

<b>HANLEY FALLS · COTTONWOOD · ECHO</b>  <b>MONTEVIDEO · TAUNTON · MINNEOTA</b>	<b>FARMERS COOPERATIVE ELEVATOR CO.</b> 1972 510th Street Hanley Falls, MN 56245 E-Mail: <a href="mailto:fce@mvtvwireless.com">fce@mvtvwireless.com</a> Website: <a href="http://www.farmerscoopelevator.com">www.farmerscoopelevator.com</a>	<b>Hanley Falls:</b> 507-768-3448 800-626-2510 <b>Hanley Falls South Elevator:</b> 507-768-3602 <b>Hanley Falls Uptown Elevator:</b> 507-768-3484 <b>Minnesota Falls East:</b> 320-564-3835 320-765-4100 <b>Minnesota Falls West:</b> 320-564-3834 <b>Montevideo:</b> 320-269-6531	<b>Cottonwood:</b> Mill Office: 507-423-6235 800-423-6230 <b>Cottonwood Elevator:</b> 507-423-6489 <b>Hardware Store:</b> 507-423-6231 <b>Echo:</b> 507-925-4126 <b>Taunton:</b> 507-872-6161 <b>Minneota:</b> 507-872-6134
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July 2016

From the manager...  
**We appreciate  
 our patron  
 owners...**



By  
 Scott Dubbelde

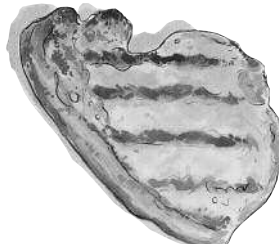
The Montevideo Project is progressing very nicely. Things have been taking shape for quite a while now and in a few days we will begin laying track. Our Grain Merchandisers are sure looking forward to the new markets that will be available and the arbitrage opportunities that come with. We are on schedule for an early September completion.

David Gregoire, our former Cottonwood Location Manager, has recently left FCE and moved near Detroit, Michigan. His wife Anna was placed in Michigan for a year as part of her Medical Doctor training and when the year is up, they will reside in Wisconsin for three years. We hated to see him go but wish David, Anna and their son Chase all the best in their travels and future endeavors. Tim Pehrson has assumed the Location Manager duties at Cottonwood and Chad Downing has transferred from Echo to also work in the Cottonwood Elevator.

The sale of the Cottonwood Hardware Store to Ben and Laura Andersen should be finalized in early August. All of the details seem to be progressing nicely and the transfer date will be here before you know it. We will update you when we have more specific details to share with you.

We auctioned off the house that FCE acquired with the Montevideo land purchase for \$8,100. Jodi Donahue from Montevideo purchased it and plans to move the house to their property sometime before September 1st.

# Annual Customer Appreciation Pork Chop Feeds



**Monday, July 25**  
 at the Sportsmen's Club in Minneota

**Tuesday, July 26**  
 at Cottonwood Community Center

**Wednesday, July 27**  
 at the  
 Montevideo Community Center  
 • Note change of location •

**Thursday, July 28**  
 at Granite Falls Memorial Park

4:30  
 to  
 7:30 p.m.  
 each  
 day

All  
 Patrons and  
 families are  
 invited to attend  
 one of these  
 events.

A few weeks ago there was a corn train derailment in Cottonwood. I understand that 23 railcars went off the rails. The BNSF disposed of the corn in a few different ways. FCE has loaded the non-contaminated "good" corn back onto railcars for the BNSF. We are thankful that no one got hurt during the derailment! I remember a similar derailment in the early 1990's in the same spot. Even though rail shipping is one of the safest and most efficient methods to transfer goods in this Country,

mishaps do occur. We hope you are able to attend one of the Marketing Meetings that we are holding on Thursday, July 14th throughout our territory. And I'm really looking forward to seeing you at one of our Customer Appreciation Pork Chop Suppers! Please note the change of venue for the Montevideo one. Thanks for your business and thanks for feeding the World!

# Cash market shifts

Anyone else get the impression that this corn, bean, and wheat market is confused, almost emotional? Many moons ago I had an instructor that had us write market commentary weekly as part of a marketing class. He made it very clear that we stick to the facts and not include any human emotion in our commentary. I wonder what he thinks today about human emotion as a factor in today's commodity markets.

