Agriculture By the Numbers

December 2025

NDSU Extension Agribusiness and Applied Economics

Looking Forward Into the 2026/2027 Marketing Year

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As 2025 comes to a close and 2026 begins, many farm managers are beginning to plan for the 2026 crop year. Calls and emails are coming in regarding the price outlook for 2026 and which crops have the most profit potential. Both of these questions are difficult to answer due to the rapidly changing market, weather and political conditions.

However, there are a few outlets that can be used to establish reference points for 2026 crop planning prices. One of these is the futures market, which is available for the major crops produced in the U.S. The futures markets provide a "consensus" forecast for crop prices in the future, given the information we have today. Unfortunately, futures market prices and trading volumes do not give us any information about the assumptions traders are making about the future.

Fortunately, there are some entities that do publish forecasts for crop production, consumption and prices into the future. Two of these organizations are the U.S Department of Agriculture (USDA) and the Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri.

Both of these organizations recently provided updated production, consumption and average price forecasts for 2026. Below is a summary of the information they prepared. The USDA published the Agricultural Projections to 2035 report on Dec. 5, 2025, and FAPRI published its 2025 Baseline Update on Sept. 10, 2025.

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Looking Forward Into the 2026/2027 Marketing Year

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Corn

Table 1 shows a summary of the December USDA World Agricultural Supply and Demand Estimates (WASDE), USDA Agricultural Projections to 2035 and FAPRI Baseline Update for corn. Both the USDA long-term projections and the FAPRI Baseline expect corn planted area to decrease in 2026 and a return to trend line yields. As a result, total production is forecast to drop between 5.6% (USDA) and 7.6% (FAPRI) from the record levels in 2025. Total consumption is also expected to drop between 1.9% (USDA) and 3.1% (FAPRI).

The net result is a small reduction in projected ending stocks and a slight increase in the marketing year average price received by farmers. The USDA long-range forecasts show a small reduction in ending stocks of 10 million bushels and a slight increase in average prices from $4.00 per bushel in 2025/26, the current marketing year, to $4.10 per bushel in 2026/27. The FAPRI estimates show a larger reduction in ending stocks of 179 million bushels, with an increase in 2026/27 marketing year average prices to $4.20 per bushel.

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Table 1 – U.S. Total Supply, Consumption and Price Projections for Corn.

	USDA WASDE			USDA 2035 Baseline	FAPRI Sep. Baseline
U.S. Corn	2023/2024	2024/2025 (Est.)	2025/2026 (Dec.)	2026/2027	2026/2027
Planted A.	94.6 Mill. A.	90.9 Mill. A.	98.7 Mill. A.	95.0 Mill. A.	92.5 Mill. A.
Harvested A.	86.5 Mill. A.	83.0 Mill. A.	90.0 Mill. A.	86.8 Mill. A.	84.6 Mill. A.
Yield/Harvest A.	177.3 bu.	179.3 bu.	186.0 bu.	182.0 bu.	183.0 bu.
Beginning Stocks	1,360 Mill. Bu.	1,763 Mill. Bu.	1,532 Mill. Bu.	2,154 Mill. Bu.	2,117 Mill. Bu.
Production	15,341 Mill. Bu.	14,892 Mill. Bu.	16,752 Mill. Bu.	15,815 Mill. Bu.	15,478 Mill. Bu.
Imports	28 Mill. Bu.	20 Mill. Bu.	25 Mill. Bu.	25 Mill. Bu.	25 Mill. Bu.
Total Supply	16,729 Mill. Bu.	16,675 Mill. Bu.	18,309 Mill. Bu.	17.994 Mill. Bu.	17,620 Mill. Bu.
Feed & Residual	5,832 Mill. Bu.	5,492 Mill. Bu.	6,100 Mill. Bu.	6,000 Mill. Bu.	5,939 Mill. Bu.
Food, Seed, Ind.	6,879 Mill. Bu.	6,821 Mill. Bu.	6,980 Mill. Bu.	6,975 Mill. Bu.	6,979 Mill. Bu.
Ethanol	5,489 Mill. Bu.	5,436 Mill. Bu.	5,600 Mill. Bu.	5,600 Mill. Bu.	5,607 Mill. Bu.
Exports	2,255 Mill. Bu.	2,830 Mill. Bu.	3,200 Mill. Bu.	3,300 Mill. Bu.	2,852 Mill. Bu.
Total Use	14,966 Mill. Bu.	15,144 Mill. Bu.	16,280 Mill. Bu.	15,975 Mill. Bu.	15,770 Mill. Bu.
Ending Stocks	1,763 Mill. Bu.	1,532 Mill. Bu.	2,029 Mill. Bu.	2,019 Mill. Bu.	1,850 Mill. Bu.
MY Avg. Price	$4.55/Bu.	$4.24/Bu.	$4.00/Bu.	$4.10/Bu.	$4.20/Bu.

