

ONTARIO FARM INPUT MONITORING PROJECT
SURVEY # 1 – August 1, 2018
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 8 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 first survey for 2018. On August 1, 2018, the Canadian dollar was lower than the U.S. dollar (\$1 C = \$0.7691 US).

Fuel prices showed that Regular Unleaded Gasoline prices averaged \$1.18 per litre, Diesel Fuel (coloured) averaged \$1.11 per litre and Propane (farm dryer) prices averaged \$0.45 per litre.

Fertilizer prices showed Urea prices ranging from \$529 to \$570 a tonne with an average price of \$546. Nitrogen Solution (UAN) 28% prices ranged from \$290 to \$380 with an average price of \$343 per tonne. Mono-Ammonium Phosphate prices varied from \$630 to \$802 per tonne with an average price of \$739. Muriate of Potash prices averaged \$484 per tonne with a range from \$440 to \$512.

With respect to pesticide prices, 2,4-D Amine prices ranged from \$9.20 to \$11.10 per litre with an average of \$10.66. Atrazine prices ranged from \$8.61 to \$10.10 per litre. Dual II Magnum prices averaged \$43.47 per litre while Pursuit averaged \$130.97 per litre. Sencor prices averaged \$44.97 per kilogram. The price for Halex ranged from \$13.45 to \$16.70 with an average of \$15.36 per litre. Pardner prices averaged \$21.81 per litre while Reflex prices averaged \$48.39 per litre. Sevin XLR prices ranged from \$18.79 to \$27.00 per litre. Headline AMP averaged \$54.51 per litre.

Ontario product prices when compared to approximately a year ago (survey date: June 21, 2017), showed that fuel prices on average were up 22%, fertilizer prices were down 1% on average, and pesticide prices were up slightly. The Canadian dollar was up \$0.02 or 2% relative to the U.S. dollar from a year ago.

Since the previous survey on October 4, 2017, changes in average prices showed that the fuel products group was up 13% and the fertilizer prices were up 1%. Pesticide products as a group were also up slightly. The Canadian dollar was down \$0.03 or 4% 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 +18%; Diesel Fuel +17%; 2,4-D Amine +53%; Dual II Magnum +21%; Sencor +6%; Basagran 45%; and Sevin XLR +14%.

Products lower priced in Ontario include: Nitrogen Solution (UAN) 28% -7%; Mono-Ammonium Phosphate -5%; Pursuit -13%; Prowl H2O -11%; Caramba -25%; Delegate -22%; and Halex -23%.

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
SURVEY # 1 – August 1, 2018
ECONOMICS AND BUSINESS SECTION, RIDGETOWN CAMPUS - U OF G

Background

The Ontario/U.S. 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 8 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) U.S. Prices

This is the first survey for 2018. On August 1, 2018, the Canadian dollar was lower than the U.S. dollar (\$1 C = \$0.7691 US).

Fuel prices showed that Regular Unleaded Gasoline prices averaged \$2.93 per gallon, Diesel Fuel (farm) averaged \$2.74 per gallon and Propane (farm dryer) prices averaged \$1.36 per gallon.

Fertilizer prices showed Urea prices ranging from \$360 to \$420 a ton with an average price of \$386. Nitrogen Solution (UAN) 28% prices averaged \$259 per ton. Mono-Ammonium Phosphate prices ranged from \$495 to \$600 with an average price of \$543 per ton. Muriate of Potash prices averaged \$351 per ton with a range from \$330 to \$370.

With respect to pesticide prices, 2,4-D Amine prices ranged from \$9.70 to \$24.00 per gallon with an average of \$17.19. Atrazine prices averaged \$15.48 per gallon while Dual II Magnum averaged \$104.52 per gallon. Prowl H2O prices ranged from \$36.12 to \$61.88 per gallon. The price for Assure II varied from \$81.12 to \$140.83 with an average price of \$105.91 per gallon. Warrior II prices ranged from \$246.18 to \$423.33 per gallon.

U.S. product prices when compared to approximately a year ago (survey date: June 21, 2017), showed that fuel prices on average were up 26%, fertilizer prices were up 4% on average, and pesticide prices on average were up 2%. The Canadian dollar was up \$0.02 or 2% relative to the U.S. dollar from a year ago.

