

SOYBEAN NOTES ECONOMICS SECTION

May 8, 2020

Bob Stark

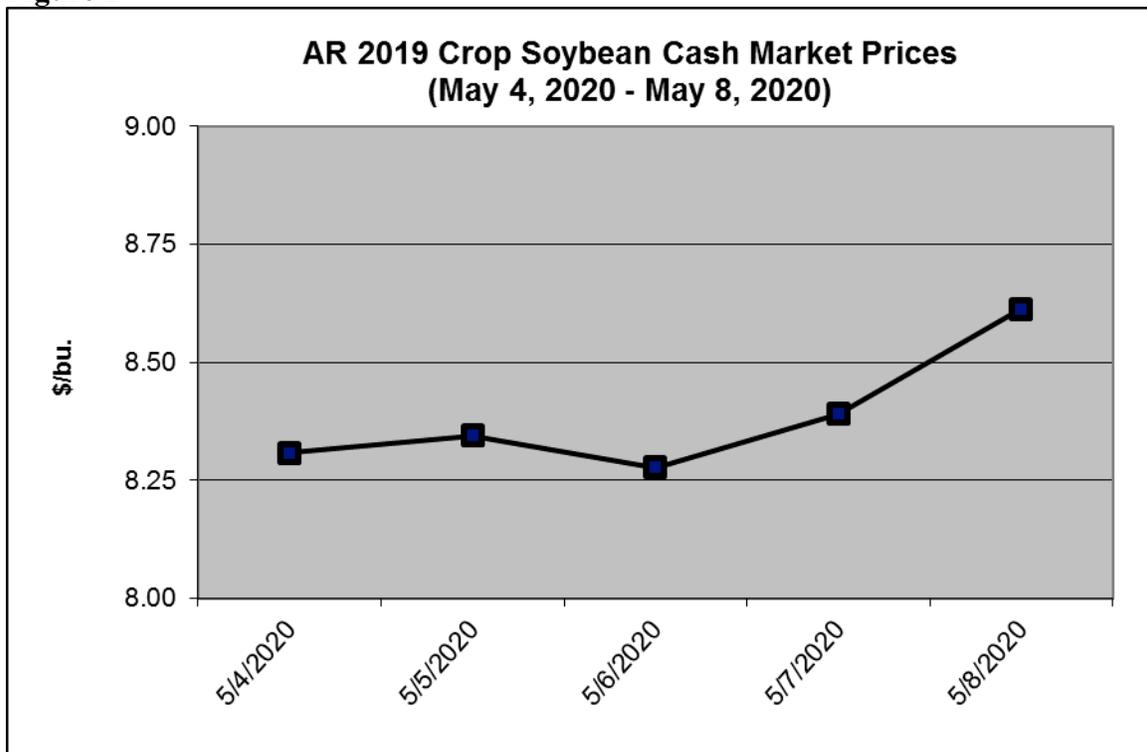
Agricultural Economist-UACES & UAM College of Forestry,
Agriculture, and Natural Resources, Monticello

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 USDA Agricultural Marketing Service in Arkansas.

