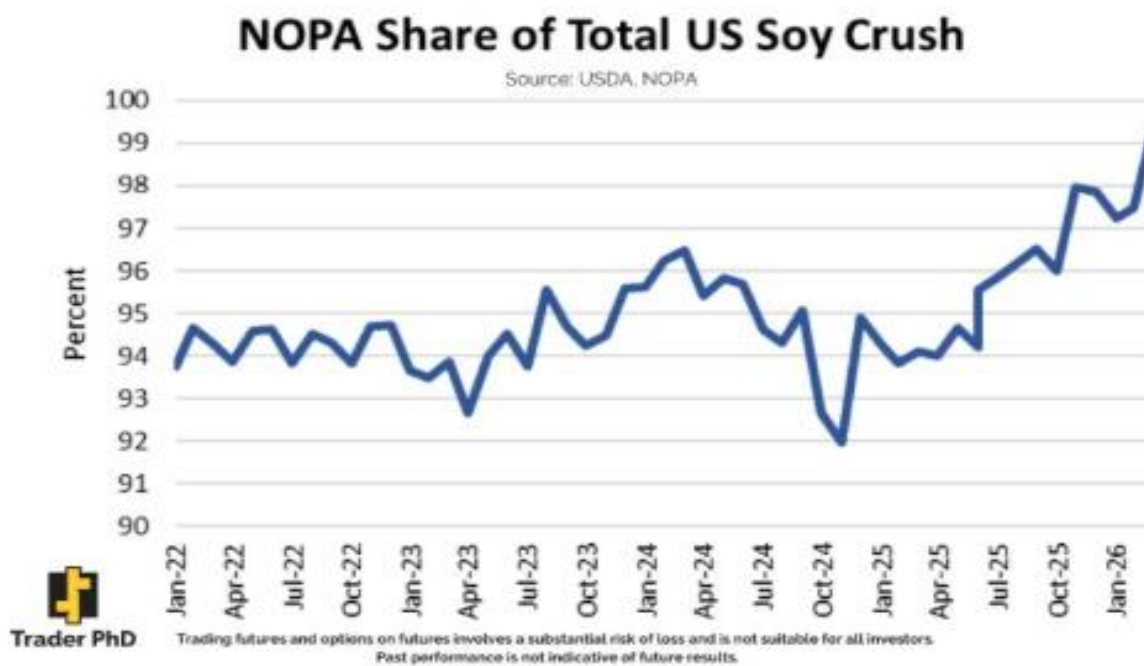


Source: Bloomberg

weighed down by abundant inventory and bumper harvests. Now, farmers from Asia to Australia and the US are grappling with converging challenges posed by the Iran war and drought. Wheat and corn, both fertilizer-intensive crops, are among the hardest hit. The most actively traded wheat futures on the Chicago Board of Trade have surged 11% since the war erupted in late February and hit the highest level in almost 2 years this week. Corn climbed 6% in the past 2

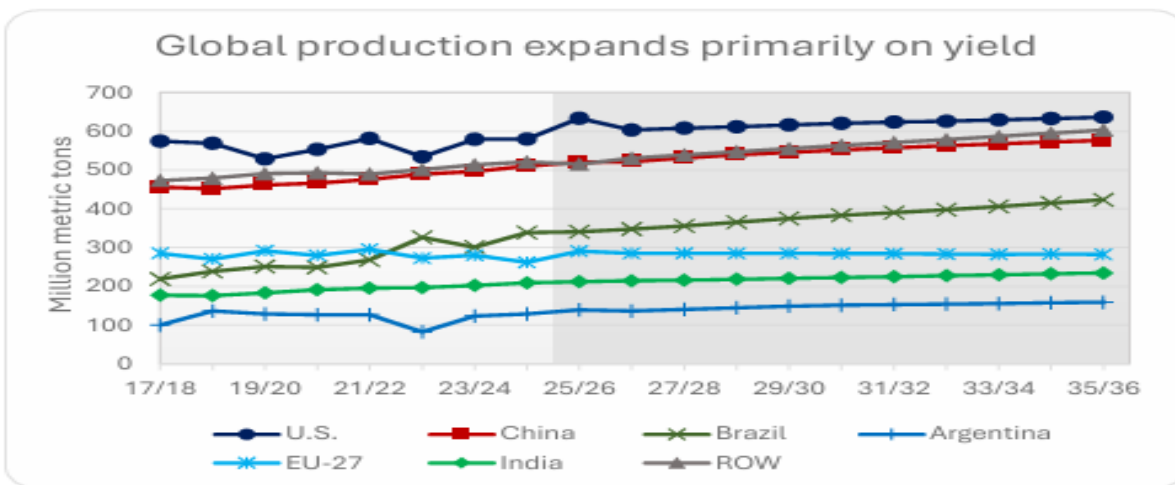
months to the highest in a year. Some farmers in major producing countries have had to reduce planting to cut costs. Persistent dryness in the US Great Plains is driving up wheat prices. The spillover effect is impacting corn. Weather is now emerging as a second major layer of risk. Soybean oil prices in Chicago have surged nearly 50% this year to hit their highest since 2022, lifted by stronger US biofuel mandates and the rally in energy markets.”

