



CANADA: PULSE AND SPECIAL CROPS OUTLOOK

March 27, 2006

For 2005-06, total Canadian exports, domestic use and carry-out stocks of pulse and special crops are forecast to increase due to higher supply. Average prices, over all types, grades and markets are forecast to increase for chickpeas and buckwheat, but decrease for dry peas, lentils, dry beans, mustard seed, canary seed and sunflower seed.

For 2006-07, total area seeded to pulse and special crops in Canada is forecast to decrease by 3%, from 2005-06, as increases for dry peas, chickpeas, sunflower seed and buckwheat are more than offset by decreases for lentils, dry beans, mustard seed and canary seed. It is assumed that precipitation will be normal for the growing and harvest periods, and that the abandonment rate and quality will be normal. Trend yields are assumed for both western and eastern Canada, as soil moisture reserves are generally good. Total production in Canada is forecast to decrease by 10%, from 2005-06, to 4.79 million tonnes (Mt). Total supply is expected to decrease by 6% to 6.36 Mt, as higher carry-in stocks offset most of the decrease in production. Exports are forecast to decrease due to lower supply, while domestic use is forecast to be relatively stable. Carry-out stocks are expected to decrease. Average prices, over all types, grades and markets, are forecast to increase for dry peas, mustard seed and canary seed, decrease for dry beans and chickpeas, and be the same for lentils, sunflower seed and buckwheat. The main factors to watch are weather conditions, especially precipitation, during the growing and harvest periods 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 conditions in major producing regions, especially India, Mexico, United States, European Union, Turkey and Australia.

DRY PEAS

For 2005-06, due to higher supply, lower prices and stronger demand, exports are forecast to increase sharply from 2004-05. The average price, over all types, grades and markets, is forecast to decrease because of higher supply. Carry-out stocks are expected to decrease, with a stocks-to-use ratio (s/u) of 12%.

For 2006-07, the area seeded is forecast to increase by 3% from 2005-06. Production and supply are forecast to decrease, as lower trend yields more than offset the increase in seeded area. World supply is expected to decrease marginally to 12.5 Mt as slightly higher production is more than offset by lower carry-in stocks. Canadian exports are forecast to decrease because of the lower supply, while domestic use increases marginally. Carry-out stocks are forecast to decrease, with a s/u of 10%. The average price is expected to be slightly higher than in 2005-06 due to the lower supply.

LENTILS

For 2005-06, due to higher production and supply, lower prices and higher demand, exports are forecast to increase sharply. The average price, over all types and grades, is expected to decrease because of higher supply. Carry-out stocks are forecast to increase, with a s/u of 61%.

For 2006-07, the area seeded is forecast to decrease by 10%. Production is forecast to decrease sharply due to lower seeded area and lower trend yields, but supply is expected to decrease only marginally because of higher carry-in stocks. Production is expected to decrease for green lentils, but increase for red lentils. World supply is forecast to increase marginally to 4.64 Mt. Canadian exports are expected to increase due to higher Canadian supply of red lentils and carry-out stocks are forecast to decrease slightly, with a s/u of 58%. The average price is forecast to be the same as in 2005-06 because of the relatively stable supply.

DRY BEANS

For 2005-06, production and supply increased significantly in Canada and the US. Canadian exports are forecast to increase because of higher supply. Carry-out stocks are forecast to increase, with a s/u of 7%. The average price, over all classes and grades, is forecast to decrease due to higher US and Canadian supply.

For 2006-07, the area seeded is forecast to decrease by 10%. Production and supply are expected to increase, as a lower area is more than offset by lower abandonment and higher trend yields. In the US, production is expected to decrease by 5% to 1.13 Mt, while supply increases slightly to 1.36 Mt due to higher carry-in stocks. Canadian exports are forecast to increase due to the higher supply. Carry-out stocks are expected to increase, with a s/u of 8%. The average price is forecast to decrease slightly because of the slightly higher US and Canadian supply.

CHICKPEAS

For 2005-06, due to higher production and supply, exports are forecast to increase. The average price, over all types and grades, is forecast to increase, due to higher quality, stronger demand and a shift to the production of the higher priced kabuli type. Carry-out stocks are expected to increase, with a s/u of 10%. For 2006-07, the area seeded is forecast to increase by 50%. Production and supply are expected to increase, as higher area more than offsets lower trend yields. World supply is expected to decrease marginally to 9.25 Mt. Although Canadian exports are forecast to increase due to strong demand, carry-out stocks are expected to rise, with a s/u of 21%. The average price is forecast to decrease due to higher world supply of the kabuli type, which accounts for about 90% of Canadian production.

MUSTARD SEED

For 2005-06, due to stronger demand, exports are forecast to increase. Carry-out stocks are expected to decrease slightly, with a s/u of 88%. The average price, over all types and grades, is forecast to decrease because of the higher supply of high quality seed.

For 2006-07, the area seeded is expected to decrease by 20%. Production and supply are forecast to decrease because of lower seeded area and lower trend yields. Exports are expected to rise due to higher demand and carry-out stocks are forecast to decrease, with a s/u of 53%. The average price is expected to increase due to the lower supply.

CANARY SEED

For 2005-06, due to stronger demand and lower prices, exports are forecast to increase. Carry-out stocks are expected to rise, with a s/u ratio of 88%.

