



Louisiana Agricultural Consultants Association (LACA)
Louisiana Agricultural Technology and Management Conference
Wednesday, February 11, 2026
Marksville, Louisiana

Navigating Economic Uncertainties in Farm Country



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Associate Professor and Research Associate, respectively

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Louisiana Agricultural Experiment Station / Louisiana Cooperative Extension Service

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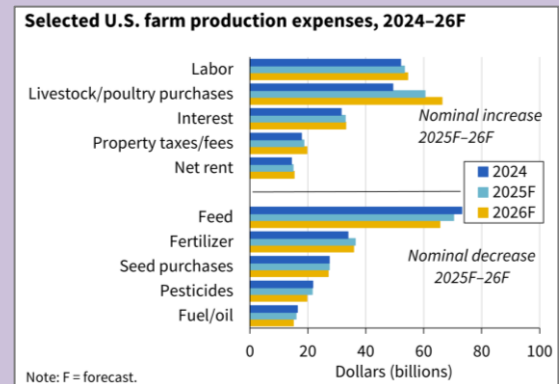
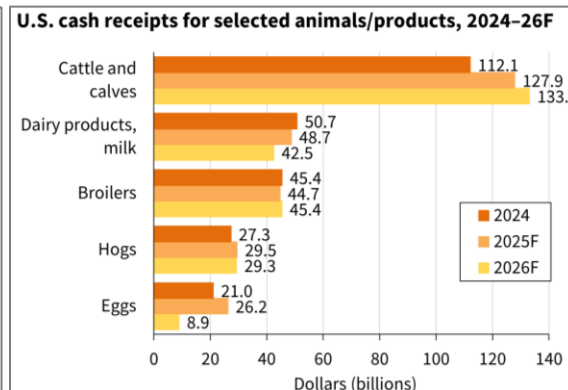
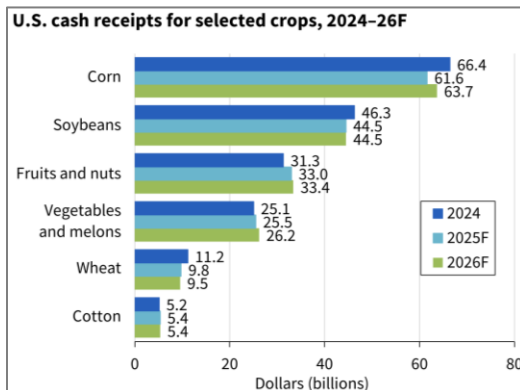
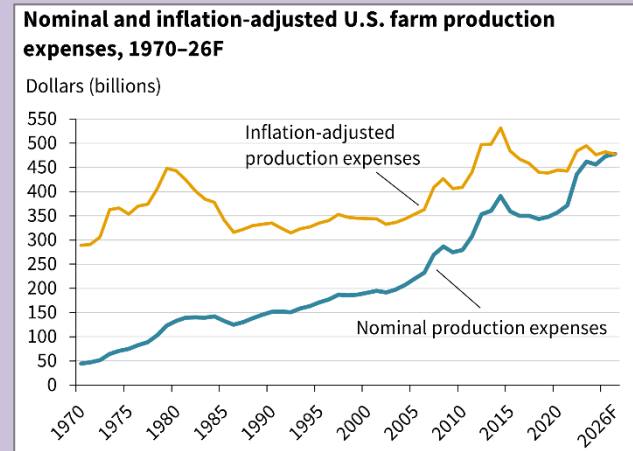
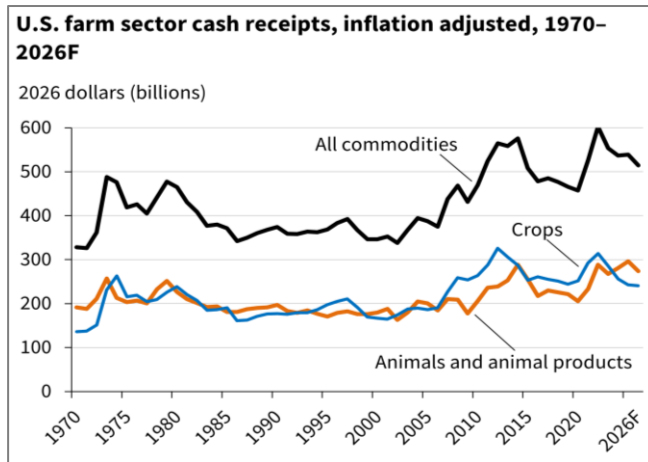
Presentation Topics

Focus areas of this afternoon's meeting

- U.S. farm economy snapshot
- Market situation and projected acreage
 - Corn, soybeans, cotton, rice, and sugar crop sectors
 - Projected costs and returns for row crop production in 2026
- Farm safety net
 - ARC-CO/PLC farm program payments
 - pairing farm programs with crop insurance products
- Resource links from the LSU AgCenter

