

SOYBEAN NOTES ECONOMICS SECTION

February 1, 2019

Bob Stark

Agricultural Economist-SEREC & UAM School of Agriculture, Monticello

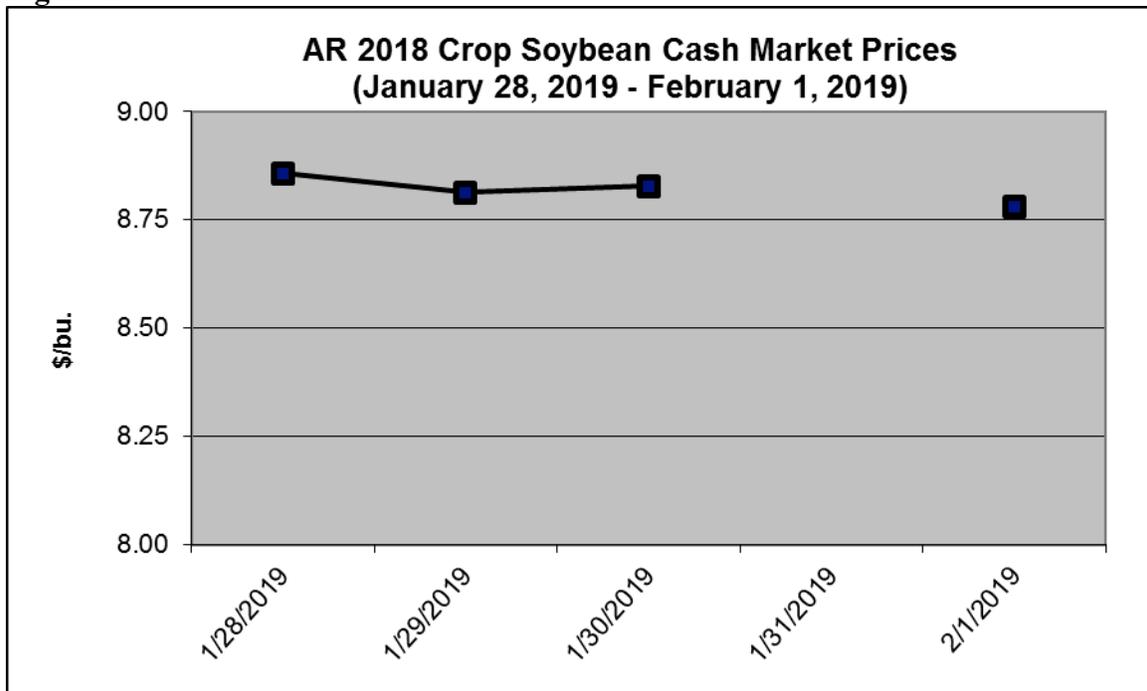
Jeremy Ross

Assistant Professor/Extension Agronomist – Soybean

University of Arkansas Cooperative Extension Service, Little Rock

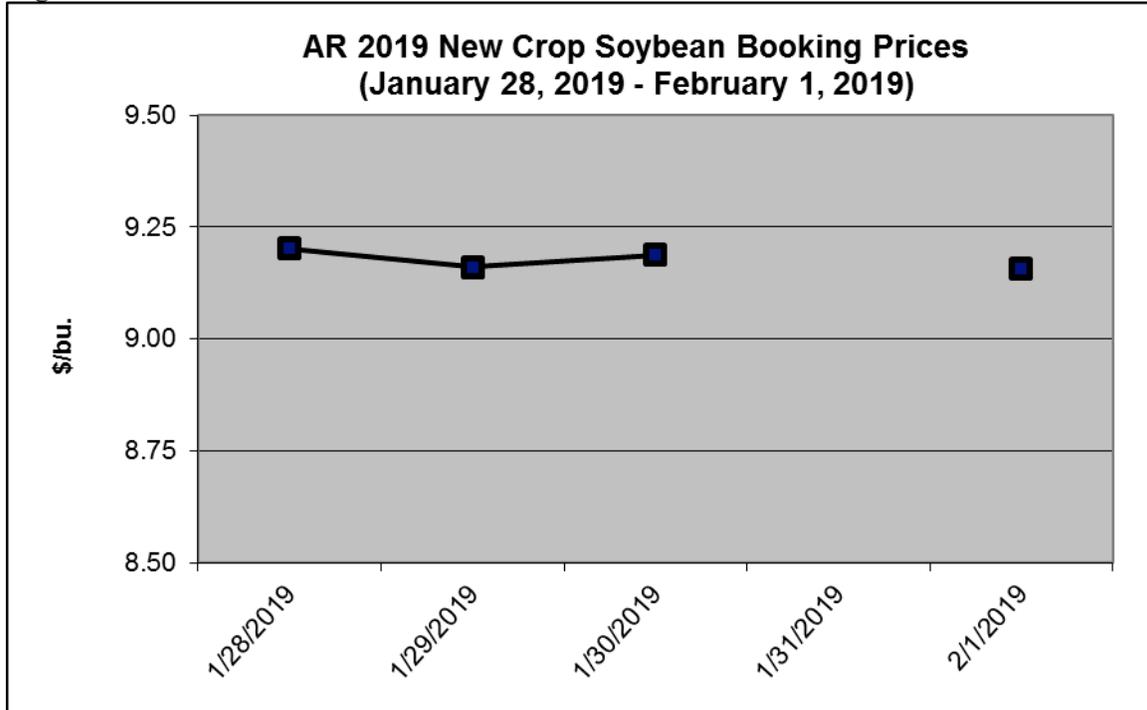
SOYBEAN NOTES is a weekly newsletter focusing on all aspects of Arkansas soybean news. This market economics component looks at cash market & forward pricing quotes from selected markets as reported to National Agricultural Statistics Service in Arkansas.

