



► **2021 - THAT'S A WRAP!**

When local farmers went to the betting table in 2021, they placed thousands of dollars to produce food, fiber, and fuel for America and exports. They bet the farm, the Good Lord willing, would give them a good hand and allow them to pay back what they invested to show a profit at the end of the year. The hand dealt contained cards revealing weather, exports, pests, government policies, inflation, breakdowns, input prices, interest rates, safety, and their health in order to make them winners! How farmers play their hand and any luck dictate what, if any, they will take or lose at the table. Wagers on a 160 acre cash rented farm will run in the \$100,000 area!

This year was challenging but the results reveal the cards were strong and the Good Lord blessed agriculture with good weather, good yields, and strong prices - a trifecta for farmers and for consumers who need to eat. Can you imagine what food prices now would be if we had a small 2021 crop?

► **NOT BAD**

Heritage Park, after their June 19, 2021, Steam Show, planted beans on their plowed ground. This year they drilled 1.8 maturity beans on June 24, 2021, in a beans-on-beans field and they yielded 32.5 bushels per acre when combined in November. Not bad!

► **PAY ATTENTION HERE**

It's coming! A new, exciting fuel called **renewable diesel** will be entering the diesel market in the coming years. It is not biodiesel for blending, but a complete drop in fuel that can take the place of fossil fuel diesel. The main source for the fuel is right out your backdoor in a soybean field. Lower emissions, clean burning, and its track record, so far, is getting excellent reviews in power and performance! **Renewable diesel** would do to soybean markets what ethanol did to corn.



► **COOP GOALS MET 2021**

- Profitable year at the end of June
- E-15 replaced E-85 and volume has tripled at that pump
- 17 grain trains were shipped easing storage problems
- New 5000 gallon fuel tanker truck
- Paid \$320,218.12 in estates and equity revolvment funds

► **COOP CHALLENGES FOR 2022**

- High agronomy prices and questions of availability of inputs
- Bean basis staying wide
- Shortage of small feeder pigs to purchase
- Part-time labor hard to find
- Repair costs, repair costs, and repair costs!

► **RAINFALL**

According to Farm Logs Weather, these figures show our area was 16% to 22% dryer than normal and temperatures were 16% to 18% warmer than normal last growing season. The troubling numbers are the two-year deficits, especially for those rooted trees whether they are five or 150 years old.

Rainfall Inches	2021	2020	10 Year Average	2 Year Deficit
Forest City	26.65	24.84	35.24	18.99
Leland	26.17	28.56	35.73	16.73
Kiester	29.27	28.72	35.04	12.02
Buffalo Center	27.48	26.54	33.06	12.10

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

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



▶ FROM THE GREEN TEAM

BY BILL MEYER

Prepay season is in full swing at FCA and account managers have been busy with customers making plans for the 2022 growing season.

The Coop board recently gave approval to purchase a new liquid floater and a semi-trailer to be set up for post applications. These are great additions to the agronomy department. FCA will be taking possession of this equipment shortly, so it will be put to use right away this spring.

Fertilizer prices have been steady for the past month to month and a half, so we look at that as a good sign that hopefully markets have begun to stabilize somewhat. The wild ride that we had last summer and fall is certainly something that I had not seen in my 30+ years in the retail side of this business and frankly never hope to see again.

Chemical supplies are still the big question mark as we head into the new year. As I mentioned last month, we have started to see shipments on some bulk chemicals, but are waiting on a number of products to get shipped into us. Many customers have been asking about pricing, so on a handful of products we have entered an estimated price based on what we are hearing from the manufacturers and distributors. As these products arrive, FCA will adjust prices accordingly as we will not know our cost until the product is in our possession. So keep in touch with us and we will update everyone the best that we can.

As always, we here at FCA thank you for your business, and if you have any questions, comments or concerns feel free to contact either your account manager or me at 507-766-0510. Have a healthy and prosperous new year!

▶ DOWN AT THE CARDTROLS

We continue to see the popularity of our new E-15 pumps with volume increasing from new customers and returning customers. The price is right, the performance is great, and it helps our local economy. Winners of \$20 free pork coupons are **David Kingland, Zach Raulie, and Juan Rodriguez** who use our Forest City cardtrol island and **David Obermeyer** for Kiester. Winners - contact our offices for your pork certificates!

▶ THROUGH THE ROOF

The prices farmers were seeing for fall nitrogen and dry fertilizer were set in the middle of a perfect storm against them. The price of natural gas, import fees, and control of the industry by a few mega fertilizer suppliers put farmers in an ugly take it-or-leave it buying position. Natural gas, from which nitrogen fertilizer is made, on October 5, 2021, was \$6.33 when prices were set for farmers. Now natural gas price has plummeted 40% to \$3.75. If fertilizer prices don't reflect that drop this spring, a veteran customer of ours will call that a "...rat in the woodpile situation."

2022

• H A P P Y • N E W • Y E A R •

▶ IN THE BEGINNING AND END OF 2021

The government says inflation is 6% to 8%. We ask them to step into our ring for a round and see how the 50% to 100% gut-punch inflation on farm inputs feels to them!

Corn	+26%	\$4.84 - \$6.10	Per Bushel
Beans	+3%	\$13.15 - \$13.60	Per Bushel
Wheat	+33%	\$6.40 - \$7.90	Per Bushel
Oats	+94%	\$3.60 - \$7.00	Per Bushel
Cattle	+21%	\$113 - \$137	Per Pound
Hogs	+19%	\$70 - \$83	Per Pound
Oil	+54%	\$48 - \$75	Per Barrel
Ethanol	+47%	\$1.43 - \$2.10	Per Gallon
Natural Gas	+57%	\$2.54 - \$4.00	Per Gallon
Farmland	+29%	\$7559 - \$9751	Per Acre
Winnebago	+23%	\$61.18 - \$74.92	Per Share
John Deere	+28%	\$267.64 - \$342.03	Per Share
3M	+4%	\$171.87 - \$177.63	Per Share