

THE FARMER'S EDGE



HURLEY & ASSOCIATES

Agri-Marketing Centers

War, Pandemic Constraints, and Energy Concerns Dog the World's Economies

By John A. Johnson

Looking over the world's economies, the U.S. seems to be setting the pace for the rest of the world in growth and Covid-19 recovery. While we in the U.S. have stimulated our economy to the point of excessive inflation, almost everyone else in the free world seems to be plodding along trying to cope with weakening global economic activity. Not a small part of the drain on the world's economies is the lingering effect of the Covid pandemic, coupled with the drain of massive expenditures from both sides in the war over the Russian invasion of Ukraine. With the latest round of aid requested by the Biden administration, the U.S. will have contributed over 27 billion dollars of aid to help defend the Ukrainians against the Russians. The losses in lives, (both civilian and military), along with enormous expenditures in military hardware create huge financial and psychological burdens. There are also massive losses in residential and commercial property, infrastructure, livestock, and crops that will require many years and billions of dollars to replace, no matter who "wins" this conflict.

Anxiety over the world's agricultural production is beginning to surface as we near the end of the marketing year for 2022's

drought/flood/cold weather/war shortened production over much the world's major grain and livestock production areas. All eyes are on South America as harvest has begun and yields are being reported. Brazil, although it has reduced projected yields recently, is still on track to produce a record soybean crop. Argentina, meanwhile, has suffered a debilitating drought and will be short with its grain crops. How short is still to be determined at press time. Much of the U.S. wheat crop is in a sad state as cold blasts of frigid air over parched ground on barely-emerged wheat plants has decimated many fields, and much reduced yield potential on many others, especially in the Northern Plains wheat belt. Dennis Gartman has famously said "Wheat is a weed", implying that it will live, grow and thrive in very adverse conditions. He also was fond of saying, "Time only will tell". It will indeed.

All the world's economies are experiencing inflationary pressures to some degree due to slowdowns in production and transportation of necessary goods and services due to the various degrees of lockdowns and other work place interruptions created by our various responses to the Covid pandemic. Also, energy costs have skyrocketed as the

continued on page 2



IN THIS ISSUE:

- 1-2 War, Pandemic Constraints, and Energy Concerns Dog the World's Economies
- 3, 4 A Look Back on Hurley
- 4 Consultant Spotlight: Lance Ibeling
- 5 We're Hiring
- 5, 6 The Strength of Your Weaknesses
- 6 Upcoming Hurley & Associates Events and Announcements
- 7 HA Portal Highlight: Providing Financials for 2023

War, Pandemic Constraints, and Energy Concerns Dog the World's Economies

By John A. Johnson
Continued from page 1

shift to electric, solar, and wind supplied energy is struggling to replace fossil fuels, primarily in the U.S. and Europe. Outside of the U.S., other major oil producers, such as the Arabian countries and Russia, are generally faring better economically due to the spike over the past couple of years in fossil fuel prices.

We would like to change the subject to make a brief observation in the U.S. cattle market. We have a very unusual situation, in that we have experienced a multi-year drought in many of the cattle producing areas of the U.S., which has resulted in the liquidation of so many of our mother cows. Almost all of our major cattle producing states have been hit to some degree. The drought has severely limited pasture production in much of the country. This limitation on grass production has yielded the lowest hay supplies since we began keeping records of hay production in 1974. That lowered production has resulted in the complete liquidation of some cow herds, and major reductions in others. Our cow herd is smaller than it has been in over 10 years.

The shortages in forage production resulted in the early marketing of our 2022 calf crop, and the heavy culling of mature cows, and almost no heifer retention in many herds. Even with all those factors affecting the number and availability of cows and calves, there has not been the mad scram-

ble to raise prices because there simply isn't any feed source that is economical to carry these cows to next summer, or due to the short winter wheat crop, to turn the calves out for the necessary growing phase on forage to produce large-framed, thrifty feeder cattle. We are in very much of a "no man's land" with our cattle market. The numbers are short, and due to get shorter soon, but there is virtually no place for the existing cattle to go to a reasonably priced feed alternative that will pay to carry them until grass grows next spring/summer.

