



# **WEBINAR:** **The year ahead in the agricultural economy**

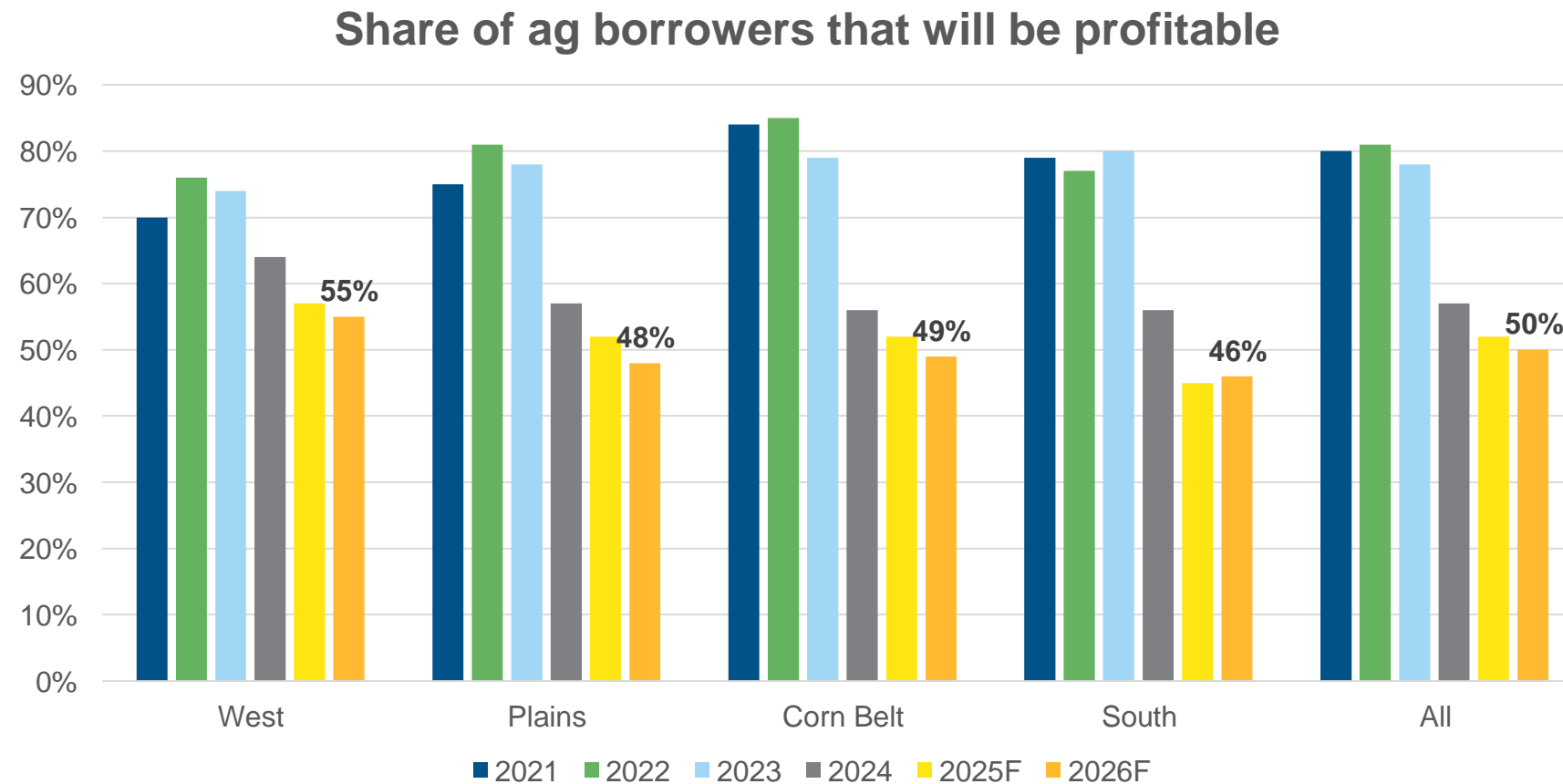
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**January 22, 2026**

# Agricultural Economic Outlook

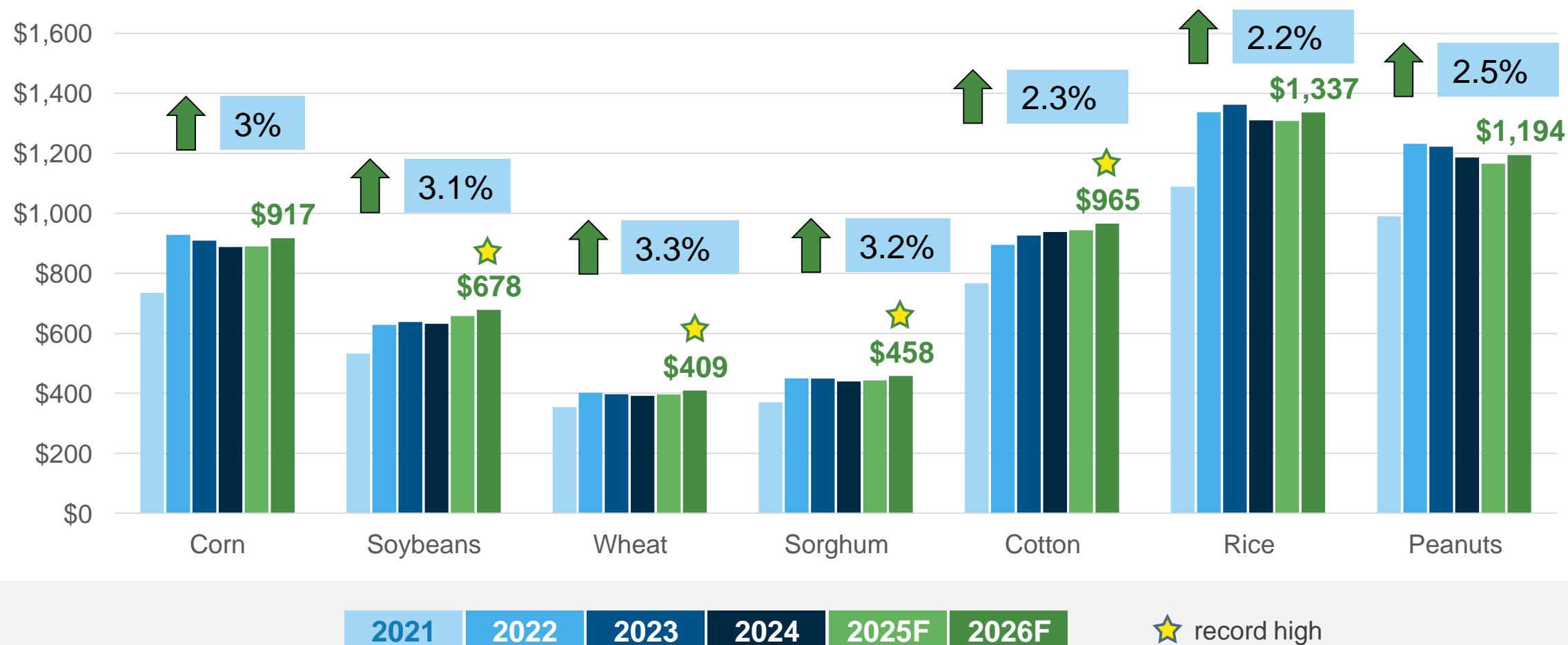
# Ag profitability is declining considerably from recent highs

Only half of ag borrowers projected to be profitable in 2026



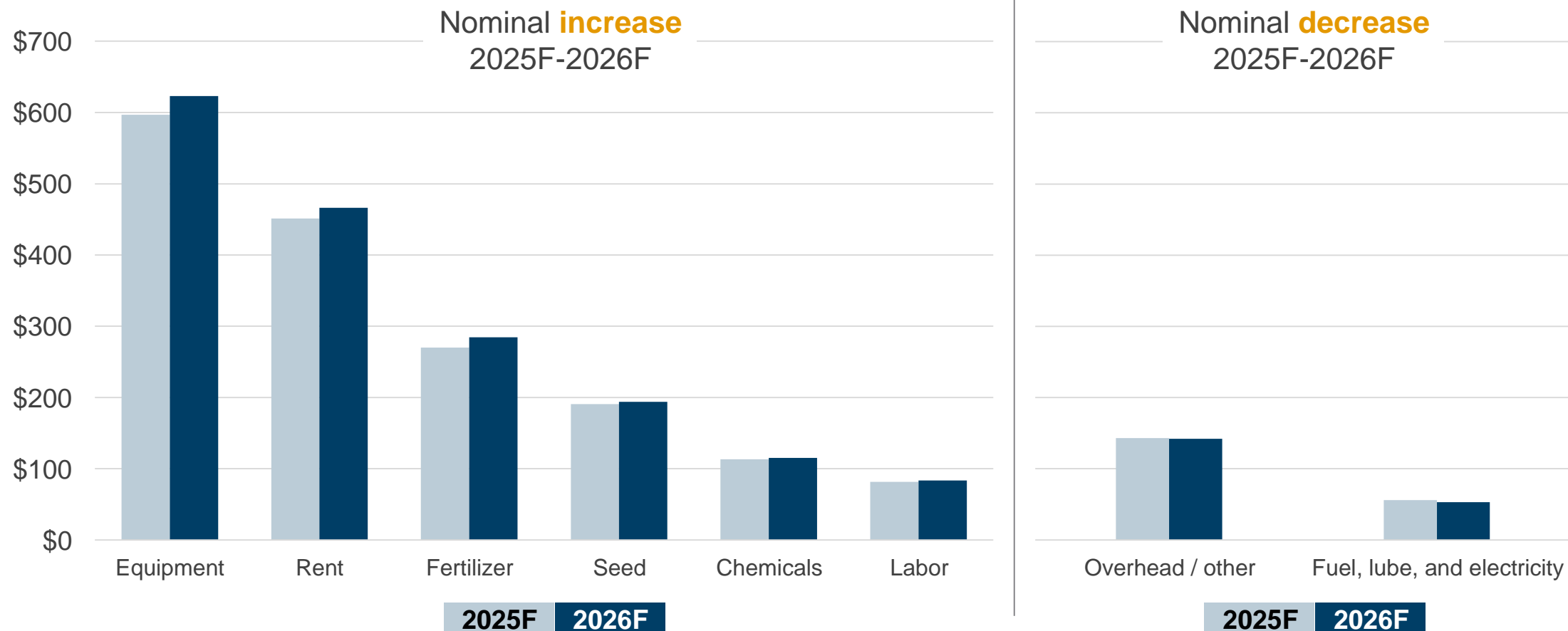
# Input costs to reach record highs in many crops

Cost-of-production forecast for major crops (total cost per acre)



