

USDA NASS June Acreage Report

USDA's much-anticipated Acreage Report was released on June 30th. Corn acreage stayed large, but lower-than-expected corn and wheat stocks gave traders enough demand support to trigger relief buying and short-covering after a sharp June selloff.

Grain markets treated the Acreage and Grain Stocks reports as less bearish than the headline corn acreage number first suggested. USDA pegged corn planted area at 95.343 million acres, above the average pre-report trade estimate near 94.99 million acres, with harvested area for grain forecast at 87.434 million acres. That acreage base still points to a large production setup if July weather cooperates. But the bearish acreage signal was softened by Grain Stocks data showing June 1 corn stocks at 5.294828 billion bushels, below the average trade guess of 5.408 billion bushels.

That stocks miss was the key reason the market did not simply break on bigger corn acres. USDA said March-May corn disappear-

ance totaled 3.74 billion bushels, up from 3.50 billion a year earlier. In other words, corn supplies remain large, with June 1 stocks still up 14% from last year, but usage was strong enough to challenge the idea that the old-crop balance sheet is only a burdensome supply story. That mattered because the market had already sold off hard into the reports, with funds leaning short ahead of the release.

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What's inside this Issue?

U.S. Crop Acreage, Brazilian Agriculture, Regulatory Ruling on Round-up Farm Bill, NSW, Ag Labor Bill, Local Seafood Protection, Regenerative Agriculture, Market Updates, and more!

Brazil's Momentum as a Global Agricultural Supplier

Brazil is the largest country in the world in terms of arable land, a top-5 producer of 34 agricultural commodities, and the largest agricultural net exporter. Its size and standing as a major supplier of commodities around the world and competitiveness in commodity markets suggest potential for continued growth in the agricultural sector. Since the mid-2000s, Brazil has accelerated its transformation from an exporter of mainly tropical agricultural products such as coffee, sugar, citrus, and cacao to a major global supplier of commodities, including soybeans, grains, cotton, ethanol, and meats.



Brazil's Ag Powerhouse: Any Limits?

Agri-Pulse reports that continuing trade expansion and diversification of markets and products remains at the core of Brazil's agricultural growth strategy. However, increases in fuel and fertilizer costs, credit and storage limitations, an overburdened port and transport system, and pressure to preserve the environment are challenging the long-term growth of Brazilian agriculture.

U.S.-Brazilian competition in agricultural export markets has been growing with expanding productive land in Brazil and output growing at a rapid clip. Industry analysts and representatives in both countries tell news outlets that competition will intensify as new fronts open and Brazil continues to boost export potential in major commodities.

Last year likely will have been another milestone for Brazilian agriculture. Preliminary data suggests that Brazil surpassed the U.S. to become the world's largest beef producer, according to a USDA report. Mounting U.S. trade tension with China also likely paved the way for record soybean exports. Early estimates suggest Brazil shipped almost 109 million tons globally, with around 85 million going to China. Fierce competition in international markets is set to continue; Brazil's beef, soybean and corn acres all are projected to grow amid efforts to trim its production costs – which are already below the U.S. even further. In addition to more intense competition on raw commodities like soybeans and beef, the country is investing in processing facilities to claim a more prominent role as an exporter of corn and soybean derivatives.

Several recent policy developments provide clues on where competition is headed. In late 2024/early 2025, following the election of U.S. President Donald Trump, Brazilian President Luiz Inácio Lula da Silva and China's President Xi Jinping agreed on the necessary protocols for Brazilian distillers' dried grains (DDG) and sorghum exports to China.

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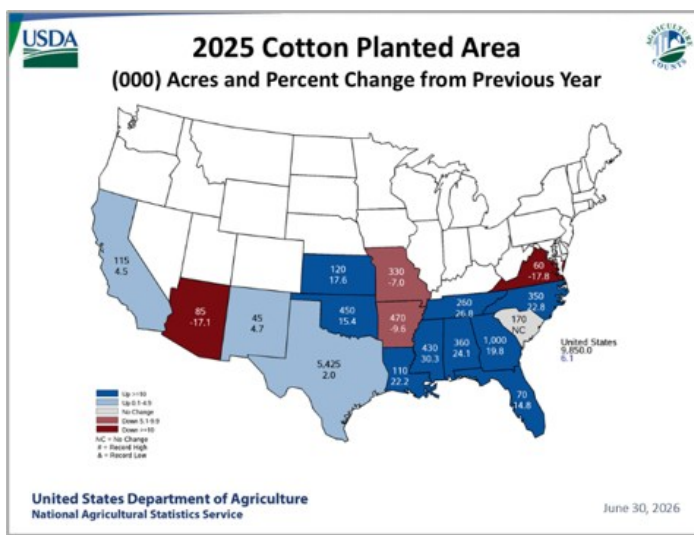
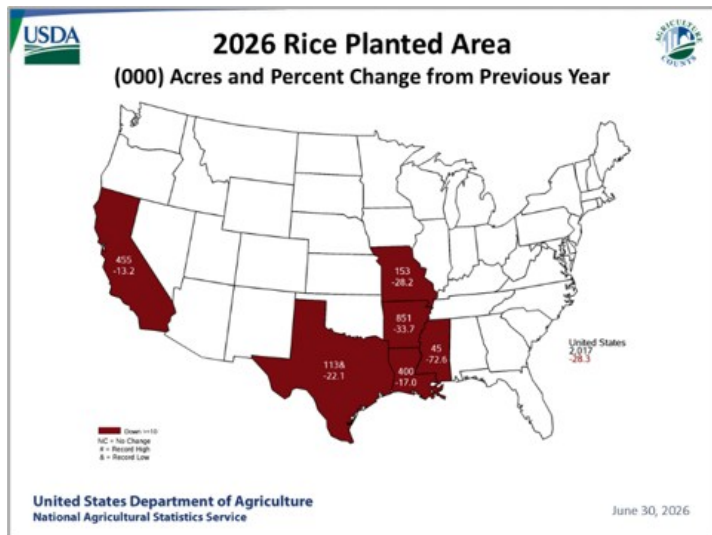
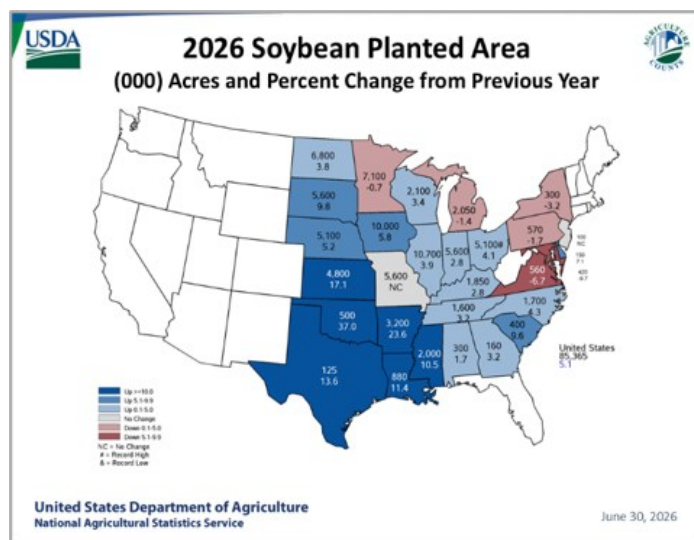
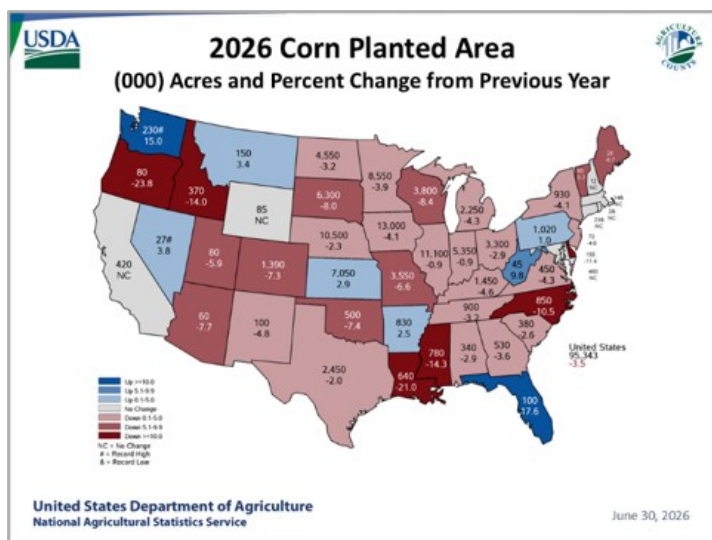
Plantings Report (cont.)

Soybeans were less supportive on their own. USDA estimated soybean planted area at 85.365 million acres, almost exactly in line with trade expectations near 85.37 million acres, while harvested area was forecast at 84.401 million acres. June 1 soybean stocks totaled 1.061122 billion bushels, slightly above the average trade forecast of 1.046 billion and up 5% from a year earlier. That leans neutral to mildly negative for soybeans, although USDA also showed March-May soybean disappearance at 1.06 billion bushels, up 18% from a year earlier. The soybean market's firmer tone was therefore more of a follow-through from corn and wheat strength than a clean soybean balance-sheet rally.

USDA's data dump today estimated U.S. cotton plantings at 9.85 million acres, up 210,000 acres from March intentions and 212,000 acres higher than expected. Cotton seedings are up an impressive 570,000 acres from 2025. Texas planted 5.425 million acres to cotton, up 104,000 acres from March intentions. Georgia planted 1.0 million acres to cotton, up 165,000 from March intentions.

