



January 27  
Webinar

## What goes into a Marketing Plan?

Production Costs  
Quality **Timing** Price Outlook Basis  
Local Markets **Tools** Storage  
Transportation

- a) Preharvest feedgrain/soybean plans by January (Oct for wheat).
- b) Postharvest feedgrain/soybean plans in Sep-Oct (May wheat).
- c) Implementation and “decisions” throughout.



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## Effective, marketing plans must include:

- a) Pricing Increments, (how much each time);
- b) Price Targets, (the price/profit you'll sell at);
- c) Date Targets, (designed to compel action when/if price targets aren't reached).

These, coupled with the pricing TOOLS you select, can guide your decisions, lead to action, and help take some of the emotion out of marketing.

*Note: WTG Marketing Plans and Decision Outlines are not advice, but benchmarks for you to compare your plans and decisions to.*



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# Postharvest Marketing Decisions

Historically, 68% of KS corn is sold by the end of January

Examining Corn Storage Returns as of 1/24/2025					Comm. Storage Costs	Unhedged Storage Returns	On Farm Storage Costs	Unhedged Storage Returns
Commercial Storage Costs Begin December 1st	2/21/2025			3-Yr. Avg. Basis				
Today: MAR Corn Futures	\$4.87	Current Basis	Basis Change	3-Yr. Avg. Basis				
Futures Gain	\$0.67							
Colby - Cornerstone Ag	\$4.67	(\$0.20)	(\$0.12)	\$0.14	\$0.151	\$0.40	\$0.134	\$0.42
Garden City Coop	\$5.02	\$0.15	\$0.13	\$0.47	\$0.152	\$0.65	\$0.137	\$0.66
Concordia East - Ag Mark	\$4.47	(\$0.40)	(\$0.02)	(\$0.07)	\$0.148	\$0.50	\$0.128	\$0.52
Haven - Producer Ag, MKC	\$4.64	(\$0.23)	\$0.05	\$0.19	\$0.149	\$0.57	\$0.130	\$0.59
Topeka - Gordon, Cargill	\$4.58	(\$0.29)	\$0.29	\$0.05	\$0.146	\$0.81	\$0.124	\$0.84
Chanute - Beachner	\$4.57	(\$0.30)	\$0.24	\$0.19	\$0.146	\$0.76	\$0.125	\$0.78
Six City Average	\$4.66	(\$0.21)	\$0.10	\$0.16	\$0.15	\$0.62	\$0.13	\$0.64

- Since Sep. 23, MAR futures are up \$0.67/bu., & cash corn prices are up \$0.77.
- Basis has appreciated but much less than expected, which has hurt “storage hedgers.”



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# Postharvest Marketing Decisions

We're up significantly since September, do we:

- Sell the corn, take the win and focus on new crop?
- Keep storing, waiting for basis to narrow or prices to keep going up? Let's see what Dan's got to say 😊
- Sell the corn and re-own with futures or an option?

Examining Potential Corn Storage Returns					Commercial Storage		On Farm Storage	
Commercial Storage Costs Begin December 1st	6/21/2025			Expected	Added Storage	Expected Breakeven Cash Price	Added Storage	Expected Breakeven Cash Price
	Current Basis	3-Yr. Avg. Basis	Expected Basis Appreciation					
JUL Corn Futures	\$4.98							
Colby - Cornerstone Ag	\$4.67	(\$0.31)	\$0.26	\$0.57	\$0.436	\$5.11	\$0.146	\$4.82
Garden City Coop	\$5.02	\$0.04	\$0.68	\$0.64	\$0.449	\$5.47	\$0.161	\$5.18
Concordia - Ag Mark	\$4.47	(\$0.51)	(\$0.02)	\$0.49	\$0.431	\$4.90	\$0.142	\$4.61
Haven - Producer Ag, MKC	\$4.64	(\$0.34)	\$0.15	\$0.49	\$0.437	\$5.08	\$0.148	\$4.79
Topeka - Gordon, Cargill	\$4.58	(\$0.40)	\$0.20	\$0.60	\$0.438	\$5.02	\$0.151	\$4.73
Chanute - Beachner	\$4.57	(\$0.41)	\$0.14	\$0.55	\$0.437	\$5.01	\$0.150	\$4.72
Six City Average	\$4.66	(\$0.32)	\$0.23	\$0.56	\$0.44	\$5.10	\$0.15	\$4.81

7% Interest and \$0.06/bu./mo. commercial storage charge; 1% shrink, \$0.05/bu. In-out, and 7% interest for on farm storage

Basis has GOT to narrow, right?

