Agriculture By the Numbers

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A Look at Equipment Costs Per Acre Across the Northern Great Plains

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Export Sales Provide Key Information About Price Trends

Frayne Olson, NDSU Crop Economist/Marketing Specialist

The crop markets are transitioning away from a focus on U.S. production levels and towards domestic consumption and export volumes. Attention is shifting towards how quickly U.S. supplies will be used up.

There are three major categories of crop usage that the USDA tracks throughout the year: feed usage, domestic processing for food and industrial uses, and exports. Feed usage is typically the most difficult to accurately track on a weekly or monthly basis. A large volume of feed grains is produced and consumed on the same farm and is never recorded as a purchase or sale. The USDA relies on quarterly grain stocks surveys and meat production reports to estimate the amount of grain used for feed.

Domestic processing for food and industrial uses is easier to track because the number and capacity of processing facilities are known and can be surveyed on a regular basis. Domestic processing volumes are relatively stable over time and can be adjusted for seasonal patterns. This makes it more reliable to project total domestic processing quantities.

However, accurately forecasting export levels is very difficult. Changing global supply and demand conditions, shifting trade relationships, transportation and supply chain disruptions, and military conflicts can quickly alter trade flows and global prices. As a result, unexpected changes in U.S. export levels, either higher or lower, can quickly impact crop price trends.

Each week, the USDA provides updated information on the most recent U.S. export sales and export inspections. Both of these reports provide information to the marketplace that can influence price expectations.

The USDA Export Sales Report is released every Thursday morning. It summarizes the volume of U.S. grain sold under contract for delivery later, categorized by grain type and country. It does not identify specific companies but lists the country where the grain will be delivered. If an export sale exceeds 100,000 metric tons and is to a single country, it must be reported within 24 hours.

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Export Sales Provide Key Information About Price Trends

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In contrast, the Grains Inspected for Export report summarizes the volume of grain, by type, that has been weighed and inspected for export. This report provides information on the amount of grain leaving the U.S to specific countries. It provides a reference for the amount of grain moving through the export channels each week.

One of the most common questions I get during crop marketing meetings is how to know when a price trend will change. If prices are trending downward, when will a low be established and prices begin to increase? Or, if prices are increasing, how high will they go before turning lower?

Unfortunately, there is no clear and consistent answer to these questions. Many people have developed very sophisticated techniques trying to make consistent predictions. To my knowledge, no one has been successful yet.

However, I do often point to the export sales data as a guidepost. Once again, export sales reports indicate when an international buyer has purchased more U.S. crops. If prices are falling, the incentive to purchase U.S. crops increases. A downward price trend often turns higher after a large export sale is announced. Similarly, if U.S. crop prices are increasing, it is not unusual to see new export sales slow or even stop. This signals to the U.S. that prices are too high relative to other suppliers, and prices will likely fall.

Given this background, let's look at current U.S. export sales data relative to history. Table 1 shows current and historical U.S. corn export sales for the top five importing countries, plus China, ranked by sales in the 2025/2026 marketing year. The four columns on the left of the table report total exports for the full marketing year. The two columns on the right show the year-to-date export sales for the current marketing year on the far right and for the same period last marketing year. The row labeled ROW represents the "rest of world," or all other countries combined.

The 2025/2026 marketing year was the largest corn export year on record, at 86.0 million metric tons. Mexico and Japan are usually the top two export destinations for U.S. corn. Sales to both countries increased in 2025/2026 over previous years, but the largest increase was in the ROW category. This shows there is demand for U.S. corn in a broad range of countries, if U.S. prices are competitive in the global market. There are also comments by market analysts that China may purchase U.S. corn as part of its agreement to purchase at least $17 billion in U.S. ag products. It is still unclear whether this will happen.

Continued on page 3.

Table 1 – U.S. Corn Export Sales by Destination Country (1,000 metric tons)

	Annual Export Sales				Year-to-Date Export Commitments	
Country	2022/23	2023/24	2024/25	2025/26	2025/26	2026/27
					(10-30-25)	(10-29-26)
Mexico	14,826	21,723	22,969	24,866	13,646	9,404
Japan	6,810	11,082	13,542	15,830	4,553	4,037
South Korea	818	2,405	6,157	8,917	2,692	1,703
Colombia	2,433	6,323	7,724	8,871	2,655	2,253
Spain	58	711	2,276	5,203	1,207	385
China	7,543	2,808	33	0	0	0
ROW	6,981	9,226	16,381	22,327	12,608	7,009
Total	39,469	54,278	69,082	86,014	37,361	24,791

USDA Foreign Agricultural Service Sales Custom Query.

Export Sales Provide Key Information About Price Trends

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Table 2 shows the U.S. soybean export sales, by country, for the top seven importing countries. The table data is presented in the same format as Table 1 for corn.

China is the largest buyer of U.S. soybeans, including last year when Chinese purchases were impacted by a trade war between the two countries. Mexico is typically the second-largest importer, with Egypt taking third place last marketing year. Year-to-date sales this year have recovered from last year and returned to more typical levels. Chinese purchases are similar to nontrade war levels and are expected to remain near average.

Table 3 summarizes the export sales by country for all classes of wheat. Mexico has historically been the largest buyer of U.S. wheat, with the Philippines and Japan the second- and third-largest. This year's wheat export sales are below last year's pace but similar to the 2022/2023 marketing year. Export sales to major U.S. customers are similar to last year, but sales in the ROW category are slower than last year.

Table 2 – U.S. Soybean Export Sales by Destination Country (1,000 metric tons)

Country	Annual Export Sales				Year-to-Date Export Commitments	
	2022/23	2023/24	2024/25	2025/26	2025/26	2026/27
					(10-30-25)	(10-29-26)
China	31,381	24,307	22,546	12,357	232	15,948
Mexico	4,569	4,738	4,978	5,102	3,073	2,126
Egypt	1,149	1,452	3,692	5,062	1,487	851
Indonesia	1,791	2,131	2,070	2,413	614	549
Japan	2,250	2,032	2,039	2,312	849	741
Taiwan	1,129	847	1,372	1,399	841	358
Bangladesh	235	603	907	1,238	899	340
ROW	9,703	8,400	12,502	11,123	9,201	9,321
Total	52,207	44,510	50,106	41,006	17,196	30,234

USDA Foreign Agricultural Service Sales Custom Query.

