



CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS

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This report is an update of Agriculture and Agri-Food Canada's (AAFC) March outlook report 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. The outlook for the world's grain markets continues to be subject to heightened volatility and uncertainty due to the Russian invasion of Ukraine, which continues to disrupt Black Sea production and global trade patterns, and concerns around the effects of a global economic slowdown.

The outlook incorporates recent information from: (i) the United States Department of Agriculture (USDA) - World Agriculture Supply and Demand Estimates (WASDE), Prospective Plantings and Grain Stocks reports (ii) International Grains Council (IGC) Grain Market Report (iii) Agricultural Market Information Systems (AMIS) Market Monitor.

For 2022-2023, a recovery in production combined with strong world demand is projected to lead to a significant increase in exports. Carry-out stocks (ending-year inventories) for all principal field crops are expected to build moderately though, as the rebound in production more than offsets the increase in exports. In general, prices for field crops are expected to remain relatively strong in 2022-23, although decreasing from the elevated levels realized in 2021-22.

For 2023-2024, total field crop production is projected to decline slightly based on an expectation of a return-to-average yields, as area is expected to remain relatively unchanged. To achieve average yields, normal weather and growing conditions over the spring and summer are assumed. Currently, abnormally cold spring temperatures and continued dryness across Western Canada are the most significant climate-related agricultural risks to realizing average yields, according to the [National Agroclimate Risk Report](#). Carry-out stocks are expected to increase marginally as normal production levels combined with larger carry-in stocks (beginning-year inventories) will lead to a small rise in total supply, while exports are expected to continue to be relatively robust and domestic use is expected to remain at average levels. In general, prices are projected to decrease but still remain relatively strong as expectations for an increase in global supplies exert downward pressure on prices, while support is expected to come from continued strong world demand.

The next AAFC Outlook for Principal Field Crops is scheduled to be released on May 23, 2023. Statistics Canada (STC) is scheduled to release Spring Seeding Intentions of principal field crops on April 26, 2023, followed by its report on Stocks of Principal Field crops as of March 31, 2023, on May 9, 2023.

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	27,640	26,464	2.56	67,764	7,224	86,700	31,644	46,455	8,601
2022-2023f	27,669	26,814	3.34	89,489	2,722	100,811	45,710	44,406	10,695
2023-2024f	27,853	26,878	3.27	87,965	2,912	101,571	45,865	44,251	11,455
Total Pulse And Special Crops									
2021-2022	3,821	3,725	1.23	4,577	231	6,439	4,335	1,077	1,026
2022-2023f	3,707	3,649	1.80	6,570	270	7,866	5,803	1,083	980
2023-2024f	3,640	3,570	1.91	6,808	267	8,055	5,680	1,205	1,170
All Principal Field Crops									
2021-2022	31,461	30,190	2.40	72,342	7,455	93,139	35,979	47,532	9,628
2022-2023f	31,376	30,462	3.15	96,059	2,992	108,678	51,513	45,490	11,675
2023-2024f	31,493	30,448	3.11	94,773	3,179	109,626	51,545	45,456	12,625

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, according to Statistics Canada (STC), total supply of durum wheat is estimated at 6.0 million tonnes (Mt), 57% more than the previous year, but still 6% below the five-year average. Production of durum was reported at 5.4 Mt, 80% more than the previous year, thanks to an increase in area and a recovery in yields following the drought of 2021. Quality is very good with 81% of the crop graded in the top two tiers according to the Canadian Grain Commission (CGC); average protein content was 13.7%.

On the demand side, exports of durum remain pegged at 4.8 Mt but with upward pressure as export movement remains strong, double last year's levels and 35% more than the last five-year average. According to STC, to February 2023, Canada has shipped 3.2 Mt of durum, 32% to Italy, 16% to Algeria, 15% to Morocco, 14% to the US and 9% to Tunisia. Domestic use and carry-out remain steady at 0.7 Mt and 0.5 Mt, respectively.

According to the International Grains Council (IGC), 2022-23 world production of durum was raised marginally this month (+0.1 Mt) compared to last; it now stands at 32.7 Mt, for a total supply of 39.4 Mt, just 0.1 Mt lower than in 2021-22. Total consumption is pegged at 33.4 Mt, up 2% year-over-year (y/y), but 4% below average levels. The trade forecast was expanded by 0.2 Mt to 8.5 Mt, while stocks are expected to close the year at 5.9 Mt, with the major exporters' share at 2.4 Mt, the lowest since 2007-2008.

The average spot price for Saskatchewan (SK) No. 1 Canadian Western Amber Durum 13% (CWAD 1, 13%) for 2022-23 is forecast at \$450/tonne.

For 2023-24, total supply is projected to remain relatively stable, just shy of 6.0 Mt, despite a decrease in seeded area, thanks to a continued recovery in yields. Production is projected at 5.5 Mt, unchanged from last year. The Canadian durum supply forecast will be revised next month following the release of the seeding intentions report by STC. Total domestic use is tentatively pegged at 0.8 Mt,

in line with average levels, and carry-out stocks are forecast to increase to 0.8 Mt with a decline in international demand.

Canadian exports are expected to drop 8% to 4.4 Mt due to increased competition from Europe and the US. The United States Department of Agriculture (USDA) expects US seeded area to durum to increase 9% to 1.78 million acres (Mac) in 2023-24. European production is forecast to increase 5% to 7.5 Mt according to the IGC.

Overall, the IGC projects world durum production to rise marginally in 2023-24 to 32.8 Mt with increases in the US and Europe offsetting reductions in Kazakhstan, Turkey, Tunisia and Algeria. Constrained by tight stocks, supply is forecast to drop 1.6% to 38.7 Mt. Global use is tentatively pegged at 33.4 Mt and trade at 8.5 Mt, on par with current levels. Closing stocks are forecast at 5.3 Mt, down 10% y/y.

