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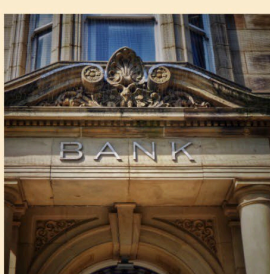
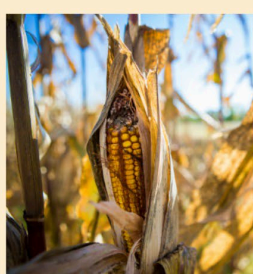
# SPRING 2026 FARM INCOME OUTLOOK FOR MISSOURI

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*Produced in collaboration with*

 Food & Agricultural  
Policy Research Institute  
University of Missouri

 Division of Applied  
Social Sciences  
University of Missouri



## The Goal of this Report

In February 2026, the U.S. Department of Agriculture (USDA)'s Economic Research Service (ERS) updated state-level farm income estimates through calendar year 2024 and released national farm income projections for calendar years 2025 and 2026. In March 2026, the Food and Agricultural Policy Research Institute at the University of Missouri (FAPRI-MU) also released national farm income projections for calendar years 2025 through 2035 (FAPRI-MU 2026). 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, as well as preliminary projections for 2027. 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 FAPRI-MU (2026) 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 (DASS) at MU.

## How Farm Income is Measured

Following the ERS methodology (USDA/ERS 2026a), 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 flows occur. Net cash farm income is adjusted by non-cash income, non-cash expenses, and changes in inventory values to obtain the net farm income (NFI) measure.

## National Farm Income Trends

In February 2026, USDA-ERS projected that U.S. net farm income (NFI) would decline 0.7% in nominal terms from 2025 levels to \$153.38 billion, while remaining above long-term averages (USDA/ERS 2026). The overall stability in NFI masks shifts in its composition. A \$13.80 billion increase in direct government payments—rising to \$44.34 billion—is the primary factor preventing a larger decline in income. These payments, including higher Price Loss Coverage (PLC) support and continued supplemental and disaster assistance, account for roughly 29% of projected NFI in 2026.

Market receipts provide a more mixed contribution. Total cash receipts are projected to decline by \$14.24 billion relative to 2025, driven by a \$17.02 billion reduction in receipts from animals and

animal products, and partially offset by a \$2.77 billion increase in crop receipts. Within crops, higher corn receipts—supported by increased marketings—contrast with relatively flat soybean receipts and lower wheat receipts. For livestock, declining receipts are concentrated in the dairy and poultry sectors, with milk receipts projected to fall by over \$6 billion and egg receipts declining more than \$17 billion as prices return to historic levels. In contrast, cattle and calf receipts are expected to increase, supported by tight inventories and historically high prices, but not enough to offset broader livestock sector declines.

On the cost side, total production expenses are projected to increase by approximately \$4.56 billion in 2026. Higher livestock and poultry purchase costs are a key driver of this increase, while feed costs are expected to decline modestly. At the same time, structural cost pressures persist. Labor expenses, net rent to landlords, and interest costs continue to rise, contributing to a cost environment that remains historically elevated even as some input prices stabilize. These cost increases partially offset the support provided by government payments and contribute to tighter operating margins across much of the sector.

