

ADDISSEO – Future Ready Dairy

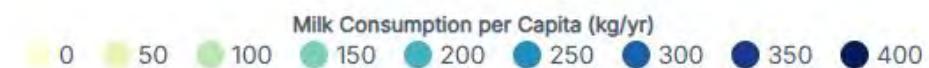
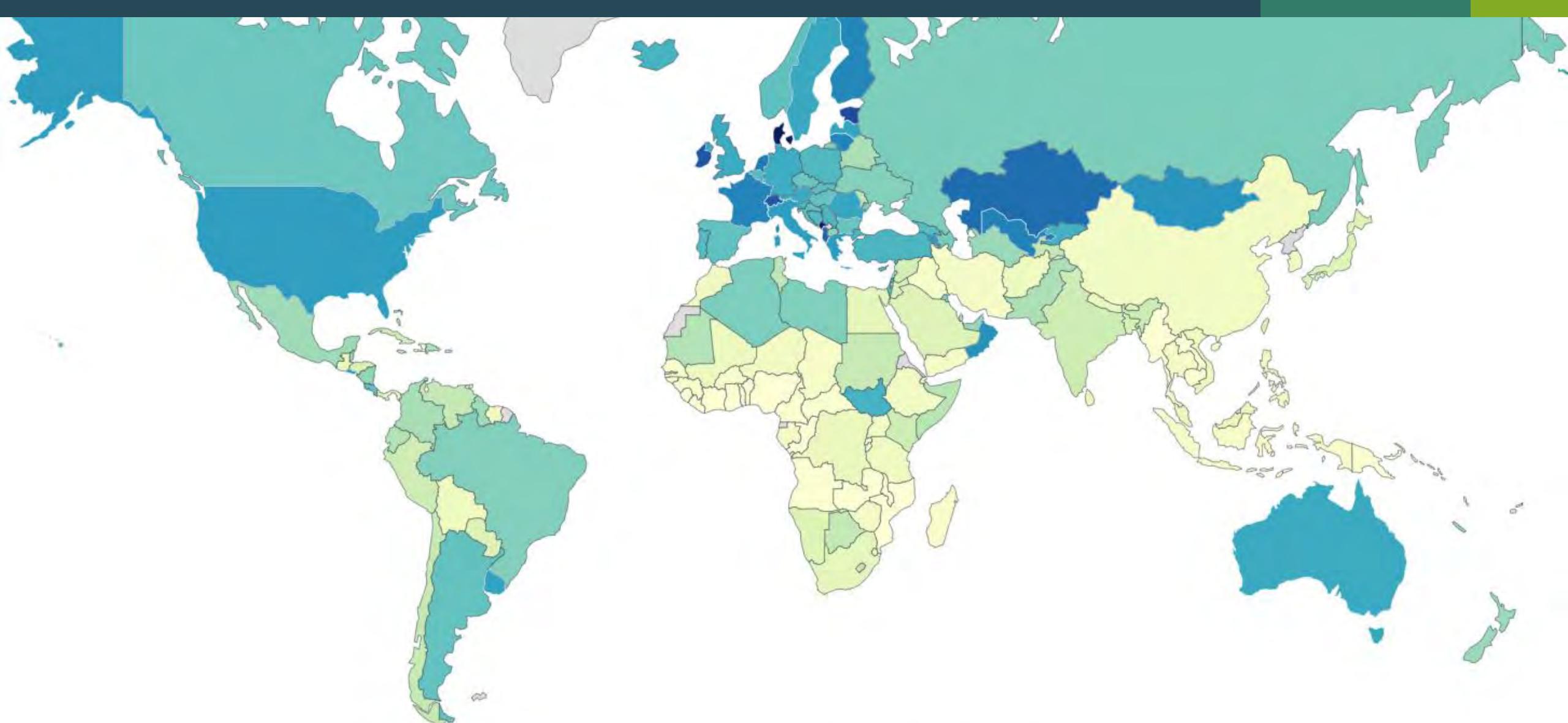
- Global Economics and the Future of Agriculture

(hint: it is not about the milk)



Top Milk Producing-Countries





U.S. Dairy Products Exports in 2024

Total Export Value

\$8.25 Billion

Total Volume (Millions)

2.66 Metric Tons

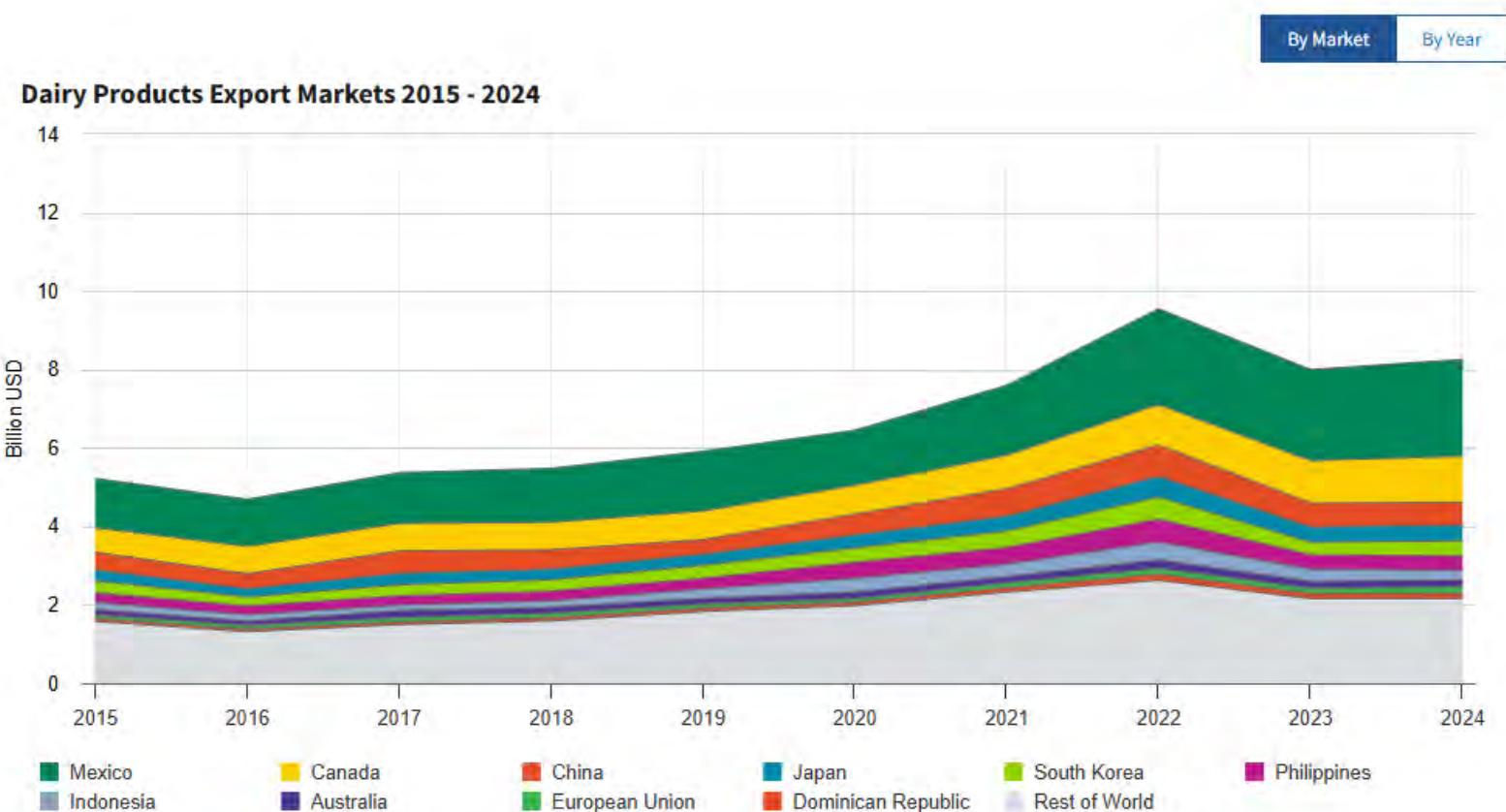
3-Year Average

\$8.6 Billion

Compound Average Growth

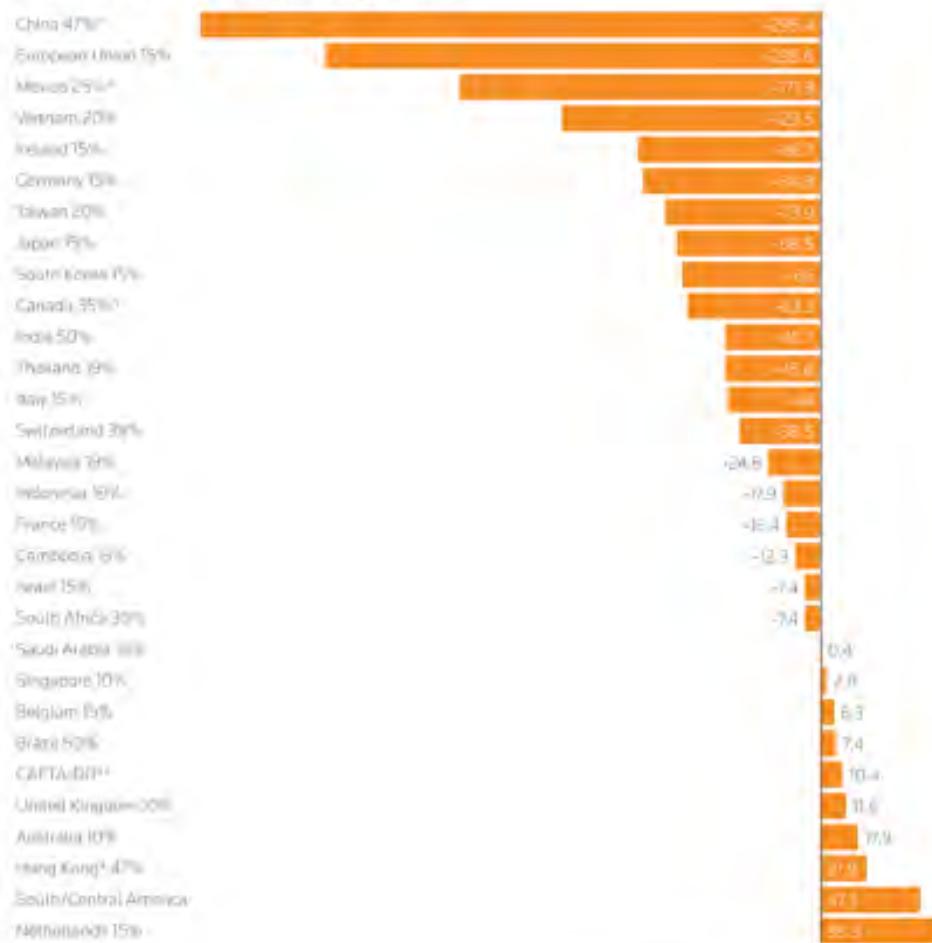
4.7% (2015-2024)

Market	Total Value (USD)
Mexico	\$2.47 Billion
Canada	\$1.18 Billion
China	\$583.6 Million
Japan	\$395.07 Million
South Korea	\$384.93 Million
Philippines	\$364.48 Million
Indonesia	\$246.98 Million
Australia	\$173.13 Million
European Union	\$167.19 Million
Dominican Republic	\$134.92 Million



U.S. tariff rates, trade balances for major trading partners

U.S. President Donald Trump's base tariff rates on goods from major trading partners along with their 2024 trade surpluses or deficits with the U.S., in billions of dollars. Tariff rates exclude "Section 232" duties to protect strategic sectors.

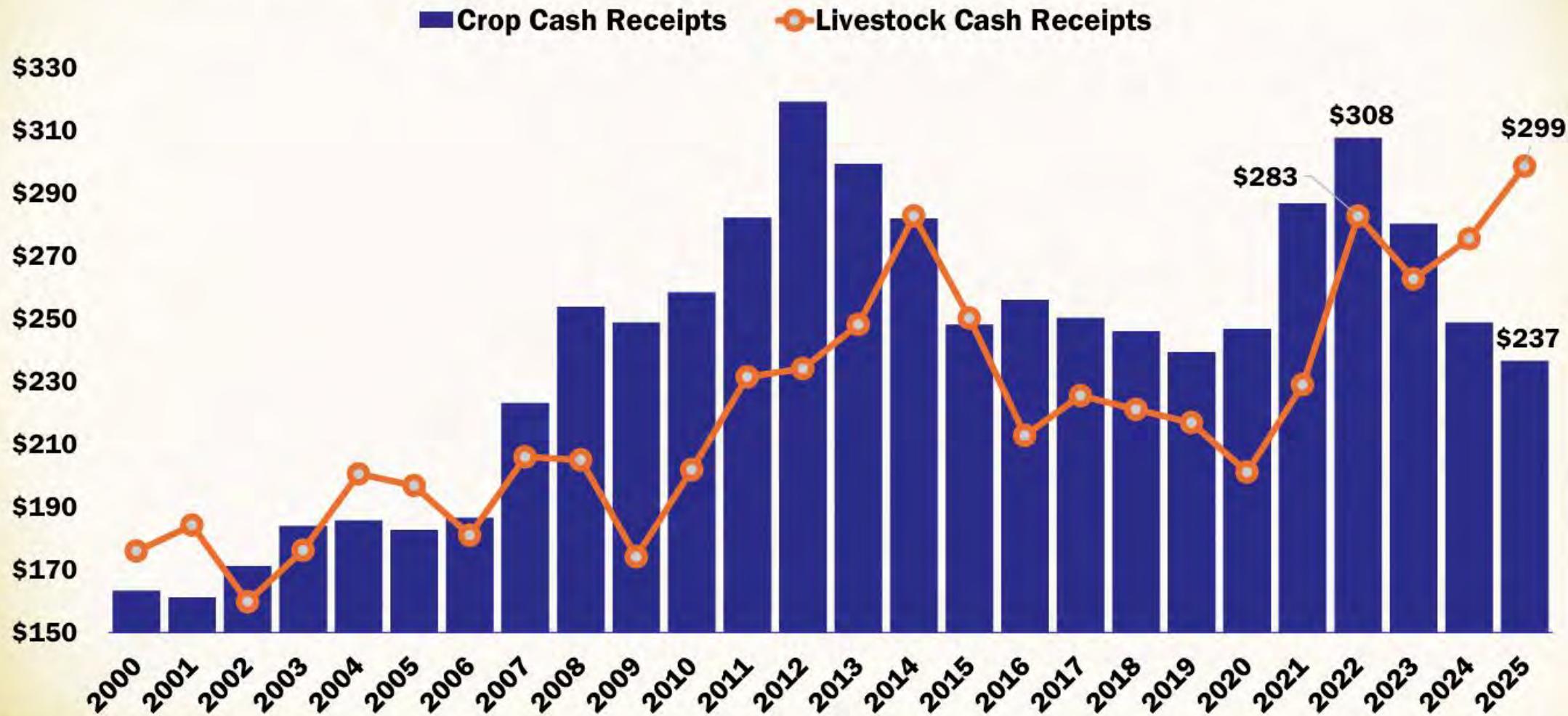


Note: ¹¹CAFTA-DR consists of six Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and the Dominican Republic), Mexico, and Chile. ¹²Includes Hong Kong, Thailand, and the Philippines as members of the EU.

Source: U.S. Census Bureau | Data Line

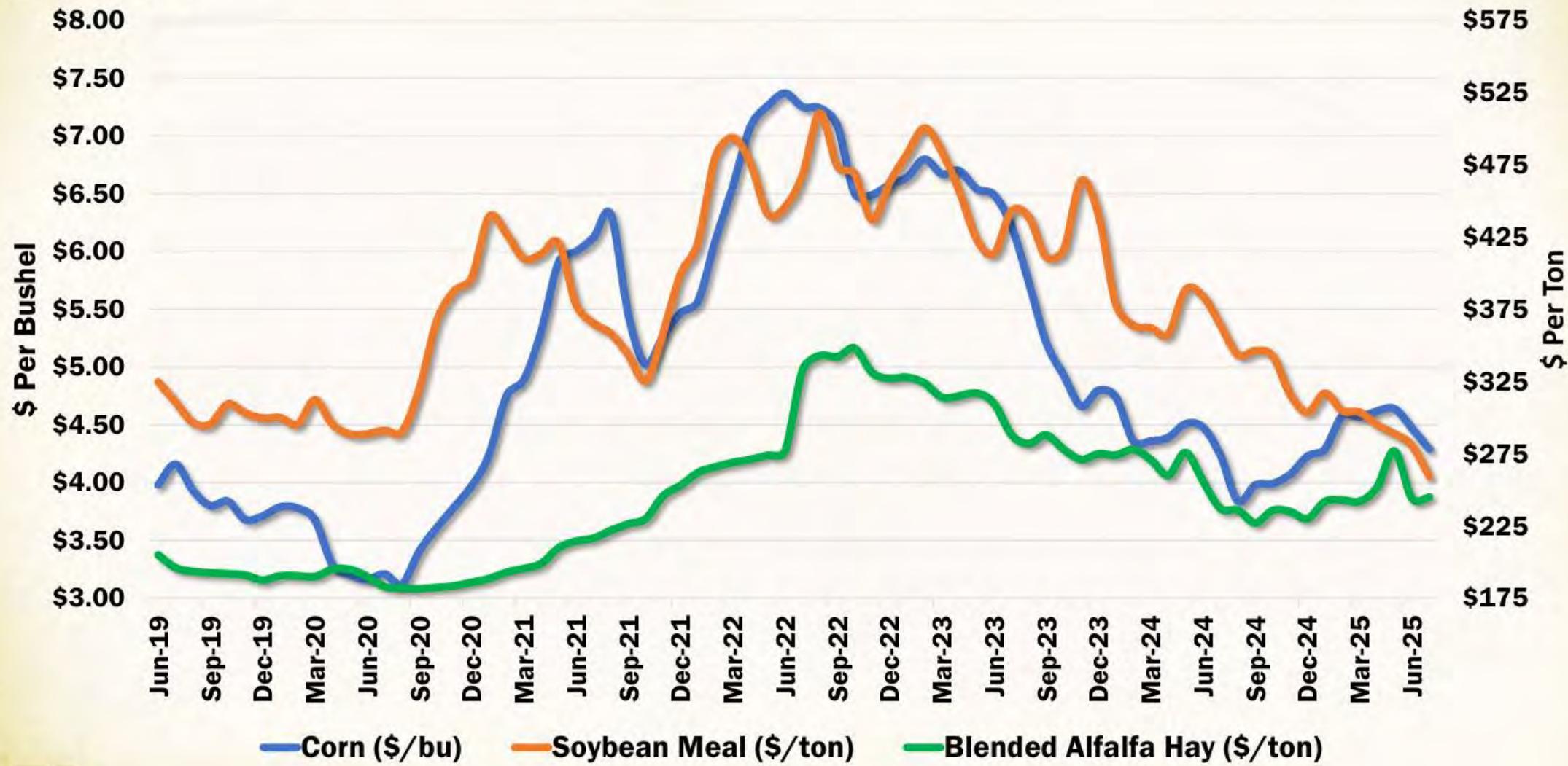
TALE OF TWO FARM ECONOMIES

Inflation-Adjusted U.S. Cash Receipts For Crops and Livestock, 2000 to 2025 Forecast | Billions



