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Through the Bushels for Ag program, grain marketing becomes a real-life experience for high school students, not just a process they learn about in the classroom.



CONNECTIONS

A publication dedicated to informing and connecting members.



Key Perspectives

Expecting (and preparing for) the unexpected

By Boyd Brodie, General Manager,
Boyd.Brodie@keycoop.com

IT CONTINUES TO BE an interesting year, from extreme weather to unpredictable markets and all the incredible, unexpected forces impacting them. Then there's the extended board inverses, the threat of

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'Tis the Season to Give!

Bushels for Ag rewards FFA chapters with the gift of grain

By Sara Clausen, Director of Communications, Sara.Clausen@keycoop.com

WE MIGHT NOT BE SINGING Christmas songs quite yet (okay, some of us are excited about Christmas all year long), but December really is right around the corner. This holiday season, Key Cooperative invites you to partner with us to give the gift of education!

For a decade, Key has been focused on developing Bushels for Ag, a one-of-a-kind program through which we donate hundreds of bushels of corn and soybeans to high school ag marketing classes.

How do schools get involved? Each fall, Key Field Marketing Specialists contact local schools to either kick off their annual program or invite a vocational-agricultural class to participate for the first time. Today, we have 21 partner schools and local FFA chapters participating in Bushels for Ag.

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A Newfound Hope for Soybeans?

By Zack Gardner, Grain Marketing and Origination Specialist, Zack.Gardner@keycoop.com

IF YOU'D ASKED ME A MONTH AGO, I would have said I'm pretty bearish on soybeans. Fears of a global recession started circulating, driving the dollar higher compared to other currencies. That meant our soybeans started costing more. At that same time, Argentina issued a special subsidized exchange rate for farmers to entice them to sell soybeans into the open market (and thus bring more foreign currencies into the struggling Argentine government). Argentine farmers sold a whopping 13.9 MMT (511 million bushels) of soybeans in September. As a result, China didn't have to buy many soybeans from us when our currency was skyrocketing in value.

On top of this situation, Brazil started getting some decent rain, which made their record soy production estimate of 150 MMT look feasible. How could it get much worse?

The icing on the cake was the Mississippi River's low water levels. With a high U.S. dollar and a lot of South American beans hitting the market in September, the river issues were basically the nail in the coffin for the majority of our soybean export program.

While we're not quite to our summer low-resistance level of \$13.00 futures, we dropped ~\$1.50 this past month. That decrease has me wondering if this might be the harvest low, as well as a potential buying opportunity. What has changed that leads me to think there is potential for a turnaround out there?

EXPANDING ARGENTINE DRYNESS

At the start of the year, weather models projected a third year of La Niña dryness for Brazil. Then, after a couple of

solid rain events during planting season, they were off to the races toward a record crop. However, a developing story is the expanding dryness in Argentina. On the map below, the red keeps getting redder; it could easily overtake the light blue of Brazil's main growing region (circled in green).

I'm almost always the last person to jump on the South American drought bandwagon, especially after seeing what we've produced in the past couple of years. But the potential for growing dryness is there. I'm not saying we will see another major drought—I just think the likelihood of Brazil producing a record crop (currently estimated at 20 percent larger than last year's crop) is decreasing, all at a time when the world can't get enough grain.

A GLIMMER OF HOPE ON EXPORTS

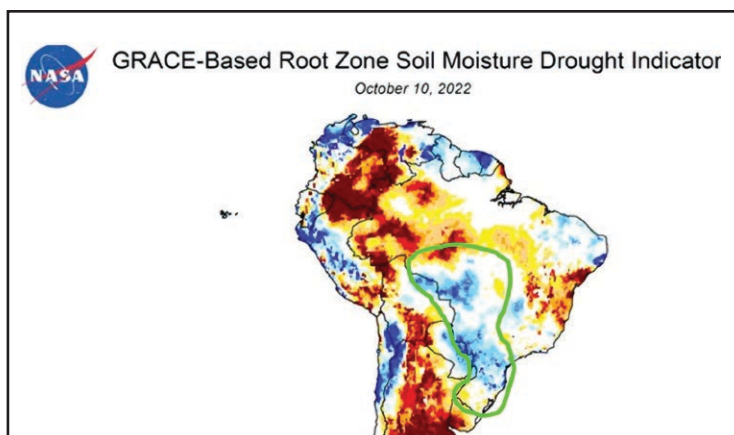
This is our peak soybean export window, and the Mississippi River system is a mess. The water levels are so low they might as well post "no diving" signs along the river!

