



# THE HOYT REPORT

HAY MARKET INSIGHTS & ANALYSIS

**Hi-Gest<sup>®</sup> ALFALFA**  
**TECHNOLOGY**

**Make the Switch!** **Alforex**  
Seeds Patents Pending

## How Hay Markets Work In the West

Josh Callen, The Hoyt Report

# Nature of Forage Markets In the West

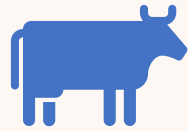
- Market is decentralized
  - Sets hay markets apart from other crops
  - In the West most alfalfa produced is shipped off farm
- Regional factor determine price



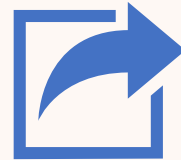
# Types of Markets



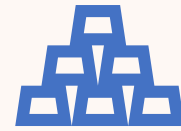
Dairy



Beef



Export



Retail/Store



# Market Differences

- **Dairy**
  - Quality Test Results
  - Appearance and Storability
  - Mostly big bales
- **Beef**
  - Lower Quality Fine
  - More price sensitive
  - Mostly big bales
- **Export**
  - Appearance very important
  - Sensitive to bad bales
  - Growing demand for high testing alfalfa
  - Big and small bales
- **Retail/Stable**
  - Appearance very important
  - Small bales and grasses very popular

# Types of Hay Buyers



Direct sale to end user

Sold through an independent broker

Internal Buyers at end users

Auction & Online Sales

# Factors That Can Impact the Price of Hay

- Quality
- Down Payment
- Grassy
- Rain Damaged
- Dew Bleached
- Weeds
- Fast Move
- Fast Pay
- End User
- Tarped
- In A Barn
- Uncovered
- Stacked on Gravel
- Stacked in Dirt
- Sort Bad Bales
- Looked better than test
- Payment terms
- Looked worse than the test
- Full wrapped stacks
- End user
- Freight to end user
- High Moisture
- Old stand of hay
- Rerake in bales
- Coarse stem
- Soft stem
- Stacked on plastic
- Toped with straw
- Stacked on straw
- Buyers Reputation
- Reputation of Seller
- Reputation of area



## In What Form Is Hay Sold?

- In the Stack – Most Common
- Out of the Field
- In the windrow
- Standing – Moisture Adjustment Key if Chopping
- Revenue Sharing

# Market Drivers



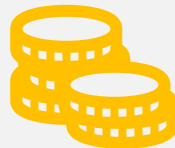
## Supply

Acres  
Weather  
Price of  
Competing Crops  
Input Costs



## Demand

Milk Prices  
Beef Prices  
Ration Prices  
Economy



## External

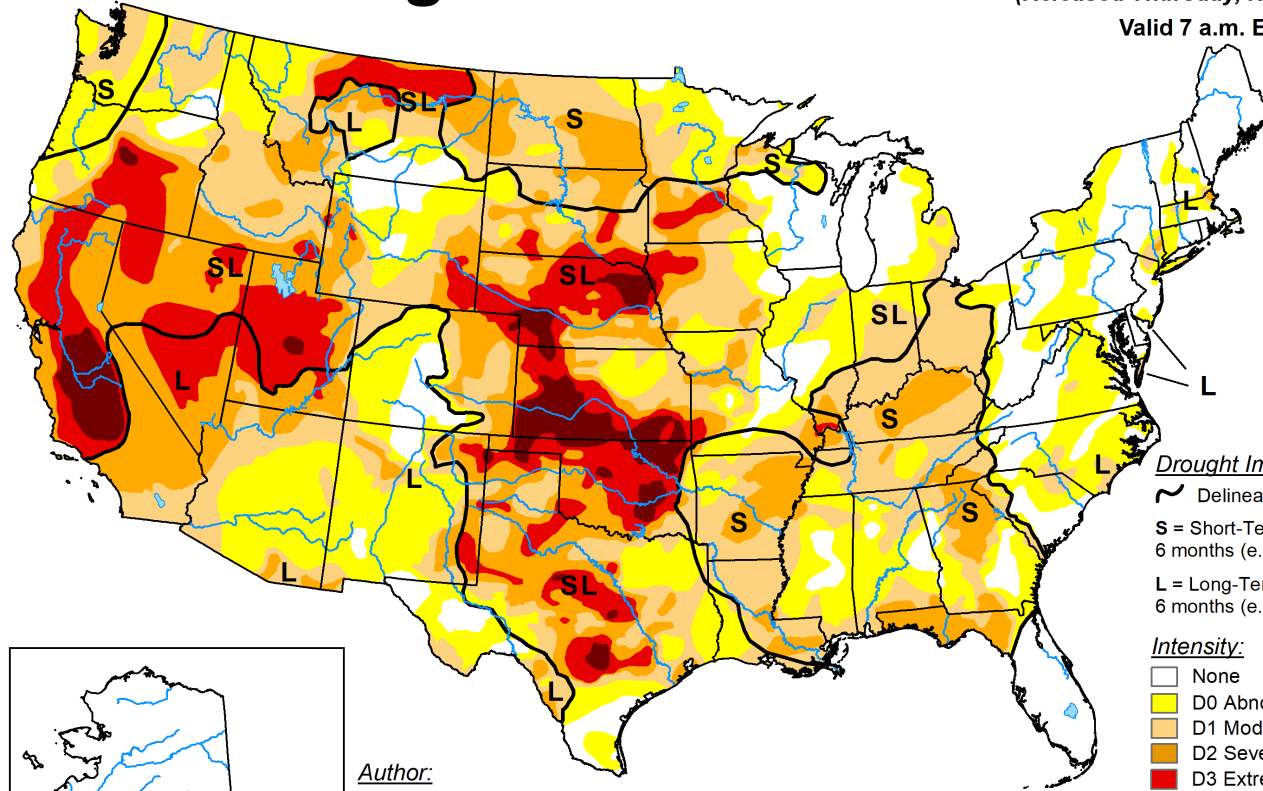
Oil Prices  
Commodity  
Prices



# U.S. Drought Monitor

November 8, 2022  
 (Released Thursday, Nov. 10, 2022)