AVERAGE FEED COSTS

Price Received

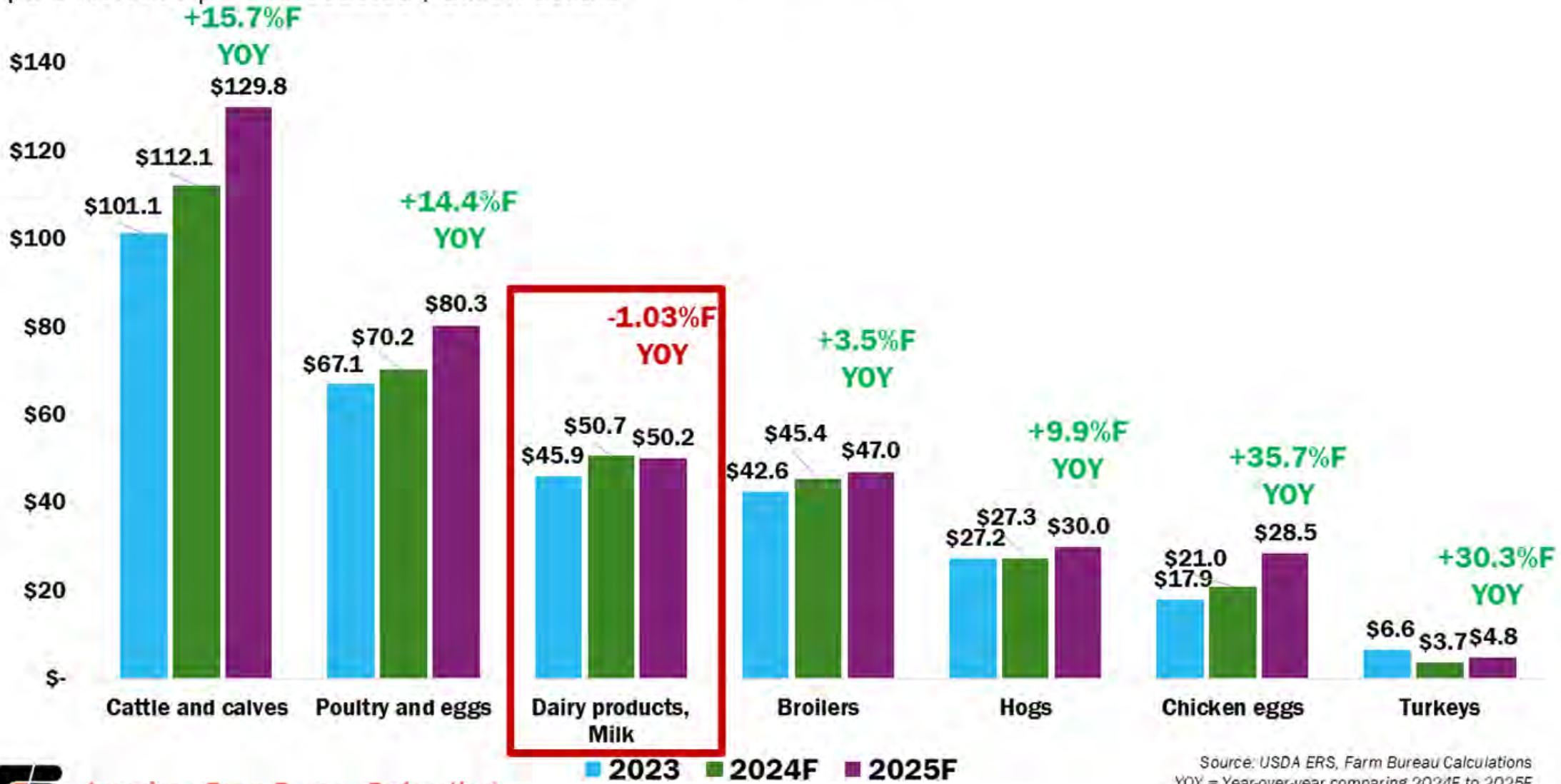


American Farm Bureau Federation®

Source: USDA Farm Service Agency

U.S. FARM INCOME | LIVESTOCK RECEIPTS

Sept. 3 Release | F = forecasted | Billion dollars

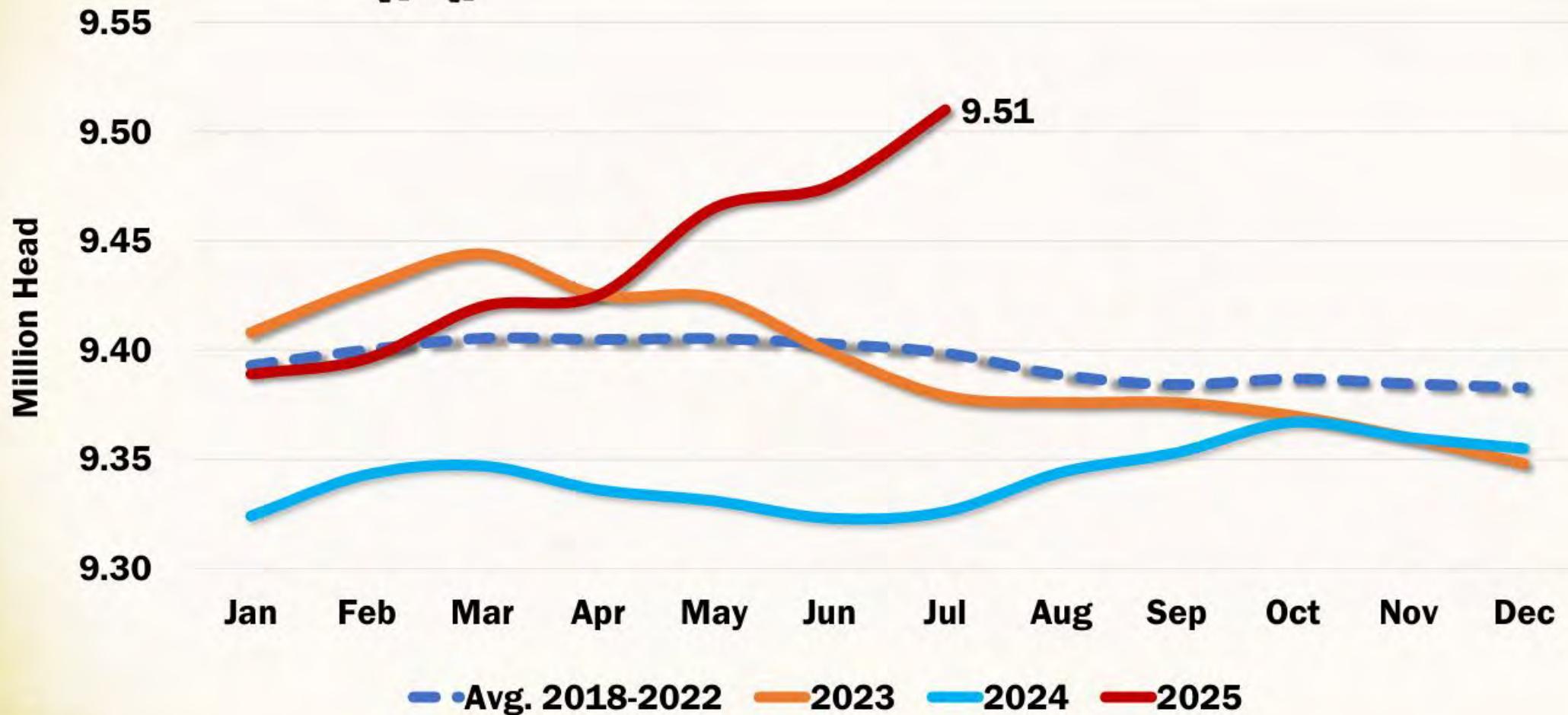
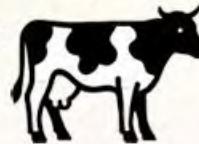


American Farm Bureau Federation

Source: USDA ERS, Farm Bureau Calculations
YOY = Year-over-year comparing 2024F to 2025F

U.S. DAIRY COW HERD INVENTORY

Million head of milk cows

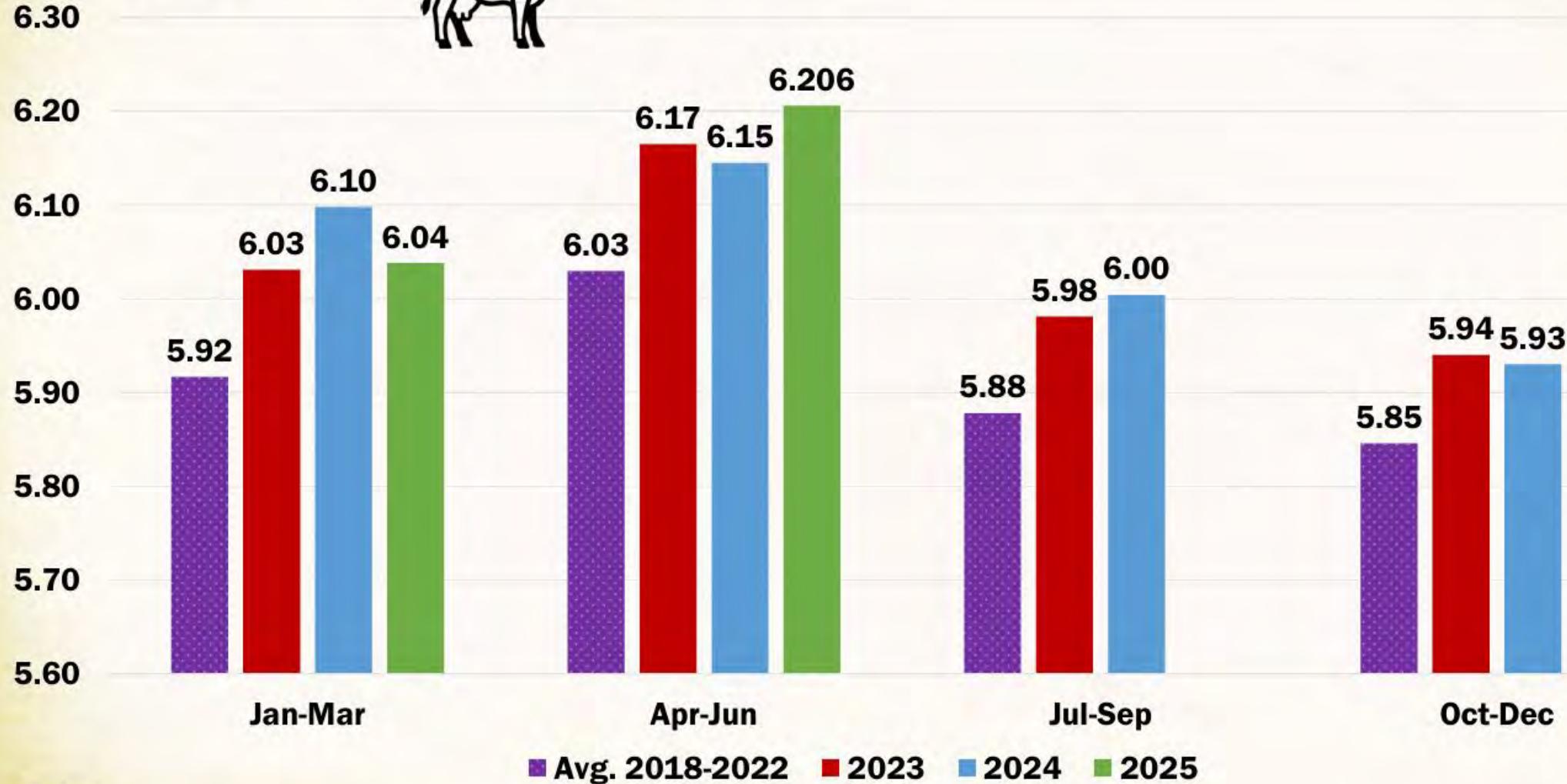
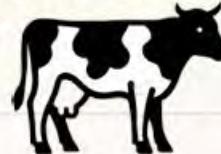


American Farm Bureau Federation®

Source: AFBF Calculations, USDA NASS

QUARTERLY MILK PRODUCTION PER COW

Thousand pounds per head

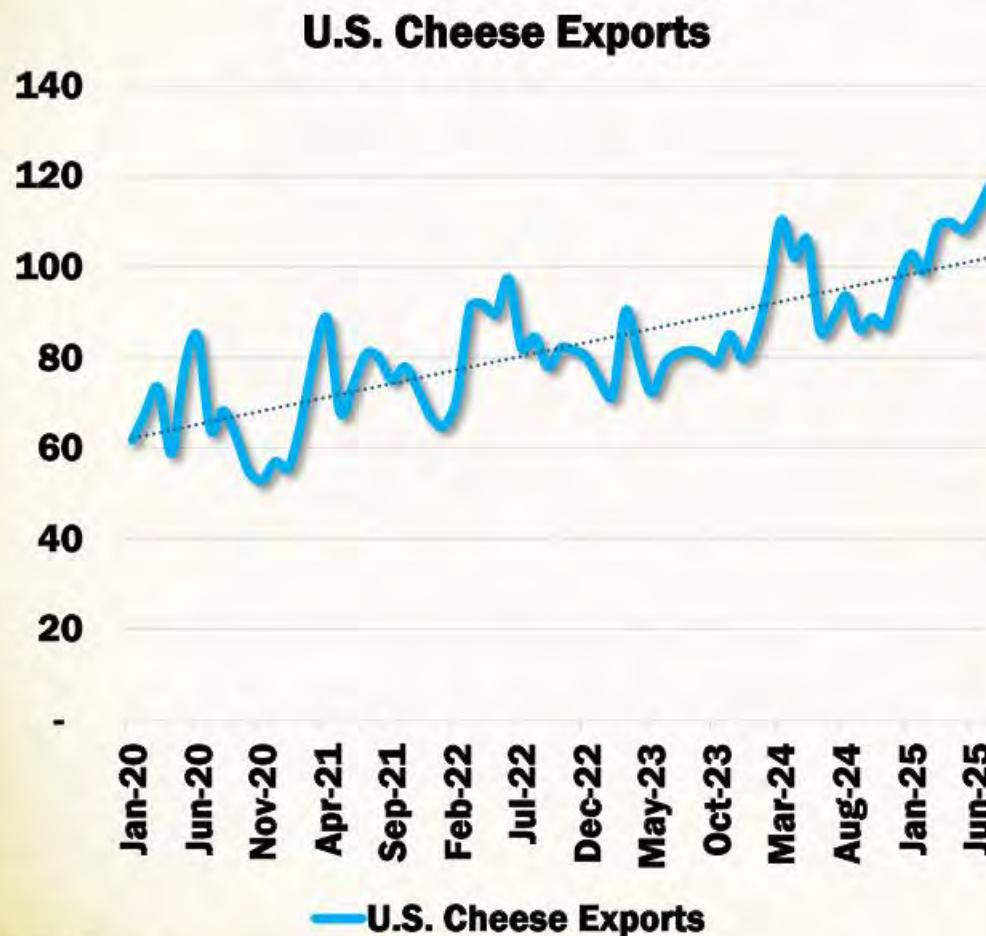
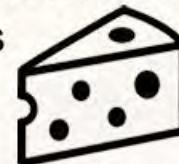


