

SOYBEAN NOTES ECONOMICS SECTION

July 3, 2020

Bob Stark

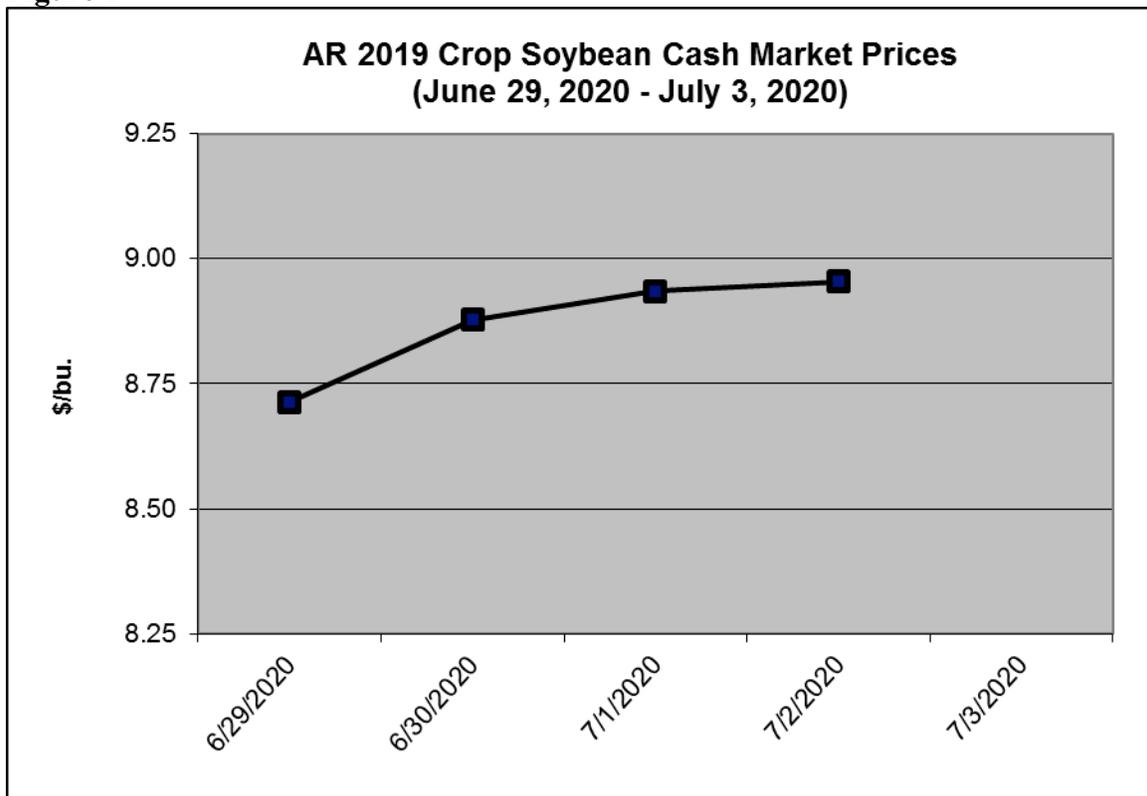
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SOYBEAN NOTES is a weekly newsletter focusing on all aspects of Arkansas soybean news. This market economics component looks at cash market & forward pricing quotes from selected markets as reported to USDA Agricultural Marketing Service in Arkansas.