With downward pressure stemming from increased supplies in Europe and the US, the average spot price for SK CWAD 1, 13% in 2023-24 is forecast to decrease, but remain historically strong at \$410/tonne.

Wheat (excluding durum)

For 2022-23, according to STC, total supply is estimated at 31.6 Mt, 28% more than the previous year, and 3% more than the five-year average. Production is reported at 28.4 Mt, up 46% from 2021-22, thanks to an increase in seeded area and a recovery in yields following the drought of 2021. Quality is excellent with 93% of the crop rated within the top two tiers according to the CGC; the average protein content was reported at 13.8%.

On the demand side, exports have been expanded another 0.1 Mt on a continued strong pace; Canadian wheat shipments to February 2023 are now 62% more than in 2021-22 and 18% more than average levels according to STC. Of the 11.6 Mt shipped to date, 19% went to China, 8% each to Indonesia, Bangladesh and Japan, 7% to Peru, and 6% each to

Colombia and the US. Domestic use remains steady at 8.2 Mt and carry-out stocks were reduced to 3.8 Mt on account of the increase in exports.

According to the USDA April World Agricultural Supply and Demand Estimates report (WASDE), the global outlook for all wheat (including durum) points to larger supplies, increased demand, reduced trade and a continued tightening of stocks. Compared to last month, overall supply is raised 0.7 Mt to 1,061.1 Mt; total use is increased 2.9 Mt to 796.1 Mt on higher overall consumption in India and an increase in feed and residual use in China and the EU. Global exports for 2022-23 are reduced 1.2 Mt to 212.7 Mt and ending stocks are lowered 2.1 Mt to 265.1 Mt with reductions in Ukraine, India and the Philippines.

For the US, the forecasted supply for 2022-23 was raised slightly with a reduction in domestic use and an increase in imports. US supply is forecast at 67.3 Mt with total production at 44.9 Mt. The forecast for exports remains unchanged at 29.9 Mt, and carry-out stocks are increased 5% to 16.28 Mt but remain 14% below 2021-22 levels.

For the 2022-23 crop year, the average Canadian spot price for SK, No. 1 Canadian Western Red Spring 13.5% (CWRS, 1, 13.5%) was reduced to \$415/tonne.

For 2023-24, total supplies are forecast at 32.8 Mt, up 4% y/y due to an increase in seeded area. Production is projected at 28.9 Mt, 2% more than the previous year and 10% more than the last five-year average. STC releases the results of their farmers' seeding intention survey at the end of April; forecasted supply will be revised accordingly in the next report. Domestic use is tentatively pegged at 8.3 Mt, relatively in line with average levels; exports are forecast at 19.6 Mt.

According to the USDA's prospective plantings

report released March 31, 2023, US all wheat acreage, including durum, is expected to rise 9% to 49.9 Mac, with a 13% expansion in winter wheat area (37.5 Mac) but a 2% reduction in spring wheat (10.6 Mac).

Worldwide, early projections by the IGC are pointing to a 2% decline in production, but only a marginal decline in total supply thanks to an increase in stocks. Total supply is pegged at 1,073 Mt, compared to 1,076 Mt this year. On the demand side, use is projected to increase 0.6% y/y to 794 Mt with an increase in food use offset by a decline in feed; trade is currently pegged at 195 Mt, down 2% y/y with a reduction in European and Chinese imports. Closing stocks are projected to tighten to 279 Mt, also down 2% y/y.

In general, field conditions in Europe are favourable to crop development although some soil moisture deficits still remain in France and southern Spain and Italy. With timely rains, European production could reach 136.6 Mt, +1% compared to last year's crop. Production in the Black Sea region is expected to decline with lower seeding and harvested areas; production for Russia is currently pegged at 82.8 Mt and Ukraine's at 20.2 Mt, down 13% and 20% compared to 2022-23, respectively. In the US, timely rains brought some relief to a large area seeded to hard red winter wheat, but the bulk of the crop in Kansas is still plagued by drought. Areas seeded to soft red winter wheat is faring better. According to the IGC, all wheat production out of the US is forecast at 51.4 Mt, up 14% y/y.

For 2023-24, the average SK CWRS 1, 13.5% spot price is reduced to \$400/tonne with constriction in world trade and added competition from the US and Europe.

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Coarse Grains

Barley

For 2022-23, Canadian barley supplies are projected at 10.6 million tonnes (Mt), up sharply from last year's record low of 7.9 Mt. Total domestic use is forecast at 6.0 Mt, up 28% from last year on higher feed and industrial use. Total exports are projected at 3.7 Mt, up 37% from last year. The major international destinations for Canadian barley and products include China, the US, Japan and Mexico. Carry-out stocks are projected at 0.9 Mt, rising sharply from last year's record low and marginally above the previous five-year average.

The Lethbridge feed barley price continued to drop over the past month but in a gentle manner. For the crop year to-date, the Lethbridge feed barley price averaged around \$418/tonne (t), versus \$429/t for the same period a year ago. For the entire crop year, the Lethbridge feed barley average price is forecast at \$410/t, down nearly \$20/t from last year's record high.

