

Fairland Management Company

YOUR FARM REAL ESTATE PROFESSIONALS

CROP & WEATHER REPORT

July 15, 2019

GENERAL WEATHER FOR THIS AREA: Weather conditions in Southwestern Minnesota (SWMN) started out consistently wet this past month, which delayed some field operations (mainly herbicide and nitrogen application) for many producers. There was measurable moisture on about 18 out of the last 30 days throughout most of the area. Thankfully, we have observed plenty of sunshine during the last two weeks and it has been dry enough to allow fieldwork to continue. This recent stretch of warm temps and timely rains have been very beneficial to the crop at this point in the growing cycle.

The majority of SWMN received 3.5 to 5+ inches of rain from June 16th to July 15th. The exception would be Redwood Falls, which received more than 8-10 inches in that same time period, with over 5 inches in just two rain events. The Windom area received about 4 inches of rain on July 1st, and the rest of our area has been fortunate to have received maximum rainfall totals that were closer to 1-2 inches. Topsoil moisture levels are rated at 95% adequate to surplus in Minnesota, very similar compared to last month. Available subsurface soil water is at 7.46 inches as of July 1st, and the historic average for this date is 6.14 inches according to the University of Minnesota Southwest Research and Outreach Center (SWROC) in Lamberton.



Figure 1 – A soybean field being sprayed with a post emerge application of herbicide.

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Daytime high temperatures have ranged from 67 to 92 degrees and nighttime lows from 50 to 74 degrees since June 16th. We have had 960 Growing Degree Days, which is 102 units less than the average for this point in the year according to the SWROC. We are hopeful that the heat in the forecast will help push this crop along, as we have a lot of catching up to do to reach full maturity before a frost.

SOYBEANS: As we had previously communicated, delays in corn planting pushed back most of the soybean planting across Minnesota and the Corn Belt. Thankfully, there were not many Prevented Planting claims for soybean for our clients. The soybeans are six to ten inches tall depending on when they were planted and continue to develop. The later than average planting dates have created a problem with herbicide applications. The soybeans planted in early June had their pre-emerge herbicide applied and there was good weed control initially. When producers wanted to spray the dicamba in the soybeans in mid-June, it was too wet and very little dicamba was sprayed prior to the cutoff date of June 20th. When conditions dried up in late June, there was a push to apply the Flexstar herbicide, as there is the potential for carryover in next year's corn crop if applied much after July 4th. Producers that use Liberty herbicide are wrapping that application up here by mid-July. Even though there has been good overall weed control so far, it has been a challenge to get it all done in a timely manner and before these deadlines.

Nationally, only 54 percent of the soybeans are rated good to excellent compared to 69 percent last year. Crop conditions for soybeans in Minnesota are rated 60 percent good to excellent. The soybeans still have a ways to go before they canopy. We will begin monitoring for aphid pressure in the coming weeks. If/when, pest populations reach an economic threshold, we will be taking appropriate control actions.



Figure 2 – The weed on the left (waterhemp) has become resistant to the type of herbicide that was used on this field.

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CORN: The corn crop is anywhere from waist to shoulder high, depending on the planting date (May 4th to June 8th). Fields that have good drainage/tile and had all of the inputs applied timely (i.e. seed/herbicide/fertilizer) look very good and still have good yield potential. Those fields that had wet areas and delays in planting, emergence, input application will certainly have more variability in yields this fall. Weed control in the corn has been good as the pre-emerge herbicide did a great job in holding down the weed pressure and with the corn already canopied there should be no more weeds developing. Herbicide and nitrogen application have been completed, so all of the cornfield operations are done until harvest. The consistent moisture during the past month has helped aid crop development but we are still behind on growing degree day units as previously indicated, which will continue to make this crop very sensitive to any potential for an early frost.

Nationally, 58 percent of the corn is rated good to excellent, which is noticeably worse than the 72 percent rating at this time last year. Crop conditions in Minnesota are rated at 58 percent good to excellent for the corn as well. We do not think the crop ratings will be adjusted much into the future, but we do believe the total number of acres planted will continue to be adjusted.



Figure 3 - Early planted corn on well tiled fields looks fantastic and even from end to end.