- **Soybean oil is becoming "a thing,"** thanks to the new EPA expansion of biodiesel allowed into the market. And with that expansion, comes word that more soybean oil may be available than previously thought. [Data chaser Dawson Schmidt](#) reports, "U.S. oilseed processors crushed 227.4 mil. bu. of soybeans in March, up 10% from a year ago. Definitely an impressive number! However, today's data was off by about 4 mil. bu. from the average analyst's guess. Why? It likely has to do with the large jump in the share of NOPA members compared to total U.S. crushings. Last year, NOPA said its membership grew to 99% of total U.S. crush capacity. That wasn't realized in the monthly crush data until (April's) report. That share has been climbing over the past few years as the association has grown its membership. The average guess for new numbers was likely derived from the average share over the past few months. That will likely change pre-report calculations moving forward - it may even be easier to predict USDA crush numbers of weeks earlier."



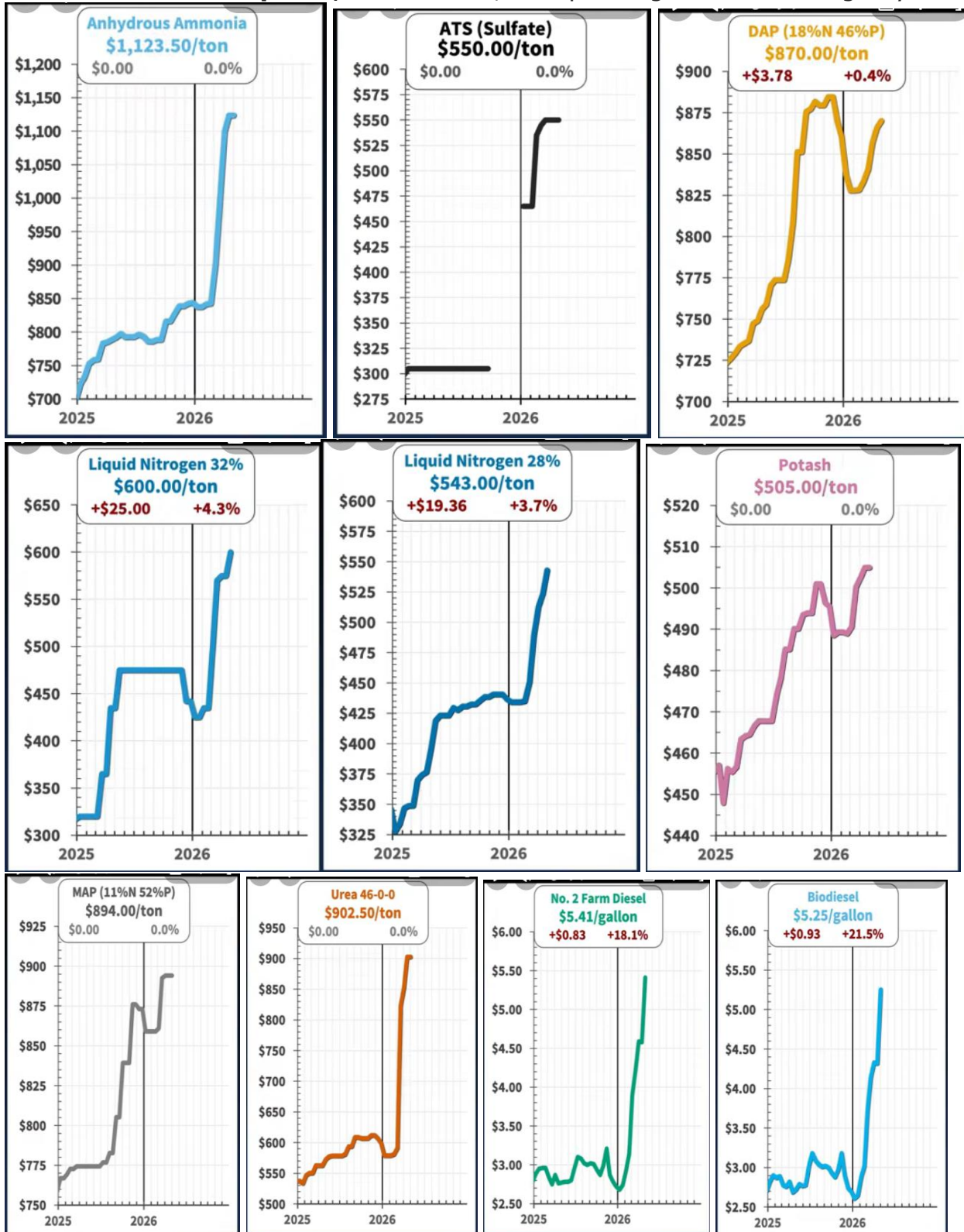
- **If the European Commission phases out soybean oil** for biodiesel, that would be a \$2 bil. loss for soybean exports. Why would the EU do that? It all reverts back to the land use issue, and the EU believes US farmers are constantly converting timber and grasslands into soybean fields. Brazilian farmers have convinced the world they are doing no such thing. The carbon intensity is the measuring stick used by the European Commission, and US soybeans score at a similar level to palm oil. "Under the new calculations both palm oil and soybeans fall under the definition of a high ILUC-risk feedstock for biofuel use and therefore will not be able to count toward the EU's targets for biofuel use by 2030," USDA said. "The commission will assess whether it is appropriate to further specify the certification framework of low indirect land-use-change biofuels as regards the coverage of agricultural practices such as sequential cropping and intercropping, while preserving environmental safeguards," [USDA-FAS said](#).

