



THE HOYT REPORT

HAY MARKET INSIGHTS & ANALYSIS

Hi-Gest[®] ALFALFA
TECHNOLOGY

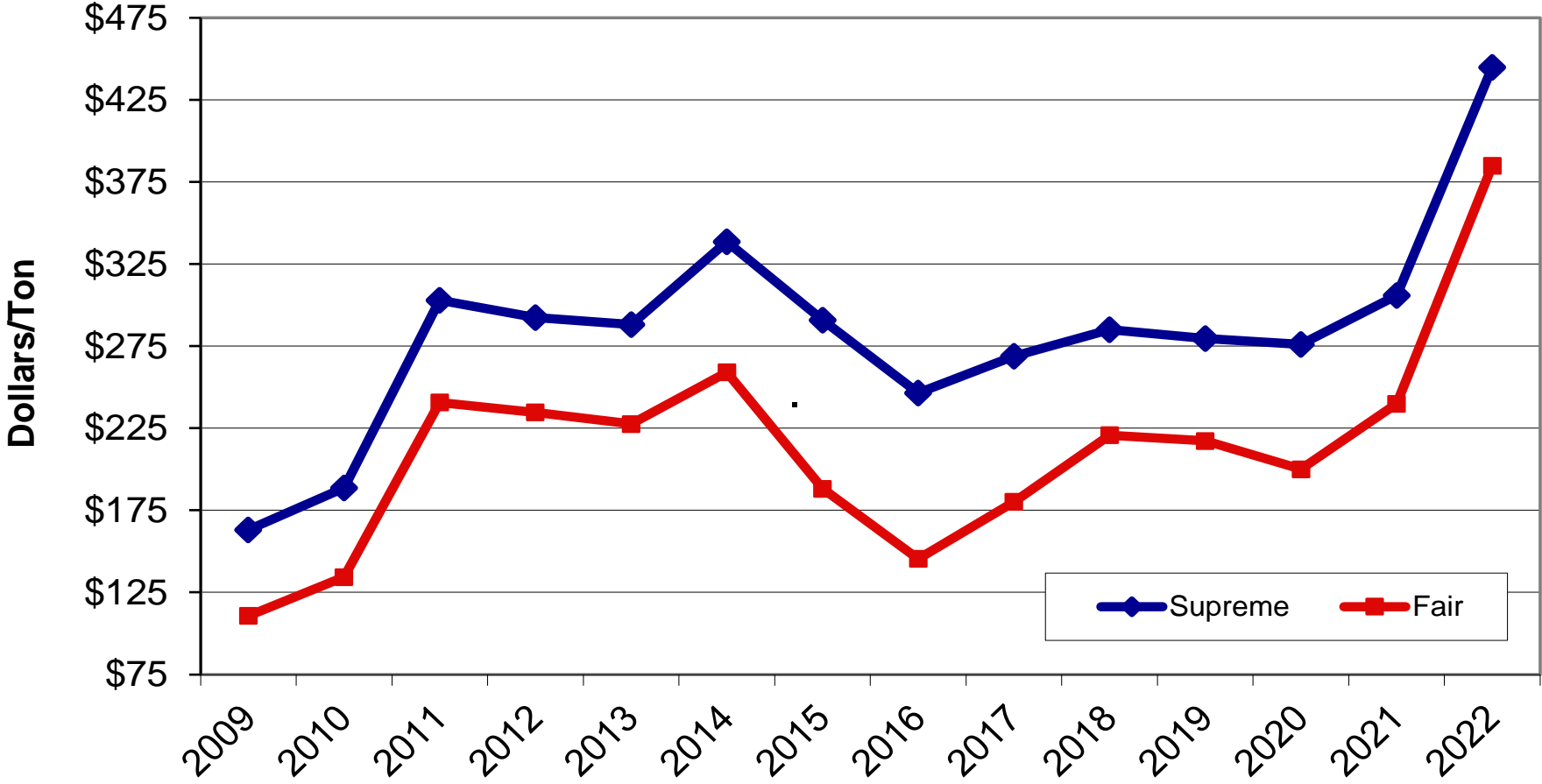
**Make the
Switch!**

Alforex
Seeds Patents Pending

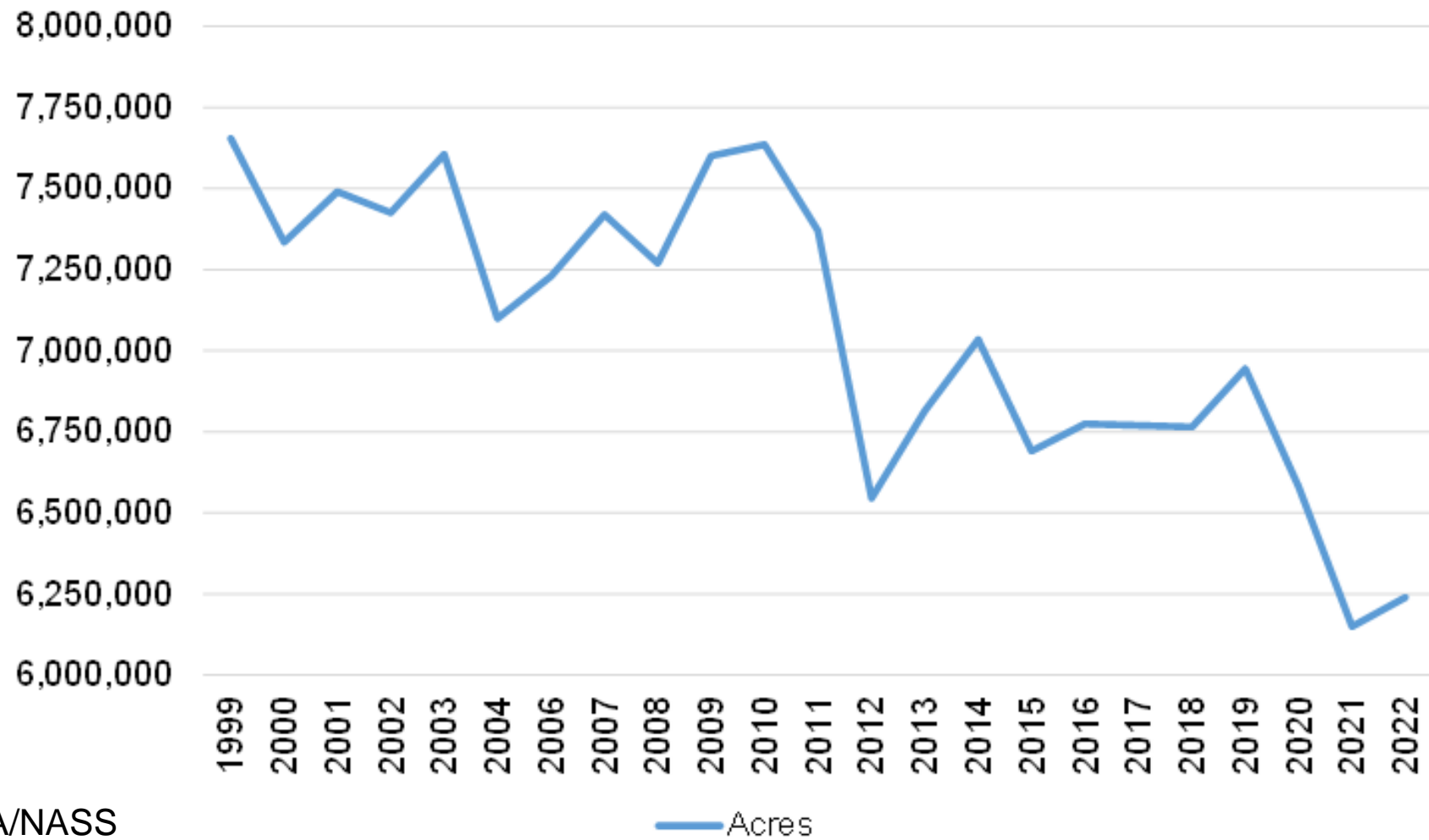
Status of Western Hay Markets

Josh Callen, The Hoyt Report

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