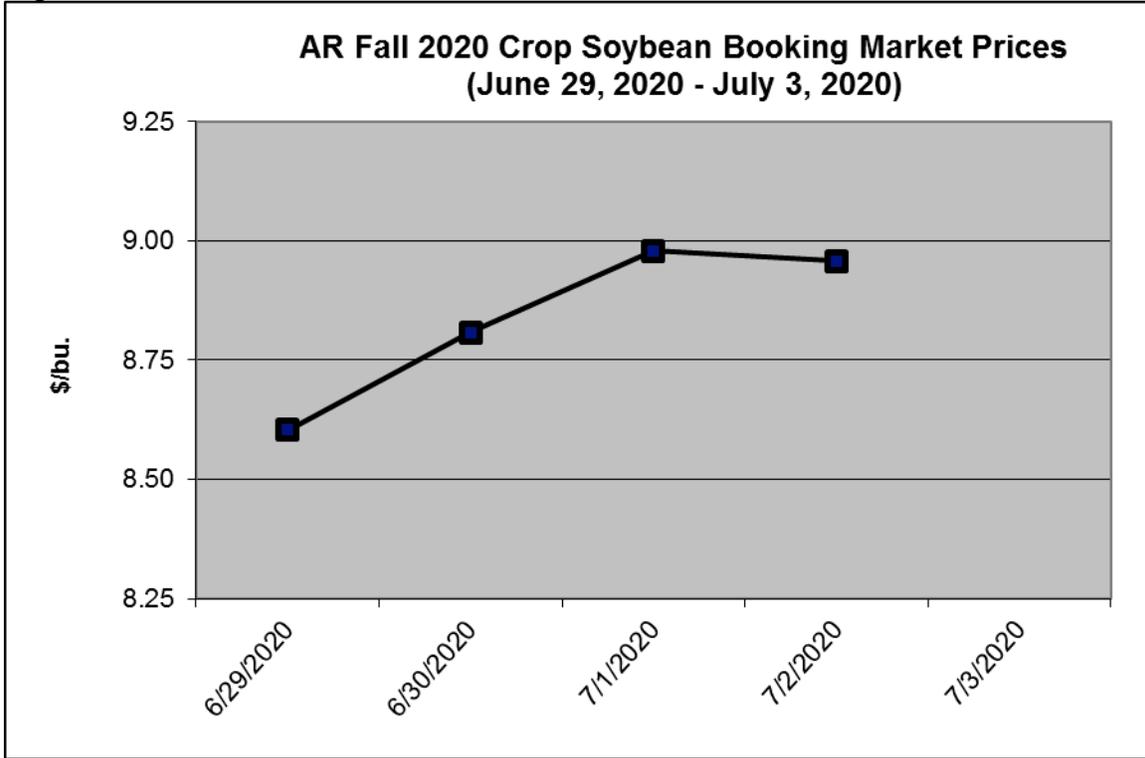
Figure 1



Old crop soybean price rose over the past weekend and continued climbing higher each day of the short trading week prior to the July 4 holiday (Figure 1). The Arkansas 2019 Crop Soybean Cash Market opened on Monday at \$8.71, under the previous week opening day average by 3 cents, but 5 cents above the previous week closing statewide average price. Price moved higher each trading day and finished the short week at a Thursday statewide closing average of \$8.95, an overall 29 cent gain from the previous week closing mark. The high individual market daily quote of the week was \$9.28 on Wednesday at Osceola. Low quote of the week was \$8.50 at Des Arc on Monday. Eight

markets provided price quotes each day of the past week with Helena contributing quotes on three of the four days. The Thursday ending price range went from an \$8.76 low at Des Arc to a high of \$9.24 at Osceola. That put the ending quotes range at 48 cents, 2 cents narrower than the previous week closing day of trade.

