

Fighting Through a Tough Year

» By Don Truhe, General Manager

In our part of the world, most production years could be described as “a year of extremes.” Certainly 2016 would fit the bill for many of you. Those areas that were too wet for timely planting suffered from a lack of moisture later in the growing season. A lot of beans were planted late June and the first week of July.

As a result, field checks by our agronomy team show estimated corn yields ranging from 50 to 250 bushels per acre. If the crops were planted in April, yields look to be every bit as good as last year in some areas. If not, it's anyone's guess. Replanting will likely make combining challenging in some fields, as moisture could range from 15% in one area to 25% where the crop was re-planted.

I suspect we'll see some corn come in first this year, followed by a big run of beans and a mix until the end of harvest. This appears to be a year where we'll make good use of our dryers, though you can never tell until the combines roll. Last year, we had three windy, 90-degree days late in the season that took three to four points of moisture out of the crop. Whatever happens, we're ready to handle your harvest this fall.

Deliver like the Brits

Work continues at the terminal as we're turning two bunkers into one, which will add an additional

600,000 bushels of storage. At the same time, we're adding an outbound scale and creating a new road to serve both the new bunker and the outbound scale.



To explain the reference to British driving, at this time, the plan is to use a left-handed traffic pattern. If you refer to the map in this issue, you'll see the reason. We'll be loading the bunker from the outside now using the double drive-over conveyors. The new road will be used both to fill the bunker and to access the outbound scale. Switching from the standard right-hand pattern to the left will keep traffic from crossing over at any point.

Take a look at the map, and if you have any questions, give us a call. I think the new pattern is going to ease congestion during harvest and increase our ability to get you in and out quickly.

Finally, our accountants are running the year-end numbers. As you know very well, margins were challenged and this year won't go down as one of our best. Still, our margins will be better than many others in the business.

As always, our success is dependent on yours. We hope your harvest goes well and look forward to working with you this fall. «



Work is underway on the new road that will serve the bunkers and the outbound scale.

Markets Await Harvest

» By Nathan LaFerrier, Grain Merchandiser



We're working out the final details of our fall storage programs, and we'll have that information on our website in the near future.

There's not a lot to be said about the markets that hasn't been covered in great detail by the farm press since the USDA released their surprisingly high yield estimates on Aug. 1. Since then, the Pro Farmer crop tour has estimated corn yields coming in roughly five bushels lower than the USDA number, but pegged soybeans yields slightly higher than the USDA.

Combines will begin rolling in some parts of the Corn Belt very soon, giving us a more definitive picture on actual yields.

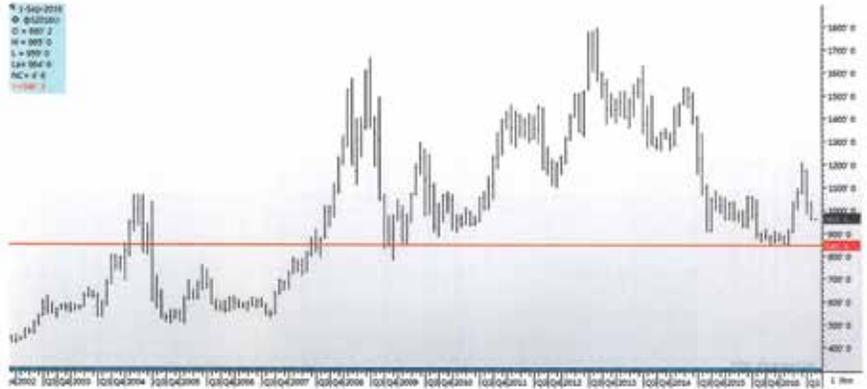
The charts in this issue are continuous corn and bean charts dating back to 1982. The red lines in both charts show recent support. The market will continue to weigh production versus demand as the marketing year progresses. We'll continue to watch the monthly USDA reports leading up to their final yield report in January.

Please call to discuss all contracting options we have to aid in your marketing. «



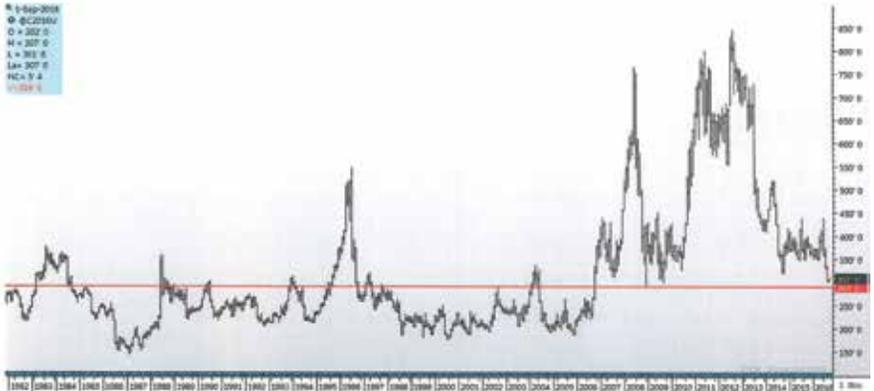
This material has been prepared by a sales or trading employee or agent of CHS Hedging, LLC and should be considered a solicitation. This communication may contain privileged and/or confidential information and is intended only for the use of the individual or entity to which it is addressed. Any unauthorized dissemination, distribution, and/or use of this communication is strictly prohibited. CHS Hedging, LLC makes no representation or warranty regarding the correctness of any information contained herein, or the appropriateness of any transaction for any person. There is a risk of loss when trading commodity futures and options.

