CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS

September 24, 2020

Market Analysis Group / Crops and Horticulture Division
Sector Development and Analysis Directorate / Market and Industry Services Branch

Executive Director: Donald Boucher **Deputy Director: Fred Oleson**

This report is an update of Agriculture and Agri Food Canada's (AAFC) August outlook report for the 2019-20 crop year, which has ended for all crops, and provides the outlook for the 2020-21 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 **2019-20** crop year, the report provides the near-final estimates for all crops, except for corn and soybeans, using information from Statistics Canada's (STC) September 4, 2020 report on stocks of grain and oilseeds as of July 31. Compared to the previous year total crop production increased slightly to 94.3 million tonnes (Mt), although total supply decreased as a result of lower imports. Due to lower supply, higher exports and domestic use, carryout stocks (year-end inventories) for all principal field crops decreased by almost 20% to 12.5 Mt. This significant decrease was due to higher exports and domestic use in Canada.

For the **2020-21** crop year, the outlook incorporates yield estimates from STC's September 14, 2020 report, which are based on a model that incorporates coarse resolution satellite data from STC's Crop Condition Assessment Program, data from STC's field crop reporting series, and agro-climatic data. The yield estimates for 2020-21 benefited from the favorable weather in September in Western Canada, which enabled an early harvest. In Eastern Canada, the corn and soybean harvest is not expected to be complete until early November. Total field crop production is now estimated at 98.1 Mt, of which 91% are grains and oilseeds (G&O) and 9% are pulses and special crops (P&SC). Due to the major set-back in carry-in stocks, total supply is expected to fall. Total exports and total domestic use are forecast to decrease slightly, due largely to declines related to canola, as well as a pullback in pulse exports. Total carry-out stocks are forecast to increase to 13.7 Mt, about 7% below the 10-year average. World grain prices will continue to be pressured by an abundant supply of grains at the global level, but the impact on grain prices in Canada will be mitigated by the expected relatively low value of the Canadian dollar. The economic outlook for the world and Canadian grain markets is expected to continue to be impacted by the domestic and international uncertainty caused by COVID-19.

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*					
Total Grains And Oilseeds									
2018-2019	27,820	26,861	3.23	86,844	4,042	105,466	46,869	44,479	14,118
2019-2020f	27,569	26,105	3.33	86,905	3,123	104,146	45,997	46,450	11,698
2020-2021f	27,480	26,211	3.42	89,742	2,112	103,552	45,820	45,346	12,385
Total Pulse And Special Crops									
2018-2019	3,652	3,576	1.88	6,714	293	8,734	6,101	1,205	1,427
2019-2020	3,911	3,804	1.95	7,419	326	9,172	7,321	1,057	794
2020-2021f	3,987	3,875	2.16	8,385	277	9,456	6,970	1,136	1,350
All Principal Field Crops									
2018-2019	31,472	30,438	3.07	93,558	4,336	114,199	52,970	45,685	15,545
2019-2020f	31,480	29,909	3.15	94,324	3,449	113,318	53,318	47,507	12,492
2020-2021f	31,467	30,086	3.26	98,127	2,389	113,007	52,790	46,482	13,735

Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)
f: For 2019-20, all are STC estimates but disposition for corn and soybeans is AAFC. For 2020-21, area, yield and production are estimated by STC but disposition is forecast by AAFC.

Durum

For 2019-20, Canadian durum exports increased by 18% from 2018-19 to 5.36 million tonnes (Mt), as reported by STC. Included in the exports was 0.019 Mt of product, versus 0.012 Mt for 2018-19. Canada exported durum to 31 countries, with Italy (1.247 Mt), Turkey (0.979 Mt), Morocco (0.889 Mt), US (0.499 Mt), Algeria (0.392 Mt) and Japan (0.224 Mt) being the largest destinations.

Carry-out stocks fell by 63% to 0.66 Mt, 37% lower than the past five-year average of 1.37 Mt and the lowest since 1985-86.

For 2020-21, Canadian durum production is forecasted by STC to increase by 23% from 2019-20 to 6.13 Mt, as the 16% increase in seeded area is compounded by higher yields and a return to normal abandonment rate. Total supply is estimated to fall marginally as the higher production is more than offset by lower carry-in stocks. Exports are expected to decrease slightly as they will be limited by the supply. Domestic food use is expected to fall marginally from the unusually high 2019-20 level. Carry-out stocks are forecast to increase only slightly and remain at a low level.