Data from the USDA Dec. 9, 2025 World Agricultural Supply and Demand Estimates, the USDA Agricultural Projections to 2035 and the Food and Agricultural Policy Research Institute (FAPRI) September 2025 Baseline Update

Looking Forward Into the 2026/2027 Marketing Year

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Soybean

Table 2 shows a summary of the supply and demand estimates from the USDA December WASDE, USDA long-term projections and September FAPRI forecasts for soybeans. Both the USDA long-term projections and the FAPRI Baseline project an increase in soybean planted acres in 2026. However, the USDA long-term projections show a larger increase, from 81.1 million acres in 2025 to 85.0 million acres in 2026. The FAPRI Baseline projects 82.6 million acres planted. Both forecasts assume trendline yields, which result in increased total soybean production in 2026. The USDA long-term baseline total production estimate of 4.465 billion bushels is nearly equal to the record soybean production of 4.464 billion bushels in 2021. The 4.348 billion bushel production forecast from FAPRI is slightly below 2024 production of 4.374 billion bushels.

Total soybean consumption is projected to increase in the 2026/27 marketing year with very similar forecasts for both the USDA and FAPRI estimates. Projected export levels for 2026/27 are nearly identical, but the FAPRI forecast is expecting higher domestic crushing levels, at 2.669 billion bushels versus the USDA's projection of 2.640 billion bushels.

The USDA long-term projections show a net increase of 24 million bushels in ending stocks, while FAPRI forecasts a net decrease of 48 million bushels, relative to the current marketing year levels. Both the FAPRI and USDA long-term projections forecast lower marketing year average prices for the 2026/27 marketing year. The FAPRI baseline estimate is $10.43 per bushel, while the USDA long-term report forecast is $10.30, versus $10.50 per bushel for the current 2025/26 marketing year.

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Table 2 – U.S. Total Supply, Consumption and Price Projections for Soybean.

	USDA WASDE			USDA 2035 Baseline	FAPRI Sep. Baseline
U.S. Soybean	2023/2024	2024/2025 (Est.)	2025/2026 (Dec.)	2026/2027	2026/2027
Planted A.	83.6 Mill. A.	87.3 Mill. A.	**81.1 Mill. A.**	**85.0 Mill. A.**	**82.6 Mill. A.**
Harvested A.	82.3 Mill. A.	86.2 Mill. A.	**80.3 Mill. A.**	**84.2 Mill. A.**	**81.7 Mill. A.**
Yield/Harvest A.	50.6 bu.	50.7 bu.	**53.0 bu.**	**53.0 bu.**	**53.2 bu.**
Beginning Stocks	264 Mill. Bu.	342 Mill. Bu.	**316 Mill. Bu.**	**290 Mill. Bu.**	**288 Mill. Bu.**
Production	4,162 Mill. Bu.	4,374 Mill. Bu.	**4,253 Mill. Bu.**	**4,465 Mill. Bu.**	**4,348 Mill. Bu.**
Imports	21 Mill. Bu.	27 Mill. Bu.	**20 Mill. Bu.**	**20 Mill. Bu.**	**20 Mill. Bu.**
Total Supply	4,447 Mill. Bu.	4,744 Mill. Bu.	**4,590 Mill. Bu.**	**4.775 Mill. Bu.**	**4,656 Mill. Bu.**
Crushings	2,285 Mill. Bu.	2,445 Mill. Bu.	**2,555 Mill. Bu.**	**2,640 Mill. Bu.**	**2,669 Mill. Bu.**
Exports	1,700 Mill. Bu.	1,875 Mill. Bu.	**1,635 Mill. Bu.**	**1,715 Mill. Bu.**	**1,716 Mill. Bu.**
Seed	75 Mill. Bu.	70 Mill. Bu.	**73 Mill. Bu.**	**73 Mill. Bu.**	**73 Mill. Bu.**
Residual	44 Mill. Bu.	37 Mill. Bu.	**37 Mill. Bu.**	**32 Mill. Bu.**	**38 Mill. Bu.**
Total Use	4,105 Mill. Bu.	4,427 Mill. Bu.	**4,300 Mill. Bu.**	**4,460 Mill. Bu.**	**4,415 Mill. Bu.**
Ending Stocks	342 Mill. Bu.	316 Mill. Bu.	**290 Mill. Bu.**	**314 Mill. Bu.**	**242 Mill. Bu.**
MY Avg. Price	$12.40/Bu.	$10.00/Bu.	**$10.50/Bu.**	**$10.30/Bu.**	**$10.43/Bu.**

Data from the USDA Dec. 9, 2025 World Agricultural Supply and Demand Estimates, the USDA Agricultural Projections to 2035 and the Food and Agricultural Policy Research Institute (FAPRI) September 2025 Baseline Update

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All Wheat

Table 3 compares the USDA WASDE estimates to the projections from the USDA long-term forecasts and FAPRI baseline estimates for All Wheat. The All Wheat data combines information for each of the six wheat classes produced in the U.S. and is a composite analysis.

The USDA long-term projections forecast a decrease in planted area of about 1.3 million acres, while the FAPRI estimates show an increase of 300,000 acres. Both the USDA and FAPRI estimates use trendline yield projections to estimate total wheat production.

Total wheat production is forecasted to drop in the 2026/27 marketing year, with the USDA long-term projections showing the lower estimate. The FAPRI forecast shows a reduction of 135 million bushels and the USDA long-term projections a 166 million bushel decrease from 2025 production.

