



**the farm gate**

WHERE FARM DECISION-MAKERS START THEIR DAY



# Cornbelt Update

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"Your Virtual Research Assistant."*

- **Mark mid-November on your calendar.** That is when MI State grain marketing specialist Jim Hilker says the size of the 2009 crop may be known. He says the October USDA report was based on Oct. 1 conditions, but a lot of crop damage happened after then. "The November 1 USDA crop production survey, to be released November 10 will give us a good update, but I suspect a lot of this corn will have to be harvested before we really know the condition." Read more: <https://www.msu.edu/user/hilker/outlook.htm>
- **Hilker believes the crop estimate** will decline when released in November, "For those that have to deliver at harvest, consider taking some of these prices even before delivery, and don't plan on paying commercial storage, the market is still saying it will not pay. Consider a basis contract if you want to stay in the market. For those with on-farm storage, the market is saying it will pay for using it. Your decision is: do you just wait to price, or lock in some of it now, i.e., hedge or H-T-A. You could do some of both, especially if corn prices have stayed the same or continued to go up after October 20.
- **The soybean crop estimate** will also drop, thinks Hilker, because of crop damage. But he says the market will still not pay you to store beans, "While a few may be able to take advantage of some basis tightening right after harvest, everybody ought to be considering basis contracts, where you delivery the beans and get 80% of the price to start, or sell cash and buy futures if you want to stay in the market for the longer haul."
- **Hilker's bearishness on beans** is due to South American production. He says Argentine production will be up 64% after the spring 2009 drought and Brazilian production up 9%; "And this is on top of US production expected to be up 9% this year. So play the market at your own risk, it may be that selling some \$9.50 soybeans at harvest turns out to be pretty good. Or South American soybean production could bomb out."
- **Wheat producers**, says MI State's Jim Hilker, have two problems if their 2009 crop remains stored and unpriced. He says, "The very low market price says the market doesn't want your wheat. And the spreads in the futures contract prices says the market does not want to pay commercial storage. The market says it will pay on-farm stored wheat about the net return of corn through March. But if you have on-farm storage space, greater than your need for corn, consider keeping your on-farm stored wheat."

- **Wet harvests are costly.** Costs may reach \$100 per acre for drying and shrink says IL Farm Management Specialist Gary Schnitkey due to high moisture levels in corn. He is concerned that your 2009 farm budget did not include that expense. Read his newsletter: [http://www.farmdoc.illinois.edu/manage/newsletters/fefo09\\_16/fefo09\\_16.html](http://www.farmdoc.illinois.edu/manage/newsletters/fefo09_16/fefo09_16.html)
- **Your 190 bu. yield** coming out of the field at 25% moisture may be 216 bu. in the truck but you are only selling 186 bu. at 15% moisture when 1.4% shrink is applied. The shrink loss of \$15, plus \$76 drying cost per acre mean a \$91 revenue loss per acre.
- **Waiting for Mother Nature** to dry your corn, will save money, but many farmers are reporting their corn is drying too slowly or not at all when left in the field. Schnitkey says field drying from 32% moisture down to 31% will save \$13 per acre in drying costs. But he says consider the potential for field losses if corn remains standing.
- **Call several elevators** and ask about their policies and calculations for drying and shrink. Schnitkey says you may find several variations, some of which may be more appealing than your nearby elevator, particularly if the corn is to be sold or stored. And he says some elevators base drying charges on wet bushels and others on dry bushels.
- **Immature corn** will have trouble drying down, says ND ag engineer Ken Hellevang, and it will have low test weights and potential ear molds. He says the only way to stop those is either drying or ensiling. Hellevang has a newsletter with several grain drying tips. [http://www.extension.org/pages/Postharvest\\_Tips\\_for\\_Later-maturing\\_Corn](http://www.extension.org/pages/Postharvest_Tips_for_Later-maturing_Corn)
- **Drying #1.** Standing corn will only dry 0.6 to 0.9 percentage points per day, even with a warm temperature and a dry breeze, but that rate quickly declines with the calendar. Field drying is more economical until mid to late October and mechanical high temperature drying is more economical after that point says Hellevang.
- **Drying #2.** Corn above 21 percent moisture should not be dried using natural air and low-temperature drying to minimize corn spoilage during drying. Hellevang recommends an airflow rate of 1.25 cubic feet per minute per bushel (cfm/bu) to reduce drying time. Adding heat does not permit drying wetter corn and only slightly increases drying speed.
- **Drying #3.** Shelled corn can be stored in a grain bin at moisture contents up to about 25 percent if it is kept below 30 degrees using aeration. Corn kernels above about 25 percent moisture may freeze into a clump that causes unloading problems.
- **Drying #4.** Use the maximum allowable drying temperature in a high-temperature dryer to increase dryer capacity and energy efficiency. Be aware that high drying temperatures result in a lower final test weight and increased breakage susceptibility in the corn.
- **Drying #5.** Dryeration will increase the dryer capacity about 50 percent to 75 percent, reduce energy used by about 25 percent and remove about 2 to 2.5 points of moisture (0.25 percent for each 10 degrees the corn is cooled). Hellevang says with dryeration, hot corn from the dryer is placed in a dryeration bin with a perforated floor, allowed to steep for four to six hours without airflow, cooled and then moved to a storage bin.
- **Drying #6.** Using the maximum drying temperature that will not damage the corn also can reduce energy consumption. The amount of energy required to remove a pound of water is about 20 percent less using a drying air temperature of 200 F than 150 F.

