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This week's Market Overview
 Alfalfa hay trading moderate in Central California with fob prices steady on Premium & Supreme and steady to \$10 lower on Fair and Good quality. **(Sales in narrative of report fob stack for current move unless specified otherwise, \$'s per short ton)**

Little changed this week on higher quality alfalfa hay prices delivered to Central CA dairies. Fair and Good alfalfa delivered prices steady to \$10 lower as supplies were up. Growers in the Central Valley were back on normal cutting schedules but with summer temperatures many don't expect high quality tests. .

In Kern County, **Dairy:** 350 tons Premium alfalfa hay \$230 fob stack; 1,425 tons Good alfalfa hay \$200 to \$210; 650 tons Fair alfalfa hay \$190, 1,200 tons overgrown \$170 to \$180, couple loads with grass \$165. **Retail/Stable:** 700 tons Premium retail alfalfa hay \$250 to \$260 fob stack; 200 tons Premium stable alfalfa hay \$220; 500 tons Good stable alfalfa hay \$220.

In the High Desert, **Dairy:** 1,500 tons Premium alfalfa hay \$248 fob stack, sold 2 weeks ago. **Retail:** 150 tons Premium retail alfalfa \$280.

In Tulare, Kings, and Fresno Counties, **Dairy:** 650 tons Premium alfalfa hay \$235, 200 tons tested better than it looked \$223; 2,610 tons Good alfalfa hay \$200 to \$212; 850

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 ** February 2019				
California (CDFA a year ago)	Cwt.	N/A	Jan N/A	\$14.31
New Mexico	Cwt.	\$14.05	Jan \$14.01	\$12.95
Oregon/Washington	Cwt.	\$16.59	Jan \$16.54	\$15.13
Class III Milk Futures –CME (July 2019)	Cwt.	\$17.08	\$16.85	\$14.66
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.	\$1.8250	\$1.7825	\$1.4900
Barrel Cheese	\$/Lbs.	\$1.7375	\$1.6050	\$1.2850
All Hay Exports From West Coast Ports (U.S. Census Bureau) Jan - Apr 2019				
California Ports	Metric	664,559		635,331
Washington Ports	Tons	590,521		616,912
Rolled Corn Dlvd to Magic Valley ID Dairies	\$/Ton	\$221	\$219	N/A
Rolled Corn Dlvd to Central CA Dairies	\$/Ton	\$228	\$223	\$191
No. 2 Yellow Corn – FOB Iowa (USDA)	\$/Ton	\$148-\$158	\$144-\$156	\$112-\$124
Ethanol Price – FOB Iowa (USDA)	\$/Gal	\$1.47-\$1.53	\$1.38-\$1.47	\$1.28-\$1.50
Crude Oil – New York Futures (Aug 2019)	\$/Barrel	\$57.43	\$52.51	\$68.58
Alfalfa Hay Prices – (The Hoyt Report)				
California – Dlvd to Tulare/Hanford Dairies				
	Tons			
Supreme	1,350	\$/Ton \$265-\$290	\$270-\$285	\$285-\$295
Premium	2,850	\$/Ton \$250-\$270	\$250-\$270	\$273-\$280
Good	2,185	\$/Ton \$230-\$248	\$240-\$250	\$250-\$270
Fair Overgrown \$195-\$205	1,950	\$/Ton \$205-\$225	\$210-\$230	\$220-\$235
Dlvd Escalon, Modesto, Turlock Dairies				
Supreme	550	\$/Ton \$270-\$285	\$270-\$285	\$285-\$290
Premium	1,125	\$/Ton \$250-\$265	\$250-\$260	\$268-\$280
Good	750	\$/Ton \$235-\$250	\$240-\$250	\$240-\$270
Fair	2,200	\$/Ton \$205-\$220	\$210-\$225	\$210-\$220
Idaho – Alfalfa Hay Big Bales, FOB Stack				
Supreme	530	\$/Ton \$208	\$200-\$220	No Sales
Premium	2,500	\$/Ton \$170-\$175	No Sales	\$170-\$175
Good	1,640	\$/Ton \$160-\$165	\$157-\$165	\$140-\$150
Fair	12,680	\$/Ton \$145-\$150	\$140-\$150	\$105-\$120
WA/OR (C. Basin) Alfalfa, FOB				
Good big bale (Dairy)	4,966	\$/Ton \$180-\$190	\$170-\$180	No Sales
Premium big bale (Export)	8,350	\$/Ton \$200-\$220	\$200-\$220	\$185-\$200
Good big bale (Export)	19,725	\$/Ton \$175-\$190	\$180-\$185	\$170-\$175
Fair (Dairy/Export)	9,196	\$/Ton \$160-\$175	\$165-\$175	\$135-\$160