USDA pegged all-rice plantings at 2.017 million acres, down from March intentions of 2.319 million and below all trade estimates, which averaged 2.370 million acres. June 1 rough rice stocks came in at 74.8 million hundredweight, up from 69.7 million on June 1, 2025, while milled rice stocks totaled 5.9 million hundredweight, down slightly from 6.09 million a year earlier. The recent retreat had less to do with the report itself than with the fact that rice futures had settled higher each of the prior nine sessions. The market has recently been warning of the potential for a further reduction in rice acres, and while today's acreage number was well below survey expectations, there were clearly some in the trade who were expecting it.

Rough rice stocks in all positions on June 1, 2026 totaled 74.8 million hundredweight (cwt), up 7 percent from the total on June 1, 2025. Stocks held on farms totaled 12.5 million cwt and off-farm stocks totaled 62.3 million cwt. Long grain varieties accounted for 73 percent of the total rough rice, medium grain accounted for 26 percent, and short grain varieties accounted for 1 percent. Milled rice stocks in all positions totaled 5.93 million cwt, down 3 percent from a year ago. Milled rice stocks were comprised of 3.93 million cwt of whole kernel rice and 2.00 million cwt of second heads, screenings, and brewers rice.



Brazil (cont.)

The deals came at an opportune time. DDGs are a byproduct of corn ethanol production, and the Brazilian industry is in the midst of raising production to meet a new 30% blending requirement in gasoline that took effect last August. Citi Investment Bank estimates that demand for corn ethanol production in Brazil will almost double by 2032 to 16 billion liters. In 2025, the industry had 22 working corn ethanol plants, with another 21 under construction or awaiting approval, Citi noted. As the country has boosted its corn ethanol production, it has also grown its output of DDG and dried distillers' grains with solubles (DDGS) – a byproduct that is used in animal feed.

Since the 2019/20 growing season, DDG and DDGS production in Brazil has grown by more than 250%, according to USDA data. It now exports around 20% of its product to some 21 countries. Brazil sent its first shipment of DDGS to China in what its industry hopes will be a lucrative new market. Bruno Maier, corporate sustainability and advocacy manager at Inpasa, an ethanol producer with multiple plants in Brazil, also told reporters that Inpasa is eyeing increased DDG export opportunities across Asia. DDG exports represent an important revenue stream for U.S. ethanol producers, accounting for around \$3.2 billion in 2024 revenue, according to the Renewable Fuels Association. With around 40% of DDGs exported, any change in global supply could have significant price and revenue implications. Brazil has also increased its mandatory biodiesel blend to 15% and is supposed to increase it to 16% this year. As with DDG and DDGS in corn ethanol production, crushing soybeans for biodiesel generates soybean meal as a byproduct used in animal feed.

We don't have demand in the United States to soak up all that meal, as Brazil does not either," said Stephen Nicholson, a strategist for grains and oilseeds at Rabobank. "We're going to be competing on the meal side." However, Nicholson and other analysts noted that Brazil's biofuel policies have not been entirely consistent. The government, for example, ended up delaying its bump from 14% to 15% by several months, and could do again this year. Raphael Bulascoschi, a market intelligence analyst at StoneX Brazil, pointed out that Brazil has a general election approaching in October, injecting uncertainty into the long-term biofuel, and therefore soybean meal, outlook.

On the sorghum front, Brazil has not begun exporting to China, but a Brazilian-based analyst said Chinese investors have expressed interest in sorghum production projects near ports in the far south and north of the country. China has historically been the largest importer of U.S. sorghum, accounting for more than 85% of exports. Brazil's soybean acreage has been growing rapidly, increasing from 84 million acres in the 2016-17 crop season to a forecast 121 million acres this crop year, according to the country's National Supply Company (Conab).

The state of Mato Grosso, which accounts for around 30% of the country's total output, is anticipating even more growth in its soybean acreage as livestock moves to feedlots and degraded pasture is converted to soybeans. The Mato Grosso Institute of Agricultural Economics (IMEA) estimates that soybean planting area in the state will increase by almost 30% by 2033/34. Overall production is set to grow even faster, from more than 47 million tons today to 64.5 million – an increase of almost 37%. Internal demand for soybeans is also likely to rise, particularly as livestock production continues to grow. But Cleiton Gauer, IMEA's superintendent, said he projects soybean production to grow faster than domestic demand, providing additional product for export and sending more Brazilian beans onto international markets.

U.S. soybean exports have been on a downward trajectory since the 2020/21 crop season. Early USDA estimates see 2025 exports, decimated by China's pivot from U.S. agriculture sources, could be as much as 13% lower than the previous year. Lucas Beber, president of Aprosoja-MT, a trade group representing soybean and corn growers in Mato Grosso, argues that U.S. producers will struggle to recoup these lost exports in the face of rising Brazilian production. Americans "understand that Brazil has tapped into markets that now are very hard for the USA," Beber told Agri-Pulse through an interpreter, adding that he no longer sees the U.S. as a direct competitor "even though it is the second-largest producer." Bulascoschi also noted that a weaker currency will also work in Brazil's favor in international soybean markets. "It's natural for Brazil to gain more market share worldwide," Bulascoschi said.

Corn and soybean acreage is still growing in Mato Grosso

Projected growth in planted area from 2025/26-2033/34



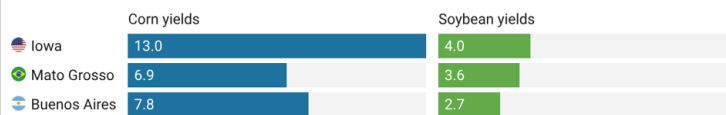
Estimate as of Dec. 25, 2025.

Source: Mato Grosso Institute of Agricultural Economics. • Created with Datawrapper

Planting and production estimates for Brazilian corn are set to grow as more producers plant it as a second or even third crop. And productivity could improve substantially, but soaring internal demand from the growing corn ethanol industry is set to constrain export growth in the near term, analysts said. Brazilian corn yields still significantly lag the U.S., in part, because farmers prioritize higher value soybeans. But Beber notes that the gap is closing, and predicts that Brazilian corn will one day have comparable yields to the U.S. Aprosoja-MT is among the organizations working to improve producer yields through two specialized research facilities dedicated to improving soybean and corn cultivation for specific soil types.

US has greater productivity edge on corn than soybeans

Average 2020-2024 yields for a typical farm in each region, metric tons per hectare



Source: Agri benchmark network compiled by the Purdue Center for Commercial Agriculture • Created with Datawrapper

Mato Grosso occupies more than 900,000 square kilometers in the Brazil's center west. The state is about the size of France and Germany combined and a third of that area is devoted to commercial agriculture. More than a quarter of the country's soybeans – and 11% of the world's total supply – is grown in the state as is around 40% of the country's corn.

But while France and Germany boast a rail network of almost 40,000 miles, according to the Commerce Department's International Trade Agency, the Brazilian government says Mato Grosso has around 650 miles of track. Without a vast rail or barge network to service the country's growing regions, an army of trucks transports Brazil's harvest in batches of 40-50 tons for hundreds of miles to the nearest rail terminal, or almost a thousand miles to the nearest port, battling underdeveloped roads and long waits of five or six hours near port and rail terminals.

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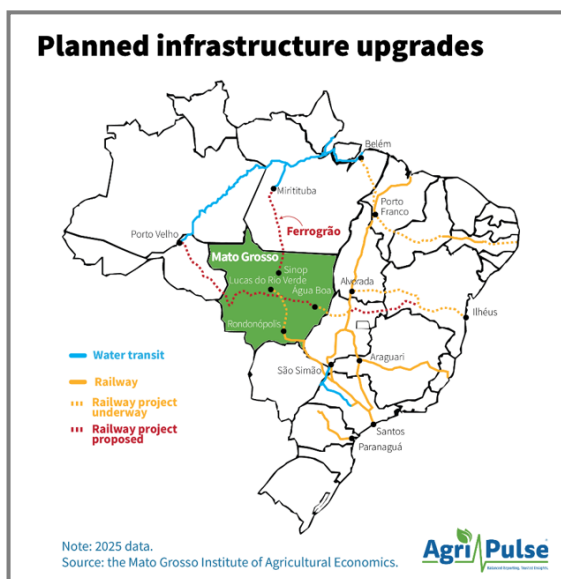
Brazil (cont.)

Soybean and corn producers in Mato Grosso face transportation costs well above competitors in the U.S. and Argentina. Exporters pay around \$113 per ton to get their product to China, compared to around \$85 per ton for Argentinian and U.S. exporters, according to data from the Mato Grosso Institute of Agricultural Economics (IMEA). Those high costs eat into farmers' bottom lines and hamper competitiveness. Brazilian commodities are already highly competitive in global markets, thanks to cheap land and labor and the ability to plant two, or even three, crops a year. But if the country could resolve its longstanding infrastructure issues, its competitiveness could surge, analysts and industry representatives say.

Brazil's logistical challenges are only set to grow. The country's soybean exports are on course to expand further in coming years. Mato Grosso has seen planting explode from 7.7 million acres in the 2000-01 marketing year to 32.1 million acres in 2024-25, according to data from the country's National Supply Company (Conab), IMEA and USDA. By 2033-34, IMEA estimates planting will reach 41 million acres, another 27% increase from today. Multiple efforts are underway to expand the country's railways and take some trucks off the region's roads, but the most ambitious remain in early planning stages. Environmental groups have mounted a fierce opposition campaign to the most promising rail development opportunity and gummed the project up in Brazil's legal system. But Mato Grosso's soybean producers believe that could soon change.