Total wheat consumption is projected to decrease slightly from 2025/26, with the USDA long-term projections showing a greater reduction. Total food use, which measures the amount of wheat going into the domestic milling industry, has been very stable for many years. However, wheat export levels have varied significantly across time. The USDA long-term projections forecast a 25-million-bushel reduction in exports, while FAPRI estimates an increase of 12 million bushels from the 2025/26 production of 4.253 billion bushels.

Total wheat ending stocks are forecast to decrease, with the FAPRI estimates showing a reduction of 105 million bushels and the USDA showing a 69 million bushels, from the 2025/26 levels. Both the USDA and FAPRI projections show an increase in the marketing year average price. FAPRI forecasts $5.76 per bushel, and USDA forecasts $5.40 per bushel. This compares to a national average wheat price of $5.00 per bushel for the current 2025/26 marketing year.

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Table 3 – U.S. Total Supply, Consumption and Price Projections for All Wheat Classes.

	USDA WASDE			USDA 2035 Baseline	FAPRI Sep. Baseline
U.S. All Wheat	2023/2024	2024/2025 (Est.)	2025/2026 (Dec.)	2026/2027	2026/2027
Planted A.	49.6 Mill. A.	46.3 Mill. A.	**45.3 Mill. A.**	**44.0 Mill. A.**	**45.6 Mill. A.**
Harvested A.	37.1 Mill. A.	38.6 Mill. A.	**37.2 Mill. A.**	**35.8 Mill. A.**	**36.9 Mill. A.**
Yield/Harvest A.	48.7 bu.	51.2 bu.	**53.3 bu.**	**50.8 bu.**	**50.1 bu.**
Beginning Stocks	507 Mill. Bu.	696 Mill. Bu.	**851 Mill. Bu.**	**901 Mill. Bu.**	**869 Mill. Bu.**
Production	1,804 Mill. Bu.	1,979 Mill. Bu.	**1,985 Mill. Bu.**	**1,819 Mill. Bu.**	**1,850 Mill. Bu.**
Imports	138 Mill. Bu.	149 Mill. Bu.	**120 Mill. Bu.**	**120 Mill. Bu.**	**123 Mill. Bu.**
Total Supply	2,512 Mill. Bu.	2,824 Mill. Bu.	**2,955 Mill. Bu.**	**2,840 Mill. Bu.**	**2,842 Mill. Bu.**
Food	961 Mill. Bu.	969 Mill. Bu.	**972 Mill. Bu.**	**974 Mill. Bu.**	**970 Mill. Bu.**
Seed	62 Mill. Bu.	62 Mill. Bu.	**62 Mill. Bu.**	**59 Mill. Bu.**	**60 Mill. Bu.**
Feed & Residual	86 Mill. Bu.	117 Mill. Bu.	**120 Mill. Bu.**	**100 Mill. Bu.**	**104 Mill. Bu.**
Exports	706 Mill. Bu.	826 Mill. Bu.	**900 Mill. Bu.**	**875 Mill. Bu.**	**912 Mill. Bu.**
Total Use	1,815 Mill. Bu.	1,974 Mill. Bu.	**2,054 Mill. Bu.**	**2,008 Mill. Bu.**	**2,046 Mill. Bu.**
Ending Stocks	696 Mill. Bu.	851 Mill. Bu.	**901 Mill. Bu.**	**832 Mill. Bu.**	**796 Mill. Bu.**
MY Avg. Price	$6.96/Bu.	$5.52/Bu.	**$5.00/Bu.**	**$5.40/Bu.**	**$5.76/Bu.**

Data from the USDA Dec. 9, 2025 World Agricultural Supply and Demand Estimates, the USDA Agricultural Projections to 2035 and the Food and Agricultural Policy Research Institute (FAPRI) September 2025 Baseline Update

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Interestingly, the USDA long-term projections and FAPRI baseline forecasts for marketing year average prices are similar to current futures market price levels for 2026 harvest delivery. In mid-December 2025, the price for December 2026 Chicago Board of Trade (CBOT) corn futures was about $4.65 per bushel. If we subtract the weighted average national corn basis of $0.12 per bushel, the estimated national average corn price during harvest 2026 should be about $4.53 per bushel. This is slightly higher than the 2026 average price projection of $4.10 per bushel from USDA and $4.20 per bushel from FAPRI.