American Farm Bureau Federation®

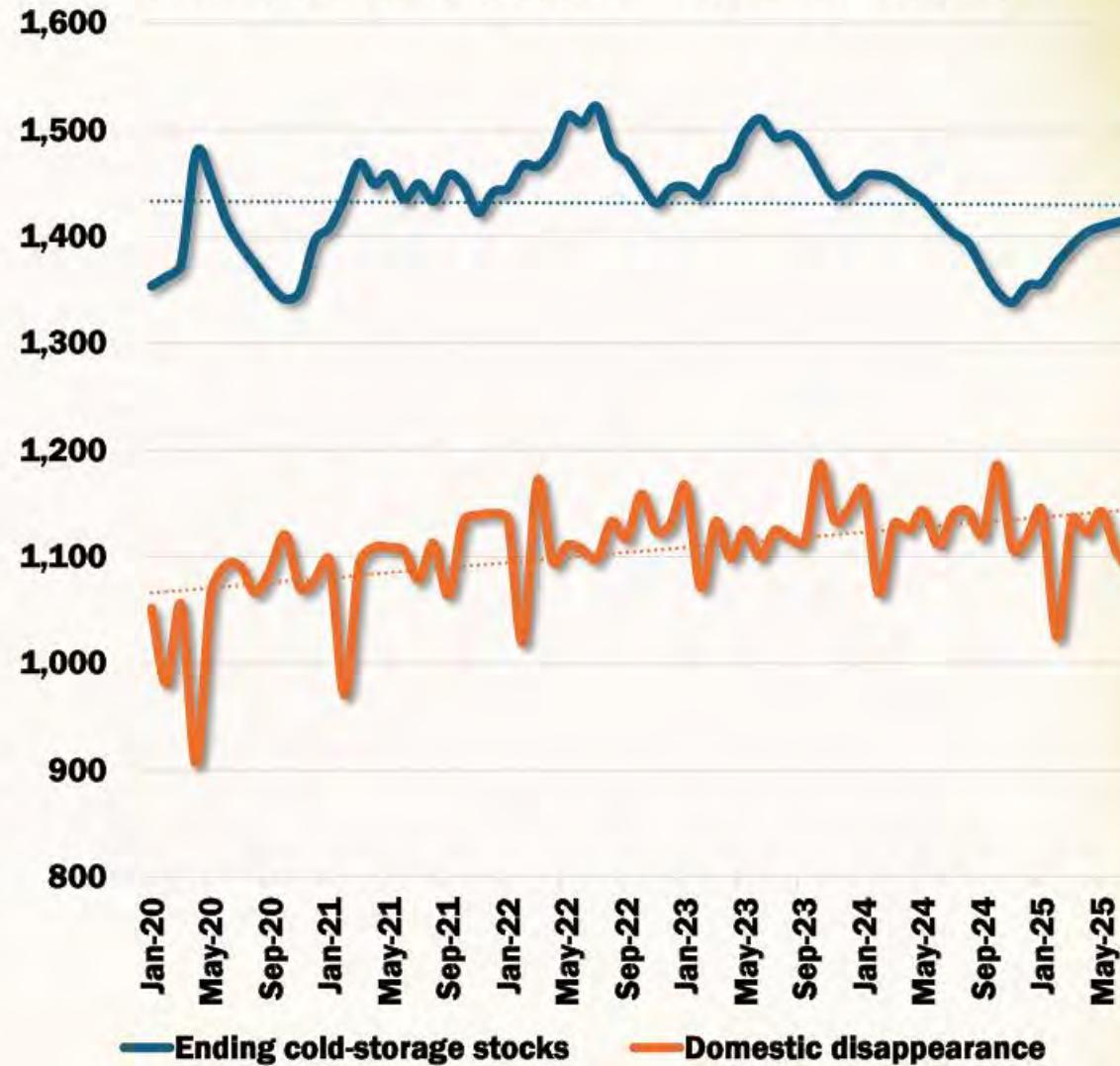
Source: AFBF Calculations, USDA NASS

CHEESE DEMAND DYNAMICS

Jan 2020 – Present | Million pounds



Ending Cold Storage & Domestic Disappearance



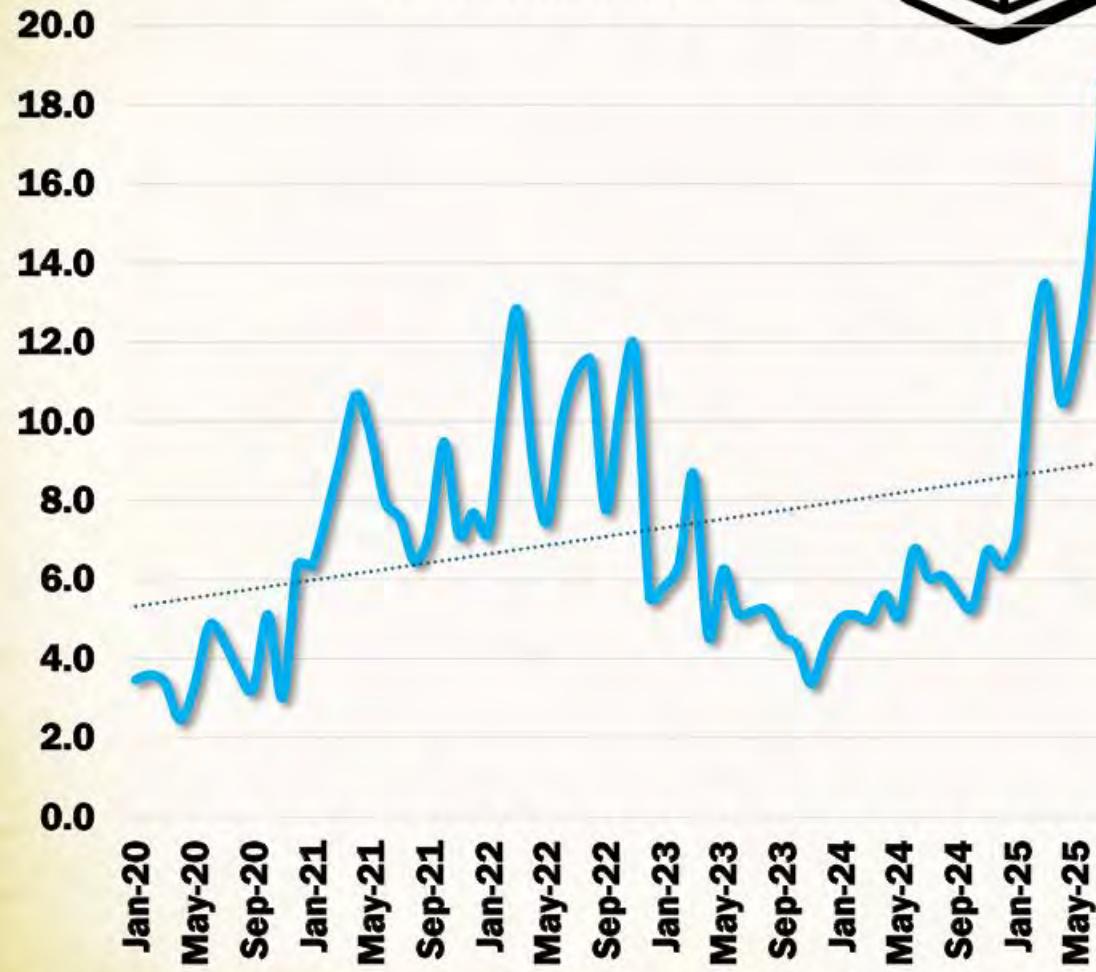
American Farm Bureau Federation

Source: AFBF Calculations, USDA NASS

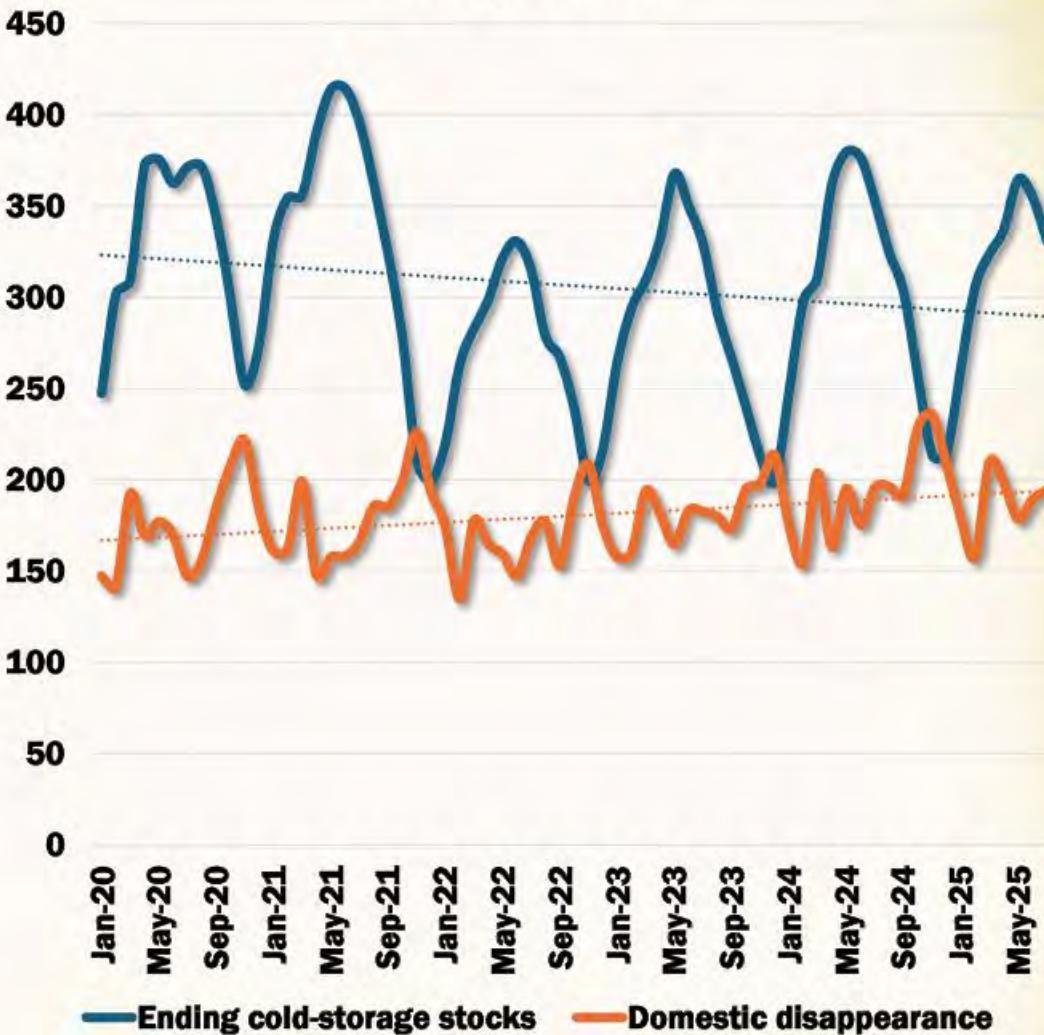
BUTTER DEMAND DYNAMICS

Jan 2020 – Present | Million pounds

U.S. Butter Exports



Ending Cold Storage Stocks & Domestic Disappearance



American Farm Bureau Federation®

Source: AFBF Calculations, USDA NASS

Butter Price Collapse

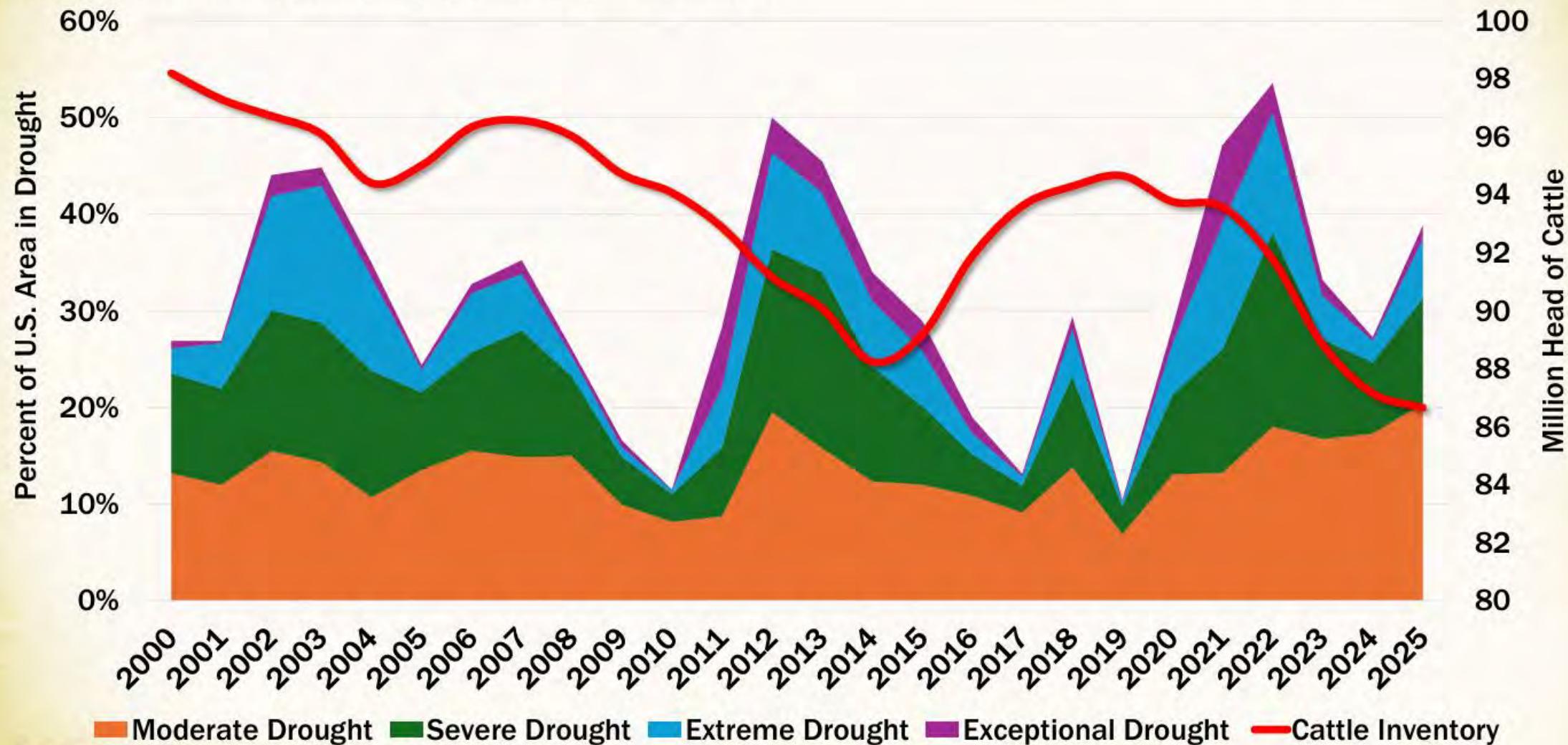
CME Spot Butter Price Daily



Sources: CME, Terrain

FIGURE 1: PERCENT OF U.S. AREA IN DROUGHT AND CATTLE INVENTORY

2000 – 2025 | Moderate drought or worse | Million head

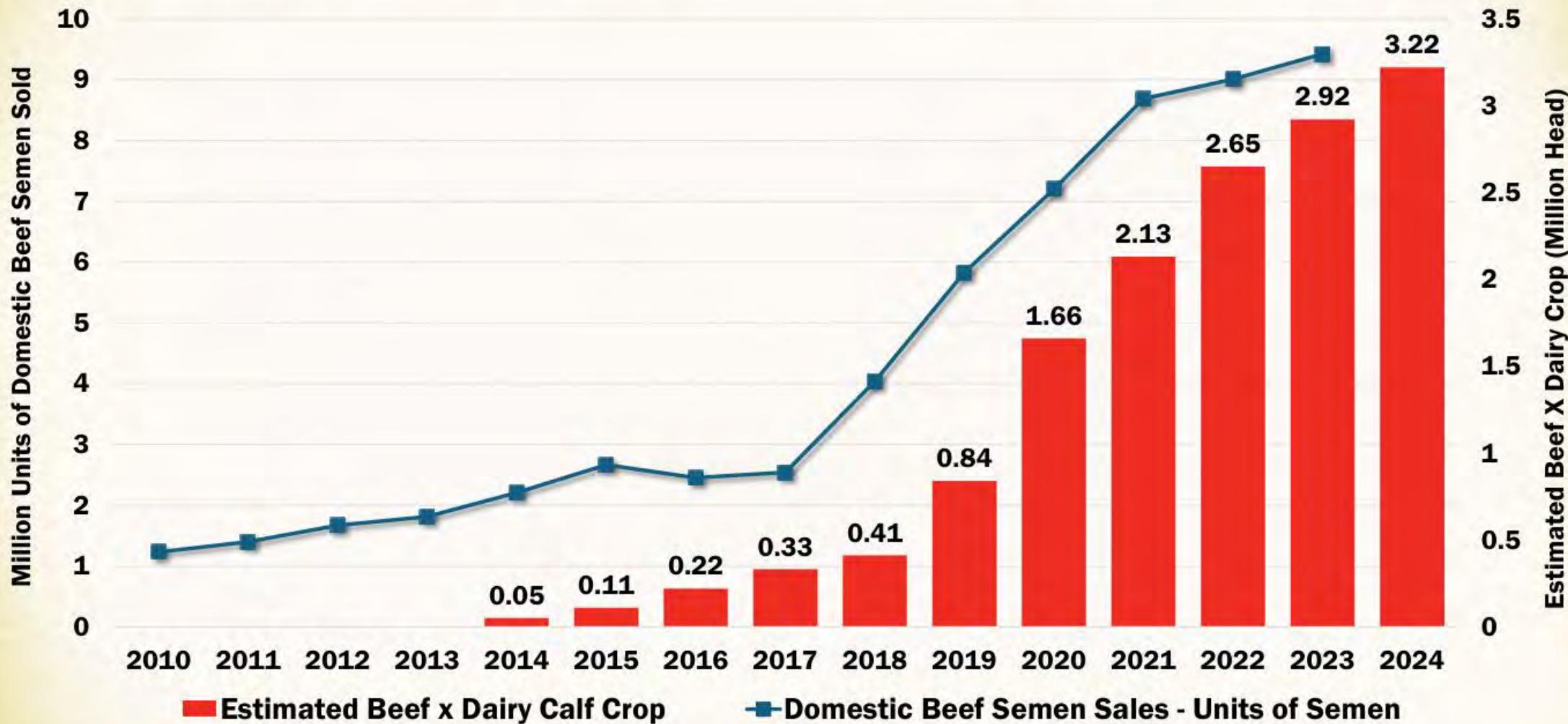


American Farm Bureau Federation

Source: AFBF Calculations, USDA NASS, National Drought Mitigation Center

DOMESTIC BEEF SEMEN SALES & ESTIMATED BEEF X DAIRY CALF CROP

Millions

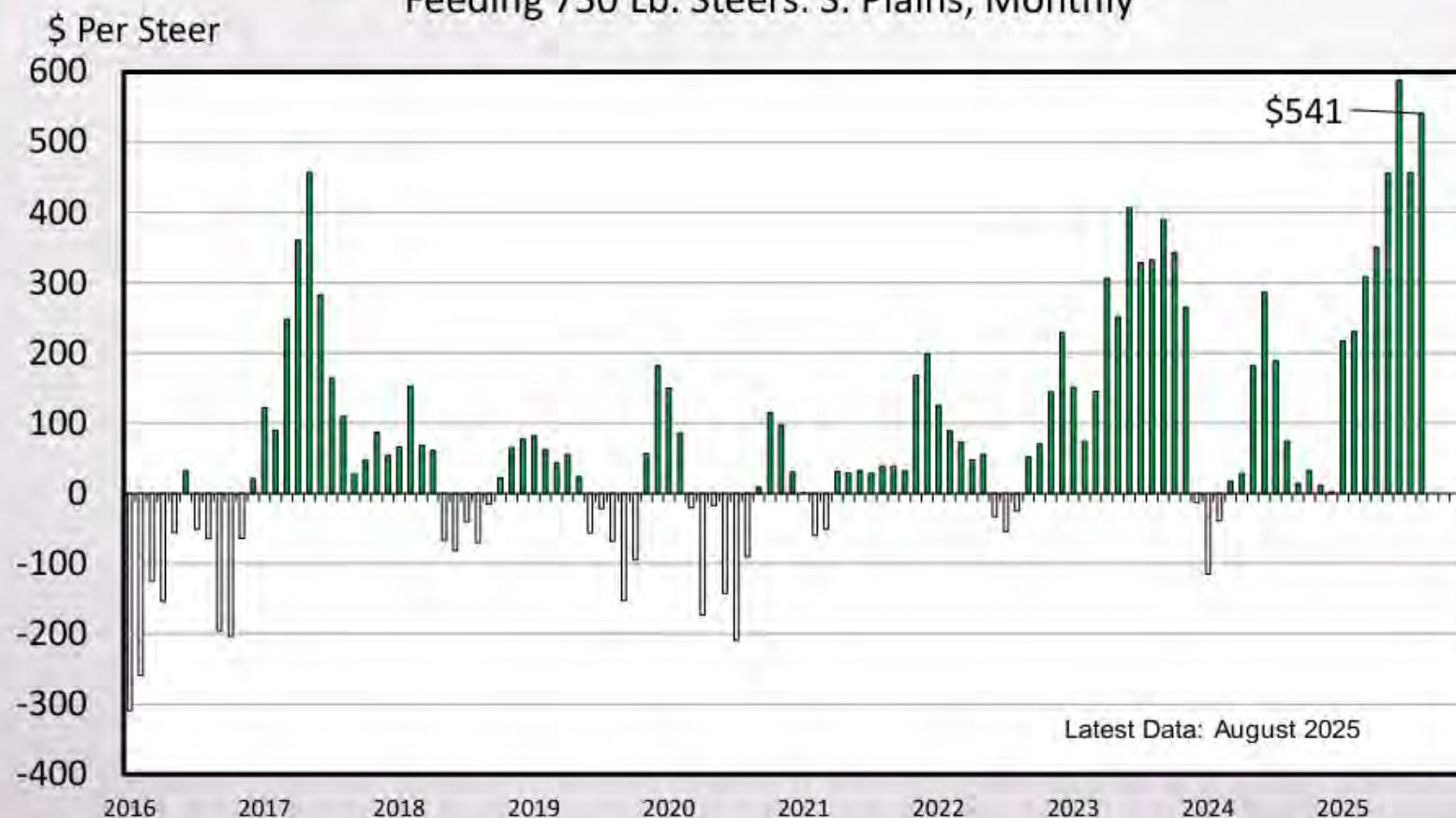


American Farm Bureau Federation®

Source: National Association of Animal Breeders and CattleFax

AVERAGE RETURNS TO CATTLE FEEDERS

Feeding 750 Lb. Steers. S. Plains, Monthly

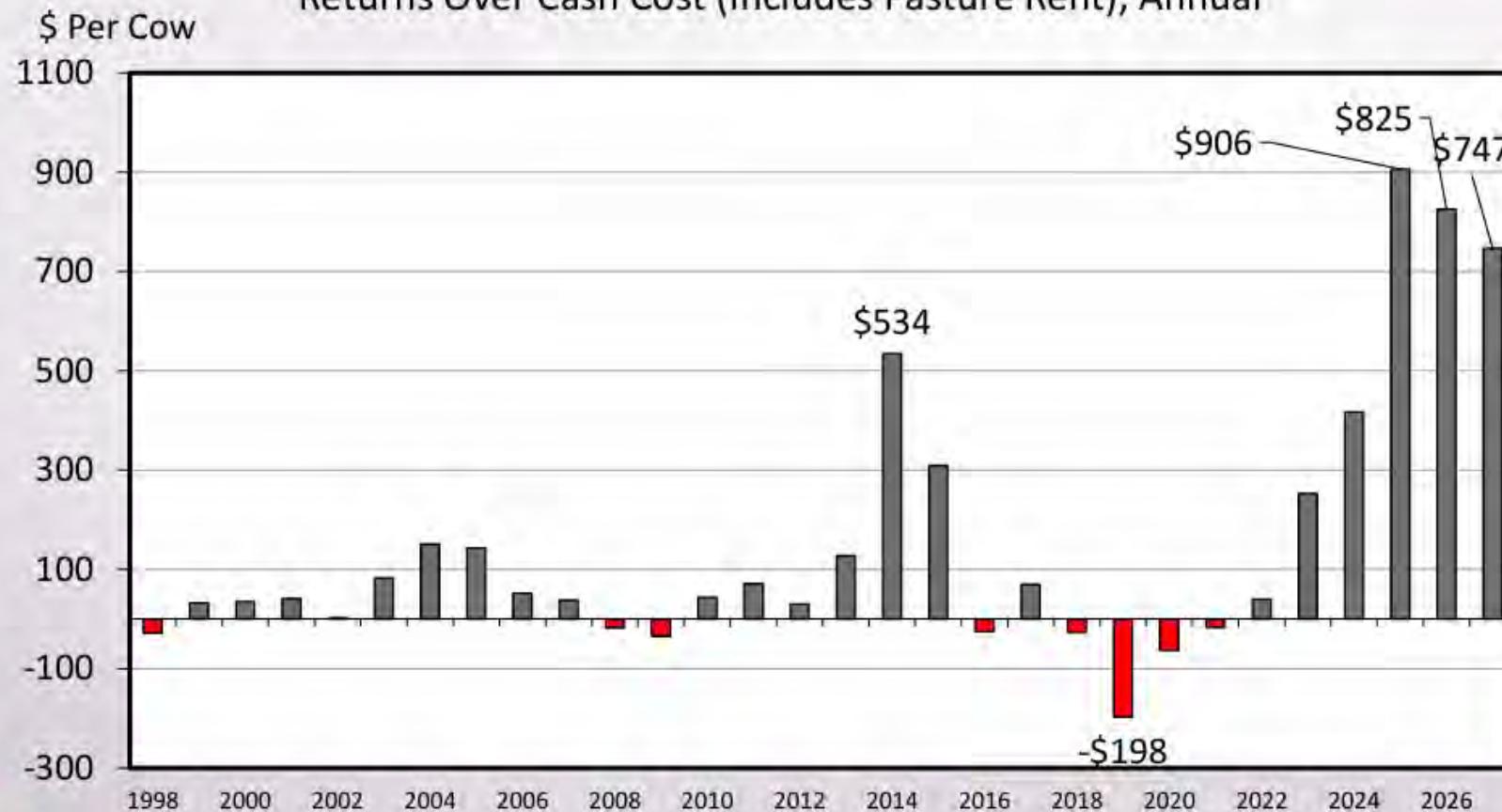


Data Source: USDA-AMS & USDA-NASS, Compiled & Analysis by LMIC
Livestock Marketing Information Center

C-P-22
09/11/25

ESTIMATED AVERAGE COW CALF RETURNS

Returns Over Cash Cost (Includes Pasture Rent), Annual

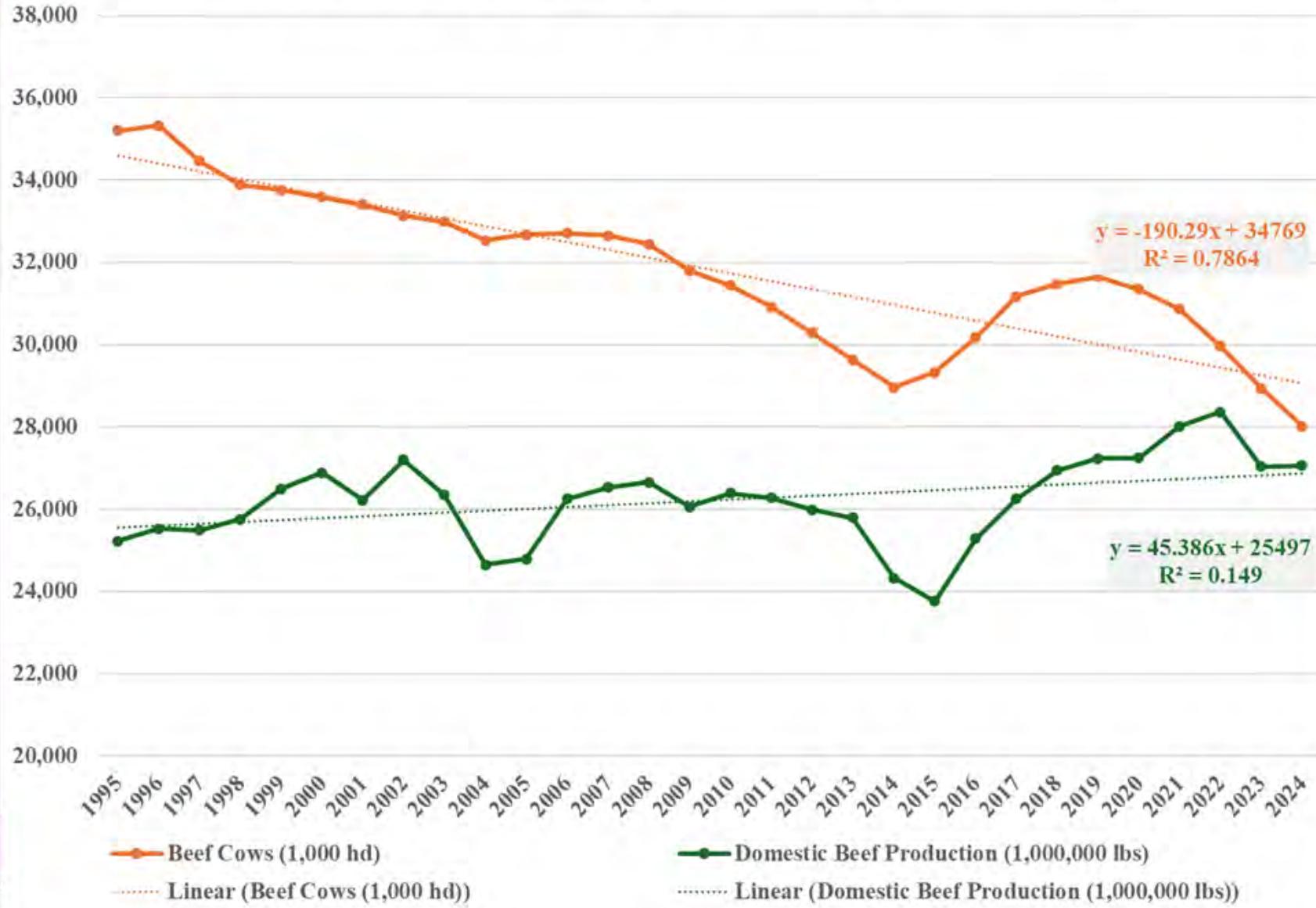


Data Source: USDA & LMIC, Compiled by LMIC

Livestock Marketing Information Center

C-P-66
09/15/25

1995-2024 Broad Industry, Beef Volume Trends (USDA, LMIC, KSU-Tensor)



Price matters, but is not absolute / BLS \$ Comparison

BLS Price (U.S. City Average \$/lb Nominal)

	Jan-20	Aug-25	% Change
Ground Beef	\$ 3.89	\$ 6.32	63%
All Uncooked Beef Steaks	\$ 7.65	\$ 12.22	60%
Pork Chops	\$ 3.37	\$ 4.30	28%
Bacon	\$ 5.51	\$ 7.21	31%
All Ham	\$ 3.06	\$ 4.79	56%
Chicken Breast	\$ 3.06	\$ 4.21	38%

<https://fred.stlouisfed.org/series/APUooooFD3101>

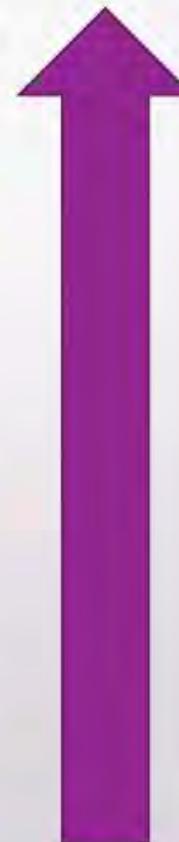
Quarterly Forecasts (LMIC: 10/14/25)

Year	Comm'l	% Chg.	Average	% Chg.	Comm'l	% Chg.
Quarter	Slaughter	from Year Ago	Dressed Weight	from Year Ago	Beef Production	from Year Ago
2025						
I	7,524	-4.2	869.6	4.1	6,543	-0.2
II	7,447	-7.0	866.4	2.7	6,453	-4.6
III	7,387	-7.6	867.0	2.3	6,404	-5.6
IV	7,362	-7.6	880.0	1.9	6,478	-5.9
Year	29,720	-6.6	870.7	2.7	25,878	-4.1
2026						
I	7,082	-5.9	882.9	1.5	6,252	-4.4
II	7,012	-5.8	877.5	1.3	6,153	-4.6
III	6,955	-5.9	875.5	1.0	6,089	-4.9
IV	6,940	-5.7	889.7	1.1	6,174	-4.7
Year	27,988	-5.8	881.4	1.2	24,668	-4.7
2027						
I	6,732	-4.9	893.8	1.2	6,017	-3.8
II	6,664	-5.0	888.3	1.2	5,920	-3.8
III	6,626	-4.7	886.7	1.3	5,875	-3.5
IV	6,635	-4.4	900.5	1.2	5,975	-3.2
Year	26,657	-4.8	892.3	1.2	23,787	-3.6

Data Source: Livestock Marketing Information Center

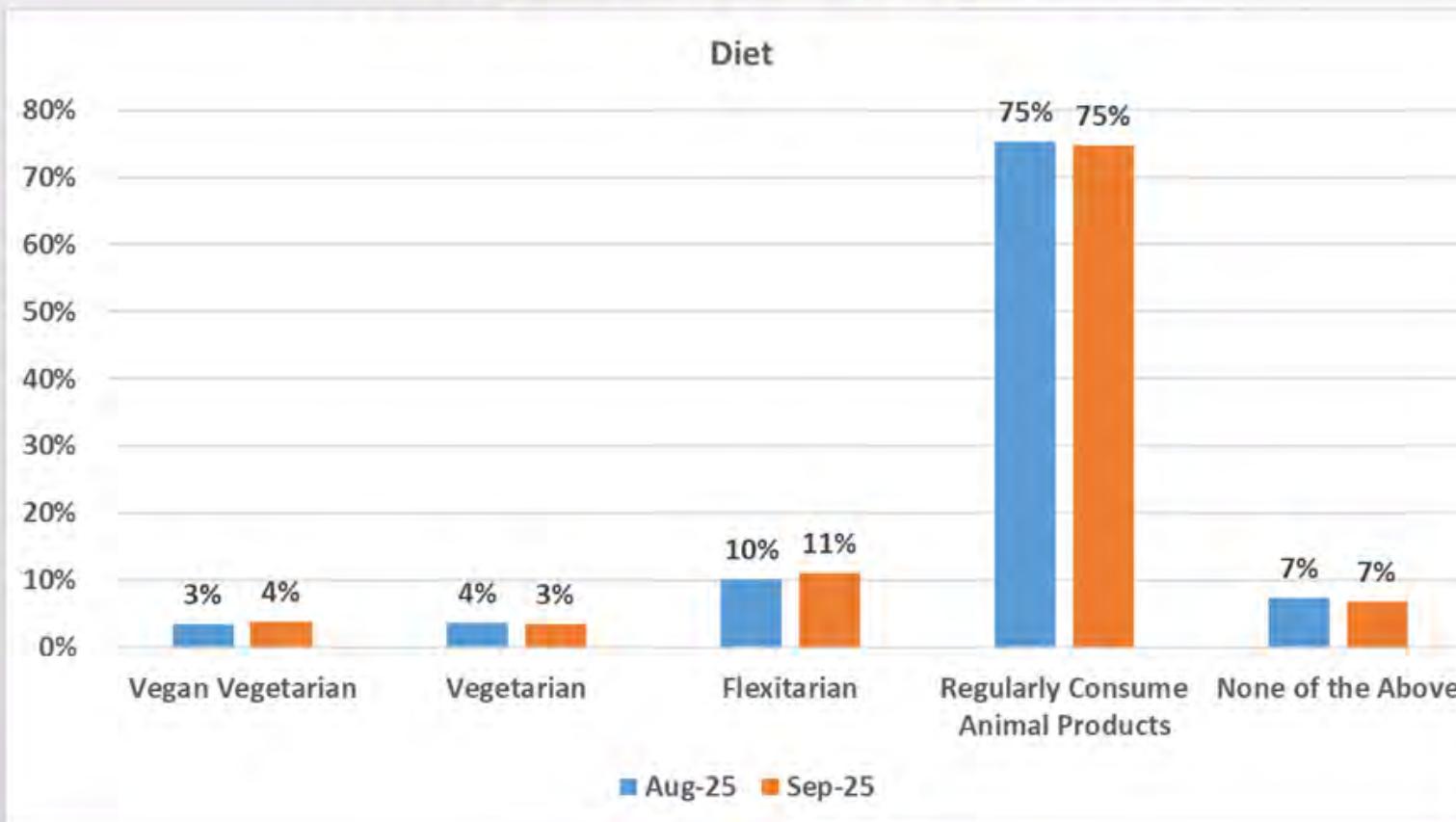
Quarterly Forecasts: Cattle (LMIC: 10/14/25)

Year Quarter	Live Sltr. Steer Price	% Chg. from Year Ago	Feeder Steer Price Southern Plains	
	5-Mkt Avg	Year Ago	7-800#	5-600#
2025				
I	205.02	13.2	285.27	354.86
II	225.22	19.5	311.14	386.73
III	232-234	23.1	365.05	430.56
IV	234-237	24.1	363-366	420-423
Year	224-226	20.3	329-333	397-406
2026				
I	237-241	16.6	354-358	426-430
II	239-244	7.2	356-361	427-432
III	234-240	1.7	361-367	432-438
IV	239-246	3.0	358-365	422-429
Year	234-246	6.7	354-366	424-436
2027				
I	242-250	2.9	358-366	426-434
II	243-252	2.5	359-368	429-438
III	239-249	3.0	364-374	430-440
IV	241-252	1.6	361-372	426-437
Year	238-253	2.3	357-372	425-440



Data Source: Livestock Marketing Information Center

Meat Demand Monitor



<https://agmanager.info/livestock-meat/meat-demand/monthly-meat-demand-monitor-survey-data>

HEALTH

America Is Done Pretending About Meat

Plant-based eating has lost its appeal.

