



Thriving on Chaos

Credit Union Ag Outlook 2024

Magnusson Consulting Group



Agenda

5 Keys to 2024



Economic Outlook

Managing Commodity Cycles

Grain Outlook

Cattle Outlook

Global Economy

- Amid a barrage of shocks during the past four years, the global economy has proved to be surprisingly resilient.
- Major economies are emerging mostly unscathed after the fastest rise in interest rates in 40 years—without the usual scars of steep unemployment rates or financial crashes.
- Global inflation is being tamed without tipping the world into a recession.
- It is rare for countries to bring inflation rates down without triggering a downturn, but this time a "soft landing" seems increasingly possible.

(source World Bank Jan 4, 2024)



Global Economy

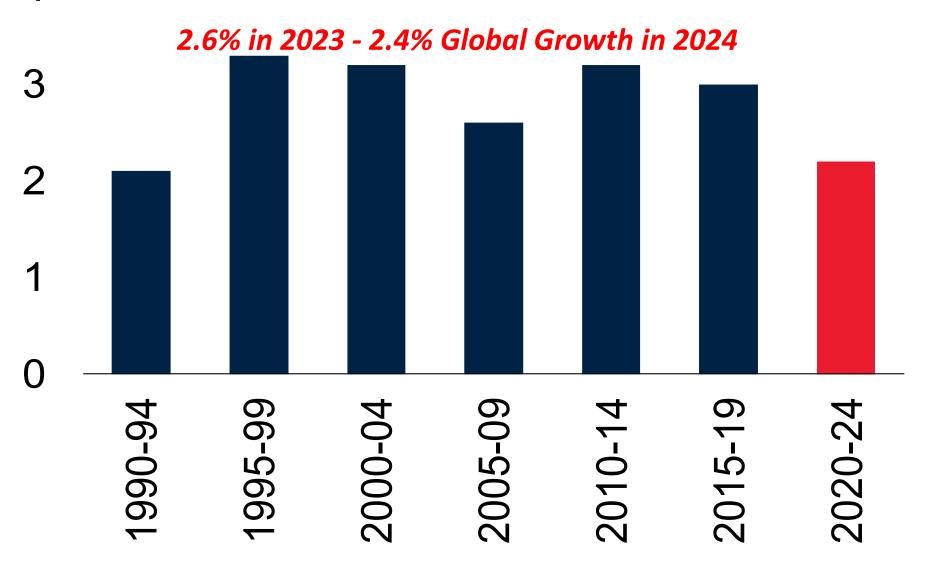
- By the end of 2024 Global economy will have recorded the slowest economic growth in 30 years.
- Global Economy is in a better place then 12 months ago: risk of global recession has receded with the strength US economy.
- Mounting geological tension could create fresh near-term hazards for the world economy.
- Longer term outlook sluggish economic growth in many developing economies, slowing growth in most major economies, sluggish global trade, and the tightest financial conditions in decades will impact future global growth.
- Global trade is expected to be only half the avregae in the decade before the pandemic.
- Meanwhile, borrowing costs for developing economies especially those with poor credit ratings—are likely to remain steep with global interest rates stuck at four-decade highs in inflation-adjusted terms.



Percent

4

Global Growth



Source: World Bank-Jan 2024

Figure 1.1.A. Growth, By Economy And EMDE Credit Rating

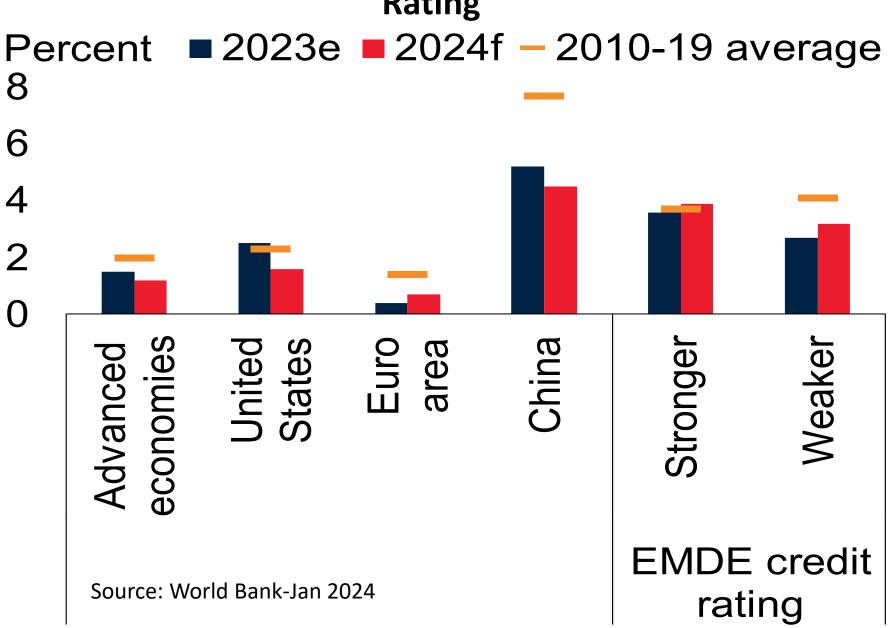


Figure 1.1.B. Global Consumer Price Inflation

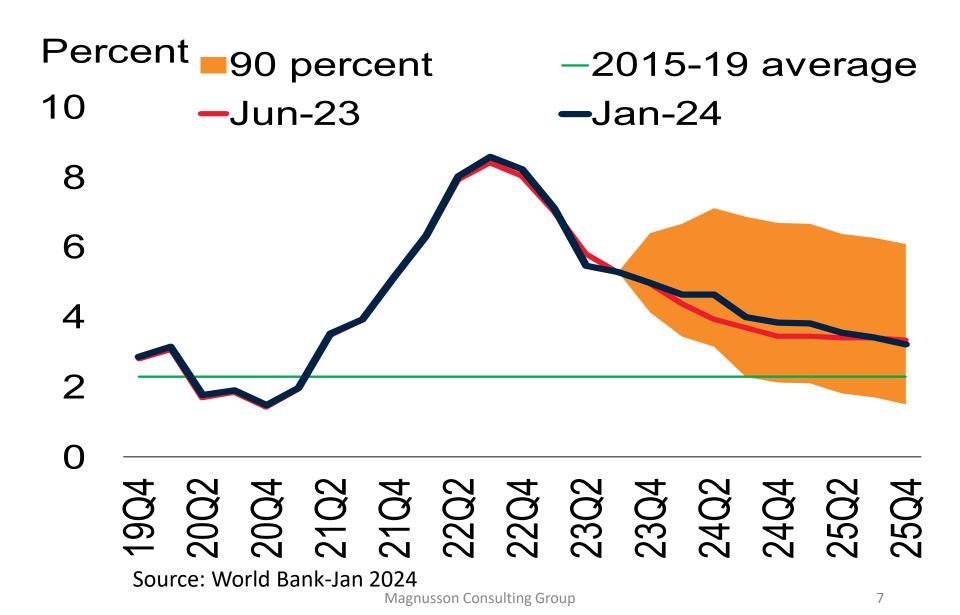


Figure 1.1.D. Contributions to global trade growth

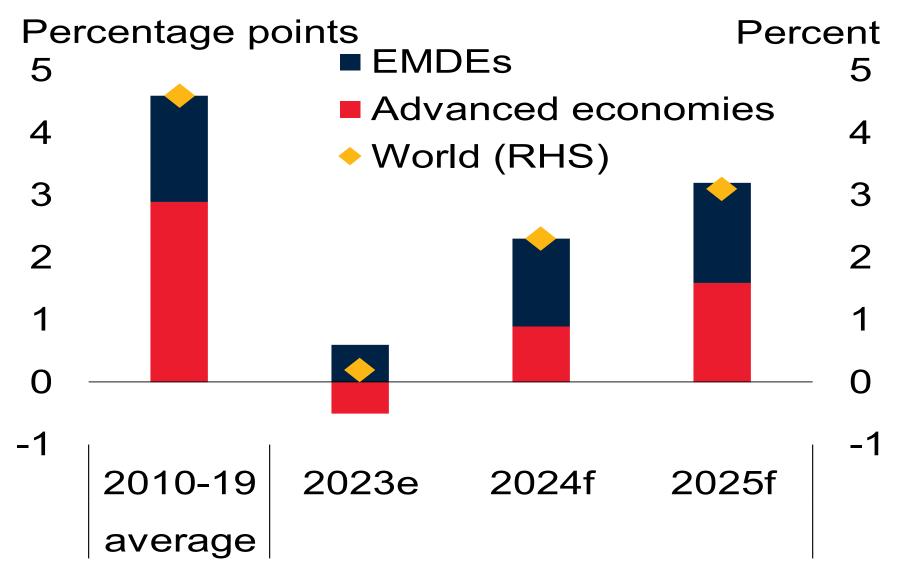
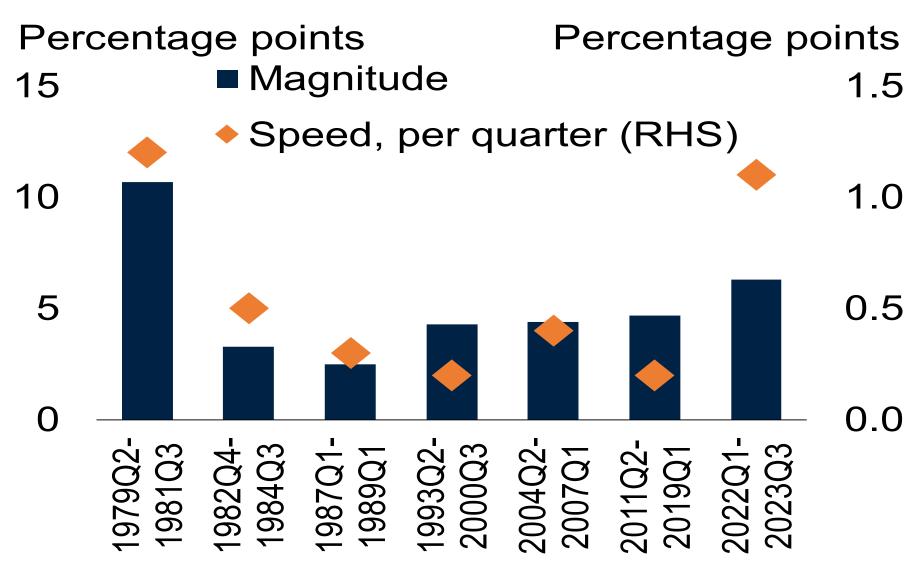


Figure 1.1.C. U.S. Real Interest Rate Cycles



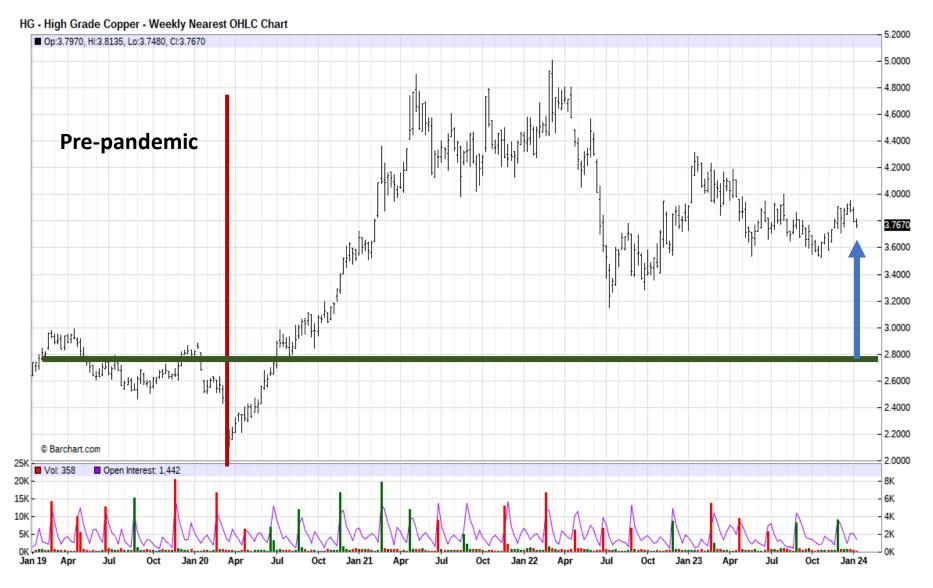
Impact of Global Outlook on Commodities

- Middle East conflict has subdued the impact on commodities prices.
- The majority of commodity prices have deteriorated to varying degrees.
- Despite recent volatility triggered mainly by the conflict, and assuming hostilities do not escalate, average oil prices in 2024 are projected to edge down as global growth weakens and oil production increases.
- Metal prices are set to decline again as the slower growth in China further weighs on metal demand.
- Food prices are expected to soften further this year amid ample supplies for major crops but remain elevated.

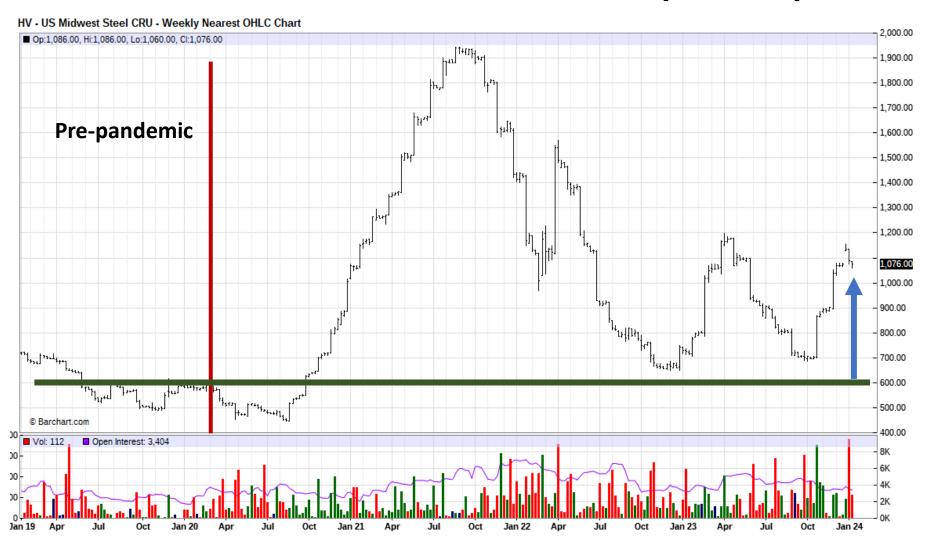
Figure 1.3.A. Growth Of Global Goods Trade And Industrial Production

Percent, year-on-year 20 ■Goods trade —Industrial production 10 -10 -20 2003 2003 2005 2007 2013 2015 2015 2015 2015 2023

High grade Copper – March Futures 2024



US Midwest Steel CRU Mar '24 (HVH24)



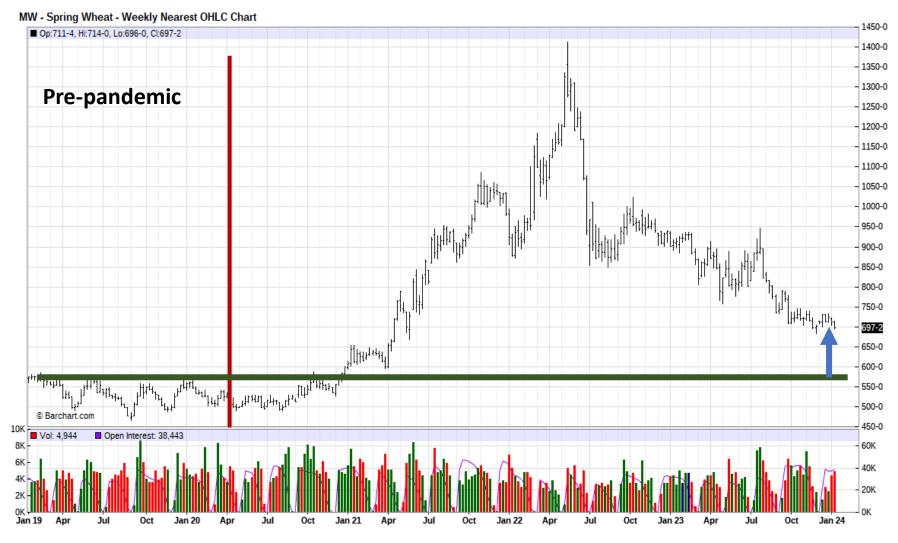
Aluminum Mar '24 (ALH24)



Crude Oil WTI Mar '24 (CLH24)



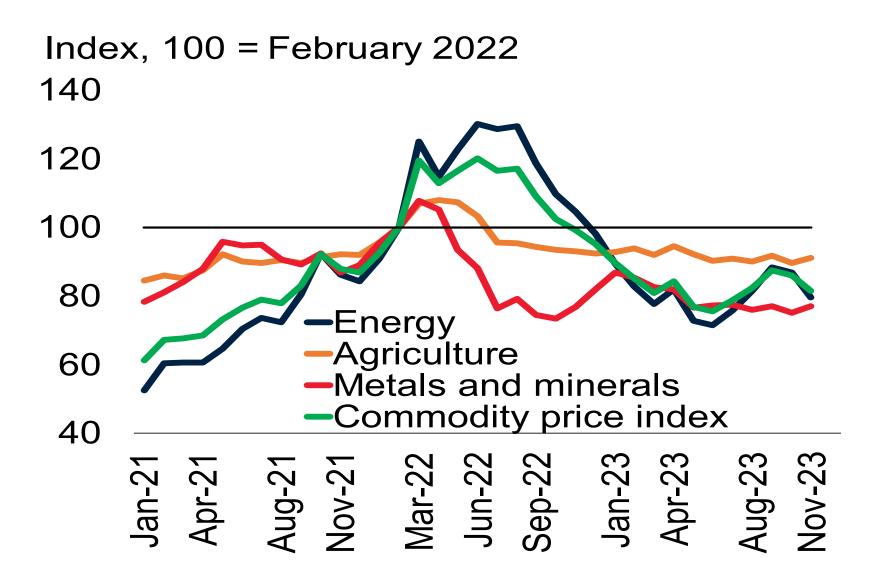
Spring Wheat Mar '24 (MWH24)



Canola May '24 (RSK24)

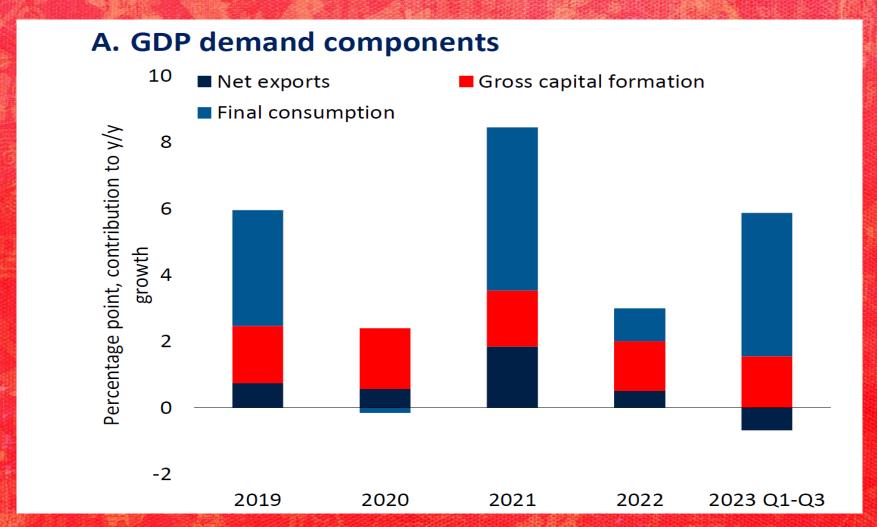


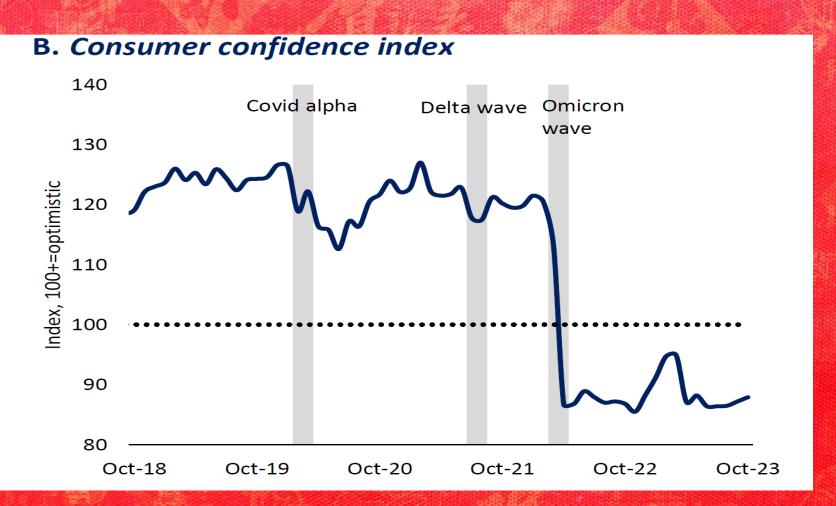
Figure 1.4.A. Commodity prices

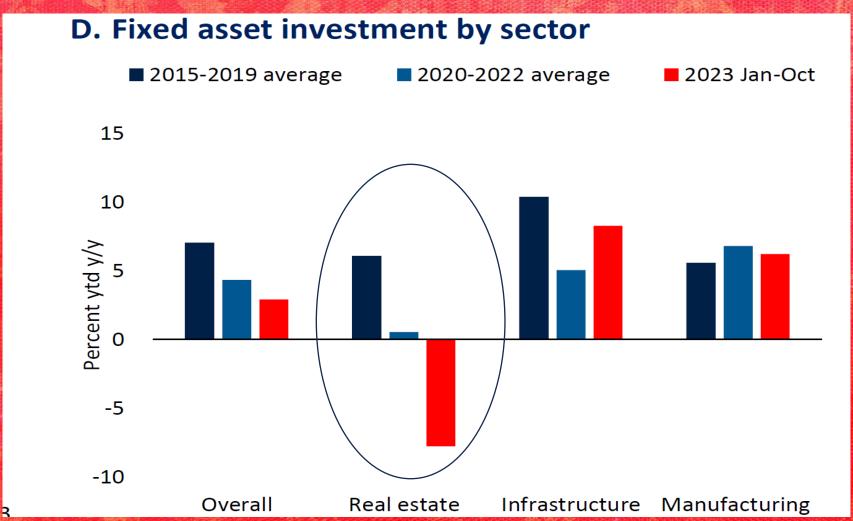


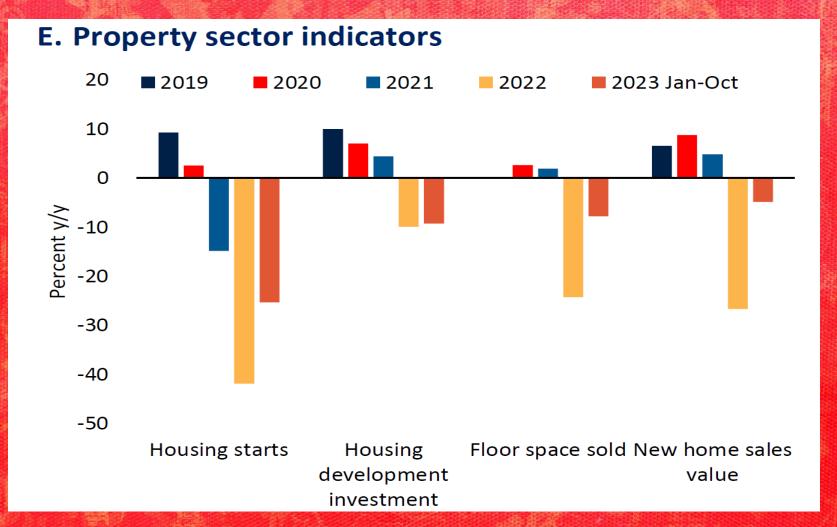
- China's growth is expected to slow notably this year, as tepid consumer sentiment and a continued downturn in the property sector weigh on demand and activity.
- A sharper-than-expected slowdown in China would adversely affect global trade as well as commodity and financial markets.
- The property sector could fail to stabilize if persistent uncertainty holds back prospective buyers, or if mounting financial stress among developers constrain the financing of new projects or force a halt to existing ones.
- Persistent uncertainty and weak sentiment could hold back household spending and private investment.
- Against the backdrop of high and rising public and private debt, a sharp slowdown could weaken credit quality and become self reinforcing, with financial stress exacerbating the challenge of servicing existing debts, generating negative feedback loops to activity.

- 5.2% GDP Growth in 2023 4.5% in 2024
 - Weak demand
 - Excess Industrial Capacity
 - Slowing Productivity Growth
 - Real estate Crisis
 - Heavy Debt Load
 - Ageing Population

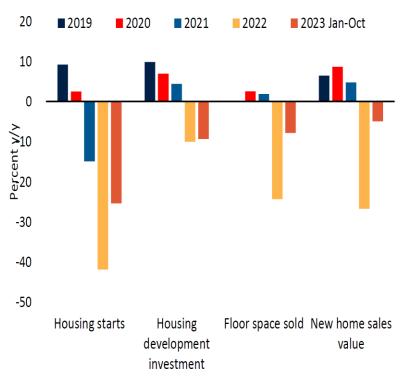






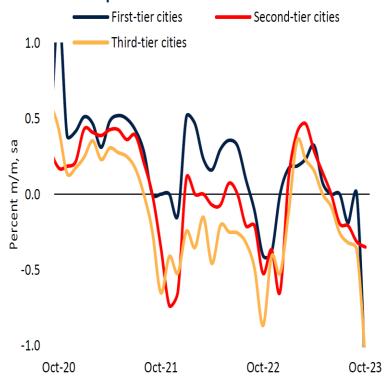


A. Property market supply and demand

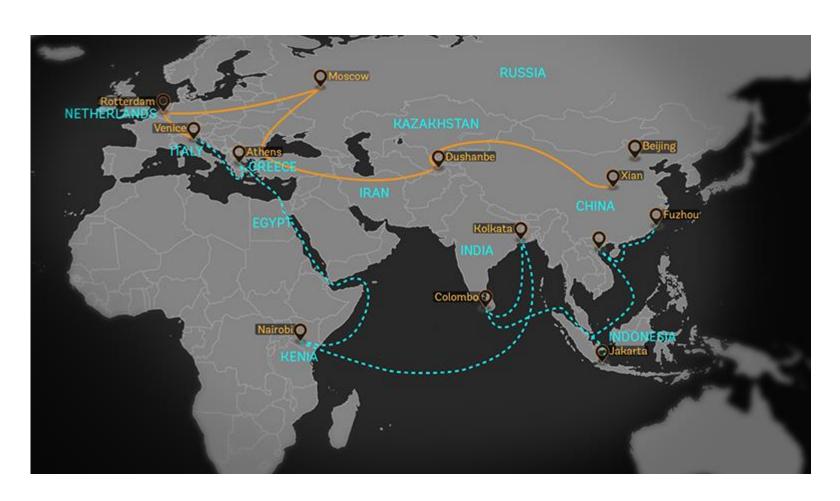


Source: NBS, World Bank staff estimates.

B. New home prices



China's Belt and Road Initiative (BRI)



China's Belt and Road Initiative (BRI)

- China's Belt and Road Initiative (BRI), Launched in 2013 by President Xi Jinping, the vast collection of development and investment initiatives was originally devised to link East Asia and Europe through physical infrastructure.
- In the decade since, the project has expanded to Africa, Oceania, and Latin America, significantly broadening China's economic and political influence.
- Xi's vision included creating a vast network of railways, energy pipelines, highways, and streamlined border crossings, both westward—through the mountainous former Soviet republics—and southward, to Pakistan, India, and the rest of Southeast Asia.



China's Belt and Road Initiative (BRI)

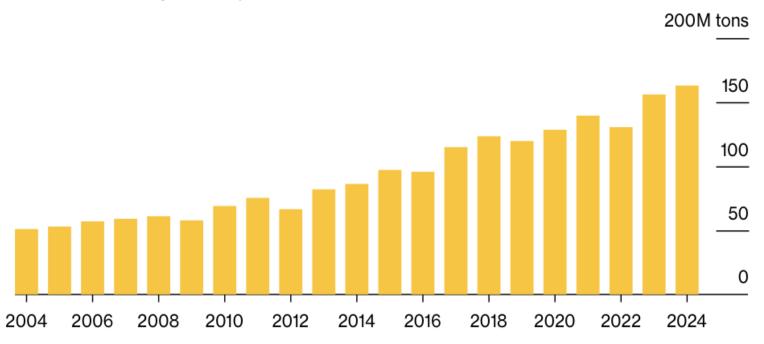
- Such a network would expand the <u>international</u> <u>use</u> of Chinese currency, the renminbi, and "<u>break</u> <u>the bottleneck in Asian connectivity</u>," according to Xi.
- In addition to physical infrastructure, China has <u>funded hundreds of special economic zones</u>, or industrial areas designed to create jobs, and encouraged countries to embrace its tech offerings, such as the 5G network <u>powered by</u> <u>telecommunications giant Huawei</u>.



China Feasts on Brazilian Soybeans After Bumper Harvest

Chinese importers book more cargoes in the fourth quarter

Brazil's annual soybean output

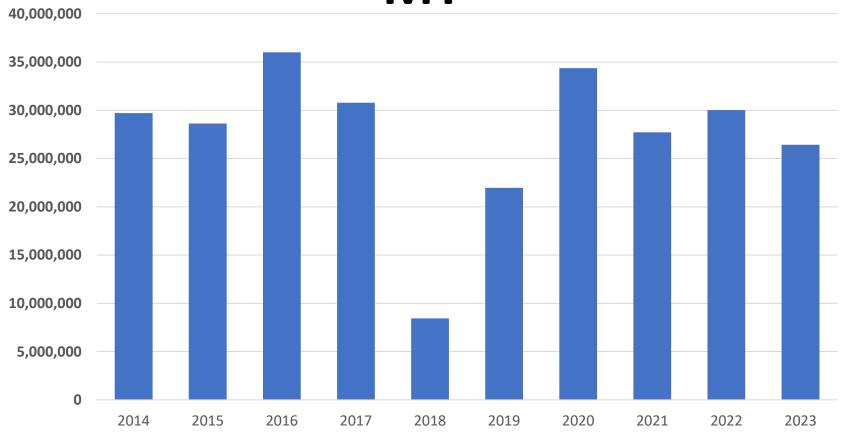


Source: USDA

Note: 2024 is an estimate

US Soybean Export to China

- MT

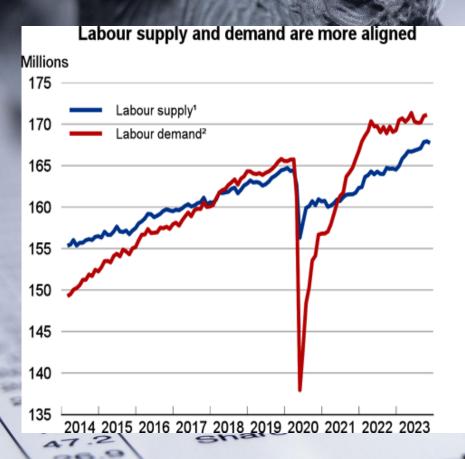


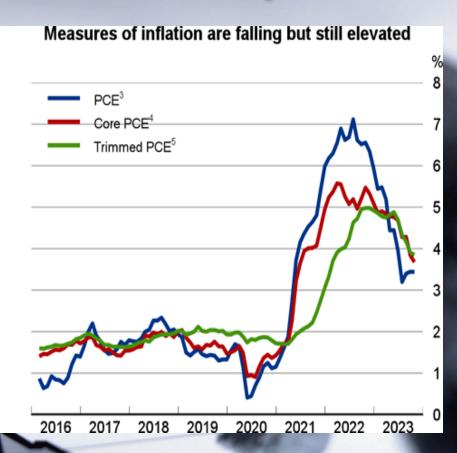
2018 - Negotiations were underway between the Trump administration and the Chinese government over trade issues.

United States Economy

- The OECD projections assume that cuts in the federal funds rate will begin in the third quarter of 2024, after inflation has fallen closer to the 2% target.
- The federal funds rate is projected to fall to around 4 to 4¼ per cent by the end of 2025 with the 10-year interest rate at a similar level.
- Real GDP growth will slow to 1.5% in 2024 before increasing to 1.7% in 2025.

United States Economy

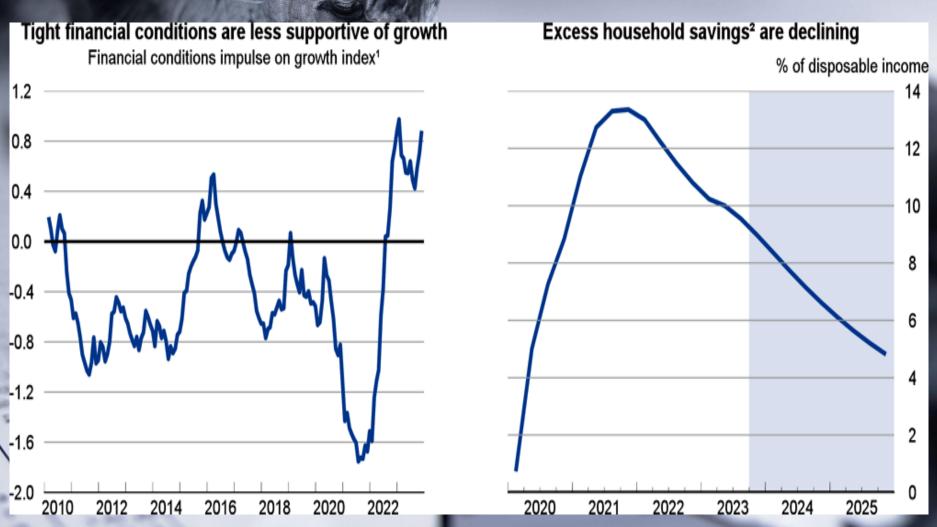




Source: OCED

PCE - Personal Consumption Expenditures

United States Economy



Canada Economy

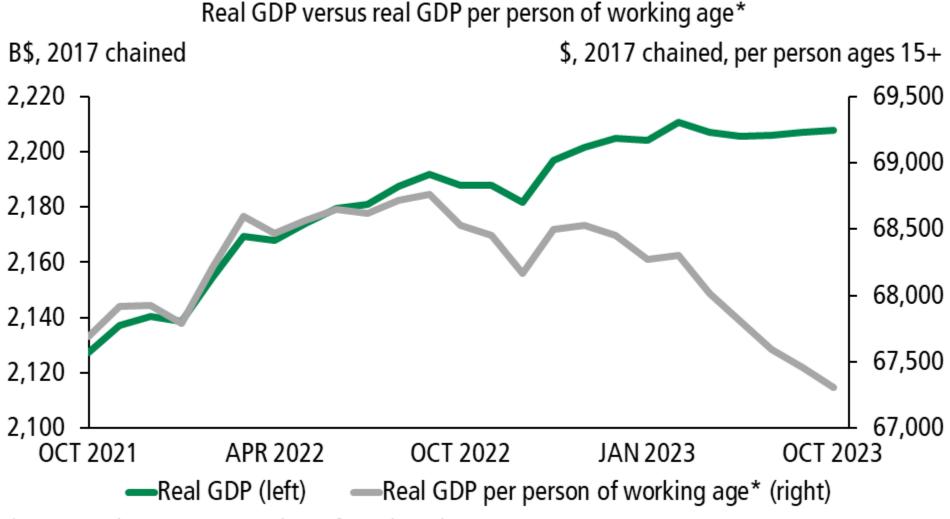
- Real GDP growth will drop to 0.8% in 2024, reflecting slowing domestic demand in the wake of higher borrowing costs and weakening exports, before recovering to 1.9% in 2025 as improved global conditions strengthen exports.
- Immigration will continue to boost private spending and labour supply.
- Price pressures will ebb in the face of slowing demand and rising unemployment.
- Were unemployment to rise faster than expected, there could be a substantial fall off in households' consumption demand and a deeper downturn.

 Magnusson Consulting Group

Canada Economy

- Economic activity has slowed in recent months. Following a strong first quarter (real GDP grew by 0.6%), output growth stalled in the second quarter with effectively zero growth.
- Data suggest the weakness has continued.
- In July and August, estimated monthly GDP growth was weak, as were retail sales volumes.
- Headline inflation spiked up in recent months principally due to increasing fuel prices.
- Core inflation continues to decline and labour market tensions have eased.
- The rate of unemployment was 5.7% in October, half a percentage point above rates at the beginning of the year and the job vacancy rate has continued to fall.
- Nevertheless, by some metrics, the labour market remains tight compared with pre-pandemic norms.
- Wage growth has remained elevated in recent months.

Canada's Real GDP per Capita Accelerated Its Slide in 2023

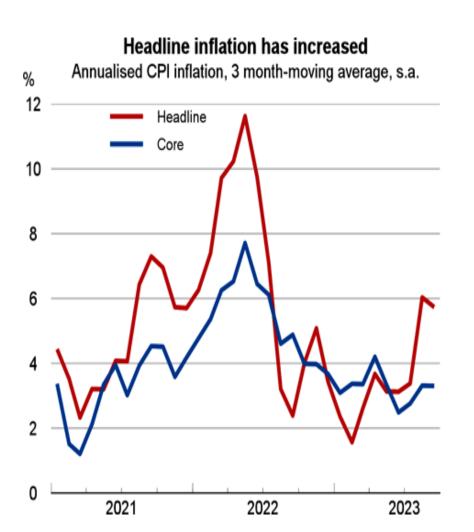


^{*}Uses population ages 15 and over from the Labour Force Survey Sources: Statistics Canada and Desjardins Economic Studies

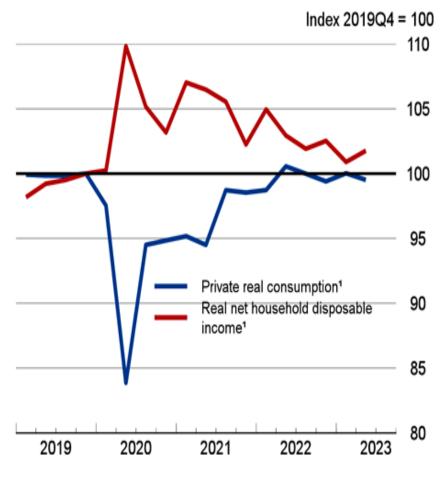


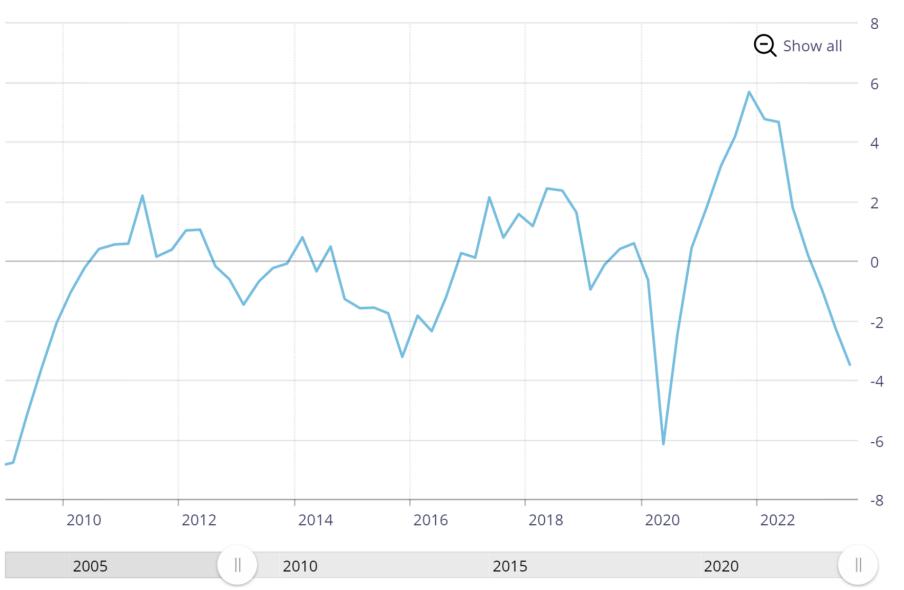
Source: Stats Canada

Canadian Economy

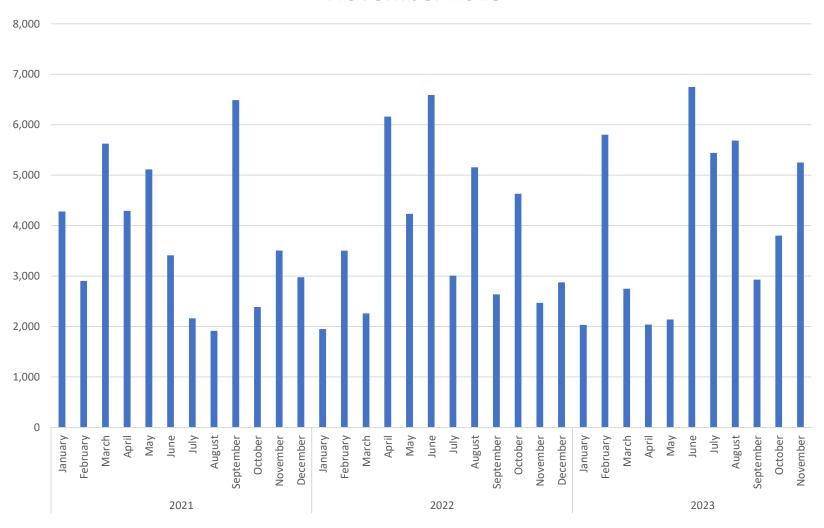


Growth in average consumer spending has stalled

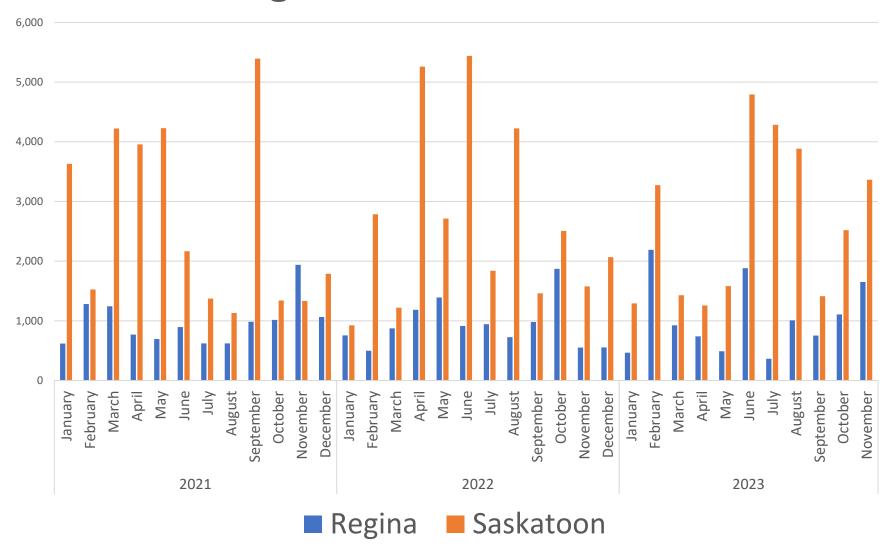




Saskatchewan Housing Starts Unban Centres 2021 - November 2023



Dwelling Starts Jan 2021 - Nov 2023



Top Trends: Saskatoon

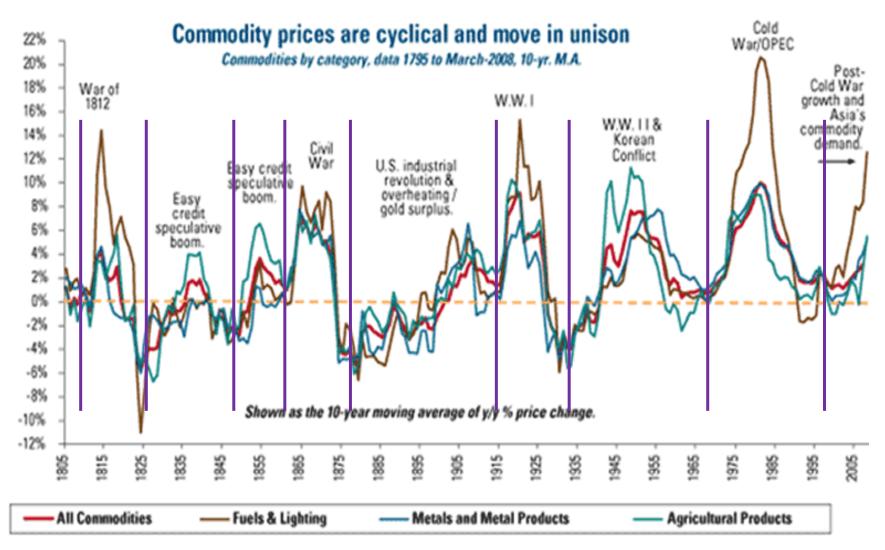
- Saskatoon will continue to be a seller's market in 2024.
- Low inventory and high interest rates are the biggest challenge for homebuyers in this region, with many looking for properties that include secondary suites for an additional source of income.
- First-time home purchases are driven by newcomers who are primarily looking for single-detached homes and condominiums with two to three bedrooms.
- Downsizing Baby Boomers, farmers, students, and newcomers are driving demand for properties in the condominium market (around the \$150,000 to \$250,000 range).
- Many of these buyers are, looking for neighborhoods with as access to green spaces, and homes with multiple bedrooms that are in proximity to grocery stores and healthcare services.
- New construction projects and builds are proceeding, however, developers cannot keep up with the current demand due to ongoing material costs and labour shortages.



