



www.agmanager.info  
 abarnaby@agecon.ksu.edu  
 (785) 532.1515 (phone)  
 (785) 532.6925 (fax)

## G.A. "Art" Barnaby Jr.

Copyright 2005. All rights reserved. Contact Art to be added to e-mail list

Disclaimer: This web page is designed to aid farmers with their marketing and risk management decisions. The risk of loss in trading futures, options, forward contracts, and hedge-to-arrive can be substantial and no warranty is given or implied by the author or any other party. Each farmer must consider whether such marketing strategies are appropriate for his or her situation. This web page does not represent the views of Kansas State University.

### Estimated Weighted National Average Price and Projected Counter Cyclical Payments(05/02/05)

Wheat (04/05)			Corn (04/05)		
Month	Estimated Weight	Monthly Price	Month	Estimated Weight	Monthly Price
Jun	13.0	3.57	Sep	8.5	2.20
Jul	20.3	3.37	Oct	14.1	2.15
Aug	11.8	3.27	Nov	11.1	2.05
Sep	8.1	3.36	Dec	7.4	2.04
Oct	6.1	3.44	Jan	14.8	2.12
Nov	5.4	3.46	Feb	6.3	1.95
Dec	7.2	3.39	Mar	7.1	2.02
Jan	8.6	3.42	Apr	5.7	1.94
Feb	5.1	3.36	May <sup>1</sup>	5.0	1.95
Mar	5.3	3.41	Jun	5.6	1.89
Apr	4.3	3.27	Jul	6.9	1.83
May <sup>1</sup>	4.1	3.28	Aug	7.4	1.82
KSU Est Avg Price		3.37			2.03
Strike Price		3.40			2.35
Exp. Counter Cyclical Pymt		<b>0.03</b>			<b>0.32</b>
USDA Est Avg Price for 04/05 <sup>2</sup>		3.35-3.45			2.00-2.10
Milo (04/05)			Soybeans (04/05)		
Month	Estimated Weight	Monthly Price	Month	Estimated Weight	Monthly Price
Sep	7.4	3.59	Sep	7.6	5.84
Oct	11.9	3.15	Oct	23.9	5.56
Nov	14.6	3.06	Nov <sup>1</sup>	9.0	5.36
Dec	15.3	2.99	Dec	7.8	5.45
Jan	11.9	2.95	Jan	15.3	5.57
Feb	4.6	2.95	Feb	6.8	5.42
Mar	4.3	3.17	Mar	7.1	6.28
Apr	2.9	3.04	Apr	5.3	5.95
May <sup>1</sup>	2.6	2.88	May <sup>1</sup>	4.4	5.96
Jun	6.4	2.99	Jun	3.8	5.94
Jul	8.0	2.91	Jul	4.8	5.92
Aug	10.1	2.89	Aug	4.2	5.69
KSU Est Avg Price		3.05			5.67
Strike Price		3.96			5.36
Exp. Counter Cyclical Pymt		<b>0.48</b>			<b>0.00</b>
USDA Est Avg Price for 04/05 <sup>2</sup>		2.95-3.13			5.25-5.55

### Cotton (03/04)

Month	Estimated Weight	Monthly Price
Aug	3.7	0.537
Sep	4.6	0.493
Oct	9.9	0.495
Nov	14.9	0.444
Dec	17.7	0.407
Jan	15.5	0.396
Feb	9.9	0.390
Mar	6.9	0.422
Apr	4.6	0.415
May <sup>1</sup>	4.4	0.420
Jun	4.3	0.434
Jul	3.8	0.437
KSU Est Avg Price <sup>3</sup>		0.4311
Strike Price		0.6573
Exp. Counter Cyclical Pymt		<b>0.1373</b>

<sup>1</sup> The previous monthly prices are official NASS prices. The remaining monthly prices for the marketing year and all weights are KSU estimates.

<sup>2</sup> The USDA estimated weighted average prices received by farmers are approved by the World Agricultural Outlook Board and released monthly. These estimates were released on April 8, 2005.

<sup>3</sup> By law USDA does not publish an estimated weighted average cotton price received by farmers.

### 2004/05 USDA Program Rates and Counter Cyclical Payment Trigger Price

Crop	Target Price	Direct Payment		Counter Cyclical Trigger Price	Maximum Counter Cyclical Payment
		Rate	Loan Rate		
	(A)	(B)	(C)	(D = A - B)	
Corn (bu)	2.63	0.28	1.95	2.35	0.40
Sorghum (bu)	2.57	0.35	1.95	2.22	0.27
Soybeans (bu)	5.80	0.44	5.00	5.36	0.36
Wheat (bu)	3.92	0.52	2.75	3.40	0.65
Barley (bu)	2.24	0.24	1.85	2.00	0.15
Oats (bu)	1.44	0.024	1.33	1.416	0.09
Minor oilseeds (cwt) <sup>1</sup>	10.10	0.80	9.30	9.30	0.00
Upland cotton (lb) <sup>2</sup>	0.724	0.0667	0.52	0.6573	0.1373

<sup>1</sup> The trigger price for minor oilseeds is below the loan rate. Thus, there can be no counter-cyclical payment for minor oilseeds.

<sup>2</sup> USDA is prohibited by law from publishing a price estimate for cotton, but is required to publish an estimated counter-cyclical payment. That means USDA must estimate the national average price to pay advanced counter cyclical payments.