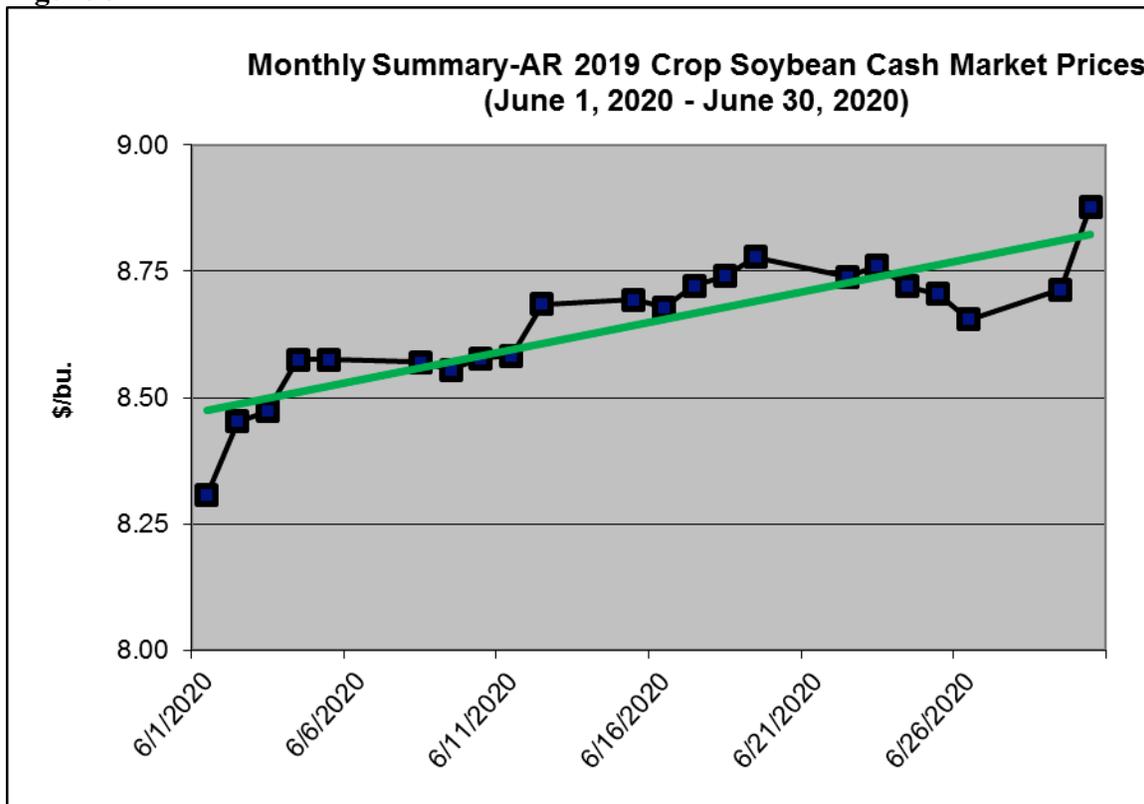
Figure 2



The Arkansas 2020 Crop Soybean Booking Market gained 3 cents over last weekend and continued to post daily gains through the first three trading days of the past short trading week (Figure 2). New crop booking price opened on Monday at a statewide average of \$8.60, down 14 cents from the previous week opening day price. The market moved sharply higher on Tuesday and Wednesday before declining slightly just prior to the July 4 holiday. The statewide closing average on Thursday was \$8.96, 39 cents above the previous week closing mark. High individual daily market quote for the past week was \$9.19 at Blytheville, West Memphis, and Helena on Wednesday. Low individual market quote of the week was \$8.32 on Monday at Wynne. End-of-the-week quotes saw the Thursday closing day prices ranging from a low of \$8.67 at Wynne to a \$9.17 high at Blytheville, West Memphis, and Helena. The ending price quotes represented a range of 50 cents, unchanged from the previous week closing range. The market received price quotes from twelve locations across the state for all reporting days of the past week and two days from Pine Bluff.

