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A weekly Cornbelt digest of marketing, economic, agronomic, and management information.

Commodity market price drivers—

- **USDA adjusted its supply and demand estimates** last Tuesday in the [December WASDE report](#), at least for corn carryout. This month’s 2024/25 U.S. corn outlook is for greater corn used for ethanol, larger exports, and lower ending stocks. Corn used to produce ethanol is raised 50 mil. bu. to 5.5 bil., based on the most recent data from the Grain Crushings and Co-Products Production report and weekly ethanol production data as reported by the Energy Information Administration for the month of November. These data imply corn used for ethanol during the September to November quarter was the highest since 2017. Corn exports are raised 150 mil. bu. to 2.5 bil. reflecting the pace of sales and shipments to date. With no other use changes, corn ending stocks are reduced 200 mil. bu. to 1.7 bil. The season-average corn price received by producers is unchanged at \$4.10 per bu.

U.S. Corn Supply and Demand

Item	2023/2024 estimate	2024/2025 forecast	Change from November 8	Change from 2023/2024
Planted area (million acres)	94.6	90.7	--	-3.9
Harvested area (million acres)	86.5	82.7	--	-3.8
Yield (bushels per acre)	177.3	183.1	--	5.7
----- Million bushels -----				
Beginning stocks	1,360	1,760	--	400
Production	15,341	15,143	--	-198
Imports	28	25	--	-3
Total supply	16,729	16,928	--	199
Feed and residual	5,807	5,825	--	18
Food, seed, and industrial	6,869	6,890	50	21
Ethanol	5,478	5,500	50	22
Domestic use	12,676	12,715	50	39
Exports	2,292	2,475	150	183
Total use	14,969	15,190	200	221
Ending stocks	1,760	1,738	-200	-22
----- Percent -----				
Stocks to use ratio	11.8	11.4	-1.5	-0.3
----- Dollars per bushel -----				
Average market price	4.55	4.10	--	-0.45

- **Typically, the December World Ag Supply and Demand Estimates** report is a yawner with little movement expected. But that was not the case on Tuesday. Mike Zuzolo of Global Commodity Analytics said observers this time were watching for reaction to the tariff talk by President-elect Trump. Zuzolo says the ending corn ratio shows improvement, but that was not the case across the board, "I think the corn report was supportive enough on the export increase and the world numbers tightening up. Interesting to note that we went below 24% stocks-to-use ratios globally in corn with the December WASDE numbers that takes you down to the lowest since 2013 when it was about 22.5%. So, we've got world corn and world wheat stocks down when you look at it from the demand perspective and the leftover supply. Beans, however, still sitting with a record high ending stocks number globally." The December WASDE does have livestock ratios following corn, "Kind of like the corn we fed the supply bowl in the corn. It made sense. We were at a 6-month high in corn when everything was said and done in the corn trade on Tuesday. Similarly, in the fat cattle, the USDA jumped the 2025 steer price to \$191, and that was about a \$3 increase from their prior month. And I believe that was the second month in a row they've increased the steer price for 2025 and so that, I think, opened up the door to longs feeling comfortable in their positions right now." Zuzolo says the WASDE is just the first of 3 potential price mover reports this week, "The WASDE report, the Federal Reserve on Wednesday, and their update on their policy. And then probably the most important, believe it or not of all is whether China comes in and improves their economic outlook by stimulating their economy more, and that's especially important in the copper market, in the crude oil market, and I would say the wheat market. Those 3, in my opinion, have been hung down and been trapped by fears that China's economy is only getting worse, and, their inflation data suggests that with their PPI numbers that came out earlier this week, at either a 26th or 28th straight month of negative reading." (NAFB News Service)
- **Looking ahead to the 2025 growing season**, is there a chance of a rebound in commodity prices? Joe Janzen, IL Farmdoc ag economist, says it's going to take something significant to move the markets higher. One thing that likely won't help is a possible increase in corn acreage next year, "Do we expect to see a swing back to corn acres and away from beans? Slightly. Current USDA numbers are a national planted acreage number of 92 mil. acres in the US for corn next year, in 2025. That is, you know where the market's at right now, and maybe buying a few more corn acres relative to beans." Recent projections show a season-average corn price of \$3.90 a bu. at 92 mil. acres and \$10.80 for soybeans at 86 mil. acres. Janzen says that's where USDA is predicting a bit more strength in the soybean market, "That's sort of where I think USDA is projecting maybe a little bit more strength in soybean prices, over time, is a pullback in acreage relative to what we saw in 2024. If we see the soybean market more well supplied, I think there's room to move down from USDA expectations, at least for soybean prices, I consider sort of \$4 corn and \$10 beans to be sort of my long-run numbers." His research shows that marketing ahead of harvest is rarely a bad idea, "We see a lot of farms avoiding pre-harvest grain marketing, and there is sort of a seasonal tendency for prices to be higher, on average, prior to harvest than they are at harvest. There's a benefit to conducting some pre-harvest marketing. We see a significant number of farms - this is not sort of universally true - but a significant number of farms that don't do much pre-harvest marketing at all. I think that's a missed opportunity" (WILL)