*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

tons Fair alfalfa hay \$190 to \$200, 550 tons overgrown \$175 to \$180. 1,000 tons big bale wheat straw \$135 delivered to dairy, 1,500 tons \$80 behind the harvester.

In Los Banos-Dos Palos and Merced, **Dairy:** 1,370 tons Supreme alfalfa hay \$250 to \$260 fob stack, 100 tons tested better than it looked \$245, 125 tons grassy \$230, 250 tons Supreme rained on in stack \$220; 1,380 tons Premium alfalfa hay \$240, 400 tons with some grass \$230, 100 ton high Good to Low Premium \$230; 710 tons Good alfalfa hay \$215 to \$225, 800 tons grassy, poor appearance, or overgrown \$195 to \$210, 150 tons Good with low protein \$190; 1,825 tons Fair alfalfa hay \$175 to \$185, 775 tons overgrown or high moisture \$160 to \$165. 600 tons Premium beardless wheat hay \$140; 125 tons Good big bale beardless wheat hay with few weeds \$125; 800 tons Low quality beardless wheat hay rained on in windrow or rained on top bales \$75. 200 tons big bale wheat straw \$105 fob stack.

In the Imperial Valley, export and few dairy alfalfa hay prices steady. Wide price spread on sudan hay with Fair to Good quality steady and weaker undertone on Premium. Kleingrass and bermuda hay for export prices steady. Retail alfalfa and bermuda hay prices steady. Active trading on bermuda straw for export and domestic dairies. Trading picked up for Fair to Good sudan hay, but export contacts report overseas customers continue to be slow to commit on purchases. Yields on bermuda straw were lower than normal due to cool spring temperatures. **Dairy:** 350 tons Good alfalfa hay \$185 fob stack; 300 tons Fair alfalfa hay with weeds \$160. 2,180 tons new crop bermuda straw big & small bales \$75 to \$80. 100 tons big bale wheat straw \$95. 1,825 tons Low quality or high nitrate sudan hay \$90 to \$110, current move to feedlots. **Export:** 855 tons Premium big bale alfalfa hay \$205 to \$220 fob stack; 5,725 tons Good big and small bale alfalfa hay \$185 to \$190; 2,850 tons Fair/Good big bale alfalfa hay \$180. 3,205 tons Premium big bale kleingrass \$175 to \$185 fob stack; 1,850 tons Good big bale kleingrass \$170. 1,360 tons Good big bale bermuda hay \$145 to \$150. 950 tons Premium small bale sudan hay \$180 to \$195, mostly \$180 to \$188; 1,550 tons Good small bale sudan hay \$145 to \$165; 2,835 tons Fair sudan hay \$120 to \$140. 22,495 tons new crop bermuda straw big and small bales \$65 to \$80 fob stack, weighted average \$70. **Retail/Stable:** 335 tons Premium retail alfalfa \$225 to \$230; 425 tons Good retail alfalfa \$215 to \$220; 200 tons Premium stable alfalfa hay \$210; 150 tons Good stable alfalfa \$205. 240 tons Premium retail bermuda hay \$210 to \$215; 250 tons Good retail bermuda \$195 to \$200; 230 tons Good Stable bermuda hay \$180 to \$190 fob stack.

In Blythe, dairy and export alfalfa hay prices steady. Retail alfalfa hay steady compared to last week. Growers have begun to fill their barns with summer retail alfalfa hay. **Dairy:** 1,450 tons Premium alfalfa hay \$210 to \$215; 1,925 tons Good alfalfa hay \$185 to \$195. **Export:** 1,650 tons Good big bale alfalfa hay \$185. **Retail/Stable:** 350 tons Premium retail alfalfa hay \$220; 475 tons Good retail alfalfa hay \$210 fob stack; 150 tons Good stable alfalfa hay \$195. 125 tons Premium retail bermuda hay \$225. 100 tons Premium retail teff grass \$240.

