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This week's Market Overview
 Alfalfa hay trading slow this holiday week with prices steady to weak compared to a week ago. **(Sales in narrative of report fob stack for current move unless specified otherwise, dollars per short ton)**

Higher quality alfalfa hay prices held steady this week with moderate demand from dairies. The Fair and Good alfalfa hay market was mostly steady with instances of delivered prices \$10 lower. Growers in the Central Valley are working on or wrapping up third cutting. A few alfalfa hay trades reported in Nevada on hay coming to California.

In Kern County, **Dairy:** 350 tons Good alfalfa hay \$205 to \$210 fob stack; 500 tons Fair alfalfa hay \$195, short haul.

In Tulare, Kings, and Fresno Counties, **Dairy:** 500 tons Supreme alfalfa hay \$240 fob stack; 1,360 tons Premium alfalfa hay \$225 to \$230; 2,300 tons Good alfalfa hay \$200, 1,000 high Good \$215; 400 tons Fair alfalfa hay \$185 to \$190 fob stack; 2,000 tons Low quality alfalfa hay rained on in windrow \$115 to \$125. 1,200 tons Fair big bale beardless wheat hay light rain in windrow \$100, 400 tons more rain and weeds \$80.

In Los Banos-Dos Palos and Merced, **Dairy:** 950 tons Premium alfalfa hay \$235 to \$245 fob stack; 650 tons Good alfalfa hay \$215; 225 tons overgrown \$195; 775 tons Fair

Market Indicators...	Unit	Most Recent	Week Ago	Year Ago
CA FMMO Uniform (blended) Milk Price-Tulare	Cwt. *	May \$16.02	Apr \$15.54	N/A
USDA Milk Mailbox Prices ** March 2019				
California (CDFA a year ago)	Cwt.	N/A	Feb N/A	\$14.68
New Mexico	Cwt.	\$15.06	Feb \$14.05	\$13.21
Oregon/Washington	Cwt.	\$17.50	Feb \$16.59	\$15.51
Class III Milk Futures –CME (Aug 2019)	Cwt.	\$17.89	\$17.59	\$14.69
Milk Cost of Production - Holstein Dairies S. J. Valley (Frazer, LLP) Full Year 2018	Cwt.	***\$16.77		***\$17.08
CME Spot Cheese Prices				
Block Cheese (40# blocks)	\$/Lbs.	\$1.8475	\$1.8575	\$1.5425
Barrel Cheese	\$/Lbs.	\$1.7800	\$1.7900	\$1.2450
All Hay Exports From West Coast Ports (U.S. Census Bureau) Jan - Apr 2019				
California Ports	Metric Tons	664,559		635,331
Washington Ports	Metric Tons	590,521		616,912
Rolled Corn Dlvd to Magic Valley ID Dairies	\$/Ton	\$215	\$215	N/A
Rolled Corn Dlvd to Central CA Dairies	\$/Ton	\$224	\$228	\$187
No. 2 Yellow Corn – FOB Iowa (USDA)	\$/Ton	\$144-\$153	\$148-\$159	\$108-\$120
Ethanol Price – FOB Iowa (USDA)	\$/Gal	\$1.38-\$1.57	\$1.49-\$1.55	\$1.33-\$1.51
Crude Oil – New York Futures (Aug 2019)	\$/Barrel	\$57.51	\$58.47	\$73.80
Alfalfa Hay Prices – (The Hoyt Report)				
California – Dlvd to Tulare/Hanford Dairies				
	Tons			
Supreme	1,150	\$/Ton \$270-\$290	\$265-\$285	No Sales
Premium	2,850	\$/Ton \$248-\$265	\$250-\$270	No Sales
Good	975	\$/Ton \$220-\$240	\$230-\$248	\$240-\$255
Fair Overgrown \$190-\$195	2,240	\$/Ton \$200-\$215	\$215-\$220	\$225-\$235
Dlvd Escalon, Modesto, Turlock Dairies				
Supreme	625	\$/Ton \$265-\$280	\$265-\$285	\$285-\$290
Premium	1,450	\$/Ton \$250-\$260	\$250-\$260	\$265-\$275
Good	835	\$/Ton \$225-\$240	\$230-\$245	\$220-\$250
Fair Overgrown \$190-\$200	1,350	\$/Ton \$205-\$215	\$205-\$220	\$200-\$215
Idaho – Alfalfa Hay Big Bales, FOB Stack				
Premium/Supreme	900	\$/Ton \$200	\$190-\$208	\$190
Premium	800	\$/Ton \$190	\$180	\$150-\$170
Good	1,600	\$/Ton \$150-\$160	\$158-\$165	\$135-\$150
Fair	4,900	\$/Ton \$135-\$142	\$135-\$150	No Sales
WA/OR (C. Basin) Alfalfa, FOB				
Good/Prem big bale (Dairy)	2,000	\$/Ton \$210	\$200	\$190-\$193
Premium big bale (Export)	4,900	\$/Ton \$195-\$200	\$195-\$220	\$180-\$193
Good big bale (Export)	8,700	\$/Ton \$175-\$185	\$175-\$185	\$150-\$170
Fair (Dairy/Export)	2,000	\$/Ton \$170	No Sales	\$140

