Agriculture and Agri-Food Canada / Agriculture et Agroalimentaire Canada

CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS — *December 15, 2023*

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) November outlook for the 2023-2024 crop year. For most crops in Canada, the crop year starts on August 1 and ends on July 31, although for corn and soybeans, the crop year starts on September 1 and ends on August 31. Uncertainty in the world's grain markets remains above normal as a result of Russian aggression against Ukraine.

For 2023-2024, the outlook incorporates the results of Statistics Canada's (STC) November Farm Survey of crop production, which was released on December 4, 2023, and was based on a survey of approximately 27,200 farmers that was conducted from October 6 to November 12, 2023. These are the last official estimates for crop production from STC in 2023 and replace the model-based estimates that were released on September 14, 2023.

Production of all principal field crops is estimated at 89.5 million tonnes (Mt) in 2023, down 7.5% from 2022 and 2.2% below the 2018-2022 average. The decrease in production can be largely attributed to a reduction in yields due to drought conditions encountered in Western Canada, with regions in south-eastern Alberta and south-western Saskatchewan especially hard hit. Despite the challenging growing conditions, production in Western Canada fell less than expected and was higher than STC's model-based estimates released in September, declining 10.2% compared to the previous year and 4.3% below the 2018-2022 average. In contrast, Eastern Canada received normal to above normal precipitation throughout the growing season; overall, production was marginally up by 0.8% compared to 2022.

By major crop commodity groups, all wheat production is estimated to have fallen 6.9% year-over-year to 32.0 Mt in 2023. Marginally smaller oilseed output is also expected, down 0.5 % to 25.3 Mt. Production of coarse grains is estimated to have decreased 11.0% to 27.1 Mt due to lower yields as well as a large decline in harvested area for oats. Production of pulses and special crops is projected to have declined 21.8% from 2022 to 5.1 Mt in 2023 due to both lower yields and harvested area for lentils and dry peas, the largest crops in this category.

In general, crop prices are forecast to remain relatively strong for 2023-24. The prices for most crops are forecast down year-over-year, however, the prices for durum, oats, lentils, dry beans, chickpeas, and canary seed are projected to increase. At this time, the price forecasts are subject to significant volatility due to the elevated amount of uncertainty in global markets.

The next AAFC Outlook for Principal Field Crops is scheduled to be released on January 22, 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	27,831	26,578	2.57	68,314	7,225	87,250	31,866	46,320	9,064
2022-2023	27,668	26,814	3.38	90,521	2,863	102,448	47,453	45,520	9,475
2023-2024f	28,255	27,269	3.09	84,385	3,292	97,151	43,278	44,728	9,145
Total Pulse and Special Crops									
2021-2022	3,798	3,698	1.23	4,555	227	6,403	4,286	1,072	1,045
2022-2023	3,707	3,649	1.80	6,570	284	7,900	5,637	1,262	1,001
2023-2024f	3,376	3,309	1.55	5,137	297	6,435	4,250	1,200	985
All Principal Field Crops									
2021-2022	31,629	30,276	2.41	72,869	7,451	93,652	36,152	47,391	10,110
2022-2023	31,376	30,462	3.19	97,091	3,147	110,347	53,090	46,782	10,476
2023-2024f	31,631	30,579	2.93	89,522	3,589	103,586	47,528	45,928	10,130

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

All Wheat

Durum

For 2023-24, production of Canadian durum is estimated at 4.0 million tonnes (Mt), 30% less than last year's volume, due to dry and hot weather throughout the growing season. Statistics Canada's (STC) December estimate was revised down from the 4.1 Mt forecast in their September report. Average yield is estimated at 1.7 tonnes per hectare (t/ha), down from 2.4 t/ha last year. Saskatchewan accounted for 80% of the production, Alberta for 18%, 1% in Manitoba, with the remainder in Ontario and Quebec who have been trialing durum production over the last few years. Total supply is forecast at 4.5 Mt, 30% less than in 2022-23.

The average quality, in terms of grades, is relatively on par with 2022-23, but above the last five-year average. According to Canadian Grain Commission's (CGC) sample survey analysis to November 9, 2023, 82% of the durum graded No. 1 and 2 and another 15% graded No. 3. The protein content averaged 14.6% compared to 14.8% last year.

Domestic use is forecast to drop marginally to 0.8 Mt with a reduction in feed use. Carry-out stocks are forecast to rise 10% from the record-low level set in 2022-23; they are pegged at 0.45 Mt. The export forecast is lowered 3% from the November estimate because of sluggish exports to-date. According to STC, Canada shipped 0.6 Mt of durum from August to November 2023, 29% less than for the same time period in 2022-23 and 30% below average levels.

