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Canada

Oilseeds and Products Annual

Canada: Oilseeds Annual

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Report Highlights:

Spurred by relatively better price prospects, canola planted area is forecast to increase in 2010/11 to 6.7 mil. hectares and 11.9 MMT. Canola crush is forecast to expand to 5.2 MMT in 2010/11 due to the larger crop and increased crush capacity. The 2010/11 canola, canola meal and canola oil exports are forecast at 6.6 MMT, 2.15 MMT and 1.75 MMT. The soybean crop should hit about 3.75 MMT in 2010/11, up from 3.5 MMT in 2009/2010 and exports forecast at 2.15 MMT in 2010/11. Soybean meal imports are declining due to lower livestock numbers and higher domestic availability. Imports are forecast at 1.1 MMT in 2009/10 and 1.01 MMT in 2010/11. Canada remains the top market for U.S. peanut exports. The 2009/10 and 2010/11 imports are forecast at 128,000 tons and 131,000 tons, with an 80% U.S. market share. Due to relatively higher expected returns the 2010/11 sunflower seed forecast is 75,000 hectares planted and 115,000 tons production.

Executive Summary:

Canada's oilseed crop area is being pushed upward by the relatively higher returns to oilseeds compared to wheat. The shut down of flax exports to Europe due to finding of trace amounts of genetically modified seeds is pulling flax area down but the overall amount is not too large. However, farmers may look to planting canola as an alternative.

Post's current 2010/11 forecast shows canola planted area expanding to 6.7 million hectares, up from 6.56 million hectares the previous season. Assuming normal yields, the 2010/11 crop is forecast at 11.9 MMT.

Canada's canola exports during the first half of the MY 2009/10 totaled about 3.4 MMT on track for total exports of 7.0 MMT. Exports in 2010/11 are forecast at 6.6 MMT with increased crush capacity expected to keep more in country. The crush is forecast to rise from 4.5 MMT in 2009/10 to 5.2 MMT in 2010/11.

Canadian planting of soybeans is expected to increase to about 1.44 million hectares in 2010/11 compared to 2009/10's 1.39 million hectares. With average yields the crop should hit about 3.75 MMT, up from 3.5 MMT in 2009/2010.

Soybean exports are forecast to decline slightly to 2.15 MMT in 2010/11. The 2009/10 imports are forecast at 420,000 tons compared to 387,000 tons in 2008/2009. Imports in 1010/11 are forecast down to 300,000 tons due to larger domestic availability.

Canada remains the top market for U.S. peanut exports. Import in 2009/10 and 2010/11 are forecast at 128,000 tons and 131,000 tons, respectively, and the United States is expected to retain a market share close to 80 percent.

Canada's 2009/10 sunflower seed crop is currently estimated at 102,000 tons off 65,000 hectares. Due to relatively higher expected returns 2010/11 the forecast is for 75,000 hectares planted area and 115,000 tons production.

Total canola meal is forecast to hit 3.0 MMT in 2010/11 due to the larger crop and increased crush capacity and is forecast to push exports from 1.85 MMT in 2009/10 to 2.15 MMT in 2010/11.

Soybean crush is forecast at 1.29 MMT in 2009/10 and about 1.4 MMT in 2010/11 reflecting the larger crop. Soybean meal imports are on the decline due to lower livestock numbers and higher domestic availability. Imports are forecast at 1.1 MMT in 2009/10 and 1.01 MMT in 2010/11.

Canola oil exports increased by 5 percent in the first half of 2009/10 and are on track to hit 1.6 MMT for the year. With a larger crop and bigger crush both forecast for 2010/11, prices will likely moderate and exports are forecast to increase to 1.75 MMT. Soybean oil exports are forecast at a fairly flat level of 40,000 tons in both 2009/10 and 2010/11 due to the strong Canadian dollar and competition from other oils.

TOTAL OILSEEDS

Canada's total oilseed production (includes canola, soybeans, flax, sunflower seed and peanuts) is set to rebound in 2010/11 to 16.4 million metric tons (MMT) with expansion in canola, soybeans and sunflower seed more than offsetting the expected reduction in flax. The 2009/10 crops were down primarily due to an unusually wet and cold summer that was not completely offset by an extended fall growing season. Crush is also forecast to rise in 2010/11 to 6.6 MMT due to the larger crop and increased canola crush capacity. On the trade front, Canada's oilseed exports are forecast to continue on a downward trend to 9.4 MMT as the increased canola crush capacity is expected to result in increased meal and oil exports. Despite buying power buoyed by the stronger Canadian dollar, higher domestic availability is expected to pull total oilseed imports down to about 550,000 tons in 2010/11.

