



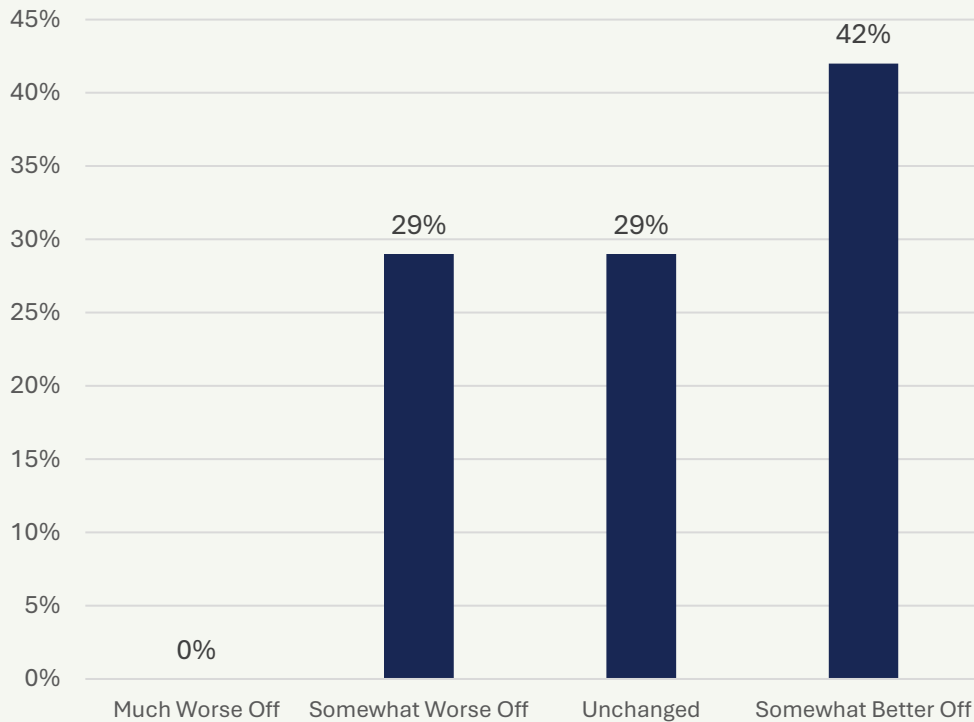
Ag Economists Monthly Monitor – Survey Results

May 2026

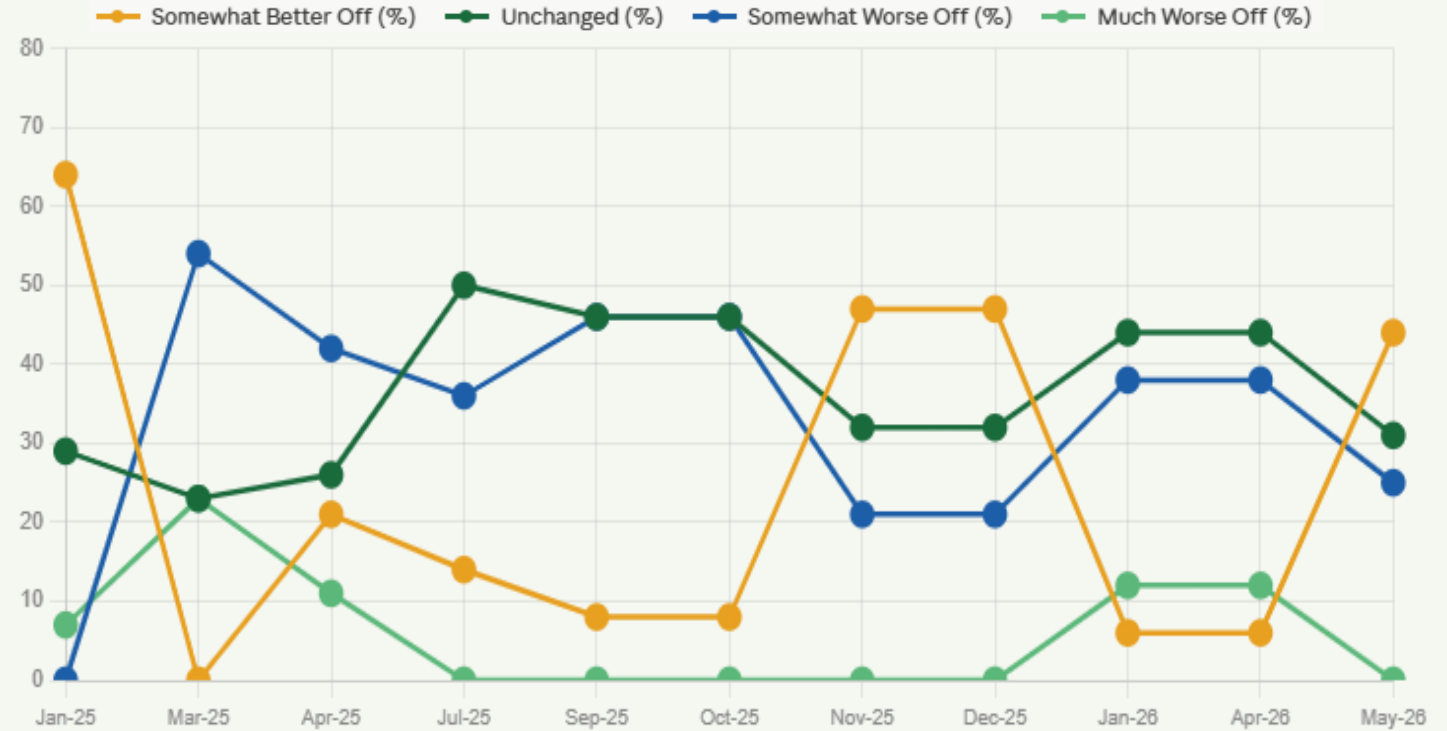


Q1.
 Consider the current state of the U.S. agricultural economy.
 Please indicate how it compares to one month ago.

