



TEN COMMANDMENTS OF GRAIN MARKETING

Rule #1 - You will never go broke taking a profit. This is the most important thing, profit.

Rule #2 - Never forget Rule #1.

Rule #3 - Know your cost of production.

Rule #4 - The market is always right and the market is also unpredictable.

We can put a man on the moon but will we ever be able to calculate for the madness of men? It doesn't have to make sense and probably never will. Do not, ever, think you are smarter than the market. The market's sole job is to match willing buyers with willing sellers regardless of price, devoid of emotion and with no care to how much money you are making or losing.

Rule #5 - Beware when marketing turns into speculating.

The line separating marketing & speculation, which is never bright & clear, becomes blurred still further when market participants have recently enjoyed great triumphs. Normally sensible people drift into behavior akin to that of Cinderella at the ball. They know that overstaying the festivities by continuing to speculate with their commodities that are showing large net margins will eventually bring on pumpkins and mice. But they nevertheless hate to miss a single minute of what is sure to be a helluva party. The problem is the giddy participants all plan to leave seconds before midnight but the clock in the party room has no hands.

Rule #6 - Don't swing at everything and don't always swing for the fence.

You are entitled to wait for your pitch but don't always rely on a walk off home run in the bottom of the ninth. The batter who hits for the higher average strikes out less.

Rule #7 - Price and value are not the same thing.

Price is what you pay. Value is what you get. Pick what risks you can live with and what ones you can't.

No one knows what the market is going to do so quit looking for someone who does.

Rule #8 - Be greedy when others are fearful and fearful when others are greedy.

Remember that excitement & expenses are your enemy.

Rule #9 - Bad things aren't obvious when times are good.

You only find out who has been swimming naked when the tide goes out. When times are good it is never as good as everyone tells you, and when times are tough it is never as bad as everyone portrays it to be.

Rule #10 - The boys in the coffee shop are full of B.S. 99.9% of the time.

Do you think anyone showcases their ugly ducklings (and we all have them)? Take this for what it is; gossip and hearsay. He who talks last ALWAYS has the highest yield, best grade and far and away the best price.