Prosperity
CREDIT UNION

# 2026 Agriculture Outlook

# Agenda

## Economic Impacts on Agriculture

- US Economy
- China Economy
- Impact of War in the Gulf
- Impact of Oil on Agriculture Canadian Economy
- Impact of Oil on Agriculture
- Supply Side Economics in Agriculture
- Grain Cycle

## Grain Outlook

## Cattle Outlook

# Global Economy: Headwinds & Tailwinds

# World Economic Outlook Growth Projections

| (Real GDP, annual percent change) | ESTIMATE 2025 | PROJECTIONS 2026 | 2027 |
|---|---|---|---|
| **World Output** | 3.3 | 3.3 | 3.2 |
| **Advanced Economies** | 1.7 | 1.8 | 1.7 |
| United States | 2.1 | 2.4 | 2.0 |
| Euro Area | 1.4 | 1.3 | 1.4 |
| Germany | 0.2 | 1.1 | 1.5 |
| France | 0.8 | 1.0 | 1.2 |
| Italy | 0.5 | 0.7 | 0.7 |
| Spain | 2.9 | 2.3 | 1.9 |
| Japan | 1.1 | 0.7 | 0.6 |
| United Kingdom | 1.4 | 1.3 | 1.5 |
| Canada | 1.6 | 1.6 | 1.9 |
| Other Advanced Economies | 1.8 | 2.0 | 2.1 |

| | | | |
|---|---|---|---|
| **Emerging Market and Developing Economies** | **4.4** | **4.2** | **4.1** |
| Emerging and Developing Asia | 5.4 | 5.0 | 4.8 |
| China | 5.0 | 4.5 | 4.0 |
| India | 7.3 | 6.4 | 6.4 |
| Emerging and Developing Europe | 2.0 | 2.3 | 2.4 |
| Russia | 0.6 | 0.8 | 1.0 |
| Latin America and the Caribbean | 2.4 | 2.2 | 2.7 |
| Brazil | 2.5 | 1.6 | 2.3 |
| Mexico | 0.6 | 1.5 | 2.1 |
| Middle East and Central Asia | 3.7 | 3.9 | 4.0 |
| Saudi Arabia | 4.3 | 4.5 | 3.6 |
| Sub-Saharan Africa | 4.4 | 4.6 | 4.6 |
| Nigeria | 4.2 | 4.4 | 4.1 |
| South Africa | 1.3 | 1.4 | 1.5 |
| ***Memorandum*** | | | |
| Emerging Market and Middle-Income Economies | 4.3 | 4.1 | 4.1 |
| Low-Income Developing Countries | 4.6 | 5.1 | 5.1 |

# Global Economic Growth - Risks

- Risks to the outlook remain tilted to the downside.
  - Reevaluation of productivity growth expectations about AI
  - Trade tensions could flare up,
  - Domestic political tensions or geopolitical tensions could erupt, - Iran
  - Larger fiscal deficits and high public debt
  - On the upside, activity could be further lifted by AI-related investment
  - Activity could also be supported by a sustained easing in trade tensions.

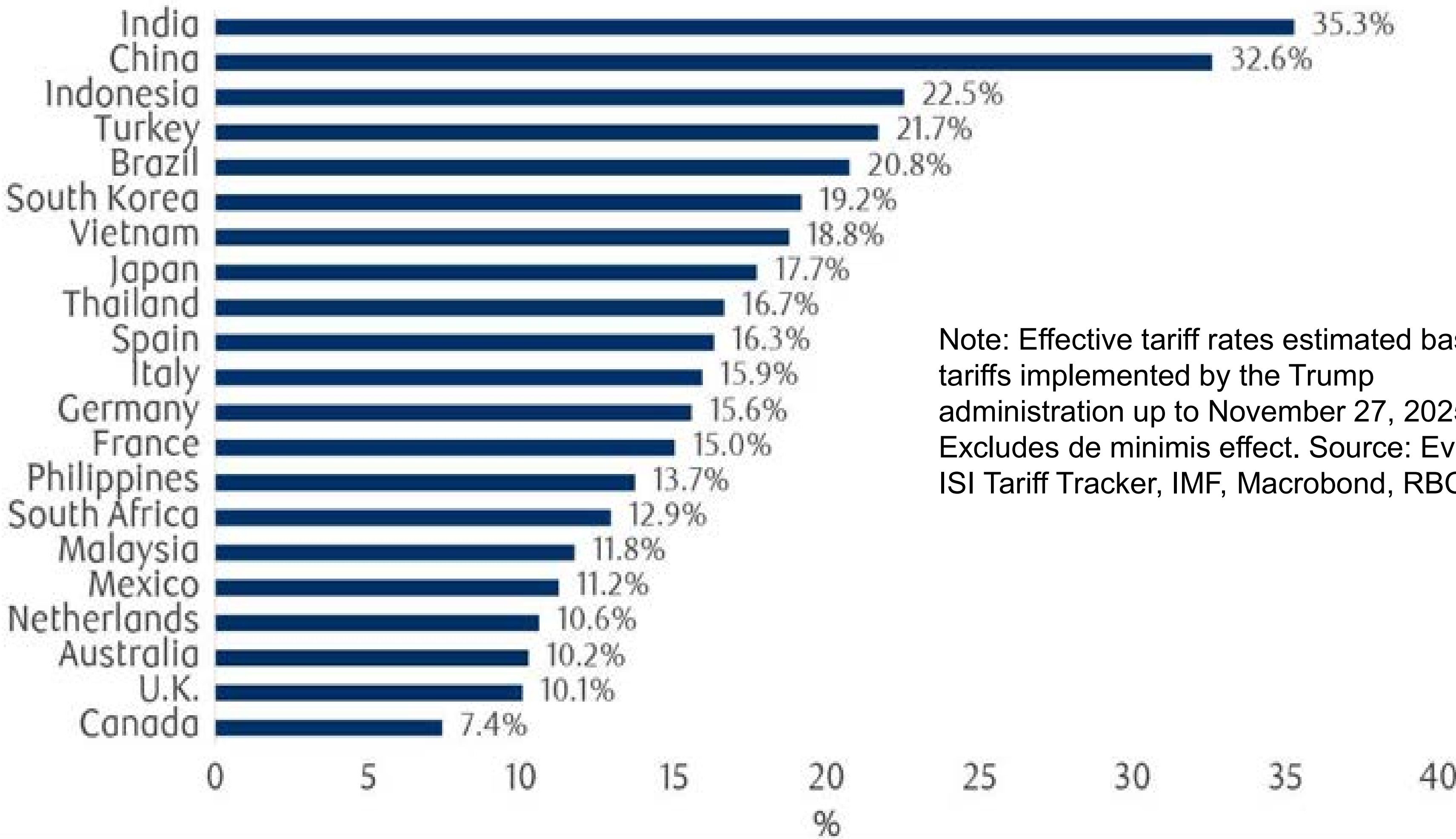
# Dow Jones Industrial Average as at March 6, 2026

# US Economy

# US Economy

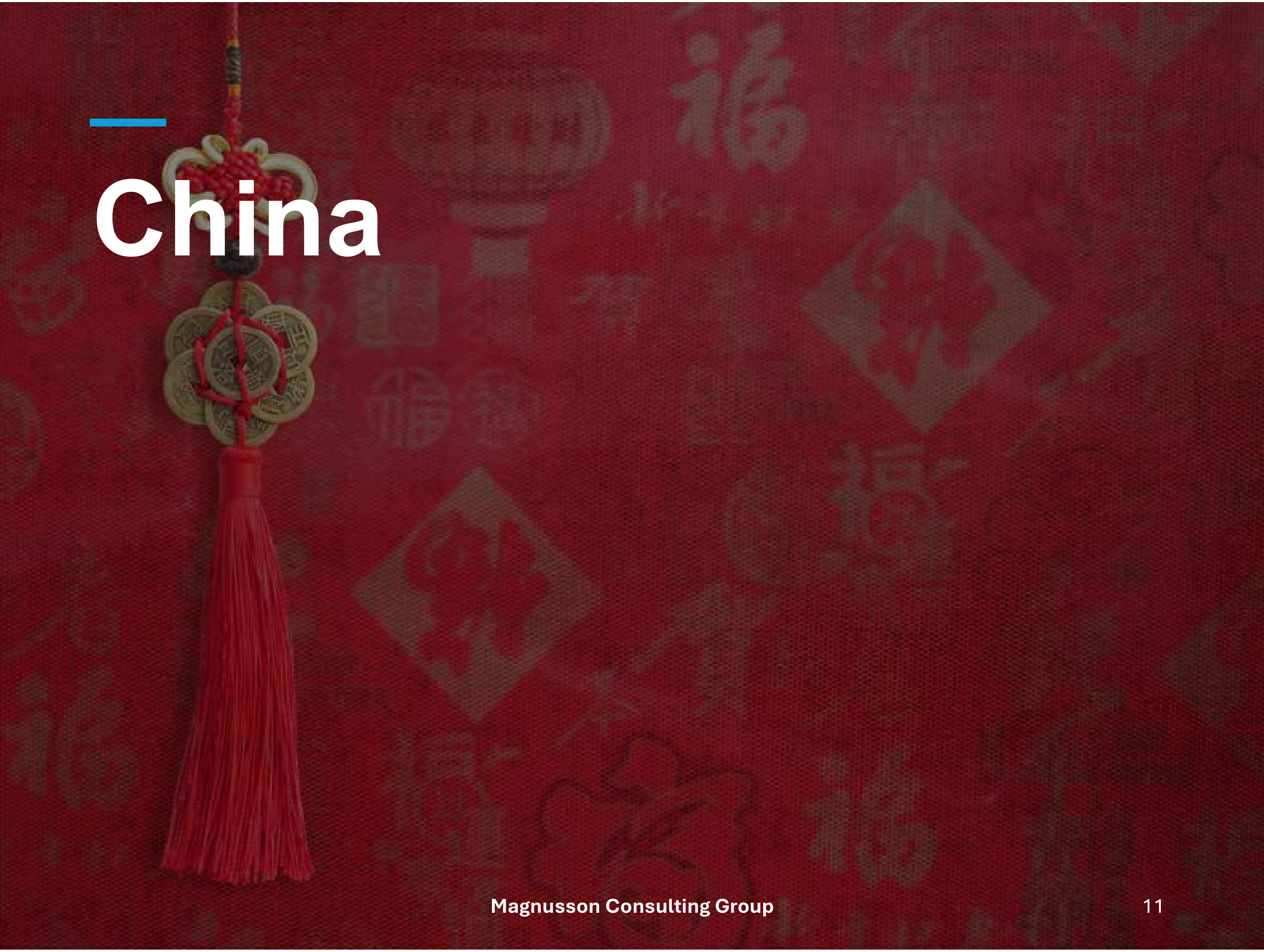
- **Positives:**
  - Interest-rate cuts,
  - Further fiscal stimulus,
  - Positive stock-market wealth effect, further growth in artificial-intelligence (AI) expenditures,
  - Early stages of an AI-driven productivity boost.

# Effective Tariff Rates by Country



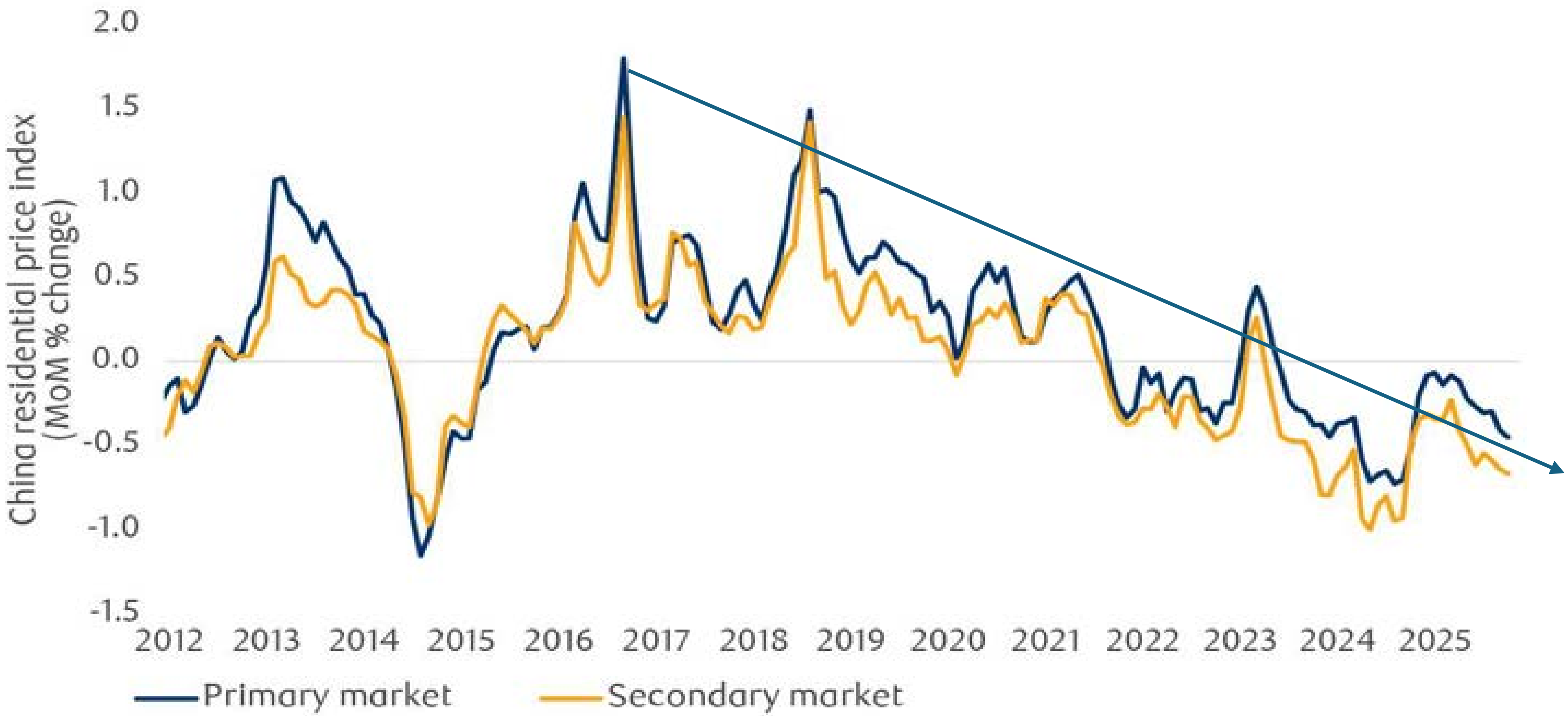

Note: Effective tariff rates estimated based on tariffs implemented by the Trump administration up to November 27, 2025. Excludes de minimis effect. Source: Evercore ISI Tariff Tracker, IMF, Macrobond, RBC GAM

The *de minimis* exemption (Section 321) for most commercial shipments, meaning goods valued at or under US$800 are no longer automatically exempt from duties and taxes.



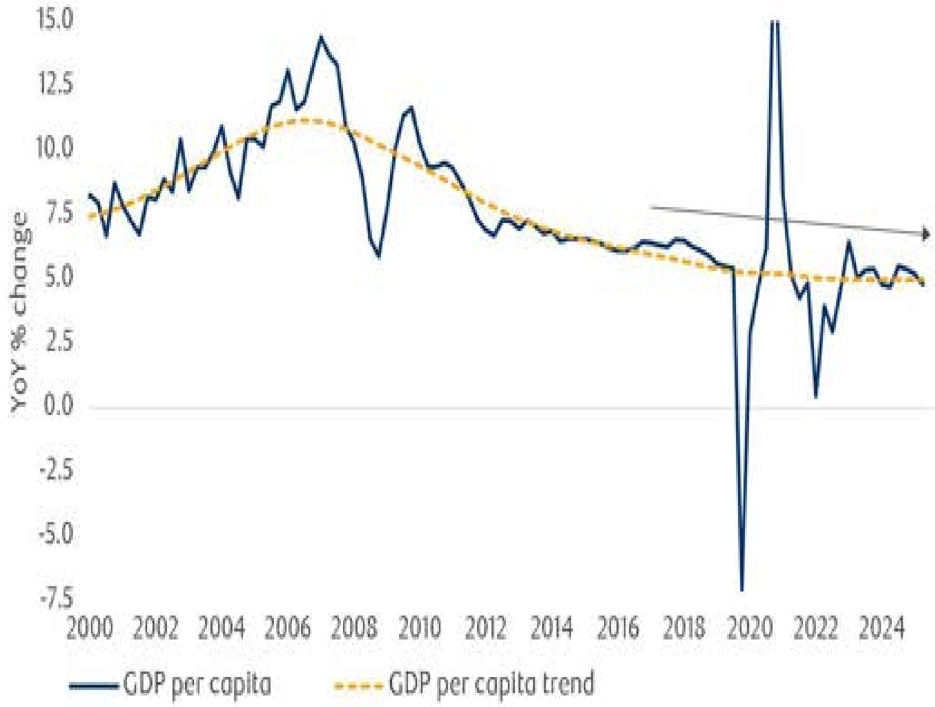
# China

# China: Housing Prices Continue to Fall




Note: As of Oct 2025. Source: CNBS, Macrobond, RBC GAM

# China's Productivity




Note: As of Q3 2025. Trend estimated using Hodrick-Prescott filter. Source: China National Bureau of Statistics, Macrobond, RBC GAM

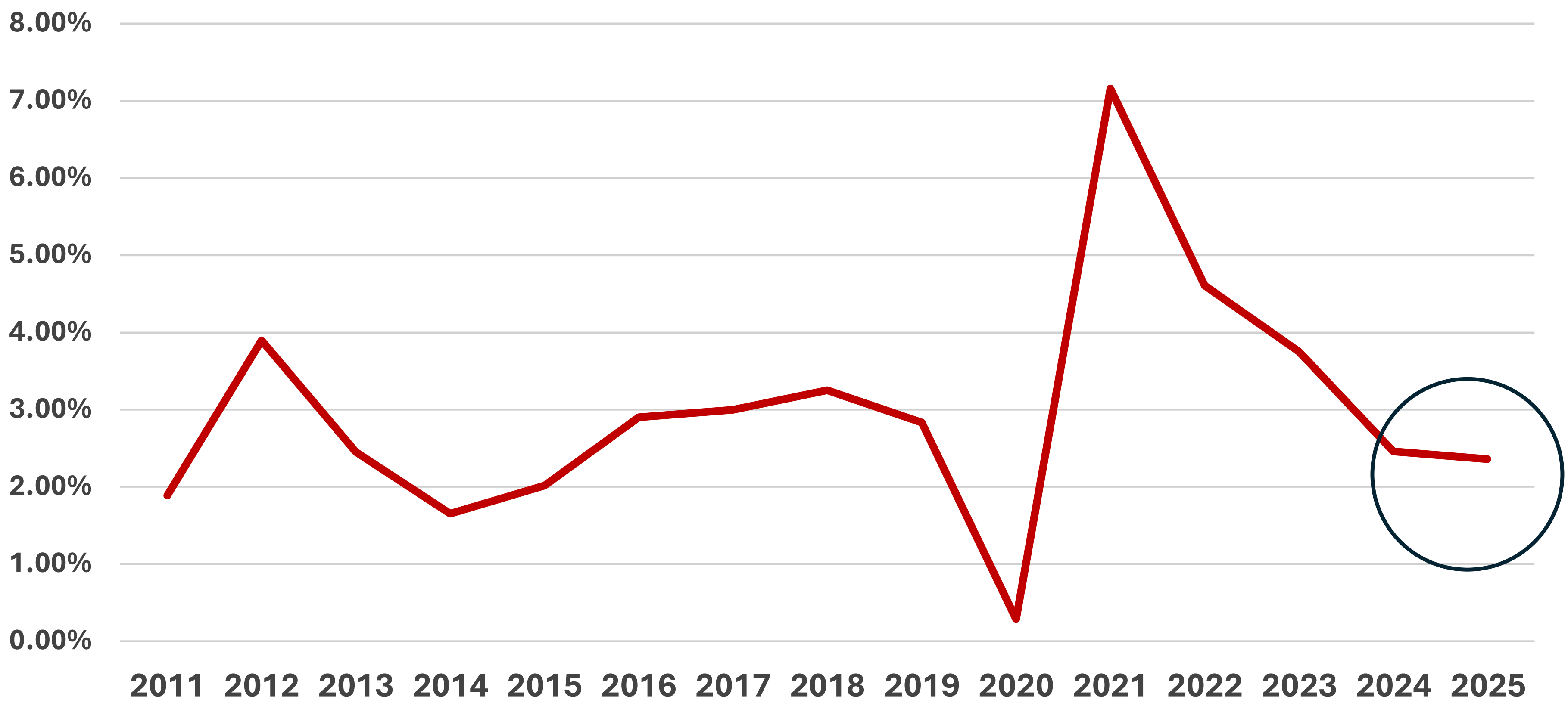
# China Pivots from US Trade


Note: As of Oct 2025. Source: China General Administration of Customs, Macrobond, RBC GAM

