

GOLD-EAGLE COOPERATIVE

THE PERSPECTIVE

www.goldeaglecoop.com



Investing in the Future

LOCATIONS

Eagle Grove
448-4775
800-873-1797

Thor
378-3314
866-210-9734

Goldfield
825-3161
800-825-3331

Renwick
824-3214
888-824-3214

Hardy
824-3221
866-210-9733

Livermore
379-1843
888-576-1843

Corwith
583-2462
888-581-2462

Wesley
679-4272
866-212-3890

Titonka
928-2272
866-203-9656

By Brad Davis
General Manager



The fields have turned a beautiful shade of green, and the next 60 days are my favorite time of year. I love to see the progress that the crops make each day as I drive to work.

Progress also defines Gold-Eagle. Our six-month period ended on March 31, and I'm happy to report that we're staying ahead of last year's results and are ahead of budget.

There are also lots of exciting things going on at Gold-Eagle this summer, including:

- **Expansion at Wesley.** We've purchased some property in the country just east of Wesley, where we'll build a new grain complex for corn. Dirt work will begin this fall, and the project will be ready by the 2015 harvest. With nearly 2 million bushels of grain-handling capacity, this state-of-the-art facility will offer faster unloading. Your board of directors had been looking at site options for this area for a number of years. Based on the success we've had with

our greenfield site near Titonka, we decided this strategy would work well at Wesley, too.

- **New drying system at Hardy.** The new drying system at our Hardy location is coming along well. This much-needed upgrade will be completed by fall.
- **New loadout system at the Eagle Grove feed mill.** The new loadout system will increase efficiencies and give us additional bins so we can manufacture feed into a second shift. This project is already more than half done.

CORN, LP is off to a great start

I also want to update you on the CORN, LP ethanol plant in Goldfield. Gold-Eagle owns 25% of CORN, LP, and our goal is to purchase additional ownership in this business each year.



The first-quarter results of March 31 for CORN, LP reported more than \$5 million in savings for the first three months of 2014. It looks like this could be a great year, if crush margins remain strong.

All this shows that we have a lot to be thankful for at Gold-Eagle. Thanks to our employees for doing a great job, and thanks to you, our customers, who support us each year. We appreciate your trust and your business. ◀

Production is Bullish on the 2014 Crop

By Duane Madoerin
Merchandising Manager



Traders are feeling good about the start of the new crop year, which is quite a switch from 2013. Back then, I was writing about the wettest Memorial Day I could recall, and everyone was asking how many corn acres would go unplanted or be switched to soybeans.

This year, corn planting was virtually complete by mid-to-late May. Early planted crops tend to reach trend-line yields. In its May 2014 crop report, the U.S. Department of Agriculture (USDA) projected corn yields just above trend line at 165.3, which would result in the production of 13.935 billion bushels.

The trade is convinced we've got a huge crop in 2014. I have a hard time thinking the market will see \$5 corn again anytime soon, unless something very serious happens to the new crop.

Are feed demand numbers off?

By early June, corn prices were at the same level as late February. It took 14 sessions after the USDA's May 9 report for prices to fall back to these levels, but this reflects good planting progress, the easing of tensions in Ukraine and Russia, China's cancellations of grain orders, South American competition, fund liquidation, and lower hog feed demand due to the porcine epidemic diarrhea virus (PEDV).

The corn fund position went from a short in early January to 1.08 billion bushels long by late May. Corn has been cheap, relative to ethanol, hogs, milk, eggs, wheat, and chicken. Positive margins for all corn end-users mean that ethanol, cattle, hogs, poultry, dairy, and the rural economy are benefiting all around.

Overall, the USDA has pegged the demand at 13.385 billion bushels, versus 13.635 billion in the current marketing year. USDA calculated demand with feed using 5.25 billion bushels, ethanol at 5.050 billion bushels, exports at 1.7 billion bushels, and other industries at 1.385 billion bushels. Year-to-date corn export sales through May 22 were 1.772 billion bushels, compared to 677 million bushels during this time a year ago.

While demand from exports and ethanol has been strong, I think the USDA is overestimating feed usage big time. Both cattle and hog numbers are down, and PEDV is much more serious than some people realize. If the USDA is wrong on feed demand, I think it will have a negative effect on the market.

Ending stocks of corn are projected at 1.726 billion bushels, or 580 million bushels higher than the current projection. At face value, that should weigh on prices. Remember, last fall the current crop started with a projected carryout of more than 1.7 billion bushels.

