USDA Acres Risk, Record Biofuel Demand, and Brazil's Rising Input Stress

Global Agricultural Developments

2026-03-31

USDA Acres Risk, Record Biofuel Demand, and Brazil's Rising Input Stress

By Global Agricultural Developments • March 31, 2026

U.S. grains head into the USDA acres-and-stocks report with strong corn export pace, weaker soybean exports, and fresh support from record RFS volumes. Brazil remains a major supply anchor, but fertilizer, freight, weather, and logistics are tightening farm economics and shipment flow.

Market Movers

- **United States — row crops:** Grain trade is rotating from crude-oil-driven momentum toward Tuesday's USDA acres and quarterly stocks reports. Pro Farmer's survey put corn at **96 million acres** and soybeans at **84.25 million acres**, while other pre-report references centered closer to **94.4-94.5 million** corn acres. Multiple sources noted the survey window predated the latest war- and fertilizer-driven disruption, so the report may not fully capture the most recent acreage recalculation. Quarterly corn stocks are also expected to run more than **1 billion bushels** above last year, while funds recently added about **50,000** corn contracts and remain heavily committed to the soybean complex [1, 2, 3, 4].
- **United States — exports:** Weekly export inspections were **70.4 million bushels** for corn, **21.5 million** for soybeans, and **13.4 million** for wheat. Marketing-year corn inspections are **298 million bushels** ahead of the pace needed to hit USDA's target, wheat is **53 million bushels** ahead, but soybeans remain **112 million bushels** behind. GrainStats separately noted that corn exports do not depend on China the way soybeans do; last week's inspections to China were **9.9 million bushels** of soybeans and **zero** corn and wheat [5, 6, 7, 8, 9, 10].

- **United States — biofuels and soy complex:** EPA finalized the **highest RFS volumes in program history**, keeping conventional biofuels at **15 billion gallons** for 2026 and lifting biomass-based diesel to roughly **5.5-5.7 billion gallons**. Reallocated small-refinery waivers add another **200-250 million gallons per year** to 2026-2027 volumes. Analysts tied the policy to stronger bean-oil-led soybean trade and better long-run domestic use for soybeans [11, 12].
- **United States/Australia — wheat:** Chicago wheat futures rose on concern that the Iran war could lift farmer energy and fertilizer costs, while Plains drought widened the Kansas City-Chicago spread to the largest hard red winter premium since August. Australia was also cited for drought and fuel shortages, even as one analyst noted global wheat stocks-to-use remains high overall [13, 2].
- **United States — livestock:** Cattle futures broke to new highs after a technical breakout, firmer cash trade, and tighter beef supplies. Beef cold storage fell **5% year over year** to about **413 million pounds**. Hogs closed lower on end-month profit taking even though the March 1 inventory of **74.3 million head** came in below pre-report expectations; pork bellies in cold storage were down about **6-7%** from a year ago [1, 2, 14].

Innovation Spotlight

- **Brazil — nematode biotech:** BASF said its Soja NRS trait is aimed at cyst and *Pratylenchus* nematodes that cover about **90%** of Brazilian territory. The company tied nematodes to roughly **R$35 billion** in annual production losses, including **R$16-17 billion** in soybeans alone, and said the trait could add **R$15-18 billion** to the value chain. Because the control is embedded in the soybean plant, BASF expects lower nematode populations to carry productivity benefits into second-crop corn or cotton. Commercial introduction in Brazil was described as a **2-3 year** timeline after **10-12 years** of development [15].
- **Brazil — lower-emission fertilizers in potatoes:** In Paraná, **six growers** covering about **130 hectares** are using Iara's Climate Choice portfolio with 4C management and GHG-protocol tracking. The program estimates up to **40%** lower carbon footprint, while participants reported higher productivity, more dry matter, and better tuber quality that earns factory bonuses. PepsiCo is financing the price difference versus conventional fertilizer as part of its **2030** emissions target [16].
- **United States — machinery and fuel systems:** John Deere's E98 ethanol-powered 8R pairs **350 hp** with **no DEF** and a reported fuel-cost advantage of roughly **$1/gallon** ethanol versus **$3/gallon** diesel, even though volumetric fuel use is higher. Deere and RDO also described the new high-horsepower 8R/8RX package as an ultimate planting tractor

that can power electric row units through a **single cord**, run up to **110 gpm** hydraulics, and plant up to **1,200 acres/day** with large 24-row-plus planters in some setups [17, 18, 19].

