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**This week's Market Overview**  
 Alfalfa hay trading and movement slowed in Central California this week as rain moved in on Wednesday. Alfalfa hay Prices steady compared to last week. Beardless wheat hay steady to \$5 lower with ample supplies. **(Sales in narrative of report fob stack for current movement unless specified otherwise, \$'s per short ton)**

Many growers worked to stack and cover baled hay before the rain. Areas that saw heavy rain reported damage to uncovered stacks and hay in the windrow. Wheat for silage chopping will be winding down next week.

In Kern County, **Dairy:** 350 tons Premium alfalfa hay big and small bales \$235 to \$240 fob stack; 1,225 tons Good alfalfa hay \$210 to \$230 mostly \$210 to \$220, 300 tons rained on \$200; 200 tons Fair alfalfa hay \$200, 300 tons with heavy weeds \$160. 100 tons Premium 4-way grain hay \$160 fob stack, short haul

In the High Desert, **Retail:** 175 tons old crop Premium retail alfalfa hay \$295 fob barn. 50 tons Premium 3-way grain hay \$270 fob barn.

In Tulare, Kings, and Fresno Counties, **Dairy:** 2,275 tons Supreme alfalfa hay mostly big bales \$245 to \$248 fob stack, 100 tons \$255; 1,200 tons Premium alfalfa hay \$235 to \$240; 200 tons Fair alfalfa hay big and small bales \$210.

Market Indicators...	Unit	Most Recent	Week Ago	Year Ago
CA FMMO Uniform (blended) Milk Price-Tulare	Cwt. *	Mar \$15.15	Feb \$14.24	N/A
USDA Milk Mailbox Prices ** December 2018				
California (CDFA a 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 (June 2019)	Cwt.	\$16.45	\$16.31	\$15.86
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.	\$1.6725	\$1.6800	\$1.5825
Barrel Cheese	\$/Lbs.	\$1.6250	\$1.7100	\$1.5325
All Hay Exports From West Coast Ports (U.S. Census Bureau) Jan - Mar 2019				
California Ports	Metric	488,822		488,356
Washington Ports	Tons	440,234		443,065
Rolled Corn Dlvd to Magic Valley ID Dairies	\$/Ton	\$193	\$183	N/A
Rolled Corn Dlvd to Central CA Dairies	\$/Ton	\$197	\$189	\$199
No. 2 Yellow Corn – FOB Iowa (USDA)	\$/Ton	\$126-\$147	\$117-\$123	\$126-\$135
Ethanol Price – FOB Iowa (USDA)	\$/Gal	\$1.12-\$1.30	\$1.17-\$1.35	\$1.28-\$1.50
Crude Oil – New York Futures (June 2019)	\$/Barrel	\$62.76	\$61.66	\$71.28
Alfalfa Hay Prices – (The Hoyt Report)				
California – Dlvd to Tulare/Hanford Dairies	Tons			
Supreme	2,750	\$/Ton \$268-\$285	\$275-\$285	\$285-\$300
Premium	1,650	\$/Ton \$255-\$270	\$258-\$275	\$270-\$290
Good	725	\$/Ton \$240-\$250	\$245-\$255	\$255-\$280
Fair	400	\$/Ton \$218-\$230	No Sales	\$225-\$240
Dlvd Escalon, Modesto, Turlock Dairies				
Supreme	1,225	\$/Ton \$270-\$290	\$265-\$283	\$285-\$295
Premium	925	\$/Ton \$250-\$265	\$250-\$260	\$275-\$290
Good	475	\$/Ton \$245-\$250	\$240-\$245	\$260-\$270
Fair		\$/Ton No Sales	\$215	\$220-\$230
Idaho – Alfalfa Hay Big Bales, FOB Stack				
Supreme New Crop	4,500	\$/Ton \$190-\$200	No Sales	No Sales
Premium Old Crop	300	\$/Ton \$160-\$170	No Sales	\$130-\$135
Good		\$/Ton No Sales	\$160	\$120
Fair Old Crop	500	\$/Ton \$150	\$150	No Sales
WA/OR (C. Basin) Alfalfa, FOB				
Supreme big bale (Dairy) NC	2,570	\$/Ton \$210-\$230	\$200-\$217	Rain \$185
Prem/Sup big bale (Export) NC	2,400	\$/Ton \$205	No Sales	No Sales
Good big bale (Export)		\$/Ton No Sales	No Sales	No Sales
Fair/Good (Feedlot/Dairy)		\$/Ton No Sales	No Sales	No Sales