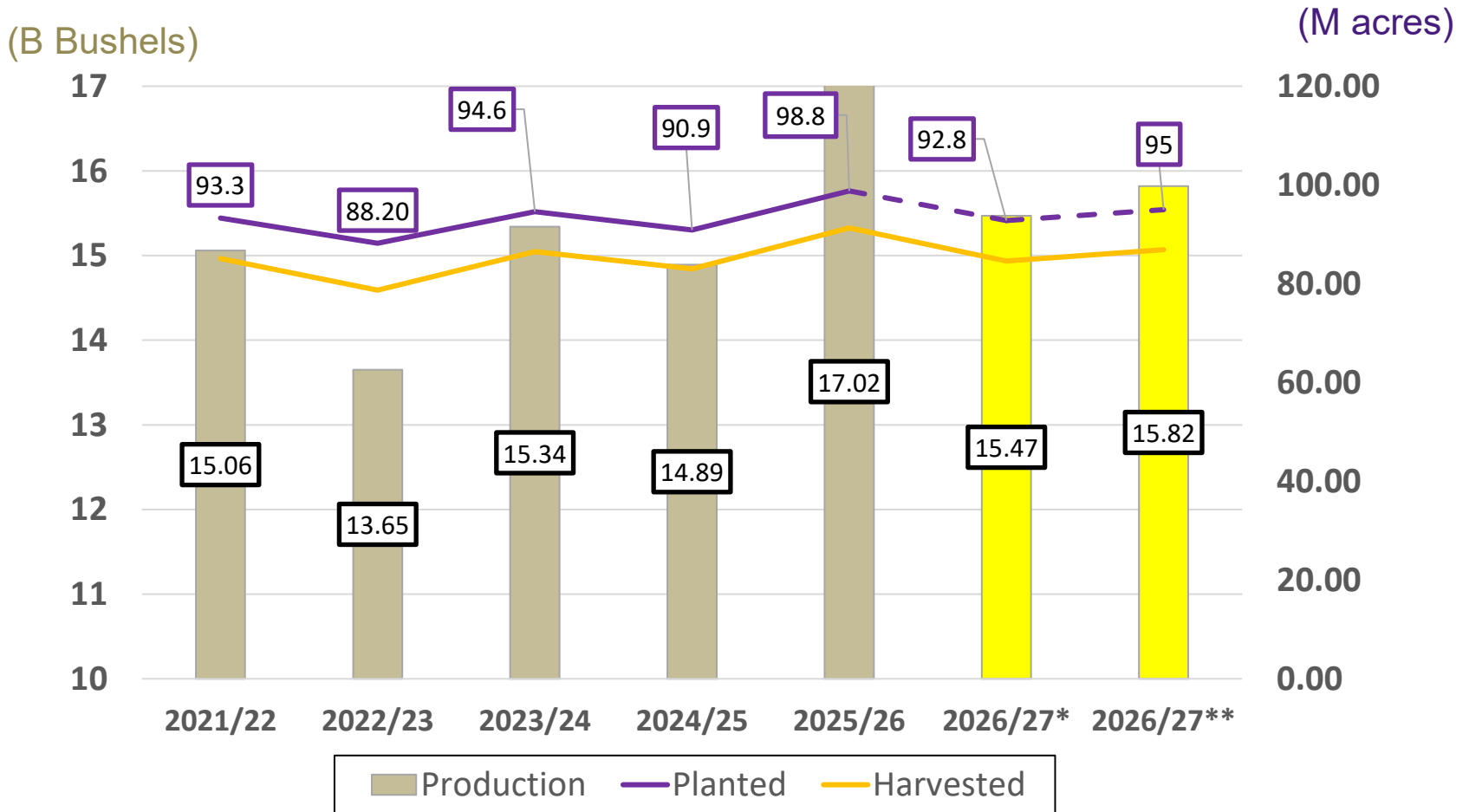
U.S. Farm Sector Income and Expenses

USDA's February 2026 report summary



U.S. Corn Production

Summary of Acreage and Production



@ 92.8 M ac planted FAPRI est.
 @ 95.0 M ac planted USDA est.

U.S. Corn Market Conditions for 2026

Market fundamentals that can influence price direction for the new crop

Bullish Factors	Bearish Factors
Acreage less than 93 M	Carryout of the 25/26 crop
Export Demand	Acreage of +94 M (yield)
E-15	S. American Crop Size

Range for farm price in 2026 projected at \$4.10-\$4.25 per bu.

New Crop Futures Price (CBOT December 2026 contract)

\$4.61 per bu.

Price needed to Cover Direct Operating Costs in 2026

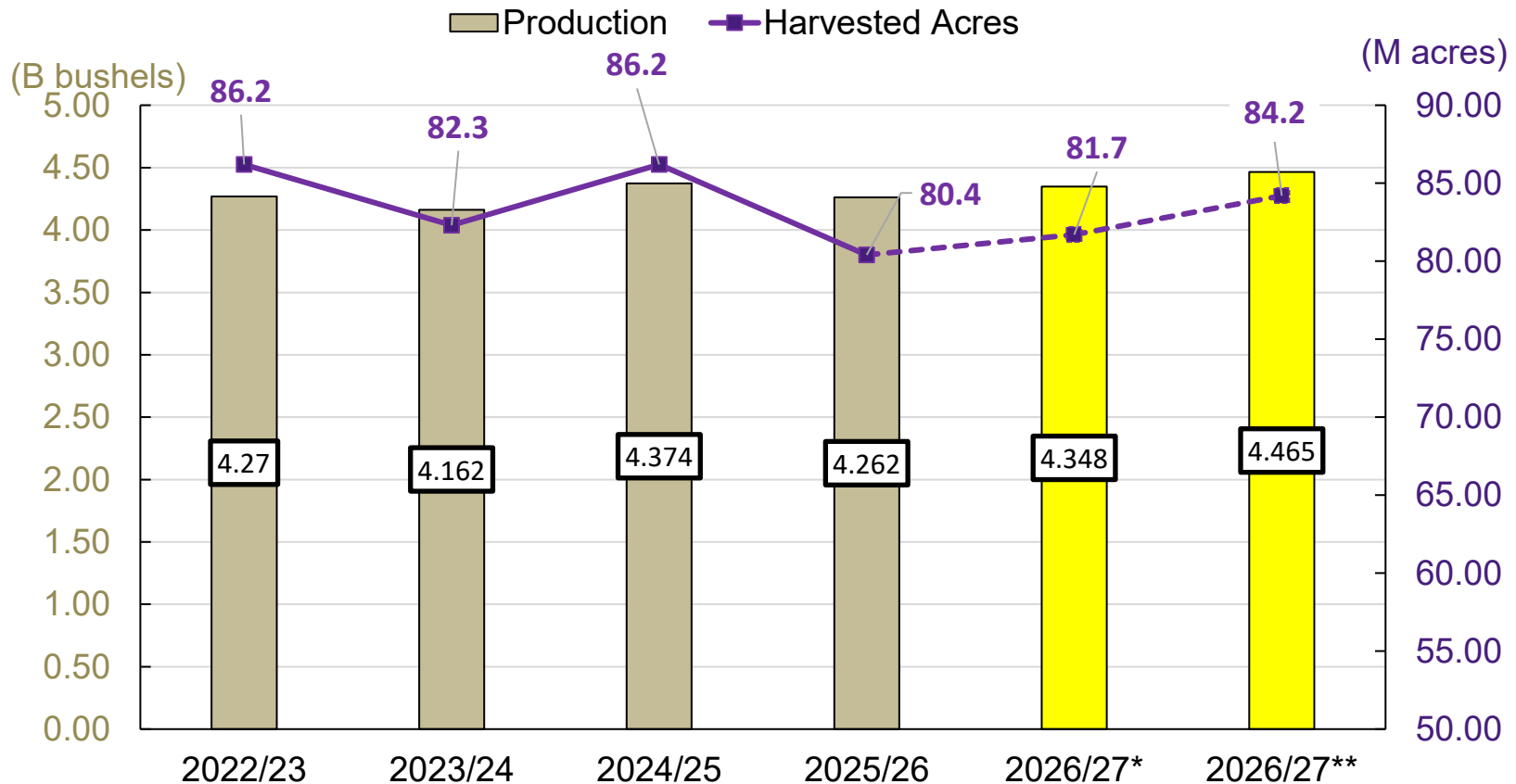
\$3.99 per bu. @ 190 bu/ac

Price needed to Cover Total Operating Costs in 2026

\$5.33 per bu. @ 190 bu/ac with \$120 cash rent

U.S. Soybean Production

Summary of acreage and production with alt. new-crop scenarios



@ 82.6 M ac
planted
FAPRI est.

@ 85.0 M ac
planted
USDA est.

U.S. Soybean Market Conditions for 2026

Market fundamentals that can influence price direction for the new crop

<i>Bullish Factors</i>	<i>Bearish Factors</i>
Acreage less than 83-84 M	Carryout of the 25/26 crop
Biofuels and Soy Oil	Acreage of +85 M
Exports to China?	S. American Crop Size
	Exports to China?

Range for farm price in 2026 projected at \$10.30-\$10.40 per bu.

New Crop Futures Price (CBOT November 2026 contract)

\$10.98 per bu.