The average price is forecast to decrease due to higher supply.

For 2006-07, the area seeded is expected to decrease by 20%. Production and supply are forecast to decrease due to lower area and lower trend yields. World supply is forecast to decrease by 15% to 370,000 t. Canadian exports are expected to increase due to higher demand and carry-out stocks are forecast to decrease, with a s/u of 50%. The average price is forecast to increase because of the lower supply.

SUNFLOWER SEED

For 2005-06, due to higher production and supply, exports and domestic use are expected to increase. Carry-out stocks are forecast to increase, with a s/u of 13%. The average price, over both types and all grades, is forecast to decrease due to higher supply. For 2006-07, the area seeded is expected to increase by 5%. Production and supply are forecast to increase due to higher area, lower abandonment and higher trend yields. US supply is expected to decrease by 8% to 1.76 Mt. World supply is forecast to decrease slightly to 30.4 Mt. Canadian exports are forecast to increase because of the higher supply. Carry-out stocks are expected to increase, with a s/u of 13%. The average price is forecast to be the same as in 2005-06, as pressure from higher Canadian supply is offset by support from lower US supply.

BUCKWHEAT

For 2005-06, the average price is forecast to increase slightly.

For 2006-06, Canadian production and supply are forecast to remain stable, as a higher seeded area is offset by lower trend yields. The average price is expected to be the same as in 2005-06.

FURTHER INFORMATION:

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CANADA: PULSE AND SPECIAL CROPS SUPPLY AND DISPOSITION

March 27, 2006

Grain and Crop Year (a)	Area Seeded thousand ha	Area Harvested thousand ha	Yield t/ha	Production	Imports (b)	Total Supply	Exports (b)	Total	Carry-out Stocks	Average Price (e) \$/t
								Domestic Use (d)		
-----thousand metric tonnes-----										
Dry Peas										
2002-2003	1,297	1,050	1.30	1,365	41	1,681	626	745	310	210
2003-2004	1,303	1,271	1.67	2,124	24	2,458	1,316	937	205	175
2004-2005	1,388	1,345	2.48	3,338	56	3,599	1,853	1,151	595	135
2005-2006f	1,366	1,319	2.35	3,100	90	3,785	2,200	1,185	400	105-135
2006-2007f	1,405	1,357	2.17	2,950	100	3,450	1,950	1,200	300	110-140
Lentils										
2002-2003	601	387	0.91	354	9	494	319	120	55	390
2003-2004	554	536	0.97	520	5	580	367	175	38	420
2004-2005	778	750	1.28	962	10	1,010	451	314	245	310
2005-2006f	884	862	1.48	1,278	10	1,533	635	318	580	225-255
2006-2007f	795	755	1.23	930	10	1,520	660	300	560	225-255
Dry Beans										
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
2004-2005	163	126	1.75	220	28	303	277	21	5	650
2005-2006f	200	177	1.84	326	40	371	300	46	25	485-515
2006-2007f	180	177	1.95	345	30	400	315	55	30	475-505
Chickpeas										
2002-2003	221	154	1.01	156	9	345	105	160	80	300
2003-2004	63	63	1.08	68	2	150	74	51	25	330
2004-2005	47	39	1.31	51	4	80	47	28	5	385
2005-2006f	79	73	1.42	104	5	114	70	34	10	465-495
2006-2007f	119	109	1.19	130	5	145	85	35	25	400-430
Mustard Seed										
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
2004-2005	317	304	1.01	306	1	399	119	86	194	295
2005-2006f	212	206	0.98	201	1	396	130	81	185	255-285
2006-2007f	170	164	0.88	145	1	331	140	76	115	275-305
Canary Seed										
2002-2003	287	227	0.78	176	0	206	160	26	20	575
2003-2004	251	243	0.93	226	0	246	165	14	67	345
2004-2005	356	318	0.95	301	0	368	163	35	170	230
2005-2006f	190	186	1.22	227	0	397	175	37	185	170-200
2006-2007f	152	145	1.00	145	0	330	180	40	110	190-220
Sunflower Seed										
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
2004-2005	87	59	0.92	54	35	114	32	64	18	490
2005-2006f	93	75	1.19	89	25	132	45	72	15	330-360
2006-2007f	98	92	1.47	135	20	170	75	75	20	330-360
Buckwheat										
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
2004-2005	9	7	0.71	5	1	8	4	4	0	355
2005-2006f	7	6	1.33	8	1	9	4	5	0	345-375
2006-2007f	8	7	1.14	8	1	9	4	5	0	345-375
Total Pulse And Special Crops (c)										
2002-2003	3,036	2,399	1.16	2,788	130	3,627	1,733	1,236	658	
2003-2004	2,805	2,732	1.35	3,680	81	4,419	2,488	1,422	509	
2004-2005	3,145	2,948	1.78	5,237	135	5,881	2,946	1,703	1,232	
2005-2006f	3,031	2,904	1.84	5,333	172	6,737	3,559	1,778	1,400	
2006-2007f	2,927	2,806	1.71	4,788	167	6,355	3,409	1,786	1,160	

(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.

f: forecast, Agriculture and Agri-Food Canada, March 27, 2006

Source: Statistics Canada and industry consultations.