



CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS

December 16, 2022

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

Executive Director: Lauren Donihee

Deputy Director: Tony McDougall

This report is an update of Agriculture and Agri-Food Canada’s (AAFC) November Outlook for the 2022-2023 crop year. For most crops in Canada, the crop year starts on August 1 and ends on July 31, although for corn and soybeans, the crop year starts on September 1 and ends on August 31. The outlook for the world’s grain markets continues to be affected by a number of factors: firm international demand and relatively tight world supplies, the Russian invasion of Ukraine which continues to disrupt Black Sea production and global trade patterns, high inflation and concerns in regards to a global economic slowdown.

For 2022-2023, the outlook incorporates the results of Statistics Canada’s (STC) November Farm Survey of crop production, which was released on December 2, 2022, and was based on a survey of approximately 27,200 farmers that was conducted from October 7 to November 14, 2022. These are the last official estimates for crop production from STC in 2022 and replace the model-based ones that were released on September 14, 2022.

Total 2022 field crop production for Canada is estimated by STC to be 34.1% higher than in 2021, 5.6% above the previous five-year average, and the third largest crop on record, largely due to a significant increase in yields as seeded and harvested areas were largely unchanged. Western Canadian production of principal field crops is estimated to have increased by 50.8% from the drought-reduced crop of 2021 and be 6.0% above the previous five-year average. Marked production increases were realized for all wheat (51.7%), coarse grains (25.0%), oilseeds (23.6%) and pulses and special crops (42.9%). The increase in production and supply allows for a rebound in exports, while carry-out stocks (ending year inventories) are expected to increase from their historic low but still end the year at relatively tight levels.

Crop prices are forecast to remain relatively strong for 2022-23, although decreasing for the most part from the elevated levels achieved in 2021-22. The price forecasts are subject to significant volatility due to the elevated amount of uncertainty in global markets.

The next AAFC Outlook for Principal Field Crops is scheduled to be released on January 20, 2023.

Canada: Principal Field Crops Supply and Disposition

	Area Seeded -- thousand hectares --	Area Harvested	Yield t/ha	Production	Imports	Total Supply	Exports	Total Domestic Use	Carry-out Stocks
	-- thousand hectares --		t/ha	----- thousand tonnes -----					
Total Grains And Oilseeds									
2020-2021	27,491	26,536	3.45	91,459	2,682	107,742	50,926	45,105	11,710
2021-2022	27,571	26,459	2.53	67,058	7,292	86,060	31,689	45,765	8,607
2022-2023f	27,669	26,814	3.34	89,489	2,712	100,808	45,515	44,428	10,865
Total Pulse And Special Crops									
2020-2021	4,025	3,973	2.16	8,592	338	9,851	6,786	1,434	1,632
2021-2022	3,821	3,725	1.23	4,597	231	6,460	4,333	1,061	1,066
2022-2023f	3,707	3,649	1.80	6,570	272	7,908	5,647	1,126	1,135
All Principal Field Crops									
2020-2021	31,516	30,510	3.28	100,051	3,019	117,593	57,712	46,539	13,342
2021-2022	31,392	30,185	2.37	71,656	7,523	92,520	36,021	46,825	9,673
2022-2023f	31,376	30,462	3.15	96,059	2,984	108,716	51,162	45,554	12,000

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

f: forecasts by AAFC except for area, yield and production for 2022-23 which are STC

All Wheat

Durum

For 2022-23, Canadian durum production increased by 79% from 2021-22 to 5.44 million tonnes (Mt), due to an increase in seeded area and a return to average yields. STC's final production estimate, released December 2, were down by 0.67 Mt (-10%), compared to the September estimate due to lower yields. Survey results show an average national yield of 2.27 t/ha versus the 2.58 t/ha reported by STC in September. Saskatchewan accounted for 77% of the production, Alberta for 22% and Manitoba for 1%.

Total supply is now forecast at 6.05 Mt, +57% compared to 2021-22, but 6% below the last five year average. Compared to last month's report, exports were downgraded to 4.8 Mt due to reduced overall supplies. From August to October, STC reports durum shipments at 0.84 Mt; the Canadian Grain Commission (CGC) puts durum export shipments at 1.48 Mt, from August 1 to end of November, +38% more than from the same period in 2021.

Domestic use and stocks were reduced as a result of the lower supply. They are now pegged at 0.75 Mt and 0.5 Mt, respectively, up compared to 2021-22, but lower than average levels.

The average quality in terms of grades is better than in 2021-22 and also higher than the last five-year average. According to the CGC's sample survey analysis to November 17, 2022, 81% of the durum graded No. 1 and 2 compared to 70% last year. The protein content averaged 14.5%, lower than for 2021-22 at 15.7%.