World durum production is forecast to increase by 0.7 Mt from 2019-20 to 34.3 Mt, according to the International Grains Council (IGC). Supply is expected to fall by 0.4 Mt to 43.1 Mt because of lower carry-in stocks. Use is expected to rise by 0.5 Mt to 35.2 Mt, while carry-out stocks fall by 0.9 Mt to 7.9 Mt, the lowest since 2014-15. US durum production is estimated to rise by 0.22 Mt to 1.68 Mt according to the United States Department of Agriculture (USDA).

The average Canadian crop year producer price for durum is forecast to be the same price as 2019-20's.

Wheat (excluding durum)

For 2019-20, Canadian wheat exports fell by 3% to 19.23 Mt, based on STC data. Included in the exports was 0.322 Mt of product, versus 0.235 Mt for 2018-19. Canada exported wheat to 62 countries, with Indonesia (2.182 Mt), Japan (1.799 Mt), China (1.712 Mt), Bangladesh (1.433Mt), Peru (1.324 Mt), Colombia (1,266 Mt) and US (1.186 Mt) being the largest destinations.

Carry-out stocks increased by 7% to 4.37 Mt, 5% lower than the past five-year average of 4.58 Mt. Note: STC lowered the carry-in stocks estimate for 2019-20 by 0.15 Mt.

For 2020-21, Production is estimated by STC to increase by 2% to 28.01 Mt, as a 3% decrease in seeded area was more than offset by lower abandonment and higher yields. Spring wheat production is estimated to fall by 2% to 25.16 Mt and winter wheat production to rise by 68% to 2.85 Mt.

Estimated production by class of wheat, with 2019-20 production in brackets: winter wheat (hard red, soft red and soft white) 2,849 thousand tonnes (kt) (1,700 kt); Canada Western Red Spring (CWRS), premium quality hard wheat, 21,000 kt (22,167 kt); Canada Prairie Spring (CPS) 1,994 kt (1,495 kt), Canada Northern Hard Red Spring (CNHR) 801 kt (730 kt); soft white spring (CWSWS) 481 kt (545 kt), other western spring wheat 314 kt (270 kt), eastern spring wheat, mainly hard red spring (CERS), 571 kt (464 kt).

Total supply is estimated to increase by 3% because of higher carry-in stocks. Exports are forecast to fall marginally. Canada is expected to have more competition from Australia in world wheat markets because its wheat production is projected to rise to 28.5 Mt from the drought-reduced 15.2 Mt in 2019-20. Australia imported 0.647 Mt of wheat from Canada in 2019-20 because of its low production. Offsetting this increase would be the reduction in wheat production in the EU and the US. Domestic food and industrial use is expected to increase slightly. Carry-out stocks are forecast to increase by 19% to 5.2 Mt.

World all wheat production is forecast to rise by 6 Mt from 2019-20 to 770 Mt, while supply increases by 22 Mt to 1,070 Mt due to higher carry-in stocks, according to USDA. Total use is expected to rise by 3 Mt to 751 Mt, as higher food use is partly offset by lower feed use. Carry-out stocks are forecast to rise by 20 Mt to 319 Mt. Excluding China, carry-out stocks are projected to rise by 8 Mt to 156 Mt.

US all wheat production is estimated to fall by 2.3 Mt from 2019-20 to 50 Mt, according to USDA. Imports are forecast to increase by 0.7 Mt. Supply of all wheat is estimated to fall by 2.5 Mt to 82 Mt. Exports are forecast to rise by 0.3 Mt, while domestic use increases by 0.4 Mt. Carry-out stocks are forecast to decrease by 3.2 Mt to 25.2 Mt.

Average Canadian producer prices for wheat for the crop year are forecast to be the same as for 2019-20.

Stan Skrypetz: Wheat Analyst
stan.skrypetz@canada.ca

Barley

For 2019-20, Canada exported 3.0 million tonnes (Mt) of barley, including exports of barley malt and barley grain, which is slightly lower than the year-earlier level, as reported by STC. Exports of barley malt fell by 8% to 0.7 Mt while exports of barley grain remained stable at 2.3 Mt. Total domestic use increased by 28% from the prior year to 7.3 Mt, largely due to a sharp rise in feed use. Carry-out stocks rose by 11% from the historical low level in 2018-19 to about 1.0 Mt, the second lowest level on record.