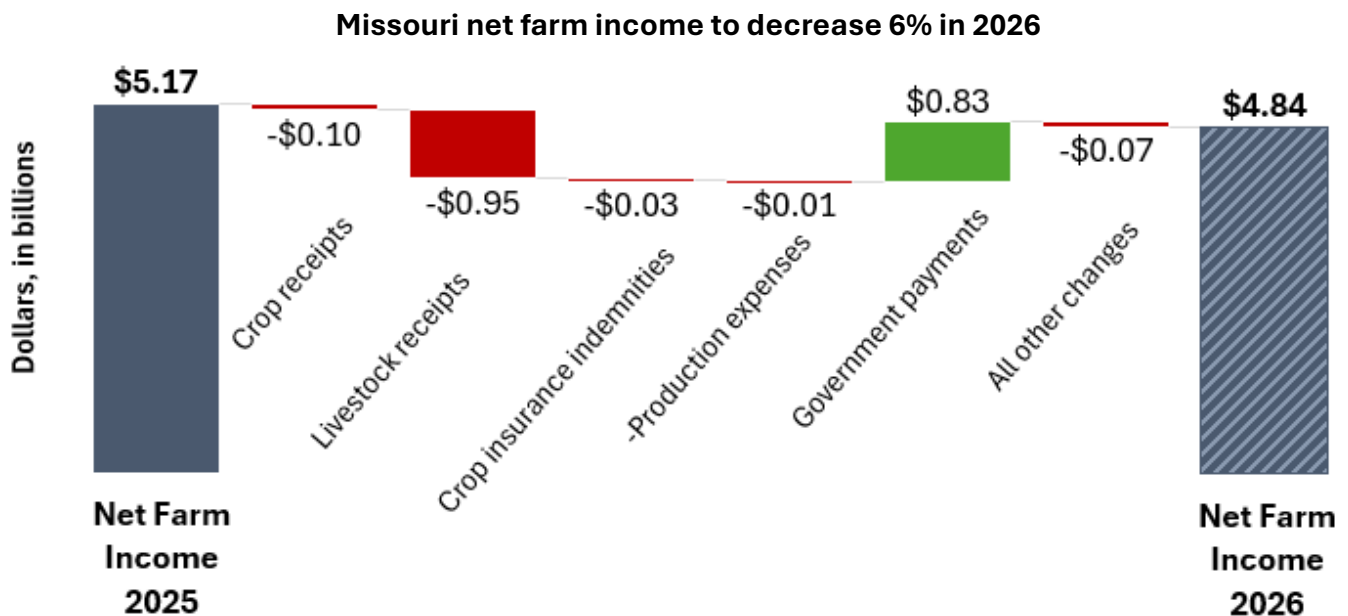
Overall, the 2026 farm income outlook reflects a shift away from broad-based market-driven gains toward increased reliance on policy support. While crop receipts show limited improvement and aggregate livestock receipts weaken, rising production costs continue to constrain profitability. In this context, direct government payments emerge as the central stabilizing force, offsetting declines in market income and sustaining NFI at levels that would otherwise be significantly lower. The implication is that, although aggregate farm income remains relatively strong in historical perspective, producers are likely to experience tighter margins and greater financial stress in 2026 than average income figures alone would suggest.

The FAPRI-MU (2026) projections, published in March but finalized in January 2026, are similar to those of the USDA/ERS (2026b), although the national NFI is forecast to decline 1.5% to \$152.29 billion in 2026 before declining again by 14% to \$130.71 billion in 2027. A 42% reduction in direct government payments and a 2% increase in costs are the main factors behind the projected deterioration of NFI in 2027.

The present Farm Income Outlook for Missouri by RaFF incorporates information from USDA/ERS (2026b) and FAPRI-MU (2026). As a consequence of the ongoing conflict between the U.S. and Iran, the present report assumes that fertilizer costs will be 5% higher in 2026 than originally projected using FAPRI-MU baseline data (assuming, in turn, that 80% of the fertilizer needs for the 2026 crops has already been purchased by farmers) and that they will be 10% above baseline levels in 2027, before returning to baseline levels from 2028 forward. Additionally, this report assumes that fuel and oil costs will be 35% and 15% higher than the FAPRI-MU baseline in 2026 and 2027, respectively, before returning to baseline levels from 2028 onwards.