According to the US Department of Agriculture (USDA)'s March Grain Stocks report, US barley stocks in all positions on March 1, 2023, were higher than a year ago. At 88.7 million bushels (Mbu), US barley stocks were up by 22% from a year ago. This is primarily due to a significantly larger output, offsetting record-small carry-in stocks on June 1, 2022. Despite this, the USDA projected that the US will continue to increase barley imports in 2022-23 after a surge of imports in 2021-22 when production fell sharply. Total use is predicted to increase, largely reflecting a rise in the feed and residual category. Carry-out stocks on June 1, 2023, is projected at 62.0 Mbu, up by 48% from last year but down 17% from the previous five-year average.

For 2023-24, Canadian barley area is forecast at 3.0 million hectares (Mha), up 5% from 2022-23 and only marginally higher than the previous five-year average. Assuming average abandonment and yield potential, Canadian barley production in 2023 is projected at 10.0 Mt, remaining relatively unchanged from the previous year, despite larger acreage. Supported by an expected increase in carry-in stocks, total supply in 2023-24 is projected at 10.9 Mt, up 3% and 6%, respectively, from 2022-23 and the

previous five-year average. Total domestic use is predicted to increase from 2022-23 on larger feed use, which is above the average level, given good domestic supply. Exports are projected to decline, given the outlook for larger global feed grain supplies, but still be above average levels. Carry-out stocks are projected at 1.0 Mt, up 11% from the previous year and a recent six-year high.

The 2023-24 Lethbridge average price is projected at \$350/t, lower than the \$410/t predicted for 2022-23, partly reflecting an anticipated good domestic supply and lower US corn prices in 2023-24.

USDA's March Prospective Plantings report showed that US farmers intend to grow less barley in 2023. At 2.92 million acres (Mac), the 2023 barley acreage is expected to decline slightly from 2022, largely due to expected sharply reduced acreage in North Dakota, one of top barley planting states, despite increased acres in other states. US barley has seen a rising trend in acreage in recent years. Although the 2023 acreage is lower than in 2022, it is still 7% above the previous five-year average.

Worldwide, the combined 2023-24 barley production in the world's major barley exporting countries is expected to decline by 7% (7.6 Mt) from 2022-23 to reach 101 Mt, the lowest in three years, according to the International Grains Council (IGC)'s March monthly market report, which includes 2023-24 supply and demand projections for the major crops for the world's main exporting and importing countries. The 2023-24 production projections for Australia, Russia and Ukraine presented a significant decline, but showed a notable increase for Argentina with a minor change for Canada and the EU. The decline in the combined production is expected to be only partly offset by an increase in combined opening stocks, leading to a lower combined supply. Exports from major exporting countries are projected to decline by 5% (1.6 Mt). The combined closing stocks are projected to drop by 15% (2.2 Mt) to 12.6 Mt.

Corn

For 2022-23, Canadian corn supply is projected at 19.3 Mt, down sharply (16%) from last year's record high but remains the second highest on record. Imports are projected to decline sharply from last

year. Total domestic use is predicted at 14.9 Mt, down considerably from last year, primarily on lower feed use on the Canadian Prairies. Exports are forecast at 1.8 Mt, on par with last year's level, but a significant increase from the previous five-year average. The major international destinations for Canadian corn include Ireland, the US and Portugal. Carry-out stocks are projected at 2.5 Mt, down 9% from last year's record high but up 5% from the previous five-year average.

For the crop year to-date, the Chatham corn price averaged nearly \$320/t, versus \$290/t during the same period a year ago. For the entire crop year, the Chatham corn price is projected at \$315/t, slightly above last year's historical high, primarily supported by the outlook for brisk demand and higher US corn prices.

USDA's Grain Stocks report showed that the US corn stocks in all positions on March 1, 2023, totaled 7.40 billion bushels (Bbu), down 5% from a year ago. Of the total stocks, 4.11 Bbu were stored on-farm, up 1% from a year earlier. Off-farm stocks, at 3.29 Bbu, are down 10% from a year ago. The decline in corn stocks is primarily caused by reduced corn production in the US for this crop year. Total disappearance over the December 2022 – February 2023 period was 3.42 Bbu, down 12% from 3.88 Bbu for the same period last year. For a comparison, the disappearance over the September – December 2022 period was 4.29 Bbu, down 8% from a year ago. The USDA predicted total use for the entire crop year at 13.8 Bbu, down 8% from last year and a seven-year low, reflecting a decline in feed use and exports. The reduction in total use is expected to offset most of the decline in supply, leading to a slight drop in carry-out stocks on September 1, 2023. The marketing-year weighted average price received by farmers was pegged by the USDA at US\$6.60/bushel, unchanged from last month but up from last year's US\$6.00/bushel, and just below the all-time high of US\$6.89/bushel in 2012-13.

Globally, a cut of 3.0 Mt and 1.2 Mt was made by the USDA to 2022-23 corn production for Argentina and the EU, respectively, which contributed to a downward revision in the global corn production forecast, despite a substantial increase for Russia. So far, global corn production is forecast to be 6% lower than in 2021-22 but still be 1% above the

previous five-year average.

For 2023-24, the Canadian corn area is forecast at 1.45 Mha, down from last year's historical high but still on par with the recent five-year average. Assuming average abandonment and yield potential, along with smaller acreage, Canadian corn production in 2023 is projected at 13.8 Mt, 5% lower than the 2022 level. Total supply for 2023-24 is projected at 18.5 Mt, down 4% from the projected 2022-23 level, primarily reflecting expected declines in 2023 production and carry-in stocks along with relatively stable imports. Total domestic use is forecast to decline from 2022-23 on lower feed use, which is still above the average level prior to 2021-22. Industrial use is expected to remain stable. Exports are projected to decline, given the outlook for larger global feed grain supplies, but still be above average. Carry-out stocks are projected at 2.3 Mt, down 8% from the projected 2022-23 level.

