

Ag Decision Maker

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UPDATES

The following [Information Files](#) have been updated on extension.iastate.edu/agdm:

A1-12 USDA NASS Corn and Soybean County Yields for Iowa, 2015-2024

C2-10 Cash Rental Rates for Iowa 2025 Survey

C2-20 Computing a Cropland Cash Rental Rate

C2-21 Flexible Farm Lease Agreements

C4-13 The Farm Business Transfer Process

C4-16 Dividing Business Income

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The following [Videos and Decision Tools](#) have been updated on extension.iastate.edu/agdm:

A1-10 Chad Hart's Latest Ag Outlook Video

C2-20 Cash Rental Rate Estimation

C2-21 Flexible Farm Lease Agreement Worksheet

The following [Profitability Tools](#) have been updated on extension.iastate.edu/agdm/outlook.html:

A1-85 Corn Profitability

A1-86 Soybean Profitability

A2-11 Iowa Cash Corn and Soybean Prices

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Cattle industry report card suggests more revenue from fewer cattle likely to continue

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A report card provides a snapshot of a student's academic progress and performance against established standards or benchmarks. If you are in business, you should also want a report card. This helps highlight areas of strength and areas for possible improvement.

Fortunately, USDA's National Agricultural Statistics Service (NASS) recently handed us a cattle industry report card. The [Meat Animals Production, Disposition, and Income 2024 Summary](#), <https://downloads.usda.library.cornell.edu/usda-esmis/files/02870v85d/pv63hx709/k356c2658/meatan25.pdf>, was published on April 29, 2025. The annual balance sheet and income estimates include:

- Beginning and ending inventories, calf crop, inshipments, marketings of both cattle and calves, farm slaughter and deaths of both cattle and calves.
- Total production and marketings in pounds, value of production, cash receipts, value of home consumption and gross marketings.

NASS provides these data by state and for the United States as a whole. Producers can compare data from their operations to these benchmarks to create report cards for their own operations. Year-over-year comparisons are a popular metric in market analysis and in benchmarking.

Last year was third year in a row of record high cash receipts

Nationally, 2024 cash receipts for cattle and calves totaled over \$112.09 billion. That figure is 10.8% higher than 2023's \$101.17 billion and 29.9% higher than 2022's \$86.29 billion. The last three years have set records. The previous record was \$81.08 billion in 2014.

For perspective, Walmart's 2024 revenue was \$680.98 billion. Amazon's was \$637.96 billion. Apple's was \$391.04 billion. Last year's US cattle and calves cash receipts were more on par with revenue of Wells Fargo (\$125.40 billion), Comcast (\$123.73 billion), State Farm Insurance (\$123.00 billion), AT&T (\$122.43 billion), and Target (\$106.56 billion).



Cash receipts are receipts from marketings and any sale of farm-slaughtered meats. Marketings include animals for the slaughter market and younger animals shipped to other states for feeding and breeding purposes. It excludes interfarm sales within the same state and farm slaughter. Number of head marketed includes all custom slaughter, but pounds of live weight marketed exclude custom slaughter consumed on farms where produced.

Total cattle and calves marketings rose from 58.89 billion pounds in 2023 to 59.31 billion pounds in 2024. That's an increase of 421.90 million pounds or 0.7%. Cattle marketings, excluding calves, in 2024 were down 129,300 head or 0.3% from 2023 marketings. Calf marketings were down 162,400 head or 2.2% from 2023 marketings. Together, cattle and calves marketings were down 291,700 head or 0.6%.

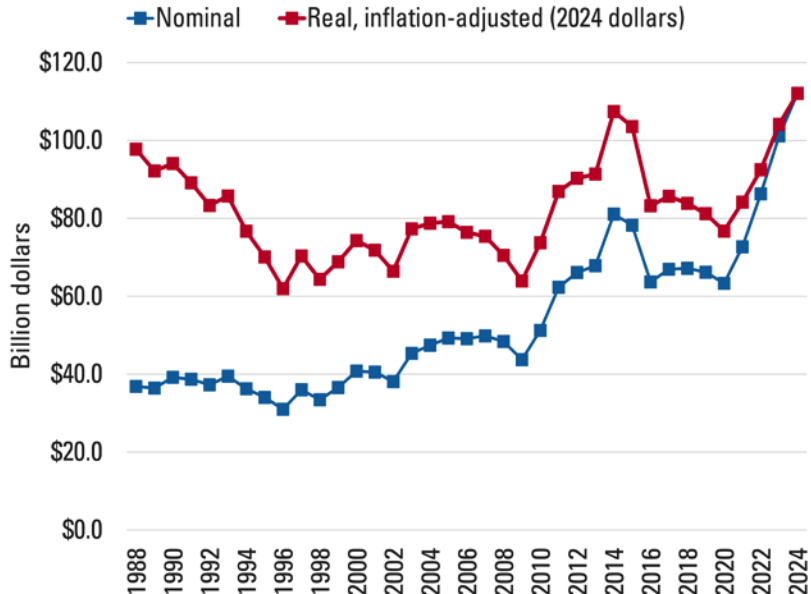
However, heavier weights offset the lower head count to boost total pounds marketed slightly. Marketing weights averaged 1,126 pounds in 2023 and 1,140 pounds in 2024. That's an increase of 14 pounds or 1.3%. Remember weights are for a conglomerate of all cattle and calves marketed.

