Agriculture and Agri-Food Canada | Agriculture et Agroalimentaire Canada

CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS

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

Executive Director: Nicole Howe **Deputy Director: Tony McDougall**

This report updates Agriculture and Agri Food Canada's (AAFC) September outlook for the 2022-2023 and 2023-2024 crop years. 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. Volatility in the world's grain markets remains above normal due to continued uncertainty as a result of Russian aggression against Ukraine.

The outlook incorporates current information from (i) Statistics Canada's (STC) Model Based Principal Field Crop Estimates released on September 14, 2023, and STC's September 8, 2023 Survey of Stocks of Principal Field Crops in Canada as of July 31, 2023; (ii) the United States Department of Agriculture (USDA) - World Agriculture Supply and Demand Estimates (WASDE) released on October 12, 2023; (iii) International Grains Council (IGC) Grain Market Report released on September 21, 2023; (iv) Agricultural Market Information Systems (AMIS) Market Monitor released October 5, 2023.

For the 2022-23 crop year, the report provides the final estimates for all crops, incorporating information from Statistics Canada's (STC) October 10, 2023, release of the supply and disposition for soybeans and corn. Total field crop production for Canada recovered from the drought of 2021 and was estimated to be 34.1% higher than in 2021, 5.6% above the previous five-year average and the third largest crop on record. The increase in production led to a strong rebound in exports, which increased by 47% from the previous year and returned to more normal levels. Total carry-out stocks (ending year inventories) for all principal field crops ended the year up marginally. Prices for the year declined for all crops except for soybeans and chickpeas.

For the 2023-24 crop year, the outlook incorporates yield estimates from STC's September 14, 2023, Model Based Principal Field Crop Estimates release, based on information as of the end of August. Production of all principal field crops in Canada is estimated to have decreased 13% year-over-year (y/y), falling 8.3% below the previous five-year average, largely due to widespread drought across the Prairies. Exports of all principal field crops are forecast to decrease by 15.1% y/y due to lower production but are still expected to remain relatively strong on firm world demand. In general, prices are projected to decrease as higher global supplies pressure prices lower, with support provided by continued strong world demand. Harvest in Western Canada is nearly complete, with Alberta and Saskatchewan virtually finished while Manitoba is approaching completion. Initial indications from the Canadian Grain Commission (CGC) on grain harvest and export quality suggest that the quality of the 2023 Western Canadian crop is generally fair to good (click the following ***link*** to view CGC's grain harvest and export quality data). In Eastern Canada, corn harvest has begun while soybean harvest is over halfway complete.

The next AAFC Outlook for Principal Field Crops is scheduled to be released on November 20, 2023. STC is scheduled to publish its final principal field crop production estimates for the year on December 4, 2023, based on a survey in November of approximately 28,600 farmers across Canada.

Canada: Principal Field Crops Supply and Disposition

	Area Seeded	Area Harvested	Yield	Production	Imports	Total Supply	Exports	Total Domestic Use	Carry-out Stocks
	--- *thousand hectares* ---		*t/ha*	----------	----------	*thousand tonnes*	----------	----------	----------
Total Grains And Oilseeds									
2021-2022	27,831	26,578	2.57	68,314	7,225	87,250	31,866	46,320	9,064
2022-2023	27,669	26,814	3.38	90,521	2,863	102,448	47,453	45,520	9,475
2023-2024f	28,263	27,185	2.94	79,897	3,912	93,283	41,493	43,795	7,995
Total Pulse and Special Crops									
2021-2022	3,798	3,698	1.23	4,555	227	6,403	4,286	1,072	1,045
2022-2023	3,707	3,649	1.80	6,570	284	7,900	5,637	1,262	1,001
2023-2024f	3,377	3,294	1.39	4,595	267	5,863	4,035	1,143	685
All Principal Field Crops									
2021-2022	31,629	30,276	2.41	72,869	7,451	93,652	36,152	47,391	10,110
2022-2023	31,376	30,462	3.19	97,091	3,147	110,347	53,090	46,782	10,476
2023-2024f	31,640	30,479	2.77	84,492	4,179	99,146	45,528	44,938	8,680

Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)
f: forecasts by AAFC except for area, yield and production for 2023-24 which are STC

All Wheat

Durum

For 2022-23, Canadian supply of durum increased by 65% and exports grew by 86% compared to 2021-22, according to Statistics Canada (STC). To note, STC reports total durum exports at 5.02 million tonnes (Mt), 77 thousand tonnes shy of the 5.1 Mt reported by the Canadian Grain Commission (CGC). STC will likely revise this export figure in subsequent reports. Carry-out stocks are reported at 0.4 Mt, down 28% from opening levels. STC revised durum closing stocks in the "National Supply and Disposition" table released October 10, 2023.

The average Saskatchewan (SK) spot price for Canadian Western Amber Durum no. 1, 13% protein (CWAD, 1, 13%) was $445/tonne in 2022-23.

For 2023-24, production of durum in Canada is estimated at 4.1 Mt, harvested on 2.4 million hectares (Mha) of land. This is down 30% compared to 2022 due to a reduction in yields caused by dry conditions experienced across Western Canada. According to STC, durum yields in SK and Alberta dropped 27% and 36%, respectively. These two provinces account for 99% of all durum seeded in Canada.

