

FARM BUSINESS MANAGEMENT



A Cooperative Educational Effort
of Carrington Public Schools and the
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MARKETING CLUB MEETINGS

Marketing Club – Wednesday, May 6th at 7:30 a.m. A review of the marketing slides from Mike Krueger's presentation here in April. If the weather should cause planting delays and the weather is good on Tuesday, be sure to call on Tuesday or check your email to be sure the meeting is still on for Wednesday. Coffee and rolls are on shortly after 7:00 a.m.

Women's Ag. Marketing Club – Tuesday, May 15th beginning with supper at 5:30 p.m. We will continue discussion of hedging, hedge-to-arrive contracts and how to use options. We will discuss a marketing strategy called the bull-call spread in which one option is purchased and another option is sold. It is not as confusing as it sounds and can be a very useful marketing tool. Pizza is on the menu for supper.

Marketing Club – Wednesday, May 20th at 7:30 a.m. Market review and some time on what option strategies may work for pricing wheat, corn and soybeans. If the weather should cause planting delays and the weather is good on Tuesday, be sure to call on Tuesday or check your email to be sure the meeting is still on for Wednesday. Coffee and rolls are on shortly after 7:00 a.m.

DON'T STOP WATCHING THE MARKETS

At this busy time of the year it is sometimes easy to stop watching and listening to the markets. I would encourage you to keep up with your marketing updates. So often we see markets climb during the planting season only to evaporate shortly after. This year we could see the results of too much early rain in the corn-soybean belt and then the affects of hotter temperatures and moisture stress later on this summer. Marketing will never be easy. It will require that we spend time discussing and reviewing what is happening in the markets and what the potential outcomes of various marketing scenarios might be.

We have several marketing tools at our disposal. We need to keep in mind that while costs are local, prices are global. We need to always look at the big picture to see what that tells us about the demand for the various crops we raise. There is a great deal of potential this year, but there is also a great deal of expense to deal with as our annual expenses are perhaps the highest they have ever been. There will perhaps be opportunities for pricing crops with out of the money put options if the markets spike into some higher levels. Remember the marketing club meetings are open to all our members and you are welcome to attend and to provide your input as well as to gather what you can from others.

SOME KEY NUMBERS FOR OUR REGION ARE INCLUDED WITH THIS NEWSLETTER

ANNUAL FEES DUE MAY 21st

The annual fee for 2007 is \$540 and your check payable to the Carrington Farm Business Management program may be mailed to me here at the CREC, 663 Hwy. 281 North, P.O. Box 219. The annual billing will go out during the first week of May but you may simply send in your check beforehand if you so desire. The local school district does serve as our fiscal agent and we do need to complete our annual fee collection in mid-May so they may also conclude their reports. Your help in this is greatly appreciated.