- **Dr. Seth Meyer**, who shifted from being USDA's chief economist earlier this year, has been busy. Meyer and his colleagues at the Univ. of MO, [Food and Agriculture Policy Research Institute](#) have published a 10-year review of the global agricultural economy. They found:
  - ✓ Brazil and Argentina are projected to continue to expand crop area, albeit at a slower rate. In other parts of the world increases in production will come from higher yields.
  - ✓ Margins have been tight in cereals markets where prices have fallen from peaks in 2022 and 2023, but input costs remain stubbornly high. Global feed use continues to rise on increased meat (especially chicken) production. In China, the rate of increase of feed use of grains slows, and imports are flat.
  - ✓ In oilseed markets, increased mandated use of biomass-based diesel (BBD) supports vegetable oil markets, but strong production keeps nominal prices flat. China continues to be an important market for soybeans with growing demand.
  - ✓ Beef prices have been strong in several key markets, as production in the U.S. stalls with strong demand, and the dairy herd shrinks in the EU.
  - ✓ Developments in animal disease outbreaks such as Highly Pathogenic Avian Influenza (HPAI) and New World Screwworm (NWS) in North America will influence production.
  - ✓ Dairy markets internationally saw pressure on prices in 2025 as production growth outstripped demand. Stronger than expected production of milk in many major producing countries, along with higher component content of milk saw prices fall. Oceania prices were more resilient than those in the U.S. and Europe that saw significant reductions.
  - ✓ Demand for dairy products is expected to keep growing and to result in a recovery in prices around the world. Increasing incomes, growing middle classes, and the creation of cold chains and markets should keep dairy products as a popular source of protein.
  - ✓ Ethanol production is projected to grow steadily, mostly in Brazil where RenovaBio spurs growth of 2.9% per year, with increased use of corn as a feedstock.
  - ✓ BBD production increases as well, with the U.S., Indonesia, and Brazil all contributing. Demand continues to be mandate driven, with the majority of production consumed domestically, but exports from Malaysia are projected to grow.