Table 3 - U.S. All Wheat Export Sales by Destination Country (1,000 metric tons)

Country	Annual Export Sales				Year-to-Date Export Commitments	
	2022/23	2023/24	2024/25	2025/26	2025/26	2026/27
					(10-30-25)	(10-29-26)
Mexico	3,160	3,154	3,749	4,339	2,812	2,608
Philippines	2,033	2,809	2,576	2,646	1,934	1,880
Japan	2,059	1,962	2,116	2,072	1,270	1,278
South Korea	1,241	1,353	2,428	1,883	1,213	1,256
Nigeria	808	256	802	1,557	1,117	200
Indonesia	335	437	781	1,020	929	513
ROW	8,123	8,559	8,645	9,902	7,530	4,322
Total	17,759	18,530	21,097	23,419	16,805	12,057

USDA Foreign Agricultural Service Sales Custom Query.

Talkin' Turkey, Givin' Thanks

Tim Petry, NDSU Extension Livestock Marketing Specialist

As the calendar turns to November, our thoughts may turn to planning Thanksgiving family get-togethers, which, of course, include bountiful holiday meals that may feature turkey. Included are abundant side dishes from a wide variety of ingredients, many of which originate from a very productive and diverse U.S. agricultural industry.

Dining room tables may also have beef, veal, lamb, pork, chicken or other poultry. A novelty Thanksgiving meat made famous by legendary sports broadcaster John Madden is the turducken, which is a deboned chicken inside a deboned duck inside a deboned turkey.

U.S. turkey production has been below average for the last several years due to increased cases of highly pathogenic avian influenza (HPAI) occurring in turkey flocks.

Annual turkey production averaged 5.42 billion pounds in 2020-2024, but turkey production fell to 4.8 billion pounds in 2025 when more HPAI cases occurred.

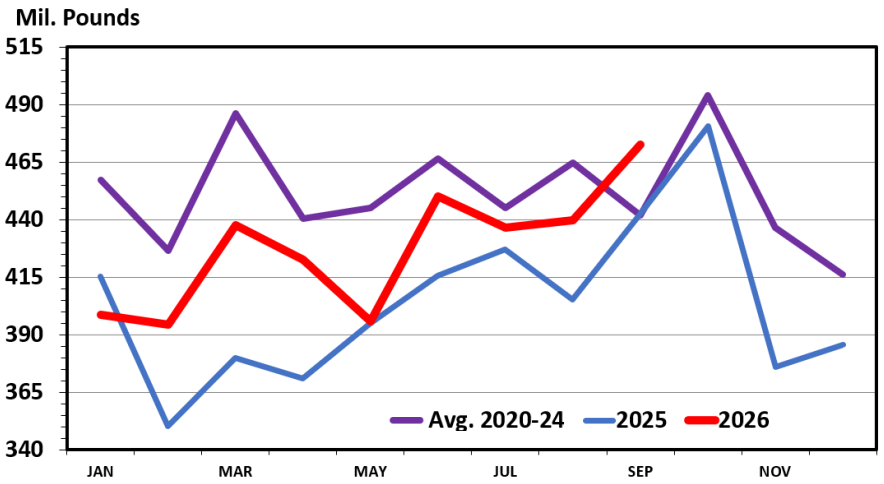
The USDA is predicting a rebound in 2026 turkey production to 5.13 billion pounds. However, a watch factor for production will be the fall wild bird migration because HPAI has reappeared in several commercial turkey flocks in Minnesota, Wisconsin, North Dakota and South Dakota this fall.

A normal seasonal pattern for turkey prices is a steady yearly increase until October, right before the peak Thanksgiving holiday demand. However, in 2025, prices increased at a higher rate due to lower production.

The USDA Agricultural Marketing Service (AMS) reported a more normal seasonal pattern in turkey prices (national, whole hen, 8-16 pounds) in 2026.

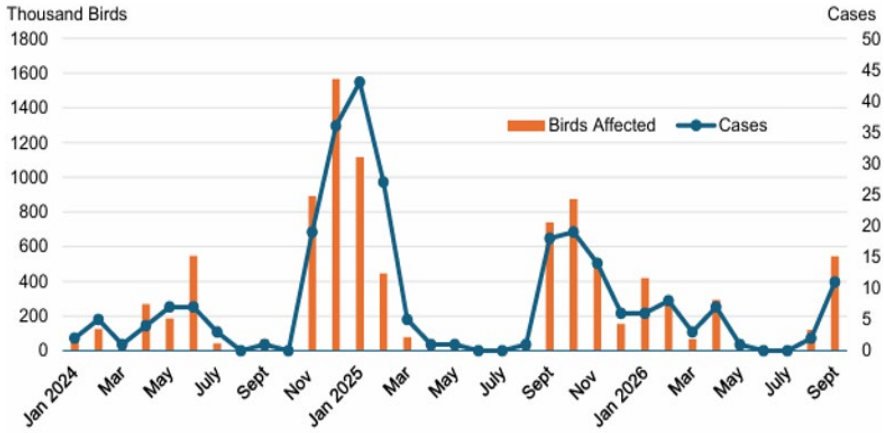
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Turkey Production
Federally Inspected, Ready-to-Cook Weight, Monthly



Source: USDA NASS

Monthly Highly Pathogenic Avian Influenza Cases in Commercial Turkey Flocks and Number of Birds Affected, 2024-26



Source: USDA, Economic Research Service using data from USDA, Animal and Plant Health Inspection Service. Data as of October 9, 2026.

Talkin' Turkey, Givin' Thanks — continued from page 4

Current turkey prices are $1.80 per pound compared to $1.68/lb. last year.

Most turkey hens are sold as frozen whole birds, with many kept in cold storage year-round until just before Thanksgiving. Toms are mostly destined for further processing and made into many consumer products such as breasts, legs, bacon, deli meats and ground turkey that are consumed year-round.

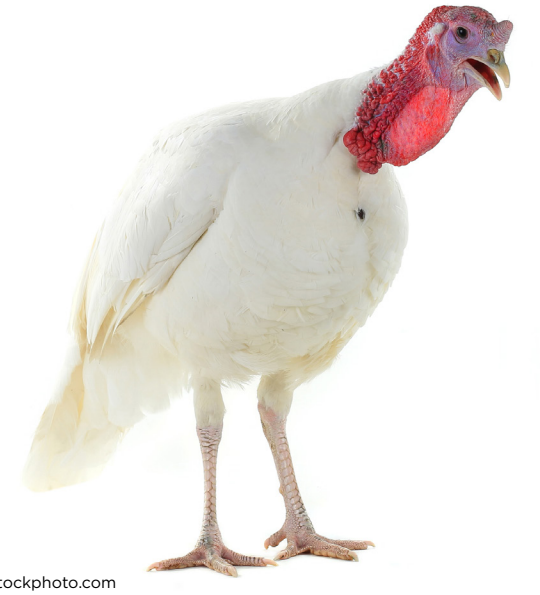
The latest USDA National Agricultural Statistics Service (NASS) Cold Storage report, released on Oct. 23, indicated 11% less turkey in cold storage on Sept. 30 compared to last year, even though production increased.

