



WEEKLY NEWSLETTER

"For SMART Management"

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MARGINSMART® Sample Farm Profitability Changes From Last Report

	June '15	July '15	Aug. '15	Sep. '15	Oct. '15	Nov. '15	Dec. '15	Jan. '16	Feb. '16	Mar. '16	Apr '16	May '16
Change From Prior Week	-08	-93	-84	-77	-72	-63	-47	-24	-21	-22	-25	-09

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 highlight MARGINSMART®'s commodity target feature (for platinum users). This feature allows customers the ability to be alerted by text message when Class III, Class IV, corn, soybeans or soybean meal futures prices for a particular month (over the next 24 month period) go ABOVE or BELOW a certain target. By allowing our customers to choose ABOVE or BELOW the specified target price, this can alert them if commodity prices are either moving in their favor, or against their favor. Call us to answer any questions you may have, or to set this up for you.

Market News

Milk: Milk production in the 23 major States during May totaled 17.2B pounds, up 1.4 percent from May 2014. Production per cow in the 23 major States averaged 1,990 pounds for May, 11 pounds above May 2014. This is the highest production per cow for the month of May since the 23 State series began in 2003. The number of milk cows on farms in the 23 major States was 8.63M head, 72,000 head more than May 2014, and 4,000 head more than April 2015.

Market News (Continued)

Grains/Feedstuffs/Cattle/Poultry:

Highlights from the 6/22/15 Crop Progress Report:

- Corn rated good and excellent 71% vs. 74% in '14
- US SB planted is at 90% vs. 5 year avg. of 94%
- SB emerged is at 84% vs. 5 year avg. of 87%
- SB rated good and excellent 65% vs. 72% in '14
- Most small grains condition is better this year than in 2014
- The states of Kansas and Missouri have had excessive moisture and corn & SB are behind in planting and condition
- Pasture and rangeland 65% rated good and excellent vs. 55% last year

MARGINSMART® Insight

Our Sample Farm that had entered into contracts for milk and feed for a portion of its production for 2015 continues to outperform our Sample Farm which is completely at the market. See Page 2.

Contact us for a **FREE MARGINSMART® Demo!**

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Market Price Updates (As of 6/19/2015 Close)

	June '15	+/-*	July '15	+/-*	Aug '15	+/-*	Sep '15	+/-*	Oct '15	+/-*	New Crop	+/-*	Mar '16	+/-*
Class III Milk	16.74	-02	16.33	-83	16.51	-79	16.71	-74	16.80	-67	16.83	-59	16.49	-23
Class IV Milk	13.85	-21	14.03	-37	14.21	-43	14.45	-45	14.63	-37	14.71	-49	15.29	-29
Cash Butter	1.91	-01	1.94	-02	1.95	-04	1.96	-01	1.96	-01	1.92	-02	1.79	-02
Cash Cheese	1.72	+00	1.70	-09	1.74	-08	1.77	-06	1.78	-06	1.78	-07	1.74	-03
Corn			3.53	+00			3.59	+00			3.69	+00	3.80	-01
Soybeans			9.71	+31	9.55	+34	9.42	+35			9.40	+36	9.47	+32
Soybean Meal			323	+06	317	+09	312	+10	307	+11	307	+13	304	+13

