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The Floyd County AG NEWSLETTER December, 2011

NEW WATER DISTRICT IRRIGTION RULES PROMPS DECEMBER 8 INFORMATION MEETING IN FLOYD COUNTY

Floydada – The Texas AgriLife Extension Service and Texas Farm Bureau will host an informational meeting at 5 P.M. December 8 for those affected by the new High Plains Underground Water District rules that go into effect Jan. 1.

The meeting will be held at the Floyd County Friends Unity Center at Muncy, 5 miles north of Floydada on U.S. Highway 70.

"The High Plains Underground Water District adopted rules in July that will require meters for wells and will limit the amount of water pumped per acre for irrigation," said Mark Carroll, AgriLife Extension agent in Floyd County. "The whole purpose of this meeting is to help our producers and landowners better understand this new ruling and how it will affect them.

"AgriLife Extension and the Floyd County Farm Bureau are providing this opportunity strictly as an informational meeting for our producers. We are not for or against the new regulations, but simply want to provide the best information possible, so our clientele is informed as thoroughly as possible prior to the regulations taking affect at the first of the year."

Jim Conkwright, High Plains Underground Water District manager in Lubbock, will present the program and answer questions from the audience, Carroll said. The multi-county meeting will involve the AgriLife

Extension offices in Floyd, Crosby, Briscoe, Swisher and Hale counties and Floyd and Briscoe county Farm Bureau. Individual registration is \$10 due at the door. The Floydada fire department will be serving a barbecue meal as a fundraiser. For more information contact the AgriLife Extension office in Floyd County at 806-983-4912.



Tanner Smith (left), President Floyd/Briscoe County Farm Bureau and Mark Carroll, Texas AgriLife Extension Service agent in Floyd County, with a new digital water meter.

COTTON SKIDS TO NEW LOWS

By Duane Howell

Sweeping selling in commodities and equities on renewed fears of global recession slammed cotton futures to new continuation lows in a holiday-shortened trading week.

Most-active March shed 975 points for the week ended Wednesday to close at 90.91 cents after trading within a 1,115-point range from 100.88 to a new calendar year low of 89.33 cents. It came into the calendar week having completed a bearish outside-range reversal on its weekly chart.

Maturing December lost 1,279 points from a week earlier to settle at 90.71 cents, trading from 104.69 to 87.50 cents. Newedge USDA issued 168 of 169 first-day December delivery notices, all of which were stopped by Term Commodities, trading arm of Allenberg Cotton Co.

A steep cut to 893 lots in December's open interest going into first notice day lessened the overall market effect of the delivery situation and the emergence, as expected, of a major commercial stopper.

The December 2012 contract closed at 88.94 cents, down 744 points from a week earlier. Crop insurance prices for the 2012-13 marketing season, which could affect planting decisions, are not expected to be announced until mid-January to mid-February.

March on Tuesday reversed from the new 11-month low? just above chart support at 88.90? to race back above a key technical area at 91.25, an old low posted on July 18, and settle at 91.12 cents. This was seen as raising the prospect of a consolidation period in a downtrending market.

A 38.2 percent correction of the break from last week?s high to Tuesday?s low would be 93.74? around Monday?s high of 93.71? and a 50 percent retracement would be 95.10.

The market was closed Thursday in observance of Thanksgiving and was to trade shortened hours on Friday.

Cash sales on The Seam's grower-to-business exchange slowed to 7,635 bales for a four-day trading week from 21,955 bales the previous five-day period. Prices fell to an average of 85.07 cents from 98.40 cents, with loan redemption rates dropping to 53.03 cents from 55.15 cents.

Business-to-business sales fell to 8,884 bales from 13,985 bales. The cotton changed hands on prices averaging 88.78 cents, down from 94.29 cents. Loan repayment rates averaged 52.56 cents, up from 51 cents.

A report showing Chinese manufacturing activity slumping to a 32-month low and a weak German bond sale exacerbated worries about faltering global growth as commodities and equities plunged. Grains fell to multi-month lows.

The HSBC flash manufacturing purchasing managers? index, the earliest indicator of China's industrial activity, slumped in November to 48, a low not seen since March 2009. Separately, a near flop of a German bond sale raised concerns the debt crisis was threatening Europe's biggest economy.

