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

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This report updates Agriculture and Agri Food Canada's (AAFC) August 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 regarding Northern Hemisphere crop production along with supply disruptions 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); (iii) International Grains Council (IGC) Grain Market Report; (iv) Agricultural Market Information Systems (AMIS) Market Monitor.

For the 2022-23 crop year, the report provides the near-final estimates for all crops, except for corn and soybeans, incorporating information from Statistics Canada's (STC) September 8, 2023, report on stocks of grains and oilseeds as of July 31, 2023**.** Stocks of principal field crops, excluding corn and soybeans, were 19.9% above 2022 levels although 25.3% less than the previous five-year average. For most field crops, larger supply was behind the rise in stocks as demand increased less proportionally. Durum wheat, lentils, and chickpeas were the only exceptions as these stocks declined compared to 2022. The year-over-year (y/y) stock increase is largely the result of the rebound in 2022 production following the drought in 2021. As a result, carry-out stocks (ending-year inventories) for all principal field crops, including corn and soybeans, are forecast up marginally but are not considered burdensome. In general, prices for field crops are forecast to decline except for soybeans and chickpeas which are projected to increase.

For the 2023-24 crop year, the outlook incorporates yield estimates from STC's September 14, 2023, Model Based Principal Field Crop Estimates release, which were based on information as of the end of August using remote sensing data from STC's Crop Condition Assessment Program (CCAP), agroclimatic data, as well as survey data and administrative sources. Production of all principal field crops is estimated to have decreased 13% y/y, which would be 8.3% below the previous five-year average. On the Canadian Prairies, overall production is estimated to have fallen 17.1% y/y, which would be 11.7% below the previous five-year average, as yields for all principal field crops are forecast to decline due to widespread drought, with the most significant impacts in Southern Alberta and Western Saskatchewan. Harvest in Western Canada is progressing rapidly, with each Prairie province ahead of their respective five-year average harvest progress pace. Exports of all principal field crops are forecast to decrease by 15.1% y/y due to lower production and supply but are still expected to remain 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.

The next AAFC Outlook for Principal Field Crops is scheduled to be released on October 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	7,224	87,250	31,669	46,519	9,061
2022-2023f	27,669	26,814	3.38	90,521	2,847	102,429	47,914	45,118	9,397
2023-2024f	28,263	27,185	2.94	79,897	3,912	93,206	41,484	43,542	8,180
Total Pulse And Special Crops									
2021-2022	3,798	3,698	1.23	4,555	227	6,407	4,286	1,076	1,045
2022-2023f	3,707	3,649	1.80	6,570	290	7,905	5,701	1,206	998
2023-2024f	3,377	3,294	1.39	4,595	267	5,860	4,035	1,090	735
All Principal Field Crops									
2021-2022	31,629	30,276	2.41	72,869	7,451	93,657	35,955	47,595	10,107
2022-2023f	31,376	30,462	3.19	97,091	3,137	110,334	53,615	46,324	10,395
2023-2024f	31,640	30,479	2.77	84,492	4,179	99,065	45,519	44,632	8,915

Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)
f: forecasts by AAFC except for area, yield and production for 2022-23 and 2023-24 which are STC

Durum

For 2022-23, Canadian durum supply increased 65% year-over-year (y/y) to 6.36 million tonnes (Mt). Statistics Canada (STC) revised the 2022 production estimate in their September 14 report, from 5.4 Mt to 5.8 Mt. Exports reached over 5.1 Mt, 89% more than in 2021-22, 13% above the prior five-year average. Canada shipped durum to 28 countries, of which 24% was destined to Algeria, 23% to Italy, and 16% to Morocco. The United States was the fourth largest destination, accounting for 12% of total exports. Carry-out stocks are reported at 397 thousand tonnes, the lowest on record.

The average Saskatchewan (SK) spot price for CWAD 1, 13% protein was $445/tonne in 2022-23.

For 2023-24, Canadian durum production is forecasted by STC to decrease by 30% y/y due to dry weather affecting yields in Southern Alberta and Saskatchewan. Although not as dire as the drought of 2021, yields are projected to decrease 29% to 1.72 tonnes per hectare (t/ha), which, accompanied with tight carry-over stocks, leads to a 30% drop in total supply. Forecast at 4.5 Mt, it is 29% lower than the last five-year average. With the decline in production, the export forecast was reduced 18% to 3.3 Mt, which represents approximately 75% of total supply. Import demand is expected to continue from North Africa (who suffered lower harvests due to poor weather), Italy (whose crop may suffer from quality concerns), and the US (whose production is down 11% y/y).

