

U.S. Acreage Shift, Brazil-China Soy Talks, and ROI Signals in Ag Tech

Global Agricultural Developments

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Corn-to-soy switching, Plains wheat weather risk, and Brazilian soybean sanitary talks set the market tone. This brief also highlights measurable regenerative and automation results, regional supply signals in Brazil, and the fertilizer, diesel, feed, and bioinput trends shaping 2026 decisions.

1) Market Movers

- **United States - acreage reset:** Allendale's 2026 survey points to **93.7 million corn acres**, down **5.1 million** from 2025, while soybeans rise to **85.7 million acres** and wheat slips to **44.9 million**. The biggest corn-to-soy shifts were in the western Corn Belt, where some subregions were moving **15-18%** away from corn; rotation was cited as about **40%** of the shift, financial pressure about **20%**, and fertilizer concerns the balance. Allendale also said final plantings could still change with fertilizer prices, a China deal, biofuels policy, and weather. [1]
- **United States - wheat weather premium rebuilding:** By the morning of Mar. 19, May Chicago wheat was up to **\$6.12 3/4** and May Kansas City wheat to **\$6.33 1/2** after a Plains freeze hit winter wheat that had already endured a **30-day dry spell**. Forecasts then called for **no rain over the next 16 days** plus weekend heat, with July KC wheat testing the **\$6.58** area. [2]
- **Brazil/China - soybean trade friction:** China, described here as taking about **80%** of Brazilian soybeans, rejected roughly **20 soybean ships** in March over alleged weed contamination. Brazil's agriculture ministry and exporters are now traveling to China for sanitary and phytosanitary talks. [3, 4]

- **Brazil - cash market firmness:** On Mar. 19, port soybeans in Paranaguá were quoted at **R\$129/saca**, CEPEA rose **0.12%** to **R\$127.27**, and port corn was quoted at **R\$67-67.50**, while Mato Grosso corn remained at **R\$53**. Chicago corn closed up **1.46%** to **\$4.70/bushel** that day. [3, 5]

2) Innovation Spotlight

- **United States - regenerative row-crop transition with measurable economics:** On **20 acres** of non-GMO corn in Minnesota, a grower ran **no herbicide** and **no fungicide**, cut nitrogen by **50-66%**, used seed inoculation and limited foliar nutrition, and still saw **220 bu./acre** in better parts of the field without fungicide. Even with yield loss in weedy areas, the operator said the result was only about **a couple of dollars per acre** different, and that full-rate nitrogen at last year's prices would have been the difference between profit and loss. Seed inoculation was highlighted as the first, lowest-cost step, and one uninoculated strip emerged about **four days later**. [6]
- **United States - small-scale regenerative horticulture:** A **2-acre** flower farm near Denver replaced plastic mulch with thick cover crops, high-carbon mulches, living groundcovers, and companion planting. After **6-8 years**, the operator reported heavy clay soil had become spongy and soft, no dahlia bagging had been needed for **four years**, no thrips were present, and botrytis or fungal problems had been absent for **five years**. The grower also said the system reduced labor compared with rolling plastic, bringing mulch, and fertilizing. [6]
- **North America - mushroom automation moving from pilot to operating reality:** In agaricus mushrooms, labor accounts for **30-50%** of **COGS** and harvest is still largely manual, even in modern facilities. The automation case is being built around labor availability, labor inflation, and the yield and quality benefit of **24/7** harvesting for a crop that doubles in size every **24 hours** and can lose **75-80%** of its value once it matures. Robot picking has been operating for about **two years** in **two Canadian farms**, but only **25-30%** of U.S. infrastructure is currently compatible, versus more than **90%** in Europe and Canada. [7]
- **Brazil - poultry and meat-processing tech:** Mercoagro exhibitors highlighted aluminum-plate freezing that can bring a **70 mm** meat block to **-18°C** core in about **1.5 hours**, plus computer-vision systems that count chickens and identify birds that are still alive before scalding, reducing animal-welfare failures and red-carcass condemnation. [8]

3) Regional Developments

- **Brazil - Tocantins and center-west grains:** Tocantins produced a record **9.4 million tons** of soy in 2024/25, up more than **17%**. One producer interviewed expanded from **90 ha** in 2006 to **2,400 ha**, while soybean varieties in the state rose from **3** to more than **300**. For safrinha, Brazil reached **85.5%** planted, but São Paulo remained only **14%** planted and Paraná was still waiting on end-of-month rain to restore soil moisture. [9, 10]
- **Brazil - logistics still lag output:** Mato Grosso has about **53.4 million tons** of static storage capacity against a 2025/26 soybean crop expected above **51 million tons** and a previous corn crop above **55 million tons**. Producers say the shortfall forces rapid harvest-time movement, overfills warehouses, and raises freight costs; they are asking for lower-interest subsidized storage credit and tax relief. [11]
- **Brazil - animal protein trade:** Brazil finished 2025 as the world's **third-largest pork exporter** at **1.51 million tons**, up **11.6%** year over year and ahead of Canada's roughly **1.45 million tons**. Santa Catarina remains a core swine and poultry hub, with industry participants emphasizing technology, cooperatives, and export compliance. [5, 8]

