



A Benchmarking Approach to Evaluating Price, Yield, and Input Price Variability on Per-acre Net Returns for CY2026

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As CY2026 approaches, growers will be evaluating decisions regarding crop rotation, planting, marketing, and the procurement of input supplies. Uncertainty surrounding commodity markets and input supply chains is a common theme within the agricultural community. While fertilizer, fuel, and chemical prices are likely to remain elevated by historical standards, growers can evaluate the impact this uncertainty could potentially have on their bottom line via *benchmarking analysis*. Benchmarking is measuring the financial performance of a crop enterprise and comparing present performance with the past. Benchmarking parameters are customizable allowing growers to input their farm's unique historical data. This then allows for the establishment of internal trends, unique to a particular grower and operation.

A Microsoft Excel® spreadsheet was developed by the LSU AgCenter for corn, cotton, grain sorghum, rice, and soybean crops, aiding growers in evaluating the magnitude to which varying market prices, expected yields, and farm input prices could collectively affect per-acre net returns for specific crops for their operation. Higher market prices may partially offset rising input costs but may fail to consider the impact that average or below average yields could have on crop profitability (or margin). Additionally, rental mechanisms may also play a role in assessing the expected performance of the 2026 crop in relation to that crop's performance over the past four years. To facilitate comparison, an enterprise budget which is relative to the rental mechanism employed has also been constructed. Therefore, it is useful to simultaneously consider all these factors when evaluating marginal returns and return on investment (ROI) on a crop-by-crop basis.

Growers are asked to input expected selling price, expected yield per acre, and land rent mechanism (cash amount or share rental percentage). The grower's share of gross revenue is then calculated based on these inputted values. The variable cost per acre for custom operations, diesel fuel, digital ag fees/services, drying, fertilizer, fungicide, herbicides, insecticide, hauling, insecticides, labor, seed, repair, interest on operating capital, and miscellaneous are then inputted by the grower. Total variable cost per acre, grower's share of Net Returns Above Variable Costs (NRAVC), ROI, breakeven yield, and breakeven price are then calculated subject to commodity-specific parameters.

An example of cash rented corn is presented in this report. The benchmarking methodology requires that historical farm data and input parameters be used for an internal comparison of the farm's projected costs and returns for corn in 2026. The ROI and breakeven analysis are also performed by the management tool subject to the farm information used. [BLUE](#) cells can be custom input by growers so as to customize those farm specific parameters relative to their farming operation for that specific crop. Formulas and graphs will automatically adjust subject to the incorporated data (and read right to left in all tables and graphs).

Corn					
	2026	2025	2024	2023	2022
Price (\$/bu)	\$4.41	\$4.10	\$4.20	\$4.65	\$6.54
Yield (bu/ac)	180	180	180	180	180
Gross Revenue (\$/ac)	\$793.80	\$738.00	\$756.00	\$837.00	\$1,177.20
Land Rent					
Cash Rent Paid (\$/ac)	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00
Grower's Gross Revenue	\$668.80	\$613.00	\$631.00	\$712.00	\$1,052.20
Variable Costs (\$/ac)					
Custom Operations	\$57.00	\$57.00	\$37.00	\$34.00	\$34.00
Diesel Fuel	\$49.00	\$49.00	\$61.00	\$70.00	\$52.00
Digital Ag Services	\$12.00	\$12.00	\$12.00	\$12.00	\$11.00
Drying	\$36.00	\$36.00	\$34.00	\$36.00	\$36.00
Fertilizer - N	\$153.00	\$109.00	\$126.00	\$183.00	\$160.00
Fertilizer - P	\$32.00	\$24.00	\$25.00	\$27.00	\$20.00
Fertilizer - K	\$27.00	\$23.00	\$26.00	\$42.00	\$35.00
Fungicides	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Herbicides	\$41.00	\$41.00	\$46.00	\$48.00	\$44.00
Hauling	\$59.00	\$59.00	\$44.00	\$44.00	\$44.00
Insecticides	\$3.00	\$3.00	\$6.00	\$10.00	\$9.00
Labor	\$17.00	\$17.00	\$16.00	\$16.00	\$16.00
Seed	\$126.00	\$126.00	\$131.00	\$130.00	\$118.00
Repair	\$31.00	\$31.00	\$29.00	\$26.00	\$24.00
Misc.	\$66.00	\$66.00	\$11.00	\$11.00	\$10.00
Interest on Capital	\$25.00	\$25.00	\$27.00	\$13.00	\$12.00
Total Variable Costs (\$/ac)	▼ \$734.00	▼ \$678.00	▼ \$631.00	▼ \$702.00	▼ \$625.00
NRAVC to Grower	-\$65.20	-\$65.00	\$0.00	\$10.00	\$427.20
ROI	-8.88%	-9.59%	0.00%	1.42%	68.35%
Change in NRAVC 2026 compared to historical		-\$0.20	-\$65.00	-\$75.00	-\$492.20
Change in NRAVC 2026 compared to historical		0.70%	-9.59%	-11.01%	-77.94%
Breakeven Yield Needed margin 2026 compared to historical	166.4	165.4 1.1	150.2 15.1	151.0 14.4	95.6 69.8
Breakeven Price Needed margin 2026 compared to historical	\$4.08	\$3.77 \$0.31	\$3.51 \$0.26	\$3.90 -\$0.13	\$3.47 \$0.29

