



# NCGA Economic Insights

## TRANSPORTATION TOPICS

FARM PROGRESS SHOW | AUG. 26, 2025

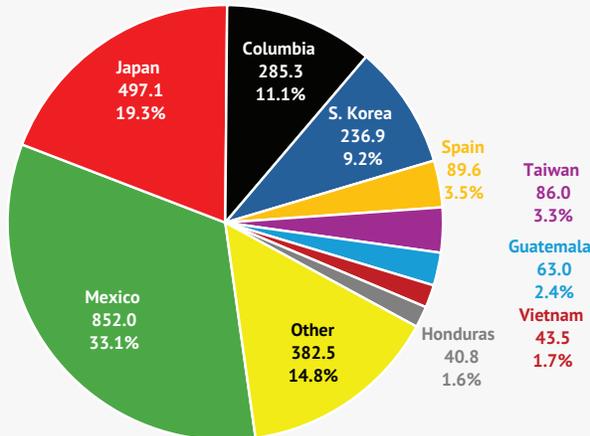
### Transporting A Record Corn Crop

The United States is a global leader in corn production, expected to produce a record 16.7 billion bushels of corn on 97.3 million planted acres in 2025. If realized, that means we have 1.4 billion bushels more corn to move around than we ever have before, and we're going to need logistics to keep up.

Exports is the use segment with the most complex transportation needs: virtually all corn traveling greater distances and on multiple modes of transport.

The function of the transportation system can make or break the ability of U.S. corn to get to markets.

#### 2024/2025 Marketing Year: Accumulated Exports To Date



Source: USDA FAS Weekly Exports Sales Data as of 8/14/25, NCGA Calculations

### About NCGA

Founded in 1957, the National Corn Growers Association represents nearly 36,000 dues-paying corn growers and the interests of more than 500,000 farmers who contribute through corn checkoff programs in their states. NCGA and its affiliated associations in 27 states work together to help protect and advance corn growers' interests.

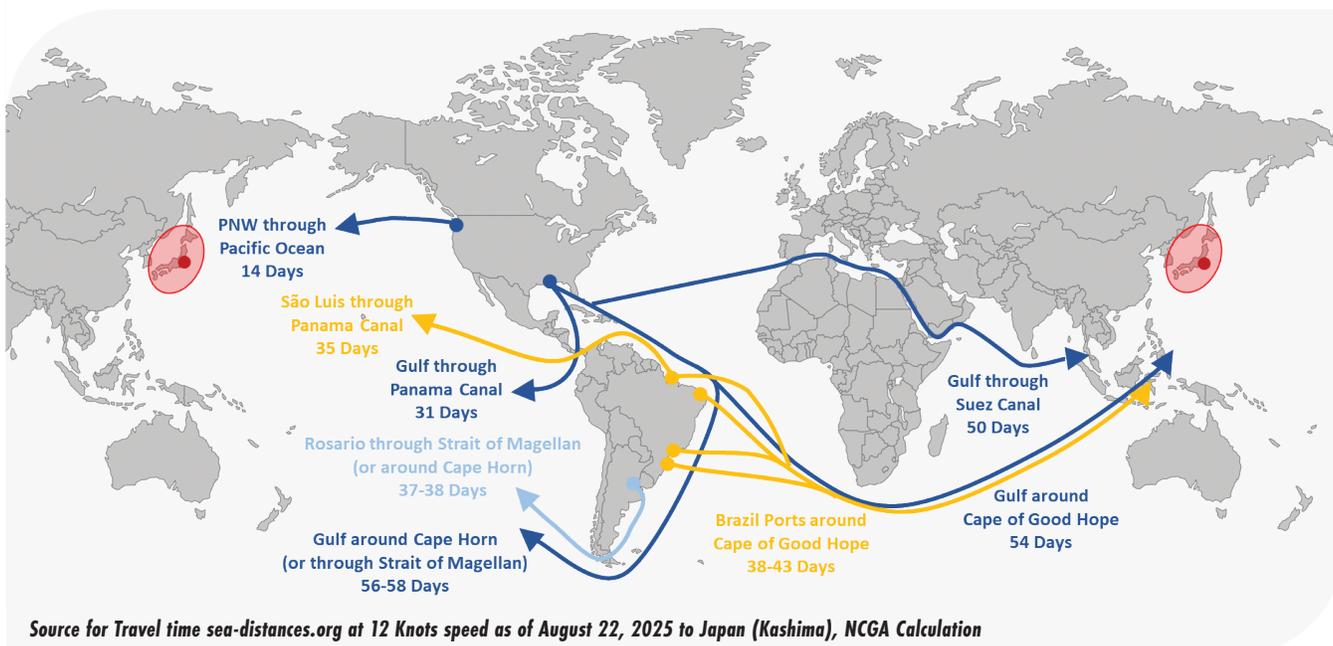


### Rail Restrictions

Mexico is the top export market for U.S. corn. About 2/3 of the grain the U.S. ships to Mexico moves by rail. Last year there were rail capacity issues and freight delays during harvest. Mexico is expected to import even more of this year's U.S. corn crop making this an issue to watch. A repeat of disruptions in rail transport to Mexico could erode the U.S.'s proximity advantage, cause storage backups, and weaken basis.

## Maritime Shipping Rates and Availability Concerns

U.S. corn competes with other exporters not only on the price of corn, but also the price of freight. Tariffs and global tensions have rerouted the U.S. Ocean freight industry as trade flows shift. Regardless if due to water levels, tariffs, or war, re-routes add shipping times and raise the cost of getting U.S. products to importer nations. This year ocean freight rates have been running lower than the past few years but have recently been rising on strong grain demand. Another wildcard are fees on ships, build, owned, or operated by China set to go into effect on October 14 – right in the middle of harvest season. While the current rule includes exemptions assumed to largely cover ag exports on dry bulk vessels, there are likely cost and availability implications for other shipments of goods like inputs and machinery coming into the U.S.



## Barge Capacity on the Mississippi River

About 60% of U.S. grain for export is shipped by barge on the Mississippi River. The aging lock and dam systems weren't designed for today's massive 15-barge tows carrying over 750,000 bushels, leading to delays and increased costs. Low water levels, a recurring problem during harvest in recent years, reduces draft allowances and exacerbates delays and higher costs. The National Weather Service outlook for August 21 through November 30 shows persisting drought along the lower Mississippi, a sign of possible low water levels during harvest.

**Why Transportation Matters:** The U.S. has what is estimated to be a massive 16.7B bushel corn crop coming online this fall and potential for record exports. But there are transportation issues that could threaten competitiveness and bring risk of missing market opportunities. Ultimately transportation snafus could result in further downward pressure on already low corn prices.



NCGA Economist Team

Krista Swanson Gretchen Kuck

swanson@ncga.com

kuck@ncga.com