By Yasmin Tayag



Illustration by Paul Spella / The Atlantic. Source: Getty.

MARCH 24, 2025

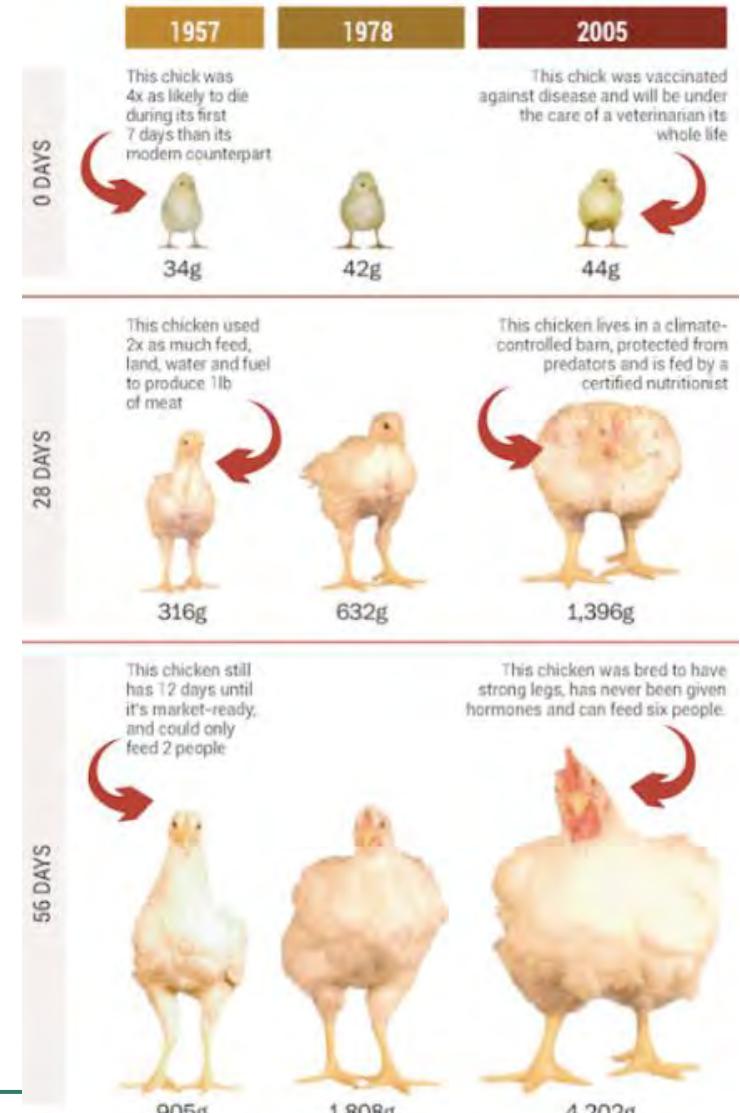
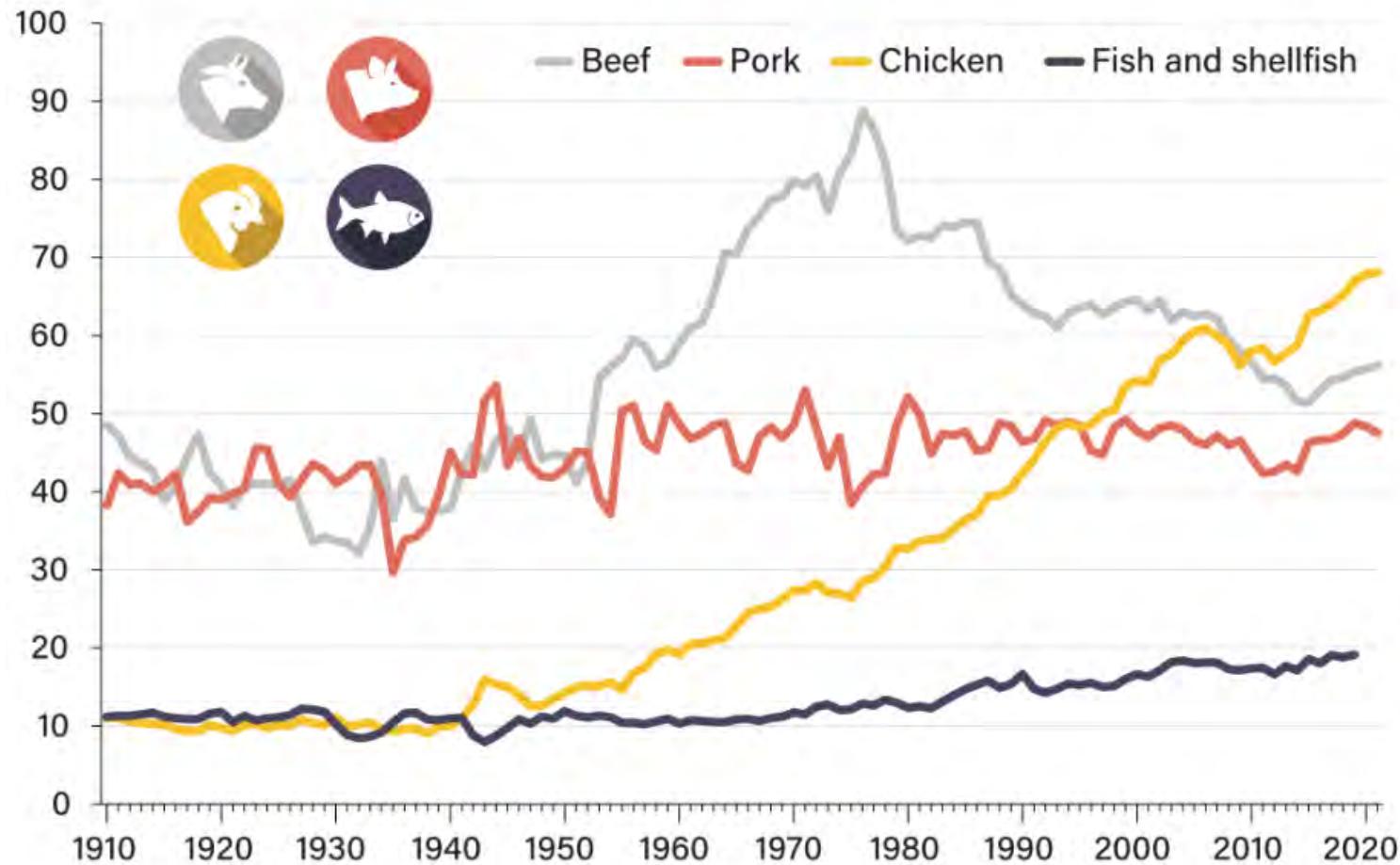
SHARE SAVE

<https://www.theatlantic.com/health/archive/2025/03/meat-boom-trump-rfk-jr/682150/>

Majority of self-declared Vegan & Vegetarian MDM respondents also declared prior day meat consumption...

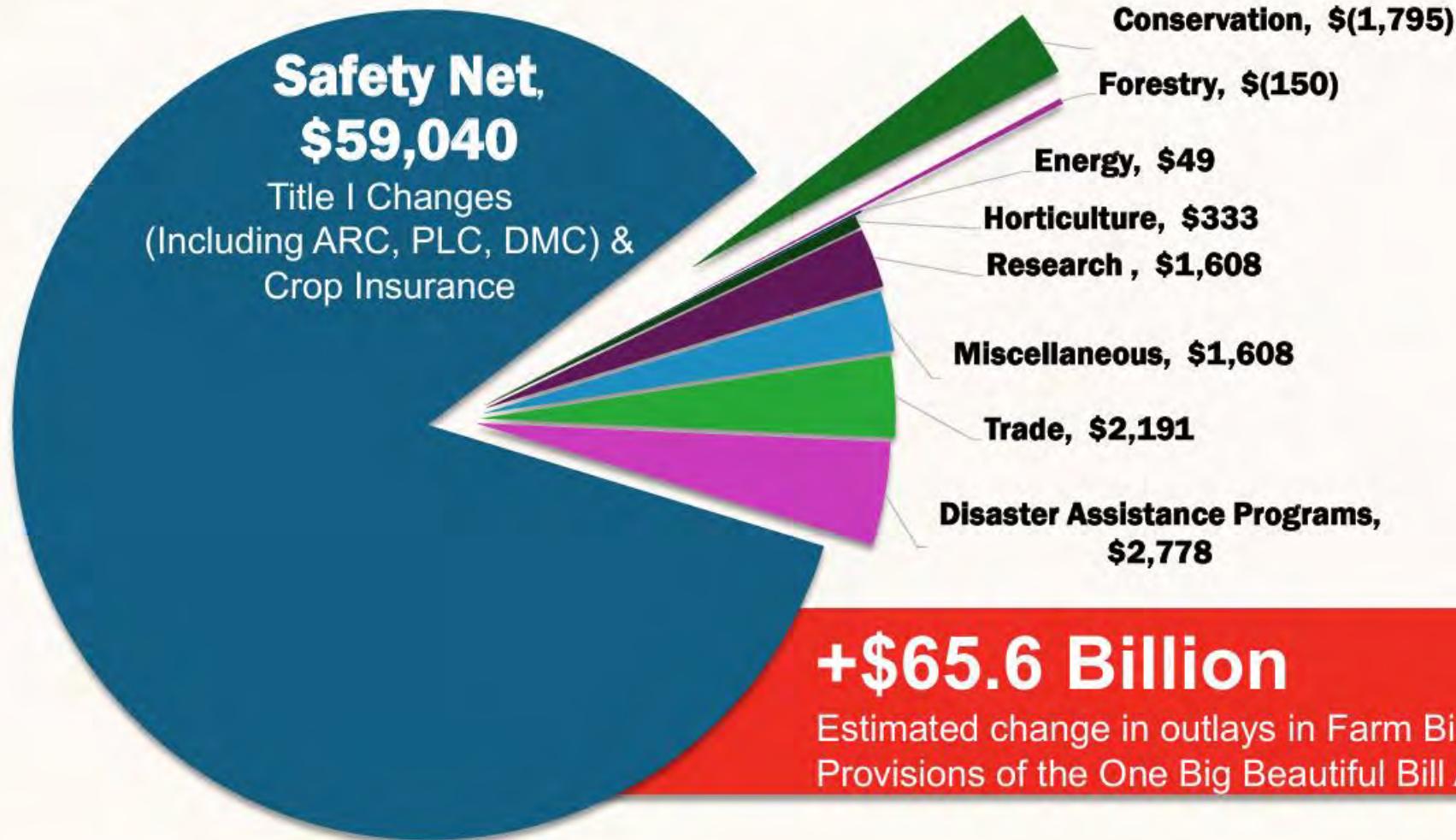
Impacts of Increased Productivity

Pounds per person



ESTIMATED BUDGETARY CHANGES FOR FARM PROGRAMS

June 29th CBO Score of the One Big Beautiful Bill Act | Million Dollars | FY2025 – FY2034



American Farm Bureau Federation

Source: Congressional Budget Office

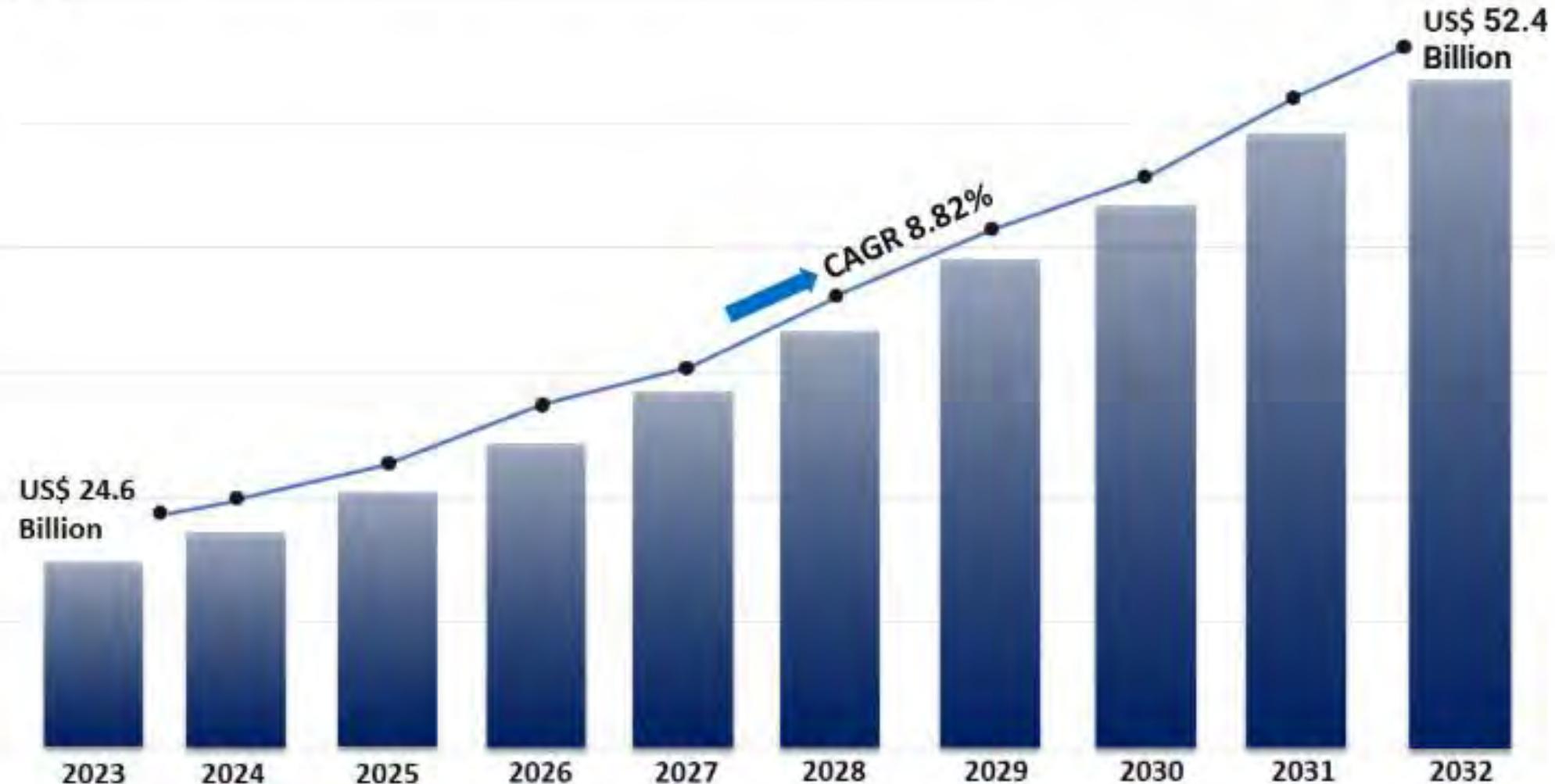
DAIRY- What is in Reconciliation Package

1. Extends the authorization of the Dairy Margin Coverage Program through December 31, 2030.
 - Updates production history for participating dairy operations, based on the highest production in any one of the 2021, 2022, or 2023 calendar years to ensure meaningful risk protection based on recent production rather than outdated production history from 2011- 2013.
 - Increases the quantity of milk eligible for Tier I coverage by 20%, from 5 million pounds to 6 million pounds.
 - Extends the option for producers to receive an additional 25% discount on their premium cost by locking-in their coverage level and coverage percentage for five years.



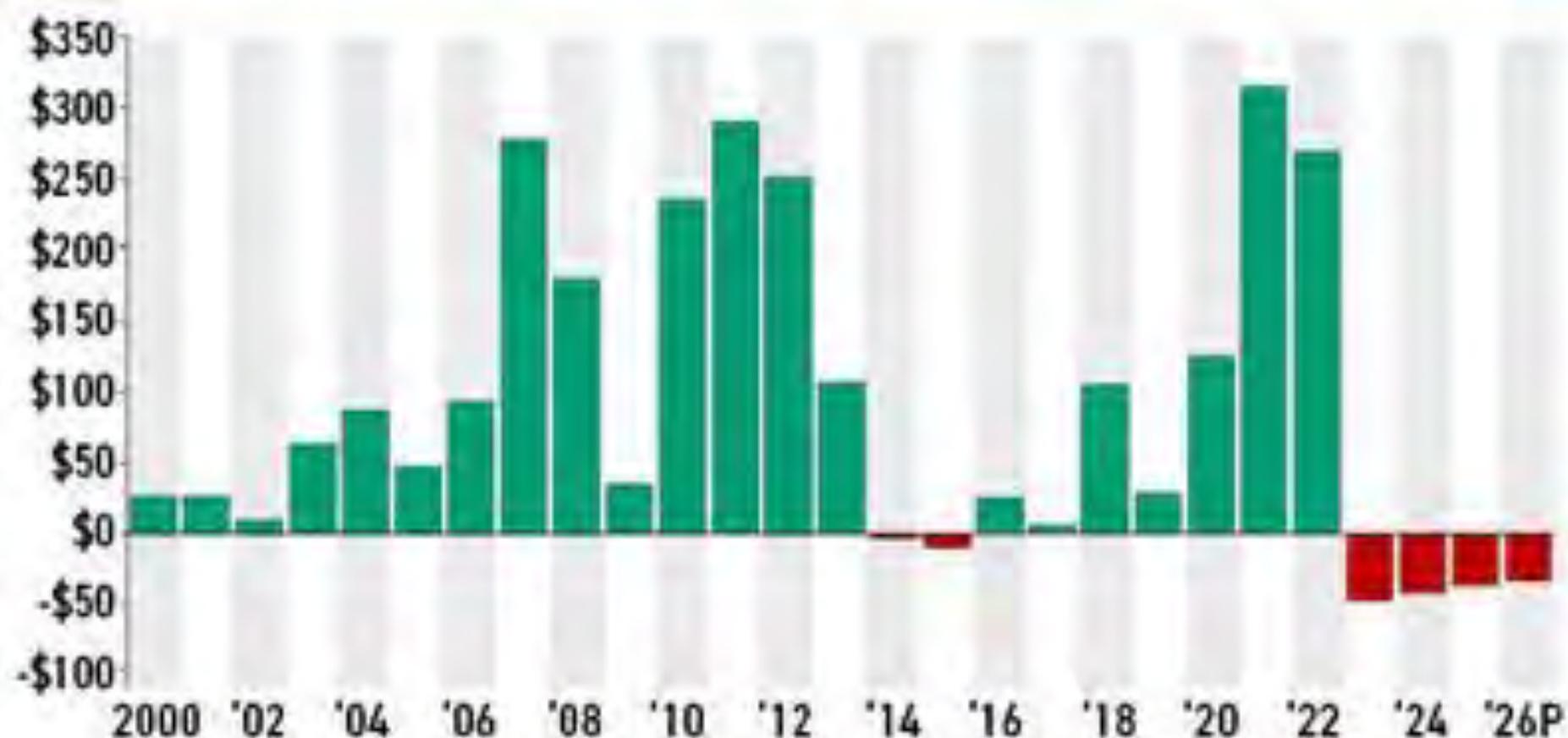
American Farm Bureau Federation®

GLP-1 Receptor Agonist Market 2024 to 2032 (USD 52.6 Billion)