Turkey hens were down 13%, while toms declined 9%, due to strong domestic and export demand.

While whole turkey prices are up, turkey breasts could be a bargain for consumers this year, as wholesale prices have declined to $2.85 per pound from $7.23 per pound last year. Turkey breast storage stocks are up 17%.

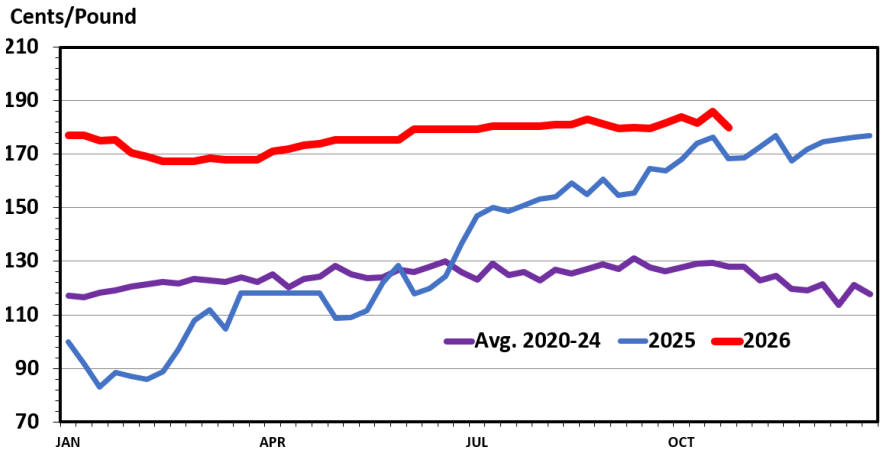
The U.S. is the world's leading producer of turkeys and turkey meat and is the world's leading exporter of turkey meat, too. Mexico is by far the leading importer of U.S. turkey meat, followed by Canada, Guatemala, the Dominican Republic and Panama.

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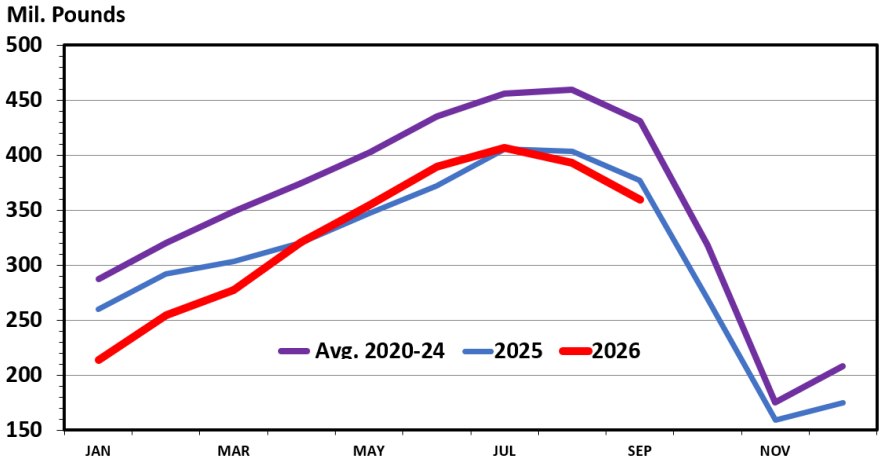
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Turkey Prices — National, Whole Hen, 8-16 Pounds, Weekly



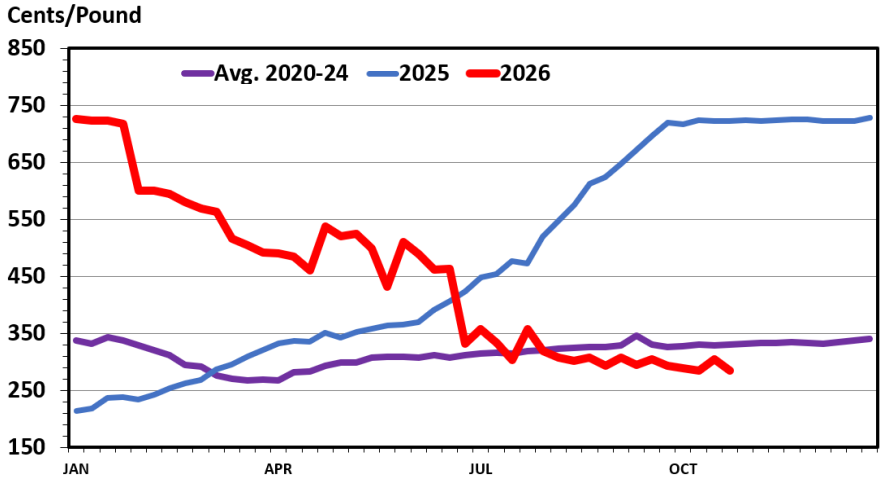
Source: USDA AMS

Turkey in Cold Storage — End of the Month



Source: USDA NASS

Wholesale Turkey Breast Prices
National, Skinless/Boneless, Tom, Weekly



Source: USDA AMS

Talkin' Turkey, Givin' Thanks — continued from page 5

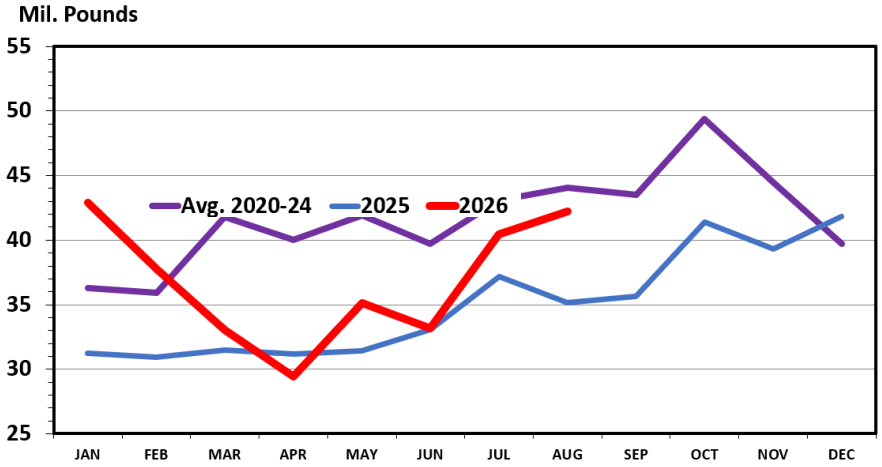
With strong foreign demand and increased production, turkey exports in 2026 are projected to rise from 420 million pounds in 2025 to 461 million pounds.

The U.S. is also the leading producer of chicken and is second only to Brazil in beef production and China in pork production.