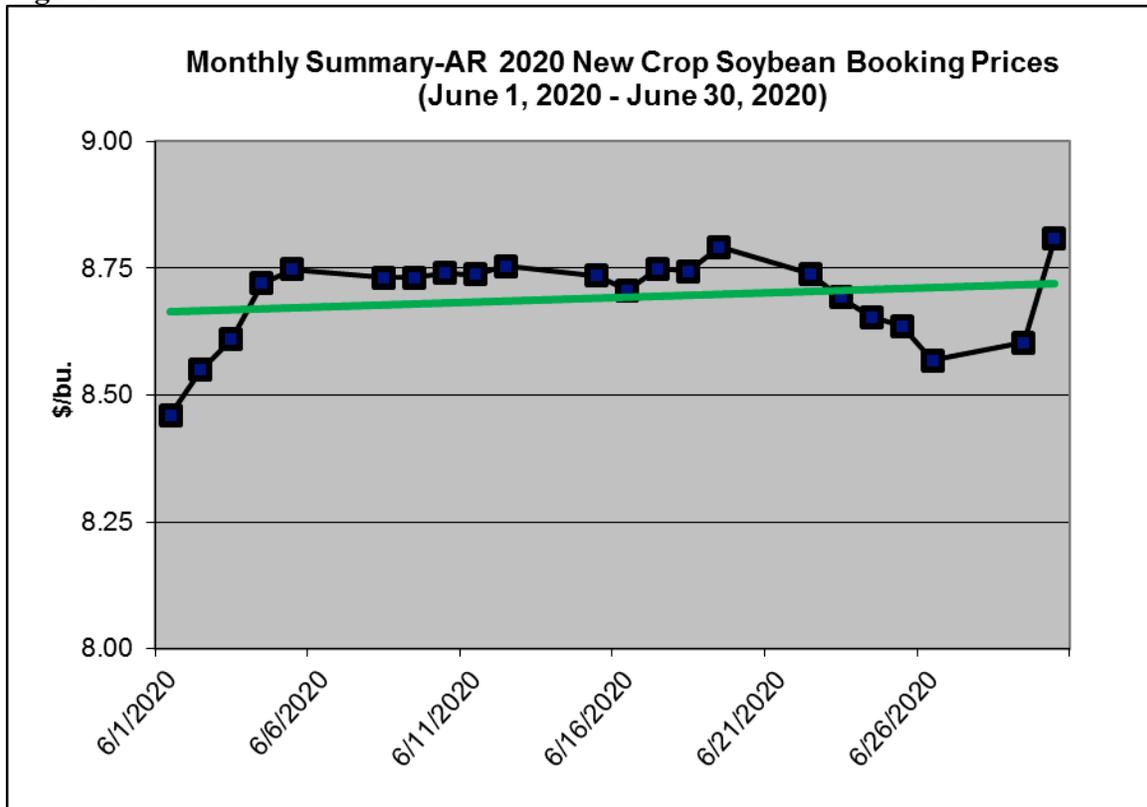
June 2020 Monthly Summary

Figure 3



The 2019 crop soybeans trended upward for most of June. The statewide average price fell 4 cents from the last May trading average and opened June at \$8.31. Price then moved higher through most of the month with some steady periods. A decline of \$8.78 to \$8.66 from June 19 to 26 was more than offset by gains on the last two trading days that carried the statewide average to its June high of \$8.88 to end the month (Figure 3). Highest daily statewide average for June was the \$8.88 on June 30. The lowest daily statewide average was \$8.31 on June 1. The market closing price on June 30 represented a 53 cent gain from the last trading day of May. High individual daily market quote of the month was \$9.14 on June 30 at both Helena and Osceola. The low individual daily market quote was \$8.11 at Wynne on June 1. The overall June statewide average for 2019 soybeans was \$8.65, 26 cents above the May 2020 average.

Figure 4



Unlike old crop soybean, the 2020 New Crop Soybean Booking market showed a more steady trend overall during the month of June after an initial increase (Figure 4). New crop soybean began the month steady with the last May trading day average, opening at an \$8.46 statewide average. Price moved sharply higher for all of that first week, reaching \$8.75 on June 5. The market essentially held steady at that price until a 22 cent decline from June 19 to June 26. Price then stabilized and rose sharply to the monthly statewide average high of \$8.96 on June 30, an overall gain of 35 cents from the last May trading day. The high individual daily market quote of June was \$9.02 and occurred on June 30 at Blytheville, Helena, and Osceola. The low individual daily market quote of the month was \$8.02 and occurred on June 1 at Wynne. The overall statewide average for June was \$8.69 for the 2020 new crop soybean booking price, a 25 cent improvement compared to May 2020.

(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.)