

CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS, 2024**May 21, 2024**

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

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This report is an update of Agriculture and Agri-Food Canada's (AAFC) April outlook report for the 2023-24 and 2024-25 crop years, based on information available up to May 13, 2024. 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 because of Russian aggression against Ukraine and other ongoing geopolitical risks.

For 2023-24, the outlook incorporates Statistics Canada's release of data on the [stocks of principal field crops](#) as of March 31, 2024, released on May 7, 2024. Stocks of principal field crops were estimated to be 10.1% below the 2023 levels, primarily because of dry conditions in large portions of Western Canada throughout the 2023 growing season which reduced yields and production. Most crops had lower stocks at the end of March compared to the same month in 2023, and some by a significant proportion. Consequently, carry-out stocks (ending-year inventories) for all principal field crops are expected to decrease as the downturn in total production and supply combined with an increase in total domestic use offsets a significant decline in total exports and rise in imports. Prices for most crops, other than pulses, are projected to decrease from their 2022-23 levels, pressured by growth in world stock levels.

For 2024-25, assuming normal weather conditions and a return to trend yields, production and supply for most crops are expected to increase with total principal field crop production returning to normal levels at 94.4 million tonnes, 5% and 4% higher than the five-year and ten-year average, respectively. Despite near-normal to above-normal precipitation across most of the Prairie growing region in April, the most significant climate-related risk to realizing a return to trend yields remains widespread dry conditions across most of Western Canada as reported in the [Canadian Drought Monitor](#) as of April 30, 2024. Planting is underway on the Canadian Prairies and recent precipitation has led to a much-needed improvement in topsoil moisture conditions for most of the region, with the exception of the Peace Region. Despite some relief, subsoil moisture remains well below normal due to multi-year precipitation deficits and, as such, timely rains will be critical during the growing season to reach yield potential. Seeding of spring cereals is virtually finished in Eastern Canada, while corn and soybean planting has experienced delays due to rain and cool weather.

The next AAFC Outlook for Principal Field Crops is scheduled to be released on June 20, 2024. The next major Statistics Canada release will be principal field crop areas scheduled on June 27, 2024.

Canada: Principal Field Crops Supply and Disposition

	Area Seeded ----- <i>thousand hectares</i>	Area Harvested	Yield <i>t/ha</i>	Production	Imports	Total Supply ----- <i>thousand tonnes</i>	Exports	Total Domestic Use	Carry-out Stocks
Total Grains And Oilseeds									
2022-2023	27,668	26,814	3.38	90,521	2,986	102,571	47,655	45,597	9,319
2023-2024f	28,255	27,253	3.11	84,654	3,987	97,960	41,668	47,061	9,231
2024-2025f	28,054	27,081	3.26	88,254	2,937	100,421	43,883	46,128	10,410
Total Pulse And Special Crops									
2022-2023	3,707	3,649	1.80	6,570	284	7,900	5,617	1,261	1,022
2023-2024f	3,376	3,309	1.55	5,137	342	6,501	4,940	965	596
2024-2025f	3,511	3,443	1.78	6,118	267	6,981	5,065	1,051	865
All Principal Field Crops									
2022-2023	31,376	30,462	3.19	97,091	3,270	110,471	53,272	46,858	10,341
2023-2024f	31,631	30,563	2.94	89,791	4,329	104,460	46,608	48,026	9,827
2024-2025f	31,566	30,524	3.09	94,372	3,204	107,402	48,948	47,179	11,275

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

f: forecasts by AAFC except for area, yield, and production for 2023-24 and seeded area for 2024-25, which are STC

All Wheat

Durum

For 2023-24, durum supplies dropped significantly from the previous year, declining 30% to just under 4.5 million tonnes (Mt) due to a 30% drop in production and record low carry-in stocks.

With demand for durum relatively stable in Canada, exports have been negatively affected by the decline in supplies. According to Statistics Canada (STC), durum shipments to international destinations are reported at 2.4 Mt for this crop year to March 2024, 35% behind last year's volume and 20% below average. Exports to Algeria, Italy, and Morocco, the top destinations for Canadian durum, are down 14%, 70% and 11%, respectively. Carry-out stocks are pegged at 0.45 Mt.

The price of durum has been dropping since the beginning of the crop year due to falling international prices caused largely by competition from the larger Turkish crop on global markets. After peaking at over \$520/tonne during the third week of August, the Saskatchewan spot price for Canadian western amber durum (CWAD), No. 1, 13% protein, dropped to a low of \$390/tonne last month. It is forecast to average \$450/tonne for the 2023-24 crop year.

For 2024-25, the area seeded to durum is expected to increase by 5% to 2.6 million hectares (Mha) according to STC. Provincially, 83% of the crop will be seeded in Saskatchewan, 16% in Alberta, and the remaining 1% mostly in Manitoba. Yields are currently forecast to bounce back, but with drought continuing to plague parts of the prime durum growing regions, yields could be adversely affected if timely rains do not materialize. Production is forecast to rise 40% to 5.7 Mt with total supply up 37%.

Following this rebound, exports of durum are forecast to increase 41% next year to 4.5 Mt with larger shipments to North Africa and Europe resuming, while domestic use remains relatively stable at 0.9 Mt, that is 14% of total supply. Carry-out stocks are currently pegged at 0.75 Mt.

The 2024-25 global outlook for durum remains

favourable, according to the International Grains Council, with worldwide recovery in production and increased supplies and stocks. In 2024-25, world production is forecast to rise 10% to 34.6 Mt with rebounds in North America, and larger harvests in Turkey and Russia, two players who have recently stepped up their role in international trade. Total global supply is forecast to rise to 39.6 Mt, demand at 34.2 Mt, up 0.8% from current levels with a 1.2% increase in food use, and closing stocks to grow to 5.4 Mt.