Canada: Total Oilseeds

2008/09	Canola (Rapeseed)	Soybean	Flax	Sunflower Seed	Peanut	TOTAL
Area Harvested	6,494	1,195	625	69	0	8,383
Production	12,643	3,336	861	112	0	16,952
Crush	4,280	1,282	na	0	0	5,562
Imports	121	387	7	20	123	658
Exports	7,898	2,017	627	88	0	10,630

2009/10	Canola (Rapeseed)	Soybean	Flax	Sunflower Seed	Peanut	TOTAL
Area Harvested	6,105	1,382	623	65	0	8,175
Production	11,825	3,504	930	102	0	16,361
Crush	4,500	1,290	na	0	0	5,790
Imports	150	420	5	20	128	723
Exports	7,000	2,200	450	85	0	9,735

2010/11	Canola (Rapeseed)	Soybean	Flax	Sunflower Seed	Peanut	TOTAL
Area Harvested	6,580	1,430	475	75	0	8,560
Production	11,900	3,750	625	115	0	16,390
Crush	5,200	1,400	na	0	0	6,600
Imports	100	300	5	20	131	556
Exports	6,600	2,150	600	85	0	9,435

All data in 1,000 hectares and 1,000 metric tons.
Marketing year: Aug/July excpept peanuts which is Oct/Sept.

Canola (Rapeseed)

As an early spring beckons across the Canadian prairies, the outlook for canola is more positive than most crops which will spur an expansion in canola area for 2010/11. Canola prices are relatively firm and in sharp contrast to wheat prices. In addition, although China introduced a prohibition on Canadian canola in mid-November due to blackleg disease, it appears that some open Chinese ports may have emerged such that exports continue to thrive. Discussions with the Chinese are ongoing by the Government of Canada. Restrictions placed on Canadian canola meal exports to the United States by the Food and Drug Administration due to salmonella contamination began in the spring of 2009 and continues with new plants seemingly added to the alert list at about the time others are removed from the extra checks. With these clouds only somewhat dissipated the question remains how comfortable will farmers feel about increasing area planted to canola. The boost will be aided by the lack of other planting options but somewhat constrained by rotational limits. With temperatures higher than usual in March and soil moisture lower, early planting of canola is expected.

Post's current 2010/11 forecast shows planted area expanding to 6.7 million hectares, up from 6.56 million hectares the previous season. Assuming normal growing conditions, the harvested area is forecast closer to the historical relationship in 2010/11 (6.58 million hectares) than in 2009/10 when an unusual growing season spiked abandonment. According to Agriculture Canada data the area harvested in 2009/10 was 6.1 million hectares, down over 400,000 hectares from the seeded area. The wet spring delayed planting and was followed by a cool summer in July and August. Temperatures and growing conditions improved in September only to be followed by a relatively wet October. In many areas the crop was saved by the warm weather and late frost in November which allowed the crop to mature and extended harvesting. Assuming that the conditions result in relatively normal yields, the 2010/11 crop is forecast at 11.9 MMT.

In 2008/09 one crushing plant doubled capacity with two relatively large crushing facilities already online for the 2009/10 crop. A third new plant will begin in either late 2009/10 or in 2010/11. This increase is expected to result in higher domestic crush. The trade effect is forecast to result in reduced canola exports and increased canola meal exports. Canola exports during the first six months of the 2009/10 marketing year totaled about 3.4 MMT on track for total exports of 7.0 MMT. Exports in 2010/11 are initially forecast at 6.6 MMT and the crush is forecast to rise from an estimated 4.5 MMT in 2009/10 to 5.2 MMT in 2010/11.

Policy

Under the current agricultural support program, Growing Forward, the Ministry of Agriculture and Agri-Food announced in early March 2010 C$19 million in research funds under the Canola Cluster lead by the Canola Council of Canada. The Canola Council solicited priorities and proposals and then applied for the funds along with the Flax Council of Canada. The national funds are being combined with an additional C$5.5 million from the Canola Council and provincial canola grower associations in Saskatchewan, Manitoba and Alberta for research to be carried out over the next three years. A total of 45 research projects will focus on oil nutrition, meal nutrition and production. A total of C$4.6 million will support products under the Clubroot Risk Mitigation Initiative, a national program aimed at controlling the spread of clubroot and reducing the impact on production. This component will be funded out of the Animal and Plant Health Research Initiative. The other research will be funded under the Canadian Agri-Science Clusters initiative and includes C$4.4 million for studies to maximize canola meal in dairy and other animal feed rations, C$5 million on research into the health aspects of canola and flax especially related to reducing heart disease and diabetes; and C$10 million for research on crop production, harvest management and storage.