Exports continue to be stellar off the PNW and Gulf. This is partly due to the freight industry feeling the downturn grain movement all winter. This goes for all freight large and small. Panamax vessels are willing to go around the cape and spend more time floating at sea. Barges will operate at little more than tie off value equivalents. Rail roads will incentivize grain movement with lower tariffs and less expensive cars. For the first time in

By  
**Ben Hedtke**  
*Grain  
Merchant*



years we have a highly competitive export program that appears to be here to stay for the rest of the year. With the S.A. production challenges, wetness in Argentina and dryness in Brazils summer corn crop we may see a whole lot of corn and beans pour out of our export terminals. I think this will add carry and therefore stability to local cash markets.

Much like last year we have managed to trade a large majority of our annual handle in a small amount of time. The first half of June 2016 was a blur with the rally in corn. I suspect that weather here and abroad was the key impetus to that action. And as

forecasts turn cooler and we add rain to them the markets are tempered for the balance of the marketing year. Writing this pre-June 30th we will find new direction in the acreage report. My bet is a smaller corn acre, a larger beans acre and less stocks all around. Wheat harvest appears to be deep and bountiful therefore weighing heavily on feed stock prices, i.e. corn. We need continued weather scares, political unrest, and/or currency issues to bounce back to old highs.

As far as new crop corn values go I ponder this concept. Today there is some 2015 crop in storage. It is worth 3.50/bu and it is July. New crop today is valued at 3.50/bu off the field in October. Is there a savings to be had?

Thank you for your patronage. See you at the Pork Chop Feeds and the marketing meetings! Don't forget to check out the new website.

# Plot days coming soon

Spring went fast. Wheat, corn and soybeans seemed to have good emergents. Wheat is already starting to head out. Corn is chest high in spots. Soybeans look like they are struggling a bit in the high ph ground and from Flexstar. In two weeks the crops will be improved.

The Answer Plot date that takes place in Minneota is August 31, 9:30 a.m. till noon. Lunch will follow.

FCE Plot date is September, 1, 5:30-7:00. Supper starts at 5:30. It will be held in the Hanley Falls seed shed.

## Watch for new corn and soybean varieties.

La Crosse Seed announces that it is the new and exclusive owner of the entire family of brands of Cover Crop Solutions, effective immediately. La Crosse Seeds now owns the entire portfolio of brands preciously used by Cover Crop Solutions, Tillage Radish, Tillage RootMax, Tillage Sunn as well as the entire suite of the popular TillageMax mixes such as Dover, Bristol and others. La Crosse has

By  
**Steve Fry**  
*Seed Team  
Leader*



become the exclusive owner of the brands in both the United States and internationally.

Land O'Lakes, Inc. and Ceres, Inc. have announced that they have signed a definite merger agreement. Upon completion of the transaction, Ceres will become a wholly owned subsidiary of Land O'Lakes and will complement Forage Genetics International, a Land O'Lakes subsidiary, and bring new advanced plant breeding and biotechnology to FGI's research and development pipeline.

With Britian's exit from the 28-member country block, larger countries that abstained from voting for glyphosate's continued use such as France, Italy and Germany will represent an even

bigger proporation of the EU's total population (in excess of 65% based upon estimates). In terms of the other big agricultural issue among EU member countries - the use of biotech crops - the U.K. historically has fallen in line with other members in rejecting the growing of biotech crops on its soil.

I hope you find this information beneficial to your farming operations.

Let me know if you need any assistance, thanks for your business and have a nice summer.

**It's A Good Idea  
To Take A Good**



**LOOK**

**At The Grain  
Stored On Your Farm  
Once A Week**

# New market and data provider

FCE is transitioning to Agricharts. Agricharts will replace DTN as our website host and Offer System provider. For those of you who use the offer system, we have moved your account username and password over to the new system. It may look a little different, but will still offer the capabilities needed to make offers.

The newly designed website will also have a different look. We have tried to modernize the pages, with drop down or pop out menus. It is much easier to navigate. Along with the new website, FCE will be able to offer a Mobile App for your smartphone or device. The app will be downloaded to your device, and you will have an icon on your home screen. This should smooth out the ability to see bids, news, and weather on your devices.

With these changes comes some

lead time to iron out the wrinkles. By the time you get this newsletter, FCE will already have made the change. We will work hard to make the experience and use of the new system a good one for our customers.

A quick note on markets: If we traded weather the first half of June, what's going to happen in August? This will be a very interesting year. I do not think anyone expected the rally in June. We have talked about the need for a "supply" issue to get better prices. It has happened in South America, and can very well happen here. Each new forecast (every 6 hours now) will affect the market. Volatility and the velocity that it happens at make this very, very interesting.

