



319-723-4221



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Summer/Fall Newsletter 2023

EARLY CASH SEED DISCOUNT

DATES & FINANCING

8% November 17, 2023

7% December 15, 2023

6% January 12, 2024



CROP INPUT FORECAST

One thing we can all agree on is the last couple of years the agriculture industry has been on a wild rollercoaster ride with pricing and supply chain issues.

The top 3 farm production expenses with the highest inflation percentage change from 2020 to 2023 were: Fertilizer 78%, Interest Expenses 78%, Herbicides 66%.

We do know that two of the three will be returning back to a somewhat “Normal” state.

As we are about to wrap up our 2023 growing season and we start to think about 2024 crop inputs the following are some things we are seeing. Most of our top basic

chemical manufacturers are telling us prices will be flat to slightly up on their products. We are seeing a lot of the biggest price decreases in the “commodity traded” products like 2,4-D, Glyphosate (Roundup), Glufosinate (Liberty), etc.

On the fertilizer side of things, we have already started seeing significant price decreases from just over 1 year ago. Going forward with the large number of corn acres being reported we have probably capped fertilizer prices and there is more downward than upward pressure at this time.



FALL WEATHER TRENDS POINT TO RAINY FALL AND DECEMBER HARD FREEZE

We typically look at the Weather Trends predictions on a regular basis season to

season to help us monitor weather conditions several months and up to a year in advance. Statistically to date they have been 82% accurate with their weather predictions. This is by far better than local weather predicting only a week in advance.

Weather Trends is indicating a wet harvest and early December hard freeze. Month to month predictions through year-end are as follows:

September: Last two weeks 1 inch of rain every week.

October: Rain every week averaging $\frac{3}{4}$ inch per week (.5 over normal for the month).

November: .7 inches rain every week (which is .7 inches over normal) and slightly lower than normal temperatures for the month.

December: $\frac{1}{2}$ inch of rain every week with the second week of the month indicating 15 to 19 degrees overnight for a week causing a hard freeze and most likely snow falling instead of rain.

What does this mean for people having us Strip Till or apply custom Anhydrous Ammonia?

It means it is extremely important for you to let us know when you have finished harvesting field by field so we can get started on fall application ASAP. If you wait until your entire harvest is complete we may not have the time needed based on weather to complete your fall work.

GRAIN MARKETING STRATEGIES

Many producers have found themselves behind pace on new crop sales this year for a variety of reasons. It is not too late to market new crops and protect your downside risks moving into the 2023-2024 crop year. Nichols Ag offers numerous marketing strategies to help ensure success for producers in our area.

Marketing strategies offer producers the opportunity to receive more attractive price levels than what the current market is offering while also protecting you from potential downside risk. One option that should be considered to make additional new crop Sales would be our “Producer Strategy with Weekly Double-Up & Guaranteed Quantity.” There is zero upfront cost, the guaranteed level is attractive and the entire quantity contracted is priced.

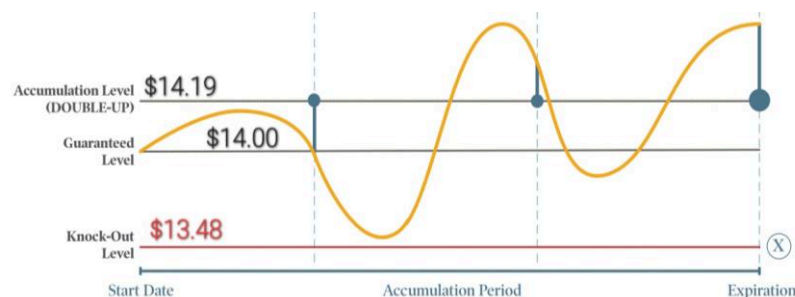
Soybean Nov 23 Producer - Accumulator with Weekly Double-Up & Gtd Qty

Board Price: \$14.00 (At the time the contract was executed)

Start Date: 09/01/2023 End Date: 10/27/2023

Period Range: 9 weeks

(notional quantity is the number of bushels contracted divided by the number of weeks the contract is running)



Every week the contract settles

- Above the Knock-Out Level (\$13.48), and at or below the Accumulation Level (14.19), 100% of

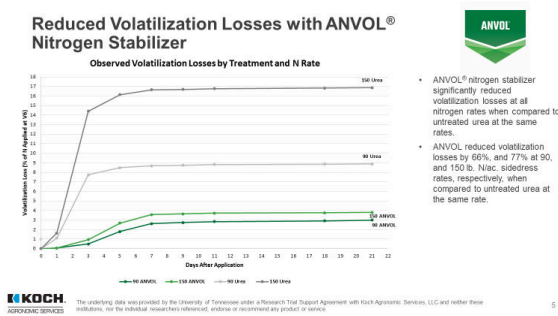
the weekly notional quantity is priced at the Accumulation Level (14.19.).

- Above the Accumulation Level (14.19.) and a knock-out has not occurred, 200% of the weekly notional quantity is priced at the Accumulation Level (14.19).

If the Knock-Out level

- trades or is breached to the downside, further accumulations and the Double-Up risk cease. Any swaps already accumulated will continue to exist. Remaining accumulations are priced at the Guaranteed Level (14.00).