# Canadian Sluggish Economy

# Canadian: Monthly retail trade sales by province and territory (x 1,000)

# Wage Growth has Slowed with Softening Job Market Yr/Yr Change



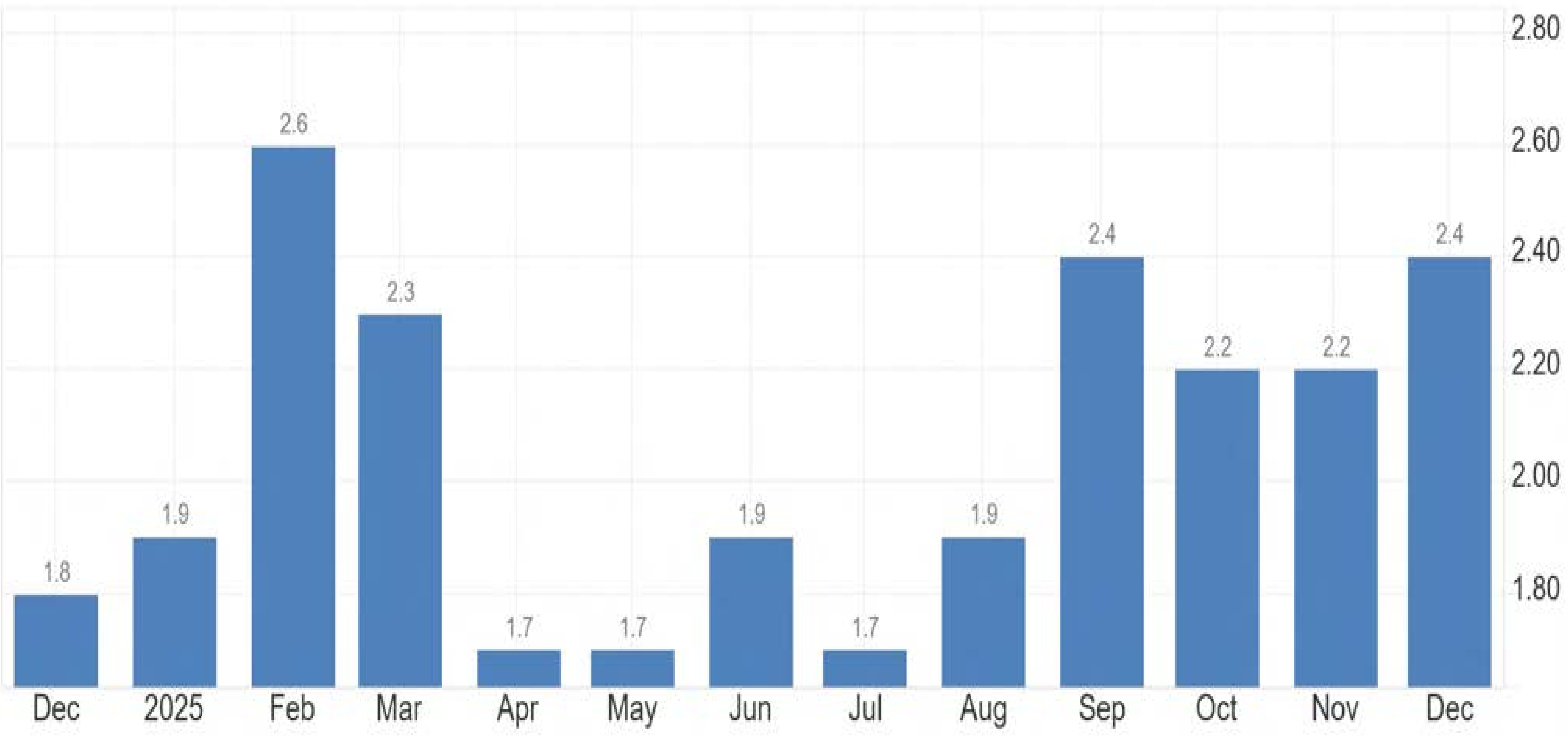

**Stats Can: Average usual hours and wages by selected characteristics, monthly, unadjusted for seasonality**

# TSX as of March 9, 2026

# Canadian US Trade Risks

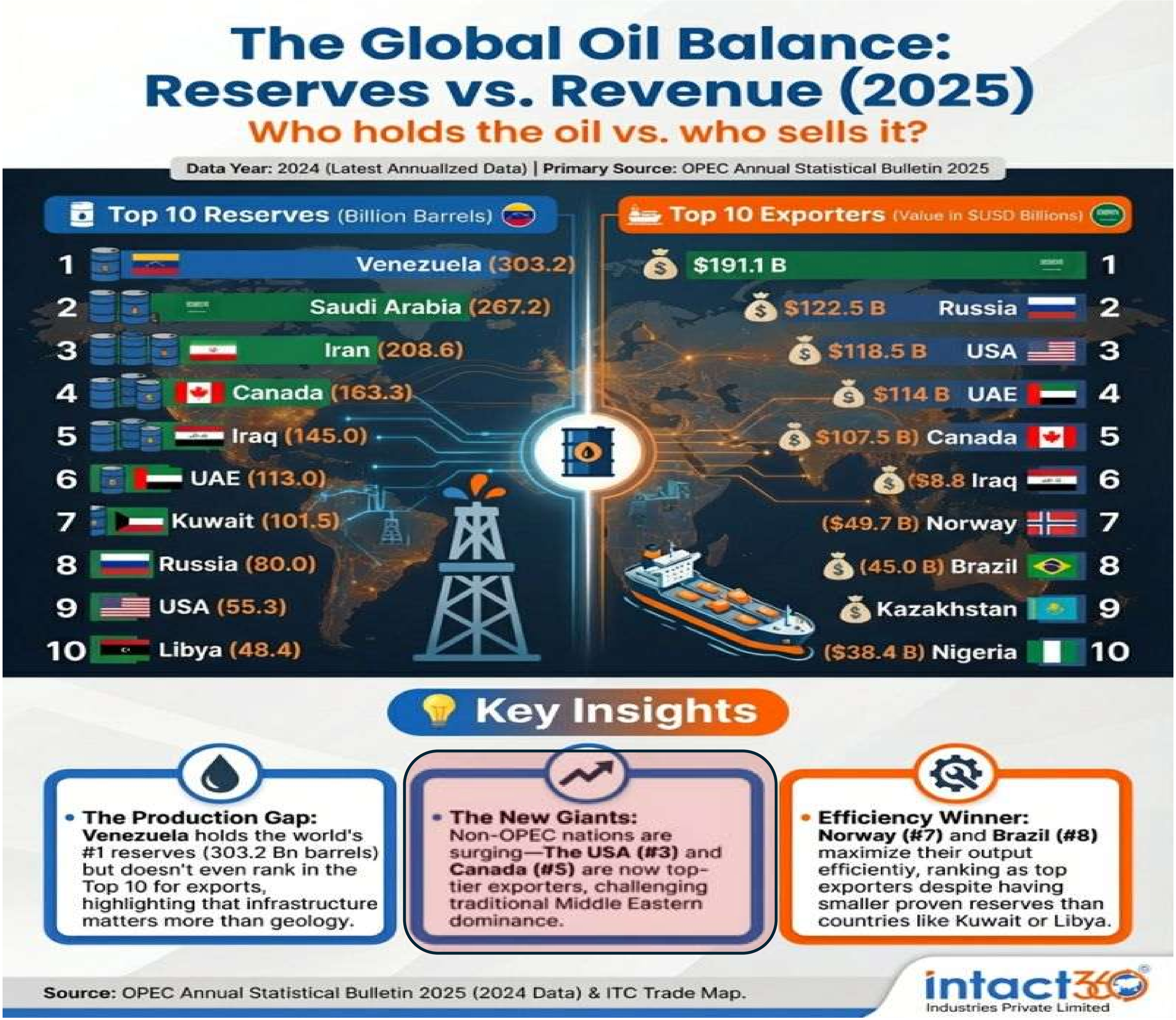
- Trade Risks
  - CUSMA Renegotiation
    - 90% of US trade is under CUSMA (expiries June 30, 2036)
    - Has built in review in July 2026
    - Recent Uncertainty "irrelevant" the U.S. might pursue separate bilateral deals with Canada and Mexico instead of the trilateral pact.
    - Ongoing Trade Friction: While CUSMA-compliant goods are currently exempt from certain broad U.S. tariffs (such as those related to border security and fentanyl), several sectors like **softwood lumber, dairy, and steel** remain subject to separate trade disputes.

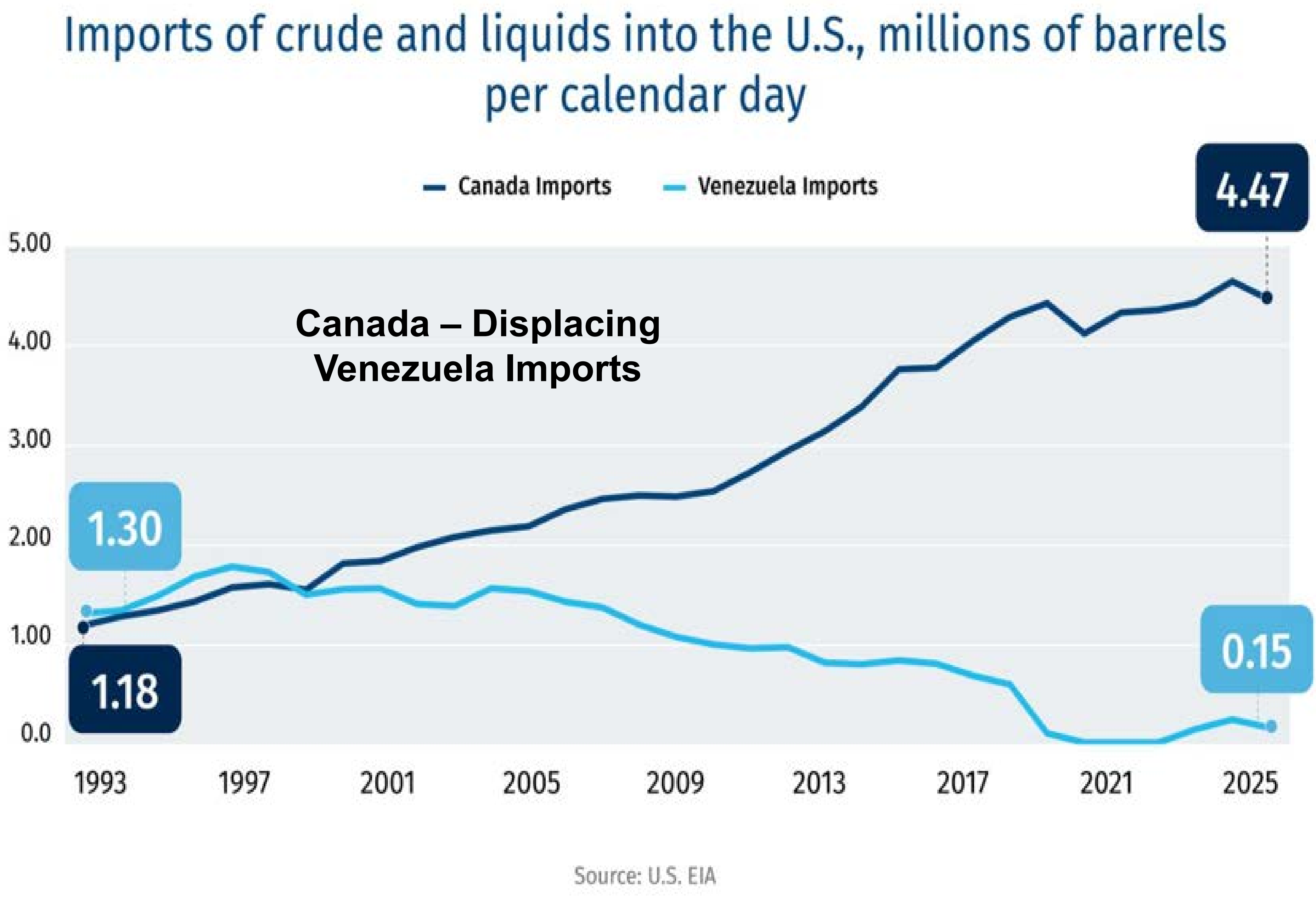
# Canadian Inflation rate

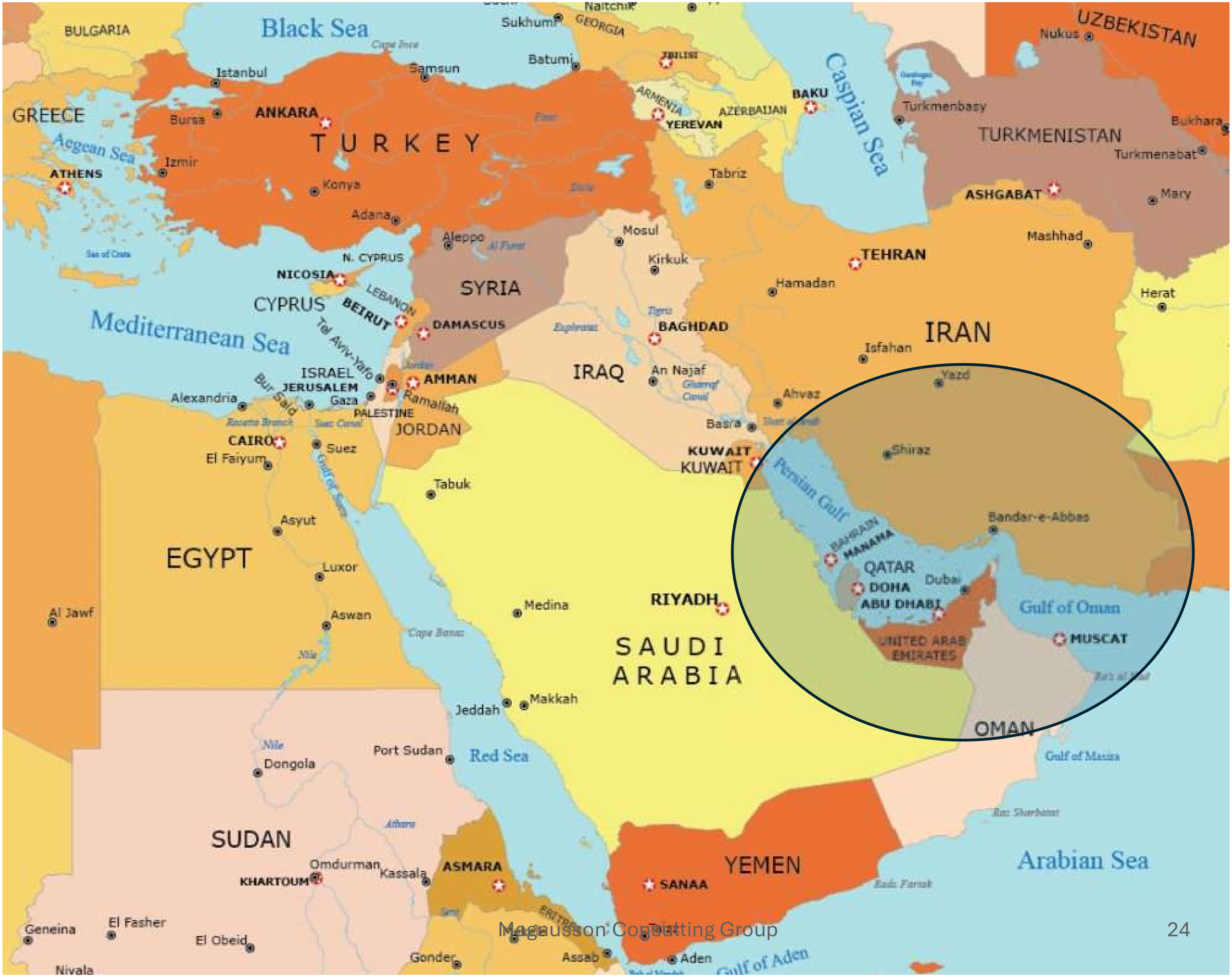


# Canadian Dollar

# Oil & Gas


The Global Oil Balance: Reserves vs. Revenue (2025)
Who holds the oil vs. who sells it?
Data Year: 2024 (Latest Annualized Data) | Primary Source: OPEC Annual Statistical Bulletin 2025
Top 10 Reserves (Billion Barrels)
1 Venezuela (303.2)
2 Saudi Arabia (267.2)
3 Iran (208.6)
4 Canada (163.3)
5 Iraq (145.0)
6 UAE (113.0)
7 Kuwait (101.5)
8 Russia (80.0)
9 USA (55.3)
10 Libya (48.4)
Top 10 Exporters (Value in $USD Billions)
$191.1 B 1
$122.5 B Russia 2
$118.5 B USA 3
$114 B UAE 4
$107.5 B) Canada 5
($8.8 Iraq 6
($49.7 B) Norway 7
(45.0 B) Brazil 8
Kazakhstan 9
($38.4 B) Nigeria 10
Key Insights
• The Production Gap: Venezuela holds the world's #1 reserves (303.2 Bn barrels) but doesn't even rank in the Top 10 for exports, highlighting that infrastructure matters more than geology.
• The New Giants: Non-OPEC nations are surging—The USA (#3) and Canada (#5) are now top-tier exporters, challenging traditional Middle Eastern dominance.
• Efficiency Winner: Norway (#7) and Brazil (#8) maximize their output efficientiy, ranking as top exporters despite having smaller proven reserves than countries like Kuwait or Libya.
Source: OPEC Annual Statistical Bulletin 2025 (2024 Data) & ITC Trade Map.
intact360
Industries Private Limited


Imports of crude and liquids into the U.S., millions of barrels per calendar day
Canada Imports
Venezuela Imports
4.47
5.00
4.00
3.00
2.00
1.00
0.0
Canada – Displacing Venezuela Imports
1.30
1.18
0.15
1993
1997
2001
2005
2009
2013
2017
2021
2025
Source: U.S. EIA


Black Sea
BULGARIA
GEORGIA
UZBEKISTAN
Nukus
Sukhumi
Batumi
TBILISI
Istanbul
Samsun
ARMENIA
YEREVAN
AZERBAIJAN
BAKU
Caspian Sea
Turkmenbasy
TURKMENISTAN
Bukhara
Turkmenabat
GREECE
Bursa
ANKARA
TURKEY
Aegean Sea
Izmir
ATHENS
Konya
Adana
Tabriz
ASHGABAT
Mary
Mashhad
Aleppo
Mosul
Kirkuk
TEHRAN
N. CYPRUS
NICOSIA
SYRIA
Hamadan
Herat
CYPRUS
LEBANON
BEIRUT
DAMASCUS
BAGHDAD
IRAN
Mediterranean Sea
Tel Aviv-Yafo
Isfahan
ISRAEL
AMMAN
IRAQ
An Najaf
Yazd
JERUSALEM
Alexandria
Port Said
Gaza
Ramallah
PALESTINE
Ahvaz
JORDAN
Basra
CAIRO
Suez
KUWAIT
Shiraz
El Faiyum
Persian Gulf
Tabuk
Asyut
Bandar-e-Abbas
BAHRAIN
MANAMA
EGYPT
QATAR
Luxor
Dubai
DOHA
ABU DHABI
RIYADH
Medina
Gulf of Oman
Al Jawf
Aswan
MUSCAT
UNITED ARAB EMIRATES
SAUDI ARABIA
Jeddah
Makkah
OMAN
Port Sudan
Red Sea
Dongola
SUDAN
YEMEN
Arabian Sea
Omdurman
Kassala
ASMARA
KHARTOUM
SANAA
Geneina
El Fasher
El Obeid
ERITREA
Gonder
Assab
Aden
Gulf of Aden
Nivala

**In the first half of 2025, about 20.9 million barrels per day (b/d) of oil passed through the strait, according to the IEA.**


Turkey
Syria
Cyprus
Lebanon
Mediterranean Sea
Palestinian Territories
Iraq
Israel
Jordan
Kuwait
Egypt
Caspian Sea
Iran
Afganistan
Pakistan
India
Bahrain
Qatar
Persian Gulf
United Arab Emirates
Saudi Arabia
Oman
Sudan
Red Sea
Arabian Sea
Yemen
Ethiopia

Selected Oil and Gas Pipeline Infrastructure in the Middle East

# WTI – April 2026 Futures

# May Soybean Futures (March 9, 2026)

# Canola Futures May 2026 (March 9, 2026)

# Principal of Substitution

***Consumers and producers will replace more expensive goods or resources with cheaper alternatives, provided they offer similar utility or performance.***

# Comparative Price Increase

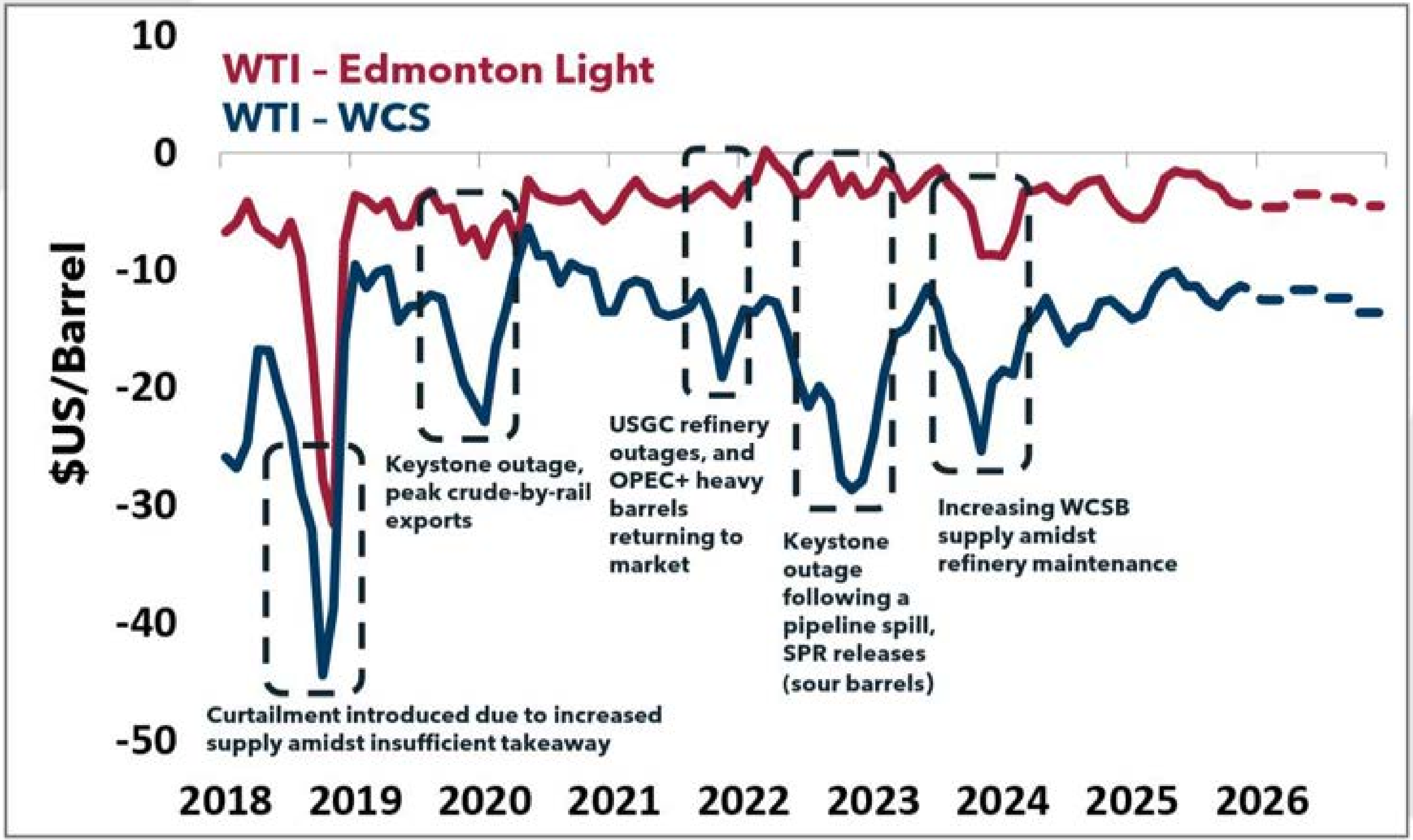
| | Low | High | % Difference |
|---|---|---|---|
| **Soybean** | 10.576 | 11.8 | 11.57% |
| **Canola** | 13.54 | 16.33 | 20.63% |
| **Canola** | | 11.57% | $665.87 |

# Canola Futures May 2026 (March 9, 2026)

# Canadian oil

# Canadian Crude Oil Benchmarks

*Monthly | Jan. 2022 to Dec. 2026*




CAPP

Source: Bloomberg, National Bank Financial, Enbridge; Futures pricing as of Oct. 8th, 2025.