For 2020-21, Canadian barley production is estimated by STC to decrease by 1% from 2019-20 to 10.3 Mt, as the slightly higher area harvested is expected to be more-than offset by lower average yields. The drop in production is mainly caused by a lower barley production estimate for Saskatchewan, the second leading barley grower in Canada, as the average yield for this province is estimated to fall by 9%, along with a reduction of 2% in area harvested. If materialized, the production number for this province is still 15% above the previous five-year average. Combined with higher carry-in stocks, Canadian total supply is expected to drop only slightly to 11.3 Mt.

Exports are forecast to continue to strengthen during the year. Domestic use is expected to fall mainly due to lower feed use. Carry-out stocks are expected to rise as a result of higher supplies and lowered demand.

The average price of feed barley for 2020-21 is expected to drop by 10% from 2019-20 due to strong domestic and world supplies.

World barley production for 2020-21 is anticipated to increase due to much improved production prospects for Russia, which, combined with increased carry-in stocks, make the world total supply near another record level, according to the United States Department of Agriculture (USDA). Total demand around the world is forecast to expand on higher feed consumption, as well as industrial use. World carry-out stocks are expected to rise by 6% to recent to a four-year high.

Corn

For 2019-20, Canada is anticipated to import less corn from the high level of the previous year. Corn exports are expected to fall sharply from last year and will be the lowest in five years. Total domestic use is expected to drop by 4% due to the reduction in industrial use, despite strong feed consumption. Carry-stocks are expected to remain relatively unchanged from the previous year. The average price of corn at Chatham climbed slightly from $ 194.44/tonne from the previous year to $195.29/tonne.

For 2020-21, Canadian corn production is estimated to increase by 5% from 2019-20 to14 Mt, as the decrease in area is expected to be offset by expected good yields. This is 2% above the previous five-year average. The estimates of production for the three major corn growing provinces, including Ontario, Quebec and Manitoba, are all anticipated to increase from the 2019-20 levels. Imports are expected to decrease due to good production potential in Eastern Canada and Western Canada. Total supply is forecast to fall marginally due to less imports.

Domestic use is anticipated to fall due to lower feed use, despite increased industrial use. Exports are expected to rise based on good domestic supplies and anticipation of continuing strong world demand, as well as the forecast for a depreciation of the Canadian currency. Carry-out stocks are forecast to fall from 2019-20.

The average price of Chatham corn for 2020-21 is expected to hold steady, as the forecast of lower US corn prices are expected to be offset by the positive price basis. Forecasts for depreciation of the Canadian currency will continue to support Canadian corn prices.

The 2020-21 corn production in the US is expected to close to a record level, despite the USDA cutting its estimate for 2020-21 US corn production by nearly 10 Mt in its September supply and demand report. The USDA also lowered its production estimates for the EU, Ukraine and Russia. However, total world corn supply for 2020-21 are anticipated to reach a new record. Global ending stocks are expected to hit a five-year low as demand continues to expand. The

USDA lifted its projection for the US 2020-21 corn price to US$3.50/bu from US$3.10/bu, versus US$3.60/bu for 2019-20.

Oats

For 2019-20, Canadian oat exports increased by 8% to 2.66 Mt, including 1.83 Mt of grain and 0.83 Mt of products shipped to the international market. With approximately 85% of the exports shipped to the US and nearly half of the rest shipped to Mexico. Total domestic use expanded by 15% to 1.56 Mt due to a sharp increase in demand for feed consumption, albeit reduced demand for food processing. Carry-out stocks rose by 7% to 0.43 Mt, which is close to the record low level.

For 2020-21, Canadian oat production is estimated to increase by 6% to 4.5 Mt, due to expanded area and expected good yields. If materialized, it will be the second largest output on record. Most of the increase in production is located in Manitoba and Saskatchewan. Production in Alberta is expected to fall, but it is still 31% above the previous five-year average.

Exports are projected to remain strong on stable demand from the major importing countries, despite strong competitiveness from the major exporting countries. Total domestic use is expected to hold steady. Carry-out stocks are forecast to increase significantly from the low level in last year.

The CBOT oat futures price for 2020-21 is expected to drop by 11% from last year to $245/tonne, due to ample supplies in Canada, the US and around the world.

Total 2020-21 supply of oats around the world is expected to recover from the low for the previous year, as production in some major exporting countries, as well as in importing countries, is expected to increase. Total consumption, including feed consumption and food consumption, is expected to increase but more slowly than the increase in supplies, leading the world ending stocks to continue expanding.

