

2025 Mississippi Row Crop Situation

Mississippi row crop producers faced an uphill struggle coming into 2025. Producers came into 2025 trying/hoping to recuperate from two years of falling prices and increased input costs. 2024 was a very challenging year due to input costs continuing to rise while crop prices dropped to the lowest levels in several years (Figure 1). Much effort was made in Mississippi and across the nation to bring awareness to the dire situation in the row crop community. The overall farm economy statewide and nationally was somewhat tempered by the livestock sector which was and still is experiencing record high prices. However, the dramatic differences between row crop input costs and prices received continues to outweigh the economic prosperity in the livestock sector (Figure 2). The row crop sector saw and continues to see significantly increased bankruptcy filings (Price) as well as long term producers existing the profession before a lifetime of work is eroded. Financial stress in the farm sector is especially significant in rural areas where often agriculture is the major driver of economic activity. As producers experience financial hardships, bankruptcy filings are lagged behind due to producers depleting equity before actual filings (Price). This sets up rural communities for further struggles moving forward. With row crop profit potential slim at best, the retail side of the row crop sector (seed, chemical and equipment dealers) are affected as well through reduced sales and tighter margins.

More specifically to Mississippi producers, all the major row crop commodities grown in Mississippi showed very tight budgets coming into the growing season (Mississippi State Planning Budgets). As the season has progressed those budgets have tightened further due to falling commodity prices brought on by somewhat adequate supplies and the potential of tariffs decreasing export markets. Figures 3-6 show expected costs and returns for the four major row crop commodities in Mississippi. As can be seen in the Figures the “gap” between producer expenses and expected returns is significant. Part of this difference is production costs. Figure 7 shows variable costs for the four major row crop commodities. There were some slight improvements in variable costs over 2024 due to lower fuel and fertilizer prices, at least at the beginning of the growing season. However, these improvements in variable costs were almost completely offset by increases in fixed costs (Figure 8). Together, these cost estimates are among the highest on record. Further contributing to the “gap” between producer returns and expenses is what has been happening in the commodity market. Figure 9 shows the direction of price movement across the four commodities combined and Table 1 shows numerically the average marketing year prices for the major row crop commodities in Mississippi. As can be seen, most estimated prices have declined from last year and all have declined even more since the 2025 planting season began (Figures 10-13). Additionally, crop basis has eroded. Mississippi producers, especially Delta producers, have benefited from positive basis in August historically



due to the proximity to the river and the Gulf shipping points. This year, however, basis levels are down \$0.30 to \$0.40 cents per bushel from historical levels due to abundant supplies. These basis levels will no doubt continue to erode as harvest cranks up across the nation and river levels drop in the fall.

Table 2 shows expected net returns per acre based on pre-season budgets and currently forecasted marketing year prices. All commodities have significant losses per acre. Depending on crop mix, a 3000-acre Mississippi farm could potentially have negative net returns for 2025 ranging from \$500,000 to \$1,500,000. Table 3 shows net returns (losses) for 3000-acre farm examples across 4 representative Delta farm crop mixes. As shown in Table 3, under these representative example scenarios, farm losses range from just over \$500,000 to just under \$1,000,000 for 2025.

Starting in the spring, as producers were trying to figure out a way to make a profit in 2025, weather extremes that were initially excessive rain events and are now drought events have hampered producers' ability to successfully carry out planting and management plans. Currently the economic situation is the worst in many years. Producers did receive a small ad hoc payment in the spring of 2025 and are currently signing up for disaster payments for the 2023 and 2024 crops where eligibility is allowed. Due to the outdated Farm Bill, the 2024 crop will receive limited farm programs payments in the fall of 2025. The OBBBA was a win for row crop producers but any farm program payments available from the OBBBA will not be available until fall of 2026. Under the current circumstances, row crop producers in Mississippi are facing a very tough road ahead.