Where you have it stored makes a difference!

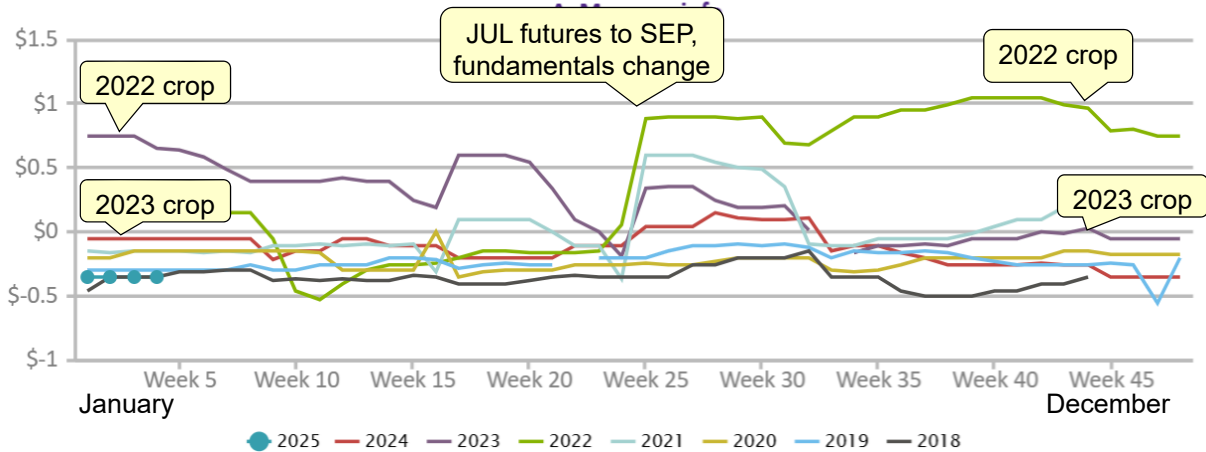


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# Postharvest Marketing Decisions

Often, once harvest begins, crop year fundamentals can significantly impact basis, and basis is often either strong or weak for much of that crop year.

## SALINA, KS: Corn Basis - SCOLAR GRAIN CO



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# Postharvest Marketing Decisions

## Selling the corn and re-owning with futures or an option

### Three “re-ownership” strategies

- A. Buy Futures. Most risky. With any significant change in futures direction, it will gain/lose the most.
- B. Buy an A-T-M Call. Provides a floor to potential losses, with unlimited upside, once the premium is met.
- C. Call Spread, buying an A-T-M Call and selling an O-T-M Call. Reduces overall premium cost but also limits upside potential.

