



April 2016

Keeping Grain Moving

» By Don Truhe, General Manager

We just finished our first six months of the fiscal year, and we're off to a pretty good start—better than last year at this point. Grain margins are tight, and with the ethanol industry backing off their grind and no corn export program to speak of, most of the trains we'll load will be headed to feeder markets in Texas, California and Mexico. We're trading in a range-bound market, and weak ethanol and export demand has led to a widening basis.

With that said, Nathan has done an excellent job of selling our grain, helping us move seven million bushels of grain in December and January. We continue to focus on getting wheels under the grain on hand, moving it by rail and truck. We have two more bean trains scheduled, and once they're done we have 8-10 corn trains to load, as well as a lot of grain moving by truck.

We've also been busy through the winter, monitoring and maintaining the quality of the grain we've taken in. We've picked up our ground piles, so now it's on to our six bunkers. We hear stories about people fighting quality in bunkers,

but so far our grain temperatures are consistently in the low 30s and we're not detecting any musty odors.

Office move a good one

The transition of our core accounting, agronomy and department staff to our new Spink office is complete, and it has definitely been a positive move. As always, it takes time to work out the details and get used to all the new surroundings and processes. Now that we're in the groove, we're definitely seeing the benefits of a single office in improved efficiency and communication.

Our accounting and office teams have been phenomenal, cross-training, helping each other and learning new roles. Having all the agronomy staff in one place makes for faster decision making and is helpful when suppliers visit and when we're training. As good as the fertilizer facility has been for production efficiency, the office has been for our staff.

On the subject of the fertilizer facility, we'll get to see how we handle a big spring load this year. The late moisture last fall left us a little behind where we hoped to be going into the spring agronomy season, but I'm a lot more confident in our ability to keep up with the speed and flexibility the new fertilizer setup provides.

As we gear up for spring, I'd like to conclude this article by acknowledging the Southeast Farmers employees. I know we don't always do everything perfectly, and we do appreciate your input—both positive and negative. But when you catch someone doing something right, it never hurts to give them a pat on the back and a thanks. I, and all our employees, try on a daily basis to do what's best for Southeast Farmers and our patrons.

Thanks for your business. We'll be working hard to earn it again this spring. «



Full Speed Into Spring

» By Chad Nelson, Agronomy Manager

As we've turned the calendar to March, spring is now coming at us at full speed. That means we really need to meet with those of you we haven't talked to and figure out your fertilizer plans—field by field. Fertilizer prices tend to firm up as spring approaches and demand builds, so take advantage of the opportunity to save some money by locking in prices now.

Whatever your fertilizer needs—anyhydrous, starters, a full range of dry and liquid products or micronutrients—we have it. And our new facility will get you in and out in a hurry. This is also a great time to determine exactly which nutrients you need, and we offer both grid and composite sampling.

Seed ready to move

We're putting seed orders together this month. If you're ready to take delivery of your corn and soybean seed so you're ready to go when conditions are right, let us know and we'll bring your order out to the farm. Keep in mind that we also have two seed tenders available for in-season delivery of bulk soybeans to your farm or the field.

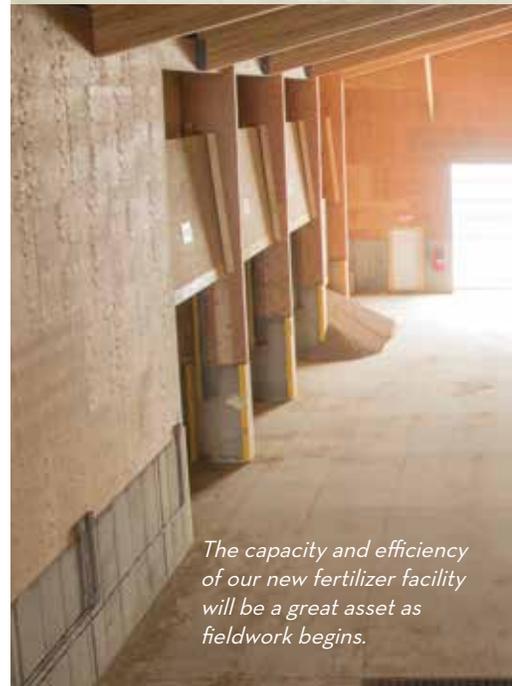
For those who still have some seed decisions to make, take a few minutes now to come in, visit with one of our sales agronomists, and pin down the hybrids and varieties that are the best fit for each acre you farm. Supplies of some numbers are getting tight, so the earlier you order, the more likely you are to get exactly what you want. We

still have some cash discounts available this month, too. We offer the Asgrow®, Dekalb®, Prairie Brand and Croplan® seed lines.

