



2014 Canadian Situation

December 6, 2014

**IAOM Mideast & Africa
Conference
Cape Town, South Africa**

Jean-Benoit Gauthier



Market Research



Western Canadian production

(5-year average, million tonnes)

Spring wheat – 16.85

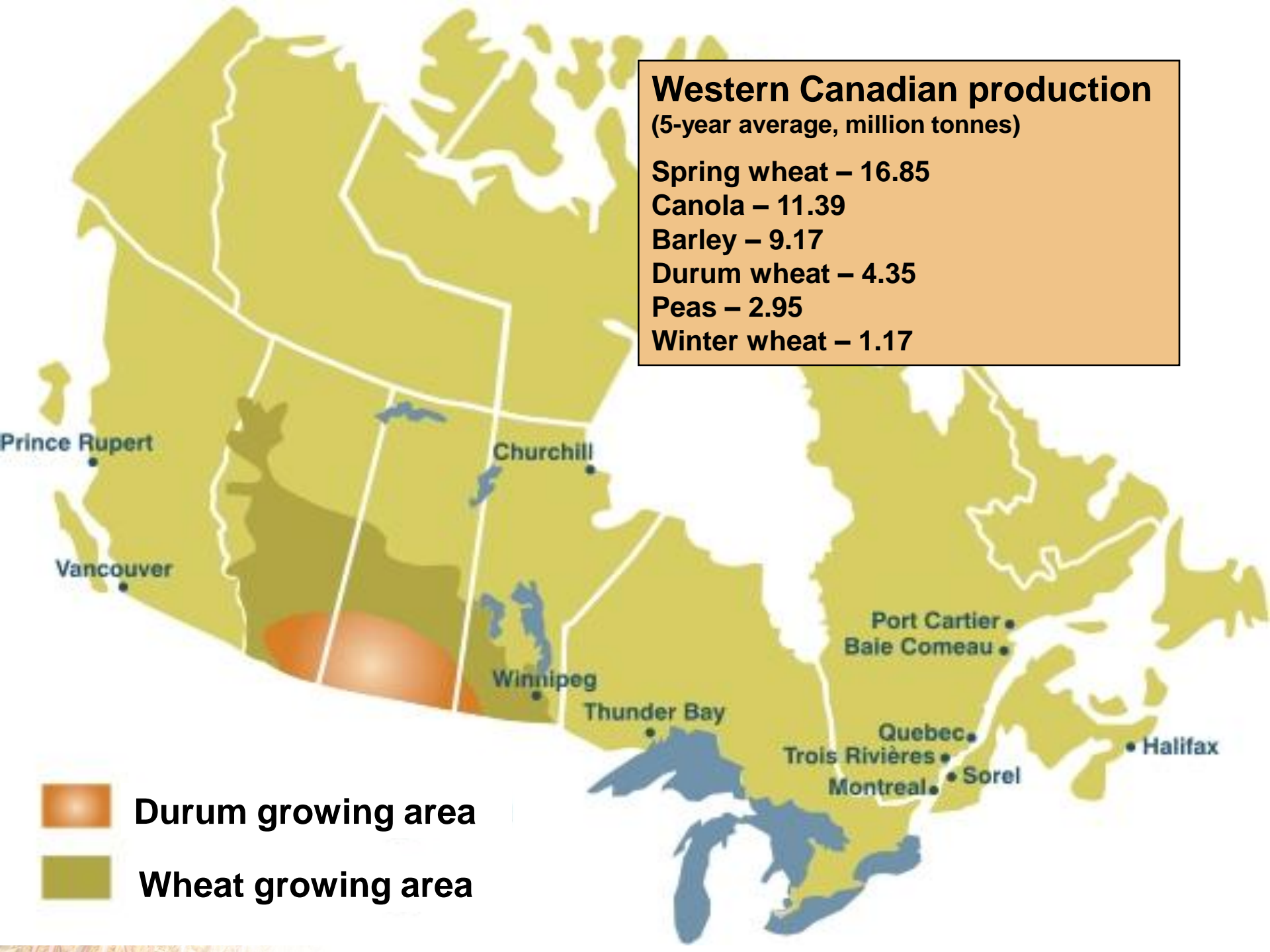
