



# 2012 Canadian Situation

December 8, 2012

## IAOM Mideast & Africa Conference Abu Dhabi, United Arab Emirates

Jean-Benoit Gauthier  
CWB



Market Research



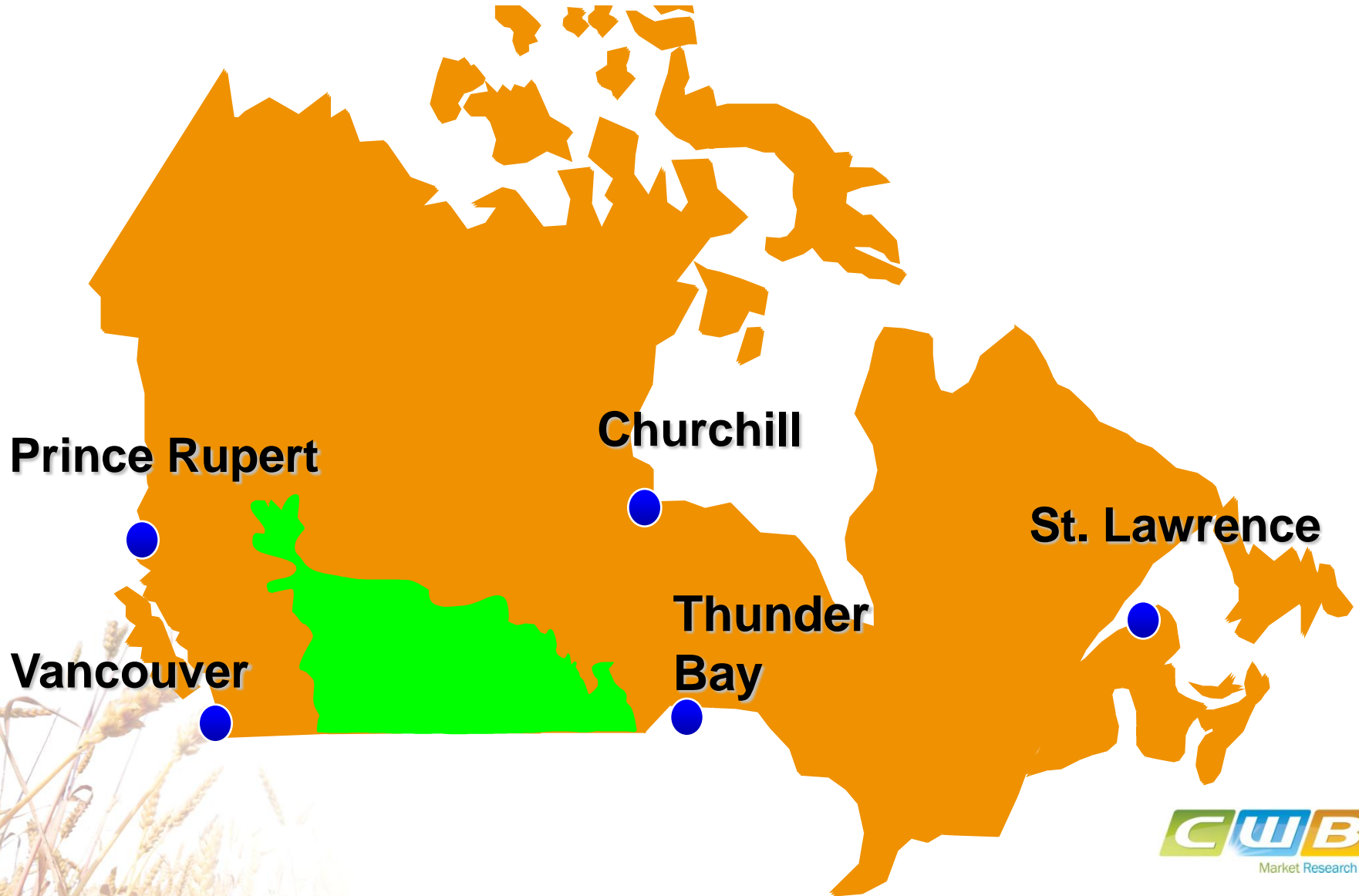
# New Canadian Grain Marketing Landscape

- **August 1, 2012:** wheat and barley marketing becomes an open, competitive system
  - Federal legislation passed December 2011

