



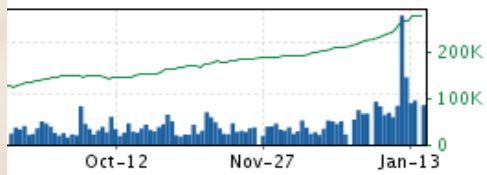
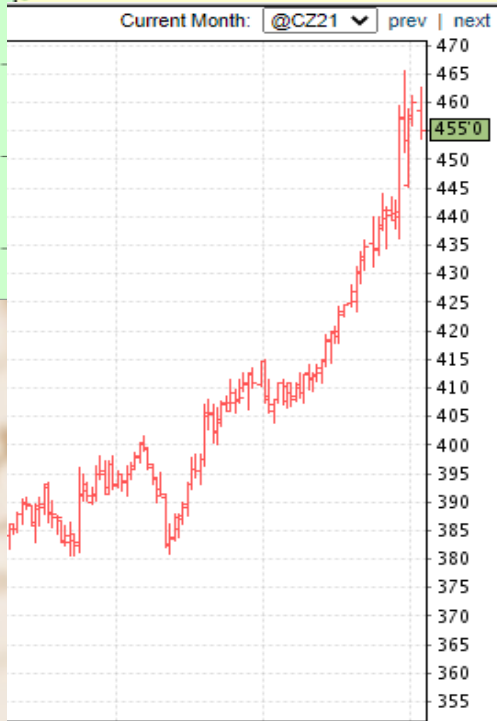
# Marketing Class

DATE JANUARY 21<sup>ST</sup>, 2021

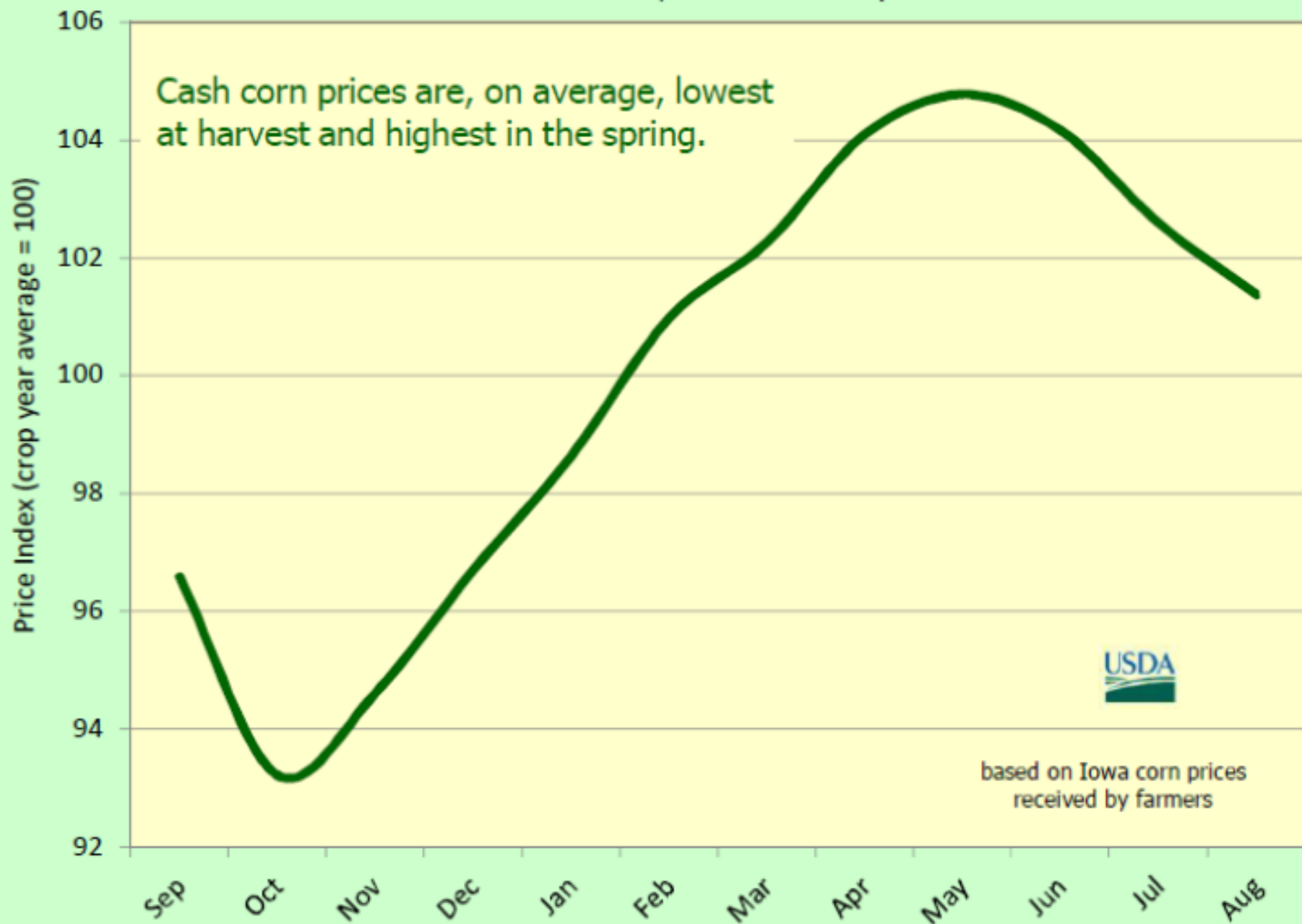
# Topics for January 21<sup>st</sup>, 2021

- Current Chart Comparison
- Updates on Grain Prices and Basis/Carry-Review Marketing Plans
- Market Information Outlook

# Chicago December Corn Futures, 2000-2018 average



## Index of Iowa Corn Prices, 1990-2014 Crop Years



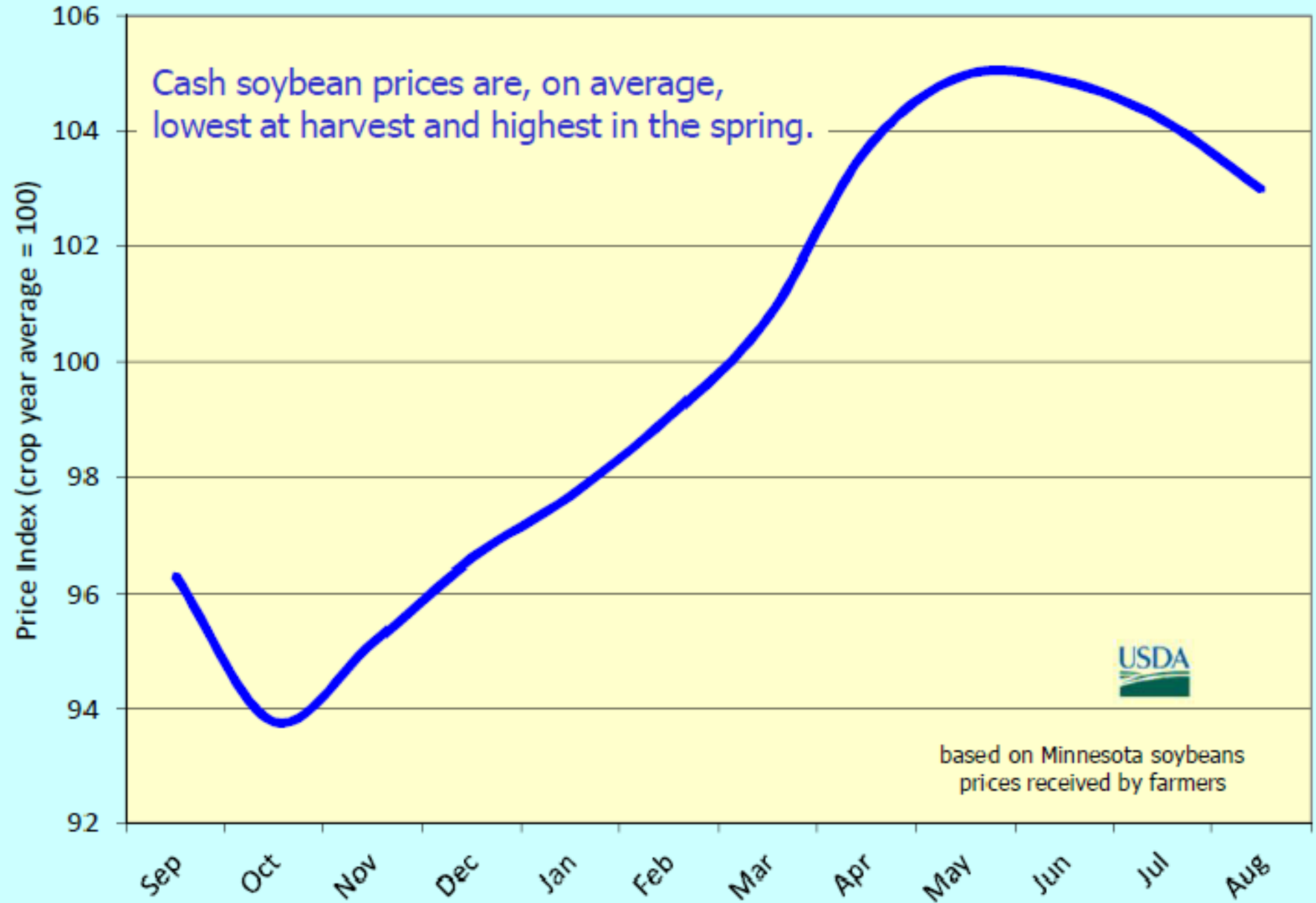
# Chicago November Soybean Futures, 2000-2018



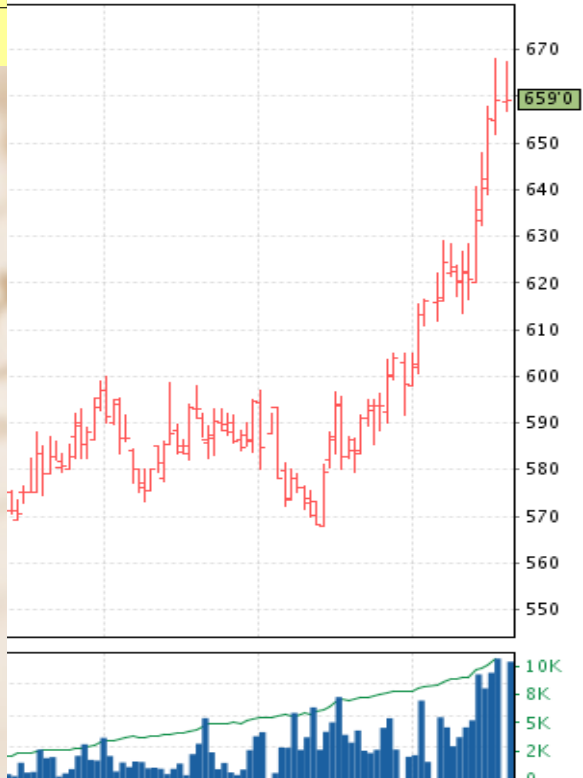
approximate dates



## Index of Minnesota Soybean Prices, 1990-2014 Crop Years



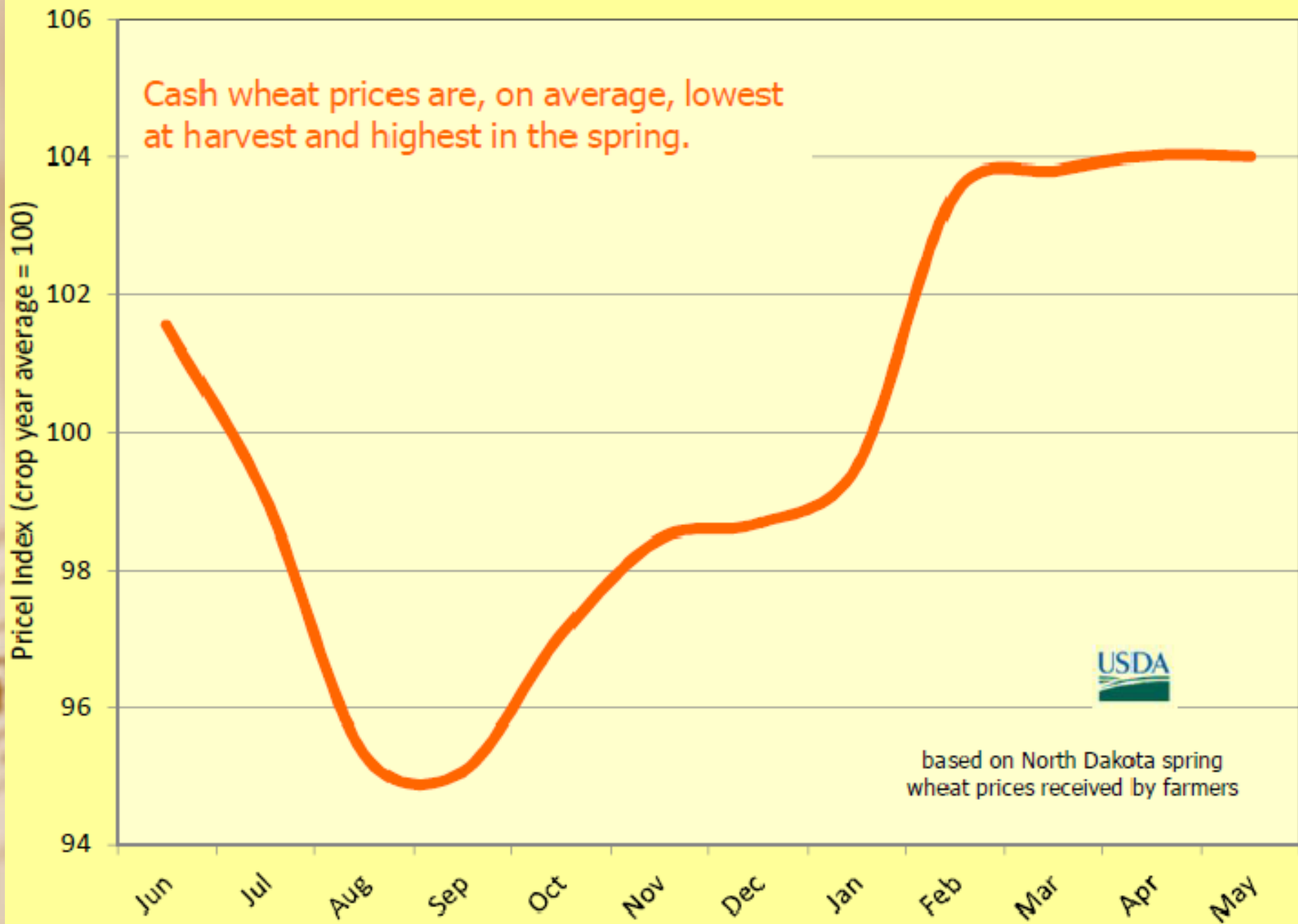
# September MGEX Spring Wheat Futures, 2000-2018