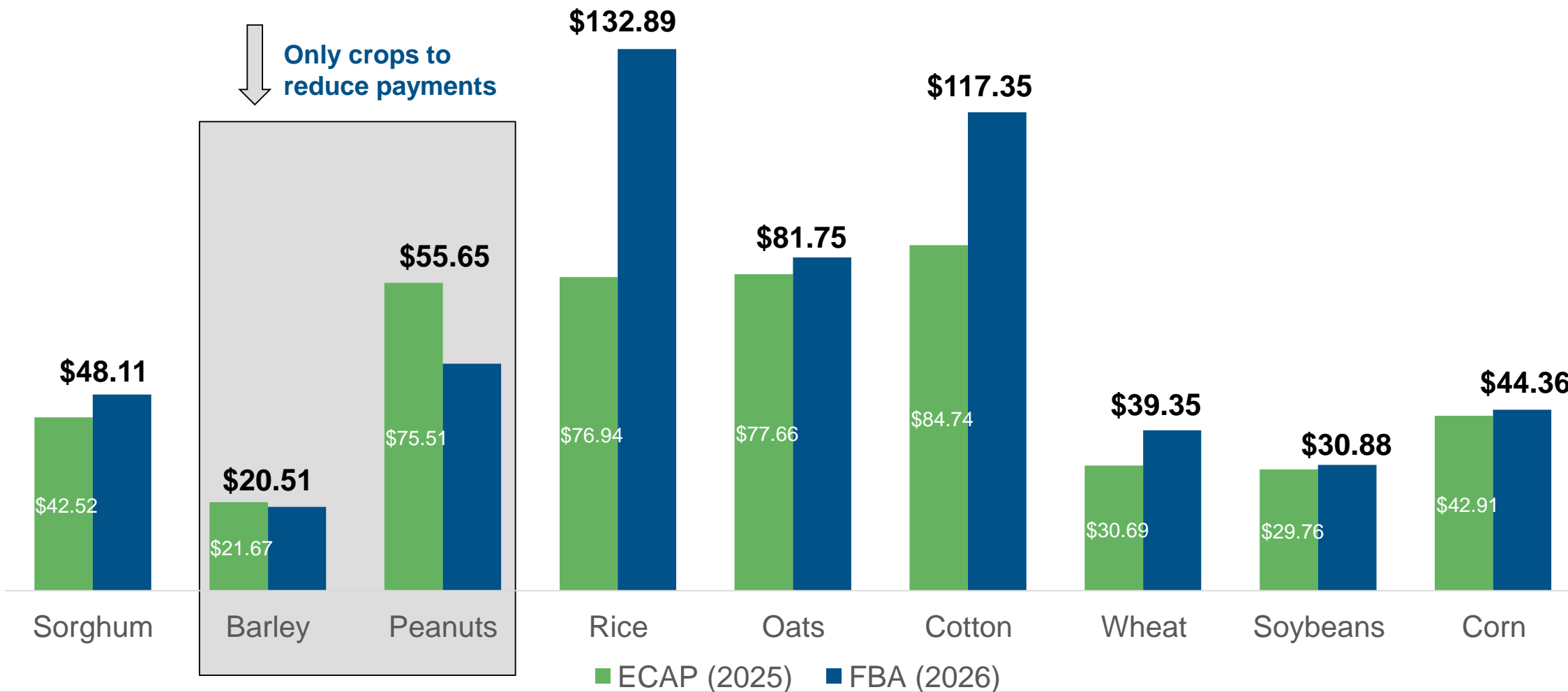
# Most categories of inputs on the rise in 2026

Cost-of-production forecast for **corn, soybeans, and wheat** (total cost per acre)



# FBA payments mostly higher than ECAP payments

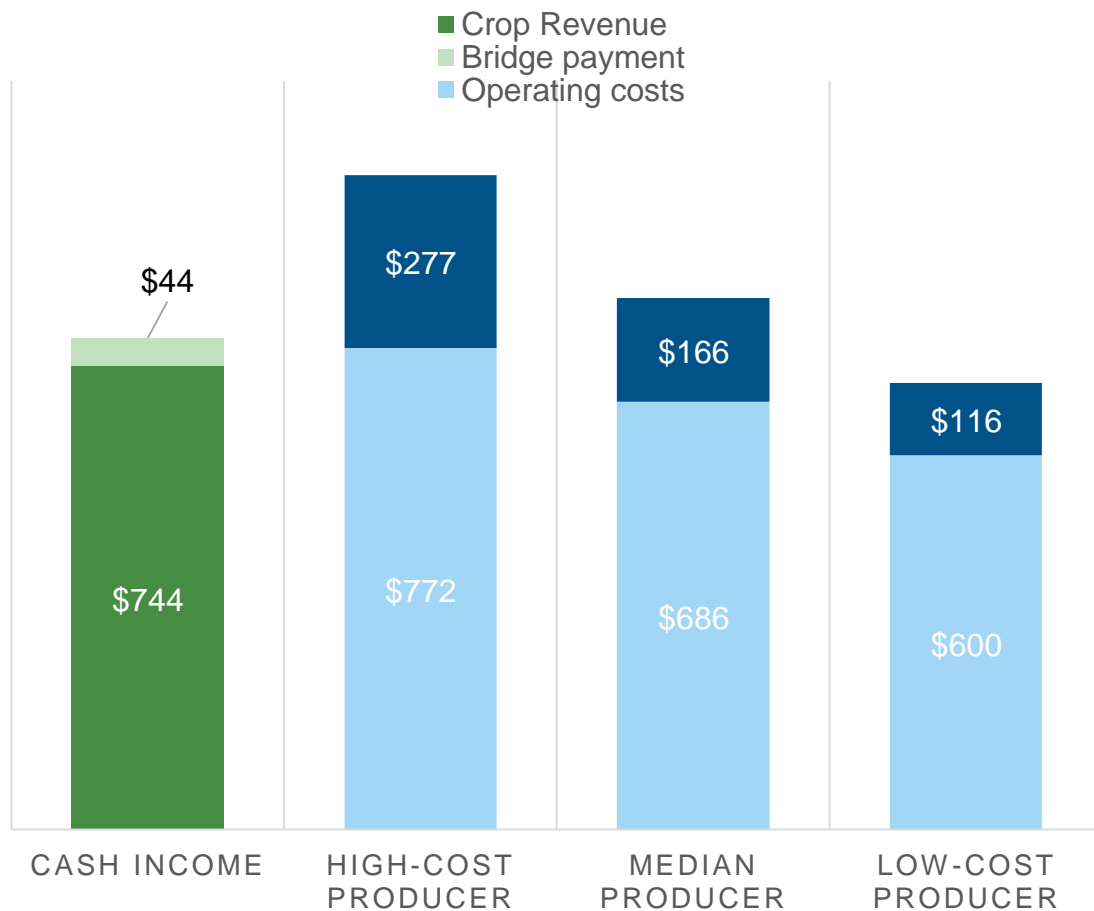
In dollars per acre



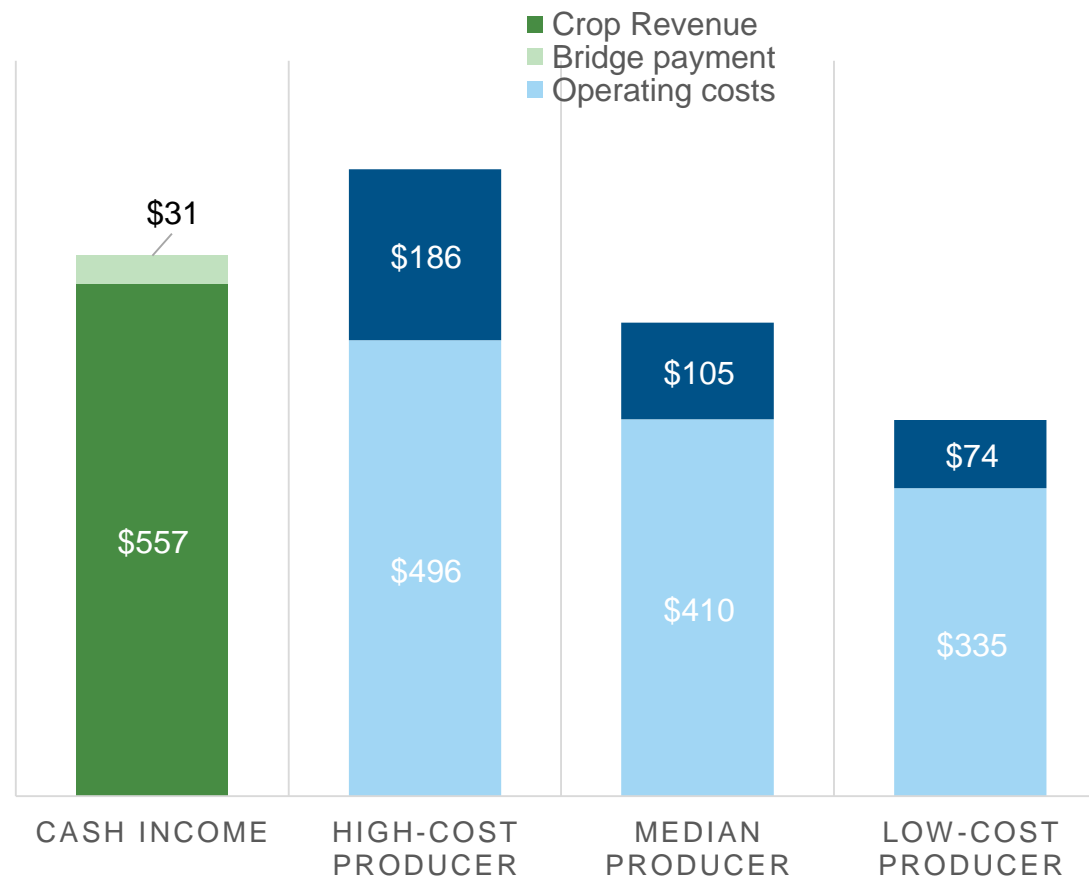
# Bridge payments will not cover rising input costs

1/2 of corn farmers and 1/3 of soybean farmers will still generate a loss for the 2025/26 season

