Agriculture and Agri-Food Canada / Agriculture et Agroalimentaire Canada

CANADA: PULSE AND SPECIAL CROPS (P&SC) OUTLOOK

December 12, 2008

For 2008, total production of pulse and special crops (P&SC) in Canada increased by 16% to 5.3 million tonnes (Mt), based on Statistics Canada November production estimates. Compared to 2007, average yields were higher for all P&SC. Crop abandonment was generally higher than for 2007, but lower than the five-year average. Indications are that quality was generally similar to, or lower than, 2007.

Total supply increased by only 11% because the increase in production was partially offset by lower carry-in stocks. Total exports of P&SC are forecast to fall slightly to 3.6 Mt. Total carry-out stocks are expected to more than double to 1.2 Mt. Carry-out stocks are expected to rise for all P&SC, except for chickpeas and canary seed. Average prices, over all types, grades and markets, are forecast to decrease from 2007-08 for dry peas, chickpeas and canary seed and increase for lentils, dry beans, mustard and sunflower seed. The main factors to watch are: the volatility of commodity markets, the impacts of tighter worldwide credit conditions, ocean freight rates, the Canada-US dollar exchange rate and the crop conditions on the Indian subcontinent and in the Middle East.

DRY PEAS

For **2008-09**, production and supply increased to record levels due to record seeded area and high yields. Yellow pea production is forecast to increase while production of green pea and other types remain relatively unchanged. Exports are projected to fall marginally to 2.2 Mt due to reduced imports by India. Carry-out stocks are expected to rise sharply to a record 0.9 Mt. World supply is forecast to rise marginally to 13.3 Mt, mostly due to higher production in Canada, the EU and Ukraine. The average price, over all types, grades, and food and feed markets, is projected to fall sharply from the 2007-08 average.

LENTILS

For **2008-09**, total production increased by 25% from 2007 due to higher area and yields. Production for red and large green lentils rose while medium and small green lentil production has fallen. Canadian exports are expected to fall to 0.8 Mt while carry-out stocks are forecast to nearly double from last year. World supply is forecast to fall marginally to 3.6 Mt, as lower production in Turkey, Syria, the US and India combines with lower carry-in stocks. The average price, over all types and grades, is forecast to rise from 2007-08.

DRY BEANS

Production in **2008-09** fell marginally to 0.3 Mt due to lower area. Canadian exports are projected to decline marginally due to the reduced supply. Carry-out stocks are expected to rise marginally. US production is forecast to be unchanged from last year at 1.3 Mt. The average price, over all types and grades, is forecast to increase from last year.

CHICKPEAS

For **2008-09,** production fell sharply due to lower area. Canadian exports are forecast to remain similar to last year and carry-out stocks are expected to fall sharply. The average price, over all types and grades, is forecast to fall marginally compared to a year ago.

MUSTARD SEED

For **2008-09**, production rose due to higher yields and area. Production increased for yellow and brown mustard seed and fell for the oriental type. Exports are expected to fall. Carry-out stocks are forecast to rise marginally from last year. The average price, over all types and grades, is expected to increase over 2007-08 price levels.

CANARY SEED

For **2008-09**, production increased to 0.2 Mt due to higher yields. Canadian exports are forecast to fall due to lower supplies. Carry-out stocks are expected to fall marginally to 60,000 t. The average price is forecast to decrease from 2007-08 levels.

SUNFLOWER SEED

Production in **2008-09** fell by 10% as lower area was partially offset by higher yields. Canadian exports are forecast to fall sharply from a year ago and as a result, carry-out stocks are expected to rise. The average price, over both types and all grades, is forecast to increase.

FURTHER INFORMATION:

Bobby Morgan - Special Crops
204-983-5713 / morganb@agr.gc.ca

Tom Askin – A/Director
(204) 984-7789 / askint@agr.gc.ca

www.agr.gc.ca/mad-dam/

CANADA: PULSES AND SPECIAL CROPS SUPPLY AND DISPOSITION

December 12, 2008

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (d)	Carry-out Stocks	Stocks-to-Use Ratio	Average Price (e)
	thousand ha		t/ha	----------thousand metric tonnes----------						%	$/t
Dry Peas											
2005-2006	1,303	1,267	2.36	2,994	76	3,665	2,567	658	440	14	120
2006-2007	1,261	1,231	2.05	2,520	60	3,020	1,969	846	205	7	180
2007-2008f	1,469	1,443	2.03	2,935	38	3,178	2,201	722	255	9	305
2008-2009f	1,617	1,582	2.26	3,571	24	3,850	2,150	800	900	31	215-245
Lentils											
2005-2006	803	785	1.48	1,164	8	1,417	671	271	475	50	230
2006-2007	516	504	1.38	693	13	1,181	852	190	139	13	310
2007-2008f	540	534	1.37	734	9	882	810	21	51	6	635
2008-2009f	631	623	1.48	920	5	976	750	126	100	11	700-730
Dry Beans											
2005-2006	192	172	1.85	318	39	362	284	48	30	9	495
2006-2007	178	176	2.12	373	41	444	349	55	40	10	520
2007-2008f	153	153	1.82	277	50	367	295	52	20	6	725
2008-2009f	147	145	1.84	266	44	330	255	50	25	8	810-840
Chickpeas											
2005-2006	79	73	1.42	104	7	158	64	81	13	9	490
2006-2007	129	128	1.27	163	5	181	115	56	10	6	550
2007-2008f	174	174	1.29	225	8	243	68	83	92	61	560
2008-2009f	53	51	1.56	80	8	180	70	65	45	33	530-560
Mustard Seed											
2005-2006	194	188	0.98	184	0	378	133	55	190	101	265
2006-2007	134	130	0.83	108	1	299	153	55	91	44	380
2007-2008f	176	176	0.69	122	1	214	168	19	27	14	695
2008-2009f	194	186	0.87	161	0	188	125	33	30	19	895-925
Canary Seed											
2005-2006	184	182	1.25	227	0	395	185	20	190	93	195
2006-2007	136	131	1.02	133	0	323	178	25	120	59	335
2007-2008f	178	174	0.93	162	0	282	204	11	67	31	560
2008-2009f	168	164	1.20	196	0	263	180	23	60	30	450-480
Sunflower Seed											
2005-2006	87	71	1.18	84	26	125	46	52	27	28	345
2006-2007	77	77	2.04	157	12	196	121	57	18	10	395
2007-2008f	81	79	1.58	125	17	160	112	36	12	8	585
2008-2009f	69	69	1.63	112	17	141	85	41	15	12	590-620
Total Pulses and Special Crops (c)											
2005-2006	2,842	2,738	1.85	5,075	156	6,500	3,950	1,185	1,365		
2006-2007	2,431	2,377	1.74	4,147	132	5,644	3,737	1,284	623		
2007-2008f	2,771	2,732	1.68	4,580	123	5,326	3,858	944	524		
2008-2009f	2,879	2,820	1.88	5,306	98	5,928	3,615	1,138	1,175		

(a) August-July crop year.
(b) Excludes products.
(c) Includes Pulses (dry peas, lentils, dry beans, chick peas) and Special Crops (mustard seed, canary seed, sunflower seed)
(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, December 12, 2008
Source: Statistics Canada and industry consultations.