

LOUISIANA RICE NOTES

Dr. Dustin Harrell and Michael Deliberto

June 19, 2017

No. 2017-8

Rice rebounds, potential storm forming

The weather in the southwest part of the state has improved over the past week. It is amazing what a few days of sunshine can do for the rice crop. Unfortunately, it looks like more rain is coming to the area this week. There is a good chance that a tropical (or subtropical) depression or storm will form in the Gulf of Mexico later this week. NOAA has named the potential system as Invest 93L and it currently sits near the Yucatan Peninsula. It is still too early to know how big or small the system will be or exactly where it will track. However, one thing is certain, it will bring rainfall into the Gulf Coast. Heavy rains are expected to be associated with this system as far west as eastern Texas.

Some of the early rice in the southern part of the state is nearing the soft dough stage of development. Producers who are considering ratooning this rice and who are applying an insecticide application for stink bugs may want to consider adding 4 grams of gibberellic acid to the application. Gibberellic acid has shown to enhance ratoon yields the past two years of research using ProGibb 4% at a rate of 4 oz (4 grams ai) here at the Rice Research Station, especially when paired with stubble management. We will continue to evaluate gibberellic acid effects on ratoon regrowth and if it has a positive and consistent

response over a 3-year period, we will make it an official recommendation.

In the northeastern rice producing parishes, a lot of the rice is nearing mid-tillering. Some areas have had enough sporadic rainfall over the last few weeks to keep fields just wet enough to keep pre-flood N from going out on dry ground. This has delayed the



Figure 1. Rice plant showing the accumulation of chlorophyll often referred to as "green ring." Green ring can be used to estimate the panicle initiation (PI) growth stage and beginning internode elongation (BIE).

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Figure 2. Rice plant at the panicle differentiation (PD) growth stage of rice development. PD generally occurs when the first internode elongates approximately ½ inch.

triggered by the occurrence of green ring. The mid-season window lasts from green ring (approximates beginning internode elongation and panicle initiation) until ½ inch internode elongation (approximates panicle differentiation) which is approximately 10 days. When you see green ring, it is time to call the flying service.

Drain Timing

Drain timing is not an exact science, but we do have some guidelines that you can follow to help you estimate when a field should be drained. We use changes in the color of the panicle to help us determine drain timing. Evaluations of panicle grain color should be based on the average of the field and not just the edges of the field. Generally, field edges will be more mature than the interior of the field. For clay soils we recommend that the average of the panicles sampled need to have straw-colored grains from the tip of the panicle to half-way down the panicle. For silt loam soils we recommend that the representative panicle sample have straw-colored grains from the tip of the panicle to ¾ of the way down. In general, this equates to approximately two weeks for silt loam soils and three weeks for clay soils. The optimum grain moisture at harvest for rice to maximize grain quality and harvest efficiency is 18-22% .

establishment of the flood in some cases and caused producers to spoon feed the nitrogen in others. It is always best to apply the nitrogen on dry ground and then flood up to get the highest efficiency of the fertilizer application. However, when the rice gets nears mid-tillering we need to quit waiting and start spoon feeding the nitrogen fertilizer. I typically like to split the normal pre-flood rates into two separate applications approximately 7-10 days apart. The mid-season season application would be the third application which would be

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Figure 3. Panicles on left shows the optimum drain timing for a silt loam soil (2/3 of panicle grains are straw colored), while the panicles on the right shows the optimum drain timing for clay soils (1/2 of panicle grains are straw colored).

2017/18 Rice Market Outlook

Dr. Michael Deliberto

The excessive flooding in northeastern Arkansas and heavy rainfall sustained in southwestern Louisiana will likely reduce rice plantings from their intended levels contained in the March Prospective Planting report. As of May 1, 89% of Arkansas’ 1.2 million acres of rice had been planted at a near record pace. Of planted rice, 71% had emerged. That leaves a minimum of 132,000 acres that will either have to be replanted in the “practical to replant” window or be planted in other crops, namely soybeans. Initial reports on damaged rice acres in Arkansas indicate between 150,000 to 200,000 acres have been adversely affected. The northeastern region of Arkansas (encompassing Lawrence, Jackson, Poinsett, Arkansas, and Randolph counties) accounts for approximately 66% of rice production in the state. As of May 1, 83% of rice in Louisiana had been planted with 86% of the crop emerged. Heavy rains in southwest Louisiana caused rice acres to decrease by an estimated 4,000 acres (planting intentions of 400,000 acres having been initially indicated).