World durum production grew by 7% from 2020-21 due to a rebound in yields in North America. This however remains 2% below the five-year average due to the smaller harvests in Europe and North Africa, mainly Morocco, according to the International Grains Council. Total supply will rebound 1% year on year, restricted by tight carry-in stocks. Total use is forecast at 33.6 Mt, +2% versus 2021-22 on higher feed use. Carry-out stocks were cut 0.2 Mt compared to the previous report, now

pegged at 6.1 Mt, with stocks in major exporting nations at 2.6 Mt (+9% y/y). Global durum trade is anticipated to grow close to 40% year on year to reach 8.4 Mt.

In the US, durum production grew by 0.71 Mt to 1.74 Mt, according to the United States Department of Agriculture (USDA). US exports of durum are forecast at 0.54 Mt.

The average 2022-23 Saskatchewan (SK) spot price for No. 1 Canadian Western Amber Durum is forecast at \$440/t, with upward pressure due to lower domestic supplies.

Wheat (excluding durum)

For 2022-23, Canadian wheat production rose by 47% from 2021-22 to 28.38 Mt, due to an increase in seeded area accompanied by a return to average yields. This is the third largest crop on record. STC's final production estimate was 0.2 Mt, or 1%, lower than its September estimate due to a downward revision to seeded area. Saskatchewan accounts for 37% of the wheat production, Alberta 36%, Manitoba 17%, Ontario 8% and Quebec 1%; the remaining 1% is found in the Maritimes and British Columbia.

STC estimates for winter wheat seeded this fall came in at 718,200 ha up 32% compared to the fall of 2022, with an expansion of area in Ontario (+45%), Quebec (+29%), Prince Edward Island (+22%) and British Columbia (+21%). Area seeded to winter wheat in Alberta remains relatively steady at 61,900 ha.

The average quality for CWRS wheat in terms of grades is slightly better than last year and better than the past five-year average. According to the Canadian Grain Commission's sample survey analysis to November 17, 2022, 93% of the CWRS wheat graded No. 1 and 2, compared to 89% last year. The protein content averaged 13.9%, lower than for 2021-22 at 14.7%.

Compared to last month's report, total supply was tightened 1% as a result of the lower production. It

is now pegged at 31.58 Mt. The export forecast however was raised to 18.9 Mt on account of the fast export pace shown to date. According to STC, exports of wheat, from August to October are reported at 4.8 Mt, up 37% compared to the same period last year. The CGC reports shipments from August to November at over 6.4 Mt, outpacing last year's volumes by over 50%.

Domestic use in 2022-23 is forecast at 8.2 Mt, on par with the five year average. Closing stocks were reduced from 5.1 Mt to 4.5 Mt, also in line with average levels.

The world all wheat (including durum) production forecast was revised down this month by the USDA. Compared to the previous report, global production was reduced 2.1 Mt to 780.59 Mt due to smaller production estimates for Canada and Argentina, offsetting the forecasted growth in the Australian harvest. Total supplies for 2022-23 are forecast at 1,056.86 Mt, down 1% year on year. Global

consumption was also reduced 1.6 Mt compared to last month; it is pegged at 789.53 Mt, on reduced feed use.

Total trade was expanded, now forecast at 210.85 Mt, up 4% year on year, while world all wheat carry out stocks were reduced 0.49 Mt compared to last month's report, at 267.33 Mt, they are 3% lower than in 2021-22.

The US wheat supply forecast for 2022-23 remains steady at 66.38 Mt, with exports projected at 21.09 Mt, domestic use at 29.75 Mt and ending stocks at 15.54 Mt, down 15% year on year.

The average 2022-23 SK spot price for No. 1 Canadian Western Red Spring wheat is forecast at \$420/t.

Romina Code, Wheat Analyst
Romina.Code@agr.gc.ca

Coarse Grains

Barley

For 2022-23, the Canadian barley production estimate was finalized by Statistics Canada (STC) in its December production report at nearly 10 million tonnes (Mt), 6% or 559 thousand tonnes (Kt) above the September model-based forecast, largely reflecting an 11% (551 Kt) increase in Alberta barley production. National yield potential and harvested area were also raised from September estimates. For now, the final production estimate is 44% and 13%, respectively, above last year's record low and the previous five-year average. The recovery in 2022 production mainly benefited from near-normal yield performance on the Canadian Prairies, which rebounded from last year's near-record lows. Production is distributed as follows: 54% in Alberta, 36% in Saskatchewan, 7% in Manitoba, and 3% in all other provinces.

In the largest barley-producing province of Alberta, the 2022 barley output was pegged at 5.38 Mt, up from 4.83 Mt in September and the highest since 2013 due to improved yield and a larger harvested area. The provincial yield level was pegged at 4.08 t/ha, up 60% and 14%, respectively, from last year's near-record low and the previous five-year average, and close to the record high achieved in 2016. Barley output in Saskatchewan and Manitoba was lowered by 1% in each province from September, largely reflecting deteriorated yield, despite larger harvested area.