## Missouri Farm Income in 2026

Missouri net farm income (NFI) is projected to decrease by 6% in 2026, to \$4.84 billion, driven mainly by a decline in livestock receipts. In 2026, total farm receipts would decrease by a combined \$1.12 billion (-7%), as livestock receipts decline by \$0.95 billion (-11%), and crop receipts decline by \$0.10 billion (-2%) from 2025 levels. The large decline in livestock receipts is driven by a projected 68% reduction in egg receipts, reflecting a normalization in the egg market, as the impact of Highly Pathogenic Avian Influenza (HPAI) is expected to subside. Total production expenses are projected to remain stable in 2026, totaling \$12.24 billion. Additionally, a projected \$0.83 billion increase (83%) to \$1.84 billion in direct government payments helps support NFI, partially offsetting ongoing financial pressures facing producers. The increase in government payments is largely attributed to increased Title I commodity program and ad hoc program payments. The expected 6% decline in Missouri’s NFI is larger than the 1.5% decline in NFI projected for the U.S. in 2026 by FAPRI-MU.

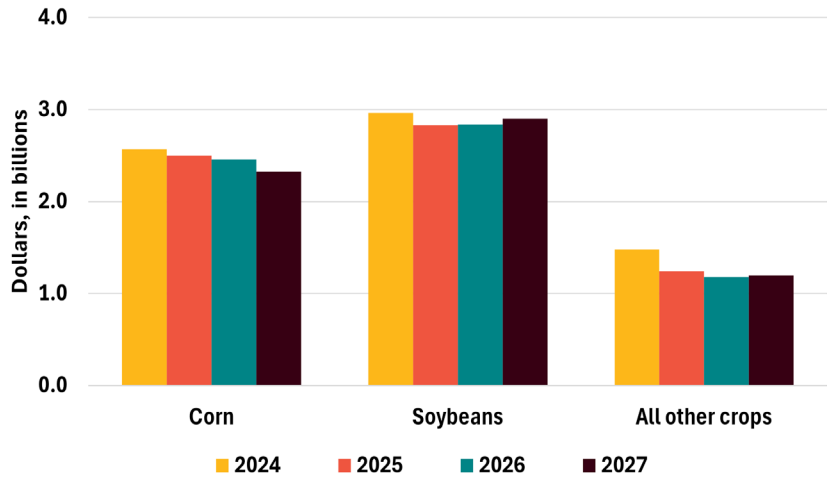


## Missouri Crops

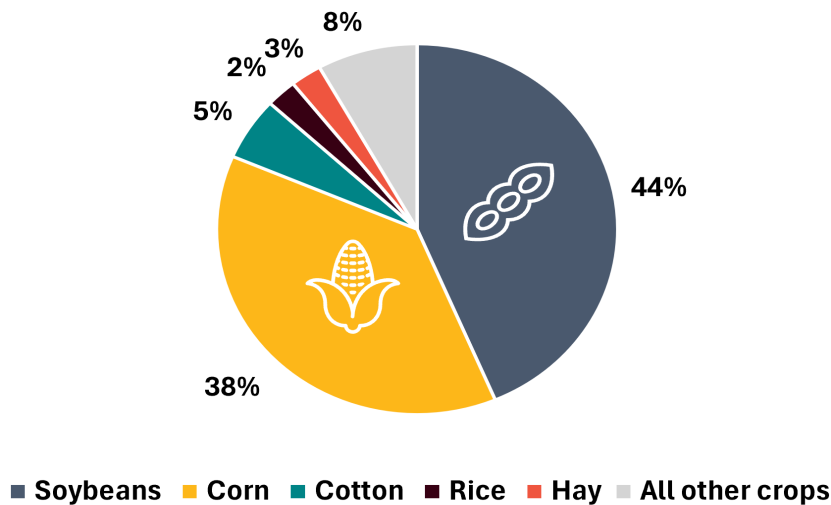
Missouri crop receipts are projected to decline by \$100 million (-2%) in 2026, continuing the downward trend from the 2022 peak, to \$6.47 billion. Missouri’s total crop area is expected to decline by 248,000 acres (-2%) in 2026, contributing to lower production of corn, rice, and wheat.