The 2023-24 Chatham average price is projected at \$280/t, lower than the record high of \$315/t predicted for 2022-23, largely due to the anticipated lower 2023-24 US corn price.

USDA's Prospective Plantings report showed that US farmers intend to grow more corn for all purposes in 2023. Pegged at 92.0 Mac, corn acreage in 2023 in the US is expected to increase by 4% (3.42 Mac) from 2022 and be the second highest in the last seven years. The 2023 corn acreage is expected to be up or unchanged in 40 of the 48 corn growing states, with North Dakota leading the increase, while Nebraska is expected to see a decline.

As for other major corn exporting countries, the IGC predicted that Argentina and Brazil, two of the world's leading corn exporting countries, will harvest a record large corn crop for their 2024-25 marketing year (Mar 2024 – Feb 2025). Total demand in 2024-25 in Argentina is expected to increase due to increased feed use and exports. In Brazil, demand will continue to expand due to rising industrial and feed use with stable exports. Closing stocks at the end of Feb 2024 in both countries are projected to be significantly lower than the averages seen in recent years. For Ukraine, the IGC predicted that its corn production for 2023-24 (Oct 2023 – Sep 2024) will continue to fall and reach a decade-low, which is expected to lead to its corn exports to drop to a

decade-low as well.

Oats

For 2022-23, Canadian oat supplies are projected at 5.6 Mt, up sharply from last year's nineteen-year low and becoming the highest on record. Total domestic use is forecast at 1.7 Mt, up sharply from last year on higher feed use. Total exports are projected at 2.7 Mt, up 15% from last year, with above 95% destined for the US. Carry-out stocks are projected at 1.3 Mt, rising sharply from last year's record low and becoming the second highest on record.

Oat prices in the three Canadian Prairie provinces and the CBOT market continued to trend lower over the past month. For the entire crop year, the CBOT oat price is projected at around \$345/t, down more than \$220/t from the record high in 2021-22. The significant drop in oat prices is a reflection of large oat supplies in North America and lower prices for other row crops.

For 2023-24, Canadian oat area is forecast at 1.2 Mha, down 22% from 2022-23, and the lowest in the recent five years. Assuming average abandonment and yield potential, along with smaller acreage, Canadian oat production in 2023 is expected to decrease by 31% from the previous year to reach 3.6 Mt. Due to larger carry-in stocks partly offset by smaller production, total supply in 2023-24 is projected at 4.9 Mt, down 13% from 2022-23 but still up 6% from the previous five-year average. Total demand is expected to decline from 2022-23 given the smaller domestic supply, but still be above average. Carry-out stocks are projected at 0.7 Mt, down sharply from 2022-23 but up from average levels.

The CBOT oat price in 2023-24 is projected at CAN\$335/t, below the predicted 2022-23 level, due to ample North American oat supplies and lower row crop prices expected for 2023-24.

USDA's March Prospective Plantings report showed that US farmers intend to grow more oats in 2023. At 2.67 Mac, the 2023 oat acreage in the US is anticipated to expand by 3% from 2022, while oat acreage in Texas, North Dakota, and Minnesota, the major oat planting states in the US, will see a decline. Oat acreage in the US posted a declining trend in the recent two decades. Despite an increase from 2022,

the 2023 national oat acreage is still down 3% from the previous five-year average.

Globally, the IGC projected that 2023-24 oat production in the EU and Australia will decline from 2022-23 and will be at their lowest in at least recent four years.

Rye

For 2022-23, Canadian rye supply is projected at 606 thousand tonnes (Kt), up 31% from 2021-22 and the highest since 1992. Total demand is expected to exceed last year's level due to an expected increase in domestic feed use and exports. The US has been the largest destination for Canadian rye exports, receiving over 99% of the volume. Carry-out stocks are projected at 120 Kt, up significantly from last year and the five-year average, due to abundant supply.

Rye FOB farm price on the Canadian Prairies remained stable over the past month. For the entire crop year, the average price is projected at \$270/t, down \$50/t from last year's record high, mainly due to ample 2022-23 feed grain supplies on the Canadian Prairies.

For 2023-24, Canadian fall rye area, which represents 97% of all rye planted in Canada, is reported by Statistics Canada at 185 thousand hectares (Kha), down 21% from 2022-23 and the lowest in the recent four years. Assuming average abandonment and yield potential, along with smaller acreage, Canadian rye production in 2023 is expected to decrease by 35% from the previous year to reach 339 Kt. Due to larger carry-in stocks partly offset by smaller production, total supply in 2023-24 is projected at 461 Kt, down 24% from 2022-23 but on par with the previous five-year average. Total demand is expected to decline from 2022-23 due to lower feed use and exports on smaller supply. Carry-out stocks are projected at 80 Kt, down sharply from 2022-23, but still a comfortable level.

The 2023-24 rye average price on the Canadian Prairies is projected at CAN\$260/t, \$10/t below the predicted 2022-23 level.

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Oilseeds

Canola

For 2022-23, Canadian canola supplies are estimated at 19.1 million tonnes (Mt), up 22% from last year, with the recovery in production following the 2021-22 drought moderated by tight carry-in stocks. Canada seeded 8.7 million hectares (Mha) to canola, harvesting 8.6 Mha, with yields returning to a near normal 2.11 tonnes per hectare (t/ha). Production is estimated at 18.2 Mt.

Usage is forecast to return to historically normal levels with exports up 60% from last year to 8.4 Mt, while food and industrial use rises to 9.5 Mt versus the 8.6 Mt processed in 2021-22. These estimates are supported by the Canadian Grain Commission statistics which show current exports and domestic disappearance through licensed grain handling facilities up 51% and 11%, respectively, from the same time last year.

