



Wheat Price Calculator Gives Bottom-line Insight

Brian Lee and Bridger Feuz

Many producers consider profitable marketing of wheat to be one of their greatest challenges. Keeping up with market trends can be challenging and frustrating. Further complicating matters are the premiums and discounts applied by elevators. In response, University of Wyoming Extension has developed an interactive wheat premiums and discounts tool, which is available free at uwyoextension.org/ranchtools/.

The Wyoming Master Stockman Wheat Price Calculator helps producers make more informed marketing decisions by better understanding how characteristics of their product and the premiums and discounts applied by grain cooperatives impact price. The tool can also be used to aid decisions on when to market grain or whether changing management practices to improve quality is worth the effort.

Premiums and discounts are based on the quality of the grain brought to market. Characteristics such as test weight, protein content, cleanliness, contamination, and moisture content affect these additions and subtractions.



While producers may not appreciate the discounts cooperatives take from cash prices, premiums can be viewed as incentives the cooperatives pay to ensure their product meets their customers' needs. Most premiums and discounts are based on standards to ensure delivery of a consistent product that meets industry requirements. Flour mills and other processors need wheat of a certain quality and consistency for their purposes and will ultimately pay for those characteristics.

The online Wheat Price Calculator allows producers to quickly and easily estimate the cash value and premiums and discounts associated with their crop by entering data from test samples. The tool calculates cash value based on standard characteristics, such as moisture, protein, and foreign material, as well as presence of live bugs and stones and whether the sample is musty or contains weevils or smut. The tool can also account for dockage, storage days, and state checkoff fee.

Questions? Contact UW Extension Sustainable Agriculture Specialist Brian Lee at (307) 837-2000 or blee@uwyo.edu.

Issued in furtherance of extension work, acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Glen Whipple, director, University of Wyoming Extension, University of Wyoming, Laramie, Wyoming 82071.

The University is committed to equal opportunity for all persons in all facets of the University's operations. All qualified applicants for employment and educational programs, benefits, and services will be considered without regard to race, color, religion, sex, national origin, disability or protected veteran status or any other characteristic protected by law and University policy.

 **UW | EXTENSION**

B-1313

February 2018