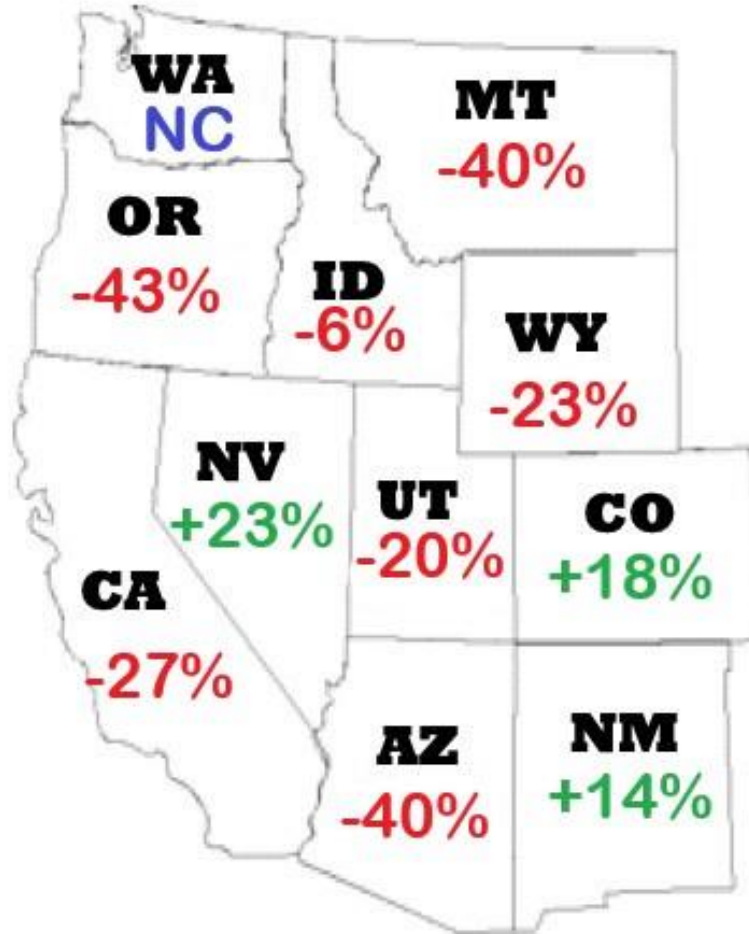


Alfalfa Hay Acres of the 11 Western States



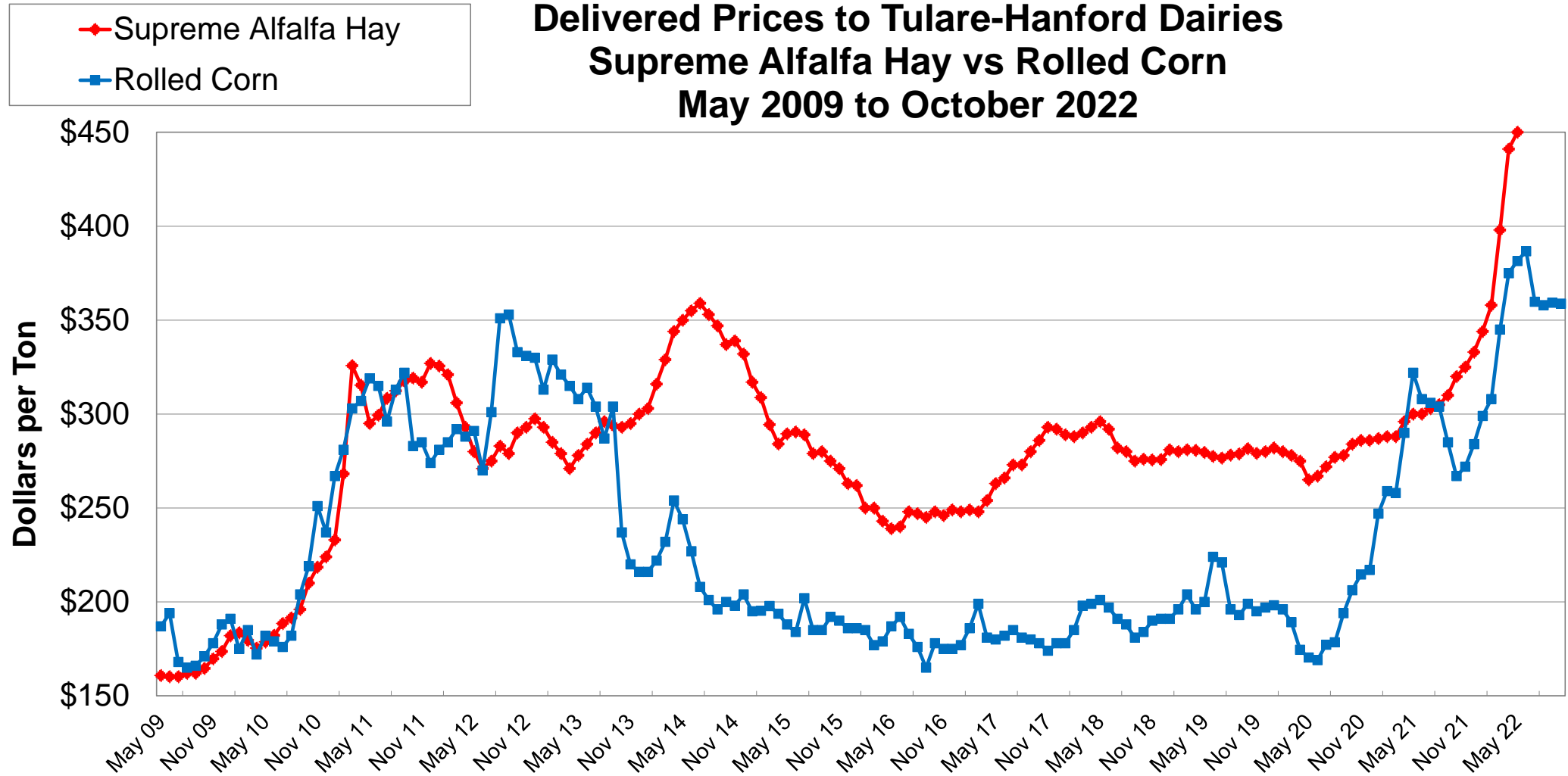
Source: USDA/NASS

December 1, 2021
Hay Stocks
2021/2020 % Change



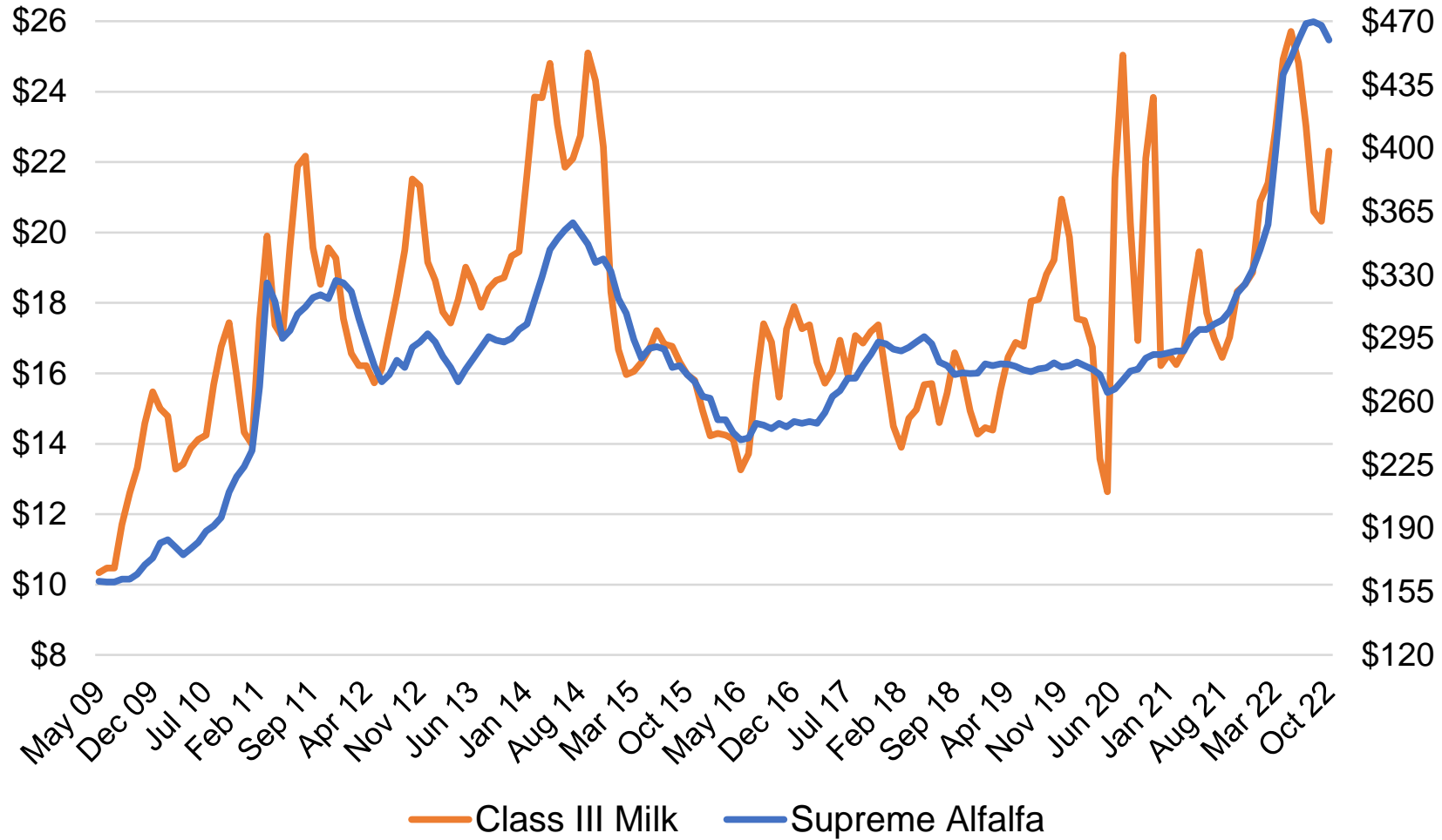
Source: USDA-NASS

Delivered Prices to Tulare-Hanford Dairies Supreme Alfalfa Hay vs Rolled Corn May 2009 to October 2022

