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This week's Market Overview
 New crop alfalfa hay trading in Central California getting off to a slow start due to rain delays. Not enough sales on new crop alfalfa hay to fully test the market, few sales old crop steady. New crop beardless wheat hay sales close to the same price as early sales last year. **(Sales in narrative of report fob stack for current movement unless specified otherwise, dollars per short ton)**

Spotty rain early in the week with the rain forecast for Friday but didn't happen in some areas but it was raining from Merced County north on Friday. There will be more trading on new crop alfalfa hay in Kern County next week with more hay going in the bale. Much of the early hay in Fresno County was high moisture or rained on. More growers will start cutting new hay, including dryland beardless wheat hay in the Central San Joaquin Valley next week. Good interest for new crop beardless wheat hay with first sales reported on dryland wheat hay for dairies.

In Kern County, **Dairy: New Crop:** 100 tons Premium alfalfa hay small bales \$250 fob stack; 250 tons Good alfalfa hay with around 20% weeds \$200 to \$205.

In the High Desert, retail alfalfa hay prices \$5 higher. **Retail: Old Crop:** 175 tons Premium retail alfalfa hay \$290 fob barn. 25 tons Premium 3 way grain hay \$285.

Market Indicators...	Unit	Most Recent	Week Ago	Year Ago
CA FMMO Uniform (blended) Milk Price-Tulare	Cwt. *	Feb \$14.24	Jan \$14.21	N/A
USDA Milk Mailbox Prices ** December 2018				
California (CDFA Oct 2018 & year ago)	Cwt.	N/A	Nov N/A	\$17.02
New Mexico	Cwt.	\$13.69	Nov \$14.34	\$15.27
Oregon/Washington	Cwt.	\$16.69	Nov \$17.05	\$17.22
Class III Milk Futures –CME (May 2019)	Cwt.	\$15.76	\$15.48	\$14.70
Milk Cost of Production - Holstein Dairies S. J. Valley (Frazer, LLP) First half 2018	Cwt.	***\$15.86		***\$16.14
CME Spot Cheese Prices				
Block Cheese (40# blocks)	\$/Lbs.	\$1.6600	\$1.6450	\$1.6025
Barrel Cheese	\$/Lbs.	\$1.5750	\$1.6025	\$1.4500
All Hay Exports From West Coast Ports (U.S. Census Bureau) Jan – Dec 2018				
California Ports	Metric	2,066,207		2,318,958
Washington Ports	Tons	1,841,723		1,904,559
Rolled Corn Dlvd to Magic Valley ID Dairies	\$/Ton	\$189	\$197	N/A
Rolled Corn Dlvd to Central CA Dairies	\$/Ton	\$200	\$204	\$200
No. 2 Yellow Corn – FOB Iowa (USDA)	\$/Ton	\$124-\$129	\$125-\$132	\$126-\$133
Ethanol Price – FOB Iowa (USDA)	\$/Gal	\$1.18-\$1.38	\$1.26-\$1.50	\$1.24-\$1.54
Crude Oil – New York Futures (May 2019)	\$/Barrel	\$63.08	\$60.14	\$62.06
Alfalfa Hay Prices – (The Hoyt Report)				
California – Dlvd to Tulare/Hanford Dairies				
	Tons			
Supreme	1,050	\$/Ton \$275-\$290	\$268-\$295	\$285-\$295
Premium	425	\$/Ton \$260-\$278	\$265-\$275	\$275-\$285
Good	150	\$/Ton \$240-\$250	No sales	\$240-\$260
Fair	500	\$/Ton \$225-\$230	No Sales	\$225-\$230
Dlvd Escalon, Modesto, Turlock Dairies				
Supreme	580	\$/Ton \$265-\$280	\$275	\$285-\$297
Premium	225	\$/Ton \$260-\$275	\$255	\$275
Good	50	\$/Ton \$240	\$235	\$250-\$260
Fair		\$/Ton No Sales	No Sales	No Sales
Idaho – Alfalfa Hay Big Bales, FOB Stack				
Supreme (see exports on page 3)		\$/Ton No Sales	\$175	No Sales
Premium	600	\$/Ton \$160	No Sales	No Sales
Good	800	\$/Ton \$160	\$160-\$165	\$120
Fair	250	\$/Ton \$145	\$150	\$100
WA/OR (C. Basin) Alfalfa, FOB				
Supreme big bale (Dairy)	1,100	\$/Ton \$240	No Sales	No Sales
Premium big bale (Export)		\$/Ton No Sales	No Sales	No Sales
Good big bale (Export)	3,000	\$/Ton \$185	No Sales	\$150-\$160
Fair (Feedlot/Dairy)		\$/Ton No Sales	No Sales	\$130