Infrastructure upgrades at the country's northern ports allowed them to increase their corn and soybean exports by 57% from 2020 and 2024, easing some of the pressure on southern ports. The region now accommodates around 40% of the country's exports of both commodities. The Brazilian government has also announced \$920 million in investments in waterways to help move agricultural products to the north of the country.

Private companies like Bunge, Cargill, Cofco, Amaggi and Louis Dreyfus have all invested in port terminal infrastructure in recent decades. The local government in Mato Grosso is also building another lane onto its single-lane highway, known as BR-163, in the north of the state. The project is supposed to be completed before the end of 2026. All of these efforts have somewhat eased the logistical challenges



es exporters face, but addressing the high costs of moving product from the interior to the ports has proven an ongoing challenge. The latest effort to slash costs comes from a three-stage project from Rumo, the largest railway operator in the country. The project aims to extend an existing railway line from Rondonópolis in Mato Grosso's south to Santos port further north, in the heart of Mato Grosso's growing region. The first stage of the project, a 99-mile stretch of railway from Rondonópolis to the city of Primavera, is set to open this summer. The full extension to Lucas do Rio Verde is not expected to be completed until 2031, however.

Ethanol producer Inpasa is also courting investment for a future pipeline project to connect its facility in Sinop, Mato Grosso, to the port of Santos, near São Paulo. Bruno Maier, a corporate and sustainability advocacy manager at the company told Agri-Pulse that the project could ease congestion by taking trucks carrying ethanol off the roads. But with the U.S. and Argentina enjoying logistics costs almost \$20 per metric ton cheaper than Brazil's when shipping to the Chinese market, even with the rail extension, Mato Grosso's producers are still going to be at a price disadvantage compared to other countries' transportation costs.

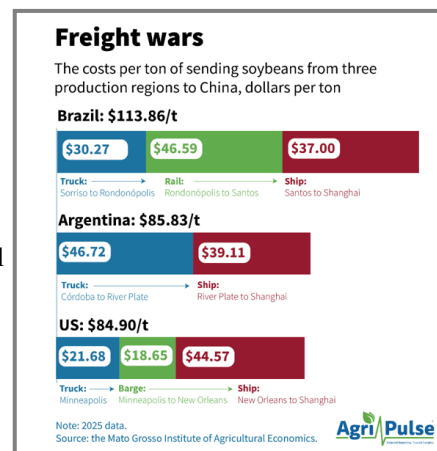
Simply put, Brazil's agricultural export capabilities are growing faster than its ability to upgrade infrastructure. As long as this imbalance persists, Velloso said, freight costs are likely to remain high for Brazilian exporters.

The real infrastructure prize for Mato Grosso's soybean producers is a proposed rail line in the north of the state, known as Ferrogrão – or the “grain train.” The \$3.8 billion project would connect the city of Sinop, which straddles the edge of the Amazon biome, to the port at Miritituba in Itaituba, a city more than 600 miles north. The port has a waterway connection to the port of Belém, a major export hub, via a tributary to the Amazon river. If completed, this project could cut transportation costs for Mato Grosso producers by around 30%, Lucas Costa Beber, president of Aprosoja-MT, a trade association, told Agri-Pulse. He estimates that more than half of the state's soybeans would end up on the rail artery. Infrastructure challenges are likely to be a persistent drag on Brazil's competitive potential for years – or decades – to come. Even projects to incrementally reduce transportation costs will take years, and limited access to credit will be an ongoing thorn in the sides of producers and companies that want to improve their competitiveness. Despite these headwinds in Brazil, U.S. exporters are looking at the country's efforts with growing alarm.

The World Bank, for example, ranks global container ports based on efficiency. Philadelphia ranked the highest of any Brazilian or American port in 2024, in 26th position. It was the only port from either country in the top 50. The next highest ranked ports, however, are both Brazilian, with Imbituba and Itapoa at 60 and 65, respectively.

Brazilian farmers have long been cast as global villains in the fight against climate change, accused of tearing up the rainforest for commercial agriculture. But the industry in Mato Grosso – Brazil's agricultural heartland that straddles the Amazon's rainforest biome and the tropical savannah, known as “cerrado” – says the reputation as a climate menace is unjust, at best, and at worst, part of an effort from the global north to protect domestic industries.

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Brazil (cont.)

They point to the use of no-till farming and vast tracts of untouched land set aside by farmers as evidence of the effectiveness of existing climate laws in preserving Brazil's forest ecosystems. In fact, they say that if the carbon footprint of their agricultural products were accurately accounted for, they would be among the more sustainable options in international markets. Rather than an albatross around their necks, sustainability can be a competitive advantage for Brazilian soybeans, they argue.

Mato Grosso is one of the most established soybean producing regions in the country. Many producers, like Botan, are second-generation growers, working farms established in the 1980s after the bulk of deforestation several decades ago. Although the region has made substantial progress in curbing deforestation for soybeans, it has a long way to go to eliminate it entirely, analysts say. Enforcement of laws is patchy, they note, and a key driver of recent progress – a soy moratorium – was recently dealt a blow when major trading companies withdrew from the deal. The industry itself will need to take steps to prevent backsliding and make further advances if it wants to be seen as a true sustainability leader, they argue. Aprosoja-MT, a trade association representing Mato Grosso's soybean and corn producers, hosted a group of European and North American reporters. A sizeable portion of the week was dedicated to demonstrating efforts to mitigate climate impacts of agriculture and progress by the sector in tackling deforestation.

Members of the trade association and their grower members repeatedly suggested that the industry in Mato Grosso has been a poor communicator of sustainability bona fides and needs to deepen global understanding of efforts underway to preserve swaths of rainforest and savannah in its natural state. For starters, producers in Mato Grosso face strict limits on the share of private land that can be converted to agricultural uses under the latest iteration of the country's Forest Code, signed into law in 2012. Planters located in the Amazon biome in the north of the state can only farm on 20% of their land and must keep 80% preserved as natural forest. Those elsewhere have to preserve between 20% and 35% of their acreage. If producers deforested land before 2008, they have the option of regrowing forests or buying off-sets elsewhere in the same biome. Areas around rivers must be left untouched to prevent chemical runoff and to act as a natural buffer. Depending on the width of the river, producers are required to leave 30-500 meters of untouched vegetation. The scale of the preservation efforts is most visible from the air. A flight over the region during the early February soybean harvest reveals a patchwork of green and brown fields, punctuated by a sprawling web of forests that often connect to neighbors' preserves to form corridors that allow wildlife to roam.

Producers also have to apply for licenses before they can deforest additional acres, even if they are already farming under their legal limits, like Botan. Licenses can take more than a year to get, Aprosoja-MT President Lucas Costa Beber tells Agri-Pulse. The federal environmental agency (IBAMA) monitors satellite imagery to ensure compliance and works with state environmental agencies to go after illegal and unlicensed, irregular, deforestation. Penalties for breaching the Forest Code can be severe. Producers face fines, embargoes on their lands, seizures of livestock or machinery and, in severe cases, imprisonment. A voluntary soy moratorium adopted in 2006 which, until recently, saw the major commodity traders agree to avoid purchasing soybeans from deforested areas also contributed significantly to declines in deforestation. A 2017 study led by University of Kansas researchers found that deforestation in Mato Grosso was five times lower from 2007 to 2014 than it had been in the previous seven years, and the rate of forest to soy conversion fell from 9.4% to 3.9%. Brazilian President Luiz Inácio Lula da Silva has said he wants to go even further and end deforestation in the Amazon by 2030.

Land use changes account for most Brazilian soy emissions

Carbon footprint, kilograms of CO2 equivalent per crop ton

Other processes Land use change



Data are cradle-to-farm emissions. Other processes include peat oxidation.

Source: Mérieux NutriSciences | Blonk's Agri-Footprint. • Created with Datawrapper

Demonstrating progress on deforestation could also highlight the sustainability of downstream agricultural products, including soybean and corn derivatives, say industry representatives. As Brazil ramps up production of corn ethanol, the sector believes that it will be the preferred choice of industries looking to maximize reductions in greenhouse

gas emissions. The industry believes strict domestic traceability requirements put it in a strong position in international markets for corn derivative products like dried distillers' grains with solubles, Natiela Nicolodi, a regulatory affairs manager at Inpasa, an ethanol production company, told reporters. Brazil's domestic biofuel incentive program, known as RenovaBio, traces feedstocks back to the farm level, requiring more precision than the U.S. Renewable Fuel Standard, which often relies on aggregate compliance.

Compounding Brazil's challenge in swaying international opinion on sustainability of agricultural products is that, while the country has made strides in recent decades to reduce deforestation, analysts say it was in large part due to the soy moratorium that is now under threat. They believe that Forest Code enforcement is not enough to assure the desired protection. In January, the Brazilian Association of Vegetable Oil Industries (ABIOVE), which represents the largest soy traders including ADM, Bunge, Amaggi, Cargill, Cofco, JBS and Louis Dreyfus Co., said it would withdraw from the agreement. The announcement came after the state of Mato Grosso ended a tax incentive for participants. A preliminary study from the Brazilian Amazon Environmental Research Institute (IPAM) estimates the move could lead to a 30% increase in deforestation by 2045. ABIOVE has suggested that its members will monitor their supply chains for deforestation individually. Even if companies agree to enforce the same standards on paper, they may accept differing levels of proof and documentation. Companies run the risk of diluting the commitment, she said, "to the point that it would have probably virtually no effect."

