



What's Driving Agriculture in the Year Ahead

NORTH AMERICAN EQUIPMENT DEALERS ASSOCIATION

ORLANDO, FLORIDA

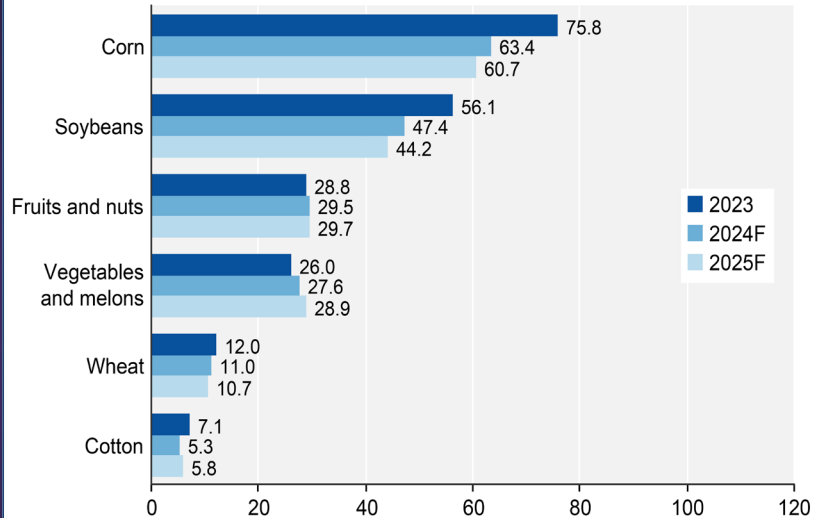
NOVEMBER 18, 2025

MIKE PEARSON

Taking Stock

U.S. cash receipts for selected crops, 2023–25F

Billion dollars (nominal)



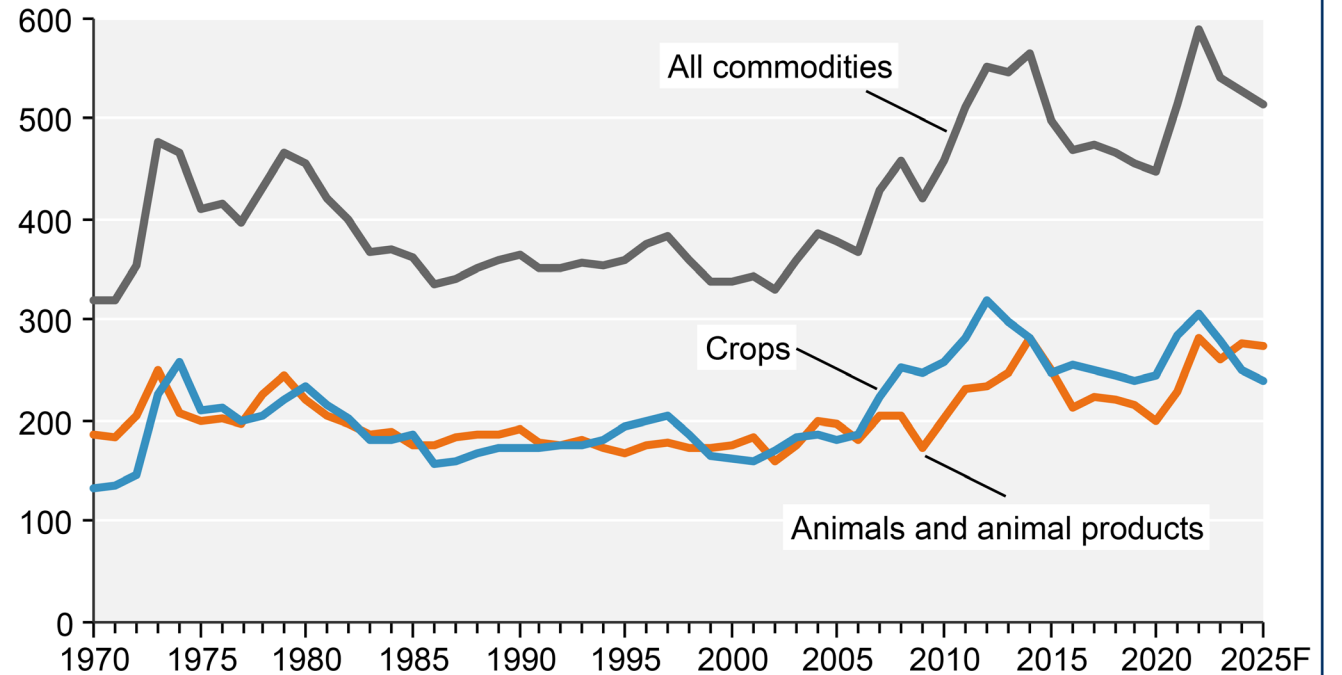
Note: F = forecast. Data for 2024 and 2025 are forecasts.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.

Data as of February 6, 2025.

U.S. farm sector cash receipts, inflation adjusted, 1970–2025

Billion 2025 dollars



Note: F = forecast; data for 2024 and 2025 are forecasts. Values are adjusted for inflation using the U.S. Department of Commerce, Bureau of Economic Analysis, Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2025 by USDA, Economic Research Service.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.

Data as of February 6, 2025.

Issues to Watch for 2025/2026

- ▶ Inertia – Current fundamentals will be the biggest factor
- ▶ Trade Disruptions – Tariffs, War, Logistics = Reduced Export Demand
- ▶ Cattle Industry Whipsaw – Exceptionally strong demand, very tight supplies, and a President with an inflation problem
- ▶ Inflation Risks/Interest Rates– Rising prices bring inflation back to the front of attention
- ▶ Policy – Biofuels/MFP 3.0– As exports decline, domestic policy becomes more important

As things stand *today*

U.S. PRODUCTION (Million Bushels) 2025-26

	Nov	Avg	High	Low	Sep	2024-25
Corn	16,752	16,528	16,748	16,380	16,814	14,867
Soybeans	4,253	4,265	4,420	4,152	4,301	4,366

U.S. AVERAGE YIELD (Bushels Per Acre) 2025-26 (WASDE)

	Nov	Avg	High	Low	Sep	2024-25
Corn	186	183.5	186.0	182.0	186.7	179.3
Soybeans	53	53.0	53.8	51.7	53.5	50.7

U.S. HARVESTED ACRES (Million Acres) 2025-26

	Nov	Avg	High	Low	Sep	2024-25
Corn	90.0	90.0	90.5	89.3	90.0	82.9
Soybeans	80.3	80.3	80.3	80.0	80.3	86.1

U.S. ENDING STOCKS (Million Bushels) 2025-26

	Nov	Avg	High	Low	Sep	2024-25
Corn	2,154	2,130	2,470	1,944	2,110	
Soybeans	290	292	418	187	300	
Wheat	901	862	913	828	844	

WORLD ENDING STOCKS (million metric tons) 2024-25

	Nov	Avg	High	Low	Sep	2024-25
Corn	291.7	285.6	289.3	284.0	284.2	
Soybeans	123.3	123.4	124.0	122.3	123.6	
Wheat	261.4	262.6	263.7	262.0	262.4	

WORLD ENDING STOCKS (million metric tons) 2025-26

	Nov	Avg	High	Low	Sep	2024-25
Corn	281.3	283.0	284.9	280.0	281.4	
Soybeans	122.0	124.6	126.0	123.0	124.0	
Wheat	271.4	266.1	270.0	264.0	264.1	

November 2025

WASDE - 665 - 17

U.S. Cotton Supply and Use 1/

Area	2023/24	2024/25 Est.	2025/26 Proj.	2025/26 Proj.
			Sep	Nov
	<i>Million Acres</i>			
Planted	10.23	11.18	9.30	9.30
Harvested	6.44	7.81	7.37	7.37
	<i>Pounds</i>			
Yield per Harvested Acre	899	886	861	919
	<i>Million 480 Pound Bales</i>			
Beginning Stocks	4.65	3.15	4.00	4.00
Production	12.07	14.41	13.22	14.12
Imports	0.00	0.00	0.01	0.01
Supply, Total	16.72	17.57	17.23	18.12
Domestic Use	1.85	1.70	1.70	1.70
Exports, Total	11.75	11.90	12.00	12.20
Use, Total	13.60	13.60	13.70	13.90
Unaccounted 2/	-0.03	-0.03	-0.07	-0.08
Ending Stocks	3.15	4.00	3.60	4.30
Avg. Farm Price 3/	76.1	63.0	64.0	62.0

Note: Reliability calculations at end of report. 1/ Upland and extra-long staple; marketing year beginning August 1. Totals may not add due to rounding. 2/ Reflects the difference between the previous season's supply less total use and ending stocks. 3/ Cents per pound for upland cotton.