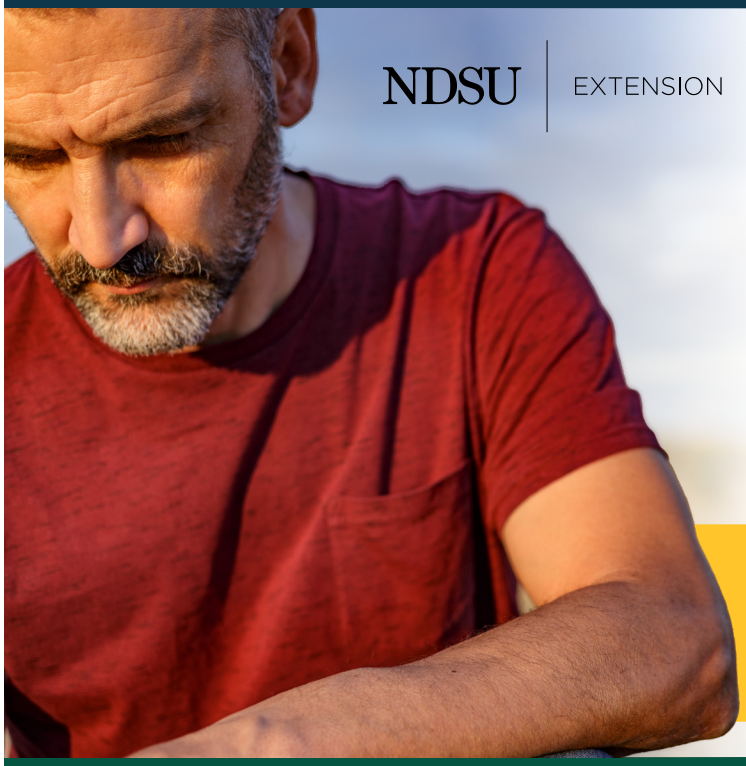
The November 2026 CBOT soybean futures were trading around $11.00 per bushel in mid-December 2025. If we subtract the weighted average national basis of $0.43 per bushel, the average cash market price for soybeans delivered at harvest would be $10.57 per bushel for soybeans. Once again, this is slightly higher than the USDA projection of $10.30 per bushel and $10.43 per bushel from FAPRI.

A futures market-based estimate for All Wheat is more complicated. A blended, or weighted, average wheat futures market price and a national average wheat basis level must be calculated. In mid-December, the July CBOT soft red winter wheat contract was trading at about $5.50 per bushel. The July CBOT hard red winter wheat contract was also trading at about $5.50 per bushel. The September Miami International Holdings (MIAX) hard red spring wheat futures were trading at about $6.15 per bushel. This results in a weighted average harvest futures price of about $5.70 per bushel. The weighted average wheat basis level is about $0.20 per bushel. The result of a futures-based harvest price estimate is about $5.50 per bushel. This is between the USDA projection of $5.40 per bushel and FAPRI's estimate of $5.76 per bushel.

The USDA has prepared Excel spreadsheets that allow farm managers, processors and international buyers to track and update national average price forecasts based on futures market price information. Search "USDA Season-Average Price Forecasts" or go to https://www.ers.usda.gov/data-products/season-average-price-forecasts to access the spreadsheets and learn more about the process.

Choosing prices to use for preparing crop budgets and whole-farm cash flow planning is challenging. However, there are resources and methods that can be used to make this process less stressful.

Farming and Ranching are Stressful



Concerns about production, prices and policy can weigh heavily on us.

It is okay not to be okay in times of high stress, whether during harvest time or when dealing with an uncertain farm economy.

If you feel isolated or overwhelmed, talk to someone — family, friends or a professional. Reaching out for help isn't weakness; it's a sign of wisdom and strength. Recognize that you're not alone.

Take time to connect with resources that can support you and help you to be resilient in tough times. **Find stress management tools made for farmers and ranchers at** ndsu.ag/managingstress**.**

If you or someone you know is struggling or in crisis, help is available. **Call or text 988.**

Will Cropland Prices Soften in 2026?

Bryon J Parman, Associate Professor/Extension Agricultural Finance Specialist

A popular question lately is why the farmland market has shown such strength despite lower net farm incomes over the last two years. Looking forward, expectations are that 2026 may be even more financially challenging than 2025. In fact, the most recent Farmer Mac survey of lenders from November 2025 (https://www.farmermac.com/agsurvey2025/) stated that, in the Northern Plains region, only 52% of farmers are expected to be profitable in 2025, and this number is projected to fall to 48% in 2026. Essentially, due to low prices for grains and soybeans, areas heavily invested in these crops are expected to do poorly next year. In the same survey, lenders are asked to rank their top concerns for producers; from most concerning to least concerning were the following: liquidity, farm income levels, inflation/input costs, total leverage, and farm labor costs and availability.

However, even adjusting for inflation, major farmland price adjustments are historically rare. The last major adjustment to farmland values occurred in the mid-1980s, and before that, the Great Depression. Both were historically massive economic depressions for agriculture, and both occurred at a time when agricultural lending practices and safeguards were very different from what they are today. The primary reason for the collapse in land prices during those two periods was forced sales or foreclosures, which oversaturated the market at a time when there was little appetite among those who had the means to buy farmland.