May 2026

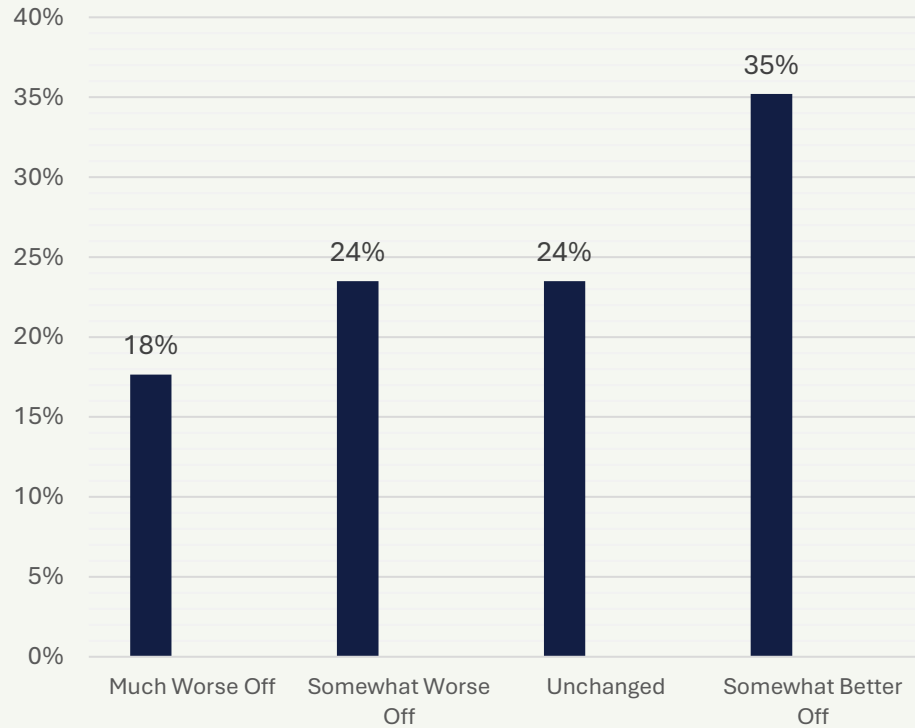


January 2025 to present

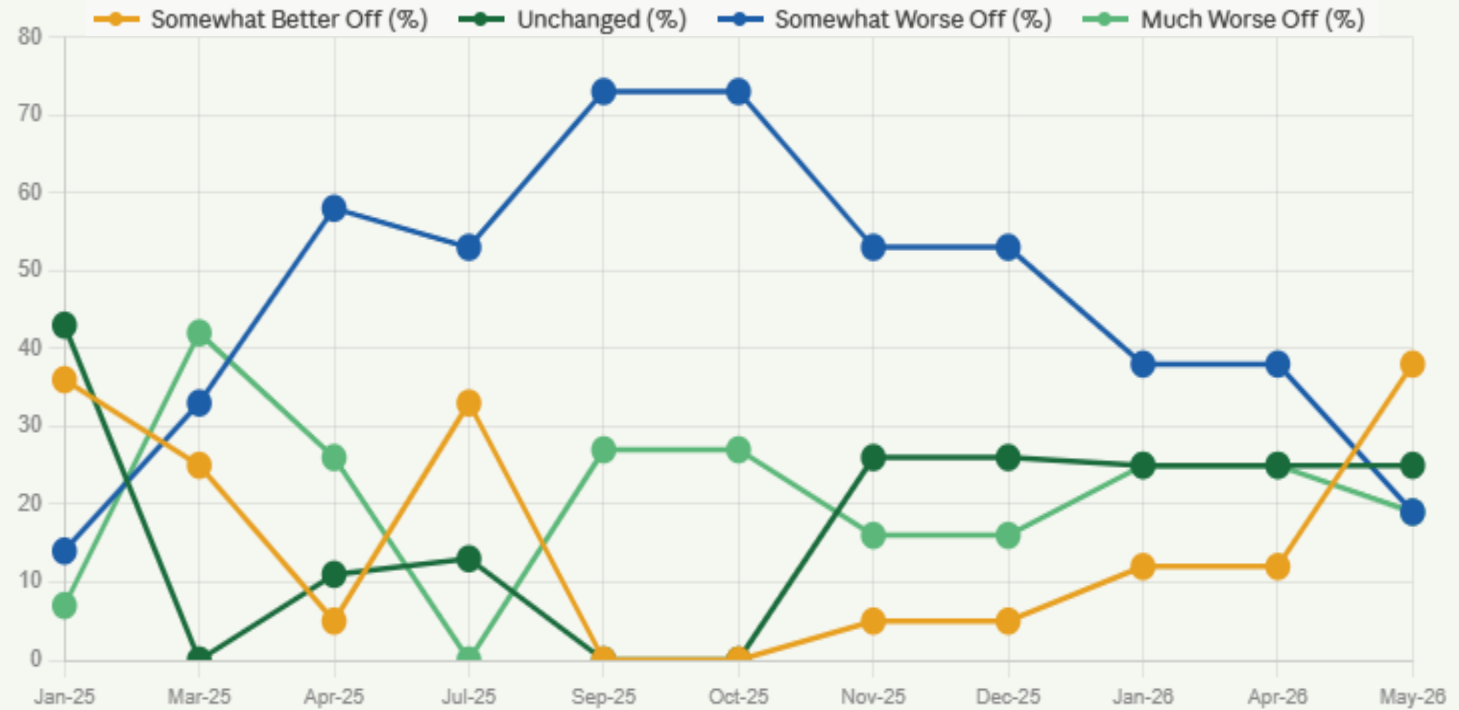


Q2.
 Consider the current state of the U.S. agricultural economy.
 Please indicate how it compares to one year ago.