International trade is forecast to remain relatively steady with expanded import demand from Morocco and Tunisia balanced by a decline in shipments to the European Union and Algeria. Turkey became a large exporter this year thanks to new regulations in the country allowing the exports of pasta manufactured entirely with soft wheat to Africa and parts of the Middle East and South America. Whether or not this policy is renewed for the new marketing year, and its impact on traditional Canadian durum trade flows, is unknown.

Durum prices are expected to continue their downward path as production recovers in Canada. The average price for CWAD, 1, 13% in Saskatchewan in 2024-25 is forecast at \$350/tonne.

Wheat (excluding durum)

In 2023-24, total supply of wheat (excluding durum) dropped only 2% despite the dry conditions across most of the Prairies and tight carry-in stocks. The wheat yield dropped to 3.4 tonnes per hectare, 10% below the previous year. Total supply for 2023-24 is forecast at 31.2 Mt, 1% more than the last five-year average. Compared to last month, imports of wheat to Canada have been increased compared to 2022-23 and the last five-year average.

Canadian exports are moving well to international destinations and continue to outpace last year's volumes, but with exports to China, Canada's largest customer, down 11% compared to the previous year. For the period of August 2023 to March 2024, exports of wheat totaled 14.2 Mt according to STC; of these, 15% were sent to China, 10% to Indonesia,

and 8% each to Japan, Bangladesh, and the United States. Canadian exports are forecast to reach 20.25 Mt, down 2% year-on-year but 10% above the five-year average.

Total domestic use was raised to 8.4 Mt on account of STC's supply and disposition report showing domestic use, as of March 31, 9% larger than last year's volume. For the same period, stocks are reported down 14% and are pegged to close the marketing year at 2.5 Mt, their lowest on record, if realized.

For the 2023-24 crop year, the average price for Canadian western red spring wheat, No. 1, 13.5% protein (CWRS 1,13.5), in Saskatchewan has fluctuated between \$285/tonne and \$355/tonne. It is forecast at an average of \$325/tonne for the year.

For 2024-25, domestic production of wheat (excluding durum) is estimated to grow 4% to 28.9 Mt, despite a 1% reduction in seeded area, assuming trend yields. According to STC, area seeded to wheat is expected to drop to 8.4 Mha with the largest loss of acreage in Saskatchewan (-99.1 thousand hectares (Kha)), followed by Ontario (-54.4 Kha), but land seeded to wheat in Alberta is expected to increase by 52.7 Kha. The area for Canadian western red spring wheat, the most common type of wheat grown in Canada, is expected at 6,751.9 Kha, up 2% compared to 2023-24, but total spring wheat, including all classes, will be down 1% at 7,784 Kha.

Total supply will be constrained by tight carry-in stocks and is currently pegged at 31.6 Mt, up 1% year-on-year.

Canadian exports are forecast to grow marginally due to steady demand from international markets for high protein wheat; they are pegged at 20.3 Mt. Domestic use is forecast to remain relatively steady at 8.3 Mt, and closing stocks to remain tight at 3.0 Mt.

In their first outlook for the 2024-25 marketing year, the United States Department of Agriculture anticipates global production to grow to a record 798.2 Mt but supplies to decline 2.2 due to tight carry-in stocks. Consumption is pegged 2.0 Mt higher than current levels as demand for food, seed, and industrial use continues its upward trajectory. Trade is forecast to grow to 216 Mt and stocks to contract 2% to 253.6 Mt. For the US specifically, total wheat supply (including durum) is forecast to grow 6% to 72.5 Mt and both exports and stocks to expand 7% and 11%, respectively.

Wheat prices are forecast to continue their downward trend under larger production and steady demand. The average price for CWRS 1, 13.5%, in Saskatchewan is forecast at \$310/tonne for 2024-25.

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Coarse Grains

Barley

For 2023-24, Canadian barley supply is estimated at 9.7 million tonnes (Mt), down 8% year-over-year and 6% below the previous five-year average. Total domestic demand is forecast at 6.1 Mt, up by 2% year-over-year and in line with the average, supported by industrial use. Total exports are predicted at 2.8 Mt, down noticeably from last year and the average. Carry-out stocks are projected at 0.9 Mt, up from 2022-23's 0.7 Mt and the average of 0.8 Mt.

According to Statistics Canada (STC) May grain and oilseed stocks report, Canadian barley stocks on March 31, 2024, sit at 3.1 Mt, up from a year ago and the average of 2.8 Mt, despite a smaller supply for the crop year, as demand (primarily for domestic animal feed and for exports) decreased further in the first eight months of the current crop year (August 2023 – March 2024).

Total domestic disappearance in the same period was pegged at 4.8 Mt, down from 4.9 Mt a year ago and the average of 5.0 Mt, reflecting the trend of feed use.

Exports of barley grain in the same period were 1,345 thousand tonnes (Kt), the lowest in seven years, partly due to exports to China (the largest destination of Canadian barley exports in recent years) falling sharply. So far, the largest destination is China (accounting for 86% of the exports), followed by the US (11%), and Japan (4%). Product exports (grain equivalent) in the same period were 460 Kt, down from a year ago and the five-year average of 471 Kt. The major destinations have been the US (57%), Japan (22%), Mexico (13%), and South Korea (4%).

The feed barley cash price in the Lethbridge, Alberta, feedlot region saw some strength in April, with the April simple average at around \$295/tonne (/t). The crop year-to-date average was slightly below \$325/t, \$95/t lower than last year. For the entire crop year, price is forecast at \$310/t on average, 26% lower than 2022-23.

Worldwide, global barley supply for 2023-24 will be

the lowest in five years, according to the United States Department of Agriculture (USDA). Global demand for animal feed is also expected to fall to a five-year low, but demand for food, seed, and industrial use (FSI) will rebound year-over-year and be slightly above the five-year average, a record high. World ending stocks are projected to close at an all-time low. Compared to the April projections, the USDA's May projections include smaller supply and feed demand and larger ending stocks.