\*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

2,000 tons Premium beardless wheat hay big bales \$140 to \$145; 1,000 tons Good beardless wheat hay \$130; 5,000 tons Fair to Good beardless wheat hay with poor color \$115. 200 tons Premium 3-way grain hay big bales \$140 fob stack. 104,000 tons wheat for silage \$40 standing, based on 68% moisture.

In Los Banos-Dos Palos and Merced, **Dairy: Correction from last week, 1,200 tons Supreme alfalfa hay small bales \$246 to \$250 should have read 1,700 tons Supreme alfalfa hay small & big bales \$245 to \$250. 950 tons Premium beardless wheat hay big bales should have read \$140 to \$150, 700 tons \$130. Dairy:** this week, 850 tons Supreme alfalfa hay \$250 to \$260, latter price higher test, 375 tons fast move & pay before rain \$237; 200 tons Premium alfalfa hay \$240 fob stack; 150 tons Good alfalfa \$230, 200 tons weedy \$185 to \$195. 1,000 tons Premium beardless wheat hay big bales \$130 to \$145; 200 tons Good beardless wheat hay \$130. 500 tons Premium beardless wheat & oat hay mix \$130.

In the Imperial Valley, moderate demand for dairy and export alfalfa hay. In a limited test dairy alfalfa hay steady to \$5 lower. Export alfalfa hay prices steady with a weak undertone and less market participation from buyers than last week. Good demand for kleingrass for export, prices steady to \$5 higher. Few sales on bermuda hay for export with prices steady. In a limited comparison retail alfalfa hay mostly steady with a weak undertone. Retail bermuda hay steady. Heavy morning dews earlier in the week made alfalfa production difficult and led to striped hay. This was followed by cool and windy conditions later in the week. More export contacts expressed concerns about the U.S/China trade war and some slowed their buying of alfalfa hay. **Dairy:** 550 tons Premium/Supreme alfalfa hay big bales \$220 fob stack; 250 tons Premium alfalfa hay big and small bales \$205 to \$210, 300 tons with some weeds \$200. 2,000 tons big bale wheat straw \$100 fob stack, to Southern CA dairy and for erosion control. 1,000 tons Premium winter crop bermuda straw \$90 fob stack. **Export:** 3,210 tons Premium/Supreme alfalfa hay big bales \$225 to \$230, 785 tons Supreme mostly big bales \$215 to \$220; 1,780 tons Premium alfalfa hay mostly big bales \$215 to \$220, 350 tons \$205; 300 tons Good/Premium alfalfa hay small bales \$200 to \$210 fob stack. 400 tons Premium bermuda hay mostly small bales \$170 fob stack; 235 tons Fair bermuda hay mostly small bales \$125 to \$135. 3,680 tons Premium kleingrass big and small bales \$180 to \$190 fob stack. **Retail/Stable:** 230 tons Premium retail alfalfa hay \$240 to \$250 fob stack; 50 tons Good retail alfalfa hay \$225 350 tons Premium stable alfalfa hay \$215 to \$220, 75 tons high premium \$235, 50 tons high premium wrapped old crop \$250. 170 tons tarped Premium retail bermuda hay \$215 to \$225, 150 tons \$205.

