



November 1, 2018

Grain Marketing

Center for Farm Financial Management
University of Minnesota

<http://www.cffm.umn.edu/GrainMarketing/marketingplans.aspx>

Soybeans: 2019 Pre-Harvest Marketing Plan

by Ed Usset

Expected 2019 production: 25,000 bushels

Objective: Buy crop insurance to protect my production risk, and have 75% of my anticipated soybean crop priced by mid-June.

- Price 5,000 bushels at \$9.00 cash price (\$9.75 Nov futures) using forward contract/futures hedge/futures fixed contract.
- Price 2,500 bushels at \$9.75c/\$10.50f, or by April 19, pricing tool to-be-determined (“tbd”).
- Price 5,000 bushels at \$10.50c/\$11.25f, or by May 17, pricing tool tbd.
- Price 5,000 bushels at \$11.25c/\$12.00f, or by June 17, pricing tool tbd.

Plan starts on January 1, 2019. Earlier sales may be made at a 75-cent premium and would be limited to 10,000 bushels.

Ignore decision dates and make no sale if prices are lower than \$9.00 local cash price/\$9.75 November futures.

Exit all options positions by mid-September, 2019.