Rye

For 2019-20, Canadian rye exports increased by 12% to 164 thousand tonnes (Kt) with more than 99% of the exports shipped to the US, the world leading importer of rye. Total domestic use climbed by 8% to 181 Kt on raised feed consumption and industrial demand. Carry-out stocks fell by 18% to 40 Kt, the lowest level since 2011.

For 2020-21, Canadian rye production is estimated by STC to increase by 29% to 431 Kt, due to expanded area offsetting lower yield. This estimate is close to the highest level in three decades. Supply is expected to increase to by 23% to 473 Kt, the highest in recent three years.

Domestic use, exports and carry-out stocks are projected to rise due to available bumper supplies. Rye price is expected to fall from 2019-20 due to higher supplies in Canada and around the world.

World rye supplies and carry-out stocks are forecast to increase and most of the increases are located in the major exporting countries. World consumption is anticipated to increase on expanded feed use, as well as food and industrial use.

Mei Yu: Coarse Grains Analyst
mei.yu@canada.ca

Canola

For 2019-20, Canadian canola crush was a record 10.1 million tonnes (Mt), up 9% from 2018-19. Canadian canola exports increased by 11% from 2018-19 to 10.2 million tonnes (Mt) as reported by Statistics Canada. Canada exported canola to 15 countries, with Japan (2.2 Mt), China, (1.9 Mt), Mexico (1.3 Mt) France (1.1 Mt) and the United Arab Emirates (1.0 Mt) being the largest countries.

Carry-out stocks fell by 34% to 2.7 Mt, 8% above the previous five-year average of 2.5 Mt and the lowest since 2018-19.

For 2020-21, Canadian canola production is estimated by STC to fall by 0.1 Mt, to 19.4 Mt on a 1% decline in seeded area and virtually unchanged yields. Total supplies are estimated down by 7%, to 22.2 Mt, due to the drop in carry-in stocks and no change in imports.

Total usage of canola is expected to fall marginally on constrained supplies, with the domestic crush declining to 9.8 Mt and exports dropping to 9.9 Mt despite strong world demand.

Carry-out stocks are forecast to tighten slightly to 2.2 Mt, for a stocks-to-use ratio of 11% supporting a rise in canola prices to $525/t versus $484/t for 2019-20 and the 5 year average of $511/t.

For 2020-21, world production of rapeseed-canola is expected to fall to 8 year lows, largely due to lower harvested area and yields in the European Union. The USDA expects steady Chinese rapeseed production vs last year, on a 0.05 Mha rise in harvested area and stable yields. Indian rapeseed production is also expected to remain unchanged as a 0.02 Mha drop in harvested area is offset by a modest 0.02 t/ha rise in yields on improved weather. Canadian canola production is expected to decline marginally from last year on lower harvested area and yields of 2.33 t/ha vs 2.34 t/ha in 2019-20. EU-28 rapeseed production is estimated slightly down from last year, but sharply lower than 2018-19. Other production is expected to fall slightly, although Australian production is expected to rise on an increase in area and improved rainfall.

Flaxseed

For 2019-20, Canadian flaxseed exports were 0.35 Mt to 4 countries. China (87.4 Kt) Belgium (84.9 Kt) and the US (55.3 Kt) were the major importers based on Canadian Grain Commission data. Carry-out stocks are 63.6 Kt, of which 25.0 Kt is on farm and 38.6 Kt in commercial position.

For 2020-21, Canadian flaxseed production is estimated by STC to rise to 0.55 Mt based on a seeded area of 0.37 Mha and slightly higher than normal yields of 1.6 Mt. Supplies are forecast to increase by 10% to 0.63 Mt as the higher output offsets the virtually unchanged carry-in stocks and modest decline in imports.

Exports are forecast up by 27% from 2019-20, to 0.45 Mt, on higher available supplies and strong world oilseed demand. Total domestic use falls sharply to 0.05 Mt, on lower feed, waste and dockage. Carry-out stocks are forecast at 0.13 Mt while prices rise by 5% to $545/t for 2020-21.

Soybeans

For 2019-20, Canadian exports are estimated at 4.3Mt, versus 5.6 Mt last year, on tighter domestic supplies and competition from large US and South American supplies. Canadian soybean crush is estimated down by 15%, to 1.8 Mt. Carry-out stocks are estimated at 0.44 Mt. Soybean prices are up slightly to about $420/t versus $406/t for 2018-19.

