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Ag Industry Update

As we reflect on the past year, we acknowledge the challenges faced by many, including elevated input costs, declining grain markets, and various weather events. Additionally, the election year added to the uncertainty.

While we await new policy developments, Congress has enacted the American Relief Act of 2025, which averted a government shutdown and temporarily extended the 2018 Farm Bill through September 2025. This Act allocates $30.78 billion to the USDA for farm relief, including $20 billion in disaster assistance for 2023 and 2024 and $10 billion in economic assistance to farmers for expected economic losses incurred in growing 2024 commodities.

In January 2025, the USDA announced revisions to yield estimates, leading to a recent rise in grain futures. It remains to be seen how broader conditions, including South American production, trade policies, energy policies, weather conditions, and planting intentions, will impact prices. We encourage producers to consult with their bankers to gain a sound understanding of production costs and make informed, profitable decisions.

Livestock prices have remained resilient in the cash markets, creating opportunities for many cow-calf operations. However, this poses risks for feedlots sourcing cattle, and margins will need to be carefully managed. We encourage producers to utilize insurance products and responsible hedging strategies to proactively manage risk.

These are just a few thoughts as we enter the new production year. We look forward to serving you as a trusted partner for your operation in 2025 and beyond. We hope you and your families have a successful and fulfilling year. We will continue to provide updates as the year progresses.



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Ag Banking Team

At First Bank & Trust, our Ag Banking team is made up of local experts who know you and understand your farm operation. With the ag renewal season in full swing, we look forward to connecting with you and learning about your plans for 2025.

Give us a call at 800.843.1552
or connect directly with an ag banker in your area.

Meet the Ag Team

First Bank & Trust
AG BANKING

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