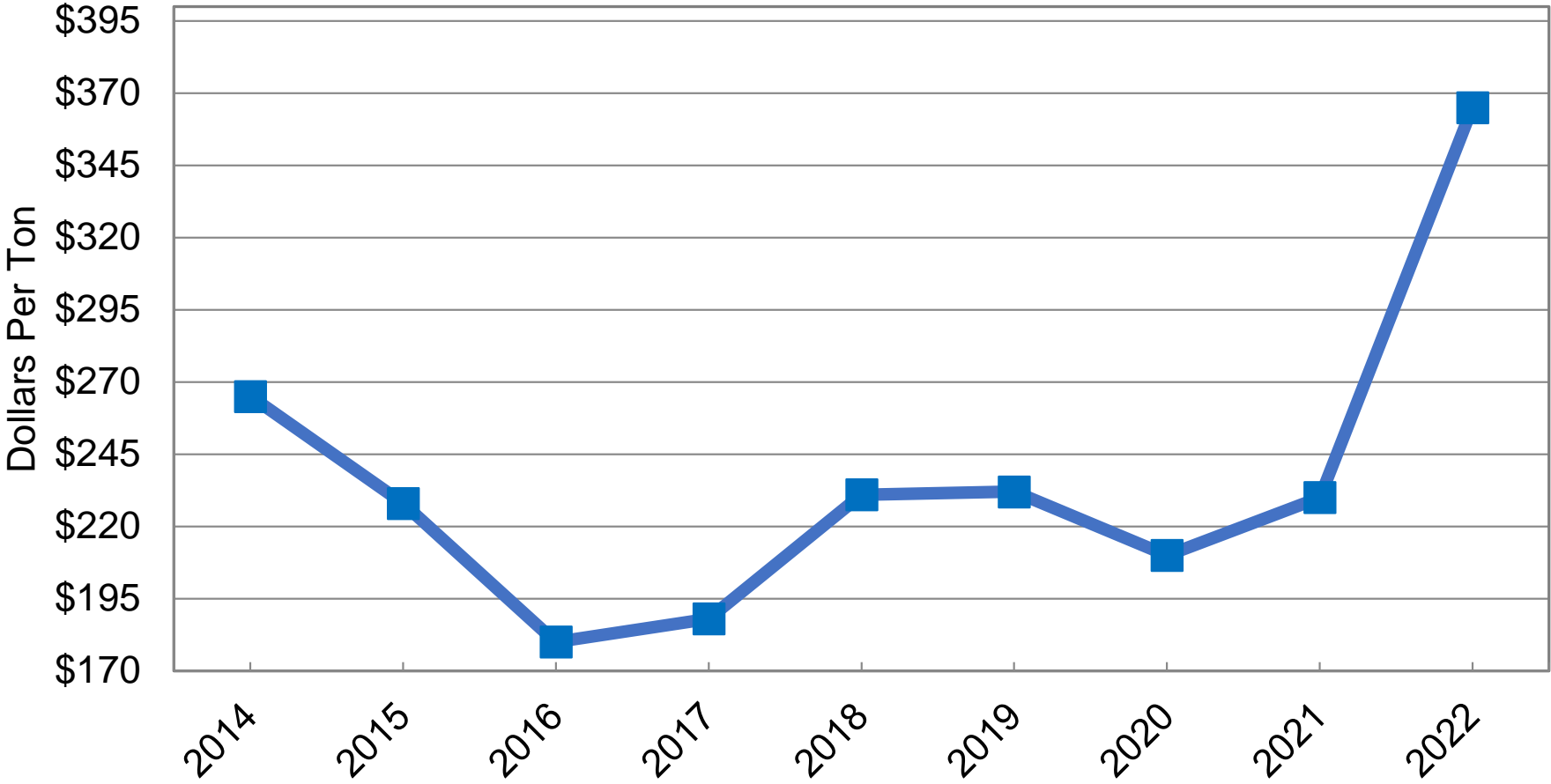


Sources: Rolled Corn - Western Milling , Alfalfa Hay-The Hoyt Report

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

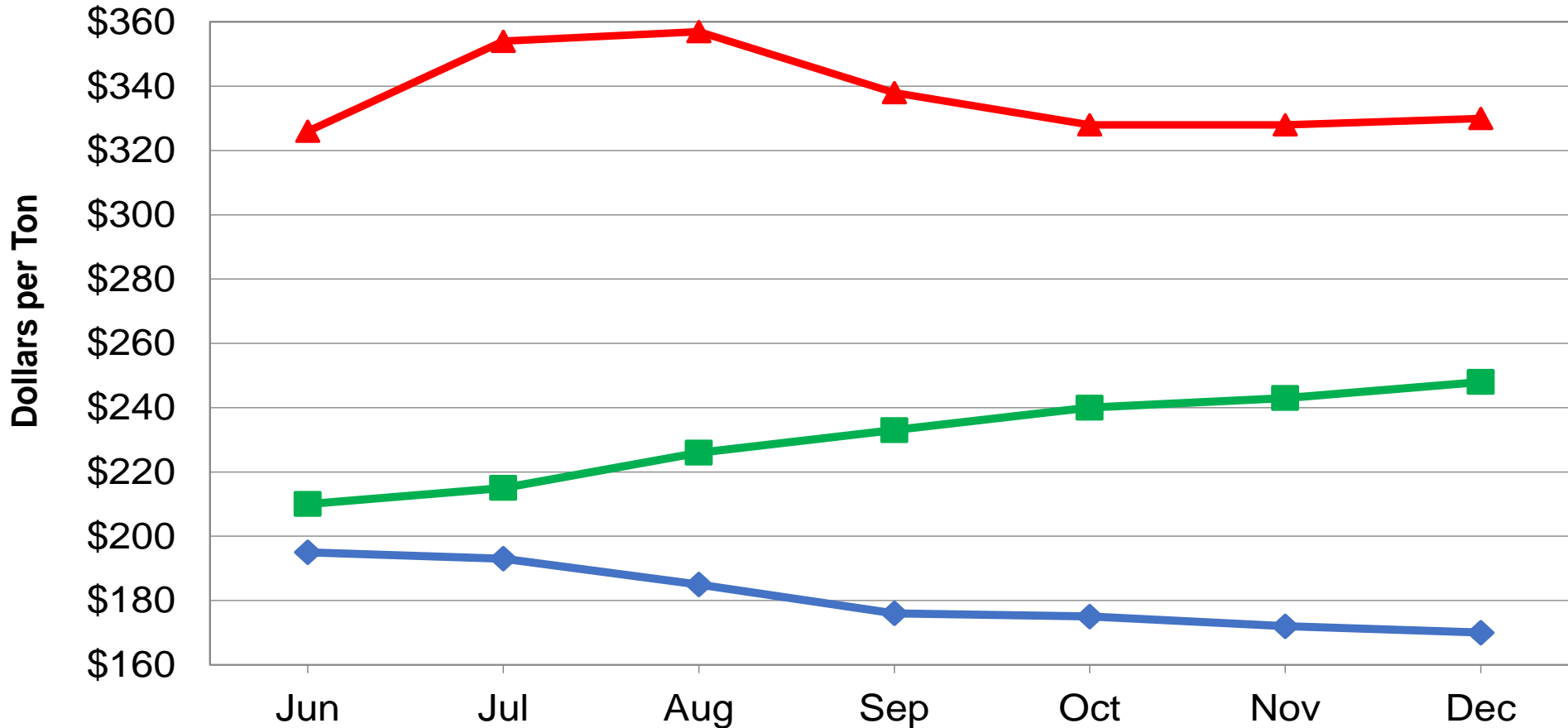
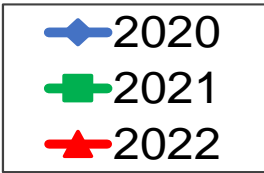


Imperial Valley Supreme Export Alfalfa Hay Big Bale FOB Prices First of April 2014-2022



Source: The Hoyt Report

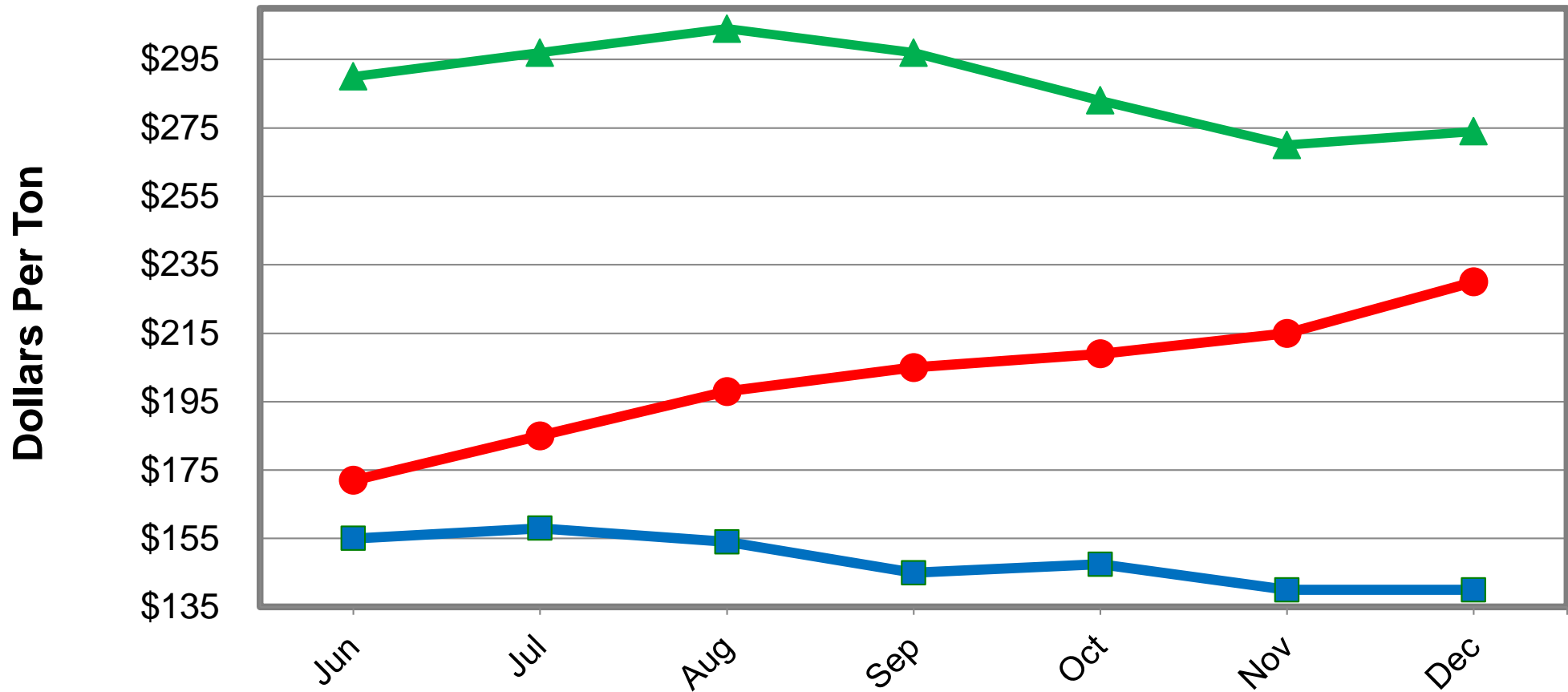
WA-OR Columbia Basin Premium Export Alfalfa Hay Big Bales FOB Wrapped Stack June through December 2020 - 2022