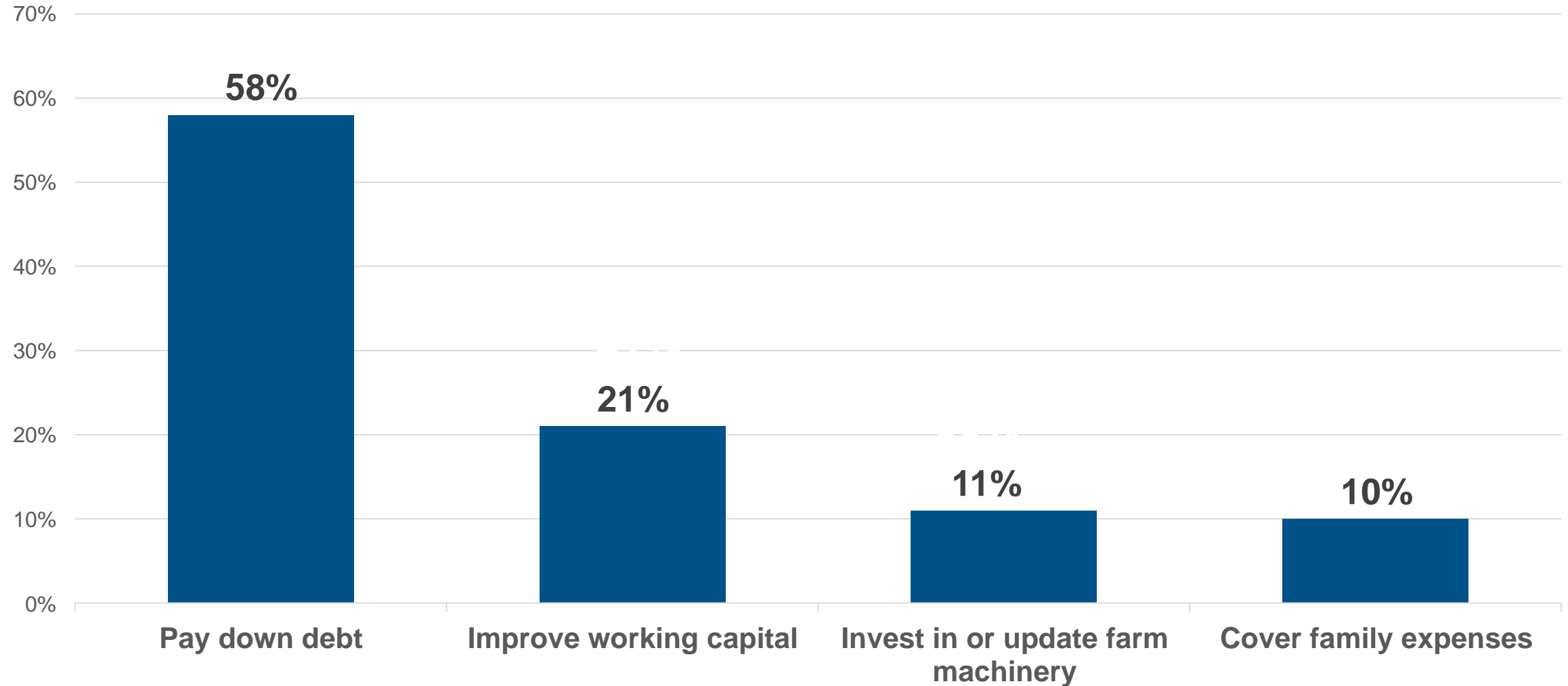
## Corn Revenue vs. Costs



## Soybean Revenue vs. Costs

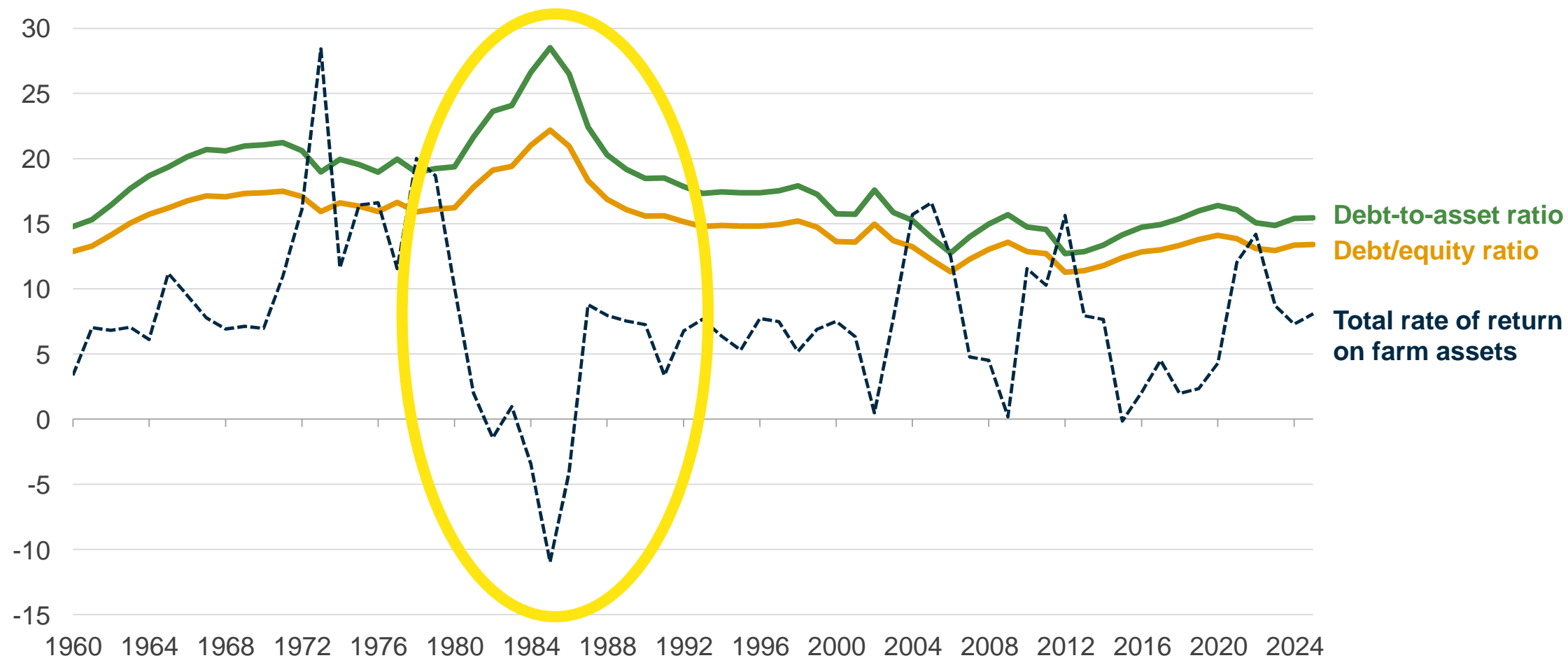


# How do farmers plan to use government payments designed to compensate for weaker 2025 commodity prices?



# Debt-to-asset ratio climbing, but not at the levels of the 80s

1980s Farm Crisis created mostly due to the crash in farmland values



# Uncertainty in biofuels demand should soon be resolved



## SREs

Amount of  
reallocation



## RIN values

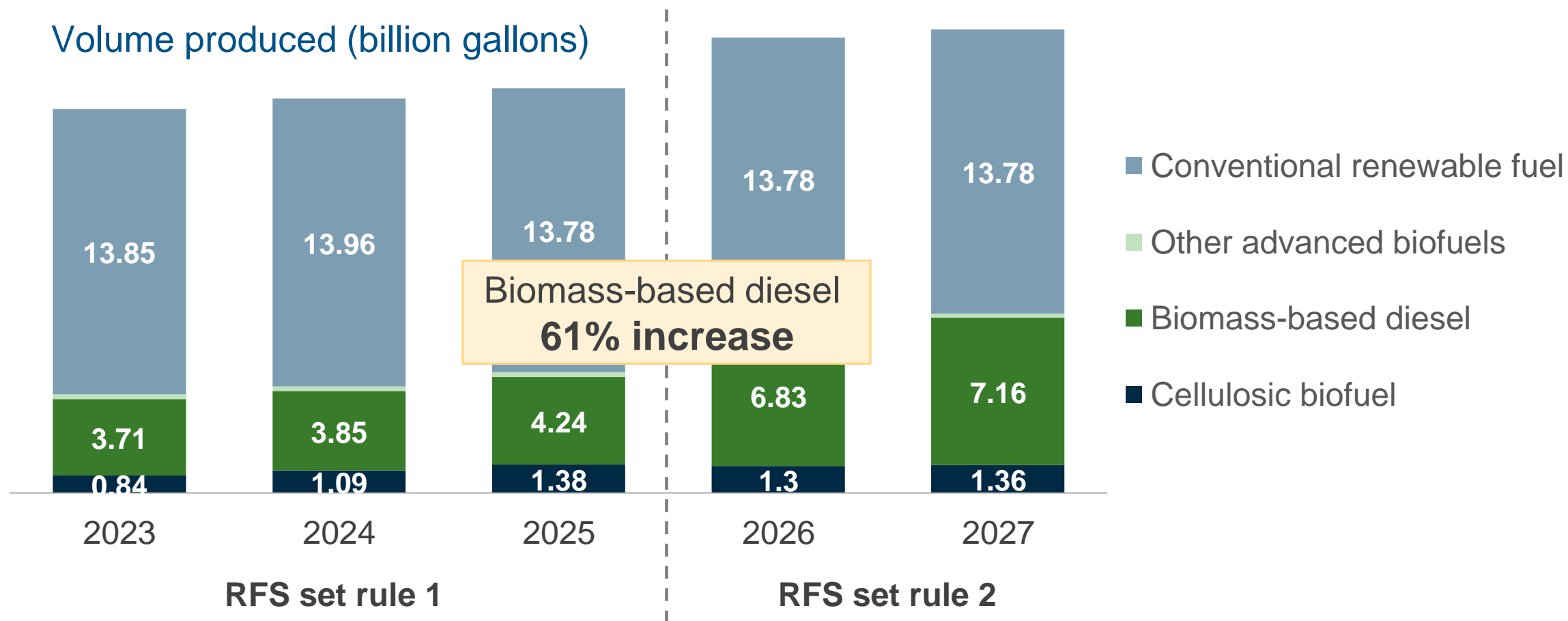
50% reduction for  
foreign feedstocks?



**Demand impacted as we roll into 2026**

# Biomass-based diesel biggest winner in new set rule

Rule finalization and SRE decision delayed past November 1 statutory deadline

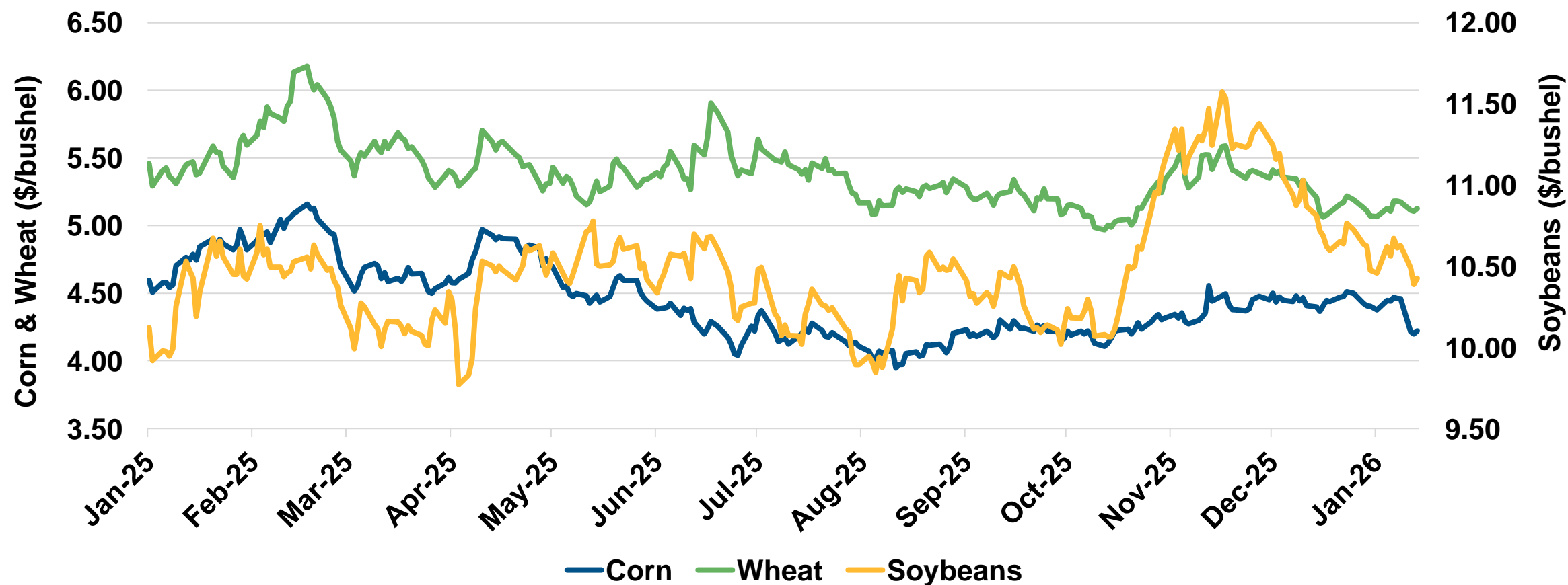


# Grain & Oilseeds Outlook



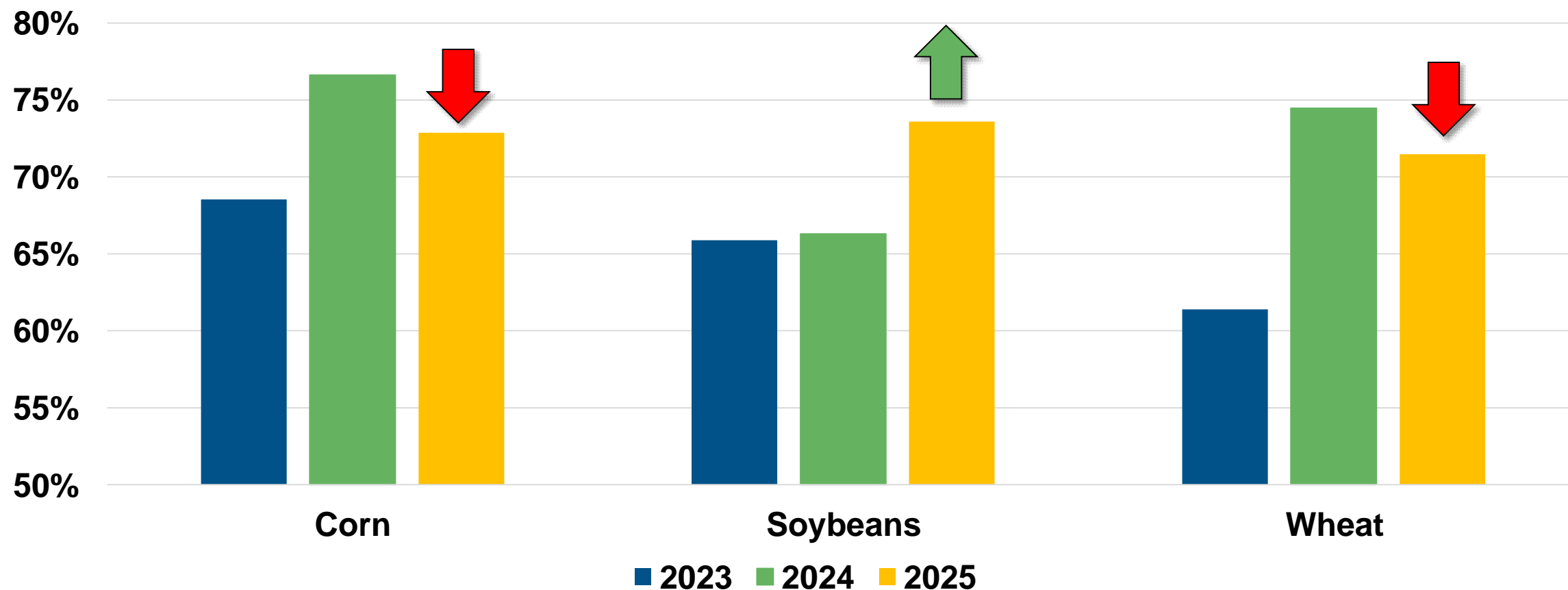
# Soybean prices stronger YoY, corn & wheat weaker