Canola – 11.39

Barley – 9.17

Durum wheat – 4.35

Peas – 2.95

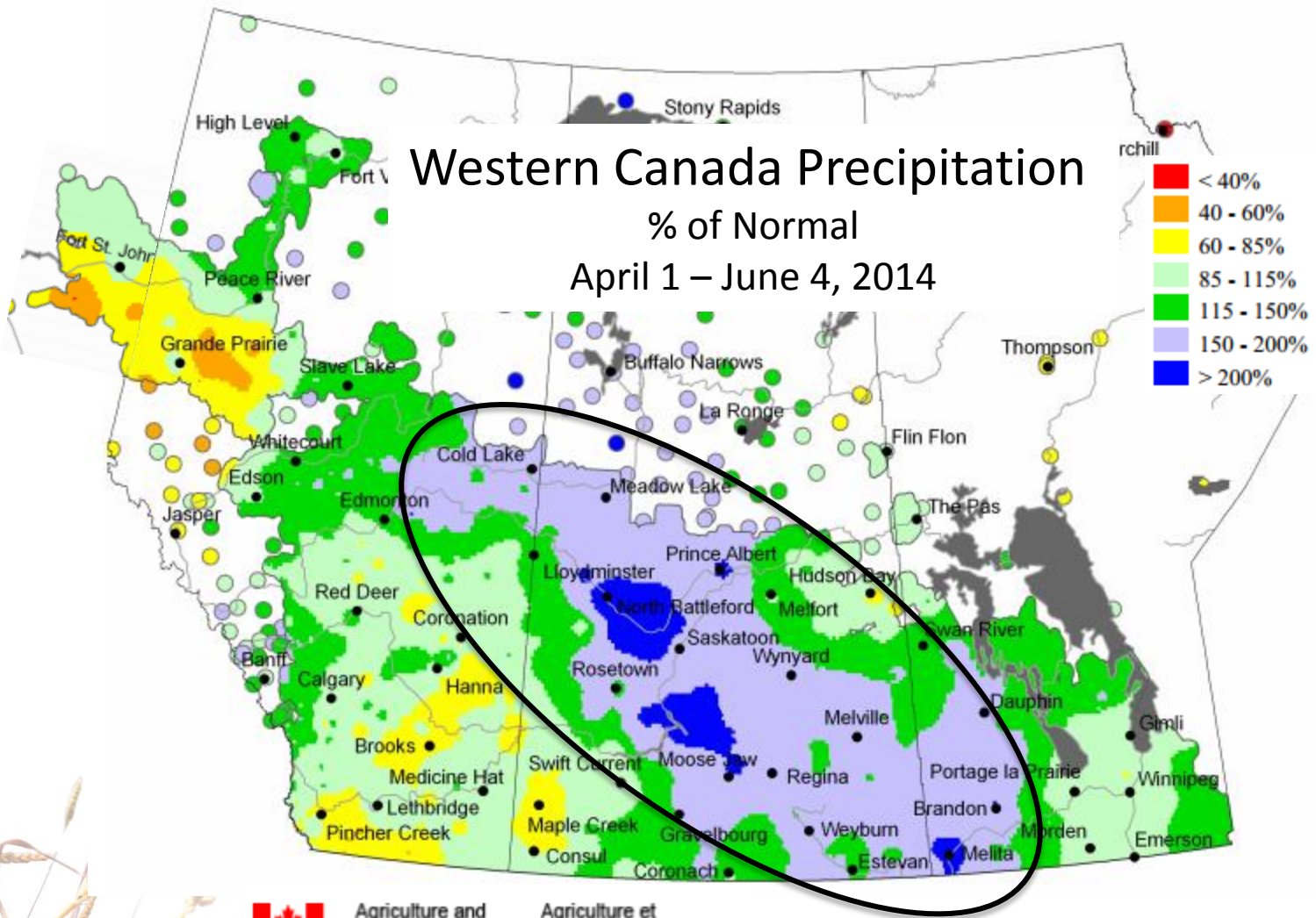
Winter wheat – 1.17



 Durum growing area

 Wheat growing area

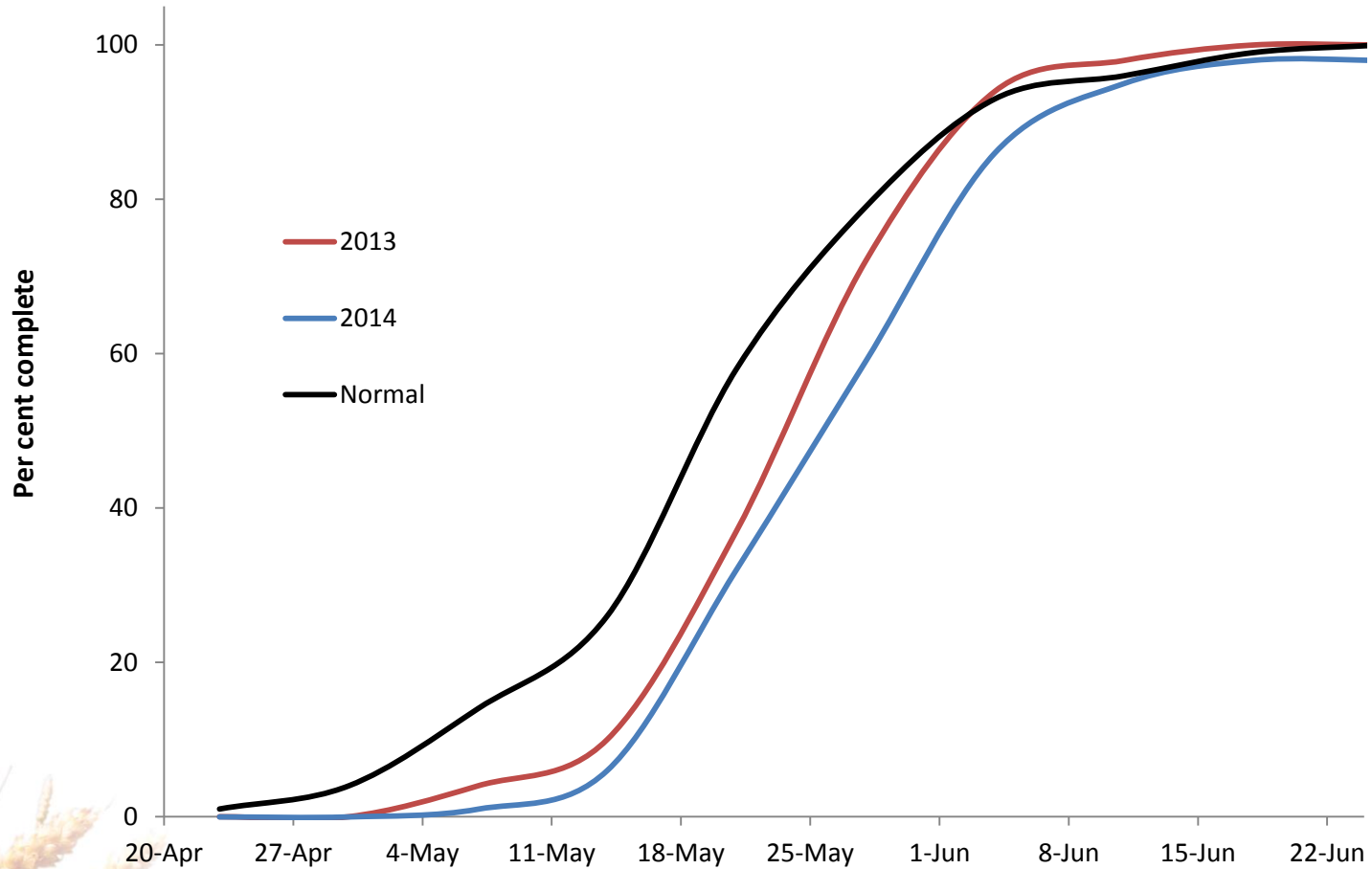
Western Canada Precipitation % of Normal April 1 – June 4, 2014



