Arkansas Rice Update

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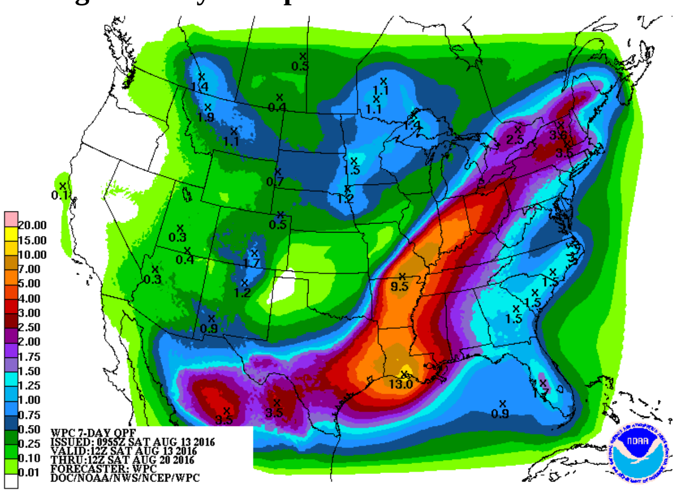
Crop Progress

Field draining continues at an increasingly rapid pace. However, there are some fields still just heading as harvest begins. There have been mostly positive reports from the field so far with yields mainly 190-200+ bu/A. These reports are few and far between but harvest has begun to a limited degree in counties ranging from the southern to northern ends of the state.

The big elephant in the corner is the massive amount of rainfall currently in the forecast for the next seven days. Rainfall is one thing, and bad enough, but we need to desperately hope there is little to no wind associated with it. Fields drying down with the flood removed will be susceptible to lodging if forced to endure heavy rains carried by high winds. Maybe it will zig when it should zag and go around us.

Fig. 1. 7-day Precipitation Forecast.



The other big topic of the week is the release of USDA-NASS acreage and yield projections for 2016. The harvested acreage projection is 1,575,000 acres and a yield of 7,500 lbs (166.7 bu/A). If these numbers remain true this would be the largest crop in terms of number of bushels ever produced by Arkansas.

However, it seems much more likely that this year's crop would fall into the range of 163 bu/acre. It appears to be a very good crop but not a record one; but 163 would still be the 4th highest yield on record. Depending on actual harvested acreage a production record would still be possible at this yield level.

The initial August FSA acreage report was also released yesterday (**Table 1**). So far it shows 1.52 million acres enrolled (with the number likely to increase in the monthly updates until numbers are finalized in January). So we could get close to the 1.58 million acre projection from July. Only 60,987 acres were prevented planted compared to 269,715 in 2015.

How many acres are typically added between the August report and the final numbers in January? In 2015, acreage only increased by 14,000 but in 2014 the increase was 105,000. So in theory acres could end up very close in line with the NASS estimate of 1.58 million.

Table 1. 2016 FSA Crop Acreage (combined planted & failed acres) – August 12, 2016.

Crop	2015	2016	Change
Rice	1,299,164	1,523,138	+223,974
Soybean	3,190,481	3,067,496	-122,985
Corn	459,552	741,261	+281,709
Cotton	207,105	363,105	+156,000
Sorghum	429,850	44,203	-385,647
TOTAL	**5,586,152**	**5,739,203**	**+153,051**

Rice Stink Bugs in Draining Rice

As fields are being drained in preparation for harvest, rice stink bugs (RSB) are piling up in some of those fields. Farmers and consultants have reported, and we've verified, RSB numbers of 15-20+ in fields being drained.

In these fields approximately 30% of kernels are still in the soft dough stage. This rice is still susceptible and the RSB in the field are targeting those kernels. It only takes a small percentage of "pecky rice" to have your rice grade lowered and see a price reduction. While there is a cost to treat, it's at least known while the potential loss due to pecky rice is unknown and possibly substantial.

