FutureBridge

NEWSLETTER AUGUST 2026 EDITION

Kottmeyer's Almanac *on* UPSTREAM AG

The Boardroom Brief: What Global Upstream Food & Agribusiness C-Suite Needs to Know

EXECUTIVE SUMMARY: THE 5 STRUCTURAL THEMES OF AUGUST 2026

Theme 1: Trade Realignment: USMCA Goes Annual as the Black Sea Corridor Shuts

July redrew the trade map. At the 1 July joint review the US declined to renew USMCA in its current form, while Mexico and Canada backed a 16-year extension, leaving the pact in force through 2036 but under annual review. China returned as a buyer of size, taking 472,000 tonnes of US soybeans on 8 July, the largest daily sale since November 2025. At the other end of the map the northern Black Sea corridor was effectively shut to commercial traffic from around 22 July, and Ukraine's 29 July strike on the Port of Taman escalated it further, pushing European wheat demand into French origin as Rouen loadings nearly doubled.

A non-renewal does not end USMCA overnight, it starts a countdown, and that alone chills cross-border footprint investment years before any tariff changes. The Chinese return supports new-crop demand but stays episodic while a 10 percent tariff gap and cheaper Brazilian beans cap the pace. The Black Sea is the item the market is misreading: it is pricing an interruption, not the terminals and loading infrastructure that take years to rebuild once destroyed.

Theme 2: The Policy Calendar: Farm Bill Slips, Labour Reform Lands and Brussels Sets the Budget Tempo

The policy calendar slipped in Washington and hardened in Brussels. Senate farm bill markup moved past the recess, with Chairman Boozman citing a committee split 12 to 11 and the SNAP cost shift as the blocking issue, more than seven and a half years after the 2018 bill was signed. Separately, H.R. 9535 became the first statutory H-2A reform in 40 years, lifting the seasonal cap to 350-day contracts and curbing Adverse Effect Wage Rate swings with backing from over 400 farm groups. Ireland took the EU Council presidency on 1 July into the post-2027 CAP and MFF fight, with a revised budget text due by October, and the OECD-FAO Outlook set a ten-year baseline of ample supply and thin margins.

Assume the existing US programme architecture persists into the 2027 planning year rather than budgeting against draft text. The H-2A bill is the item with direct margin consequence for dairy, pork, poultry and produce, and the AEWR provision is where compliance change becomes cost change. In Europe the October negotiating text is the first hard signal of how much support producers carry into 2027.

Theme 3: Inputs: Hormuz Reprices Nitrogen While Washington Suspends Phosphate Duties

The input stack moved on geopolitics, in both directions. A re-closing Strait of Hormuz, with at least nine ships attacked since 6 July and tanker traffic down roughly half, put New Orleans urea back near 400 dollars per ton by 14 July after a collapse to 340, a 15 to 20 percent round trip in wholesale nitrogen inside a fortnight. Cutting the other way, the President declared an emergency on 29 June and suspended the 16.8 percent countervailing duties on Moroccan phosphate for eight months, duties a Texas A&M study estimates added roughly 6.9 billion dollars to US phosphate costs between 2021 and 2025.

Retail nitrogen has not caught up with wholesale, so the increase is still to come rather than already absorbed, and the wholesale-to-retail lag is the decision window on fall coverage. The binding constraint is vessel willingness, not loading capacity, so a diplomatic reopening does not restore flows. Phosphate relief is real but time-boxed and contested, which argues for pulling procurement forward rather than spreading it across the suspension.

Theme 4: Weather Writes the Balance Sheet: Europe Loses a Maize Crop While US Corn Holds

Weather did the repricing again, but only in one hemisphere. New analysis put the June heatwave's cost to European grain farmers at around 2 billion euros and roughly 10 million tonnes, with France's maize about 3.4 million tonnes below June hopes. The Commission's JRC then cut grain maize and sunflower yields 6 to 7 percent and called the forecast still falling, while Agreste cut French soft wheat to 32 million tonnes and the IGC took French maize from 12 to 9 million tonnes. In the US, corn cleared pollination heat with only a one-point slip to 67 percent good to excellent, and the July WASDE cut new-crop corn ending stocks to 1.79 billion bushels.

Europe is short one crop in a well-supplied world, so the tonnage already lost is absorbable, and the risk is the second shock. That risk is acute because the EU is more import-dependent for maize precisely when both backfill sources are compromised: the Black Sea corridor is disrupted and US corn has only just cleared its own hazard. Official EU monitors still read favourable while private analysis is at 2 billion euros, so anyone anchored to the official revision is a step behind the physical crop.

Theme 5: The Protein Complex: A Conditional Border Reopening Meets a Record-Low Calf Crop

The protein complex got supply relief and a supply warning on the same day. USDA announced a phased reopening of the Mexican cattle border from 24 August at Douglas, Arizona, gated to a Joint Action Plan and full inspection, then committed 25 million dollars to an Arizona sterile fly dispersal facility on 29 July. The 1 July inventory showed 94.2 million head, the first July increase since 2017-18, but on a record-low calf crop of 32.5 million head, and August live cattle shed more than 24 dollars from 25 June. In Europe, the Commission tightened African swine fever zoning on 30 July as EFSA reported outbreaks up 76 percent in domestic pigs.

The reopening is a single-port, reversible crack rather than a return to normal, and one confirmed screwworm detection north of the border closes it again. The futures break is the misread: heifer retention removes animals from the near-term pipeline, so a genuine rebuild tightens supply before it loosens it, and the record-low calf crop caps what a rebuild can deliver before roughly 2028. ASF is the compounding tail, hitting the European protein balance from the disease side while maize hits it from the cost side.

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Trade Realignment: USMCA Goes Annual as the Black Sea Corridor Shuts

July redrew the trade map, as the US declined to renew USMCA in its current form, China returned to US soybeans in size, and the northern Black Sea corridor closed to commercial traffic, pushing European wheat demand into French origin.

1. US declines to renew USMCA, triggering annual reviews

USTR* | *Read Report

At the 1 July joint review the US declined to renew USMCA in its current form, while Mexico and Canada backed a 16-year extension. The pact stays in force through 2036 but now enters annual reviews, with a third US-Mexico round set for the week of 20 July. Central disputes include Mexico's GMO-corn restrictions, Canada's dairy tariff-rate quotas and Mexican produce.

> **SO WHAT:** A non-renewal does not end USMCA overnight, it starts an annual-review countdown to a 2036 expiry, and that alone chills cross-border processing-footprint investment years before any tariff actually changes. North America's trade framework now faces a decade of yearly renegotiation rather than a lock-in, keeping persistent uncertainty over the largest export markets for US corn, pork and dairy. For a C-suite, treat USMCA as an open question rather than a settled backdrop and stress-test the North American supply chain against a review regime, not a renewal.

> **NOW WHAT → FutureBridge:** Map exposure by commodity ahead of each annual review cycle, the dairy and corn lines carry the most downside if the pact reopens on US terms. FutureBridge's Regulatory Intelligence team tracks the review trajectory and the GMO-corn and dairy-TRQ flashpoints, while Market Opportunity Assessment quantifies revenue at risk and the re-routing options across your North American footprint.

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2. China returns to US soybeans in size

Transport Topics* | *Read Report

On 8 July USDA reported China bought 472,000 tonnes of US soybeans, the largest daily sale since November 2025, with Cofco booking multiple cargoes across 7 and 8 July as the post-summit trade thaw gathered pace.

> **SO WHAT:** The biggest swing buyer is back, which supports new-crop demand and price, but the pace is capped: volumes remain below pre-trade-war levels and a 10 percent tariff gap plus cheaper Brazilian beans still stand between a headline sale and a sustained programme. For originators and crushers, the read is that Chinese demand is a supportive variable again rather than a reliable base, so basis planning should treat these cargoes as episodic until the tariff gap closes.

