

ONTARIO FARM INPUT MONITORING PROJECT
SURVEY # 1 – May 29, 2013
ECONOMICS AND BUSINESS GROUP, RIDGETOWN CAMPUS - U of G

Background

The Ontario Farm Input Monitoring Project is a survey of farm supply stores to collect cash retail prices that commercial farmers pay, when purchasing bulk fuels, fertilizers, and pesticides. Prices are collected on 45 farm inputs from 9 centres in Ontario, 3 in Michigan, 1 in Ohio and 1 in Indiana. Enumerators obtained current pricing from a minimum of 3 retail outlets in their assigned centre using the pre-designed survey form.

Results

(i) Ontario Prices

This is the initial survey for 2013. There is one product change this year with respect to the Ontario product list (Prowl H2O has replaced Prowl) and there are three product changes with respect to the U.S. product list (Pursuit has replaced Pursuit Eco Pak, Prowl H2O has replaced Prowl, and Warrior II has replaced Warrior). Please keep these changes in mind when looking at comparisons between Ontario and the U.S. and between 2013 and 2012 Ontario prices.

On May 29, 2013, the Canadian dollar was lower than the U.S. dollar (\$1 C = \$0.9643 US). Fuel prices showed that Regular Unleaded Gasoline prices averaged \$1.11 per litre, Diesel Fuel (coloured) averaged \$1.01 per litre and Propane (farm dryer) prices averaged \$0.50 per litre.

Fertilizer prices showed Anhydrous Ammonia prices ranging from \$975 to \$1,175 a tonne with an average price of \$1,130. Urea prices averaged \$637 per tonne. Nitrogen Solution (UAN) 28% prices ranged from \$380 to \$465 with an average price of \$434 per tonne. Mono-Ammonium Phosphate prices varied from \$715 to \$811 per tonne with an average price of \$761. Muriate of Potash prices averaged \$644 per tonne with a range from \$590 to \$734.

With respect to pesticide prices, 2,4-D Amine prices ranged from \$9.50 to \$12.24 per litre with an average of \$10.79. Atrazine prices ranged from \$7.50 to \$9.11 per litre. Banvel II averaged \$34.47 per litre while Dual II Magnum prices averaged \$40.34 per litre. The price for Roundup Weather Max ranged from \$6.59 to \$9.60 with an average of \$7.71 per litre. Assure II prices averaged \$76.83 per litre while Reflex prices averaged \$43.60 per litre. Sevin XLR prices ranged from \$16.50 to \$21.03 per litre. Bravo prices averaged \$10.23 per litre.

Ontario product prices when compared to a year ago at this time (survey date: May 30, 2012), showed that fuel prices were up an average of 1%, fertilizer prices were down 8% on average, and pesticide prices were up less than 1% on average. The Canadian dollar was down \$0.01 or 1% relative to the U.S. dollar from a year ago.

Since the previous survey on October 3, 2012, changes in average prices showed the fuel products group up slightly, while fertilizer products as a group were down 5%. Pesticide products as a group were down slightly. The Canadian dollar was down \$0.05 or 5% relative to the U.S. dollar.

(ii) Comparison Between Ontario and Nearby U.S. States

Some of the products higher priced in Ontario include: Regular Unleaded Gasoline +5%; Diesel Fuel +1%; Anhydrous Ammonia +6%; Di-Ammonium Phosphate +5%; Liquid 10-34-0 +7%; Atrazine +81%; Dual II Magnum +14%; Prowl H2O +11%; and Sevin XLR +16%.

Products lower priced in Ontario include: Urea -6%; Nitrogen Solution -8%; Roundup Weather Max -8%; Pardner -8%; and Gavel -1%.

The exact implications at the farm level of this variability between Ontario and the U.S. for farm inputs depends greatly on individual producer product selections and purchase timing.

ONTARIO/U.S. FARM INPUT MONITORING PROJECT
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Results

(i) U.S. Prices

This is the initial survey for 2013. There are three product changes this year with respect to the U.S. product list (Pursuit has replaced Pursuit Eco Pak, Prowl H2O has replaced Prowl, and Warrior II has replaced Warrior) and there is one product change with respect to the Ontario product list (Prowl H2O has replaced Prowl). Please keep these changes in mind when looking at comparisons between the U.S. and Ontario and between 2013 and 2012 U.S. prices.

