



# AUTAUGA QUALITY COTTON

*Your Cotton, Your Choice*

## The Turnrow

*by Jeff Thompson  
AQCA Manager  
March 3, 2017*

Is it just me or did winter come and go unnoticed this year. Eighty degree temps in February; this old southern boy is loving it as it conjures up dreams of sandy shores, palm trees and Pina Coladas. Before we get too lost in the moment, winter is most likely not behind us as a few signs would indicate. Lest we not forget rumbles of thunder were heard in early February. An old wise weather prognosticator and dearly departed friend Cecil Smedley used to always remind me that one can expect a near freeze that same time in April. Last but not least, until pecan trees bud out I'm keeping a jacket handy.

One downside to a mild winter is greater insect pressure, so be forewarned as we prepare to battle with thrips and other cotton pests. The fact I can't stand outside now after dark without getting toted off by mosquitoes is ample evidence. On a more positive note, winter rains have all but made up for the drought conditions experienced last fall. The U.S. drought monitor has a small area from north Georgia running through the northern one third of Alabama as the only region in the Cotton Belt currently experiencing drought conditions. There's no wonder, with adequate moisture and favorable prices, optimism reigns high in the cotton industry as we prepare for the 2017 crop.

### Weed Management

This area of cotton production has taken center stage in the past several years as glyphosate resistant weeds become more prevalent over a wider portion of the Cotton Belt. Whether you're planting no-till or in a conventional till system, starting with a clean weed free field is key to

successful weed control. In no-till or reduced till cotton this requires an early preplant burndown herbicide application. Most effective has been a combination of glyphosate and a residual herbicide selected based on the weed species present. I mention this now because most of these residual herbicides carry with them planting interval restrictions. Check the label carefully to insure enough time is given between application and planting. Some commonly used burndown combinations and their planting intervals include:

Glyphosate + Sharpen	42 days
Glyphosate + 2, 4, D	30 days
Glyphosate + dicamba	21 days
Glyphosate + Valor	30 days

A successful overall weed control program, in addition to an early preplant burndown, will also include an at planting burndown, a post emergence herbicide application, possibly post directed herbicide applications, followed by a layby treatment. This year there is a new wrinkle in weed control with the introduction of the Enlist Duo and Extended Flex technologies, otherwise known as 2,4,D and dicamba tolerant cotton. The introduction of any new technology is usually met with excitement. Such is the case here; however, I must say I'm a little hesitant and nervous at the same time. My trepidation is not with their performance but rather the risk posed to non-target plants. It's going to put a tremendous amount of responsibility on the applicator to prevent injury to cotton not containing these technologies. Also, it would be wise to know what your adjacent neighbor is planting, for this might affect your variety placement. Fields will require flagging, careful attention must be given application conditions (wind speed), and proper application equipment must be used (nozzle size). University and Extension personnel are conducting training sessions on the application of these auxin herbicides. I strongly encourage each of you and your employees to attend one of these classes.

It only takes one mistake to create a serious problem. Be reminded, these technologies are on a two year evaluation label, so use responsibly, we can ill afford to lose such a valuable tool.

### **2017 Cotton Variety Recommendations**

The variety selection process has become quite complicated with the rapid introduction of new varieties. Just keeping their numbers straight can be confusing, not to mention having to distinguish between the various technology packages. Nevertheless, seed breeders have done an excellent job in developing new and improved germplasm, which has raised the yield bar and greatly enhanced fiber quality. Such a combination puts you, the U.S. grower, in a very enviable position. By having the capability to produce more of a product that is in such great demand provides you an advantage in the global cotton trade.

### **Southeast**

Each year I attempt to simplify this selection process by developing a recommended planting list. My selection criteria, after reviewing performance data from on farm trials and University evaluations, is to choose those that have consistently, over a wide range of growing conditions, excelled in both yield and fiber quality. Designed only to serve as a guide, one mustn't discount your own observations of variety performance in your particular area.

Let me begin by saying, in all my years of doing this, I've never seen two varieties separate themselves from the pack as observed this year. PHY 444 WRF and DP 1646 B2XF have shown to be consistently superior to the rest in both yield potential and fiber quality. Having delivered such high yields of extremely long staple cotton over multiple years gives me even greater confidence they can repeat. Below is my complete list containing other varieties which closely follow in performance and their maturity group.

DP 1646	Mid – Full Season
PHY 444	Mid – Full Season
PHY 333	Early
DP 1614	Early
DP 1555	Full
DP 1639	Mid

This year I have included a secondary list. These varieties, though capable of producing comparable yields, trail slightly in fiber quality. However, with the recent decline in the sales basis being offered for extremely high grade cotton, high yielding base grade cotton often times could lead to more money in one's pocket. Below is a secondary list of high yielders.

DP 1553	Mid – Full
NG 5007	Mid – Full
ST 6182	Full
PHY 487	Mid
PHY 495	Mid

### **Southwest Varieties**

DP 1646	most popular / yield & quality
NG 3406	early-mid
NG 5007	mid-full
NG 4545	medium
FM 2334	medium / high yield
FM 1900	high yield & quality
FM 2007	easy to manage / good for dryland

### **Market Report**

The standoff continues between the historically long specs and the significantly short trade. With mills having some 11.5 million bales of cotton yet to fix, they seem willing to wait on prices retreating as witnessed by their roll to May and July. In turn, the specs are long at levels not seen since 2010/2011. The lack of additional spec money to buy the market has limited any price rallies, while with the mills there to price on any break creates a firm floor. Thus the December contract has traded between 73 and 75 cents for over a month now. It's our belief this trading range will hold firm, at least in the short term, until the crop gets in the ground. That's not to say there won't be volatility, such as yesterday's old crop selloff of over 200 points in just 10 minutes, only to find it bouncing back to almost unchanged before the close. With time on the side of the specs, this standoff will most likely be settled with the mills forced to price as May and July contracts near expiration, a move likely to bolster prices.

The biggest positive of late has been an increase in demand for U.S. cotton. An attractive basis has made high quality U.S. cotton a bargain for foreign mills. Just last week U.S. export sales topped half a million bales, the highest level in two years while shipments have exceeded 300,000 bales for the past two weeks. This puts us well ahead of the pace necessary to meet the USDA export estimate. It's very possible we will see them raise this number in next week's Supply/Demand report. In any event, this strong demand will certainly be favorable to the U.S. cotton balance sheet. Also, it is largely responsible for new crop prices latest run to 75 cents. Last week when the USDA raised intended planted acres by 500,000 to 11.5 million the market didn't bat an eye and actually traded higher. Normally, you would have seen a triple digit selloff, if not for the fact the market has taken into account this renewed demand.

### **AQCA 2016 Pool Marketing Update**

As we near the completion of harvesting and ginning in most all areas, we would like to provide a brief update on marketing activity for the 2016 AQCA pool. Though bales are still coming in from West Texas, a few thousand a week, we expect by mid to late March to have everything delivered. Currently within 5,000 bales of our original estimate, we should close in on that

number over the next few weeks.

We're proud to say, thanks to favorable pricing opportunities, our entire 2016 pool inventory has been sold. Even the bales still coming in are being applied to an on call contract and priced on the futures market when received. Over the next few weeks, as the final bales are delivered, we will be conducting an equity review to make another progress payment determination for March. This follows the initial advance and the progress payment made in January. After such time, our accountants will begin the audit process with the goal of expediting the final settlement. Please contact our office if you have any questions.

Until next time,

**ATTENTION:**

AQCA and Choice Cotton Company have relocated their offices to  
169 East Main Street  
Prattville, Alabama 36067.  
Please note our new mailing address and send all future documents to this location.

