CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS

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Market Analysis Group / Crops and Horticulture Division
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This report is an update of Agriculture and Agri-Food Canada's (AAFC) July outlook report for the 2019-20 crop year and the current 2020-21 crop year.

The 2019-20 crop year closed at the end of July for most crops except corn and soybeans, for which the crop year closes at the end of August. Preliminary estimates indicate that total exports of all field crops decreased slightly from the previous year to 52.5 million tonnes (Mt), of which about 86% is grains and oilseeds (G&O) and 14% is pulses and special crops (P&SC). From a disposition point of view, exports, domestic use and carry-out stocks represent about 47, 42, and 11% of total supply, respectively. Total carry-out stocks are expected to be significantly below the 10-year average and almost 20% lower than the previous year largely due to the lower supply of G&O and increased exports for P&SC. There was a notable decrease in carry-out stocks for canola, durum, lentils and peas. In general, abundant world supplies have pressured world prices but the low value of the Canadian dollar provides strong support to prices in Canada.

For the 2020-21 crop year, the total area seeded to field crops in Canada is marginally lower than it was in 2019-20, based on Statistics Canada's preliminary estimates of principal field crop areas. Harvest is underway for most crops and, in general, is expected to be complete by mid-September except for some later seeded crops. Average yields are forecast to increase due to improved growing conditions, especially for corn and soybeans in Eastern Canada. Total crop production is forecast to increase by almost 4% to 96.8 Mt. However, due to the major set-back in carry-in stocks, total supply is expected to fall. As a result, total exports are forecast to decrease slightly for G&O combined with a notable decrease in exports for P&SC. Total domestic use is expected to decrease by 3% due to lower domestic use for G&O. Total carry-out stocks are forecast to increase to 14.8 Mt, slightly above the 10-year average. World grain prices will continue to be pressured by an abundant supply of grains at the global level but the impact on grain prices in Canada will be mitigated by the low value of the Canadian dollar. The economic outlook for the world and Canadian grain markets is expected to continue to be strongly tempered by the domestic and international uncertainty caused by COVID-19.

Canada: Principal Field Crops Supply and Disposition

	Area Seeded	Area Harvested	Yield	Production	Imports	Total Supply	Exports	Total Domestic Use	Carry-out Stocks
	thousand hectares		*t/ha*	*thousand tonnes*					
Total Grains And Oilseeds									
2018-2019	27,820	26,861	3.22	86,593	4,043	105,215	46,881	44,412	13,922
2019-2020f	27,568	26,105	3.30	86,077	3,097	103,096	45,392	46,049	11,655
2020-2021f	27,456	26,189	3.41	89,269	2,412	103,336	45,120	44,356	13,860
Total Pulse And Special Crops									
2018-2019	3,652	3,576	1.88	6,714	293	8,734	6,101	1,331	1,302
2019-2020f	3,897	3,788	1.93	7,317	316	8,935	7,129	1,146	660
2020-2021f	3,953	3,878	1.95	7,574	277	8,511	6,265	1,326	920
All Principal Field Crops									
2018-2019	31,472	30,437	3.07	93,307	4,336	113,949	52,982	45,743	15,224
2019-2020f	31,465	29,893	3.12	93,394	3,413	112,030	52,521	47,194	12,315
2020-2021f	31,408	30,067	3.22	96,843	2,689	111,847	51,385	45,682	14,780

Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)
f: forecast by AAFC except for area, yield and production for 2019-2020 and area seeded for 2020-2021 which are STC

Durum

For 2019-20, Canadian durum exports are forecast to increase by 17% to 5.3 Mt due to stronger demand resulting from a decrease in world production. The exports forecast is 0.3 million tonnes (Mt) higher than in the July report because of an increase in exports late in the crop year. The unusually high imports in 2019-20 are due to exports of low quality durum from North Dakota and Montana to feed mills in western Canada. Carry-out stocks are forecast to fall by 55% from 2018-19 to 0.8 Mt, 44% lower than the past five-year average of 1.43 Mt. The carry-out stocks forecast was reduced by 0.1 Mt from the July report.

The official exports data for 2019-20 will be released by Statistics Canada (STC) on September 3, followed by the carry-out stocks estimates on September 4.

The average Canadian crop year producer price for durum rose by 15% from 2018-19 due to lower world, Canadian and US supply.

For 2020-21, the area seeded to durum in Canada increased by 16% from 2019-20, according to the STC seeded area survey. Production is forecast to rise by 30% to 6.5 Mt, as the increase in seeded area is compounded by higher yields and a return to normal abandonment rate. The production forecast was raised by 0.5 Mt from the July report due to improved crop conditions. Supply is projected to rise by 7% as the higher production is mostly offset by lower carry-in stocks. Exports are expected to be the same as for 2019-20. Carry-out stocks are forecast to rise by 50% to 1.2 Mt.

