

Maximize your harvest with grain futures trading

by [StoneX](#)

Accurately predicting the financial result of your grain harvest months ahead of time is certainly a challenge. A litany of factors impact the final bottom line, from crop yields to fluctuations in asset pricing. Fortunately for producers, grain futures trading can help maximize the rewards from a year spent in the fields.

Three ways grain futures trading can boost profitability

Grain futures trading can be a great way to maximize the returns on your harvest. The flexibility that futures offer gives producers the ability to implement a variety of strategies designed to optimize profits. Here are three ways in which trading wheat, corn, and soybean futures can boost your bottom line:

- **Risk management:** In most businesses, it's not the money you make, it's the money you don't lose. Grain futures products can be money savers, useful for hedging against the negative impacts of inclement weather, political upheaval, or an untimely economic downturn.
- **Strategic speculation:** On occasion, opportunity arises unexpectedly.

Futures give market-savvy individuals the ability to capitalize on their insights in an efficient manner.

- **Addressing basis:** Staying aware of the differences between spot and futures pricing can be a valuable endeavor for any producer. Decisions regarding when and where to market, as well as when to lock in profits, are made much easier when using grain futures with respect to basis.

Perhaps the biggest advantage to grain futures trading is the diversity of options. Strategies for managing risk, speculation, and accounting for basis may be combined into a single comprehensive marketing plan. Every situation is unique — the beauty of grain futures is that you can easily tailor them to satisfy your needs and goals.

Staying “in the know” is half the battle

Delivering a crop to market successfully is a year-round journey. From start to finish, the path is littered with risks, both anticipated and unforeseen. Staying up to date on important events in the ag markets is a critical aspect of making sure your harvest is all it can be.