



# Today's Challenge for Corn Growers

Chip Bowling  
President

HOLDING ON TO RECORD CROP UNTIL PRICES RISE

# WHERE DO YOU PUT IT?



Del Zurilene watches as his son Ryan fills a grain bag with corn Friday on a farm in Pocahontas in Bond County. Bags can help when silos are full.

ROBERT COHEN • rcohen@post-dispatch.com

Farmers face challenge: Heeding market, finding a place to store grain for several months.

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This has been a challenging fall for farmers.

First, forecasts of a record harvest forced grain prices to their lowest levels in years. Then, late season rains slowed efforts to bring in crops. And now, growers need to store a lot of corn and soybeans.

A complicated dance involving current and future grain prices has many farmers scrambling to come up with extra storage space after filling their own silos to the brim. They're doing everything they can to avoid selling at rates that don't even cover production costs — a bushel of corn, for example, is fetching prices in the \$3 range after topping \$8 in 2012.

"When harvest hits, the prices really tanked," said Jay Schutte, who farms near Mexico, Mo. "Basically, the market is telling us to store the grain."

Easier said than done.

Schutte is in good shape, with capacity to hold some 250,000 bushels in his own bins.

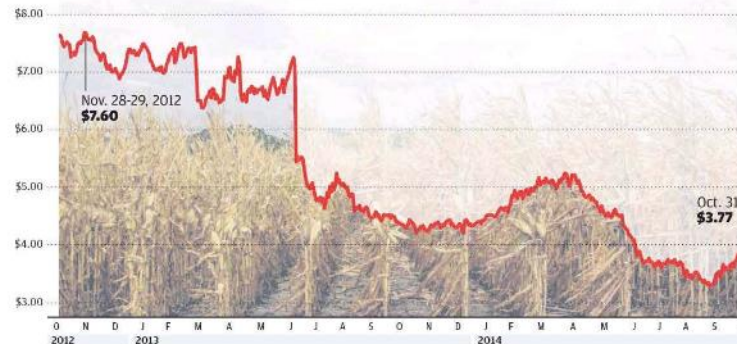
But others will be cramming corn and soybeans into unused buildings, giant plastic bags and even piling it on the ground in the coming weeks.

It's what happens when an ideal growing season gives farmers what they don't necessarily want.

## CORN PRICES

Forecasts of record corn and soybean harvests have driven prices down for farmers across the nation. Many growers are looking to store grain, hoping to take advantage of rising prices next year.

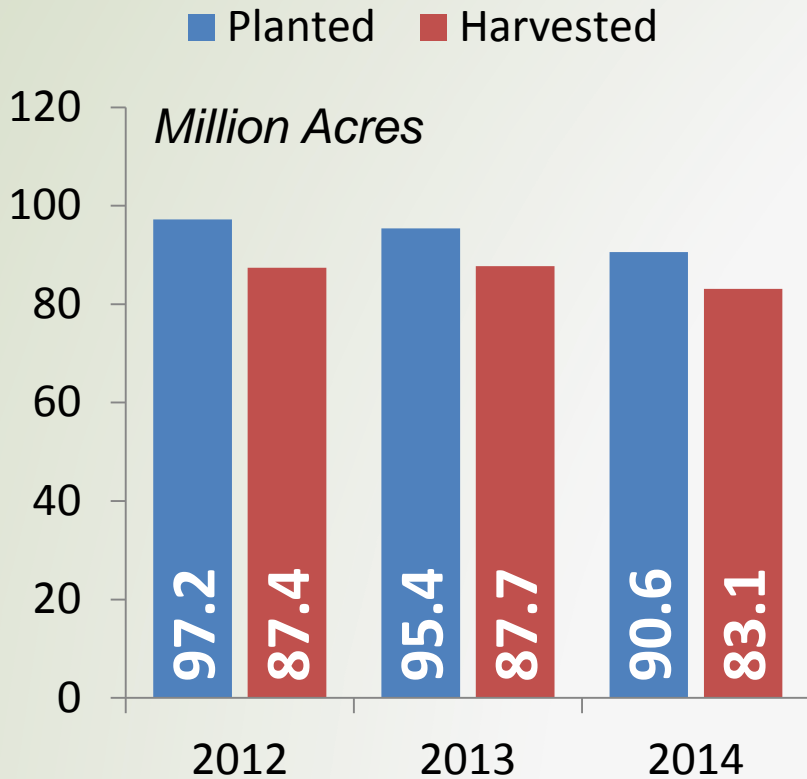
Spot month corn contracts,  
Chicago Board of Trade  
Source: Thomson Reuters