As bad as this situation sounds, there was a glimmer of hope in our export system in mid-October. There were a couple of overnight export sales to China (overnight meaning they were large enough that the USDA reported them). Then we had a stellar export shipments report the second week of October. At that time, reports were showing 69.2 million bushels shipped when we only needed 40.7 million to stay on pace. Nearly doubling our weekly export shipments sure goes a long way toward catching up, but it's also mind-blowing that we were able to accomplish that growth without a river system! This is the glimmer of hope—maybe our export numbers won't turn out that bad this year.

BEFORE WE GET TOO BULLISH

There are still several major threats to our soybean market, the biggest being China. For now, China is stepping up as the typical major buyer that it is, but there is a risk that China won't always play this role as tensions escalate over Taiwan.

In October, the buzz was that the Chinese Communist Party expected to extend President Xi's rule. In the grain world, it had been rumored that President Xi was waiting



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Each receives 100 bushels of corn and 40 bushels of beans from Key Cooperative, which students will market in a hands-on learning experience. Key member-owners can also designate bushels for donation to the program.

“This program is all about giving students a real-life experience,” said Key Field Marketing Specialist Greg Artz. “This program gives the class an opportunity to sell real bushels. It is not a simulation. The students realize the amount the bushels are worth could be higher or lower by the end of the school year, just like on an actual farm.”

Bushels for Ag is an effective program because students learn with a physical product. They carry out a management plan and actively participate in the sale of the commodity. “The decisions made by the students directly affect their profit,” continued Greg. “Not only do students learn about how grain marketing works—they see daily, weekly or monthly how market fluctuations affect their revenue goal.”

Many of the best questions growers are asking today are related to productively marketing their grain. It’s clear that volatility swings will continue into the foreseeable future; that means effectively marketing grain is one of the

most critical phases of farming, now more than ever. Key Cooperative believes Bushels for Ag is a great way for our ag students to obtain a better understanding of how to properly market grain and stay engaged in agriculture as a whole.

“Career opportunities within agriculture are endless,” said Key Field Marketing Specialist Rick Weigel. “This program connects us with the future of ag!”

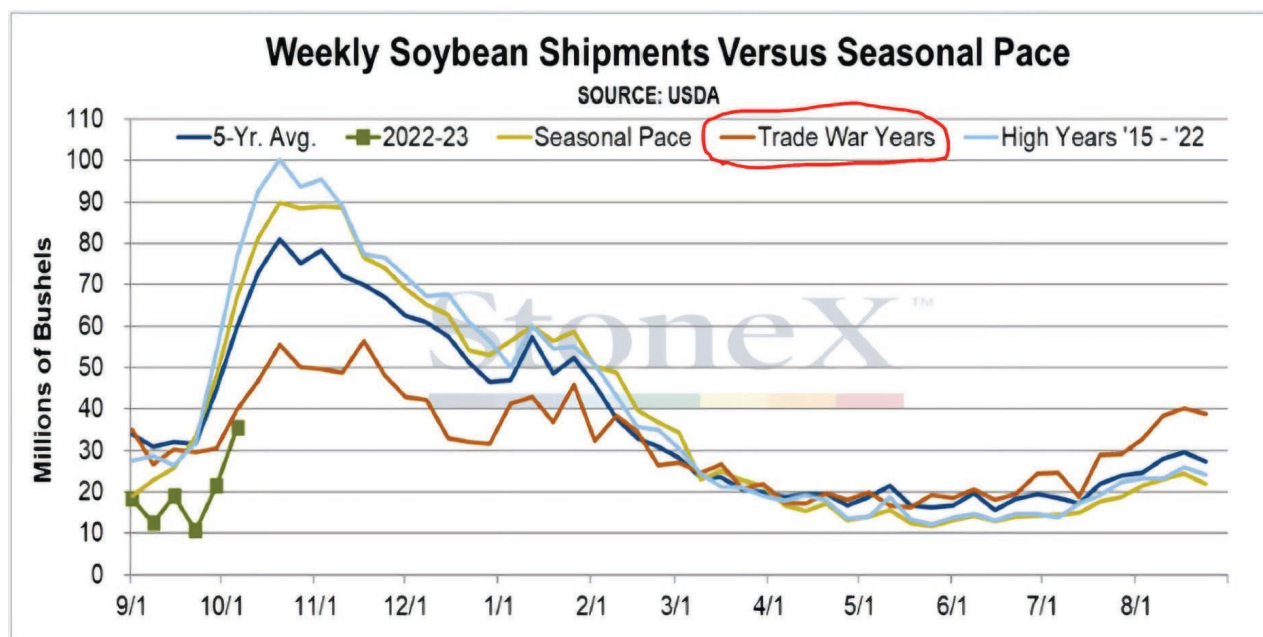
Members of the Key Grain team, including Greg and Rick, work with students throughout the entire school year. Classes often load up a bus and head to a Key Cooperative location for a tour of our elevators. “Our locations regularly get calls from students checking on daily grain prices,” said Greg. “Even better, the students have an opportunity to check our bids as the market trades on their phones, iPads, computers and other devices.”

