

ARKANSAS SOYBEAN 2020 CROP CASH MARKET and 2021 CROP BOOKING MARKET REPORTS

October 1, 2021

Bob Stark

Professor Emeritus-UAM College of Forestry,
Agriculture, and Natural Resources, Monticello
and Extension Economist, UA Division of Agriculture

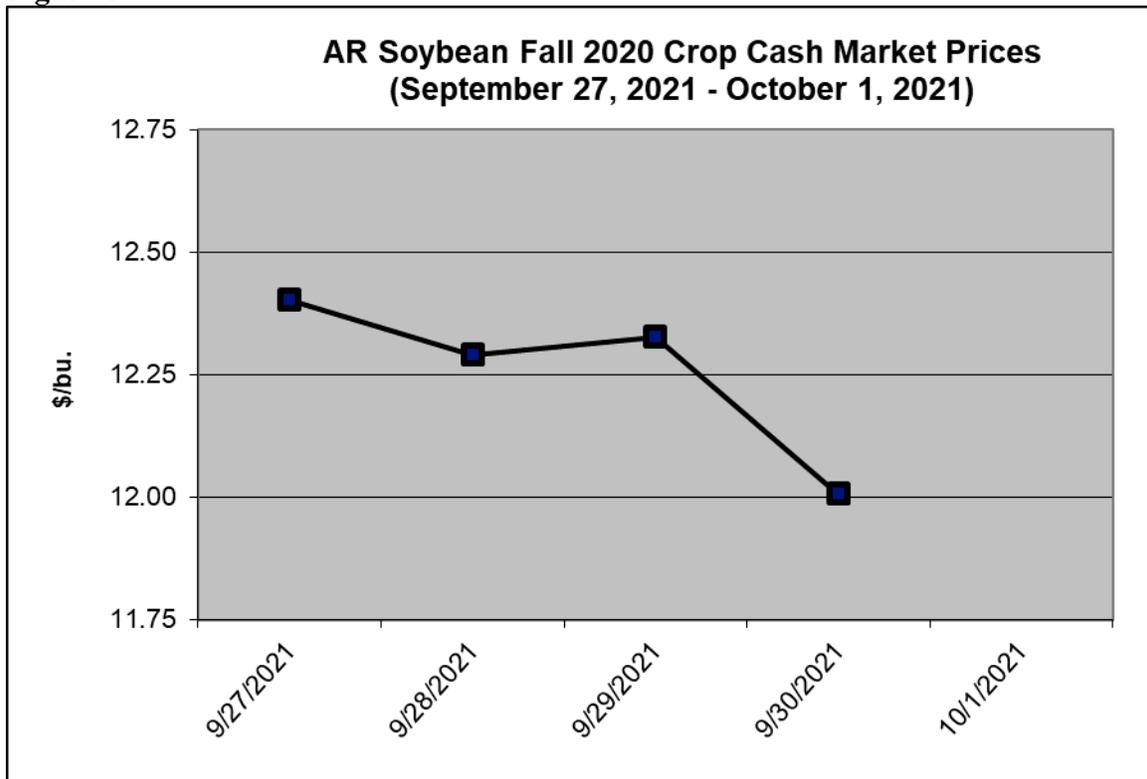
Jeremy Ross

Professor and Extension Agronomist – Soybean
University of Arkansas Cooperative Extension Service, Little Rock

These reports comprise a weekly newsletter focusing on Arkansas soybean market economics. We look at cash market & forward pricing quotes from selected markets as reported to the USDA Agricultural Marketing Service in Arkansas.