Due to the significant increase in production more than offsetting the historically low carry-in stocks and smaller imports, supply is expected to increase by 34% year on year to nearly 10.6 Mt, but still be 6% below the pre-2021 five-year average. Domestic use and exports are expected to expand from 2021-22, given larger supplies. Carry-out stocks are projected at 0.90 Mt, rising sharply from last year's record low.

According to STC's monthly international trade data, Canadian barley exports in August-October 2022, the first three months of the 2022-23 crop year, were pegged at 816 thousand tonnes (Kt), down from 989 Kt in August-October 2021 but up

from 592 Kt for the previous five-year average in the same period. The monthly export rate during August-October 2022 has increased sharply. Of the total export volume, about 88% was shipped to China and 10% to the US. Barley malt exports in August-October 2022 neared 122 Kt, down from about 140 Kt in August-October 2021 and the previous five-year average. Compared to barley grain exports, exporting pace of malt has been relatively stable. Of the total exports, about 52% were shipped to the US, 27% to Japan and 11% to Mexico.

For the crop year to-date, feed barley prices in Alberta averaged \$360/t, \$15/t under the level a year ago. In Saskatchewan, feed barley prices averaged nearly \$315/t, \$35/t below last year's level. In Manitoba, feed barley prices averaged around \$320/t, \$35/t lower than a year ago. Malting barley prices in the three provinces declined by about \$70/t from a year ago. As a result, the price premium for malting barley relative to feed barley declined from last year's high in all three provinces. For the entire crop year, the Lethbridge feed barley average price is predicted at \$400/t, down nearly \$30/t from last year's record high due to expectations for a recovery in domestic feed grain supply. However, it will remain historically high, largely underpinned by strong corn prices and robust demand.

Worldwide, feed barley prices in the US/Montana have risen in recent weeks despite declining CBOT corn futures prices, with the crop year to-date average lower than that of a year ago. Feed barley export quotations from the Black Sea, Europe/France, and Australia/Adelaide have fallen in recent weeks, with the crop year to-date averages higher than a year ago. Australia/Adelaide malt barley prices have strengthened in recent weeks.

Corn

For 2022-23, the Canadian corn production estimate was finalized by STC at 14.54 Mt, 2% (322 Kt) below the September forecast, largely reflecting a 4% (364 Kt) decrease in Ontario corn production. National yield potential was also lowered from the September estimate, but harvested area was revised

slightly higher. For now, the final production estimate remains at a record level and is 4% and 5%, respectively, higher than last year and the previous five-year average. Production is distributed as follows: 65% in Ontario, 24% in Quebec, 9% in Manitoba, and 2% in all other provinces.

In the largest corn-producing province of Ontario, 2022 corn output was pegged at 9.44 Mt, down from 9.80 Mt in September, largely due to a decline in yield, despite larger harvested area. The final 2022 corn output in Ontario remains large and is only slightly lower than last year's record high. The estimates of corn output for Quebec and Manitoba were revised higher from the September forecast, largely reflecting improved yield in both provinces, despite smaller harvested area.

Due to sharply lower imports more than offsetting larger production and carry-in stocks, supply is expected to decrease by 14% from the record high seen in 2021-22 to 19.28 Mt, but still be the second highest on record. Domestic use is predicted to decrease from 2021-22 on lower feed use. Exports are projected to be on par with last year's level, but increase significantly from the previous five-year average. Carry-out stocks are projected at 2.40 Mt, decreasing by 13% from last year's record high but slightly higher than the previous five-year average.

During September-October 2022, the first two months of the 2022-23 crop year for corn, Canada imported 186 Kt of corn, versus 425 Kt in September-October 2021 and 339 Kt for the previous five-year average in the same period. The majority of the imported corn originated in the US and was destined for Western Canada. Canadian corn exports in September-October 2022 were pegged at 88 Kt, versus over 90 Kt in September-October 2021 and the previous five-year average in the same period. Of the total exports, about 53% were shipped to European countries and 47% to the US.

Corn prices posted a decline in recent weeks, with the average price in Ontario/Chatham region declining to nearly \$315/t, versus \$330/t a month ago. For the entire crop year, the Chatham corn price is projected at \$320/t, nearly \$10/t above last year's

historical high, supported by the outlook for brisk demand and strong US corn prices.