Contact our Grain Merchandiser Shannon Tigrett at 319-723-4221 for additional information and options best suited to meet your goals.



NITROGEN STABILIZERS

Nitrogen Stabilizers are the reason our Urea and AMS program is successful even in a drought year like this. The new nitrogen stabilizers allow us to make applications weeks ahead of a rain with minimal losses. In fact, we have real examples of product that sat on the ground for 45 days on customer fields before rain and still had excellent performance. If you have not been taking advantage of this in your program please speak to a sales

representative today to get this added to your program for next year.



24/7 GRAIN UNLOADING AT 3 NICHOLS AG LOCATIONS

Nichols Ag now has three 24-hour grain unloading systems. The latest facility is a **24/7 soybean unloading system at West Liberty, Iowa**. In addition, we still have **24-hour soybean unloading at Columbus Junction** and the **24-hour corn unloading in the Nichols location**. We look forward to serving you this fall with our advanced grain facilities.

Call the Nichols office today for more details and to get your access card set up at any of these locations before harvest starts.

SAVE THE DATE!!!
YOU WON'T WANT TO MISS
OUR ANNUAL CUSTOMER
MEETING – MARCH 21, 2024
IT WILL BE HELD AT THE
RENDEZVOUS IN MUSCATINE, IA



Steve Goreham

Steve Goreham is a speaker, an author, a researcher on environmental issues and energy, and an independent columnist. He speaks and writes about agriculture, energy, industry, the environment, sustainable development, economic trends, climate change, and corporate environmental policy. Steve is the Executive Director of the Climate Science Coalition of America and an advisor to The Heartland Institute.

Steve will be speaking to us about Agriculture: Miracles & Misconceptions. Please mark your calendar and plan to join us in March!

HIGH YIELD SOYBEAN PROGRAM IN PROGRESS – PRE-HARVEST FINDINGS!

We have certainly experienced some unusual weather this growing season and feel we are really putting the high yield soybean program to a big test. If it can succeed in these conditions imagine what we can accomplish with a more typical growing season regarding heat and rainfall.

Also, the addition of Tripidity seed treatment meant we had no replants of

soybeans this year along with a very even emergence and the ability to withstand some of the early season weather changes that we have in the spring. Tripidity has a combination of 5 essential nutrients, plant hormones, and biostimulants that allows each seed to receive the same emergence message and complete cellular food source at the same time.

Each location has done some crop scouting and is pleased to report pre-harvest findings!

O'TOOLE INC.



We have quite a few acres of the high yield soybean program out to test. As of right now it's pretty hard to tell actual yield, but they sure look good. We have been watching them pretty closely and have noticed some things that make us think it's working like it's supposed to. We have noticed more branching and after the R3 pass with fungicide the beans put on a load of new flowers, which is not extremely common for that time of year. If you would like to know more about this program or would like to look at some of these beans in the field before they have been harvested,

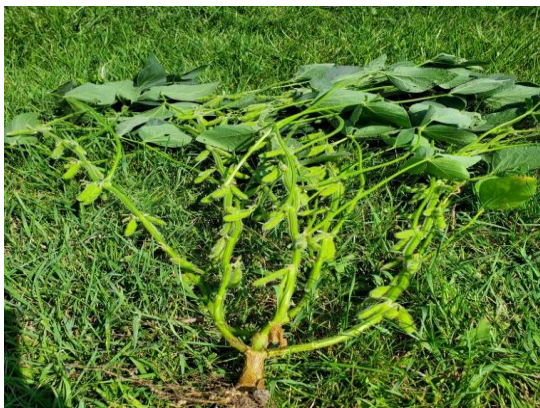
ask one of your sales people and they can get you in the field to see for yourself.

MUSCATINE AG



This growing year at Muscatine Ag we implemented our high yield soybean program. It consists of multiple products that drive our soybeans to thrive and promote flowering, branching, and more pods. We started by adding a plant growth regulator and micro-nutrient pack seed treatment to the seed. Then, at early post emergence we hit it again with a plant growth regulator, to promote branching, and a foliar fertilizer product, & adjuvant to feed the plant, promote energy and mitigate stress. Then at R3 during the fungicide & insecticide pass we did it all again. Results so far look very promising!!

NICHOLS AG



We're doing some trials with the high yield soybean program that Nate Bloss (from Rosens)

told us about at the customer meeting last March. As you can see from the photo the results look pretty exciting. It appears the soybeans have branched out extensively causing most plants to have 5 or 6 stems with pods on them. There seems to be more pods per cluster than the untreated beans. We're expecting when we harvest these trials we will have quite an increase in yield.



WINTER 2023 – 2024 PROPANE PRICING & SUPPLY

Propane pricing has remained fairly low this year compared to the past few years as inventory has grown and exports have declined (due to contract cancellations by Russia and China). This past month it appears the export market is waking up and that could change the inventory supply rapidly.

At this point it appears there may not be much of a grain dryer need but that could change too if we enter into a wet harvest.

Also, according to Weather Trend predictions and the Farmer's Almanac there are predictions of a colder than normal winter which could cause a draw on inventory. As always it is a good practice to keep your propane tank full during the winter months because it's much easier to get through any allocations if the Midwest inventory levels do get to a critical level.