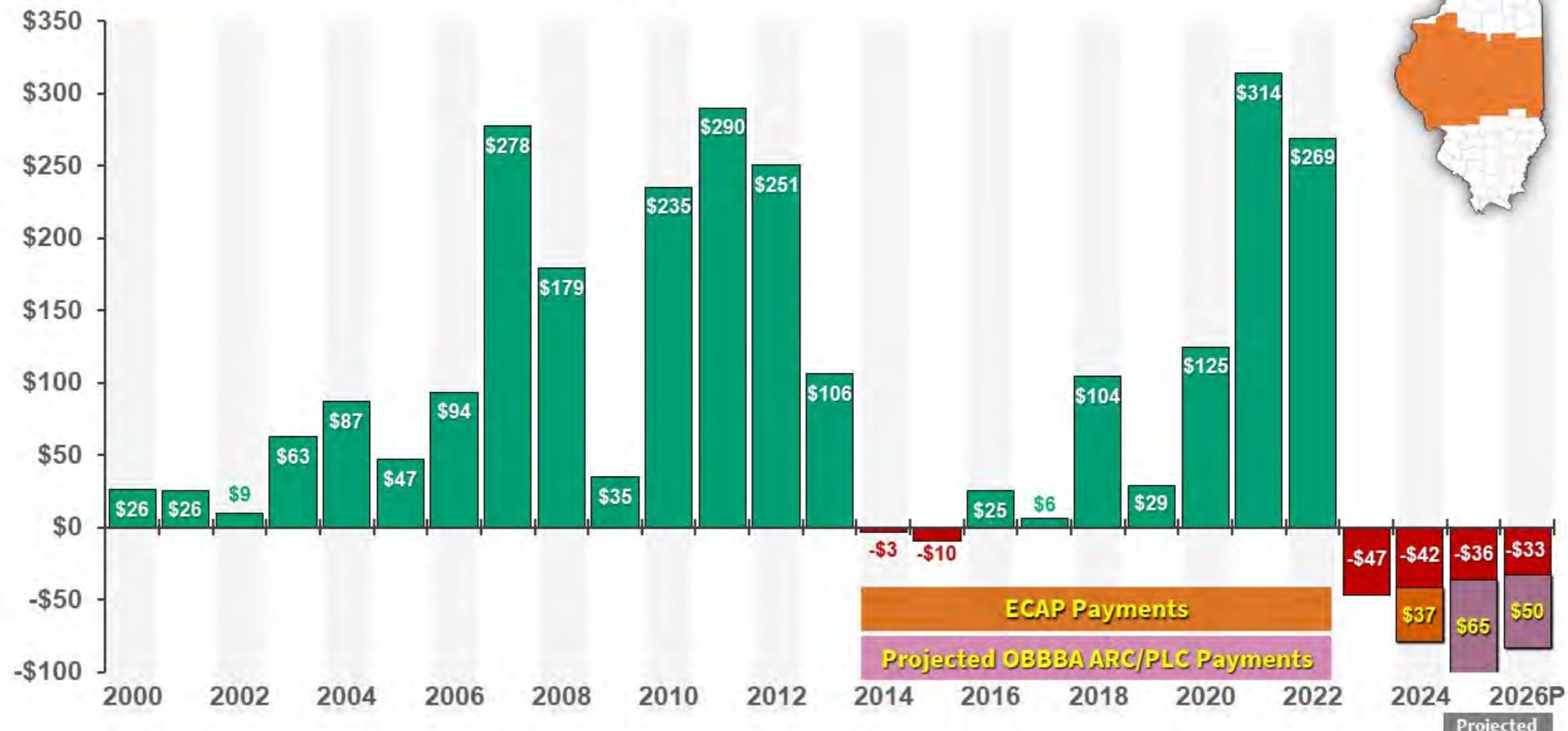
Farm returns decline

(50/50 rotation, central Illinois) \$ per acre



Source: University of Illinois farmdoc

Figure 1. Farmer Returns to a 50% Corn – 50% Soybean Rotation (\$ per acre)
Central Illinois, Cash Rented Farmland, 2000 to 2026P



Corn Profitability - Bean Profitability vs. Corn - Bean Intentions

jake.moline@stonex.com



Change in US Corn Acres From FSA Incorporation to Final

2005 - 2023: Oct - Final, 2024: Aug - Final, *2025: Aug - Sep

1,400,000

Source: USDA

+1.474M

900,000

2014 - 2024 Avg:

-0.365M

400,000

Change in Acres

(100,000)

(600,000)

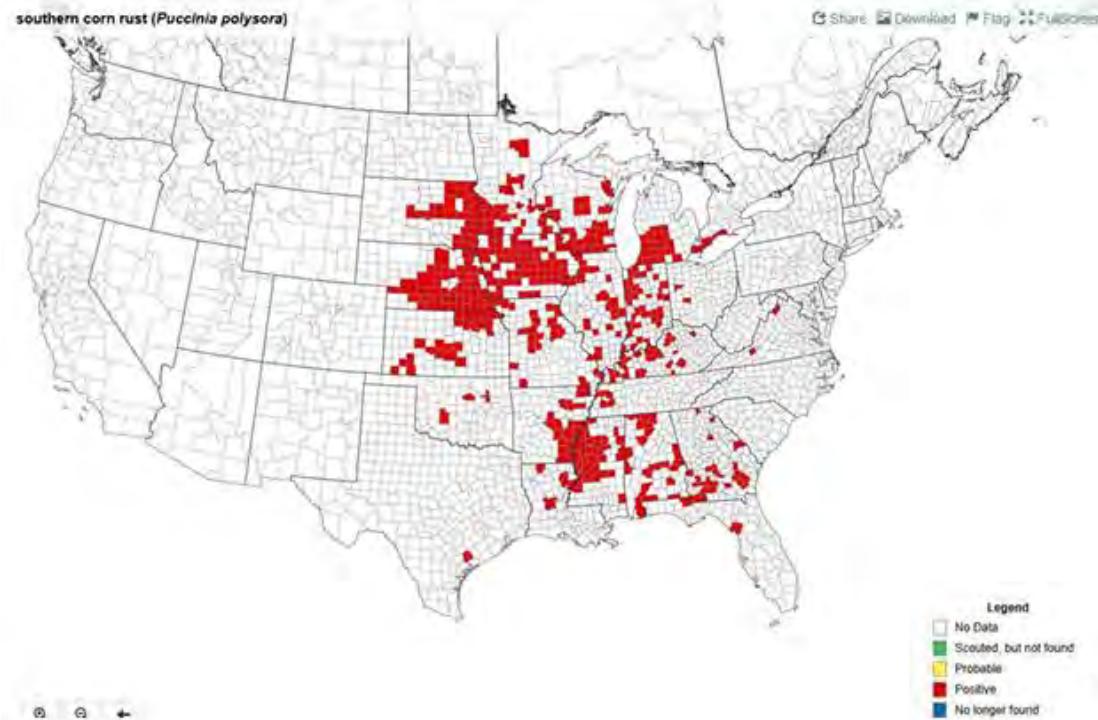
2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025*

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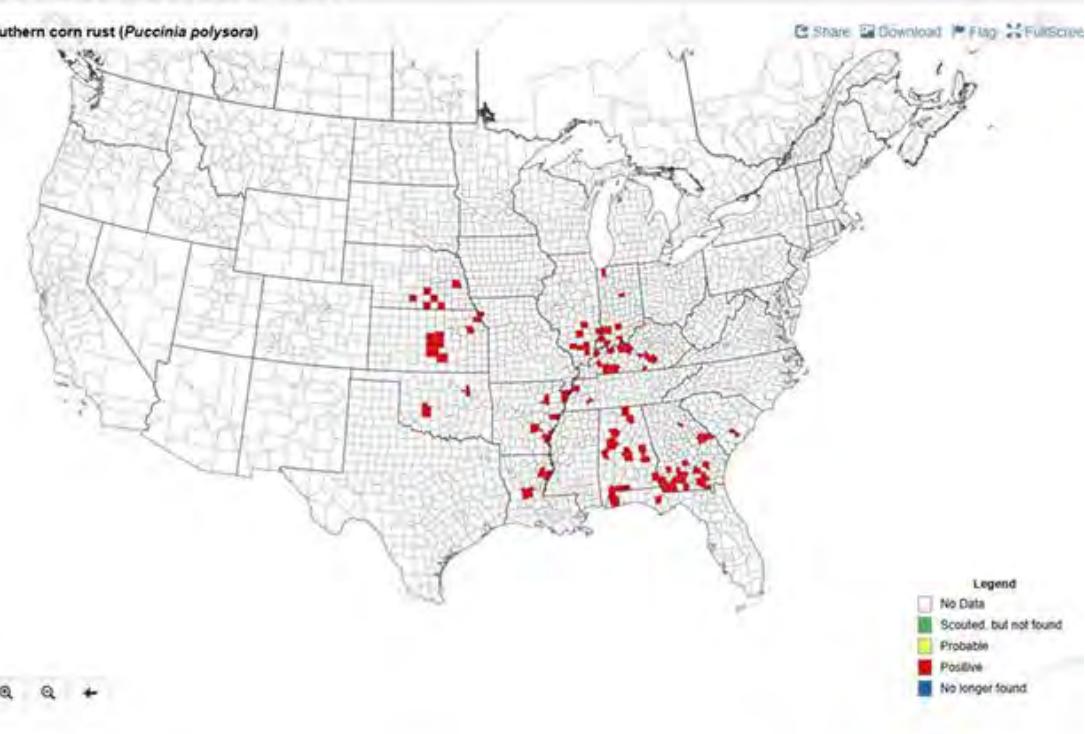
2012: +0.345M

Disease pressure in 2025

2025 Southern Corn Rust



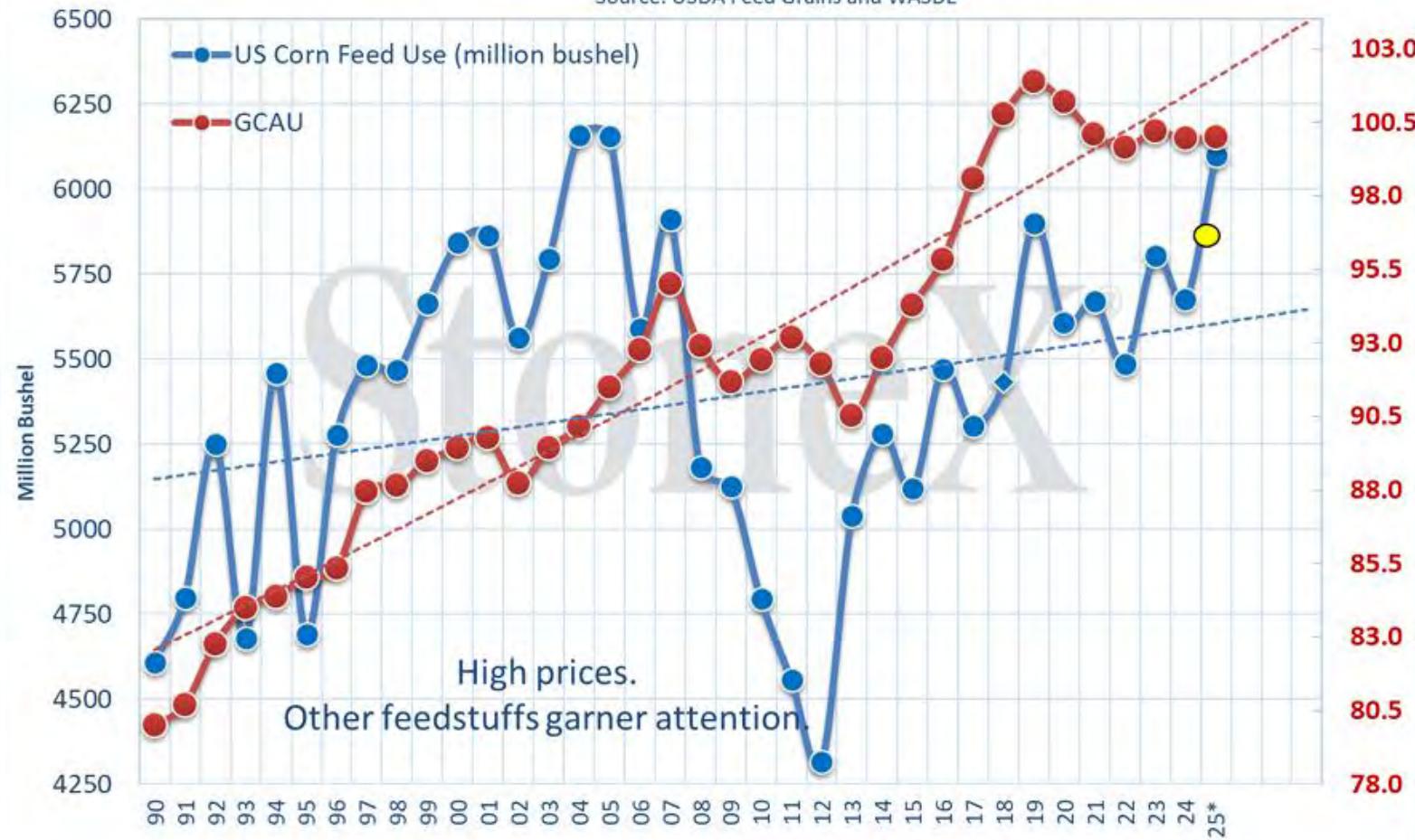
2023 Southern Corn Rust



US Corn Feed Demand (mb) & GCAU

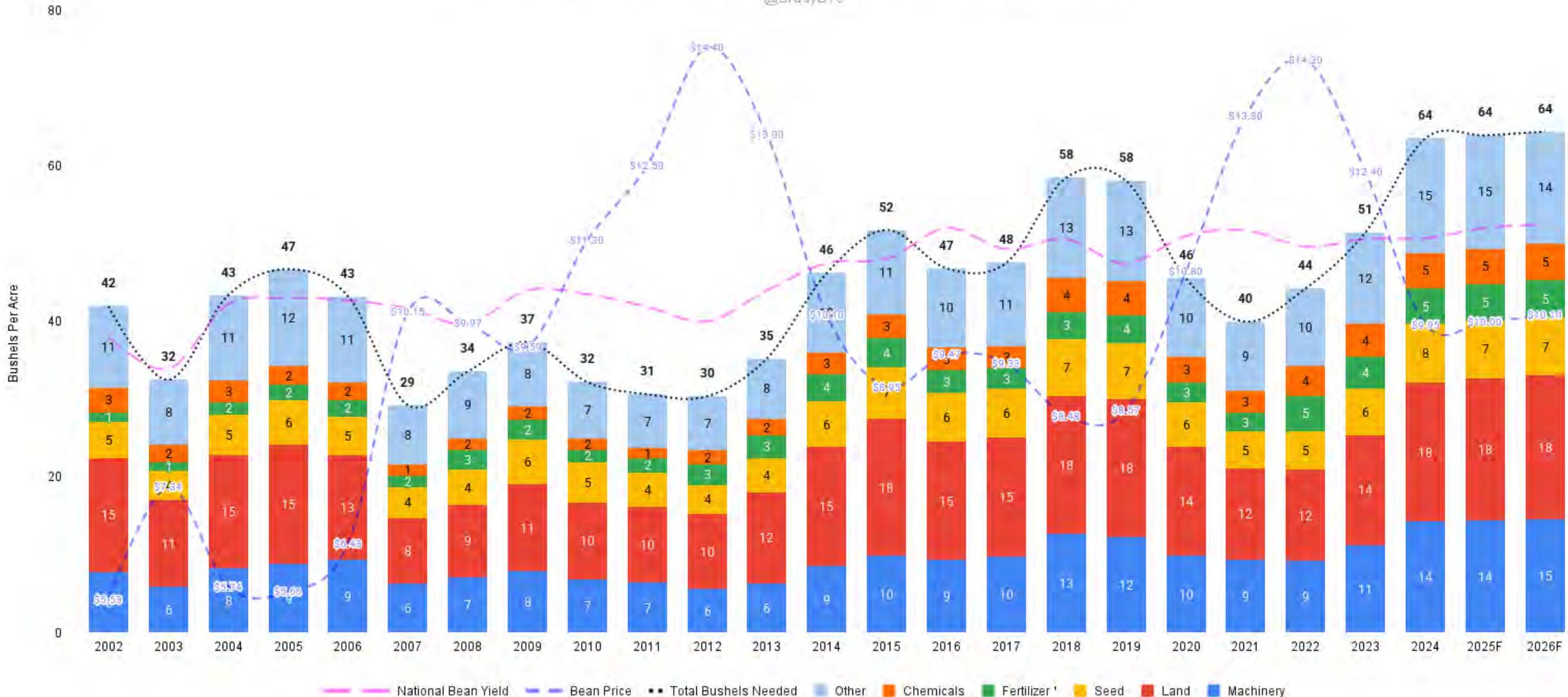
Source: USDA Feed Grains and WASDE

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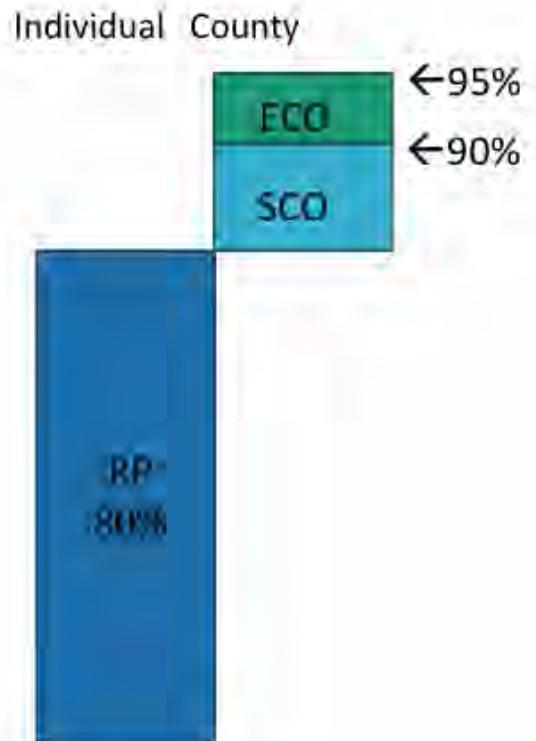
Soybeans: How many bushels are needed to cover expenses? (2002-2026F)

@Brady078

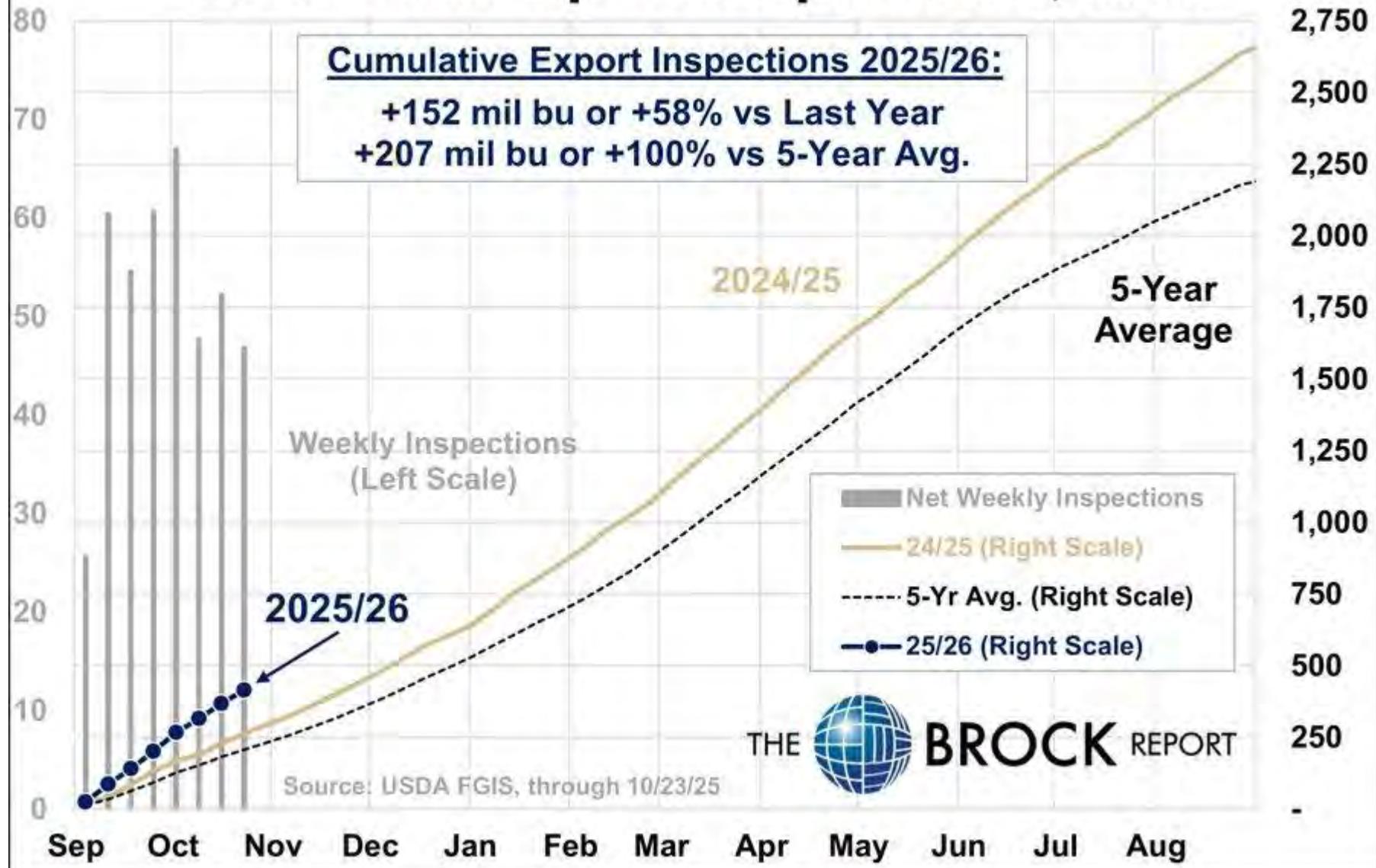


BIG Changes to Crop Insurance

- **2025 is the year of ECO (95%)**
 - Subsidy increase made it 33% cheaper
- **2026 is the year of SCO (RP Level up to 90%)**
 - Subsidy increase and level increase
 - Now 90% Level and 43% cheaper
 - No longer tied to ARC-CO
- All optional/basic unit subsidies increasing too
 - Modest Increases
 - Enterprise Units may or may not be included
- Beginning Farmer benefits extended to 10 years
- New Product: MCO (Margin Coverage Option)
- ECO now subsidized at same rate as SCO at 80% - recent development

