

To: Lawrence County Crop Producers

From:

Calvin Bryant
Lawrence County Extension Director

Re: Fall Newsletter & Private Applicator Training Announcement

Private Applicator Recertification & Certification Training Scheduled

On October 21, 2005 all Private Applicator Restricted Use Pesticide Cards will be expiring. The Lawrence County Extension Service has already offered several opportunities for farmers to become recertified this year. We are going to offer one last opportunity. If you have already participated in a training and have received your card that is good till October of 2008 you will not need to attend any of these trainings.

There will be a series of trains conducted on October 4 & 5, 2005. The schedule follows:

October 4th

Meeting 1----9am.-----Coop in St. Joseph

Meeting 2----1pm.-----Lawrenceburg Public Library

Meeting 3----7pm.-----Lawrenceburg Public Library

October 5th

Meeting 4----9am.-----Ethridge Farm & Feed Store

*Meeting 4 is scheduled for the Amish and will be taught with handouts and lecture instead of watching a video. Any and all are welcome to any of these meetings.

The recerification part of the meeting will last @ 1-1/2 hours. For farmers who are not currently certified there will also be an opportunity for you to become certified. Those in need of this will need to plan to stay an additional 30 minutes to an hour longer for the additional training. Please help spread the word to those who might be interested.

Crop comments by Delton C. Gerloff for the week ending 9-17-2005

Corn and soybean prices fell this week as Monday's USDA report projected higher new crop production. Cotton prices also fell while wheat prices were steady.

Corn: Short Run: Cash corn prices ranged from \$1.52 to \$1.87 across Tennessee Thursday. Basis levels continued weak across Tennessee. Monday's USDA report added to new crop production and carryover stocks sending prices lower. Combined with a weak basis, local prices fell near \$1.50 in parts of Tennessee. Long Term: The December futures market closed Thursday at \$2.065, almost 10 cents lower than last Thursday's close.

With higher stocks, prices made new contract lows this week in the December contract. Prices could fall to weekly support at \$1.95 as harvest begins. Unless basis strengthens local cash prices could fall below \$1.50. LDPs on Thursday ranged from \$0.42 to \$0.47 per bushel in Tennessee. Taking the LDP and storing is an alternative, with January cash contracts \$0.24 to \$0.49 higher than the current cash markets, depending on the Tennessee location. This week's biggest concern is finding that storage or transportation to get grain to market. Unless grain can start moving through the gulf ports and waterways soon, serious storage problems could develop. Farmers storing and taking the LDP should also consider buying March or May put options. For those who can manage the risk, consider marketing a portion of 2006 corn now, hedging on the December 2006 contract, currently trading near \$2.50.

Cotton: Short Run: The October futures contract closed at \$48.04 Thursday, \$2.33 below last Thursday's close. Monday's USDA report kept the carryover stock projection at 7 million bales as higher exports made up for higher production estimates. Both foreign and U.S. stocks appear adequate, and prices have a difficult time rallying in that situation. Long Run: The December futures contract closed Thursday at \$49.50, \$2.51 below last Thursday's close. Export demand continues to be strong, but it has to be if the USDA projected 15.3 million bales are going to be shipped this coming marketing year. For now, the December contract could still trade down to support at \$48, and the contract low at \$46.25 before the contract expires.

Soybeans: Short Run: Cash soybean prices ranged from \$5.02 to \$5.38 across Tennessee Thursday. Monday's USDA report increased the carryover stock projection to 205 million bushels, compared to 180 million bushels in the August report. These stock levels are not historically large and still contain an element of risk for higher prices. If yields turn out as projected, however, LDPs may be in play during the harvest season. Long Run: The November futures market closed at \$5.6875 Thursday, almost 32 cents lower than last Thursday's close. Like corn, the soybean basis is much weaker than usual. If storage is available, consider cash contracting for January delivery. Some January cash contracts are \$0.70 above current cash prices in Tennessee. LDPs are not out of the question also, especially if production is at or above the USDA estimate.

Wheat: Short Run: The December futures market closed Thursday at \$3.2275, less than 1 cent below last Thursday's close. Good demand and spring wheat concerns have kept prices above the \$3.15 support in the December contract. It may take another drop in carryover stocks, however, to rally prices back up to \$3.50. Long Run: The July futures market closed Thursday at \$3.50, almost 3 cents above last Thursday's close. Cash forward contracts for July delivery ranged from \$3.08 to \$3.50 across Tennessee Thursday. It may still be a bit early to contract for 2006. Consider buying a July call option for production cash contracted this fall for July delivery.

Corn: December futures closed Thursday at \$2.06, 3 cents higher than last Thursday's close.

Soybeans: November futures closed Thursday at \$5.69, 21 cents below last Thursday's close

Wheat: December futures market closed Thursday at \$3.2275, less than 1 cent below last Thursday's close

Cotton: October futures contract closed at \$48.04 Thursday, \$2.33 below last Thursday's close