

## CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS

July 17, 2013

### Market Analysis Group/Grains and Oilseeds Division

#### Sector Development and Analysis Directorate/Market and Industry Services Branch

Director: Steve Lavergne

Deputy Director: Fred Oleson

This report provides an update of AAFC's June estimates for the current 2012-13 crop year and forecasts for the 2013-14 crop year which starts on August 1, 2013. Although seeding was delayed by the slow snow melt, crop development is progressing well. AAFC's estimates for area seeded are based on the results of the survey published by Statistics Canada (STC) on June 25. AAFC's forecasts for harvested area and average yields are based on historical trends since it is too early to tell how the growing and harvest season will progress.

For **2012-13**, low carry-in stocks from the previous crop year more-than offset the significant increase in production so that the total supply of all crops in Canada decreased slightly. However, due to carry-out stocks are expected to decrease to a near-record low due to lower supply, increased exports and strong domestic use. Grain prices in Canada have been strongly supported by lower production in the US and the Black Sea region related to drought.

For **2013-14**, in western Canada, the total area seeded is expected to increase marginally due to lower area left in summerfallow. The area seeded to wheat and oats is expected to increase and more-than offset the decrease in the area seeded to canola and lentils. In eastern Canada, the increase in the area seeded to wheat and corn is expected to more-than offset the decrease in the area seeded to oilseeds and dry beans.

World grain prices are expected to be pressured by higher production, as the U.S. and other major grain producing countries are expected to recover from the low drought-related production in 2012. In Canada, grain prices are forecast to average 10 to 20 percent lower than 2012-13 due to lower international prices. Oilseed prices are also forecast to decrease, but to a lesser extent due to strong international demand relative to supply. Canadian prices will receive some support from the weaker Canadian dollar.

The production of Grains and Oilseeds (G&O) in Canada is forecast to increase by 6% to 74.3 million tonnes (Mt), on higher area seeded/harvested and higher average yields. Exports are forecast to decrease but domestic use is forecast to increase. Carry-out stocks are expected to increase significantly.

The production of Pulses and Special Crops (P&SC) in Canada is forecast to rise marginally to 5.1 Mt as higher yields more-than offsets lower area seeded/harvested. Due to the lower supply, exports and domestic use are forecast to fall. Carry-out stocks, especially for dry peas, are expected to rise. On average, prices for all P&SC, except dry peas, chickpeas and sunflower seed, are forecast to rise.

#### 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 metric tonnes -----			
<b>Total Grains And Oilseeds</b>									
2011-2012	23 812	22 916	2,94	67 482	1 337	82 401	34 280	37 734	10 387
2012-2013f	26 251	25 450	2,76	70 196	935	81 519	35 139	37 975	8 405
2013-2014f	26 860	25 772	2,88	74 268	878	83 551	34 515	38 551	10 486
<b>Total Pulse And Special Crops</b>									
2011-2012	2 411	2 345	1,94	4 552	121	6 159	3 779	1 299	1 081
2012-2013f	2 873	2 798	1,81	5 072	141	6 293	4 380	1 393	520
2013-2014f	2 770	2 698	1,91	5 145	118	5 783	4 220	973	590
<b>All Principal Field Crops</b>									
2011-2012	26 223	25 261	2,85	72 033	1 457	88 560	38 059	39 033	11 468
2012-2013f	29 124	28 248	2,66	75 268	1 076	87 812	39 519	39 369	8 925
2013-2014f	29 630	28 470	2,79	79 413	996	89 334	38 735	39 524	11 076

Source: Statistics Canada, f: forecast by Agriculture and Agri-Food Canada

## WHEAT

---

### DURUM

For **2012-13**, exports are forecast to increase by 17% to 4.2 Mt. Carry-out stocks are forecast to fall by 29% to 1.05 Mt, which is 41% lower than the past five-year average of 1.77 Mt and the lowest since 2007-08.

For **2013-14**, the seeded area increased by 4% from 2012-13 because of low carry-in stocks and good prices. Production is forecast to rise by 4% to 4.8 Mt. Supply is expected to fall by 4% due to lower carry-in stocks. Exports are forecast to fall slightly because of the lower Canadian supply. Carry-out stocks are forecast to fall by 5% to 1.0 Mt. Average Canadian durum prices are forecast to be similar to 2012-13.

World durum production is forecast by the International Grains Council (IGC) to increase by 0.6 Mt to 35.8 Mt, mostly because of higher production in Morocco, Canada and Kazakhstan. Supply is forecast to decrease by 0.4 Mt to 42.1 Mt due to lower carry-in stocks. Use is expected to be the same as for 2012-13 and carry-out stocks are forecast to decrease by 0.4 Mt to a historically low level of 5.9 Mt. US durum production is expected to fall by 30% to 1.56 Mt due to a drop in seeded area and lower yields.

