

Margery the Fortune Teller
PRE-HARVEST
Spring Wheat



Margery uses her crystal ball to forecast the highest price in the year ahead. She sells the highest price for September spring wheat in the year before harvest. (starting September 1 of the prior year, and up to August 20).

<u>Year</u>	<u>high price date</u>	high price Minneapolis September Wheat Futures	percent pre-harvest priced	Crookston Nearby Wheat Basis Friday Aug 20-26	Pre-harvest average	Crookston Price Friday Aug 20-26	Margery's weighted** average
1989	15-May-89	\$4.3100	75%	(\$0.29)	\$4.02	\$3.64	\$3.93
1990	8-Jan-90	\$3.8225	75%	(\$0.28)	\$3.54	\$2.52	\$3.29
1991	1-Apr-91	\$3.0900	75%	(\$0.27)	\$2.83	\$2.59	\$2.77
1992	10-Feb-92	\$4.1800	75%	(\$0.19)	\$3.99	\$2.97	\$3.74
1993	27-Jul-93	\$3.3975	75%	\$0.29	\$3.68	\$3.51	\$3.64
1994	19-Aug-94	\$3.6150	75%	(\$0.13)	\$3.49	\$3.63	\$3.52
1995	21-Jul-95	\$5.0200	75%	(\$0.29)	\$4.73	\$4.35	\$4.64
1996	9-May-96	\$6.3925	75%	(\$0.29)	\$6.10	\$4.37	\$5.67
1997	21-Apr-97	\$4.6825	75%	(\$0.31)	\$4.37	\$3.84	\$4.24
1998	22-Oct-97	\$4.1800	75%	(\$0.24)	\$3.94	\$2.96	\$3.69
1999	26-Oct-98	\$3.8650	75%	(\$0.43)	\$3.44	\$2.91	\$3.31
2000	7-Sep-99	\$3.8300	75%	(\$0.34)	\$3.49	\$2.63	\$3.27
2001	12-Oct-00	\$3.7150	75%	(\$0.17)	\$3.54	\$2.96	\$3.40
2002	13-Aug-02	\$4.1275	75%	(\$0.15)	\$3.98	\$3.95	\$3.97
2003	15-Oct-02	\$4.1900	75%	(\$0.38)	\$3.81	\$3.43	\$3.72
2004	22-Mar-04	\$4.5125	75%	(\$0.27)	\$4.24	\$3.18	\$3.98
2005	1-Sep-04	\$3.9050	75%	(\$0.07)	\$3.84	\$3.50	\$3.75
2006	11-Jul-06	\$5.3150	75%	(\$0.29)	\$5.03	\$4.16	\$4.81
2007	14-Aug-07	\$6.7425	75%	(\$0.69)	\$6.06	\$6.02	\$6.05
2008	26-Feb-08	\$13.2000	75%	(\$0.56)	\$12.65	\$8.82	\$11.69
2009	4-Sep-08	\$8.7700	75%	(\$0.36)	\$8.41	\$4.96	\$7.55
2010	5-Aug-10	\$7.8300	75%	(\$0.90)	\$6.93	\$6.10	\$6.72
1990-2010				(\$0.30)	\$4.86	\$3.97	\$4.64

** Margery is willing to price grain up to her insurance level (75%). Her final price will be a weighted average of up to 75% from pre-harvest sales and the balance from harvest sales, at the harvest price.