Ultimately though, economic incentives may compel companies to take a firm stance. The European Union's forthcoming deforestation regulations, set to go into effect for large operators at the end of the year, have stringent traceability requirements for soy, coffee, beef and other commodity imports. While Brazil's soybean exports to the EU are minor – around 15% of its total exports – the bloc is a major buyer of soybean meal. More than 50% of Brazil's soybean meal exports went to Europe in 2025, according to S&P Global. The EU deforestation regulation (EUDR) is a "very concerning topic for some of the Brazilian producers," Raphael Bulascoschi, StoneX Brazil market analyst, told Agri-Pulse, and may be "something that they fear for the long-term."

Supreme Court Sides with Bayer on Roundup Ruling

The Supreme Court has ruled that federal law preempts state failure-to-warn laws, handing Bayer a major victory in the ongoing legal saga of glyphosate-based herbicide Roundup. The court held that the Federal Insecticide, Fungicide and Rodenticide Act expressly preempts state-law failure-to-warn claims against Roundup- meaning injured plaintiffs cannot sue in state court to force a cancer warning that the U.S. Environmental Protection Agency has not required.

"FIFRA expressly preempts Durnell's state-law failure-to-warn claim because the claim would require Monsanto to add a cancer warning to Roundup's label," the court said in its 7-2 opinion. Cancer victim John Durnell sued the company in Missouri state court in 2019, alleging that his use of Roundup for 20 years caused his non-Hodgkin's lymphoma. A jury awarded Durnell more than \$1 million in damages. "Failure-to-warn claims, like Durnell's claim here, 'are premised on common-law rules that qualify' as labeling requirements because those 'rules set a standard for a product's labeling,'" the majority said in the opinion, written by Justice Brett Kavanaugh. "EPA's registration determination that Roundup's label needs not include a cancer warning constitutes a federal labeling requirement that cannot be altered by state law, including state tort suits."

Bayer said in a statement that the court's decision will bring clarity to farmers and other industries. "It should help significantly contain the Roundup litigation after nearly a decade of legal battles," the company said. "The ruling should result in the dismissal of current warning-based claims and bar future failure-to-warn claims. Monsanto (Bayer) will continue to pursue final approval of the class settlement and other elements of its multi-pronged strategy to contain the Roundup litigation."

In March 2026, a state circuit court in Missouri granted preliminary approval to Bayer's proposed \$7.3 billion national settlement. Opponents of Roundup were quick to point out ongoing concerns about the chemical.

"This Trump-blessed ruling preventing Americans from seeking justice for serious health problems linked to an EPA-approved pesticide means that now, more than ever, we need an EPA that protects people instead of foreign pesticide companies," said Nathan Donley, the Center for Biological Diversity's environmental health science director. "The disturbing reality is that glyphosate is just the tip of the pesticide iceberg. The EPA has approved hundreds of poisons the agency itself has linked to cancer, and our parents, kids and loved ones are paying for it with their health, sometimes their lives. The need to profoundly reform our industry-captured system of pesticide regulation could not be clearer."

In her dissent, Justice Ketanji Brown Jackson said the majority took the wrong approach in looking at federal law in the Roundup case. "The majority reads into FIFRA a labeling requirement that does not exist, and it reads out of FIFRA the statute's ongoing prohibition on misbranding," Jackson wrote. "This interpretation cannot be squared with the text of FIFRA or our precedents. Ultimately, the effect of the majority's interpretation is both remarkable and regrettable, for it unjustifiably closes the courthouse doors to state tort plaintiffs like Durnell." Jackson continued, "Tort suits can serve as a catalyst -- encouraging pesticide manufacturers to 'keep abreast of all possible injuries stemming from use of their product' and to maintain labels with the necessary and adequate warnings."

Jackson was joined in the dissent opinion by Justice Neil Gorsuch. The court's ruling essentially establishes that companies complying with EPA-approved labels are shielded from state failure-to-warn lawsuits on safety issues.

Justice Clarence Thomas wrote separately in concurring with the court's opinion, expressing concern about the power granted to federal agencies. Thomas suggests FIFRA itself may be unconstitutional. "First, the act likely exceeds Congress's authority under the Commerce Clause, which authorizes Congress to regulate 'Commerce among the several states,'" Thomas said. "This power allows Congress to regulate 'selling, buying and bartering' across state lines. It does not allow Congress to regulate 'agriculture' or 'manufacturing' activities entirely 'separate' from 'commerce.' The act is a 'comprehensive regulatory statute' that appears to regulate more than the Commerce Clause allows. The act 'regulates the use, as well as the sale' of pesticides and 'regulates pesticides produced and sold in intrastate commerce.'"

The court's ruling is expected to broadly affect agriculture, especially when it comes to products available to combat pests.



The American Soybean Association, one of many groups to join Bayer by filing amicus briefs with the court, said in a statement that state laws have created a "patchwork" that "conflict with EPA-approved" labels. "Farmers depend on clear, consistent labeling and a uniform regulatory framework to use pesticides safely and responsibly," ASA said.

"The Supreme Court's decision provides much-needed clarity on the role of federal, science-based regulation and reaffirms the value of sound science in the regulatory process. For decades, the U.S. Environmental Protection Agency, along with regulatory authorities around the world, has repeatedly concluded that glyphosate does not pose a cancer risk when used as directed."

The National Corn Growers Association said on Thursday that without the court's intervention, pesticide manufacturers could have "been forced to manage state-based labels that contradict federal findings for all products in all 50 states."

Senate Farm Bill Draft Released

Senate Agriculture Committee Chairman John Boozman (R-AR) unveiled a “farm bill 2.0” discussion draft that would boost support for a wide range of ag producers, enhance transparency of fertilizer markets and foreign land ownership, and strengthen healthcare access for rural Americans. The legislation would reauthorize certain ag programs through 2031 and build on provisions enacted through last year’s One Big Beautiful Bill Act. Republican members of the committee are pitching the draft as an effort to update federal initiatives focused on giving producers more certainty while expanding support for rural communities, agricultural trade and national food security.

What’s not included in the text are the most controversial issues that bogged down the House’s crafting of a farm bill last spring. At the top of the list – also not addressed in the House bill – are upcoming costs certain states must start paying for the Supplemental Nutrition Assistance Program. Democrats are pushing for a delay to study the costs they say do not appear fair and could financially burden some states to the point of having to cut crucial food aid. How the partisan disagreement plays out in expected farm bill negotiations or in a possible conference with the House could determine whether five-year ag legislation is passed this year.

The draft pulled in more than 100 bipartisan bills and priorities, he said. Last year, through a fast-tracked legislative process used to pass the One Big Beautiful Bill Act, lawmakers made crucial updates to farm programs. Outstanding key items in the Senate draft deal with issues such as crop insurance, rural broadband, specialty crops, trade, conservation and increased loan limits.

Specialty Crops. As farm-state lawmakers have emphasized the need for more support for growers of specialty crops, one of the most significant such provisions in the draft would establish a permanent framework for USDA to administer future disaster assistance programs for fruit, vegetable, tree nut and nursery producers when Congress provides funding. That structure, which would base payments on a producers’ sales in the year before a disaster, would guide USDA in coordinating and distributing funding for future disasters, limiting rule reworks in later aid efforts overseen by the agency. The bill also would expand several existing disaster programs that many specialty crop producers utilize: the Tree Assistance Program, expanded livestock and forage disaster assistance, and greater flexibility for USDA to deliver assistance through state block grants. Additionally, the bill authorizes USDA to administer natural disaster relief funding via block grants to states to provide quicker and more regionally suited assistance.

Conservation. The bill would reauthorize the Conservation Reserve Program through 2031. The overall program would retain its current 27-million acre cap, with the limit for its grasslands signup set at 12 million acres. Additionally, it would up CRP payment limitations to \$125,000 — the program’s first-ever payment limitation increase — and would also update CRP haying and grazing authorities during emergency conditions, allow cost-sharing for grazing and water infrastructure, and adjust rental rate calculations to attract a greater share of marginal lands into the program. The bill stands up two new conservation programs, including a Forest Conservation Easement Program, which aims to help pay for easements to protect forestland, which would be funded at \$240 million over a five-year window. Meanwhile, a new State Conservation Assistance Program, which seeks to help states and tribes pay for their own agricultural conservation programs, would be funded at \$250 million over five years. However, under the preliminary bill, the baseline of the highly-popular Environmental Quality Incentives Program — which was set to rise to \$2.85 billion in fiscal 2027 under the One Big Beautiful Bill Act — would instead be set at \$2.5 billion for that year. It would then rise over the next few years until it settles at \$3.25 billion in FY31, instead of reaching the \$3.25 billion figure in FY28 as established in the OBBBA.



Trade. Unlike the House-passed farm bill, the text does not authorize moving the Food for Peace bill from the U.S. Agency for International Development to the Agriculture Department. Committee aides said Boozman supports the program and its omission merely reflects the working out of technical jurisdiction issues. The measure would double funding for agricultural trade promotion and facilitation programs. Market Access Program funding rises from \$200 million to \$421 million for fiscal 2027, and then to \$437 million for fiscal years 2028 through 2031. The Foreign Market Development program funding jumps from \$34.5 million to \$73.5 million for fiscal year 2027, and then to \$75.5 million for each of fiscal years 2028 through 2031.

Credit. The bill’s credit title focuses heavily on modernizing USDA loan programs so lending authorities can keep pace with rising production costs facing farmers, ranchers, and rural communities. The legislation would significantly increase Farm Service Agency loan limits while indexing those caps to inflation going forward. Under the proposal, direct farm ownership loan limits would rise from \$600,000 to \$850,000, while guaranteed farm ownership loan limits would increase from roughly \$2.25 million to \$3.5 million. Direct operating loan limits would climb from \$400,000 to \$750,000 and guaranteed operating loan limits would rise from about \$2.25 million to \$3 million. The bill also would double the cap on FSA microloans from \$50,000 to \$100,000.