DECEMBER '25 CORN

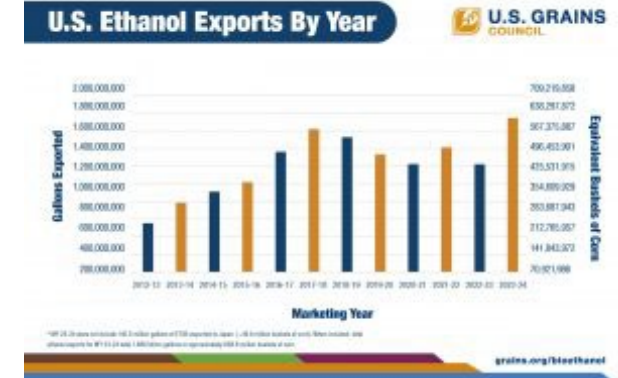
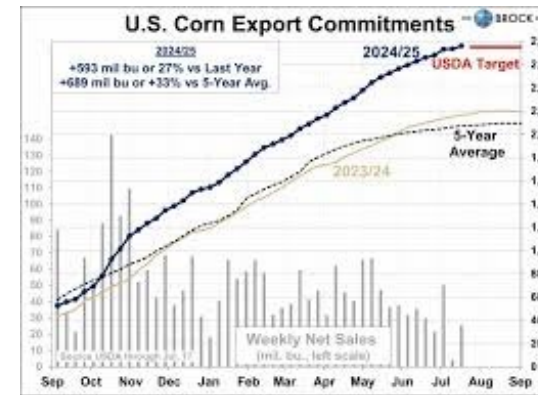
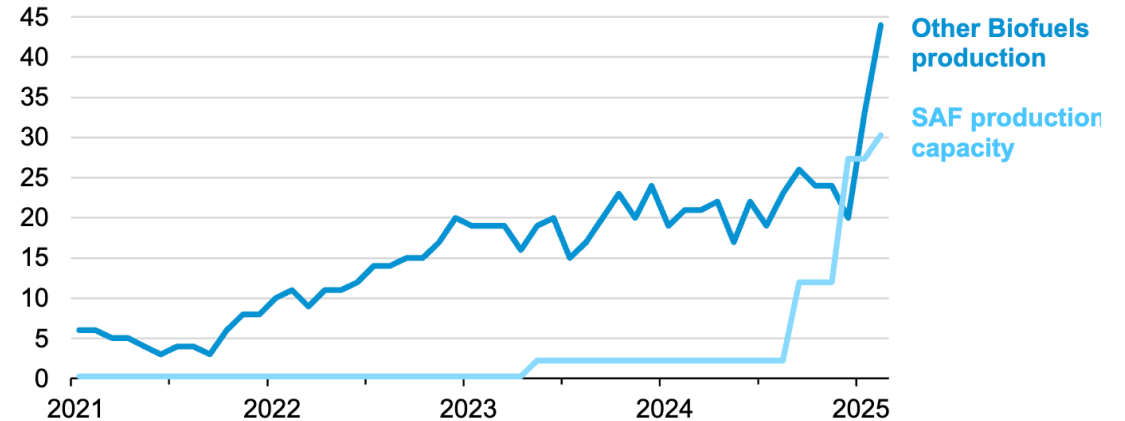
- Demand is firing on all cylinders – ethanol; feed; exports
- Traders focused on size of US crop
- International demand still strong
- Buying opportunity is here for end users – look out through 2026



'26 Corn Market

- ▶ Rebound Ahead?
- ▶ Inflationary signals drive investment money to commodities
- ▶ US Biofuels policies become more clear– SAF impact on corn
- ▶ International demand still strong
- ▶ Most attractive crop market for next year – currently
- ▶ Brazil corn production likely keeps rising – could create export challenge in Q3/Q4 2026

U.S. production of Other Biofuels and U.S. sustainable aviation fuel (SAF) production capacity (Jan 2021–Feb 2025)
thousand barrels per day



January Soybeans

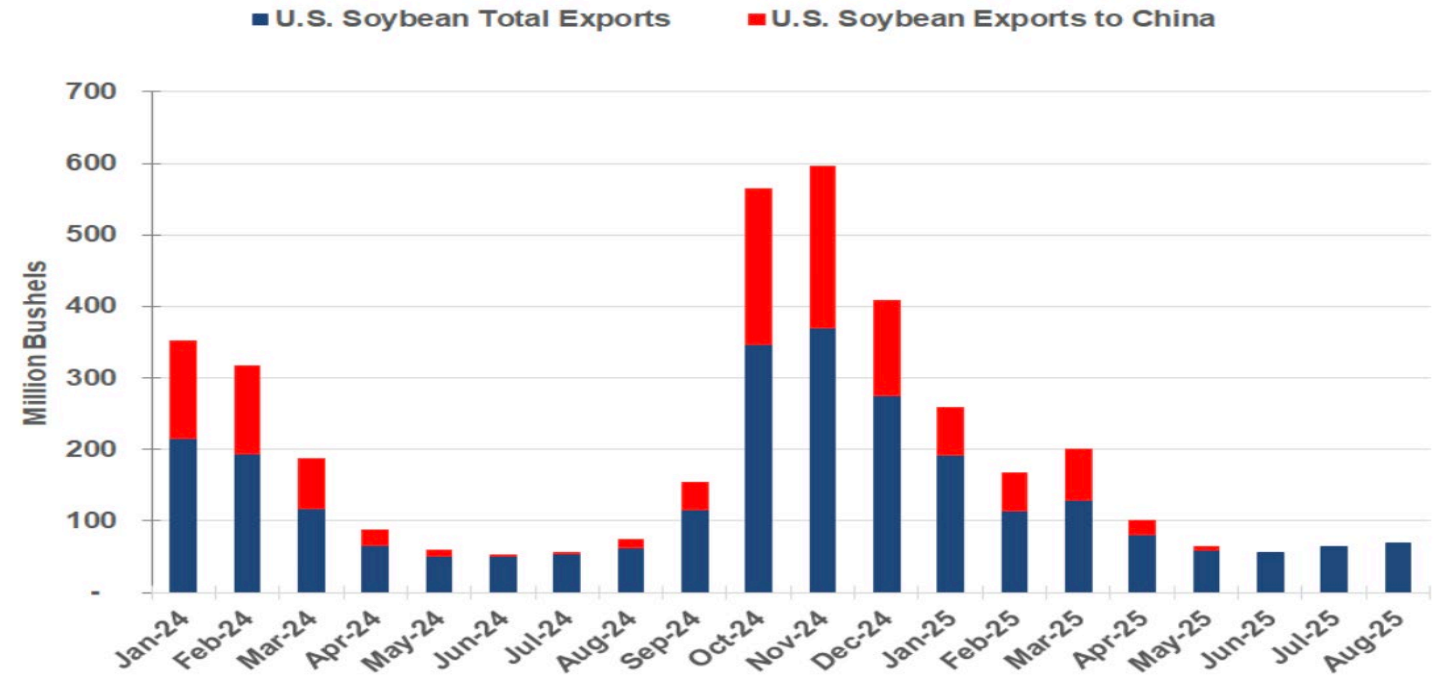
- Hot/Dry weather through eastern belt has traders concerned about crop size – Friday update
- Very Friendly EPA RVO update for bio/renewable diesel
- Chinese orders trickling in – very positive news; but trade watching for more volume



Soybean Outlook

- Looks can be deceiving- still dangers in soy market
- Soy growers aren't yet fighting the trade war of 2025 - we just entered round one from the 2018 trade war
- Global/S.Am production growth accelerates