Economic activity in China, which has the world's second largest economy, generates keen interest in a variety of markets. It is the world's top importer of soybeans, a significant buyer of U.S. corn and is the world's leading raw cotton importer and raw cotton consumer.

The USDA has projected China's 2011-12 cotton imports at 14 million bales, second largest on record and 39 percent of the world total. As of Nov. 10, China had booked 4.671 million statistical bales of U.S. cotton for delivery this season, 49 percent of the sales to all destinations.

On the U.S. crop scene, cotton harvesting advanced at a slowed five percentage points during the week ended last Sunday to reach 84 percent done, even with a year ago and 12 points ahead of the five-year average.

The harvest in top-producing Texas moved at a four-point pace to 82 percent, up four points from a year ago and 12 points from the average. Of the 18 percent remaining on the stalk, 63 percent was rated poor to very poor, 25 percent fair and 12 percent good.

Ginning remained active and harvesting continued in areas of the northern High Plains. Some producers there prepared to file new insurance claims on fields with abnormally low yields.

Producers in Georgia, the second leading cotton state, had picked 79 percent of their crop, up eight points from a week earlier but five points behind last year and five points ahead of the average.

Classing offices graded 1.338 million running bales of upland and 63,895 bales of Pima during the week ended Nov. 17, boosting the all-cotton total for the season to 9.328 million bales. A year ago, the offices had graded 10.846 million bales.

Upland classing for the season of 9.144 million bales was down from 10.715 million a year ago. Cotton meeting tenderable requirements totaled 71.9 percent for the week and 67.2 percent for the season, against 71.7 percent and 66.4 percent, respectively, the week before.

The USDA facilities had classed around 59 percent of the November crop forecast for upland and Pima combined.

Separately, U.S. all-cotton outstanding loans increased 450,084 running bales to 2.762 million during the week ended Nov. 15. Entries were 665,505 bales and repayments were made on 215,421 bales.

The outstanding total included 428,858 bales of Form A loans issued to individual growers and 2.333 million bales of Form G loans controlled by marketing cooperatives or loan servicing agents.

Meanwhile, trend-following funds bought a net 2,413 lots in cotton futures-options combined during the week ended Nov. 15, covering 2,365 shorts and adding just 48 new longs.

This raised their net long position to 13,371 lots short, while buying of a net 3,840 lots by index funds boosted theirs to 51,971 lots. Traders with non-reportable positions sold a net 1,695 lots to cut their net short position to 3,237 lots.

The net long positions in a bearish atmosphere likely spurred long liquidation selling when support levels were violated.

Commercials sold a net 7,947 lots to increase their net shorts to 62,106 lots. They covered 26,919 shorts and liquidated 34,766 longs. Open interest fell 79,247 lots to 180,303 following options expiration.

RAINS HELP BUT MOST OF STATE STILL UNDER SEVERE DROUGHT

By Robert Burns

COLLEGE STATION – Cold fronts brought rain, from a trace to 2 inches or more, to much of the state during the last week, according to Texas AgriLife Extension Service personnel.

As usual, when it comes to weather, there were winners and losers. East Texas, North Texas, Central Texas and the Rolling Plains were the main beneficiaries, with the Coastal Bend, South Texas and Far West Texas regions being largely passed over, while the Panhandle and South Plains regions fell in between these extremes, according to weekly reports by AgriLife Extension county agents.

Where rain fell, cool-season grasses and winter wheat benefited, though the consensus, even where 2 inches or more fell, was that much more rain was needed to keep winter forages going.

In the western part of the Panhandle, the situation was pretty much representative for the region, according to Rick Aukerman, AgriLife Extension agent for Deaf Smith County, west of Amarillo.

Deaf Smith got about a half inch of rain in many areas, with more rain and snow forecast for Dec. 1-2, but it's a mixed blessing, Aukerman said.

"Typically, what's been happening here lately is that we haven't got very much moisture, and it just puts a halt to what's left to harvest," he said. "We still have a lot of people who are baling corn stalks and grain sorghum stalks, and anything else they can bale up for feed for the dairies and area feed yards, and they're wanting to get it out of the way. The cotton -- what's left out there -- they at least want to get it off the stalk and into the modules."

Baled corn stalks were selling for \$80 to \$100 per ton in the field, according to Aukerman.

