Webinar Transcript:

Farm Income and Financial Forecasts, September 2026 Update

September 3, 2026

Ashley: Good afternoon, everyone. I'm Ashley, your host for today. On behalf of USDA's Economic Research Service, welcome to the Farm Income and Financial Forecasts webinar, September 2026 update. Before diving in, let me quickly note that this webinar is being recorded and will be posted to the ERS website in the next week or so. If you have any questions during today's presentation, please submit them using the Q&A feature at the bottom of your screen. We'll have time for a few questions after the presentation during the Q&A session. If we don't get to your question today, please feel free to email us, and we'd be happy to follow up. Now, it's a pleasure to introduce today's speaker, Carrie Litkowski. Carrie is a Senior Economist and Program Leader in our Resource and Rural Economics Division. Welcome back, Carrie, the floor is yours.

Carrie: Thank you, Ashley. Hello, everyone. Thank you for joining us today as I present the latest USDA short-run forecasts on farm sector income and wealth. Farm income is a commonly referenced USDA statistic, which we've been producing for over a century now. It provides an overview of the financial performance or profitability of the farm sector as a whole. And it reflects a variety of data points and sources of information. For instance, USDA produces a lot of statistics on prices and production for individual farm commodities, as well as production inputs. And with farm income, we're able to tie it all together and combine it with measures of other sources of data, like on government payments, to get a holistic view of the farm sector. The estimates and forecasts provide guidance to policymakers, lenders, commodity organizations, farmers, and others, and helps with planning and decision making. One objective of this webinar, and the data that we produce, is to explain the drivers of the forecasted change in farm income by looking at the components of farm income. I will present additional financial indicators for the sector and its farms that highlight its complexity and current challenges. The USDA's Economic Research Service, Farm Income and Wealth Statistics, measure, forecast, and explain indicators of the economic performance for the U.S. farm sector. We release data three times a year. With today's release, we've updated our U.S. level forecasts for calendar year 2026 to include some new and revised data as it has become available since our last release in early February, including some survey-based data on 2026 crop plantings, production, and price. It also reflects the latest forecasts from the August World Agricultural Supply and Demand Estimates Report, the WASDE report. With this release, we've also converted our 2025 forecasts into estimates. And with this additional

data, we're able to produce our first state-level farm income estimates for 2025. The new data went live on the ERS website at 11 a.m. Eastern Time, along with a written discussion of our main findings.

So, our data covers the farm sector as a whole, and by that, I mean it's the nearly two million farms in the United States who operate just under 900 million acres of land. About half of those farms are what we consider farm businesses, which are defined as larger farms, and those where the principal occupation of the operator is farming. These farm businesses account for over 90 percent of the total value of agricultural production. And we have some additional data and forecasts on their finances, including by type of operation and geographic region. Lastly, we'll look briefly at the well-being of the 4.4 million people who live in households that operate a farm.

This is gonna be the summary, or the highlights of what I'll be talking about today, and in the order in which I'll be covering them. Starting with the outlook for farm sector profits in 2026 relative to 2025. This outlook is somewhat mixed. Starting with net cash farm income, which is forecast to increase slightly, 0.4 percent. However, this is less than the rate of inflation. So, when adjusted for inflation, net cash farm income is forecast to fall about 2.5 percent. On this slide, all of the values are nominal dollars, but many of the slides I will present later on, especially those that look at data over a number of years, will be inflation adjusted. Next, net farm income is forecast to fall $4.3 billion, or about 2.6 percent. At the component level, cash receipts from commodity sales are forecast to increase 0.3 percent, with largely offsetting changes in crop versus animal and animal product receipts. Direct government payments are forecast to increase $19.5 billion, or about 70 percent in 2026. And total production expenses are forecast to increase to $21 billion, or 4.5 percent. On the farm sector balance sheet, assets, debt, and equity are all forecast to increase nominally in 2026, with equity forecasts to rise 2.7 percent. For farm businesses, average net cash farm income is forecast at $121,700. That would be an increase of about seven percent from 2025. And lastly, for households that operate a farm, median total farm household income is forecast at $108,460, an increase of almost five percent.