Domestic use of durum is relatively stable in Canada and currently pegged at average levels, that is 0.8 Mt, leaving 0.4 Mt in stocks at year-end, in line with current levels and the second lowest on record.

Globally, according to the International Grains Council's (IGC) latest report, world durum supply is forecast to contract 8% due to poorer production prospects in North America and tight carry-in stocks. Production is forecast at 30.6 Mt, 7% less than in 2022, while carry-in stocks are estimated at 5.81 Mt, the lowest in over 30 years. Consumption was trimmed 0.6 Mt this month to 33.1 Mt, a 2% decline y/y; trade is projected at 8.3 Mt, down 9%, but relatively in line with the last five-year average. World closing stocks are expected to continue to contract, pegged at 3.3 Mt.

The 2023-24 average price forecast for CWAD 1, 13% protein in Saskatchewan was increased to $460/tonne, supported by tight world supplies.

Wheat (excluding durum)

For 2022-23, Canadian wheat supply was 31.7 Mt, +28% y/y. STC revised the 2022 production estimate in their September 14 report, from 28.4 Mt to 28.5 Mt. Exports reached 20.4 Mt, 65% more than in 2021-22 and 15% above the prior five-year average. Wheat was shipped to over 60 countries and China was the largest destination, accounting for 15% of the total volume. Other key markets included Indonesia (10%), Japan (8%), Peru (7%), Bangladesh (7%), the US (6%) and Colombia (6%). Carry-out stocks are reported at 3.2 Mt, 3% more than opening, but the second lowest on record.

The average SK CWRS 1, 13.5% protein was $401/tonne over the 2022-23 crop year.

For 2023-24, STC projects production of wheat (ex-durum) at 25.8 Mt. This is 10% below last year's volume and 2% less than the last five-year average due to lower yields for spring wheat in the Southern Prairies caused by dry weather. Overall, Canadian wheat yields dropped from 3.72 t/ha in 2022-23 to 3.11 t/ha in 2023-24. Total supply is projected at 29.1 Mt. Spring wheat production is estimated to be down 12% to 22.6 Mt, but winter wheat production will rise 16% to 3.1 Mt.

Exports are forecast to fall to 18.0 Mt due to lower overall supply but remain relatively robust due to strong world demand for high protein wheat, which is expected to last through 2023-24. Domestic use is expected to fall marginally with a reduction in both food and feed use; it is pegged at 7.9 Mt. Carry-out stocks are projected at 3.2 Mt, up only marginally from 2022-23.

The September United States Department of

Agriculture's World Agricultural Supply and Demand Estimates report projects a tightening in the balance sheet with lower supplies, consumption, trade, and ending stocks. World supplies were revised down to 1,054.5 Mt on lower production in Australia, Canada, Argentina, and the EU. Total global production is now forecast at 787.4 Mt, 3.3 Mt less than in 2022-23. Total use was downgraded to 795.86 Mt, down marginally from 2022-23 levels. Trade for 2023-24 is projected at 207.3 Mt, a 5% decrease from 2022-23 volumes with less shipments from the EU, Australia, and Canada. Ending stocks were reduced another 7 Mt, now pegged at 258.6 Mt, the lowest since 2015-16.

Despite an increase in production, the US all wheat supply is forecast to drop 1% year on year to 66.52 Mt, because of low stocks. Total US production is expected at 47.2 Mt, compared to 44.9 Mt in 2022-23; production of hard red winter wheat is up 10% to 15.9 Mt, while soft red winter wheat is up 30% at 11.9 Mt. Hard red spring and white wheat production are down 7%, and 12%, respectively. Domestic use is forecast to remain relatively stable at 30.7 Mt and trade is expected to drop 8% to 19.05 Mt, 12%. US closing stocks for all wheat are forecast at 16.8 Mt, up 6% y/y.

The 2023-24 average price forecast for CWRS 1, 13.5% protein in Saskatchewan remains pegged at $370/tonne.

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Coarse Grains

Barley

For 2022-23, supply of barley stood at 10.6 million tonnes (Mt), up 33% year-over-year (y/y), as production rebounded significantly after the drought in the previous year, which supported domestic demand and exports. Total domestic demand, of which about 94% was for animal feed, sits at 5.8 Mt, up 24% y/y but down 5% from the previous five-year average. Total exports, including grain exports and product exports (grain equivalent), amounted to 4.0 Mt, up sharply from the previous year's low and average, 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/tonne (t).