approximate dates

# Index of North Dakota Spring Wheat Prices, 1990-2014 Crop Years

Cash wheat prices are, on average, lowest at harvest and highest in the spring.



based on North Dakota spring wheat prices received by farmers



# Crop Critical Weather Events

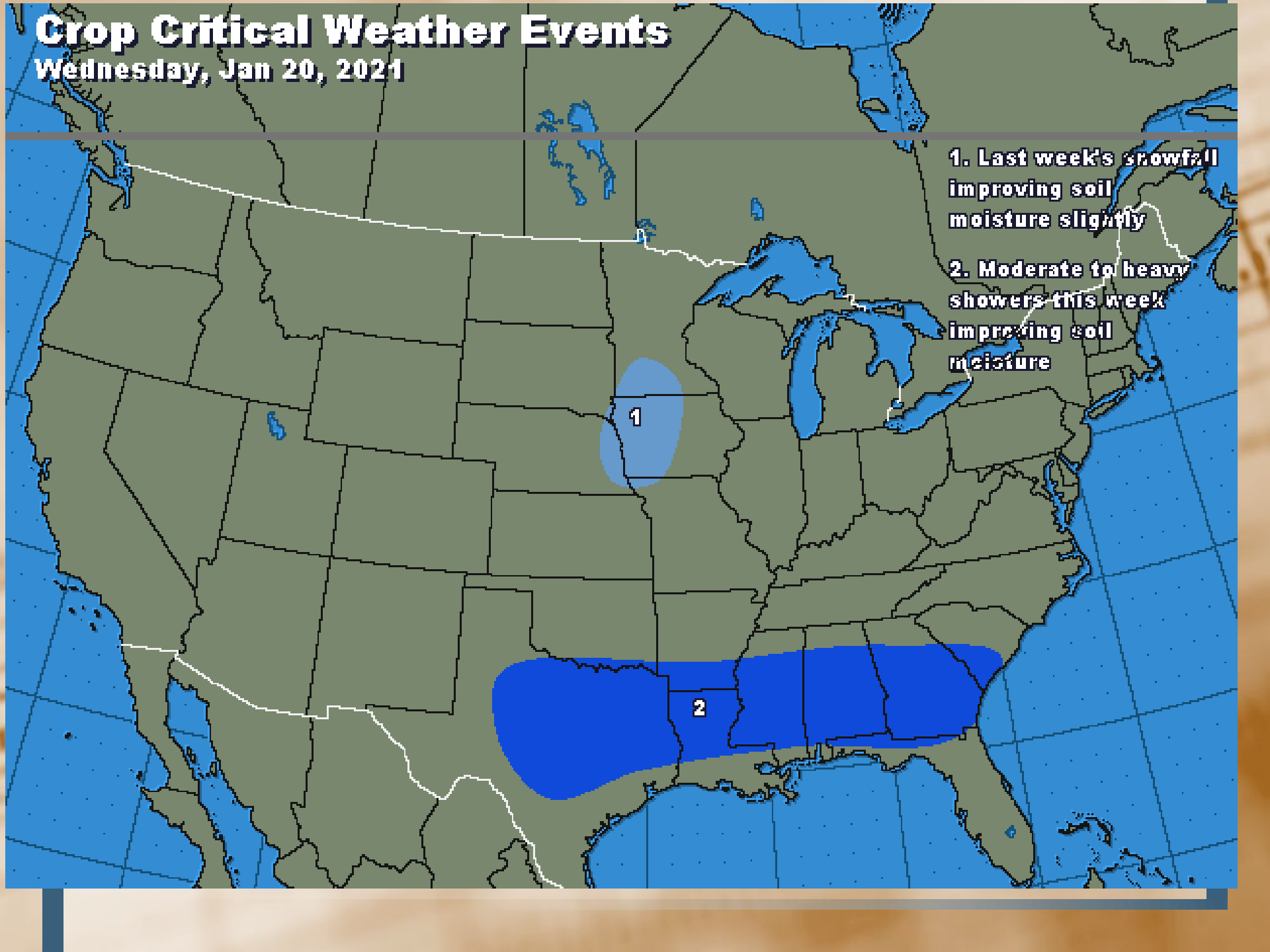
Wednesday, Jan 20, 2021

1. Last week's snowfall improving soil moisture slightly

2. Moderate to heavy showers this week improving soil moisture

1

2

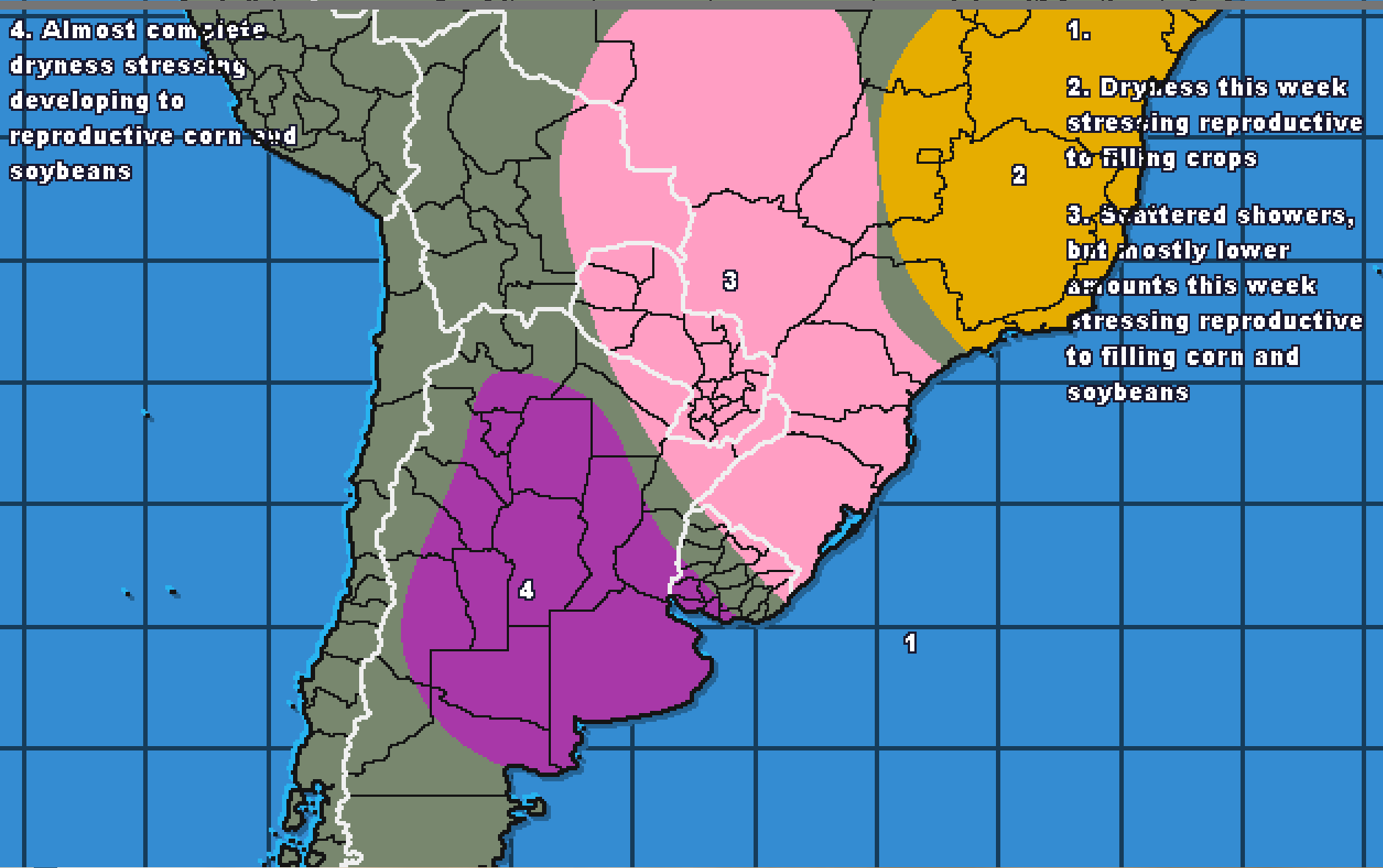


# Crop Critical Weather Events

Wednesday, Jan 20, 2021

4. Almost complete dryness stressing developing to reproductive corn and soybeans

- 1.
- 2. Dry less this week stressing reproductive to filling crops
- 3. Scattered showers, but mostly lower amounts this week stressing reproductive to filling corn and soybeans

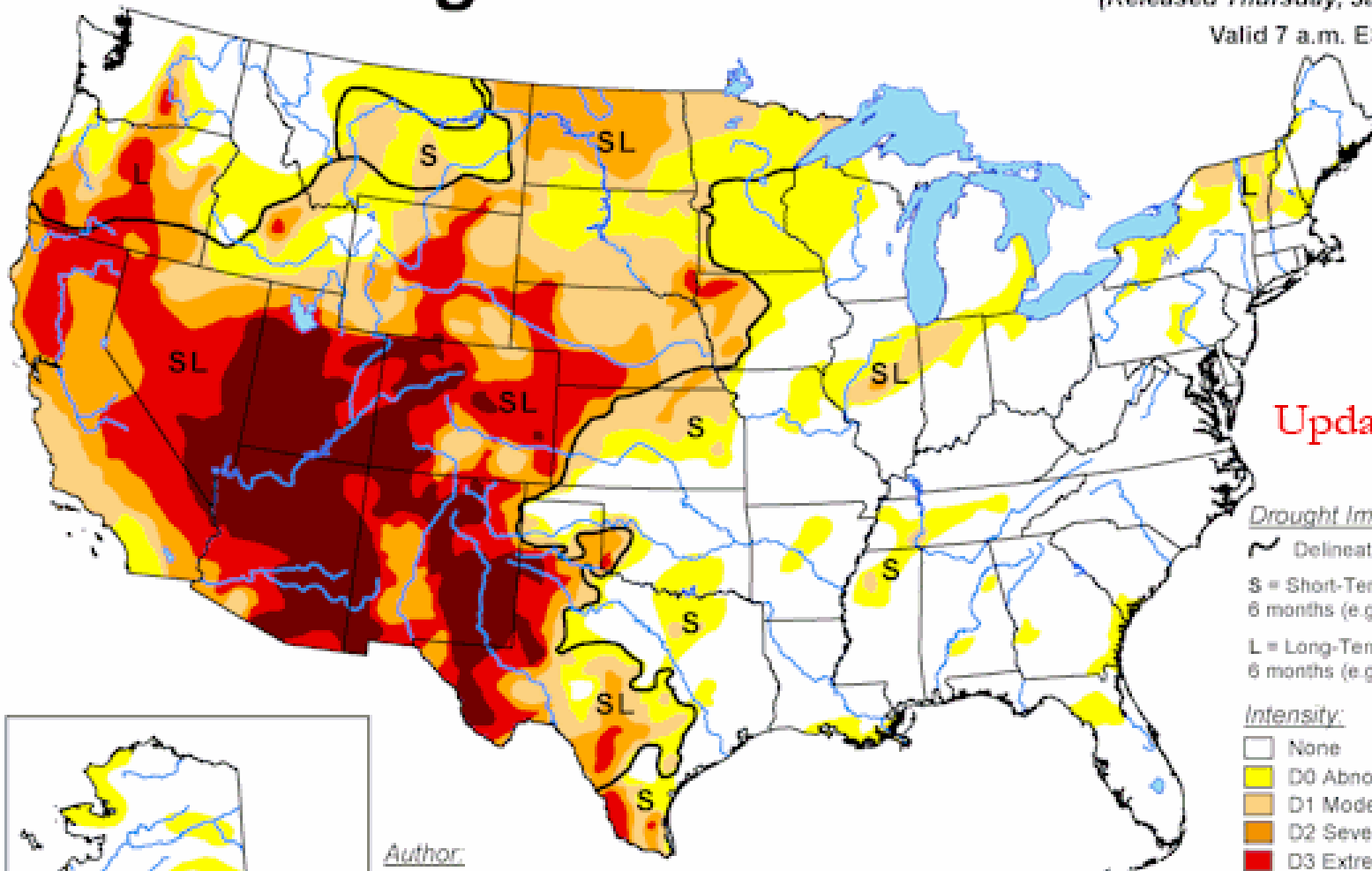


# U.S. Drought Monitor

January 12, 2021

(Released Thursday, Jan. 14, 2021)

