

SOYBEAN NOTES ECONOMICS SECTION

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Bob Stark

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

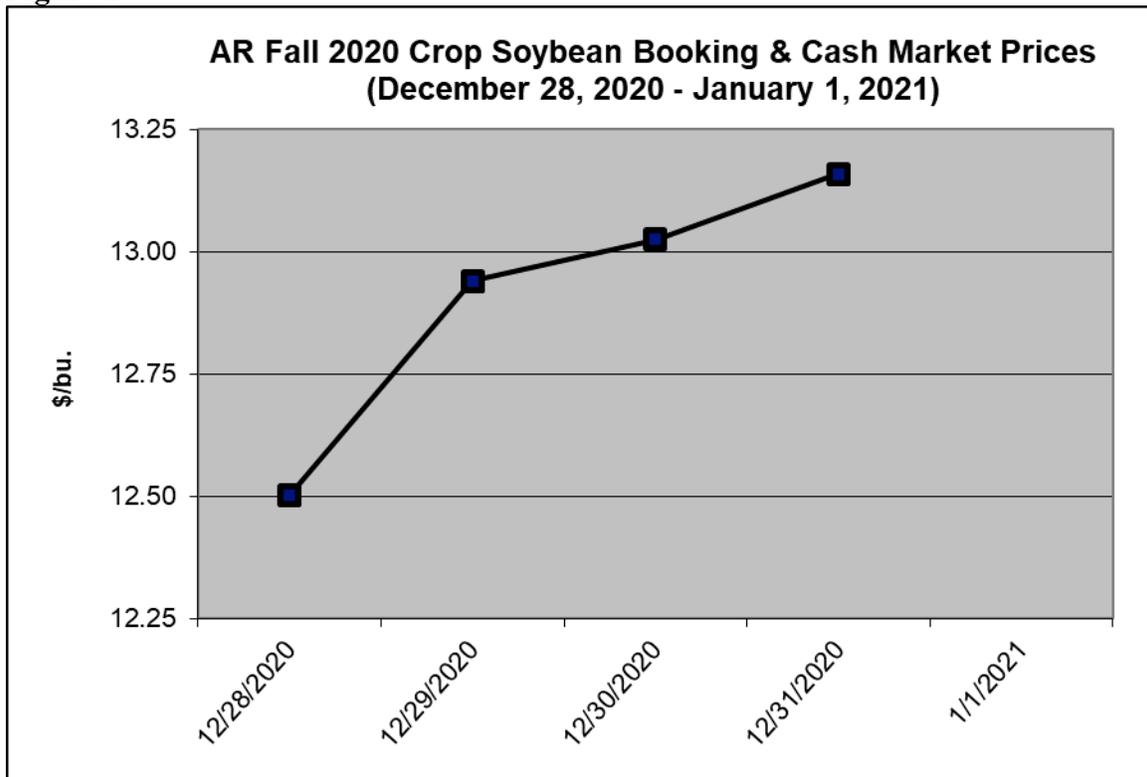
Jeremy Ross

Professor and 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.