Figure 1. 2024 Index of Prices Received versus Input Price Paid

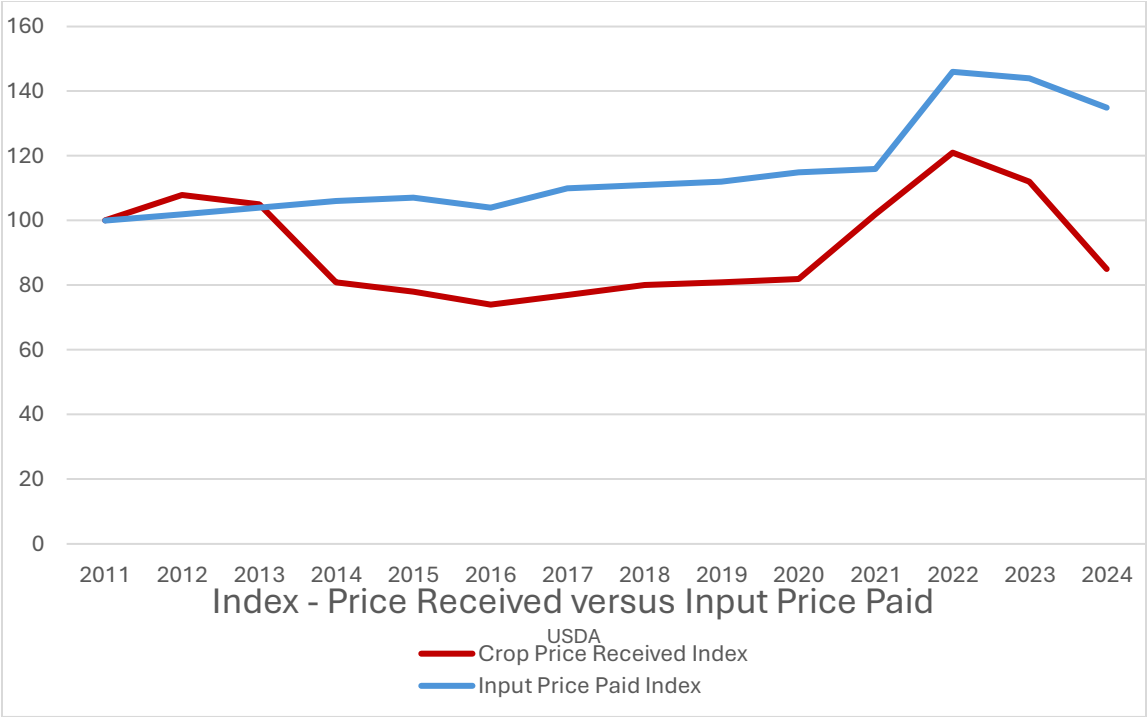


Figure 2. 2025 Index of Prices Received versus Input Price Paid

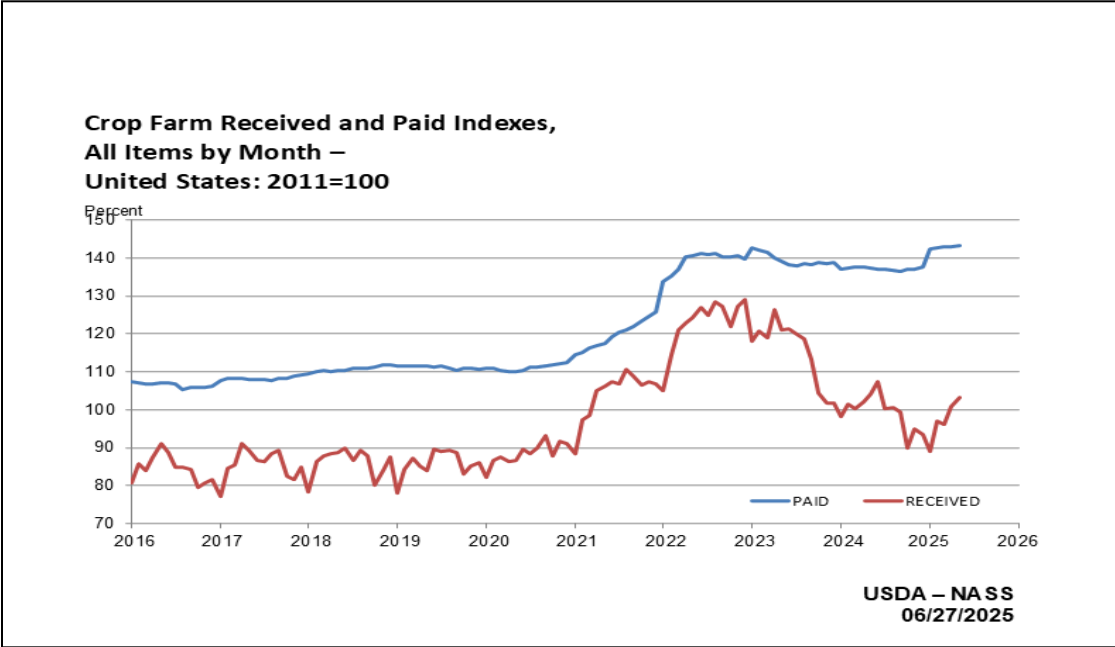


Figure 3. Corn Costs and Returns

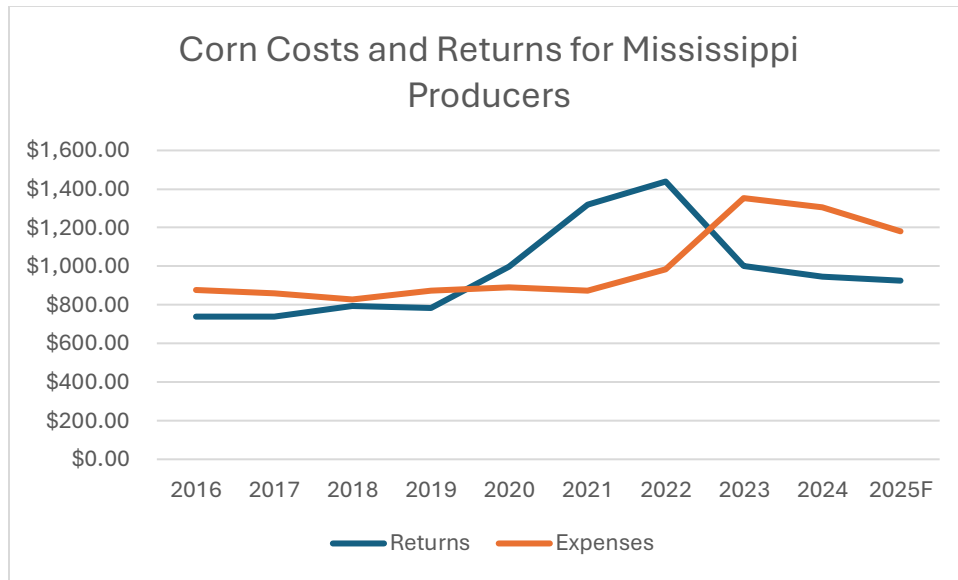


Figure 4. Cotton Costs and Returns

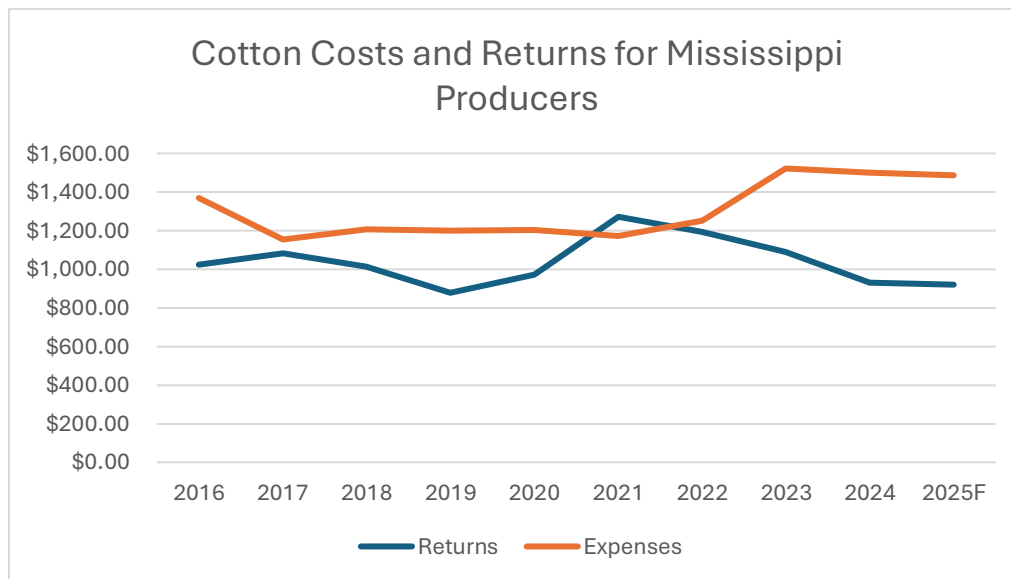