### WHEAT (excluding durum)

For **2012-13**, exports are forecast to increase by 3% to 14.4 Mt. Domestic use is forecast to increase slightly. Carry-out stocks are forecast to decrease by 15% to 3.8 Mt, 20% lower than the past five-year average of 4.75 Mt and the lowest since 2007-08.

For **2013-14**, the seeded area increased by 11% from 2012-13 because of good prices, low carry-in stocks and a shift out of canola. The winter wheat seeded area increased by 1%, but a larger portion did not survive the winter resulting in a 6% drop in the seeded area remaining in the spring. The spring wheat area increased by 13%. In eastern Canada, the wheat area rose by 21%, with soft red winter wheat being the main wheat class seeded, followed by hard red spring, hard red winter and soft white winter. In western Canada, the wheat area rose by 11%, with a 7% increase for hard red spring wheat, 75% increase for soft white spring wheat, 47% increase for prairie spring wheat, 77% increase for extra strong wheat, a 68% increase for other spring wheat and a 15% decrease for hard red winter wheat. Hard red spring wheat accounts for 81% of the wheat area in western

Canada, followed by soft white spring wheat at 6%, hard red winter wheat at 6% and prairie spring wheat at 5%. Western Canada accounts for 94% of the total wheat area and eastern Canada for 6%.

Production is forecast to increase by 8% to 24.4 Mt as the higher harvested area is partly offset by lower yields. Supply is expected to increase by 4% as the increase in production is partly offset by lower carry-in stocks. Domestic use is expected to fall marginally because of lower feed use. Exports are forecast to increase slightly as growing demand in the world food market more than offsets the increased competition in export markets due to increased world supply. Carry-out stocks are forecast to increase by 26% to 4.8 Mt. Average Canadian wheat prices are forecast to decrease from 2012-13 due to higher world supply.

World all wheat (including durum) production is forecast by USDA to increase by 43 Mt to 698 Mt due mostly to a higher seeded area and a recovery in production for Russia, Ukraine and Kazakhstan from the drought reduced 2012-13 crop. The supply is forecast to rise by 17 Mt to 872 Mt, as the increase in production is partly offset by lower carry-in stocks. Total use is forecast to increase by 20 Mt to 700 Mt. Carry-out stocks are forecast to fall by 2 Mt to 172 Mt.

US all-wheat seeded area increased by 1% from 2012-13. Winter wheat seeded area increased by 3%, with a 2% decrease for hard red winter wheat and a 23% increase for soft red winter wheat. Hard red spring wheat area was nearly the same as for 2012-13, while white wheat area increased by 1%. US all wheat production is forecast to decrease by 4.2 Mt to 57.5 Mt. Production of soft red winter wheat is expected to increase sharply, while production of hard red winter wheat decreases sharply due to drought, and the production of hard red spring and white wheat decreases moderately. Domestic feed use is expected to decrease because of a recovery in corn production. Exports are forecast to rise due to stronger world demand. Carry-out stocks are forecast to decrease by 3.9 Mt to 15.7 Mt.

**Stan Skrypetz: Wheat Analyst**  
204-259-4116  
Stan.Skrypetz@Agr.Gc.Ca

## COARSE GRAINS

---

### BARLEY

For **2012-13**, exports are forecast to increase due mainly to an increase in feed barley exports to the United States, as their feed supplies have been tight. Carryout stocks are forecast to decrease to a record low. The In-store Lethbridge barley price reached record highs for most of the crop year but softened by mid-June as feed demand decreased as Prairie cattle were moved onto summer pastures.

**For 2013-14**, seeded area is forecast to decrease by 3% due to higher wheat area, despite the record high feed barley prices seen across the Prairies in 2012-13. Production is forecast to increase by 7% to 8.6 Mt, but due to record low carry-in stocks supply will increase only marginally. Total domestic use is forecast to increase due to a slight increase in livestock feeding related to lower feed costs. Exports are forecast to decrease by 9% due to a recovery in world barley production and a comparatively good Canadian domestic price. Carryout stocks are forecast to increase moderately but remain below the average of the previous 10-years. Domestic feed barley prices are forecast to decrease from 2012-13 due to the decline in US coarse grain prices.

In its June acreage report the USDA reduced the US barley area by 155,000 acres from what was reported at the end of March, with much of the loss coming from the state of North Dakota due to wet seeding conditions. The loss of barley acres will tighten the US supply of 6Row malt barley in the 2013-14 crop year.

