Rural & Farm Finance
Policy Analysis Center
University of Missouri

FALL 2025 FARM INCOME OUTLOOK FOR MISSOURI

October 2025
RaFF Report 2025-11

Produced in collaboration with

Food & Agricultural
Policy Research Institute
University of Missouri








The Goal of this Report

In September 2025, the U.S. Department of Agriculture (USDA)'s Economic Research Service (ERS) released state-level farm income estimates through calendar year 2024 and national farm income projections for calendar year 2025. The present report published by the Rural and Farm Finance Policy Analysis Center (RaFF) provides an updated outlook for Missouri farm income in calendar years 2025 and 2026. It intends to inform policymakers, industry analysts, and agricultural practitioners about the state agricultural sector's expected profitability and its main drivers.

Methods Used to Develop the Outlook

The RaFF Farm Income Model consists of a collection of equations calibrated using historical data from the USDA's ERS, Risk Management Agency, and Farm Service Agency. RaFF's state-level forecasts are obtained by feeding national and regional projections from the Food and Agricultural Policy Research Institute at the University of Missouri (FAPRI-MU 2025) to the RaFF model. Published results incorporate adjustments based on expert insights from agricultural economists at FAPRI-MU and the Division of Applied Social Sciences at MU.

How Farm Income is Measured

Following the ERS methodology (USDA/ERS 2025a), net cash farm income is calculated based on cash receipts, government payments, and insurance indemnities minus cash expenses in the calendar year when the cash flow occurs. Net cash farm income is adjusted by non-cash income and expenses and changes in inventory values to obtain a net farm income (NFI) measure.

Disaster Relief Payments in 2025 and 2026

As of October 22, 2025, the federal government shutdown has extended for three weeks and there is no clarity on how fast the Farm Service Agency (FSA) will be able to disburse payments to farmers and ranchers from Title I programs or the American Relief Act (ARA) of 2025. As of October 10, 2025, the FSA reported having disbursed $16.06 billion through three major ARA programs: the Emergency Commodity Assistance Program (ECAP), the Emergency Livestock Relief Program (ELRP), and the Supplemental Disaster Relief Program (SDRP).

RaFF's projections assume that all payments from Title I programs will be disbursed in calendar year 2025, as well as an additional $7.72 billion from the ARA programs, reaching a cumulative total of $23.78 billion disbursed of the $30.78 billion (77%) by the end of the year. The remaining $7.00 billion in ARA programs are assumed to be disbursed in calendar year 2026. The distribution

of payments across states is assumed proportional to the state shares from ECAP, ELRP, and SDRP in 2025.