Figure 5. Rice Cost and Returns

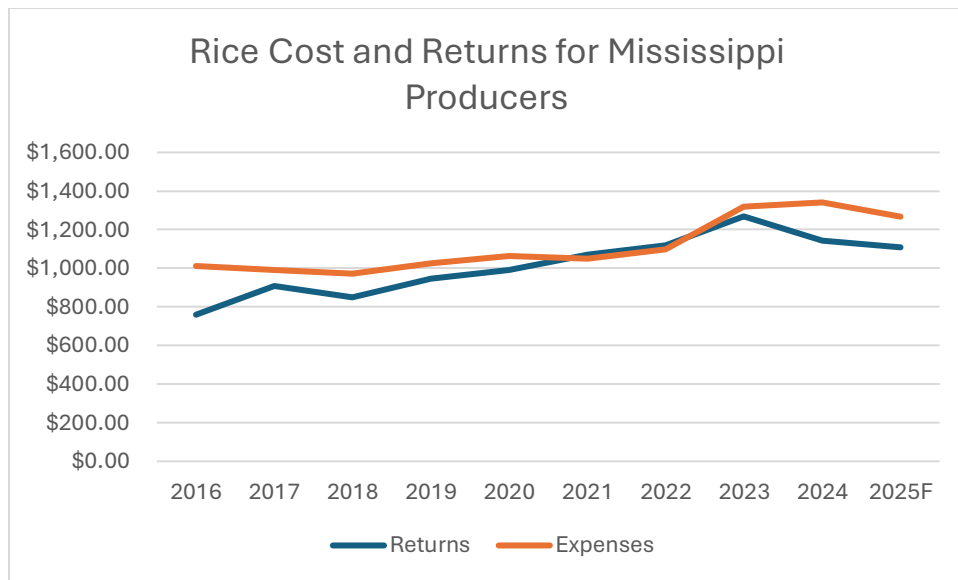


Figure 6. Soybean Costs and Returns

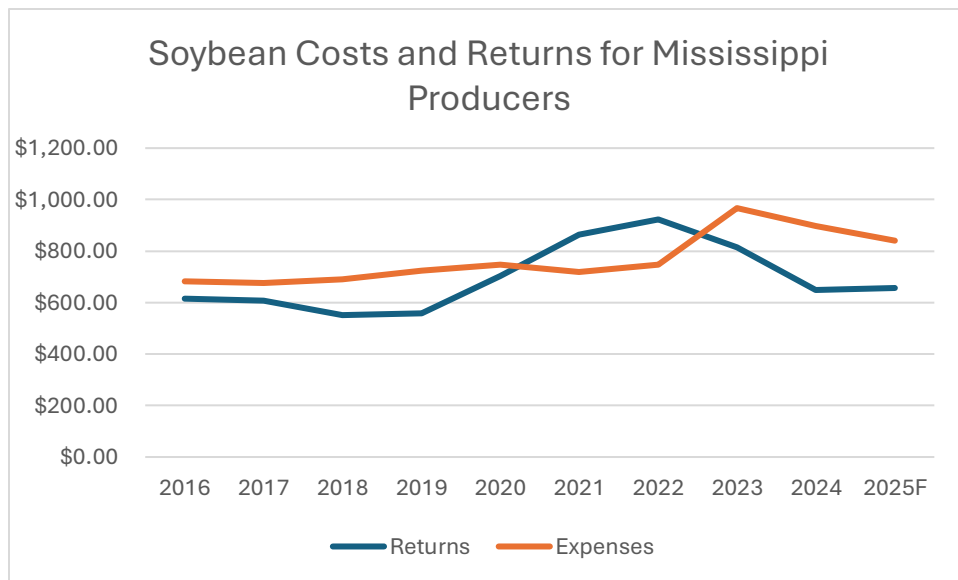


Figure 7. Mississippi Variable Coss of Production

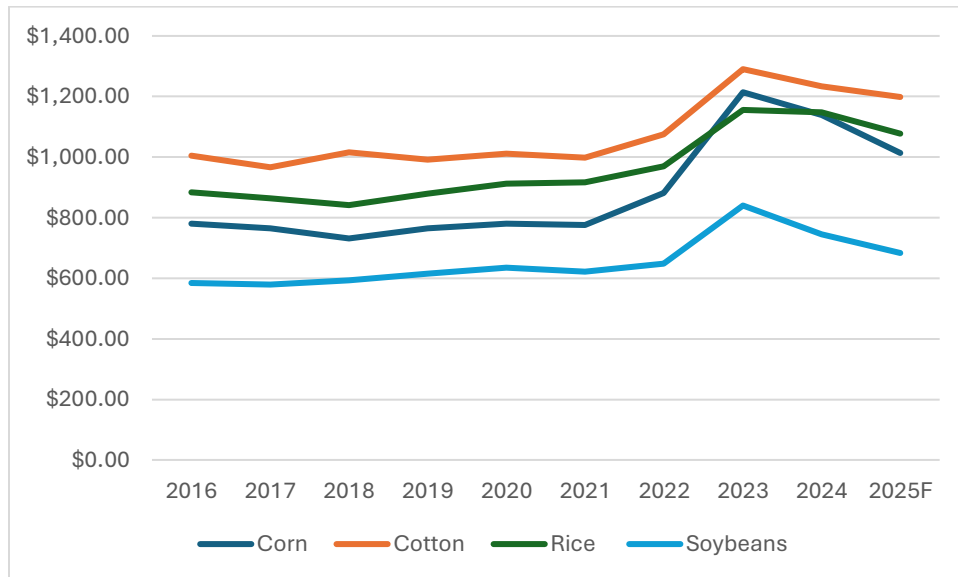


Figure 8. Mississippi Fixed Cost of Production

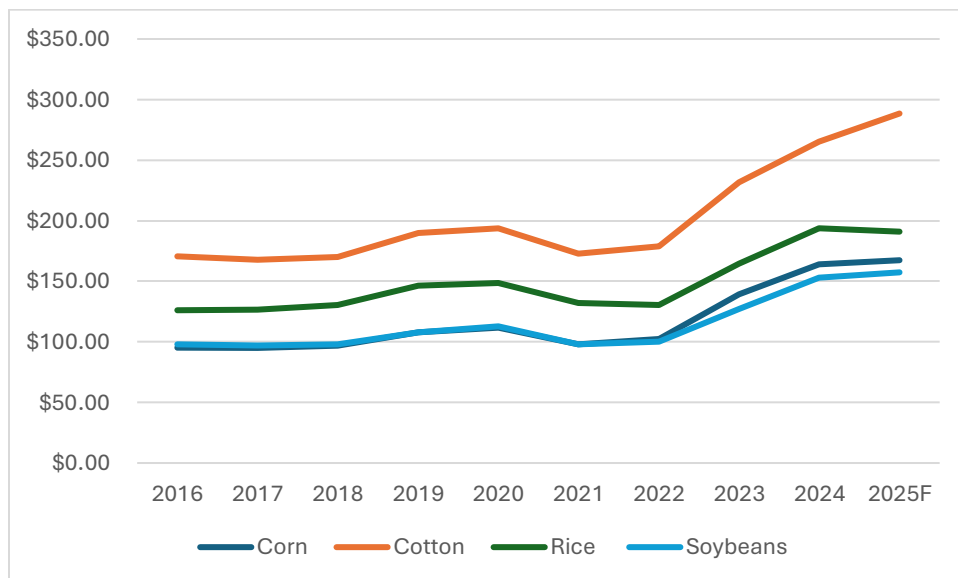


