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Cotton Insights Newsletter

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Cotton Market Floundering – 2020 Cropping Decisions Significantly Impacted

With the global COVID-19 pandemic, all ag producers are looking at the market and trying to discern what will happen in the 2020 growing season. With cotton futures prices currently forcing growers into a "put it in the loan at harvest" mindset, many are trying to determine how they can cinch up the belts one more notch. We have been through these cycles before, but the high degree of uncertainty associated with these unprecedented times is causing a lot of angst among many in the ag industry. In my opinion, every cotton crop input must be scrutinized. Producers should spend input dollars where they have a high likelihood of returning the most lint production. If a grower wants to produce a crop with good to excellent yield potential, the following fundamentals should not be ignored. These include significant costs for water, genetics, weed control, fertility and insect management. Knowing the cost of these inputs is important if difficult decisions have to be made. Over the next few newsletters, we will cover some important topics that hopefully will be useful.

Current Water Situation and 3-Month Outlook

The good news is that at least based on the latest (March 24) U.S. Drought Monitor maps, most counties in our service area are in good shape with respect to drought conditions at this time. None is indicated. Overall, this is good news with respect to any planned preplant irrigation expenditures. See the graphic on the next page. Click on this link to go to the website:

https://droughtmonitor.unl.edu/CurrentMap/StateDroughtMonitor.aspx?TX

Obviously a lot can change in the next 60 days. The National Weather Service Climate Prediction Center is indicating that our region is in a band that has about 40% probability of above normal temperatures. Below or Equal Chances of above, normal, or below normal precipitation. Is also indicated. These graphics are provided below. Click on this link to go to the NWS-CPC website: https://www.cpc.ncep.noaa.gov/

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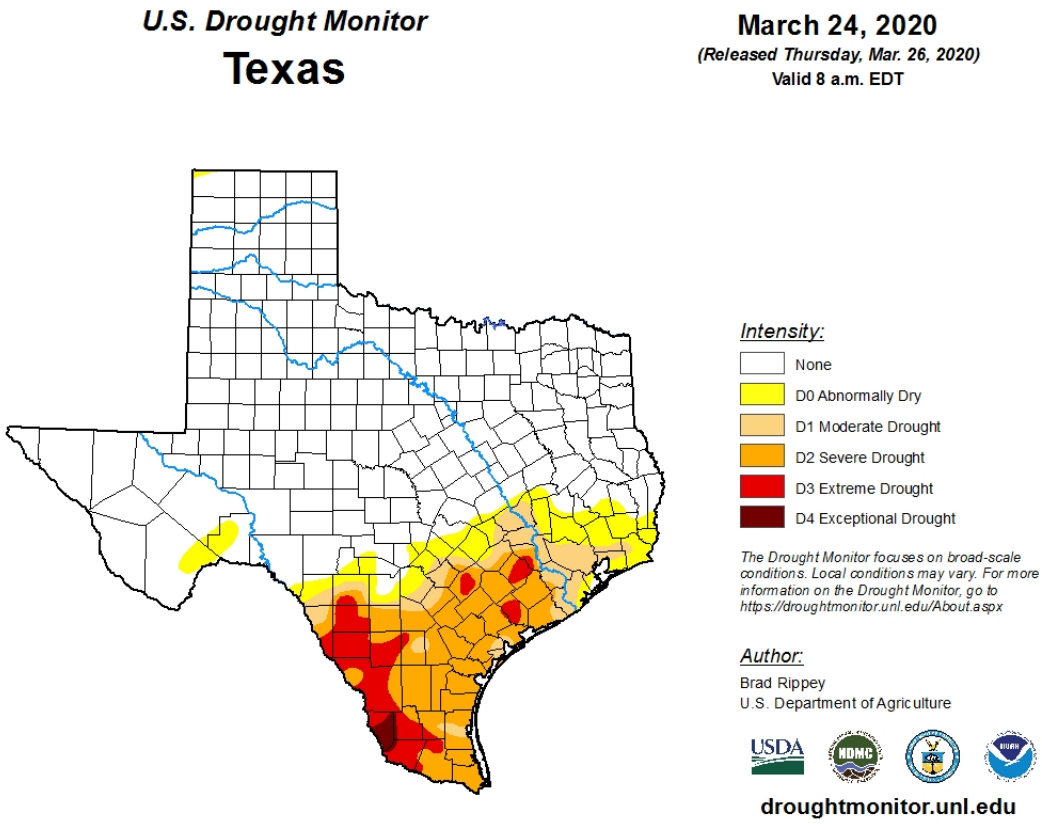
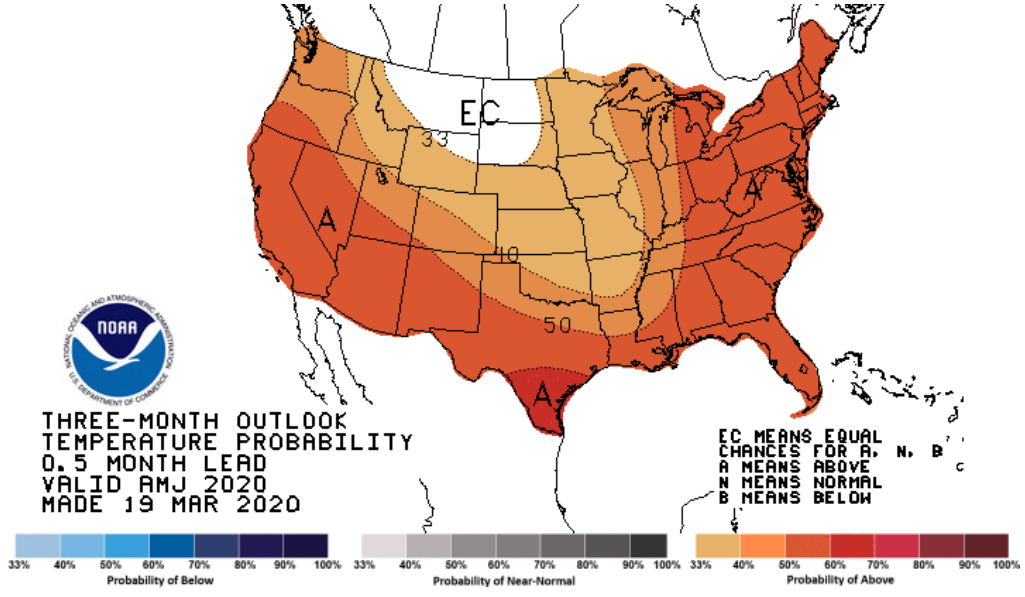
U.S. Drought Monitor as of March 24, 2020.