Canada: Canola (Rapeseed) Exports
All data in metric tons

Destination	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	5,460,128	5,808,170	7,897,900	3,614,577	3,388,947	-6%
China	929,849	733,869	2,883,341	1,007,371	1,270,186	26%
Japan	1,958,215	2,154,002	2,046,947	1,134,899	993,210	-12%
Mexico	946,564	1,223,179	1,203,155	696,070	568,010	-18%
United States	602,635	920,691	738,371	424,673	240,801	-43%
United Arab Emirates	281,282	347,879	528,238	339,803	179,445	-47%
Pakistan	539,526	227,316	387,283	0	41,500	++++
Bangladesh	92,427	140,557	104,582	8,230	0	-100%
Portugal	239	60	121	57	95,057	++++
Other	109,391	60,617	5,864	3,474	738	-79%

Source: Global Trade Atlas

Canada: Canola (Rapeseed) Imports
All data in metric tons

Origin	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	203,015	178,748	120,522	53,287	77,540	46%
United States	201,802	175,503	112,978	53,267	77,284	45%
Other	1,213	3,245	7,544	20	256	---

Source: Global Trade Atlas

Soybeans

Canadian planting of soybeans is expected to increase in the 2010/11 crop year as farmers, primarily in Ontario, switch production from wheat due to higher returns. More concentration in identity preserved soybeans (IP) is also the result of increased returns. Overall planted area is expected to increase to about 1.44 million hectares in 2010/11 compared to 1.39 million hectares the previous year. Soil moisture is lower going into the planting season so yields may suffer without normal or above normal precipitation. However, if yields hold at about the average of the last few growing seasons, the crop should hit about 3.75 MMT, up from 3.5 MMT in 2009/2010.

Overall the stronger Canadian dollar could be expected to be a drag on exports. However, the first six months of the 2009/10 marketing year have seen a sizable jump with the largest increases in shipments to Spain and Italy. Overall 2009/10 exports are forecast to hit a record 2.2 MMT, up 9 percent from the 2.02 million tons in 2008/09.   The forecast for 2010/11 is set to decline slightly to 2.15 MMT despite a larger forecast crop pushing the availability of soybeans for export.

The larger crop in 2009/2010 did not dampen imports in the first six months of the marketing year. Imports, exclusively from the United States, were up 17 percent during the first half compared to the year before, in part buoyed by the increased buying power of the stronger Canadian currency. Imports for the full year are forecast at 420,000 tons compared to 387,000 tons in 2008/2009. For the next year, 2010/2011, imports are forecast to drop to 300,000 tons due to larger domestic availability.

Canada: Soybean Imports

All data in metric tons

Origin	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	233,367	309,199	386,635	202,212	237,070	17%
United States	227,403	301,813	375,978	198,343	231,820	17%
Other	5,964	7,386	10,657	3,869	5,250	36%

Source: Global Trade Atlas

Canada: Soybean Exports All data in metric tons						
Destination	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	1,683,345	1,752,782	2,017,246	1,354,386	1,647,532	22%
Japan	272,157	344,434	338,265	140,856	155,246	10%
United States	181,151	229,932	282,714	130,954	166,808	27%
China	3,000	9,897	236,438	197,317	103,754	-47%
Belgium	185,524	176,809	205,655	167,988	120,246	-28%
Netherlands	267,591	233,303	149,791	129,067	105,256	-18%
Malaysia	135,735	99,470	148,078	71,855	49,569	-31%
Egypt	42,723	0	114,095	114,095	0	-100%
Portugal	65,503	57,223	94,743	88,872	20	-100%
Germany	943	82,640	82,574	81,742	131,111	60%
Israel	25,150	26,628	64,664	53,130	23,371	-56%
Iran	244,673	163,793	51,105	51,105	147,515	189%
Syria	4,303	0	30,227	0	0	---
Hong Kong	29,988	29,044	28,310	13,216	15,112	14%
Denmark	30,210	62,156	26,000	2	18,500	++++
Saudi Arabia	861	884	22,559	22,115	545	-98%
Turkey	21,020	14,272	5,920	21	73,766	++++
Italy	4,404	12,260	3,244	2,681	100,115	++++
Spain	15,703	2,435	2,890	898	358,292	++++
Other	152,706	207,602	129,974	88,472	78,306	-11%
Source: Global Trade Atlas						

Peanuts

Canada remains the top market for U.S. peanut exports. Current annual per capita consumption of peanuts is about 2.7 kilograms. Peanuts are popular as peanut butter, shelled and in-shell. Shelled peanuts made up the bulk (3/4) of the C$287 million in snack nuts, fruits and seeds sold in Canada in 2009. Peanut imports during the first third of the 2009/10 marketing year are up 8 percent compared to a year earlier, marking an overall upturn in the economy. Overall imports are forecast to return to the 2-4 percent growth rate experienced prior to the economic slowdown of 2008-2009. Import in 2009/10 and 2010/11 are forecast at 128,000 tons and 131,000 tons, respectively, and the United States is expected to retain a market share close to 80 percent.

