

July 8, 2020

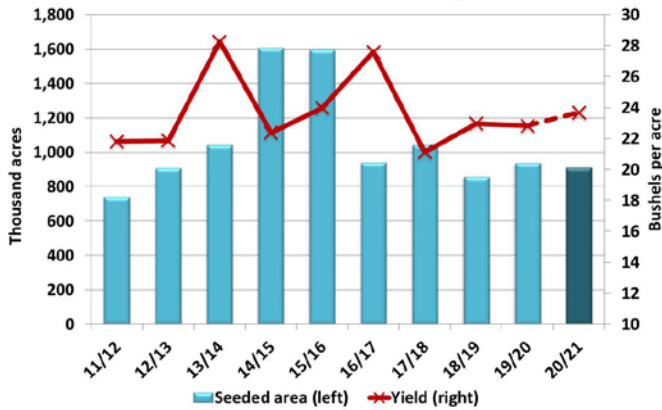
What is Happening Now:

- Statistics Canada estimated 2020 seeded area at 911,000 acres, 3% less than last year and lower than its earlier spring seeding intentions number of 942,000 acres.
- Exports were slow through the first three quarters but have picked up in Q4, lowering 2019/20 ending stocks.
- US seeded area is down 5% from last year but is up considerably from the USDA's earlier estimate.
- China has been importing steady volumes of flax but more has been sourced recently from Kazakhstan.
- Canadian old-crop bids are still close to the multiyear highs, particularly for high quality milling flax.

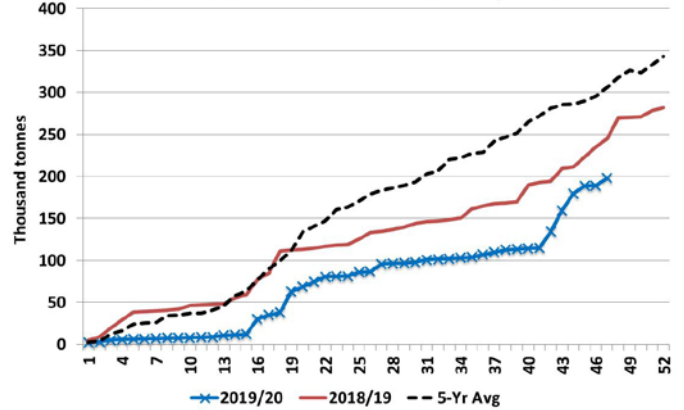
What to Watch For:

- Lower Canadian acreage will mean more scrutiny for flax yields, with a minimal supply cushion.
- Carryover stocks from 2019/20 will be extremely tight and will constrain exports until the 2020 harvest.
- Seeded area is up in Kazakhstan and Russia but dryness is becoming a concern for yields.
- Seasonal tendencies will cause flax bids to shift from old-crop to new-crop levels.

