

# SOYBEAN NOTES ECONOMICS SECTION

June 1, 2018

Bob Stark

Agricultural Economist-SEREC & UAM School of Agriculture, Monticello

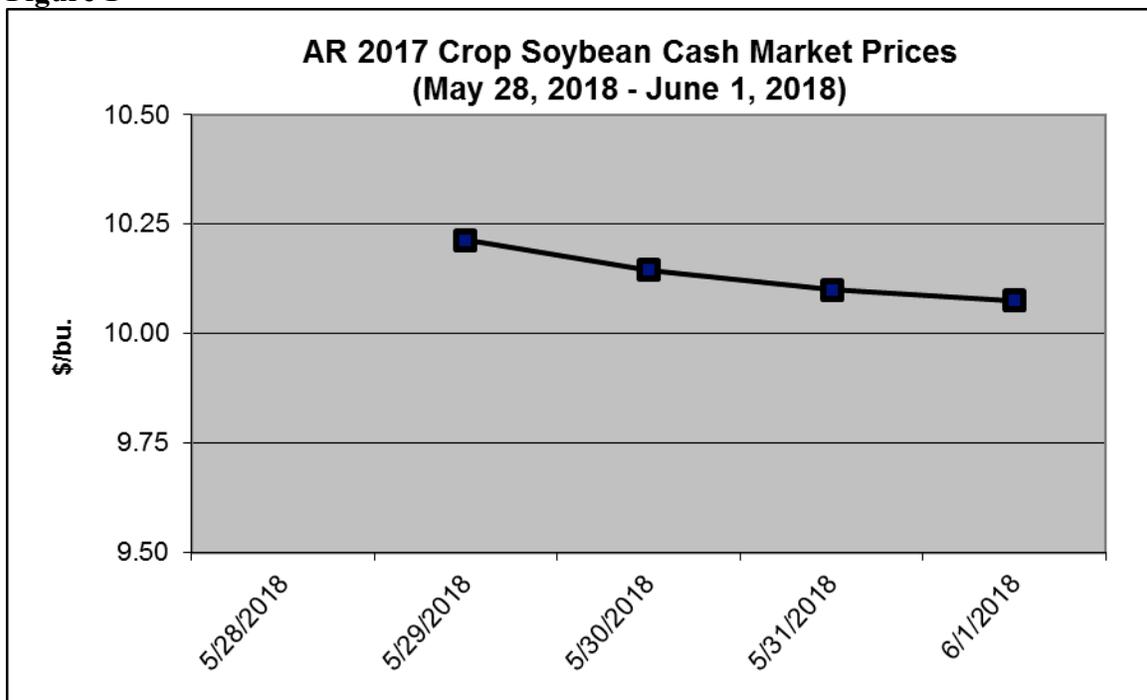
Jeremy Ross

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 National Agricultural Statistics Service in Arkansas.

