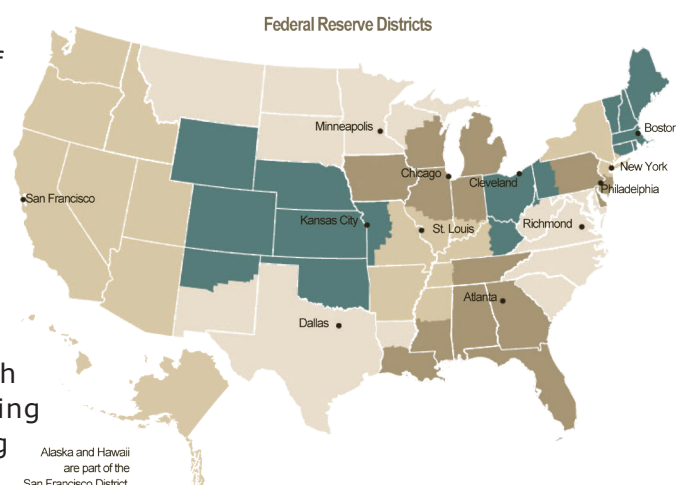


15 October 2026 – Laramie, WY

Federal Reserve Beige Book: Summary of Agricultural Conditions

The Beige Book is a Federal Reserve System publication covering current economic conditions across the 12 Federal Reserve Districts. It characterizes regional economic conditions and prospects based on a variety of mostly qualitative information gathered directly from District sources.

SINCE THE PRIOR BEIGE BOOK, two of the twelve Federal Reserve Districts reported moderate growth in economic activity. Three Districts reported modest growth, while four reported slight growth, and three reported no significant change. Robust, broad-based growth in manufacturing led the moderate growth reported in the Dallas District. While not as robust, another six Districts reported modest to moderate growth from their manufacturing firms. The remaining five Districts noted little or no manufacturing growth. Reports on other sectors indicate little growth overall. Most Districts reported little or no change in overall consumer spending. Automotive industry contacts noted flat to modestly lower sales in five of the six Districts that reported. Over half of the Districts noted that consumer spending was driven by high-income households. Even in Dallas, where District firms reported solid retail sales, there were “some reports of lower-income customers being more cautious with spending.” Tourism continued to grow, but firms in the Boston, Minneapolis, and San Francisco Districts noted a decline in sales from Canadian tourists. Overall, most Districts reported that firms have maintained a positive economic outlook for the coming months. Expectations generally point toward slight growth, concentrated in manufacturing and constrained by persistent uncertainty.



Chicago - Iowa; 68 counties of northern Indiana; 50 counties of northern Illinois; 68 counties of southern Michigan; and 46 counties of southern Wisconsin.

Expectations for 2026 District farm income edged down over the reporting period, which included the start of harvest. Heavy rains in much of the District slowed the harvest and were expected to lower yields for corn and, especially, soybeans. Farmers also were expected to spend more on fuel to dry bushels, compounding the effect of high energy prices on the costs of harvest. Corn and soybean prices again moved higher, with reports of premiums for current deliveries. Wheat and egg prices were higher, while cattle, hog, and most dairy prices declined. In parts of the District, crop insurance wasn’t expected to make up for lost income. Even so, some contacts expected farmers to replace equipment after holding off doing so in recent years.



St. Louis - Arkansas; 44 counties in southern Illinois; 24 counties in southern Indiana; 64 counties in western Kentucky; 39 counties in northern Mississippi; 71 counties in central and eastern Missouri; the city of St. Louis; and 21 counties in western Tennessee.

Agriculture conditions have not changed since our previous report. A contact in Tennessee noted that the 2026 crop should range from profitable to break even, depending on yields and support from higher commodity prices. Grower sentiment is cautiously optimistic and less focused on immediate financial risk. In Arkansas, many acres previously planted with rice were replaced by soybeans or corn. Dry conditions allowed several farmers to complete the harvest early without delays from storage or shipping. Contacts reported strong yields for cotton, soybeans, rice, and corn in Arkansas, while in Mississippi drought and high fuel costs reduced hay production.



Minneapolis - Minnesota, Montana, North Dakota, and South Dakota; the Upper Peninsula of Michigan; and 26 counties in northern Wisconsin.

District agricultural conditions were unchanged since the previous report. Early indications pointed to a significant decrease in corn production and quality in some areas compared with last year, due to impacts of summer heat and drought. Soybean and wheat production was also expected to decrease. However, a recent rally in crop prices was welcome news to farmers. Contacts were unsure what the net effect of higher prices and lower production would mean for incomes.



Kansas City - Colorado, Kansas, Nebraska, Oklahoma, and Wyoming; 43 counties in western Missouri; and 14 counties in northern New Mexico.

Agricultural economic conditions in the Tenth District were subdued alongside volatile commodity prices and increased input costs. Crop prices rose notably in early September and stayed above year-ago levels, but market conditions were volatile, and a surge in diesel prices and severe drought in some areas raised concerns about costs and revenue. A food manufacturer also cited diesel costs as a concern, with higher freight expenses expected to meaningfully affect operations and profitability. Agricultural credit conditions deteriorated gradually. While high cattle prices provided support in some areas, many lenders noted that weakness in the crop sector had a modest negative effect on broader economic conditions.



Dallas - Texas; 26 parishes in northern Louisiana; and 18 counties in southern New Mexico.

Drought conditions worsened significantly across much of the District in September, though widespread and heavy rainfall in early October helped paint a more favorable production picture going forward, supported by the expectation that an El Niño weather pattern will bring cooler and wetter weather this fall and winter. Contacts expressed optimism for the farm outlook, with strong production prospects and solid grain prices, though there is concern over high input costs—fertilizer prices are up 10 to 25 percent from a year ago and diesel prices have nearly doubled. Cattle prices remained elevated amid continued tight supplies, but they declined over the reporting period and are lower than a year ago. Imports of Mexican cattle have resumed, after more than a yearlong ban due to New World screwworm concerns, though any impact to beef prices won't likely be seen for several months.



San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, and Washington—plus American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands

Conditions in agriculture and resource-related sectors weakened somewhat. Prices that producers received for grain, forage, and row crops improved of late, and cattle prices remained near record levels. Still, elevated diesel prices raised production costs, and higher interest rates weighed heavily on capital-intensive producers. The conflict in the Middle East pushed up sulfur prices sharply, forcing some phosphate producers to curtail output. Harvest quality was reportedly good in California, while yields in Idaho were somewhat below average. A Pacific Northwest contact noted that a sizable share of West Coast vineyards had been idled due to weakening demand for wine grapes. Some contacts highlighted concerns about the developing El Niño pattern and its impact on food supply.



For more information:

For more information on other sectors of the U.S. economy or to access the complete Federal Reserve Beige Book summary, see: <https://www.federalreserve.gov/monetarypolicy/publications/beige-book-default.htm>.