

# Fairland Management Company

YOUR FARM REAL ESTATE PROFESSIONALS

## CROP & WEATHER REPORT October 23, 2019

GENERAL WEATHER FOR THIS AREA: A late start to harvest has been the most recent addition to this year's theme of delayed field operations. Starting harvest about two weeks later than usual this year was not a surprise when looking at the average planting dates for both corn and soybeans. Thankfully, a few producers were able to combine some soybeans in late September that were planted in May. During the last two weeks, most farm operators were able to combine soybeans and some even were able to finish them. Overall, there has been little corn harvest taking place in Southwestern Minnesota (SWMN) so far this fall.

The wet weather pattern has continued since our last report in September. In general, SWMN received about 3-5 inches of rain from mid-September to mid-October and another about another 2 inches this week. Fortunately, we only observed a dusting of snow on October 12<sup>th</sup>, while there was 2+ feet in parts of North Dakota. The soil profile is very saturated and it is becoming more difficult to dry out as the day-light hours continue to become less with each passing day.

Daily high temperatures over the past month have ranged from 35 to 87 degrees, with lows ranging from 27 to 68 degrees, as recorded at the Southwestern Research and Outreach Center (SWROC) in Lamberton. It appears that we had a killing frost around October 13<sup>th</sup>, which was late enough that it did not have much of a negative impact on yield potential, and it might have been a benefit to "even out" the crop in SWMN.

The forecast is for 50-60 degree weather this coming weekend, then below average temperatures for the balance of October into early November. With highs forecasted in the low 40s and cloudy conditions, drying out the soils and getting moisture out of the grain will take some time. Farm operators are very anxious to finish combining soybeans as soon as possible, start combining corn, and getting some tillage completed.

FAIRLAND MANAGEMENT COMPANY  
CROP & WEATHER REPORT  
October 23, 2019



Figure 1 – Farmers harvested as much as they were able to ahead of the rain on 10/21.

**SOYBEANS:** Limited soybean harvesting began the end of September/first week of October. Later planting dates have kept a majority of the bean crop from reaching maturity, and therefore were not drying down to the desired moisture of less than 13-14%. Once the killing frost occurred, the soybean plants started to dry down much quicker. Many of the soybeans in our area have been harvested, but quite a few fields remain. Yields to date have been between about 35-55 bushels per acre, with those planted in May are mostly in the 50s. The later planted soybeans and those damaged by previous weather events are yielding in the lower end of the range. The weather forecast moving forward appears to be damp and cold, which will delay what soybean harvest remains.

According to the USDA, 42% of the soybeans in Minnesota have been harvested as of October 20<sup>th</sup> compared to 59% last year. The five-year average for this date is 81%, so we are very far behind. After the 2+ feet of snowfall in parts of North Dakota, only 20% of the soybeans in the state have been harvested compared to the 5-year average of 81%. Overall, the U.S. has about 46% of the soybeans harvested, which is less much than the 5-year average of 64%.

FAIRLAND MANAGEMENT COMPANY  
CROP & WEATHER REPORT  
October 23, 2019



Figure 2 –Harvesting soybeans in mid-October.

CORN: Corn harvest barely began in the middle of October before rain on the 21<sup>st</sup> caused a temporary halt. The producers who were able to finish soybean harvest moved into corn and are patiently waiting to start up again. We are seeing some stand issues with stalks blown over from the wind event back in July. Yields this year will have the largest range in recent memory. Results of 75-190 bushels per acre are expected, and sometimes a range from 0-250 in the same field will occur. Most of the inconsistency is the direct result of the green snap that occurred in July.

As of October 20<sup>th</sup>, 30% of the corn in the U.S. has been harvested, which is less than the 5-year average of 47%. In Minnesota, 11% of the corn crop has been harvested. This is significantly behind 33% last year and the five-year average of 35%. Most of the harvest efforts have focused on the soybeans up until this point. Most producers will switch to corn harvest in the coming week or so depending upon the weather and completing soybean harvest. The average corn moisture on the acres of corn that have been harvested is about 20-30% depending on maturity and planting date.