Since the previous survey on October 4, 2017, changes in average prices showed that the fuel products group was up 13%, the fertilizer products as a group were up 10% and the pesticide products as a group were also higher, up 2%. The Canadian dollar was down \$0.03 or 4% 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 +18%; Diesel Fuel +17%; 2,4-D Amine +53%; Dual II Magnum +21%; Sencor +6%; Basagran 45%; and Sevin XLR +14%.

Products lower priced in Ontario include: Nitrogen Solution (UAN) 28% -7%; Mono-Ammonium Phosphate - 5%; Pursuit -13%; Prowl H2O -11%; Caramba -25%; Delegate -22%; and Halex -23%.

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 24 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. The prices collected for corn and soybean seed were the spring 2018 prices.
- 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 August 1, 2018 daily average rate for the Bank of Canada was used. i.e. \$1.3002 Canadian equals \$1 U.S. (or \$0.7691 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 and Nearby American States for Aug 01, 2018

ONTARIO PRODUCT	UNIT	ALL ONT. LOCATIONS				ALL U.S. LOCATIONS		
		MIN	MAX	AVG		MIN	MAX	AVG
Regular Unleaded Gasoline	LITRE	1.12	1.29	1.18		0.87	1.11	1.01
Diesel Fuel (coloured)	LITRE	0.99	1.28	1.11		0.88	1.04	0.94
Propane (farm dryer)	LITRE	0.37	0.57	0.45		0.36	0.55	0.47
Anhydrous Ammonia 82-0-0 (no servic	TONNE	815.00	870.00	842.50		730.94	824.10	776.32
Urea 46%	TONNE	529.00	570.00	546.28		515.96	601.95	553.22
Nitrogen Solution (UAN) 28%	TONNE	290.00	380.00	343.00		341.10	429.96	370.55
Mono-Ammonium Phosphate 11-52-0	TONNE	630.00	802.00	738.71		709.44	859.93	778.81
Di-Ammonium Phosphate 18-46-0	TONNE					702.27	858.49	753.63
Triple Superphosphate 0-46-0	TONNE	765.00	900.00	832.50				
Muriate of Potash 60%	TONNE	440.00	512.00	483.56		472.96	530.29	503.66
Liquid 6-24-6	TONNE	810.00	1100.00	934.55		920.12	920.12	920.12
Liquid 10-34-0	TONNE	670.00	1005.00	761.90		594.78	752.44	658.36
Mixing Charge (no GST or PST)	TONNE	10.00	20.00	13.50		7.17	14.33	11.11
2,4-D Amine 600 (564 g/l EC)	LITRE	9.20	11.10	10.66		3.92	9.70	6.95
Atrazine 480 (480 g/l SU)	LITRE	8.61	10.10	9.76		4.20	6.62	5.32
Banvel II 480 (480 g/l SN)	LITRE	26.50	27.45	27.30				
Accent 75 DF (75 DF)	GRAM	2.07	2.38	2.28		0.98	1.86	1.35
Dual II Magnum (915 g/l EC)	LITRE	38.17	49.15	43.47		27.73	44.33	35.90
Callisto 480 SC (480 g/L SC)	LITRE	90.88	105.00	101.45		74.61	146.24	109.64
Frontier MAX (720 g/L EC)	LITRE	42.25	80.44	67.44				
MCPA Amine 500 (500 g/l SN)	LITRE	10.23	13.00	11.32		6.52	11.09	8.23
Pursuit (240 g/l SN)	LITRE	95.45	137.42	130.97		123.32	176.57	150.56
Halex GT (2 @ 250 g/L, 1 @ 25 g/L)	LITRE	13.45	16.70	15.36		16.26	23.36	20.04
Credit Xtreme (540 g/l SN)	LITRE	5.90	9.86	7.74		7.08	8.71	7.90
Sencor 75 DF (75% WG)	KILOG	38.95	47.00	44.97		35.83	50.16	42.60
Select (240 g/L EC)	LITRE	97.33	108.00	106.45		37.24	39.50	38.37
Basagran (480 g/l SN)	LITRE	25.92	34.25	32.39		14.47	34.05	22.27
Prowl H2O (455 g/L EC)	LITRE	12.70	19.20	15.34		12.41	21.26	17.29
Pardner (280 g/l EC)	LITRE	17.38	22.75	21.81		14.65	23.12	19.40
Lumax EZ (298 g/L, 112 g/L, 29.8 g/L)	LITRE	14.93	17.11	16.64		18.99	29.70	26.24
Devrinol 50 DF (50% DF)	KILOG	31.05	37.35	34.82		30.96	52.71	43.12
Assure II (96 g/L EC)	LITRE	70.00	100.50	80.16		25.37	44.04	33.12
Reflex (240 g/L EC)	LITRE	43.70	50.30	48.39		14.35	20.27	17.88
Coragen (200 g/L SU)	LITRE	175.55	215.95	198.30		356.64	412.22	383.48
Malathion 500 EC (500 g/l EC)	LITRE	14.50	30.82	23.37		7.91	14.15	11.11
Sevin XLR+ (480 g/l LI)	LITRE	18.79	27.00	24.01		16.64	27.28	20.96
Force 3 G (3% G)	KILOG	17.61	19.60	18.82		14.53	25.08	20.24
Pounce (384 g/L EC)	LITRE	55.00	68.25	61.89		19.07	34.18	26.63
Matador 120EC (120 g/L EC)	LITRE	146.32	189.42	179.61		40.71	70.01	58.50
Delegate (25% WG)	GRAM	0.34	0.38	0.37		0.43	0.53	0.47
Bravo (500 g/l SC)	LITRE	9.70	19.90	16.22		9.80	13.72	12.04
Captan 80 W (80% DG)	KILOG	19.40	27.30	25.71		8.14	14.82	11.12
Headline AMP (146 g/L, 55 g/L LI)	LITRE	41.89	65.63	54.51		78.21	123.45	103.62
Nova 40 W (40% WP)	KILOG	246.43	294.96	274.29		141.72	201.80	174.59
Caramba (90 g/L LI)	LITRE	31.68	47.04	43.85		47.03	71.62	58.79
Ethrel (240 g/l LI)	LITRE	21.12	23.32	22.07		5.73	13.74	9.55