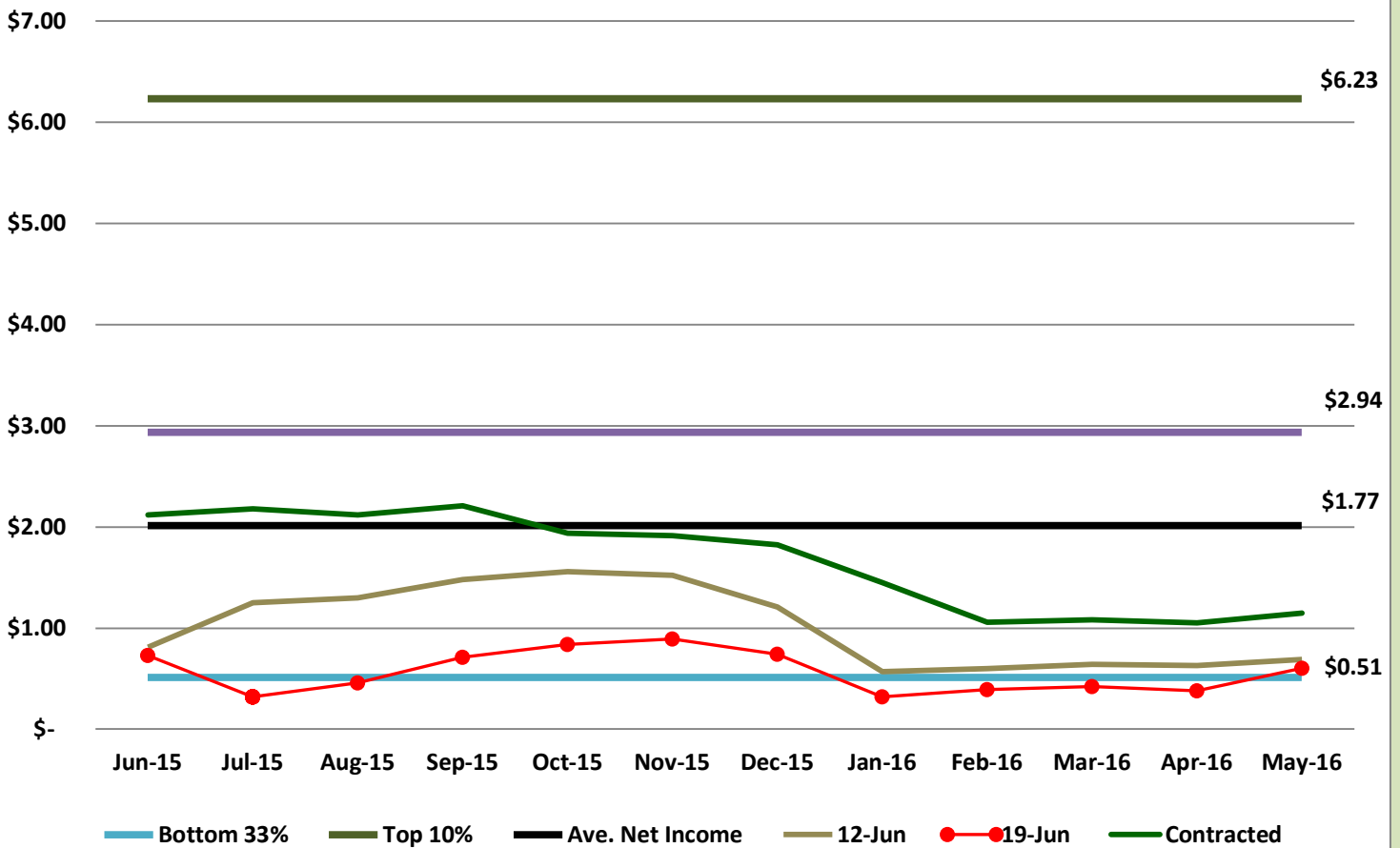
*Change from the Previous Week Price

**New Crop: Milk (Nov.), 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.

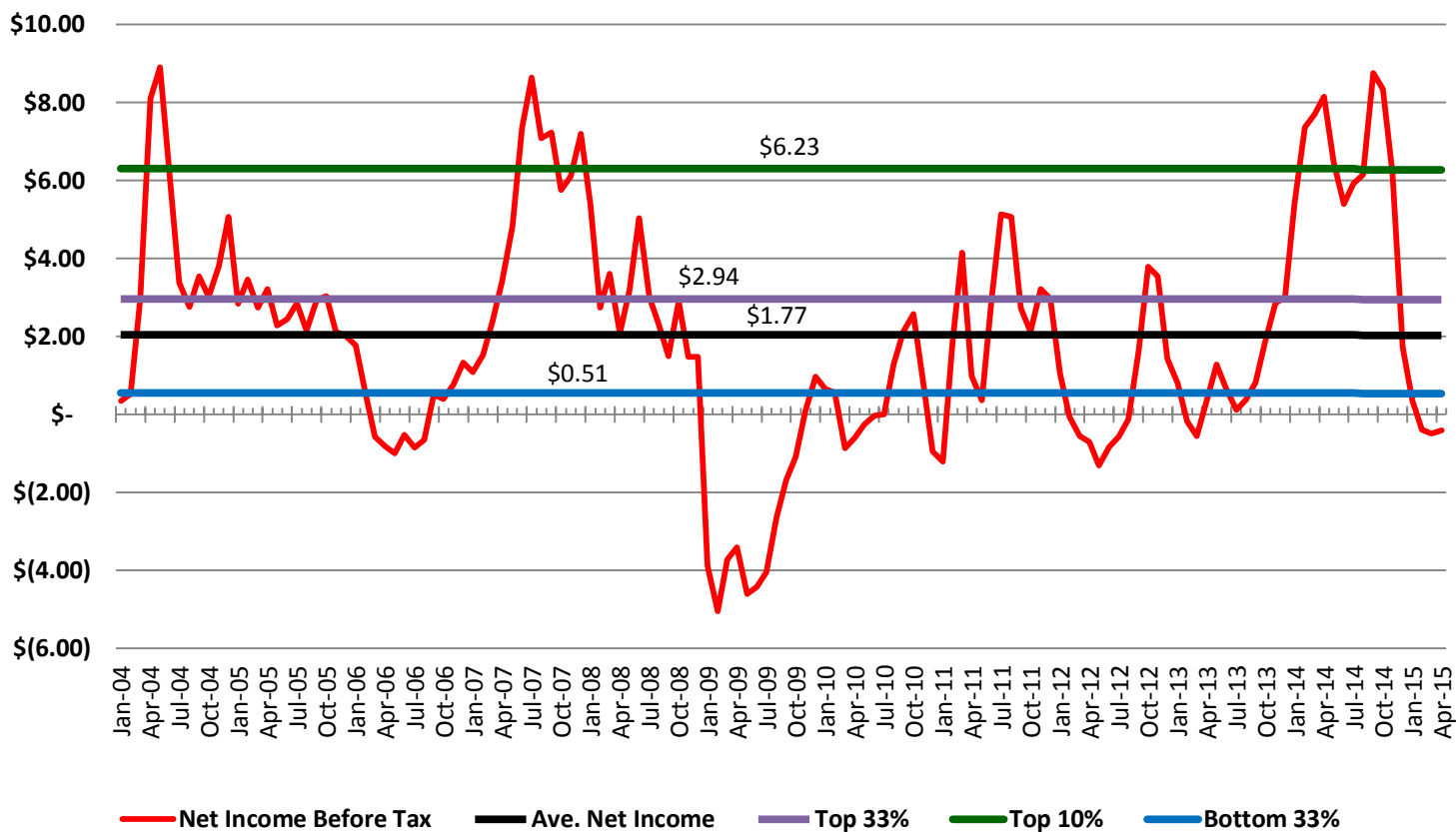
Net Income Available June 19, 2015





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			