2020 Crop Soybean Cash Market

Figure 1

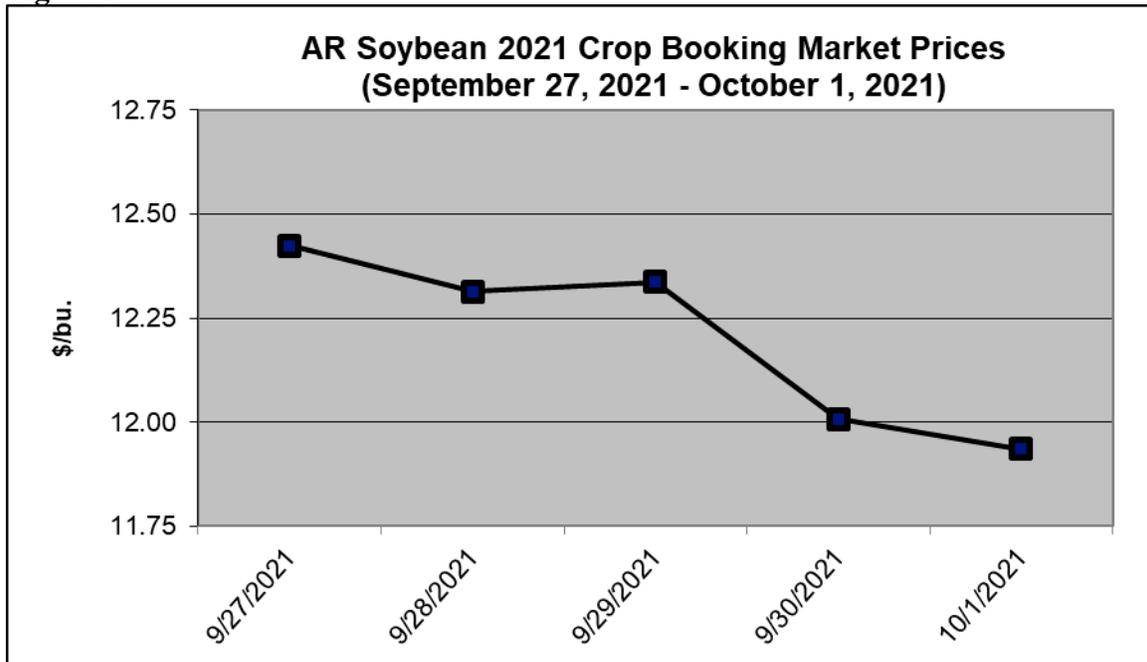


The Arkansas Soybean 2020 Crop Cash Market began the week with a slight weekend loss and continued to trend sharply lower for the remainder of the week (Figure 1). The Arkansas Daily Grain Report by USDA-AMS appears to have ended its 2020 cash crop

reporting year on Thursday, September 30. The previous 2021 crop soybean booking price for October-November now becomes the current cash price. The reported 2021 booking price moving forward will be for December. This weekly market report will begin showing the December booking prices next week. Old crop (2020) cash beans fell 4 cents over the weekend to open on Monday at \$12.40, still an increase of 22 cents from the previous week opening day average. The market fell 11 cents on Tuesday and a 4 cent recovery on Wednesday was completely wiped out as a Thursday loss of 32 cents dropped the statewide daily average to \$12.01 to finish the 2020 crop year. The high individual daily market quote of the past week was \$12.53 on Monday at Stuttgart. Low individual daily market quote was \$11.71 at Little Rock on Thursday, the last reporting day. Closing cash price quotes on Thursday ranged from the \$11.71 low at Little Rock to a high of \$12.21 at Stuttgart. The Thursday closing day statewide range stood at 40 cents, 6 cents wider than the previous week closing range. Overall market reporting was solid with ten major individual markets providing quotes each reported trading day.