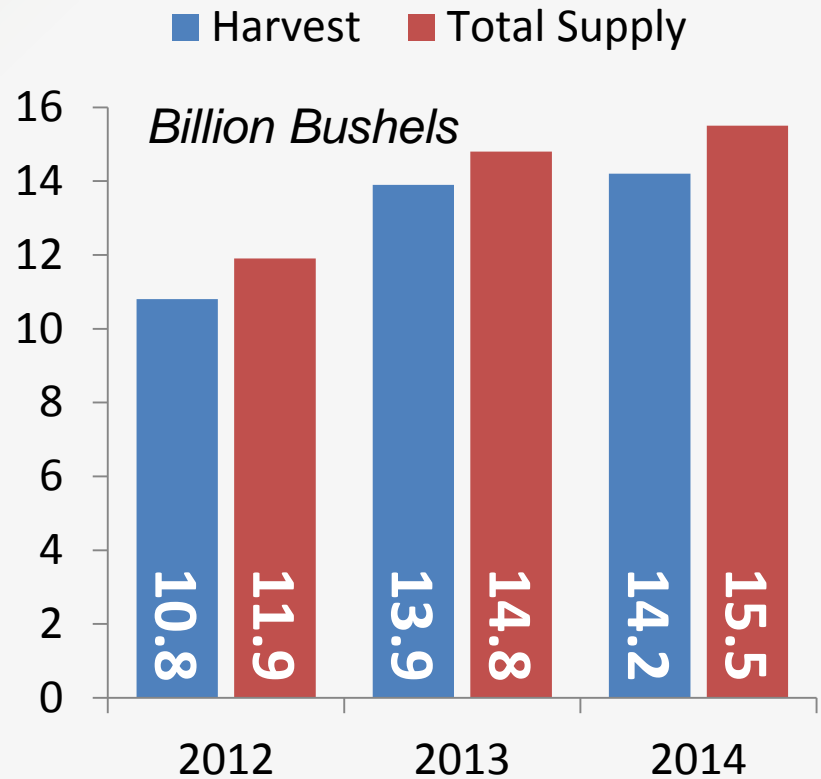
See HARVEST • Page E4

# Corn Supply Comparison

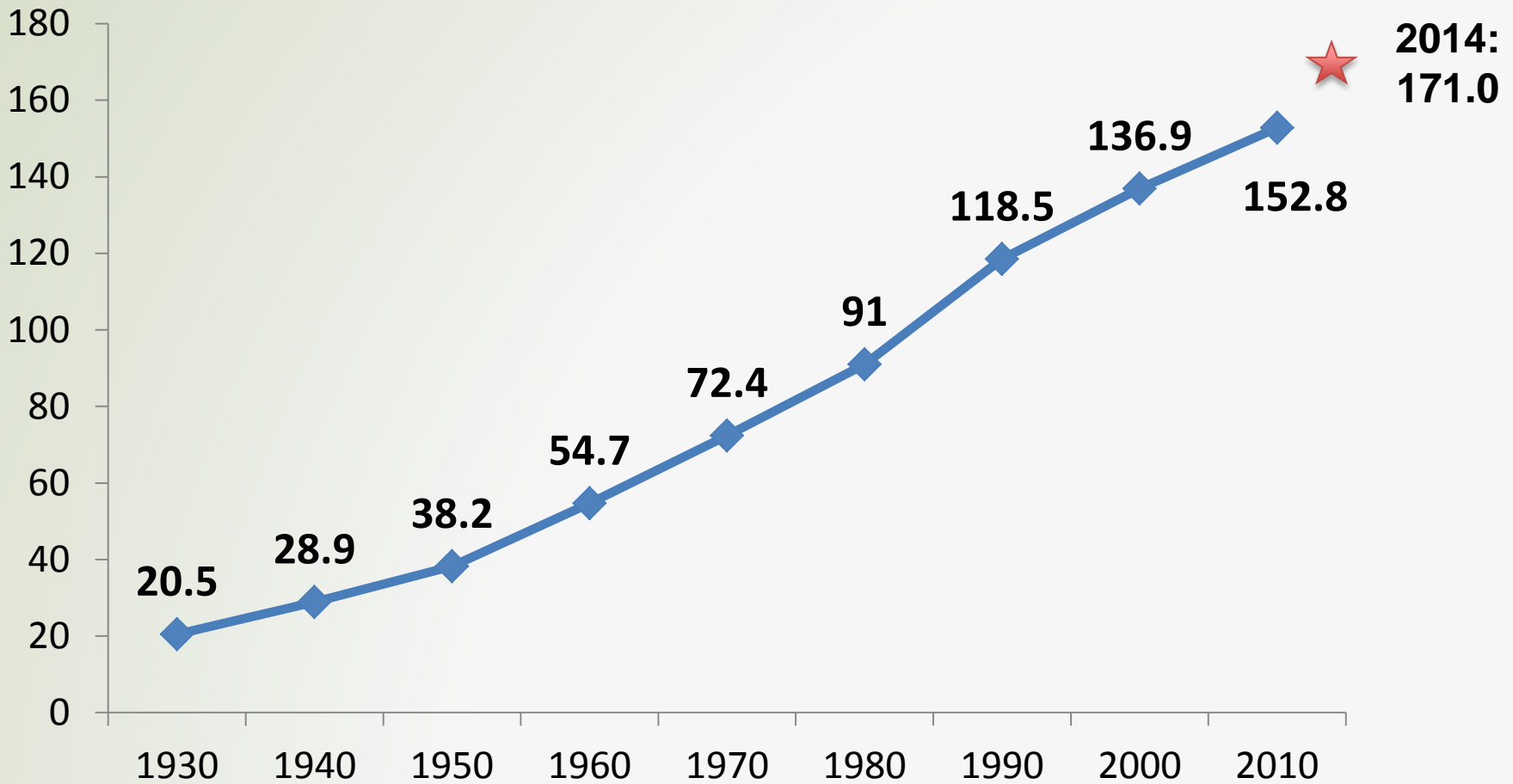
## Acreage



## Production



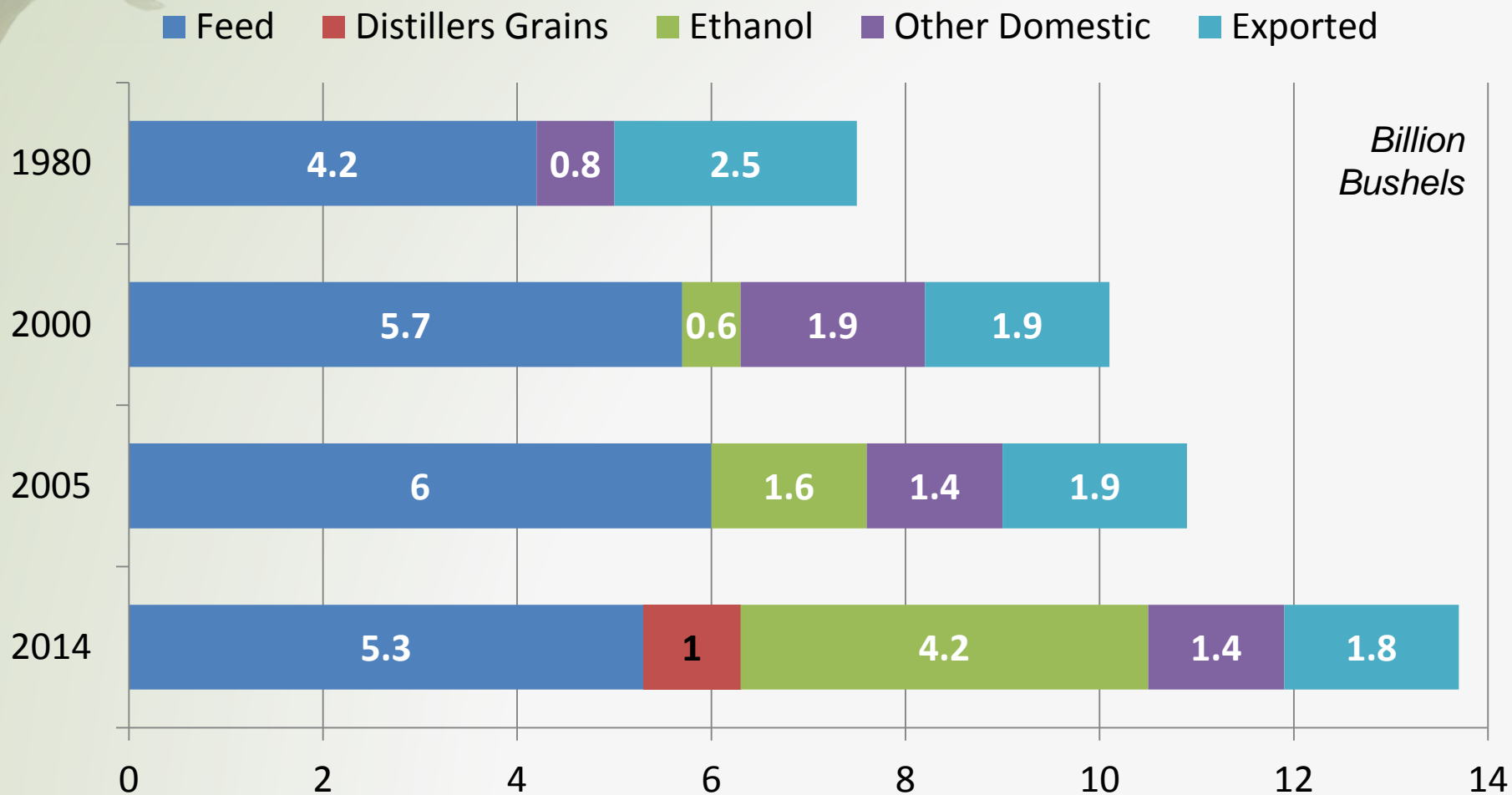
# History: Average Corn Yield



 *Bushels Per Acre*

*Source: USDA*

# How Field Corn Uses Have Changed



*Billion  
Bushels*

Source: USDA/PRX. 2013 is projected use as of 8/13. DG amount is the corn equivalence of distillers grain used as livestock feed, a coproduct of ethanol production.