Soybean Chart



	Soybeans			Soybeans		
	Jul 12 2015/16	Aug 12 2015/16	Change	Jul 12 2016/17	Aug 12 2016/17	Change
Planted Acres	82.7	82.7	0.0	83.7	83.7	0.0
Harvested Acres	81.8	81.8	0.0	83.0	83.0	0.0
Yield	48.0	48.0	0.0	46.7	48.9	2.2
Beginning Stocks	191	191	0	350	255	-95
Production	3929	3929	0	3880	4060	180
Imports	25	25	0	30	30	0
Total Supply	4145	4145	0	4260	4346	86
Crush	1890	1900	10	1925	1940	15
Exports	1795	1880	85	1920	1950	30
Seed	97	97	0	95	95	0
Residual	12	12	0	30	31	1
Total Use	3795	3889	94	3970	4016	46
Ending Stocks	350	255	-95	290	330	40
Stocks/Use Ratio	9.2%	6.6%		7.3%	8.2%	
Avg. Farm Price (\$/bu.)	9.05			8.75-10.25		

Corn Chart



	Corn			Corn		
	Jul 12 2015/16	Aug 12 2015/16	Change	Jul 12 2016/17	Aug 12 2016/17	Change
Planted Acres	88.0	88.0	0.0	94.1	94.1	0.0
Harvested Acres	80.7	80.7	0.0	86.6	86.6	0.0
Yield	168.4	168.4	0.0	168.0	175.1	7.1
Beginning Stocks	1731	1731	0	1701	1706	5
Production	13601	13601	0	14540	15153	613
Imports	60	65	5	40	50	10
Total Supply	15392	15397	5	16281	16909	628
Feed/Residual	5200	5200	0	5500	5675	175
Food/Seed/Industrial	6592	6567	-25	6650	6650	0
Ethanol	5225	5200	-25	5275	5275	0
Domestic Use	11792	11767	-25	12150	12325	175
Exports	1900	1925	25	2050	2175	125
Total Use	13692	13692	0	14200	14500	300
Ending Stocks	1701	1706	5	2081	2409	328
Stocks/Use Ratio	12.4%	12.5%		14.7%	16.6%	
Avg. Farm Price (c/lb.)	3.60-3.70			3.10-3.70		

Keeping Our Communities Strong

Southeast Farmers Co-op was pleased to partner with CoBank to help support the Centerville Fire Department. Through their participation in the CoBank Sharing Success program, Southeast Farmers was able to donate \$10,000 to the department. Through the program, CoBank matched the \$5,000 contribution from Southeast dollar for dollar.

According to Centerville fire chief Tim Ganschow, the funds will be used to purchase a new thermal imaging camera. In addition to locating individuals in house fires, the camera can also be used in nighttime accident situations to find someone ejected from their vehicle.

Centerville location manager John Limoges notes that giving back to the community is important to Southeast Farmers.

“We are very appreciative of the business that we receive in the communities that we serve,” he states. “We want to give to the causes and organizations that are very important in

keeping those communities strong. The fire department is certainly one of those organizations.” «



John Limoges presents fire chief Tim Ganschow and assistant fire chief Mark Moore with a \$10,000 check.

Inputs Headed in the Right Direction

» By Chad Nelson, Agronomy Manager

If you're looking for a little good news this fall, start with inputs. Fertilizer prices are down significantly from last year and are approaching 14-year lows. That means you will be able to increase your crop nutrients for 2017 without spending more money.

We are seeing a lot of variability in the field—much of it no doubt due to weather. But it could also be that critical nutrients may have been in short supply in some fields. Think about soil sampling this fall to determine exactly where your fertility program stands. We offer both composite and grid sampling, both handled in-house.

Making your fertilizer resource more available to your crops is also something we can help with. We have products that



enhance the availability of both P and K, as well as nitrogen stabilizers for fall-applied anhydrous and urea.

Scheduling harvest

As harvest approaches, check your corn and bean crops in the field for disease with an eye toward stalk and ear shank integrity. Schedule your harvest according to what your crops are telling you. If you need some help walking your fields, we'll be happy to scout them for you.

We'll be out with our weigh wagon doing yield checks this fall. Let us know if you would like to take advantage of that service.

Seed prices and programs are coming out, and we'll be getting in touch with you to talk about your seed for 2017. It looks like prices on some seed will be slightly lower going into next year, which could help to move the numbers a little more in your favor.

Get in touch with us to line up your soil sampling and fall application. We do offer a full range of dry fertilizers, variable-rate application and custom anhydrous application. We also have financing options available for your 2017 inputs.

Have a safe harvest, and let us know how we can help this fall. «



Southeast Farmers Coop

31303 471st Ave.
Burbank, SD 57010

PRSR STD
U.S. POSTAGE
PAID
VISTACOMM

By the Numbers:



600,000 bushels:

*The amount of storage
our bunker project is
adding at the terminal.*



-  All inbound
-  To bunker dump
-  To outbound scale
-  Outbound scale
-  Exit from scale

Helpful Harvest Hint

When scaling in, please know the name of the customer you're hauling for, the splits (if any), and what they intend to do with the grain. This will make our scaling process go smoothly and reduce your time on the scale.

Thanks, and have a safe harvest. «



Board Election 2016



Call **605.253.6150**
for an application!