Peanut allergies continue to make headlines in Canada with some advocacy groups claiming that Canadians have a higher rate of nut allergies than in the United States. Peanuts are one of the seventeen ingredients which must be notified on the mandatory allergen labeling requirements at the retail level.

Canada: Peanut Imports, in-shell basis
All data in metric tons

Origin	2006/2007 Oct-Sept	2007/2008 Oct-Sept	2008/2009 Oct-Sept	2008/2009 4 months Oct-Jan	2009/2010 4 months Oct-Jan	Percent Change
World	125,821	131,884	123,051	40,941	44,434	9%
United States	93,687	100,720	98,061	34,909	31,576	-10%
China	26,511	20,838	15,707	2,974	5,364	80%
Argentina	3,004	2,133	7,769	2,627	6,425	145%
Nicaragua	1,326	2,796	414	168	359	114%
India	279	4,337	360	67	4	-94%
Vietnam	339	613	289	53	109	106%
Hong Kong	45	62	62	5	53	960%
Brazil	289	94	33	0	364	++++
Other	338	291	355	137	174	27%

Source: Global Trade Atlas

Sunflower Seed

Canada's 2009/10 sunflower seed crop is currently estimated at 102,000 tons off 65,000 hectares. However, quality suffered due to too much moisture and inadequate sunshine during the growing season. Returns were lower than the previous year and exports suffered due to the quality issues. Most of the Canadian crop is confectionary so there are few outlets for poor quality, sample grade product. Looking to the 2010/11 season, the outlook for sunflower seed is better than some other crops such as wheat so the planted area is expected to see a hefty increase to about 75,000 hectares. The resulting increase in production, forecast at 115,000 tons, will likely push prices down.

Canada: Sunflower Seed Exports
All data in metric tons

Destination	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	121,002	111,615	88,107	46,795	26,643	-43%
United States	96,589	81,370	82,216	35,419	20,028	-43%
United Arab Emirates	12,694	16,126	15,451	7,157	2,710	-62%
Other	11,719	14,119	-9,560	4,219	3,905	-7%

Source: Global Trade Atlas

Production, Supply and Demand Data Statistics:

Canada Oilseed, Rapeseed	2008/2009 Market Year Begin: Aug 2008		2009/2010 Market Year Begin: Aug 2009		2010/2011 Market Year Begin: Aug 2010	
	USDA Official Data	New Post Data	USDA Official Data	New Post Data	USDA Official Data	New Post Data
Area Planted	6,540	6,540	6,404	6,556		6,700
Area Harvested	6,494	6,494	6,100	6,105		6,580
Beginning Stocks	1,462	1,462	1,661	1,659		1,698
Production	12,643	12,643	11,800	11,825		11,900
MY Imports	121	121	130	150		100
MY Imp. from U.S.	113	113	124	150		95
MY Imp. from EU	0	0	0	0		0
Total Supply	14,226	14,226	13,591	13,634		13,698
MY Exports	7,898	7,898	6,500	7,000		6,600
MY Exp. to EU	2	2	100	2		2
Crush	4,280	4,280	4,500	4,500		5,200
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	387	389	450	436		475
Total Dom. Cons.	4,667	4,669	4,950	4,936		5,675
Ending Stocks	1,661	1,659	2,141	1,698		1,423
Total Distribution	14,226	14,226	13,591	13,634		13,698
CY Imports	142	142	130	150		100
CY Imp. from U.S.	134	134	128	150		95
CY Exports	7,677	7,677	6,500	7,000		6,600
CY Exp. to U.S.	569	569	650	600		600

All data in 1,000 hectares, 1,000 metric tons.