> **NOW WHAT → FutureBridge:** OSINT can reconstruct the pace and origin split of Chinese soybean bookings from vessel line-ups and customs filings before the weekly export-sales print, so your desk sizes new-crop basis and storage commitments against real demand rather than headline pledges.

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3. Fresh strike escalates the Black Sea port war

UkrAgroConsult* | *Read Report

The northern Black Sea corridor has been effectively shut to commercial traffic since shipowners pulled vessels around 22 July, and the disruption escalated inside the window: on 29 July Ukraine struck the Port of Taman on the Kerch Strait, a Russian grain and sunflower oil gateway with annual export capacity above 5 million tonnes. Chicago wheat edged higher the same day, while Russia kept shipping from Novorossiysk, which sits outside the Azov chokepoint, and northern hemisphere harvest pressure capped the rally.

> **SO WHAT:** The market is pricing a logistics event and fading it as it has after every Black Sea scare since 2022. What it is not pricing is the stock of capital at risk. The region moves close to 60 million tonnes of wheat and 26 to 29 million tonnes of corn a year, and terminals and loading infrastructure, once destroyed, take years to rebuild. A ceasefire rumour can take thirty cents off wheat in an afternoon, but no ceasefire rebuilds a burned-out terminal. The moment the market shifts from pricing an interruption to pricing a lost season, the upside is far larger than the current premium implies.

CONTRARIAN FUTUREBRIDGE POV: The consensus that this is another fade-it Black Sea scare is the trade that loses money this quarter; a corridor that stays shut through harvest is a structural origin shift, not a spike, and the risk premium belongs in your wheat book now, not after the next strike.

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4. The EU wheat trade redraws around a constrained Black Sea

Grain Central* | *Read Report

French soft wheat loadings at Rouen jumped to 200,355 tonnes for the week from 103,386 previously, as European buyers pivoted away from constrained Russian supply. The bearish counterweight is that drought spread across France, Romania, the Netherlands and Greece, the Rhine fell again adding freight friction, and Morocco extended its prohibitive soft-wheat import tax to end-August.

> **SO WHAT:** The market is reading the Rouen surge as a French export-competitiveness story. It is not. French wheat is not winning on price, it is winning because Russian and Ukrainian supply is constrained by conflict and logistics, which makes the French pace demand borrowed from a disrupted competitor rather than structural share gain, and it reverses if the Black Sea normalises. The compounding risk is that the drought is spreading into the very origins absorbing the displaced demand while the Rhine falls at the same time. A miller who locks French origin as the safe replacement is concentrating exposure into a region that is itself drying out, which is the opposite of the diversification the switch was supposed to buy.

> **NOW WHAT → FutureBridge:** OSINT can track Rouen and Black Sea vessel line-ups, stem sales and load rates in near real time, so your origination desk repositions milling-wheat coverage toward EU supply before the basis fully reprices.

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5. Panama Canal draft cuts revive a harvest-season freight tax

***USDA AMS* | Read Report**

The Panama Canal Authority cut the maximum neopanamax draft to 49 feet from 24 July and 48.5 feet from 15 August as water levels fall again, and signalled tighter transit slots. Most bulk grain moves through the smaller Panamax locks, so the hit is indirect, via slot competition, container and tanker rerouting and higher freight, but it lands just as US corn and soybean exports ramp into the autumn shipping season.

SO WHAT: This is an El Niño freight tax that falls on Gulf-origin cargoes into Asia while sparing the Pacific Northwest and Brazil, so it surfaces as a widening Gulf-versus-PNW basis spread and a marginal share handover to Brazil rather than a headline price move.

NOW WHAT → FutureBridge: OSINT can map neopanamax slot competition and reroutings from AIS and canal-authority data, while Market Opportunity Assessment models Gulf-versus-PNW landed cost under each draft scenario, so you lock export routing before freight prices the restriction in.

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6. US hits Brazil with a 25% Section 301 tariff, sparing beef and coffee

***USTR* |** Read Report

From 22 July the US applied a 25% additional duty on most Brazilian imports, covering sugar, ethanol and farm machinery but exempting beef, coffee and orange juice. It is the first tariff under the administration's new Section 301 strategy after the Supreme Court struck down its emergency-powers regime, with close to 80 investigations open. A separate forced-labour probe due 24 July could add 12.5%, taking the total to 37.5%; Brazil has promised countermeasures and a WTO challenge.

SO WHAT: The exemptions are the story, as beef and coffee were spared because US prices for both are already up around 12% year on year, so the near-term food-inflation and cattle-market effect is close to nil. The bigger signal is procedural: Section 301 survives the court ruling and, with roughly 80 probes open, this is a template that raises retaliation risk in exactly the markets, China, the EU, India and Mexico, that US grain and soy exports depend on.

CONTRARIAN FUTUREBRIDGE POV: Reading this as a Brazil story misses the point; Section 301 surviving the court is the template, and the real exposure for US input and grain exporters is the retaliation it invites in China, the EU and India, the very markets your order book depends on.

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7. Vietnam becomes a top-10 US corn market as exports jump seventeen fold

***USDA FAS* |** Read Report

US corn exports to Vietnam rose from $22.7 million in 2024 to $394 million in 2025, making it a top-10 destination, while soybean exports reached $581 million, up 20% year on year. The US holds the largest share of Vietnam's $1.2 billion soybean import market at 49.3%, ahead of Brazil at 42.2%, and FAS Hanoi expects new crush capacity to keep imports rising.

SO WHAT: This is the clearest case of trade diversion working in US favour, as Southeast Asian crush demand absorbs US corn and soy while China buys only opportunistically. The seventeenfold jump in corn is the number to watch, because it reflects new crush and feed capacity rather than a one-off price arbitrage, and capacity does not reverse quickly.

NOW WHAT → FutureBridge: Market Opportunity Assessment can size Vietnamese crush and feed demand by route and grade, while OSINT reconstructs new line commissioning from

> equipment orders and permits, so you commit origination and freight to the corridor while the US lead over Brazil is still yours to hold.

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8. USDA turns to port investment to defend export competitiveness

***RFD-TV* |** Read Report

USDA Under Secretary for Trade Luke Lindberg set out plans to expand agricultural exports through strategic port infrastructure, starting with the Port of Seattle and its role in moving Pacific Northwest cargo. The push lands with the US agricultural trade balance under pressure and export competitiveness a live political issue.

> **SO WHAT:** Export logistics is the cheapest lever the US has left on farmgate price, since with acreage and yield largely set, basis and freight are where policy can still move grower returns. But port capacity is slow-acting, so this does nothing for the 2026 harvest and reads as a multi-year answer to Brazil's logistics build-out rather than a near-term price response.

CONTRARIAN FUTUREBRIDGE POV: Applaud the port money, then plan as if it does not exist; it moves nothing this harvest, and betting your 2026 basis on infrastructure that clears in five years is how exporters lose the season they are actually in.

THEME 2:

The Policy Calendar: Farm Bill Slips, Labour Reform Lands and Brussels Sets the Budget Tempo

Washington's farm bill markup slipped past the recess while the first H-2A overhaul in 40 years was introduced, and Ireland took the EU Council presidency into the post-2027 CAP and MFF fight.

9. Senate farm bill markup slips past the recess

Agri-Pulse* | *Read Report

On 14 July Chairman Boozman said markup would come the following week at the earliest and probably the week after, contingent on hospitalised Senator McConnell returning, adding it might be difficult to hold without him on a committee split 12 to 11. The blocking issue is the SNAP cost shift, with states due to pay 75 percent of administrative costs from 1 October. Sixty votes are required, so the bill has to be bipartisan, and it is now over seven and a half years since the 2018 farm bill was signed.

> **SO WHAT:** For anyone outside US farm-programme design this is the lowest-priority item of the month, but for those inside it the delay matters more than the content. A committee split 12 to 11 and a 60-vote floor threshold mean the SNAP cost shift, not commodity title design, now determines whether the bill moves at all. Assume the current programme architecture persists into the 2027 planning year rather than budgeting against draft text.