Valid 7 a.m. EST



Updated Weekly

### Drought Impact Types:

~ Delineates dominant impacts

S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)

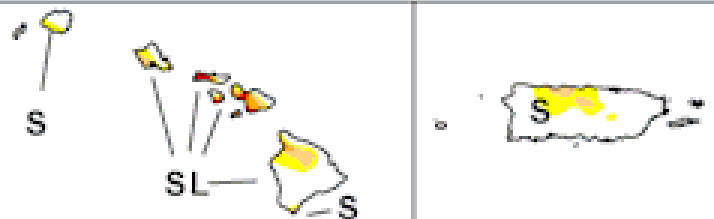
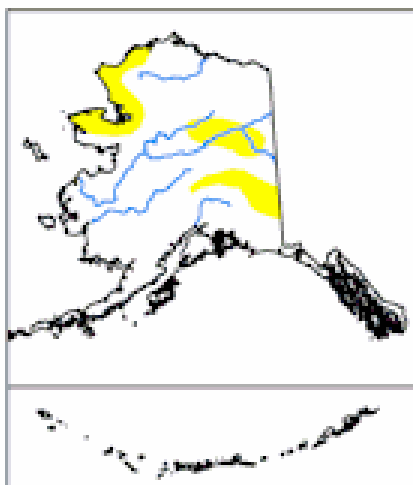
L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

### Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

### Author:

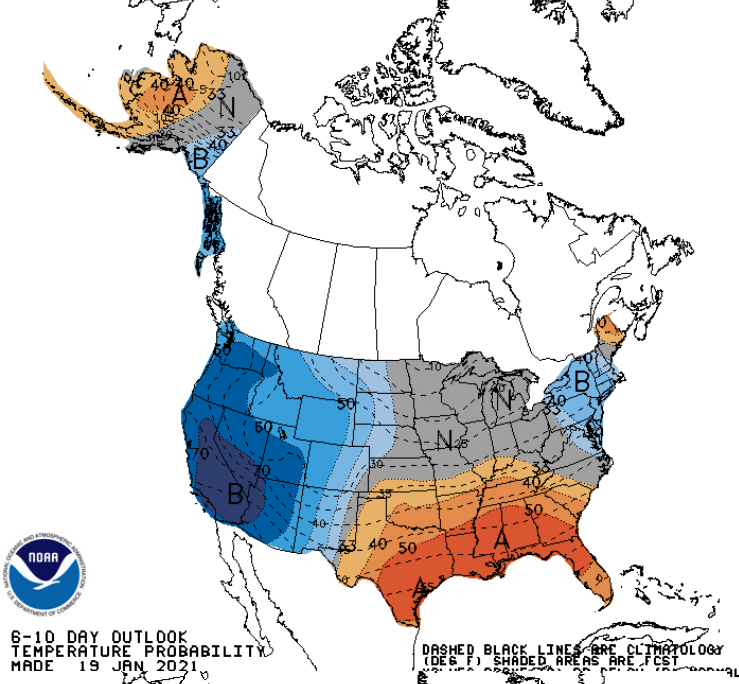
Deborah Bathke  
National Drought Mitigation Center



The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

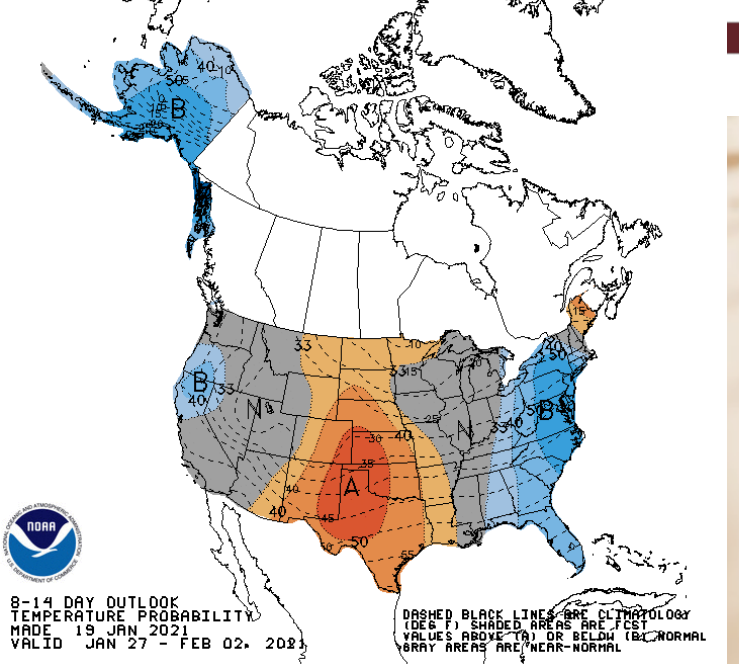


[droughtmonitor.unl.edu](https://droughtmonitor.unl.edu)



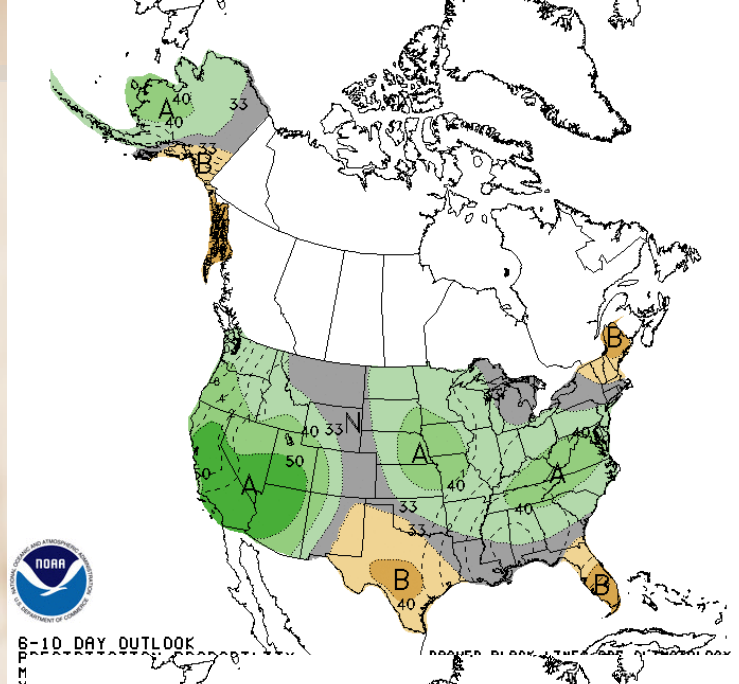
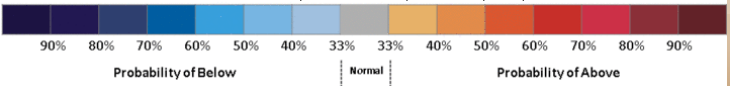
6-10 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 19 JAN 2021

DASHED BLACK LINES ARE CLIMATOLOGY  
(DEG F). SHADED AREAS ARE FCS†

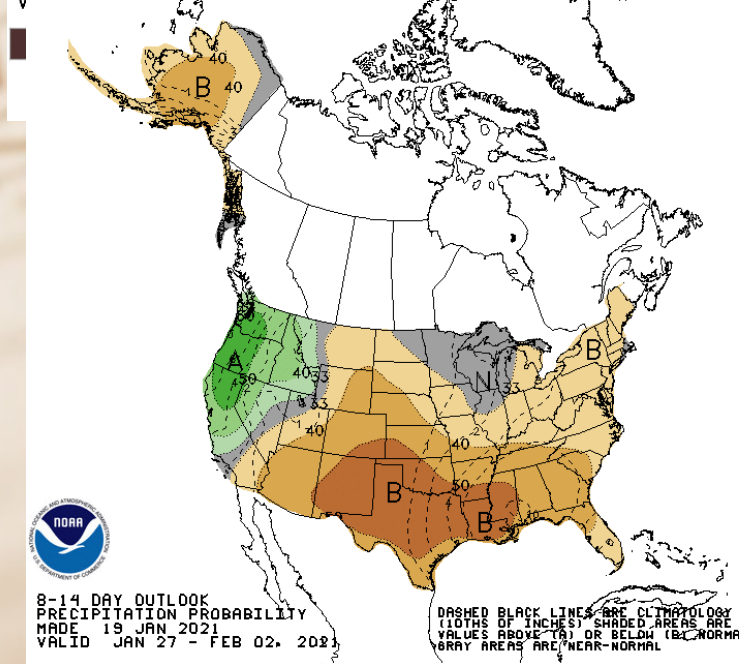


8-14 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 19 JAN 2021  
VALID JAN 27 - FEB 02, 2021

DASHED BLACK LINES ARE CLIMATOLOGY  
(DEG F). SHADED AREAS ARE FCS†  
VALUES ABOVE (A) OR BELOW (B) NORMAL  
GRAY AREAS ARE NEAR-NORMAL

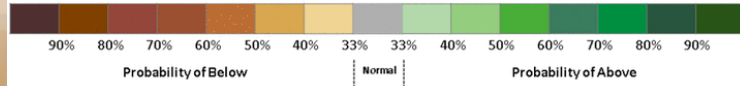


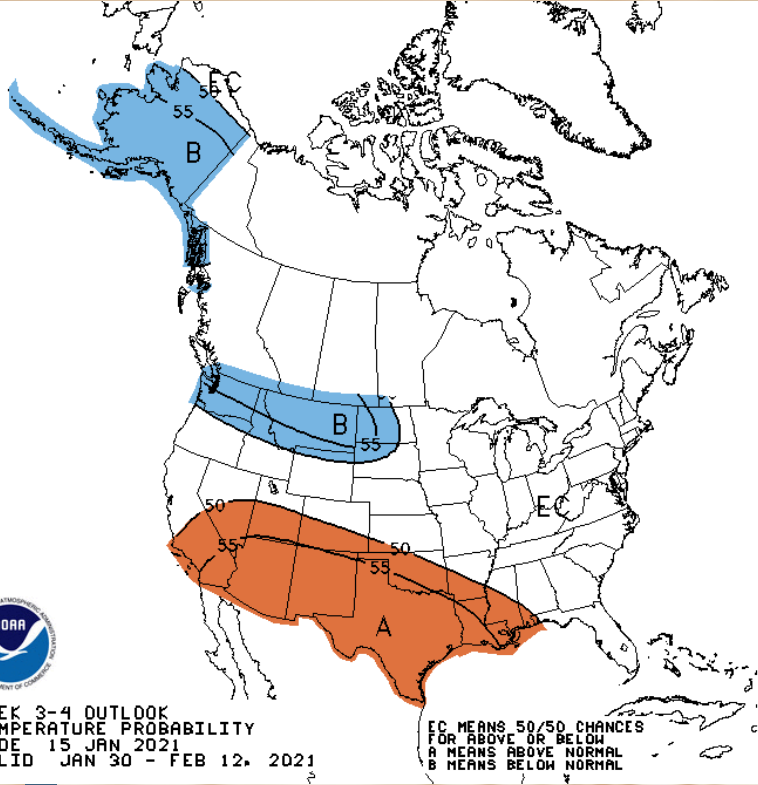
6-10 DAY OUTLOOK  
PRECIPITATION PROBABILITY