For 2024-25, Canadian barley production is projected at 9.5 Mt, up 7% year-over-year, supported by an assumed return to normal yields despite smaller seeded area. Supply is projected at 10.4 Mt, up 7% year-over-year and 2% above average, due to expected increases in production and carry-in stocks more than offsetting lower imports. Total domestic use is forecast to rise due to increased supply and higher feed use. Exports are projected to remain stable due to strong competition from major barley exporting countries despite larger domestic supplies. Carry-out stocks are projected at 1.2 Mt, up sharply compared to the previous year and the average.

The Lethbridge cash feed barley price is forecast at \$295/t, down \$15/t year-over-year and the lowest level in four years.

Worldwide, the USDA predicts a recovery in global barley production for 2024-25. Pegged at 150 Mt, the 2024-25 global barley production is forecast to rise by 8 Mt from 2023-24, with higher production forecasts for the EU, Australia, Canada, and Argentina, and lower forecasts for Russia, Ukraine, and the US. Total supply is projected at 197 Mt, up more than 6 Mt year-over-year on larger production. Total demand in 2024-25 is projected to increase from 2023-24, with ending stocks remaining relatively steady.

Corn

For 2023-24, Canadian corn supply is projected at 19.7 Mt, up 1% from last year and 2% above the previous five-year average, due to increased production and larger imports, despite a sharp decrease in carry-in stocks. Because of an expected

increase in domestic animal feed consumption, as well as human food and industrial use, total domestic use is forecast at 16.0 Mt, up 6% year-over-year and 5% above the average. Given ample global corn supplies, exports are projected at 1.8 Mt, significantly decreasing year-over-year but remaining above the five-year average. Carry-out stocks are projected at 1.9 Mt, up 17% from last year's low but significantly below average.

National corn stocks on March 31, 2024, were estimated by STC at 8.3 Mt, down from 9.1 Mt a year ago and the average of 8.6 Mt. This was mainly due to the marked increase in total domestic disappearance during the first seven months of the current crop year (September 2023 – March 2024).

Total domestic disappearance in the period was pegged at 9.5 Mt, noticeably up from 8.2 Mt a year ago and above the average of 8.7 Mt, supported by domestic feed use, and human food and industrial use.

Corn imports in the same period reached 1.8 Mt, up from 1.1 Mt a year ago and the average of 1.6 Mt. Almost all imported corn came from the US and about 95% was destined for the Western provinces. Corn exports in the same period were estimated at 688 Kt, down from 1,127 Kt a year ago and the average of 720 Kt. The major destinations include Ireland (accounting for 50% of the exports), the US (30%), and the United Kingdom (13%), with most of the remainder being shipped to Spain and Portugal.

The Chatham corn price saw some strength in late April and early May, reaching above \$200/t, but still near the lowest price in more than three years. The crop year to-date average was around \$215/t, down \$100/t from last year. For the entire crop year, the average corn price is forecast at \$210/t, down sharply from 2022-23.

The 2023-24 US corn supply and demand features ample supply, rebounding exports, record high domestic demand and larger ending stocks, according to the USDA. Compared to the April projections, the USDA's May projections increased demand forecast for domestic feed use and exports and decreased an equal amount to the ending stock forecast. The average farm price for 2023-24 is

projected at US\$4.65/bushel (bu) (US\$183/t), down slightly from the April projection of US\$4.70/bu (US\$185/t), and down sharply from 2022-23 and 2021-22, but higher than from 2013-14 to 2020-21.

The 2023-24 world corn supply and demand features record high production, supply, animal feed use, and FSI. Compared to the April projections, the USDA lowered its May projections for Argentina and Brazil corn production by 2 Mt each and raised Ukraine's corn production by 1.5 Mt. The USDA also raised global animal feed use and FSI use but lowered global beginning stocks and ending stocks. World ending stocks were lowered by more than 5.0 Mt from the April projection at 313 Mt; this is still 12 Mt (4%) higher than last year and 3 Mt (1%) higher than average.

For 2024-25, Canadian corn production is projected at 14.9 Mt, down slightly year-over-year, based on projected average yields, despite an expected increase in acreage. Supply is projected at 19.0 Mt, down 4% year-over-year, due to an expected decline in production and imports, despite an expected increase in carry-in stocks. Total domestic use is forecast to decline, reflecting lower feed use. Exports are projected to decline year-over-year on expected ample global corn output. Carry-out stocks are projected at 2.2 Mt, up significantly year-over-year and in line with average.

The Chatham corn price for 2024-25 is projected at \$225/t, up \$15/t year-over-year but under pressure primarily from the expected decline in 2024-25 US corn prices.

The 2024-25 US corn supply and demand features ample supplies, a continued increase in exports, new record high domestic demand, and a continued rise in ending stocks. The average farm price is projected at US\$4.40/bushel (bu) (US\$173/t), down US\$10/t from 2023-24 and the lowest in five years.

Worldwide, the USDA predicted a decline in global corn production for 2024-25. Pegged at 1,220 Mt, the 2024-25 global corn production forecast is down 8 Mt (1%) from 2023-24, with lower year-over-year forecasts for the US, Argentina, and Ukraine, and higher forecasts for the EU, Brazil, China, and Mexico. Total supply is estimated at 1,717 Mt, up 3 Mt from 2023-24 and an all-time high. Total use is

projected to grow for the second year, with global trade going down. Ending stocks are predicted to remain steady.

Oats

For 2023-24, Canadian oat supply is estimated at 3.93 Mt, down sharply from last year and the previous five-year average, due to a significant decline in production more than offsetting plentiful carry-in stocks. Consequently, total demand, including domestic use (the majority of which is for animal feed) and exports, is projected to decline significantly from 2022-23 and the average. Carry-out stocks are projected at 0.35 Mt, down sharply year-over-year, which is almost a record low.