> **NOW WHAT → FutureBridge:** Plan the 2027 crop year against extension of the existing programme rather than new farm bill provisions, and track the SNAP cost-shift negotiation as the gating item. FutureBridge's Regulatory Intelligence team follows the markup calendar and the commodity, conservation and crop-insurance titles as they move.

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10. H-2A farm-labour reform bill introduced

Michelle Fischbach* | *Read Report

On 30 June House Agriculture Chair GT Thompson introduced H.R. 9535, the Securing Agriculture's Workforce Act of 2026, the first statutory reform to the H-2A guest-worker programme in 40 years. It opens H-2A to year-round operations such as dairy and pork by lifting the seasonal cap to 350-day contracts, curbs Adverse Effect Wage Rate swings, and is backed by more than 400 farm groups. H-2A certified positions have climbed from under 100,000 in 2013 to nearly 415,000 in 2025.

> **SO WHAT:** Labour is a live cost and continuity risk for dairy, pork, poultry and produce, and this is the first serious attempt in four decades to widen legal access and stabilise wage volatility. The AEWR provision is the margin item: it is what converts a compliance change into a cost change. The provision letting existing unauthorised workers move into H-2A will draw the sharpest debate and is the most likely point of failure, so labour-cost planning should carry both a passage and a status-quo case.

> **NOW WHAT → FutureBridge:** Competitive Intelligence can track the SAWA and H-2A wage timetable while OSINT reads real labour-cost exposure across your borrowers' and customers' operations from hiring and filing signals, so lenders and equipment sellers reprice credit and demand assumptions before the AEWR methodology lands.

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11. Ireland takes the EU Council presidency

Agriland* | *Read Report

On 1 July Ireland assumed the six-month EU Council presidency, prioritising the post-2027 CAP and

MFF budget fight and an EU livestock strategy, with a revised budget negotiating text expected by October.

> **SO WHAT:** This sets the tempo for the EU farm-budget battle, where the Commission's proposed real-terms CAP cut clashes with member-state and Parliament demands. For anyone with EU exposure the October negotiating text is the date that matters, because it is the first concrete signal of how much support European producers will carry into the 2027 planning horizon.

CONTRARIAN FUTUREBRIDGE POV: The presidency headline is noise; the signal is a real-terms CAP cut moving through a friendly chair, and input suppliers who assume European subsidy support holds are underwriting demand that Brussels is quietly withdrawing.

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12. OECD-FAO Agricultural Outlook 2026-2035

Global Donor Platform* | *Read Report

The flagship ten-year baseline, released 29 June, sees global production up 13 percent on productivity gains, real prices broadly stable to lower, meat demand shifting from beef to poultry, and the 2026 Middle East conflict constraining fertiliser use and cereal output.

> **SO WHAT:** This is a decade framed as ample supply and thin margins, with the fertiliser shock the main downside risk to the grain balance. The strategic read for a C-suite is that volume growth, not price, carries the revenue line over the baseline period, and that the protein mix shift toward poultry is a structural reallocation of feed demand rather than a cyclical preference.

> **NOW WHAT → FutureBridge:** Market Opportunity Assessment can convert the decade baseline of ample supply and thin margins into geography- and category-level demand scenarios for your portfolio, so breeding, capacity and channel bets are sized to where structural growth actually sits rather than to the global average.

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13. House advances $20bn farm aid inside 'Reconciliation 3.0'

***RFD-TV* | Read Report**

Speaker Mike Johnson said the House Budget Committee would vote on a defence budget resolution carrying an attached $20 billion farm aid package, advancing as part of what leaders are calling 'Reconciliation 3.0'. It sits alongside a separate $11.1 billion presidential supplemental request and the Senate Agriculture Committee's draft Agricultural Act of 2026, due for mark-up after the recess.

> **SO WHAT:** Three overlapping aid vehicles with three different numbers, $11.1bn, $12bn and $20bn, is itself the story, because nobody can plan against it and reconciliation ties farm support to defence funding and the stalled Farm Bill. With per-acre losses projected to deepen into 2027, the question is not whether aid arrives but whether it lands before autumn input buying.

CONTRARIAN FUTUREBRIDGE POV: Do not build a plan around any single aid number when three are in play; the vehicle matters more than the amount, and input suppliers pricing demand off a $20bn package that may land as $11bn, and late, will misread the fall buying season.

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14. USDA lifts loan rates and extends the sugar programme to 2031

USDA **|** Read Report

Marking the anniversary of the Working Families Tax Cuts Act, USDA raised Marketing Assistance Loan rates, extended them to cotton and sugar producers, and strengthened disaster aid for livestock and orchard growers, with some changes backdated to July 2025. The sugar programme is extended through 2031 with higher raw-cane and refined-beet loan rates.

> **SO WHAT:** This is the credit-and-floor side of the safety net moving as the payment side is still being calculated, and a higher loan rate is liquidity available at harvest against stored grain, worth more to cash-strained operations than a payment arriving next October. The quiet structural item is the sugar extension to 2031, a programme horizon now running five years beyond a Farm Bill Congress has failed to reauthorise.

> **NOW WHAT → FutureBridge:** OSINT can read Marketing Assistance Loan uptake and stored-grain collateral behaviour at harvest as a live liquidity signal, so ag lenders and input sellers adjust credit terms and prepay offers to the operations leaning on the higher loan floor.

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15. USDA accepts 2.2 million acres into a Conservation Reserve at its cap

USDA FSA **|** Read Report

USDA's Farm Service Agency accepted 2.2 million acres into the Conservation Reserve Program for 2026 out of nearly 2.5 million offered, a competitive cycle because the programme is pinned at its 27-million-acre statutory cap. Of the roughly 1.5 million acres expiring on 30 September, producers re-enrolled just over 982,000, with Nebraska, Colorado and South Dakota leading accepted acres.

> **SO WHAT:** With CRP against its statutory cap and about a third of expiring acres not re-enrolling, competition for conservation payments is tightening, pushing the cap question into the farm-bill debate and shaping land-use and rental-income decisions.

> **NOW WHAT → FutureBridge:** Market Opportunity Assessment can model the acreage and input demand swing as marginal land moves between CRP and production under the cap, so seed and fertiliser planners size regional volumes to the roughly one-third of expiring acres returning to the market.

THEME 3:

Inputs: Hormuz Reprices Nitrogen While Washington Suspends Phosphate Duties

A re-closing Strait of Hormuz put 15 to 20 percent back into wholesale nitrogen inside a fortnight, even as an eight-month suspension of Moroccan phosphate duties cut the other way ahead of fall buying.

16. Hormuz re-closes and wholesale nitrogen reverses

AgWeb **|** [***Read Report***]

The nitrogen shock has moved from the vessel market to the retailer's margin book, where it now becomes a fall-ordering problem. US and Iranian forces traded fire for a sixth consecutive day on 16 July, following a fresh wave of US strikes aimed at degrading Iran's ability to attack shipping. At least nine ships have been attacked since 6 July, transit volumes are falling, and the dispute is over how Hormuz reopens under the 17 June memorandum, which promised safe passage but never defined which lanes vessels should use. New Orleans urea, which peaked at 782 dollars per ton in spring then collapsed to 340, was back near 400 dollars by 14 July. StoneX's fertiliser lead described the strait as basically shut down, noting the constraint is whether owners will send empty vessels back in, not whether loaded ships can leave. Tanker traffic is down roughly half.

> **SO WHAT:** That is a 15 to 20 percent round trip in wholesale nitrogen inside a fortnight, and retail has not caught up yet, which means the increase is still to come rather than already absorbed. The binding constraint is vessel willingness, not loading capacity, so a diplomatic reopening on paper does not restore flows until owners accept the risk. For growers and ag-retailers the practical exposure is fall nitrogen buying for the 2027 crop, where the retail lag is the window to act in.

