



WEEKLY NEWSLETTER

"For SMART Management"

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MARGINSMART® Sample Farm Profitability Changes From Last Report

	Mar. '15	April '15	May '15	June '15	July '15	Aug. '15	Sep. '15	Oct. '15	Nov. '15	Dec. '15	Jan. '16	Feb. '16
Change From Prior Week	-01	+08	+09	+03	+15	+08	+15	+05	-04	+04	-05	+04

WEEKLY MARGINSMART® Notes From President Mark Linzmeier

The weekly newsletter will keep you up-to-date on various topics such as market news, upcoming events, and getting the most out of MARGINSMART®.



MARGINSMART® Tip of the Week

This week we will revisit the "Grown Feed" portion of MARGINSMART®. It allows you the ability to include grown feed at either "Cost" or "Market". If you decide to use "Market" you can determine the market cost, or we can tie certain ingredients into the CBOT to adjust market continually. If you decide to use "Cost", and you have your specific cost per ton or per bushel, we can use that. However, if you do not know your exact costs per ton or bushel, we can utilize your crop input costs to make the overall determination. We will then work with you to get these set up correctly. For 2015 we are seeing lower diesel fuel prices and we can take into account your exact projected input costs so that we make the most accurate projection for your dairy. Call us with any questions.

Market News

Milk: The final Mar '15 announced Class III price was \$15.56 per cwt. – up \$.10 from Feb '15 and down \$1.37 from Mar '14. The final Mar '15 Class IV price was \$13.80 per cwt., down \$.02 from Feb '15, and down \$1.95 per cwt. from Mar '14.

Market News (Continued)

Grains/Feedstuffs/Cattle/Poultry:

USDA released its Grain Stocks and initial 2015 planting intentions on March 31. The following summarizes the report:

- Corn stocks on Mar 1 were 136M bushels higher than trade expectations
- USDA estimates 89.2M acres of corn to be planted in 2015, .5M acres more than the trade expected
- Soybean stocks on Mar 1 were 11M bushels less than trade expectations
- USDA estimates 84.6M acres to be planted to SB which is over 1M acres less than the trade expected

MARGINSMART® Insight

As you look to establish your crop plans for the 2015 crop year, we can project grown feed and blend that in with expected feed usage to determine purchased feed requirements.

Contact Curtis Gerrits for a **FREE**
MARGINSMART® Demo!!
DIRECT: 920-264-9140
EMAIL: curtis@marginsmart.com



Market Price Updates (As of 4/3/2015 Close)

	Mar '15	+/-*	Apr '15	+/-*	May '15	+/-*	June '15	+/-*	Jul '15	+/-*	Sep '15	+/-*	New Crop	+/-*
Class III Milk	15.56	+05	15.59	+06	15.57	+12	15.56	-01	16.20	+11	17.09	+09	17.25	+07
Class IV Milk	13.80	-13	13.87	+00	14.20	-05	14.72	+04	14.97	-32	15.73	-06	16.00	-28
Cash Butter	1.69	-01	1.73	-01	1.79	+01	1.80	-01	1.82	-01	1.84	-01	1.86	-00
Cash Cheese	1.58	+01	1.59	+00	1.60	+00	1.61	-01	1.68	+01	1.79	+03	1.80	+02
Corn					3.86	-05	3.94	-05	4.02	-04	4.10	-05	4.20	-04
Soybeans					9.86	+19			9.91	+19	9.80	+23	9.74	+25
Soybean Meal					327	+6			327	+7	324	+7	321	+7