Source: The Hoyt Report

Washington Fair Alfalfa Hay for Dairies/Beef Cows FOB Prices June-December 2020-2022

- 2020
- 2021
- 2022



Source: The Hoyt Report

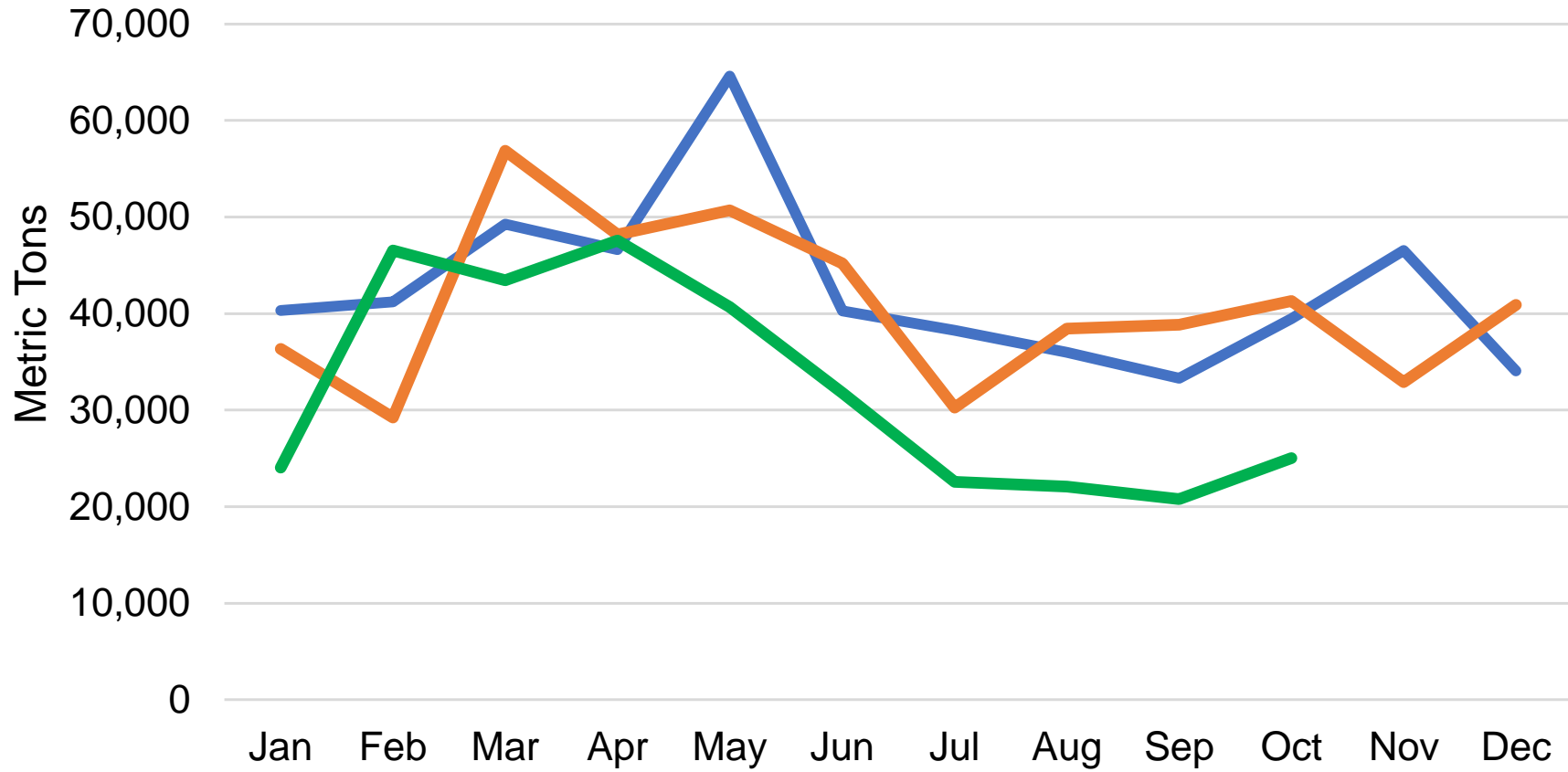
2022 First Cutting Export Timothy Prices FOB Wrapped Stacks WA-OR Columbia Basin

3-Tie Bales			Big Bales		
Quality	Avg Price	Price Range	Quality	Avg Price	Price Range
Premium Horse	\$422	\$400-\$450	Super Premium	\$400	\$385-\$415
Low Premium Horse	\$408	\$385-\$430	Premium Dairy	\$378	\$365-\$400
#1 Horse	\$383	\$365-\$400	Low Premium Dairy	\$357	\$340-\$365
			#1 Dairy	\$300	\$250-\$340

2022 First Cutting Export Timothy Prices \$ Change From First Cutting 2021

3-Tie Bales			Big Bales		
Quality	\$	% Change	Quality	\$	% Change
Premium Horse	+\$87	26%	Super Premium	\$89	29%
Low Premium Horse	+\$101	33%	Premium Dairy	\$96	34%
#1 Horse	+\$118	45%	Low Premium Dairy	\$123	53%
			#1 Dairy	\$107	55%

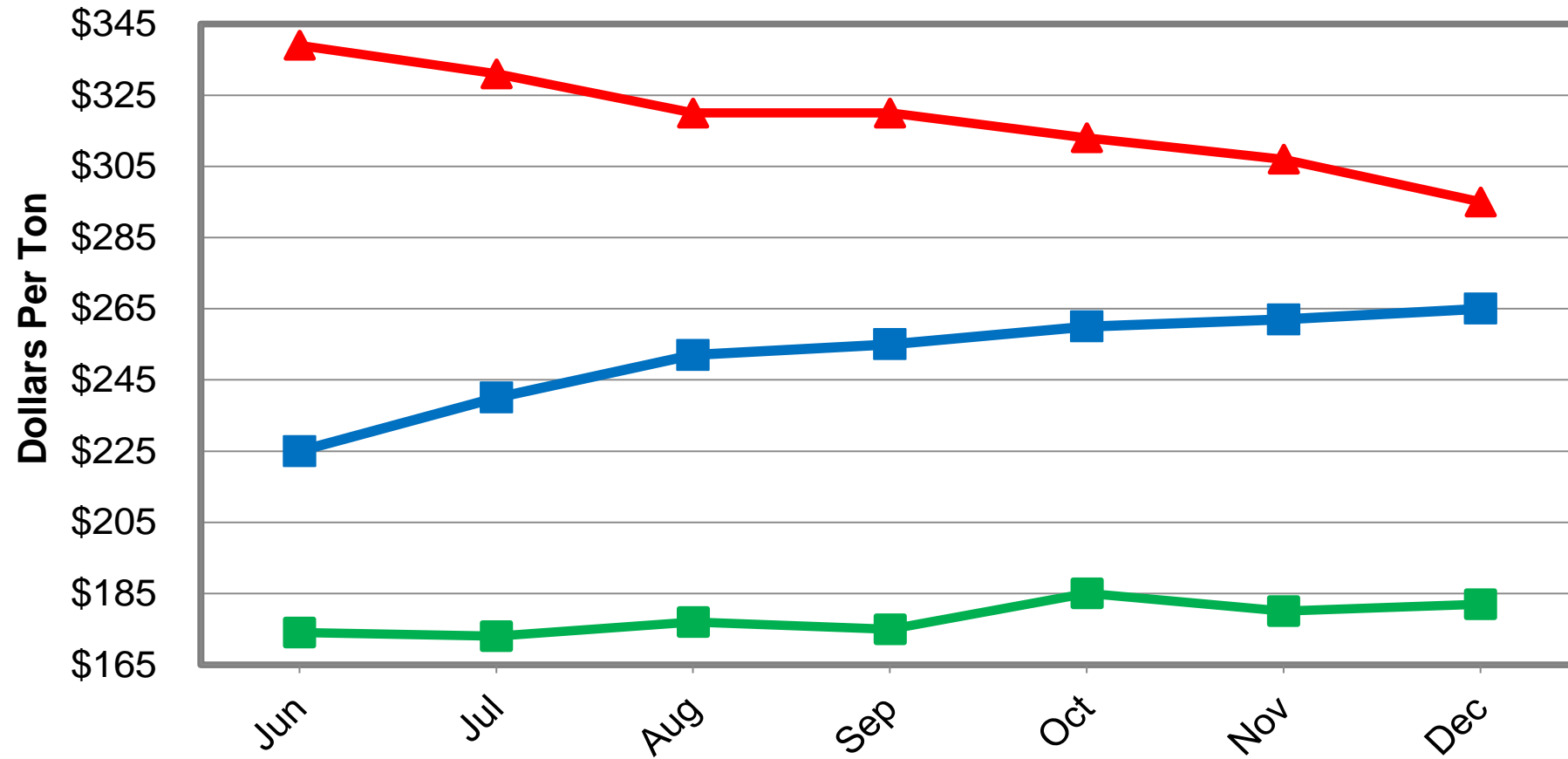
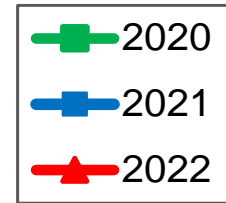
U.S. Timothy Hay Exports To All Destinations 2020-2022