Rural Development. The bill would increase access to healthcare and childcare and allow resources to be used flexibly to meet local needs. It also would provide temporary zero-interest loans through the Community Facilities Direct Loan Program to support new construction and renovation of existing rural hospital facilities to improve services. The bill also would enshrine into law the USDA’s Re-Connect broadband program; create a new “last mile” initiative focused on connecting farms and ranches; expand opportunities for small meat and poultry processors and renderers; ensure access to clean drinking water and wastewater services; and establish a cybersecurity circuit ride program to improve the ability of rural water systems to fight cyber threats.

What is left out may be just as significant for various agricultural groups. The new Senate text does not include language to overturn California’s Prop 12 and similar laws, dubbed the “Save Our Bacon Act,” or prohibit states from imposing livestock production standards beyond their borders. Senate cosponsors. E15 will also need to find another path in the Senate, as Boozman had warned that it would not be included in the chairman’s bill.

Home Market Restoration Act of 2026

U.S. Senator Bill Cassidy, M.D. (R-LA) will introduce the Home Market Restoration Act of 2026 to protect Louisiana crawfish, shrimp, rice, catfish, and other American producers from unfair foreign competition. The legislation would establish tariff-rate quotas (TRQs) on import-sensitive food and agricultural products to stop import surges, restore fair prices, and keep American producers in business without shutting down lawful trade.

“Louisiana producers can compete with anyone if trade is fair,” said Dr. Cassidy. “Whether it is crawfish, shrimp, rice, or catfish, America cannot let foreign competitors flood our markets and push our producers out of business.”

The Home Market Restoration Act of 2026 is supported by the Louisiana Farm Bureau Federation, USA Rice, American Honey Producers Association, Southern Shrimp Alliance, American Shrimp Processors Association, Coalition for a Prosperous America (CPA), and R-CALF USA.

“Many staple commodities from Louisiana farms are struggling economically due to foreign competitors dumping cheap, inferior products into our markets. Senator Cassidy has long been fighting to give Louisiana farmers a chance. This bill is a testament to that and would finally level the playing field for crawfish, shrimp, rice, honey and other food products grown by Louisiana Farm Bureau producer members. Congress should follow Senator Cassidy’s lead and protect American farmers with passage of this bill before it’s too late. Fair trade is all we are asking for,” said the Louisiana Farm Bureau Federation.

“USA Rice supports Senator Cassidy’s efforts to level the playing field for sensitive commodities, including the U.S. rice industry. In Louisiana and across the United States, rice farmers have been hammered by the exponential growth of unfair imports over the past two decades, largely driven by illegal subsidies by foreign governments. The influx of cheap imports have forced consolidation in the U.S. rice industry and offshored jobs across the mid-south. This bill provides a pathway toward rebuilding that domestic market share for American rice farmers and processors,” said USA Rice.

“On behalf of America’s beekeepers and honey producers, we commend Senator Cassidy for introducing legislation that confronts years of unfair trade practices that have distorted the U.S. honey market. For too long, foreign bad actors have evaded trade rules, dumped underpriced honey into our country, and driven honest American producers to the brink,” said Steven Coy, President of the American Honey Producers Association. “A fair and enforceable tariff-rate quota would help restore integrity to the marketplace, defend rural livelihoods, and give U.S. beekeepers a fighting chance to survive and rebuild.”

“The United States is losing the ability to feed itself. An unchecked flood of imports has been unfairly driving American farmers, fishermen, and ranchers out of business,” said Blake Price, Director of the Southern Shrimp Alliance. “Senator Cassidy’s Home Market Restoration Act of 2026 fights back. By establishing tariff-rate quotas to stop manipulated import surges, his legislation prioritizes America’s shrimpers and food producers. We don’t just support this bill to establish a fair-trade regime—we urgently need it.”

“American shrimp processors strongly support the Home Market Restoration Act of 2026,” said Trey Pearson, President of the American Shrimp Processors Association. “Domestic shrimp producers have struggled with wave after wave of unfairly traded shrimp imports for decades, and we support every effort to combat these imports and give our industry a chance to compete.”



U.S. Seasonal Farm Price Outlook

The following table represents national seasonal average farm prices (\$/unit), as per the USDA WASDE report.

Crop	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Corn	\$6.54	\$4.55	\$4.24	\$4.15	\$4.40
Cotton	\$0.848	\$0.761	\$0.630	\$0.610	\$0.730
Rice (LG)	\$16.70	\$15.90	\$14.00	\$10.40	\$12.00
Rice (Southern MG)	\$18.20	\$17.20	\$15.00	\$14.70	\$13.50
Sorghum	\$6.38	\$4.93	\$4.07	\$3.55	\$4.10
Soybeans	\$14.20	\$12.40	\$10.00	\$10.30	\$11.40

House Bill Introduced to Address Ag Labor Crisis

The House Agriculture Committee Chairman Glenn “GT” Thompson has released draft legislation addressing agricultural labor issues, building upon recommendations developed by the bipartisan House Agriculture Labor Working Group. The Securing Agriculture’s Workforce Act (SAWA) builds off the suite of bipartisan recommendations of the Agriculture Labor Working Group, which was formed among members of the House Committee on Agriculture in the 118th Congress and comprised of seven Republicans and seven Democrats who hosted numerous roundtables among stakeholders to identify the shortcomings of the H-2A program and identify potential policy solutions.



The proposal reflects many of the priorities specialty crop agriculture has been advocating for in recent years, including efforts to improve workforce stability and address challenges within the current H-2A system. While the legislation remains in the early stages, its release represents an important step forward in the conversation around agricultural labor reform.

For agricultural employers, the proposal is significant because the current H-2A program is generally limited to temporary or seasonal labor needs. That structure has made the program difficult or unavailable for certain operations that require a more continuous workforce. Redefining “temporary need” could provide additional flexibility for employers whose labor needs do not fit neatly within the current seasonal model.

Expanding Access to H-2A: The INA states that H-2A visas are for non-immigrant workers who come to the United States to “perform agriculture labor or services ... of a seasonal or temporary nature.” For decades, that has been strictly defined in regulations to mean the length of the job contract is limited to 10 months and the underlying job must be BOTH seasonal and temporary. This has arbitrarily excluded significant sectors of the agriculture industry (such as dairy) from eligibility in the program, leaving them with few options when they cannot find domestic workers willing and able to do these important yet arduous jobs.

SAWA addresses this by: Stipulating that H-2A visas are for performing agricultural labor or services of a temporary nature only, removing the requirement that it also be seasonal. Clarifying that “temporary” is in relation to the length of the job contract (a maximum of 350 days), rather than the underlying nature of the work being performed. Transferring the authority to define “agriculture labor and services” to the Secretary of Agriculture, rather than Labor. Ensuring that a suite of additional activities, such as controlled environment agriculture, forestry, aquaculture, and the “harvest” of livestock, would be eligible for the program. Limiting disruptions to the food supply by providing an opportunity for existing unauthorized agricultural workers to gain access to the program if they are otherwise eligible and can meet the requirements (which include background checks and an in-person interview) of the H-2A program. A pathway to citizenship is not included.

The INA requires that the Secretary of Labor ensures H-2A workers do not “adversely affect the wages” of U.S. workers. To enforce this vague requirement, through regulation, the Labor Department establishes an Adverse Effect Wage Rate (AEWR)—the minimum rate an employer must pay an H-2A worker. Because there is limited clarity in the statute, and often because of litigation, farmers have had to endure at least five major revisions to the wage rate methodology since 2008. Until the most recent rulemaking in 2025, flaws in this methodology, such as establishing the average wage from one year to be the minimum wage required in a subsequent year, resulted in an AEWR that outpaced general inflation by over 70% since 2010. In 2025, a court struck down the 2023 AEWR rule, requiring DOL to publish an Interim Final Rule (IFR) that established a new methodology addressing many of the deficiencies in the prior rulemaking. The IFR also adjusts the wage rate to reflect the free housing farmers are required to provide to H-2A workers, leveling the playing field with domestic workers who do not get that same benefit.

SAWA provides certainty and stability for users of the program by: Codifying the general wage rate methodology of the IFR, which relies on BLS data to ensure the wages are reflective of reality and provide higher wages for work that requires specific skills or experience. Establishing the housing adjustment from the IFR as a daily charge instead of hourly rate, which is fairer to workers that perform more than 40 hours of work per week. Limiting wage rate fluctuations year-over-year to not exceed a 3.5% increase or a 1.5% decrease. Reducing compliance costs by allowing multi-year labor certifications and housing inspections.

The H-2A program requires interacting with Departments of Labor, Homeland Security, and State, and oftentimes also a state workforce agency prior to a worker ever showing up to the jobsite. This fractured administration among agencies—ones that often do not communicate well with one another—frequently results in bureaucratic delays that can cause farmers to miss critical planting or harvest windows, causing significant economic losses. Additionally, onerous requirements, such as separate labor certifications for different dates of need or having to refile a certification just to add new crops or worksites, unnecessarily cost farmers time and money. SAWA streamlines the administration of the H-2A program by: Mandating the creation of an online platform in which all interactions and correspondence between employers, workers, and all relevant agencies can occur in a timely manner. Clarifying the roles of the various federal agencies to prevent duplication of work and consistency in interpretation and implementation of policy and procedures. Providing commonsense flexibilities necessary for the dynamic nature of agricultural production and the diversity of use cases while maintaining strong, rules-based standards.

