

Dryland corn doomed by heat, no moisture

By Russ Pankonin

The Imperial Republican

Thank goodness for irrigation! Without it, this year's corn crop would be toast.

In the last seven days from Wednesday, July 18, to Tuesday, July 24, area temperatures have ranged from 102° to 105°F each day.

Add Sunday, July 15, to the list, with a high of 101°, and that makes it eight of the last 10 days over 100°, according to the High Plains Climate Center reporting station at Champion.

The only measurable rain this month came on July 8, when the county received anywhere from one to three inches, according the NE RAIN website, <http://nerain.dnr.ne.gov/NeRAIN/index.asp>.

That rain gave farmers hope their dryland corn may make a crop. However, the last 10 days have taken a heavy toll on dryland.

By most assessments, fields where dryland corn was planted over last year's dryland corn (corn on corn), have little or no prospect of producing a crop.

The moisture in those fields was not sufficient to maintain the crop when temperatures peaked. Ecofallow fields, where the dryland corn was planted into last year's wheat stubble, still stand a chance if the area could catch some rain.

By using ecofallow, where chemicals are applied to stubble after wheat harvest to kill weeds, more moisture is trapped within the soil.

This stored moisture has helped ecofallow corn hang on longer. Just how much longer can it hold on remains to be seen.

Commodity reports not good

A U.S. Department of Agriculture weekly report released Monday says Nebraska's corn crop is ailing and getting sicker.

The report says only 37 percent of the corn crop is rated in good or excellent shape. Last week, the figure was 43 percent, which also is well below the average of 79 percent for this time of year. Thirty-three percent of the crop was rated in very poor or poor condition.

In Iowa, the corn crop has deteriorated further with 40 percent now in very poor or poor condition. A week ago it was 27 percent.

The USDA says it has received reports of farmers chopping down their corn.

Just 23 percent of the crop is in good to excellent condition, down from 36 percent a week earlier.

Weather driving prices

As the outlook for this year's corn and soybean crop declines, cash prices for corn and soybeans hit record highs Friday on the Chicago Board of Trade.

The price of wheat has followed the upward trend as well.

The markets backed off some early this week but farmers can still sell into some strong prices. Ryan Schultz, grain manager at Frenchman Valley Coop, said the cash price in Imperial for new-crop corn hit a high of \$7.65 per bushel on Friday.

Old-crop corn topped out at \$8.15 per bushel.

The soybean market is more fluid. For instance, on Friday, the cash price at FVC for new-crop

soybeans stood at \$16.69 per bushel. By Monday, that had backed off to \$14.64/bu.

Cash price for wheat has made a big run since mid-June when harvest began. Then, the price stood at \$6.19 per bushel.

Since then, the wheat market has followed the rally in corn and soybean prices. On Friday, wheat farmers could have sold their wheat at FVC for \$8.60/bu. On Monday, it was just under \$8/bu.

Schultz said about 70 percent of this year's wheat crop has been sold thus far.

He said the grain industry hasn't seen this kind of prices since 2008, when prices soared.

Local land prices up, too

As commodity prices have improved over the past several years, farmers have been reinvesting some of their profits into land. As a result, demand has increased, pushing prices right along with it.

Earlier this month, two irrigated quarters northwest of Imperial sold at auction for \$980,000 each; just \$20,000 short of a million.

Local ag realtors said that's by far the most they have seen an irrigated quarter sell for in Chase County.

The realtors said demand for irrigated ground far outpaces the inventory, which has bolstered prices, as well.

Nearly all of the interest, they said, has come from local buyers, not outside investors.

While selling for a high price for this area, land here still sells for far less than in eastern Nebraska, where land has sold for as much as \$15,000 per acre or \$2.4 million for 160 acres.

In 2005, an irrigated quarter in Chase County could have been purchased for around \$200,000 to \$250,000.

Interest pushed that up to around \$400,000 per quarter followed by another jump to the \$600,000 to \$800,000 range in the last several years.

Realtors said demand remains strong, suggesting the price for land could continue to increase.