Nationwide, oat stocks as of March 31, 2024, were set by STC at 1.3 Mt, well below the 2.6 Mt of a year ago and the average of 1.8 Mt, also nearing record lows. This was primarily caused by a significant decrease in supply for the crop year, despite a decline in demand during the August 2023 – March 2024 period.

Total domestic disappearance in the same period was pegged at 1,035 Kt, down from 1,176 Kt a year ago but up from the five-year average of 959 Kt, primarily reflecting the trend of domestic feed use. Domestic human food consumption was estimated at 97 Kt, up sharply from 42 Kt a year ago and the average of 51 Kt, also a record high for the same period over the past two decades.

In the same period, Canada exported 1,027 Kt of oats, down from 1,108 Kt a year ago and the five-year average of 1,238 Kt, also nearing record lows over the past two decades. The main destinations include the US (accounting for 74% of the exports), Mexico (11%), and Chile (5%), with most of the remainder going to Japan, Peru, and Ecuador. Product exports (grain equivalent) in the same period reached 567 Kt, down from 658 Kt a year ago and the average of 588 Kt, also the lowest in four years. The largest destination for oat products has been the US (accounting for 92% of total product exports), Mexico (5%), Japan, and South Korea.

The Chicago Board of Trade (CBOT) oat nearby futures saw some strength in late April and early May, reaching \$355/t. The crop year to-date average

was about \$365/t, up from \$350/t last year. In comparison, the crop year-to-date average oat cash price on the Prairies was about \$305/t, up from \$275/t last year. For 2023-24, the average oat price is forecast at \$360/t, up slightly from last year.

For 2024-25, Canadian oat production is projected at 3.51 Mt, up 33% year-over-year, due to an estimated increase in seeded area and the assumption of a return to normal yields. Supply is projected at 3.88 Mt, down slightly from 2023-24, as the increase in production is expected to be largely offset by the sharp decline in carry-in stocks. If realized, 2024-25 oat supply will be 15% below average. Total domestic use is projected to decline from the previous year on lower feed use, while exports are predicted to rise. Carry-out stocks remain steady from a year earlier but will be sharply below average.

The average CBOT oat futures value is projected at CAN\$320/t, down CAN \$40/t year-over-year and the lowest in four years.

Worldwide, the USDA expects global oat production in 2024-25 to rebound significantly from 2023-24's low. Pegged at 22 Mt, global oat production is forecast to up 3 Mt (16%) year-over-year, with higher production forecasts for major oat exporting countries, including Canada, certain European countries, Australia, and Russia. Total supply is projected at 27 Mt, up 2 Mt year-over-year on an improved production outlook. Total use, world trade, and ending stocks are also projected to grow in 2024-25.

Rye

For 2023-24, Canadian all rye supply is pegged at 464 Kt, down 23% from 2022-23, due to a sharp decline in production more than offsetting large carry-in stocks. Nevertheless, this is only slightly below the previous five-year average. Following smaller supplies, total domestic use is estimated to decline on lower feed use. Exports are expected to rise year-over-year to 203 Kt, with almost all exports going to the US. Carry-out stocks are projected at 65 Kt, down sharply year-over-year and below average.

Nationwide rye stocks on March 31, 2024, were pegged at 151 Kt, down sharply from 261 Kt a year ago and below the average of 178 Kt. This was primarily caused by a significant decrease in supply for the crop year.

Total disappearance in the August 2023 – March 2024 period was estimated at 313 Kt, down from 345 Kt last year but up from the average of 292 Kt. Domestic disappearance in the same period was pegged at 144 Kt, down from 193 Kt last year and the average of 167 Kt, in line with the trend of domestic feed use. Canadian rye exports in the same period were estimated at 169 Kt, up from 151 Kt last year and the average of 124 Kt, also the highest in recent decades. The main destination was the US, which takes almost all Canadian rye exports.

The 2023-24 average rye price on the Canadian Prairies is projected at \$220/t, down year-over-year due to lower row crop prices predicted for the year.

For 2024-25, Canadian rye production is projected

at 350 Kt, down 2% from 2023-24, assuming average abandonment rates and yields, despite larger seeded area. Supply is projected at 417 Kt, 10% lower than the previous year and 15% below average, primarily due to smaller carry-in stocks. As a result, total domestic use, exports, and carry-out stocks are projected to decline year-over-year.

The 2024-25 average rye price on the Canadian Prairies is projected at \$210/t, down \$10/t from 2023-24, based on lower row crop prices predicted for the crop year.

Global rye output in 2024-25 is projected by the USDA to rebound from last season to 11.9 Mt due to increased production in the world major rye growing countries. Total supply is, however, predicted to shrink year-over-year; total use and ending stocks are projected to decline, with trade also to contract.

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Oilseeds

Canola

For 2023-24, supplies for the crop year are estimated at 20.1 million tonnes (Mt), down marginally from 20.2 Mt for 2022-23 and the five-year average of 21.5 Mt, as a slight increase in carry-in stocks and imports moderates the decline in production. Imports are estimated at a 20-year high of 0.25 Mt. Production is estimated at 18.3 Mt, down slightly from the 18.7 Mt grown in 2022-23.

Total domestic use of canola is estimated up by 8% on an expected record canola crush of 10.7 Mt as the sector expands to serve US and Canadian demand for renewable energy. The oil content of the domestic canola crush is averaging 42.5% for the crop year to end-of-March, based on Statistics Canada's processing data. Compared to previous years, loss in handling and seed use are forecast steady at minor volumes, while feed, waste, and dockage declines.