Valid 7 a.m. EST

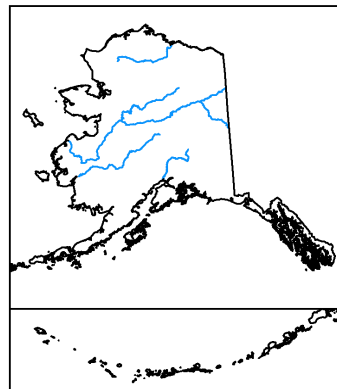


**Drought Impact Types:**

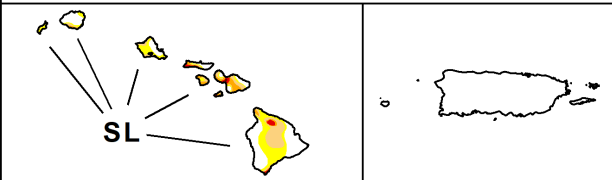
- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

**Intensity:**

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought



**Author:**  
 Brian Fuchs  
 National Drought Mitigation Center

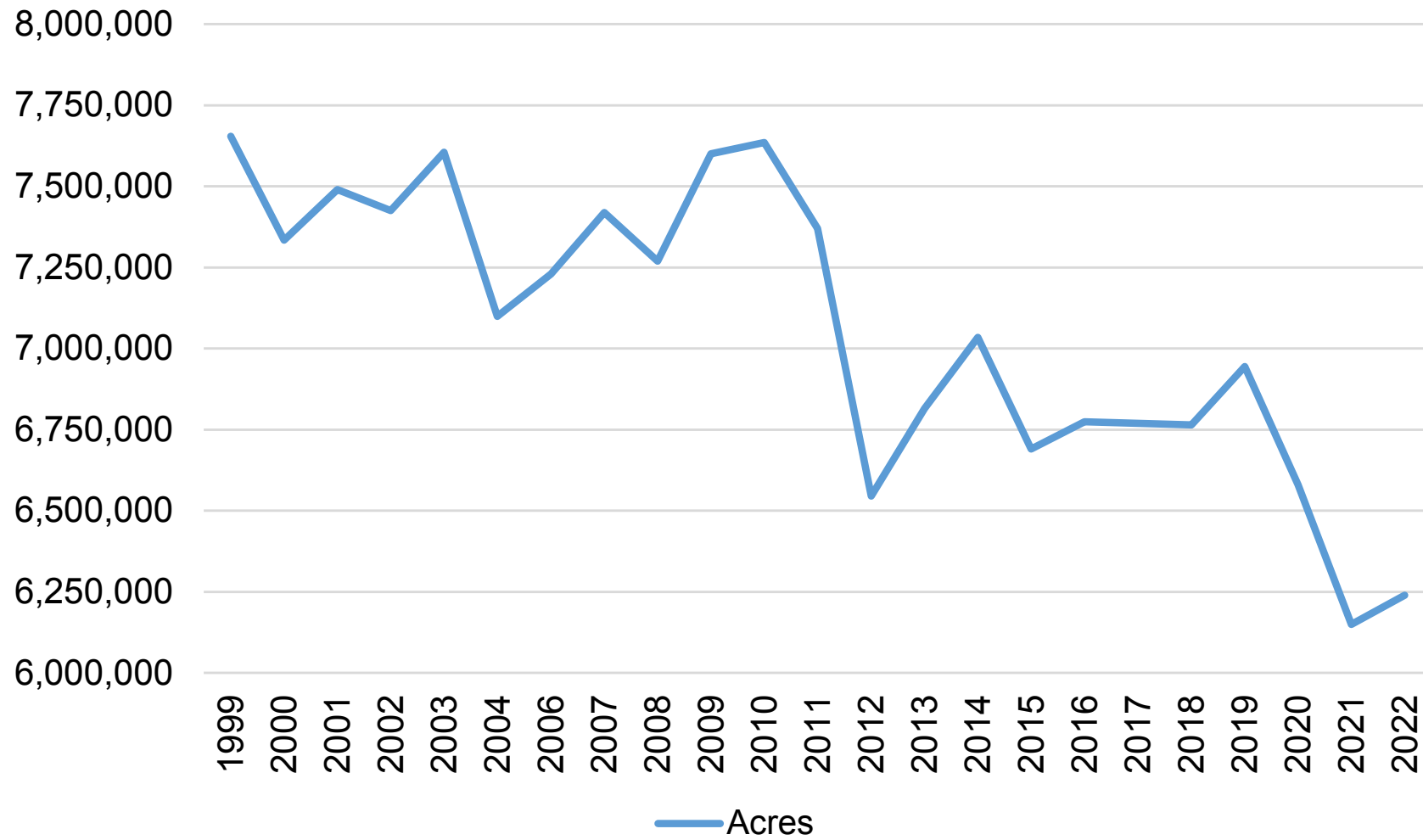


The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

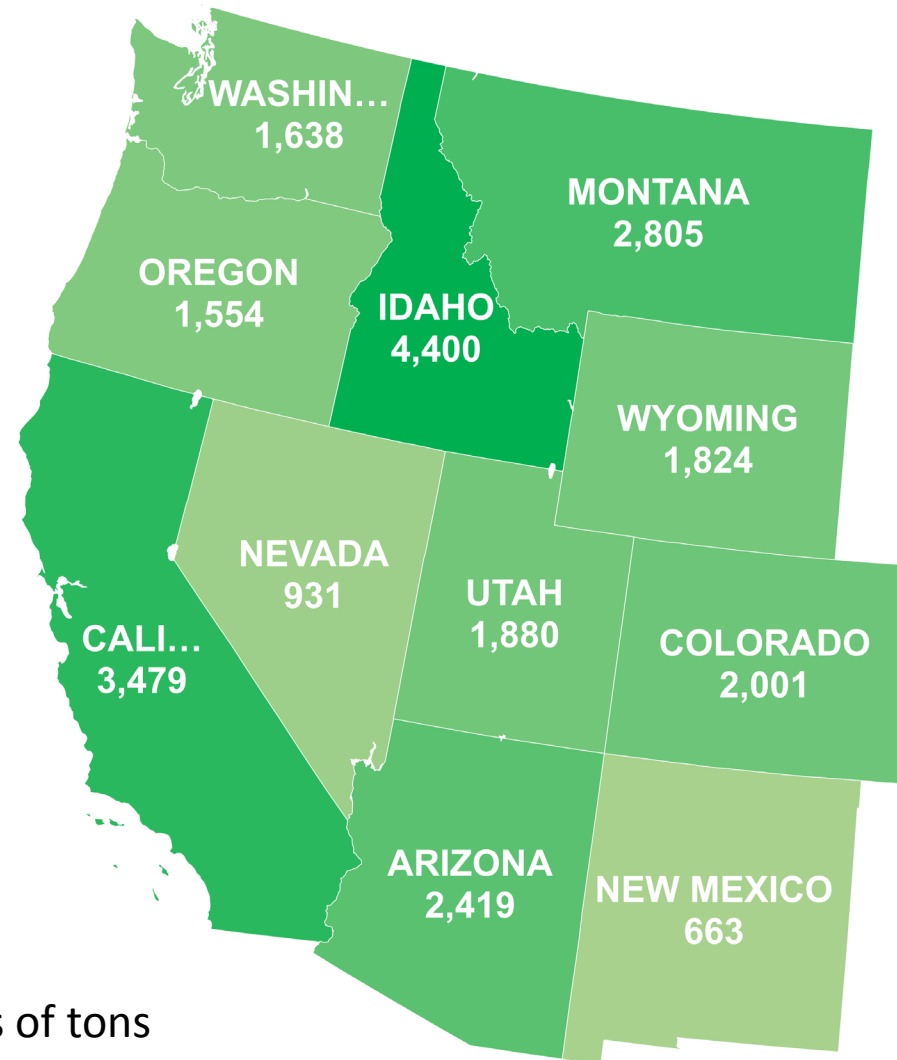


[droughtmonitor.unl.edu](https://droughtmonitor.unl.edu)