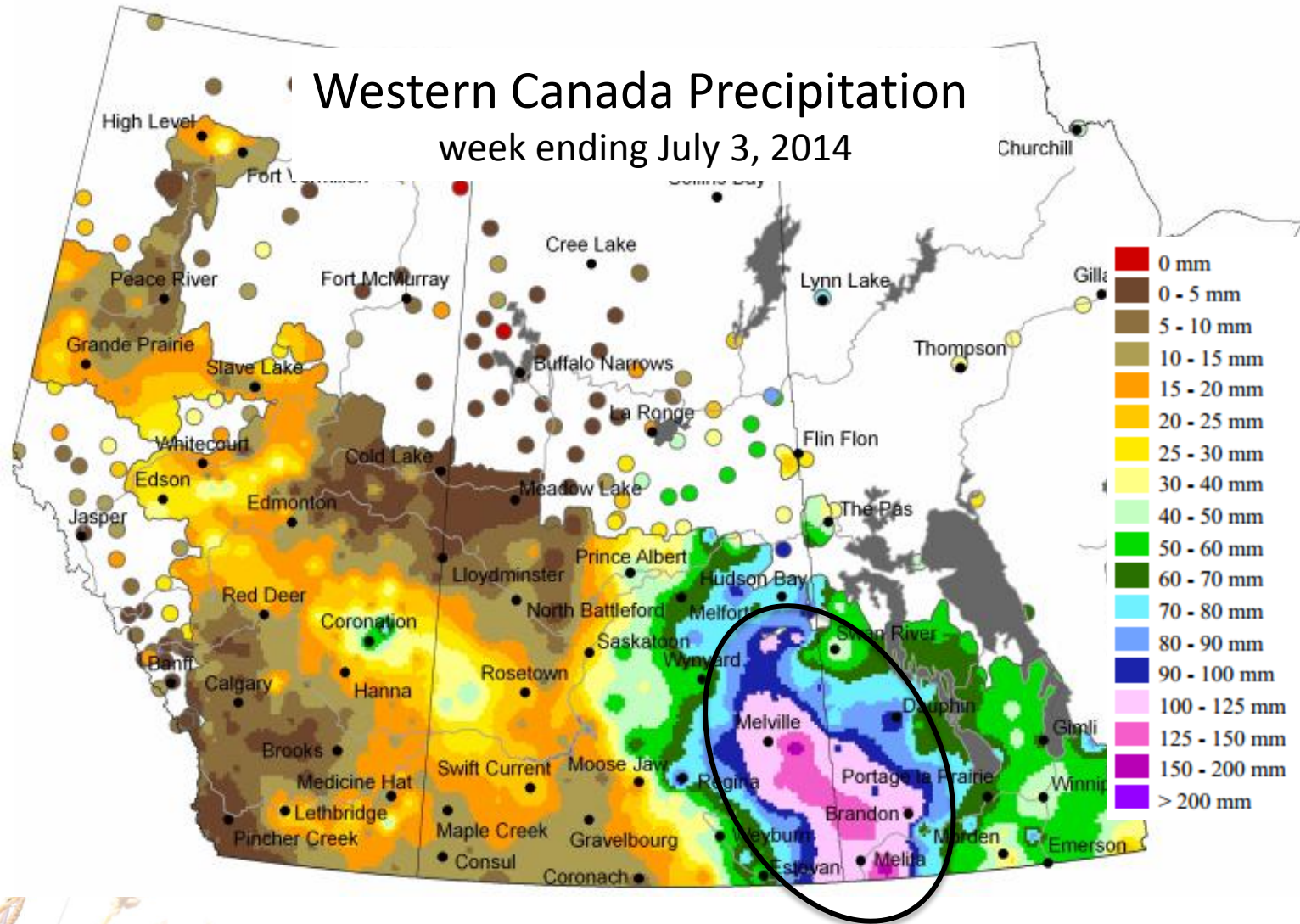
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Western Canada Seeding Progress