For 2023-24, Canadian producers seeded 2.96 million hectares (Mha) of barley, according to Statistics Canada's (STC) June seeded area survey. This level is 4% higher than in 2022-23, but slightly lower than the previous five-year average. Approximately 52% of the barley area is in Alberta, 38% in Saskatchewan, 6% in Manitoba, and 4% in other provinces.

Canadian barley yield for 2023 is forecast by STC in its September 14 model-based yield and production estimates report at 2.95 tonnes per hectare (t/ha), reduced sharply y/y and significantly below the previous five-year average, primarily due to dry growing conditions across the Canadian Prairies. Nevertheless, the 2023 yield is higher than that in 2021 when an unprecedented drought hit the Canadian Prairies and severely reduced field crop yield and production. Although seeded area has increased from last year, the 2023 production, at 7.84 Mt, is estimated to decline 21% y/y and to be 16% below the previous five-year average, but still 12% higher than that in 2021.

Despite an expected increase in carry-in stocks, the significant decline in production will lead to a total supply of only 8.8 Mt, down sharply from last year and the average, and the second lowest on record, only 10% higher than the lowest in 2021-22. 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. Nevertheless, this level remains considerably above the five-year average.

For 2023-24 US barley, the United States Department of Agriculture (USDA) did not make any revisions to the supply, demand, and price forecasts in its September supply and demand forecast update. Compared to the past several years, the US barley supply for 2023-24 is abundant due to expanded production. This, combined with the expected contraction in demand, will lead to strong growth in ending stocks for 2023-24. The average farm price is projected at US$6.75/bushel (US$310/t), unchanged from the August projection and down significantly from 2022-23, but still the second highest on record.

World barley production projection for 2023-24 was revised lower by the USDA. This is due to the lowered production forecast for Canada more than offsetting the upward revisions to the EU and Russian output forecasts. At 142 Mt, the revised forecast for 2023-24 world barley production is down 1% from the August forecast and down 6% from 2022-23 and the previous five-year average. Supply will be the lowest in five years. Ending stocks will be at an all-time low.

Corn

For 2022-23, total domestic use is predicted at 14.9 Mt, down sharply from last year, primarily on lower feed use on the Canadian Prairies. Imports are forecast at 2.1 Mt, down sharply from 6.1 Mt shipped last year but up 4% from the previous five-year average. Exports are forecast at 2.9 Mt, a substantial increase from last year and average, also a record

high, primarily due to ample domestic supply and strong exports to some European countries (Ireland, Spain, United Kingdom, etc.) and the US. Carry-out stocks are projected at 1.65 Mt, down sharply from last year's record high and average, also the lowest since 2014-15.

The Chatham corn price for the entire crop year averaged at $300/t, the second highest on record and down only about $10/t from the prior year's record high but up almost $80/t from the previous five-year average. By comparison, the US corn farm price for 2022-23 averaged by the USDA at US$6.55/bu (US$258/t). This is US$0.55/bu (US$22/t) higher than 2021-22 and US$2.34/bu (US$92/t) higher than the previous five-year average, also the second highest on record, after the highest of US$6.89/bu (US$271/t) seen in 2012-13.

For 2023-24, Canadian producers seeded 1.55 Mha of corn, 6% and 5%, respectively, higher than the 2022-23 and average levels. Approximately 59% of the corn acreage was seeded in Ontario, 23% in Quebec, 14% in Manitoba, and 3% in other provinces.

Canadian corn yield for 2023-24 is forecast by STC at 9.93 t/ha, declining by 1% y/y but 2% above the previous five-year average. Average corn yield in Eastern Canada is expected to remain good, improving from last year and the five-year average while near-drought conditions in Western Canada have seriously hurt local corn yields. Production is forecast at 14.9 Mt, up 3% from last year and up 7% from the five-year average, as a result of a combination of expanded seeded area in Western Canada and good yield potential in Eastern Canada.

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, down slightly y/y but still well above the five-year average. Total domestic use is forecast to increase by 4% y/y due to an increase in feed use more than offsetting a decline in industrial use. Exports are projected to decline on prospects for a larger global corn crop but remain above average. Carry-out stocks are projected at 2.2 Mt, up from 2022-23's low but still 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 173.8 bushel/acre (10.91 t/ha), which is only slightly above that in 2022-23 and the previous five-year average. However, due to an upward revision in seeded area, production was revised slightly higher to reach over 15 billion bushels (384 Mt). This is 10% and 7% above the 2022-23 and average levels, respectively, and is also the second-largest corn crop on record for this country. Demand is expected to grow from last year, with a growth of 3% for domestic use and 23% for exports. Ending stock projection is higher than that of last month and is well above the 2022-23 and average levels, also the third largest. The average farm price is projected at US$4.90/bushel (US$193/t), unchanged from the August projection but down sharply from the $6.55/bu ($258/t) for 2022-23 and the $6.00/bu ($236/t) for 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 about 5% from the 2022-23 and average levels, also the second highest on record. Although demand is predicted to increase y/y to an all-time high, ending stocks are predicted to rise y/y to a five-year high.