On May 29, 2013, the Canadian dollar was lower than the U.S. dollar (\$1 C = \$0.9643 US). Fuel prices showed that Regular Unleaded Gasoline prices averaged \$3.85 per gallon, Diesel Fuel (farm) averaged \$3.64 per gallon and Propane (farm dryer) prices averaged \$1.71 per gallon.

Fertilizer prices showed Anhydrous Ammonia prices ranging from \$890 to \$990 a ton with an average price of \$933. Urea prices averaged \$592 a ton while Nitrogen Solution (UAN) 28% prices averaged \$412 per ton. Mono-Ammonium Phosphate prices ranged from \$615 to \$708 with an average price of \$665 per ton. Muriate of Potash prices averaged \$563 per ton with a range from \$520 to \$595.

With respect to pesticide prices, 2,4-D Amine prices ranged from \$19.70 to \$28.80 per gallon with an average of \$23.04. Atrazine prices averaged \$16.59 per gallon while Banvel averaged \$69.56 per gallon. Dual II Magnum prices ranged from \$105.00 to \$146.67 per gallon. The price for Roundup Weather Max varied from \$21.50 to \$37.20 with an average price of \$30.60 per gallon. Force 3G prices ranged from \$5.34 to \$6.51 per pound.

U.S. product prices when compared to a year ago at this time (survey date: May 30, 2012), showed that fuel prices were up an average of 2%, fertilizer prices were down 8% on average, and pesticide prices were down 1% on average. The Canadian dollar was down \$0.01 or 1% relative to the U.S. dollar from a year ago.

Since the previous survey on October 3, 2012, changes in average prices showed the fuel products group was up 5%, while fertilizer products as a group were down 3%. Pesticide products as a group were similar. The Canadian dollar was down \$0.05 or 5% relative to the U.S. dollar.

(ii) Comparison Between Ontario and Nearby U.S. States

Some of the products higher priced in Ontario include: Regular Unleaded Gasoline +5%; Diesel Fuel +1%; Anhydrous Ammonia +6%; Di-Ammonium Phosphate +5%; Liquid 10-34-0 +7%; Atrazine +81%; Dual II Magnum +14%; Prowl H2O +11%; and Sevin XLR +16%.

Products lower priced in Ontario include: Urea -6%; Nitrogen Solution -8%; Roundup Weather Max -8%; Pardner -8%; and Gavel -1%.

The exact implications at the farm level of this variability between Ontario and the U.S. for farm inputs depends greatly on individual producer product selections and purchase timing.

DATA COLLECTION METHODOLOGY

Survey Details

- Sample size - Approximately 27 Ontario and 15 U.S. retail outlets were surveyed.
- Method - The fertilizer and pesticide prices were obtained by personal visits to a cross section of outlet stores. Petroleum prices were collected by a combination of both personal visit and phone.
- Locations - Refers to geographic trading areas.

Terms and Conditions

- Price - The price collected was defined as the cash retail price an average commercial farmer would pay when purchasing a minimum amount of fuel, fertilizer, and pesticide.
- Volume - Price reductions due to large volumes, bulk purchases, special memberships, or yearend sales incentives were not considered. Price quotes were for cash and carry.
- Services - All additional services i.e. delivery, testing or application, were excluded from the price quote.
- Levy - The Canadian container recycling levy was not subtracted from the Canadian price.
- Petroleum - In Ontario the fuel tank and pump is assumed to be owned by the fuel supplier while in the U.S. the tank and pump is owned by the farmer.

Price Comparisons

- Exchange - The May 29, 2013 average noon spot rate for the Bank of Canada was used. i.e. \$1.0370 Canadian equals \$1 U.S. (or \$0.9643 U.S. equals \$1 Canadian)
- Average - The arithmetic average of all price quotes for each geographic centre was calculated.
- Conversion - U.S. prices were converted to their Canadian equivalent by adjusting for exchange rate, measure, and concentration.
- Values - For mixing cost, \$.01 designates no charge.
- GST - Where applicable, GST was excluded from the input cost.