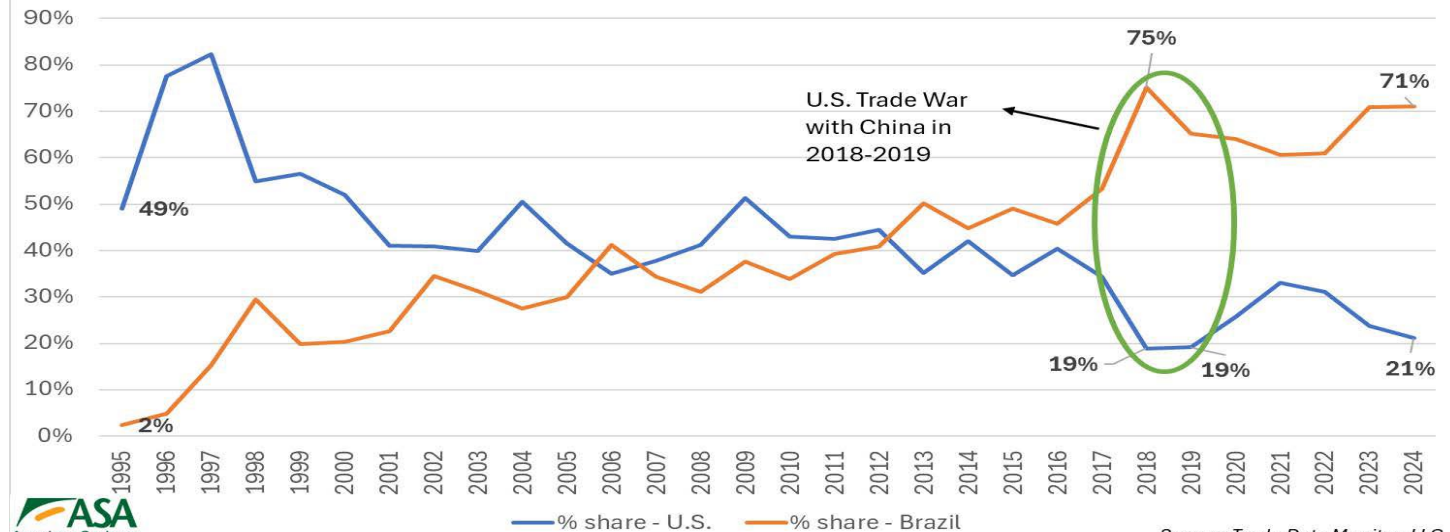
Figure 1. Monthly U.S. Soybean Exports vs. Exports to China



Source: Foreign Agricultural Service (FAS), USDA

farmdocDAILY

U.S. vs. Brazil
Share of Chinese Soybean Imports

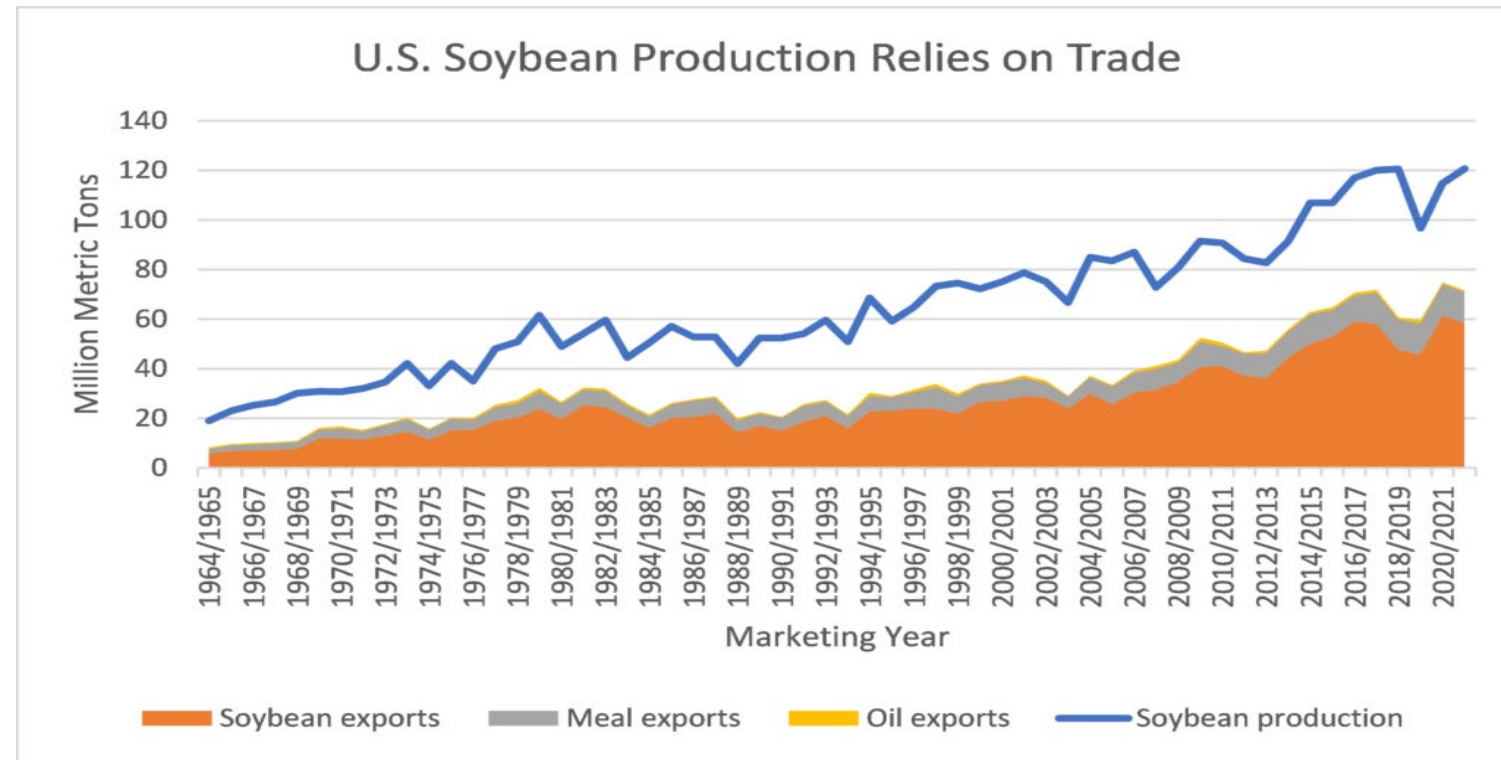


ASA
American Soybean Association

Source: Trade Data Monitor, LLC

Soybean Risk Especially high

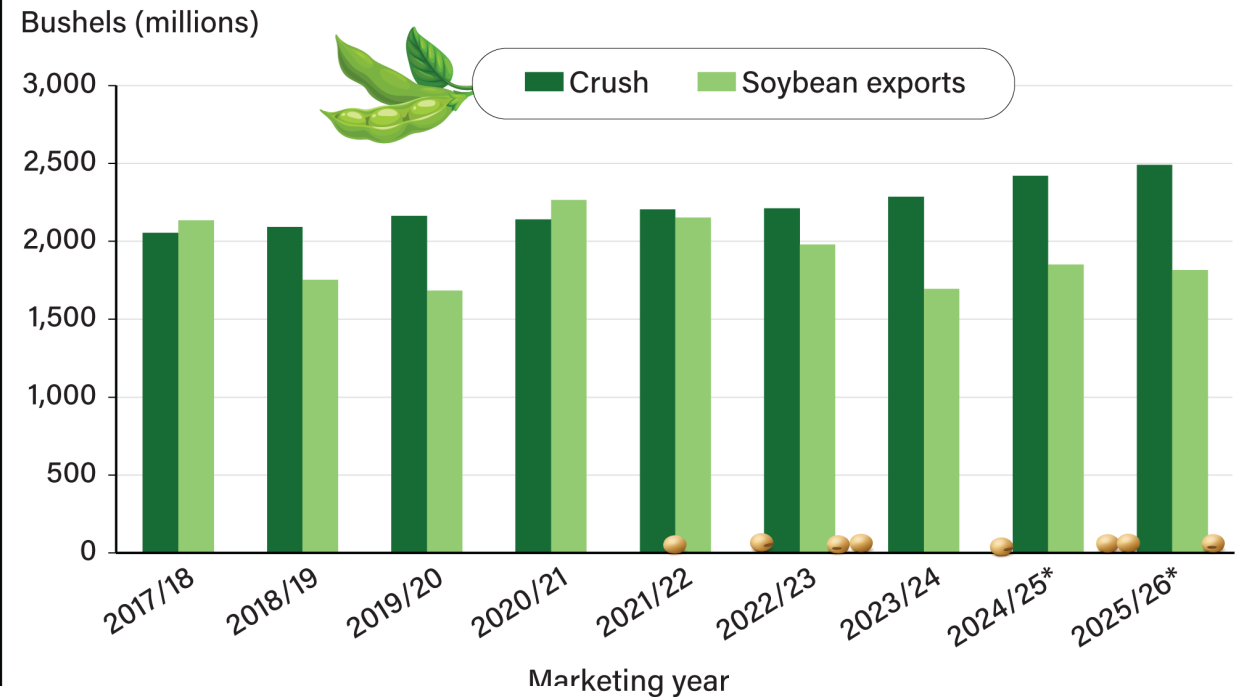
- US Bean industry was built as an export focused industry
- American soy exports peaked in 2022
- The world increasingly turns to S.Am for beans – acreage reduction becomes important
- Biggest long term risk:
BALLOONING STOCKPILES



