

CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS

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Market Analysis Group/Grains and Oilseeds Division

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This report updates AAFC's July estimates for the 2012-13 crop year and updates its forecasts for the 2013-14 crop year which started August 1, 2013. Crop development is progressing well after a period of above normal temperatures and average to excessive moisture. AAFC's estimates for area seeded incorporate Statistics Canada (STC) seeding intentions released on June 25. AAFC's forecasts for harvested area and average yields are based on historical trends and will be updated when STC releases its Preliminary Production Estimates on August 21st.

For **2012-13**, many records were set for yearly average prices in Canada. The records reflect a strong world demand for food, feed and fuel and tightened supplies following the drought in the US and the Black Sea regions. Canadian supplies tightened as the increase in production was more than offset by lower carry-in stocks. Carry-out stocks are expected to decline to very tight levels on an increase in exports and strong total domestic usage.

For **2013-14**, in western Canada, total seeded area increased as higher wheat and oat area more than offset a drop in the area for canola, lentils and summerfallow. In eastern Canada, the increase in the area planted to wheat and corn more-than offset the decrease in the area planted to oilseeds and dry beans.

World grain prices are expected to decline on an increase in production supported by normal to above-normal growing conditions across the major grain producing countries. In Canada, grain and oilseed prices are forecast to average 10 to 20 percent lower than 2012-13 due to lower international prices. Canadian prices will receive some offsetting 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 but remain low.

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. Exports and domestic use are forecast to fall resulting in higher carry-out stocks, especially for dry peas. 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 ---- thousand hectares ----	Area Harvested	Yield tha	Production	Imports	Total Supply thousand metric tonnes	Exports	Total Domestic Use	Carry-out Stocks
Total Grains And Oilseeds									
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	992	81,576	35,437	38,103	8,505
2013-2014f	26,860	25,772	2.88	74,328	878	83,711	34,665	38,451	10,596
Total Pulse And Special Crops									
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	137	6,289	4,660	654	505
2013-2014f	2,770	2,698	1.91	5,145	118	5,768	4,225	973	570
All Principal Field Crops									
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	1,129	87,865	40,097	38,758	9,010
2013-2014f	29,630	28,470	2.79	79,473	996	89,479	38,890	39,424	11,166

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 0.4 Mt to 35.6 Mt, mostly because of higher production in Morocco, Canada and Kazakhstan. Supply is forecast to decrease by 0.3 Mt to 42.2 Mt due to lower carry-in stocks. Use is expected to increase by 0.3 Mt to 36.2 Mt and carry-out stocks are forecast to decrease by 0.6 Mt to a historically low level of 6 Mt. US durum production is expected to fall by 27% to 1.63 Mt due to a drop in seeded area.

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 17% to 3.7 Mt, 22% lower than the past five-year average of 4.75 Mt and the lowest since 2008-09.

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 27% to 4.7 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 50 Mt to 705 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 25 Mt to 880 Mt, as the increase in production is partly offset by lower carry-in stocks. Total use is forecast to increase by 26 Mt to 707 Mt. Carry-out stocks are forecast to fall by 1 Mt to 173 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 by 28%, while production of hard red winter wheat decreases by 21% due to drought, and the production of hard red spring and white wheat decreases by 6% and 4%, respectively. 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 4.5 Mt to 15 Mt.

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COARSE GRAINS

BARLEY

For **2012-13**, exports are forecast to increase 12% to 2.3 Mt, due mainly to an increase of feed barley exports to the United States. Carryout stocks are forecast to decrease 37% to a historically low of 0.8 Mt. The In-store Lethbridge barley price achieved a record high for the past crop year because of steady domestic feed demand and a decrease in US corn and DDGS imports due to high prices.

For 2013-14, seeded area is forecast to decrease by 3% from 2012-13 due mainly to higher wheat area. Production is forecast to increase 7% or 8.6 Mt but record low carry-in stocks will cause total supply to increase by only 1%. Total domestic use is forecast to increase by 2% due mainly to a slight increase in livestock feeding. 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 from the record low but remain below the previous 10-year average. Domestic feed barley prices are forecast to decrease from 2012-13 on higher production and overall decline in North American and world coarse grain prices.

Canada's main barley growing region, the three Prairie Provinces, is in good condition with the best conditions going from east to west, Alberta reported highest good to excellent ratings. Strong July storms across the prairies had caused localized damage due to winds, heavy rains and hail. Barley harvesting will not become general until the last half of August. The US barley crop is not as robust as Canada's with about two thirds of the crop rated as good to excellent. The crop is headed-out slightly ahead of the five-year average. In general, North American barley prices have softened with the harvest approaching although 6Row malt barley basis Minneapolis continues to trade at a premium on expected tight new 6Row supplies.