We have two primary measures of farm income in 2026 dollars. That's what they're shown on this chart. So, we're adjusting prior years for inflation. With inflation adjusted, both measures are forecast to decline in 2026 after increasing in 2025. The yellow line on the top is net cash farm income, and this includes cash receipts from farming, or sales of farm commodities, as well as cash farm-related income, and government payments to farm operators, less cash expenses. By cash, so we're just meaning that there's a market transaction. After reaching a record high in 2022, net cash farm income fell in 2023 and in

2024. It then increased 19 percent in 2025. In 2026, it is forecast to decrease almost three percent when inflation adjusted. Net farm income, that's the blue line, is a broader measure of income that also incorporates non-cash items, like economic depreciation, and it accounts for changes in inventories of farm commodities. Net farm income follows a similar trajectory as net cash farm income, particularly in recent years. It increased 23 percent in 2025 and is forecast to fall 5.5 percent in 2026. Even with these declines, the forecast for both measures in 2026 would be above their 20-year average.

We measure farm income from the bottom up, meaning that we forecast its components parts first. And this allows us to identify what is driving the change in income relative to 2025. For this chart, I'm back to nominal dollars. Much of the expected downward pressure on net farm income in 2026 is being driven by higher production expenses. In this chart, we have on the far left the farm income estimate for 2025 at almost $163 billion, and then on the far right, we have the forecast for 2026 at $158 billion. The bars in blue indicate which items would contribute to growth in farm income, while the ones in red would pull down farm income. So, if we start from the right with crop cash receipts, these are forecast to increase by $14.6 billion. However, we expect over $9 billion of total crop sales in 2025 will be from inventories. And that is reflected in the crop inventory adjustment as net farm income is a measure of income from current production only. When you combine cash receipts with the inventory adjustment, you get a measure of the crop value of production, which is forecast to increase $5 billion in 2026. Next, animal and animal product receipts are forecast to decrease $16.4 billion, with farmers adding about $2 or $3 billion to their inventories in 2026. Production expenses are forecast to increase $21 billion, which would lower net income. Payments from farm programs to farm operations are forecast to increase by $19.5 billion. And then all other sources of income are forecast to increase by about $6 billion. The result is that net farm income is forecast to decrease $4.3 billion, or about 2.6 percent nominally. The sector gets most of its income from the sale of agricultural commodities, or cash receipts, which are forecast to decrease in 2026 in aggregate. This chart looks at the totals for cash receipts since 1970 in inflation-adjusted dollars. Note that these cash receipt estimates and forecasts are calendar year-based measures, rather than a crop or marketing year. Like with net income, total cash receipts reached an all-time high in 2022 and have generally trended downward since. In 2026, total receipts are forecast to fall three percent when adjusted for inflation. Crop receipts, that's the red line. fell in 2025 to their lowest level since 2007. In 2026, they are forecast to increase about three percent. Conversely, for animal and animal product cash receipts, they reached a record high in 2025. And they're forecast to decline eight percent in 2026.

We can also look at cash receipts by commodity. We estimate receipts for over 100 different commodities, and forecast receipts for about 25 different crop commodities, or commodity groupings. This chart focuses on some of the major crops in the United States. Receipts for many of the crops are forecast to increase in 2026. Cord and soybean receipts are both expected to increase in 2026 after declining over the last three years. Receipts for vegetables and melons are forecast to increase nearly 12 percent in 2026. However, receipts for fruits and nuts and wheat are expected to decline with wheat receipts projected to fall to their lowest level since 2001.

