



AG NEWSLETTER

NOV 2019

IT'S NOT TOO EARLY TO START MARKETING YOUR 2020 CROP

When it is all over, 2019 will go down as one of those years you don't forget. Like 2012, 2009, 1988, this year has given us many adversities. From record Spring rains that caused very late planting, to a very late harvest, record snowfall in October, and a market that moved up and down by Twitter comments. You faced many challenges this past year, and they all influenced the grain market and your ability to manage risk. There is no doubt that 2020 will likely have challenges, but it will have opportunities for you also. Here are some things we should be looking at as we start to prepare for 2020.

There is already an opportunity for you to protect your 2020 crop. As of this writing, many of you have a fall 2020 corn bid that is 10 to 15 cents better than what we would have had last fall at this time. Grain options also have a premium that is less than last year. Put options allow you to protect your investment in the 2020 crop, but also keep your upside open in case we do rally. Soybeans offer the same thing as prices are at least 20 cents higher than last year at this time and put option premium is also less.

So, what are some things that can, and will, affect the market as we go into 2020. One thing we must consider is world demand. Is demand growing as rapidly as world supplies? In all of that, is the U.S. share of world exports growing, or shrinking. The U.S. has more export competition now with bigger crops in South America and Ukraine the past several years. Ethanol demand and energy policies also affect overall corn demand. We have seen ethanol margins be very tight this past year and some ethanol plants have closed because of it. This affects the overall demand for corn. Feed usage is also a big component of overall demand. What has African Swine Fever done for overall feed demand globally? This not only affects potential corn and soybean exports, but it may also affect U.S. feed demand. Along with this, you have to be thinking of what would happen if the U.S. were to get African Swine Fever. Obviously, that would have a very negative effect on feed demand, and subsequently, the price you could get for your corn and soybeans.

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FSB LOCATIONS

- 301 W. Falcon, Flanagan
- 403 State, Benson
- 2401 E. Washington, Bloomington
- 111 N. Fayette, El Paso
- 500 S. Persimmon, Le Roy
- 411 N. Center, Gridley

When looking at production, we have to look at South America and Ukraine to see what their growing conditions are and if they will have a good crop or not. In the U.S. we had an unprecedented amount of Prevent Plant acres in 2019. You have to believe that most of those acres will come back into production in 2020. How many of them will get planted into corn and how many into soybeans? Both corn and soybean acreage will likely increase in 2020 because of this and if we have trendline yields, we will have a big supply of both again.

Based on all these factors, there are just too many things that can affect the price you receive for your crops. You need to start looking ahead and locking in prices that profitable for you, and then protecting what isn't sold with put options in case the market works lower. You need to be thinking of your crop budget and overall costs. If you know those and have them written down, you will be able to get a marketing plan started.

One thing we saw in 2019 is that change happens fast. Corn made a Spring low, and in 11 days, we rallied 57 cents. In 34 days, we had rallied \$1.10. Then on the backside of that, we lost all that gain and made a new low by September. There were a lot of opportunities there if you could manage your emotions, so you could manage your risk. You need to have a plan that will manage risk but keep upside open. Using a combination of cash sales with options will keep your balance sheet protected so you can handle whatever the market throws at you. I would advise that you start to look at the 2020 marketing year now and protect your investment.

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WHY USE COVER CROPS?

Being a 4th generation farmer, I saw the need to conserve nutrients that were being lost from leaching, wind & water erosion, and the lack of microbial activity. In noticing the lack of microbial activity from tillage, salts in artificial fertilizer, and fungicide/insecticides, I wanted to find a natural way to improve soil health and wanted to see if improving the soil health could cut expenses from artificial fertilization such as DAP, MAP, Potash, and Nitrogen. Being a busy farmer, I'm always looking for ways to reduce work labor, time, imputes, but steadily increasing my overall yields. I felt the need to begin conservation efforts to pass on the ground to future generations in as good or better condition than our forefathers had found it.