For 2020-21, production is estimated at 6.2 Mt vs 6.0 Mt in 2019-20 and 7.4 Mt in 2018-19. Total supply is forecast to fall slightly to 7.1 Mt, vs 7.2 Mt for 2019-20 as slightly lower carry-in and imports largely offset the rise in output. Exports are forecast at 4.2 Mt and are expected to head to a variety of countries. Domestic processing is forecast up slightly at 1.9 Mt as crushers return to a normal soybean processing pace,

Carry-out stocks are forecast to decrease slightly to 0.40 Mt versus 0.44 Mt for 2019-20 and 0.70 Mt in 2018-19. Soybean prices are forecast to rise by 7% to $450/t on support from higher world prices.

In the September WASDE report, the USDA unexpectedly tightened the US soybean outlook and raised its farm-gate price estimate for soybeans. Expected 2020-21 soybean production was scaled back to 4.3 Bbu versus the August estimate of 4.4 Bbu while beginning stocks were lowered by 40 mln bu, to 575 mln bu. Total US soybean supplies were estimated at 4.9 Bbu, down 152 Mbu from August.

The USDA left its export and domestic crush estimates unchanged despite the strong increase in cumulative export sales to-date in its weekly U.S. Exports Sales report. The ending stocks estimate was lowered to 460 Mbu vs the August estimate of 610 Mbu and 575 Mbu for 2019-20. The farm-gate price estimate for soybeans was raised to US$9.25/bu vs US$8.35/bu in Aug and US$8.55/bu for 2018-19.

The factors to watch are: (1) strength of Chinese buying, (2) US harvest pace and yields, (3) start date for the Canadian soybean harvest and (4) state of US-China trade negotiations.

Chris Beckman: Oilseeds Analyst
chris.beckman@canada.ca

Dry Peas

For 2019-20, exports were higher than the 2018-19 level at 3.8 million tonnes (Mt) due to record shipments to China. This was partly offset by lower exports to Bangladesh and the US. Domestic use was lower compared to the previous year. The average dry pea price was $265/t, declining marginally from 2018-19, due to higher exports which led to a decline in carry-out stocks in 2019-20, supporting prices. The average crop year prices for yellow peas was higher than for the previous year but prices were lower than 2018-19 for green types and feed peas.

For 2020-21, Canadian dry pea production in Canada is estimated by STC to rise by 3% from 2019-20, to 4 Mt, due to higher yields. Saskatchewan and Alberta are expected to account for 49% and 45% of the dry pea production, respectively, with the remainder in Manitoba, British Columbia and Eastern Canada. However, total supply is forecast to rise marginally due to the lower carry-in stocks. Exports are forecast to be unchanged at 3.8 Mt, with China, the US and Bangladesh continuing to be Canada's top markets. Carry-out stocks are also forecast to rise. The average price is expected to be 4% lower than 2019-20 due to larger world supply and increased carry-out stocks in Canada.

In the US, area seeded to dry peas for 2020-21 is forecast by the USDA to fall by 9% from 2019-20, to 1.0 million acres. This is largely due to an expected fall in area in Montana and North Dakota. With higher abandonment and lower yields, US dry pea production is forecast by the USDA to fall 17% to 841 Kt. The major US export markets for dry peas, were Canada, Philippines and India.

Lentils

For 2019-20, lentil exports rose to a record 2.7 Mt, up 33% from the previous year. Of this, 1.7 Mt were red lentil types, with 1.0 consisting of the green lentil types. The leading export markets were India, the United Arab Emirates, Bangladesh and Turkey. Total domestic use was higher than the previous year at under 0.3 Mt. Carry-out stocks decreased to 61 Kt. The average Canadian lentil price was significantly higher than 2018-19, largely due to increased demand. No.1 large green lentil prices maintained a crop year premium of $95/t over No.1 red lentil prices.

For 2020-21, lentil production is estimated to rise by 37% to a near record of 3.1 Mt due to higher harvested area and yields. Seeded area rose by 12%, and above average yields are expected, with the majority of the increase being in red lentil types. By province, Saskatchewan is expected to account for 85% of the lentil production and 15% in Alberta. Despite the rise in production, total supply is forecast to rise marginally due to lower carry-in stocks. Exports are forecast to be lower at 2.4 Mt. Carry-out stocks are expected to rise sharply to 0.48 Mt. The average price for all grades is forecast to be higher than 2019-20 despite higher carry-out stocks and expectations for an increased world supply.

