

2024



UNIVERSITY OF DELAWARE
COOPERATIVE
EXTENSION

Improving Average Farm Season Bushel Price Through Outreach Education

RELEVANCE Profit margins related to the production of commodity crops, such as corn and soybeans, have decreased significantly compared to previous years.



RESPONSE In 2024, the University of Delaware Cooperative Extension started a Grain Marketing Club, holding four **quarterly** meetings throughout the year.

Topics

- Timely market information
- Strategies to utilize commodity price trends
- Future opportunities or risks

20 Attendees
on average

35 in attendance recently



Consisted of

- Producers
- Loan officers
- USDA Farm Services Agency personnel

RESULTS

A Kent County producer has attended every Grain Marketing Club meeting since the program's inception and was able to secure an average farm season bushel price well above the USDA estimate for the marketing year.



His average farm season bushel price



USDA estimates for the national average farm season bushel price

This marketing year saw a major downturn in commodity markets, driven by a record midwestern crop, high market carry, and geopolitical competition.

RELEVANCE

Profit margins related to the production of commodity crops, such as corn and soybeans, have decreased significantly compared to previous years. This financial strain stems from a multitude of factors, including a surge in input prices, commodity market volatility, and high-interest operating loans. Evaluating production costs and commodity price trends has a crucial function in ensuring the short-term and long-term sustainability of a grain operation. The importance of creating an effective and profitable grain marketing strategy is essential, with agricultural producers operating in a market environment that has a lot of risk with minimal returns. Selling grain at profitable margins requires consistent analysis of market prices and the ability to make a confident sale

RESPONSE

In 2024, the University of Delaware Cooperative Extension started a Grain Marketing Club, holding four quarterly meetings throughout the year. The meetings covered timely market information, strategies to utilize commodity price trends, and future opportunities or risks. An average of 20 people, including producers, loan officers, and USDA Farm Services Agency personnel, regularly attend the programs. The number of attendees has grown each time the program is held, with the most recent program attended by 35 participants.

RESULTS

This marketing year saw a major downturn in commodity markets, driven by a record midwestern crop, high market carry, and geopolitical competition. A Kent County producer has attended every Grain Marketing Club meeting since the program's inception. From regularly attending the program, the producer was able to secure an average farm season bushel price well above the USDA estimate for the marketing year. His average farm season bushel price was \$5.15 per bushel for corn and \$11.25 per bushel for soybeans. The USDA estimates for the national average farm season bushel price for the marketing year are \$4.10 per bushel of corn and \$10.80 per bushel of soybeans (as of the October monthly report). In a marketing year such as 2024, where commodity prices significantly fell, this will allow the producer to financially sustain their agriculture operation into next year.

A survey was sent to several crop consultants to assess the value of the insect trapping activity to their growers. Estimates range from \$1-12 per acre over several thousand acres. One consultant did not provide an estimate but wrote that the value of the trapping program over the years for his company's clients was "several thousands of dollars."

PUBLIC VALUE STATEMENT

When producers receive a higher farm season average price per bushel, they tend to be more profitable. This helps to ensure farming operations stay in business for future generations and ensures greater amounts of capital to flow through rural farming communities.