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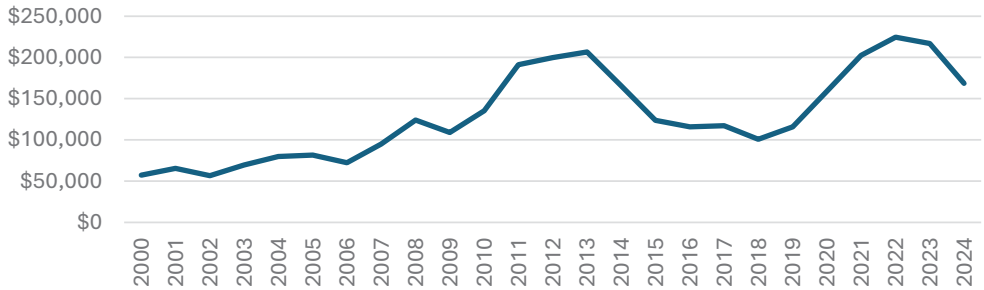
Will Cropland Prices Soften in 2026? — continued from page 6

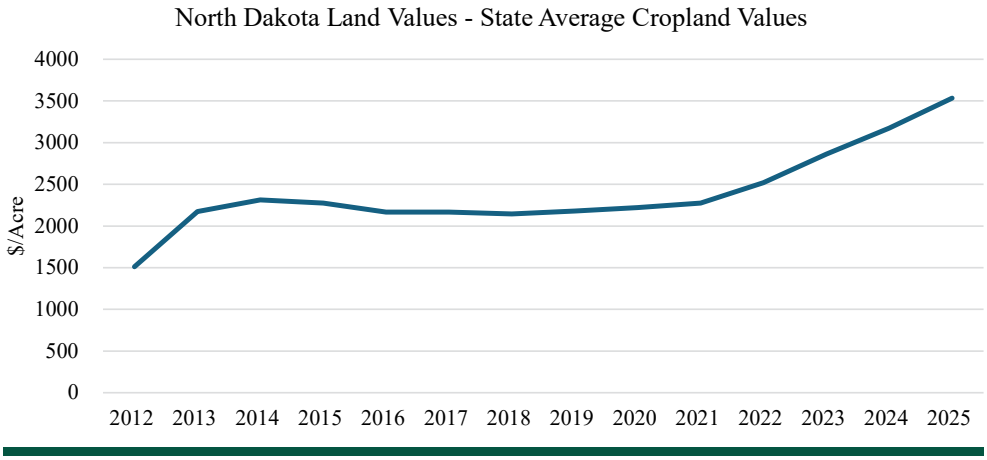
We do not need to go back that far to see the aftermath of a historic run-up in commodity prices and land values followed by a steep downturn. Between 2010 and 2014, there was a significant upswing in net cash farm incomes in the Northern Plains region. Figure 1 shows net cash income for the northern plains using the University of Minnesota's Center for Farm Financial Management FINBIN data set. Following 2014, net cash income in the Northern Plains fell significantly and stayed low before rising again in 2021.

Figure 1: Net Cash Farm Income from U. Minnesota's Center for Farm Financial Management Finbin Data Set 2000-2024



Yet, during that 2014-2020 downturn, we did not see a significant correction in cropland prices. Figure 2 shows inflation-adjusted cropland values in North Dakota from 2012 to 2025. The figure shows that during that period, cropland values stayed mostly flat. Any noticeable decline in this case is a result of inflation adjustments rather than a decline in cropland values. Similarly, cash rental rates in North Dakota mostly trended sideways during the downturn, signifying some resiliency in cash rents as well.

Figure 2: North Dakota Inflation-Adjusted Cropland Values 2012-2025.



There is a good possibility that if farm incomes stay lower for the next few years, we will see a similar flattening of land prices rather than a major or even moderate correction over the next several years. This is mainly due to how new land purchases were financed (i.e. lower interest rates and higher down payment requirements) as well as stronger government safety net programs keeping producers financially afloat until incomes improve. This, in turn, prevents forced or distressed sales from saturating the market and causing a steep correction. That does not, however, mean that there will be strong demand for renting additional land or buying more, which is why we would expect land prices to trend sideways. Sellers refuse to take lower prices than they saw a year or two ago and do not sell, while buyers are unwilling to pay record-high prices when incomes are depressed. This situation will also be evident if the number of transactions (velocity of sales) is significantly lower than in previous years.

It is important not to take isolated events or even regional observations and apply them statewide or nationally. Areas where cropland prices are really high, such as Iowa or Indiana, tend to see much larger swings than other areas of the U.S., including North Dakota. Also, when a record land sales price is published, the context for why it was so high or low is not clear; therefore, it really doesn't apply to a typical arms-length transaction. Unfortunately, this means we will not truly know what land prices are doing until the data is released, but even with softening demand, there is a possibility that cropland at least holds its value through 2026.

2025 Cattle Price Recap and What's Ahead for 2026?

Tim Petry, Extension Livestock Marketing Specialist

2025 was certainly a record year for beef cattle prices.

Cattle prices have been increasing cyclically since the last cyclical low in 2020, buoyed by six years of declining beef cow numbers. However, prices were nearly the same in 2023 and 2024 despite lower numbers, due to increasing fed cattle carcass weights. Carcass weights increased 20 to 30 pounds, which amounted to the equivalent of slaughtering another million head of fed steers and heifers.

2025 was a breakout year for cattle prices, with prices averaging above those of 2024 at record-high levels.

Fed steer prices started 2025 at a record-high $200 per hundredweight (cwt.), $25 higher than the $175/cwt. in 2024. Prices generally increased to reach a seasonal peak of $245/cwt. in mid-August, about $60/cwt. higher than the previous year.