In Tracy-Patterson, Modesto, Stockton, and Lodi, dairy alfalfa hay steady to \$10 lower. Retail alfalfa hay steady. Premium & Supreme alfalfa hay prices steady while lower qualities have weakened due to ample supplies. **Dairy:** 100 tons Supreme alfalfa hay in Tracy \$250; 150 tons high Premium alfalfa hay \$240 fob stack; 450 tons Premium alfalfa hay \$220 to \$225, 1,150 tons in the Stockton Delta \$200 to \$210; 1,725 tons Good alfalfa hay \$190 to \$200, 750 tons low potassium \$210 to \$215; 2,850 tons Fair to low Good alfalfa hay \$170 to \$185, 700 tons low potassium \$200, 350 tons overgrown \$160. 750 tons Premium beardless wheat hay \$140; 75 tons Good small bale beardless wheat hay with light rain on stack \$100; 2,500 tons Low to Fair quality big bale beardless wheat hay rained on in the windrow \$75, 750 tons with more rain damage \$60 to \$70. **Retail:** 125 tons Premium retail alfalfa hay \$240, 270 tons Good retail alfalfa \$220; 80 tons Fair retail alfalfa \$200. 110 tons Premium retail beardless wheat hay \$180 fob barn. 210 tons Premium retail oat hay \$180 fob barn.

In the Sacramento Valley and Delta, dairy alfalfa hay prices steady to weak. Fair alfalfa hay prices have softened due to ample supplies. **Dairy:** 450 tons Premium alfalfa hay \$220 fob stack, 300 tons longer haul \$210 to \$215; 1,200 tons Good alfalfa hay \$190 to \$200, 500 tons rained on in stack \$159; 2,800 tons overgrown Fair alfalfa hay \$150 to \$155, 150 tons first and second cutting baled together \$140. 3,500 tons big bale wheat straw \$85 to \$90 fob stack. **Retail: Old Crop:** 100 tons Premium retail alfalfa hay \$240 fob barn. 125 tons rice straw small bales \$3.50/bale fob barn. **Retail: New Crop:** 275 tons Premium retail alfalfa hay \$240 fob stack; 150 tons Good retail alfalfa hay \$220. 50 tons Premium orchardgrass/fescue hay \$240; Couple loads Fair orchardgrass/fescue \$180.

In the Northern Mountains, some new crop retail hay trades reported but trading slow as growers work to put up first cutting. Not a good comparison with a year ago on retail orchardgrass/alfalfa and orchardgrass hay. In a light test dairy alfalfa hay steady with two weeks ago. **Dairy: Organic:** In Northern CA Mountains, 500 tons Good/Premium alfalfa hay \$200. **Dairy: Conventional:** In Northern CA mountains, 450 tons Premium alfalfa hay \$190 to \$200. **Retail:** 460 tons high Premium retail orchard grass \$310 to \$320 fob stack; 250 tons Premium retail orchardgrass \$250 fob barn, extended movement. 2,025 tons high Premium retail orchardgrass/alfalfa hay, 90 lb. bales, \$310 fob stack, current move. .

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In Arizona, alfalfa hay market steady. Retail alfalfa hay growers have begun to fill barns with summer retail alfalfa hay. **Dairy:** In Southwest AZ, 450 tons Good alfalfa hay baled dry \$180. In Central AZ, 850 tons Good alfalfa hay \$190 fob stack. In Parker/Poston, 1,400 tons Premium alfalfa hay \$200; 1,750 Good alfalfa hay \$185 to \$190; 1,450 tons Fair alfalfa hay \$175 to \$180 fob stack. **Export:** In Central AZ, 1,500 tons Fair/Good big bale alfalfa hay \$180. In Northwestern AZ, 1,100 tons Good big bale alfalfa hay \$180, 250 tons small bales \$200. **Retail:** In Parker/Poston, 100 tons Premium retail alfalfa hay \$220. In Central AZ, 550 tons Premium retail alfalfa hay \$235 to \$245 fob barn; 450 tons Good (#2) alfalfa hay \$225 to \$235 fob barn. 450 tons Premium retail bermuda grass \$210 fob barn.

