



Reed's Review

Spooky News in for the Grains

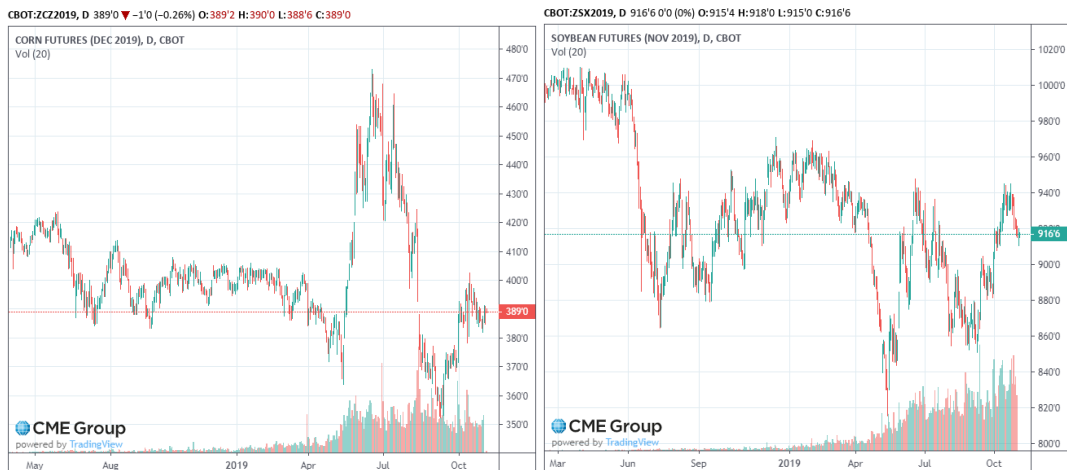
As the month of October ticked away many found themselves delayed with harvest in the fields, USDA did not necessarily reflect the sentiment that many felt should have been recognized by traders. Earlier in the month there was one particular day where an unexpected day for some occurred last week as the USDA released its monthly World Agriculture Supply and Demand Estimate report. The October report featured numbers that surprised some and left many hoping for numbers that would have been a bit more friendly to farmers. Fortunately, following the report the grains were able to bounce back and close the week on a high note.



Reed Burres

Quick Preview:

- ✓ *Spooky News in Grains*
- ✓ *Crop Insurance Harvest Price Discovery*
- ✓ *Pasture, Rangeland, and Forage Insurance*
- ✓ *Crop Snapshot*
- ✓ *Reed's Recommendation*
- ✓ *The Takeaway*



Above: Corn and soybean prices have been patiently awaiting a trade deal agreement, will the proposed trade deal with China actually be signed by both Presidents. The Fall Price Discovery Average are hovering around: \$3.90 for December Corn and \$9.25 for November Soybeans.

Image Source: CME Group CZ & SX

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As we transition further into the harvest season there is little doubt that more accurate harvest information will become available until then, we will likely continue to trade off of weather events or pending information regarding a trade deal resolution. Perhaps the November WASDE will reflect a more optimistic forecast for farmers now that yield monitors have started to roll!



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Insurance Calendar

October 1st-November 1st:
Quoting Pasture, Rangeland,
and Forage

November 15th:
Pasture, Rangeland, and
Forage Sales Closing Date

November:
Production Reporting

December:
Production Reporting

January:
Crop Insurance Coverage
Reviews

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Pasture, Rangeland, and Forage Insurance

With the Sales Closing Date (November 15th) for the crop insurance product, Pasture, Rangeland, and Forage, coming up very quickly I wanted to spotlight a product that is highly subsidized and offers coverage to a more unique amount of producers.

Pasture, Rangeland, and Forage (PRF) works in approximately 12.5x12.5 mile grids and focuses on providing coverage against an unexpected deficiency in moisture within the selected grid. Pasture, Rangeland, and Forage insures the NOAA rainfall totals for two month intervals and requires that at least, two, two month intervals are insured. Fortunately, producers are allowed to select the insurance period of their choice and may even "cherry pick" the interval periods that will lately have the highest loss ratios.

Pasture, Rangeland, and Forage Insurance offers coverage levels from 70-95%. Similar to last month's featured insurance product, Margin Protection (MP), Pasture, Rangeland, and Forage (PRF) insurance also and it also comes with an adjustable Protection Factor from 80% - 120%. The Protection Factor is a multiplier that will be used only if an indemnity is paid.