As harvest comes to a close, we are all turning toward the season for giving. We invite you to consider making a gift of grain to the Bushels for Ag program. Your donation will bring a lot of return for ag students! To partner with us and support your local FFA chapter, fill out the donation form on our website: www.keycoop.com/about/community-involvement. ●

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to advance on Taiwan until after he was elected for a third term. As tensions escalate, I’ve been wondering how the U.S. counter-tariffed China the last time we had a disagreement with them. This chart displays our current soybean export

pace compared to previous years. It indicates that we’re not even above our trade war level of bean exports, so I’m keeping my bull horns in check while remaining cautiously optimistic for a turnaround. ●



Don't Skip Winter Fuel for Sheep and Goats!

By Marissa Eekhoff, Feed Sales Intern, Marissa.Eekhoff@keycoop.com

WINTER IS UPON US! That means it's time to start thinking about implementing changes that will ensure our livestock have the proper nutrition to fuel both them and the production of their offspring when the temperature drops. This planning is vital for all livestock species, as many of them go through the late stages of gestation during the winter. However, this step is especially critical for sheep and goats because they begin to lamb and kid in December.

When feeding gestating animals, the producer must consider the nutritional requirements of both the dam and the offspring. The fetus undergoes the most growth in the late stages of gestation. The ewe or doe's energy and protein needs also increase—an especially important consideration in this case, since these animals typically have twins or triplets.

Key Cooperative is working with Purina to offer Accuration® Sheep & Goat Hi-Fat Blocks, which will help ensure your livestock are in the best possible condition for parturition. This product is a great source for energy and protein at a free-range availability. Customers can book a specific, locked-in price for a set number of these blocks.

There are three key things to remember when feeding your livestock Accuration Sheep & Goat Hi-Fat Blocks:

1. Always provide an adequate amount of forage. If adequate forage is not available, the animals will overconsume the contents of the blocks, causing issues within rumen functionality.
2. Consumption will change with the quality of the forage. The formulation of the blocks allows them to be more concentrated and for slower consumption with the same great results.
3. This product is a great tool for ewes and does out in the pasture, but overconsumption can occur if they are in a pen.

Please contact Key Cooperative Lifestyle Feed Sales Specialist Ceara Smothers (641-260-6179) or Purina Sales Specialist Joel Edge (319-331-3667) for more information about Accuration Sheep & Goat Hi-Fat Blocks, including opportunities to test them out in your herd! ●



Sheep & Goat Promotion

November 1-30, 2022

Purina Accuration Sheep & Goat Hi-Fat Block

Features

- Intake-modifying technology
- 200 lb. tub for year-round usage
- High fat content & high-protein formula

Booking Options

- **Regular Pricing:** Order one tub, pick up at any time
- **Contract:** Get \$10.00 off per tub when you order a full pallet by December 31, 2022, pick up by February 28, 2023
- **Prepay:** Get \$20.00 off per tub when you order a full pallet, pick up by December 31, 2022