Enter expected 2026 selling price and yield along with the farm's historical average prices/yields from the previous 4 years.

Example is for cash-rented corn.

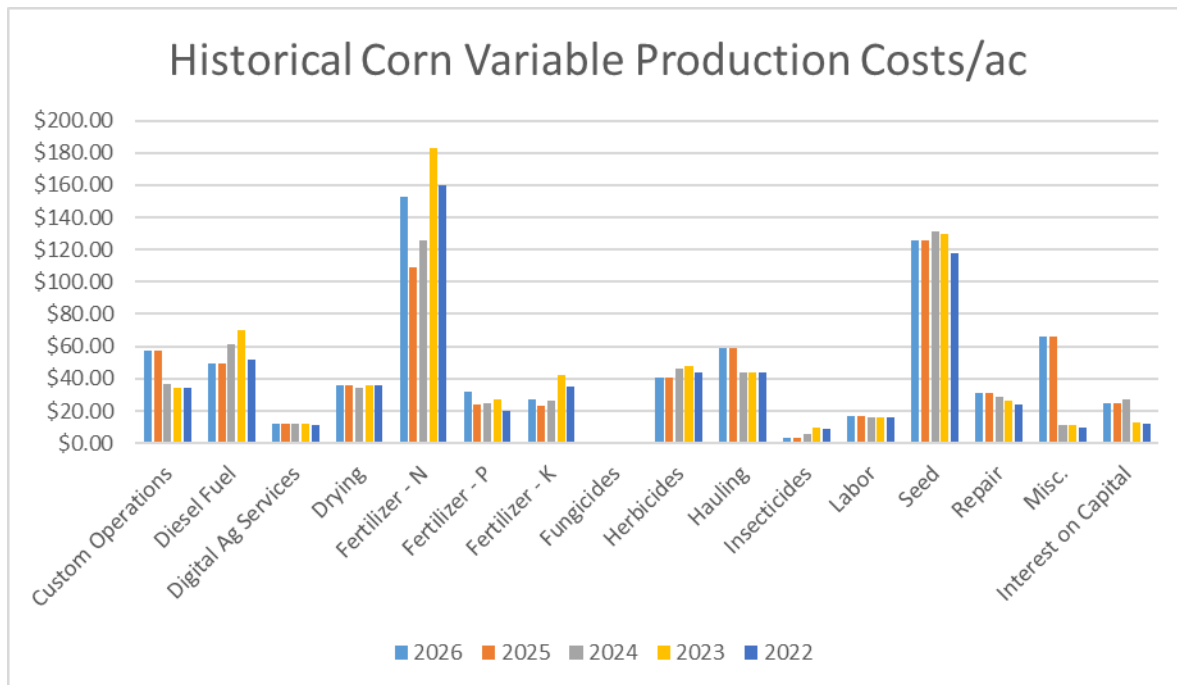
Enter early projections for 2026 corn production costs along with average production costs from the previous four years.

Total variable costs are calculated for 2026 and from the previous four years. NRAVC and ROI are then calculated for a benchmarking comparison.