*Prices include \$0.38 cent cwt deduction for quota assessment ** Total receipts less marketing costs & assessments. ***Does not include return on investment and management costs. BB – Big Bales

In Tulare, Kings, and Fresno Counties, **Dairy: New Crop:** 75 tons Premium alfalfa hay \$240 fob stack, load with a little rake and light rain \$215, 125 tons Premium alfalfa hay with high moisture \$150, 200 tons with very high moisture \$125; 200 tons Good alfalfa hay \$220 fob. Grain hay to be cut next week (weather permitting), 8,000 tons mostly dryland Premium beardless wheat hay big bales \$160 to \$165 fob stack, no rain; 1,100 tons dryland Fair beardless wheat hay with around 20% mustard weed \$100 fob, no rain. 250 tons dryland Premium oat hay \$100 standing, depending how it goes up it may go into small bales for retail. **Dairy: Old Crop:** 50 tons un-tarped Premium oat hay big bales \$160 fob stack, tops off. 300 tons big bale double-cut rice straw \$105 delivered to dairies from barn in Sacramento Valley. **Stable: Old Crop:** 50 tons Premium stable alfalfa hay \$265 fob barn.

In Los Banos-Dos Palos and Merced, **Dairy: Old Crop:** 300 tons Supreme alfalfa hay with 19.6% protein \$255 fob barn; 300 tons Premium alfalfa hay big bales (54.5-55 TDN) \$240. 125 tons fully tarped Premium big bale beardless wheat hay \$160 fob stack, buyer can leave bad bottoms, 600 tons in barn \$175 fob, 2 loads \$175 loaded on truck. **Stable: Old Crop:** 50 tons Good orchardgrass/meadowgrass/alfalfa mix, 112 lb. bales, \$182 fob barn.

In Imperial Valley, moderate to good demand for alfalfa hay for export and dairy. Dairy alfalfa hay prices steady, Supreme big bale export alfalfa hay prices steady to \$5 higher with other qualities steady. No sales of export grass hays reported. Retail alfalfa and bermuda hay prices steady. Some contacts report being finished with first cutting alfalfa hay. Weather for alfalfa hay production has been very good. Reports of a few growers cutting bermuda and kleingrass hay with some calling it more of a clipping. Export contacts that were in Japan recently report they expect demand for grass hays to Japan to be similar to last year. **Dairy:** 1,725 tons Supreme alfalfa hay big and small bales \$220 to \$230, high test big bales at \$230; 650 tons Premium/Supreme alfalfa hay \$215 to \$218 fob stack; 400 tons Premium alfalfa hay big bales \$210 to \$212, 580 tons grassy or high moisture \$190 to \$200; 125 tons Good alfalfa hay with little grass \$180 to \$185 fob stack; 340 tons Fair alfalfa hay, weedy or grassy, \$155 to \$165 fob stack. **Export:** 2,980 tons Supreme alfalfa hay big bales \$230 to \$237, mostly \$230 to \$235; 950 tons Premium alfalfa hay big and small bales \$210 to \$220. **Retail/Stable: Old Crop:** 280 tons Premium retail alfalfa hay \$260 to \$265 fob barn, 40 tons tarped \$245; 250 tons Premium stable alfalfa hay \$230 to \$235, 100 tons high Premium \$240 to \$250, all fully wrapped; 250 tons uncovered Good stable alfalfa hay \$200 with bad bales sorted out. 50 tons high Premium retail bermuda hay \$230, 120 tons Premium retail bermuda hay \$215, all fully tarped and straw bottoms. 75 tons tarped Good stable bermuda \$180 to \$185 fob stack.