Regional Developments

- **United States — planting and weather:** Southern corn planting is already moving, with progress reported at **76% in Louisiana**, **53% in Texas**, **50% in Mississippi**, **23% in Arkansas**, **2% in Kansas**, and just above zero in Illinois. At the same time, substantial mid-week rainfall is expected across Iowa, Illinois, Missouri, Minnesota, Michigan, and Indiana near early planting dates, while hard red winter wheat areas farther west may miss needed rain [20, 12].
- **Brazil — soybean and corn supply:** AG Rural raised Brazil's 2025/26 soybean forecast to **178.4 million tons**, with harvest at **75%**. Center-South first-crop corn harvest reached **59.4%**, versus **56.4%** a year ago, while safrinha planting is nearly **98%** complete and already **100%** done across Mato Grosso's projected **7.3 million hectares**. Total corn output was trimmed to **135.7 million tons** [21].
- **Brazil — April weather:** Forecasts point to a **hotter, drier first half of April** followed by stronger second-half rainfall. That pattern was described as supportive for later-planted safrinha corn in Mato Grosso, Goiás, and Minas Gerais because rain is not expected to cut off early, even though late-stage crops face some stress in the hotter opening weeks [21, 22].
- **Brazil — Mato Grosso logistics:** Road conditions on **MT-240** in Paranatinga are interrupting soybean movement. One farmer with **1,800 hectares** of soybeans still had **800 hectares** unharvested and said at least **500 hectares** could be lost if truck delays continue. Another producer reported about **15% crop loss** where trucks were crossing cropped ground used as a bypass [23].
- **Brazil — pork exports:** Brazil has consolidated as the **third-largest global pork exporter**. Asia absorbs about **70%** of shipments, led by the Philippines, with Vietnam and Japan also important. Slaughter capacity was described as up roughly **3%** to meet export demand, although domestic live-hog prices have weakened since February, making export flow more important for balance [24].

Best Practices

- **Soybeans — variable populations by field:** In soybean fields with iron deficiency chlorosis risk, light soils, late planting, or low fertility, Ag PhD recommended raising populations to **160,000-180,000 plants**. The main payoff cited was faster canopy closure for better weed control. Lower populations were described as better suited to very high-fertility fields or areas with high white mold risk, and variable-rate population by field was encouraged to balance productivity and seed cost [25].

- **Soybeans — Southeast U.S. stand management:** A separate Southeast system targeted an **80,000 final stand** to drive branching and reduce lodging risk. After a pounding rain crusted **15-inch rows**, pivot irrigation was used to soften the soil surface and help emergence rather than to add moisture [26].
- **Weed control — start residual programs early:** Brownfield's herbicide guidance emphasized keeping fields clean early in spring, when weed competition can lock in yield loss. Resicore Rev was cited with up to **8 weeks** of residual control, **three modes of action**, and compatibility with **UAN** and **ATS** as well as other pre-emerge mixes [27].
- **Small grains — manage nitrogen and lodging together:** Tissue sampling at jointing (**GS5/6**) was used to map variable-rate nitrogen needs, while the same operation targeted about **80 heads/sq ft** for **80+ bushel** grain and planned a growth regulator to reduce lodging risk [26].
- **Soil systems — conserve structure, then manage pressure:** Brazil's no-till system now covers nearly **90%** of cultivated land, and a separate U.S. field example showed strip-till absorbing **2.5-3 inches** of rain and reducing runoff. The trade-off in tropical systems is higher year-round pest, weed, and disease pressure because of the permanent green bridge [15, 26].
- **Dairy — benchmark economics first:** Espírito Santo's new dairy sustainability framework starts with **103 indicators**, including **78 economic** measures focused on genetics, feeding, productivity, and milk quality. The rollout begins with **400 farms** and shared technical assistance from public extension, Senar, and cooperatives [28].

Input Markets

- **United States — fertilizer availability:** Fertilizer remains the sharpest input risk. Producers reported booking anywhere from **50% to 85%** of needs, but some still faced delivery problems even with contracts in hand. Forward contracting was emphasized, while crude oil also moved above **$100** for the first time since 2022 [2, 4].
- **Brazil — policy and freight pressure:** Brazilian producers face a **2%** fertilizer cost increase from new PIS/COFINS rules starting **April 1**, while the minimum freight table removes cheaper return freight from ports and diesel hikes add more cost. Local commentary also said grain prices have not kept pace with fertilizer inflation, worsening the input-output trade ratio [29].

