CANADA: PULSE AND SPECIAL CROPS OUTLOOK

AUGUST 28, 2002

Production of pulse and special crops for 2002-03 is forecast to decrease by 12%, compared to 2001-02, to 3.2 million tonnes (Mt), based on Statistics Canada's July 31 production estimate for dry peas and AAFC's estimate for other pulse and special crops. Total supply is expected to decrease by 18% because of lower production and carry-in stocks. Total exports, domestic use and carry-out stocks are forecast to decrease due to lower supply. Average prices, compared to 2001-02, are forecast to increase for dry peas, lentils, chick peas and sunflower seed, but decrease for dry beans, mustard seed and canary seed, and to be stable for buckwheat. However, prices are expected to be very sensitive to any production problems in major producing areas of the world, due to low world carry-in stocks.

For dry peas, lentils, chick peas, mustard seed and canary seed, average yields are forecast to be lower and abandonment rates higher than normal because a large portion of these crops are grown in the areas of Saskatchewan and Alberta which had drought during the growing period, and because of damage from frost, grasshoppers and excessive moisture in some of the wetter areas. Harvest progress is behind normal because of wet weather in many areas. To date, about 25% of dry peas, and 5% of lentils, chick peas and mustard seed, have been combined. The canary seed harvest is expected to start in early September. The average quality of dry peas, lentils and chick peas is expected to be lower than in 2001-02 because of some damage from frost and rain. For dry beans, sunflower seed and buckwheat, near normal yields and abandonment rates are forecast because these crops are mostly grown in areas with better moisture conditions. Harvesting is expected to start in early September for dry beans, mid-September for buckwheat and early October for sunflower seed. Early frost could be a problem for later seeded crops or crops which germinated late because of lack of moisture. The main factor to watch is weather during the harvest period.

DRY PEAS

For 2002-03, production is estimated to decrease by 23% from 2001-02, due to lower seeded area, higher abandonment and lower yields. Total supply is forecast to decrease by 25%, due to lower production and carry-in stocks. Total world supply is expected to decrease by 7% to 10.1 Mt. Canadian exports and domestic use are forecast to decrease, due to the lower supply. Carry-out stocks are forecast to decrease to a very low level. The average price, over all types, grades and markets, is forecast to increase by about 10%, as compared to 2001-02, due to the lower supply.

LENTILS

Production is forecast to decrease by 8%, as a 15% decrease in seeded area is partly offset by higher yields. Production is expected to increase slightly for large green lentils, but decrease for medium green, small green and red lentils. Total supply is forecast to decrease by 20%, due to lower production and carry-in stocks. Total world supply is expected to decrease by 4% to 3.6 Mt. Canadian exports are expected to decrease due to the lower supply. Carry-out stocks are forecast to decrease to a very low level. The average price, over all types and grades, is forecast to increase by 10-15%, due to the lower supply.

DRY BEANS

Production is forecast to increase by 27%, due mainly to an increase in seeded area. Production of white pea, dark and light red kidney, cranberry, black, pink and pinto beans is expected to increase, while production of small red and Great Northern beans decreases. Total supply is expected to increase by only 7% because of lower imports and carry-in stocks. Exports are forecast to be similar to 2001-02 and carry-out stocks are expected to increase, with a stocks-to-use (s/u) ratio of 10%. US production is expected to increase by 45% to 1.18 Mt. Total US and Canadian supply is expected to increase by only 18% to 1.68 Mt, due to lower carry-in stocks. The average price, over all classes and grades, is forecast to decrease by about 25% because of increased supply.

CHICK PEAS

Production is forecast to decrease by 49%, as a 55% decrease in seeded area is partly offset by higher yields. Production is expected to decrease for all three types, large kabuli, small kabuli and desi. Total Canadian supply is forecast to decrease by 26% due to higher carry-in stocks. Total world supply is expected to fall by about 4% to 7.9 Mt. Canadian exports are forecast to be similar to 2001-02. Carry-out stocks are forecast to decrease sharply, with a s/u ratio of 6%. The average price over all types, sizes and grades is forecast to increase by about 5%.

MUSTARD SEED

Production is forecast to double due to a 75% increase in seeded area and higher yields. Production is expected to increase for all three types, yellow, brown and oriental. Total supply is forecast to increase only slightly, due to lower carry-in stocks. Canadian exports are expected to decrease slightly. Carry-out stocks are forecast to be very low. The average price, over all types and grades, is forecast to decrease by about 25% because of expected increased supply of yellow mustard seed in Canada and the US.

CANARY SEED

Production is forecast to increase by 83%, due to a 68% increase in seeded area and higher yields. Total supply is forecast to increase by only 14%, due to lower carry-in stocks. Total world supply is forecast to increase by 11% to 250,000 t. Canadian exports are expected to increase, because of the higher supply. Carry-out stocks are forecast to remain low, with a s/u ratio of 5%. The average price is forecast to decrease by about 15% because of increased supply.

