

■ HANLEY FALLS ■ COTTONWOOD ■ TAUNTON ■
 GRANITE FALLS ■ **Farmers Cooperative Elevator Co.** ■ MINNESOTA FALLS ■
 ■ MONTEVIDEO ■ ECHO ■ MINNEOTA ■ GHENT ■

FARMERS COOPERATIVE ELEVATOR CO.

P.O. BOX 59, Hanley Falls, MN 56245
 P.O. BOX 108, Cottonwood, MN

E-Mail: fce@mvtvwireless.com
 Web Site:

March, 2008

Hanley Falls: 507-768-3448 800-626-2510	Echo: 507-925-4126
South Elevator: 507-768-3602	Ghent: 507-428-3255
Uptown Elevator: 507-768-3484	Granite Falls: 320-564-3834
Cottonwood: 507-423-5412	Minneota: 507-872-6134
Feed Mill: 507-423-6235	Minnesota Falls: 320-564-3835 320-765-4100
800-423-6230	Montevideo: 320-269-6531
Elevator: 507-423-6489	Taunton: 507-872-6161
Hardware Store: 507-423-6231	

From the Manager FCE Board to add director from Montevideo area

We sincerely hope you can attend this year's Annual Meeting at the Lakeview School in Cottonwood on Friday, March 14.

By
Scott Dubbelde



It is an important business meeting that allows our Board and Management Team to report past, present and future events to you, our patron/owners.

We will be handing out equity retirement checks to those FCE patrons in the Cottonwood, Taunton/Minneota, Hanley Falls and new FCE areas who have reached the age of 74 by March 31.

The Echo area patrons must have reached the age of 72 by March 31.

The FCE Board understands the balance between equity payments and the capital needed to run your cooperative and is pleased to be able to drop the payout age in these areas by another year.

You'll notice in this issue that the Board of Directors has added a 10th director position to the FCE Board from the Montevideo area.

Monte has been a great addition to the FCE Team and deserves to be represented. The bylaws provide for 7 to 11 members on the board and a Montevideo area director makes sense.

In other Board business, Gerry Peterson, our Minnesota Falls director, is retiring at the Annual Meeting.

Gerry's experience and dedication to FCE will be greatly missed. He's a gen-


Annual Meeting

Friday, March 14

at the

Lakeview High School

in Cottonwood




BELGIAN WAFFLES

served from 4 to 7 p.m.

ENTERTAINMENT

at 6:30 p.m.

by Susan Schreier of the music department at Minneota High School and her daughter, Sarah Boerboom.



MEETING BEGINS at 7:30 p.m.

The traditional, delicious Belgian waffles will be served along with all the trimmings from 4 to 7 p.m. ALL YOU CAN EAT. Bring your spouse and children. There will be at least 38 waffle irons and everyone can wait inside. Lakeview High School is located on the north side of Cottonwood, visible from Hwy. 23.

The business meeting begins at 7:30 p.m. We'll review last year's operations at Farmers Cooperative Elevator and discuss plans for the current year. We'll also be electing four directors, including a representative from the Montevideo area, to the board. Profiles of the director candidates are inside this edition.

tleman, has great wisdom and is a class act. Thank you, Gerry, for your years of service to FCE and the cooperative system.

Progress at Feed Mill

The past year's growth in our Feed Division has been outstanding. If you drive by the Cottonwood location, you should be able to notice the progress of the additional feed load-out capacity.

All of the footings and infrastructure

were put in place when we built the first set of load-outs, so the additional capacity is being added very efficiently.

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A terrible tragedy occurred in the middle of our trade territory near Cottonwood, when a school bus full of students was involved in a wreck that left four students dead and several injured.

It's difficult to grasp the words to ade-

Wild ride in grain markets continues

Round and round she goes. Where she stops, nobody knows.

This pretty much describes the current grain markets. These are not ordinary times in the grain markets.

Who would have thought wheat would be more than \$20 a bushel?

It appears to me that the market is saying that the world has to find a way to curb consumption, increase production or a combination of both. With present markets for renewable energy and the government's refusal to open CRP land for production, changes need to be made.

