



Crop Watch

As you are probably well aware, after the challenges of the rains and rats (voles actually), farmers were finally able to get out in their fields and do what every farmer loves to do - HARVEST! There's much we still don't know, but we thought we'd at least comment on ryegrass and orchardgrass:

Annual Ryegrass - Acres were within 3% of last years crop. There were some annual ryegrass fields that were not even harvested, and reports of numerous fields that only produced 25% of a normal crop. Overall, the crop appears to be about 40% below average. Estimating 120,000 acres of annual ryegrass harvested, we are most likely looking at a total supply of less than 175 million lbs., including the small 2004 crop carryover. Compare those numbers to an average crop of 240-260 million lbs., and you now know why the price has gone though the roof! Looking forward to the 2006 crop, it does not appear there will be much shift in production acres. We expect some orchardgrass acres to come out, but even if they are all planted to annual ryegrass, the increase will be minimal.

Perennial Ryegrass - Acres were up 5-10%. Harvest is still ongoing. The few reports we are hearing speak of an average to a slightly below average crop. It is too early to guess the final overall outcome. Carryover from 2004 is said to be about 40 million lbs.

Orchardgrass - This year's crop was very poor. Some of the older, common varieties were significantly down. The newer varieties were down too, but seemed to fare better in general. This is a result of improved disease resistance to diseases like choke.

Market Watch

The big stories are with annual ryegrass and tall fescue, with both markets significantly higher than last year, and even this spring.

Annual Ryegrass - Annual ryegrass buyers and farmers were both resistant to coming to the table early on. Terrible yields finally gave reason to the side of the farmers and market activity has been strong.

Tall Fescue - KY-31 deficits ran tall fescue up, up, and up! Somewhat different than the annual ryegrass market, there was old crop to be purchased. Once the market knew that the '05 crop was going to be higher, buyers aggressively pursued any good deals they could find, willing to ship seed early. Market activity is currently strong and is expected to remain so.

Perennial Ryegrass - Although perennial ryegrass activity has been quiet, due to lower prices for new crop, we expect overall movement this fall and spring to be very good. Considering higher tall fescue and annual ryegrass pricing, significant turf damage in numerous parts of the country, and a lower perennial price, there are a number of reasons to believe that this market will soon become active and remain steady throughout the year. What pricing will be probably rests heavily with what type of yields farmers come up with over the next few weeks.

Creeping Red Fescue -The creeping red fescue producers are benefiting from being the low-priced item. Usage is expected to be good, especially at the favorable price levels. This market as well may be stronger by spring.

Kentucky Bluegrass - Kentucky bluegrass production felt poor yields in proprietaries, but good yields in commons, pushing down the price of 98/85 and 85/80 quality seed. Again, fall damaged turf may increase professional and homeowner usage, making proprietaries even tighter and giving the commons a firmer price.