Will we see \$15 soybeans?

Old-crop soybeans remain tight, and this has been reflected in the basis. Fund length still sits at 720 million bushels long, after being long 865 million bushels in early May.

Export demand for soybeans and soy meal is still prevalent. However, the United States is poised to break all kinds of soybean import records. The United States is expected to import 90 million bushels this year, compared to 36 million bushels last year. These are mostly Brazilian soybeans diverted to the United States, as China cancels South American purchases.

Year-to-date soybean export sales through May 22 totaled nearly 1.65 billion bushels, versus 1.348 billion bushels during the same period a year ago. If all the sales and exports go through in the weeks ahead, we won't have enough soybeans to get to harvest.

Does that mean we'll see \$15 beans? I'm not saying we can't get there, but realize the market will start to ration as prices rise.

The USDA's May 9 new-crop soybean production outlook was optimistic. It pegged 2014 bean plantings at an all-time record of 81.5 million acres, with a record crop of 3.635 billion bushels—a whopping 276 million bushels higher than the previous record posted in 2009. Despite these optimistic production numbers, the carryout was 330 million bushels, well below the massive 574 million-bushel carryout in 2006.

What's next?

El Niño should help Midwest crop production this summer. The central United States is expected to experience timely rainfall during the summer with near-average temperatures. Also, rainfall amounts may be slightly greater than usual in the Midwest and Northern Plains.

Have grain marketing questions? Need a marketing plan? Contact merchandiser Darren Fritz at our Goldfield location, at 800-825-3331. We appreciate your business. ◀

FUNGICIDES

PRODUCT NAME	AVERAGE RATE/ACRE	LABELED FOR CORN	LABELED FOR SOYBEANS	ACTIVE INGREDIENT
Domark®	4 oz.	no	yes	tetraconazole
EVITO T®	5 oz.	yes	yes	fluoxastrobin/tebuconazole
FORTIX®	5 oz.	yes	yes	fluoxastrobin/flutriafol
Headline AMP®	10 oz.	yes	no	pyraclostrobin/metconazole
Priaxor®	4 oz.	no	yes	pyraclostrobin/fluxapyroxad
Quilt Xcel®	10.5 oz.	yes	yes	azoxystrobin/propiconazole
Stratego® YLD	4 oz.	yes	yes	trifloxystrobin/prothioconazole

INSECTICIDES

PRODUCT NAME	RATE (FL.OZ./A)	RE-ENTRY INTERVAL	PRE-HARVEST INTERVAL	CHEMISTRY CLASS
Asana® XL	5.8 to 9.6	12 hours	21 days	pyrethroid
Baythroid®	2.0-2.8	12 hours	45 days	pyrethroid
Cobalt®	13 to 26	24 hours	30 days	organophosphate/pyrethroid
Hero®	4 to 10.3	12 hours	21 days	bifenthrin/pyrethroid
Leverage 360	2.8	12 hours	21 days	neonicotinoid/pyrethroid
Lorsban™ 4E	16 to 32	24 hours	28 days	organophosphate
Mustang® Maxx	3.4 to 4.3	12 hours	21 days	pyrethroid
Warrior II®	.96 to 1.6	24 hours	30 days	pyrethroid

Consider Fungicides for 2014

By **Stu Pannkuk**,
Agronomy Sales
Manager



We didn't exactly have ideal conditions this spring, but on a scale of 1 to 10, I'd rate this year a 7 compared to a 1 last spring. The crop is off to a good start as I write this in early June.

Now it's time to turn our attention to insecticides and fungicides. Most of you have considerable experience with insecticides, due to the many years we had to deal with soybean aphids. Contact your Gold-Eagle agronomist to determine which insecticide should be used based on the crop and type of insect involved.