- **What is the financial well-being** of farm operator households? That question is answered in [USDA's latest economic analysis of farms and ranches](#). "As in previous years, the median total income of all U.S. family farm households (\$97,984) was greater in 2023 than the median income of all U.S. households (\$80,610). Median farm household income in 2023 also exceeded the previous 10-year average of \$95,025 (adjusted for inflation).

- ✓ Median total farm household annual income varied across farm types, with very large family farms having the largest median household income at more than \$1.02 mil. compared with low-sales family farm households at \$58,300. Low-sales and retirement farm households (\$78,200) had median household incomes below all U.S. households (\$80,610) and also below U.S. households with self-employment income (\$104,949).

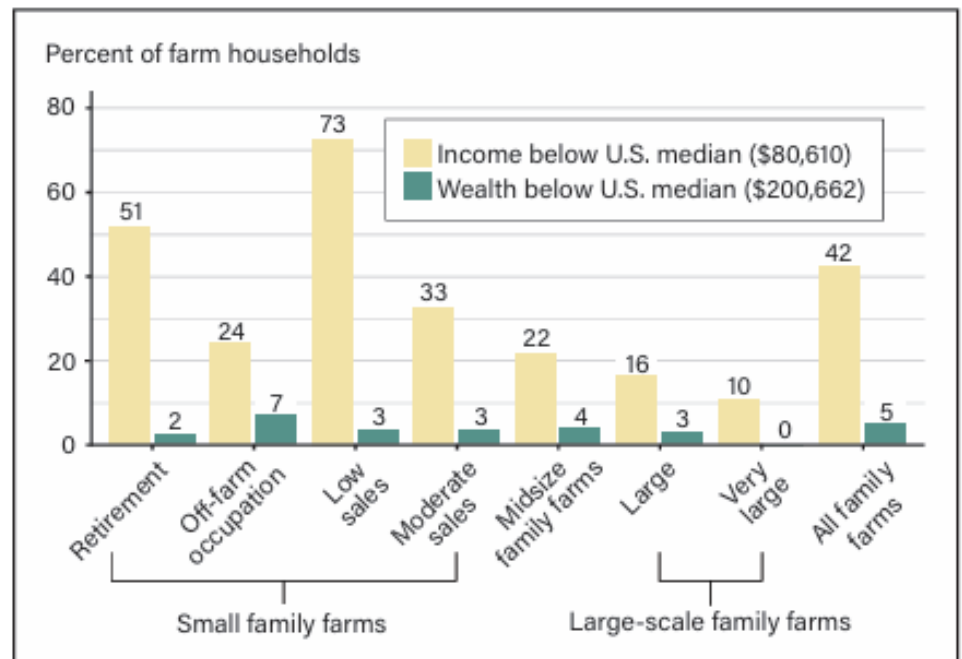
- ✓ The percentage of family farm households with income below the U.S. median income level varied from 10 to 73%, depending on the type of farm.