Despite the drop in yields and production, the crop is of good quality with an average protein content. According to CGC's early harvest quality report, 82% of the 418 samples collected to September 27 are rated within the top two grades with an average protein content of 14.7%.

Exports are expected to decline 35% to 3.3 Mt due to the short supply. For August 2023, exports of durum are reported at 0.2 Mt, 50% less than the same time period in 2022 and 32% below the five-year average. Morocco was the primary destination for durum this month, followed by the US and Japan.

Domestic use is pegged at 0.8 Mt and carry-out stocks at 0.4 Mt, just marginally lower than opening levels.

The International Grains Council (IGC) puts world durum production at 31.4 Mt in 2023-24, 6% lower than 2022 due to suboptimal harvests in the EU, North America, and North Africa. Total supply is forecast to contract 7% to 37.3 Mt, limited by tight carry-in stocks. Total global use is forecast to decline by 1% mainly due to a decrease in feed use; food use is only marginally lower year-over-year (-0.6%). At 33.5 Mt, it is the second smallest in 20 years. With robust consumer demand from Europe and North Africa, global exports are expected to remain steady with 2022 levels, that is 9.1 Mt, with an expansion in supplies from Turkey. Turkish durum exports are forecast to expand to 3.1 Mt from 2.02 Mt in 2022. Global stocks are currently projected to fall to 3.9 Mt, the lowest in three decades.

US durum production is estimated at 1.6 Mt, down 7% from 2022; exports are expected at 0.7 Mt and ending stocks are expected to fall from 0.8 Mt to 0.5 Mt.

The spot price for CWAD 1, 13% protein in SK is supported by a tight world balance sheet and limited Canadian supplies. For 2023-24, it has been raised $15/tonne to $475/tonne.

Wheat (excluding durum)

For 2022-23, according to STC, Canadian wheat supply and exports increased in 2022 thanks to a 47% increase in production and strong international demand for high quality wheat. Carry-out stocks expanded 5% from opening levels, closing the year with 3.2 Mt of wheat in inventories. Carry-out stocks were revised in STC's October 10 "National Supply and Disposition" tables.

The average SK spot price for Canadian Western Red Spring No. 1, 13.5% protein (CWRS, 1, 13.5%) was $401/tonne in 2022-23.

For 2023-24, despite an 8% increase in area, total wheat production is expected to drop 10% from 2022 to 25.8 Mt due to dry weather affecting yields in Western Canada. The Canadian wheat yield in 2023 is estimated at 3.1 tonnes per hectare (t/ha), compared to 3.7 t/ha in 2022 and 11% lower than the average of 3.5 t/ha. However, it remains 12%

above the yield realized during the severe drought of 2021. Factoring in low carry-in stocks, total supply is projected at 29.1 Mt, down 8% year-over-year.

The spring wheat harvest is virtually complete across the Prairies. As of October 3, 2023, 100% of the crop is in the bin in Saskatchewan while 99% and 95% of the crop has been combined in Manitoba and Alberta, respectively. Despite the lower-than-average yields, the quality of Canadian hard red spring wheat is excellent with an average to above-average protein content. As of September 27, the CGC's preliminary harvest results show that 73% of the samples collected graded No. 1, with a protein content of 14.2%, and another 24% graded as No. 2 with 13.1% protein.

Exports of wheat were reported at 1.3 Mt in August 2023, down 13% from both 2022 volumes and the five-year average. The primary destination that month was the US, followed by Mexico and Spain. For the crop year, Canadian exports are forecast to reach 18 Mt, down 13% year-over-year but only 2% below average levels.

Domestic use is forecast at 0.8 Mt, 5% lower than average, and carry-out stocks remain relatively in line with opening levels, that is 3.2 Mt.

According to the latest World Agricultural Supply and Demand Estimates report from the United States Department of Agriculture (USDA), the 2023-24 global supply of wheat is forecast at 1,051 Mt, down 1% compared to 2022 due to decreased production in Australia (-38%) and Russia (-7%). Total consumption is forecast at 792.9 Mt, down 1.7 Mt from 2022 levels. Total exports are expected to reach 258.1 Mt, down 3.5% compared to the 2022 level of trade with reductions from North America, Australia, and Ukraine.

In the US, the total supply of wheat (including durum) has grown 1.6 Mt to 68.8 Mt, as per the USDA September 29 Small Grains Annual Summary. Total use is forecast to rise 3% to 31.5 Mt on higher feed use. The US export program is projected to come in at 19.1 Mt, down 8% compared to 2022 while ending stocks, pegged at 18.2 Mt, are 15% more than opening levels.

The 2023-24 forecasted average price for CWRS 1, 13.5% protein in SK is reduced to $360/tonne, pressured by a decrease in demand and global trade.

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

Coarse Grains

Barley

For 2022-23, supply of barley stood at 10.6 million tonnes (Mt), up 33% year-over-year (y/y). Total domestic demand, of which about 94% was for animal feed, sat at 6.0 Mt, up 27% y/y but down 3% from the five-year average. Total exports, including grain exports and product exports (grain equivalent), amounted to 3.9 Mt, up sharply from the previous year's low, also the second highest (after 4.3 Mt in 2020-21) in nearly three decades. The primary importers included China, the US, Japan, and Mexico. Carry-out stocks were 0.7 Mt, rising sharply from the prior year's record low but remaining 6% below average. The Lethbridge feed barley price for the crop year averaged at $417/t (tonne), down $15/t y/y but the second highest on record.