Western Canada Precipitation week ending July 3, 2014

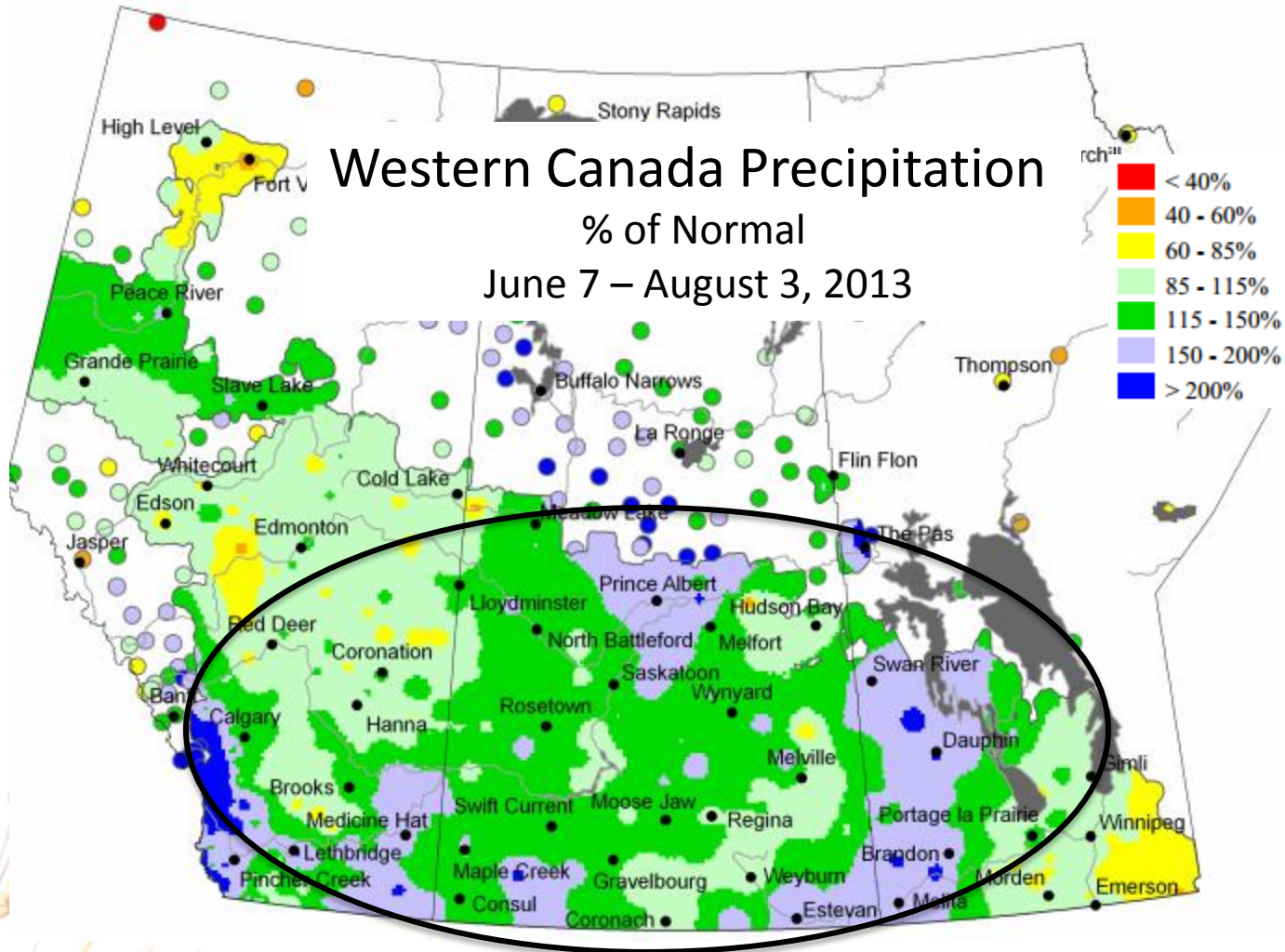


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Agriculture et
Agroalimentaire Canada



Western Canada Precipitation % of Normal June 7 – August 3, 2013



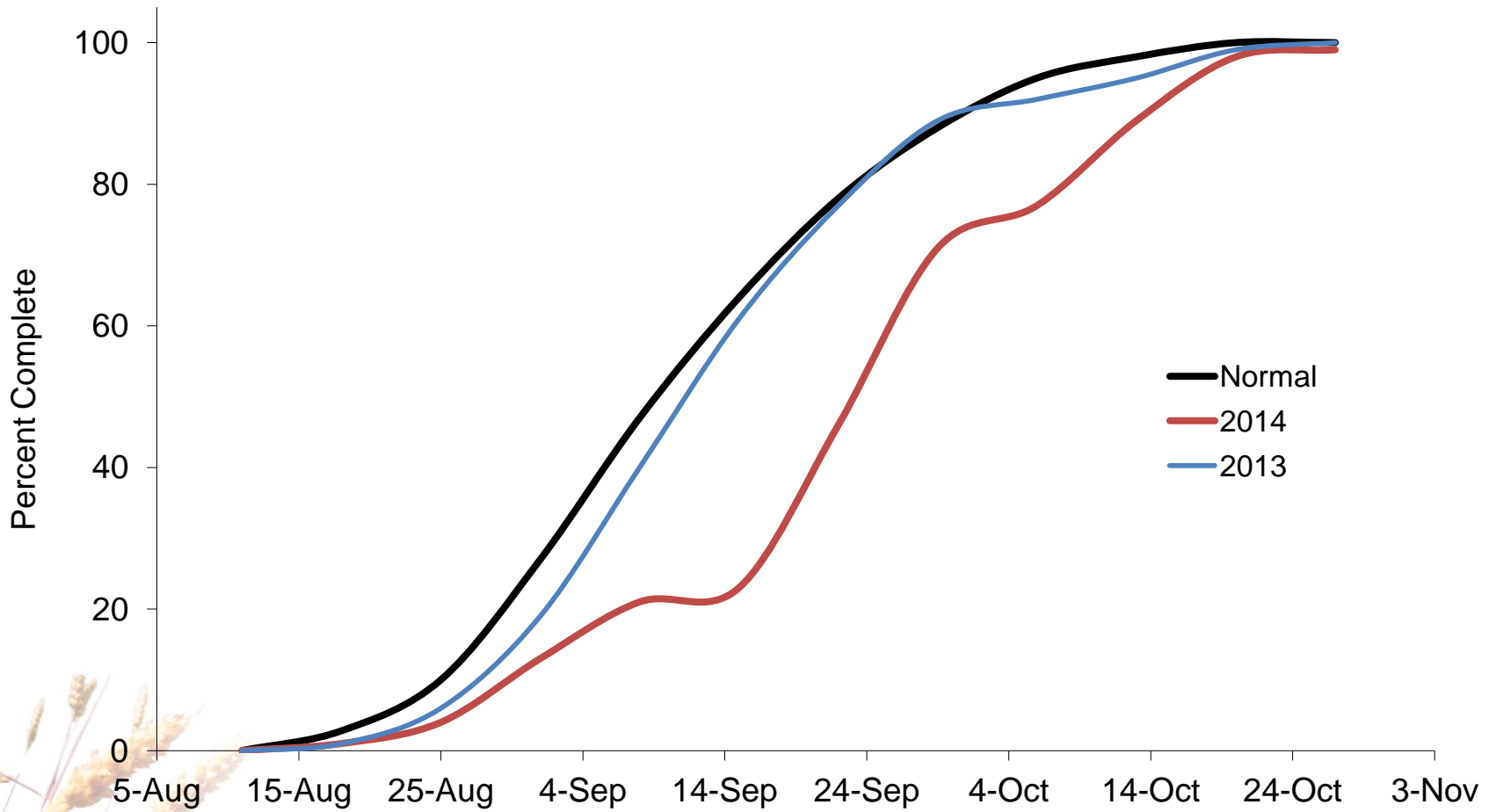
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Harvest