Exchange Rate: 1.3002

PRICE COMPARISON BETWEEN ONTARIO AND NEARBY AMERICAN STATES FOR AUGUST 1, 2018
AVERAGE ONTARIO/U.S. PRICE IN CDN DOLLARS AND PERCENT DIFFERENCE

ONTARIO PRODUCT	UNIT	AVERAGE ONTARIO PRICE	AVERAGE U.S. PRICE	ONTARIO VS U.S.	ONTARIO 2018 VS ON 2017
Regular Unleaded Gasoline	LITRE	1.18	1.01	17.6%	25.8%
Diesel Fuel (coloured)	LITRE	1.11	0.94	17.2%	30.9%
Propane (farm dryer)	LITRE	0.45	0.47	-3.7%	7.1%
Anhydrous Ammonia 82-0-0 (no service)	TONNE	842.50	776.32	8.5%	-3.9%
Urea 46%	TONNE	546.28	553.22	-1.3%	8.0%
Nitrogen Solution (UAN) 28%	TONNE	343.00	370.55	-7.4%	-2.3%
Mono-Ammonium Phosphate 11-52-0	TONNE	738.71	778.81	-5.1%	7.3%
Di-Ammonium Phosphate 18-46-0	TONNE		753.63		
Triple Superphosphate 0-46-0	TONNE	832.50			1.8%
Muriate of Potash 60%	TONNE	483.56	503.66	-4.0%	-2.2%
Liquid 6-24-6	TONNE	934.55	920.12	1.6%	-4.6%
Liquid 10-34-0	TONNE	761.90	658.36	15.7%	-11.1%
Mixing Charge (no GST or PST)	TONNE	13.50	11.11	21.5%	3.8%
2,4-D Amine 600 (564 g/l EC)	LITRE	10.66	6.95	53.4%	-2.5%
Atrazine 480 (480 g/l SU)	LITRE	9.76	5.32	83.5%	1.3%
Banvel II 480 (480 g/l SN)	LITRE	27.30			-3.3%
Accent 75 DF (75 DF)	GRAM	2.28	1.35	69.4%	0.4%
Dual II Magnum (915 g/l EC)	LITRE	43.47	35.90	21.1%	-1.0%
Callisto 480 SC (480 g/L SC)	LITRE	101.45	109.64	-7.5%	-1.2%
Frontier MAX (720 g/L EC)	LITRE	67.44			-3.3%
MCPA Amine 500 (500 g/l SN)	LITRE	11.32	8.23	37.5%	2.4%
Pursuit (240 g/l SN)	LITRE	130.97	150.56	-13.0%	-2.8%
Halex GT (2 @ 250 g/L, 1 @ 25 g/L)	LITRE	15.36	20.04	-23.3%	0.7%
Credit Xtreme (540 g/l SN)	LITRE	7.74	7.90	-2.0%	-1.0%
Sencor 75 DF (75% WG)	KILOG	44.97	42.60	5.6%	-7.6%
Select (240 g/L EC)	LITRE	106.45	38.37	177.4%	1.1%
Basagran (480 g/l SN)	LITRE	32.39	22.27	45.4%	-2.0%
Prowl H2O (455 g/L EC)	LITRE	15.34	17.29	-11.3%	0.2%
Pardner (280 g/l EC)	LITRE	21.81	19.40	12.4%	-2.9%
Lumax EZ (298 g/L, 112 g/L, 29.8 g/L)	LITRE	16.64	26.24	-36.6%	0.7%
