

Pilot Grove Cooperative Elevator, Inc.
April 2014 Newsletter

Today, March 31, 2014, USDA released its March prospective planting report and quarterly stocks report for corn, soybeans, and wheat. Corn stocks were pegged at slightly more than 7 billion bushels in the USDA quarterly grain stocks report, coming in just below the pre-report average but within the market range. Soybean quarterly stocks came in at 992 million bushels, which was 3 million bushels above the pre-report average.

USDA also released its March prospective planting report that projected a record soybean crop of 81.5 million acres, which comes in close to the average pre-report forecasts. Farmers are expected to plant 4.97 million more soybean acres than in the 2013-14 crop year. USDA forecasts corn planting at 91.7 million acres. That is on the low end of the market projections and the smallest planted acreage since 2010. USDA estimates corn planting would drop 3.67 million from last year, a decline of about 4%. Corn stocks are 30% higher, with farmers reported storing 3.86 billion bushels on-farm, up 45% from last year. Off-farm stocks are pegged at 3.15 billion bushels. As far as acreage, the biggest declines in corn plantings come from southern states, reflecting shifts in acreage to soybeans and cotton. The only states that showed more corn acres were Iowa and Kansas, compared to 2013.

Soybean stocks are down just 1% from a year ago, with 382 million bushels stored on the farm, a decline of 16% from one year ago. Off-farm stocks are projected at 610 million bushels, up 13% from a year ago. Planting intentions show major gains in nearly every major soybean-producing state, except Missouri and Oklahoma. Reflecting the expanded planting areas for soybeans, North Dakota is projected to add 1 million soybean acres this spring.

The report is what it is, “Today is the day we find out what 1% of the farmers planned to plant a month ago with 20% certainty, but we use as 100% factual.” With that said, the government puts a lot of bang for the buck in these monthly USDA crop reports. Usually, this report will give some direction to pricing until another crop report comes out, a month from now. So for soybeans, May futures closed at a new contract high, after the report showed that soybean stocks are at a historically tight 992 million bushels. November soybean futures, on the other hand, closed a few cents lower after USDA predicted a record high 81.5 million planted acres. The corn market rallied in old crop and new crop futures, with the news of fewer planted acres predicted lending the bullish support.

Currently, the Pilot Grove Cooperative’s new crop corn bid is \$4.68 and new crop soybeans are \$11.32 a bushel. Old crop corn is \$4.87 a bushel, with soybeans at \$14.54. If you have a target price you would be willing to sell new crop grain, give the Cooperative a call today, and get those target orders working for you. We will enter your target orders with the board of trade, and as soon as your desired price is met, your grain contract will be mailed to you. The only contracts that never get filled are the offers that never get entered. So call us today with those target orders, you’ll be glad you did.

FISH DAY The Cooperative is having a spring pond stocking on April 18, 2014, from 9:00-10:00am. Call the Cooperative for variety and prices. Restock that pond this spring.

FEED NEWS For all cattle producers, grass tetany season is around the corner. Grass tetany is a magnesium deficiency in the blood, caused by rapidly growing forages. Symptoms of grass tetany are incoordination, excitability and muscle twitching. Longer term symptoms are lower weight gain, lower weaning weights, and a decrease in milk production, and eventual death without warning.

Now is the time to start supplementing your cattle with extra magnesium, through minerals, blocks, or feed. Most producers rely on a mineral program that supplies the extra magnesium that is necessary to get your cattle through this lush growing season. If you are currently feeding a balanced mineral, providing your cattle are eating the proper consumption, they are probably getting an adequate amount of magnesium. But if you are not sure, then the best protection is to feed a mineral that is at least 10% magnesium, and don't have any other source of salt, or mineral out for them to eat. Magnesium is bitter, and you don't need any competition to get them to start eating it.

PASTURE SPRAYING Get the most out of your pastures by spraying with Grazon. One application of Grazon will rid your pastures of weeds for a whole season. Grazon will kill all broadleaf weeds and thistles, and the residual in Grazon will not allow new weeds to germinate for the whole season. No weeds mean more hay and pasture, and a cleaner more even pasture looks better and cattle will perform better to. Your neighbors will also be envious because your pasture will look better than theirs. Give the Cooperative a call today, and get on the spray list to have your pasture cleaned up.

CROP SPRAYING Now is the time to get that crop ground burnt down. Let the Cooperative burn down those winter annuals and put down some residual to keep your growing crop free of weeds until your post application. Give the Cooperative a call today and get your job in the spray book.

ACCOUNTS RECEIVABLE POLICY The account receivable policy set forth by the Board of Directors dictates that all open account receivable accounts must be kept current, within sixty days of aging. If an account gets past due over sixty days of age, then no further charges can be applied to that account. The account will be locked until the account is paid and brought up to a current account status. The Cooperative does not offer any crop financing, but the feed companies that the Cooperative uses has feeder finance contracts, to finance all feed purchases until sale of cattle, or for the necessary time needed to finance the feed. If you are interested in a feeder finance contract, give Robbi or Larry a call. These feeder contracts are designed to finance your feed costs until you market the cattle, etc.

FARM FRESH EGGS The Cooperative has farm fresh eggs for sale, \$1.50 per dozen. Our supply is always good.

SAFETY Farm safety is something that sometimes gets overlooked when everyone is more concerned about getting the seed in the ground. As this spring season opens up, stop and remember to always think about safety. High centered, backed in a corner, too steep, too close, etc. are all synonyms for potential danger in farming operations. Just remember, slow down and think safety.