## Corn, Wheat & Soybean Prices



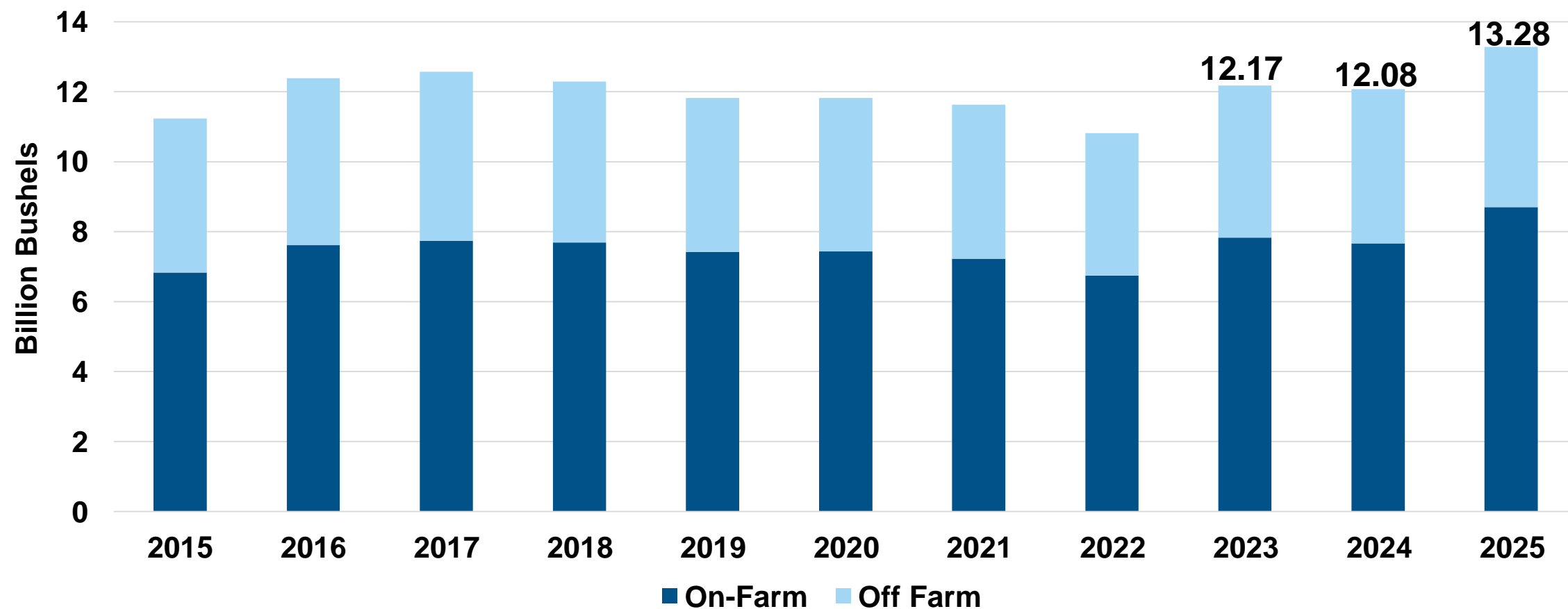
# Farmers were aggressive sellers of soybeans last fall

## Percent Company-Owned on Nov. 31



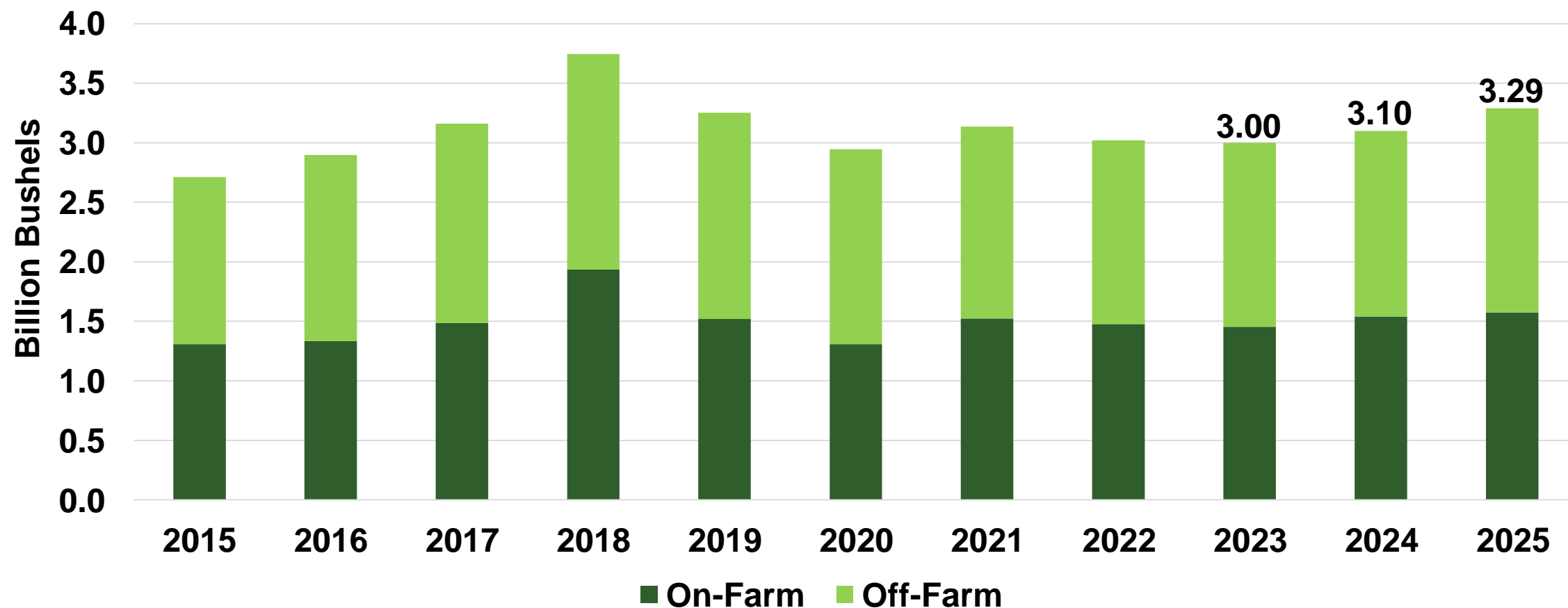
# U.S. corn supply record high

## U.S. Corn Stocks on Dec. 1



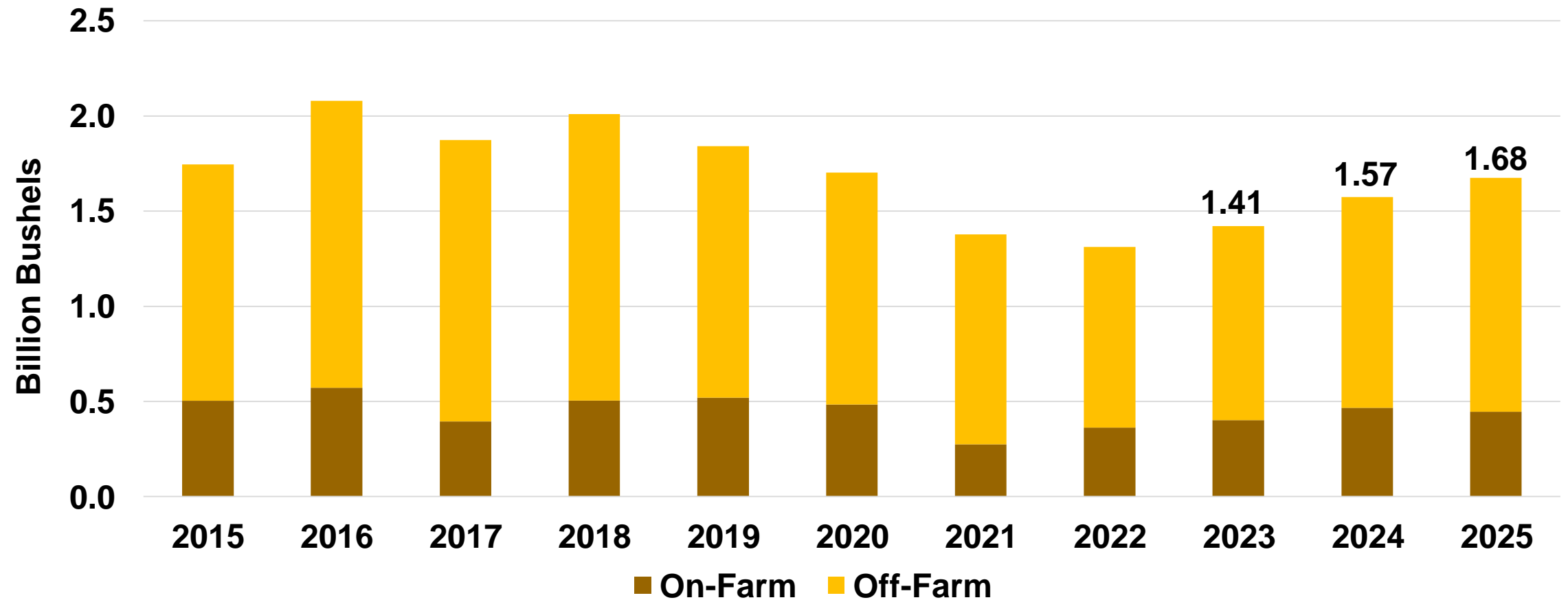
# U.S. soybean stocks highest since 2018