Likewise, the U.S. is also the leading exporter of high-quality beef and pork and is second only to Brazil in chicken exports.

The U.S. meat industry is crucial to the U.S. economy and livestock producers. Consumers also benefit from an ample, year-round supply of a wide variety of meat products, especially at Thanksgiving.

U.S. Turkey Exports — Ready-to-Cook Weight, Monthly



Source: USDA ERS and FAS

The USDA is forecasting that 198.5 million turkeys will be raised in 2026, up from 193.5 million in 2025.

Minnesota is the leading turkey-producing state with 34 million birds expected to be produced in 2026. North Carolina ranks second with 29.5 million, and Arkansas third with 21 million. South Dakota ranks 11th at 1.9 million. The USDA does not publish North Dakota turkey production data, but according to the North Dakota Turkey Federation, about 1 million birds are produced annually on nine turkey farms in the state.

How much turkey do we gobble up at Thanksgiving? According to the USDA, about 46 million turkeys are on Thanksgiving tables. U.S. per capita turkey consumption has averaged about 15 pounds over the last 10 years, with 13.2 pounds per person in 2025. The USDA estimates per capita consumption will increase to 13.6 pounds in 2026 due to decreasing production and strong demand.

Although turkey prices have increased, consumers may find bargains when shopping for Thanksgiving turkeys. Some retail chains contract turkeys at lower prices earlier in the year. Retail food stores may feature turkeys as loss leaders, selling them at a below-cost price to lure customers in to purchase higher-margin items that complete the Thanksgiving meal. Sometimes even local price wars emerge.

Even though some food item prices have increased, we still have a lot to be thankful for. U.S. consumers enjoy the safest, largest-quantity, lowest-cost and most diverse food product line, including meat, in the world. Happy Thanksgiving to all of you.



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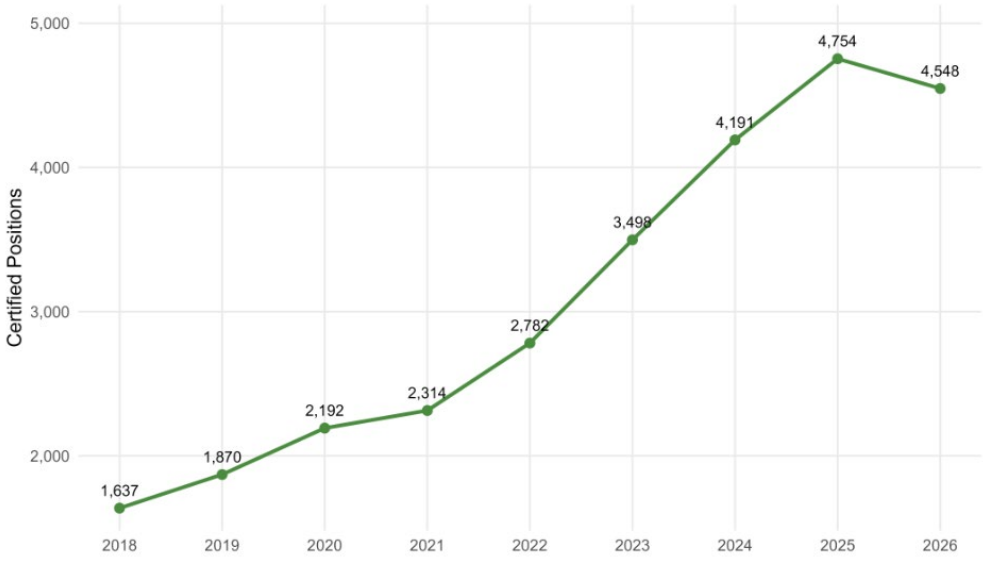
H-2A Trends and Wages in North Dakota

Katelyn Duchscher, NDSU Department of Agribusiness and Applied Economics graduate student, and Matthew Gammans, NDSU Department of Agribusiness and Applied Economics assistant professor

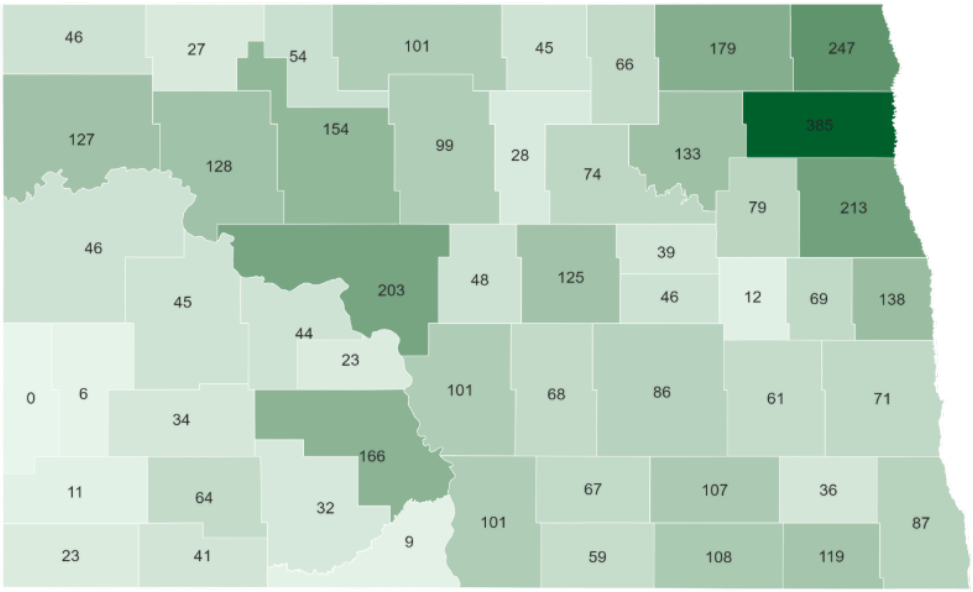
In October 2025, the United States Department of Labor altered the minimum wage calculation for H-2A positions. Previously, minimum wages were based on the now-discontinued United States Department of Agriculture Farm Labor Survey. The new minimum wage rule will be based on data from the Bureau of Labor Statistics Occupational Employment and Wage Statistics survey. The new policy will introduce a tiered minimum wage, with the level based on experience and job requirements, as well as whether the employer provides free housing. This change in the H-2A minimum wage is estimated to transfer $2.46 billion from H-2A workers to H-2A employers each year (U.S. Department of Labor, Employment and Training Administration [DOL], 2025).

In North Dakota, the H-2A program is an integral part of farming operations and agricultural service provision. Using historical disclosure data from H-2A employer applications, we analyzed the H-2A program in North Dakota prior to the new wage adjustment. In 2020, 2,192 H-2A positions were certified in the state. In 2025, this number more than doubled, as 4,754 positions received certifications. (U.S. Department of Labor, Office of Foreign Labor Certification [OFLC], 2026). The 2026 observation includes only half of the fiscal year.