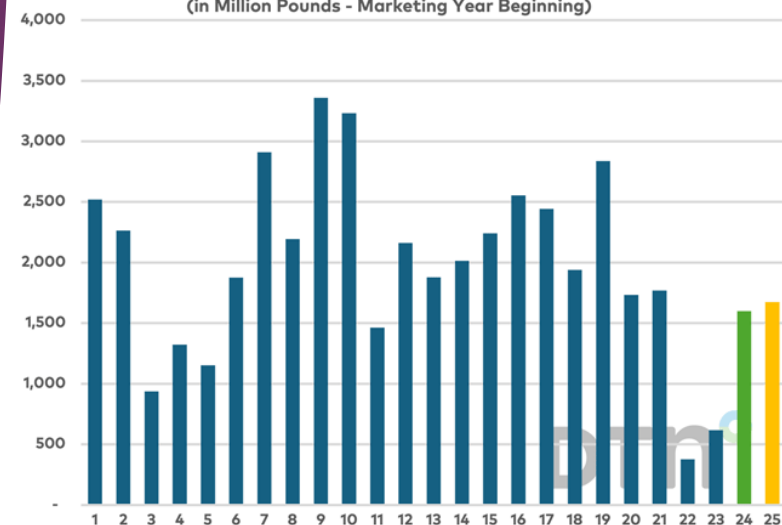
IT ISN'T ALL DOOM AND GLOOM

- Domestic crush continues to accelerate
- Farmers find ways to add value and consume domestically
- Soy Oil drives crush expansion – industry must find ways to handle meal
- Marketing diversification – roasted beans sold to dairies (ie)

U.S. soybean use for crush and exports, marketing year 2017/18–2025/26



U.S. Soybean Oil - Total Exports
(in Million Pounds - Marketing Year Beginning)



ar begins on September 1.
rops Outlook.



Cotton Outlook

- Trade War I destroyed cotton production balance
- Brazil growing both acreage and yield
- Costs in Brazil remain lower than US – for now
- Will reshoring attract domestic textile manufacturers again? 45

Cotton export estimates for the United States and Brazil, 2001/02-2024/25

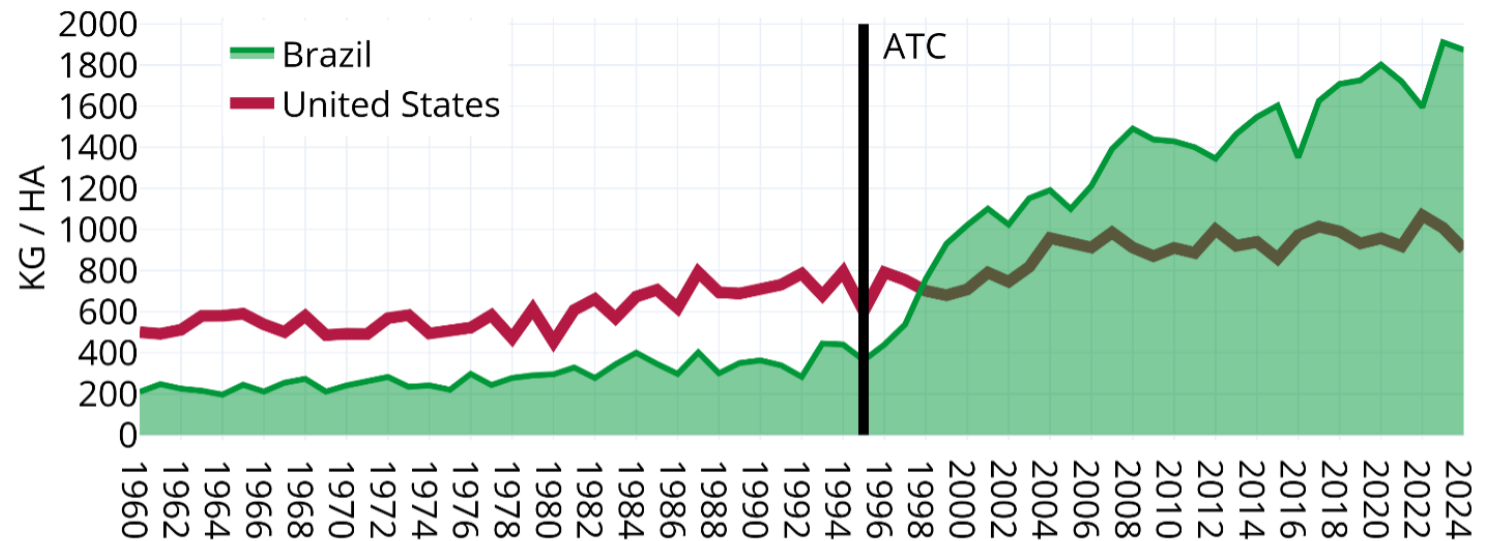
USDA Economic Research Service
U.S. DEPARTMENT OF AGRICULTURE



Note: 1 bale = 480 pounds.

Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, Production, Supply, and Distribution query.

CHARTS of NOTE



Grains/Oilseeds

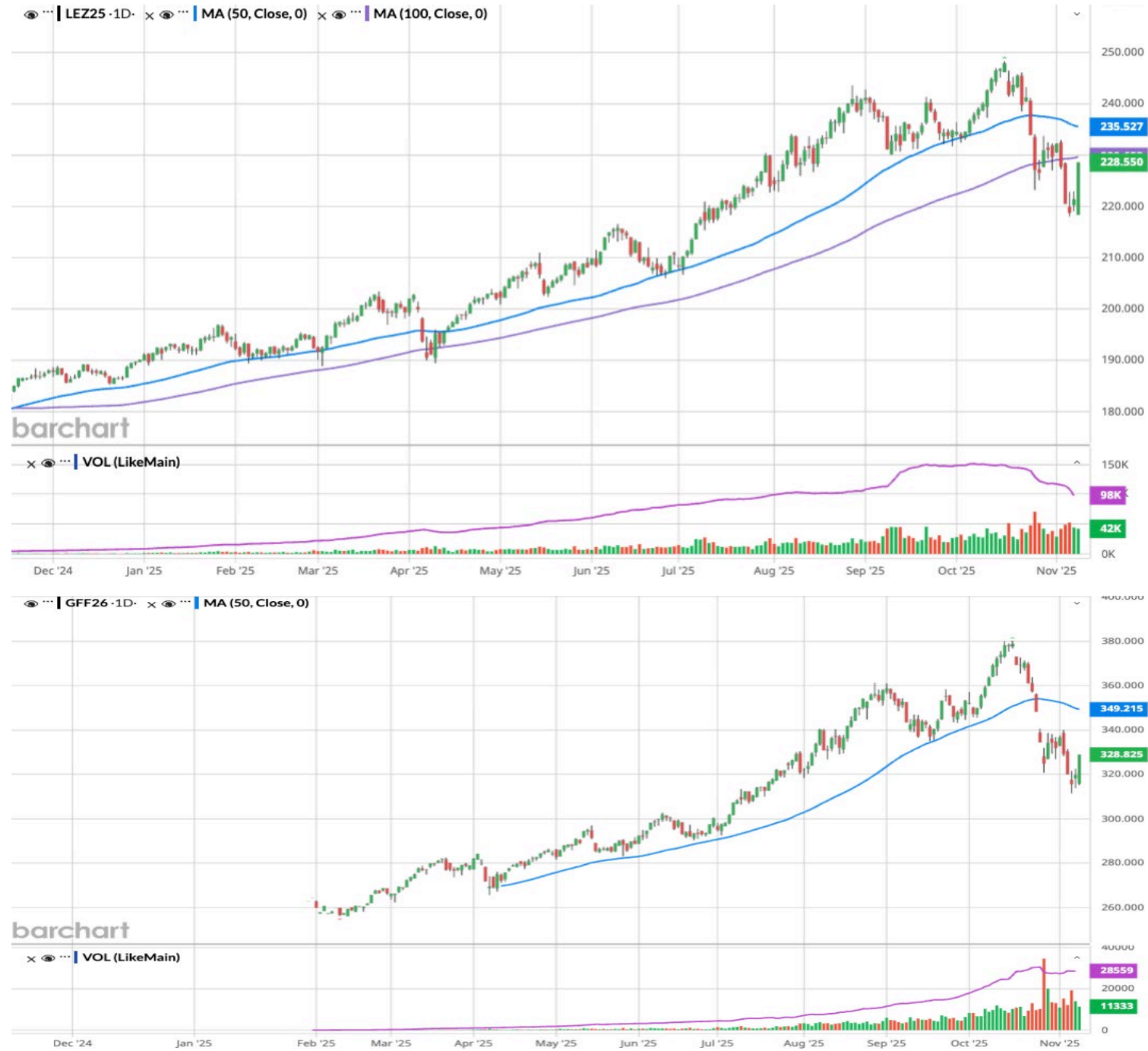
Outlook:

- Weather impact on yield – will this crop keep getting bigger?
- With equity markets at record valuations, commodities will struggle to attract capital – absent a pullback
- With Jerome Powell likely headed out, an interest rate cut and higher inflation could bring buyers back – but not until 2026
- As potentially record crops come to market this winter, traders will be watching for confirmation on biofuels policies – if we don't have exports, we need more domestic demand

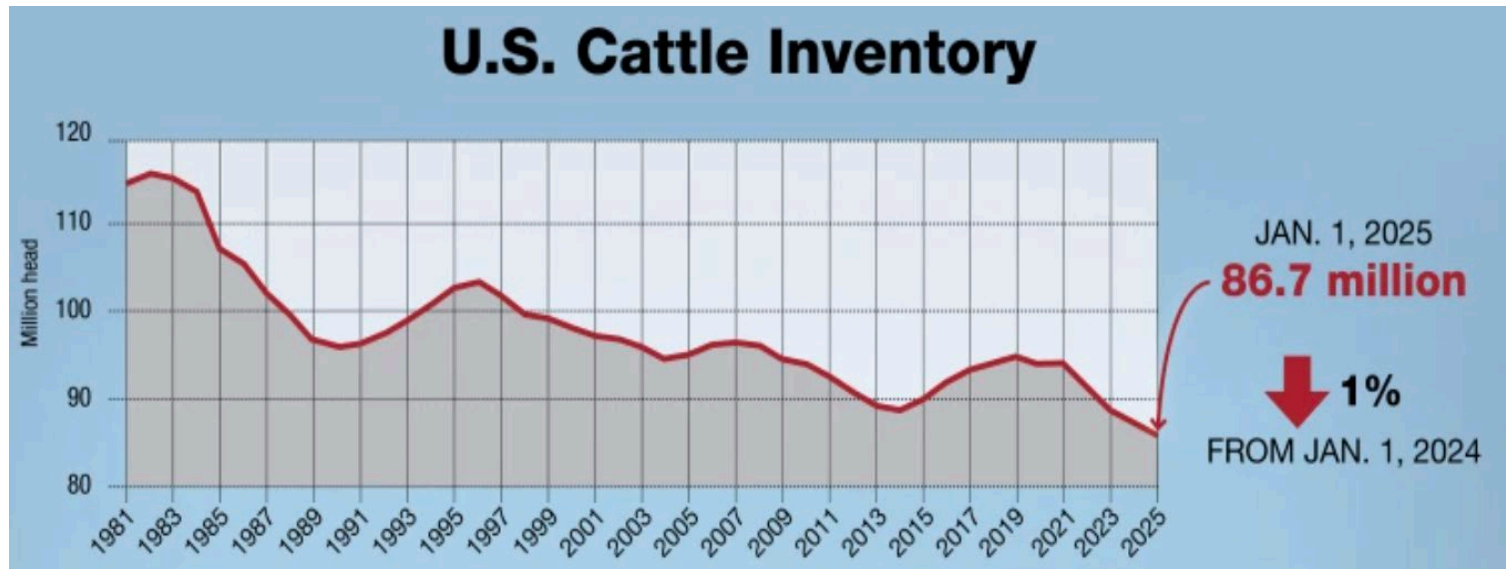
Cattle Markets



Fat and Feeder Cattle

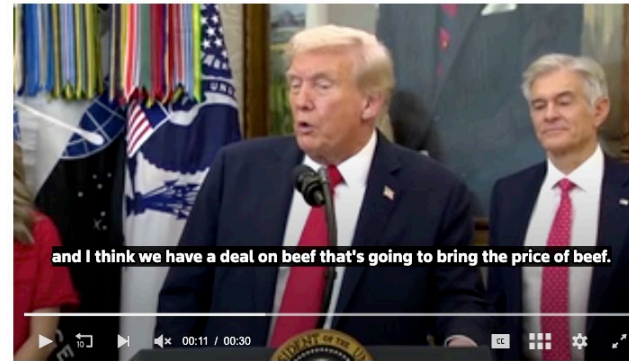


...The best year ever for cattle producers – until politics got involved



Trump says his administration is working on lowering beef prices

By Tom Polansek, Trevor Hunnicutt and Costas Pitas
October 17, 2025 1:47 AM CDT - Updated October 17, 2025



WASHINGTON, Oct 16 (Reuters) - U.S. President Donald Trump said on Friday that his administration was working to lower the price of beef in the country.

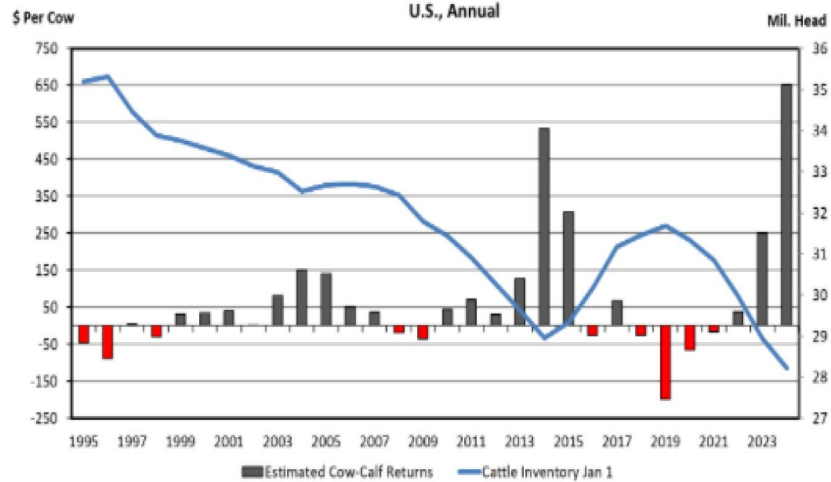
"We are working on beef, and I think we have a deal on beef," Trump told reporters at the White House.

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The price of beef is "higher than we want it, and that's going to be coming down pretty soon too. We did something," Trump added, without elaborating.

Beef prices have climbed to [record highs](#) after cattle ranchers slashed their herds due to a yearlong drought in the western United States that dried up lands used for grazing and raised feeding costs.

Figure 1. Cow Calf Returns And Beef Cow Inventory



Donald J. Trump @realDonaldTrump

The Cattle Ranchers, who I love, don't understand that the only reason they are doing so well, for the first time in decades, is because I put Tariffs on cattle coming into the United States, including a 50% Tariff on Brazil. If it weren't for me, they would be doing just as they've done for the past 20 years — Terrible! It would be nice if they would understand that, but they also have to get their prices down, because the consumer is a very big factor in my thinking, also!