For animal and animal products, we're forecasting that receipts for most commodity groupings will be lower in 2026 after they reached a record high in total in 2025. The one exception here are cattle and calf receipts. They have been increasing every year, starting in 2021. And are expected to increase two percent from 2025 to 2026. You know, this is a more modest increase than what we saw in prior years. But if realized, cattle cash receipts would be at a record high in 2026. Milk or dairy receipts are forecast to decrease to their lowest level since 2018. But eggs are expected to account for most of the expected decline in animal and animal product cash receipts in 2026. Egg receipts are forecast to fall 67 percent, which would put them at around $11 billion in 2026, which is nearer to the levels that we saw prior to 2022, or it would be their lowest level since 2019.

The forecast for animal... and product cash receipts. In particular is primarily reflecting the expected changes in the prices received by farmers in 2026. Through a simulation, we can deconstruct the change in cash receipts into a price effect and a quantity effect. In other words, we can identify whether changes in prices received or quantities sold are driving the change in cash receipts relative to 2025. The changes here are shown in nominal dollars. Starting from the left, for crops in aggregate, higher prices, that's the orange bar, are driving most of the forecast increase in cash receipts. Specifically, a $12 billion increase in cash receipts. Relatively... little change, or is it expected for, or high... especially little change for higher quantities sold. For animal and animal product receipts, the story is reversed, in that lower prices are expected to decrease receipts by $16.5 billion. In total, lower prices for animal products are dominating, and resulting in the overall decrease in cash receipts in 2026.

Government payments are another source of income to farmers, and they are forecast to continue to increase in 2026. We define direct government payments as payments made to farm operations by the federal government without any intermediaries. And generally, they're from farm programs. We record them in the year in which they were received by farmers. This chart is now in inflation-adjusted dollars and shows payments by general type of program. In total, government payments increased by about $18 billion in 2025,

largely due to what we categorize as supplemental and ad hoc disaster assistance, which makes up most of what is included in the gray bar on this chart. In 2025, these payments... included payments under the Emergency Commodity Assistance Program, and other payments authorized in the American Relief Act of 2025, which were received in calendar year 2025. In 2026, we expect supplemental and ad hoc disaster assistance to increase as payments authorized under the American Relief Act are still being paid out in 2026, In addition to payments in our new programs, including the Farmer Bridge Assistance Program and Assistance for Specialty Crop Farmers Program. However, most of the forecast increase in government payments in 2026 is expected to come from Farm Bill commodity programs, where payments are triggered by lower prices or revenue. These are shown in orange. In particular, we expect about $15 billion to be paid out in calendar year 2026 under the Agricultural Risk Coverage and Price Loss Coverage Programs. Conservation programs, represented in green, are forecast to increase to a little over $5 billion in 2026.

This chart looks at government payments relative to the rest of net farm income. It also includes another source of income to farmers, or potential source, which are commodity insurance indemnities, which are payments to farmers for losses covered by insurance. This chart is an inflation-adjusted dollars. The top of the bars, the light peach color, show indemnity payments paid to farmers less the premiums paid by the farmers, so to the farmers, less premiums paid by the farmers for federal commodity insurance, which I'll refer to as net insurance payments. Net insurance payments are forecast to increase $6.5 billion in 2026. The darker orange bar segment shows direct government payments, which I showed on the previous slide. The gray bar represents net farm income excluding these net insurance and direct government payments. Net income less these payments from the federal government is forecast to fall $34 billion, or 26 percent, from 2025 to 2026. It would put them at their... the net at less... their lowest value since 2020.

Next, let's look at production expenses, which consists of spending on inputs used to produce farm commodities, or the costs incurred by farmers and ranchers. These include spending on items such as feed, fertilizer, hired labor. The chart shows total expenditures, cash and non-cash, in both nominal and inflation-adjusted dollars. After rising in 2022 and 2023, total expenses fell in 2024 but remained elevated. They increased three percent in 2025. And for 2026, we're forecasting that they will increase another 4.5 percent in nominal terms. This would outpace inflation. So, when adjusted for inflation, total expenses are forecast to rise 1.5 percent. Still, they would remain below their peak in 2014.