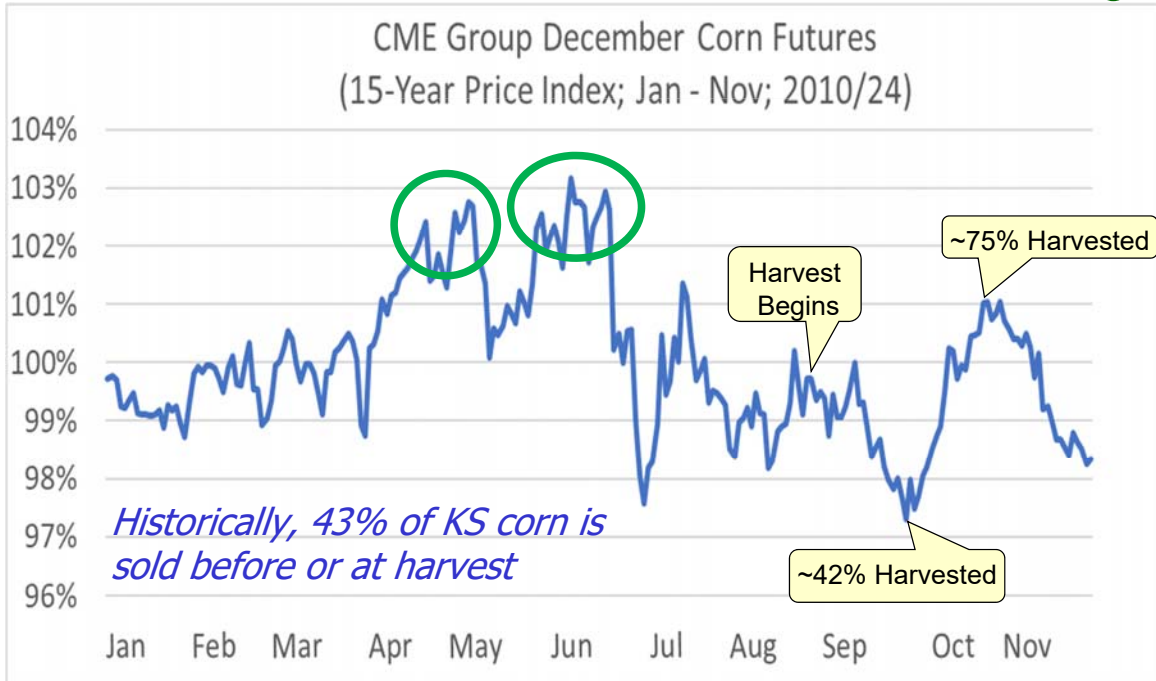
2024 Corn	Sold Corn for <b>\$4.66</b>		
1/24/2025	(A)	(B)	(C)
"Re-Owning" with Futures or Call Options	Buy Futures	Buy a Call Option	Implement a Call Spread
JULY Futures Price	<b>\$4.9750</b>	\$4.9750	\$4.9750
Buy an A-T-M JUL Call Option		<b>\$5.00</b>	\$5.00
Option Premium		<b>(\$0.2750)</b>	<b>(\$0.275)</b>
Sell an O-T-M JUL Call Option			<b>\$5.50</b>
Option Premium			<b>\$0.1275</b>
BE Futures Price	<b>\$4.9850</b>	<b>\$5.2850</b>	<b>\$5.1675</b>
Initial Cost	<b>(\$0.01)</b>	<b>(\$0.29)</b>	<b>(\$0.17)</b>
per 5,000 bu. Contract	<b>(\$50)</b>	<b>(\$1,425)</b>	<b>(\$838)</b>
Maximum Potential Loss	???	<b>(\$0.29)</b>	<b>(\$0.17)</b>
* \$0.01 per bushel commission for each position.			
If Futures Go To	futures and option results		
<b>\$5.7500</b>	<b>\$0.77</b>	<b>\$0.47</b>	<b>\$0.33</b>
<b>Overall Position</b>	<b>\$5.43</b>	<b>\$5.13</b>	<b>\$4.99</b>
If Futures Go To	futures and option results		
<b>\$4.2500</b>	<b>(\$0.74)</b>	<b>(\$0.29)</b>	<b>(\$0.17)</b>
<b>Overall Position</b>	<b>\$3.93</b>	<b>\$4.38</b>	<b>\$4.49</b>



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# Focusing on New Crop 2025 Marketing Decisions

## Timing



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## Pricing Targets v. January 1

Jan 1 thru Sep 30  
New Crop  
Futures Analysis

On average,  
harvest begins  
in September  
and is 75%  
complete by  
October 22

\* Prices continued  
higher

Fifteen Years: CME December Corn Futures

2010/24	Jan 1 Price	Preharvest Max Price	Change	Percent Change
2010*	\$4.45	\$5.22	\$0.77	17%
2011	\$5.53	\$7.75	\$2.23	40%
2012	\$5.90	\$8.39	\$2.49	42%
2013	\$5.92	\$5.94	\$0.01	0%
2014	\$4.48	\$5.13	\$0.65	14%
2015	\$4.20	\$4.52	\$0.32	8%
2016	\$3.77	\$4.49	\$0.72	19%
2017	\$3.84	\$4.15	\$0.31	8%
2018	\$3.87	\$4.27	\$0.40	10%
2019	\$3.98	\$4.69	\$0.70	18%
2020*	\$4.05	\$4.05	\$0.00	0%
2021	\$4.35	\$6.37	\$2.02	46%
2022	\$5.48	\$7.66	\$2.18	40%
2023	\$6.07	\$6.29	\$0.22	4%
2024	\$4.98	\$4.99	\$0.01	0%