Price needed to Cover Direct Operating Costs in 2026

\$7.85 per bu. @ 60 bu/ac

Price needed to Cover Total Operating Costs in 2026

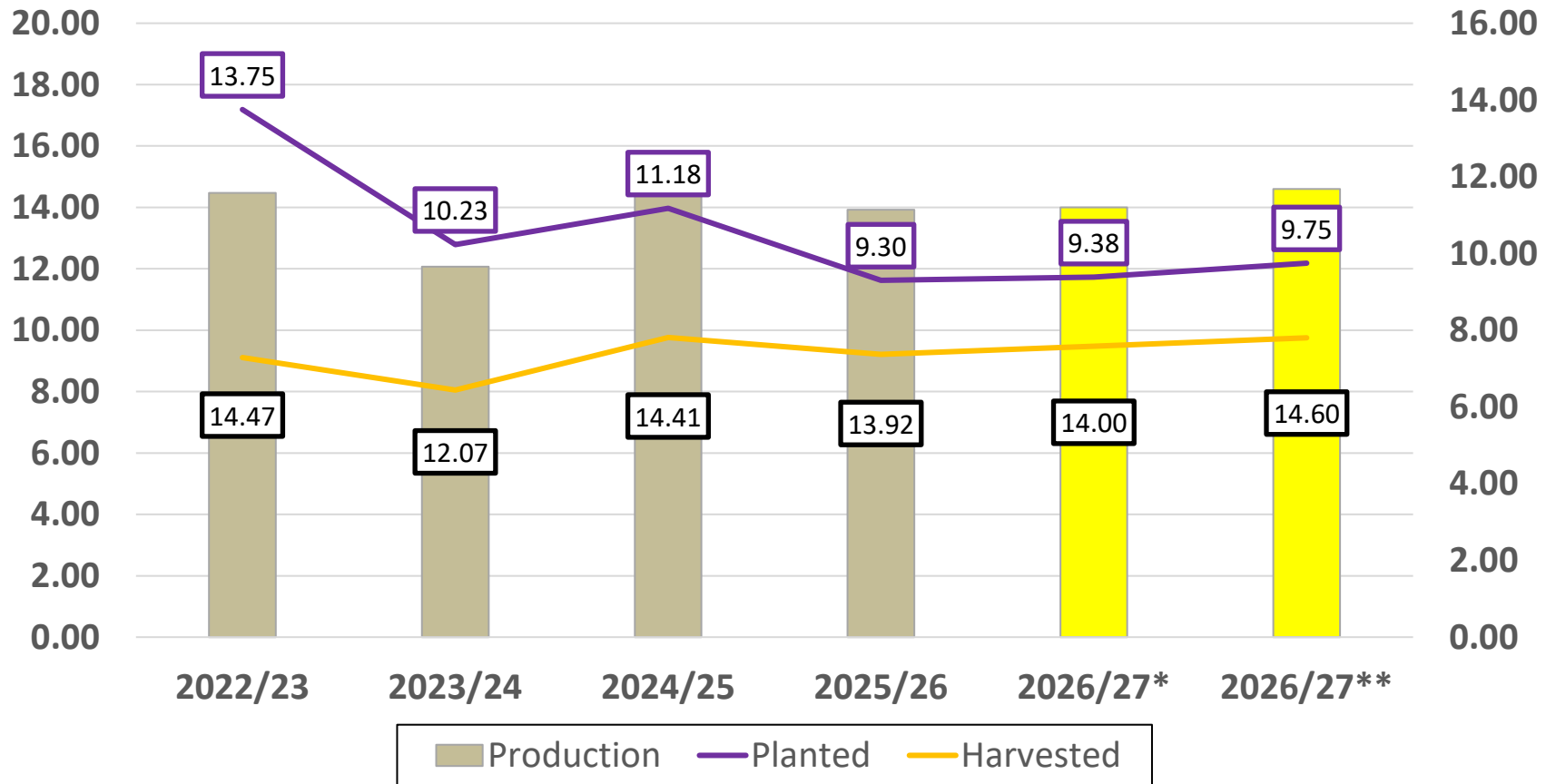
\$12.60 per bu. @ 60 bu/ac with \$120 cash rent

U.S. Cotton Production

Summary of Acreage and Production

(M Bales)

(M acres)



@ 9.38 M ac
planted
FAPRI est.

@ 9.75 M ac
planted
USDA est.

U.S. Cotton Market Conditions for 2026

Market fundamentals that can influence price direction for the new crop

<i>Bullish Factors</i>	<i>Bearish Factors</i>
Acreage less than 10 M	Carryout of the 25/26 crop
Competing Crop Prices	Demand for Fiber
Exports to China?	Competitiveness
	Exports to China?
<i>Range for farm price in 2026 projected at \$0.65-\$0.69 per lb.</i>	

New Crop Futures Price (ICE December 2026 contract)

\$0.680 per lb.

