

**CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS**

October 18, 2019

**Market Analysis Group / Crops and Horticulture Division  
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This report is an update of Agriculture and Agri-Food Canada's (AAFC) September outlook report for the 2018-19 crop year which has ended for all crops, and provides the outlook for the 2019-20 crop year. For most crops in Canada, the crop year started on August 1 and ends on July 31, although for corn and soybeans, the crop year started on September 1 and ends on August 31.

**For the 2018-19 crop year**, the report provides the final estimates for all crops which incorporates information from Statistics Canada's (STC) October 4, 2019 report on the supply and disposition of soybeans and corn. In addition, STC made revisions to the estimates for a number of other crops. Total exports of field crops increased by 4% as notably higher exports of durum, wheat, coarse grains, soybeans, dry peas and lentils more-than offset lower exports of canola. Carry-out stocks (year-end inventories) for all principal field crops in Canada decreased by about 4% from last year to 15.4 million tonnes (Mt) and will supplement supply for the 2019-20 crop year.

**For the 2019-20 crop year**, the estimates for area seeded and area harvested for all crops are from STC's August 28 report, which was based on a survey of producers. The outlook for expected average yields is from STC's September 12, 2019 report, which was based on agroclimatic data to the end of August. Therefore, the forecasts in the current report do not account for the cold wet conditions which have prevailed on the Prairies since September and heavy snow in early-October. Weather related issues have had a negative impact on crop quality in both Western and Eastern Canada. Revised estimates of field crop production will not be available until December 6 when STC publishes the final estimates of yield and production based on a survey of several thousand of producers. However, based on STC's September 12 report, total field crop production is estimated at 95.6 Mt with 87.5 Mt of grains and oilseeds (G&O) and 8.1 Mt of pulses and special crops (P&SC). Compared to the previous crop year, total exports of G&O are expected to decrease by about 3 percent and exports of P&SC are expected to remain similar to last year. Total carry-out stocks are expected to rise to 17 Mt, which is 15% higher than the previous five-year average. World grain prices will continue to be pressured by abundant supplies at the global level but the impact on grain prices in Canada will continue to be mitigated by the low value of the Canadian dollar.

**Canada: Principal Field Crops Supply and Disposition**

	Area Seeded	Area Harvested	Yield	Production	Imports	Total Supply	Exports	Total Domestic Use	Carry-out Stocks
	--- thousand hectares ---		t/ha	----- thousand tonnes -----					
<b>Total Grains And Oilseeds</b>									
2017-2018	27,149	26,336	3.27	86,187	2,504	103,046	45,370	43,356	14,320
2018-2019	27,820	26,861	3.22	86,584	4,261	105,165	46,841	44,191	14,133
2019-2020f	27,561	26,343	3.32	87,504	2,382	104,018	45,335	43,383	15,300
<b>Total Pulse And Special Crops</b>									
2017-2018	3,927	3,897	1.90	7,419	211	8,407	5,365	1,315	1,727
2018-2019	3,652	3,576	1.88	6,714	293	8,733	6,077	1,340	1,316
2019-2020f	3,849	3,756	2.15	8,079	290	9,686	6,030	1,901	1,755
<b>All Principal Field Crops</b>									
2017-2018	31,076	30,233	3.10	93,606	2,715	111,453	50,735	44,672	16,047
2018-2019	31,472	30,437	3.07	93,298	4,553	113,898	52,918	45,531	15,449
2019-2020f	31,410	30,099	3.18	95,583	2,672	113,704	51,365	45,283	17,055

Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)

f: forecast by AAFC except for area, yield and production which are from STC

## All Wheat

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### Durum

**For 2018-19**, Canadian durum exports increased by 4% from 2017-18 to 4.53 million tonnes (Mt), as reported by Statistics Canada (STC). Carry-out stocks rose by 18% to 1.68 Mt. STC raised the carry-out stocks estimate by 0.06 Mt from the September estimate.

**For 2019-20**, production is estimated to decrease by 13% from 2018-19 to 5 Mt, as the 21% lower seeded area is partly offset by higher average yields. Saskatchewan accounts for 85.5% of the production, Alberta for 14% and Manitoba for 0.5%.

Total supply is estimated to decrease by 7%, as the lower production is partly offset by higher carry-in stocks. Exports are forecast to increase by 4% to 4.7 Mt due to stronger demand resulting from a decrease in world production. Carry-out stocks are forecast to fall by 40% from 2018-19 to 1 Mt, 29% lower than the past five year average of 1.4 Mt. The carry-out stocks forecast is 0.1 Mt lower than in the September report as more durum is expected to be used for feed.

World durum production is estimated by the International Grains Council to fall by 2.5 Mt from 2018-19 to 35.7 Mt, while supply decreases by 1.8 Mt to 46 Mt. Use is expected to fall by 0.4 Mt to 37.1 Mt because of lower use for feed. Carry out stocks are forecast to fall by 1.4 Mt to 8.9 Mt. The United States Department of Agriculture (USDA) is forecasting US durum production at 1.57 Mt, down 0.55 Mt from 2018-19.