Higher prices hiked 2024 cash receipts

NASS published the 2024 US prices received for cattle and calves on February 28, 2025 in the [Agricultural Prices report](https://downloads.usda.library.cornell.edu/usda-esmis/files/c821gj76b/4742c537w/1831fg27k/agpr0225.pdf), <https://downloads.usda.library.cornell.edu/usda-esmis/files/c821gj76b/4742c537w/1831fg27k/agpr0225.pdf>.

Figure 1. United States cattle and calves cash receipts.

Data source: USDA-NASS and U.S. Bureau of Labor Statistics.



Cow prices rose from \$102/cwt in 2023 to \$129/cwt in 2024. Steer and heifer prices increased from \$177/cwt in 2023 to \$189/cwt in 2024. Prices of calves climbed from \$261/cwt in 2023 to \$324/cwt in 2024. The weighted average price across all marketings was \$172/cwt in 2023 and \$189/cwt in 2024, up 10.0%.

Cattle and calves marketings, measured in both head and pounds, will likely ease lower in 2025 compared to 2024. But stronger prices will likely again more than offset fewer pounds to boost 2025 cash receipts to another record high. Through the first quarter of 2025, calf prices are up 18% compared to through the first quarter of 2024.

Cow prices are up 21% and steer and heifer prices are up 12%.

Iowa remained the fourth state for cattle and calves cash receipts at \$6.19 billion in 2024. The top three spots were occupied by Nebraska (\$17.80

billion), Kansas (\$14.78 billion), and Texas (\$13.63 billion).

Cattle industry cash receipts outpace inflation

Inflation erodes buying power. For example, if inflation is running 5% annually, you need \$1.05 of income to buy what \$1.00 of income could buy a year earlier.

Even after factoring in inflation, 2024's record high \$112.09 billion in cattle and calves cash receipts had more buying power than the buying power of the previous record high cash receipts of \$101.17 billion in 2023 (Figure 1). That boosts cash available to pay operating expenses, make capital purchases, expand herds, service debt, and make withdrawals from the business to pay family living expenses.

Analysts and producers often use nominal values for short-term market analysis. But longer term, using real or inflation-

adjusted values provides a clearer picture of investment returns. For example, 2023's nominal cash receipts of \$101.17 billion bought less in terms of goods and services than 2014's cash receipts of \$81.08 billion, which were record high, nominally, at the time.

Lowest death losses on record

Last year 3,649,600 cattle and calves died on US farms and ranches. The mix included 1,975,200 calves and 1,674,400 other cattle (Figure 2). The total is a decrease of 100,400 head or down 2.7% from 2023. It was a record low death loss head count for the data series that goes back to 1988. One thing to keep in mind when looking at the annual death loss numbers is that they are highly correlated with inventory levels. The industry had fewer cattle in 2024 than in any other year in the data series back to 1988. Lower inventories mean the death loss number of head could drop, while percentage death loss holds steady. At higher inventories, death loss numbers can increase, while percentage death loss stays the same.

Analysts can use the USDA data to calculate an annual death loss percentage. Simply dividing deaths by the total annual calf crop, which was 33,529,500 head in 2024, gives a death loss percentage of 10.9%. That is down from 11.2% in 2023 and the lowest since 2004. While the denominator is calf crop, bear in mind that the 10.9% death loss is not all 2024 calf crop calves.

Figure 2. United States cattle and calves death loss.

Data source: USDA-NASS.

