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CANADA: PULSE AND SPECIAL CROPS OUTLOOK

September 20, 2005

Total Canadian pulse and special crops production is estimated to increase by 4%, from 2004-05, to 5.43 million tonnes (Mt), based on Statistics Canada's (STC) July 31 production estimates and AAFC forecasts where STC estimates were not available. Total supply increased by 15% to 6.78 Mt, due to higher production and higher carry-in stocks. This report incorporates STC's year end carry-out stocks estimates for 2004-05. Exports are forecast to increase by 15% and domestic use by 7% due to stronger demand, but carry-out stocks are also expected to increase. Average prices, over all types, grades and markets, are forecast to increase for chickpeas and mustard seed, decrease for dry peas, lentils, dry beans, canary seed and sunflower seed, and be the same for buckwheat.

STC's yield estimates are significantly higher than trend for Ontario, Saskatchewan and Alberta, and much below trend for Manitoba. Since the survey was conducted from July 20 to August 5 before the start of harvest, the actual yields for crops in western Canada could be lower than the estimates because of hot and dry weather in late July and early August. Crop abandonment is expected to be slightly lower than normal, except for Manitoba where significantly higher than normal abandonment is expected. For western Canada, harvest progress is about one to two weeks behind normal, but significantly ahead of 2004-05. Harvest progress is about a week ahead of normal for eastern Canada. Harvesting of dry peas and lentils is mostly complete and a significant portion of chickpeas and mustard seed have been harvested. Harvesting of dry beans in eastern Canada is mostly complete, but only a small portion has been harvested in western Canada. Only a small portion of canary seed has been harvested. The buckwheat harvest is expected to start in late September and the sunflower seed harvest in early October. Overall quality is expected to be better than in 2004-05, but generally lower than normal due to rain in large areas of Alberta and Saskatchewan during harvest. Although some late crops could still be damaged by frost, most unharvested crops are sufficiently advanced in development that frost would not damage them. The main factors to watch are precipitation and temperatures during the rest of the harvest period in Canada. Other factors to watch are the exchange rates of the Canadian dollar against the US dollar and other currencies, ocean shipping rates, and growing and harvest conditions in major producing regions, especially United States, India and Australia.

DRY PEAS

For **2005-06**, production is estimated to decrease by 3%, as a 2% rise in seeded area is more than offset by lower yields. Production is expected to decrease for yellow, green and other types. Supply is estimated to increase by 7% due to higher carry-in stocks. World supply is expected to increase by 2% to 12.6 Mt, but use is also forecast to increase, resulting in stable carry-out stocks. Canadian exports and domestic use are expected to increase due to stronger demand in the food markets in Asia and in the feed markets in the EU and Canada. Carry-out stocks are forecast to remain stable, with a stocks-to-use (s/u) ratio of 18%. The average price, over all types, grades and markets, is forecast to decrease slightly due to the higher world supply.

LENTILS

For **2005-06**, production and supply are estimated to increase significantly, due to an 11% rise in seeded area, higher yields and higher carry-in stocks. Production is expected to increase for all types; large, medium and small green, and red. World supply is forecast to increase by 15% to 4.5 Mt. Although world use is expected to increase because of higher demand, resulting mostly from lower prices, carry-out stocks are forecast to rise. Canadian exports are expected to increase by 34% due to the higher demand. Carry-out stocks are forecast to rise significantly, with a s/u ratio of 60%. The average price, over all types and grades, is forecast to decrease moderately from 2004-05, as pressure from higher world supply is partly offset by support from higher quality.

DRY BEANS

For **2005-06**, production and supply are estimated to increase, due to a 25% rise in seeded area and lower abandonment. Production is expected to increase for white pea, pinto, black, dark and light red kidney, cranberry and small red beans, but remain stable for Great Northern and pink beans. US production is forecast to increase by 44% to 1.12 Mt, while supply increases by only 20% to 1.26 Mt due to lower carry-in stocks. Canadian exports are forecast to increase slightly due to higher supply. Carry-out stocks are expected to increase, with a s/u ratio of 6%. The average price, over all classes and grades, is forecast to decrease due to the higher supply.

CHICKPEAS

For **2005-06,** production and supply are estimated to increase, because of a 65% increase in seeded area, lower abandonment and higher yields. Production is expected to increase for large and small kabuli types, but decrease slightly for the desi type. World supply is expected to increase marginally to 8.95 Mt. Canadian exports are forecast to increase due to the higher supply. Carry-out stocks are expected to increase, but remain low. The average price, over all types, grades and sizes, is forecast to increase due to higher quality and a shift to the production of the higher priced kabuli types.

MUSTARD SEED

For **2005-06**, production is estimated to decrease by 28% because of a 32% fall in seeded area, which is partly offset by higher yields. Production is expected to decrease for all types, yellow, brown and oriental. Supply is expected to increase slightly due to higher carry-in stocks. Although exports are forecast to rise due to higher demand, carry-out stocks are forecast to decrease only slightly, with a s/u ratio of 84%. The average price, over all types and grades, is expected to increase marginally as higher quality more than offsets pressure from the higher supply.

CANARY SEED

For **2005-06**, production is estimated to decrease by 19%, as a 43% fall in seeded area is mostly offset by higher yields. Supply is expected to increase by 13%, as higher carry-in stocks more than offset the fall in production. World supply, 90% of which is in Canada, is forecast to increase by 12% to 455,000 t. Although Canadian exports are expected to increase due to higher demand, carry-out stocks are forecast to rise, with a s/u ratio of 89%. The average price is forecast to decrease because of the higher supply.