The average Canadian crop year producer price for durum is forecast to rise from 2018-19 due to lower world, Canadian and US supply and stronger export demand.

### Wheat (excluding durum)

**For 2018-19**, Canadian wheat exports rose by 12% from 2017-18 to 19.76 Mt and carry-out stocks fell by 16% to 4.24 Mt, as reported by STC. STC reduced the carry-out stocks estimate by 0.325 Mt from the September estimate.

**For 2019-20**, Canadian wheat production is estimated to rise by 4% from 2018-19 to 27.5 Mt, as the 7.5% higher seeded area is partly offset by higher abandonment for winter wheat and lower average yields. Saskatchewan accounts for 39.5% of the wheat production, Alberta 35.5%, Manitoba 18%, Ontario 5.5%, Quebec 1%, with the remaining 0.5% in the Maritimes and British Columbia.

Production by class of wheat, with 2018-19 production in brackets, is estimated at: winter (hard red, soft red and soft white) 1.74 Mt (2.51 Mt); Canada Western Red Spring (CWRS), premium quality hard wheat, 22.23 Mt (20.03 Mt); Canada Prairie Spring (CPS) 1.56 Mt (1.59 Mt), Canada Northern Hard Red Spring (CNHR) 0.77 Mt (1.06 Mt); soft white spring (CWSWS) 0.52 Mt (0.47 Mt), other western spring wheat 0.24 Mt (0.27 Mt), eastern spring wheat, mainly hard red spring (CERS), 0.41 Mt (0.39 Mt).

Total supply is estimated to increase by only 1%, as lower carry-in stocks partly offset the increase in production. Exports are forecast to fall by 4% to 19 Mt, as more competition is expected from other exporters because of higher production. The exports forecast is 0.2 Mt lower than in the September report due to lower than expected exports for the first two months of the crop year. Carry-out stocks are forecast to increase by 18% to 5 Mt, but only 2% higher than the past five year average of 4.92 Mt.

World all wheat (including durum) production is forecast to increase by 35 Mt to 765 Mt, while the supply increases by 29 Mt to 1,043 Mt, according to USDA. Total use is expected to increase by 19 Mt to 755 Mt. Carry out stocks are forecast to rise by 10 Mt to 288 Mt. Excluding China, world all wheat stocks are expected to increase by 4 Mt to 142 Mt.

US all wheat production is estimated to rise by 2.1 Mt from 2018-19 to 53.4 Mt, according to USDA. Supply is expected to increase by 1.1 Mt to 86 Mt. Domestic use is forecast to increase by 1.8 Mt, while exports increase by 0.4 Mt. Carry out stocks are forecast to decrease by 1 Mt to 28.4 Mt.

Average Canadian producer prices for wheat for the crop year are forecast to fall from 2018-19 because of the higher world and US supply.

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## Coarse Grains

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### Barley

**For 2018-19**, carry-out stocks of barley in Canada reached a record low of almost 0.9 million tonnes (Mt) due to lower supply than last year and very high exports.

**For 2019-20**, barley production in Canada is estimated to increase by 19% to almost 10 Mt, as barley output in most barley producing provinces, except Quebec, increased. About 60% of the increase in production comes from Alberta, the leading barley producing province in Canada, and 39% from Saskatchewan. The supply of barley in Canada is expected to increase significantly from 2018-19 due to sharply increased production which more than offsets historically low carry-in stocks.

Barley domestic use is expected to increase from 2018-19, reflecting higher feed use. Exports are forecast to fall due to improved supplies in competing countries and lower shipments to China. Carry-out stocks are anticipated to increase sharply.

The average price of feed barley has continued to decline since mid-June, in anticipation of abundant feed grain supplies. As a result, the feed barley price for 2019-20 is expected to decrease compared to 2018-19.

World barley production for 2019-20 is projected to rise to its highest level since 2008-09, largely due to higher output in the major world exporting countries, according to the United States Department of Agriculture (USDA). Barley production in the EU, Australia, Russia and Ukraine is expected to increase. World trade is projected to rise due to higher supply and stronger demand. Increased imports from Saudi Arabia, China and Morocco will more-than offset decreased deliveries to other countries. World carry-out stocks are expected to increase to the highest level in the recent three years.

### Corn

**For 2018-19**, corn imports increased by 65% from 2017-18 to 2.8 Mt, the highest level since 2008-09. Exports decreased by 12% to 1.6 Mt. Total domestic use increased by 10% due to higher feed and

industrial use. Carry-out stocks decreased by 18% to 2.0 Mt.

**For 2019-20**, the supply of corn in Canada is forecast to decrease significantly from 2018-19 due to lower imports and lower carry-in stocks. Corn production is estimated to increase by 2% to 14.1 Mt, as the increase in harvested area more than offsets the decrease in average yields. Total corn production in the largest two corn producing provinces, Ontario and Quebec, increased slightly to 12.5 Mt as higher production in Ontario more-than offsets lower production in Quebec. In Manitoba, the third biggest corn producing province, corn production increased by 22% to 1.5 Mt. Total imports are expected to decrease significantly. Due to abundant supplies of feed grain, the Prairie provinces are not anticipated to import the same large amount of corn from the US as occurred in 2018-19.