Certified H-2A Positions in North Dakota, 2018-2026



Certified H-2A Position Count per County in North Dakota, 2025



Positions certified in the H-2A program are spread across the state in 52 of North Dakota's 53 counties. The county with the largest number of H-2A positions certified is Walsh County. The number of H-2A positions per county is measured by worksite location, not necessarily employer location. (OFLC, 2026).

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H-2A Trends and Wages in North Dakota

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The new minimum wages depend on whether a job is classified as Skill Level I or Skill Level II. Employers seeking H-2A workers first fill out Form ETA-790A. On it, they outline the job's duties, requirements and a proposed wage, set at or above the floor for the skill level they believe their job requires. The DOL then reviews the submitted forms and assigns the job a Standard Occupational Classification (SOC) code based on those duties and requirements, which determines whether it falls under Skill Level I or II, and certifies the offered wage meets the applicable rate.

The DOL defines Skill Level I as "entry-level positions where workers need no formal education or specialized training credentials…" (DOL, 2025, p. 47932). Skill Level II, by contrast, covers workers who "possess, either through education, training, or experience, demonstrated skills or knowledge to perform the work…" (DOL, 2025, p. 47932).

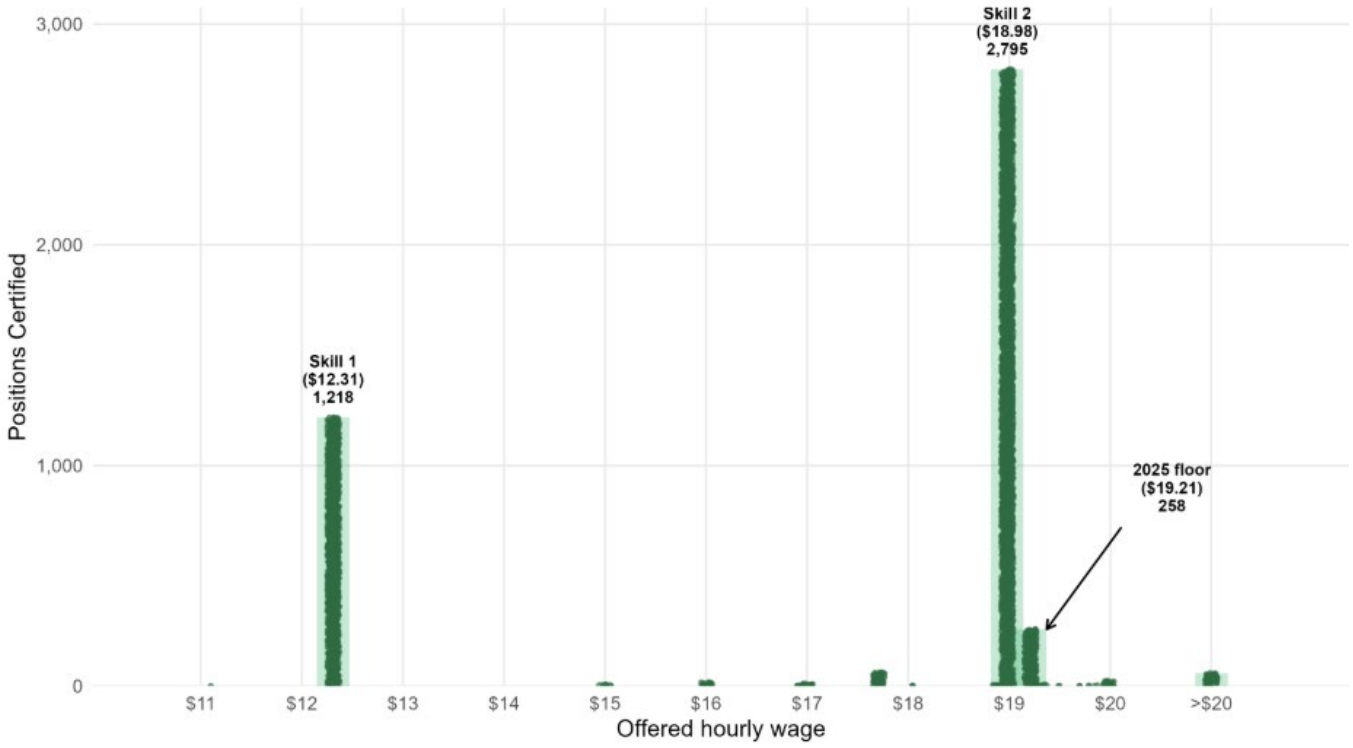
The graphic below describes the wages offered by employers that have been certified, as compiled in the DOL's H-2A disclosure data (OFLC, 2026) from Form ETA-790A. Using data from the first half of FY2026, combined with the skill-level and ACA rates in the DOL set, we find that over half of certified positions were offered the Skill Level II wage.

The figure above reflects proposed wages offered and certified in the application process, not necessarily the wage ultimately paid. It also only depicts the amount and skill level of the H-2A workers requested, not necessarily the true number present in the state. As discussed above, job requirements and duties are outlined by the employer in Form ETA-790A, and the DOL Office of Foreign Labor Certification determines if the proposed wage reflects the skill level required. This

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FY2026 Q1 and Q2 Offered Wages for Certified Positions

Each dot represents a position certified.



- 1,218 certified positions were offered at the Skill Level 1 wage.
- 2,795 certified positions were offered at the Skill Level 2 wage.
- 258 certified positions fell at the 2025 wage floor. This was the wage floor for most of North Dakota's H-2A workers in 2025. The 2025 wage floor was $19.21.

H-2A Trends and Wages in North Dakota

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is an important caveat, as it indicates that accurate job descriptions and duties are an important part of the H-2A process.

In North Dakota, the Skill Level 1 wage for the period analyzed is $12.31. The Skill Level 2 wage is $18.98. The ACA adjustment is -$1.27. These wages and ACA adjustments are set each year by the Department of Labor. (DOL, 2025, p. 47926). The ACA adjustment is the downward wage adjustment an employer may take if the employer provides housing.

An analysis conducted in Michigan showed that 73.6% of its H-2A employees were at Skill Level 1, and 10.1% were at Skill Level 2. (Rutledge & Zhu, 2026). In contrast, North Dakota's Skill Level 1 employees only make up about 27% of H-2A employment, while Skill Level 2 employees make up 61.9%. One likely driver is the difference in the states' crop mix. North Dakota's row-crop and livestock production depends on experienced equipment operators, whereas Michigan's specialty, hand-harvested crops rely largely on entry-level labor.