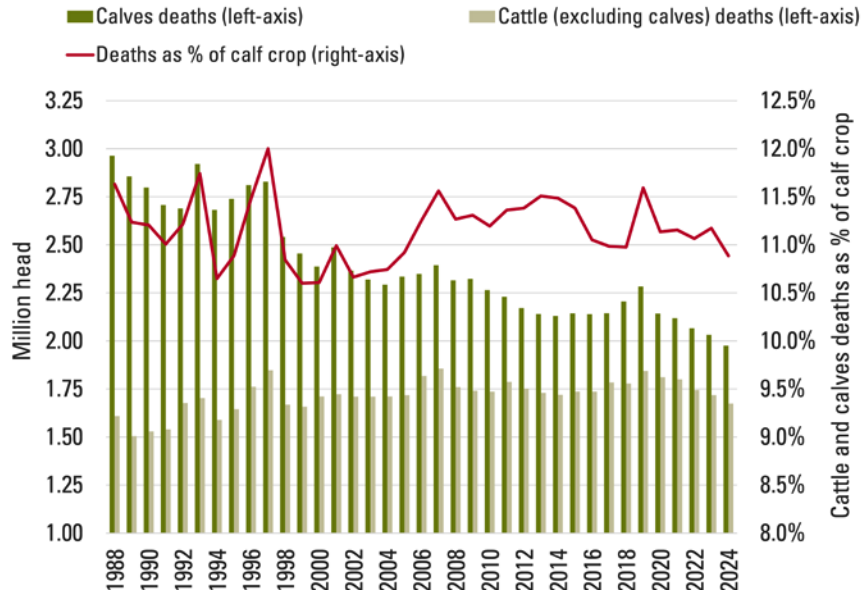
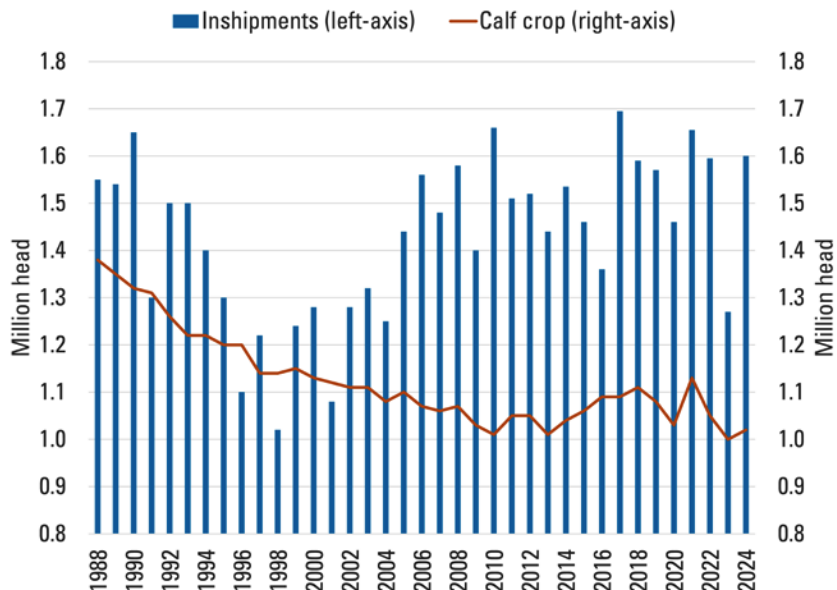


Figure 3. Cattle shipments into Iowa for feeding and annual calf crop.

Data source: USDA-NASS.



A [cooperative effort](https://downloads.usda.library.cornell.edu/usda-esmis/files/vh53wv75j/xp68kk00g/v405sd14m/CattDeath-05-12-2011.pdf), <https://downloads.usda.library.cornell.edu/usda-esmis/files/vh53wv75j/xp68kk00g/v405sd14m/CattDeath-05-12-2011.pdf>, by NASS and the Animal and Plant Health Inspection Service's Veterinary Services division found that 6% of cattle and calves death losses were from predators and 94% were non-predator losses. Of the non-predator death losses, respiratory problems were the highest at 28% and digestive problems, weather related, and calving problems were next, each at 13%.

Iowa is a destination state

Inshipments are livestock shipped into states for feeding or breeding. Inshipments do not include animals brought in for immediate slaughter.