In Blythe, moderate to good demand for dairy alfalfa hay with prices steady to \$5 higher. Retail alfalfa hay prices steady on old crop barn hay. Trades on new crop retail alfalfa hay reported. Contacts report the increase in prices on dairy alfalfa hay is because more high-quality alfalfa hay is being produced. **Dairy:** 1,230 tons Supreme alfalfa hay big and small bales \$215 to \$220, some of the \$220 hay to be stored; 500 tons Premium alfalfa hay big bales \$210 fob stack, 300 tons high moisture or rain damaged \$195 to \$200; 650 tons Good alfalfa hay with grass \$185. **Export:** 340 tons Premium/Supreme alfalfa hay big bales \$215 fob stack; 525 tons Premium alfalfa hay big bales \$210. **Retail:** 520 tons old crop Premium retail alfalfa hay \$260 to \$265 fob barn, 125 tons new crop Premium retail alfalfa hay \$255 fob stack; 250 tons old crop Good alfalfa hay \$255 fob barn; 180 tons new crop Good stable alfalfa hay \$220 fob stack.

In Tracy-Patterson, Modesto, Stockton, and Lodi, not enough dairy alfalfa hay sales to fully test the market. Premium retail alfalfa hay prices \$10 lower and Good retail alfalfa and other retail hay prices steady with last week. **Dairy:** 50 tons Premium alfalfa hay \$240 fob barn. **Retail:** 200 tons Premium alfalfa hay \$250 fob barn; 180 tons Good retail alfalfa hay \$240. 50 tons Premium 3 way grain hay \$185. 75 tons Premium retail orchardgrass hay \$340 fob barn.

In the Sacramento Valley, retail alfalfa hay prices steady to weak. **Dairy:** 25 tons Supreme alfalfa hay \$210 fob barn. **Retail:** 300 tons Premium retail alfalfa hay \$240, 100 tons high Premium \$260 fob barn. 25 tons Premium retail orchardgrass/fescue hay \$240. 120 tons small bale rice straw \$3.50/bale fob barn, for feed stores and erosion control.

In the Northern Mountains, not enough sales on dairy alfalfa hay to fully test the market, retail hay prices mostly steady, except \$10 higher on orchardgrass. Demand good for retail grass hays and better retail alfalfa hay. **Dairy:** In the Northern CA Mountains, 75 tons Premium alfalfa hay \$205 fob barn; 50 tons un-tarped Fair alfalfa hay \$170. **Retail:** In the Northern CA Mountains, 150 tons Premium alfalfa hay \$240 to \$250 fob barn; 75 tons Good retail alfalfa hay \$200 to \$210. 150 tons Premium retail orchardgrass hay \$290 fob barn. 300 tons Premium retail orchardgrass/alfalfa hay \$280. 250 tons Premium retail timothy hay \$340, 50 tons high Premium \$390 fob barn.

In Arizona, active trading on alfalfa hay with good demand from dairy and export buyers. Premium to Supreme big bale export alfalfa hay prices steady to firm compared to last week. Dairy alfalfa hay prices steady. Good interest for new and old crop retail alfalfa hay with prices steady. Contacts report that some growers that usually produce dairy alfalfa hay with their first few cuttings have been doing retail alfalfa hay instead. Many grower contacts reported finishing up their first