Corn domestic use for 2019-20 is expected to decrease from 2018-19, largely owing to lower feed use. Exports and carry-out stocks are forecast to decline on smaller supply.

The average price of corn in Chatham elevators for 2019-20 to-date increased by \$30/t from a year ago to \$215/t. For the crop year, the average corn price is anticipated to increase from last year due to a significant decline in supply.

US corn production for 2019-20 is projected to decrease by 4.3% from 2018-19 due to a decline in yields, according to the USDA. The average farmgate price of corn in the US is projected at US\$3.60/bu, unchanged from 2018-19. Corn production in other major world exporters remains abundant in Argentina and Brazil and is expected to increase in Russia and Ukraine, which should weigh on corn prices.

### Oats

**For 2018-19**, carry-out stocks of oats in Canada fell by 47% to a near-record level of 0.4 Mt due to lower supply and stronger exports.

**For 2019-20**, the supply of oats in Canada is expected to increase, compared to 2018-19, as higher production more than offsets the decrease in carry-in stocks. Oat production increased in the three Prairie provinces, Ontario and Quebec. The Prairie Provinces, particularly Saskatchewan, accounted for most of this increase.

Assuming a similar pace as in 2018-19 for domestic use and exports, carry-out stocks of oats for 2019-20 are forecast to increase but will remain tight. This has strongly supported oat prices across the Prairie provinces.

Oat prices in the Prairie provinces for 2019-20 to date were \$10-\$40/t higher than those for the same period in 2018-19 and was more than \$20/t higher for oat futures at Chicago Board of Trade. For the crop year, average oat price is anticipated to decline slightly compared to 2018-19.

US oat production for 2019-20 is estimated to decrease by 3% over 2018-19, according to the USDA. US oat imports are projected to increase. Oat production in the EU and Australia is forecast to increase.

## **Rye**

**For 2018-19**, carry-out stocks of rye in Canada declined significantly to 74 thousand tonnes (Kt). This was the lowest level in three years, mainly due to lower supply, despite weaker demand for domestic use and export.

**For 2019-20**, rye production in Canada is estimated to increase by 19% to 281 Kt from 2018-19. The supply of rye is expected to decrease slightly from 2018-19 as the decrease in carry-in stocks more-than offsets the increase in production. The quantities of rye distributed on the export market, domestic market and carry-out stocks for 2019-20 are expected to be similar to those of 2018-19.

Rye prices in Saskatchewan and Manitoba elevators have declined but remain high. For 2019-20, the rye price is anticipated to decrease from 2018-19.

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### Canola

**For 2018-19**, a record 9.3 million tonnes (Mt) of canola was crushed, producing a near record 4.0 Mt of canola oil and a record 5.2 Mt of canola meal. Canadian canola exports were 9.1 Mt, versus 10.8 Mt for last year, due to sharply lower Chinese imports since January 2019. Carry-out stocks are 4.1 Mt, with 1.3 Mt in commercial position and 2.8 Mt on farm. The simple crop year average market price for canola was \$497/t compared to \$539/t last year and the five year average of \$512/t.

**For 2019-20**, canola production is estimated at 19.4 Mt, 5% below last year but slightly above the five year average, as the 8% shift in crop area out of canola was partly offset by an expected 0.07 t/ha increase in yields. Yields are tentatively estimated at 2.3 t/ha despite the abnormal growing conditions which affected different parts of the growing region during the crop year.

Statistic Canada's mid-harvest production estimates are derived from a model using satellite-generated imagery. For the current crop year, 53% of the canola is expected to be grown in Saskatchewan, 29% in Alberta and 17% in Manitoba. As of October 4, AAFC estimates 13.7 Mt (71%) of the Canadian canola crop remained unharvested with delays increasing east-to-west across Western Canada. October 4 harvest progress by province was: Manitoba 69%, Saskatchewan 24% and Alberta 16%. Even if weather turns sunny and dry, wet fields are expected to delay harvest progress for the rest of the fall. Much of the canola is expected to be harvested at excess moisture and extensive on-farm drying of the canola crop is anticipated although expected volumes remain unknown as of early October.

Assuming that the harvest is successfully completed, total supplies of canola are forecast at a record 23.6 Mt, an increase of 0.56 Mt from last year's previous record, as higher carry-in stocks and stable imports exceed the drop in output. Domestic processing of canola is forecast to remain steady at about 9.3 Mt, as the industry continues operating at full capacity.

Canola exports are forecast at 9.2 Mt, versus the five year average of 10.1 Mt, as burdensome global supplies and reduced world demand limit shipments. Some additional support for Canadian exports is being provided by the shortfall in the European and Australian canola-rapeseed crops due to below normal yields as a result of hotter and drier than normal growing conditions. However, this is expected to be more-than-offset by weak Chinese demand for Canadian canola as the two countries remain locked in a trade dispute, and a sharp contraction in Chinese hog inventories due to African Swine Fever.