The world barley crop is in good shape with the EU and Black Sea areas reporting good-to-high production potential. Expected barley production in Argentina has been reduced by heavy rains during the growing season. Also, the Argentine government is relaxing its wheat export quotas, which should have the effect of reducing or limiting any further barley area expansion. The restrictive wheat quotas were the main reason Argentine farmers rapidly expanded their barley area in the past few crop years.

### CORN

**For 2012-13**, exports are forecast to increase to 1.0 Mt. Much lower than average imports were offset by slightly higher carry-in and record production, which will cause carryout stocks to increase to 1.9 Mt. The nearby Chatham in-store elevator price remains high, as seasonal basis strengthening was price supportive in June. However, due to abundant corn stocks in eastern Canada, the average basis has remained wide when compared to neighboring US states. US cash corn prices remain inverted versus new crop as old crop supplies are tight and a delayed US harvest would push new crop supplies into September.

**For 2013-14**, seeded area is forecast to increase by 3% from the record area of 2012-13 with higher area in Manitoba and Quebec. Production is forecast to be a new record and increase marginally to 13.2 Mt on the larger area but a return to average yields. Imports are forecast to decrease by 20% due to the higher domestic supply, which would be well-below the previous 10-year average. Supply is forecast to increase by 3% due to higher carry-in stocks and production. Total domestic use is forecast to increase by 1% as overall demand remains at trend levels. Exports are forecast to decrease due to a recovery in US corn production and lower world prices. Carryout stocks are forecast to increase substantially to a new record of 2.6 Mt. The Chatham in-store elevator price is forecast to be pressured by the large world corn crop in 2013.

In the heart of the US Corn Belt, US analysts have estimated that the accumulated heat units are 10-20% below normal and this would be similar to Canada. US corn conditions are in much better shape than at this time last year but there is still the critical pollination period in the last half of July and the general need for good moisture conditions in August to fill the crop out.

The USDA is projecting the second highest US seeded area on record and record corn production based on an average yield forecast of 156.5 bu/ac. In its June WASDE report, the USDA raised its US average farm gate price for corn to US \$4.80/bu, 31% below 2012-13. US corn ending stocks are expected to increase by about 250%.

The world's second largest corn exporter, Argentina, has announced a new and larger corn export quota to "encourage farmers' corn planting". This will begin with the next corn planting season, which starts in September.

### OATS

**For 2012-13**, exports are forecast to decrease marginally due to lower total supply and demand. Carry-out stocks are forecast to decrease to a record low of 0.3 Mt due to the tight supply situation. In June, oat prices in the US recovered from the downturn in May, due to slow seeding progress in the northern states and the Canadian prairies.

**For 2013-14**, seeded area is forecast to increase 18% from 2012-13 due to the rebound in price levels and production is forecast to increase by 21% to 3.2 Mt. Due to low carry-in stocks, supply is forecast to

increase only marginally and will remain below the average of the previous five-years. Total domestic use is forecast to decrease 4% mainly due to a decline of oats in feed rations. Exports are forecast to decrease slightly to 2.1 Mt due to the tight supply, relatively flat US milling demand and higher oat production in the US. Carryout stocks are to increase but and remain very low.

North American oat crop conditions are similar to those reported for barley with the highest good to excellent ratings coming out of Alberta and Saskatchewan. It must be noted that US conditions are not as good as in 2012. In 2012, the US oat crop was planted early and was mature by the time the severe drought conditions starting hitting crops. In its June Acreage report the USDA increased its estimate of area seeded to oats in the US with much of the gain coming from the states of Minnesota, North Dakota and Wisconsin. The relatively good crop condition and a projection for higher area for the North American oats was bearish to prices even though the USDA reported 34% lower June oats stocks in its Stocks report when compared to 2012.

#### **RYE**

**For 2012-13**, exports are forecast to increase due to higher production and total supply. Total domestic use is forecast to increase due mainly to an increase in rye used for feed. Carryout stocks are forecast to increase to 0.05 Mt.

**For 2013-14**, seeded area is forecast to decrease by 24% from 2012-13 due to very dry fall seeding conditions, which limited the potential for reasonable germination. Production is forecast to decrease by 33% due to the loss of seeded area and a return to average yields. Despite higher carry-in stocks, total supply is forecast to decrease by 25% due to the lower production and remain well below the 10-year average. Total domestic usage is forecast to decrease by 36% as the smaller total supply will limit feed use. Exports are forecast to decrease due to the very tight supply. Carryout is forecast to decrease to the near record low levels of 2011-12.