Figure 9. Combined prices of Corn, Cotton, Rice and Soybean

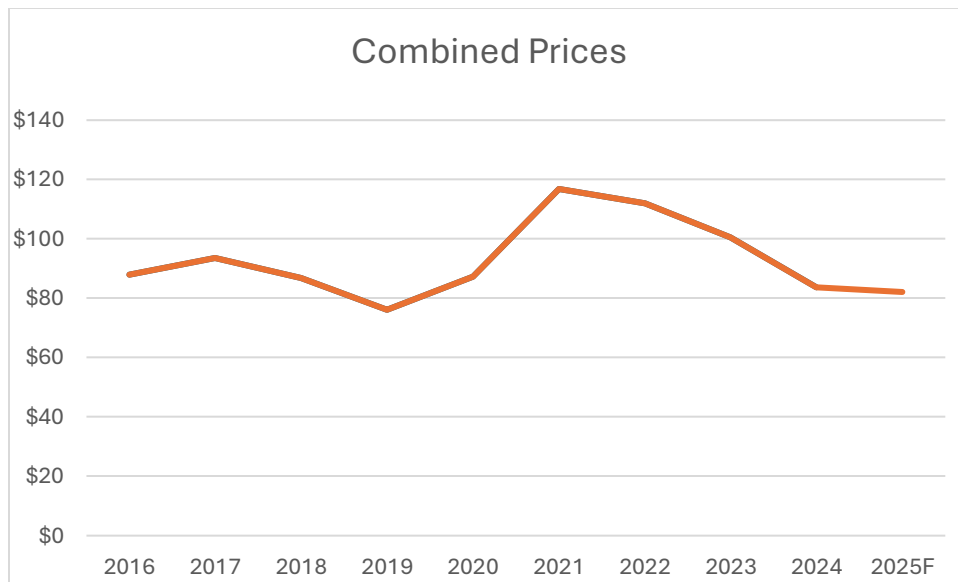


Table 1. Marketing Year Average Prices

	2020	2021	2022	2023	2024F	2025F
Corn	\$4.53	\$6.00	\$6.54	\$4.65	\$4.10	\$4.20
Cotton/100	\$66.30	\$91.40	\$84.80	\$76.00	\$63.00	\$62.00
Rice	\$12.60	\$13.60	\$16.70	\$15.90	\$14.50	\$14.10
Soybeans	\$10.80	\$13.30	\$14.20	\$12.55	\$10.00	\$10.10

Table 2. Historical and Expected Net Returns per Acre for Corn, Cotton, Rice and Soybeans.

	2020	2021	2022	2023	2024F	2025F
Corn	\$105.60	\$446.00	\$454.80	-\$352.00	-\$358.00	-\$257.00
Cotton	-\$234.40	\$100.80	-\$60.40	-\$433.80	-\$568.00	-\$568.00
Rice	-\$69.75	\$23.00	\$19.25	-\$51.25	-\$198.25	-\$157.50
Soybean	-\$46.00	\$144.50	\$175.00	-\$151.25	-\$247.00	-\$184.50

Table 3. 2025 Forecast Total Farm Net Returns – 3000 Acre Example Farms

	Corn Acres	Cotton Acres	Rice Acres	Soybean Acres	Farm Returns
Example 1			1500	1500	-\$511,500
Example 2	450	1050		1500	-\$988,050
Example 3	600	600		1800	-\$826,200
Example 4	1300			1700	-\$646,900