Carry-out stocks are forecast to rise to 4.7 Mt, with about 3.7 Mt remaining on farm. The stocks-to-use ratio is estimated at 25%, up from 20% in 2018-19 but close to the 22% experienced in 2009-10. Canola prices are forecast to fall to \$445-485/t from \$497/t in 2018-19, as pressure from lower world vegetable oil and protein meals prices is partly offset by the discounted Canadian dollar.

World production of canola-rapeseed oil is estimated at 27.5 Mt, virtually unchanged from last year but down from the 28.1 Mt produced in 2017-18, says the USDA. The European Union is expected to produce 9.4 Mt, followed by China at 6.3 Mt and Canada at 4.2 Mt of canola oil. Other large producers of canola oil are India and Japan. World consumption of canola oil is forecast at 28.0 Mt, down from the 28.1 Mt consumed in 2018-19 and the 29.0 used in 2017-18. World trade is forecast to expand to slightly under 5.0 Mt. Canada accounts for two-third of the world's canola oil exports, with the aggregate other countries accounting for 29% of canola oil shipments. China is the world's largest importer of canola oil, projected at 1.5 Mt in 2019-20, 1.45 Mt in 2018-19 and 1.07 Mt in 2017-18. All other countries are expected to account for 61%, or 3.1 Mt of the world's canola oil imports for 2019-20. Carry-out stocks of canola oil are forecast to tighten to 1.9 Mt, down from 2.5 Mt in 2018-19 and 3.1 Mt in 2019-20, mostly due to the drawdown in Chinese canola-rapeseed oil reserves.

## **Flaxseed**

**For 2018-19**, Canadian flaxseed exports were 466 thousand tonnes (Kt), while total domestic use fell to 102 Kt on lower feed, waste and dockage. Carry-out stocks are estimated at 61 Kt, with 38 Kt on farm and 23 Kt in commercial positions. Flaxseed prices are estimated at \$496/t versus \$463/t for 2017-18.

**For 2019-20**, flaxseed production is estimated at 577 Kt up from 492 Kt in 2018-19 and up slightly from 2017-18. The rise in output is mostly due to the 9% rise in seeded area, to 0.38 Mha. About 79% of the flaxseed area is located in Saskatchewan, with Alberta and Manitoba accounting for 12% and 9% of the remaining area, respectively. Above normal yields are assumed. Supplies are forecast to rise slightly to 648 Kt, as the increase in output more-than exceeds the drop in carry-in stocks.

Exports are forecast to remain stable at 0.50 Mt while total domestic use decrease due to lower feed, waste and dockage. Carry-out stocks are forecast to rise to 70 Kt. Flaxseed prices are forecast at \$450-490/t.

For 2019-20, world crushing of flaxseed-linseed is expected to rise slightly, to 2.48 Mt, producing 0.81 Mt of linseed oil and 1.56 Mt of linseed meal, says Oil World. China is the world's largest flaxseed crusher and is expected to process 0.78 Mt of flaxseed-linseed in 2019-20, similar to previous years. The European Union is expected to crush 0.70 Mt of flaxseed-linseed while the US crush is estimated at 0.27 Mt. Other significant processors of flaxseed-linseed are Kazakhstan, India and Russia, in order of size at between 0.1 Mt to 0.2 Mt per country. Aggregate other countries are expected to crush about 0.21 Mt of flaxseed-linseed in 2019-20.

## **Soybeans**

**For 2018-19**, exports were 5.6 Mt, up from the 4.9 Mt shipped in 2017-18. Soybean crush was 2.1 Mt while carry-out rose to 0.7 Mt, up slightly from last year. Soybean prices declined to \$406/t versus \$434/t for 2017-18.

**For 2019-20**, production is estimated at 6.49 Mt, a 13% drop from the 7.42 Mt grown last year due to a

significant drop in planted area and slightly lower expected yields. Total supplies of soybeans in Canada are forecast to fall by 18%, to 7.9 Mt, as sharply lower imports, 0.4 Mt vs 1.1 Mt for 2018-19, supplements the drop in output and negates the slight increase in carry-in stocks (0.70 Mt).

Domestic processing of soybeans is forecast to decline marginally to 1.9 Mt but could easily rise to last year's pace of 2.1 Mt. Exports are forecast to fall sharply to 4.7 Mt from the record 5.6 Mt shipped out of the country in 2017-18, due to constrained supplies. Feed, waste and dockage is also forecast to fall sharply to 0.29 Mt while carry-out is estimated at 0.45 Mt. Soybean prices are forecast to fall to \$380/t to \$420/t from \$406/t in 2018-19 and \$434/t in 2017-18.