Top Trends: Saskatoon

- Regina is currently a balanced market and is expected to remain balanced in 2024.
- Single detached homes are expected to have the most demand in 2024, with first-time. homebuyers and new immigrants looking at homes within the \$200,000 to \$400,000 range for an affordable opportunity into the housing market.
- New government programs such as the provincial PST rebate for new construction and the Secondary Suite Incentive Program are expected to boost new construction developments in the region.
- Interest rates have caused a small decrease in demand, but Regina's affordability continues to draw homebuyers into the market.
- A growing trend for many young families is close proximity to schools.





Source: Stifel Nicolaus & Co., Stifel Nicolaus format, data Historical Statistics of the United States, a U.S. Census publication, EIA, USDA. 2008E data point incorporated into the last 10-year moving average was March-2008 over March-2007.

HG - High Grade Copper - Monthly Nearest OHLC Chart



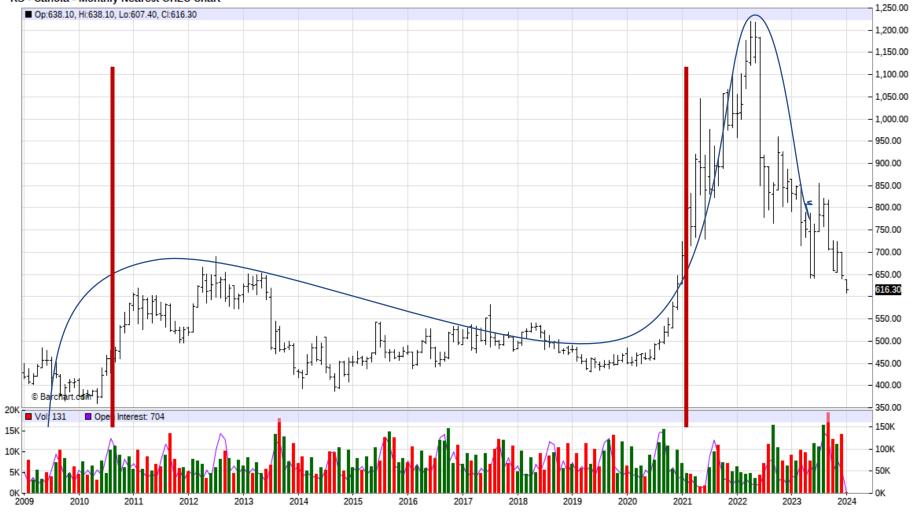
HV - US Midwest Steel CRU - Monthly Nearest OHLC Chart



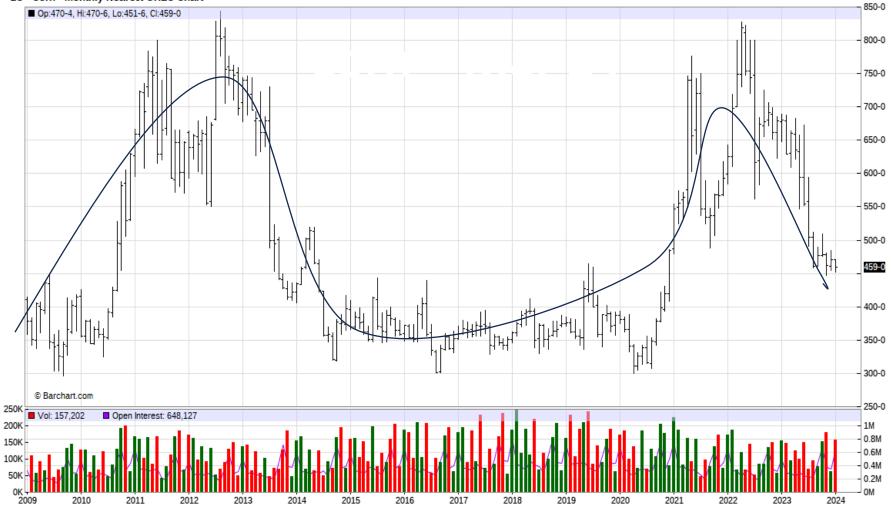
CL - Crude Oil WTI - Monthly Nearest OHLC Chart

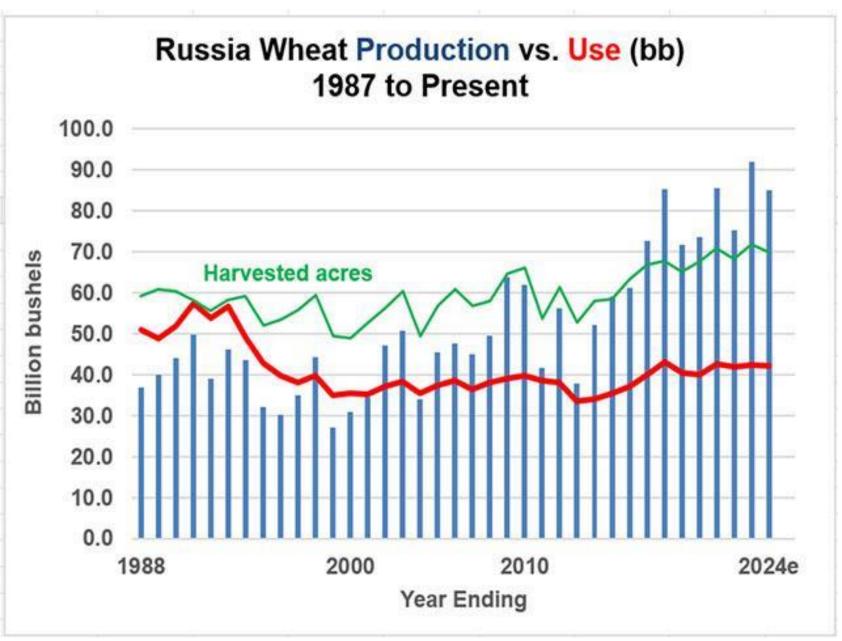




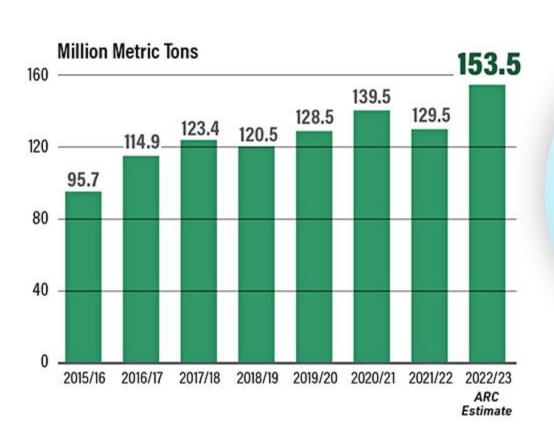






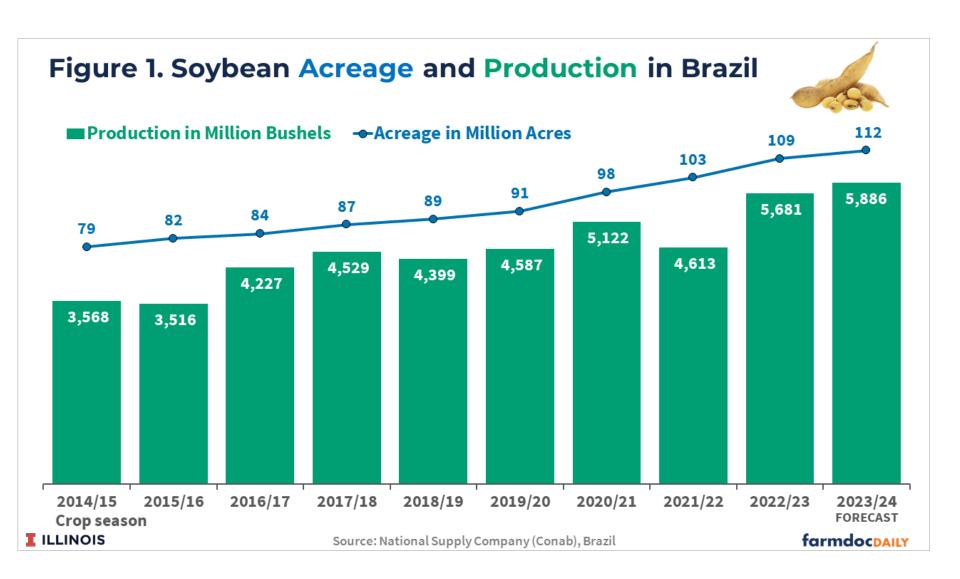


Brazilian Soybean Production



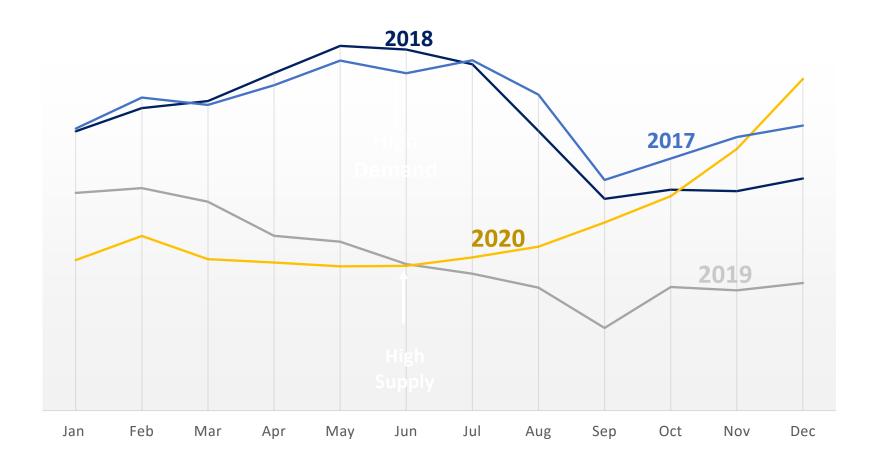


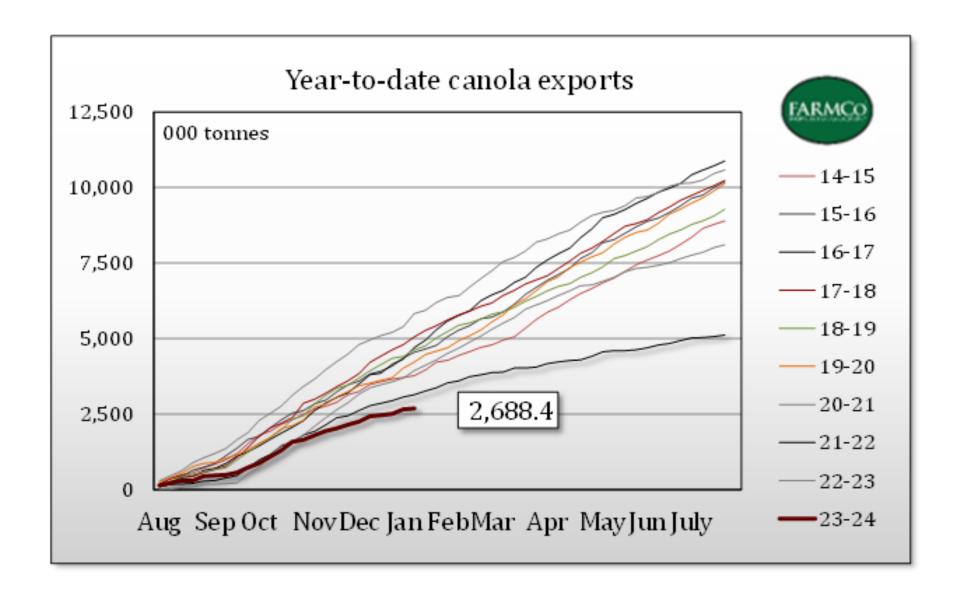
SOURCE: USDA



Canola										
	2021-2022	2022-2023	2023-2024	NEW						
Area seeded (thousand hectares)	9,016	8,659	8,936							
Area harvested (thousand hectares)	8,949	8,596	8,844							
Yield (tonnes per hectare)	1.59	2.17	1.96							
Production (thousand tonnes)	14,248	18,695	17,368	18,328						
Imports (thousand tonnes)	105	126	100							
Total supply (thousand tonnes)	16,129	20,149	18,974							
Exports (thousand tonnes)	5,248	7,954	7,700							
Food and Industrial Use (thousand tonnes)	8,555	9,961	10,000							
Feed, Waste & Dockage (thousand tonnes)	935	663	223							
Total Domestic Use (thousand tonnes)	9,553	10,689	10,274							
Carry-out Stocks (thousand tonnes)	1,328	1,506	1,000	2000						
Average Price (\$/tonne)	1,0 ៤5 nusson Const	alting Group 857	715	53						

Canola Farm Gate

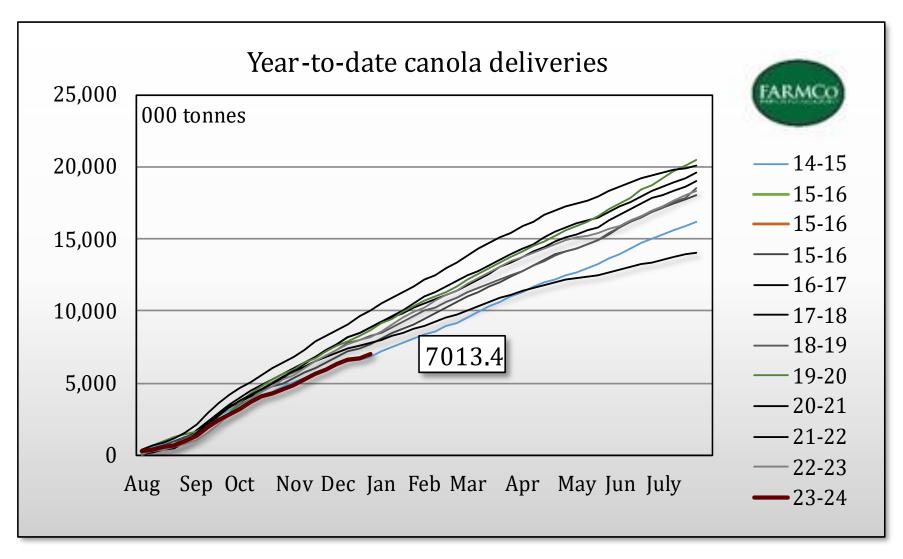




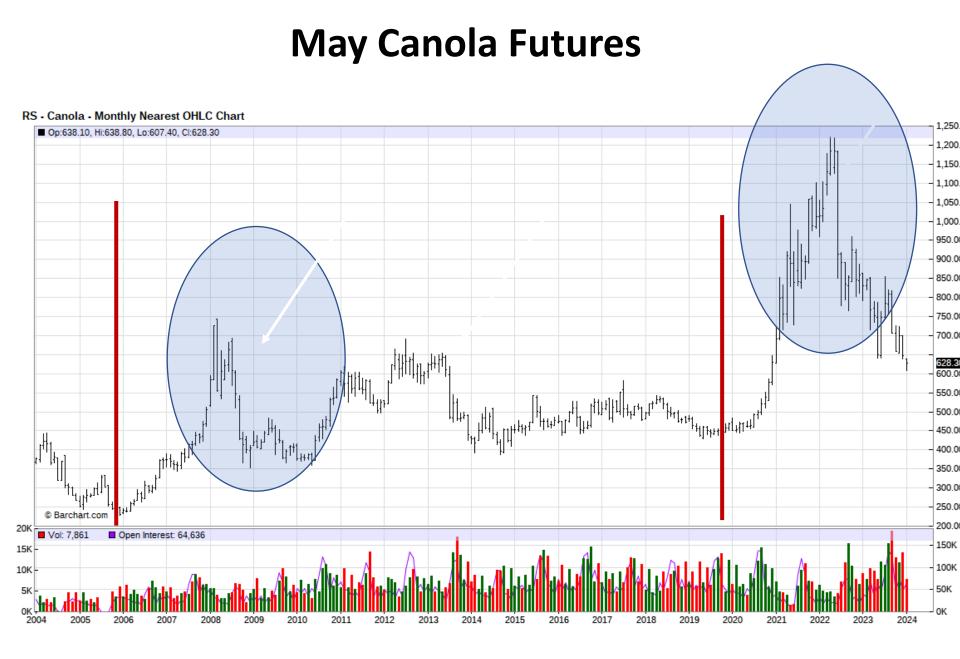


Canola Deliveries & Exports

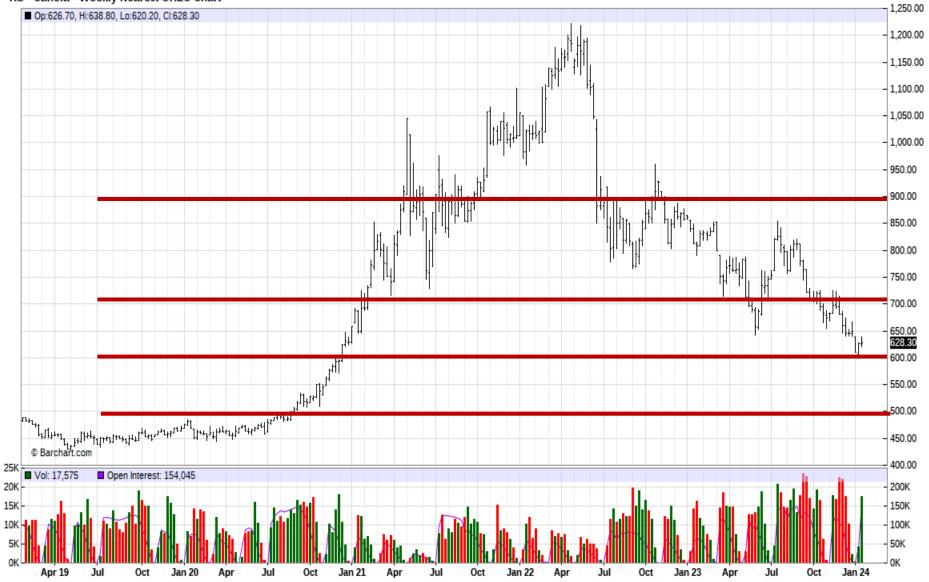
- To the end of December, the CGC reports 7.123 mmt of canola has been delivered from farms. If we assume Stats Can is right about production being 18.33 mmt, then that leaves 11.207 mmt to come.
- With 30 weeks to go in the crop year, we need to see 373,600 tonnes delivered on average each week to clear that 11.207 mmt.
- Not including the last two weeks (which usually see low deliveries for no other reason than its Christmas), the average so far this year is 326,000 tonnes per week.
- 42.3% of the way through the crop year but have only delivered 38.2% of what we expect to be delivered (even less if we include ALL the canola available from the farm).
- Normally, because of the tendency to sell and deliver more canola in the first part of the crop year, we have about 45-50% of annual deliveries made by now.



FARMERS ADVANCED RISK MANAGEMENT CO | WINNIPEG, MB | 204-470-8083



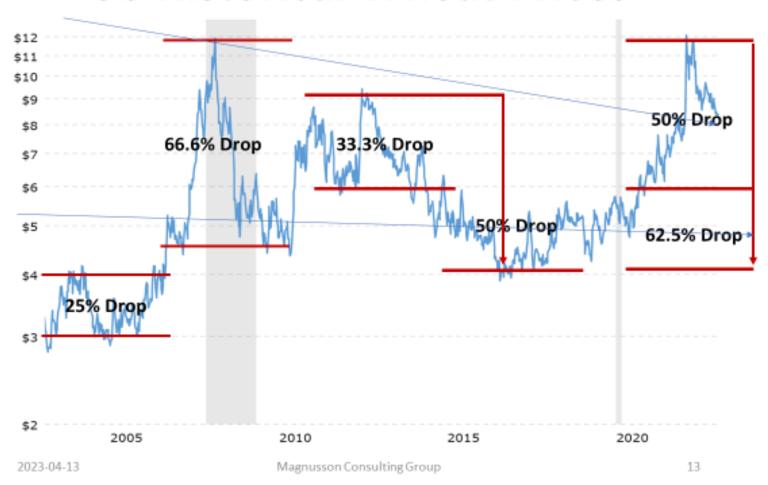
RS - Canola - Weekly Nearest OHLC Chart



RSK24 - Canola - Daily OHLC Chart



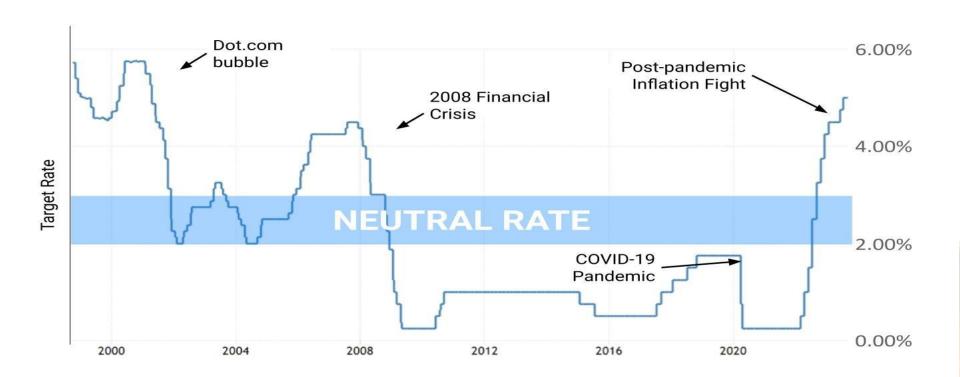
US Historical Wheat Prices



Average Historical Farm Gate Price

Ва	rley	Fl	ах	Len	tils	Pe	as	Can	ola	Wh	eat	Calves
\$226.58	\$4.93	\$617.09	\$15.67	\$633.13	\$17.23	\$319.23	\$8.69	\$549.85	\$12.47	\$256.28	\$6.97	211.31
\$253.18	\$5.51	\$731.23	\$18.57	\$624.09	\$16.98	\$347.58	\$9.46	\$612.37	\$13.89	\$291.66	\$7.94	214.54
\$278.66	\$6.07	\$887.72	\$22.55	\$758.93	\$20.65	\$405.67	\$11.04	\$699.74	\$15.87	\$327.15	\$8.90	221.00 62

Bank of Canada Historical Target Rate



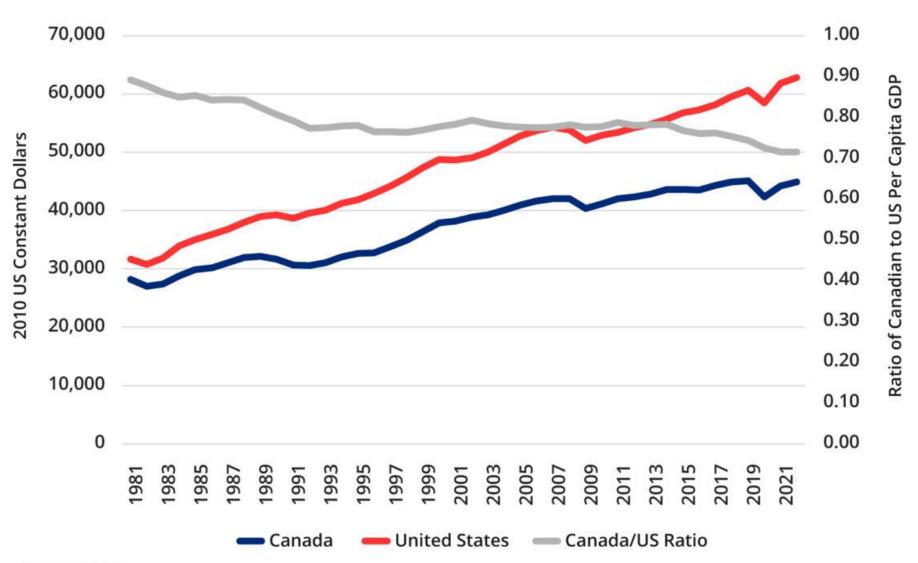
Note: Neutral rate range (2% to 3%) as defined in the Monetary Policy Report Press Conference Opening Statement from July 13, 2022



Canadian Exchange Rates



Figure 1: Per Capita GDP, Canada and the United States, 2010 US Constant Dollars, 1981 to 2022



Source: FRED Source: Livio Di Matteo & Hub & Stats Can

Per Capita GDP Growth

- While both Canadian and U.S. real GDP per capita have grown over time, there is a persistent gap between the two countries.
- Real per capita GDP in Canada since 1981 has grown by 59 percent, while the increase has been 98 percent for the U.S.
- As a result, the gap between the two countries has grown.
 In 1981, Canadian real per capita GDP was nearly 90 percent that of the U.S. whereas by 2022 it was just over 70 percent.
- The reasons for this can be summarized across five areas: population growth differentials, capital investment, investment in research and development, structural economic issues, and, finally, the policy environment.



Global Liquid Fuels Consumption

- EIA expects growth in global liquid fuels consumption will be lower over the next two years: forecast consumption grows by 1.4 million b/d (1.4%), in 2024 and by 1.2 million b/d (1.2%) in 2025.
- Although growth in 2024 and 2025 is less than the 1.9 million b/d growth in 2023, it is largely consistent with the 1.2% average annual growth in global liquid fuels consumption over the 20 years from 2004– 2023.
- This is attributed to the reduction in growth to slowing oil demand growth in China due to stalling GDP growth, increasing vehicle fleet efficiency, and an end to pandemic recovery-related growth in 2023.
- Despite lower oil demand growth, global consumption of liquid fuels still reaches a new record of over 103.5 million b/d in 2025.



Global Liquid Fuels Consumption

- We forecast that global liquid fuels production growth also slows.
- Production rises by 0.6 million b/d in 2024, down from 1.7 million b/d of growth in 2023, as OPEC+ continues its policy of production restraint and U.S. tight oil production growth decelerates. In 2025, we forecast global liquid fuels production will rise by 1.6 million b/d, about 50% of which is risingOPEC+ crude oil production.



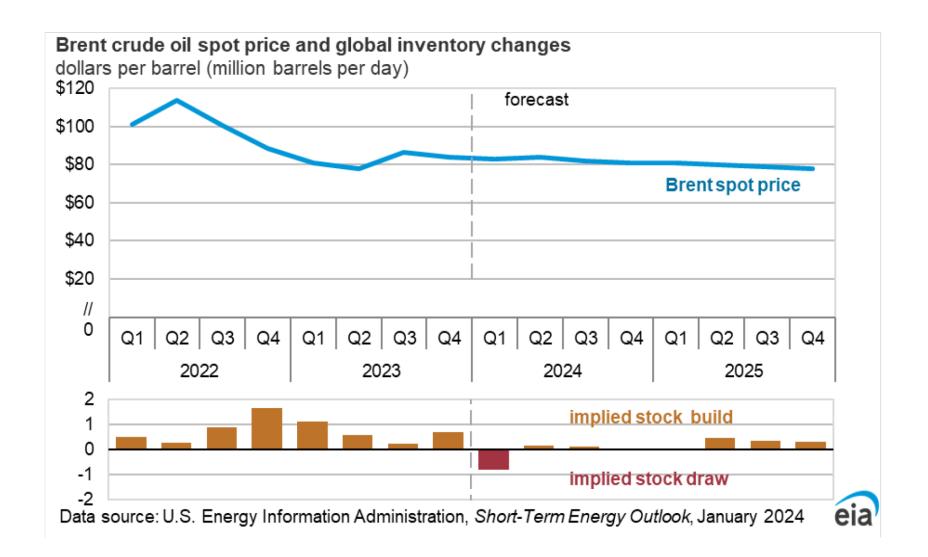
Global Oil Production And Consumption

- Global liquid fuels production increases by 0.6 million b/d in 2024, down from an increase of 1.7 million b/d in 2023.
- Global liquid fuels production growth in our forecast slows in 2024 because of both OPEC+ production cuts and slowing non-OPEC growth. OPEC+ crude oil production declines by 0.6 million b/d in our forecast for 2024, which is offset by 1.2 million b/d of production growth outside of the group.
- Growth is lower in 2024 compared with 2023 in large part because of slowing supply growth from the United States, Canada, and Brazil.
- Supply growth in Guyana accelerates this year in our forecast.
- For 2025, global liquid fuels production increases by 1.6 million b/d in our forecast.
- The existing OPEC+ production targets announced at the June 2023 meeting expire at the end of 2024, which we expect will contribute to OPEC+ increasing crude oil production by 0.7 million b/d in 2025.
- However, we expect some voluntary production cuts from Saudia Arabia and other OPEC+ countries will continue into 2025 in an effort to offset forecast production growth from outside the group of 0.9 million b/d in 2025.

Global Oil Production And Consumption

- Our forecast of global liquid fuels consumption increases by 1.4 million b/d in 2024 and 1.2 million b/d in 2025.
- Most of our forecast liquid fuels demand growth is in non-OECD Asia, led by China and India.
- We expect China's liquid fuels consumption will rise by 0.3 million b/d in 2024 and by 0.2 million b/d in 2025, slowing from the 0.8 million b/d of estimated growth in 2023, as GDP growth slows from postpandemic levels and vehicle fleet efficiency continues to improve.
- India's liquid fuels consumption in our forecast increases by an average of 0.3 million b/d in both 2024 and 2025, the same as in 2023. In OECD countries, liquid fuels consumption growth is mostly flat in 2024 and 2025.
- Because our expectations around global oil balances and global oil prices are highly dependent on liquid fuels consumption growth from non-OECD countries, global oil prices will be materially affected should that consumption growth develop differently in 2024 and 2025.



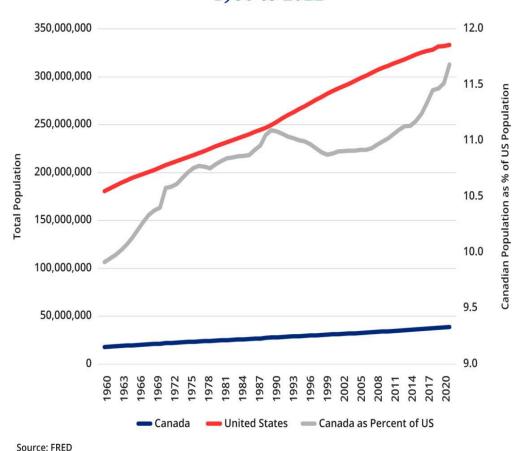


Energy Outlook – 2024-2025

- We expect the Brent crude oil price will average \$82 per barrel (b) in 2024 and \$79/b in 2025, close to the 2023 average of \$82/b.
- Our forecast for relatively little price change is based on expectations that global supply and demand of petroleum liquids will be relatively balanced.
- Although we forecast prices to average near \$80/b over the next two years, our price forecast remains uncertain.
- We generally expect the Brent crude oil price is more likely to decline than rise because we expect global oil production will more likely exceed our forecast than fall short of our forecast.
- The potential for prices to exceed our current forecast is largely related to unplanned production disruptions, a risk highlighted by the recently escalating tensions in the Red Sea.

Magnusson Consulting Group

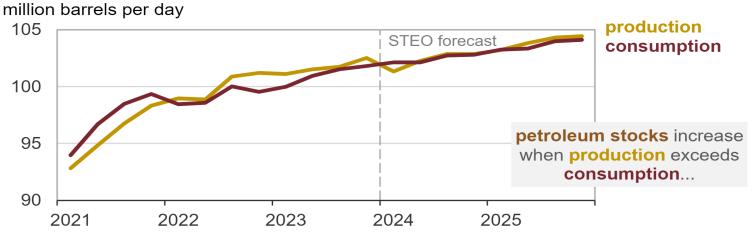
Figure 2: Population, Canada and the United States, 1960 to 2022



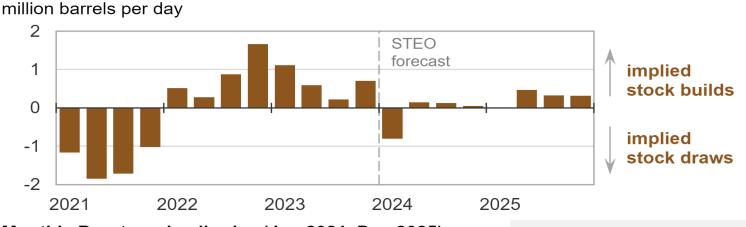
- ➤ Figure 2 provides background on what has recently become the most popular reason for explaining Canada's real per capita GDP performance: high population growth.
- As a result of increased immigration levels that also include numerous international students and temporary workers, Canada's population growth is at the highest rate since the 1950s.
- In the third quarter of 2023, Canada's population was <u>estimated at 40.528</u> <u>million people</u>—up a record one million people from 2022, which was already a year of record growth.

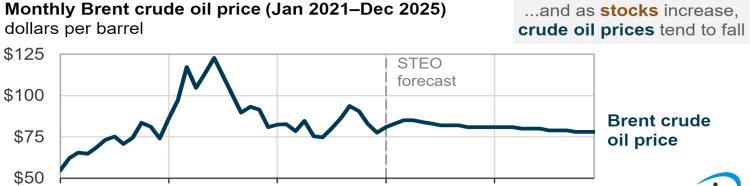
Source: Livio Di Matteo & Hub & Stats Can

Quarterly world petroleum production and consumption (2021–2025)

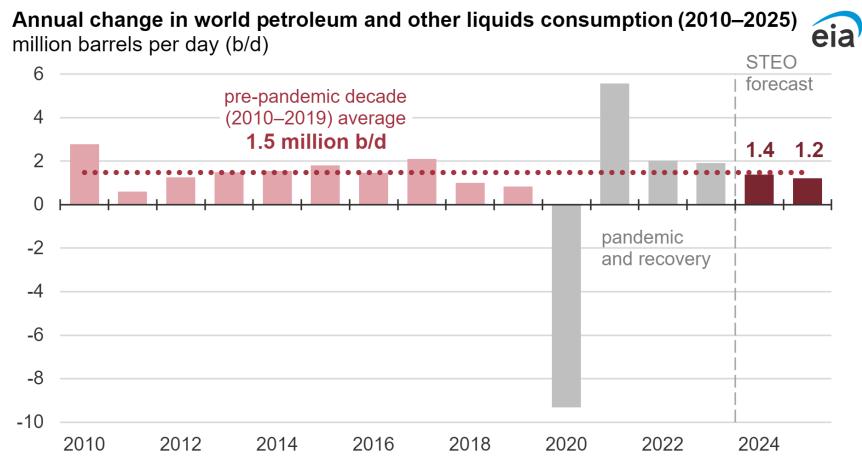


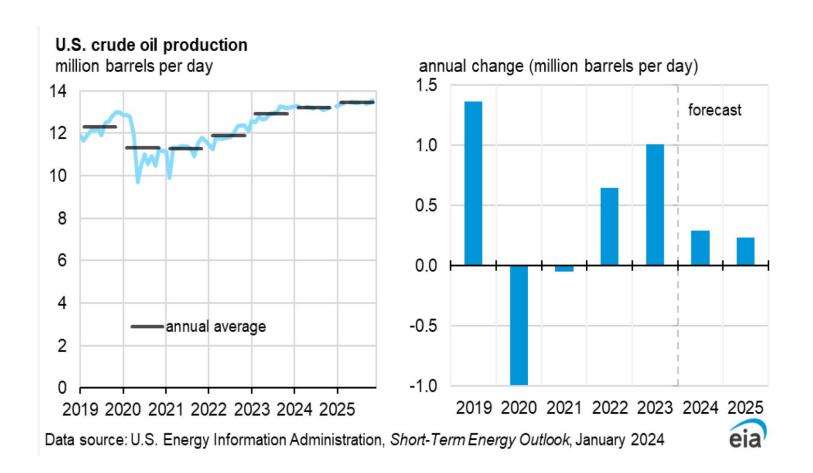
Quarterly world petroleum stock change (2021–2025)





Energy Outlook – 2024-2025





Short-Term Energy Outlook

- In our January <u>Short-Term Energy Outlook</u> (STEO), expect average U.S. retail gasoline prices to decrease in 2024 because of increased inventories related to increased refinery capacity.
- In 2025, we expect slightly reduced gasoline consumption to further decrease prices.
- Expect similar supply-side factors to lower retail diesel prices in 2024 and 2025, although U.S. diesel consumption will likely exceed 2023 in both 2024 and 2025.
- Expect crude oil prices in 2024 to be similar to those in 2023.
- As a result, lower gasoline and diesel price outlooks next year reflect narrowing <u>crack spreads</u>, the difference between the wholesale prices of gasoline and diesel compared with crude oil.
- Crack spreads <u>reflect</u> the price of refining, and a lower crack spread indicates lower refining cost. Our lower forecast crack spread for gasoline is driven by our expectation of increasing availability of supply even as consumption is reduced.



Short-Term Energy Outlook

- In 2023, additional refinery capacity came online, raising U.S. operable refinery capacity from 18.06 million barrels per day (b/d) in January 2023 to 18.31 million b/d in December 2023.
- Expect the availability of the <u>new refinery capacity</u> will ease price pressure on petroleum products in 2024.
- In 2025, we expect lower crude oil prices, which will also reduce gasoline and diesel prices.
- New international production from refineries in the Middle East, particularly <u>Kuwait</u>, have also increased the pool of gasoline and diesel on world markets.
- Increasing global refined products supply will contribute to easing international price pressure on both fuels.
- Expect gasoline consumption to remain relatively flat in 2024 and to decrease only slightly in 2025, by less than 1%. In both years, we expect slowing but consistent economic growth.
- Flat or decreasing gasoline consumption despite economic growth is relatively uncommon.
- Since 1990, gasoline consumption has declined amid positive economic growth in only two years (2010 and 2012).



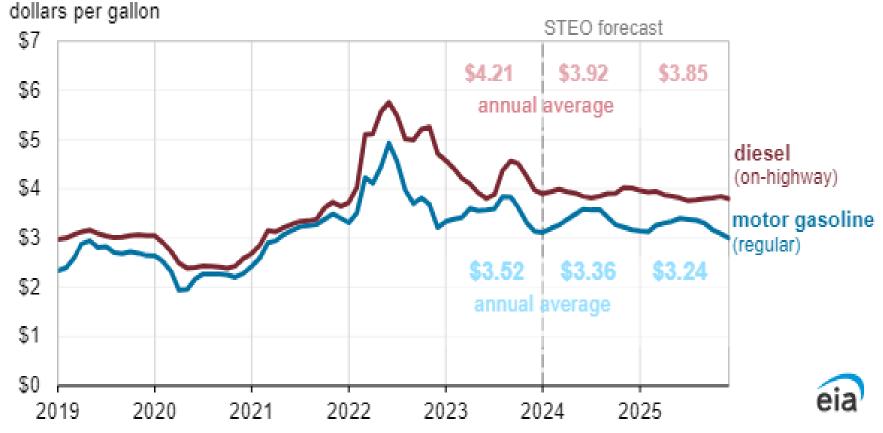
Short-Term Energy Outlook

- Although we can expect more diesel production and less strain on U.S. and global inventories to reduce diesel prices in 2024 and 2025, also expect annual U.S. average diesel consumption to grow modestly, by 1.3%, or about 50,000 b/d, in 2024 supported by continuing economic growth.
- Forecast for gasoline and diesel prices is subject to significant uncertainty, including any factors that might affect crude oil prices and pass through to retail fuel prices.
- In addition, prices could be higher if more unplanned refinery shutdowns, further disruptions to international trade flows, or new logistical bottlenecks that hinder the movement of fuels between regions occur.
- By early 2025, we currently expect LyondellBasell's Houston refinery in Texas will close and Phillips 66's Rodeo refinery in California will complete its ongoing conversion to renewable diesel production, although the timing of both may vary based on market conditions and the schedules of the owners.



EIA expects average U.S. gasoline and diesel prices to decrease in 2024 and 2025

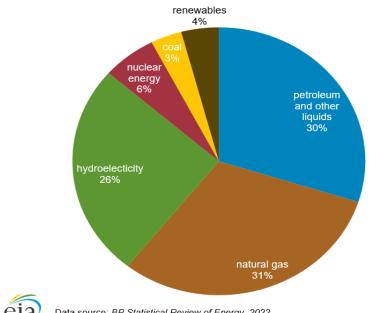
Monthly U.S. retail fuel prices (Jan 2019–Dec 2025)



Canada's Energy Industry

- Canada is a net exporter of most energy commodities and is a significant producer of natural gas, hydroelectricity, and crude oil and other liquids. Most of Canada's energy exports are destined for the United States.
- Canada ranked fourth in 2021 among top energy producers of petroleum and total liquids in the world, behind only the United States, Russia and Saudi Arabia.
- In 2021, energy consumption in Canada, which totaled 13 quadrillion British thermal units (quads), accounted for less than 3% of total world energy consumption.
- Canada's domestic consumption of energy largely consists of oil, natural gas, and hydroelectricity (Figure 1).

Figure 1. Total primary energy consumption in Canada by fuel type, 20





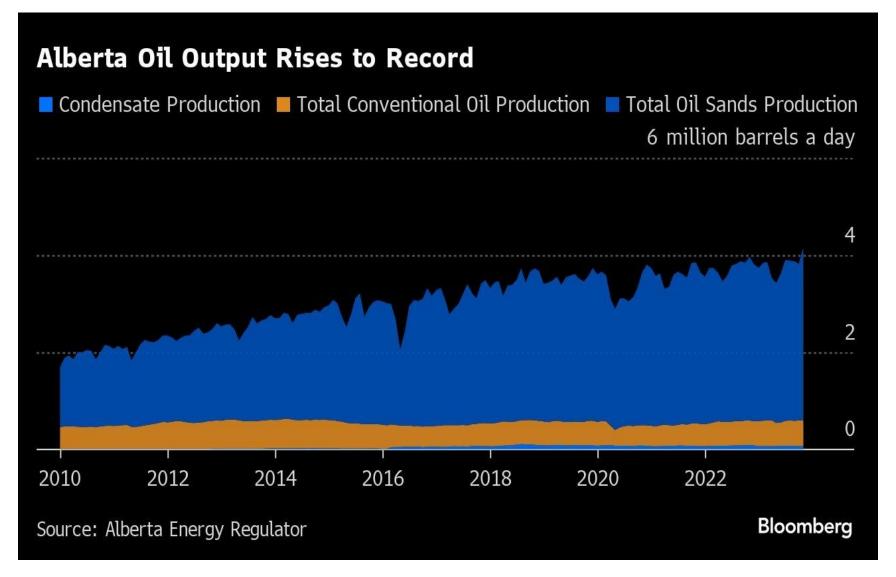
Data source: BP Statistical Review of Energy, 2022



Estimated Production of Canadian Crude Oil and Equivalent

WESTERN CANADA/OUEST CANADIEN

CONV. LIGHT/LÉGER CLASS.	582,590	589,571	597,898	596,026	538,025	547,107	577,251	585,728	547,555	383,579	554,533
AB UPGRADED BITUMEN/ BITUME VALORISÉ-AB 1		1,291,443	1,289,632	1,122,259	1,076,539	1,146,472	1,364,902	1,316,104	1,076,654	1,054,222	1,189,249
PENTANES PLUS	459,503	451,661	465,296	464,864	401,018	441,519	465,117	488,021	464,556	511,895	461,345
TOTAL LIGHT/LÉGER	2,196,355	2,332,675	2,352,826	2,183,149	2,015,583	2,135,099	2,407,270	2,389,853	2,088,765	1,949,695	2,205,127
CONV. HEAVY/LOURD CLASS.	439,723	445,495	444,333	445,970	442,624	434,304	438,464	434,503	427,795	143,375	409,659
AB NON-UPGRADED BITUMEN											
BITUME NON VALORISÉ-AB ²	1,996,453	1,958,751	1,967,664	1,805,405	1,804,685	1,917,206	1,947,481	1,968,528	2,203,028	2,158,454	1,972,765
TOTAL HEAVY/LOURD	2,436,176	2,404,246	2,411,997	2,251,375	2,247,309	2,351,510	2,385,945	2,403,031	2,630,823	2,301,829	2,382,424
TOTAL WESTERN CANADA/											
OUEST CANADIEN	4,632,531	4,736,922	4,764,823	4,434,523	4,262,892	4,486,608	4,793,215	4,792,884	4,719,588	4,251,525	4,587,551
TOTAL EASTERN CANADA/ EST CANADIEN	234,877	208,164	191,652	218,210	216,635	204,922	213,199	206,930	113,598	191,058	199,924
TOTAL CANADA	4,867,408	4,945,086	4,956,475	4,652,734	4,479,528	4,691,530	5,006,414	4,999,814	4,833,186	4,442,582	



Production is surging as oil-sands companies prepare for an expansion of the Trans Mountain pipeline — which runs from the province to Canada's Pacific Coast — to start up this year, giving them 590,000 barrels of new export capacity.