Oats

For 2022-23, supply of oats stood at 5.6 Mt, up 56% y/y on production recovery after the drought in the previous year. Total domestic use, of which about 90% was for animal feed, sits 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 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.

For 2023-24, Canadian producers seeded 1.02 Mha of oats, sharply lower than last year and the lowest on

record. Approximately 41% of the oat area was planted in Saskatchewan, 28% in Alberta, 19% in Manitoba, and 13% in other provinces.

Canadian oat yield for 2023 is forecast by STC at 2.94 t/ha, sharply below that in 2022 and the average, although higher than that in 2021. This, along with significantly lower area, is expected to lead to a record low 2023 production of 2.44 Mt, which is 53% and 40%, respectively, below last year and the average.

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 significantly y/y due to the expected tight North American oat supplies, despite lower row crop prices predicted for 2023-24.

For the 2023-24 US oat crop, the USDA did not make any revisions to the supply, demand, and price forecasts. The US oat production has been trending downward and for 2023-24, it is expected to decline by 14% y/y to 49 million bushels (0.72 Mt), which is 9% below the previous five-year average. Although demand is expected to fall, ending stocks will be at a ten-year low. The farm price is projected at US$3.30/bushel (US$227/t), unchanged from the August projection and down notably from 2022-23 and 2021-22, but still significantly higher than those in the years from 2015-16 to 2020-21.

The global oat production forecast for 2023-24 is estimated by the USDA at 21 Mt, well below 2022-23 and average levels. Ending stocks are expected to fall sharply y/y and be near a historical low.

Rye

For 2022-23, supply of rye stood at 605 thousand tonnes (Kt), up 31% y/y on large production. Total domestic use, of which about 80% was for animal feed, sits at 301 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 producers seeded 188 thousand hectares (Kha) of rye, 21% and 4%, respectively, below last year and the average. Approximately 45% of the seeded area is in Eastern Canada and the remainder is in Western Canada.

Canadian rye yield for 2023-24 is forecast by STC at 2.99 t/ha, a significant decrease compared to last year and the average. Production is projected at 353 Kt, down 32% from last year and 10% from the average. Due to the smaller production partly offset by larger carry-in stocks, total supply in 2023-24 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 80 Kt, down sharply y/y, but still a comfortable level.

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.

The global rye production forecast for 2023-24 is pegged by the USDA at 12 Mt, 5% below 2022-23 and average levels. US rye production is estimated to reach an all-time high. Although global demand is predicted to decline y/y, world ending stocks are expected to continue to fall y/y to a record low; however, US rye ending stocks will remain ample.

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Oilseeds

Canola

For 2022-23, total carry-out is estimated at 1.51 million tonnes (Mt) based on commercial stocks of 1.0 Mt and farm stocks of 0.49 Mt. Total disappearance is estimated at 18.6 Mt on a crush of 9.96 Mt and exports of 7.95 Mt. Total supplies are estimated at 20.1 Mt on production of 18.7 Mt, carry-in of 1.3 Mt, and imports of 0.12 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, canola production is estimated at 17.4 million tonnes by Statistics Canada; down 7% from the 18.7 million tonnes grown last year and a drop of 7% from the five-year average output of 18.6 million tonnes. The decline in production was largely due to lower yields resulting from significantly drier than normal growing conditions across the Western Prairies. Yields are an expected 1.96 tonnes per hectare (t/ha), the lowest in 10 years except for the drought-reduced 1.59 t/ha grown in 2021-22. In comparison, 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 8.94 million hectares (Mha) for 2023-24 versus 8.66 Mha for 2022-23 and the five-year average of 8.78 Mha.

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

Total domestic use is estimated down 4% as the tighter domestic supplies constrain domestic processing with the crush expected to rise to 10 Mt, marginally above the volume crush in 2022-23 on strong world demand for canola oil and the ongoing expansion in processing capacity. Seed and loss in handling estimates remain steady at minor levels while feed, waste and dockage declines sharply from previous years. The negative feed, waste and dockage estimate from the August release of the Outlook was amended by a significant upward revision to canola production for the 2021-22 and 2022-23 crop years.