At the world level, 2019-20 soybean production is expected to decline by 21 Mt, to 342 Mt, due to a sharply lower US output of about 99 Mt, versus 124 Mt last year. Brazilian soybean production is expected to increase to a record 123 Mt as that country recovers from last year's drop. Similarly, Argentine production is expected to remain stable at 53 Mt as the country recovers fully from the 2017-18 drought when output fell to 37.8 Mt. China is projected to increase its soybean output slightly, to 17.1 Mt, as it seeks to reduce dependence on imported oilseeds. India is expected to produce 11.0 Mt of soybeans, production will be helped by the longer-than normal monsoon season which will ease drought concerns. Similarly, Paraguayan production is projected to increase slightly to 10.2 Mt, assuming a return to normal growing conditions in that country. Production by other countries is expected to decline marginally to 21.7 Mt

Factors to watch are:

- (1) any break in the wet fall harvest weather,
- (2) Canadian and US harvest quality and yields,
- (3) strength of import country buying, and
- (4) Canadian and US export shipping pace.

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### Dry Peas

**For 2018-19**, exports were higher than the 2017-18 level at 3.25 million tonnes (Mt) due to record shipments to Bangladesh. This was partly offset by lower exports to China and the US. Domestic use was higher compared to the previous year. The average dry pea price was \$270/t due to higher exports which led to decline in carry-out stocks in 2018-19. The average crop year prices for yellow peas was lower than for the previous year but prices were higher than 2017-18 for green types and feed peas.

**For 2019-20**, production in Canada is estimated to increase by 30% to 4.7 Mt as higher harvested area, particularly in Saskatchewan, was augmented by higher yields. Alberta and Saskatchewan are expected to account for 4.5 Mt of the dry pea production, with the remainder of the production in Manitoba, British Columbia and Eastern Canada. Supply is expected to be higher than last year at 5.1 Mt. Exports are forecast to increase to 3.4 Mt, with China, the US and Bangladesh expected to be Canada's top three markets. Carry-out stocks are forecast to rise despite expectations for a rise in domestic use. The average price is expected to be lower than 2018-19, particularly for green pea types.

During the month of September, Saskatchewan green pea farmgate prices rose \$30/t each while yellow pea farmgate prices fell \$10/t each. Green dry peas prices are currently at a \$50/t premium to yellow dry peas compared to last year when green pea prices were a \$125/t premium to yellow peas.

In the US, area seeded to dry peas for 2019-20 is forecast by the USDA to increase by 26% from last year to 1.1 million acres. This is largely due to an expected rise in area seeded in Montana. With higher yields and lower abandonment, US dry pea production is forecast by the USDA to increase sharply to 1.1 Mt. The US exported about 230 thousand tonnes (Kt) of dry peas to Canada, the Philippines and India. The US is expected to maintain its market share in 2019-20 with production higher than the previous year.

### Lentils

**For 2018-19**, lentil exports rose to over 2.0 Mt, up 32% from the previous year. Of this, 1.3 Mt were red lentil types with 0.7 consisting of the green lentil types. The leading export markets were India, the United Arab Emirates, Bangladesh and Turkey. Total domestic use was lower than the previous year at 0.35 Mt. Carry-out stocks decreased to 0.6 Mt. The average Canadian lentil price was significantly lower than 2017-18, despite increased demand. No.1 large green lentil prices maintained a record crop year premium of \$80/t over No.1 red lentil prices.

**For 2019-20**, due to higher yields, production is estimated to increase by 20% to 2.5 Mt with similar harvested area. The production of large green lentils is forecast to be higher than last year at 0.7 Mt and the production of red lentils is expected to be higher than last year at 1.5 Mt. Production of the other remaining lentil types is expected to be similar to last year at nearly 0.3 Mt.

Supply, however, is expected to increase by only 7% due to smaller carry-in stocks which partly offset the increased production. Exports are expected to be lower than last year at 1.9 Mt, with Turkey, the United Arab Emirates, and the EU expected to remain the top three export markets. Domestic use is forecast to be higher than last year. Carry-out stocks are forecast to be higher than the previous year. The overall average price is forecast to be lower than 2018-19. Harvest reports suggest a much lower No.1 and No.2 grade distribution than in 2018-19. Large green lentil prices are forecast to have a larger premium over red lentil prices than last year.

In the US, the area seeded to lentils for 2019-20 is forecast by the USDA at below 0.5 million acres, down almost 38% from 2018-19 due to lower area seeded in Montana. With normal yields and lower abandonment, 2019-20 US lentil production is therefore forecast by USDA to fall below 0.3 Mt, 22% lower than in 2018-19. US lentil exports are about 0.2 Mt annually with the main markets continuing to be the EU, Canada, India and Mexico.



## **Dry Beans**

**For 2018-19**, dry bean exports were slightly lower than 2017-18. The EU and the US were the top two markets for Canadian dry beans, with smaller volumes exported to Angola, Japan and Mexico. A favorable exchange rate provided the majority of the support for Canadian dry bean prices in 2018-19.

