

Grass and Legume Seed Market Update – Aug 2, 2011

It's not only the Canadian prairies experiencing a cool, wet summer, but the world's largest grass seed production area, Oregon, has also experienced similar weather patterns. So, with these cool conditions, the creeping red fescue harvest in the Peace River region of Alberta is just getting started this week. And that's only swathing operations. However, Oregon is not much further ahead. Combining of their perennial ryegrass crop may start this weekend, but everything else is also like Western Canada, 2 to 4 weeks behind schedule. With Oregon being the price setter for the grass seed sector, until their production is known, prices will not be set in stone.

Like last month, price quotes for most species have now settled into a last quote routine, with no one wanting to put out a new quote, especially with no new crop in the bin. 2011 production won't be known for a while, but with a big decrease in acres, the consensus is, price quotes should move up.

Fall quotes for creeping red fescue are still in the 42 to 45 ¢/lb range, with certified Boreal creeping red fescue commanding a good 10 ¢ +/lb premium. With acres short this year, prices should remain in the 45 ¢/lb plus range this fall.

The forage grass seed markets are expected to hold their own. With expected production down due to lower acres, there's already talk of good price quotes for some forage grass species.

Quotes this past spring for smooth brome grass seed were in the 60 to 85 ¢/lb range, with certified Carlton at a 15 to 25 ¢/lb premium. Meadow brome grass quotes were in the 75 to 85 ¢/lb range, with certified Fleet 20 to 30 ¢/lb higher. Timothy was quoted at 45 ¢/lb, but there is room for movement. Certified Climax timothy commanded a 15 to 20 ¢/lb premium.

Clover seed quotes were around 60 to 70 ¢/lb for common red clover, and 75 to 90 ¢/lb for alsike clover. Sweet clover quotes have moved into the 50 to 80 ¢/lb range, while alfalfa seed quotes remained in the \$1.30 to \$1.45/lb range.

However, with inventories now down due to production decreases the past few years, any demand could have a significant bullish affect on pricing. With this year's production delayed, and with good rainfall resulting in delayed harvest of many grass and legume seed fields, it's still a ways to go until harvest. When you look at the lower acres this year, delayed harvest, the prospect of seed yields and harvest being affected by too much rain/longer growing season, there could be a good rally in prices for most grass and legume seed crops this fall.

Grass and Legume Seed Quotes

	Creeping Red Fescue	Boreal C R 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
5 Jul -10	35-38	40-42	35-40	40-45	70-100	100-120	25-30	40	120-145	50-65	35-45	30-40
3-Aug	32-35	35-37	35-40	40-45	60-80	80-110	25-35	40-45	100-140	50-60	35-45	30-40
31-Aug	32-35	35-37	35-40	40-45	60-80	80-110	32-40	40-45	120-140	50-60	35-45	40-50
5-Oct	30-32	35	35-40	40-45	60-80	80-110	35-40	40-45	120-140	55-60	50-60	50-60
Nov 2	30-32	35	35-40	60-70	60-80	80-120	40	42-45	120-140	55-65	60-70	60-75
Nov 30	30-32	35	40-45	60-80	60-80	80-100	40	45-50	120-140	55-65	60-75	70-85
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
April 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

Prices are quotes only, until actual orders come in, that's when firm pricing is established