- ✓ Most family farm households had higher wealth than the median household in the United States (95%). The share of family farm households that had wealth below the median of all U.S. households ranged from less than 1 – 7%, depending on the type of farm.

- ✓ Median total household wealth for family farm households in 2023 was \$1.44 mil., which exceeded the previous 10-year average, adjusted for inflation, of \$1.16 mil. Within each type of family farm median total household wealth was higher than that for all U.S. households (\$0.20 mil.) and self-employed U.S. households (\$0.46 mil.). The value of land comprises the largest share of most farm households' wealth.

- ✓ Operators of small family farms, especially off-farm occupation and low sales farms, often reported losses from farming. In 2023, the average farm income among off-farm occupation farm households was -\$3,700, and among low-sales farm households, it was -\$5,700.

Share of principal operator households with income and wealth below the U.S. median by farm type, 2023



Agronomy—

- **Monarch butterflies have become a lightning bolt** for agriculture. The [US Fish and Wildlife Service](#) has proposed putting them on the endangered species Act. The Service is seeking public input on a proposal to list the species as threatened with species-specific protections and flexibilities to encourage conservation under section 4(d) of the Endangered Species Act (ESA). Public comments will be accepted on the proposal until March 12, 2025. The Service will then evaluate the comments and any additional information on the species and determine whether to list the monarch butterfly. Today, the eastern migratory population is estimated to have declined by approximately 80%. The western migratory population has declined by more than 95% since the 1980s, putting the western populations at greater than 99% chance of extinction by 2080. During this same period, the probability of extinction for eastern monarchs' ranges from 56 to 74%, according to the Service's most recent species status assessment.
- **Kraig McPeek, who heads the USFW office at Moline**, spoke Friday to a meeting of IL Crop Consultants, not only about Monarch butterflies, but also about the Endangered Species Act, which he says may not impact farmers as much as they have been led to believe. [His comments are in this short video.](#)
- **How did your 2024 corn yield compare to the NCGA contest winners?** All the participants delivered outstanding yields, again showing the resilience and ingenuity that define U.S. agriculture, says the National Corn Growers Assn. The contest saw almost 7,800 entries from farmers in 45 states. Entrants across the 10 production categories had yields averaging 284 bu. per acre. The highest yield for 2024 came from Charles City, VA, where David Hula produced 490.62 bu. per acre.



He entered the Class H category (strip-till, irrigated). IL had 2 winners in the top 25, who will be recognized at Commodity Classic. Troy Uphoff (right) of Findlay, in Moultrie Co. has been among the top yield producers for several years. So how does he do it? [He provides insight in this short video.](#) Troy is a long time protégé of Univ. of IL crop physiologist [Fred Below, who shared his insights about Troy's successes in this short video.](#) Fred, who said rain at

the proper time was possibly the most important aspect of the Uphoff victory. While they were not in the top 3 nationally, 2 other members of the Uphoff family, Trent and Tony produced high enough yields to be in the top 3 in their respective categories, even with different agronomics and seed. (So weather was important, and none of the 3 had any irrigation.)