*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

alfalfa hay \$175 to \$180, 1,450 tons other Fair alfalfa hay or overgrown \$150 to \$165. 1,100 tons Good big bale beardless wheat hay \$130; 450 tons low quality beardless wheat hay rained on in the windrow \$75 to \$80. 500 tons Premium big bale oat hay \$145. **Retail:** 100 tons Premium retail alfalfa hay \$230 to \$240.

In the Imperial Valley, not enough dairy alfalfa hay sales to fully test the market, export alfalfa hay prices steady. Sudan hay for export prices steady were there was a comparison. Kleingrass and bermuda hay for export prices steady. Bermuda straw for export prices steady. Retail alfalfa hay mostly steady with a weak undertone. Retail bermuda hay prices \$10 lower. Trading slowed some this holiday week. More Fair summer alfalfa hay is being produced because of hot weather. **Dairy/Feedlot:** 325 tons Good alfalfa hay \$180 fob stack; 560 tons Fair alfalfa hay \$165, going to local feedlot; 200 tons small bermuda straw \$75, going to Southern CA dairy. **Export:** 750 tons Premium big bale alfalfa hay \$200; 3,580 tons Good big bale alfalfa hay \$180 to \$185; 1,700 tons Fair alfalfa hay \$175. 1,825 tons Premium big bale kleingrass \$170 to \$180; 650 tons Good big bale kleingrass \$155. 450 tons Premium big small bale bermuda hay \$165 to \$170; 925 tons Good big bale bermuda hay \$140 to \$145; 280 tons Fair bermuda hay \$120. 1,435 tons Premium small bale sudan hay \$170 to \$180; 2,125 tons Good small bale sudan hay \$140 to \$165; 1,875 tons Fair sudan hay \$110 to \$135. 4,400 tons big bale bermuda straw \$65 to \$70, mostly \$70. **Retail/Stable:** 250 tons Premium retail alfalfa hay \$220; 300 tons Good retail alfalfa hay \$200 to \$205; 175 tons Premium stable alfalfa \$210; 125 tons Good stable alfalfa hay \$190 to \$200. 225 tons Premium retail bermuda hay \$200 to \$205; 225 tons Good retail bermuda hay \$190; 200 tons Premium Stable bermuda \$200.

In Blythe, not enough dairy alfalfa hay to fully test the market. Export alfalfa hay steady compared to last week with a weak undertone as quality drops. Retail alfalfa hay prices \$5 to \$10 lower than last week. **Dairy:** 125 tons Fair alfalfa hay \$160. **Export:** 2,500 tons Fair big bale alfalfa hay with some grass \$160. **Retail:** 425 tons Premium retail alfalfa hay \$195 to \$205; 525 tons Good retail alfalfa hay \$180 to \$190 fob stack. 100 tons Premium retail bermuda hay \$215.