When we do have grass, and we will, due to the blessings of ample winter rains and heavy, wet snow in much of the West, we predict that there will be a mad scramble to acquire and save bred cows, young replacement cows, and heifers to make into cows. This will place an arbitrary limit on available feeder heifers. Feeder cattle prices will be as high as possible, given their availability and the price of feed suitable to finish them.

All that will have to be balanced against the state of our consumers' situation and confidence in their respective finances. Of course, the value of the finished animals will still be finite and depend, as always, on those consumers' ability and willingness to buy the beef.

John A. Johnson has worked for Hurley & Associates since 2000. John is semi-retired now living the life of chasing grandkids. John is based in Sikeston, MO.

"Cultivators of the earth are the most valuable citizens. They are the most vigorous, the most independent, the most virtuous, and they are tied to their country and wedded to its liberty and interests by the most lasting bonds."

– Thomas Jefferson

A Look Back on Hurley

By Lynn Weeks

As I enter the last month of my 11+ year career with Hurley & Associates, I reflect on all the great relationships and new friendships I have acquired during that time. One of the greatest experiences of my life was being able to be a part of producers' operations and helping them achieve the goals they set for themselves.

The main thing that drew me to Hurley & Associates was the philosophy that Ida Hurley developed from the beginning in 1988. She believed, "We've made it our mission to help producers manage all aspects of their operation-production, finances, marketing-as efficiently as possible. We take that approach for two reasons: first, to best serve our clients, and second, to help preserve their distinctive agricultural lifestyle." This, along with the company holding the belief that we are serving God's mission through agriculture, helped build the following core values that everyone at Hurley's believes.

These core values are:

- Service-commitment to helping others.
- Family-fostering a sense of belonging.
- Perseverance-sticking with something in difficult times.
- Responsibility-taking ownership and discipline to own one's decisions.
- Partnership-working together for a common goal.

These values are the foundation that we all work toward each and every day. These are also the values that we look for in every new person we hire. Following these values gives us the ability to focus on our clients' success and growth, along with building relationships that turn into friendships. We continuously strive to make our relationships better through personal meetings, developing our portal, and education of "why" we use certain tools.

Over the years, we have come through droughts, extremely wet years, extremely volatile markets, Covid, etc. Each one had its own struggles and challenges, but the one thing that has held constant and has been very successful over all those difficult times is keeping the focus on what is most important. That focus has been family and farm. Farmers become very stressed, especially in times of uncertainty, and we provide the necessary support and recommendations to keep the opera-

tion moving forward. I had a producer call me once and tell me everything that had been going wrong over the last few days. This went on for about 5 minutes or so, and then I asked him if he had called to talk about anything specific. He said, "No, I was just thinking about everything going on, and I needed to vent to someone that understood and who would listen, and your name came to mind." That is a conversation, along with many others, that I will never forget and truly appreciate.

The focus on the relationship of the client is what makes us unique. We work with our clients to create an individualized marketing program that is based on each client's unique parameters that meet the needs and goals of their operation. We take these parameters and create a market plan that can be executed while keeping their operation in mind. This way, every producer can rest assured that his operation is being cared for, so they won't have to stress about all the market "noise" coming at them each day. They know they have a team looking out for them; each person that works here is focused on making each of our producers' operations more successful than it was last year.

I have enjoyed the fast-paced market days as markets are moving up and down, watching plans come together, strategizing as a group to bounce ideas off one another to reach a certain goal, and help be a part of the growth of the company and our office here in Charleston. I have enjoyed watching young consultants work with their first clients and mentoring them along the way and helping them build on the strengths they already have. I can keep going, but these are the things that have made my time here at Hurley & Associates very exciting and fulfilling. I will truly miss everything about my Hurley family as I leave and move on to a new opportunity. I have been very blessed to work with great people, both in and out of the office, who I can call my friends and family for the rest of my life.

Lynn will be leaving Hurley & Associates at the end of February to join his family's feed ingredient and truck brokerage business. We value family above all else and wish Lynn the best in his future endeavors.

continued on page 4

Consultant Spotlight: LANCE IBELING

Grundy Center, IA



What do you most enjoy about your job?

I most enjoy getting to know my clients, their families, and the unique details that make up their operation. Whether the farm has a multi-generational legacy, or the legacy is just beginning, I'm honored to partner with them in planning for the future.