Agri-Politics --

- **Congress has yet to release or vote** on a year-end legislation package. While recent negotiations have included funding for the federal government, a Farm Bill extension, economic assistance for agriculture producers and natural disaster recovery aid, Congressional leadership has signaled that the package does not currently include economic assistance.
- ✓ **Ken Hartman, president of the National Corn Growers Association**, said, "We are deeply disappointed that congressional leadership appears to be at an impasse over crucial economic assistance for farmers in an end-of-the-year legislative package." [Hartman](#) said, "Corn growers are faced with low prices and high input costs and economic aid would provide them with critical relief during challenging economic times. While these developments are disheartening, we call on Congress to resume negotiations and pass legislation that includes economic assistance while there is still time."
- ✓ **Caleb Ragland, president of the American Soybean Association**, said, "We urge congressional leadership to return to the negotiating table and find a path forward. A package that does not include both economic and disaster assistance for our farmers who have suffered significantly from unforgiving market conditions, disastrous weather phenomena and for many, a combination of both, simply does not meet the mark for what agriculture and specifically, our soy growers, need. We will oppose any supplemental spending package that does not provide meaningful assistance to farmers who need help now to stay afloat in 2025 and beyond."
- ✓ **The politics are holding up any assistance to farmers.** The Democrats have taken \$10 bil. from the Inflation Reduction Act which has not been spent, but it has the Biden signature on the bill, and the Republicans want to spend that money for unspecified uses. Sen. Stabenow's staff found a way to move the conservation dollars from the Inflation Reduction Act (IRA) into the baseline for the Farm Bill. It would generate a 1-time savings of \$10.7 bil., the Congressional Budget Office concluded," [DTN reported](#). "I said, let's take the majority of that and put that into a package for farmers immediately," Stabenow told DTN. "This would go out before the 2025 planting season. It would go out right away." But [Politico reports](#), Speaker "Johnson's team told Republicans Tuesday that the majority of the GOP conference doesn't support incorporating IRA dollars into the Farm Bill baseline and instead pushed for alternatives, the people said. Key House GOP leaders have argued such a move is solely Democratic priority, even though agriculture lawmakers on both sides of the aisle generally support it. But ultraconservatives and other Republicans are trying to outright cut those IRA dollars and block any additional federal spending." Politico reported on Wednesday that Speaker Mike Johnson opposes using the IRA money in a 1-year extension of the Farm Bill. Johnson has told agricultural leaders that a majority of the Republican caucus in the House opposes taking the IRA money to beef up the Farm Bill and provide aid money to farmers. Johnson instead wants a "clean" 1-year extension of the Farm Bill with no added economic support to producers.

- ✓ **A different \$10 bil.** from unannounced sources, has been promoted by [Sen. John Boozman, R-AR](#), and [Rep. Trent Kelly, R-MS](#). The Kelly plan is called the Farmer Assistance and Revenue Mitigation Act of 2024 (FARM Act). It would provide \$9.8 bil. in 'economic assistance' for farmers, including \$8.8 bil. in payments to producers for crop year 2024. (Some \$785 mil. would be distributed to IL farmers.) Another \$1 bil. would pay for reimbursing 15% of premiums and fees paid for crop insurance and NAP coverage." Kelly has been unable to get a House vote on his measure, even with bi-partisan support. Boozman is trying to promote it in the Senate.
- ✓ **American Farm Bureau President Zippy Duvall** expressed disappointment that Congress appears to turn a blind eye to the agricultural recession in its year-end supplemental legislation. Duvall calls on farm state members to oppose the bill if economic aid for farmers is missing. Nearly 80% of Americans believe lawmakers should prioritize legislation that supports farmers and ranchers so it's just plain unacceptable that our elected leaders are considering putting politics first. I hope reasonable members of Congress take a stand for the good folks who stock their pantries."

- **Incoming Senate Majority Leader John Thune** (left) vows to kick-start legislative action on farm and other legislation next year as the GOP takes the helm in the new Congress. Thune complains the Senate has done little this Congress, starting with USDA and other spending bills, "Eleven of the 12 were reported out of the Appropriations Committee last summer, available for floor consideration. We could have had them on the floor, but, like everything else, that's languished. A Farm Bill expired. A lot of farmers and ranchers out there, wondering what's going to happen with no Farm Bill." Supplemental disaster aid, another mention, was still being discussed as farmers struggle to recover from storms, drought, and low crop prices. Outgoing Senate Majority Leader Chuck Schumer (right) spent much of the year focused on court nominations and reproductive issues, leaving spending decisions for last and another stopgap continuing resolution, "We're trying to get the CR to go as long as possible. I think it will land somewhere in the middle of March." Thune vows to change things next year, "But the one thing I can tell you about next year is it's going to be different. The American people, I can tell you, this is not, that the way the Senate is operating today is not the way it's going to be operating in the future. We aim to fix that." Thune has already released an intense schedule with the Senate in session for 10 straight weeks to start the new year and 5 days a week most of the year. In addition to a Farm Bill and spending bills, the new majority plans to address border, defense, and energy priorities, and important to agriculture, a tax bill. (Berns Bureau)



