

April 2, 2021

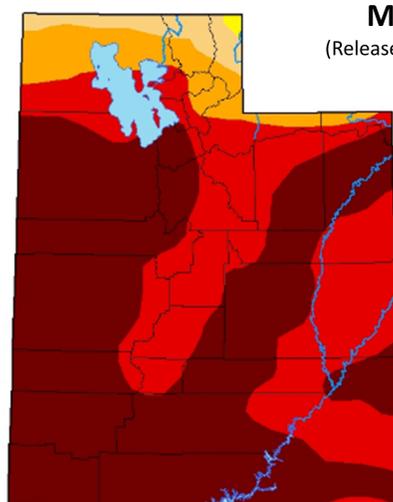
PRECIP & PRICES

A monthly report with insights into agricultural markets, weather, and current issues relevant to Utah producers

Weather and Drought Report

Current Conditions

While drought persists across Utah, it is important to note slight improvement of drought conditions of the state when compared to conditions in late December. From the Utah Climate Water Report released April 1, March precipitation at mountain snow sites was only 73% of normal. As mentioned in previous reports, dry soil moisture conditions are present both at mountain and valley monitoring sites. Dry soil moisture conditions as well as low precipitation across the state is expected to lead to water supply shortages for the growing season. Currently, the only basins in the state with above average water availability index values are Bear and Price.



March 30, 2021
(Released Thursday, Apr. 1, 2021)
Valid 7 a.m. EST

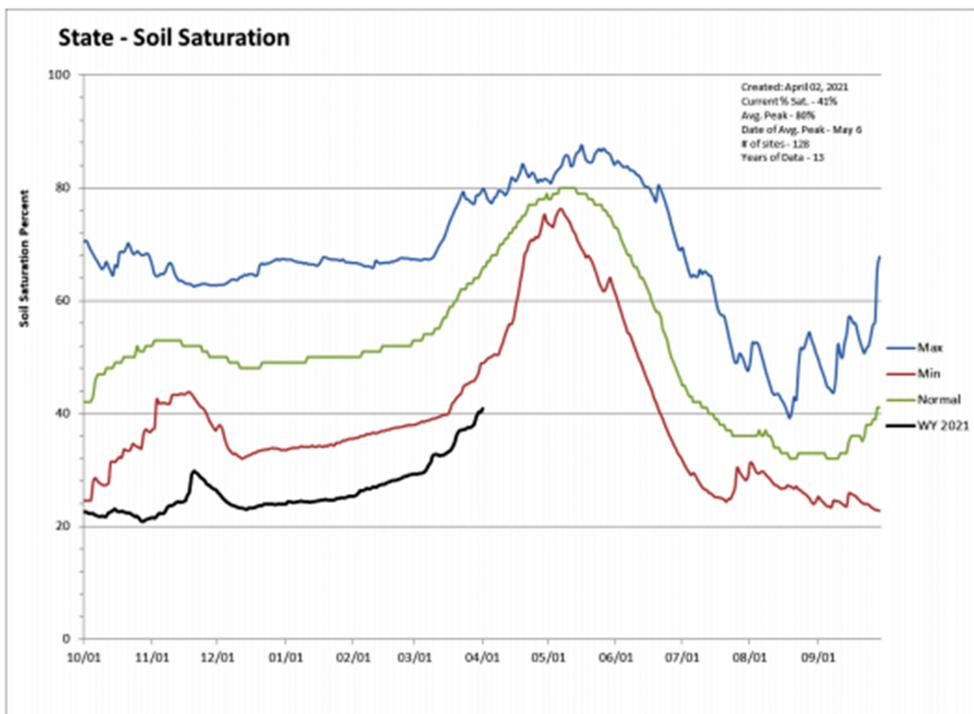
- Intensity:**
- None
 - D0 Abnormally Dry
 - D1 Moderate Drought
 - D2 Severe Drought
 - D3 Extreme Drought
 - D4 Exceptional Drought

USDA
droughtmonitor.unl.edu

Future Conditions

The seasonal (3-month) drought outlook suggests that drought will persist across the southwest this through the end of June 2021. This is expected to impact spring and summer growing conditions as well water availability throughout the state. La Nina conditions are still present; however, there is a 60% chance that ENSO neutral will return from April-June.

The monthly precipitation and temperature outlooks for April suggests increased probability of above average temperature and below average precipitation for Utah.

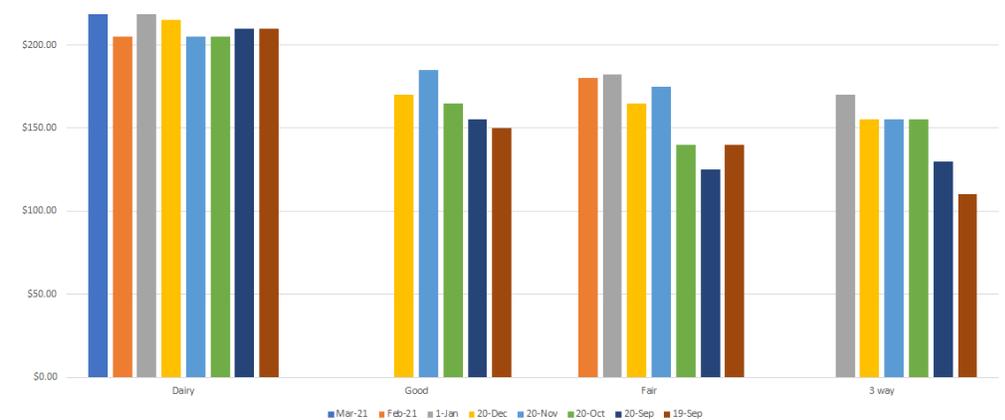


Price and Agriculture Market Report

Corn Supply and Prices

The 2021 Prospective Plantings report was released by the USDA this week. They are report increase in soybean, corn, and wheat acres. This caused markets to respond but crop prices are still holding strong. July futures prices for corn were close to \$5.50, soybeans were \$13.96, and wheat was \$6.11. For all three crops, this has been the highest futures price since 2014.

These high prices provide an opportunity for farmers to manage some price risk by locking in prices for fall.



Utah Hay & Cattle Prices

Crop futures are not the only prices showing strength. October Feeder Futures are trading around the \$160 mark and October Live Cattle Futures are trading around \$125. This provides cattle producers with an option to lock in prices for fall 2021 whether through LRP insurance or traditional options. Hay prices are also showing a \$10-15 increase since March. Drought conditions are causing a lot of concern for summer forage and this is spilling over into the hay market.

**CONTACT US WITH
QUESTIONS AND COMMENTS**

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