MERCER LANDMARK

MERCER LANDMARK TODAY

COMPANY NEWSLETTER

VOLUME

4

WHAT'S INSIDE:

OCTOBER 2021 ISSUE

INTRODUCING GRAIN MERCHANDISING MANAGER, ANDY SWERLEIN

Q: When did you start working at Mercer Landmark?

A: July 19th, 2021

Q: Where are you from?

A: I'm currently a resident of Perrysburg, Ohio and have lived there for the past 30 years. Before that, I grew up on a 420-acre farm outside of Carey, Ohio.

Q: Tell us about your family?

A: My wife Tracy and I have been married for 25 years and have 3 kids. Tracy is a Dentist in the Toledo area and has been practicing for 25 years. We are both proud graduates of The Ohio State University. Our daughter, Morgan, is 23 yrs old and graduated from Notre Dame with an Accounting degree and is working from home for Deloitte accounting firm. Our son, Drew, is 21 years old and a Finance major at the University of Dayton entering his senior year. Our youngest son, Aaron, is 20 years old and a Graphic Arts major at the university of Dayton entering his junior year.

Q: What is your educational and professional background?

A: I have an Agricultural Economics degree from The Ohio State University ('91). I started my career as a Grain Originator for Countrymark Co-op at their river facilities in Cincinnati and Toledo. I worked 15 years and held various positions at a local cooperative called Blanchard Valley Farmers (now known as Legacy Farmers). The last seven years I worked as the Grain Division Manager. I've spent the last 13 years as the CEO for Luckey Farmers in northwest Ohio.

Q: How long have you worked in the Agriculture industry?

A: I have been in the ag industry for 30 years.

Q: What are you most passionate about in your career and/or the industry?

A: I am most passionate about developing relationships with the great people in this industry and collaborating with them to identify the challenges being faced and find solutions.

Q: What is your focus going to be at Mercer Landmark?

A: My core focus will be growing the grain division in our northern region, specifically with our Latty purchase. I will also be focused on bringing new market opportunities to our members.

Q: What do you hope to achieve in your new position and how do you hope to have an impact on our local farmers and community?

A: I'm hoping I can make an impact with providing sound price risk management strategies that will help our farmers lock in profits when they exist and develop new markets to provide more options and value for their grain.

Q: What are your interests outside of your career?

A: Golf, hockey, OSU football, music and spending time with my family.

LOGISTICS

Logistics and Planning Ahead is Key When It Comes to Being Ready for Harvest '21

With Summer coming to an end and Fall fast approaching, our new Logistics Division has been hard at work preparing for harvest. Our trucks have been staying busy all summer moving last year's crop out of our facilities to make room for the upcoming Fall harvest. In addition to hauling grain, our trucks transport many loads of liquid fertilizer to support our Agronomy operations and we also deliver product to our members' farms as they restock for next spring. Having our own internal fleet has allowed us to continue to service our members as the demand for trucking has greatly increased in our region.

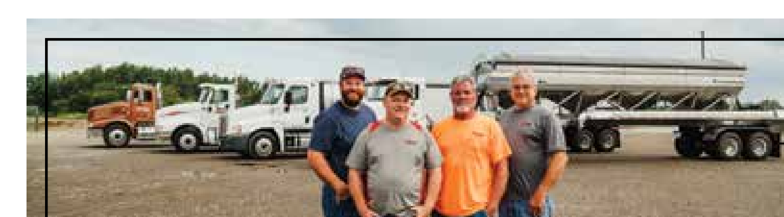
Keeping Our Members Operating at Maximum Efficiency During Harvest

As our team travels throughout our region, it is clear our members have done an incredible job with this year's crop and we are expecting a busy harvest season. Both our Grain and Logistics teams have been working closely on space analysis and projecting grain intake to determine how many bushels we will need to move at each facility during harvest. Having a good plan before harvest allows us to better allocate our own assets and start to confirm with outside trucking firms what our needs will be. As always, our goal is to stay ahead of the grain coming in during harvest to ensure we have enough space to serve the needs of our members and keep them operating at maximum efficiency during harvest.

On-Farm Pickup Available During Harvest

Along with moving grain out of our own facilities, we also offer grain programs for on-farm pickup during harvest. Contact your Grain Marketing Advisor or email Cody Mabis at cody@mercerlandmark.com if you are interested in this service.