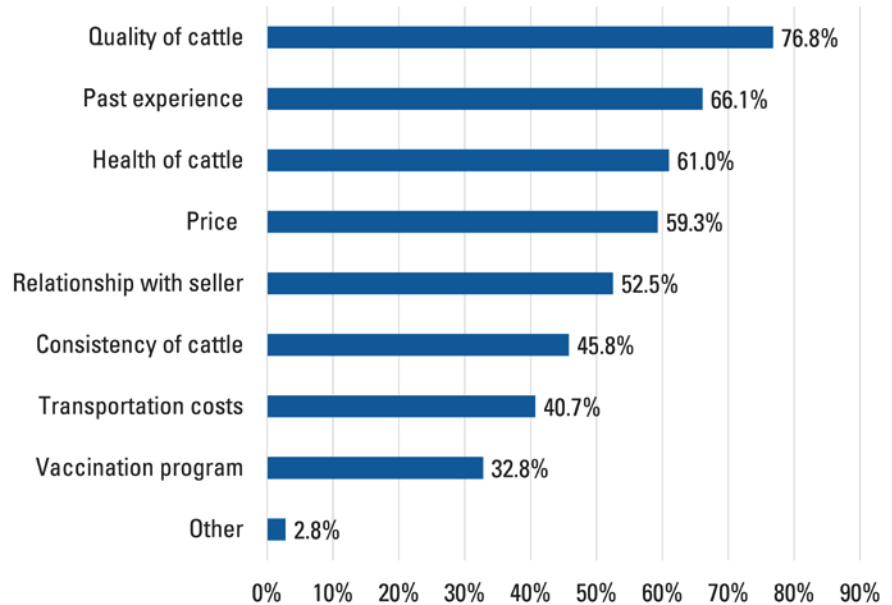
Shipments of cattle into Iowa for feeding jumped 330,000 head or 26% in 2024 compared to 2023 (Figure 3). Inshipments have generally helped offset the decline in the Iowa calf crop since the late 1990's.

Most of the feeder cattle coming into Iowa came from Missouri and South Dakota. That's according to an Iowa Beef Center Feedlot Operator Survey. Next highest is Nebraska, then the Southeast (KY, TN, VA, WV, NC, GA, FL), Northern Plains (MT, WY, CO) and North Dakota.

When feedlot operators were asked, "Why do you buy feeder cattle from the states or regions that you do?", the most common response was, "*Because of the quality of cattle*" (Figure 4). Iowa does have a reputation for producing high quality beef

Figure 4. Why do Iowa cattle feedlots buy feeder cattle from the states or regions that they do?

Data source: Iowa Beef Center Feedlot Operator Survey. Percents may reflect multiple answers.



from high quality cattle. You need to procure high quality cattle, and enough of them, if you are going to feed them to produce the high-quality beef.

Iowa cattle feeders do not appear to be as sensitive to feeder cattle prices as one would think. Price was in the middle of the pack among reasons why Iowa cattle feedlots buy feeder cattle from the states or regions that they do.

***This is the final regular article submission from Dr. Lee Schulz. His research and analysis of the Iowa and US livestock industries have provided valuable insights for the Ag Decision Maker newsletter, ISU Extension and Outreach, and Iowa's agricultural industry.**



Downward trend in Iowa cash rental rates for 2025

By Ann Johanns, extension program specialist, 515-337-2766 | aholste@iastate.edu

The 2025 annual survey of cash rental rates for Iowa farmland shows that rates decreased, on average, by 2.9% in 2025 to \$271 per acre. This is the first decline in cash rents since 2019, after a peak of \$279 per acre the previous two years of the survey (Figure 1). Crop reporting districts experienced differing results in cash rents: from a decrease of 6.9% in Crop Reporting District 8 (South Central) to an increase of 2.8% in Crop Reporting District 9 (Southeast) (Table 1). The Southeast Crop Reporting District was the only area that showed an increase from 2024, this district was also 0.8% (\$2) higher than its previous peak of \$252 as reported in the 2023 Cash Rental Rate Survey.

The intent of the ISU survey is to report typical rents in force, not the highest or lowest values heard through informal sources. Iowans supplied 1,492 usable responses about typical cash rental rates in their counties for land producing corn and soybeans, hay, oats, and pasture. Of these, 44% came from farm operators, 37% from landowners, 8% from professional farm managers and realtors, 6% from agricultural lenders and 5% from other professions and respondents who chose not to report their status. Respondents indicated being familiar with a total of 2.5 million cash-rented acres across the state.

Figure 1. Average cash rents in Iowa, \$ per acre, nominal.

Source: Iowa State University Extension and Outreach Cash Rental Rates for Iowa Survey.