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cutting alfalfa hay. **Dairy:** In Central AZ, 1,800 tons new crop Premium alfalfa hay \$210 fob stack; 350 tons Good alfalfa hay \$195, to local dairy. In Parker/Poston, 600 tons new crop Premium alfalfa hay \$205 to \$210 fob stack; 400 tons Fair grassy alfalfa hay \$175 to \$180, 200 tons frost damaged \$155. **Export:** In Central AZ, 1,400 tons Supreme alfalfa hay big bales \$220 to \$222 fob stack; 2,550 tons Premium alfalfa hay big bales \$210 to \$215, 800 tons old crop Premium alfalfa hay 3-tie retail weight \$235 fob, straight into container without pressing. **Retail:** 1,475 tons old and new crop Premium retail alfalfa hay \$275 to \$285 fob barn, some going to Texas; 380 tons new crop Good (#2) alfalfa \$265 fob barn; 750 tons new crop Good/Premium retail alfalfa \$230 to \$240 fob stack; 380 tons Good (#2) retail alfalfa \$215 to \$225.

In Nevada, another new crop alfalfa hay contract in Northern Nevada with no comparison from a year ago and a few old crop alfalfa hay sales in Western Nevada at mostly steady prices with a week ago. Not as much activity as last week but there is still interest from a few exporters for new crop alfalfa hay. All sales on big bales. **Dairy: Old Crop:** In Western NV, 250 tons top tarped Supreme alfalfa hay \$215 fob stack, 330 tons un-tarped or tarped but tested better than it looked \$200; 175 tons top tarped Premium alfalfa hay (54.5-55 TDN) \$180. **Dairy: New Crop Contracts:** In Northern NV, 6,000 tons for the season high Premium alfalfa hay \$182 fob stack, 180 RFV base test with a \$1 per ton slide up or down for each point from 180 RFV, no rain damage, all hay goes in barns when it goes up, 50% paid up front and 40% more for each cutting when it goes in barn, current to extended movement to Central CA; 4,000 tons for the season high Premium alfalfa hay \$185 fob stack, 180 RFV base test with \$1 per ton slide up or down for each point from 180 RFV, no rain damage, all hay goes in barns when it goes up, 50% paid up front and 40% more for each cutting when it goes in barn, current to extended movement to Southwest Idaho.

In Idaho, alfalfa hay trading on old crop slow with prices steady where there was a comparison. Good demand for export alfalfa hay with more new crop contracts reported. Some interest from California dairy buyers for high quality alfalfa hay. Interest from some dairy and feedlot buyers to contract feeder alfalfa hay but no deals finalized yet. Some Good alfalfa hay trades reported this week were purchased from cattle ranchers with extra hay. All sales on big bales with dairy hay sales going to Magic Valley dairies unless specified otherwise. **Confirmed Sales:** 47,650 tons alfalfa hay. **Dairy/Beef:** In Southwest ID, 800 tons Good alfalfa hay \$160, most in a barn some tarped. In Southern ID, 2,000 tons cornstalk bales \$50 to \$55 fob stack, going to feedlot for bedding. In Eastern ID, 600 tons tarped low Premium alfalfa \$160 fob barn; 250 tons tarped Fair alfalfa hay \$145 fob stack. **Export: New Crop Contracts:** In Eastern ID, 25,000 tons export alfalfa hay big bales, Supreme \$170, Premium \$155, Fair to low Good \$140, rained on or weedy \$130, buyer will fully wrap the hay, some money down after first cutting with balance paid as moved, extended movement. 16,000 tons export alfalfa hay big bales, a dollar an RFV point for hay testing 150 to 170 with a cap at \$170 per ton, buyer has option to purchase hay under 150 RFV, no rained-on hay, some money up front and buyer to wrap stacks. In Southern ID, 5,000 tons export alfalfa hay big bales all four cuttings Fair to low Good \$145 fob stack, no rained-on hay, some money down, seller to wrap.

In the Washington–Oregon Columbia Basin, alfalfa hay trading slow with not much of a comparison to last week. No recent comparison on timothy hay for export. Contacts are reporting not much interest from growers to contract new crop alfalfa hay. Many growers reported being finished with spraying in alfalfa fields. Recent good weather has spurred alfalfa growth with reports of alfalfa in the Southern Basin four to six inches tall. All sales big bales unless specified otherwise, prices fob wrapped stack unless specified otherwise. **Dairy:** 1,100 tons Supreme alfalfa hay \$240 fob stack, shorter haul to basin dairy; 300 tons Fair alfalfa hay \$180 delivered from Montana. **Export:** 3,000 tons low Good alfalfa hay big bales \$185 fob stack, current move. 250 tons first cutting #1 dairy big bale timothy hay \$240 fob stack.