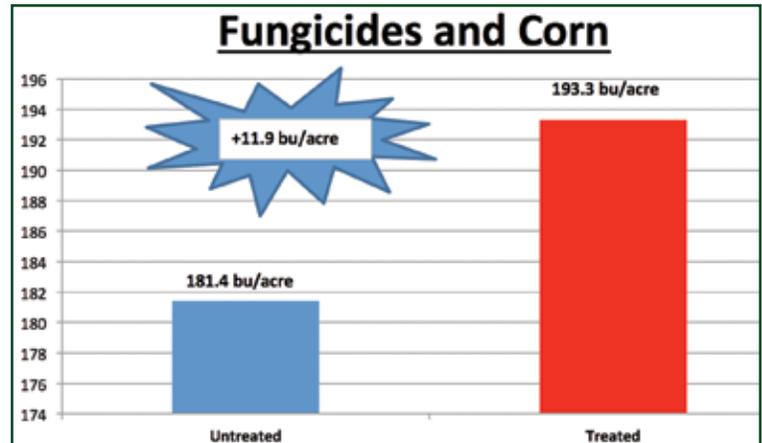
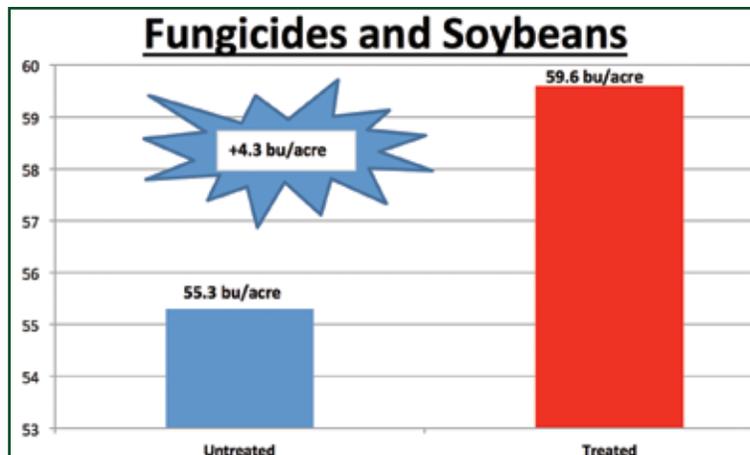
Going forward, it sounds like conditions might be right for fungicide applications in 2014. In a recent article, Dr. Alison Robertson, an Iowa State University Extension plant pathologist, noted that delayed planting and a wet spring can create favorable conditions for fungicide applications.

University research and various on-farm trials in the past several years have shown increased yield responses with a fungicide application. To increase the chance of a return on investment with fungicide, consider an early season fungicide application that can be tank-mixed with a herbicide. Saving trips across the field will save you time and money. Early season application provides the option of ground or aerial application, which gives you greater flexibility with application timing and rates. It also potentially lowers input costs.

Here's a summary showing net income earned from fungicide applications, based on field-trial yield results reported by various universities, consultants, third-party researchers, and suppliers during the past 10 years:

Increased Net Income Earned With Fungicide Applications

	CORN	SOYBEANS
AVERAGE YIELD INCREASE/ACRE	10 BU.	5 BU.
01/15 FUTURES PRICE/BU.	\$4.72	\$12.50
ADDITIONAL REVENUE/ACRE	\$47.20	\$62.50
AVERAGE FUNGICIDE APPLICATION COST/ACRE	\$23.00	\$23.00
NET INCOME EARNED FROM FUNGICIDE APPLICATION	\$24.20	\$39.50



Fungicides boost plant health

Besides controlling diseases, fungicides can increase plant health due to an increased efficiency of carbon assimilation, nitrogen fixation, and water utilization.

Improved plant health can also translate into larger ears of corn with more kernels around, extended grain fill, plants that stay green longer for more growth, stronger stalks that are more resistant to lodging, faster harvest times, and increased yield potential.

Benefits in soybeans include larger beans, fuller pods, better pod retention, improved root health, and higher yield potential.

How to apply

Fungicide can be applied to corn at the VT-R3 stage of growth for optimal benefit (except for FORTIX®). Fungicide should be applied to soybeans at the R3 growth stage for optimal benefit.

With fungicides, ground application volumes are 10 gallons per acre or more, while aerial applications are 2 gallons per acre or more (except for FORTIX, which is 5 gallons per acre).

FORTIX is "one and done"

Speaking of FORTIX, there's a good reason why this is called the "one and done" fungicide. FORTIX offers the flexibility of one early season application for season-long plant health benefits.

It combines a highly systematic, fast-acting strobilurin with a long-lasting triazole (flutriafol) that allows you to spray once. To emphasize the long-lasting effects, FORTIX has an 80-day preharvest label for corn.

FORTIX offers the perfect fit if you want to apply fungicide yourself while you're applying your broadleaf/Roundup® herbicide on corn at the V5 to V8 stage and still want good fungicide activity.

