

Ochiltree County Ag Newsletter January 2018

TEXAS A&M
AGRILIFE
EXTENSION

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Crop Profitability Conference Friday, January 19, 2018

**OCHILTREE EXPO CENTER-PERRYTON
9:00 AM**

***This will be Dr. Steve Amosson's last
official meeting in Perryton.***

Lunch-- will be provided

Crop Profitability Conference will begin with registration at 9:00 AM.
Crop budgets and Market Outlook on all major crops will be the topics.

***For more information contact AgriLife Extension agents in
the following counties.***

Ochiltree County- Scott Strawn
806-435-4501

Lipscomb County- JR Sprague
806-862-4601

Educational programs of the Texas AgriLife Extension Service are open to all people without regard to race, color, sex, disability, religion, age, or national origin.

The Texas A&M University System, U.S. Department of Agriculture, and the County Commissioners Courts of Texas Cooperating



Happy New Year!

This is the time of year for many different meetings in the area. CEU's are available at many of them plus the opportunity to get some of the latest information related to production issues in your operation. A partial listing of what is happening in Ochiltree County and the surrounding counties in January and February are included in the newsletter. Always feel free to contact the Ochiltree County Extension office at 806-435-4501 if you have questions or send me an email to scott.strawn@ag.tamu.edu



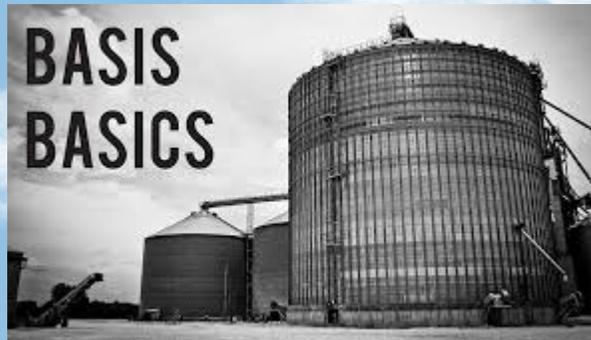


OCHILTREE AG GROUP-OAG

Ochiltree Ag Group will meet again, This is an informal get together of local producers to discuss ag markets and other ag issues. Dinner on you own. All area producers are invited. **The meeting will be January 9, 2018 at 6:30 pm at Margarita's Steakhouse, in Perryton, in the side meeting room.**

Crop Production Clinic

January 11, Handsford County Barn in Spearman. 9:30 am Registration. 4 CEU'S available (L&R-1, IPM-1, Gen-2). Topics are all corn related: Managing Fumonisin, Corn Rootworms, Irrigation Management, Efficient Production, Market Outlook, Weed, Insect, and Disease Management.



BASIS BASICS

This is a portion of an article written by Dr. G.A. "Art" Barnaby in a 2012 issue of Sorghum Grower Magazine

What is basis?

Basis is calculated by subtracting the nearby futures price from the cash price, where nearby is defined as the futures contract closest to the expiration without going into the delivery month. Basis captures the effects of local supply and demand, as well as transportation costs on commodity prices.

What is your basis?

Kansas State University's AgManager.info site has an interactive crop basis tool that can be used to examine historical weekly nearby basis for sorghum, corn, soybeans and wheat for various locations in Kansas, Nebraska, Missouri, Oklahoma and parts of Colorado and Texas. Use the AgManager Interactive Basis Tool online <<http://www.agmanager.info/marketing/basis/tools>>.

How does basis vary across the nation?

Basis is going to vary for a number of reasons. It depends how close you are to markets. For example, grain basis may be stronger in areas where livestock are concentrated.

How is basis related to supply and demand?

In effect, your cash price represents local supply and demand, and the CME is more of a national and international price. For example, if you are in an area where there has been a drought and there are a lot of feedlots or ethanol plants, those operations either have to shut down or truck in grain.

The grain merchandiser then has to pay the transportation cost, and as a result of that low grain supply and high demand, the basis shrinks. The cash becomes very high relative to the futures at that point, because you have to pay enough in cash to pay for what it costs to truck it to the buyer. So, it's more of a local cash supply situation.

How do changes in the market impact basis?

A large crop in the Corn Belt is a supply issue that supports a weak basis on the other hand a short crop would have the opposite effect.

How does basis change throughout the year?

In general, basis is typically weaker at harvest time when farmers are selling grain off the combine. Then it tends to get stronger toward the end of the crop year. It also depends on what is going on in the Corn Belt and in the rest of the world.

How does on-farm storage benefit a producer in relation to basis?

In the case of harvest time, elevators are buying grain at its weakest basis—the lowest cash relative to futures. If you have on-farm storage, you don't have to deliver your grain at harvest time. You can retain it and wait for the basis to get stronger before you make the cash sale. That is where on-farm storage pays for itself. And, depending on your setup, you could potentially eliminate your wait time at the elevator if you have got your own facilities, and you can keep the combines moving.

Describe how basis can affect producer profitability.

The stronger the basis, the higher your cash price is relative to the board. So, if you can pick up an additional \$0.15/bu, those additional dollars can add up just off of managing basis. There are many farmers who sell grain this way. For example, because of on farm storage and a farmer's ability to manage basis, their decision to sell is often driven by how strong the basis is. When the basis is strong, the local market is telling the farmer it needs grain, and it is bidding the cash price up to get it.

Calving Management School-January 11, Morton County Civic Center, Elkhart KS 12:30 lunch with programs after. Topics are cow/calf related: Cow winter nutrition, Normal Calving process, When to Intervene, How to manage difficult birth, Systems for healthy calves. RSVP by January 8 at the Morton County Extension Office- (620) 697-2558

Master Irrigator Courses- March 21, 28, April 4, and 11. Etter. This is an in-depth training for all crop irrigators sponsored by North Plains Groundwater Conservation District. US-DA-EQIP dollars will be available to those who participate. For more information visit their website at <http://northplainsgcd.org/masterirrigator>



Northeast Panhandle CORN CONFERENCE

Tuesday, February 6, 2018

OCHILTREE EXPO CENTER-PERRYTON
8:30 AM

\$10 registration fee

Lunch Provided



3 CEUs will be offered!

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High Plains Irrigation Conference – February 7, Amarillo Civic Center, 8 am registration \$30, CEU's for pesticide applicators and CEU's for crop advisors available. Topics include: Precision mobile drip, Irrigation Scheduling Technologies, Soil Moisture Sensors, Chemigation for Insect Management, Fumonisin in corn and insurance, Water Laws and Regulations, Variable Frequency Drives, USDA EQIP update.

Northeast Panhandle Grain Sorghum Conference – February 27, Ochiltree County Expo Center, Perryton. 8:30 am registration. Topics include : Dryland Grain Sorghum Management, Crop Budgets- Sorghum versus Cotton, Insect Management and update from Texas Grain Sorghum Producers

SYNTHETIC AUXIN (DICAMBA) TRAINING

In the year 2018 all producers using certain formulations of Dicamba will be required to go through a one hour training set forth by the EPA. After completion of these training's producers will receive the required documentation to utilize these restricted use chemicals. These dicamba products are primarily used on dicamba tolerant cotton but can be used on other crops. Following is a listing of area training's that area producers are invited to attend: January 12, February 9, March 9- 8:30-9:30 am Texas A&M AgriLife Extension Service Amarillo 6500 Amarillo Blvd West No Registration Fee. 1 CEU in Laws and Regulations **April 3- Ochiltree County Expo Center Perryton. 8:30 am This will be part of the Northeast Panhandle Cotton Conference. Other great topics will be offered. Watch for details in March.**