Magnusson Consulting Group

83

Canadian Crude Oil Exports by Rail – Bbl

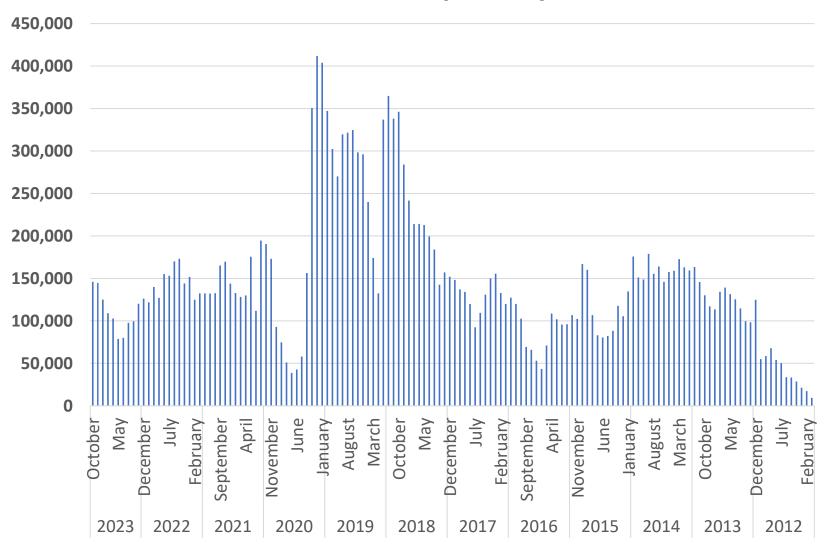
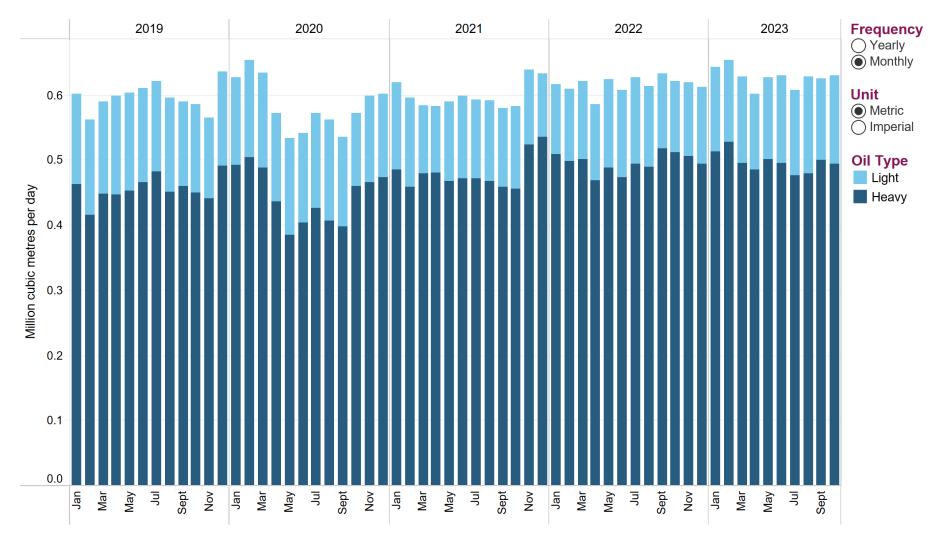
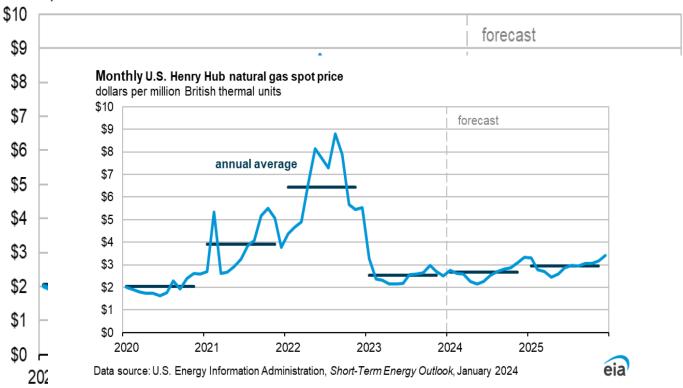


Figure 1: Canadian Crude Oil Exports by Type



Monthly U.S. Henry Hub natural gas spot price

dollars per million British thermal units



Data source: U.S. Energy Information Administration, Short-Term Energy Outlook, January 2024



Natural Gas Supply And Demand

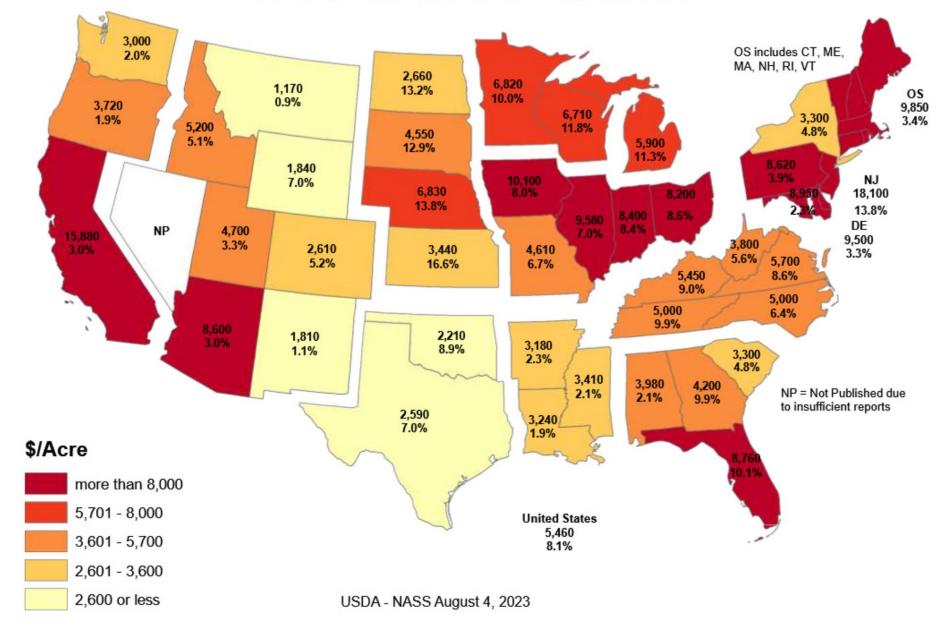
- EIA forecasts supply of natural gas, including both production and imports, to increase by more than 1 billion cubic feet per day (Bcf/d) in 2024, while demand for natural gas, including domestic consumption and exports, rises by almost 2 Bcf/d.
- Demand growth in our forecast is mostly the result of growth in exports.
- EIA estimates that the United States began 2024 with 14% more natural gas in storage than the previous five-year average.
- Although expect demand growth to outpace supply growth by 0.7 Bcf/d this year and reduce the surplus to the five-year average to 8% by the end of the year, the forecasted that inventories will remain high enough to limit significant upward pressure on prices.
- The modest natural gas supply growth in our 2024 forecast is driven by a 1.5 Bcf/d increase in production, offset slightly by a 0.4 Bcf/d decrease in imports.
- Forecasted consumption in the residential and commercial sectors to increase in 2024 because we expect colder weather than in 2023, which started and ended with warmer-than-average temperatures.
- It is forecasted that there will be slight consumption increase in the electric power sector this year.
- Rising consumption in these sectors is offset by decreases in the industrial sector.
- We expect exports of natural gas, both by pipeline and as LNG, will increase in 2024.





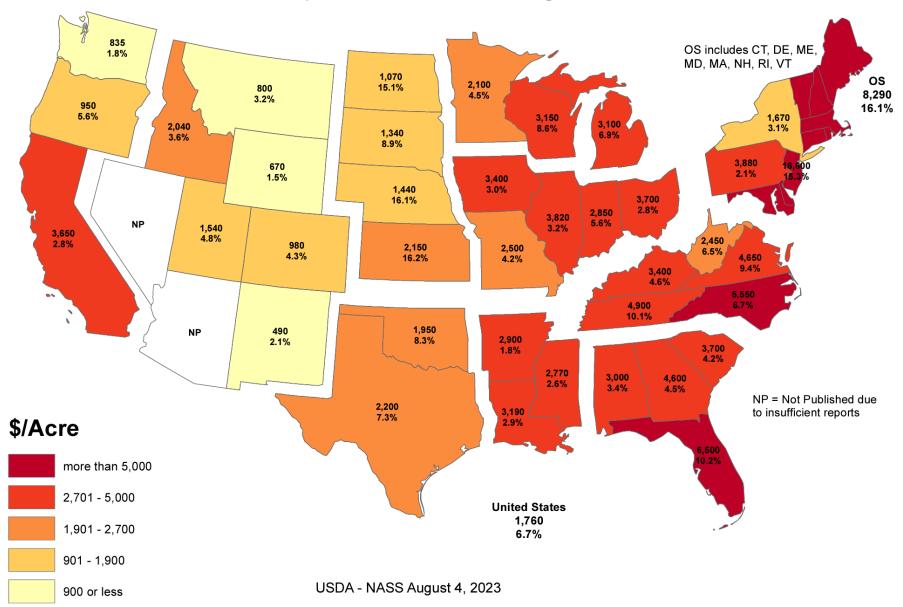
2023 Cropland Value by State

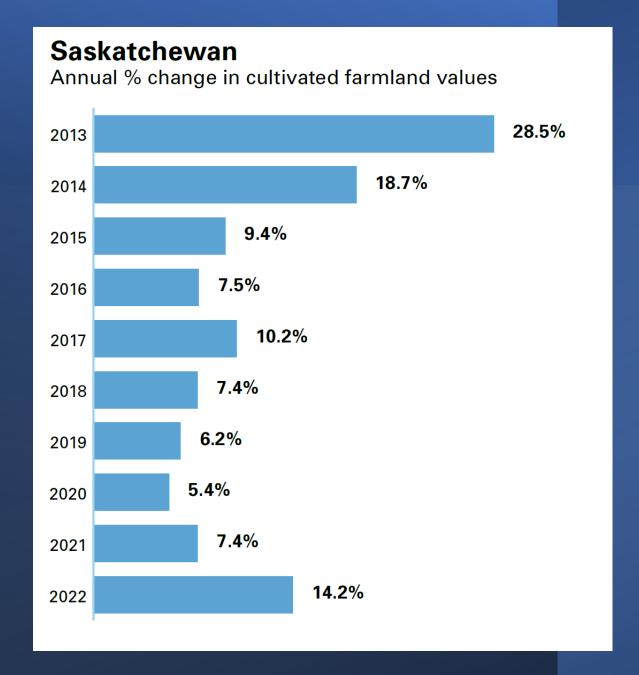
Dollars per Acre and Percent Change from 2022



2023 Pasture Value by State

Dollars per Acre and Percent Change from 2022





Cultivated Land

Saskatchewan farmland regions

	% change	Value \$/acre*	Value range**
1 North Western	9.0%	\$2,500	\$1,300 – \$4,100
2 North Eastern	24.2%	\$3,000	\$1,400 - \$4,200
3 West Central	17.2%	\$2,800	\$1,300 – \$6,000
4 East Central	13.4%	\$2,200	\$1,300 - \$3,600
5 South Western	11.0%	\$2,200	\$1,000 - \$3,400
6 South Eastern	13.3%	\$2,500	\$1,300 - \$5,200
West Central and South Western (irrigated)	26.0%	\$6,300	\$5,700 – \$8,000

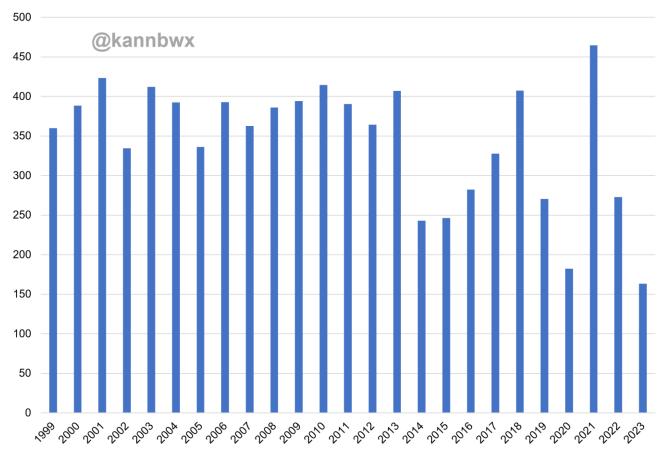
Canadian Fam Land – Price Increase

PROVINCES	AVERAGE % CHANGE JAN 2023 - JUNE 2023 (6 MONTHS)	AVERAGE % CHANGE JULY 2022 - JUNE 2023 (12 MONTHS)	AVERAGE % CHANGE JAN 2022 – DEC 2022 (12 MONTHS)
B.C.	0.0	1.8	8.0
Alta.	3.0	6.0	10.0
Sask.	11.4	17.0	14.2
Man.	6.4	12.8	11.2
Ont.	6.9	10.8	19.4
Que.	10.6	11.3	11.0
N.B.	N/A	N/A	17.1
N.S.	N/A	N/A	11.6
P.E.I.	N/A	N/A	18.7
N.L.	N/A	N/A	N/A
Canada	7.7	12.2	12.8



Precipitation (mm) in North Mato Grosso, Brazil

October – November



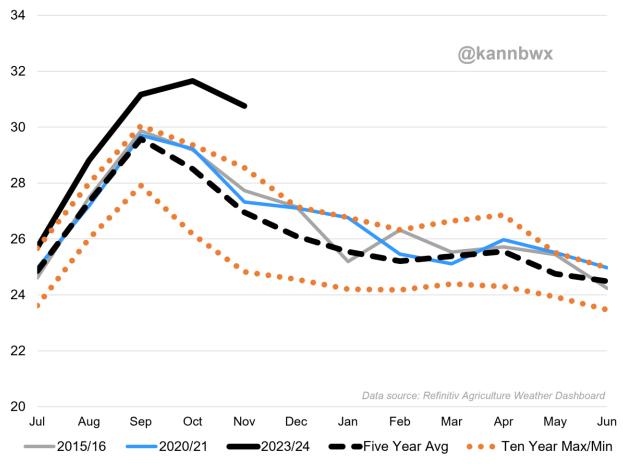
Data source: Refinitiv Agriculture Weather Dashboard

Mato Grosso grows about 27% of Brazil's soybeans and accounts for almost 30% of the country's soybean export program, the world's largest.

Dryness is not Mato Grosso's only problem, as average temperatures during the last two months were about 3.5 degrees Celsius (6.3 degrees Fahrenheit) above normal across all soybean-producing regions of the state, significantly higher than sanything observed in at least the last decade.

95

Monthly Average Temperature (°C) in Mato Grosso, Brazil*

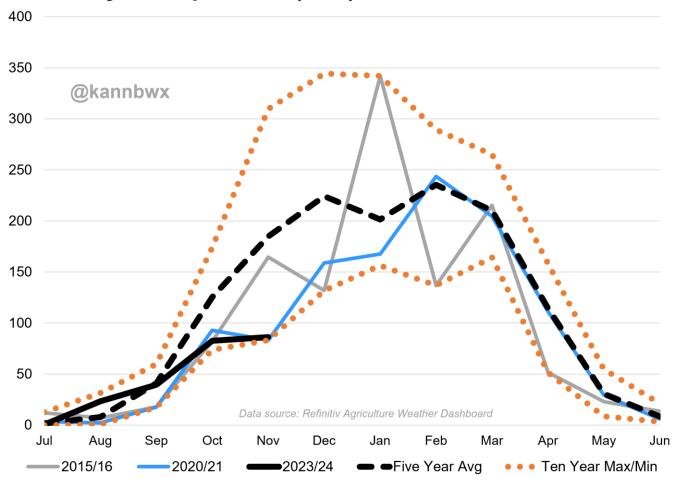


*Weighted regionally for soybean production

- This combination of hot and dry weather has caused <u>considerable crop stress</u>, and some farmers there have abandoned their soybean fields to plant cotton instead.
- Although October-November precipitation in Mato Grosso was about half normal levels, it was not unprecedented, as nearly the exact total was observed three years ago. In 2020-21, rainfall in the critical months of December and January was also markedly below average.

 Magnusson Consulting Group

Monthly Precipitation (mm) in Mato Grosso, Brazil*

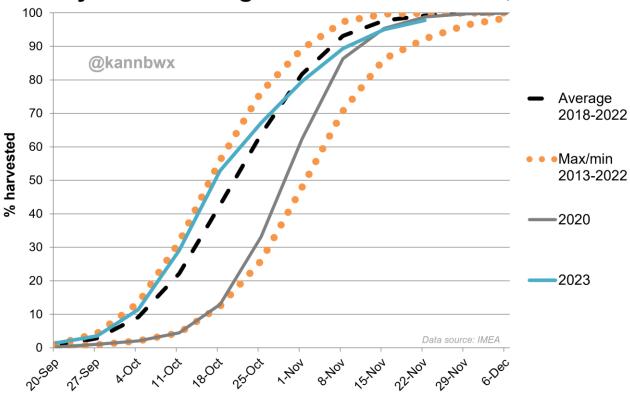


*Weighted regionally for soybean production

- Mato Grosso's 2021 soybean yields were close to average despite this rougher weather, though there are some differences versus this year to consider, including the lack of extreme temperatures three years ago.
- In 2020, the state's planting progress was about two weeks behind normal schedule as of early November.

 Although delays are usually concerning, it may have worked to the crop's advantage in this case because it allowed for later development when precipitation amounts were greater.

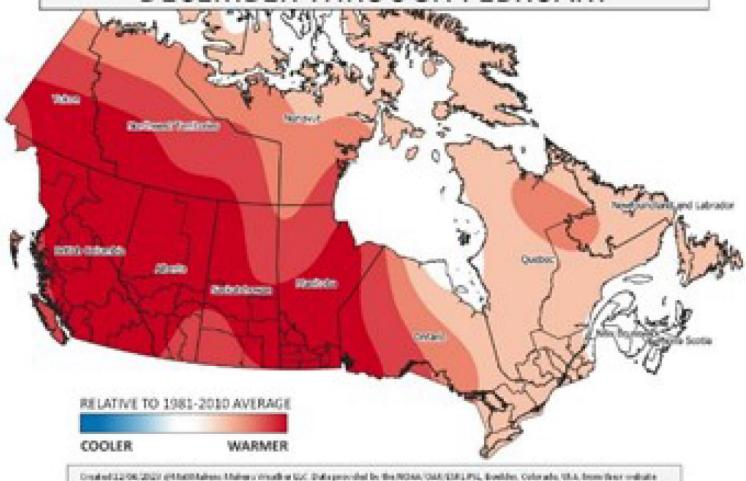
Soybean Planting Pace in Mato Grosso, Brazil



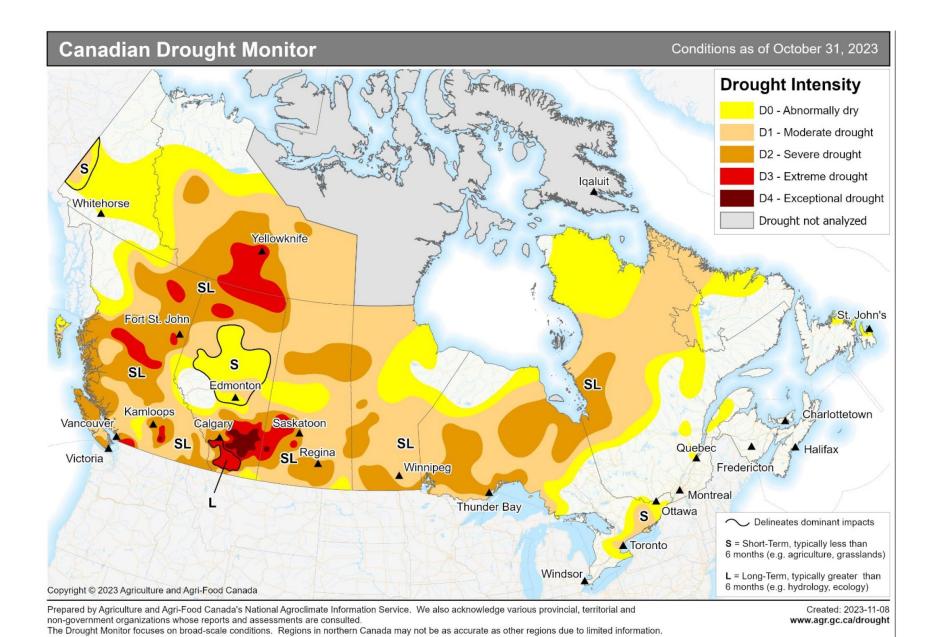
- December 2020 rainfall was about 30% below normal, but the amount, about 160 mm or over 6 inches, was double what had been received in November, potentially keeping the crop going.
- ➤ This year, soybean planting in Mato Grosso was ahead of the average pace through late October, though the last 20% or so went in slowly due to the dryness. This could make an argument for any later planted or replanted beans in the state to thrive should December rains come through.



TEMPERATURES BASED ON ANALOG YEARS DECEMBER THROUGH FEBRUARY



PRECIPITATION BASED ON ANALOG YEARS DECEMBER THROUGH FEBRUARY Northwest Townson, RELATIVE TO 1981-2010 AVERAGE DRIER WETTER Created 12/06/2019 @ northholes World in Walter Ltd. CPCC mediate brodule provider to the MCMACRE/LLTB, No. der. Colorado, U.S.

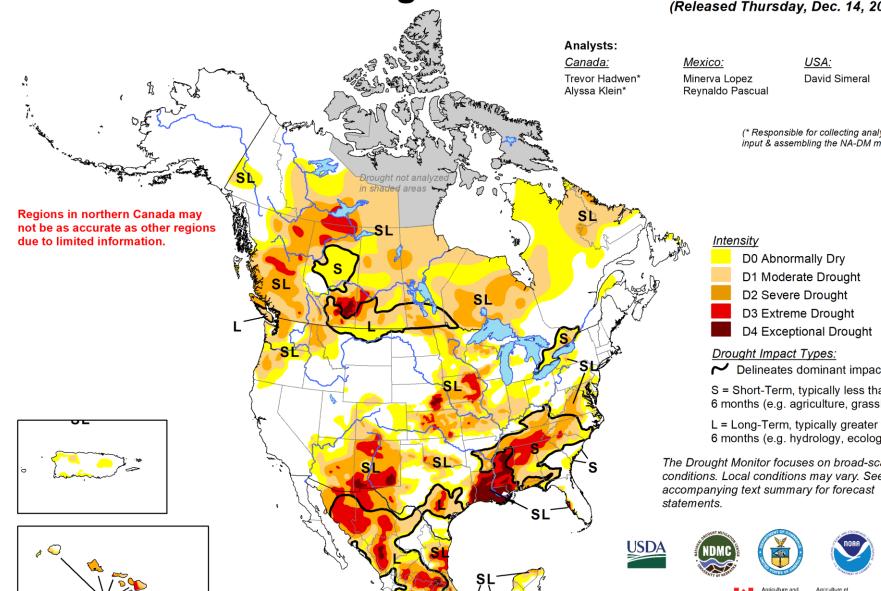


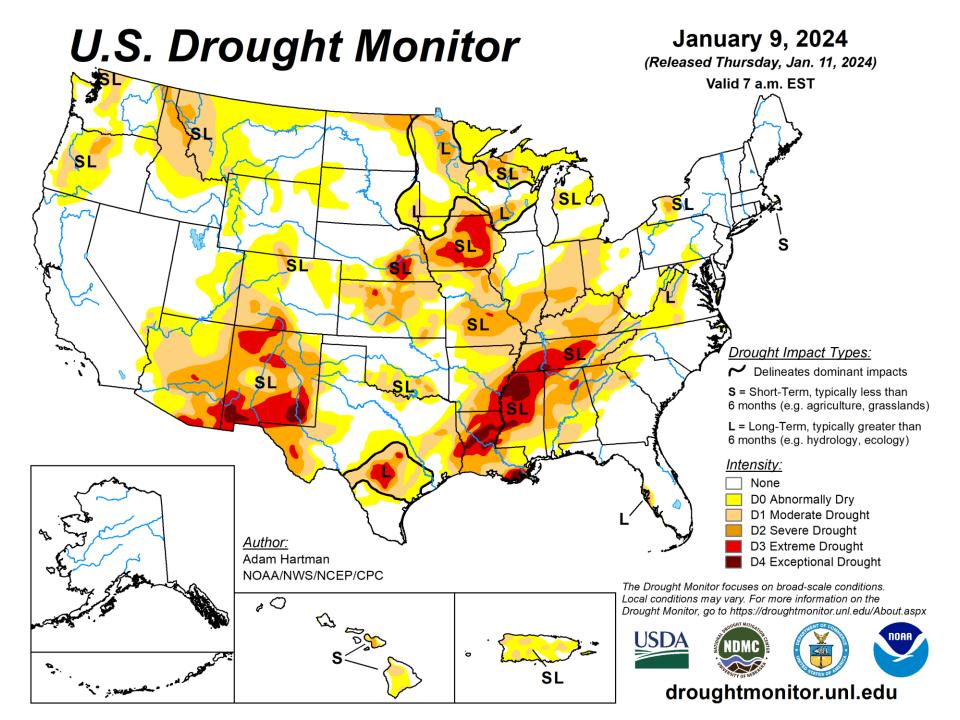
North American Drought

North American Drought Monitor

November 30, 202

(Released Thursday, Dec. 14, 20





Ukraine – Russia



Ukraine: Wheat Production Belarus Russia Rivnenska Chernihivska Volynska 3% Sumska 3% 4% Zhytomyrska 2% Kyivska 3% Lvivska Kharkivska **Poltavska** Ternopilska Khmelnytska 4% 8% Luhanska Cherkaska 5% 4% 3% Vinnytska Ivano-Frankivska 7% Zakarpatska Kirovohradska Dnipropetrovska Chernivetska Donetska 4% 7% 5% Romania Mykolaivska Zaportzka 7% 5% Moldov **Production** Khersonska 5-year average 6% 2016-20, '000 metric tons **Odeska** ≤ 1,000 1,001 - 1,500 Krym 1,501 - 2,300 3% Percentages (%) shown on map indicate percent of national production.





The ports to be opened:

- "Odesa"
- "Chornomorsk"
- "Pivdennyi"

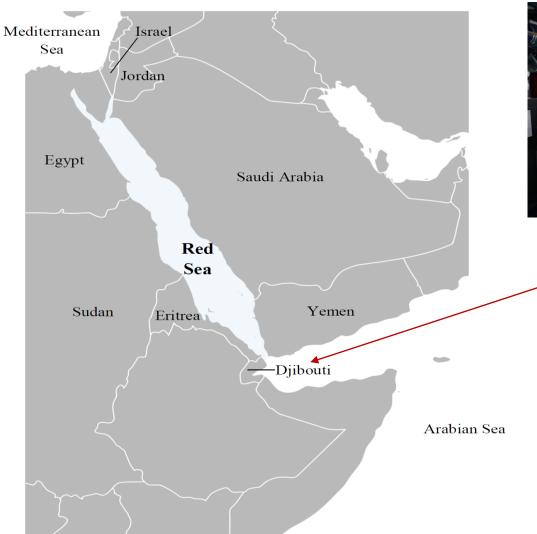




Middle East Conflict



Red Sea









Adds 10 Days and 3,500 Nautical Miles

Why is This Shipping Route So Important?

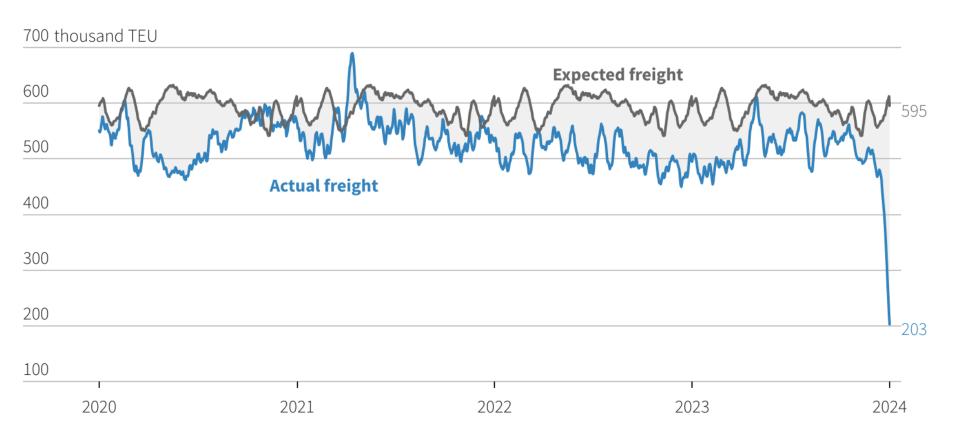
- 17,000 22,000 Ships pass through the Suez Canal each year
- 12% of Global Trade passes through the Red Sea
- \$1 Trillion in Value
- 1.74 million bpd of Oil



Militant attacks affect shipping movement

Freight container volumes through Red sea region have fallen by around 65% from expected values.

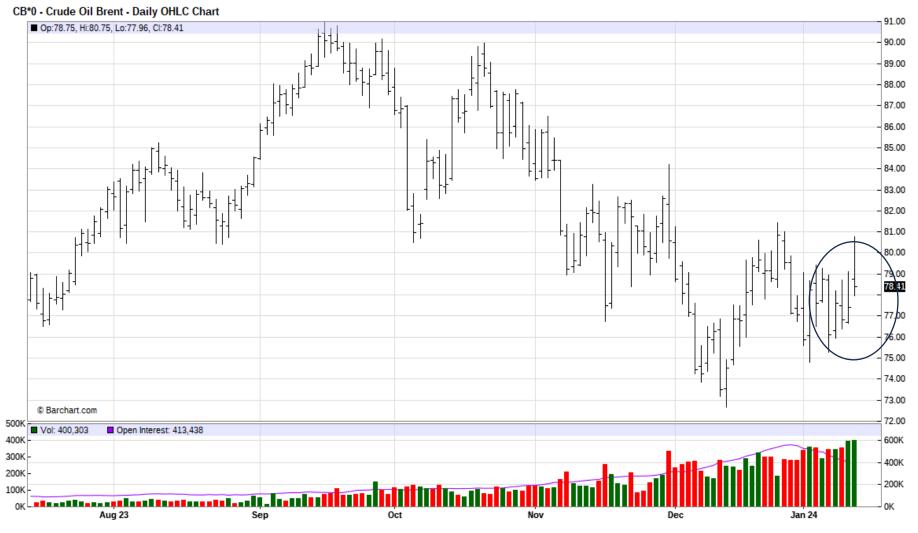
Daily freight capacity in Red sea



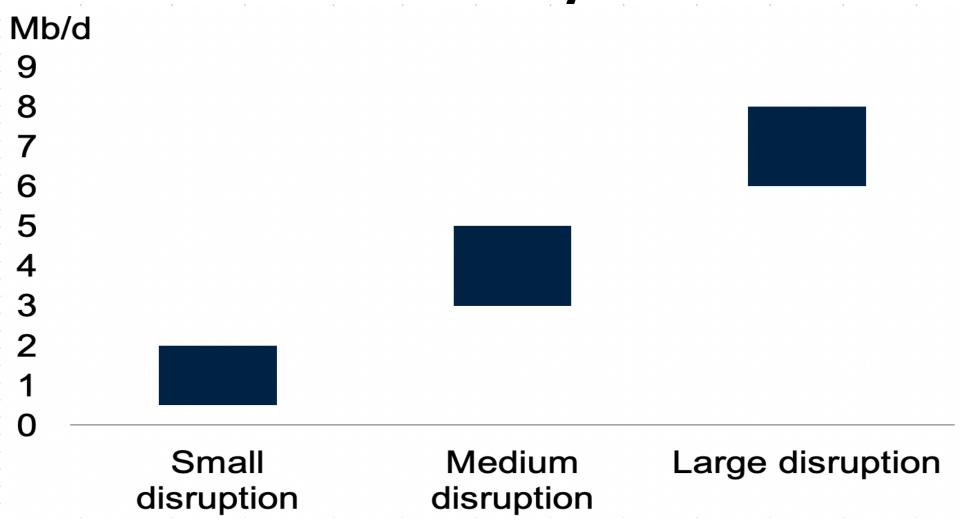
Note: TEU refers to twenty foot container

Source: Kiel Institute for the World Economy | Reuters, Jan. 11, 2024

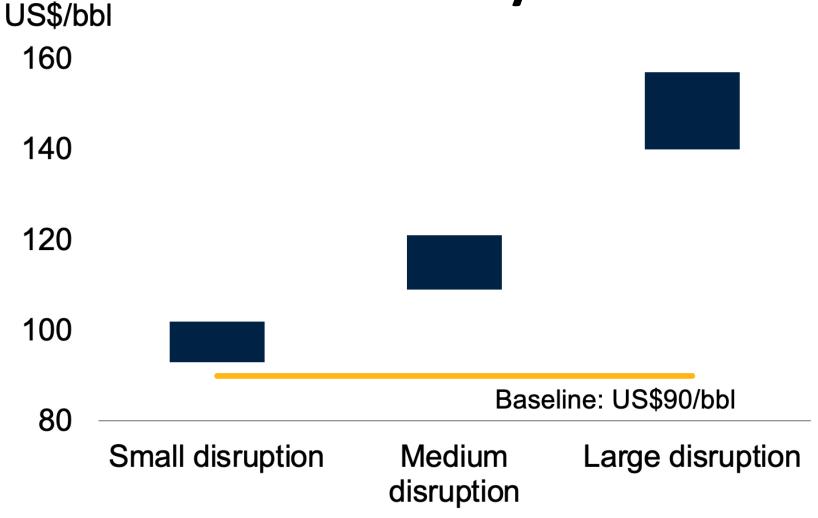
Brent Crude – Jan 12, 2024



Declines in Oil Supply by Conflict Intensity



Declines in Oil Price by Conflict Intensity



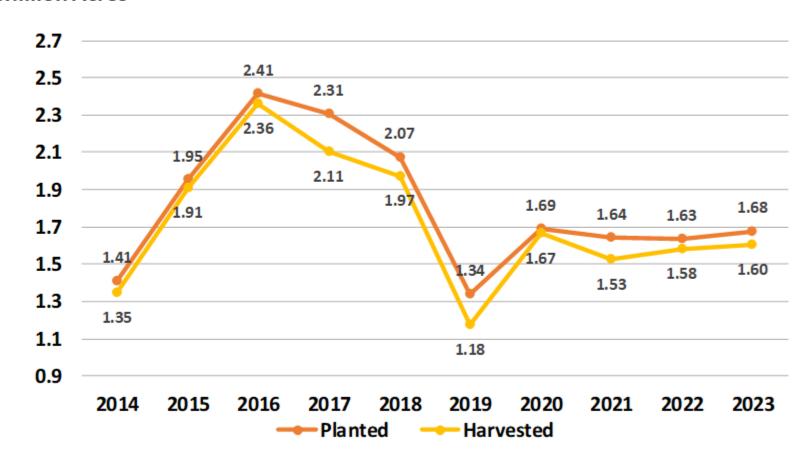


Durum Wheat Acres



United States

Million Acres



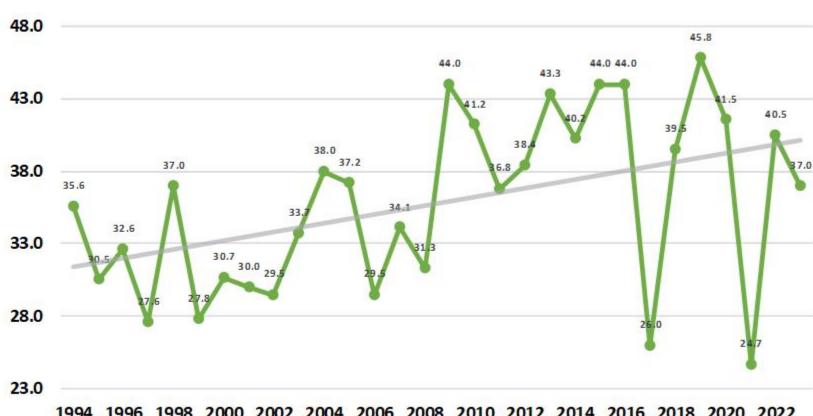


Durum Wheat Yield



United States

Bushels per Acre



1994 1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022

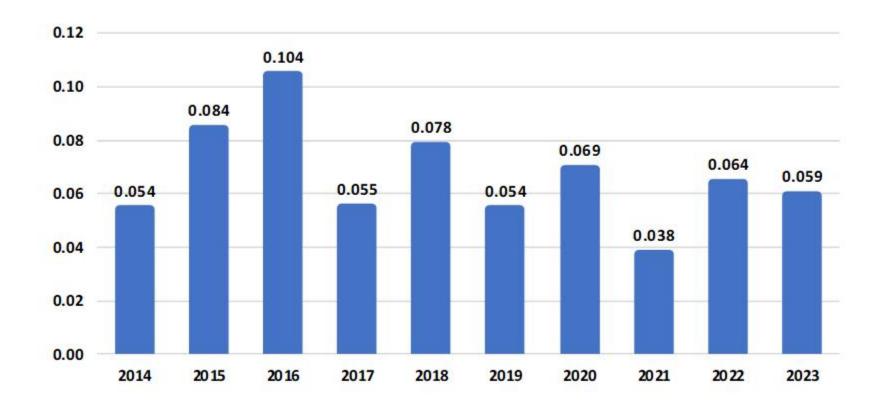


Durum Wheat Production

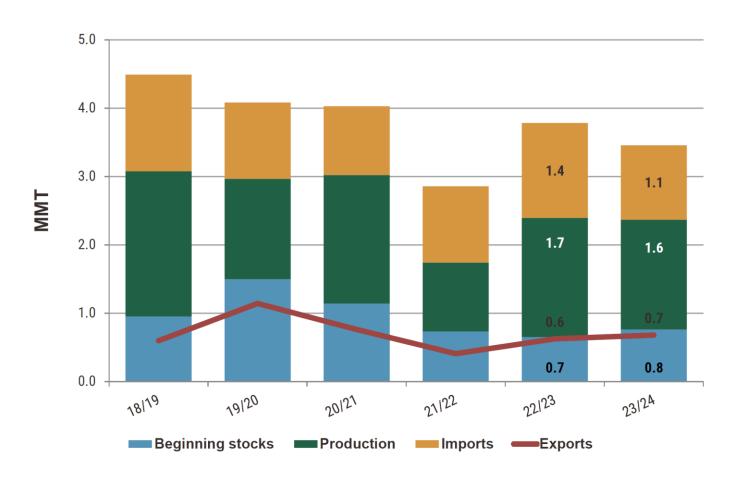


United States

Billion Bushels



U.S. Durum



Canadian Durum – Old Crop

- For 2023-24, production of Canadian durum is estimated at 4.0 million tonnes (Mt), 30% less than last year's volume, due to dry and hot weather throughout the growing season.
- Statistics Canada's (STC) December estimate was revised down from the 4.1 Mt forecast in their September report.
- Total supply is forecast at 4.5 Mt, 30% less than in 2022-23.
- Domestic use is forecast to drop marginally to 0.8 Mt with a reduction in feed use.
- Carry-out stocks are forecast to rise 10% from the record-low level set in 2022-23; they are pegged at 0.45 Mt.
- The export forecast is lowered 3% from the November estimate because of sluggish exports to-date.
- According to STC, Canada shipped 0.6 Mt of durum from August to November 2023, 29% less than for the same time period in 2022-23 and 30% below average levels.



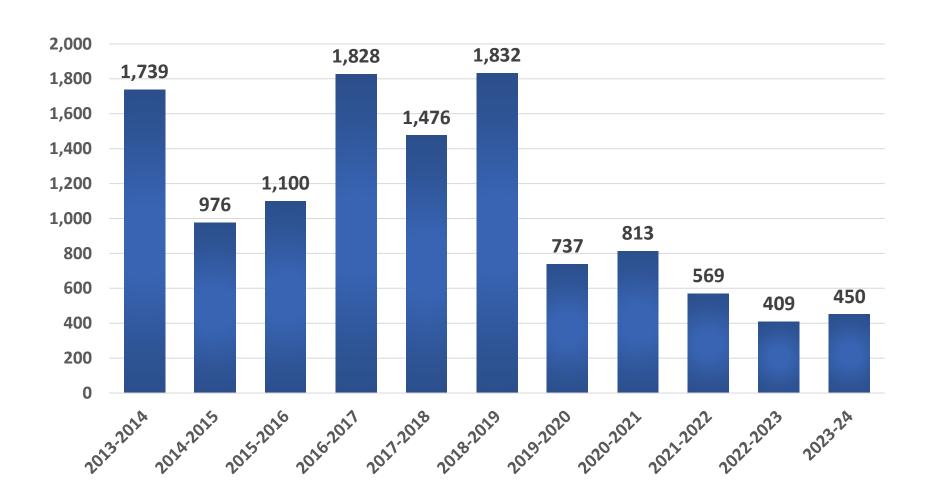
Canadian Durum – Old Crop

- According to the International Grains Council, world durum production is forecast to fall to 31.4 Mt in 2023-24, down 9% compared to the previous year due to dry weather curbing yields in North America, North Africa, and Europe.
- Total supply is forecast at 38.7 Mt, down 8% year-on-year.
- Consumption is forecast down 3% compared to 2022 levels despite an uptick in trade.
- Global exports are forecast to grow by 0.1 Mt to 9.1 Mt in 2023-24 thanks to an increase in shipments from Turkey at globally competitive prices.
- Closing stocks are currently pegged at 4.9 Mt, with major exporters' share dropping to 2.0 Mt, the lowest since 1997-98.
- The US durum supply is estimated at 3.5 Mt, down 8% compared to 2022-23. Despite the reduction, exports are anticipated to grow to 0.7 Mt while ending stocks are pegged at 0.5 Mt, down from 0.8 Mt the year before.
- The average spot price for Canadian Western Amber Durum No. 1, 13% protein content in Saskatchewan for the 2023-24 crop year is forecast at \$475/tonne.