Despite the strong start to the crop year resulting from elevated carry-in stocks, exports are expected to fall slightly from last year to 7.7 Mt under pressure from tight Canadian stocks and large world supplies. The strength of Chinese import demand remains the largest source of uncertainty in the export forecast as historically, imports have fluctuated significantly from one year to the next.

Carry-out stocks are estimated at a relatively tight 1.0 Mt, which is down 34% from last year and 60% from the five-year average. The expected simple average price, No. 1 track Vancouver is $815/t; down from $857/t in 2022-23 but above the five-year average of $729/t.

Factors to watch are: (i) speed of the Canadian harvest, (ii) canola yields, (iii) oil content and grade distribution of the canola crop, (iv) US soybean harvest pace, (v) US soy oil and soymeal prices, (vi) strength of Chinese buying, and (vii) South American planting intentions.

Flaxseed

For 2022-23, carry-out stocks are estimated at 0.22 Mt, versus 82,000 t last year and the five-year average of 78,000 t. Canadian supplies of flaxseed are estimated at 0.57 Mt, up 39% from last year. Exports are estimated at 0.19 Mt, a drop of 13% from 2021-22, on reduced Asian buying. Exports through licensed handling facilities are sharply lower than last year with most shipments headed to the US. Total domestic use is forecast at 0.16 Mt, versus 0.11 Mt for 2021-22, on higher feed, waste, and dockage. Flaxseed prices are estimated at $635/t versus $1,206/t for 2021-22.

For 2023-24, flaxseed production is estimated at 268 thousand tonnes (Kt) down 43% from the 473 Kt grown for 2022-23 and for the five-year average. Production is the lowest since 1967-68; the decline for this crop year is due to a combination of lower seeded area and lower 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 the 1.52 t/ha achieved for 2022-23 and the five-year average of 1.36 t/ha.

Total supplies of flaxseed are forecast at 497 Kt, versus 569 Kt for 2022-23 and the 567 Kt average over the previous five years, as a decline in output is moderated by the sharp rise in carry-in stocks to 220 Kt. Total domestic use is forecast to decline by 38% 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. The simple average price for flaxseed No.1, in-store, Saskatoon cash is forecast at $575/t versus $635/t for 2022-23 and the five-year average of $710/t.

Soybeans

For 2022-23, Canadian supplies of soybeans increased to 7.3 Mt on higher production and carry-in combined with stable imports. Production was 6.5 Mt, versus 6.2 Mt in 2021-22.

Exports are estimated up by 6%, to 4.5 Mt, with shipments headed to a diverse group of countries. Year-on-year shipments out of the country through licensed handling facilities are up 9%. Domestic processing is forecast steady to slightly higher at 1.9 Mt from the 1.86 Mt processed last year. Carry-out stocks are forecast up from last year at 0.35 Mt versus the five-year average of 0.45 Mt.

Canadian soybean prices are forecast to rise to $701/t as a weaker Canadian dollar offsets the large US and Brazilian crops.

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 up 3% from last year to 7.52 Mt but are slightly under the five-year average of 7.62 Mt on a steady carry-in of stocks and stable import pace.

Total domestic use is forecast to fall slightly on a steady crush of 1.9 Mt and on lower feed, waste, and dockage. Exports are up 0.3 Mt from 2022-23, to 4.8 Mt and are 0.17 Mt above the five-year average. Carry-out stocks are forecast at 0.30 Mt for a stocks-to-use ratio of 4%. The Canadian simple average price for soybeans, track Chatham, is forecast to fall by $21/t from last year to $680/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 by reducing total output by 2.8 Mt while lowering soybean production by 1.5 Mt. US soybean production declined from last month to 112.9 Mt (4.15 billion bushels (Bbu)) as declining yields were partly offset by higher planted area. Supplies are down 1.91 Mt (70 Mbu) from last month as the drop in output is moderated by slightly higher beginning stocks.

US soybean crush and exports are forecast at 62.3 Mt (2.29 Bbu) and 48.7 Mt (1.79 Bbu), respectively. Ending stocks fall to 6.0 Mt (0.22 Bbu) from 6.8 Mt (0.25 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).

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Pulse and Special Crops

Dry Peas

For 2022-23, exports were significantly higher than the 2021-22 level at 2.55 million tonnes (Mt) due to increased shipments to China and Bangladesh despite lower demand from US. Domestic use was higher compared to the previous year. The average dry pea price was $440/tonne (t), falling sharply from 2021-22 due to higher global supply and an increase in Canadian carry-out stocks.