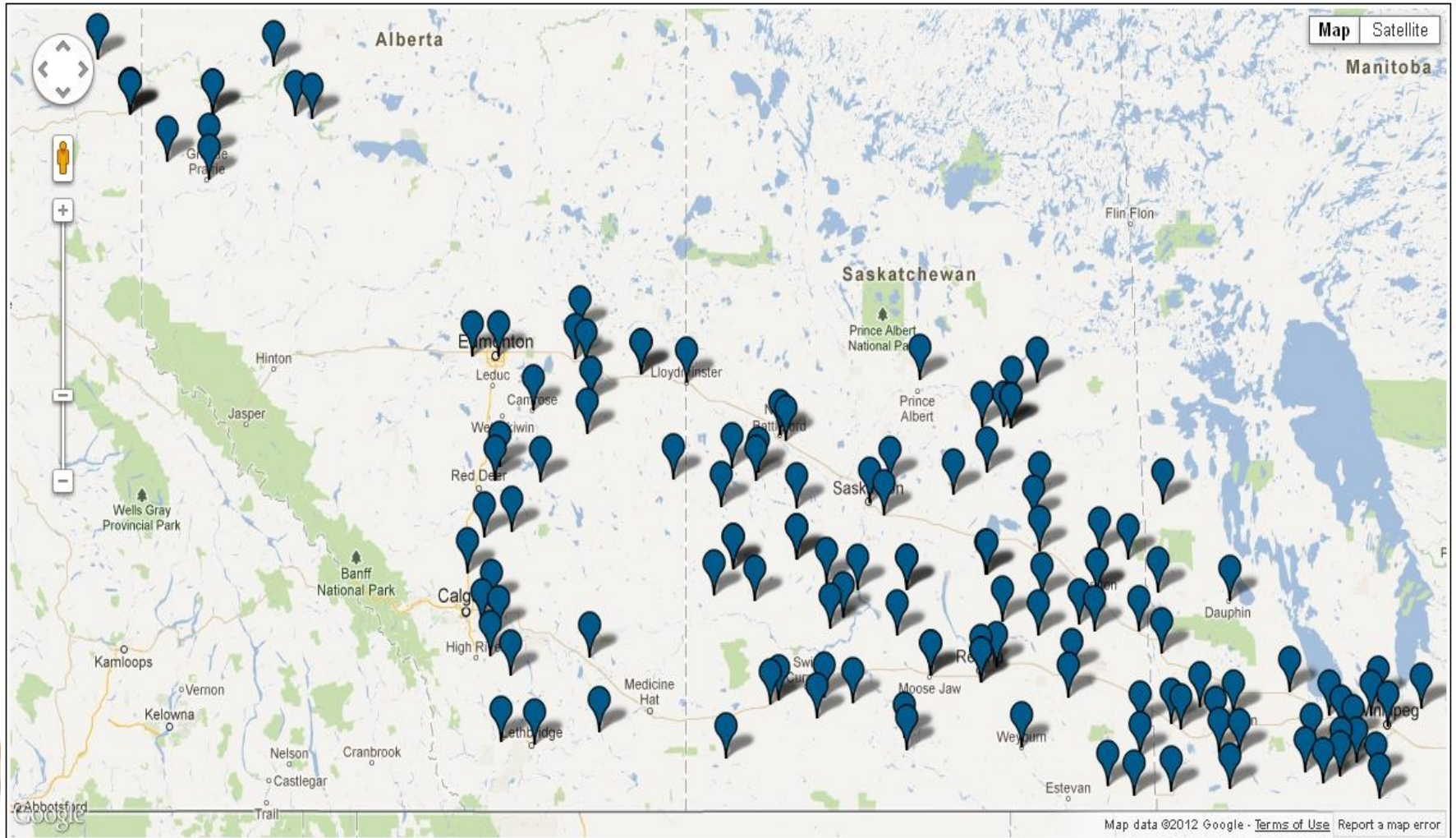




# Canada's growing region



# Farmer Delivery Points (more than 130)





# CWB in the new environment

- **Government support:**
  - Federal-government borrowing and payment guarantees
  - AAA credit rating
  - Transition costs financed by government: clean balance sheet
- **Five-year transition period to privatization**
  - Restructured organization: streamlined workforce and systems
  - Business base expansion plans



# CWB in the new environment (2)

- **CWB well-positioned to be one of the largest Canadian wheat and durum wheat exporter**
- **Continue to provide superior service for customers in Canada and around the world**





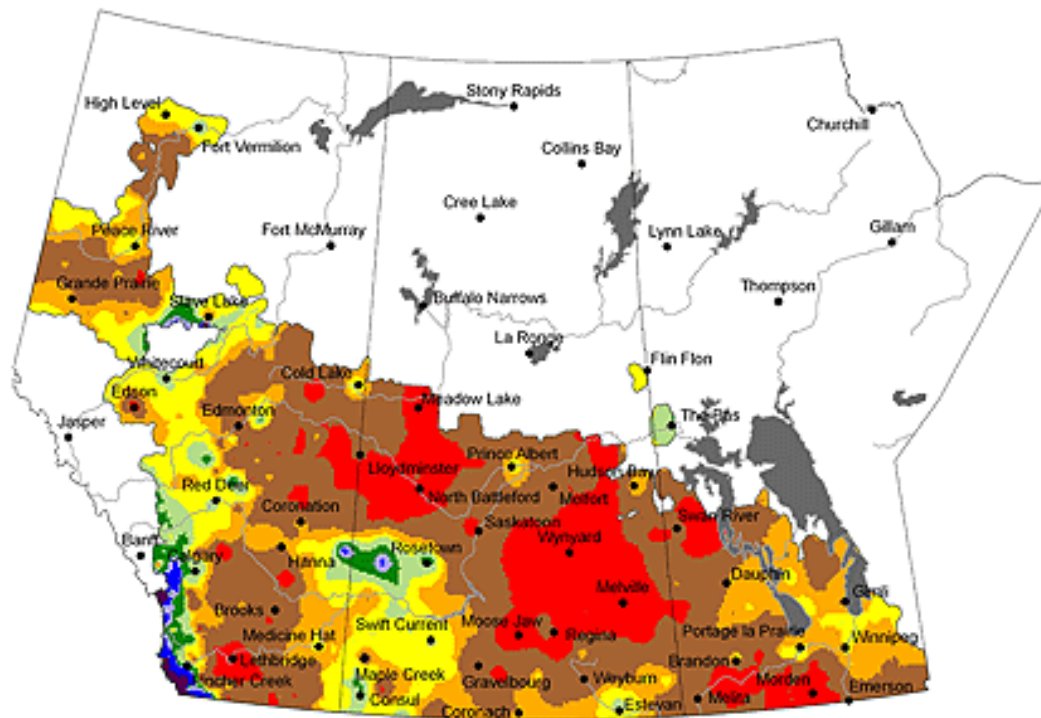
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### Precipitation Compared to Historical Distribution (Prairie Region)

November 1, 2011 to March 31, 2012



- Record Dry
- Extremely Low (0-10)
- Very Low (10-20)
- Low (20-40)
- Mid-Range (40-60)
- High (60-80)
- Very High (80-90)
- Extremely High (90-100)
- Record Wet
- Extent of Agricultural Land
- Lakes and Rivers

Produced using near real-time data that has undergone initial quality control. The map may not be accurate for all regions due to data availability and data errors.

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[www.agr.gc.ca/drought](http://www.agr.gc.ca/drought)



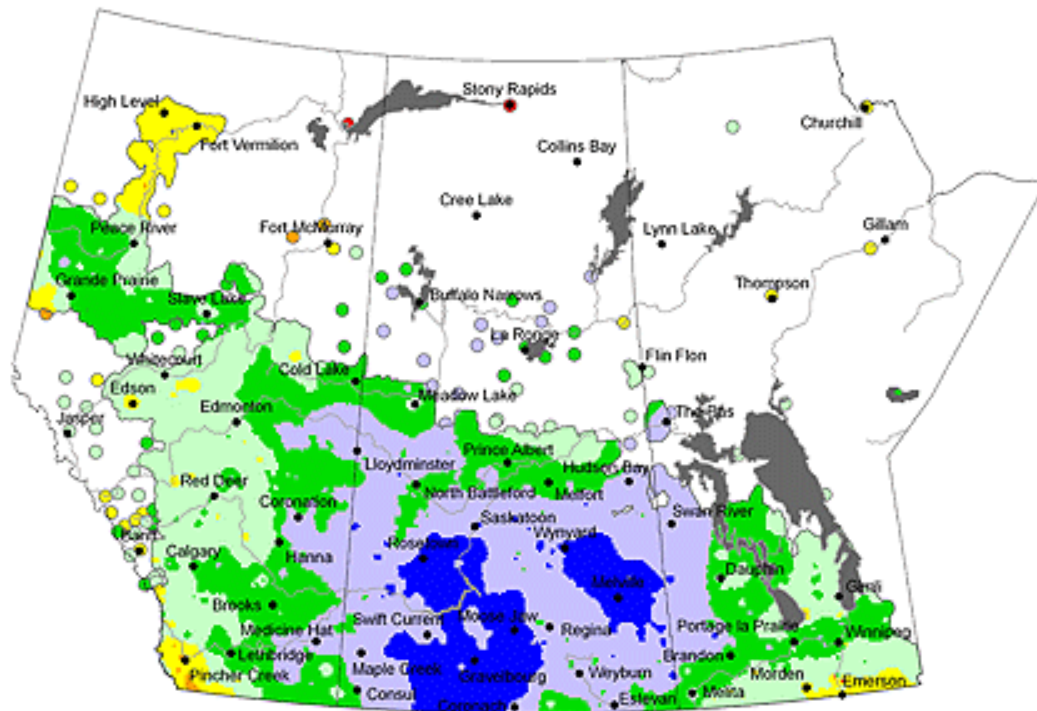
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### 2 Month ( 60 Days) Percent of Average Precipitation (Prairie Region)