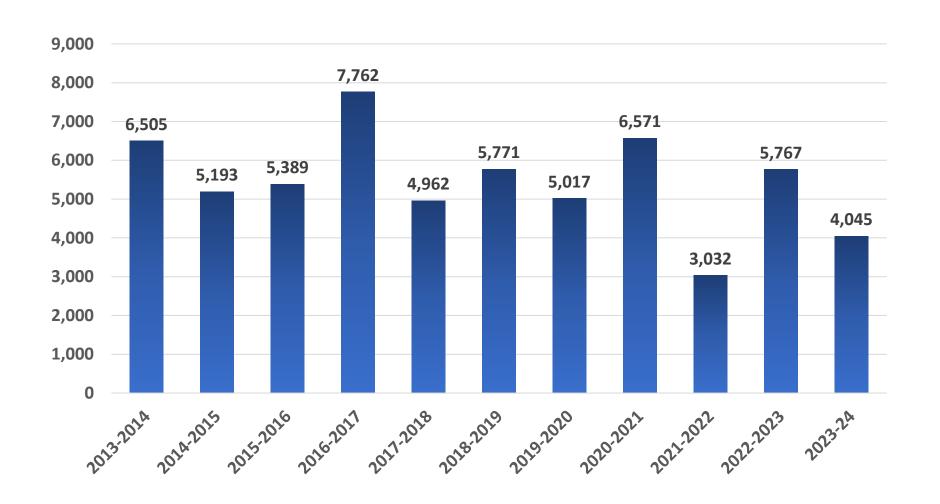
1CWAD



Canadian Durum Ending Stocks - mt



Canadian Durum Production - mt



DURUM PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

Economics

CROP	DU	DURUM 80th percentile		
	80th ₁			Average Yield
Soil Zone	Brown	Dark Brown	Brown	Dark Brown
REVENUE PER ACRE				
Estimated Yield (bu./ac) (A)	39.7	56.2	30.9	46.3
Est. On Farm Market Price \$/bu. (B)	11.00	11.00	11.00	11.00
Estimated Gross Revenue/ac (AxB)=C	436.48	618.42	339.46	509.3
EXPENSES PER ACRE				
EXPENSES PER ACRE Variable Expenses/acre				
Seed	33.25	36.40	33.25	36.40
-Seed Treatments/Inoculants	7.00	7.67	7.00	7.67
	53.85	77.05	53.85	7.07 77.05
Fertilizer -Nitrogen (N) -Phosphorous (P2O5)	19.72	28.06	19.72	28.06
-Priospriorous (P2O5) -Sulphur and Other	0.00	0.00	0.00	0.00
Plant Protection -Herbicides	16.29	16.29	16.29	16.29
-Insecticides	29.20	29.20	29.20	29.20
-Fungicides	19.35	29.20 19.35	19.35	19.35
-Fungicides Machinery Operating -Fuel	15.88	19.85	15.88	19.35
	10.66	12.02	10.66	19.85
-Repair Custom Work and Hired Labour	22.75	22.50	22.75	22.50
Custom work and nined Labour Crop Insurance Premium	11.78	22.50 14.14	11.78	14.14
Hail Insurance Premium	14.00	14.14		
			14.00	14.00
Utilities and Miscellaneous	3.41	4.48	3.41	4.48
Interest on Variable Expenses	7.90	9.25	7.90	9.25
Total Variable Expenses (D)	265.04	310.25	265.04	310.25
Other Expenses/acre				
Building Repair	0.64	0.86	0.64	0.86
Property Taxes	4.43	5.80	4.43	5.80
Business Overhead	2.38	3.63	2.38	3.63
Total Other Expenses (E)	7.45	10.30	7.45	10.30
Labour and Management (F)*				
Total Expenses (D+E+F)=(G)	272.49	320.54	272.49	320.54
Net Income Per Acre	163.99	297.88	66.97	188.76
Less: Living Cost	32.00	32.00	32.00	32.00
Debt payment Per Acre	100.00	100.00	100.00	100.00
Residula For Growth	31.99	165.88	-65.03	56.76

Highlights of USDA's 2023/24 Wheat S&D Estimates

2023/24 global wheat production forecast at 784.9 MMT

Global consumption MMT -796.4 MMT Wheat consumption outpaces production by 11.5 MMT World wheat -209.5 MMT

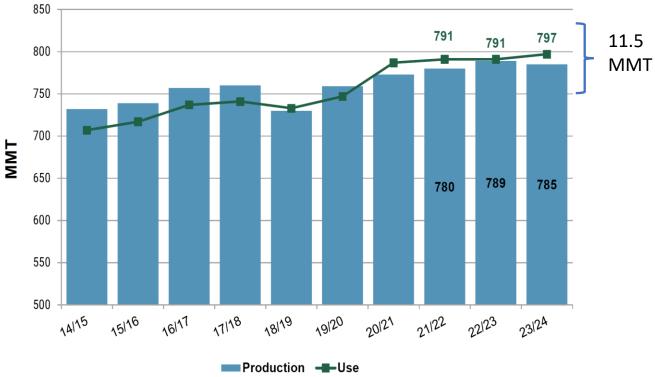
Increases were recorded for Australia (+500,000 MT), Canada (+500,000 MT), Russia (+1.0 MMT), and Ukraine (+1.5 MMT)

Increases more than offset a reduction in the EU (-1.0 MMT) Global ending stocks - 260.0 MMT

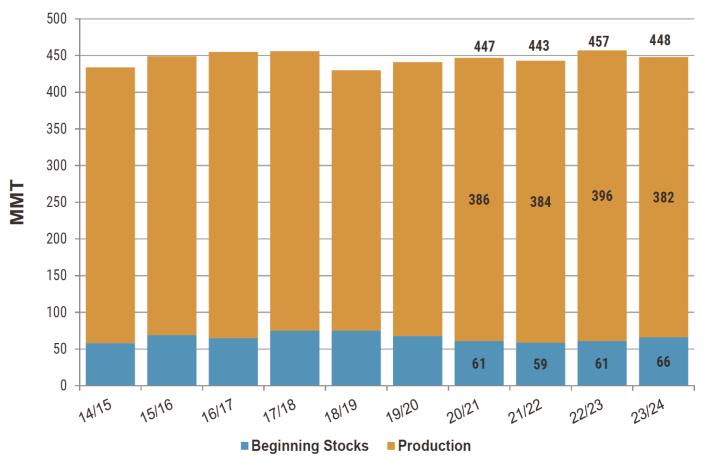
Ending stocks decreased in the Australia (-500,000 MT), Canada (-500,000 MT); however, increases for the EU (+2.5 MMT) and Ukraine (+1.8 MMT) more than offset the declines The U.S. ending stocks decreased by 17.6 MMT.

World Production and Use





Supplies in Top Exporting Countries*

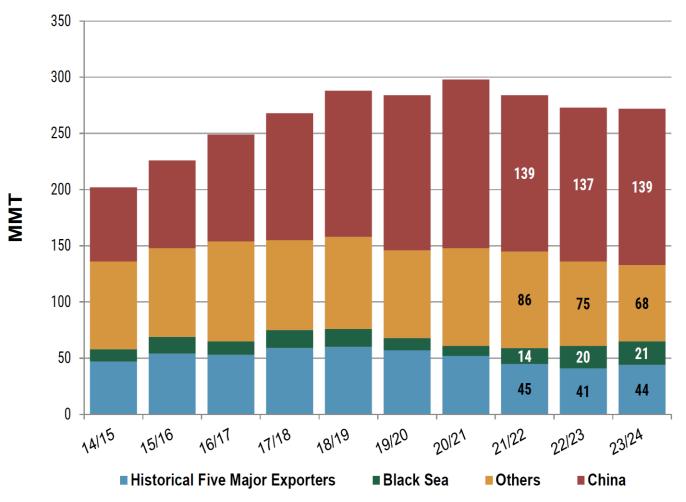


*Includes U.S., Canada, Australia, Argentina, EU, Russia, Ukraine and Kazakhstan

World Wheat Supply and Demand (MMT)

		<u>21/22</u>	<u>22/23</u>	<u>23/24</u>
SUPPLY:	Beginning Stocks	284	273	272
	Production	780	789	785
	Supply Total	1064	1062	1056
	Ending Stocks	273	272	260
TRADE:	Exports/Imports	203	220	210
DEMAND:	Food & Seed	631	637	635
	Feed & Residual	160	154	161
	Use Total	791	791	796

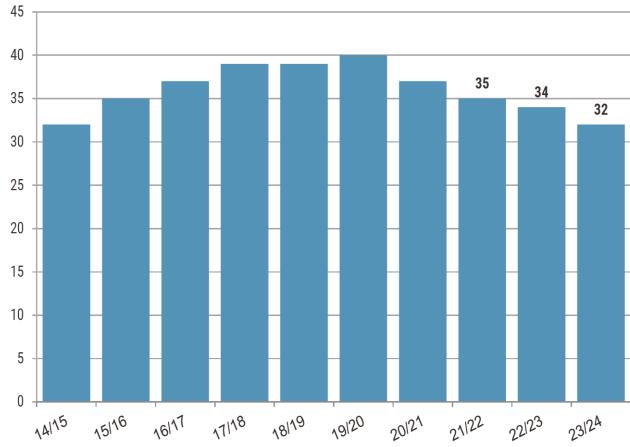
World Beginning Stocks



Historical Five Major Exporters include U.S., Canada, Australia, Argentina and EU. Black Sea includes Russia, Ukraine and Kazakhstan.

Global Stocks*-to-Use Ratio

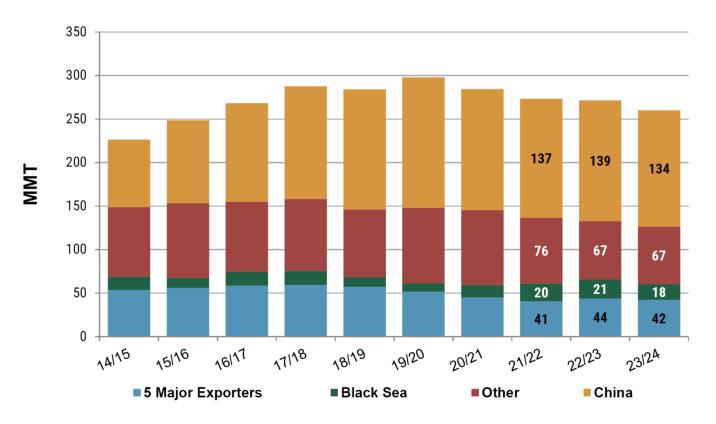




*Ending stocks

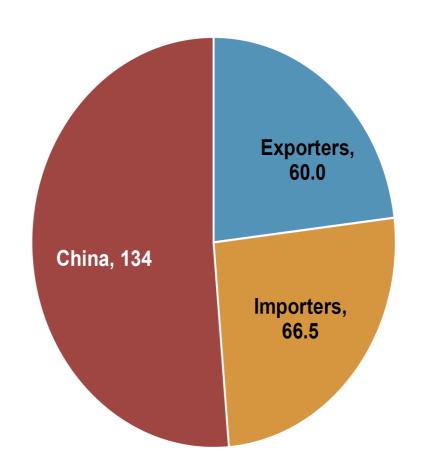
Percent

World Ending Stocks

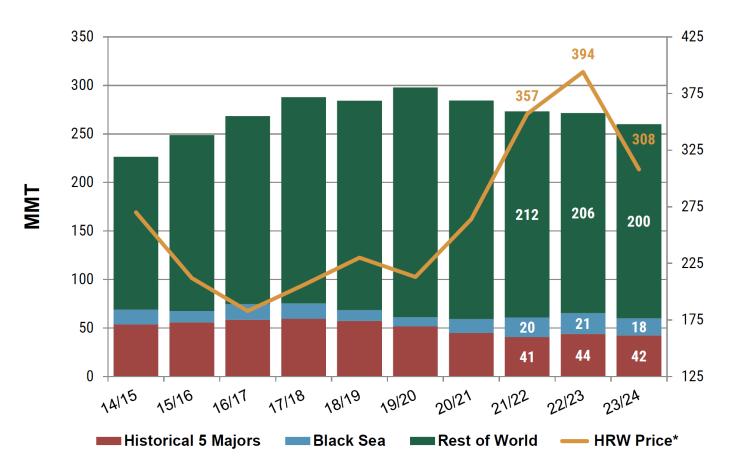


Historical Five Major Exporters include U.S., Canada, Australia, Argentina and EU. Black Sea includes Russia, Ukraine and Kazakhstan.

World Ending Stocks by Position (MMT)

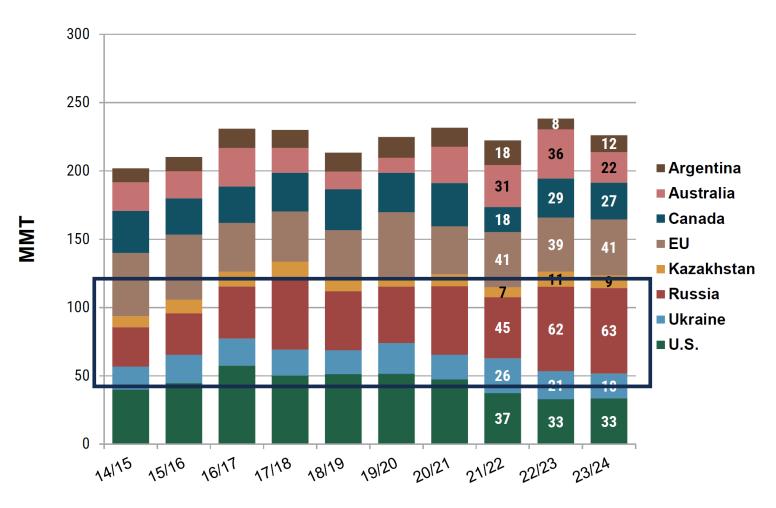


Global Ending Stocks and Price



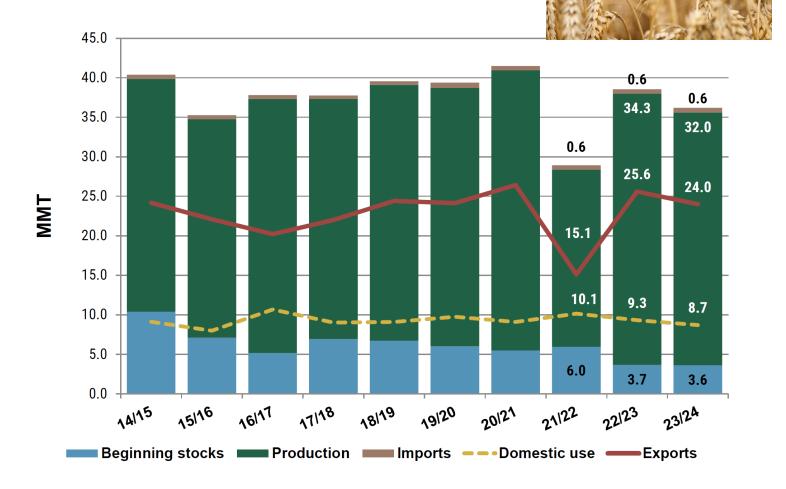
*Source: U.S. Wheat Associates Price Report, January 12, 2024

Exportable Supplies in Top Exporting Countries

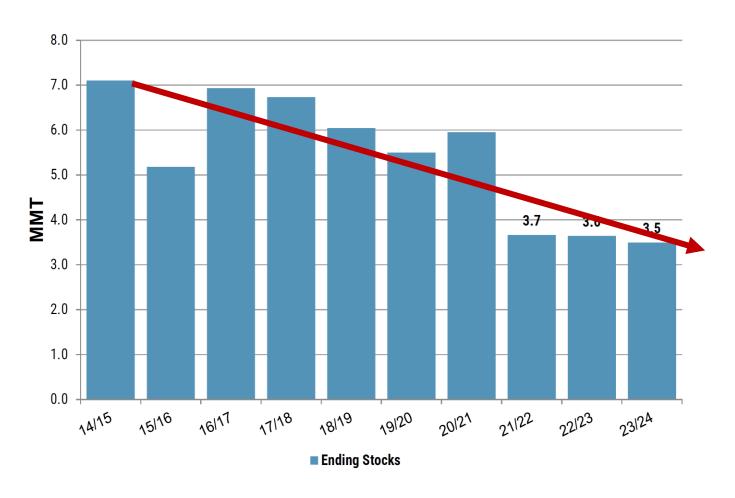


*Exportable Supplies = (Beginning Stocks + Production) – Domestic Consumption

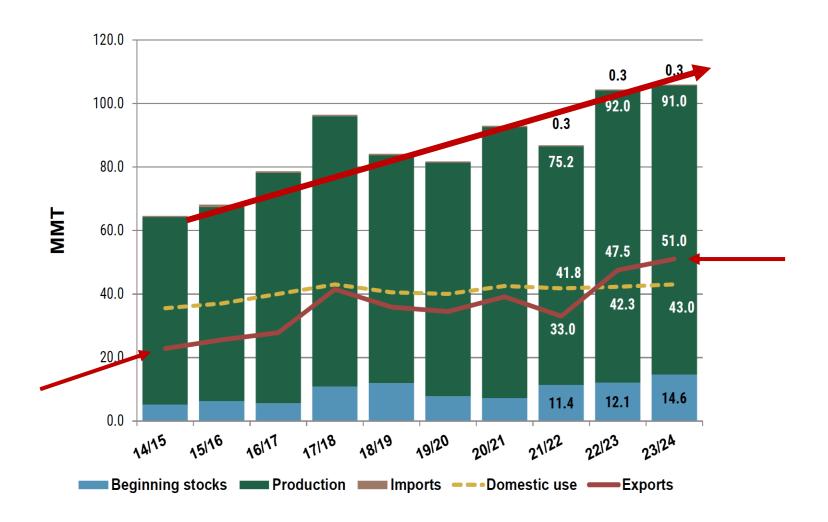
Canada Situation



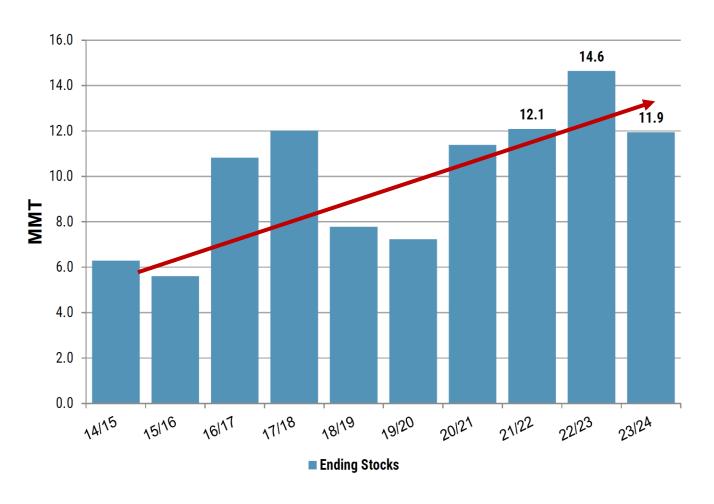
Canada Ending Stocks



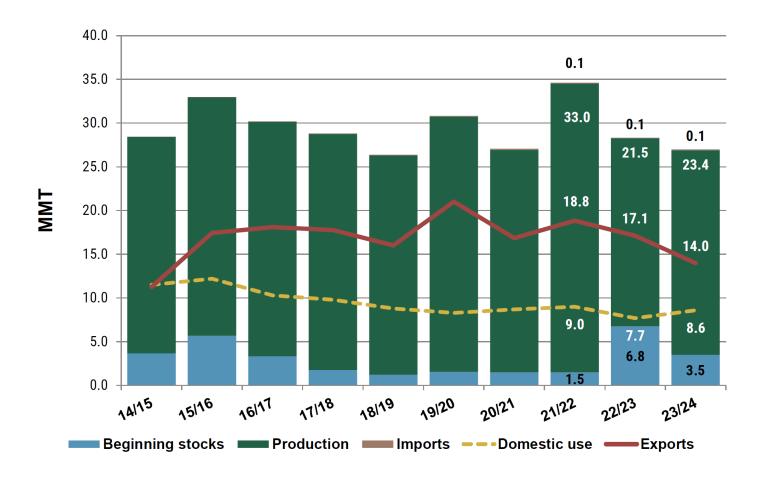
Russia Situation



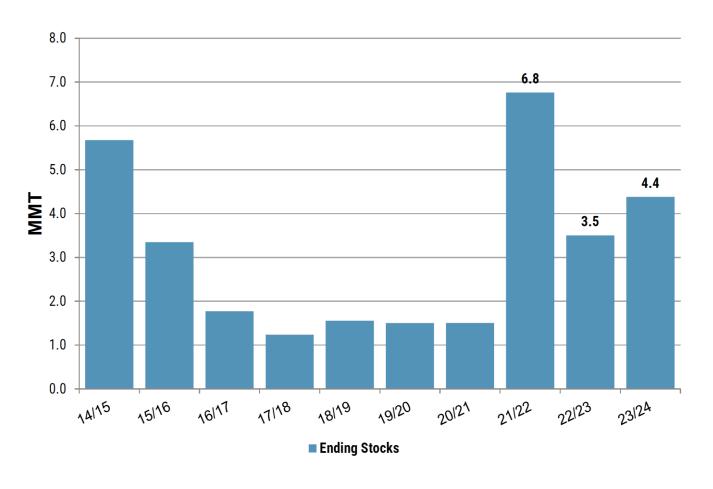
Russia Ending Stocks



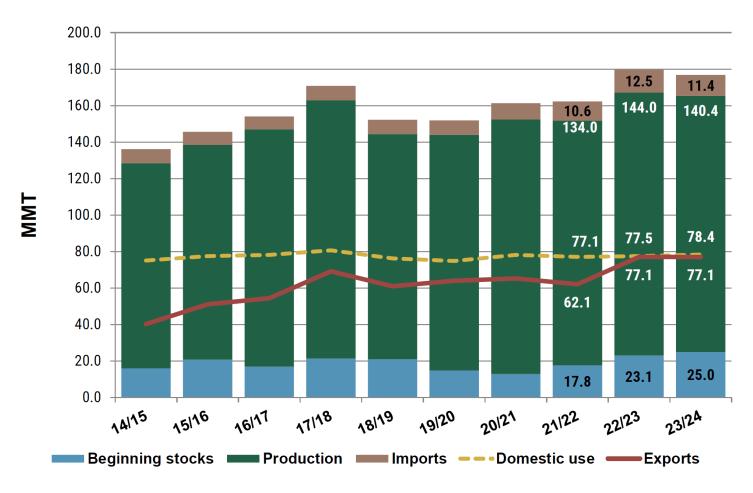
Ukraine Situation



Ukraine Ending Stocks

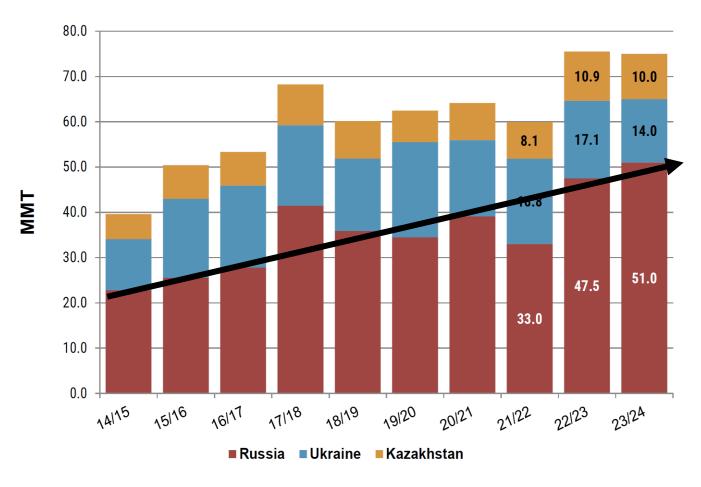


Black Sea Region Situation



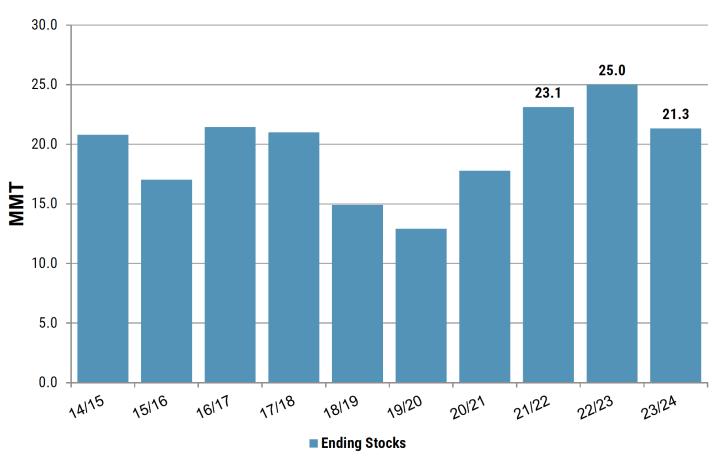
Russia, Ukraine and Kazakhstan are the most important wheat producers in the Black Sea Region.

Black Sea Exports



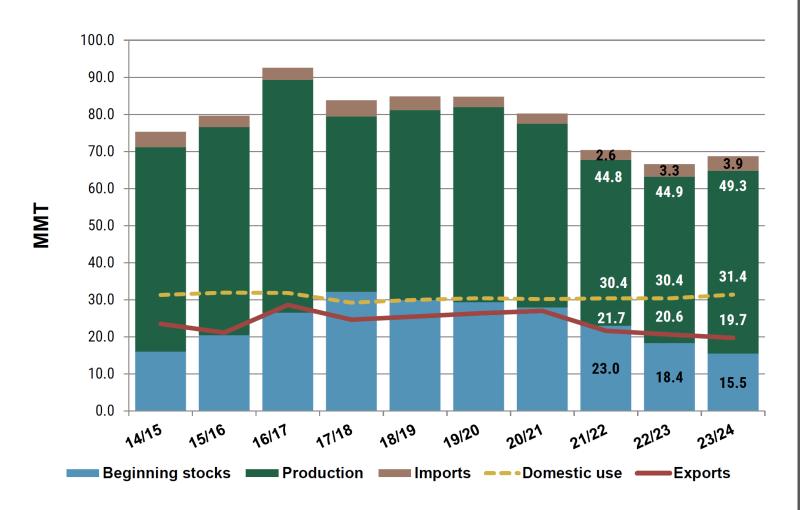
Russia, Ukraine and Kazakhstan are the most important wheat producers in the Black Sea Region.

Black Sea Ending Stocks

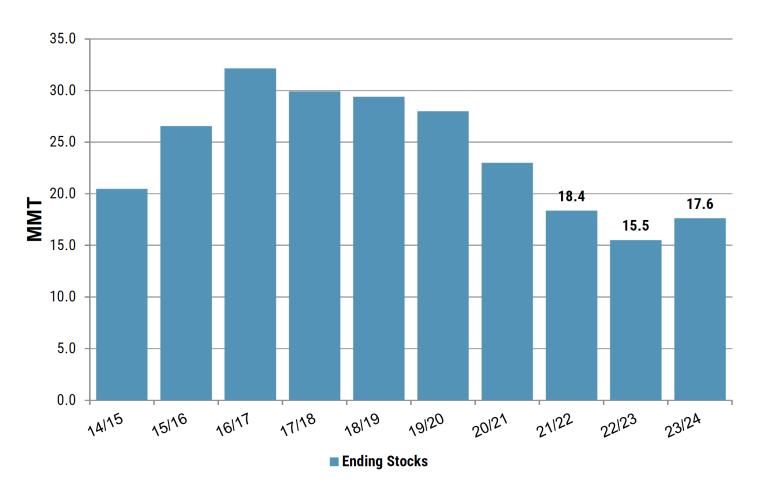


Russia, Ukraine and Kazakhstan are the most important wheat producers in the Black Sea Region.

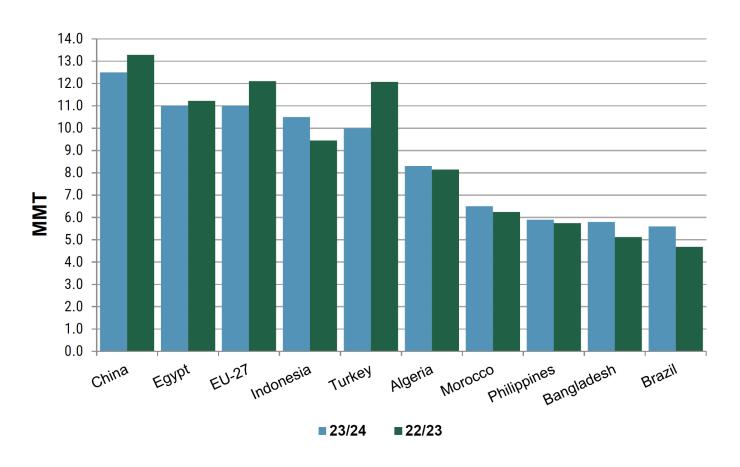
U.S. Situation



U.S. Ending Stocks



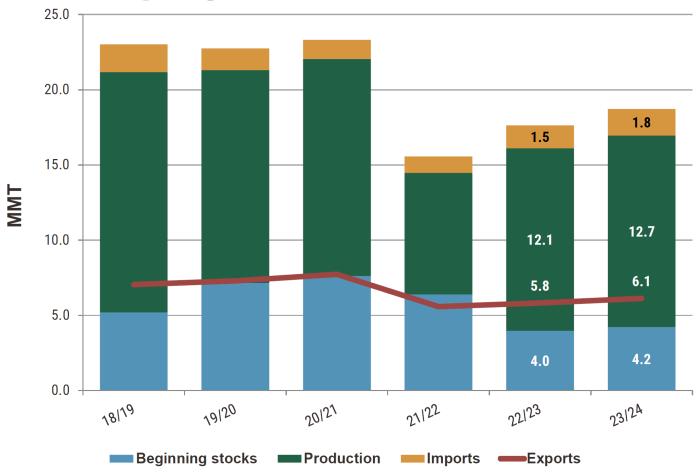
Major World Wheat Importers



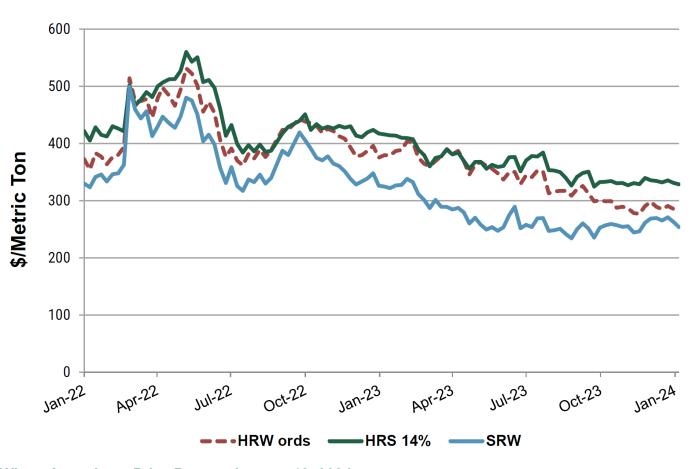
U.S. Wheat Supply and Demand (MMT)

	V	/hite	Durum		
	22/23	23/24	22/23	23/24	
Beginning Stocks	1.5	2.0	0.7	0.8	
Production	7.4	6.4	1.7	1.6	
Supply Total	9.1	8.5	3.8	3.5	
Domestic Use	1.9	2.3	2.4	2.3	
Exports	5.2	4.2	0.6	0.7	
Use Total	7.0	6.6	3.0	3.0	
Ending Stocks	2.0	2.0	0.8	0.5	
Stocks-to-Use	29%	30%	25%	15%	

U.S. Hard Red Spring

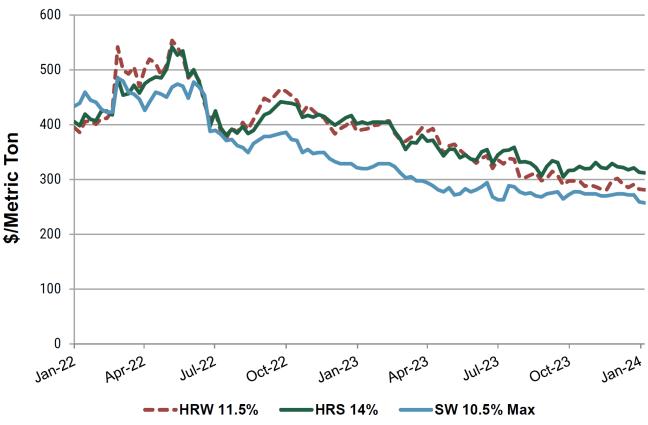


U.S. FOB Gulf Prices



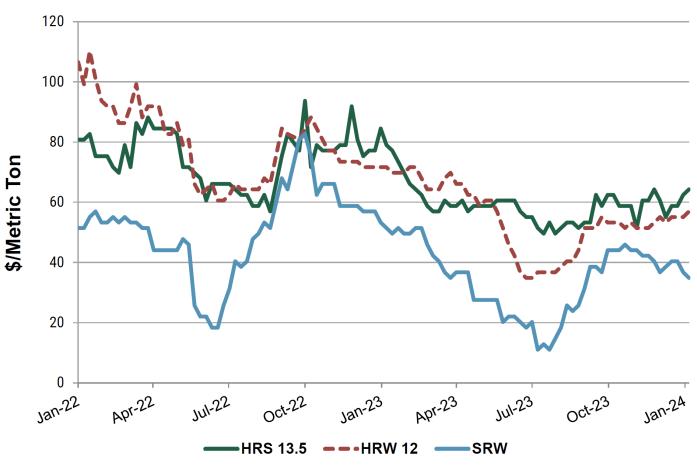
Source: U.S. Wheat Associates Price Report, January 12, 2024

U.S. FOB PNW Prices



Source: U.S. Wheat Associates Price Report, January 12, 2024

U.S. Gulf Export Basis



Source: U.S. Wheat Associates Price Report, January 12, 2024

Russian Wheat Exports

- Russia is expected to export 50 million mt of wheat in 2023-24, according to the US Department of Agriculture.
- This would be Russia's highest export figure of all time, maintaining its position as the leading wheat exporter in the world.
- This follows another bumper crop, with the country expected to produce 90 million mt of wheat in 2023-24, the second highest yield on record after the 2022-23 estimate of 92 million mt.
- Amid the pressure, S&P Global's Grains & Feeds Price Index was recorded at 96.9 points in October, down 13% from January.



Russian Wheat Exports

What's next?

- Strong global wheat exports are likely to continue, with Ukraine now utilizing a newly established temporary trade corridor with the EU, in addition to Russia's bumper crop.
- This higher supply could offset lower expected yields from Australia following unfavorable weather conditions and continue creating downward pressure on global wheat prices.



Canadian Wheat — Old Crop

- For 2023-24, Canadian wheat production declined by 2% from 2022-23 to 27.9 Mt due to lower-thanexpected yields in Western Canada caused by dry and hot weather.
- Production by class of wheat, with 2022-23 production in brackets, is estimated at:
 - Winter (hard red, soft red and soft white) 3.15 Mt (2.70 Mt);
 - Canada Western Red Spring (CWRS), premium quality hard wheat, 20.25 Mt (21.23 Mt);
 - Canada Prairie Spring (CPS) 2.56 Mt (2.27 Mt),
 - Canada Northern Hard Red Spring (CNHR) 0.95 Mt (0.89 Mt);
 - Soft white spring (CWSWS) 0.41 Mt (0.55 Mt),
 - Other Western spring wheat 0.40 Mt (0.60 Mt),
 - Eastern spring wheat, mainly hard red spring (CERS), 0.18 Mt (0.29 Mt).



Canadian Wheat - Old Crop

- Total supply is forecast at 31.3 Mt, down 1% from 2022-23, but 2% more than the last five-year average.
- Exports are raised 11% from last month's report, to 20 Mt, as Canadian wheat continues to move swiftly to international markets.
- Domestic use is forecast at 7.8 Mt, relatively in line with 2022-23. Carry-out stocks were raised to 3.5 Mt, up from the historically low levels of 2022-23, but still 14% below average.
- The 2023-24 forecasted average spot price for CWRS 1, 13.5% protein in Saskatchewan remains unchanged at \$350/tonne.

2021-2022	2022-2023	2023-2024
7,170	7,844	8,495
6,968	7,683	8,287
2.78	3.72	3.11
19,390	28,545	25,776
153	64	100
24,683	31,702	29,125
12,351	20,612	18,000
3,250	3,258	3,200
5,183	3,713	3,898
9,238	7,841	7,925
3,093	3,249	3,200
447	401	350
	6,968 2.78 19,390 153 24,683 12,351 3,250 5,183 9,238 3,093	7,170 7,844 6,968 7,683 2.78 3.72 19,390 28,545 153 64 24,683 31,702 12,351 20,612 3,250 3,258 5,183 3,713 9,238 7,841 3,093 3,249

1CWRS



1CRSRed



CW Feed



March 2024 – Hard Red Spring

Theat - Weekly Nearest OHLC Chart

(Minn)



PNW Wheat US\$ - Jan 19, 2024

Region/Location	Sale Type	<u>Protein</u>	<u>Basis (¢/Bu)</u>	Basis Change	Price(\$/Bu)	Price Change	<u>Average</u>	Year Ago	<u>Freight</u>	<u>Delivery</u>
Pacific Ports	Bid	Ordinary	30.00H to 35.00H	UNCH	6.3800-6.4300	UP 0.0275	6.3883	9.4000	DLVD-R/B	Current
Pacific Ports	Bid	11.0%	50.00H to 55.00H	UNCH	6.5800-6.6300	UP 0.0275	6.5883	9.6000	DLVD-R/B	Current
Pacific Ports	Bid	11.5%	60.00H to 65.00H	UNCH	6.6800-6.7300	UP 0.0275	6.6883	9.7000	DLVD-R/B	Current
Pacific Ports	Bid	11.5%	60.00H to 65.00H	UNCH	6.6800-6.7300	UP 0.0275	6.6883	9.7050	DLVD-R/B	Feb
Pacific Ports	Bid	11.5%	60.00H to 65.00H	UNCH	6.6800-6.7300	UP 0.0275	6.6900	9.7050	DLVD-R/B	Mar
Pacific Ports	Bid	11.5%	60.00K to 65.00K	UNCH	6.7150-6.7650	UP 0.0325	6.7350	9.6625	DLVD-R/B	Apr
Pacific Ports	Bid	11.5%	60.00K	UNCH	6.7150	UP 0.0325	6.7150	9.6125	DLVD-R/B	May
Pacific Ports	Bid	12.0%	65.00H to 70.00H	UNCH	6.7300-6.7800	UP 0.0275	6.7383	9.7500	DLVD-R/B	Current
Pacific Ports	Bid	12.0%	65.00H to 70.00H	UNCH	6.7300-6.7800	UP 0.0275	6.7383	9.7550	DLVD-R/B	Feb
Pacific Ports	Bid	13.0%	75.00H to 80.00H	UNCH	6.8300-6.8800	UP 0.0275	6.8383	9.8500	DLVD-R/B	Current
Pacific Ports	Bid	13.0%	75.00H to 80.00H	UNCH	6.8300-6.8800	UP 0.0275	6.8383	9.8550	DLVD-R/B	Feb

HARD RED SPRING WHEAT PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024 Economics

CROP	HARD RED SPRING WHEAT					
	80th percentile			Average Yield		
Soil Zone	Brown	Dark Brown	Black	Brown	Dark Brown	Black
REVENUE PER ACRE						
Estimated Yield (bu./ac) (A)	42.6	52.5	63.6	32.7	43.4	53.7
Est. On Farm Market Price \$/bu. (B)	8.50	8.44	8.44	8.50	8.50	8.50
Estimated Gross Revenue/ac (AxB)=C	362.27	443.44	536.53	277.95	368.56	456.03
EXPENSES PER ACRE						
Variable Expenses/acre						
Seed	21.84	24.08	27.16	21.84	24.08	27.16
-Seed Treatments/Inoculants	5.75	6.34	7.15	5.75	6.34	7.15
Fertilizer -Nitrogen (N)	58.00	72.08	87.00	58.00	72.08	87.00
-Phosphorous (P2O5)	21.23	25.78	31.09	21.23	25.78	31.09
-Sulphur and Other	0.00	0.00	0.00	0.00	0.00	0.00
Plant Protection -Herbicides	55.98	59.50	60.03	55.98	59.50	60.03
-Insecticides	29.20	29.20	29.20	29.20	29.20	29.20
-Fungicides	19.35	19.35	19.35	19.35	19.35	19.35
Machinery Operating -Fuel	15.88	19.85	24.81	15.88	19.85	24.81
-Repair	10.66	12.02	13.60	10.66	12.02	13.60
Custom Work and Hired Labour	22.75	22.50	23.50	22.75	22.50	23.50
Crop Insurance Premium	7.36	7.15	7.31	7.36	7.15	7.31
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00
Utilities and Miscellaneous	3.41	4.48	5.16	3.41	4.48	5.16
Interest on Variable Expenses	8.77	9.72	10.73	8.77	9.72	10.73
Total Variable Expenses (D)	294.17	326.04	360.09	294.17	326.04	360.09
Other Expenses/acre						
Building Repair	0.64	0.86	1.16	0.64	0.86	1.16
Property Taxes	4.43	5.80	8.79	4.43	5.80	8.79
Business Overhead	2.38	3.63	4.26	2.38	3.63	4.26
Total Other Expenses (E)	7.45	10.30	14.21	7.45	10.30	14.21
Labour and Management (F)*						
Total Expenses (D+E+F)=(G)	301.62	336.34	374.30	301.62	336.34	374.30
Net Income Per Acre	60.65	107.10	162.23	-23.67	32.22	81.73
Less: Living Cost	32.00	32.00	32.00	32.00	32.00	32.00
Debt payment Per Acre	100.00	100.00	100.00	100.00	100.00	100.00
Residula For Growth	-71.35	-24.90	30.23	-155.67	-99.78	-50.27

WINTER WHEAT PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

Economics

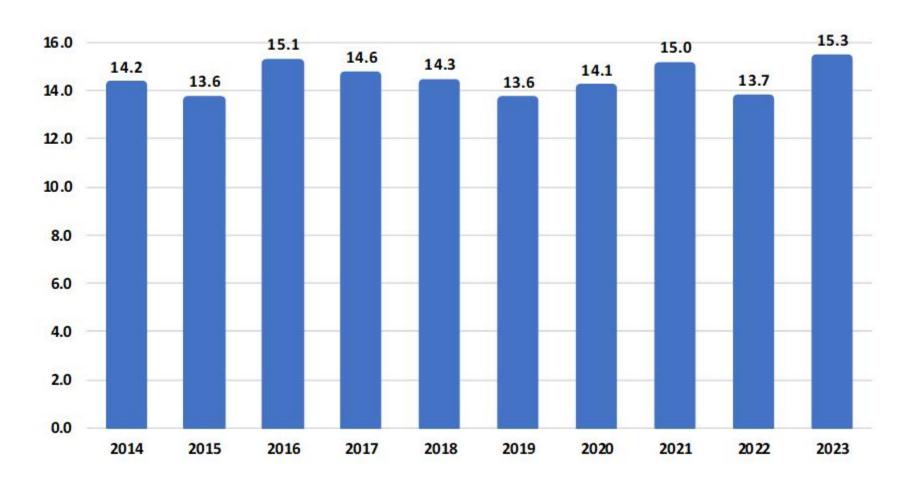
	Economics			_		
CROP	1	WINTER WHEAT	Γ			
		80th percentile			Average Yield	
Soil Zone	Brown	Dark Brown	Black	Brown	Dark Brown	Black
REVENUE PER ACRE						
Estimated Yield (bu./ac) (A)	41.9	49.2	61.7	31.2	41.2	48.9
Est. On Farm Market Price \$/bu. (B)	7.90	7.90	7.90	7.90	7.90	7.90
Estimated Gross Revenue/ac (AxB)=C	330.93	389.00	487.67	246.72	325.09	386.07
EXPENSES PER ACRE						
Variable Expenses/acre						
Seed	26.26	29.64	31.72	26.26	29.64	31.72
-Seed Treatments/Inoculants	6.50	7.34	7.85	6.50	7.34	7.85
Fertilizer -Nitrogen (N)	39.77	46.40	58.00	39.77	46.40	58.00
-Phosphorous (P2O5)	17.44	21.23	26.54	17.44	21.23	26.54
-Sulphur and Other	0.00	0.00	0.00	0.00	0.00	0.00
Plant Protection -Herbicides	52.67	56.19	56.72	52.67	56.19	56.72
-Insecticides	29.20	29.20	29.20	29.20	29.20	29.20
-Fungicides	0.00	19.35	19.35	0.00	19.35	19.35
Machinery Operating -Fuel	15.88	19.85	24.81	15.88	19.85	24.81
-Repair	10.66	12.02	13.60	10.66	12.02	13.60
Custom Work and Hired Labour	22.75	22.50	23.50	22.75	22.50	23.50
Crop Insurance Premium	15.60	13.21	14.12	15.60	13.21	14.12
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00
Utilities and Miscellaneous	3.41	4.48	5.16	3.41	4.48	5.16
Interest on Variable Expenses	17.57	20.42	22.44	17.57	20.42	22.44
Total Variable Expenses (D)	271.71	315.82	347.02	271.71	315.82	347.02
Other Expenses/acre						
	0.64	0.86	1.16	0.64	0.86	1.16
Building Repair	4.43	5.80	8.79	4.43	5.80	8.79
Property Taxes						
Business Overhead	2.38	3.63	4.26	2.38	3.63	4.26
Total Other Expenses (E)	7.45	10.30	14.21	7.45	10.30	14.21
Labour and Management (F)*	070.46	000.11	004.00	070 10	000.11	001.00
Total Expenses (D+E+F)=(G)	279.16	326.11	361.23	279.16	326.11	361.23
Not Income Day Asys	E4 77	62.00	126 44	22.44	1.02	24.94
Net Income Per Acre	51.77	62.89	126.44	-32.44	-1.02	24.84
Less: Living Cost	32.00	32.00	32.00	32.00	32.00	32.00
Debt payment Per Acre	100.00	100.00	100.00	100.00	100.00	100.00
Residula For Growth	-80.23	-69.11	-5.56	-164.44	-133.02	-107.16



Corn Production United States



Billion Bushels





Corn Stocks United States



Billion Bushels

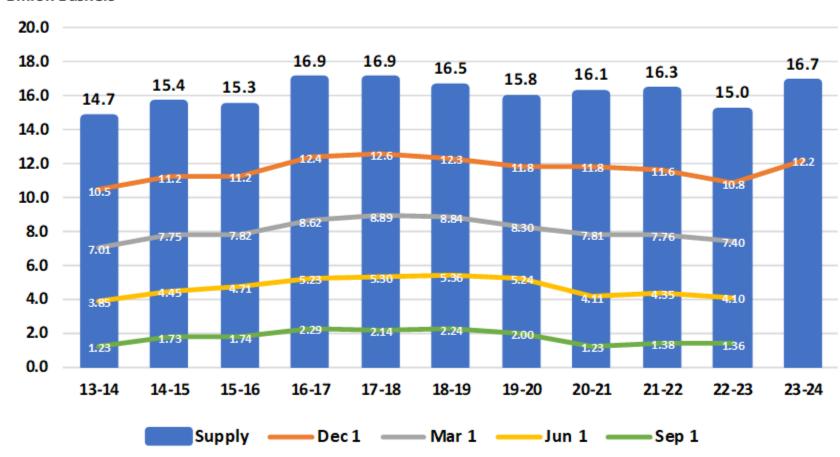
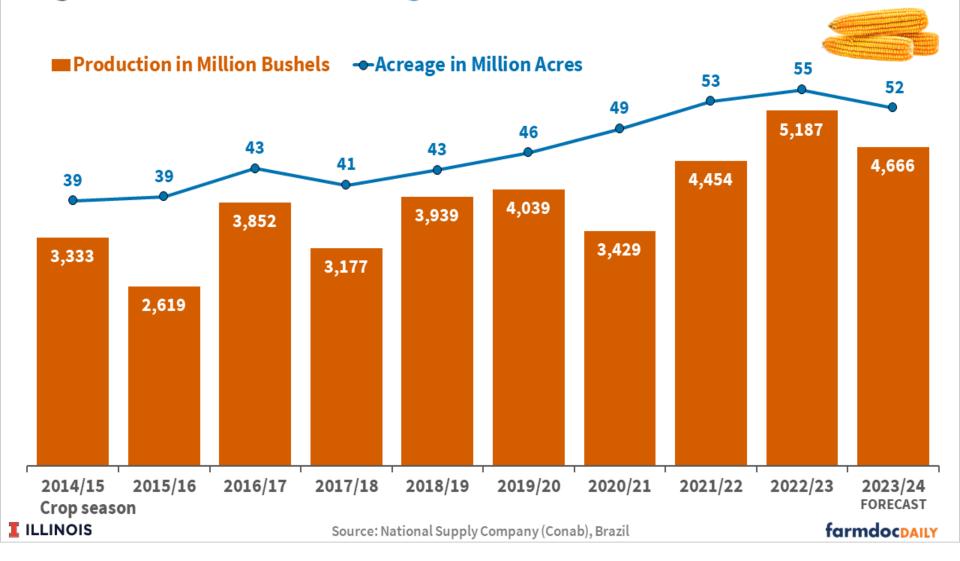


Figure 2. Total Corn Acreage and Production in Brazil



March 2024 – Corn Futures



Canadian Barley

- For 2023-24, Canadian barley production is estimated at 8.9 million tonnes (Mt) by Statistics Canada (STC) in its December survey-based yield and production estimates report.
- Canadian barley production is down 11% year-over-year (y/y) and 4% below the previous five-year average, mainly reflecting notable output declines in Alberta and Saskatchewan, as a result of significantly reduced yields.
- Supply for 2023-24 is estimated at 9.7 Mt, down 8% from 2022-23 and 6% below the five-year average, largely due to production issues this year.
- Total demand is expected to decline y/y, reflecting weaker export prospects, while remaining stable for domestic feed consumption.
- Carry-out stocks are projected at 0.75 Mt, up by 6% y/y and in line with the five-year average.



