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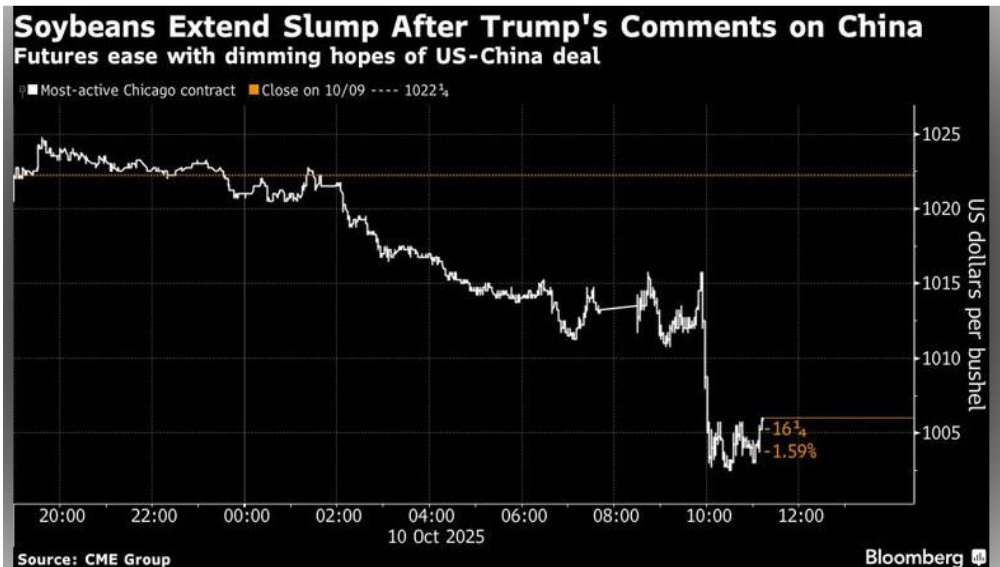


A weekly Cornbelt digest of marketing, economic, agronomic, and management information.

Commodity market price drivers—

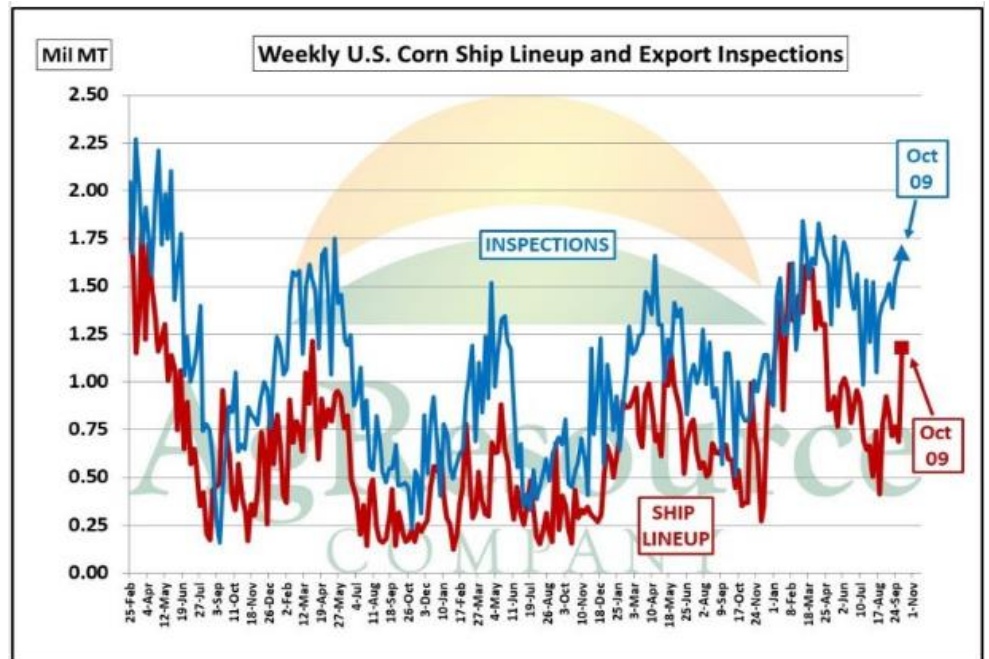
- **Soybean futures plunged Friday**, extending earlier losses, after US President Donald Trump threatened additional tariffs on China's goods and said there was "[no reason](#)" to meet with Chinese President Xi Jinping. Trump's social media posts contributed to dimming hopes for a US-China trade accord that could restart stalled American soybean exports, with growers busy harvesting while their top export market remains shut. Chicago soybean futures fell as much as 1.9% to \$10.02 a bushel, hitting session lows after the posts. The intraday decline is the biggest since July 7. "The thought is China will not buy US beans now," Joe Davis, a director at brokerage Futures International LLC, said of traders' reaction. US farmers have yet to ship any soybeans to China, the world's top importer, this season. Beijing has turned to other exporters, including Brazil and Argentina, for its supplies. Trump said as recently as Thursday that the pressure he would bring on the Chinese president during their planned sit-down later this month would end Beijing's months-long moratorium on US soybean buys. "This market had been propped up by hopes of a commodity trade deal with China, but a dose of reality set in overnight," Arlan Suderman, chief commodities economist at StoneX, said before Trump's comments. "That doesn't mean that we can't get a deal, but the market is dealing with the realities of how difficult that might be to achieve." Suderman said later that US-China relations are at a new low, with Trump's statement reflecting a significant escalation. The latest developments are "deeply disappointing at a moment when soybean farmers are facing an ever-growing financial crisis," said Caleb Ragland, president of the American Soybean Assn., adding that the group hopes talks can be put back on track. Farming communities, which voted overwhelmingly for Trump in the 2024 election, have been hit as export markets have dried up and many federal-safety net programs have shrunk during his second term. →

