

## Organic food-grade prices rise while feed-grade dip

Organic grain markets diverge as feed grain prices continue to stall

Jan. 15, 2020 (SILVER SPRING, MD) – Prices for food and feed-grade organic grains diverged at the end of 2019; with food-grade commodity prices enjoying a bump over last year while feed-grade prices continue to lag, according to Mercaris, the only market data

Mercaris Organic Commodity Prices (US\$ per BU)			
	Q4		Y/Y
	2018	2019	Change
Organic Corn			
Food Grade	\$11.70	\$12.83	\$1.13
Feed Grade	\$9.57	\$8.93	\$0.64
Organic Soybeans			
Food Grade	\$21.48	\$21.60	\$0.12
Feed Grade	\$19.99	\$19.07	\$0.92

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Source: Mercaris

service and online trading platform for organic, non-GMO, and certified agricultural commodities.

According to the January Mercaris **Monthly Market Update**, in Q4 2019, organic food-grade corn settled up \$1.13/bu over the same quarter in 2018. Meanwhile, feed-grade corn finished down \$0.64/bu. Food-grade soybeans settled up \$0.12/bu, while feed-grade soybeans finished down \$0.92/bu.

"A number of factors contributed to the flatness of organic feed-grade commodity prices, including imports, slower feed demand and buyers who seem willing to wait for a clearer view of the market before making major purchasing decisions," said Ryan Koory, Director of Economics at Mercaris.

According to Koory, it's difficult to predict what the near future may hold for prices.

"The widening margin may be an indicator of higher prices for feed-grade commodities in the near future, particularly as the market settles into 2020 and buyers look to lock in supplies and address 2019's reduced crop production," he said. "However, as has been shown time and again, there are no sure bets in commodity markets."



The January Monthly Market Update features major supply and demand factors for organic grains including organic livestock production and year-to-date import data for organic corn and soybeans. For more information, visit Mercaris.com.

## **About Mercaris**

Since 2013, Mercaris has been helping its customers capitalize on growing demand for organic and non-GMO foods by providing market access and services tailored to the needs of the identity-preserved agriculture industry. Mercaris focuses its data and services on identity-preserved commodities, including organic and non-GMO corn, soybean, meal and organic wheat, and other small grains markets across all regions of the United States and Canada, and recently launched an organic dairy initiative. Mercaris also maintains an online Trading Platform, a pioneering tool that enables buyers and sellers to find new markets and more profitably trade organic and non-GMO commodities.

Media Contact: Matt Merritt | Pr-mercaris@paulsen.ag | (605) 370-9959