By the end of June, the smaller Prairie rye crop was in the heading stage but as with most crops it was lagging behind in development to the lack of heat units so far this season. The USDA did report a nearly 10% increase in US rye seeded area compared to 2012. In the US rye is planted in over a much greater geographic area than on the Canadian prairies, which has a concentration of area in Manitoba and Saskatchewan.

**John Pauch: Coarse Grains Analyst**  
**204-259-4150**  
[John.Pauch@agr.gc.ca](mailto:John.Pauch@agr.gc.ca)

## OILSEEDS

---

### CANOLA

For **2012-13**, Canadian exports and domestic crush are expected to decrease from 2011-12 on tight domestic supplies. Carry-out stocks are forecast at a record low 0.35 Mt versus 0.71 Mt last year.

**For 2013-14**, seeded area intentions decreased by 8% on concerns of overextended crop rotations, attractive returns for alternative crops and high input costs. Harvested area is also forecast to fall by 8%. Crop production is forecast to rise by 10% assuming normal abandonment of 1.3% and 5-year average yields. The production forecast assumes normal growing conditions, although the widespread moisture and warm growing temperatures during the last half of June and early July are expected to support higher, rather than lower, yields than forecasted. Supply is forecast to increase by 7% as the tight carry-in stocks partly offset the rise in production. Exports are forecast to rise by 0.45 Mt on increased domestic supplies and strong world demand for oilseeds and oilseed products. Domestic crush is forecast to rise by 0.4 Mt as tight supplies of canola constrain the ability of processors to respond to strong world demand for canola oil and canola meal. Carry-out stocks are forecast to rise slightly, but remain the second lowest in 16 years. The stocks-to-use ratio is forecast at 3%, versus the 10-year average of 7%. Average Canadian canola prices are forecast to fall by about \$80/t on projected lower US prices for soybeans and soyoil. However, canola prices are expected to remain relatively strong due to continued tight supplies.

### FLAXSEED (excluding solin)

For **2012-13**, exports are forecast to rise by 15% while carry-out stocks fall with a stocks-to-use ratio of 10%.

**For 2013-14**, intended seeded area increased by 16% on support from higher prices. Cropping area is shifting westwards into the province of Saskatchewan in response to increased Chinese demand combined with lower EU-27 imports. Production is forecast to rise by 12%, assuming normal abandonment and trend yields. Total supply is forecast to decrease slightly as tighter carry-in stocks offset the rise in output. Exports are forecast to increase by 11% on continued strong Chinese and US buying. Total domestic use is forecast to decline significantly. Carry-out stocks are forecast to remain level with 2012-13. The average price of flaxseed is forecast to decrease by 5 to 10% on

lower world prices for vegetable oil, protein meal and oilseeds.

### SOYBEANS

For **2012-13**, exports and domestic crush are forecast to rise by 13%. Prices, track Chatham, are forecast to average \$525/t versus \$478/t for 2011-12.

**For 2013-14**, planted area intentions are a record 1.86 mha, making soybeans the 5<sup>th</sup> largest crop by area in Canada. Soybean area continues to expand across western Canada with 439 mln ha planted in the province of Manitoba and 66.8 mln ha planted in Saskatchewan. The growth of soybean area in western Canada is driven by new short season varieties, ability to withstand variable weather conditions and by strong prices. In eastern Canada, rain and warm weather resulted in fast emergence and vigorous early growth. Despite the rise in intended area, production is forecast to decline by 8% as yields are forecast to decline to trend levels. Supply is forecast to decrease by 6%. Consequently, exports are forecast to fall by 16% on tighter domestic stocks and increased US supplies. The combination of strong world demand for soy products combined with the tight domestic supplies is forecast to result in a stable domestic crush. Carry-out stocks are forecast slightly higher from 2012-13. The average price of soybeans at Chatham is forecast to fall by 15% to \$440-480/t due to lower soybean prices in the US.

US soybean planted area is estimated at a record high 77.7 million acres, up 1 percent from 2012-13. Area for harvest, at 76.9 million acres is up 1 percent from last year and will be a record high if realized. The US soybean stocks report confirmed a strong usage pace and tight supplies for the 2012-13 crop. Soybeans stored in all positions on June 1, 2013 were down 35% percent to 435 million bushels. On-farm stocks were 171 million bushels while off-farm stocks were 263 million bushels. Indicated disappearance for the March-May 2013 quarter was 564 million bushels, a 20% drop from the same period a year ago. US soybean progress is near normal as generally good moisture and warm temperatures offset the impact from delayed planting.