273 ReTruths 923 Likes Oct 22, 2025, 11:42 AM

Consumers still
willing to spend
big on beef

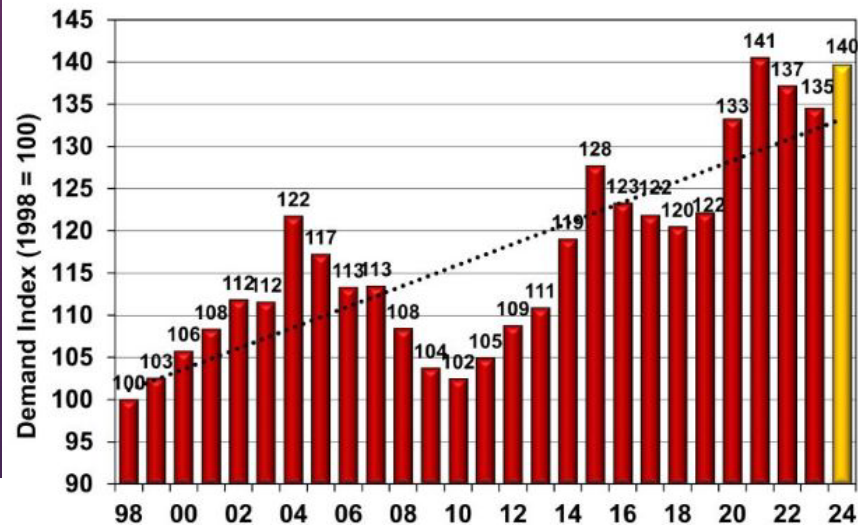
USDA All Fresh Retail Beef Price



Terrain

Sources: USDA ERS, Terrain

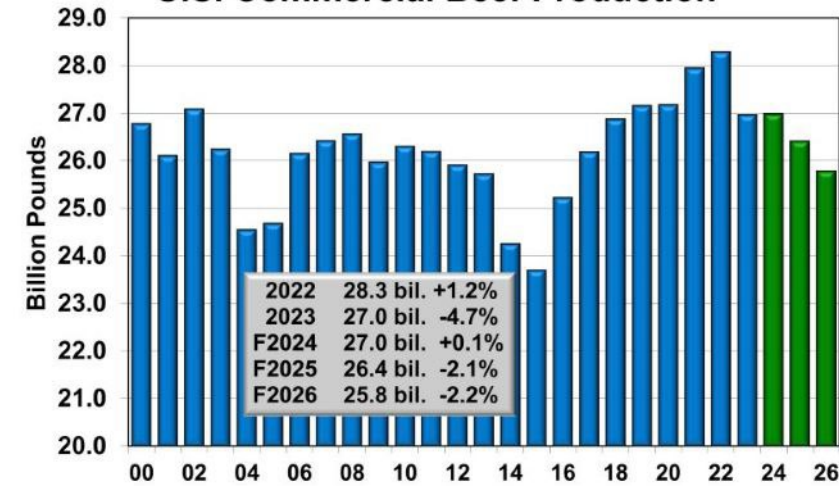
Annual U.S. Retail Beef Demand Index



Source: USDA, BLS, K-State, CattleFax

Years

U.S. Commercial Beef Production



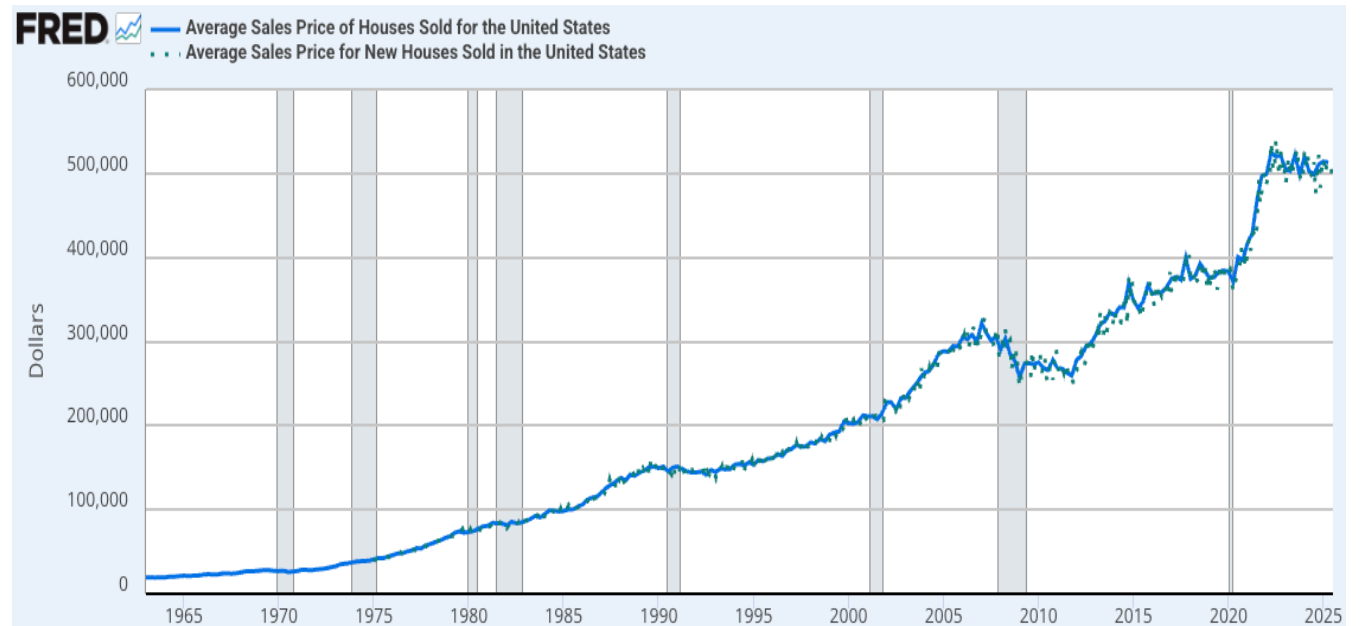
Source: USDA

CattleFax Projections

Years

And they don't
have a reason
to slow down...

...Yet



Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development via FRED®

Those high prices mean we might not be done with inflation

★ M2 (M2SL)

Observations ▾

Sep 2025: **22,212.5**

Updated: Oct 28, 2025 12:01 PM CDT

Next Release Date: Nov 25, 2025

Units:

Billions of Dollars,
Seasonally Adjusted

Frequency:

Monthly

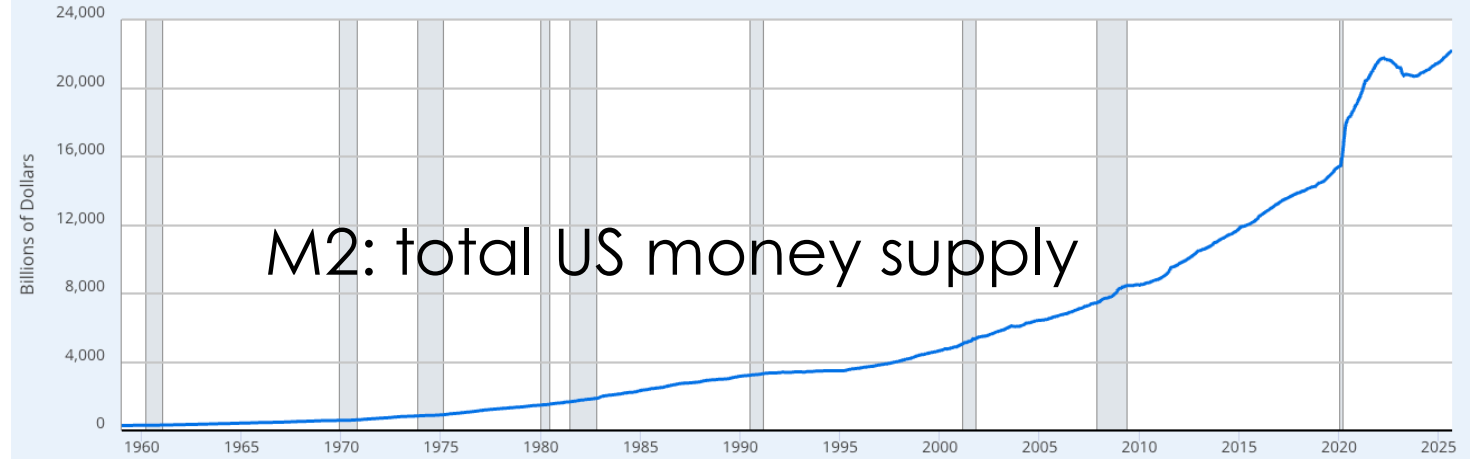
1Y | 5Y | 10Y | Max

1959-01-01 to 2025-09-01

Edit Graph ↗

Download ↓

FRED — M2



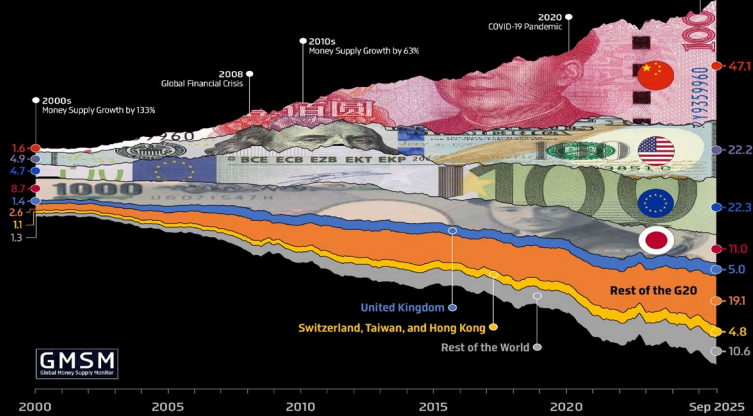
GLOBAL MONEY SUPPLY

(2000–Q3 2025)

Global broad money supply* reached \$142 trillion in Sept. 2025, rising 7.0% annually since 2000. Growth accelerated in 2025—up 9.1% year-to-date and 6.7% year-on-year in Sept.—significantly driven by the U.S. dollar's 9.9% depreciation.