National Farm Income Trends

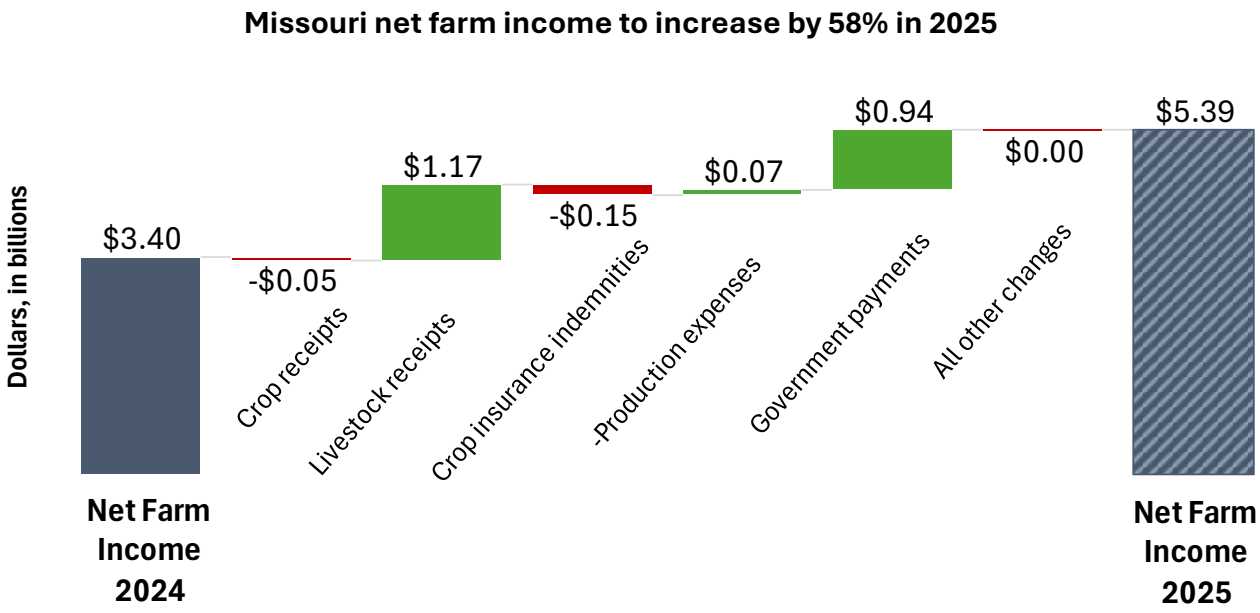
In September 2025, the ERS projected that U.S. NFI would increase by 41% in nominal terms from $127.83 billion in 2024 to $179.85 billion in 2025 (USDA/ERS 2025b). A $30.42 billion increase in direct government payments is the major driver of this projected improvement in NFI, followed by a projected $20.24 billion increase in cash receipts from meat animals, and a $10.15 billion increase in cash receipts from poultry and eggs. Cash receipts from crops are expected to drop by $6.07 billion, while an $8.06 billion increase in crop inventory values would push the total value of crop production up by $1.99 billion in 2025. Livestock and poultry purchases are the main driver of the $11.12 billion projected increase in total agricultural expenses.

Also in September 2025, FAPRI projected that U.S. NFI would increase by 34% in inflation-adjusted terms from $131.59 billion in 2024 to $176.72 billion in 2025 (FAPRI-MU 2025). In agreement with ERS projections, the main driver of NFI according to FAPRI projections will be government payments, totaling $40.48 billion in 2025 which is $29.92 billion higher than in 2024. Similarly, FAPRI projections for 2025 are indicative of higher cash receipts from cattle ($17.71 billion more than 2024) and hogs (+$2.24 billion), and poultry and eggs (+$10.31 billion), lower crop receipts (-$6.47 billion), and higher expenses on purchased livestock (+$10.58 billion).

The present Missouri Farm Income Outlook by RaFF incorporates information from USDA/ERS (2025b) and FAPRI-MU (2025).

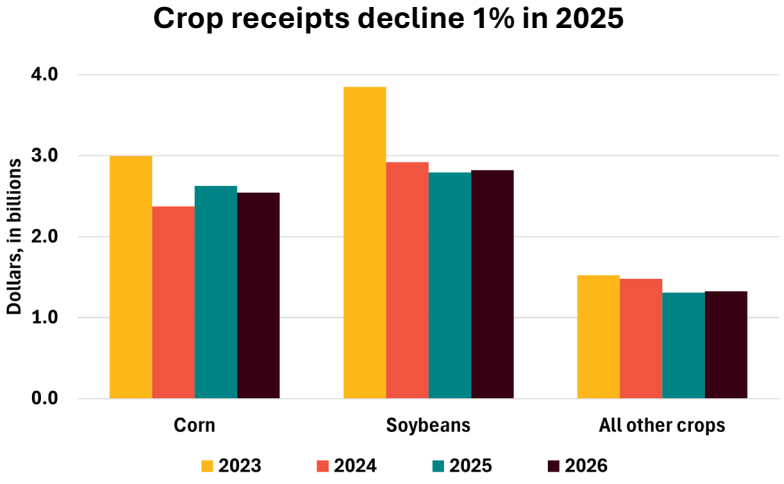
Missouri Farm Income in 2025

Missouri net farm income is projected to increase by 58% to $5.39 billion in 2025, largely due to an increase in livestock receipts and government payments. Total farm receipts increase by $1.08 billion (8%), despite a $44.64 million decline in farm related receipts, and a $46.37 million decrease in crop receipts from 2024. A $1.17 billion (17%) projected increase in livestock receipts helps lift total farm receipts for Missouri in 2025. Production expenses are projected to remain stable in 2025, totaling $12.23 billion. Direct government payments are projected to increase by $0.94 billion (283%) and total $1.28 billion. Missouri's projected 58% increase in net farm income is substantially higher than the projected 41% increase in U.S. net farm income for 2025.