April 6, 2012 to June 4, 2012



- < 40%
- 40 - 60%
- 60 - 85%
- 85 - 115%
- 115 - 150%
- 150 - 200%
- > 200%
- Extent of Agricultural Land
- Lakes and Rivers

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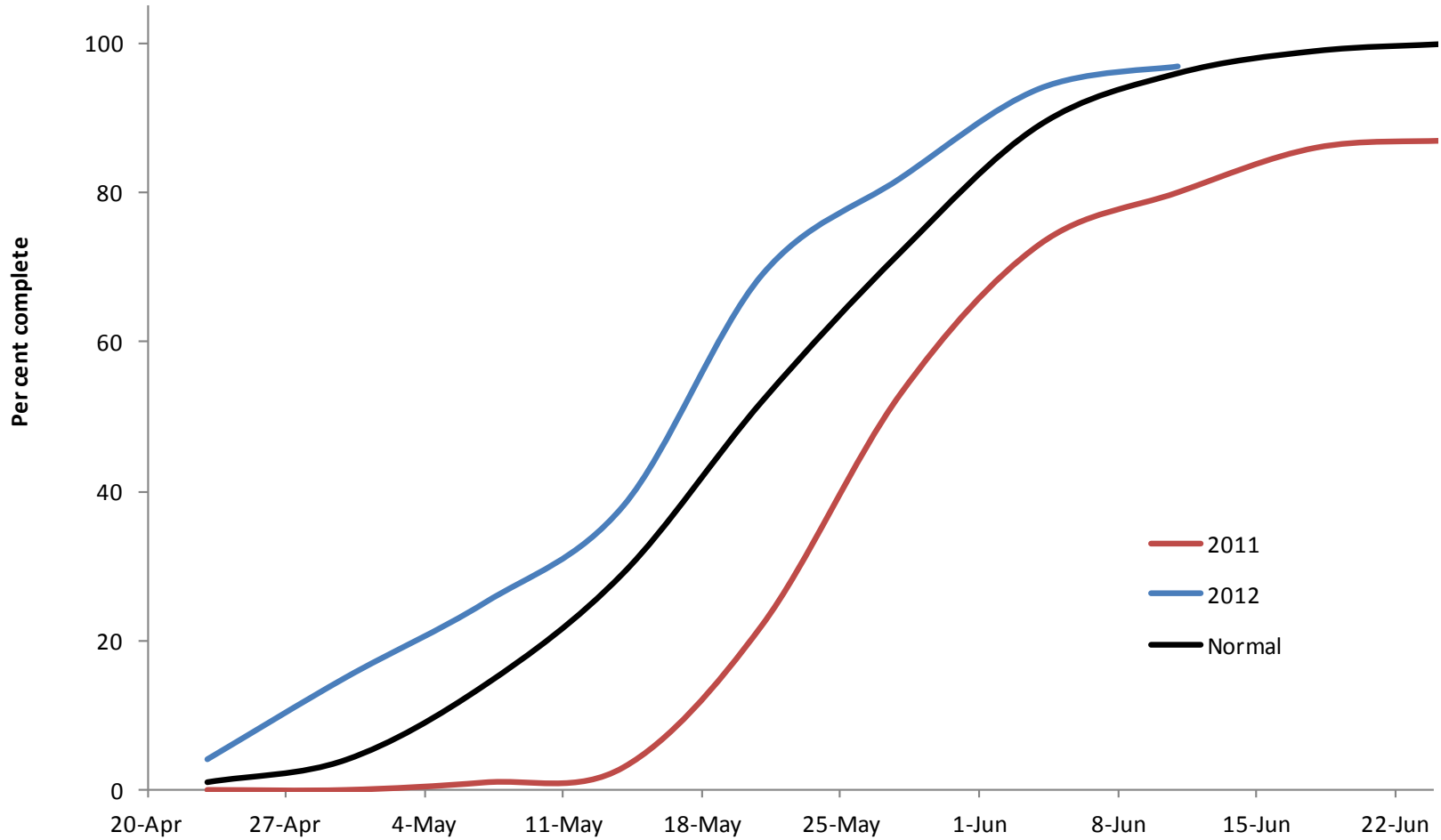
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## Western Canada Seeding Progress