In Blythe, prices steady to all outlets in moderate to good demand. **Dairy:** 1,475 tons Premium/Supreme alfalfa hay big and small bales \$220 to \$222 fob stack; 1,340 tons Premium alfalfa hay big and small bales \$210 to \$215; 450 tons Good alfalfa hay with weeds or off color \$185 to \$190. **Export:** 200 tons Premium/Supreme alfalfa hay big bales \$220 fob stack; 1,150 tons Premium alfalfa hay big and small bales \$205 to \$215. **Retail/Stable:** 680 tons Premium retail alfalfa hay \$240 fob stack; 240 tons Premium stable alfalfa hay \$225. 125 tons Premium retail bermuda hay \$215 fob stack.

In Tracy-Patterson, Modesto, Stockton, and Lodi, dairy and retail alfalfa hay prices steady. Rain had many growers working overtime to get hay stacked and covered. **Dairy:** 400 tons Supreme alfalfa hay in the Stockton Delta \$230 fob stack; 125 tons Premium alfalfa hay \$240 in Tracy, 350 tons in the Stockton Delta \$210; 1,500 tons Good alfalfa hay \$190 in Stockton Delta. 975 tons Premium beardless wheat hay big and small bales \$135 to \$140, 150 tons few weeds \$130. 250 tons Premium 3-way grain hay big bales \$140 fob stack. 250 tons Good volunteer grain hay \$110. 150 tons Good oat hay \$115, off color. **Retail:** 200 tons old crop Premium retail alfalfa hay \$250 fob barn, 350 tons new crop \$215 fob stack; 125 tons new crop Good retail alfalfa hay \$200. 625 tons Premium new crop retail beardless wheat hay \$160. 725 tons Premium retail oat hay \$160. 980 tons new crop Good retail orchardgrass hay \$200 fob stack

In the Sacramento Valley and Delta, prices steady where there was a comparison. Heavy rain slowed trading and hay movement. Contacts report that most of the hay that was rain damaged was wheat hay. **Dairy: Organic:** 190 tons Premium alfalfa hay small bales \$275 fob barn; 240 tons Good alfalfa hay with weeds \$215, 150 tons heavy weeds \$175. 175 tons Premium volunteer barley hay small bales \$155. **Dairy: Conventional:** 645 tons Supreme alfalfa hay \$230 to \$240 fob stack; 250 tons Premium alfalfa hay \$220, 100 tons longer haul \$215; 400 tons Good alfalfa hay \$205, 150 tons grassy \$200. 1,000 tons Good beardless wheat hay big bales with low appearance \$125. **New Crop Contract:** 400 tons double cut rice straw big bales \$40 fob stack, harvest in September. **Retail: Organic:** 380 tons new crop Premium beardless wheat hay \$240. **Retail: Conventional: Old Crop:** 275 tons Premium alfalfa \$240 fob barn. 75 tons rice straw small bales \$3.50/bale fob barn. **Retail: New Crop:** 375 tons Premium retail orchardgrass \$220 to \$240, mostly \$220. 50 tons Premium retail oat hay \$160 fob stack. 690 tons Premium retail 3-way grain \$165 fob.

In the Northern Mountains, a little new crop dairy alfalfa hay and retail orchardgrass reported this week. Few growers cut last week and were able to bale before the rain. Old crop retail hay steady. **Dairy:** 200 tons new crop Supreme alfalfa hay \$200 fob stack, fast move. **Retail:** 50 tons new crop Premium orchardgrass \$294 fob stack; 125 tons old crop Premium orchardgrass \$305 fob barn. 100 tons old crop Premium orchardgrass/alfalfa hay \$295. 150 tons \$280. 150 tons old crop

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Premium retail timothy hay \$340 fob barn.