Price Comparison in Canadian Dollars Between Ontario, Quebec and Nearby American States for May 29, 2013

ONTARIO PRODUCT	UNIT	ALL ONT. LOCATIONS			ALL U.S. LOCATIONS		
		MIN	MAX	AVG	MIN	MAX	AVG
Regular Unleaded Gasoline	LITRE	0.87	1.24	1.11	0.99	1.08	1.06
Diesel Fuel (coloured)	LITRE	0.91	1.09	1.01	0.95	1.10	1.00
Propane (farm dryer)	LITRE	0.39	0.75	0.50	0.40	0.55	0.47
Anhydrous Ammonia 82-0-0 (no servic	TONNE	975.00	1175.00	1130.09	1017.35	1131.65	1066.50
Urea 46%	TONNE	420.00	742.00	637.07	628.70	743.01	676.26
Nitrogen Solution (UAN) 28%	TONNE	380.00	465.00	434.23	448.09	508.67	470.60
Ammonium Nitrate 34%	TONNE	590.00	650.00	613.00			
Mono-Ammonium Phosphate 11-52-0	TONNE	715.00	810.60	761.12	703.00	808.73	760.21
Di-Ammonium Phosphate 18-46-0	TONNE	760.00	835.00	791.25	714.43	776.73	750.91
Triple Superphosphate 0-46-0	TONNE	745.00	840.00	783.86	756.72	756.72	756.72
Muriate of Potash 60%	TONNE	590.00	734.00	643.80	594.40	680.14	643.98
Liquid 10-34-0	TONNE	710.00	845.00	797.69	714.43	783.01	742.39
Mixing Charge (no GST or PST)	TONNE	6.00	18.00	10.85	5.72	17.15	9.15
2,4-D Amine 600 (564 g/l EC)	LITRE	9.50	12.24	10.79	5.57	9.28	7.32
Atrazine 480 (480 g/l SU)	LITRE	7.50	9.11	8.22	3.33	7.40	4.55
Banvel II 480 (480 g/l SN)	LITRE	30.00	42.21	34.47	15.01	24.28	19.06
Accent 75 DF (75 DF)	GRAM	1.91	2.90	2.21	1.10	1.49	1.30
Dual II Magnum (915 g/l EC)	LITRE	36.77	44.64	40.34	28.77	40.18	35.44
Dual II Magnum (915 g/l EC) bulk	LITRE	35.50	43.81	40.53	27.96	35.25	32.93
Frontier MAX (720 g/L EC)	LITRE	51.33	69.41	61.57			
MCPA Amine 500 (500 g/l SN)	LITRE	9.40	12.75	10.76	5.72	8.69	7.35
Pursuit (240 g/l SN)	LITRE	113.64	155.91	140.69	96.58	137.54	114.41
Reglone (240 g/l SN)	LITRE	27.50	30.00	29.46			
Roundup Weather Max (540 g/l SN)	LITRE	6.59	9.60	7.71	5.89	10.19	8.38
Sencor 75 DF (75% WG)	KILOG	56.94	71.84	65.35	32.01	38.59	36.22
Select (240 g/L EC)	LITRE	100.00	116.50	106.92	26.33	35.62	30.89
Basagran (480 g/l SN)	LITRE	28.15	35.60	31.01	22.67	35.53	29.26
Prowl H2O (455 g/L EC)	LITRE	11.35	15.03	13.52	9.32	14.30	12.21
Pardner (280 g/l EC)	LITRE	17.38	22.52	20.67	18.11	25.43	22.53
Treflan EC (480 g/l EC)	LITRE	16.57	20.48	18.32	6.58	9.41	7.76
Devrinol 50 DF (50% DF)	KILOG	25.97	38.51	32.37	24.19	30.77	28.88
Assure II (96 g/L EC)	LITRE	71.33	80.33	76.83	21.65	32.15	25.16
Reflex (240 g/L EC)	LITRE	39.16	47.96	43.60	15.68	22.99	19.53
Furadan 480F (480 g/l F)	LITRE	40.50	40.63	40.60	25.60	25.60	25.60
Malathion 500 EC (500 g/l EC)	LITRE	11.32	25.70	17.93	7.36	11.29	9.04
Sevin XLR+ (480 g/l LI)	LITRE	16.50	21.03	17.93	13.70	17.64	15.47
Force 3 G (3% G)	KILOG	15.00	17.70	16.20	12.21	14.88	13.74
Guthion Solupac (50% WP)	KILOG	26.83	28.55	28.20	24.23	33.33	28.78
Matador 120EC (120 g/L EC)	LITRE	173.28	216.39	187.44	51.11	68.71	58.49
Thiodan 4 EC (400 g/L EC)	LITRE	17.67	22.45	19.32	10.63	12.50	11.77
Bravo (500 g/l SC)	LITRE	9.64	12.06	10.23	6.23	7.98	7.34
Captan 80 W (80% DG)	KILOG	19.90	27.82	24.14	11.32	19.04	14.74
Dithane DG Rainshield (80% WP)	KILOG	6.50	8.49	7.72	12.44	12.44	12.44
Nova 40 W (40% WP)	KILOG	223.21	256.61	245.36	132.05	133.88	132.97
Gavel 75DF	KILOG	15.25	27.12	20.43	17.83	22.86	20.66
Ethrel (240 g/l LI)	LITRE	17.80	22.13	19.92	13.70	17.91	15.65