8-14 DAY OUTLOOK  
PRECIPITATION PROBABILITY  
MADE 19 JAN 2021  
VALID JAN 27 - FEB 02, 2021

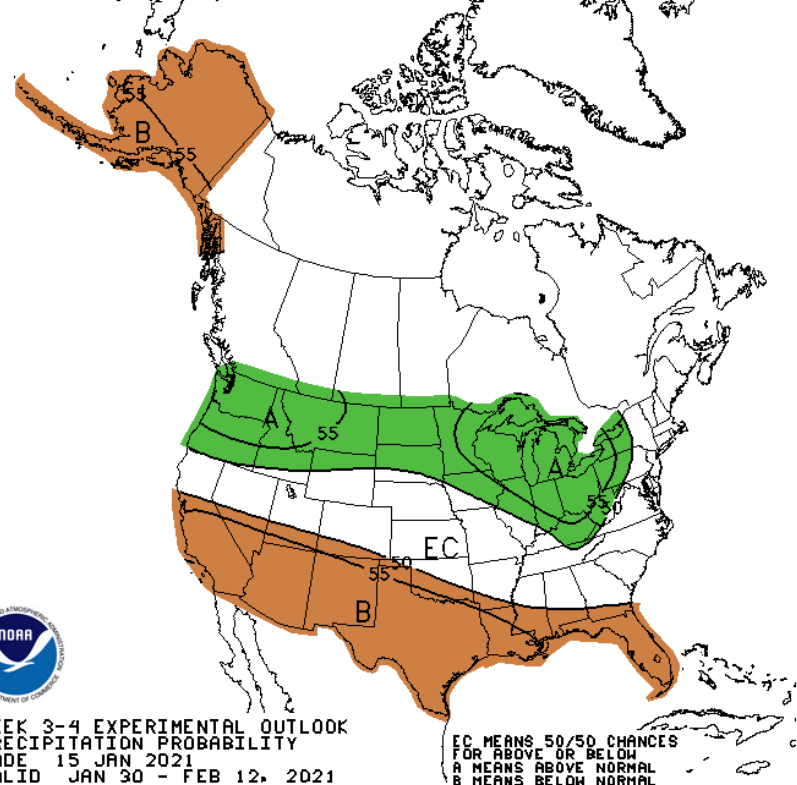
DASHED BLACK LINES ARE CLIMATOLOGY  
(10THS OF INCHES). SHADED AREAS ARE FCS†  
VALUES ABOVE (A) OR BELOW (B) NORMAL  
GRAY AREAS ARE NEAR-NORMAL





WEEK 3-4 OUTLOOK  
 TEMPERATURE PROBABILITY  
 MADE 15 JAN 2021  
 VALID JAN 30 - FEB 12, 2021

EC MEANS 50/50 CHANCES  
 FOR ABOVE OR BELOW  
 A MEANS ABOVE NORMAL  
 B MEANS BELOW NORMAL



WEEK 3-4 EXPERIMENTAL OUTLOOK  
 PRECIPITATION PROBABILITY  
 MADE 15 JAN 2021  
 VALID JAN 30 - FEB 12, 2021

EC MEANS 50/50 CHANCES  
 FOR ABOVE OR BELOW  
 A MEANS ABOVE NORMAL  
 B MEANS BELOW NORMAL

## LOCAL CASH GRAIN PRICES

Northland College-<http://www.northlandfbm-moorhead.com/>

Ron Dvergsten 218-686-5448 / Josh Tjosaa 299-5863-Instructors

|                  | 1/20/2021 3:00 p.m. |                   |                    | 1/17/2021 10:39 a.m. |                   |                    | 1/11/2021 7:58 a.m. |                   |                    | 1/3/2021 10:20 a.m. |                   |                    |
|------------------|---------------------|-------------------|--------------------|----------------------|-------------------|--------------------|---------------------|-------------------|--------------------|---------------------|-------------------|--------------------|
|                  | 2020 Crop           | 2020 Crop         | 2021 Crop          | 2020 Crop            | 2020 Crop         | 2021 Crop          | 2020 Crop           | 2020 Crop         | 2021 Crop          | 2020 Crop           | 2020 Crop         | 2021 Crop          |
| <b>WHEAT:</b>    | Mar 21-Jan<br>Del   | Mar 21-Feb<br>Del | Sept 21-Aug<br>Del | Mar 21-Jan<br>Del    | Mar 21-Feb<br>Del | Sept 21-Aug<br>Del | Mar 21-Jan<br>Del   | Mar 21-Feb<br>Del | Sept 21-Aug<br>Del | Mar 21-Jan<br>Del   | Mar 21-Feb<br>Del | Sept 21-Aug<br>Del |
| Georgetown       | 6.07                | 6.07              |                    | 6.13                 | 6.13              |                    | 5.80                | 5.80              |                    |                     |                   |                    |
| Maple River      | 5.93                | 5.98              | 5.97               | 5.98                 | 6.03              | 6.04               | 5.65                | 5.65              | 5.73               | 5.54                | 5.64              | 5.61               |
| Protein          | +03*1/5             | +03*1/5           |                    | +03*1/5              | +03*1/5           |                    | +03*1/5             | +03*1/5           |                    | +03*1/5             | +03*1/5           |                    |
| GFE              | -.06*1/5            | -.06*1/5          |                    | -.06*1/5             | -.06*1/5          |                    | -.06*1/5            | -.06*1/5          |                    | -.06*1/5            | -.06*1/5          |                    |
| Basis:Gtwn       | -0.30               | -0.30             |                    | -0.30                | -0.30             |                    | -0.30               | -0.30             |                    |                     |                   |                    |
| Breck            | -0.50               | -0.45             | -0.70              | -0.50                | -0.45             | -0.70              | -0.50               | -0.45             | -0.70              | -0.50               | -0.45             | -0.70              |
| Felton           | -0.32               | -0.32             | -0.37              | -0.32                | -0.32             | -0.37              | -0.32               | -0.32             | -0.37              | -0.27               | -0.27             | -0.37              |
| MRG              | -0.45               | -0.40             | -0.55              | -0.45                | -0.40             | -0.55              | -0.45               | -0.40             | -0.55              | -0.45               | -0.35             | -0.55              |
|                  |                     |                   |                    |                      |                   |                    |                     |                   |                    |                     |                   |                    |
| <b>SOYBEANS:</b> | Mar 21-Jan<br>Del   | Mar 21-Feb<br>Del | Nov 21-Oct<br>Del  | Mar 21-Jan<br>Del    | Mar 21-Feb<br>Del | Nov 21-Oct<br>Del  | Mar 21-Jan<br>Del   | Mar 21-Feb<br>Del | Nov 21-Oct<br>Del  | Mar 21-Jan<br>Del   | Mar 21-Feb<br>Del | Nov 21-Oct<br>Del  |
| Georgetown       | 12.92               | 12.92             | 11.04              | 13.39                | 13.39             |                    | 13.05               | 13.05             |                    |                     |                   |                    |
| Maple River      | 12.88               | 12.88             | 11.00              | 13.35                | 13.35             | 11.21              | 13.01               | 13.01             | 10.89              | 12.34               | 12.24             | 10.35              |
| Basis: Gtwn      | -0.78               | -0.78             | -0.68              | -0.78                | -0.78             | -0.68              | -0.78               | -0.78             | -0.84              |                     |                   |                    |
| Breck            | -0.65               | -0.65             | -0.75              | -0.65                | -0.65             | -0.75              | -0.60               | -0.60             | -0.75              | -0.60               | -0.70             | -0.75              |
| Felton           | -0.72               | -0.72             | -0.52              | -0.77                | -0.77             | -0.57              | -0.77               | -0.77             | -0.67              | -0.72               | -0.72             | -0.67              |
| MRG              | -0.82               | -0.82             | -0.72              | -0.82                | -0.82             | -0.77              | -0.82               | -0.82             | -0.77              | -0.77               | -0.87             | -0.77              |
|                  |                     |                   |                    |                      |                   |                    |                     |                   |                    |                     |                   |                    |
| <b>CORN:</b>     | Mar 21-Jan<br>Del   | Mar 21-Feb<br>Del | Dec 21-Oct<br>Del  | Mar 21-Jan<br>Del    | Mar 21-Feb<br>Del | Dec 21-Oct<br>Del  | Mar 21-Jan<br>Del   | Mar 21-Feb<br>Del | Dec 21-Oct<br>Del  | Mar 21-Jan<br>Del   | Mar 21-Feb<br>Del | Dec 21-Oct<br>Del  |
| Georgetown       | 4.82                | 4.82              |                    | 4.92                 | 4.92              |                    | 4.56                | 4.56              |                    |                     |                   |                    |
| Cargill          | 4.97                | 4.97              | 4.04               | 5.07                 | 5.07              | 4.15               | 4.81                | 4.81              | 3.97               | 4.69                | 4.69              | 3.90               |
| Basis-Gtwn       | -0.40               | -0.40             |                    | -0.40                | -0.40             |                    | -0.40               | -0.40             |                    |                     |                   |                    |
| Cargill          | -0.25               | -0.25             | -0.45              | -0.25                | -0.25             | -0.45              | -0.15               | -0.15             | -0.45              | -0.15               | -0.15             | -0.45              |
| Felton           | -0.32               | -0.32             | -0.52              | -0.32                | -0.32             | -0.67              | -0.37               | -0.37             | -0.72              | -0.37               | -0.37             | -0.72              |
| MRG              | -0.37               | -0.37             | -0.62              | -0.37                | -0.37             | -0.62              | -0.32               | -0.32             | -0.62              | -0.32               | -0.32             | -0.62              |

### Loan Rates

Commodity Int. Rate: 1.125% Jan 1, 2021 Farm Storage Loans

|          | 2020 | 2020   | 2020   |
|----------|------|--------|--------|
| Crop     | Clay | Norman | Wilkin |
| Wheat    | 3.96 | 3.95   | 3.97   |
| Corn     | 2.05 | 2.02   | 2.03   |
| Soybeans | 5.96 | 5.92   | 5.98   |

| Annual Interest Rate | Length of Loan Term | Annual Interest Rate | Length of Loan Term |
|----------------------|---------------------|----------------------|---------------------|
| 0.250%               | 3 years             | 0.875%               | 10 years            |
| 0.375%               | 5 years             | 1.000%               | 12 years            |
| 0.625%               | 7 years             |                      |                     |

# Cash Prices for Old Crop and New Crop-Marketing Impact Factors

- **General-** After pullback on Tuesday, we still are technically in the uptrend, but fundamentally we have been getting negative news. Policy changes with new administration, Climate Change Policy, RFS, Keystone Pipeline, etc. Trade shifting to Brazil/S America for Corn and Soybeans. Early planting intentions are coming out, one early project 93 mil corn, 90 mil soybeans. Crop Insurance price month is February and early planting corn is late Feb. More pressure in coming weeks and rally may be later winter. Argentina question on export limits-strike by farmers is over for now.

# Cash Prices for Old Crop and New Crop-Marketing Impact Factors

Corn-Demand is still chugging along, sales to Japan and Israel this week. Belief is that corn will be pulled by the soybean market in 2021. Mexico is still strong buyer. Mar support at \$3.95, resistance at \$5.50

Wheat-Russian export rumors are still driving the market-increase in export tax, some optimism of wheat for spring planting, but prices will still need to rally some in relation to corn/soybeans. Bill Gary thinks still could rally \$1-2. Mar Support at \$5.35, Resistance at \$6.60



# Cash Prices for Old Crop and New Crop-Marketing Impact Factors

Soybeans-Good rains have fallen in N Argentina and S Brazil-what damage was done before this? China is continuing to buy US beans old and new crop. Market still hasn't rationed the bushels claimed, 1 of 2 things must happen-tighter stocks or higher prices. Soybean crush has been at very strong levels for last few months. Early projected 2021 crop ending stock at 154 million versus 120 million this year. Mar support \$12.00 and resistance at \$14.40

**CONSIDER NEW CROP BASIS LEVELS AT HISTORICALLY GOOD LEVELS FOR CORN AND SOYBEANS FOR FALL DELIVERY!**

# 2021 Crop Targets-Review 2020 and 2021 Marketing Plan

- 21 Corn Dec Futures 2021-\$4.00, Hit \$4.60, look at GTC increased targets, Next Target 4.80+ (FSA PP for 2021-3.50)-Goal \$4.00+cash moving forward
- 21 Soybeans Nov Futures 2021-\$10.00, Hit \$11.80, Next Target \$12.80+ (FSA PP for 2021-\$9.00)-Goal min. \$10.60 cash moving forward-Potentially review acres for 2021.
- 21 Spring Wheat Sept Futures 2021-\$6.50-Hit already, Next Target \$6.70+ (FSA PP for 2021-\$5.25)-Goal \$6.30 cash moving forward
- 21 Spring Wheat Dec Futures 2021-\$6.60-Hit already, Next Target \$6.80+

# QLA-Quality Loss Adjustment

- According to FSA, WHIP+ is to be considered a loss of yield due to qualifying events, while QLA is a quality loss due to a qualifying event. So you can apply for both according to their information, however for QLA, you will need to demonstrate actual losses due to quality (Protein, Falling Numbers, Test Weight, Etc)