## U.S. Soybean Stocks on Dec. 1



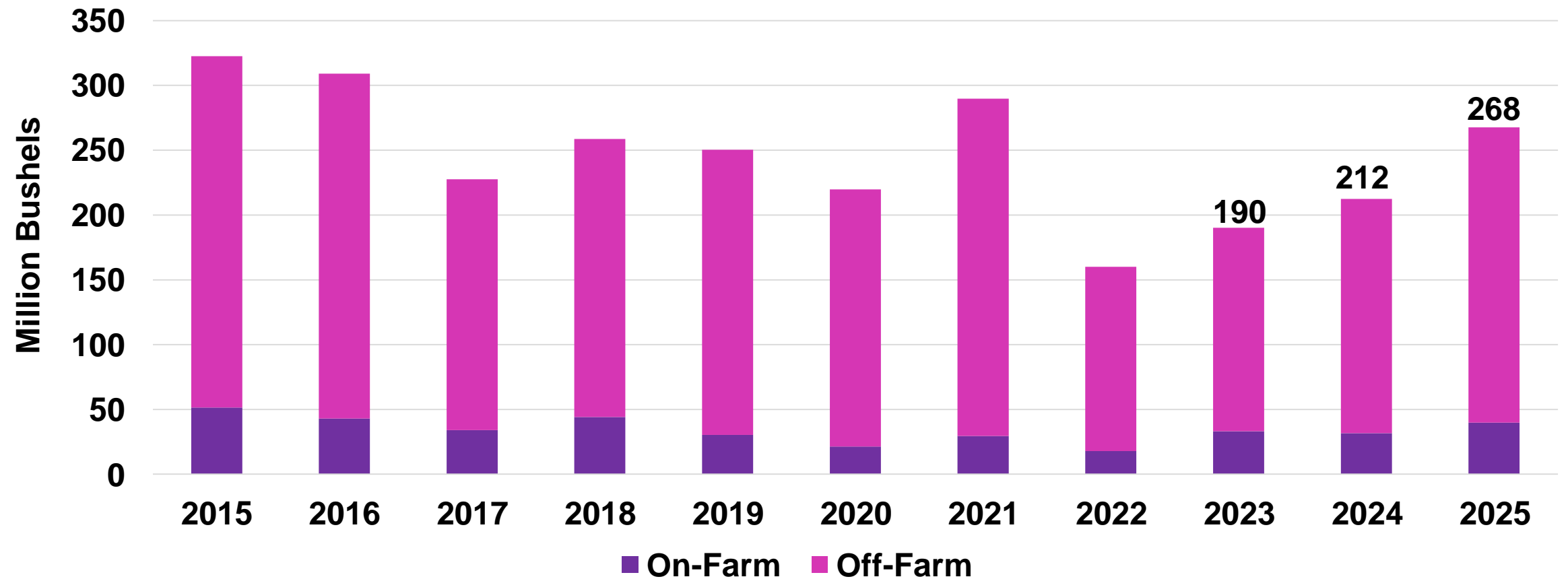
# U.S. Wheat Stocks Highest Since 2020

## U.S. Wheat Stocks on Dec. 1



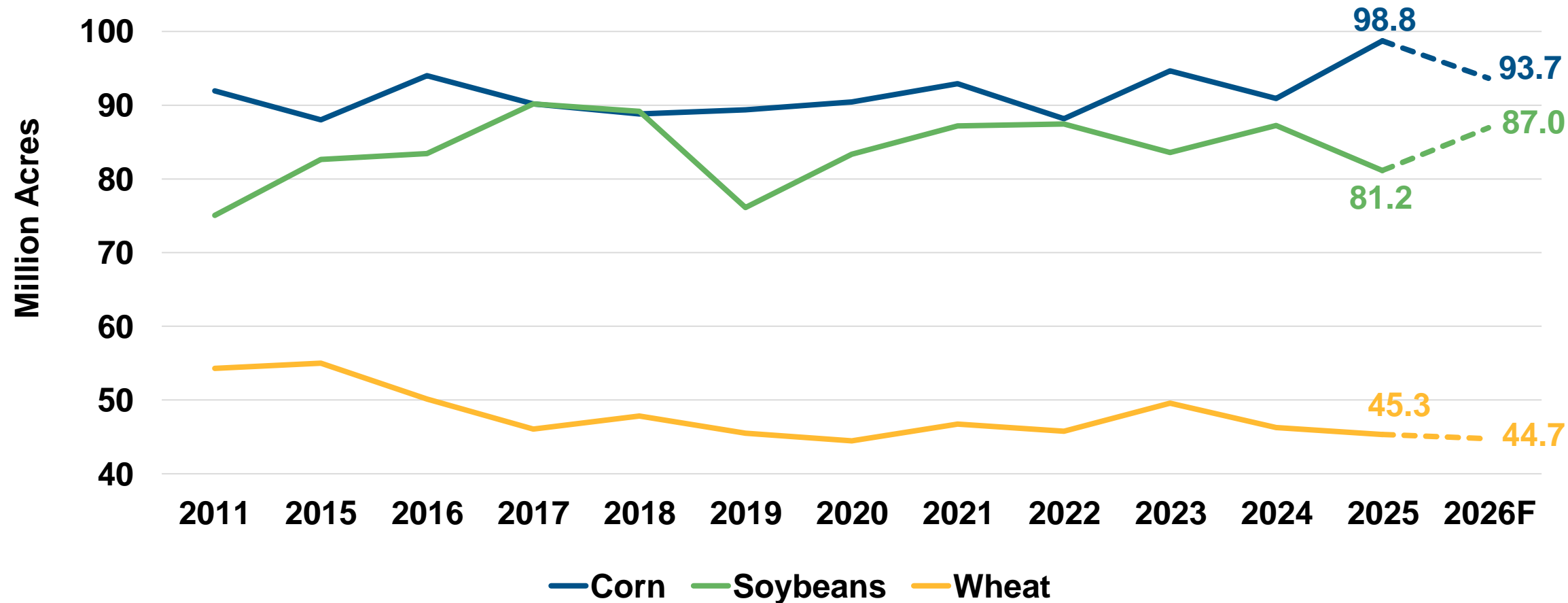
# U.S. Sorghum Stocks Highest since 2021

## U.S. Sorghum Stocks on Dec. 1



# Soybean Acres Currently Expected to Climb in 2026

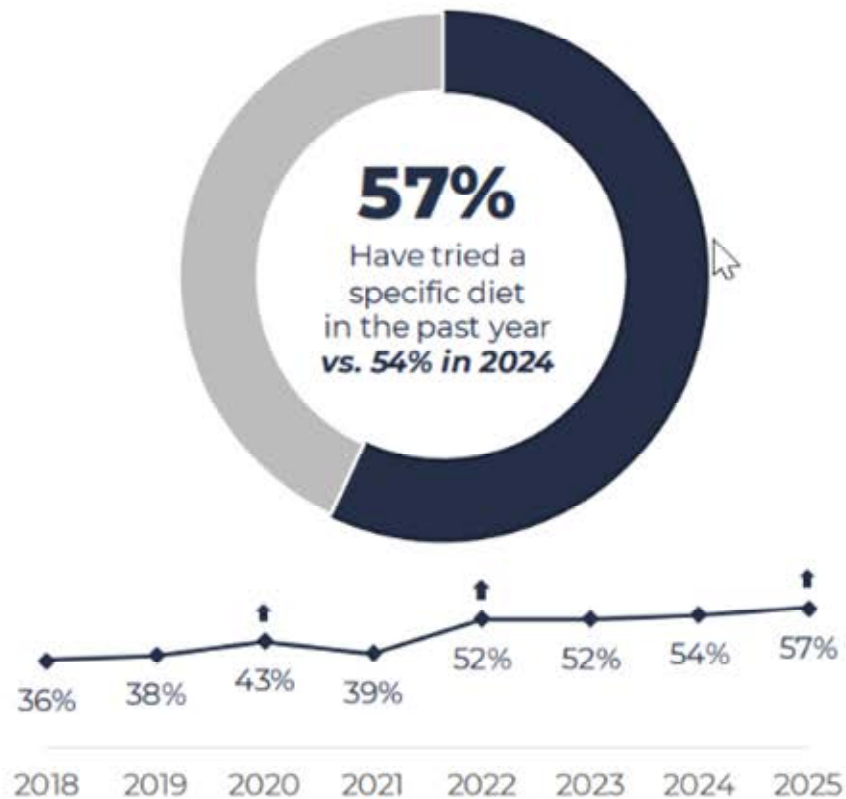
## U.S. Planted Acreage



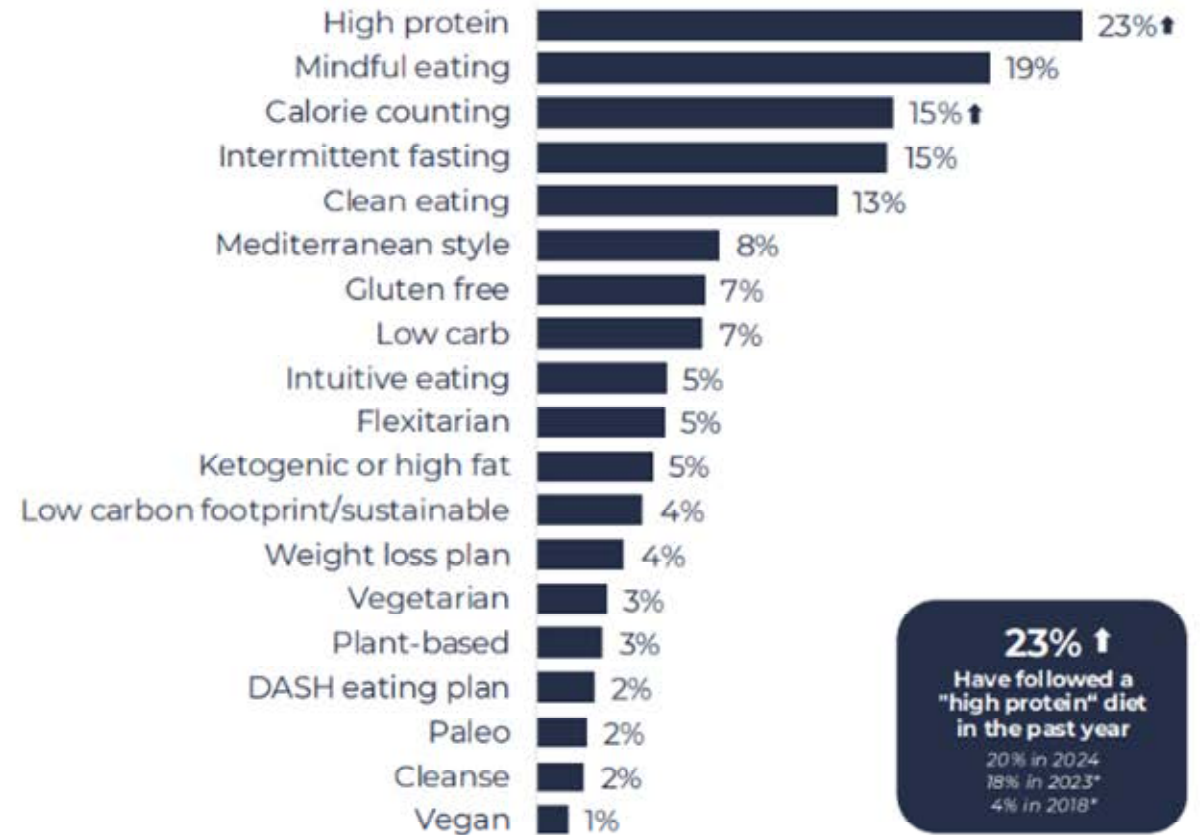
# Protein Outlook

# Americans increasingly following a specific diet

Followed Eating Pattern/Diet in Past Year



Followed Eating Pattern/Diet in Past Year



**23% ↑**  
Have followed a  
"high protein" diet  
in the past year  
20% in 2024  
18% in 2023\*  
4% in 2018\*

# The ground game is fierce



 **Bestseller**

**\$7.99** (\$0.50/ounce)  
All Natural 93/7 Ground  
Beef - 1lb - Good &  
Gather™

**Add to cart**

**\$7.99/lb.**



 **Bestseller**

**\$4.39** (\$0.27/ounce)  
93/7 All Natural Ground  
Turkey - 16oz - Good &  
Gather™

★★★★★ [272 reviews](#)

**Check stores**

**\$4.39/lb.**



 **Bestseller**

**\$4.49** (\$0.28/ounce)  
Mild Flavor Mixes Ground  
Pork - 1lb - Good &  
Gather™

★★★★★ [1002 reviews](#)

**Add to cart**

**\$4.49/lb.**



**\$6.49** (\$0.41/ounce)

Smart Chicken Ground Chicken -  
16oz

Smart Chicken

4.5 ★ (55)