Canadian Barley

- US. Malt exports remained relatively stable at 48 Kt per month, which is 19% and 7% above the levels from last year and the five-year average, respectively.
- The major destinations have been the US, Japan, Mexico, and South Korea.
- The Lethbridge barley price weakened throughout November and settled below \$330/tonne (t) in the week ending December 1, approaching the lowest in more than two years.
- The weakness was mainly related to the large amount of competitively priced US corn imports and weak exports.



Canadian Barley

- For 2023-24, the average Lethbridge barley price is projected at \$340/t, lower than the highs seen in the previous two years.
- Nevertheless, this level remains historically high.
- Worldwide, the United States Department of Agriculture (USDA) December supply and demand report shows improved 2023 barley production in Australia and the EU, with the export outlook unchanged.
- However, barley supplies and exports from Australia and the EU in 2023-24 are expected to be the lowest in recent years.

Barley Feed



MALT BARLEY PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

Economics

CROP		MALT BARLEY	7			
	80th percentile				Average Yield	
Soil Zone	Brown	Dark Brown	Black	Brown	Dark Brown	Black
REVENUE PER ACRE						
Estimated Yield (bu./ac) (A)	47.0	57.9	70.1	33.8	46.3	58.9
Est. On Farm Market Price \$/bu. (B)	6.75	6.75	6.75	6.75	6.75	6.75
Estimated Gross Revenue/ac (AxB)=C	316.98	391.03	473.24	228.22	312.32	397.78
EXPENSES PER ACRE						
Variable Expenses/acre						
Seed	26.26	29.12	33.02	26.26	29.12	33.02
-Seed Treatments/Inoculants	7.44	8.26	9.36	7.44	8.26	9.36
Fertilizer -Nitrogen (N)	41.43	51.37	61.31	41.43	51.37	61.31
-Phosphorous (P2O5)	16.68	20.48	24.27	16.68	20.48	24.27
-Sulphur and Other	0.00	0.00	0.00	0.00	0.00	0.00
Plant Protection -Herbicides	58.10	58.10	62.43	58.10	58.10	62.43
-Insecticides	29.20	29.20	29.20	29.20	29.20	29.20
-Fungicides	19.35	19.35	19.35	19.35	19.35	19.35
Machinery Operating -Fuel	15.88	19.85	24.81	15.88	19.85	24.81
-Repair	10.66	12.02	13.60	10.66	12.02	13.60
Custom Work and Hired Labour	21.25	21.50	21.50	21.25	21.50	21.50
Crop Insurance Premium	8.77	7.17	6.42	8.77	7.17	6.42
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00
Utilities and Miscellaneous	3.41	4.48	5.16	3.41	4.48	5.16
Interest on Variable Expenses	8.37	9.06	9.97	8.37	9.06	9.97
Total Variable Expenses (D)	280.80	303.94	334.40	280.80	303.94	334.40
, ,						
Other Expenses/acre						
Building Repair	0.64	0.86	1.16	0.64	0.86	1.16
Property Taxes	4.43	5.80	8.79	4.43	5.80	8.79
Business Overhead	2.38	3.63	4.26	2.38	3.63	4.26
Total Other Expenses (E)	7.45	10.30	14.21	7.45	10.30	14.21
Labour and Management (F)*						
Total Expenses (D+E+F)=(G)	288.25	314.23	348.61	288.25	314.23	348.61
Net Income Per Acre	28.73	76.80	124.63	-60.03	-1.91	49.17
Less: Living Cost	32.00	32.00	32.00	32.00	32.00	32.00
Debt payment Per Acre	100.00	100.00	100.00	100.00	100.00	100.00
Residula For Growth	-103.27	-55.20	-7.37	-192.03	-133.91	-82.83

FEED BARLEY PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024 Economics

CROP		FEED BARLEY				
		80th percentile		Average Yield		
Soil Zone	Brown	Dark Brown	Black	Brown	Dark Brown	Black
REVENUE PER ACRE						
Estimated Yield (bu./ac) (A)	57.4	70.7	86.4	41.3	56.5	72.6
Est. On Farm Market Price \$/bu. (B)	5.55	5.55	5.55	5.55	5.55	5.55
Estimated Gross Revenue/ac (AxB)=C	318.63	392.55	479.24	229.44	313.52	402.76
EVENOCE DED A ODE						
EXPENSES PER ACRE						
Variable Expenses/acre	00.00	00.40	00.00	00.00	00.40	00.00
Seed	26.26	29.12	33.02	26.26	29.12	33.02
-Seed Treatments/Inoculants	7.44	8.26	9.36	7.44	8.26	9.36
Fertilizer -Nitrogen (N)	50.54	62.14	76.23	50.54	62.14	76.23
-Phosphorous (P2O5)	20.48	25.03	30.33	20.48	25.03	30.33
-Sulphur and Other	0.00	0.00	0.00	0.00	0.00	0.00
Plant Protection -Herbicides	24.74	24.74	24.74	24.74	24.74	24.74
-Insecticides	29.20	29.20	29.20	29.20	29.20	29.20
-Fungicides	0.00	0.00	19.35	0.00	0.00	19.35
Machinery Operating -Fuel	15.88	19.85	24.81	15.88	19.85	24.81
-Repair	10.66	12.02	13.60	10.66	12.02	13.60
Custom Work and Hired Labour	21.25	21.50	21.50	21.25	21.50	21.50
Crop Insurance Premium	10.69	8.75	7.90	10.69	8.75	7.90
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00
Utilities and Miscellaneous	3.41	4.48	5.16	3.41	4.48	5.16
Interest on Variable Expenses	7.21	7.96	9.50	7.21	7.96	9.50
Total Variable Expenses (D)	241.75	267.03	318.70	241.75	267.03	318.70
Total Variable Expenses (b)	241.70	201.00	010.70	241.70	207.00	010.70
Other Expenses/acre						
Building Repair	0.64	0.86	1.16	0.64	0.86	1.16
Property Taxes	4.43	5.80	8.79	4.43	5.80	8.79
Business Overhead	2.38	3.63	4.26	2.38	3.63	4.26
Total Other Expenses (E)	7.45	10.30	14.21	7.45	10.30	14.21
Labour and Management (F)*				1110		
Total Expenses (D+E+F)=(G)	249.20	277.33	332.92	249.20	277.33	332.92
Net Income Per Acre	69.43	115.22	146.32	-19.76	36.19	69.84
Less: Living Cost	32.00	32.00	32.00	32.00	32.00	32.00
Debt payment Per Acre	100.00	100.00	100.00	100.00	100.00	100.00
Residula For Growth	-62.57	-16.78	14.32	-151.76	-95.81	-62.16

Magnusson Consulting Group

176

Canadian Oats

- For 2023-24, Canadian oat production is estimated by STC at 2.44 Mt, 53% and 40%, respectively, below last year and the five-year average, due to sharply lower seeded area and significantly reduced yield potential.
- However, the Prairies provincial governments reported better-than-expected yield potentials for the 2023 growing season.
- As for quality, Alberta government reported 43% of oats at #1 CW.
- For Saskatchewan, the majority of the crops are above the 10-year average for quality and are in the top two categories.
- The Manitoba government reported oat test weights ranging between 42 to 44 lbs/bushel.



Canadian Oats

- Total supply for 2023-24 is projected at 3.74 Mt, down sharply from last year and the five-year average.
- Total demand, typically for feed, is expected to significantly decline y/y, following lower supply.
- Carry-out stocks are projected at 0.35 Mt, down sharply y/y and significantly below average.
- According to the Canadian Grain Commission, Canadian oats saw good exports in the first few weeks of the current crop year but experienced a significant fall in the following weeks.
- Total exports to-date are 0.52 Mt, which is significantly higher than those exported in the same period last year and the year before and is close to the previous five-year average.



Canadian Oats

- So far for the current crop year, the major destinations for Canadian oat exports included the US, Chile, and Mexico, with the majority of the remaining exports going to Peru, Japan, and South Korea.
- Oat product exports in the first two months of the current crop year were the lowest in four years but remained strong, according to Statistics Canada.
- The major destinations were the US, Mexico, Japan, and South Korea.
- The CBOT oat price for 2023-24 is projected at CAN\$370/t, up notably y/y due to tight North American oat supplies, despite lower row crop prices predicted for 2023-24.

	2021-2022	2022-2023	2023-2024
Area seeded (thousand hectares)	1,502	1,593	1,023
Area harvested (thousand hectares)	1,214	1,402	829
Yield (tonnes per hectare)	2.39	3.73	2.94
Production (thousand tonnes)	2,899	5,227	2,435
Imports (thousand tonnes)	25	24	25
Total supply (thousand tonnes)	3,580	5,583	3,735
Exports (thousand tonnes)	2,310	2,671	2,400
Food and Industrial Use (thousand tonnes)	97	91	100
Feed, Waste & Dockage (thousand tonnes)	706	1,460	777
Total Domestic Use (thousand tonnes)	938	1,637	985
Carry-out Stocks (thousand tonnes)	333	1,275	350
Average Price (\$/tonne)	565	346	370

Oats 2CW

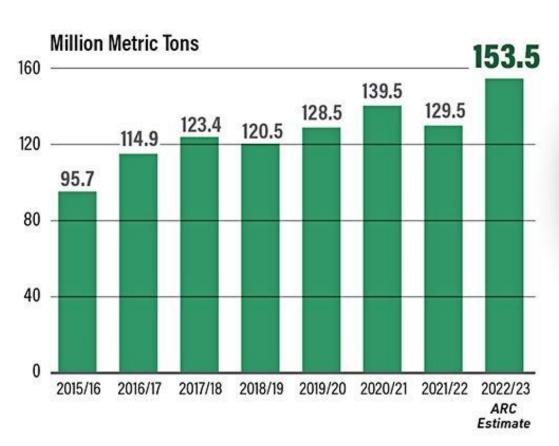


OATS PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

Economics

	Economics			_			
CROP							
		80th percentile		Average Yield			
Soil Zone	Brown	Dark Brown	Black	Brown	Dark Brown	Black	
REVENUE PER ACRE							
Estimated Yield (bu./ac) (A)	53.8	82.3	125.2	34.4	61.0	101.2	
Est. On Farm Market Price \$/bu. (B)	5.25	5.25	5.25	5.25	5.25	5.25	
Estimated Gross Revenue/ac (AxB)=C	282.56	432.29	657.04	180.44	319.99	531.04	
EXPENSES PER ACRE							
Variable Expenses/acre							
•	27.20	33.92	40.64	27.20	33.92	40.64	
Seed Cook Tractor and the cook and							
-Seed Treatments/Inoculants	6.27	7.81	9.36	6.27	7.81	9.36	
Fertilizer -Nitrogen (N)	30.66	46.40	70.43	30.66	46.40	70.43	
-Phosphorous (P2O5)	11.38	17.44	26.54	11.38	17.44	26.54	
-Sulphur and Other	0.00	0.00	0.00	0.00	0.00	0.00	
Plant Protection -Herbicides	24.33	24.33	24.33	24.33	24.33	24.33	
-Insecticides	0.00	0.00	0.00	0.00	0.00	0.00	
-Fungicides	0.00	0.00	19.35	0.00	0.00	19.35	
Machinery Operating -Fuel	15.88	19.85	24.81	15.88	19.85	24.81	
-Repair	10.66	12.02	13.60	10.66	12.02	13.60	
Custom Work and Hired Labour	21.25	21.50	21.50	21.25	21.50	21.50	
Crop Insurance Premium	13.67	16.16	14.69	13.67	16.16	14.69	
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00	
Utilities and Miscellaneous	3.41	4.48	5.16	3.41	4.48	5.16	
Interest on Variable Expenses	5.49	6.69	8.74	5.49	6.69	8.74	
Total Variable Expenses (D)	184.18	224.59	293.15	184.18	224.59	293.15	
Total Valiable Expenses (D)	104.10	224.33	293.13	104.10	224.39	293.13	
Other Expenses/acre							
Building Repair	0.64	0.86	1.16	0.64	0.86	1.16	
Property Taxes	4.43	5.80	8.79	4.43	5.80	8.79	
Business Overhead	2.38	3.63	4.26	2.38	3.63	4.26	
Total Other Expenses (E)	7.45	10.30	14.21	7.45	10.30	14.21	
Labour and Management (F)**			 -				
Total Expenses (D+E+F)=(G)	191.63	234.89	307.37	191.63	234.89	307.37	
Net Income Per Acre	90.93	197.40	349.67	-11.19	85.10	223.67	
Less: Living Cost	32.00	32.00	32.00	32.00	32.00	32.00	
Debt payment Per Acre	100.00	100.00	100.00	100.00	100.00	100.00	
Residula For Growth	-41.07	65.40	217.67	-143.19	-46.90	91.67	

Brazilian Soybean Production

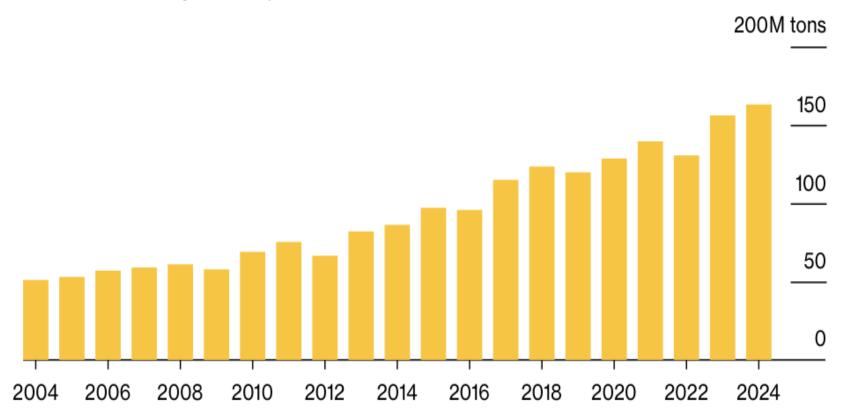




China Feasts on Brazilian Soybeans After Bumper Harvest

Chinese importers book more cargoes in the fourth quarter

Brazil's annual soybean output



Source: USDA

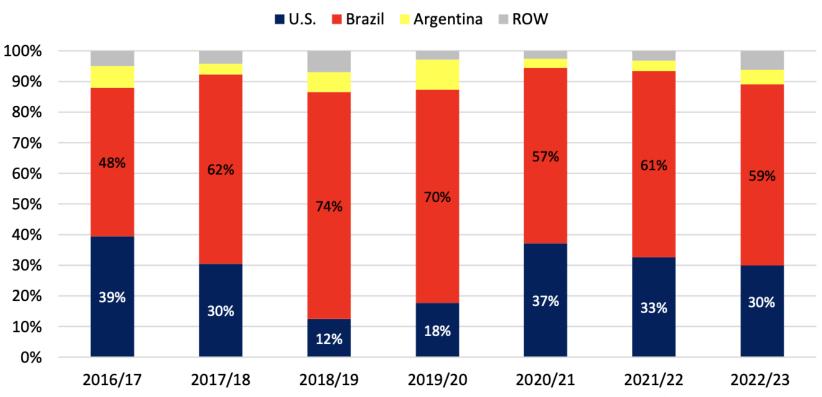
Note: 2024 is an estimate

Brazilin Exports to China

- "China, the biggest soybean importer globally, booked at least 95 cargoes of the crop from Brazil for now until the end of November.
 - For next month, there are **52** vessels already scheduled, compared with **seven** for the same week last year, according to shipping agency Alphamar Agencia Maritima.
- In contrast, export sales of US soybeans for this season are down 40% from a year earlier.
 - It's a striking drop, considering the ideal timeframe for American shipments usually starts in October to coincide with the harvest and continues for months.
 - This year, that key window has narrowed to weeks. US soybean sales to other countries <u>totaled</u> \$34 billion last year, making it the top agricultural export commodity."

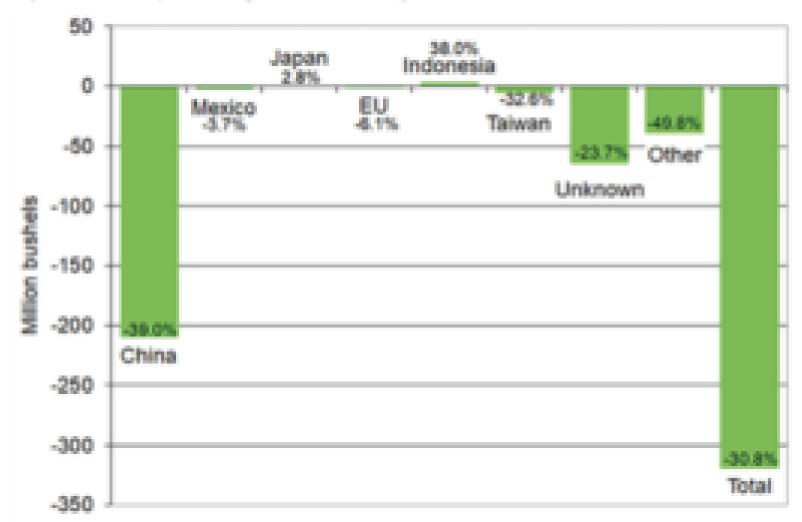


China Soybean Import Share

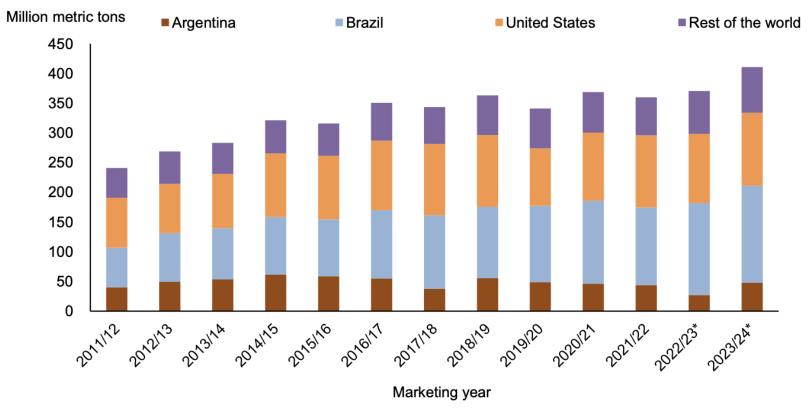


Source: Trade Data Monitor, LLC.

Figure 4. US soybean export sales changes. Source: USDA-FAS.



Global soybean production



Note: Asterisk (*) denotes forecast. Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

Soybeans

- For 2023-24, the United States Department of Agriculture (USDA) raised its projections for world oilseed production by 2.1 Mt with 0.6 Mt of that increase occurring in the US.
- US soybean production increased by 0.68 Mt from October, to 112.4 Mt (4.128 Bbu) on a 0.02 t/ha increase in yields.
- Supplies are up 0.68 Mt (25 Mbu) from last month on unchanged beginning stocks and imports.
- US soybean crush and exports are forecast at 62.6 Mt (2.30 Bbu) and 47.9 Mt (1.76 Bbu), respectively.
- Ending stocks fall to 6.7 Mt (0.25 Bbu) from 7.3 Mt (0.27 Bbu) last year.
- The USDA projects the farm-gate price for soybeans at US\$474.00/t (US\$12.90/bu), unchanged from last month but below 2022-23 at US\$521.76/t (US\$14.20/bu) and the five-year average of US\$406.76/t (US\$11.072)u).

Soybeans

- For 2023-24, soybean production is estimated at 6.7 Mt, up 0.2 Mt from last year and the five-year average output of 6.5 Mt.
- Nearly 2.28 Mha were planted to soybeans, inferring a harvested area of slightly under 2.28 Mha.
- Yields are estimated at 2.95 t/ha, versus 3.1 t/ha for 2022-23 and the five-year average of 2.95 t/ha, as warm temperatures and good moisture supported growing conditions across the mostly Eastern Canadian grown crop.
- Total supplies are forecast up 4% from last year to 7.55 Mt but remain slightly under the five-year average of 7.61 Mt on a steady carry-in of stocks and stable imports.



Soybeans

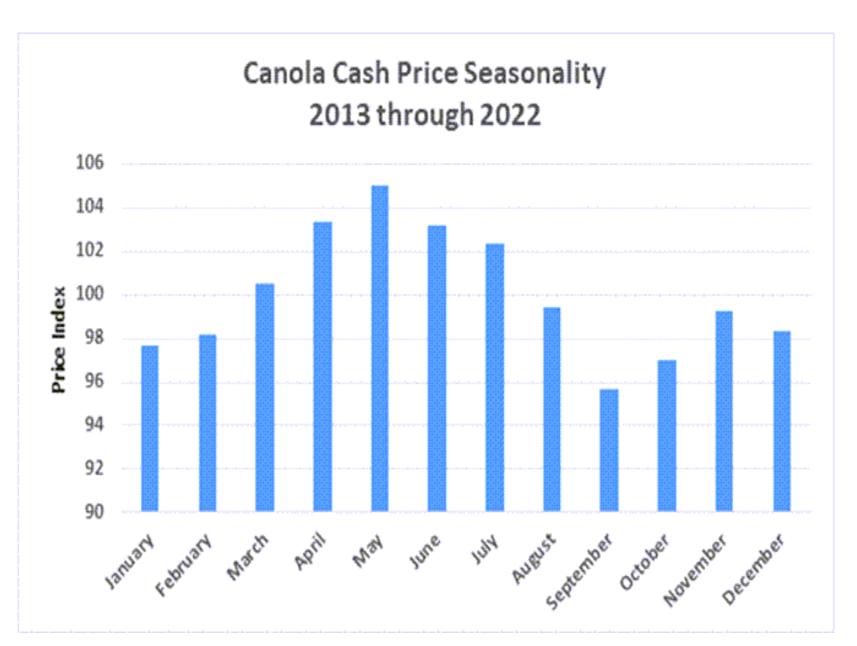
- Total domestic use is forecast to fall slightly despite a slight forecasted rise in crush to 1.9 Mt due to a sharp drop in feed, waste, and dockage to about 0.32 Mt.
- Exports are forecast up 14% from 2022-23 to 4.80 Mt and are 7% above the five-year average.
- Carry-out stocks are forecast at 0.33 Mt for a stocks-to-use ratio of 4%.



SOYBEAN PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

Economics

CROP		SOYBEAN				
		80th percentile		Average Yield		
Soil Zone	Brown	Dark Brown	Black	Brown	Dark Brown	Black
REVENUE PER ACRE			1			
Estimated Yield (bu./ac) (A)	17.6	28.3	32.0	17.6	20.2	26.1
Est. On Farm Market Price \$/bu. (B)	12.50	12.50	12.50	12.50	12.50	12.50
Estimated Gross Revenue/ac (AxB)=C	220.50	353.63	399.63	220.5	252.63	326.13
EXPENSES PER ACRE						
Variable Expenses/acre	400.00	400.00	400.00	400.00	400.00	400.00
Seed	106.23	106.23	106.23	106.23	106.23	106.23
-Seed Treatments/Inoculants	14.00	14.00	14.00	14.00	14.00	14.00
Fertilizer -Nitrogen (N)	2.32	3.89	4.23	2.32	3.89	4.23
-Phosphorous (P2O5)	9.86	16.68	18.20	9.86	16.68	18.20
-Sulphur and Other	0.00	0.00	0.00	0.00	0.00	0.00
Plant Protection -Herbicides	86.51	86.51	86.20	86.51	86.51	86.20
-Insecticides	12.29	12.29	12.29	12.29	12.29	12.29
-Fungicides	0.00	0.00	0.00	0.00	0.00	0.00
Machinery Operating -Fuel	17.74	22.18	27.73	17.74	22.18	27.73
-Repair	10.66	12.02	13.60	10.66	12.02	13.60
Custom Work and Hired Labour	22.75	22.50	23.50	22.75	22.50	23.50
Crop Insurance Premium	7.66	8.20	6.11	7.66	8.20	6.11
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00
Utilities and Miscellaneous	3.41	4.48	5.16	3.41	4.48	5.16
Interest on Variable Expenses	9.44	9.92	10.18	9.44	9.92	10.18
Total Variable Expenses (D)	316.87	332.90	341.43	316.87	332.90	341.43
Others Francisco de cons						
Other Expenses/acre	0.04	0.00	4.40	0.04	0.00	4.40
Building Repair	0.64	0.86	1.16	0.64	0.86	1.16
Property Taxes	4.43	5.80	8.79	4.43	5.80	8.79
Business Overhead	2.38	3.63	4.26	2.38	3.63	4.26
Total Other Expenses (E)	7.45	10.30	14.21	7.45	10.30	14.21
Labour and Management (F)*						
Total Expenses (D+E+F)=(G)	324.32	343.20	355.64	324.32	343.20	355.64
Net Income Day Asses	400.00	40.40	40.00	400.00	00.57	00.54
Net Income Per Acre	-103.82	10.43	43.99	-103.82	-90.57	-29.51
Less: Living Cost	32	32	32	32	32	32
Debt payment Per Acre	100	100	100	100	100	100
Residula For Growth	-235.82	-121.57	-88.01	-235.82	-222.57	-161.51



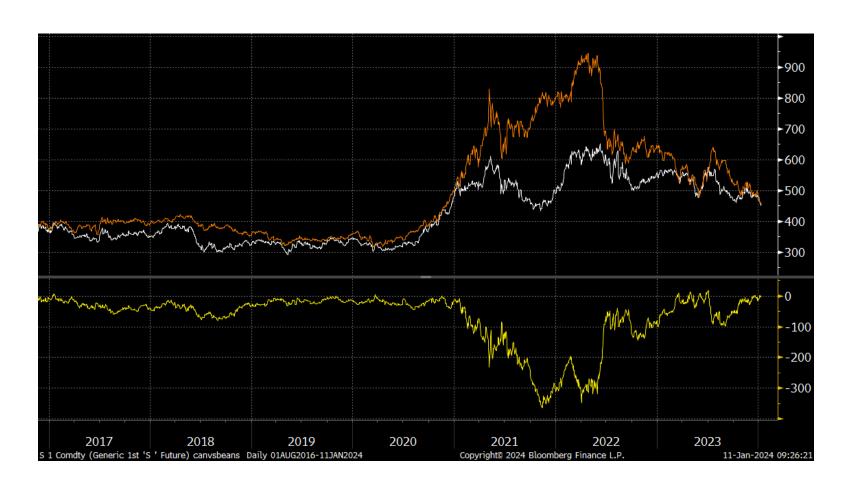
Canola Sales by Country - Seed

Country	TOTAL TO DATE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
China	3,253,583	416,780	569,706	587,134	535,098	373,623	127,290	366,875	233,316	43,761
Japan	774,430	118,558	53,571	174,823	52,500	56,274	105,036	21,960	139,193	52,515
Mexico	730,842	80,741	78,145	120,840	39,900	86,540	33,600	173,250	31,801	86,025

Canola Sales by Country - Oil

Country	TOTAL TO DATE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
China	106,697	39,961	0	66,445	24	85	97	0	48	37
Mexico	99,920	14,190	11,998	13,019	8,926	9,145	7,657	10,774	13,559	10,652
U.S.	2,087,180	214,044	206,217	246,937	233,654	243,419	182,433	250,645	238,595	271,237

Canola vs Soybeans – Price Decline



- Farmers reported planting 22.1 million acres of canola in 2023, up 3.2% from the previous year. The greater area may be the result of relatively favourable prices.
- Farmers in Saskatchewan reported planting 12.4 million acres of canola, up 8.8% from 2022.
- In Alberta, farmers reported planting 6.4 million acres of canola in 2023, down 2.4% from the previous year.
- Seeded area in Manitoba decreased 4.7% to 3.1 million acres.



- Canola production decreased by 2.0% nationally to 18.3 million tonnes in 2023, driven by lower yields, which decreased by 4.9% to 36.9 bushels per acre. Harvested area rose 3.0% to 21.9 million acres.
- Canola yield in Saskatchewan decreased by 8.4% to 34.8 bushels per acre, offsetting higher harvested area (+8.4% to 12.3 million acres), resulting in a 0.6% production decrease to 9.7 million tonnes.
- In Alberta, canola production fell 3.5% to 5.4 million tonnes. The decrease was attributable to lower harvested area (-3.1% to 6.3 million acres), while yields edged down 0.5% to 37.9 bushels per acre.
- Farmers in Manitoba reported producing less canola in 2023 (-3.5% to 3.1 million tonnes) because of lower harvested area, which fell 3.2% to 3.1 million acres. Canola yields in the province fell 0.2% to 43.2 bushels per acre.



- The federal agency increased canola production for 2023-24 from its September estimate by about 900,000 metric tons at 18.3 million, which was the average trade estimate ahead of the report.
- While the canola number was in line with the average trade estimate, the trade
 was now wondering if there is actually more canola out there than what StatCan
 calculated, he added.
- Since the report was issued, the January canola contract dropped C\$30.60 per ton on the Intercontinental Exchange, closing Dec. 6 at C\$649.90.
- And this was despite 2023-24 canola production being 2% lower than what came off the fields last year.
- Major importers of Canadian canola and domestic crushers were backing away from their purchases. with both seeing supplies being sufficient.
- The most recent numbers from the Canadian Grain Commission placed year-todate canola exports at about 2.03 million tons, less than the 2.64 million the same time last year.
- However, so far through the 2023-24 marketing year domestic usage remained ahead of last year at 3.48 million tons versus 3.17 million.



- Factors to watch are:
 - (i) speed of the Canadian sales,
 - (ii) canola yields,
 - (iii) oil content and grade distribution of the canola crop,
 - (iv) US soybean export pace,
 - (v) US soy oil and soymeal prices,
 - (vi) strength of Chinese buying, and
 - (vii) South American yield Estimates.



Canola									
	2021-2022	2022-2023	2023-2024	NEW					
Area seeded (thousand hectares)	9,016	8,659	8,936						
Area harvested (thousand hectares)	8,949	8,596	8,844						
Yield (tonnes per hectare)	1.59	2.17	1.96						
Production (thousand tonnes)	14,248	18,695	17,368	18,328					
Imports (thousand tonnes)	105	126	100						
Total supply (thousand tonnes)	16,129	20,149	18,974						
Exports (thousand tonnes)	5,248	7,954	7,700						
Food and Industrial Use (thousand tonnes)	8,555	9,961	10,000						
Feed, Waste & Dockage (thousand tonnes)	935	663	223						
Total Domestic Use (thousand tonnes)	9,553	10,689	10,274						
Carry-out Stocks (thousand tonnes)	1,328	1,506	1,000	2000					
Average Price (\$/tonne)	1,075	857	715						

Canola 1CAN



March 2024 - Canola Futures



CANOLA PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

Economics

CROP		Canola	!	7		
		80th percentile			Average Yield	
Soil Zone	Brown	Dark Brown	Black	Brown	Dark Brown	Black
REVENUE PER ACRE						
Estimated Yield (bu./ac) (A)	35.7	42.8	48.5	28.2	35.3	41.9
Est. On Farm Market Price \$/bu. (B)	14.50	14.50	14.50	14.50	14.50	14.50
Estimated Gross Revenue/ac (AxB)=C	517.80	620.17	703.25	409.19	511.42	607.41
,		-				
EXPENSES PER ACRE			•			
Variable Expenses/acre			•			
Seed	85.05	85.05	85.05	85.05	85.05	85.05
-Seed Treatments/Inoculants	9.00	9.00	9.00	9.00	9.00	9.00
Fertilizer -Nitrogen (N)	62.97	74.57	85.34	62.97	74.57	85.34
-Phosphorous (P2O5)	31.09	37.16	41.71	31.09	37.16	41.71
-Sulphur and Other	4.55	5.69	6.30	4.55	5.69	6.30
Plant Protection -Herbicides	67.54	67.54	79.72	67.54	67.54	79.72
-Insecticides	2.79	2.79	2.79	2.79	2.79	2.79
-Fungicides	0.00	25.14	25.14	0.00	25.14	25.14
Machinery Operating -Fuel	16.81	21.01	26.27	16.81	21.01	26.27
-Repair	10.66	12.02	13.60	10.66	12.02	13.60
Custom Work and Hired Labour	21.50	21.50	21.50	21.50	21.50	21.50
Crop Insurance Premium	17.67	14.81	15.00	17.67	14.81	15.00
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00
Utilities and Miscellaneous	3.41	4.48	5.16	3.41	4.48	5.16
Interest on Variable Expenses	10.66	12.13	13.23	10.66	12.13	13.23
Total Variable Expenses (D)	357.70	406.88	443.81	357.70	406.88	443.81
		_				
Other Expenses/acre	0.04	0.00	4.40	2.04	2.00	1 40
Building Repair	0.64	0.86	1.16	0.64	0.86	1.16
Property Taxes	4.43	5.80	8.79	4.43	5.80	8.79
Business Overhead	2.38	3.63	4.26	2.38	3.63	4.26
Total Other Expenses (E)	7.45	10.30	14.21	7.45	10.30	14.21
Labour and Management (F)*				<u> </u>	<u> </u>	<u> </u>
Total Expenses (D+E+F)=(G)	365.15	417.18	458.02	365.15	417.18	458.02
Net Income Per Acre	152.65	202.99	245.23	44.04	94.24	149.39
Less: Living Cost	32.00	32.00	32.00	32.00	32.00	32.00
Debt payment Per Acre	100.00	100.00	100.00	100.00	100.00	100.00
Posidula For Growth	20.65 agnusson Cons	70.00	113.23	-87.96	-37.76	17.39

- For 2023-24, flaxseed production is estimated at 268 thousand tonnes (Kt) down 43% from the 473 Kt grown for 2022-23 and for the five-year average.
- Production is the lowest since 1967-68; the decline for this crop year is due to a combination of lower seeded area and lower yields.
- For the crop year, farmers seeded a modern-day record low 0.25 Mha, implying a harvested area of 0.24 Mha.
- Yields are estimated at 1.11 t/ha versus the 1.52 t/ha achieved for 2022-23 and the five-year average of 1.36 t/ha.
- Total supplies of flaxseed are forecast at 497 Kt, versus 569 Kt for 2022-23 and the 567 Kt average over the previous five years, as a decline in output is moderated by the sharp rise in carry-in stocks to 220 Kt.



Flax

- Total domestic use is forecast to decline by 38% on a sharp drop in feed, waste and dockage, and stable other usage.
- Exports are optimistically forecast to increase to 0.30 Mt on strengthening world demand and lower prices.
- Carry-out stocks are forecast to fall to 100 Kt.
- The simple average price for flaxseed No.1, in-store, Saskatoon cash is forecast at \$575/t versus \$635/t for 2022-23 and the five-year average of \$710/t.



<u>Flaxseed</u>							
	2021-2022	2022-2023	2023-2024				
Area seeded (thousand hectares)	416	315	247				
Area harvested (thousand hectares)	404	312	242				
Yield (tonnes per hectare)	0.83	1.52	1.11				
Production (thousand tonnes)	337	473	268				
Imports (thousand tonnes)	12	14	10				
Total supply (thousand tonnes)	408	569	497				
Exports (thousand tonnes)	220	192	300				
Food and Industrial Use (thousand tonnes)	N/A	N/A	N/A				
Feed, Waste & Dockage (thousand tonnes)	93	146	78				
Total Domestic Use (thousand tonnes)	107	158	97				
Carry-out Stocks (thousand tonnes)	82	220	100				
Average Price (\$/tonne)Flaxseed	1,206	635	575				

Flax 1CAN

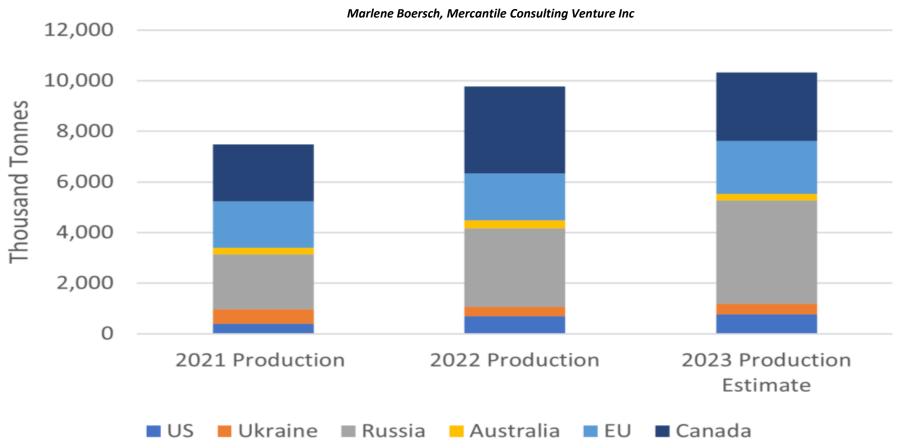


FLAX PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

Economics

Soil Zone	CROP		FLAX				
REVENUE PER ACRE			80th percentile		Average Yield		
Estimated Yield (bu/ac) (A) 22.4 27.6 31.9 16.1 20.5 24.0	Soil Zone	Brown	Dark Brown	Black	Brown	Dark Brown	Black
Est. On Farm Market Price \$/bu. (B)	REVENUE PER ACRE		1				
Estimated Gross Revenue/ac (AxB)=C 336.60 413.40 478.35 242.1 307.05 360.15	Estimated Yield (bu./ac) (A)	22.4	27.6	31.9	16.1	20.5	24.0
Estimated Gross Revenue/ac (AxB)=C 336.60 413.40 478.35 242.1 307.05 360.15	Est. On Farm Market Price \$/bu. (B)	15.00	15.00	15.00	15.00	15.00	15.00
Variable Expenses/acre Seed Treatments/Inoculants 0.00 24.75 27.50 22.00 24.75 27.50 0.00 0.							
Variable Expenses/acre Seed Treatments/Inoculants 0.00 24.75 27.50 22.00 24.75 27.50 0.00 0.							
Seed 22,00 24,75 27,50 22,00 24,75 27,50 20,00 24,75 27,50 20,00 24,75 27,50 20,00 24,75 27,50 20,00							
Seed Treatments/Inoculants	-						
Fertilizer - Nitrogen (N)						_	
Phosphorous (P2O5)							
-Sulphur and Other Plant Protection -Herbicides 49.00 45.75 27.35 -Insecticides -Fungicides 0.00 0.00 2.79 2.79 2.79 2.79 2.79 2.79 2.79 2.79	3 ()			61.31			61.31
Plant Protection - Herbicides	-Phosphorous (P2O5)	-		17.44	_	_	1
-Insecticides -Fungicides -Fun		0.00		0.00		0.00	
-Fungicides 0.00 25.14 25.14 0.00 25.14 25.14 0.00 25.14 25.14 Machinery Operating -Fuel 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.88 19.85 24.81 15.89 15.80 1	Plant Protection -Herbicides	49.00	45.75	27.35	49.00	45.75	27.35
Machinery Operating -Fuel 15.88 19.85 24.81 15.88 19.85 24.81 -Repair 10.66 12.02 13.60 10.66 12.02 13.60 Croy Insurance Premium 21.25 21.50 21.50 21.25 21.50 21.50 Hail Insurance Premium 13.87 12.09 14.02 13.87 12.09 14.02 Hail Insurance Premium 14.00	-Insecticides	2.79	2.79	2.79	2.79	2.79	2.79
Custom Work and Hired Labour 21.25 21.50 21.50 21.25 21.50 21.50 21.25 21.50 21.50 21.25 21.50	-Fungicides	0.00	25.14	25.14	0.00	25.14	25.14
Custom Work and Hired Labour 21.25 21.50 21.50 21.50 21.50 21.50 Crop Insurance Premium 13.87 12.09 14.02 13.87 12.09 14.02 Hail Insurance Premium 14.00 14.20 14.20 14.21 14.00 14.21 14.00 14.21 14.00 14.21 14.00 14.21	Machinery Operating -Fuel	15.88	19.85	24.81	15.88	19.85	24.81
Custom Work and Hired Labour 21.25 21.50 21.50 21.50 21.50 21.50 Crop Insurance Premium 13.87 12.09 14.02 13.87 12.09 14.02 Hail Insurance Premium 14.00 14.20 14.20 14.21 14.00 14.21 14.00 14.21 14.00 14.21 14.00 14.21	-Repair	10.66	12.02	13.60	10.66	12.02	13.60
Crop Insurance Premium	Custom Work and Hired Labour	21.25	21.50	21.50	21.25	21.50	21.50
Hail Insurance Premium	Crop Insurance Premium						
Utilities and Miscellaneous 3.41 4.48 5.16 3.41 4.48 5.16 1.16 Interest on Variable Expenses 6.39 7.70 7.82 6.39 7.70 7.82 Total Variable Expenses (D) 214.46 258.25 262.45 214.46 258.25 262.45 Other Expenses/acre Building Repair 0.64 0.86 1.16 0.64 0.86 1.16 Property Taxes 4.43 5.80 8.79 4.43 5.80 8.79 Business Overhead 2.38 3.63 4.26 2.38 3.63 4.26 Total Other Expenses (E) 7.45 10.30 14.21 7.45 10.30 14.21 Labour and Management (F)*	·	14.00		14.00	14.00	14.00	14.00
Interest on Variable Expenses (D)	Utilities and Miscellaneous	3.41		5.16	3.41		
Total Variable Expenses (D) 214.46 258.25 262.45 214.46 258.25 262.45 Other Expenses/acre Building Repair 0.64 0.86 1.16 0.64 0.86 1.16 Property Taxes 4.43 5.80 8.79 4.43 5.80 8.79 Business Overhead 2.38 3.63 4.26 2.38 3.63 4.26 Total Other Expenses (E) 7.45 10.30 14.21 7.45 10.30 14.21 Labour and Management (F)* 221.91 268.55 276.66 221.91 268.55 276.66 Net Income Per Acre 114.69 144.85 201.69 20.19 38.50 83.49 Less: Living Cost 32.00 32.00 32.00 32.00 32.00 32.00 32.00 30.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 100.00 <	Interest on Variable Expenses						
Building Repair 0.64 0.86 1.16 0.64 0.86 1.16 Property Taxes 4.43 5.80 8.79 4.43 5.80 8.79 Business Overhead 2.38 3.63 4.26 2.38 3.63 4.26 Total Other Expenses (E) 7.45 10.30 14.21 7.45 10.30 14.21 Labour and Management (F)* 221.91 268.55 276.66 221.91 268.55 276.66 Net Income Per Acre 114.69 144.85 201.69 20.19 38.50 83.49 Less: Living Cost 32.00 32.00 32.00 32.00 32.00 32.00 32.00 100.00	-		258.25	262.45	214.46	258.25	262.45
Building Repair 0.64 0.86 1.16 0.64 0.86 1.16 Property Taxes 4.43 5.80 8.79 4.43 5.80 8.79 Business Overhead 2.38 3.63 4.26 2.38 3.63 4.26 Total Other Expenses (E) 7.45 10.30 14.21 7.45 10.30 14.21 Labour and Management (F)* 221.91 268.55 276.66 221.91 268.55 276.66 Net Income Per Acre 114.69 144.85 201.69 20.19 38.50 83.49 Less: Living Cost 32.00 32.00 32.00 32.00 32.00 32.00 32.00 100.00	Other Evnenses/acre						
Property Taxes 4.43 5.80 8.79 4.43 5.80 8.79 Business Overhead 2.38 3.63 4.26 2.38 3.63 4.26 Total Other Expenses (E) 7.45 10.30 14.21 7.45 10.30 14.21 Labour and Management (F)* Total Expenses (D+E+F)=(G) 221.91 268.55 276.66 221.91 268.55 276.66 Net Income Per Acre 114.69 144.85 201.69 20.19 38.50 83.49 Less: Living Cost 32.00 32.00 32.00 32.00 32.00 32.00 32.00 32.00 30.00 100		0.64	0.86	1 16	0.64	0.86	1 16
Business Overhead 2.38 3.63 4.26 2.38 3.63 4.26 Total Other Expenses (E) 7.45 10.30 14.21 7.45 10.30 14.21 Labour and Management (F)* Total Expenses (D+E+F)=(G) 221.91 268.55 276.66 221.91 268.55 276.66 Net Income Per Acre 114.69 144.85 201.69 20.19 38.50 83.49 Less: Living Cost 32.00 32.00 32.00 32.00 32.00 32.00 32.00 30.00 100.00 1							
Total Other Expenses (E) 7.45 10.30 14.21 7.45 10.30 14.21 Labour and Management (F)* 221.91 268.55 276.66 221.91 268.55 276.66 Net Income Per Acre 114.69 144.85 201.69 20.19 38.50 83.49 Less: Living Cost Debt payment Per Acre 32.00 32.00 32.00 32.00 32.00 100.00 10	• •						
Labour and Management (F)* 221.91 268.55 276.66 221.91 268.55 276.66 Net Income Per Acre 114.69 144.85 201.69 20.19 38.50 83.49 Less: Living Cost Debt payment Per Acre 32.00 32.00 32.00 32.00 32.00 32.00 100.00			****				
Total Expenses (D+E+F)=(G) 221.91 268.55 276.66 221.91 268.55 276.66 Net Income Per Acre 114.69 144.85 201.69 20.19 38.50 83.49 Less: Living Cost Debt payment Per Acre 32.00 32.00 32.00 32.00 32.00 32.00 100.00 </td <td></td> <td>7.43</td> <td>10.30</td> <td>14.41</td> <td>7.40</td> <td>10.30</td> <td>14.21</td>		7.43	10.30	14.41	7.40	10.30	14.21
Net Income Per Acre 114.69 144.85 201.69 20.19 38.50 83.49 Less: Living Cost 32.00 32.00 32.00 32.00 32.00 32.00 32.00 32.00 30.00 30.00 30.00 30.00 100		224.04	260 EE	276.66	224.04	260 EE	276 66
Less: Living Cost 32.00	10(a) Expenses (D+E+F)=(G)	221.91	200.33	210.00	221.31	200.55	210.00
Debt payment Per Acre 100.00 100.00 100.00 100.00 100.00 100.00 100.00	Net Income Per Acre	114.69	144.85	201.69	20.19	38.50	83.49
	Less: Living Cost	32.00	32.00	32.00	32.00	32.00	32.00
Residula For Growth -17.31 12.85 69.69 -111.81 -93.50 -48.51	Debt payment Per Acre	100.00	100.00	100.00	100.00	100.00	100.00
	Residula For Growth	-17.31	12.85	69.69	-111.81	-93.50	-48.51

Global Pea Production (Majors)



A review of market share data shows that the Canadian market share in China's pea markets has dropped from 93.1% in 2020 to 70.4% in 2023 (January to September), while Russia's market share has risen from 0% in 2020 to 22% in 2023 (January to September).