4) Best Practices

Grains

- **Planter setup discipline:** Successful Farming's checklist starts with preparing row units, tuning meters, managing downforce, setting closing systems, and then verifying performance in the field before relying on the planter for uniform emergence. [12]
- **Use storage as a margin tool:** Iowa soybean leaders and AGI emphasized that storage is often overlooked as a profit lever. Their examples centered on conditioning grain after harvest, including rehydrating soybeans in storage, and using bins to wait for better marketing opportunities. [13]
- **Use field data in insurance decisions:** One Indiana farm is using GPS planting and yield data from John Deere Operations Center to fit crop insurance coverage more closely to actual farm performance and capture incremental savings. [14]

Dairy

- **Storm resilience depends on more than milking:** During a severe Wisconsin blizzard that shut roads for about **36 hours**, robotic milking kept cows milked automatically. The harder task was feeding animals and moving people safely to the barn, which became the operational bottleneck. [15]

Livestock

- **Swine operations are treating labor and demand as management issues, not just cost issues:** Producers interviewed said the operating priorities are to maintain high sanitary standards and efficiency inside the barn, use technology to make labor roles more attractive, and build pork demand through product, channel, and reputation rather than price alone. [16]
- **Poultry processors can reduce welfare and quality losses with machine vision:** The reported use case was simple: detect and count birds, identify birds that are still alive before scalding, and avoid carcass condemnation tied to that failure point. [8]

Soil management

- **Start regenerative transitions with seed inoculation:** The operator who discussed both flowers and row crops called inoculating every seed the biggest bang for the buck in early soil-health improvement. [6]
- **Do not remove weed control before the cover-crop system is timed correctly:** In one corn example, late interseeding at **V6** was linked to waterhemp pressure and yield loss, leading the grower to say herbicide may need to stay in the system during transition years. [6]
- **On small acreage, replace plastic with biology:** Thick cover crops, wood chips, living groundcovers, and targeted companion plants such as buckwheat were used to build soil and bring in beneficial insects on the Colorado flower farm. [6]

5) Input Markets

- **Fertilizer - Brazil:** Fertilizers for second-half purchases are already elevated, and Canal Rural reported that China is limiting exports. In Rio Grande do Sul, Farsul advised producers to avoid uncovered input buying and to fix output prices when purchasing inputs. [3, 17, 18]
- **Fertilizer - United States:** U.S. farm groups said conflict-related shipping problems through the Strait of Hormuz are slowing fertilizer flows and raising costs. Responses under discussion include a Jones Act waiver, critical-minerals treatment for phosphate and potash, and support for DOJ antitrust scrutiny of fertilizer pricing and concentration. [19]
- **Farm-level cost transmission:** Coffee growers in southwest Minas expect **20-30%** higher 2025/26 production costs as fertilizer, freight, and diesel rise. One producer said **18%** of urea supply comes from Iran and cited biodiesel moving from **5.67** to **7.80**. [20]
- **Biologicals as an alternative-input growth area:** The global bioinputs market was pegged at about **\$15 billion**, with Brazil among the

top three markets and above **R\$7 billion** in value. Treated area is projected to rise **66%** by 2030 and usage **17%** this year, but high interest rates and low commodity prices are constraining credit across producers, distributors, and industry. [21]

- **Feed costs:** In Santa Catarina, the cost of producing live hogs fell **1.4%** in February because corn and soybean meal became cheaper, but lower hog prices also reduced the benefit to profitability. [5]

6) Forward Outlook

- **United States - planting data may stay unstable through June:** Allendale said acreage could still shift with fertilizer prices, China trade, biofuels policy, and weather, while another market commentator argued the Mar. 31 acreage report may be especially unreliable this year because fertilizer disruptions intensified after surveys went out and that the **June 30** planted acreage report may offer better guidance. [1, 2]
- **United States - weather risk is broadening:** Southern Plains wheat still faces a hot, dry stretch with **no rain** in the 16-day forecast, while the western U.S. is locked into record heat and below-normal precipitation through the end of March. Farm Journal's weather coverage also warned that a positive Pacific meridional mode could delay or weaken the Southwest monsoon. [2, 22]
- **Brazil - fieldwork remains highly regional:** Center-west growers were urged to finish soybean harvest and second-crop corn planting before rain refocuses next week; Sorriso was expected to get a short firm-weather window before more than **200 mm** in early April, while southern Brazil's rainfall is expected to improve from late March into April. [23, 10]
- **Brazil - export logistics stay in focus:** The sanitary talks with China are unfolding while Mato Grosso producers continue to report storage shortages and higher freight costs, keeping logistics and compliance in focus alongside production. [3]

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