For 2023-24, Canadian dry pea production is estimated by Statistics Canada (STC) to fall by 34% from 2022-23, to 2.3 Mt, largely due to lower yields. Saskatchewan and Alberta are expected to account for 51% and 40% of the dry pea production, respectively, with the remainder in Manitoba, British Columbia, and Eastern Canada. As a result, total supply is forecast to fall by 1.0 Mt despite higher carry-in stocks. Exports are forecast to fall to 1.9 Mt, with China, the US and Bangladesh continuing to be Canada's top markets. Carry-out stocks are forecast to fall sharply. The average price is expected to be lower than 2022-23, at $400/t, due to similar world supply and despite the decrease in carry-out stocks in Canada.

In the US, area seeded to dry peas for 2023-24 is forecast by the United States Department of Agriculture (USDA) to rise by 3% from 2022-23, to 0.95 million acres. This is largely due to a rise in area in North Dakota and Montana. With lower abandonment and higher yields, US dry pea production is forecast by the USDA to rise 14% to 0.78 thousand tonnes (Kt). The major US export markets for dry peas, were China, Canada, the Philippines, and Yemen.

Lentils

For 2022-23, lentil exports rose to 2.3 Mt, up 41% from the previous year. Of this, 1.8 Mt were red lentil types, with 0.7 Mt consisting of the green lentil types. The leading export markets were Turkey, India and the United Arab Emirates. Total domestic use was lower than the previous year at 0.2 Mt. Carry-out stocks fell sharply to below 0.15 Mt. The average Canadian lentil price was significantly lower than 2021-22 at $820/t. No.1 large green lentil prices maintained a crop year premium of $350/t over No.1 red lentil prices.

For 2023-24, lentil production is estimated to fall by 33% to 1.54 Mt due to lower yields. Below-average yields are expected, with the majority of the decrease being red lentil types. Seeded area was also lower, contributing further to the decline in output. By province, Saskatchewan is expected to account for 86% of the lentil production and 14% in Alberta. With the sharp fall in production, total supply is forecast to decrease by nearly 1.0 Mt to below 1.8 Mt. Exports are forecast to be lower at 1.4 Mt. Carry-out stocks are expected to be similar at 0.15 Mt. The average price for all grades is forecast to be significantly higher than 2022-23 at $950/t, due to unchanged carry-out stocks and expectations for a decrease in world supply.

In the US, the area seeded to lentils for 2023-24 is forecast by the USDA at 0.55 million acres, 17% lower than 2022-23, due to reduced plantings in Montana and North Dakota. However, with higher yields and lower abandonment, US lentil production is forecast by USDA at 0.26 Mt, up 4% from last year. The main US export markets for lentils are expected to continue to be Canada, Mexico, and the EU, particularly Spain.

Dry Beans

For 2022-23, dry bean exports were higher than 2021-22 at 368 Kt. The EU and the US were the top two markets for Canadian dry beans, with smaller volumes exported to Angola, Japan and Mexico. A larger North American crop provided the majority of the pressure for the lower Canadian dry bean prices in 2022-23.

For 2023-24, Canadian production is forecast to fall by 12% to 277 Kt, due to a decrease in yields, despite higher area. By province, Manitoba is expected to account for 36% of the dry bean production, Ontario 39% and Alberta 25%. Total supply is expected to decrease by 17%, due to lower carry-in stocks. Exports are forecast to be lower than the previous year. However, carry-out stocks are also expected to fall. The average Canadian dry bean

price is forecast to fall to $1,140/t, due to similar expected supply in North America.

In the US, area seeded to dry beans is forecast by the USDA to decrease marginally to 1.24 million acres, largely due to lower area seeded in North Dakota and Minnesota. Total US dry bean production for 2023-24 is forecast by the USDA at 1.0 Mt, 12% lower than in 2022-23.

Chickpeas

For 2022-23, Canadian chickpea exports rose from the previous year to a record 229 Kt. Record demand from the US, the EU and Turkey were behind the rise in exports. With the lower supply and the increase in exports, carry-out stocks fell sharply from the previous year. The average price increased to $1,000/t.

For 2023-24, production is forecast to rise marginally to 134 Kt, as sharply higher area has been offset by below average yields. By province, Saskatchewan is expected to account for 89% of the chickpea production, with 11% in Alberta. Total supply is forecast to fall by 37% to 0.21 Mt due to lower carry-in stocks. Exports are forecast to be sharply lower than 2022-23, however, due to the lower supply, carry-out stocks are expected to decrease for the third consecutive year. The average price is forecast to be unchanged at $1,000/t despite expectations for a larger world chickpea supply.