In Arizona, export and dairy alfalfa hay prices steady. Retail alfalfa hay market steady in good demand. **Dairy:** In Southwest AZ, 580 tons Premium alfalfa hay \$205 to \$210 fob stack. In Parker/Poston, 425 tons Premium alfalfa hay big and small bales \$210 to \$215; 250 tons Good alfalfa hay \$200. **Export:** In Southwest AZ, 400 tons Premium alfalfa hay big bales \$210. In Central AZ, 200 tons Premium alfalfa small bales on dry side \$200; 2,000 tons Good alfalfa hay big bales \$190, 300 tons slight rain damage \$175. **Retail:** In Southwest AZ, 100 tons Premium alfalfa \$225. In Parker/Poston: 200 tons Premium retail alfalfa hay \$235 to \$240 fob stack. In Central AZ, 185 tons Premium to high Premium retail alfalfa hay \$285 fob barn; 150 tons Premium retail alfalfa hay \$260 to \$270 fob barn, 475 tons \$225 to \$235 fob outside stack.

In Nevada, alfalfa hay trading very slow with not enough sales to fully test the market. First sale reported in western Nevada on new crop alfalfa hay. Heavy rain moved through the state this week halting work on new crop alfalfa in Western Nevada. **Dairy:** In Western NV, 100 tons new crop Supreme alfalfa hay small bales \$215 fob stack; 100 tons old crop tarped Premium/Supreme alfalfa hay big bales \$205 fob stack. 100 tons Fair breadless wheat hay \$100 fob stack.

In Idaho, new crop alfalfa hay prices in Southwest Idaho around \$20 to \$30 per ton higher than a year ago. Demand good but not widespread for new crop alfalfa hay as some Idaho dairies did not want to pay the early prices. However, as the week progressed and the weather forecast was for rain the next 7 to 8 days in Southern Idaho, demand improved for non-rained on alfalfa hay. Quite a bit of hay was rained on in Southwest Idaho. All sales on big bales with dairy hay going to the Magic Valley unless specified otherwise. **Dairy: Organic:** In the Magic Valley, 4,000 tons 2018 crop corn silage \$70 delivered to Magic Valley dairy, all money paid up front to grower. **Dairy: Conventional: New Crop:** In Southwest ID, 4,300 tons Supreme alfalfa hay \$200 fob stack, 200 tons \$190, most of the \$200 hay with short haul and buyer paid for top tarp on one 600 ton lot; 400 tons Premium alfalfa hay with a few weeds and picked up in field before being stacked \$165 fob, fast move and all the money paid up front, 160 tons with higher moisture \$175 delivered to Magic Valley dairy. **Dairy: Old Crop:** In Southeast ID, 300 tons Premium/Supreme alfalfa hay in barn or top tarped \$160 to \$170 fob stack, going to Midwest and California dairies. In Eastern ID, 500 tons wrapped Fair/Good alfalfa hay with faults \$150. **Feedlot: New Crop Contract:** In Southwest ID, 5,000 tons from first three cuttings Fair to low Good alfalfa hay \$157 to \$158 fob stack, short haul to local feedlot, light rain o.k., will adjust price on moderate rain and no black hay, 30% paid up front, pay every two weeks when hay starts to move. **Export:** In Southwest ID, 800 tons new crop Supreme export alfalfa hay one-ton bales \$200 fob stack, fast move and all money paid up front. In Eastern ID, 1,500 tons old crop Good export alfalfa hay, top tarped, \$160, no bottoms and buyer can take out bad bales, fast move and all money paid up front.