In Nevada, in a light test dairy alfalfa hay steady. Retail alfalfa hay steady. Trading slow as quality test results have been lower than expected. A cold front brought frost warnings to higher elevation areas. First cutting on orchard grass and alfalfa has begun in Diamond Valley. **Dairy: Organic:** In Northern NV, 850 tons Premium alfalfa hay \$250, most money up front, 60-day movement. **Dairy: Conventional:** In Western NV, 150 tons Premium alfalfa hay \$200 fob stack; 1,050 tons Good alfalfa hay \$165; 500 tons Fair alfalfa hay \$150 to \$160 fob stack. In Diamond Valley, couple loads Supreme alfalfa hay cut early due to hail \$200. **Retail:** In Western NV, 55 tons old crop Premium retail alfalfa hay \$230 fob barn; 250 tons new crop Good retail alfalfa hay \$180. In Central NV, 250 tons high Premium retail orchardgrass \$310 fob stack.

In Idaho, alfalfa hay market steady in moderate trading. There will be very little higher quality alfalfa hay coming from first crop alfalfa hay in Idaho. The same unsettled weather that plagued Southern Idaho through first cutting has moved to Eastern Idaho. Rain in parts of Eastern Idaho early in the week caught some hay on ground and many growers will have first crop alfalfa hay cut by the weekend. First reported sales on new crop timothy hay in Southwest Idaho. All sales on big bales. **Confirmed Sales:** alfalfa hay 27,920 tons; year ago 25,250 tons. **Dairy:** In Southern and Southwest ID, 530 tons Premium/Supreme alfalfa hay \$208 fob stack; 1,640 tons Good alfalfa hay \$160 to \$165; 6,530 tons Fair alfalfa hay \$150, some with short haul, 4,220 tons top tarped for extended move and short haul \$158, 1,200 tons overgrown Fair alfalfa hay with few weeds \$135, fast move. In Central ID, 2,500 tons Premium alfalfa hay \$170 to \$175 fob stack, current move to Magic Valley. In Eastern ID, 400 tons old crop Supreme alfalfa hay \$180 fob barn, current move to Magic Valley; 400 tons new crop Premium alfalfa hay with weeds \$150, hauled from field before stacked, to local dairy and to feedlot in Utah; 600 tons tarped old crop Fair/Good alfalfa hay \$150, fast move to Magic Valley. **Feedlot:** In Southern and Southwest ID, 1,400 tons top tarped Fair/Good alfalfa hay \$160 fob stack; 4,700 tons top tarped and un-tarped Fair alfalfa hay, some caught a light shower, \$150, money up front and current to extended move, short haul to feedlot, 800 tons overgrown Fair alfalfa with a few weeds \$135, fast move & pay. **Feedlot/Beef Cattle:** In Western ID, 850 tons Fair alfalfa hay \$145 to \$150, to local background lot, 300 tons with cheat grass & foxtail \$135. 150 tons Fair/Good volunteer ryegrass \$140. **Export:** In Southern ID, 700 tons Good alfalfa hay \$160, half money up front, current move. In Eastern ID, 1,000 tons Fair export alfalfa hay \$140 fob stack, fast move & pay. **Domestic or Export:** In Southwest ID, 1,500 tons Premium timothy hay 3x4 bales \$240 fob stack, buyer will wrap, extended move, 30% paid up front (not sure if it is going domestic or export).