# Alfalfa Hay Acres of the 11 Western States

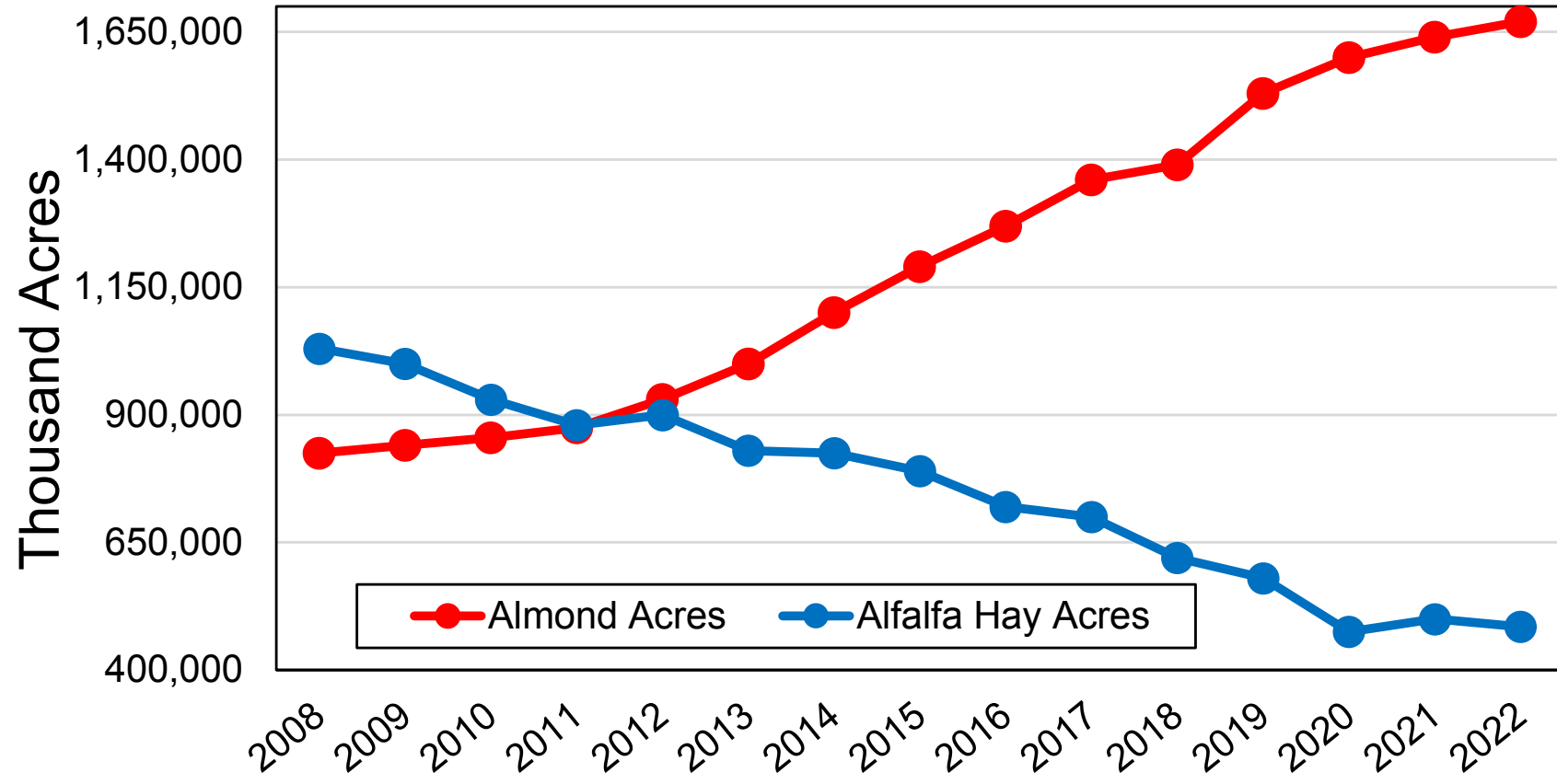


## Alfalfa Hay Production In Short Tons 2022



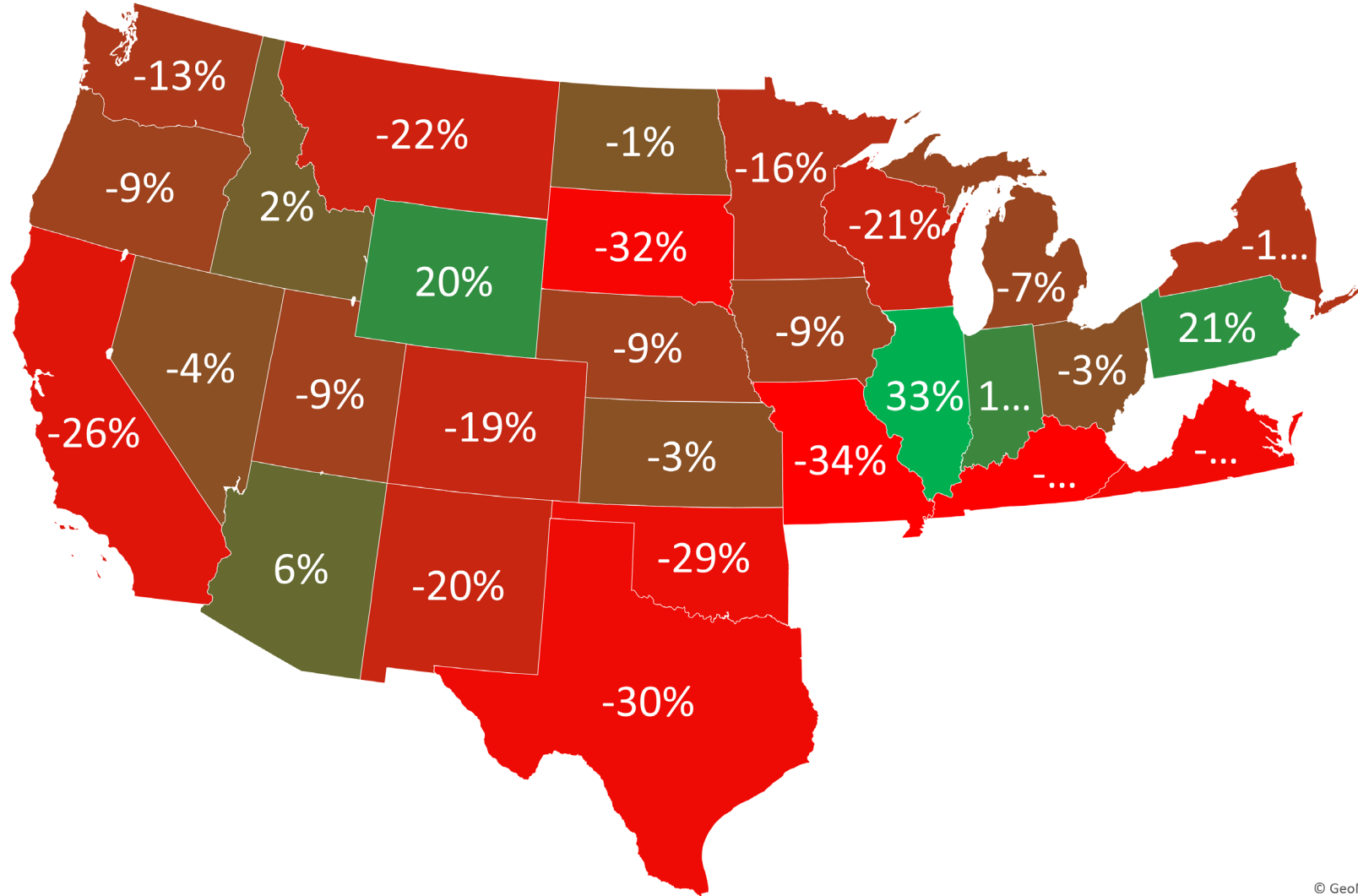