May 2026



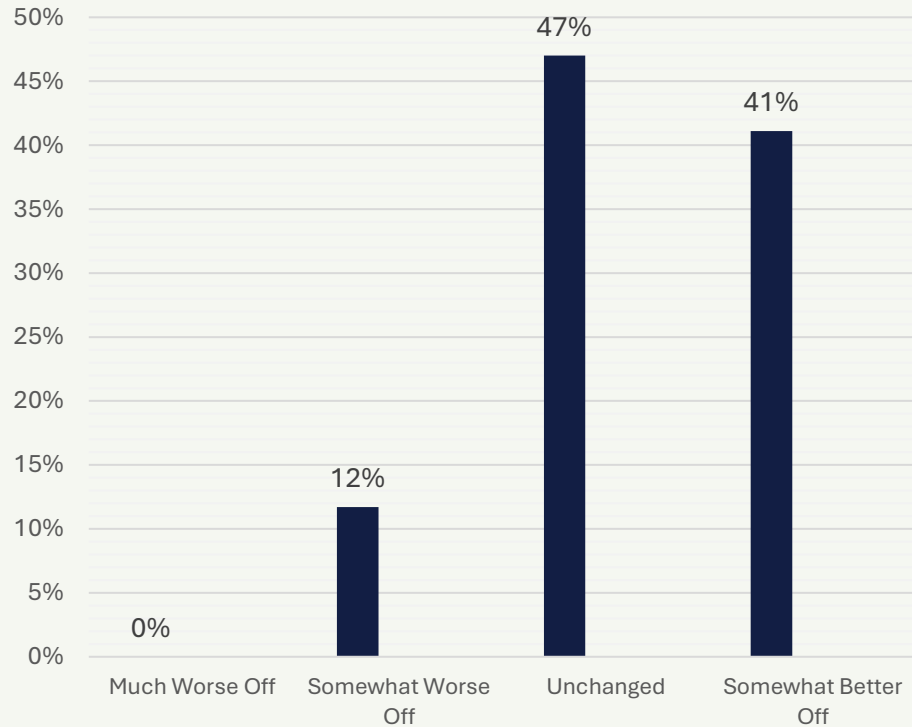
January 2025 to present



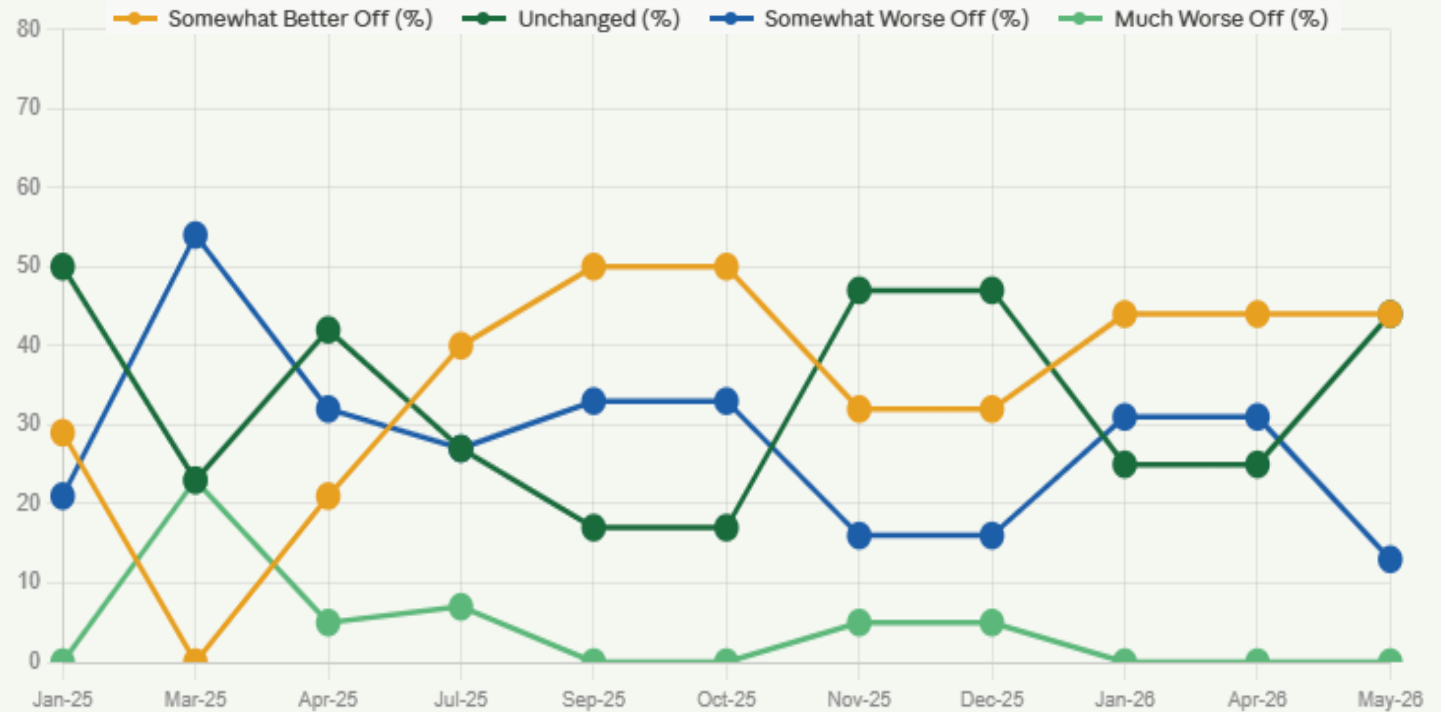
Q3.

Based on your projected state of the U.S. agricultural economy in 12 months, how does that outlook compare to current conditions?

May 2026



January 2025 to present



Q4.

What are the two most important factors driving agriculture's economic health over the next 12 months?