In the Washington-Oregon Columbia Basin, new crop dairy alfalfa hay in the Southern Basin steady to \$10 higher than last week and not a good comparison with a year ago because of rained on hay last year. One new crop Good export alfalfa hay contract \$5 higher than last week. The small amount of non-rained on Supreme dairy alfalfa hay found good demand with rain and the forecast for rain driving the stronger prices. Most exporters were quiet with only a few deals reported. With the forecast for rain in the coming days some growers were selling alfalfa hay in the windrow to go in bags at local dairies for haylage. All sales on big bales unless specified otherwise, prices fob wrapped stacks unless specified otherwise. **Dairy: New Crop:** Most in Southern Basin, 1,070 tons Supreme alfalfa hay \$215 to \$220, top tarped or fast move and no tarp & some with shorter haul, 500 tons fast move & pay with longer haul \$210, 1,000 tons wrapped Supreme alfalfa hay \$230 fob stack, 90% paid up front, move in next 3 months to Sunnyside. Around 2,500 tons alfalfa haylage \$140 fob windrow, based on 15% moisture. **Export: New Crop:** 400 tons wrapped Supreme alfalfa hay two tie \$240; 2,400 tons top tarped Premium/Supreme alfalfa hay 3x4 bales \$205 fob stack, 30% paid up front, balance paid as it moves, bad bales out; 160 tons Good alfalfa hay \$180, fast move & pay. **New Crop Contract:** 3,500 tons for the season Good alfalfa hay big bales \$185 wrapped stack, minimum 150 RFV and 18% protein, hay must be exportable

In Utah, hay trading very quiet with not enough sales to fully test the market. Some growers in central and southern Utah are close to cutting first crop alfalfa hay but rain is forecast in the coming week and with high temperatures forecast from 48 to 60 degrees and lows from 32 to 39 it is not good haying weather. **Beef:** In Northern UT, load tarped or in barn Fair alfalfa hay \$140 fob. **Retail:** In Central UT, 250 tons Premium alfalfa 3x3 bales \$200 fob barn, going local.

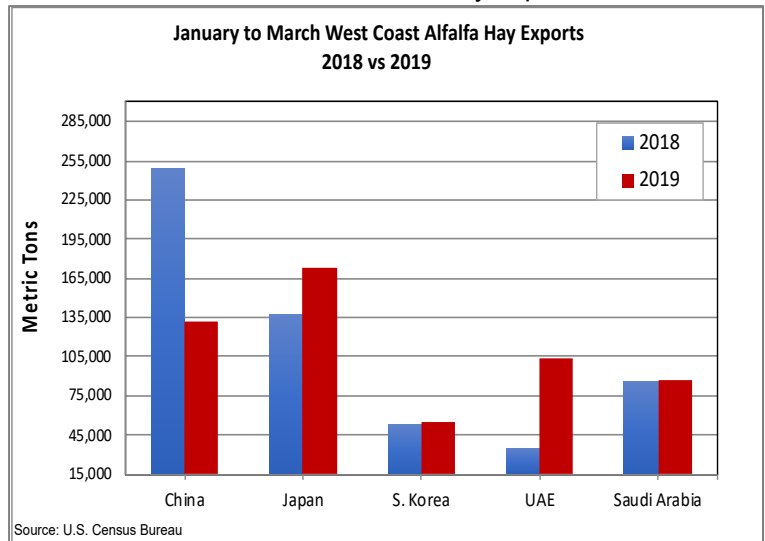
**Australian Drought-** An article in The Sydney Morning Herald is reporting that because of drought conditions Australia will import wheat for the first time since 2007. The USDA Foreign Ag Service released a report in February estimating the Australian wheat production to be down 20% from the previous year. Planting for new crop oaten hay and wheat is currently ongoing and recent rains have analysts expecting production to return closer to normal. According to a contact in Australia, the drought has kept domestic demand for oaten hay strong and he expects that to remain for at least the next few months. Available oaten hay to export has also been down which has kept prices strong and according to our contact this has slowed oaten hay exports from Australia in recent months.