Money Supply
Sep 2025
\$142T

Broad Money (Trillion US\$, M2/M3, Currencies Converted to US Dollar)



*The Global Money Supply Monitor (GMSM) provides comprehensive coverage spanning 169 countries.

Sources: Central Banks, IMF, World Bank, Econovis

Research and visualization by Ehsan Soltani

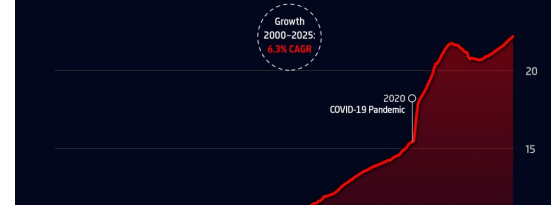
www.econovis.net

✉ @econovis

U.S. M2 MONEY SUPPLY HITS RECORD
\$22.2 TRILLION IN SEP 2025

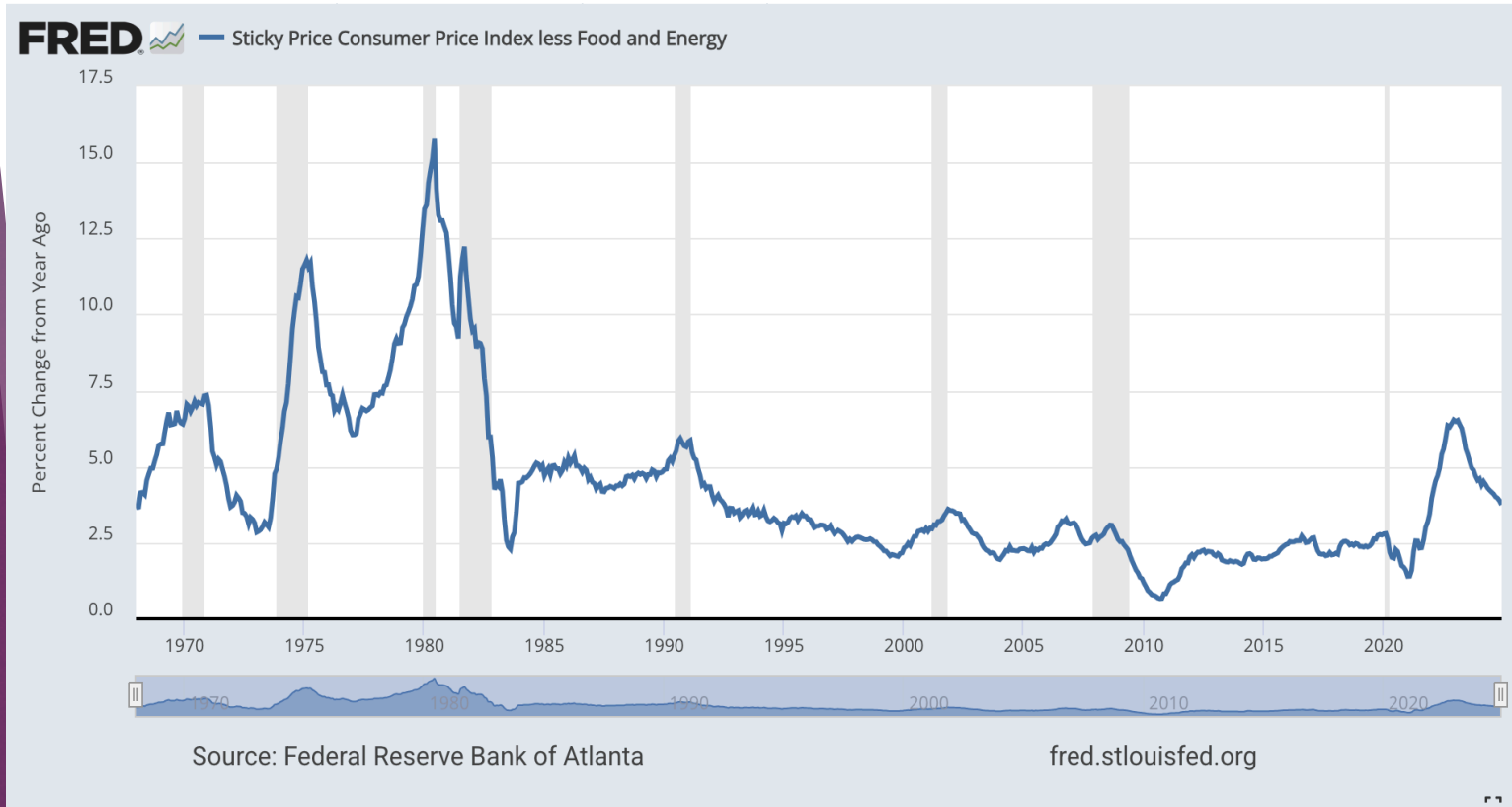
Money Supply
Sep 2025
\$22.2 Trillion

Trillion US\$ 25



Are we
headed for the
1980s?