1 Input Costs & Geopolitical Stability

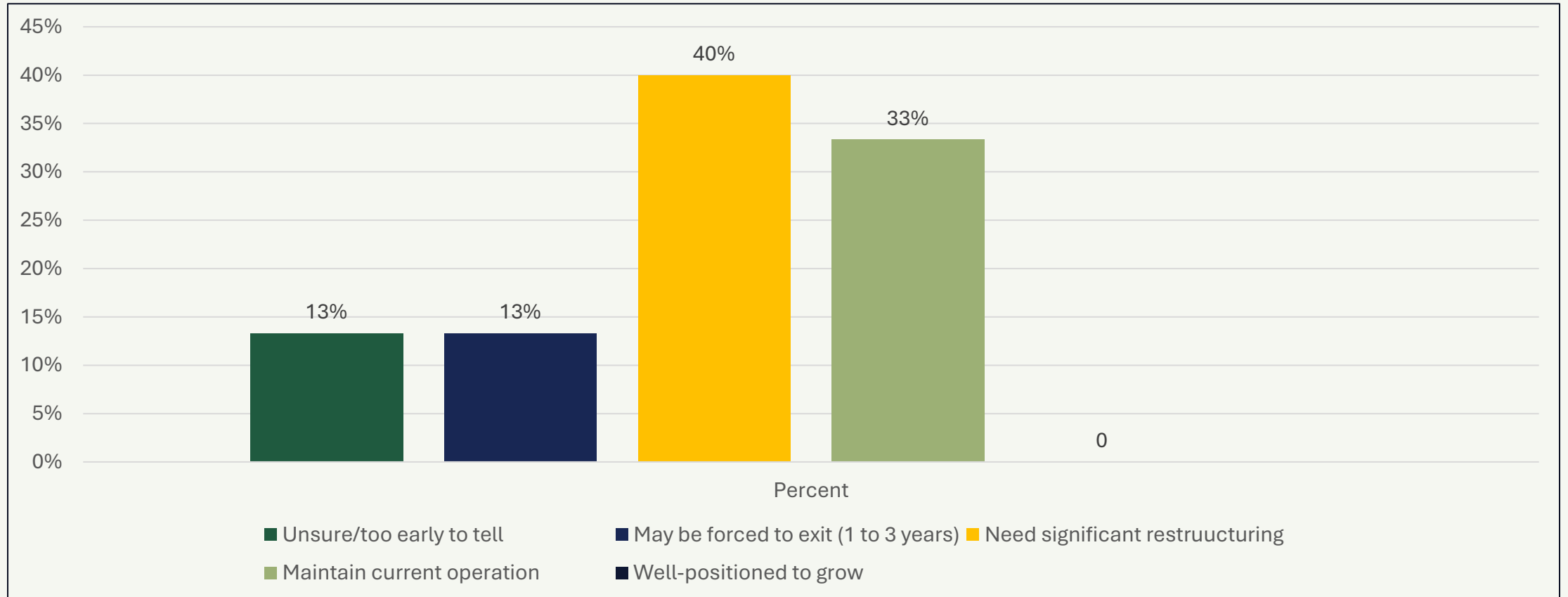
- *"Breakeven costs above market prices"*
- *"high fertilizer and fuel prices"*
- *"Straight of Hormuz impact on fertilizer and energy prices"*
- *"Impact of geopolitical conflict with Iran"*
- *"how high nitrogen prices impact planting decisions"*
- *"crop prices need to be keeping up with escalating input prices"*
- *"Input costs have rallied higher, but could go higher headed into the second half of the year if the Strait remains closed."*
- *"Input prices, as affected by the war in Iran and all the 'usual' drivers."*

2 Market Demand & Trade Policy

- *"Renewed trade commitments from China and prospects for greater utilization of renewable fuels."*
- *"China's purchase of US commodities/size of Brazil's crop"*
- *"Trade. Commodity (output) prices"*
- *"Global oilseed consumption is forecast to rise thanks to favorable biofuel policies in the U.S. as well as Brazil and Indonesia."*
- *"Soymeal export demand is forecast to see an annual increase of 25% in 2026/27."*
- *"Output prices, as affected by the war in Iran, biofuel policy, and all the 'usual' drivers."*
- *"Demand growth for feed grains coupled with a reduction in global supplies."*
- *"Exports/Trade Policy and weather (Brazil and US)"*

Q5.

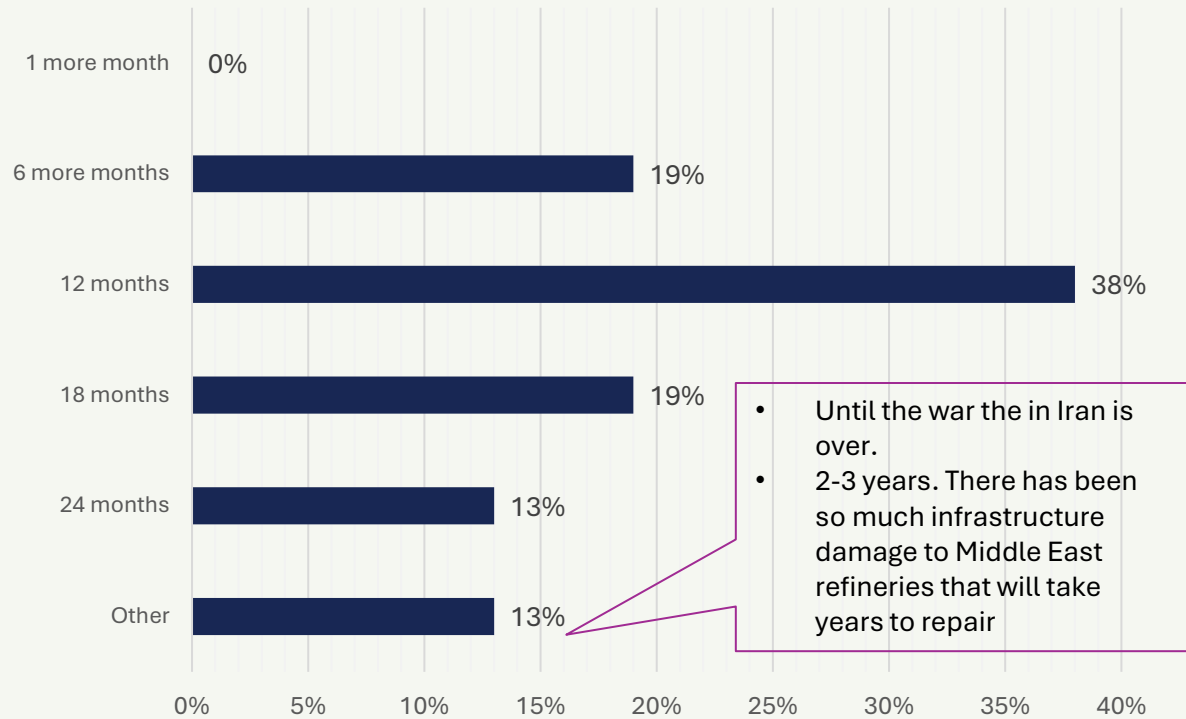
What is the most likely outcome for farming operations if crop prices and input costs remain at current levels:



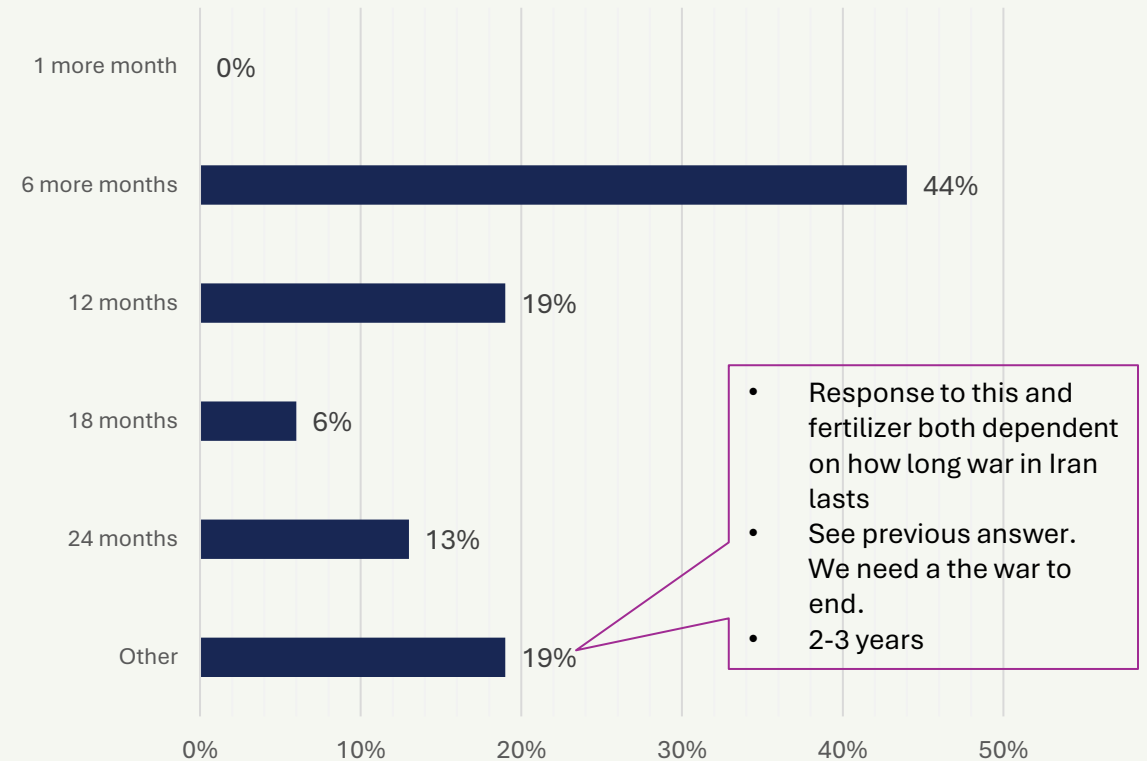
Q6 & 7.

How long do you expect ...

... fertilizer prices to remain elevated?

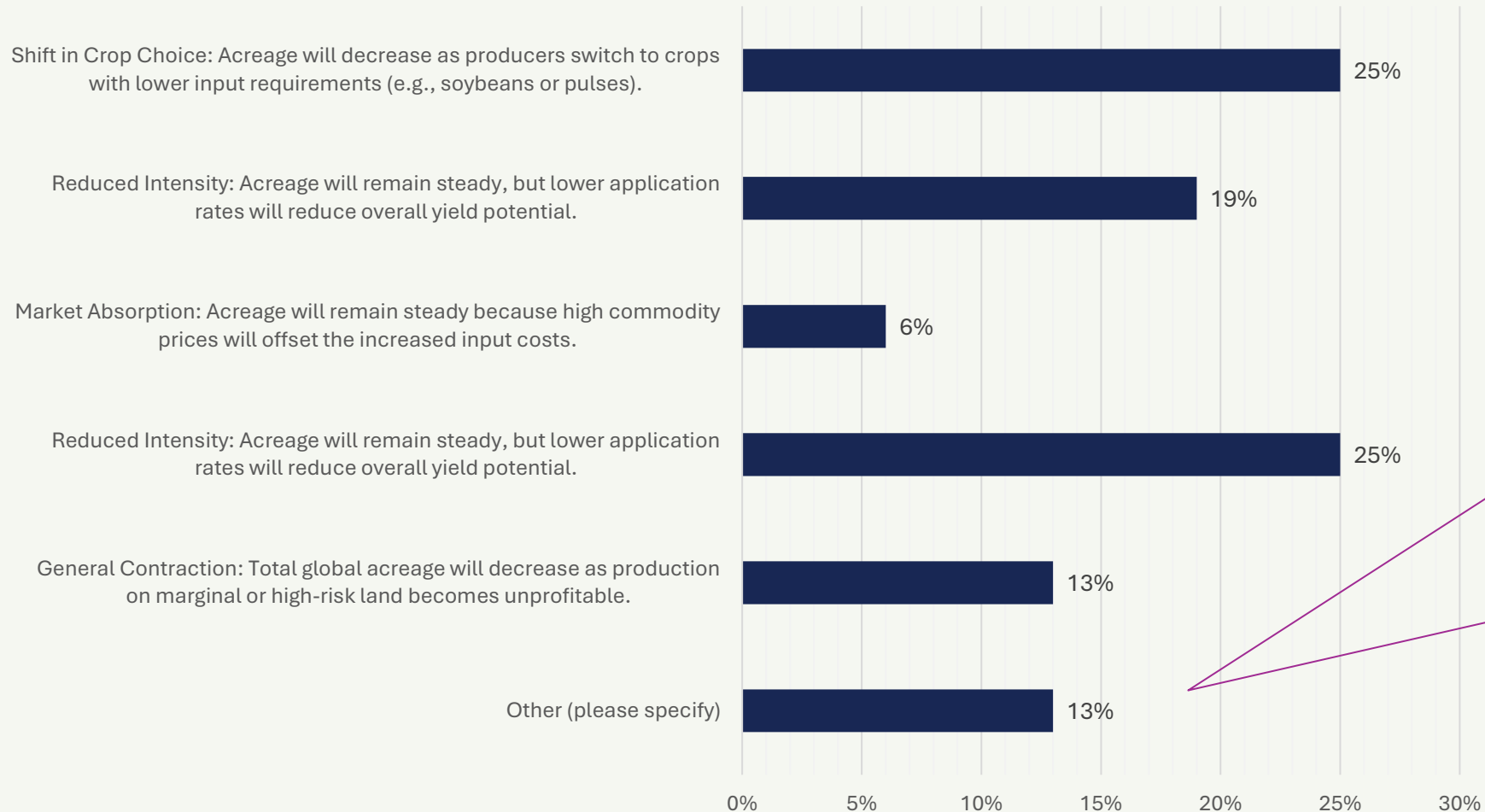


... diesel prices to remain elevated?



