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The Farmer's "Market"

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Message from the President

ALAN HOSKINS

Without question, a significant number of America's agricultural producers are facing weighty challenges. Below-average yields are present in many regions—some due to excessive post-planting spring rains, while others are suffering from late-summer drought. The combination of increased fertilizer costs and lower overall corn and soybean prices has created understandable concern about potential profitability for the 2026 crop year. Compounding these worries is the decline in farm equipment values, which has negatively affected balance sheets as producers prepare for year-end financial reviews.

It's not a matter of if challenges will arise in life, but when. Remembering that everyone is either entering, enduring, or emerging from some type of trial—whether business or personal—can be a comforting reminder that none of us are alone. America's farmers and ranchers are among the most resilient individuals anywhere. Perhaps it's because so many of their tasks must be accomplished independently, or maybe it's their unwavering optimism that returns each planting season, regardless of how difficult the prior year may have been. Producers are known for their independence, selflessness, and just the right amount of stubborn determination—traits that earn admiration and respect from us all.

However, one of the greatest challenges this proud and determined group faces is the reluctance to ask for help, especially when it comes to the impact of stress.

I have often referenced the importance of utilizing the many resources available to help navigate difficult times. These include your banker, crop insurance representative, accountant, grain merchandiser, and attorney. Seek their guidance and ensure they're providing current, relevant advice—not solutions from decades past. To put it simply, make sure the 30-year banker has 30 years of experience, not one year repeated 29 times. Surround yourself with advisors who understand today's realities and are committed to your success. Don't settle for average players on your team when you, the producer, strive for excellence every day.

There is no question that agriculture is in a challenging era—and there is no single solution. Each operation is unique, and progress often comes one step at a time. As the old saying goes, "How do you eat an elephant? One bite at a time." Farming is a marathon, not a sprint. Give yourself—and those around you—grace. You understand better than anyone the cyclical nature of this industry. Face each challenge with realism, seek guidance from your trusted advisors, and remember: no storm lasts forever.

Proverbs 27:17 reminds us, "As iron sharpens iron, so one person sharpens another." Now more than ever, surround yourself with people who lift you up and bring out your best. In times of uncertainty, it is wisdom, encouragement, and unity that guide us forward—stronger together

Double Win: Michigan Dairy Cuts Costs, Boosts Butterfat With High Oleic Beans

By Jennifer Kiel
Michigan Farmer and Ohio Farmer

Michigan dairy farmer Brian Preston describes the introduction of high-oleic soybeans into the dairy ration as a potentially "once-in-a-generation" change for the dairy industry, emphasizing both the financial and operational advantages of high-oleic beans.

Just six months into feeding high-oleic beans, Preston has reduced costs and improved income. "We got both, which rarely ever happens," he says.

A fourth-generation farmer, Preston farms with his dad, Keith; uncle, Glenn; and cousin, Adam, in Quincy, Mich., near the Indiana border. With a staff of 13, they milk 1,000 head of dairy cows; raise 4,000 head of contract hogs; and grow 1,600 acres of corn, high-oleic beans and alfalfa.

They raised high-oleic beans last year a big change for this operation purchased a used roaster and crusher, and began feeding them in November 2024. The operation is feeding about 8 pounds per head per day, and the milk's butterfat content went from 4.4% to 4.8%.

The primary difference between commodity soybeans and high-oleic beans is not the percentage of oil, protein and other components, which are essentially the same. The difference is in the fatty acid profile (fatty acids are the building blocks for oils), primarily oleic acid.

Early accounts of a yield drag with high-oleic soybeans have been replaced by numerous university trials and anecdotal reports that yields are now comparable with commodity soybean varieties. The Prestons averaged 62 bushels per acre of high-oleic beans last year.

In the past, as producers aimed for higher butterfat or protein percentages, volume would reduce and essentially produce the same number of pounds of fat and protein. "What was different with high-oleic beans, we were able to cut out the calcium salts and some of the palm fats for a significant feed savings with higher butterfat and the same pounds of milk," Preston says.

With higher-producing cows, digestibility of feed sometimes dips, but the high-oleic beans have potential to hold a more steady digestibility level, says Adam Lock, a professor in the Michigan State University Department of Animal Science. "In the big picture, we're getting more fatty acids absorbed by the cow, so she's got more nutrients to make milk and maintain body condition," he says.

When the Prestons first started feeding high-oleic beans, butterfat and protein were both more valuable than they are today. Prices have come down, and the high-oleic beans still are providing a net of about 60-70 cents per cow per day. "This is a big deal that people need to be looking at," Preston advises.

Lock, who worked closely with the Prestons to work high-oleic beans into their operation, says roasting the beans is key. "We get better responses when they're roasted as opposed to raw," he says. "Of course, that's another layer of potential input costs in terms of roasting on farm and the management, but I also know there are some local feed mills and distributors looking to start roasting for producers. Some large farms with large roasters could maybe handle it for others. Proper roasting is very important to obtain the full benefit, as over- or under-roasting results in less performance."

Incorporating the beans was a relatively easy adaptation for the Prestons, who put some small unoccupied bins to use. They are raising 300 acres of high-oleic beans, about half of what they need, and are contracting with three other growers in the area for the rest. "Growers take on some potential risk by not taking it to a bonded and insured elevator, but there's also benefit with a premium and reduced trucking costs," Preston says. "There has to be a trusting relationship."