In the US, the marketing-year weighted average price received by farmers for corn was predicted by the USDA at US\$6.70/bu, down from US\$6.80/bu a month ago, but up from US\$6.00/bu a year ago and only slightly lower than the record high US\$6.89/bu in 2012-13. US corn export quotations at the Gulf of Mexico have been in a downward trend over the recent two months and were pegged at under US\$300/t, the lowest in more than three months and on par with corn prices at Argentina/Up River and Brazil/Paranagua, but about US\$30/t higher than Ukrainian corn export quotations.

Oats

For 2022-23, the Canadian oat production estimate was finalized by STC at 5.23 Mt, 12% (572 Kt) above the September forecast, largely reflecting a 46% (331 Kt) increase in Alberta and an 8% (189 Kt) increase in Saskatchewan. Oat production in most provinces were revised higher, except in Nova Scotia and British Columbia. National yield and harvested area were also raised from the September estimates. For now, the final production estimate is 86% and 39%, respectively, above last year's historical low and the previous five-year average, and also a record level. The recovery in 2022 production mainly benefited from above-normal yield performance on the Canadian Prairies, which rebounded from last year's near-record lows, and the significantly expanded area on the Canadian Prairies, which reached a recent fourteen-year high. Production is distributed as follows: 49% in Saskatchewan, 22% in Manitoba, 20% in Alberta, and less than 9% in all other provinces.

Due to the notable increase in production compensating for the historically low carry-in stocks, supply is expected to grow by 59% from 2021-22 to almost 5.56 Mt, and hit a peak not seen since the 1980s. Domestic use, specifically feed use, and exports are predicted to increase. Carry-out stocks are projected to rise sharply from 2021-22 to 1.15 Mt, a near-record high.

Canadian oat grain exports in August-October 2022 were pegged at 419 thousand tonnes (Kt), versus

509 Kt in August-October 2021 and 570 Kt for the previous five-year average in the same period. Oat product exports in August-October 2022 neared 162 Kt (with monthly export volume stabilizing at 54 Kt), on par with the level a year ago and up from 133 Kt for the previous five-year average. Almost 99% of Canadian oat grain exports and about 93% of oat product exports were destined for the US.

For the crop year to-date, oat prices in Alberta averaged just above \$265/t, nearly \$100/t under the level of a year ago. In Saskatchewan, oat prices averaged just under \$265/t, down \$140/t from last year's level. Manitoba oat prices averaged just under \$300/ton, down \$170/t from a year ago. For the entire crop year, the CBOT oat price is predicted at around \$365/t, down \$200/t from the record high in 2021-22, due to an expected supply recovery in North America.

Rye

For 2022-23, the Canadian rye production was estimated by STC at 520 Kt, 11% (50 Kt) above the September production estimate, largely reflecting a 42% (21 Kt) increase in Ontario, 45% (19 Kt) increase in Quebec and 12% (10 Kt) increase in Alberta, despite revised lower rye production in Manitoba and Saskatchewan. National yield and harvested area were also raised from the September estimates. For now, the final production estimate is 10% and 39%, respectively, above last year's

historical low and the previous five-year average, and is also a record high. Production is distributed as follows: 39% in Manitoba, 18% in Alberta, 17% in Saskatchewan, and the majority of the rest in Ontario and Quebec.

Supply is projected at 631 Kt, up 12% from 2021-22 and the highest since the 1990s. Demand is expected to exceed last year's level due to increased exports. Carry-out stocks are projected at 165 Kt, up significantly from last year and the five-year average due to abundant supply.

Canadian rye exports in August-October 2022 were pegged at 85 Kt, versus about 75 Kt in August-October 2021 and the previous five-year average. Approximately 99% of Canadian rye exports were destined for the US.

For the crop year to-date, rye FOB farm prices on the Canadian Prairies averaged just below \$275/t, nearly \$35/t under the level a year ago. For the entire crop year, the Prairies average price is projected at \$260/t, down \$60/t from last year's record high, mainly due to ample 2022-23 feed grain supplies on Canadian Prairies.

Mei Yu: Coarse Grains Analyst
Mei.Yu@agr.gc.ca

Oilseeds

Canola

For 2022-23, canola seeded area is estimated at 8.7 million hectares (Mha), down 4% from last year, with a predicted harvested area of 8.6 Mha. Yields are estimated at 2.11 tonnes per hectare (t/ha) compared to last year's drought-reduced of 1.54 t/ha. Production is estimated at 18.2 Mt by Statistics Canada based on a survey of 27,200 farmers. The estimates, released December 2nd, show the province of Saskatchewan remaining the largest grower of canola at 9.5 Mt, followed by the provinces of Alberta and Manitoba at 5.6 Mt and 2.9 Mt, respectively.

The growing season across western Canada was comparatively normal compared to the prairie-wide drought of 2021-22, although yields were below earlier expectations in Alberta and Manitoba. Total supply is forecast to rise sharply from last year to 19.1 Mt, as tight carry-in constrains the increase in production.