In July, Canada's Agriculture Minister Gerry Ritz announced new barley research funding administered by the Alberta Barley Commission. The \$8 million, five-year federal investment into industry research will be concentrated at Alberta's Lacombe Research Centre. The new research involving Agriculture Canada scientists, University of Saskatchewan researchers and industry is aimed at making the industry more sustainable and market-responsive. The money could be used to develop new low-cholesterol

varieties that could make barley more of a consumer food product. Another priority for the industry will be increasing feed and malt varieties that cater to existing markets.

CORN

For 2012-13, exports are forecast to increase to 1.2 Mt due to tight US supplies and a very wide Ontario corn basis. Supplies increased on record production and slightly higher carry-in, which was moderated slightly by lower imports averaging one quarter of the five-year average. Carryout stocks increased to 1.7 Mt. The nearby Chatham in-store elevator price was record high for the past crop year because of steady total domestic use and strong US corn futures prices.

For 2013-14, seeded area is forecast to increase 3% from the previous record of 2012-13. Record production is forecast, up 1% to 13.2 Mt, due to the larger area and a return to average yields. Imports are forecast to decrease by 20% due to the higher domestic supply and are expected to be well below the previous five and 10-year averages. Total supply is forecast to increase by 2% as higher carry-in stocks supplement the rise in output. Total domestic use is forecast to increase by 1% as overall demand remains near 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 2.4 Mt. The Chatham in-store elevator price is forecast to decrease with the potentially large North American and world corn crop on the way in 2013.

Ontario's corn area had received excessive July rains but reports are showing that real damage has been highly localized. The southwest region appears the hardest hit with standing water and nitrogen loss due to leeching being the main concerns. Most other areas have recovered better than expected and the corn crop is ahead of schedule due to warmer temperatures and fast seeding. By the end of July Manitoba's corn crop was beginning to tassel, the crop is in good condition as corn heat units have been normal to slightly above average with ample to excessive rainfall throughout most of the growing period. At the end of July, US corn silking trailed the five-year average. The late pollination put the US corn crop at risk to an extended heat period but weather forecasts are calling for favourable conditions for the first half of August. This has softened market prices.

OATS

For 2012-13, exports are forecast to be unchanged from 2011-12 at 2.3 Mt, despite lower total supplies. Carryout stocks are forecast to decrease 69% to 0.3 Mt or record lows due to the tight supply situation. The Chicago oat futures were able to achieve the near record highs of 2007-08 but maybe more importantly they achieved a new record high based on the average weekly price. Much of these strong prices would be attributed to the strength in US corn.

For 2013-14, seeded area is forecast to increase 18% from 2012-13 due to the rebound in price levels. Based on normal weather conditions and average yield, production is forecast to increase 21% to 3.2 Mt due to the increase in seeded acreage. Despite record low carry-in stocks, the higher production will result in a marginal increase in total supply but remain below the previous five-year average. Total domestic use is forecast to increase 1% mainly due to trend growth. Exports are forecast to decrease by 7% to 2.1 Mt due to the tight supply, relatively flat US milling demand and a USDA forecast for higher US oat production. Carryout stocks are to increase by 60% to 0.4 Mt. and remain at very tight levels.

The US oat harvest is underway but slightly behind the five-year average, the northern states of North Dakota and Minnesota are the furthest behind and the Canadian prairies should see oat harvesting in the last half of August. With price seasonality and harvest pressure firmly in place US oat futures will have a difficult time posting any gains with the next hurdle being the start of the US corn harvest. On a crop year basis, the price of US corn will remain a major factor for 2013-14 oats but tight North American oat supplies and inelastic demand should see oats being able to price at a premium to US corn for the first time since the 2010-11 crop year.

RYE

For 2012-13, exports are forecast to increase by 10% to 0.19 Mt from 0.17 Mt, due to higher production and total supply. Total domestic use is forecast to increase by 31% due mainly to an increase in rye used for feed and only trend growth in industrial use. 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. 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 37% as the smaller total supply will limit feed use. Exports are forecast to decrease by 12% due to the very tight supply. Carryout is forecast to decrease to the near record low levels of 2011-12.

