Field Stop Objectives

- Review Soybean Supply/Demand, Price Outlook & Seasonal Trends
- Utilize Basis, Carry, Cost of Ownership and Cash Flow Decisions
- Identify and Measure Combine Harvest Losses
- Understand Biodiesel Opportunities
- Identify Five Strategies to Better Manage Soybean Revenue Risk

U.S. Soybean Supply/Demand & Price

<table>
<thead>
<tr>
<th></th>
<th>2009/10 Estimated</th>
<th>2010/2011 Projected</th>
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</thead>
<tbody>
<tr>
<td>Area Planted</td>
<td>77.5</td>
<td>78.9</td>
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<tr>
<td>Area Harvested</td>
<td>76.4</td>
<td>78.0</td>
</tr>
<tr>
<td>Yield</td>
<td>44.0</td>
<td>42.9</td>
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<tr>
<td>Beginning Stocks</td>
<td>138</td>
<td>175</td>
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<tr>
<td>Production</td>
<td>3,359</td>
<td>3,345</td>
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<tr>
<td>Imports</td>
<td>15</td>
<td>10</td>
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<tr>
<td>Supply, Total</td>
<td>3,512</td>
<td>3,530</td>
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<tr>
<td>Crush</td>
<td>1,745</td>
<td>1,645</td>
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<tr>
<td>Exports</td>
<td>1,460</td>
<td>1,370</td>
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<tr>
<td>Seed</td>
<td>92</td>
<td>88</td>
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<tr>
<td>Residual</td>
<td>41</td>
<td>67</td>
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<tr>
<td>Use, Total</td>
<td>3,338</td>
<td>3,170</td>
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<tr>
<td>Ending Stocks</td>
<td>175</td>
<td>360</td>
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<tr>
<td>Average Farm Price</td>
<td>$9.55</td>
<td>$8.10 - $9.60</td>
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</tbody>
</table>

Source: USDA WASDE Report, July 9th, 2010

U.S. Yields Per Acre

1990-09 Trend 0.6 = 46
2010 Estimate 42.9 bu/A
1990-99 Trend 0.6 = 70

Ending Soybean Carryover and the U.S. Weighted Average Farm Price

Source: Wisner, ISU Biofuels Economist, July 2010

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New Crop Soybean Seasonal Trend

Chicago November Soybean Futures, 1990-2009 average

Source: CME Group, compiled by U of MN, CFFM, 2009

Carry in Soybean Futures

August ____, 2010
May $__
Mar. $__
Jan. $__
Nov. $__
Lack of Carry reduces incentive to hold soybeans beyond winter months.

Source: www.cmegroup.com

Soybean Storage Costs

Assumption: Soybeans are Valued at $9.00/bu - Financed @ 7% APR

6 1/2 cents/bu./month

Source: Johnson, ISU Extension
Nebraska Soybean Basis Trends

Manage Soybean Revenue Risks

- Fixing Futures Prices using Seasonals ($14/A)
- Avoiding Wide Harvest Basis, Use of January HTA Contract ($18/A)
- Improving Combine Loss ($74/A)
- Maximizing Fall Harvest Efficiencies ($15/A)
- Expanding Use of Biodiesel ($13/A)

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