

## Program 1R-2

# ► **Chance Favors The Prepared Rice Marketer**

**Presented by Milo Hamilton**

*President and Co-Founder, Firstgrain, Inc.*

First let us consider what 2012 did to our rice profits so far.

The market during the fall of 2012 was not kind to the rice price. Perhaps you have a bit of market regret you did not plant a little more of something else than rice in 2012.

Other grains were topping out from the drought induced rallies this past fall and those who grew rice in 2012 may have second thoughts about that decision, depending on what relative prices do this winter as planting decisions come to a head. By relative prices I do not mean just soybeans versus rice but also Western Hemisphere values versus Asian rice. If you do not understand how these rice markets work geographically, you will under or over estimate the price you will receive this marketing year on your rice farm. It is about that simple. Rest your marketing plan on a global understanding of what is going on for the rice price. You have no choice but to do that.

The big story in 2012 was protein (soybean) values, not starch (rice) values. So what is the rice price going to look like during the harvest of 2013? That is a very good question. At planting time in 2012 most thought that prices would be strong at harvest and maybe they planted a bit more rice acres, thinking their neighbors would cut back rice acres. We all assumed rice production would be very low. We assumed wrong.

The crop in 2012 was a problem, however, not just for the rice price but also for the milling yields as well. The production was up but the milled rice outturn was down from 2011 and a bit more like 2010. Hot and/or dry conditions are no friend of the rice plant in July.

My talk at the 2013 Rice and Cotton Conference will focus on the factors and forces shaping the rice price for 2013 in the Western Hemisphere (Arkansas and Brazil) and Asia, two markets that do not really march to the same pricing drummer. Long grain stocks in the US will be a little bit or a whole lot tighter as we move into the last half of the 2012/2013 marketing year.

You are in the business of growing money per acre not just rice. If you can make more money growing something else, the brief answer is: "do it." Do not care about what your neighbor may or may not do in 2013. Do what makes financial sense to your rotation program and above all your wallet.

Hopefully by January 2013 we will have a new farm bill and some kind of action on the deficit. What I can forecast for you in 2013 is much more price and financial market instability, not less.

These markets are not for the faint of heart but are for the prepared marketer. Chance always favors preparation, over impulse selling. Chance always favors the grateful, globally minded seller. The only kind of gratitude the market knows is the action of pricing your rice. Gratitude can also help you sleep a bit better.

## Program 8R-2

# ► **The Rice Ratoon Crop: Agronomic And Fertility Research**

**Presented by Dr. Dustin L. Harrell**

*Associate Professor, LSU AgCenter*

Ratooning is the production of a second rice (*Oriza sativa* L.) crop from the stubble left behind after the first rice crop has been harvested. The ratoon rice crop develops by regenerating tillers from nodal buds located on the remaining stubble. Ratooning rice in the USA is predominately done on the Gulf of Mexico Coastal Plains area of Texas and Louisiana. Ratooning is predominately practiced there due to the longer growing season compared with