A conservation ethic has always been in our family farming operation. But due to cheap fertilizer prices in the 1970s, '80s, and '90s, conservation was overlooked for the flat-out yield. So, in 2009, I decided to start implementing cover crops into my operation. I started with 10-foot by 10-foot plots to look at all cover crop species and mixes on how they grew, the manageability of them, and ways of termination. In the following year, I expanded to a 10-acre field using cereal rye ahead of soybeans. That fall, the best soybean yield for my operation came from that 10-acre cover crop field. With these results, the next year I did 100 acres of cereal rye ahead of soybeans along with signing up 60 acres in the USDA-EQUIP program for the next 3 years. With funding from the EQUIP program, I was able to test seeding application methods like an airplane, helicopter, Hagie ground rig, and just broadcasting seed myself. By the end of the 3rd year, I had a good grasp of using cover crops and began incorporating cover crops on the 600 acres our family-owned. In seeing the reduction of inputs and the increased yields, the next couple of years was focused on showing landlords of rented acres the benefits I was seeing. In 2017, I signed the operation up for the USDA-CSP Program to help with experimenting more with cover crop seeding, interseeding into standing cash crops, and split nitrogen applications. I am in year 2 of 5 in this program and really trying to push my conservation efforts while having top-end yields in my area. To date, every acre I farm has a cover crop on it, receiving split applications of nitrogen (with thoughts of 3 applications in season this year), using about half the amount of fertilizer since starting cover crops, and with steady increasing yields.



2019 has sure been a challenge for everyone, but I feel cover crops have really helped take the extreme weather conditions and reverted them to as near normal conditions as I could ask for. This spring I was able to get in and planted sooner than most people with no mud or ruts, the root system helped pull the moisture out, and keep us on top of the ground. This summer when we received hot and dry weather none of our crops showed stress when others did. Then this fall we have been able to cut beans earlier in the morning, run later in the day, and the beans tested dryer than any others going into the elevator because the dead cereal rye still standing in the beans seemed to pull the moisture out of the seed.

Three pieces of advice I would give fellow farmers would be to start small, look at means to gain knowledge and use government/state agencies. Start with 5-10 acre field or section in a field, maybe your worse piece of ground and see if you can improve it, use it, feel it, watch it, learn from it, how to manage it, terminate it, just start using it then grow from there and just increase a little every year. You need to have an open mind, talk to people that have been farming with heavy conservation efforts and cover crops, learn from them and use it on your operation. Look for research in magazines, papers, television, social media, etc., these can provide a wealth of knowledge. Last, use your USDA & SWCD offices, they are there to help with information, knowledge, and money to help implement all aspects of conservation.

Jay Whalen
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2020 PERSONAL COST ANALYSIS

2020 Projected Corn Analysis

5 Year Average Yield 220

Inputs	Average Cost	My Cost
Fertilizer	\$ 142.00	
Chemical	\$ 68.00	
Seed	\$ 145.00	
Drying	\$ 25.00	
Storage	\$ 9.00	
Insurance	\$ 29.00	
Misc.	\$ 9.00	
Utilities	\$ 6.00	
Labor	\$ 30.00	
Fuel	\$ 27.00	
Repairs	\$ 36.00	
Lime	\$ 10.00	
Light Truck	\$ 5.00	
Rescue	\$ 30.00	
Interest	\$ 25.00	
Custom Hire	\$ 13.00	
Marketing	\$ 2.00	
Dues	\$ 4.00	
Family Living	\$ 50.00	
Income Tax	\$ 32.00	
R/E Tax	\$ 15.00	
Term Payments	\$ 170.00	
TOTAL	\$ 882.00	