Missouri Crops

Total Missouri crop acres planted in 2025 are projected to have increased by 128,000 acres, while crop receipts for the year are projected to decline slightly by $46.37 million (-1%), to $6.74 billion. Corn is the only crop projected to see an increase in receipts in 2025.

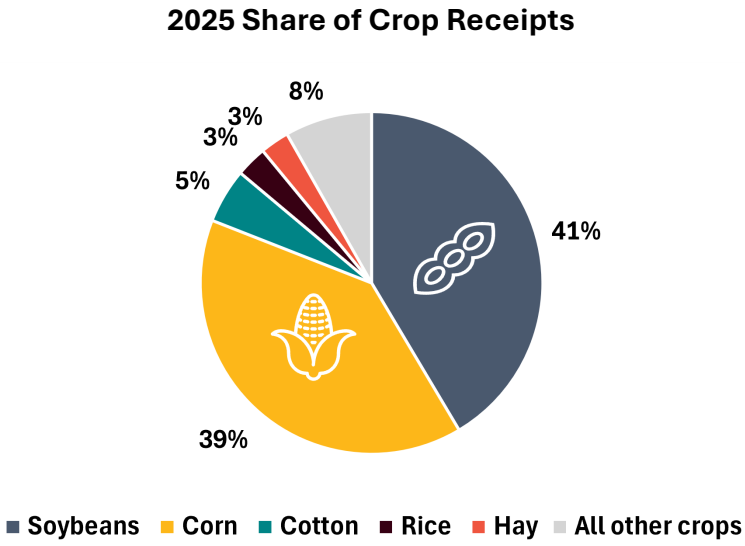


Corn planted area increased 350,000 acres (10%) to 3.80 million acres. A 4% increase in corn yields to 191 bushels per acre would result in a 15% increase in production to 0.69 billion bushels. Meanwhile, lower prices (-9%) are offset by the increase in production, and sales of the old crop raise corn receipts by $252.51 million (11%) to $2.63 billion in 2025. Lower planted area and more normal (lower) yields are projected for 2026, resulting in $89.03 million (-3%) lower cash receipts.

Soybean planted area decreased 300,000 acres (-5%) in 2025, translating to 3.62 million (-1%) fewer bushels in production in 2025, despite a slight increase in yields. Stable prices, coupled with decreased production, would lower soybean cash receipts by $128.48 million (-4%) in 2025. For 2026, receipts are projected to recover slightly (1%), due to anticipated improvements in prices.

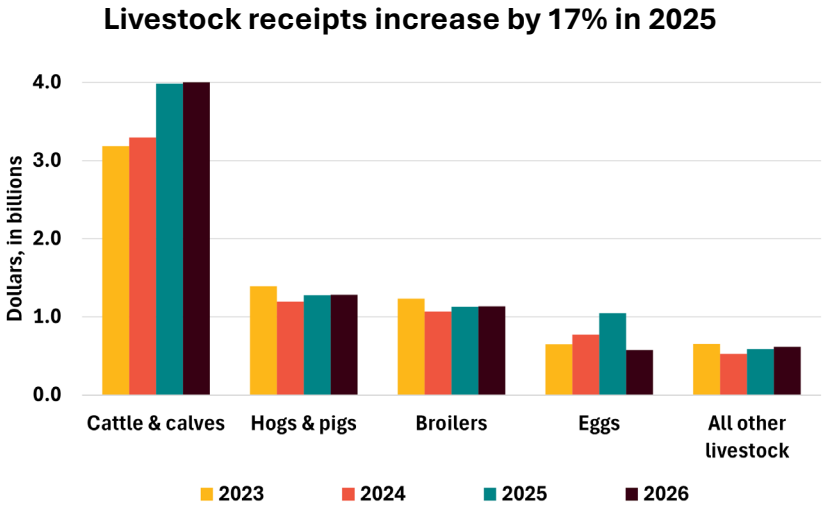
Cotton planted area decreased 45,000 acres (-11%) in 2025, totaling 355,000 acres of cotton. Yields are projected to be 1% higher than in 2024, but cotton production would decrease by 10% in 2025. Lower cotton prices and production would reduce cotton receipts by $58.20 million (-15%) in 2025. Higher prices would increase cotton cash receipts by $6.44 million (2%) in 2026, despite reductions in production.