PURDUE UNIVERSITY

PURDUE EXTENSION

ID-166-W

# 2026 Purdue Crop Cost & Return Guide

## September 2025 Estimates

*Both product prices and input prices may have significantly changed since these estimates were prepared.*

**Table 1. Estimated per Acre Crop Budgets for Low, Average, and High Productivity Indiana Soils**

| | Crop Budgets for Three Yield Levels[1] | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Low Productivity Soil | | | | | Average Productivity Soil | | | | | High Productivity Soil | | | | |
| | Cont. Corn | Rot. Corn | Rot. Beans | Wheat | DC Beans | Cont. Corn | Rot. Corn | Rot. Beans | Wheat | DC Beans | Cont. Corn | Rot. Corn | Rot. Beans | Wheat | DC Beans |
| Expected yield per acre[2] | 158 | 168 | 51 | 72 | 36 | 186 | 198 | 60 | 85 | 42 | 217 | 231 | 70 | 99 | 49 |
| Harvest price[3] | $4.25 | $4.25 | $10.35 | $5.25 | $10.35 | $4.25 | $4.25 | $10.35 | $5.25 | $10.35 | $4.25 | $4.25 | $10.35 | $5.25 | $10.35 |
| Market revenue | $672 | $714 | $528 | $378 | $373 | $791 | $842 | $621 | $446 | $435 | $922 | $982 | $725 | $520 | $507 |
| Less variable costs[4] | | | | | | | | | | | | | | | |
| Fertilizer[5] | $221 | $203 | $81 | $121 | $56 | $234 | $216 | $93 | $148 | $64 | $248 | $232 | $107 | $177 | $74 |
| Seed[6] | 102 | 102 | 74 | 44 | 86 | 124 | 124 | 74 | 44 | 86 | 124 | 124 | 74 | 44 | 86 |
| Pesticides[7] | 115 | 110 | 70 | 45 | 63 | 115 | 110 | 70 | 45 | 63 | 115 | 110 | 70 | 45 | 63 |
| Dryer fuel[8] | 43 | 34 | N/A | N/A | 5 | 50 | 40 | N/A | N/A | 5 | 59 | 47 | N/A | N/A | 6 |
| Machinery fuel @ $3.02 | 22 | 22 | 14 | 14 | 10 | 22 | 22 | 14 | 14 | 10 | 22 | 22 | 14 | 14 | 10 |
| Machinery repairs[9] | 45 | 45 | 40 | 40 | 40 | 45 | 45 | 40 | 40 | 40 | 45 | 45 | 40 | 40 | 40 |
| Hauling[10] | 17 | 18 | 5 | 8 | 4 | 20 | 21 | 6 | 9 | 4 | 23 | 24 | 7 | 10 | 5 |
| Interest[11] | 29 | 27 | 16 | 15 | 14 | 31 | 29 | 16 | 17 | 14 | 32 | 30 | 17 | 18 | 15 |
| Insurance/misc.[12] | 50 | 50 | 40 | 30 | 10 | 50 | 50 | 40 | 30 | 10 | 50 | 50 | 40 | 30 | 10 |
| Total variable cost | $644 | $611 | $340 | $317 | $288 | $691 | $657 | $353 | $347 | $296 | $718 | $684 | $369 | $378 | $309 |
| Contribution margin[13] (Revenue - variable costs) per acre | $28 | $103 | $188 | $61 | $85 | $100 | $185 | $268 | $99 | $139 | $204 | $298 | $356 | $142 | $198 |

[1]Estimated yields and costs are for yields with average management for three different soils representing low, average, and high productivity. The high productivity soils represent soils capable of producing corn and soybeans with yields about 20% higher than average soils. Low productivity soils represent soils capable of producing corn and soybeans with yields about 20% lower than the average soils.

[2]These yields assume average weather conditions and timely plant/harvest dates, except soybean double-crop yield, which is based on a July 1 planting date. Rotation corn, rotation soybean, and wheat yields for average soils are based on the long-run trends in state average yields reported by the Indiana office of the National Agricultural Statistics Service. Continuous corn yields are 94% of rotation corn yields. Double-crop soybean yields are 70% of full-season soybean yields. Continuous corn yields assume a chisel plow tillage system. Double-crop soybean yields apply to central and southern Indiana.

[3]Harvest corn price is December 2026 CME Group futures price less $0.25 basis. Harvest soybean price is November 2026 CME Group futures price less $0.35 basis. Harvest wheat price is July 2026 CME Group futures price less $.35 basis. Harvest prices were based on opening prices on September 8, 2025. These prices will change.

# Western Canadian Land Values

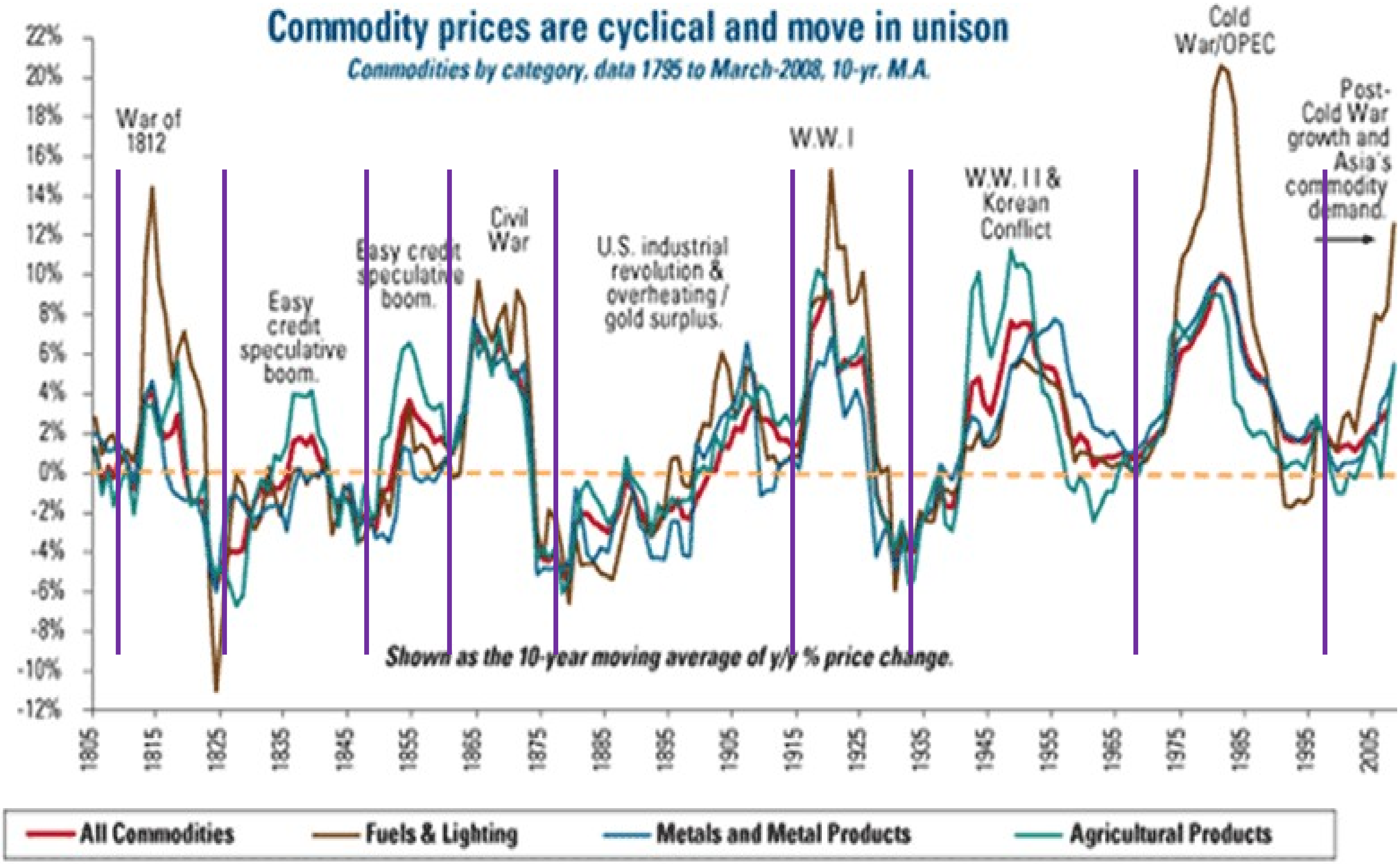
# Canadian Land Vales

| Provinces | Average % Change | | |
|---|---|---|---|
| | Jan 2025 - June 2025 (6 months) | July 2024 - June 2025 (12 months) | Jan 2024 - Dec 2024 (12 months) |
| B.C. | 0.0% | 5.2% | 11.3% |
| Alta. | 6.6% | 10.3% | 7.1% |
| Sask. | 6.0% | 12.0% | 13.1% |
| Man. | 11.2% | 14.4% | 6.5% |
| Ont. | 0.0% | 1.8% | 3.1% |
| Que. | 2.6% | 5.8% | 7.7% |
| N.B. | 9.4% | 14.6% | 9.0% |
| N.S. | 1.0% | 4.0% | 5.3% |
| P.E.I. | 2.3% | 2.1% | 1.4% |
| Canada | 6.0% | 10.4% | 9.3% |

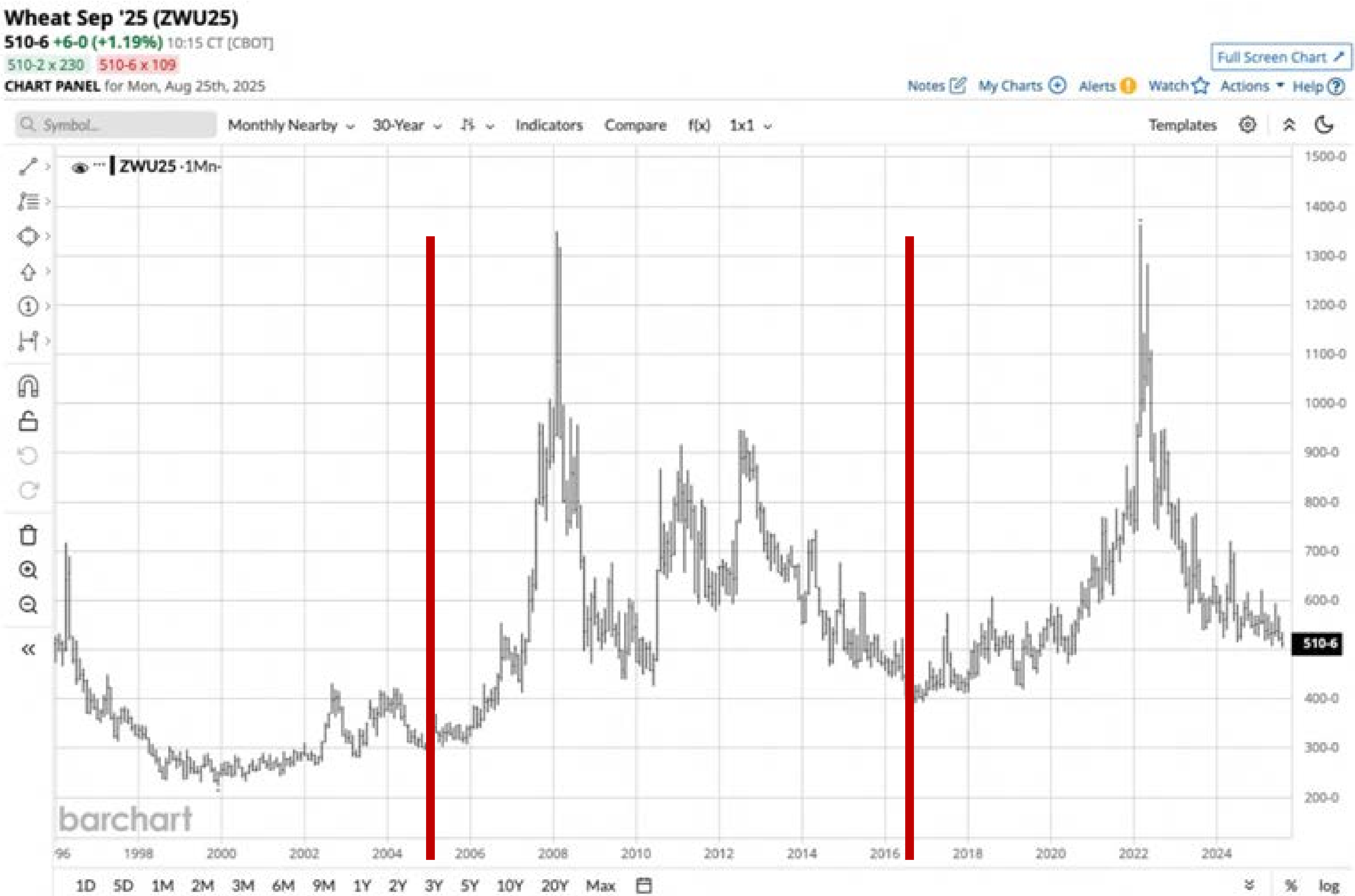
# Global Grain Inventories

| million tons | 22/23 | 23/24 | 24/25 est. | 25/26 f'cast 20.11 | 25/26 f'cast 16.01 |
|---|---|---|---|---|---|
| **TOTAL GRAINS** [a] | | | | | |
| Production | 2271 | 2312 | 2328 | 2430 | 2461 |
| Trade | 429 | 458 | 423 | 442 | 446 |
| Consumption | 2274 | 2324 | 2350 | 2400 | 2416 |
| Carryover stocks | 623 | 611 | 589 | 619 | 634 |
| *year/year change* | *-3* | *-12* | *-22* | | *45* |
| Major exporters [b] | 145 | 141 | 129 | 168 | 181 |

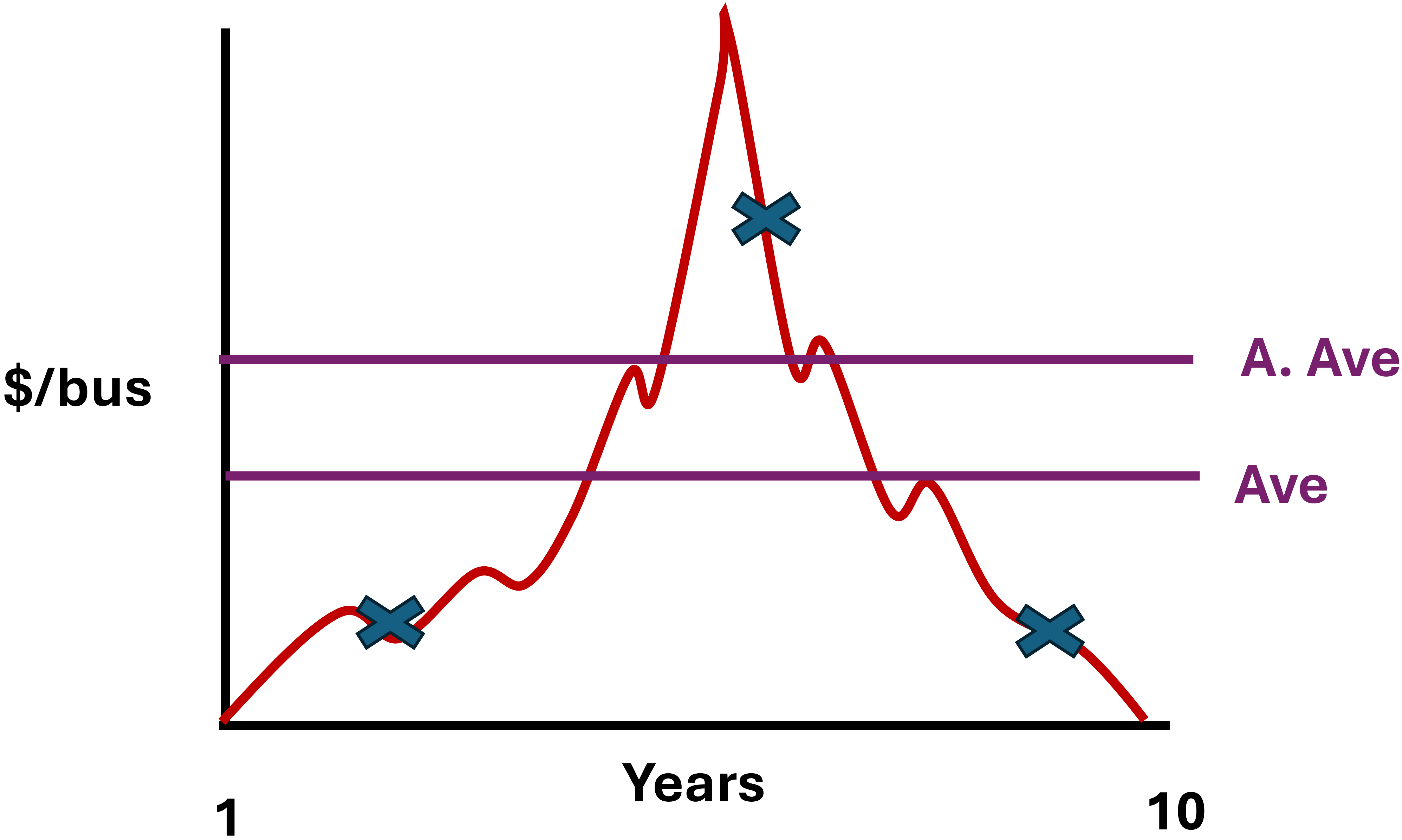
# Super Cycles

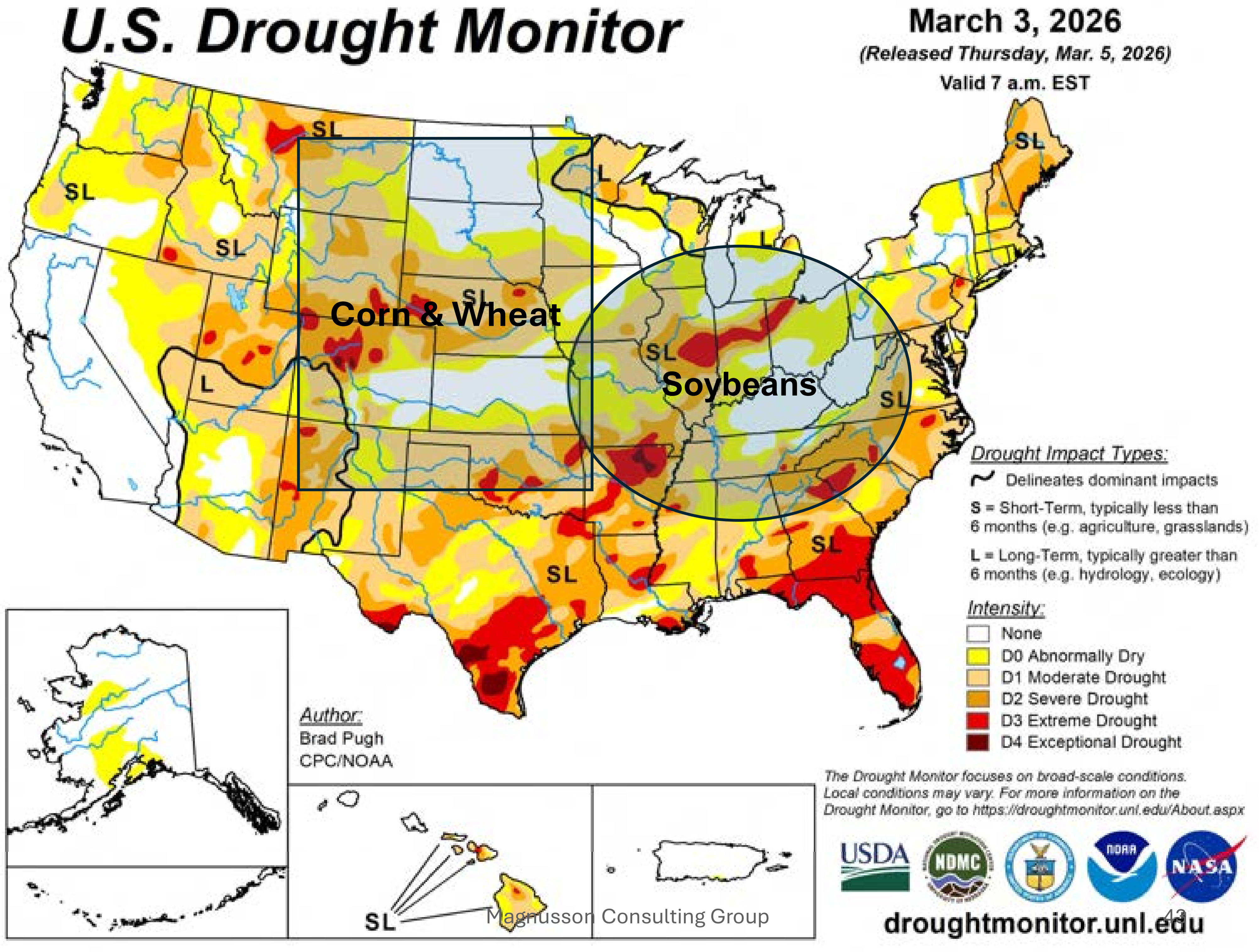



**Source:** Stifel Nicolaus & Co., Stifel Nicolaus format, data Historical Statistics of the United States, a U.S. Census publication, EIA, USDA. 2008E data point incorporated into the last 10-year moving average was March-2008 over March-2007.


Wheat Sep '25 (ZWU25)
510-6 +6-0 (+1.19%) 10:15 CT [CBOT]
510-2 x 230 510-6 x 109
CHART PANEL for Mon, Aug 25th, 2025
Full Screen Chart
Notes My Charts Alerts Watch Actions Help
Symbol... Monthly Nearby 30-Year Indicators Compare f(x) 1x1 Templates
ZWU25 ·1Mn·
1500-0
1400-0
1300-0
1200-0
1100-0
1000-0
900-0
800-0
700-0
600-0
510-6
400-0
300-0
200-0
barchart
'96 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
1D 5D 1M 2M 3M 6M 9M 1Y 2Y 3Y 5Y 10Y 20Y Max
% log

# Wheat Cycle




U.S. Drought Monitor
March 3, 2026
(Released Thursday, Mar. 5, 2026)
Valid 7 a.m. EST
Corn & Wheat
Soybeans
SL
L
Drought Impact Types:
Delineates dominant impacts
S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)
Intensity:
None
D0 Abnormally Dry
D1 Moderate Drought
D2 Severe Drought
D3 Extreme Drought
D4 Exceptional Drought
Author:
Brad Pugh
CPC/NOAA
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx
droughtmonitor.unl.edu

# Durum

# Global Durum

- According to the International Grains Council, world durum production rose **2% to a nine-year high of 37.3** Mt as a result of good yields in parts of the EU, North Africa, and North America.
- Total supply is forecast at **44.4 Mt, up 4%** year-on-year.
- **Consumption has also increased to a nine-year high of 8.3 Mt,** with significant growth in food use more than outweighing a reduction in feed use.
- Following improved harvests in the EU, Algeria, Tunisia, and Morocco, global exports are seen dropping 5% compared to 2024-25 to 8.6 Mt.
- **Closing stocks are currently pegged at 8.3 Mt, with major exporters' share increasing to 3.1 Mt, 20% more than opening levels**.

# North Africa – Durum

- **Algeria** The government has set an ambitious target to halt all durum wheat imports by the end of 2026, aiming for complete self-sufficiency.
  - Production is expected to be much better than the previous year, assuming favorable weather continues, leading to increased local supplies.
  - However, some external forecasts, such as from the USDA Foreign Agricultural Service, project Algeria will still need to import durum at least through the 2025-26 marketing year.
- **Tunisia** This country is expected to have a good crop in the 2025-26 period due to favorable weather and sufficient precipitation, which is likely to reduce its import needs.
- **Morocco** The outlook for Morocco is less certain due to a history of persistent drought issues in recent years.
  - While prospects improved slightly with some late 2025 rains, the country is expected to have another year of heavy imports as a new drought-tolerant variety called 'Jawahir' is still in the process of being scaled up for mass cultivation.