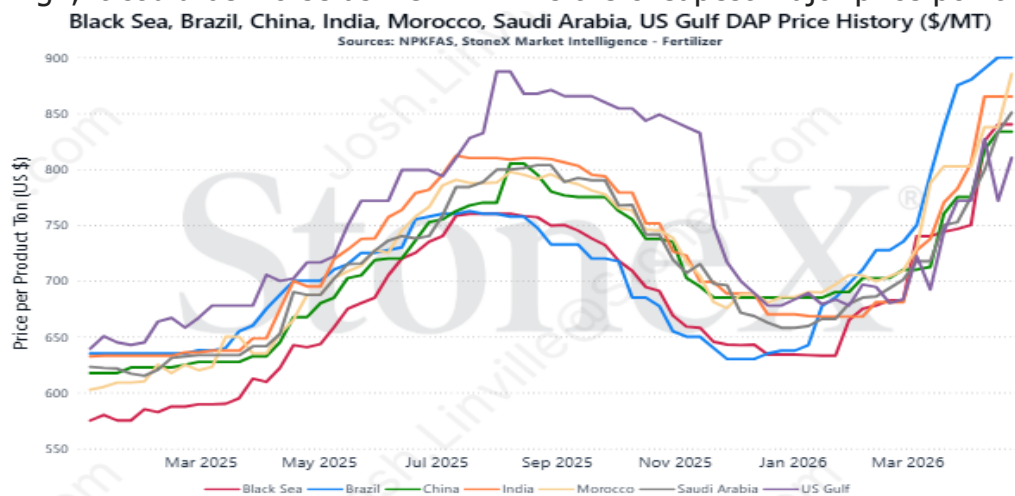
## Fertilizer Issues and Supply—

- IL fertilizer and fuel prices, via Jim Raftis, IL Dept. of Ag. for week ending May 1.



- **April 30 Fertilizer Update from Stone-X**, via Josh Linville, VP Fertilizer.

- ✓ **Nitrogen**-- Global markets have been VERY quiet recently. Buyers have either already locked in their needs by now or are dragging their feet in hopes of lower prices. European urea production is still 75% of normal. Chinese exports not expected until August. UAN European production is still at 75% of normal. Russia still has a lack of destinations (and lowers production/export to balance) with Canada/Australia/Europe unwilling to trade. NH3-- Russian exports still shell of their former self. Strait closure means Qatar/Iran/S.A. unable to export (3 of the world's 10 largest exporters). Lack of LNG exports through the Strait impacts other global manufacturers.
- ✓ **Phosphate**—It is in worse shape than nitrogen. Low grain prices and elastic demand have kept higher prices at bay. China – not exporting until August...if by then. Saudi Arabia – blocked behind the Strait. U.S. – production rates still low. While N.A. phosphate values are incredibly high, it could be worse as NOLA DAP is the cheapest major price point in the world today.



- ✓ **Potash**-- There is finally something happening in the potash markets!!! The NOLA potash value only moved \$20 from the high to low price for all of 2026 until a couple weeks ago. Since then, it has rallied \$35. We continue to believe that potash supplies are more than adequate and there is little reason for a "potash market" rally. Potash is still well valued vs itself/grains/etc., it's just a bit higher than it has been.

- **Administration officials assured lawmakers** the administration is both aware of and working to help struggling farmers with fertilizer needs. Trade Ambassador Greer told House Ways and Means that the administration is creating a fertilizer program, "USDA is now actively going through applicants for that program to see if there are opportunities for more fertilizer producers to get into the game. We know that there's some concentration in the fertilizer industry, so bringing in more and smaller producers can be helpful." While also pursuing permitting reform, "We have fertilizer producers in the United States who want to open new mines or new processes, but they're slowed down by regulatory process that we're speeding up."

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

- **Agricultural operations in IL**, which have been significantly impacted by recent severe weather, which spilled over from WI, including tornadoes, straight-line winds, and hail. Over 100 verified tornadoes were recorded in IL during April. The USDA has technical and financial assistance available to help farmers and livestock producers recover from these adverse weather events. “USDA has a suite of programs to support farmers and ranchers as they recover from disasters,” said Farm Production and Conservation Under Secretary Richard Fordyce. “I encourage impacted producers to contact their local USDA Service Center to report losses and learn more about program options available to assist in their recovery from crop, land, infrastructure, and livestock losses and damages.” “Impacted producers should timely report all crop, livestock and farm infrastructure damages and losses to their [local FSA county office](#) as soon as possible,” said Bill Graff, State Executive Director for FSA in IL. “As you evaluate your operation, take time to gather important documents you may need to get assistance, including farm records, herd inventory, receipts and pictures of damages or losses.” “Crop insurance and other USDA risk management options are offered to help producers manage risk because we never know what nature has in store for the future,” said Mitchell Zipprich, Director of USDA’s Risk Management Agency (RMA) Regional Office that covers IL. “Disasters can be trying for producers, and they should stay in close contact with their crop insurance agent. Producers can be assured that the Approved Insurance Providers, loss adjusters and agents are experienced and well-trained in handling these types of events.” Producers with NAP coverage should report crop damage to their local FSA office and must file a [Notice of Loss \(CCC-576\)](#) within 15 days of the loss becoming apparent, except for hand-harvested crops, which should be reported within 72 hours. Producers insured under [Federal Crop Insurance](#) are reminded that crop damage must be reported to their crop insurance agent within 72 hours of discovery, followed by written confirmation within 15 days. Additionally, if producers experience a natural disaster event that prevents marketing milk, they must provide written notice to their insurance provider within 72 hours. \_