Will the grain markets go up enough to draw land from hay, cotton and pasture? Will the markets go high enough to ration demand? Will the government open up CRP acres?

No one knows the answers, but it will make for interesting times in the grain markets during the next few years.

The four-million-bushel storage shed built last summer has been an excellent

By
John Brandts
Grain
Merchandiser



addition. This shed is nearly full at this writing.

This allows your cooperative to carry corn purchased at harvest to capture basis appreciation, provides another dumping location during harvest and reduces the need for large corn piles in the fall. With corn at more than \$5 a bushel, the risk of piling corn outside is greatly reduced.

Your cooperative is currently taking Free Price Later corn and beans on a no-charge basis until Sept. 1 at all of our locations, including the Granite Falls Ethanol Plant. A service charge will be assessed on Price Later grain not sold as of Sept. 1.

DIRECTOR CANDIDATE PROFILES

TAUNTON AREA



STAN KNUTSON

Stan Knutson farms northwest of Taunton, a homestead designated as a Century Farm in 1976. He raises corn and soybeans and is a member of the Corn and Soybean Growers Associations. Stan is an incumbent on the Farmers Cooperative Elevator board of directors, having served since the merger in 1999. Stan and his wife, Teri, have three children: Chad, 27, Stacey, 25, and Kora, 16.

Wheat seed short

If you're looking for seed wheat, there isn't much from which to pick. New varieties are sold out.

The price of wheat varies from day to day. Just to give you an idea, wheat sold for \$14.50 the first part of January and a month later it was at \$25.50. Make sure you make arrangements for seed wheat.

We do have a good supply of corn and soybeans.

New employees

We welcome two new employees to the feed mill.

Brian Pehrson was hired in November to drive feed delivery truck. Brian and his family live in Wood Lake.

Greg Matthys was hired in January. Greg lives in Marshall and will also drive feed delivery truck.

Treatment meeting

We're going to have a meeting on Quick Roots, a dry planter box treatment, 11 a.m. March 11. The place is still being determined. Call 507-768-3602 and ask for Willard or Steve so we can make arrangements for food.

HARDWARE HANK'S March Specials

SCOTTS

Basic
Broadcast Spreader **\$19.97**
Lawn Pro
Broadcast Spreader **\$32.97**
Hand Held
Spreader **\$7.97**

RUBBERMAID

21-Gal.
Latch Blue Tote **\$7.99**
36-Gal.
Latch Blue Tote **\$10.99**

DEBRIS CONTAINER

Collapsible. **\$17.97**

WAYNE

Sump Pump 1/3 hsp
(CDU790) **\$94.97**
Sump Pump 1/3 hsp
(RSP130) **\$69.88**
Sump Pump
Check Valve **\$9.88**

HOSE KIT

1 1/2" Sump Pump **\$8.97**
TORO
Super Blower. **\$59.97**
Leaf Collecto **\$29.97**

WESTINGHOUSE

Light Bulbs 4-pack
40W, 60W, 75W,
100W soft white **99¢**

TIME TO ORDER YOUR CHICKS

It's time to order your chicks. We have a large selection. Regular delivery is every other week on Mondays, beginning March 24. Prices vary by breed. Call Lois at the Feed Mill in Cottonwood (507-423-6235 or 800-423-6230) with your pricing questions or orders.

DIRECTOR CANDIDATE PROFILES

COTTONWOOD AREA



LYLE DANIELSON

Lyle Danielson farms northwest of Cottonwood. He raises corn and beans and does custom production farm work. Lyle and his wife, Jonnie, have two adult sons: Eric and Jason. Lyle is a past chairman of the Yellow Medicine County Soybean Growers Association board and is a supervisor of the Normania Township board.



STEVE DOOM

Steve Doom farms west of Cottonwood. He raises corn, beans and alfalfa. Steve also feeds out cattle and iso wean-to-finishes hogs. Steve is an incumbent director, seeking his second term on the board. He was a member of the Cottonwood Cooperative Oil board of directors for nine years. Steve and his wife, Brenda, have three children: Cody, 21; Justin, 19, and Carly 16.