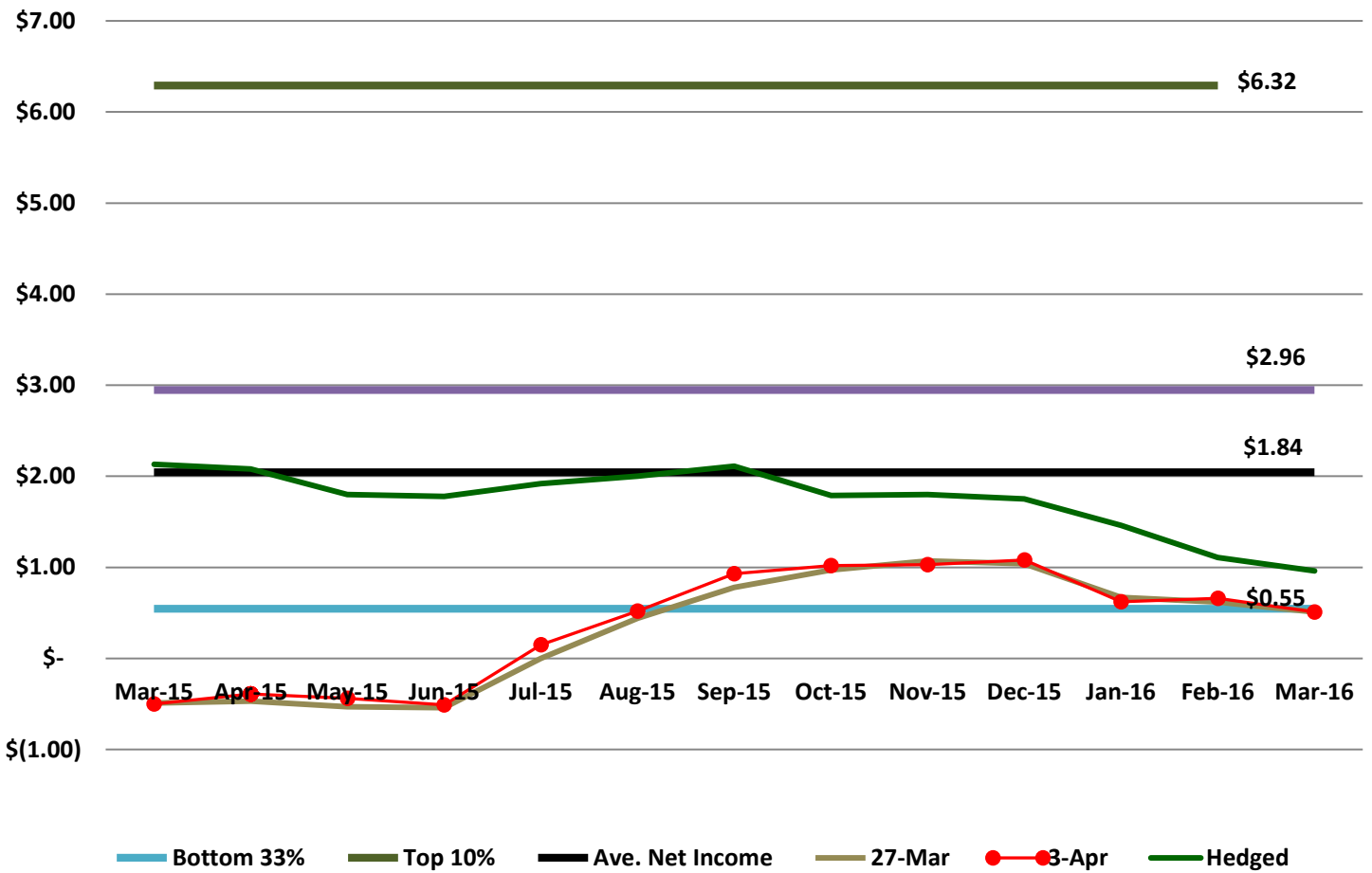
*Change from the Previous Week Price

**New Crop: Milk (Dec.), Corn (Dec.), Soybeans (Nov.), Soybean Meal (Dec.)



MARGINSMART® maintains a fully virtual Sample Farm with 1,500 mature cows and 86 #s of milk / head / day shipped average. It buys 100% of its feed at market and its heifers are custom raised. The red line on the Net Income chart below shows the net income / cwt. available last Friday over the next 12 months based on 100% market prices for milk and feed, and full operating activities.