- "I was to meet President Xi in 2 weeks**, at APEC, in South Korea, but now there seems to be no reason to do so," Trump posted Friday. Earlier, China announced [special fees](#) on US ships docking at its ports, a tit-for-tat measure signaling that trade tensions between the 2 sides are likely to persist. The measure kicks in Oct. 14, the same day that Washington plans to impose [new charges](#) on large Chinese ships calling at US ports. The Trump administration has teased billions of dollars in federal aid for struggling farmers, but Agriculture Secretary Rollins on Thursday signaled that a package is [on hold](#) with the US government shut down. Trump said he was looking at a "massive increase" of import taxes on Chinese products in response to Xi's moves. It's possible that this could amount to either posturing by the United States for eventual negotiations or a retaliatory step that could foster new fears about the stability of the global economy. Trump did not formally cancel the meeting with Xi, so much as indicating that it might not happen as part of a trip at the end of the month in Asia. Data on US crop production and harvest progress is also delayed during the shutdown. Analysts surveyed by Bloomberg expect US soy stocks to increase with a lack of exports.

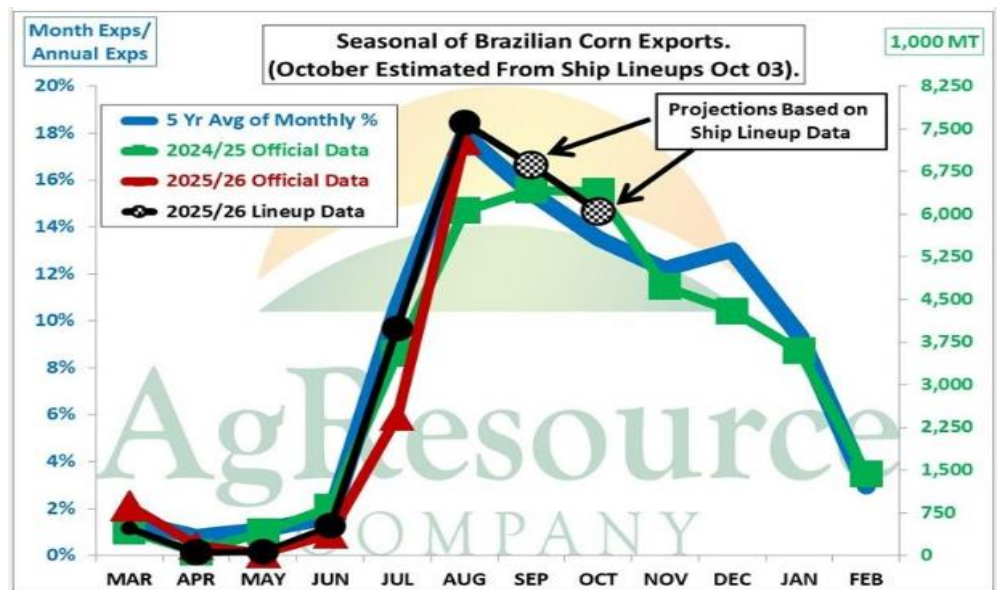


- Trump's cancellation did not sit well with the American Soybean Assn.** "ASA is extremely disappointed that the planned meeting at the end of the month between President Trump and Chinese President Xi is canceled as of right now due to the recent actions of the Chinese government to further restrict access to rare earth minerals. ASA was hopeful that these upcoming talks between the United States and China would lead to a deal that would restore U.S. soybean exports to China, traditionally soybean farmers' largest export by far. Trade wars are harmful to everyone, and these latest developments are deeply disappointing at a moment when soybean farmers are facing an ever-growing financial crisis. ASA hopes that talks can be put back on track to restore markets and trade relationships."
- On Thursday**, the Chinese government [restricted access to the rare earths](#) ahead of [the scheduled Trump-Xi meeting](#). Rep. Don Bacon, R-NE, said "China has not been a fair-trade partner for years, but the Trump administration should have anticipated China's [restrictions on rare earths](#) and [refusal to buy American soybeans](#) in response to the tariffs."

- Corn keeps buying tickets for ocean cruises.** Chief economist Bill Tierney at AgResource tracks export inspections and ships waiting to load US corn for global shipment. "This week's ship lineup is 46 mil. bu. That is up 71% from the previous week and the highest it's been in 6 months. A year ago, the lineup was 17.5 mil. bu. Next week's corn export inspections could be 66 mil. bu. That would be up 4.7% from the previous week. October exports tracked by the US Census Bureau could be 298 mil. bu. In the September WASDE, the USDA raised its projection of U.S. corn exports by 100 mil. bu. to a record 2.975 bil. bu. Last year's exports were estimated to be 2.830 bil. AgResource expects exports will be 2.750 bil."