According to the International Grains Council, world durum production is forecast to fall to 31.4 Mt in 2023-24, down 9% compared to the previous year due to dry weather curbing yields in North America, North Africa, and Europe. Total supply is forecast at 38.7 Mt, down 8% year-on-year. Consumption is forecast down 3% compared to 2022 levels despite an uptick in trade. Global exports are forecast to grow by 0.1 Mt to 9.1 Mt in 2023-24 thanks to an increase in shipments from Turkey at globally competitive prices. Closing stocks are currently pegged at 4.9 Mt, with major exporters' share dropping to 2.0 Mt, the lowest since 1997-98.

The US durum supply is estimated at 3.5 Mt, down 8% compared to 2022-23. Despite the reduction, exports are anticipated to grow to 0.7 Mt while ending stocks are pegged at 0.5 Mt, down from 0.8 Mt the year before.

The average spot price for Canadian Western Amber Durum No. 1, 13% protein content in Saskatchewan for the 2023-24 crop year is forecast at $475/tonne.

Wheat (excluding durum)

For 2023-24, Canadian wheat production declined by 2% from 2022-23 to 27.9 Mt due to lower-than-expected yields in Western Canada caused by dry and hot weather. The harvest, however, is 7% above average levels. STC's final production number is 8% higher than its September estimate. Saskatchewan is the largest producer of wheat in Canada accounting for 39% of the total, followed by Alberta (30%) and Manitoba (18%). Ontario made up 10% of total production while the remaining 3% is scattered throughout Quebec, the Maritimes, and British Columbia.

Production by class of wheat, with 2022-23 production in brackets, is estimated at: winter (hard red, soft red and soft white) 3.15 Mt (2.70 Mt); Canada Western Red Spring (CWRS), premium quality hard wheat, 20.25 Mt (21.23 Mt); Canada Prairie Spring (CPS) 2.56 Mt (2.27 Mt), Canada Northern Hard Red Spring (CNHR) 0.95 Mt (0.89 Mt); soft white spring (CWSWS) 0.41 Mt (0.55 Mt), other Western spring wheat 0.40 Mt (0.60 Mt), Eastern spring wheat, mainly hard red spring (CERS), 0.18 Mt (0.29 Mt).

The average quality for CWRS wheat, in terms of grades, is better in 2022-23 and better than the past five-year average. According to CGC's sample survey analysis to November 9, 2023, 97% of the CWRS wheat graded No. 1 and 2 while only 1% of samples graded as feed. The protein content averaged 13.8%, just marginally lower than last year's 13.9%. CWRS is the most common wheat class grown in Canada accounting for 77% of total Canadian wheat production and 85% of the wheat grown across the Prairies.

Total supply is forecast at 31.3 Mt, down 1% from 2022-23, but 2% more than the last five-year average. Exports are raised 11% from last month's report, to 20 Mt, as Canadian wheat continues to move swiftly to international markets. Domestic use is forecast at 7.8 Mt, relatively in line with 2022-23. Carry-out stocks were raised to 3.5 Mt, up from the historically low levels of 2022-23, but still 14% below average.

According to the United States Department of Agriculture's most recent World Agricultural Supply and Demand Estimates (WASDE) report, total world wheat supply (including durum) is projected at 1,052.9 Mt, up 1.3 Mt compared to last month's report, on account of higher production estimates for Canada and Australia. However, it is still 6.7 Mt below last year's volume and 11.7 Mt shy of total global use. Consumption for 2023-24 is raised 1.8 Mt to 794.7 Mt. Global trade is forecast to reach 207.2 Mt, up 2.2 Mt from the October report, but 6% below 2022-23 levels. Ending stocks are pegged at 258.2 Mt, the lowest since 2015-16.

US all wheat production rose by 4.4 Mt from 2022-23 to 49.3 Mt. Supply is forecasted at 69.1 Mt, up 3% year-over-year as the higher production is countered by low carry-in stocks. Exports are forecast to decline to 17.7 Mt (20.7 Mt last year) and ending stocks are forecast at 17.9 Mt, 13% more than opening levels.

The 2023-24 forecasted average spot price for CWRS 1, 13.5% protein in Saskatchewan remains unchanged at $350/tonne.

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Coarse Grains

Barley

For 2023-24, Canadian barley production is estimated at 8.9 million tonnes (Mt) by Statistics Canada (STC) in its December survey-based yield and production estimates report. The survey-based result is more than 1.0 Mt (13%) higher than the September model-based estimate, primarily reflecting larger-than-expected output in the Prairies, as a result of better-than-expected yields and higher-than-expected harvested area. Production estimates for Ontario and British Columbia were also revised higher. Alternatively, the Atlantic provinces and Quebec experienced a decline compared to the September estimates due to lower-than-expected yields and harvested area. Despite the upward revision, Canadian barley production is down 11% year-over-year (y/y) and 4% below the previous five-year average, mainly reflecting notable output declines in Alberta and Saskatchewan, as a result of significantly reduced yields.