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**Alfalfa Hay Exports from the West Coast Down 2% In the First Quarter Vs. 2018-** Alfalfa hay exports from the West

Coast to all countries in the first quarter of 2019 totaled 583,771 metric tons (MT), compared to 595,587 in 2018, according to the U.S Census Bureau. After reaching a low of 25,461 MT in January, west coast alfalfa hay exports to China increased to 48,419 in February and 58,635 MT in March. However, exports in the first quarter were still down 117,790 MT or 47% lower than the first quarter of last year. Alfalfa hay exports to Saudi Arabia dropped slightly in March compared to February to bring the three-month total to 86,432 MT verses 87,673 in 2019. Alfalfa hay exports to the UAE remain strong, totaling 42,873 MT in March and 103,084 MT for the first quarter. Last year alfalfa exports for the first three months totaled just 35,431 MT. This is just the second month since 2013 where alfalfa hay exports to the UAE were over 40,000 MT, the other was September of last year. We continue to see the impact of China outbidding UAE buyers for alfalfa hay in other parts of the world which has made the UAE a solid buyer for west coast alfalfa hay. Alfalfa hay exports to South Korea in the first quarter increased a modest 4% over 2018. U.S Census Bureau reports show a 25% increase in west coast alfalfa hay shipments to Japan in the first quarter while Japanese port data shows the increase at 14%.



**Dairy Cattle Prices** – At the Meadowlake-West & Pixley Dairy dispersal sale on Friday at the dairy in Tipton, CA they sold 9,000 head of Holstein cows and 1,000 Springer heifers. Moderate demand for an average quality set of cattle with about half the cattle going out of state. The cows averaged \$1,150 each with the range on the better cows from \$1,100 to \$1,300 each. 1,000 head of Holstein Springer heifers sold from \$1,200 to \$1,300 each. At the McClintock Dairy dispersal sale at the dairy in Coolidge Arizona on May 11 they sold 2,900 head of excellent quality Holstein cows. Demand was good with cattle going to several States. Top quality milk cows of mixed ages brought \$1,400 to \$1,675 each with an average of \$1,525 each and dry cows averaged just over \$1,400 each. At the Overland Stock Yard this week Holstein Springer heifers sold steady from \$1,200 to \$1,600 each. Slaughter cow prices at central California auctions were uneven with Breaking and Boning Utility dairy cows trading from \$62 to \$77 cwt.

**Dairy Product Prices** – Class III milk futures on the CME made sharp gains of 20 to 30 cents cwt. on Friday after reports that the U.S. had reached a deal with Mexico and Canada to remove aluminum and steel tariffs into the U.S. This was the stumbling block that had stalled the U.S-Mexico-Canada Agreement (USMCA) from moving forward. Congress can now vote on the agreement in the near future. This was especially good news for cheese as Mexico’s tariffs on U.S. cheese are expected to end immediately, according to the Dairy & Food Market Analyst. Cheese prices on the CME Friday were up 1.50 cents to \$1.6725 and barrels were up 1.25 cents to \$1.6250 after being lower early in the week. Nonfat dry milk prices on the CME on Friday at 1.0475, were down 2 cents a pound. Butter closed at \$2.3400 on Friday, unchanged from a week ago. Dry whey held at \$0.34 cents a pound all week, down three quarters of a cent from a week ago. USDA lowered its 2019 U.S. milk production forecast for 2019 and if realized would be the slowest growth in US. milk production since 2013, according to the Dairy & Food Market Analyst.

**Slow Planting Pushing Corn and Soybean Markets Higher** U.S. corn plantings in the 18 major States as of May 12 were 30% complete, compared to 59% a year ago and the five year average of 66% completed. While corn farmers can plant a lot of corn in a short time, the problem is the continuing forecast for rain. This drove corn futures up 31.5 cents a bushel on the CME this week with July corn on Friday closing at \$3.8325 a bushel. Rolled corn prices delivered to Central California dairies on Friday were up \$8 per ton compared to a week ago. Same story with soybeans with 9% planted as of May 12, compared to 32% a year ago and the five year average of 29%. Soybean prices which were hit hard last week and this past Monday because of the Chinese tariff situation, rallied 37.25 cents a bushel on the CME Tuesday through Thursday but fell 18 cents a bushel on Friday with the July close at \$8.2175. Concern over Chinese tariffs continues to hang over the U.S. soybean market.

Best Regards, Seth & Josh

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