In the Washington-Oregon Columbia Basin, dairy and export alfalfa hay prices steady with last week. Horse timothy prices steady, dairy timothy prices \$5 to \$10 lower. Good demand for alfalfa hay in active trading and improved demand and active trading on Premium dairy and horse timothy with lesser grades of dairy timothy hay hard to sell. Both buyers and growers say first cutting timothy hay is the nicest quality in many years. Exporters say many overseas customers buying timothy this week want it shipped in the next two to three months, but some overseas buyers were still not making commitments. First cutting alfalfa and timothy hay yields were lower than normal due to a cold spring and later than normal snow. Good hay-making weather again this week. All sales on new crop big bales unless specified otherwise, prices fob wrapped stack unless specified otherwise. **Confirmed Sales:** 68,294 tons alfalfa hay; year ago 15,350 tons. Timothy hay 62,518 tons; year ago 32,828 tons. **Dairy:** 4,966 tons top tarped Good alfalfa hay \$180 to \$190 fob stack, 150 tons wrapped \$195; 178 tons Fair/Good alfalfa hay \$180, fast move & no tarp, short haul to feedlot; 1,200 tons un-tarped & overgrown Fair alfalfa hay \$160. **Export Alfalfa Hay: (mostly first cutting)** 8,350 tons Premium alfalfa hay big bales \$200 to \$220, mostly \$205 to \$220 fob wrapped stacks, few in barn, 975 tons three tie \$225; 24,900 tons Good to Premium alfalfa hay \$190 to \$200, mostly fob wrapped stacks, some in barns; 19,725 tons Good export alfalfa hay big bales \$175 to \$190, mostly \$180 to \$185, some at \$180 fast move; 7,996 tons wrapped, top tarped and un-tarped Fair alfalfa hay, some rained on, \$160 to \$175 fob for both fast move and extended move. **Export timothy Hay: (first cutting)** 8,525 tons Premium horse three tie timothy \$300 to \$310 fob wrapped stacks, some early \$300 to \$305 fast move and no tarp, 12,156 tons Premium horse three tie and 3x4 bales \$305 to \$310 delivered, 2,800 tons to be baled in three-tie \$250 to \$255 fob windrow, 1,200 acres \$230 on the stump (standing); 5,000 tons #1 horse three tie timothy \$290 fob wrapped stacks; 1,250 tons Super Premium dairy timothy \$250 fob, 3,500 tons \$235; 18,237 tons Premium dairy timothy big bales, few three tie, \$230 to \$245 mainly fob wrapped stacks, few at lower end of range fast move and no tarp, 2,300 tons wrapped \$215, 2,600 tons \$252 to \$272 delivered; 2,400 tons low Premium dairy timothy, 3x4 and three tie bales, \$210 to \$220 fob; 1,350 tons #1 dairy timothy 3x4 bales \$180 to \$190 wrapped, 1,500 tons \$213 delivered, 1,500 tons \$215 fob wrapped stack; 450 tons rough #2 timothy hay \$130 fob.

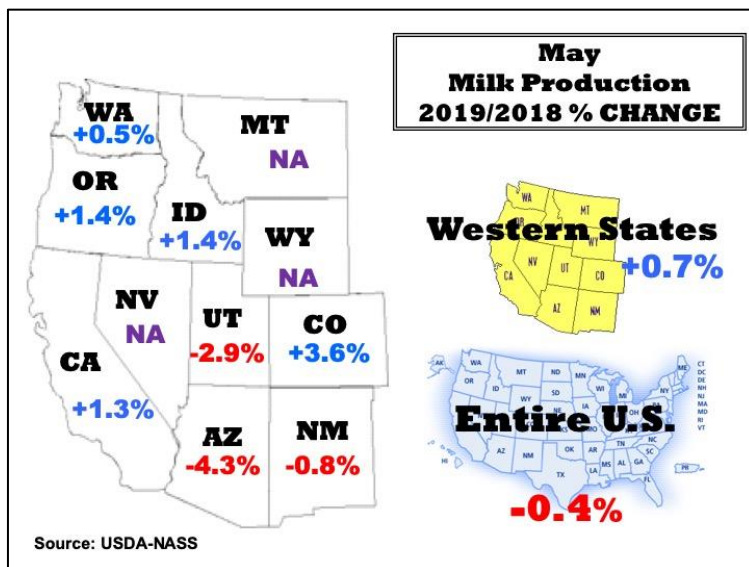
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In Utah, first bigger lots of new crop alfalfa hay traded and not a good comparison with last year. One grower in Southern Utah said the \$210 price for Supreme dairy hay was the same price he received a year ago. Dairy and export buyers have taken test samples on alfalfa hay and more trading should occur next week. All sales on big bales. **Dairy:** In Southern UT, 2,500 tons Supreme alfalfa hay \$210 fob barn, some money up front, current move to California, 1,200 tons Supreme \$215 fob barn, short haul to local dairy, extended move. In Central UT, 900 tons high Good alfalfa hay \$170, to local dairy, fast move & pay. **Feedlot:** In Northern UT, 1,600 tons Fair alfalfa hay that was rained on \$125 to \$130 fob stack. **Export:** In Central UT, 3,000 tons Premium alfalfa hay big bales \$190 to \$195, mostly \$195, fast move & pay. In Northern UT, 1,000 tons Fair export alfalfa hay big bales \$145 fob stack, fast move & pay.