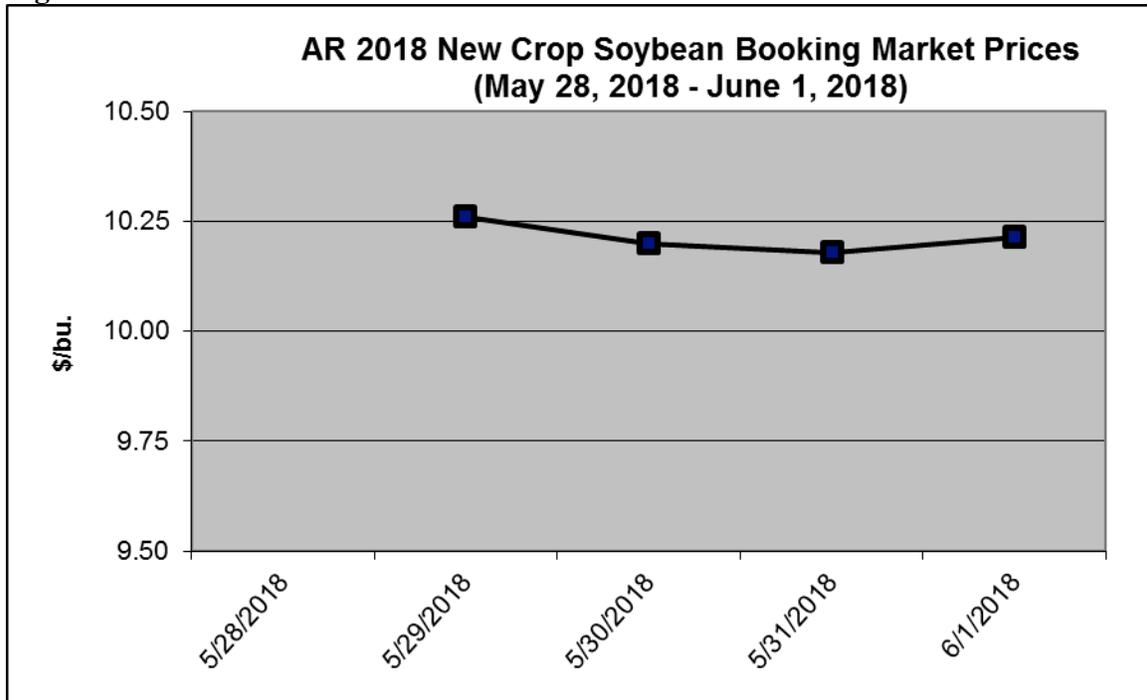
Figure 1



The past week of trading in the Arkansas 2017 Crop Soybean Cash Market was shortened by the Memorial Day holiday on Monday. Trading opened on Tuesday at a statewide average of \$10.21, 6 cents above the previous Monday opening price, but representing an 11 cent decline over the extended weekend. Price proceeded to move lower each trading day reaching a statewide average of \$10.07 on Friday to close out the week (Figure 1). The Friday average reflected a 25 cent overall decline for the week compared to the previous Friday statewide average. High daily individual market price over the short week was \$10.43 at West Memphis and Old Town/Elaine on Monday. Low quote of the week was \$9.84 at Wynne on Thursday. End-of-the-week quotes saw Friday closing day prices ranging from a \$9.86 low at Wynne to a high of \$10.35 at Osceola. West Memphis and Old Town/Elaine did not submit price quotes on Friday. The ending

quotes represented a range of 49 cents, a 6 cent widening from the previous week closing range. Nine individual markets were providing price quotations to end the week.

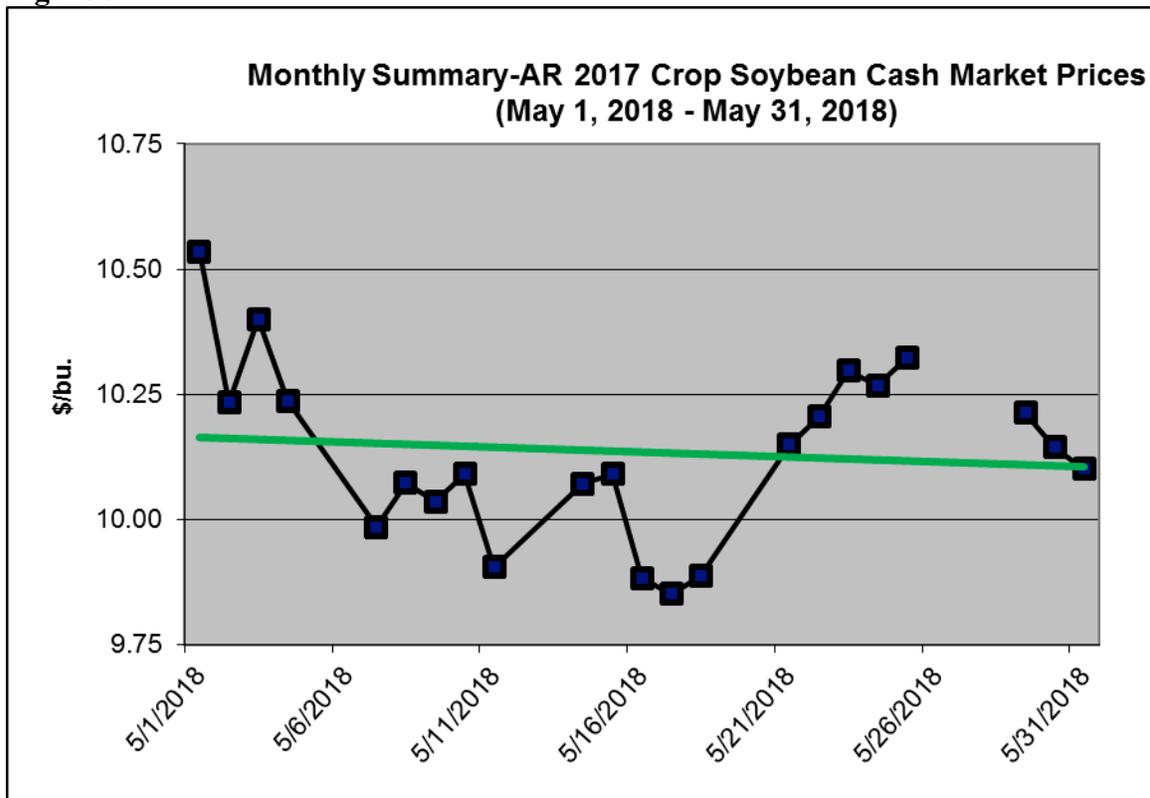
**Figure 2**



The Arkansas 2018 New Crop Soybean market initially followed the price decline of old crop beans through the holiday-shortened trading week, but then reversed itself to post a modest recovery on Friday. The market had lost 11 cents over the extended, holiday weekend and opened on Tuesday at a statewide average of \$10.26, an improvement of 11 cents over the previous Monday. Price declined Tuesday through Thursday before regaining 3 cents and closing on Friday at a statewide average of \$10.21, a 16 cent drop from the previous week closing price (Figure 2). The high daily individual market price over the past week for the 2018 crop was \$10.43 at Helena on Tuesday. Low quote of the week was an even \$10.00 at Wynne on Thursday. End-of-the-week quotes saw the Friday closing day prices ranging from a low of \$10.04 at Wynne to a high of \$10.38 at Helena. The ending quotes represented a 34 cent range, unchanged from the previous week closing range. Thirteen markets continued to provide booking price quotations throughout the week on 2018 soybeans.