SNAP EBT eligible

Only 9 left at Lakewood

Pickup ready within 2 hours

Delivery as soon as 11am

**\$6.49/lb.**



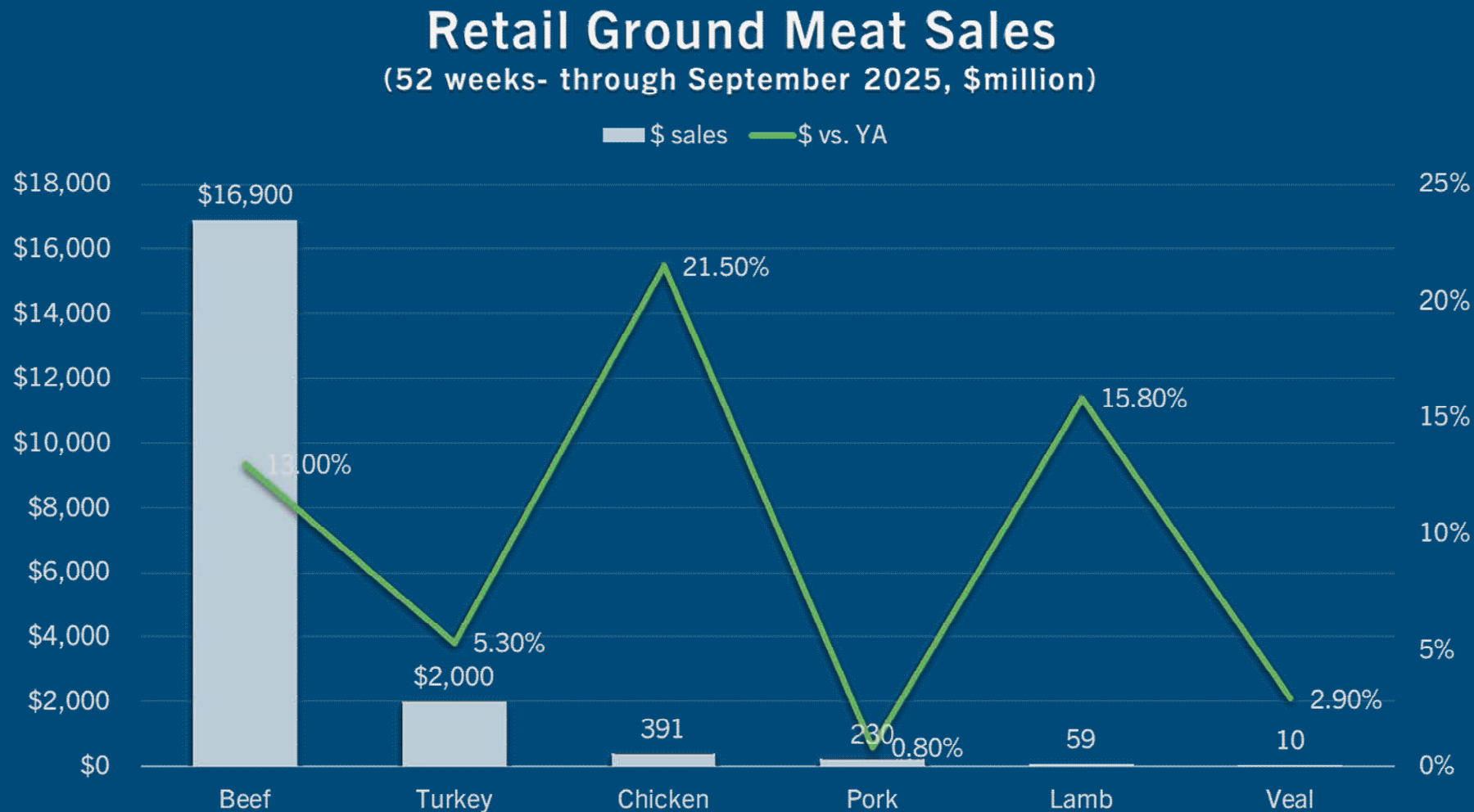
**\$5.49** (\$0.46/ounce)  
Plant Based Ground -  
12oz - Good & Gather™

★★★★★ [37 reviews](#)

**Check stores**

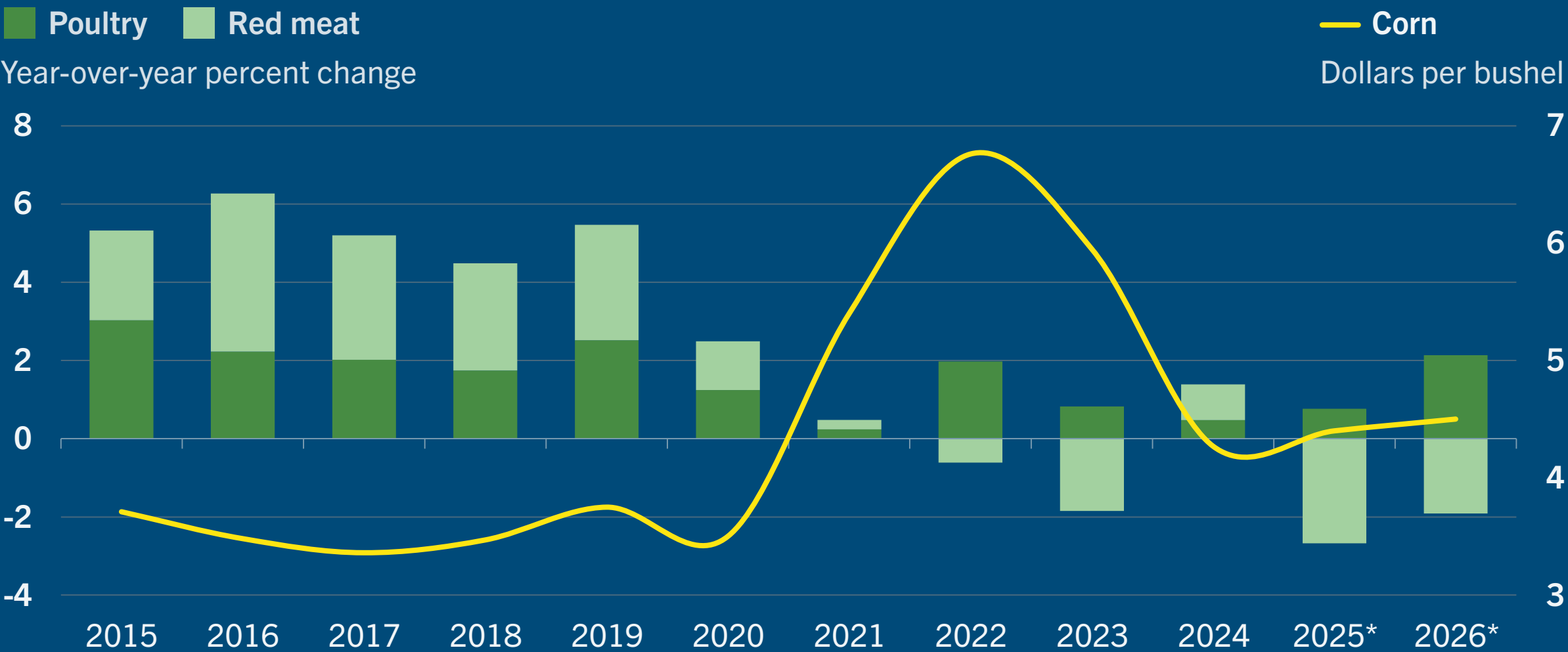
**\$7.36/lb.**

# Grinds soaring, beef demand assists lift



Source: 210 Analytics, Circana

# Dampened corn values boost meat and poultry output



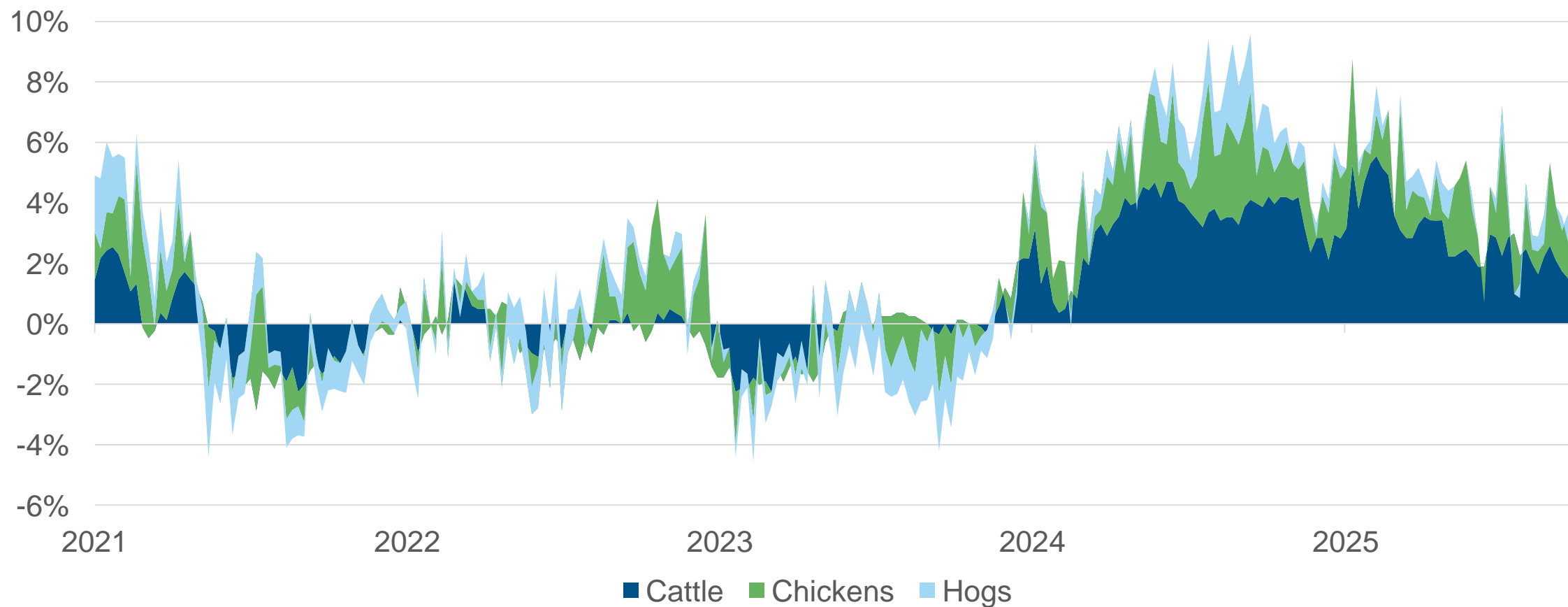
Source: LMIC, USDA

\*LMIC 2025 estimate/2026 forecast for meat and poultry; CoBank 2026 forecast for corn