> **NOW WHAT → FutureBridge:** Treat the wholesale-to-retail lag as the decision window on fall nitrogen coverage rather than waiting for retail prices to confirm the move. FutureBridge's Intelligence practice tracks Hormuz transit and nitrogen netbacks, and Market Opportunity Assessment models the input-cost pass-through into 2027 crop budgets.

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17. US suspends countervailing duties on Moroccan phosphate

Morocco World News **|** [***Read Report***]

On 29 June the President declared an emergency under the Tariff Act of 1930 and suspended the 16.8 percent countervailing duties on Moroccan phosphate fertiliser for eight months, citing supply disruptions from the Iran war and the closure of the Strait of Hormuz. A Texas A&M study estimates those duties added roughly 6.9 billion dollars to US farmers' phosphate costs between 2021 and 2025. MAP and DAP prices had risen about 7 percent from February through May.

> **SO WHAT:** This is direct relief on a major crop-nutrient cost ahead of fall buying for the 2027 season, and it cuts against the broader input-cost squeeze that the nitrogen reversal is creating. But the relief is time-boxed and contested: US producer Mosaic is challenging it and Commerce's five-year duty review is still live. For ag-retailers and growers the read is an eight-month affordability window on phosphate, not a structural reset, so procurement should be pulled forward rather than spread across the suspension period.

> **NOW WHAT → FutureBridge:** OSINT can reconstruct actual phosphate flows and OCP shipment patterns after the duty suspension, while Market Opportunity Assessment models landed DAP and MAP cost by sourcing route, so distributors and co-ops time fall procurement before the relief reaches farmgate.

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18. Record sulphur pushes phosphate into affordability rationing

***AFC / World Bank* | Read Report**

ADNOC lifted its sulphur benchmark to a record $1,000/t, pushing DAP into India to $920-935/t CFR, the highest since mid-2022, while Morocco's OCP weighed cutting July MAP output. Buying interest is weak, as high financing costs and poor affordability, not scarcity, now cap demand across the phosphate complex.

> **SO WHAT:** This is the mechanism behind the DTN retail weeklies and AFBF's finding that most Southern farmers are short of fertiliser, and it shows why a domestic subsidy cannot fix a cost set by ADNOC's benchmark and OCP's maintenance schedule. Phosphate rationed by affordability rather than availability means demand destruction now becomes soil-nutrient depletion later: the 2027 crop pays for the 2026 price.

CONTRARIAN FUTUREBRIDGE POV: A domestic subsidy will not fix a cost set by ADNOC's sulphur benchmark and OCP's maintenance schedule; the phosphate constraint is affordability, not availability, so the demand lost now returns as depleted soil and a weaker 2027 crop, not as a rebound.

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19. EU's second tariff step on Russian fertiliser bites from 1 July

***European Commission* | Read Report**

The second stage of the EU's phased tariff on Russian and Belarusian fertiliser took effect on 1 July, lifting the nitrogen duty to 60 euros a tonne and the compound-fertiliser duty to 70 euros, on a schedule heading to 315-430 euros a tonne by 2028, levels Brussels calls effectively trade-ending. Volume triggers can bring the top rates forward if importers front-load, and ammonia, the feedstock, is left uncovered.

> **SO WHAT:** This is the policy half of the input squeeze the market rows describe, landing just as sulphur hits a record and Hormuz war-risk premiums run at 7.5 to 10% of hull value. Two things to watch: the volume trigger means buying behaviour itself can tighten the screw, and the ammonia carve-out is the leak, because Russian ammonia can still feed non-Russian urea plants, limiting the strategic effect while EU farmers keep the cost.

> **NOW WHAT → FutureBridge:** OSINT can track cumulative import volumes against the tariff's trigger thresholds and Russian tonnage redirecting to India and Brazil, so European buyers and distributors front-run the step-ups and reroute nitrogen supply before the punitive rates arrive.

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20. Yara Q2 EBITDA jumps 39% on nitrogen margins despite weak volumes

***Yara International* | Read Report**

Norway's Yara reported Q2 EBITDA excluding special items of $906 million, up 39% year on year and its highest in a decade outside 2022, as strong nitrogen margins offset deliveries falling to 7.1 Mt from 8.3 Mt. It flagged record-low EU urea imports, down 64%, amid Middle East energy disruption, and said its pending Gulf Coast Ammonia acquisition advances a low-cost ammonia strategy.

SO WHAT: Firm nitrogen margins are rebuilding fertiliser-major profitability even as high prices and geopolitics suppress volumes, a mixed signal for farmers facing elevated input costs into the next planting season.

NOW WHAT → FutureBridge: TerraCaptus can validate whether Yara's Gulf Coast Ammonia move and low-cost strategy are IP- and asset-backed, while Company Genomics benchmarks its nitrogen and ammonia technology genome against acquirable alternatives, so your corp-dev team positions partnership or M&A responses on evidence.

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21. Fertiliser stays above historical norms into summer as recyclers pitch a domestic organic alternative

***GlobeNewswire* |** Read Report

US fertiliser prices remain above historical norms into the summer as on-again, off-again disruptions to shipping through the Strait of Hormuz keep supply, freight timelines and pricing volatile, well after the spring AFBF survey found nearly 70% of farmers could not afford all the fertiliser they needed. Against that backdrop Denali, the largest US food-and-organics recycler, is positioning recycled organic materials as a domestically sourced nutrient alternative that sidesteps global supply chains, claiming per-acre savings of $236 to $246 versus synthetic nitrogen, phosphate and potash across Kansas, Louisiana and Georgia. In one 400-acre Tennessee operation it delivered roughly $100,000 of nutrient value across fall 2025 and spring 2026, plus micronutrients and organic matter that conventional products do not.

SO WHAT: The affordability story is shifting from a one-time spring price shock to a structural, multi-season input problem, and that is opening the door to non-traditional supply. When domestically recycled organics can credibly claim savings near $240 per acre, the addressable market is no longer just cheaper synthetics; it is the whole question of where nutrients come from and who controls the supply chain.

CONTRARIAN FUTUREBRIDGE POV: Treat 2026 as the year fertiliser affordability stops being a price cycle and becomes a sourcing decision. Buyers modelling only synthetic nitrogen, phosphate and potash curves will miss the entrants, recyclers, biofertiliser makers and waste-to-nutrient players, that compete on supply-chain security rather than commodity price, and that grow structurally more attractive every month the Strait stays contested.

THEME 4:

Weather Writes the Balance Sheet: Europe Loses a Maize Crop While US Corn Holds

Repeated heatwaves cost European grain farmers around 2 billion euros and roughly 10 million tonnes, the JRC cut maize and sunflower yields 6 to 7 percent, and US corn cleared pollination to become Europe's backstop.

22. The June heatwave's damage gets a number, and it is not the risk

ECIU* | *Read Report

New analysis put the June heatwave's cost to European grain farmers at around 2 billion euros and roughly 10 million tonnes of lost production, with France's maize crop about 3.4 million tonnes below June hopes, Hungary down 2.4 million and Spain down 1.4 million. Euronext maize has held above 250 euros per tonne and export quotes are running roughly 16 percent above a year ago, even as the EU's official short-term indicators still read broadly favourable.

> **SO WHAT:** The 2 billion euros already lost is not the risk. Europe is short one crop in a well-supplied world, global stocks are comfortable and wheat is only modestly down, so a single regional maize loss is absorbable on its own. The risk is the second shock, and it is acute this year because the EU is structurally more import-dependent for maize at the exact moment both backfill sources are compromised: Ukrainian Black Sea supply is disrupted and US corn has only just cleared its own hazard. The tell that buyers are underestimating this is that official EU monitors still read favourable while private analysis is already at 2 billion euros, so anyone anchored to the official yield revision is a step behind the physical crop.