- A major storm system in the last week of August and first week of September moved across the southern Prairies, causing significant quality downgrading in durum, lentils and peas.
- CWRS quality impacted by the rains, but was boosted by the mostly dry weather experienced in September in central and northern areas.
- CWAD regions experienced downgrading due to heavier than normal rainfall in southern areas.

Western Canada Harvest Progress



Western Canada Sown Area (million acres)

	2008-13 Avg.	Stats. Can. 2012	Stats. Can. 2013	CWB MR 2014	% Change 2014/13	Sept Stats Can
All Wheat	22.28	22.71	24.94	23.11	-7.3%	23.09
Spring Wheat	16.85	16.72	18.83	17.27	-8.3%	17.18
CWRS	14.93	15.00	15.93	14.80	-7.1%	
Durum	4.48	4.68	4.96	4.78	-3.6%	4.78
Winter Wheat	0.95	1.31	1.16	0.84	-27.3%	
Oats	2.84	2.52	2.86	2.39	-16.4%	2.39
Barley	6.89	7.01	6.70	5.62	-16.1%	5.62
Rye	0.24	0.34	0.23	0.21	-6.7%	0.21
Flax (incl. Solin)	1.06	0.92	1.04	1.57	51.7%	1.57
Canola	18.44	21.42	19.84	19.94	0.5%	19.94
Six Major Grains	51.75	54.90	55.59	52.84	-4.9%	52.82
Peas	3.23	3.34	3.29	3.98	21.0%	3.93
Lentils	2.46	2.30	2.39	3.24	35.4%	3.13
Soybeans	0.85	0.75	1.22	1.45	18.9%	1.53

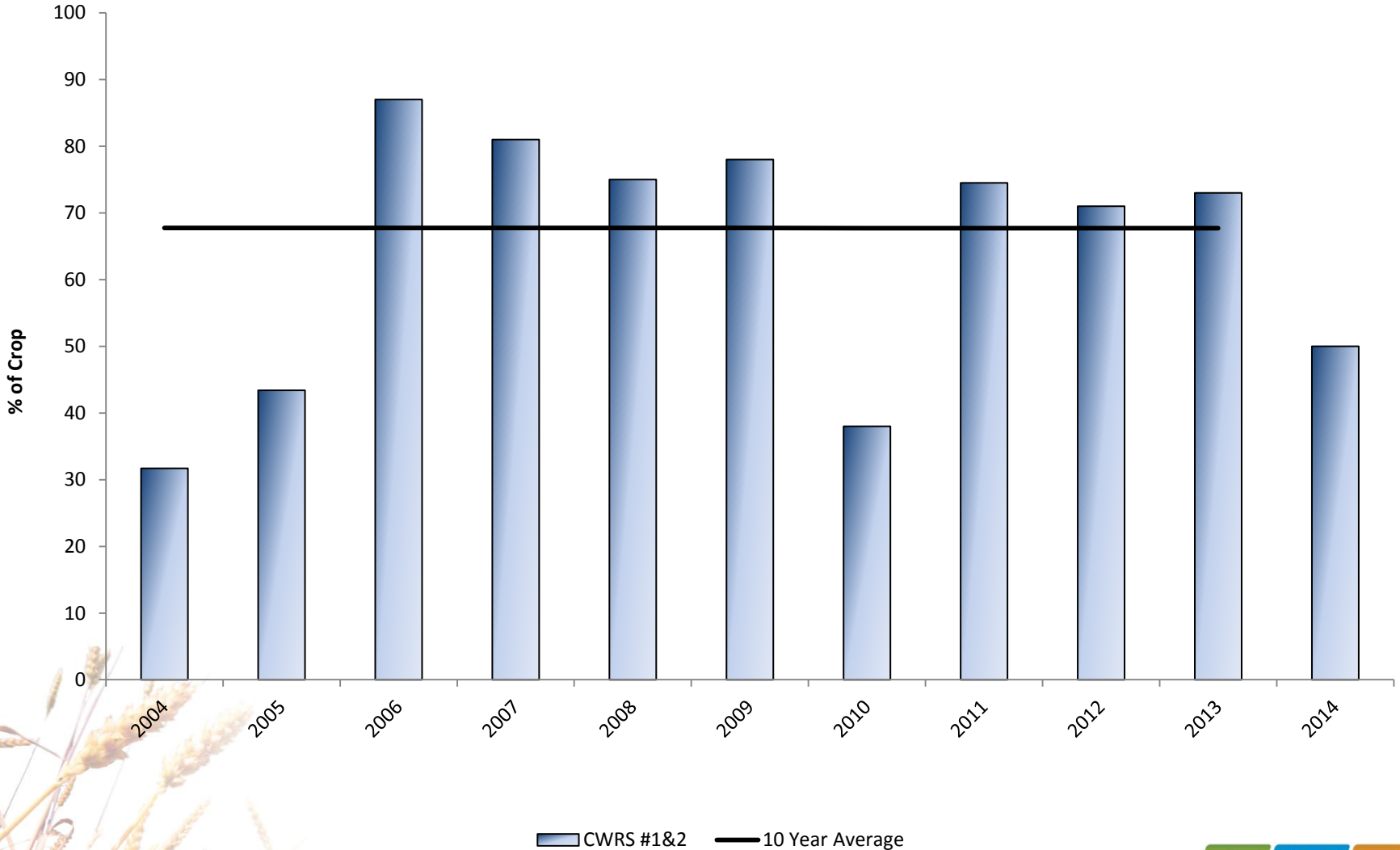
Western Canada Grain Production (million tonnes)

