

Corn and Grain Sorghum Weekly Update – June 17, 2016

2016 Update No 13

Corn and Grain Sorghum Update – Dr. Jason Kelley (Wheat and Feed Grains Specialist)

Summer temperatures arrived this week with high temperatures in the mid-upper 90's, just as much of our corn is pollinating. Forecast for this coming week is slightly cooler temperatures, which will help, but high temperatures are still expected to be in the low to mid 90's. Little to no rain is in the immediate forecast and most producers have settled into a weekly irrigation schedule on their corn. Storms earlier this week provided some rainfall for areas of Northeast and East-central Arkansas, but also brought high winds and several instances of greensnap have been reported. Foliar diseases at this point are very low with only common rust found in most fields. Southwestern corn borer moth trap counts continue to be low for most areas. Grain sorghum is advancing rapidly with the heat and early planted grain sorghum will be starting to head this week. Sugarcane aphids are being found in relatively low numbers in grain sorghum fields in the southern portion of the state and numbers will likely be building in the coming weeks.

Corn and Grain Sorghum Research Verification – Kevin Lawson (Corn & GS Verification Coordinator)

As the majority of the fields start pollination, the heat is the big story this week. Irrigation is very important as the fields try to pollinate in this extreme heat. Yield potential on all the fields right now looks very promising. Time between irrigations on the furrow irrigated fields is about every five days with this heat. The Clay and Pope fields are both just now receiving their pre-tassel applications of nitrogen and the first irrigations.

The White County field looks better this week. The atrazine application did the trick and we are back to a clean field. The plants are now starting to lap the middles and should keep the pigweeds down. The Jefferson County field received an application of atrazine and Huskie and it really did a good job on all the broadleaves in the field. As expected it did leave some injury to the grain sorghum, but it should grow out of it no problem.

County	Hybrid	Growth Stage	Heat Units	Comments
Clay	Pioneer 1637YHR	V10	1007	Recommended 100 lbs of Urea pre-tassel and irrigate on June 20. (Scouted June 14)
Lincoln	DKC 66-87 VT2P	R2	1496	Field was irrigated on June 16, recommended irrigation again on June 22. (Scouted June 17)
Pope	Pioneer 1319HR	V12	1084	Recommended 100 lbs of Urea pre-tassel and irrigate on June 14. (Scouted June 13)
Prairie	Armor 1555PRO2	VT	1532	Field was irrigated on June 16, recommended irrigation again on June 21. (Scouted June 16)
River Valley	Terral REV 23BHR55	V18	1295	Field was irrigated on June 9, recommended irrigation again on June 18. (Scouted June 13)
St Francis	Pioneer 2089YHR	R1	1583	Field was irrigated on June 11, recommended irrigation again on June 16. (Scouted June 16)

County	Hybrid	Growth Stage	Comments
Jefferson	Armor Maverick	V13	Applied 1.5 qts of atrazine + 15 oz of Huskie on June 12. (Scouted June 17)
White	Pioneer 83P99	V12	Applied 1.4 qts of atrazine on June 9. (Scouted June 16)

Southeast Arkansas Update – Kevin Norton (Ashley County)

Early corn is at silk, later corn is less than a week from tassel. Good rain this week to ease irrigation needs. Row counts on ears have been 16-18. No corn borers caught this week.

Central Arkansas Update – Brett Gordon (White County)

We are experiencing the hottest temperatures we've had this season. The majority of the corn crop in White County has tasseled. We have reached growth stages where the corn crop's water demand is near its highest. Producers are busy irrigating to avoid drought stress and yield reduction.

Northeast Arkansas Update – Stewart Runsick (Clay County)

The corn is growing rapidly. Pre-tassel nitrogen applications are still being made. Irrigation has been necessary since we have not received much rainfall lately. Common rust is blowing up and is easy to find in most fields. The earliest planted corn is silking and pollinating.

River Valley Update – Kevin VanPelt (Conway County)

The majority of the corn crop is tasseling. Some areas have received close to an inch of rain earlier in the week, but with highs pushing 100 degrees, most producers will be watering by the end of the week.

Market Update – Scott Stiles (Instructor, Economics)

June USDA Supply/Demand

The USDA made largely-anticipated changes to the June 2016/17 U.S. corn balance sheet:

- Beginning stocks were lowered by nearly 100 million bushels on an upward revision to 2015/16 exports.
- Exports for 2016/17 were boosted by 50 million bushels to 1.95 billion.
- The net result was a 145 million bushel reduction in corn ending stocks to 2.008 billion bushels. This was toward the low end of pre-report expectations, and it bears reminding that this figure is sharply lower than the ~2.5 billion bushel carryout expected earlier in the year.
- The mid-point of the 2016 season-average farm price for corn was increased 15 cents to \$3.50 per bushel; sorghum was increased 10 cents to \$3.25 per bushel.
- The 2015 season-average farm price for corn was increased by 10 cents to \$3.70 per bushel; sorghum was increased 5 cents to \$3.30 per bushel.
- As of June, the projected 2015 PLC payment rate for corn is zero; sorghum is currently projected at 65 cents per bushel.
- Projected 2015 ARC-county payments for corn vary widely from approximately \$16 to \$95 per acre in Arkansas, with \$78 per acre being the average payment.