One of the motivations for this change in wage calculations was to transfer cost savings to H-2A employers. In its original regulatory impact analysis, the DOL assumed that 92% of H-2A positions would be paid at the Skill Level I wage. (DOL, 2025, p. 47955). In North Dakota, moving from the 2025 AEWR of $19.21 to the new Skill Level I wage of $12.31 represents a reduction of $6.90 per hour per worker. However, because many of the state's positions were offered the Skill Level II wage of $18.98, the actual reduction for roughly 62% of North Dakota positions is only about $0.23 per hour per employee.

Even with advancements in technology, agriculture remains a labor-intensive industry. As producers and agriculture service providers face labor shortages, H-2A employees have become a way to bridge the gap. While these employees help drive profitability, their wages are a cost to the operation. Allowing producers greater flexibility in wages through these wage adjustments may help reduce costs. However, as seen above, North Dakota remains heavily reliant on high-skilled H-2A employees; these employees did not see significant wage adjustments. Therefore, these wage adjustments offer limited cost relief in states such as North Dakota, where high-skilled labor is required, and wages remain relatively fixed.

Recent court rulings have raised questions about the durability of these new minimum wage levels. In August 2026, a federal district court in *United Farm Workers v. U.S. Department of Labor* found elements of the interim final rule arbitrary and capricious, then ordered DOL to produce a new AEWR methodology. The current AEWRs remain in effect until new rates are published. On Sept. 2, 2026, DOL issued a court-ordered notice that employers may owe back wage adjustments for work performed between the notice date and publication of the new AEWRs, while emphasizing that no such obligation currently exists. North Dakota's exposure is likely more muted than elsewhere, as over 60% of certified positions already offered near the old wage floor.

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What's the difference between 2025 and 2026 fall calf markets?

Tim Petry, NDSU Extension livestock marketing specialist

What's the difference between 2025 and 2026 fall calf markets? There are similarities but also differences.

Fall North Dakota 550-600-pound steer calf prices have been similar this year compared to last year. The latest 2026 weekly average price reported by the USDA Agricultural Marketing Service is $442 per hundredweight (cwt) compared to a temporarily elevated $463/cwt. in 2025.

Keep in mind that there is a wide range in prices for the same weight and grade of calves at the same market due to the many market factors that also determine value. The latest USDA North Dakota auction summary for 550-600-pound steers shows a $50/cwt. price range from $409/cwt. to $459/cwt.

Even though fall steer calf prices are similar, the paths to them are different.

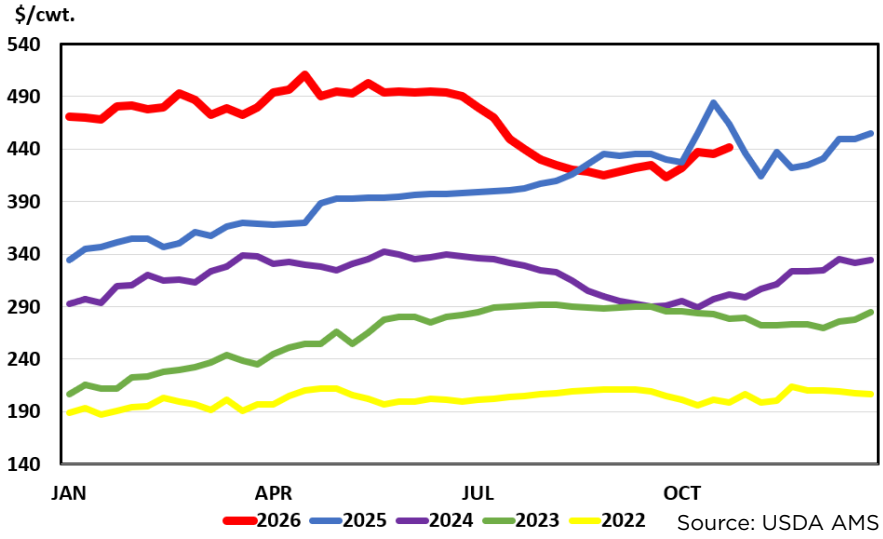
In 2025, prices increased throughout the year, reaching a counterseasonal high point. However, in 2026, prices increased as they usually do in the first half of the year, but have since declined in a more typical seasonal pattern. That may have led to the impression that prices are lower than the record highs at this time last year.

The three most important factors that affect fall calf prices are potential calf supplies, corn prices and fed cattle prices, especially the distant live cattle futures prices for contract months when the calves will ultimately reach slaughter weight.

2025 fall calf prices were supported at record-high and seasonally high levels by record-high fed cattle prices, a smaller calf crop, increased replacement heifer retention, the Mexican border closed to cattle imports due to New World

Continued on page 11.

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



Source: USDA AMS



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What's the difference between 2025 and 2026 fall calf markets? — continued from page 10

screwworm detected in Mexico, very good winter wheat grazing conditions, increased Canadian demand for calves and lower corn prices stimulating Corn Belt feedlot demand.

The 2025 U.S. calf crop, at 33 million head, was down about 2%, while Jan. 1, 2026, beef heifers held for replacement totaled 4.7 million head, up 1%.

Historically, fall Mexican feeder cattle imports were 80,000-100,000 head per month, with many grazing southern Great Plains wheat pastures. But none were imported in the fall of 2025.

Fall 2025 winter wheat grazing conditions in the southern Great Plains were the best in several years.

A very good 2025 feed barley crop in the western Canadian cattle feeding area, and declining Canadian calf crops resulted in more North Dakota and Montana calves purchased by Canadian feedlots. In October alone, 126,000 calves went to Canada compared to about 45,000 in previous years.

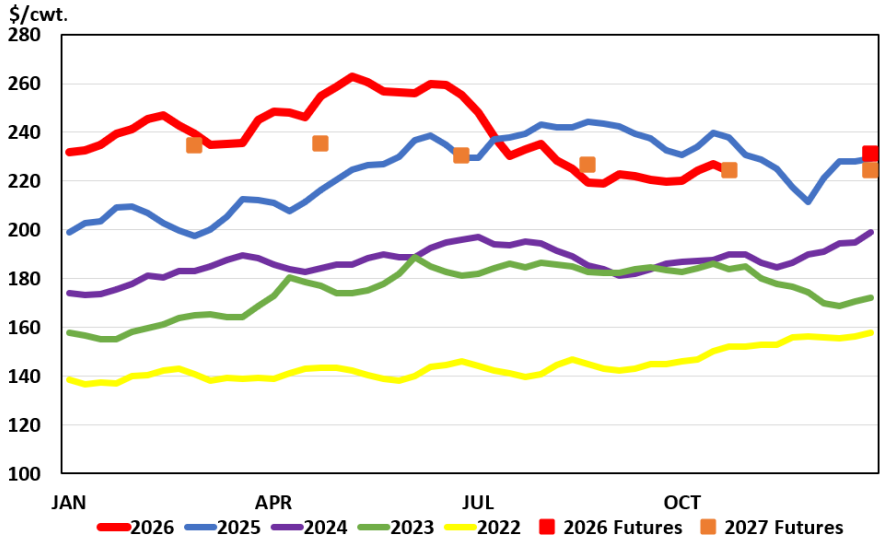
The 2025 record-high U.S. corn crop, at just under 17 billion bushels, was up 2 billion bushels from 2024, which pressured corn prices. So, Corn Belt feedlots were also active buyers for the lower supply of calves.