Figure 10. 2025 December Corn Futures

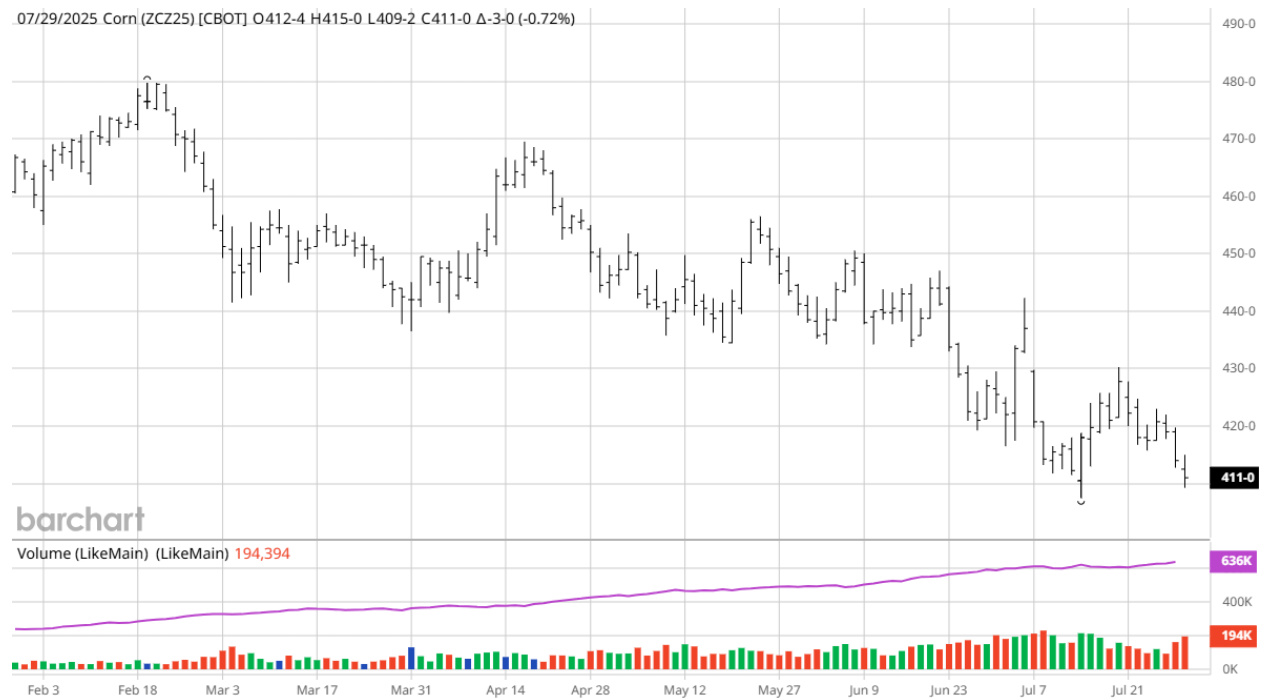


Figure 11. 2025 September Rough Rice Futures



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Figure 12. 2025 November Soybean Futures