For 2023-24, Canadian barley production is estimated at 7.84 Mt by Statistics Canada (STC) in its September 14 model-based yield and production estimates report. This implies a decrease of 21% y/y and 16% from the previous five-year average, primarily reflecting significant declines in yield estimates because of a dry growing season in Western Canada. Compared to 2021, when an unprecedented drought hit the Canadian Prairies and severely reduced field crop yield and production, 2023 barley production is estimated to be 12% higher, despite a decline of 12% in seeded area, as yield remains 27% higher than in 2021.

Despite an expected increase in carry-in stocks and imports, the significant decline in production will lead to a total supply of only 8.8 Mt for 2023-24, down sharply from last year and the average, and the second lowest on record. Total demand is predicted to decrease y/y, linked to lower feed use and exports, and a smaller supply. Carry-out stocks are projected at 0.55 Mt, near the historical low set in 2021-22.

The 2023-24 Lethbridge average price is projected at $350/t, lower than the historical highs seen in the previous two years, primarily under pressure from lower 2023-24 US corn prices and slow exports. Nevertheless, this level remains considerably above the five-year average.

World barley production for 2023-24 was estimated by the United States Department of Agriculture (USDA) at 142 Mt, down significantly from 2022-23 and average levels. Global demand will decline to the lowest in five years and ending stocks will fall to a historical low.

Corn

For 2022-23, supply of corn was 19.4 Mt, down 15% y/y, as imports declined sharply y/y, despite an increase of 27% in carry-in stocks. Total domestic use was 15.2 Mt, down sharply from 2021-22, primarily on lower feed (65% of total domestic use), as well as lower food and industrial use (35% of total domestic use). Imports totaled 2.1 Mt, down sharply from 6.1 Mt imported last year but up 6% from the previous five-year average. Exports reached 2.6 Mt, a substantial increase from last year and a record high. The major destinations included European countries (Ireland, Spain, United Kingdom, etc.) and the US. Carry-out stocks were 1.63 Mt, down sharply from the previous year's record high and average, also the lowest since 2014-15. The Chatham corn price for the crop year averaged at $300/t, down $12/t y/y but the second highest on record.

For 2023-24, Canadian corn production is estimated by STC at 14.9 Mt, an increase of 3% y/y and 7% from the previous five-year average, primarily due to larger seeded area on the Canadian Prairies and an expected good yield potential for the Ontario corn crop.

Due to a sharp decrease in carry-in stocks offsetting the expected increase in production and imports, total supply for 2023-24 is projected at 19.6 Mt, up slightly y/y and 5% above the five-year average. Total domestic use is forecast to increase by 4% y/y due to an expected increase in feed and industrial use. Exports are projected to decline y/y on prospects for larger global corn output but remain above average. Carry-out stocks are projected at 2.0 Mt, up 23% from 2022-23's low but still remain 11% below average.

The 2023-24 Chatham average price is projected to fall y/y to $245/t due to the anticipated lower 2023-24 US corn price.

For 2023-24 US corn, the USDA lowered the yield potential to 173.0 bushel/acre (10.86 t/ha), which is slightly below that in 2022-23 and the lowest in three years. As a result, the forecast for production was revised slightly lower to 15 billion bushels (383 Mt). This remains 10% and 6% above the 2022-23 and average levels, respectively, and is slightly below the second-largest corn output seen in 2021-22. Demand is expected to grow from last year, with a growth of 2% for domestic use and 22% for exports. The projection for ending stocks was lowered but remains well above the 2022-23 and average levels. The average farm price is projected at US$4.95/bushel (US$195/t), up slightly from the September projection but down sharply from that in 2022-23 and 2021-22. However, it remains above the levels from 2013-14 to 2020-21.

Globally, the USDA projects world corn production at 1,214 Mt, up significantly from the 2022-23 and average levels, also the second highest on record. Demand is predicted to increase considerably to an all-time high. Ending stocks are predicted to rise significantly to a five-year high.

Oats

For 2022-23, supply of oats stood at 5.6 Mt, up 56% y/y. Total domestic use, of which about 90% was for animal feed, sat at 1.6 Mt, up sharply from the previous year and the previous five-year average. Total exports, including grain exports and product exports (grain equivalent), amounted to 2.7 Mt, up 16% from the previous year's low and 3% from average, also the second highest (after 3.0 Mt in 2020-21) in 15 years. The primary importers included the US, Mexico, Peru, Chile, South Africa, and Japan. Carry-out stocks were at a historical high of 1.3 Mt, rising sharply from the previous year's record low and average, also the second highest on record. The Chicago Board of Trade (CBOT) oat price for the crop year averaged at $346/t, down over $200/t from the record high seen in 2021-22 but the second highest on record.

For 2023-24, Canadian oat production is estimated by STC at 2.44 Mt, 53% and 40%, respectively, below last year and the five-year average, due to sharply lower seeded area and significantly reduced yield potential. Compared to 2021, the 2023 oat production is estimated to decline by 16%, due to a decrease of 32% in seeded area, although yield is estimated to be 23% higher.

Total supply for 2023-24 is projected at 3.74 Mt, down sharply from last year and the five-year average. Total demand, typically for feed, is expected to decline y/y significantly, following lower supply. Carry-out stocks are projected at 0.35 Mt, down sharply y/y and significantly below average.