# European Durum

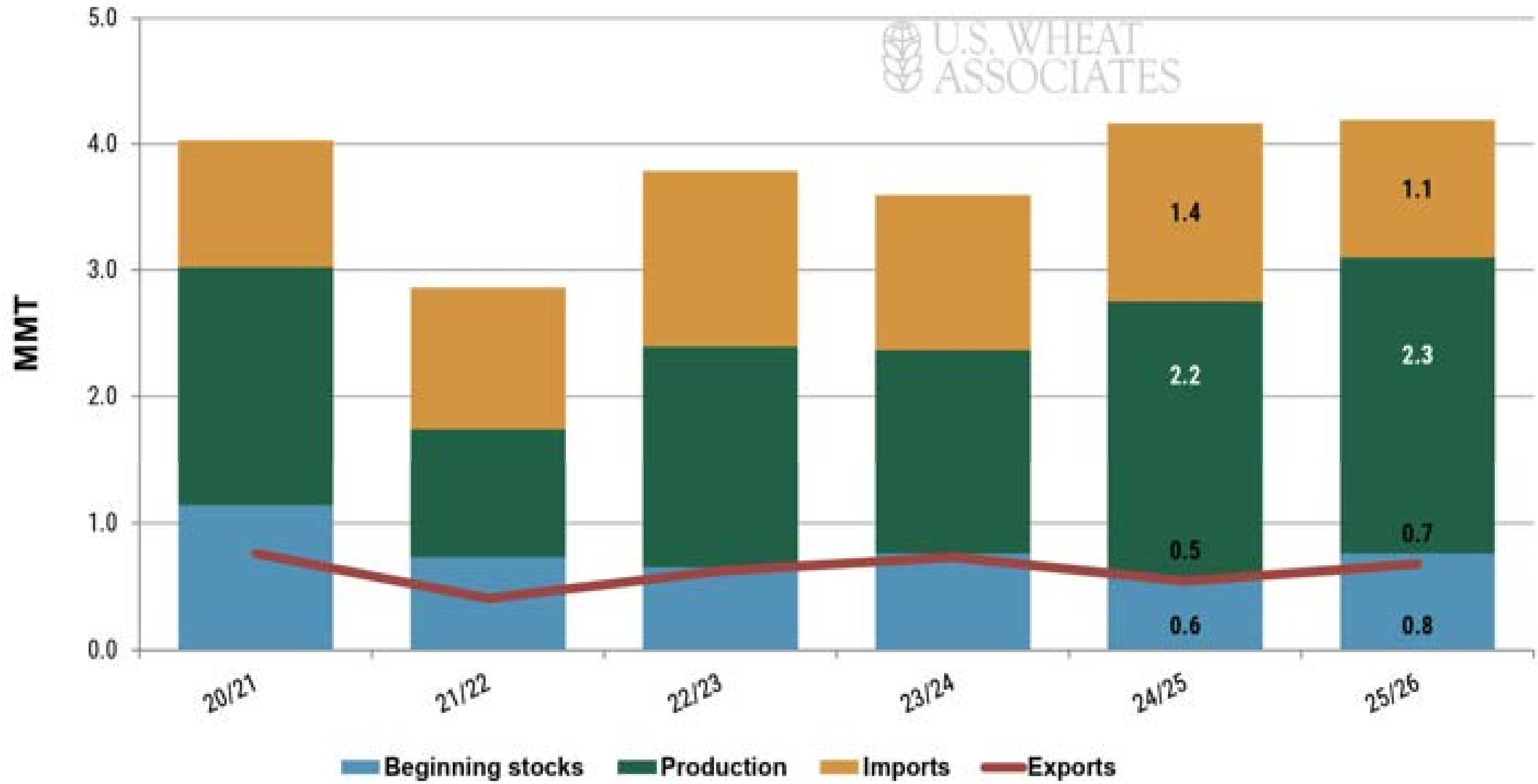
- **2026 Production Outlook**
  - Yield Regression: Yields are expected to decline from the "atypical" or "exceptional" highs of 2025 to more normal historical levels.
  - This is particularly true for Spain, which saw record results in 2025.
- **Acreage Risks:** Planting areas for 2026 are under threat due to mounting profitability challenges.
  - Low farmgate prices and inflationary pressures, including new fertilizer levies under the EU's Carbon Border Adjustment Mechanism (CBAM) effective January 2026, are squeezing grower margins.
- **Regional Status:** As of early 2026, French durum crops are roughly 80% planted and are reported to be in good condition due to favorable soil moisture from recent autumn rains.

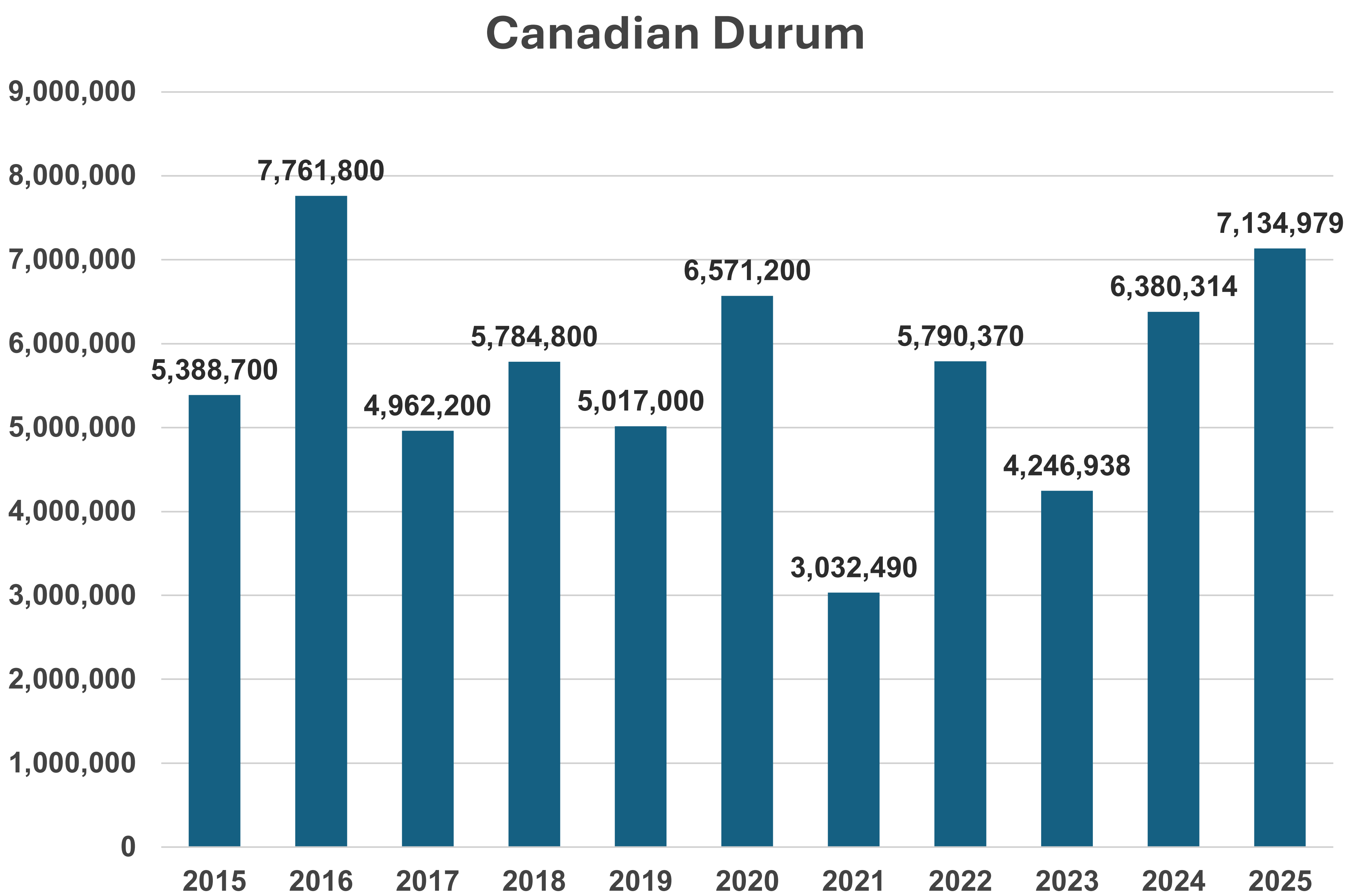
# European Durum

- **Context from the 2025 Season**
  - To provide a baseline for the expected 2026 decline, the 2025/26 marketing year saw:
  - Total EU Production: Estimated at 8.3–8.9 million tons.
- **Major Producers:** Italy (~4 million tons), France (1.25 million), Greece (0.8 million), and Spain (0.8 million).
- **Structural Deficit:** Despite the 2025 rebound (up 15% from 2024), Europe maintains a permanent structural deficit and is expected to import over 2.0 million tons of durum in 2026 to meet its needs, primarily from Canada.

U.S. WHEAT ASSOCIATES

## U.S. Durum




Canadian Durum
9,000,000
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
0
5,388,700
7,761,800
4,962,200
5,784,800
5,017,000
6,571,200
3,032,490
5,790,370
4,246,938
6,380,314
7,134,979
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

# Canadian Durum

- For 2025-26, production of Canadian durum is now estimated at **7.1 million tonnes** (Mt), **12%** more than last year's volume and the largest since 2016-2017, due to timely rainfall during the growing season, boosting yields in Saskatchewan and Alberta. .
- Average yield is estimated at 2.75 tonnes per hectare (t/ha), up from 2.49 t/ha last year.
- Total supply is forecast at **7.6 Mt, 8%** more than in 2024-25.

# Canadian Durum

With domestic use relatively stable in Canada, it is pegged at 0.8 Mt, or 10% of total supply.

The export forecast was raised from last month's report but remains below the record set in 2024-25.

For this crop year to date, the **CGC reports durum exports at 1.4 Mt, 8% less than in 2024-25**, but in line with the last five-year average, due to reduced demand from Europe and North Africa.

***Carry-out stocks are pegged at 1.5 Mt, bringing the stocks-to-use ratio up to 24%.***

- For 2026-27, assuming average yield, durum production is forecast at 5.7 Mt and total supply at 7.1 Mt, under decreased acreage.
- Seeded area for durum wheat is pegged 7% lower at 2.5 million hectares (Mha).
- With domestic use relatively steady in Canada, exports are forecast to drop to 5.3 Mt as global markets remain well supplied following the large carry-in from 2025-26.
- Closing stocks would drop 24% to 1.1 Mt.
- The average Saskatchewan spot price forecast for CWAD 1, 13%, remains unchanged at $285/tonne, up slightly from 2024-25.

## Durum

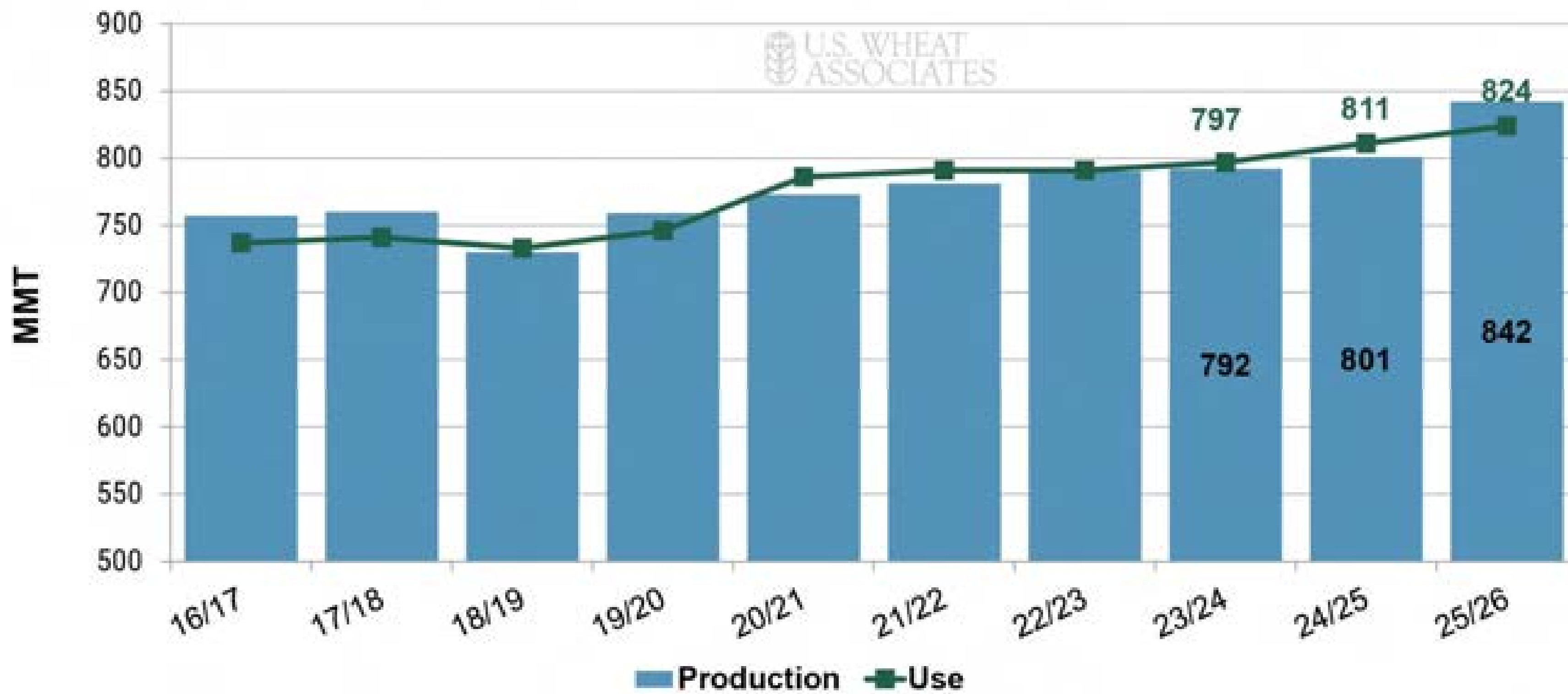
| | 2024-2025 | 2025-2026 | 2026-2027 |
|---|---|---|---|
| Area seeded (thousand hectares) | 2,576 | 2,643 | 2,461 |
| Area harvested (thousand hectares) | 2,565 | 2,593 | 2,412 |
| Yield (tonnes per hectare) | 2.49 | 2.75 | 2.35 |
| Production (thousand tonnes) | 6,380 | 7,135 | 5,668 |
| Imports (thousand tonnes) | 5 | 5 | 5 |
| Total supply (thousand tonnes) | 7,054 | 7,636 | 7,173 |
| Exports (thousand tonnes) | 5,821 | 5,350 | 5,300 |
| Food and Industrial Use (thousand tonnes) | 208 | 200 | 200 |
| Feed, Waste & Dockage (thousand tonnes) | 277 | 353 | 345 |
| Total Domestic Use (thousand tonnes) | 737 | 786 | 773 |
| *Carry-out Stocks (thousand tonnes)* | *496* | *1,500* | *1,100* |
| | | | |
| Average Price ($/tonne) | 321 | 280 | 285 |

## DURUM PRODUCTION COSTS ($/ACRE)
### Economics
### CROP DURUM

| | 80th percentile | | Average Yield | |
|---|---|---|---|---|
| Soil Zone | Brown | Dark Brown | Brown | Dark Brown |
| **REVENUE PER ACRE** | | | | |
| Estimated Yield (bu./ac) (A) | 41.6 | 57.0 | 28.2 | 44.1 |
| Est. On Farm Market Price $/bu. (B) | 9.20 | 9.20 | 9.20 | 9.20 |
| **Estimated Gross Revenue/ac (AxB)=C** | **382.52** | **524.64** | **259.16** | **405.66** |
| **EXPENSES PER ACRE** | | | | |
| **Variable Expenses/acre** | | | | |
| Seed | 25.65 | 28.08 | 25.65 | 28.08 |
| -Seed Treatments/Inoculants | 7.07 | 7.74 | 7.07 | 7.74 |
| Fertilizer -Nitrogen (N) | 51.04 | 69.54 | 51.04 | 69.54 |
| -Phosphorous (P2O5) | 24.05 | 32.95 | 24.05 | 32.95 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 21.72 | 21.72 | 21.72 | 21.72 |
| -Insecticides | 45.38 | 45.38 | 45.38 | 45.38 |
| -Fungicides | 15.99 | 15.99 | 15.99 | 15.99 |
| Machinery Operating -Fuel | 16.65 | 20.82 | 16.65 | 20.82 |
| -Repair | 10.85 | 12.24 | 10.85 | 12.24 |
| Custom Work | 23.50 | 23.25 | 23.50 | 23.25 |
| Crop Insurance Premium | 6.83 | 5.78 | 6.83 | 5.78 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 3.97 | 5.22 |
| Interest on Variable Expenses | 10.29 | 11.67 | 10.29 | 11.67 |
| **Total Variable Expenses (D)** | **277.87** | **315.24** | **277.87** | **315.24** |
| **Other Expenses/acre** | | | | |
| Building Repair | 0.68 | 0.88 | 0.68 | 0.88 |
| Property Taxes | 4.53 | 5.92 | 4.53 | 5.92 |
| Business Overhead | 2.86 | 4.38 | 2.86 | 4.38 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **26.18** | **23.07** | **26.18** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | 95.00 | 95.00 | 95.00 | 95.00 |
| **Total Expenses (D+E+F)=(G)** | **395.94** | **436.42** | **395.94** | **436.42** |
| **Income Per Acre** | **-13.42** | **88.22** | **-136.78** | **-30.76** |

# Wheat

# World Production and Use

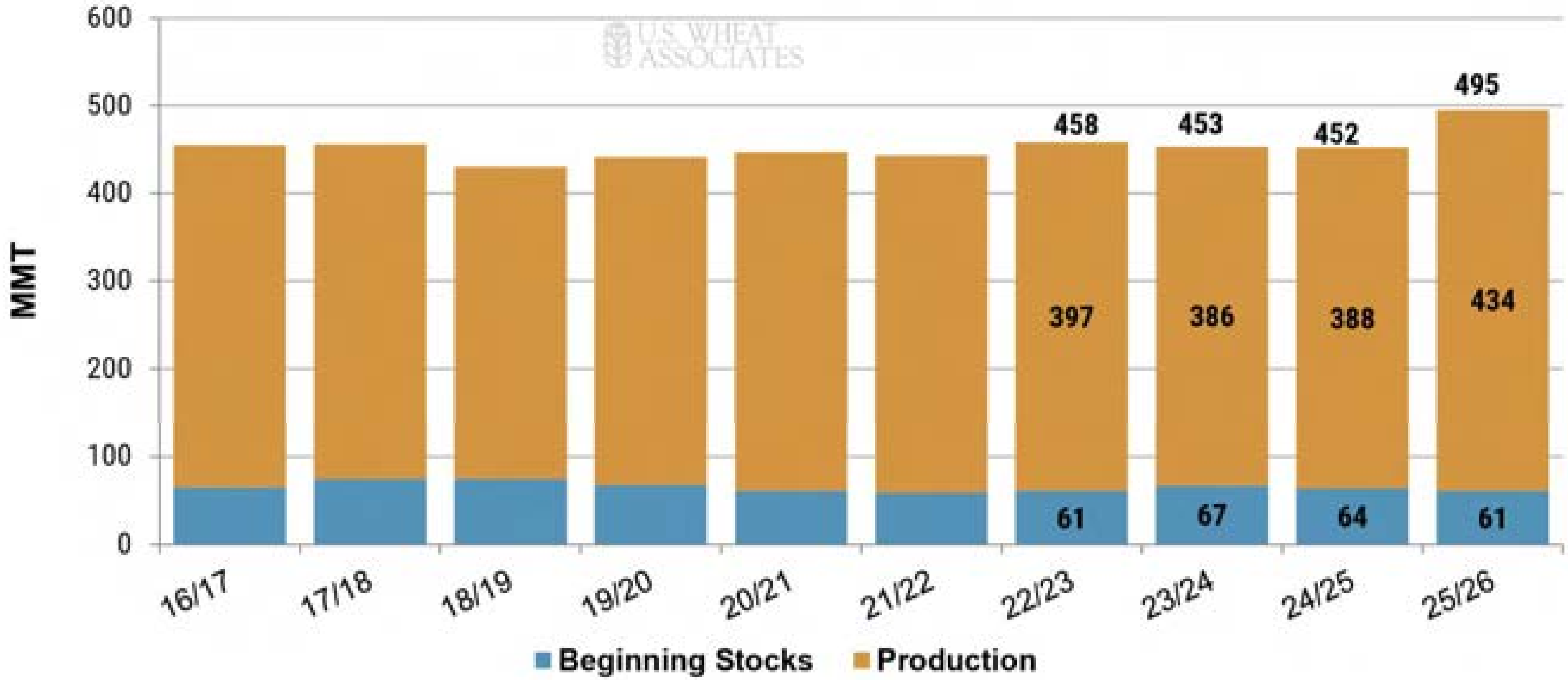


# Global Wheat

- Total world wheat supply (including durum) is projected at 1,097.8 Mt.
- Total production is estimated at 837.8 Mt, almost 15 Mt more than the anticipated demand.
- World use was raised 4.1 Mt to 823 Mt, 2% more than in 2024-25 with increased feed and residual use.
- Trade is forecast at 218.7 Mt, up 4% year-on-year with increased demand from South East Asia, the Middle East, China, North Africa, Bangladesh and Nigeria.
- ***Closing stocks are pegged at 274.9 Mt, +6% more than opening levels.***