3-Month Outlook for Temperature Probability as of March 19, 2020.



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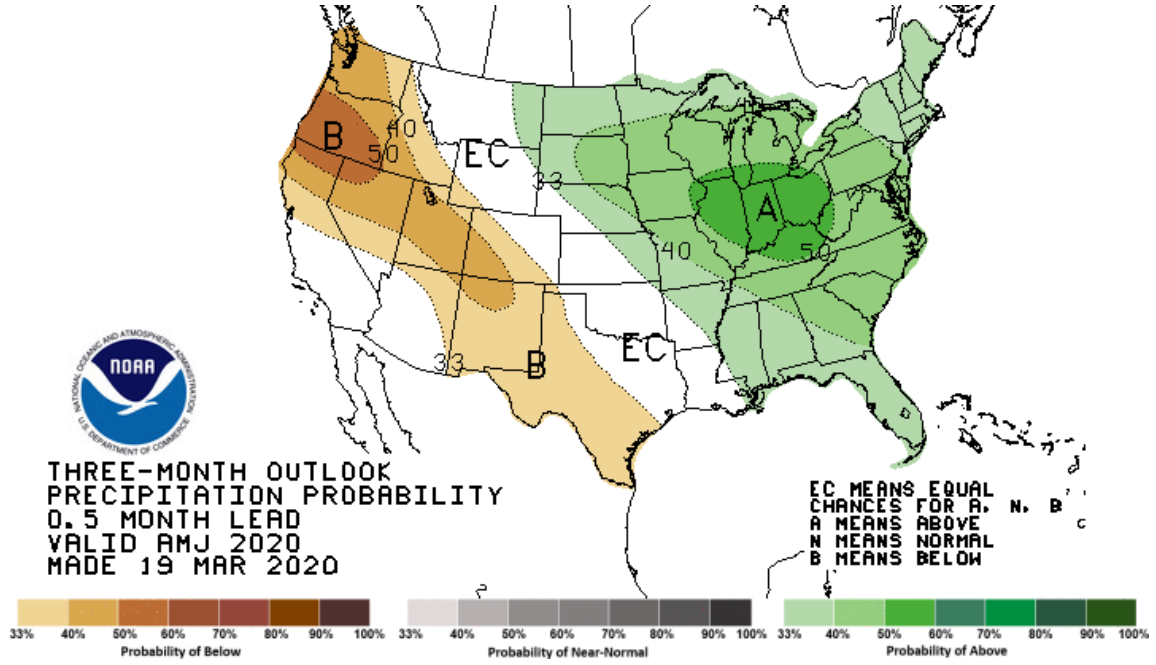
3-Month Outlook for Precipitation Probability as of March 19, 2020