Supply for 2023-24 is estimated at 9.7 Mt, down 8% from 2022-23 and 6% below the five-year average, largely due to production issues this year. Total demand is expected to decline y/y, reflecting weaker export prospects, while remaining stable for domestic feed consumption. Carry-out stocks are projected at 0.75 Mt, up by 6% y/y and in line with the five-year average.

For the first three months (August – October) of the current crop year, Canada exported 396 thousand tonnes (Kt) of barley, according to the monthly trade data from STC. This volume is significantly lower than those in the same period of the past three years, and below the previous five-year average. The main destination was China, accounting for more than 85% of the volume. The majority of the remaining exports went to the US. Malt exports remained relatively stable at 48 Kt per month, which is 19% and 7% above the levels from last year and the five-year average, respectively. The major destinations have been the US, Japan, Mexico, and South Korea.

The Lethbridge barley price weakened throughout November and settled below $330/tonne (t) in the week ending December 1, approaching the lowest in more than two years. The weakness was mainly related to the large amount of competitively priced US corn imports and weak exports. For 2023-24, the average Lethbridge barley price is projected at $340/t, lower than the highs seen in the previous two years. Nevertheless, this level remains historically high.

Worldwide, the United States Department of Agriculture (USDA) December supply and demand report shows improved 2023 barley production in Australia and the EU, with the export outlook unchanged. However, barley supplies and exports from Australia and the EU in 2023-24 are expected to be the lowest in recent years.

Corn

For 2023-24, Canadian corn production is estimated by STC at 15.1 Mt, slightly higher than the September estimate of 14.9 Mt. This is mostly due to increases in yield and production estimates for Manitoba while these estimates declined for Ontario and Quebec. So far, 2023-24 corn production is up by 4% y/y and 8% above the previous five-year average; this is primarily reflecting good output in Manitoba and Ontario as a result of expanded seeded area in Manitoba and improved average yield for Ontario.

Due to a sharp decrease in carry-in stocks offsetting the increase in production and imports, total supply for 2023-24 is projected at 19.2 Mt, down 1% y/y but up by 3% from the five-year average. Total domestic use is forecast to increase slightly y/y due to an expected increase in feed and industrial use. Carry-out stocks are projected at 2.0 Mt, up 23% from 2022-23's low but would still remain 11% below the five-year average.

For the first two months (September – October) of the current crop year, Canada imported 475 Kt of corn (almost completely from the US); of which, over 95% was destined for the Western provinces. Imports for the entire crop year are projected at 2.5 Mt, increasing y/y and above the five-year average. During the same period of September to October, Canada exported 85 Kt of corn, almost all to the US, with the remainder to the Netherlands and the United Kingdom. Exports for the entire crop year are projected at 1.85 Mt, decreasing y/y on prospects for

larger global corn output, but remaining above the five-year average.

The Chatham corn spot price softened throughout November as a result of a continued decline in basis. The average Chatham corn price settled below $220/t during the week ending December 1, approaching the lowest in over two and half years. For 2023-24, the average price is projected to fall y/y to $230/t due to the expected decline in US corn futures prices for the year.

For 2023-24 US corn supply and demand, there were no significant revisions made by the USDA, except for a slight increase to the export forecast. The average farm price projection remained at US$4.85/bushel (US$191/t), which is sharply lower from 2022-23 and 2021-22, but higher from 2013-14 to 2020-21.

Worldwide, the 2023-24 corn production projections for Argentina and Brazil were unchanged and increased by 1.0 Mt for Ukraine and Russia and by 0.3 Mt for the EU, while they decreased by 1.0 Mt for Mexico. Global corn production, supply, and demand in 2023-24 are anticipated to reach an all-time high. Ending stocks are predicted to rise significantly y/y to a five-year high.

Oats

For 2023-24, Canadian oat production is estimated by STC at 2.64 Mt, up by 8% from the September estimate of 2.44 Mt. This primarily reflects larger-than-expected output in the Canadian Prairie provinces (as a result of improved yields) despite a decline in combined harvested area. Production estimates for Ontario and Quebec were also revised higher. In contrast, the Atlantic provinces and British Columbia experienced a decline from the September estimates. Despite the upward revision, Canadian oat production is down 50% y/y and 35% below the five-year average, largely due to considerably reduced output in the Prairies provinces, as well as in Ontario and Quebec, as a result of sharply lowered seeded area and a significant decline in yields.

Total supply for 2023-24 is projected at 3.94 Mt, down sharply from last year and the five-year average, largely due to a significant decline in production more than offsetting plentiful carry-in stocks. Total demand, typically for feed and to a lesser extent, for exports, is expected to significantly decline y/y, following a big decline in supply. Carry-out stocks are projected at 0.45 Mt, down sharply y/y and significantly below average.