Canada **Oilseed, Soybean**	**2008/2009 Market Year Begin: Aug 2008**		**2009/2010 Market Year Begin: Aug 2009**		**2010/2011 Market Year Begin: Aug 2010**	
	USDA Official Data	**New Post Data**	**USDA Official Data**	**New Post Data**	**USDA Official Data**	**New Post Data**
Area Planted	1,202	1,201	1,407	1,394		1,440
Area Harvested	1,195	1,195	1,380	1,382		1,430
Beginning Stocks	150	150	174	186		170
Production	3,336	3,336	3,500	3,504		3,750
MY Imports	386	387	376	420		300
MY Imp. from U.S.	376	387	365	420		300
MY Imp. from EU	0	0	0	0		0
Total Supply	3,872	3,873	4,050	4,110		4,220
MY Exports	2,017	2,017	2,100	2,200		2,150
MY Exp. to EU	606	606	650	800		700
Crush	1,286	1,282	1,275	1,290		1,400
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	395	390	375	450		470
Total Dom. Cons.	1,681	1,672	1,650	1,740		1,870
Ending Stocks	174	186	300	170		200
Total Distribution	3,872	3,875	4,050	4,110		4,220
CY Imports	428	370	350	420		300
CY Imp. from U.S.	415	361	350	420		300
CY Exports	2,191	2,279	2,100	2,200		2,150
CY Exp. to U.S.	250	320	250	300		300

All data in 1,000 hectares, 1,000 metric tons

Canada Oilseed, Peanut	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official Data	**New Post Data**	**USDA Official Data**	**New Post Data**	**USDA Official Data**	**New Post Data**
Area Planted	0	0	0	0		0
Area Harvested	0	0	0	0		0
Beginning Stocks	7	7	5	5		5
Production	0	0	0	0		0
MY Imports	123	123	125	128		131
MY Imp. from U.S.	90	98	90	100		102
MY Imp. from EU	0	0	0	0		0
Total Supply	130	130	130	133		136
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Crush	0	0	0	0		0
Food Use Dom. Cons.	125	125	125	128		131
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	125	125	125	128		131
Ending Stocks	5	5	5	5		5
Total Distribution	130	130	130	133		136
CY Imports	126	125	126	128		131
CY Imp. from U.S.	90	94	90	100		102
CY Exports	0	0	0	0		0
CY Exp. to U.S.	0	0	0	0		0

All data in 1,000 metric tons.

Canada Oilseed, Sunflowerseed	2008/2009 Market Year Begin: Aug 2008		2009/2010 Market Year Begin: Aug 2009		2010/2011 Market Year Begin: Aug 2010	
	USDA Official Data	New Post Data	USDA Official Data	New Post Data	USDA Official Data	New Post Data
Area Planted	69	69	72	65		75
Area Harvested	69	69	72	65		75
Beginning Stocks	16	16	14	22		16
Production	112	112	115	102		115
MY Imports	20	20	20	20		20
MY Imp. from U.S.	19	19	19	19		19
MY Imp. from EU	0	0	0	0		0
Total Supply	148	148	149	144		151
MY Exports	88	88	85	85		85
MY Exp. to EU	0	0	0	0		0
Crush	0	0	0	0		0
Food Use Dom. Cons.	6	6	6	6		6
Feed Waste Dom. Cons.	40	32	40	37		40
Total Dom. Cons.	46	38	46	43		46
Ending Stocks	14	22	18	16		20
Total Distribution	148	148	149	144		151
CY Imports	16	27	15	20		20
CY Imp. from U.S.	15	25	14	19		19
CY Exports	95	71	85	85		85
CY Exp. to U.S.	45	49	40	50		50

All data in 1,000 hectares, 1,000 metric tons.

TOTAL OILSEED MEALS

Canola and soybean crush are forecast to continue on the upswing in 2009/10 and 2010/11 buoyed by larger crops and especially by the increased canola crush capacity. Total oil meal production is forecast at 4.1 MMT in 2010/11 and 3.65 MMT in 2009/10. With the increased crush, exports are forecast to increase to 2.27 MMT in 2010/11 compared to 1.97 MMT the previous year. Despite the increased value of the Canadian dollar and resulting increase in buying power, meal imports are forecast to show a net decline to about 1.0 MMT in 2010/11, down from 1.1 MMT in 2009/10 due to increased domestic availability and the reduced swine herd.

Canada: Total Oilmeals

2008/09	Canola (Rapeseed)	Soybean	TOTAL
Crush	4,280	1,282	5,562
Production	2,487	1,007	3,494
Imports	5	1,190	1,195
Exports	1,861	58	1,919

2009/10	Canola (Rapeseed)	Soybean	TOTAL
Crush	4,500	1,290	5,790
Production	2,650	1,000	3,650
Imports	0	1,100	1,100
Exports	1,850	120	1,970

2010/11	Canola (Rapeseed)	Soybean	TOTAL
Crush	5,200	1,400	6,600
Production	3,000	1,100	4,100
Imports	0	1,010	1,010
Exports	2,150	120	2,270

All data in 1,000 metric tons.Marketing years: Aug/July.