Aukerman said Deaf Smith producers are about 80 percent finished with the cotton harvest, and yields were down. The dryland cotton was non-existent, and most irrigated cotton yielded 650 to 750 pounds per acre, with isolated instances of

2.5 to three bales per acre where more water was available to pump.

The rain helped wheat in Deaf Smith County, as it did in many areas, he said. But the crop was still struggling as of Nov. 29, and some producers were running centerpivot irrigation early in hopes of producing forage for the stocker cattle.

Aukerman also noted that Deaf Smith County had only received 6.5 inches to date this year. The record for the least amount of rain for a year is 7.5 inches.

"At this rate, unfortunately, we will probably set a new record for the least amount of rain for the year," he said.

AgriLife Extension district reporters compiled the following summaries:

Panhandle: Rain fell over parts of the region, with accumulations ranging from a trace to as much as 1.5 inches in isolated areas. Temperatures were near normal most of the week, but by the end of the week, days were cold and very windy.

Soil-moisture levels continued to be mostly very short. The cotton harvest was ongoing, and wheat growers continued planting. What winter wheat was already planted was struggling, and producers were irrigating in hopes of producing forage. Some irrigated wheat looked good. Rangeland and pastures were in very poor to fair condition, with most counties reporting very poor. Livestock producers continued supplemental feeding of cattle.

South Plains: The region had widely scattered rains with the most significant accumulations in Floyd County, which reported from 0.8 inch to 1.5 inches Other counties did not fare as well with accumulations of about 0.5 inch. A cold front on the weekend of Nov. 26-27 brought gusty winds. The cotton harvest wound down, and most gins were predicted to be finished with this year's crop by the first week of December. Yields were well below average, lower than expected. Winter

wheat needed rain. Livestock producers continued supplemental feeding of cattle. Rangeland greened up in low-lying areas where there was rain, but more moisture was needed.

Southeast: Rain fell across the region, with accumulations ranging from 0.3 inch to 2 inches. Temperatures were moderately warm. Some ryegrass was planted. Pastures were in poor shape, and livestock producers continued to destock. Baling of the ratoon rice-crop stubble was completed. Pond levels remained low.

West Central: Days were mild with cold nights. A few areas reported light showers, but most counties remained very dry. The cotton harvest neared completion; only irrigated fields were being harvested.

Growers were almost finished planting small grains. Some earlier planted fields were up and being grazed. Winter wheat was in poor condition due to low soil moisture. Rangeland and pasture conditions continued to decline. Hay was in short supply, and no grazing was available in many areas. Livestock producers further increased supplemental feeding of cattle.

A publication of the Texas Agricultural Extension Service in Floyd County. Editor: Mark Carroll

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2012CAPROCK CROP PRODUCTION CONFERENCE - JANUARY 24, 2012

79322 Pre-Registration Form

Make checks payable to Caprock Crop Production Conference and mail this form to:
Texas AgriLife Extension Office - Crosby County, 201 W. Aspen Suite 011, Crosbyton, Tx.

NAME

ADDRESS

PHONE

Registration fee before January 20, 2012 (non-refundable):

\$35 For early registration prior to January 20, 2012 Add \$10 for late registration if received after January 20, 2012 (non-refundable):

Agents

County Extension Agent - Ag Floyd County (806) 983-4912

Caitlin Jackson County Extension Agent - Ag/NR **Crosby County** (806) 675-2347

> **Dustin Patman Extension Agent - IPM Crosby/Floyd Counties** (806)675-2347

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Improving Lives. Improving Texas.

Caprock Crop **Production Conference**

> **January 24, 2012** 7:00 a.m. - 5:00 p.m.

Floyd County Friends Unity Center 6 miles west on Hwy 70 from Floydada or 4 miles east on Hwy 70 from Lockney Muncy, Texas

Sponsored by:

Texas AgriLife Extension Service, **Crosby and Floyd Counties**

and

Plains Cotton Growers

The Caprock Crop Production Conference is a direct result of producer-generated educational program needs from evaluation assessment and is in direct support of the following Texas AgriLife Extension issues:

- 1. Economic Competitiveness for Texas Agriculture and Local Municipalities
- 2. Water Quality and Conservation
- 3. Environment and Natural Resources Conservation