U.S. Corn Supply/Demand.

billion bushels	2015/16	2016/17 Projected
Beginning Stocks	1.731	1.708
Production	13.601	14.430
Planted Acres (mln ac)	88.0	93.6
Harvested Acres (mln ac)	80.7	85.9
Yield (bu/ac)	168.4	168
Imports	.060	.040
Total Supply	15.392	16.178
Feed and Residual	5.250	5.550
Food, Seed, Industrial	6.610	6.670
Ethanol	5.250	5.300
Exports	1.825	1.950
Total Demand	13.685	14.170
Ending Stocks	1.708	2.008
Stocks-to-Use %	12.5%	14.2%
Low Farm Price (\$/bu.)	\$3.60	\$3.20
High Farm Price (\$/bu.)	\$3.80	\$3.80

Source: USDA.

The demand changes above were primarily a response to lower production and exports from Brazil. Corn export volume for the U.S. is increasing due to Brazil's heavy front-end exports this year and lower than expected second crop corn. In the June 10 supply/demand report, Brazilian 2015/16 corn production was cut by 3.5 million tons to 77.5 million. Reductions in Brazilian exports were also made for both the 2015/16 and 2016/17 marketing years. With widespread frost over a key corn growing area (Parana) last weekend, further production cuts may be ahead as crop estimates inside Brazil are currently lower than USDA's June estimate.

Corn shipments last week reached a marketing year high of 59.4 million bushels. Top destinations were: Japan, Mexico, South Korea, and Egypt. Weekly shipments need to average roughly 48.9 million bushels per week for the remaining 12 weeks of the 2015 marketing year. Export sales for old crop now total 1.792 billion bushels and need to average just 2.7 million bushels per week to reach USDA's estimate of 1.825 billion.

U.S. grain sorghum balance sheet:

- **2015 marketing year:**
 - Feed usage was reduced by 15 million bushels to 100 million bushels
 - Food, Seed and Industrial usage was increased by 10 million bushels
 - Exports were increased by 15 million bushels to 330 million (353 million last year).
 - Ending Stocks were reduced by 10 million to 55 million bushels. This is a large increase compared to last year's ending stocks of 18 million bushels.
- **2016 marketing year:**
 - The only change to the 2016 balance sheet was the 10 million bushel reduction in Beginning Stocks.

Old crop export sales of grain sorghum now total 295 million bushels. USDA's export target is 330 million. Weekly sales need to average 2.9 million bushels per week, which is attainable considering average sales volume in recent weeks. Shipments need to average 5.2 million bushels per week for the balance of the marketing year. Last week, shipments totaled 8.7 million bushels with most heading for China and Japan. China accounts for 90% of the 2015 crop export sales. Mexico is a distant second with 4.5% of sales.

Grain Sorghum export news:

[USGC looks to regain foothold in Spanish sorghum market](#)

[Australian shippers to move in on resilient US sorghum exports](#)

Upcoming USDA reports:

The next USDA supply/demand report is July 12. It will include the acreage estimates from the June 30 NASS *Acreage* report and June 1 Quarterly Grain Stocks. USDA currently estimates US 2016 corn acres near 93.6 million, up from 88.0 million last year.

Heat Units

With the high temperatures this week, heat units are well above the 30 year average. This is the first week this season that heat units accumulations have reached 30 units per day.

	Southeast, AR (Dumas)		Central, AR (Des Arc)		Northeast, AR (Jonesboro)		River Valley (Morrilton)	
	2016	30 Year	2016	30 Year	2016	30 Year	2016	30 Year
June 11	29.0	27.0	28.5	27.5	27.5	25.5	28.0	25.0
June 12	30.5	27.0	30.5	27.5	30.0	25.5	30.0	25.5
June 13	29.0	27.0	29.0	27.5	29.0	26.0	28.5	25.5
June 14	29.5	27.5	30.0	27.5	29.5	26.0	30.0	25.5
June 15	31.0	27.5	31.5	27.5	30.0	26.0	31.5	25.5
June 16	30.5	27.5	31.0	28.0	31.0	26.0	30.0	26.0
June 17	29.5	27.5	28.5	28.0	29.0	26.5	29.0	26.0
Total for Week	209	191	209	194	206	182	207	179
Total Since March 28	1,665	1,591	1,557	1,519	1,490	1,361	1,512	1,365

Twitter

Jason Kelley @AR_Feedgrains

Kevin Lawson @ar_cornverify

Row Crop Verification @ar_verification

University of Arkansas Systems Division of Agriculture Cooperative Extension Service Web Pages

Extension Corn Webpage – www.uaex.edu/corn

Extension Grain Sorghum Webpage – www.uaex.edu/grain-sorghum

Row Crop Verification Webpage – www.uaex.edu/verification

Corn & Grain Sorghum Verification Webpage – www.uaex.edu/cgsrvp