# Zimmerman Thoughts

- Risk management.
- 25% sales on battle for acres
- 25% May/June/July Rally with typical seasonal.
- 25% Post Harvest or Late Sales.
- Marketing Plan 2021 • Pricing objectives futures:
- Corn: Dec 2021 \$4.09-\$4.30, 4.30-4.50, 4.50-UP – Sell all corn above 3.70 cash. •
- Soybeans: Nov 21: \$10.20-10.80 10.80-11.80 11.80 Up – Sell beans above \$10.00 cash. •
- Wheat: Sep 2021 \$5.80-6.10, 6.10-6.30, 6.30 Up – Sell wheat above \$5.80 cash
- I am a bit cautious to price a big lot to early but need to consider risks. THIS is an example of plan. Make a plan to call your own. Everybody's situation is different, but a plan may help make decisions. Maybe we get back to a more typical seasonal market or will the market continue to surprise like much

| <b>ELEC. CORN (@C) [10]</b>             |         |        |        |        | <b>ELEC. SOYBEANS (@S) [10]</b>           |         |       |        |        | <b>ELEC. WHEAT (@W) [10]</b>              |        |       |       |       |
|---|---------|--------|--------|--------|---|---------|-------|--------|--------|---|--------|-------|-------|-------|
| Month                                   | Last    | Chg    | High   | Low    | Month                                     | Last    | Chg   | High   | Low    | Month                                     | Last   | Chg   | High  | Low   |
| Mar-21                                  | 522'0s  | -4'0   | 526'4  | 512'6  | Mar-21                                    | 1369'4s | -16'2 | 1384'4 | 1352'0 | Mar-21                                    | 667'6s | -4'4  | 676'0 | 656'4 |
| May-21                                  | 524'0s  | -4'2   | 528'0  | 515'0  | May-21                                    | 1367'2s | -16'0 | 1382'2 | 1348'4 | May-21                                    | 668'0s | -5'4  | 677'0 | 657'6 |
| Jul-21                                  | 519'2s  | -5'6   | 524'0  | 511'2  | Jul-21                                    | 1351'6s | -17'4 | 1368'6 | 1335'0 | Jul-21                                    | 650'4s | -7'6  | 661'2 | 644'0 |
| Sep-21                                  | 471'6s  | -6'0   | 477'0  | 466'4  | Aug-21                                    | 1311'2s | -19'4 | 1327'6 | 1298'6 | Sep-21                                    | 650'2s | -8'6  | 661'4 | 644'4 |
| Dec-21                                  | 449'0s  | -6'0   | 454'2  | 445'4  | Sep-21                                    | 1221'0s | -19'2 | 1240'2 | 1213'0 | Dec-21                                    | 655'0s | -10'0 | 667'4 | 650'2 |
| Mar-22                                  | 455'2s  | -6'0   | 460'2  | 452'2  | Nov-21                                    | 1171'6s | -17'0 | 1186'4 | 1164'6 | Mar-22                                    | 659'4s | -10'4 | 667'2 | 655'6 |
| May-22                                  | 459'0s  | -6'0   | 462'6  | 456'2  | Jan-22                                    | 1165'2s | -18'0 | 1179'6 | 1161'0 | May-22                                    | 649'0s | -11'4 | 649'2 | 646'6 |
| Jul-22                                  | 461'2s  | -5'6   | 465'2  | 458'4  | Mar-22                                    | 1133'6s | -19'0 | 1150'0 | 1132'0 | Jul-22                                    | 624'0s | -11'0 | 633'2 | 619'0 |
| <b>ELECTRONIC OATS (@O) [10]</b>        |         |        |        |        | <b>ELECTRONIC SOYBEAN MEAL (@SM) [10]</b> |         |       |        |        | <b>ELECTRONIC SOYBEAN OIL (@BO) [10]</b>  |        |       |       |       |
| Month                                   | Last    | Chg    | High   | Low    | Month                                     | Last    | Chg   | High   | Low    | Month                                     | Last   | Chg   | High  | Low   |
| Mar-21                                  | 364'0s  | 1'4    | 365'0  | 354'2  | Mar-21                                    | 442.4s  | -8.1  | 450.8  | 438.6  | Mar-21                                    | 42.54s | 0.84  | 42.67 | 41.03 |
| May-21                                  | 359'6s  | 3'4    | 360'0  | 351'4  | May-21                                    | 438.4s  | -8.6  | 447.1  | 435.2  | May-21                                    | 41.92s | 0.73  | 41.99 | 40.53 |
| Jul-21                                  | 351'6s  | 3'0    | 351'0  | 350'0  | Jul-21                                    | 434.4s  | -8.6  | 443.4  | 431.8  | Jul-21                                    | 41.27s | 0.55  | 41.37 | 40.14 |
| Sep-21                                  | 320'4s  | 4'0    | 309'6  | 309'4  | Aug-21                                    | 421.3s  | -9.1  | 430.3  | 419.6  | Aug-21                                    | 40.34s | 0.42  | 40.46 | 39.38 |
| Dec-21                                  | 310'0s  | 3'6    | 308'0  | 303'4  | Sep-21                                    | 403.9s  | -8.7  | 410.9  | 402.9  | Sep-21                                    | 39.37s | 0.27  | 39.52 | 38.62 |
| Mar-22                                  | 317'2s  | 3'6    | ---    | ---    | Oct-21                                    | 386.7s  | -8.4  | 394.6  | 385.7  | Oct-21                                    | 38.49s | 0.17  | 38.58 | 37.92 |
| May-22                                  | 317'2s  | 3'6    | ---    | ---    | Dec-21                                    | 384.1s  | -7.8  | 391.5  | 383.0  | Dec-21                                    | 38.25s | 0.11  | 38.33 | 37.67 |
| Jul-22                                  | 317'2s  | 3'6    | ---    | ---    | Jan-22                                    | 380.0s  | -8.3  | 384.6  | 379.1  | Jan-22                                    | 37.93s | 0.06  | 38.01 | 37.44 |
| <b>ELECTRONIC ROUGH RICE (@RR) [10]</b> |         |        |        |        | <b>ELEC. HRS WHEAT (@KW) [10]</b>         |         |       |        |        | <b>ELEC. HRS WHEAT (@MW) [10]</b>         |        |       |       |       |
| Month                                   | Last    | Chg    | High   | Low    | Month                                     | Last    | Chg   | High   | Low    | Month                                     | Last   | Chg   | High  | Low   |
| Mar-21                                  | 13.210s | 0.015  | 13.280 | 13.085 | Mar-21                                    | 637'0s  | -7'0  | 647'6  | 633'2  | Mar-21                                    | 637'4s | -6'0  | 646'6 | 631'6 |
| May-21                                  | 13.375s | 0.005  | 13.385 | 13.230 | May-21                                    | 640'2s  | -6'6  | 650'4  | 636'6  | May-21                                    | 646'0s | -6'0  | 655'0 | 641'2 |
| Jul-21                                  | 13.370s | -0.010 | ---    | ---    | Jul-21                                    | 639'2s  | -7'0  | 650'0  | 636'0  | Jul-21                                    | 650'2s | -7'0  | 658'2 | 645'2 |
| Sep-21                                  | 12.550s | -0.020 | ---    | ---    | Sep-21                                    | 642'0s  | -7'4  | 652'2  | 638'4  | Sep-21                                    | 652'2s | -6'6  | 660'0 | 646'4 |
| Nov-21                                  | 12.555s | -0.020 | ---    | ---    | Dec-21                                    | 648'2s  | -7'6  | 654'6  | 645'0  | Dec-21                                    | 655'0s | -5'6  | 661'0 | 647'6 |
| Jan-22                                  | 12.690s | -0.020 | ---    | ---    |   |         |       |        |        | Mar-22                                    | 652'4s | -5'6  | 653'0 | 650'2 |
| Mar-22                                  | 12.690s | -0.020 | ---    | ---    | <b>ELECTRONIC CANOLA (@RS) [10]</b>       |         |       |        |        | <b>ELECTRONIC MILLING WHEAT (@WA) [0]</b> |        |       |       |       |
| <b>ELECTRONIC BARLEY (@BW) [0]</b>      |         |        |        |        | Month                                     | Last    | Chg   | High   | Low    | Month                                     | Last   | Chg   | High  | Low   |
| Month                                   | Last    | Chg    | High   | Low    | Mar-21                                    | 648.4s  | -15.8 | 664.2  | 645.1  |   |        |       |       |       |
|   |         |        |        |        | May-21                                    | 634.6s  | -12.0 | 646.0  | 629.8  |   |        |       |       |       |
|   |         |        |        |        | Jul-21                                    | 619.7s  | -10.9 | 628.8  | 614.9  |   |        |       |       |       |
|   |         |        |        |        | Nov-21                                    | 536.5s  | -5.1  | 544.6  | 533.3  |   |        |       |       |       |
|   |         |        |        |        | Jan-22                                    | 536.5s  | -5.2  | 536.5  | 534.6  |   |        |       |       |       |
| <b>ELECTRONIC DURUM WHEAT (@DW) [0]</b> |         |        |        |        | Month                                     | Last    | Chg   | High   | Low    |   |        |       |       |       |
|   |         |        |        |        |   |         |       |        |        |   |        |       |       |       |

Quotes generated on: Wed, Jan 20, 2021 2:51 PM CST \*Quotes are in market time

# LOCAL CASH GRAIN PRICES

Northland College-<http://www.northlandfbm-moorhead.com/>

Ron Dvergsten 218-686-5448 / Josh Tjosaas 299-5863-Instructors

|                         | 1/20/2021 3:00 p.m. |                   |                    | 1/17/2021 10:39 a.m. |                   |                    | 1/11/2021 7:58 a.m. |                   |                    | 1/3/2021 10:20 a.m. |                   |                    |
|-------------------------|---------------------|-------------------|--------------------|----------------------|-------------------|--------------------|---------------------|-------------------|--------------------|---------------------|-------------------|--------------------|
|                         | 2020 Crop           | 2020 Crop         | 2021 Crop          | 2020 Crop            | 2020 Crop         | 2021 Crop          | 2020 Crop           | 2020 Crop         | 2021 Crop          | 2020 Crop           | 2020 Crop         | 2021 Crop          |
| <b><u>WHEAT:</u></b>    | <u>Mar 21-Jan</u>   | <u>Mar 21-Feb</u> | <u>Sept 21-Aug</u> | <u>Mar 21-Jan</u>    | <u>Mar 21-Feb</u> | <u>Sept 21-Aug</u> | <u>Mar 21-Jan</u>   | <u>Mar 21-Feb</u> | <u>Sept 21-Aug</u> | <u>Mar 21-Jan</u>   | <u>Mar 21-Feb</u> | <u>Sept 21-Aug</u> |
|                         | Del                 | Del               | Del                | Del                  | Del               | Del                | Del                 | Del               | Del                | Del                 | Del               | Del                |
| Georgetown              | 6.07                | 6.07              |                    | 6.13                 | 6.13              |                    | 5.80                | 5.80              |                    |                     |                   |                    |
| Maple River             | 5.93                | 5.98              | 5.97               | 5.98                 | 6.03              | 6.04               | 5.65                | 5.65              | 5.73               | 5.54                | 5.64              | 5.61               |
| Protein                 | +.03*1/5            | +.03*1/5          |                    | +.03*1/5             | +.03*1/5          |                    | +.03*1/5            | +.03*1/5          |                    | +.03*1/5            | +.03*1/5          |                    |
| GFE                     | -.06*1/5            | -.06*1/5          |                    | -.06*1/5             | -.06*1/5          |                    | -.06*1/5            | -.06*1/5          |                    | -.06*1/5            | -.06*1/5          |                    |
| Basis:Gtwn              | -0.30               | -0.30             |                    | -0.30                | -0.30             |                    | -0.30               | -0.30             |                    |                     |                   |                    |
| Breck                   | -0.50               | -0.45             | -0.70              | -0.50                | -0.45             | -0.70              | -0.50               | -0.45             | -0.70              | -0.50               | -0.45             | -0.70              |
| Felton                  | -0.32               | -0.32             | -0.37              | -0.32                | -0.32             | -0.37              | -0.32               | -0.32             | -0.37              | -0.27               | -0.27             | -0.37              |
| MRG                     | -0.45               | -0.40             | -0.55              | -0.45                | -0.40             | -0.55              | -0.45               | -0.40             | -0.55              | -0.45               | -0.35             | -0.55              |
|                         |                     |                   |                    |                      |                   |                    |                     |                   |                    |                     |                   |                    |
| <b><u>SOYBEANS:</u></b> | <u>Mar 21-Jan</u>   | <u>Mar 21-Feb</u> | <u>Nov 21-Oct</u>  | <u>Mar 21-Jan</u>    | <u>Mar 21-Feb</u> | <u>Nov 21-Oct</u>  | <u>Mar 21-Jan</u>   | <u>Mar 21-Feb</u> | <u>Nov 21-Oct</u>  | <u>Mar 21-Jan</u>   | <u>Mar 21-Feb</u> | <u>Nov 21-Oct</u>  |
|                         | Del                 | Del               | Del                | Del                  | Del               | Del                | Del                 | Del               | Del                | Del                 | Del               | Del                |
| Georgetown              | 12.92               | 12.92             | 11.04              | 13.39                | 13.39             |                    | 13.05               | 13.05             |                    |                     |                   |                    |
| Maple River             | 12.88               | 12.88             | 11.00              | 13.35                | 13.35             | 11.21              | 13.01               | 13.01             | 10.89              | 12.34               | 12.24             | 10.35              |
| Basis: Gtwn             | -0.78               | -0.78             | -0.68              | -0.78                | -0.78             | -0.68              | -0.78               | -0.78             | -0.84              |                     |                   |                    |
| Breck                   | -0.65               | -0.65             | -0.75              | -0.65                | -0.65             | -0.75              | -0.60               | -0.60             | -0.75              | -0.60               | -0.70             | -0.75              |
| Felton                  | -0.72               | -0.72             | -0.52              | -0.77                | -0.77             | -0.57              | -0.77               | -0.77             | -0.67              | -0.72               | -0.72             | -0.67              |
| MRG                     | -0.82               | -0.82             | -0.72              | -0.82                | -0.82             | -0.77              | -0.82               | -0.82             | -0.77              | -0.77               | -0.87             | -0.77              |
|                         |                     |                   |                    |                      |                   |                    |                     |                   |                    |                     |                   |                    |
| <b><u>CORN:</u></b>     | <u>Mar 21-Jan</u>   | <u>Mar 21-Feb</u> | <u>Dec 21-Oct</u>  | <u>Mar 21-Jan</u>    | <u>Mar 21-Feb</u> | <u>Dec 21-Oct</u>  | <u>Mar 21-Jan</u>   | <u>Mar 21-Feb</u> | <u>Dec 21-Oct</u>  | <u>Mar 21-Jan</u>   | <u>Mar 21-Feb</u> | <u>Dec 21-Oct</u>  |
|                         | Del                 | Del               | Del                | Del                  | Del               | Del                | Del                 | Del               | Del                | Del                 | Del               | Del                |
| Georgetown              | 4.82                | 4.82              |                    | 4.92                 | 4.92              |                    | 4.56                | 4.56              |                    |                     |                   |                    |
| Cargill                 | 4.97                | 4.97              | 4.04               | 5.07                 | 5.07              | 4.15               | 4.81                | 4.81              | 3.97               | 4.69                | 4.69              | 3.90               |
| Basis-Gtwn              | -0.40               | -0.40             |                    | -0.40                | -0.40             |                    | -0.40               | -0.40             |                    |                     |                   |                    |
| Cargill                 | -0.25               | -0.25             | -0.45              | -0.25                | -0.25             | -0.45              | -0.15               | -0.15             | -0.45              | -0.15               | -0.15             | -0.45              |
| Felton                  | -0.32               | -0.32             | -0.52              | -0.32                | -0.32             | -0.67              | -0.37               | -0.37             | -0.72              | -0.37               | -0.37             | -0.72              |
| MRG                     | -0.37               | -0.37             | -0.62              | -0.37                | -0.37             | -0.62              | -0.32               | -0.32             | -0.62              | -0.32               | -0.32             | -0.62              |

