



PHYSICAL MARKETS AND FARM ECONOMICS

2027 Intermediate Biofuel Oilseeds: How Corn and Global Markets Shape the Opportunity

Today's market signals. Fall 2027 planting. The 2028 harvest.

The 2027 Decision is whether a contracted intermediate oilseed improves whole-rotation profit under today's cost base - not corn vs oilseed as a slogan.

Stronger corn prices help farm margins. They do not settle the acreage decision. A contracted intermediate oilseed's opportunity depends on yield, costs, the buyer and the economics of the whole rotation.

-\$103/acre

2025 U.S. corn full-cost return [1]

\$4.80/bu

USDA 2026/27 farm-price outlook [2]

+2.5 cents

Dec 2027 vs Dec 2026 futures [3]

New-crop corn futures carry vs this year's contract.



U.S. supply tightens

September USDA cuts expected yield to 178.5 bu/harvested acre and stocks to 1.567 billion bushels. Planted area is 96.8 million acres, down 2.0 million from 2025. [2]

Brazil demand absorbs supply

USDA keeps 2026/27 production at 139 MMT, raises domestic use to 102 MMT and trims exports to 43 MMT. Export availability matters alongside production. [2]

A global price signal

World corn use is projected at 1,320.23 MMT against production of 1,290.95 MMT. Regional farm margins determine how producers can respond. [2]

Brazil and Argentina show who can respond to a stronger corn price with acres - that sets the competitive backdrop for a U.S. intermediate oilseed contract.

The Aluvial signal: A higher corn price can coincide with thin farm returns. Track the price, cost and biological window together to see where a contracted intermediate oilseed could improve the 2027-28 rotation.

Falsify if Dec-27 corn carry collapses or full-cost corn returns clear without needing an intermediate crop.

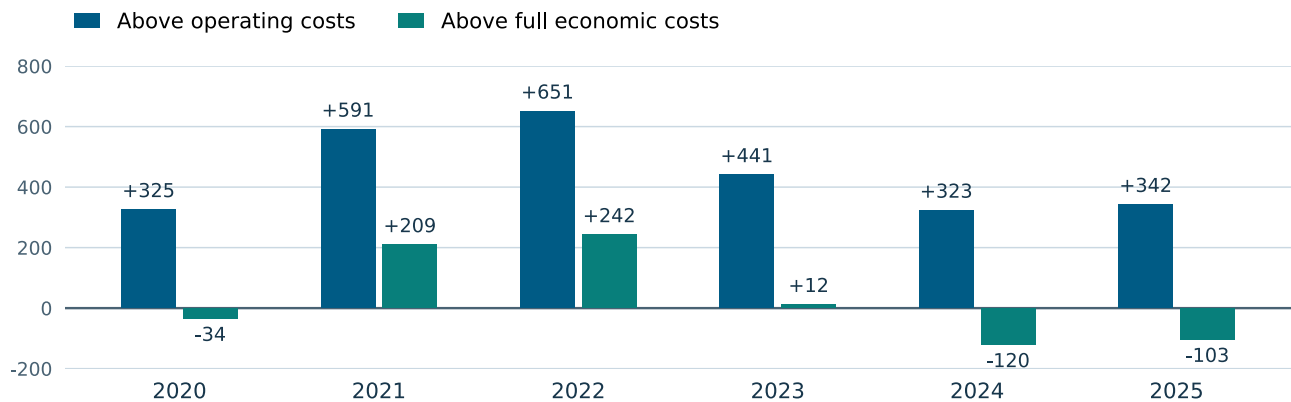
U.S. CORN RETURNS BY YEAR

Price recovery meets a higher cost base

Takeaway: corn prices rebounded after 2020 lows, but the cost base rose with them - recovery does not automatically restore full-cost returns.

USDA corn enterprise returns, USD per planted acre. Operating returns must still support land, labor, machinery and overhead. Full-cost returns include those economic costs. [1]

USD / planted acre | 2020-2025



2025 is preliminary. National enterprise benchmarks, not whole-farm net income. ERS values production at harvest prices. [1]

WHAT COULD 2026 EARN?

