



Forest City - Leland - Kiester - Buffalo Center - Winnebago

102 Years Saluting Agriculture Every Day!

► GIVE US A CALL

The calendar says spring although the temperatures don't. Diesel fuel has started to trend higher as the market anticipates upcoming demand for farm and construction work. Looking at our farm deliveries, we see more farm tanks than normal setting empty at this time. Crude has the potential to trade up to \$74 a barrel and we now are at \$65. Along the same line, LP price at \$1.05 per gallon could be close to a bottom considering the big drawdown we have experienced this winter. We suspect the farm economy cash flow is a major reason for farmers being reluctant to buy early. Give us a call this week!

► TARIFFS - ONE EXAMPLE

Sometimes to get the big picture you have to look at the small one first. Tariffs have been in the headlines. Farmers are now beginning to see the collateral damage that can occur from first shots fired. Locally, almost all of the feed we produce at our mills goes to family-owned farms. Hog producers commit between 60 and 70 cents per hog marketed (called a check-off) to promote their products. Doesn't seem like much but 5000 head of hogs is a \$3500 investment off the top.

Those check-off dollars have built big markets for pork overseas and in North America over the years. But recently, headlines say China banning US pork in retaliation for steel tariffs will cost US producers \$7.00 per head in lost revenue. One month ago market hogs were \$62.77 and today they were at a \$51.27 bid.

When a country becomes an unreliable exporter because of policies, foreign customers look to other suppliers. Right now Canada, our export competitor, is putting a full court press to other countries, including Japan, promoting their reliability and product excellence.

► SPRING PREPARATION AND PLANS

BY RANDY MAIN



It looks like spring 2018 is likely to provide us with wet and cool planting conditions. An environment like this increases the vulnerability of a soybean seed which is why we recommend using an insecticide + fungicide seed treatment to protect against phytophthora, pythium, wireworms, and other common spring predators. FCA offers an effective seed treatment package with minimal investment. We also have a number of corn and soybean varieties on hand for your in-season needs.

Now that your soybeans are protected, what about your nitrogen? Minimize nitrogen loss by adding a stabilizer to your nitrogen program. FCA recommends utilizing a stabilizer that will protect against all three modes of N loss: leaching, denitrification, and volatilization. All of these can occur during the early growth season.

- Leaching: N moves through the soil profile with the help of moisture (rainfall)
- Denitrification: N is lost via bacteria seeking oxygen in saturated soils
- Volatilization: N is converted to a gas and is lost to the atmosphere

Many N-stabilizers will only protect against one or two types of loss so ask your FCA account manager for information on which stabilizer is best.

The FCA agronomy department will have two interns again this summer. They will join us in May with the primary role of scouting crops. Day-to-day tasks will include taking stand counts, checking planting depth and emergence, scouting and identifying weeds and other pests in the field, and taking tissue samples. We find this a mutually beneficial program for the students involved as well as the growers and FCA.

The FCA agronomy team wishes you all a safe and productive spring.

► A NEW SEASON!

Hopefully before the next newsletter we are all in the fields doing what farmers should be doing. Our equipment is serviced and most seed is in house. We **DO** need your maps to help line up your needs. Give us a call if you want your seed delivered early. This is the 102nd year of Farmers Coop Association. Times and equipment have changed but not the desire to serve you professionally. Thank you!

► WASHOUTS!

Grass seeds in structured waterways can save tons of soil - great for your farm, equipment, future generations, and our environment! We have the seed!! This is the year to do it!!



FOREST CITY

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

LELAND FEED MILL

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

LELAND GRAIN

Address: 222 West Broadway
Phone: 641-567-3010
Fax: 641-567-3012

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



It's been quite a winter with temperatures all over the board. The switchover to summertime blending will be coming soon. Winners of \$10 free fuel are [Dean Johnson](#) at Kiester and [Craig Aukes, Branstad Farms, and Judy Gambell](#) from Forest City.

▶ WATER NITRATE TESTING

Be sure to contact one of our agronomy specialists if you wish to join the many who will be testing their field and drainage ditch waters for nitrates. Farmers who have received their bottles have been first testing their drinking water in their homes. We have reordered and a few kits are left – no charge – but want a commitment to follow through with testing during the growing season. With snow melt we would recommend getting your baseline test after the snow melts which hopefully will be in just a few weeks!