How did you get started in your career?

I began at Hurley & Associates in early 2019 after working as a grain superintendent for a local grain cooperative. In that position, I enjoyed creating an environment that added efficiency and value for customers and employees alike. With the same mission, I joined the Hurley family where I'm able to focus daily on what I appreciate most in agriculture, *the people*.

What are you most passionate about when it comes to serving your clients?

I'm passionate about lessening the stress that can often come with marketing and seeing that energy directed back to enjoying family and other aspects of the farm. I like educating producers on the marketing tools available to them and organizing information that drives decision making.

What would be your ideal vacation?

Waking up early with my family and hitting the road to somewhere warm. 70 MPH, coffee, and watching the sun come up. A limited agenda with a long list of memories. Plenty of good food to eat and warm water to swim in.

Lance's deep respect for the agricultural lifestyle brings him to Hurley & Associates. He believes that Hurley's individualized approach to commodity marketing promotes the close working relationships necessary to understand and further the ambitions of his clients. Prior to joining Hurley & Associates, Lance worked as an Operations Superintendent for Landus Cooperative. There he focused on customer service and continuous improvement for the benefit of those he served. Lance grew up on a family farm near Ackley, Iowa, where they raised corn, soybeans, and livestock. He graduated from Central College in Pella, Iowa, with a Bachelor of Arts degree in Business Management and a minor in Communication Studies. He spent his first years out of college as service coordinator for a non-profit ministry in Kansas City before eventually returning to Iowa and his agricultural roots. Lance and his wife, Lindy, live in Parkersburg, IA with their three daughters. He enjoys spending time with his family, staying engaged in the family farm, and meeting new people.

A Look Back on Hurley

By Lynn Weeks

Continued from page 3

Lynn grew up on his family farm in southeast Missouri where he and his brother worked with their father raising corn, soybeans, rice, and cotton. Lynn has remained active on the farm over the years and continues to do so. Lynn graduated from Southeast Missouri State University in 1993 with a bachelor's degree in wildlife management and a minor in law enforcement. Upon graduating, Lynn acquired a job in operations with Cargill, Inc, where he quickly worked his way up to elevator manager in Hickman, Kentucky. In 2006, Lynn became a grain merchandiser with Consolidated Grain and Barge where he originated grain, before becoming a crop consultant with Hurley and Associates in 2011.

Lynn became acquainted with Hurley & Associates working as a grain merchandiser and was impressed with their level of service to clients while maintaining the integrity of the family farm and their values. Lynn was excited for the opportunity to join the Hurley team and work closely with producers to individualize risk management marketing based on each farmer's needs. Lynn's knowledge in marketing, finance, and the different levels of the grain elevator business — along with the general workings of a farm — assists in his ability to help producers understand and manage their risk and make educated marketing decisions.

Lynn currently lives in New Madrid, Missouri with his wife, Tiffany and has raised three children Kameryn, Aaron, and Austin around the farm and their rural community. Lynn enjoys spending time with his family along with hunting and taking kids hunting to enjoy the outdoors.

The Strength of Your Weaknesses

By Annie Oakley-Huber

From the beginning of time, we are taught to learn our strengths, define them, and to leverage them. We celebrate strengths as a form of confidence building and use them to define our identity. While knowing your worth and where you can be of value is important, some argue there's an equal amount of importance in knowing, understanding, AND sharing your weaknesses.

Have you ever been in a situation where everyone is posturing to showcase their strengths, right down to the art of perfection? The reality is this type of situation feels unauthentic, makes connectivity difficult, and is a barrier to honest conversation. It leaves no room for making mistakes, much less sharing them, and learning from one another.

Author and podcast host Patrick Lencioni states "Vulnerability is the foundation to building deep trust, developing strong relationships, and becoming a better version of ourselves." However, there is nothing natural about being vulnerable; it is uncomfortable, it goes against our nature of wanting to be right, and it is rare. Yet, if you are able to push through the discomfort, Lencioni suggests there is a powerful sweet spot on the other side. Allowing vulnerability invites others to join you on a journey of self-reflection with a new perspective.