### Loan Rates

|          | 2020 | 2020   | 2020   |
|----------|------|--------|--------|
| Crop     | Clay | Norman | Wilkin |
| Wheat    | 3.96 | 3.95   | 3.97   |
| Corn     | 2.05 | 2.02   | 2.03   |
| Soybeans | 5.96 | 5.92   | 5.98   |

Commodity Int. Rate: 1.125% Jan 1, 2021 Farm Storage Loans

| Annual Interest Rate | Length of Loan Term | Annual Interest Rate | Length of Loan Term |
|----------------------|---------------------|----------------------|---------------------|
| 0.250%               | 3 years             | 0.875%               | 10 years            |
| 0.375%               | 5 years             | 1.000%               | 12 years            |
| 0.625%               | 7 years             |                      |                     |



| Corn Quotes | 12/15/2020 | Spread |        | 12/18/2020 | Spread |        | 12/21/2020 | Spread |        | 12/27/2020 | Spread |
|-------------|------------|--------|--------|------------|--------|--------|------------|--------|--------|------------|--------|
| Dec-21      | 4.12       |        | Dec-21 | 4.184      |        | Dec-21 | 4.2        |        | Dec-21 | 4.244      |        |
| Mar-22      | 4.174      | 0.054  | Mar-22 | 4.234      | 0.05   | Mar-22 | 4.25       | 0.05   | Mar-22 | 4.286      | 0.042  |
| May-22      | 4.194      | 0.074  | May-22 | 4.246      | 0.062  | May-22 | 4.26       | 0.06   | May-22 | 4.296      | 0.052  |
| Jul-22      | 4.19       | 0.07   | Jul-22 | 4.242      | 0.058  | Jul-22 | 4.256      | 0.056  | Jul-22 | 4.294      | 0.05   |
|             | 12/29/2020 |        |        | 12/31/2020 |        |        | 1/4/2021   |        |        | 1/6/2021   |        |
| Dec-21      | 4.31       | Spread | Dec-21 | 4.346      | Spread | Dec-21 | 4.384      | Spread | Dec-21 | 4.41       | Spread |
| Mar-22      | 4.366      | 0.056  | Mar-22 | 4.402      | 0.056  | Mar-22 | 4.436      | 0.052  | Mar-22 | 4.466      | 0.056  |
| May-22      | 4.382      | 0.072  | May-22 | 4.42       | 0.074  | May-22 | 4.454      | 0.07   | May-22 | 4.476      | 0.066  |
| Jul-22      | 4.376      | 0.066  | Jul-22 | 4.414      | 0.068  | Jul-22 | 4.44       | 0.056  | Jul-22 | 4.456      | 0.046  |
|             | 1/11/2021  | Spread |        | 1/13/2021  | Spread |        | 1/17/2021  | Spread |        | 1/20/2021  | Spread |
| Dec-21      | 4.414      |        | Dec-21 | 4.594      |        | Dec-21 | 4.6        |        | Dec-21 | 4.496      |        |
| Mar-22      | 4.47       | 0.056  | Mar-22 | 4.634      | 0.04   | Mar-22 | 4.654      | 0.054  | Mar-22 | 4.562      | 0.066  |
| May-22      | 4.472      | 0.058  | May-22 | 4.7        | 0.106  | May-22 | 4.684      | 0.084  | May-22 | 4.6        | 0.104  |
| Jul-22      | 4.474      | 0.06   | Jul-22 | 4.662      | 0.068  | Jul-22 | 4.692      | 0.092  | Jul-22 | 4.622      | 0.126  |
|             |            | Spread |        |            | Spread |        |            | Spread |        |            | Spread |
| Dec-21      |            |        | Dec-21 |            |        | Dec-21 |            |        | Dec-21 |            |        |
| Mar-22      |            | 0      | Mar-22 |            | 0      | Mar-22 |            | 0      | Mar-22 |            | 0      |
| May-22      |            | 0      | May-22 |            | 0      | May-22 |            | 0      | May-22 |            | 0      |
| Jul-22      |            | 0      | Jul-22 |            | 0      | Jul-22 |            | 0      | Jul-22 |            | 0      |
|             |            | Spread |        |            | Spread |        |            | Spread |        |            | Spread |
| Dec-21      |            |        | Dec-21 |            |        | Dec-21 |            |        | Dec-21 |            |        |
| Mar-22      |            | 0      | Mar-22 |            | 0      | Mar-22 |            | 0      | Mar-22 |            | 0      |
| May-22      |            | 0      | May-22 |            | 0      | May-22 |            | 0      | May-22 |            | 0      |
| Jul-22      |            | 0      | Jul-22 |            | 0      | Jul-22 |            | 0      | Jul-22 |            | 0      |
|             |            | Spread |        |            | Spread |        |            | Spread |        |            | Spread |
| Dec-21      |            |        | Dec-21 |            |        | Dec-21 |            |        | Dec-21 |            |        |
| Mar-22      |            | 0      | Mar-22 |            | 0      | Mar-22 |            | 0      | Mar-22 |            | 0      |
| May-22      |            | 0      | May-22 |            | 0      | May-22 |            | 0      | May-22 |            | 0      |
| Jul-22      |            | 0      | Jul-22 |            | 0      | Jul-22 |            | 0      | Jul-22 |            | 0      |
|             |            | Spread |        |            | Spread |        |            | Spread |        |            | Spread |
| Dec-21      |            |        | Dec-21 |            |        | Dec-21 |            |        | Dec-21 |            |        |
| Mar-22      |            | 0      | Mar-22 |            | 0      | Mar-22 |            | 0      | Mar-22 |            | 0      |
| May-22      |            | 0      | May-22 |            | 0      | May-22 |            | 0      | May-22 |            | 0      |
| Jul-22      |            | 0      | Jul-22 |            | 0      | Jul-22 |            | 0      | Jul-22 |            | 0      |





## MARKETING NEWSLETTER COMPARISONS

Northland College–Josh Tjosaas and Ron Dvergstén, Instructors

| 1-21-2021  | WHEAT  | SOYBEANS   | CORN  | OTHER  |
|--|--|--|---|--|
| <b>Pro Farmer:</b>   | 20: <b>85% sold for cash sellers</b> and 95% sold for HTA, 20% FO<br>21: 30% sold for cash sellers and 30% sold for HTA, 0% FO<br><br>Trend is up. | 20: <b>90% Cash, 90%Hedgers/0%FO</b><br>21: <b>20% Cash, 20%Hedgers/0%FO</b><br><br>Trend is up. | 20: <b>70% Cash, 80%Hedgers/10%FO</b><br>21: <b>20% Cash, 20%Hedgers/0%FO</b><br><br>Trend is up.                                     | Cattle: No Sales<br><br>Trend is higher.   |
| <b>Money Farm:</b>   | 20:50% Cash Sold<br>21:15% Sold  | 21: 10% Sold, 25% Hedged   | 20: 60% Cash Sold, 35% Hedge<br>21: 30% Hedged  | <b>Luke Swenson writes this daily newsletter.</b>  |
| <b>Martinson Ag:</b>   | 19:75% sold FF at \$5.52 Sept<br>20: 25% Sold at \$6.25 Mar 21<br>21: 15% Sold at \$6.45 Dec 21  | <b>20: 80% Sold 10.82 Avg Nov/Jan/Mar</b><br><b>21: 15% Sold at \$11.85 Nov 21</b>               | 19:85% sold at \$3.83 Futures<br><b>20: 80% Sold Dec 20 \$3.97</b><br><b>21: 25% Sold Dec 21 \$4.33</b><br>22: 10% Sold Dec 22 \$3.92 | <b>Randy Martinson writes this daily newsletter.</b>   |
| <b>Roach Ag:</b>   | <b>Day 19 Mpls Wheat Sell Signal<br/>Wednesday Jan 20<sup>th</sup>, 2021</b>   |  | <b>Day 19 Corn Sell Signal<br/>Wednesday Jan 20<sup>th</sup>, 2021</b>  |  |
| <b>Usset, U of MN:</b>   | <u>Updated 1/14/2020</u><br>20: 5,000 bu at \$4.95<br><b>21: 20% sold at \$5.80 cash</b>   | <u>Updated 12/18/2020</u><br>20: 100% sold at 9.62 Cash<br>21: 5,000 bu sold at \$10.81 Nov      | <u>Updated 12/18/2020</u><br>20: 20,000 bu sold 3.17 Cash, 10K at \$3.90, 5K at \$4.05<br>21: None-First target \$4.25 Dec            | <b>You can check out Ed Usset's website at <a href="http://www.cffm.umn.edu/GrainMarketing/MarketingPlans.aspx">http://www.cffm.umn.edu/GrainMarketing/MarketingPlans.aspx</a></b> |
| Terms:   | CBT-Chicago Board of Trade   | OC–Old Crop  | P–Put Option  | FC–Forward Contract  |
|  | MGE-Minneapolis Grain Exchange   | NC–New Crop  | C–Call Option   | H-Hedge  |
|  | KC–Kansas City Board of Trade  | OTM–Out-of-the-Money   | ATM–At-the-Money  | F/O-Futures/Options  |
| <b>NEXT USDA CROP REPORT: WASDE Feb 9<sup>th</sup>, 2021      Bold: indicates change from last week.</b> |  |  |   |  |

“The information provided by Northland Farm Business Management is for informational and comparison purposes only. It is not intended to be considered marketing or trading advice for your individual operation. The risk of loss in trading futures and/or options is substantial and each investor and/or trader must consider whether this is a suitable investment. By accepting this communication, you agree that you are capable of making independent trading decisions, and agree that you are not, and will not, rely solely on this communication in making trading decisions.”