The CBOT oat price for 2023-24 is projected at CAN$370/t, up notably y/y due to tight North American oat supplies, despite lower row crop prices predicted for 2023-24.

Rye

For 2022-23, supply of rye stood at 606 thousand tonnes (Kt), up 31% y/y. Total domestic use, of which about 80% was for animal feed, sat at 303 Kt, up 32% y/y and 29% from the previous five-year average. Total exports amounted to 200 Kt, up 32% y/y and 22% from the average, with the US accounting for over 98% of the exports. Carry-out stocks were 105 Kt, rising sharply y/y and the highest in five years. The simple average farm price of rye on the Canadian Prairies for the crop year was $287/t, down over $30/t from the previous year's record high.

For 2023-24, Canadian rye production is estimated by STC at 353 Kt, 32% and 10%, respectively, below last year and the five-year average, due to sharply lower seeded area and significantly reduced yield potential.

Total supply is projected at 459 Kt, down 24% y/y and slightly below the five-year average. Total demand is expected to decline y/y following smaller supply. Carry-out stocks are projected at 70 Kt, down sharply y/y.

The 2023-24 rye average price on the Canadian Prairies is projected at CAN$240/t, down y/y, due to lower row crop prices predicted for 2023-24.

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

Oilseeds

Canola

For 2022-23, carry-out stocks were 1.51 million tonnes (Mt) with commercial stocks of 1.01 Mt and on-farm stocks of 0.49 Mt. Total disappearance was 18.6 Mt based on a crush of 9.96 Mt and exports of 7.95 Mt. Total supplies were 20.1 Mt on production of 18.7 Mt, carry-in of 1.3 Mt and imports of 0.13 Mt.

The simple average price, No.1 track Vancouver, for canola was $857/tonne (t) versus $1,075/t for 2021-22 and the five-year average of $727/t.

For 2023-24, Statistics Canada estimated canola production at 17.4 Mt, a 7% drop from last year and a decline of 7% from the five-year average of 18.6 Mt. The decline in output was due to drought which was the most severe across Southern Alberta and mid-Western Saskatchewan. Provincial yields for Alberta declined by 1% from last year while Saskatchewan was down 14%. Nationally, mid-harvest yields are estimated at 1.96 tonnes per hectare (t/ha), the lowest in 10 years with the exception of the 2021-22 drought. In contrast, yields for 2022-23 were 2.17 t/ha and the five-year average was 2.15 t/ha. Seeded area rose by 3% to 8.9 million hectares (Mha) for 2023-24 versus 8.66 Mha for 2022-23 and the five-year average of 8.78 Mha.

Canola oil quantity and quality appears relatively unaffected by last summer's growing conditions with a mean oil content of 42.8%, based on 631 samples in the Canadian Grain Commission's harvest survey program. The oil content ranged from a minimum of 33.0% to a high of 49.8%. 98% of the canola graded No. 1 to-date in the harvest sample survey with the remaining 2% grading No. 2, No. 3, and Sample. The protein content across all samples averaged 22.2% while the chlorophyll content averaged 8.2% with Alberta and B.C. averaging 10.4%. Glucosinolates, a measure of livestock feed quality, averaged 8.7 umol/g for all grades as of October 11.

Supplies for the crop year are estimated at 19.0 Mt, versus 20.1 Mt for 2022-23 and the five-year average of 21.5 Mt, as slightly higher carry-in stocks moderated the drop in production. Imports are estimated at 0.1 Mt, down slightly from the previous crop year.

Total domestic use is estimated down 4% with consumption constrained by tighter domestic supplies. Domestic crush is forecast at 10.0 Mt as processing capacity expands to take advantage of growing world demand for canola oil. Compared to previous years, seed and loss in handling remains steady at minor levels while feed, waste and dockage falls sharply. The outlook for Canadian canola brightened following Statistic Canada's upwards amendment to the 2021-22 and 2022-23 production estimates.

Exports for 2023-24 are scaled back from previous crop years to 7.7 Mt as reduced production and competition from major world oilseeds outweighs support from increased carry-in stocks. The strength and stability of China's import demand for canola and canola products continues to contribute uncertainty to Canada's export forecast.

Carry-out stocks are estimated at a relatively tight 1.0 Mt, down 34% from last year and 60% below the five-year average. The simple average price, No. 1, track Vancouver, is forecast at $765/t; down from $857/t in 2022-23 but above the five-year average of $729/t.

Factors to watch are; (i) strength of crush and export demand for Canadian canola, (ii) harvest completion dates for the crop remaining in the field, (iii) oil content and grade distribution of the canola crop, (iv) US harvest pace, (v) Chinese import buying, (vi) South American planting pace.

Flaxseed

For 2022-23, carry-out was 0.22 Mt versus 82,000 t last year and the five-year average of 78,000 t. Canadian supplies rose 39% to 0.57 Mt on support from the higher carry-in and larger production. Exports fell marginally for the crop year, to 0.22 Mt, on reduced Asian buying. Exports through licensed handling facilities declined sharply year-on-year with most shipments headed to the US. Total domestic use was 0.13 Mt versus 0.11 Mt for 2021-

22, on sharply higher feed, waste, and dockage. Flaxseed prices, in-store Saskatoon, fell to $635/t, versus $1,206/t for 2021-22.