Q8.

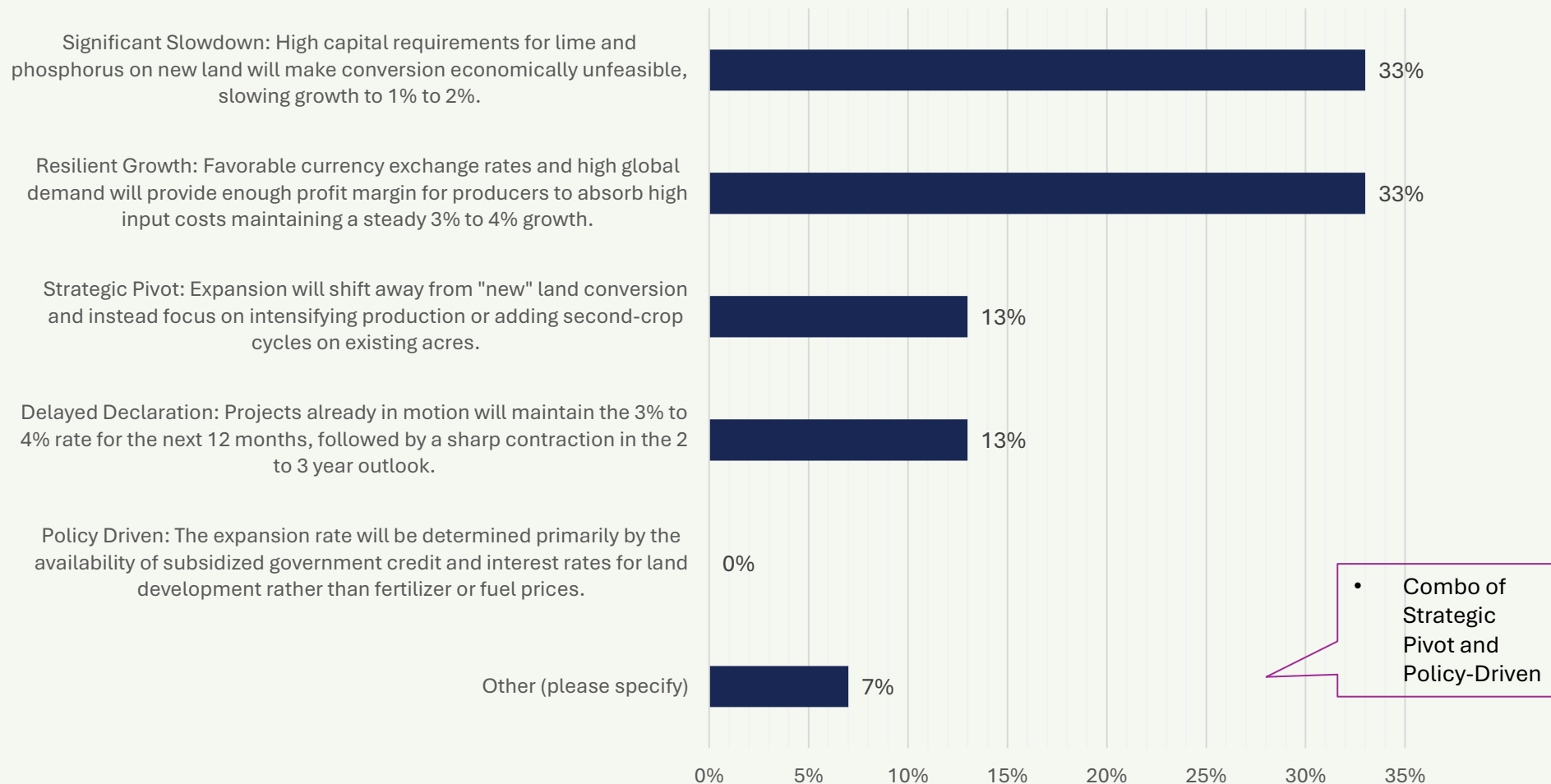
How do you anticipate changes in input costs (such as fertilizer and fuel) will affect global corn and wheat acreage in the coming year?



- Combination of ad hoc payments and changes in farmland rents
- USDA already predicts 2026/27 harvested grain acreage will decrease due to high costs. A lot of those acres are being converted directly into oilseed production for the upcoming marketing year. I expect this trend would continue as input prices remain elevated, until corn and wheat stocks tighten enough to justify acreage shifts back in the other direction