Usage of Canadian canola is forecast to return to more historically normal levels: exports are up by about 63% to 8.6 million tonnes (Mt), while domestic crush rises to 9.5 Mt versus 8.6 Mt last year. The pace of exports to-date is 111% of last year based on the Canadian Grain Commission data, with shipments to China, Japan and Mexico accounting for 46%, 16% and 15%, respectively, of the total market share to the end of October. Oil content of Western Canadian canola is averaging 42.8% to-date, based on a survey of 1,755 samples. 94% of Canadian canola is grading Number 1.

Carry-out stocks are down to 0.80 Mt for a stocks-to-use ratio of 4%. Canola prices are forecast to decline to \$895/tonne (t) track Vancouver. If realized, this would be the second highest canola price on record.

The 2022-23 outlook remains sensitive to several factors: (i) strength of world demand for canola and rapeseed, (ii) the US Environmental Protection Agency's ruling on inclusion rates for canola-rapeoil in biodiesel and renewable diesel, (iii) the pace of domestic crush, (iv) competition from Australian

and European rapeseed, (v) the western United States (US) drought, (vi) supply chain disruptions resulting from the Russian invasion of Ukraine.

Flaxseed

For 2022-23, flaxseed area is estimated at 0.32 Mha, versus the five-year average of 0.39 Mha, with harvested area projected at 0.31 Mha. Yields are projected at 1.5 t/ha based on an estimated production of 0.47 Mt – 73% of which occurs in Saskatchewan. Total supply is forecast to increase by 36% to 0.57 Mt, on higher output and carry-in stocks.

Exports are forecast to increase to 0.38 Mt on stable world usage. To the end of November, exports through licensed terminals are running at 48% of last year's pace with most of the shipments destined for the US. Total domestic use is estimated at 93,700 tonnes on lower feed, waste and dockage, while carry-out stocks rise marginally to 100,000 t. Flaxseed prices are forecast to decline but remain historically strong at \$745/t for 2022-23.

Soybeans

For 2022-23, farmers planted 2.13 Mha to soybeans in Canada, versus 2.15 Mha last year, with harvested area estimated at 2.12 Mha. Production is 6.5 Mt, versus 6.3 Mt in 2021-22. The province of Ontario is the largest producer of soybeans in Canada at almost 4.0 Mt, followed by the provinces of Manitoba and Quebec, which grew 1.3 and 1.1 Mt of soybeans, respectively. Total supply is forecast to increase to 7.2 Mt, on higher production and carry-in combined with stable imports.

Exports are forecast to increase 3%, to 4.4 Mt, with shipments headed to a diverse group of countries. The export pace through Canada's licensed grain handling facilities to the end of October is down 26%, with shipments mostly divided between China and the European Union. Domestic processing is forecast up slightly to 1.9 Mt compared to last year. Carry-out stocks are forecast up from last year at 0.35 Mt versus the five-year average of 0.45 Mt.

Soybean prices are forecast to rise to \$690/t on

support from higher US prices and a weaker Canadian dollar offsetting pressure from a large US soybean crop. A stable Canada-US dollar exchange rate is assumed for the duration of 2022-23.

For 2022-23, world oilseed production is forecast at 644 Mt by the United States Department of Agriculture (USDA), down by 2 Mt from last month but a rise of 40 Mt from last year. US soybean production is projected at 4.35 billion bushels (Bbu), down 3% from last year, creating a slight drop in American soybean supplies. US soybean exports are

forecast at 2.05 Bbu while domestic crush increases to 2.25 Bbu. Ending stocks are predicted to fall to 0.22 Bbu, versus 0.27 Bbu for 2021-22 and the five-year average of 0.48 Bbu. The USDA projects the farm gate price of soybeans to remain unchanged from last month at US\$14.00/bu, versus US\$13.30/bu for 2021-22.

Chris Beckman: Oilseeds Analyst
Chris.Beckman@agr.gc.ca

Pulse and Special Crops

Dry Peas

For 2022-23, production increased 52% to 3.4 million tonnes (Mt) due to higher yields as harvested area was lower. Yields were 68% higher than the previous year due to more normal conditions. Yellow and green pea types are expected to account for about 2.85 Mt and 0.46 Mt, respectively, with the remainder spread across other varieties. Supply has increased by 35% to 3.8 Mt, due to reduced carry-in stocks. Exports are forecast to rise to 2.5 Mt, due to the increase in supply. This is expected to result in higher imports by Bangladesh. Carry-out stocks are forecast to rise sharply due to the increased supply. The average price is expected to fall by 22% to \$460/t from 2021-22, with lower dry pea prices for all types.

