

October 2, 2020

PRECIP & PRICES

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

Weather and Drought Report

U.S. Drought Monitor

Drought severity increased this week compared to last month's reported conditions. This is evident by a greater percent of the land area in Utah entering more severe drought classifications. At the beginning of September, the majority of Utah (91.5% of the state) was in severe or extreme drought (D2 and D3 classification). This week, 87.26% of the land area is experiencing extreme or exceptional drought (D3 and D4). Moreover, at the time of this report, 12.8% of Utah is in exceptional drought (D4), the most severe classification, which is up from 0% at the start of September.

Drought conditions this year are drastically different than a year ago. On October 1, 2019, approximately 46% of the state was not experiencing drought and there were no reports of severe, extreme, or exceptional drought (D2-D4). This has altered growing conditions across the state and changed the risk management practices producers should consider to protect their operation.

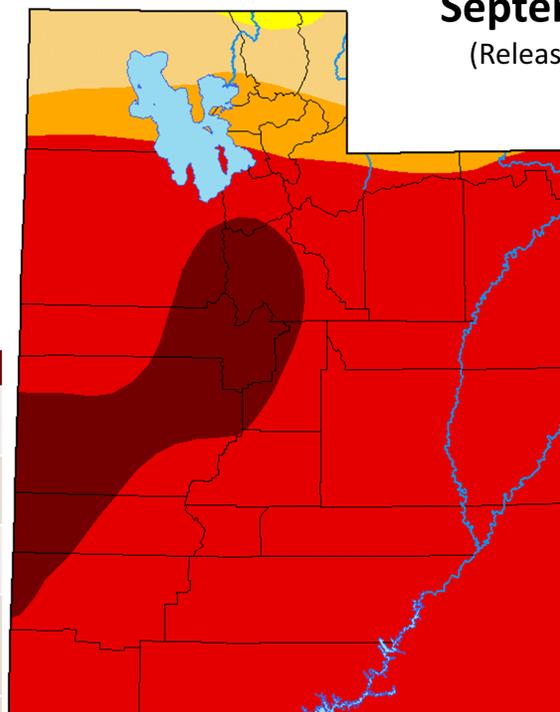
October-December Forecast

Above normal temperatures and below-normal precipitation are expected to drive continued drought conditions in Utah through December 2020. Drier conditions across the West are forecasted this winter as a result of La Nina which were detected in August 2020.

September 29, 2020

(Released Thursday, Oct. 1, 2020)

Valid 8 a.m. EDT



Intensity:

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

Week	Date	None	D0	D1	D2	D3	D4
Current	2020-09-29	0.00	0.38	6.42	5.94	74.45	12.80
Last Week	2020-09-22	0.00	1.10	5.70	9.26	73.86	10.07
3 Months Ago	2020-06-30	3.96	14.14	33.90	46.78	1.21	0.00
Start of Calendar Year	2019-12-31	17.19	27.09	25.25	30.47	0.00	0.00
1 Year Ago	2019-10-01	45.82	24.59	29.59	0.00	0.00	0.00

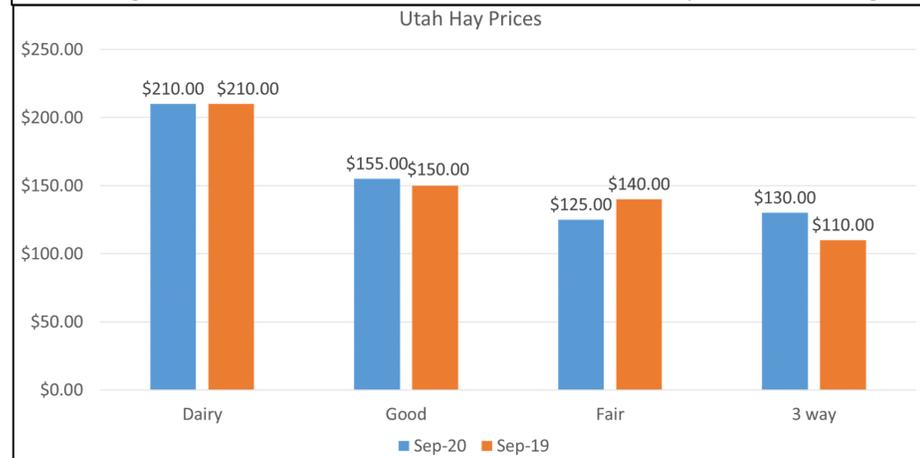
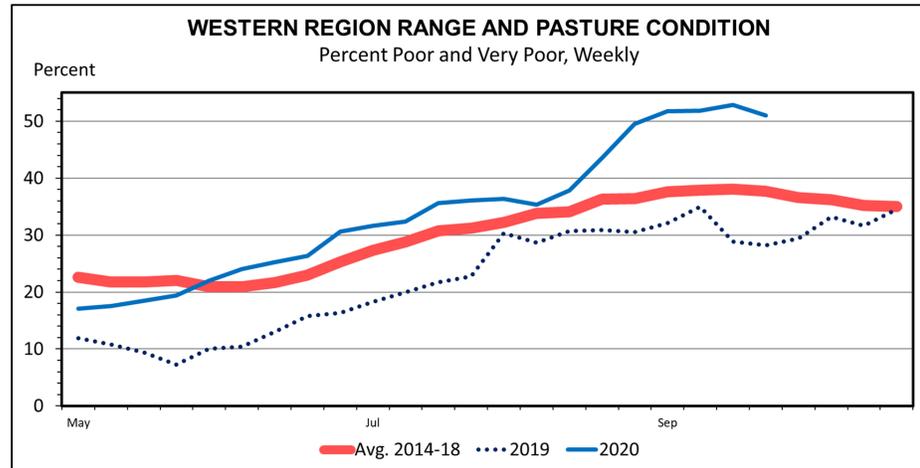


droughtmonitor.unl.edu

Price and Agriculture Market Report

Range and Pasture Condition

Western range and pasture conditions have deteriorated especially beginning in August. As of mid-September, over 50% of Western range and pasture was classified as poor to very poor. This could signal that producers will have to get cattle off of range or pasture sooner than normal. The extended forecast does not provide any indication that these conditions will change. Producers should prepare for drought conditions and began analyzing the use of drought insurance (Pasture, Range, and Forage Insurance). The sign up deadline for Pasture, Range, and Forage Insurance is November 15, 2020.



Market Prices

December corn futures have shown an uptick in the past few weeks. Current December futures price for corn is right around \$3.82. This has been driven by increased demand and supply side worries. Corn prices also impact Utah hay prices. Utah hay prices have held steady with dairy quality hay being reported at \$210/ton, good quality hay at \$155/ton, fair quality hay at 125/ton, and 3 way at \$130/ton. A key driver to watch in the next few months will be the precipitation amounts.

**CONTACT US WITH
QUESTIONS AND COMMENTS**

Ryan Larsen, Extension
Agribusiness, Farm Management,
Risk Analysis Specialist
ryan.larsen@usu.edu

Anastasia Thayer,
Extension Water Resource
Specialist
anastasia.thayer@usu.edu