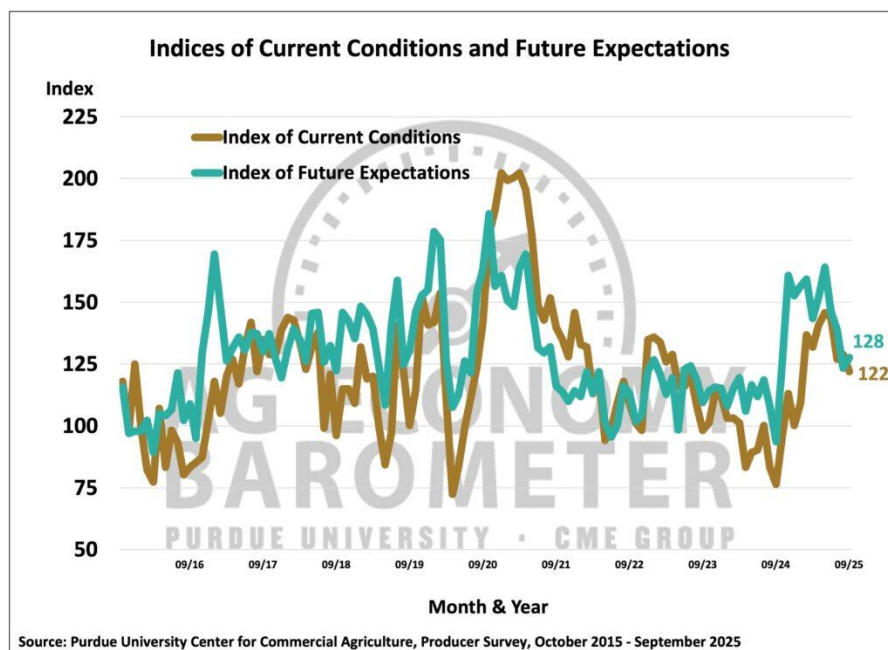


- The US is not the only global corn supplier.** Even though healthy corn exports are departing US ports, other global suppliers are remaining competitive, says Bill Tierney, chief economist at Ag Resource. He says, "Last week, Brazil exported 56 mil. bu. of corn, while Argentina exported 16 mil. Shipments from Ukraine totaled 1.4 mil., and exports from the U.S. reached 63 mil. bu. Brazil's corn commitments for the local marketing year (March-February) increased to 1 bil. bu., up 32 mil. bu. from the previous week. The ship lineup suggests that 225 to 265 mi. bu. may be exported in October. The USDA's September WASDE projection for Brazil's local marketing year (March 2025 - February 2026) remains unchanged at 1.7 bil. bu., while Ag Resource anticipates Brazil's final exports will be 1.57 bil. bu."



Farm Economy—

- **Farmer sentiments are weakening** which were measured late in September by ag economists with the [Purdue Ag Economy Barometer](#). “Producers’ perceptions of current conditions on their farms weakened as the Index of Current Conditions fell 7 points to 122. At the same time, farmers in September were a bit more optimistic about the future than in August, as the index of future expectations rose 5 points to 128. Expectations for the future were buttressed by rising expectations that a program similar to 2019’s Market Facilitation Program (MFP) will provide payments to farmers in compensation for lower commodity prices.



- ✓ September marked the third month in a row that producers said they expect weaker financial performance in 2025 than a year ago. Consistent with their weak farm income expectations, fewer farmers this month said it is a good time to make major investments in their farm operations.
- ✓ Producers’ short-term outlook for farmland values weakened in September for the fourth consecutive month, which was attributable to fewer producers saying they expect values to rise and a larger proportion of farmers expecting farmland values to remain about the same.
- ✓ When asked specifically about whether they expect the increased use of tariffs to strengthen or weaken the U.S. agricultural economy, 51% said they expected tariffs to strengthen the agricultural economy in the long run. That’s down from 63% of June’s survey respondents and 70% of respondents in both the April and May surveys who said they expect the use of tariffs to have a long-run positive impact. 83% of respondents said they think that an MFP-style program is either likely or very likely if a trade war leads to lower prices for U.S. agricultural products.
- ✓ 53% of the farmers surveyed this month said they currently use cover crops on at least some of their acreage. That percentage has fluctuated between a low of 52% and a high of 57% over the last 5 years.