During November, the on-farm price of yellow peas was unchanged in Saskatchewan but green types rose by \$60/t. Prices have been steady to strong due to solid export demand and expectations for a smaller Indian winter pulse crop. For the crop year to-date, green dry peas prices have been maintaining a premium of \$15/t above yellow dry peas. Last year, green peas were at \$60/t discount to yellow peas.

In the US, area seeded to dry peas for 2022-23 is estimated by the USDA to have fallen by 6% to over 0.9 million acres. This is largely due to a decrease in area in North Dakota and Montana. With estimates of below-average yields but higher than last year, US dry pea production is estimated by USDA to rise by 29% to 0.5 Mt. US dry peas compete, on a smaller scale, in Canadian export markets such as China and the Philippines.

Lentils

For 2022-23, production increased by 43% to 2.3 Mt due largely to improved yields. Large green lentil production is estimated to be higher than last year at 0.3 Mt and red lentil production rose to about 1.77 Mt. Production of the other remaining lentil types is estimated to have risen to 0.23 Mt.

Supply, however, is expected to be 24% higher than last year due to smaller carry-in stocks. Exports are forecast to increase sharply to 2.3 Mt. India and

Turkey are currently the top export markets. Imports are expected to be higher than the previous year with an above-average grade distribution. Carry-out stocks are expected to rise sharply, due to the larger exportable supply. The overall average price is forecast to fall by 18% with lower prices for all types, with the exception of French lentil types.

During the month of November, the on-farm price in Saskatchewan for No. 1 grade large green lentils fell by about \$20/t when compared to last month, and the price of No. 1 red lentils decreased by over \$10/t. The quality of the Canadian lentil crop is considered to be above average. There is a larger proportion in the supply of No.1 and No.2 grade Canadian lentils for 2022-23 when compared to last year. No.1 large green lentil prices are forecast to maintain a premium of \$300/t over No. 1 red lentil prices, versus \$325/t in 2021-22.

In the US, the area seeded to lentils for 2022-23 was forecast by the USDA at 0.7 million acres, down 5% from 2021-22 due to lower area seeded in Montana. With estimates of higher yields, 2022-23 US lentil production is estimated by the USDA at 0.22 Mt, up 47% from the 2021-22 level.

Dry Beans

For 2022-23, production fell 19% to 313 thousand tonnes (Kt), consisting of 89 Kt of white pea bean types and 224 Kt of colored bean types. Production in Ontario fell, mostly due to lower area. In Manitoba, production rose due to higher yields for colored bean and white pea bean types. In Alberta, colored bean production fell due a decrease in area.

Supply is expected to fall as higher carry-in stocks are more than offset by the smaller production. Exports are forecast to be similar to the previous year. The US and the EU are forecast to remain the main markets for Canadian dry beans, with smaller volumes exported to Mexico and Japan. Carry-out stocks are expected to be lower. The average Canadian dry bean price is forecast to be unchanged at a record level \$1,210/t due to the similar North American supply.

In the US, area seeded to dry beans is estimated by the USDA to have decreased by 10% to 1.25 million acres, largely due to lower area seeded in North Dakota. US total dry bean production (excluding chickpeas) is estimated by the USDA to rise by 11%, to just over 1.1 Mt. US export markets continue to be Canada, EU and Mexico.

Chickpeas

For 2022-23, production rose by 68% to 128 Kt due to higher harvested area and yields. Crop quality is average when compared to the previous year. Supply is forecast to fall by 16% as lower carry-in stocks more than offset the higher production. Exports are forecast to be higher at 195 Kt, with the US, Pakistan and the EU as the main importers. Carry-out stocks are expected to fall sharply to 65 Kt. The average price for all grades of chickpeas is forecast to rise by 5%, to a record \$1,025/t, due to lower world supply.

US chickpea area seeded is estimated by the USDA at 0.36 million acres, down marginally from 2021-22. With average yields, 2022-23 US chickpea production is forecast by USDA at 0.18 Mt, up 37% from the previous year.

Mustard Seed

For 2022-23, production nearly tripled to 162 Kt, due to higher yields and area. Production of all types of mustard seed rose. Supply increased by 36% to 177 Kt. Exports are expected to be higher at 110 Kt. Due to increased supply, carry-out stocks are forecast to rise sharply to 50 Kt. The US and the EU are expected to remain the main export markets for Canadian mustard seed. The average price is forecast to fall to \$2,420/t, but remain historically high.

Canary Seed

For 2022-23, production rose by 24% to 159 Kt with higher yields but lower area. Exports are

expected to be lower than last year at 170 kt, due to the lower supply. The EU and Mexico are forecast to remain the main export markets. The average price is forecast to fall from the record 2021-22 level, to \$900/t despite tighter supply and smaller carry-out stocks.

