FARM BUSINESS | CROPS | MARKETING | NEWS

Farm Futures

U.S. farmers face years of weak crop prices before recovery

Rabobank analysts predict corn and soybean producers won't reach breakeven until 2027-28 as excess global supplies keep prices depressed. Despite strong demand, massive stockpiles and high input costs are squeezing farm margins across the Midwest.

Bruce Blythe, Senior Editor, Commodities, Farm Futures
October 29, 2025

4 Min Read

GETTY IMAGES/PHOTOPAUL65

At a Glance

- Breakeven for grain farmers unlikely until 2027-28 crop year
- Monster supplies keep prices suppressed nationwide
- Input costs remain historically high and sticky

U.S. corn and soybean farmers probably face several years of depressed crop prices and weak margins before global markets work through excess supplies and the industry returns to a “breakeven” situation for producers, Rabobank analysts said this week.

“We don't see much potential for breakeven until we get to the 2027-28 crop year at the moment,” Stephen Nicholson, Rabobank’s global sector strategist for grains, oilseeds and farm inputs, said during a webinar on Tuesday.

For farmers, it’s a familiar story. Global demand for grains and oilseeds remains strong, but years of big harvests in the U.S., South America and other top producers swelled stockpiles, keeping crop prices in check while costs for fertilizers and other inputs remain historically high.

“We have monster supplies... We’re not seeing a whittling-away in the stocks, and we just don't see prices coming up very much,” Nicholson said. At the same time, input prices “have been very, very sticky... stickier than usual.”

Land and input costs are lower than the 2022-23 peaks, but declines have leveled off and may remain stable in the next few years, based on a Rabobank forecast. Meantime, cash corn that’s expected to hover around or just below $4 per bushel in the year ahead doesn’t bode well for profitability.

Related: China ends levies on U.S. farm goods, halts export curbs on firms

U.S. farmers are in the final harvest stages for corn and soybean crops that, though hampered by weather and disease problems in parts of the Midwest over the summer, are still expected to be among the largest ever. Corn production is expected to exceed 16 billion bushels for the first time. And while USDA forecast corn exports at a record near 3 billion bushels, stockpiles at the end of next summer may still balloon above 2 billion bushels, a seven-year high.

Hopeful signs as industry comes out of “trough”

Rabobank’s muted outlook contrasts with this week’s burst of optimism in the grain markets. Fueled by signs of easing U.S.-China trade tensions and President Trump’s scheduled meeting with China’s XI Jinping, soybean futures on Tuesday rallied above $11 per bushel, the highest in over a year.

China stopped buying U.S. soybeans late last summer as the trade dispute escalated. The hope now is for a trade deal that may include large Chinese purchases of soybeans and other American ag products.

Rabobank’s forecast did offer some signs of longer-term hope. The row-crop sector appears to be at the tail end of a down cycle similar to 2014-20. This “trough” period – with operating capital drying up, machinery expenditures tumbling and farmers increasingly leaning on financing – historically has been followed by a return to profitability within a few years.

Related: Meatpacker JBS to pay $1.1 Million to settle climate lawsuit

“We do think we're in the bottom of the cycle,” Nicholson said. “But we do think we could at least have another couple years before we see this happen.”

What might bring global supply-demand balance closer to a level that could help lift crop prices back into the black? Fewer acres would help, and Rabobank expects U.S. farmers to scale back corn plantings between 2 and 3 million acres in 2026. In 2025, corn plantings topped 98.7 million acres, the highest since 1936.

But soybean plantings may increase a similar amount, suggesting that overall U.S. cropland won't change much, in contrast to previous down cycles. From 2014-20, Nicholson said "principal" crop acres in the U.S. shrank about 11 million acres.

"I would expect you would have to see something like that now," Nicholson said. During the current downturn, principal acres have dropped between 7 and 8 million acres. "We likely need to lose anywhere from 3 million to 5 million more acres to bring the balance sheet back into line."

China deal could spark shift to soybean plantings

A trade deal that results in large Chinese ag purchases could further encourage U.S. farmers to shift ground to soybeans next spring, said Owen Wagner, Rabobank's senior analyst, grains & oilseeds. Soybean futures prices for early 2026 already have been climbing relative to corn. Planting soybeans may be more appealing for many farmers next year "given that we're looking at another year of heightened input expenses, which will obviously hit corn a lot more," Wagner said.

Related: Soybeans extend rally and China seeks wheat

"It's fortunate that we have a little bit of time before farmers need to lock in those planting decisions for the year ahead," Wagner added. "But as things stand now, and if we continue to make progress on the China front, I would expect more area planted to soybeans in the year ahead."

About the Author

Bruce Blythe

Senior Editor, Commodities, Farm Futures

Bruce Blythe is a senior editor at Farm Futures. He has covered commodity markets, agribusiness and the farm economy for Bloomberg, Dow Jones Newswires, Reuters and Farm Journal Media's Pro Farmer. He got his star...