Farm Bailout(s)—

- **The Trump administration** is preparing to roll out a new multibillion-dollar aid package for U.S. farmers, drawing from \$13 bil. quietly transferred from the Commodity Credit Corporation (CCC) to the Office of Agriculture Secretary as trade tensions with China escalate. The Office of Management and Budget approved the move on Sept. 28, reviving a key funding mechanism used during the president's first term to deliver tariff relief to producers impacted by retaliatory trade measures. The move comes as more than 200 national and state agricultural organizations sent a letter to President Trump urging immediate assistance for farmers facing what they described as "enormously challenging market conditions." The groups noted that while the summer's budget reconciliation bill included "significant" updates to commodity programs, producers will not see resulting payments until October 2026. The coalition encouraged the administration to keep pushing for new export opportunities. The administration's aid announcement results from steep declines in U.S. agricultural exports to China. Beijing has drastically reduced purchases of American soybeans, buying \$2.5 bil. less through July compared to last year, and sorghum exports have plummeted 97%. Treasury Secretary Bessent described the forthcoming assistance as "substantial," calling China's actions "a deliberate act of economic retaliation." Economists project that growers of major row crops could lose as much as \$45 bil. this year before any federal aid is applied. Many producers say they welcome the support but acknowledge it will only offer temporary relief. (IL Fertilizer and Chemical Assn.) →
- **The timeline has been further delayed** because some USDA political appointees have been furloughed during the shutdown. Officials have been weighing [using tariff revenue](#), USDA's [Commodity Credit Corporation fund and other alternative methods](#) to alleviate farmers' financial stress. The administration was expected to announce some form of support for farmers, but that was put on pause due to ongoing shutdown negotiations. Still, some of the people familiar expect that Trump could go rogue and announce next steps on bailouts this week. →
- **The USDA won't move forward on financial assistance** for producers until the government shutdown ends. Successful Farming said that comes directly from Ag Secretary Brooke Rollins. On September 28, the administration transferred \$13 bil. from the Commodity Credit Corporation account to fund the aid package. However, it hasn't announced the terms or the exact size of the package. Rollins said the government needs to be reopened so they can move forward with the assistance. "Once we do that, we'll be able to move out a significant program to help our farmers," Rollins said. The Secretary and President Trump blamed the farm economy on former President Joe Biden, although it has deteriorated rapidly in the past 9 months. Trump recently told reporters that he would address China's lack of soybean purchases when he meets China's President Xi Jinping later this month during a meeting of regional leaders in South Korea but has more recently questioned the need to negotiate with China over tariffs.

The Business of Farming—

- **Today's chaotic economic landscape** reminds me of Mike Tyson's memorable observation,



"Everyone has a plan until they get punched in the face," says farm financial consultant and popular speaker [David Kohl](#). (left) Regardless of your place in the economic cycle, preparing a financial house to weather the punches is critical among trade disputes, tariff shifts, breaking headlines, unpredictable weather, currency fluctuations, and more. In the current environment, grain is struggling while livestock, especially beef and diversified farms, are financially strong. Securing success in this split economy requires essential financial disciplines.

- ✓ **Disciplined Cash Flow.** Cash flow planning is one of the most important litmus tests for mastering finances as cash flow projections are 80 percent of any solid business plan. Plan for production, costs, interest rate changes, debt service, family living withdrawals, income taxes, and capital expenditures. Develop a monthly or quarterly cash flow even if revenue streams are only annual. Support cash flow projections with an operational plan for production, marketing, purchasing, and debt management throughout the year.
- ✓ **But What Ifs.** Naysayers may argue that what is on paper does not work in reality. Decades ago, one of my favorite Cornell professors, George Conneman, taught us to develop assumptions of possible outcomes called "but what ifs," commonly known as financial sensitivity testing. The best, worst, and average cases can be outlined using trend analysis for financial forecasting. Our goal in developing financial sensitivity tests is to be within 5% of estimated parameters at each end of the spectrum, noting that growth or abrupt changes widen the outcomes. The key is not achieving perfection or getting to home base, but the moves you make along the way. Financial sensitivity in the cash flow analysis allows you to call an audible, or a change in play, like famous quarterback Peyton Manning did as he would survey the field and yell out "Omaha."
- ✓ **Omaha.** For a grain operation's marketing and risk management plan, a win may be to break even or minimize losses. However, for a livestock operation, and beef cattle especially in today's red-hot market, a win may be a profit plan that utilizes profits for efficiency, builds reserves for financial liquidity, and avoids excessive debt. Cash flow discipline should extend beyond the business into a personal and family budget. The complexity of multiple generations living off the business or the use of off-farm income must be incorporated into the household management equation.
- ✓ **Financial Liquidity.** Another part of the financial one-two punch is disciplined financial liquidity. In prosperous economic cycles and a chaotic world, building working capital is a requirement. Determine what constitutes true working capital, the time it takes to convert inventory or receivables into cash flow, and account for prepaid expenses and cash conversion timing. Offset current assets with current liabilities over 3, 6, and 12-month periods. Marketing and risk management plans must be grounded in financial liquidity and discipline to execute and monitor objectively, not emotionally. →