- **Global — sulfur bottleneck:** Brazilian industry said fertilizer production is being reduced worldwide because sulfur flows from the Arabian Gulf have been disrupted. China was cited as having temporarily banned fertilizer exports because of sulfur scarcity, and one major supplier was said to have only about **two months** of operating room without normalization of Gulf routes [29].
- **Feed — support for pork, pressure for cattle:** Brazil's pork export spread is still around **40%** because export prices near **$2,500** and low feed costs are supporting margins. In contrast, U.S. cattle commentary warned that drought will tighten forage supplies and raise feed costs [24, 2].
- **Crop chemicals — residual programs favored:** Early-season chemical guidance continues to favor residual products that fit fertilizer passes. Resicore Rev was specifically highlighted for UAN/ATS tank-mix flexibility and longer residual control [27].

Forward Outlook

- **United States — USDA report risk:** The next 24 hours are report-driven. USDA stocks and acres are being treated as a wild card; Market Minute said corn has traded higher on report day for **five straight years**, with an average move of **12 cents** over the past **10 years**. But multiple sources cautioned that survey timing predates the latest war/fertilizer shock, so acreage may keep moving after the report [4, 30, 12].
- **United States — corn versus soybeans:** Corn acreage may stay sticky where nitrogen was prepaid or fall-applied, but soybeans still have room to gain if spring fertilizer and fuel costs escalate. One analyst also argued that corn's recent price rally can offset some fertilizer inflation, which may limit late acreage switching [2, 12].
- **United States — biofuel demand is now more structural:** Beyond the immediate bean-oil reaction, EPA said the RFS now creates **$31 billion** of value for American corn and soybean oil. Starting in **2028**, foreign fuels and feedstocks receive only **half** the RFS compliance value of U.S.-made products, reinforcing the domestic demand story [11].
- **United States/Brazil — seasonal timing:** Southern U.S. planting is already active, Corn Belt rain is arriving close to early plant dates, and Brazilian second-crop corn is expected to rely on a dry first half of April followed by better second-half moisture for grain fill. Large crop potential remains intact in Brazil, but local road failures and input logistics are now important watchpoints alongside weather [20, 12, 22, 23].

Sources

1. Markets Now Closes - 3/30 Corn Falls Pre-Report, Month End: Cattle Make Fresh Highs
2. Pro Farmer Podcast: March 30, 2026
3. Markets Now Early - 3/30 Cattle Rally on NWS, Cash, Technicals: Beans Up, Corn Down Pre-Report Watch
4. USDA WILD CARD TOMORROW
5. X post by @ArlanFF101
6. X post by @ArlanFF101
7. X post by @ArlanFF101
8. X post by @ArlanFF101
9. X post by @GrainStats
10. X post by @ArlanFF101
11. White House Announces Record Biofuels Blending Levels and Change in DEF
12. OnlyFarms.gov, White House Ag Celebration, RVOs, The Funds
13. X post by @irfandonat
14. X post by @SuccessfulFarm
15. Vice-presidente da Basf, Marcelo Batistela fala sobre inovação e biotecnologia no agro do Brasil
16. Produção sustentável de batata reduz até 40% das emissões e aumenta produtividade no campo
17. E98 Ethanol Tractor & The High Horsepower 8R & 8RX Tractor Release
18. Inside the New John Deere 8R Tractor Features
19. The John Deere 8RX Tractor That Can Do It All
20. X post by @GrainStats
21. Descaso em rodovia MT-240 de Mato Grosso trava escoamento da safra | Rural Notícias - 30/03/2026
22. Abril deve começar com calorão e terminar com onda de frio
23. "Quase intransitáveis": caminhoneiros e agricultores denunciam descaso na BR MT-240
24. Brasil sustenta competitividade externa, mas alta da oferta no mercado suinícola exige atenção
25. X post by @AgPhDMedia
26. Breaking Barriers: High-Yield Secrets, Family Traditions & Farming for Profit
27. Getting Ahead of Weeds
28. Pecuária leiteira no ES avança em sustentabilidade com o currículo mínimo de produção responsável
29. Setor de fertilizantes solicita medidas federais para conter disparada de preços no agro
30. X post by @MarketMinuteLLC