

# USDA shifts 2026/27 acres toward soybeans as KC wheat breaks out and Brazil harvest weather adds risk

Global Agricultural Developments

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## USDA shifts 2026/27 acres toward soybeans as KC wheat breaks out and Brazil harvest weather adds risk

*By Global Agricultural Developments • February 20, 2026*

USDA's 2026/27 outlook pushed the acres mix toward fewer corn acres and more soybean acres, while KC wheat broke to multi-month highs amid technical buying and Black Sea risk headlines. The brief also covers Brazil's rain-driven harvest disruptions and logistics costs, plus actionable guidance on hedging, fertilizer placement, and livestock supplementation—alongside policy and weather wildcards to watch into spring.

### Market Movers

#### USDA 2026/27 outlook: fewer corn acres, more soybean acres

USDA's 2026/27 outlook discussion across market sources converged on a **corn acreage cut** alongside a **soybean acreage increase**.

- **Corn:** projected around **94M planted acres** with **183 bpa** yield and about **1.837–1.84B carryout**<sup>1234</sup>
- **Soybeans:** projected around **85M planted acres**, **53 bpa** yield, and **355M carryout**<sup>56</sup>

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<sup>1</sup> post by @MarketMinuteLLC

<sup>2</sup> post by @MarketMinuteLLC

<sup>3</sup> post by @MarketMinuteLLC

<sup>4</sup> post by @MarketMinuteLLC

<sup>5</sup> post by @MarketMinuteLLC

<sup>6</sup> post by @MarketMinuteLLC

- **Wheat:** projected around **45M planted acres, 50.8 yield, and 933M carryout**<sup>78</sup>

One summary of the release described **corn acres** “a little lower than expected” with **carryout at 1.8**, **bean acres** higher with **carryout at 355**, and **wheat steady year-over-year at 933**<sup>9</sup>.

**Price action (Feb. 19): soybeans and wheat firmer; corn lagged**

- **Futures snapshot (Feb. 19):** March corn **\$4.27<sup>1/4</sup>**; March soybeans **\$11.37<sup>3/4</sup>**; March Chicago wheat **\$5.53<sup>3/4</sup>**; March KC wheat **\$5.58<sup>1/4</sup>**; March spring wheat **\$5.77<sup>1/2</sup>**<sup>1011121314</sup>.

Market commentary tied wheat strength to **short covering/technical buying**, with additional support from **production concerns in the U.S. and the Black Sea plus Middle East geopolitical risks**<sup>1516</sup>.

Corn was described as struggling near **chart resistance (430–435)** into first notice day/delivery dynamics<sup>17</sup>, while also being weighed down by a “**too much of it**” framing in one discussion of supply<sup>18</sup>.

#### **KC wheat: breakout + hedging signals**

KC wheat was flagged at **8-month highs** and “trading to its highest levels since summer”<sup>1920</sup>. Technical notes said KC wheat **broke out of a multi-year wedge** and is on its **longest sustained rally since 2021**<sup>2122</sup>, now pressing a **key resistance level** where a break “could spark further upside”<sup>23</sup>.

A producer-focused hedge alert noted KC wheat is nearing a target discussed “for months”<sup>24</sup> and suggested, for those needing cash flow and unable to store,

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<sup>7</sup> post by @MarketMinuteLLC

<sup>8</sup> post by @MarketMinuteLLC

<sup>9</sup> post by @GoddessofGrain

<sup>10</sup>“Future is at Risk” - Corn Growers Plead for Improved Policy

<sup>11</sup>“Future is at Risk” - Corn Growers Plead for Improved Policy

<sup>12</sup>“Future is at Risk” - Corn Growers Plead for Improved Policy

<sup>13</sup>“Future is at Risk” - Corn Growers Plead for Improved Policy

<sup>14</sup>“Future is at Risk” - Corn Growers Plead for Improved Policy

<sup>15</sup>Markets Now Closes - 2/19 Beans, Wheat Hit Fresh Highs on Technical Buying: Why Can’t Corn Follow?

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<sup>17</sup>Markets Now Closes - 2/19 Beans, Wheat Hit Fresh Highs on Technical Buying: Why Can’t Corn Follow?

<sup>18</sup>Markets Now Early - 2/19 Wheat Breaks Higher: Corn & Soybeans Fade USDA Ag Outlook Numbers

<sup>19</sup> post by @MarketMinuteLLC

<sup>20</sup> post by @MarketMinuteLLC

<sup>21</sup> post by @MarketMinuteLLC

<sup>22</sup> post by @MarketMinuteLLC

<sup>23</sup> post by @MarketMinuteLLC

<sup>24</sup>KC WHEAT HEDGE ALERT & SELL SIGNAL

incremental sales or options protection (puts/calls) <sup>25</sup>.