SUNFLOWER SEED

Production is forecast to increase by 44%, due mainly to higher seeded area. Production is expected to increase for both confectionary and oilseed types. Total supply is forecast to increase by only 6% because of lower carry-in stocks. Exports are expected to increase, while domestic use remains stable. Carry-out stocks are forecast to be very low. Total world supply is expected to increase by 6% to 23.45 Mt. Total US and Canadian supply of the confectionary type is expected to decrease significantly and prices for the confectionary type are expected to rise. However, for the oilseed type, although North American supply is expected to decrease slightly, world supplies are expected to increase and prices are expected to be similar to 2001-02. The average price in Canada, is forecast to increase by 10-15% because of the stronger prices for the confectionary type.

BUCKWHEAT

Production is forecast to decrease by 11%, as a 24% decrease in seeded area is partly offset by higher yields. Total use is forecast to remain stable. The average price over all grades and markets is forecast to be similar to 2001-02, in line with stable world total supply of about 3.4 Mt.

FURTHER INFORMATION:

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CANADA: PULSE AND SPECIAL CROPS SUPPLY AND DISPOSITION

AUGUST 28, 2002

Grain and Crop Year (a)	Harvested Area	Yield	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (d)	Carry-out Stocks	Average Price (e)
	000 ha	t/ha	thousand metric tonnes						$/t
Dry Peas									
1998-1999	1,078	2.17	2,337	10	2,682	1,705	602	375	135
1999-2000	835	2.70	2,252	12	2,639	1,417	822	400	135
2000-2001	1,220	2.35	2,864	12	3,276	2,196	885	195	138
2001-2002f	1,290	1.57	2,023	25	2,243	1,450	693	100	185
2002-2003f	1,082	1.44	1,553	30	1,683	1,050	583	50	185-215
Lentils									
1998-1999	372	1.29	480	7	552	372	120	60	381
1999-2000	497	1.46	724	10	794	503	211	80	380
2000-2001	688	1.33	914	5	999	550	243	206	295
2001-2002f	669	0.85	568	5	779	515	164	100	320
2002-2003f	565	0.92	520	5	625	450	165	10	345-375
Dry Beans									
1998-1999	96	1.98	189	69	273	193	55	25	655
1999-2000	154	1.91	294	41	360	260	60	40	500
2000-2001	165	1.62	268	40	348	227	71	50	465
2001-2002f	164	1.70	279	40	369	280	69	20	725
2002-2003f	215	1.65	355	20	395	280	80	35	525-555
Chick Peas									
1998-1999	40	1.33	53	2	56	14	37	5	493
1999-2000	139	1.42	197	5	207	56	136	15	390
2000-2001	283	1.37	388	5	408	179	199	30	410
2001-2002f	460	0.97	447	11	488	200	168	120	380
2002-2003f	205	1.12	230	10	360	200	140	20	380-410
Mustard Seed									
1998-1999	279	0.86	239	1	288	162	76	50	350
1999-2000	273	1.12	306	1	357	170	72	115	285
2000-2001	208	0.97	202	1	318	151	67	100	280
2001-2002f	148	0.67	99	2	201	155	41	5	685
2002-2003f	275	0.73	200	1	206	150	51	5	485-515
Canary Seed									
1998-1999	208	1.13	235	0	299	137	52	110	248
1999-2000	146	1.14	166	0	276	157	29	90	240
2000-2001	164	1.04	171	0	261	170	21	70	265
2001-2002f	152	0.66	101	0	171	140	21	10	660
2002-2003f	260	0.71	185	0	195	155	30	10	550-580
Sunflower Seed									
1998-1999	69	1.62	112	17	132	43	85	4	388
1999-2000	79	1.54	122	19	145	49	55	41	295
2000-2001	69	1.72	119	18	178	77	70	31	320
2001-2002f	67	1.55	104	25	160	90	65	5	355
2002-2003f	95	1.58	150	15	170	95	70	5	385-415
Buckwheat									
1998-1999	14	1.07	15	3	19	8	9	2	315
1999-2000	13	1.00	13	1	16	8	7	1	305
2000-2001	15	0.93	14	1	16	9	7	0	305
2001-2002f	13	1.15	15	1	16	8	7	1	325
2002-2003f	11	1.18	13	1	15	8	7	0	310-340
Total Pulse and Special Crops(c)									
1998-1999	2,156	1.70	3,660	109	4,301	2,634	1,036	631	
1999-2000	2,136	1.91	4,074	89	4,794	2,620	1,392	782	
2000-2001	2,812	1.76	4,940	82	5,804	3,559	1,563	682	
2001-2002f	2,963	1.23	3,636	109	4,427	2,838	1,228	361	
2002-2003f	2,708	1.18	3,206	82	3,649	2,388	1,126	135	

(a) Aug-July crop year.

(b) Excludes products.

(c) Includes Pulse Crops (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.

(e) Producer price, FOB plant. Average over all types, grades and markets.

f: forecast, Agriculture and Agri-Food Canada, August 28, 2002.

Source: Statistics Canada and industry consultations.