Figure 1



The Arkansas 2018 Crop Soybean Market lost 1 cent over the weekend prior to the past trading week, moved lower, and saw a significant decline on Friday to end the week (Figure 1). The market opened on Monday at a statewide average of \$8.86. Price movements through the week took the market to a closing statewide average of \$8.78 on Friday, a decline of 9 cents compared to the prior week's last report on Friday. High daily individual market price of the past week was \$9.05 at Helena on both Monday and Wednesday. Low quote for the week was \$8.46 on Friday at Wynne. End-of-the-week quotes saw the Friday closing day prices ranging from the low of \$8.46 at Wynne to a high of \$8.98 at Helena. The ending quotes represented a range of 52 cents, 4 cents wider than the previous Friday range. Ten markets submitted price quotes to end the week as West Memphis and Osceola failed to provide a quote on Friday.

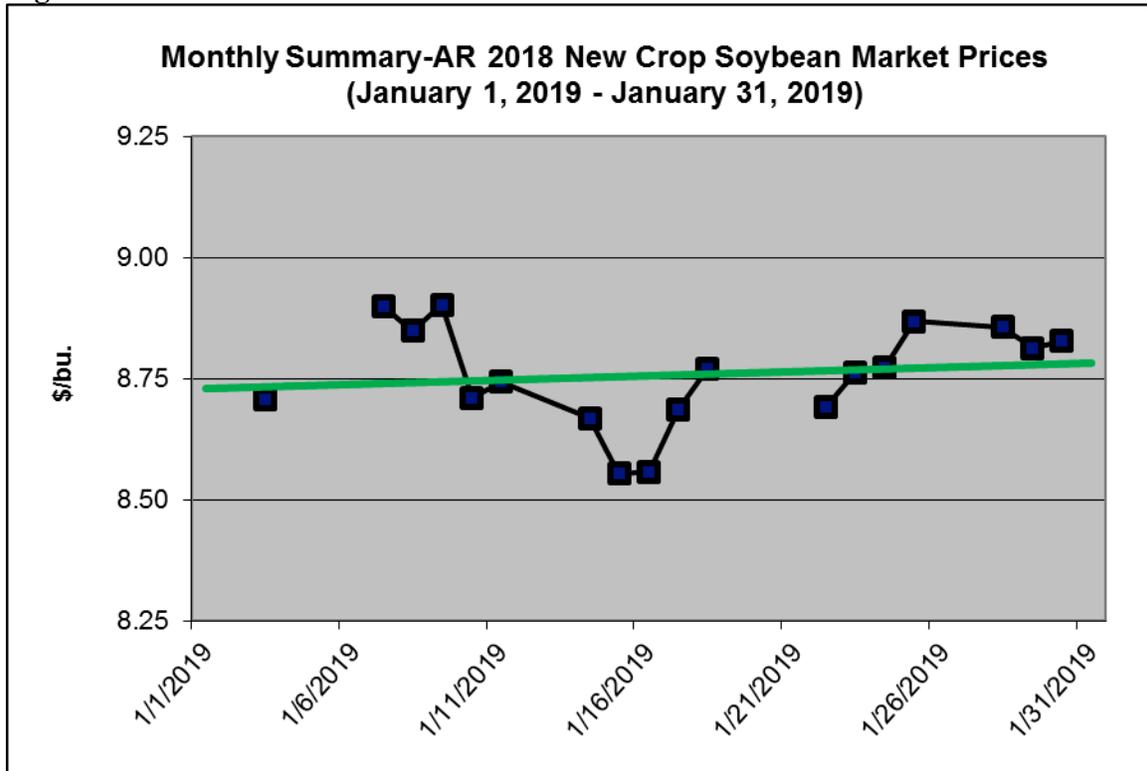
Figure 2



The Arkansas 2019 New Crop Soybean Booking Market fell 3 cents over the weekend preceding the past week of trading. Price opened trading on Monday at a statewide average of \$9.20 per bushel. The market moved lower on Tuesday, rebounded on Wednesday, but then fell back to its Tuesday level to end the week (Figure 2). No report was published by USDA-AMS on Thursday. The market closed trading for the week with a Friday closing average of \$9.16, an overall 7 cent loss from the previous Friday close. High daily individual market quote of the past week was \$9.37 on Monday at Helena. Low quote of the week was \$9.04 on Friday at Jonesboro, Wheatley, and Des Arc. End-of-the-week quotes saw the Friday closing day prices ranging from the low of \$9.04 at Jonesboro, Wheatley, and Des Arc to a high of \$9.32 at Helena. The ending quotes represented a range of 28 cents, unchanged from the ending range of the previous Friday. The market ended the week receiving price quotes from eleven locations across the state.