MONTEVIDEO AREA



ALAN ENEVOLDSEN

Alan Enevoldsen farms west of Montevideo. He and his father, Leroy, raise corn, beans, alfalfa and sunflowers. Alan also has a custom trucking business, sells Golden Harvest seed and sells planter parts for Precision Planting. Alan and his wife, Jodi, have two children: Tasha, 18, and Devin, 14. Alan and Jodi are adult leaders of the Prairie Runners 4-H Club. Besides fishing and hunting, Alan enjoys collecting toy tractors.



KRIS RODEBERG

Kris Rodeberg farms northeast of Montevideo. He raises corn, beans and sugar beets with his father, Steve, brother, Jon and uncle, Marc. They also have a hog finishing operation. Kris and his wife, Stacy, have three children: Tyler, 11, Brandon, 6, and Jesse, 2. Kris enjoys hunting and fishing.

MINNESOTA FALLS AREA



ARDEALL WALLER

Ardell Waller farms east of Granite Falls near the ethanol plant. He raises corn and beans, continuing an operation started by his grandfather. Ardeall and his wife, Rhoda, have two children: Ryan, 16, and Andy, 14. He is a supervisor for the Granite Falls Township and has served on the nominating committee for Farmers Cooperative Elevator.



BRAD SUNDERLAND

Brad Sunderland farms northwest of Minnesota Falls. He raises corn and soybeans and has a farrow-to-finish hog operation with his brother, Steve. Brad and his wife, Mary, have two adult children: Jodi and Toby. Brad is a member of the Corn and Soybean Growers Association. He has also served as a director of the United Farm Credit Services for 15 years.

Notice: Feed Customers

All FCE feed customers received a letter for early ordering the first part of February. Our goal is to have everyone using this by March 1. The feed mill has become a busy place and this will help us get the feed out on time and more efficient. One addition to the letter, if you order feed Monday for Wednesday and you actually think you need the feed Wednesday morning please inform whoever is taking the order that is the case and we will do our best to have it delivered. Otherwise your feed will be delivered on Wednesday when it fits best in the delivery schedule.

SCOTT - CONTINUED FROM PAGE 1

quately describe our feelings and to try and understand why this happened. My parents lost two of my siblings when I was very young. When I asked my Mom how she and Dad got through those times, she replied, "Our faith."

Cottonwood Fire chief and local farmer Dale Louwagie asked us to pray for all involved. Please keep them in your prayers.

Hidden risk looms in grain markets

The greatest risk in the market today may be hidden from view, and could affect the market in a way that no one can foresee.

The "Index Fund" that has turned to commodities as an investment tool holds incredibly large positions in the commodities. These multi-billion-dollar investment firms began buying commodities in late 2006. They buy commodities as an investment, sometimes as a hedge against inflation. This has been a boon in the past year, but that trend will not continue forever.

When index funds bought corn and wheat in 2006, our carryout on corn was well over 2 billion bushels for the end of the 2006-07 crop year. Yet cash corn traded \$4.00 in the summer of 2007. By all rights, corn was overpriced. Wheat carryout was big, yet wheat traded near

\$6.00, also overpriced.

When, (not if, when) these players decide to take that investment out of the commodities, there is no way to tell the magnitude of the exodus. We do know that the total index fund long position is near 2 billion bushels of corn. If that market segment would sell all of their positions, that would be 400,000 contracts for the market to absorb.

This is the unforeseeable risk that poses the biggest downside risk to the market at this time. Fundamentals (supply and demand) remain favorable. Prices have little downside pressure because of this, but the fact remains that the "phantom" in the machine is there.

Manage that risk by knowing your costs, and by being a diligent marketer at levels that are profitable. You can lock those profits in up through 2010.

By
Bill Doyscher
Risk
Manager
Coordinator



Marketing is not easier at higher prices; it takes more energy and effort than before. Call us for assistance in marketing your crops. It may pay big dividends in the future.

*** 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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