Ceara Smothers
Lifestyle Feed Sales Specialist
641-260-6179

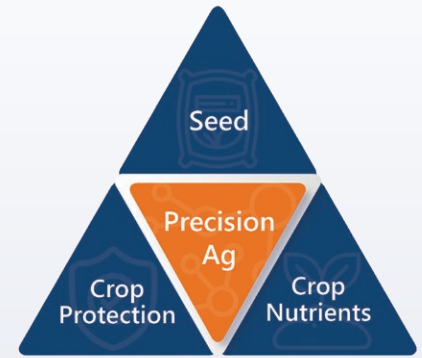
Kelcie Bohning
Key Cooperative, Gilbert Location
515-232-6515

Joel Edge
Purina Sales Specialist
319-331-3667



2022 Agronomy Year in Review

By Alex Branderhorst, Sales Agronomist, Alex.Branderhorst@keycoop.com



IT'S HARD TO BELIEVE we're nearing the end of another crop year. Looking back on the 2022 season, we recall how we were met with challenges and obstacles. A cool, damp spring led to some delays in planting. Those conditions were followed by an abnormally dry summer. In May through August, we were five inches below normal rainfall throughout much of our service area. We missed a lot of "timely" rains for our corn and soybeans, and yields just aren't quite what they were a year ago (when we did receive those timely rains).

Nevertheless, it's not a total loss. We are seeing respectable yields in both corn and soybeans this fall, which is a testament to how far we've come with

our hybrids and varieties, as well as some of our management practices.

For example, in terms of management practices, fungicides have become an important part of both corn and soybean plans. In drier conditions, we don't necessarily have the environment for much disease pressure. However, we still see a yield response to fungicides due to their ability to mitigate stress in the plant, which can help with respiration and moisture conservation.

Tar spot has also been a topic of discussion. It showed up earlier than usual this year, and it is a cause for concern. Corn fungicide should be in our plans moving forward, with

the possibility of a second application in severe cases. Talk to your Key Cooperative Agronomist about tar spot management, from hybrid selection to fungicides and crop rotation.

Remember, each year is different. Next year will have its own set of challenges, but we can take what we learn and incorporate that knowledge going forward to achieve our goals.

Thank you for making Key Cooperative your essential business partner! ●

SEASON-LONG TARGETED MICRONUTRIENTS.

BULLSEYE!

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A VERDESIA NUE SOLUTION®

FOUR REASONS TO FOCUS ON MICRONUTRIENTS

1. Larger amounts of nutrients, including micronutrients, are needed to achieve the higher crop yields growers are seeking today.
2. After longtime cropping, micronutrients have depleted in the soil and require replenishment.
3. We now have better information on nutrient availability, interaction and crop response.
4. The variability of nutrient requirements (and the technology to manage that variability) continues to develop.

Contact your Key Agronomist to learn more about micronutrients.

HELP US LOCATE THESE MEMBERS!

The members below have unclaimed patronage dividends from Key Cooperative:

Charles Lusher

Peter Murphy

Kevin See

Jarryd Van Soelen

If you know one of these members, please contact Vicki Gruhn at 641-260-2111 or email Vicki.Gruhn@keycoop.com.

rail strikes, river closures, uncertainty in global supply and demand, lingering inflation, increasing interest rates, impending recessions and growing currency imbalances—the list goes on. It's literally impossible to predict where the markets are headed and when. The only thing we can expect is the unexpected ... and that this extreme volatility and risk is our new normal.

Agronomically, we are investing significantly in the 2023 crop. It is advisable to lock up some new crop positions to offset those investments and lay off as much risk as possible. The input-supply situation seems to be improving, but timing, application windows and the logistical problems affecting grain movement are causes for concern. As Key Grain Marketing and Origination Specialist Zack Gardner references in his article, the loss of barge movement will definitely impact in-season product movement and hamper refills for spring. River closures are putting additional pressure on an already fragile rail and truck system for the fertilizer market. Nh3 is always weather-dependent and subject to the suppliers' preference to either charge storage or cancel contracts for tons that don't hit the ground.