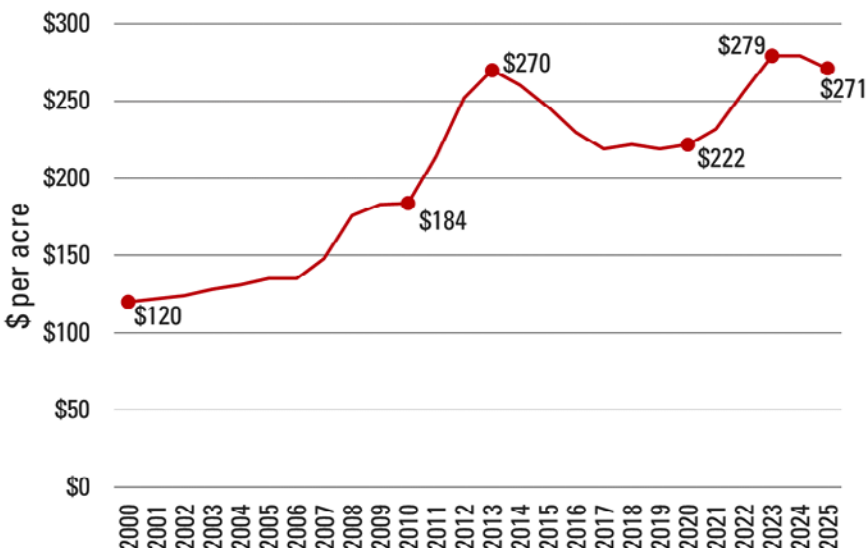


Table 1. 2021–2025 Overall Average of Typical Cash Rents by Iowa Crop Reporting District (dollars per corn and soybean acre).

	2021	2022	2023	2024	2025
District 1	\$242	\$270	\$302	\$304	\$288
District 2	238	261	285	286	274
District 3	253	278	307	309	290
District 4	247	276	298	297	295
District 5	245	271	292	294	286
District 6	243	265	283	284	279
District 7	214	243	265	263	255
District 8	188	203	227	231	215
District 9	221	240	252	247	254
State	\$232	\$256	\$279	\$279	\$271

Source: Iowa State University Extension and Outreach Cash Rental Rates for Iowa Survey

Changes in average rent across counties and land quality

There was considerable variability across counties in year-to-year changes, as is typical of survey data, but 68 out of the 99 Iowa counties reported decreases in average rents for corn and soybean acres.

All land qualities reported similar decreases in average cash rents. High-quality land experienced a 3.4% decrease, from \$328 per acre in 2024 to \$317 in 2025. Medium-quality land experienced a 2.5% decrease, from \$278 per acre in 2024 to \$271 in 2025. Low-quality land experienced a 3.0% decrease, from \$232 per acre in 2024 to \$225 in 2025.

The report also shows typical rents for irrigated, alfalfa, grass hay, oats, pasture, corn stalk grazing and hunting rights by crop reporting district. New information in the 2025 report includes crop reporting district averages for land in organic crop production.

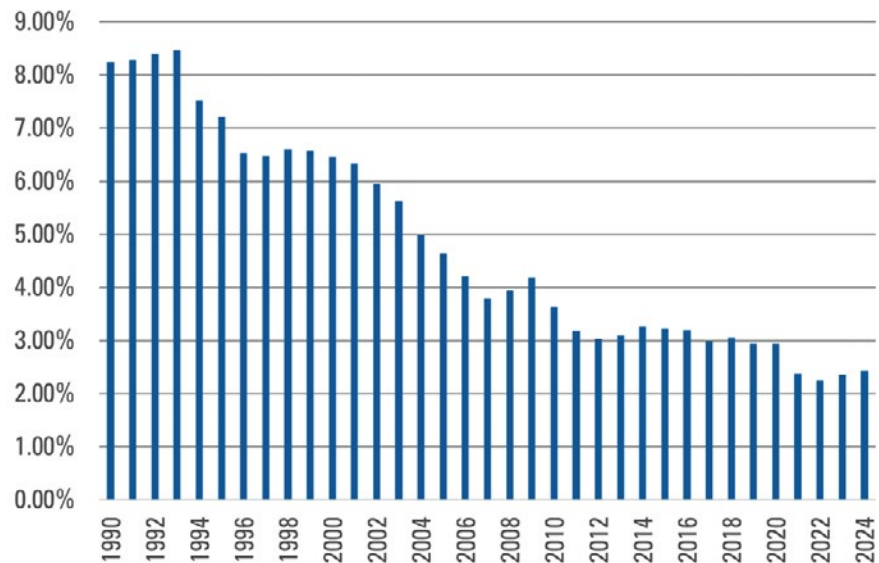
Utilizing the survey information

Survey information can serve as a reference point for negotiating an appropriate rental rate for next year. However, rents for individual farms should be based on productivity, ease of farming, fertility, drainage, local price patterns, longevity of the lease and possible services performed by the tenant. Three major factors with the potential to influence future cash rents are crop prices, government payments and land values.

The survey presents typical dollars of rent per bushel of corn and soybean yield for each county, based on the county average yield for each crop during the last five years, and row crop CSR2 index point. This year, the rent per bushel ranged from \$0.95 to \$1.88 for corn and

Figure 2. Ratio of average cash rent to land value in Iowa, 1990-2024.

Source: Calculations based on Iowa State University Land Value Survey and Cash Rental Rates for Iowa Survey.



from \$3.11 to \$6.20 for soybeans, with overall averages for corn and soybeans of \$1.39 and \$4.67, respectively. The statewide average per CSR2 index point was \$3.38, with a range of \$2.32 to \$4.78.

