

Grass and Legume Seed Market Update – Dec, 2011

With the New Year comes the hope for good health, good times and good prosperity. But realistically, most hope for the best, but accept what does happen.

With the grass and legume seed industry, it appears as if we've moved out of the bottom of the market doldrums, with better times ahead. Hopefully this holds. Price quotes for growers have improved from this time last year. But for processors, the projected decreases in production will hamper business moving forward. Seed production is way down. Those growers in the grass and legume seed business should see better returns, but with less seed to clean and market, processors have to tighten their belts to stay competitive.

With the world economic situation still stalled, turf grass seed quotes have failed to jump to better levels. The US reported an average grass seed crop this past year, with good fall movement. However, demand for our Canadian creeping red fescue continues to move sideways, with prices showing likewise. Creeping red fescue quotes have stalled around the 45 to 48 ¢/lb range. However, requests for creeping red fescue quotes are starting to pick up, so hopefully, this will create enough demand to drive prices up in the near term. Export demand for certified Boreal continues to be good, with a 5 to 7 ¢/lb premium.

The forage grass quotes remain positive. Prices have stabilized following this past fall's run-up in prices. Smooth brome grass quotes are in the \$1.10 to \$1.30/lb range, with certified Carlton showing a 10 ¢/lb premium. Meadow brome grass seed quotes have settled in the 1.00 ¢/lb up to \$1.30/lb range. Certified Fleet meadow brome is quoted up to \$1.35/lb. Timothy seed quotes have settled in around the 70 to 75 ¢/lb range, but looking long-term, this is a strong price quote. With Certified timothy seed production down last year, quotes for certified Climax timothy are showing a 10 to 20 ¢/lb premium.

On the legume side of things, red clover seed prices remain strong in the 75 to 90 ¢/lb range, while there is strong demand for alsike clover seed, pushing quotes up to the \$1.00 to \$1.15/lb range.

Alfalfa seed acres in Canada are well down from a few years ago, and with below average production across the Prairie Provinces, price quotes for common alfalfa seed is in the \$1.50 to \$1.65/lb range, with Variety not stated varieties 10 to 15 ¢/lb higher.

With the Christmas season over, processors are now hoping spring orders from end users will pick up. With lower production in North America, and if supply / demand economics kick in, growers may see even stronger prices. The market is now watching to see what demand will be out there....

Grass and Legume Seed Quotes												
	Creeping Red Fescue	Boreal Creeping Red Fescue	Smooth Brome grass	Carlton Smooth Brome grass	Meadow Brome grass	Fleet Meadow Brome grass	Timothy	Climax Timothy	Alfalfa	Red Clover	Alsike Clover	Sweet Clover
	Com #1	Cert #1	Com #1	Cert #1	Com #1	Cert #1	Com #1	Cert #1	Com #1	Com #1	Com #1	Com #1
Jan 4/11	30-32	35	50-60	60-80	60-80	80-100	40	55-60	120-140	60-70	60-85	70-100
Feb 1	30-32	35	50-60	60-80	60-80	80-100	40	55-60	120-140	60-70	60-85	70-100
Mar 1	32-34	37	55-65	75-90	60-80	80-100	40-42	55-60	120-140	65-75	60-85	80-110
Mar 29	35	40-48	55-65	75-90	60-80	80-100	40-42	55-60	120-140	65-75	60-85	80-110
Apr 26	35-40	45-48	60-70	70-80	75-85	100-115	45	55-65	125-145	65-70	75-95	65-85
June 7	35-38	45-50	60-70	70-85	75-85	100-115	45	55-65	130-145	65-70	75-95	65-85
July 5	40-45	50-55	60-75	70-85	75-85	100-115	45-50	55-65	130-145	65-70	75-95	50-80
Aug 2	42-45	50-55	60-78	70-90	75-90	100-120	50-55	55-70	130-145	65-75	75-95	50-80
Aug 30	45	50-55	70-85	90-100	80-95	100-130	60-70	80+	130-145	70-80	85-100	60-85
Sept 20	45	55	90-125	120-135	90-110	120-130	65-75	80-90	130-145	75-90	85-110	60-85
Oct 25	50	55	100-130	135-140	90-120	130-140	70-75	80-100	130-145	80-90	100-110	60-85
Dec 6	45-48	55	110-140	140-150	90-110	120-130	70-75	80-100	150-165	80-90	100-115	60-85
Jan 3/12	45-48	55-60	110-130	140-150	100-130	120-140	70-75	80-100	150-165	75-90	100-115	60-85