Canadian oat exports in the first three months (August – October) of the current crop year saw a continued decline, pushing the total in the aforementioned three months to 515 Kt; this is 24% more than exported in the same period last year but 7% below the five-year average. The main destinations include the US (accounting for 76% of the exports), Chile (10%), and Mexico (10%), with the majority of the remainder going to Peru, Japan, and South Korea. Product exports remained relatively stable at 45 Kt per month, which were the lowest in four years. The major destinations for oat products have been the US, Mexico, Japan, and South Korea.

Canadian Prairie oat cash prices have experienced strength since the start of the crop year, while the CBOT oat futures saw weakness during the same period, resulting in a sharp increase in the Prairie oat basis in November. For 2023-24, the CBOT oat price is projected at CAN$370/t, up notably y/y due to tight Canadian oat supplies, despite lower row crop prices predicted for 2023-24.

Rye

For 2023-24, Canadian all rye production is estimated by STC at 358 Kt, fractionally higher than the September estimate, but 31% and 8%, respectively, below last year and the five-year average. This is due to a decline in seeded area and a reduction in yield.

Total supply is pegged at 464 Kt, down 23% y/y due to a sharp decline in production more than offsetting large carry-in stocks. Nevertheless, this is only slightly below the five-year average. Domestic feed consumption is projected to decline y/y following the smaller supply. Exports are expected to stay stable, despite a strong start to the current crop year. Carry-out stocks are projected at 70 Kt, down sharply y/y but in line with the five-year average.

Canadian rye exports in the first three months (August – October) of the current crop year saw a month-over-month decline. However, they remained significantly higher than those exported in the same period of previous years, bringing the total in the

three months to 116 Kt, which is drastically above those exported in the same period last year and the five-year average. The main destination is the US, which accounts for almost all exports.

The 2023-24 rye average price on the Canadian Prairies is projected at CAN$230/t, down y/y due to lower row crop prices predicted for 2023-24.

In its December production report, STC also provided its first estimate of fall rye area seeded, which is for the 2024-25 harvest. Estimated at a total of 170 thousand hectares, the 2023 fall rye acreage is slightly down from last year due to a considerable decline in Eastern Canada more than offsetting an increase in Western Canada. The 2023 fall rye acreage is also the lowest in five years, reflecting a downward trend in rye area in recent years in both Eastern and Western Canada.

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Oilseeds

Canola

For 2023-24, production is estimated by Statistics Canada (STC) at 18.3 million tonnes (Mt), this compares to the earlier September estimate of 17.4 Mt which was based on satellite imaging technology and is slightly below the 18.7 Mt grown in 2022-23. The year-on-year decline in output is the result of variable moisture conditions across the key Prairie growing regions ranging from very dry in Alberta to pockets of excess moisture in Manitoba. By province, Saskatchewan grew 9.7 Mt of canola, Alberta (5.4 Mt) and Manitoba (3.1 Mt), with 0.1 Mt grown elsewhere in Canada.

The areas and production estimates from the November survey are considered final but are subject to change for two years and to intercensal revisions, if applicable. Historically, Statistics Canada has revised the production estimate for canola on a number of occasions.

The quality of this year's canola crop appears normal to above normal with 96% of the canola submitted to the Canadian Grain Commission's Harvest Sample survey grading No.1. The remaining 4% of the harvest samples were heavily weighted towards No.2 with a small portion grading No.3 and Sample. Crop quality across the provinces is also uniform with 96.5%, 98.6%, and 93.1% of the survey samples from Manitoba, Saskatchewan, and Alberta/British Columbia grading No.1, respectively. Oil content is averaging 43.6%, ranging from a low of 33.0% to a high of 52.6%.

Supplies for the crop year are estimated at 19.9 Mt, down marginally from 20.1 Mt for 2022-23 and the five-year average of 21.5 Mt, as a slight increase in carry-in stocks moderates the decline in production. Imports are estimated at 0.1 Mt, down slightly from the prior crop year.

Total domestic use of canola is estimated up slightly on an expected record canola crush of 10.5 Mt as the sector expands to serve US demand for renewable energy. Compared to previous years, seed and loss in handling are forecast steady at minor volumes while feed, waste and dockage declines sharply.

Exports for 2023-24 are scaled back from previous crop years to 7.7 Mt in response to the growing domestic crush and competition from large world supplies of soybeans and palm oil. Exports are concentrated in a few key markets with the strength and stability of Chinese demand for canola and co-products a key factor to monitor.

Carry-out stocks are estimated at 1.45 Mt, down marginally from last year and 58% below the five-year average, which are expected to be large enough to support a strong crush pace early in the 2024-25 crop year. The simple average price, No. 1, track Vancouver, is forecast at $730/tonne (t) (versus $857/t in 2022-23 and near the five-year average of $729/t), under pressure from declining world soybean oil prices.