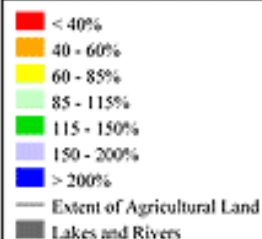
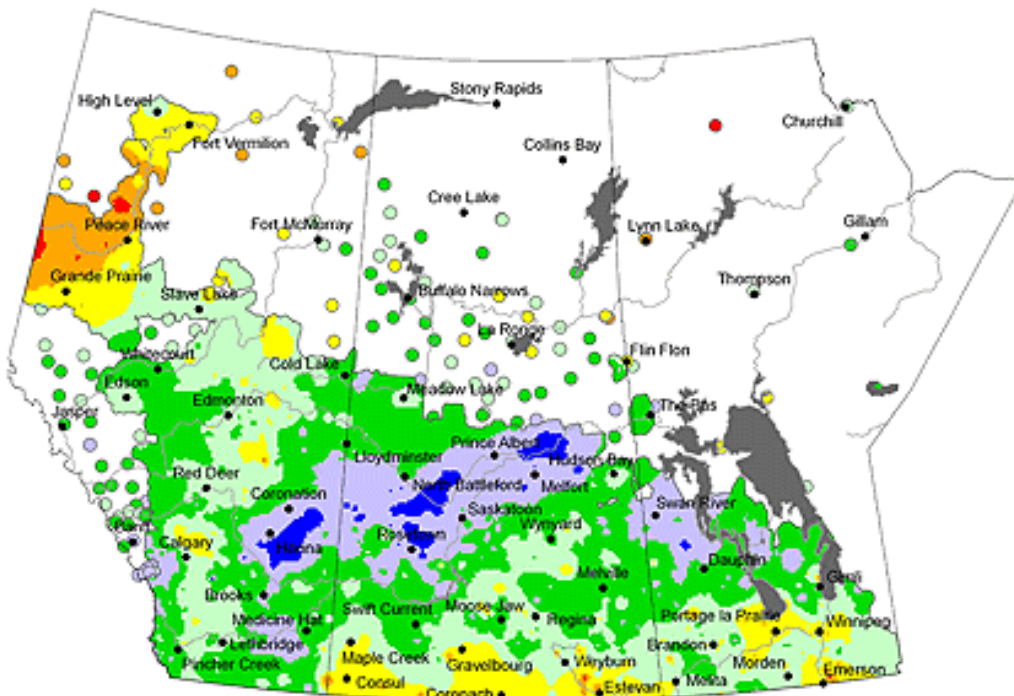
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### 2 Month ( 60 Days) Percent of Average Precipitation (Prairie Region)

June 8, 2012 to August 6, 2012



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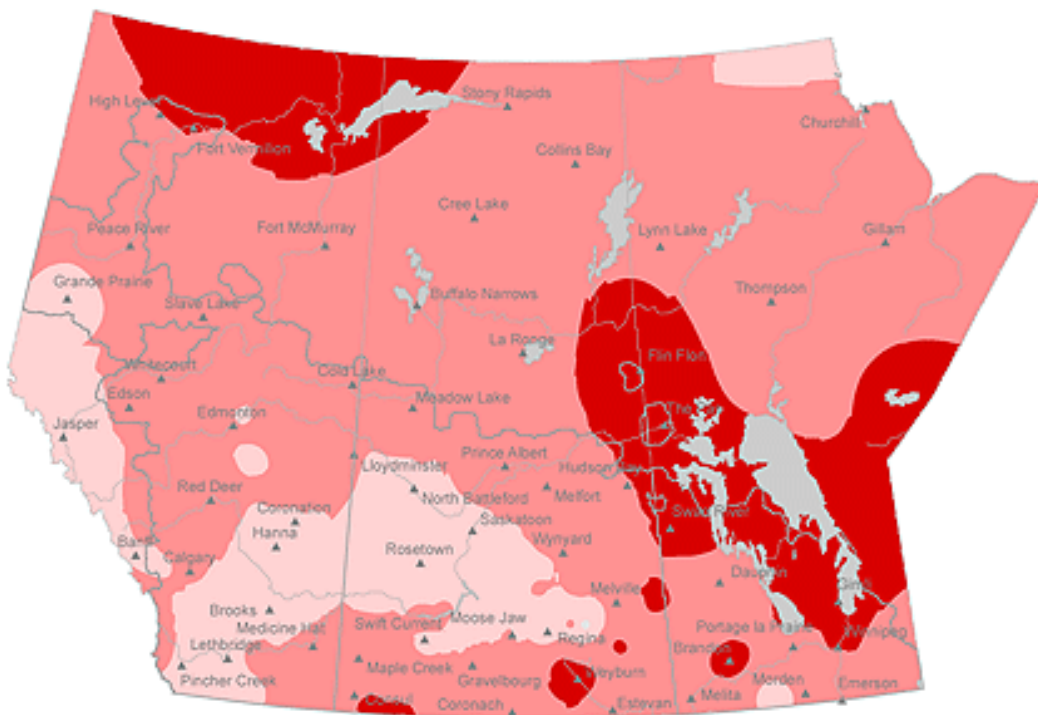
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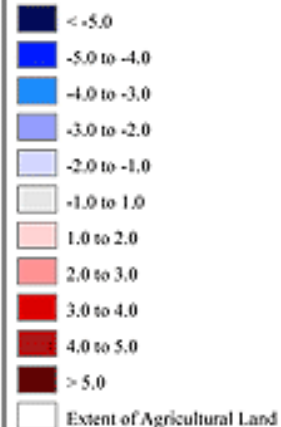
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## Monthly Mean Temperature Difference from Normal (Prairie Region)

July 2012



### Temperature (°C)



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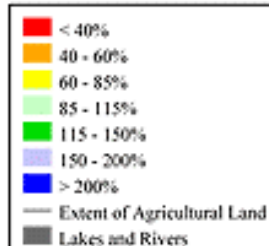
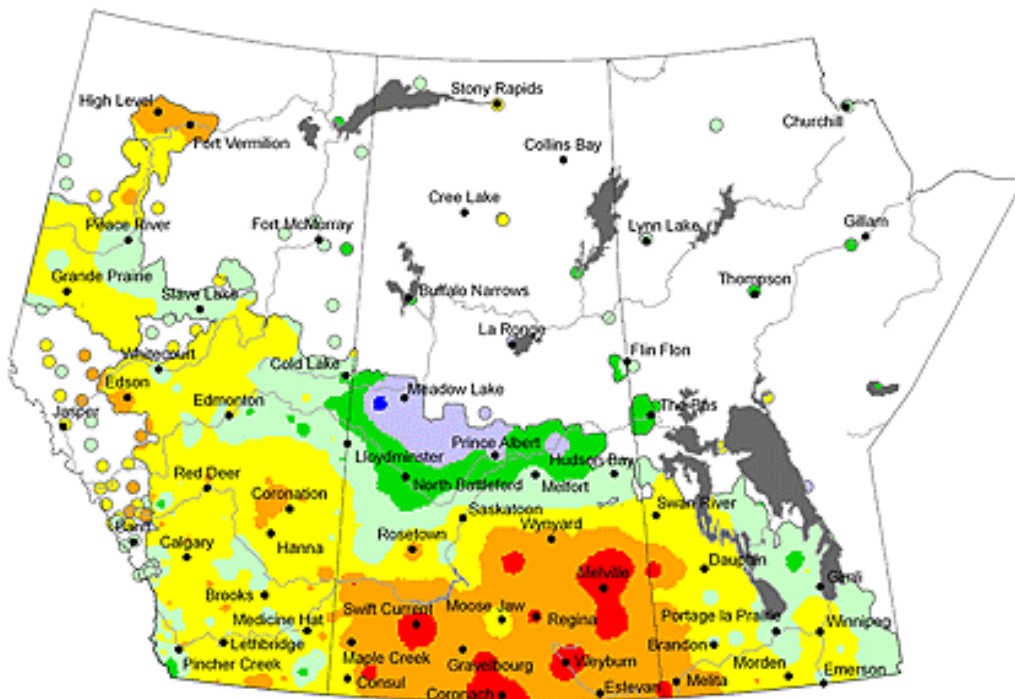
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### 3 Month (90 Days) Percent of Average Precipitation (Prairie Region)