Canola (Rapeseed) Meal

Canada's total canola meal production is forecast hit 3.0 MMT in 2010/11 due to the larger crop and increased crush capacity. This compares to the production of about 2.5 MMT in 2008/09 and an estimated 2.65 MMT in 2009/10.

Beginning in March/April 2009 shipments of Canadian canola meal were increasingly placed on the Food and Drug Administration's (FDA) Import Alert due to detection of salmonella. The issue affected three major companies and at least six (of 13 total) plants. The result was a significant slowing of meal exports to the United States which also dampened prices. Overall exports for the 2008/09 season were 1.86 MMT with exports off about 16 percent during the first six months of 2009/2010 compared to the year earlier. Exports to Mexico have jumped dramatically to over 115,000 ton in the first six months of the 2009/10 year when the total for the full 2008/09 marketing year did not reach 80,000 tons. The meal is widely used in dairy cattle feed rations. Exports for the full 2009/10 year are forecast at 1.85 MMT but poised to surge in 2010/11 based on the larger crush and assumed resolution of the issue with the United States.

The following table summarizes crush capacity utilization for both canola and soybeans. The total canola crush capacity utilization for calendar year 2009 reflects the increase in capacity in the Cargill Clavet, Saskatchewan, plant, not reduced utilization of existing facilities. Three new plants have, or will, open in calendar year 2010 and bring the total number of facilities up to 14. These include the LDM Foods plant, in Yorkton, Saskatchewan, which started operations in January 2010, TRT.ETGO plant near Trois Rivière, Quebec which began in April and the James Richardson International plant also in Yorkton, Saskatchewan which is expected begin operation later in 2010.

Canada: Crush Capacity Utilization

Calendar Year	Canola	Soybean
2005	84.5%	79.4%
2006	86.1%	67.9%
2007	81.1%	67.1%
2008	90.7%	59.6%
2009	77.3%	58.6%

Source: Canadian Oilseed Processors Association

Canada: Canola (Rapeseed) Meal Exports

All data in metric tons

Destination	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	1,482,165	1,856,591	1,861,405	967,643	812,175	-16%
United States	1,458,081	1,799,267	1,766,871	930,070	548,630	-41%
Mexico	5,797	14,074	78,329	25,039	116,801	366%
Ireland	0	23,975	10,163	10,161	6,500	-36%
Taiwan	7,035	14,752	2,380	1,428	8,339	484%
Thailand	0	1,009	1,044	0	41,087	++++
Indonesia	0	1,460	984	0	10,918	++++
China	407	0	945	945	51,512	++++
Vietnam	0	897	689	0	28,205	++++
Philippines	10,530	210	0	0	26	++++
Other	315	947	0	0	157	++++

Source: Global Trade Atlas

Soybean Meal

Crush during the first seven months of the 2009/10 crop year is running about even with the previous year prompting a total year crush forecast of about 1.29 MMT. The forecast for 2010/11 is forecast to rise to about 1.4 MMT reflecting the larger crop.

Soybean meal imports are down 15 percent for the first half of the 2009/10 marketing year in part reflecting reduced herd sizes. Overall imports for the marketing year are forecast at 1.1 MMT and 1.01 MMT in 2010/11. Exports are on pace to rebound to about 120,000 tons in 2009/10 and remain at about that level in 2010/11 due to higher domestic availability and the continued reduction in the swine herd.

Canada: Soybean Meal Imports

All data in metric tons

Origin	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	1,415,201	1,510,313	1,251,337	684,220	579,484	-15%
United States	1,403,031	1,494,231	1,246,733	681,224	577,297	-15%
Other	12,170	16,082	4,604	2,996	2,187	-27%

Source: Global Trade Atlas

Canada: Soybean Meal Exports

All data in metric tons

Destination	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	136,890	120,077	82,244	45,261	69,102	53%
United States	135,582	114,624	81,553	45,050	48,993	9%
Belgium	10	93	116	68	20,000	++++
Other	1,298	5,360	575	143	109	-24%

Source: Global Trade Atlas

Production, Supply and Demand Data Statistics:

