



**Daniels Trading**

A StoneX® Company

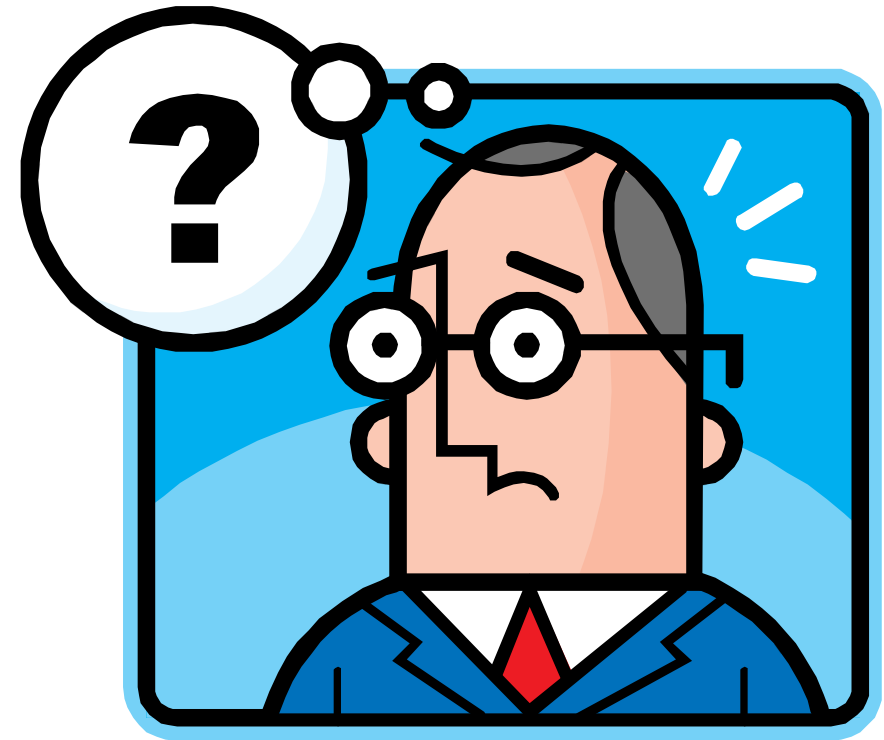
# WORKING WITH A BROKER

BY DONNA HUGHES

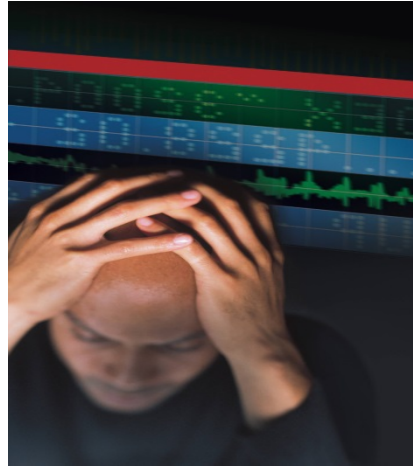


## HOW IS A BROKER SUPPOSED TO HELP?

- Help to define price risk to your commodity production.
- Help you to make a risk plan short term and possibly longer term.
- It's not about making money, it's about protecting your investment and your livelihood.



# WHERE DOES IT ALL GO WRONG?



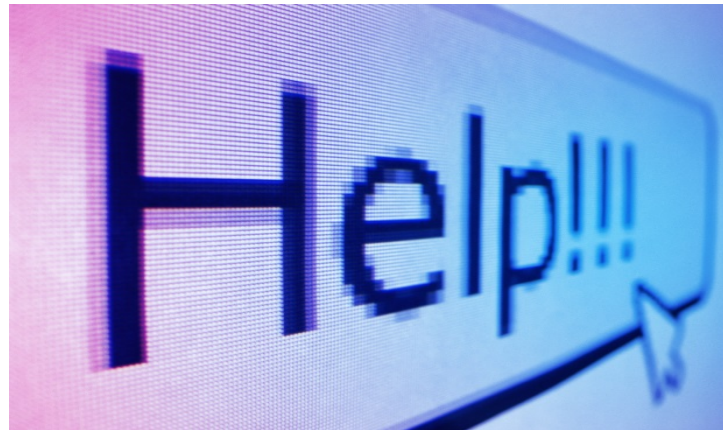
Major Causes Why People Do Not Hedge or  
Unknowingly Sabotage Their Risk Plan

# GREED



The desire to pick the absolute top or bottom of the market.

# KNOWLEDGE-LACK OF KNOW HOW



Do not understand the tools available. **Contact Donna!**



# PROCRASTINATION



Too busy with day-to-day operations to enact a marketing plan.

# NO CONSISTENCY – LACK OF PLANNED STRATEGY



For Hedging to be profitable use a consistent method. Remember, hedging is not trading the market.  
Hedging is Protecting!

# HAVE A PLAN





# THREE THINGS THAT WILL HANDICAP YOUR MARKETING PLAN

1. Fear
2. Greed
3. Procrastination

## REMEMBER...

- A smart hedging plan includes planning, conservative strategies and constant communication with your Futures Broker!
- Hedging is like Insurance it is not a risky speculative gamble.



## SO NOW WHAT DO I DO?

1. Finding a knowledgeable broker you can depend on.
2. Fill out the account application...Are you operating as an individual, corporate, partnership or trust?
3. Begin forming a Marketing Plan with your broker.
4. Stay informed... Keep your broker updated.

# WHAT CAN I EXPECT FROM MY BROKER?

1. Personalized marketing plan
2. Communication
3. Information
4. Service

# QUESTIONS?

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