**Chris Beckman: Oilseed Analyst**  
204-259-4115  
[Chris.Beckman@Agr.Gc.Ca](mailto:Chris.Beckman@Agr.Gc.Ca)

## **PULSES AND SPECIAL CROPS**

---

### **DRY PEAS**

For **2012-13**, Canada's exports are expected to increase above the 2011-12 level to 2.35 Mt. Carry-out stocks in Canada are expected to fall sharply and remain historically tight. The average pea price is expected to rise to record levels in 2012-13 due to strong export and domestic feed demand.

For **2013-14**, seeded area in Canada is forecast to rise marginally because of higher returns relative to other crops and continued recognition of the benefits of dry peas as part of crop rotation plan. Production is expected to increase by 10% to 3.1 Mt. However, supply is forecast to rise only marginally due to tight carry-in stocks. Exports are forecast to increase marginally to 2.4 Mt, with India and China continuing to be Canada's top two markets. Carry-out stocks are also forecast to rise sharply due to lower expected domestic use. The average price is expected to fall from 2012-13, but remain historically high, due to expectations for increased Canadian carry-out stocks in 2013-14.

In the US, area seeded to dry peas for 2013-14 is forecast by the USDA to rise by 30% from 2012-13. This is largely due to an expected rise in area in Montana and North Dakota. Assuming normal yields and abandonment, US dry pea production is forecast by AAFC to increase by 21% to 0.7 Mt.

### **LENTILS**

For **2012-13**, lentil exports are forecast to increase marginally from 2011-12 to 1.4 Mt, Total domestic use is forecast at a record 0.5 Mt due to the continued disappearance of lower quality lentils. Carry-out stocks are forecast to decrease but remain burdensome. The average Canadian lentil price is forecast to decrease from 2011-12 due to the burdensome supply and carry-out stocks.

For **2013-14**, the area seeded to lentils in Canada is expected to fall by 2%, to 1.0 Mha, due to lower returns in 2012-13, particularly for large green lentil types, compared to other crops. Production is forecast to fall marginally to 1.5 Mt but supply is expected to fall by 18% due to lower carry-in stocks. Exports are expected to fall to 1.3 Mt, but India, the EU-27 and Turkey are expected to remain the top three export markets. Domestic use is expected to fall to more

traditional levels due to expectations of an average grade distribution. Carry-out stocks are forecast to decrease for the third consecutive year. The average price is forecast to recover slightly from 2012-13 as Canada continues to reduce its carry-out stocks.

In the US, the area seeded to lentils for 2013-14 is forecast by the USDA at 0.3 mln acres, down 28% from 2012-13 due to lower area seeded in Montana. Assuming normal yields and abandonment, 2013-14 US lentil production is therefore forecast by AAFC to fall below 0.2 Mt, down 26% from 2012-13.

### **DRY BEANS**

For **2012-13**, dry bean exports are forecast to rise due to the increased supply. Large North American supply is expected to continue to pressure overall US and Canadian dry bean prices for 2012-13. Carry-out stocks are expected to rise sharply to 30 kt.

For **2013-14**, the area seeded in Canada is forecast to decrease sharply from 2012-13 to less than 0.1 Mha because of lower potential returns compared to other crops, particularly soybeans and corn. Seeded area in Ontario is forecast to fall by 22%, mostly due to a decrease in area devoted to white pea bean types. In Manitoba, seeded area is estimated to fall by 43%, due to smaller areas for colored and white pea bean types. Production is expected to fall by 36% to 180 kt, consisting of 68 kt of dry white beans and 112 kt of colored bean types. Supply is expected to decrease by only 25%, due to large carry-in stocks. Exports are forecast to decrease due to the lower supply. The US and the EU-27 are forecast to remain the main markets for Canadian dry beans, with smaller volumes exported to Japan, Mexico and countries in Africa. Carry-out stocks are also expected to shrink. The average Canadian dry bean price is forecast to increase due to lower supply in North America.

In the US, area seeded to dry beans is forecast by the USDA to decrease by 19% to below 1.3 mln acres, largely due to lower area seeded in North Dakota. Assuming normal yields and abandonment, 2013-14 US total dry bean production (excluding chickpeas) is therefore forecast by AAFC to fall below 1.0 Mt, down 26% from 2012-13.

## **CHICKPEAS**

For **2012-13**, Canadian chickpea exports are expected to rise sharply to 65 kt. As a result of the rise in supply, carry-out stocks are also expected to increase. The average price is forecast to decrease sharply, due to higher Canadian and world supply.