> **NOW WHAT → FutureBridge:** Treat EU maize as a structural feed-cost increase into 2027 rather than a one-season variance, and stress-test rations against both a disrupted Black Sea and a weaker US corn finish. FutureBridge's Market Opportunity Assessment quantifies the feed-cost and import-dependence impact by sub-sector, while our Intelligence practice tracks the gap between official EU monitors and private crop analysis.

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23. JRC cuts EU maize and sunflower forecasts as heat persists

European Commission JRC* | *Read Report

The Commission's crop monitor cut its July yield forecasts, with reductions across all spring and summer crops, most notably grain maize and sunflowers at 6 to 7 percent, after repeated heatwaves and water deficits across western and central Europe. Winter crop forecasts were revised down 1 to 4 percent, leaving total cereals about 1 percent below the five-year average. The clearest damage runs through France, eastern Belgium, Luxembourg, south-western Germany, Austria, Slovakia, Czechia, Hungary and western Romania, and hot, dry conditions are forecast to persist.

> **SO WHAT:** This is the official number confirming what private analysts flagged, so the cut itself is not the news. What the market underweights is that the JRC calls the forecast still falling, not settled, because heat is expected to continue through the summer crop window. EU feed buyers face a firmer maize and rapeseed complex and more import dependence at the exact moment the corridor that would supply that import is disrupted, which is what turns a regional yield revision into a procurement problem.

> **NOW WHAT → FutureBridge:** Market Opportunity Assessment can quantify Europe's swing toward structural corn importer by region and grade, so feed buyers and grain originators lock forward coverage and routing before the official cut is fully priced into Euronext.

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24. France cuts its wheat crop as its maize crop keeps falling

Agreste via UkrAgroConsult* | *Read Report

On 16 July Agreste published first estimates: soft wheat at 32 million tonnes, down 4 percent and 2 percent below the five-year average, with a 3 percent larger planted area unable to offset a 7 percent yield fall to 6.93 tonnes per hectare. Barley came in at 11.1 million tonnes, down 6.3 percent, with rapeseed steady at 4.6 million tonnes. FranceAgriMer data to 13 July had soft wheat 92 percent harvested but maize rated good or excellent falling from 47 to 41 percent in a single week, against 72 percent a year ago. Germany's grain forecast was cut 5.6 percent, and the IGC's mid-July update cut global maize by 4 million tonnes to 1.306 billion, taking France from 12 to 9 million tonnes.

> **SO WHAT:** Wheat is a manageable 4 percent problem with good milling quality. Maize is a 25 percent problem cut in a single revision, and that is where the balance-sheet damage sits. For millers the French wheat story is an inconvenience; for feed compounders and livestock producers the maize revision is a structural cost event, and it is the same crop the EU now needs to import at a moment when the Black Sea import channel is unreliable.

> **NOW WHAT → FutureBridge:** OSINT can track French maize condition, harvest pace and export line-ups from satellite and logistics data, so your desk separates the manageable wheat problem from the far deeper maize collapse and hedges the two exposures independently.

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25. European maize holds a heat risk premium while monitors still read favourable

Commodity Board* | *Read Report

Euronext maize held above 250 euros per tonne through the week to 22 July, with the EU's official short-term indicators still broadly favourable despite the persistent heat risk across western and central Europe.

> **SO WHAT:** The market is pricing risk, not failure, which makes this a hedging call rather than a sourcing crisis. The premium holds only while the official monitors and the physical crop stay this far apart, so buyers who wait for the official revision to catch up will be buying the confirmation rather than the risk.

CONTRARIAN FUTUREBRIDGE POV: This is a hedging call, not a sourcing crisis; the monitors still read favourable, so paying up for panic coverage now is one error and ignoring the tail entirely is the other, and disciplined optionality beats both.

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26. US corn clears the heat and becomes Europe's backstop

DTN* | *Read Report

Crop Progress for the week to 19 July showed corn slipping just one point to 67 percent good to excellent, where analysts had expected a two-point drop, as the heat wave broke with a cold front pushing cooler air and scattered rain south. Soybeans improved for a second straight week to 66 percent.

SO WHAT: The US corn story matters this month almost entirely because of Europe. Domestically a one-point dip is a non-event and mildly bearish for price, but US corn holding is what keeps the European maize shortfall from becoming a worldwide feed-grain crisis. The same fact therefore reads two ways at once: bearish for US corn futures, reassuring for the global feed-grain balance. The caution is that the reassurance is provisional. The crop survived pollination but is not yet made, grain fill and the 12 August WASDE are still ahead, and the northern Corn Belt is still dry, which is why the next three weeks carry more weight than the one-point move suggests.

NOW WHAT → FutureBridge: Market Opportunity Assessment can size the EU corn import gap the US is positioned to fill and model the freight and basis capture by route, so exporters commit new-crop volume to Europe while the backstop premium is live.

27. Corn Belt pollination heat scare, then relief

DTN* | *Read Report

Crop Progress released on 13 July put corn at 68 percent good to excellent, soybeans at 65 percent and winter wheat harvest at 67 percent, while flagging a major heat wave sweeping the Northern Plains and northern Corn Belt with highs near or above 100F during the statistically hottest week of the year. Topsoil moisture was more than 35 percent very short to short across every Western state except California. Widespread rain followed, and subsequent readings held corn near 67 percent good to excellent.

SO WHAT: The published numbers are stale by design and the forecast attached to them is the content. Corn was tasselling as the heat arrived, which is when yield is set, and the crop came through it. The single most yield-sensitive stretch of the season has passed without confirmed damage, but it keeps weather as the swing factor for a corn balance sheet that is already tightening.

CONTRARIAN FUTUREBRIDGE POV: Trading the weekly good-to-excellent print is trading yesterday's weather; the ratings are stale by design, so position off the pollination-window forecast, not the number the market just reacted to.

28. USDA Acreage and Grain Stocks reset the supply picture

Agweek* | *Read Report

The 30 June reports held corn at 95.3 million acres, lifted soybeans to 85.4 million for a record combined 180.7 million, and cut wheat to the lowest planted area on record. June 1 corn stocks were up 14 percent but below trade estimates, with implied demand at record highs.

SO WHAT: A big crop is coming, but demand is running harder than expected and wheat area is structurally shrinking, which leaves far less cushion than the acreage headline suggests. For merchandisers and feed buyers the read is that a record combined corn and soybean area does not translate into comfort, because the demand side is absorbing it faster than the supply side is building it.

NOW WHAT → FutureBridge: Market Opportunity Assessment can reconcile the big-crop acreage picture against faster-than-expected demand and structurally shrinking wheat area, so your origination and storage plan is built on the balance that is tightening, not the acreage headline that looks bearish.

29. July WASDE tightens the new-crop corn balance

American Ag Network* | *Read Report

The 10 July WASDE cut new-crop corn ending stocks to 1.79 billion bushels from 1.96 billion on higher exports, trimmed old-crop corn and wheat stocks, and left yields unchanged.

SO WHAT: The corn balance is drifting toward the pivotal 1.5 billion-bushel level, which is where weather stops being a talking point and starts carrying real price leverage. With yields left unchanged, the August and September revisions now do all the work, so July and August weather is effectively priced into the 2027 input and feed budget.

NOW WHAT → FutureBridge: Market Opportunity Assessment can stress the new-crop corn balance around the pivotal 1.5 billion-bushel carryout under a range of yield outcomes, so you set hedge ratios to where weather starts to move price rather than to the current point estimate.