Source: Datamyne

— 2020 — 2021 — 2022

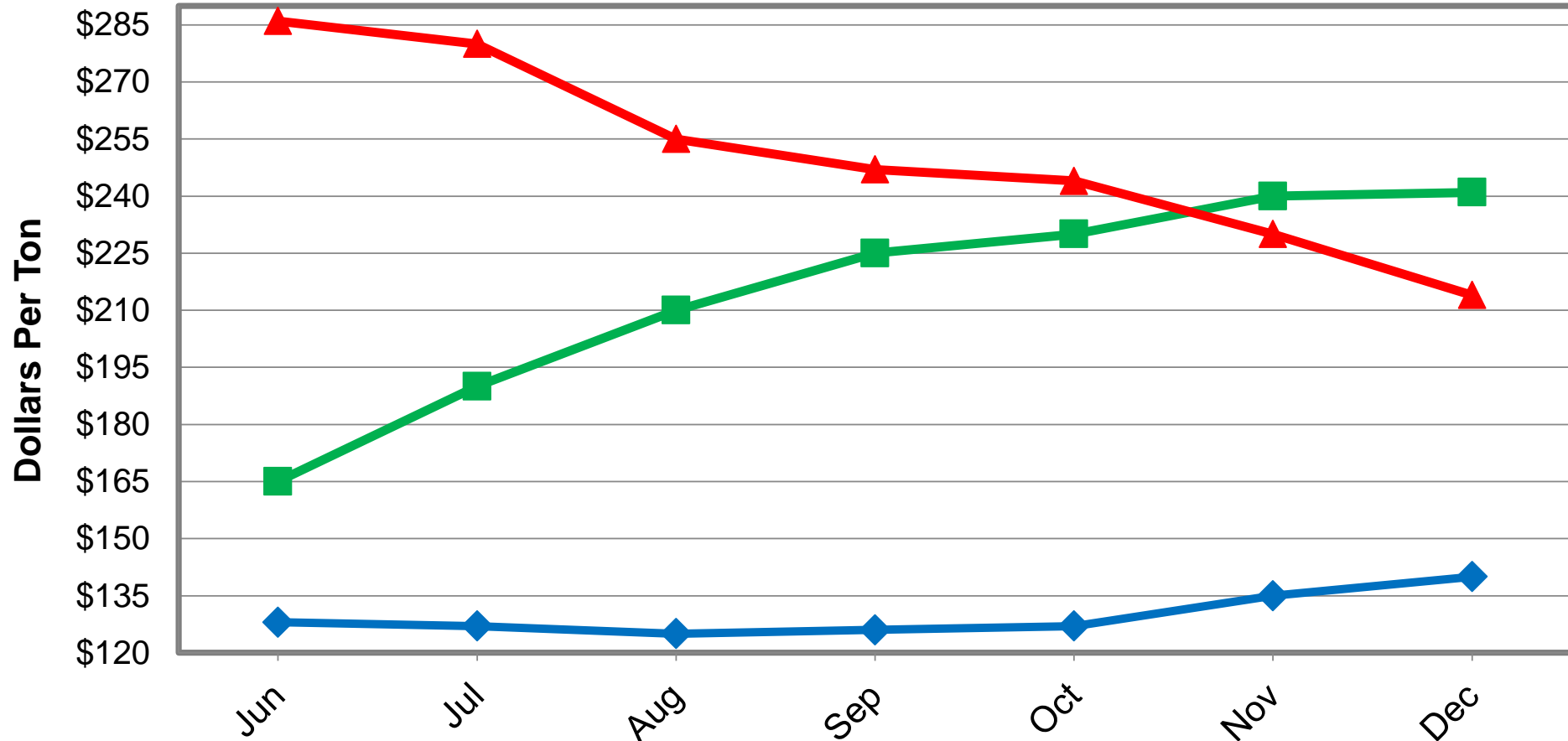
Idaho Supreme Hay FOB Prices for Dairy & Export Jun-Dec 2019-2022



Source: The Hoyt Report

Idaho Fair Alfalfa Hay for Dairies FOB Prices June-Dec

- 2020
- 2021
- 2022



Source: The Hoyt Report

2022 Review



Early summer rain in Washington damaged first cutting and led to less high-quality alfalfa.



Record High Hay Prices Across the West



Market Trended Softer of the Summer

Live Polling

What will your alfalfa acres be in 2023 compared to 2022?

Text 1 Up Significantly

6%

Text 2 Up Slightly

33%

Text 3 About the Same

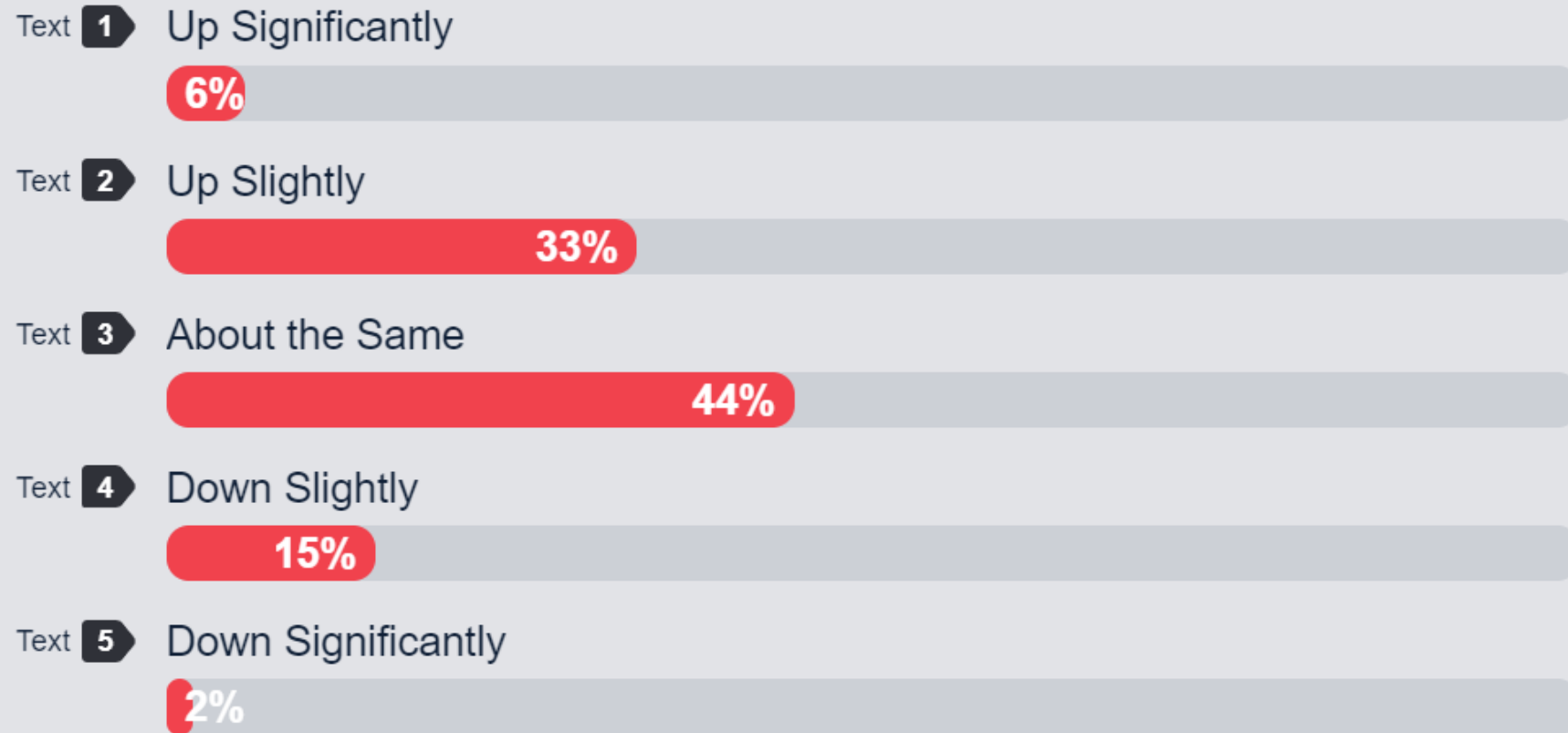
44%

Text 4 Down Slightly

15%

Text 5 Down Significantly

2%



What will your timothy hay acres be compared to last year?