Farm Organizations and Check-off Groups—

- **The United Soybean Board** continues to deliver economic returns to U.S. soybean farmers through strategic investment. That's despite a challenging economic landscape of low commodity prices and tight margins. This remains critical to ensure farmers receive measurable value on-farm and through expanded opportunities. A recent study confirms the soy checkoff's positive return of at least 4.5-1 on investment across the categories of export market development, domestic demand-enhancing research, on-farm production research, and soybean promotion. Cumulatively, soy-checkoff-funded initiatives at the national and state level supported almost 31,000 jobs, added \$2.6 bil. in labor income, contributed \$5.9 bil. in total value and increased the U.S. GDP by \$9.8 bil. "We focus on maximizing the impact of every dollar invested by creating new revenue streams for farmers, building premium markets, and establishing partnerships here and abroad where farmers can see tangible returns," says Phillip Good, USB's Chair of the Audit Committee.
- **The U.S. Grains Council's 2024-2025 Corn Harvest Quality Report** says the 2024 U.S. corn crop is projected to be the third largest on record with the highest 100-kernel weight in the history of the report. The 2024 crop also has lower broken corn and foreign material (BCFM), lower total damage, and lower moisture than in the last 5 years. Favorable growing season conditions contributed to the highest projected average yield on record and promoted good grain quality. The report showed that 89.2% of the 620 yellow corn samples taken from the top 12 corn-producing states in the country met all the grade factor requirements for U.S. No. 1 grade, and 96.2% met the grade factor requirements for U.S. No. 2 grade corn. A test weight of 59.8 pounds per bu. is the largest test weight in the history of this report. The average U.S. aggregate BCFM in 2024 was 0.6%.
- **IL Farm Bureau handed out** truckloads of awards at its Annual Meeting. Hardware was awarded to Rollo Burnett, of Metropolis, Lin Warfel, of Tolono, and Mike Hodge, of Salem, the 2024 Eagle Award for Excellence in recognition of their contributions to the organization and agriculture industry. Warfel, a retired farmer, is recognized for his dedication to agriculture through his involvement and leadership with Champaign County Farm Bureau (CFB). Burnett is recognized for



his exemplary service to Massac CFB and the local agriculture community and organizations as an advocate for agricultural innovation. Burnette has served on the Massac CFB board for 40 years. Hodge has played an integral role at IFB since he started as a manager trainee in 1986 and retiring as IFB executive director of member services and public relations (MSPR). Former IL Farm Bureau President Richard Guebert Jr. (left) was recently named the 2024 recipient of the Charles B. Shuman Distinguished Service Award in recognition of his lifetime of leadership and service in the agriculture industry. Guebert was presented the award during IFB's Annual Meeting in Chicago.