PRF offers producers who have grazing and haying land the opportunity to protect their investment in the field, not to mention the loss ratios have been in excess of 200% for certain insurance periods. Unique features: allows you to insure selected acres and not entire grazing or hay ground acres.

Interested in a Pasture, Rangeland, Forage Policy? Give Reed a call, he's happy to explain it and can run you a quote!

Reed's 2019 Recommendation:

Multi-Peril Crop Insurance:

- \$0.30 Price Buy-Up on Corn, insuring a spring price of \$4.30
 - 85% Revenue Protection, Optional Units, Corn
- \$1.00 Price Buy-Up on Soybeans, insuring a spring price of \$10.54
 - 85% Revenue Protection, Optional Units, Soybeans

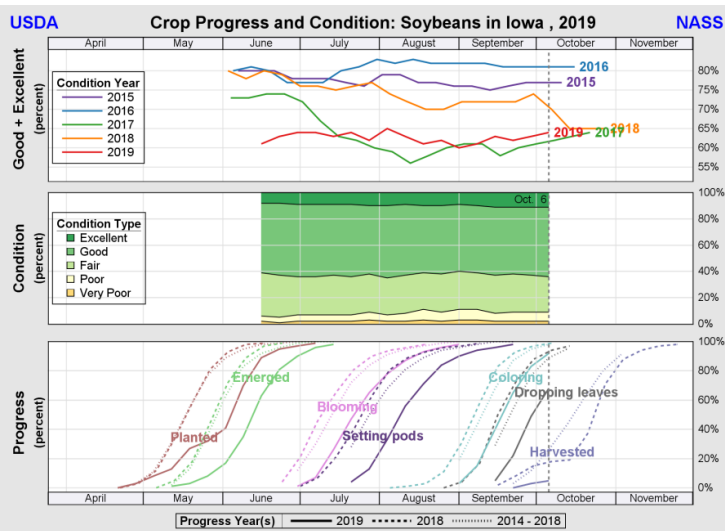
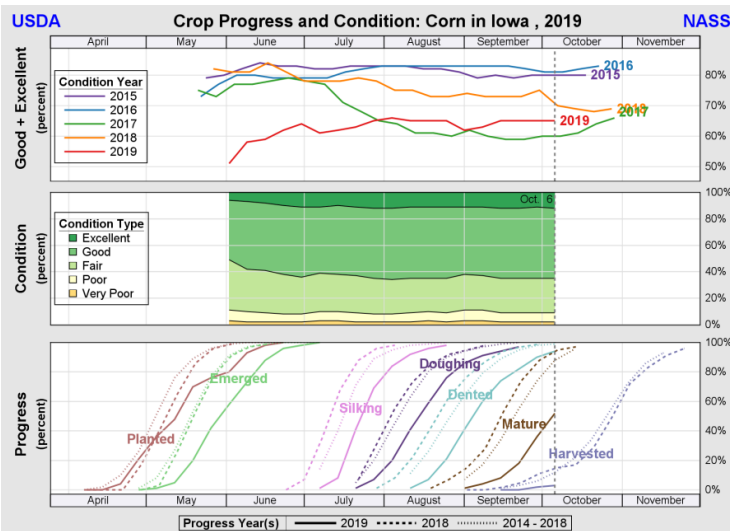
Hail Insurance:

\$200 per acre BASIC Coverage
Soybeans
\$200 per acre DXS10 Hail Coverage,
DXS5 Wind with Extra Harvest Expense
on Corn

Questions? Call or text Reed!



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Source: National Agricultural Statistics Service (NASS), Crop Progress Report

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Reed's Soybean Harvest Forecast:

Harvested Acres: 81.0 million acres
 National Yield: 48.0 b/a
 National Production: 3.88 billion bushels

Reed's Corn Harvest Forecast:

Harvested Acres: 81.5 million acres
 National Yield: 169.0 b/a
 Nat'l Production: 13.77 billion bushels

Please Note:

The numbers above are forecasts, they may not reflect final amounts of: Harvested Acres, Yield, or Production.

The Takeaway:

The November WASDE in recent years has not always provided the most insightful information to farmers and traders alike, however, we will likely see more information come to hopefully boost prices now that we are past the price discovery period. Big dates to watch are in the November WASDE and follow South American agriculture developments in perhaps the near future.

Take a look at that crop progress and condition reports for corn and soybeans in Iowa, a state that the USDA recognized as a possible leader for national yields, it is quite interesting to see how 2019 shaped up compared to the 5 year average.

Until next time, stay safe, be proactive and work to reduce your operation's risk. Thanks for reading!

All the best,

