



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

January 28, 2011

For 2010-11, prices for most P&SC in Canada have averaged higher than 2009-10, except for lentils, dry beans and mustard seed. Total exports in Canada are forecast to decline marginally despite the higher supply. Carry-out stocks are forecast to fall for most crops with the exception of lentils, dry beans and mustard seed which are expected to rise.

For 2011-12, total area seeded to P&SC in Canada is forecast to decrease by 13% from 2010-11. The areas seeded for all crops, except chickpeas and canary seed, are expected to decrease. Average yields are generally expected to increase from the low levels attained in 2010 and trend yields are assumed for both western and eastern Canada. Total production and supply are forecast to decrease by 8% from 2010-11. However, exports are expected to rise marginally while domestic use and carry-out stocks are forecast to fall. Prices, averaged over all types, grades and markets, are forecast to rise for most crops, with the exception of lentils, chickpeas and canary seed. The main factors to watch are commodity prices and input costs, precipitation in Canada over the winter and the Canada-US exchange rate.

### **DRY PEAS**

For 2010-11, exports are forecast to be about 10% higher than 2009-10 because of good demand from the Indian subcontinent. The average price is forecast to rise due to increased world demand. Carry-out stocks in Canada are expected to fall sharply. For 2011-12, seeded area is forecast to decrease slightly from 2010-11 because lower returns relative to other crops. Production is expected to fall slightly and supply is forecast to decrease due to lower carry-in stocks. Exports are forecast to decrease to 2.3 Mt. Carry-out stocks are also forecast to fall and remain low. The average price is expected to increase from 2009-10 due to the smaller Canadian supply and tighter carry-out stocks.

### **LENTILS**

For 2010-11, exports are forecast to fall due to lower import demand from the Indian subcontinent and the Middle East. Carry-out stocks are expected to rise sharply from 2009-10 due to record supply. The average price is forecast to fall from 2009-10 due to the lower than normal grade distribution. For 2011-12, the area seeded is expected to decrease sharply due to lower returns compared to other crops. Supply is forecast to rise marginally to record levels as burdensome carry-in stocks will more than offset the lower production. Exports are expected to increase from the previous year with a more favourable grade distribution. Carry-out stocks are forecast to rise due to the larger supply and lower expected domestic use. The average price is forecast to rise from 2010-11 because of a more normal grade distribution.

### **DRY BEANS**

For 2010-11, exports are forecast to decrease marginally from 2009-10 due to lower import demand. Carry-out stocks are expected to rise sharply. The average price is forecast to fall because of the higher North American supply.

For 2011-12, the area seeded is forecast to fall sharply from 2010-11 because of lower returns compared to other crops. Production and supply are expected to fall as a result. Exports are forecast to decrease due to the limited supply and carry-out stocks are expected to fall. The average price is forecast to increase because of the lower US and Canadian supply.

### **CHICKPEAS**

For 2010-11, exports are expected to be higher than 2009-10 due to higher demand from the Middle East. The average price is forecast to increase sharply to record levels. Higher exports and domestic use will decrease carry-out stocks. For 2011-12, the area seeded is forecast to rise marginally from 2010-11 because of low carry-in stocks and relatively high prices compared to many alternative crops. As a result, production is expected to rise. Supply is forecast to be similar to last year due to the lower carry-in stocks. Exports are forecast to be unchanged and carry-out stocks are expected to rise. The average price is forecast to fall, but remain historically high, due to higher Canadian and world supply.

### **MUSTARD SEED**

For 2010-11, exports are forecast to decrease from 2009-10 due to lower demand from the US. Larger supplies will result in higher carry-out stocks. The average price, over all types and grades, is forecast to decrease.

For 2011-12, the area seeded is expected to decrease due to lower prices. Production is forecast to decrease due to lower yields but supply is not expected to decrease notably due to high carry-in stocks. Exports are expected to rise and as a result, carry-out stocks are forecast to fall sharply. The average price is forecast to rise sharply compared to 2010-11.

### **CANARY SEED**

For 2010-11, exports and carry-out stocks are expected to fall sharply due to limited supply. The average price is forecast to rise due to the tight carry-out stocks. For 2011-12, the area seeded is forecast to increase due to good returns relative to other crops and lower carry-in stocks. Production is expected to increase due to increased area and the return to trend yields. Supply is forecast to rise. Exports are expected to rise with the increase in supply and carry-out stocks are expected to remain very low. The average price is forecast to remain at the 2010-11 level.