▶ UGLY

The latest weekend GFS long range weather maps are not pretty. Precipitation is a little above normal until April 15 but temperatures are showing 15 to 20 degrees below normal. Not what we need for farming, track meets, baseball games, or high school proms!



▶ DEALING WITH FLIES AND TRADE ISSUES BY MITCH THORSON



Although spring is taking its time getting here, we will see warmer weather, green pastures, and tillable acres soon. With that comes fly season. Cattle producers would benefit from starting their control programs right **BEFORE** fly populations get heavy. For dry lot situations, Clarify or Rabon feed through agents would be good choices for aid in control. These products are available in Crystalax barrels or they could be incorporated into grain mixes. They work by preventing fly larvae from maturing into an adult. For pasture situations, IGR can be included as a choice. IGR is only cleared for control of horn flies whereas Clarify and Rabon are cleared to control house, stable, and face flies. We can help producers choose which application would fit best in their overall pest control program.

The crazy speculative grain market was at its best last Thursday in the stocks report. Even though world inventory carryover of corn and soybeans is high, due to trade tariffs and other threats, May corn was up 14 cents and beans up 26 cents as well as soybean meal being up \$13 per ton. This all happened because of the **INTENTIONS** of fewer acres of corn and beans to be planted. While great for the grain farmers, it was not for livestock producers. Those price increases would add \$2 to raise a pig and \$20 raise a beef steer and would be on top of the increases we've seen since January 1. Cattle producers were hammered on limit downs for both fat cattle and feeders on the CME. It could and probably will turn around and correct itself but once again shows we have speculative world markets and not fundamental supply and demand price discovery. Riding bulls and bears were never said to be easy.

▶ WELCOME TOLLIN MANWARREN



On March 1, Tollin Manwarren joined the Farmers Coop Association team as a utility person who will work where needed in the grain, agronomy, and feed departments at all locations.

Tollin comes to Farmers Coop after spending last fall working for a neighboring coop. He discovered he enjoyed the work and began looking for a full-time opportunity. "I really liked it. I talked to someone at Farmers Coop and told them that was something I wanted to get into," he explained.

So far, Tollin has helped empty a grain bunker and has been working at the feed mill in Leland as well. "I'm learning quite a bit," he remarked.

Prior to getting into agribusiness, Tollin worked for Campbells Concessions and traveled as far as Canada to work at fairs as well as the Minnesota and Iowa State Fairs. He grew up in Emmetsburg and now lives with his family in Lake Park. Tollin and his wife, Miranda, are parents of Aaron, 2, and Asia, six months. In his free time, Tollin enjoys fishing.

Please welcome Tollin to the Farmers Coop team.

▶ WATCHING WASHINGTON

BY KINGSLEY JOHNSON



March has drawn to a close and April is upon us, as we prepare for another planting season. The USDA released their prospective planting report on March 29. The 2018 projected planting for corn is 88 million acres, while soybeans are projected to be 89 million acres. Both estimates are lower than planted acres last year, as well as what was projected by the USDA at its 2018 outlook meeting. This is the first year soybean acres have been larger than corn in over 20 years. The quarterly stocks report wasn't friendly with larger than expected supplies of both corn and beans. Compared to March 2017, corn stocks were up 3 percent and soybeans up 21 percent. The markets will soon start to focus on weather and planting progress.

Washington has been a source of news lately. Congress passed and President Trump signed one of the largest budgets in history. One of the items included was a fix for the 199a tax credit. The 2018 Farm Bill has been delayed due to opposition to the reduction of the SNAP (food stamp) program. Congress is working to get a bill which will have bipartisan support in this time of depressed farm income. The current bill ends September 30.

President Trump's decision to levy tariffs on Chinese goods has led to talks of tariffs and trade wars by China. Soybeans are the leading US export to China in terms of value. China has a huge demand for soybeans so they may not try to disrupt the flow. Pork is another ag commodity which we trade with China. They have proposed a 25 percent import duty on pork products. I am sure there will be some negotiations before this all is resolved.