



Many Factors To Influence Less-Than-Optimistic Outlook For Grain Markets

It's not necessarily a bullish outlook for grain prices.

But there are many influencing factors to be considered in the final outcome, according to an Extension grain economist when he spoke at the recent Farm Profit Conference hosted by AM 580 WIBW at Osage City.

Introduced by program coordinator WIBW Farm Director Kelly Lenz, Dan O'Brien emphasized that the world economy, sluggish demand and the weather are all key factors in where grain markets will move from present levels.

"Plantings will be the determining element this year for both corn and soybean markets," O'Brien pointed out. "How much seed that goes in the ground will largely decide how much grain will be produced."

In addition to production, supplies and demand, South America's crop, and what happens to the economy in China, will largely influence the cash price.

In his realistic, but pessimistic overtone, O'Brien evaluated that without a national and worldwide drought, and continuation of La Nina weather, it is difficult to forecast corn to be more than \$4.50 to \$5, and soybeans are likely to be in the \$10.25 to \$10.50 range.

"If we have a short crop, we will stay where we are now, but there is an increasing likelihood for lower grain prices coming into the fall," O'Brien predicted.

The second of four Farm Profit Conferences, hosted by AM 580 WIBW this year, is scheduled Wednesday evening, Feb. 22, at the Geary County Fairgrounds, in Junction City, starting with a complimentary supper at 6 p.m.

That program will feature a discussion on the future of commodity prices by Darrell Holaday of Country Futures. Mary Knapp, the Kansas state climatologist, is to review moisture trends for the coming seasons, and state livestock commissioner Dr. Bill Brown has been scheduled to talk about the Animal Disease Traceability Program.

Sponsorships for the program are still available by contacting Frank J. Buchman. Meal reservations should be made to kelly.lenz@morris.com.

Additional Farm Profit Conferences are planned at Holton, March 6, and Frankfort, March 20, with sponsorships still available, and reservations due the day before each one.



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