U.S. WHEAT ASSOCIATES

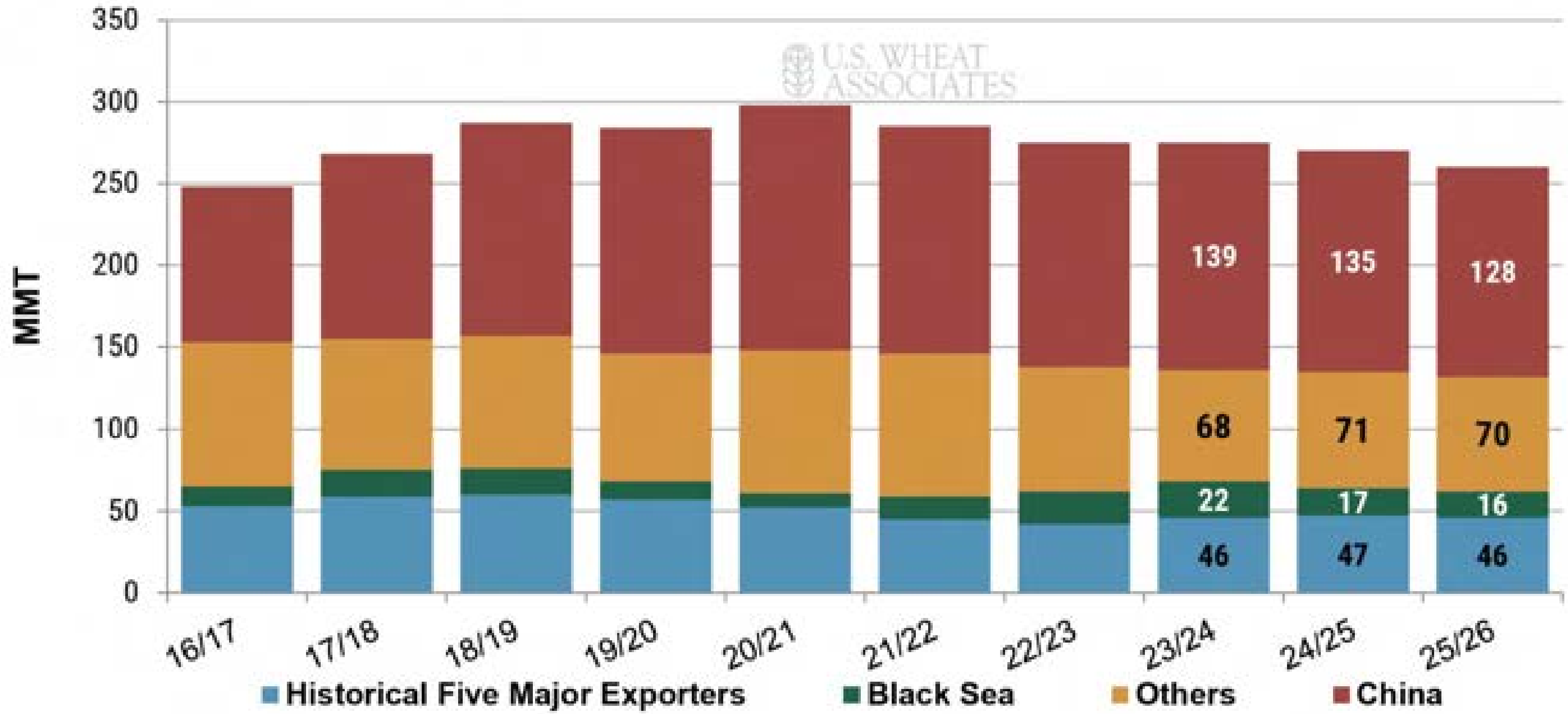
## Supplies in Top Exporting Countries*




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

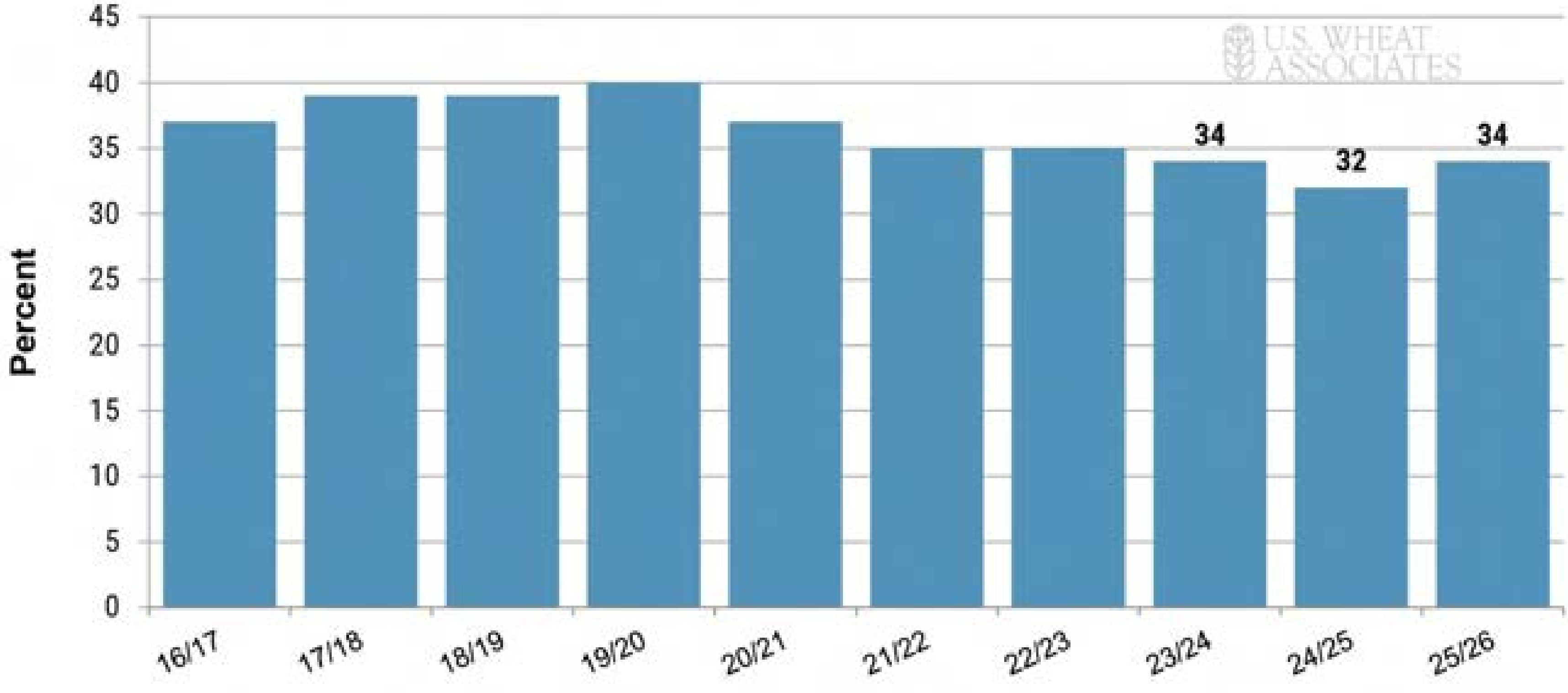
U.S. WHEAT ASSOCIATES

# 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



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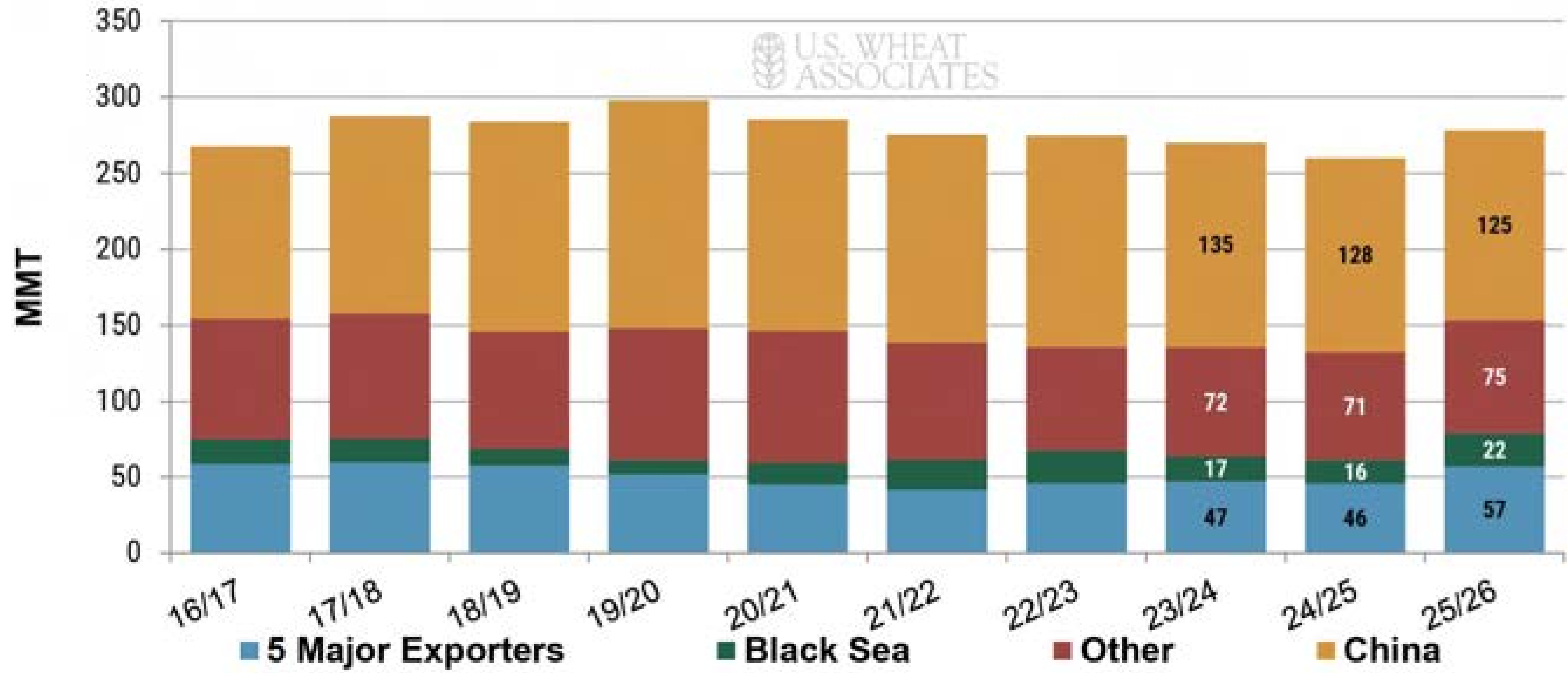
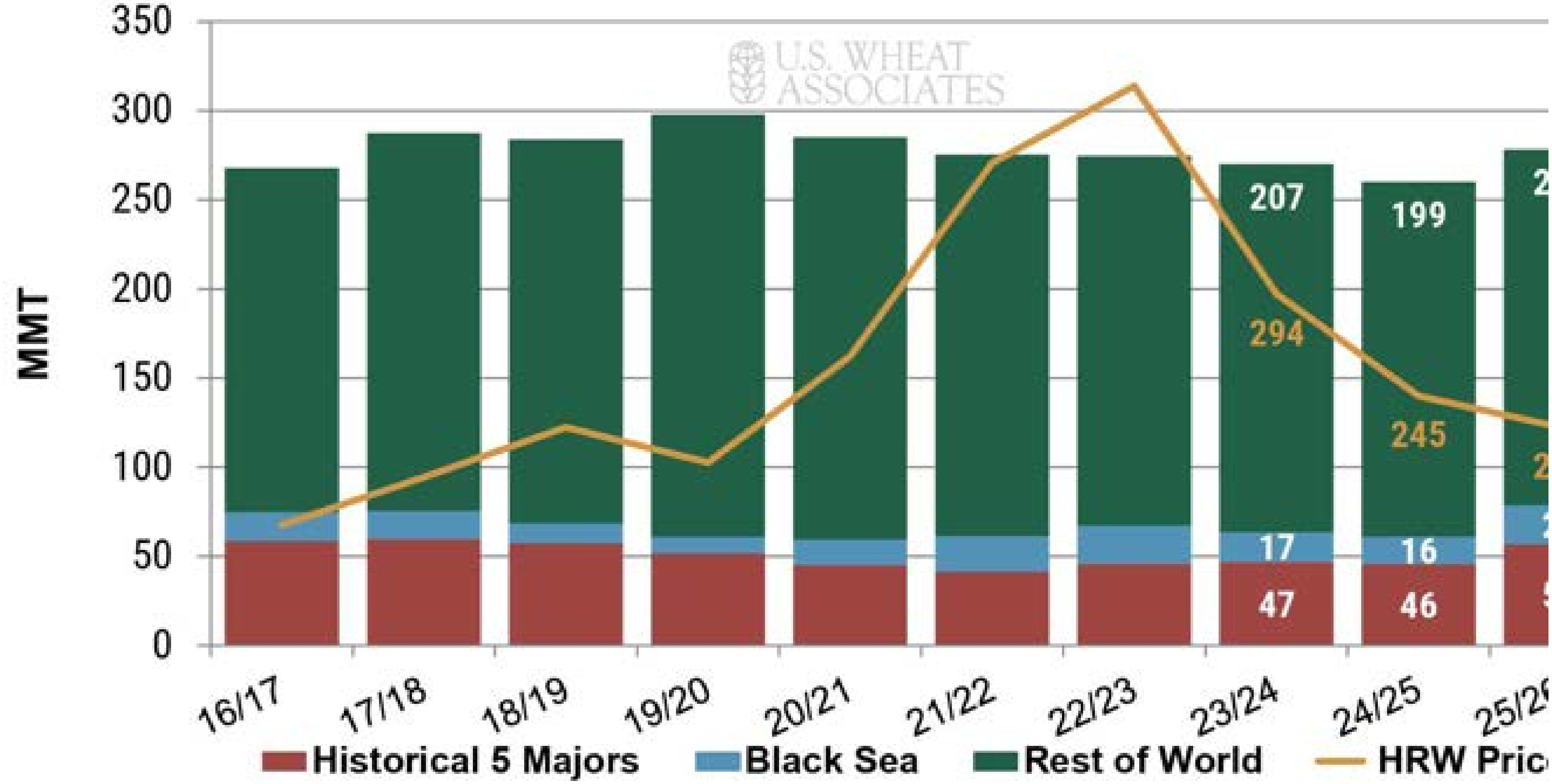
# World Ending Stocks