Fed steer prices then declined to a low of $212 in mid-November but rebounded seasonally to $228/cwt. in December. Prices were supported by strong domestic and export demand, as well as shorter beef supplies. In 2025, beef production declined almost 4% from 27 billion pounds to 26 billion pounds.

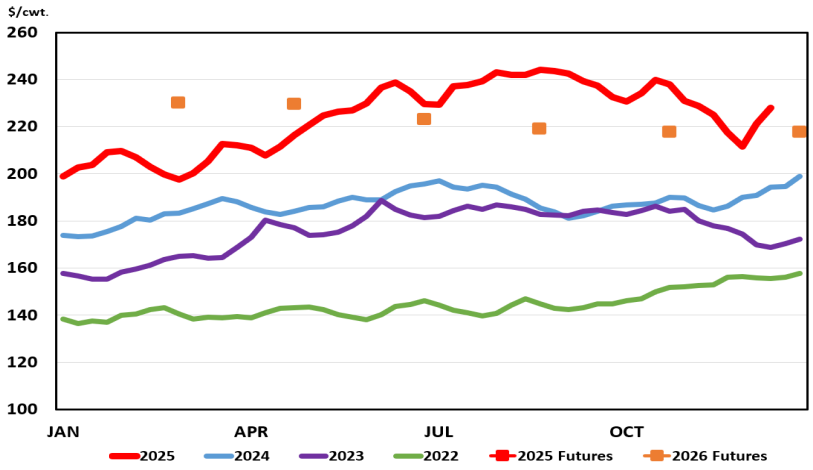
Domestic demand for high-quality beef was positively impacted by a number of factors, including GLP-1, high-protein and Keto diets.

The top U.S. beef export customers have been Japan, South Korea, China, Mexico and Canada. The 2025 beef export demand remained strong to all customers except China. China's retaliatory beef tariffs, and, more importantly, its decision not to approve U.S. beef plants for imports into China, led to a decline in total beef exports from 3 billion pounds in 2024 to 2.6 billion pounds.

2025 fed steer prices averaged $224/cwt. compared to $187/cwt. in 2024.

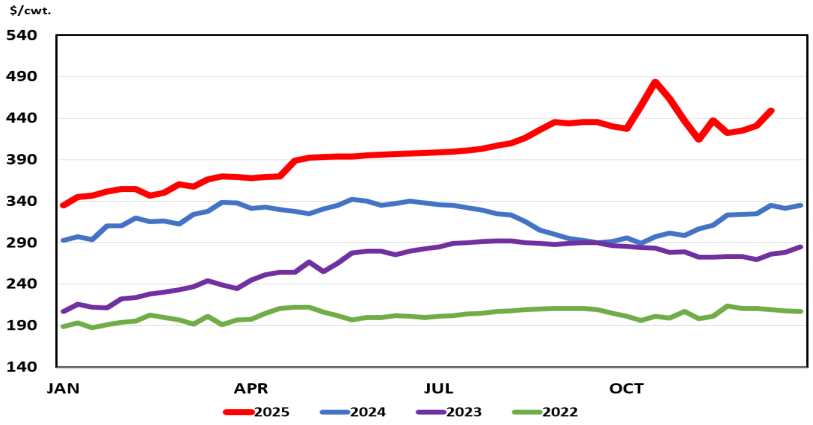
North Dakota's 550-600-pound steer calf prices started 2025 at an average $335/cwt., $40/cwt. higher than 2024. Keep in mind that this is an average price, and the range in prices for the same weight and grade of calves at the same market can be wide due to the many factors that affect prices.

Fed Steer Prices — 5 Market Weighted Average, Weekly



Source: USDA AMS

Medium and Large #1 Steer Calf Prices
550-600 Pounds, N.D., Weekly



Source: USDA AMS

Prices continued to increase at a record high pace until Oct. 16, when they reached above $480/cwt. Prices were counter-seasonally higher in early October due to several price-supportive factors in addition to the three important factors mentioned earlier.

The continuation of the U.S. border closure to the importation of Mexican cattle, which began on May 11 due to New World Screwworm, resulted in 25,000 to 30,000 fewer feeder cattle entering the U.S. each week.

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2025 Cattle Price Recap and What's Ahead for 2026?

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Winter wheat grazing conditions in the Southern Plains with adequate moisture were very good, so that increased demand for calves, especially since none were coming from Mexico.

Increased replacement heifer retention, driven by interest in beef herd rebuilding, further reduced market supplies.