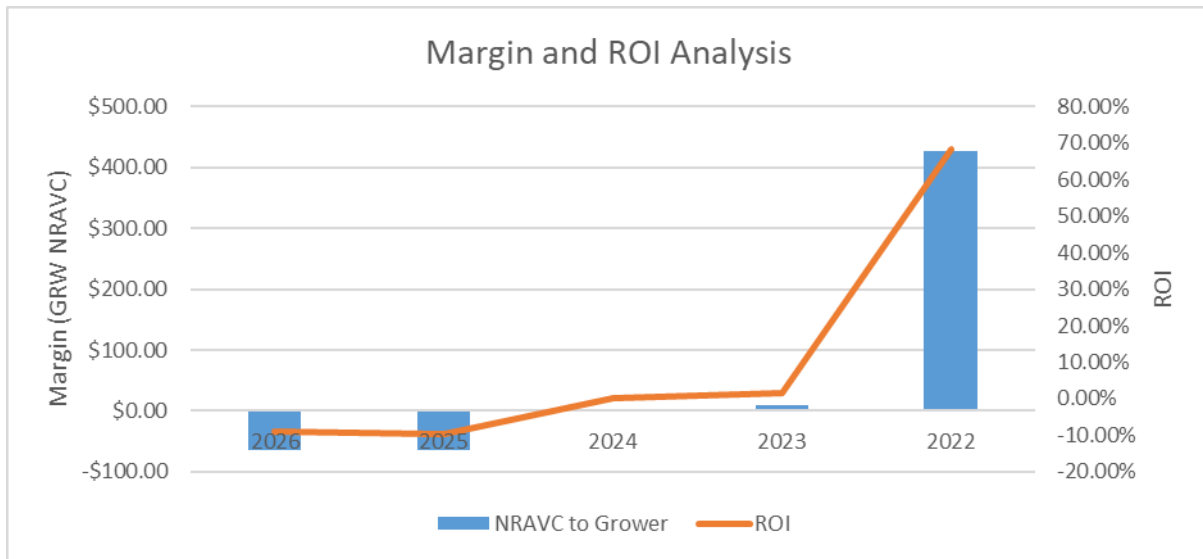
Breakeven yield and selling prices are compared for the corn crop.

In evaluating the benchmarking results for cash rented corn *example*, the expected selling price for corn in 2026 is estimated by the grower to be \$4.41 per bushel. Variable production costs for 2026 are estimated by the grower to increase over levels sustained in 2025. The ROI in 2026 marginally improves compared to 2025 but remains negative here in this example. This type of analysis indicates that a decrease in price received is coupled with increases production costs resulting in lower NRAVC in 2026 as opposed to 2025 levels for cash rented corn based on grower-specified information.

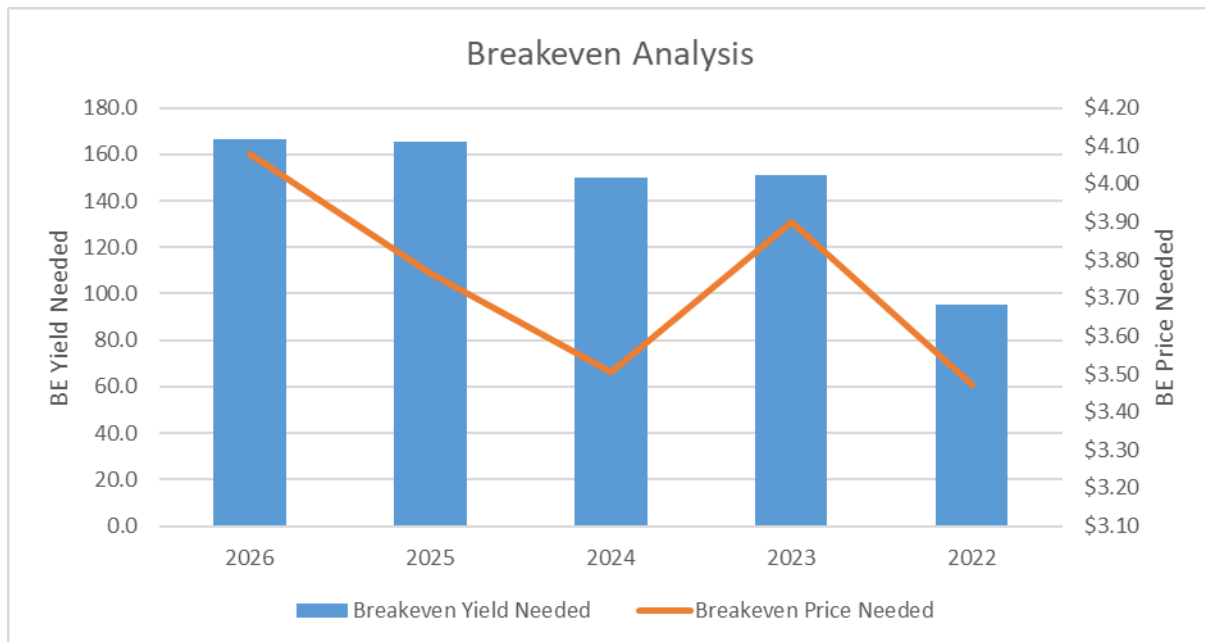
Graphical representation of the grower-specified production costs for the full five-year period can provide an illustration as to the magnitude of the projected 2026 input pricing and expenditure level per planted acre. From the graph below, nitrogen fertilizer costs and herbicide costs are two cost categories that are projected to increase subject to grower-specified data.