Canada Meal, Rapeseed	2008/2009 Market Year Begin: Aug 2008		2009/2010 Market Year Begin: Aug 2009		2010/2011 Market Year Begin: Aug 2010	
	USDA Official Data	New Post Data	USDA Official Data	New Post Data	USDA Official Data	New Post Data
Crush	4,280	4,280	4,500	4,500		5,200
Extr. Rate, 999.9999	0.5818	0.5811	0.5822	0.5889		0.5769
Beginning Stocks	16	16	21	29		39
Production	2,490	2,487	2,620	2,650		3,000
MY Imports	6	5	5	0		0
MY Imp. from U.S.	6	5	5	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	2,512	2,508	2,646	2,679		3,039
MY Exports	1,861	1,861	1,700	1,850		2,150
MY Exp. to EU	10	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	630	618	920	790		850
Total Dom. Cons.	630	618	920	790		850
Ending Stocks	21	29	26	39		39
Total Distribution	2,512	2,508	2,646	2,679		3,039
CY Imports	6	3	5	0		0
CY Imp. from U.S.	6	3	5	0		0
CY Exports	1,751	1,751	1,700	1,675		2,150
CY Exp. to U.S.	1,468	1,468	1,550	1,675		2,150

All data in 1,000 metric tons.

Canada Meal, Soybean	2008/2009 Market Year Begin: Aug 2008		2009/2010 Market Year Begin: Aug 2009		2010/2011 Market Year Begin: Aug 2010	
	USDA Official Data	New Post Data	USDA Official Data	New Post Data	USDA Official Data	New Post Data
Crush	1,286	1,282	1,275	1,290		1,400
Extr. Rate, 999.9999	0.7893	0.7855	0.7882	0.7752		0.7857
Beginning Stocks	21	21	20	20		20
Production	1,015	1,007	1,005	1,000		1,100
MY Imports	1,251	1,190	1,200	1,100		1,010
MY Imp. from U.S.	1,246	1,189	1,195	1,090		1,000
MY Imp. from EU	2	2	1	1		1
Total Supply	2,287	2,218	2,225	2,120		2,130
MY Exports	82	58	124	120		120
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	2,185	2,140	2,075	1,980		1,990
Total Dom. Cons.	2,185	2,140	2,075	1,980		1,990
Ending Stocks	20	20	26	20		20
Total Distribution	2,287	2,218	2,225	2,120		2,130
CY Imports	1,200	1,184	1,200	1,100		1,010
CY Imp. from U.S.	1,195	1,180	1,195	1,090		1,000
CY Exports	96	96	125	120		120
CY Exp. to U.S.	75	75	120	120		120

All data in 1,000 tons.

TOTAL OILS

With total crush on the upswing due to larger crops and expanded canola crushing facilities, both canola and soybean oil are forecast up for both 2009/2010 (2.13 MMT) and 2020/11 (2.46 MMT). With a population of about 33.5 million limiting large domestic consumption increases, pressure for ongoing export expansion continues. The positive nutritional profile will aid in canola exports while overall large availability of vegetable oils, lower priced oils and the stronger Canadian dollar will work against export growth. However, total oil exports are forecast at 1.64 MMT in 2009/10 and 1.79 MMT in 2010/11.

Canada: Total Oils

2008/09	Canola (Rapeseed)	Soybean	TOTAL
Crush	4,280	1,282	5,562
Production	1,839	239	2,078
Imports	111	45	156
Exports	1,527	38	1,565

2009/10	Canola (Rapeseed)	Soybean	TOTAL
Crush	4,500	1,290	5,790
Production	1,890	240	2,130
Imports	80	40	120
Exports	1,600	40	1,640

2010/11	Canola (Rapeseed)	Soybean	TOTAL
Crush	5,200	1,400	6,600
Production	2,200	260	2,460
Imports	30	30	60
Exports	1,750	40	1,790

All data in 1,000 metric tons.Marketing years: Aug/July.

Canola (Rapeseed) Oil

Canola oil consumption and use in food service continues to rise due its “healthy oil” image. Adding to the positive profile is that fact that canola oil is high in monounsaturated fat, low in saturated fat and has a beneficial omega-3 fatty acid profile. Exports jumped over 200,000 tons in 2008/09 to 1.53 MMT and consumption in Canada is estimated to have increased to 380,000 tons and is forecast to hit 400,000 tons in 2009/10 and 440,000 tons in 2010/11. Exports increased by 5 percent in the first half of 2009/10 and are on track to hit 1.6 MMT for the year. With a larger crop and bigger crush both forecast for 2010/11, prices will likely moderate and exports are forecast to increase to 1.75 MMT.

