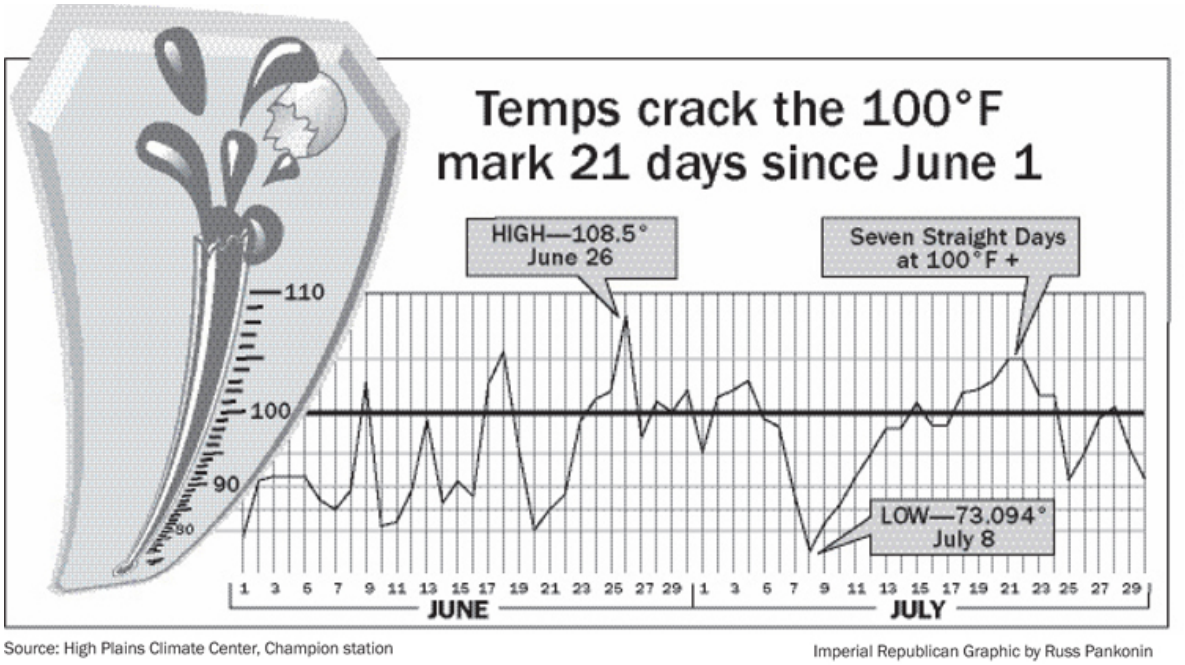

Dryland corn doomed by heat, no moisture

By Russ Pankonin

The Imperial Republican

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

In the 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 made it eight of 10 days over 100°, according to the High Plains Climate Center reporting station at Champion.

On Friday, July 27, the mercury hit 99.5°F followed by 101.9 Saturday.

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

For the week ending July 29, 2012, little or no precipitation and above normal temperatures continued to wear on crops and pastures, according to USDA's National Agricultural Statistics Service, Nebraska Field Office.

Condition declines were again noted in ratings of dryland crops and pastures. Drought-damaged corn acres continue being chopped for silage or cut for hay to make up for pastures which are providing little or no grazing capacity.

Corn conditions continued to decline and rated 18 percent very poor, 19 poor, 28 fair, 32 good, and 3 excellent, well below 78 percent good to excellent last year and average. Irrigated corn conditions rated 55 percent good to excellent and dryland corn rated at just 5 percent good to excellent.

Weather driving prices

As the outlook for this year's corn and soybean crop declines, cash prices for corn and soybeans hit record highs Monday, July 30 on the Chicago Board of Trade.

Corn prices raced to a record high Monday as the hot, dry summer relentlessly pounded crops across much of the country.

Corn for September delivery gained 21.5 cents, or 2.7 percent, to end at $8.20 per bushel, which was an all-time high. December corn rose 20.75 cents, or 2.6 percent, to end at $8.14 per bushel. Soybeans rose 2.6 percent.

Expectations are mounting that harvests will be smaller than anticipated for both crops because of the drought, which covers some two-thirds of the continental U.S. There is little rain in forecasts for August.

The price of wheat has followed the upward trend as well, increasing on questions about the impact that adverse weather is having on crops in Russia, Kazakhstan and the Ukraine. There also are concerns about India's crop because of a delay in the start of the monsoon rains that help agricultural fields.

September wheat rose 16.5 cents to finish at $9.145 per bushel.

Cash prices at the close of the day at Frenchman Valley Coop stood at $7.79 per bushel for new crop corn, up from a high 10 days earlier of $7.65.

Wheat stood at $8.35 per bushel. Farmers could sell 2013 wheat crop for $7.61/bu. Frenchman Valley said about 70 percent of this year's wheat crop has been sold thus far.

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. A tract of grassland sold for $800 per acre.

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

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.