- ✓ **Comprehensive Protection Plans.** These plans should include inventory or crops growing in the field, crop insurance protection levels, and marketing opportunities along with a tax management plan. Avoid spending \$1 to save 20¢ on taxes, only to be saddled with debt service for the next 5 years that drains your working capital.
- ✓ **Reality on Paper.** Refinancing operating debt may be necessary for some operations to replenish working capital for 2026 expenses. The key is meshing your cash flow statement with financial liquidity. When generating losses, which is natural for agricultural businesses during some parts of the cycle, determine the time it will take to burn through these refinanced reserves. Apply similar calculations when cash supports other business or personal needs. In this equity-rich, cash-flow-stressed era, determine how many months or years you can survive. Financial liquidity is not just about having money but knowing exactly how long that money will last.
- ✓ **Navigating Challenges & Opportunities.** Whether managing a household or a business, building a foundation requires financial discipline to execute and monitor effectively. This financial one-two punch with cash flow discipline and financial liquidity positions you to navigate challenges and opportunities with balance when it's time to call your own "Omaha" in business and life.
- **Farmers interested in premium prices for specialty soybeans,** will benefit from participation in the [Specialty Soya and Grains Alliance \(SSGA\)](#), which is a leading voice of identity-preserved (IP) agriculture in the U.S. IP soybeans are often food-grade, non-GMO soybeans that exceed the USDA's No. 1 grade quality standards. They feature either specific varieties or have special traits –



such as a higher protein or sugar content, or a certain color or size – and a specific end use, such as natto (a Japanese dish made from fermented soybeans), tofu, miso and soymilk, to name a few, says Bryan Severs, (left) new chairman of the IL Soybean Assn, and also chairman of the SSGA. The Vermilion Co. farmer first joined the SSGA board in 2024 after hosting a group of foreign buyers at his farm during SSGA's Fork to Farm

Day. "This program streamlines the process for obtaining phytosanitary certificates, making it easier for specialty soy exporters to get containers turned around more quickly," Severs said. "It reduces costs for our exporting members and, in turn, helps maintain a strong market for specialty soy growers to earn a premium." Farmers interested in growing specialty soybeans can start by visiting the SSGA website's members page (soyagrainsalliance.org/ssga-members) and finding a processor-exporter in their region. More than 90% of food-grade soybeans are pre-contracted, with companies typically signing up farmers between September and December.

Farm and Family Matters—

- **With Halloween coming up at the end of the month,** thoughts turn to buying a perfect pumpkin for carving. Do you happen to know which state produces and processes more pumpkins

Top pumpkin-producing states, 2024



than anyone else? Nathan Johanning, a Univ. of IL commercial agriculture educator, has the answer, "IL leads that, not only within Jack O'Lanterns, but also within the realm of processing pumpkins. Actually, the majority of the processed pumpkins that you get, to take a can of pumpkins, or your bigger pie, bread, or whatever, are probably IL-grown. I think, as far as the actual different varieties of pumpkins, especially when we get into the small stuff and then all the different colors and things, there's probably well over 200 different varieties of pumpkins, and that's just a very loose

estimate. I haven't taken an account, but there are a lot more varieties than what the average person may realize." He says there are reasons IL is the top pumpkin-producing state, "There are multiple factors, I think. One, on the processing side, a lot of that is driven by where the processing facilities are, so there's some in the Peoria area, there are some areas of processing, so they try to source, obviously, pumpkins fairly close to that due to freight and shipping constraints. However, overall, the reason this area was kind of developed into pumpkin production and many other Midwest states is that we have fairly ideal conditions." The weather is typically very good for growing pumpkins, "We have a balance of the summertime heat. We've had plenty of that this year, but we also have very fertile soils, some of probably the most productive even in the world, some would say, and with balance with the temperate climate that we have that pumpkins appreciate and enjoy." A large part of the yearly pumpkin production heads out of state, "I don't know the numbers, but a large portion of it does go out of state. We have a lot of commercial growers on the Jack O'Lantern side, or I should say, you know, the ornamental side, which are shipping pumpkins all over the United States in the wholesale market and other things. A lot of the pumpkins that go out, and certainly, on the canned pumpkin, at one point, I thought that Illinois raised around 80 % of the nation's pumpkins. So, certainly, a large amount of canned pumpkins go out of state and across the country." (KSIR radio) →