For **2013-14**, the area seeded is forecast to increase from 2012-13 despite higher carry-in stocks and continuing decline in prices from the record set in 2011-12. As a result, production is expected to decrease marginally 155 kt. Supply is forecast to increase by 20% from last year, however, due to the higher carry-in stocks. Exports are forecast to be increase from 2012-13, with the EU-27, the US, the Middle East and the Indian subcontinent expected to remain the main markets for Canadian chickpeas. Carry-out stocks are expected to rise. The average price is forecast to decline, due to higher world and Canadian supply.

Acreage estimates of US chickpea area for 2013-14 are forecast by the USDA at a record 0.21 mln acres, up 3% from 2012-13. This is largely due to an expected rise in area in the state of Washington. Assuming normal yields and abandonment, 2013-14 US chickpea production is therefore forecast by AAFC at 0.15 Mt, similar to 2013-14.

## **MUSTARD SEED**

For **2012-13**, Canadian mustard exports are forecast at 115 kt, unchanged from last year. Carry-out stocks are forecast to decrease for the third consecutive year which has supported prices to-date in 2012-13.

For **2013-14**, the area seeded is expected to rise marginally due to higher expected prices. Production is forecast to increase by 9% to 130 kt due higher expected area and yields. Supply is expected to decrease by 11%, however, due to lower carry-in stocks. Exports are expected to be unchanged at 115 kt and carry-out stocks are forecast to tighten for the fourth consecutive year. The US and the EU-27 are expected to remain the main export markets for Canadian mustard seed. The average price is forecast to be higher than 2012-13.

## **CANARY SEED**

For **2012-13**, exports are expected to be five percent lower than 2011-12 due to the reduced supply. Carry-

out stocks are expected to decrease for the fourth consecutive year. The average price is forecast to increase, due to tight carry-out stocks.

For **2013-14**, the area seeded is forecast to decrease sharply despite solid returns relative to other crops and lower carry-in stocks. Production is expected to fall by 40% to 75 kt. As a result, supply is forecast to decrease by 40% due to lower production and carry-in stocks. Exports are expected to fall due to the lower supply. The EU-27 and Mexico are forecast to remain the main export markets, followed by the US. Carry-out stocks are expected to tighten. The average price is forecast to increase from the 2012-13 level.

## **SUNFLOWER SEED**

For **2012-13**, sunflower seed exports are forecast to increase to 40 kt due to higher supply; carry-out stocks are also expected to rise. The average Canadian price for sunflower seed is forecast to decrease from 2011-12, due to forecasts for larger sunflower seed supplies in North America.

For **2013-14**, the area seeded is expected to fall sharply to 30 kha due to wet weather in the spring. Production is forecast to fall sharply to 45 kt, assuming average yields, and supply is expected to decline by 21% to 100 kt, compared to 2012-13. Exports and carry-out stocks are also forecast to decrease. The US is expected to remain Canada's main export market for sunflower seed. The average price is forecast to fall marginally from 2012-13 despite lower North American sunflower seed supply.

US sunflower seed area for 2013-14 is forecast by the USDA at 1.6 mln acres, down 18% from 2012-13 and largely due to lower area in North Dakota. The area seeded to oil type varieties is expected to fall sharply to 1.3 mln acres and the area seeded to confectionery type varieties is forecast to rise to 0.3 mln acres. Assuming normal yields and abandonment, 2013-14 US sunflower seed production is forecast by AAFC to decrease by 20% to 1.0 Mt.

**Bobby Morgan: Pulse and Special Crop Analyst**  
204-259-4149  
[Bobby.Morgan@agr.gc.ca](mailto:Bobby.Morgan@agr.gc.ca)

# CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

July 17, 2013

Grain and Crop Year (a)	Area	Area	Yield	Production	Imports (b)	Total Supply	Exports (c)	Food &	Feed,	Total	Carry-out Stocks	Average Price (g) \$/t
	Seeded	Harvested						Industrial Use (d)	Waste & Dockage	Domestic Use (e)		
	thousand ha	thousand ha	t/ha					thousand metric tonnes				
<b>Durum</b>												
2011-2012	1,623	1,590	2.62	4,172	17	5,755	3,584	227	276	686	1,486	345
2012-2013f	1,894	1,878	2.46	4,627	40	6,153	4,200	235	476	903	1,050	285-295*
2013-2014f	1,975	1,935	2.48	4,800	30	5,880	4,100	240	339	780	1,000	270-300*
<b>Wheat Except Durum</b>												
2011-2012	7,103	6,962	3.03	21,116	61	26,971	13,916	3,539	4,285	8,609	4,446	290
2012-2013f	7,736	7,620	2.96	22,579	30	27,055	14,400	3,550	4,420	8,855	3,800	280-290*
2013-2014f	8,619	8,340	2.93	24,400	40	28,240	14,600	3,600	4,365	8,840	4,800	250-280*
<b>All Wheat</b>												
2011-2012	8,726	8,553	2.96	25,288	78	32,726	17,500	3,766	4,561	9,294	5,932	
2012-2013f	9,630	9,497	2.86	27,205	70	33,207	18,600	3,785	4,895	9,757	4,850	
2013-2014f	10,594	10,275	2.84	29,200	70	34,120	18,700	3,840	4,704	9,620	5,800	
<b>Barley</b>												
2011-2012	2,666	2,402	3.29	7,892	14	9,407	2,059	145	5,751	6,153	1,195	225
2012-2013f	2,997	2,751	2.91	8,012	15	9,223	2,300	143	5,770	6,173	750	265-295
2013-2014f	2,903	2,670	3.20	8,550	15	9,315	2,100	147	5,858	6,265	950	205-235
<b>Corn</b>												
2011-2012	1,292	1,272	8.93	11,359	894	13,516	474	5,220	6,442	11,677	1,365	250
2012-2013f	1,434	1,418	9.21	13,060	500	14,926	1,000	5,200	6,861	12,076	1,850	245-275
2013-2014f	1,475	1,450	9.07	13,150	400	15,400	600	5,300	6,934	12,250	2,550	175-205
<b>Oats</b>												
2011-2012	1,313	1,084	2.91	3,158	12	3,902	2,248	90	672	860	795	227
2012-2013f	1,155	956	2.81	2,684	15	3,493	2,200	85	858	1,043	250	245-275
2013-2014f	1,364	1,125	2.88	3,240	13	3,503	2,100	89	810	1,003	400	210-240
<b>Rye</b>												
2011-2012	122	96	2.52	241	0	292	170	46	41	98	25	183
2012-2013f	144	123	2.73	337	0	362	189	49	69	128	45	140-170
2013-2014f	109	90	2.51	226	0	271	165	45	27	82	25	155-185
<b>Mixed Grains</b>												
2011-2012	150	79	3.04	240	0	240	0	0	240	240	0	
2012-2013f	101	58	2.93	170	0	170	0	0	170	170	0	
2013-2014f	111	70	2.89	202	0	202	0	0	201	201	0	
<b>Total Coarse Grains</b>												
2011-2012	5,543	4,932	4.64	22,889	920	27,357	4,950	5,501	13,145	19,028	3,380	
2012-2013f	5,830	5,306	4.57	24,263	530	28,173	5,689	5,477	13,727	19,590	2,895	
2013-2014f	5,962	5,405	4.69	25,368	428	28,691	4,965	5,581	13,830	19,801	3,925	
<b>Canola</b>												
2011-2012	7,685	7,589	1.92	14,608	97	16,891	8,699	6,999	421	7,484	707	601
2012-2013f	8,713	8,585	1.55	13,310	125	14,142	7,200	6,500	31	6,592	350	650-670
2013-2014f	7,988	7,888	1.85	14,600	125	15,075	7,650	6,900	74	7,025	400	560-600
<b>Flaxseed</b>												
2011-2012	299	291	1.37	399	9	601	391	n/a	n/a	74	137	525
2012-2013f	397	384	1.27	489	10	636	450	n/a	n/a	126	60	565-585
2013-2014f	459	432	1.27	550	5	615	500	n/a	n/a	55	60	500-540
<b>Soybeans</b>												
2011-2012	1,559	1,551	2.77	4,298	232	4,826	2,741	1,410	270	1,854	231	478
2012-2013f	1,680	1,678	2.94	4,930	200	5,361	3,200	1,600	136	1,911	250	515-535
2013-2014f	1,857	1,773	2.57	4,550	250	5,050	2,700	1,600	275	2,050	300	440-480
<b>Total Oilseeds</b>												
2011-2012	9,543	9,432	2.05	19,305	338	22,318	11,831	8,410	691	9,412	1,075	
2012-2013f	10,790	10,647	1.76	18,728	335	20,138	10,850	8,100	167	8,628	660	
2013-2014f	10,304	10,092	1.95	19,700	380	20,740	10,850	8,500	349	9,130	760	
<b>Total Grains and Oilseeds</b>												
2011-2012	23,812	22,916	2.94	67,482	1,337	82,401	34,280	17,676	18,397	37,734	10,387	
2012-2013f	26,251	25,450	2.76	70,196	935	81,519	35,139	17,362	18,789	37,975	8,405	
2013-2014f	26,860	25,772	2.88	74,268	878	83,551	34,515	17,921	18,883	38,551	10,485	

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

(b) Imports exclude products.