In Tracy-Patterson, Modesto, Stockton, and Lodi, alfalfa hay traded steady this week with moderate to good demand. **Dairy:** 150 tons Supreme alfalfa hay \$260 in Tracy, 75 tons in the Stockton Delta \$240; 450 tons Premium alfalfa hay \$230 fob stack, 300 tons low Premium \$215, 750 tons in the Stockton Delta \$200 to \$205; 1,315 tons Good alfalfa hay \$185 to \$200, mostly \$190 to \$200, 1,025 tons in the Stockton Delta \$165 to \$175; 75 tons Fair alfalfa hay \$170; 200 tons Low quality alfalfa hay rained on in windrow \$65 fob stack. 50 tons Premium small bale beardless wheat hay \$140 to \$145 fob stack. 175 tons Good big bale oat hay \$130. 250 tons old crop Fair big bale sudan hay \$120 fob barn. 125 tons big bale wheat straw \$90 fob stack. **Retail:** 100 tons Premium retail alfalfa hay \$240; 250 tons Good retail alfalfa \$220. 125 tons Premium retail beardless wheat hay \$180 fob barn. 225 tons Premium retail oat hay \$180 fob barn.

In the Sacramento Valley and Delta, dairy and retail alfalfa hay prices steady. **Dairy:** 350 tons Premium alfalfa hay \$215 to \$220, 175 tons longer haul \$210; 950 tons overgrown fair alfalfa hay \$155 to \$160. 1,500 tons Low to Fair quality big bale beardless wheat hay rained on in windrow \$65 to \$75 fob stack. **Retail: Old Crop:** 125 tons rice straw small bales \$3.50/bale fob barn. **Retail: New Crop:** 375 tons Premium retail alfalfa hay \$240. 175 tons Good retail alfalfa hay \$220. 250 tons Premium orchardgrass/fescue hay \$240.

In the Northern Mountains, dairy alfalfa hay prices steady compared to a week ago. Retail alfalfa & grass hay prices steady. Thunderstorms last weekend in Christmas Valley caught some hay on the ground. **Dairy: Organic:** In Southern OR, 125 tons Supreme alfalfa hay with volunteer grain \$250; 300 tons Fair new seeding alfalfa hay \$200 fob stack. **Dairy: Conventional:** In Northern CA Mountains, 650 tons Premium/Supreme alfalfa hay \$195, fast move and pay. In Southern Oregon, 1,000 tons Supreme alfalfa hay \$210 fob barn, current move to winter take-out. In Central OR, 200 tons Premium alfalfa hay \$210 fob stack; 100 tons Fair low potassium alfalfa hay \$160 fob barn. **Export:** In Northern CA Mountains, 1,100 tons Good to Supreme small bale alfalfa hay \$190 fob barn, move by December 1. **Retail:** In the Northern CA Mountains, 450 tons Premium retail alfalfa \$240 fob barn. 300 tons Premium orchardgrass \$270; 150 tons Good retail orchardgrass with some brown leaf \$220. 300 tons Premium retail meadowgrass \$240; 150 tons Good retail meadowgrass \$210. **Correction: Last week, 175 tons Premium retail timothy hay should have been \$340 to \$360 fob barn.**

In Arizona, in a light comparison dairy and alfalfa hay prices steady. Retail alfalfa hay prices steady. **Dairy:** In Central AZ, 425 tons Good alfalfa hay \$180 fob stack. In Parker/Poston, 650 tons Fair alfalfa hay \$170. **Export:** In Northwest AZ, 750 tons Good big bale alfalfa hay \$175, fast move and pay. In Parker/Poston, 3,000 tons Fair big bale alfalfa hay \$170. In Southwest AZ, 600 tons Fair to Good small bale sudan hay \$90 to \$110. **Retail:** In Parker/Poston, 200 tons Premium retail alfalfa hay \$210 to \$215. In Central AZ, 350 tons Premium retail alfalfa hay \$225 fob barn, 400 tons \$210 fob outside stack.

