

March 2016



Farmers Co-op Assoc.

Forest City, Iowa - Leland, Iowa - Kiester, Minnesota

Countdown to 100 Years!

ALL ABOARD

We will be finalizing details this month with the Iowa Railway System for bringing the first passenger train since 1956 to Forest City on June 25, 2016. This will be one highlight at our Centennial Celebration. Plans are to load at our depot and proceed south toward Miller before returning. Our Coop celebrates the rail which was built in 1879 and delivered immigrants and commerce through Forest City. Sign-ups and further details coming; mark June 25 as a day to join us! It's a day to share with our families and especially our children who will remember the day they rode the rail!



FOREST CITY COOPERATIVE ELEVATOR AUGUST 1945



Wood forms for new Co-op storage silos built in 1955



1976 Goldy's Gas Fire

CHINA SYNDROME

We are finding out rather quickly it's not what you see but what you get. About three years ago China came to America and bought the largest single producer of pork in America called Smithfield. At first it looked like China would start to export vast quantities of American pork. The reality is they bought the company to learn from Americans how they can produce their own pork in their homeland by copying the American system. There are now 35 brand new mega farms in China producing 25 million pigs a year and they look exactly like ours in the Midwest.

The second example is ChemChina purchasing the giant Syngenta which will greatly advance their intellectual rights in seed traits and crop inputs. That technology will help China grow bigger crops faster in their homeland. China conveniently shut down US imports because of a MIR 162 "illegal trait" found in corn we exported to them causing corn prices to fall. Ironically, that trait was developed and sold by Syngenta in the US.

AG WEEK

The Rotary Ag Appreciation Dinner will be held March 22, 2016, at 11:45 am at Waldorf College Atrium. Sign up at the Coop by March 18. The speaker will be Bruce Nelson from International FC Stone.

Cookies

Beginning March 14-18 TSB will be providing cookies on a daily basis at Farmers Coop in Forest City.



OIL WAR

Consumers are enjoying the price of fuel these days, but here are the facts behind the scene. The Saudis have declared war on the price of oil in order to squeeze other producers like Russia, Iran, American shale oil and biofuels. Saudis have a production cost of \$20 a barrel for crude. Saudi Arabia is the lowest cost producer. The longer prices are lower, the sooner someone will cry uncle and fold their cards. The best cure for low prices is low prices and we have not seen a cease fire from any of the players.

ICE COVERAGE

The first 10 days of March usually records the highest ice cover on the Great Lakes. Last year on February 28, it was 89 percent and the year before it was 85 percent. Both years set records back-to-back for trendline crop yields. On February 29, this year's coverage is only 7 percent. History shows a high correlation between Great Lakes ice coverage and crop yields the next season. Low ice coverage tends to equate below trendline yields.

Also, another weather firm called T-Storm Weather Research has found that wet Decembers translate many years into below trendline yields the next season. Much of the Midwest had record precipitation in December including us! Many think the current price of December corn, before a major growing season, is getting too cheap.

FREE PRICE LATER

Forest City and Kiester only - free price later on corn and beans through September.

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

www.farmersca.com

DOWN AT THE CARDTROLS



The winners at our cardtrolls are Rick Goeman, Don Smidt, Bruce Kluver, and Aidan Kelly. Pumpin It Back 2 U designees are Kiester For A Cure and Dollars for Scholars.

WORKING FIELDS

When farmers work fields, before a planter moves in to do its job, they tend to work at an angle which smooths out the dirt so the planter marker can be seen. Now, research has shown, a lesser angle or none at all will produce the best yields. Reason is the planter unit doesn't bounce especially where the tractor and implement tires previously have run. The straighter the better says the research.

SMOKIN!

We congratulate our manager, Randy, and his wife, Tracy, for their participation in the recent Dancing with the Stars. Their performance was outstanding and they garnered the biggest financial support of all the other competing couples. We congratulate them and the Rotary Club for the hard working volunteers who serve our community!



BEEF PRODUCERS

All beef producers are welcome to our spring Cow/Calf meeting to be held Tuesday, March 8, from 11 am to 2 pm at Shooterz in Forest City. Topics include Understanding VFD Rules, Generational Effects on Nutrition, and Feeding Technologies for the Cow/Calf Herd. Meeting presented by Farmers Coop Association, Hubbard Feeds/Alltech, and Zoetis.

APPRECIATION MEAL

Mark your calendars for Saturday, March 5, for the appreciation meal for Kiester for a Cure. This is a free will donation and it will be sponsoring Colin Ray with a Patsy Kline tribute.

A NEW CROP YEAR BEGINS

As spring approaches plans are being made or modified for your cropping acres. We ask ourselves, do I plant more corn, more soybeans, or do I maintain my crop rotation? Which option will bring me the most return? What kind of weather will the spring and summer bring? You may even be wondering what opportunities you will have to market your crop and at what level.



The USDA recently released their first report from Agricultural Outlook Forum for the 2016 crop year. Some of the highlights of the report were:

- Corn acres of 90 million, increasing by 2 million acres from last year, with production at 13.825 billion bushels. If realized, this would be the third largest crop produced and would push ending stocks to 1.9997 billion bushels. This would be the largest ending stocks in 12 years.
- Soybean acres of 82.5 million are slightly smaller than last year, with production of 3.810 billion bushels. Ending stocks for soybeans would be 440 million bushels down from 450 million last year but still the largest in 10 years.
- Projected prices for 2016-17 are \$3.45 for corn and \$8.50 for soybeans. This compares with projections of \$3.60 and \$8.80 last year.
- Record production of meat and milk is projected.
- China's annual growth is projected at 5.3 percent down from a nearly 10 percent growth rate. China has been the world's largest importer of corn and beans.
- Exports are facing strong competition and reduced demand. Export volumes have been down for most grains but the meat trade exports have been steady to improving.
- Farm income projected at \$51 billion down 44 percent since 2014.

US farmers grew the three largest corn crops in 2013, 2014, and 2015. Soybean record yields were also raised in 2014 and 2015. What will 2016 bring?

FCA/MAIN FERTILIZER ANNOUNCEMENT

The Farmers Coop Association Board of Directors is pleased to announce the company's unification with Main Fertilizer. Unification of the businesses will take place in the spring of 2016 with the goal of completion in early summer.

The unified company will be known as Farmers Coop Association. Randy Broesder will continue as General Manager while Randy Main will become Agronomy Department Manager. Both companies are focused on customer service and community involvement. All locations and personnel will remain in place. Please continue to contact your usual account representatives with questions and for service.

While Farmers Coop Association has been in business for 100 years and today has locations in Forest City and Leland, Iowa, along with Kiester, Minnesota, Main Fertilizer was founded in 2009 and has locations in Buffalo Center and Estherville, Iowa, as well as Kiester and Winnebago, Minnesota. Like FCA, this agronomy retail business offers full-service fertilizer, chemical, seed, and application services.



Farmers Coop Association was honored by the Forest City Chamber for Business of the Year at their February 29 Annual Meeting.