



CORN CROP BUDGET LENS / 2026 TO 2027

Cheap Natural Gas. Expensive Nitrogen & Biological Nutrition Fall nitrogen commits cash to the 2027 corn margin

The farmer commits cash this fall. The return arrives with the 2027 crop. What matters is the margin that commitment can support as corn, nitrogen and weather change.

~\$2.80s

Henry Hub / MMBtu
Mid-Sep reference [1]

\$892.50

NH₃ / short ton
Illinois FOB, 4 Sep [2]

\$0.544

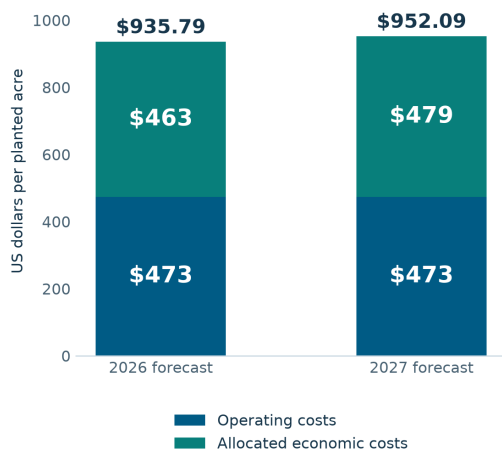
Per lb of N
82% N conversion [2]

\$5.45

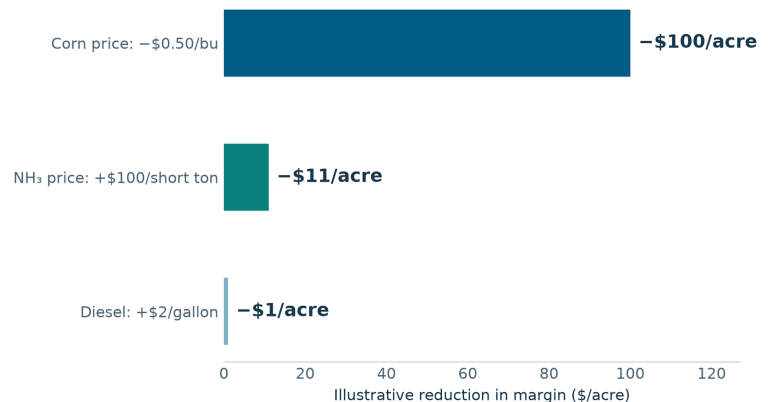
Diesel / gallon
Illinois FOB, 4 Sep [2]

Dated source-draft prices; not independently verified current quotes. FOB asks exclude farm delivery.

USDA baseline: +\$16.30 per acre



Weight the exposure in dollars per acre



Illustrative sensitivities: 200 saleable bu/planted acre; 180 lb N/acre as 82% NH₃; 0.5 gal/acre application fuel. USDA June forecasts include opportunity costs, not just cash costs. Refresh local quotes and yield assumptions.

THIN MARGINS CARRY INTO THE NEXT CROP

NCGA / ASA: 41% of corn growers expect marginal profitability; 28% expect break-even. Across surveyed growers, 46% report worsening finances. A rally cannot recover revenue on corn already sold.

Sources: USDA ERS 2026F-2027F (18 Jun 2026); Illinois machinery estimates 2023; NCGA / ASA (22 Sep 2026), 1,200+ growers surveyed 1-8 Sep. Chart sensitivities are illustrative, not price forecasts.

