

SOYBEAN NOTES ECONOMICS SECTION

January 31, 2020

Bob Stark

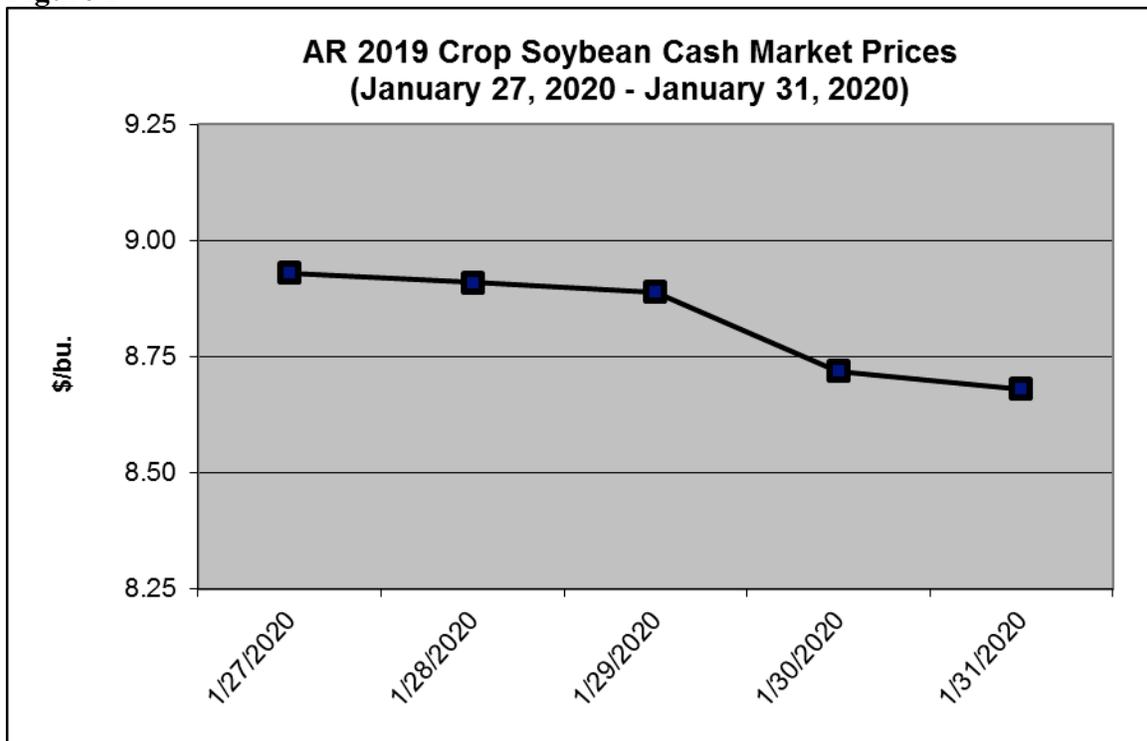
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SOYBEAN NOTES is a weekly newsletter focusing on all aspects of Arkansas soybean news. This market economics component looks at cash market & forward pricing quotes from selected markets as reported to USDA Agricultural Marketing Service in Arkansas.