At the USDA 2026 cost benchmark of \$935.79/acre, yield changes the answer. Scenarios assume every planted acre produces grain, with no other revenue. [1-3]

Saleable yield bu/planted acre	Full return at \$4.80/bu	Full return at \$4.9375/bu	Break-even price \$/bu
180	-72	-47	5.20
200	+24	+52	4.68
220	+120	+150	4.25

\$4.80 is USDA's season-price outlook; \$4.9375 is Sep 10 Dec-26 futures less Osage's \$0.40 basis - one Iowa quote, not a national price. Aluvial sensitivities, not USDA net forecasts.

2027 check: At 180 bu/acre, the 2.5-cent futures premium adds \$4.50/acre. USDA projects a \$16.30/acre rise in total costs. At unchanged yield and basis, that leaves the margin \$11.80/acre lower. [1,3]

SOUTH AMERICA: THE REGIONAL ECONOMICS

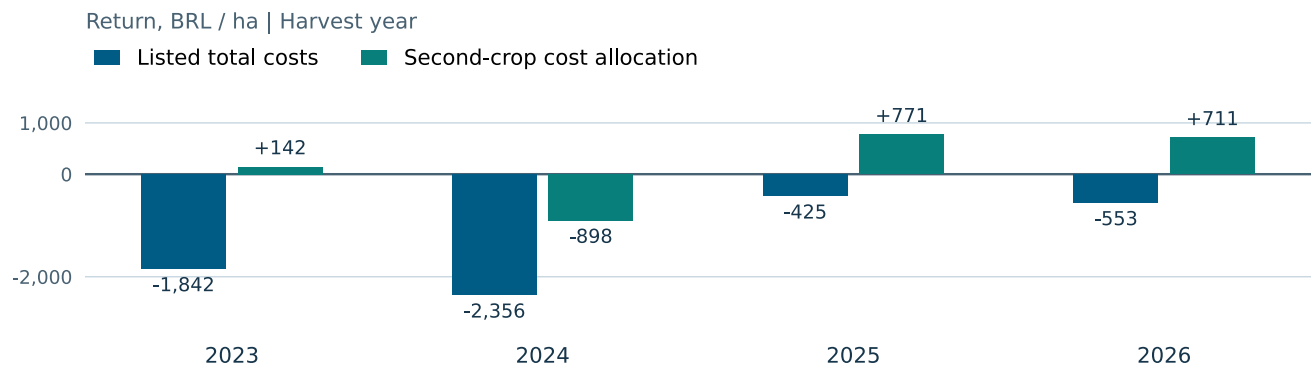
The rotation and the lease can change the answer

Brazil and Argentina show who can respond to a stronger corn price with acres - that sets the competitive backdrop for a U.S. intermediate oilseed contract.

Regional prospective budgets illustrate incentives. They are not realized national nets, and cost definitions differ from USDA.

BRAZIL / MATO GROSSO DO SUL

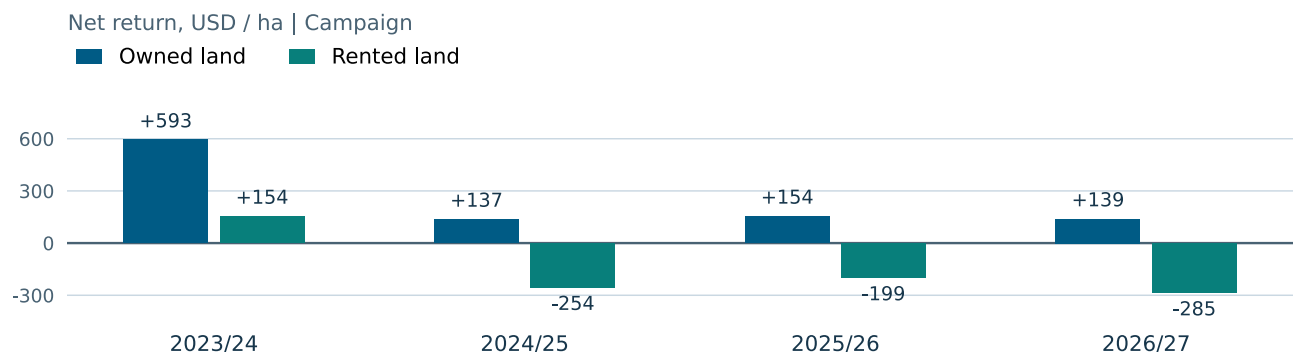
Takeaway: second-crop cost allocation can flip the answer - count every cost once in the full rotation.