Rice and wheat areas planted are projected lower in 2025, by a combined 35,000 acres. A 10% decline in rice production, coupled with a 12% decline in prices, would result in $28.95 million (-12%) lower rice receipts. Wheat receipts would be $56.63 million (-26%) lower in 2025 as production and prices decline. Rice cash receipts are projected to decline further in 2026 by $25.19 million, while wheat cash receipts are projected to recover, increasing $31.56 million.



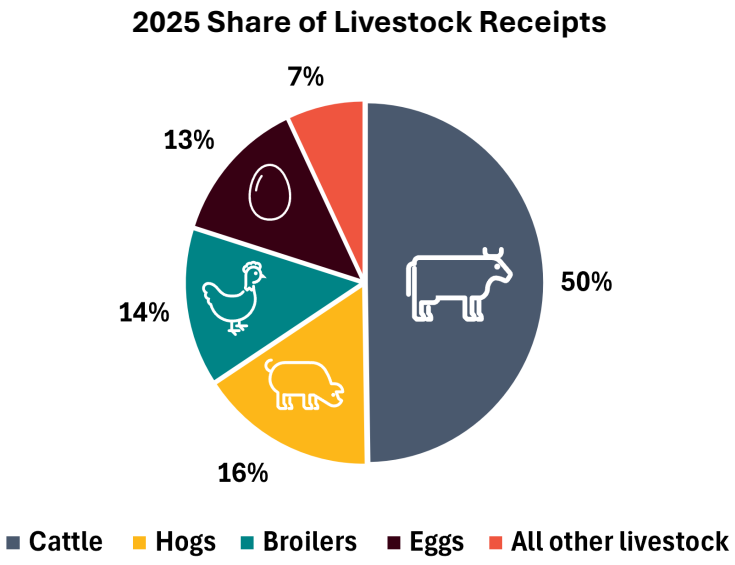
Missouri Livestock

The total cattle and calves inventory remained at 3.95 million head to start 2025, unchanged from January 2024. However, the number of beef cows as of January 2025 increased by 34,000 head (2%) from the previous year to 1.86 million head. Despite the increase in Missouri's beef cow inventory, the number of calves decreased by 14,700 head (-1%). Cattle and calves' receipts are projected to increase by $0.69 billion (21%) to $3.99 billion in 2025, as the 24% increase in cattle prices more than offsets 1% decline in



marketings. Anticipated stable cattle inventories and higher prices could support increased cash receipts in 2026, to $4.20 billion (5%).

As of December 2024, the total hog inventory in Missouri was 3.50 million head, a 400,000 head (13%) increase from the previous year-end. Despite a 2% increase in the breeding hog inventory, Missouri's pig crop remained stable at 10.12 million head of pigs. Marketings are projected to decline by 84.41 million pounds (-4%) in 2025, however, a 10% increase in prices translates to an $83.83 million (7%) increase to cash receipts. In 2026, increased inventories and marketings would offset lower prices, resulting in stable hog cash receipts.