Text 1 Up Significantly

8%

Text 2 Up Slightly

12%

Text 3 About the Same

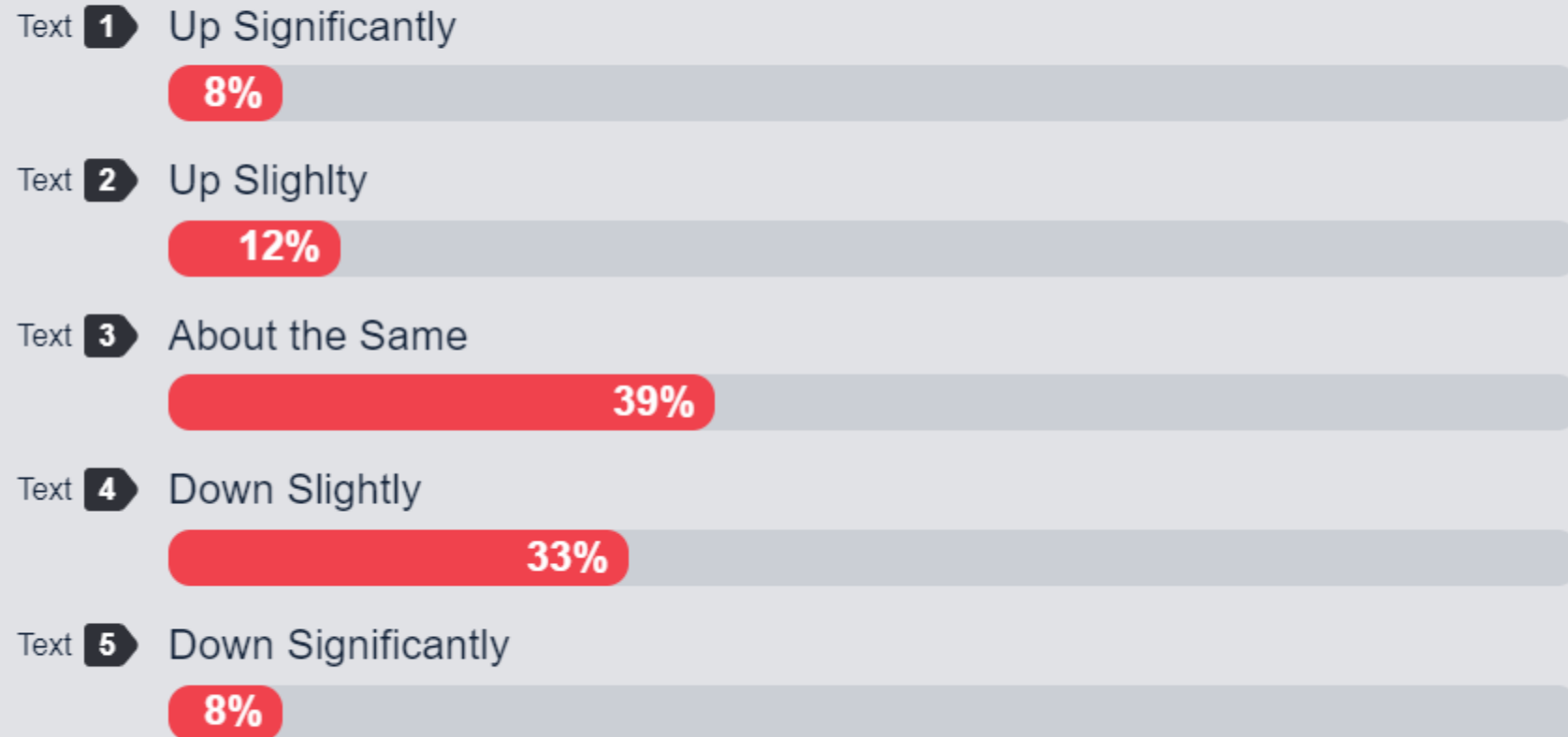
39%

Text 4 Down Slightly

33%

Text 5 Down Significantly

8%



Has your hay moved on schedule?