Please note: This program is only offered on a limited basis, so the sooner the better as our team is already developing plans and lining up equipment for a successful harvest season.

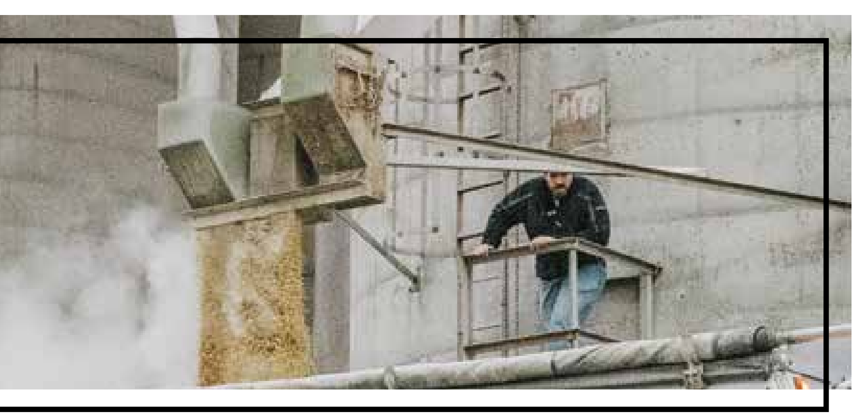


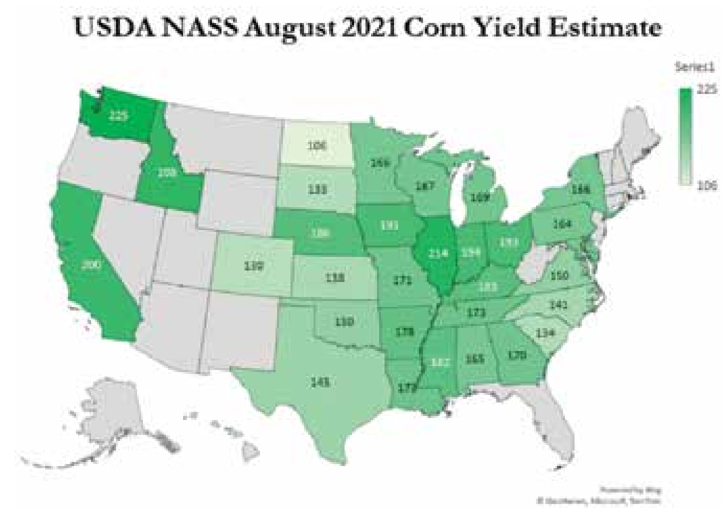
GRAIN

9/15/21 - USDA September Supply/Demand Report Indicates Below Trendline Yields

The September 10th USDA Supply/Demand Report gave us the second glimpse to yields for harvest 2021. This report was going to have to answer the question on whether the national trend line yield would lean trend towards the drought-stricken states of North Dakota, South Dakota, and Minnesota, or towards the garden states of Illinois, Indiana, and Ohio. The USDA Report indicated that soybean yields would be down by about ¼ bushel per acre (bpa) over the trend and this yield grew over a ½ bushel per acre from the late rains of August that hit the key growing areas of Indiana, Illinois, and Iowa.

The USDA Corn Report made a slight change in acreage and national yield. Planted acreage was increased by 600,000 acres while the national corn yield was pegged at 176.3 bpa, which was a reduction of almost 3 bpa below trendline and 1 bpa below the private forecasters' average trade guess on yield. The one constant in this report is the size of the Ohio and Indiana crops. The Ohio corn crop is on pace to obliterate the 2018 state record yield of 187 by 6 bpa and there are many private forecasters thinking the 193 bpa August yield number could still grow as harvest gets under way. Similarly, the USDA's August number for Ohio was at 58 bpa and if the weather cooperates this would surpass the 2017 current record yield of 56 bpa by over 2 bpa. Bottom line is Ohio is looking at the biggest combine crop in history and that doesn't include the record wheat crop that was harvested in July.