For 2023-24, production is estimated at 268 thousand tonnes (Kt) down 43% from 473 Kt in 2022-23 and the lowest since 1967-68 due to lower seeded area and reduced yields. For the crop year, farmers seeded a modern-day record low 0.25 Mha, implying a harvested area of 0.24 Mha. Yields are estimated at 1.11 t/ha versus 1.52 t/ha for 2022-23 and the five-year average of 1.36 t/ha.

Total supplies are estimated at 497 Kt, versus 567 Kt for 2022-23 and the 615 Kt average over the previous five years, as the lower output is moderated by sharply higher carry-in stocks. Total domestic use is forecast to decline by 26% on a sharp drop in feed, waste and dockage, and stable other usage. Exports are optimistically forecast to increase to 0.30 Mt on strengthening world demand and lower prices.

Carry-out stocks are forecast to fall to 100 Kt for a stocks to usage ratio of 25%. The simple average price for flaxseed No.1, in-store, Saskatoon cash is forecast at $570/t versus $635/t for 2022-23 and the five-year average of $710/t.

Soybeans

For 2022-23, carry-out was 0.38 Mt versus 0.29 Mt the previous year and the five-year average of 0.46 Mt. Canadian supplies rose 3% to 7.29 Mt, on support from a 5% rise in production as higher yields offset a slight drop in planted area. This rise in supplies was moderated by a decline in imports to 0.46 Mt versus 0.55 Mt the previous year. Exports fell by 1% for the crop year, which runs from September to August, to 4.22 Mt, on steady importer buying.

Total domestic disappearance increased by 6% to 2.69 Mt on a sharp rise in other domestic disappearance which more than offset the 5% decline in domestic crush at 1.77 Mt. Seed requirements were steady at 0.34 Mt. Soybean prices, track Chatham, rose to $701/t versus $678 for 2021-22 and the five-year average of $562/t.

For 2023-24, soybean production is estimated at 6.7 Mt, up 0.2 Mt from last year and the five-year average output of 6.5 Mt. Nearly 2.28 Mha were planted to soybeans, inferring a harvested area of slightly under 2.28 Mha. Yields are estimated at 2.95 t/ha, versus 3.1 t/ha for 2022-23 and the five-year average of 2.95 t/ha, as warm temperatures and good moisture supported growing conditions across the mostly Eastern Canadian grown crop. Total supplies are forecast up 4% from last year to 7.55 Mt but remain slightly under the five-year average of 7.61 Mt on a steady carry-in of stocks and stable imports.

Total domestic use is forecast to fall slightly despite a forecasted slight rise in crush to 1.9 Mt due to a sharp drop in feed, waste, and dockage to about 0.35 Mt. Exports are forecast up 14% from 2022-23, to 4.80 Mt and are 7% above the five-year average. Carry-out stocks are forecast at 0.33 Mt for a stocks-to-use ratio of 4%. The Canadian simple average price for soybeans, track Chatham, is forecast to fall by $91/t from last year to $610/t, remaining above the five-year average of $562/t.

For 2023-24, the United States Department of Agriculture (USDA) tightened its projections for world oilseed production, reducing total oilseed output by 1.5 Mt while lowering soybean production by 1.8 Mt. US soybean production estimate declined from last month to 111.7 Mt (4.10 billion bushels (Bbu)) on declining yields and steady harvested area. Supplies are down 0.63 Mt (23 million bushels) from last month as the drop in output is moderated by slightly higher beginning stocks.

US soybean crush and exports are forecast at 62.6 Mt (2.30 Bbu) and 47.9 Mt (1.76 Bbu), respectively. Ending stocks fall to 6.0 Mt (0.22 Bbu) from 7.3 Mt (0.27 Bbu) last year. The USDA projects the farm-gate price for soybeans at US$474.00/t (US$12.90/bu) versus US$521.76/t (US$14.20/bu) in 2022-23 and the five-year average of US$406.76/t (US$11.07/bu).

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

Pulse and Special Crops

Dry Peas

For 2022-23, exports were significantly higher than the 2021-22 level at 2.56 million tonnes (Mt) with higher shipments to China, Bangladesh and Pakistan, but were offset by lower exports to the US. Domestic use was sharply higher compared to the previous year. However, the larger supply led to a rise in carry-out stocks in 2022-23. The average dry pea price was 25% lower than in 2021-22 at $440/tonne (t), due to increased supply. The average crop year prices for all dry pea types were lower than for the previous year.

For 2023-24, production in Canada is estimated to decrease by 34% to 2.3 Mt due to significantly lower yields in Western Canada. Alberta and Saskatchewan are expected to account for 2.1 Mt of the dry pea production, with the remainder of the production in Manitoba, British Columbia, and Eastern Canada. Supply is expected to be sharply lower by 26% over last year, at 2.8 Mt. Exports are forecast to fall sharply to 1.9 Mt, with China, the US and Bangladesh expected to be Canada's top three markets. Domestic use and carry-out stocks are forecast to fall due to smaller supply. The average price is expected to decrease by 7% from 2022-23 to $410/t.

During the month of September, Saskatchewan yellow and green pea farm gate prices both rose $30/t and $60/t, respectively. Green dry peas prices are currently at a $180/t premium to yellow dry peas compared to last year when green pea prices were a $65/t premium to yellow peas.