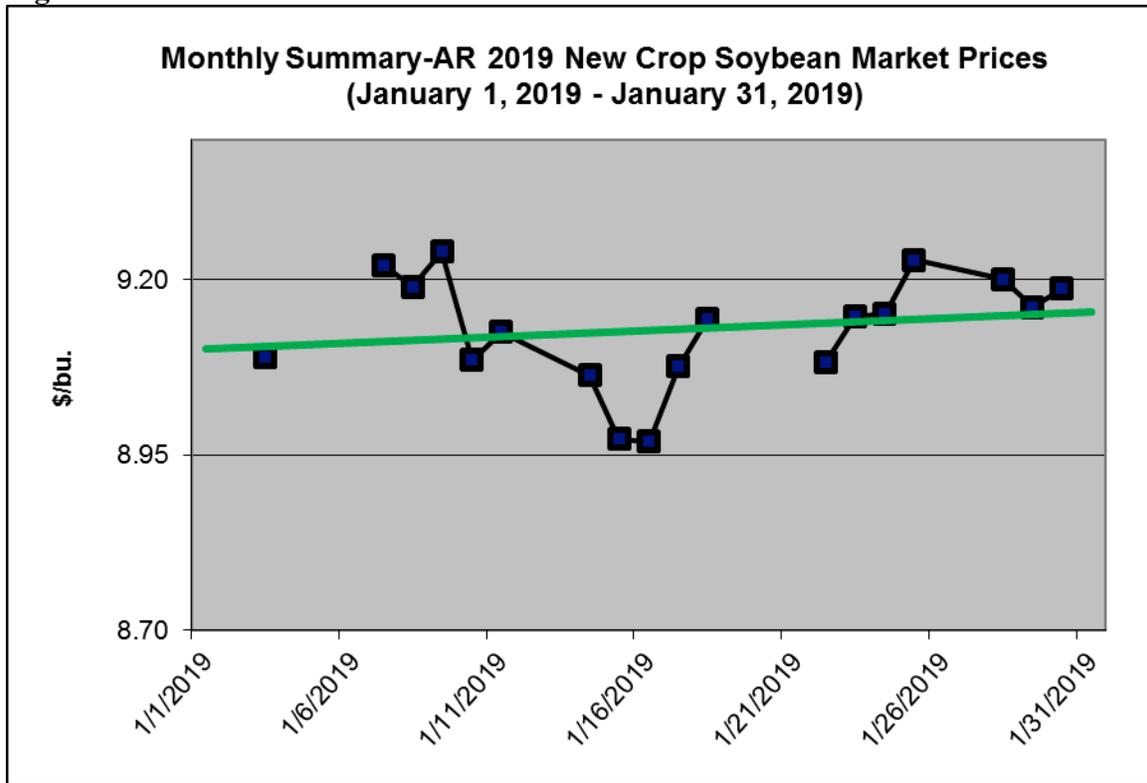
January 2019 Monthly Summary

Figure 3



January cash trading in 2018 crop soybeans began January and 2019 with an uncertain reading as no reports were filed over three of the first four days of the year. The market rose 18 cents from December 31, 2018, to January 3, 2019, the first report of the new year. Price rose another 19 cents in the next reported day, January 7. A sharp decline to \$8.55 on January 15 was followed by an increase to the monthly trend line value of \$8.77 by January 18. The market closed January with additional strength that maintained all of the gains. Price finished the month at a statewide daily average of \$8.83 on January 30, an overall 30 cent gain from the last December daily average. The high individual daily market quote of the month was \$9.12 and occurred on January 9 at Helena. The low individual daily market quote was \$8.21 at Wynne on January 15. The overall statewide average for January was \$8.76 for the 2018 crop soybeans, 18 cents above the December 2018 average.

Figure 4



The January market for 2019 New Crop Soybean Booking began the year with a 14 cent gain on January 3 from the last 2018 trading day on December 31. Price gained another 13 cents on January 7, the next report. The market declined from its January 9 monthly high to a mid-month low on January 15 and 16 before quickly recovering and generally holding to the later gains through the remainder of the month. New crop booking price finished January at a statewide daily average of \$9.19 on January 30 for an overall 24 cent gain over the month. No report was filed on January 31 by USDA-AMS. The high individual daily market quote of the month was \$9.43 and occurred on January 9 at Helena. The low individual daily market quote of the month was \$8.85 and occurred on multiple mid-month dates at Jonesboro, Wheatley, and Des Arc. The overall statewide average for January was \$9.13 for the 2019 new crop soybean booking price, a 17 cent improvement compared to December 2018.

(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.)