**For 2019-20**, production is estimated to rise to nearly 0.36 Mt, consisting of 94 Kt of white pea bean types and 262 Kt of coloured bean types. Production in Manitoba increased while production in Ontario decreased. In Alberta, colored dry bean production increased marginally.

Supply is forecast to increase by 12%, due to higher carry-in stocks. Exports are forecast to be similar to last year at 345 Kt. The US and the EU are forecast to remain the main markets for Canadian dry beans, with expectations that Canada will continue to expand its market share in Africa. Carry-out stocks are also expected to rise sharply. The average Canadian dry bean price is forecast to decrease due to the larger North American supply.

In the US, area seeded to dry beans is forecast by the USDA to rise by 7% to 1.3 million acres, largely due to larger area seeded in Minnesota. US total dry bean production (excluding chickpeas) is forecast by the USDA at 1.1 Mt, down 4% from 2018-19. US export markets are expected to continue to be the EU, Mexico and Canada. US dry bean exports total about 0.3-0.4 Mt annually.

## **Chickpeas**

**For 2018-19**, Canadian chickpea exports rose from the previous year to 147 Kt. Record exports to Pakistan were behind the rise in exports. As a result of the larger supply, and despite an increase in exports, carry-out stocks rose sharply from the previous year. The average price decreased sharply, due to a large increase in world supply for all chickpea types.

**For 2019-20**, production is estimated to fall 16% to 263 Kt, as lower area combines with lower yields. However, supply is forecast to rise to 403 Kt, due to higher carry-in stocks. Exports are forecast to rise marginally due to increased world supply, with the EU, the US and Pakistan expected to remain the

main markets for Canadian chickpeas. Carry-out stocks are expected to increase and continue to be burdensome for prices. The average price is forecast to fall due to expectation for increased world supply.

US chickpea area seeded is estimated by the USDA at 0.45 million acres, down 48% from 2018-19. With above normal yields and abandonment, 2019-20 US chickpea production is forecast by the USDA at just over 0.3 Mt, sharply lower than 2018-19.

## **Mustard Seed**

**For 2018-19**, Canadian mustard exports increased to 121 Kt, up from the previous year due to higher export demand from the US. However, due to higher supply, carry-out stocks rose. Prices fell sharply for all mustard seed types, due to pressure from the increased domestic supply.

**For 2019-20**, production is estimated to decrease by nearly 20% to 141 Kt due to lower harvested area and yields. The production of all of the major types of mustard (yellow, brown and oriental) fell. However, supply is forecast to fall by only 6%, due to high carry-in stocks. Exports are expected to be similar to last year at 120 Kt. Carry-out stocks are forecast to decrease. The US and the EU are expected to remain the main export markets for Canadian mustard seed. The average price is forecast to be similar to 2018-19 despite tighter domestic supply.

## **Canary Seed**

**For 2018-19**, exports were higher than the previous year at 156 Kt. This was due to higher exports to Mexico, the EU and Brazilian demand. The average price increased due to tighter Canadian carry-out stocks.

**For 2019-20**, production is estimated to be reduced by nearly half to 80 Kt, as lower harvested area due to high abandonment combines with lower yields. Exports are expected to be limited by lower supply. The EU and Mexico are forecast to remain the main export markets, followed by South America and the US. Carry-out stocks are expected to tighten. The average price is forecast to be sharply higher than the 2018-19 level due to strong world demand and tight Canadian stocks.

## **Sunflower Seed**

**For 2018-19**, sunflower seed exports were higher at 26 Kt due to increased demand from the US. As a result, carry-out stocks fell slightly. The total average Canadian price for sunflower seed decreased marginally from the previous year despite higher oilseed and confectionery type prices. This occurred as a result of an increase in the percentage of oilseed type production and a decrease in the percentage of confectionery type production in Canada.

**For 2019-20**, production is estimated at 47 Kt, down 18% from last year, due to lower harvested area. Supply is expected to fall to 162 Kt due to lower production. Although exports are forecast to be similar, carry-out stocks are expected to fall sharply. The US is expected to remain Canada's main export market for sunflower seed. The average price is forecast to rise as the similar prices for confectionery sunflower seed combine with higher prices for the oilseed types of sunflowers.

Area seeded to sunflower seed in the US is estimated by the USDA at nearly 1.4 million acres, marginally

higher than last year due to the increase in area seeded in North Dakota. The area seeded to oil type varieties increased to 1.2 million acres and the area seeded to confectionery type varieties rose to 0.16 million acres. For 2019-20, US sunflower seed production is forecast by USDA at over 1.0 Mt, 7% higher than last year.

For 2019-20, the global supply of sunflower seed is estimated by the USDA at a record 57.8 Mt. This is marginally higher than last year due to record expected production in Ukraine and Russia. World domestic use is expected to reach a record 52.4 Mt and world exports are forecast to rise by 3%. World carry-out stocks are expected to fall marginally to 2.9 Mt, below the five year average. This may provide some support for world sunflower seed prices.

