September 30, 2014  No. 2014-29

Crop Progress

Overall, yield reports seem to be improving. Some areas are extremely excited over this crop, with yield levels not seen before. Others have yields they would just as soon not see again. Sometimes these areas are not too far apart.

Average yields from planting date studies (Figure 1) showed an uncharacteristic “evening out” from the early May to mid-May planting dates. Typically there is a fairly linear decline in yield from March to June. As you can see, the trend is no trend to follow this year.

Field observations are similar to the research. Many fields look great, but aren’t cutting well. On closer inspection, the grains that are present are full with few blanks. What you do notice, however, is that in fields with lower-than-normal yields, the panicles seem smaller than usual. There just aren’t as many grains or branches on the panicles. These factors are determined long before heading. A number of things could be at work, but weather is certainly a primary factor, with preflood nitrogen application issues involved in some cases as well.

We’ll continue trying to put all the pieces together to explain everything that’s going on with the crop this year. Milling yields still seem to be faring well, but test weights are declining. In both cases, the statements apply to all cultivars.

Rice Market Comments

After slipping 14 to 15 cents Monday (9/22), November rice futures have recovered and appear set to gain 15 cents this week. November ’15 futures are currently trading at $12.85/cwt as of mid-day Friday.

As a side note, Heating Oil futures made 2-year lows on Wednesday and has since traded 3 to 4 cents higher. This is a great opportunity to get diesel needs covered through harvest. Crude Oil reversed out of its downtrend on Wednesday with the announcement the U.S. was targeting I.S. oil fields and refineries in Syria and Iraq. Crude has gained about $2.50 per barrel since Monday (9/22).

Monday’s NASS Crop Progress report indicated U.S. rice harvest at 62% complete, behind the 5-yr. avg. of 64%. As of Sunday, harvest was 93-96% complete in Louisiana and Texas. With warmer and drier weather this week, Mississippi and Arkansas should again make good harvest progress.

Yield reports are variable, but harvest of the U.S. crop along with strength in the U.S. dollar, lower world rice prices, and weakness in grains and soybeans all limit the upside for rice futures.

Figure 1. 2014 average yield by planting date, RREC, Stuttgart, AR.
From a technical perspective (Figure 2), it appears the November contract has made a short-term low at $12.20. In the same week this low was formed, the weekly chart indicated a key reversal in prices to the upside. There is some follow-through on this reversal formation this week. Limited support came on this week’s Export Sales report which indicated sales were up 5% from the prior four-week average. Chart trends suggest that a low has formed or is forming.

For now, the weekly chart trend is up with today’s (9/26) high of $12.91 being near term chart resistance. Above there, $13.00 will be a difficult price level to trade through. Price support is currently at $12.67, $12.54, and $12.48 basis November futures.

**Figure 2. CME November 2015 Rough Rice Weekly Futures.**

Interested in looking at Cover Crops?

We’re looking for opportunities to work with growers on cover crop research going into rice the following year. If you’re interested in working with us, let us know. More information on cover crops to follow.

Blackbird problems?

If you’re experiencing problems with blackbirds on any of your fields, let me know. I would like to try to do some work in fields with serious problems to see if we can limit the damage.

**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 jhardke@uaex.edu.

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

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