Energy is facing similar volatility, from global supply issues to production controls and impending distribution

issues. Feed ingredients have been challenging as well, with product and formulation shortages happening while shifting between protein sources. Any disruption in rail movement across those sources would be catastrophic to the industry.

The takeaway from all these market concerns is that our member-owners should stay in close communication with their Key Cooperative sales team. As your essential business partner, our Originators, Agronomists and Energy and Feed Specialists are well-prepared to help you navigate these challenges and put plans in place to mitigate risk, maximize opportunities and assure supplies and resources are in position when it counts.

In this season of gratitude, please accept our appreciation for your support. There is always a distinct sense of achievement after completing a harvest season. We're excited to see continued growth in both new memberships and business with our current members. I also want to thank our dedicated team of employees at Key Cooperative. They are dependable and committed to our members and customers, assisting you with getting your crop out of the field, emptying your trucks and wagons, delivering your products and completing fall work.

Happy Thanksgiving from all of us at Key Cooperative! ●

SAVE THE DATE

Annual Business Meeting

Friday, January 13, 2023
Grinnell Agronomy Center
10:00 A.M.

Watch your mailbox in December for Board of Directors election materials.

FUEL FOR THOUGHT

From farm equipment to fuel storage, here are a few tips to help you prepare for fall and winter:

- Drain and remove all water and contaminants.
- Change filters and clean pump screens.
- Keep tanks full to reduce condensation, fill equipment every evening.
- Blend cold flow additives at the recommended treat rate—more isn't better.

Always use Ruby Fieldmaster® or Ruby Fieldmaster Seasonally Enhanced Diesel Fuel.

For more information, contact:
Chad Larson | 515-290-0009
Rick Kucera | 641-780-1624
Bob Rabey | 641-521-6318



SIGN UP FOR THE KEY E-NEWSLETTER TODAY

Make sure you don't miss any news from Key Cooperative! We distribute an e-newsletter every other month. To sign up, just scan the QR code and enter your email address.



IGNITE BEEF TUBS

Receive special pricing on Ignite Beef Tubs, October 1 - November 30, 2022.
Book today and take what you need, when you need it!

Featured QLF® Products:

- **Ignite 30 Tubs (30 percent protein)**
Great when cows are grazing grass pasture or feeding medium-quality roughages.
- **Ignite 40 Tubs (40 percent protein)**
Works best when cows are grazing cornstalks or feeding low-protein roughage.
- **Ignite Stress Tubs**
A mineral tub containing vitamins and trace minerals to reduce the effects of stress on animals, especially for calves at weaning time.

Contact our Beef Specialists to book:

Justin Crocheck
515-291-0763

Dustin Drexler
319-560-4442

*Special pricing deadline is November 30, 2022; promotion good while supplies last.
All tubs weigh 200 lbs. and must be picked up by May 31, 2023.*



Place Your Order for Discounted Farm Oil Fills

Through November 30, Key Cooperative is taking orders for discounted farm oil fill deliveries of TMS® 15W-40 and Qwiklift® HTB® hydraulic oil. This special promotion features:

- **No required minimum amount**
- **\$0.25 discount off the base price**

Key Cooperative only offers discounted farm oil fills twice a year—in the spring and fall. Please call 800-469-1040 to get your oil order in for delivery the week of December 5.





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PHOTO CONTEST WINNER: ALONG FOR THE RIDE!

By Key Director of Communications Sara Clausen



This October, members of the Nevada Fire Department got to experience what it's like to be on a grain train engine! The department visited Key Cooperative's Nevada location for supper and training.

Would you like to see one of your photos featured on this page? Enter the Connections photo contest, which is open to any member or customer who receives our newsletter. One winning photo will be selected and placed in the newsletter. Winning photographers will receive a \$20 GAS GIFT CARD! Photos must feature agriculture or rural settings; Iowa-based scenes are preferred. Photos must be submitted by the 10th of each month in order to qualify for the following month's newsletter. Please include your name, address, phone number and email address with your submitted photo(s).

Submissions may be emailed to Sara.Clausen@keycoop.com.

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**WE ARE
KEY**

Key Connections is sent to you courtesy of Key Cooperative. Please send comments or suggestions to Sara Clausen at 515-388-8030 or at Sara.Clausen@keycoop.com.