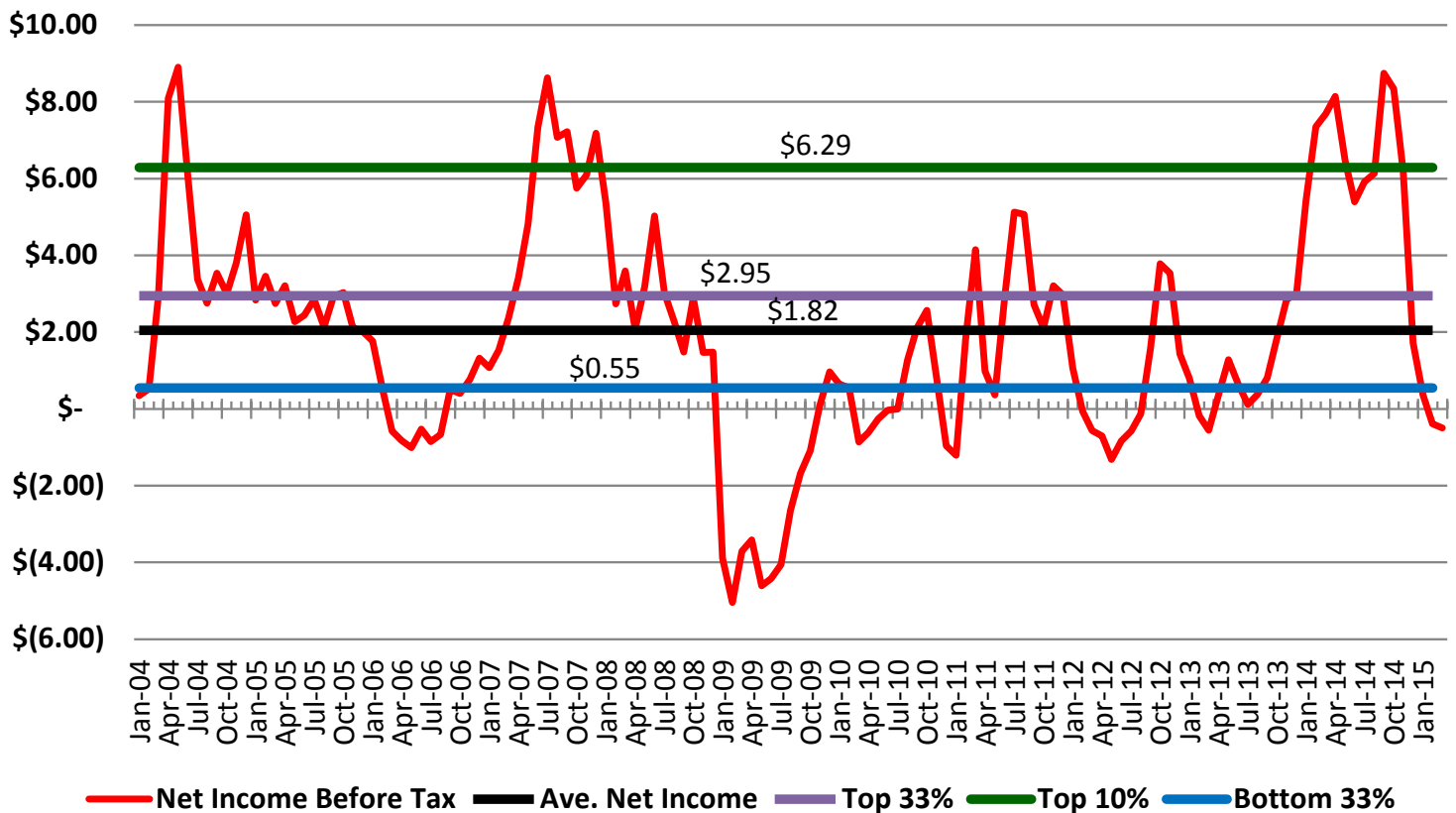
Net Income Available April 3, 2015





MARGINSMART® maintains a fully virtual Sample Farm with 1,500 mature cows and 86 #s (current level – this has increased over the past 11 years) of milk / head / day shipped average. It buys 100% of its feed at market and its heifers are custom raised. We calculated the past 11 years’ results (with adj. milk / day). The red line on the chart below shows the net income before tax for the last 11 years WITHOUT ANY contracting, and completely subject to market prices. It also shows the Top 10% (90th percentile), top 33% (67th percentage), the average and bottom 33% (33rd percentile.)

2004-2015 Historical Net Income Before Tax





MARGINSMART® maintains a fully virtual Sample Farm with 1,500 mature cows and 86 #s (current level – this has increased over the past 10 years) of milk / head / day shipped average. It buys 100% of its feed at market and its heifers are custom raised. We calculated the past 11 year’s results (with adj. milk / day). The first chart is the yearly average net income per cwt. for the last 11 years. The second chart breaks the yearly income into quarterly increments per cwt. for the last 11 years. The charts below are a breakdown of the information in the historical graph above.

Historical Annual Average Net Income Before Tax

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
4.04	2.67	0.07	5.21	2.89	-2.79	0.44	2.52	0.60	0.95	6.46

Historical Quarterly Average Net Income Before Tax

	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
2004	1.27	7.70	3.22	3.95
2005	3.01	2.64	2.64	2.38
2006	0.58	-0.79	-0.34	0.83
2007	1.66	5.19	7.64	6.34
2008	3.90	3.43	2.27	1.95
2009	-4.22	-4.15	-2.79	-0.01
2010	0.11	-0.30	1.13	0.82
2011	1.58	1.42	4.30	2.76
2012	0.15	-0.95	0.30	2.92
2013	0.02	0.77	0.43	2.57
2014	6.82	6.67	6.93	5.41
2015	-.18			