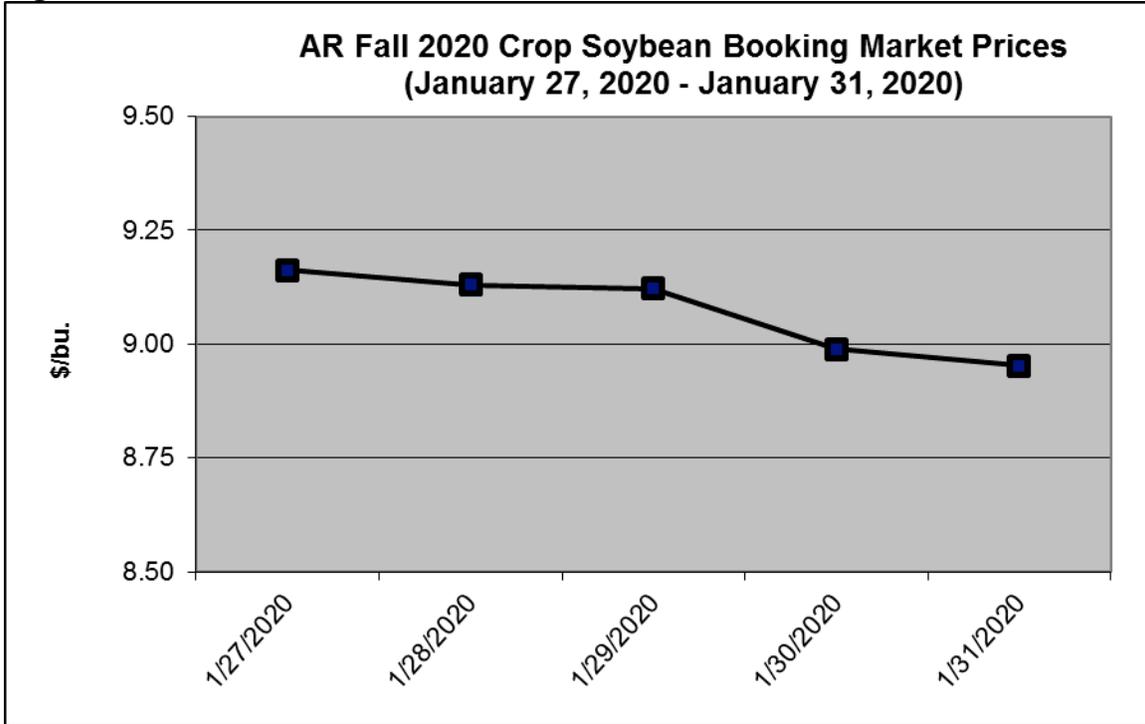
Figure 1



The Arkansas 2019 Crop Soybean Cash Market opened the past week of trading down 5 cents from the previous week close and continued lower each remaining day of the week (Figure 1). The 2019 crop market opened the week on Monday with a statewide average of \$8.93, 19 cents under the previous week opening day average. After suffering losses each remaining day of trade, price closed the week at a statewide average of \$8.68, an overall loss of 30 cents from the previous Friday average. High daily individual market quote of the past week was \$9.19 on Monday at Osceola. Low quote of the week was \$8.33 at Wynne on Friday. End-of-the-week quotes saw Friday prices ranging from the low of \$8.33 at Wynne to a high of \$8.93 at Osceola, Blytheville, and West Memphis.

The ending quotes range was 60 cents, 1 cent narrower than the previous week. The market received price quotes from thirteen locations each day of the past week.

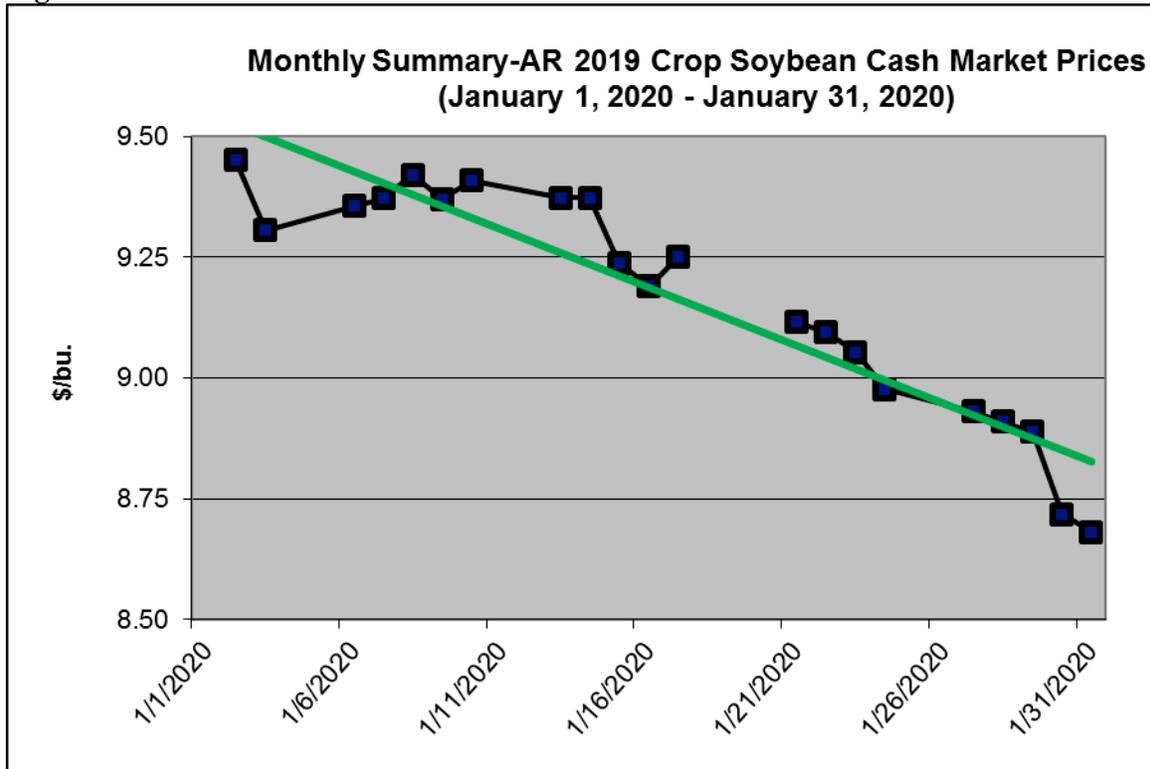
Figure 2



The Arkansas 2020 Crop Soybean Booking Market for the past week had similar price movements to the 2019 old crop market (Figure 2). The market lost 6 cents over the weekend and opened on Monday at a statewide average of \$9.16, 17 cents under the previous week opening day average and 6 cents under the previous week closing average. Price fell each trading day of the past week with a substantial loss on Thursday. The market ended the week on Friday at a statewide average of \$8.95, 27 cents under the previous Friday closing mark. High daily individual market quote of the past week was \$9.39 on Monday at West Memphis. Low quote of the week was \$8.62 on Friday at Wynne. End-of-the-week quotes saw the closing day prices ranging from the low of \$8.62 at Wynne to a high of \$9.17 at West Memphis. The ending price quotes represented a range of 55 cents, unchanged from the previous week closing range. The market received price quotes from thirteen major locations across the state for all reporting days of the past week.