## 2020 Base Line Prices for Wheat, Soybeans and Corn

Local price (forward contract) quoted at Barnesville, MN (Wheat & Soybeans) and Cargill (Wahpeton Corn Plant) for 2020 grain on the second Monday of each month. County Loan is the Minimum Price.

| Month    | Wheat | Basis | Soybeans | Basis | Corn | Basis |
|----------|-------|-------|----------|-------|------|-------|
| Jan 2020 | 5.37  | -0.50 | 8.48     | -1.06 | 3.68 | -0.35 |
| Feb      | 5.03  | -0.60 | 8.12     | -1.06 | 3.56 | -0.35 |
| Mar      | 4.78  | -0.58 | 7.90     | -0.98 | 3.35 | -0.40 |
| Apr      | 4.96  | -0.59 | 7.89     | -0.86 | 3.09 | -0.40 |
| May      | 4.72  | -0.58 | 7.74     | -0.86 | 2.93 | -0.43 |
| June     | 4.78  | -0.53 | 8.00     | -0.79 | 3.12 | -0.35 |
| July     | 4.72  | -0.47 | 8.06     | -0.68 | 3.07 | -0.30 |
| Aug      | 4.48  | -0.45 | 8.02     | -0.65 | 2.91 | -0.30 |
| Sept     | 4.76  | -0.57 | 9.37     | -0.65 | 3.44 | -0.27 |
| Oct      | 5.08  | -0.37 | 9.91     | -0.69 | 3.54 | -0.25 |
| Nov      | 5.25  | -0.30 | 10.51    | -0.59 | 3.83 | -0.25 |
| Dec      | 5.37  | -0.35 | 11.07    | -0.63 | 4.08 | -0.25 |
| Jan 2021 | 5.78  | -0.32 | 13.13    | -0.69 | 4.77 | -0.20 |
| Feb      |       |       |          |       |      |       |
| Mar      |       |       |          |       |      |       |
| Apr      |       |       |          |       |      |       |
| May      |       |       |          |       |      |       |
| Jun      |       |       |          |       |      |       |
| Average  | 5.01  | -0.48 | 9.09     | -0.78 | 3.49 | -0.32 |
|          |       |       |          |       |      |       |

## 2021 Base Line Prices for Wheat, Soybeans and Corn

Local price (forward contract) quoted at AGV Barnesville, MN (Wheat & Soybeans) and Cargill (Wahpeton Corn Plant) for 2021 grain on the second Monday of each month. County Loan is the Minimum Price.

| Month    | Wheat | Basis | Soybeans | Basis | Corn | Basis |
|----------|-------|-------|----------|-------|------|-------|
| Jan 2021 | 5.70  | -0.58 | 10.95    | -0.70 | 3.97 | -0.45 |
| Feb      |       |       |          |       |      |       |
| Mar      |       |       |          |       |      |       |
| Apr      |       |       |          |       |      |       |
| May      |       |       |          |       |      |       |
| June     |       |       |          |       |      |       |
| July     |       |       |          |       |      |       |
| Aug      |       |       |          |       |      |       |
| Sept     |       |       |          |       |      |       |
| Oct      |       |       |          |       |      |       |
| Nov      |       |       |          |       |      |       |
| Dec      |       |       |          |       |      |       |
| Jan 2022 |       |       |          |       |      |       |
| Feb      |       |       |          |       |      |       |
| Mar      |       |       |          |       |      |       |
| Apr      |       |       |          |       |      |       |
| May      |       |       |          |       |      |       |
| Jun      |       |       |          |       |      |       |
| Average  | 5.7   | -0.58 | 10.95    | -0.7  | 3.97 | -0.45 |
|          |       |       |          |       |      |       |

## 2021 GRAIN SALES SUMMARY

**Name**

|         | Acres | Preharvest Sales | Sales to Date | Bushels to Left to Presell | Percent Sold | Average Futures Price | Average Cash Price | Total Preharvest Sales |
|---------|-------|------------------|---------------|----------------------------|--------------|-----------------------|--------------------|------------------------|
| Corn    | 500   | 61875            | 45000         | 16875                      | 55%          | \$ 4.23               | \$ 3.73            | \$ 168,000.00          |
| Soybean | 500   | 15375            | 14000         | 1375                       | 68%          | \$ 10.51              | \$ 10.06           | \$ 140,900.00          |
| Wheat   | 500   | 24375            | 20000         | 4375                       | 62%          | \$ 6.15               | \$ 6.00            | \$ 120,000.00          |
| Totals  | 1500  |                  |               |                            |              |                       |                    | \$ 428,900.00          |

## POST HARVEST SALES SUMMARY

|            | Acres    | Bushels to Sell | Total Bushels to Produce | 39500 | Total Postharvest Sales | BU/A SOLD     | BEP For Post Harvest | Projected BEY w Sales |           |
|------------|----------|-----------------|--------------------------|-------|-------------------------|---------------|----------------------|-----------------------|-----------|
| Corn       | 500      | 37500           | 82500                    | 45%   | \$ 3.60                 | \$ 135,000.00 | 90.00                | \$ 3.39               | 160.73    |
| Soybean    | 500      | 6500            | 20500                    | 32%   | \$ 10.00                | \$ 65,000.00  | 28.00                | \$ 6.97               | 37.06     |
| Wheat      | 500      | 12500           | 32500                    | 38%   | \$ 5.50                 | \$ 68,750.00  | 40.00                | \$ 5.78               | 66.26     |
| Other Crop | 0.000001 |                 |                          | 100%  |                         | \$ -          |                      | #DIV/0!               | #DIV/0!   |
| Sugarbeets | 1        | 28.00           | 28                       | 100%  | 42                      | 1176          |                      | \$ 41.07              | 27.381886 |
| Totals     | 1501     |                 |                          |       |                         | \$ 269,926.00 |                      |                       |           |

|                                   |                      |
|-----------------------------------|----------------------|
| Project Corn Expense              | \$ 295,305.28        |
| Project Soybean Expense           | \$ 186,222.84        |
| Projected Wheat Expense           | \$ 192,222.84        |
| Projected Sugarbeet Expenses      | \$ 1,150.04          |
| Projected Misc. Crop Expense      | \$ 0.00              |
| <b>Total Project Farm Expense</b> | <b>\$ 674,901.00</b> |

|                              |              |
|------------------------------|--------------|
| <b>ROI</b>                   | <b>4%</b>    |
| <b>Net Farm Income Ratio</b> | <b>3%</b>    |
| 2020 Sales                   | Net Return   |
| \$ 698,826.00                | \$ 23,925.00 |
| Return/Acre                  | \$ 15.94     |

Name: 2020 Marketing Group Summary

**2019 PROJECTED FARM CASH FLOW BY CROP/BEP**

| CROP INCOME                   | WHEAT<br>Acre |  | SOYBEANS<br>Acre |  | CORN<br>Acre |  | Sugar Beets<br>Acre |  | Other Crop<br>Acre |  |
|-------------------------------|---------------|--|------------------|--|--------------|--|---------------------|--|--------------------|--|
| Acres                         | 500           |  | 500              |  | 500          |  | 1                   |  | 0.000001           |  |
| Wok Units                     | 15000         |  | 15000            |  | 27500        |  | 120                 |  | 0.00004            |  |
| Yield Per Acre                | 65.00         |  | 41.00            |  | 165.00       |  | 28.00               |  | 28.00              |  |
| Price Received per Bushel     | \$ 5.90       |  | \$ 9.25          |  | \$ 3.50      |  | \$ 42.00            |  |                    |  |
| Total Product Return per Acre | \$ 383.50     |  | \$ 191,750.00    |  | \$ 379.25    |  | \$ 189,625.00       |  | \$ 577.50          |  |
| Miscellaneous Payments        | \$ -          |  | \$ -             |  | \$ -         |  | \$ -                |  | \$ -               |  |
| Gross Return per Acre         | \$ 383.50     |  | \$ 191,750.00    |  | \$ 379.25    |  | \$ 189,625.00       |  | \$ 577.50          |  |
|                               | \$ 288,750.00 |  | \$ 1,176.00      |  | \$ 1,176.00  |  | \$ 1,176.00         |  | \$ -               |  |

**DIRECT EXPENSES**

|                             |                  |                      |                  |                      |                  |                      |                  |                  |                  |                |
|-----------------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|------------------|------------------|------------------|----------------|
| Seed                        | \$ 20.00         | \$ 10,000.00         | \$ 60.00         | \$ 30,000.00         | \$ 85.00         | \$ 42,500.00         | \$ 225.00        | \$ 225.00        |                  | \$ -           |
| Fertilizer                  | \$ 73.00         | \$ 36,500.00         | \$ 12.00         | \$ 6,000.00          | \$ 88.00         | \$ 44,000.00         | \$ 84.00         | \$ 84.00         |                  | \$ -           |
| Crop Chemicals              | \$ 25.00         | \$ 12,500.00         | \$ 28.00         | \$ 14,000.00         | \$ 27.00         | \$ 13,500.00         | \$ 118.00        | \$ 118.00        |                  | \$ -           |
| Crop Insurance              | \$ 12.00         | \$ 6,000.00          | \$ 18.00         | \$ 9,000.00          | \$ 21.00         | \$ 10,500.00         | \$ 30.00         | \$ 30.00         |                  | \$ -           |
| Fuel and Oil                | \$ 14.58         | \$ 7,289.14          | \$ 14.58         | \$ 7,289.14          | \$ 26.73         | \$ 13,363.42         | \$ 58.31         | \$ 58.31         |                  | \$ -           |
| Repairs                     | \$ 27.33         | \$ 13,667.13         | \$ 27.33         | \$ 13,667.13         | \$ 50.11         | \$ 25,056.40         | \$ 109.34        | \$ 109.34        |                  | \$ -           |
| Custom Hire/Lease           | \$ -             | \$ -                 | \$ -             | \$ -                 | \$ -             | \$ -                 | \$ 60.00         | \$ 60.00         |                  | \$ -           |
| Stock Quota Joint Venture   | \$ -             | \$ -                 | \$ -             | \$ -                 | \$ -             | \$ -                 | \$ -             | \$ -             |                  | \$ -           |
| Land Rent/Costs             | \$ 128.25        | \$ 64,123.92         | \$ 128.25        | \$ 64,123.92         | \$ 128.25        | \$ 64,123.92         | \$ 128.25        | \$ 128.25        | \$ 128.25        | \$ 0.00        |
| Drying                      | \$ -             | \$ -                 | \$ -             | \$ -                 | \$ 10.00         | \$ 5,000.00          | \$ -             | \$ -             |                  | \$ -           |
| Operating Interest          | \$ -             | \$ -                 | \$ -             | \$ -                 | \$ -             | \$ -                 | \$ -             | \$ -             |                  | \$ -           |
| Miscellaneous               | \$ -             | \$ -                 | \$ -             | \$ -                 | \$ -             | \$ -                 | \$ -             | \$ -             |                  | \$ -           |
| <b>TOTAL DIRECT EXPENSE</b> | <b>\$ 300.16</b> | <b>\$ 150,080.18</b> | <b>\$ 288.16</b> | <b>\$ 144,080.18</b> | <b>\$ 436.09</b> | <b>\$ 218,043.74</b> | <b>\$ 812.90</b> | <b>\$ 812.90</b> | <b>\$ 128.25</b> | <b>\$ 0.00</b> |

**OVERHEAD EXPENSES**

|                               |                 |                     |                 |                     |                  |                     |                  |                  |                  |                |
|-------------------------------|-----------------|---------------------|-----------------|---------------------|------------------|---------------------|------------------|------------------|------------------|----------------|
| Overhead Expenses             | \$ 84.29        | \$ 42,142.66        | \$ 84.29        | \$ 42,142.66        | \$ 154.52        | \$ 77,261.54        | \$ 337.14        | \$ 337.14        | \$ 112.38        |                |
| <b>TOTAL OVERHEAD EXPENSE</b> | <b>\$ 84.29</b> | <b>\$ 42,142.66</b> | <b>\$ 84.29</b> | <b>\$ 42,142.66</b> | <b>\$ 154.52</b> | <b>\$ 77,261.54</b> | <b>\$ 337.14</b> | <b>\$ 337.14</b> | <b>\$ 112.38</b> | <b>\$ 0.00</b> |

|                            |                  |                      |                  |                      |                  |                      |                    |                    |                  |                |
|----------------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|--------------------|--------------------|------------------|----------------|
| <b>TOTAL EXPENSES/ACRE</b> | <b>\$ 384.45</b> | <b>\$ 192,222.84</b> | <b>\$ 372.45</b> | <b>\$ 186,222.84</b> | <b>\$ 590.61</b> | <b>\$ 295,305.28</b> | <b>\$ 1,150.04</b> | <b>\$ 1,150.04</b> | <b>\$ 240.63</b> | <b>\$ 0.00</b> |
|----------------------------|------------------|----------------------|------------------|----------------------|------------------|----------------------|--------------------|--------------------|------------------|----------------|

|                        |                  |                |                   |                 |                    |
|------------------------|------------------|----------------|-------------------|-----------------|--------------------|
|                        | \$ (0.95)        | \$ 6.80        | \$ (13.11)        | \$ 25.96        | \$ (240.63)        |
|                        | \$ 83.34         | \$ 91.09       | \$ 141.41         | \$ 363.10       | \$ (128.25)        |
|                        | \$ 383.50        | \$ 379.25      | \$ 577.50         | \$ 1,176.00     | \$ -               |
|                        | \$ 384.45        | \$ 372.45      | \$ 590.61         | \$ 1,150.04     | \$ 240.63          |
| <b>Profit Per Acre</b> | <b>\$ (0.95)</b> | <b>\$ 6.80</b> | <b>\$ (13.11)</b> | <b>\$ 25.96</b> | <b>\$ (240.63)</b> |
| <b>Profit Margin</b>   | <b>-0.25%</b>    | <b>1.83%</b>   | <b>-2.22%</b>     | <b>2.26%</b>    | <b>-100.00%</b>    |

|                    |                |                |                |                 |                |
|--------------------|----------------|----------------|----------------|-----------------|----------------|
| <b>BEP</b>         | <b>\$ 5.91</b> | <b>\$ 9.08</b> | <b>\$ 3.58</b> | <b>\$ 41.07</b> | <b>#DIV/0!</b> |
| Net Return \$50/A  | \$ 6.68        | \$ 10.30       | \$ 3.88        | \$ 42.86        | #DIV/0!        |
| Net Return \$100/A | \$ 7.45        | \$ 11.52       | \$ 4.19        | \$ 44.64        | #DIV/0!        |
| Net Return \$150/A | \$ 8.22        | \$ 12.74       | \$ 4.49        | \$ 46.43        | #DIV/0!        |
| Net Return \$200/A | \$ 8.99        | \$ 13.96       | \$ 4.79        | \$ 48.22        | #DIV/0!        |