Carry-out stocks are projected to increase from 2021-22 to 1.0 Mt, with a stocks-to-use ratio of 6% on support from strong world demand. Canola prices are forecast at \$850/tonne (t), track Vancouver, versus \$1,075/t for 2021-22 and the five-year average of \$665/t.

For the remainder of 2022-23, the factors to watch are: (i) pace of exports and crusher buying, (ii) early spring Canadian and US weather forecasts (iii) South American soybean export pace, (iv) Chinese oilseed and co-product import demand, and (iv) pace of expansion in the renewable fuel sector.

For 2023-24, canola area is forecast to rise slightly, to 8.8 Mha, on support from favourable prices; expansion is limited by similarly attractive prices for alternate crops such as wheat and peas. Production is forecast at 18.5 Mt, assuming normal abandonment of crop area and trend yields. Current moisture conditions are drier than normal across the middle of Saskatchewan and are normal to above normal for much of Alberta and Manitoba. Normal to above normal spring rains are required across most of Western Canada to recharge soil moisture prior to spring seeding. Total supplies are forecast to rise marginally to 19.6 Mt, as looser carry-in stocks supplement the rise in production.

Domestic crush and exports are forecast similar to 2022-23 at 9.5 Mt and 8.8 Mt, respectively, on sustained strong world demand for oilseeds, vegetable oils, and protein meals. The domestic crush outlook assumes none of the crush plants currently announced or under construction become operational within the upcoming crop year; if a major plant comes on stream in 2023-24, domestic crush will likely exceed the current forecast by 0.5 Mt to 1.0 Mt while exports decline by a comparable amount.

Normal feed, waste and dockage is assumed. Carry-out stocks are forecast to rise slightly to 1.1 Mt versus 1.0 Mt for 2022-23 and the five-year average of 2.3 Mt. The simple average price for canola, No. 1, track Vancouver, is forecast at \$820/t, down from \$850/t for 2022-23, but above the five-year average of \$727/t.

Flaxseed

For 2022-23, Canadian supplies of flaxseed are estimated at 0.57 Mt, up 38% from last year, on higher production and carry-in stocks. For the crop year, Canada seeded and harvested 0.32 Mha and 0.31 Mha of flaxseed, respectively, producing 0.47 Mt on yields of 1.5 t/ha.

Exports are forecast down 32% from last year to 0.15 Mt on decreased Asian buying. Exports through licensed handling facilities are currently running about 60% of last year's pace with most shipments headed to the US. Total domestic use is forecast at 0.14 Mt, versus 0.11 Mt for 2021-22, on a rise in feed, waste and dockage.

Total carry-out stocks are forecast to more than triple to 0.28 Mt from 0.08 Mt last year. Farm stocks are forecast to rise to modern-day highs of 0.24 Mt. Flaxseed prices are forecast to decline to \$585/t versus \$1,206/t for 2021-22.

For 2023-24, seeded area is forecast to decline to a modern-day low of 0.30 Mha with harvested area falling to 0.29 Mha. Trend yields of 1.45 t/ha are projected, assuming normal temperatures and soil moisture, while production falls to 0.42 Mt versus 0.47 Mt for 2022-23 and the five-year average of

0.47 Mt. Total supplies of flaxseed are forecast to rise to 0.71 Mt as the decline in output is offset by the sharp rise in carry-in stocks.

Total domestic use is forecast to decline by 43% on a sharp drop in feed, waste and dockage, and stable other usage. Exports are forecast to increase to 0.40 Mt on support from slightly stronger world demand and lower prices. Carry-out stocks are forecast to fall to 0.23 Mt. The simple average price for flaxseed No.1, in-store, Saskatoon cash is forecast at \$575/t, down \$10/t from last year and \$125/t below the five-year average of \$700/t.

Soybeans

For 2022-23, Canadian supplies of soybeans are projected to increase to 7.2 Mt on higher production and carry-in combined with stable imports. For the crop year, farmers planted 2.13 Mha to soybeans in Canada, versus 2.15 Mha last year, with a harvested area of 2.12 Mha. Production was 6.5 Mt, versus 6.2 Mt in 2021-22.

Exports are forecast to increase by 3%, to 4.4 Mt, with shipments headed to a diverse group of countries. Year-on-year shipments out of the country through licensed handling facilities are up 16%. Domestic processing is forecast up slightly to 1.9 Mt compared to 1.86 Mt last year. Carry-out stocks are forecast up from last year at 0.35 Mt versus the five-year average of 0.45 Mt.

For 2022-23, the United States Department of Agriculture (USDA) tightened its estimate for world oilseed production by 4.5 Mt on reduced soybean production in Argentina and Uruguay, but this forecast remains 16 Mt up from last year's output. Domestically, the USDA left its oilseed production unchanged from last month, but supplies increased marginally on reduced exports. Canadian soybean prices are forecast to rise to \$710/t as support from a weaker Canadian dollar offsets pressure from the large US and Brazilian crops.

US soybean production was unchanged from last month at 4.28 billion bushels (Bbu), down 4% from 2021-22, creating a slight year-on-year tightening of

American soybean supplies. The US soybean crush and export forecasts are steady from March at 2.22 Bbu and 2.02 Bbu, respectively. Ending stocks are predicted to fall to 0.21 Bbu, versus 0.27 Bbu for 2021-22 and the five-year average of 0.48 Bbu. The USDA left its projected farm gate price for soybeans unchanged from last month at US\$14.30/bushel, versus US\$13.30/bushel for 2021-22.