In Nevada, dairy alfalfa hay prices steady where there was a comparison with last week. No comparison on export or retail alfalfa hay. Alfalfa hay trading slow as quality test results have been lower than expected. Some areas reported proteins have been lower than normal. **Dairy Organic:** In Western NV, 100 tons Good alfalfa hay \$230 fob stack. **Dairy:**

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Conventional: In Western NV, 650 tons Supreme alfalfa hay \$225 fob stack; 655 tons Premium alfalfa hay \$200 to \$210, 150 tons shorter haul \$215; 325 tons Good alfalfa hay \$160 to \$165, 100 tons Fair alfalfa hay fast move fast pay \$135. 200 tons Premium big bale beardless wheat hay \$115 fob stack. In Northern NV, 1,100 tons Good to Supreme alfalfa hay \$178 straight through; 75 tons low Good alfalfa hay \$150. **Export:** In Northern NV, 2,900 tons Good to Supreme alfalfa hay fast move and pay \$180 straight through; 600 tons Good alfalfa hay \$170, most money up front for winter takeout. **Retail:** In Western NV, Load old crop Premium retail alfalfa hay \$230 fob barn. 50 tons Premium retail meadow grass \$240

In Idaho, dairy alfalfa hay market steady to firm on Premium to Supreme alfalfa hay and steady on Fair to Good alfalfa hay. Trading moderate. Only a few participants in the alfalfa hay market this holiday week with a few more Magic Valley dairies showing interest in tight supplies of Premium and Supreme alfalfa hay. Large supplies of Fair alfalfa hay with market holding for now due to demand from California. All sales on big bales unless specified otherwise. **Confirmed Sales:** 13,650 tons alfalfa hay; 450 tons timothy hay; 2,000 tons bluegrass straw. **Dairy: Organic:** In Southeast ID, 350 tons Good alfalfa hay \$172 fob stack, fast move & pay to Magic Valley dairy. **Dairy: Conventional:** In Southern ID, 900 tons high Premium/low Supreme alfalfa hay \$200; 800 tons Premium alfalfa hay \$190; 900 tons Good to Supreme alfalfa hay \$175, all to Treasure Valley dairies; 300 tons Good alfalfa hay \$160, 200 tons high Good alfalfa with short haul \$180 fob. In Central ID, 1,500 tons high Good to Supreme alfalfa hay, averaging Premium quality, \$190 fob stack, current move to Magic Valley, 80% paid up front; 1,300 tons low Good alfalfa hay \$150. **Dairy/Feedlot:** In Eastern and Central ID, 4,900 tons Fair alfalfa hay \$135 to \$142 fob stack, current to 60-day movement, most going to California. In Northwest ID, 2,000 tons big bale bluegrass straw \$50 fob stack, current move to dairy heifer lot in Washington. **Export:** In Southern ID, 300 tons Good alfalfa hay \$158 fob stack, fast move & pay. In Eastern ID, 200 tons Good export alfalfa hay \$150, fast move & pay, 2,000 tons \$145 delivered after short haul. 450 tons Super Premium dairy timothy 4x4 bales \$245 fob stack, fast move. **Stable:** In Southern ID, 40 tons Premium orchardgrass/alfalfa hay, 130-pound bales, \$250 fob stack, going to the east coast.

In the Washington-Oregon Columbia Basin, dairy alfalfa hay sales steady in a limited comparison, export alfalfa hay prices mostly steady. Timothy hay prices steady to \$10 lower. Moderate demand for dairy alfalfa hay and moderate to good demand for alfalfa hay for export. Overall light demand for timothy hay with much of the volume this week a couple of exporters buying bigger tonnage from two long term customer growers. Most exporters continue to be cautious on timothy hay and want firm commitments from overseas buyers before adding to their inventories. Several contacts report timothy hay yields on first cutting down 20 to 30 percent from normal. All sales on big bales unless specified otherwise, prices fob wrapped stack unless specified otherwise. **Confirmed Sales:** 22,300 tons alfalfa hay and 21,200 tons timothy hay. **Dairy:** 2,000 tons top tarped and straw bottoms Good to Supreme alfalfa hay \$210 fob stack, extended movement and pay as it moves, couple loads fast move \$185; 2,050 tons wrapped Good alfalfa hay \$175; 2,000 tons top tarped with straw bottoms Fair/Good alfalfa hay \$170, extended move; 100 tons un-tarped Fair alfalfa hay \$165, fast move. 1,300 tons top tarped bluegrass straw \$80, short haul to heifer lot, extended move. **Export Alfalfa Hay:** (First and Second Cutting) 4,900 tons Premium alfalfa hay big bales \$195 to \$200 fob stack, over half to move in next 45 days; 8,700 tons Good alfalfa hay \$175 to \$185, some at \$175 to \$180 faster move, 600 tons \$195 delivered, 200 tons top tarped \$170, fast move & pay, 360 tons wrapped Good 3-tie alfalfa hay \$200; 1,400 tons Fair export alfalfa hay big bales \$172.50. **Export Timothy Hay:** (First Cutting) 1,200 tons Premium horse timothy \$300 fob wrapped stack; 3,900 tons high #1 horse timothy \$280 to \$290; 2,000 tons Super Premium dairy timothy 3x4 bales \$240; 3,000 tons Premium dairy timothy 3x4 bales \$230, 1,000 tons \$250 delivered, 4,700 tons 3-tie bales \$240 to \$250 fob wrapped stacks; 900 tons low Premium dairy timothy big bales \$185, 3,600 tons 3-tie \$200; 900 tons low #1 timothy big bales with cheat grass \$150 wrapped. Around 14,000 tons rained on dryland timothy from Northern Idaho shipped to exporter in Washington on consignment with grower to get paid when the hay sells. **Retail:** 250 tons Premium 3-tie alfalfa hay \$210 wrapped.