- **Drying #7.** The estimated quantity of propane needed to dry is 0.02 gallon per bushel per point of moisture removed. Propane will cost about \$53 to remove 10 percentage points of moisture from 120 bushels of corn using \$2 propane.
- **1974 may have been the last time** that diplodia, giberella, and other corn fungal rots were seen to this extent, says Purdue ag engineer Richard Stroshine. He says farmers are going to have to take extra precaution in storing and drying down grain this year. He says if your corn is moldy, remove as much of the broken kernels and fines as possible before storage, then dry it to 14% moisture and don't expect it to store as well as usual.
- **You have a field of moldy corn.** Do you blend it with good corn when putting it in the bin? Not now, says Stroshine, "Farmers may want to mix their corn with high levels of mold with their good corn, but my recommendation would be to segregate the good corn from the bad. It should be handled separately. Then if need be, it can be blended later."
- **Within fields,** significant variation in grain moisture may exist among plants that died prematurely and those that matured more normally, say OH State agronomists. "In such fields, growers should be prepared for stalk lodging problems (associated with drought stress) that may slow harvest and contribute to yield losses. The loss of one "normal" sized ear per 100 feet of row translates into a loss of more than one bushel/acre."
- **What is your soybean component content?** IA State soybean agronomist Palle Pedersen says the September heat pushed soybeans to maturity, without completing pod fill. As a result protein values are a low 31-34%, and oil content is above average at 19+%. High protein meals will be 45-47%, but essential amino acids will not decline as much as protein, so the beanmeal will be potentially good for swine and poultry nutrition.
- **Soybeans that were frost damaged** will have less extractable oil, and it will carry a green color, which must be removed with a high cost bleaching process. But for farmers green soybeans will carry pod pieces with them which are hard to separate. In the bin green or immature soybeans will spoil faster and the oil becomes rancid and value drops.
- **The late and immature beans** will likely be wet, says IA State grain quality specialist Charles Hurburgh. He says, "Soybeans dry more easily than corn so air alone, or heat no more than 120F will be adequate. Monitor drying frequently to prevent overdrying. And he adds, wet soybeans should not be held in bunkers, piles, flat storages, sheds or other structures where airflow is not well distributed. Read his and Pedersen's newsletter <http://www.extension.iastate.edu/CropNews/2009/1019hurburgh.htm>
- **If you are frustrated** over frost-damaged beans, Hurburgh says, "The best strategy is to aerate and store for 40-60 days before selling. The greenness may subside enough to be below the color threshold of the Grades. In cases of dispute over grading, submit the sample to a USDA licensed grading agency for resolution. Protein levels are likely to be below average; oil levels above average in Iowa soybeans."
- **You may have revenue insurance,** but you may also need weather insurance to indemnify you against adverse weather that prolongs harvest and results in harvest losses. The insurance is based on a weather derivative and priced on historic rainfall by date. It is still available for this fall, but there is a 14 day waiting period. For policy and price information contact Central Crop Insurance Services, [kenagrisk@yahoo.com](mailto:kenagrisk@yahoo.com)