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

U.S. WHEAT ASSOCIATES

# Global Ending Stocks and Price

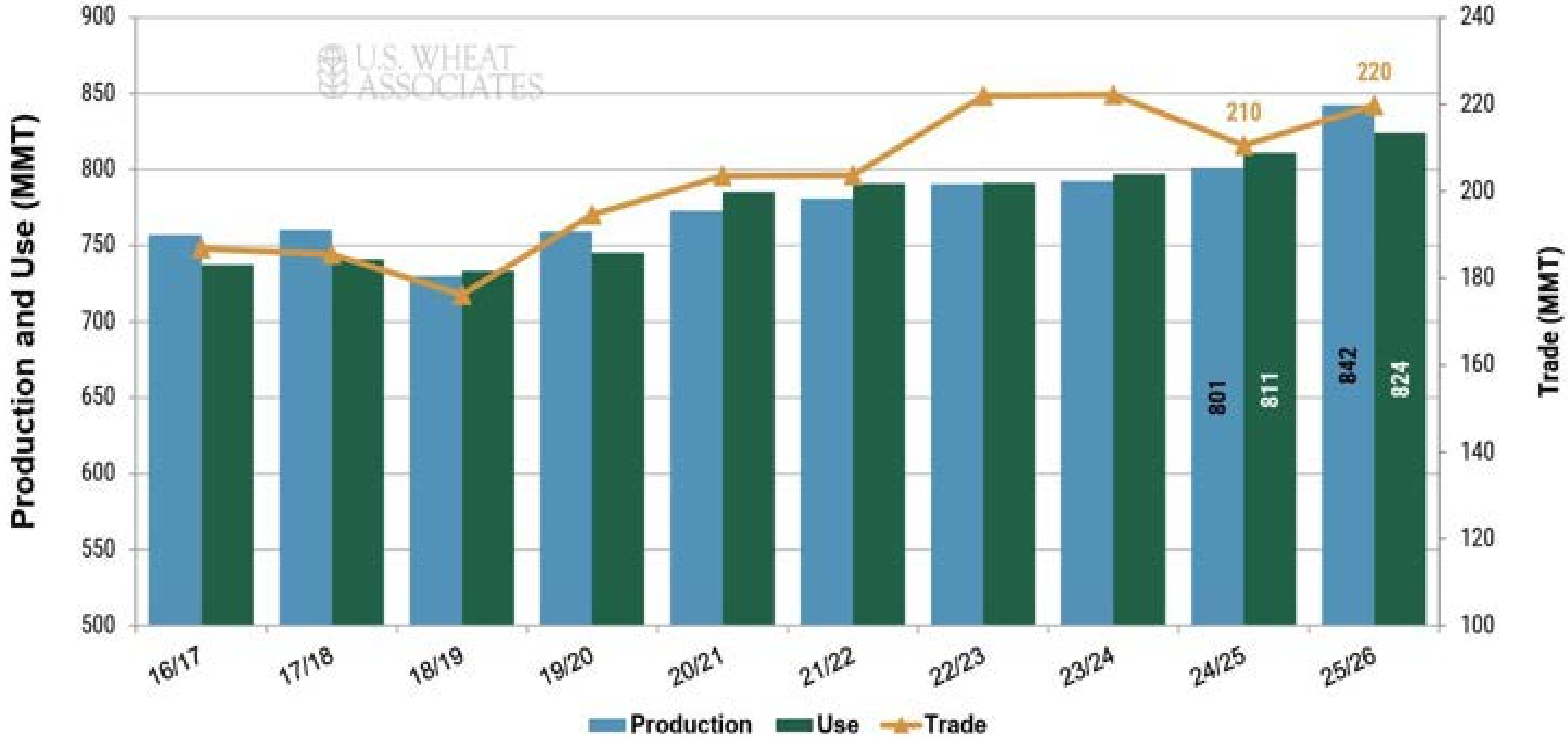



*Source: U.S. Wheat Associates Price Report

# US Wheat

U.S. WHEAT ASSOCIATES

## World Wheat Production, Use and Trade

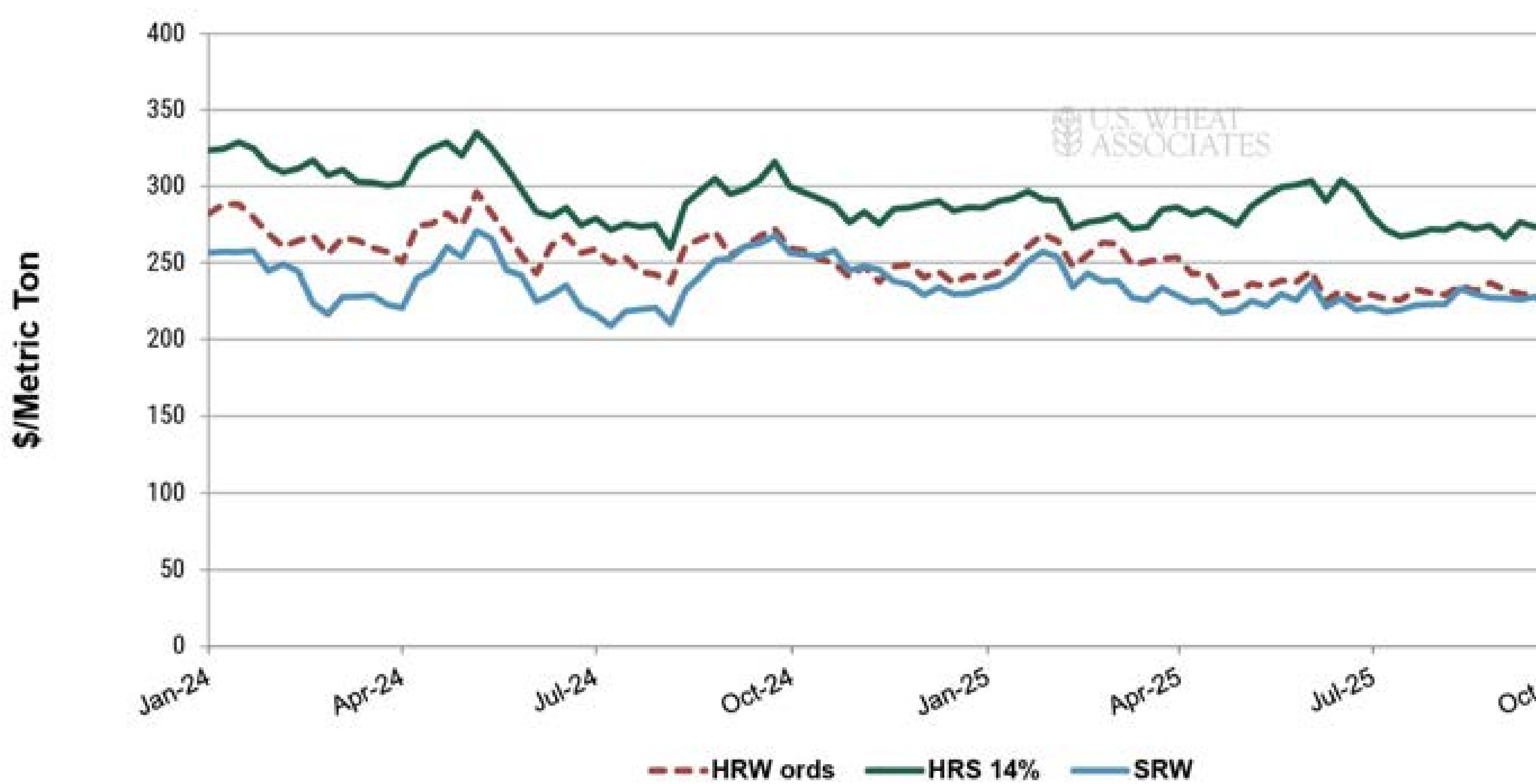


# U.S. Ending Stocks

# U.S. Wheat Ending Stocks by Class

U.S. WHEAT ASSOCIATES

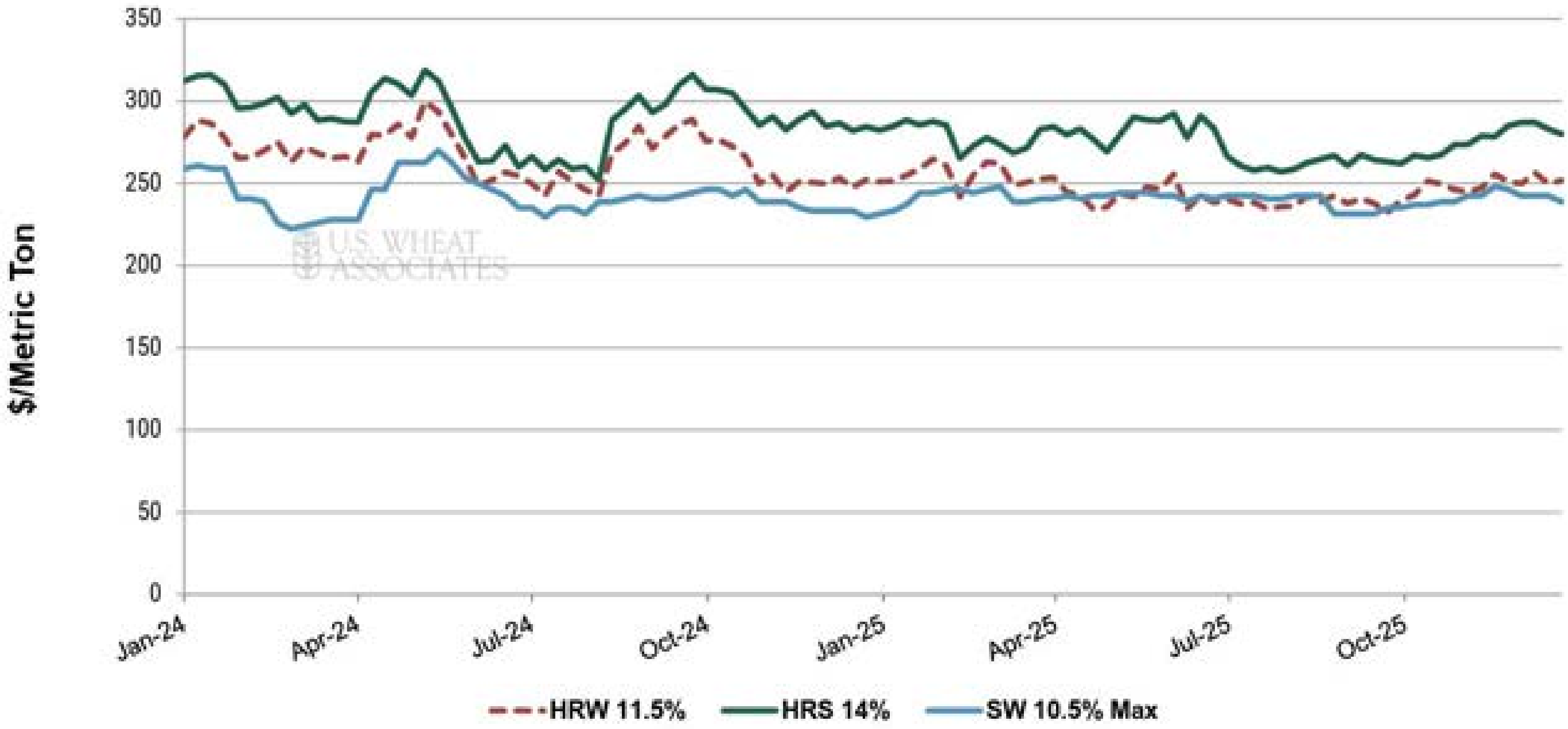
# U.S. FOB Gulf Prices




Source: U.S. Wheat Associates Price Report

U.S. WHEAT ASSOCIATES

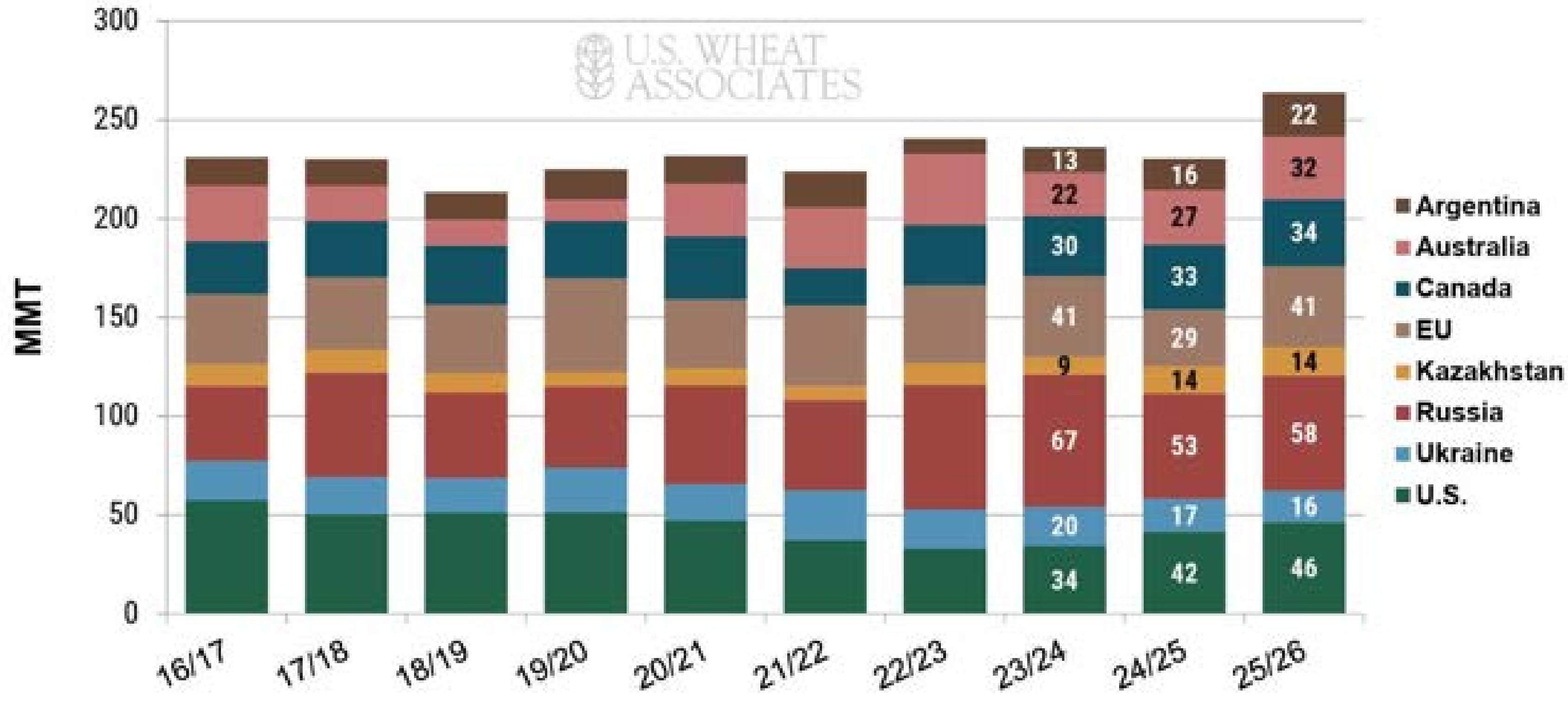
# U.S. FOB PNW Prices




Source: U.S. Wheat Associates Price Report

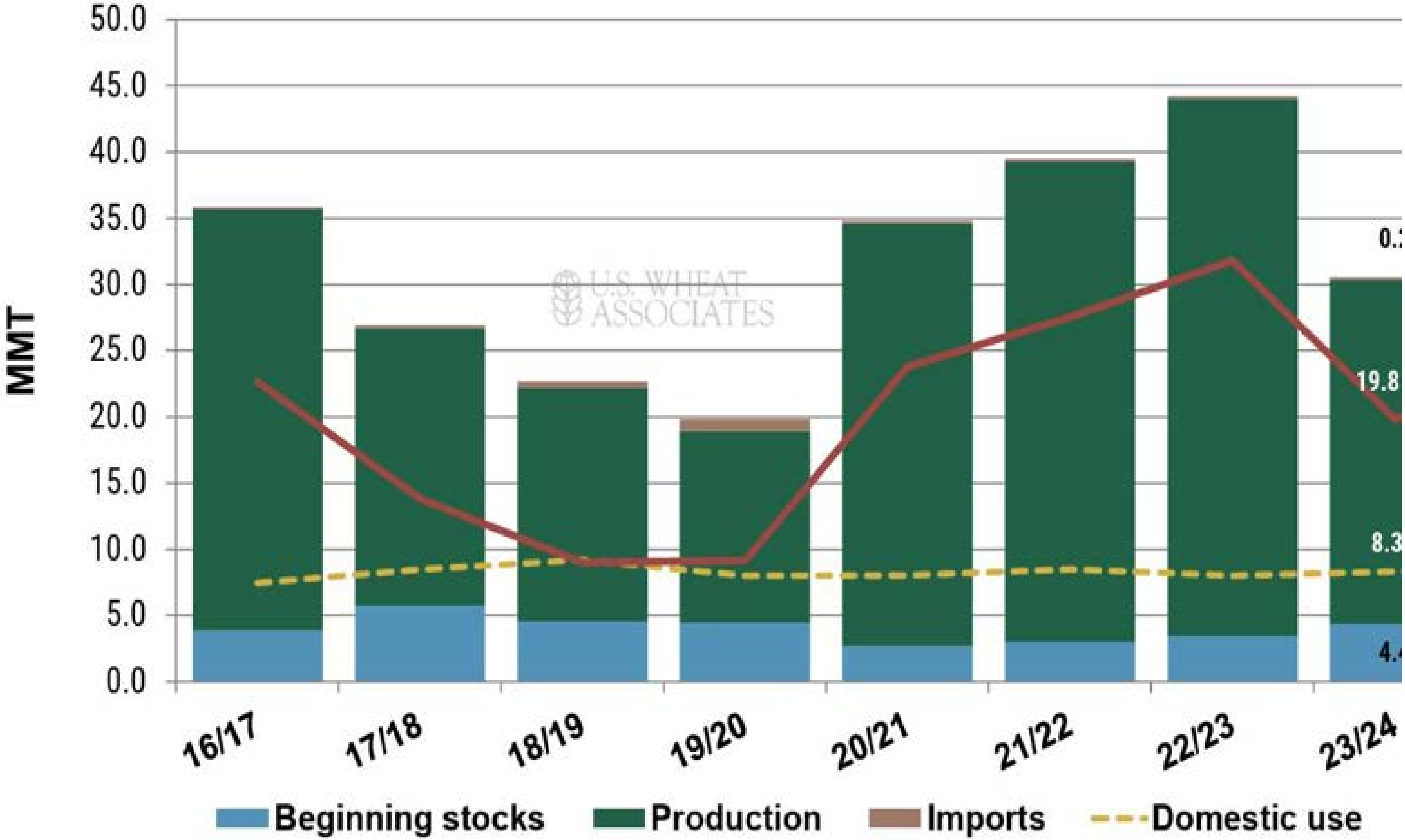
U.S. WHEAT ASSOCIATES

# Exportable Supplies in Top Exporting Countries



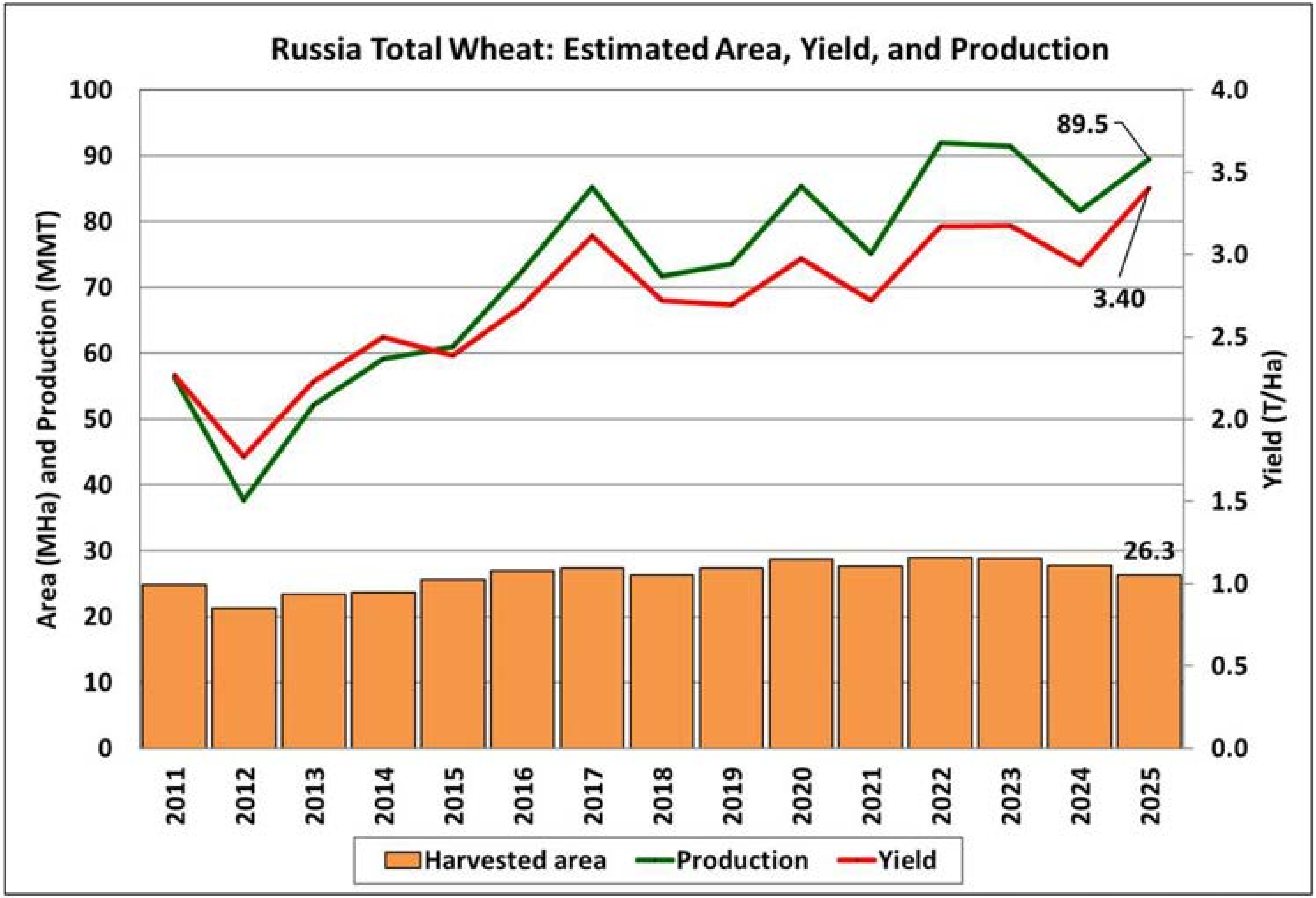

*Exportable Supplies = (Beginning Stocks + Production) – Domestic Consumption

# Australia Situation



US WHEAT ASSOCIATES

# Argentina Ending Stocks



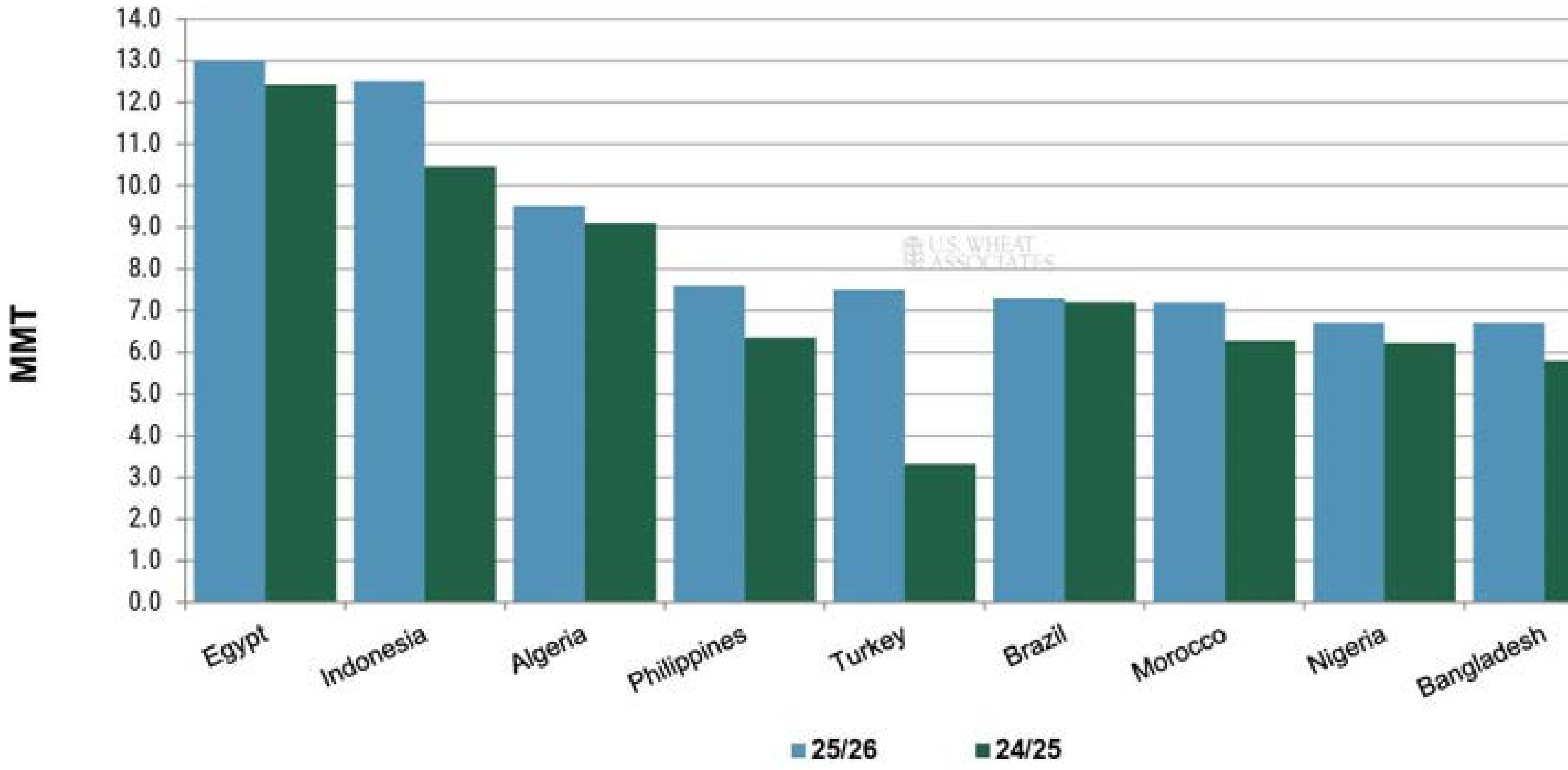

Source: USDA PSD Online

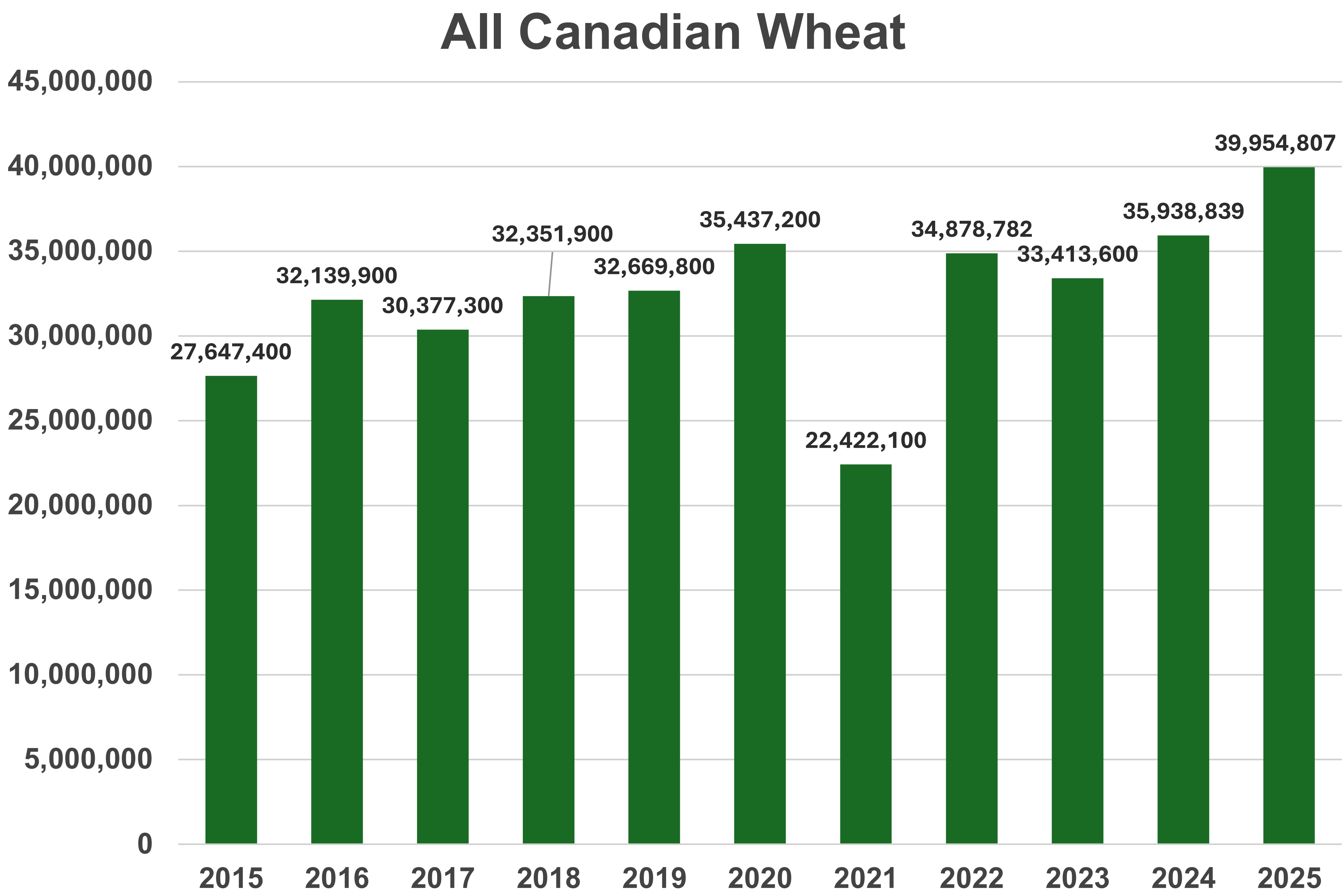
U.S. WHEAT ASSOCIATES

# Russia Ending Stocks

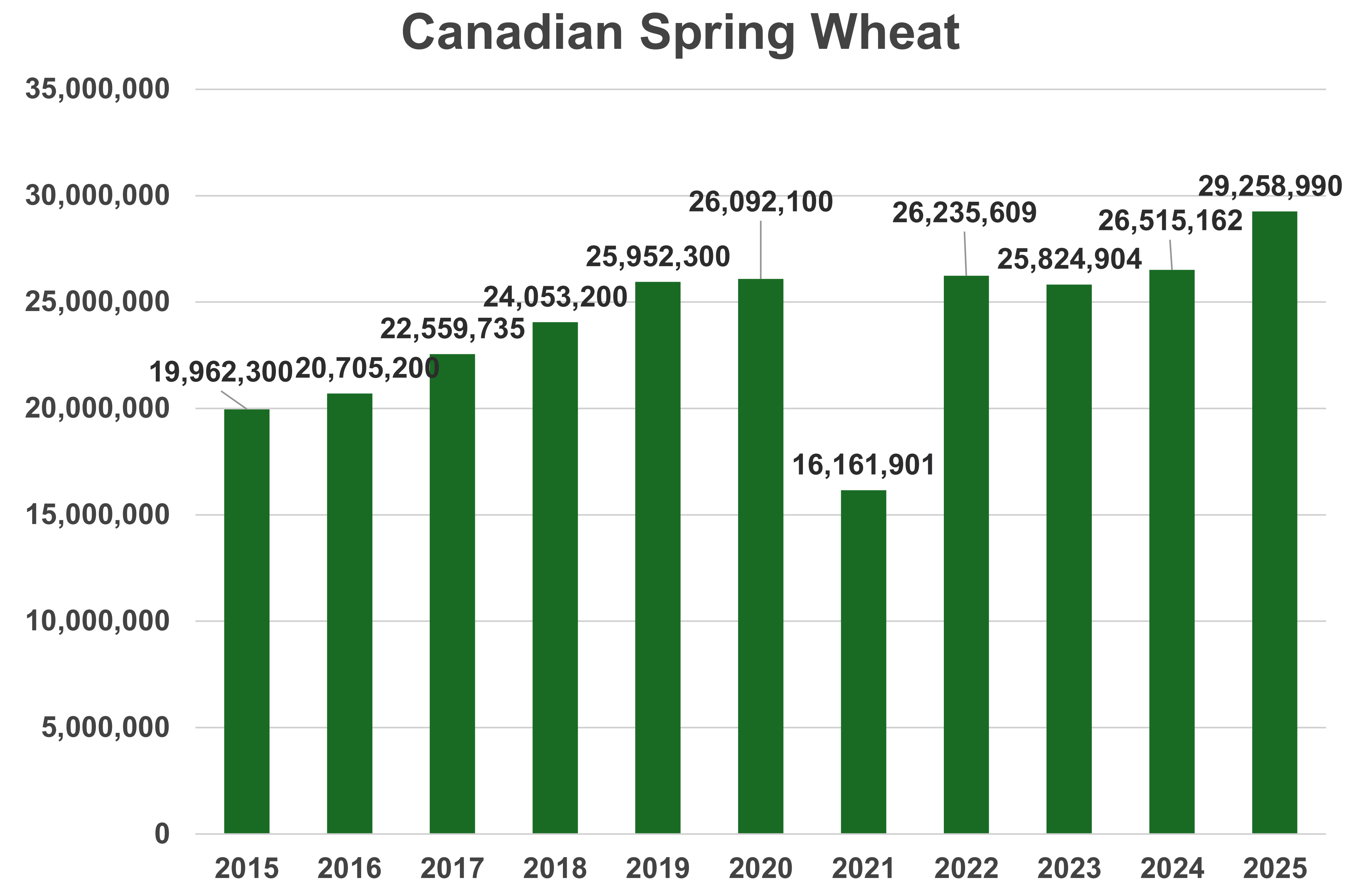
U.S. WHEAT ASSOCIATES

# Major World Wheat Importers

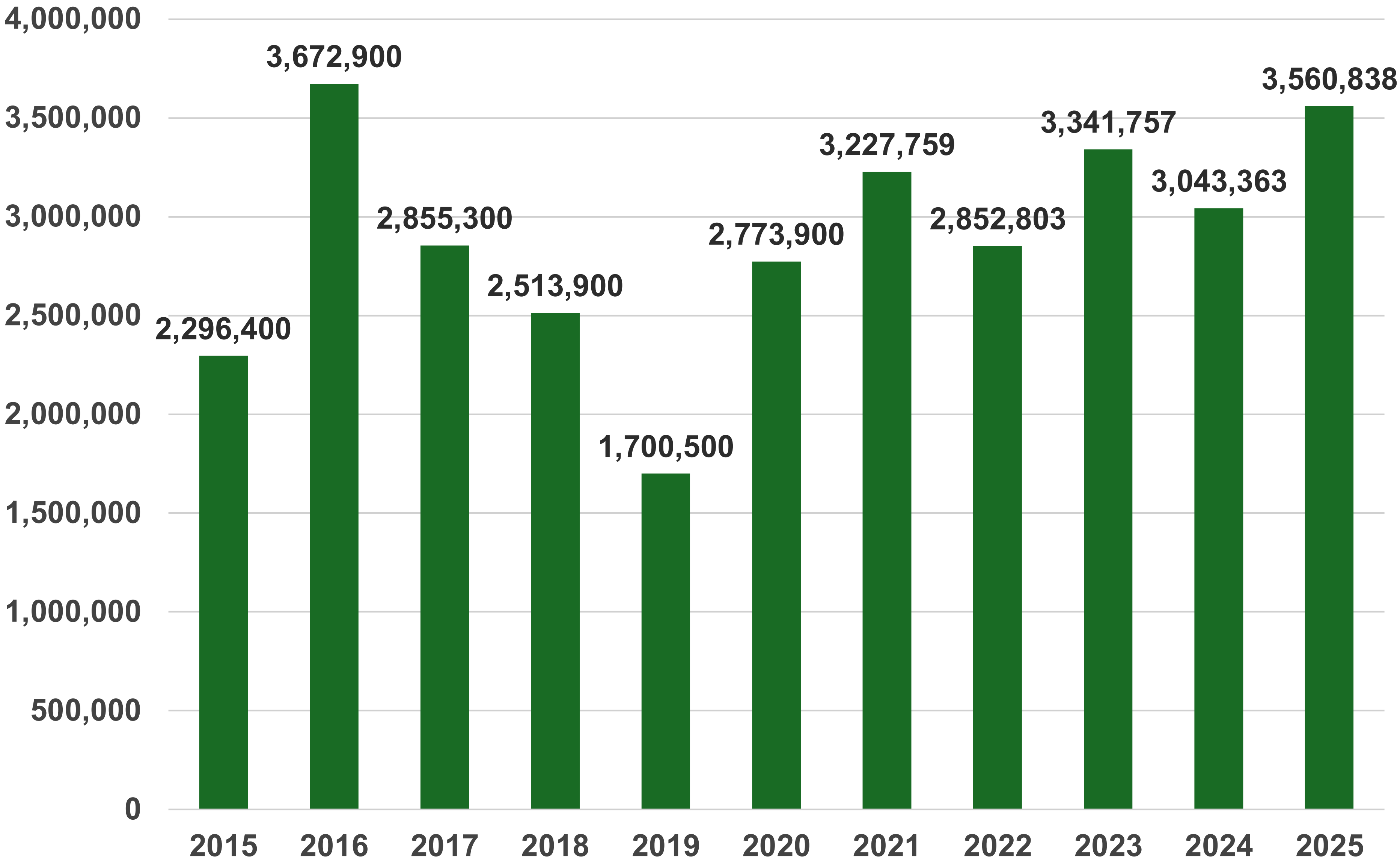



All Canadian Wheat
45,000,000
40,000,000
35,000,000
30,000,000
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
0
27,647,400
32,139,900
30,377,300
32,351,900
32,669,800
35,437,200
22,422,100
34,878,782
33,413,600
35,938,839
39,954,807
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

# Canadian Wheat


Canadian Spring Wheat
35,000,000
30,000,000
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
0
19,962,300
20,705,200
22,559,735
24,053,200
25,952,300
26,092,100
16,161,901
26,235,609
25,824,904
26,515,162
29,258,990
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

# Canadian Winter Wheat



# Canadian Wheat

- For 2025-26, Canadian wheat production increased by 11% from 2024-25 to 32.8 Mt with yields estimated at 4.09 t/ha,
- Production by class of wheat, with 2024-25 production in brackets is estimated at: winter (hard red, soft red and soft white) 3.3 Mt (3.2 Mt); Canada
- The 2025-26 forecasted average spot price for CWRS 1, 13.5% protein in Saskatchewan remains unchanged at $265/tonne.