Marketing meetings July 14th. Put it on your calendar.

By  
Bill Doyscher  
Assistant  
Manager



Bill Doyscher  
riskmanager@mvtwireless.com

\*\*\* *This information is taken from sources which we believe are reliable, but is not guaranteed. This info is sent to you for information purposes only. There is a risk of loss when trading commodity futures & options, and is not suitable for everyone* \*\*\*

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## Meet Jason Blankenheim our new grain merchant

My name is Jason Blankenheim, and I am a new merchant working in the Hanley Falls office. I am thrilled to be able to work with Farmers Cooperative Elevator. I grew up in Wisconsin, and joined the Army after high school where I was stationed with the 82nd Airborne. After leaving the Army, I attended college in Madison, WI for dairy science and found my way into agriculture. After college, I had the opportunity to spend the next four and a half years on a small dairy farm in south west Wisconsin. We milked 40 jersey cows and we had 70 head of beef as well as laying hens. The farm was a great place to spend some time after college. However, I was lucky and found an opportunity to travel and

By  
Jason  
Blankenheim  
Grain  
Merchant



work as an intern in a merchandising role. I was given the opportunity to merchandise grain in several areas of the country to include Idaho and Kansas as well as North Dakota. I am thrilled to be able to move from North Dakota to settle in the Montevideo area and use my experiences to work in support of the mission at Farmers Cooperative Elevator. I look forward to working with you.

There seems to be a strong crop of corn and beans growing in the Midwest. While weather has been an issue in the market, further volatility is caused by the exit of Britain from the EU which had the effect of bringing back more strength to the US dollar. In spite of this, demand seems to remain strong out to the West Coast for corn to export. It would seem necessary to mention that basis may improve slightly, but the futures are in a much more volatile situation especially in light of the planted acreage report due out on the 30th along with a likelihood of more timely rains.

Check Out Our New Website at  
[www.farmerscoopelevator.com](http://www.farmerscoopelevator.com)

# Fly management for livestock operations

Fly control is an important part of any livestock operation, and is particularly important during the summer months. Large fly populations are a concern, because of the risk of disease and nuisance complaints from neighbors.

Because fly populations are a mix of various lifecycle stages, control methods should be conducted on a regular basis. This should be done once a week to disrupt the fly's lifecycle and prevent more outbreaks. Chemical application only affects the adult population, so removal of fly breeding areas is key to controlling fly populations.

Typically, the main breeding area for flies are around bunks that have spilled feed mixed with manure and moisture.

By  
**Ron Hodges**  
*Assistant Feed  
Department  
Manager*



Other areas of concern are corners and edges of fencing, runoff areas where manure and water drain, manure piles, silage pits or silos, feed mixers and underneath augers. Keeping these areas cleaned up and dry prevents flies from breeding in those areas.

There are many different ways to get rid of flies including traps, fly parasite release programs, fly baits, manure sprays, and

feed additives. Use insecticides from different chemical classes when spraying throughout the season. Alternate between pyrethroids and organophosphates to prevent insecticide resistance and minimize control failures.

Having a written fly prevention program is an excellent tool for spraying schedules and routine maintenance of breeding habitats for your operation. Creating a checklist and keeping it with your records is a great idea to help you get started with your fly control program. As always, follow label instructions before applying fly spray.

Contact FCE feed mill with any questions or concerns.

Enjoy the summer and thank you for your business.

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## Marketing meetings scheduled for July 14

I would like to encourage all of our FCE patrons to check out and use our UPDATED WEBSITE at [www.farmer-scopelevator.com](http://www.farmer-scopelevator.com). Bill, Kim, Sharon and I have been working with Agricharts to make our website, Offer Portal and Phone App more user friendly. All three items are good tools for your toolbox when keeping up to date with your marketing of crops, weather, current markets, marketing news and information about your farmer owned elevator. Please feel free to let us know any comments that you may have.

By  
**Grant Velde**  
*Grain  
Originator*



Speaking of tools and marketing, FCE is offering Marketing Meetings on July 14th.

Hope to see you then.

### Marketing Meetings July 14

Minneota Community Center

7:30 - 9:30 a.m.

Cottonwood Community Center

10:30 a.m. - 12:30 p.m.

Montevideo Community Center

2:00 - 4:00 p.m.

Granite Falls Legion

4:30 - 6:00 p.m.

Echo Fire Hall

6:30 - 8:30 p.m.

FARMERS COOPERATIVE - PAGE 4

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