

SOYBEAN NOTES ECONOMICS SECTION 2018 ANNUAL SUMMARY for 2018 & 2019 CROPS

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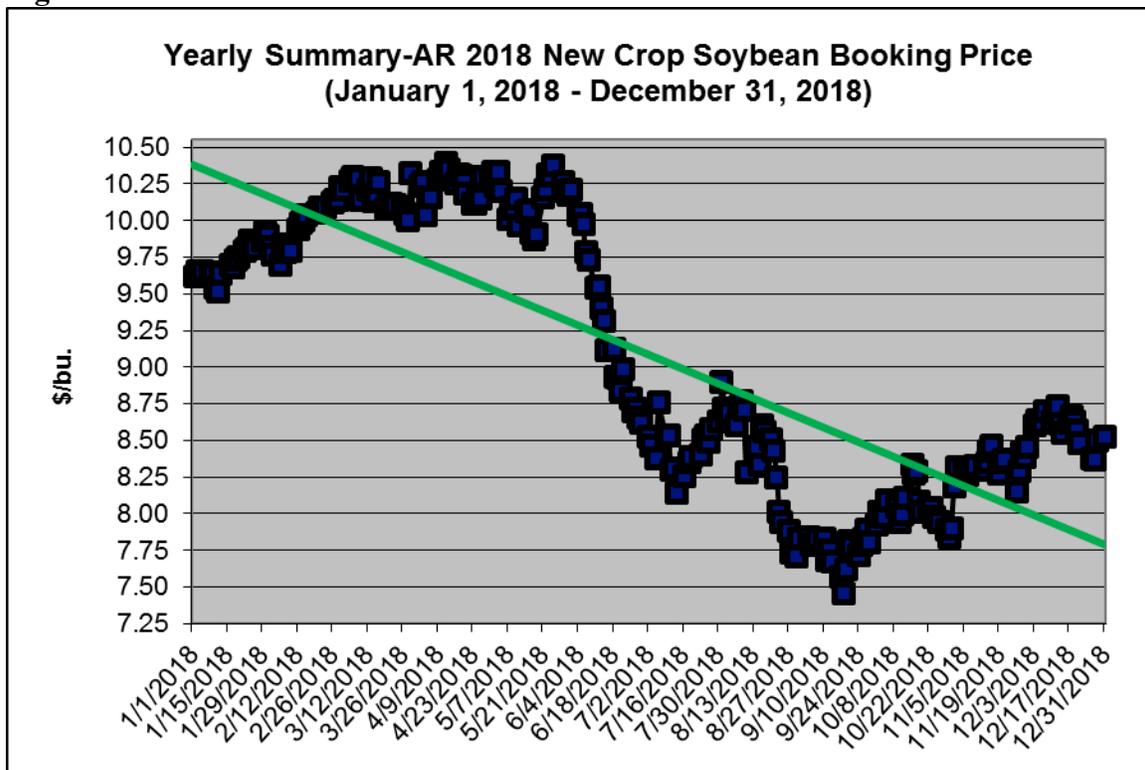
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SOYBEAN NOTES is a weekly newsletter focusing on all aspects of Arkansas soybean news. This market economics component looks at cash market & forward pricing quotes from selected markets as reported to National Agricultural Statistics Service in Arkansas.

The USDA Agricultural Marketing Service is providing intermittent daily reports during the current government budget shutdown. This report summarizes the 2018 annual price reports for both the 2018 crop No. 1 Yellow Soybean Cash Market and the 2019 new crop market prices. Weekly average prices and movements are illustrated in the figures shown.