2021 Crop Soybean Booking Market

Figure 2

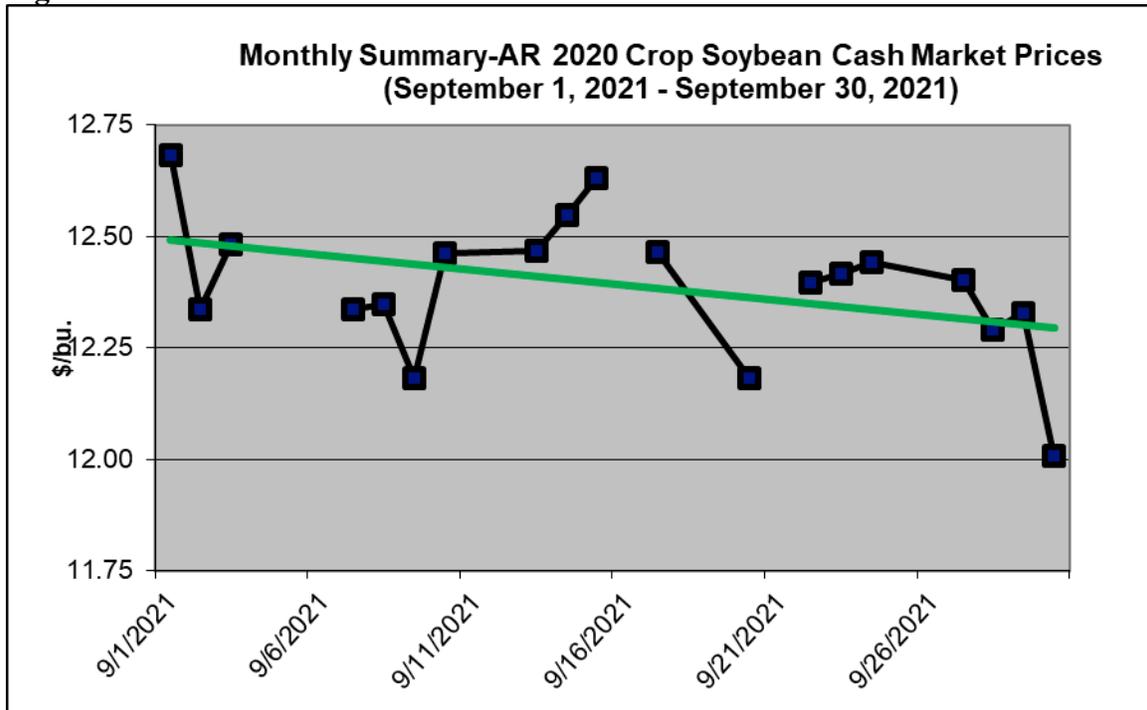


The Arkansas Soybean 2021 Crop Booking Market moved lower over the past weekend and continued to trend lower throughout the trading week (Figure 2). The Fall 2021 crop booking prices that I had been reporting switched to the 2021 current cash price in the Friday Arkansas Daily Grain Report by USDA-AMS. New crop booking beans fell 3 cents over the weekend to open on Monday at \$12.42, still a 19 cent improvement from the previous week opening day average. The market fell 11 cents on Tuesday and a 3 cent recovery on Wednesday was quickly lost as price fell 33 cents on Thursday and an additional 7 cents on Friday. The market finished the week at a daily statewide average of \$11.94, 51 cents under the previous week closing average. High individual daily market quote of the past week was \$12.64 on Monday at Wynne. Low individual daily

market quote was \$11.62 at Little Rock on Friday. Closing booking price quotes on Friday ranged from that \$11.62 low at Little Rock to a high of \$12.12 at Stuttgart. The Friday closing day statewide range stood at an even 50 cents, 20 cents wider than the previous week closing range. Overall market reporting remained solid with eleven major individual markets providing quotes each trading day of the week.