AFBF: “The Use of the H-2A Program Continues to Accelerate”

As farmers across the country struggle with a domestic labor shortage, use of the H-2A temporary agricultural worker program continues to grow. With over a quarter million positions certified through the first half of fiscal year 2026 (October 2025–March 2026), the program is already tracking well ahead of every prior first half on record and on pace to surpass last year’s total.

Annual H-2A certifications have climbed in every fiscal year since 2012, with the first half of fiscal year 2026 already outpacing the entire first half of every prior year. Growth in H-2A job certifications was slower in fiscal years 2023 and 2024, which can be partially attributed to a costly 2023 disaggregation rule that required farmers to break job duties into separate applications and pay employees for jobs they might not always perform. The rule was vacated by a federal court in August 2025, leading to a sharp acceleration in demand for authorized workers via the H-2A guest worker program.

The second quarter of fiscal year 2026 had 192,000 positions certified, a 20.5% jump over the second quarter of fiscal year 2025 (159,554) and the highest single-quarter jump on record. Quarter one of fiscal year 2026 also posted a gain, reaching 62,367 — up 7.1% from the first quarter of fiscal year 2025. Together, the first half of fiscal year 2026 totals 254,688 certified positions, a 16.9% increase over the same period last year and 19.2% above fiscal year 2024’s first half. The certification rate has held steady throughout, with 97.6% of requested positions receiving approval in the second quarter of 2026, consistent with the 97%+ rate seen in every year since 2021.

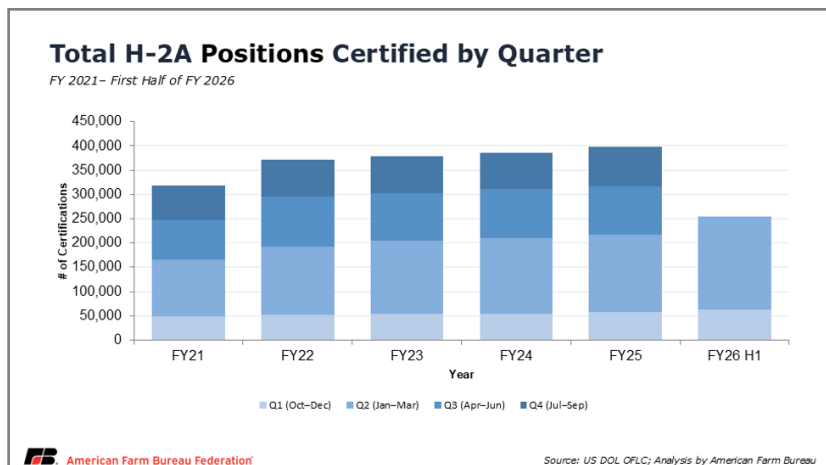
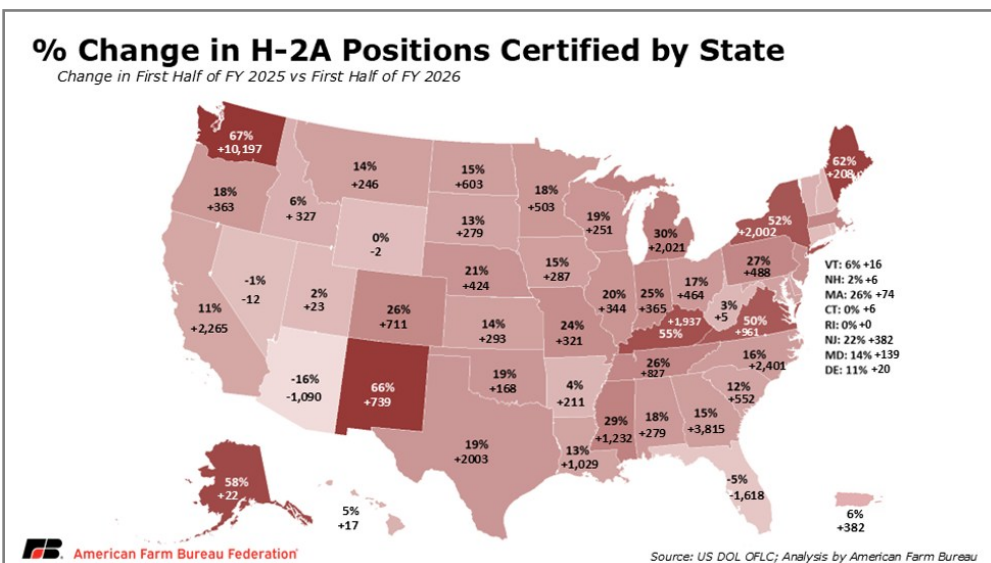
The growth story is not confined to any one region. As the state-level map illustrates, the vast majority of states posted positive first-half changes from fiscal year 2025 to fiscal year 2026, with an overall average national increase of 5.7%. While a handful of states in the Southeast and along the West Coast saw modest declines, 43 of 50 states expanded their H-2A use during the first half of fiscal year 2026.

Among the states with the highest totals of certified H-2A positions, Washington posted one of the most striking gains, with first-half certifications rising 67.2% year-over-year, from 15,171 in the first half of fiscal year 2025 to 25,368 in the first half of fiscal year 2026. Georgia also had strong growth (+15.3%), while Florida, despite remaining the top state in overall certifications, posted a modest first-half-of-the-year decline of 5.1%. Florida’s pattern, however, is consistent with prior years: its certifications are heavily weighted toward the third and fourth quarters, when peak harvest labor is concentrated, making first-half-of-the-year comparisons less representative of its full-year trajectory. Through the first half of fiscal year 2026, Florida had certified 30,044 positions, already 52.8% of its full fiscal year 2025 total of 56,934.

Florida, Georgia, Washington, California and North Carolina continue to account for a disproportionate share of total H-2A activity. These five states together certified nearly 125,000 positions in the first half of fiscal year 2026, representing just under half of the national total.

Another potential explanation for increased program utilization is the Department of Labor’s Interim Final Rule that went into effect in October 2025. The rule allows employers to pay their H-2A employees under a dual-tiered wage structure and to deduct the costs of guestworker housing and transportation from the workers’ hourly wages. As a result of the rule, H-2A employers in most states saw

a decline in the federally mandated Adverse Effect Wage Rate for their temporary farm employees.



Information on New World Screwworm (NWS) from USDA APHIS

The first domestic case of New World Screwworm was confirmed on June 3, 2026. Several more cases have since been confirmed. Please check the dashboard below (which is maintained by USDA’s Animal and Plant Health Inspection Service) for the latest information. The U.S. southern border remains closed for live cattle trade. The import of live cattle and equines from Mexico was suspended on July 9, 2025.

The dashboard below is designed to provide a current snapshot of confirmed New World screwworm animal and wild fly detections in the U.S. The USDA APHIS is fully prepared to respond to detections, and we work closely with our State partners on surveillance, reporting, and control efforts. The dashboard captures individual animal cases by county and state, animal type and species, confirmation date, and status. Active animal cases are those that involve ongoing disease mitigation efforts on the individual animal until it is free of NWS myiasis, including treatment and wound management of the infested animal. Inactive animal cases refer to situations where mitigation activities are no longer required on that animal. Either the animal has fully recovered, with myiasis resolved and treatment completed, or appropriate measures have been taken to prevent the spread of NWS, such as appropriate carcass management of a deceased infested animal.

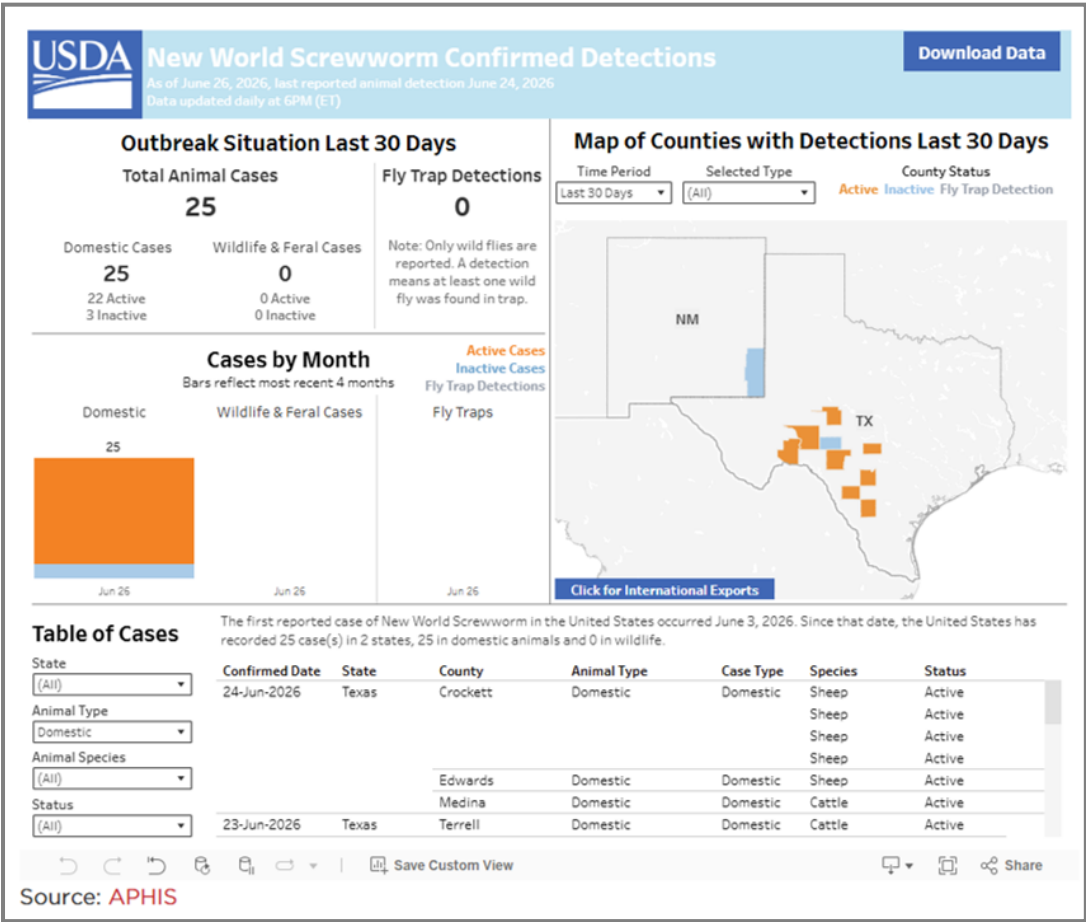
While individual animal cases may be changed to an inactive status, there may still be active infested zones in those areas until additional conditions are met for infested zone release. Please see the individual state websites to view active infested and surveillance zones or contact the State Animal Health Official’s office directly to confirm zone status.