Factors to watch are; (i) volatility of world vegetable oil prices, (ii) South American weather forecasts (iii) pace of domestic crush and exports (iv) strength of Chinese import demand.

Flaxseed

For 2023-24, production is estimated at 273 thousand tonnes (Kt), down 42% from 473 Kt in 2022-23 and the lowest since 1967-68 due to lower seeded area and reduced yields. Farmers seeded a modern-day, record-low of 0.25 Mha with a harvested area of 0.24 Mha. Yields were 1.14 tonnes per hectare (t/ha) versus 1.52 t/ha for 2022-23 and the five-year average of 1.36 t/ha.

Total supplies are estimated at 503 Kt (versus 567 Kt for 2022-23 and the 568 Kt average over the previous five years), as the lower output was moderated by sharply higher carry-in stocks. Total domestic use is forecast to decline by 23% on a sharp drop in feed, waste, and dockage, and stable other usage. Exports are forecast to increase to 0.25 Mt on stronger world demand and lower prices.

Carry-out stocks are forecast to fall to 150 Kt for a stocks-to-usage ratio of 43%. The simple average price for flaxseed No.1, in-store, Saskatoon cash is forecast at $580/t versus $635/t for 2022-23 and the five-year average of $710/t.

Soybeans

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. The planted and harvested area for soybeans rounded off to 2.28 Mha. Yields were 2.95 t/ha, versus 3.1 t/ha for 2022-23 and identical with 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 estimated up 4% from last year to 7.55 Mt but slightly under the five-year average of 7.61 Mt on a larger carry-in of stocks and stable imports.

Total domestic use is forecast to fall slightly despite a slight forecasted rise in crush to 1.9 Mt as feed, waste, and dockage falls sharply to about 0.32 Mt. Exports are up 14% from 2022-23 to 4.80 Mt and are 7% above the five-year average. Carry-out stocks are forecast at 0.33 Mt for a stocks-to-use ratio of 4%. The Canadian simple average price for soybeans, track Chatham, is forecast to fall by $80/t from last year to $620/t, remaining above the five-year average of $562/t.

For 2023-24, the United States Department of Agriculture (USDA) lowered its projections for world oilseed production by 0.47 Mt with 0.09 Mt of that drop occurring in the US. US soybean production was stable with November at 112.4 Mt (4.128 Bbu) on yields of 3.36 t/ha. Beginning stocks, imports, and supplies of 120.5 Mt (4.428 Bbu) are unchanged from last month.

US soybean crush and exports are forecast at 62.6 Mt (2.30 Bbu) and 47.9 Mt (1.76 Bbu), respectively. Ending stocks fall to 6.7 Mt (0.25 Bbu) from 7.3 Mt (0.27 Bbu) last year. The USDA projects the farm-gate price for soybeans at US$474.00/t (US$12.90/bu), unchanged from last month but below 2022-23 at US$521.76/t (US$14.20/bu) 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 2023-24, production decreased 24% to 2.6 million tonnes (Mt) due to lower yields and harvested area. Yields were 14% lower than the previous year due to drier conditions. Yellow and green pea types are expected to account for about 2.24 Mt and 0.3 Mt, respectively, with the remainder spread across other varieties. Supply has fallen by 17% to 3.1 Mt, due to larger carry-in stocks offsetting the reduced output. Exports are forecast to decrease to 1.9 Mt due to the fall in supply. This is expected to result in lower imports by Bangladesh. As a result, carry-out stocks are forecast to rise despite the decreased supply. The average price is expected to fall by 5% to $420/tonne (t) from 2022-23, with lower dry pea prices for yellow types, but stronger prices for all other dry pea types.

During November, the on-farm price of yellow and green pea types in Saskatchewan were unchanged. Prices have been steady with below average export demand and expectations for a smaller Indian winter pulse crop. For the crop year to-date, green dry peas prices have been maintaining a premium of $190/t above yellow dry peas. Last year, green peas were at a $65/t premium to yellow peas.

In the US, area seeded to dry peas for 2023-24 is estimated by the United States Department of Agriculture (USDA) to have risen by 3% to 0.95 million acres (0.38 Mha). This is largely due to an increase in area in North Dakota and Montana. With estimates of above average yields, US dry pea production is estimated by the USDA to rise by 14% to nearly 0.8 Mt. US dry peas compete, on a smaller scale, in Canadian export markets such as China and the Philippines.

Lentils

For 2023-24, production decreased by 27% to 1.7 Mt due largely to lower area and yields. Large green lentil production is estimated to be marginally higher than last year at over 0.3 Mt but red lentil production fell to about 1.1 Mt. Production of the other remaining lentil types is estimated to have risen to 0.25 Mt.