August 1, 2012 to October 29, 2012



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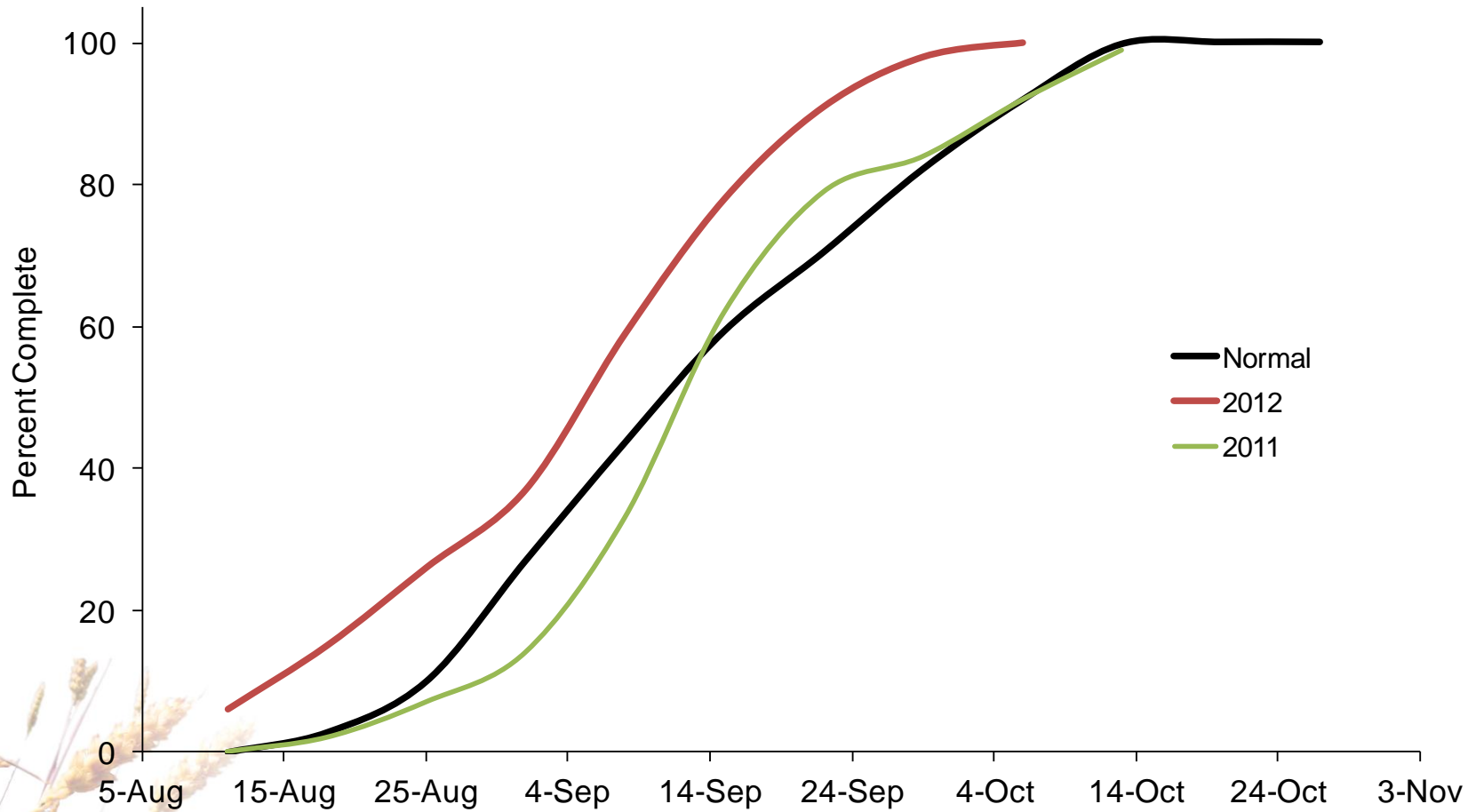
## Harvest Progress

- **The 2012 harvest is complete with generally very good results for both yields and quality.**
- **Canadian wheat production projected to reach 26.3 million tonnes.**
- **Spring wheat protein levels are higher than last year – current estimate calls for 13.7 per cent average for CWRS**
- **Over seventy per cent of the spring wheat crop is grading CWRS #1 or#2.**





## Western Canada Harvest Progress



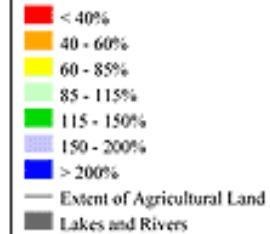
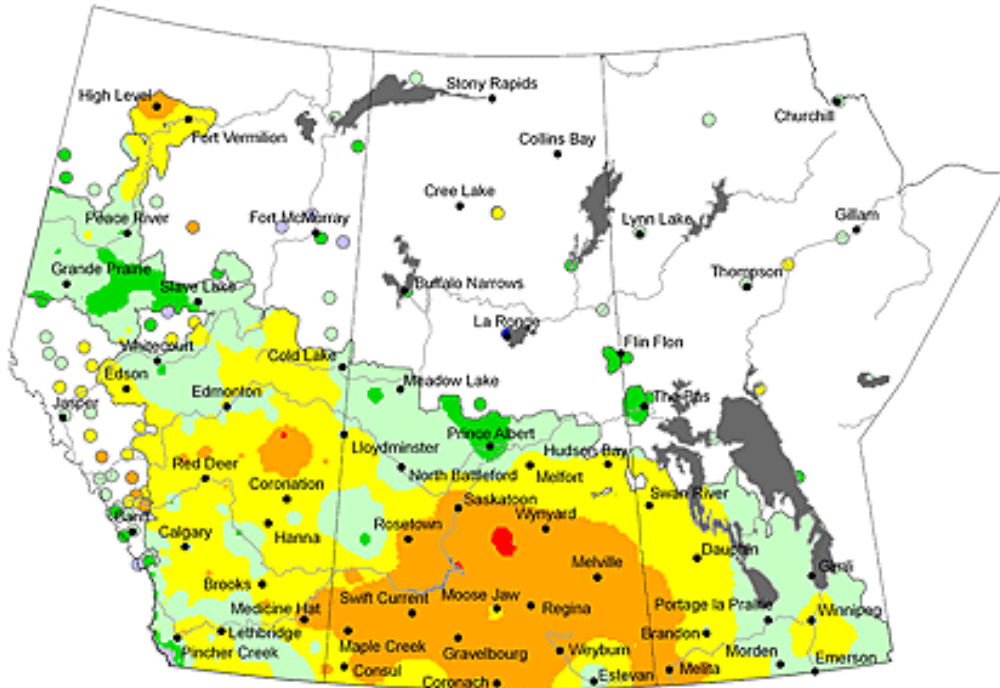