Cash Rent	Operating Costs	Total Cost	5 Year Avg Yield	Breakeven Price
\$ 175.00	\$ 882.00	\$ 1,057.00	220	\$ 4.80
\$ 200.00	\$ 882.00	\$ 1,082.00	220	\$ 4.92
\$ 225.00	\$ 882.00	\$ 1,107.00	220	\$ 5.03
\$ 250.00	\$ 882.00	\$ 1,132.00	220	\$ 5.15
\$ 275.00	\$ 882.00	\$ 1,157.00	220	\$ 5.26
\$ 300.00	\$ 882.00	\$ 1,182.00	220	\$ 5.37
\$ 325.00	\$ 882.00	\$ 1,207.00	220	\$ 5.49
\$ 350.00	\$ 882.00	\$ 1,232.00	220	\$ 5.60
\$ 375.00	\$ 882.00	\$ 1,257.00	220	\$ 5.71
\$ 400.00	\$ 882.00	\$ 1,282.00	220	\$ 5.83
\$ 425.00	\$ 882.00	\$ 1,307.00	220	\$ 5.94
\$ 450.00	\$ 882.00	\$ 1,332.00	220	\$ 6.05
\$ 475.00	\$ 882.00	\$ 1,357.00	220	\$ 6.17
\$ 500.00	\$ 882.00	\$ 1,382.00	220	\$ 6.28

2020 Projected Soybean Analysis

5 Year Average Yield 60

Inputs	Average Cost	My Cost
Fertilizer	\$ 70.00	
Chemical	\$ 70.00	
Seed	\$ 72.00	
Drying	\$ 4.00	
Storage	\$ 5.00	
Insurance	\$ 24.00	
Misc.	\$ 7.00	
Utilities	\$ 5.00	
Labor	\$ 20.00	
Fuel	\$ 18.00	
Repairs	\$ 27.00	
Lime	\$ 5.00	
Light Truck	\$ 5.00	
Rescue	\$ 30.00	
Interest	\$ 15.00	
Custom Hire	\$ 14.00	
Marketing	\$ 1.00	
Dues	\$ 3.00	
Family Living	\$ 50.00	
Income Tax	\$ 32.00	
R/E Tax	\$ 15.00	
Term Payments	\$ 170.00	
TOTAL	\$ 662.00	

Cash Rent	Operating Costs	Total Cost	5 Year Avg Yield	Breakeven Price
\$ 175.00	\$ 662.00	\$ 837.00	60	\$ 13.95
\$ 200.00	\$ 662.00	\$ 862.00	60	\$ 14.37
\$ 225.00	\$ 662.00	\$ 887.00	60	\$ 14.78
\$ 250.00	\$ 662.00	\$ 912.00	60	\$ 15.20
\$ 275.00	\$ 662.00	\$ 937.00	60	\$ 15.62
\$ 300.00	\$ 662.00	\$ 962.00	60	\$ 16.03
\$ 325.00	\$ 662.00	\$ 987.00	60	\$ 16.45
\$ 350.00	\$ 662.00	\$ 1,012.00	60	\$ 16.87
\$ 375.00	\$ 662.00	\$ 1,037.00	60	\$ 17.28
\$ 400.00	\$ 662.00	\$ 1,062.00	60	\$ 17.70
\$ 425.00	\$ 662.00	\$ 1,087.00	60	\$ 18.12
\$ 450.00	\$ 662.00	\$ 1,112.00	60	\$ 18.53
\$ 475.00	\$ 662.00	\$ 1,137.00	60	\$ 18.95
\$ 500.00	\$ 662.00	\$ 1,162.00	60	\$ 19.37