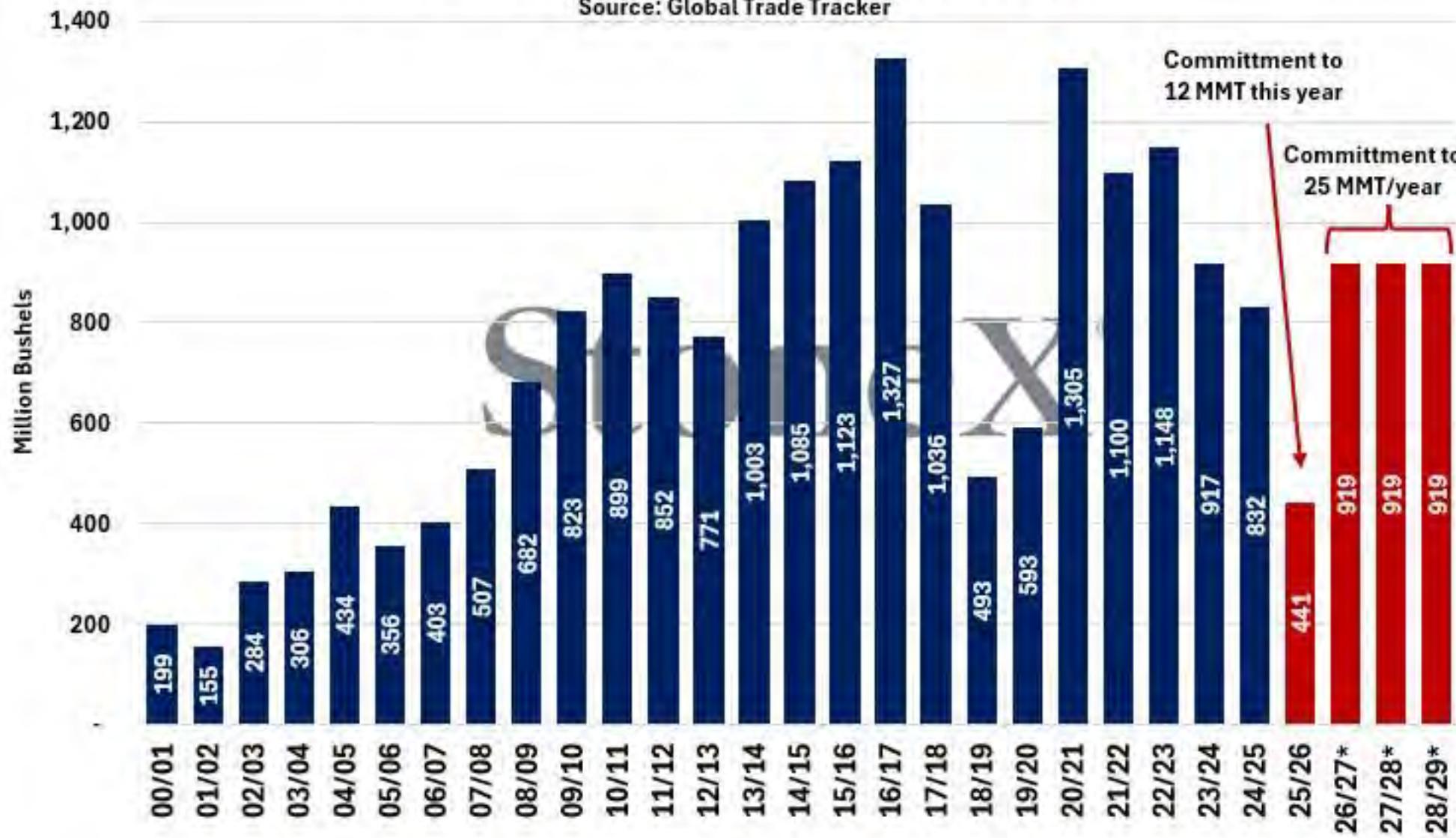


U.S. Corn Export Inspections, mil bu



U.S. Annual Soybean Exports to China

Source: Global Trade Tracker



CFR China Soybean Prices by Origin

Source: Platts, Cash Sources, StoneX Calculations

US Gulf US PNW Brazil Argentina

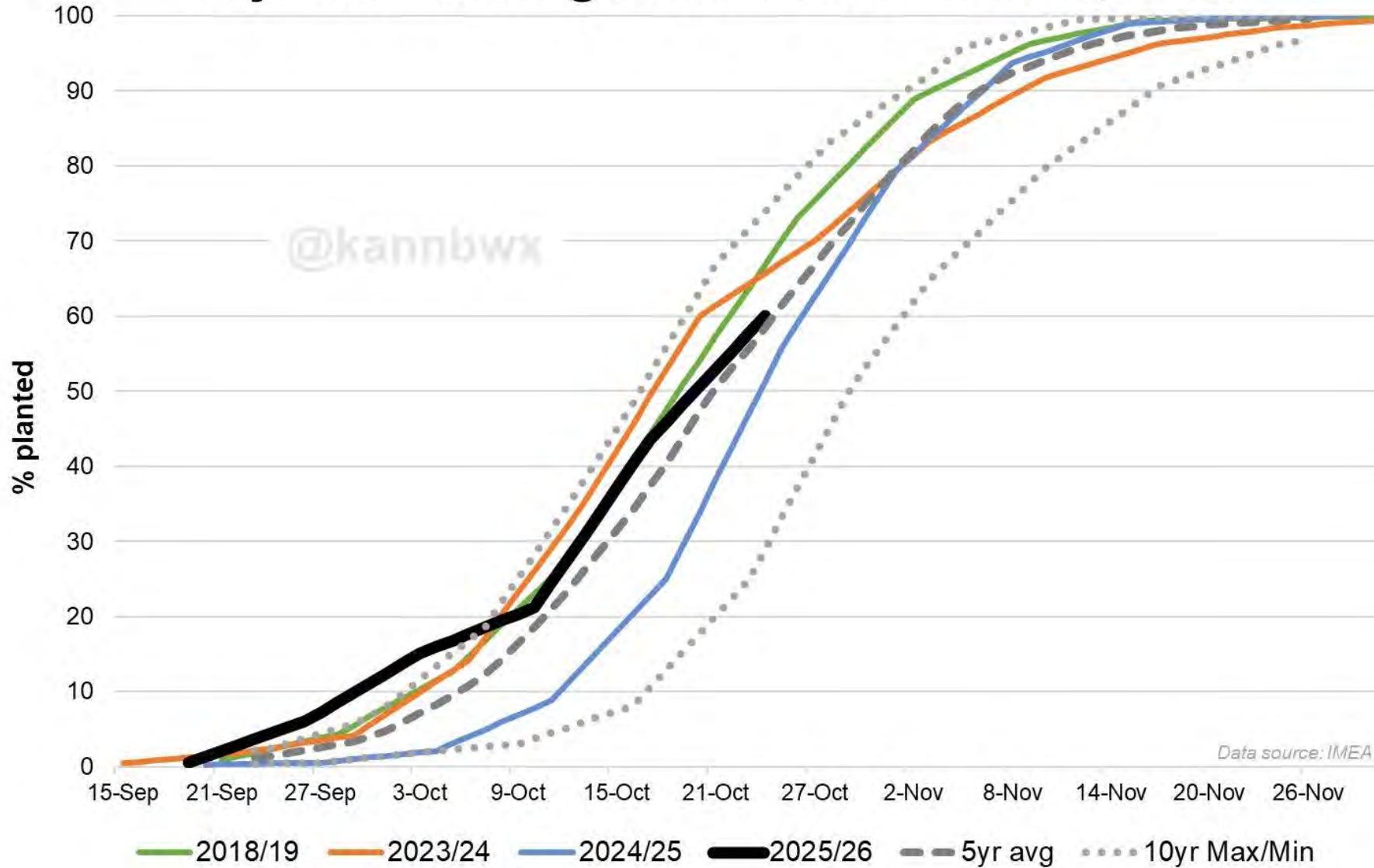


China Corn Imports Volume

Source: China Customs, JCI

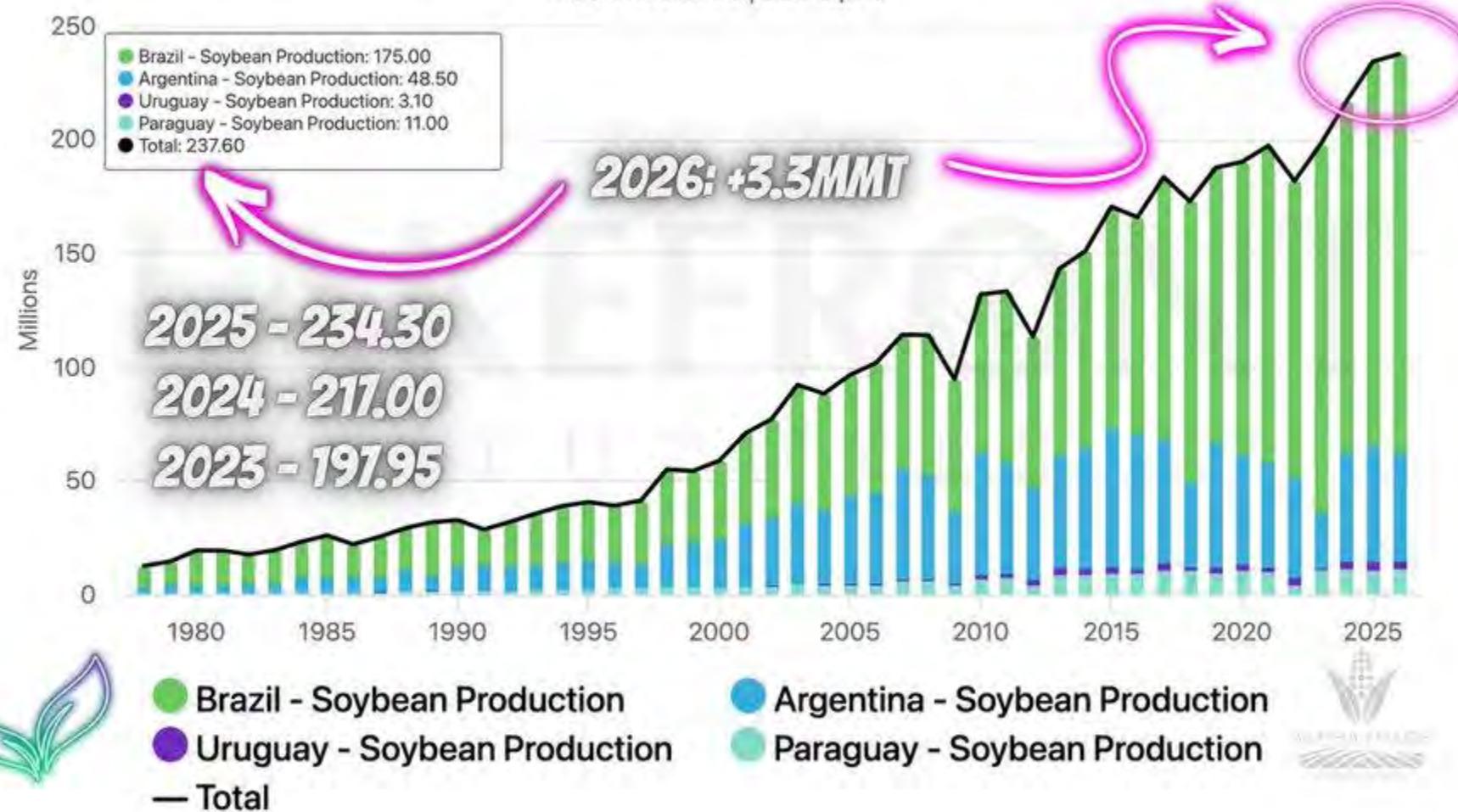


Soybean Planting Pace in Mato Grosso, Brazil



South American Soybean Production (Brazil + Argentina + Uruguay + Paraguay)

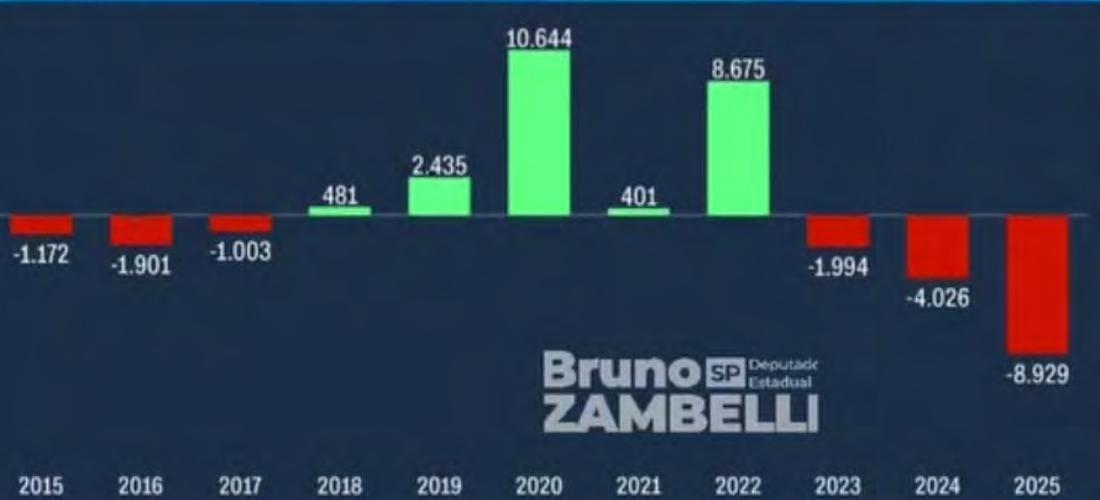
MacroMicro.me | DDFalpha



ESTATAIS FEDERAIS

RESULTADO PRIMÁRIO EM 12 MESES ATÉ AGOSTO - EM MILHÕES DE REAIS

Fonte: Banco Central



Bruno SP
Deputado
Estadual
ZAMBELLI

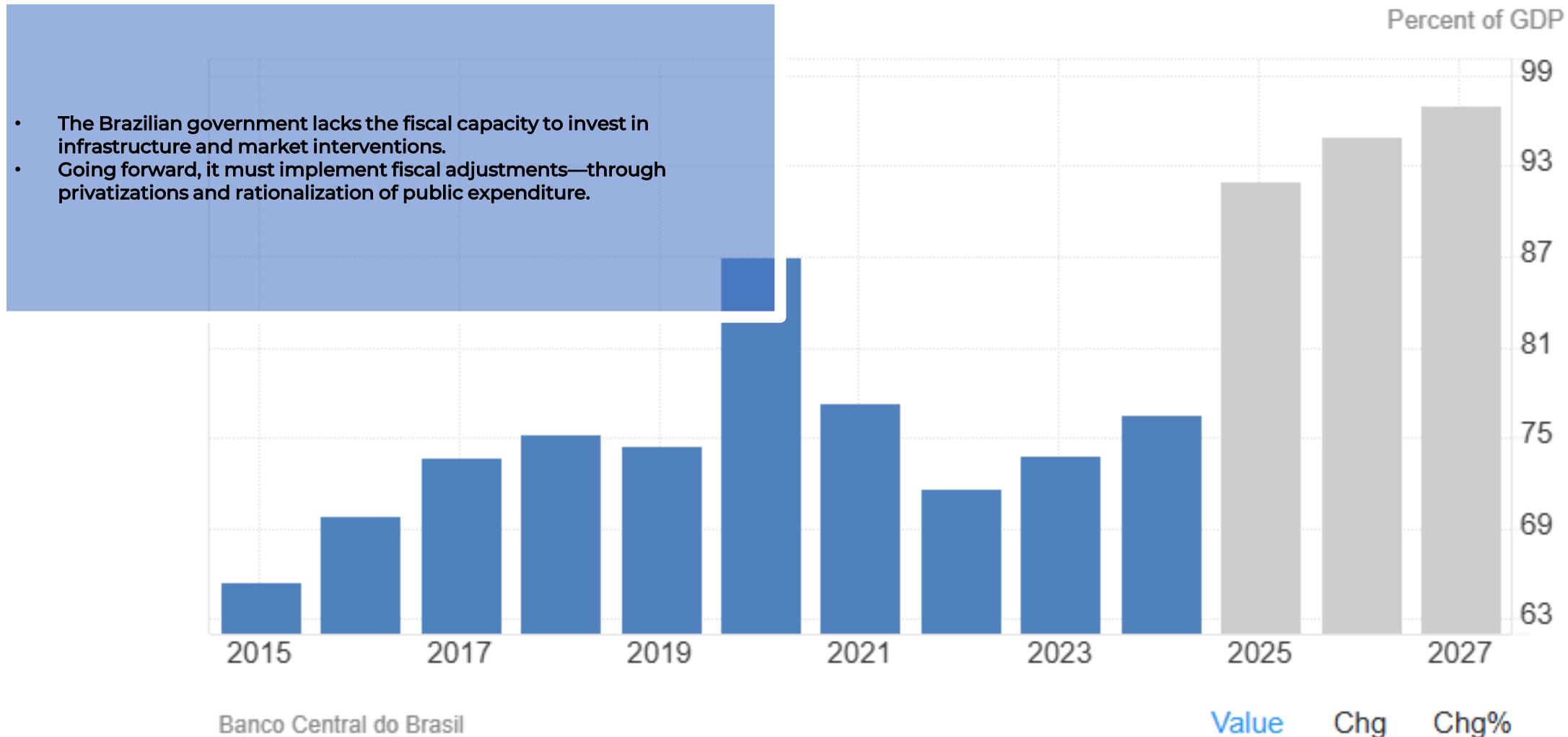
2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

EM 12 MESES

VI

ESTATAIS
REGISTRAM O
MAIOR ROMBO
DO SÉCULO! ☺

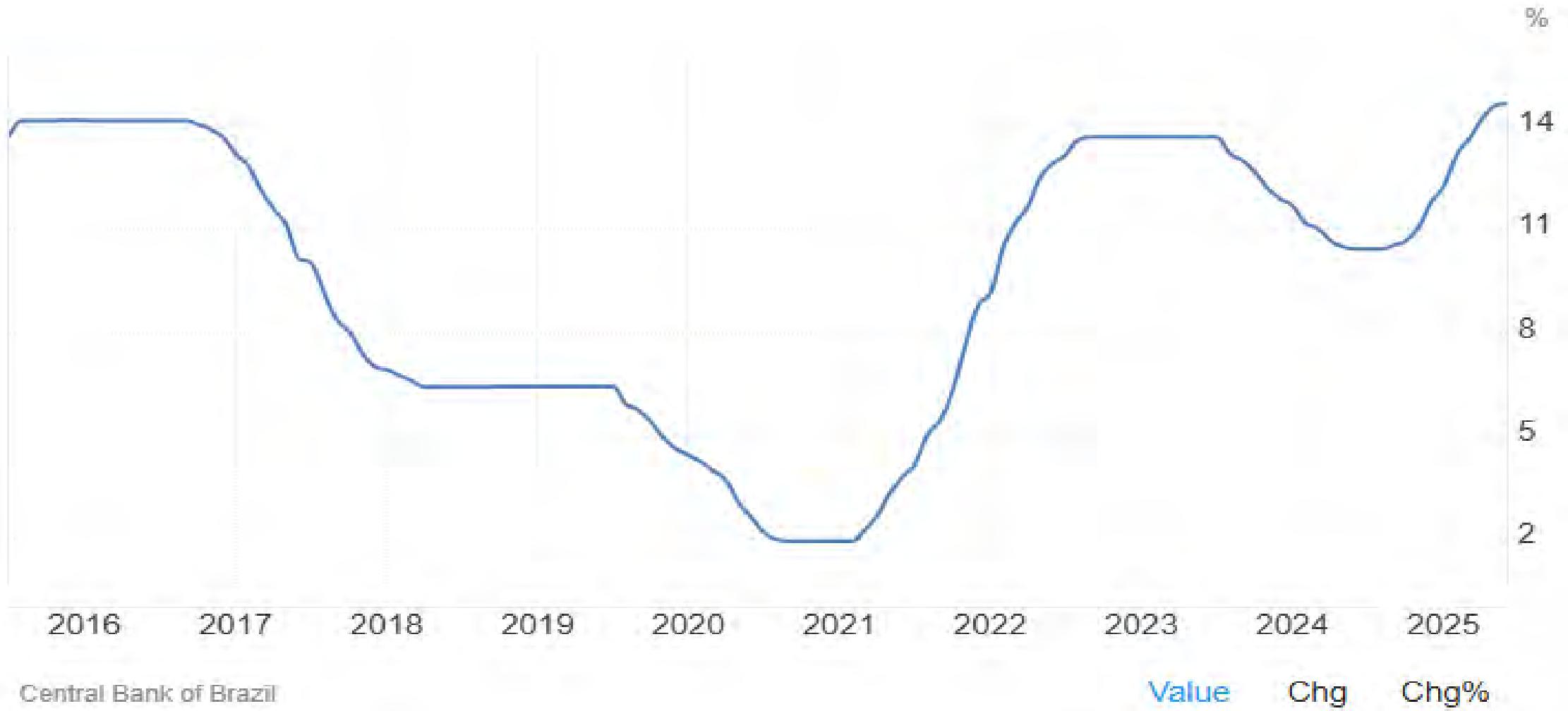
Brazil Government Gross Debt to GDP



Banco Central do Brasil

Value Chg Chg%

Brazil CDI Annualized Interbank Rate



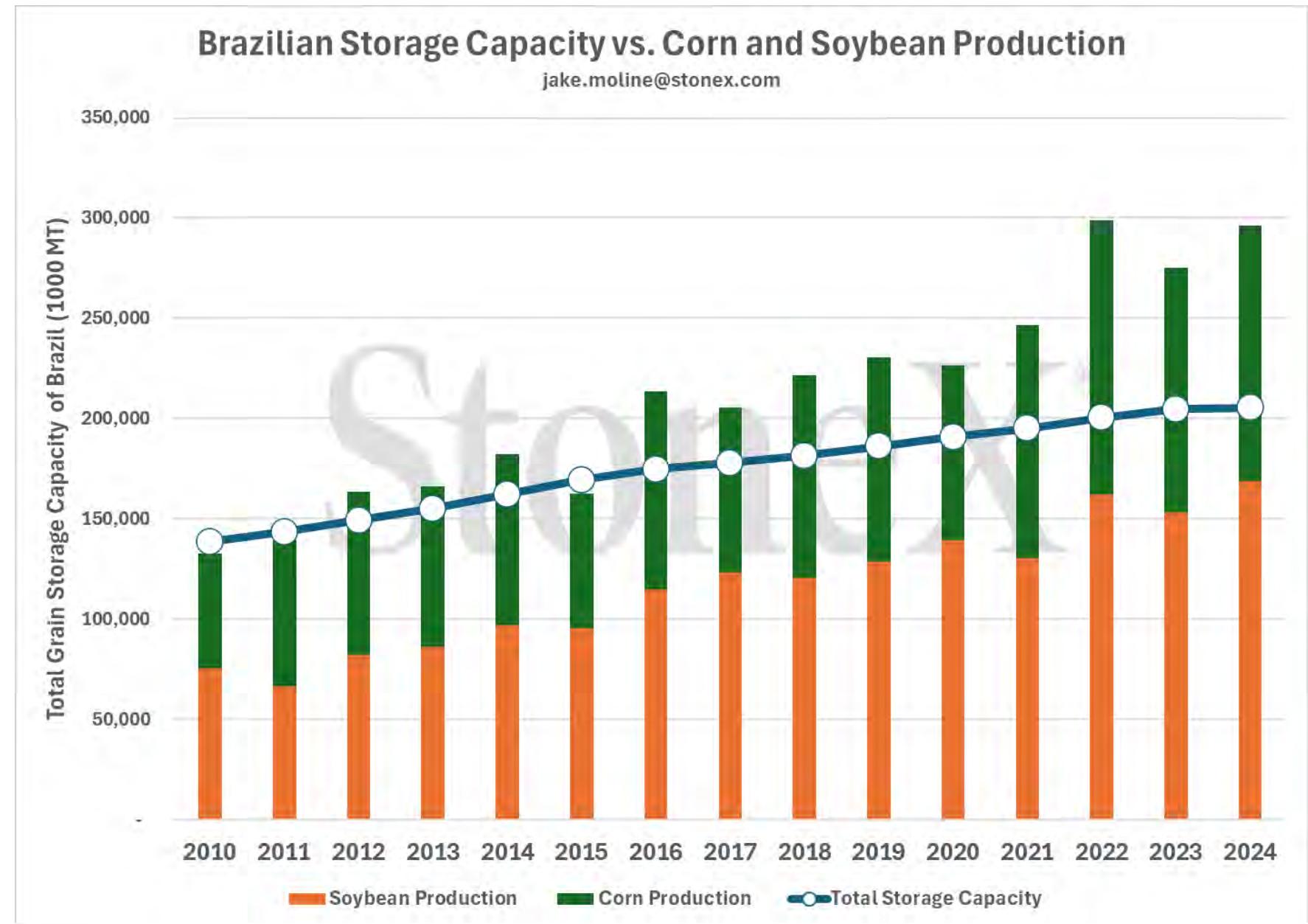
Central Bank of Brazil

Value

Chg

Chg%

The race
is on....