SUNFLOWER SEED

For **2005-06**, production and supply are estimated to increase due to a 12% rise in seeded area, lower abandonment and higher yields. Production is expected to increase for both types, confectionery and oilseed. US supply is forecast to increase by 49% to 1.62 Mt. World supply is expected to increase by 6% to 29.0 Mt. Canadian exports and domestic use are forecast to increase because of the higher supply. Carry-out stocks are expected to increase slightly, but remain low. The average price, over both types and all grades, is forecast to decrease because of the higher supply in US and Canada.

BUCKWHEAT

For **2005-06**, Canadian production is forecast to remain stable, as a lower seeded area is offset by lower abandonment and higher yields. Supply is expected to decrease due to lower carry-in stocks. Exports are forecast to decrease and carry-out stocks are expected to be negligible. The average price is forecast to be the same as in 2004-05, in line with a relatively stable world supply.

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CANADA: PULSE AND SPECIAL CROPS SUPPLY AND DISPOSITION

September 20, 2005

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (d)	Carry-out Stocks	Average Price (e)
	000 ha		t/ha	thousand metric tonnes						$/t
Dry Peas										
2001-2002	1,344	1,285	1.57	2,023	27	2,245	1,381	589	275	190
2002-2003	1,297	1,050	1.30	1,365	41	1,681	628	743	310	210
2003-2004	1,303	1,271	1.67	2,124	24	2,458	1,316	937	205	175
2004-2005P	1,388	1,345	2.48	3,338	56	3,599	1,856	1,148	595	135
2005-2006F	1,410	1,364	2.37	3,228	40	3,863	2,050	1,213	600	115-145
Lentils										
2001-2002	708	664	0.85	566	6	828	478	219	131	320
2002-2003	601	387	0.91	354	9	494	320	119	55	390
2003-2004	554	536	0.97	520	5	580	368	174	38	420
2004-2005P	778	750	1.28	962	10	1,010	449	316	245	310
2005-2006F	860	847	1.44	1,219	5	1,469	600	319	550	255-285
Dry Beans										
2001-2002	184	175	1.70	298	42	380	263	82	35	725
2002-2003	230	219	1.89	414	40	489	298	96	95	445
2003-2004	167	167	2.13	356	31	482	344	83	55	495
2004-2005P	163	126	1.75	220	30	305	277	23	5	650
2005-2006F	203	172	1.77	304	40	349	280	49	20	530-560
Chickpeas										
2001-2002	486	467	0.97	455	12	497	146	211	140	380
2002-2003	221	154	1.01	156	9	305	105	140	60	300
2003-2004	63	63	1.08	68	2	130	74	36	20	330
2004-2005P	47	39	1.31	51	5	76	46	25	5	385
2005-2006F	77	72	1.39	100	5	110	65	35	10	410-440
Mustard Seed										
2001-2002	166	158	0.66	105	3	213	171	9	33	685
2002-2003	289	255	0.60	154	9	196	114	22	60	595
2003-2004	340	328	0.69	226	2	288	121	75	92	390
2004-2005P	317	304	1.01	306	1	399	119	86	194	295
2005-2006F	217	212	1.04	220	1	415	140	85	190	285-315
Canary Seed										
2001-2002	170	163	0.70	114	0	184	134	20	30	660
2002-2003	287	227	0.78	176	0	206	164	22	20	575
2003-2004	251	243	0.93	226	0	246	168	11	67	345
2004-2005P	356	318	0.95	301	0	368	163	35	170	230
2005-2006F	204	199	1.23	244	0	414	180	39	195	195-225
Sunflower Seed										
2001-2002	73	67	1.55	104	29	179	92	65	22	355
2002-2003	100	95	1.65	157	21	200	105	60	35	440
2003-2004	119	115	1.30	150	16	201	96	80	25	405
2004-2005P	87	59	0.92	54	35	114	32	64	18	490
2005-2006F	98	81	1.31	106	30	154	60	74	20	375-405
Buckwheat										
2001-2002	14	14	1.14	16	1	17	6	8	3	325
2002-2003	12	12	1.00	12	1	16	6	7	3	340
2003-2004	9	9	1.11	10	1	14	5	7	2	355
2004-2005P	9	7	0.71	5	1	8	4	4	0	355
2005-2006F	7	5	1.00	5	1	6	2	4	0	340-370
Total Pulse And Special Crops (c)										
2001-2002	3,131	2,993	1.23	3,681	120	4,543	2,671	1,203	669	
2002-2003	3,025	2,399	1.16	2,788	130	3,587	1,740	1,209	638	
2003-2004	2,797	2,732	1.35	3,680	81	4,399	2,492	1,403	504	
2004-2005P	3,136	2,948	1.78	5,237	138	5,879	2,946	1,701	1,232	
2005-2006F	3,075	2,952	1.84	5,426	122	6,780	3,377	1,818	1,585	

(a) August-July crop year.
(b) Excludes products.
(c) Includes Pulse Crops (dry peas, lentils, dry beans, chick peas) and Special Crops (mustard seed, canary seed, sunflower seed, buckwheat)
(d) Includes food, feed, seed, waste and dockage. Total domestic use is calculated residually.
(e) Producer price, FOB plant. Average over all types, grades and markets.
P: preliminary
F: forecast, Agriculture and Agri-Food Canada, September 20, 2005

Source: Statistics Canada and industry consultations.