Continuing Education Units

3.5 General, 2.0 IPM, 1 Laws & Regs., .5 Drift Minimization for a Total of 7 CEU's

Crosby County Ag Committee

Marty Davis	Jamie McNeill
Donnie Swink	Mark Schoepf
Matt Wilmeth	Brad Aycock
Lloyd Arthur	Regan Ware
Lewis Fish	Dee Abell

Floyd County Ag Committe

Gary Nixon	Darrell Rasco
David Cook	Matt Williams
Kellie Cantwell	Boyd Jackson
Jason Pyle	Ian McIntosh
Jim Bob Clary	Luis Cervera
Randy Beedy	Stephanie Bradley
Corbin Kellison	Chad Cook
Tyler Phillips	

For more information contact:

CEA-Ag, Floyd County, 983-4912
Caitlin Jackson, Crosby County, CEA-Ag, 675-2347
Dustin Patman, EA-IPM, Crosby/Floyd Co., 675-2347
Texas AgriLife Extension will seek to accommodate all persons with disabilities for the meeting. We request that you contact Extension Personnel at the Crosby or Floyd County Extension Offices as soon as possible to advise us of auxiliary aid and/or service needed.

Caprock Crop Production Conference

Tuesday, January 24, 2012 Morning Moderator: Steve Verett

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7:00	Registration,	Coffee and Donuts	s, Exhibits

- 8:00 <u>TX Comptroller, Ag & Timber Registration</u>, Robin Corrigan, Team Lead Sales Tax - .5 General CEU
- 8:30 *General Disease Update*, Jason Woodard, Texas Tech,/Texas AgriLIFE Plant Pathologist .5 IPM
- 9:00 *Drift Minimization* Caitlin Jackson, Texas AgriLIFE Extension - .5 Drift Minimization CEU
- 9:45 Break View & Visit Booth Exhibitors
- 10:00 *High Plains Underground* Water District Legislative Update, Jim Conkwright, High Plains Underground District Manager - .5 General CEU
- 10:30 **2012 Farm Bill/CRP Update, Steph**anie Bradley, Farm Service Agency Director .5 General CEU
- 11:00 **2011 High Plains Cotton Update, Mark Kelley, AgriLIFE Cot**ton Specialist.- .5 General CEU
- 11:30 Irrigation Management, Dana Porter, Texas AgriLIFE Water Specialist - .5 General CEU
- 12:00 LUNCH View & Visit Booth Exhibitors
 Afternoon Moderator: Llovd Arthur
- 12:45 *Risk Management, Jay Yates, Texas AgriLIFE*Risk Management Specialist -.5 General CEU
- 1:30 *Controlling mixed population o*f Bollworms and Fall Armyworms/New emerging pest
 Kurtomanthrips, Dustin Patman, Texas AgriLIFE
 IPM Agent -.5 IPM CEU
- 2:00 *Insurance Update* .5 General CEU
- 2:30 **Break** View & Visit Booth Exhibitors
- 3:00 2011 Industry Updates, 1 IPM CEU
 Bill Campbell, Sygenta
 Ed Yoakum, Crop Production Services
 Bruce Odom, Bayer Crop Science
 Brad Ferguson, Dow Chemical
 Gary Sanders, NexGen
 Jimmy Newsom, All-Tex
 Joe Kueser, Monsanto
- 4:00 *TDA Laws & Regulations* Casey Summers, TDA Field Inspector 1 Law & Reg CEU
- 5:00 Evaluation and CEU's Certificates

Speakers

Robin Corrigan, State Comptroller, Sales Tax
Section

Dr. Jason Woodward, Texas Tech/AgriLIFE Plant
Pathologist

Caitlin Jackson, Texas AgriLIFE Extension Agent, Crosby County

Jim Conkwright, High Plains Underground Water
District

Dr. Mark Kelley, Texas AgriLIFE Cotton Specialist **Dr. Dana Porter**, Texas AgriLIFE Irrigation

Specialist

Stephanie Bradley, USDA FSA Director

Jay Yates, Texas AgriLIFE Risk Management Specialist

Dustin Patman, Texas AgriLIFE Extension, IPM Agent Crosby/Floyd County

Casey Summers, TDA Field Inspector

Joe Kueser, Monsanto Rep.

Ed Yoakum, Crop Production Services Brad Ferguson, Dow Chemical

Bruce Odom, Bayer Crop Science

Billy Campbell, Syngenta

Gary Sanders, Next Gen

Jimmy Newsom, All-Tex