Note: Bayer has shown that you can apply 2 ounces of Stratego® YLD at the V4 to V7 stage to increase yields, but they recommend coming back at R2 with a second application to get top yields. Gold-Eagle still recommends the later treatment (VT-R3) to achieve optimal yields.

Contact your Gold-Eagle agronomist for more information on fungicide application options this summer. Thanks for your business, and we look forward to hearing from you soon. ◀

Eye in the Sky

By Bruce Burns
Eagle Vision Precision
Farming Services



It seems like drones are everywhere, from South African game wardens who use them to protect rhinos from poachers to Amazon.com, which has proposed using drones to deliver packages to customers. Even the new season of the hit TV series "24" is based on the use of drones.

These unmanned aerial vehicles (UAV) or unmanned aerial systems (UAS) are also the next big thing in agriculture. Sometime in 2015, the Federal Aviation Administration (FAA) will announce strict requirements for UAVs. Until then, companies are scrambling to get into agriculture, as the gray areas of what's legal allow all kinds of activity.

Some of us at Gold-Eagle recently had a chance to see a UAV in action. It flew using field boundaries for coordinates. Upon takeoff, the UAV circled around until it reached a peak altitude just shy of 400 feet (the maximum altitude allowed by the FAA for non-regulated aircraft). The UAV had high-pixel cameras attached to it and took pictures as it flew back and forth across the field in 60-foot intervals. After the UAV finished, it flew back to the origination point and landed itself.

After the flight, information was transferred to a computer, where special software "sewed" maps together into one big map. This technology offers the ability to make quicker decisions during the growing season regarding

stand populations, plant health, insect pressure, or other issues that the pictures reveal.



Within 24 to 48 hours of these images being recorded and analyzed, a web-based report is available to the grower and Gold-Eagle Coop. This turnaround time is critical, and companies are competing to become the niche provider that offers the "cloud" to store and analyze this data.

Want a UAV over your farm?

We can access UAV flights for you through our soil sampling lab. To learn more, contact me at the Renwick Agronomy Center (515-605-5113) or call Chris Petersen at our Goldfield office (515-825-3161). ◀

Gold-Eagle Internship Fits Jacob McCarville

Gold-Eagle is pleased to welcome Jacob McCarville as our 2014 agronomy intern. Jacob grew up in Fort Dodge and will be a senior this fall at Iowa State University, where he is earning his bachelor's degree in public service and administration in agriculture.

"My grandparents farmed, and my grandpa encouraged me that agriculture is where it's at," says Jacob, a St. Edmond High School graduate who has completed two previous agronomy-related internships.

Jacob is working with the Gold-Eagle team, including Chris Petersen, seed department manager, on a variety of projects this summer. He's evaluating rootworm pressure on local corn-on-corn acres. He's also conducting stand assessments to determine their impact on corn growth and ear sizes.

After graduation, Jacob would like to start his career in Iowa. "I like the people in agriculture, and I hope to work close to home." ◀



Jacob McCarville (left) is interning at Gold-Eagle this summer, where he's working with Chris Petersen (right), seed department manager, and the Gold-Eagle team.

Fungicides labeled for corn help control:

- Anthracnose
- Eyespot
- Gray leaf spot
- Northern corn leaf blight
- Northern corn leaf spot
- Physoderma brown spot
- Rust
- Southern corn leaf blight
- Southern rust
- Yellow leaf blight

Fungicides labeled for soybeans help control:

- Alternaria leaf spot
- Anthracnose
- Asian soybean rust
- Brown spot
- Cercospora blight
- Frogeye leaf spot
- Pod and stem blight
- Rhizoctonia aerial web blight
- Sclerotinia blight

What's Been Keeping Us Busy

- We started applying liquid nitrogen on April 11 and finished May 24, due to great variations in rainfall amounts and timing throughout our trade territory.
- We applied thousands of acres of preplant and pre-emerge products for corn and soybeans, and we're on track to set a new record.
- Whether or not we set a new record for the entire crop year will depend on how many post-emerge acres we spray.

It's in the Bag

By Rachel Howdysshell
Customer Sales
and Support



While Gold-Eagle is a high-volume feed manufacturer, did you know we offer much more than bulk feed? Count on us for bagged feed, too.

We carry a wide array of bagged feed products for most species. Our top three sellers are calf starter feeds, swine show feed, and horse feed. We carry many products from the Purina® line, which is

known for its high quality. Purina products are readily available, and we like the way Purina is customer focused, just like Gold-Eagle.