The reason last year's factors are significant is that they are watch factors for the 2026 calf marketing season.

What do we know now? Fed cattle prices, at $224/cwt., are about $7/cwt. below last year's $231/cwt., and the 2027 live cattle futures prices range from $230/cwt in February to $220 in December.

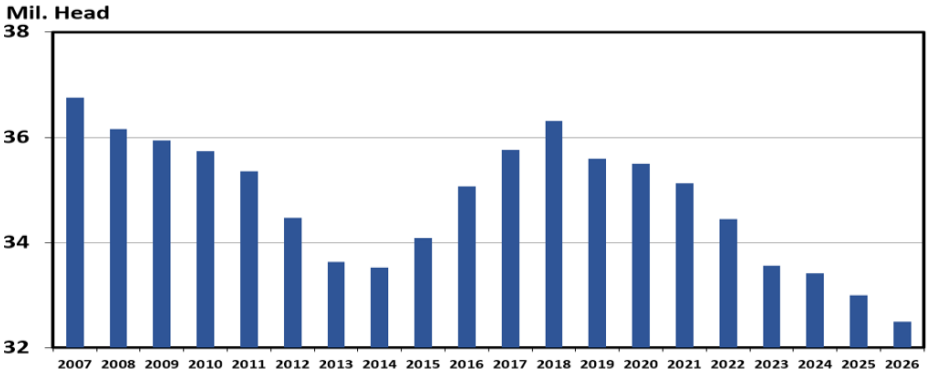
The 2026 U.S. calf crop is projected at 32.5 million head, down 1.5% from 2025, and the July 1 beef replacement heifer inventory at 3.8 million head was up 2.7%. So, there will be fewer calves to market this fall, which is supportive to prices.

Fed Steer Prices
5 Market Weighted Average, Weekly

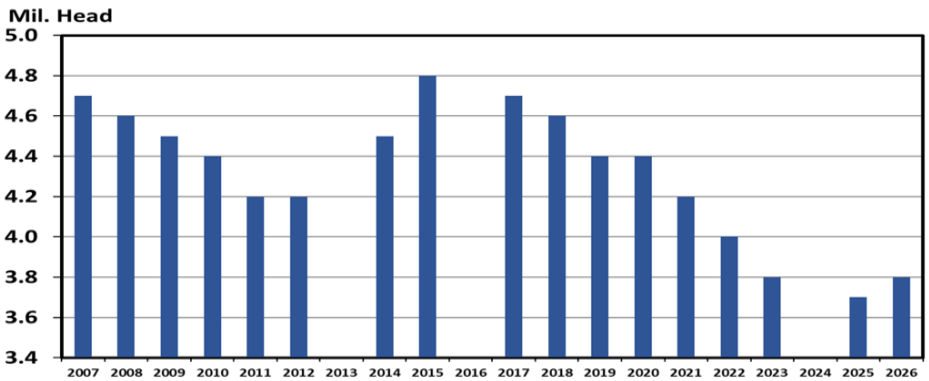


Source: USDA AMS

Calf Crop — U.S., Annual



Heifers Held as Beef Cow Replacements — July 1, U.S.



Source: USDA NASS

Continued on page 12.

What's the difference between 2025 and 2026 fall calf markets? — continued from page 11

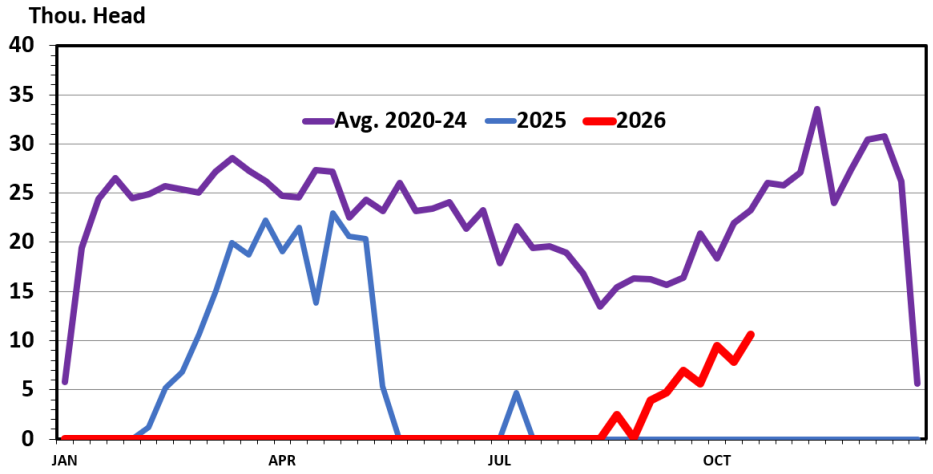
The phased reopening of the Mexican border for importing Mexican cattle into the U.S. started on Aug. 24 at Douglas, Arizona; on Sep. 24 at Santa Teresa, New Mexico; on Oct. 26 at Columbus, New Mexico; and is scheduled to open on Nov. 30 at Nogales, Arizona. The number of Mexican calves entering the U.S. has been slow but is expected to ramp up. Historically, about 25,000 head per week are imported in the fall.

Good calf demand from Canada is expected again this year.

USDA is projecting a 2026 corn crop of just over 16 billion bushels, compared to just under 17 billion bushels in 2025. But it is still the second largest crop ever. USDA predicts an average farm price for this year's crop at $4.70 per bushel (bu.) compared to $4.16/bu. last year. However, corn harvest is still progressing, and the final size of the crop is still in question.

Southern Great Plains winter wheat conditions have been poor due to drought, and seeding has been behind schedule. Recent rains and forecasts of continued precipitation are improving prospects, helping spark the calf market.