Text **1** Most has moved on time

38%

Text **2** About half was moved on time

35%

Text **3** Very little has moved on time

27%

My current on farm hay inventory, sold or unsold, is

Text **1** Significantly above average

13%

Text **2** Slightly above average

39%

Text **3** About average for this time of year

23%

Text **4** Slightly below average

23%

Text **5** Significantly below average

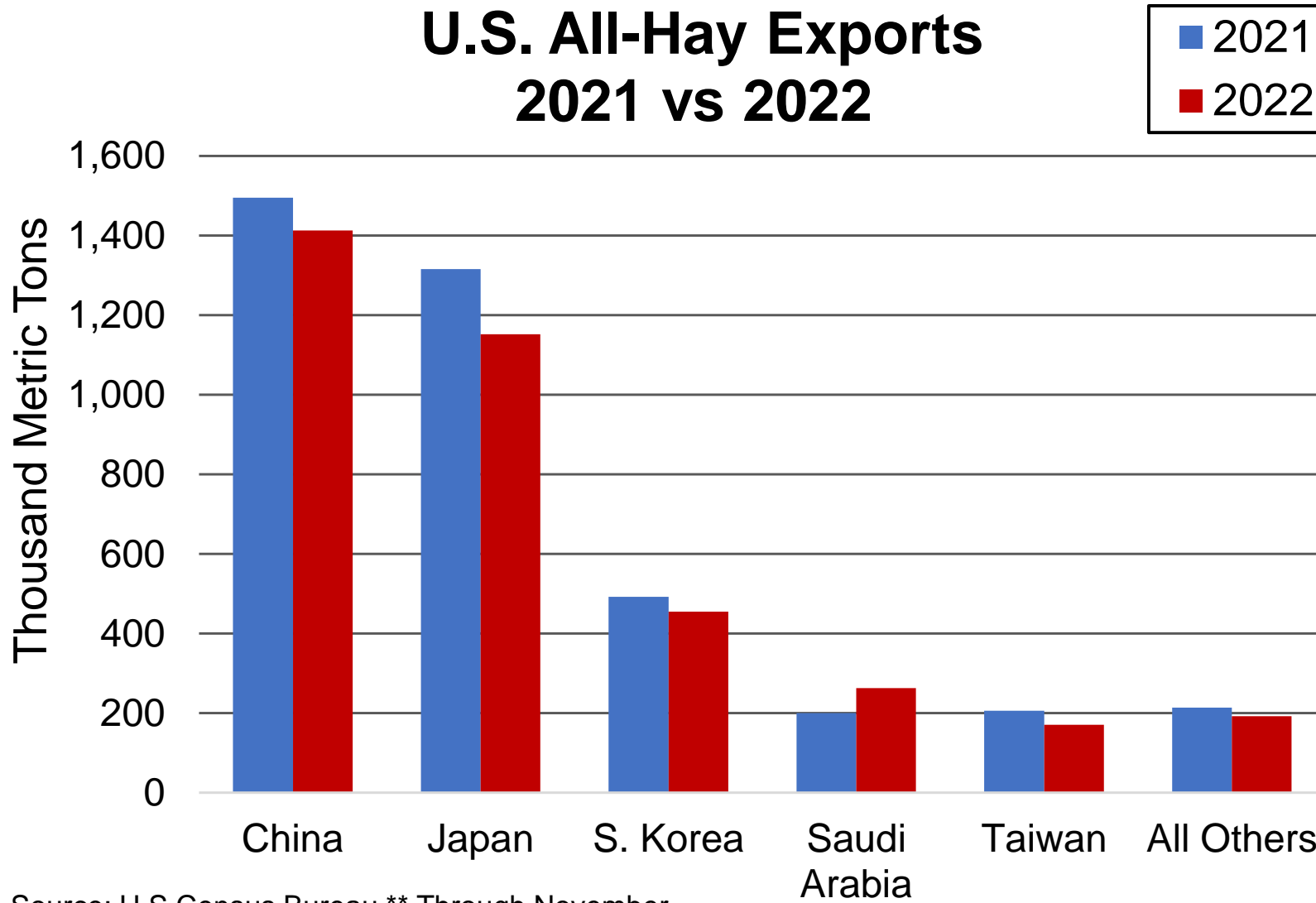
2%

Hay Exports

Japanese Yen Versus the U.S. Dollar 2010-Present

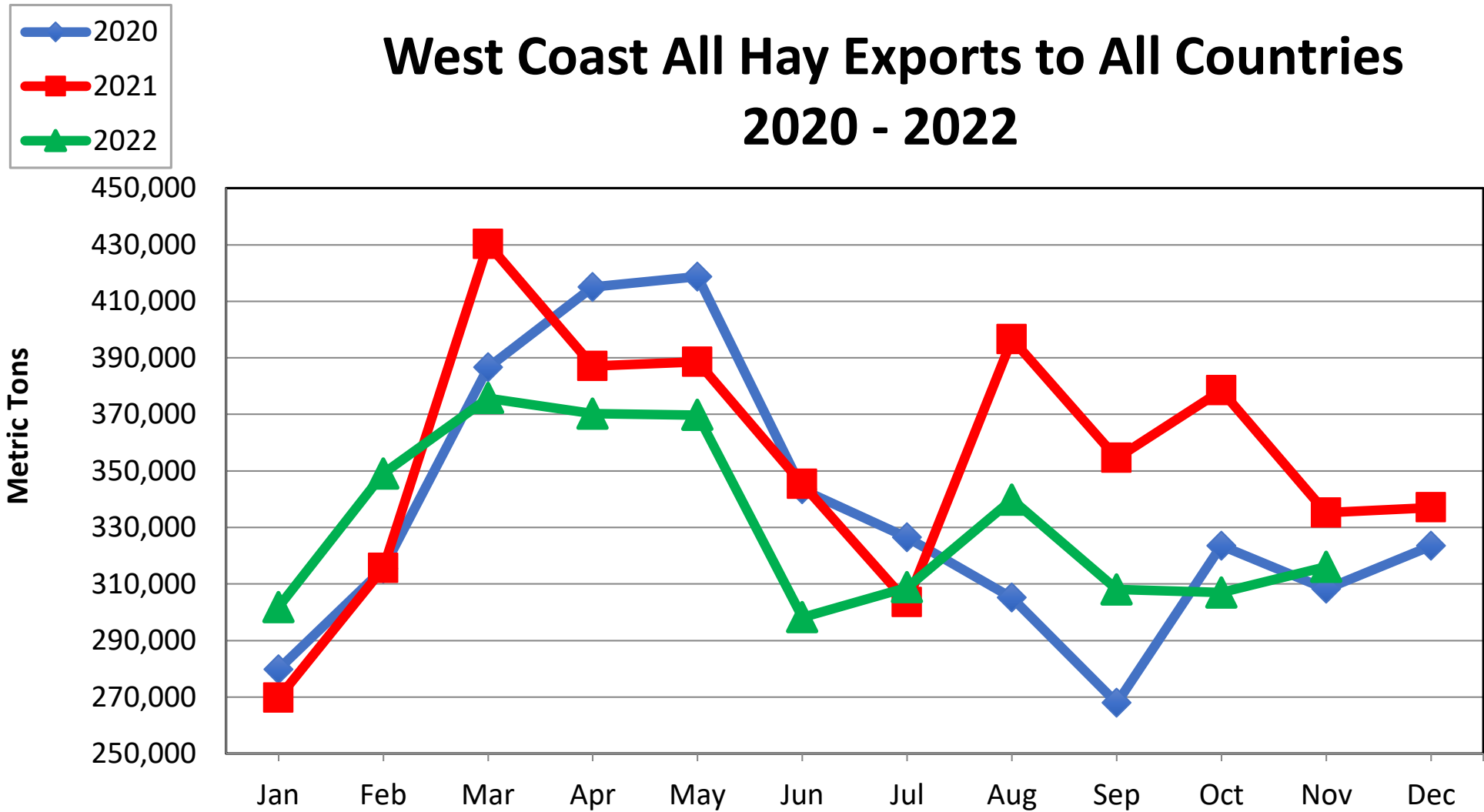


U.S. All-Hay Exports 2021 vs 2022



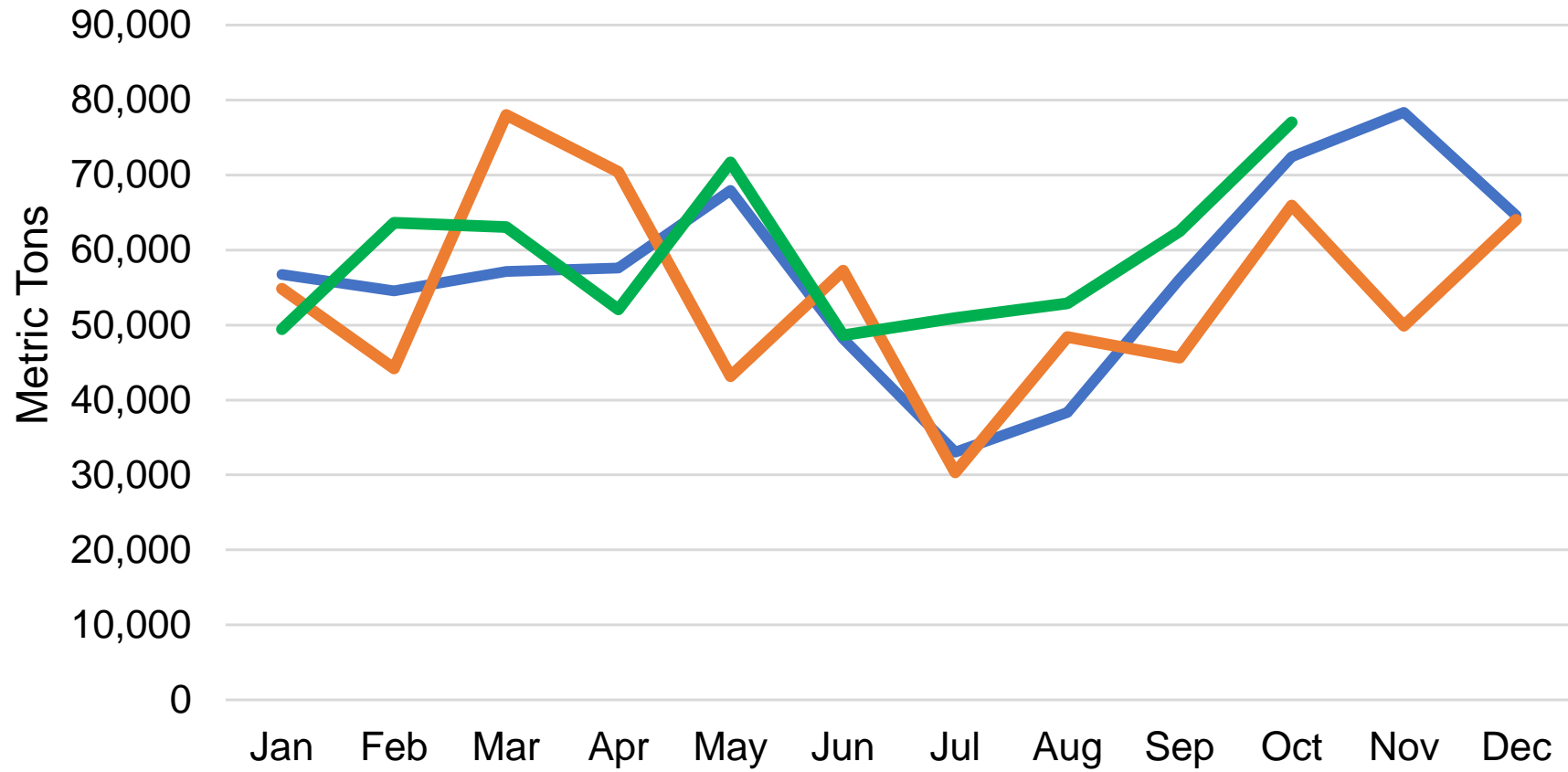
Source: U.S Census Bureau ** Through November

West Coast All Hay Exports to All Countries 2020 - 2022



Source: U.S. Census Bureau *** July & Aug adjusted to Datamyne totals

U.S. Grass Straw Exports To All Destinations 2020-2022



Source: Datamyne

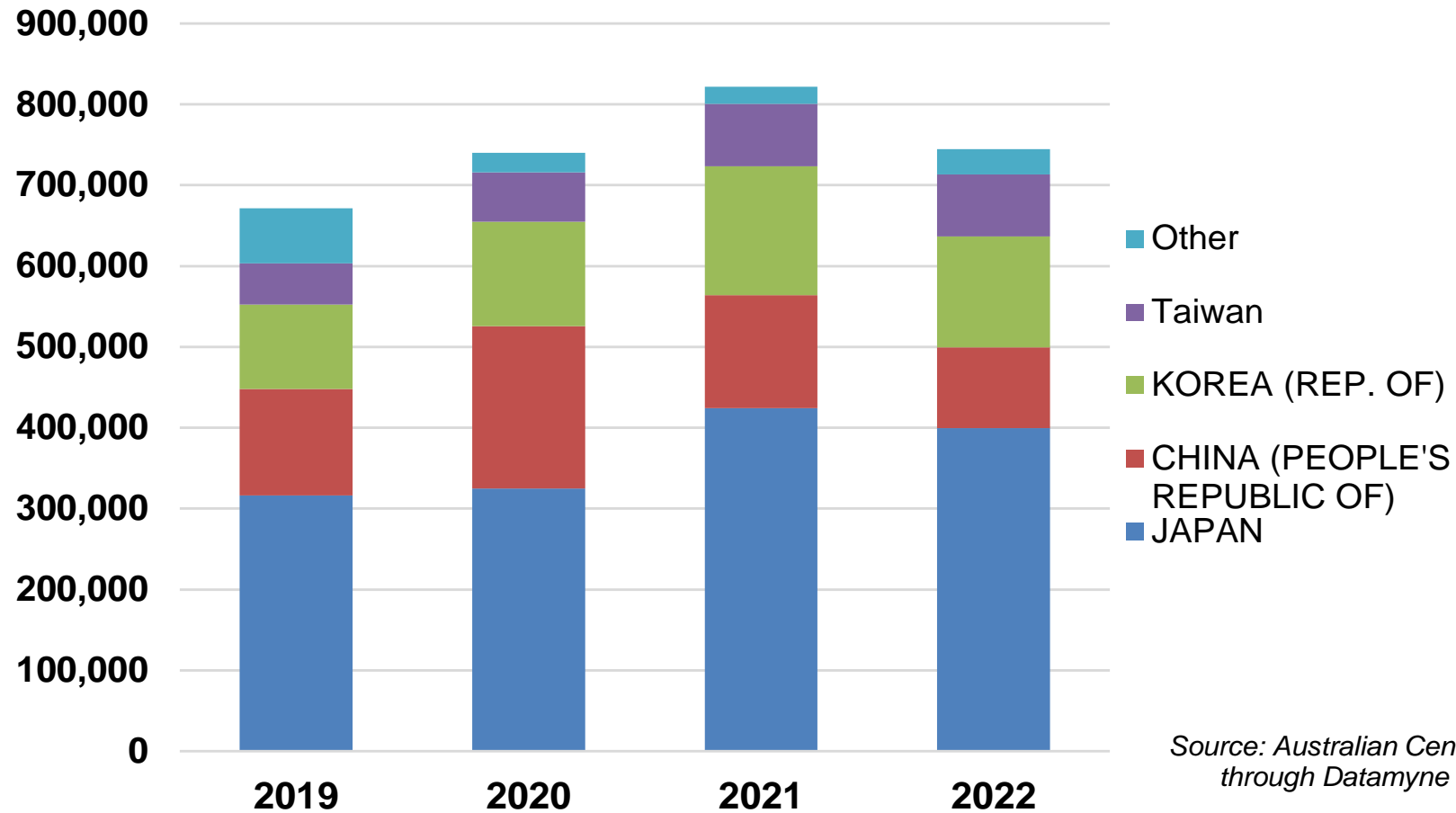
— 2020 — 2021 — 2022

U.S. Market Share Of Forage Imports By Major Asian Countries

Country	2019	2020	2021	2022
Japan	72%	73%	69%	65%
China	66%	69%	75%	73%
South Korea	83%	76%	76%	72%