## ***Land Values, Farmland Issues, Data Centers--***

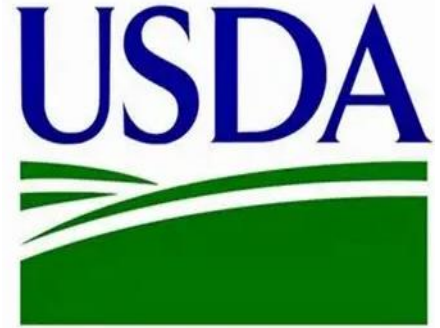
- **A new USDA survey shows rented farmland** remains a major part of American agriculture, with absentee landowners holding a significant share of cropland and pasture nationwide. USDA’s Tenure, Ownership and Transition of Agricultural Land survey, known as TOTAL, found about 348 mil. acres of agricultural land are rented for uses including cropland and pasture. The figures exclude federally owned public grazing land. The Plains region, including ND, SD, NE, KS and TX, accounts for about 43% of all rented farmland, or roughly 149 mil. acres, despite having a smaller share of the nation’s landlords. In the Midwest, nearly 800,000 absentee landowners own farmland but do not actively farm it. Those owners represent about 38% of U.S. landlords while controlling 21% of agricultural acres, according to the survey. Nationwide, about 2 mil. landlords own roughly 167 mil. acres of cropland and 98 mil. acres of pasture. Including crop-share arrangements, landlord-owned cropland rises to about 205 mil. acres.

## ***Agronomy—***

- **For the 2<sup>nd</sup> successive year**, Univ. of IL officials and IL farm organizations have battled the



USDA, which wants to transfer long-held corn and soybean genetics and federally-funded researchers from Urbana to the Univ. of MO and IA St. Univ. USDA's ag research funding in the Trump budget for FY 2027 proposed no funding for the genetic seed stocks and annual



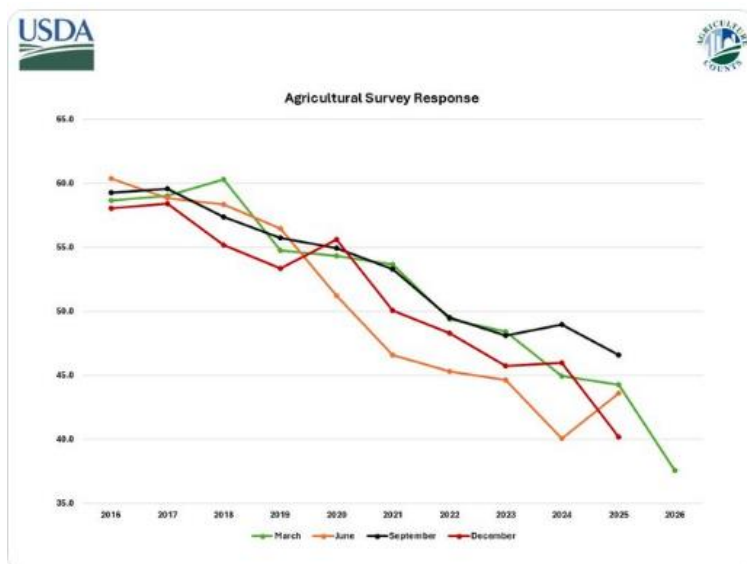
research. In the past week, the House Ag Appropriations Subcommittee discussed the budget, and the IL lobbyists were able to discuss the issues with the committee staff. The issue has not yet been settled, but Steve Wald, Director of Gov't. Relations for the Univ. of IL College of ACES says he's more comfortable that the efforts of IL Corn Growers, IL Soybean Assn., American Soybean, Assn., IL Farm Bureau, and U of I staff were able to hold on to the corn and soybean germplasm and researchers for another year. [His comments and examples from one of the U of I researchers are this 7 min. video.](#) Wald says the House Appropriations Committee will have language to approve which says, "None of the funds made available to the Department of Agriculture in this or any other Act may be used to close or consolidate the resources or locations of any existing Agricultural Research Service laboratories and facilities without prior notification, including cost analysis, how many research scientists will likely not be willing to relocate, and which research projects will be terminated or adversely impacted by the relocation, and approval of the Committees on Appropriations of both Houses of Congress." All the organizations involved are urging farmers to contact their Representatives and Senators Durbin and Duckworth, urging their support for the Univ. of IL corn and soybean genetics research lab and seed repository. Brad Stotler, director of governmental affairs for IL Corn growers says the issue is "something we'll continue to watch as spending for FY2027 continues to move through House and Senate over the next 8 months."

