

Ag Radio programs for January 5 - 11, 2015

Farm Program continuing

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. I'm sure that we will be continuing to talk about the farm bill from now until late March when signup finally ends. Just a reminder that I will be having a meeting on January 14th, starting at 7 p.m. at the 4-H/Sr. Citizen's Building on the Geary County fairgrounds. This is open to anyone from every county. I will be discussing basic program options, some economic analysis considerations and probably a little bit of editorial comment on the decision making process. The first 15 to 20 minutes will be spend discussing ag leases (don't forget about those in all the hub-bub of the farm bill discussions. I've been starting to punch through a few producers information. For some producers, the program was recommending re-allocation of bases. But for others it wasn't. Many producers were showing the ARC-CO was more advantageous than PLC but that's because the five year price forecasts aren't all that pessimistic on prices. I ran some what-if scenarios on prices and county yields. In many cases, even with prices 40 and 50% below FAPRI projected prices ARC-CO was still looking slightly better. But I have to say again that you have to decide what your objective is with this farm bill. Are you using it as a risk management tool or as an attempt to maximize potential payments. I can't say that either one is wrong, you just have to decide what your objective is. The spreadsheet will only look at bottom line GIVEN the five year yield and price forecasts. And we all know those risks! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.

Trends in ag leases

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. Let's not forget, given all excitement and chatter about the farm bill, that we need to be evaluating and re-negotiating leases during January as well. If you have an oral lease, changes need to be done by January 30th, or last year's terms continue for another year. In recent years there has been a lot of interest in cash rents. Keep in mind that both cash leases and crop-share leases can be equally equitable as long as terms are properly worked out. The high commodity prices the past few years have really jacked up cash rental rates in the region. If you look at Geary and surrounding counties, based on National Ag Statistic Service's report from early September, we saw county average dryland cash rental rates ranging from \$46.50 per acre clear up to \$84.50 per acre. I guess ultimately you could say that anything in that range is probably appropriate. But on annually adjusted cash leases, that have been going up the past few years based on commodity prices, it's only fair that they come back down also based on commodity prices. For pasture leases, that are virtually all cash leases, the range of county average rental rates in our region have been from \$19 to \$26 per acre. Again, these are averages so there will be some that fall outside this range. In my opinion, \$19 per acre for decent grassland is too low. Good grass should probably be from 27 to 30 per acre or higher given certain situations. Cattle prices have been good so rental rates need to reflect that. BUT when cattle prices come down, and they will, landlords need to be willing to back off on those rates as well! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.

Smart Phone Apps for agriculture

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. One of the biggest changes in agriculture that I have witnessed in the past ten years is the proliferation of smart phones and now the growing number of application programs, or apps for them. I used to have a short list of agricultural apps for smart phones and probably half of them were just generic type apps including weather and markets. Now days I have lists of different types of apps and many of them are for very specific uses. There are apps to help you identify insects, seeds, diseases and nutrient deficiencies. There's apps to help you calculate how much herbicide to add to your spray tank to get the right amount. Of course we still have the weather apps, including some that give you ag weather outlooks and keep you posted on weather related impacts to agricultural production around the world. There's apps to keep track of the markets but also fertilizer price trends, markets news and market economics. Many of the apps out there are free. Some are from universities and extension services, some are from private industry, so of course you'll have to put up with some advertising on them. Some apps you'll have to pay for. In those cases I would be urge caution and check them out before you spend very much money on them. Of course, many apps that have a cost associated with them have a very low cost and you are often out less than ten bucks. One that I just recently got was from K-State and it was a wheat yield estimator. If you are interested, I have a lengthy handout that I can make copies of, or direct you to the electronic version on line - just let me know! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm

Chuck Otte.