Developed by Randy Zimmerman, NCTC Ulen-Mahnomen  
Modified by Josh Tjosaas, NCTC Moorhead







**2021 Pre-Harvest Marketing Plan for Soybeans**

\*Based on the structure of Ed Usset's-UMN/CFFM Marketing Specialist Pre-Harvest Marketing Plans

Expected 2021 Production: 20500 bushels @ 500 acres @ 41.00 bushels per acre  
 Bushels to Pre-Harvest 15375  
 Objective: Buy crop insurance to protect my production risk, and have 75% of my anticipated crop priced by mid-June  
 Typical Fall Soybean Basis -0.65 Additional bump in price 0.4  
 25% Price 3843.75 bushels at 9.08 cash price 9.73 Nov Futures using forward contract/futures/hedge/futures fixed  
 25% Price 3843.75 bushels at 9.48 cash price 10.13 Futures or by Apr 21-Apr pricing tool to-be-determined ("tbd")  
 25% Price 3843.75 bushels at 9.88 cash price 10.53 Futures or by May 19-May pricing tool to-be-determined ("tbd")  
 25% Price 3843.75 bushels at 10.28 cash price 10.93 Futures or by Jun 20-Jun pricing tool to-be-determined ("tbd")  
 100%  
 Plan starts on Oct 1 2020  
 Ignore decision dates and make no sale if prices are lower than 9.08 local cash price 9.73 December futures  
 Exit all options positions by mid-September, 2021  
 Bushels marketing may have to be adjusted to fit futures contracts  
 Highlighted areas can be modified \*Plan is started at your breakeven but numbers can be adjusted

|   |           |                |
|---|-----------|----------------|
| APH or Expected Yield                     |           | 41.00          |
| Acres                                     |           | 500            |
| Crop Ins. Coverage Level or % to Pre-Sell | 75%       |                |
| Coverage Level Yield                      | 30.75     |                |
| Total Bu                                  | 20,500.00 |                |
| Bu to Pre-Sell                            | 15,375.00 |                |
| <b>My Break Even</b>                      |           | <b>\$ 9.08</b> |

| Date Sold     | Future Price | Bushels | Total         | Delivery Year** | Delivery Location & Time | Projected Basis | Cash Price | Cash Income   |
|---------------|--------------|---------|---------------|-----------------|--------------------------|-----------------|------------|---------------|
| 11/5/2020     | \$ 10.00     | 5,000   | \$ 50,000.00  | Nov-21          | Ulen                     | (\$0.45)        | \$ 9.55    | \$ 47,750.00  |
| 11/13/2020    | \$ 10.40     | 5,000   | \$ 52,000.00  | Nov-21          | Ulen                     | (\$0.45)        | \$ 9.95    | \$ 49,750.00  |
| 12/18/2020    | \$ 10.80     | 2,000   | \$ 21,600.00  | Nov-21          | Ulen                     | (\$0.45)        | \$ 10.35   | \$ 20,700.00  |
| 1/13/2021     | \$ 11.80     | 2,000   | \$ 23,600.00  | Nov-21          | Ulen                     | (\$0.45)        | \$ 11.35   | \$ 22,700.00  |
|               | \$ 12.80     |         | \$ -          |                 |                          |                 | \$ 12.80   | \$ -          |
|               | \$ 14.00     |         | \$ -          |                 |                          |                 | \$ 14.00   | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
|               |              |         | \$ -          |                 |                          |                 | \$ -       | \$ -          |
| Pre-Sales Avg | 10.51        | 14,000  | \$ 147,200.00 |                 |                          |                 | 10.06      | \$ 140,900.00 |

|                                 |  |   |
|---------------------------------|--|---|
| <b>Bushels Left to Pre-Sell</b> |  | <b>1,375</b>  |
| <b>Bushel / Acre Sold</b>       |  | <b>28 68%</b>   |
| <b>Post Harvest Sales</b>       |  | <b>6,500 \$ -</b>   |
| <b>Final Average</b>            |  | <b>\$ 7.18 20,500 \$ 147,200.00 \$ 6.87 20,500.00 \$ 140,900.00</b> |

**2021 Pre-Harvest Marketing Plan for Spring Wheat**

\*Based on the structure of Ed Usset's-UMN/CFFM Marketing Specialist Pre-Harvest Marketing Plans

Expected 2021 Production: 31500 bushels      500 acres @      63.00 bushels per acre  
 Bushels to Pre-Harvest      23625

Objective: Buy crop insurance to protect my production risk, and have 75% of my anticipated crop priced by mid-June  
 Typical Fall Corn Basis      -0.3 Additional bump in price      0.2  
 20% Price      4725 bushels at      5.91 cash price      6.21 Dec Futures using forward contract/futures/hedge/futures fixed

20% Price      4725 bushels at      6.11 cash price      6.41 Futures or by 23-Mar pricing tool to-be-determined ("tbd")

20% Price      4725 bushels at      6.31 cash price      6.61 Futures or by Apr 21-Apr pricing tool to-be-determined ("tbd")

20% Price      4725 bushels at      6.51 cash price      6.81 Futures or by May 19-May pricing tool to-be-determined ("tbd")

20% Price      4725 bushels at      6.71 cash price      7.01 Futures or by Jun 20-Jun pricing tool to-be-determined ("tbd")

100%

Plan starts on Oct 1 2020

Ignore decision dates and make no sale if prices are lower than 5.91 local cash price      6.21 December futures

Exit all options positions by mid-September, 2021

Bushels marketing may have to be adjusted to fit futures contracts

Highlighted areas can be modified      \*Plan is started at your breakeven but numbers can be adjusted

|   |  |                       |                              |
|---|--|-----------------------|------------------------------|
|   |  | APH or Expected Yield | 65.00                        |
|   |  | Acres                 | 500                          |
| Crop Ins. Coverage Level or % to Pre-Sell |  |                       | 75%                          |
|   |  | Coverage Level Yield  | 48.75                        |
|   |  | Total Bu              | 32,500.00                    |
|   |  | Bu to Pre-Sell        | 24,375.00                    |
| <b>WHEAT</b>                              |  |                       | <b>My Break Even \$ 5.91</b> |

| Date Sold            | Future Price | Bushels     | Total         | Delivery Year**      | Delivery Location & Time | Projected Basis           | Cash Price | Cash Income               |
|----------------------|--------------|-------------|---------------|----------------------|--------------------------|---------------------------|------------|---------------------------|
| 10/15/2020           | \$ 5.90      | 5,000       | \$ 29,500.00  | Sep-21               | Ulen                     | (\$0.30)                  | \$ 5.60    | \$ 28,000.00              |
| 10/21/2020           | \$ 6.00      | 5,000       | \$ 30,000.00  | Dec-21               | Ulen                     | (\$0.10)                  | \$ 5.90    | \$ 29,500.00              |
| 12/30/2020           | \$ 6.20      | 5,000       | \$ 31,000.00  | Dec-21               | Ulen                     | (\$0.10)                  | \$ 6.10    | \$ 30,500.00              |
| 1/12/2021            | \$ 6.40      | 2,500       | \$ 16,000.00  | Dec-21               | Ulen                     | (\$0.10)                  | \$ 6.30    | \$ 15,750.00              |
| 1/14/2021            | \$ 6.60      | 2,500       | \$ 16,500.00  | Dec-21               | Ulen                     | (\$0.10)                  | \$ 6.50    | \$ 16,250.00              |
|                      | \$ 6.80      |             | \$ -          |                      |                          |                           | \$ 6.80    | \$ -                      |
|                      | \$ 7.00      |             | \$ -          |                      |                          |                           | \$ 7.00    | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
|                      |              |             | \$ -          |                      |                          |                           | \$ -       | \$ -                      |
| <b>Pre-Sales Avg</b> |              | <b>6.15</b> | <b>20,000</b> | <b>\$ 123,000.00</b> |                          | <b>Pre-Cash Sale Ave.</b> |            | <b>6.00 \$ 120,000.00</b> |

Basis Locked 12/11/2020

2500  
2500

**Bushels Left to Pre-Sell 4,375**

**Bushel / Acre Sold 40 62%**

**Post Harvest Sales 12,500 \$ -**

|                      |                |               |                      |                |                  |                      |  |
|----------------------|----------------|---------------|----------------------|----------------|------------------|----------------------|--|
|                      |                |               | FUTURES              |                | CASH             |                      |  |
| <b>Final Average</b> | <b>\$ 3.78</b> | <b>32,500</b> | <b>\$ 123,000.00</b> | <b>\$ 3.69</b> | <b>32,500.00</b> | <b>\$ 120,000.00</b> |  |

***DAILY COMMENTARY***  
*Wednesday, January 20, 2021*

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**DAILY COMMENTARY**

Inauguration day, and the ag community couldn't feel more confused. On Biden's first day he is going to do what he can to slow the Keystone Pipeline from bringing down Canadian Shale which will use more fossil fuels as it will need to be shipped by truck/rail. This ironically will help farmers as it makes transport of oil more expensive, lower supply and will increase fuel prices. On the flip side of that coin, on Trump's final day he issued just a few more Small Refinery Exemptions; because we don't have enough people ignoring blend limits already...

The politics and red tape of this administration are going to be far reaching, let's just hope the benefits for Ag outweigh the regulations that are going to be placed upon us.

In just a couple short days funds have shrunk their ag products long by over 50,000 contracts. That is a good quick little washout. The pullback was sharp, and let's hope that was our quick opportunity to get back in. 80 cents on soybeans in a short 3 sessions. Technically if this was it for the pullback, it is supportive. We closed a few technical points and allowed the trade to consolidate. That being said, it is likely traders are

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going to sit back and then respond to Biden's policies after a few days of ink flying across executive orders and other adjustments.

With the orders aimed at trying to slow Canadian Shale into the US; that is supportive for energy prices and demand... unless our government stretches into trying to constrain US crude as well. That isn't likely, but we know some are thinking it.

Outside markets are relatively bland today on the quiet COVID focused Inauguration ceremony. The stock market is back up testing highs, the dollar is slightly lower and energies are continuing to push to new highs for this run.

2021 is certainly looking like the year for Agriculture. Let's hope something isn't around the corner to jinx it.

## **CORN COMMENTARY**

Futures today took a hit again, rebounded strong mid session, but fell to pressure on the close. After double digit losses (13 in old, 9 in new), March fought back to unchanged as spread traders did some rolling out of new crop and back into old mid session. The market is in consolidation mode, and will likely continue to be two sided for the near term.

The extra moisture in SA forecasts is taking a little premium out of the markets. Demand is still going to be the driver for markets into the spring.

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Whether SA comes into a normal weather pattern or not, exports from the US are going to be the main price driver for the next two months. If Chinese buying holds firm through Jan, the S and D's for the US have to tighten into the end of this marketing year.

Futures finished down 4 at \$5.22 in March futures.

### **SOYBEAN COMMENTARY**

Forecasts show another potential for good rains in Argentina next week. That helped push traders to new lows overnight. However, buyers were quick to spring back into the game by 9am this morning.

Basis remains super strong in the upper plains. We are debating back and forth the risk/reward of locking up some new crop basis here. Don't be afraid of it, however as acres start to materialize for this season; expect elevators to respond accordingly. If soybeans look to gain a bunch; don't anticipate these numbers to stay around. However; same applies for corn.

We recommended buying May Call Spreads in soybeans overnight. With the rebound mid session they got a little more expensive, but are still worth looking at.

Speculative: Buy May 13.80-15.80 call spread. Sell a \$12.80 put if you

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are ok with margin exposure. If you have rolled up into February options, these would be the long term replacement we were looking for.

Futures settled down in the upper teens after dropping as much as 35 early on, and rebounding to only down 5. March settled at \$13.69, down 16.

### **WHEAT COMMENTARY**

The wheat markets continue to be the conundrum. Winter wheat is pretty much open to the elements (but no hard weather impacting it), Russia and Argentina are limiting exports, Australia can't unload their grain fast enough, and the US is worried about planted acres this spring.

The story seems the same daily, but with the global buyers still largely skirting US product traders see no reason to get excited. Futures followed beans today; down in the teens early, rebounding midday and finishing in the middle of their session.

We haven't priced any more new crop yet, but are watching how technicals respond here for a little more new crop protection, and some more old crop sales.

All three markets finished down 5-7 today.

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### Cenex Fieldmaster Diesel Transport Price