An important factor considered by landowners when negotiating cash rents is the return on their farmland investment. Figure 2 shows the evolution of the ratio of average cash rents to average land values in Iowa. It suggests that the average return on investment for landowners who cash rent their land to operators has followed a declining trend since the early 1990s, stabilizing at around 3% after 2010. Note that this ratio does not measure net returns as ownership costs, including real estate taxes, are not considered in its calculation.

The annual survey was carried out by Iowa State University Extension and Outreach. This

information would not be possible without the 1,492 responses on typical cash rents from producers, landowners, and ag professionals across the state. Every survey response is greatly appreciated.

AgDM File C2-10, [Cash Rental Rates for Iowa 2025 Survey](http://www.extension.iastate.edu/agdm/wholefarm/html/c2-10.html), www.extension.iastate.edu/agdm/wholefarm/html/c2-10.html, provides detailed results by county and Crop Reporting District. Archived publications from previous years are also available on this webpage, and Ag Decision Maker File C2-11, [Historical County Cropland Rental Rates](http://www.extension.iastate.edu/agdm/wholefarm/html/c2-11.html), www.extension.iastate.edu/agdm/wholefarm/html/c2-11.html, reports historical county averages from previous years.

Other resources available for estimating a fair cash rent include the AgDM Information Files, Computing a Cropland

Cash Rental Rate (C2-20), Computing a Pasture Rental Rate (C2-23) and Flexible Farm Lease Agreements (C2-21). All of these fact sheets are on the [Ag Decision Maker Leasing page](http://www.extension.iastate.edu/agdm/wdleasing.html), www.extension.iastate.edu/agdm/wdleasing.html, and include decision tools (electronic spreadsheets) to help analyze individual leasing

situations. An online decision tool to visualize the cash rents by land quality in each county by year, and compare trends in cash rents for a county versus its CRD and the state average [is available](http://www.card.iastate.edu/tools/ag-risk/cash-rental-rates/), www.card.iastate.edu/tools/ag-risk/cash-rental-rates/.

For questions regarding the cash rent survey, contact the authors.

For general leasing questions, [contact the farm management field specialist in your area](http://www.extension.iastate.edu/ag/farm-business-management-0), www.extension.iastate.edu/ag/farm-business-management-0. Farm management specialists will once again present farmland leasing programs across the state in July and August for an in-depth assessment of trends and issues impacting Iowa tenants and landowners.



A good start for big crops

By Chad Hart, extension crop market economist, 515-294-9911 | chart@iastate.edu

In May, USDA provides the first in-season outlook for the upcoming crop year. By this time, nearly three months have past since the Ag Outlook Forum at the end of February. Planting is often rolling along, and USDA will update its acreage estimates to the March Prospective Plantings numbers. But USDA will also revise their usage forecasts based on the usage shifts over the past few months. This year's first in-season projections show large crops and growing usage, but prices remaining close to current levels.

Given the drier conditions across most of the Corn Belt to start the year, planting progress got off to a good start. Figures 1 and 2 show the national planting pace data for corn and soybeans, respectively, on an annual basis since 1980. The light blue

shaded area displays the range in planting pace, with slower pace towards the right of the graphs. For corn, planting this year is running slightly ahead of the five-year average and well ahead of last year's pace. As of Mother's Day, roughly 60% of the nation's corn had been planted. As farmers indicated there would be more than 95 million acres of corn this year, that translates over 57 million acres planted already. The years with the most similar corn planting progress to 2025 are 2002, 2017, and 2023. The national yield for the 2017 crop was above trendline, while 2023 was slightly below trend and 2002 was below as well. However, for the 2017 and 2023 corn crops, the national average yields were above 175 bushels per acre. Analog years don't provide a strong signal on production yet.

For soybeans, the early pace matched and surpassed 2023's and last year's strong starts. The current soybean planting pace is the fastest we have had since 1980 (when the data started). Roughly half of the nation's soybeans were planted by mid-May. Searching for analog years here, the closest ones are 2023, 2021, and 2024. And all three years provided national average soybean yields above 50 bushels per acre. However, the fourth ranked analog year is 2012, when drought did take a sizable bite out of soybean yields.

For the May WASDE report, USDA sticks with projections of trendline yields. Given the acreage shifts reported in the March Prospective Plantings report, those yields will lead to large crops. For corn, projected production in 2025 now stands at 15.82 billion bushels, which

would be nearly 500 million bushels above the record set in 2023 and nearly a billion bushels more than 2024 production. For soybeans, 2025 projected production is 4.34 billion bushels, just slightly below last year and roughly 100 million bushels below the 2021 record. So once again, projected supplies are ample.