# Canadian Wheat

- Western Red Spring (CWRS), premium quality hard wheat, 24.4 Mt (22.3 Mt); Canada Prairie Spring (CPS) 2.2 Mt (2.0 Mt), Canada Northern Hard Red Spring (CNHR) 1.2 Mt (1.2 Mt); soft white spring (CWSWS) 0.7 Mt (0.4 Mt).
- Total supply is forecast at a record 36.5 Mt, up 7% from 2024-25 and 14% higher than the last five-year average.
- According to the CGC, wheat exports are outpacing last year's volume by 5% on average for this crop year to date totals 23 Mt.
- Domestic use is forecast at 7.5 Mt, or 21% of total supply
- **Carry out stocks are expanded to 6.0 Mt bringing the stocks-to-use ratio up to 20%.**

# Canadian Wheat 26/27

- Canadian area seeded to wheat is forecast to rise to 8.5 Mha, with the area seeded to winter wheat at 639 thousand hectares and the area seeded to spring wheat forecast at 7.8 Mha.
- Assuming average yields, total wheat production is forecast at 29.3 Mt, down 11% year-on-year, but still 5% above average.
- Total supply is estimated at 35.4 Mt. Exports are pegged at 23.2 Mt, on par with current levels, as strong demand for high-protein spring wheat worldwide remains.
- Domestic use is assumed at average levels and stocks are expected to drop to 4.6 Mt.

# Wheat

| | 2024-2025 | 2025-2026W | 2026-2027 |
|---|---|---|---|
| **Area seeded (thousand hectares)** | 8,259 | 8,297 | 8,476 |
| **Area harvested (thousand hectares)** | 8,087 | 8,022 | 8,306 |
| **Yield (tonnes per hectare)** | 3.66 | 4.09 | 3.64 |
| **Production (thousand tonnes)** | **29,559** | **32,820** | **29,310** |
| Imports (thousand tonnes) | 80 | 100 | 100 |
| **Total supply (thousand tonnes)** | 34,247 | 36,536 | 35,410 |
| **Exports (thousand tonnes)** | **23,399** | **23,200** | **23,200** |
| Food and Industrial Use (thousand tonnes) | 3,351 | 3,300 | 3,200 |
| **Feed, Waste & Dockage (thousand tonnes)** | 3,028 | 3,209 | 3,583 |
| Total Domestic Use (thousand tonnes) | 7,232 | 7,336 | 7,610 |
| **Carry-out Stocks (thousand tonnes)** | **3,616** | **6,000** | **4,600** |
| **Average Price ($/tonne)** | **282** | **260** | **270** |

# Spring Wheat Mpls May '26 (MWH26)

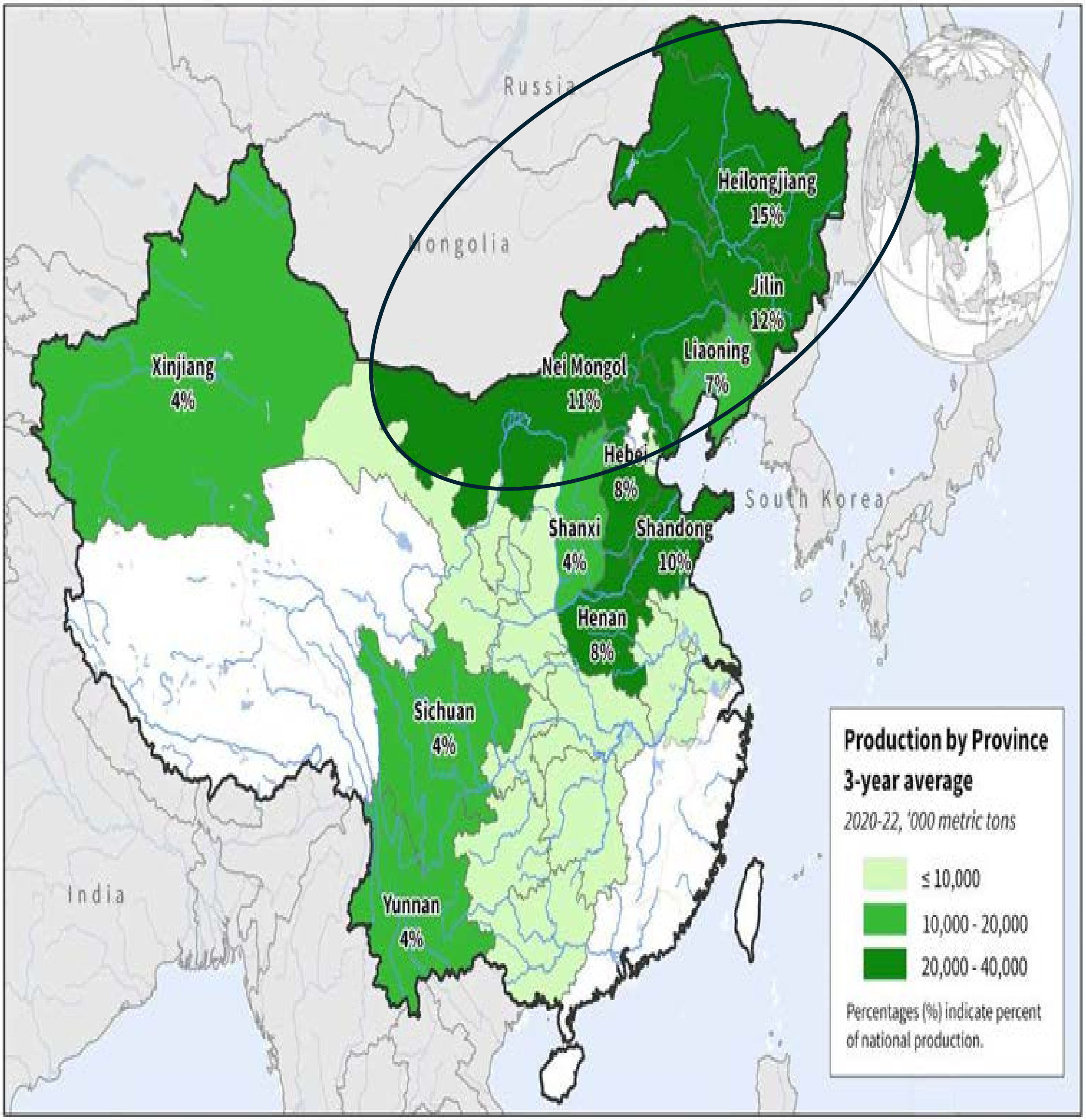
**HARD RED SPRING WHEAT PRODUCTION COSTS ($/ACRE)**
**Economics**

| 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) | 43.9 | 54.9 | 65.6 | 30.2 | 41.5 | 53.9 |
| Est. On Farm Market Price $/bu. (B) | 6.87 | 6.87 | 6.87 | 6.87 | 6.87 | 6.87 |
| **Estimated Gross Revenue/ac (AxB)=C** | **301.40** | **377.03** | **450.66** | **207.41** | **285.04** | **369.95** |
| | | | | | | |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 18.72 | 20.64 | 23.28 | 18.72 | 20.64 | 23.28 |
| -Seed Treatments/Inoculants | 5.80 | 6.40 | 7.22 | 5.80 | 6.40 | 7.22 |
| Fertilizer -Nitrogen (N) | 53.26 | 67.32 | 79.89 | 53.26 | 67.32 | 79.89 |
| -Phosphorous (P2O5) | 25.83 | 32.06 | 38.29 | 25.83 | 32.06 | 38.29 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 59.36 | 63.34 | 63.94 | 59.36 | 63.34 | 63.94 |
| -Insecticides | 45.38 | 45.38 | 45.38 | 45.38 | 45.38 | 45.38 |
| -Fungicides | 15.99 | 15.99 | 15.99 | 15.99 | 15.99 | 15.99 |
| Machinery Operating -Fuel | 16.65 | 20.82 | 26.02 | 16.65 | 20.82 | 26.02 |
| -Repair | 10.85 | 12.24 | 13.85 | 10.85 | 12.24 | 13.85 |
| Custom Work and Hired Labour | 23.50 | 23.25 | 24.25 | 23.50 | 23.25 | 24.25 |
| Crop Insurance Premium | 3.73 | 4.38 | 3.52 | 3.73 | 4.38 | 3.52 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 11.45 | 12.76 | 13.94 | 11.45 | 12.76 | 13.94 |
| **Total Variable Expenses (D)** | **309.38** | **344.66** | **376.47** | **309.38** | **344.66** | **376.47** |
| | | | | | | |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **26.18** | **30.32** | **23.07** | **26.18** | **30.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **427.45** | **465.84** | **501.79** | **427.45** | **465.84** | **501.79** |
| | | | | | | |
| **Income Per Acre** | **-126.05** | **-88.81** | **-51.13** | **-220.04** | **-180.80** | **-131.84** |

# Corn

# Global Corn

- Worldwide, the United States Department of Agriculture's (USDA) data shows global corn production for 2025-26 at almost 1,300 Mt, up notably y/y.
- This rise is due to increased output across most key exporting and importing origins, particularly the US, while a drop is estimated for Brazil and the EU.
- Trade is expected to be more active. Consumption is expected to get stronger, driven by increased feed use and food, seed, and industrial use.
- Ending stocks are projected at about 280 Mt, a substantial decrease compared to the previous season.
- Stocks are expected to decline significantly in China, Brazil, Argentina, and the EU, while they are expected to increase sharply in the US and Mexico.
- The USDA projected the US corn price for 2025-26 at above US$155/t, down US$10/t y/y and the lowest in six years.




USDA Foreign Agricultural Service
U.S. DEPARTMENT OF AGRICULTURE

Source: National Bureau of Statistics of China (data excluding Taiwan)
Average Corn Production 2020-2022

The 2025/26 season was characterized by positive growing conditions across the major corn belt in the northeast and north central plains.

Favorable weather for a major part of the growing season persisted in the Northeast Provinces of Heilongjiang, Jilin, and Inner Mongolia where at least half of the nation's corn is produced.

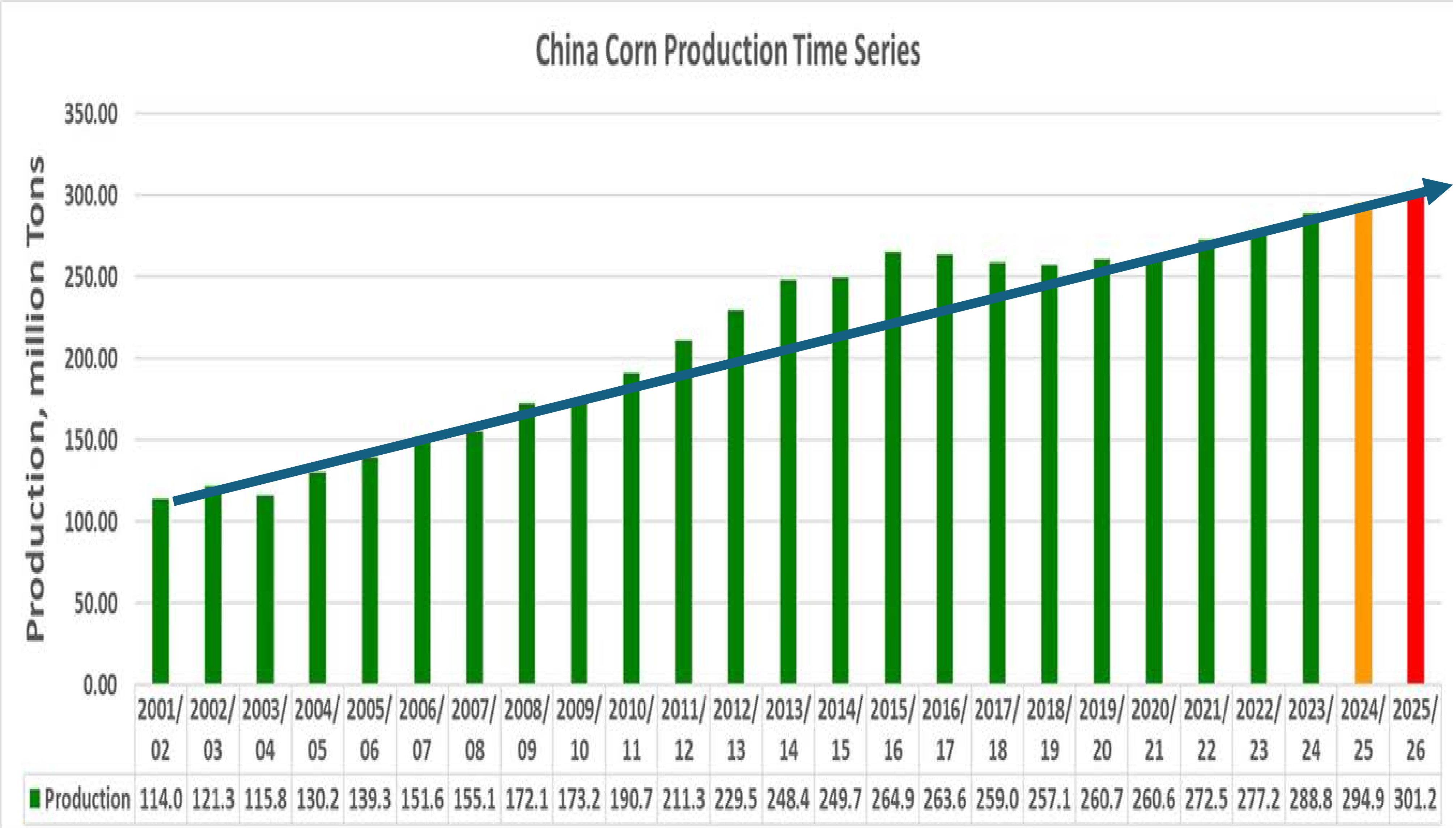
The conditions facilitated rapid planting and crop establishment resulting in high yield expectations, supported by meteorological modeling forecasts.

Some minor corn producing regions in the southeast (including Sichuan) experienced anomalously high temperatures and dry conditions that resulted in lower-than-expected yields.

However, these were offset by higher production in the Northeast Provinces. The corn harvest is typically completed by the end of October.

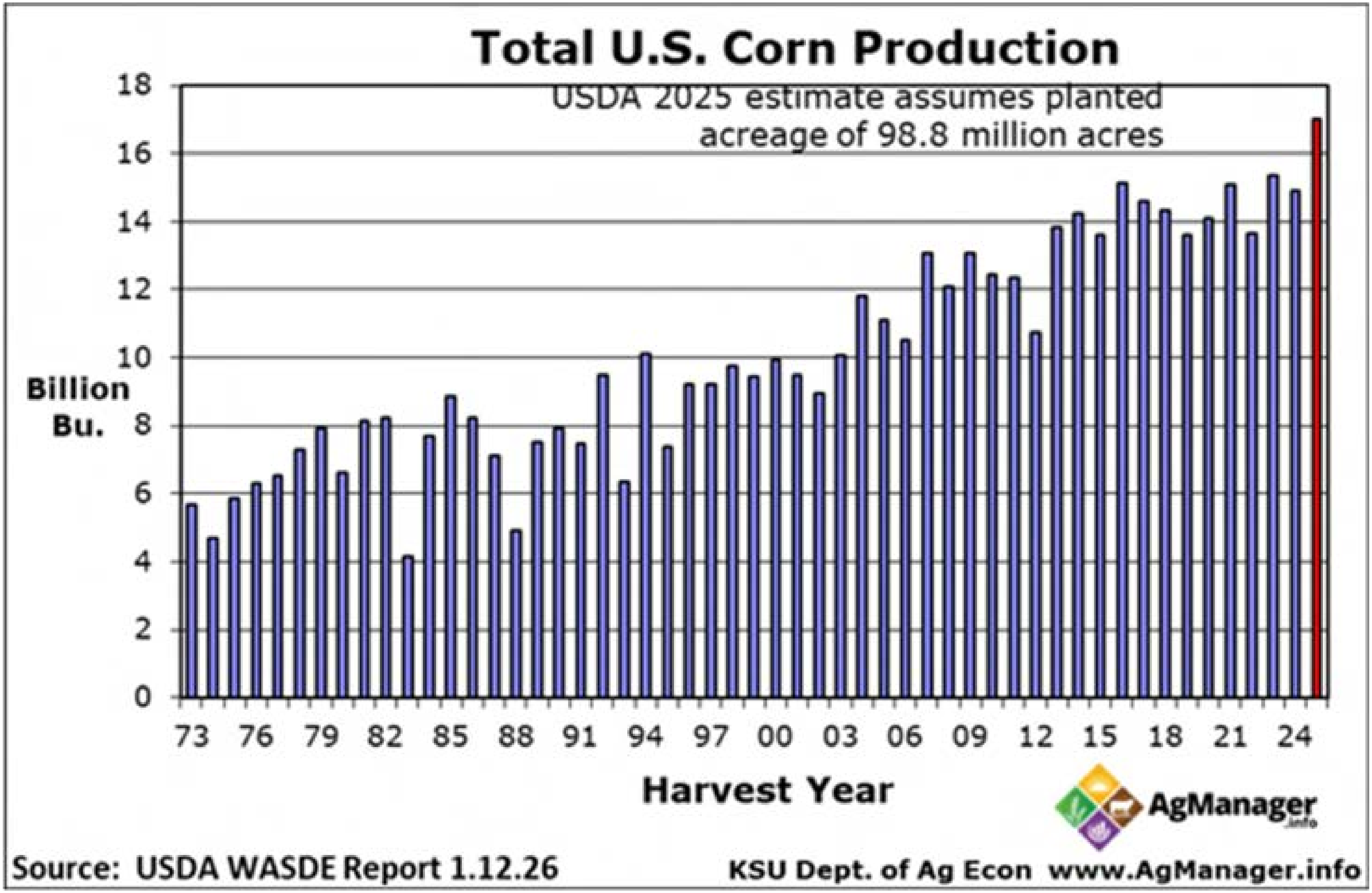
# China Corm Production

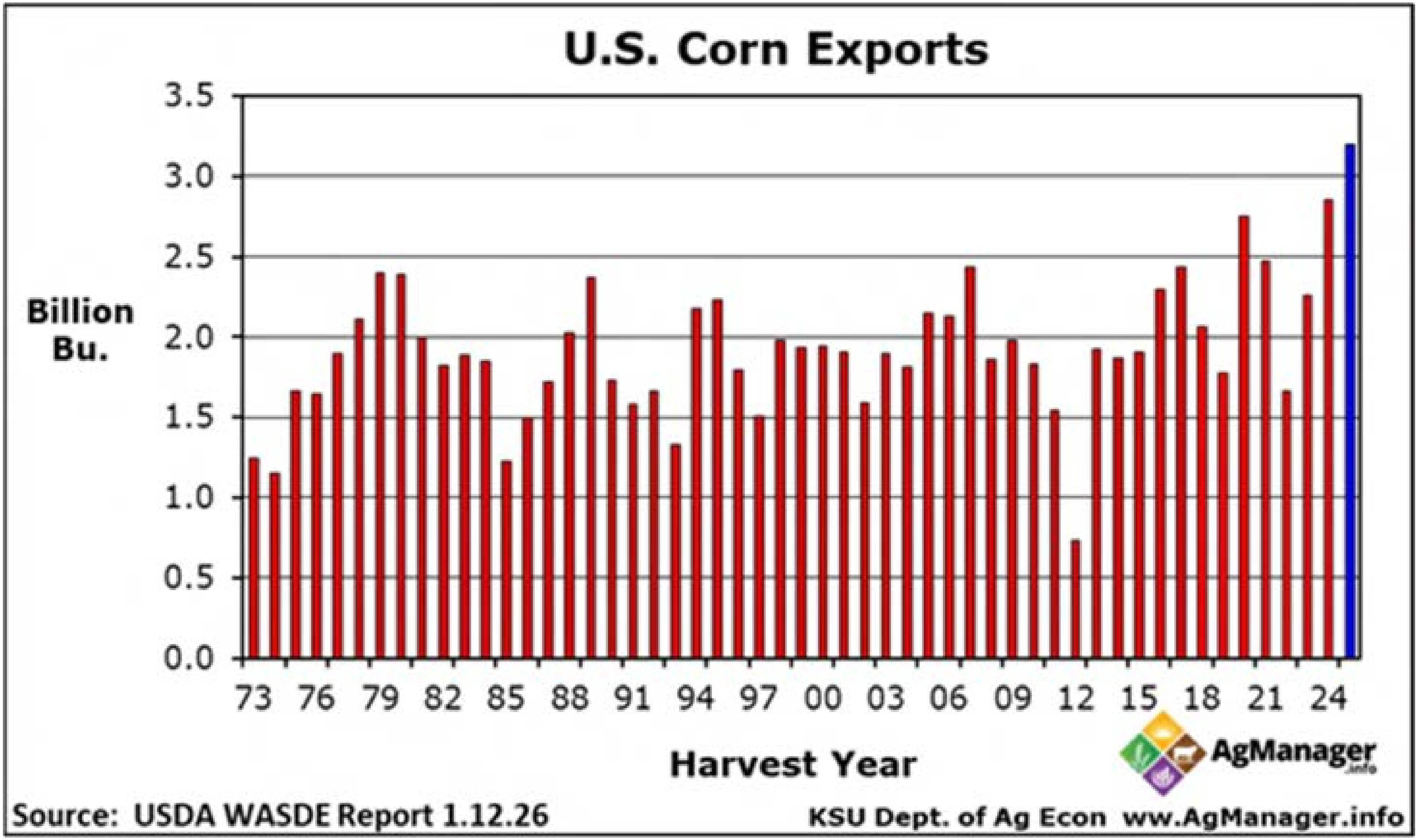
- ***China corn production for marketing year (MY) 2025/26 at a record 301.2 million metric tons, up 2 percent from last month and last year and 8 percent above the 5-year average.***
- Yield is estimated at a record 6.70 metric tons per hectare (mt/ha), up 1 percent from last month, 2 percent from last year, and 4 percent above the 5-year average.
- Harvested area is estimated at 45.0 million hectares, up 1 percent from last month and slightly up from last year.
- In recent years there have been marginal increases in corn area in the major production provinces of Heilongjiang, Jilin, Shandong, Henan, Inner Mongolia (Nei Mongol), and Hebei.
- The current estimate was confirmed by China’s National Bureau of Statistics (NBS) grain production data published in December 2025.

