

Soybeans May Not Be Great Option For Cotton Growers Unable To Obtain Essential Herbicides

JONESBORO, ARK.

Some Arkansas cotton growers are stuck between a rock and a hard place this spring. With critical herbicides in short supply this spring, some producers are mulling the option to go with soybeans instead. Cotton growers who don't apply a pre-emerge herbicide in a pigweed-resistant field run the risk of losing the crop, say weed scientists with the University of Arkansas Division of Agriculture.

"It's unfortunate we're into a situation with this resistance that we're having to make decisions to switch crops just on that one factor," said Tom Barber, extension cotton agronomist for the U of A Division of Agriculture.

Wet soil and continued soakings are making it hard for some producers to get back into the fields to replant or spot plant.

"If we can't get done planting by June 1, people will start planting soybeans," Barber said. "That's especially true in northeastern Arkansas."

However "after making a nice recovery in April, soybean prices have fallen about 75 cents per bushel since early May. Prices could continue to languish near the \$8.80 to \$9 level for the balance of the year with good growing conditions," said Scott Stiles, instructor-econom-

ics/risk management for the University of Arkansas Division of Agriculture.

"The grain markets are coming under increasing pressure from a variety of sources," he said. "Expanded acreage, good crop conditions thus far, a steep sell-off in crude oil and world financial markets are some of the major factors today. The downside risks for grains seem to be expanding."

However, Stiles said: "it's not uncommon to see a seasonal price bounce in July or August due to dry and hot weather, but assuming normal weather, prices for the 2010 crop will remain under pressure."

Stiles said record South American soybean production will likely cut into the U.S. soybean exports. Whole soybean exports are expected to drop about 105 million bushels, or 7.2 percent, for the 2010-11 marketing year.

The May Supply/Demand report also included the USDA's first projection for 2010-11 average producer prices received for soybeans. These are expected to be in the range of \$8 to \$9.50 with a midpoint of \$8.75 per bushel.

Meanwhile, cotton continues to hold firm, with December futures trading in a range of 76 to 78 cents over the past two weeks. Δ



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