Corn acres planted are projected to decline in 2026 by 147,000 acres (-4%), to 3.65 million acres. Corn yields are projected at 167 bushels per acre for the 2026 harvest season, about 10% lower than in 2025 and aligned with the most recent 5-year average. Prices for corn could increase 3%, to \$4.22 per bushel. Corn receipts are projected to total \$2.46 billion in 2026, 2% lower than in 2025, as the effects of reduced yields and harvested area are partially mitigated by old-crop sales. Overall, corn production is projected to recover in 2027, despite an anticipated decline in cash receipts due to lower inventory sales.

**Crop receipts decline 2% in 2026**



**2026 Share of Crop Receipts**



Soybean planted area is projected to have a slight increase (1%) in 2026, totaling 5.67 million acres. Yields are expected to remain stable at 50 bushels per acre, resulting in a 1% increase in production to 278.9 million bushels. Stable prices (1% increase), coupled with steady production, would hold soybean receipts stable at \$2.84 billion in

2026. For 2027, receipts are forecast at \$2.90 billion, or 2% higher than in 2026, as both production and prices slowly continue to improve.

Missouri’s cotton sector is forecast to have an additional 21,000 acres (6%) planted in 2026, totaling approximately 376,000 acres. With an expected 8% increase in yield, total production would increase by 16% to 1.00 million 480 lb. bales. Gains in cotton production and anticipated higher prices would increase cotton receipts \$59.18 million (20%), reaching \$355.57 million in 2026.

Rice, wheat, and hay receipts are projected to decline by \$43.62 million (-21%), \$62.17 million (-34%), and \$7.84 million (-5%), respectively.

### Missouri Livestock

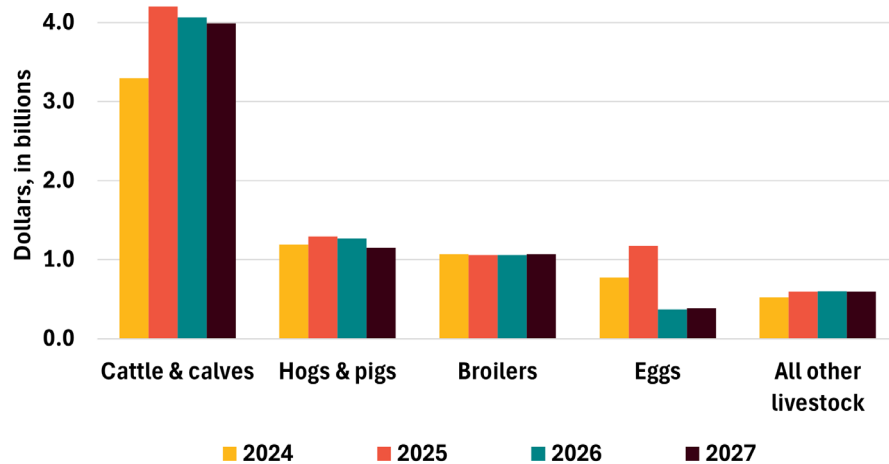
Missouri’s total livestock receipts are projected lower at \$7.38 billion, a \$0.95 billion decline (-11%) from \$8.33 billion in 2025.

The total cattle and calves’ inventory was at 3.85 million head as of January 2026, down 100,000 head (-3%) from the beginning of 2025, mainly reflecting a reduction in beef cows to 1.81 million head

(-3%). As a result, the calf crop is projected to decline 1% in 2026, totaling 1.72 million head. Tight cattle supplies resulting from several years of herd liquidation across the states continue to support historically high cattle prices. Cattle prices are projected to reach a new record high in 2026. However, the decline in available cattle limits total marketings, reducing projected cattle and calves cash receipts to \$4.07 billion (-3%) in 2026. Looking ahead, anticipated increases in ending cattle inventories and softening cattle prices could further reduce cash receipts to \$3.99 billion in 2027.