30. Interior convenes all seven Colorado River basin governors as post-2026 water cuts near

***Western Water* | Read Report**

On 21 July 2026 Interior Secretary Doug Burgum convened the governors of Arizona, California, Colorado, Nevada, New Mexico, Utah and Wyoming on post-2026 Colorado River operations, with the Final Environmental Impact Statement expected within days and a final decision required before the 2027 water year starts on 1 October. The stakes for agriculture are outsized: the river irrigates roughly 5.5 million acres and farming accounts for about 80% of consumptive use, much of it feed crops for cattle. Reclamation has warned that without major intervention Lake Powell could fall below minimum power pool by August 2026, and studies cited in the process put the stabilising cut at 13% to 20% of basin-wide use, some 2.4 to 3.2 million acre-feet a year below 2020 levels, a threshold none of the draft alternatives fully meets. California has ruled out permanent fallowing.

SO WHAT: Every alternative on the table implies less irrigated acreage in the Lower Basin, and the federal conservation money that made the last round of cuts voluntary has run out. With California refusing permanent fallowing and the arithmetic demanding cuts larger than any alternative delivers, the gap gets closed by litigation or by hydrology, and alfalfa and other feed crops go first. That feeds straight back into Western cattle economics at exactly the moment the US herd is trying to rebuild.

NOW WHAT → FutureBridge: Market Opportunity Assessment can map your Western feed, forage and cattle exposure against the Final EIS alternatives and Lake Powell elevation scenarios, so procurement and hedging books price in a structurally smaller irrigated base rather than a return to 2020 water availability.

31. US drought expands into the Northern Plains and western Corn Belt

***US Drought Monitor* | Read Report**
The drought's northward expansion is not a rainfall story; it is a yield-and-forage story that hits corn pollination and the cattle herd in the same window. As of 14 July about 46.5% of the Lower 48 was in drought, worsening across the Northwest, Northern Plains and Upper Midwest even as the Southern Plains improved. The record mid-July heat then drew down soil moisture across the Dakotas and western Corn Belt, with Colorado rangeland rated 76% very poor to poor.

> **SO WHAT:** Expanding Plains and western Corn Belt drought adds yield risk during corn pollination and keeps pressure on an already record-small cattle herd through forage stress and potential culling.

> **NOW WHAT → FutureBridge:** OSINT can read expanding drought and rangeland deterioration from satellite and Drought Monitor data at county level, so crop insurers and lenders reprice yield and forage-driven liquidation risk across their Northern Plains and western Corn Belt books ahead of the ratings.

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32. Brazil harvests a record 360 Mt grain crop as soybeans hit 180.6 Mt

***CONAB* | Read Report**
CONAB's 10th survey put Brazil's 2025/26 total grain output at a record 360.1 million tonnes, up 2.1% on a larger planted area, with soybeans finishing at a record 180.6 Mt and exports raised to 116.3 Mt. Total corn was lifted to 141.7 Mt, and the next survey is due 13 August.

> **SO WHAT:** Record Brazilian soybean and corn supplies cement its dominance of global oilseed and feed-grain exports, intensifying competition for US shipments and capping world prices into the 2026/27 season.

CONTRARIAN FUTUREBRIDGE POV: A record Brazilian crop, not US weather, is the ceiling on your 2026/27 price; exporters and lenders banking on a domestic supply scare to lift returns are underwriting a rally that South American tonnage will cap.

THEME 5:

The Protein Complex: A Conditional Border Reopening Meets a Record-Low Calf Crop

USDA reopened the Mexican cattle border on probation as the first July herd increase since 2017-18 arrived on a record-low calf crop, while cattle futures broke and the EU tightened African swine fever zoning.

33. USDA reopens the Mexican cattle border, on probation

USDA* | *Read Report

On 24 July USDA announced a phased reopening of the southern cattle ports, with Douglas, Arizona opening from 24 August and Santa Teresa and Columbus, New Mexico to follow, contingent on Mexico's adherence to a Joint Action Plan and full inspection of every animal. The border had been closed to Mexican livestock since May 2025. The decision drew immediate dissent, with R-CALF USA calling it premature given 42 US screwworm cases and more than 34,000 in Mexico, including two in a state USDA rates lowest-risk.

> **SO WHAT:** This is not a return to normal, it is a single-port, reversible crack that USDA can close the moment a screwworm case appears north of the border. Cattle feeders who have spent 14 months bidding up a shrinking domestic feeder supply get relief, but it is gated to one port, a late-August start and a plan Mexico must keep meeting, so the risk premium in feeder prices should not fully unwind on a bullish headline. The deeper tension is that the reopening landed the same day as an inventory report confirming the domestic herd cannot fill the gap, which makes it structurally necessary rather than optional and quietly limits how hard USDA can enforce its own conditions. Animal-health caution and supply necessity are now pulling against each other, and supply is likely to win.

> **NOW WHAT → FutureBridge:** Plan Q4 placements against a partial, conditional resumption rather than a full return, and price in the possibility of a re-closure. FutureBridge's Regulatory Intelligence team tracks the Joint Action Plan milestones and port-by-port timing, while Market Opportunity Assessment sizes the feeder-supply and margin impact across the feeding and packing chain.

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34. First herd increase since 2018, built on a record-low calf crop

Pro Farmer* | *Read Report

The 1 July cattle inventory came in at 94.2 million head, the first year-over-year July increase since 2017-18, with beef and milk replacement heifers up in the clearest retention signal in years. But the beef cow herd is still contracting and the 2026 calf crop of 32.5 million head is down 2 percent and the smallest on record. The market repriced hard: August live cattle futures shed more than 24 dollars from 25 June, including a record 15-session losing streak, while cash steers held near 232 dollars.

> **SO WHAT:** The futures break is the misread of the month. The market sold off as if an inventory increase means beef is loosening, and it does not. Holding heifers back for breeding, the very retention that produced the increase, removes those animals from the near-term slaughter and feeding pipeline, so a genuine rebuild tightens near-term supply before it ever loosens it. The record-low calf crop then caps how much additional beef a rebuild can produce, and none of it reaches the box before roughly 2028. Any protein buyer pricing Q4 and 2027 beef on normalising supply is reading the headline, not the calf crop, and imported Mexican feeders remain the only lever that changes near-term supply.

CONTRARIAN FUTUREBRIDGE POV: The market sold the herd number as expansion; it is not, because it sits on a record-low calf crop, so the tightness is structural and multi-year, and anyone pricing a supply recovery into feeder and equipment demand is early by years.

35. Cattle futures break as beef supply tightens further

Meatingplace **|** ***Read Report***

On 17 July the August live cattle contract closed at 227.07 dollars, the lowest since 11 March, while October, December and February contracts hit their lowest closes since 30 December 2025, surrendering all their 2026 gains. Cow slaughter for the week of 4 July totalled 82,246 head, up 7.4 percent year on year, with dairy cow slaughter up nearly 5,000 head. USDA ERS's July Livestock, Dairy and Poultry Outlook cut 2026 beef production by 150 million pounds to 25.288 billion, raised the Q3 feeder steer forecast by 2 dollars to 380 dollars per hundredweight, and reported May beef exports down 14 percent year on year.

> **SO WHAT:** Deferred futures collapsing while cash stays firm and production forecasts fall is a market pricing in higher Q4 imports, not more domestic supply. Elevated cow slaughter says the herd is still liquidating rather than rebuilding, which is the opposite of what the inventory headline implies. For packers and feeders the practical read is that the paper market and the physical market have decoupled, and forward coverage set off the futures curve alone will misprice the cash cost of cattle.

> **NOW WHAT → FutureBridge:** OSINT can reconstruct real fed-cattle supply, slaughter pace and packer margin behaviour from plant and logistics signals, so lenders and equipment sellers to the cattle complex separate a futures dislocation from an actual supply turn before repricing exposure.

36. USDA funds an Arizona sterile fly facility as the cattle border prepares to reopen

USDA **|** ***Read Report***

On 29 July Secretary Rollins announced a 25 million dollar USDA commitment to a new sterile fly dispersal facility in Arizona, ahead of the Douglas Port of Entry reopening to livestock trade, with each animal receiving multiple veterinary inspections and any New World screwworm detection immediately halting imports. There is currently only one other US dispersal facility, in southern Texas, and the agency is separately building a 750 million dollar sterile fly production plant in Texas.