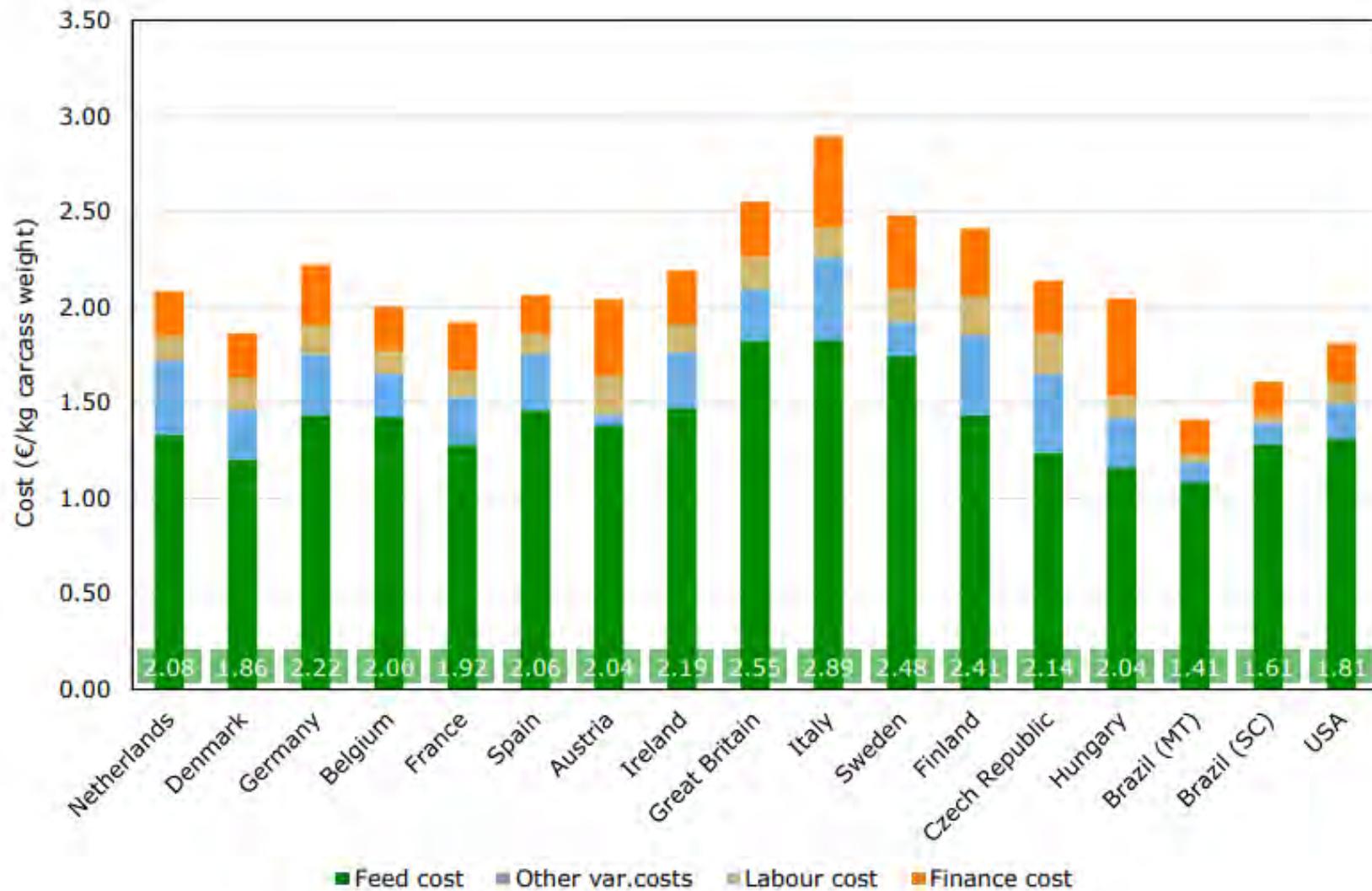


Can Brazil continue to add land to agronomic production?

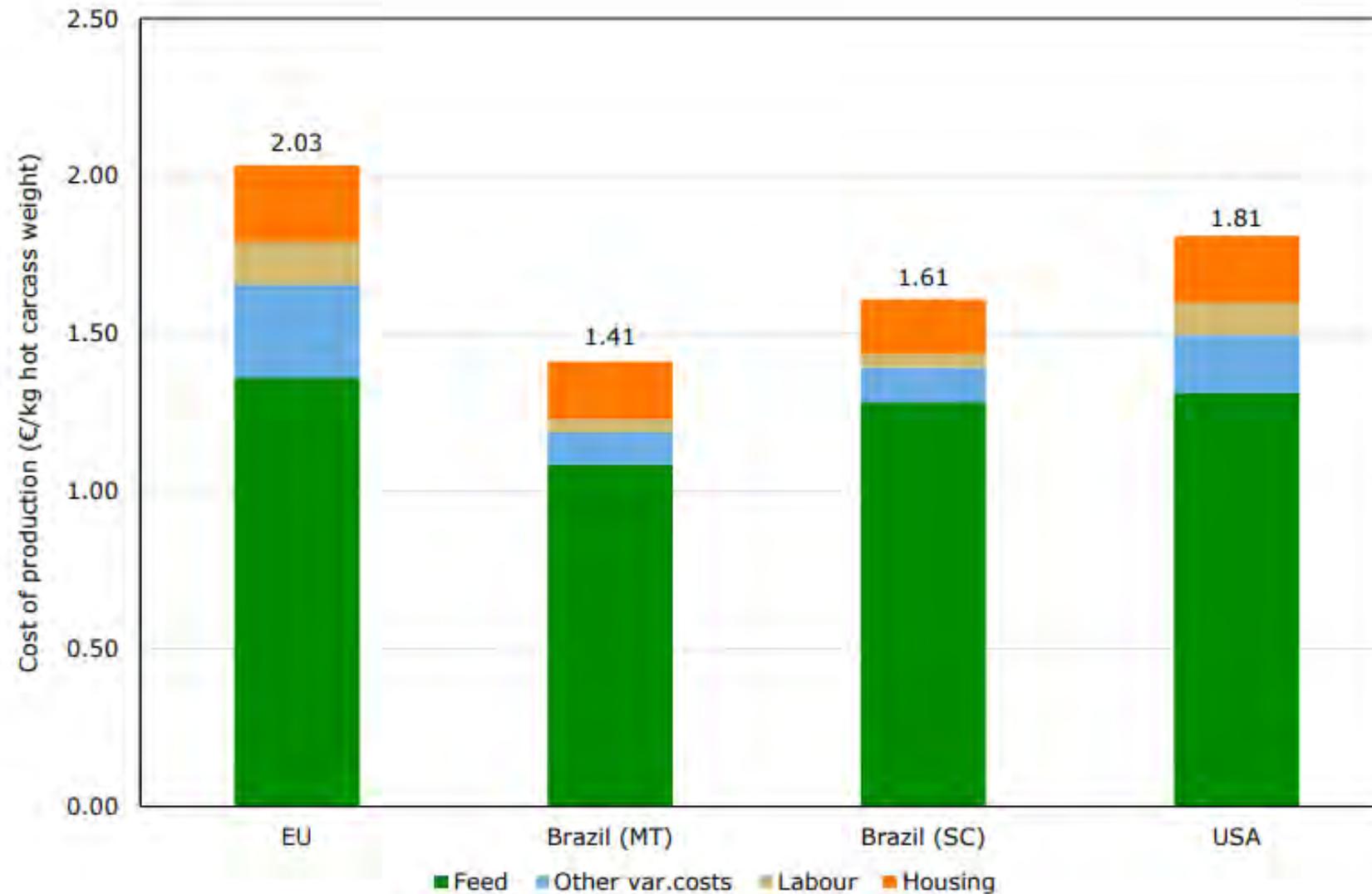
- Yep
- Estimated another 70 million acres, 29 million hectares on queue



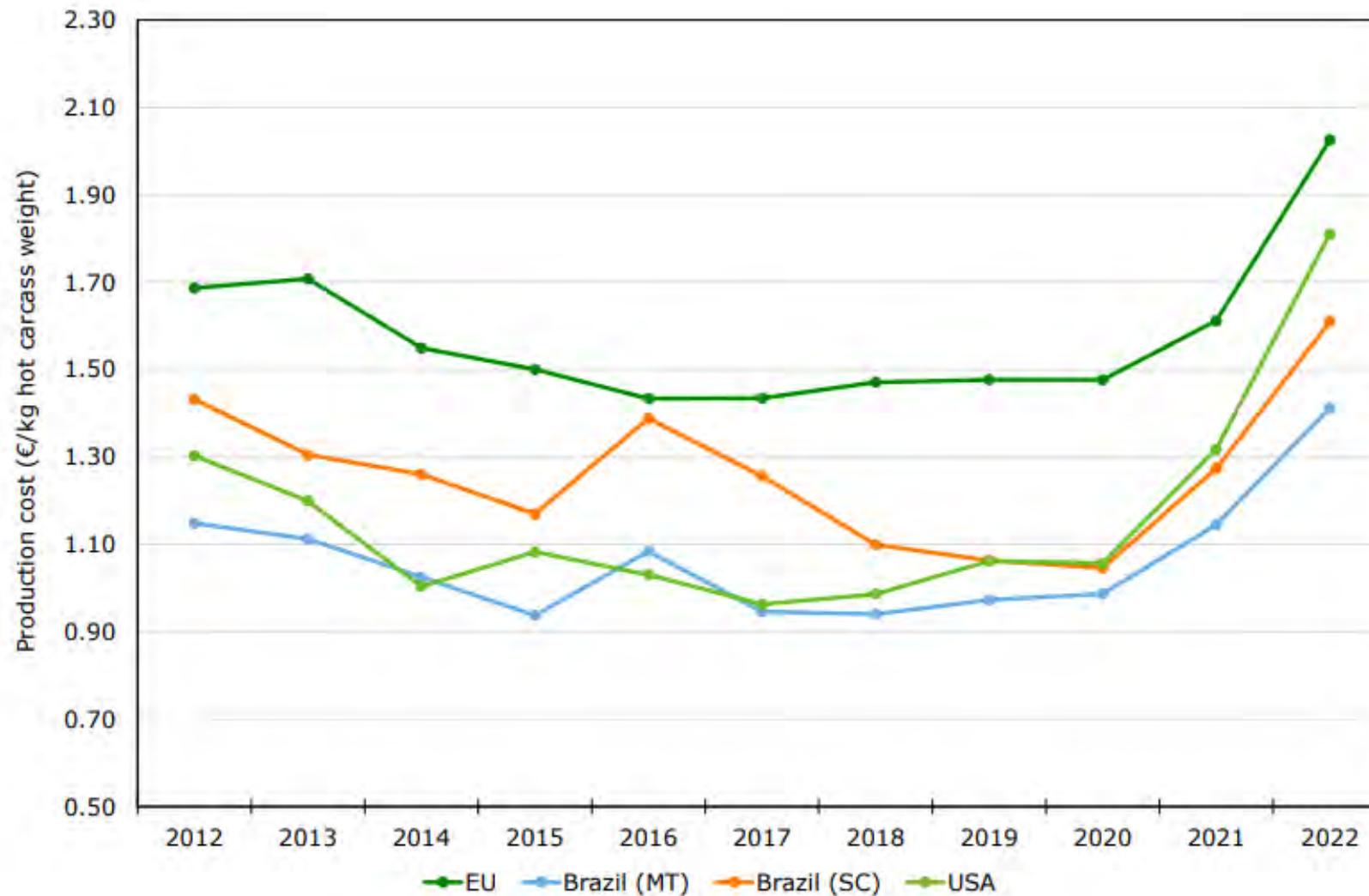
The Brazilians can kick everyone's hiney in cost of production



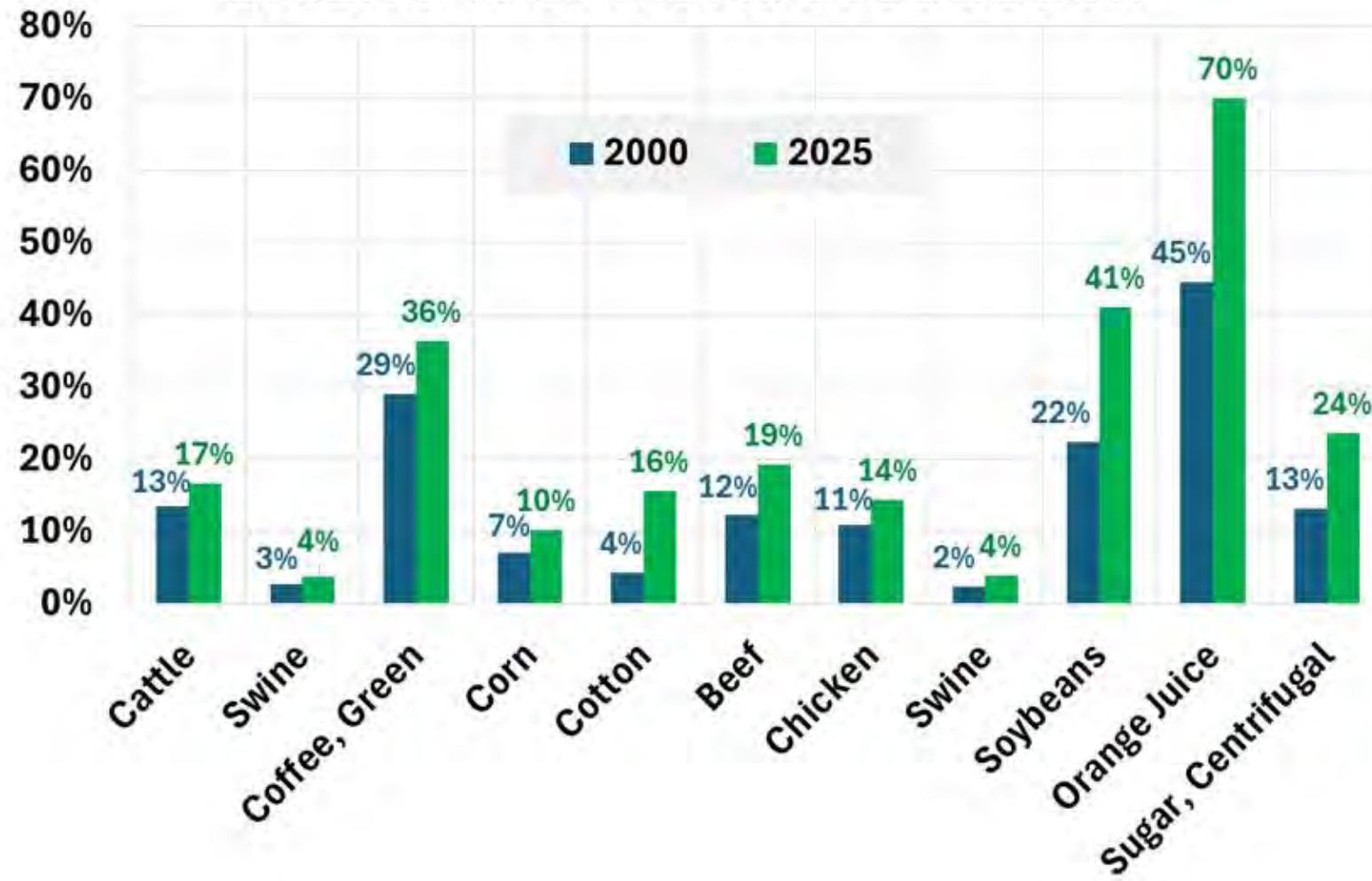
Feed is the major reason for the advantage



The EU has been hampered most by higher costs



Brazil's % of World Production



Brazil is an
agricultural
POWERHOUSE

Source: USDA/FAS

Global AgriTrends

Guide to Bio-Based Fuels

RENEWABLE DIESEL

Renewable fuel that is chemically the same as petroleum diesel.

RENEWABLE
DIESEL
100% FUEL

Can be used in existing petroleum pipelines, storage tanks and diesel engines.

MADE FROM:

- ▶ vegetable oils
- ▶ animal fats
- ▶ recycled restaurant grease



BIODIESEL

Renewable, biodegradable fuel that must be blended with petroleum diesel.

BIODIESEL ← BETWEEN 2% AND 20%
PETROLEUM DIESEL ← BETWEEN 98% AND 80%

MADE FROM:

- ▶ vegetable oils
- ▶ animal fats
- ▶ recycled restaurant grease



SUSTAINABLE AVIATION FUEL

The common term for non-petroleum jet fuel.

SAF ← BETWEEN 10% AND 50%
JET FUEL ← BETWEEN 90% AND 50%

MADE FROM:

- ▶ wood residue
- ▶ animal fats
- ▶ algae
- ▶ cooking/vegetable oil
- ▶ sugars/alcohol
- ▶ ethanol
- ▶ greases

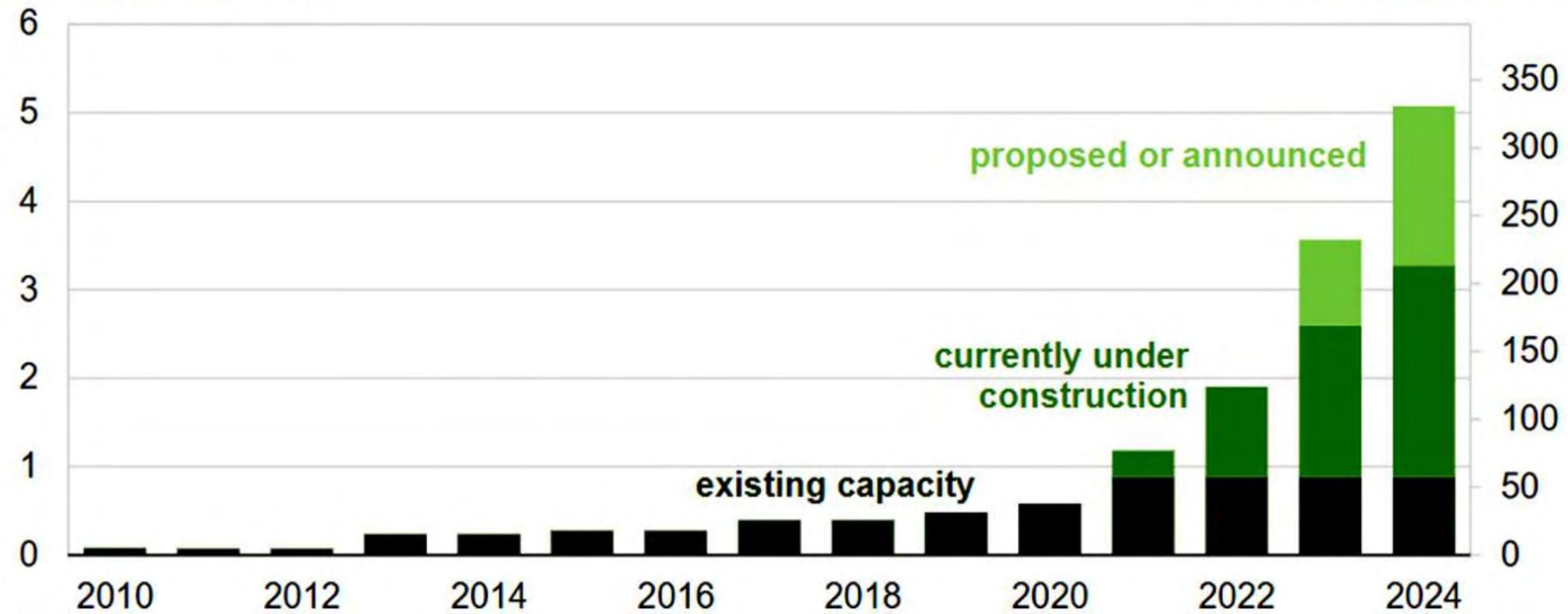


Existing and expected U.S. renewable diesel production capacity (2010–2024)