Source: USDA/NASS In thousands of tons

# Alfalfa Hay Acres Vs Almonds in California 2008 to 2022

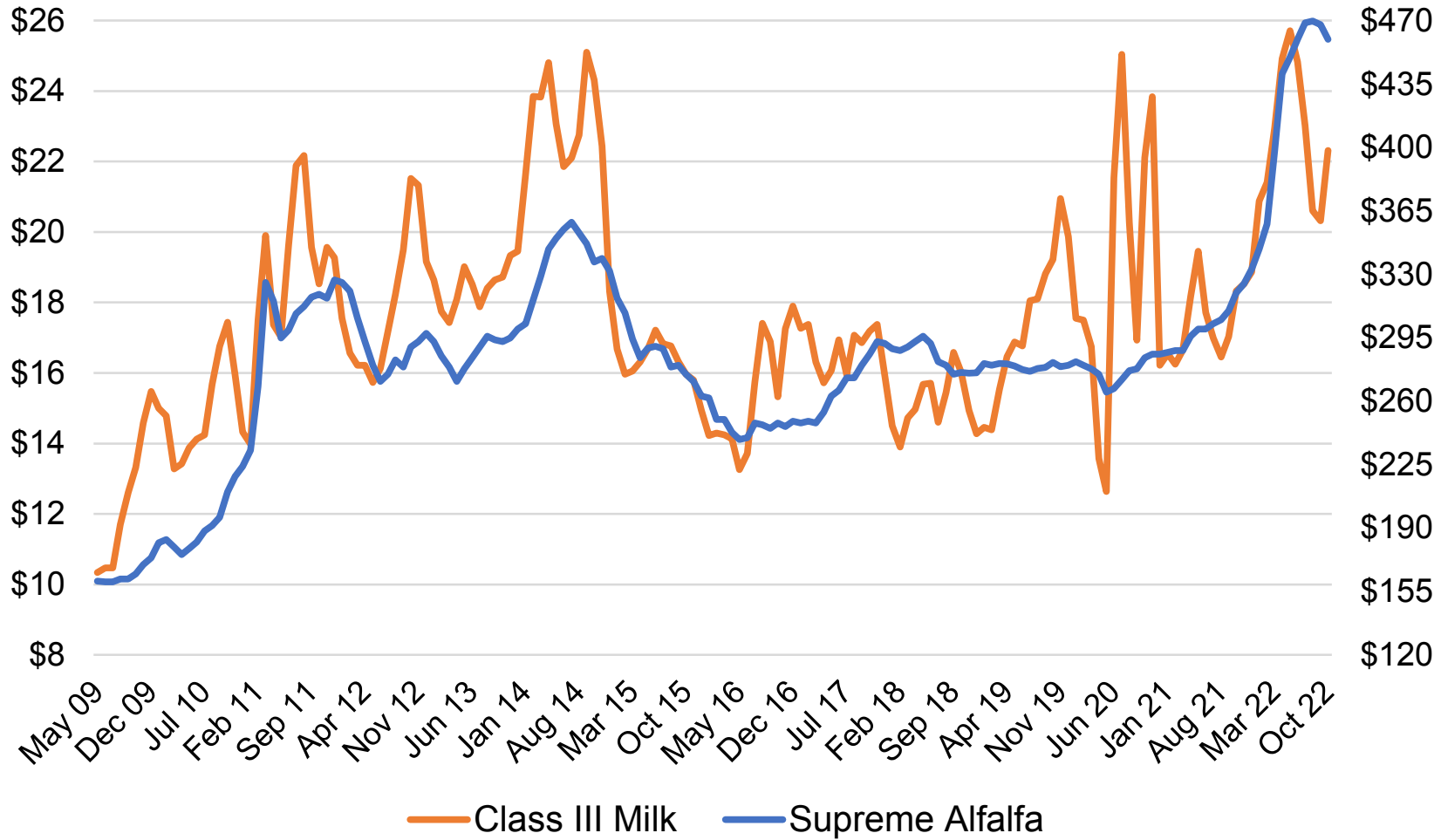


