



Arkansas Rice Update

Dr. Jarrod Hardke, Dr. Tom Barber, & Scott Stiles

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Where Do We Go From Here?

“Some like this, some like that, some don’t know, where it’s at.” We’re now just two weeks away from when the first rice fields usually go in the ground each year. More rain is forecast this weekend (less than previous estimates) followed by several days of freezing overnight lows, and rain again the next weekend. Oy...

The acreage debate rages on for the 2019 season. More delays mean increasing pressure on deciding what we’ll be able to do with no real answers in sight until we start drying up.

For now, **Table 1** shows my current acreage forecast for 2019 alongside harvested acres for 2013-2018 and the average of 2016-2018. This already represents a decline in estimate for Arkansas acreage, but the potential for further acreage reduction is very real. If these delays continue, acreage could fall to 1.2 million acres in Arkansas.

Table 1. 2013-2018 harvested rice acreage and 2019 projected rice acres (in thousands).

Year	AR	CA	LA	MS	MO	TX	US
2013	1,070	562	413	124	156	144	2,469
2014	1,480	442	462	190	213	146	2,933
2015	1,291	426	415	149	174	130	2,585
2016	1,521	536	428	194	231	187	3,097
2017	1,104	443	395	114	160	158	2,374
2018	1,427	504	436	139	220	189	2,915
16-18 AVG	1,351	494	420	149	204	178	2,795
2019	1,400	500	420	130	210	180	2,840

Based on the last several years, 2019 would be set up for a downtrend in acreage for Arkansas. However, corn and soybean rotation options and their prices will continue to come into play. If a dry run opens up there’s a good chance we stay close to 2018 numbers, but if not we certainly appear headed down.

Burndown Now or Later

Conditions are not optimal for making burndown herbicide applications right now. Generally, we’re looking for a few days of highs in the 50s and 60s before and after a burndown application. Right now, the forecast doesn’t favor that kind of forecast for good success.

If and when you’re making burndown applications, the idea is to go as cheap as possible to get the job done. We also want to avoid tillage passes for a couple days after application to make sure we give the products time to work. If we mess it up, they will come back and be even more difficult to control.

Glyphosate is included as a part of most burndown applications, but you may need to add something to it depending on resistance to glyphosate and your specific situation. Ryegrass resistance is increasing south of I-40 and may require Select followed by Gramoxone. On bigger ryegrass it will take 16 oz Select Max + COC.

Note the plant-back intervals for common burndown herbicides listed in **Table 2**. For 2,4-D and dicamba we need a 1-inch rainfall after application before we begin counting down. All others listed are based on time from application.

Table 2. Plant-back intervals for common burndown herbicides.

Herbicide	Plant-Back Interval
2,4-D	21 days
Dicamba	22 days
Elevore	14 days
Select / Select Max	30 days
Valor	30 days
FirstShot	Immediately
Glyphosate	Immediately
Glufosinate	Immediately
Gramoxone	Immediately
Sharpen	Immediately

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Rice PLC Update

In the February WASDE report USDA projected the 2018 average producer price for long-grain at \$10.70 per cwt or \$4.82/bu. A projected PLC Payment Rate can be estimated by subtracting \$4.82/bu from the PLC Reference Price of \$6.30/bu. The result is a projected PLC Payment Rate of \$1.48/bu (not accounting for sequestration). **In previous years of the 2014 Farm Bill, ARC and PLC payment rates have been reduced by approximately 6.8 percent. Assuming this will also apply to the 2018 payments, the net PLC payment for long-grain would be \$1.38 per bushel.**

The 2018 average producer price for southern medium grain is projected to be \$12.20 per cwt or \$5.49/bu, which equates to a PLC payment of 81 cents/bu (75 cents/bu net).