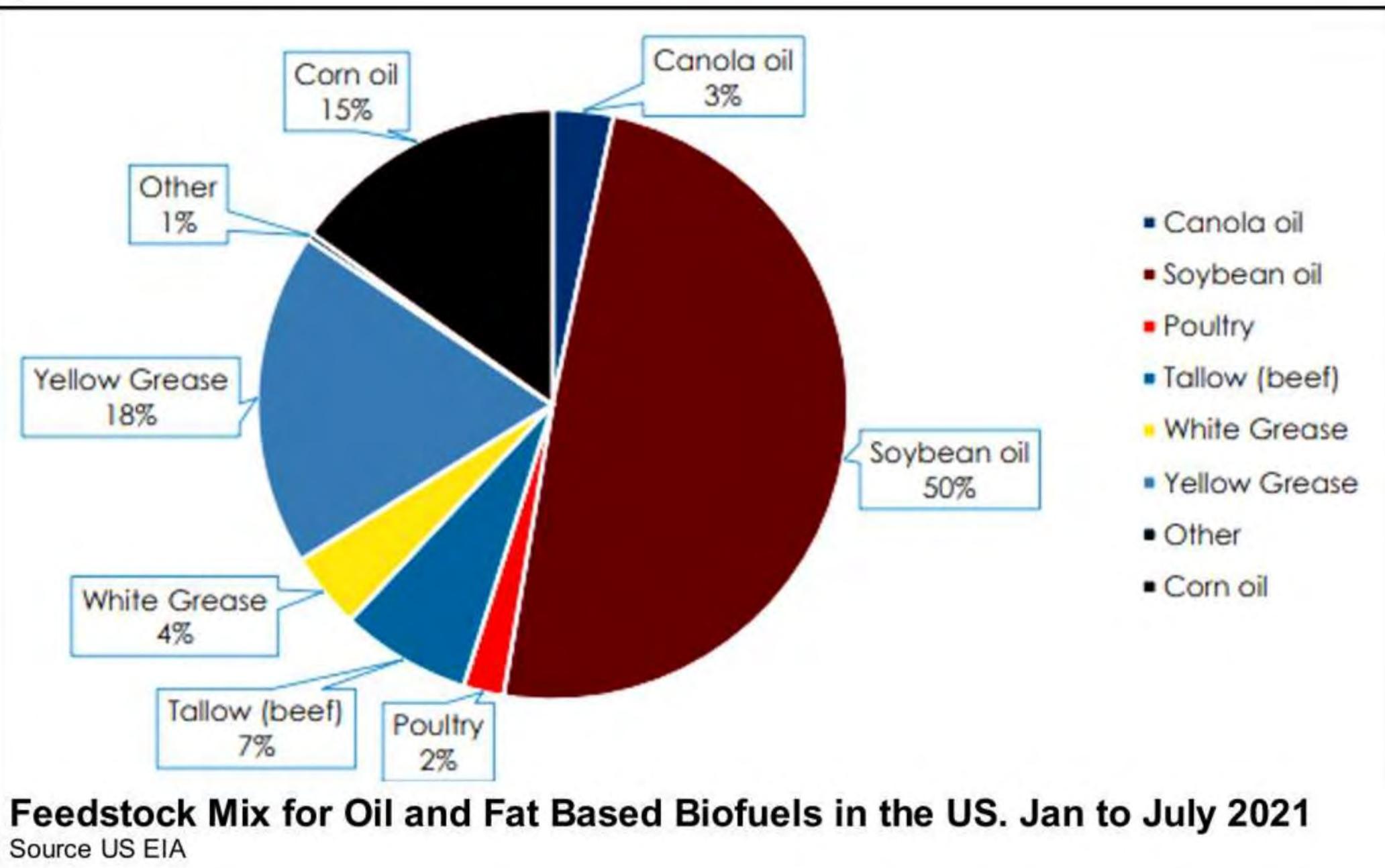
billion gallons per year

thousand barrels per day

eia

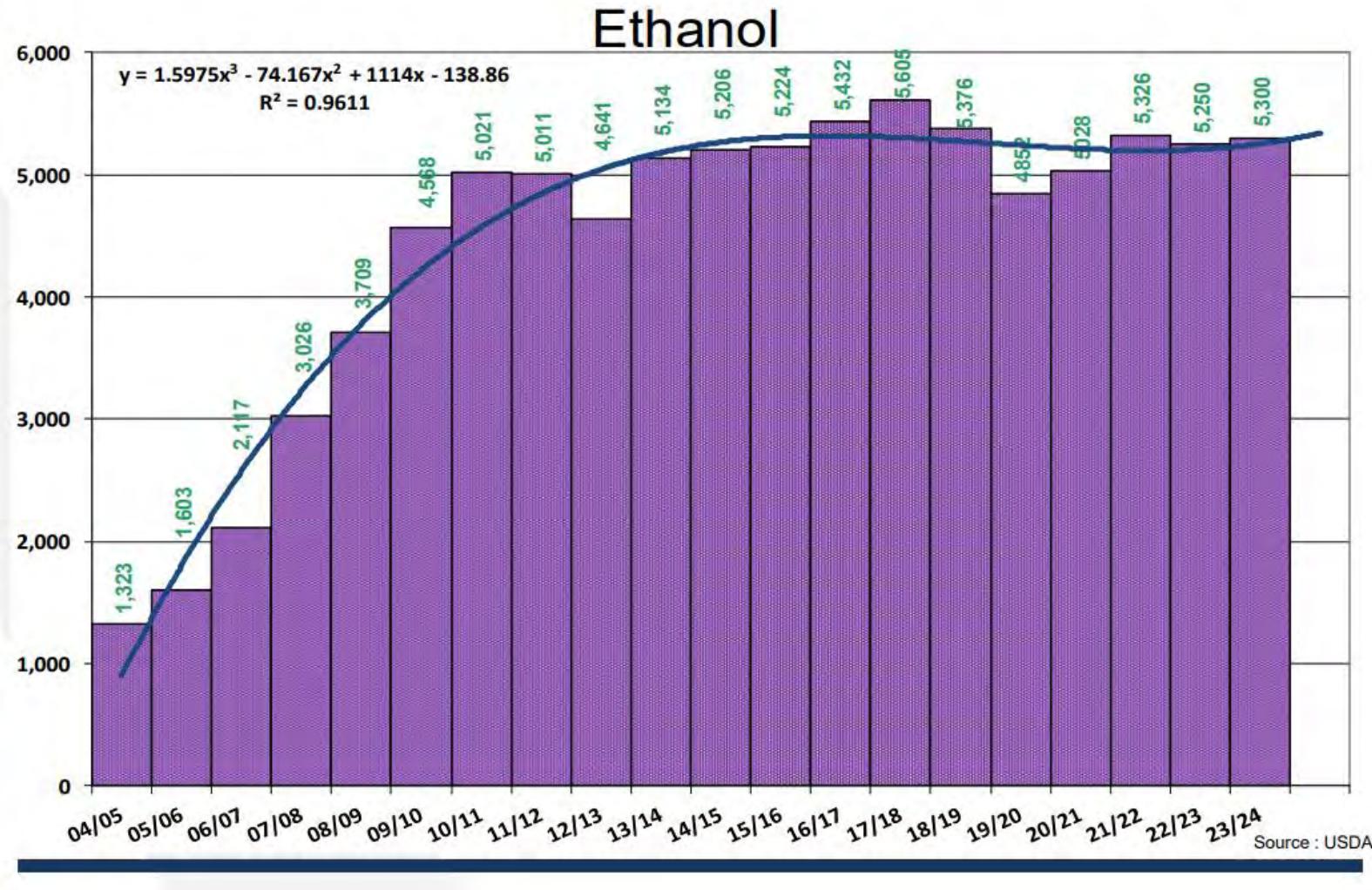


Source: Graph by the U.S. Energy Information Administration (EIA), based on data from company announcements in trade press



US Ethanol Use

StoneX®



E15 Coming to California for First Time

California Senate Passes E15 Bill, Making It Final State to Allow Sales

9/4/2025 | 7:51 AM CDT



By [Todd Neeley](#), DTN Environmental Editor

Connect with Todd:

[@DTNeeley](#)



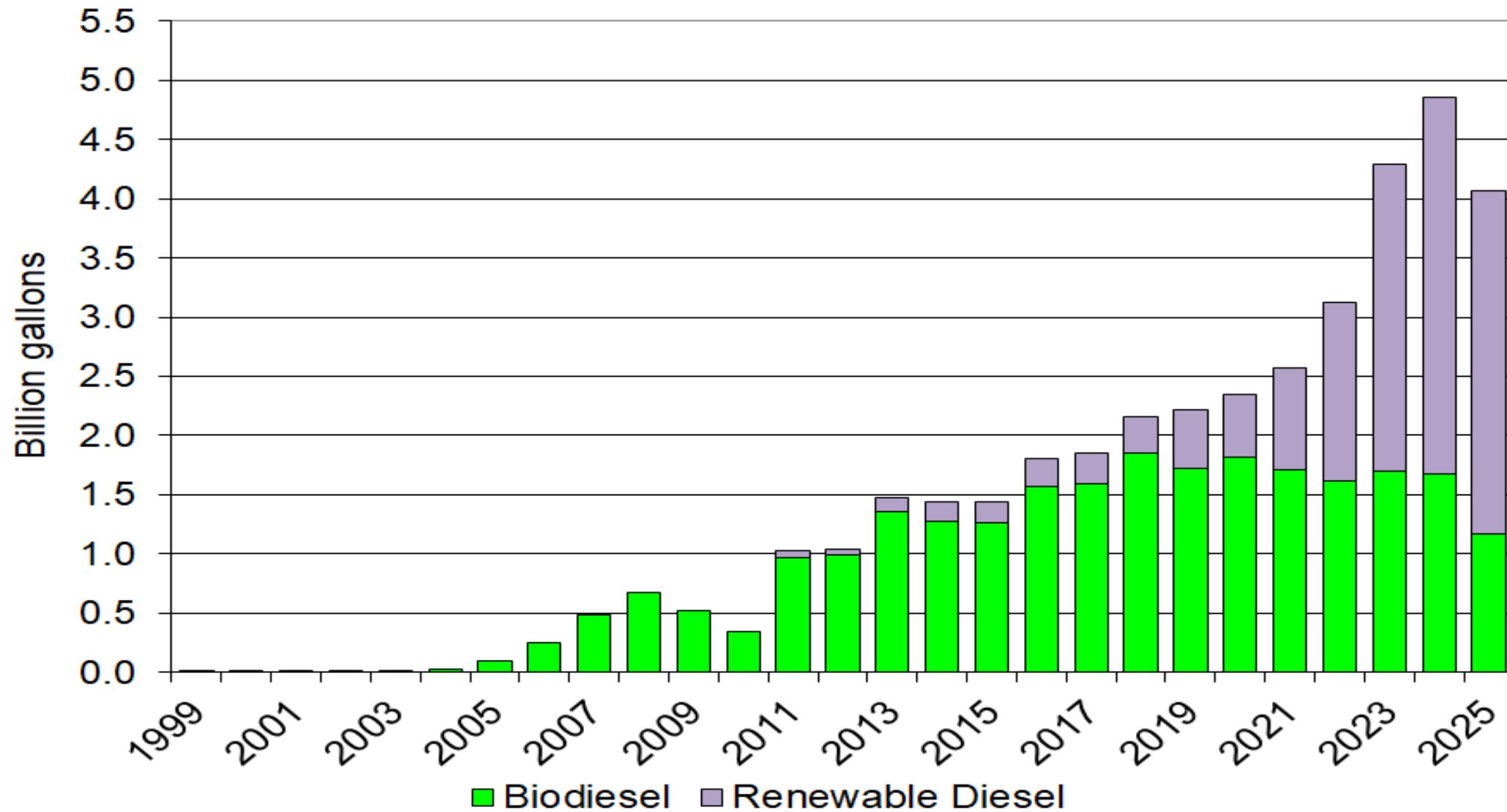
E15 sales are coming to California for the first time after the state's senate passed legislation on Wednesday. (DTN file photo by Chris Clayton)

LINCOLN, Neb. (DTN) -- The California Senate on Wednesday voted unanimously on a bill to sell E15 in the state for the first time. The measure now heads to Gov. Gavin Newsom, who is expected to sign it into law.

California is the only state that doesn't allow E15 sales.

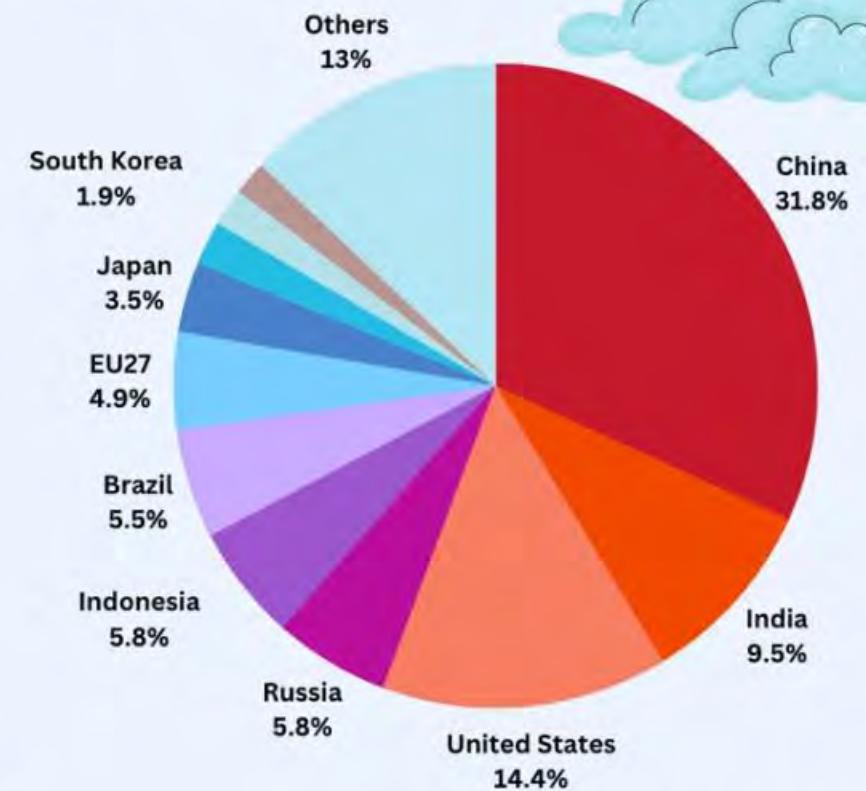
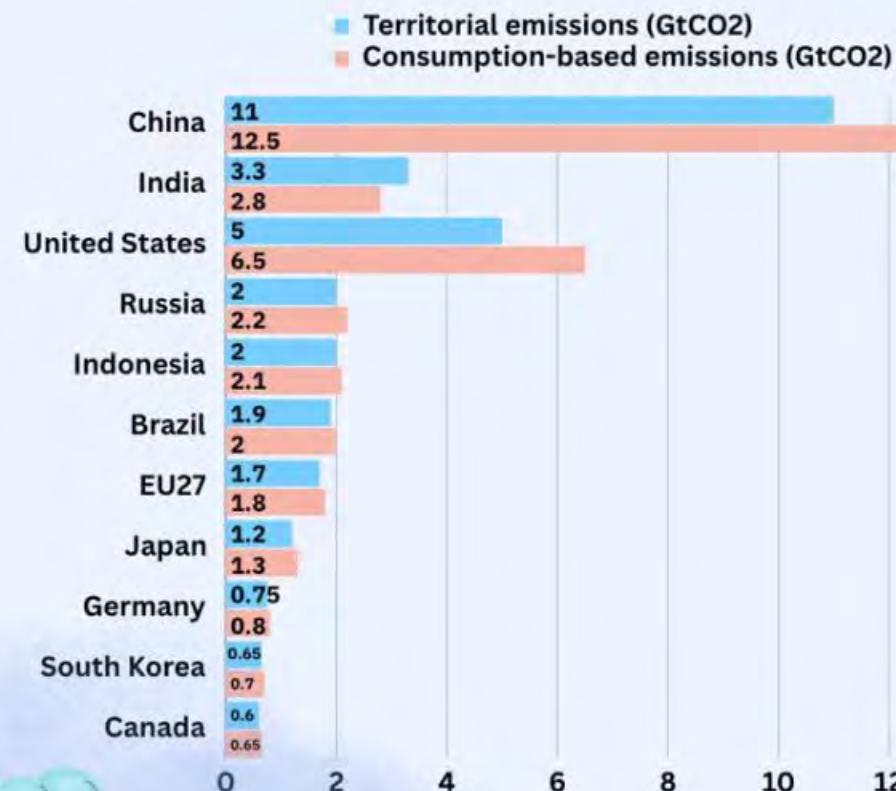
In October 2024, Newsom directed the California Air Resources Board to take immediate steps toward allowing E15 sales. Because the legislation is tabbed as a so-called "urgency statute" it will take effect immediately rather than on Jan. 1. The California Assembly passed the bill on Aug. 29, 2025.

Allowing E15 sales in California opens a 600- to 800-million-gallon ethanol market at a time when farmers need expanded markets. The move toward E15 in the state has accelerated this year because the state is seeing an



Based on EIA data

Country-by-Country Breakdown of Global Carbon Emissions for 2023



SIGMA EARTH

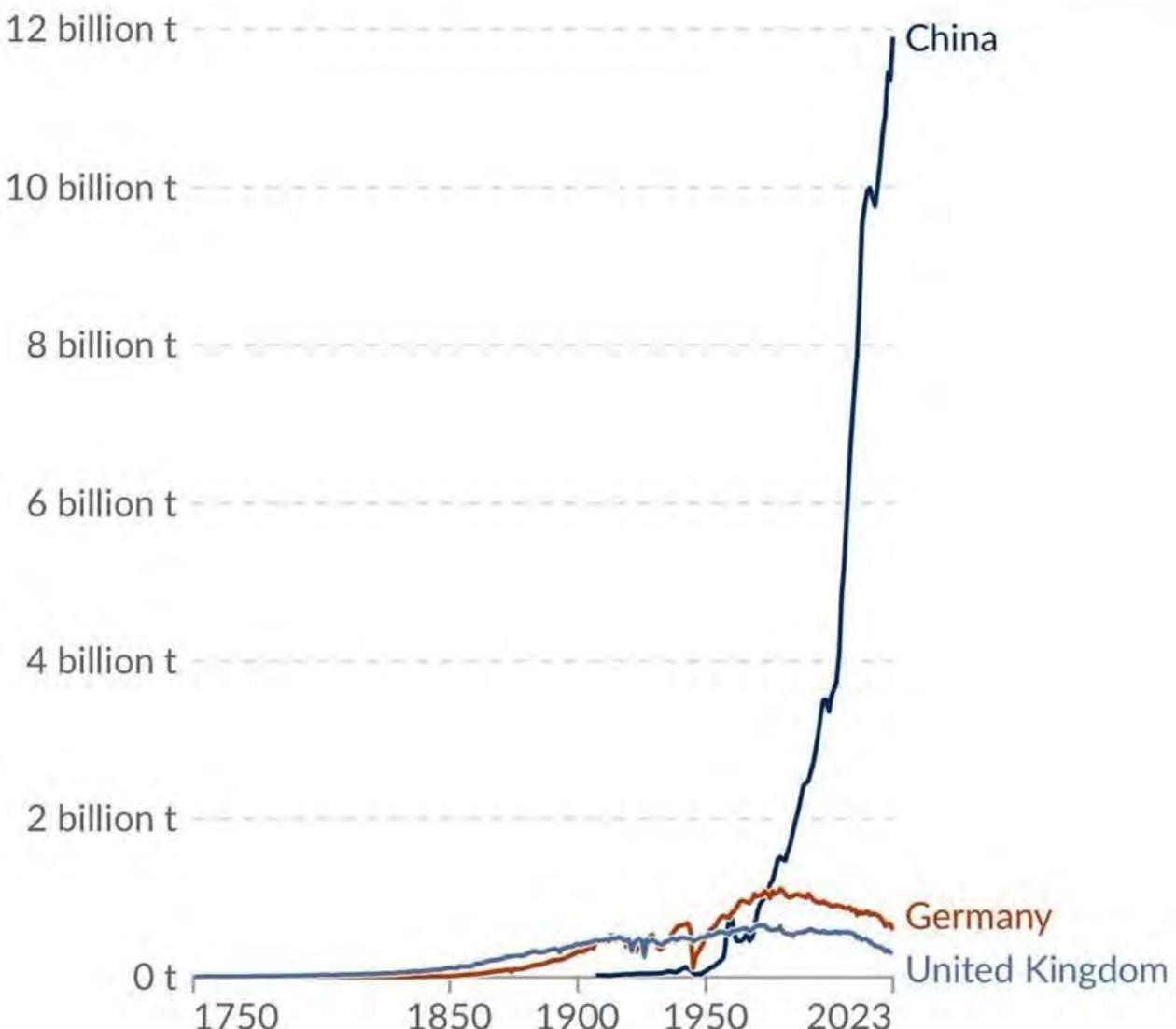
Bill Gates calls for 'strategic pivot' in climate change fight away from curbing emissions

In a memo released Tuesday, Gates said the world's primary goal should be to prevent suffering, particularly for those in the toughest conditions in the world's poorest countries.



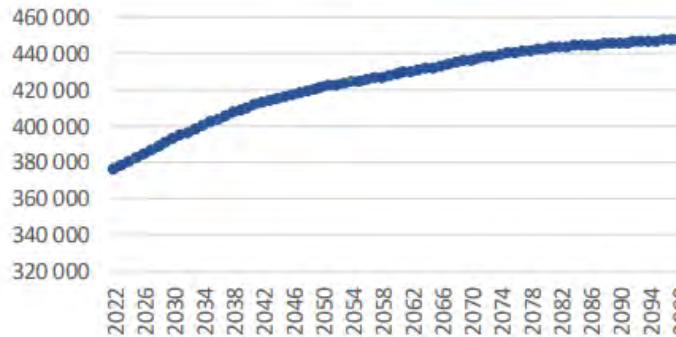
Annual CO₂ emissions

Carbon dioxide (CO₂) emissions from fossil fuels and industry. Land-use change is not included.

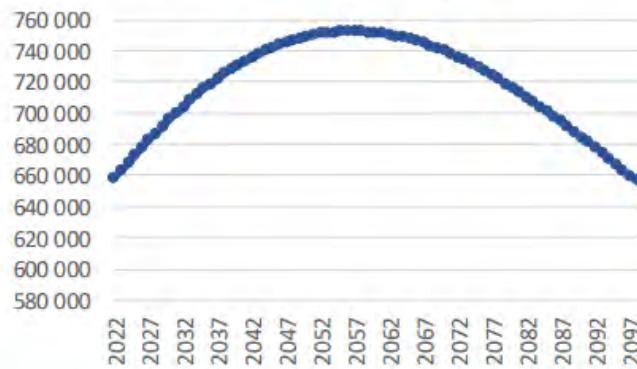


Population growth mainly limited to Africa

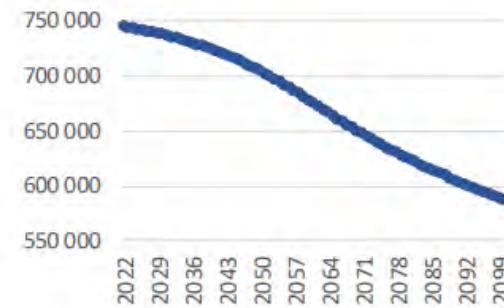
U.S. & Canada



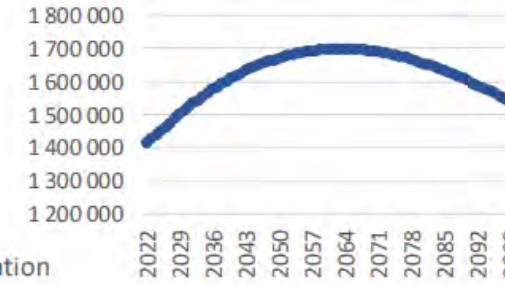
Latin America & Caribbean Population



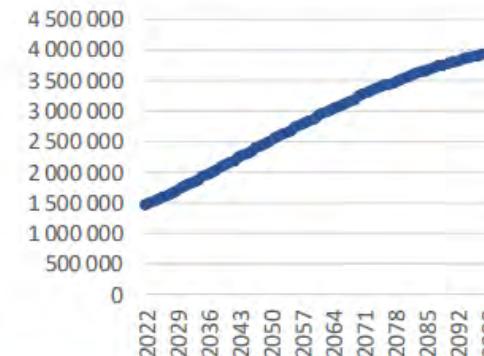
Europe Population



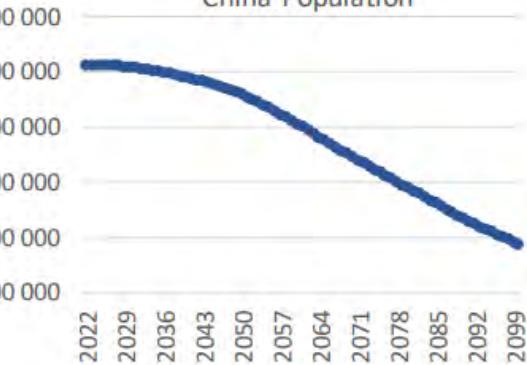
India Population



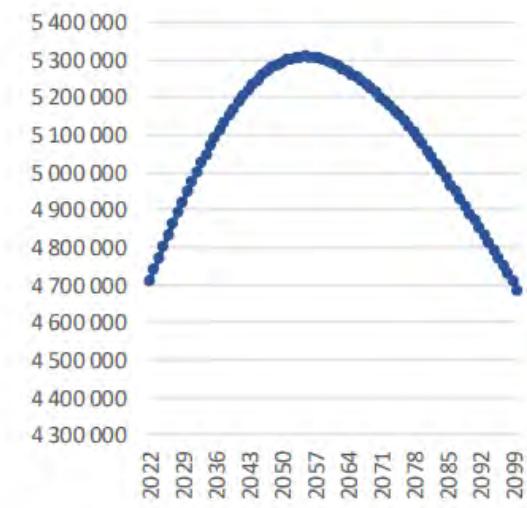
Africa Population



China Population



Asia Population



UN Median Forecasts

- Joseph Kerns
- jkerns@agrubicon.com
- 515-689-0522