FAIRLAND MANAGEMENT COMPANY  
CROP & WEATHER REPORT  
October 23, 2019



Figure 3 –The view from the combine of wind damaged corn. The rows are no longer visible and there is corn laying on the ground, which makes harvest difficult.

REMARKS: The USDA Monthly Supply and Demand Report came out on October 10<sup>th</sup>. Corn production estimates are 13.779 billion bushels, were 20 million bushels lower than the previous month. Corn yields were estimate at 168.4 bushels an acre, up 0.2 bushels per acre from the previous report. The USDA estimate of global ending stocks for corn is about 302.6 million metric tons. This is less than last month’s prediction of 306.3 million metric tons. Soybeans were decreased by 83 million bushels in the October report to 3.55 billion bushels. USDA lowered its national average yield 1 bushel per acre to 46.9 bushels per acre. Worldwide soybean ending stocks are projected at 95.21 million metric tons, down 3.98 million metric tons from September’s prediction.

Since our last report at the end of September, corn prices have remained flat and soybean prices have increased about 40 cents per bushel. There was a “Phase One” agreement between the U.S. and China announced on October 11<sup>th</sup>, which created some optimism in the markets, although there has not been a big spike in the grain prices from this announcement, as traders are waiting to see results from the deal. Corn and soybean prices are about 40-50 cents per bushel higher than they were in 2018 at this point in the year.

We remain very busy in the Fairland office. We continue to coordinate harvest with our tenants, are verifying crop production, and making preparations to market more grain. With some yields coming in below the crop insurance guarantees, we will also be processing insurance claims for clients affected by the adverse conditions this year. We are making fertilizer recommendations, overseeing fertilizer application, and organizing fall tillage.

FAIRLAND MANAGEMENT COMPANY  
CROP & WEATHER REPORT  
October 23, 2019

As part of a disaster aid package, those that filed Prevented Planting claims are going to receive another 10-15% of the initial insurance proceeds that are called “Top-Up” payments that we will be processing in the coming week. We are also processing Conservation Reserve Program (CRP) payments. We are also collecting the second half of the 2019 cash rent, making cash rent recommendations, and negotiating rental rates for 2020. Depending on weather conditions, we do have some tile projects for our clients that we are working on to complete yet this fall. We anticipate it is going to stay busy through the balance of 2019.



Figure 4 – Loading a commercial fertilizer spreader.

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	September 30, 2019	2,450	-90

FAIRLAND MANAGEMENT COMPANY  
 CROP & WEATHER REPORT  
 October 23, 2019

GRAIN MARKETS (October 22, 2019):

	<u>NEW VISION WINDOM</u>	<u>MAGNOLIA</u>	<u>POET ETHANOL BINGHAM LAKE</u>	<u>MINNESOTA SOYBEAN PROCESSORS BREWSTER</u>
<b>Cash</b>				
Corn	3.69	3.78	3.78	N/A
Soybeans	8.49	8.56	N/A	8.64
<b>January</b>				
Corn	3.77	3.80	3.83	N/A
Soybeans	8.63	8.62	N/A	8.78

RAINFALL (INCHES):

<u>COUNTY</u>	<u>CITY</u>	<u>SEPTEMBER 16 OCTOBER 15, 2019</u>	<u>MARCH 15 TO DATE- 2019</u>	<u>MARCH 15 TO DATE- 2018</u>
Cottonwood	Jeffers	3.46	30.47	33.36
Cottonwood	Windom	3.55	29.56	33.03
Jackson	Heron Lake	3.03	28.01	31.61
Jackson	Jackson	4.88	27.52	36.68
Martin	Trimont	4.47	28.44	34.49
Murray	Fulda	3.67	29.68	36.37
Murray	Slayton	2.77	29.72	35.06
Nobles	Round Lake	4.23	28.86	39.02
Nobles	Rushmore	4.06	31.07	36.25
Redwood	Redwood Falls	2.98	29.97	35.25
Rock	Magnolia	3.11	29.66	36.64

Cody Adrian  
 Farm Management Advisor  
 Real Estate Salesperson

Klay Walinga  
 Vice President  
 Manager, Farm Services Department  
 Real Estate Broker  
 Accredited Farm Manager