	2009-2013	Stats. Can.	Stats. Can.	CWB MR	% Change	Stats Can
	Avg.	2012	2013	2014	2014/13	Sept
All Wheat	25.61	24.92	34.90	26.36	-24.5%	25.50
Spring Wheat	19.63	18.38	26.93	20.00	-25.7%	19.53
CWRS	16.83	15.90	21.96	15.68	-28.6%	
Durum	4.75	4.59	6.50	5.23	-19.5%	4.76
Winter Wheat	1.23	1.95	1.47	1.13	-23.2%	1.15
Oats	2.67	2.25	3.61	2.35	-35.0%	2.37
Barley	8.08	7.50	9.74	6.92	-28.9%	6.70
Rye	0.22	0.31	0.17	0.15	-14.1%	0.14
Flax (incl. Solin)	0.60	0.49	0.71	0.93	30.1%	0.92
Canola	13.59	13.21	17.86	14.83	-16.9%	14.03
Six Major Grains	50.77	48.68	66.99	51.54	-23.1%	49.65
Peas	2.98	2.82	3.93	3.45	-12.2%	3.51
Lentils	1.52	1.47	1.72	1.75	1.7%	1.76
Soybean	0.70	0.66	1.03	1.35	31.3%	1.27



CWRS Quality

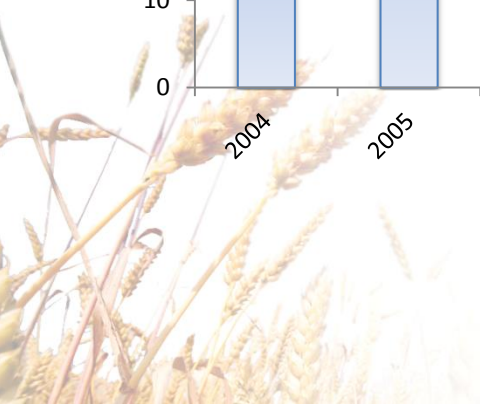
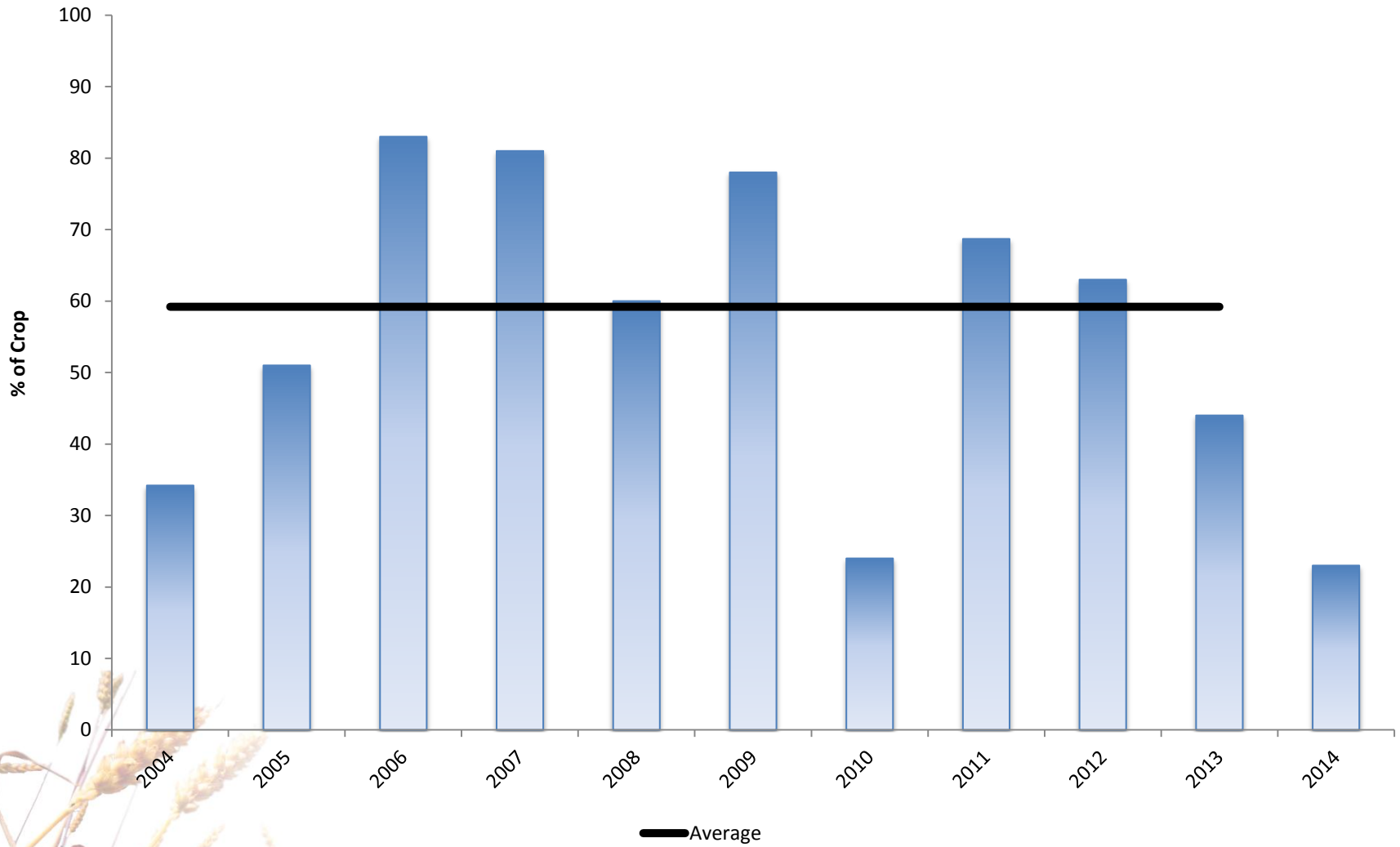
% of crop grading #1 or #2