In the US, area seeded to dry peas for 2023-24 is forecast by the United States Department of Agriculture (USDA) to increase by 3% from last year to 0.95 million acres (0.38 million hectares (Mha)). This is largely due to an expected rise in area seeded in North Dakota and Montana. With higher yields and lower abandonment, the USDA forecasts US dry pea production to increase by 14% to 0.8 Mt. The US exported about 250 thousand tonnes (Kt) of dry peas in 2022-23, mostly to Canada, the Philippines and China. The US is expected to try and maintain its market share in 2023-24 with production higher than last year.

Lentils

For 2022-23, lentil exports rose to 2.2 Mt, up 37% from the previous year. Of this, 1.5 Mt were red lentil types, with 0.7 Mt consisting of green lentil types. The leading export markets were Turkey, India, the United Arab Emirates, and the EU. Total domestic use was higher than the previous year at 0.27 Mt. Carry-out stocks were nearly halved to 0.15 Mt. The average Canadian lentil price was 15% lower than 2021-22, due to larger supply. No.1 large green lentil prices maintained a crop year premium of $350/t over No. 1 red lentil prices.

For 2023-24, due to sharply lower yields in Western Canada, production is estimated to decrease by 33% to 1.5 Mt. The production of large green lentils is forecast to increase from last year to nearly 0.4 Mt and the production of red lentils is expected to be lower than last year at 1.0 Mt. Production of the other remaining lentil types is also expected to be higher than last year at nearly 0.2 Mt.

Supply is expected to be nearly 1.0 Mt lower than last year as smaller carry-in stocks partly combine with the decreased production. Exports are expected to be 38% lower than last year at 1.4 Mt, with India, the United Arab Emirates, US, and Turkey expected to remain the top export markets. Domestic use is forecast to be similar to last year at 264 Kt. Carry-out stocks are forecast to be lower than the previous year at 0.1 Mt. The overall average price is forecast to be 20% higher than 2022-23, at $975/t. Large green lentil prices are forecast to have a larger premium over red lentil prices when compared to last year.

In the US, the area seeded to lentils for 2023-24 is forecast by the USDA at 0.55 million acres (0.22 Mha) down 17% from 2022-23 due to lower area seeded in Montana. With higher yields and lower abandonment, the USDA therefore forecasts 2023-24 US lentil production to rise to 0.23 Mt, 4% higher than in 2022-23. US lentil exports are about 0.25 Mt annually, with the main markets continuing to be the EU, Canada, Columbia, and Mexico.

Dry Beans

For 2022-23, dry bean exports were higher than the previous year at 368 Kt. The EU and the US were the top two markets for Canadian dry beans, with smaller volumes exported to Japan and Mexico. Carry-out stocks fell due to strong export demand and higher domestic use, despite increased supply as the smaller production was buffered by large carry-in stocks. The weaker Canadian dollar and a larger North American dry bean crop provided the majority of the pressure for the lower Canadian dry bean prices in 2022-23, which fell 4% from the previous year.

For 2023-24, production is estimated to fall by 12% to 277 Kt, consisting of 70 Kt of white pea bean types and 207 Kt of coloured bean types. Production in Ontario and Manitoba decreased while in Alberta, dry bean production rose to 70 Kt. Supply is forecast to decrease by 17% to 0.43 Mt with lower carry-in stocks. Exports are forecast to be lower than last year at 320 Kt. The US and the EU are forecast to remain the main markets for Canadian dry beans, with expectations that Canada will continue to expand its market share in Africa. Carry-out stocks are also expected to fall to 35 Kt. The average Canadian dry bean price is forecast to be unchanged at $1,165/t due to the lower North American supply.

In the US, area seeded to dry beans is forecast by the USDA to fall marginally to 1.18 million acres (0.48 Mha)) due to a smaller area seeded in all the dry bean growing states. US total dry bean production (excluding chickpeas) is forecast by the USDA at just over 1.0 Mt, down 13% from 2022-23. This is largely due to lower yields and higher abandonment. US export markets are expected to continue to be the EU, Mexico, and Canada. US dry bean export quantities are similar to Canada at about 0.3-0.4 Mt annually.

Chickpeas

For 2022-23, Canadian chickpea exports rose by 27% from the previous year to a record 225 Kt, mainly the result of higher exports to Turkey and the US.

As a result of the smaller supply and record exports, carry-out stocks fell sharply from the previous year to 27 Kt. The average price increased by 3% to $1,000/t due to increased export demand for all chickpea types.

For 2023-24, production is estimated to rise to 134 Kt, due to higher area but lower yields. However, supply is forecast to decrease by 36% to 207 Kt due to lower carry-in stocks. Exports are forecast to be lower, with the EU, the US and Pakistan expected to remain the main markets for Canadian chickpeas. Carry-out stocks are expected to decrease only marginally, which would be positive for prices. The average price is forecast to be higher at $1,060/t on the expectation for lower world supply.

US chickpea seeded area is estimated by the USDA at 0.38 million acres (0.15 Mha) up 8% from 2022-23. With higher yields and lower abandonment, 2023-24 US chickpea production is forecast by the USDA at 225 Kt, 36% higher than in 2022-23.

Mustard Seed

For 2022-23, Canadian mustard exports were higher at 117 Kt, due to strong demand from the EU and the US. However, carry-out stocks rose due to the larger supply. Prices fell for all types to $2,140/t due to ample carry-out stocks.