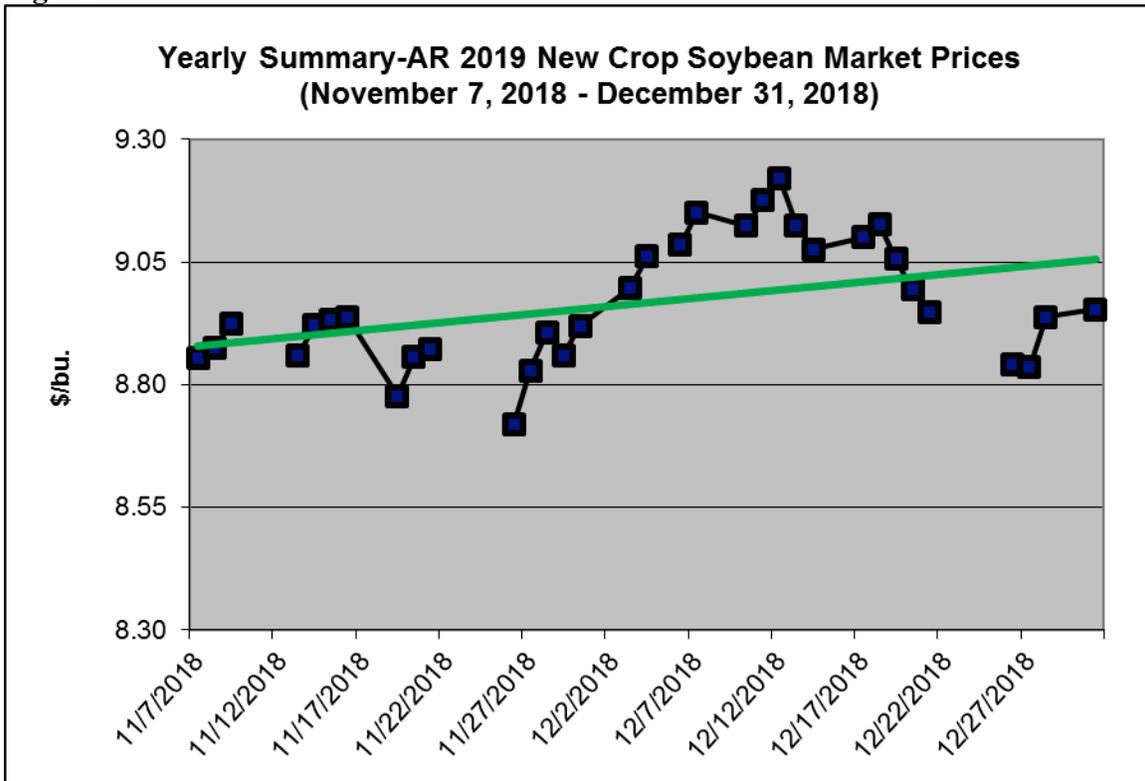
Figure 1



The 2018 soybean crop price movements are illustrated in Figure 1. The market opened trading at a statewide average of \$9.62 on January 2. The market clearly had an upward trend in price through mid-March, reaching a high of \$10.26 on March 16. From that date through May 4, the market fluctuated with an essentially flat trend. Rumors and threats of trade actions and reactions finally became a reality in early May and the market began to decline. A rally in the last week of May was the final surge and price began to fall sharply. The decline continued virtually unchecked, reaching a bottom on July 13 of \$8.14, a loss of more than 20%. The market rallied up to \$8.90 on July 31, but then resumed its decline. The low point of 2018 booking prices was \$7.46 on September 18. Since that date, the 2018 crop booking price market has become the cash market price and has recovered about 40% of its total price loss. 2018 soybeans ended the year at a statewide average price of \$8.53 on December 31.

The high individual market daily quote was \$10.59 on April 12 at both Old Town/Elaine and West Memphis. The low individual market daily quote was \$7.28 at Pine Bluff on September 18. Overall 2018 crop statewide average for the year was \$9.12.

Figure 2



Forward soybean pricing for the Arkansas 2019 New Crop by statewide weekly averages is illustrated in Figure 2. The first quotes began on November 7 with seven markets across the state averaging \$8.86. The new crop soybean market remained fairly steady with occasional blips until a Thanksgiving decline that took price down, reaching a low of \$8.72 on November 26. After that date, the market saw a solid rally and climbed to its 2018 high of \$9.22 on December 12. Price retreated again over the post-Christmas period and finished the year on December 31 at \$8.95. During the two months of trading,

the 2019 new crop market saw an individual market daily high of \$9.41 on December 12 at West Memphis. The low price quote of an individual market was \$8.58 on November 26 at Jonesboro, Wheatley, and Des Arc. The statewide average over the two months was \$8.96. Seven to ten markets provided booking price quotations on 2019 soybeans at any given time during the period.

(Market average prices stated in this report are unweighted averages of the state markets surveyed by NASS. Price data was based on USDA LR GR111 Arkansas Daily Grain Reports.)