In the US, the area seeded to lentils for 2020-21 is forecast by the USDA at just over 0.5 million acres, 7% higher than 2019-20 due to higher area seeded in Montana being offset by lower seeded area in North Dakota. With higher yields and lower abandonment, US lentil production is forecast by USDA at below 0.3 Mt, up 21% from last year. The main US export markets for lentils are expected to continue to be Canada, India and the EU, particularly Spain.

Dry Beans

For 2019-20, dry bean exports were slightly higher than 2018-19. 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 and quality issues in the Canadian crop provided the majority of the support for Canadian dry bean prices in 2019-20.

For 2020-21, Canadian production is forecast to rise to 0.37 Mt, due to an increase in seeded area, mostly in Manitoba. By province, Manitoba is expected to account for 51% of the dry bean production, Ontario 31% and Alberta 18%. Total supply is expected to increase, due to higher production. Exports are forecast to be lower. As a result, carry-out stocks are expected to increase. The average Canadian dry bean price is forecast to fall due to higher expected supply in North America.

In the US, area seeded to dry beans is forecast by the USDA to increase by 26% to over 1.6 million acres, largely due to higher area seeded in North Dakota and

Michigan. Total US dry bean production for 2020-21 is forecast by the USDA at nearly 1.5 Mt, 58% higher than from 2019-20.

Chickpeas

For 2019-20, Canadian chickpea exports fell from the previous year to 105 thousand tonnes (Kt). Reduced demand from Pakistan and India were behind the fall in exports. As a result of the larger supply and a decrease in exports, carry-out stocks rose sharply from the previous year. The average price increased marginally, despite a large increase in world supply for all chickpea types.

For 2020-21, production is forecast to fall to 239 Kt, due to decreased area. By province, Saskatchewan is expected to account for 83% of the chickpea production with 17% in Alberta. Total supply is forecast to rise to a record 0.54 Mt due to burdensome carry-in stocks. Exports are forecast to be higher than 2019-20, however, carry-out stocks are still expected to rise for the fourth consecutive year. The average price is forecast to fall due to expectations for large world chickpea supply.

US chickpea area for 2020-21 is forecast by the USDA to fall by 44% to 0.25 million acres. With similar yields and lower abandonment, 2020-21 US chickpea production is forecast by USDA at below 0.2 Mt, down 38% from the previous year. The main export markets are Pakistan, the EU and Canada.

Mustard Seed

For 2019-20, Canadian mustard exports decreased to 111 Kt, down from the previous year due to lower export demand from the EU. However, due to lower supply, carry-out stocks fell. Prices rose by 1.4% for yellow mustard seed types, due to support from the decreased domestic supply.

For 2020-21, production is estimated at 103 Kt, lower than last year due to a sharp fall in seeded area but higher expected yields. Supply is expected to be lower at 0.17 Mt, as lower carry-in stocks combine with the decrease in output. Exports are expected to be similar at 115 Kt, with the US and the EU as the main markets for Canadian mustard seed. Carry-out stocks are forecast to fall sharply. The average price is forecast to remain similar to 2019-20 with a range of $680-710/t.

Canary Seed

For 2019-20, exports were higher than the previous year at 161 Kt. This was due to higher exports to Mexico and stronger African demand. The average price increased by 10$/t, despite higher Canadian carry-out stocks.

For 2020-21, production is estimated at 159 Kt, down 9% from last year, due to lower seeded area and higher abandonment. Supply is forecast to decrease. Exports are forecast to be limited by supply, with the EU and Mexico as the main markets, followed by Brazil and the US. The average price is forecast to decrease by 14% from 2019-20.

Sunflower Seed

For 2019-20, sunflower seed exports were higher at 37 Kt due to increased demand from the US. Despite this, carry-out stocks rose slightly. The total average Canadian price for sunflower seed increased from the previous year due to higher oilseed type prices.

For 2020-21, production is estimated at 95 Kt, sharply higher than last year, as the increase in seeded area combines with record yields. Exports are forecast to fall to 30 Kt. The US remains Canada's main export market for sunflower seed. As a result of a sharp increase in supply, carry-out stocks are forecast to rise to 140 Kt. Sunflower seed prices are forecast to fall, to $575-605/t despite higher prices for oil types.

