

August 2011
Volume 4 Issue 8

Summer Edition

ACX ADVISOR

Highlights:

- PNW inventories not building.....
- SJV market is slow to steady...
- West coast alfalfa demand is strong...

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Pacific Northwest - PNW *Ellensburg Division Update*

Growers in Washington are just starting to bale 3rd cutting alfalfa. Yield is expected to be down as some growers are cutting early in hopes of getting a fourth cutting.

Approximately 40 percent of farmers have a good chance of making export quality 4th cutting depending on weather. Historically, only hay baled before first week of October is cured properly for export.



Inventory is not building on farms due to current production moving as harvested. Purchase pressure from all types of buyers continues to increase.

Most exporters are worried about getting enough supply for demand. Domestic buyers are very concerned as well because inventory is very low across the west.

Demand continues to be moderate to strong in most export markets. Compared to last year, Alfalfa exports from the US West Coast continue to rise.

Despite increasing prices in recent months, many buyers in new, developing markets continue to have a positive outlook and expect continued growth.



Domestic dairymen continue to purchase aggressively. However, rising feed costs have put a constraint on what dairies are willing to pay for alfalfa hay.

Vessel space and container availability continues to be OK from the PNW. Some shipping lines are not making money and several are looking for ways to increase shipping rates. US import cargo has not seen peak season volume as expected.

Pacific Midwest - PMW

Wasco Division Update



The SJV alfalfa market is slow to steady, and growers are still expecting high prices for even the oldest hay with grass. Some fields are starting to reduce tonnage from insect damage and over watering.



Bloom is constant in all the fields and humidity are bringing color down in the Southern areas. The test for dairies is not what buyers are wanting from Nevada and Utah but most dairies feel the quality will feed well.



Milk prices are still up and keeping domestic buyers busy looking for newer planted fields. Weather is favorable and humidity has been low compared to the last few years. Highs in the 100's and low humidity keep color in the stacks. Texture is hard but buyers feel they need to buy now even if the market slows down.

ACX is Ready



A slow start for Sudan this season is keeping Sudan prices up to record highs. El Centro has several growers cutting early to get the higher price. TRUESWEET™ Sudan is slower growing and takes longer to cure. Piper Sudan grows faster and has a hard texture on first cutting.

Several growers are baling in a big bale package this year. The dairy demand for feed has kept farmers planting more Sudan than normal and offering 1st cutting for export and keeping the later harvest for themselves.

Excess water has really helped farmers grow better quality. Water is plentiful and cheap. Sudan hay prices are holding up, but prices started to drop down as quality lowers in the South.



Northern CA harvest is just beginning with some fields over grown. Prices are mirroring the Imperial Valley now and demands are high for export quality. Inventories are still low across most of the North and buyers are desperate for something to sell.

Oat Hay harvest is complete and most has been sold, some barn stored hay will be available but prices are expected to be very high.



Pacific Southwest - PSW

Wilmington Division Update

The forage harvest in the Pacific Southwest continues to progress. Rainfall has been limited recently, but hot and humid temperatures are helping to produce usual “summer” hay with lower color and analysis results.

Most domestic and buyers continue to purchase product, mostly in anticipation of short supply this winter.

Second cutting Sudan is finished with most quality typical; larger stem, and color varying.

In Utah and Idaho, the second cutting harvest was initially delayed due to heavy rain. However, the weather window is clear for the immediate future, allowing most farmers to be completed with harvest by the end of next week.



Demand remains strong for Alfalfa hay all up the West Cost. However, the most pressing issue for buyers and sellers is the ability to pay for product. Many farmers will sell for slightly less cost if they can be guaranteed and receive a significant down payment on their product.

Ocean freight and inland transportation conditions have improved over the past 6 months. Many inland carriers are seeing reduction in fuel costs due to the significant decrease in oil prices.

Ocean freight availability from Los Angeles and Long Beach ports remains favorable for export shippers. There is much discussion of reduced rates into the fourth quarter.

Many buyers and sellers of forage and roughage are still concerned about the dramatic pricing and volatility of commodities in general.

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Weather Update

The below is a weather forecast for the primary growing regions of the Western 11 states. Please visit the weather section at acxpacific.com for more information.

Date	PNW – Ellensburg Area				PMW – San Joaquin Valley				PSW – Imperial Valley			
	Cond	High	Low	Rain	Cond	High	Low	Rain	Cond	High	Low	Rain
August 22	WINDY	30	17	20%	☀️	35	21	0%	☀️	44	27	0%
August 23	☀️	30	14	10%	☀️	38	23	0%	☀️	46	28	0%
August 24	☀️	33	15	0%	☀️	39	22	0%	☀️	47	29	0%
August 25	☀️	33	15	0%	☀️	38	22	0%	☀️	46	30	0%
August 26	☀️	33	15	0%	☀️	39	23	0%	☀️	45	29	10%
August 27	☀️	33	15	0%	☀️	39	23	20%	☀️	44	29	0%
August 28	☀️	32	14	0%	☀️	38	21	0%	☀️	43	28	0%
August 29	☀️	30	12	0%	☀️	39	19	0%	☀️	43	28	10%
August 30	☀️	27	12	0%	☀️	36	18	0%	☀️	42	27	0%
August 31	☀️	26	12	0%	☀️	36	18	0%	☀️	42	25	0%

LogistACX - Online Documentation

ACX is proud to introduce our online documentation and order status system called "LogistACX." Located at www.acxpacific.com, LogistACX is designed to provide you with a fast and secure way to see logistical information for all of your orders.

Simply login with your unique username and password, go to the "Customer" section, and click on "LogistACX." There you will see a listing of all your bookings with ACX over the past 90 days.

Click on a booking number, and you will see real-time information about your order including:

- Product
- Price
- Steamship Line
- Vessel
- ETD and ETA
- Container numbers
- Seal numbers
- Pictures of your product
- Other Information

Your comments and suggestions for the LogistACX system are always welcome. Please send your emails to gregdewitt@acxpacific.com.

As always, our goal at ACX is to create the best agribusiness possible that supplies the highest value of forage and roughage products and services worldwide.

Login today and experience the convenience of ACX LogistACX.

INTL IMPORT COMPANY			
1OUS540 Reference or LC #	2009-06-24 Booking Date	0001208888 Invoice Number	
2ND CUT PREMIUM DAIRY ALFALFA Product	US \$340.00 Price	ELLENSBURG, WA ACX Facility	
20 Containers Ordered	20 Containers Shipped	40HC Containers Type	
Shanghai Destination Port	COSCO Steamship Line	SHANGHAI EXPRESS Vessel Name	
2009-06-30 Cut-Off Date	2009-07-02 ETD	2009-08-30 ETA	
Document Package: 			
DFSU602789-3 Container Number	9406099 Seal Number	58 Number of Bales	57,920 / 26.27 MT Net Weight
			

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