Any long term market effect is difficult to predict at this time because the acreage reduction and potential crop damage from a supply standpoint is not fully known. For



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instance, any impact on grain quality and milling rates due to flood conditions could increase use; meaning that more rough rice will be needed for milling to equal an equivalent milled basis while at the same time reducing total supply. The first survey of actual plantings of the 2017-18 crop will be reported in the USDA NASS June Acreage report that will be released on June 30. The following month, NASS will release the first objective yield forecasts for the new rice crop that will include state yields in their August Crop Production report. These two reports will be highly anticipated.

Planting intentions reflect 2.63 million acres of rice despite weather-related uncertainties in Arkansas and California during the spring. Prior to the release of the March Prospective Plantings report, rice planting was underway. At that time, producers observed market conditions that indicated total rice supplies were projected to be the second highest on record, with lower prices projected, and the price of alternative crops-namely soybeans- attractive. A reduction in planted rice acres from 2016's level of 3.15 million acres will alleviate the market's frustrating efforts to move rice out. Long grain rice plantings in the Mississippi River Delta (MRD) lead the decline, with a bulk of the decline in acreage coming from Arkansas and

the largest percentage decline coming from Mississippi. Crop conditions are lower in the MRD regions of Arkansas, Mississippi, and Missouri. In the Gulf Coast region for both Louisiana and Texas, conditions are a little better than the MRD. California's medium and short grain crop progress is behind normal as reported by USDA NASS.

Total rice supply for 2017/18 is down to 271.1 million hundredweight (cwt.), as a result of a decrease in carry-in from the previous year. Ending stocks for the 2016/17 crop were lowered in the USDA June WASDE report, based on increased exports. This comes as welcomed news after three consecutive years of high ending stocks. Milled exports were increased upon word of potential strong demand originating from rice consumers in the Middle East. In total, 2017/18 exports are raised, with increases in milled offsetting the reduction in rough rice exports. Ending stocks for new crop are reduced by 4 million cwt to 34.1 million cwt, a major decrease from ending stocks of 2016/17 of 46.1 million cwt.

By class, long grain production for 2017/18 is estimated to be 142 million cwt, 17% from a year ago. This is driven by the reduction in planted acres this year (March 2017 planting intentions survey). Total use is also reduced, given the lower production estimate, as use moves (or tracks) with the

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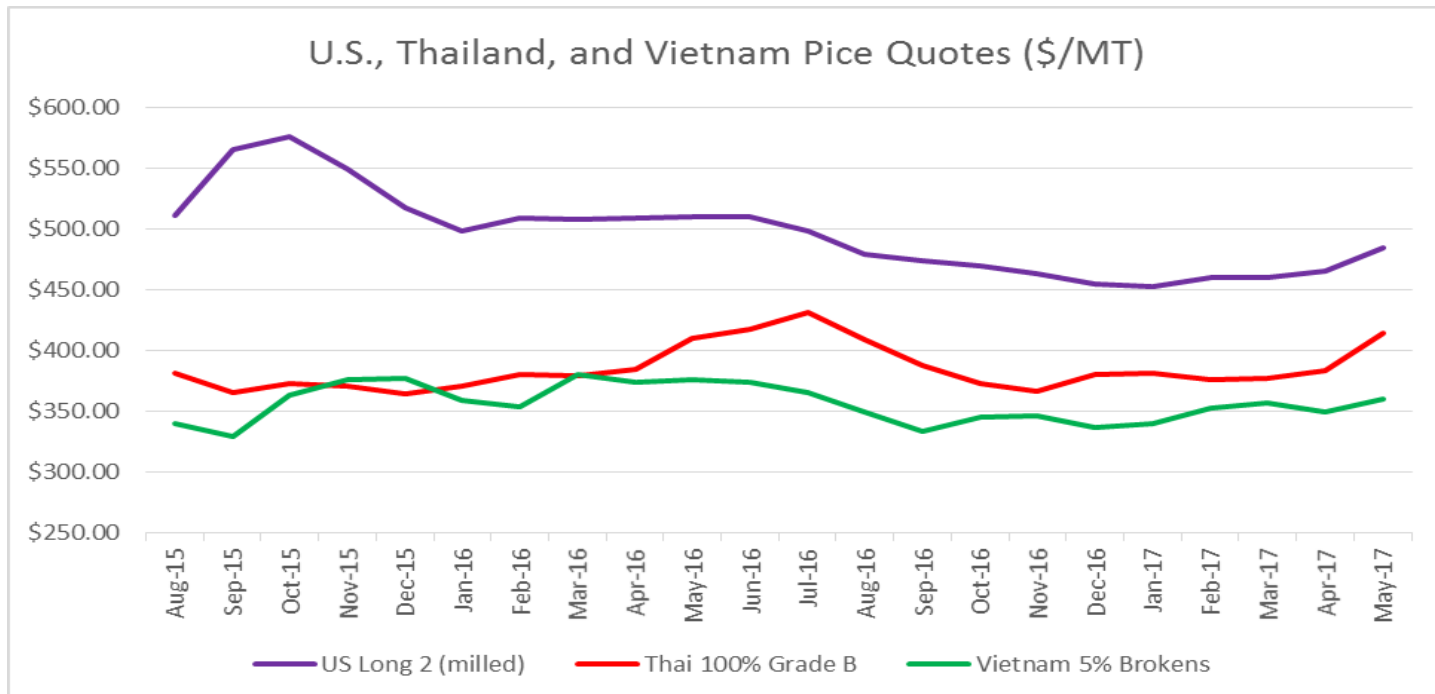


