Weekly Hay Market Demand and Price Report for the Upper Midwest
as of Feb. 1, 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 now 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 up 4%. Large square bale prices were up 1%. Large round bale prices were up 3%. Sales activity was slow to active.

For *Nebraska*, hay prices were steady. Hay trade was slow. Demand was moderate. The USDA December 2012 ending stocks of hay is 29% below the 2011 stocks in Nebraska. Alfalfa yield was noted at about 3 ton/acre down 11.5%. Most of the state remains dry, but the southeastern part of the state received some heavy wet snow on Wednesday. For *Iowa*, hay prices were steady on a light test. Buyer inquiry was moderate. Hay auctions have been active at various locations around the state.

In *South Dakota*, hay prices were steady to $22.30 higher. There was good demand for all qualities of hay. Producers have noted that there is strong interest in grinding cow hay and cattle producers are willing to pay the higher prices. The margin between high quality alfalfa and grinding quality is narrowing. Hay supplies continue to be tight. Several producers are reporting that they are sold out for the year or are down to just a few loads left to sell. Frigid cold weather throughout the area late in the week brought some producers to a standstill. Wind chills were reported as low as -35. Warmer weather is forecasted for the weekend and into next week with a slight chance of moisture.

For *Missouri*, alfalfa hay prices were steady to $3.35 higher. With temperatures this week both unseasonably warm and bitterly cold, the best part of every forecast was the precipitation. Most areas in the state got a measurable rain (some topping two inches) and some got added snow as well. While hay supplies are light to moderate, large lots of hay are not widely available and it may take several calls to piece together a large order. Full loads, or multiple load orders, are still mostly coming from the Southeastern United States. Demand is moderate for all hay types, with dairymen the only ones actively seeking to meet their needs.

In *Southwest Minnesota*, hay prices were $18.75 lower. Sales activity was good.

The demand for *Illinois* hay was moderate to good, as sales activity was moderate to active. Hay prices were steady to $2.10 higher. Demand remained good from all the livestock interests. Dairy producers are battling high feed costs, especially hay, along with lower milk prices. Other producers are weighing higher hay costs with other parts of their budget and hay availability. The USDA's Hay Stocks report indicated that US hay stocks, as of December 1, 2012 are the lowest since 1957 at 76.547 million tons that compares with 90.726 million tons last year and 73.058 million tons in 1957. On the other hand, hay stocks in Illinois are higher than one year ago at 1.05 million tons. This compares to December 2011's figure of 980,000 tons, which was the lowest number for Illinois in over 50 years. Other states surrounding Illinois had their hay stocks show lower numbers compared to one year ago and some of the lowest stocks in many years. Demand for wheat straw continues to be light to moderate for moderate supplies.

For *Wisconsin*, hay prices were $10.35 higher on good trading at a quality-tested hay auction in Fennimore.

Straw prices in the Midwest averaged $3.30 per small square bale (range of $1.00 to $5.00); $41.31 per large square bale (range of $20.00 to $56.25); and $45.38 per large round bale (range of $30.00 to $57.50). Compared to the previous week, straw prices for small square bales were 1% lower. For large square bales, prices were steady. For large round bales, prices were 31% higher.

Hay Price Summary

Hay Grade	Bale type	---------- Price ($/ton) ----------		
		Average	Minimum	Maximum
Prime (> 151 RFV/RFQ)	Small Square	265.04	124.00	360.00
	Large Square	283.28	156.25	320.00
	Large Round	262.33	100.20	300.00
Grade 1 (125 to 150 RFV/RFQ)	Small Square	199.11	100.00	290.00
	Large Square	243.75	180.00	295.00
	Large Round	199.06	140.00	245.00
Grade 2 (103 to 124 RFV/RFQ)	Small Square	130.50	100.00	172.00
	Large Square	169.31	100.00	267.50
	Large Round	102.22	80.00	125.00
Grade 3 (87 to 102 RFV/RFQ)	Small Square	No reported sales		
	Large Square	No reported sales		
	Large Round	205.00	205.00	205.00

The next Weekly Hay Market Demand and Price Report for the Upper Midwest will be posted on February 11.

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