



FARMERS COOP ASSOC.

Forest City - Leland - Kiester - Buffalo Center - Winnebago

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100 Years Saluting Agriculture Every Day!

CONGRATULATIONS MEYERS!

Farmers Coop Board Member Tom Meyer and his family are being honored as Faribault County's 2016 University of Minnesota Farm Family of the Year. Tom is taking over the family farm business of his parents, James and Mary, which includes growing continuous corn, raising feeder pigs, and feeding dairy steers. Tom and his wife, Heather, are the parents of three children: Hannah, Elizabeth, and Mitchell.

The Meyers will receive the Farm Family of the Year honor on August 4 during Farmfest. Congratulations to Tom and his family!

DREAM TEAM WEATHER

If the 2016 Farmer's Almanac is anywhere close to accurate, the rest of the crop year could be excellent. The Almanac for Iowa predicted June and July for temps to be normal and rainfall above normal. August is predicted to be the same or a little warmer.

Now for September they predict Iowa temps near to above normal and rainfall below normal. October shows normal temps with rainfall much below normal and November with normal temps and northern Iowa below normal rainfall. In other words, weather should not be a problem. Any harvest without mud is a good harvest!

CASH RENT OPEN SEASON

It's August and it's cash rent negotiation time with landlords. Today new crop prices are quoted at \$2.90 per bushel for corn and \$9.10 per bushel for soybeans. Those prices are down 55 percent from corn's 2012 price and off 36 percent for beans.

Going back in history, we looked at the last time corn was \$3.00 per bushel for the marketing year and beans \$9.00 per bushel - possibly like it will be for this year. The marketing year goes from September 1- August 31. In 2006, corn averaged \$3.09 per bushel and Iowa average cash rent was \$133 per acre for cropland. Beans in 2009 averaged \$9.55 for the 12 months and Iowa average farmland was \$175 per acre. This year's Iowa average farmland rent is \$250 per acre. Farm incomes are down 55 percent since the peak two years ago.

We suspect most farmers are going to have a visit from their lender this month with cash flow questions. Local farm equipment lots are very sparse showing the seriousness of the economy. It's reported some dealers are not interested in trading unless they have a guaranteed home for your trade-in. Combine sales are down 24 percent, four-wheel drive tractors are down 31 percent, and tractors over 100 horsepower are also down 24 percent.



Showtime!

THE SEASON OF RAIN!

By Randy Main



Who would have thought we would be forced out of the fields in July by too much rain? There is still time to get your fungicide sprayed on corn and beans. Fungicide sprayed on beans seems to consistently pay. Corn seems to be hit or miss depending on the hybrid. Because of this, I encourage you to check with your seed salesman to see which hybrids to spray.

Obviously with all of the rain, we have a higher chance of disease to set in on corn and beans. We have seen white mold already in beans. We have also started to see rust, gray leaf spot, and have heard of some reports of northern leaf corn blight in corn.

If you have any questions on these diseases, please contact your FCA salesperson to visit.

As always, we thank you for your business and hope you enjoy the rest of the summer.

FROM THE COUNTRYSIDE

The beauty of the countryside is radiant this time of year. Two excellent reports are from farmers who are seeing pheasant hatches with large numbers and a great crop of milkweed in the ditches and fence lines for the monarch migration. Some farmers even planted milkweed in their new CRP acres to help build the population. If grandpas of 50 years ago knew their grandsons were planting milkweeds on their family farm to save butterflies, something would be hitting the fan in a big way!

FOREST CITY

Address: 406 East K Street
Phone: 641-585-2814 or
800-483-6832
Fax: 641-585-2052

LELAND

Address: 609 B Street
Phone: 641-567-3341 or
888-676-7439
Fax: 641-567-3380

KIESTER

Address: 100 West Front Street
Phone: 507-294-3697 or
877-294-3697
Fax: 507-294-3540
Agronomy: 507-294-3427

WINNEBAGO

Address: 601 6th Avenue SE
Phone: 507-893-4800
Fax: 507-893-4305

BUFFALO CENTER

Address: 6401 Highway 9
Phone: 641-561-2800
Fax: 641-561-2216

DOWN AT THE CARDTROLS



Winners of \$10 free fuel are **Verna Reese, Lee Lambert, and Lonnie Friesenborg** from our Forest City location and **WIM LP Inc** from Kiester. Pumping it Back 2 U recipients in August are **FC Sports Boosters and the Kee Theatre**.

TIME FOR A GUT CHECK

There's a light at the end of the tunnel and it's not good. Crop prices have plummeted. Reason is obvious a big new crop is coming. But that's only the beginning. Farmers, including our customers, are sitting with large amounts of grain in bins on their farms that have to be swept for new crop. Add to that millions of bushels on price later across the country that have to be sold by August 30. Then add to that the 20-week corn cycle low, which is very reliable, comes due September 1.

For our coop, we estimate farmers only have about 5 percent of old crop beans to sell. Most of the beans were sold before the \$3.50 rally started. New crop bean sales are double last year's total at this time.

We estimate 25 percent of old crop corn was sold during the June rally but unfortunately farmers still have 25 percent to sell. Last year we had 25,000 corn bushels on price later and currently we have over 300,000 bushels. Over 15 percent of new crop corn is sold already!



Photo by United Soybean Board

BLUE LIGHT SPECIAL

One hope of good news is that United States corn and soybeans at current prices are the blue light special in world export markets. New Orleans is going to be very busy in a few weeks through the first of the year as we will be the go to main supplier of corn and beans. Also with the new and larger Panama Canal now open, huge vessels will be able to move quicker with larger payloads.

WATCHING THE WEATHER AND WORLD

By Kingsley Johnson



This past winter we talked about the effects of El Nino/La Nina. Several forecasters suggested there was potential for dry conditions and heat which could affect our crops. Despite these forecasts we, and much of the nation, are receiving adequate rains. Subsoil moisture is adequate in 72 percent of the growing regions. The USDA ratings for mid-July are some of the highest on record. Corn was 76 percent G&E vs. 69 percent last year and soybeans were 71 percent G&E vs 62 percent last year. The first USDA yield survey is August 12 and many

analysts expect them to raise yield estimates. The next few weeks will tell us if this crop will reach its potential to be another large crop following two of the largest crops we have harvested.

Many things move our markets. With the British vote to exit the EU causing some financial uncertainty, the United States is viewed as a safer place for foreign money which strengthens the dollar which is negative to our commodity prices. Computer generated trading by the funds has caused market volatility with wide swings in the market. The last couple months new crop bids have dropped nearly a dollar for corn and two dollars for soybeans.

As we move forward we will be looking to see how the crop progresses. What are markets for corn and soybeans? How will South American crop progress? And dare I ask, who will be the next president and what policies will be proposed?

A STRONG START TO OUR SECOND CENTURY

By Mitch Thorson



As we begin our next 100 years of customer service, our feed tonnage continues to grow. This past fiscal year we saw a 13.3 percent increase in feed produced and delivered. It has been a privilege to serve our customers and we look forward to working with our family farm livestock producers.

We will see some changes in the feed industry with the reduction of feed grade antibiotic use and the increase of health promoting natural ingredients. There will be more government regulations and scrutiny. More paperwork and record keeping. Traceability is one term they use.

We will be having producer meetings in August, September, and November in preparation for the new Veterinary Feed Directive rules.

In about two weeks we should have our new tandem truck up and running as it replaces the oldest tandem truck. Hopefully better reliability is a term we can use.

Would like to remind you to get your feed orders in with as much notice as possible (one day notice would be appreciated). We thank you for your business and look forward to working with you in the future.



Farmers and Flags - Thanks Parade Riders!