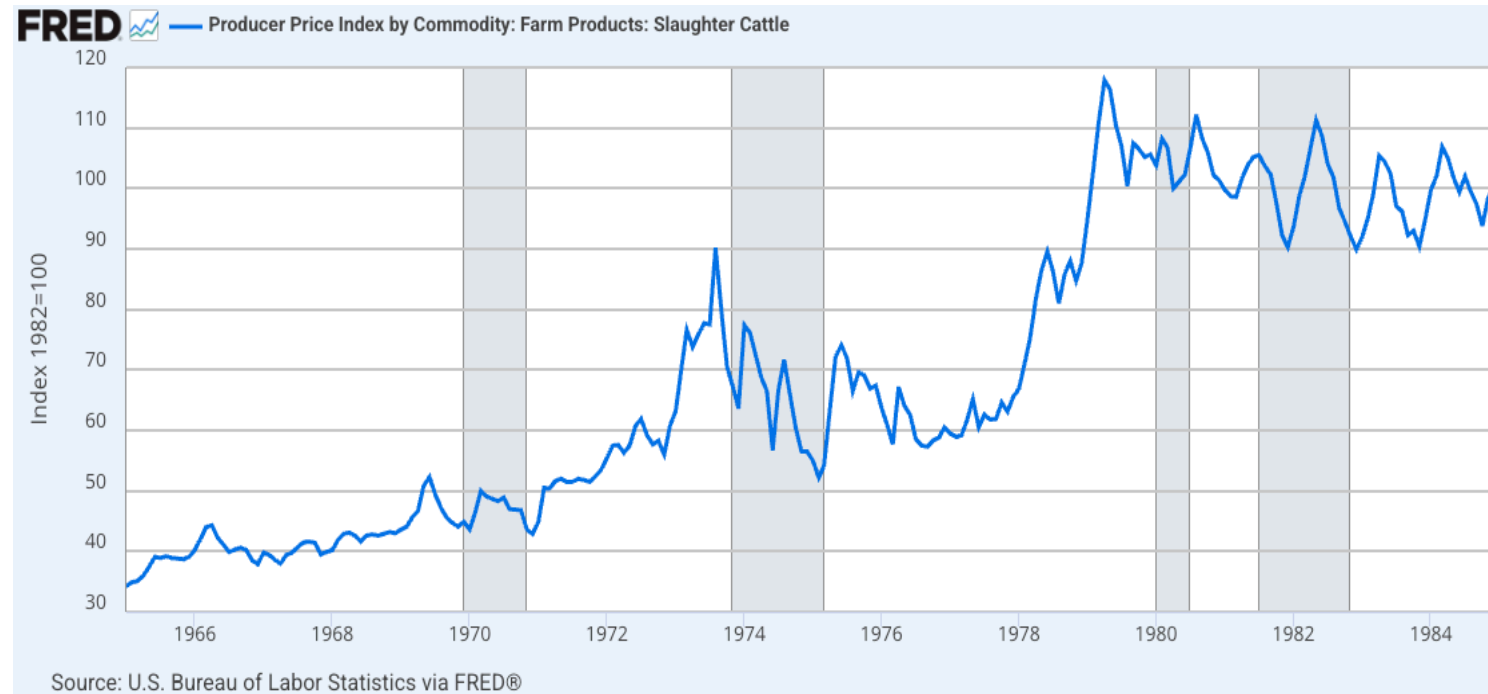
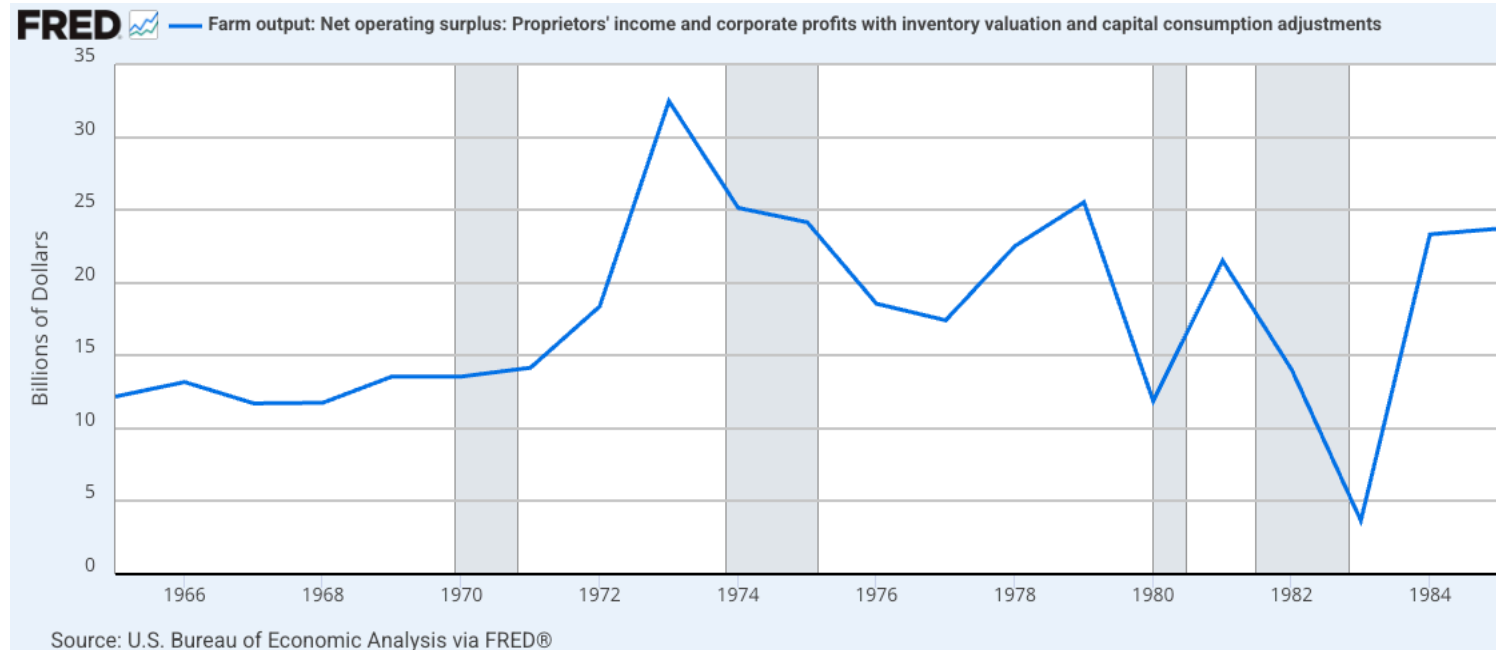
Not until we
have the 1970s
first



1970s: Low/Variable interest rates, stagflation, energy price spikes drive investment interest in commodities

2020s: Falling rates, AI Unemployment + Inflation = stagflation. Increased money printing (bailouts). Energy price spikes drive investments

How was ag in the 1970s?



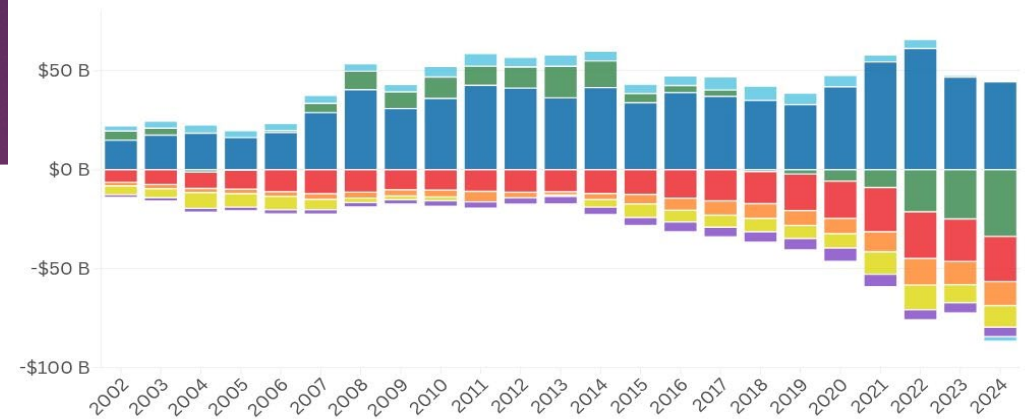
Two Tracks for Farmers:



U.S. Only Has Agricultural Trade Surplus in Grains & Oilseeds

■ Grains & Oilseeds ■ Food Products ■ Beverages & Tobacco Products ■ Fruits & Tree Nuts ■ Meat & Seafood
■ Vegetables & Melons ■ Other Agricultural Products

Trade Balance



Source: U.S. Census Bureau

► Commodity Producers

- Economies of scale grow in importance
- Consolidation continues
- Input costs stay elevated
- Robotics allow more acres w/ less labor
- Big business mindset

► Specialty Producers

- Capitalize on “Buy American” push
- Add value at the farm gate - processing
- Direct Retail – farm stands; online
- Diversification is key at this scale
- Margin opportunities much large

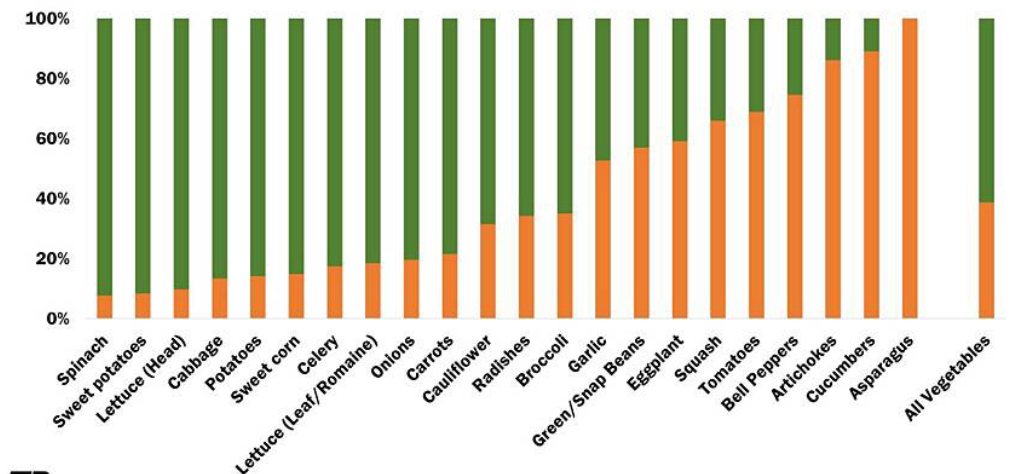
New Opportunities



- TRADE DISRUPTIONS
 - WITH GLOBAL AG TRADE CHANGING; WILL ANY OF THESE CROPS START POPPING UP ON YOUR FARM?

- ▶ Buying habits are changing
 - ▶ Since COVID more consumers are willing to buy direct from farms
 - ▶ Specialty Food Magazine study suggests nearly 30% of food purchases will be farm direct by 2030

U.S. Vegetable Supply: % from Domestic Production and Imports 2022



Punchline?

"Change is no longer something that happens, but rather something that's happening"

- Richard Mulholland

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**Additional
Questions?**

Reach me by email:
Mike.Pearson@FarmProgress.com



Thank you!