Figure 1. U.S. monthly rice prices, by class.

supply projection. Export are lowered slightly from a year ago. The projected decline in long grain exports in 2017/18 is based on tighter supplies and higher prices. Long grain ending stocks are estimated at 18.7 million cwt., 48% lower than the 27.7 million cwt ending stocks of 2016/17. Medium/short grain production is raised 1.3 million cwt. in 2017/18. However, lower carry-in will act to decrease the total supply to 77.6 million cwt. Exports are slightly lower. Ending stocks are reduced. In 2017, northern California experienced severe flooding and high levels of snowpack in the

mountains. Any impacts on California rice plantings from the winter flood and spring snowmelt will be reflected in the June Acreage report.

As a result of the 2017/18 crop estimates, the season average farm price was raised. The long grain season average farm price is estimated at \$11.50 per cwt. The southern medium grain price is forecasted at \$11.30 per cwt. Midpoint price estimates from the WASDE report would seem to suggest that producers could see rice prices increase for 2017/18, based on tight supplies. It is possible

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that reduced acreage and yields from the spring flooding could also factor into a price adjustment. Prices for both classes of rice still remain below the PLC reference price of \$14, triggering a price support payment for the 2017 crop. For comparison, the 2016/17 estimated long grain price is \$10.30 and the southern medium grain price is \$10 per cwt, respectively. Figure 1.

million tons. Global consumption is up to a record 480.1 million tons, but still less than production, resulting in an accumulation of rice stocks. China continues to hold a majority of global rice stocks. Thailand and Sri Lanka are recovering from adverse weather conditions, which is driving their increased rice plantings. Global rice supplies will increase and be the highest on record at 599.9