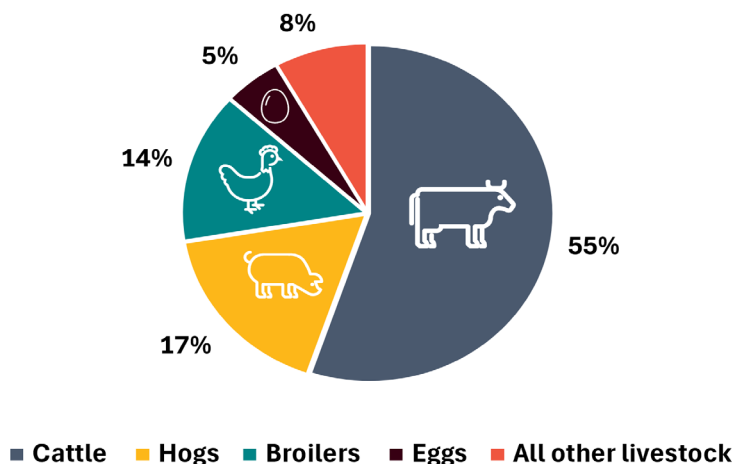
Missouri’s total hog inventory decreased by 100,000 head (-3%) as of December 2025 with respect to December 2024, placing the total at 3.40 million head of hogs to begin 2026. A stable number of sows farrowed but a 2% lower pigs-per-litter rate than the 2025 peak is projected to result in a 165,000 head (-2%) smaller annual pig crop, totaling 10.30 million head of pigs in 2026. Paired with a slight drop in hog prices (-1%), decreases in pig production would reduce cash receipts to

**Livestock receipts fall 11% in 2026**



\$1.27 billion in 2026, a 2% decrease from 2025. Cash receipts are projected to decline 9% to \$1.15 billion in 2027, due to anticipated lower prices and marketings.

### 2026 Share of Livestock Receipts



Poultry and egg receipts are projected to decline by \$0.78 billion (-31%) in 2026, to \$1.73 billion. The anticipated large decline would come from a 70% decline in egg prices, as HPAI outbreaks become more infrequent. Steady broiler production and price projections place cash receipts for broilers at \$1.06 billion, nearly unchanged from 2025. Modest growth in turkey production (3%) and higher prices (5%) would raise cash receipts to \$294 million (9%) in 2026. Looking at 2027, cash receipts for broilers and eggs are projected to only recover slightly.

Receipts for dairy are projected to decline \$21.56 million (-13%), largely due to lower production and prices in 2026.

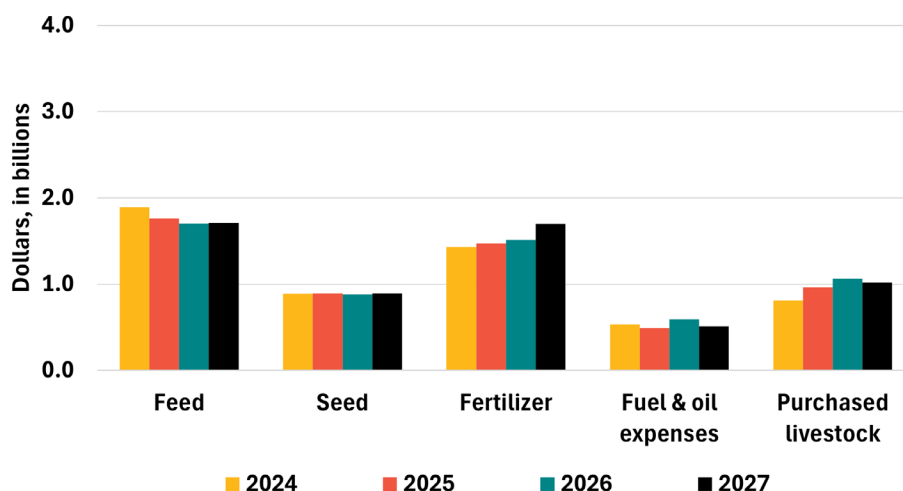
### Missouri Expenses

Missouri’s total production expenses are projected to remain stable in 2026, at \$12.24 billion.