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# Pricing Targets v. January 1

## Let's sort'em by rally size

Jan 1, 2025  
\$4.46 ½

Jan 1 thru Sep 30  
New Crop  
Futures Analysis

Fifteen Years: CME December Corn Futures					
	2010/24	Jan 1 Price	Preharvest Max Price	Change	Percent Change
	2012	\$5.90	\$8.39	\$2.49	42%
	2011	\$5.53	\$7.75	\$2.23	40%
	2022	\$5.48	\$7.66	\$2.18	40%
	2021	\$4.35	\$6.37	\$2.02	46%
	2010	\$4.45	\$5.22	\$0.77	17%
27% of the time, at least a \$2.00 rally	2016	\$3.77	\$4.49	\$0.72	19%
	2019	\$3.98	\$4.69	\$0.70	18%
53% of the time, at least a \$0.65 rally	2014	\$4.48	\$5.13	\$0.65	14%
	2018	\$3.87	\$4.27	\$0.40	10%
80% of the time, at least a \$0.20 rally	2015	\$4.20	\$4.52	\$0.32	8%
	2017	\$3.84	\$4.15	\$0.31	8%
	2023	\$6.07	\$6.29	\$0.22	4%
CRAP YEARS, little to no rally vs. Jan. 1	2013	\$5.92	\$5.94	\$0.01	0%
	2024	\$4.98	\$4.99	\$0.01	0%
	2020	\$4.05	\$4.05	\$0.00	0%

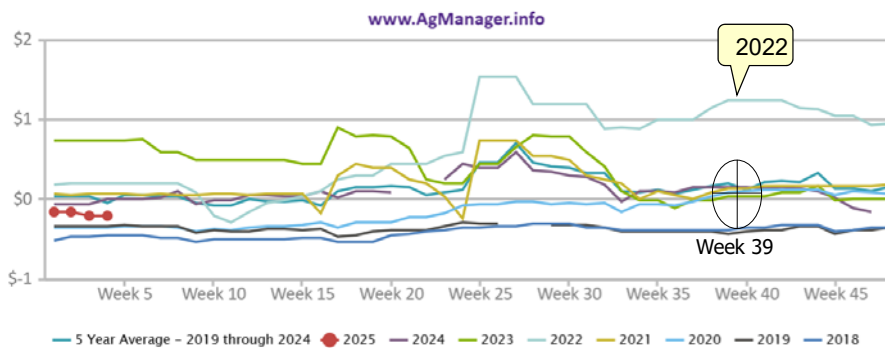


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## 2025 Preharvest Corn Plan Implementation

### What's a Good Forward Cash Contract Bid?

COLBY, KS: Corn Basis - CORNERSTONE AG



Basis over the last few years has been relatively volatile, making estimating potential hedge results challenging. i.e. the five-year average for Colby is \$0.21, but is that skewed by 2022?

Overall, current new crop Forward Cash Contract bids appear to be relatively weak vs. expectations.

Note: examining week 39, or roughly the third week of Oct. (KS is ~75% harvested)

Examining New Crop Bids		1/24/2025			10/21/2025	
Forward Cash Contracts vs. Selling DEC Futures		Actual New Crop Basis	5-Yr. Avg. New Crop Basis	Expected Hedge Price	Adjusted Basis	Expected Hedge Price
DEC Corn Futures	\$4.61					
Colby - Cornerstone Ag	\$4.41	(\$0.20)	\$0.21	\$4.81	\$0.09	\$4.69
Garden City Coop	\$4.61	\$0.00	\$0.00	\$4.60	\$0.05	\$4.65
Concordia East - Ag Mark	\$4.26	(\$0.35)	(\$0.11)	\$4.49	(\$0.30)	\$4.30
Haven - Producer Ag, MKC	\$4.36	(\$0.25)	\$0.08	\$4.68	(\$0.10)	\$4.50
Topeka - Gordon, Cargill	\$4.16	(\$0.45)	(\$0.13)	\$4.47	(\$0.25)	\$4.35
Chanute - Beachner	\$4.37	(\$0.24)	(\$0.06)	\$4.54	(\$0.20)	\$4.40
Six Location Average	\$4.36	(\$0.25)	(\$0.00)	\$4.60	(\$0.12)	\$4.48