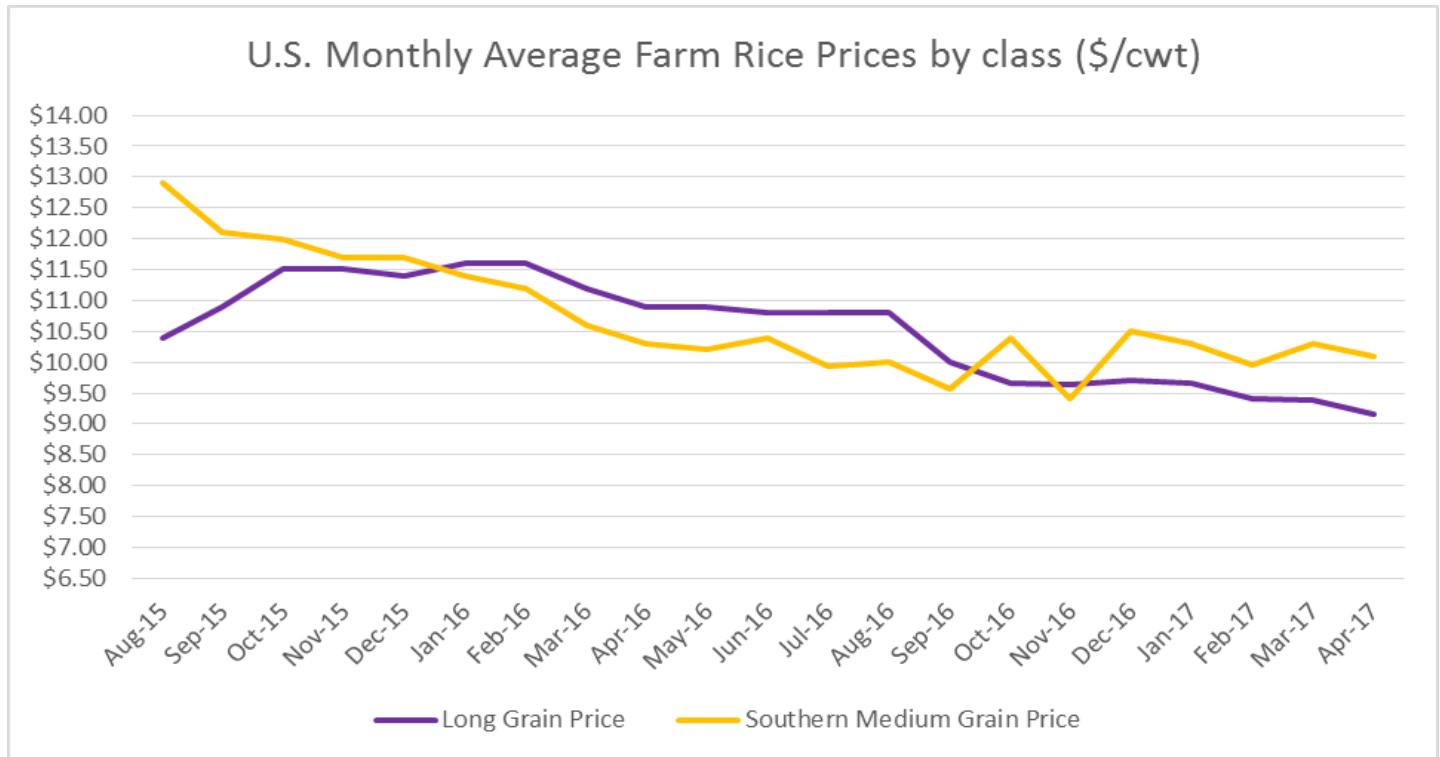


Figure 2. U.S. Thailand and Vietnam price quotes.

Global rice production is expected to decline slightly (0.25 million tons) to 481.5

million tons. Higher support prices will help keep rice area high in much of Asia, especially



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in China and India. Global rice trade is expected to increase.

Thailand and India remain among the top exporters of rice. From an import perspective, China is the top buyer of rice. Behind China's demand for rice, Nigeria, the EU, the Philippines, Cote d'Ivoire, and Saudi Arabia. Sub-Saharan Africa, the Philippines, the EU, Iran, Iraq, and Saudi Arabia will account for the majority of the increase in expected rice imports in the new crop year. There is a lack of competitiveness for U.S. rice outside of its core markets. Latin America accounts for about 60% of U.S. rice exports and is our largest regional market.

Thailand, India, Vietnam, Pakistan, and the U.S. account for more than 80% of global rice exports. Global trading prices are rising. Export quotes for all of the top five suppliers rose in May. The U.S. quote remains the highest at \$500 per MT, which strengthened over the past month by the confirmation of rice sold to Iraq. Thai price quotes are at \$450 per MT based on strong demand from Iran and other markets. Pakistan (\$432 per MT) and India (\$402 per MT) also rose on increased demand. Vietnamese quotes increased the most upon heightened demand from the Philippines, Bangladesh, and China.

Additional Information

Louisiana Rice Notes is published periodically to provide timely information and recommendations for rice production in Louisiana. If you would like to be added to this email list, please send your request to dharrell@agcenter.lsu.edu.

Upcoming

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|---------|--|
| June 20 | Northeast Research Station
Field Day, St. Joseph. |
| June 28 | LSU AgCenter H. Rouse
Caffey Rice Research Station
Field Day, Crowley. |
| July 6 | St. Landry Field Tour,
Palmetto. |
| July 12 | Northeast Louisiana Rice Field
Day, Oak Ridge and Rayville. |



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This information will also be posted to the LSU AgCenter website where additional rice information can be found. Please visit www.LSUAgCenter.com.

Remember you can keep in touch with what is going on in the Louisiana rice industry by using these resources:

	Louisiana Rice @LouisianaRice
	LSU AgCenter H. Rouse Caffey Rice Research Station
	Louisiana Crops Website @ www.louisianacrops.com
	LSU AgCenter Official Website @ www.lsuagcenter.com



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