2020 BREAK EVEN ANALYSIS

BREAKEVEN ANALYSIS

Customer's Name: Farmer Frank

Date: 11/1/19

	CORN	SOYBEANS	Total Acres
Full Share Acres	1	1	2
5 year Avg. Yield	220	60	

Expenses	TOTAL EXPENSE	CORN		SOYBEANS	
		Total	Per Acre	Total	Per Acre
Labor	\$ 50.00	\$ 30.00	\$ 30.00	\$ 20.00	\$ 20.00
Repairs	\$ 63.00	\$ 36.00	\$ 36.00	\$ 27.00	\$ 27.00
Rescue	\$ 60.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Cash Rent	\$ -	\$ -	\$ -	\$ -	\$ -
Seed	\$ 217.00	\$ 145.00	\$ 145.00	\$ 72.00	\$ 72.00
Fertilizer	\$ 212.00	\$ 142.00	\$ 142.00	\$ 70.00	\$ 70.00
Chemicals	\$ 138.00	\$ 68.00	\$ 68.00	\$ 70.00	\$ 70.00
Custom Work	\$ 27.00	\$ 13.00	\$ 13.00	\$ 14.00	\$ 14.00
Fuel	\$ 45.00	\$ 27.00	\$ 27.00	\$ 18.00	\$ 18.00
Taxes	\$ 30.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Insurance	\$ 53.00	\$ 29.00	\$ 29.00	\$ 24.00	\$ 24.00
Utilities	\$ 11.00	\$ 6.00	\$ 6.00	\$ 5.00	\$ 5.00
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -
Drying	\$ 29.00	\$ 25.00	\$ 25.00	\$ 4.00	\$ 4.00
Storage	\$ 14.00	\$ 9.00	\$ 9.00	\$ 5.00	\$ 5.00
Lime	\$ 15.00	\$ 10.00	\$ 10.00	\$ 5.00	\$ 5.00
Light Truck	\$ 10.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Prof. Services	\$ 10.00	\$ 6.00	\$ 6.00	\$ 4.00	\$ 4.00
Other	\$ 16.00	\$ 9.00	\$ 9.00	\$ 7.00	\$ 7.00
Interest	\$ 40.00	\$ 25.00	\$ 25.00	\$ 15.00	\$ 15.00
Total	\$ 1,040.00	\$ 630.00	\$ 630.00	\$ 410.00	\$ 410.00

Operating Cost per Bushel	per Acre	\$ 2.86	\$ 6.83
Living	\$ 100.00	\$ 50.00	\$ 0.23
Taxes	\$ 64.00	\$ 32.00	\$ 0.15
Term Debt	\$ 340.00	\$ 170.00	\$ 0.77
Break Even Price		\$ 4.01 per bu.	\$ 11.03 per bu.

Additional Income:

Govn't Payments	\$ -	\$ -	\$ -	\$ -
Custom Work	\$ -		\$ -	\$ -
Specialty Corn	\$ -		\$ -	
Specialty S/B	\$ -			\$ -
Off-Farm Income	\$ -		\$ -	\$ -
Other	\$ -		\$ -	\$ -
Adj Breakeven Price			\$ 4.01 per bu.	\$ 11.03 per bu.

2020 FARM LEASE COMPARISONS

CORN

<u>Income</u>	50/50	35% Variable	Cash Rent \$250	Cash Rent \$325	\$225 Fixed w/ Bonus	Custom
Corn Yield	220	220	220	220	220	220
Fall 2020 Ave. Price	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75	\$ -
Crop Income	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ -
Total Income	\$ 412.50	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 128.00
Expenses						
Crop Inputs	\$ 467.00	\$ 630.00	\$ 630.00	\$ 630.00	\$ 630.00	\$ 63.00
Management Fees	\$ 126.00	\$ 126.00	\$ 126.00	\$ 126.00	\$ 126.00	\$ 126.00
Cash Rent	\$ -	\$ 288.75	\$ 250.00	\$ 325.00	\$ 225.00	\$ -
Bonus Rent 25% over \$700	\$ -	\$ -	\$ -	\$ -	\$ 31.25	\$ -
Total Cost	\$ 593.00	\$ 1,044.75	\$ 1,006.00	\$ 1,081.00	\$ 1,012.25	\$ 189.00
Farmer Income per Acre	\$ (180.50)	\$ (219.75)	\$ (181.00)	\$ (256.00)	\$ (187.25)	\$ (61.00)
Landlord Income	\$ 412.50	\$ 288.75	\$ 250.00	\$ 325.00	\$ 225.00	\$ 825.00
Landlord Expense	\$ 163.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 439.00
Landlord Return	\$ 249.50	\$ 273.75	\$ 235.00	\$ 310.00	\$ 210.00	\$ 386.00