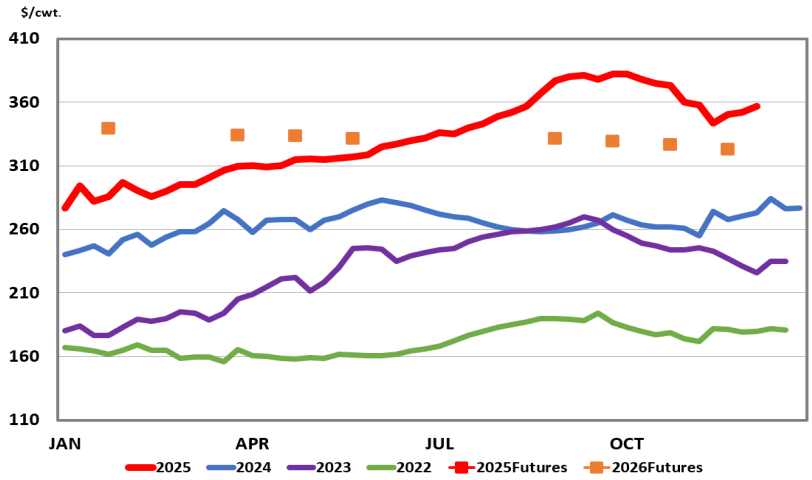
The record 16.75 billion bushel corn crop caused smaller Corn Belt feedlots to be aggressive buyers of calves to feed. Canadian buyers were also active bidders for Northern Plains calves.

A recently built 150,000-head feed lot in southwest Nebraska added to feeder cattle demand.

Calf prices retreated seasonally during the heavy fall marketing season but still ended the year at an average $449/cwt, $114 higher than in 2024.

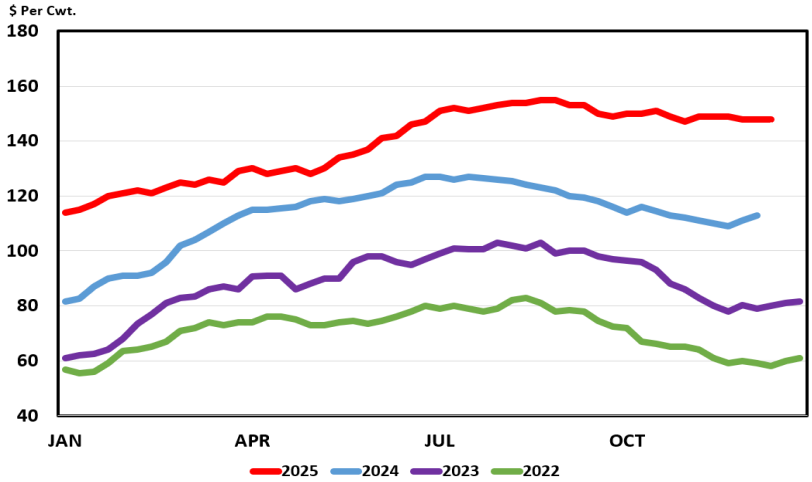
North Dakota's 750- 800-pound feeder steers started 2025 at $277/cwt. and continued to increase at record levels until Oct. 16, when they reached a record $382/cwt. Higher prices occurred for the same fundamental reasons as the calf price increase. Prices then declined seasonally to finish the year at $357/cwt., which was a record for that time and over $80/cwt. higher than the previous year.

Medium and Large #1 Feeder Steer Prices
750-800 Pounds, N.D., Weekly



Source: USDA AMS

Beef Cull Cow Prices
Average 85-90% Lean, Weekly — Northern Plains Average



Source: USDA AMS

Beef cull cow prices followed the same increasing trajectory at record levels as fed and feeder cattle. Prices were supported by smaller supplies with interest in herd rebuilding and beef cow slaughter declining 18% year over year. Demand for cows was very good because hamburger competes very well with other lower-priced meats.

What's ahead for cattle prices in 2026?

The tight supply and strong demand fundamentals that occurred in 2025 will still be in play in 2026.

The USDA is projecting beef production to decline from 25.95 billion pounds to 25.72 billion pounds.

It is expected that there will likely continue to be short supplies of all market classes of cattle and beef. Short supplies are supportive of prices.

However, as 2026 progresses, many questions arise. Government policy decisions have impacted beef imports and exports, which have caused volatile price fluctuations in cattle prices and especially futures markets.

Short supplies may support cyclically higher prices in 2026. However, prices are not expected to increase at the same rate as in 2025, and they will likely level off. Price volatility is expected to continue.

It is possible that 2026 cattle prices could be cyclically higher, but seasonally lower by fall, as many of the 2025 price-supportive factors may not be as supportive in 2026.

New Bank of North Dakota Loan Programs

Matthew Gammans, Assistant Professor in Ag Policy

The Bank of North Dakota (BND) recently announced two loan programs designed to support North Dakota farmers and ranchers: the 2026 Farm Financial Stability Loan Program (https://bnd.nd.gov/ffslp/) and the 2026 Grain Inventory Loan Program (https://bnd.nd.gov/gilp/). Together, these programs allocate up to $400 million in lending capacity and provide below-market financing terms intended to stabilize farm balance sheets. Table 1 provides a summary of the two programs.