## Innovation Spotlight

**Brazil (Santa Catarina): open-pollinated corn variety targets stability under drought**

At the Itaipu Rural Show, Ipagri highlighted a new **open-pollinated corn variety (VPA)** with **lower seed cost**, current yields around **160–165 sacas/ha**, and potential up to **200 sacas/ha** <sup>26</sup>. The variety's **longer flowering period** was presented as a way to reduce losses during **dry spells** <sup>27</sup>.



*Como as tecnologias estão influenciando as decisões do produtor para 2026?  
(2:01)*

## Brazil: scaling ag-tech depends on shared connectivity models

ABDI described connectivity as a core bottleneck for “agriculture 4.0,” citing **70% of Brazil’s territory without connectivity coverage** and highlighting **shared infrastructure** (e.g., cooperative antennas/satellite) as a practical model for smaller producers <sup>2829</sup>.

<sup>25</sup>KC WHEAT HEDGE ALERT & SELL SIGNAL

<sup>26</sup>Como as tecnologias estão influenciando as decisões do produtor para 2026?

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<sup>28</sup>Tecnologia, inovação e agro: o papel estratégico da ABDI no Brasil | Direto ao Ponto

<sup>29</sup>Tecnologia, inovação e agro: o papel estratégico da ABDI no Brasil | Direto ao Ponto

A Rio Grande do Sul example described a microclimate platform that aggregates multiple weather stations and offers access for about **R\$100/month**, making data services cheaper for smallholders than buying their own stations <sup>30</sup>.

### **Regenerative systems: new efforts to standardize definitions and measurement**

A Spain-based effort set out **10 consensus-based scientific criteria** for regenerative agriculture and cited findings that regenerative soils can **sequester at least 35% more carbon** and buffer summer ground temperatures by **up to 3.6°C**, while producing **similar yields** at **similar or lower cost** after transition <sup>31</sup>.

## **Regional Developments**

### **Brazil (Mato Grosso): harvest delays and quality loss from excess rain**

In Paranatinga (MT), reports described persistent rain disrupting soybean harvest and raising uncertainty about losses <sup>32</sup>. One producer cited **80 hectares** ready for harvest but inaccessible due to moisture, with grain **rotting and germinating**; he estimated about **50% loss** already and warned the field could be **100% lost** if harvest couldn't occur within **2–3 days** <sup>33</sup>.

Conab progress updates said Brazil's soybean harvest reached **24.7%** of area but remained **behind last year and the 5-year average** <sup>3435</sup>.

Second-crop corn planting was described as delayed by rain that slows soybean harvest (about **3% behind last year** and nearly **6% behind** the 5-year average) <sup>3637</sup>. Mato Grosso was a bright spot at about **52.7% planted**—**9.4% ahead of last year** <sup>38</sup>.

### **Brazil logistics: BR-174 road conditions raise costs (Juína, MT)**

Producers described BR-174 (Juína–Vilhena corridor) as strategically important for flows toward Porto Velho <sup>39</sup>, but reported severe road impacts—e.g., **11**

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<sup>30</sup>Tecnologia, inovação e agro: o papel estratégico da ABDI no Brasil | Direto ao Ponto

<sup>31</sup>#103 - STANDARD, KUMAMOTO, LDC

<sup>32</sup>Chuvas sem trégua travam colheita e ameaçam safra de soja

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<sup>34</sup>AO VIVO: Brasil negocia mercado para o feijão e tarifas do frango na Índia | M&C – 18/02/2026

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<sup>36</sup>Excesso de chuva atrasa plantio do milho safrinha; meteorologista atualiza situação

<sup>37</sup>Excesso de chuva atrasa plantio do milho safrinha; meteorologista atualiza situação

<sup>38</sup>Alerta! Temporais e ventos de 100 km/h estão previstos em 5 estados do Brasil

<sup>39</sup>Buracos e atoleiros na BR-174 custam até R\$ 10 por saca em Juína | Patrulheiro Agro ep.

**km taking ~1 hour** for a truck <sup>40</sup> and tire damage costing **R\$6–7k** on a short trip <sup>41</sup>. Local basis impacts were also noted: soybean prices cited around **R\$92–93/sack** in Juína vs **R\$100–103** in Campo Novo, with losses of about **R\$10/sack** attributed to logistics <sup>4243</sup>.

### **Argentina: short strike halts grain shipments**

A 48-hour strike by Argentine maritime workers was reported as bringing grain shipments “to a standstill,” with the main oilseed crushers union planning a separate 24-hour strike tied to proposed labor reforms <sup>44</sup>.

### **Black Sea: Ukraine winter wheat risk in the news flow**

KC wheat strength was linked by some market commentary to Ukraine winter wheat risks following a **thaw and then cold snap**, according to Ukraine’s farmers union <sup>45</sup>.