Price needed to Cover Direct Operating Costs in 2026

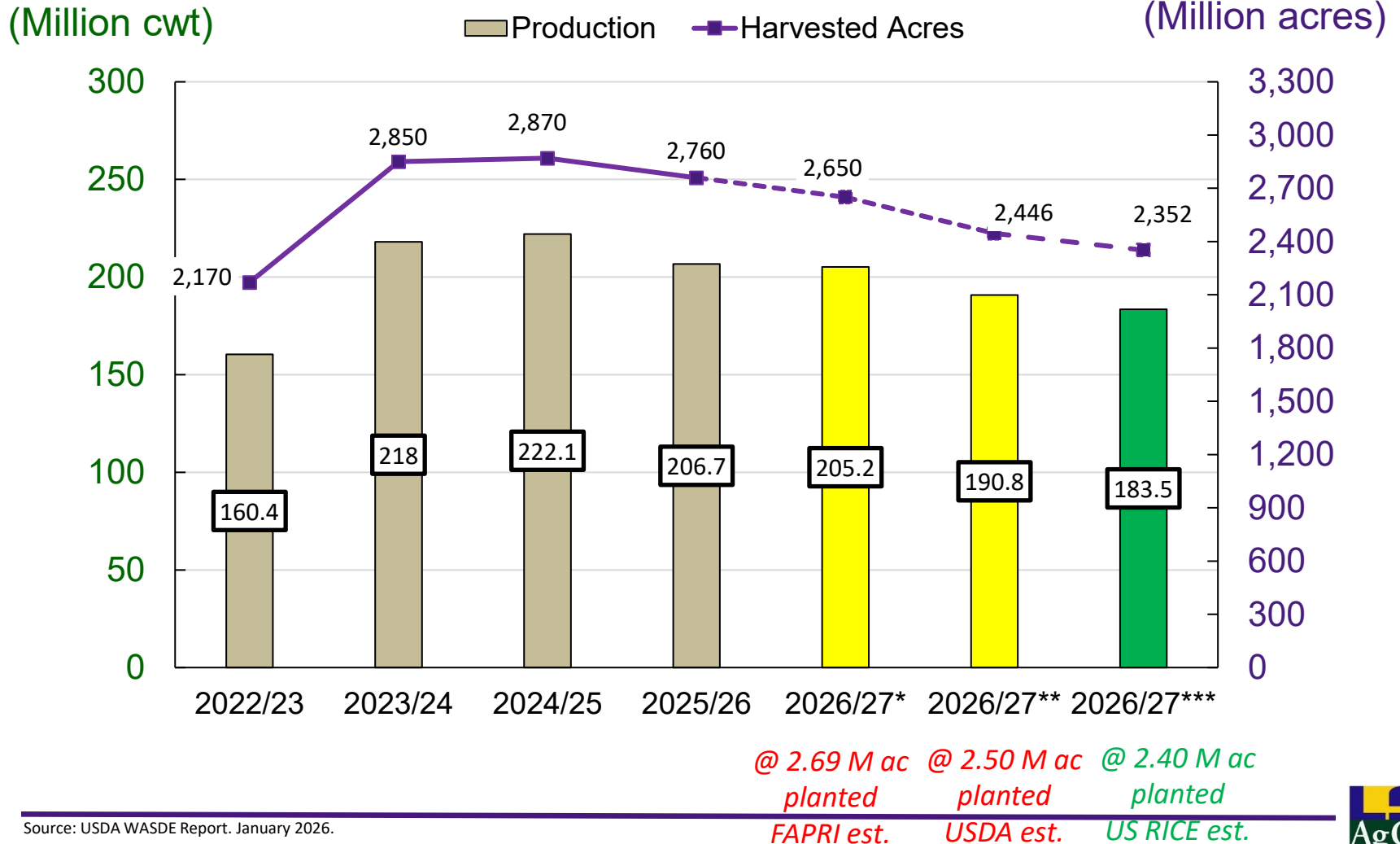
\$0.62 per lb. @ 1,200 lbs/ac

Price needed to Cover Total Operating Costs in 2026

\$0.98 per bu. @ 1,200 lbs/ac with \$120 cash rent

U.S. Total Rice Production

Summary of acreage and production with alt. new-crop scenarios



Source: USDA WASDE Report. January 2026.

U.S. Rice Market Conditions for 2026

Market fundamentals that can influence price direction for the new crop

Bullish Factors	Bearish Factors
Acreage less than 2.5 M	Carryout of the 25/26 crop
Competing Crops in the Delta	Slow Export Sales
	Competitiveness
	Asian Rice Prices

Range for farm price in 2026 projected at \$12.00-\$12.50 per cwt.

New Crop Futures Price (CBOT November 2026 contract)

\$12.31 per cwt

Price needed to Cover Direct Operating Costs in 2026

\$9.63 per cwt @ 75 cwt/ac

Price needed to Cover Total Operating Costs in 2026

\$13.43 per cwt @ 75 cwt/ac with \$120 cash rent

U.S. Sugar Market Conditions for 2026

Market fundamentals that can influence price direction for the new crop

<i>Bullish Factors</i>	<i>Bearish Factors</i>
Lower Beet Acres	Inventory Levels
	Tier-2 Imports
	Demand (GLP-1 drugs)
	World Prod. and Prices

New Crop Futures Price (New York #16 2027 contracts)

\$0.3331 per lb.