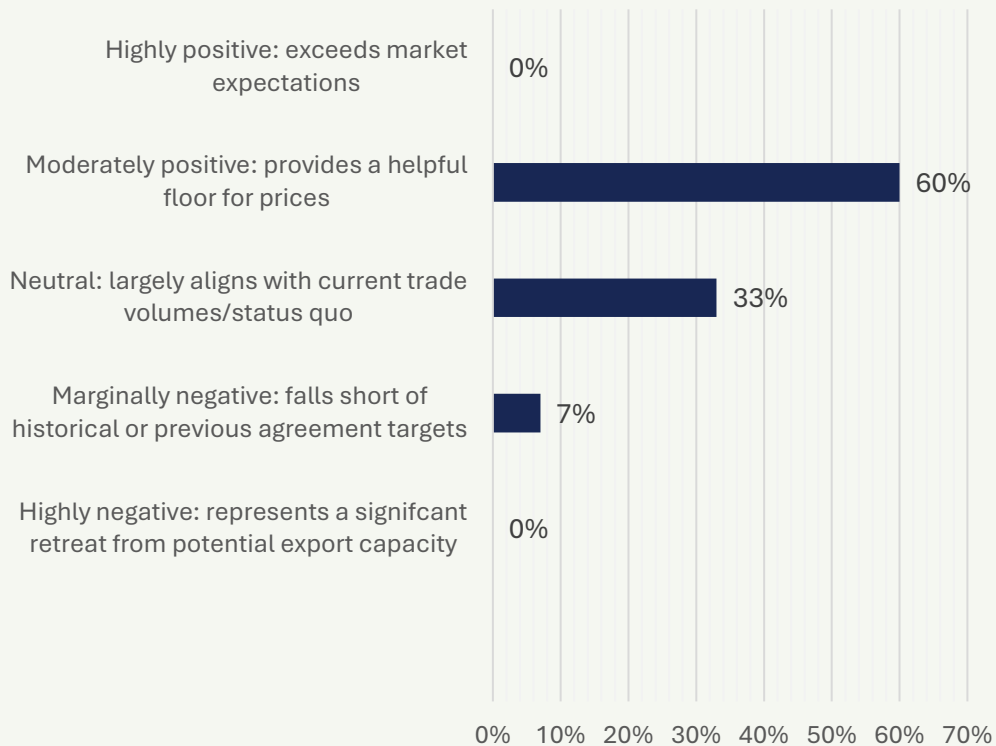
Q9.

Brazil has historically seen a 3% to 4% annual expansion in soybean acreage. Given the current cost of inputs and land conversion, how do you anticipate this expansion rate will trend over the next 12 to 24 months?



Q10 & Q10a.

President Trump recently announced a commitment from China to purchase roughly \$29 billion in U.S. agricultural goods annually. How would you characterize the impact of this specific figure on the U.S. agricultural economy?

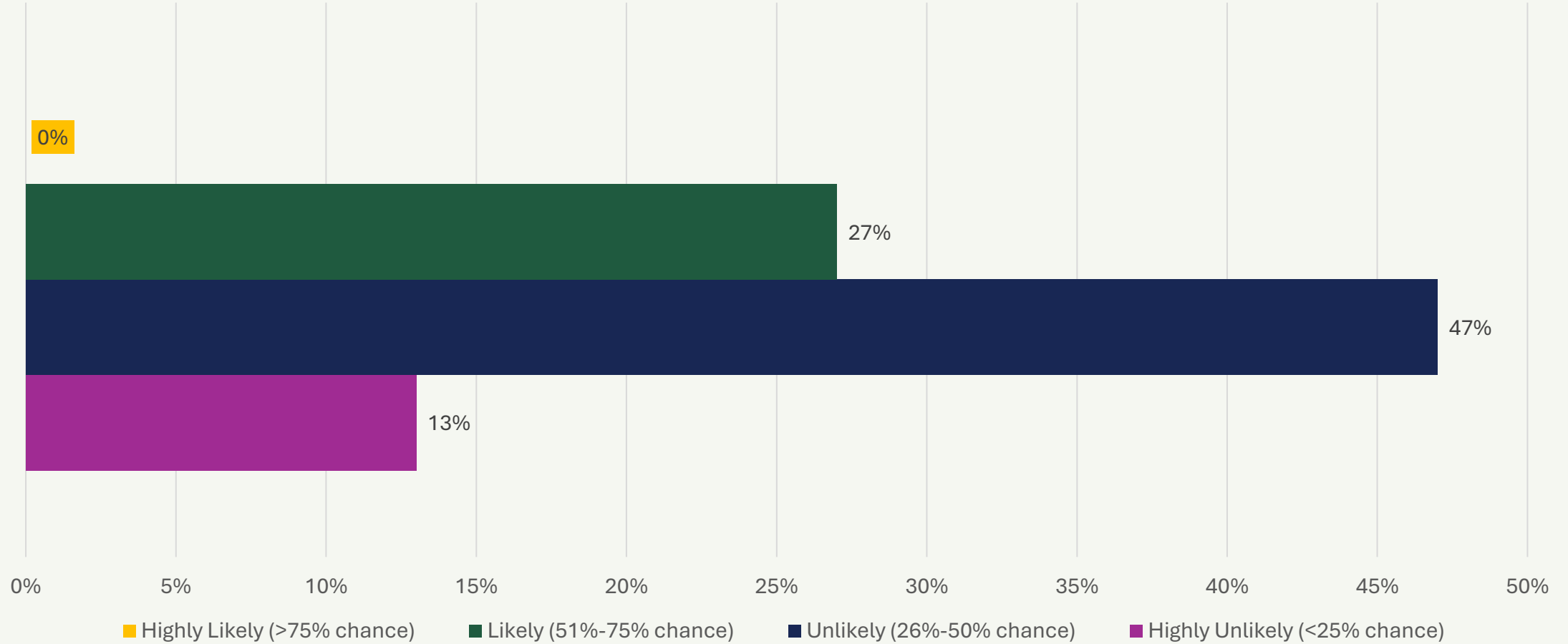


Please explain your reasoning:

- *Doesn't the \$29b annually figure require significant reading between the lines and a few assumptions? Has it been stated this clearly?*
- *Talk is cheap - and Chinese importers cannot just ignore relative prices*
- *It is definitely positive in the short term but effects will dampen until buying by China is seen.*
- *It is perceived by the market as positive. I am somewhat skeptical of how long it will stick though - it wouldn't be the first time either the US or China shifted after making a decision.*
- *IF the agreement is as portrayed and is fully implemented, it will result in a modest increase in U.S. exports relative to what would have occurred without the agreement.*
- *The way the question is worded - we should assume that China purchases all of their purchase commitments. I do not think they will purchase all their commitments, but nonetheless I will answer the question as presented. At \$29 billion dollars that likely is more than China would have bought from us, which is positive comparatively.*
- *However, it does not drastically change the outlook on prices and returns*

