

March 11, 2011

AGRONOMY TOPIC OF THE WEEK

For this weeks Agronomy topic of the week we decided to do something a little different and look at how Corn and Soybeans compare in return, based on their input costs and current crop prices. In doing so, we used current crop input prices, current cash grain prices and Iowa State's Custom rate charges.

Looking at the current 2011 Crop prices we can get around \$5.50 for October cash corn and \$12.70 for October cash soybeans. When comparing crop input cost before land costs, corn is \$590.00/ac and soybeans are \$325.00/ac. If you take 190bu corn compared to 55bu beans, the Corn on Corn, even with higher amount of input cost will yield a gross profit of \$70.00/ac more then soybeans.

When looking at current 2012 Crop prices we can get around \$4.60/ac for cash corn and \$11.20 for cash soybeans. With virtually the exact same input cost as it is for the 2011 Crop, soybeans at 55bu/ac would yield a \$7.00/ac higher profit then 190bu/ac corn.

It looks like overall all the markets are telling us to plant corn in 2011 and soybeans in 2012. If our Central Valley Co-op Agronomy Staff can be of any assistance in whether or not changing your crop rotation is right for you, please contact us today.

