DIVISION OF AGRICULTURE
RESEARCH & EXTENSION
University of Arkansas System

UNIVERSITY OF ARKANSAS
Dale Bumpers College of Agricultural, Food & Life Sciences

Iran Conflict Farm Impact

September 2026 Update

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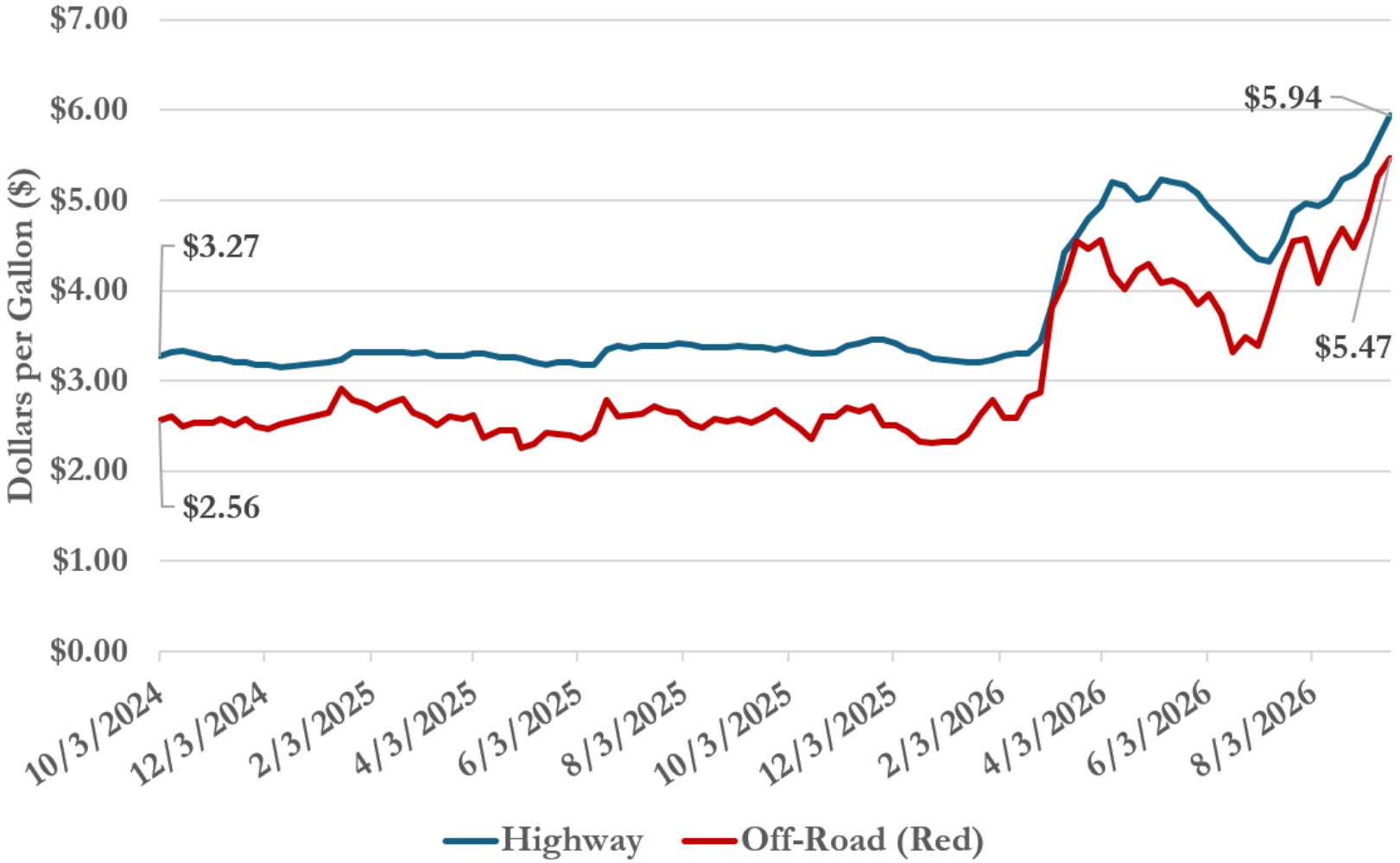
Farm and Highway Diesel Prices

October 2024 – September 2026



2025 Avg Farm Diesel Price:
$2.46

2026 Avg Farm Diesel Price:
$3.84

2026 Avg Farm Diesel Price – Post Iran Conflict (March – September 2026):
$4.22

2026 Average Farm Diesel Prices

	Farm Diesel	Farm % Above UA'26 Budget ($2.46/gal)
March – May (Planting Season)	$4.17	69.6%
Aug – Current (Harvest Season)	$4.72	92.0%
Current Price	$5.47	122.4%
Farm Season Average Price	$4.22	72.0%

2026 Average Hwy Diesel Prices

	Highway	Hwy % Above UA'26 Budget ($2.46/gal)
March - May	**$4.90**	**99.0%**
Aug - Current	**$5.31**	**115.7%**
Current Price	**$5.94**	**141.5%**
Farm Season Average Price	**$4.93**	**100.5%**