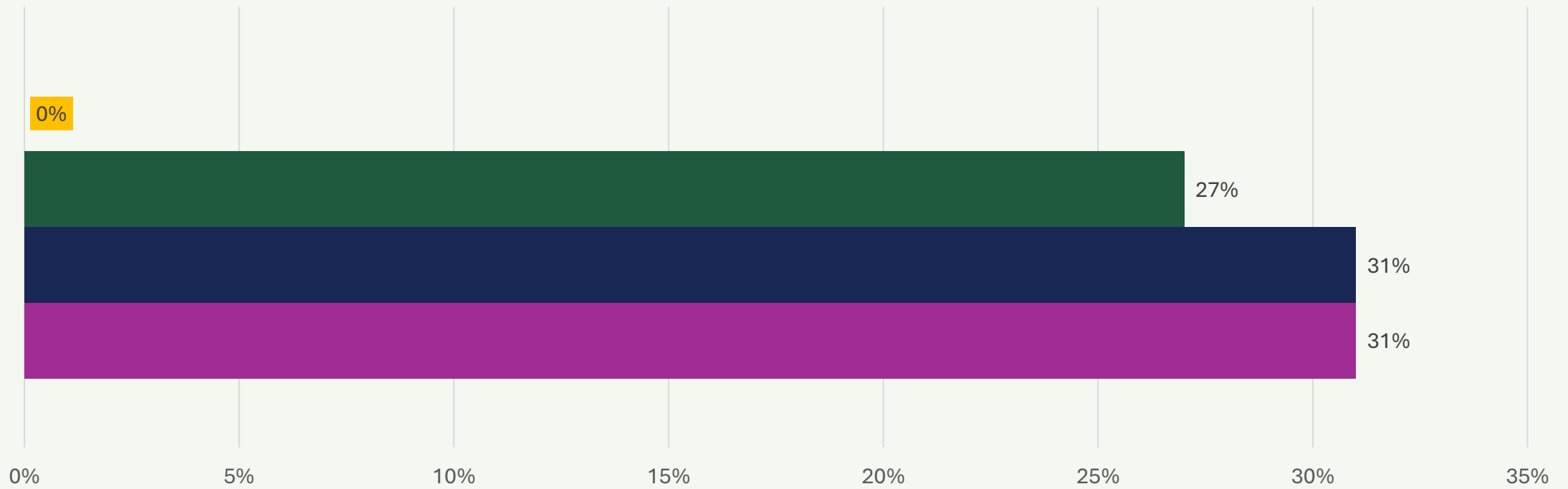
Q11.

What is the likelihood that the Senate will pass legislation to allow permanent, year-round E15 sales during the current legislative session



Q12.

With a rate hike likely before year-end, what do you anticipate will be the most significant impact on the farm economy? Select up to two



- Operational Resilience: Strong balance sheets and existing working capital will allow most producers to absorb the hike with minimal distress.
- Margin Compression: Increased interest on operating notes will tighten profit margins but is unlikely to cause widespread insolvency.
- Reduced Capital Investment: Producers will sharply cut spending on equipment and infrastructure as financing costs exceed projected ROI.
- Targeted Financial Risk: Higher debt-servicing costs will create a "breaking point" for young, beginning, or highly leveraged operations.

Q13.

What one economic indicator are you watching most closely right now to gauge the health of the ag economy?

Input Costs & Energy:

- "Fuel costs"
- "Fertilizer prices"
- "Diesel prices."

Land Values & Rental Rates

- "land prices and cash rental rates"
- "Land values and cash rents."
- "Some producers will see it an easier path to sell to developers, furthering the loss of agricultural acres - especially some fruit and vegetable acres."

Comprehensive Financial Metrics & Profitability

- "Net returns for various types of operations"
- "There is no single one: Net Farm Income, Debt: Asset Ratio, Purdue/CME Ag Economy Barometer among others"
- "The Ag Finance Monthly Monitor out of Kansas State and Missouri. I feel like we will start seeing things shift to very bad in two years if we do not see an up year quickly."

Credit Access & Capital Investment

- "Quarterly pace of ag loan demand at commercial banks, Farm Credit system, and Farm Service Administration"
- "Agricultural Capital Purchases"
- "Debt: Asset Ratio"

Macro Trends & Environmental Resources

- "General inflation"
- "Exports for the upcoming crop"
- "Commodity prices"
- "Living in the Rocky Mountain region, I'm watching the health of our river systems. Snowpack was super low this year - causing further drawdowns in aquifer levels and many irrigation systems are delivering only about 40-50% of normal water for irrigation."

Q13a.

Please explain your reasoning:

Reasoning:

Input Costs & Energy:

- "Will affect purchasing decisions in fall and 2027 planting"
- "For soybeans, diesel prices are a double-edged sword. On one side, the higher costs boost feedstock (soybean oil) values... But on the other side, higher fuel costs eat into profit margins and risk consumer demand destruction..."

Land Values & Rental Rates

- "In our state, land values have not shown widespread signs of cooling. Land for rent is coming to market but it is still attracting not only renters but also premium rents."

Comprehensive Financial Metrics & Profitability

- "Net Farm Income for profitability and Debt:Asset Ratio for overall financial health, but both are lagging indicators. The Purdue/CME Ag Economy Barometer can be helpful as a leading indicator."
- "The Ag Finance Monthly Monitor out of Kansas State and Missouri. I feel like we will start seeing things shift to very bad in two years if we do not see an up year quickly."
- "Overall net farm income masks the very different situations faced by most crop producers vs. cattle producers."

Credit Access & Capital Investment

- "With recent tight financial conditions... it will take a tangible positive improvement in farm finances to see much investment in agricultural capital purchases... as opposed to serving farm debt obligations."
- "The system can continue to function if farmers are well capitalized... If access to cash were to pull back, it would be highly detrimental for farmers."

Macro Trends & Environmental Resources

- "Export demand has been the wildcard for the past year."
- "So far input price increases have largely impacted fertilizer, diesel, and feeder cattle. An increase in general inflation would widen the impact to other inputs."
- "Higher commodity prices (crop and livestock) will allow farm and ranch managers to adjust to higher input costs more systematically."
- "This is the big wildcard that producers did not enter 2026 planning to deal with." (Likely referring to geopolitical or trade shocks).