US chickpea area for 2023-24 is forecast by the USDA to rise by 8% to 0.38 million acres. With higher yields and lower abandonment, 2023-24 US chickpea production is forecast by USDA at 225 Kt, up 36% from the previous year. The main export markets are Pakistan, the EU, and Canada.

Mustard Seed

For 2022-23, Canadian mustard exports were higher at 124 Kt, compared to the previous year, with the US and the EU as the top two markets. Despite increased exports, higher supply resulted in carry-out stocks rising to 40 Kt. Prices fell sharply for all mustard seed types, due to pressure from increased domestic stocks.

For 2023-24, production is estimated at 168 Kt, marginally higher than last year, as an increase in area was partly offset by lower yields. Supply is expected to rise by 13% to 0.22 Mt, as higher carry-in stocks are offset by the fall in output. Exports are expected to be similar at 125 Kt, with the US and the EU as the main markets for Canadian mustard seed. Carry-out stocks are forecast to rise sharply. The average price is forecast to fall from 2022-23 to $1,770/t.

Canary Seed

For 2022-23, exports were higher than the previous year at 151 Kt. This was due to higher exports to Mexico and the EU. The average price decreased by 20% to $900/t with similar Canadian carry-out stocks.

For 2023-24, production is estimated at 124 Kt, down 22% from last year, due to lower yields and area. Supply is forecast to decrease by 16%, with similar carry-in stocks. Exports are forecast to be limited by supply, with the EU and Mexico as the main markets, followed by the US. The average price is forecast to be higher than 2022-23 at $950/t in line with expectations for tighter carry-out stocks.

Sunflower Seed

For 2022-23, sunflower seed exports were lower at 21 Kt due to decreased demand from the US. As a result, carry-out stocks rose. The total average Canadian price for sunflower seed decreased notably from the previous year due to weaker oilseed type prices.

For 2023-24, production is estimated at 78 Kt, lower than last year, as higher abandonment is expected to result in lower harvested area with similar yields as the previous year. Supply is expected to rise by 8% and exports are forecast to be higher at 35 Kt. The US remains Canada's main export market for sunflower seed. As a result of the increase in supply, carry-out stocks are forecast to rise to 160 Kt. Sunflower seed prices are forecast to fall, to $700/t with lower prices for oil and higher prices for confectionery types.

For 2023-24, area seeded to sunflower seed in the US is forecast by the USDA at 1.35 million acres, down 20% from 2022-23, due to lower area seeded in North and South Dakota. The area seeded is expected to fall to 1.18 million acres for oil type

varieties and rise to 0.16 million acres for confectionery type varieties. Assuming similar yields and abandonment, 2023-24 US sunflower seed production is forecast by AAFC to fall sharply to 0.95 Mt.

For 2023-24, the global supply of sunflower seed is estimated by the USDA at 64.3 Mt, which is marginally lower than last year, due to lower carry-in stocks from the Black Sea region. World exports are expected to fall to 3.7 Mt while and domestic use rise to a record 56.4 Mt. World carry-out stocks are expected to fall to 4.2 Mt, down 15% from the previous year.

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CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