Canada: Canola (Rapeseed) Oil Exports

All data in metric tons

Destination	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	1,254,863	1,274,931	1,527,104	706,096	743,132	5%
United States	677,562	896,697	1,013,277	536,771	511,411	-5%
China	255,946	239,908	395,059	107,336	179,533	67%
South Korea	35,567	34,143	35,743	25,377	19,487	-23%
Hong Kong	25,286	18,651	25,321	4,031	13,132	226%
Japan	19,196	15,585	21,193	14,787	4,595	-69%
Malaysia	26,096	13,559	15,005	13,000	2,555	-80%
Taiwan	26,953	11,323	13,051	56	6,190	++++
Mexico	31,644	33,121	2,428	1,327	2,767	109%
Netherlands	85,929	63	16	16	0	-100%
Germany	63,576	8	0	0	0	---
Other	7,108	11,873	6,011	3,395	3,462	2%

Source: Global Trade Atlas

Canada: Canola (Rapeseed) Oil Imports

All data in metric tons

Origin	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	136,166	35,532	110,532	29,857	74,623	150%
United States	131,391	31,784	97,395	19,950	74,341	273%
Other	4,775	3,748	13,137	9,907	282	---

Source: Global Trade Atlas

Soybean oil

With the crush at about the same level in both 2008/09 and 2009/10, total soybean oil production is forecast virtually unchanged at 240,000 tons. Imports for the first half of the 2009/10 marketing year are down to just over 22,000 tons reflecting increased competition from canola oil. Exports are forecast at a fairly flat level of 40,000 tons in both 2009/10 and 2010/11 due to the strong Canadian dollar and competition from other oils.

Canada: Soybean Oil Exports All data in metric tons						
Destination	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	23,776	49,931	38,064	15,816	24,775	57%
United States	15,161	24,624	35,639	15,477	24,653	59%
Other	8,615	25,307	2,425	339	122	-64%
Source: Global Trade Atlas						

Canada: Soybean Oil Imports All data in metric tons						
Origin	2006/2007 Aug/July	2007/2008 Aug/July	2008/2009 Aug/July	2008/2009 6 months Aug/Jan	2009/2010 6 months Aug/Jan	Percent Change
World	79,137	80,106	44,731	26,980	22,167	-18%
United States	79,117	80,054	44,517	26,964	22,102	-18%
Other	20	52	214	16	65	306%
Source: Global Trade Atlas						

Sunflower Seed Oil

Due to significant discrepancies in the U.S./Canada import and export data on sunflower seen oil, Post will revise the supply and demand estimate table after the data discrepancy is resolved.

Production, Supply and Demand Data Statistics:

Canada Oil, Rapeseed	2008/2009 Market Year Begin: Aug 2008		2009/2010 Market Year Begin: Aug 2009		2010/2011 Market Year Begin: Aug 2010	
	USDA Official Data	New Post Data	USDA Official Data	New Post Data	USDA Official Data	New Post Data
Crush	4,280	4,280	4,500	4,500		5,200
Extr. Rate, 999.9999	0.4065	0.4297	0.4044	0.42		0.4231
Beginning Stocks	49	49	18	72		22
Production	1,740	1,839	1,820	1,890		2,200
MY Imports	111	111	160	80		30
MY Imp. from U.S.	110	97	160	80		30
MY Imp. from EU	0	0	0	0		0
Total Supply	1,900	1,999	1,998	2,042		2,252
MY Exports	1,527	1,527	1,580	1,600		1,750
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	10	20	20	20		30
Food Use Dom. Cons.	345	380	380	400		440
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	355	400	400	420		470
Ending Stocks	18	72	18	22		32
Total Distribution	1,900	1,999	1,998	2,042		2,252
CY Imports	100	149	120	80		30
CY Imp. from U.S.	100	143	120	80		30
CY Exports	1,550	1,532	1,550	1,600		1,750
CY Exp. to U.S.	1,140	987	1,180	1,600		1,750

All data in 1,000 metric tons.

Canada	2008/2009		2009/2010		2010/2011	
Oil, Soybean	Market Year Begin: Aug 2008		Market Year Begin: Aug 2009		Market Year Begin: Aug 2010	
	USDA Official Data	New Post Data	USDA Official Data	New Post Data	USDA Official Data	New Post Data
Crush	1,286	1,282	1,275	1,290		1,400
Extr. Rate, 999.9999	0.	0.1864	0.	0.186		0.1857
Beginning Stocks	12	12	9	3		3
Production	235	239	233	240		260
MY Imports	45	45	40	40		30
MY Imp. from U.S.	45	45	40	40		30
MY Imp. from EU	0	0	0	0		0
Total Supply	292	296	282	283		293
MY Exports	38	38	45	40		40
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	245	255	225	240		248
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	245	255	225	240		248
Ending Stocks	9	3	12	3		5
Total Distribution	292	296	282	283		293
CY Imports	45	41	40	40		40
CY Imp. from U.S.	45	41	40	40		40
CY Exports	36	45	45	40		40
CY Exp. to U.S.	32	42	45	25		25

All data in 1,000 metric tons.