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# 90 day % of Normal Precipitation

August 29, 2012 to November 26, 2012



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## Western Canada Grain Production (million tonnes)

	2007-11 Avg.	Stats. Can. 2010	Stats. Can. 2011	CWB - MR 2012	% Change 2012/13
All Wheat	22.36	21.18	22.75	24.33	7.0%
Spring Wheat	16.92	17.29	17.79	17.96	1.0%
CWRS	14.61	15.22	15.79	15.31	-3.1%
Durum	4.21	3.02	4.17	4.47	7.1%
Winter Wheat	1.23	0.87	0.79	1.90	141.4%
Oats	3.29	1.93	2.71	2.34	-13.6%
Barley	9.25	6.98	7.31	8.01	9.6%
Rye	0.25	0.18	0.17	0.21	23.1%
Flax (incl. Solin)	0.78	0.42	0.37	0.49	32.7%
Canola	10.61	11.78	14.06	12.91	-8.2%
Six Major Grains	46.55	42.47	47.36	48.29	2.0%
Peas	3.02	2.89	2.12	2.92	38.0%
Lentils	1.04	1.48	1.53	1.36	-11.0%

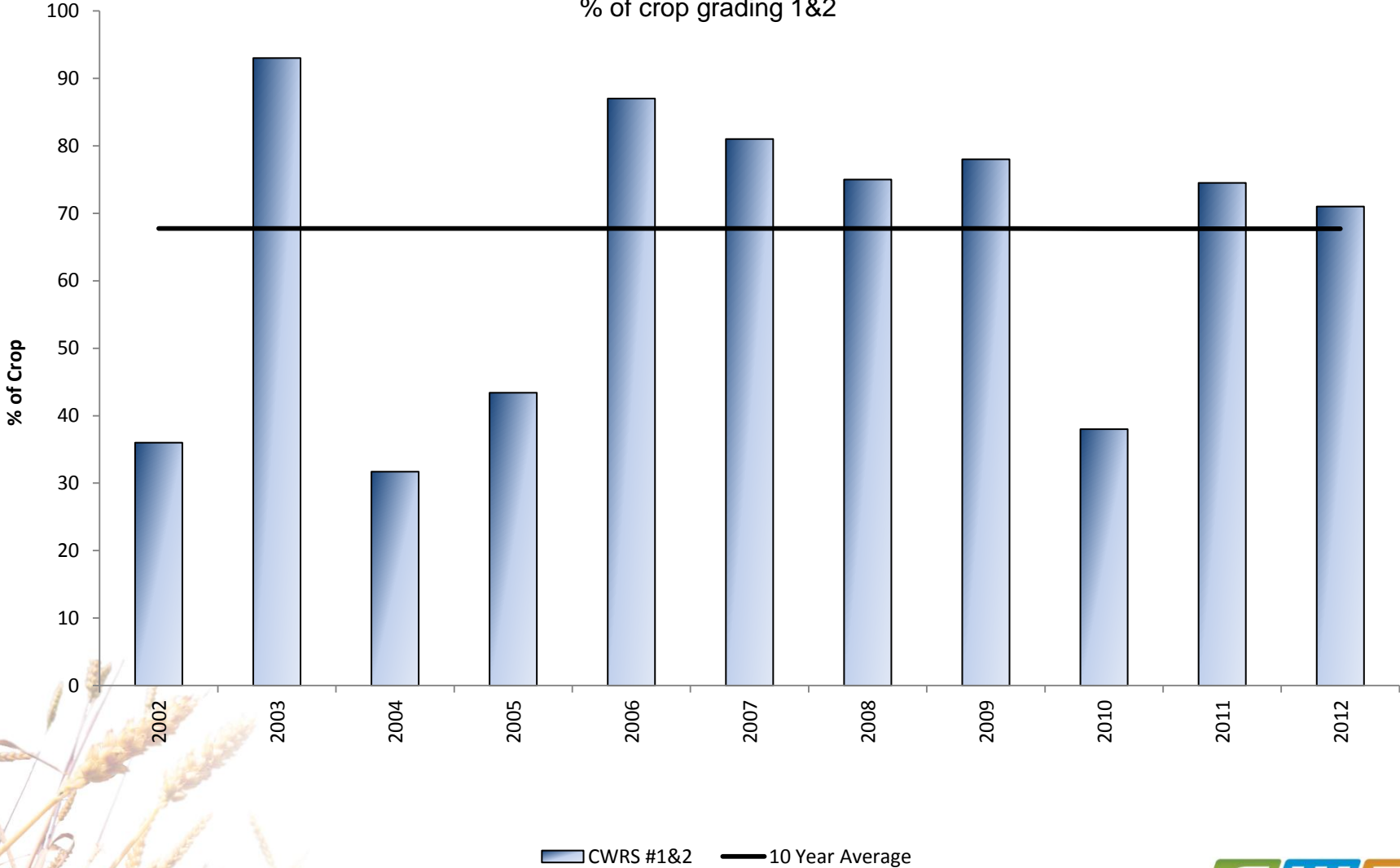


<b>Ontario Production (MT)</b>			
		<b>WCS</b>	<b>WCS</b>
	<b>5 Yr. Avg.</b>	<b>2011</b>	<b>2012</b>
<b>Spring wheat</b>	<b>0.16</b>	<b>0.11</b>	<b>0.01</b>
<b>Winter Wheat</b>	<b>1.89</b>	<b>2.25</b>	<b>1.74</b>
<b>All wheat</b>	<b>2.05</b>	<b>2.36</b>	<b>1.76</b>
<b>Corn</b>	<b>6.68</b>	<b>7.24</b>	<b>7.47</b>

