



CANADA: PULSE AND SPECIAL CROPS OUTLOOK: 2008-09

May 27, 2008

For 2008-09, total area seeded to pulse and special crops in Canada is expected to decrease marginally from 2007-08, as lower areas for lentils, dry beans, chickpeas, sunflower seed and canary seed are partly offset by higher areas for dry peas and mustard seed. Statistics Canada's (STC) seeding intentions survey, conducted during March 20-31 and released on April 21, provided estimates for most pulse and special crops, but for some crops the area has been forecast by AAFC. 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.

Total production in Canada is forecast to decrease marginally to 4.5 million tonnes (Mt). Total supply is expected to fall due to lower carry-in stocks and production. This report incorporates information from the STC March 31, 2008 estimate of stocks. Exports are forecast to decrease due to the lower supply, while domestic use is expected to remain unchanged. Carry-out stocks are expected to fall to historically low levels for most crops. Average prices, over all types, grades and markets, are forecast to increase in 2008-09 for all pulse and special crops, with the exception of dry peas. The main factors to watch are: petroleum prices and growing conditions in Canada and the major importing and exporting countries.

DRY PEAS

For 2008-09, production is forecast to rise to a record 3.1 Mt, due to record seeded area and higher yields. Supply is expected to increase marginally, as lower carry-in stocks partially offset the increase in production. Yellow pea production is expected to increase, while green pea and other types remain stable. Exports are forecast to rise marginally to 2.3 Mt. Despite increased exports, carry-out stocks are expected to rise marginally. World supply is forecast to rise marginally, to over 10 Mt due to higher production, mainly in Canada, the EU and Ukraine. The main factor affecting Canadian prices is world supply, but Canadian supply is a major component of world supply. The average price, over all types, grades, and food and feed markets, is forecast to fall slightly from 2007-08, as a result of the expected increase in world and Canadian supply.

LENTILS

For 2008-09, production is forecast to decrease due to the marginal decrease in seeded area and lower yields. Production is expected to remain unchanged for large and medium green lentils. A decrease in small green lentils and an increase in red lentils is expected. Total supply is forecast to fall, as lower carry-in stocks compound the decrease in production. Canadian exports are expected to decrease due to the lower supply and carry-out stocks are forecast to remain low. World supply is forecast to fall marginally to 4.0 Mt, as lower production, mainly in Turkey and India, combines with lower carry-in stocks. The average price, over all types and grades, is expected to rise from 2007-08 because of the lower world and Canadian supply.

DRY BEANS

For 2008-09, production and supply are forecast to decrease because of a large decline in seeded area. Production is expected to fall for all major classes of dry beans; white pea, pinto, black, dark and light red kidney, cranberry, Great Northern, pink and small red. Canadian exports are forecast to decrease due to the lower supply. Carry-out stocks are also expected to fall. In the US, production is forecast to fall to below 1.0 Mt, largely due to lower seeded area in North Dakota. US supply is the most important factor affecting Canadian prices followed by Canadian supply. The average price, over all types and grades, is forecast to increase because of lower North American supply.

CHICKPEAS

For 2008-09, production and supply are forecast to fall sharply due to a 60% decrease in seeded area. Production is expected to decrease for all types; desi, large kabuli and small kabuli. Canadian exports are forecast to decrease because of the lower supply. Carry-out stocks are also expected to fall. The average price, over all types and grades, is forecast to decrease due to the lower world and Canadian supply.

MUSTARD SEED

For 2008-09, production is forecast to increase because of the higher seeded area and yields. Supply is expected to fall as lower carry-in stocks more than offset the rise in production. Production is expected to increase for all types, yellow, brown and oriental. Exports are expected to fall slightly because of the limited supply. Carry-out stocks are forecast to remain unchanged.

The main factor affecting Canadian mustard seed prices is Canadian supply. The average price, over all types and grades, is expected to rise as a result of the lower Canadian supply and higher contract prices.

CANARY SEED

For 2008-09, production is forecast to fall marginally because of the lower seeded area. Supply is expected to decrease as lower carry-in stocks combine with the decrease in production. Canadian exports are expected to remain unchanged and carry-out stocks are forecast to fall sharply. The main factor affecting Canadian prices is Canadian supply. The average price is forecast to increase because of the lower Canadian supply.