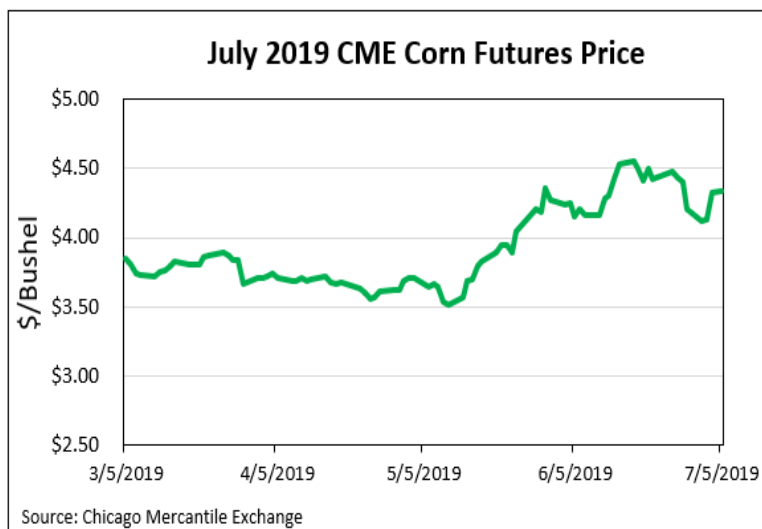
In Utah, alfalfa hay market steady in slow trading. Demand from California dairy hay buyers has been impacted by abnormally low protein on much of the alfalfa hay in Central Utah. California brokers are slow to make bids and are working with California dairies to try and determine pricing. Below normal export demand with not many buyers in the market. All sales on big bales. **Dairy:** In Northern UT, 675 tons Premium alfalfa hay \$175 fob stack, fast move to CA. In Central UT, 1,400 tons Good alfalfa hay \$160, to local dairy. 550 tons Good 3-way grain hay \$110 fob stack, to local dairy. **Export:** In Central UT, 2,500 tons Premium alfalfa hay 3x4 bales \$195 fob barn, extended movement and pay as it moves. In Southern UT, 1,700 tons Premium to Supreme alfalfa hay big bales \$220 fob barn, put up with steamers, current move and pay as it ships; 300 tons Premium alfalfa hay \$210 fob barn, current move. In Northern UT, 700 tons Fair export alfalfa hay \$120 fob, money up front, buyer will tarp.

Milk Cost of Production – FRAZER, LLP released milk cost of production data for dairies in the west for all of 2018. At dairies in the San Joaquin Valley in California milk cost of production for 2018 was \$16.77 cwt., compared to \$17.08 in 2017 and \$16.34 cwt. in 2016. In Southern CA milk production costs were \$16.98 cwt. in 2018, compared to \$18.03 in 2017 and \$16.45 in 2016. (other States will be next week's report)