- **The IL Fertilizer & Chemical Association (IFCA)** is introducing a new training opportunity designed for individuals beginning or building their experience in pesticide application—the First Pass Applicator Training course. Registration is officially open at our website [ifca.com](http://ifca.com), and we encourage members to share this opportunity with new employees and applicators entering our industry. This two-day, hands-on course is built to provide foundational knowledge and real-world experience. Participants will work through practical scenarios, demonstrations, and group exercises covering all aspects of pesticide use and dry fertilizer application. The goal is simple: equip first-time and early career applicators with the confidence and skills they need to get off to a strong, safe start. Attendance will be limited. The course will be run by seasoned instructors Greg Yoder and Gary Cornell, who have more than 80 years of combined experience in ag retail application. Sessions will be July 14-15 and Sept. 15-16 in Bloomington. Register at [IFCA.com](http://IFCA.com) . [Learn more in this short video](#) with IFCA.

## USDA—

- **USDA plans to expand outreach to farmers** ahead of the upcoming acreage reports after low survey response rates raised concerns about the accuracy of key crop estimates. USDA's acreage and production reports are closely watched by grain markets because they help determine expectations for corn, soybean, and wheat supplies. In recent years, fewer farmer responses have increased questions about how representative the data may be. Officials said they will contact more producers and encourage participation through additional survey efforts this season. Better response rates can improve confidence in planting estimates that often move futures markets immediately after release, according to Reuters. Farm groups and analysts have urged strong participation, saying accurate data benefits producers, traders, and end users making marketing and purchasing decisions. The annual June acreage report is among the most influential USDA releases of the year, offering one of the first broad looks at farmers' final planting intentions after spring seeding progress.

[Bloomberg reports](#), "American farmers are ignoring US Department of Agriculture surveys in the latest sign of distrust in government data. Reply rates for the USDA's annual prospective planting report sank in March to a record low, with just over a third of 73,800 farm operations surveyed answering questions on the acres they will plant this spring everything from corn and soybeans to tobacco and chickpeas. That compares with about



60% of farmers responding in 2018, with replies declining in each year since, [according](#) to government records. Farmers say they are wary of sharing data to inform reports they feel often work against them, especially with abundant harvests in recent years keeping crop prices under pressure. The mounting skepticism comes as the USDA is looking to become more responsive to farmers through a transformation that relies heavily on shared data. It also echoes a broader loss of trust in government data, particularly as President Donald Trump has called into question federal statistics and information — from [jobs reports](#) to voter tallies and even [weather maps](#). Former USDA chief economist Seth Meyer is intimately familiar with the issues. He views the data the agency collects from farmers as the backbone of all the analysis and aid it provides for the agriculture sector. So, when farmers don't participate, he said, the data suffers and then farmers lose even more faith in the USDA's findings. Former USDA chief economist Seth Meyer is intimately familiar with the issues. He views the data the agency collects from farmers as the backbone of all the analysis and aid it provides for the agriculture sector. So, when farmers don't participate, he said, the data suffers and then farmers lose even more faith in the USDA's findings."