Exports for 2023-24 are scaled back from previous crop years to 6.0 Mt in response to growing domestic crush and competition from large world supplies of soybeans and palm oil. Exports are concentrated in a few key markets with China accounting for almost two-thirds of out-of-Canada shipments to the end of February, followed distantly by Japan and Mexico at 16% and 8%, respectively.

Carry-out stocks are estimated at 2.6 Mt, up sharply from last year but near the five-year average, this is expected to support a strong early season crush pace for the 2024-25 crop year. The simple average price, No. 1, track Vancouver, is estimated at \$705/tonne (/t) (versus \$857/t in 2022-23 and the five-year average of \$729/t), under pressure from declining world soybean oil prices.

For 2024-25, the area seeded to canola is forecast to drop slightly to 8.7 million hectares (Mha) due to declining prices, steady input costs, low late-fall soil moisture, and competitive wheat prices. Normal yields are assumed, supporting the forecast for a slightly lower canola output of 18.1 Mt. Supplies are forecast to rise marginally to 20.8 Mt as higher carry-in more than offsets the drop in output and smaller imports.

Total demand is forecast to remain stable with domestic crush predicted at a conservative 11.0 Mt. This forecast may be revised higher depending on how fast crush plants currently under construction become operational. Exports are projected to rise to 6.9 Mt with the projection highly sensitive to the size of the domestic canola crop, the strength of domestic crush demand, and competition from world supplies of oilseeds and vegetable oils. Carry-out stocks are forecast to fall slightly to 2.50 Mt vs 2.55 Mt for 2023-24 and the five-year average of 2.50 Mt. The simple average price, No.1 track Vancouver is forecast lower at \$675/t for the upcoming crop year.

Factors to watch are: (i) Canadian seeding pace, (ii) temperatures and moisture conditions across Canada and the US, (iii) Canadian crush and export pace (iv) Brazilian exports, (v) strength of Chinese, Japanese and Mexican import demand.

Flaxseed

For 2023-24, total supplies are estimated at 502 thousand tonnes (Kt) (versus 561 Kt for 2022-23 and the 567 Kt average over the previous five years), as lower output was moderated by sharply higher carry-in stocks. Production is estimated at 273 Kt, down 42% from 473 Kt in 2022-23 and the lowest since 1967-68, due to lower seeded area and reduced yields.

Total domestic use is predicted marginally lower on a decline in feed, waste, and dockage, and stable other usage. Exports are forecast to increase to 0.23 Mt on stronger world demand and lower prices. Carry-out stocks are forecast to fall to 150 Kt for a stocks-to-use ratio of 43%. The simple average price for flaxseed No.1, in-store, Saskatoon cash is forecast at \$565/t versus \$635/t for 2022-23 and the five-year average of \$710/t.

For 2024-25, the area seeded to flaxseed is forecast to fall to 0.21 Mha, down 16% from the previous year, with a harvested area of about 0.20 Mha. Production is projected at 260 Kt, slightly below last year, as lower seeded area is partly offset by higher yields. Supplies are forecast to fall sharply to 420 Kt on lower carry-in and lower production.

Total domestic use is forecast to decline to 90 Kt while exports are estimated at 250 Kt. Carry-out stocks fall to 80 Kt, for a stock-to-use ratio of 24%. The simple average price forecast for flaxseed No. 1 in-store Saskatoon cash is \$575/t, up from 2023-24 but below the five-year average of \$710/t.

Soybeans

For 2023-24, total supplies are estimated up 7% from last year to 7.8 Mt and 2% above the five-year average of 7.62 Mt, as larger carry-in and stable imports support the rise in output. Production is estimated at 7.0 Mt, up 0.4 Mt from last year and the five-year average output of 6.5 Mt.

Total domestic use is forecast to fall slightly on a decrease in crush to 1.75 Mt and a drop in feed, waste, and dockage to about 0.53 Mt. Exports are up 16% from 2022-23 to 4.90 Mt, 10% above the five-year average. Carry-out stocks are forecast at 0.42 Mt for a stocks-to-use ratio of 6%. The Canadian simple average price for soybeans, track Chatham, is forecast to fall by \$121/t from last year to \$580/t, versus the five-year average of \$562/t.

For May 2024, the United States Department of Agriculture (USDA) maintained its bearish outlook for the American soybean market, with 2023-24 ending stocks rising 8% to 9.3 Mt while farm-gate prices fall by US\$3.67/t to US\$461/t. For the current crop year, domestic crush remains strong at 62.6 Mt, a rise of 2.4 Mt from 2022-23 while exports fall 7.9 Mt year-on-year to 46.3 Mt.

The US situation mirrors the world oilseed market as total production fell by 0.4 Mt from last month to 658.1 Mt vs 637.7 Mt for 2022-23. World oilseed usage is estimated at 543.6 Mt in contrast to the 525.5 Mt consumed in 2022-23 while world ending stocks are estimated at 130.6 Mt compared to the April prediction of 128.4 Mt and the 118.9 Mt ending inventory for 2022-23.

For 2024-25, soybean area in Canada is estimated to decline marginally to 2.26 Mha as support from

steady crusher and export buying, lower corn prices, and good soil moisture offsets lower prices. Production falls slightly to 6.90 Mt, assuming average yields, while supplies decrease to 7.77 Mt, the fourth highest on record on support from a slightly higher carry-in.

Total domestic use falls marginally on a projected drop in feed, waste, and dockage to 0.35 Mt. Domestic crush is optimistically projected at 1.9 Mt on steady demand for food and fuel. Exports are forecast up slightly to 4.95 Mt, the third highest on record compared to the 5.64 Mt shipped out of the country in 2018-19. Carry-out is forecast to fall to 0.37 Mt for a stocks-to-use ratio of 5%. The Canadian simple average price for soybeans, track Chatham, is forecast down \$30/t from last year to \$550/t, below the five-year average of \$562/t.