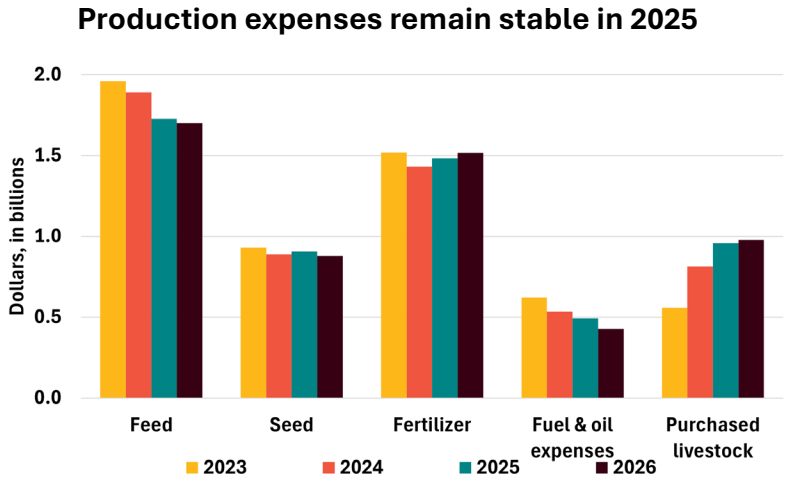


Total poultry and egg receipts increase $403.00 million (20%) to $2.44 billion in 2025, despite mixed production and prices. The 39% increase to egg prices and a 50% increase in turkey prices offset a 3% and 11% decline in production, respectively, while broiler production increases 4% and broiler prices remain stable in 2025.

Receipts for dairy are projected to be $175.82 million in 2025, a $9.82 million (-5%) decrease from 2024.

Missouri Expenses

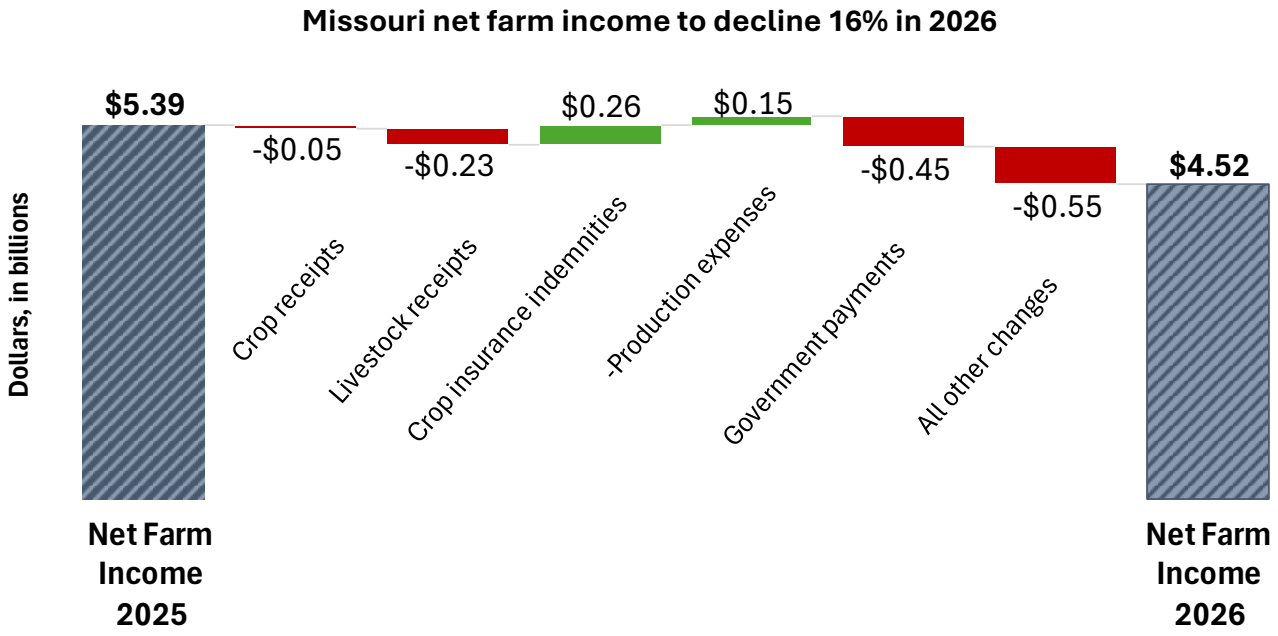
Relatively stable seed costs and a $162.06 million (-9%) decline in feed costs offset a $143.92 million (18%) increase in purchased livestock expenses in 2025. Purchased livestock expenses are expected to reach $0.96 billion in 2025, a new record high. The $52.56 million (4%) increase in fertilizer is also offset by a combined $59.16 million (-5%) decline in