World durum production is forecast to increase by 0.6 Mt from 2019-20 to 34.2 Mt, according to the International Grains Council (IGC). Supply is expected to fall by 0.7 Mt to 42.8 Mt because of lower carry-in stocks. Use is expected to rise by 0.1 Mt to 35.1 Mt, while carry-out stocks fall by 0.9 Mt to 7.7 Mt, the lowest since 2014-15. US durum production is forecast to rise by 0.22 Mt to 1.68 Mt according to the United States Department of Agriculture (USDA).

The average Canadian crop year producer price for durum is forecast to decrease by 4% from 2019-20 due to the higher Canadian supply.

Wheat (excluding durum)

For 2019-20, Canadian wheat exports are forecast to fall by 5% to 18.7 Mt, due to more competition from other exporters because of higher world production. The exports forecast is 0.5 Mt higher than in the July report because of an increase in exports late in the crop year. Carry-out stocks are forecast to increase by 6% to 4.5 Mt, 9% lower than the past five-year average of 4.96 Mt. The unusually high imports in 2019-20 are due to exports of low quality wheat from North Dakota and Montana to feed mills in western Canada. The carry-out stocks forecast was reduced by 0.5 Mt from the July report.

Average Canadian producer prices for wheat for the crop year fell by 8% from 2018-19 because of the higher world supply.

For 2020-21, Canadian area seeded to wheat decreased by 3% from 2019-20, as a 17% increase in the winter wheat area was more than offset by a 5% decrease for spring wheat area, based on the STC seeded area survey.

Seeded area by class of wheat, with 2019-20 area in brackets: winter wheat (hard red, soft red and soft white) 636 thousand hectares (Kha) (545 Kha); Canada Western Red Spring (CWRS), premium quality hard wheat, 6,185 Kha (6,679 Kha); Canada Prairie Spring (CPS) 463 Kha (366 Kha), Canada Northern Hard Red Spring (CNHR) 229 Kha (210 Kha); soft white spring (CWSWS) 119 Kha (135 Kha), other western spring wheat 95 Kha (80 Kha), eastern spring wheat, mainly hard red spring (CERS), 165 Kha (129 Kha).

Production is projected to rise by 4% to 28.4 Mt. The winter wheat production is projected to increase by 65% to 2.8 Mt due to higher seeded area and a return to a normal abandonment rate. Spring wheat production is expected to fall marginally to 25.6 Mt.

The production forecast was raised by 0.5 Mt from the July report due to improved crop conditions. Supply is forecast to increase by 4% because of higher production and carry-in stocks. Exports are expected to rise by 2%. Carry-out stocks are forecast to increase by 22% to 5.5 Mt.

World all wheat production is forecast to rise by 2 Mt from 2019-20 to 766 Mt, while supply increases by 21 Mt to 1,067 Mt due to higher carry-in stocks, according to USDA. Total use is expected to rise by 3 Mt to 750 Mt, as higher food use is partly offset by lower feed use. Carry-out stocks are forecast to rise by 16 Mt to 317 Mt. Excluding China, carry-out stocks are projected to rise by 5 Mt to 154 Mt.

US all wheat production is forecast to fall by 2.3 Mt from 2019-20 to 50 Mt, according to USDA. Imports are forecast to increase by 0.7 Mt. Supply of all wheat is projected to fall by 2.5 Mt to 82 Mt. Exports are forecast to rise by 0.3 Mt, while domestic use increases by 0.4 Mt. Carry-out stocks are forecast to decrease by 3.2 Mt to 25.2 Mt.

Average Canadian producer prices for wheat for the crop year are forecast to be the same as for 2019-20.

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Barley

For 2019-20, Canadian barley exports are expected to be slightly below the year-earlier level due to lower exports of barley malt while exports of barley grain remain stable. The majority of Canadian barley grain is exported to China, Japan, the United States and Mexico; the major destinations for Canadian malt include the United States, Japan, Mexico and South Korea. Total domestic use is expected to increase significantly, largely due to strong feed use. Carry-out stocks are estimated to rise sharply from the historic low of 2018-19.

Increased barley supplies in Canada and around the world have been weighing on barley prices. The average feed barley price at Lethbridge feedlots fell by 11% from the previous year.

For 2020-21, the area seeded to barley in Canada is marginally higher than the previous crop year and the highest since 2009-10, according to Statistics Canada's (STC) seeded area survey. Barley area in Alberta, the leading barley grower, is the highest since 2013. In Saskatchewan, another main grower of barley, the area seeded is lower than last year but is still close to the record level set in 2010. Manitoba barley area rose from last year and is on par with the five year average.

Barley production is forecast to be slightly lower than last year and will be the second largest in the last ten years. Combined with high carry-in stocks, supply is forecast to increase from last year. Exports are forecast to remain unchanged. Domestic use is expected to fall due to lower feed use. Carry-out stocks are expected to rise as a result of higher supplies and lower use.

The average price of feed barley for 2020-21 is expected to drop by 10% from 2019-20 due to strong domestic and world supplies. In addition, large corn supplies in the US and around the world will constrain feed grain prices.

World barley supplies for 2020-21 are expected to fall but remain burdensome, according to the United States Department of Agriculture (USDA) largely due to a considerable drop in production in the world major exporting countries. World feed use is forecast to decrease in the world major importers, as users are expected to shift to cheaper corn. The demand for food, seed, and industrial use is forecast to increase marginally. Carry-out stocks are expected to rise only slightly.

Corn

For 2019-20, Canadian corn imports are estimated to fall from the high level of the previous year, despite the increased importing pace in May, which resulted from attractive low US corn prices. Corn exports are forecast to be sharply lower than last year. Exports had been very low for the first eight months and then increased significantly in May and June, due to increased shipments to the EU countries. Total domestic use is expected to decrease slightly due to lower feed use and industrial use. Carry-stocks are expected to remain relatively unchanged from the previous year. The average price of corn at Chatham is expected to be similar to last year.

For 2020-21, the area seeded to corn is estimated by STC at 1.44 million hectares (Mha), down 4% from a year earlier and on par with the five-year average. Ontario corn area fell from last year but is above the five-year average and still in the high range. Quebec corn area slipped to the lowest level over the past two decades. In Manitoba, corn area dropped from last year and is slightly below the five-year average.

Production is forecast to increase from last year due to improved yield outlook. Imports are expected to decrease due to higher domestic production and carry-in stocks. Domestic use is projected to fall due to lower feed use, despite higher industrial use. Given the bumper domestic supplies and the steady increase in world demand, exports are expected to increase. Carry-out stocks are forecast to drop from the high level of 2019-20.

The average price of corn in Canada is expected to drop by 10%, in line with an expected lower corn prices in the US. However, the low value of the Canadian dollar will continue to support Canadian corn prices.

The supply of corn in the US is expected to be high in 2020-21 due to increased acres and record yield outlook, according to the USDA. The main categories of demand are forecast to recover. Ending stocks are expected to increase significantly. The US corn price for 2020-21 is projected at US$3.10/bu, versus US$3.60/bu for 2019-20.

At the world level, the USDA forecasts the 2020-21 world corn crop will be a record, mainly due to the expanded output in the world major exporters. World consumption, including feed use and industrial use, is expected to increase. Carry-out stocks are set to rise marginally, as the significant increase in stocks for the world major exporters, led by the US, is anticipated to be largely offset by the decline in stocks in the major importers, led by China. World trade volume is forecast to expand to a record level, owing to ample supplies and lower prices.

Oats

For 2019-20, Canadian oat exports, including grain and products, are anticipated to rise by 5%, with approximately 85% of the exports shipped to the US and the majority of the rest shipped to Mexico. The estimate for domestic use is pegged higher than the year-earlier level due to a sharp increase in demand for food production. Carry-out stocks are expected to increase but remain tight.

The oat futures price on the Chicago Board of Trade (CBOT) increased by 8% from the prior year.

For 2020-21, the area seeded to oats in Canada is estimated at 1.55 Mha, the highest since 2008-09. Oat area in Alberta dropped from last year but it is still in the high range since 2011. Oat area in Saskatchewan and Manitoba increased from last year and are the highest since 2008.

Production is forecast to increase due to higher area harvested. Supplies are estimated to increase to a new record since 2008-09. Domestic use is expected to drop due to a reduced outlook for food uptake. Exports are projected to remain strong, despite expectations for higher supplies in the major exporting countries, as well as in the US. Carry-out stocks are forecast to rise to a seven-year high.

The CBOT oat futures price for 2020-21 is expected to drop from last year due to ample supplies in Canada, the US and around the world.

World oat output and carry-out stocks for 2020-21 are forecast to increase; most of the increases are located in the major oat exporting countries, notably in Australia. World consumption is forecast to increase as well. World trade is expected to be more active. Exports from the EU is expected to decline significantly while they are anticipated to increase sharply for Australia and Russia. More oats is expected to ship to the US.

Rye

For 2019-20, Canadian rye exports are expected to increase with more than 99% of the exports shipped to the US, the world leading importer of rye. Domestic use, including the demand for food and feed, is lower than last year according to the current domestic disappearance pace. Carry-out stocks are expected to rebound from last year's low. The price of rye at Saskatchewan for the crop year averaged $210/t, down 11% from last year’s historic high.

For 2020-21, the area seeded to winter rye in Canada increased by 35% from 2019-20. Production is forecast to increase to 445 thousand tonnes (Kt), the highest in three decades. Supply is expected to increase to 506 Kt, a record level since 2006. Domestic use, exports and carry-out stocks are projected to rise due to available bumper supplies. The rye price is expected to fall from 2019-20 due to higher supplies in Canada and around the world.

World rye output and carry-out stocks are forecast to increase and most of the increases are located in the major rye exporting countries, including Canada, the EU countries, Russia and Ukraine. World consumption is forecast to increase as well. World trade is expected to decrease. Exports from the EU are expected to decline significantly but exports are anticipated to increase sharply for Russia and Ukraine. Less rye is expected to be shipped to the US.

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Canola

For 2019-20, total usage of canola is preliminarily estimated at a record 20.8 Mt based on an estimated crush of 10.0 Mt and exports of 10.1 Mt. After a slow start to the crop year, usage accelerated during the 2nd half of the crop year on strong world demand for vegetable oils and relaxed constraints on rail movement of grains due to the drop off in shipments of non-agricultural commodities. These estimates will be updated as final end-of-year data becomes available.

Carry-out stocks are estimated at 1.8 Mt, down 2.0 Mt from 2018-19 with 1.2 Mt located in commercial position and 0.6 Mt on-farm. The stocks-to-use ratio is estimated at 9 percent versus 20 percent for 2018-19 and the modern day record of 23 percent set in 2004-05.The simple average, crop year price for canola price is $484/t versus $497/t last year.

For 2020-21, seeded area in Canada is estimated by Statistics Canada to have fallen marginally to 8.4 million hectares (Mha), as farmers shifted into wheat and coarse grains away from oilseeds. AAFC forecasts a harvested area of 8.3 Mha for canola, assuming a normal rate of crop abandonment. Yields are projected at 2.27 tonnes per hectare (t/ha), up marginally from 2019-20, based on 5-year average yields. The yield estimates are supported by generally good growing conditions across the key growing regions although the maturing crop was stressed by hot and dry weather, leading to some premature ripening.

Canola production is forecast to rise slightly to 18.9 Mt, consistent with alternate unofficial satellite-imaging and crop-survey forecasts, which estimate output ranging from 18.9 Mt to 20.2 Mt. Total supplies are forecast to fall to 20.8 Mt on the sharp decline in carry-in stocks and an expected slight drop in imports.

Disposition of canola is expected to fall marginally as tighter domestic supplies constrain exports and domestic crush. Exports are forecast to fall to 9.5 Mt with world demand expected to remain strong based on the current hot and dry weather affecting key growing areas across the European Union. Domestic crush is forecast to fall to 9.3 Mt due to tighter domestic seed supplies and competition from large world soybean oil and palm oil supplies. Carry-out stocks are forecast to tighten slightly to 1.7 Mt, for a stocks-to-use ratio of 9% supporting a modest rise in canola prices to $490-530/t.

Flaxseed

For 2019-20, exports are preliminarily estimated at 0.35 Mt on stable world demand and tighter domestic supplies, while total domestic use rises to 0.14 Mt on significantly higher feed, waste and dockage following last fall's challenging harvest. Carry-out stocks are forecast up marginally to 0.07 Mt while flaxseed prices rise to $518/t, versus $496/t in 2018-19.

For 2020-21, farmers seeded 0.37 Mha to flaxseed, down slightly from last year despite higher prices. Production is forecast to rise by 5% to 0.51 Mt, assuming a normal abandonment and five-year average historical yields. Supplies are forecast to increase by 6% to 0.59 Mt on higher output and carry-in stocks.

Exports are forecast up by 29% from 2019-20, to 0.45 Mt, on steady to stronger world consumption, while total domestic use falls sharply to 0.04 Mt, on lower feed, waste and dockage. Carry-out stocks are forecast at 0.10 Mt while prices range from $510-550/t for 2020-21.

Soybeans

For 2019-20, Canadian exports are estimated at 4.3Mt, versus 5.6 Mt last year, on tighter domestic supplies and competition from large US and South American supplies. Canadian soybean crush is estimated down by 13%, to 1.8 Mt. Carry-out stocks are estimated at 0.4 Mt. Soybean prices are forecast to rise slightly to $420/t versus $406/t for 2018-19.

The factors to watch are: (1) Canadian weather forecasts, (2) North American harvest conditions, (3) US soybean export sales, (4) state of US-China trade negotiations.

For 2020-21, Canadian soybean area is estimated down 0.3 Mha, to 2.1 Mha, based on producer surveys. Assuming normal abandonment and normal yields, production is forecast at 5.9 Mt, vs 6.0 Mt in 2019-20 and 7.4 Mt in 2018-19. Total supply is forecast to decrease to 6.8 Mt, as sharply lower carry-in stocks compound the decline in production and imports. Exports are forecast at 4.1 Mt and are expected to head to a variety of countries. Domestic processing is forecast up slightly at 1.9 Mt as crushers swing back to a normal processing pace for soybeans.

Carry-out stocks are forecast to decrease slightly to 0.36 Mt versus 0.40 Mt for 2019-20 and 0.70 Mt in 2018-19. Soybean prices are forecast to decline to $390-430/t under pressure from lower US prices, with losses muted by the low value of the Canadian dollar, with C$1.00 worth about US$0.75.

The USDA's soybean production estimate of 4.4 billion bushels for 2020-21, based on a record yield estimate of 53.3 bu/ac, is supported by current crop ratings at around 74% good-to-excellent versus 54% for this time last year. The US soybean harvest normally gets underway in late September and wraps up in late November or early December. Current growing conditions are near normal across the soybean belt with some regions experiencing moderate shortages or surpluses of soil moisture. Cumulative growing season temperatures also fluctuate on either side of normal across the Plains and Midwest regions of the US. The greatest threat currently facing the American soybean crop is the possibility of a wet and delayed harvest, given current weather conditions, and barring an abrupt shift into cold and wet weather, the outlook is for a normal harvest with few delays and minimal quality and yield losses for the soybean crop.

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Dry Peas

For 2019-20, exports are estimated at 3.7 million tonnes (Mt), 13% higher than the 2018-19 level, with record exports to China and Bangladesh. This is offset by lower domestic use but is expected to result in a decrease in carry-out stocks. For yellow peas, the crop year average price were marginally higher than 2018-19. Green and feed pea prices were lower than the previous year. With lower carry-out stocks, the average dry pea price was 2% lower than 2018-19.

For 2020-21, Canadian dry pea production in Canada is forecast to rise slightly from 2019-20, to 4.25 Mt. This is largely due to an expected similar harvested area. Saskatchewan is estimated to account for 55% of the dry pea production, with 39% in Alberta, and the remainder across Canada. Supply is forecast to fall marginally to below 4.6 Mt due to lower carry-in stocks. Exports are forecast to fall to 3.4 Mt, with China, Bangladesh and the US expected to be Canada's top markets. Carry-out stocks are forecast to increase. The average price is expected to be similar to 2019-20.

In the US, area seeded to dry peas for 2020-21 is forecast by USDA to fall by 14% from 2019-20, to 0.95 million acres. This is largely due to an expected fall in area in North Dakota and Montana. Assuming a return to normal yields and abandonment, US dry pea production is forecast by AAFC to fall to below 0.8 Mt. The US has been successful in exporting small amounts of dry peas to markets in Canada and the Philippines. It is expected the US will continue to try keep its share in these markets in 2020-21.

Lentils

For 2019-20, lentil exports rose to a record 2.65 Mt, up 30% from the previous year. Exports of red lentils were 1.8 Mt while 0.85 Mt were green lentils. The main markets were India, the United Arab Emirates, Bangladesh and Turkey. Total domestic use was lower than 2018-19 at 0.2 Mt. Carry-out stocks decreased to below 0.1 Mt. The average Canadian lentil price was 25% higher than it was for 2018-19. No.1 large green lentil prices maintained an average crop year premium of $95/t over No.1 red lentil prices.

For 2020-21, lentil production is forecast to rise by 14% to 2.5 Mt, the fourth largest Canadian lentil crop on record. Larger seeded area and higher yields are expected. Total green lentil area and red lentil area increased. Saskatchewan is expected to account for 90% of the lentil production, with the remainder in Alberta and Manitoba. Supply, however, is forecast to decrease by 12% due to lower carry-in stocks. Exports are forecast to fall to 2.1 Mt. Carry-out stocks are forecast to rise compared to the previous year. The average price is forecast to rise by 6% from 2019-20 with a return to more average grade distribution.

In the US, the area seeded to lentils for 2020-21 is forecast by the USDA to rise marginally to nearly 0.5 million acres (mln ac), due to higher area seeded in North Dakota. Assuming a return to average yields and abandonment, 2020-21 US lentil production is therefore forecast by AAFC at below 0.25 Mt, down 4% from last year. The main US export markets for lentils are expected to continue to be Canada, India, China, Mexico and the EU.

Dry Beans

For 2019-20, dry bean exports were higher than 2018-19 with the higher Canadian supply and stronger world prices. The US and the EU remained the main markets for Canadian dry beans, with smaller volumes exported to Japan and Mexico. A below average quality dry bean crop in the US and Canada provided the majority of the support for Canadian dry bean prices in 2019-20.

For 2020-21, Canadian production is forecast to increase to nearly 0.35 Mt, as lower seeded area combines with higher yields. By province, Ontario is expected to account for 37% of the dry bean production, Manitoba 43%, Alberta 14%, with the remainder in Saskatchewan, Quebec and the Maritimes. Supply is expected to rise despite 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, carry-out stocks are expected to rise. The average Canadian dry bean price is forecast to be 18%

lower due to larger expected supply in North America.

In the US, area seeded to dry beans is forecast by the USDA to rise by 26% to 1.63 million acres, largely due to increased area seeded in North Dakota. Total US dry bean production for 2020-21 (excluding chickpeas) is forecast by AAFC at 1.5 Mt, up 58% from 2019-20.

Chickpeas

For 2019-20, Canadian chickpea exports have fallen from the previous year to 105 thousand tonnes (Kt). This was largely due to lower exports to Pakistan. With the higher supply and decreased exports, carry-out stocks are expected to rise significantly. The average price was 2% higher than the previous year despite below average quality.

For 2020-21, production is forecast to fall to 200 Kt, due to lower area but higher yields. By province, Saskatchewan is expected to account for the majority of the chickpea production, with the remainder in Alberta. Supply is forecast to be higher than last year. Exports are forecast to be higher than in 2019-20 and carry-out stocks are expected to fall. The average price is forecast to be 4% lower than in 2019-20.

US chickpea area for 2020-2021 is forecast by the USDA at 0.3 million acres, down 33% from the previous year. Assuming normal yields and abandonment, 2020-21 US chickpea production is therefore forecast by AAFC at 0.2 Mt, down nearly 30% from last year.

Mustard Seed

For 2019-20, Canadian mustard seed exports fell marginally to 115 Kt from the previous year due to lower demand from the US. Carry-out stocks fell due to the decreased supply. Prices rose by 25% from the previous year for yellow mustard seed types. This was largely due to price support from the lower Canadian and US domestic yellow mustard seed stocks. Prices for the brown and oriental types were marginally lower than the previous year. As a result, the average price across all types was up marginally from 2018-19.

For 2020-21, production is estimated at 90 Kt, 33% lower than last year due to a large fall in seeded area, despite expectations for higher yields. Supply is expected to decrease by 29%, to 153 Kt, as lower carry-in stocks combine with the fall in output. Exports are expected to be unchanged at 115 Kt, with the US and the EU being the main markets for Canadian mustard seed. As a result, carry-out stocks are forecast to fall. The average price is forecast to be 12% lower than 2019-20 with a range of $680-710/t.

Canary Seed

For 2019-20, exports were higher at 158 Kt, up from the previous year. The average producer price was 25% higher from a year earlier.

For 2020-21, production is estimated at 155 Kt, up 5% from last year, due to higher area. Supplies are forecast to decrease due to lower carry-in stocks. Exports are forecast to fall from 2019-20 due to the fall in supply, with the EU and Mexico continuing to be the main markets, followed by the US and Brazil. The average price is forecast to be 12% lower than in 2019-20.

Sunflower Seed

For 2019-20, sunflower seed exports increased to 36 Kt due to increased demand from the US. Despite this, carry-out stocks were similar to the previous year. The total average Canadian price for sunflower seed increased by 6% from the previous year due to higher oilseed prices.

For 2020-21, production is estimated at 59 Kt, down 6% from last year, because area seeded decreased from 2019-20, to 28 thousand hectares. Yields are expected to be higher than last year. Exports are forecast to fall to 30 Kt due to expectations for decreased US demand. The US remains Canada's main export market for sunflower seed, with small amounts moving to the Middle East and South America. Carry-out stocks are forecast to remain unchanged at 95 Kt. Sunflower seed prices are forecast to fall by 4% to $575-605/t, due to lower prices for oil and confectionery types.

US sunflower seed area is forecast by the USDA at 1.54 million acres, up 14% from 2019-20, due to higher area in North and South Dakota. The total US

area seeded to oil type varieties is expected to rise to nearly 1.4 million acres and the area seeded to confectionery type varieties is forecast to rise to nearly 0.2 million acres. Assuming normal yields and abandonment, 2020-21 US sunflower seed production is forecast by AAFC to be rise sharply to nearly 1.1 Mt.

For 2020-21, the global supply of sunflower seed is estimated by the USDA at a record 61.7 Mt, marginally higher than last year. This is due to higher expected production in Ukraine. World exports are expected to fall by 9% to 3.4 Mt and domestic use is expected to rise marginally to a record 56 Mt. As a result, world carry-out stocks are expected to rise 17% to 2.6 Mt. This is expected to pressure Canadian oil type sunflower seed prices in 2020-21.

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CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

August 25, 2020

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (c)	Food & Industrial Use (d)	Feed, Waste & Dockage	Total Domestic Use (e)	Carry-out Stocks	Average Price (g)
	------- thousand ha -------		*t/ha*	*---------- thousand tonnes ----------*								*$/t*
Durum												
2018-2019	2,503	2,456	2.34	5,745	24	7,245	4,526	204	532	927	1,792	235
2019-2020f	1,980	1,902	2.62	4,977	100	6,869	5,300	210	338	769	800	270
2020-2021f	2,302	2,256	2.88	6,500	50	7,350	5,300	210	418	850	1,200	245-275
Wheat Except Durum												
2018-2019	7,570	7,425	3.56	26,456	95	31,807	19,750	3,294	3,681	7,809	4,247	245
2019-2020f	8,145	7,754	3.53	27,371	170	31,788	18,700	3,360	4,433	8,588	4,500	225
2020-2021f	7,891	7,643	3.72	28,400	100	33,000	19,000	3,390	4,280	8,500	5,500	210-240
All Wheat												
2018-2019	10,073	9,881	3.26	32,201	119	39,052	24,276	3,498	4,213	8,736	6,040	
2019-2020f	10,125	9,656	3.35	32,348	270	38,658	24,000	3,570	4,771	9,358	5,300	
2020-2021f	10,193	9,899	3.53	34,900	150	40,350	24,300	3,600	4,698	9,350	6,700	
Barley												
2018-2019	2,628	2,395	3.50	8,380	43	9,667	3,058	114	5,375	5,747	863	260
2019-2020f	2,996	2,728	3.81	10,383	50	11,295	3,000	316	6,317	6,895	1,400	232
2020-2021f	3,036	2,732	3.77	10,300	40	11,740	3,000	316	6,183	6,740	2,000	195-225
Corn												
2018-2019	1,468	1,431	9.70	13,885	2,582	18,884	1,617	5,786	9,481	15,284	1,983	194
2019-2020f	1,496	1,451	9.24	13,404	2,100	17,487	850	5,300	9,322	14,637	2,000	190-200
2020-2021f	1,441	1,403	9.80	13,750	1,600	17,350	1,000	5,400	9,034	14,450	1,900	160-190
Oats												
2018-2019	1,235	1,005	3.42	3,436	11	4,225	2,475	182	1,049	1,353	397	254
2019-2020f	1,459	1,171	3.62	4,237	10	4,644	2,600	270	1,044	1,444	600	274
2020-2021f	1,554	1,229	3.55	4,360	10	4,970	2,600	190	1,063	1,370	1,000	220-250
Rye												
2018-2019	136	79	2.99	236	2	363	146	19	133	167	49	236
2019-2020f	175	103	3.25	333	2	384	168	15	120	156	60	210
2020-2021f	237	141	3.14	445	2	506	170	39	162	216	120	160-190
Mixed Grains												
2018-2019	144	69	2.94	203	0	203	0	0	203	203	0	
2019-2020f	145	68	2.84	192	0	192	0	0	192	192	0	
2020-2021f	166	68	2.73	187	0	187	0	0	187	187	0	
Total Coarse Grains												
2018-2019	5,610	4,979	5.25	26,140	2,638	33,342	7,295	6,102	16,242	22,755	3,292	
2019-2020f	6,271	5,520	5.17	28,549	2,162	34,002	6,618	5,901	16,995	23,324	4,060	
2020-2021f	6,433	5,574	5.21	29,042	1,652	34,753	6,770	5,945	16,629	22,963	5,020	
Canola												
2018-2019	9,232	9,120	2.23	20,343	146	22,995	9,202	9,295	605	9,962	3,831	497
2019-2020f	8,481	8,319	2.24	18,649	150	22,630	10,124	10,000	630	10,681	1,825	484
2020-2021f	8,409	8,323	2.27	18,875	100	20,800	9,500	9,250	324	9,625	1,675	490-530
Flaxseed												
2018-2019	347	342	1.44	492	9	628	468	0	83	100	60	496
2019-2020f	379	339	1.43	486	15	561	350	0	125	141	70	518
2020-2021f	369	344	1.49	512	10	592	450	0	22	42	100	510-550
Soybeans												
2018-2019	2,558	2,540	2.92	7,417	1,131	9,199	5,640	2,058	563	2,859	700	406
2019-2020f	2,313	2,271	2.66	6,045	500	7,245	4,300	1,800	495	2,545	400	415-425
2020-2021f	2,052	2,049	2.90	5,940	500	6,840	4,100	1,900	275	2,375	365	390-430
Total Oilseeds												
2018-2019	12,137	12,001	2.35	28,252	1,286	32,822	15,310	11,354	1,252	12,921	4,591	
2019-2020f	11,172	10,929	2.30	25,180	665	30,436	14,774	11,800	1,250	13,367	2,295	
2020-2021f	10,829	10,716	2.36	25,327	610	28,232	14,050	11,150	622	12,043	2,140	
Total Grains And Oilseed												
2018-2019	27,820	26,861	3.22	86,593	4,043	105,215	46,881	20,953	21,706	44,412	13,922	
2019-2020f	27,568	26,105	3.30	86,077	3,097	103,096	45,392	21,271	23,016	46,049	11,655	
2020-2021f	27,456	26,189	3.41	89,269	2,412	103,336	45,120	20,695	21,949	44,356	13,860	

(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 (No. 1 CW, cash, I/S Saskatoon); 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: forecast by AAFC except for area, yield and production for 2019-2020 and area seeded for 2020-2021 which are STC

CANADA: PULSES AND SPECIAL CROPS SUPPLY AND DISPOSITION

August 25, 2020

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (c)	Carry-out Stocks	Stocks-to-Use Ratio	Average Price (d)
	------ thousand ha ------		*t/ha*	*---------- thousand tonnes ----------*						*%*	*$//t*
Dry Peas											
2018-2019	1,463	1,431	2.50	3,581	62	4,291	3,270	708	312	8	270
2019-2020f	1,753	1,711	2.48	4,237	75	4,624	3,700	674	250	6	265
2020-2021f	1,722	1,690	2.51	4,250	60	4,560	3,400	710	450	11	250-280
Lentils											
2018-2019	1,525	1,499	1.40	2,092	51	3,016	2,033	352	631	26	390
2019-2020f	1,530	1,489	1.46	2,167	85	2,883	2,650	208	25	1	485
2020-2021f	1,713	1,685	1.47	2,475	50	2,550	2,100	350	100	4	500-530
Dry Beans											
2018-2019	143	137	2.49	341	98	464	348	37	80	21	815
2019-2020f	160	150	2.11	317	78	474	365	34	75	19	985
2020-2021f	156	151	2.28	345	85	505	345	40	120	31	790-820
Chickpeas											
2018-2019	179	176	1.77	311	51	376	147	129	100	36	480
2019-2020f	159	156	1.61	252	45	397	105	132	160	68	490
2020-2021f	121	118	1.69	200	50	410	125	135	150	58	455-485
Mustard Seed											
2018-2019	204	197	0.88	174	8	235	121	42	73	45	690
2019-2020f	161	155	0.87	135	7	214	115	44	55	35	700
2020-2021f	104	100	0.90	90	8	153	115	33	5	3	680-710
Canary Seed											
2018-2019	109	109	1.45	158	0	174	156	7	11	7	505
2019-2020f	104	99	1.49	148	0	158	158	0	0	0	630
2020-2021f	109	107	1.45	155	0	155	150	5	0	0	540-570
Sunflower Seed											
2018-2019	29	27	2.13	57	24	179	26	56	96	116	585
2019-2020f	31	29	2.18	63	26	185	36	54	95	106	620
2020-2021f	28	27	2.19	59	24	178	30	53	95	114	575-605
Total Pulses and Special Crops (c)											
2018-2019	3,652	3,576	1.88	6,714	293	8,734	6,101	1,331	1,302	18	
2019-2020f	3,897	3,788	1.93	7,317	316	8,935	7,129	1,146	660	8	
2020-2021f	3,953	3,878	1.95	7,574	277	8,511	6,265	1,326	920	12	

(a) Crop year is August-July. Grains Include pulses (dry peas, lentils, dry beans, chick peas) and special crops (mustard seed, canary seed, sunflower seed).
(b) Imports and exports exclude products.
(c) Total Domestic Use = Food and Industrial Use + Feed Waste & Dockage + Seed Use + Loss in Handling
(d) Producer price, FOB plant, average over all types, grades and markets.
Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)
f: forecast by AAFC except for area, yield and production for 2019-2020 and area seeded for 2020-2021 which are STC