During a podcast, Lencioni describes "Defining your weaknesses is way more interesting and far more useable than defining strengths. It is liberating for the individual and powerful for the team. It's a win/win." When you understand your weaknesses, you can then celebrate the fact that others have strengths where your weakness lies. Think of it as a puzzle- some have notches (weaknesses) where others have tabs (strengths). What an opportunity to have the ability to fill in your gaps with someone else's strengths!

The strength of our weaknesses applies to all aspects of life, whether at home or at work. As a parent, think of the impact we have when we showcase our weaknesses as an example of accepting that no one is perfect, displaying raw honesty, and learning how to deal with downfalls. I am grateful to be a part of a work team that provides a

continued on page 6

We're Hiring!!

- **Competitive Compensation**
- **Excellent Benefits Package**
- **Personal & Professional Fulfillment**
- **Team Atmosphere**

For more details visit

www.hurleyandassociates.com/careers

Client Services Associate (Full or Part-Time)

Wayne, NE

- Efficient and organized
- Detail oriented
- Willing to learn

Farm Marketing Consultant Wayne, NE

- Self Motivated
- Passion for serving ag producers
- Analytical minded

Human Resources Manager

Grundy Center, IA

- Benefits management experience
- Proven leadership
- Enjoys recruiting
- Passion for service

Regional Manager Charleston, MO

- Manage and mentor a growing team
- Passion for serving ag producers
- Proven leadership

The Strength of Your Weaknesses

By Annie Oakley-Huber
Continued from page 5

welcoming landscape to piece together a wide variety of strengths and weaknesses, while propelling individuals to the best version of themselves. As a partner in your operation, it is our hope that we can foster connectivity amongst other members on your team, while elevating you as an operator through your own strengths and weaknesses.

Annie was raised on a family farm near Rockham, South Dakota. She graduated from South Dakota State University with a major in business economics and accounting minor.

Initially drawn to the world of accounting, she found herself searching for a career that connected her roots with her passion for business and building relationships. Through Annie's previous experience with the Hurley program, she saw an opportunity to provide real value to farming operations. Annie joined the Hurley team fulltime in 2008 and enjoys being a valued partner in family farms, encouraging them to operate with business in mind and legacy as their goal. Annie lives near Wessington with her husband, Joe, and children, Knox, Rook, and Steelie.

Upcoming Hurley & Associates Events and Announcements

COMING SOON! Hog Producers access to the Hurley Advantage Portal

BROOKINGS OFFICE:

Hurley Appreciation Event
Madison, MN February 10th
VFW Post 1656
710 West 2nd Street
Madison, MN 56256
5:00 pm Social
6:00 pm Supper
7:00 pm Comedian

Winter Meeting Event
Farm for the Future
Leading Your Dairy in Uncertain Times
Thursday February 23rd, 2023
2:00-2:30 Registration
2:30-5:30 Education
5:30-8:30 Meal & Social
Holiday Inn Hotel & Suites
Sioux Falls Airport
2040 West Russell Street
Sioux Falls, SD 57104

GRUNDY CENTER OFFICE:

Agri-Marketing Workshop
Thursday February 23, 2023
10:00 am-Noon
Hurley & Associates
602 8th Street
Grundy Center, IA
Lunch will be provided following discussion.

Agri-Marketing Workshop
Wednesday March 9th, 2023
10am-Noon
Falcon Civic Center
1305 5th Avenue NE
Independence, IA 50644

HA Portal Highlight

Providing Financials for 2023

As you meet with your consultant during the winter months you will be asked to provide financial information for the 2023 season. Through the Hurley Advantage Portal, one can pull a worksheet with last year's financials as a foundation to input projections for 2023. When completed, the worksheet can be printed, saved and e-mailed to your Consultant and Marketing Associate. Here's how to access it:

1. Go to 2022 production
2. Click on the Cash Flow tab
3. In the Current Cash Flow section, click on the Export button
4. The file will download to the bottom left of your browser



Take these steps to access your financial worksheet.

5. Open the Excel spreadsheet
6. Enter data in the 2023 columns

Note: Since revenue and expenses can come in different forms, there are three tabs at the bottom of the page to allow those entries. You may enter your values as a total, per acre, or per unit.