Supply is also expected to be 27% lower than last year due to smaller carry-in stocks, but higher imports. Exports are forecast to decrease sharply to 1.6 Mt. India and Turkey are currently the top export markets. Imports are expected to be higher than the previous year with an above-average grade distribution. Carry-out stocks are expected to fall sharply, due to the smaller exportable supply. The overall average price is forecast to rise by 21% to a record $990/t, with higher prices for all types, when compared to last year.

During the month of November, the on-farm price in Saskatchewan for No. 1 grade large green lentils rose by about $110/t when compared to last month, and the price of No. 1 red lentils was unchanged. The quality of the Canadian lentil crop is considered to be above average. There is a larger proportion in the supply of No. 1 and No. 2 grade Canadian lentils for 2023-24 when compared to last year. No. 1 large green lentil prices are forecast to maintain a premium of $585/t over No. 1 red lentil prices, versus $403/t in 2022-23.

In the US, the area seeded to lentils for 2023-24 was forecast by the USDA at 0.5 million acres (0.2 Mha), down 17% from 2022-23 due to lower area seeded in Montana. With estimates of higher yields, 2023-24 US lentil production is estimated by the USDA at 0.26 Mt, up 4% from the 2022-23 level.

Dry Beans

For 2023-24, production rose 8% to 339 thousand tonnes (Kt), consisting of 83 Kt of white pea bean types and 256 Kt of colored bean types. Production in Ontario was unchanged, with lower area but higher yields. In Manitoba, production fell due to lower yields for colored bean and white pea bean types. In Alberta, colored bean production rose due to an increase in area and yields.

Supply is expected to fall as lower carry-in stocks are partly offset by the larger production. Exports are forecast to be similar to the previous year. The US and the EU are forecast to remain the main markets for Canadian dry beans, with smaller volumes exported to Mexico and Japan. Carry-out

stocks are expected to be lower. The average Canadian dry bean price is forecast to be higher at $1,180/t due to the lower North American supply.

In the US, area seeded to dry beans is estimated by the USDA to have decreased by 5% to 1.18 million acres (0.48 Mha), largely due to lower area seeded in North Dakota. US total dry bean production (excluding chickpeas) is estimated by the USDA to fall by 13%, to just over 1.0 Mt. US export markets continue to be Canada, EU, and Mexico.

Chickpeas

For 2023-24, production rose by 11% to 142 Kt due to higher harvested area but lower yields. Crop quality is above average when compared to the previous year. Supply is forecast to fall by 34% as lower carry-in stocks more than offset the higher production. Exports are forecast to be lower at 120 Kt, with the US, Turkey, and the EU as the main importers. Carry-out stocks are expected to fall to 20 Kt. The average price for all grades of chickpeas is forecast to rise by 6%, to a record $1,060/t, due to lower world supply.

US chickpea area seeded is estimated by the USDA at 0.38 million acres (0.15 Mha), up 8% from 2022-23. With average yields, 2023-24 US chickpea production is forecast by USDA at 0.23 Mt, up 36% from the previous year.

Mustard Seed

For 2023-24, production rose 6% to 171 Kt, due to higher area, but lower yields. Production of brown and oriental types of mustard seed rose, while yellow type production fell. Supply increased by 15% to 217 Kt. Exports are expected to be lower at 115 Kt. Due to increased supply, carry-out stocks are forecast to rise sharply to 70 Kt. The US and the EU are expected to remain the main export markets for Canadian mustard seed. The average price is forecast to fall to $1,700/t but remain historically high.

Canary Seed

For 2023-24, production fell by 30% to 112 Kt with lower yields and area. Exports are expected to be lower than last year at 135 kt, due to the lower supply. The EU and Mexico are forecast to remain the main export markets. The average price is forecast to rise from the 2022-23 level to $950/t due tighter supply and smaller carry-out stocks.

Sunflower Seed

For 2023-24, production was higher than the previous year at 92 Kt due to a rise in area and yields. Supply rose 15% with larger carry-in stocks. Exports are forecast to rise from last year to 30 Kt. Carry-out stocks are forecast to rise sharply to 175 Kt. The US is expected to continue to be Canada's main export market for sunflower seed. The average price is forecast to be 25% lower than 2022-23, to $600/t, largely due to lower oilseed type prices.

US sunflower seed production is estimated by the USDA at 1.0 Mt, down 20% from 2022-23, largely due to decreased production in North and South Dakota. It is estimated by AAFC that US production of oil type varieties fell to 0.87 Mt and confectionery type varieties rose to about 120 Kt. US supply is forecast by the USDA to be 14% lower at 1.3 Mt. US exports are expected to rise and domestic use is expected to decrease. US sunflower seed carry-out stocks are expected to fall and support North American prices.