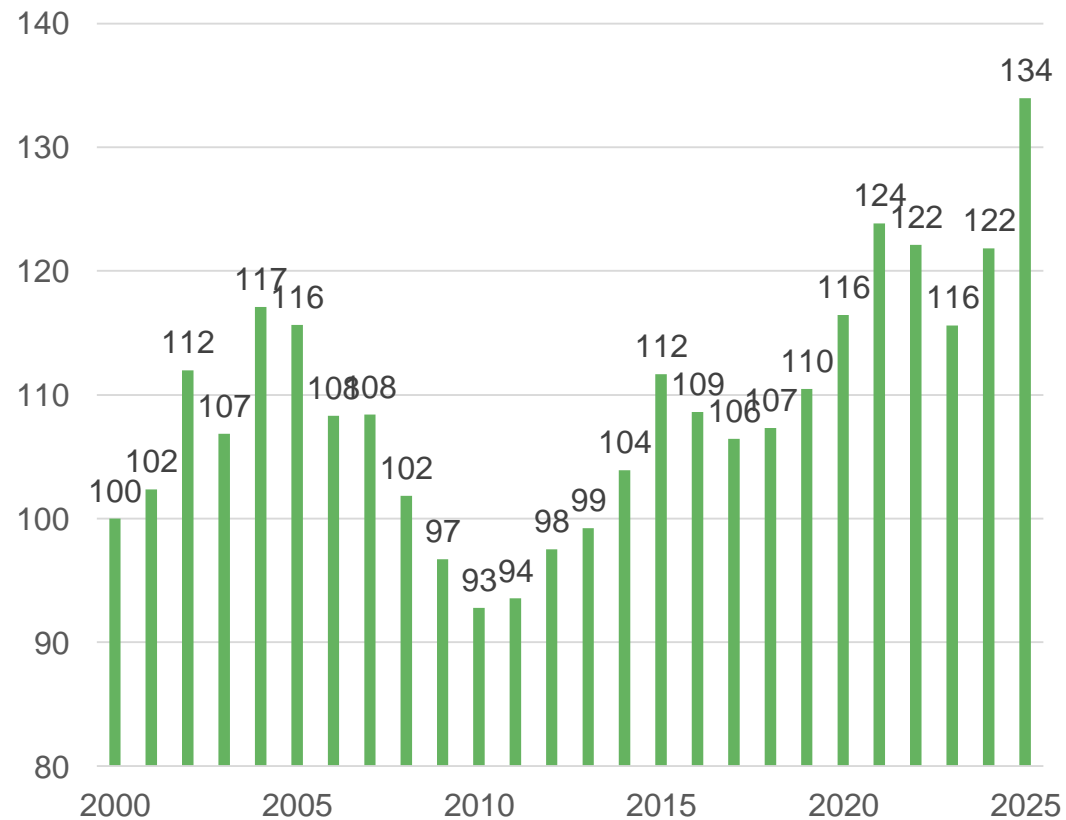
# Livestock “waistline” is growing

Change in weekly slaughter weights (% year-over-year)

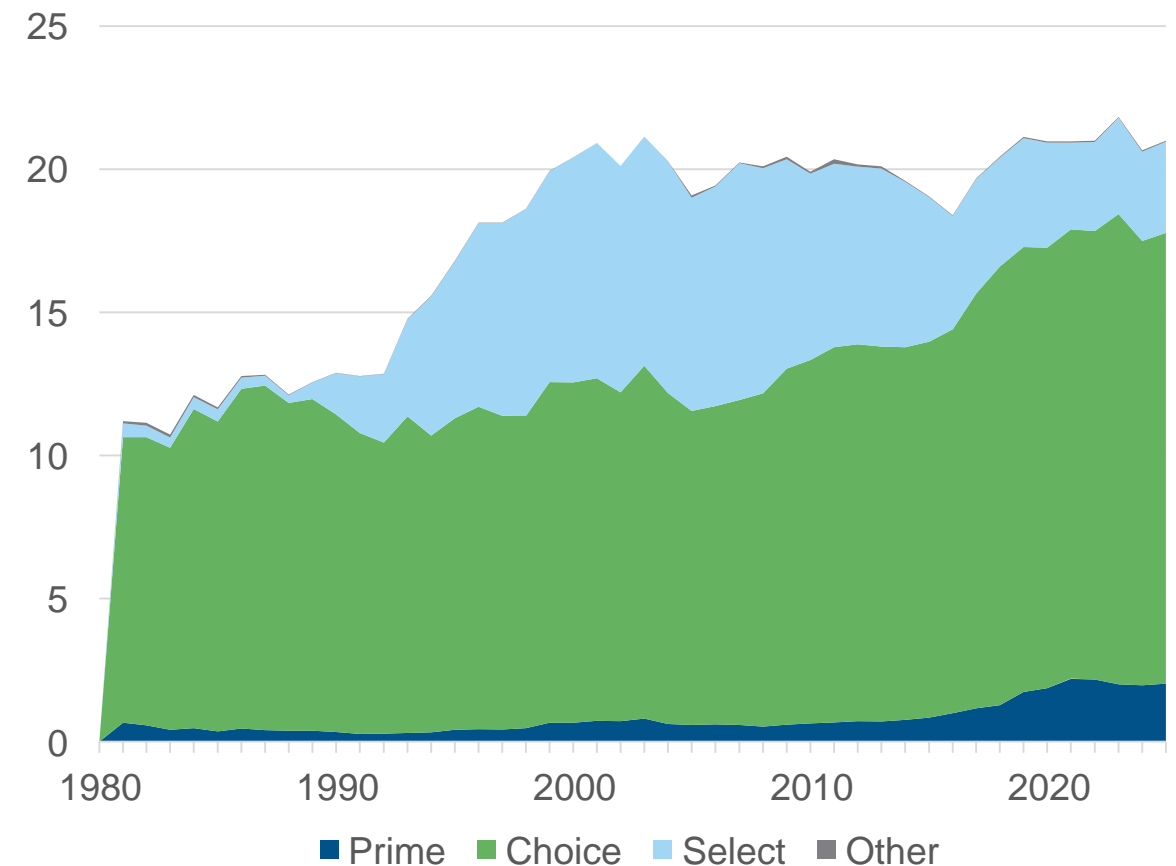


# Beef demand soaring – premiumization deserves credit

All fresh beef retail demand index, second quarter, using CPI 2000=100



U.S. beef production by grade (billion pounds)



# New drive to restore U.S. pork demand



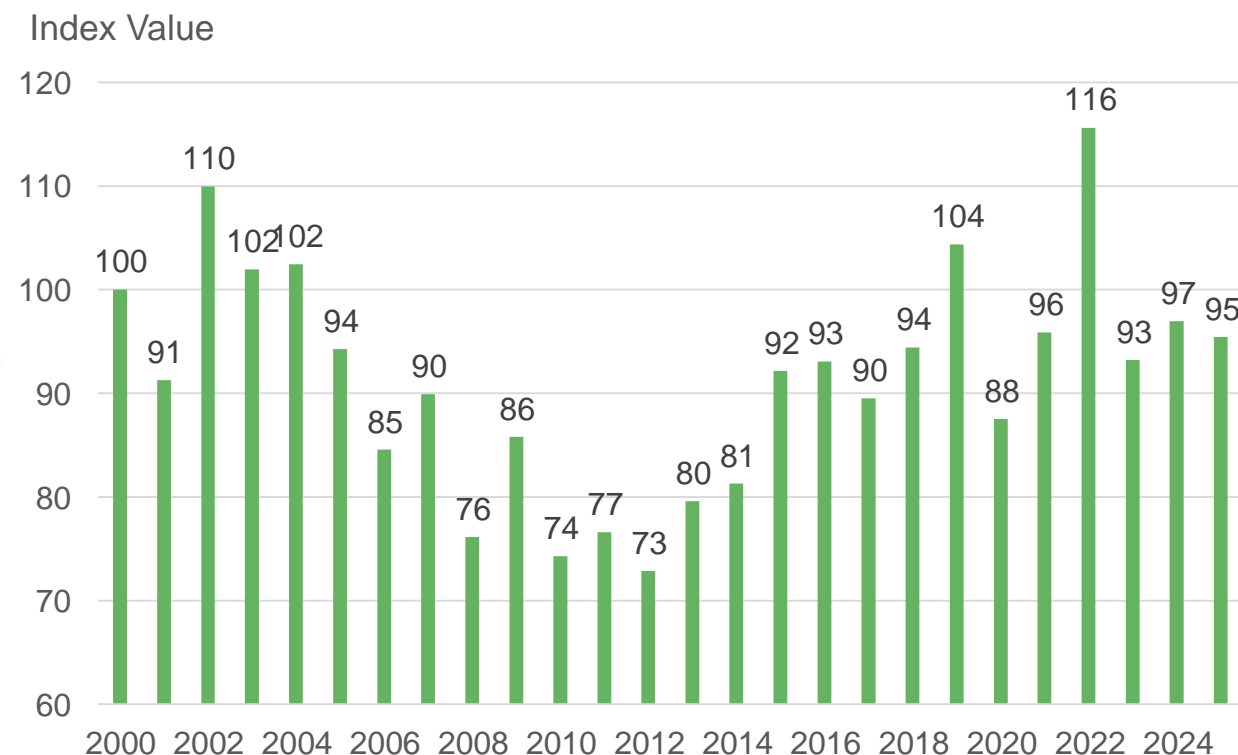
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## Inside the campaign to reposition pork for Gen Z, millennial consumers

An effort launched in May tries to shed associations with an iconic “Other White Meat” tagline in favor of something more modern and digital-first.

Published Oct. 27, 2025

**Retail Demand Index**  
Second Quarter, Using CPI 2000=100



# Broiler industry thriving

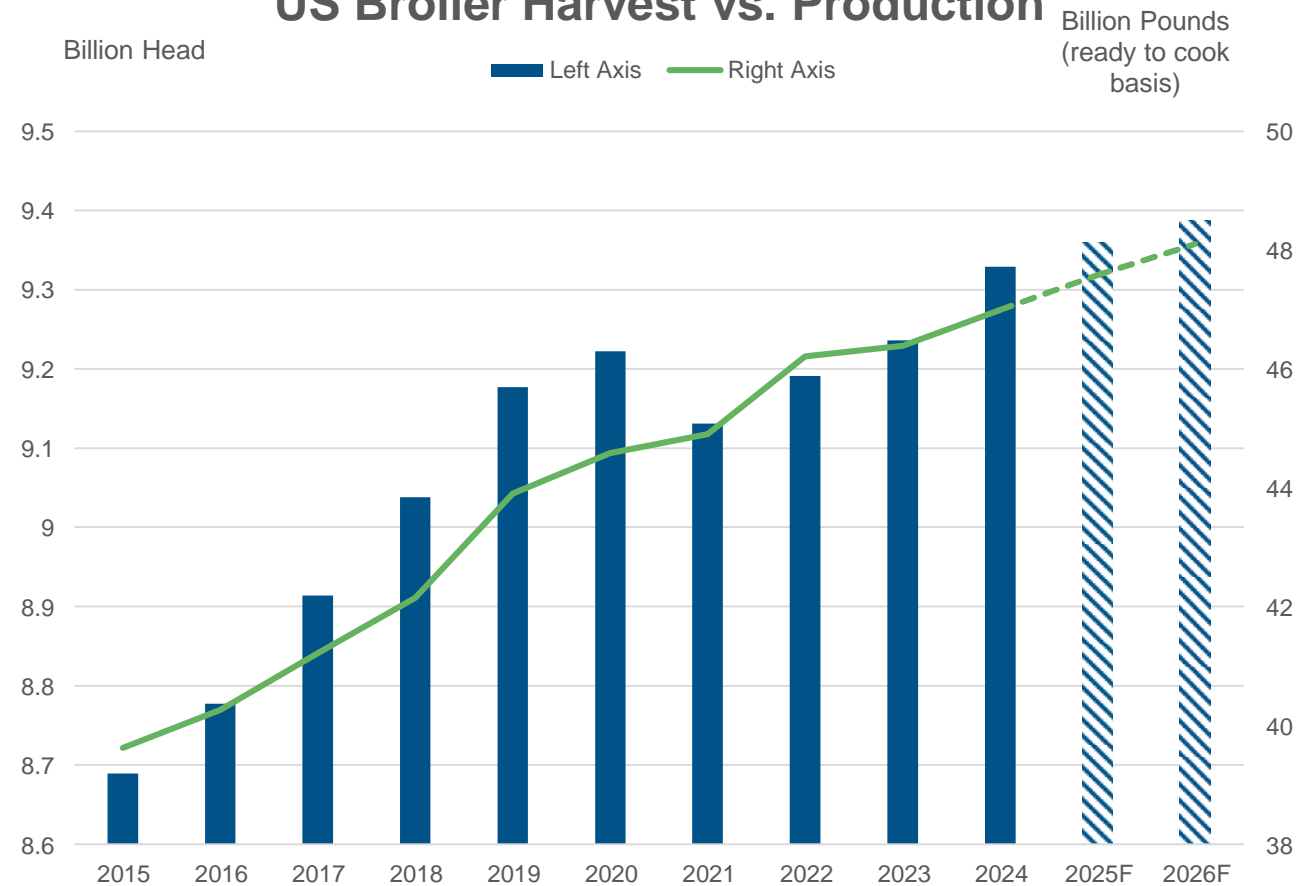
## Tailwinds:

- Low corn and soybean meal costs
- Expanding more of what consumers are asking for
  - Value
  - Convenience
- Export exposure relatively low
  - Only about 15% of chicken exported
  - Domestic dark meat demand growing

## Headwinds:

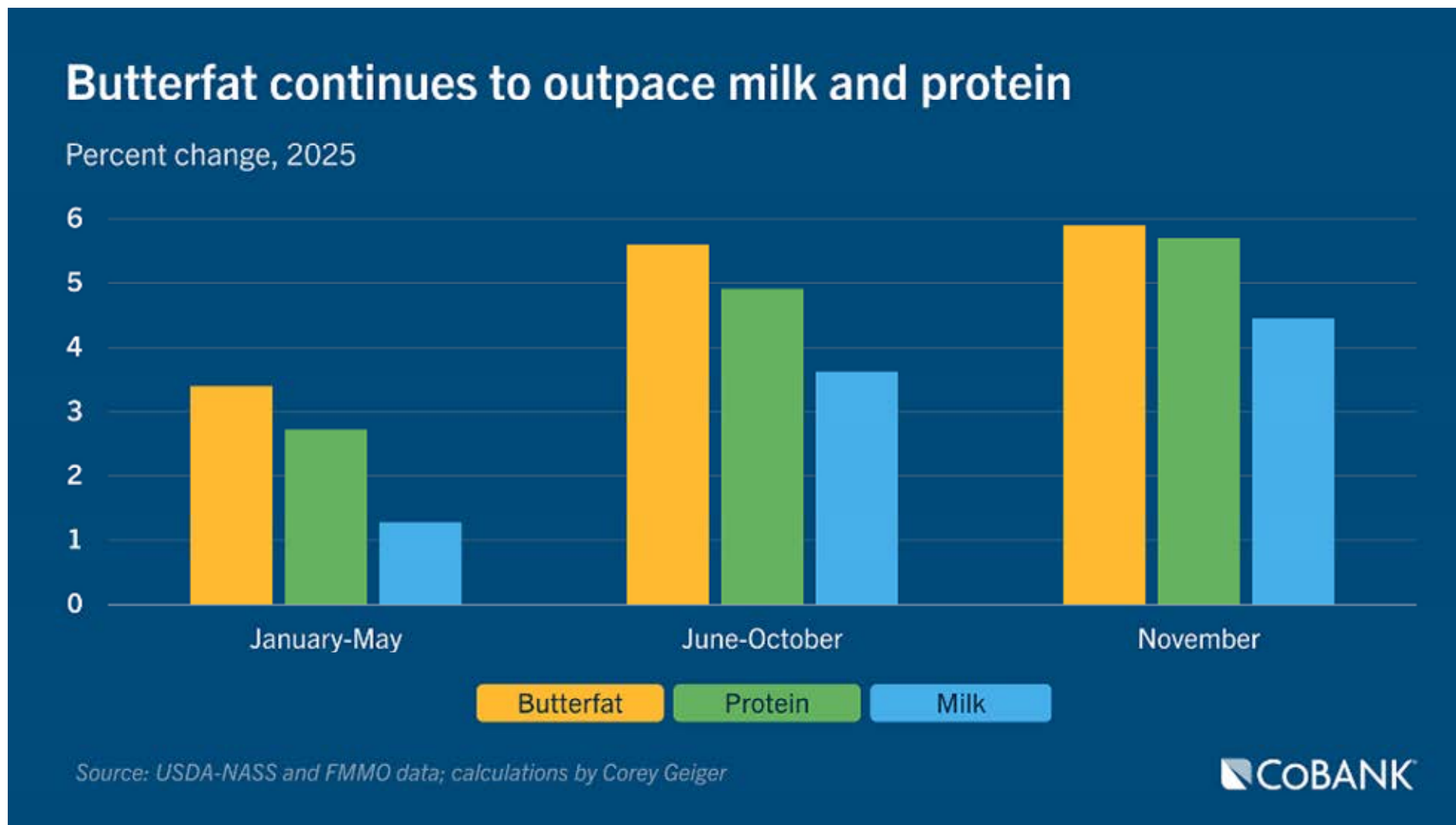
- Capital costs
- Breeder supply issues
- Grow-out level expansion

## US Broiler Harvest vs. Production



# Dairy Outlook

# Butterfat production continues to surge year over year



# Largest dairy cow herd in 30 years

## Monthly dairy cow inventory



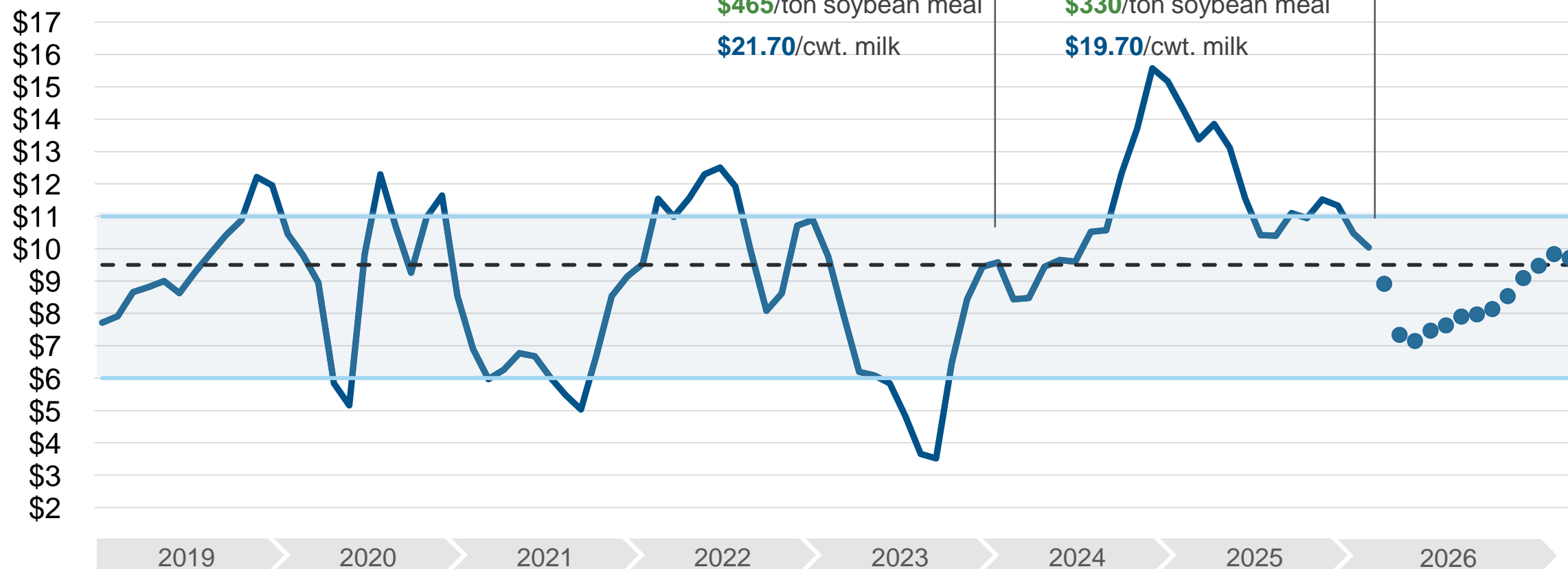
# Why cow numbers and milk may not contract quickly

Pennsylvania beef-on-dairy calf pricing (price per calf)



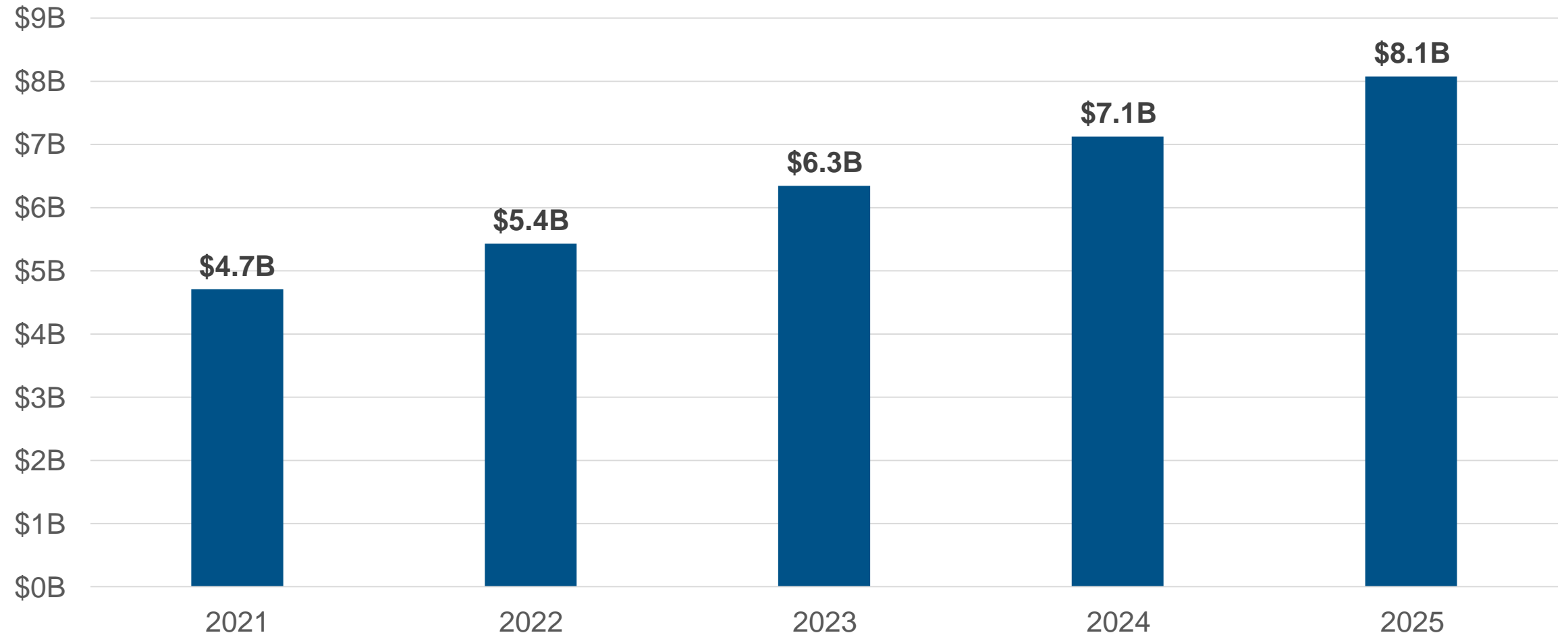
# Dairy margins to be hindered until milk price rebound

Actual and forecast dairy margin  
(dollars per cwt.)



# Ready-to-drink protein dairy shakes and nutritionals sales up 71% in four years

## Dollar sales



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**Brian Earnest**

Lead Economist, Animal Protein  
[bearnest@cobank.com](mailto:bearnest@cobank.com)

**Tanner Ehmke**

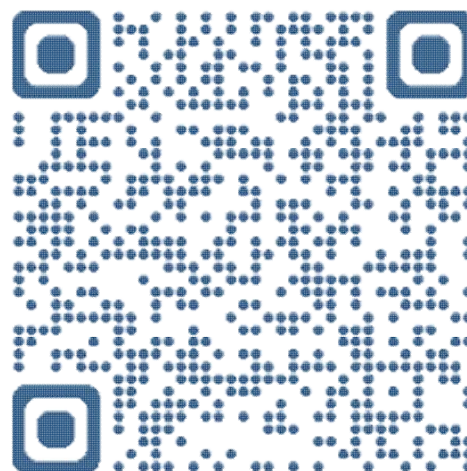
Lead Economist, Grains & Oilseeds  
[tehmke@cobank.com](mailto:tehmke@cobank.com)

**Jacqui Fatka**

Lead Economist, Farm Supply & Biofuels  
[jfatka@cobank.com](mailto:jfatka@cobank.com)

**Corey Geiger**

Lead Economist, Dairy  
[cgeiger@cobank.com](mailto:cgeiger@cobank.com)



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