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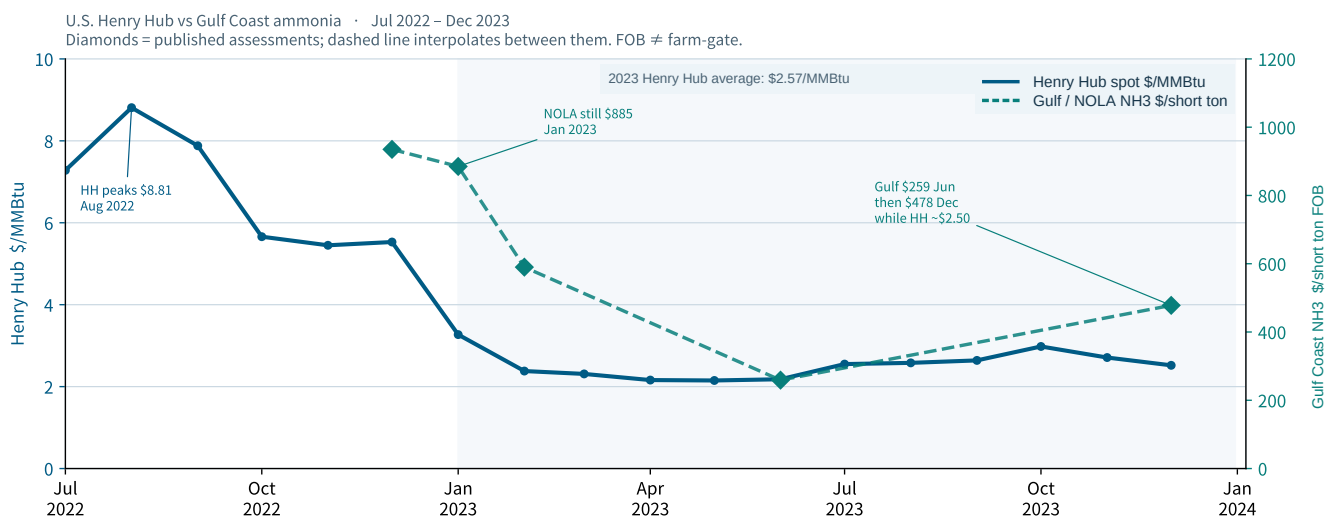
Fall N is a financial bet on the 2027 crop. Spring biology leaves another decision open, for a limited share of N needs. Compare the dollars at risk in corn and nitrogen before letting a diesel spike set the priority.



HISTORICAL EVIDENCE / GAS AND NITROGEN

Cheap natural gas does not guarantee a cheap nitrogen ton

The 2022-23 record puts the gas-to-nitrogen assumption to a useful test. Gas is one input to the business of making ammonia. The farmer buys the delivered nitrogen product.



Read the axes separately: gas is USD/MMBtu (left); ammonia is USD/short ton FOB (right). Diamonds are published ammonia assessments; dashed segments interpolate between them. FOB is not farm-gate.

WATCH WHAT THE NITROGEN TON DOES

Henry Hub averaged \$2.57/MMBtu in 2023. Gulf ammonia rose from \$259 in June to \$478 in December, while gas ended near \$2.50/MMBtu. A gas-only view would have missed the nitrogen cost moving against the farmer.

Sources retained from supplied chart: EIA Henry Hub monthly spot (RNGWHHD.M); USGS MCS 2025 / Bloomberg Green Markets Gulf FOB (Dec 2022 \$935; Jun 2023 \$259; Dec 2023 \$478); Green Markets NOLA, 13 Jan 2023 (\$885); Argus NOLA barge, 23 Feb 2023 (~\$590). Not a production-cost model.