Feed and seed expenses are projected to decline by \$59.92 million (-3%) and \$15.42 million (-2%), respectively.

Purchased livestock expenses are expected to reach a record high level, increasing by \$102 million (11%) to \$1.07 billion, largely due to elevated feeder cattle prices.

### Production expenses remain stable in 2026



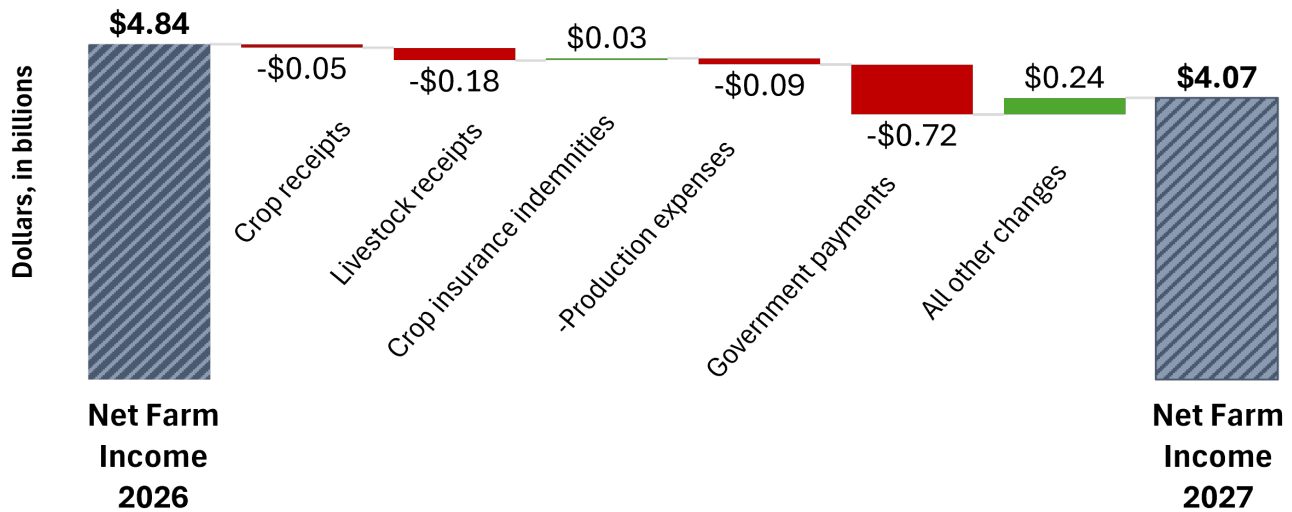
Fertilizer expenses are expected to increase by 3%, to \$1.51 billion in 2026. Fuel and oil expenses are projected to increase by \$98.90 million (20%) to \$0.59 billion, as geopolitical tensions place upward pressure on energy prices. Anticipated declines in interest expenses and net rent may provide some relief for Missouri producers in 2026.

Looking ahead, total production expenses are projected to increase slightly (1%) in 2027 mainly due to expected increases in fertilizer, pesticides, labor, and seed costs. Expenses on fuels and oils, purchased livestock, interest, and net rent are projected lower in 2027.

## Missouri Farm Income in 2027

Net farm income is projected to decrease by \$0.78 billion (-16%) in 2027, to \$4.07 billion. The anticipated decline is largely attributed to reduced government payments (-39%) for Missouri producers. Crop and livestock receipts are projected to see further declines, but to a lesser extent, decreasing 1% and 2%, respectively. Production expenses are projected to be slightly higher for 2027. Missouri net farm income averages \$3.89 billion across the 10-year baseline projection (2026-2035).

**Missouri net farm income to decrease 16% in 2027**



## Disclaimer

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

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## Additional Resources

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

Supporting tables are available for download at [raff.missouri.edu/data-tables/](https://raff.missouri.edu/data-tables/). Permission is granted to reproduce this information with appropriate attribution to the authors and RaFF.

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