The dashboard also captures fly traps with at least one NWS wild fly detected by county/State and confirmation date. This dashboard is not intended to support international trade. Additional surveillance for international and bilateral trading partners may be necessary both prior to and after the release of the Infested Zone.

Since 2023, an outbreak of NWS has moved northward from Central America into Mexico, primarily infecting livestock, pets, and wildlife, which transfer the fly larvae as they travel. Flies do not move long distances by themselves, but rather use animal hosts as a vector. This becomes extremely important when attempting to mitigate the transmission of flies to other areas of the US. The first case of NWS in the US was identified in cattle in Texas on June 3. Just five days later, on June 8, the fly was identified on a dog in New Mexico, although the recent travel history of the animal is unknown and the infestation was identified in the animal by a Texas vet. The same day an infestation was also identified in a Texas goat. The rapid movement between species highlights how quickly this parasite can spread and the importance of vigilant monitoring.

Cattle prices remain historically strong, but USDA’s June outlook adds a new border-region concern after New World screwworm was confirmed in a Texas calf. The USDA says known cases have not changed the national cattle supply situation. The report says supplies remain tight, and cattle moving from farms to feedlots are not expected to be greatly affected at the national level. The 2026 beef production forecast is lowered by 110 million pounds from May to 25.438 billion pounds. Slower slaughter through early June is the main reason for the reduction. Slaughter steer prices are forecast at \$250.16 per hundredweight for 2026. Feeder steer prices are lowered to \$375.22, reflecting recent Oklahoma City price data. The biggest near-term risk is regional cost. Southern border producers may face added time, surveillance, treatment, and movement-compliance expenses.

<https://www.aphis.usda.gov/animals/animal-health/livestock-and-poultry-disease/current-status/us-confirmed-cases-new-world>



Crop Market Situation for the 2025/26 Marketing Year

The information that is presented in this market update reflects current information as of July 1, 2026.

Corn

December corn rose 6 cents to \$4.36, nearer the daily high and hit another contract low early on. The corn futures market today saw corrective buying following a batch of USDA data that contained no big, bearish surprises and leaned a bit friendly on U.S. stocks. But the bearish 800-pound gorilla in the trading room remains generally very good growing weather over most of the Midwest.

USDA data released today showed there were still 1.90 million acres of U.S. corn left to be planted at the time of its survey. The agency estimated U.S. corn plantings at 95.343 million acres, up 5,000 acres from March intentions and 351,000 acres more than analysts expected. Meantime, the quarterly grain stocks report showed June 1 U.S. corn stocks in all positions totaled 5.29 billion bushels, up 652 million bu. (14%) from year-ago but were 113 million bu. below the average pre-report estimate.

Technical analysis: Corn market bears have the solid overall near-term technical advantage. However, today's technically bullish "key reversal" is one chart clue that the market has put in a near-term bottom. It must be noted, however, that December corn last week also produced a bullish key reversal up—and prices sunk still lower. A price downtrend remains in place on the daily bar chart. The next upside price objective for the bulls is to close December prices above solid chart resistance at \$4.50. The next downside target for the bears is closing prices below chart support at \$4.00. First resistance is seen at \$4.40 and then at today's high of \$4.42 1/2. First support is seen at today's contract low of \$4.25 3/4 and then at \$4.20.

Soybeans

The Soybean Price action: November soybeans rose 4 3/4 cents to \$11.43 3/4, near mid-range after hitting a two-week low early on. September soybean meal rose \$0.60 to \$301.90, near mid-range after hitting a nine-month low early on. September soybean oil fell 160 points to 66.44 cents, nearer the daily low and hit a nine-week low. The soybean complex saw short covering following a mostly neutral batch of fresh USDA data. Price gains were again limited by growing weather in the Midwest that remains overall non-threatening, despite a heat some presently stationed over much of the Corn Belt. That heat dome is not expected to last and rain chances are good into the extended forecast for the region. The USDA data showed there were still 8.05 million acres of soybeans left to be planted at the time of its acreage survey. USDA estimated U.S. soybean plantings at 85.365 million acres, up 665,000 acres from March intentions and 4,000 acres less than analysts expected. Meanwhile, June 1 U.S. soybean stocks stored in all positions totaled 1.06 billion bushels, up 54 million bu. (5%) from year ago and 15 million bu. above trade expectations.

Technical analysis: The soybean bulls and bears are on a level overall near-term technical playing field. The next near-term upside technical objective for the soybean bulls is closing November prices above solid resistance at \$11.75. The next downside price objective for the bears is closing prices below solid technical support at \$11.00. First resistance is seen at \$11.50 and then at last week's high of \$11.60 1/4. First support is seen at \$11.30 and then at the June low of \$11.21 3/4.

Cotton

Cotton futures ended modestly higher: July settled up 22 points to 72.22, and most-active December was up 35 points to 76.80, after trading a range of 76.34 to 77.46. The market lacks near-term direction and is in a sideways pattern. Strong support for December futures is in the 75.20 area, while bulls want to make a run at the 80.40 to 80.50 area. Cotton futures were higher even though USDA estimated all-cotton planted acreage at 9.850 million, up from the March intentions of 9.640 million, with the trade on average expecting little change in plantings. The market had support from Monday's drop in cotton crop condition ratings. Cotton futures saw another tepid corrective bounce today. Gains in the U.S. stock indexes today were mildly positive for cotton. Monday afternoon's weekly USDA crop progress reports showed the U.S. cotton crop in 16% poor to very poor condition, 36% fair condition and 48% good to excellent condition as of Sunday. The U.S. cotton crop was 97% planted, 37% squaring and 9% setting pods as of Sunday.

Technical analysis: December cotton futures bears have the near-term technical advantage. Prices are still in a downtrend on the daily bar chart. The next upside price objective for the cotton bulls is to produce a close in December futures above technical resistance at 80.47 cents. The next downside price objective for the cotton bears is to close prices below solid technical support at the June low of 75.17 cents. First resistance is seen at 78.00 cents and then at 79.00 cents. First support is seen at last week's low of 75.50 cents and then at 75.17 cents.

Rice

Rice futures tumbled despite a bullish USDA acreage report. July rice was down 39.5 cents to \$12.82. Most-active September rice was down 42 cents to \$13.29, after trading a range of \$13.04 to \$13.91. USDA pegged all-rice plantings at 2.017 million acres, down from March intentions of 2.319 million and below all trade estimates, which averaged 2.370 million acres. June 1 rough rice stocks came in at 74.8 million hundredweight, up from 69.7 million on June 1, 2025, while milled rice stocks totaled 5.9 million hundredweight, down slightly from 6.09 million a year earlier.

In-depth Crop Market Update (cont.)

The information that is presented in this market update reflects current information as of July 1, 2026.

Sugar

The USDA in the June 30 Acreage report lowered its 2026 sugar beet lanted area estimates from both the March Prospective Plantings report and from 2025, with harvest area also forecast lower. Sugar cane harvested area in 2026 was forecast up slightly from 2025.

Total US sugar beet planted area was estimated at 1,0330,000 acres, down 30,000 acres, or 2.8%, from the March 31 planting intentions report and down 46,000 acres, or 4.3%, from 1,079,000 acres planted in 2025. Of the 11 reporting states, 6 showed decreases from the March intentions, 3 showed increases, 1 (Washington) was unchanged and 1 (California) did not show any acres planted to sugar beets due to the closing of the Southern Minnesota Beet Sugar Cooperative's Spreckles Sugar Co. beet processing factory in Brawley, Calif. The state with the largest acreage drops from March was Nebraska at 13,000 acres. Additional declines from March included Colorado (down 7,000 acres), Idaho (down 6,000 acres), Michigan (down 3,000 acres), North Dakota (down 7,000 acres) and Wyoming (down 3,000 acres). States with increases from March included Minnesota (up 6,000 acres), Montana (up 2,000 acres) and Oregon (up 1,000 acres).

Total sugar beet harvested area in 2026 was forecast at 1,011,400 acres, down 48,400 acres, or 4.6%, from 1,059,800 acres harvest in 2025 and down 74,100 acres, or 6.8%, from 1,085,500 acres harvested in 2024.