The smaller Prairie rye crop is in generally good shape but general rye harvest will not begin until mid-August, later than the average. The International Grains Council (IGC) has forecasted global trade in rye to decline about 10% in 2013-14, the Canada to US rye trade relationship will remain the largest in the world for this commodity. Although total world supply of rye is forecast to remain unchanged, the decline in rye trade is attributed to the increased availability of more economically priced substitutes such as barley and corn.

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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 0.65 Mt versus 0.71 Mt last year.

For 2013-14, seeded area decreased by 8% on widened crop rotations, attractive returns for alternative crops, and high input costs. Harvested area is also forecast to fall by 8%. Assuming a normal abandonment of 1.3% and 5-year average yields, production is forecast to rise by 10%. Supply is forecast to increase by 7% as the tight carry-in stocks moderate the rise in output. Exports are forecast to rise by about 0.5 Mt on higher domestic supplies and strong world consumption of oilseeds and oilseed products. Domestic crush is forecast to rise by 0.4 Mt as tight supplies of canola constrain processing volumes despite strong world vegetable oil and protein meal demand. Carry-out stocks are forecast to rise, with a stocks-to-use ratio of 5%, versus the 10-year average of 14%. Average Canadian canola prices are forecast to fall by \$90/t on projected lower US soybean and soyoil prices.

World canola-rapeseed production is forecast to rise to 64.8 Mt, up 4% from last year, on higher European and Canadian production. However, world supplies are expected to rise only slightly, to 67.8 Mt, as a sharp decrease in carry-in stocks mostly offsets the rise in output. World crush is forecast to remain stable with a drop in Chinese processing offset by a rise in other countries. World trade is forecast to rise by 5%, to 12.5 Mt, on increased Canadian and Australian exports. Carry-out stocks are forecast marginally higher, although sharply lower than 2 year ago.

FLAXSEED (excluding solin)

For **2012-13**, exports are forecast to rise by 22% while carry-out stocks fall with a stocks-to-use ratio of 10%.

For 2013-14, seeded area increased by 16% on higher prices. Cropping area is shifting westwards into the province of Saskatchewan on an increase in Chinese demand and lower EU-27 imports. Production is forecast to rise by 25%, assuming normal abandonment and trend yields. Total supply is forecast to increase slightly as tighter carry-in stocks moderate

the rise in output. Exports are forecast to increase by 11% on strong Chinese and US buying. Total domestic use is forecast to decline while carry-out stocks rise from 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**, domestic crush is expected to rise to 8 year highs while exports set a new record. Prices, track Chatham, are forecast to average \$533/t versus \$478/t for 2011-12.

For 2013-14, planted area is estimated at a record 1.86 mha, making soybeans the 5th largest crop by area in Canada. In western Canada, 0.44 mln ha were planted in the province of Manitoba and 66,800 ha planted in Saskatchewan. The growth of soybean area is supported by new short season varieties, stable yields and by strong prices. Crop conditions are good across western and eastern Canada as the crop developed rapidly on warm temperatures and extensive moisture, according to provincial crop reports. 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%. Domestic consumption is forecast to remain stable, resulting in a 16% fall in exports. Carry-out stocks are forecast slightly higher from 2012-13. The average price of soybeans at Chatham is forecast to fall by 17% to \$420-460/t on lower US soybean prices.

World soybean production is forecast to rise to 289 Mt, up from 285 Mt on expected record production in the United States, Brazil and Argentina. World supplies of soybeans are projected at a record 360 Mt, vs 323 Mt for 2012-13, as higher carry-in stocks complement the higher output. World crush is forecast to rise by 10 Mt, to a record 239 Mt, on increased Argentine, China, Brazilian and American processing. World trade is forecast up by 11% to 107 Mt on higher shipments from the United States, Argentina and Brazil. Carry-out stocks are forecast at a record 74 Mt for a stocks-to-use ratio of 21% vs 19% for 2012-13.

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PULSES AND SPECIAL CROPS

DRY PEAS

For **2012-13**, Canada's exports are expected to increase above the 2011-12 level to 2.6 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 on higher returns relative to other crops and recognition of the benefits of dry peas in crop rotations. 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 decrease to 2.4 Mt, with India and China remaining Canada's top two markets. Carry-out stocks are forecast to rise sharply on the lower export forecast. 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 sharply 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 fall sharply to 0.3 Mt. 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 sharply 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 70 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. Production is expected to decrease marginally to 155 kt, due to a return to lower expected yields. Supply is forecast to increase by 20% from last year, however, due to the higher carry-in stocks. Exports are forecast to be unchanged 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 120 kt, up marginally 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 120 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 similar to 2011-12 despite 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 45 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 28% to 95 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.