Feeder Cattle Imports From Mexico — Weekly

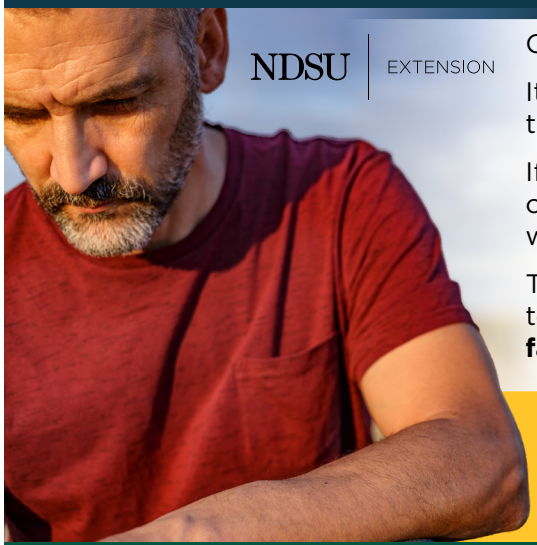


Source: USDA AMS

It is too late for price risk protection for fall calves, but backgrounding programs may consider it.

Many dynamic factors are causing enough uncertainty to make cattle futures and cash markets volatile.

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**.**

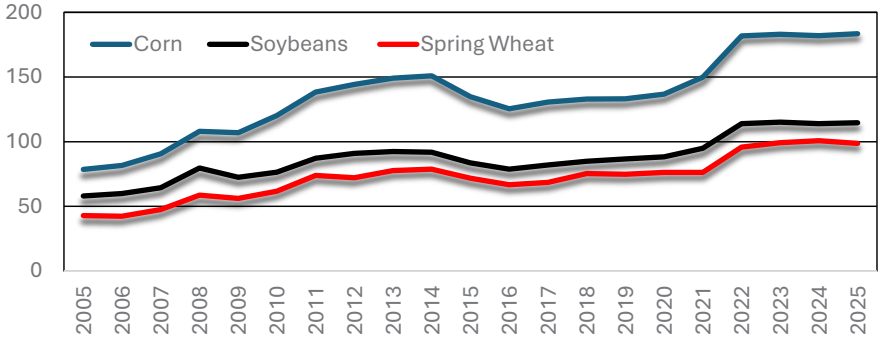
If you or someone you know is struggling or in crisis, help is available. **Call or text 988.**

A Look at Equipment Costs Per Acre Across the Northern Great Plains

Bryon Parman, NDSU Extension agricultural finance specialist

Equipment costs calculated on a per-acre basis vary with both the cost of the equipment and the number of acres each piece of equipment covers. Thus, overall equipment costs can increase, but if the new tractor or planter allows a producer to spread them over more acres, the per-acre cost can fall. In this article, equipment costs per acre include investment and parts/repairs but exclude fuel and lube.

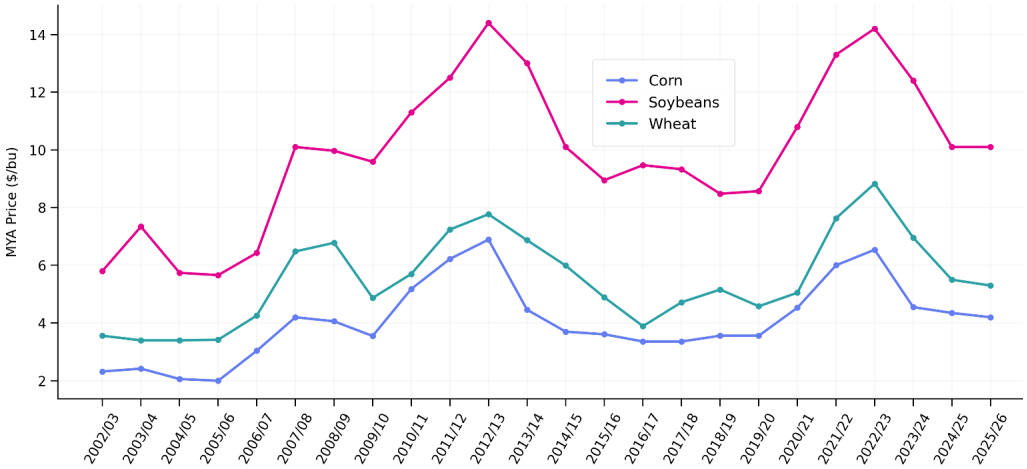
Figure 1: Machinery Costs Per Acre for Corn, Soybeans and Spring Wheat in the Northern Plains



Data for this chart from the FINBIN data set, Center for Farm Financial Management, University of Minnesota

In the northern Great Plains (North Dakota, Minnesota, South Dakota and Wisconsin), there have been two distinct periods of per-acre equipment increases. The first fairly rapid increase occurred from approximately 2009 to 2014. During this period, corn equipment cost per acre increased from approximately $100 to $150, soybeans from $72 to $92 and spring wheat from $56 to $79.

Figure 2: U.S. Marketing Year Average Prices, 2002/2003-2025/2026



The first increase in equipment price coincided with a period of high commodity prices in those three major U.S. crops. Figure 2 shows that soybeans, wheat and corn experienced a period of sustained elevated market prices from approximately 2008 to 2014.

Following the per-acre increase in machinery costs, 2015-2020 saw a period where costs were below the 2014 peak. While used equipment prices did experience a rather quick correction following 2014, new equipment prices noticeably declined. The primary reason for the decline was that producers were able to cover more acres with advancements in technology and time-saving increases in equipment size.

The second rapid increase in per-acre equipment costs occurred mostly in a three-year period. Corn equipment costs per acre increased from $137 to $182 from 2020 to 2022. During that same period, the equipment costs per acre for wheat went from $76 to $99 per acre, and costs for soybeans went from $88 to $114. The second significant increase had two factors contributing, whereas the first had only one.

Continued on page 14.

A Look at Equipment Costs Per Acre Across the Northern Great Plains — continued from page 13

In the years following the COVID-19 pandemic, many industries faced major supply chain issues, and the manufacturing of new agricultural equipment was among them, leading to shortages in critical components. This put significant upward pressure on used equipment prices as well, since in many cases there were months-long waits before those critical components arrived. However, there was another three-year period of strong commodity prices in 2021, 2022 and the early part of 2023.

However, it is noteworthy that eventually those supply chain issues were resolved as production resumed. As we moved into 2024, there was again a downward correction in used equipment prices, as the availability of new equipment was more typical and commodity prices had fallen considerably. Since that time, equipment prices per acre for corn, soybeans and wheat have remained mostly flat.

Also, unlike the cost-per-acre increase from 2009 to 2014, there has been no decline since the most recent peak. As mentioned, the first decline was not a cost-of-equipment correction but rather an increase in the number of acres covered per dollar spent. In this case, it does not appear that there has yet been such an increase in acres covered per dollar, and thus the per-acre costs remain at their peak.

Moving forward, as producers face tight margins, bringing equipment costs per acre down might require delaying new purchases and trade-ins. Rather than spreading those costs over more acres per year, producers may need to spread them over more years, though this may increase repair costs and potential downtime.



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