September-21

U.S. Corn Supply/Demand (mb)

	Aug USDA 20/21	Sept USDA 20/21	Aug USDA 21/22	Sept USDA 21/22
Planted	90.8	**90.8**	92.7	**93.3**
Harvested	82.5	**82.5**	84.5	**85.1**
Yield	172.0	**172.0**	174.6	**176.3**
Carryin	1919	**1919**	1117	**1187**
Production	14182	**14182**	14750	**14996**
Imports	25	**25**	25	**25**
Supply	16127	**16127**	15892	**16208**
Feed	5725	**5725**	5625	**5700**
Exports	2775	**2745**	2400	**2475**
Ethanol	5075	**5035**	5200	**5200**
Other Ind	1435	**1435**	1425	**1425**
Demand	15010	**14940**	14650	**14800**
Carryout	1117	**1187**	1242	**1408**
CO/Use	0.074	**0.079**	0.085	**0.095**
Price	$4.40	**$4.45**	$5.60	**$5.45**

U.S. Soybean Supply/Demand (mb)

	Aug USDA 20/21	Sept USDA 20/21	Aug USDA 21/22	Sept USDA 21/22
Planted	83.1	**83.1**	87.6	**87.2**
Harvested	82.3	**82.3**	86.7	**86.4**
Yield	50.2	**50.2**	50.0	**50.6**
Carryin	525	**525**	160	**175**
Production	4135	**4135**	4339	**4374**
Imports	20	**20**	35	**25**
Supply	4680	**4680**	4534	**4574**
Crush	2155	**2140**	2205	**2180**
Exports	2260	**2260**	2055	**2090**
Seed	102	**101**	104	**104**
Residual	4	**4**	14	**14**
Demand	4520	**4505**	4379	**4389**
Carryout	160	**175**	155	**185**
CO/Use	0.035	**0.039**	0.035	**0.042**
Price	$10.90	**$10.90**	$13.70	**$12.90**

It's Not Too Early to Start Thinking About Marketing Plans for Your '21/22 Crop

In June's newsletter, we discussed a strategy that incorporates Crop Insurance values with Target Price Orders. Ohio's February price discovery for corn was set at $4.58 per bushel and $11.87 per bushel on soybeans. Most of the producers will select a 75% to 85% revenue protection (RP %) level for their intended planted acres and this means that the producer has a form of price protection (spring crop insurance level) on a percentage (RP %) of their Average Production History (APH) yield. We had discussed putting in targets to sell 5 bpa @ $5.00; sell 5 bpa @ $5.20; sell 5 bpa @ $5.40, sell 5 bpa @ $5.60; sell 5 bpa @ $5.80. The market gave us 11 opportunities to price new crop corn at $5.80 or higher from May 1st through August 12th. The concept with this strategy was to price 15% of the APH that is unprotected and at an average value that is $0.80/bu above the Crop Insurance Level.

No Minimum Bushel Required for Daily Price Plus Marketing Contract

In this segment, I want to introduce the Daily Price Plus marketing contract. This tool is for the producer that wants a premium above today's price for a 2c fee per bushel with the security of a guaranteed floor and is willing to sell additional production. As with most of our contracts, there isn't a minimum bushel to participate. Let's look at an example:

New Crop Cash Value delivered is $5.30. Dec Futures = $5.65
Basis = -35 = $5.30 Cash
Bushel Enrollment = 700 bu. pricing 10 bushels/day
Dates: 8/19/21 thru 11/26/21 [70 days]
Daily Price Plus Hedge Value/2nd Commitment = $5.99
Floor Price (Min) = $5.40
Knockout = $5.20

In this example: everyday December futures trades above the knockout level then the daily bushels (10 bu.) would receive the $5.99 Hedge level. If at any time December futures trades at or below the knockout level of $5.20 then the contract is done and any bushels remaining to be priced would receive the minimum level of $5.40.

If on the 31st trading day December futures traded below the knockout level in this example, then contract would have 300 bushels (30 days * 10 bu/day) at $5.99 futures and 400 bushels (700 bu. enrollment – 300 bu priced daily) at $5.40 futures even with the market now below $5.20.

If the market never trades below the knockout level and on date of expiration 11/26/21; December futures CLOSES at or higher than the $5.99 hedge value, you will then have a 2nd commitment of bushels at the hedge value. This would mean you now have a contract for 1,400 bushels at $5.99 December futures (even if the market is at $6.50).

If the market never trades below the knockout level and on date of expiration 11/26/21; December futures CLOSES below the $5.99 hedge value, you will then only have your original commitment of 700 bu. at the hedge value (no 2nd commitment).