Source: USDA/NASS Note: 2022 Non-Bearing & Alfalfa Acres Estimated

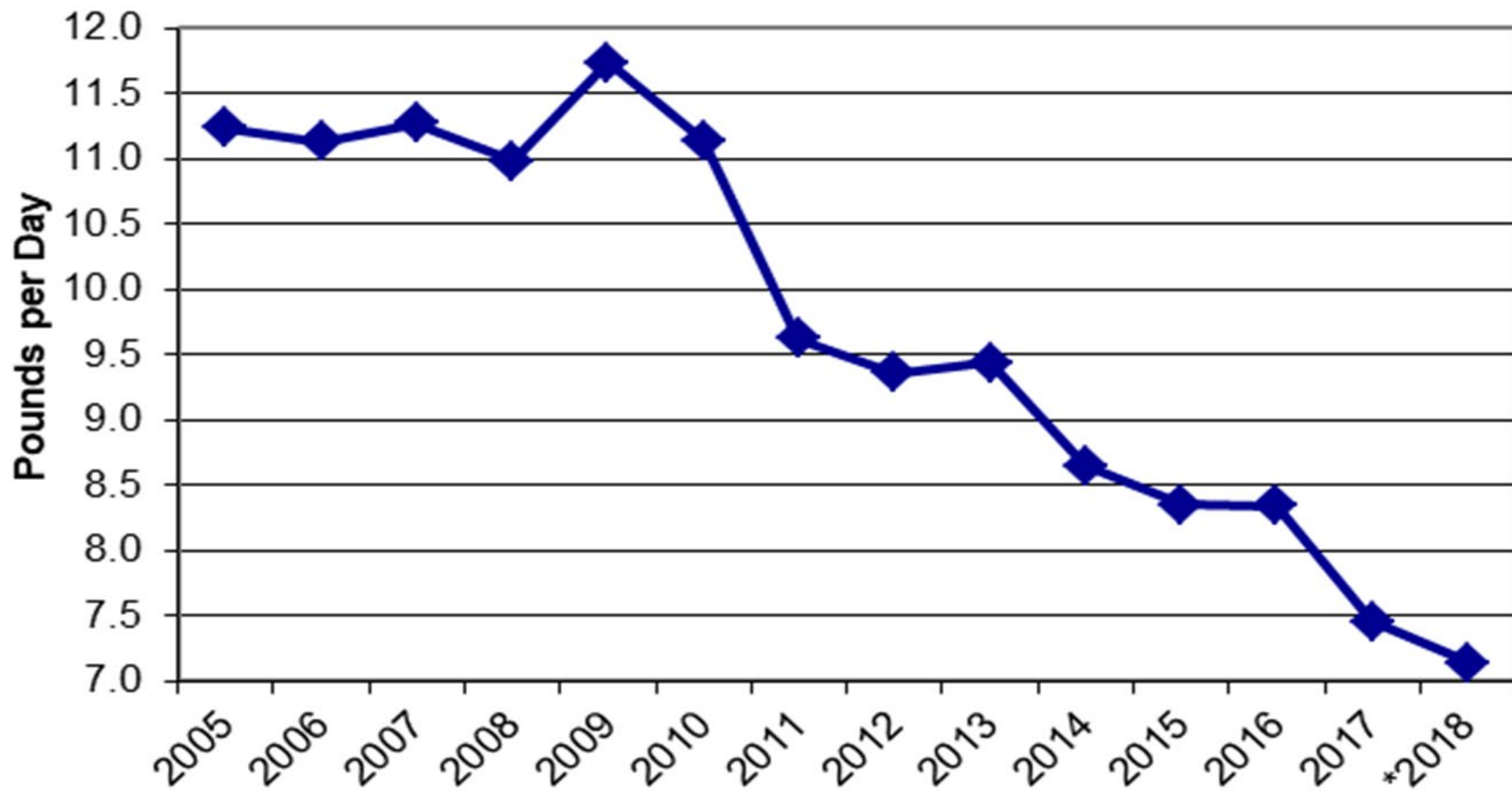
# Alfalfa Hay Production In 2022 % Change from 10-Yr Avg