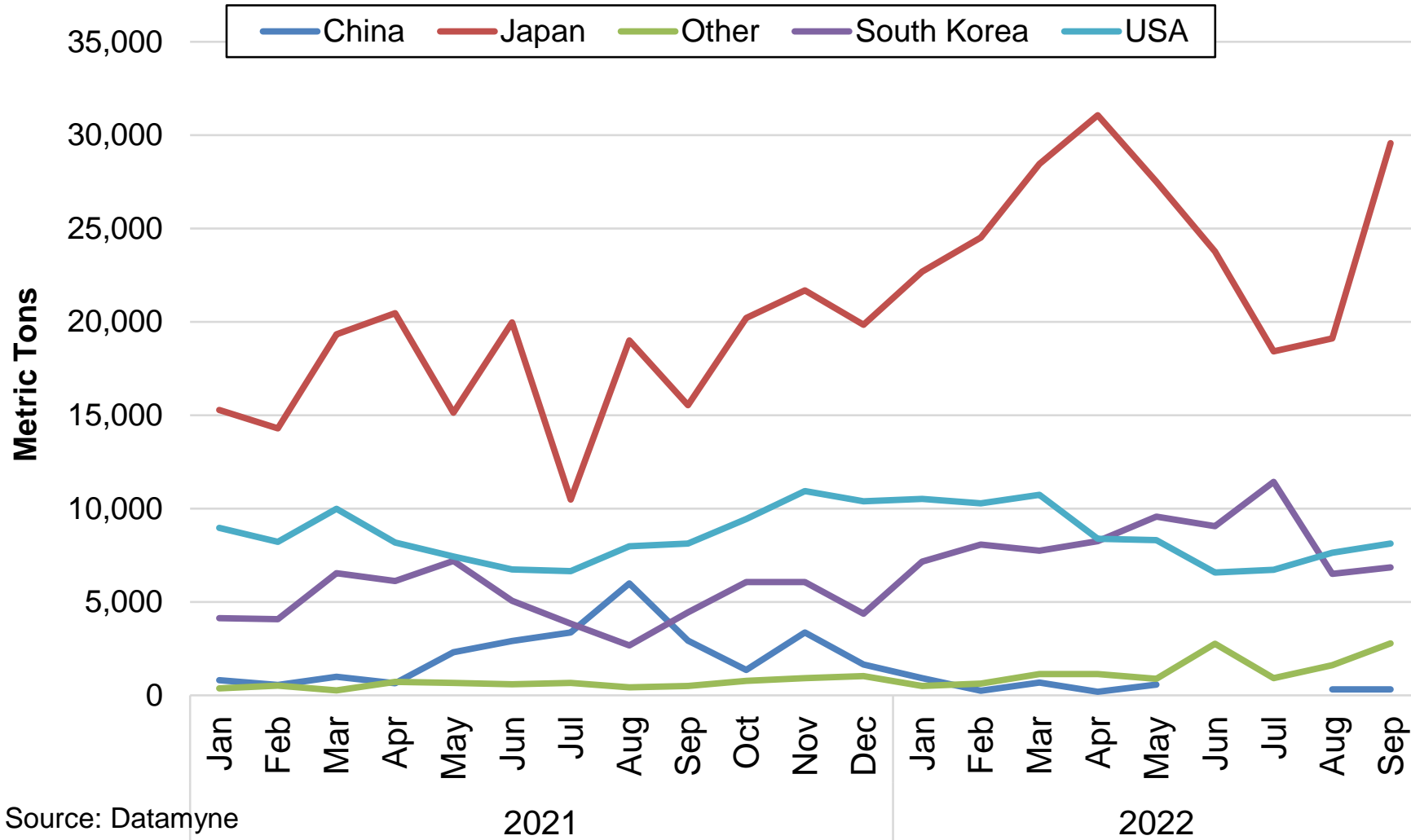
Source: Datamyne HS codes for alfalfa & grass hays excludes pellets & cubes. Through first ten months of each year. Does not include mixed feed imports going to South Korea.

Australia All-Hay and Straw Exports Through Aug By Year

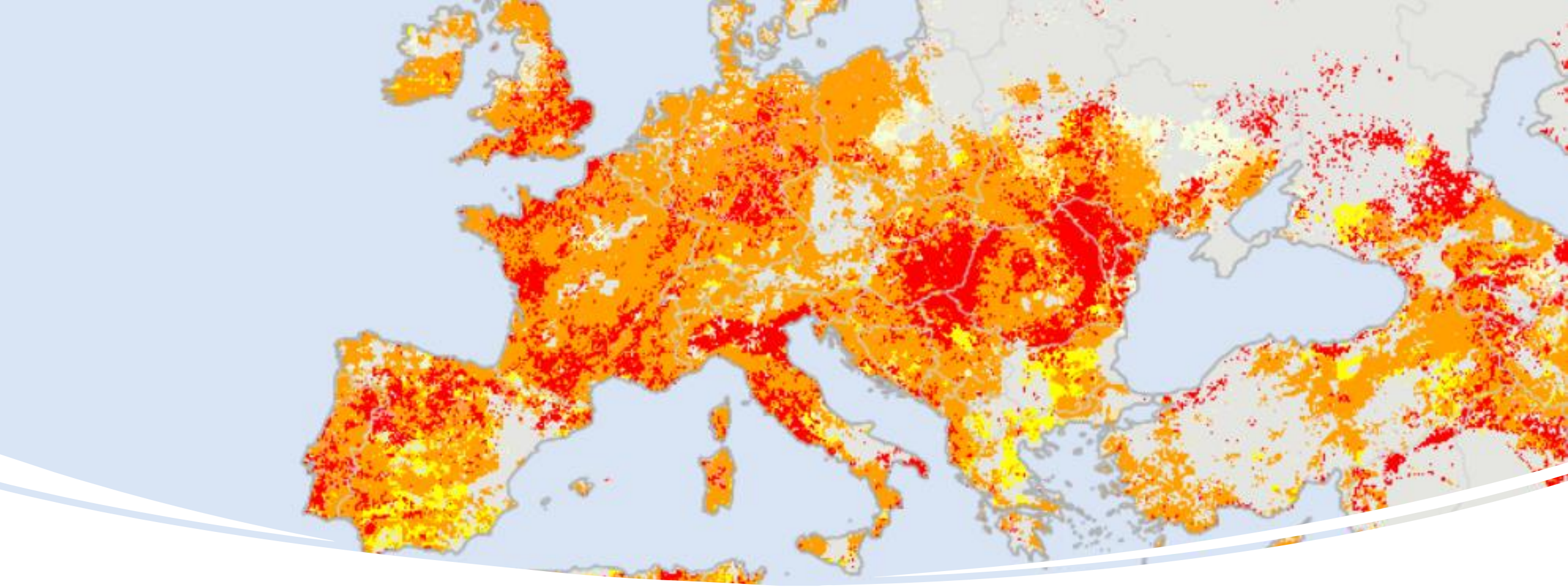


Source: Australian Census through Datamyne

Canadian Timothy Hay Exports



Source: Datamyne



Global Forage Supplies

- Droughts In Key Producing Area
- Competition From Other Crops
- Supply Chain Issues
- Very Strong U.S. Dollar

Industry Trends



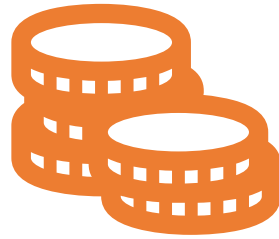
Shipping and Freight Rates are getting back to pre-pandemic levels



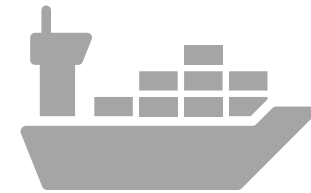
GMO alfalfa appears to be on track to be approved in China

Outlook for 2023

Two Key
Elements
for good
demand
For 2023



Milk Prices Hold Current
Levels



Exporters Are Able to Get
More of Their Current
Inventory Shipped

December 1 2022 Hay Stocks Report

State	2020	2021	2022	10-Year Avg
ARIZONA	300,000	180,000	250,000	255,000
CALIFORNIA	1,640,000	1,200,000	1,125,000	1,610,000
IDAHO	2,500,000	2,350,000	2,500,000	2,345,000
NEVADA	400,000	490,000	560,000	647,000
OREGON	1,600,000	920,000	1,410,000	1,712,000
UTAH	1,250,000	1,000,000	1,250,000	1,172,000
WASHINGTON	1,100,000	1,100,000	1,200,000	1,235,000
Total	8,790,000	7,240,000	8,295,000	8,976,000

Source: USDA/NASS, Totals in Short Tons

Dairy/Beef
Situation in
the West

2022 was a good year for dairies

The milk price outlook for 2023 is ok no great

Demand for lower quality alfalfa hay should be lighter.

Milk price projections for 2020.

Alfalfa Hay Acres in the West



Mixed, overall up slightly. Production should increase.



Alfalfa was profitable, but so were many other crops.



Will the wet winter continue?



Orchard acres in California could be flat for first time in years.

Hay Exports



Will China's economy recover as expected, will the U.S. Dollar continue to come down?



How will losses on timothy impact overall demand?



Strong competition from other exporting countries?



THE HOYT REPORT

HAY MARKET INSIGHTS & ANALYSIS

Thank You!