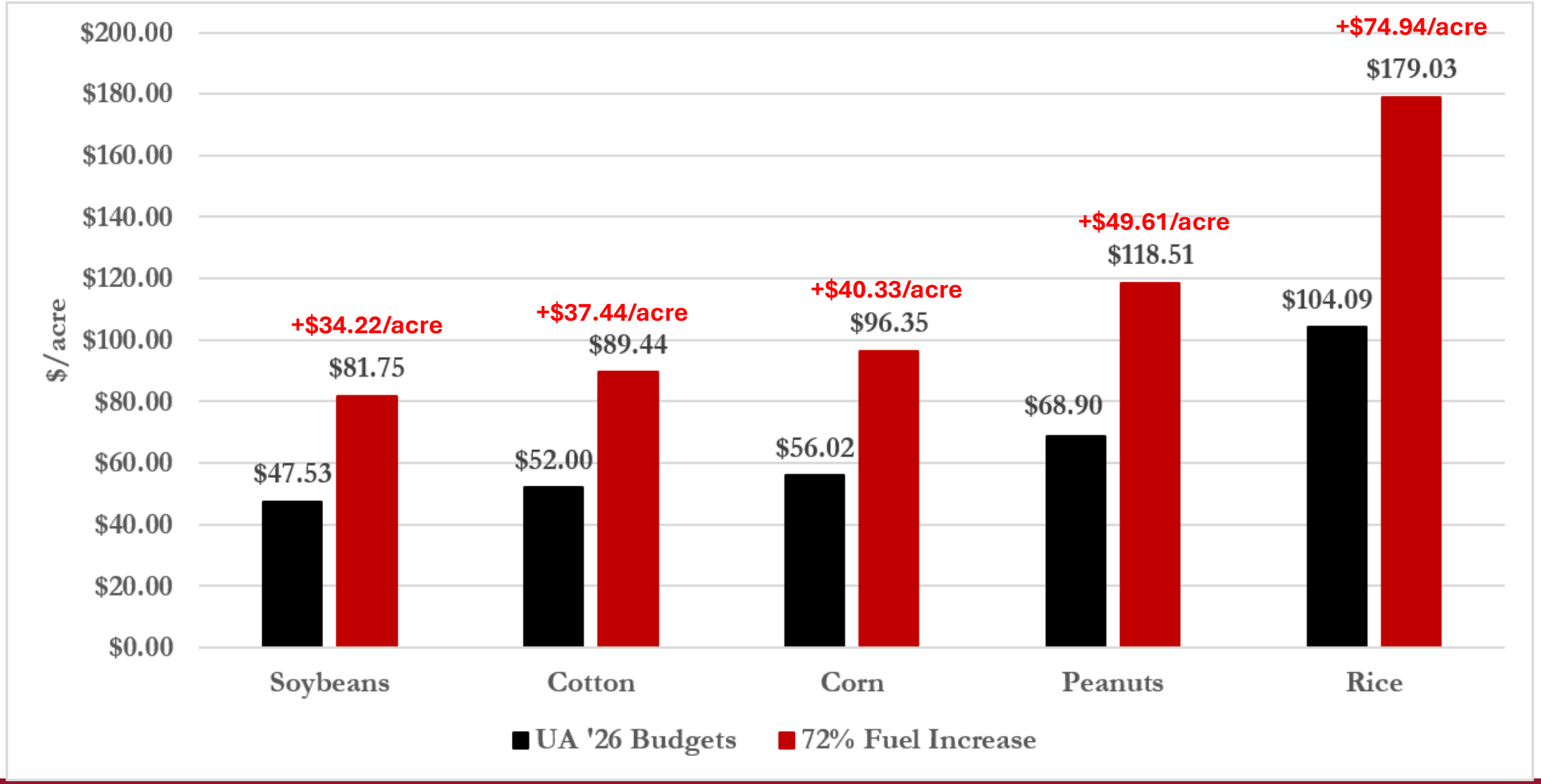
Note: We present Hwy diesel prices here since it is used in farm trucks and delivery.

Arkansas Acreage

September 2026 USDA Acreage

	2025 (USDA Final)	2026 (September)	Y/Y Change
Soybeans	2,590,000	3,450,000	860,000
Rice	1,284,000	901,000	(383,000)
Long Grain	1,180,000	780,000	(400,000)
Medium Grain	103,000	120,000	17,000
Corn	810,000	760,000	(50,000)
Cotton	520,000	560,000	40,000
Peanuts	48,000	40,000	(8,000)