SOYBEANS

<u>Income</u>	50/50	35% Variable	Cash Rent \$250	Cash Rent \$325	\$225 Fixed w/ Bonus	Custom
Soybean Yield	60	60	60	60	60	60
Fall 2020 Ave. Price	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ -
Crop Income	\$ 555.00	\$ 555.00	\$ 555.00	\$ 555.00	\$ 555.00	\$ -
Total Income	\$ 277.50	\$ 555.00	\$ 555.00	\$ 555.00	\$ 555.00	\$ 117.00
Expenses						
Crop Inputs	\$ 287.00	\$ 410.00	\$ 410.00	\$ 410.00	\$ 410.00	\$ 45.00
Management Fees	\$ 126.00	\$ 126.00	\$ 126.00	\$ 126.00	\$ 126.00	\$ 126.00
Cash Rent	\$ -	\$ 193.38	\$ 250.00	\$ 325.00	\$ 225.00	\$ -
Bonus Rent 25% over \$500	\$ -	\$ -	\$ -	\$ -	\$ 13.75	\$ -
Total Cost	\$ 413.00	\$ 729.38	\$ 786.00	\$ 861.00	\$ 774.75	\$ 171.00
Farmer Income per Acre	\$ (135.50)	\$ (174.38)	\$ (231.00)	\$ (306.00)	\$ (219.75)	\$ (54.00)
Landlord Income	\$ 277.50	\$ 193.38	\$ 250.00	\$ 325.00	\$ 225.00	\$ 555.00
Landlord Expense	\$ 123.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 248.00
Landlord Return	\$ 154.50	\$ 178.38	\$ 235.00	\$ 310.00	\$ 210.00	\$ 307.00

2020 CROP BUDGETS

Corn Expense Variations

Income Per Acre

Average Yield	220	220	220	220	220
Average Price	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75
Return Per Acre	\$ 825	\$ 825	\$ 825	\$ 825	\$ 825

Expenses Per Acre

	-10%	-5%	Avg	+5%	+10%
Fertilizer	\$ 127.80	\$ 134.90	\$ 142.00	\$ 149.10	\$ 156.20
Chemical	\$ 61.20	\$ 64.60	\$ 68.00	\$ 71.40	\$ 74.80
Seed	\$ 130.50	\$ 137.75	\$ 145.00	\$ 152.25	\$ 159.50
Drying	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Storage	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00
Insurance	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00	\$ 29.00
Misc	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00
Utilities	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00
Labor	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Fuel	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00
Repairs	\$ 36.00	\$ 36.00	\$ 36.00	\$ 36.00	\$ 36.00
Lime	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
Light Truck	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Rescue	\$ 27.00	\$ 28.50	\$ 30.00	\$ 31.50	\$ 33.00
Interest	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Custom	\$ 11.70	\$ 12.35	\$ 13.00	\$ 13.65	\$ 14.30
R/E Taxes	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Pro Services	\$ 5.40	\$ 5.70	\$ 6.00	\$ 6.30	\$ 6.60
Total Expenses	\$ 590	\$ 610	\$ 630	\$ 650	\$ 670

NET RETURN	\$ 235	\$ 215	\$ 195	\$ 175	\$ 155
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Soybeans Expense Variations

Income Per Acre

Average Yield	65	65	65	65	65
Average Price	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25
Return Per Acre	\$ 601	\$ 601	\$ 601	\$ 601	\$ 601