While we have many bagged feeds in our warehouse in Eagle Grove, we can order products that we don't have in stock and get them to you quickly. Not in Eagle Grove? No problem! Contact your nearest Gold-Eagle location to place your order for bagged feed, and we'll deliver it there.

If you have any feed questions, contact us at 515-448-5392. We look forward to

servicing you and wish all the fair exhibitors good luck with their livestock projects this summer. ◀



Carl Kuebler, feed warehouse dock operator, loads bagged feed for a customer in Eagle Grove.

Save \$1 Per Acre on Grid Sampling

By Bruce Burns, Eagle Vision Precision Farming Services

There's still time to get your grid sampling done before heavy canopy. You can also save \$1 per acre by taking care of this now rather than this fall.

Another big advantage? You'll get your results back in plenty of time so your Gold-Eagle specialist can work with you to make a fall fertilization plan. When you're finished harvesting a certain field next fall, just give us a call, and we'll be ready to apply fertilizer. This saves about two to three weeks of your precious time, since you probably want to start tillage as soon as possible.

Maximizing your return on investment

Gold-Eagle uses some of the best grid sampling software to produce the most reliable recommendations. We combine this data with our knowledge of your fields to help you maximize your return on investment.

It's a good idea to grid sample your fields every fourth year to get an updated set of recommendations based on your soil's current needs. While sampling one-fourth of your fields each year also spreads out your expenses.

Grids show areas where the higher-producing ground is lower in fertility and the lower-producing ground is higher in fertility. More importantly, you'll see where higher-yielding crops are pulling off many nutrients year after year that need to be replaced. Grids also show areas where lower-producing ground is not removing nearly as many nutrients, which continue to build year by year.

Contact your Gold-Eagle agronomist today to get your grid sampling lined up. ◀

Variable-Rate Seeding Offers Options

By Bruce Burns, Eagle Vision Precision Farming Services

Gold-Eagle Coop did a record amount of variable-rate seeding (VRS) prescriptions this year. You have a couple of options with this powerful service.

We can create prescriptions for your fields by utilizing several layers of information from you. VRS prescriptions can also be developed through Monsanto's FieldScriptsSM. Gold Eagle is a certified FieldScripts agent, and we'll be talking to you about this as the 2014 season moves along.

Data required for FieldScripts includes a

minimum of 3-acre grids with the following attributes: water pH, buffer pH, organic matter, cation-exchange capacity (CEC), phosphorus, potassium, calcium, magnesium, zinc, sulfur, and soluble salts. We also need three years of yield data, with two years of those being corn. The right equipment is also important, but these requirements will be reviewed during 2014 and may change for next year, so we'll keep you updated through

future newsletters and visits.

Ready to get started? Bring your data cards to your local Gold-Eagle salesperson, or stop by the Renwick Agronomy Center to visit with me. We'll be happy to import your data into our system and process it for you.

Thanks for working with Gold-Eagle. We appreciate your business. ◀



GOLD-EAGLE COOPERATIVE

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Test Plots Put Genetics to the Test

By *Chris Petersen*
Seed Sales Manager



It has been quite a few years since we had such good seed supply as we did this spring. Seed plans fell into place well, and we hope this will pay big dividends this fall.

We have eight corn plots and five soybean plots throughout our trade territory this summer. Thanks to our

farmer cooperators who work with us on these DeKalb® and Asgrow® test plots, including:

- Robert Campbell, Eagle Grove
- Scott and Kevin Christensen, Goldfield
- Jerry Haverly, Renwick
- Terry McPeak, Renwick
- Bill Nielsen, Hardy
- Brian Roethler, Livermore
- Chris Nygaard, Wesley
- Mark Zwiefel, Titonka

Sharpening our skills

Staying current on the latest agronomy

news lets the Gold-Eagle agronomy team serve you better. That's why we participate in monthly training sessions with Monsanto during the growing season.

We had our first training session on May 29 at our test plot in Goldfield, where we learned more about the new product lineup and evaluated how the crops are progressing.

If you have any crop-related questions, be sure to contact your Gold-Eagle agronomist. We look forward to working with you this summer. ◀

The Gold-Eagle agronomy team participated in a May 29 training with Monsanto at our test plot near Goldfield. Our employees are shown here with Richard Judge (right), a regional agronomist for Monsanto; T.J. Mortenson, a Monsanto district sales manager (second from the right); and Steve Arndorfer, a Monsanto district sales manager (center).

