Hay Market Situation in The West

Seth Hoyt, The Hoyt Report
May 1
Hay Stocks
2014/2013 % CHANGE

Western States
-10%

Entire U.S.
+35%

Source: USDA-NASS
CVP Water Allocations from Bureau of Reclamation

Source: Westlands Water District
Groundwater Used By Westlands Water District

Source: Westlands Water District
Alfalfa Hay Acres
2014/2013 % CHANGE

Western States +6%
Entire U.S. +2%

Source: USDA-NASS
Oct. 1 Alfalfa Hay Production
2014/2013 % CHANGE

Western States: +12%
Entire U.S.: +12%

Source: USDA-NASS
Alfalfa Hay VS Almond Acres in California
2004 to 2013

Source: USDA/NASS
Supreme and Fair Alfalfa Hay Delivered to Tulare-Hanford Dairies, June 14 to October 17, 2014

Source: The Hoyt Report
Wheat Straw Delivered to Central CA Dairies - Big Bales - 2012 to 2014

Source: The Hoyt Report
Distillers Dry Grains Delivered to CA
By Truck & Rail 2014

Source: USDA Livestock and Grain Market News
Corn Gluten Pellets
FOB California Points 2014

Source: USDA Livestock and Grain Market News
Whole Almond Hulls Delivered to Tulare-Hanford Dairies by Truck 2014

Source: USDA Livestock and Grain Market News
Fair Alfalfa Hay in Kern County
FOB Prices-June to October 2013-2014

Dollars per Ton

Source: The Hoyt Report
Tulare-Visalia-Hanford Delivered Alfalfa Hay Prices
Supreme and Fair Quality

*January through October 2014
Average Pounds of Alfalfa Hay Fed Per head/per Day to Milk Cows in California, 2004-2014

Source: CDFA Dairy Marketing Branch

Year 2014 - * 1st Quarter ** 2nd Quarter
California Milk Prices (2012-2014)
Milk Pooling - Statewide Overbase

Dollars per cwt

Jan Feb Mar Apr May June July Aug Sep Oct Nov Dec
CA Overbase Milk Prices vs Milk Cost of Production

Source: California Dept. of Food and Agriculture

*Milk cost of production numbers do not include cost for management or return on investment. 3rd Quarter 2014 Milk Cost Production Estimated
Delivered Prices to Tulare-Hanford Dairies
Supreme Alfalfa Hay vs Rolled Corn
November 2012 to November 2014

Sources: Rolled Corn - Western Milling, Alfalfa Hay-The Hoyt Report
October Milk Cow Numbers
2014/2013 % CHANGE

Western States +1.0%
Entire U.S. +0.8%

Source: USDA-NASS
January 1 Milk Cow Numbers in California, 1995-2015*

Source: USDA/NASS  
*Estimated 2015
Number of Dairies in California (All Grades) from 2001 to 2014*

Source: CDFA Milk and Dairy Foods Safety Branch
*Estimated
Hay Exports
West Coast Alfalfa Hay Exports to China
2012-2013 & Jan-Oct 2014

Source: U.S. Dept. of Commerce
West Coast Alfalfa Hay Exports to the UAE
November 2012 through October 2014

Source: U.S. Dept. of Commerce
West Coast Alfalfa Hay Exports to Japan
January 2013 through October 2014

Source: Japanese Port Data
West Coast Sudan Hay Exports to Japan
January 2013 through October 2014

Source: Japanese Port Data
PNW Timothy Hay Exports to Japan
January 2012 through October 2014

Source: Japanese Port Data
Retail Hay
Imperial Valley Premium Retail Alfalfa Hay
May to August 2013 and 2014

Source: The Hoyt Report
Premium Retail Orchardgrass Hay - Northern Mountains, June - November, 2013 vs 2014

Source: The Hoyt Report
Hay Price Outlook for 2015
Alfalfa Hay Acres Up in the West in 2015

• Fewer Crop Options

• Jury Still Out on CA – Acres Could Be Up if Above Normal Rain/Snow

• Wheat for Grain Acres - Straw
Hay Exports

• More alfalfa hay to UAE
• China ? – Could be higher if…..
• Japan - Weak Yen/Mature Market
• Korea - Mature market
• Saudi Arabia - ?
Outlook for Alfalfa Hay Prices in the West in 2015

--Overall Lower Prices than 2014
  --Supreme/Fair quality Spread
--Retail Alfalfa Hay
  --Retail Grass Hays
February 2015 Class 111 Milk Futures
Oct 10, 2014 to Dec 1, 2014

Source: Chicago Mercantile Exchange
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Merry Christmas

The Best to Each of You in 2015