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CME Corn Futures Recover This Week on Good Demand – The July 2019 CME futures price recovered much of its losses from last week and closed at \$4.34/bushel, up 13.75 cents from last Friday. Bloomberg reported that China was considering purchases of US Corn, Soybeans, and Pork in a goodwill gesture. The amounts are unknown, but it is seen as a positive. The 2019 USDA acreage report released Friday, June 28th, had national corn acres up 3% from 2018 to 91.7 million acres and caused a 19.75 cent drop in the July futures that day. The timing of the survey during the excessive rainfall in the Midwest led many to question the accuracy of the report. With that in mind, the USDA announced they would conduct another corn acres planted survey in 14 Midwestern states with the results to be published August 12th. The focus in the meantime will be on yield as the delayed planting has the corn emergence rate behind the historical average. In the 18 major corn states, the emergence rate as of June 30 was 94% compared to the three-year average of 100% reached by the middle of June. Some states are still in the 83%-87% range, including Michigan, Ohio, and Wisconsin. The corn crop condition is behind as well with 32% of the crop in the Fair category versus 18% last year, 47% in the Good range versus 55% a year ago, and only 9% in the Excellent category versus 21% last year. Rolled corn delivered to Magic Valley Idaho dairies was up \$19 a ton from early March and was up \$22 ton delivered to Central California dairies.



Hay Exports – All hay and straw imports into Japan in May totaled 193,491 Metric Tons (MT), the largest monthly imports since the 202,896 MT in April 2015 shortly after the West Coast port strike was settled. Most hay and straw import volumes in May were above a year ago except for Australia oaten hay and Canadian timothy hay. Australian oaten hay imports at 40,328 MT were down 10% and Canadian timothy at 10,486 MT were down 14% from a year ago, according to Japanese port data. Alfalfa hay imports at 39,133 MT were up 4% from May of last year. Timothy hay imports from the PNW at 33,005 MT were up 11% while Sudan hay imports to Japan from mainly California at 29,675 MT were up 20% from May 2018. All baled hay exported from California ports in April 2019 totaled 178,019 Metric Tons (MT), down 2% from 178,019 in March but up 19% from the 147,057 MT in April of last year, according to the U.S. Census Bureau. All baled hay exports from Seattle/Tacoma ports in April totaled 150,486 MT, down 9% from the 166,275 in March and 13% below the 173,844 MT in April of last year. Total baled hay exports from west coast ports the first four months of 2019 totaled 1,255,080 MT, virtually unchanged from the 1,252,243 MT during the same period last year.

Dairy Product Prices - Class III milk futures hit multi-year highs with early fall months going above \$18.00 cwt. The August futures were up 30 cents to \$17.89 cwt while the September and October futures finished at \$18.03 and \$18.01, respectively. Block cheese hit a two and a half year high during the week at \$1.8650 per pound but finished the week down one cent to \$1.8475. Barrels were also down one cent to \$1.7800 per pound. Nonfat dry milk prices on the CME were down one cent to \$1.0400. Butter closed the week at \$2.4050, down half a cent from a week ago. The Dry whey price on Friday at \$0.3275 per pound was down 3/4 of a cent for the second week in a row.

U.S Dairy Exports – Volume of U.S. dairy exports in May were down 13% from a year ago but the value was up 6% to \$539.1 million, a 4-year high. The volume decrease was mostly due to lost sales to China where U.S exports were off 67% from a year ago. U.S dairy exports to all other countries were only down 1%. Year to date overall volume of U.S. dairy exports were down 14% compared to the same period last year. Cheese exports were up 11% in May with increases to Southeast Asia, Japan, and South Korea. U.S. dairy exports as a percentage May U. S. milk production was 14.7%, down from 17.1% from last May.

Dairy Cattle Prices – At the Overland Stock Yard this past Monday Holstein Springer heifers sold steady to weak with better heifers trading from \$1,200 to \$1,500 each. Slaughter cow prices at Overland and Turlock Livestock auction this week were firm to \$3 higher with Breaking and better Boning Utility dairy cows trading from \$63 to \$78 cwt. Day old Holstein bull calf prices in Central CA were unchanged at \$20 per head, for the dairy. Best Regards, Seth and Josh

Alfalfa Hay Test Guidelines			
<i>(used with visual appearance of hay)</i>			
	TDN	RFV	CP
	(90% DM)	(100% DM)	(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