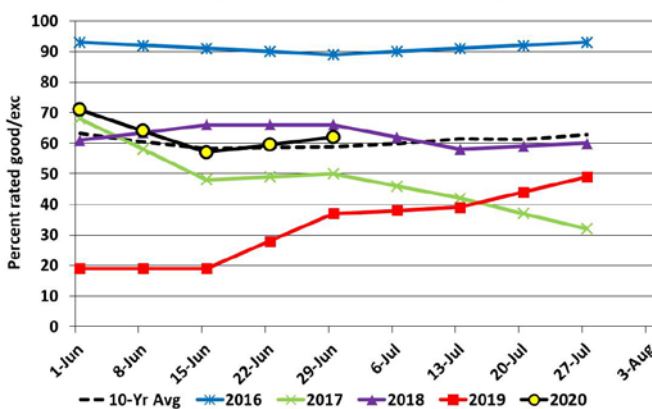
Canadian Flax Acreage



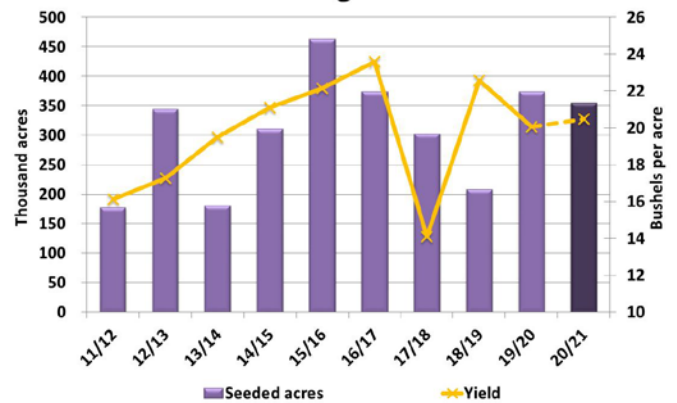
Cumulative Licensed Flax Exports



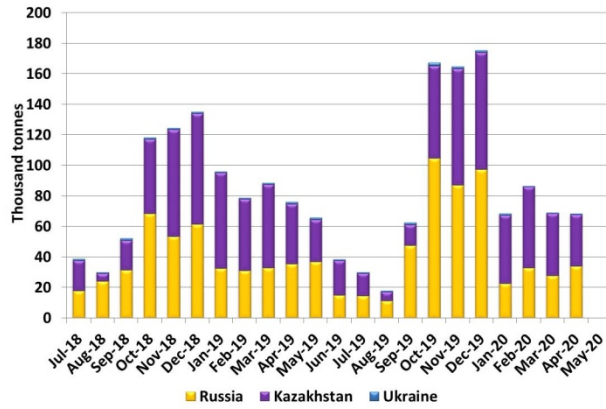
Saskatchewan Flax Condition



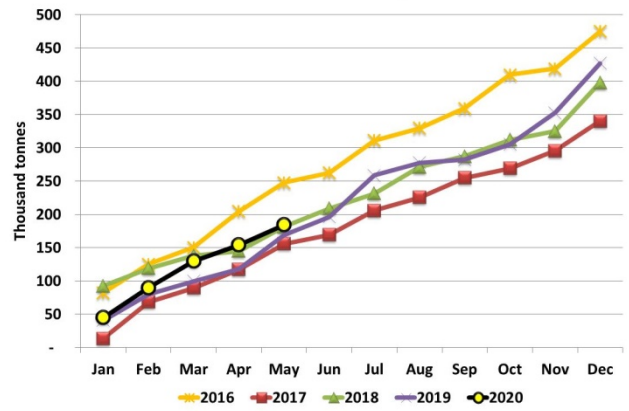
US Flax Acreage & Yields



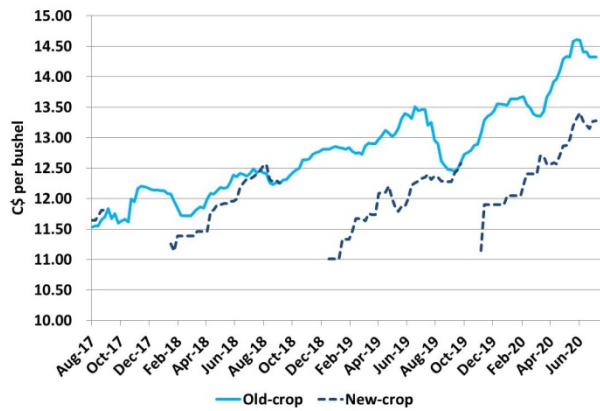
Selected Monthly Flax Exports



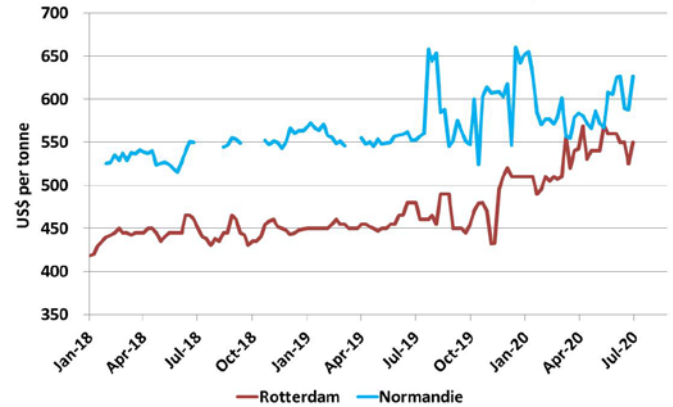
Chinese Linseed Imports



Average Cdn Posted Flax Bids



Linseed Prices - Western Europe



Latest Data:

Flax Price Indications

All values in US\$ per tonne

Type	Location	This week	Week Ago	4 Wks Ago	Year Ago
1C	Saskatoon	386	385	394	383
1C	Wpg, MB	394	390	407	407
#1	RedWing, MN	449	449	449	384
Golden	N Dakota	376	373	371	344
Linseed	NW Europe	550	525	560	480
Linseed	Ukraine	559	568	570	445
Linseed	Russia	480	480	480	500
Linseed	Kazakhstan	396	400	479	326
Linseed	Tianjin (offer)	729	727	745	686

Flax Movement

Quantities in tonnes

	Year-to-date	Last YTD	5-Yr Avg-to-date
Farm Deliveries	335,700	363,800	455,480
Elev Shipments	291,600	360,500	424,310
Commercial Stocks	53,600	42,300	70,596
Exports to:			
<i>US</i>	81,824	114,047	99,164
<i>China</i>	107,141	196,220	269,225
<i>Europe</i>	43,093	35,023	81,689
<i>Other</i>	26,128	21,961	28,209
<i>Total</i>	258,186	367,252	478,287