Sunflower Seed

For 2022-23, production was marginally higher than the previous year at 84 Kt due to a fall in area but higher yields. Supply rose marginally with larger carry-in stocks. Exports are forecast to rise marginally from last year to 45 Kt. Carry-out stocks are forecast to rise marginally to 120 Kt. The US is expected to continue to be Canada's main export market for sunflower seed. The average price is forecast to be 3% lower than 2021-22, to \$870/t, due to lower oilseed type prices.

US sunflower seed production is estimated by the USDA at 1.3 Mt, up 53% from 2021-22, largely due to increased production in North and South Dakota. It is estimated by AAFC that US production of oil type varieties and confectionery type varieties rose to 1.2 Mt and about 100 Kt, respectively. US supply is forecast by the USDA to be 33% higher at 1.6 Mt. US exports and domestic use is expected to increase. US sunflower seed carry-out stocks are expected to rise and pressure North American prices.

For 2022-23, the global supply of sunflower seed is estimated by the USDA at a record 64.0 Mt. This is marginally higher than last year, due to higher output by Ukraine and Russia. World exports are expected to increase by 36% to a record 5.3 Mt and domestic use is expected to rise marginally to 52.6 Mt. World carry-out stocks are expected to fall by 24% to 6.0 Mt, well above the five-year average.

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

CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

December 16, 2022

Grain and Crop Year (a)	Area Seeded ----- thousand ha	Area Harvested ----- thousand ha	Yield t/ha	Production ----- thousand tonnes	Imports (b)	Total Supply	Exports (c)	Food & Industrial Use (d)	Feed, Waste & Dockage	Total Domestic Use (e)	Carry-out Stocks	Average Price (g) \$/t
Durum												
2020-2021	2,302	2,295	2.86	6,571	13	7,321	5,766	198	321	742	813	302
2021-2022	2,319	2,233	1.36	3,038	8	3,859	2,716	208	124	565	579	631
2022-2023f	2,431	2,399	2.27	5,443	25	6,047	4,800	200	334	747	500	440
Wheat Except Durum												
2020-2021	7,892	7,723	3.74	28,866	129	33,757	20,566	3,265	4,041	8,050	5,141	271
2021-2022	7,133	6,960	2.77	19,258	153	24,551	12,412	3,258	4,974	9,045	3,095	447
2022-2023f	7,844	7,683	3.69	28,380	100	31,575	18,900	3,200	4,200	8,175	4,500	420
All Wheat												
2020-2021	10,194	10,018	3.54	35,437	142	41,078	26,332	3,463	4,362	8,793	5,954	
2021-2022	9,453	9,193	2.43	22,296	161	28,411	15,128	3,466	5,099	9,610	3,673	
2022-2023f	10,274	10,082	3.35	33,824	125	37,622	23,700	3,400	4,533	8,922	5,000	
Barley												
2020-2021	3,060	2,809	3.82	10,741	294	11,991	4,277	299	6,416	7,003	711	294
2021-2022	3,357	3,002	2.32	6,959	228	7,897	2,603	284	4,262	4,790	504	432
2022-2023f	2,851	2,636	3.79	9,987	60	10,551	3,670	318	5,383	5,981	900	400
Corn												
2020-2021	1,440	1,408	9.63	13,563	1,639	17,762	1,438	5,376	8,764	14,155	2,169	272
2021-2022	1,413	1,391	10.06	13,984	6,201	22,354	1,737	5,797	12,058	17,871	2,746	312
2022-2023f	1,466	1,444	10.07	14,539	2,000	19,284	1,750	5,500	9,619	15,134	2,400	320
Oats												
2020-2021	1,554	1,314	3.48	4,576	17	5,019	2,972	104	1,170	1,390	657	301
2021-2022	1,385	1,176	2.39	2,808	25	3,490	2,302	99	637	870	318	565
2022-2023f	1,593	1,402	3.73	5,226	15	5,559	2,850	120	1,313	1,559	1,150	365
Rye												
2020-2021	237	153	3.19	488	2	530	153	41	224	287	91	225
2021-2022	246	147	3.22	473	1	565	151	26	258	304	109	320
2022-2023f	237	152	3.42	520	2	631	170	39	237	296	165	260
Mixed Grains												
2020-2021	168	97	2.41	233	0	233	0	0	233	233	0	
2021-2022	133	65	2.53	164	0	164	0	0	164	164	0	
2022-2023f	138	72	2.82	203	0	203	0	0	203	203	0	
Total Coarse Grains												
2020-2021	6,459	5,781	5.12	29,601	1,952	35,535	8,840	5,819	16,808	23,068	3,627	
2021-2022	6,534	5,780	4.22	24,387	6,455	34,469	6,793	6,206	17,378	24,000	3,676	
2022-2023f	6,286	5,705	5.34	30,475	2,077	36,228	8,440	5,977	16,754	23,173	4,615	
Canola												
2020-2021	8,410	8,325	2.34	19,485	125	23,044	10,589	10,425	190	10,680	1,776	730
2021-2022	9,016	8,949	1.54	13,757	105	15,638	5,268	8,555	878	9,496	875	1,075
2022-2023f	8,659	8,596	2.11	18,174	100	19,148	8,600	9,500	197	9,748	800	895
Flaxseed												
2020-2021	377	371	1.56	578	26	667	505	N/A	85	103	59	693
2021-2022	416	404	0.86	346	12	417	219	N/A	99	113	85	1,206
2022-2023f	315	312	1.52	474	10	569	375	N/A	75	94	100	745
Soybeans												
2020-2021	2,052	2,041	3.12	6,359	438	7,417	4,661	1,636	603	2,462	294	605
2021-2022	2,154	2,134	2.94	6,272	560	7,125	4,281	1,858	468	2,547	298	678
2022-2023f	2,135	2,118	3.09	6,543	400	7,241	4,400	1,900	391	2,491	350	690
Total Oilseeds												
2020-2021	10,839	10,738	2.46	26,421	588	31,129	15,755	12,061	878	13,245	2,129	
2021-2022	11,585	11,486	1.77	20,375	676	23,180	9,768	10,413	1,444	12,155	1,257	
2022-2023f	11,108	11,026	2.28	25,191	510	26,958	13,375	11,400	663	12,333	1,250	
Total Grains And Oilseeds												
2020-2021	27,491	26,536	3.45	91,459	2,682	107,742	50,926	21,343	22,047	45,105	11,710	
2021-2022	27,571	26,459	2.53	67,058	7,292	86,060	31,689	20,085	23,921	45,765	8,607	
2022-2023f	27,669	26,814	3.34	89,489	2,712	100,808	45,515	20,777	21,950	44,428	10,865	

