



October 3, 2022

Grain Marketing

Center for Farm Financial Management
University of Minnesota

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

Corn: 2023 Pre-Harvest Marketing Plan

by Edward Usset

Expected 2023 production: 100,000 bushels

Objective: Buy crop insurance to protect my production risk and have 75% of my anticipated corn crop (based on APH) priced by mid-June.

- Price 15,000 bushels at \$5.50 cash price (\$5.90 Dec. futures) using forward contract/futures hedge/futures fixed contract.
- Price 10,000 bushels at \$5.90c/\$6.30f, or by April 6, pricing tool to-be-determined (tbd).
- Price 15,000 bushels at \$6.30c/\$6.70f, or by May 5, pricing tool tbd.
- Price 10,000 bushels at \$6.70c/\$7.10f, or by May 17, pricing tool tbd.
- Price 15,000 bushels at \$7.10c/\$7.50f, or by June 5, pricing tool tbd.
- Price the last 10,000 bushels at \$7.50c/\$7.90f, or by June 21, pricing tool tbd.

Plan starts on January 1, 2023. Earlier sales may be made at a 50-cent premium and would be limited to 30,000 bushels.

Ignore decision dates and make no sale if prices are lower than \$5.50 local cash price/\$5.90 December futures.

Exit all options positions by mid-September 2023.



January 3, 2023

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Corn: Execution of the 2023 Pre-Harvest Marketing Plan

by Edward Usset

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- Price 15,000 bushels at \$5.50 cash price (\$5.90 Dec. futures) using forward contract/futures hedge/futures fixed contract. **Futures sale January 3, 2023 @ \$6.06³/₄ Dec'23 contract**
- Price 10,000 bushels at \$5.90c/\$6.30f, or by April 6, pricing tool to-be-determined (tbd).
- Price 15,000 bushels at \$6.30c/\$6.70f, or by May 5, pricing tool tbd.
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Corn: **Execution** of the 2023 Pre-Harvest Marketing Plan

by Edward Usset

January 3, 2023: The new year has started, and the plan is active. I make a sale of 3 contracts of Dec'23 corn futures at \$6.06³/₄ per bushel.

2023 status: I am 15% sold with Dec'23 futures at \$6.07, or a cash price at harvest of about \$5.70.