Expenses Per Acre

	-10%	-5%	Avg.	+5%	+10%
Fertilizer	\$ 63.00	\$ 66.50	\$ 70.00	\$ 73.50	\$ 77.00
Chemical	\$ 63.00	\$ 66.50	\$ 70.00	\$ 73.50	\$ 77.00
Seed	\$ 64.80	\$ 68.40	\$ 72.00	\$ 75.60	\$ 79.20
Drying	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00
Storage	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Insurance	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00
Misc	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00
Utilities	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Labor	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
Fuel	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00
Repairs	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00
Lime	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Light Truck	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Rescue	\$ 27.00	\$ 28.50	\$ 30.00	\$ 31.50	\$ 33.00
Interest	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Custom	\$ 12.60	\$ 13.30	\$ 14.00	\$ 14.70	\$ 15.40
R/E Taxes	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Pro Services	\$ 3.60	\$ 3.80	\$ 4.00	\$ 4.20	\$ 4.40
Total Expenses	\$ 384	\$ 397	\$ 410	\$ 423	\$ 436

NET RETURN	\$ 217	\$ 204	\$ 191	\$ 178	\$ 165
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Corn Yield Variations

Income Per Acre

	-10%	-5%	Avg.	+5%	+10%
Average Yield	198	209	220	231	242
Average Price	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75
Return Per Acre	\$ 743	\$ 784	\$ 825	\$ 866	\$ 908

Expenses Per Acre

	-10%	-5%	Avg.	+5%	+10%
Fertilizer	\$ 142.00	\$ 142.00	\$ 142.00	\$ 135.00	\$ 135.00
Chemical	\$ 68.00	\$ 68.00	\$ 68.00	\$ 77.00	\$ 77.00
Seed	\$ 145.00	\$ 145.00	\$ 145.00	\$ 136.00	\$ 136.00
Drying	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Storage	\$ 9.00	\$ 9.00	\$ 9.00	\$ 18.00	\$ 18.00
Insurance	\$ 29.00	\$ 29.00	\$ 29.00	\$ 40.00	\$ 40.00
Misc	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00
Utilities	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00
Labor	\$ 30.00	\$ 30.00	\$ 30.00	\$ 18.00	\$ 18.00
Fuel	\$ 27.00	\$ 27.00	\$ 27.00	\$ 18.00	\$ 18.00
Repairs	\$ 36.00	\$ 36.00	\$ 36.00	\$ 24.00	\$ 24.00
Lime	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
Light Truck	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Rescue	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Interest	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Custom	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00
R/E Taxes	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Pro Services	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00
Total Expenses	\$ 630	\$ 630	\$ 630	\$ 610	\$ 610

NET RETURN	\$ 113	\$ 154	\$ 195	\$ 256	\$ 298
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Soybeans Yield Variations

Income Per Acre

	-10%	-5%	Avg.	+5%	+10%
Average Yield	54	57	60	63	66
Average Price	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25	\$ 9.25
Return Per Acre	\$ 500	\$ 527	\$ 555	\$ 583	\$ 611

Expenses Per Acre

	-10%	-5%	Avg.	+5%	+10%
Fertilizer	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00
Chemical	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 70.00
Seed	\$ 72.00	\$ 72.00	\$ 72.00	\$ 72.00	\$ 72.00
Drying	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00
Storage	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Insurance	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00
Misc	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00
Utilities	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Labor	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
Fuel	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00
Repairs	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00	\$ 27.00
Lime	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Light Truck	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Rescue	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Interest	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Custom	\$ 14.00	\$ 14.00	\$ 14.00	\$ 14.00	\$ 14.00
R/E Taxes	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Pro Services	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00
Total Expenses	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410

NET RETURN	\$ 90	\$ 117	\$ 145	\$ 173	\$ 201
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2401 EAST WASHINGTON
BLOOMINGTON IL 61704

PSRT STD
U.S. POSTAGE
PAID
ROCKFORD, IL
PERMIT NO. 1

AG LENDING TEAM



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