# Building Demand

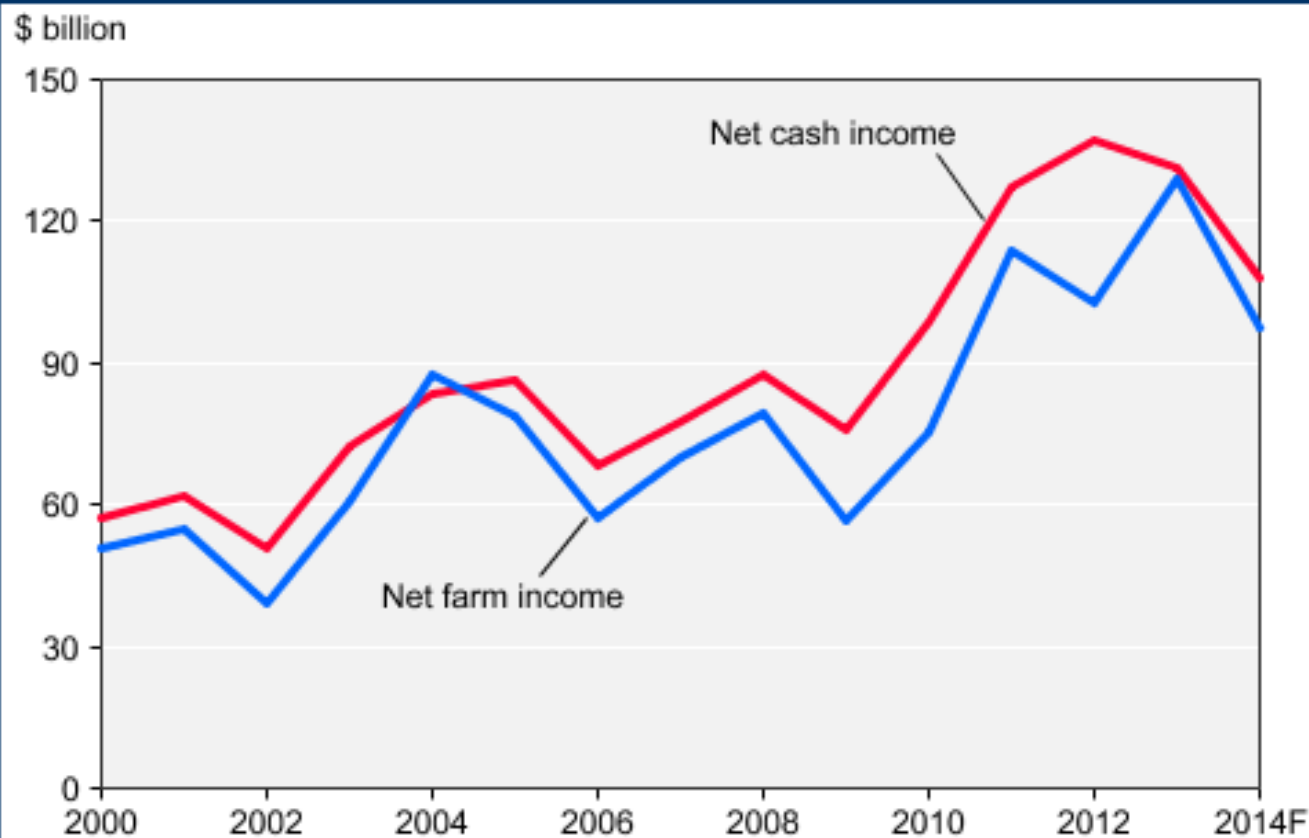


# Removing Roadblocks



# USDA Estimate: Farm Sector Profits Fall Again

Net farm income and net cash income, 2000-2014F



Note: F = forecast.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.

Data as of December 12, 2014.



# Agriculture Risk Coverage



NATIONAL  
CORN GROWERS  
ASSOCIATION

**It's time to decide on risk coverage for your farm for the next five years.**

The 2014 farm bill passed by Congress changes the way farmers will manage their risk coverage for the next five years. ARCforFarmers.com will help you make a more informed decision.

**Key Milestones/Deadlines for Producers**

**Feb. 27: Base Acre Reallocation & Yield Update**

**Mar. 31: ARC/PLC Election**

**Mid April to Summer 2015: Enroll ARC/PLC**

**ARCforFarmers.com**



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