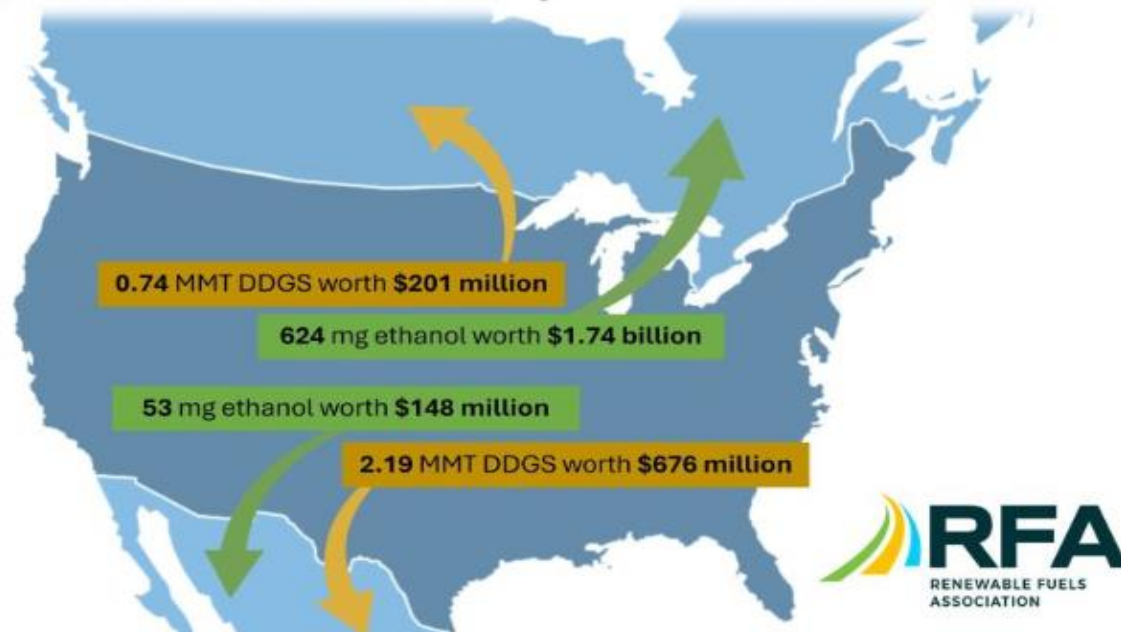
- **IL Farm Bureau and American Farm Bureau** are [continuing their stand-off](#). Battle lines seem to be hard and fast, but no shots were fired in the past week. There was a lot of internal fighting in the IL Farm Bureau camp at its recent Annual Meeting in Chicago. The generals remain, but some of the company commanders were replaced in the wake of the controversy. Both sides are awaiting the outcome of litigation filed by the ILFB against AFBF. And AFBF says it will pause its threat of expulsion until the outcome of the litigation. The fight, which stemmed from Country Financial insurance no longer requiring Farm Bureau memberships of its policy holders has not only financial implications, but also internal issues when it comes to Washington politics and the power of membership numbers.
- **They were not Japanese tourists, but journalists**, if you saw a tour group in IL recently. And they were guests of IL Corn Growers and the Grains Council, which have been working to promote increased exports of ethanol to Japan. The Grains Council, which promotes ethanol to importing nations, said, "As the Japanese government announced its roadmap for ethanol direct blending, we would like to support its policy by sharing the benefits of ethanol to the Japanese public," Tommy Hamamoto, USGC Director in Japan said. "Through the media team visits, the reporters are expected to understand what ethanol is, its benefits and the future potential of it as a green energy source." The media team started their visit in Illinois where they met with university professors, visited a gasoline retailer and chatted with Illinois Corn to learn about U.S. corn and ethanol production. At each visit, the journalists learned about ethanol's role in mitigating global warming and environmental benefits. They also discussed Japan's role as an international market for U.S. corn ethanol. The team gained an understanding of broad uses of corn for food, feed and fuel and future production of U.S. corn and ethanol. Through visiting relevant sites, the team obtained first-hand knowledge about U.S. ethanol production, distribution and uses including corn farms, ethanol plants, gasoline retailers and sustainable aviation fuel manufacturers. The group then travelled to Washington, D.C., where they met with representatives from the National Corn Growers Association, Growth Energy and the Renewable Fuels Association for an open dialogue about the benefits of ethanol and the market opportunities in Japan. The journalists participated in a roundtable discussion with Congressional staff, learned about current government policies and discussed how the U.S. government can enhance U.S. corn ethanol policies. This conversation provided insights into strengthening the U.S. trade relationship with Japan's ethanol industry.
- **Wanted: IL soybean leaders!** The United Soybean Board and the American Soybean Association last week announced their leadership teams for the coming year. But there is an IL drought! Former ASA President Daryl Cates of IL stepped down as chairman of the Board of Directors, along with retiring director Jered Hooker, both from IL. Bryan Severs, who was appointed to the board, is the only IL director from IL. And there is no one on the leadership team from IL at the United Soybean Board. What's wrong with this picture?