Canadian Peas

- The yield for green peas in 2023 fell below the five-year average by 10.5 per cent. Seeded area also fell below the five-year average by 40.6 per cent.
- Yellow peas fell by 7.7 per cent in yield and 19.1 per cent in seeded area. This was largely due to problems with low precipitation and diseases affecting plant roots.
- Despite the drop in production, exports for Canadian peas increased to 2.56 million tonnes in 2022-23 from 1.9 million tonnes in 2021-22.
- China remains the largest buyer with 1.44 million tonnes. Bangladesh returned to the market by buying over 405,000 tonnes in 2022-23, followed by the U.S. and Pakistan.
- It is likely that competition for land in pea production is influenced by other markets with strong demands for crops such as canola.



Peas

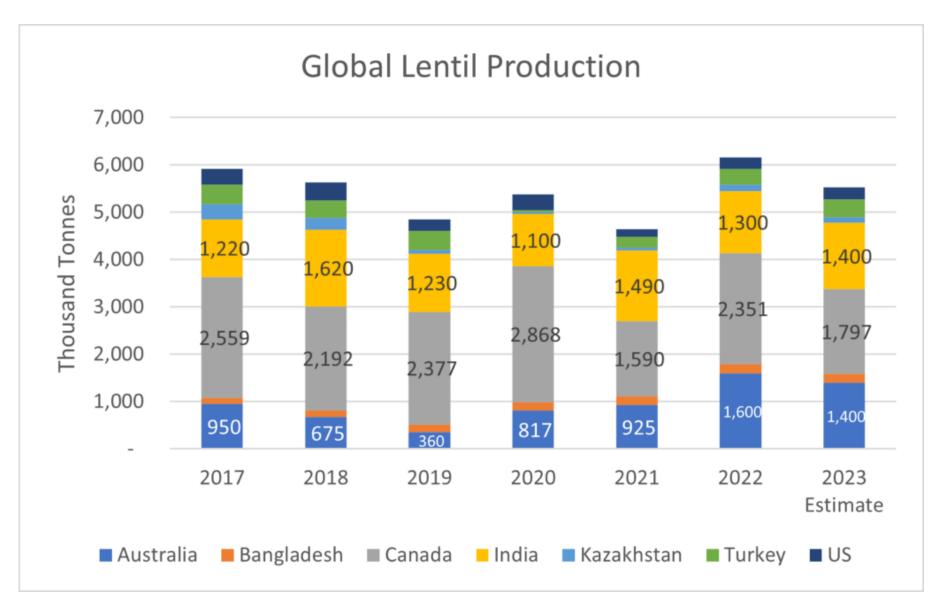
- Saskatchewan producers lead the way with production of dry peas by seeding 52.9 per cent of the western acres in Canada.
- Alberta is close behind with approximately 41.7 per cent of the acres in western Canada. Manitoba makes up the remainder.
- The seeded area is forecast to drop in 2023-24; however, yield should pick up again if more favourable weather returns in the growing season.
- Lower ending stocks for 2023-24 may help relieve pressure on prices in the new year. In the United States, peas are expected to increase in seeded area in North Dakota and Montana primarily because of favourable growing conditions and good yields during 2023.
- Canada is a large importer of U.S. grown peas.



Canadian Peas

- India removed all import restrictions on peas for the period of December 8, 2023 to March 31, 2024.
- First time six years that India has completely opened pea imports,
- Opportunity to export 200,000–300,000 tonnes of additional yellow peas
- Competition into India by peas from Russia, but yellow pea prices in Canada quickly appreciated to \$13.00-13.50 per bushel (/bu) in Saskatchewan (up to \$14/bu in Alberta) as exporters are trying to take advantage of the window into India.
- China should continue to import their peas for fractionation from Canada at slightly higher values, and given there will be no United States (US) antidumping and countervailing duties on Chinese pea protein), additional pea exports of 200,000–300,000 tonnes to India would tighten the Canadian pea balance sheet from a 7% stock-use ratio to a much tighter 2% stock-use ratio.





Peas

- For 2023-24, production is estimated to fall by 34% to 2.3 million tonnes (Mt).
- This is largely due to lower yields, especially in Saskatchewan where 51% of the peas are grown.
- Yellow pea production is forecast to be lower than last year at 2.0 Mt and green pea production is expected to fall to 0.25 Mt.
- Production of the other remaining dry pea types is also expected to be lower at 55 thousand tonnes (Kt).
- Supply is forecast to be only 26% below last year at 2.8 Mt due to higher carry-in stocks. Exports are forecast to decrease significantly to 1.9 Mt.
- From August to September 2023, China and the US were Canada's top two markets.
- With the smaller supply, carry-out stocks are forecast to fall sharply.
- The average price is expected to increase by 5% from 2022-23 to \$420/tonne (t) due to stronger spot prices.



Peas

- During October, the on-farm price of yellow peas in Saskatchewan fell by \$5/t while the price of green pea types fell by \$10/t.
- Current indications of crop quality suggest a higher percentage of Canadian dry peas will grade No. 1 and No. 2 when compared to last year.
- Despite this, the sharply lower Canadian output will result in a smaller supply of No.1 and No. 2 dry peas for this crop year.
- For the crop year to-date, there has been a \$185/t premium for green dry peas to yellow dry peas, versus a green pea premium of \$65/t to yellow peas in 2022-23.

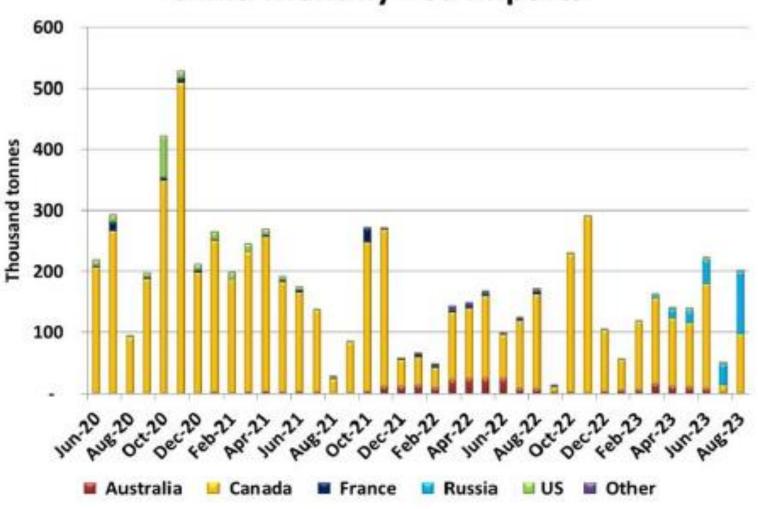


Peas

- Area seeded to dry peas in the US for 2023-24 is forecast by the United States Department of Agriculture (USDA) to rise by 3% from last year to 0.95 million acres (0.38 million hectares (Mha)).
- This is largely due to higher seeded area in North Dakota and Montana. US dry pea yields are estimated to be above average and dry pea production is forecast by the USDA to rise from last year by 14% to 0.78 Mt.
- The main export markets for US dry peas are Canada, the Philippines, and India.



China Monthly Pea Imports



	2021-2022	2022-2023	2023-2024
Area seeded (thousand hectares)	1,560	1,363	1,233
Area harvested (thousand hectares)	1,505	1,348	1,204
Yield (tonnes per hectare)	1.49	2.54	1.89
Production (thousand tonnes)	2,244	3,423	2,272
Imports (thousand tonnes	29	35	40
Total supply (thousand tonnes)	2,832	3,797	2,810
Exports (thousand tonnes)	1,912	2,562	1,900
Total Domestic Use (thousand tonnes)	581	737	635
Carry-out Stocks (thousand tonnes)	339	498	275
Stocks-to-Use Ratio	14%	15%	11%
Average Price (\$/tonne)	590	440	420

Field Peas 1CAN - Green



GREEN PEAS PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

CROP

Seed

Est. On Farm Market Price \$/bu. (B)

EXPENSES PER ACRE Variable Expenses/acre

Fertilizer -Nitrogen (N)

Plant Protection -Herbicides

Machinery Operating -Fuel

Crop Insurance Premium

Hail Insurance Premium

Other Expenses/acre
Building Repair

Total Other Expenses (E)

RETURNS PER ACRE

Net Income Per Acre

Residula For Growth

Less: Living Cost

Labour and Management (F)*

Total Expenses (D+E+F)=(G)

Debt payment Per Acre

Property Taxes
Business Overhead

Utilities and Miscellaneous

Interest on Variable Expenses

Total Variable Expenses (D)

Custom Work and Hired Labour

Estimated Gross Revenue/ac (AxB)=C

-Phosphorous (P2O5)

-Sulphur and Other

-Insecticides

-Fungicides

Seed Treatments/Inoculants

-Repair

451.44 585.36

13.50

52.06

9.47

4.39

18.96

0.00

92.72

12.29

25.14

17.74

10.66

20.75

9.68

14.00

3.41

8.95

300.23

0.64

4.43

2.38

7.45

307.68

143.76

32

100

11.76

Magnusson Consulting Group

Economics

GREEN PEAS

80th percentile

13.50

59.28

10.79

5.80

25.03

0.00

89.47

12.29

25.14

22.18

12.02

20.75

8.79

14.00

4.48

9.52

319.53

0.86

5.80

3.63

10.30

329.82

255.54

32

100

123.54

13.50

689.45

66.88

12.17

6.88

29.58

0.00

95.79

12.29

25.14

27.73

13.60

20.75

10.80

14.00

5.16

10.47

351.23

1.16

8.79

4.26

14.21

365.45

324.00

32

100

192.00

Average Yield

Brown

25.4

13.50

342.23

52.06

9.47

4.39

18.96

0.00

92.72

12.29

25.14

17.74

10.66

20.75

9.68

14.00

3.41

8.95

300.23

0.64

4.43

2.38

7.45

307.68

34.55

32

100

-97.45

Dark Brown

34.5

13.50

466.29

59.28

10.79

5.80

25.03

0.00

89.47

12.29

25.14

22.18

12.02

20.75

8.79

14.00

4.48

9.52

319.53

0.86

5.80

3.63

10.30

329.82

136.47

32

100

4.47

Black

41.2

13.50

555.53

66.88

12.17

6.88

29.58

0.00

95.79

12.29

25.14

27.73

13.60

20.75

10.80

14.00 5.16

10.47

351.23

1.16

8.79

4.26 **14.21**

365.45

190.08

32

100

58.08

222

Field Peas 1CAN - Yellow



Economics CROP YELLOW PEAS 80th percentile Soil Zone Brown Dark Brown Black Brown REVENUE PER ACRE 51.1 Estimated Yield (bu./ac) (A) 33.4 43.4 25.4 11.00 11.00 Est. On Farm Market Price \$/bu. (B) 11.00 11.00

367.84

42.78

9.54

4.39

18.96

0.00

92.72

12.29

25.14

17.74

10.66

20.75

9.68

14.00

3.41

8.67

290.73

0.64

4.43

2.38

7.45

298.18

11.00

32

100

Magnus 100

476.96

48.98

10.93

5.80

25.03

0.00

89.47

12.29

25.14

22.18

12.02

20.75

8.79

14.00

4.48

9.21

309.05

0.86

5.80

3.63

10.30

319.35

11.00

32

100

onsultage (- oup

561.77

55.18

12.31

6.88

29.58

0.00

95.79

12.29

25.14

27.73

13.60

20.75

10.80

14.00

5.16

10.11

339.31

1.16

8.79

4.26

14.21

353.53

11.00

32

100

-121.00

278.85

42.78

9.54

4.39

18.96

0.00

92.72

12.29

25.14

17.74

10.66

20.75

9.68

3.41

8.67

276.73

0.64

4.43

2.38

7.45

284.18

11.00

32

100

-121.00

Average Yield

Dark Brown

34.5

11.00

379.94

48.98

10.93

5.80

25.03

0.00

89.47

12.29

25.14

22.18

12.02

20.75

8.79

4.48

9.21

295.05

0.86

5.80

3.63

10.30

305.35

11.00

32

100

-121.00

Black

41.2

11.00

452.65

55.18

12.31

6.88

29.58

0.00

95.79

12.29

25.14

27.73

13.60

20.75

10.80

5.16

10.11

325.31

1.16

8.79

4.26

14.21

339.53

11.00

32

100

-121.00

YELLOW PEAS PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

Estimated Gross Revenue/ac (AxB)=C

-Phosphorous (P2O5)

-Sulphur and Other

-Insecticides

-Fungicides

Seed Treatments/Inoculants

-Repair

EXPENSES PER ACRE Variable Expenses/acre

Fertilizer -Nitrogen (N)

Plant Protection -Herbicides

Machinery Operating -Fuel

Crop Insurance Premium

Hail Insurance Premium

Other Expenses/acre
Building Repair

Property Taxes

Business Overhead

Net Income Per Acre

Residula For Growth

Less: Living Cost

Total Other Expenses (E)

Labour and Management (F)*

Total Expenses (D+E+F)=(G)

Debt payment Per Acre

Utilities and Miscellaneous

Interest on Variable Expenses

Total Variable Expenses (D)

Custom Work and Hired Labour

Seed

Field Peas 1CAN - Feed



	Saskatchewan 2023				Saskatchewan (2018-22) average*			
	Ar	ea	Av		Ar	ea	Av	
Crop	Seeded '000 acres	Harvested '000 acres	Yield lb./ac.	Production '000 tonnes	Seeded '000 acres	Harvested '000 acres	Yield lb./ac	Production '000 tonnes
Large Green Lentils	777.4	753.3	841	287.5	855.8	829.4	1,126	435.1
Small Green Lentils	356.5	350.6	1,285	204.4	315.7	310.1	1,340	190.4
Red Lentils	1,985.2	1,962.7	1,114	991.4	2,380.8	2,353.0	1,305	1,366.4
Other Lentils	80.6	78.8	876	31.3	59.5	57.9	901	24.7
Total Lentils	3,199.7	3,145.3	1,062	1,514.6	3,611.8	3,550.4	1,258	2,016.6

Source: Statistics Canada

^{*2015-2019} totals do not add up due to revisions to the total, but not the individual components.

Canadian Lentils

- The StatCan production number on lentils also underwent a major revision in the December report.
- Canadian lentil production is estimated at 1.7 million tonnes is 27% smaller than the 2022 lentil production.
- Lentil supply at 1.9 million tonnes is approximately 27% smaller than last year's.
- Global lentil production by the major producers at 5.5 million tonnes is down by about 10% from the previous year.

	Lentil Supply and Disposition, Canada										
	Aug 1 Stocks '000 tonnes	Harvested Area '000 acres	Production	Imports	Total Supply	Exports '000 to	Use Domestic nnes	Seed	F.W.D.*	July 31 Stocks	Stocks/ Use
2014/15	786.0	3,008.0	1,987.0	13.4	2,786.4	2,179.3	14.0	137.3	92.8	363.0	15%
2015/16	363.0	4,028.0	2,540.5	16.3	2,919.8	2,144.5	15.0	199.4	487.5	73.4	3%
2016/17	73.4	5,488.0	3,193.8	98.0	3,365.2	2,455.0	20.0	149.9	425.3	315.0	10%
2017/18	315.0	4,383.0	2,558.5	34.7	2,908.2	1,538.0	20.0	128.1	349.4	872.7	43%
2018/19	872.7	3,705.2	2,192.1	50.6	3,115.4	2,033.2	20.0	128.4	78.2	855.6	38%
2019/20	855.6	3,678.3	2,382.0	89.7	3,327.3	2,734.9	21.9	143.9	217.6	209.0	7%
2020/21	209.0	4,212.6	2,867.7	109.9	3,186.6	2,327.5	21.4	142.7	257.0	438.0	16%
2021/22	438.0	4,138.3	1,593.6	51.3	2,082.9	1,601.6	21.4	146.9	90.0	223.0	12%
2022/23	223.0	4,237.8	2,300.6	86.5	2,610.1	2,197.9	22.5	124.8	118.2	146.7	6%
2023/24	146.7	3,608.2	1,671.1	90.0	1,907.8	1,550.0	20.0	125.0	80.0	132.8	7%

*Feed, waste and dockage

Source: Statistics Canada

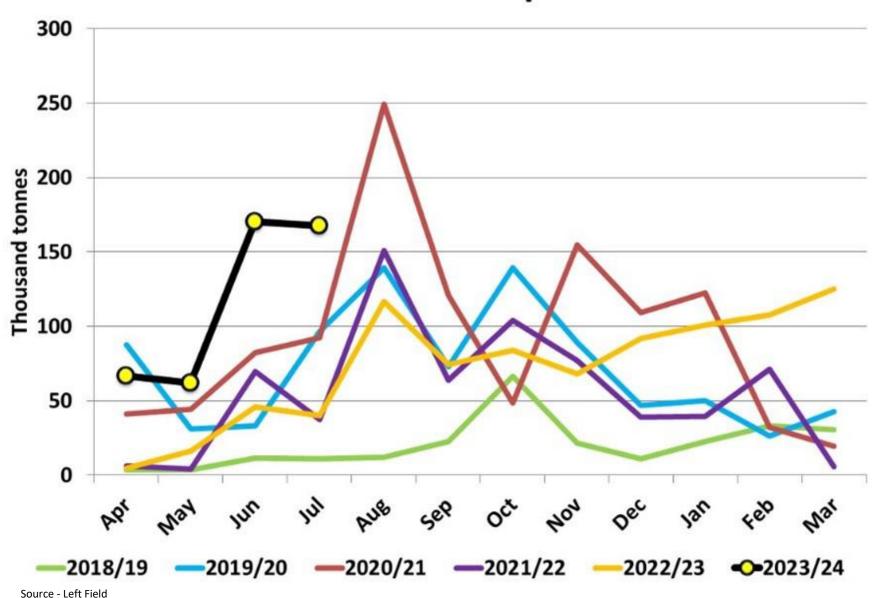
Canadian Lentil Exports							
Top 20 Destinations by Crop Year							
	2021-	22	2022-	-23			
		tonnes		tonnes			
	World	1,602,630	World	2,205,789			
1	Turkey	484,600	India	661,716			
2	India	307,104	Turkey	575,239			
3	United Arab Emirates	220,958	United Arab Emirates	206,658			
4	United States	77,660	Bangladesh	95,708			
5	Algeria	70,530	United States	80,330			
6	Colombia	61,544	Colombia	66,382			
7	Pakistan	52,620	Morocco	55,320			
8	Peru	38,309	Pakistan	47,306			
9	Egypt	28,352	Peru	46,472			
10	Morocco	27,941	Algeria	39,990			
11	Italy	24,819	Mexico	32,011			
12	Mexico	20,754	Spain	30,855			
13	Ecuador	20,306	Italy	27,844			
14	Spain	15,322	Ecuador	21,216			
15	France	12,278	Egypt	17,969			
16	Belgium	11,904	France	16,246			
17	Sri Lanka	11,498	Chile	15,828			
18	Brazil	11,346	Brazil	15,600			
19	Bangladesh	11,208	Belgium	13,570			
20	Venezuela	9,506	Venezuela	11,094			

Source: Statistics Canada

- India has always been a large factor in the red lentil market, but its influence is becoming even greater in 2023/24.
- Early in 2023, India's lentil harvest was reported at a near-record output of 1.6 million tonnes, and it looked like it would need to import fewer lentils.
- It has not turned out that way though and instead, imports are running at record levels early in
- India's 2023/24 (April-March) marketing year.
- The increased demand for lentils is driven by declines in other Indian pulse crops and will continue through the medium term, if not longer.
- The latest diplomatic tensions might cause problems, but India can not really afford to restrict pulse imports right now.



Indian Lentil Imports



- Australian red lentil production has expanded since 2021/22. In 2023/24, Aussie farmers are producing their second largest red lentil crop ever at 1.2 million tonnes, although that is down 27% from last year.
- Together, red lentil crops in Canada and Australia will be roughly 2.2 million tonnes, down 1.3 million tonnes or 37% from last year, and will put a large dent in global trade.
- Green lentil production is also down in Canada, but acreage declines were not as severe as for reds and supplies have not been hit quite as hard. The lentil crop in the U.S., the only other sizable exporter, was steady.
- Just like green peas, green lentil demand is spread across a large number of countries, most of which are not very price sensitive.
- Importers' concerns about green lentil supplies have caused Canadian bids to firm up and that trend will likely hold.
- One other clue about the tightness in the green lentil market is the unusually narrow spread between large green and small green lentil bids.
- This narrow price difference suggests users are already starting to substitute in smaller greens into their products.

- For 2023-24, lentil production is estimated to fall by 33% to 1.54 Mt due to lower yields.
- Below-average yields are expected, with the majority of the decrease being red lentil types.
- Seeded area was also lower, contributing further to the decline in output. By province, Saskatchewan is expected to account for 86% of the lentil production and 14% in Alberta.
- With the sharp fall in production, total supply is forecast to decrease by nearly 1.0 Mt to below 1.8 Mt. Exports are forecast to be lower at 1.4 Mt.
- Carry-out stocks are expected to be similar at 0.15 Mt.
- The average price for all grades is forecast to be significantly higher than 2022-23 at \$950/t, due to unchanged carry-out stocks and expectations for a decrease in world supply.



	2021-2022	2022-2023	2023-2024
Area seeded (thousand hectares)	1,700	1,749	1,485
Area harvested (thousand hectares)	1,675	1,715	1,463
Yield (tonnes per hectare)	0.95	1.34	1.05
Production (thousand tonnes)	1,594	2,301	1,542
Imports (thousand tonnes)	51	88	75
Total supply (thousand tonnes)	2,083	2,611	1,764
Exports (thousand tonnes)	1,602	2,256	1,400
Total Domestic Use (thousand tonnes)	258	208	214
Carry-out Stocks (thousand tonnes)	223	147	150
Stocks-to-Use Ratio	<u>12%</u>	<u>6%</u>	<u>9%</u>
Average Price (\$/tonne)	<u>970</u>	<u>820</u>	<u>950</u>

Lentils Small Red



Lentils Large Green



Lentils Small Green



Lentils Medium Green



Lentils French Green



Mustard

- For 2023-24, production is estimated at 168 Kt, marginally higher than last year, as an increase in area was partly offset by lower yields.
- Supply is expected to rise by 13% to 0.22 Mt, as higher carry-in stocks are offset by the fall in output.
- Exports are expected to be similar at 125 Kt, with the US and the EU as the main markets for Canadian mustard seed.
- Carry-out stocks are forecast to rise sharply. The average price is forecast to fall from 2022-23 to \$1,770/t.



Mustard Seed

	2021-2022	<u>2022-23</u>	2023-2024
Area seeded (thousand hectares)	117	225	258
Area harvested (thousand hectares)	110	219	248
Yield (tonnes per hectare)	0.55	0.74	0.68
Production (thousand tonnes)	<i>6</i> 1	162	168
Imports (thousand tonnes)	9	12	7
Total supply (thousand tonnes)	130	190	215
Exports (thousand tonnes) Musta	92	124	125
Total Domestic Use (thousand tonnes)	22	26	25
Carry-out Stocks (thousand tonnes)	16	40	65
Stocks-to-Use Ratio	14%	27%	43%
Average Price (\$/tonne)	2,885	2,140	1,770

Mustard 1CAN - Yellow



Mustard 1CAN - Brown



Mustard 1CAN - Oriental



MUSTARD PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024 Economics

Economics								
CROP	Brown M	lustard	Yellow	Mustard	Orienta	Oriental Mustard		
	80th percentile	Average Yield	80th percentile	Average Yield	80th percentile	Average Yield		
Soil Zone	Brown	Brown	Brown	Brown	Brown	Brown		
REVENUE PER ACRE								
Target Yield (lb./ac.) (A)	970.00	705.5	793.70	551.2	992.10	727.5		
Est. Farm Gate Price \$/lb. (B)	0.52	0.52	0.50	0.50	0.55	0.55		
Estimated Gross Revenue/ac (AxB)=C	504.40	366.86	396.85	275.6	545.66	400.13		
EXPENSES PER ACRE								
Variable Expenses/acre								
Seed	33.12	33.12	58.60	58.60	31.86	31.86		
-Seed Treatments/Inoculants	0.54	0.54	0.90	0.90	0.54	0.54		
Fertilizer -Nitrogen (N)	30.66	30.66	25.68	25.68	31.48	31.48		
-Phosphorous (P2O5)	15.17	15.17	12.89	12.89	15.17	15.17		
-Sulphur and Other	5.69	5.69	5.69	5.69	5.69	5.69		
Plant Protection -Herbicides	45.60	45.60	45.51	45.51	45.60	45.60		
-Insecticides	3.28	3.28	0.00	0.00	3.28	3.28		
-Fungicides	0.00	0.00	0.00	0.00	0.00	0.00		
Machinery Operating -Fuel	24.52	24.52	24.52	24.52	24.52	24.52		
-Repair	10.66	10.66	10.66	10.66	10.66	10.66		
Custom Work and Hired Labour	20.75	20.75	20.75	20.75	20.75	20.75		
Crop Insurance Premium	17.40	17.40	23.85	23.85	21.52	21.52		
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00		
Utilities and Miscellaneous	3.41	3.41	3.41	3.41	3.41	3.41		
Interest on Variable Expenses	6.91	6.91	7.57	7.57	7.02	7.02		
Total Variable Expenses (D)	231.70	231.70	254.03	254.03	235.49	235.49		
Other Expenses/acre								
Building Repair	0.64	0.64	0.64	0.64	0.64	0.64		
Property Taxes	4.43	4.43	4.43	4.43	4.43	4.43		
Business Overhead	2.38	2.38	2.38	2.38	2.38	2.38		
Total Other Expenses (E)	7.45	7.45	7.45	7.45	7.45	7.45		
Labour and Management (F)*						1110		
Total Expenses (D+E+F)=(G)	239.15	239.15	261.48	261.48	242.94	242.94		
Net Income Per Acre	265.25	127.71	265.25	127.71	302.72	157.19		
Less: Living Cost	32.00	32.00	32.00	32.00	32.00	32.00		
Debt payment Per Acre	100.00	100.00	100.00	100.00	100.00	100.00		
Residula For Growth	133.25	-4.29	133.25	-4.29	170.72	25.19		

Magnusson Consulting Group

Economics

CROP	SUNFLOWER (EMSS)				
	80th percentile	Average Yield			
Soil Zone	DkBrown	DkBrown			
REVENUE PER ACRE					
Target Yield (lb./ac.) (A)	2116.40	1873.90			
Est. Farm Gate Price \$/lb. (B)	0.32	0.32			
Estimated Gross Revenue/ac (AxB)=C	677.25	599.65			
EXPENSES PER ACRE					
Variable Expenses/acre					
Seed	49.40	49.40			
-Seed Treatments/Inoculants	0.00	0.00			
Fertilizer -Nitrogen (N)	62.14	62.14			
-Phosphorous (P2O5)	22.75	22.75			
-Sulphur and Other	35.57	35.57			
Plant Protection -Herbicides	61.64	61.64			
-Insecticides	9.49	9.49			
-Fungicides	0.00	0.00			
Machinery Operating -Fuel	25.68	25.68			
-Repair	12.02	12.02			
Custom Work and Hired Labour	21.25	21.25			
Crop Insurance Premium	10.27	10.27			
Hail Insurance Premium	14.00	14.00			
Utilities and Miscellaneous	4.48	4.48			
Interest on Variable Expenses	10.10	10.10			
Total Variable Expenses (D)	338.79	338.79			
Other Expenses/acre					
Building Repair	0.86	0.86			
Property Taxes	5.80	5.80			
Business Overhead	3.63	3.63			
Total Other Expenses (E)	10.30	10.30			
Labour and Management (F)*					
Total Expenses (D+E+F)=(G)	349.09	349.09			
Net Income Per Acre	328.16	250.56			
Less: Living Cost	32.00	32.00			
Debt payment Per Acre	100.00	100.00			
Residula For Growth	196.16	118.56			

Lentils Small Red



Lentils Large Green



Lentils Small Green



Lentils Medium Green



Lentils French Green



RED LENTILS CROP 80th percentile Dark Brown

RED LENTILS PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

7 (Voluge Field	
rown Dark Brown	Black
46.40 1,388.90	1,697.60
.34 0.34	0.34
9.78 472.23	577.18
7.00 27.00	27.00
.15 4.15	4.15
.82 3.48	4.23
2.13 15.17	18.20
.00 0.00	0.00
9.74 59.74	77.21
2.29 12.29	12.29
20.00	20.00
7.74 22.18	27.73
).66 12.02	13.60
2.25 21.50	23.25
7.40 17.66	17.60
1.00	14.00
.41 4.48	5.16
.87 7.18	8.12
0.46 240.84	272.54
64 0.86	1.16
43 5.80	8.79
38 3.63	4.26
.45 10.30	14.21
7.91 251.14	286.75
1.87 221.09	290.43
32 32	32
00 100	100
9.87 89.09	158.43

Economics

Average Yield

LARGE GREEN LENTILS PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024 Economics

CROP	LAR						
	80th percentile			Average Yield			
Soil Zone	Brown	Dark Brown	**Black	Brown	Dark Brown	Black	
REVENUE PER ACRE							
Estimated Yield (lb./ac) (A)	1,300.70	1,697.60	1,477.10	970.00	1,278.70	1,146.40	
Est. On Farm Market Price \$/lb. (B)	0.50	0.50	0.50	0.50	0.50	0.50	
Estimated Gross Revenue/ac (AxB)=C	650.35	848.80	738.55	485	639.35	573.2	
EXPENSES PER ACRE							
Variable Expenses/acre							
Seed	77.35	77.35	77.35	77.35	77.35	77.35	
-Seed Treatments/Inoculants	6.29	6.29	6.29	6.29	6.29	6.29	
Fertilizer -Nitrogen (N)	2.49	3.31	2.82	2.49	3.31	2.82	
-Phosphorous (P2O5)	10.62	14.41	12.13	10.62	14.41	12.13	
-Sulphur and Other	0.00	0.00	0.00	0.00	0.00	0.00	
Plant Protection -Herbicides	59.74	59.74	77.21	59.74	59.74	77.21	
-Insecticides	12.29	12.29	12.29	12.29	12.29	12.29	
-Fungicides	20.00	20.00	20.00	20.00	20.00	20.00	
Machinery Operating -Fuel	17.74	22.18	27.73	17.74	22.18	27.73	
-Repair	10.66	12.02	13.60	10.66	12.02	13.60	
Custom Work and Hired Labour	22.25	21.50	23.25	22.25	21.50	23.25	
Crop Insurance Premium	16.94	18.62	18.90	16.94	18.62	18.90	
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00	
Utilities and Miscellaneous	3.41	4.48	5.16	3.41	4.48	5.16	
Interest on Variable Expenses	8.41	8.79	9.55	8.41	8.79	9.55	
Total Variable Expenses (D)	282.19	294.98	320.28	282.19	294.98	320.28	
						5_51_5	
Other Expenses/acre							
Building Repair	0.64	0.86	1.16	0.64	0.86	1.16	
Property Taxes	4.43	5.80	8.79	4.43	5.80	8.79	
Business Overhead	2.38	3.63	4.26	2.38	3.63	4.26	
Total Other Expenses (E)	7.45	10.30	14.21	7.45	10.30	14.21	
Labour and Management (F)*							
Total Expenses (D+E+F)=(G)	289.64	305.27	334.50	289.64	305.27	334.50	
	200.01	000.2.	00 1100	200101	000.27	3333	
Net Income Per Acre	360.71	543.53	404.05	195.36	334.08	238.70	
Less: Living Cost	32	32	32	32	32	32	
Debt payment Per Acre	100	100	100	100	100	100	
Residula For Growth	228.71	411.53	272.05	63.36	202.08	106.70	
	Magnusson Co	nsulting Group)			253	

Chick Peas

- For 2023-24, production is forecast to rise marginally to 134 Kt, as sharply higher area has been offset by below average yields.
- By province, Saskatchewan is expected to account for 89% of the chickpea production, with 11% in Alberta.
- Total supply is forecast to fall by 37% to 0.21 Mt due to lower carry-in stocks.
- Exports are forecast to be sharply lower than 2022-23, however, due to the lower supply, carry-out stocks are expected to decrease for the third consecutive year.
- The average price is forecast to be unchanged at \$1,000/t despite expectations for a larger world chickpea supply.



Chickpeas 1CW - Kabuli 9mm



Chickpeas 1CW - Desi



CHICKPEAS PRODUCTION COSTS (\$/ACRE) FOR SASKATCHEWAN 2024

Economics

CROP	#1 Desi	#1 Desi Chickpea		#1-9mm Kabuli Chickpea		#1-7mm Kabuli Chickpea	
	80th percentile	Average Yield	80th percentile	Average Yield	80th percentile	Average Yield	
Soil Zone	Brown	Brown	Brown	Brown	Brown	Brown	
REVENUE PER ACRE							
Target Yield (lb./ac.) (A)	1653.50	1388.90	1962.10	1433.00	1763.70	1433.00	
Est. Farm Gate Price \$/lb. (B)	0.34	0.34	0.45	0.45	0.45	0.45	
Estimated Gross Revenue/ac (AxB)=C	562.19	472.23	882.95	644.85	793.67	644.85	
EXPENSES PER ACRE							
Variable Expenses/acre							
Seed	44.64	44.64	98.60	98.60	54.50	54.50	
-Seed Treatments/Inoculants	6.43	6.43	10.03	10.03	7.54	7.54	
Fertilizer -Nitrogen (N)	4.97	4.97	5.80	5.80	4.97	4.97	
-Phosphorous (P2O5)	21.23	21.23	23.51	23.51	19.72	19.72	
-Sulphur and Other	0.00	0.00	0.00	0.00	0.00	0.00	
Plant Protection -Herbicides	85.95	85.95	85.95	85.95	85.95	85.95	
-Insecticides	9.48	9.48	9.48	9.48	9.48	9.48	
-Fungicides	20.00	20.00	20.00	20.00	20.00	20.00	
Machinery Operating -Fuel	25.68	25.68	25.68	25.68	25.68	25.68	
-Repair	10.66	10.66	10.66	10.66	10.66	10.66	
Custom Work and Hired Labour	20.25	20.25	20.25	20.25	20.25	20.25	
Crop Insurance Premium	20.46	20.46	30.27	30.27	24.30	24.30	
Hail Insurance Premium	14.00	14.00	14.00	14.00	14.00	14.00	
Utilities and Miscellaneous	3.41	3.41	3.41	3.41	3.41	3.41	
Interest on Variable Expenses	8.82	8.82	10.99	10.99	9.23	9.23	
Total Variable Expenses (D)	295.99	295.99	368.63	368.63	309.69	309.69	
Other Expenses/acre							
Building Repair	0.64	0.64	0.64	0.64	0.64	0.64	
Property Taxes	4.43	4.43	4.43	4.43	4.43	4.43	
Business Overhead	2.38	2.38	2.38	2.38	2.38	2.38	
Total Other Expenses (E)	7.45	7.45	7.45	7.45	7.45	7.45	
Labour and Management (F)*						-	
Total Expenses (D+E+F)=(G)	303.44	303.44	376.08	376.08	317.14	317.14	
Net Income Per Acre	258.75	168.79	506.87	268.77	476.53	327.71	
Less: Living Cost	32.00	32.00	32.00	32.00	32.00	32.00	
Debt payment Per Acre	100.00	100.00	100.00	100.00	100.00	100.00	
Residula For Growth	126.75	36.79	374.87	136.77	344.53	195.71	
MESIGNIA FOI GIOWIII	120.70	30.79	314.01	130.77	J 44 .JJ	190./1	

Saskatchewan Lentils

- Most lentils grown in Saskatchewan are red lentils; however, there is a trend showing that green lentil demand may be increasing. For 2023, most lentils were exported to India, almost twice as much as last year.
- Turkey is the second largest buyer of Canadian lentils followed by the United Arab Emirates.
- The seeded area in Saskatchewan fell to 3.2 million acres from 3.77 million in 2022 which brought production down to 1.51 million tonnes from 1.96 million tonnes in 2022.
- Stocks are forecast to remain low which should provide support to lentil prices in the new crop year.
- The competition from Australia may put pressure on lentil prices; however, the production in Australia may have been adversely affected by dry conditions.
- The lentil crop in India is getting support from the Indian government; however, conditions in much of the growing area in India are dry, suggesting that lentils will again be in demand from exporting countries.