So even if you're draining rice, the RSB threshold still remains at 10 RSB per 10 sweeps. The complication is the Pre-Harvest Interval (PHI) of 21 days for Karate, Lambda, etc.; and 14 days for Mustang Maxx. By the label, all of these products state that floodwater shouldn't be released for 7 days after application – so make the application a week before draining or after draining is complete.

Fig. 2. Rice stink bug feeding on soft dough kernels in draining rice.

Market Update

The USDA's reports on Friday were market movers for rice with CBOT futures settling 27 to 34 cents higher. The newswires such as Reuters and Bloomberg do not publish analyst expectations for rice ending stocks, yields and production, as they do for corn, soybeans, and wheat, so it is difficult to know what might constitute a "surprise" in the numbers.

The USDA made adjustments to the 2014, 2015 and 2016 U.S. long grain balance sheets. For the 2016 marketing year, the USDA made the following changes:

- Beginning stocks were reduced by 1.5 million hundredweight (cwt) on an upward revision to 2015/16 exports. Old crop exports were increased from 71 million cwt in July to 72.7.
- 2016/17 production was reduced from 183 million cwt last month to 182.7 million.
- The net change to total 2016 supply was a 1.8 million cwt reduction to 222.7 million cwt. This is a sharp increase over the 180.2 million cwt total supply of 2015/16.
- The mid-point of the 2016 season-average farm price for long grain was reduced 50 cents to $10.00/cwt or $4.50/bu.
- The 2015 season-average farm price for long grain was left unchanged at $11/cwt or $4.95/bu.
- As of August, the projected 2015 PLC payment rate for long grain is $1.35/bu; medium grain is projected at $1.22/bu. 2015 ARC/PLC payments may be reduced by 6.8% due to the 2011 sequestration agreement.

Table 2. U.S. Long Grain Rice Supply / Demand.

million hundredweight	2015/16 Estimated	2016/17 Projected
Beginning Stocks	26.5	19.5
Production	133.0	182.7
Total Supply	**180.2**	**222.7**
Domestic & Residual	88.0	105.0
Exports	72.7	81.0
Total Demand	**160.7**	**186.0**
Ending Stocks	**19.5**	**36.7**
Stocks-to-Use %	**12.1%**	**19.7%**
Avg. Farm Price ($/cwt)	$11.00	$10.00
Avg. Farm Price ($/bu)	$4.95	$4.50

Source: USDA.

In Monday's Crop Progress report, NASS rated the U.S. rice crop at 66% good/excellent; unchanged from the previous week. The U.S. crop was rated 69% good/excellent at this point last year. Harvest is moving fast in the Deep South states. Louisiana is 39% harvested compared to the 5-year average of 25 percent. Texas is 43% harvested versus 18% average.

CBOT Futures Prices and Cash Basis:
Chicago rice futures rebounded strongly on Friday (8/12), settling 27-34 cents higher. The September contract closed at $9.65 ½ up 34 cents. The November contract closed at $9.82, up 27 cents. New crop (2016) basis has improved 30 cents per cwt over the past week. Basis at mills has narrowed from 70 cents/cwt. under futures a week ago to 40 under today. Dryer basis has improved from $1/cwt under a week ago to 65 to 70 cents under futures.

Rough Rice Futures Settlements

Upcoming USDA reports:
The next USDA supply/demand report and NASS Crop Production report will be released September 12.

Diseases on the Upswing with Changes in Weather Pattern

After the hot and dry weather for several weeks, in the last two weeks we received rain without a substantial decrease in day or night temperatures. Although good for the rice crop, these conditions favored the development of bacterial panicle blight, sheath blight, and blast.

To read more go to: http://www.arkansas-crops.com/2016/08/11/bacterial-panicle-upswing/.

Fig. 3. Bacterial panicle blight in random panicles of susceptible cultivars.

Fig. 4. Rotten neck & panicle blast in susceptible cultivar with no preventative fungicide application.

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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