Devrinol 50 DF (50% DF)	KILOG	34.82	43.12	-19.2%	-4.3%
Assure II (96 g/L EC)	LITRE	80.16	33.12	142.0%	0.0%
Reflex (240 g/L EC)	LITRE	48.39	17.88	170.7%	-1.2%
Coragen (200 g/L SU)	LITRE	198.30	383.48	-48.3%	-4.2%
Malathion 500 EC (500 g/l EC)	LITRE	23.37	11.11	110.3%	5.0%
Sevin XLR+ (480 g/l LI)	LITRE	24.01	20.96	14.5%	-6.7%
Force 3 G (3% G)	KILOG	18.82	20.24	-7.0%	2.5%
Pounce (384 g/L EC)	LITRE	61.89	26.63	132.4%	-9.5%
Matador 120EC (120 g/L EC)	LITRE	179.61	58.50	207.0%	-2.6%
Delegate (25% WG)	GRAM	0.37	0.47	-21.6%	-5.1%
Bravo (500 g/l SC)	LITRE	16.22	12.04	34.7%	48.7%
Captan 80 W (80% DG)	KILOG	25.71	11.12	131.2%	0.0%
Headline AMP (146 g/L, 55 g/L LI)	LITRE	54.51	103.62	-47.4%	3.5%
Nova 40 W (40% WP)	KILOG	274.29	174.59	57.1%	-1.2%
Caramba (90 g/L LI)	LITRE	43.85	58.79	-25.4%	0.7%
Ethrel (240 g/l LI)	LITRE	22.07	9.55	131.0%	-1.0%

Exchange Rate: 1.3002

Seed Pricing (August 1, 2018)

Exchange Rate: 1.3002

Commodity	Unit	Ontario (\$CAD)			U.S. (\$CAD)			Ontario vs. U.S. AVG
		MIN	MAX	AVG	MIN	MAX	AVG	
Wheat	22.7 kg	23.61	30.90	27.19	13.90	36.41	27.05	0.5%
Corn RR	80,000 seeds	260.00	356.00	315.71	286.04	510.98	392.57	-19.6%
Corn Conventional	80,000 seeds	160.99	243.00	218.76	234.04	297.75	263.32	-16.9%
Soybean RR	140,000 seeds	56.00	86.00	72.67	67.61	89.71	78.34	-7.2%
Soybean Conventional	22.7 kg	37.00	60.25	49.74	20.80	62.68	44.48	11.8%

Commodity	Unit	U.S. (\$USD)			Ontario (\$USD)			U.S. vs. Ontario AVG
		MIN	MAX	AVG	MIN	MAX	AVG	
Wheat	50 lb	10.69	28.00	20.80	18.16	23.77	20.91	-0.5%
Corn RR	80,000 seeds	220.00	393.00	301.93	199.97	273.80	242.82	19.6%
Corn Conventional	80,000 seeds	180.00	229.00	202.52	123.82	186.89	168.25	16.9%
Soybean RR	140,000 seeds	52.00	69.00	60.25	43.07	66.14	55.89	7.2%
Soybean Conventional	50 lb	16.00	48.21	34.21	28.46	46.34	38.26	-11.8%

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.