World sunflower seed supply is estimated by the USDA at 40 Mt, 9% higher than last year. This is largely due to increased area and yields in Russia, Ukraine and the EU-27. As a result, world exports and domestic use are expected to rise by 28% and 5%, respectively. World carry-out stocks are expected to rise by 20% to 1.3 Mt.

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CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

August 13, 2013

Grain and Crop Year (a)	Area	Area	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
	Seeded	Harvested										
	thousand ha											
Durum												
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	290*
2013-2014f	1,975	1,935	2.48	4,800	30	5,880	4,100	240	339	780	1,000	270-300*
Wheat Except Durum												
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	35	27,060	14,500	3,550	4,425	8,860	3,700	285*
2013-2014f	8,619	8,340	2.93	24,400	40	28,140	14,700	3,600	4,265	8,740	4,700	245-275*
All Wheat												
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	75	33,212	18,700	3,785	4,900	9,762	4,750	
2013-2014f	10,594	10,275	2.84	29,200	70	34,020	18,800	3,840	4,604	9,520	5,700	
Barley												
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	280
2013-2014f	2,903	2,670	3.20	8,550	15	9,315	2,100	147	5,858	6,265	950	185-215
Corn												
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	1,150	5,200	6,861	12,076	1,700	240-270
2013-2014f	1,475	1,450	9.07	13,150	400	15,250	600	5,300	6,934	12,250	2,400	175-205
Oats												
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	2,250	85	808	993	250	265
2013-2014f	1,364	1,125	2.88	3,240	13	3,503	2,100	89	810	1,003	400	210-240
Rye												
2011-2012	122	96	2.52	241	0	292	170	46	41	98	25	183
2012-2013f	144	123	2.73	337	0	362	187	49	71	130	45	155
2013-2014f	109	90	2.51	226	0	271	165	45	27	82	25	155-185
Mixed Grains												
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	
Total Coarse Grains												
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	5,887	5,477	13,679	19,542	2,745	
2013-2014f	5,962	5,405	4.69	25,368	428	28,541	4,965	5,581	13,830	19,801	3,775	
Canola												
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	6,700	n/a	6,761	650	652
2013-2014f	7,988	7,888	1.85	14,600	125	15,375	7,650	6,900	74	7,025	700	540-580
Flaxseed												
2011-2012	299	291	1.37	399	9	601	391	n/a	n/a	74	137	525
2012-2013f	397	384	1.27	489	12	638	450	n/a	n/a	128	60	581
2013-2014f	459	432	1.41	610	5	675	550	n/a	n/a	55	70	500-540
Soybeans												
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	250	5,411	3,200	1,600	136	1,911	300	533
2013-2014f	1,857	1,773	2.57	4,550	250	5,100	2,700	1,600	275	2,050	350	420-460
Total Oilseeds												
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	387	20,190	10,850	8,300	136	8,800	1,010	
2013-2014f	10,304	10,092	1.96	19,760	380	21,150	10,900	8,500	349	9,130	1,120	
Total Grains and Oilseeds												
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	992	81,576	35,437	17,562	18,715	38,103	8,505	
2013-2014f	26,860	25,772	2.88	74,328	878	83,711	34,665	17,921	18,783	38,451	10,595	

(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

August 13, 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
Dry Peas											
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	2,600	N/A	50	N/A	340
2013-2014f	1,364	1,330	2.33	3,100	15	3,165	2,400	565	200	7	285-315
Lentils											
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	440
2013-2014f	994	970	1.51	1,460	10	1,770	1,300	220	250	16	450-480
Dry Beans											
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	300	31	30	9	835
2013-2014f	87	85	2.12	180	60	270	235	25	10	4	845-875
Chickpeas											
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	70	62	45	34	690
2013-2014f	90	85	1.82	155	8	208	70	68	70	51	615-645
Mustard Seed											
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	120	37	45	29	790
2013-2014f	138	134	0.97	130	0	175	120	35	20	13	790-820
Canary Seed											
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	125	7	10	8	585
2013-2014f	67	65	1.15	75	0	85	70	10	5	6	585-615
Sunflower Seed											
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	28	122	45	52	25	26	635
2013-2014f	30	29	1.55	45	25	95	30	50	15	19	605-635
Total Pulses and Special Crops (c)											
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	137	6,289	4,660	654	505		
2013-2014f	2,770	2,698	1.91	5,145	118	5,768	4,225	973	570		

(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.