2026 Estimated Fuel Costs Per Acre (Sept. Update)



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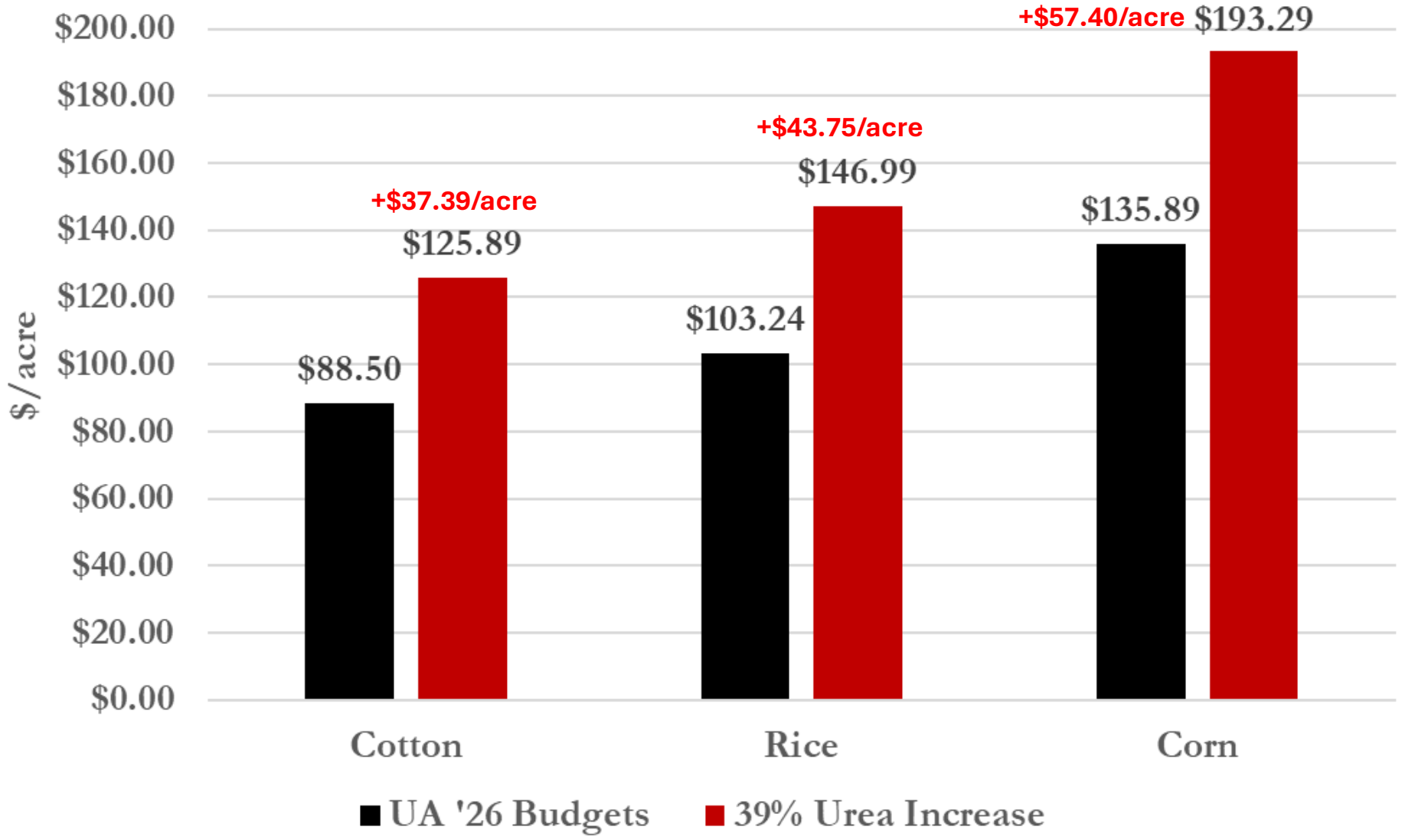
Note: Univ. of Arkansas 2026 Cost of Production Estimates published in November 2025 are based on a projected diesel price of **$2.46 per gallon.**

- 72% increase reflects the average off-road diesel price from March 1, 2026 - September 2026. **(average: $4.22/gal)**
- Note: The 72% fuel increase is not weighted towards peak usage times such as planting and harvest.

2026 Estimated Urea Costs Per Acre



Note: Univ. of Arkansas *2026 Cost of Production Estimates* published in November 2025 are based on a projected Urea (46-0-0) price of $560 per ton.

- 39% increase reflects price changes as of May, 2026.

Estimated Economic Impact for Arkansas

Commodity	2026 Acres	Est. Cost Increases from Mideast Conflict ($/ac)	Total Cost Increase
Soybeans	3,450,000	$34.22	$118,064,520
Rice	901,000	$118.69	$106,944,015
Corn	760,000	$97.73	$74,278,144
Cotton	560,000	$74.83	$41,904,800
Peanuts	40,000	$49.61	$1,984,320
TOTAL			$343,175,799

Note: Estimated cost increases based on a 39% increase in Urea (46-0-0) and 72% increase in diesel fuel over and above University Cost of Production Estimates published in November 2025. These cost increases reflect average price changes between May and September 2026. This is a conservative estimate, as we do not weigh fuel expenses across planting and harvest.
The "TOTAL" amount of $343.18 million represents the additional unexpected (or marginal) costs of the Iran Conflict.