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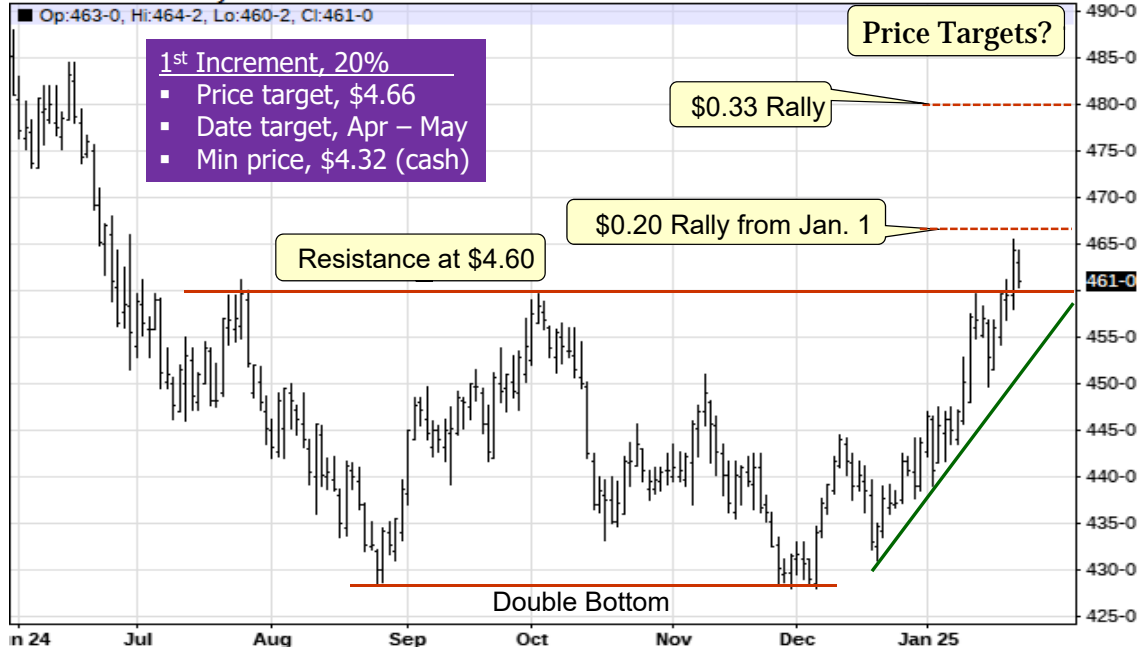


# 2025 Preharvest Corn Plan Implementation

Plan start: Jan 1  
DEC CME corn @ \$4.46 ½

Nothing priced as of today.  
Should we have started earlier?

ZCZ25 - Corn - Daily OHLC Chart



WTG Marketing Plans and Decision Outlines are not advice, but benchmarks for comparison.  
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## Thank you so much!

*WTG Marketing Plans and Decision Outlines are  
not advice, but benchmarks for comparison*



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2025 Winning the Game Production Cost Estimates			
Crop	Wheat	Corn	Soybeans
Yield	56	157	51
Direct Costs/Bushel	\$4.07	\$2.83	\$5.14
Direct (w/Cash Rent)/Bu.*	\$5.54	\$3.59	\$7.15
Total Costs/Bushel	\$6.91	\$4.32	\$9.12

**Kansas estimates. Includes irrigated and non-irrigated, multiple rotations, weighted by acres planted and region, and based on KSU Ag Economics, Farm Management Guides ([www.AgManager.info](http://www.AgManager.info)).**



\* Direct (w/Cash Rent)/Bu., aims to reflect those farms where a majority of acres are cash rented, and therefore are a "direct cost" that must be paid.