Price needed to Cover Direct Operating Costs in 2026

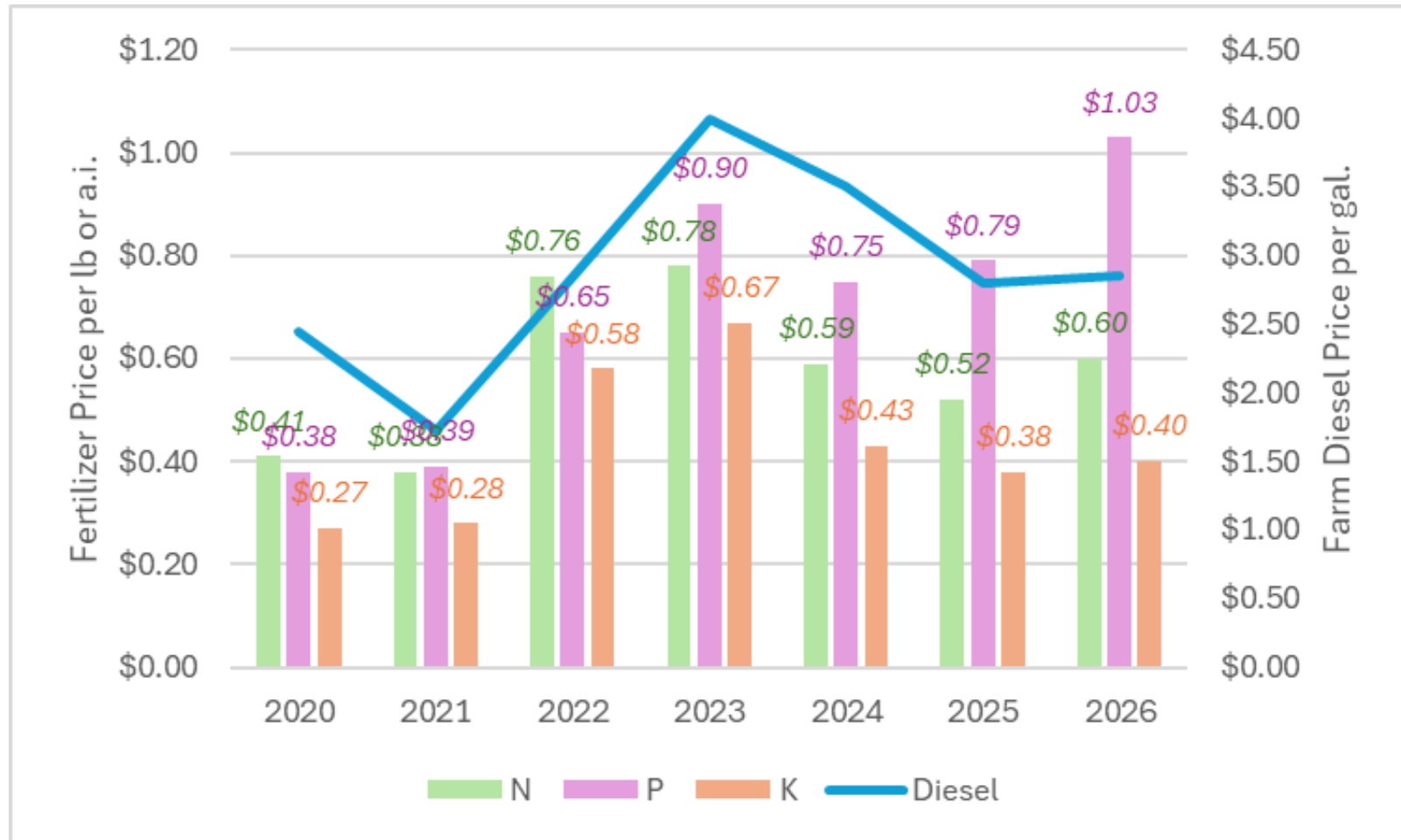
\$0.183 per lb. @ 1/6th share rent

Price needed to Cover Total Operating Costs in 2026

\$0.283 per lb. @ 1/6th share rent

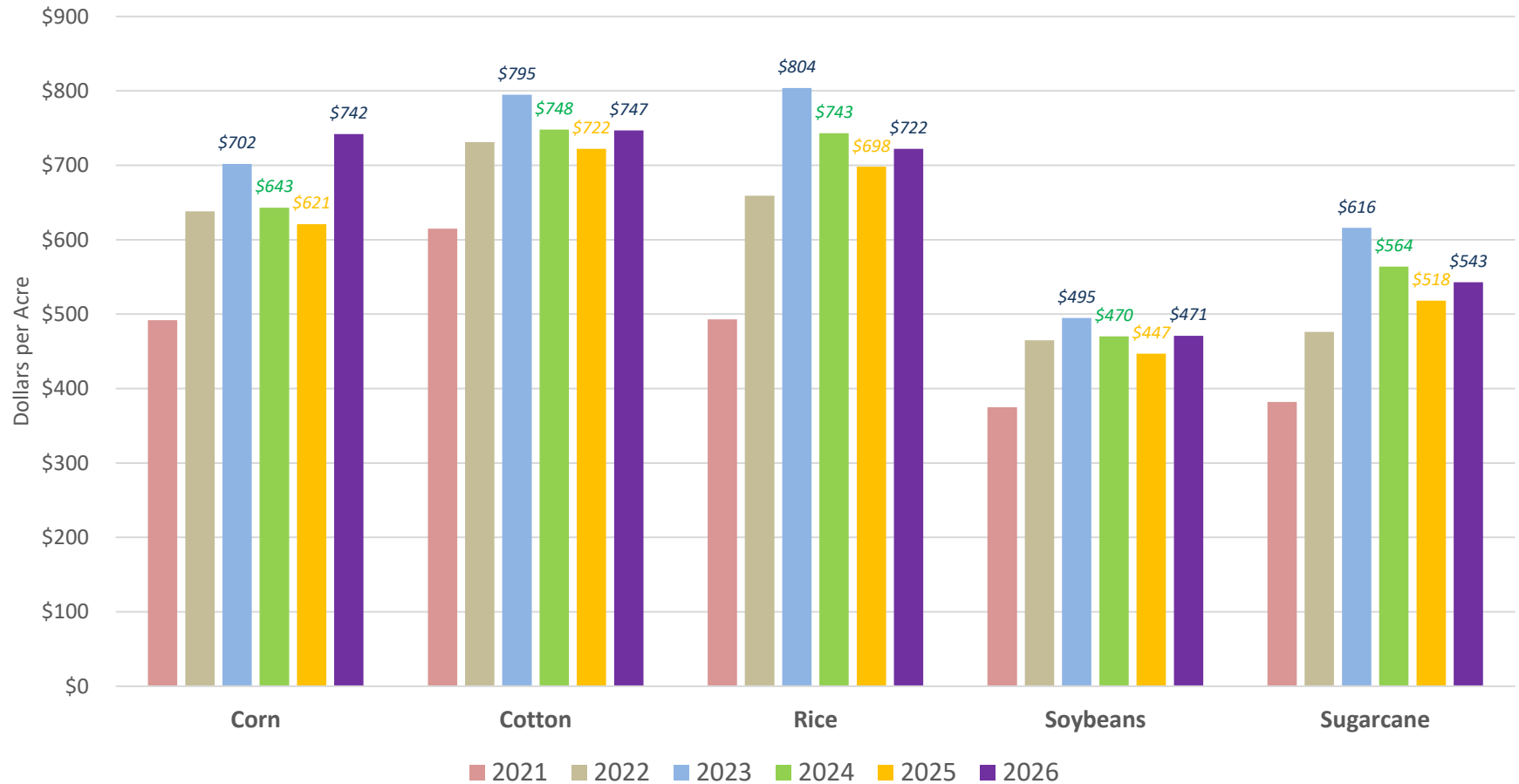
Production Costs in Louisiana

Inputs projected higher moving in 2026 for all fertilizers and diesel fuel



Estimated Production Costs for Louisiana Crops

Direct expenses are expected to slightly increase in 2026



Projected Costs and Returns Crop Enterprise Budgets for Corn Production in Louisiana, 2026

Michael A. Deliberto and Brian M. Hilburn



Farm Management Research & Extension
Department of Agricultural Economics & Agribusiness
Louisiana State University Agricultural Center
Agricultural Economics Information Report Series No. 385 - January 2026

2026 Enterprise Budgets (formats)

Corn, RR, 12-Row Equipment, 38 inch rows, Irrigated,
Alluvial Soil, Louisiana, 2026.

ITEM	UNIT	PRICE	QUANTITY	AMOUNT	YOUR FARM
dollars					
DIRECT EXPENSES					
CUSTOM SPRAY					
App by Air (5 gal)	appl	8.05	4.0000	32.20	
App by Air (3 gal)	appl	7.90	1.0000	7.90	
GIR/DRY					
Dry Con	bu	0.19	190.0000	36.10	
FERTILIZERS					
LA Phosphate	lb	1.03	30.0000	30.90	
LA Potash	lb	0.40	60.0000	24.00	
LA Nitrogen	lb	0.60	210.0000	126.00	
HERBICIDES					
Glyphosate Plus 4L	pt	2.83	2.0000	5.66	
2,4-D Amine 4	pt	2.90	1.0000	2.90	
Valor WP	oz	3.00	1.0000	3.00	
Roundup Weathermax	oz	0.28	66.0000	11.88	
Atrazina 4L	pt	2.90	5.0000	12.50	
Select 2EC	oz	0.94	6.0000	5.64	
INSECTICIDES					
Kaorate S	oz	1.41	2.1300	3.00	
Baythroid 3	oz	1.52	2.1300	3.24	
IRRIGATION SUPPLIES					
Roll-Out Pipe	ft	0.24	33.0000	7.92	
SEED/PLANTS					
Corn Seed RR	thous	3.92	35.0000	137.20	
SERVICE FEE					
Digital Ag Fee	acres	10.00	1.0000	10.00	
Soil Test	acres	10.00	0.3300	3.30	
CUSTOM FERT/LIME					
Lime (Spread)	ton	63.67	0.3300	21.01	
CUSTOM HARVEST/HAUL					
Haul Corn	bu	0.31	190.0000	58.90	

Use the following equipment, 38 inch rows, irrigated,
Alluvial Soil, Louisiana, 2026.

OPERATOR/ OPERATED UNIT	AREA/ UNIT	AREA SIZE	OPER TIME	FUEL CONSUMED GAL	OPER COST	FUEL COST	OPERATION COST	HAUL COST	OPERATED/OPERATED UNIT	AREA SIZE	OPER TIME	FUEL CONSUMED GAL	OPER COST	FUEL COST	OPERATION COST	HAUL COST
JD 5500	ac	1.00	0.33	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.33	0.00	0.00	0.00	0.00	0.00
LA Sprayer	5 ton	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
LA Sprayer	10	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
LA Sprayer	15	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
JD 5500 (operator)	10000	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
LA Sprayer	40/40	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Use the following equipment, 38 inch rows, irrigated,
Alluvial Soil, Louisiana, 2026.