When we look at expenditures by category, the outlook is mixed, and this chart is in nominal dollars, and it compares expenditures by category in 2025 and 2026. Above the dotted line, we have categories where spending is expected to increase in 2026. The largest dollar increase is for livestock and poultry purchases at over $7 billion. Spending on livestock and poultry purchases have increased each year since 2020. It is expected to continue to increase in 2026. Fuel and oil expenses are forecast to increase 29 percent in 2026, following the forecast for higher diesel and other fuel costs from the Energy Information Agency. This forecast would put them at their highest level since 2024, when prior years are adjusted for inflation. Below the dotted line, we have categories where spending is expected to fall or remain relatively stable. Spending on feed is expected to decline for the fourth year in a row. Historically, feed has been the largest expense category, but in 2026, it is expected to be lower than livestock and poultry purchases. Spending on labor and pesticides is also forecast to fall somewhat in 2026.

Net farm income provides us with useful information about annual short-run profits. But it doesn't tell us everything about the financial position of the farm sector. For more information, we can look at the U.S. Farm Sector Balance Sheet. It provides information on the value of assets, both physical and financial, and the level of debt in the sector over time. We expect that the balance sheet will remain relatively stable in 2026 when adjusted for inflation. The top line of this chart represents the value of farm sector assets. After increasing every year from 2020 to 2024, assets stabilized in 2025 and are forecast to remain nearly unchanged in 2026. Likewise, the level of debt held by the farm sector, shown in the blue area at the bottom of this chart stabilized in 2025, but is forecast to grow 1.5 percent in 2026. This follows expected growth in both real estate and non-real estate debt. Farm sector equity, or the value of assets less debt, is shown in the green area. Given the forecast growth in debt, equity is projected to decrease slightly just about 0.3 percent from 2025 to 2026. This would be the first decline since 2019.

Here's another way to look at the balance sheet. This chart looks at the amount of debt relative to the assets and relative to equity as a percentage. These are what we call solvency ratios, which provide a measure of the sector's ability to repay financial liabilities, or debts and loans, through the sale of assets, and it can be an indicator of financial stress. In the last few years, the change in these ratios has been small, but suggests a slight worsening of the sector's solvency, as indicated by rising values. In 2026, we're forecasting these rate... that these ratios will worsen modestly. And that would keep them above their 10-year moving average. It's important to note that these solvency ratios are for the sector as a whole. And include farm operations with no debt. There's a lot of variation in the amount of debt that is held by individual farms. Additional financial ratios, including liquidity and efficiency measures, are available on our website.

But I'm going to give you two more indicators here that we can look at to gauge the level of financial stress within the farm sector. First, we have the red bars, which show farm bankruptcy rate, as measured by Chapter 12 filings. In 2023, it reached its lowest level in 20 years. And it has increased each year since. We project that the bankruptcy rate will continue to increase in 2026 to nearly two bankruptcies per 10,000 farms. This is based on Chapter 12 filings through June, and then we're projecting out the rest of the year. The forecast for 2026 would put bankruptcy rate at its highest level since 2020. The blue line is the debt service ratio, which provides information on liquidity, or the amount of capital readily available as cash, or can easily be converted to cash without a significant loss in market value. The debt service ratio describes the share of production income, or gross income, needed for debt payments. Lower values are preferred, meaning that less production income is needed to make debt payments, which improves liquidity. However, the debt service ratio is expected to increase in 2026, following the forecasted decline in the value of ag sector production and higher interest expenses.