For 2023-24, planted area to soybeans is projected to increase by 7% to 2.28 Mha while harvested area rises to 2.27 Mha. Trend yields of 3.0 t/ha are predicted, assuming normal temperatures and moisture conditions. Soybean production is forecast at 6.77 Mt, up 0.23 Mt from last year and 0.22 Mt above the five-year average. Total supplies of soybeans rise by 4% to 7.52 Mt.

Total domestic use is forecast to fall slightly on a steady crush of 1.9 Mt and lower feed, waste and dockage. Exports are up 0.3 Mt from 2022-23, to 4.7 Mt, and are 0.19 Mt above the five-year average. Carry-out stocks are forecast at 0.40 Mt for a stocks-to-use ratio of 6%. The simple average price for soybeans, track Chatham, is forecast to fall by \$50/t to \$660/t, versus the five-year average of \$563/t.

US soybean production is projected at 4.50 Bbu based on the Prospective Plantings of 8.75 Mac combined with the USDA's abandonment and yield forecasts of 0.9 Mac and 52 bushel/acre, respectively. Supplies are forecast to rise to 4.71 Bbu as tighter beginning stocks moderate the rise in output. Domestic crush is forecast at 2.3 Bbu and exports at about 2.1 Bbu. Ending stocks are projected to rise to a four-year high of 290 Mbu for a stocks-to-use ratio of 6.5%. The forecasted farm-gate price declines to US\$12.90 versus this year's US\$14.30/bushel. The USDA releases its first 2023-24 market outlook for soybeans in the May release of the World Agricultural Supply and Demand Estimates report (WASDE).

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Pulse and Special Crops

Dry Peas

For 2022-23, exports are forecast to increase to 2.6 million tonnes (Mt). China and Bangladesh are the two main markets for Canadian dry peas. Carry-out stocks are forecast to increase, despite higher export demand, largely due to a 1.0 Mt rise in supply. The average price is expected to fall from 2021-22, with lower prices for all dry pea types.

Monthly exports of dry peas have been lower than the five-year average for every month (August-February), except October and February. This is mostly due to decreased export demand to China and Bangladesh when compared to the five-year average. Production of the winter pulse crop in India is forecast by the Government of India at over 19 Mt, up 3% from the previous year. If this level of production is realized, it would be a record winter crop. Canadian dry pea export demand to China is expected to remain steady throughout the remainder of the crop year.

During the month of March, the on-farm price of yellow peas in Saskatchewan fell marginally while the green pea price increased \$17/tonne (t). Green pea prices have been at a \$50/t premium to yellow pea prices in the month of March. For the entire crop year, green dry pea prices are expected to be at a \$30/t premium to yellow pea prices, compared to a green pea discount of \$60/t to yellow types in 2021-22.

For 2023-24, seeded area is expected to be marginally lower from the previous year at 1.3 million hectares (Mha), due to good returns relative to other crops and below average export demand. However, with average yields, production is forecast to decrease to 3.25 Mt with total supply rising marginally to 3.8 Mt. Exports are expected to be unchanged at 2.6 Mt, and carry-out stocks are expected to remain unchanged. The average price is expected to fall from 2022-23, due to expectations for larger world supply.

The United States Department of Agriculture (USDA) March Prospective Plantings report showed that US area seeded to dry peas for 2023-24 is forecast at 1.0 million acres (Mac), 9% higher than

2022-23. This is largely due to a significant expected increase in the North Dakota area.

Lentils

For 2022-23, Canadian lentil exports (August-February) total about 0.5 Mt, higher than this time in 2021-22. Crop year exports are forecast at 2.3 Mt with Turkey, United Arab Emirates and India currently the top export markets. Carry-out stocks are forecast to fall due to the rise in export demand. The overall average price is forecast to fall for all types due to higher world supply and carry-out stocks.

During the month of March, the on-farm price of large green lentils in Saskatchewan rose \$75/t and red lentils rose \$55/t. The average price for large green lentils is forecast to maintain a \$335/t premium over red lentil prices, compared to \$325/t in 2021-22.

For 2023-24, area seeded in Canada is expected to be marginally lower at 1.73 Mha, due to higher expected returns for other crops. With trend yields, production is forecast to rise to 2.65 Mt and supply is expected to increase to 2.8 Mt despite a fall in carry-in stocks. Exports are forecast to be unchanged at 2.3 Mt. Carry-out stocks are expected to rise, which will pressure prices. The average price for all grades is forecast to fall from 2022-23 with increased world supply but remain historically high.

The USDA March Prospective Plantings report showed that US area seeded to lentils is expected to decrease 21% from last year to 0.52 Mac. Area seeded is expected to fall in North Dakota and in Montana.

Dry Beans

For 2022-23, despite lower domestic supply, exports are expected to rise to 340 thousand tonnes (Kt). The US and the EU remain the top two markets for Canadian dry beans, with smaller volumes exported to Mexico and Japan. Carry-out stocks are expected to fall. The average Canadian dry bean price is forecast to decrease from the record levels seen in 2021-22 due to higher North American supply. To-date (August-March), white pea bean

prices are 2% lower, pinto bean prices are 15% lower, and black bean prices are 5% lower than in 2021-22.

For 2023-24, the area seeded is forecast to remain unchanged from 2022-23 at 120 thousand hectares (Kha) because of competitive potential returns compared to other crops. Production is expected to fall marginally to 293 Kt due to a return to trend yields despite similar area. Supply is expected to fall with lower carry-in stocks. Exports are forecast to decrease with lower demand from the US and the EU. Carry-out stocks are expected to fall. The average price of dry beans is forecast to fall compared to the previous year but remain historically high.