September 2020 Old Crop Cash Market Monthly Summary

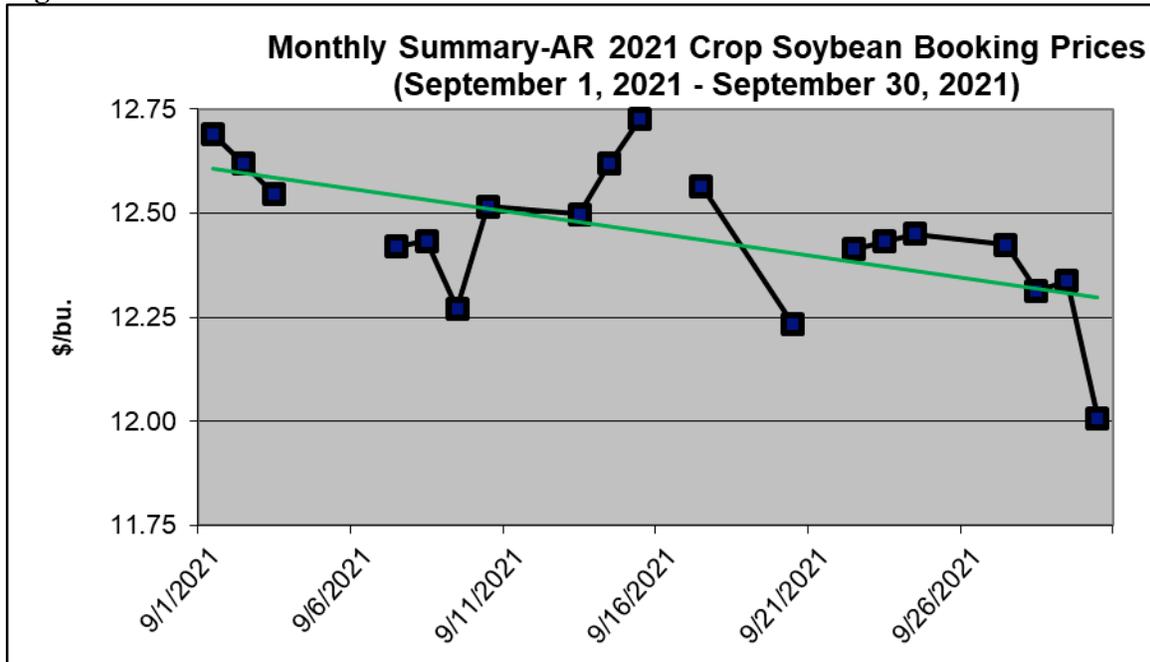
Figure 3



The 2020 crop cash soybeans resumed market quotes on September 1 after no cash prices were reported during August. Initially, only Osceola and West Memphis submitted daily quotes, but the reporting market set quickly expanded to eight following the Labor Day holiday and stabilized at ten by September 13. USDA-AMS did not publish an Arkansas Daily Grain Report on September 16 or 21 creating rather large price movements across the missing days. The market opened on September 1 at a statewide average of \$12.68. A 34 cent decline on the second trading day put the market into a downward trend that generally continued through the entire month with a few price jump days (Figure 3). The market closed at \$12.01 on September 30, its lowest daily statewide average of the month. The high individual daily market quote of September was \$12.70 at Helena on September 15. Low individual daily market quote was \$11.71 at Little Rock on September 30. The overall September statewide average for 2020 soybeans was \$12.38, a margin of \$1.93 cents under the July old crop average, the last monthly average previously compiled.

September 2021 New Crop Booking Market Monthly Summary

Figure 4



The 2021 crop cash soybean booking price started the month of September with a major loss and continued down through the first week. Price tried to rebound, but fell back after just one day of gain. The market then entered a rally that quickly lifted price to the monthly high, but a one day lapse in USDA-AMS reporting combined with two straight days of decline to drop the market to a new low. One final four day rally tried to provide some strength, but the market drifted lower and ended September with a large, last day loss (Figure 4). The statewide average price opened for trading on September 1 at \$12.69, 22 cents under the last August trading day average. The market lost 42 cents over the next five trading days to daily average of \$12.27. The following rally boosted price to the monthly high day of \$12.73, but the market reversed and fell 50 cents by September 20. A missing daily report and three days of improvement lifted the market 22 cents over the next three days, but it entered its final period of decline capped by a 33 cent loss on September 30 and closed at \$12.01, 90 cents under the last August trading day average. High daily statewide average price for the month of September was \$12.73 on September 15. The high individual daily market quote of September was \$13.29 at Des Arc on September 15. Low individual daily market quote was \$11.71 at Little Rock on September 30. The overall September statewide average for 2021 crop soybeans booking was \$12.45, an 81 cent decline from the August average. The 2021 crop booking price average for January 1-September 30 now stands at \$12.86.

(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.)