So far, we've been discussing forecasts for the farm sector as a whole. In the next few slides, we'll be looking at an important subset of all farms, which we call farm businesses. These are farms where the primary occupation of the operator is farming plus those farms that had $350,000 or more in gross cash farm income. That's income before expenses. According to data from the Agricultural Resource Management Survey, or ARMS, about half of all farms meet this definition. They are represented on this chart by the blue and green segments for intermediate and commercial farms. Residence farms, as shown in yellow or gold, are those farms where the operator is retired, or whose primary occupation is not farming? They account for about half of all farms, but it's the intermediate and commercial farms, or these farm businesses, that account for over 90 percent of all agricultural production and hold most of the sector's assets and debt. Using farm-level preliminary data from the 2025 ARMS, we're able to do a micro-simulation and project average income levels in 2026 based on forecasts for the sector as a whole. And we can break down the forecast for farm business income by commodity specialization and geographic region. So, we're shifting here, our perspective, and looking only at farm businesses and at average net cash farm income levels.

Let's start by looking at farm businesses that specialize in crops. These are inflation-adjusted values shown here. Using ARMS, we can categorize farms by commodity specialization, which is determined by the one commodity, or commodity group, that makes up at least 50 percent of the farm's total value of agricultural production. For most types of crop farm businesses, average net cash farm income is projected to increase in 2026. This follows the sector-wide forecast for higher government payments and higher cash receipts for crops, as we discussed earlier. For farm businesses specializing in corn.

Average net cash farm income increased in 2025. And it's projected to increase again in 2026 to its highest level since 2021. Farms specializing in soybeans and wheat are projected to see average net cash farm income rebound in 2026, returning to levels near 2024. Crop, or sorry, cotton farm businesses often have the largest net income, on average, but they make up less than one percent of all farms. For these farms, net cash farm income is also projected to increase on average relative to 2025, largely reflecting expectations that cotton receipts will increase.

For farm businesses specializing in animal and animal products, we are projecting that all types of farm businesses will see average net cash farm income decrease in 2026. Cattle and calf farm businesses are projected to see average net cash farm income decline slightly in 2026 as production expenses are projected to increase more than cash receipts. For farm businesses specializing in dairy and hogs, average net cash farm income is expected to decline following declines in cash receipts, as well as higher expenses. Poultry and egg farms are projected to see negative net cash farm income in 2026, meaning that they would be operating at a loss, on average. This reflects the large decline forecast for ag receipts and higher expenses.

We can project how average net cash farm income for farm businesses can be expected to change in 2026 by resource region by looking at how ag production is distributed geographically. Across all farm businesses, average net cash farm income is forecast to increase seven percent from 2025 to 2026, nominally. And we project that six out of the nine regions will see an increase in average net cash farm income for farm businesses. Farm businesses in the Northern Great Plains are projected to see the largest increase at 30 percent. This follows the sector forecast for higher receipts for cattle as well as grains and oil seeds along with higher government payments, particularly from Farm Bill commodity programs. Farm businesses in the southern seaboard are expected to see the largest decrease in average net cash farm income. This region leads the nation in poultry and egg production, so the expected decline in both egg and broiler receipts, combined with higher expenses, would lead to lower net income on average.

With my final slides, we'll take a look at the households that operate farms. Up to this point, we've discussed the financial performance of farm operations, but the well-being of households that own and operate farms does not always match the farm's earnings. Farm profits can be shared with other stakeholders, such as landlords and contractors, and the well-being of the farm operator households is determined by a combination of on-farm and off-farm activities. So now we're going to look at only family farms and the households of the principal farm operator. In 2024, family farms accounted for about 97 percent of all

farms, and 86 percent of total agricultural production. Over four million people live in a household that's attached to a farm.

One measure of their well-being is household income. Households typically receive income from both farm and off-farm sources, and this chart looks at farm income, off-farm income, and total household income at the median where the median represents the income level at which half of all households have lower incomes, and half have higher. And this data here is adjusted for inflation. At the median income earned on the farm is low. Although it is forecast to increase slightly in 2026, it is expected to remain below zero in 2026, meaning that the median farm household is operating the farm at a loss. But recall that half of all farms are residential farms, which are small farms. And the primary occupation of the operator is not farming, and this results in low and usually negative farm income at the median. Therefore, many farm households rely primarily on off-farm income to cover their living expenses. Off-farm income sources include off-farm wage income of the operator and their family members, non-farm business earnings, dividends, and transfers. Median off-farm income grew slightly, about two percent, in 2025, and is forecast to remain stable in 2026. Total farm household income at the median is forecast to increase nearly five percent nominally, or one percent, when adjusted for inflation.