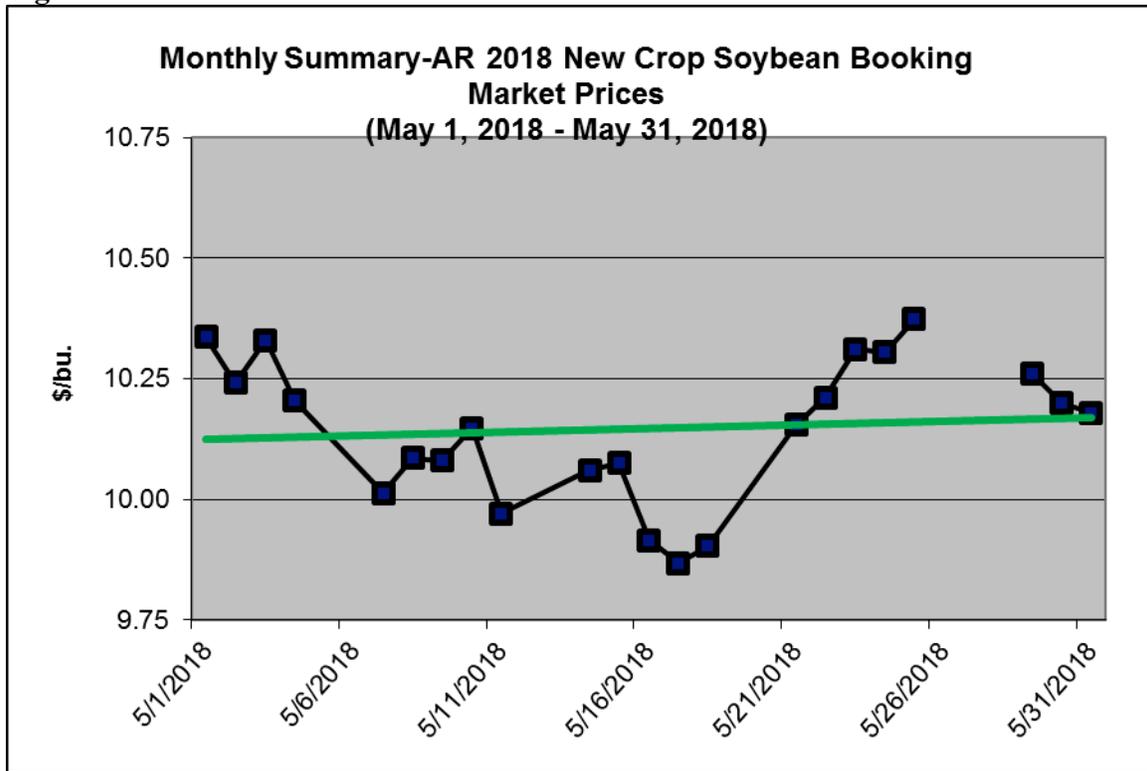
## May 2018 Monthly Summary

Figure 3



May cash trading in 2017 crop soybeans began the month with promise by adding 28 cents to the last April trading day price. The opening day statewide average was \$10.54. The market lost 31 cents the second trading day of the month followed by a 17 cent gain, 16 cent loss, and a 25 cent loss as the market moved uncertainly lower. The low point was reached on May 17 at a \$9.85 price before turning back higher to regain most of the losses over the previous two weeks. Price reached \$10.32 on May 25, but the Memorial Day holiday sent the market into another decline that carried to the May 31 close of monthly trading. Statewide average to end the month was \$10.10, an overall fall of 16 cents relative to the last trading day of April. The high individual daily market quote of the month was \$10.61 at West Memphis on May 1. The low individual daily market quote was \$9.60 at Wynne on May 17. The overall statewide average for May was \$10.12 for the 2017 crop soybeans, 12 cents under the 2017 crop average in April.

Figure 4



The May market for 2018 New Crop Soybean Booking began the month with a 7 cent gain from the last April trading day. Price opened on May 1 at a \$10.34 statewide average. The market lost 10 cents the following day, regained 9 cents on the next, and fell 13 and 19 cents, respectively on the following trading days. In general, new crop soybean price moved lower from the start of May until reaching \$9.87 on May 17. Following that day, price turned sharply upward and reached the monthly high of \$10.37 on May 25 before declining through the remaining trading days of the month. The statewide market average price to end May was \$10.18 on the last trading day, a 9 cent overall decline for the month compared to the last April trading day. High individual daily market quote of the month was \$10.54 on May 25 at Helena. The low individual daily market quote of the month was \$9.70 at Wynne on May 17. The overall statewide average for May was \$10.15 for the 2018 new crop soybean booking price, a 9 cent decline compared to the 2018 crop April monthly average.

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