Hurley & Associates Agri-Marketing Centers						
Category/Product	2022 Total	2023 Projections	2022 Corn	2023 Corn	2022 Soybeans	2023 Soybeans
Acres			2000	1700	1000	1300
Yield			205	220	58	65
Revenue						
Custom Work	\$ 45,000.00		\$ 30,000.00		\$ 15,000.00	
Dividend	\$ 14,000.00		\$ 9,333.33		\$ 4,666.67	
Expense						
Cash Rent	\$ 810,000.00		\$ 540,000.00		\$ 270,000.00	
Chemicals	\$ 252,000.00		\$ 190,000.00		\$ 62,000.00	
Custom Hire	\$ 30,000.00		\$ 20,000.00		\$ 10,000.00	
Drying Cost	\$ 22,000.00		\$ 22,000.00		\$ -	
Family Living / Mgmt	\$ 85,000.00		\$ 56,666.67		\$ 28,333.33	
Fertilizer	\$ 580,000.00		\$ 500,000.00		\$ 80,000.00	
Fuel & Oil	\$ 90,000.00		\$ 68,000.00		\$ 25,000.00	
Insurance - Crop	\$ 80,000.00		\$ 46,000.00		\$ 23,000.00	
Insurance - Hail	\$ 122,000.00		\$ 90,000.00		\$ 32,000.00	
Insurance - Health	\$ 18,000.00		\$ 12,000.00		\$ 5,000.00	
2022 - Total						
2022 - per acre						
2022 - per unit						

Once completed, this worksheet can be emailed to your Hurley team.



HURLEY & ASSOCIATES

Agri-Marketing Centers

415 E. Marshall
PO Box 471
Charleston, MO 63834

Phone: (573) 683-3371
Toll Free: 1-800-524-0342
Fax: 573-683-4407
email: info@hurleyandassociates.com
www.hurleyandassociates.com

Except as otherwise noted, the contents of this newsletter are copyrighted materials of Hurley & Associates Agri-Marketing Centers of Charleston, Inc. and contain trademarks, service marks and trade names of Hurley & Associates Agri-Marketing Centers of Charleston, Inc. and/or affiliates. ALL RIGHTS ARE RESERVED.

While the information contained in this newsletter is derived from sources which are believed to be accurate and timely, there may be inadvertent factual inaccuracies or typographical and other errors, and the information is not warranted or guaranteed for accuracy or completeness. Any opinions expressed herein are subject to change or correction without notice and Hurley & Associates Agri-Marketing Centers of Charleston, Inc. and its affiliates disclaim all liability for errors or omissions in these materials, and disclaims all liability for the use or interpretation by others of information contained in this newsletter. This material should be construed as the solicitation of trading strategies and/or services provided by Hurley & Associates, Inc. noted in this newsletter. We believe positions are unique to each person's risk-bearing ability, marketing strategy, and crop conditions, and therefore, Hurley & Associates Agri-Marketing Centers of Charleston Inc. does not give blanket recommendations. Any examples given are strictly hypothetical and no representation is being made that any person will or is likely to achieve profits or losses similar to those examples.

Decisions based on information contained in this newsletter are the sole responsibility of the reader, and in exchange for receiving this information, the reader agrees to hold Hurley & Associates Agri-Marketing Centers of Charleston, Inc. and/or its affiliates harmless against any claims for damages arising from any decisions that the reader makes based on such information. The risk of loss in trading commodities can be substantial, therefore, carefully consider whether such trading is suitable for you in light of your financial condition. Past performance is not indicative of future results, and there is no guarantee that your trading experience will be similar to past performance.

Trent Hurley, Chief Executive Officer
David Hurley, President of Hurley & Associates, Inc.
Ida V. Hurley, Founder
Dennis E. Hurley, Chairman of the Board

LOCATIONS

Grundy Center, IA
319-777-7952

Britton, SD
605-277-1750

Wayne, NE
605-705-4040s

Brookings, SD
605-705-4040

Cologne, MN
320-634-4001

Wessington, SD
605-554-0230

Glenwood, MN
320-634-4001

Canyon, TX
979-272-2182

Caruthersville, MO
573-333-1138

Snook, TX
979-272-0539

Charleston, MO
573-683-3371

Edna, TX
361-782-6715