For 2020-21, area seeded to sunflower seed in the US is forecast by the USDA at 1.54 million acres, up 14% from 2019-20, due to higher area seeded in North and South Dakota. The area seeded is expected to rise to 1.4 and 0.17 million acres, respectively for oil type varieties and confectionery type varieties. Assuming normal yields and abandonment, 2020-21 US sunflower seed production is forecast by AAFC to rise sharply to 1.1 Mt.

For 2020-21, the global supply of sunflower seed is estimated by the USDA at 59 Mt which is 3% lower than last year despite higher production in Argentina and the EU. World exports are expected to fall by 23% and domestic use is expected to decrease marginally to a near record 54 Mt. Despite this, world carry-out stocks are expected to fall to 2.1 Mt, down 19% from the previous year.

Bobby Morgan: Pulse and Special Crop Analyst
Bobby.Morgan@agr.gc.ca

CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

September 24, 2020

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (c)	Food & Industrial Use (d)	Feed, Waste & Dockage	Total Domestic Use (e)	Carry-out Stocks	Average Price (g)
	------- *thousand ha* -------		*t/ha*	---------- *thousand tonnes* ----------								*$/t*
Durum												
2018-2019	2,503	2,456	2.34	5,745	23	7,244	4,526	204	531	926	1,792	235
2019-2020f	1,980	1,902	2.62	4,977	98	6,867	5,356	217	414	852	660	270
2020-2021f	2,302	2,241	2.74	6,134	50	6,844	5,300	215	407	844	700	270
Wheat Except Durum												
2018-2019	7,570	7,426	3.56	26,456	95	31,807	19,738	3,294	3,842	7,970	4,099	245
2019-2020f	8,145	7,754	3.53	27,371	183	31,652	19,232	3,249	3,985	8,053	4,368	225
2020-2021f	7,892	7,637	3.67	28,011	100	32,478	19,200	3,270	3,981	8,078	5,200	225
All Wheat												
2018-2019	10,073	9,881	3.26	32,201	119	39,052	24,264	3,498	4,373	8,896	5,891	
2019-2020f	10,126	9,656	3.35	32,348	281	38,519	24,588	3,466	4,399	8,904	5,027	
2020-2021f	10,194	9,878	3.46	34,145	150	39,322	24,500	3,485	4,388	8,922	5,900	
Barley												
2018-2019	2,628	2,395	3.50	8,380	43	9,667	3,058	114	5,375	5,747	863	260
2019-2020f	2,996	2,728	3.81	10,383	55	11,300	3,008	132	6,942	7,336	957	232
2020-2021f	3,060	2,757	3.72	10,255	40	11,251	3,000	318	6,592	7,151	1,100	210
Corn												
2018-2019	1,468	1,431	9.70	13,885	2,582	18,884	1,617	5,786	9,481	15,284	1,983	194
2019-2020f	1,496	1,451	9.24	13,404	2,100	17,487	750	5,300	9,422	14,737	2,000	195
2020-2021f	1,440	1,402	10.01	14,029	1,400	17,429	1,000	5,400	9,113	14,529	1,900	195
Oats												
2018-2019	1,235	1,005	3.42	3,436	11	4,225	2,475	182	1,049	1,353	397	254
2019-2020f	1,459	1,171	3.62	4,237	11	4,645	2,663	138	1,289	1,557	426	274
2020-2021f	1,554	1,245	3.62	4,503	10	4,939	2,650	190	1,281	1,589	700	245
Rye												
2018-2019	136	79	2.99	236	2	363	146	19	133	167	49	236
2019-2020f	175	103	3.25	333	3	385	164	19	141	181	40	210
2020-2021f	237	146	2.95	431	2	473	170	24	204	243	60	175
Mixed Grains												
2018-2019	144	69	2.94	203	0	203	0	0	203	203	0	
2019-2020f	145	68	2.84	192	0	192	0	0	192	192	0	
2020-2021f	166	67	3.14	210	0	210	0	0	210	210	0	
Total Coarse Grains												
2018-2019	5,610	4,979	5.25	26,140	2,638	33,342	7,295	6,102	16,242	22,755	3,292	
2019-2020f	6,271	5,520	5.17	28,549	2,169	34,010	6,585	5,589	17,985	24,003	3,422	
2020-2021f	6,457	5,617	5.24	29,427	1,452	34,301	6,820	5,932	17,400	23,721	3,760	
Canola												
2018-2019	9,232	9,120	2.26	20,594	147	23,246	9,202	9,295	512	9,869	4,175	497
2019-2020f	8,481	8,319	2.34	19,477	149	23,801	10,171	10,129	699	10,889	2,741	484
2020-2021f	8,409	8,323	2.33	19,393	100	22,233	9,850	9,800	323	10,183	2,200	525
Flaxseed												
2018-2019	347	342	1.44	492	9	628	468	0	83	100	60	496
2019-2020f	379	339	1.43	486	25	571	354	0	138	154	64	518
2020-2021f	369	344	1.60	552	10	626	450	0	31	51	125	545
Soybeans												
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	2,271	2.66	6,045	500	7,245	4,300	1,755	495	2,500	444	419
2020-2021f	2,052	2,049	3.04	6,225	400	7,069	4,200	1,900	370	2,470	400	450
Total Oilseeds												
2018-2019	12,137	12,001	2.37	28,503	1,286	33,073	15,310	11,354	1,159	12,828	4,935	
2019-2020f	11,172	10,929	2.38	26,009	674	31,617	14,825	11,884	1,331	13,543	3,249	
2020-2021f	10,829	10,716	2.44	26,170	510	29,929	14,500	11,700	723	12,704	2,725	
Total Grains And Oilseeds												
2018-2019	27,820	26,861	3.23	86,844	4,042	105,466	46,869	20,953	21,773	44,479	14,118	
2019-2020f	27,569	26,105	3.33	86,905	3,123	104,146	45,997	20,940	23,715	46,450	11,698	
2020-2021f	27,480	26,211	3.42	89,742	2,112	103,552	45,820	21,117	22,510	45,346	12,385	

