

CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS, 2024**August 20, 2024**

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

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

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

The 2023-24 crop year closed on July 31 for most crops with the exception of corn and soybeans. Total principal field crop production and supply decreased significantly due to drought experienced over large areas of Western Canada, more than offsetting the decline in exports, which resulted in a decline of carry-out stocks (ending-year inventories) year-over-year. Prices for most principal field crops are projected to be significantly lower than in 2022-23, although pulse prices are expected to increase.

For 2024-25 growing conditions deteriorated in Western Canada throughout July due to prolonged hot and dry weather; as a result, overall yield expectations have been lowered from last month's AAFC Principal Field Crops Outlook. In particular, yields are revised down for wheat and coarse grains (excluding corn which was revised up), while oilseeds and pulse & special crops yields remain unchanged. Considerable uncertainty remains when estimating crop yield and production at this time of the season. Harvest in Western Canada has started and it is expected to advance quickly as crop development, in general, has advanced rapidly due to the hot and dry weather experienced over the month of July. Prices for most principal field crops are forecast to decline year-over-year, in line with lower world values.

The next AAFC Outlook for Principal Field Crops is scheduled to be released on September 25, 2024. The next major Statistics Canada release will be the model-based estimates of principal field crops, on August 28, 2024.

Canada: Principal Field Crops Supply and Disposition

	Area Seeded --- thousand hectares ---	Area Harvested	Yield t/ha	Production	Imports	Total Supply ----- thousand tonnes -----	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	4,037	98,010	44,327	45,427	8,256
2024-2025f	27,826	26,865	3.24	86,947	3,787	98,989	45,033	45,337	8,620
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	400	6,559	4,930	1,033	596
2024-2025f	3,724	3,650	1.90	6,916	269	7,781	5,223	1,163	1,395
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	4,437	104,568	49,257	46,460	8,852
2024-2025f	31,549	30,514	3.08	93,863	4,056	106,770	50,256	46,500	10,015

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, according to the Canadian Grain Commission (CGC), producer deliveries of durum through the licensed elevator system totaled 3.7 million tonnes (Mt) by July 28; this represents 91% of total production as reported by Statistics Canada (STC). CGC's reported exports, which make up close to 99% of total exports but exclude cross border movement outside the CGC licensed elevator system, were reported at 3.45 Mt. The total export forecast was raised to 3.47 Mt and stocks were reduced to 325 thousand tonnes (Kt). Domestic use declines to 684 Kt with a reduction in the feed, waste, and dockage estimate. STC will release the July 31 stocks report, including estimates for supply and demand, on September 9, 2024.

The global durum supply is estimated at 39 Mt according to the International Grains Council (IGC), down 7% year-on-year (y/y) and the lowest on record. Global demand was estimated at 34.2 Mt, with trade reported at 9.4 Mt and stocks to close the year at 4.8 Mt.

The spot price for Canadian Western Amber Durum, no. 1, 13% protein (CWAD, 1, 13%) in Saskatchewan for 2023-24 averaged \$425/tonne.

For 2024-25, area seeded to durum is estimated at 2.6 million hectares (Mha) and harvested area is forecast at 2.5 Mha. Over the last month, the Prairies experienced above-average heat and little moisture, which have dampened yield prospects. It is downgraded to 2.4 tonnes per hectare (t/ha) for a total production of 6.0 Mt, still up 49% compared to the previous year, 23% above average, and the fifth largest on record if realized. In Alberta, durum rated in "good" to "excellent" condition dropped from 76% to 66%, and in Saskatchewan, it dropped from over 90% to 58%. Domestic use is stable at average levels and closing stocks remain pegged at 0.8 Mt.

This year, exports are forecast to grow 38% to 4.8 Mt under strong demand from North Africa and parts of Europe. Some additional competition may come from the US, who is also forecasting a larger harvest; Turkey is also expected to play a role in the export market.

According to the United States Department of Agriculture (USDA), US production is forecast to reach 2.1 Mt, up from 1.6 Mt last year, imports to drop marginally to 1.1 Mt, and exports to expand to 0.8 Mt. In Europe, however, the durum harvest has been facing challenges due to poor weather; in France, wet weather is causing a reduction in both quantity and quality, whereas in Italy, the extreme heat is having a negative impact on yields, especially in the south.

Overall, for 2024-25, the IGC projects durum production to rise 13% to 35.1 Mt, surpassing total use of 34.4 Mt thanks to the increased production in North America. World trade is forecast at a five-year high of 9.5 Mt. Stocks were expanded to 5.5 Mt with the bulk of the increase due to a recovery in major durum exporters' inventories, which at 2.3 Mt, are up 22% y/y.

The 2024-25 average spot price for CWAD, 1, 13% in Saskatchewan is reduced to \$325/tonne under pressure from the larger harvest prospects in North America. Items to monitor include: the US harvest, North African demand, and potential shipments from Turkey.

Wheat (excluding durum)

For 2023-24, producer deliveries totaled over 26.3 Mt, 85% of total production, according to the CGC. The Canadian export forecast was raised to 21.4 Mt, with just under 21.2 Mt already shipped through the licensed elevator system. Cross border shipments outside the system, generally by road to the US, are not captured by the CGC. Domestic use drops to 7.8 Mt, with a reduction in feed, waste, and dockage. Closing stocks are now pegged at 2 Mt. STC will release its final report on stocks, including supply and disposition estimates for July 31, on September 9, 2024.

In 2023-24, the global wheat supply, including durum, totaled 1,061.1 Mt according to the USDA, while total use was 798.8 Mt. World trade was down about 1 Mt to 220.8 Mt with Russia accounting for 25% of all shipments. Stocks closed the year out at 262.4 Mt, down 3% from opening levels.

For 2023-24, the spot price for Canadian Western Red Spring Wheat, no. 1, 13.5% protein (CWRS, 1 13.5%) in Saskatchewan averaged \$316/tonne.

For 2024-25, there was 8.3 Mha of land seeded to wheat according to STC, and, assuming normal abandonment, harvested area is forecast at 8.1 Mha, down 3% y/y. As mentioned above, hot and dry weather has returned to the Prairies, threatening yield losses. In general, production expectations have come down since last month and spring wheat conditions remain variable throughout the provinces. As a result, the yield for wheat, excluding durum, was reduced to 3.5 t/ha in this month's report. Total production is estimated at 28.3 Mt and supply at 30.5 Mt, down 2% compared to 2023-24. Domestic use is forecast at about 8.0 Mt, down from last month, due to the reduced supply. Total exports are pegged at 20.5 Mt and stocks on par with opening levels.

In their most recent World Agricultural Supply and Demand Estimates report, the USDA is forecasting higher supplies, consumption, and trade in 2024-25, and lower stocks. Due to larger production prospects

in Ukraine, Kazakhstan, and Australia, the world wheat supply is projected to grow 3.5 Mt to 1,060.6 Mt. The US wheat supply itself is also forecast to grow 11% to 75.9 Mt; US exports are projected at 22.5 Mt.

Global consumption is raised to a record 804 Mt on higher feed and residual use, particularly in Europe. World exports are forecast at 214.9 Mt, with increased demand from Africa, the Middle East, and Southeast Asia. Closing stocks are expected to tighten to 256.6 Mt, the lowest since 2015-16.

The average spot price for CWRS, 1, 13.5% in Saskatchewan remains pegged at \$330/tonne in 2024-25 with harvest expectations continuing to pressure prices. Watch items moving forward include: the weather and its final impact on spring wheat yields in North America, quality of the French soft wheat harvest, and Black Sea supplies and early trade movement.

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

Coarse Grains

Barley

For 2023-24, total domestic use is forecast at 5.9 million tonnes (Mt), relatively on par with the year prior. Total exports, including grain exports and product exports (grain equivalent), are projected at 3.1 Mt, down sharply year-over-year (y/y) due to lower supplies as a result of drought impacting production on the Prairies. Carry-out stocks are forecast at 0.65 Mt, down 8% and 14% from the previous year and the five-year average, respectively, but still higher than the record low of 0.54 Mt in 2021-22.

The Lethbridge feed barley average price for 2023-24 is finalized at \$314/tonne (t).

For 2024-25, Canadian farmers seeded 2.58 million hectares (Mha) of barley according to Statistics Canada's (STC) June 2024 Field Crop Survey. Seeded area is down 13% y/y and 15% lower than the five-year average. By province, approximately 55% of the barley area was seeded in Alberta, 36% in Saskatchewan, 5% in Manitoba, and the remainder in other provinces.

The average yield for 2024-25 is forecast down from last month to 3.35 tonnes per hectare (t/ha), marginally below average, due to extended periods of hot and dry conditions throughout July in Alberta and Saskatchewan. Consequently, production has been lowered to 7.9 Mt, lower than the previous year by 11% and 16% below average.

With lower carry-in stocks and the anticipated lower production, total supply is forecast down y/y at 8.6 Mt, 17% below average. Exports have been lowered from last month to 2.75 Mt, down 12% y/y and 19% lower than average. Carry-out stocks are forecast at a record-low of 0.5 Mt, down 30% from average.

The 2023-24 Lethbridge average price is projected at \$290/t, continuing its downward trend from the historical highs seen in 2021-22 and 2022-23.

The United States Department of Agriculture (USDA) raised their domestic 2024-25 barley yield estimate in their latest World Agricultural Supply and Demand Estimates report. Despite yield

increasing, production was forecast slightly lower on reduced planted area and harvested area; it is projected at 3.24 Mt, down 19% from the estimate for 2023-24. The farm price projection is unchanged from last month at US\$289/t, notably lower than last year.

Globally, the International Grains Council (IGC) has made a downward revision to its monthly barley forecast for 2024-25, reflecting lower output from Canada, the EU, and the US. At 148.4 Mt, this is an increase y/y, owing to a return to average yields. Replenished stocks in major exporting countries put global ending stocks up 7% y/y while trade is anticipated to contract 5% on lower demand from China.

Corn

For 2023-24, total domestic use is forecast at 16 Mt, up 6% from the previous year and 5% ahead of the five-year average. Exports are projected at 1.8 Mt, down sharply y/y as the ample corn supplies were used domestically. Carry-out stocks are projected at 1.9 Mt, a recovery from last year's nine-year low but still below the five-year average by 14%.

The Chatham corn price remains projected at \$210/t, down \$90/t from last year.

For 2024-25, Canadian farmers planted 1.47 Mha of corn according to STC's June survey, down 5% y/y and slightly lower than the five-year average. By province, approximately 59% of the Canadian corn crop was seeded in Ontario, 24% in Quebec, 14% in Manitoba, and the remainder in other provinces.

The average corn yield for 2024-25 is forecast up from last month to a record-high of 10.41 t/ha as reports indicate solid corn growing conditions in Eastern Canada. Production is raised to 15 Mt, 5% higher than average and only slightly below last year's record high.

Higher carry-in stocks, solid production prospects, and anticipated steady imports brings total corn supply for 2024-25 to 19.9 Mt. Total domestic use is expected to remain relatively stable y/y at 16.1 Mt

with continued strong feed and industrial use. Exports are unchanged from last month at 1.75 Mt, 3% lower y/y with anticipated ample global corn supplies this year. Carry-out stocks are projected at 2.1 Mt, 11% higher y/y but 5% below average.

The 2024-25 Chatham average price forecast is lowered to \$200/t following lower US corn prices.

The USDA raised its domestic 2024-25 corn yield projection in the latest WASDE, rising 3% higher than the 2023-24 estimate. Production was raised slightly to 385 Mt, down slightly from last year's estimate. Ending stocks, though revised down from last month, are up 11% y/y to 53 Mt. The average farm price is projected at US\$165/t, slightly lower than the July projection and down from the US\$183/t estimate for 2023-24 but sharply lower than the US\$257/t for 2022-23.

Global corn production for 2024-25 was revised up by the IGC and is forecast at a record 1,225 Mt on positive prospects in Brazil, China, and the EU offsetting declines in North America and the CIS. Similarly, global consumption is forecast at a record 1,230 Mt, outpacing output by 5 Mt. Of total use, 60% is intended for feed and 26% for industrial processing. Global ending stocks are forecast to contract to the lowest volume in 11 seasons while trade is down 6% from last year's record on lower demand from China, Mexico, and the EU.

Oats

For 2023-24, total domestic use is forecast at 1.24 Mt, down 24% from the previous year due to lower available supplies as a result of the drought on the Prairies. Total exports are forecast 12% lower y/y to 2.3 Mt as the sharp reduction in production has lowered export availability. Carry-out stocks are forecast at 0.35 Mt, significantly lower y/y and well below the five-year average.

The Chicago Board of Trade (CBOT) average oat price for 2023-24 is finalized at \$354/t.

For 2024-25, Canadian farmers seeded 1.18 Mha of oats according to STC's June survey, up 15% y/y although down 18% from the five-year average. By province, 44% of Canada's oat crop was planted in Saskatchewan, 27% in Alberta, and 18% in Manitoba

with the remainder in other provinces.

The average oat yield is forecast at 3.30 t/ha due to hot and dry conditions, particularly in Alberta and Saskatchewan. Although this is a downward revision from last month, the average yield is still 3% higher than last year and on-par with the five-year average. As a result of lower yield prospects, production is now forecast at 3.2 Mt, up 21% from last year but 18% lower than the average.

Total oat supplies for 2024-25 are projected at 3.6 Mt, owing to significantly lower carry-in stocks and reduced production. Although carry-in stocks are higher than 2022-23's record-low, they are projected to be the second lowest on record. As a result of lower supplies, exports have been reduced to 2.3 Mt, relatively on par with last year but 10% lower than average on lower exports of oats for grain. Carry-out stocks are projected at 0.33 Mt, sharply below average and the lowest on record, if realized.

The CBOT oat price for 2024-25 is projected at \$310/t, lower when compared both to last year and the five-year average.

The US oat yield for 2024-25 was raised by the USDA from last month. For now, the US oat yield is projected to be 9% higher than the estimate for 2023-24. With unchanged month-over-month seeded and harvested area projections and solid yield prospects, production has been raised to 1.1 Mt, up 19% from 2023-24. The average farm price, projected at US\$233/t, is unchanged, down from the US\$254/t for 2023-24 and sharply lower than the US\$296/t for 2022-23.

IGC's 2024-25 global oat production forecast was revised down to 21.6 Mt, a 12% rise y/y. Total consumption is forecast slightly below output on stronger feed demand from China, Brazil, and Russia. Ending stocks are anticipated to rise 15% y/y while trade is relatively on par with last year's estimate with increased exports by Canada, Australia, and the EU.

Rye

For 2023-24, total domestic use, primarily for animal feed, is forecast at 196 thousand tonnes (Kt), down 35% from the previous year and 16% lower than the five-year average. Despite lower supplies, exports are forecast up slightly at 203 Kt, well above the five-year average by 25% as a result of strong demand from the US. Carry-out stocks are projected at 65 Kt, the lowest level since 2019-20, as a result of lower production due to drought on the Prairies.

The average price of rye on the Canadian Prairies for the crop year is finalized at \$219/t.

For 2024-25, STC reports 173 thousand hectares of rye were seeded in Canada, down 3% y/y and 15% below the five-year average. By province, 28% of the Canadian rye crop was planted in Alberta, 22% in Ontario, 19% in Saskatchewan, and the remainder in other provinces.

The average rye yield projection is unchanged from last month at 3.18 t/ha, higher y/y but slightly below the five-year average. Production is forecast at 345 Kt, down y/y and 17% below the average. Total supplies are forecast at 412 Kt, due to lower carry-in stocks and below-average output. Carry-out stocks are projected at 60 Kt, down 8% and 22% compared to last year and the five-year average, respectively.

The projected 2024-25 rye average price on the Canadian Prairies is unchanged at C\$215/t.

The 2024-25 world rye crop is forecast by the IGC at 12.2 Mt, marginally higher y/y on better yield prospects. Global consumption is forecast to outpace output by 0.3 Mt, ending stocks are forecast to contract to a six-year low, and global trade is forecast down 25% y/y on reduced demand from the US and EU.

Lina Gordon: A/Coarse Grains Analyst
Lina.Gordon@agr.gc.ca

Oilseeds

Canola

For 2023-24, crop year supplies are estimated at 20.1 million tonnes (Mt) versus 20.2 Mt for 2022-23 and the five-year average of 21.5 Mt as slightly higher carry-in and imports moderate the decline in output. Imports are estimated at a 20-year high of 0.25 Mt while production was 18.3 Mt, versus the 18.7 Mt grown in 2022-23.

A projected record canola crush of 10.7 Mt in support of the expanding Canadian and US renewable energy industry underlied an estimated 7.4% rise in food and industrial use. Canola oil content averaged 42.6% for August-June 2023-24, based on Statistics Canada's processing data. Handling loss and seed use remained at minor levels while feed, waste, and dockage declined.

Canola exports are estimated at 6.86 Mt, versus 7.95 Mt last year, in response to the growing crush and competition from other countries. China is expected to purchase about 70% of Canada's canola shipments followed distantly by Japan and Mexico at 13% and 9%, respectively.

Carry-out is estimated at 2.40 Mt, up from 2022-23 on higher commercial stocks, supporting an expected strong early season crush pace for 2024-25. The simple average price, No.1 track Vancouver finished the crop year at \$705/tonne (/t), down from \$857/t in 2022-23 and the five-year average of \$729/t, under pressure from declining world soybean oil prices.

For 2024-25, canola area dropped slightly to 8.9 million hectares (Mha) on declining prices, steady input costs, low early-spring soil moisture, and competitive wheat prices. Normal yields are assumed as a dry winter with low soil moisture gave way to a wet spring across much of the Prairies. This was followed by hotter and drier-than-normal weather during July, which accelerated and shortened flowering in some regions.

Weather patterns cooled significantly for early August, improving prospects for the later-seeded canola and for a normal size

crop. Canola production is forecast at 18.6 Mt. Supplies are forecast to rise slightly from last year to 21.1 Mt on higher carry-in and output.

Demand is forecast to remain stable with domestic crush predicted at 11.0 Mt. This forecast is subject to revision depending on the speed crush plants under construction become operational. Exports are projected steady at 7.5 Mt depending on the size of the domestic canola crop, domestic crush volumes, and competition from world oilseed and vegetable oil supplies. Carry-out is forecast to fall to 2.23 Mt, marginally below 2023-24 and 8% under the five-year average of 2.50 Mt. The simple average price, No.1 track Vancouver, is forecast notably lower at \$630/t for the upcoming crop year.

Factors to watch are: (i) Western Canada's late summer and early fall weather forecasts, (ii) harvest pace, (iii) early harvest crop yields, (iv) Canada's crush and export pace and (v) the strength of Chinese, Japanese, and Mexican import buying.

Flaxseed

For 2023-24, total supplies were about 502 thousand tonnes (Kt) (versus 561 Kt for 2022-23 and the five-year average of 567 Kt), as lower output moderated sharply higher carry-in stocks. Production was 273 Kt, down 42% from 473 Kt in 2022-23 and the lowest since 1967-68, on 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 estimated up 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 \$581/t versus \$635/t for 2022-23 and the five-year average of \$710/t.

For 2024-25, flaxseed seeded area fell by 15% from last year to 0.21 Mha and an estimated harvested area of 0.20 Mha. Production is forecast at 266 Kt, down slightly from last year, as the drop in seeded

area is partly offset by higher yields. Supplies are projected to fall sharply to 426 Kt on lower carry-in and production.

Total domestic use is forecast to fall to 91 Kt while exports are estimated at 250 Kt. Carry-out stocks fall to 85 Kt for a stocks-to-use ratio of 25%. The simple average price forecast for flaxseed No.1 in-store Saskatoon cash is \$590/t, up from 2023-24 but below the five-year average of \$710/t.

Soybeans

For 2023-24, total supplies are 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 was 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 4.9 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 \$113/t from last year to \$588/t, versus the five-year average of \$562/t.

For August 2024, the United States Department of Agriculture (USDA) maintained its bearish outlook for the American soybean market, with 2023-24 ending stocks rising 31% from the previous crop year to 9.4 Mt while farm-gate prices fall by US\$62/t from last year to US\$459/t. For the current crop year, domestic crush remains strong at 62.3 Mt, a rise of 2.1 Mt from 2022-23 while exports fall 7.6 Mt year-on-year (y/y) to 46.3 Mt.

The US situation mirrors the world oilseed market as global production rose by 0.3 Mt from last month to 657.5 Mt versus 637.9 Mt for 2022-23. World oilseed usage is estimated at 544.2 Mt in contrast to the 525.7 Mt consumed in 2022-23, while world ending stocks are estimated at 129.2 Mt compared to the 119.2 Mt ending inventory for 2022-23.

For 2024-25, soybean area in Canada increased slightly to 2.32 Mha as support from steady crusher and export buying, lower corn prices, and good soil

moisture offset lower prices. Production rises slightly to 7.10 Mt, assuming average yields, while supplies rise to marginally under 8 Mt, the third highest on record on 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 soyoil demand for food and fuel. Exports are forecast at 5.0 Mt, the second highest on record versus the 2018-19 out-of-country shipments of 5.64 Mt. Carry-out is forecast up, to 0.52 Mt, for a stocks-to-use ratio of 5%. The Canadian simple average price for soybeans, track Chatham, is forecast down \$58/t from last year to \$530/t, versus the five-year average of \$562/t.

The USDA updated its World Agricultural Supply and Demand Estimates outlook for 2024-25 in August, by predicting a 10% increase in US soybean production to 124.9 Mt on higher planted area and yields. Total supplies are up 11.5 Mt y/y to 134.7 Mt. This allows a 6% rise in domestic crush to 66 Mt in response to growing demand for soybean oil as a biofuel feedstock. Meanwhile, exports are projected up 9% to 50.3 Mt. Ending stocks are up 5.9 Mt from 2023-24 to 15.2 Mt, pressuring a US\$62/t drop in prices to US\$397/t for the upcoming crop year. US soyoil prices are predicted to fall to US\$926/t from US\$1,058/t for 2023-24. Soymeal prices are likewise projected down US\$77/t to US\$352/t for 2024-25.

The USDA's bearishness extended to the world oilseed market with global oilseed production rising by 33.1 Mt y/y while world oilseed supplies increase to 819.8 Mt versus 776.7 Mt for 2023-24, and total usage increases by 14.7 Mt to 558.9 Mt for 2024-25. World trade is likewise predicted to rise to 207.6 Mt versus 204.1 Mt expected for 2023-24. Ending stocks rise by 21.4 Mt to 150.6 Mt, for a stocks-to-use ratio of 27%, maintaining pressure on world prices.

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

Pulse and Special Crops

Dry Peas

For 2023-24, exports are estimated at 2.5 million tonnes (Mt), marginally lower than the 2022-23 level, with higher exports to India offset by lower exports to China, Bangladesh, and the US. Despite the reduced exports and lower domestic use, the sharply lower output in 2023-24 is expected to result in a carry-out stocks estimate of 0.23 Mt, down from the previous year and lower than the five-year average. For all dry pea types, the crop year average price was sharply higher than 2022-23. With lower carry-out stocks, the average dry pea price was 5% higher than the average price in 2022-23.

For 2024-25, Canadian dry pea production in Canada is forecast to rise sharply from 2023-24, to 3.3 Mt. This is largely due to good pea crop conditions across Western Canada, despite the July heat, that may lower abandonment and raise yields. Saskatchewan is estimated to account for 52% of the dry pea production with 39% in Alberta and the remainder across Canada. Supply is forecast to rise 10% to 3.6 Mt, due to the increase in production. Exports are forecast to remain steady at 2.5 Mt, with China, Bangladesh, and the US expected to be Canada's top markets. Carry-out stocks are forecast to rebound sharply. The average price is expected to be lower than 2023-24.

In the US, area seeded to dry peas for 2024-25 is forecast by the United States Department of Agriculture (USDA) to rise by 7% from 2023-24, to 1.0 million acres (Mac) (0.40 million hectares (Mha)). This is largely due to an expected rise in area in North Dakota and Montana. Despite lower yields and increased abandonment, US dry pea production is forecast by the USDA to rise to 0.84 Mt. The US has been successful in exporting small amounts of dry peas to markets in China, Canada, and Yemen. It is expected the US will continue to try to increase its market share in these countries in 2024-25.

Lentils

For 2023-24, lentil exports fell sharply to 1.6 Mt, 28% lower than the previous year. Exports of red lentils were 1.0 Mt while 0.6 Mt were green lentils.

The main markets were India, the United Arab Emirates, and Turkey. Total domestic use was higher than 2022-23 at 0.26 Mt. Carry-out stocks fell below 0.1 Mt. The average Canadian lentil price was 22% higher than in 2022-23 at a record \$1,000/tonne (/t). No.1 large green lentil prices maintained an average crop year premium of \$787/t over No.1 red lentil prices.

For 2024-25, lentil production is forecast to rise by 50% to 2.5 Mt. Lower abandonment and higher yields are expected due to good lentil crop conditions in Western Canada. Total green and red lentil area rose. Saskatchewan is expected to account for 88% of the lentil production, with the remainder in Alberta and Manitoba. Supply is also forecast to increase sharply due to the higher yields and production offsetting smaller carry-in stocks. Exports are forecast to rise to 1.9 Mt, with the increase in exportable supply. Carry-out stocks are forecast to rise compared to the previous year. The average price is forecast to fall sharply from 2023-24 with the expectations of larger world supply.

In the US, the area seeded to lentils for 2024-25 is forecast by the USDA to rise by 53% to 0.84 Mac (0.34 Mha), due to higher area seeded in Montana. Assuming similar yields and higher abandonment, 2024-25 US lentil production is therefore forecast by AAFC at 0.4 Mt, up 52% from last year. The main US export markets for lentils are expected to continue to be Canada, Mexico, and the EU.

Dry Beans

For 2023-24, dry bean exports were higher than 2022-23 despite lower Canadian supply. The US and the EU remained the main markets for Canadian dry beans, with smaller volumes exported to Japan but record exports to Mexico. A smaller North American supply positively impacted Canadian dry bean prices in 2023-24, which rose to a record \$1215/t, up marginally from the previous year.

For 2024-25, Canadian production is forecast to increase to 0.38 Mt as higher seeded area is partly offset with lower yields. By province, Ontario is expected to account for 36% of total dry bean

production, Manitoba 37%, Alberta 21%, with the remainder in Saskatchewan, Quebec, and the Maritimes. Supply is expected to fall despite the higher production with lower carry-in stocks. Exports are forecast to be lower than the previous year. Canada is expected to maintain its market share in the US, Europe, and Japan. As a result of the notable decrease in exports, even with the smaller supply, carry-out stocks are expected to rise. The average Canadian dry bean price is forecast to be lower with larger expected supply in North America.

In the US, area seeded to dry beans is forecast by the USDA to rise by 30% to 1.53 Mac (0.62 Mha), largely due to increased area seeded in North Dakota. Total US dry bean production for 2024-25 (excluding chickpeas) is forecast by the USDA to rise to 1.39 Mt, up 28% from 2023-24.

Chickpeas

For 2023-24, Canadian chickpea exports were lower than the previous year at 190 thousand tonnes (Kt). This was largely due to lower exports to Pakistan and the US. With the lower supply despite slightly lower exports, carry-out stocks are expected to fall sharply. The average price was marginally higher at a record \$1,005/t than the previous year due to lower world supply.

For 2024-25, production is forecast to more than double to 305 Kt due to higher area and yields. By province, Saskatchewan is expected to account for the majority of the chickpea production with the remainder in Alberta. Supply is forecast to sharply increase from last year. Exports are forecast to be unchanged from 2023-24 and carry-out stocks are expected to rise sharply from the previous year. The average price is forecast to be notably lower than 2023-24.

US chickpea area for 2024-2025 is forecast by the USDA at 0.50 Mac (0.20 Mha), up 35% from the previous year. Assuming average yields and abandonment, 2024-25 US chickpea production is therefore forecast by AAFC at 0.29 Mt, up 36% from last year.

Mustard Seed

For 2023-24, Canadian mustard seed exports were

lower than the previous year at 100 Kt due to decreased demand from the US and the EU. Carry-out stocks rose sharply due to the increased supply. Prices were pressured from the higher Canadian and US yellow and brown mustard seed stocks. Prices for all mustard types were sharply lower than the previous year. As a result, the Canadian average price across all types was 40% lower than the prices set in 2022-23.

For 2024-25, production is forecast at 225 Kt, 32% higher than last year, despite a 5% fall in seeded area. Expectations for higher yields and similar abandonment due to improved weather are the reason for the increase in production. Supply is expected to increase by 39%, to 314 Kt, as higher carry-in stocks combine with the rise in output. Exports are expected to be higher at 110 Kt, with the US and the EU being the main markets for Canadian mustard seed. With the increased supply, carry-out stocks are forecast to rise sharply. The average price is forecast to be 27% lower than 2023-24 at \$930/t.

Canary Seed

For 2023-24, exports were 110 Kt, much lower than the previous year due to smaller Canadian supply. There was a decrease in exports to Mexico and the EU, particularly, Belgium. The average producer price was marginally higher than a year earlier.

For 2024-25, production is forecast at 160 Kt, up 43% from last year, due to an increase in area and higher expected yields. Supplies are forecast to increase due to the rise in production, despite lower carry-in stocks. Exports are forecast to rise from 2023-24 with the increase in supply, with the EU and Mexico continuing to be the main markets, followed by the US and Columbia. The average price is forecast to be sharply lower than in 2023-24.

Sunflower Seed

For 2023-24, sunflower seed exports increased to 30 Kt due to a rise in demand from the US. Despite this, carry-out stocks were sharply higher than the previous year on increased supply and lower domestic use. The total average Canadian price for sunflower seed decreased notably from the previous year due to lower oil and confectionery type sunflower seed prices.

For 2024-25, production is estimated at 51 Kt, down sharply from last year, as seeded area fell from the previous year, to 24 thousand hectares, and yields are expected to be lower than last year. Exports are forecast to be higher at 33 Kt due to expectations for increased US demand. The US remains Canada's main export market for sunflower seed, with small amounts moving to Bulgaria and Japan. Carry-out stocks are forecast to fall to 160 Kt. Sunflower seed prices are forecast to rise by 16% to \$630/t, due to higher prices for oil and confectionery types.

For the US sunflower crop, the USDA forecasts that the area seeded to oil-type varieties is expected to fall to 0.77 Mac (0.31 Mha), while the area seeded to confectionery-type varieties is forecast to decrease to 0.13 Mac (0.1 Mha). Assuming normal

yields and lower abandonment, 2024-25 US sunflower seed production is forecast by AAFC to fall sharply to 0.7 Mt, the lowest in modern times.

For 2024-25, the global supply of sunflower seed is estimated by the USDA at 60 Mt, 2 Mt lower than last year. This is due to lower carry-in stocks from the previous year in Ukraine. World exports are expected to fall sharply to 2.6 Mt, while total domestic use is expected to fall marginally to 55 Mt. As a result of the smaller supply, world carry-out stocks are expected to fall 11% to 2.6 Mt. This is expected to be supportive for Canadian oil-type sunflower seed prices in 2024-25.

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

CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

August 20, 2024

Grain and Crop Year (a)	Area	Area	Yield	Production	Imports (b)	Total Supply	Exports (c)	Food & Industrial Use (d)	Feed, Waste & Dockage	Total Domestic Use (e)	Carry-out Stocks	Average
	Seeded	Harvested										t/ha
----- thousand ha -----												
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	3,470	195	276	684	325	425
2024-2025f	2,576	2,516	2.40	6,039	25	6,389	4,800	200	375	789	800	325
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	200	31,212	21,400	3,200	3,900	7,812	2,000	316
2024-2025f	8,256	8,091	3.50	28,319	150	30,469	20,500	3,200	4,042	7,969	2,000	330
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	225	35,691	24,870	3,395	4,176	8,496	2,325	
2024-2025f	10,832	10,607	3.24	34,357	175	36,857	25,300	3,400	4,417	8,757	2,800	
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	3,130	319	5,364	5,905	650	314
2024-2025f	2,584	2,352	3.35	7,878	30	8,558	2,750	319	4,749	5,308	500	290
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	1,474	1,441	10.41	15,000	3,000	19,900	1,750	5,450	10,585	16,050	2,100	200
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	1,008	1,241	350	354
2024-2025f	1,175	967	3.30	3,191	20	3,561	2,300	90	745	936	325	310
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	147	196	65	219
2024-2025f	173	109	3.18	345	2	412	183	34	118	169	60	215
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	149	69	2.60	180	0	180	0	0	180	180	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	7,473	5,938	17,209	23,498	2,965	
2024-2025f	5,554	4,937	5.39	26,594	3,052	32,611	6,983	5,893	16,376	22,643	2,985	
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	6,859	10,700	74	10,825	2,400	705
2024-2025f	8,906	8,793	2.12	18,628	100	21,128	7,500	11,000	347	11,398	2,230	630
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	581
2024-2025f	210	205	1.30	266	10	426	250	N/A	72	91	85	590
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	588
2024-2025f	2,324	2,323	3.06	7,102	450	7,967	5,000	1,900	348	2,448	520	530
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	11,984	12,450	718	13,433	2,966	
2024-2025f	11,440	11,320	2.30	25,996	560	29,521	12,750	12,900	767	13,937	2,835	
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	4,037	98,010	44,327	21,783	22,103	45,427	8,256	
2024-2025f	27,826	26,865	3.24	86,947	3,787	98,989	45,033	22,193	21,559	45,337	8,620	

(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

August 20, 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	135	3,241	2,500	516	225	7%	460
2024-2025f	1,300	1,270	2.60	3,300	30	3,555	2,500	615	440	14%	430
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%	1,000
2024-2025f	1,704	1,675	1.49	2,500	75	2,625	1,900	275	450	21%	830
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	400	74	20	4%	1,215
2024-2025f	150	146	2.58	375	75	470	355	75	40	9%	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	190	52	1	0%	1,005
2024-2025f	184	181	1.69	305	45	351	190	76	85	32%	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	15	225	100	45	80	55%	1,280
2024-2025f	245	239	0.94	225	9	314	110	44	160	104%	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	110	14	45	36%	930
2024-2025f	118	116	1.38	160	0	205	135	10	60	41%	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	30	68	175	178%	545
2024-2025f	24	23	2.22	51	35	261	33	68	160	158%	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	400	6,559	4,930	1,033	596		
2024-2025f	3,724	3,650	1.90	6,916	269	7,781	5,223	1,163	1,395		

(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