

Southern Cotton Growers, Inc.
REPRESENTING COTTON PRODUCERS THROUGHOUT ALABAMA, FLORIDA, GEORGIA, NORTH CAROLINA, SOUTH CAROLINA AND VIRGINIA

COTTON MARKETING NEWS



Volume 11 Number 7

March 28, 2013

This newsletter is also available on the UGA Cotton web page at:
<http://www.ugacotton.com>

Planting Intentions For 2013

USDA's much anticipated Prospective Plantings report was released today. US cotton growers say they intend to plant 10.026 million acres this year—down approximately 2.29 million acres or 19% from last year. This number is in-line with pre-report estimates that ranged mostly from 9.8 to 10.5 million acres. This number is higher than the National Cotton Council's February estimate but an increase from the NCC number was expected and 10.0 is even a little on the low side of some expectations.

If Dec13 can hold at 85 cents or better, final/actual acreage planted may edge even higher. But for now, this number should support the market or, in and of itself, have little or no negative impact. After reaching almost 89 cents, Dec13 dropped to around 86 but has since recovered back to over 87.

The numbers contain few if any surprises. Growers in the Mid-South, despite strengthening prices over the past 2 months, still plan to shift a large amount of acreage out of cotton. As expected, the Southeast will be a lot more stable. Growers in NC and VA mirror the Mid-South in shifting acreage to soybeans and corn. But the rest of the Southeast will be up or down much less percentage-wise. Texas will be down 16% and the West (AZ, CA, and NM) down 23%.

2013 Planting Intentions Compared to 2012			
	2012 Actual	2013 Intentions	% Change
Alabama	380	360	-5.3%
Florida	108	115	6.5%
Georgia	1,290	1,300	0.8%
North Carolina	585	450	-23.1%
South Carolina	299	290	-3.0%
Virginia	86	65	-24.4%
TOTAL SOUTHEAST	2,748	2,580	-6.1%
Arkansas	595	270	-54.6%
Louisiana	230	170	-26.1%
Mississippi	475	270	-43.2%
Missouri	350	270	-22.9%
Tennessee	380	280	-26.3%
TOTAL MID-SOUTH	2,030	1,260	-37.9%
Kansas	56	40	-28.6%
Oklahoma	305	160	-47.5%
Texas	6,558	5,511	-16.0%
TOTAL SOUTHWEST	6,919	5,711	-17.5%
Arizona	203	161	-20.7%
California	367	280	-23.7%
New Mexico	48.4	34	-29.8%
TOTAL WEST	618.4	475.0	-23.2%
TOTAL US	12,315.4	10,026.0	-18.6%

Georgia acreage, holding even with last year, is a slight surprise. I was expecting a modest decline of 50K to 100K acres but knew there was a fair chance we could hold even with last year depending on soybeans and peanuts. As it ends up, we apparently aren't going to get much of a shift to soybeans and even the increase in corn isn't quite as much as expected. US peanut acreage will decline as expected but acreage could still be higher than today's report indicates if contract opportunities improve sufficient to compete with cotton. That has generally not been the case thus far.



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