U.S. Sugar Supply and Use 1/				
	2024/25	2025/26 Est.	2026/27 Proj.	2026/27 Proj.
			May	Jun
	1,000 Short Tons, Raw Value			
Beginning Stocks	2,220	2,490	1,992	1,851
Production 2/	9,397	9,223	8,810	9,063
Beet Sugar	5,370	5,009	4,722	4,939
Cane Sugar	4,027	4,214	4,088	4,125
Florida	1,932	1,983	1,942	1,979
Louisiana	2,095	2,232	2,146	2,146
Texas	0	0	0	0
Imports	3,393	2,653	3,260	3,260
TRQ 3/	1,534	1,316	1,422	1,422
Other Program 4/	373	300	300	300
Non-program	1,485	1,037	1,538	1,538
Mexico	504	220	1,046	1,046
High-tier tariff/other	980	817	492	492
Total Supply	15,009	14,366	14,062	14,174
Exports	111	25	25	25
Deliveries	12,450	12,490	12,364	12,490
Food	12,340	12,385	12,259	12,385
Other 5/	111	105	105	105
Miscellaneous	-41	0	0	0
Total Use	12,520	12,515	12,389	12,515
Ending Stocks	2,490	1,851	1,673	1,660
Stocks to Use Ratio	19.9	14.8	13.5	13.3

1/ Fiscal years beginning Oct 1. Data and projections correspond to category components from "Sweetener Market Data" (SMD). 2/ Production projections for 2025/26 and 2026/27 are based on Crop Production and/or processor projections/industry data and/or sugar ICEC analysis where appropriate. 3/ For 2025/26, WTO raw sugar TRQ shortfall (144) and for 2026/27 (94). 4/ Composed of sugar under the re-export and polyhydric alcohol programs. 5/ Transfers accompanying deliveries for sugar-containing products to be exported (SCP) and polyhydric alcohol manufacture (POLY), and deliveries for livestock feed and ethanol. Total refiner license transfers for SCP and POLY inclusive of WASDE-reported deliveries: 2024/25 -- 300; estimated 2025/26 -- 296; projected 2026/27 -- 295.

Sugar cane harvested area in 2026 was forecast at 956,000 acres, up 10,000 acres, or 1.1%, from 946,000 acres in 2025. The 1,000 acre decrease in Florida was offset by the 11,000-acre increase in Louisiana. Since sugar cane is a multi-year crop, the USDA does not issue planted area estimates.

New York world raw sugar futures closed narrowly mixed, settling 0.05¢ a lb higher to 0.03¢ lower. Trading volume was moderate in October 2026 and lighter in all other months. Spot July expired today. Concerns about the record heat wave in Europe and stress from the El Niño weather system impacting sugar-producing areas in India and Thailand continued to underpin the market. Meteorological reports in India indicated the world's second-largest sugar producer had its fifth-driest June since records began in 1901.

From the June WASDE report, beet sugar production for 2026/27 is projected at 4.939 million short tons, raw value (STRV), an increase of 217,100 over last month. Area harvested at 1.038 million acres is unchanged from last month, but national yield is increased to 31.94 tons/acre, up from 30.21 tons last month, on the basis of more area planted before midMay than projected last month. Based on processors' estimates, sugar from desugared molasses is projected at 400,000 STRV, an increase of 25,000 STRV and beet shrink is increased to 8.12 percent Florida cane sugar production is increased 36,800 STRV to 1.979 million on processors' reassessment of the effect of the February freeze on sugarcane yield and on good growing conditions this spring. Louisiana cane sugar production is unchanged. Imports at 3.260 million STRV are unchanged from last month. Deliveries for human consumption are increased 125,500 STRV to 12.385 million in line with an increase made to deliveries in 2025/26. For 2025/26, deliveries were increased based on stronger domestic deliveries and direct consumption imports during the first 7 months of the fiscal year than originally forecast. Ending stocks are residually projected at 1.660 million STRV for an ending stocks-to-use ratio of 13.26 percent.

Advancing Regenerative Agriculture

On the heels of President Trump signing an Executive Order advancing regenerative agriculture, USDA Secretary Brooke Rollins simultaneously announced a final Regenerative Feedstock Rule, a landmark action that will help farmers voluntarily capture new value from regenerative agricultural practices through biofuel markets.

The announcement builds upon President Trump’s historic record of support for American agriculture and domestic biofuels. From delivering nationwide year-round E15, establishing the highest Renewable Volume Obligations in American history, and extending the 45Z Clean Fuel Production Credit through the Working Families Tax Cuts Act, the Trump Administration has consistently expanded markets for America’s farmers while strengthening U.S. energy independence. Today’s Executive Order and USDA’s Regenerative Feedstock Rule provide the next critical step by ensuring producers have a practical pathway to benefit from those expanding markets.

Together, President Trump’s Executive Order and USDA’s Regenerative Feedstock Rule represent the most significant market-driven effort ever undertaken to reward America’s farmers for voluntarily implementing regenerative practices while producing the crops that fuel America’s growing bioeconomy.

The Regenerative Feedstock Rule establishes a framework to connect regenerative agriculture practices to new markets within the biofuel supply chain for corn, soybeans, sorghum, and spring canola. These standards include: covered biofuel feedstock crops and participating entities throughout the supply chain; field-level quantification of crop-specific carbon intensity; mass balance chain-of-custody standards, including traceability and recordkeeping; auditing and verification requirements; and regenerative agriculture practice standards for covered feedstock crops.

USDA is also releasing an updated USDA Feedstock Carbon Intensity Calculator (USDA FD-CIC) to help producers quantify regenerative practices such as cover crops, and improved nutrient management, and conservation tillage—including no-till and reduced tillage. The tool quantifies carbon intensities (CI), in grams of carbon dioxide equivalents per bushel (g CO₂e/bu), for four domestic feedstock crops: field corn, soybeans, sorghum, and spring canola. The USDA FD-CIC feedstock CIs reflect the impact of specified regenerative practices used during crop production. The tool estimates GHG emissions of feedstock production. Feedstock emissions sources vary in USDA FD-CIC depending on farming practices employed and include soil organic carbon (SOC) sequestration and nitrous oxide (N₂O) emissions.

The new framework creates significant opportunities for America’s leading biofuel feedstock producers. American farmers currently produce approximately 6 billion bushels of corn used annually for ethanol production, with 68 percent of corn farmers already implementing at least one regenerative practice. Likewise, producers grow approximately 1.8 billion bushels of soybeans for biofuel production, while 70 percent of soybean farmers already utilize at least one regenerative practice. As participation grows, USDA expects the rule to expand premium market opportunities for producers across the country.

The Regenerative Feedstock Rule supports President Trump’s broader agenda to strengthen rural America by expanding domestic markets, promoting American energy dominance, reducing regulatory burdens, encouraging regenerative agriculture, and ensuring America’s farmers remain the most productive and competitive in the world.

These actions build on USDA’s Regenerative Pilot Program that provided \$700 million to help American farmers adopt practices that improve soil health, enhance water quality, and boost long-term productivity, all while strengthening America’s food and fiber supply. Under this pilot USDA has already completed over 67,000 whole farm conservation plans, covering more than 49 million acres and over 1,500 conservation contracts worth more than \$200 million.

<https://www.usda.gov/usda-fdcic>

Date:	6/18/2020	
Crop to Model:	Corn	
Number of Management Units to Model:	1	
Management Unit Name (optional):	MU #1	
Location - State:	IA	
Location - County:	Buchanan	
Management Unit Size (acres):	160	
Actual average yield per acre (bushels/acre):	225	
Expected yield per acre (bushels/acre):	210	
Total Synthetic N Applied Per Acre (lbs/acre):	250	
(click to navigate to terms (Glossary))		
Management Practices	No cover crop	
1) Cover Crop	None of the above	
2) Tillage Practice	None of the above	
3) Percent of synthetic N receiving Nitrification Inhibitors (0%-100%)	0%	
4) Applied Manure	N content guidance	
4.1) Manure applied, Type 1	None	
Amount of type 1 manure applied (1,000 gal/acre or tons/acre):	0	
N content of type 1 manure (lbs/ton or lbs/1,000 gal):	0	
4.2) Manure applied, Type 2	None	
Amount of type 2 manure applied (1,000 gal/acre or tons/acre):	0	
N content of type 2 manure (lbs/ton or lbs/1,000 gal):	0	
4.3) Manure applied, Type 3	None	
Amount of type 3 manure applied (1,000 gal/acre or tons/acre):	0	
N content of type 3 manure (lbs/ton or lbs/1,000 gal):	0	
(click to navigate to terms (Glossary))		
Results (g CO ₂ e/bushel)	MU #1	Estimated National Average
Corn Carbon Intensity (CI) Score (g CO ₂ e/bushel)	6,690	6,031
Carbon Intensity Score Elements (g CO ₂ e/bushel)		
Emissions from manufacture and transportation of N fertilizer	1,462	1,286
Soil carbon emissions/removals	0	N/A
Total N ₂ O emissions	3,359	2,918
Emissions from on-farm energy consumption	818	818
Emissions from manufacture and transportation of other chemicals	472	472
CO ₂ emissions from urea/lime	569	537
(click to navigate to terms (Glossary))		
CI score relative to estimated national average:		
% change in g CO ₂ e/bushel	10.9%	0.0%
Absolute change in g CO ₂ e/bushel	659	0

Newsletter Information

A group of growers inquired about a quarterly newsletter being delivered to them containing relevant market news and agricultural policy events. As a result, this publication is delivered electronically per a quarterly release schedule. Please contact Dr. Mike Deliberto at mdeliberto@agcenter.lsu.edu to be added to the email distribution list. As always, subscription is free of charge.

QUARTER	Reporting Period	Release Date
1	January 1 through March 31	April 15
2	April 1 through June 30	July 15
3	July 1 through September 30	October 15
4	October 1 through December 31	January 15

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