If you're interested in learning more about the current values on this strategy, please contact any of your Mercer Landmark Grain Marketing Advisors.

- Kirk Roetgerman, Grain Division Manager

ENERGY

DISCOVER THE MERCER EXPRESS DIFFERENCE

Mercer Landmark is your FULL-SERVICE energy provider for PROPANE, DIESEL FUEL, GASOLINE, and LUBRICANTS.

Don't Wait, Be Prepared for Price Increases - Fall Energy Market Outlook

What a difference a year makes! Last year, Crude Oil was hovering around $40/ barrel and now it is $70/ barrel. Gas and Diesel have increased over $1/gallon and Propane is $0.60 /gallon higher than last year at this time. Most years, we see around 2-3 price increases; however, this year we have already had 7 increases and industry experts are expecting more on the way. Lack of availability of synthetic additives, due to the February Texas freeze, can be attributed to for the higher-than-normal prices for oils and other lubricants.

US Diesel inventories have been staying inside the 3-year average, but demand is steadily increasing and trending on the higher side of the 3-year average. Refineries seem to be keeping up with demand at this time, but any regional dips in production could cause spot shortages this Fall. Planned maintenance at a Chicago area refinery in the next 30 – 60 days could impact supply in our region.

Our recommendation to customers is to start with full tanks and keep them full throughout harvest.

US Propane Supply Outlook

The US Propane supply has been struggling to return to normal levels since this Spring. Strong exports to Asia for the Petro-chem (plastic) industry has limited propane builds to normal levels. US stocks are 20 million barrels below last year and 10 million below the 5-year rolling average. Closer to home, Midwest stocks are 4 million barrels below last year and 5 million below the 5-year average. The low inventory levels and high export volumes push prices higher.

The supply outlook for this Fall and Winter will be driven by grain drying and winter weather. Current demand projections for grain drying are low.

If this holds true throughout harvest, the propane supply should be adequate for the winter heating season.

If drying demand is above average, propane prices this winter may rise to areas not seen in quite some time.

3 EASY PROPANE DELIVERY OPTIONS

Will Call - YOU call when you want to order propane. We encourage you to keep an eye on your percentage gauge to avoid extra charges. In the event of running out (interruption of service), fees may include a systems test (required by insurance), same day delivery/after-hours delivery, and out of gas charge. We recommend calling in between 25-30% to allow time to dispatch the driver in a suitable manner.

Courtesy - Don't want to call in your propane orders? Let us take care of it with our Courtesy Fill program. Our Courtesy Fill option is a computer-generated percentage based on degree days and your previous history. When our system shows you're at 25-30%, we will dispatch a driver to deliver a complete fill. If you happen to run out of propane as a courtesy customer, "ALL" fees will be waived and serviced as soon as possible.

Monitored - Courtesy customers, with sufficient AT&T cell service, may qualify for our satellite monitors that send readings to us every night. Customers with high volume and/or inconsistent usage (pool heaters, backup generators, winter snowbirds) are prime candidates for a monitor. When the monitored tank gauge reads 25-30%, an order is dispatched to the driver.

Give our Energy team a call at **(800) 845-6405** and we will keep you running strong and warm all season long.

The agriculture industry is built on trusted partnerships and loyalty.

Mercer Landmark is committed to your success, and we greatly value the relationships we've built together. One way we've chosen to honor your loyalty is with our **2022 Loyalty Rewards program.**

The 2022 program is very similar to last year's offer, but we've added in additional savings for this season. This year, our valued member owners will be able to get additional seed discounts based on their total volume of purchases from Mercer Landmark.

How to Qualify for Additional Savings:
To qualify for 3% financing, simply purchase 100% of your needs from two available segments and commit to selling bushels of grain to Mercer Landmark in equivalent dollar amounts to match your financed amount.

To qualify for 0% financing, purchase 100% of your needs from three available segments and commit to selling bushels of grain to Mercer Landmark in equivalent dollar amounts to match your financed amount.

We greatly value your patronage and look forward to an excellent harvest. In the coming months we'll have a chance to review the 2021 performance of the hybrids, varieties, crop protection and fertility choices that were made. We look forward to working with you to build successful 2022 farm plans.