## ***Farm Bill 2.0—***

- **The U.S. House of Representatives passed** a sweeping Farm Bill aimed at strengthening agricultural programs and rural communities, a move supporters say will bring stability to farmers and ranchers nationwide. The bill, approved 224-200, reauthorizes key food and farm programs for 5 years while expanding rural investment and improving regulatory certainty. Lawmakers say those provisions will help producers better plan for the future amid volatile markets and rising input costs. With 14 Democrats and 1 independent voting in favor of the bill, it's the highest number of votes from the minority party on a House Farm Bill since 2008. Only 3 Republicans voted against the bill, so with over 96% of the GOP voting in favor, it's the highest level of Republican support for a House Farm Bill in history. "I especially thank everyone involved in negotiations that allowed the Farm Bill to proceed to the floor and that helped secure a future vote on year-round E15 in May," Ag Committee chair Rep. Glenn Thompson, R-PA, added. The Senate will have little time to process a Farm Bill and may be faced with taking up and amending the House bill until later this year.
- **Now that the 2026 Farm Bill has passed out of the House**, it's on to the Senate next. John Boozman, R-AR, the chair of the Senate Ag Committee, said it's a different process in the Senate, "We've got a little bit different situation in the Senate, in the sense that, as we do things, because of the filibuster, we need 60 votes to get things passed. So, we have the opportunity to lose some Republicans, and we have the opportunity to lose a bunch of Democrats. We've got to get probably 9, 10, or more to vote with us. So, because of that, we're working really hard to try to come up with a Farm Bill. What I'd like to do is take the things that we feel like there's support on both sides, really maximize our time building a coalition with those things, and get them passed." He said a big part of the Farm Bill was put in place by the One Big, Bill Act, but it's time to close the deal, "If you remember, during reconciliation, we passed about 85% of the Farm Bill, to the tune of about an additional \$68 bil. put into the Farm Bill in the last Congress. You know, we dreamed of having \$10 or \$20 bil. to put into it, and we were able to get \$68 bil., which is by far the most ever, okay, so we're pleased with that. We've worked on not only the risk management tools, ensuring that crop insurance works better, increasing ARC and PLC payments, all the risk management tools that farmers use, but we also doubled things like research and tremendous conservation dollars were pushed into the Farm Bill." Boozman talked about the important work that's left to do in completing a Farm Bill, "I think the most important thing that we need to do is increase the credit limits. The 2018 Farm Bill was actually based on 2012 data. The world is totally different now than it was in 2012, so they don't work anymore. You know, if you're building a structure on your farm or making a loan for something, those loans, because the cost has increased so much, just don't work anymore. The good news is those things don't cost a lot, okay, as far as we backing it from a federal standpoint. So, those are things we're going to concentrate on, and we're working with Sen. Klobuchar, D-MN, and we have a very, very good working relationship. We've done some really important things in the past. She's a good partner, certainly coming from MN, she understands how important agriculture is and is committed to it, so that's where we're at." (NAFB News Service)

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

- **Frustration is the term most folks would say.** E-15 gets so close to reality, then the pump shuts off. The latest occurred when year-round E15 was pulled from the Farm Bill vote and re-set for May 13. A similar event occurred 2 months ago until a committee could evaluate it, and it would pass. The committee never met. [According to IL Corn](#), "Lawmakers will vote on legislation to deliver a permanent, nationwide fix that would allow uninterrupted access to E15 throughout the summer months. This approach would replace the current system of temporary emergency waivers with long-term certainty for farmers, fuel retailers, and consumers." IL farmers are not alone in pushing for year-round E15—support is building across Congress, federal agencies, and industry leaders, particularly through the Farm Bill process. Members of Congress from IL, Reps. Sorensen and Budzinski in particular, have supported this legislation aimed at securing permanent, nationwide access to E15. These efforts reflect a growing recognition that E15 is critical to strengthening domestic fuel supply, lowering consumer costs, and expanding markets for corn growers."
- **Thank Hormuz. Demand for biofuels has been growing** in many parts of the world. Governments, particularly those in countries with big farming sectors, have viewed crop-based fuels as a way to support domestic agriculture, cut transport fossil-fuel emissions and help address climate change, [reports Bloomberg](#). The energy crunch caused by the closure of the Strait of Hormuz has created a further incentive to boost production: energy security. Biofuels can't fully replace petroleum, but they can be blended into gasoline and diesel, allowing countries to stretch existing fuel supplies. Since the Iran war broke out, major biofuel producing countries Indonesia, Malaysia, Thailand, Vietnam and Brazil have moved to allow more biofuels to be mixed into transport fuels to cut down on imports and ensure security of supply. Yet many environmentalists contest the idea that biofuels are a sustainable alternative source of energy. And as more farmland is used to producing them, there's less available to make food, increasing the risk of global food shortages and hunger in the poorest nations. Demand now comes from both developed and emerging economies.

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