The USDA March Prospective Plantings report indicated that the intended US area seeded to dry beans (excluding chickpeas) is forecast to decrease by 2% to 1.23 Mac, due to lower seeded area in Nebraska and Minnesota.

Chickpeas

For 2022-23, a rise in demand from the US, Pakistan and the EU has resulted in an increase in the forecast for Canadian exports. Carry-out stocks are expected to fall sharply due to lower supply and increased exports. The average price is forecast to rise to a record \$1000/t with above average export demand and lower North American stocks.

For 2023-24, the area seeded is forecast to rise from 2022-23 because of lower carry-in stocks and the potential for good returns relative to other crops. As a result, production is expected to increase to 170 Kt. However, supply is forecast to decrease from last year due to the lower carry-in stocks. Exports are forecast to fall, and carry-out stocks are expected to increase. The average price is forecast to be lower, with expectations for higher world supply.

The area seeded to chickpeas in the US is estimated by the USDA to fall to 0.4 Mac, down 4% from 2022-23. This is due to a fall in area seeded in Montana.

Mustard Seed

For 2022-23, exports are expected to be higher than last year at 130 Kt. Carry-out stocks are forecast to

rise sharply due to the larger supply. The US and the EU are the main export markets for Canadian mustard seed. The average price is forecast to fall below the record levels of 2021-22 due to the larger domestic supply and an increase in carry-out stocks.

For 2023-24, the area seeded is expected to be higher than the previous year due to good returns compared to other crops. Production is forecast to increase to 190 Kt with a return to trend yields. Supply is expected to rise sharply from the previous year, due to the increase in production and higher carry-in stocks. Exports are expected to be lower than the previous year at 120 Kt and carry-out stocks are forecast to continue to rise. The average price is forecast to fall from 2022-23, but remain above the five-year average, despite the higher supply and carry-out stocks.

Canary Seed

For 2022-23, exports are expected to be lower than last year. Supply is estimated to be down from 2021-22 causing carry-out stocks to tighten. The average price is forecast to fall from 2021-22 to \$900/t.

For 2023-24, the area seeded is forecast to fall due to lower returns relative to other crops. Production is expected to increase with a return to trend yields. Supply is forecast to decrease marginally to 175 Kt. Exports are expected to fall with the decrease in supply, and carry-out stocks are expected to remain tight. The average price is forecast to be lower than the 2022-23 level.

Sunflower Seed

For 2022-23, exports are forecast to be lower than 2021-22 and carry-out stocks are forecast to rise from the previous year. The US remains Canada's main export market for sunflower seed. The average price is forecast to decrease from 2021-22, due to lower prices for oilseed types. Oilseed sunflower seed prices have been pressured by higher North American supply.

For 2023-24, area seeded is expected to be marginally higher than in 2022-23 due to good potential returns. Production is forecast to increase slightly to 85 Kt, assuming a return to average yields. Supply is expected to increase to 245 Kt and

exports are expected to rise to 45 Kt, causing carry-out stocks to decrease despite the higher supply. The average price is forecast to fall from 2022-23, due to similar confectionary type prices in the US and Canada, but lower oil type prices.

The prospective planting of sunflower seed in the US for 2023-24 is forecast by the USDA at 1.36 Mac, down 20% from 2022-23. This is largely

due to an expected sharp fall in area seeded in South Dakota. The area seeded to the oil type varieties of sunflower seed is expected to decrease to 1.20 Mac while the area allocated to confectionary type varieties is forecast to rise to above 0.16 Mac.

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CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

