



GRAIN SCOOP

By Kim Holsapple



December 2018

YOU DON'T ALWAYS HAVE TO WIN

Isn't it amazing as we go through life that we always want to win? Growing up on the farm in my early days I was always involved in some form of competition with my brother, who was one year older than me. We had our daily chores that were required of us and often we would have some form of competition, the loser would have to do the chores for the other that night. It was amazing at what we could come up with. Later in life, I was blessed to have four daughters. There was always competition in our house as they were growing up. The one thing that sticks with me the most is who got to take over the bathroom. For the first 20 years of our married life we had one bathroom and five women in the house. Needless to say the bathroom was in high demand. Once again I was the loser, so it only made sense for me to get up early and exit the house before the girls started their daily routine. Lots of people thought I was a workaholic, but the truth was I had to be out of the house early.

As in life, in marketing there are winners and losers. Very seldom does one have the type of marketing year where you say, "Wow I did a great job this year!" The grain markets are influenced by so many outside forces that a producer just can't watch them all. I watch the markets almost every hour of the work week both day and night. I am amazed at how hard it is to keep every detail affecting the market, on the bullish side or bearish side. An example is the special payment for soybeans, due to the tariffs to China. One side of me says that a producer will take the money and add it to his sale and say "This year wasn't so bad." The other side of me says the producer will take the money and say, "Now I have some cash flow so I will hang on to my beans and wait for higher prices." Once again there is bullish and bearish news released daily and I guess this is why I like the commodity business, never 2 days alike in my 45 years of doing this.

My job isn't to make a winner on every trade, but to extract the information and give the best advice possible on that particular day. Grain farmers typically want the markets to go up. End users such as processors, livestock producers, importers, etc. would prefer to see lower prices. So on any given day there are winners and losers. My goal is to see that our customers are informed on every detail affecting the market and make sure they are not the loser. Sure, I have seen a lot of winners and a lot of losers in my days and I have certainly gleaned a lot out of this. Watching what the winners do and do more of it, and watching what the losers do and do less of it is what keeps me going. As one of our well respected financial gurus have said "It's better to be approximately right than to be precisely wrong."

With the supply of grain we have in the U.S. this year, we have been big winners from a production stand point. Let's reward the market, be a winner, and put our focus on next year's crop. South America has a big

one coming at us and it should be here in late January. You guys are all winners in my eyes so let's keep it that way.