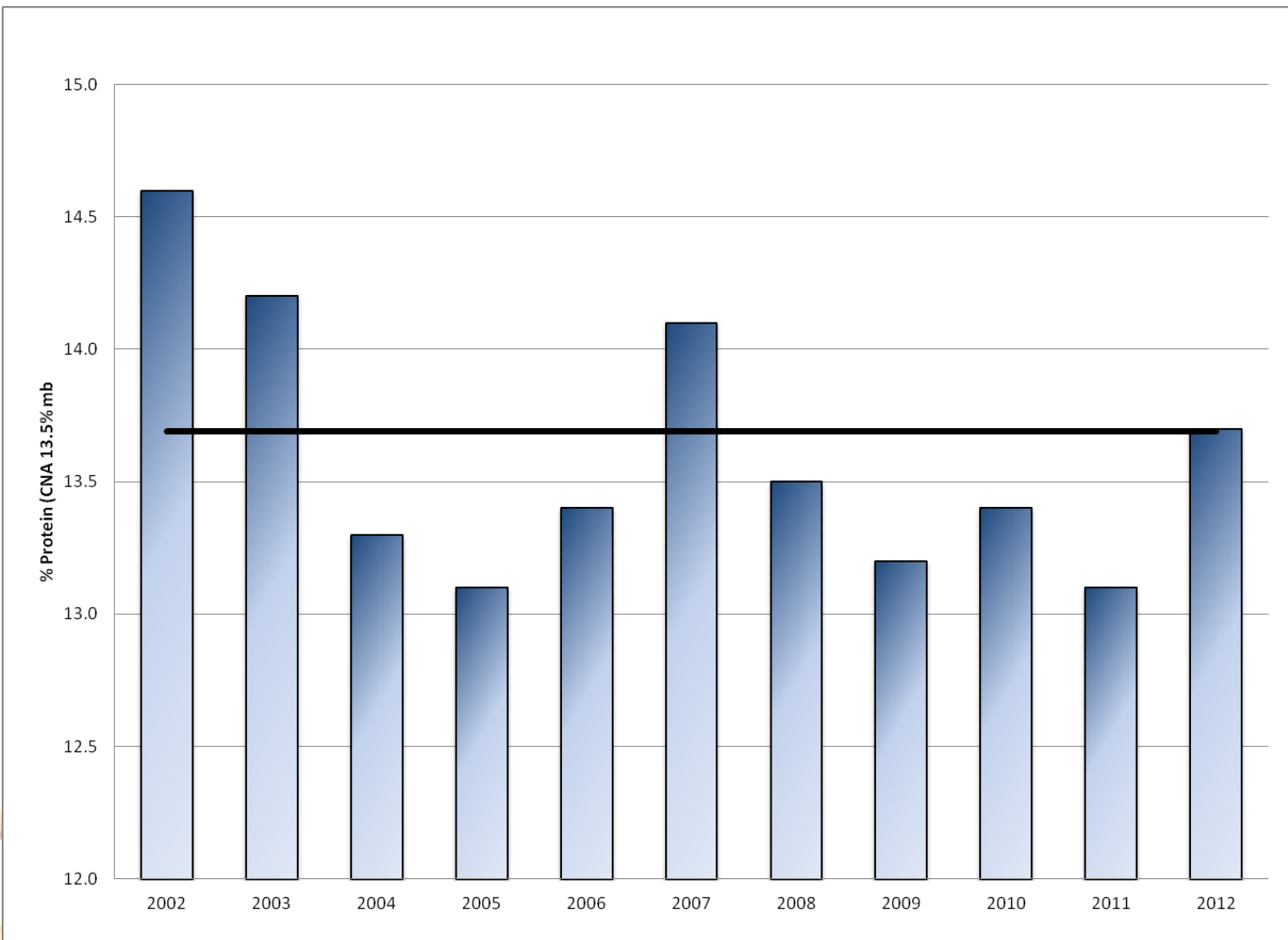


# CWRS Grade Profile

% of crop grading 1&2



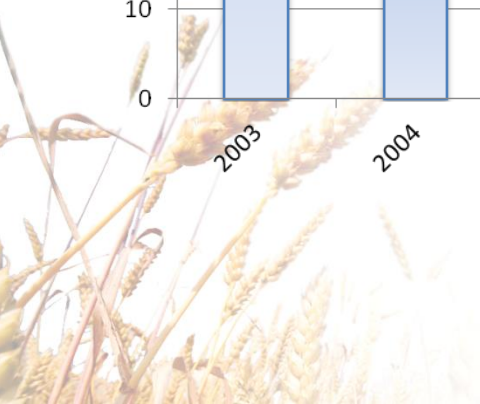
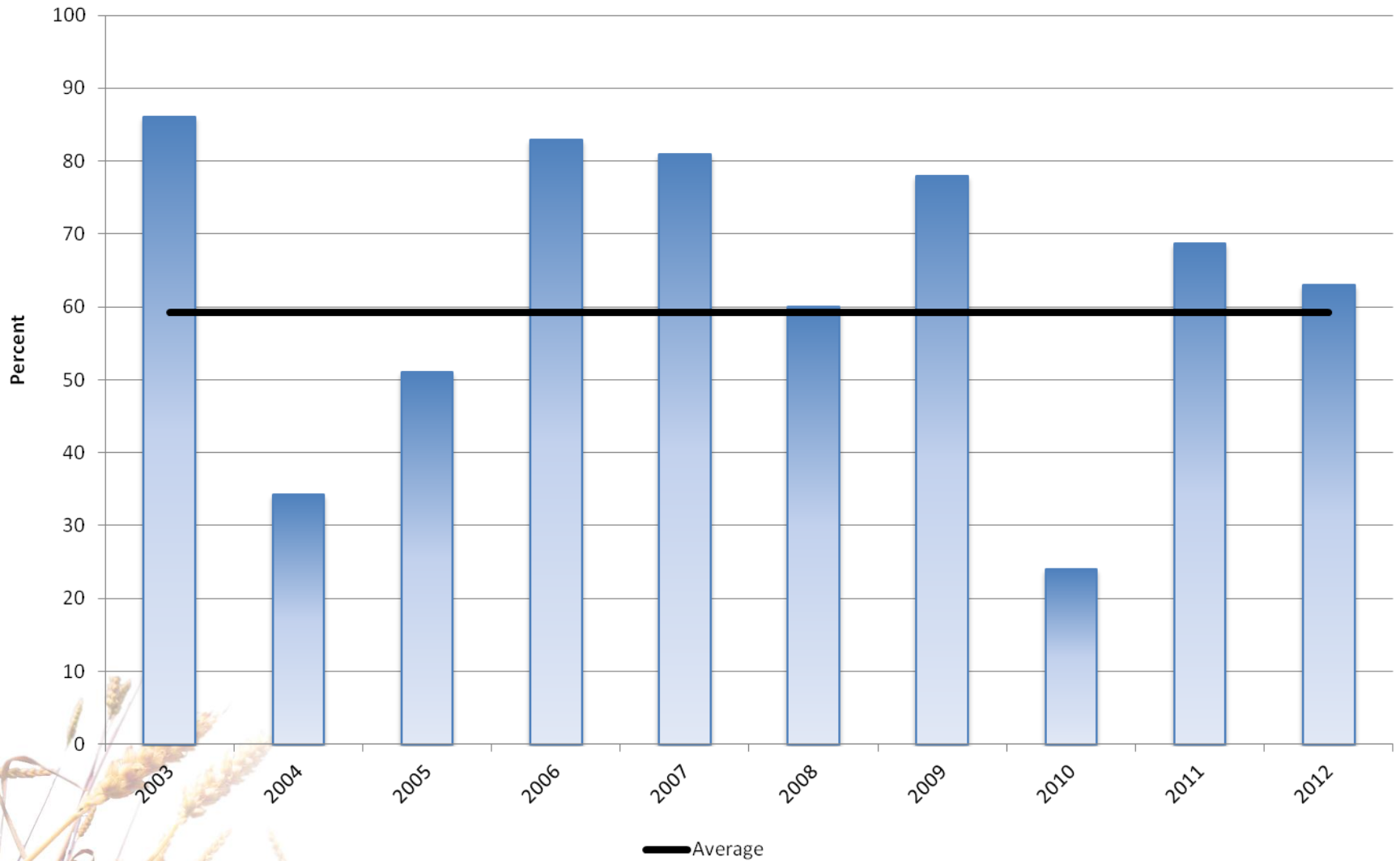
# CWRS Protein Content