Exchange Rate: 1.037

**PRICE COMPARISON BETWEEN ONTARIO AND NEARBY AMERICAN STATES FOR MAY 29, 2013
AVERAGE ONTARIO/U.S. PRICE IN CDN DOLLARS AND PERCENT DIFFERENCE**

ONTARIO PRODUCT	UNIT	AVERAGE		ONTARIO	
		ONTARIO PRICE	U.S. PRICE	VS U.S.	2013 VS ON 2012
Regular Unleaded Gasoline	LITRE	1.11	1.06	5.45%	-3.80%
Diesel Fuel (coloured)	LITRE	1.01	1.00	1.11%	-1.14%
Propane (farm dryer)	LITRE	0.50	0.47	6.95%	9.12%
Anhydrous Ammonia 82-0-0 (no service)	TONNE	1,130.09	1,066.50	5.96%	0.77%
Urea 46%	TONNE	637.07	676.26	-5.79%	-14.34%
Nitrogen Solution (UAN) 28%	TONNE	434.23	470.60	-7.73%	-5.79%
Ammonium Nitrate 34%	TONNE	613.00			2.51%
Mono-Ammonium Phosphate 11-52-0	TONNE	761.12	760.21	0.12%	-7.38%
Di-Ammonium Phosphate 18-46-0	TONNE	791.25	750.91	5.37%	-3.06%
Triple Superphosphate 0-46-0	TONNE	783.86	756.72	3.59%	-7.32%
Muriate of Potash 60%	TONNE	643.80	643.98	-0.03%	-11.07%
Liquid 10-34-0	TONNE	797.69	742.39	7.45%	-23.95%
Mixing Charge (no GST or PST)	TONNE	10.85	9.15	18.57%	-9.62%
2,4-D Amine 600 (564 g/l EC)	LITRE	10.79	7.32	47.45%	1.77%
Atrazine 480 (480 g/l SU)	LITRE	8.22	4.55	80.73%	1.55%
Banvel II 480 (480 g/l SN)	LITRE	34.47	19.06	80.87%	-0.51%
Accent 75 DF (75 DF)	GRAM	2.21	1.30	70.44%	1.92%
Dual II Magnum (915 g/l EC)	LITRE	40.34	35.44	13.80%	1.78%
Dual II Magnum (915 g/l EC) bulk	LITRE	40.53	32.93	23.07%	4.32%
Frontier MAX (720 g/L EC)	LITRE	61.57			-4.63%
MCPA Amine 500 (500 g/l SN)	LITRE	10.76	7.35	46.33%	0.97%
Pursuit (240 g/l SN)	LITRE	140.69	114.41	22.97%	-1.97%
Reglone (240 g/l SN)	LITRE	29.46			1.23%
Roundup Weather Max (540 g/l SN)	LITRE	7.71	8.38	-7.99%	13.71%
Sencor 75 DF (75% WG)	KILOG	65.35	36.22	80.42%	-0.56%
Select (240 g/L EC)	LITRE	106.92	30.89	246.20%	0.68%
Basagran (480 g/l SN)	LITRE	31.01	29.26	6.01%	-0.68%
Prowl H20 (455 g/l EC)	LITRE	13.52	12.21	10.77%	
Pardner (280 g/l EC)	LITRE	20.67	22.53	-8.26%	-0.43%
Treflan EC (480 g/l EC)	LITRE	18.32	7.76	136.03%	12.39%
Devrinol 50 DF (50% DF)	KILOG	32.37	28.88	12.10%	-4.88%