In Utah, Dairy/Beef, alfalfa hay trading very slow this week as most stocks have sold. Contacts report some cattle ranchers may have extra hay to sell. More rain moved through Central to Northern UT this week. **Dairy/Beef:** In Central UT 1,280 tons Fair to Good alfalfa hay some in a barn most top tarped \$165 to \$170 fob stack, going to local beef and dairy cattle. **Retail:** In Central UT, 125 tons Premium retail alfalfa hay \$240 fob barn, current move out of state.

Oil Prices – Light crude oil prices hit a five-month high this week closing at \$63.08 a barrel on the NYME. This is a 28% increase since the first of the year. According to the Wall Street Journal, OPEC and allied countries have stuck to the production cuts that they agreed to back in December. OPEC production hit a 4 year low in March at 29.66 million barrels a day, down 570,000 barrels a day from February. Saudi Arabia has led the way, holding production to their lowest levels since February 2017. Political unrest in Venezuela has brought oil production in that country to a 16-year low.

Dairy Product Prices – Finally, some positive news for milk prices. USDA announced on Wednesday the Class III milk price for March was \$15.04, up \$1.15 cwt. from February. The estimate for April 5, according to the Milk Producers Council weekly newsletter was \$15.85 cwt. USDA's Dairy Products report this week was considered bullish on cheese and butter and neutral on nonfat dry milk and Dry whey according to FCStone's interpretation. American cheese production in February was down 1% from the previous year while Mozzarella production was up 6.3%. The lower

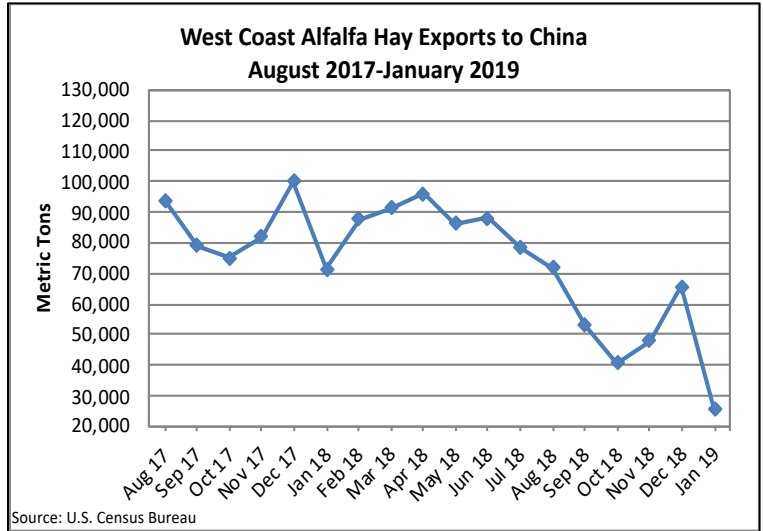
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American cheese production was a surprise to some. U.S. butter production was down 2.88% from a year ago and nonfat dry milk production was off 2.61%. Dry whey production in February was down 16.35% from last year. At the Global Dairy Trade (GDT) auction in New Zealand this week the weighted average price index was 0.8% higher, the ninth consecutive auction with higher prices. Cheese prices on the CME were mixed with blocks closing at \$1.6600 per pound on Friday, up 1.50 cents and barrels at \$1.5750, down 2.75 cents. Nonfat dry milk prices on the CME were up 2.75 cents, closing at \$0.9875 cents. Butter prices were up 1.50 cents at \$2.2700 and Dry whey was \$0.3450 cents per pound, up 2.25 cents. Class III milk futures closed the week higher; April through June up 20 to 28 cents from last Friday and the balance of the year up 7 to 13 cents cwt. While milk production was up 0.7% in Europe the past three weeks, Australia milk production was down 13% in February after falling 11% in January, according to Dairy & Food Market Analyst