(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 (Average Prairie producer price, FOB farm); 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: forecasts by AAFC except for area, yield and production for 2022-23 which are STC

CANADA: PULSES AND SPECIAL CROPS SUPPLY AND DISPOSITION

December 16, 2022

Grain and Crop Year (a)	Area		Yield t/ha	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (c)	Carry-out Stocks	Stocks-to- Use Ratio %	Average Price (d) \$/t
	Seeded thousand ha	Harvested thousand ha									
Dry Peas											
2020-2021	1,722	1,685	2.73	4,594	81	4,909	3,582	768	559	13%	340
2021-2022	1,546	1,491	1.51	2,258	29	2,845	1,909	551	385	16%	590
2022-2023f	1,363	1,348	2.54	3,423	28	3,836	2,500	686	650	20%	460
Lentils											
2020-2021	1,713	1,705	1.68	2,868	110	3,187	2,326	422	438	16%	645
2021-2022	1,742	1,716	0.94	1,606	51	2,096	1,600	271	224	12%	970
2022-2023f	1,749	1,715	1.34	2,301	75	2,600	2,300	200	100	4%	800
Dry Beans											
2020-2021	185	183	2.68	490	63	578	396	72	110	24%	930
2021-2022	177	171	2.26	386	75	571	327	79	165	41%	1,210
2022-2023f	120	117	2.67	313	75	553	327	81	145	36%	1,210
Chickpeas											
2020-2021	121	120	1.79	214	41	506	160	70	275	119%	640
2021-2022	75	74	1.04	76	30	382	176	59	147	63%	975
2022-2023f	95	95	1.35	128	45	320	195	60	65	26%	1,025
Mustard Seed											
2020-2021	104	101	0.99	100	6	191	111	20	61	46%	885
2021-2022	117	110	0.55	61	9	130	106	18	6	5%	2,885
2022-2023f	225	219	0.74	162	9	177	110	17	50	39%	2,420
Canary Seed											
2020-2021	135	135	1.67	225	0	241	160	8	73	44%	690
2021-2022	124	123	1.05	129	0	202	173	8	21	12%	1,125
2022-2023f	118	117	1.36	159	0	180	170	5	5	3%	900
Sunflower Seed											
2020-2021	45	45	2.25	101	36	241	51	74	116	93%	620
2021-2022	41	40	2.03	82	37	235	42	75	118	102%	900
2022-2023f	38	38	2.24	84	40	242	45	77	120	98%	870
Total Pulses and Special Crops (c)											
2020-2021	4,025	3,973	2.16	8,592	338	9,851	6,786	1,434	1,632		
2021-2022	3,821	3,725	1.23	4,597	231	6,460	4,333	1,061	1,066		
2022-2023f	3,707	3,649	1.80	6,570	272	7,908	5,647	1,126	1,135		

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

(b) Imports and exports exclude products.

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

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

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

f: forecasts by AAFC except for area, yield and production for 2022-23 which are STC