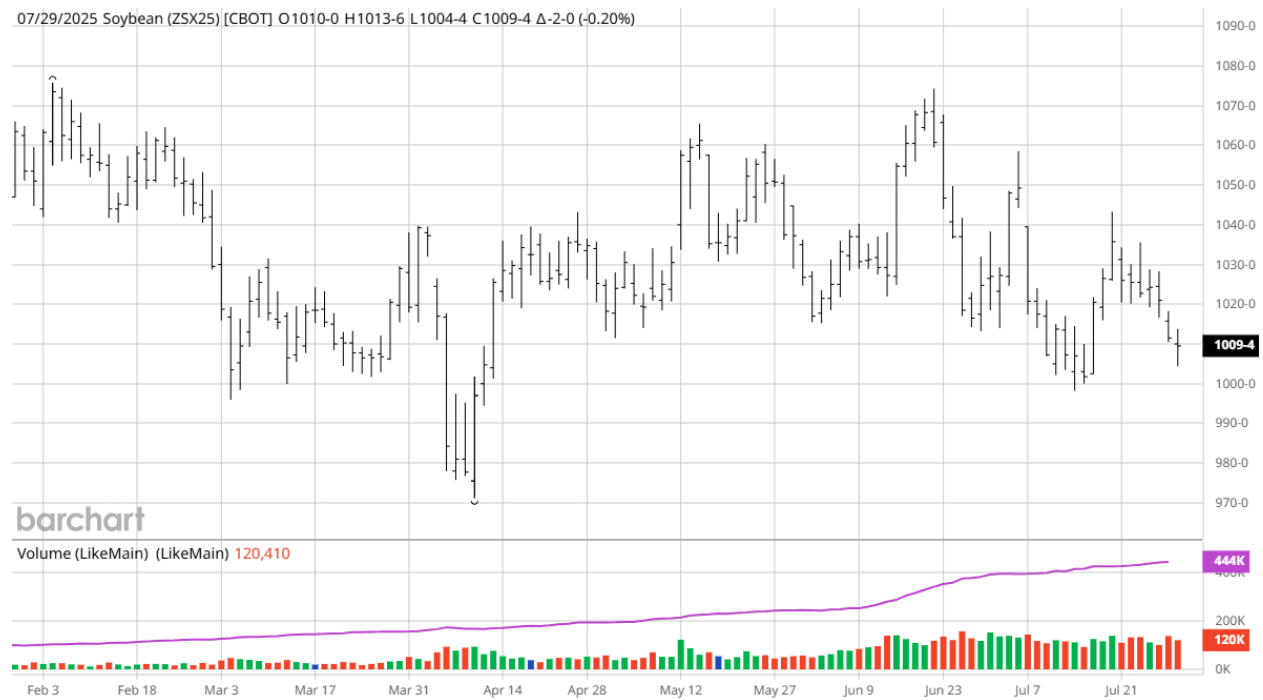
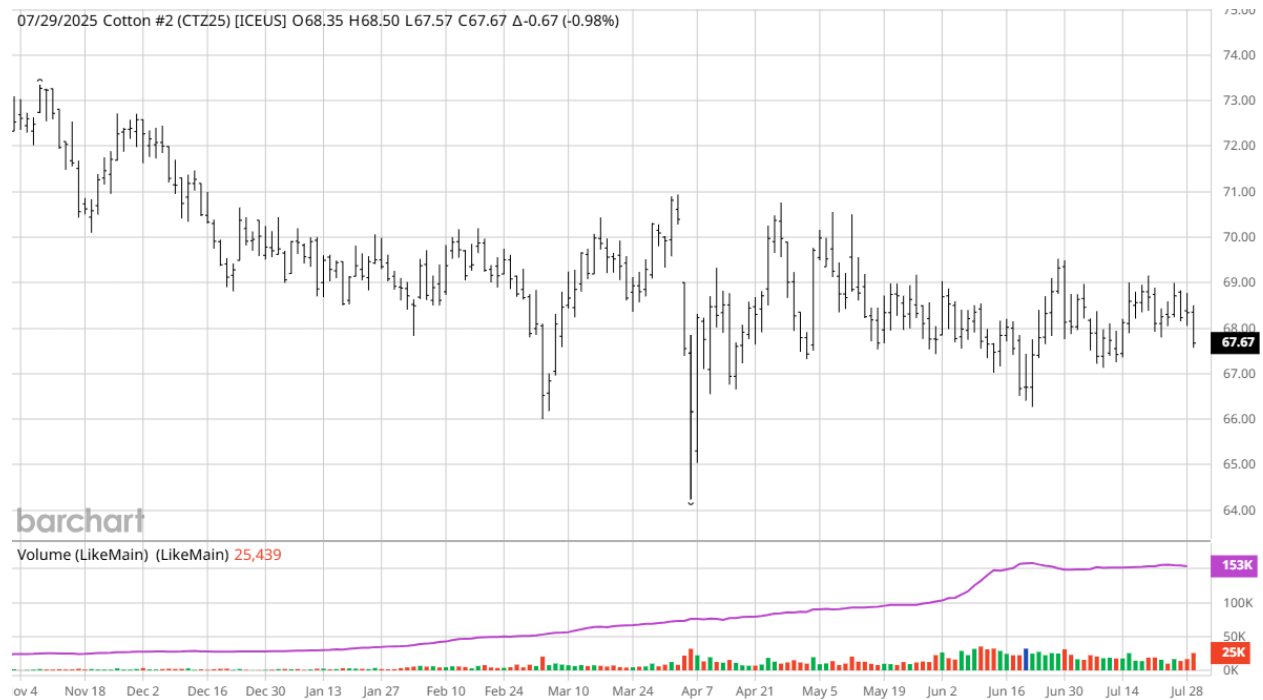


Figure 13. 2025 December Cotton Futures



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