OPERATOR/ OPERATED UNIT	AREA/ UNIT	AREA SIZE	OPER TIME	FUEL CONSUMED GAL	OPER COST	FUEL COST	OPERATION COST	HAUL COST	OPERATED/OPERATED UNIT	AREA SIZE	OPER TIME	FUEL CONSUMED GAL	OPER COST	FUEL COST	OPERATION COST	HAUL COST
JD 5500	ac	1.00	0.33	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.33	0.00	0.00	0.00	0.00	0.00
LA Sprayer	5 ton	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
LA Sprayer	10	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
LA Sprayer	15	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
JD 5500 (operator)	10000	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
LA Sprayer	40/40	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00

Use the number in each cell to determine Return Above Variable Expenses.
Use the number in each cell to determine Return Above Total Specified Expenses.
Use the product listed in each cell to calculate net returns.

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YIELD	4.10	4.15	4.20	4.25	4.30	4.35	4.40	4.45	4.50
80 \$9.00/bu	100	100	100	100	100	100	100	100	100
85 \$9.50/bu	100	100	100	100	100	100	100	100	100
90 \$10.00/bu	100	100	100	100	100	100	100	100	100
95 \$10.50/bu	100	100	100	100	100	100	100	100	100
100 \$11.00/bu	100	100	100	100	100	100	100	100	100
105 \$11.50/bu	100	100	100	100	100	100	100	100	100
110 \$12.00/bu	100	100	100	100	100	100	100	100	100
115 \$12.50/bu	100	100	100	100	100	100	100	100	100
120 \$13.00/bu	100	100	100	100	100	100	100	100	100
125 \$13.50/bu	100	100	100	100	100	100	100	100	100
130 \$14.00/bu	100	100	100	100	100	100	100	100	100
135 \$14.50/bu	100	100	100	100	100	100	100	100	100
140 \$15.00/bu	100	100	100	100	100	100	100	100	100
145 \$15.50/bu	100	100	100	100	100	100	100	100	100
150 \$16.00/bu	100	100	100	100	100	100	100	100	100

Use the number in each cell to determine Return Above Variable Expenses.
Use the number in each cell to determine Return Above Total Specified Expenses.

ITEM	UNIT	PRICE	QUANTITY	Total Amount	Landlord Share %	Landlord Share	Tenant Share
INCOME							
Corn	bu	\$ 4.30	290.00	\$ 867.00	0.0%	\$ -	\$ 867.00
TOTAL INCOME				\$ 867.00	\$ -	\$ -	\$ 867.00
DIRECT EXPENSES							
CUSTOM SPRAY							
App by Air (5 gal)	appl	\$ 8.05	4.00	\$ 32.20	0.0%	\$ -	\$ 32.20
App by Air (3 gal)	appl	\$ 7.90	1.00	\$ 7.90	0.0%	\$ -	\$ 7.90
DRIVING							
Dry Con	bu	\$ 0.19	190.00	\$ 36.10	0.0%	\$ -	\$ 36.30
FERTILIZERS							
Phosphate	lb	\$ 0.79	30.00	\$ 23.70	0.0%	\$ -	\$ 23.70
Potash	lb	\$ 0.38	60.00	\$ 22.80	0.0%	\$ -	\$ 22.90
Nitrogen	lb	\$ 0.52	210.00	\$ 109.20	0.0%	\$ -	\$ 109.20
HERBICIDES							
Glyphosate Plus 4L	pt	\$ 4.03	2.00	\$ 8.06	0.0%	\$ -	\$ 8.06
2,4-D Amine 4	pt	\$ 2.23	1.00	\$ 2.23	0.0%	\$ -	\$ 2.23
Valor WP	oz	\$ 1.63	1.00	\$ 1.63	0.0%	\$ -	\$ 1.63
Roundup Weathermax	oz	\$ 0.17	66.00	\$ 11.22	0.0%	\$ -	\$ 11.22
Atrazine 4L	pt	\$ 2.46	5.00	\$ 12.30	0.0%	\$ -	\$ 12.30
Select 2EC	oz	\$ 0.94	6.00	\$ 5.64	0.0%	\$ -	\$ 5.64
INSECTICIDES							
Baythroid 3	oz	\$ 1.22	2.13	\$ 2.60	0.0%	\$ -	\$ 2.60
IRRIGATION SUPPLIES							
Roll-out Pipe	ft	\$ 0.24	33.00	\$ 7.92	0.0%	\$ -	\$ 7.92
SEED/PLANTS							
Corn Seed BRR	thous	\$ 3.61	35.00	\$ 126.35	0.0%	\$ -	\$ 126.35
SERVICE FEE							
Digital Ag Fee	acres	\$ 10.00	1.00	\$ 10.00	0.0%	\$ -	\$ 10.00
Soil Test	acres	\$ 10.00	0.33	\$ 3.30	0.0%	\$ -	\$ 3.30
CUSTOM FERTILIZE							
Lime (Spread)	ton	\$ 51.39	0.33	\$ 16.96	0.0%	\$ -	\$ 16.96
HAULING							
Haul Corn	bu	\$ 0.31	190.00	\$ 58.90	0.0%	\$ -	\$ 58.90
OPERATOR LABOR							
Harvester	hour	\$ 18.69	0.09	\$ 1.59	0.0%	\$ -	\$ 1.59
IRRIGATION LABOR							
Implements	hour	\$ 14.83	0.01	\$ 0.09	0.0%	\$ -	\$ 0.09
Hired Labor							
Implements	hour	\$ 14.83	0.12	\$ 1.74	0.0%	\$ -	\$ 1.74
Tractors	hour	\$ 14.83	0.79	\$ 11.77	0.0%	\$ -	\$ 11.77
LA IRRIGATION LABOR	hour	\$ 14.83	0.15	\$ 2.22	0.0%	\$ -	\$ 2.22
DIESEL FUEL							
Tractors	gal	\$ 2.80	7.63	\$ 21.36	0.0%	\$ -	\$ 21.36
Harvester	gal	\$ 2.80	1.20	\$ 3.37	0.0%	\$ -	\$ 3.37
Roll-out Pipe Irrigation	gal	\$ 2.80	8.55	\$ 23.95	0.0%	\$ -	\$ 23.95
REPAIR & MAINTENANCE							
Implements	acres	\$ 13.30	1.00	\$ 13.30	0.0%	\$ -	\$ 13.30
Tractors	acres	\$ 6.42	1.00	\$ 6.42	0.0%	\$ -	\$ 6.42
Harvester	acres	\$ 4.11	1.00	\$ 4.11	0.0%	\$ -	\$ 4.11
Roll-out Pipe Irrigation	acres	\$ 7.16	1.00	\$ 7.16	0.0%	\$ -	\$ 7.16
INTEREST ON OP. CAP.	acres	\$ 25.30	1.00	\$ 25.30	0.0%	\$ -	\$ 25.30
TOTAL DIRECT EXPENSES				\$ 620.99	\$ -	\$ 620.99	
RETURNS ABOVE DIRECT EXPENSES				\$ 246.01	\$ -	\$ 246.01	
FIXED EXPENSES							
Implements	acres	\$ 1.00	5	\$ 27.01	0.0%	\$ -	\$ 27.01
Tractors	acres	\$ 27.01	1.00	\$ 48.61	0.0%	\$ -	\$ 48.61
Harvester	acres	\$ 48.61	1.00	\$ 19.66	0.0%	\$ -	\$ 19.66
Roll-out Pipe Irrigation	acres	\$ 19.66	1.00	\$ -	0.0%	\$ -	\$ -
TOTAL FIXED EXPENSES				\$ 96.28	\$ -	\$ 96.28	
TOTAL SPECIFIED EXPENSES				\$ 717.27	\$ -	\$ 717.27	
RETURNS ABOVE TOTAL SPECIFIED EXPENSES				\$ 99.73	\$ -	\$ 99.73	