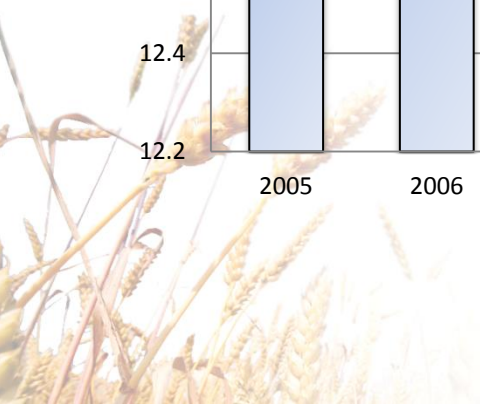
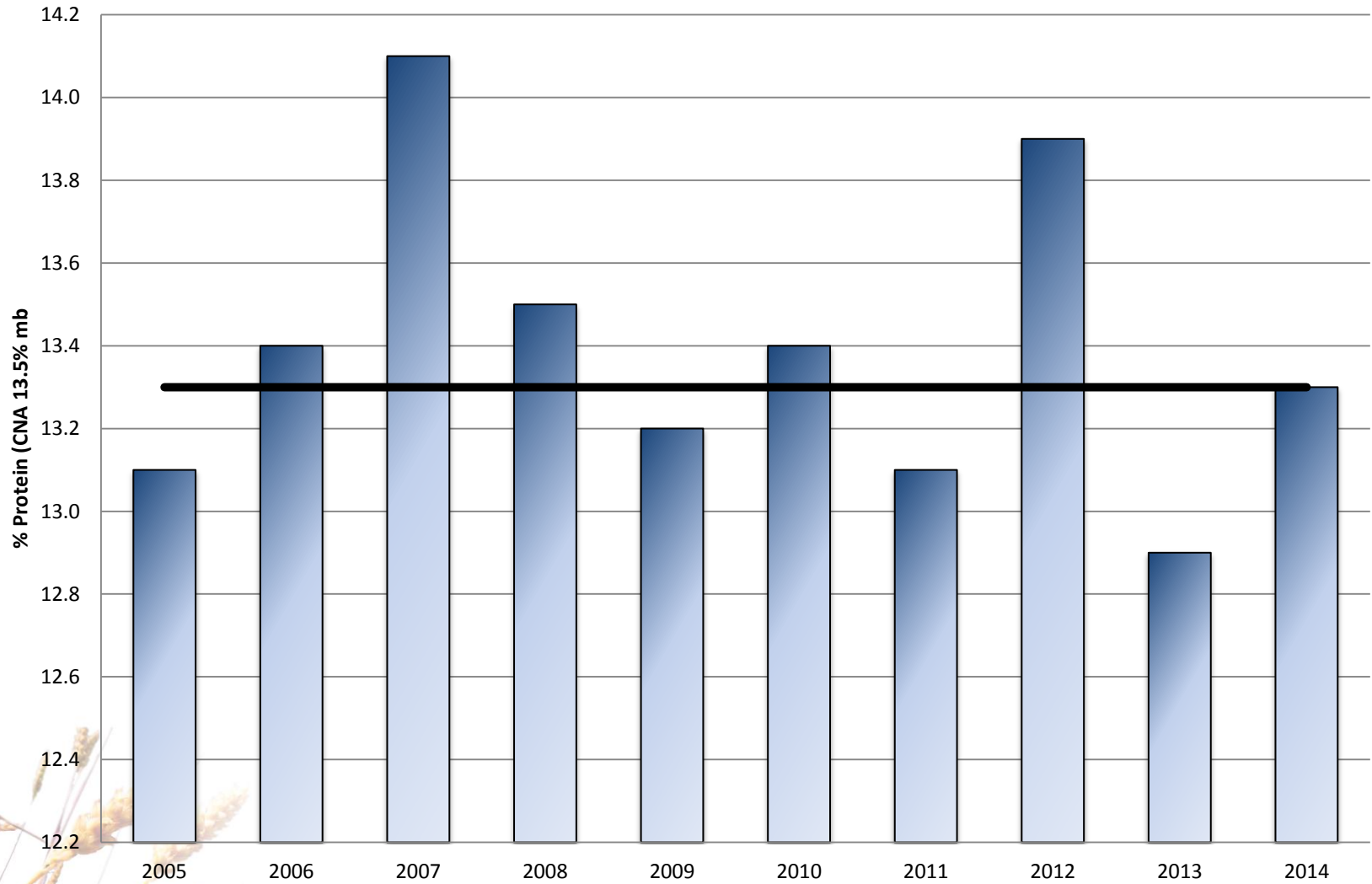
Durum Quality