Hopefully we will end up with at least near normal precipitation to assist with the 2020 crop. For both irrigated and dryland production, the subsoil moisture present is extremely valuable, and hopefully rainfall will be adequate to reduce in-season irrigation expenses.

Genetics

A lot of good varieties are out there, but unfortunately we are hearing once again of shortages of some important varieties for our region. These varieties generally perform very well for us under good conditions. We need to be looking at yield potential, and genetic potential for staple, micronaire, and strength. It has been estimated by some researchers that from 40-90% of these three fiber properties are controlled by genetics, with the remainder influenced by environment. See the table below for a breakdown by fiber property.

Fiber Property	Genetics %	Environment %
Staple	82	18
Micronaire	41	59
Color	21	79
Strength	90	10

- Source: http://www.cotton.org/tech/ace/growth-and-development.cfm

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It is important to identify varieties that have the potential for returning the most CCC loan value, if indeed we are heading to a loan situation in 2020.

Seeding Rates

Due to the high seed cost, perhaps the economic reality will be to plant fewer seed than normal. Plains Cotton Growers annually updates the online PCG Seed Cost Calculator. This has the suggested retail pricing for numerous varieties planted in the High Plains region. One must note that the prices used are for BASE seed treatments, so premium treatments are not provided in the calculator. To access this tool, click on the following link: https://plainscotton.org/seed-cost-calculators/

An old definition of "adequate cotton stand" indicates that both uniformity and density are important. Modern planters can control the distribution down the row and seeding depth extremely well. In other words, new planters can do a lot to optimize distribution of a lower seed drop rate. However, the distribution of the final plants can be mostly affected by weather conditions. That is why Cool Germination Test data acquisition for each specific seed lot a grower plants is important. Seed size (number of seeds/pound) is also a consideration. Smaller seeded varieties tend to have lower seedling vigor. Different seed lots within individual varieties can even be highly variable with respect to seed size. Watch low seed vigor issues, especially with the small seed size of many newer varieties (e.g. >5,500 seed/lb, check seed tag). For a given variety, seed lots with larger seed (fewer number of seed per pound) may be more vigorous than those with smaller seed (larger number of seed per pound), but this can vary and depend upon other factors.

On-farm seeding rate trials conducted over the years by several Extension personnel indicated that cotton has the capacity to compensate for fairly thin stands. Data indicated that dropping as few as 2 seeds/row-ft can be successful across a fairly wide range of conditions, but recognize that Cool Germination Percentage, seed lot, seeds/pound, conditions during and after planting can all impact this. Previous research trials suggest acceptable final PLANT population for 40-inch rows is around 2-4 PLANTS per row-ft (1.5-3 plants per row-ft in 30-inch rows). Target the lower end for dryland and the higher end for irrigated. What seeding rate do you use to get there? What % of seed planted will make a final plant at harvest? Thinner stands typically result in more harvesting difficulties. Current seed treatments can increase seedling survivability during stand establishment if environmental and disease pressures occur. This may run 50% or lower during cold, wet periods, but as high as 80% if high quality treated seed are planted into warm soils and environmental stresses are not observed. Seedling survival rates of about 60 to 80% can be estimated based on previous seeding rate trials. At the end of the day, you must have faith in your planter, its setting, seed quality, and conditions during and after planting. It is difficult to agronomically justify planting less than 20,000 seed/acre in dryland.

Weed Control Program Considerations

Good rainfall means we have ample opportunities for weed germination. Transgenic varieties and residual herbicides have become important inputs for producers. Both are expensive. From an ecological sustainability perspective, using more herbicide modes of action will delay onset of, or prevent weed resistance. We have already been down the resistance path before with glyphosate, and hopefully we won't go down that same path again. Economic pressure on the farm results in difficult decisions having to be made.

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