Yield	Returns Above Variable (Direct) Production Expenses to the Grower (with share rent)									
	Corn Price									
	\$ 4.10	\$ 4.15	\$ 4.20	\$ 4.25	\$ 4.30	\$ 4.35	\$ 4.40	\$ 4.45	\$ 4.50	
170.00	\$ 76.01	\$ 84.51	\$ 93.01	\$ 101.51	\$ 110.01	\$ 118.51	\$ 127.01	\$ 135.51	\$ 144.01	
175.00	\$ 96.51	\$ 105.26	\$ 114.01	\$ 122.76	\$ 131.51	\$ 140.26	\$ 149.01	\$ 157.76	\$ 166.51	
180.00	\$ 117.01	\$ 126.01	\$ 135.01	\$ 144.01	\$ 153.01	\$ 162.01	\$ 171.01	\$ 180.01	\$ 189.01	
185.00	\$ 137.51	\$ 146.76	\$ 156.01	\$ 165.26	\$ 174.51	\$ 183.76	\$ 193.01	\$ 202.26	\$ 211.51	
190.00	\$ 158.01	\$ 167.51	\$ 177.01	\$ 186.51	\$ 196.01	\$ 205.51	\$ 215.01	\$ 224.51	\$ 234.01	
195.00	\$ 178.51	\$ 188.26	\$ 198.01	\$ 207.76	\$ 217.51	\$ 227.26	\$ 237.01	\$ 246.76	\$ 256.51	
200.00	\$ 199.01	\$ 209.01	\$ 219.01	\$ 229.01	\$ 239.01	\$ 249.01	\$ 259.01	\$ 269.01	\$ 279.01	
205.00	\$ 219.51	\$ 229.76	\$ 240.01	\$ 250.26	\$ 260.51	\$ 270.76	\$ 281.01	\$ 291.26	\$ 301.51	
210.00	\$ 240.01	\$ 250.51	\$ 261.01	\$ 271.51	\$ 282.01	\$ 292.51	\$ 303.01	\$ 313.51	\$ 324.01	



Farmer Bridge Assistance (FBA) Program

Payment rates per acre on 2025 reported acreage



fsa.usda.gov/fba

OBBBA and Agriculture

Improvements to the farm safety net and other ag provisions of the Act

- Base Acres
 - May add base acres tied to 5-yr. average planted from 2019-23
 - Existing base acres and payment yields remain fixed
- Commodity Programs
 - Increases to statutory reference prices (at 10-21%)
 - Higher PLC reference prices
 - ARC revenue guarantee increased from 86 to 90% of benchmark revenue
 - Loan rates increased (at 6-10%)
 - Higher of ARC-CO or PLC for 2025; annual decision again in 2026
- Conservation
 - Shift in working lands program funding from IRA to baseline
- Crop Insurance
 - Increased premium support for buy-up policies
 - Increased support for beginning farmers and ranchers

One Big Beautiful Bill Act

Increases to statutory reference prices (and effective reference prices)

Commodity	2018 Farm Bill Statutory RP	OBBBA Statutory RP	2025 CY ERP
Corn	\$3.70	\$4.26	\$4.42
Soybeans	\$8.40	\$10.00	\$10.71
Grain Sorghum	\$3.95	\$4.40	\$4.67
Long Grain Rice	\$14.00	\$16.90	\$16.90
Seed Cotton	\$0.3670	\$0.4200	\$0.4200
Wheat	\$5.50	\$6.35	\$6.35

For crop years 2026 through 2030, the PLC statutory reference prices are increased. This change would increase the likelihood of triggering a payment and increase the payments made to eligible producers when triggered. Beginning in crop year 2031, the USDA to increase the reference price for the specified commodities by 0.5%, up to a maximum of 115% of the reference price.