% of CWAD grading #1 and #2





CWRS Protein Content





Canadian Markets

- Supplies are moving from large supplies created from the exceptional 2013-14 harvest to more modest supplies in 2014-15.
- Demand is strong for most commodities, despite global production records of wheat, corn and soybeans.
- The ending stocks at the end of the 2014-15 crop year should be close to “normal”.
- Durum and canola stocks are expected to be relatively tight by the end of the year.

Western Canada Sown Area (million ha)

	2009-14 Avg.	Stats. Can. 2013	Stats. Can. 2014	CWB MR 2015	% Change 2015/14
All Wheat	8.98	10.09	9.35	9.76	4.4%
Spring Wheat	6.86	7.62	6.99	7.11	1.7%
CWRS	6.04	6.45	5.99	6.01	0.3%
Durum	1.75	2.01	1.93	2.27	17.2%
Winter Wheat	0.38	0.47	0.43	0.34	-20.8%
Oats	1.06	1.16	0.97	1.19	23.4%
Barley	2.58	2.71	2.27	2.33	2.3%
Rye	0.09	0.09	0.08	0.09	4.8%
Flax (incl. Solin)	0.42	0.42	0.64	0.67	5.1%
Canola	7.82	8.03	8.07	8.34	3.3%
Six Major Grains	20.95	22.50	21.38	22.37	4.6%
Peas	1.33	1.33	1.61	1.67	3.8%
Lentils	1.07	0.97	1.31	1.36	3.4%
Soybeans	0.40	0.49	0.59	0.71	20.7%

Western Canada Grain Production (million tonnes)

	2009-14	Stats. Can.	Stats. Can.	CWB MR	% Change
	Avg.	2013	2014	2015	2015/14
All Wheat	26.02	34.90	26.36	25.94	-1.6%
Spring Wheat	20.08	26.93	20.00	19.14	-4.3%
CWRS	16.91	21.96	15.68	15.18	-3.2%
Durum	4.70	6.50	5.23	5.32	1.7%
Winter Wheat	1.24	1.47	1.13	1.48	31.0%
Oats	2.57	3.61	2.35	2.67	13.8%
Barley	7.69	9.74	6.92	7.11	2.7%
Rye	0.20	0.17	0.15	0.19	26.7%
Flax (incl. Solin)	0.58	0.71	0.93	0.95	2.3%
Canola	14.35	17.86	14.83	15.80	6.5%
Six Major Grains	51.41	66.99	51.54	52.66	2.2%
Peas	3.04	3.93	3.45	3.50	1.4%
Lentils	1.59	1.72	1.75	1.81	3.4%
Soybean	0.83	1.03	1.35	1.62	20.0%

Canada Wheat Supply and Demand (million tonnes)

	2013-14	2014-15	δ	2015-16	δ
Area (mil. ha)	10.44	9.87	-0.57	9.97	0.10
Yield (MT/ha)	3.59	2.88	-0.72	2.81	-0.07
Carry-in	5,052	9,795	4,743	6,999	-2,796
Production	37,530	28,404	-9,126	27,979	-425
Total Supply	42,635	38,249	-4,386	35,028	-3,221
Domestic Use	10,150	9,775	-375	9,200	-575
(Feed/Residual)	5,613	4,925	-688	4,350	-575
Exports	22,690	21,475	-1,215	20,750	-725
Carry-Out	9,795	6,999	-2,796	5,078	-1,921

δ - denote year over year change

Statistics Canada/CWB*



Canada Durum Supply and Demand (thousand tonnes)					
	2013-14	2014-15	δ	2015-16	δ
Area (mil. ha)	2.00	1.90	-0.10	2.06	0.17
Yield (MT/ha)	3.26	2.76	-0.50	2.58	-0.18
Carry-in	1,152	1,813	661	1,386	-427
Production	6,505	5,233	-1,271	5,320	87
Imports	5	15	10	15	0
Total Supply	7,661	7,061	-600	6,721	-340
Domestic Use	1,008	1,350	342	1,000	-350
(Feed/Residual)	582	925	343	575	-350
Exports	4,840	4,325	-515	4,650	325
Carry-Out	1,813	1,386	-427	1,071	-315

δ - denote year over year change

Statistics Canada/CWB*



Thank You.