REMARKS: Over the last month, there have been several events that have affected the grain markets, especially the corn. The June USDA Acreage Report had the largest impact, as USDA had projected a lot more corn acres 91.7 million acres than the market anticipated (85 million acres), which set corn prices back. Soybean acreage was estimated to be about 80 million acres, which was about 5 million acres less than projected at the end of March. USDA is going to resurvey planted acres and come up with a new estimate and the FSA will also be providing information on planted/Prevented Planting acres in August. Once this is done, there will be a more accurate representation on what has actually been planted across the Corn Belt.

The July Monthly USDA Supply & Demand Report shows that for corn, both ending U.S. stocks and world ending stocks are down. U.S. ending stocks for corn is projected to decrease from 2.3 billion bushels for 2018-2019 to 2 billion bushels for 2019-2020, which has been positive for the corn prices. Soybeans U.S. ending stock for 2019-2020 has dropped significantly from the estimate in June of 1 billion down to just under 800 million now. These projections are based upon the previous acreage report and will change once the USDA finishes their survey and posts the new acres in August. They did leave the projected national yield at 166.0 for corn and slightly decreased soybeans yield one bushel down to 48.5. Overall, corn and soybean prices continue to increase and we will be selling the balance of the 2018 and some more of the 2019 crop in the coming weeks and months

It continues to be busy in our office this summer, as the late spring pushes everything else back for the rest of the year. Certifying acres at the Farm Service Agency (FSA) and reporting acreage to crop insurance by the July 15th deadline was more labor intensive than in any previous years. Regular duties such as scouting for weeds, coordinating herbicide application, planting and maintaining cover in CRP, paying crop expenses, and monitoring grain delivery all need to get done. We still have been monitoring potential tile projects for our clients as well as the various renewable energy projects in our area.

There has also been a lot of additional work created by the volume of Prevented Planting claims. We worked with the tenants and clients to determine if it could be planted or not and then filed the claims. We filed the preliminary paperwork, inspected the sites with the crop adjusters, then finalized the claims and are starting to process some of the settlements. Now that the weather pattern has allowed the wettest acres to dry out, we are spraying and/or tilling and planting a cover crop as required. The cover crop will be planted to help control weed pressure and to protect against soil erosion. We are hoping to install some tile into several of these fields prior to harvest this fall, so we are ready to plant these fields next spring and avoid having to do this on these fields again in the future.

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Figure 4 – Oats planted as a cover crop on Prevented Planting acres have emerged and are growing nicely.

GROWING-DEGREE DAYS

<u>LOCATION</u>	<u>MAY 1, 2019 TO DATE INDICATED</u>	<u>TOTAL GROWING DEGREE DAYS</u>	<u>DEPARTURE FROM NORMAL</u>
Lamberton	July 8, 2019	960	-102

GRAIN MARKETS (July 15, 2019):

	<u>NEW VISION WINDOM</u>	<u>MAGNOLIA</u>	<u>POET ETHANOL BINGHAM LAKE</u>	<u>MINNESOTA SOYBEAN PROCESSORS BREWSTER</u>
Cash				
Corn	4.38	4.36	4.45	N/A
Soybeans	8.25	8.21	N/A	8.42
October				
Corn	4.24	4.19	4.22	N/A
Soybeans	8.30	8.40	N/A	8.45

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RAINFALL (INCHES):

<u>COUNTY</u>	<u>CITY</u>	JUNE 16- JULY 15, <u>2019</u>	MARCH 15 TO DATE- <u>2019</u>	MARCH 15 TO DATE- <u>2018</u>
Cottonwood	Jeffers	5.12	16.42	18.22
Cottonwood	Windom	5.22	16.79	20.88
Jackson	Heron Lake	5.23	17.44	17.96
Jackson	Jackson	3.51	15.21	22.95
Martin	Trimont	3.69	15.12	21.65
Murray	Fulda	5.61	18.08	24.83
Murray	Slayton	4.04	16.25	22.60
Nobles	Round Lake	2.84	17.30	24.67
Nobles	Rushmore	4.15	17.97	23.19
Redwood	Redwood Falls	8.17	19.00	22.64
Rock	Magnolia	5.05	17.51	21.56

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