> **SO WHAT:** The market reads the reopening and the sterile fly build-out as the herd-rebuild story turning. It misses that these are the same event pulling in opposite directions. The reopening adds cattle now, but the dispersal site and the 750 million dollar plant are an admission that eradication is a multi-year fight, so the supply relief is front-loaded while the risk is structural. One confirmed detection north of the border halts the trade again, and at a record-low calf crop the domestic herd has no buffer to absorb that.

> **NOW WHAT → FutureBridge:** Technology Scouting can benchmark sterile-insect production and screwworm-response technologies while OSINT tracks facility commissioning and case-versus-trapping data, so biologicals and animal-health players time capacity and partnership bets to the real production bottleneck.

37. EU tightens African swine fever control zones as outbreaks climb

European Commission* | *Read Report

On 30 July the Commission issued Implementing Regulation (EU) 2026/1908, amending the EU's African swine fever zoning map and the special control measures across restricted zones. It lands against a worsening backdrop: EFSA's latest annual report found ASF outbreaks rose across the EU in 2025 in both domestic pigs, up 76 percent, and wild boar, up 44 percent, versus 2024, and Poland has already logged its first domestic outbreak of 2026. Zoning updates are routine in form, but their frequency is the signal.

> **SO WHAT:** The market files ASF zoning under routine housekeeping and prices no risk from it, which is complacent in a year when outbreaks are climbing and the disease keeps reaching new areas. Pork is Europe's cheapest mass-market animal protein, so a bad ASF year would land on top of the feed-grain squeeze from the JRC cuts and the Black Sea disruption, hitting the same protein balance from the disease side that maize is hitting from the cost side. For EU pork producers and processors this is a low-probability, high-impact tail that compounds every other item in this edition rather than sitting apart from it.

CONTRARIAN FUTUREBRIDGE POV: The market files ASF zoning under housekeeping and prices no risk into it, which is exactly the complacency that turns a containment map into a supply shock; carry the tail in your protein and feed-demand assumptions now.

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38. Beef packers post losses above $300 a head as slaughter falls 9%

***Daily Livestock Report* | Read Report**

The packer loss is not a margin story; it is an industry-capacity story that makes cattle scarcity more expensive to process. Record-tight cattle supplies squeezed packers in mid-July, with fed-cattle slaughter near 425,000 head in the week to 18 July, about 9% below a year earlier, margins deeply negative and losses topping $300 per head forcing processing to the minimum. The data set up USDA's 24 July Cattle inventory and Cattle on Feed reports.

> **SO WHAT:** Negative packer margins on top of a shrinking herd point to sustained high wholesale and retail beef prices, and could accelerate plant-utilisation cuts that tighten the fed-cattle chain further.

> **NOW WHAT → FutureBridge:** OSINT can read plant utilisation, slaughter cadence and packer margin stress in near real time, so lenders and suppliers to the beef chain anticipate capacity cuts and reprice counterparty and demand risk before they surface in reported earnings.

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39. June milk output rises 2.4% as the herd swells to 9.68m cows

***USDA NASS* | Read Report**

USDA's Milk Production report showed June output up 2.4% year on year, with the national herd at

9.677 million cows, up 192,000, and output per cow still rising, led by Texas, Kansas and Wisconsin. The expansion deepens an already building milk glut.

> **SO WHAT:** An expanding herd plus higher per-cow yields keep lifting output and pressuring Class III and IV, cheese and butter prices, consistent with the July WASDE's lowered 2026 all-milk price, and hand the protein complex a bearish dairy counterpoint to record-tight beef.

> **NOW WHAT → FutureBridge:** Market Opportunity Assessment can model the milk-supply glut's pass-through to Class III and IV and farmgate margins by region, so feed, genetics and dairy-lending books are sized to where herd expansion and rising per-cow yields keep pressuring producer profitability.

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40. Avian influenza hits a 1.2 million-hen Utah egg flock in the summer lull

AgroNews **|** Read Report
USDA confirmed highly pathogenic avian influenza in a 1.2 million-hen commercial egg flock in Utah, the state's first commercial detection of 2026. The case lands in the normally low-risk summer window between migration peaks, alongside continuing research into alternative controls, including CRISPR gene-editing for viral resistance.

> **SO WHAT:** A seven-figure layer depopulation in July signals HPAI is no longer strictly seasonal, which keeps a structural risk premium in US egg prices and forces layer operations to carry year-round biosecurity cost rather than cycling it with migration.

> **NOW WHAT → FutureBridge:** Technology Scouting can benchmark HPAI vaccination and gene-edited resistance programmes while OSINT tracks year-round detections and biosecurity spend, so animal-health, genetics and insurance players build the structural, non-seasonal risk into product and pricing.

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41. Global Dairy Trade index rises 1.5% to $3,815/t, extending a fragile recovery

Global Dairy Trade **|** Read Report
The GDT price index rose 1.5% at Event 408 on 21 July to an average $3,815 per tonne, rebounding from a 4.9% drop two weeks earlier that was the steepest in two years. The auction drew 167 bidders for 26,889 tonnes, at the start of a 2026/27 season Fonterra opened at a NZ$9.75/kgMS farmgate forecast.

> **SO WHAT:** Firmer GDT prices, underpinned by renewed Chinese buying, support farmgate milk-price forecasts for Oceania exporters, but the July whipsaw of a steep drop then partial recovery signals a market finely balanced between ample supply and reviving demand.

> **NOW WHAT → FutureBridge:** Consumomics can score the durability of the Chinese and Southeast Asian dairy demand behind the GDT rebound, while Market Opportunity Assessment models the price path under ample Oceania supply, so feed and dairy-input planners hedge a market balanced between glut and reviving demand.

August 2026 Edition:

Thought Leadership Pieces

TL 1. Kansas City Fed: new farm loan originations ease in Q2 2026 as operating loan sizes shrink and rates stay near 7%

Federal Reserve Bank of Kansas City* | *Read Report

The Kansas City Fed's Agricultural Finance Update, drawing on the National Survey of Terms of Lending to Farmers, reports that commercial banks saw farm lending activity decline in Q2 2026, with new loan originations down for nearly all non-real-estate purposes. Volumes fell alongside smaller average loan sizes, particularly at banks with larger farm portfolios and for operating expenses and non-feeder livestock. Interest rates were stable but historically high: loans above $100,000 averaged just under 7% and smaller loans slightly above 7%, both roughly unchanged from Q1. Energy and fertiliser prices fell by the end of May, easing operating costs for some growers, but crop margins stayed tight as commodity prices fell alongside oil. Companion KC Fed updates show the largest lenders cutting non-real-estate farm debt nearly 10% year on year while growing real estate lending about 10%; delinquencies remained low at roughly 2% at the largest ag banks.

> **SO WHAT:** After ten quarters of rising credit demand, the turn down in origination volume is a demand-side signal, not a supply one: grain operators are shrinking budgets rather than borrowing more, while cattle and government payments carry sector income. The divergence between ag banks and the largest non-ag lenders determines who funds the 2027 crop.
>
> **NOW WHAT → FutureBridge:** Read the origination turn as a demand-side signal and map which lenders - ag banks or the largest non-ag players - will actually fund the 2027 crop. FutureBridge's Intelligence practice tracks the credit-demand and origination divergence, while Market Opportunity Assessment assesses the financing-availability risk to input purchasing and crop budgets.

TL 2. July 2026 World Agricultural Supply and Demand Estimates (WASDE-673)

USDA Office of the Chief Economist / WAOB* | *Read Report

The July WASDE is not a single-number story; it is a bifurcation that pulls corn and wheat one way and soybeans the other, resetting rotation and storage economics. July WASDE nudged 2026/27 corn production to 16.0 billion bushels (183 bpa) and cut new-crop ending stocks 170 million bushels to 1.8 billion on higher feed and residual use and exports; soybeans were raised to a record 4.475 billion bushels (53 bpa) with ending stocks held at 310 million bushels; wheat ending stocks were trimmed 22 million bushels to 722 million, down 22 percent year on year and the smallest crop in more than 50 years. Season-average farm prices were set at $4.40 for corn, $11.40 for soybeans and $6.00 for wheat.