Supply and usage

Market traders were watching the WASDE report to see how USDA would adjust crop usage. The gray boxes in Tables 1 and 2 highlight the demand sides of the corn and soybean markets. For corn, the 2024 marketing year has been a strong year. Corn usage topped 15 billion bushels for the first time ever. Corn usage for ethanol is on a record pace, corn exports have surged to their second highest level (despite the tariff turmoil), and feed usage remains strong (despite the continuing reduction in the cattle herd). The projected 2024-25 ending stocks have fallen to 1.415 billion bushels, after starting the marketing year with projections north of 2 billion bushels. But even with the increase in usage and reduction in stocks, USDA has its 2024-25 season-average price estimate at \$4.35 per bushel, 20 cents below the 2023 average.

For 2025, USDA has acreage and production rising and usage continuing to climb, but production exceeds usage (Table 1). Compared to the corn usage projections released at the Ag Outlook Forum, the latest update was encouraging, but

Figure 1. United States corn planting progress. Data source: USDA-NASS.

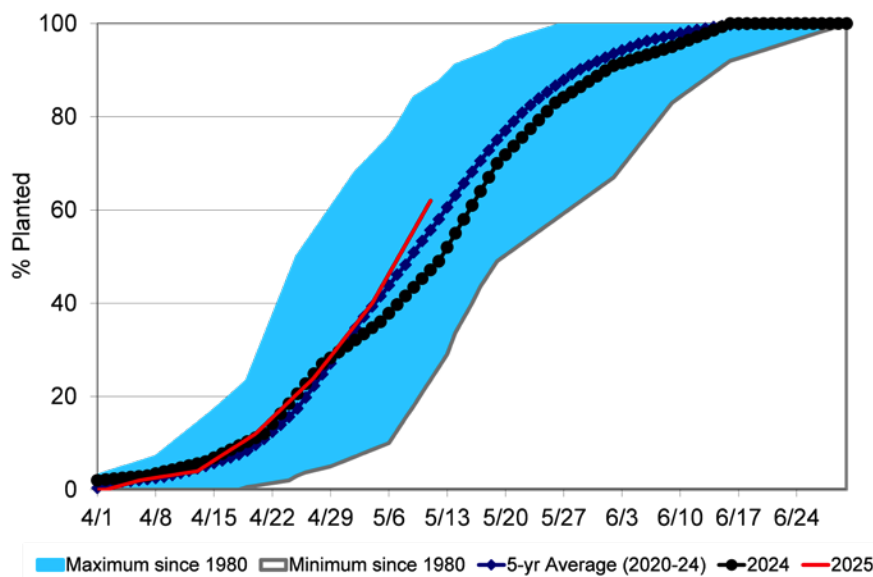
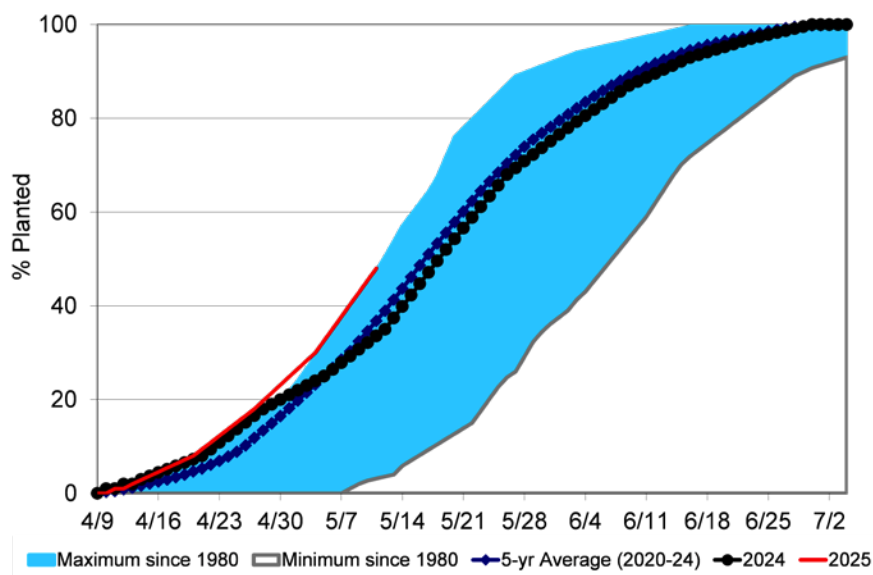


Figure 2. United States soybean planting progress. Data source: USDA-NASS.



supplies are still growing faster. And the only usage category where they showed growth was exports, adding 275 million bushels to their earlier estimate. That is a gigantic boost given the state of trade policy at the moment. But even with that growth in usage, 2025-26 projected ending stocks are set to increase to 1.8 billion bushels. USDA stuck with the February price projection for the 2025-26 season-average at \$4.20 per bushel, indicating a third straight year of declining prices.