Aprosoja/MS budgets [4]. Second-crop case allocates/excludes some corn costs when it follows soybeans. 2026 uses stated BRL51; sack-cost columns imply BRL54.

ARGENTINA / ZONA NUCLEO NORTE

Takeaway: owned vs rented tenure flips the net - same corn price, different land cost.



Government second-quarter outlooks [5], before income tax. Owned land is not charged USDA-style imputed rent. June 2026 budgets put first-crop soybean nets \$178/ha above corn under either tenure.

Watch next planting windows: Argentina early corn in spring, later window around December-January. Brazil second corn follows soybean harvest into early 2027. Weather and soybean timing can limit a response to stronger prices. [6,7]

THE 2027-28 INTERMEDIATE OILSEED OPPORTUNITY

Earn the place in the whole rotation

SPRING 2027 / CHOOSE THE MAIN CROP

Compare corn with soybean and other local margins, including cash needs. Current prices inform 2027 choices; they cannot change U.S. acres already planted in 2026.

FALL 2027 / TEST THE ESTABLISHMENT WINDOW

Corn, spring wheat, barley, sorghum and cotton create different openings. Harvest date, residue, moisture and winter survival determine where an intermediate oilseed may fit.

HARVEST 2028 / PROTECT THE FOLLOWING CROP

Test oilseed harvest timing against soybean establishment. May-June is a target to evaluate by crop and region; later maturity can change the following crop's return. [8]

Intermediate oilseeds here means contracted winter/relay platforms (camelina, carinata, pennycress-class / CoverCress-type). They earn a rotation slot only when offtake improves whole-rotation profit after establishment risk and the following crop - not from corn price alone.

THE CONTRACT MUST ADD ROTATION PROFIT

The contract must add rotation profit. At an assumed 1,000 lb/acre, 1 cent/lb adds \$10/acre. A hypothetical \$50/acre following-crop loss consumes 5 cents/lb before added oilseed costs. Crush/RD offtake terms (timing, quality, delivery) decide value. Clean-fuel demand and tax-credit / LCFS-style incentives are why buyers are diligencing contracted oilseeds - fuel incentives are not automatically a farmer premium.

Which region and rotation should Aluvial examine?

Bring one Decision - region + rotation - to an Aluvial Goal Session: aluvial.ai/goal-session

Falsify if Dec-27 corn carry collapses or full-cost corn returns clear without needing an intermediate crop.

SOURCES AND RELEASE NOTES

[1] USDA ERS corn annual accounts and June 2026 cost forecasts (2026F-2027F).

[2] USDA September 2026 WASDE, U.S. and world corn tables.

[3] Osage Co-op futures and cash bids, September 10 snapshot, before Sep 11 WASDE.

[4] Aprosoja/MS corn budgets, harvest years 2023-2026; calculated returns.

[5] Argentina SAGyP quarterly margins, 2023-2026, Zona Nucleo Norte, PDF page 6.

[6] USDA FAS Brazil Grain and Feed Annual, seasonal context.

[7] USDA FAS Argentina Grain and Feed Update, normal early and late planting windows.

[8] UMN Extension, winter camelina; crop-specific maturity and rotation context.

[Map] Natural Earth boundaries. Country context only; no crop-mask or suitability inference.

Refresh futures/cash quotes before September 18 publish. Dated budgets show the questions Aluvial connects; this edition does not claim a proprietary acreage or oilseed-suitability forecast. Policy as demand context only - no credit \$/gal, SOW, or rate-card numbers.