LOYALTY REWARDS

BUSINESS SEGMENTS: CN-CROP NUTRIENTS • CP-CROP PROTECTION • SEED • FEED • ENERGY • GRAIN

DISCOUNTS & FINANCING AVAILABLE	RED	BLACK	MAXX
Early order discounts on CP only: 5% before Jan 15, 2022 4% before Feb 28, 2022 2% before Mar 31, 2022	●	●	●
Volume discounts on CP and Seed: 1% over $50,000 3% over $100,000 5% over $150,000 *Fertilizer purchases contribute to total sales, but are not eligible for discounts. Volume discounts can only be applied to CP and Seed purchases.*	●	●	●
Input Financing 3% APR until January 1, 2023 *To qualify, you must have 100% of your business in 2 segments plus Grain.**		●	●
Input Financing 0% APR until January 1, 2023 *To qualify, you must have 100% of your business in 3 segments plus Grain.**			●

Financing subject to approval.
** Input financing program requires a commitment of bushels to be sold to Mercer Landmark.*

AGRONOMY

FERTILIZER UPDATE FROM BIG DAN THE MERCER LANDMARK FERTILIZER MAN

2021 Was a Challenge for Fertilizer Supply

The 2021 Crop Year came out of the gates fast. It felt like we got 90% of the crop planted in about 7 days. During planting, both 10-34-0 and ATS (Thiosul) liquid fertilizer supplies were extremely low, which meant we had to shuffle product from plant to plant in order to cover our members' needs. We ended up getting several loads of ATS in from Texas. Did you know it takes about 2 days to get a load of fertilizer from Texas?

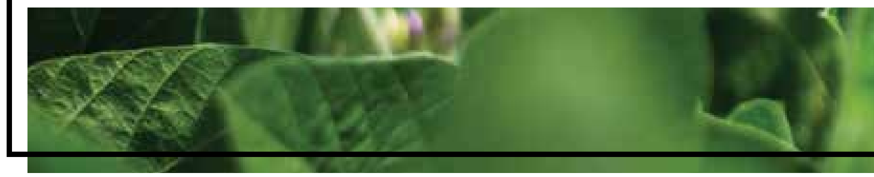
With a well-established crop "in the ground" our farmers' started side dressing with ammonia and soon we were facing a challenge to keep our tanks supplied. The tool bars kept running and mother nature unfortunately never gave us the break we typically get that allows us to resupply at our plants. The ammonia terminals we pull from never ran out of product, but we still ran into trouble getting it here.

The trucking industry is not immune to the worker shortage, and we struggled to keep our plants supplied with product throughout the season due to lack of ammonia trucks. We also faced a major shortage of finding drivers who are ready and willing to work – resulting in us getting several loads of ammonia from Courtright Ontario. Despite these early season challenges, the crops in our region look great and we expect to see some record-breaking yields as Kirk Roetgerman pointed out in his comments (see pages 4 – 5).

Similarly, our Agronomy Operations team has set some records of their own, applying on over 400,000 acres this season. Good prices for grain and bullish yield expectations have allowed our members to invest more in their crops and we've had the largest Plant Health season in our company's history. Our Custom Applicators are looking forward to a much-deserved break.

Fall fertilizer prices are higher than they have been the past few years, but grain prices are still good; we will again be offering customers access to our very popular Mercer Landmark Loyalty Program. Contact your local Crop Production Advisor today and start building a plan that includes Energy, Grain, Feed, and Agronomy Supplies. Together, "We Can Help Feed the World."

- Dan Recker, Agronomy Division Manager



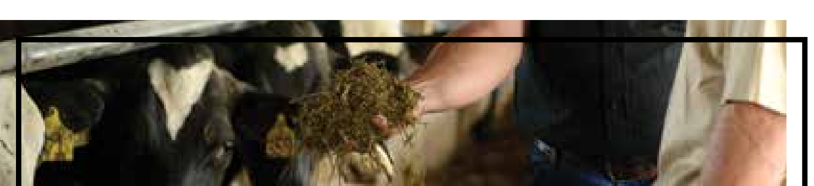
FEED

Continuing Education Supports Growth

Mercer Landmark Cattle and Calf Specialist, **Andrew Davis,** recently joined producers from Iowa, Nebraska, Minnesota, North Dakota and South Dakota at Iowa State University for a three-day continuing education event. This extensive feedlot short course included both classroom meetings and hands-on training at the Iowa State beef farm. Instructors covered many topics such as managing cattle during the first and last 30 days on feed, implanting strategies, health issues within the feedlot, and risk management strategies.