West Coast Alfalfa Hay Exports to China hit Five Year Low in January- West Coast alfalfa hay exports to China at

25,631 Metric Tons (MT) in January, compared to 71,306 MT in January of last year, according to the U.S Census Bureau. This is the lowest monthly alfalfa hay exports to China from the U.S. since 2012. According to our contact in China, the Chinese New Year was a factor as Chinese buyers do not like shipments arriving during the February holiday which can last up to 15 days. Another reason was the uncertainty over the U.S-China trade negotiations. Some Chinese hay buyers were not in the market because they thought a trade deal would be settled and the tariffs would be removed. When the Presidents of both countries met in late November and expressed confidence a deal would be reached, this created optimism that something would be settled fairly soon. Over the last few months there have been positive press releases on the progress of negotiations, but a trade deal has yet to be completed. In late March, our contact in China said supplies of domestic alfalfa hay and dehydrated alfalfa from Spain were tight and some Chinese dairies did not have a substitute to replace alfalfa hay from the U.S. He anticipated demand for West Coast alfalfa hay would pick-up. Some of our export contacts said shipments of west coast alfalfa hay to China increased in February.



Snow Survey's - The California Department of Water Resources conducted their fourth snow survey this past Tuesday in the Sierra Nevada Mountains. At the Phillips station east of Sacramento the snow depth was 106.5 inches and a snow water equivalent of 51 inches, 200 percent of average for that location. Statewide, the Sierra Nevada snowpack is 162 percent of average. California's six largest reservoirs currently hold between 106% (Oroville) to 132% (Melones) of their historical average. Lake Shasta, the largest surface reservoir in California was 109% of its historical average. The story is the same across much of the West with snow water equivalent totals in Northern Nevada ranging from 150% to 211% of the historical average, according to USDA/NRCS. From Eastern Oregon to Central Idaho the averages ranged from 117% to 160%. Southern and Eastern Utah was above average as well at 116% to 207%. The only area below average was the Cascade Mountains of Washington where the snow water equivalent was 63% to 87% of the historical average.

Dairy Cattle Prices – The Meadow Lake West Dairy owned by Clarence Bosman will sell 10,000 Holstein cows at the dairy in Tulare, California on May 18. This will be the top 10,000 head sorted from 16,000 cows. A&M Livestock Auction in Hanford CA is handling the sale. At the monthly dairy heifer sale at the Overland Stock Yard they sold 4,000 open dairy heifers. Prices were about 10 cents a pound higher than last month's sale. Good demand for overall nice quality Jersey and Holstein heifers with about 60% of the cattle going out-of-state to Utah, Washington, Texas, and Kansas. Top quality Jersey heifers 350 to 500 lbs. traded from \$1.10 to \$1.20 per pound; Medium quality Jersey heifers 350 to 550 lbs. \$0.90 to \$1.10 per pound. Top Quality Holstein heifers 350 to 750 lbs. \$0.85 to \$1.00 per pound. At the Monday sale at Overland, Holstein and Jersey Springer heifers sold \$100 per head higher, trading from \$1,000 to \$1,350 each. A large run of slaughter cows at Overland sold \$3 to \$5 higher than last week with Breaking and better Boning Utility dairy cows \$58 to \$70 cwt. Day old Holstein bull calves in Central CA still selling for \$10 per head fob dairy. Best Regards, Seth & Josh

Alfalfa Hay Test Guidelines (used with visual appearance of hay)			
	TDN (90% DM)	RFV (100% DM)	CP (100% DM)
Supreme	55.9 and up	185 and up	22 and up
Premium	54.5-55.9	170-185	20-22
Good	52.5-54.5	150-170	18-20
Fair	50.5-52.5	130-150	16-18
Low	Below 50.5	Below 130	Below 16