## **Best Practices**

### **Grain marketing: align hedges with storage and cash-flow constraints**

- For producers **unable to store wheat** and needing cash flow, one hedge alert favored **incremental sales or option structures** (puts/calls or combinations) <sup>46</sup>.
- For **old-crop corn** needing movement before spring, a separate recommendation emphasized **downside protection**, noting corn options were “so cheap it makes no sense” to be unprotected if movement is required soon <sup>4748</sup>.

### **Fertility placement: when banding can (and can't) reduce fertilizer rates**

Ag PhD highlighted interest in **banding vs. broadcasting** to reduce rates under high fertilizer prices, noting improved extraction and reduced tie-up when fertilizer is placed where roots will find it—especially for **immobile nutrients**

<sup>40</sup>Buracos e atoleiros na BR-174 custam até R\$ 10 por saca em Juína | Patrulheiro Agro ep. 229

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<sup>42</sup>Buracos e atoleiros na BR-174 custam até R\$ 10 por saca em Juína | Patrulheiro Agro ep. 229

<sup>43</sup>Buracos e atoleiros na BR-174 custam até R\$ 10 por saca em Juína | Patrulheiro Agro ep. 229

<sup>44</sup>“Future is at Risk” - Corn Growers Plead for Improved Policy

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<sup>46</sup>KC WHEAT HEDGE ALERT & SELL SIGNAL

<sup>47</sup>USDA OUTLOOK MATTER?

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like **P, K, zinc, and copper**<sup>49</sup>. It cautioned that banding offers less benefit for **leachable nutrients** (nitrate, sulfate, boron) and warned about **salt injury** risk near seed (lower rates and more distance are safer)<sup>50</sup>.

### **Livestock (Brazil): rainy-season supplementation targets measurable gain**

A Brazil segment described how balancing **energy, protein, and minerals** during the rainy season can raise daily gains from about **450g up to 900g per animal/day**, improving cash flow and shortening production cycles<sup>5152</sup>. A worked example described a **9-arroba** heifer reaching **12 arrobas** in **90 days** with energy supplementation (vs. about **6 months** otherwise)<sup>53</sup>.

## **Input Markets**

### **Fertilizer remains a focal variable for 2026 row-crop decisions**

One market discussion repeatedly emphasized **fertilizer cash prices** as a key variable in corn/soy acreage decisions, with observations of fertilizer movement “on fire” and farmers filling sheds later than usual (suggesting deferred fall buying)<sup>54</sup>.

Agro policy also moved into the input narrative: President Donald Trump designated **glyphosate-based herbicides** and **elemental phosphorus** as **critical to national defense**, directing USDA to prioritize and secure domestic supplies<sup>55</sup>.

### **Policy, demand, and crush: soybean oil for biofuel remains central**

USDA’s outlook discussion included a projected **record 17.3B lbs** of soybean oil use for biofuel<sup>56</sup>. Separately, USDA-ag-economy commentary framed the **RFS/E15 debate** and the **45Z rule** (including flexible feedstock provisions) as “wildcards” that could affect corn/soy demand—and potentially the acreage and price outlook—depending on timing<sup>57</sup>.

<sup>49</sup> post by @AgPhDMedia

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<sup>51</sup>Suplementação em períodos chuvosos pode aumentar a produtividade na pecuária

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<sup>55</sup> post by @SuccessfulFarm

<sup>56</sup>USDA Ag Outlook: Farm Economy “Making Progress” in 2026, But Headwinds Persist

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## Forward Outlook

**Watch-list: policy timing + trade headlines as near-term volatility sources**

- USDA's biofuel-policy framing explicitly highlighted the importance of the RFS/E15 pathway and the 45Z rule's incentive structure as potential demand drivers for corn/soy/canola <sup>58</sup>.



*USDA Ag Outlook: Farm Economy “Making Progress” in 2026, But Headwinds Persist (8:05)*

- Another market view tied recent soybean strength to improving U.S.–China relations and suggested markets may react to headlines in the lead-up to an April meeting; the same discussion recommended being “**3/4 cash sold**” on old-crop corn/soy/wheat ahead of that meeting window due to uncertainty <sup>5960</sup>.

<sup>58</sup>USDA Ag Outlook: Farm Economy “Making Progress” in 2026, But Headwinds Persist

<sup>59</sup>Moving Iron: Quadtrac Whiplash — From Record Highs to Market Reset and the Road Back

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## **Weather risk lens: KC winter wheat belt flagged for dry-spring and frost concerns**

A weather-focused segment described a lag where sea-surface temperatures shifted toward neutral but the atmosphere remained “La Niña-like,” a pattern it said “always means a dry spring” for the **KC winter wheat belt** (KS/OK/NE), adding **frost risk** as wheat comes out of dormancy <sup>61</sup>.

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### **Sources**

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4. post by @GoddessofGrain
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6. Markets Now Closes - 2/19 Beans, Wheat Hit Fresh Highs on Technical Buying: Why Can’t Corn Follow?
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