The first day focused on improving nutrition management skills, feed mixing and bunk scoring. Discussions also emphasized the value of collecting data from the feedlot and ways to utilize the information to make better data driven management decisions. On the second day, attendees toured the Couser Cattle Company in Nevada, Iowa where the group looked at the facility's cattle handling designs. The tour also included some hands-on bunk scoring exercises, yard sheet evaluations and discussions on cattle marketing. One of the day's themes focused on creating consistency as producers, maintaining humility. Discussions also included the importance of understanding where we are, where we are going and how we measure our progress.

Because of the value of the information shared during the course, we are planning to organize a similar opportunity for our customers in 2022. We think it would be helpful to bring in some of these speakers to meet with our customers and present ways they can improve efficiencies and increase profits in their cattle operations. Be on the lookout for more information regarding a February or March event.



Mercer Landmark Feed Division and NutraBlend Partner to Support C.A.L.L. Food Pantry in Celina.

Every year, the Feed Division teams up with one of their ingredient suppliers to help provide backpack nutrition items to school children in Mercer County. This month, some of our employees toured the C.A.L.L. facility and presented Homer Bailey, director of the pantry, with our annual donation for $2,300. These funds will go towards C.A.L.L.'s Mercer County Backpack Program which provides qualifying students in grades K – 4 with a bag of food weekly, that contains two breakfasts, two lunches, two dinners and two snacks along with drinks. This sustains the children over the weekend so that they arrive Monday morning nourished and ready to learn. Mercer Landmark appreciates partnering with our employees and vendors to give back to local communities.

From left to right: Coleton Riley, Jamie Schmit, Homer Burnett of C.A.L.L Ministries, Grace Maurer and Jodi Clune.

Ralph Gill Joins Mercer Landmark as Feed Sales Manager

Mercer Landmark is pleased to announce the addition of Ralph Gill to the Mercer Landmark Feed team. Starting September 1st, Ralph will become the new Sales Manager for the Feed team.

Ralph brings over 44 years of experience from the various roles he has held in the Land O' Lakes cooperative system. Getting his start in retail sales as Assistant Manager at the Massillon Drive-thru Warehouse to Large Herd Specialist and Regional Sales Manager with Land O' Lakes Feeds. For the past 18 years, he has worked for the Land O' Lakes Animal Milk Solution as a National Account Manager, covering 4 regions in the Eastern US Region. In this role, he helped create the first Calf & Heifer Specialist positions for Land O' Lakes and has trained over 25 calf specialists within his regions.

Ralph grew up in Northeast Ohio, attended Kent State, and lives with his wife Kristi in the Smithville, Ohio area. For many years, Dave Puthoff has led our sales team and we are very grateful for what he has accomplished.

Dave will continue to work a few days per month to help develop the cattle side of our business. Dave and Ralph's leadership and experience are two more reasons that distinguish Mercer Landmark's entire Feed Division as industry leaders and allow us to deliver ongoing value and expert services to our members.

RALPH GILL

NEWS

Welcome, Jill Emenhiser

Please join us in welcoming Jill Emenhiser to the Mercer Landmark team.

Jill joined our team on June 28, 2021 as a Grain Marketing Advisor at the Latty Terminal Office. Jill is originally from Bryant, IN and graduated from Purdue University in May 2017 with a major in Agricultural Economics and a minor in Crop Sciences. Following graduation, she began her career as a Grain Trainee with The Andersons in Champaign, IL. After that, she took a position as a Grain Buyer for Poet Biorefining in Portland, IN to be closer to home. Prior to the grain world, Jill worked in banking as a Junior Loan Officer.

Jill enjoys forming relationships with our local farmers in order to create a successful marketing plan for them. She is most knowledgeable in understanding the variety of contracts farmers can use and when to use specific contracts to benefit their farm with good risk management.

In June 2019, Jill married her husband Alex and moved to Monroeville, IN where they now reside. In her spare time, she enjoys taking pictures, playing tennis, growing flowers for bouquets and hanging out with her husband and their new daughter, Ella.

Welcome to the team, Jill!

JILL EMENHISER

Annual Company Picnic

Our annual company picnic was held at the end of August. Building a strong company culture is something we hold high on our priority list, and we were honored to host a day of fun for our dedicated team members and their families.