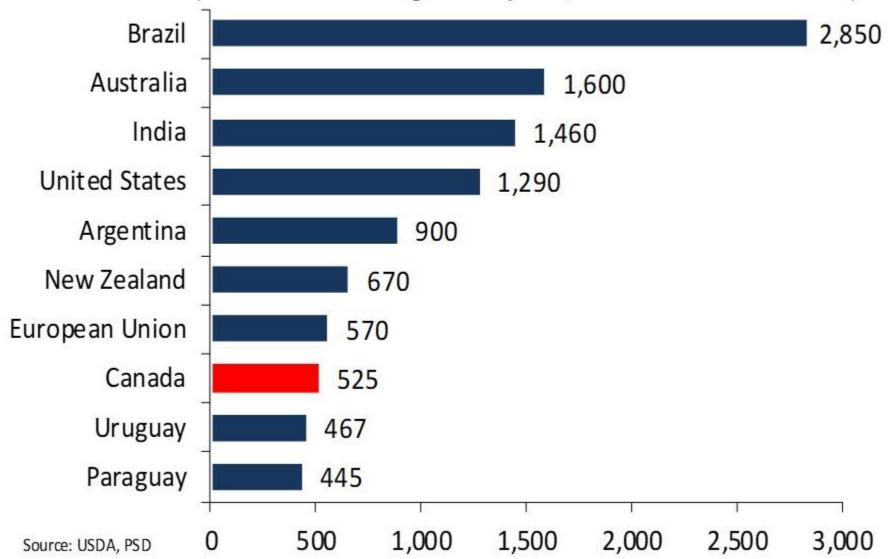


Cattle



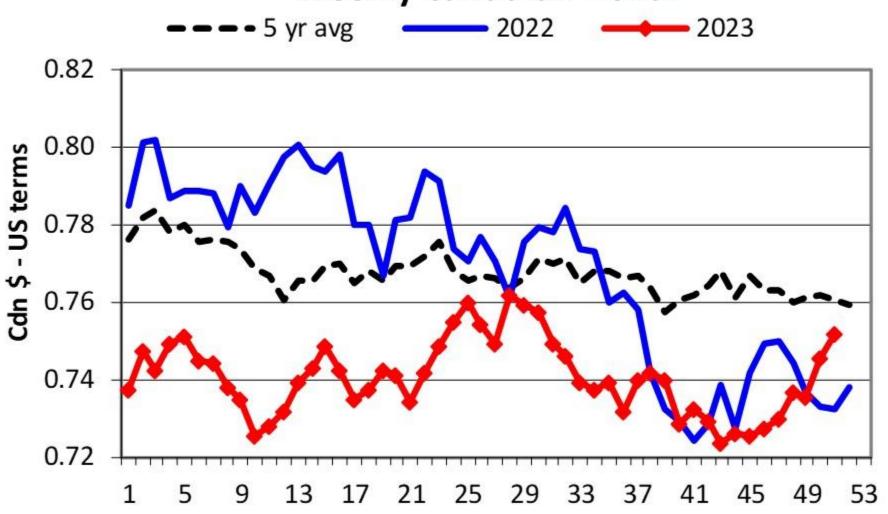
Top 10 Beef Exporting Nations, 2024p

(Excludes Live Slaughter Exports, Thousand Tonnes CWE)





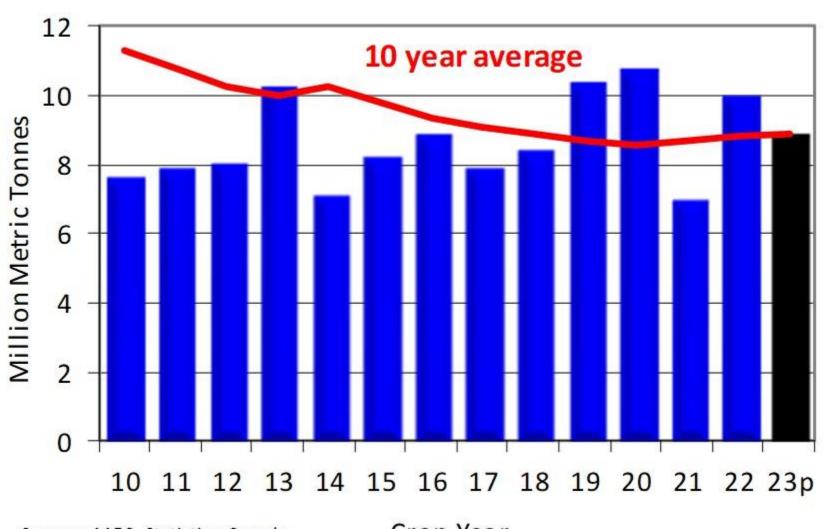
Weekly Canadian Dollar



Source: Bank of Canada

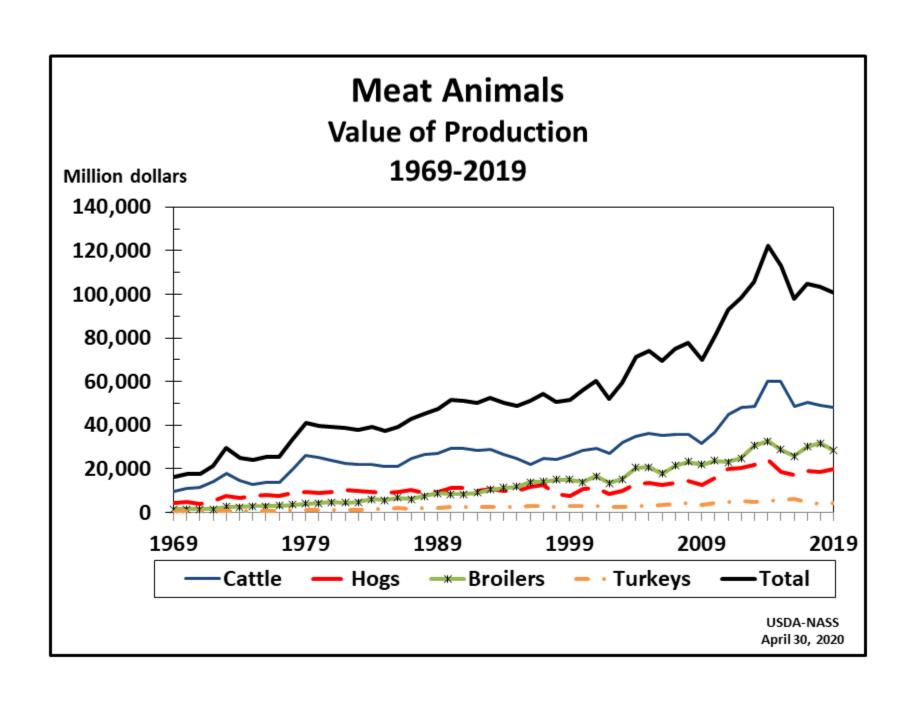


Canadian Barley Production



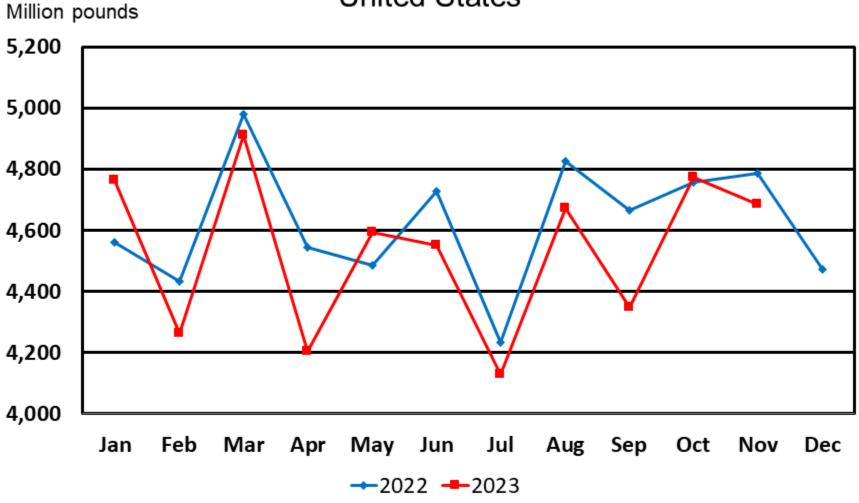
Source: AAFC, Statistics Canada

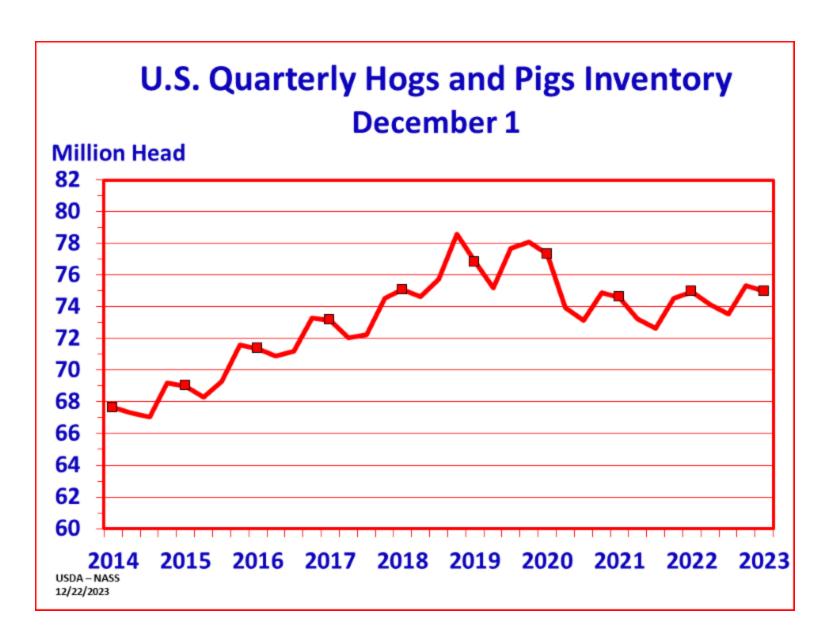
Crop Year

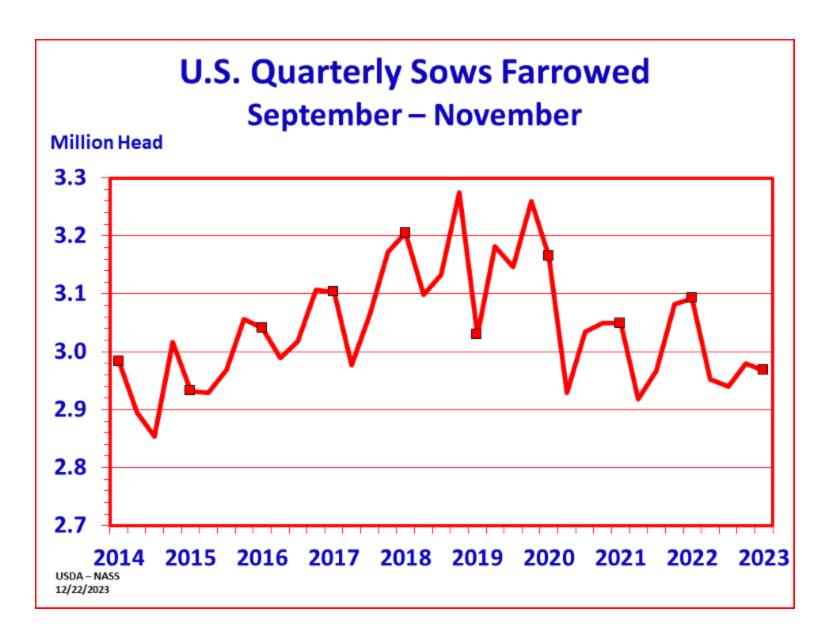


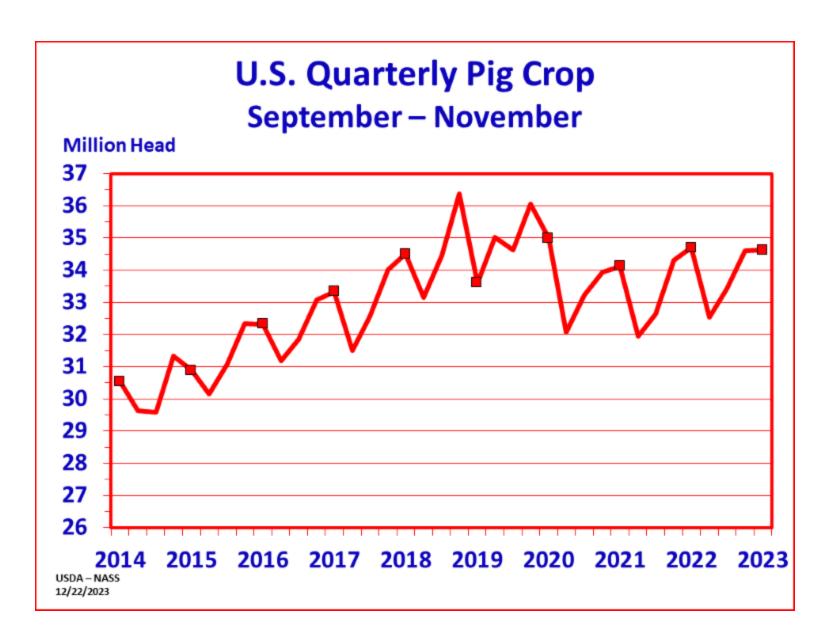
Commercial Red Meat Production

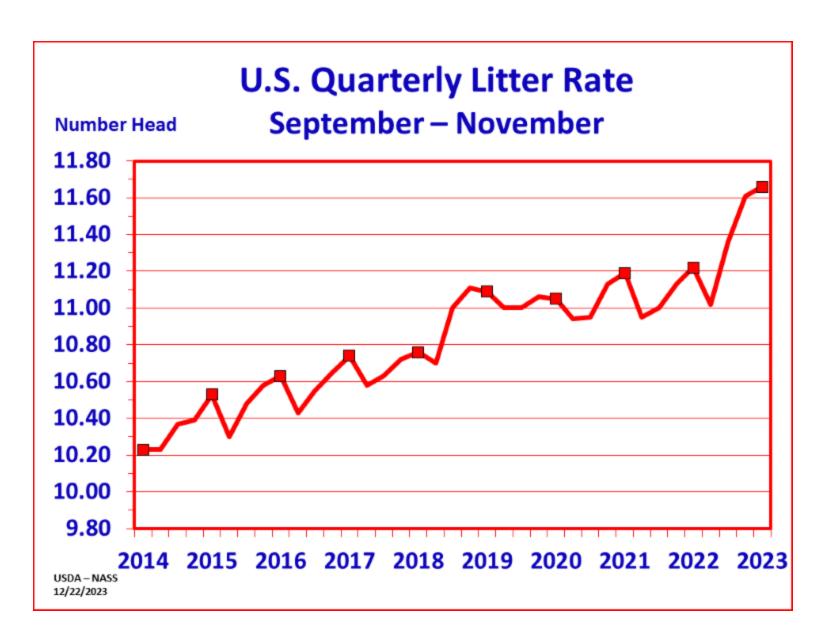






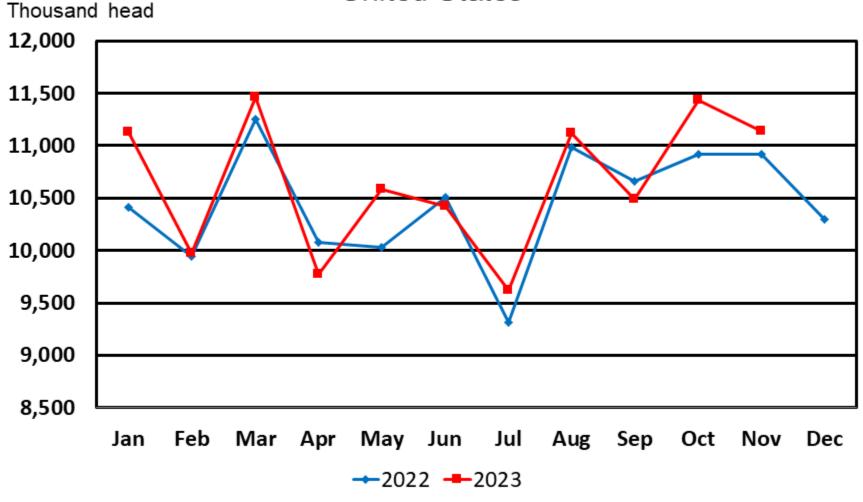




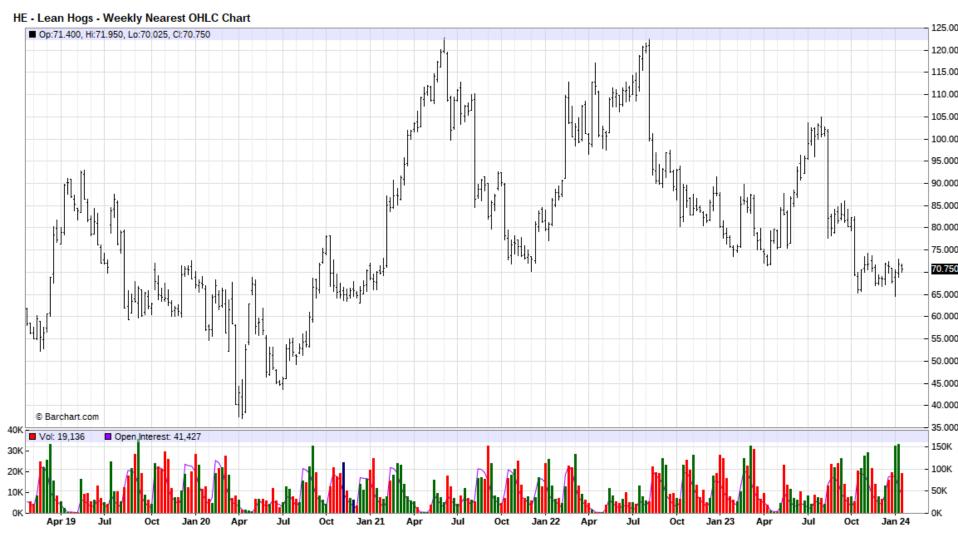


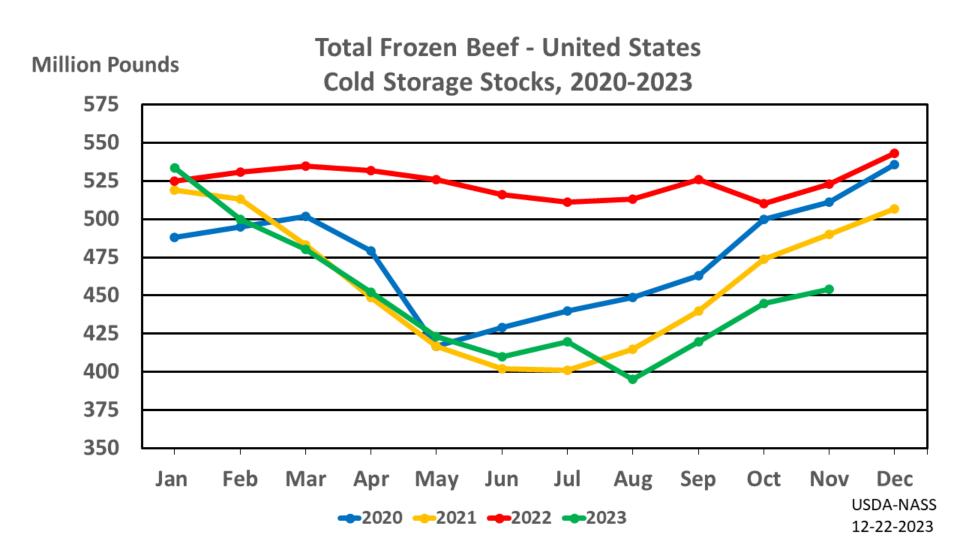
Commercial Hog Slaughter

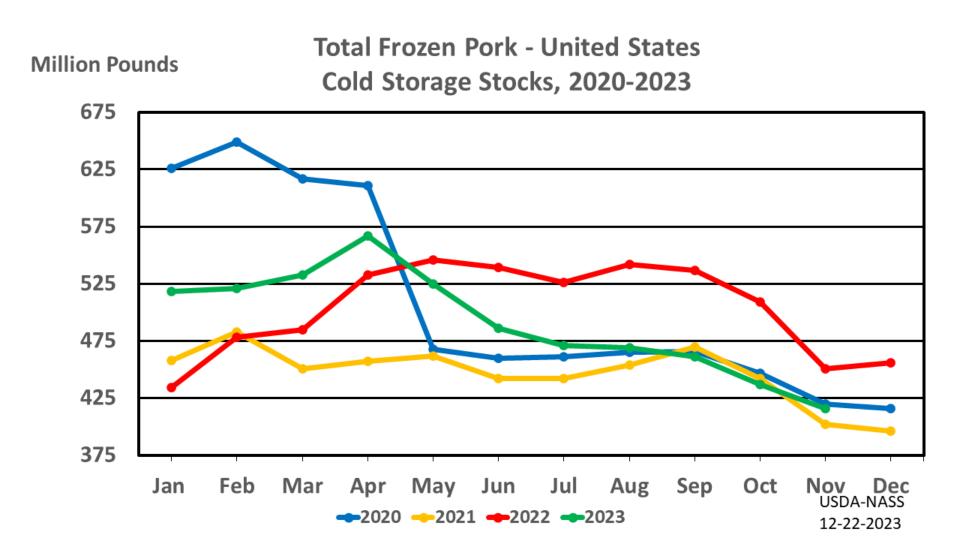
United States

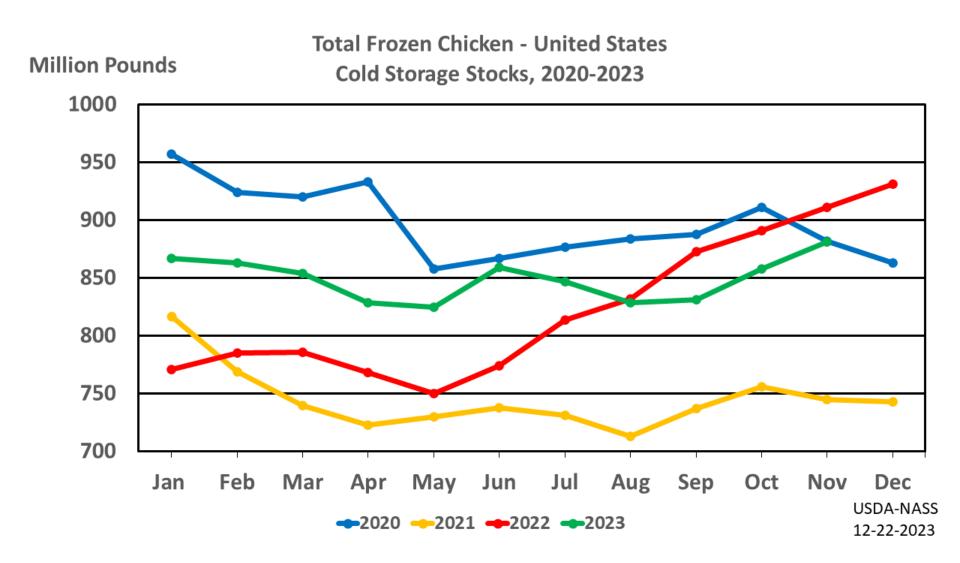


April 2024 Lean Hogs

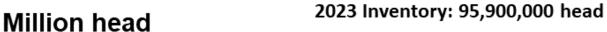


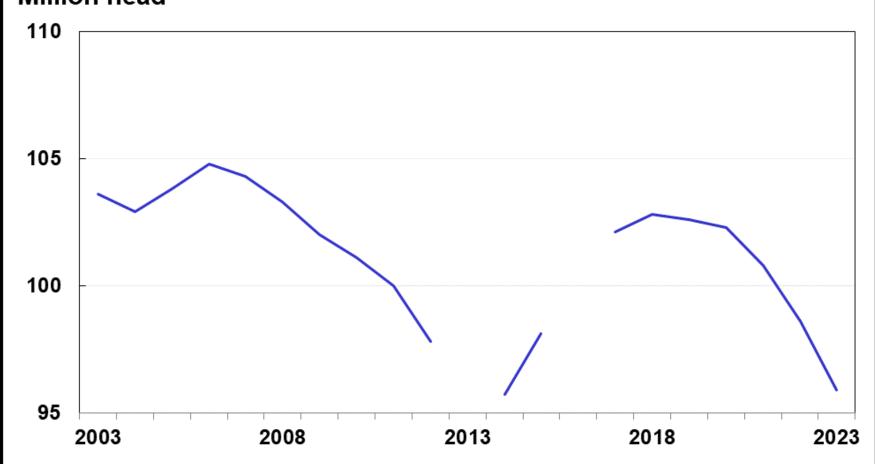






July 1 U.S. Cattle Inventory 2003-2023



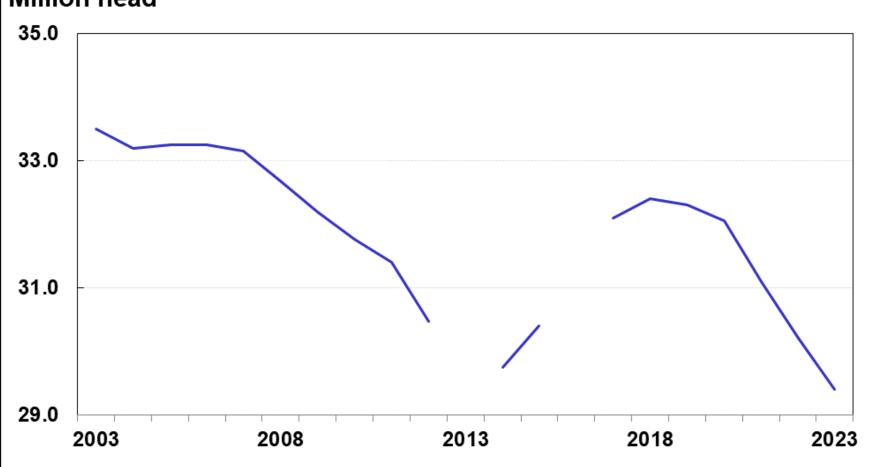


The July 2013 and 2016 Cattle reports were not conducted due to reduced funding.

USDA-NASS 07-21-2023

July 1 U.S. Beef Cow Inventory 2003-2023



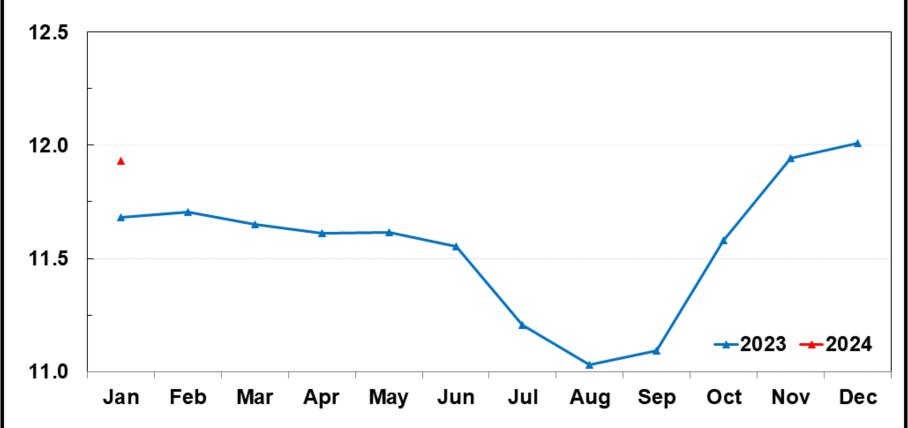


The July Cattle report was suspended in 2013 and 2016 due to sequestration.

USDA-NASS 07-21-2023

United States Cattle on Feed 1,000+ Capacity Feedlots

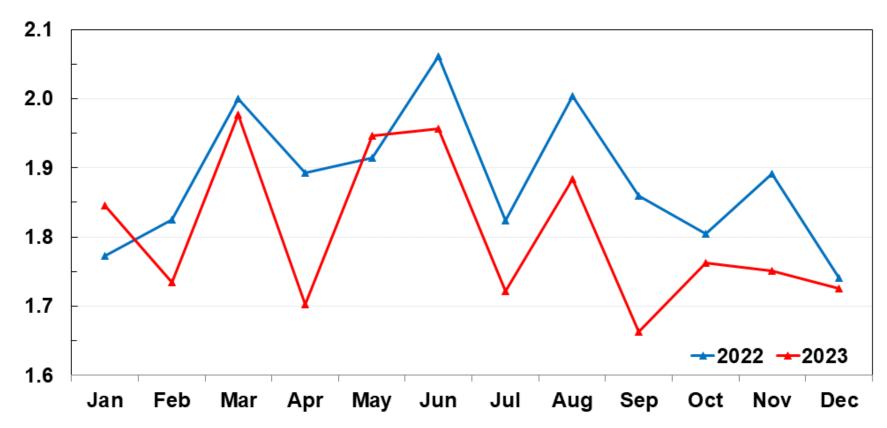
Million head



USDA-NASS 01-19-2024

United States Cattle on Feed 1,000+ Capacity Feedlots Number Marketed

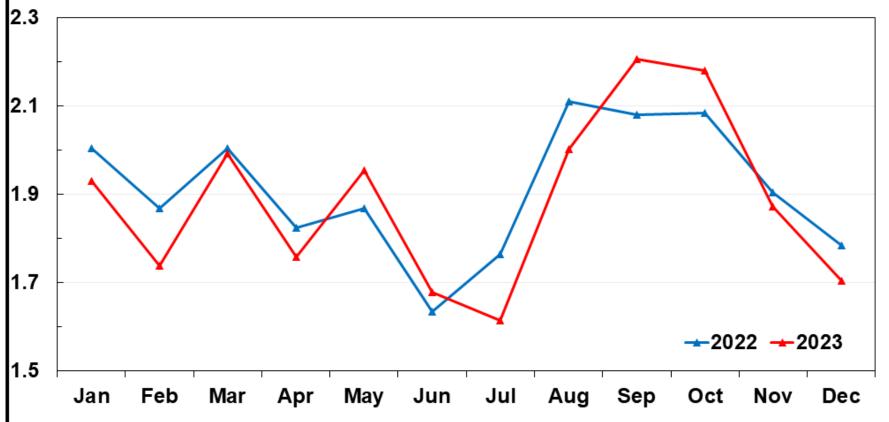
Million head



USDA-NASS 01-19-2024

United States Cattle on Feed 1,000+ Capacity Feedlots Number Placed

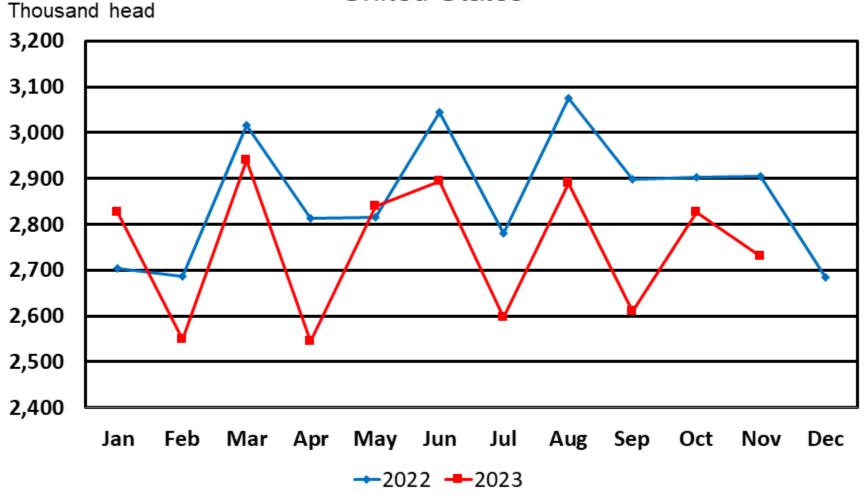




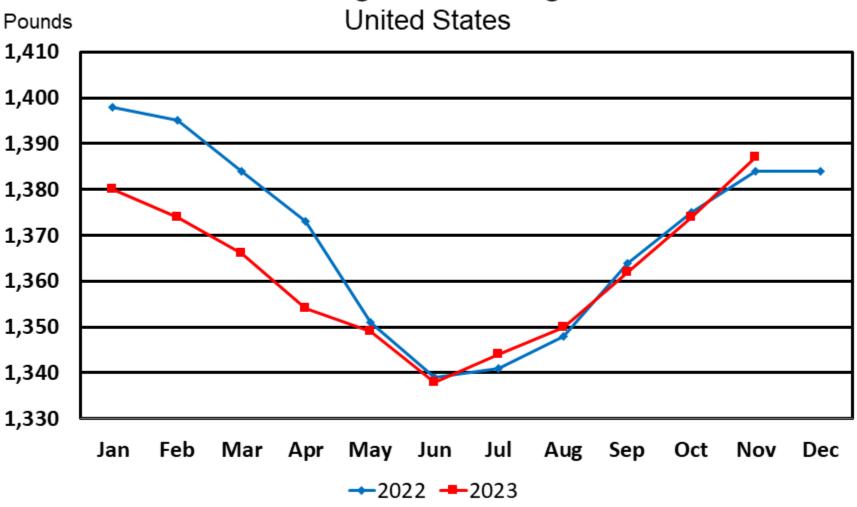
USDA-NASS 01-19-2024

Commercial Cattle Slaughter

United States

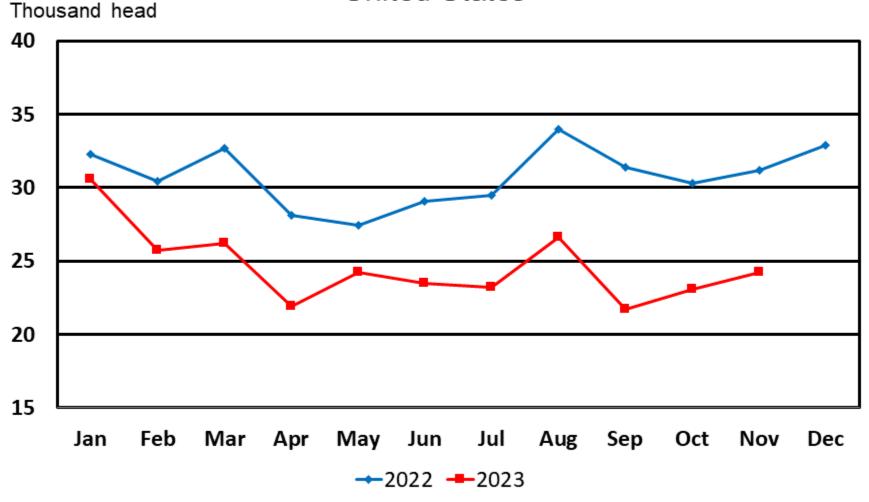


Commercial Cattle Slaughter Average Live Weight

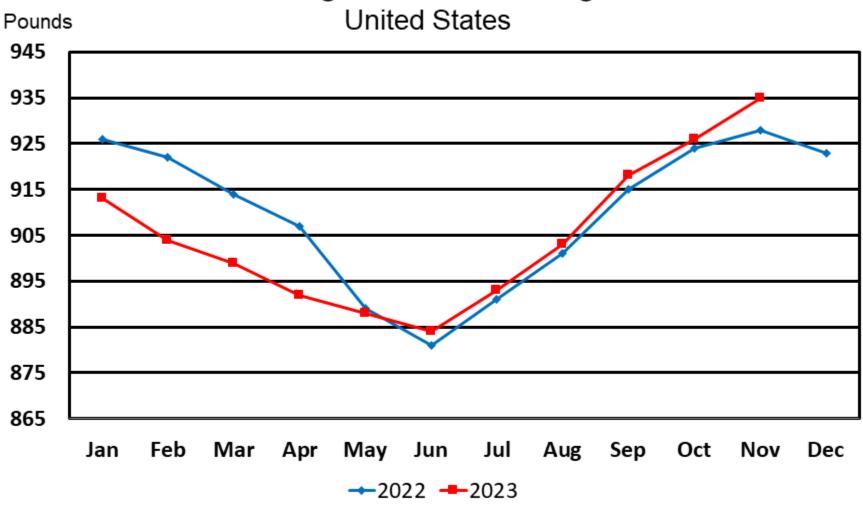


Commercial Calf Slaughter

United States

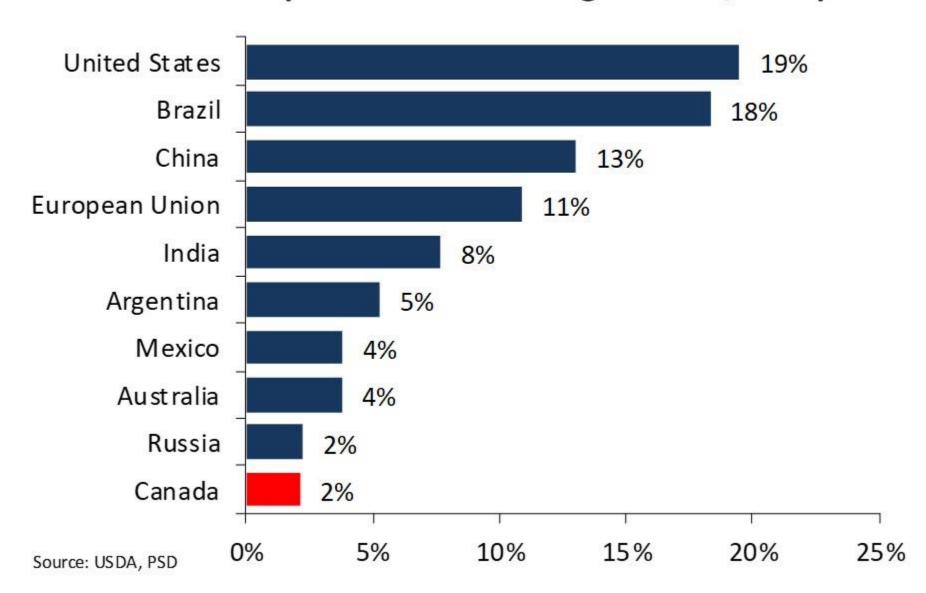


Federally Inspected Steer Slaughter Average Dressed Weight





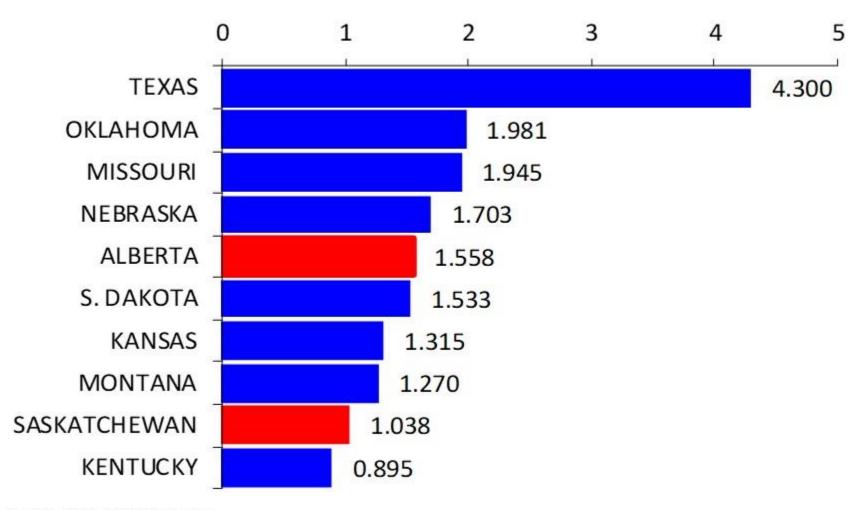
Top 10 Beef Producing Nations, 2024p



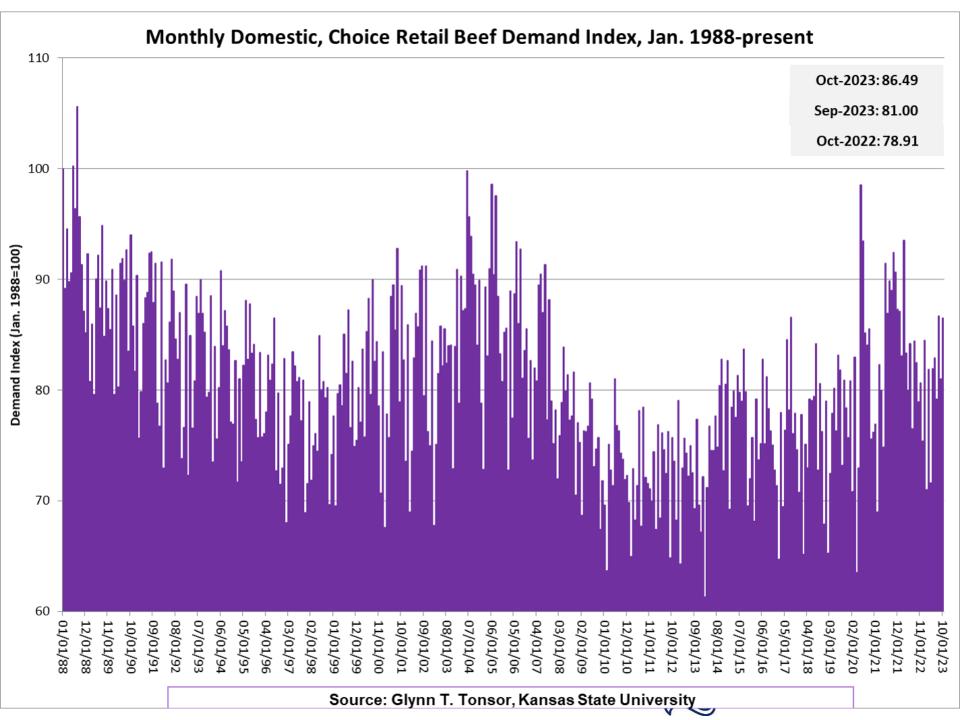


Beef Cows - Top 10 Regions - Jan 2023

Million Head



Source: USDA, Statistics Canada



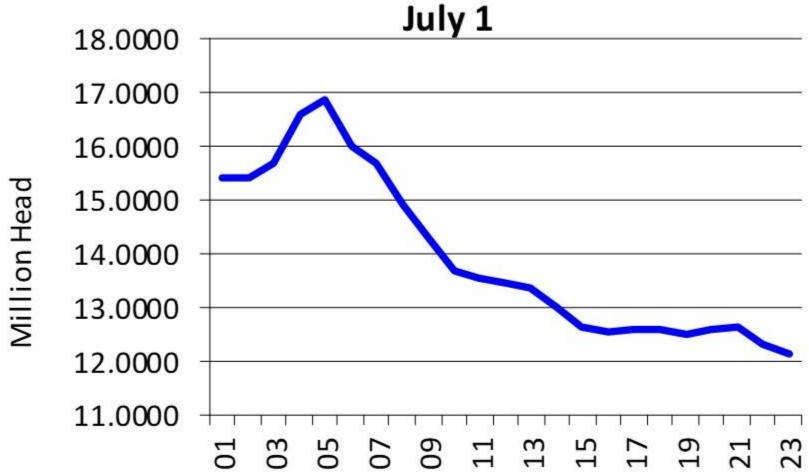
US Cattle on Feed – Jan 19, 2024

- Cattle and calves on feed for the slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11.9 million head on January 1, 2024.
- The inventory was 2 percent above January 1, 2023. The inventory included 7.20 million steers and steer calves, up 2 percent from the previous year.
- This group accounted for 60 percent of the total inventory.
- Heifers and heifer calves accounted for 4.74 million head, up 2 percent from 2023.
- Placements in feedlots during December totaled 1.70 million head, 4 percent below 2022.
- Net placements were 1.64 million head. During December, placements of cattle and calves weighing less than 600 pounds were 440,000 head, 600-699 pounds were 410,000 head, 700-799 pounds were 380,000 head, 800-899 pounds were 279,000 head, 900-999 pounds were 110,000 head, and 1,000 pounds and greater were 85,000 head.
- Marketings of fed cattle during December totaled 1.73 million head, 1 percent below 2022.
- Other disappearance totaled 60,000 head during December, 11 percent above





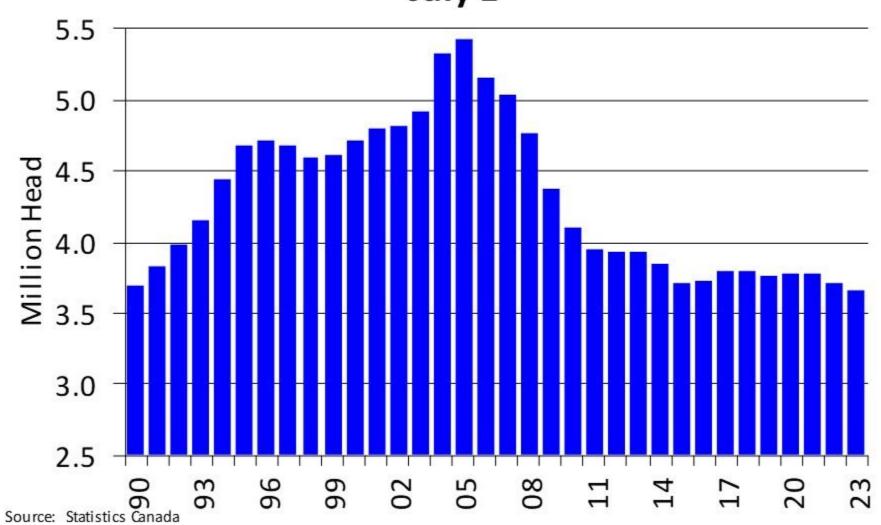
Canadian Total Cattle & Calves

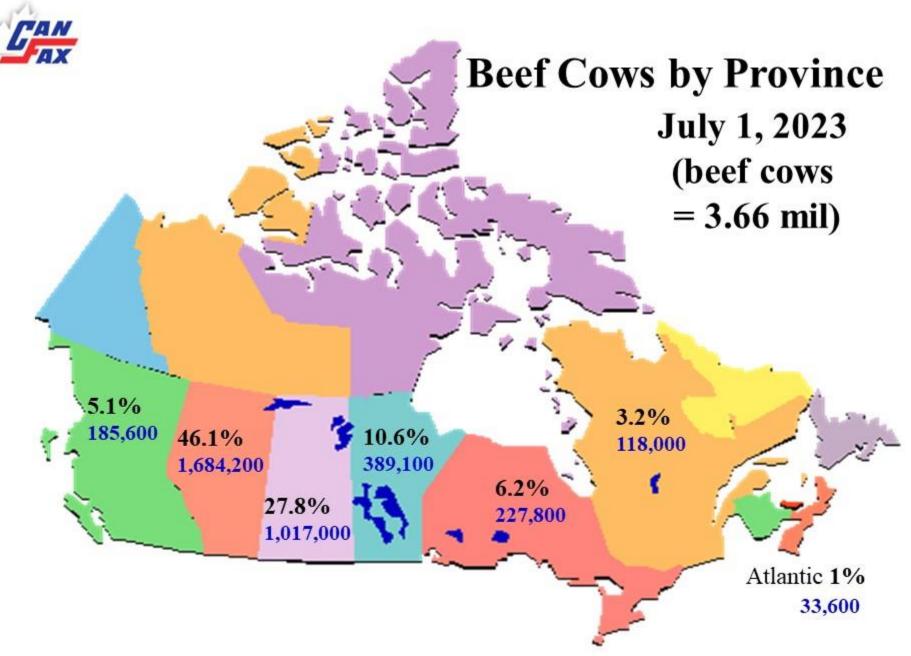


Source: Statistics Canada



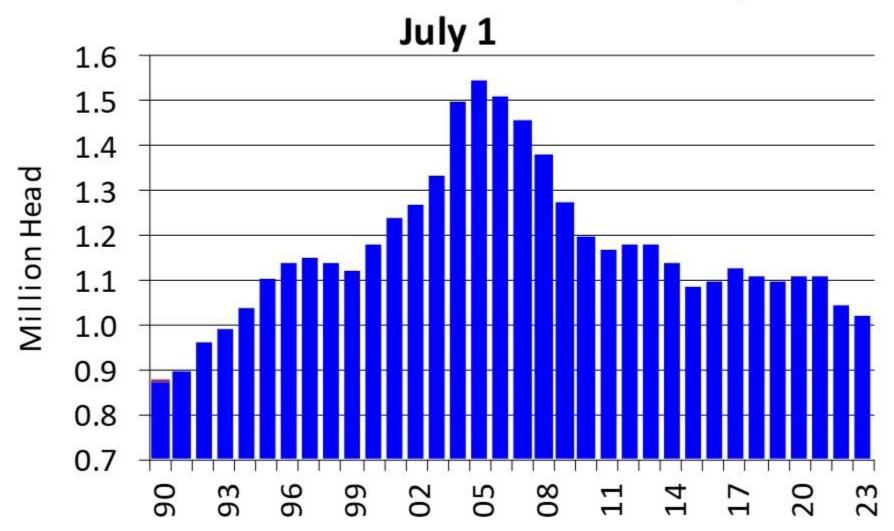
Canadian Beef Cow Inventory July 1







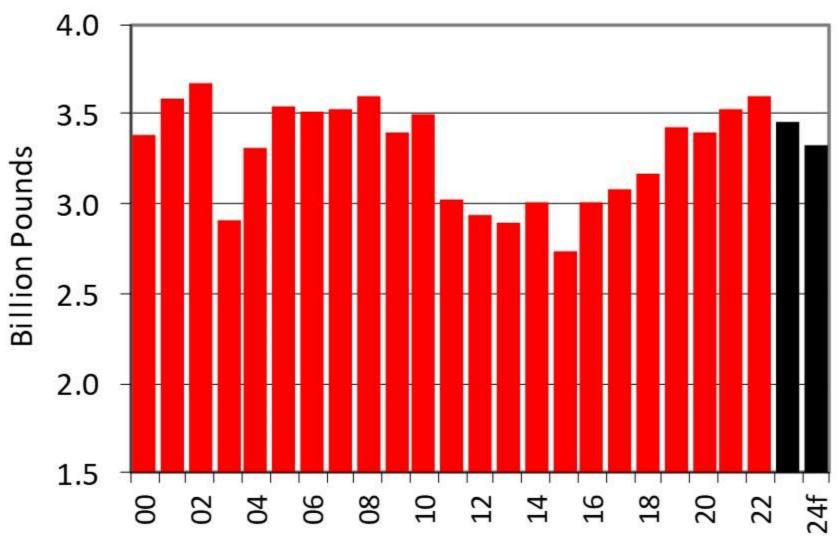
Saskatchewan Beef Cow Inventory





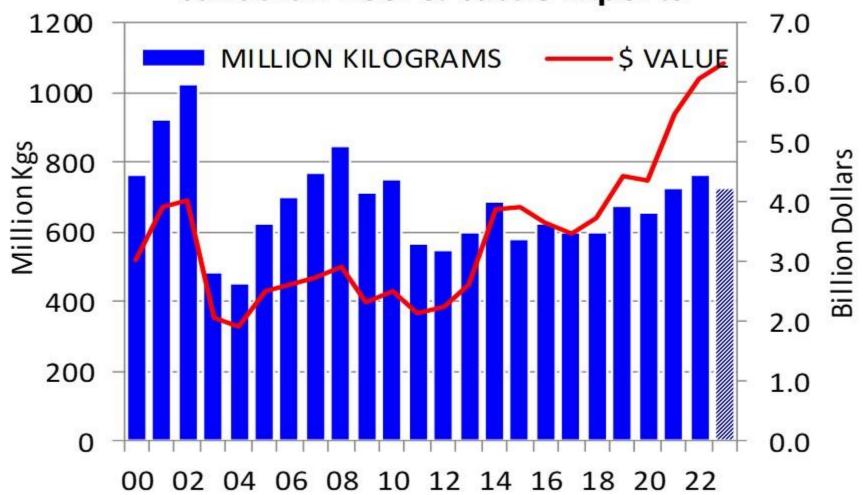
Canadian Beef Production

(includes slaughter exports and offals)