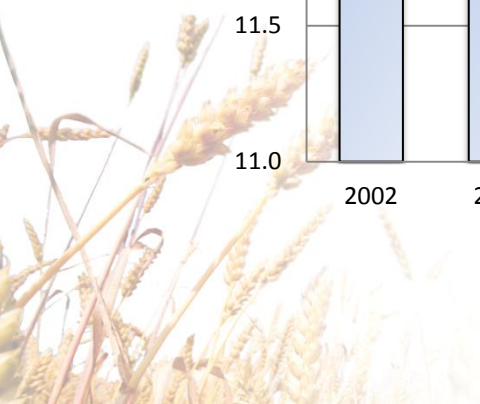
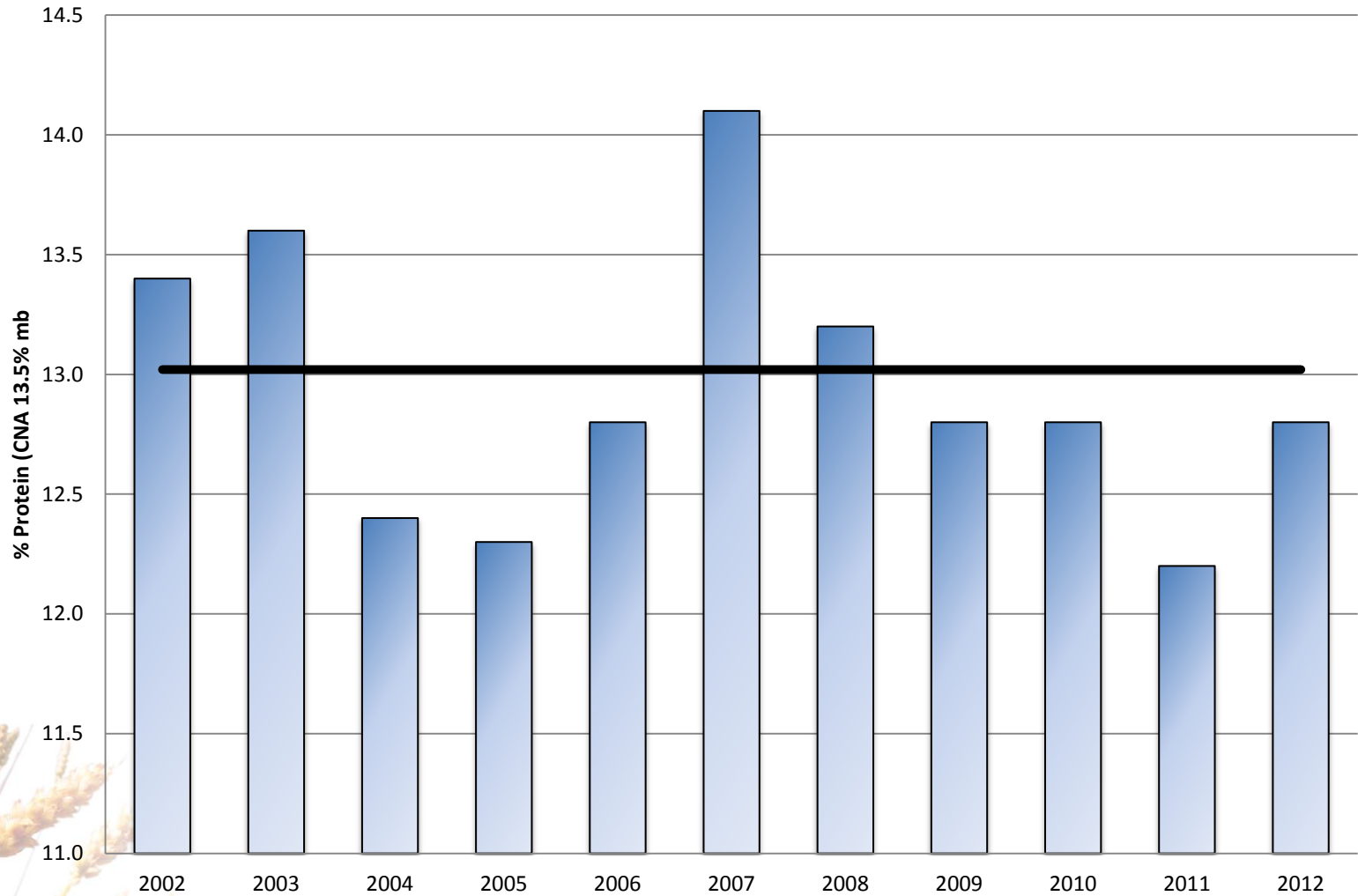
# CWAD Grade Profile

% of crop grading 1&2





# CWAD Protein Content





# Thank you

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Market Research

