

Regional Hay Stocks

Andrew P. Griffith

The May Crop Production report released by USDA is one of two annual reports concerning hay stocks in the United States. As of May 1, 2018, all hay stocks (alfalfa plus other hay) in the United States totaled 15.669 million tons which is 35.8 percent lower than hay stocks one year ago. Twenty-five states witnessed year-over-year declines of 30 percent or more for May 1 all hay stocks with only the upper Northeast, the Deep South, and four western states increasing May 1 hay stocks from the previous year.

A little closer to home, Tennessee all hay stocks totaled 500,000 tons as of May 1, 2018 which is 4.2 percent greater than May 2017 but is 15.4 percent lower than the annual average from the past ten years. Tennessee hay production covered 1.715 million acres in 2017 and totaled 3.966 million tons which is the largest annual hay production since 2013, but it was still about 30,000 tons lower than the annual average over the past ten years.

Most readers of this article understand that hay is a regional product and that it is typically not transported long distances due to its relatively low value. The higher the quality the hay, the further it can be transported. Additionally, there are some exceptions to the rule such as the drought in the Southeast United States in 2007 when hay was hauled 1,000 miles or more to feed cattle. However, large quantities of low to medium quality hay are rarely transported long distances.

Thus, with a regional perspective in mind, it is beneficial to consider hay stocks in different regions of the country. Hay stocks as of May 1, 2018 in the Western United States totaled 1.77 million tons which is a 15.1 percent decline from a year earlier. The bulk of the decline in the West stems from reduced stocks in California and Nevada. For the same time period, hay stocks in the Great Plains (5.14 million tons) were 28.8 percent lower with every state in the region experiencing year-over-year declines except Colorado. Similarly, hay stocks as of May 1, 2018 in the Southern Plains (1.94 million tons) were 59.4 percent lower than one year earlier. There is no change in the story moving to the Corn Belt (2.76 million tons) where hay stocks were 47.0 percent lower than last year. The Southeast (1.37 million tons) is somewhat of a mixed bag as the Deep South states (AL, FL, GA, MS, SC, and TN) increased hay stocks from a year earlier while the periphery states all witnessed declines in hay stocks resulting in a year-over-year decline of 58.9 percent.

The year-over-year decline in May 1 hay stocks primarily stems from issues involving weather as opposed to hay production. Hay production in 2017 in the Western United States was 24.9 million tons, down 5.8 percent from a year earlier. Great Plains hay production totaled 32.0 million tons in 2017 representing a 2.3 percent decline from 2016 while Southern Plains hay production declined 10.6 percent during the same time period to 16.3 million tons. Hay production in the Corn Belt and the Southeast during 2017 totaled 24.7 and 24.8 million tons respectively which was a 4.2 percent decline for the Corn Belt compared to 2016 and a 1.4 percent increase for the Southeast.

Looking backwards at spring hay harvest and looking forward to fall hay harvest, it does not appear that 2018 hay production will be exceptionally large. On the contrary, it appears 2018 hay production will be relatively small unless favorable summer and fall forage growing conditions are prevalent across the nation. Regardless of the region, it is unlikely there will be an abundant supply of hay this year which may result in fairly stout prices in localized markets with extremely low hay production.

As a final thought, hay is an expensive feedstuff and increased usage generally results in higher production costs. Thus, it is best to manage grazing such that hay usage is reduced as much as possible. However, hay is a necessity in the cattle business, because cattle producers cannot control Mother Nature which has a lot to do with forage availability as well as the quantity of hay available for harvest. The best suggestion with regards to hay is to fill the barn with hay every year and use as little as possible, and then fill the barn again next year.