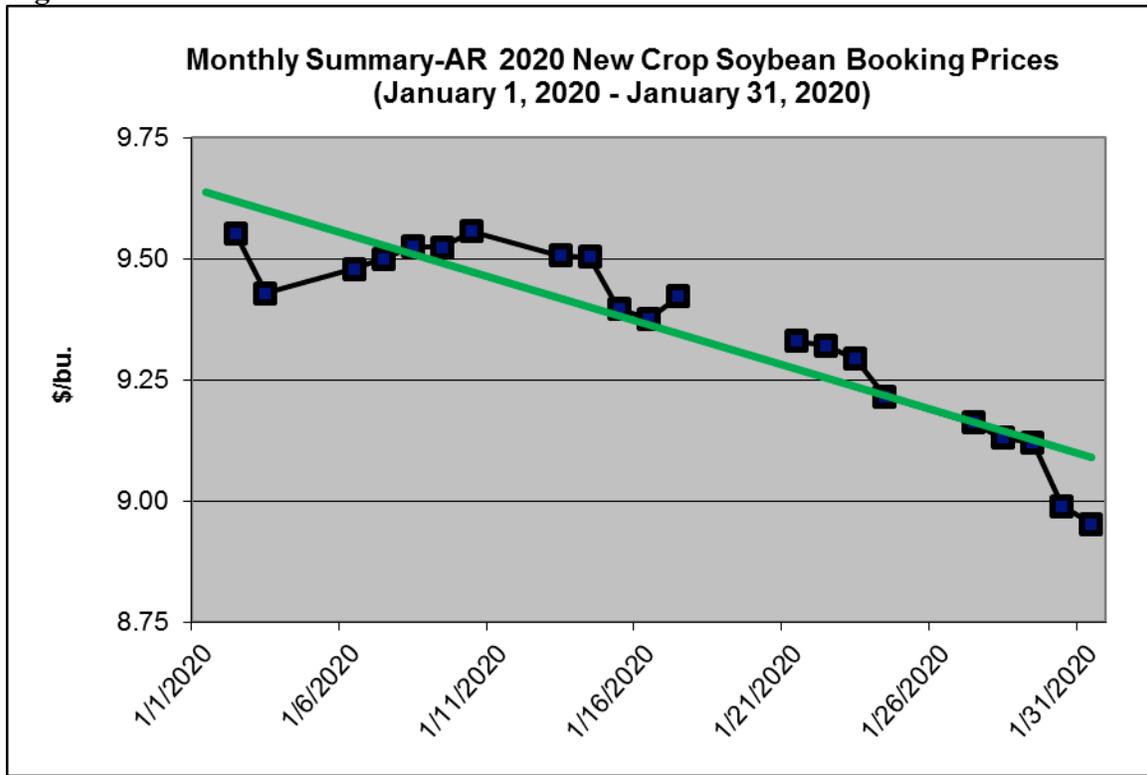
January 2020 Monthly Summary

Figure 3



January cash trading in 2019 crop soybeans began January and 2020 with an uncertain reading as no reports were filed by USDA-AMS from December 20 through the January 1 New Year's Day holiday. The market rose 16 cents from December 20, 2019, to January 2, 2020, the first report of the new year. Price lost 14 cents on January 3 before recovering most of the losses by January 8. The market remained steady for a few days, but began a decline on January 10 that persisted for 12 of the remaining 14 days of the month. The market closed January at a statewide daily average of \$8.68 on January 31, an overall 61 cent decline from the last reported December daily average. The high individual daily market quote of the month was \$9.73 and occurred on January 2 at both Blytheville and Osceola. The low individual daily market quote was \$8.33 at Wynne on January 31. The overall statewide average for January was \$9.16 for the 2019 crop soybeans, 17 cents above the December 2019 average.

Figure 4



The January market for 2020 New Crop Soybean Booking began the year with an 18 cent gain on January 2 from the last 2019 trading day on December 20. Price returned 12 of the gained cents on the following day before entering a week of gains that carried the statewide average to a high of \$9.56 on January 10. From that date, the market declined 13 of the remaining 14 trading days in January. New crop booking price finished January at a statewide daily average of \$8.95 on January 31 for an overall 42 cent loss over the month. The high individual daily market quote of the month was \$9.79 and occurred on January 2 at both Blytheville and Osceola. The low individual daily market quote of the month was \$8.62 and occurred on January 31 at Wynne. The overall statewide average for January was \$9.34 for the 2020 new crop soybean booking price, a 21 cent improvement compared to December 2019.

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