Mark Your Calendar—

- **The IL Farmdoc ag economists** will be holding their [Farm Economics Summit](#) for farmers and landowners to navigate the latest economic conditions and policy issues impacting IL agriculture. Speakers will analyze factors shaping farm profitability this year through presentations and Q&A on crop budgets, grain markets, risk management, farm policy, land values, and more. The IL Farmdoc team of experts will provide information and insights to aid with management decisions during this period of financial stress. [Here is the agenda and location alternatives, with links to registration](#). Sessions will be held Monday, December 16, 2024, Mt. Vernon, IL, DoubleTree Hotel. Tuesday, December 17, 2024, Peoria, IL, Par-a-dice Hotel. Wednesday, December 18, 2024, Dekalb, IL, NIU Barsema Alumni & Visitors Center.
- **United Prairie** will be holding its winter meeting January 9 at the I-Hotel in Champaign. Chief agronomist Kyle Meece says he conducted 160 research trials this year. (You'll hear what you want to hear, but not results from all 160.) Kyle provided this overview of his research year in [this 17-min. video](#). To hear his presentation and other speakers, attend the January 9th event. Pre-register before Dec. 27 by calling 217-485-6000. On site registration begins that day at 7:30, with lunch to follow the speakers.
- **The IL Pork Conference** is set for February 11, 2025, at the BOS center in Springfield. However, the IL Pork Producers Association will hold its annual meeting before the Expo and is inviting pork producers to [submit resolutions by Dec. 16 for consideration](#). If there is an issue or topic you would like the IPPA to address, please bring it to our attention by submitting a resolution. This can also be an opportunity to help determine and direct both the state and national pork organizations on issues of importance.
- **The IL Fertilizer and Chemical Assn.** will hold its annual convention and tradeshow Jan. 21-23 at the Peoria Civic Center. If you are needing a hotel room book by December 27th to receive the discounted rate. We have a block of rooms at 5 of the major hotels in Peoria, which include the Pere Marquette, Marriott Courtyard, Four Points by Sheraton, Holiday Inn & Suites, and The Embassy Suites. [Here is a list of speakers, events, times, and locations](#).
- **The IL Soybean Field Advisor Forum** will be January 16, at the Colonnade Room atop Memorial Stadium in Champaign. This event will showcase the latest advancements in agronomic research funded by the ISA checkoff program. Attendees will gain valuable insights from leading researchers and industry experts, deepening their understanding of vital agronomic challenges. The program runs 8 am to 4 pm. [Agenda and details](#).
- **The Nutrient Research and Education Council** will gather at the I-Hotel in Champaign, to hear the latest discoveries from the check-off funds collected from sales of fertilizer in IL. You will hear so many stories from researchers who are bursting with new, practical research results, right from the fields, all intended to help IL agriculture meet the 2025 goals of the Illinois Nutrient Loss Reduction Strategy. February 13, 9:30 to 6:00 pm. [Register](#).

- **The Renewable Fuels Association** says its ethanol and DDGS trade opportunities with Canada & Mexico. In 2023, Canada was our No. 1 ethanol customer (No. 5 for DDGS), while Mexico was No. 1 for DDGS (No. 7 for ethanol). The value of our industry's exports to Canada & Mexico was near \$3 bil. [Free trade works!](#)

2023 U.S. Ethanol and DDGS Exports to Canada and Mexico



“It will be super important to see how this new administration handles the renewable fuels topic, and with the supreme court agreeing to hear a case on the legality of California’s emission and electric vehicle standards, there’s a chance the bearish influence we’ve had for a few weeks could subside. Essentially, with only 20% seed oils in the formulation of renewable diesel, it hurt world vegoil prices, which correlates directly with bean oil. With all this said, we need all of the demand we can get as world supplies of soybeans continue to grow,” says IL farmer and commodity advisor Matt Bennett of AgMarket.net.

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