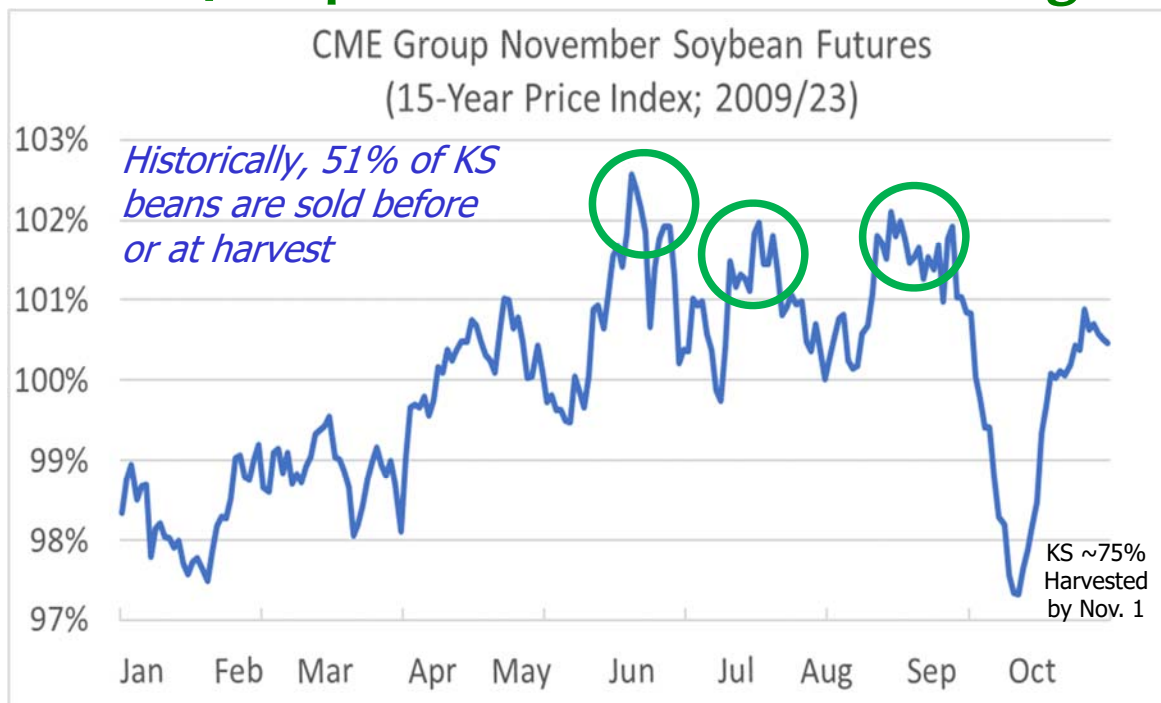
**Direct expenses include crop consulting, additional labor, crop insurance, custom operations, diesel, fertilizer, fungicides, herbicides, misc., repairs & maintenance, operator labor, seed and interest on capital.**

**Fixed expenses include "cash rent," for a land cost and capital recovery (depreciation + interest).**



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## 2024 Crop Preharvest Bean Marketing



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# Pricing Targets v. January 1

Jan 1, 2024

\$12.22

Let's start with the past 15 years

Jan 1 thru Sep 30  
New Crop  
Futures Analysis

On average,  
harvest begins  
in October and is  
75% complete by  
November 1

\* Prices continued  
higher



Fifteen Years: CME NOV Soybean Futures				
2010/24	Jan 1 Price	Preharvest Max Price	Change	Percent Change
2010*	\$10.20	\$11.29	\$1.09	11%
2011	\$12.94	\$14.58	\$1.63	13%
2012	\$12.19	\$17.68	\$5.49	45%
2013	\$12.94	\$13.96	\$1.02	8%
2014	\$11.29	\$12.71	\$1.42	13%
2015	\$9.93	\$10.37	\$0.44	4%
2016	\$8.73	\$11.63	\$2.90	33%
2017	\$9.83	\$10.43	\$0.60	6%
2018	\$9.82	\$10.54	\$0.71	7%
2019	\$9.44	\$9.64	\$0.21	2%
2020*	\$9.81	\$10.44	\$0.63	9%
2021	\$11.21	\$14.60	\$3.39	30%
2022	\$12.84	\$15.82	\$2.99	23%
2023	\$13.97	\$14.25	\$0.27	2%
2024	\$12.22	\$12.28	\$0.06	0%

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# Pricing Targets v. January 1