Now, this chart's interesting because it looks at household income by the type of the farm. That the household operates. For households attached to residential and intermediate farms, median total household income, as shown by the red line, tracks very closely with off-farm income. That's the blue line. And it is forecast to hold relatively steady in 2026. An off farm here, for these types of farms, accounts for essentially all of the household income at the median. But it's a different story for households that are attached to a commercial farm. Total household income for these farms and households follows more the trends in on-farm income, and on-farm income usually accounts for most of the household's income at the median. Farm income, that's the gray line, for commercial farms is expected to increase in 2026, and total household income to increase just over eight percent.

If you'd like to learn more about how we derive our farm business and farm household forecasts, you may be interested in this report, which we recently released. It's a technical bulletin, and it explains the underlying data and our methods, and it is available on our website.

The information I presented today is available on our website as well. We have data tables, data visualizations with charts and maps, and a written summary of our findings, along with some additional charts that has even more information. I'd like to highlight again that we now have state-level income and expense estimates through 2025, which

are available on our website. Our next release is scheduled for December 2nd at which time we'll update our 2026 forecast again.

Here's a link to our topic page on farm income and finances, along with our contact information. With that, I'm gonna hand it back over to Ashley.

Ashley: Thanks, Carrie! Let's go ahead and take a few questions. As a reminder, if we don't get to your question today, please send us an email at ers.press@usda.gov. For our first question. You said animal cash receipts are projected to decline in 2026 due to lower prices. Does that include cattle where prices are at record levels this year?

We don't hear you, Carrie, just in case you're muted.

Carrie: I'm sorry, I was muted. Okay. Okay, so yes. We are forecasting that cattle prices will increase, and even with that increase in cattle prices, we expect overall, or in aggregate, that prices for animal and animal products will be lower in 2026. And that's because we are forecasting or projecting lower prices for eggs, broilers, hogs, and milk. So, this $16 billion decline, Or the decline for those commodities is offsetting the expected higher prices for cattle.

Ashley: Thanks, Carrie. Next up, how frequently do you update the forecast, and where can, the... or where can they find the forecast beyond 2026?

Carrie: Yeah, we update our forecast three times a year, typically in February, late August or early September, and then late November or early December. And we will not start doing our... well, we'll do our first short-term forecast for 2027 with the February 2027 release. But if you're interested in looking beyond 2026 at this time, you can also refer to USDA's baseline projections. I mean, these were done, you know, a while back, earlier in the year, but they do have projections for... that go, you know. further ahead than these short-run projections, but otherwise, we're going to have our first 2027 forecasts in February of next year.

Ashley: Thanks, Carrie. Next up... Why is net cash farm income forecast to rise slightly, but net farm income is forecast to be lower in 2026?

Carrie: Well, the short answer is because net farm income excludes sales from inventories, which are forecasts at about $10 billion in 2026. So that's making the net cash farm income forecast higher, because net cash farm income records sales, or receipts in the year in which they occur. And so, it includes that $10 billion from inventories, while net farm income reflects the value of production instead, so it excludes sales from inventories. That's primarily the difference in their movements.

Ashley: Got it, thanks. Next up here, could you talk a little bit more about the average net income for cattle or calf farm businesses? Their net income seems to be much lower than that for other businesses. Could you explain a little?

Carrie: Yeah, so that's shown on this chart. You can see that in 2026; they're forecast to have an average income of $50,000. And cattle farm businesses; they generally do have the lowest average net cash income. That's because there are a lot of them in the U.S, and they tend to be smaller than many other types of farm operations. They account for the largest share, or number of farms, at about one-third of farm businesses, or 17 percent of all farms. So, there are mighty and many, and, you know, and many, so... other than... That's usually why, you know, their average is lower.

