

January 24, 2008

Friends:

The past 2 days have produced an extreme compelling case that the high is in for a number of years. It is just textbook.

Despite Palouser's or John's thoughts...I can find NOTHING that is bullish SRW and can find nothing that will make it more bullish in the future. Of course, I am often wrong so plan accordingly. For corn and soy, maybe higher highs later....but that will be driven by actual crop damage.

I just think Dyer needs to be commended on pretty much nailing the wheat high. Maybe it topped a few days early, or a few cents higher, but when we look back on this in 2010, he has nailed it.

Friends: Wake Up. I will post what "g-a-l" would post if he wanted to.

March Wheat - THE .618 extension of the impulse wave higher occurred on TUESDAY 1/22 around noon. The easiest short in wheat history almost. This is the same math that he used to call the June 18th high in corn if you will remember. He and I discussed at length then. I used this same rhythm to accurately forecast the major low in corn from 7/24 to 7/30.

It is more powerful in wheat probably because of the maturity of the bull move at this point in wheat. There should be a vicious vacuum in the wheat market until we get to the .67 extension on 1/30, or Dyer's 1/28 date. If wheat hangs tough and doesn't decline until after 1/30, then it should have a near vertical decline for about 10 weeks or so.

Again, Mike deserves the credit, I am just continuing the calculations.

Best,
Ken

January 24, 2008

Friends:

Well.....how did we do with last year's marketing plan?

For myself, I give last year's plan and efforts a C+. I was way too conservative for the outcome. Also, as the markets become parabolic, they adopted a different timing rhythm that I failed to adjust to quickly enough. Since there are no guarantees, we will just work to get better. As an example of this, our January 16th sales were simply perfect. Using the Pacer Ultra's for the sales at the end of Dec was brilliant.

A big plus was our refusal to accept short margin risk in 2007. This was wise and positions us very well for 2008.

Alas, and most disappointing, our approach failed to pick the high for the year in 2007 in the markets we follow closely - corn and soy.

So, as the bull moves mature, I expect that our approach will become increasingly accurate and more valuable to you as a completely different point of view than you can read anywhere else.

The only opinion that counts of course is yours. I am just trying to be honest and admit that when I look back at 2007, the plan just underperformed for lots of good reasons, but at the core it was simply too conservative and used seasonal bias that didn't offer much impact this past year. For 2008, this looks to be much different.

Since you know that we are 50% floored on the next 3 years crops at \$5 and \$12.25, you can tell that this year's plan will be quite a bit different than last year's plan. Also, we still foresee higher corn prices and maybe higher beans prices, but feel wheat has made multi-year highs....of course another frost could ruin that expectation, but what are the odds of 2 in a row?

So, if you are interested, we are making a copy of our plan available just like last year. The plan includes both corn and soybeans and will cost \$250 to cover our costs and time for shipping, research, and periodic updates via email. Questions are always welcome but seldom received which is puzzling to me.

Please remember this is not your plan and we are not offering you advice for your farm, we are just sharing our plan for you to ponder.

This year's plan will include our MULTI-YEAR marketing plan and the specific tools and timing we will use to actually do it. (rather than just write about doing it like the gurus in a magazine :-)

TO ORDER: Simply send an email to: ken@rulonenterprises.com

We will ship the plans as soon as I can get them ready and we will include an invoice for \$250 that you can pay when received.

We now expect them to go out around 2/10. Having spent so much time actually implementing in January, I just could not get the work done.

Lastly, remember that we are just farmers and our families come first and the farm second and sharing these plans is next on the list. SO, if you have an immediate question EMAIL it to me and I'll respond as soon as I am able.

Thank you for your interest and friendship over the years.
Ken

LAST YEAR's INVITATION is below to help explain the concept to those that are new to our approach.

2007 Invitation, sent mid-February:

The long and the short of it is this: Our family receives questions all year about what our view of the markets is. What does the history tell us? How are we managing the weather risk? Will corn hit \$6? Some of you who have known me for a long time might want to know when I think the day of the high will be.

Since a quick answer really just misleads, or fails to capture the benefits of a written plan that is thought through and financed well in advance, we have searched for a better way to answer.

At this time, we think the best way to more fully share the information with you is to just publish our annual marketing plan. The only downside would be how the results turn out. You will find we are honest and won't sugar coat it :-)

We have prepared this type of plan since 2002. Some of you have received copies in the past, or attended meetings where I presented it to the audience.

So, we are making it available to our friends for a charge of \$250 for corn and beans. The cost is merely to recover our costs of copies, mailing, research, etc. The binder includes all the historic charts that build up to our conclusions and plan of action. Yes, the plan does forecast the actual day of the high, but that is just statistical target and not our focus or objective.

How to order a copy? Merely respond to this email with your mailing address and we will send out your copy with an invoice. We are looking forward to a great year and the chance to share with you, and learn from you, keeps every day interesting and exciting.