For 2023-24, production is estimated to increase marginally to 168 Kt with higher harvested area partly offset by lower yields. The production of yellow, oriental, and brown types all increased. Supply is forecast to rise year-on-year by 13%, helped by higher carry-in stocks. Exports are expected to rise to 125 Kt. Carry-out stocks are forecast to increase sharply to 65 Kt. The US and the EU are expected to remain the main export markets for Canadian mustard seed. The average price is forecast to decrease by 17%, due to a larger domestic supply, to $1,785/t.

Canary Seed

For 2022-23, exports were marginally higher than the previous year at 146 Kt. This was due to higher exports to the EU and Mexico. The average price fell to $900/t, pressured by larger Canadian carry-out stocks.

For 2023-24, production is estimated to be lower by 35 Kt to 124 Kt, as lower harvested area combined with decreased yields. Exports are expected to be limited by lower supply, further constrained by reduced carry-in stocks. The EU and Mexico are forecast to remain the main export markets, followed by South America and the US. Carry-out stocks are expected to be lower. The average price is forecast to rise from 2022-23 to $970/t due to tighter Canadian carry-out stocks.

Sunflower Seed

For 2022-23, sunflower seed exports were lower by 48% at 22 Kt due to decreased demand from the US. As a result, carry-out stocks rose sharply to a record 151 Kt. The total average Canadian price for sunflower seed decreased sharply from the previous year due to lower oilseed prices despite higher confectionery type prices.

For 2023-24, production is estimated at 78 Kt, down 8% from last year, due to lower harvested area but similar yields. Supply is expected to increase by 9% to 263 Kt due to lower production, though partly offset by increased carry-in stocks. Although exports are forecast to be higher, carry-out stocks are expected to rise by 6% to 160 Kt. The US is expected to remain Canada's main export market for sunflower seed. The average price is forecast to fall by 16% due to lower prices for oilseed types but higher prices for confectionery types of sunflower seed.

Area seeded to sunflower seed in the US is estimated by the USDA to have fallen to 1.3 million acres (0.53 Mha), 22% lower than last year, due to the decrease in area seeded in North and South Dakota. The area seeded to oil-type varieties decreased to under 1.17 million acres (0.47 Mha) and the area seeded to confectionery-type varieties rose to 0.16 million acres (64.7 thousand hectares). For 2023-24, US sunflower seed production is forecast by USDA at 995 Kt, 20% lower than last year.

For 2023-24, the global supply of sunflower seed is estimated by the USDA at 64 Mt. This is marginally lower than last year due to increased expected production in the EU but lower carry-in stocks. World domestic use is expected to rise marginally to a record 57 Mt and world exports are forecast to decrease by 28% to 3.1 Mt. World carry-out stocks are expected to fall by 12% to 3.9 Mt, below the five-year average.