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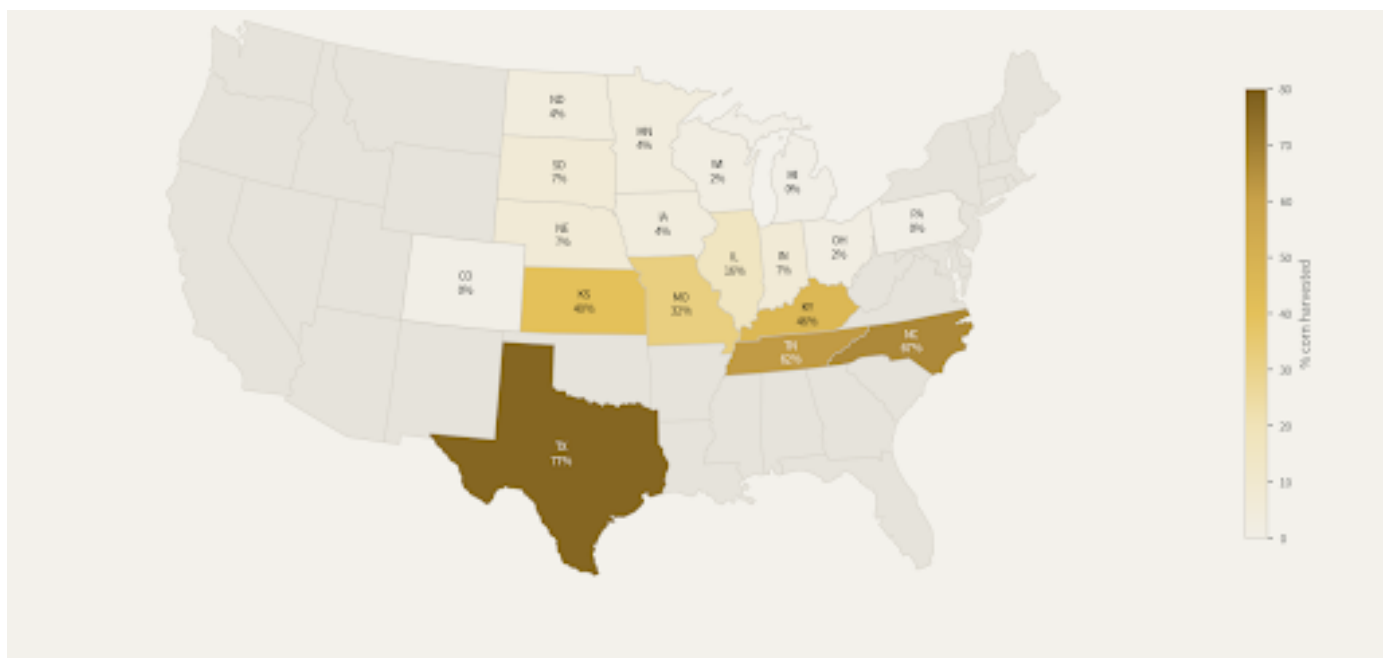
Cheap natural gas is a reason to investigate the nitrogen quote. It is not a promise of cheaper fertilizer. Compare delivered product, application and financing costs against the corn margin before committing the acre.



HARVEST PRESSURE / THE FALL NITROGEN WINDOW

Harvest opens the field. Weather sets the window.

Harvest progress gets interesting when it changes the next decision. This map shows where harvest is advancing; local access and soil conditions determine whether a farmer can use that time for fall nitrogen.



USDA NASS Crop Progress, week ending 20 Sep 2026, as cited in the supplied graphic. Gold indicates more harvest progress; gray states fall outside the displayed NASS table. State progress is not field access or nitrogen suitability.

THE FIELD HAS TO BE READY

Getting corn off the field is the first step. Suitable soil conditions must follow. Cool-soil guidance is roughly 50 F and trending colder, subject to local depth and timing rules. The farmer still has to fit equipment, financing and workable days into that window. [5,7]

Southern harvest progress does not establish fall-N suitability in the Corn Belt. Track local conditions before translating a state percentage into a farm decision.

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Where the acre sits matters. If harvest access and suitable soil conditions do not overlap, application may move to spring. A fall purchase can still commit cash; it does not guarantee a usable application window or a profitable corn crop.