The 2024 soybean market has seen supplies and usage grow at roughly the same pace. Production increased by 200 million bushels and combined with larger stocks to boost soybean supplies by nearly 300 million bushels. But the combination of higher domestic

Table 1. United States corn supply and usage. Source: USDA-WAOB.

Marketing Year (2024 = 9/1/24 to 8/31/25)		2023	2024	2025-Feb	2025-May
Area Planted	(million acres)	94.6	90.6	94.0	95.3
Yield	(bushels/acre)	177.3	179.3	181.0	181.0
Production	(million bushels)	15,341	14,867	15,585	15,820
Beginning Stocks	(million bushels)	1,360	1,763	1,540	1,415
Imports	(million bushels)	28	25	25	25
Total Supply	(million bushels)	16,729	16,655	17,150	17,260
Feed and Residual	(million bushels)	5,805	5,750	5,900	5,900
Ethanol	(million bushels)	5,478	5,500	5,500	5,500
Food, Seed, and Other	(million bushels)	1,390	1,390	1,385	1,385
Exports	(million bushels)	2,292	2,600	2,400	2,675
Total Use	(million bushels)	14,966	15,240	15,185	15,460
Ending Stocks	(million bushels)	1,763	1,415	1,965	1,800
Season-Average Price	(\$/bushel)	\$4.55	\$4.35	\$4.20	\$4.20

Table 2. United States soybean supply and usage. Source: USDA-WAOB.

Marketing Year (2024 = 9/1/24 to 8/31/25)		2023	2024	2025-Feb	2025-May
Area Planted	(million acres)	83.6	87.1	84.0	83.5
Yield	(bushels/acre)	50.6	50.7	52.5	52.5
Production	(million bushels)	4,162	4,366	4,370	4,340
Beginning Stocks	(million bushels)	264	342	380	350
Imports	(million bushels)	21	25	20	20
Total Supply	(million bushels)	4,447	4,734	4,770	4,710
Crush	(million bushels)	2,285	2,420	2,475	2,490
Seed and Residual	(million bushels)	125	114	110	110
Exports	(million bushels)	1,695	1,850	1,865	1,815
Total Use	(million bushels)	4,105	4,384	4,450	4,415
Ending Stocks	(million bushels)	342	350	320	295
Season-Average Price	(\$/bushel)	\$12.40	\$9.95	\$10.00	\$10.25

soybean crush and the rebound in soybean exports led to an approximately 300 million bushel increase in soybean use. So, 2024-25 soybean ending stocks are only 8 million bushels than the previous year, at 350 million bushels. USDA has its 2024-25 season-average price estimate at \$9.95 per bushel, down \$2.45 from the previous year.

The 2025 soybean projections show supplies dropping slightly and usage increasing modestly. But in general, the numbers for 2025 look similar to the results for 2024. While soybean acreage is lower, the trendline yield would offset that and soybean production is only 26 million bushels less than last year. Compared to the Ag

Outlook Forum estimates, USDA increased crush by 15 million bushels, but lowered exports by 50 million. While corn export expectations have soared, soybean export expectations have not. Soybean usage is continuing to increase, topping 4.4 billion bushels. Thus, the projection for 2025-26 ending stocks falls below 300 million

bushels and the 2025-26 season-average price estimate sits at \$10.25 per bushel, up a quarter from February and 30 cents above this year's average.

Current futures are in the ballpark of USDA's estimates, leaving crop margins either very low or in negative territory. ISU's 2025 production cost estimates were roughly \$4.30 per bushel for corn and \$11.15 per bushel for soybeans. So, \$4.20 corn

and \$10.25 soybeans come up a bit short. However, the futures-based outlook on season-average prices for 2025-26 offers a bit more positivity for corn, with a mid-May estimate of \$4.37 per bushel. Soybean futures do not reflect the same positivity, as the futures-based season-average price estimate is floating between \$10 and \$10.25 per bushel. Thus, unlike last year, when both crops had a brief

window of profitability during planting, only corn is potentially offering that this year. And given the production outlook, prices will likely retreat as harvest approaches, barring significant weather issues.

The May 2025 [Market Outlook video](https://youtu.be/bwbEJ1qdXtY), <https://youtu.be/bwbEJ1qdXtY>, is provided for further insight on outlook for this month.

Ag Decision Maker is written by extension ag economists and compiled by Ann Johanns, extension program specialist, aholste@iastate.edu.

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