Jan 1, 2024

\$10.28

Let's sort'em by rally size

27% of the time, at  
least a \$2.90 rally

53% of the time, at  
least a \$1.00 rally

80% of the time, at  
least a \$0.40 rally

Fifteen Years: CME NOV Soybean Futures				
2010/24	Jan 1 Price	Preharvest Max Price	Change	Percent Change
2012	\$12.19	\$17.68	\$5.49	45%
2021	\$11.21	\$14.60	\$3.39	30%
2022	\$12.84	\$15.82	\$2.99	23%
2016	\$8.73	\$11.63	\$2.90	33%
2011	\$12.94	\$14.58	\$1.63	13%
2014	\$11.29	\$12.71	\$1.42	13%
2010	\$10.20	\$11.29	\$1.09	11%
2013	\$12.94	\$13.96	\$1.02	8%
2018	\$9.82	\$10.54	\$0.71	7%
2020	\$9.81	\$10.44	\$0.63	9%
2017	\$9.83	\$10.43	\$0.60	6%
2015	\$9.93	\$10.37	\$0.44	4%
2023	\$13.97	\$14.25	\$0.27	2%
2019	\$9.44	\$9.64	\$0.21	2%
2024	\$12.22	\$12.28	\$0.06	0%



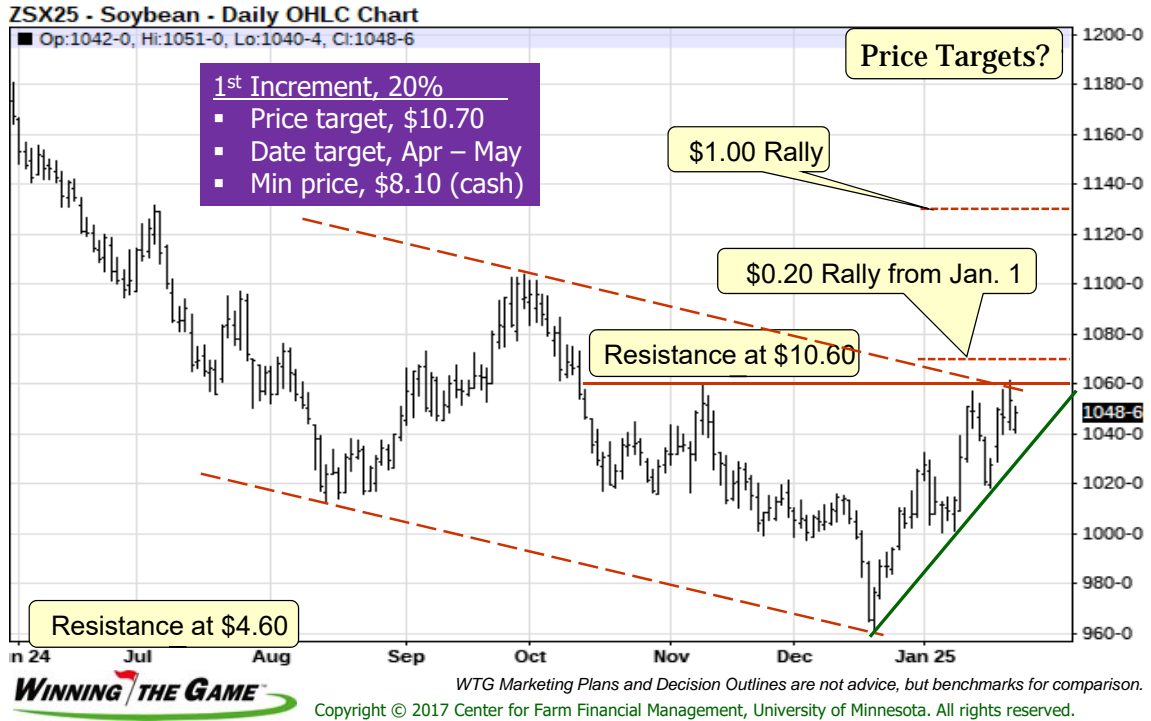
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# 2025 Preharvest Bean Plan Implementation