(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 for 2019-2020 and area seeded for 2020-2021 which are STC

CANADA: PULSES AND SPECIAL CROPS SUPPLY AND DISPOSITION

September 24, 2020

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (c)	Carry-out Stocks	Stocks-to-Use Ratio	Average Price (d)
	----- thousand ha -----		***t/ha***	***---------- thousand tonnes ----------***						***%***	***$//t***
Dry Peas											
2018-2019	1,463	1,431	2.50	3,581	62	4,291	3,270	708	312	8	270
2019-2020f	1,753	1,711	2.48	4,237	79	4,628	3,831	563	233	5	265
2020-2021f	1,722	1,675	2.60	4,360	60	4,653	3,800	603	250	6	255
Lentils											
2018-2019	1,525	1,499	1.40	2,092	51	3,015	2,033	267	716	31	390
2019-2020f	1,530	1,489	1.51	2,242	88	3,046	2,710	274	61	2	485
2020-2021f	1,713	1,681	1.82	3,065	50	3,176	2,400	301	475	18	525
Dry Beans											
2018-2019	143	137	2.49	341	98	464	348	37	80	21	815
2019-2020f	160	150	2.11	317	78	474	365	39	70	17	985
2020-2021f	173	157	2.32	365	85	520	345	40	135	35	835
Chickpeas											
2018-2019	179	176	1.77	311	51	376	147	89	140	59	480
2019-2020f	159	156	1.61	252	47	439	105	84	250	132	490
2020-2021f	121	115	2.07	239	50	539	125	84	330	158	470
Mustard Seed											
2018-2019	204	197	0.88	174	8	235	121	42	73	45	690
2019-2020f	161	155	0.87	135	7	214	111	43	61	39	700
2020-2021f	104	101	1.02	103	8	171	115	46	10	6	695
Canary Seed											
2018-2019	109	109	1.45	158	0	174	156	7	11	7	505
2019-2020f	118	115	1.52	175	0	186	161	9	15	9	630
2020-2021f	111	107	1.48	159	0	174	155	9	10	6	555
Sunflower Seed											
2018-2019	29	27	2.13	57	24	179	26	56	97	118	585
2019-2020f	31	29	2.18	63	27	186	37	44	104	128	620
2020-2021f	44	40	2.41	95	24	224	30	54	140	168	590
Total Pulses and Special Crops (c)											
2018-2019	3,652	3,576	1.88	6,714	293	8,734	6,101	1,205	1,427	20	
2019-2020f	3,911	3,804	1.95	7,419	326	9,172	7,321	1,057	794	9	
2020-2021f	3,987	3,875	2.16	8,385	277	9,456	6,970	1,136	1,350	17	

(a) Crop year is August-July. Grains Include pulses (dry peas, lentils, dry beans, chick peas) and special crops (mustard seed, c 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 for 2019-2020 and area seeded for 2020-2021 which are STC