For 2023-24, the global supply of sunflower seed is estimated by the USDA at a near record 63.8 Mt. This is marginally lower than last year, due to higher output by Ukraine and Russia. World exports are expected to decrease by 27% to 3.1 Mt and domestic use is expected to rise marginally to a record 56.8 Mt. World carry-out stocks are expected to fall to 3.9 Mt, similar to the five-year average.

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CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

December 15, 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	3,032	8	3,853	2,716	210	126	568	569	631
2022-2023	2,431	2,399	2.41	5,790	2	6,360	5,053	192	473	898	409	445
2023-2024f	2,442	2,375	1.70	4,045	25	4,479	3,200	200	416	829	450	475
Wheat Except Durum												
2021-2022	7,170	6,968	2.78	19,390	153	24,683	12,351	3,250	5,183	9,238	3,093	447
2022-2023	7,844	7,683	3.72	28,545	64	31,702	20,612	3,258	3,713	7,841	3,249	401
2023-2024f	8,496	8,307	3.36	27,909	100	31,257	20,000	3,200	3,730	7,757	3,500	350
All Wheat												
2021-2022	9,492	9,199	2.44	22,422	161	28,536	15,067	3,460	5,309	9,807	3,663	
2022-2023	10,274	10,082	3.41	34,335	65	38,063	25,666	3,450	4,185	8,739	3,658	
2023-2024f	10,938	10,682	2.99	31,954	125	35,737	23,200	3,400	4,147	8,587	3,950	
Barley												
2021-2022	3,368	3,011	2.32	6,984	228	7,923	2,673	284	4,178	4,707	543	432
2022-2023	2,851	2,636	3.79	9,987	26	10,556	3,882	115	5,596	5,965	709	417
2023-2024f	2,963	2,699	3.30	8,896	80	9,685	2,780	319	5,592	6,155	750	340
Corn												
2021-2022	1,488	1,462	10.00	14,611	6,141	22,921	1,943	5,797	12,420	18,233	2,746	312
2022-2023	1,466	1,444	10.07	14,539	2,147	19,431	2,646	5,327	9,815	15,158	1,628	300
2023-2024f	1,548	1,519	9.93	15,076	2,500	19,203	1,850	5,400	9,938	15,353	2,000	230
Oats												
2021-2022	1,502	1,214	2.39	2,899	25	3,580	2,310	97	706	938	333	565
2022-2023	1,593	1,402	3.73	5,226	24	5,583	2,671	91	1,460	1,637	1,275	346
2023-2024f	1,023	823	3.20	2,636	25	3,936	2,500	100	787	986	450	370
Rye												
2021-2022	194	116	3.22	372	1	464	151	25	183	229	84	320
2022-2023	237	152	3.42	520	2	606	199	42	244	303	105	287
2023-2024f	178	116	3.09	358	2	464	198	39	140	196	70	230
Mixed Grains												
2021-2022	203	91	2.39	218	0	218	0	0	218	218	0	
2022-2023	138	72	2.82	203	0	203	0	0	203	203	0	
2023-2024f	145	60	2.37	142	0	142	0	0	142	142	0	
Total Coarse Grains												
2021-2022	6,754	5,893	4.26	25,083	6,395	35,105	7,077	6,204	17,704	24,324	3,705	
2022-2023	6,286	5,705	5.34	30,475	2,199	36,378	9,397	5,574	17,318	23,266	3,716	
2023-2024f	5,855	5,216	5.20	27,107	2,607	33,429	7,328	5,858	16,599	22,832	3,270	
Canola												
2021-2022	9,016	8,949	1.59	14,248	105	16,129	5,248	8,555	935	9,553	1,328	1,075
2022-2023	8,659	8,596	2.17	18,695	126	20,149	7,954	9,961	663	10,689	1,506	857
2023-2024f	8,936	8,855	2.07	18,328	100	19,934	7,700	10,500	233	10,784	1,450	730
Flaxseed												
2021-2022	416	404	0.83	337	12	408	220	N/A	93	107	82	1,206
2022-2023	315	312	1.52	473	12	567	215	N/A	121	133	220	635
2023-2024f	247	239	1.14	273	10	503	250	N/A	83	102	150	580
Soybeans												
2021-2022	2,154	2,134	2.92	6,224	552	7,072	4,255	1,858	451	2,529	287	678
2022-2023	2,135	2,118	3.09	6,543	461	7,291	4,221	1,768	690	2,694	376	701
2023-2024f	2,279	2,278	2.95	6,722	450	7,549	4,800	1,900	324	2,424	325	620
Total Oilseeds												
2021-2022	11,585	11,486	1.81	20,809	669	23,609	9,723	10,413	1,478	12,189	1,697	
2022-2023	11,108	11,026	2.33	25,711	599	28,006	12,390	11,729	1,474	13,515	2,101	
2023-2024f	11,461	11,371	2.23	25,323	560	27,985	12,750	12,400	640	13,310	1,925	
Total Grains And Oilseeds												
2021-2022	27,831	26,578	2.57	68,314	7,225	87,250	31,866	20,078	24,490	46,320	9,064	
2022-2023	27,668	26,814	3.38	90,521	2,863	102,448	47,453	20,754	22,977	45,520	9,475	
2023-2024f	28,255	27,269	3.09	84,385	3,292	97,151	43,278	21,658	21,385	44,728	9,145	

