University of Wisconsin-Extension

Weekly Hay Market Demand and Price Report for the Upper Midwest
as of May 10, 2013

Data Compiled by Ken Barnett, UW-Extension

All hay prices quoted are dollars per ton FOB point of origin for alfalfa hay unless otherwise noted.

The information presented in this report is compiled from public and private sales and reports in the Midwest.

The past several months of the weekly hay reports are archived. To view previous hay reports, go to the Buying and Selling Hay and Straw web site and click on the archived hay reports section.

Demand and Sales Activity

Compared to the previous week, small square bale prices were down 9%. Large square bale prices were up 10%. Large round bale prices were up 22%. Sales activity was light to active.

For *Nebraska*, hay prices were steady to $0.65 higher. Demand was good this week with some ranchers buying ground and baled hay for feeding. Many ranchers will be going to summer pasture much later than normal so hay needs have increased. There was light rain in some parts of the state on Tuesday. Most parts of the state need warm weather to get the grass and alfalfa growing. For *Iowa*, hay prices were steady to $7.50 higher on very light test. For the main markets surveyed in the state report, there were no prices reported this week due to the contacts being out of hay. However, some hay is still moving through area hay auctions. There probably won't be any more prices for the main markets until the first cutting of new crop hay.

In *South Dakota*, hay prices were $42.25 lower. Demand remains very good for all types and qualities of hay as supply is becoming increasingly short. Some contacts are reporting that they are sold out for the year on their supply of grass hay in all qualities. Interest has been good this past week, even though many cattle producers turned cattle out to pasture this past week which helped to reduce some interest. Concerns with winter kill in alfalfa in some areas have some producers worried about how production may be affected this year. Reports of 0.5 to 1 inch of rain throughout the region have helped to alleviate the continued effects of last year's drought. Temperatures of 80 to 90 degrees are forecasted for next week which will help to get the crops growing.

For *Missouri*, alfalfa hay prices were $30.40 lower. Supply and demand are light. Conditions remain less than ideal for putting up hay. Conditions are also poor for alfalfa to make a strong recovery from the drought or for grass hay to have its best year. While the outlook on this year's hay crop varies from, not only county to county, but also field to field, the demand for out-of-state hay sales may begin sooner than Missouri hay is baled and ready for sale.

In Southwest Minnesota, hay prices were $32.90 higher on light alfalfa hay sales. The demand for Illinois hay was moderate to good, with moderate to active sales activity. Offerings were light to moderate. Hay prices were $24.40 higher.

For *Wisconsin*, hay prices were $8.45 higher on moderate trading at a quality-tested hay auction in Fennimore. A return of warm weather accelerated spring tillage and planting. The storm system responsible for last week's historic snow event dissipated, allowing dry, pleasant conditions to return to most of the state. Alfalfa was reportedly being seeded where winterkill was evident. Reporters noted that some producers were considering rotating corn into their most damaged alfalfa fields. Pasture conditions were improved and were rated at 19% very poor; 21% poor; 43% fair; 15% good; and 2% excellent.

Straw prices in the Midwest averaged $3.00 per small square bale (range of $1.70 to $5.00); $45.39 per large square bale (range of $25.00 to $75.00); and $40.00 per large round bale (range of $27.50 to $60.00). Compared to the previous week, straw prices for small square bales were 11% lower. For large square bales, prices were 14% higher. For large round bales, prices were 2% higher.

Hay Price Summary

Hay Grade	Bale type	---------- Price ($/ton) ----------		
		Average	Minimum	Maximum
Prime (> 151 RFV/RFQ)	Small Square	261.58	124.00	365.00
	Large Square	300.50	300.00	350.00
	Large Round	293.59	195.00	315.00
Grade 1 (125 to 150 RFV/RFQ)	Small Square	100.00	90.00	110.00
	Large Square	308.75	270.00	345.00
	Large Round	230.00	155.00	290.00
Grade 2 (103 to 124 RFV/RFQ)	Small Square	No reported sales		
	Large Square	260.00	260.00	260.00
	Large Round	213.13	150.00	250.00
Grade 3 (87 to 102 RFV/RFQ)	Small Square	100.00	100.00	100.00
	Large Square	No reported sales		
	Large Round	No reported sales		

The next Weekly Hay Market Demand and Price Report for the Upper Midwest will be posted on May 20.

<u>From the May 10 Crop Production Report</u>:

Hay stocks on farms: All hay stored on United States farms May 1, 2013 totaled 14.2 million tons, down 34 percent from a year ago. This is the lowest May 1 stocks level on record. Disappearance from December 1, 2012 - May 1, 2013 totaled 62.4 million tons, compared with 69.3 million tons for the same period a year earlier.

Record-low May 1 hay stocks levels were also established in Connecticut, *Illinois*, Michigan, *Minnesota*, New York, Ohio, Vermont, and *Wisconsin*.

With the exception of California, Colorado, Georgia, Louisiana, Maryland, New Jersey, Rhode Island, and South Carolina, hay stocks as a percent of production decreased from last year Nationwide. Last year's historic drought led to a substantial decrease in hay production, and therefore beginning stocks for many States. In many areas, the limited availability of native feedstuffs forced producers to feed their

herds earlier than normal. Additionally, a cold, wet spring has limited pasture growth causing prolonged dependence on supplemental roughage and feedstuffs in portions of the Midwest.

Due to the drought emergency and the lack of quality-tested hay auctions in Wisconsin, five links are included in this report so producers can get obtain some state prices. The Equity Cooperative market report is at http://livestock.equitycoop.com/market_reports/. Go to the Lomira and Reedsville locations for their reports on hay and straw prices. The Fennimore Livestock Exchange is at http://www.fennimorelivestock.com/index.php?site=home. The Reynolds Feed & Supply, LLC of Dodgeville is at http://www.reynoldslivestock.com/what1snew/. The Tim Slack Auction and Realty, LLC of Fennimore is at http://www.timslackauctionrealty.com/market%20report.html. The Sheboygan County hay auction at Waldo is back. Results can be found at http://sheboygan.uwex.edu/2012-2013-sheboygan-county-hay-auctions/.

Helpful resources in Wisconsin about the drought:

Extension Responds - Drought 2012: http://fyi.uwex.edu/drought2012/

Farmer to Farmer website: http://fyi.uwex.edu/drought2012/2012/07/20/farmer-to-farmer-website-connects-those-with-feed-for-livestock-to-those-who-need-it/

An electronic neighborhood bulletin board that allows local farmers to get in touch with one another to facilitate the marketing of feed commodities. It has recently been expanded to connect those with productive pastures to those producers who are in need of pastures.

Drought 2012 (DATCP): http://datcp.wi.gov/Farms/Drought_2012/index.aspx

Drought 2012 (Wisconsin Emergency Management): http://ready.wi.gov/drought/default.asp

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