The used electric roaster they purchased is largely a controlled unit producing 120 bushels a day. "But you can adjust the temperature and the speed of the auger, and it does a nice job with consistency," Preston says. "It really doesn't take much babysitting, but it is one more thing to do daily. With the roller mill, we need to do a little more work on our particle size. We think we can get more out of the beans if we can break them down smaller."
Once a week, they use a semi to bring up a load of beans to auger into a bin. "It takes about an hour, where before they just delivered the soybean meal for us," Preston says.

Farmers should consult their nutritionist and potentially visit farms already successfully using high-oleic soybeans to understand practical implementation, he advises.
For the Prestons, other benefits of growing high-oleic beans means breaking a 25-year tradition of growing corn on corn.

Last year, the farm grew high-oleic beans to produce on-farm protein — normally one of the most expensive components of a diet — while purchasing shelled corn. "We used to buy soybean meal and produce our own grain corn to feed. We flipped that," Preston says.

They're also excited to introduce a crop rotation. "This will be our first year planting corn into soybean stubble in 25 years," he says. "So, we think it's going to improve our corn yields by having that crop rotation."

A 200-acre crop of triticale also went in the fall that they will harvest as forage in the spring. "We used to grow triticale, but we stopped because it was hurting our corn yields too much," Preston says. "It delayed planting for the corn, but we anticipate the beans will do well behind the triticale. We'll be able to harvest three crops in two years off of each acre, producing a significant benefit to our cropping system with more tons of forage."

There's also an environmental benefit, as high-oleic beans can displace some of the imported palm oil from plantations primarily located in tropical regions such as Malaysia and Indonesia.

For dairies considering feeding high-oleic beans, Lock says to work closely with a nutritionist to: determine optimal inclusion levels (8% to 12% of diet), ensure consistent roasting and processing, and balance the overall diet composition

An estimated 1.6 million acres were planted to high-oleic soybeans in the U.S. in 2024, with 2.7 million acres projected by 2027, according to a report prepared for the U.S. Soybean Export Council. Indiana leads in the production of high-oleic soybeans, with several processing facilities in the state.

How Will The Ag Economy Climb Out Of Its Bottom?

By Margy Eckelkamp

There's light at the end of the tunnel, but we might not see it completely turn around for two to three years," says Grant Gardner, University of Kentucky ag economist.

According the latest Ag Economist's Monthly Monitor, all respondents say the U.S. ag economy is in worse shape than one year ago (27% much worse off, 73% somewhat worse oft). As this year marks the third year or economic hardships for many row crop producers, economists believe we might have found the bottom of this ag cycle.

"We've got to bridge the gap to next year, where things look better from the policy perspective," says Grant Gardner, University of Kentucky ag economist. "From that point on, it's about what farmers can weather, and if we can get a bump to push beans to $11 cash price and see cash $5 com. That's what's needed with input prices today,"

Perhaps the biggest question beyond how long farmers can persist through the tough conditions is what it will take to bounce out of this recession. Ag economists point to more than a handful of factors impacting profitability for row crop farmers, including low grain prices, high input costs and trade uncertainty.

"The current era of relatively low commodities prices can be defined not as prices relative to historical prices, but the price ratio to input costs," says Ben Brown from the University of Missouri. "The financial burden of these low price ratios to input cost situations becomes particularly acute when consecutive years are stacked together- as we are seeing now."
Ag economists point to one action that would inject positivity in the outlook for row crop profitability- a trade deal with China. Based on the September survey, 77% say current U.S. China trade policies hurt farmers, but uncertainty still looms as 54% think China will buy U.S. soybeans in 2025.

"It's fair to say a trade deal with China is the silver bullet," says Michael Langmeier at Purdue University. "Trade uncertainty hurts farmers short-term and long-term. We've already hurt our export prospects for '25. We are so far behind. Long term I worry about losing market share for China."

Langemeier says Brazil has been expanding soybean production since 2018 and could become China's sole supplier of soybean imports.

Gardner echoes the importance of China for soybeans. "The best hope we have - a trade deal with China," Gardner says.

While Brown agrees there's no 1-for-1 substitute for China when it comes to trade, he's optimistic for expanding efforts to additional export countries and building domestic demand.

"There has been a lot of talk about reshuffling the deck and effectively trading players. That will happen to a point, but there is not a full substitution- we call this "slippage." If we can't replace China, can we reconstruct them?" Brown says. "I would argue we can. It comes in a variety of small changes that seem inconsequential but add up."

He says while none of these examples individually equal China's tons, they help consume the abundant supply of U.S. crops: increased support for domestic biofuels use, more research and development around products using soybean by-products and lowering restrictions and red tape on other international countries.

From the September monthly monitor, 62% of economists say direct government payments would provide meaningful relief, though many believe challenges are too severe for short-term fixes.

"Short term, the pain is here," Langemeier says. "Having an MFP payment is going to get us over the hump."

He cites 50¢ to 75¢ per acre would be an "immense" help, which is lower than the 80¢ to 90¢payments in 2018.

"When you look at the ARC and PLC programs, the One Big Beautiful Bill upped some of the payments. But payments won't come until October 2026. Farmers need the payments now.

There's an urgency. Net income in 2024, 2025 and 2026 is ugly. This isn't like 2014 to 2019, when only one year was bad- 2015. This is just as bad, but we've got three years in a row," Langemeier says. Brown and Gardner agree there's a lot at stake with the current conditions and farmers could go outof business.

"My sense is there are farms that will go out of business regardless of if there are payments or not,"Brown says.

Gardner says the current financial support being discussed for farmers won't equal profitability for farmers, but rather just survivability.

"If you look at where the payments were recently, it may cover some loss, and it may cover enough loss to keep a farmer producing into the next calendar year, but it won't make them whole. There's still going to be a loss," Gardner says.

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