April 21, 2023

Grain and Crop Year (a)	Area Seeded ----- thousand ha	Area Harvested ----- thousand ha	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
Durum												
2021-2022	2,319	2,233	1.36	3,033	8	3,853	2,716	210	126	568	569	631
2022-2023f	2,431	2,399	2.27	5,443	25	6,038	4,800	200	324	738	500	450
2023-2024f	2,296	2,250	2.42	5,447	25	5,972	4,400	200	358	772	800	410
Wheat Except Durum												
2021-2022	7,133	6,960	2.79	19,390	153	24,683	12,331	3,250	5,204	9,259	3,093	447
2022-2023f	7,844	7,683	3.69	28,380	100	31,574	19,600	3,200	4,164	8,174	3,800	415
2023-2024f	8,163	8,000	3.61	28,880	100	32,780	19,600	3,200	4,305	8,280	4,900	400
All Wheat												
2021-2022	9,453	9,193	2.44	22,422	161	28,536	15,047	3,460	5,329	9,827	3,663	
2022-2023f	10,274	10,082	3.35	33,824	125	37,611	24,400	3,400	4,488	8,911	4,300	
2023-2024f	10,459	10,250	3.35	34,327	125	38,752	24,000	3,400	4,663	9,052	5,700	
Barley												
2021-2022	3,362	3,007	2.32	6,984	228	7,923	2,672	285	4,178	4,708	543	432
2022-2023f	2,851	2,636	3.79	9,987	60	10,589	3,670	218	5,521	6,019	900	410
2023-2024f	3,000	2,733	3.65	9,974	60	10,934	3,400	318	5,936	6,534	1,000	350
Corn												
2021-2022	1,413	1,391	10.51	14,611	6,141	22,921	1,746	5,797	12,617	18,430	2,746	312
2022-2023f	1,466	1,444	10.07	14,539	2,000	19,284	1,850	5,500	9,419	14,934	2,500	315
2023-2024f	1,449	1,418	9.76	13,845	2,200	18,545	1,650	5,500	9,079	14,595	2,300	280
Oats												
2021-2022	1,449	1,176	2.46	2,899	25	3,580	2,307	98	709	941	333	565
2022-2023f	1,593	1,402	3.73	5,226	25	5,584	2,650	120	1,438	1,684	1,250	345
2023-2024f	1,238	1,030	3.51	3,611	15	4,876	2,750	120	1,180	1,426	700	335
Rye												
2021-2022	246	147	2.54	372	1	464	151	26	182	229	84	320
2022-2023f	237	152	3.42	520	2	606	190	39	236	295	120	270
2023-2024f	189	108	3.14	339	2	461	165	39	157	216	80	260
Mixed Grains												
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	
2023-2024f	138	67	2.66	178	0	178	0	0	178	178	0	
Total Coarse Grains												
2021-2022	6,603	5,785	4.33	25,029	6,395	35,051	6,876	6,205	17,850	24,471	3,705	
2022-2023f	6,286	5,705	5.34	30,475	2,087	36,266	8,360	5,877	16,818	23,136	4,770	
2023-2024f	6,014	5,357	5.22	27,948	2,277	34,994	7,965	5,977	16,530	22,949	4,080	
Canola												
2021-2022	9,016	8,949	1.54	13,752	105	15,633	5,250	8,555	900	9,518	865	1,075
2022-2023f	8,659	8,596	2.11	18,174	100	19,138	8,400	9,500	187	9,738	1,000	850
2023-2024f	8,800	8,710	2.12	18,500	100	19,600	8,800	9,500	199	9,750	1,050	820
Flaxseed												
2021-2022	416	404	0.83	337	12	408	219	N/A	93	107	82	1,206
2022-2023f	315	312	1.52	473	10	565	150	N/A	121	140	275	585
2023-2024f	300	290	1.45	420	10	705	400	N/A	61	80	225	575
Soybeans												
2021-2022	2,154	2,134	2.92	6,224	552	7,072	4,252	1,858	454	2,532	287	678
2022-2023f	2,135	2,118	3.09	6,543	400	7,230	4,400	1,900	380	2,480	350	710
2023-2024f	2,280	2,272	2.98	6,770	400	7,520	4,700	1,900	320	2,420	400	660
Total Oilseeds												
2021-2022	11,585	11,486	1.77	20,313	669	23,113	9,722	10,413	1,446	12,157	1,234	
2022-2023f	11,108	11,026	2.28	25,190	510	26,934	12,950	11,400	689	12,359	1,625	
2023-2024f	11,380	11,272	2.28	25,690	510	27,825	13,900	11,400	580	12,250	1,675	
Total Grains And Oilseeds												
2021-2022	27,640	26,464	2.56	67,764	7,224	86,700	31,644	20,079	24,625	46,455	8,601	
2022-2023f	27,669	26,814	3.34	89,489	2,722	100,811	45,710	20,677	21,994	44,406	10,695	
2023-2024f	27,853	26,878	3.27	87,965	2,912	101,571	45,865	20,777	21,774	44,251	11,455	

(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: PULSE AND SPECIAL CROPS SUPPLY AND DISPOSITION

April 21, 2023

Grain and Crop Year (a)	Area Seeded ----- thousand ha -----	Area Harvested ----- thousand ha -----	Yield t/ha	Production	Imports (b)	Total Supply ----- thousand metric tonnes -----	Exports (b)	Total		Stocks-to- Use Ratio %	Average Price (d) \$/t
								Domestic Use (c)	Carry-out Stocks		
Dry Peas											
2021-2022	1,546	1,491	1.50	2,244	29	2,831	1,911	581	339	14%	590
2022-2023f	1,363	1,348	2.54	3,423	26	3,788	2,600	638	550	17%	460
2023-2024f	1,300	1,270	2.56	3,250	30	3,830	2,600	680	550	17%	420
Lentils											
2021-2022	1,742	1,716	0.93	1,594	51	2,083	1,601	259	223	12%	970
2022-2023f	1,749	1,715	1.34	2,301	75	2,599	2,300	199	100	4%	825
2023-2024f	1,730	1,705	1.55	2,650	75	2,825	2,300	275	250	10%	720
Dry Beans											
2021-2022	177	171	2.26	386	75	571	327	79	165	41%	1,210
2022-2023f	120	117	2.67	313	75	553	340	78	135	32%	1,165
2023-2024f	120	115	2.55	293	75	503	310	78	115	30%	1,140
Chickpeas											
2021-2022	75	74	1.24	91	30	395	176	64	155	65%	975
2022-2023f	95	95	1.35	128	45	328	225	63	40	14%	1,000
2023-2024f	105	105	1.62	170	45	255	145	65	45	21%	980
Mustard Seed											
2021-2022	117	110	0.55	61	9	130	106	18	6	5%	2,885
2022-2023f	225	219	0.74	162	9	177	130	22	25	16%	2,160
2023-2024f	230	222	0.86	190	7	222	120	22	80	56%	1,870
Canary Seed											
2021-2022	124	123	1.03	127	0	201	173	8	20	11%	1,125
2022-2023f	118	117	1.36	159	0	179	170	4	5	3%	900
2023-2024f	115	114	1.49	170	0	175	160	5	10	6%	800
Sunflower Seed											
2021-2022	41	40	1.86	75	37	228	41	68	118	108%	900
2022-2023f	38	38	2.24	84	40	242	38	79	125	106%	850
2023-2024f	40	39	2.18	85	35	245	45	80	120	96%	840
Total Pulse And Special Crops (c)											
2021-2022	3,821	3,725	1.23	4,577	231	6,439	4,335	1,077	1,026		
2022-2023f	3,707	3,649	1.80	6,570	270	7,866	5,803	1,083	980		
2023-2024f	3,640	3,570	1.91	6,808	267	8,055	5,680	1,205	1,170		

(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