- **Ackerman's Pumpkin Farm** is just east of Morton, IL, the pumpkin capital of the US, where the Libby plant turns tons of pumpkins every day into cans of sauce that fill pumpkin pies year-round. For most farmers in the Morton and Peoria area, pumpkins are a commodity. But for Ackerman's Farm [they are also agri-tourism as noted in this video](#), and [also this pumpkin contracting video](#) taken in the fall of 2021. Sadly, the 2025 pumpkin season was to be the retirement season for Ackerman's Pumpkin Farm.
- **Illinois is far and away** [America's pumpkin-growing king](#) notes [Axios](#). But we already know it. [Illinois Manufacturers' Association](#) members [Nestlé](#) and its [Libby's](#) plant in Morton, along with Seneca Foods in Princeton make more than 90% of canned pumpkin sold worldwide. Pumpkin pie was named the official state pie in 2015. Morton hosts an annual Pumpkin Classic Festival with a "pumpkin chuckin" contest.



Farm Safety and Welfare—

- **This World Mental Health Day**, we want to highlight our farming communities that often get overlooked in these conversations. On this day, thousands of supporters come to celebrate this annual [awareness program](#) to bring attention to mental illness and its major effects on people's lives worldwide. In addition, this day provides an opportunity for mental health professionals to discuss and shed light on their work, making mental health a priority worldwide. According to the National Rural Health Association, farmers are 3.5x more likely to die by suicide than the general population. Farming can take a toll - both physically and mentally. Mental health matters every day, so we want to share a few resources that are accessible every day. We see you. We hear you. We're here for you.

FREE & ACCESSIBLE RESOURCES

Illinois Resources

<ul style="list-style-type: none"> • IL Ag Mental Health Voucher Program 217-333-6205 • Farm Family Resource Initiative - IL 1-833-FARM-SOS • NAMI Illinois 1-800-950-NAMI 	<ul style="list-style-type: none"> • IL 24/7 Farm & Rural Stress Hotline 800-691-4336 • Farm Family Wellness Alliance 1-833-999-FARM • Illinois Warm Line 866-359-7953
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Farm and Check-off Organizations —

- **One of agriculture's biggest annual events** gets underway at the end of the month in Indianapolis. The 98th FFA National Convention and Expo will take place Oct. 29 through Nov. 1 bringing more than 70-thousand young people in blue corduroy jackets to the Hoosier State. Christine White, chief program officer of the National FFA Organization, says it's a highlight of the year for many FFA-ers, "When you look at it from a perspective for some FFA members, it's a pinnacle of their event, and for others, it's a launching point of their FFA career. So, it's an opportunity to hear motivational speakers, hear from our national officers, and compete in competitive events. This year, we will recognize the highest record number of American farmer degrees or American degree recipients than we've had in the past." White says there are plenty of opportunities for personal growth as well, "We will have workshops throughout convention that students can engage in and be able to learn new things and take that back to their home communities. We also have career success tours, so exposing students to agricultural career opportunities in the greater Indianapolis area, so they can go visit different locations, but just to learn a little bit more about those pieces. So, it's about really opening horizons and providing good connection points with real life experiences that they may not get in their local communities." There will also be lots of ways for FFA members to give back to the Indianapolis community, "We will have students that will be going to the food pantries and helping reclaim food that has been donated and helping to distribute some of those components. We are partnering with Indy Humane, and they are working on creating emergency kits and leashes. So, they're using paracord to create leashes to go into those kits for when they're rescuing animals." (NAFB News Service) →
- **And during that event** in Indianapolis, Illinois will be celebrating, because IL FFA will be at the top of the heap at the National FFA convention. IL FFA is approaching its 100th birthday in a couple years, and nothing like this has ever happened. And Mindy Bunselmeyer tells you about it [in this short video](#). She is the executive director of IL FFA.

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