(a) Crop year is August-July, except corn and soybeans, for which the crop year is September-August.
(b) Imports exclude products.
(c) Exports include grain products but exclude oilseed products.
(d) Food and Industrial use for soybeans is based on data from the Canadian Oilseed Processors Association.
(e) Total Domestic Use = Food and Industrial Use + Feed Waste & Dockage + Seed Use + Loss in Handling
(g) Crop year average prices: Wheat (No.1 CWRS, 13.5% protein) and Durum (No.1 CWAD, 13% protein), both are average Saskatchewan producer spot prices. Barley (No. 1 feed, cash, I/S Lethbridge), Corn (No.2 CE, cash, I/S Chatham), Oats (US No. 2 Heavy, CBOT nearby futures); Rye (Average Prairie producer price, FOB farm); Canola (No. 1 Canada, cash, Track Vancouver); Flaxseed (No. 1 CW, cash, I/S Saskatoon); Soybeans (No. 2 CE, cash, I/S Chatham)
Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)
f: forecasts by AAFC except for area, yield and production for 2023-24 which are STC.

CANADA: PULSE AND SPECIAL CROPS SUPPLY AND DISPOSITION

December 15, 2023

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (c)	Carry-out Stocks	Stocks-to-Use Ratio	Average Price (d)
	------- *thousand ha* -------		*t/ha*	---------- *thousand metric tonnes* ----------						*%*	*$/t*
Dry Peas											
2021-2022	1,560	1,505	1.49	2,244	29	2,832	1,912	581	339	14%	590
2022-2023	1,363	1,348	2.54	3,423	35	3,797	2,562	737	498	15%	440
2023-2024f	1,233	1,200	2.17	2,609	40	3,146	1,900	676	570	22%	420
Lentils											
2021-2022	1,700	1,675	0.95	1,594	51	2,083	1,602	258	223	12%	970
2022-2023	1,749	1,715	1.34	2,301	87	2,610	2,198	266	147	6%	820
2023-2024f	1,485	1,460	1.14	1,671	95	1,913	1,600	263	50	3%	990
Dry Beans											
2021-2022	172	162	2.25	364	71	535	324	71	140	35%	1,210
2022-2023	120	117	2.67	313	70	523	368	75	80	18%	1,165
2023-2024f	129	129	2.63	339	75	494	350	74	70	16%	1,180
Chickpeas											
2021-2022	90	88	1.04	91	30	395	176	64	155	65%	975
2022-2023	95	95	1.35	128	42	325	225	73	27	9%	1,000
2023-2024f	128	127	1.12	142	45	214	120	74	20	10%	1,060
Mustard Seed											
2021-2022	117	110	0.55	61	9	130	92	22	16	14%	2,885
2022-2023	225	219	0.74	162	11	189	117	33	40	26%	2,140
2023-2024f	258	251	0.68	171	7	217	115	32	70	48%	1,700
Canary Seed											
2021-2022	122	121	1.05	127	0	201	139	8	54	37%	1,125
2022-2023	118	117	1.36	159	0	213	146	8	59	39%	900
2023-2024f	104	103	1.09	112	0	172	135	7	30	21%	950
Sunflower Seed											
2021-2022	37	37	2.04	75	37	228	41	68	118	108%	900
2022-2023	38	38	2.24	84	40	242	22	70	151	165%	800
2023-2024f	40	40	2.32	92	35	278	30	73	175	170%	600
Total Pulse And Special Crops (c)											
2021-2022	3,798	3,698	1.23	4,555	227	6,403	4,286	1,072	1,045		
2022-2023	3,707	3,649	1.80	6,570	284	7,900	5,637	1,262	1,001		
2023-2024f	3,376	3,309	1.55	5,137	297	6,435	4,250	1,200	985		

(a) Crop year is August-July. Grains Include pulses (dry peas, lentils, dry beans, chick peas) and special crops (mustard seed, canary seed, sunflower seed).
(b) Imports and exports exclude products.
(c) Total Domestic Use = Food and Industrial Use + Feed Waste & Dockage + Seed Use + Loss in Handling
(d) Producer price, FOB plant, average over all types, grades and markets.
Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)
f: forecasts by AAFC except for area, yield and production for 2023-24 which are STC.