The Farm Financial Stability Loan Program targets balance-sheet issues arising from recent operating losses due to the rising costs of production and depressed commodity prices. To be eligible, a farm must demonstrate an operating loss in either 2024 or 2025 or have previously obtained a 2024 Ag Disaster Relief loan through BND. Although it's unclear exactly what share of North Dakota farms meets these eligibility requirements, we can reasonably estimate that it is a substantial share. The Federal Reserve Bank of Minneapolis, which is responsible for data collection and analysis in North Dakota and parts of five other

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Table 1: Summary of Announced Bank of North Dakota Loan Programs

	2026 Farm Financial Stability Loan Program	2026 Grain Inventory Loan Program
Eligibility	ND agricultural producers with an operating shortfall in 2024 or 2025, or those holding a 2024 Ag Disaster Relief Loan	ND agricultural producers with unsold grain inventory needing short-term financing
Use of Funds	Replenish working capital, carry-over operating debt, or restructure term debt	Short-term financing of remaining grain inventory (feed inventory not eligible)
Total Funding Available	$300 million	$100 million
Interest Rate	Fixed 3.75% for five years (BND portion); local lender ≤ BND Base Rate + 1%	Variable rate: 0.75% below BND Base Rate; local lender ≤ Base Rate + 1%
Application Window	Dec. 9, 2025 – June 30, 2026	Dec. 9, 2025 – June 30, 2026
Application Process	Through local lenders (banks/credit unions initiate application)	Through local lenders (banks/credit unions initiate application)
Additional Notes	n/a	Must demonstrate repayment ability; must have approved 2026 operating line of credit; loan amount limited to 75% of USDA/FSA forecast price or 90% of contracted price

New Bank of North Dakota Loan Programs

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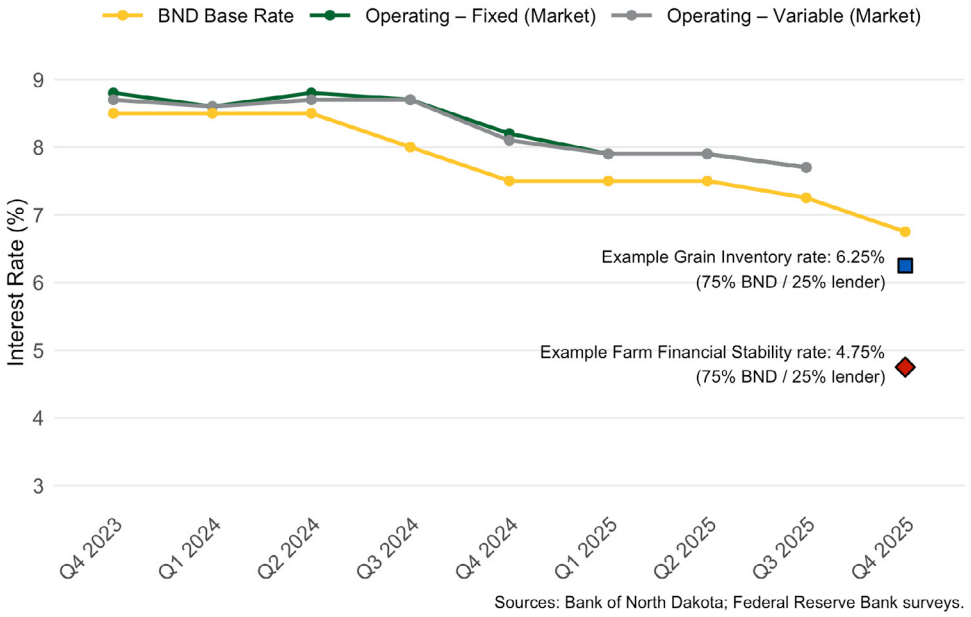
Northern states, annually conducts an Ag Credit Survey and recently reported that 92% of surveyed lenders in North Dakota anticipate lower net farm income in 2025 relative to 2024. For eligible farms, the loan program allows funds to be used for working capital, carry-over operating debt, or term-debt restructuring. This financing can be obtained at a fixed, below-market rate. With up to $300 million allocated statewide, the program is intended to provide relief to operations facing acute cash-flow constraints as they enter the 2026 production cycle.

Figure 1: Bank of North Dakota Base Rates and Market Operating Rates over Time, with Example Program Loan Rate



Sources: Bank of North Dakota; Federal Reserve Bank surveys.

The Grain Inventory Loan Program is narrowly focused on the cost of holding unsold grain. The program provides short-term financing for remaining grain inventory at an interest rate tied to the BND Base Rate, with BND's portion priced 0.75 percentage points below that benchmark. By lowering the cost of carry relative to standard operating credit, the program is designed to give producers greater flexibility in marketing decisions.

Figure 1 illustrates recent movements in fixed and variable interest rates for operating loans, alongside the BND base rates. Market rates (shown in green and gray) are sourced from the Federal Reserve Bank of Kansas City's Agricultural Credit Survey. Rates eased over the course of 2025, with the fixed-rate operating loan rate falling from 8.7% in Q3 2024 to 7.7% in Q3 2025. Figure 1 also illustrates how these new programs offer interest rates that are substantially below prevailing market rates. Although the specific rate a program participant would obtain depends on the share of the loan financed through BND versus a private lender, as well as the private lender's rate, the program details offer some guidance on likely rates. For example, a Farm Financial Stability Program loan financed 75% through BND and 25% through a private lender charging the maximum allowable rate (1% above the BND base rate, currently 6.75%) would result in a blended rate of 4.75%. A Grain Inventory Program loan using the same 75%-25% financing mix would produce a blended rate of 6.25%. Eligible farmers should consider taking advantage of this opportunity to finance their operations at below-market rates.