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

CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

October 23, 2023

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (c)	Food & Industrial Use (d)	Feed, Waste & Dockage	Total Domestic Use (e)	Carry-out Stocks	Average Price (g)
	thousand ha		*t/ha*	*thousand tonnes*								*$/t*
Durum												
2021-2022	2,321	2,231	1.36	3,033	8	3,853	2,716	210	126	569	569	631
2022-2023	2,431	2,399	2.41	5,790	2	6,360	5,053	192	473	898	409	445
2023-2024f	2,442	2,363	1.72	4,059	25	4,493	3,300	200	380	793	400	475
Wheat Except Durum												
2021-2022	7,170	6,968	2.78	19,390	153	24,683	12,351	3,250	5,183	9,238	3,093	447
2022-2023	7,844	7,683	3.72	28,545	64	31,702	20,612	3,258	3,713	7,841	3,249	401
2023-2024f	8,495	8,287	3.11	25,776	100	29,125	18,000	3,200	3,898	7,925	3,200	360
All Wheat												
2021-2022	9,492	9,199	2.44	22,422	161	28,536	15,067	3,460	5,309	9,807	3,663	
2022-2023	10,274	10,082	3.41	34,335	65	38,063	25,666	3,450	4,185	8,739	3,658	
2023-2024f	10,936	10,650	2.80	29,835	125	33,618	21,300	3,400	4,277	8,718	3,600	
Barley												
2021-2022	3,368	3,011	2.32	6,984	228	7,923	2,673	284	4,178	4,707	543	432
2022-2023	2,851	2,636	3.79	9,987	26	10,556	3,882	115	5,596	5,965	709	417
2023-2024f	2,963	2,662	2.95	7,842	200	8,751	2,930	319	4,702	5,271	550	350
Corn												
2021-2022	1,488	1,462	10.00	14,611	6,141	22,921	1,943	5,797	12,420	18,233	2,746	312
2022-2023	1,466	1,444	10.07	14,539	2,147	19,431	2,646	5,327	9,815	15,158	1,628	300
2023-2024f	1,548	1,503	9.93	14,932	3,000	19,559	1,850	5,400	10,293	15,709	2,000	245
Oats												
2021-2022	1,502	1,214	2.39	2,899	25	3,580	2,310	97	706	938	333	565
2022-2023	1,593	1,402	3.73	5,227	24	5,583	2,671	91	1,460	1,637	1,275	346
2023-2024f	1,023	829	2.94	2,435	25	3,735	2,450	100	733	935	350	370
Rye												
2021-2022	194	116	3.22	372	1	464	151	25	183	229	84	320
2022-2023	237	152	3.42	520	2	606	199	42	244	303	105	287
2023-2024f	188	118	2.99	353	2	459	163	39	170	226	70	240
Mixed Grains												
2021-2022	203	91	2.39	218	0	218	0	0	218	218	0	
2022-2023	138	72	2.82	203	0	203	0	0	203	203	0	
2023-2024f	145	60	2.37	142	0	142	0	0	142	142	0	
Total Coarse Grains												
2021-2022	6,754	5,893	4.26	25,083	6,395	35,105	7,077	6,204	17,704	24,324	3,705	
2022-2023	6,286	5,705	5.34	30,475	2,199	36,378	9,397	5,574	17,318	23,266	3,716	
2023-2024f	5,865	5,172	4.97	25,703	3,227	32,645	7,393	5,858	16,040	22,282	2,970	
Canola												
2021-2022	9,016	8,949	1.59	14,248	105	16,129	5,248	8,555	935	9,553	1,328	1,075
2022-2023	8,659	8,596	2.17	18,695	126	20,149	7,954	9,961	663	10,689	1,506	857
2023-2024f	8,936	8,844	1.96	17,368	100	18,974	7,700	10,000	223	10,274	1,000	765
Flaxseed												
2021-2022	416	404	0.83	337	12	408	220	N/A	93	107	82	1,206
2022-2023	315	312	1.52	473	12	567	215	N/A	121	133	220	635
2023-2024f	247	242	1.11	268	10	497	300	N/A	78	97	100	570
Soybeans												
2021-2022	2,154	2,134	2.92	6,224	552	7,072	4,255	1,858	451	2,529	287	678
2022-2023	2,135	2,118	3.09	6,543	461	7,291	4,221	1,768	690	2,694	376	701
2023-2024f	2,279	2,278	2.95	6,722	450	7,549	4,800	1,900	324	2,424	325	610
Total Oilseeds												
2021-2022	11,585	11,486	1.81	20,809	669	23,609	9,723	10,413	1,478	12,189	1,697	
2022-2023	11,108	11,026	2.33	25,711	599	28,006	12,390	11,729	1,474	13,515	2,101	
2023-2024f	11,461	11,363	2.14	24,359	560	27,020	12,800	11,900	625	12,795	1,425	
Total Grains And Oilseeds												
2021-2022	27,831	26,578	2.57	68,314	7,225	87,250	31,866	20,078	24,490	46,320	9,064	
2022-2023	27,669	26,814	3.38	90,521	2,863	102,448	47,453	20,754	22,977	45,520	9,475	
2023-2024f	28,263	27,185	2.94	79,897	3,912	93,283	41,493	21,158	20,942	43,795	7,995	

(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 2023-24 which are STC

CANADA: PULSE AND SPECIAL CROPS SUPPLY AND DISPOSITION

October 23, 2023

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (c)	Carry-out Stocks	Stocks-to-Use Ratio	Average Price (d)
	thousand ha		*t/ha*	*thousand metric tonnes*						*%*	*$/t*
Dry Peas											
2021-2022	1,560	1,505	1.49	2,244	29	2,832	1,912	581	339	14%	590
2022-2023	1,363	1,348	2.54	3,423	35	3,797	2,562	737	498	15%	440
2023-2024f	1,233	1,204	1.89	2,272	30	2,800	1,900	625	275	11%	410
Lentils											
2021-2022	1,700	1,675	0.95	1,594	51	2,083	1,602	258	223	12%	970
2022-2023	1,749	1,715	1.34	2,301	87	2,610	2,198	266	147	6%	820
2023-2024f	1,485	1,463	1.05	1,542	75	1,764	1,400	264	100	6%	975
Dry Beans											
2021-2022	172	162	2.25	364	71	535	324	71	140	35%	1,210
2022-2023	120	117	2.67	313	70	523	368	75	80	18%	1,165
2023-2024f	129	119	2.33	277	75	432	320	77	35	9%	1,165
Chickpeas											
2021-2022	90	88	1.04	91	30	395	176	64	155	65%	975
2022-2023	95	95	1.35	128	42	325	225	73	27	9%	1,000
2023-2024f	128	124	1.08	134	45	207	120	72	15	8%	1,060
Mustard Seed											
2021-2022	117	110	0.55	61	9	130	92	22	16	14%	2,885
2022-2023	225	219	0.74	162	11	189	117	33	40	26%	2,140
2023-2024f	258	248	0.68	168	7	214	125	24	65	44%	1,785
Canary Seed											
2021-2022	122	121	1.05	127	0	201	139	8	54	37%	1,125
2022-2023	118	117	1.36	159	0	213	146	8	59	39%	900
2023-2024f	104	101	1.22	124	0	183	135	13	35	24%	970
Sunflower Seed											
2021-2022	37	37	2.04	75	37	228	41	68	118	108%	900
2022-2023	38	38	2.24	84	40	242	22	70	151	165%	800
2023-2024f	40	35	2.23	78	35	263	35	68	160	155%	670
Total Pulse And Special Crops (c)											
2021-2022	3,798	3,698	1.23	4,555	227	6,403	4,286	1,072	1,045		
2022-2023	3,707	3,649	1.80	6,570	284	7,900	5,637	1,262	1,001		
2023-2024f	3,377	3,294	1.39	4,595	267	5,863	4,035	1,143	685		

(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 2023-24 which are STC