(c) Exports include grain products, while excluding oilseed products.

(d) Food and Industrial Use for soybeans is based on data from the Canadian Oilseed Processors Association. Total number excludes flaxseed food and industrial use due to data confidentiality.

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

(g) Specification of crops for crop year average prices: Wheat (No.1 CWRS, 12.5% protein, CWB final price, I/S St. Lawrence/Vancouver), Durum (No.1 CWAD, 12.5% protein, CWB final price, I/S St. Lawrence/Vancouver), 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).

\* Forecast for No.1 CWRS 13.5% protein and No.1 CWAD 13% protein averages Saskatchewan producer spot prices, not comparable with previous years.

f: forecast, by Agriculture and Agri-Food Canada

Source: Statistics Canada



# CANADA: PULSES AND SPECIAL CROPS SUPPLY AND DISPOSITION

July 17, 2013

Grain and Crop Year (a)	Area	Area	Yield	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 ha	t/ha	----- thousand metric tonnes	----- thousand metric tonnes	----- thousand metric tonnes	----- thousand metric tonnes	----- thousand metric tonnes	----- thousand metric tonnes	----- thousand metric tonnes	----- thousand metric tonnes
<b>Dry Peas</b>											
2010-2011	1,467	1,389	2.17	3,018	33	3,961	3,012	414	535	16	250
2011-2012	986	974	2.57	2,502	12	3,049	2,096	678	275	10	310
2012-2013f	1,352	1,311	2.16	2,830	15	3,120	2,350	720	50	2	335-345
2013-2014f	1,364	1,330	2.33	3,100	15	3,165	2,400	565	200	7	285-315
<b>Lentils</b>											
2010-2011	1,394	1,321	1.45	1,920	29	1,988	1,105	165	718	57	440
2011-2012	1,035	994	1.53	1,523	11	2,253	1,148	422	683	44	470
2012-2013f	1,018	994	1.48	1,473	10	2,166	1,400	466	300	16	435-445
2013-2014f	994	970	1.51	1,460	10	1,770	1,300	220	250	16	450-480
<b>Dry Beans</b>											
2010-2011	134	126	2.01	254	64	323	238	56	29	10	655
2011-2012	84	78	2.07	162	55	247	224	18	5	2	1,000
2012-2013f	125	125	2.26	281	75	361	290	41	30	9	815-825
2013-2014f	87	85	2.12	180	60	270	235	25	10	4	845-875
<b>Chickpeas</b>											
2010-2011	83	77	1.67	128	9	158	86	50	22	16	655
2011-2012	48	47	1.83	86	9	116	37	69	11	10	830
2012-2013f	81	79	2.00	158	8	177	65	62	50	40	675-685
2013-2014f	90	85	1.82	155	8	213	70	68	75	54	615-645
<b>Mustard Seed</b>											
2010-2011	190	182	1.00	182	1	265	124	25	116	78	570
2011-2012	133	129	1.01	130	1	247	115	48	83	51	685
2012-2013f	136	135	0.88	119	1	202	115	37	50	33	785-795
2013-2014f	138	134	0.97	130	0	180	115	35	30	20	790-820
<b>Canary Seed</b>											
2010-2011	160	154	1.00	154	0	223	179	14	30	16	560
2011-2012	111	109	1.18	129	0	159	126	15	17	12	580
2012-2013f	121	115	1.08	125	0	142	120	12	10	8	580-590
2013-2014f	67	65	1.15	75	0	85	70	10	5	6	585-615
<b>Sunflower Seed</b>											
2010-2011	55	51	1.32	68	33	142	46	61	36	34	630
2011-2012	14	14	1.43	20	33	89	33	49	7	9	710
2012-2013f	41	40	2.19	87	32	126	40	56	30	31	630-640
2013-2014f	30	29	1.55	45	25	100	30	50	20	25	605-635
<b>Total Pulses and Special Crops (c)</b>											
2010-2011	3,482	3,300	1.73	5,723	168	7,059	4,788	784	1,487		
2011-2012	2,411	2,345	1.94	4,552	121	6,159	3,779	1,299	1,081		
2012-2013f	2,873	2,798	1.81	5,072	141	6,293	4,380	1,393	520		
2013-2014f	2,770	2,698	1.91	5,145	118	5,783	4,220	973	590		

(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. Total domestic use is calculated residually.

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

f: forecast, by Agriculture and Agri-Food Canada

Source: Statistics Canada and industry consultations.