September 25, 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
2022-2023f	2,431	2,399	2.41	5,790	2	6,361	5,132	193	406	832	397	445
2023-2024f	2,442	2,363	1.72	4,059	25	4,480	3,300	200	367	780	400	460
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
2022-2023f	7,844	7,683	3.72	28,545	64	31,702	20,400	3,250	3,994	8,114	3,188	401
2023-2024f	8,495	8,287	3.11	25,776	100	29,064	18,000	3,200	3,837	7,864	3,200	370
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	
2022-2023f	10,274	10,082	3.41	34,335	65	38,063	25,532	3,443	4,400	8,946	3,584	
2023-2024f	10,936	10,650	2.80	29,835	125	33,544	21,300	3,400	4,204	8,644	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
2022-2023f	2,851	2,636	3.79	9,987	25	10,554	4,010	110	5,472	5,836	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	1,746	5,797	12,617	18,430	2,746	312
2022-2023f	1,466	1,444	10.07	14,539	2,100	19,384	2,850	5,800	9,069	14,884	1,650	300
2023-2024f	1,548	1,503	9.93	14,932	3,000	19,582	1,850	5,500	10,016	15,532	2,200	245
Oats												
2021-2022	1,502	1,214	2.39	2,899	25	3,580	2,310	97	706	938	333	565
2022-2023f	1,593	1,402	3.73	5,226	22	5,581	2,683	91	1,445	1,623	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
2022-2023f	237	152	3.42	520	1	605	200	41	243	301	105	287
2023-2024f	188	118	2.99	353	2	459	154	39	169	225	80	240
Mixed Grains												
2021-2022	203	91	2.39	218	0	218	0	0	218	218	0	
2022-2023f	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	6,880	6,204	17,900	24,520	3,705	
2022-2023f	6,286	5,705	5.34	30,475	2,148	36,328	9,742	6,042	16,433	22,848	3,738	
2023-2024f	5,865	5,172	4.97	25,703	3,227	32,668	7,384	5,958	15,762	22,104	3,180	
Canola												
2021-2022	9,016	8,949	1.59	14,248	105	16,129	5,248	8,555	938	9,556	1,325	1,075
2022-2023f	8,659	8,596	2.17	18,695	121	20,140	7,948	9,961	661	10,687	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	815
Flaxseed												
2021-2022	416	404	0.83	337	12	408	220	N/A	93	107	82	1,206
2022-2023f	315	312	1.52	473	14	569	192	N/A	146	158	220	635
2023-2024f	247	242	1.11	268	10	497	300	N/A	78	97	100	575
Soybeans												
2021-2022	2,154	2,134	2.92	6,224	552	7,072	4,255	1,858	451	2,529	287	678
2022-2023f	2,135	2,118	3.09	6,543	500	7,330	4,500	1,900	380	2,480	350	701
2023-2024f	2,279	2,278	2.95	6,722	450	7,522	4,800	1,900	322	2,422	300	680
Total Oilseeds												
2021-2022	11,585	11,486	1.81	20,809	669	23,609	9,723	10,413	1,481	12,192	1,694	
2022-2023f	11,108	11,026	2.33	25,711	634	28,039	12,640	11,861	1,187	13,325	2,075	
2023-2024f	11,461	11,363	2.14	24,359	560	26,994	12,800	11,900	624	12,794	1,400	
Total Grains And Oilseeds												
2021-2022	27,831	26,578	2.57	68,314	7,224	87,250	31,669	20,078	24,690	46,519	9,061	
2022-2023f	27,669	26,814	3.38	90,521	2,847	102,429	47,914	21,346	22,019	45,118	9,397	
2023-2024f	28,263	27,185	2.94	79,897	3,912	93,206	41,484	21,258	20,589	43,542	8,180	

(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 and 2023-24 which are STC

CANADA: PULSE AND SPECIAL CROPS SUPPLY AND DISPOSITION

September 25, 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	2,831	1,912	580	339	14%	590
2022-2023f	1,363	1,348	2.54	3,423	36	3,798	2,552	748	498	15%	440
2023-2024f	1,233	1,204	1.89	2,272	30	2,800	1,900	625	275	11%	400
Lentils											
2021-2022	1,700	1,675	0.95	1,594	51	2,083	1,602	258	223	12%	970
2022-2023f	1,749	1,715	1.34	2,301	88	2,611	2,256	208	147	6%	820
2023-2024f	1,485	1,463	1.05	1,542	75	1,764	1,400	214	150	9%	950
Dry Beans											
2021-2022	172	162	2.25	364	71	540	324	76	140	35%	1,210
2022-2023f	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%	1,140
Chickpeas											
2021-2022	90	88	1.04	91	30	395	176	64	155	65%	975
2022-2023f	95	95	1.35	128	44	327	229	71	27	9%	1,000
2023-2024f	128	124	1.08	134	45	207	120	72	15	8%	1,000
Mustard Seed											
2021-2022	117	110	0.55	61	9	130	92	22	16	14%	2,885
2022-2023f	225	219	0.74	162	12	190	124	26	40	27%	2,140
2023-2024f	258	248	0.68	168	7	215	125	25	65	43%	1,770
Canary Seed											
2021-2022	122	121	1.05	127	0	201	139	8	54	37%	1,125
2022-2023f	118	117	1.36	159	0	213	151	7	55	35%	900
2023-2024f	104	101	1.22	124	0	179	135	9	35	24%	950
Sunflower Seed											
2021-2022	37	37	2.04	75	37	228	41	68	118	108%	900
2022-2023f	38	38	2.24	84	41	243	21	71	151	163%	800
2023-2024f	40	35	2.23	78	35	263	35	68	160	155%	700
Total Pulse And Special Crops (c)											
2021-2022	3,798	3,698	1.23	4,555	227	6,407	4,286	1,076	1,045		
2022-2023f	3,707	3,649	1.80	6,570	290	7,905	5,701	1,206	998		
2023-2024f	3,377	3,294	1.39	4,595	267	5,860	4,035	1,090	735		

(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 and 2023-24 which are STC