Assure II (96 g/L EC)	LITRE	76.83	25.16	205.36%	-1.13%
Reflex (240 g/L EC)	LITRE	43.60	19.53	123.25%	1.95%
Furadan 480F (480 g/l F)	LITRE	40.60	25.60	58.58%	-5.10%
Malathion 500 EC (500 g/l EC)	LITRE	17.93	9.04	98.27%	-6.22%
Sevin XLR+ (480 g/l LI)	LITRE	17.93	15.47	15.89%	2.19%
Force 3 G (3% G)	KILOG	16.20	13.74	17.93%	2.63%
Guthion Solupac (50% WP)	KILOG	28.20	28.78	-2.00%	-1.21%
Matador 120EC (120 g/L EC)	KILOG	187.44	58.49	220.47%	2.58%
Thiodan 4 EC (400 g/L EC)	LITRE	19.32	11.77	64.10%	-0.64%
Bravo (500 g/l SC)	LITRE	10.23	7.34	39.25%	0.11%
Captan 80 W (80% DG)	LITRE	24.14	14.74	63.80%	-1.55%
Dithane DG Rainshield (80% WP)	KILOG	7.72	12.44	-37.94%	-2.40%
Nova 40 W (40% WP)	KILOG	245.36	132.97	84.53%	-3.04%
Gavel 75DF	LITRE	20.43	20.66	-1.08%	-0.09%
Ethrel (240 g/l LI)	KILOG	19.92	15.65	27.33%	0.43%

Exchange Rate: 1.0370

Seed Pricing, May 29, 2013

Exchange Rate: 1.037

Commodity	Unit	Ontario (\$CAD)			U.S. (\$CAD)			Ontario vs. U.S.
		MIN	MAX	AVG	MIN	MAX	AVG	AVG
Wheat	22.7 kg	23.95	28.95	26.63	16.28	25.93	20.02	33.0%
Corn RR	80,000 seeds	227.24	323.00	294.24	228.09	378.51	302.89	-2.9%
Corn Conventional	80,000 seeds	189.05	225.00	207.61	176.24	237.37	215.37	-3.6%
Soybean RR	140,000 seeds	47.50	75.50	66.30	51.85	69.48	59.87	10.8%
Soybean Conventional	22.7 kg	29.00	62.50	44.84	32.64	47.65	41.71	7.5%

Commodity	Unit	U.S. (\$USD)			Ontario (\$USD)			U.S. vs. Ontario
		MIN	MAX	AVG	MIN	MAX	AVG	AVG
Wheat	50 lb	15.70	25.00	19.31	23.10	27.92	25.68	-33.0%
Corn RR	80,000 seeds	219.95	365.00	292.08	219.13	311.48	283.74	2.9%
Corn Conventional	80,000 seeds	169.95	228.90	207.69	182.30	216.97	200.20	3.6%
Soybean RR	140,000 seeds	50.00	67.00	57.73	45.81	72.81	63.94	-10.8%
Soybean Conventional	50 lb	31.48	45.95	40.22	27.97	60.27	43.24	-7.5%

Note: The price collected was defined as the cash retail price that a commercial farmer would pay when purchasing a minimum amount of seed. Seed varieties vary by location.