The USDA released its first World Agricultural Supply and Demand Estimates outlook for 2024-25 which predicts a 7.8 Mt increase in US soybean production to 121 Mt on a rise in planted area and yields. Total supplies are up 8% year-on-year to 131 Mt. This allows a 5% rise in domestic crush to 66 Mt in response to growing demand for soybean oil as a biofuel feedstock. Meanwhile, exports are projected up 7% to 49.7 Mt. Ending stocks are up 2.8 Mt from 2023-24 to 13.1 Mt, pressuring a US\$49/t drop in prices to US\$412/t for the upcoming crop year.

The USDA's bearishness extended to the world oilseed market with total oilseed production rising by 28.9 Mt year-on-year as world oilseed supplies increase to 815.5 Mt vs 777.1 Mt for 2023-24 and total usage increases 17.3 Mt to 560.8 Mt for 2024-25. World trade is likewise predicted to rise to 206.8 Mt vs 198.3 Mt expected for 2023-24. Ending stocks rise by 16.4 Mt, to 144.8 Mt for a stocks-to-use ratio of 26%, keeping pressure on world prices.

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Pulse and Special Crops

Dry Peas

For 2023-24, dry pea supply is much lower than the previous year at 3.2 million tonnes (Mt). Canada's exports are forecast at 2.5 Mt, marginally lower than the 2022-23 level. Increased demand from India has been partially offset by the lower export pace to China and Bangladesh. Canadian exports to the US for the year to-date (August-March) are lower than the same period last year due to the large US dry pea crop. With smaller domestic supply and steady exports and lower domestic use, carry-out stocks in Canada are expected to be sharply lower than the previous year at 225 thousand tonnes (Kt).

The average price is expected to be higher than 2022-23, due to an increase in dry pea prices for all types. Green dry peas prices are expected to maintain a \$195/tonne (/t) premium to yellow dry peas, compared to a green pea premium of \$64/t in 2022-23. During the month of April, Saskatchewan yellow farm gate prices rose \$30/t while green pea farm gate prices increased \$95/t.

For 2024-25, producers intend to increase seeded area in Canada to 1.26 million hectares (Mha), 2% above 2023-24. By province, Saskatchewan is expected to account for 52% of the dry pea area and Alberta for 42%, with the remainder seeded across Canada.

Production is forecast to rise to 3.0 Mt, up 15% year-over-year, due to the higher seeded area, assuming a return to average yields. Supply is forecast to rise by 2% to 3.3 Mt due to lower carry-in stocks offsetting most of the increase in production. Exports are expected to be unchanged at 2.5 Mt and carry-out stocks are forecast to rise from the previous year. The average price is expected to fall from the levels in 2023-24, with increased domestic supply and expectations for a rise in world production.

In the US, area seeded to dry peas for 2024-25 is forecast by the United States Department of Agriculture (USDA) to rise marginally to 0.97 million acres (Mac) (0.39 Mha). This is largely due to an increase in expected area in North Dakota.

Lentils

For 2023-24, Canada's lentil supply is forecast at 1.9 Mt and exports at 1.6 Mt, both are expected to be significantly lower than 2022-23. The main markets continue to be Turkey, India, and the United Arab Emirates. Carry-out stocks are forecast to fall below 0.1 Mt.

The average price of lentils in Canada is forecast to rise sharply to a record \$1,010/t, largely due to the decrease in world supply. Large green lentil prices are forecast to have a record \$765/t premium over red lentil prices for the entire crop year, compared to a \$400/t premium to red lentils in 2022-23. During the month of April, Saskatchewan large green lentil farm gate prices fell \$90/t while red lentil farm gate prices increased \$60/t.

For 2024-25, producers intend to increase the area seeded to lentils in Canada by 4% to 1.55 Mha. By province, Saskatchewan is expected to account for 88% of the lentil area with the remainder seeded in Alberta and Manitoba.

Production is forecast by AAFC to rise 27% to 2.1 Mt and supply is expected to increase to 2.3 Mt. Exports are expected to rise with the larger supply to 1.8 Mt. Carry-out stocks are forecast to rise sharply to just under 0.2 Mt. The average price is forecast to be lower than 2023-24, with the assumption of an average grade distribution and lower prices for No.1 red and green lentils grades.

In the US, the area seeded to lentils for 2024-25 is forecast by the USDA at 0.76 Mac (0.31 Mha), 40% higher than in 2023-24, mostly due to a rise in area seeded in Montana.

Dry Beans

For 2023-24, dry bean exports are forecast to increase to 0.39 Mt due to higher export demand from the US and Mexico. The US and the EU remain the main markets for Canadian dry beans. Strong export demand has supported Canadian dry bean prices for 2023-24. To-date (August-April), Canadian white pea bean prices have averaged 6% lower, while pinto and black bean prices are up 9% and 3%, respectively, from the 2022-23 levels. For the entire crop year, the average price is forecast to

rise 5% from 2022-23 to \$1,220/t, helped by a weaker Canadian dollar against the US dollar.

For 2024-25, the area seeded in Canada is estimated to rise by 13% from 2023-24 to 145 thousand hectares (Kha) due to higher returns compared to other crops. By province, Ontario is expected to account for 28% of the dry bean area, Manitoba (56%), Alberta (9%), with the remainder in Saskatchewan, Quebec, and the Maritimes.

Production is expected to increase to 355 Kt. With lower carry-in stocks, supply is expected to decrease by 7%. Exports are forecast to fall and stocks are expected to rise. The average Canadian dry bean price is forecast to be lower with a stronger Canadian dollar, despite expectations for a decrease in North American supply.

In the US, area seeded to dry beans is forecast by the USDA to increase by 12% to 1.32 Mac (0.53 Mha), with rising area across most of the US dry bean growing states.

Chickpea

For 2023-24, the chickpea supply is sharply lower than the previous year. Canadian chickpea exports are expected to increase marginally to a record 200 Kt, largely due to higher exports to the EU and Turkey, two of Canada's largest markets. Carry-out stocks are expected to fall significantly as the increase in export demand has chewed through a lot of the supply. The average price is forecast to be up from 2022-23 to a record \$1,065/t, largely due to strong world import demand.

For 2024-25, the area seeded is estimated to rise from 2023-24 due to prospects for higher returns compared to other crops. By province, Saskatchewan is expected to account for a significant portion of the chickpea area, with the remainder seeded in Alberta.

Production is forecast to rise by 58% to 225 Kt, assuming a return to average yields, higher than the previous year. Supply is forecast to rise by only 12% compared to 2023-24 due to lower carry-in stocks. Exports are forecast to decrease from the previous year. Carry-out stocks are expected to rise sharply. The average price is forecast to fall from 2023-24 but remain historically high.

US chickpea area for 2024-25 is forecast by the USDA to rise to 0.4 Mac (0.16 Mha), up 15% from 2023-24.

Mustard Seed

For 2023-24, mustard seed supply is estimated at 222 Kt, up 18% from 2022-23. Canadian mustard exports are forecast to fall to 100 Kt, 9% lower than the previous year. The US and the EU remain the main export markets for Canadian mustard seed. Carry-out stocks are forecast to double. Prices are forecast to fall significantly due to the increased domestic supply.

For 2024-25, the area seeded is estimated to fall by 7% due to lower prices from the previous year. Saskatchewan and Alberta account for 74% and 24% of the area seeded, respectively. Production is forecast to rise to 180 Kt despite lower area, due to expectations for improved yields. Combined with increased carry-in stocks and production, supply is expected to increase by 20%. Exports are expected to increase and carry-out stocks are forecast to rise well above the five-year average. The average price is forecast to be lower than 2023-24, but still be the fifth highest on record.

Canary Seed

For 2023-24, supply is estimated at 169 Kt, down 21% from the previous year. Exports are expected to be down from last year. The EU and Mexico are the main markets, with lower exports to both markets. The average price is forecast to rise from 2022-23 to \$925/t due to tightening carry-out stocks.

For 2024-25, producers are expected to increase the area seeded due to competitive returns when compared to other crops. Production is expected to increase to 155 Kt with expectations for higher yields and area than the previous year. Supply is forecast to rise by 9%. Exports are expected to increase and carry-out stocks are expected to rise. The average price is forecast to be sharply lower than the 2023-24 level, at \$770/t.

Sunflower Seed

For 2023-24, supply is higher than the previous year. Sunflower seed exports are forecast to increase from the previous year at 25 Kt due to higher import demand from the US. The US is the top export

market, followed by Japan and China, which import small volumes. Carry-out stocks are expected to rise. The average price for sunflower seed in Canada is forecast to fall from 2022-23 due to lower prices for oil type and confectionery type sunflower seed prices.

For 2024-25, area seeded is expected to fall due to a decrease in returns compared to the previous year. Production is forecast to be lower at 73 Kt, assuming average yields. Supply is expected to rise marginally with large carry-in stocks, to 288 Kt. Exports are forecast to increase but carry-out stocks are forecast to rise slightly. The average price is forecast to rise from 2023-24 due to expectations for

a decrease in North American sunflower seed supply.

The area seeded to sunflower in the US for 2024-25 is forecast by the USDA to fall below 1.0 Mac (0.40 Mha), down 27% from 2023-24. Lower area seeded in North Dakota is expected along with a fall in area in other US states. The area seeded to oil type varieties is expected to decrease sharply to 0.8 Mac (0.32 Mha) and the area seeded to confectionery type varieties is forecast to be unchanged at 0.15 Mac (0.06 Mha).

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CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

May 21, 2024

Grain and Crop Year (a)	Area Seeded ----- thousand ha -----	Area Harvested	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
----- thousand tonnes -----												
Durum												
2022-2023	2,431	2,399	2.41	5,790	1	6,360	5,054	194	470	898	409	445
2023-2024f	2,442	2,375	1.70	4,045	25	4,479	3,200	200	416	829	450	450
2024-2025f	2,567	2,516	2.25	5,655	25	6,130	4,500	200	467	880	750	350
Wheat Except Durum												
2022-2023	7,844	7,683	3.72	28,545	64	31,702	20,612	3,258	3,858	7,987	3,103	401
2023-2024f	8,496	8,307	3.36	27,909	150	31,162	20,250	3,200	4,500	8,412	2,500	325
2024-2025f	8,377	8,210	3.52	28,937	150	31,587	20,250	3,200	4,410	8,337	3,000	310
All Wheat												
2022-2023	10,274	10,082	3.41	34,335	65	38,063	25,666	3,453	4,328	8,885	3,512	
2023-2024f	10,938	10,682	2.99	31,954	175	35,641	23,450	3,400	4,916	9,241	2,950	
2024-2025f	10,945	10,726	3.23	34,593	175	37,718	24,750	3,400	4,877	9,218	3,750	
Barley												
2022-2023	2,851	2,636	3.79	9,987	26	10,556	3,889	106	5,598	5,958	709	417
2023-2024f	2,963	2,699	3.30	8,896	80	9,685	2,750	319	5,518	6,085	850	310
2024-2025f	2,887	2,630	3.61	9,496	30	10,376	2,750	319	5,913	6,476	1,150	295
Corn												
2022-2023	1,466	1,444	10.00	14,539	2,227	19,512	2,848	5,327	9,693	15,036	1,628	300
2023-2024f	1,548	1,519	9.93	15,076	3,000	19,703	1,800	5,450	10,538	16,003	1,900	210
2024-2025f	1,572	1,540	9.69	14,929	2,150	18,979	1,650	5,450	9,713	15,179	2,150	225
Oats												
2022-2023	1,593	1,402	3.73	5,227	25	5,584	2,670	90	1,462	1,639	1,275	346
2023-2024f	1,023	823	3.20	2,636	20	3,931	2,340	135	1,002	1,241	350	360
2024-2025f	1,243	1,023	3.43	3,510	20	3,880	2,450	90	889	1,080	350	320
Rye												
2022-2023	237	152	3.42	520	2	606	199	42	244	303	105	287
2023-2024f	178	116	3.09	358	2	464	203	34	146	196	65	220
2024-2025f	183	112	3.13	350	2	417	183	34	123	174	60	210
Mixed Grains												
2022-2023	138	72	2.82	203	0	203	0	0	203	203	0	
2023-2024f	145	60	2.53	153	0	153	0	0	153	153	0	
2024-2025f	101	45	2.60	117	0	117	0	0	117	117	0	
Total Coarse Grains												
2022-2023	6,286	5,705	5.34	30,475	2,280	36,460	9,606	5,565	17,199	23,138	3,716	
2023-2024f	5,855	5,217	5.20	27,118	3,102	33,935	7,093	5,938	17,357	23,678	3,165	
2024-2025f	5,986	5,349	5.31	28,402	2,202	33,768	7,033	5,893	16,754	23,025	3,710	
Canola												
2022-2023	8,659	8,596	2.17	18,695	151	20,174	7,950	9,961	692	10,718	1,506	857
2023-2024f	8,936	8,855	2.07	18,328	250	20,084	6,000	10,700	783	11,534	2,550	705
2024-2025f	8,658	8,547	2.12	18,100	100	20,750	6,900	11,000	299	11,350	2,500	675
Flaxseed												
2022-2023	315	312	1.52	473	6	561	214	N/A	117	128	220	635
2023-2024f	247	239	1.14	273	10	502	225	N/A	112	127	150	565
2024-2025f	207	200	1.30	260	10	420	250	N/A	71	90	80	575
Soybeans												
2022-2023	2,135	2,118	3.09	6,543	483	7,313	4,219	1,768	724	2,728	367	701
2023-2024f	2,279	2,261	3.09	6,981	450	7,797	4,900	1,750	532	2,482	415	580
2024-2025f	2,259	2,258	3.06	6,900	450	7,765	4,950	1,900	346	2,446	370	550
Total Oilseeds												
2022-2023	11,108	11,026	2.33	25,711	641	28,048	12,383	11,729	1,533	13,574	2,092	
2023-2024f	11,461	11,354	2.25	25,581	710	28,383	11,125	12,450	1,427	14,143	3,116	
2024-2025f	11,123	11,006	2.30	25,260	560	28,936	12,100	12,900	716	13,886	2,950	
Total Grains And Oilseeds												
2022-2023	27,668	26,814	3.38	90,521	2,986	102,571	47,655	20,746	23,061	45,597	9,319	
2023-2024f	28,255	27,253	3.11	84,654	3,987	97,960	41,668	21,788	23,700	47,061	9,231	
2024-2025f	28,054	27,081	3.26	88,254	2,937	100,421	43,883	22,193	22,347	46,128	10,410	

(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 and seeded area for 2024-25 which are STC

CANADA: PULSE AND SPECIAL CROPS SUPPLY AND DISPOSITION

Unclassified / Non classifié

May 21, 2024

Grain and Crop Year (a)	Area Seeded ----- thousand ha -----	Area Harvested ----- t/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											
2022-2023	1,363	1,348	2.54	3,423	35	3,797	2,564	736	498	15%	440
2023-2024f	1,233	1,200	2.17	2,609	80	3,186	2,500	461	225	8%	460
2024-2025f	1,264	1,235	2.43	3,000	30	3,255	2,500	515	240	8%	400
Lentils											
2022-2023	1,749	1,715	1.34	2,301	87	2,610	2,209	255	147	6%	820
2023-2024f	1,485	1,460	1.14	1,671	95	1,913	1,600	263	50	3%	1,010
2024-2025f	1,550	1,525	1.40	2,130	75	2,255	1,800	265	190	9%	800
Dry Beans											
2022-2023	120	117	2.67	313	70	523	368	75	80	18%	1,165
2023-2024f	129	129	2.63	339	75	494	390	74	30	6%	1,220
2024-2025f	145	142	2.50	355	75	460	335	75	50	12%	1,140
Chickpeas											
2022-2023	95	95	1.35	128	42	325	198	76	51	18%	1,000
2023-2024f	128	127	1.12	142	50	243	200	42	1	0%	1,065
2024-2025f	162	160	1.41	225	45	271	150	76	45	20%	900
Mustard Seed											
2022-2023	225	219	0.74	162	11	189	110	40	40	26%	2,140
2023-2024f	258	251	0.68	171	12	222	100	42	80	56%	1,300
2024-2025f	240	232	0.78	180	7	267	110	42	115	76%	930
Canary Seed											
2022-2023	118	117	1.36	159	0	213	147	9	57	36%	900
2023-2024f	104	103	1.09	112	0	169	125	14	30	22%	925
2024-2025f	118	116	1.34	155	0	185	135	10	40	28%	770
Sunflower Seed											
2022-2023	38	38	2.24	84	40	242	22	70	151	165%	800
2023-2024f	40	40	2.32	92	30	273	25	68	180	193%	535
2024-2025f	34	33	2.21	73	35	288	35	68	185	180%	630
Total Pulse And Special Crops (c)											
2022-2023	3,707	3,649	1.80	6,570	284	7,900	5,617	1,261	1,022		
2023-2024f	3,376	3,309	1.55	5,137	342	6,501	4,940	965	596		
2024-2025f	3,511	3,443	1.78	6,118	267	6,981	5,065	1,051	865		

(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, averages 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 and seeded area for 2024-25 which are STC