- **Your haste to harvest** may have caused you to operate in fields with wet soils, and that may result in compaction with yield loss in future years. You may view that as the lesser of the evils, but there are some measures you can take to minimize compaction damage.
  - 1) Restrict heavy equipment or truck traffic in fields to specific tracks or lanes.
  - 2) Drive grain carts in prior combine tracks and avoid diagonal field crossings.
  - 3) Keep trucks on the road, if possible, but if not, restrict them to the end rows.
  - 4) Compaction is only reversed by wetting and drying, freezing and thawing over time.
- **If liming** is on your to-do list, ensure that you are applying the correct amount. Two soils, both with a 5.5 pH, may need two different amounts of lime says IL agronomist Matt Montgomery. He says it all depends on whether the hydrogen ions are floating or attached to soil particles, and if floating, the soil may need twice as much lime. Consult with a fertility supplier or Extension specialist and ask about the Cation Exchange.
- **It's pretty**, but you probably would rather enjoy your spring without a healthy crop of butterweed in your fields. IL weed specialist Aaron Hager says it will soon be emerging in your fields, particularly no-till fields, and his herbicide performance chart <http://ipm.illinois.edu/bulletin/article.php?id=1232> says fall applications do better.
- **Adverse harvest weather** has been adverse to cow-calf producers says UT State livestock economist Dillon Feuz, "The result has been the corn price has increased about \$0.50 per bu. That certainly has pressured feeder cattle prices lower. The other on-going and worsening situation is there continues to be no money in feeding cattle. While it appeared back in the spring that feedlots were poised to finally start making a little money feeding cattle, that hope disappeared through the summer and early fall."
- **Feuz has a stern warning** to cow-calf producers about their relationship with feedlots, some of which have become bankrupt. He says, "Certainly, those who remain in business have limited ability to bid up feeder cattle prices. While cow-calf producers never want to sell their calves too cheap to feedlots, they may actually want to this year, or there may be no feedlots left to buy their calves next year."
- **What is the most economical feed** for your livestock? (And don't forget to factor in the moisture content of the corn or distillers' grain). At that point it just got complicated, so you need the "Cost of Feedstuffs Calculator." Find and download the calculator at: [http://www.farmdoc.illinois.edu/pubs/FASTtool\\_special\\_feedstuffs.asp](http://www.farmdoc.illinois.edu/pubs/FASTtool_special_feedstuffs.asp) The feedstuffs library includes 120 different feedstuffs comprising: 22 company co-products; 25 by-products; 5 new generation co-products; 27 forages; 11 grains; 9 crop residues; 12 silages; and 9 supplements. And you can include your own farm-produced feeds.
- **USDA's price estimates** of a \$3.30 average price for 2009 corn and \$275 per ton for soybean meal will help livestock producers say MO livestock economists Glenn Grimes and Ron Plain. But they say the resulting \$3-4 per cwt reduction in production cost is not enough to erase the red ink of the past year. They say the breeding herd needs to be cut substantially more than what the September 1 Hogs and Pigs Report projected.

*Cornbelt Update* (formerly *Extension Update*) is e-mailed on Friday to selected subscribers and is also on the Internet at [www.farmgate.uiuc.edu](http://www.farmgate.uiuc.edu). E-mail comments to: Stu Ellis at [shellis@illinois.edu](mailto:shellis@illinois.edu).