> **SO WHAT:** Tightening corn and wheat balance sheets alongside a record soybean crop signal a bifurcated 2026/27 - supportive for corn and wheat prices but bearish for beans, pressuring crop-rotation and storage economics.
>
> **NOW WHAT → FutureBridge:** Trade the bifurcation - position corn and wheat long against a bearish soybean balance, and revisit rotation and on-farm storage economics before the harvest carry sets. FutureBridge's Market Opportunity Assessment models the corn-wheat-bean spread into 2026/27, while our Intelligence practice tracks the WASDE revision path that drives it.

TL 3. Short-term Outlook for EU agricultural markets, Summer 2026

European Commission (DG Agriculture and Rural Development)* | *Read Report

The Commission's summer 2026 short-term outlook sees EU agriculture as robust but pressured by high input costs, trade tensions, animal disease and weather. Cereal production for 2026/27 is forecast to return to average at 273.7 million tonnes after exceptionally high wheat and barley yields; oilseeds rise 3.1 percent on larger sunflower area and yields, with record oilseed-meal output; dairy, pigmeat and poultry are rising, while beef, sugar and olive oil decline. The data were collected before the late-June heatwave.

> **SO WHAT:** A normalised EU cereal crop plus rising oilseed and livestock output signals ample supply but squeezed producer margins; the pre-heatwave baseline leaves clear downside risk to the cereal and maize figures.

TL 4. Farmland Prices and Government Programs, July 2026

University of Illinois (farmdoc daily)* | *Read Report

This July 2026 farmdoc daily analysis examines why Midwest farmland prices have not retreated meaningfully despite four straight years of thin crop margins, pointing to the cushioning role of government programme support. Enhanced ARC and PLC payments, boosted by the 2025 One Big Beautiful Bill Act, and still-elevated land demand have kept farmland values firm and cash-rent negotiations tight heading into 2026, even as corn and soybean returns on rented ground remain negative.

> **SO WHAT:** Government-payment support is propping up land values and rents even in a weak-margin environment - a key dynamic for landowners, tenants and lenders assessing 2027 cost structures.

TL 5. COCERAL July 2026 crop forecast: EU-27 plus UK grain output cut on heat

COCERAL (EU grain trade association)* | *Read Report

COCERAL cut its 2026 EU-27 plus UK grain forecast to 286.6 million tonnes, down about 9 million tonnes from its June estimate and from 310 million tonnes in 2025, after extreme heat hit grain filling in France, Germany, Austria, Poland, Hungary and Spain. Soft wheat was trimmed to 140.8 million tonnes, corn cut sharply to 52.7 million tonnes with France at 9.4 million tonnes against 13.8 million a year earlier, barley at 57.6 million tonnes and rapeseed at 21.2 million tonnes.

> **SO WHAT:** A heat-driven downgrade to EU grain, and especially to corn, tightens European supply and is supportive for EU wheat, maize and feed prices into 2026/27.

> **NOW WHAT → FutureBridge:** Build the EU feed and milling cost base around a downgraded corn crop rather than the pre-heat baseline, and secure coverage before the official monitors catch up to

the COCERAL cut. FutureBridge's Market Opportunity Assessment quantifies the supply-tightening impact on EU wheat, maize and feed prices, while our Intelligence practice tracks the crop-forecast revisions into 2026/27.

TL 6. CoBank Knowledge Exchange Quarterly, Q3 2026

CoBank Knowledge Exchange* | *Read Report

CoBank's Knowledge Exchange Quarterly, released 8 July 2026, reads the US crop complex as abundance colliding with thin margins. Favourable Corn Belt conditions have eased fears of a short corn harvest, so ample global supplies are likely to keep corn prices depressed into harvest, even as surging soybean-oil prices - lifted by the renewable volume obligation jumping 67% for 2026 - push processor crush margins to record highs and the US crush pace to breakneck speed. Wheat is the outlier: heavy rains following drought leave the US winter-wheat crop the smallest since 1965, with all-wheat harvested acreage the lowest since 1877. With per-acre production costs turning structural into 2027, CoBank sees farmer margins shrinking and growers limiting input spend to protect yields.

> **SO WHAT:** With record supply meeting below-cost prices, US farm profitability - not availability - is the binding constraint into 2026/27: cautious fertiliser and chemical buying, record soybean-crush demand, and wheat acreage retreating to levels unseen in generations.

> **NOW WHAT → FutureBridge:** Treat profitability, not availability, as the binding constraint - time fertiliser and chemical purchases to the cautious-buying window and plan around a structurally smaller wheat area. FutureBridge's Market Opportunity Assessment models input-cost timing and crush demand against below-cost crop prices, while our Intelligence practice tracks the margin and acreage signals into 2026/27.

TL 7. Cereal Supply and Demand Brief, July 2026

FAO (Food and Agriculture Organization)* | *Read Report

FAO's 3 July Cereal Supply and Demand Brief left its 2026 global cereal production forecast broadly unchanged at 2,983 million tonnes, 1.9 percent below the 2025 record but still the second-largest output on record, as improved maize prospects offset downgrades to wheat. Global coarse grain output was nudged up to 1,624 million tonnes on stronger maize harvests in Argentina, Brazil, China and Zambia, while 2026/27 world rice production was seen near 552.5 million tonnes milled. FAO flagged El Niño as a key uncertainty for the outlook.

> **SO WHAT:** A near-record cereal supply keeps the global food-security backdrop relatively comfortable and caps structural price upside, but the El Niño overhang and Black Sea risk skew the balance of risks upward.

TL 8. SOFI 2026: global hunger at 645 million as Africa overtakes Asia as the hungriest region

FAO **|** ***Read Report***

The 2026 State of Food Security and Nutrition in the World, released on 21 July, estimates that about 645 million people or 7.8 percent of the global population faced hunger in 2025, down from 8.1 percent in 2024 and 8.6 percent in 2022 - a third consecutive annual decline and roughly 14 million fewer people than in 2024. Around 2.1 billion people, or 25.8 percent, still experienced moderate or severe food insecurity, and roughly 2.7 billion could not afford a healthy diet. For the first time on record Africa had more hungry people than Asia, at 309 million against 292 million.

> **SO WHAT:** The world's flagship hunger benchmark confirms a slow recovery, but the affordability of healthy diets rather than calorie access is now the binding constraint, and Africa's deterioration alongside Hormuz and aid-cut risks shows how quickly food-price and energy shocks can reverse gains.

OUR TEAM

Meet our author and experts

As Group Chief Strategy Officer and Global Practice Lead for Food, Agriculture & Nutrition at FutureBridge, I have shaped my work over more than two decades of leadership across complex, regulated, and innovation-driven industries. The focus has consistently been on helping organizations navigate structural shifts in demand, regulation, and technology with greater clarity and confidence.

What defines this approach is a combination of strategic rigour, practical insight, and a strong focus on outcomes. Deep experience across food, agriculture, and nutrition continues to inform how clients assess change, unlock opportunities, and make critical decisions in evolving markets.

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Emerging Sector Voice - Upstream

ABOUT
FutureBridge

FutureBridge is a global innovation and strategy consulting firm that helps companies anticipate disruption, decode emerging markets and technologies, and convert future signals into growth decisions. The firm works with leadership teams across food and nutrition, life sciences, energy, chemicals, mobility and industrial sectors to support innovation strategy, market intelligence, technology scouting, portfolio prioritization and future-ready growth planning.

500+	5,000+	30+
SPECIALISTS	INDUSTRY EXPERTS	INDUSTRIES