## Average Monthly Prices 2009-2022 Class III Milk vs Supreme Alfalfa Divd to Tulare Dairies



### Average Pounds of Alfalfa Hay Fed per Head/per Day to Milk Cows in California, 2005-2018



Source: CA Dept of Food & Agriculture \* First Quarter 2018

# Current Market

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# 2022 Review



Early summer rain across much of the West led to tighter supplies of higher quality alfalfa hay.

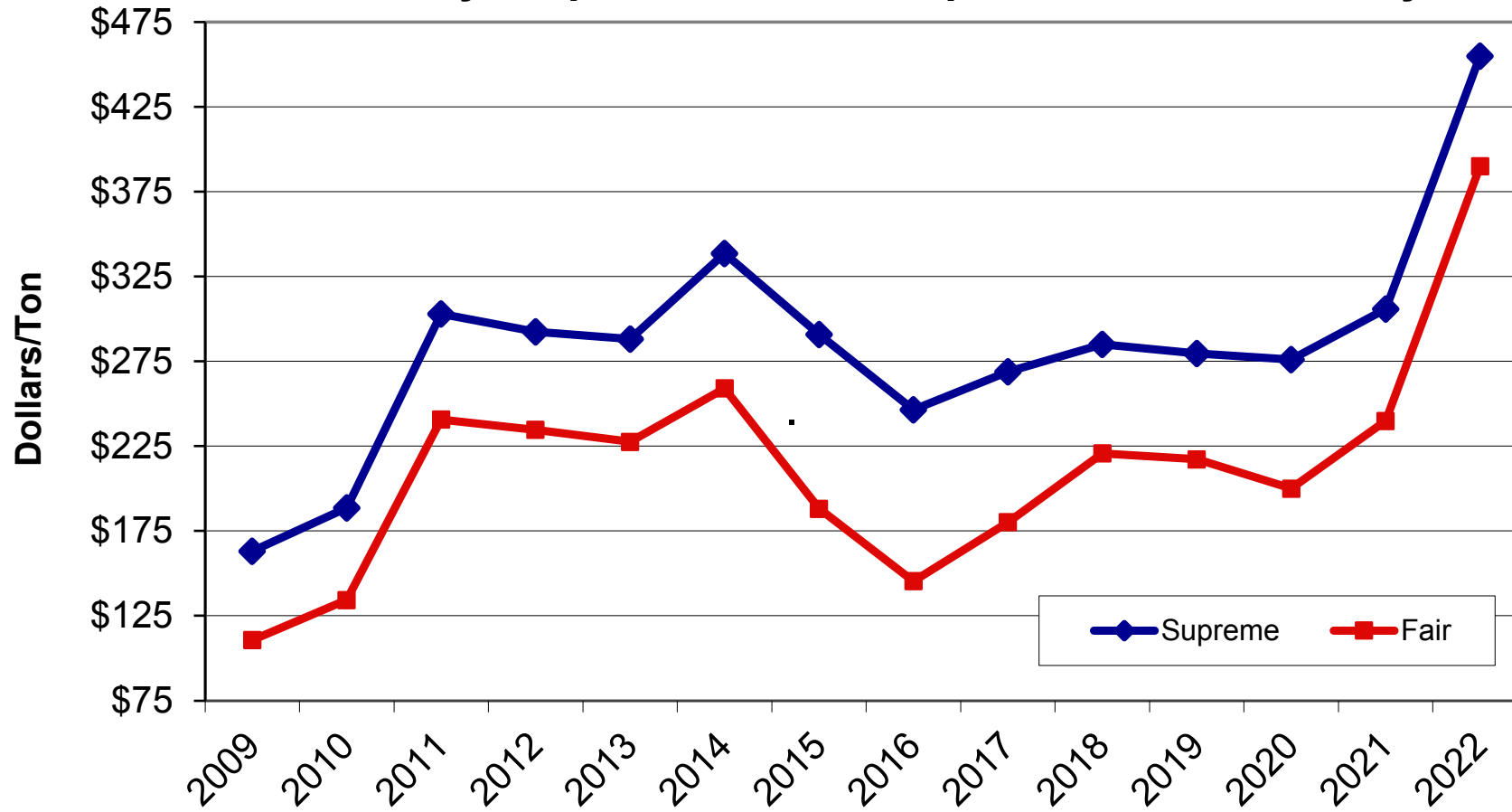


Record High Prices across the board

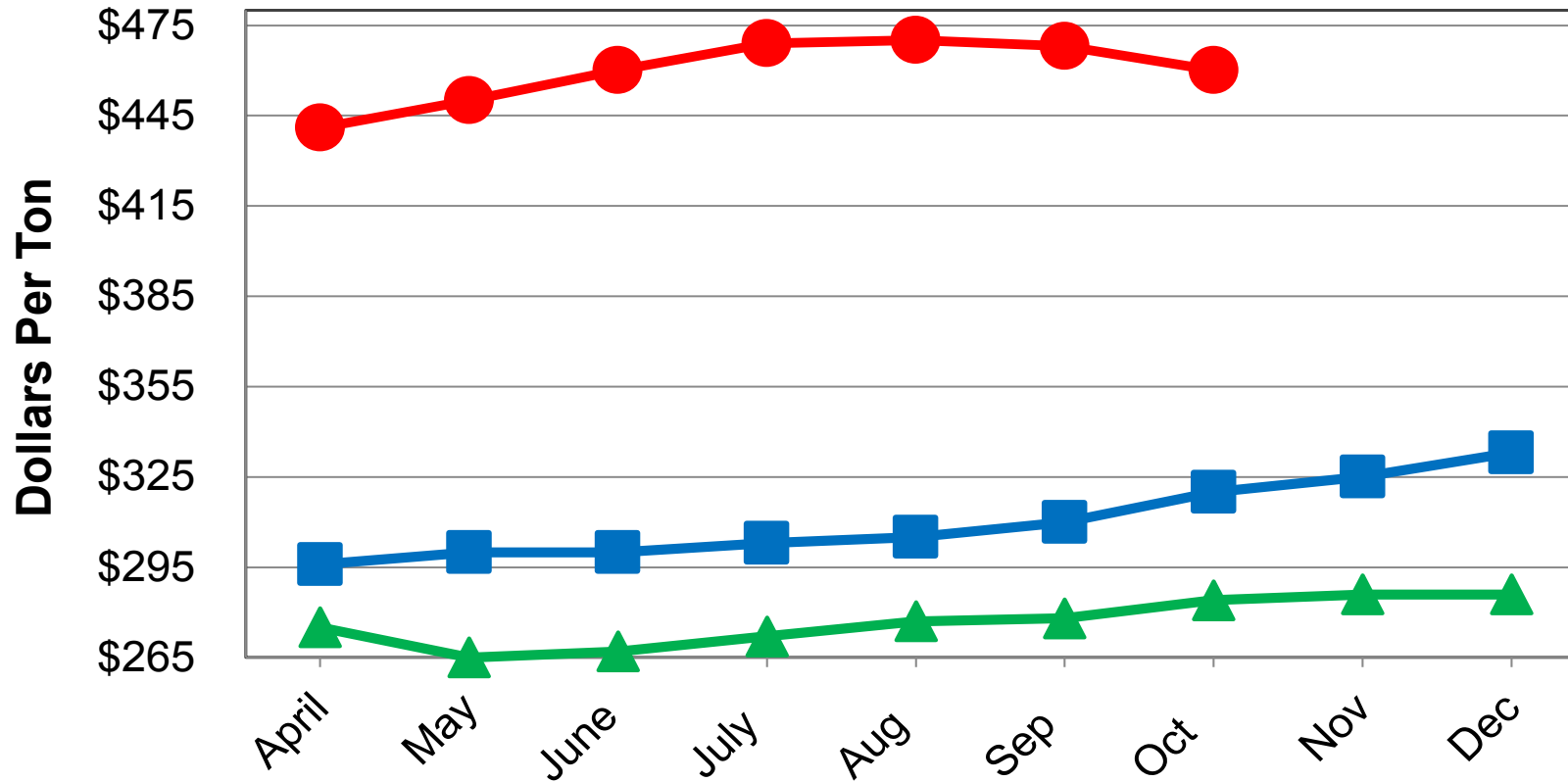
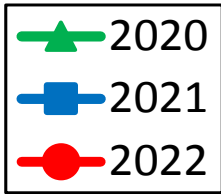


Dairy alfalfa hay prices have softened over the summer. Active monsoon season has increased prices for retail alfalfa.

**Tulare-Visalia-Hanford Delivered Alfalfa Hay Prices  
Market News Yearly Avg. Price, 2009-2010,  
The Hoyt Report 2011-2022 Supreme and Fair Quality**