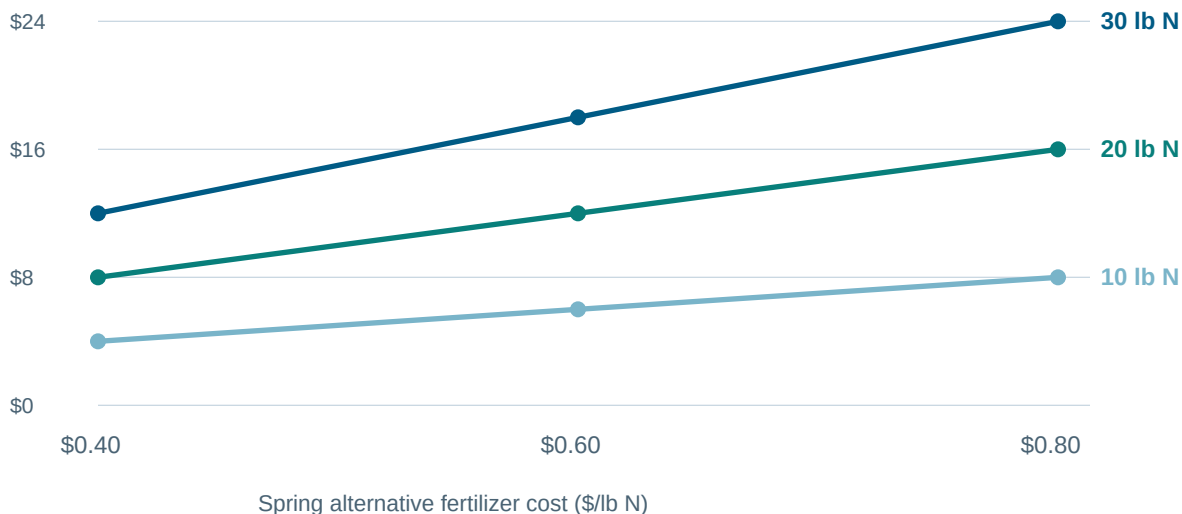
BIOLOGICAL NITROGEN / THE SPRING 2027 DECISION

Biological N has to earn its place in spring.

For this spring option, the question is how much N biology can credibly replace on this acre, and what that replacement is worth. Both the corn budget and the alternative N price can change before planting.

ILLUSTRATIVE GROSS FERTILIZER VALUE / ACRE

Value changes with spring N price and the locally supported quantity replaced.



10 / 20 / 30 lb are sensitivity cases, not product claims or a recommended credit. Values exclude biological product and incremental application costs; no yield benefit is assumed.

WHERE IT FITS DETERMINES WHAT IT IS WORTH

Start with a locally supported N contribution. It can cover only part of the plan, capped by the remaining requirement after other credits. Budget conventional N for the balance. Count the rotation credit once.

THE FARMER AND SUPPLIER SHARE AN ROI QUESTION

Compare fertilizer avoided with product and added application costs. Cheaper spring N reduces the saving; weaker corn margins limit what the farmer can risk. Both matter to supplier adoption.

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Biological N has to earn its place in the spring budget. Test a credible local contribution against the fertilizer it can replace. Higher N prices can improve that value without making the whole corn crop profitable.



FROM PUBLIC SIGNAL / TO A LOCAL DECISION

One nitrogen quote. Different farm decisions.

The same nitrogen quote can lead two farmers to different decisions. Rotation, soil, working capital and corn sales change the answer. National averages start the conversation; the local budget determines what to do next.

BRING THREE QUESTIONS

- 1 Which wins per acre: fall NH₃, spring NH₃ or UAN at planting, after delivery, fuel, financing and timing risk?
- 2 How do high or low input costs change margin at different cash corn prices and weather-sensitive yields?
- 3 How much N can biology credibly replace in spring, and does it pay at lower N prices and weaker corn margins?

Bring one Decision: region + N product + application window.

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Bring the region, rotation and decision window. An Aluvial paid deep dive connects the budget with biological response, soils and weather at county or sub-county resolution where supported. Local evidence still sets the limits.

SOURCES AND DATA NOTES

[1] Henry Hub and [2] Illinois NH₃/diesel figures are dated references from the supplied source draft; underlying reports have not been independently verified for this edition. [7] Harvest map: supplied graphic citing NASS, 20 Sep 2026. [5,6] Apply local extension guidance for fall N and rotation credits. Biological-N scenarios illustrate economics, not verified product performance. USDA budget and NCGA survey sources appear on page 1.

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A better decision starts with knowing what could change it. Compare fall and spring N on the same acre, then vary corn price, yield and credible biological contribution. Identify where the margin holds and where the decision needs to change.