May Milk Production in the West Higher While the Entire U.S. is Down- Milk production in the eight dairy states in the

West totaled 7.427 billion pounds, up 0.7% over May of last year. This compared to a 0.4% decrease for the entire U.S. and a 0.1% decrease in the 23 major dairy States in May. Lower milk production in the Midwest and Southeast more than offset the increases in the West. Milk production per cow in the U.S. was up 12 pounds to 2,042 pounds per cow but a decline of 89,000 head of milk cows nationally from May of last year pushed milk production lower. U.S. milk cow numbers went from 9.422 million head a year ago to 9.333 million this year. Idaho and California led milk production increases in the West but for different reasons. Milk cows in California were down 7,000 head from last year to 1.728 million head while per cow production was up 35 pounds to 2,070 pounds. Idaho's output per cow was flat, but the milk cow herd was up 9,000 head from a year ago to 619,000 head. Production per cow in Arizona was unchanged but milk cows were down 9,000 head from a year ago which accounted for the decline in milk production. Washington cow numbers were up 1,000 head from last year which pushed milk production up 0.5%. Milk production in Texas was up 5.4% due to a 30,000 head increase in milk cows from a year ago. Pennsylvania milk production was down 11.4%, the most of any State, due to a 30,000 head drop in milk cows.



Milk Prices – The California Federal Milk Market Order (FMMO) Uniform (blended) milk price in Tulare in May was \$16.02 cwt., this compares to \$14.03 in December. There is no history of the California FMMO milk price beyond last November but if you look at the California overbase milk price that ended in October 2018, the last time the overbase price was over \$16.00 was the \$16.21 in August 2017 and the time before that was December 2014. The average monthly California overbase milk price from January 2015 to October 2018 (when the overbase milk price was discontinued) was \$14.31 cwt. with the high of \$16.21 in August 2017 and the low of \$11.93 in May 2016. Milk cost of production at Holstein dairies in California from January 2015 to the first quarter of 2018 did not fall below \$15 and ranged from \$15.03 to \$17.62 cwt., with the first quarter of 2018 at \$15.18, according to CDFA. Milk cost of production data from Frazer, LLP shows milk production costs at Holstein dairies in the San Joaquin Valley the first half of 2018 was \$15.86.

Dairy Product Prices – Cheese prices on the CME were bullish this week with barrels up 13.75 cents to close at \$1.7375 and blocks were up 7.5 cents to close the week at \$1.8250 per pound. According to the Dairy & Food Market Analyst, USDA's Cold Storage report showed below-typical growth in cheese stocks during May and this along with lower U.S. milk production in May was pushing cheese prices higher. Nonfat dry milk prices on the CME were down three quarters of a cent to \$1.0450. Butter closed the week at \$2.3900, up 1.25 cents from a week ago. The Dry whey price on Friday at \$0.3425 per pound, was down 1.25 cents. Class III milk futures on Friday were up 11 to 23 cents from a week ago with July through December ranging from \$17.08 to \$17.60 cwt, with the highest prices in September and October.

Dairy Cattle Prices – Holstein Springer heifers sold steady at the Overland Stock Yard in Hanford, CA this week trading from \$1200 to \$1,600 each. Slaughter cow prices at the Overland Stock Yard and Turlock Livestock Auction held steady this week with Breaking and better Boning Utility dairy cows trading from \$60 to \$74 cwt. 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