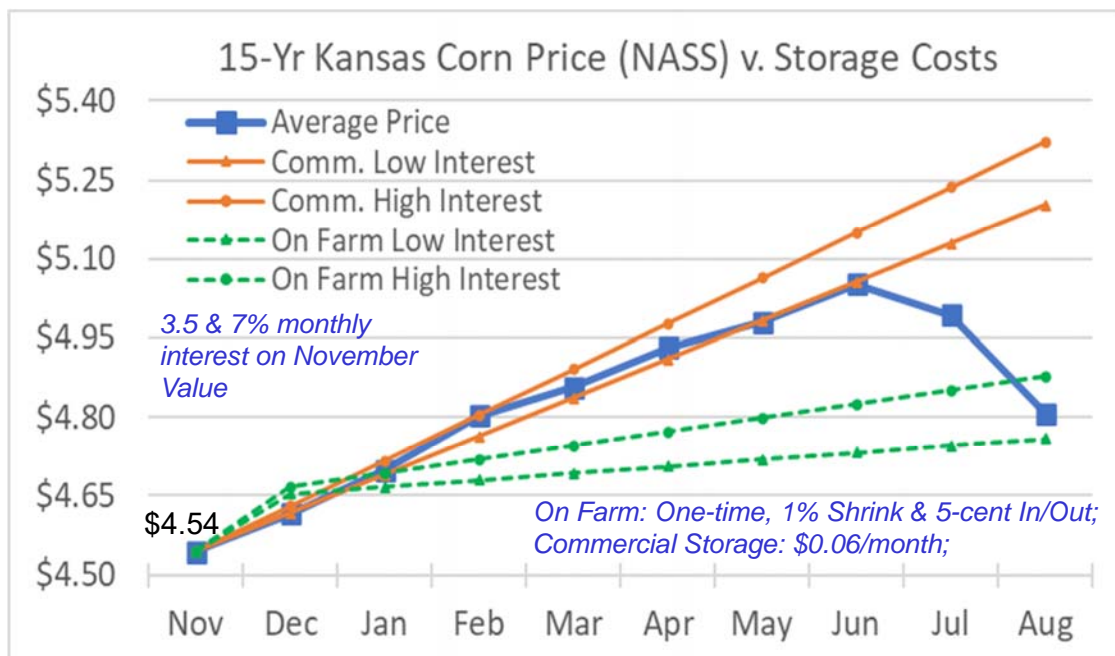
Plan start: Jan 1  
NOV CME soybeans @ \$10.28

Nothing priced as of today.  
Should we have started earlier?



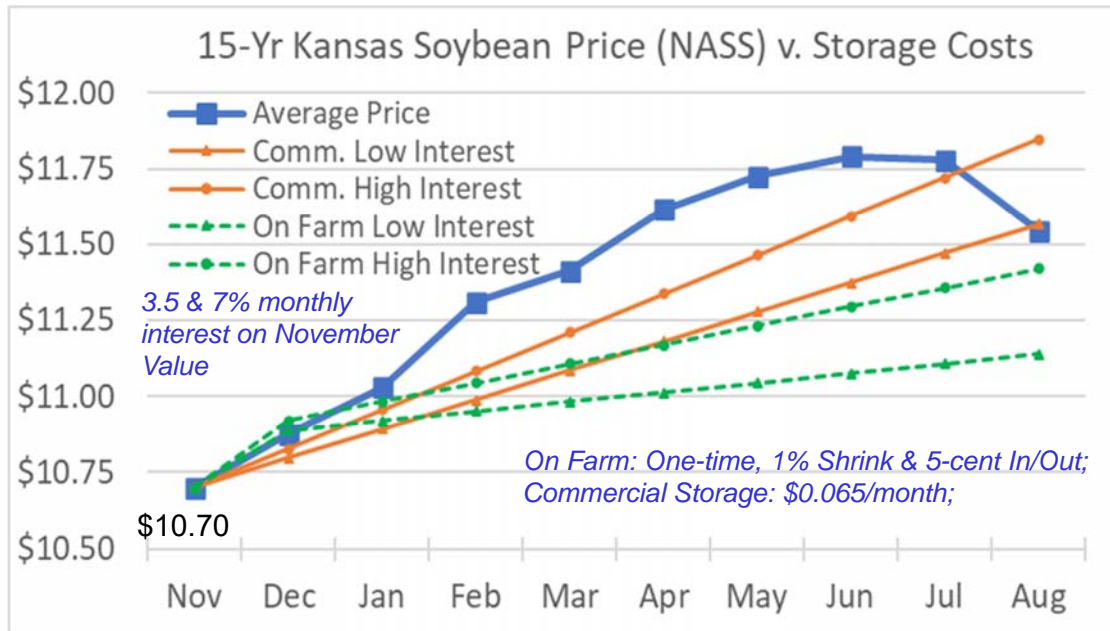
## Does Storage Pay?

With corn, on average, not bad.



# Does Storage Pay?

With soybeans, on average, yes.



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