

## January 2017 Market Update

January 2017, first my hope for the Boomers and the Gen-Xers out there is that we do not lose as many cultural, musical, and social leaders as we did in fateful 2016.

### **On To Seed:**

The fall season of shipping has been put behind us and those seeds are currently living plants somewhere in the world. The end result of fall was not weak nor super strong.

In regards to turf tall fescue, the industry seemed to ship more of their high end genetics with low crop and weed problems. A shorter than expected crop has put many varieties and companies into the allocation process for turf tall fescue.

Perennial ryegrass movement was slightly off from expectation while Oregon crops were average and northern crops were slightly above expected levels.

Kentucky bluegrass movement could be defined as spotty, however with limited production across the less than stellar movement kept the market for both elite varieties and common types stable and firm.

Winter exports of seed are progressing at a reasonable pace. The dollar remains strong but it appears buyers have now accepted the current conversion rate as a long term situation. A stable exchange rate and a balanced worldwide inventory position leads to a stable price on most species. As a result, international purchasing and order fulfillment is proceeding at a brisk pace.

### **Spring Expectations:**

Current winter weather patterns in the continental U.S. lead us to believe in strong seed consumption come spring planting season.

Turf tall fescue, expect to find shortages of higher end newer genetics with nice clean seed tests. The result is a culmination of factors; many newly established seed production fields of those varieties, fall/winter movement being strong, and a generalized increase in consumption geography.

Turf perennial ryegrass is in an available position for spring. With the forecasted strong spring consumption, it is most likely this market remains firm with some buy opportunities available. The Willamette Valley has had an inordinately cold winter and our field staff reports some older fields have been weakened and may not harvest for 2017 crop. It is too early to forecast 2017 crop northern production. The movement and pricing of Kentucky bluegrass and fine fescue may go as far to determine the spring market of perennial ryegrass as any increases in those species can quickly result in increased perennial ryegrass consumption.

Kentucky bluegrass should continue to move to the market effectively and keep strong legs under both proprietary and common products. Continued exporting of bluegrass seed will remove inventory of select varieties from the U.S. market.

Fine fescue in general remains stably priced. Reports from our Canadian partners are that barns are emptying of common creeping red fescue. Strong retail and spring consumption has the potential to move common creeping red and proprietary fine fescue may increase accordingly.

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