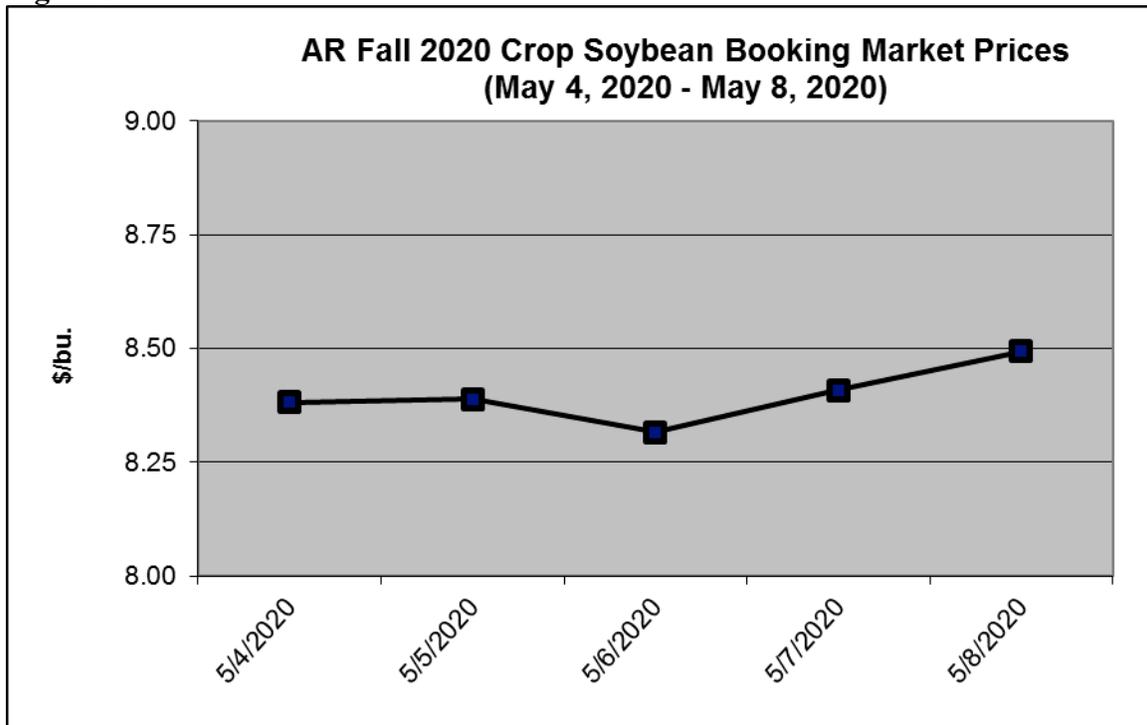
Figure 1



The Arkansas 2019 Crop Soybean Cash Market declined sharply through the past weekend and remained rather steady for two trading days before posting gains over the last days that offset all losses (Figure 1). The market lost 12 cents over the weekend and opened on Monday at \$8.31, an actual 5 cent improvement from the previous week opening day average. Price was up and down through Wednesday, trading within a 6 cent range. The market then closed with gains of 11 and 22 cents on Thursday and Friday. The statewide closing average on Friday was \$8.61, an overall 18 cent gain from the previous week closing mark. High daily individual market quote of the past week was \$8.75 on Friday at Osceola. Low quote of the week was \$7.96 at Wynne on Wednesday. End-of-the-week quotes were difficult to interpret as six markets that had

reported all week failed to provide price quotations on Friday. The six reporting markets saw prices ranging from an \$8.41 low at Little Rock to the high of \$8.75 at Osceola. The ending quotes range was only 34 cents with the noticeable absence of Wynne, often a much lower market than others in the state. The market received price quotes each trading day from only five locations due to the Friday absences and Pine Bluff not providing quotes until Wednesday.

Figure 2



The Arkansas 2020 Crop Soybean Booking Market initially seemed to follow the old crop price direction, but posted a more modest recovery over the final two trading days (Figure 2). Price fell 9 cents over the past weekend and opened on Monday at a statewide average of \$8.38, 5 cents over the previous week opening day. The market rose 1 cent on Tuesday before falling 7 cents on Wednesday, but then posted consecutive gains of 9 and 8 cents, respectively, reaching a closing statewide average of \$8.49 on Friday, a net gain of 2 cents from the previous week closing mark. High daily individual market quote of the past week was \$8.73 on Friday at Osceola. Low quote of the week was \$7.89 on Wednesday at Wynne. End-of-the-week quotes saw the closing day prices ranging from a low of \$8.06 at Wynne to the \$8.73 high at Osceola. The ending price quotes represented a range of 67 cents, 4 cents wider than the previous week closing range. The market received price quotes from thirteen locations across the state for all reporting days of the past week.

(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.)