ARC/PLC Payment Comparison Tool

Crop and parish-specific decision support tool for growers



Commodities*

- Corn
- Soybeans
- Grain Sorghum
- Wheat
- Long Grain Rice
- Seed Cotton

**practice specific where applicable*

Crop Insurance Changes under the OBBB Act

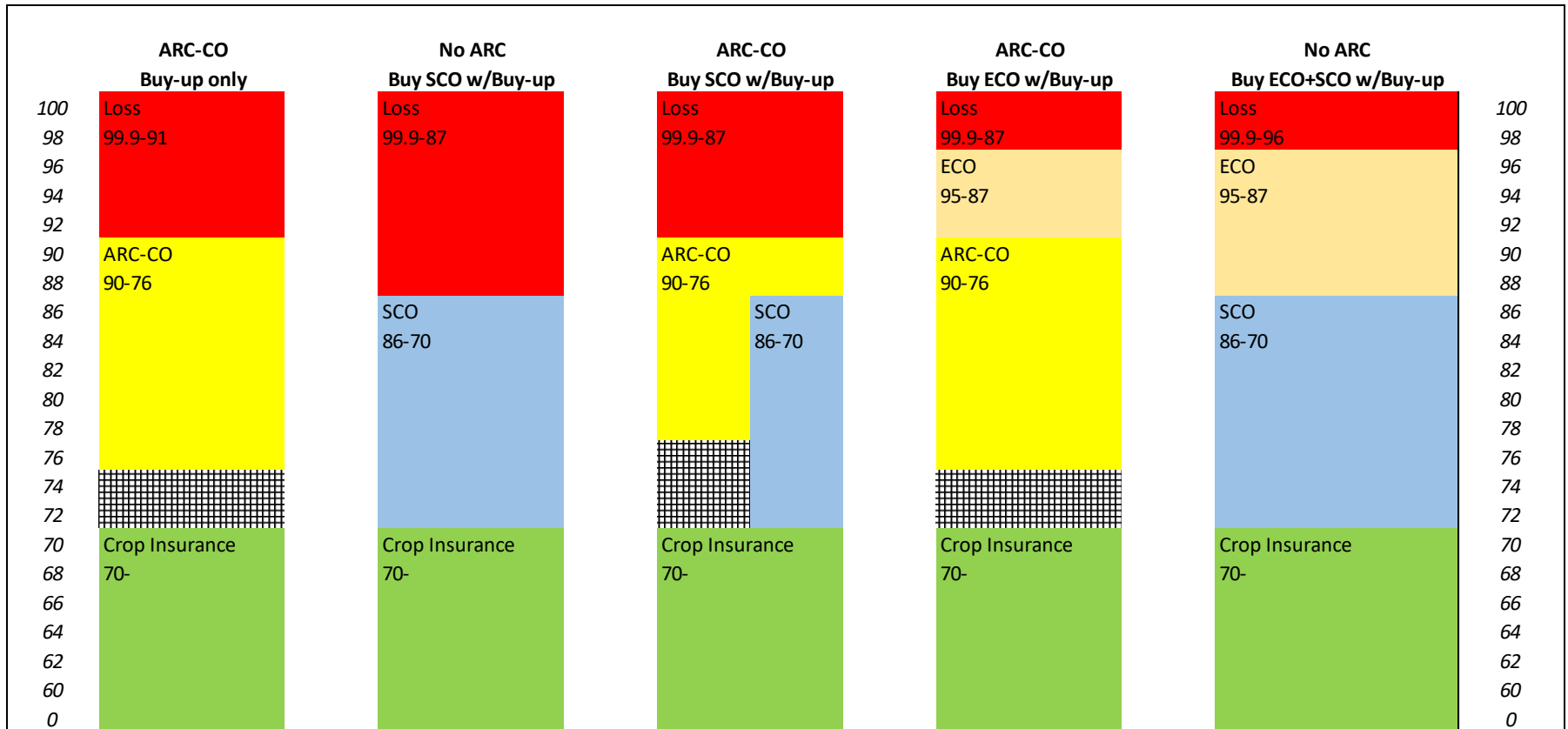
Increase in premium subsidies

Premium Subsidy Rates by Coverage Level								
	50%	55%	60%	65%	70%	75%	80%	85%
Optional Unit	67%	69%	69%	64%	64%	60%	51%	41%
Basic Unit	67%	69%	69%	64%	64%	60%	51%	41%
Enterprise Unit	80%	80%	80%	80%	80%	80%	71%	56%

- The OBBB Act also expands eligibility for the Supplemental Coverage Option (SCO), allowing producers enrolled in **ARC to purchase SCO coverage**, which was previously only available to those enrolled in PLC.
- **SCO premium increases to 80%. Previously at 65%.**
- SCO coverage range increases to 90% (from 86%) beginning in the **2027** crop year.
- The RMA previously authorized an increase in the **premium subsidy rate for ECO to 65%** (from 44%) for 2025 and future years.

Combining Farm Program and Crop Insurance Options

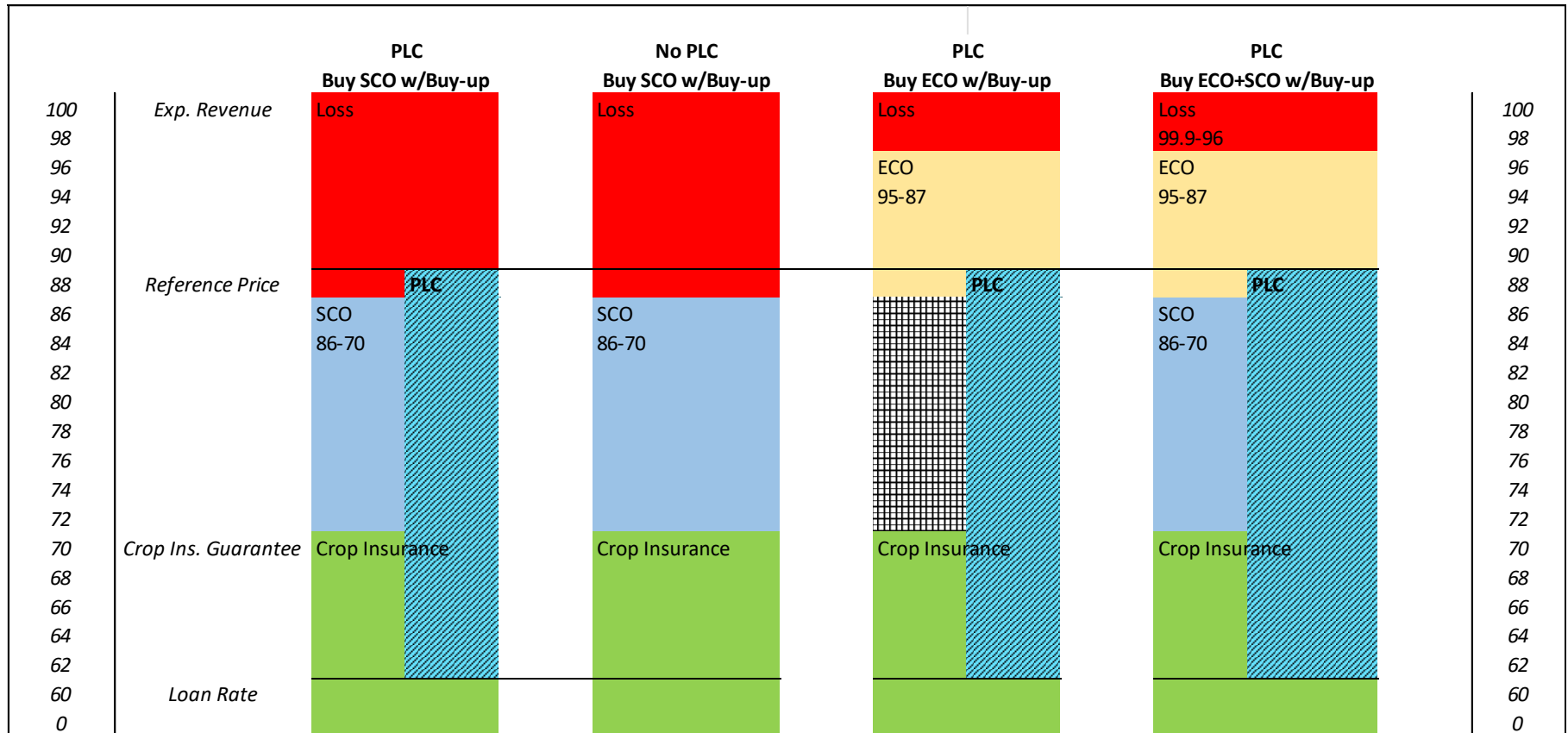
Identifying the area of support (farm or area) against the premium costs...



*Selected example provide illustration of revenue coverage paired with the **ARC-CO farm program** with **70% underlying buy-up insurance.***

Combining Farm Program and Crop Insurance Options

Identifying the area of support (farm or area) against the premium costs...



Selected example provide illustration of revenue coverage paired with the PLC farm program with 70% underlying buy-up insurance.

Farm and Risk Management Tools

Decision support aids developed by the LSU AgCenter

- Enterprise Budgets
 - PDF and MS[®] Excel
- Farm Financial Benchmarking
 - Spreadsheets for multiple crops and rent
- ARC/PLC Farm Program Payment Matrices
 - Spreadsheets by crop, practice, parish
- Crop Insurance
 - Buy-up and endorsement policies

<https://www.lsuagcenter.com/topics/crops>

https://www.lsuagcenter.com/portals/our_offices/departments/ag-economics-agribusiness/extension_outreach



Thank you to the research boards that support this timely applied economic work!



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