Residual, residual, residual

That's our emphasis this year as we work to gain the upper hand with some of our harder-to-control weeds. Waterhemp is the number one issue we deal with year in and year out, especially in soybeans. The recommendation for both corn and beans is a pre-plant or pre-emergence application with a residual, followed by a post application with another residual product. Again, let's go through your fields and determine the crop protection program that best fits your operation.

As we move past planting and into the 2016 production year, we have a tool that can help you manage your crop this year and make more informed decisions for 2016. Climate FieldView™ is a mobile, digital platform that can help you monitor field-level nitrogen supplies to determine when and how much to side-dress, evaluate crop health and create variable-rate seeding prescriptions. You can also download yield maps and access weekly satellite imagery. See any member of the Southeast Farmers agronomy department for more information on the FieldView platform. «



The capacity and efficiency of our new fertilizer facility will be a great asset as fieldwork begins.



New Precision Tools

Southeast Farmers Coop has just purchased two pull-type spreaders that are capable of variable-rate application.



Our equipment lineup is under roof and ready for spring.



Your seed is in and ready for delivery.



Fueling Your Spring Season

Southeast Farmers Coop is your best source for all your spring energy and lubricant needs. We offer:

- A full line of packaged lubricants
- Bulk oil delivery
- Bulk fuel delivery
- Oil and fuel filters
- Grease
- Tanks and fittings

Contracts are also available.

Call 605-253-6150 to order or set up an account.

Keeping Credit Clean

We appreciate those of you who are conscientious about keeping your accounts current. This helps ensure that we will remain financially solid and be able to extend the privilege of convenience credit to all our members.

Here is our credit policy for reference. If you have questions about the policy or your current credit status, please stop by or call our Burbank office at 605-253-6150.

Credit Policy

0 - 60 days	Current
61 - 90	Past Due / Subject to Cash Only
91+	Cash Only

Need Financing?

If you're looking for a convenient source of financing at competitive rates, look no further than Southeast Farmers Coop. We offer Input Advantage loads from CFA with rates as low as 2.5% if you purchase your chemicals, fertilizer and seed from us. The deadline on Input Advantage loans is May 15, 2016. We also offer John Deere credit on seed and chemicals from suppliers who use that program.

By the Numbers:



Southeast Farmers moved **7 million bushels** of grain in December and January.

Will Weather Shift Sideways Market?



» *By Nathan LaFerrier, Grain Merchandiser*

Neither the corn nor soybean market has given us a lot to be overly excited about recently. Looking first at the new crop 2016 corn chart, the price action represents a market searching for a bottom, and a market likely to stay on this path until a weather issue arises during our production cycle. Base price

for crop insurance was figured at \$3.86 vs. \$4.15 last year. With these prices established, producers can start looking at which marketing contracts offer the most flexibility in pricing of their new crop production. These can be as simple as forward contracts or as complex as option strategies.

The new crop soybean chart shows a market trading sideways to lower since September of 2015. The sideways

movement shows that this market seems to be supported by a steady demand for beans as world supplies continue to outstep demand. The market appears to be waiting for a production hiccup—or lack thereof—to make the next leg higher or lower.

South American harvest keeps progressing with larger yield talk weekly, but trade analysts state that they believe China's demand for soybean continues to grow year on year. The base price was established on beans at the end of February, set at \$8.95 vs. \$9.73 last year.

Southeast Farmers Coop offers many cash contracts and is a branch office for CHS Hedging, so we can service any of your marketing needs. Please call 605-253-6150 to discuss which tools are the best fit for your operation. «

2016 Dec. Corn



2016 Nov. Beans