pesticide and fuel expenses. Despite increases in electricity (3%), custom and hire machinery work (8%), and hired labor (2%), decreases in interest (-2%) and net rent to landlords (-5%) keep total production expenses relatively stable in 2025, at $12.23 billion. Total expenses would also remain stable in 2026, as increases in purchased livestock expenses are projected to slow down, and most expense categories except for crop protection chemicals and hired labor are projected to decline.

Missouri Farm Income in 2026

Net farm income is projected to decrease by 16% to $4.52 billion in 2026, as direct government payments return to average levels observed between 2018 and 2024. Cash receipts decline slightly for both crops and livestock, while production expenses remain stable. Missouri net farm income averages $4.41 billion across the 10-year baseline projection (2025-2034).



Disclaimer

The results presented in this report do not consider market uncertainty. Small proportional changes in cash receipts or production expenses can dramatically change the outlook for net farm income.

Contact Information

Danyelle Chinn, Research Consultant II, RaFF: danyellehigh@missouri.edu
Kyra Palange, Senior Research Associate, RaFF: kpalange@missouri.edu
Alejandro Plastina, Director, RaFF: aplastina@missouri.edu
Robert Maltsbarger, Senior Research Associate, FAPRI: Robert.Maltsbarger@missouri.edu

Acknowledgements

The development of this Report was supported by the US Department of Agriculture, Office of the Chief Economist, Award IDs 58-0111-23-017, 58-0111-24-019, and 58-0111-25-003. This report benefited from information and feedback shared with the authors by John Kruse, Patrick Westhoff and Wyatt Thompson. The findings and conclusions in this report are those of the authors and should not be construed to represent any official USDA or US Government determination or policy.

The University of Missouri does not discriminate on the basis of race, color, national origin, ancestry, religion, sex, pregnancy, sexual orientation, gender identity, gender expression, age, disability, protected veteran status, or any other status protected by applicable state or federal law. For more information, call the Office of Human Resources at 573-882-2146 or the U.S. Department of Education, Office for Civil Rights (OCR).

References

FAPRI-MU 2025. *Baseline Update for U.S. Agricultural Markets. FAPRI-MU Report #03-2025*. https://fapri.missouri.edu/publications/2025-baseline-update/

USDA/ERS 2025a. *Farm Income and Wealth Statistics: General Documentation*. https://www.ers.usda.gov/data-products/farm-income-and-wealth-statistics/general-documentation

USDA/ERS 2025b. *Farm Sector Income & Finances: Farm Sector Income Forecast*. https://www.ers.usda.gov/topics/farm-economy/farm-sector-income-finances/farm-sector-income-forecast

Additional Resources

University of Missouri Extension offers valuable support through resources and workshops to inform decision-making. For more information, visit muext.us/AgBusiness.

Recommended Citation

Chinn, D., Palange, K., Plastina, A., Maltsbarger, R. "*Fall 2025 Farm Income Outlook for Missouri.*" RaFF Report 2025-11, Rural and Farm Finance Policy Analysis Center, University of Missouri, Columbia, October 2025. Available at raff.missouri.edu/farm-income/.

This report and supporting tables are available for download at raff.missouri.edu/farm-income. Permission is granted to reproduce this information with appropriate attribution to the authors and RaFF. For questions and comments, please contact Alejandro Plastina (aplastina@missouri.edu).

Follow RaFF on Social Media

- @RaFFfinance on **X**
- Rural and Farm Finance Policy Analysis Center (RaFF) on **LinkedIn**

Scan to have the latest RaFF updates sent to your inbox: