

**CANADA: OUTLOOK FOR PRINCIPAL FIELD CROPS**

December 18, 2020

**Market Analysis Group / Crops and Horticulture Division
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This report is an update of Agriculture and Agri-Food Canada's (AAFC) November 20 Principal Field Crops outlook for the 2020-2021 crop year. For most crops in Canada, the crop year started on August 1 and ends on July 31, although for corn and soybeans, the crop year started on September 1 and ends on August 31.

For 2020-2021, the outlook incorporates the results of Statistics Canada's (STC) November Farm Survey of crop production which was released on December 3, 2020, and covered approximately 26,800 Canadian farms. These are the final survey-based production estimates for 2020 and replace the model-based estimates, which were released by Statistics Canada on September 14, 2020.

Total 2020 field crop production is estimated by STC to be 99.0 million tonnes (Mt), 4.2% higher than in 2019 and officially the largest Canadian harvest on record, surpassing the previous record set in 2013 by 1.0% and 7.0% above the previous five-year average. Production in 2020 is estimated to have increased over 2019 for all the major crops, except for canola which is estimated to have decreased by 4.5%. Significant increases in production were reported for durum (31.0%), lentils (20.4%), flax (18.9%), dry peas (8.4%) and oats (8.2%).

Total supply is forecast to increase slightly by 1.5% to 115.8 Mt, as higher production more than offsets lower carry-in stocks and a decrease in imports. Total Canadian exports are forecast to increase by 4.8% to 55.1 Mt, as international demand and grain movement is expected to remain strong. Following record grain movement this summer, the 2020-2021 crop year has seen a continuation in record shipments, with western Canadian exports from port terminal elevators for the first eighteen weeks of the crop year 26.0% higher than the same period last year and 17.0% higher than the three year average. Total carry-out stocks are forecast to decrease marginally to 14.1 Mt, due to increasing exports. Grain prices in Canada are forecast to continue to be supported by the expected relatively low value of the Canadian dollar and strong world demand.

The economic outlook for the world and Canadian grain markets is expected to continue to be impacted by the domestic and international uncertainty caused by COVID-19. The next STC crop data release is expected in early February, when data on grain stocks as of December 31st, 2020 will be made public.

Canada: Principal Field Crops Supply and Disposition

| | Area Seeded | Area Harvested | Yield | Production | Imports | Total Supply | Total Exports | Total Domestic Use | Carry-out Stocks |
|--------------------------------------|---------------------------|-------------------|-------|-----------------------------|---------|-----------------|------------------|-----------------------|---------------------|
| | --- thousand hectares --- | | t/ha | ----- thousand tonnes ----- | | | | | |
| Total Grains And Oilseeds | | | | | | | | | |
| 2018-2019 | 27,820 | 26,861 | 3.24 | 87,125 | 4,042 | 105,876 | 46,869 | 44,484 | 14,524 |
| 2019-2020 | 27,568 | 26,242 | 3.32 | 87,125 | 2,957 | 104,611 | 45,077 | 46,138 | 13,397 |
| 2020-2021f | 27,490 | 26,419 | 3.42 | 90,444 | 2,216 | 106,056 | 47,670 | 45,486 | 12,900 |
| Total Pulse And Special Crops | | | | | | | | | |
| 2018-2019 | 3,652 | 3,576 | 1.91 | 6,814 | 294 | 8,829 | 6,101 | 1,185 | 1,543 |
| 2019-2020 | 3,911 | 3,804 | 1.99 | 7,559 | 327 | 9,429 | 7,418 | 1,104 | 907 |
| 2020-2021f | 4,000 | 3,949 | 2.16 | 8,527 | 327 | 9,761 | 7,470 | 1,071 | 1,220 |
| All Principal Field Crops | | | | | | | | | |
| 2018-2019 | 31,472 | 30,437 | 3.09 | 93,938 | 4,336 | 114,705 | 52,970 | 45,669 | 16,066 |
| 2019-2020 | 31,479 | 30,046 | 3.15 | 94,685 | 3,284 | 114,041 | 52,495 | 47,242 | 14,304 |
| 2020-2021f | 31,490 | 30,368 | 3.26 | 98,971 | 2,543 | 115,817 | 55,140 | 46,557 | 14,120 |

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

f: forecasts by AAFC except for area, yield and production for 2020-2021 which are STC

All Wheat

Durum

For 2020-21, Statistics Canada revised their production estimate to 6.57 million tonnes (Mt), an increase of 31% over 2019-20 due to an increase in seeded and harvested area, accompanied by a 5% improvement in yields. This more-than offset the lower carry-in stocks bringing total supply up to 7.4 Mt, 6% more than last year and 2% more than average supplies over the last five years. Crop quality is good and it is expected that the majority of this year's harvest will be classed within the top two grades.

Exports are forecast to remain largely unchanged at 5.3 Mt, supported by competitive pricing vis a vis international markets and limited supplies in Europe and North Africa. Domestic use is expected to increase to almost 1.0 Mt, supported by an increase in food use. Carry-out stocks are also forecast to increase to 1.1 MT, closer to average levels seen over the last five years.

Internationally, according to the International Grains Council, world supply is expected to fall 2% to 42.9 Mt, with lower carry-in stocks (-11%) outweighing the 1% increase in production. Use is expected to increase slightly (+2%), while carry-out stocks are expected to drop 15% over 2019-2020 to 7.6 Mt, the lowest since 2014-2015.

The average Canadian crop year producer price for Saskatchewan No. 1 Canadian Western Amber Durum (CWAD) 13% protein is forecast at \$275 per tonne, up 2% from last crop year, supported by strong international demand and limited supplies in Europe and North Africa.

Wheat (excluding durum)

For 2020-21, Statistics Canada estimates Canadian production at 28.6 Mt, 5.0% more than in 2019-2020. Total supply is forecast at 33.5 Mt. Winter wheat production was revised downward

from 2.85 Mt to 2.77 Mt. On the other hand, spring wheat production was revised upwards from 25.2 Mt to 25.8 Mt, now 0.4% less than 2019-2020 volumes. Crop quality is good with provinces reporting that the majority of the crop will be classed within the top two grades.

2020-2021 production volumes by class of spring wheat, with change over 2019-20 production in brackets is winter wheat: Canada Western Red Spring (CWRS), premium quality hard wheat, 21,983 Kt (-2%); Canada Prairie Spring (CPS) 1,821 Kt (+21%), Canada Northern Hard Red Spring (CNHR) 827 Kt (+12%); soft white spring (CWSWS) 520 Kt (-5%), other spring wheat 262 Kt (+16%), with eastern spring wheat's share, mainly hard red spring (CERS) at 430 Kt (-7%).

According to the USDA December World Agricultural Supply and Demand Estimates (WASDE), the global outlook for wheat is for larger supplies, increased use and higher exports. Compared to the November WASDE report, overall supply is forecast up at 1,074.3 Mt on higher production in Australia (+1.5 Mt), Russia (0.5 Mt) and Canada (0.2 Mt). Trade was also revised upwards this month to 193.7 Mt, with higher exports forecast for Australia, Canada, Russia and the United Kingdom and higher import demand from China and Pakistan. Global consumption is forecast to increase to 757.8 Mt (+5.1Mt) on higher feed and residual use in China, Australia and the EU, while ending stocks were lowered to 316.5 Mt.

Average Canadian producer prices for Saskatchewan for No. 1 Canadian Western Red Spring (CWRS) 13.5% protein are forecast at \$225 per tonne, unchanged from 2019-2020.

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Coarse Grains

Barley

For 2020-21, Canadian farmers produced 10.7 million tonnes (Mt) of barley, according to Statistics Canada (STC)'s final 2020 production survey. This number is 5% larger than reported in STC's September model-based report, and 3% and 23% larger than the level of last year and the previous five-year average, respectively. At 11.8 Mt, total supply has reached a ten year high.

Western Canada reported its best volume in more than a decade. Beneficial hot and dry weather conditions at the end of the growing season in much of the prairie region, the top barley producing area in Canada, allowed for a higher area harvested and better yields. Barley production in Alberta, the top barley producing province, is 7% and 23% larger than the prior-year's level and the previous five-year average. For Saskatchewan, barley production dropped slightly from last year but is 27% larger than the previous five-year average. For Manitoba, barley production is up 30% from last year and up 29% from the previous five-year average. In contrast, barley production in Eastern Canada, including Ontario and Quebec, as well as in Atlantic provinces, is 16%, 16% and 19% below September estimates, last year's level and the previous five-year average, respectively.

For the first four months of the crop year (from August to November), Canadian barley exports totaled almost 1.3 Mt, more than twice that of the same period last year, according to weekly statistics reported by Canadian Grain Commission (CGC). For the entire crop year, Canadian barley exports, including grain and products, are expected to be 3.4 Mt, 11% higher than last year. Domestic use is expected to decline, mainly due to lower feed consumption in anticipation of a reduction in the backlog of livestock and good supplies of alternative feed grains. Industrial use is expected to recover, but will be lower than the level in 2018-19. Owing to larger supplies, carry-out stocks are expected to be up 25% and 18% from last year and the previous three-year average, respectively.

The average price of feed barley for 2020-21 is expected to rise by 6% from 2019-20 to \$245/tonne, as

a result of strong export sales and solid domestic use.

The USDA revised up the 2020-21 world barley production by 0.8 Mt in its December WASDE release, compared to its November estimates, due to higher production in Australia and Canada offsetting lower production in the EU. Driven by strong imports from China and Saudi Arabia, the demand in the global trade market was revised up by more than 1.0 Mt, which indicates strong demand in these countries. World ending stocks were revised lower, but still 2% higher than last year, with most of the increase located in major importing countries, such as China and Saudi Arabia.

Corn

For 2020-21, Canadian farmers produced 13.6 Mt of corn. This number is 3% smaller than the estimate in STC's September report, largely due to smaller outputs in Québec and Manitoba, despite larger corn production in Ontario, the top corn producing province. Corn production in New Brunswick also was heavily hit by dry weather conditions during the growing season. Compared to last year, Canadian corn production rose slightly, but dropped by 2% from the previous five-year average.

Corn imports in the first two months (September and October) of the crop year were up 12% from the same period last year, mainly due to increased imports into New Brunswick, Québec, Ontario and Saskatchewan. However, for the entire crop year, total corn imports into Canada are forecast to decrease by 31%, on expectations for ample cereal grain supplies in Western Canada and Ontario, and lower domestic use.

Total Canadian corn supply for 2020-21 is expected to be 17.6 Mt, remaining flat from last year.

Canadian corn exports in the first two months of the crop year increased by 88% from the same period of last year, as exports to the EU increased sharply. As a result, total Canadian corn exports for the entire crop year are forecast to increase to 1.3 Mt. Domestic use is anticipated to decrease by 2% to 14.0 Mt due to a decline in feed use, despite a partial increase in industrial use. Carry-out stocks are

forecast to drop by 10% from the prior-year's record level to 2.3 Mt.

The average price of Chatham corn for 2020-21 is expected to increase by 2% to \$200/tonne, due to higher US corn prices.

The USDA trimmed down the 2020-21 world corn production in its December WASDE release by more-than 1.0 Mt, compared to its November estimates, largely due to lower production estimates for Argentina, Canada and the EU. Demand around the world has been strong and is anticipated to grow in 2020-21. Total imports in the global market were revised up by more-than 1.3 Mt, driven by an increase of 3.5 Mt in China's imports, offsetting lower imports from the EU. World ending stocks are pegged at a six-year low. The USDA did not make any revisions to the US corn supply and demand.

Oats

For 2020-21, Canadian farmers produced 4.6 Mt of oats. This number is slightly larger than was estimated in STC's September report and up 8% and 27% from last year and the previous five-year average, respectively. At 5.0 Mt, total supply is the highest in more than ten years.

Total oat production in Western Canada is the highest in more than two decades due to a higher harvested area than last year, despite lower yields. In contrast, total oat production in Eastern Canada is 6%, 7% and 7% smaller than September estimates, last year's level and the previous five-year average, respectively.

For the first quarter of the crop year (from August to October), Canadian oat exports increased by 30% from the same period last year, according to STC's monthly export data. For the entire crop year, Canadian oat exports, including grain and products,

is expected to be 2.8 Mt, 6% higher than last year. Total domestic use is expected to rise, largely on higher feed use. Carry-out stocks are forecast to rise significantly from last year to 0.6 Mt, mainly due to the increase in supplies.

The Chicago Board of Trade (CBOT) oat futures price for 2020-21 is expected to be \$270/tonne, close to the level for the previous year, underpinned by strong demand, despite ample supplies in Canada, the US and the world's major exporting countries.

The 2020-21 oat production in the world's main oat producing countries, including Australia and the EU, is expected to increase. World supply is expected to recover from the year-earlier lows to reach the highest level in more than a decade. Total demand, including feed and food consumption, is expected to increase but more slowly than the increase in supplies, which will result in an increase of 34% in world ending stocks.

Rye

For 2020-21, Canadian rye production increased by 46% from last year to 488 thousand tonnes (Kt) due to the good output across Canada; it is the highest level in three decades. Supply is expected to increase by 37% from last year to 530 Kt, the highest since 2006.

Exports are estimated to fall by 21% to 130 Kt, based on the current export pace. Domestic feed use is expected to increase significantly due to relatively cheap prices and good supplies. Carry-out stocks are projected to rise sharply due to bumper supplies. Rye prices are expected to fall by 17% from 2019-20, due to ample supplies in Canada, the US and the world.

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Canola

For 2020-21, Canadian canola production is estimated at 18.7 million tonnes (Mt), compared to 19.6 Mt in 2019-20 and the 5 year average of 20.0 Mt, on a marginal decline in seeded area and a 3% drop in yields. By province, 10.2 Mt of canola was grown in Saskatchewan, 5.2 Mt in Alberta and Manitoba produced 3.2 Mt. Total supplies are estimated to decrease by 9%, to 22.0Mt, as the marginal decline in output was supported by lower carry-in stocks and stable imports.

Domestic crush is forecast to rise marginally from last year to 10.2 Mt on strong world demand for vegetable oils. For the first three months of the crop year Statistics Canada reported a domestic canola crush of 2.5 Mt, 3% ahead of the crush pace for August-October of 2019. Exports are forecast to increase marginally for the crop year, to 10.2 Mt, on strong world demand with shipments limited by tight domestic stocks. Exports to date are running about 38% ahead of last year on strong early season crop year shipments. The export pace is expected to slow down significantly later in the crop year as Canadian supplies of canola tighten.

Carry-out stocks are forecast to decrease to 1.2 Mt, for a stock-use-ratio of 6%, while canola prices are estimated at \$595/t on support from the rally in world oilseed sector prices. This is a 23% increase from the 2019-20 canola price of \$484/t and 16% above the 5 year average of \$511/t.

Support for Canadian canola prices is partly supported by the 3% rise in world vegetable oil consumption to 207.7 Mt for 2020-21, according to the USDA. World consumption of canola-rapeseed oil is expected to be constrained by tight supplies, falling 1% to 27.65 Mt. By contrast world consumption of palm oil is expected to rise 4% to 75.1 Mt for the current crop year, accounting for 36% of world vegetable oil usage. Soybean oil usage similarly is forecast to rise by 5% to 59.4 Mt on sharply higher Chinese consumption. Consumption of coconut oils, olive oil and palm kernel is expected to increase for the 2020-21 crop year while usage of cottonseed, peanut and sunflower seed oil is expected to decline.

Flaxseed

For 2020-21, Canadian flaxseed production is estimated by STC at 0.58 Mt based on a seeded area of 0.38 Million hectares and slightly above normal yields. Most of Canada's flaxseed is grown in Saskatchewan with an estimated output of 0.45 Mt while an additional 0.05 Mt was grown in Manitoba. Supplies increased 15% to 0.65 Mt, as the higher output offsets nearly unchanged carry-in stocks and modestly lower imports.

Exports are forecast to increase by 43% from 2019-20, to 0.50 Mt, on higher available supplies and strong world demand. Total domestic use is forecast to fall sharply to 0.05 Mt, on lower feed, waste and dockage, while carry-out stocks are forecast at 0.10 Mt. Prices are forecast to rise by \$142/t, or about 27% from last year, to \$660/t, on support from a counter-seasonal rally in oilseed prices worldwide. The post-harvest rally in flaxseed prices has been significant, creating concerns of a vulnerability to a sharp price correction. While information is limited, elevators are offering bids at near current levels for the remainder of the crop year, supporting ideas that the price rally is based on solid supply-demand fundamentals and is not a temporary market bubble.

Soybeans

For 2020-21, production is forecast at 6.4 Mt vs 6.1 Mt in 2019-20 and 7.4 Mt in 2018-19. Total supply is forecast to rise marginally to 7.5 M vs 7.1 Mt for 2019-20, on higher carry-in stocks, production and imports. Exports are forecast to increase by 23% to 4.4 Mt on support from strong world demand. Domestic processing is forecast up slightly at 1.9 Mt, as crushers return to a normal soybean processing pace.

Carry-out stocks are forecast to decrease by 17% to 0.60 Mt versus 0.72 Mt for 2019-20 and the 5 year average of 0.56 Mt. Soybean prices are forecast to increase by 26% to \$530/t, due to the sharp rally in world soybean prices supported by strong Chinese buying.

For 2020-21, the USDA raised its soybean farm-gate

price estimate by 15 cents/bushel from last month, to US\$10.55/bushel. This compares with last year's US\$8.57/bushel and the 5 year average of US\$9.00/bushel. Demand for US soybeans remains strong with domestic crush and exports estimated at 2.195 Billion bushels (Bbu) and 2.200 Bbu, respectively, a rise of 1% and 31% from last year. The ending stocks estimate was decreased by 8% to 175 million bushels (Mbu), compared to 523 Mbu for 2019-20 and the 909 Mbu carried out in 2018-19.

At the world level attention is shifting to South America and the state of crop development. Anecdotal industry reports suggest a return to more normal moisture conditions after an extended dry spell allowing the acceleration of the planting pace

and crop development. The USDA forecasts Brazilian and Argentine soybean production at 133 Mt and 50 Mt, respectively, an increase of 6% and 2% from last year. The South American soybean season is more extended than North America, and early planted soybeans are expected to start coming on the market in February. World soybean prices are expected to be driven by the strength of Chinese buying and South American growing conditions for the next several months until the US publishes its Prospective Plantings Report on March 31, 2021.

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Dry Peas

For 2020-21, production increased 8% to 4.6 million tonnes (Mt) despite lower harvested area, particularly in Alberta. Yields were 10% higher than the previous year. Yellow and green pea types are expected to account for about 3.7 Mt and nearly 0.8 Mt, respectively, with the remainder spread across other varieties. Supply has increased by only 6% to 4.9 Mt, due to lower carry-in stocks. Exports are forecast at 3.8 Mt, largely due to higher imports by China. Carry-out stocks are forecast to nearly double due to the increased supply. The average price is expected to rise by 17% from 2019-20, with higher yellow pea and feed pea prices, but lower green pea prices.

During November, the on-farm price of yellow peas and green peas in Saskatchewan rose by \$10/t. This was largely due to strong export demand from China, despite expectations for a larger Indian winter pulse crop. For the crop year to-date, green dry pea's prices have been maintaining a premium of \$35/t above yellow dry peas. Last year, green peas were at a \$115/t premium to yellow peas.

In the US, area seeded to dry peas for 2020-21 is estimated by the USDA to have fallen by 9% to 1.0 million acres. This is largely due to a decrease in area in North Dakota. With estimates of above average yields, US dry pea production is estimated by USDA to fall by 17% to just over 0.8 Mt. US dry peas compete, on a smaller scale, in Canadian export markets such as China and the Philippines.

Lentils

For 2020-21, production increased by 20% to 2.9 Mt due to higher area and yields. Large green lentil production is estimated to be similar to last year at 0.6 Mt while red lentil production rose to about 2.1 Mt. Production of the other remaining lentil types is estimated to have fallen to 0.2 Mt.

Supply, however, is expected to be 5% lower than last year due to smaller carry-in stocks. Exports are forecast to increase marginally to 2.9 Mt. India, the United Arab Emirates and Turkey are currently the top export markets. Imports are expected to be lower than the previous year due to the above

average grade distribution. Carry-out stocks are expected to fall sharply to tight levels, due to the increase in exports. The overall average price is forecast to rise by 29% with stronger prices for the No.1 grade, but with an above average proportion of grade distribution at the No.1 or 2 grades.

During the month of November, the on-farm price in Saskatchewan for No. 1 grade large green lentils fell by about C\$45/t when compared to last month, and the price of No. 1 red lentils decreased by over C\$40/t. This was largely due to expectations for a larger Indian winter pulse crop, with an expected increase in lentil area. The quality of the Canadian lentil crop is considered to be above average. There is a larger proportion in the supply of No.1 and No.2 grade Canadian lentils for 2020-21 when compared to last year. No.1 large green lentil prices are forecast to maintain a premium of \$135/t over No. 1 red lentil prices, versus \$105/t in 2019-20.

In the US, the area seeded to lentils for 2020-21 was forecast by the USDA at more than 0.5 million acres, up 7% from 2019-20 due to higher area seeded in Montana. With estimates of above average yields, 2020-21 US lentil production is estimated by the USDA at 0.3 Mt, up 21% from the 2019-20 level.

Dry Beans

For 2020-21, production rose 55% to a record 490 thousand tonnes (Kt), consisting of 145 Kt of white pea bean types and 345 Kt of colored bean types. Production in Ontario rose, mostly due to higher yields. In Manitoba, production rose due to higher area for colored bean and white pea bean types. In Alberta, colored bean production rose with an increase in yields.

Supply is expected to rise by 33% as lower carry-in stocks offset the larger production. Exports are forecast to be similar to the previous year. The US and the EU are forecast to remain the main markets for Canadian dry beans, with smaller volumes exported to Mexico and Japan. Carry-out stocks are expected to increase sharply. The average Canadian dry bean price is forecast to decrease by 18% due to the larger North American supply.

In the US, area seeded to dry beans is estimated by the USDA to have increased by 35% to 1.7 million acres, largely due to higher area seeded in North Dakota. US total dry bean production (excluding chickpeas) is estimated by the USDA to rise by 68%, to 1.6 Mt. US export markets continue to be Canada, EU and Mexico.

Chickpeas

For 2020-21, production fell by 15% to 214 Kt due to lower harvested area. Crop quality is expected to be average when compared to the previous year. Supply is forecast to rise by 16% as higher carry-in stocks more than offset the lower production. Exports are forecast to be unchanged at 105 Kt, with the US and Pakistan as the main importers. Carry-out stocks are expected to rise. The average price for all grades of chickpeas is forecast to rise by 16%, despite higher world and Canadian stocks.

US chickpea area seeded is estimated by the USDA at 0.25 million acres, down 44% from 2019-20. With above average yields and lower abandonment, 2020-21 US chickpea production is forecast by USDA at 0.17 Mt, down 38% from the previous year.

Mustard Seed

For 2020-21, production fell by 27% to 99 Kt, due to lower area. Production of brown and oriental types of mustard decreased, while yellow types increased. Supply, however, decreased by only 22% to 166 Kt due to higher carry-in stocks. Exports are expected to be lower than last year at 110 Kt. Due to lower supply, carry-out stocks are forecast to fall by 75% to 15 Kt. The US and the EU are expected to remain the main export markets for Canadian mustard seed. The average price is forecast to rise 16% due to lower Canadian and world carry-out stocks.

Canary Seed

For 2020-21, production fell by 8% to 161 Kt due to lower area and yields. Exports are expected to be lower than last year. The EU and Mexico are forecast to remain the main export markets, followed by Brazil and the US. The average price is forecast to be \$20/t higher than the 2019-20 level at \$650/t due to tighter carry-out stocks.

Sunflower Seed

For 2020-21, production was 60% higher than the previous year at 101 Kt due to a rise in area and yields. Supply rose by 24% with smaller carry-in stocks. Exports are forecast to rise by 8% from last year to 40 Kt. Carry-out stocks are forecast to rise by 35% to 140 Kt. The US is expected to continue to be Canada's main export market for sunflower seed. The average price is forecast to be 8% lower than 2019-20 due to lower oilseed type prices.

US sunflower seed production is estimated by the USDA at nearly 1.3 Mt, up 44% from 2019-20, largely due to higher production in North Dakota. It is estimated by AAFC that US production of oil type varieties and confectionery type varieties rose to 1.1 Mt and about 0.15 Mt, respectively. US supply is forecast by the USDA to be 23% higher at 1.5 Mt. US exports and domestic use is expected to rise. US sunflower seed carry-out stocks are expected to rise and pressure North American prices.

For 2020-21, the global supply of sunflower seed is estimated by the USDA at 54.1 Mt. This is 11% lower than the record supply last year, due to lower output by Ukraine and Russia. World exports are expected to decrease by 28% to 2.6 Mt and domestic use is expected to fall by 8% to 50.3 Mt. World carry-out stocks are expected to decline by 43% to 1.4 Mt, well below the five year average.

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CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

December 18, 2020

| Grain and Crop Year (a) | Area | Area | 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 |
|----------------------------------|--------|-----------|---------------|------------|----------------|-----------------|----------------|---------------------------------|-----------------------------|------------------------------|---------------------|------------------------------|
| | Seeded | Harvested | | | | | | | | | | |
| Durum | | | | | | | | | | | | |
| 2018-2019 | 2,503 | 2,456 | 2.36 | 5,785 | 23 | 7,284 | 4,526 | 204 | 531 | 926 | 1,832 | 235 |
| 2019-2020 | 1,980 | 1,902 | 2.62 | 4,977 | 96 | 6,906 | 5,344 | 216 | 388 | 825 | 737 | 270 |
| 2020-2021f | 2,302 | 2,295 | 2.86 | 6,571 | 30 | 7,338 | 5,320 | 230 | 464 | 918 | 1,100 | 275 |
| Wheat Except Durum | | | | | | | | | | | | |
| 2018-2019 | 7,570 | 7,426 | 3.58 | 26,567 | 95 | 31,918 | 19,738 | 3,294 | 3,843 | 7,971 | 4,209 | 245 |
| 2019-2020 | 8,145 | 7,754 | 3.53 | 27,371 | 179 | 31,758 | 19,128 | 3,363 | 3,687 | 7,868 | 4,763 | 225 |
| 2020-2021f | 7,892 | 7,723 | 3.71 | 28,616 | 100 | 33,479 | 19,650 | 3,425 | 3,887 | 8,129 | 5,700 | 225 |
| All Wheat | | | | | | | | | | | | |
| 2018-2019 | 10,073 | 9,881 | 3.27 | 32,352 | 118 | 39,202 | 24,264 | 3,498 | 4,374 | 8,897 | 6,041 | |
| 2019-2020 | 10,125 | 9,656 | 3.35 | 32,348 | 275 | 38,664 | 24,471 | 3,578 | 4,075 | 8,694 | 5,499 | |
| 2020-2021f | 10,194 | 10,018 | 3.51 | 35,187 | 130 | 40,816 | 24,970 | 3,655 | 4,350 | 9,046 | 6,800 | |
| Barley | | | | | | | | | | | | |
| 2018-2019 | 2,628 | 2,395 | 3.50 | 8,380 | 43 | 9,667 | 3,057 | 318 | 5,171 | 5,747 | 863 | 260 |
| 2019-2020 | 2,996 | 2,728 | 3.81 | 10,383 | 63 | 11,308 | 3,054 | 277 | 6,759 | 7,298 | 957 | 232 |
| 2020-2021f | 3,060 | 2,809 | 3.82 | 10,741 | 60 | 11,757 | 3,400 | 298 | 6,619 | 7,157 | 1,200 | 245 |
| Corn | | | | | | | | | | | | |
| 2018-2019 | 1,468 | 1,431 | 9.70 | 13,885 | 2,582 | 18,884 | 1,617 | 5,786 | 9,485 | 15,288 | 1,979 | 194 |
| 2019-2020 | 1,496 | 1,451 | 9.24 | 13,404 | 2,184 | 17,568 | 677 | 5,303 | 9,012 | 14,331 | 2,560 | 195 |
| 2020-2021f | 1,440 | 1,402 | 9.67 | 13,563 | 1,500 | 17,623 | 1,300 | 5,400 | 8,609 | 14,023 | 2,300 | 200 |
| Oats | | | | | | | | | | | | |
| 2018-2019 | 1,235 | 1,005 | 3.42 | 3,436 | 11 | 4,225 | 2,475 | 122 | 1,109 | 1,353 | 397 | 254 |
| 2019-2020 | 1,459 | 1,171 | 3.61 | 4,227 | 13 | 4,637 | 2,615 | 143 | 1,324 | 1,597 | 426 | 274 |
| 2020-2021f | 1,554 | 1,245 | 3.62 | 4,576 | 14 | 5,015 | 2,770 | 140 | 1,390 | 1,645 | 600 | 270 |
| Rye | | | | | | | | | | | | |
| 2018-2019 | 136 | 79 | 2.99 | 236 | 2 | 363 | 146 | 19 | 133 | 167 | 49 | 236 |
| 2019-2020 | 175 | 103 | 3.25 | 333 | 3 | 386 | 165 | 19 | 140 | 180 | 40 | 210 |
| 2020-2021f | 237 | 146 | 3.34 | 488 | 2 | 530 | 130 | 24 | 260 | 299 | 100 | 175 |
| Mixed Grains | | | | | | | | | | | | |
| 2018-2019 | 144 | 69 | 2.94 | 203 | 0 | 203 | 0 | 0 | 203 | 203 | 0 | |
| 2019-2020 | 145 | 68 | 2.84 | 192 | 0 | 192 | 0 | 0 | 192 | 192 | 0 | |
| 2020-2021f | 166 | 67 | 3.49 | 233 | 0 | 233 | 0 | 0 | 233 | 233 | 0 | |
| Total Coarse Grains | | | | | | | | | | | | |
| 2018-2019 | 5,610 | 4,979 | 5.25 | 26,140 | 2,638 | 33,342 | 7,295 | 6,245 | 16,103 | 22,759 | 3,288 | |
| 2019-2020 | 6,271 | 5,520 | 5.17 | 28,539 | 2,264 | 34,091 | 6,510 | 5,743 | 17,427 | 23,598 | 3,982 | |
| 2020-2021f | 6,457 | 5,669 | 5.22 | 29,601 | 1,576 | 35,158 | 7,600 | 5,862 | 17,110 | 23,358 | 4,200 | |
| Canola | | | | | | | | | | | | |
| 2018-2019 | 9,232 | 9,120 | 2.27 | 20,724 | 147 | 23,506 | 9,202 | 9,295 | 512 | 9,869 | 4,435 | 497 |
| 2019-2020 | 8,481 | 8,456 | 2.32 | 19,607 | 155 | 24,197 | 10,170 | 10,129 | 707 | 10,897 | 3,131 | 484 |
| 2020-2021f | 8,410 | 8,320 | 2.25 | 18,720 | 100 | 21,950 | 10,200 | 10,200 | 290 | 10,550 | 1,200 | 595 |
| Flaxseed | | | | | | | | | | | | |
| 2018-2019 | 347 | 342 | 1.44 | 492 | 9 | 628 | 468 | 0 | 83 | 100 | 60 | 496 |
| 2019-2020 | 379 | 339 | 1.43 | 486 | 21 | 567 | 350 | 0 | 138 | 154 | 64 | 518 |
| 2020-2021f | 377 | 371 | 1.56 | 578 | 10 | 652 | 500 | 0 | 32 | 52 | 100 | 660 |
| Soybeans | | | | | | | | | | | | |
| 2018-2019 | 2,558 | 2,540 | 2.92 | 7,417 | 1,131 | 9,199 | 5,640 | 2,058 | 563 | 2,859 | 700 | 406 |
| 2019-2020 | 2,313 | 2,271 | 2.71 | 6,145 | 242 | 7,093 | 3,576 | 1,742 | 841 | 2,796 | 721 | 419 |
| 2020-2021f | 2,052 | 2,041 | 3.12 | 6,359 | 400 | 7,480 | 4,400 | 1,900 | 380 | 2,480 | 600 | 530 |
| Total Oilseeds | | | | | | | | | | | | |
| 2018-2019 | 12,137 | 12,001 | 2.39 | 28,633 | 1,286 | 33,333 | 15,310 | 11,354 | 1,159 | 12,828 | 5,195 | |
| 2019-2020 | 11,172 | 11,066 | 2.37 | 26,238 | 418 | 31,857 | 14,095 | 11,871 | 1,685 | 13,847 | 3,915 | |
| 2020-2021f | 10,839 | 10,732 | 2.39 | 25,656 | 510 | 30,081 | 15,100 | 12,100 | 701 | 13,081 | 1,900 | |
| Total Grains And Oilseeds | | | | | | | | | | | | |
| 2018-2019 | 27,820 | 26,861 | 3.24 | 87,125 | 4,042 | 105,876 | 46,869 | 21,097 | 21,635 | 44,484 | 14,524 | |
| 2019-2020 | 27,568 | 26,242 | 3.32 | 87,125 | 2,957 | 104,611 | 45,077 | 21,192 | 23,188 | 46,138 | 13,397 | |
| 2020-2021f | 27,490 | 26,419 | 3.42 | 90,444 | 2,216 | 106,056 | 47,670 | 21,617 | 22,161 | 45,486 | 12,900 | |

(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: forecasts by AAFC except for area, yield and production for 2020-2021 which are STC

CANADA: PULSES AND SPECIAL CROPS SUPPLY AND DISPOSITION

December 18, 2020

| Grain and Crop Year (a) | Area Seeded ----- thousand ha | Area Harvested ----- thousand ha | Yield t/ha | Production ----- thousand tonnes | Imports (b) | Total Supply ----- thousand tonnes | Exports (b) | Total Domestic Use (c) | Carry-out Stocks ----- thousand tonnes | Stocks-to- Use Ratio % | Average Price (d) \$/t |
|---|--|---|---------------|--|----------------|---|----------------|------------------------------|---|------------------------------|------------------------------|
| Dry Peas | | | | | | | | | | | |
| 2018-2019 | 1,463 | 1,431 | 2.50 | 3,581 | 62 | 4,291 | 3,270 | 708 | 312 | 8 | 270 |
| 2019-2020 | 1,753 | 1,711 | 2.48 | 4,237 | 82 | 4,630 | 3,781 | 616 | 233 | 5 | 265 |
| 2020-2021f | 1,722 | 1,685 | 2.73 | 4,594 | 85 | 4,912 | 3,800 | 662 | 450 | 10 | 310 |
| Lentils | | | | | | | | | | | |
| 2018-2019 | 1,525 | 1,499 | 1.46 | 2,192 | 51 | 3,115 | 2,033 | 227 | 856 | 38 | 390 |
| 2019-2020 | 1,530 | 1,489 | 1.60 | 2,382 | 90 | 3,327 | 2,861 | 258 | 209 | 7 | 485 |
| 2020-2021f | 1,713 | 1,705 | 1.68 | 2,868 | 95 | 3,172 | 2,900 | 172 | 100 | 3 | 625 |
| Dry Beans | | | | | | | | | | | |
| 2018-2019 | 143 | 137 | 2.49 | 341 | 98 | 459 | 348 | 56 | 55 | 14 | 815 |
| 2019-2020 | 160 | 150 | 2.11 | 317 | 75 | 447 | 361 | 51 | 35 | 8 | 985 |
| 2020-2021f | 185 | 183 | 2.68 | 490 | 70 | 595 | 360 | 50 | 185 | 45 | 810 |
| Chickpeas | | | | | | | | | | | |
| 2018-2019 | 179 | 176 | 1.77 | 311 | 51 | 376 | 147 | 89 | 140 | 59 | 480 |
| 2019-2020 | 159 | 156 | 1.61 | 252 | 48 | 439 | 105 | 85 | 250 | 132 | 490 |
| 2020-2021f | 121 | 120 | 1.79 | 214 | 45 | 509 | 105 | 84 | 320 | 169 | 570 |
| Mustard Seed | | | | | | | | | | | |
| 2018-2019 | 204 | 197 | 0.88 | 174 | 8 | 235 | 121 | 42 | 73 | 45 | 690 |
| 2019-2020 | 161 | 155 | 0.87 | 135 | 7 | 214 | 113 | 41 | 61 | 39 | 700 |
| 2020-2021f | 104 | 101 | 0.98 | 99 | 7 | 166 | 110 | 41 | 15 | 10 | 810 |
| Canary Seed | | | | | | | | | | | |
| 2018-2019 | 109 | 109 | 1.45 | 158 | 0 | 174 | 156 | 7 | 11 | 7 | 505 |
| 2019-2020 | 118 | 115 | 1.52 | 175 | 0 | 186 | 161 | 9 | 15 | 9 | 630 |
| 2020-2021f | 111 | 110 | 1.46 | 161 | 0 | 176 | 155 | 11 | 10 | 6 | 650 |
| Sunflower Seed | | | | | | | | | | | |
| 2018-2019 | 29 | 27 | 2.13 | 57 | 24 | 179 | 26 | 56 | 97 | 118 | 585 |
| 2019-2020 | 31 | 29 | 2.18 | 63 | 26 | 186 | 37 | 44 | 104 | 128 | 620 |
| 2020-2021f | 45 | 45 | 2.25 | 101 | 25 | 231 | 40 | 51 | 140 | 154 | 570 |
| Total Pulses and Special Crops (c) | | | | | | | | | | | |
| 2018-2019 | 3,652 | 3,576 | 1.91 | 6,814 | 294 | 8,829 | 6,101 | 1,185 | 1,543 | 21 | |
| 2019-2020 | 3,911 | 3,804 | 1.99 | 7,559 | 327 | 9,429 | 7,418 | 1,104 | 907 | 11 | |
| 2020-2021f | 4,000 | 3,949 | 2.16 | 8,527 | 327 | 9,761 | 7,470 | 1,071 | 1,220 | 14 | |

(a) Crop year is August-July. Grains include pulses (dry peas, lentils, dry beans, chick peas) and special crops (mustard seed, canary seed, sunflower seed).

(b) Imports and exports exclude products.

(c) Total Domestic Use = Food and Industrial Use + Feed Waste & Dockage + Seed Use + Loss in Handling

(d) Producer price, FOB plant, average over all types, grades and markets.

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

f: forecasts by AAFC except for area, yield and production for 2020-2021 which are STC