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# CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

October 18, 2019

Grain and Crop Year (a)	Area Seeded ----- thousand ha	Area Harvested	Yield t/ha	Production	Imports (b)	Total Supply	Exports (c)	Food & Industrial Use (d)	Feed, Waste & Dockage	Total Domestic Use (e)	Carry-out Stocks	Average Price (g) \$/t
<b>Durum</b>												
2017-2018	2,106	2,088	2.38	4,962	8	6,798	4,342	201	587	1,030	1,426	265
2018-2019	2,503	2,456	2.34	5,745	24	7,194	4,526	206	596	993	1,676	235
2019-2020f	1,980	1,929	2.59	4,998	25	6,699	4,700	210	579	999	1,000	240-270
<b>Wheat Except Durum</b>												
2017-2018	7,020	6,895	3.69	25,415	75	30,593	17,570	3,212	3,977	7,969	5,053	240
2018-2019	7,570	7,425	3.56	26,456	95	31,605	19,764	3,309	3,457	7,601	4,240	245
2019-2020f	8,141	7,847	3.50	27,494	95	31,829	19,000	3,310	3,674	7,829	5,000	215-245
<b>All Wheat</b>												
2017-2018	9,126	8,983	3.38	30,377	82	37,391	21,913	3,413	4,564	8,999	6,479	
2018-2019	10,073	9,881	3.26	32,201	119	38,799	24,289	3,515	4,053	8,593	5,916	
2019-2020f	10,121	9,776	3.32	32,492	120	38,528	23,700	3,520	4,253	8,828	6,000	
<b>Barley</b>												
2017-2018	2,334	2,114	3.73	7,891	59	10,072	2,823	62	5,716	6,005	1,244	227
2018-2019	2,628	2,395	3.50	8,380	43	9,667	3,068	104	5,345	5,707	893	260
2019-2020f	2,996	2,701	3.70	9,987	40	10,920	3,000	111	5,868	6,220	1,700	210-240
<b>Corn</b>												
2017-2018	1,447	1,406	10.02	14,096	1,699	18,291	1,845	5,173	8,841	14,030	2,417	174
2018-2019	1,468	1,431	9.70	13,885	2,800	19,102	1,617	5,786	9,699	15,502	1,983	194
2019-2020f	1,495	1,463	9.64	14,110	1,700	17,793	1,515	5,374	9,088	14,478	1,800	190-220
<b>Oats</b>												
2017-2018	1,295	1,052	3.55	3,733	14	4,450	2,368	112	1,088	1,304	778	218
2018-2019	1,235	1,005	3.42	3,436	10	4,225	2,475	186	1,031	1,338	412	254
2019-2020f	1,459	1,158	3.47	4,016	10	4,438	2,580	185	1,047	1,358	500	225-255
<b>Rye</b>												
2017-2018	144	101	3.39	341	1	507	194	57	119	188	124	162
2018-2019	136	79	2.99	236	2	363	146	19	108	142	74	236
2019-2020f	175	97	2.88	281	2	356	140	19	104	136	80	200-230
<b>Mixed Grains</b>												
2017-2018	123	54	2.77	149	0	149	0	0	149	149	0	
2018-2019	144	69	2.82	195	0	195	0	0	195	195	0	
2019-2020f	145	66	3.03	199	0	199	0	0	199	199	0	
<b>Total Coarse Grains</b>												
2017-2018	5,342	4,726	5.55	26,210	1,773	33,469	7,230	5,404	15,913	21,676	4,564	
2018-2019	5,610	4,979	5.25	26,132	2,855	33,551	7,305	6,095	16,378	22,883	3,362	
2019-2020f	6,269	5,485	5.21	28,592	1,752	33,706	7,235	5,689	16,305	22,391	4,080	
<b>Canola</b>												
2017-2018	9,313	9,273	2.30	21,328	108	22,778	10,783	9,269	160	9,496	2,499	539
2018-2019	9,232	9,120	2.23	20,343	146	22,988	9,141	9,295	397	9,754	4,094	497
2019-2020f	8,479	8,413	2.30	19,358	100	23,551	9,200	9,250	350	9,651	4,700	445-485
<b>Flaxseed</b>												
2017-2018	421	419	1.33	555	7	802	516	0	145	160	127	463
2018-2019	347	342	1.44	492	9	628	466	0	85	102	61	496
2019-2020f	379	373	1.55	577	10	648	500	0	58	78	70	450-490
<b>Soybeans</b>												
2017-2018	2,947	2,935	2.63	7,717	534	8,606	4,929	1,969	795	3,026	651	434
2018-2019	2,558	2,540	2.92	7,417	1,131	9,199	5,640	2,058	563	2,859	700	406
2019-2020f	2,313	2,296	2.82	6,485	400	7,585	4,700	1,900	285	2,435	450	380-420
<b>Total Oilseeds</b>												
2017-2018	12,681	12,627	2.34	29,600	649	32,186	16,227	11,238	1,100	12,682	3,277	
2018-2019	12,137	12,001	2.35	28,252	1,286	32,815	15,246	11,354	1,045	12,715	4,854	
2019-2020f	11,171	11,082	2.38	26,420	510	31,784	14,400	11,150	693	12,164	5,220	
<b>Total Grains And Oilseeds</b>												
2017-2018	27,149	26,336	3.27	86,187	2,504	103,046	45,370	20,056	21,576	43,356	14,320	
2018-2019	27,820	26,861	3.22	86,584	4,261	105,165	46,841	20,963	21,475	44,191	14,133	
2019-2020f	27,561	26,343	3.32	87,504	2,382	104,018	45,335	20,359	21,251	43,383	15,300	

(a) Crop year is August-July, except corn and soybeans, for which the crop year is September-August.