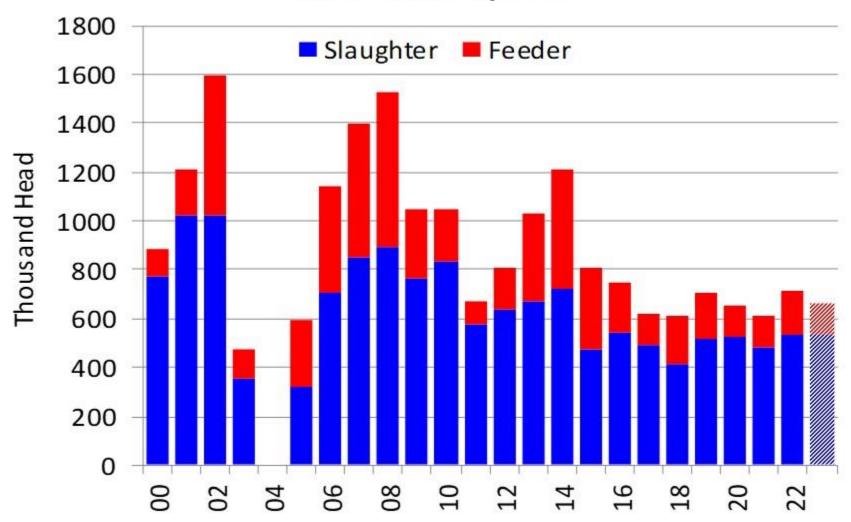






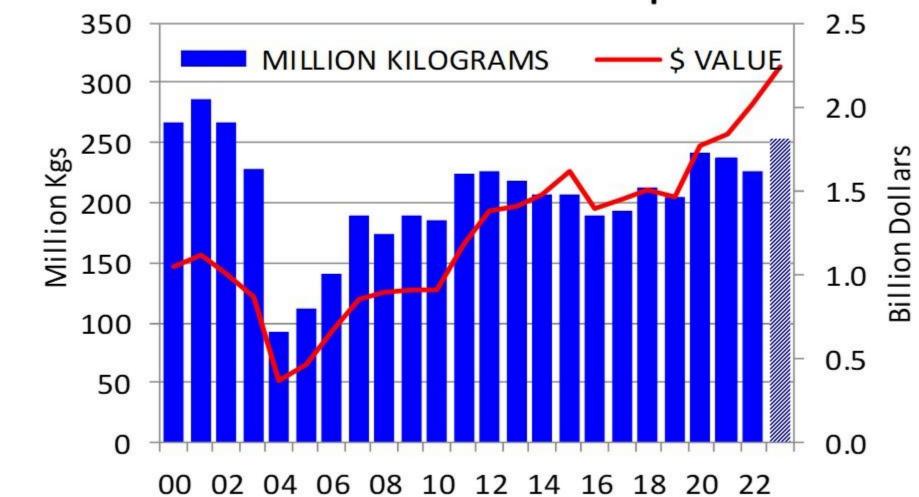


Live Cattle Exports



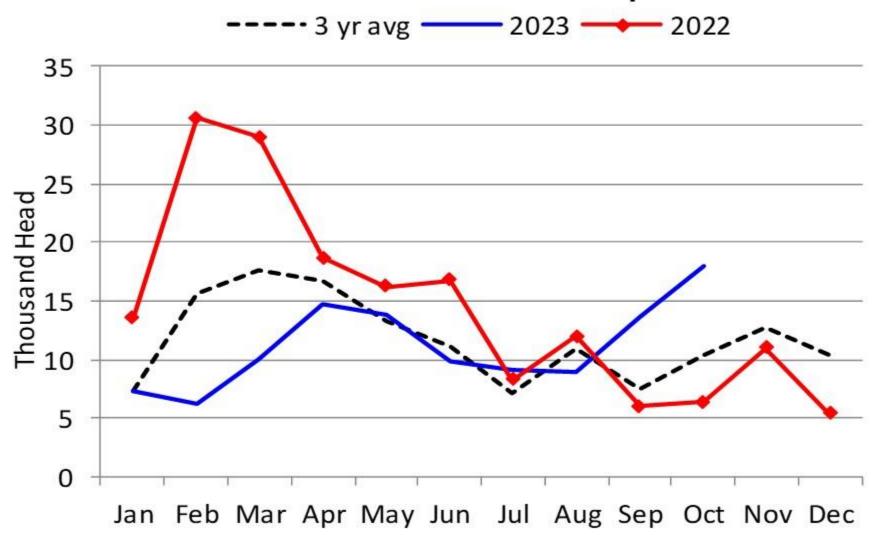


Canadian Beef & Cattle Imports



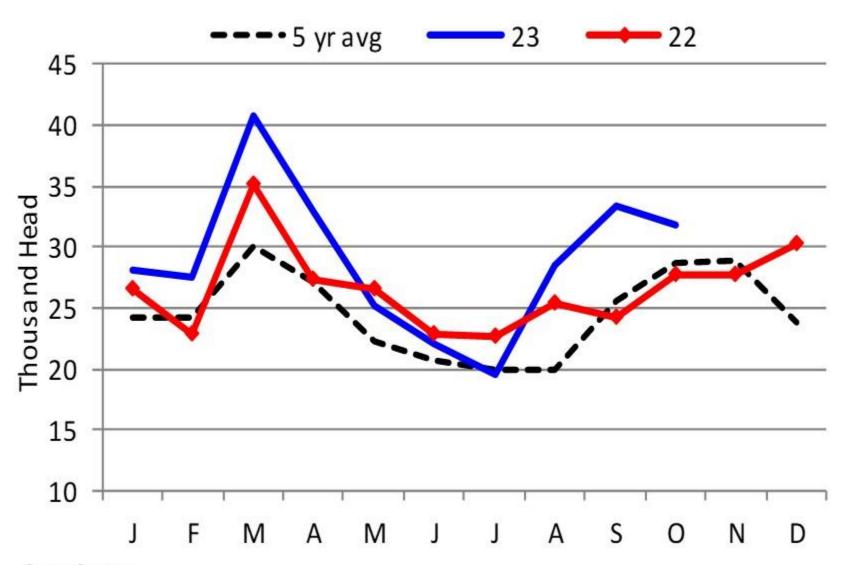


Canadian Feeder Cattle Exports





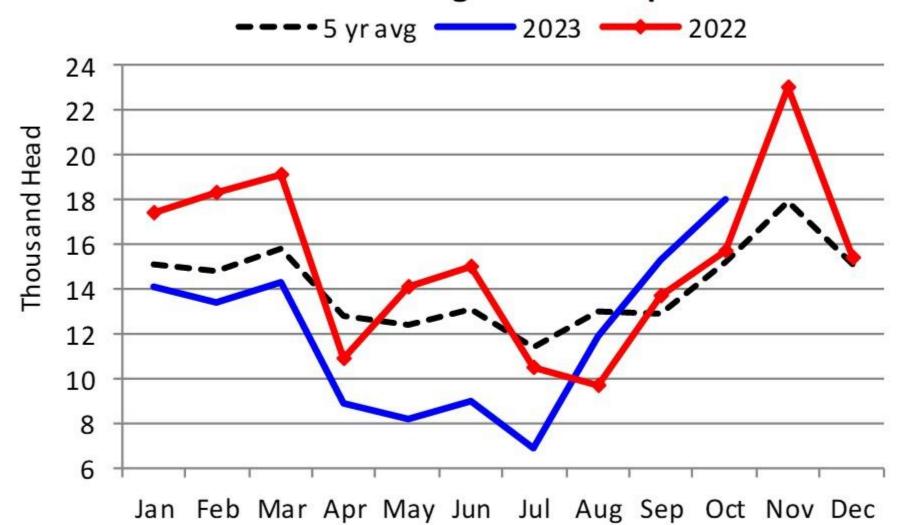
Canadian Fed Cattle Exports



Source Statistics

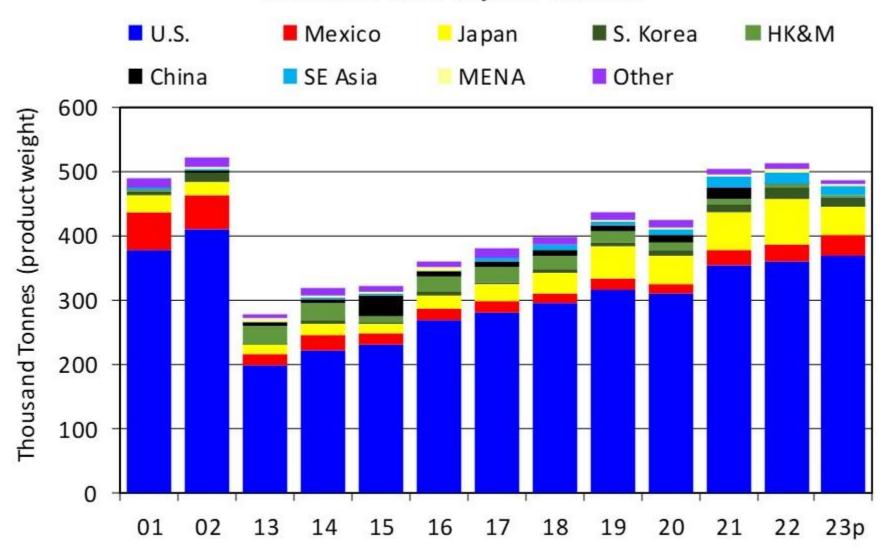


Canadian Slaughter Cow Exports





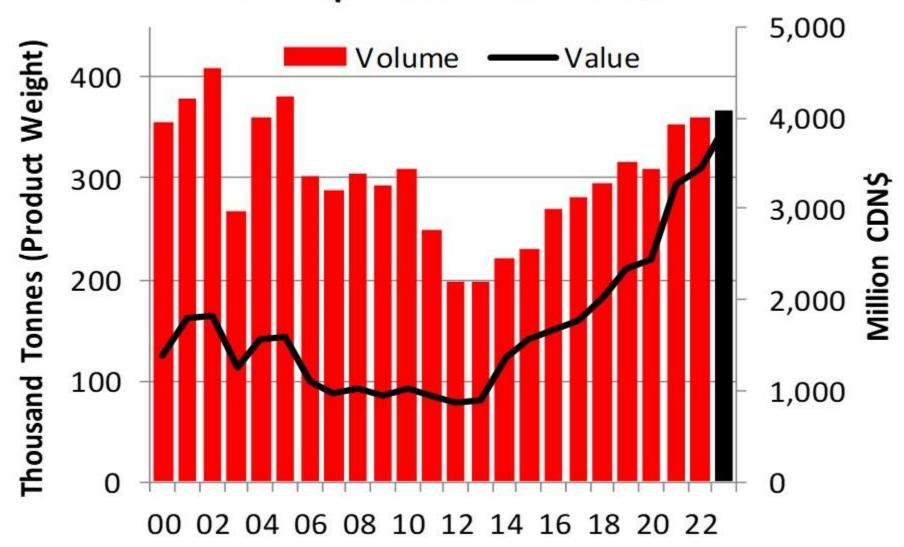
Canadian Beef Export Volume



Source: Statistics Canada, CFIA



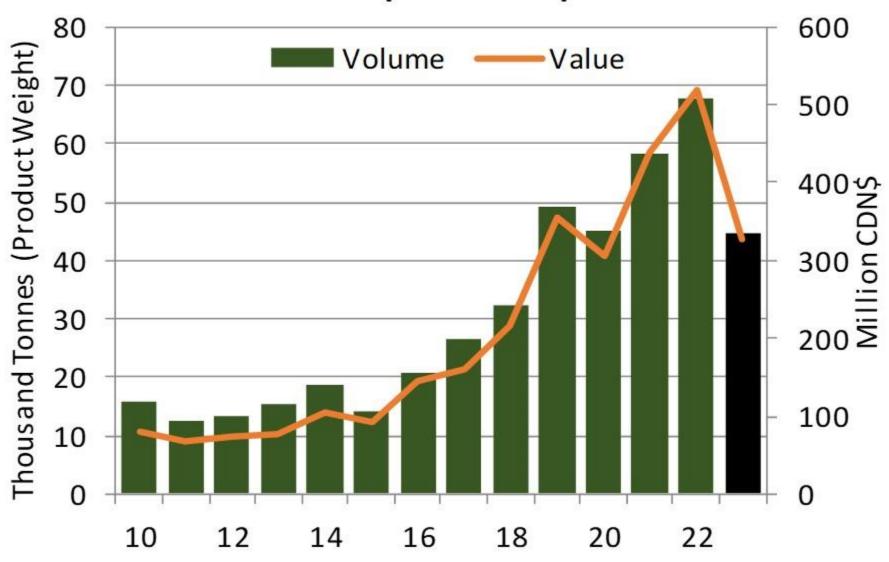
Beef Exports to United States



Source: Statistics Canada, CFIA



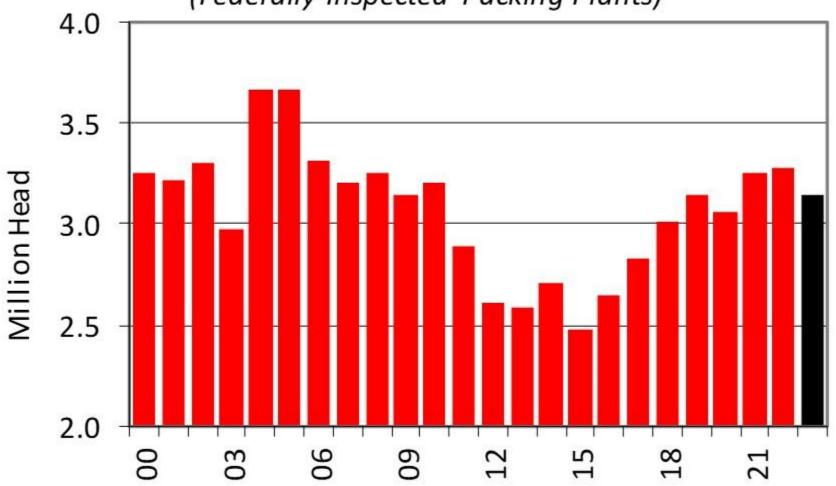
Beef Exports to Japan





Canadian Cattle Slaughter

(Federally Inspected Packing Plants)

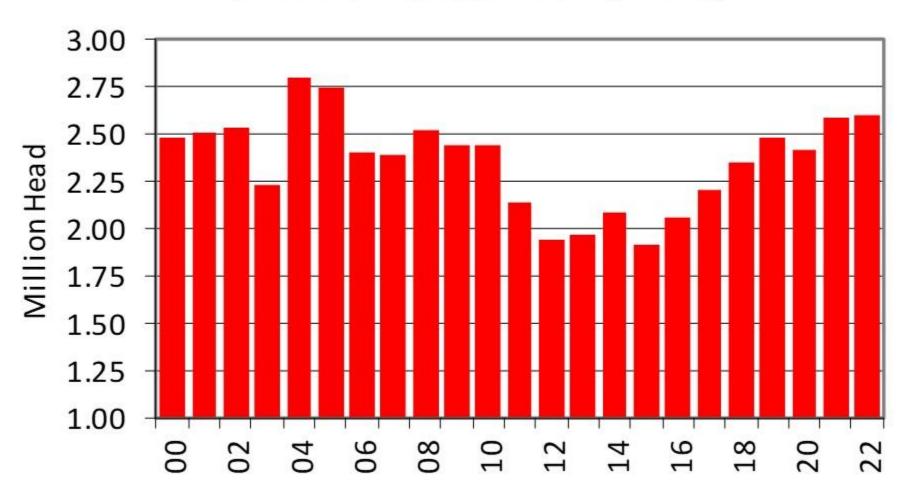


Source: CBGA, Stats Canada, AAFC



West Cattle Slaughter

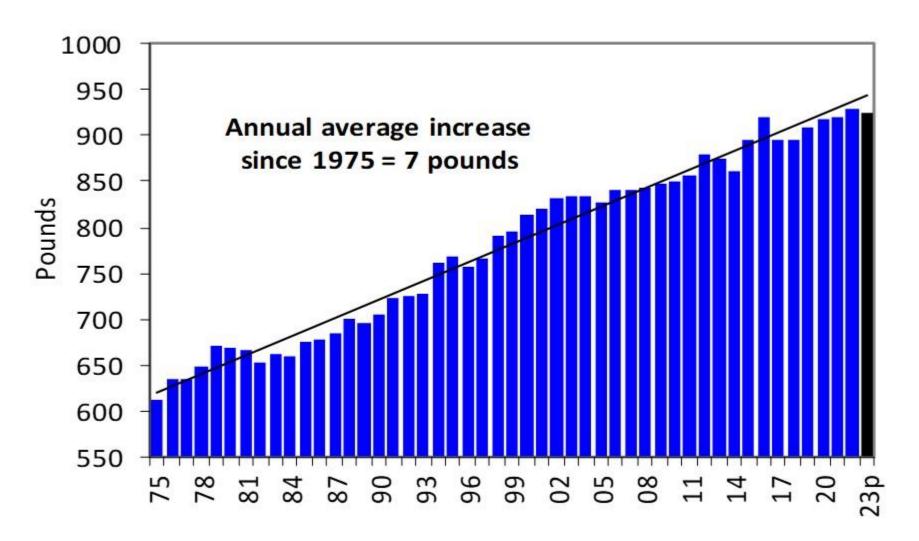
(Federally Inspected Packing Plants)



Source: CBGA, Stats Canada, AAFC



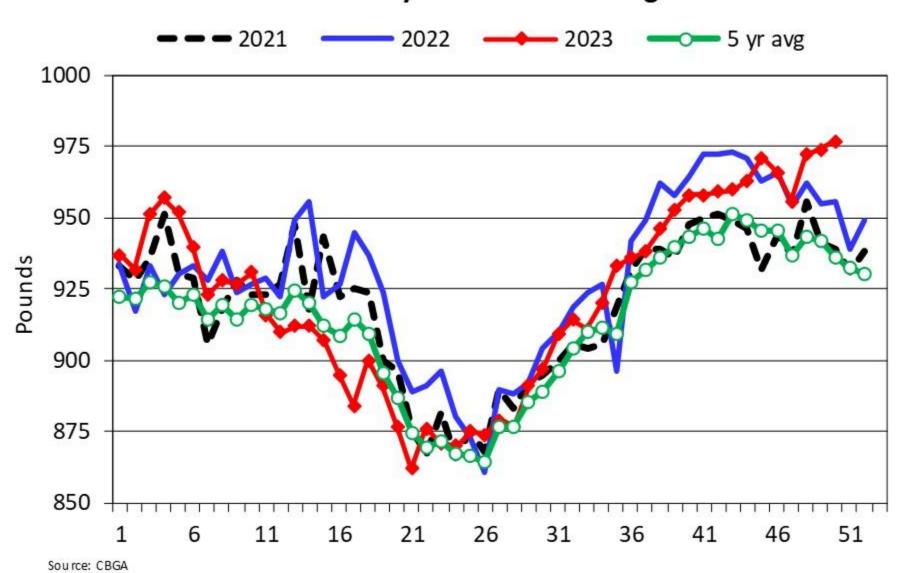
Canadian Annual Steer Carcass Weight



Source: CBGA

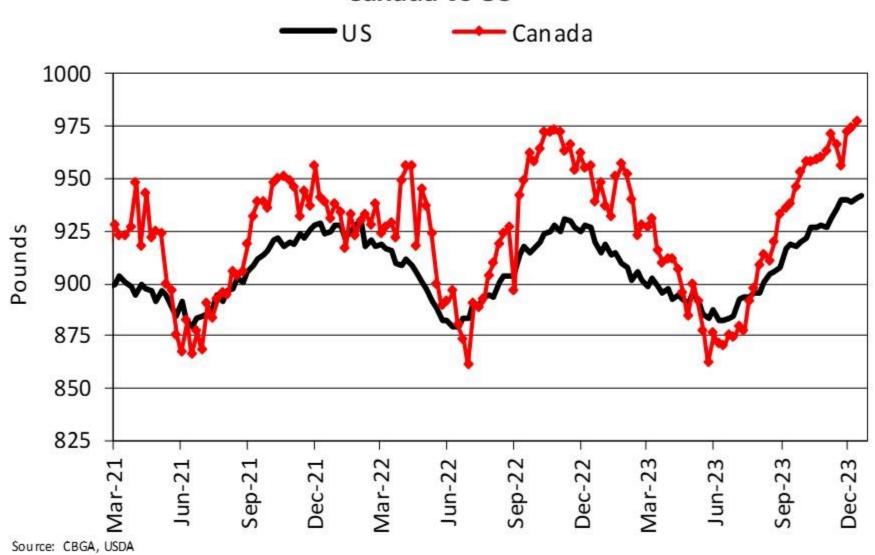


Canadian Weekly Steer Carcass Weights



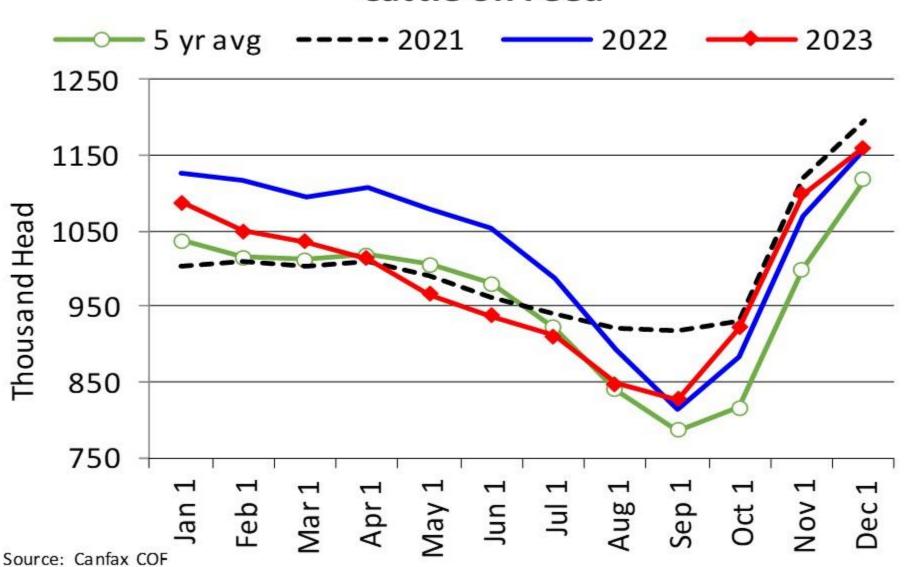


Weekly Steer Carcass Weight Canada vs US



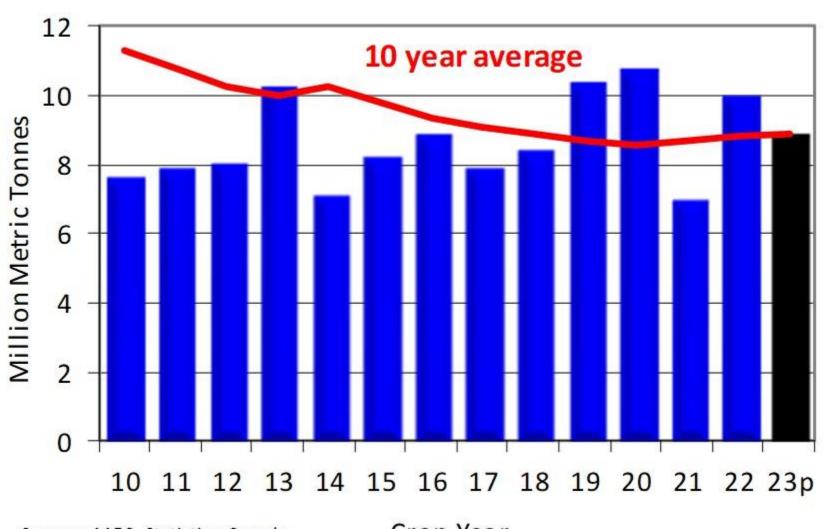


Alberta and Saskatchewan Cattle on Feed





Canadian Barley Production



Source: AAFC, Statistics Canada

Crop Year



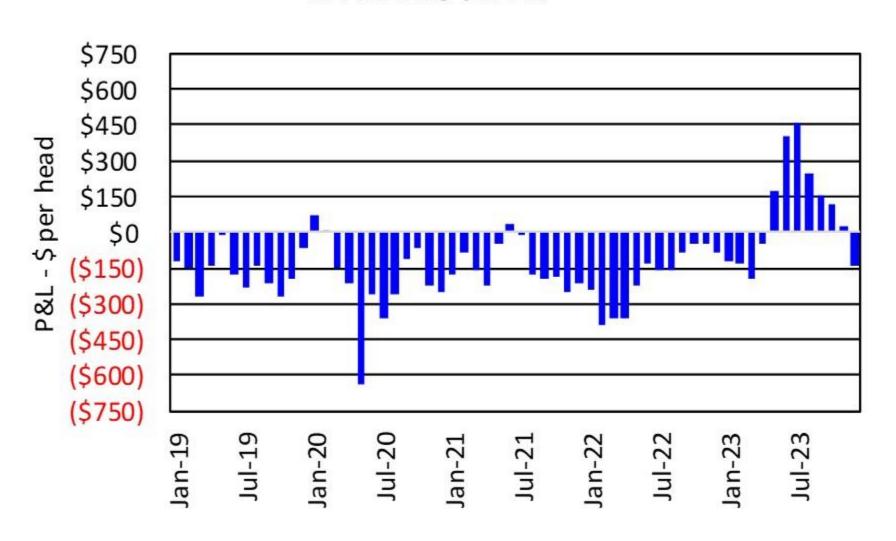
Alberta Barley Price



Source: AB Canola, AG Value, AB Agric



Feedlot - Profit/Loss Margin YEARLING STEER



March 2023 – Feeder Cattle Futures

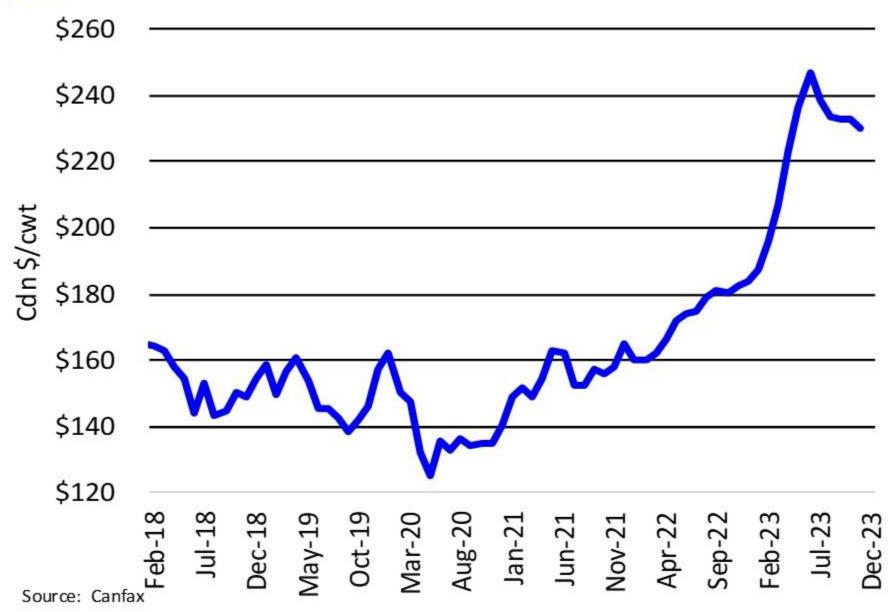


April 2024 – Fed Cattle Futures



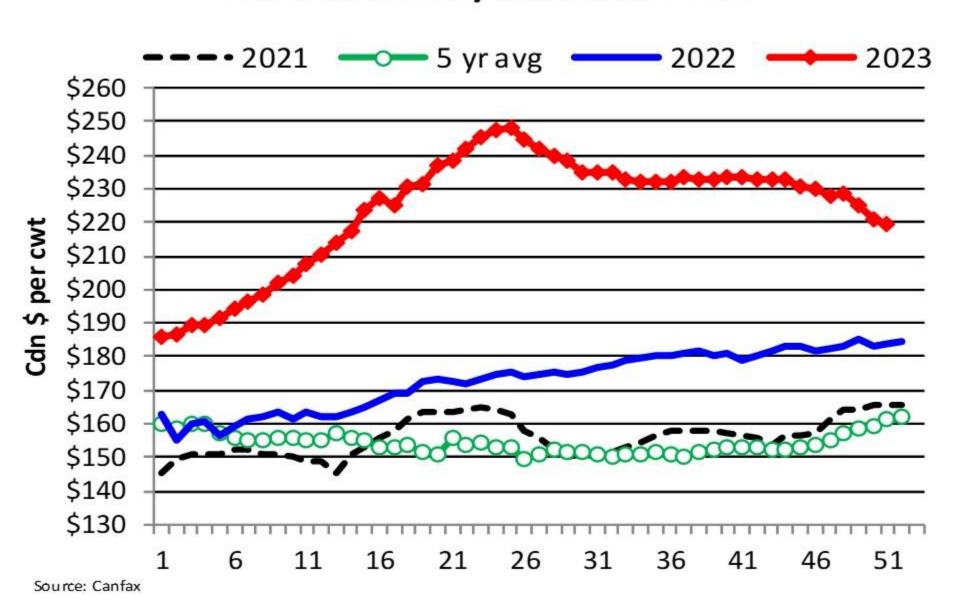
CAN

Alberta Fed Steer





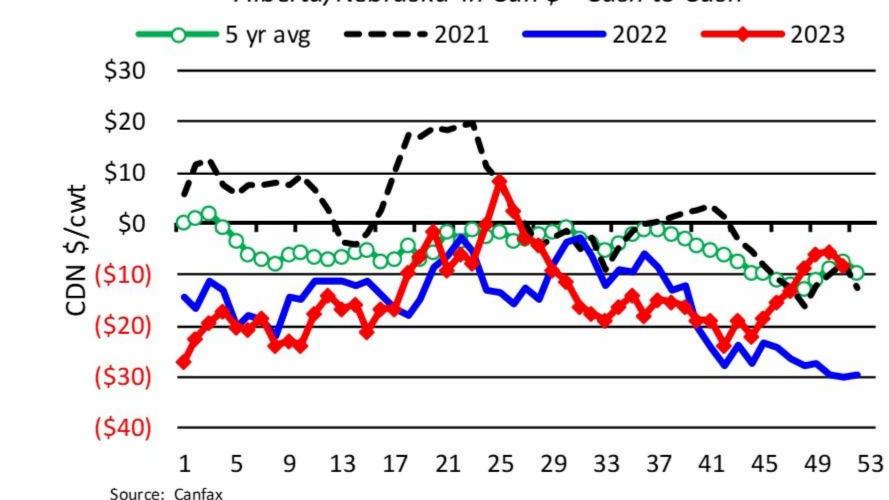
Alberta Weekly Fed Steer Price





Alberta Fed Steer Basis

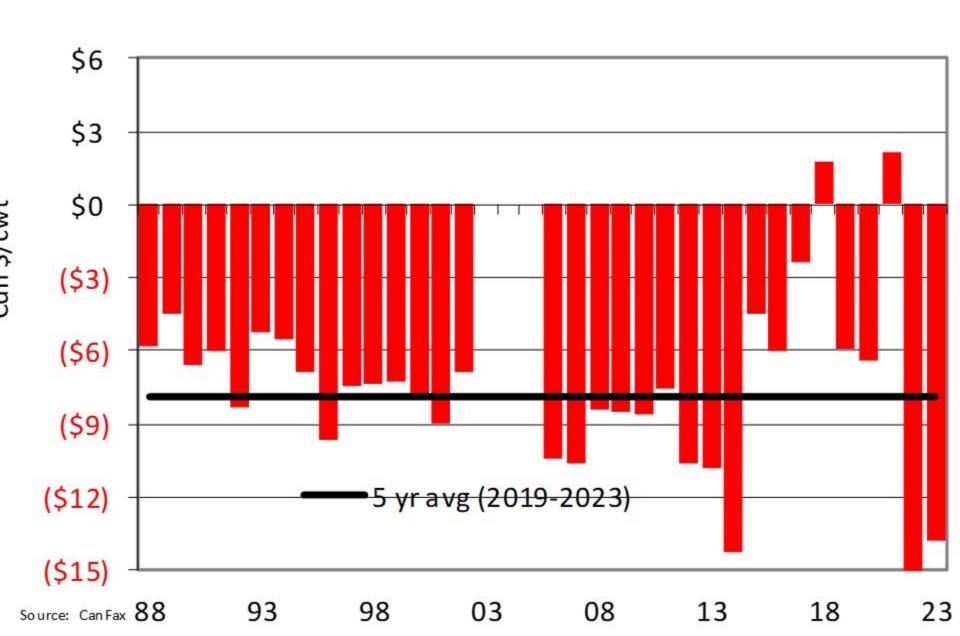
Alberta/Nebraska in Cdn \$ - Cash to Cash





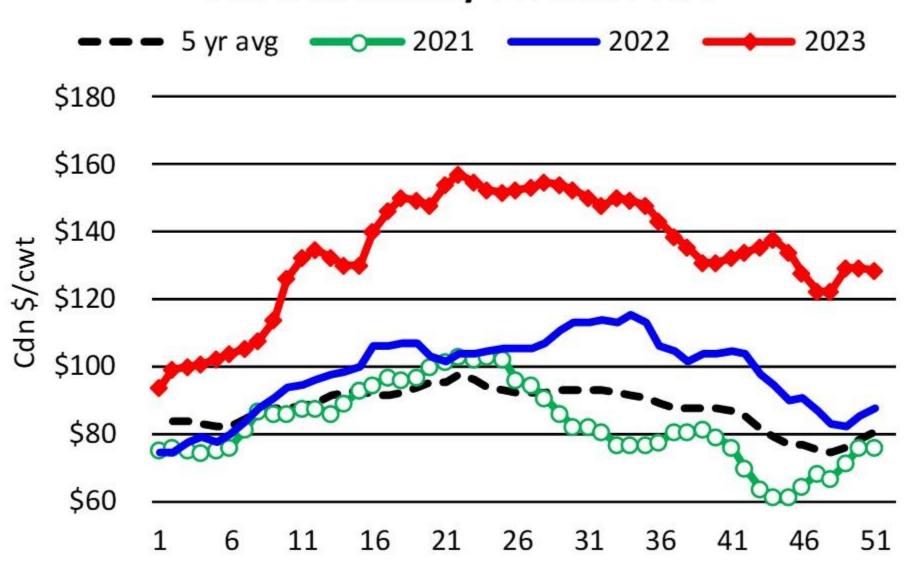
Alberta Annual Fed Steer Basis

Alberta/Nebraska in Cdn \$ - Cash to Cash





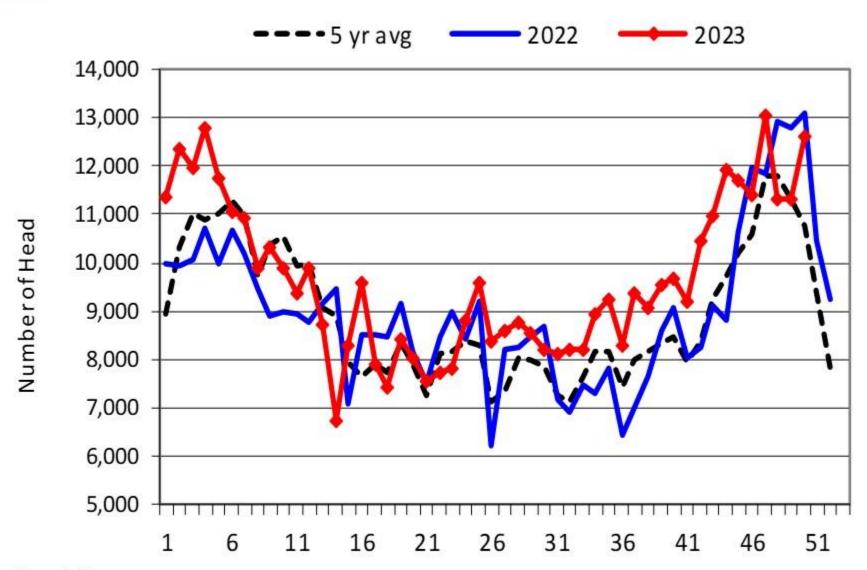
Alberta Weekly D2 Cow Price



Source: Canfax

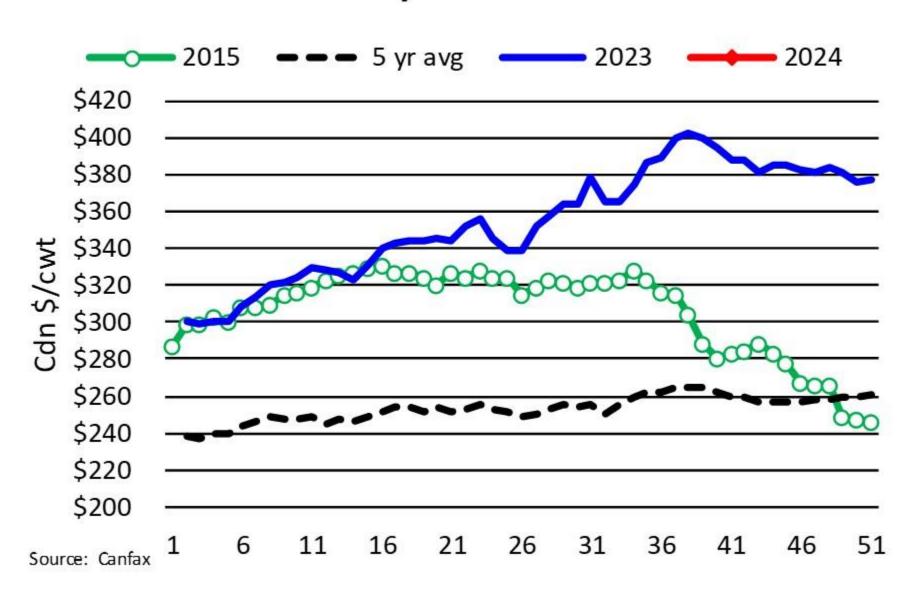


Canadian F.I. Cow Slaughter



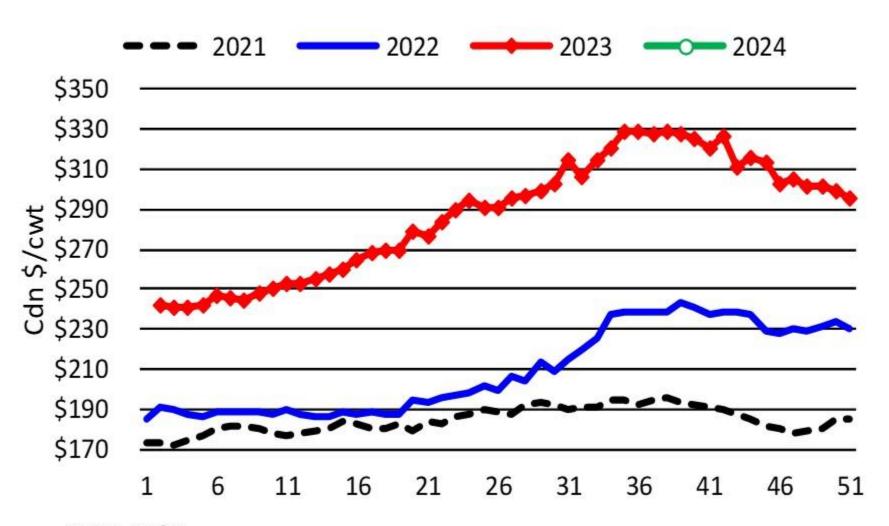


Alberta Weekly 5-600 lb Steer Price





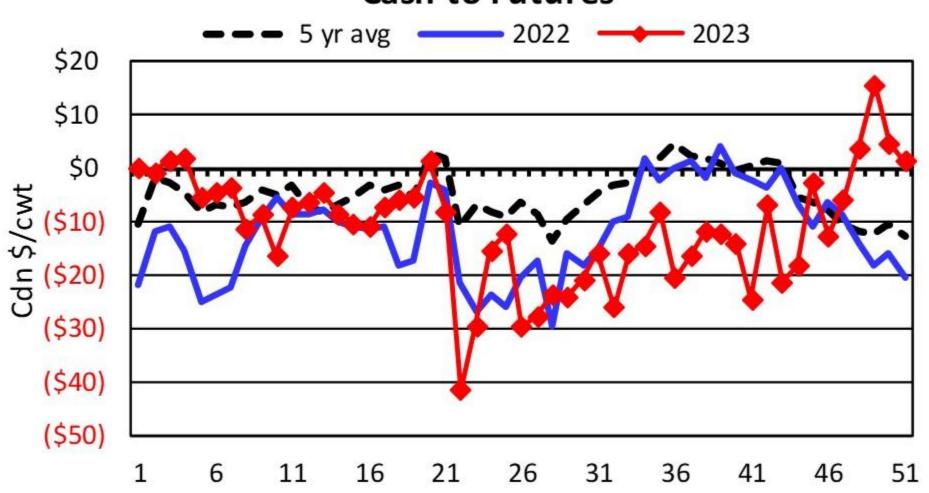
Alberta Weekly 8-900 lb Steer Price



Source: Canfax



Alberta 850 lb Feeder Steer Basis Cash to Futures



Source: Canfax

Cow-Calf Production Costs - Breeding							
Breeding Cor Feed for Bul				J	Cost Per Cow		
Hay	Good Quality (tons/yr)		4.00				
-	Hay Price (\$/ton)	X	120				
	Number of Bulls	X	12				
		÷	300	cows =	\$19.20		
Barley	Per Bull (lbs/day)		7.00				
	Days/Year on Barley	X	120				
	Pounds per bushel	÷	48				
	Barley Price (\$/bu)	X	\$6.00				
	Number of Bulls	X	12				
		÷	300	cows =	\$4.20		
				= Total	\$ 23.40		

Cow-Calf Production Costs - September, 2023 Based on a 300 Cow Herd

A. Operating Costs	Cost/Cow	Total Cost	Your Cost
1. Feed Costs			
Grain and Concentrates	\$95.72	\$28,717	
Forages	\$311.02	\$93,305	
Salt & Minerals	\$42.09	\$12,627	
Extended Grazing Forages	\$41.65	\$12,496	
Total Feed Cost	\$490.49	\$147,145	
2. Other Operating Costs			
Straw	\$70.00	\$21,000	
Veterinary Medicine & Supplies	\$24.81	\$7,443	
Breeding Costs	\$56.62	\$16,986	
Fuel, Maintenance & Repairs	\$38.78	\$11,635	
Utilities	\$9.48	\$2,843	
Marketing & Transportation	\$37.76	\$11,327	
Death Loss	\$27.50	\$8,250	
Manure Removal	\$10.84	\$3,252	
Insurance	\$14.58	\$4,374	
Herd Replacement	\$209.40	\$62,820	
Pasture Rental	\$56.25	\$16,875	
Pasture Operating	\$35.03	\$10,508	
Labour - Hired	\$54.00	\$16,200	
Miscellaneous	<u>\$3.33</u>	<u>\$999</u>	
Subtotal Operating Costs	\$1,138.86	\$341,657	
Operating Interest	<u>\$51.25</u>	<u>\$15,375</u>	
Total Operating Costs	\$1,190.11	\$357,032	
			0_0