2020 Crop Soybean Cash Market

Figure 1

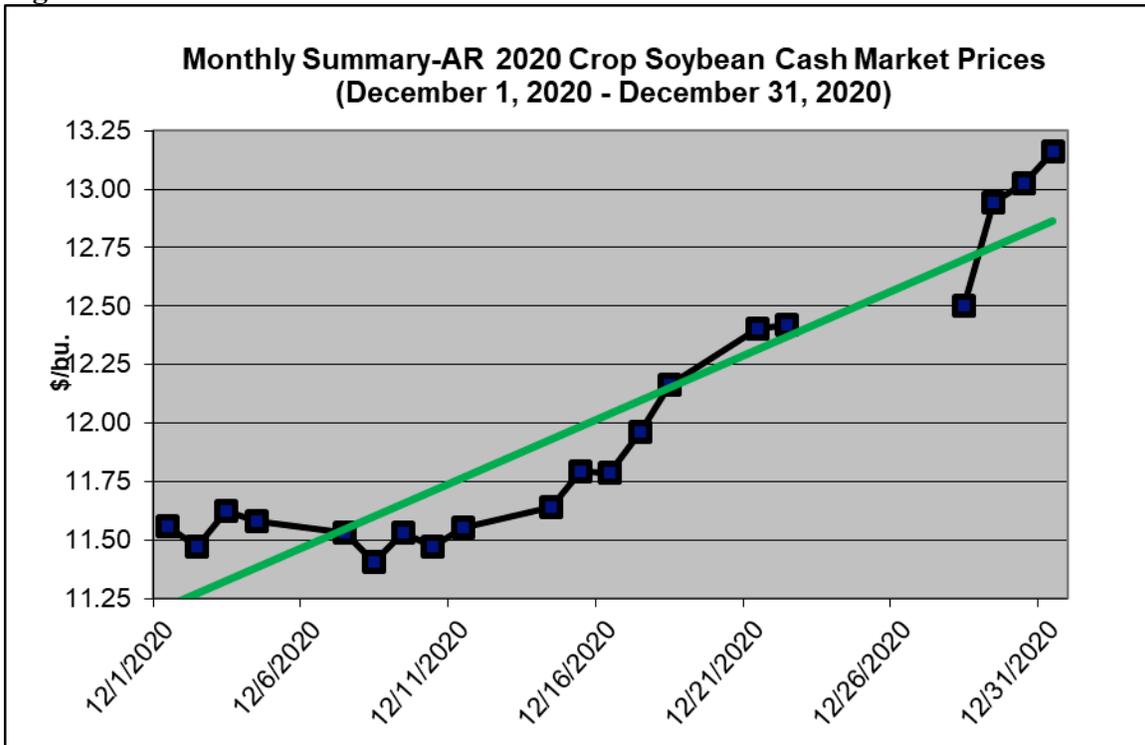


The 2020 crop soybean market continued its price climb to finish 2020 (Figure 1). The market gained 8 cents over the extended Christmas weekend and opened on Monday at a statewide average of \$12.50, an even 10 cents above the previous week opening day average. Price rocketed upward by 44 cents on Tuesday and ended the year with 9 and 13 cent gain days, respectively, prior to the Friday holiday for New Year's Day. The final daily statewide average on Thursday was \$13.16, a rise of 74 cents above the daily average just previous to the Christmas holiday. High individual market daily price for the past week was \$13.52 at Osceola on Thursday, December 31. The low individual

daily price was \$12.25 at Jonesboro on Monday. Nine markets provided quotes for each trading day in the past week. Closing price quotes on Thursday saw seven markets above the \$13.00 level with a low of \$12.85 at Jonesboro and the \$13.52 high closing quote at Osceola. The range of 67 cents was 3 cents wider than the previous week price span on the last trading day.

December 2020 Monthly Summary

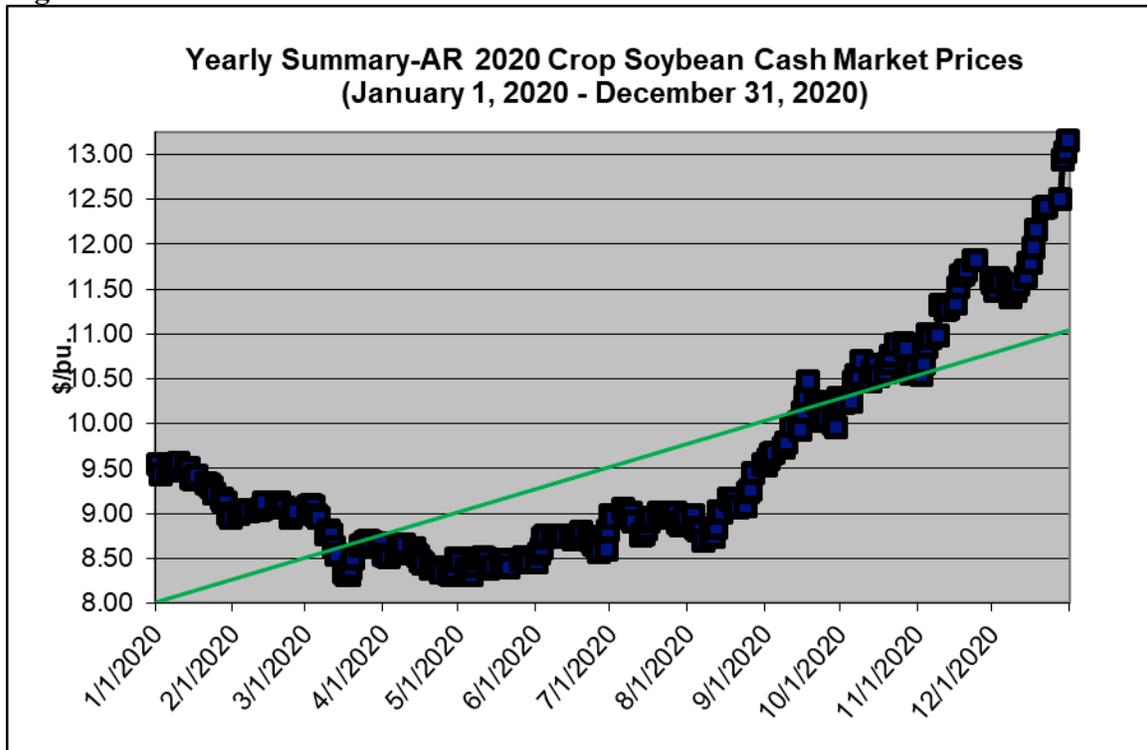
Figure 2



The 2020 crop soybeans generally trended higher for December, tracking fairly steady until December 10 (Figure 2). The statewide average price opened on December 1 at \$11.56. By December 10, the market had actually decline to \$11.47, but price climbed 8 cents on the following day and seldom looked back with 11 days of gain and one steady day to close out the year. High daily statewide average price for the month was the closing \$13.16 on December 31. That closing average exceeded the last November 2020 New Crop quote by \$1.60. The high individual daily market quote of December was \$13.52 on December 31 at Osceola. Low individual daily market quote was \$11.16 at Jonesboro on December 8. The overall December statewide average for 2020 soybeans was \$11.97, a margin of 67 cents above the November 2020 crop average.

2020 Annual Summary

Figure 3



The 2020 soybean cash market price endured a January to late March decline that took the booking price down to a level that persisted into May. Early summer strength began to develop and price climbed sharply after mid-August with only a slight correction in late November. That setback was quickly reclaimed and the market ended 2020 at its yearly high of \$13.16. The 2020 crop overall average market price was \$9.45, even when adding in the low early booking prices of November 15-December 31, 2019. Whether 2021 will provide further price gains is anyone's guess at this point. Producers certainly have an attractive pricing window available now for their 2020 soybeans.

(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.)