Ashley: Good to know. Thanks, Carrie. Next up... Why did farm income drop in the Pacific Northwest?

Carrie: I'll get the map back up. Okay, so we'll call that the Fruitful Rim, I was assuming, because that's where we are forecasting a five percent decline in the Fruitful Rim. And I think there's two factors here, you know, one is that we are expecting a decline in vegetable cash... I'm sorry, in fruit cash receipts. The Fruitful Rim also has a lot of dairy operations, and we're expecting a decline in dairy cash receipts. And also, this region... tends to have pretty high labor expenses relative to some of the other labor expenses and other expenses, perhaps relative to other regions of the country. But in general, you know, the forecast for higher cash expenses in 2026 is also expected to pull down income in this region. And unlike, say, like, the Northern Great Plains, or some of, you know, the Heartland Prairie Gateway. Typically, the Fruitful Rim program, you know, doesn't get as much government payments as, say, you know, farms that are producing grains and oil seeds. So, all that's kind of combining to result in this expected decline.

Ashley: Thanks, Carrie. Are bankruptcies and debt service ratio data available for years prior to 2004?

Carrie: The debt service ratio is available on our website prior to 2024. I can't say exactly how far back the series goes, but we'd have it on our website. We don't maintain the bankruptcy rate data on our topic page for farm income and finances, but this is publicly available data, and there is... there has been previous research that this kind of bankruptcy rate calculation was drawn from that has the data going back in time that you can find. And, you know, feel free to shoot me an email if you'd like to kind of know what I'm referring to as far as that prior research. Or the data, like I said, is publicly available from the U.S. Court's statistical tables.

Ashley: Thanks, Carrie. Let's see, next question. Are... oh, wait, we already answered that one, sorry, my apologies. Next up, there have been, or there has been lots of momentum in commodity prices lately, particularly for corn. Is this reflected in your forecast?

Carrie: Our forecast for corn, and many of the other major farm commodities, are based on projections from the August 12th WASDE report. So, doesn't include any recent, very recent momentum that has occurred since then because we're using those August 12th projections.

Ashley: Okay, we'll take one more here. The Northern Great Plains have been impacted by droughts. The Dakotas are currently down for corn and soybeans as it relates to excellent, good crop conditions from USDA. How is the Northern Great Plains showing a 30 percent year-over-year increase on net cash income?

Carrie: Okay, that's a good question, and it allows me to clarify that when we do this model, we start with what we know about farms in 2025 from the Agricultural Resource Management Survey. So, it relies on the distribution of income and government payments and expenses from 2025. It does not consider any information on drought conditions in 2026. So, the way the model works, essentially, is that it's taking these farm-level data from 2025 ARMS and applying the sector-level growth rates. So... Northern Great Plains is getting the projected increase that we're forecasting for the nation for, like, corn and soybean cash receipts. So, it's not really, you know, it's not... super specific to their region, but just knowing about, you know, knowing how much those farms in that region produced in 2025 being our base. But also, a big part of the Northern Great Plains story, I think, in 2026, is this expected increase in government payments, you know, particularly the ARC and PLC payments, which are likely to be, somewhat concentrated, you know, in certain parts of the country, including the Northern Great Plains.

Ashley: Thanks, Carrie. Alright, we'll pause there. Thanks again, Carrie, and thank you to our listeners for joining us today. For any additional questions or feedback, please send us an email at ers.press@usda.gov. We'd be happy to hear from you. Next slide, or closing slide, please, Carrie.

To learn more about ERS research and our available data products, please visit our website at www.ers.usda.gov, where you can subscribe for topics of interest, or find us on social through LinkedIn and X. Again, thanks for joining us today. We appreciate your time and interest, and hope this was helpful. Have a wonderful day! This concludes our webinar.