### **SUNFLOWER SEED**

For 2010-11, exports are expected to be similar to 2009-10 and carry-out stocks are forecast to fall. The average price, over both types and all grades, is forecast to rise significantly from 2009-10 due to stronger prices for oil type seed. For 2011-12, the area seeded is expected to decrease. Production is expected to be similar to last year and supply is expected to fall compared to 2010-11. Exports and carry-out stocks are also forecast to fall. The average price is forecast to increase marginally from 2010-11.

### **FURTHER INFORMATION:**

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**CANADA: PULSES AND SPECIAL CROPS SUPPLY AND DISPOSITION**

**Jan 28, 2011**

Grain and Crop Year (a)	Area		Yield t/ha	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (d)	Carry-out Stocks	Stocks- to-Use Ratio	Average Price (e)
	Seeded thousand ha	Harvested									
-----thousand metric tonnes-----											
											\$/t
<b>Dry Peas</b>											
2008-2009	1,617	1,582	2.26	3,571	15	3,841	2,826	571	445	13	250
2009-2010	1,522	1,487	2.27	3,379	55	3,880	2,178	907	795	26	185
2010-2011f	1,396	1,322	2.17	2,862	30	3,687	2,400	987	300	9	195-225
2011-2012f	1,300	1,253	2.23	2,800	30	3,130	2,300	630	200	7	225-255
<b>Lentils</b>											
2008-2009	706	700	1.49	1,043	7	1,102	973	97	32	3	750
2009-2010	971	963	1.57	1,510	10	1,552	1,385	115	52	3	645
2010-2011f	1,408	1,336	1.46	1,947	25	2,024	1,200	374	450	29	590-620
2011-2012f	1,100	1,070	1.50	1,600	5	2,055	1,300	255	500	32	480-510
<b>Dry Beans</b>											
2008-2009	128	125	2.12	266	54	340	282	50	8	2	815
2009-2010	121	114	1.96	224	53	285	255	25	5	2	705
2010-2011f	136	127	2.00	254	52	311	245	41	25	9	580-610
2011-2012f	100	96	1.98	190	52	267	230	32	5	2	680-710
<b>Chickpeas</b>											
2008-2009	53	51	1.30	67	4	163	53	48	62	61	560
2009-2010	32	30	2.49	76	5	143	66	57	20	16	540
2010-2011f	83	77	1.67	128	5	153	70	68	15	11	630-660
2011-2012f	85	80	1.69	135	5	155	70	60	25	19	600-630
<b>Mustard Seed</b>											
2008-2009	194	186	0.87	161	1	189	131	14	44	30	845
2009-2010	212	208	1.00	208	0	253	128	25	100	66	510
2010-2011f	194	156	1.19	186	0	286	120	31	135	89	475-505
2010-2012f	170	163	0.89	145	0	280	145	35	100	56	545-575
<b>Canary Seed</b>											
2008-2009	168	164	1.19	196	0	261	153	25	83	47	480
2009-2010	128	121	1.31	159	0	242	181	20	41	20	395
2010-2011f	130	121	0.92	111	0	152	130	17	5	3	510-540
2011-2012f	145	140	1.18	165	0	170	145	15	10	6	510-540
<b>Sunflower Seed</b>											
2008-2009	69	69	1.63	112	20	145	88	35	22	18	630
2009-2010	65	64	1.60	102	26	150	49	59	42	39	505
2010-2011f	55	51	1.32	68	25	135	55	55	25	23	555-585
2011-2012f	45	43	1.63	70	25	120	50	50	20	20	560-590
<b>Total Pulses and Special Crops (c)</b>											
2008-2009	2,935	2,878	1.88	5,416	102	6,040	4,505	839	696		
2009-2010	3,051	2,988	1.89	5,659	149	6,503	4,241	1,207	1,055		
2010-2011f	3,402	3,190	1.74	5,556	137	6,748	4,220	1,573	955		
2011-2012f	2,945	2,845	1.79	5,105	117	6,177	4,240	1,077	860		

(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 Jan 28, 2011

Source: Statistics Canada and industry consultations.