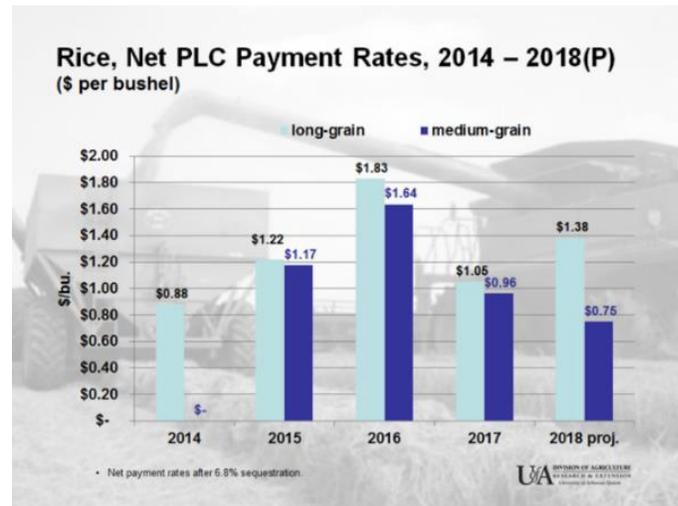
2018 Projected PLC Payment Rates, Rice. (February 2019)

	A	B	C	(A minus higher of B or C)	-6.8%
Unit: \$/bu.	Reference Price	Loan Rate	Marketing Year Avg. Price	Projected PLC Payment Rate	Net PLC Payment Rate
Long-Grain	\$6.30	\$2.925	\$4.82	\$1.48	\$1.38
Medium-Grain	\$6.30	\$2.925	\$5.49	\$0.81	\$0.75

The final 2018 marketing year prices and PLC payment rates for rice are expected to be announced in October 2019. Projected 2018 PLC payment rates are updated monthly on the USDA Farm Service Agencies' ARC/PLC website at this link: [ARC/PLC Program Data](#).

Look under the heading "Program Year 2018 Data" for "Projected 2018 PLC Payment Rates".

Below is a graph of rice PLC payment rates for each year of the 2014 Farm Bill, including the projection for 2018.



Market Comments:

The USDA's *Ag Outlook Forum* held last week provided a preliminary market outlook for 2019. The USDA expects lower long-grain acres and a modest increase in medium and short-grain acreage in 2019. Long-grain acres are projected to decline by 300,000 this year to a total of 1.9 million. Medium and short grain area is expected to increase by 10,000 acres.

U.S. Rice-by Class, Planted Acres, 2016 - 2019 projected. (million acres)				
	2016	2017	2018	2019
Long-grain	2.44	1.81	2.20	1.90
Medium/short grain	.710	.650	.750	.760

Some key aspects in the 2019/20 long-grain balance sheet included lower production, stable usage year-to-year and lower ending stocks. Long-grain production is projected at 141 million cwt, down 14 percent from 2018/19. Imports are projected to increase 0.3 million cwt to another record. Asian aromatic rice is expected to continue to account for the bulk of U.S. rice imports. Total 2019/20 long-grain supplies are down 8.2 million cwt from the previous year to 199.6 million cwt.

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U.S. Long-Grain, Supply, Demand, and Price.		
	2018/19 est.	2019/20 proj.
Planted Acres (million ac.)	2.20	1.90
Production (million cwt.)	164	141
Beginning Stocks (million cwt.)	20.3	34.8
Imports (million cwt.)	23.5	23.8
Total Supply (million cwt.)	207.8	199.6
Domestic Use (million cwt.)	105	103
Exports (million cwt.)	68	70
Total Use (million cwt.)	173	173
Ending Stocks (million cwt.)	34.8	26.6
Avg. Farm Price (\$/bu.)	\$4.82	\$4.86
Source: USD, Agricultural Outlook Forum 2019		

Additional Information

Arkansas Rice Updates are published periodically to provide timely information and recommendations for rice production in Arkansas. If you would like to be added to this email list, please send your request to rice@uaex.edu.

This information will also be posted to the Arkansas Row Crops blog (<http://www.arkansas-crops.com/>) where additional information from Extension specialists can be found.

More information on rice production, including access to all publications and reports, can be found at <http://www.uaex.edu/rice>.

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The authors greatly appreciate the feedback and contributions of all growers, county agents, consultants, and rice industry stakeholders.

Total Use would be unchanged from 2018/19 at 173 million. Exports are projected higher at 70 million cwt. However, the increase in exports is offset by a 2 million cwt. reduction in Domestic Use. Ending stocks for 2019/20 are down 8.2 million cwt from the previous year to 26.6 million cwt. The season average farm price for long-grain is up 4 cents from the midpoint of the previous year to \$4.86 per bushel.

The next USDA *Crop Production* and WASDE reports will be released on March 8, 2019. USDA-NASS will be surveying growers during the first two weeks of March for the *Prospective Plantings*, which will be released on March 29, 2019 along with the quarterly *Rice Stocks* reports.

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