ROI is defined as the grower's NRAVC per acre divided by the total variable cost per acre. Although there is no set rule for what this percentage should be, positive returns are sought. The higher the ROI, the larger degree to which profits (margin) offset the investment made via inputs to grow the crop. The inclusion of ROI into this management tool provides growers with a unique ROI number based on the farm's individual characteristics and expected price, yield, and input usage relative to historical performance.



Another useful graphical aid is the breakeven analysis of yield and price (below). Breakeven price is also referred to as the *cost of production per unit*. From grower-specified information, breakeven yield has increased for the 2026 crop year, with 166.4 bushels per acre needed to break even in 2026 as opposed to 165.4 bushels in 2025, this is primarily the result of decreased corn prices. By projecting a yield that follows historical farm trends, the 2026 breakeven price for corn is projected at \$4.08 per bushel (given the assumptions in the model). Based on an anticipated selling price of \$4.41 per bushel, which is lower than the 2025 selling price, it is still slightly higher than the projected 2026 breakeven price of \$4.08, which will, theoretically, allow producers to realize a net profit when only variable costs are considered.



This file report contains downloadable, customizable Excel® worksheets for the following crop and rental mechanism (listed in table below).

Corn	Cash Rent	Share Rent
Cotton	Cash Rent	Share Rent
Grain Sorghum	Cash Rent	Share Rent
Rice	Cash Rent	Share Rent
Soybeans	Cash Rent	Share Rent

It should be noted that market price information and expected crop yields are presented for educational purposes only and *do not* reflect any official forecast by the authors for CY2026. However, unit prices for both fertilizer and diesel fuel *have* been adjusted based on regional trends to date. Unit prices for nitrogen are currently estimated at \$0.73 per pound of active ingredient, phosphate at \$1.06 per pound of active ingredient, and potash at \$0.45 per pound of active ingredient. The price for farm diesel is estimated to be \$2.83 per gallon. Variable cost expenditures, both on a per-acre and a unit quantity that have been applied for other specified categories were drawn from historical LSU AgCenter enterprise budgets for the 2025-2021 crop years. Other costs in 2026 are set at values equal to 2025 expenditures per category. These assumptions have been applied to all crops and rental spreadsheets that accompany this report. The management intensity of a crop will vary field-to-field as will fertilization requirements and weed, disease, and insect pressures. To model input price volatility and supply chain disruptions, growers are strongly encouraged to adjust these spreadsheets based on their specific farming situation.

This report and accompanying spreadsheet can be access electronically at: https://www.lsuagcenter.com/portals/our_offices/departments/ag-economics-agribusiness/extension_outreach

Appreciation is extended to the Louisiana Rice Research Board, the Louisiana Soybean and Feed Grain Research and Promotion Board, and the Louisiana Support Committee of Cotton Incorporated for their support of this applied research.



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