(b) Imports exclude products.

(c) Exports include grain products but exclude oilseed products.

(d) Food and Industrial use for soybeans is based on data from the Canadian Oilseed Processors Association.

(e) Total Domestic Use = Food and Industrial Use + Feed Waste & Dockage + Seed Use + Loss in Handling

(g) Crop year average prices: Wheat (No.1 CWRS, 13.5% protein) and Durum (No.1 CWAD, 13% protein), both are average Saskatchewan producer spot prices. Barley (No. 1 feed, cash, I/S Lethbridge), Corn (No.2 CE, cash, I/S Chatham), Oats (US No. 2 Heavy, CBOT nearby futures); Rye (No. 1 CW, cash, I/S Saskatoon); Canola (No. 1 Canada, cash, Track Vancouver); Flaxseed (No. 1 CW, cash, I/S Saskatoon); Soybeans (No. 2 CE, cash, I/S Chatham)

Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)

f: forecast by AAFC except for area, yield and production which are from STC

# CANADA: PULSES AND SPECIAL CROPS SUPPLY AND DISPOSITION

October 18, 2019

Grain and Crop Year (a)	Area	Area	Yield t/ha	Production	Imports (b)	Total Supply	Exports (b)	Total	Carry-out Stocks	Stocks-to- Use Ratio %	Average Price (d) \$/t
	Seeded	Harvested						Domestic Use (c)			
----- thousand ha ----- thousand tonnes -----											
<b>Dry Peas</b>											
2017-2018	1,656	1,642	2.50	4,112	12	4,424	3,085	691	648	17	265
2018-2019	1,463	1,431	2.50	3,581	62	4,291	3,247	718	326	8	270
2019-2020f	1,753	1,722	2.71	4,673	60	5,059	3,400	1,059	600	13	225-255
<b>Lentils</b>											
2017-2018	1,783	1,774	1.44	2,559	35	2,908	1,538	497	873	43	475
2018-2019	1,525	1,499	1.40	2,092	51	3,016	2,032	350	634	27	390
2019-2020f	1,530	1,501	1.68	2,520	75	3,228	1,900	578	750	30	365-395
<b>Dry Beans</b>											
2017-2018	135	132	2.45	322	86	409	350	34	25	7	760
2018-2019	143	137	2.49	341	97	463	348	36	80	21	815
2019-2020f	147	142	2.51	356	85	521	345	36	140	37	770-800
<b>Chickpeas</b>											
2017-2018	68	68	1.49	102	48	151	116	21	13	10	950
2018-2019	179	176	1.77	311	51	376	147	129	100	36	480
2019-2020f	159	155	1.70	263	40	403	150	128	125	45	425-455
<b>Mustard Seed</b>											
2017-2018	156	153	0.80	122	9	211	112	45	53	34	770
2018-2019	204	197	0.88	174	9	236	121	42	73	45	690
2019-2020f	161	157	0.90	141	8	222	120	42	60	37	675-705
<b>Canary Seed</b>											
2017-2018	103	103	1.41	145	0	165	147	2	16	11	465
2018-2019	109	109	1.45	158	0	174	156	7	11	7	505
2019-2020f	77	58	1.39	80	0	91	90	1	0	0	580-610
<b>Sunflower Seed</b>											
2017-2018	26	26	2.26	58	22	139	17	25	98	234	590
2018-2019	29	27	2.13	57	24	179	26	59	94	110	585
2019-2020f	23	22	2.14	47	22	162	25	57	80	97	585-615
<b>Total Pulses and Special Crops (c)</b>											
2017-2018	3,927	3,897	1.90	7,419	211	8,407	5,365	1,315	1,727	26	
2018-2019	3,652	3,576	1.88	6,714	293	8,733	6,077	1,340	1,316	18	
2019-2020f	3,849	3,756	2.15	8,079	290	9,686	6,030	1,901	1,755	22	

(a) Crop year is August-July. Grains include pulses (dry peas, lentils, dry beans, chick peas) and special crops (mustard seed, canary seed, sunflower seed).

(b) Imports and exports exclude products.

(c) Total Domestic Use = Food and Industrial Use + Feed Waste & Dockage + Seed Use + Loss in Handling

(d) Producer price, FOB plant, average over all types, grades and markets.

Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)

f: forecast by AAFC except for area, yield and production which are from STC