SUNFLOWER SEED

For 2008-09, production and supply are forecast to fall, due to lower seeded area, yields and carry-in stocks. Canadian exports are forecast to decrease because of the lower supply. Carry-out stocks are also expected to fall. US supply is most important factor affecting Canadian prices followed by Canadian supply. The average price, over both types and all grades, is forecast to rise because of the lower North American supply.

FURTHER INFORMATION:

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CANADA: PULSES AND SPECIAL CROPS SUPPLY AND DISPOSITION

May 27, 2008

Grain and Crop Year (a)	Area Seeded thousand ha	Area Harvested thousand ha	Yield t/ha	Production	Imports (b)	Total Supply	Exports (b)	Total		Stocks-to- Use Ratio %	Average Price (e) \$/t
								Domestic Use (d)	Carry-out Stocks		
Dry Peas											
2004-2005	1,283	1,244	2.49	3,098	57	3,360	1,853	912	595	22	135
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	50	3,190	2,250	790	150	5	285-315
2008-2009f	1,532	1,500	2.07	3,100	50	3,300	2,300	800	200	6	270-300
Lentils											
2004-2005	738	714	1.28	916	10	964	451	268	245	34	310
2005-2006	803	785	1.48	1,164	8	1,417	671	271	475	50	230
2006-2007	516	504	1.25	630	13	1,118	852	127	139	14	310
2007-2008f	540	534	1.26	674	10	823	650	118	55	7	555-585
2008-2009f	538	522	1.25	650	10	715	560	105	50	8	560-590
Dry Beans											
2004-2005	160	123	1.77	218	28	311	278	28	5	2	650
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	152	1.82	277	40	357	290	47	20	6	685-715
2008-2009f	116	115	1.91	220	40	280	220	45	15	6	815-845
Chickpeas											
2004-2005	47	39	1.31	51	4	133	47	39	47	55	385
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	7	242	90	57	95	65	525-555
2008-2009f	71	69	1.30	90	5	190	105	55	30	19	550-580
Mustard Seed											
2004-2005	299	285	1.01	287	1	380	119	67	194	104	295
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	0.65	114	1	206	140	51	15	8	680-710
2008-2009f	202	196	0.84	165	0	180	115	50	15	9	825-855
Canary Seed											
2004-2005	348	318	0.95	301	0	368	163	37	168	84	230
2005-2006	184	182	1.25	227	0	395	185	20	190	93	195
2006-2007	136	131	1.02	133	0	323	178	24	121	60	335
2007-2008f	178	174	0.93	162	0	283	180	23	80	39	535-565
2008-2009f	172	165	0.97	160	0	240	180	25	35	17	560-590
Sunflower Seed											
2004-2005	81	55	0.95	52	35	112	32	65	15	15	490
2005-2006	87	71	1.18	84	26	125	46	52	27	28	345
2006-2007	77	77	2.04	157	12	196	121	52	23	13	395
2007-2008f	81	79	1.58	125	15	163	95	53	15	10	540-570
2008-2009f	65	62	1.53	95	20	130	70	50	10	8	610-640
Buckwheat*											
2004-2005	6	4	0.50	2	1	5	4	1	0	0	355
2005-2006	4	4	1.25	5	1	6	4	2	0	0	355
2006-2007	7	7	1.00	7	1	8	4	3	1	14	355
2007-2008f	3	3	1.00	3	1	5	4	1	0	0	375-405
2008-2009**											
Total Pulses and Special Crops (c)											
2004-2005	2,962	2,782	1.77	4,925	136	5,633	2,947	1,417	1,269		
2005-2006	2,846	2,742	1.85	5,080	157	6,506	3,954	1,187	1,365		
2006-2007	2,438	2,384	1.72	4,091	133	5,589	3,741	1,218	630		
2007-2008f	2,774	2,735	1.65	4,515	124	5,269	3,699	1,140	430		
2008-2009f***	2,696	2,629	1.70	4,480	125	5,035	3,550	1,130	355		

(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, 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, May 27, 2008

* For 2004-2005 to 2007-2008, area and production estimates are only for Manitoba, the main producing province.

** For 2008-2009, it is not possible to do a forecast for buckwheat because the area has decreased to a very low level.

*** Excludes buckwheat.

Source: Statistics Canada and industry consultations.