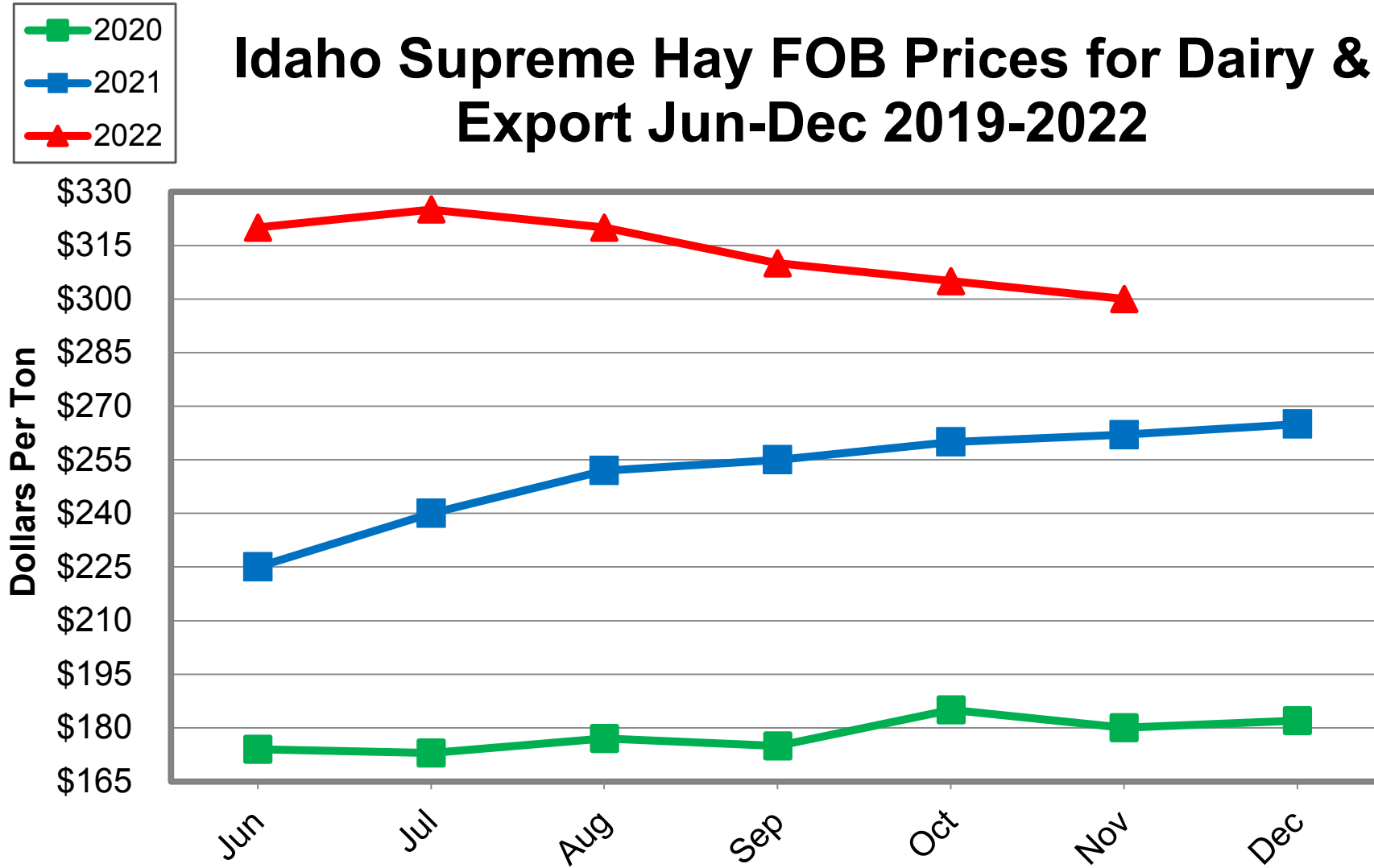


## Supreme Alfalfa Hay Delivered to Tulare-Visalia Monthly Average Prices April to December



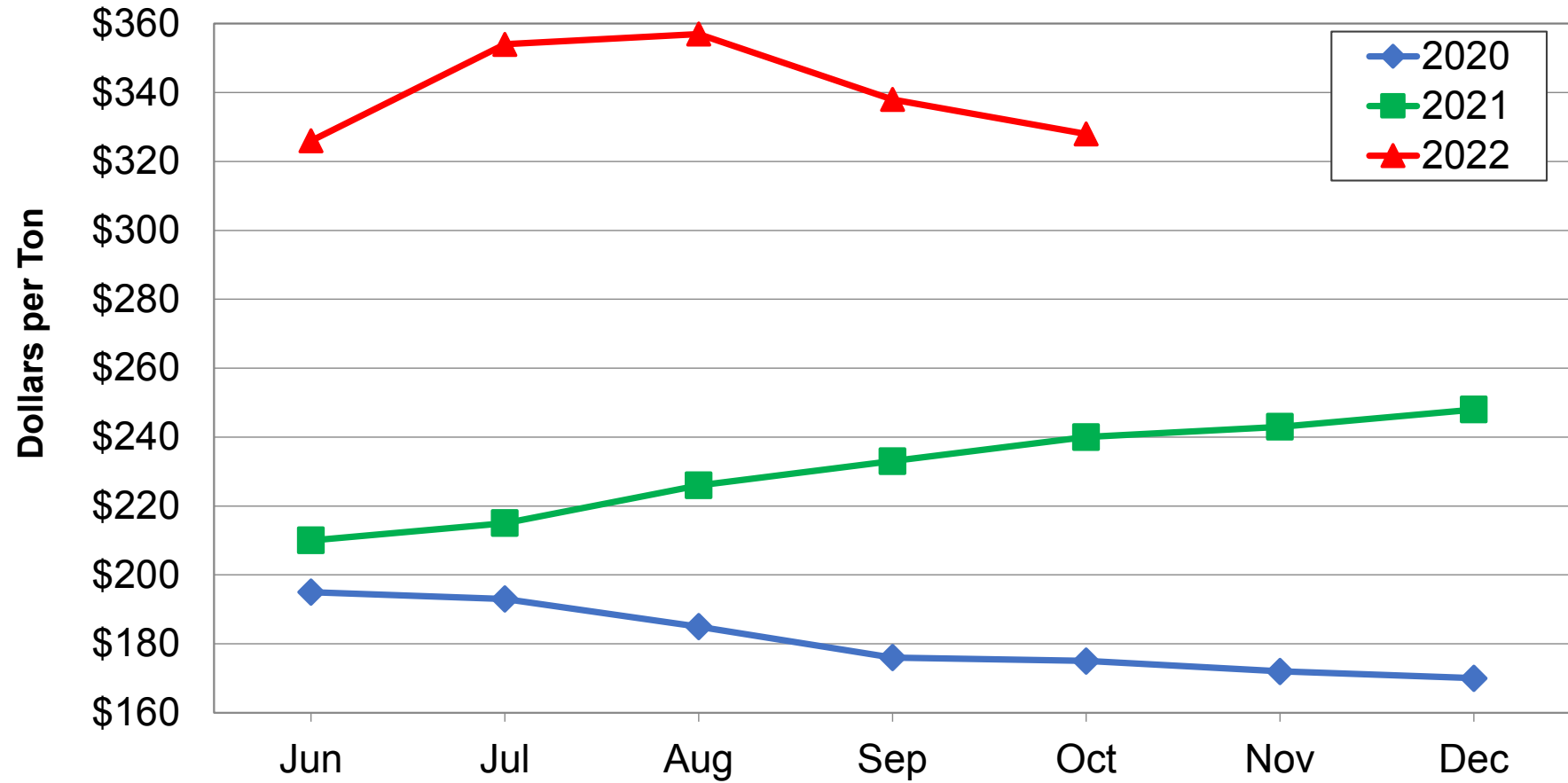
Source: The Hoyt Report

# Idaho Supreme Hay FOB Prices for Dairy & Export Jun-Dec 2019-2022



Source: The Hoyt Report

# WA-OR Columbia Basin Premium Export Alfalfa Hay Big Bales FOB Wrapped Stack June through December 2020 - 2022



Source: The Hoyt Report

# Market Outlook



Dairy hay will be tight come spring



Alfalfa profitable for many growers, acres should increase but competition from other crops will persist.



Milk prices could be impacted by poor economy. Will the export market issues continue? Will China buy more corn



How does the winter go?



Thank You!



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