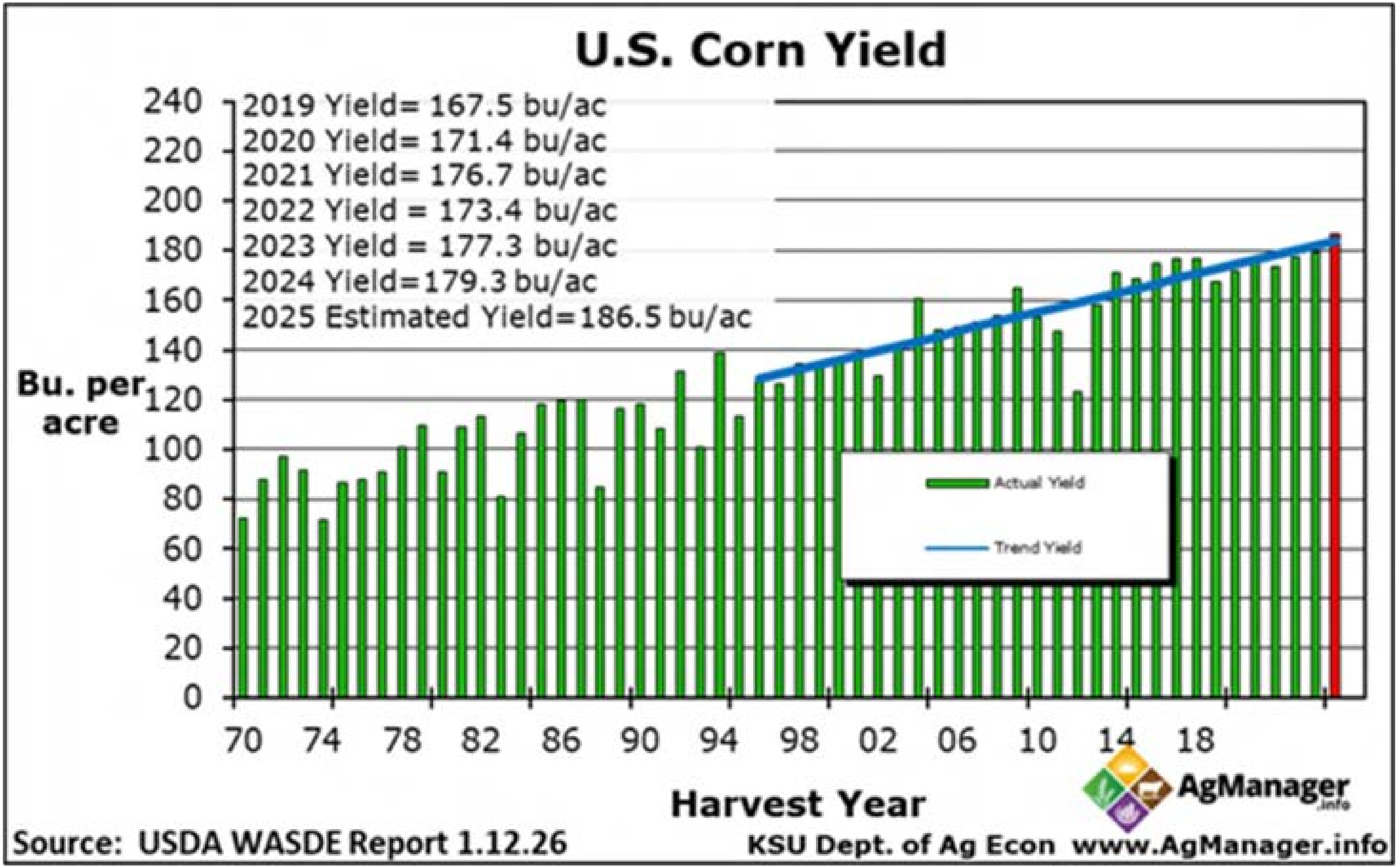


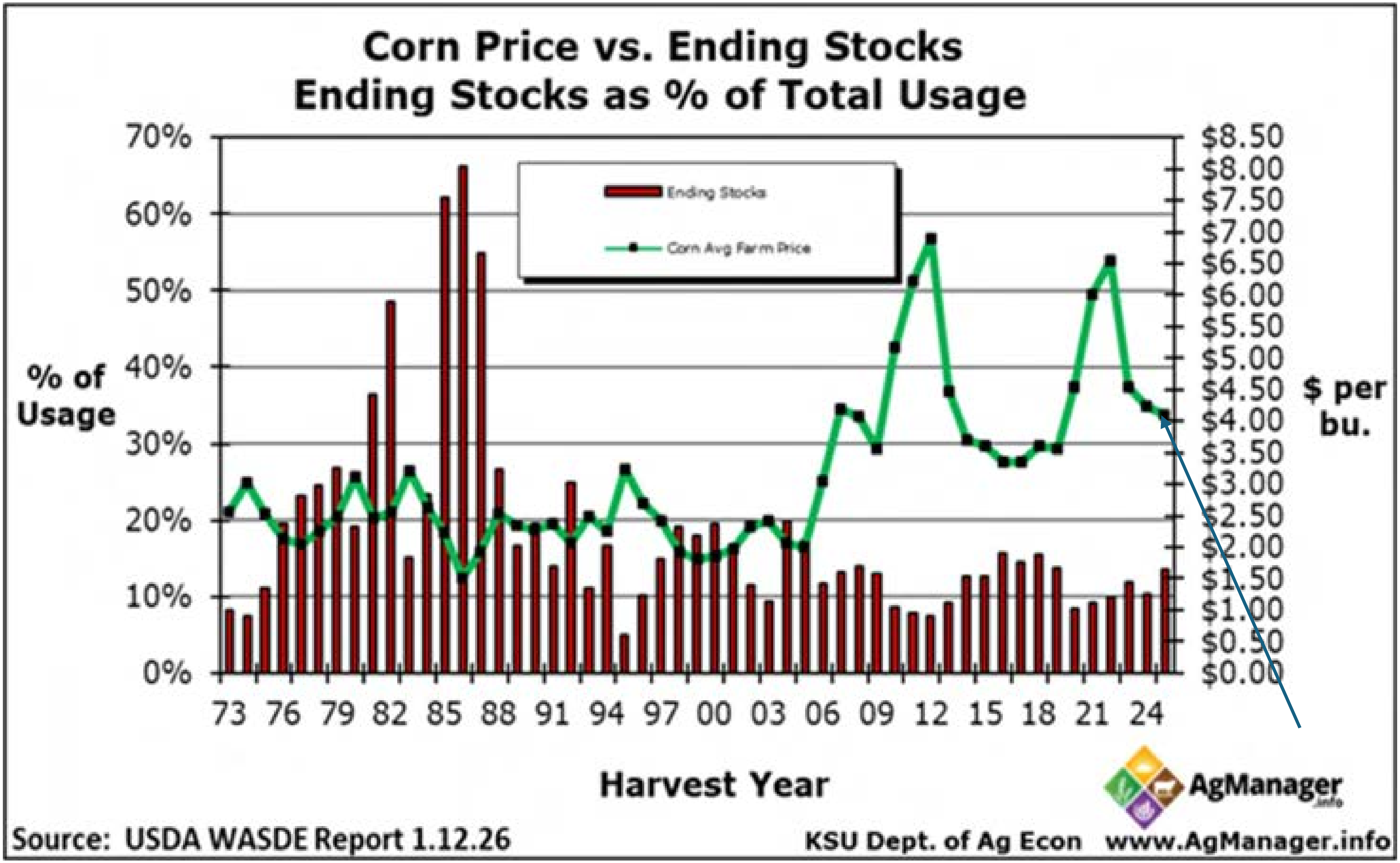

| | 2001/02 | 2002/03 | 2003/04 | 2004/05 | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Production | 114.0 | 121.3 | 115.8 | 130.2 | 139.3 | 151.6 | 155.1 | 172.1 | 173.2 | 190.7 | 211.3 | 229.5 | 248.4 | 249.7 | 264.9 | 263.6 | 259.0 | 257.1 | 260.7 | 260.6 | 272.5 | 277.2 | 288.8 | 294.9 | 301.2 |

**Source: USDA PSD Online**


Total U.S. Corn Production
USDA 2025 estimate assumes planted acreage of 98.8 million acres
18
16
14
12
10
8
6
4
2
0
Billion Bu.
73 76 79 82 85 88 91 94 97 00 03 06 09 12 15 18 21 24
Harvest Year
AgManager
Source: USDA WASDE Report 1.12.26
KSU Dept. of Ag Econ www.AgManager.info


U.S. Corn Exports
Billion Bu.
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
73 76 79 82 85 88 91 94 97 00 03 06 09 12 15 18 21 24
Harvest Year
AgManager
Source: USDA WASDE Report 1.12.26
KSU Dept. of Ag Econ ww.AgManager.info


U.S. Corn Yield
2019 Yield= 167.5 bu/ac
2020 Yield= 171.4 bu/ac
2021 Yield= 176.7 bu/ac
2022 Yield = 173.4 bu/ac
2023 Yield = 177.3 bu/ac
2024 Yield=179.3 bu/ac
2025 Estimated Yield=186.5 bu/ac
Bu. per acre
240
220
200
180
160
140
120
100
80
60
40
20
0
70
74
78
82
86
90
94
98
02
06
10
14
18
Actual Yield
Trend Yield
Harvest Year
AgManager
Source: USDA WASDE Report 1.12.26
KSU Dept. of Ag Econ www.AgManager.info


Corn Price vs. Ending Stocks
Ending Stocks as % of Total Usage
70%
60%
50%
40%
30%
20%
10%
0%
% of Usage
Ending Stocks
Corn Avg Farm Price
$8.50
$8.00
$7.50
$7.00
$6.50
$6.00
$5.50
$5.00
$4.50
$4.00
$3.50
$3.00
$2.50
$2.00
$1.50
$1.00
$0.50
$0.00
$ per bu.
73 76 79 82 85 88 91 94 97 00 03 06 09 12 15 18 21 24
Harvest Year
AgManager
Source: USDA WASDE Report 1.12.26
KSU Dept. of Ag Econ www.AgManager.info

# Corn April '26 (ZCH26)

# Corn

- For 2025-26, Canadian farmers have harvested approximately 14.9 Mt of corn.
- This volume is about 0.6 Mt lower than STC's September estimate, mainly due to drier late-season conditions in Eastern Canada, which reduced yields and outputs in the region, particularly in Ontario and Québec.
- However, corn output in the western province of Manitoba is above earlier expectations thanks to improved yields.
- Nationwide, average yield is below the earlier estimate and down from the previous season's record high, but remains in the upper range.
- So far, the 2025 production is 3% lower than in 2024.
- Compared to the previous five-year average, production in 2025 is slightly higher.
- Supply is projected at 18.1 Mt, down notably y/y due to lower carry-in stocks, production, and imports.
- Domestic feed consumption and exports are expected to decline significantly y/y. Carry-out stocks are projected at 1.6 Mt, little changed y/y, but well below the five-year average of 2.0 Mt.
- The 2025-26 Chatham average corn price is projected at $220/t, down $5/t from 2024-25, mainly due to pressure from expected lower US corn prices.

**CORN PRODUCTION COSTS ($/ACRE)**
**Economics**
**CROP CORN**

| | 80th percentile | | | Average Yield | | |
|---|---|---|---|---|---|---|
| Soil Zone | Brown | Dark Brown | Black | Brown | Dark Brown | Black |
| **REVENUE PER ACRE** | | | | | | |
| Estimated Yield (bu./ac) (A) | 53.7 | 84.9 | 99.9 | 42.3 | 48.3 | 69.8 |
| Est. On Farm Market Price $/bu. (B) | 5.48 | 5.48 | 5.48 | 5.48 | 5.48 | 5.48 |
| **Estimated Gross Revenue/ac (AxB)=C** | **294.06** | **465.34** | **547.32** | **231.86** | **264.52** | **382.45** |
| | | | | | | |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 111.90 | 111.90 | 111.90 | 111.90 | 111.90 | 111.90 |
| -Seed Treatments/Inoculants | 24.30 | 24.30 | 24.30 | 24.30 | 24.30 | 24.30 |
| Fertilizer -Nitrogen (N) | 42.17 | 67.32 | 79.15 | 42.17 | 67.32 | 79.15 |
| -Phosphorous (P2O5) | 23.15 | 36.51 | 42.75 | 23.15 | 36.51 | 42.75 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 47.50 | 33.00 | 47.50 | 47.50 | 33.00 | 47.50 |
| -Insecticides | 16.73 | 16.73 | 16.73 | 16.73 | 16.73 | 16.73 |
| -Fungicides | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Machinery Operating -Fuel | 18.61 | 23.26 | 29.08 | 18.61 | 23.26 | 29.08 |
| -Repair | 13.89 | 15.27 | 16.88 | 13.89 | 15.27 | 16.88 |
| Custom Work and Hired Labour | 50.24 | 46.68 | 59.46 | 50.24 | 46.68 | 59.46 |
| Crop Insurance Premium | 7.58 | 3.44 | 7.59 | 7.58 | 3.44 | 7.59 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 14.41 | 15.32 | 17.54 | 14.41 | 15.32 | 17.54 |
| **Total Variable Expenses (D)** | **389.33** | **413.83** | **473.78** | **389.33** | **413.83** | **473.78** |
| | | | | | | |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **26.18** | **30.32** | **23.07** | **26.18** | **30.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **507.40** | **535.01** | **599.10** | **507.40** | **535.01** | **599.10** |
| | | | | | | |
| **Income Per Acre** | **-213.34** | **-69.67** | **-51.78** | **-275.54** | **-270.49** | **-216.65** |

# Barley

# Global Barley

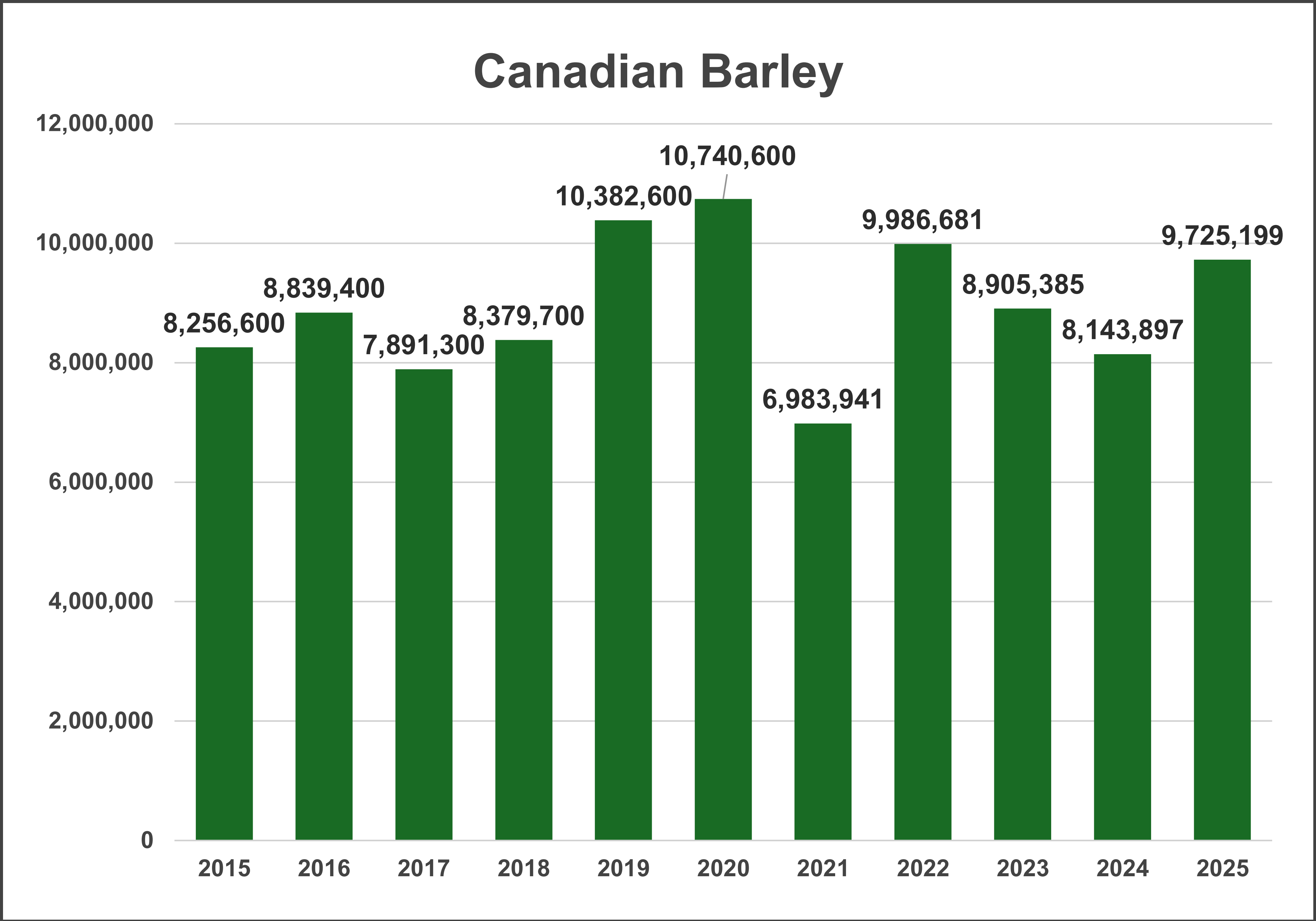
- Worldwide, data from the United States Department of Agriculture (USDA) shows global barley production for 2025-26 at over 150 Mt, up notably y/y.
- This increase is due to increased output across key exporting locations, particularly the EU, Russia, Australia, and Canada.
- Trade is expected to be more active.
- Consumption is expected to get stronger, driven by increased feed use and, to a lesser extent, food, seed, and industrial use.
- Ending stocks are projected at about 20 Mt, a substantial increase compared to the previous season, with stocks expected to be abundant in most major exporting countries.

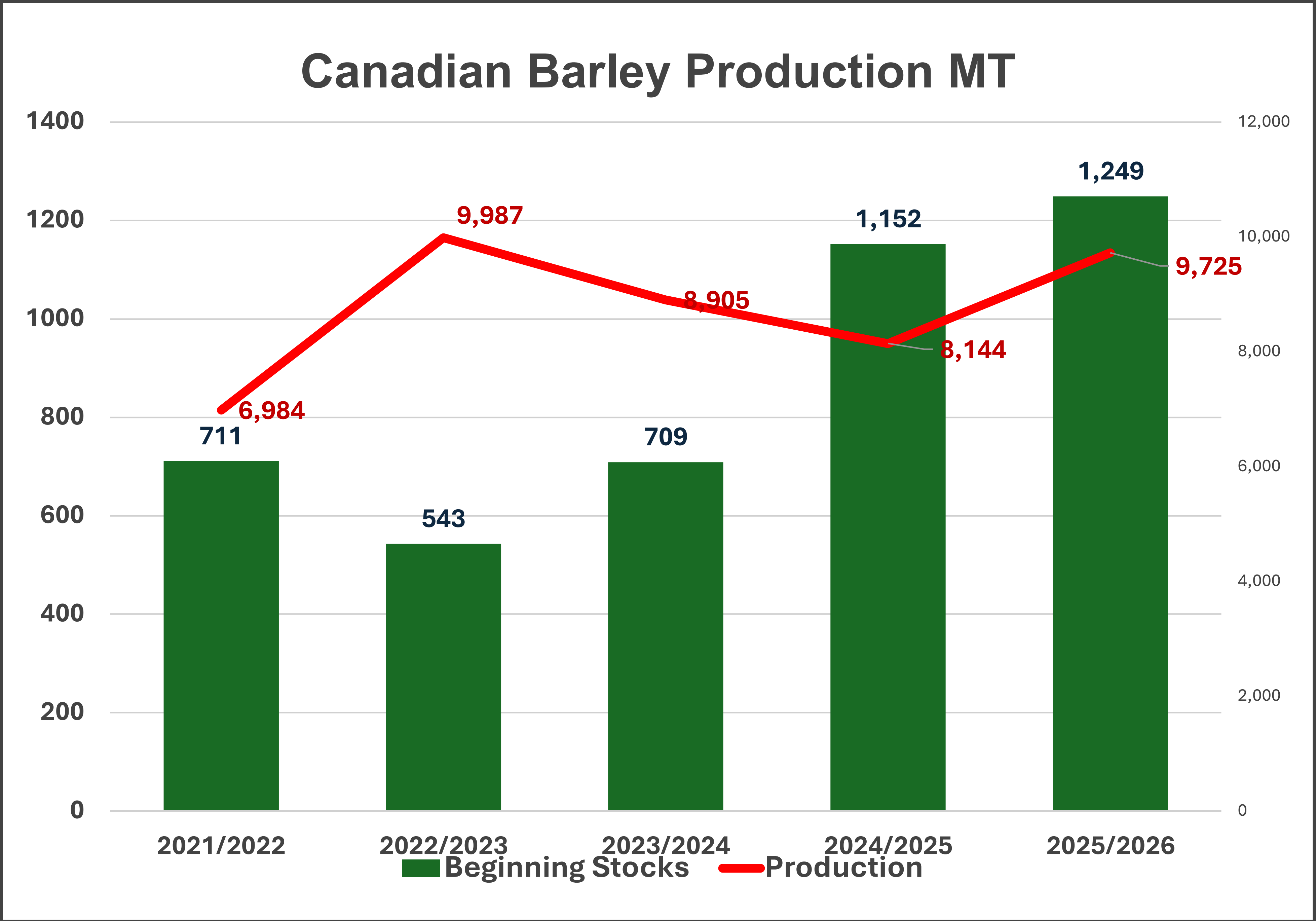
# Top Producing Countries

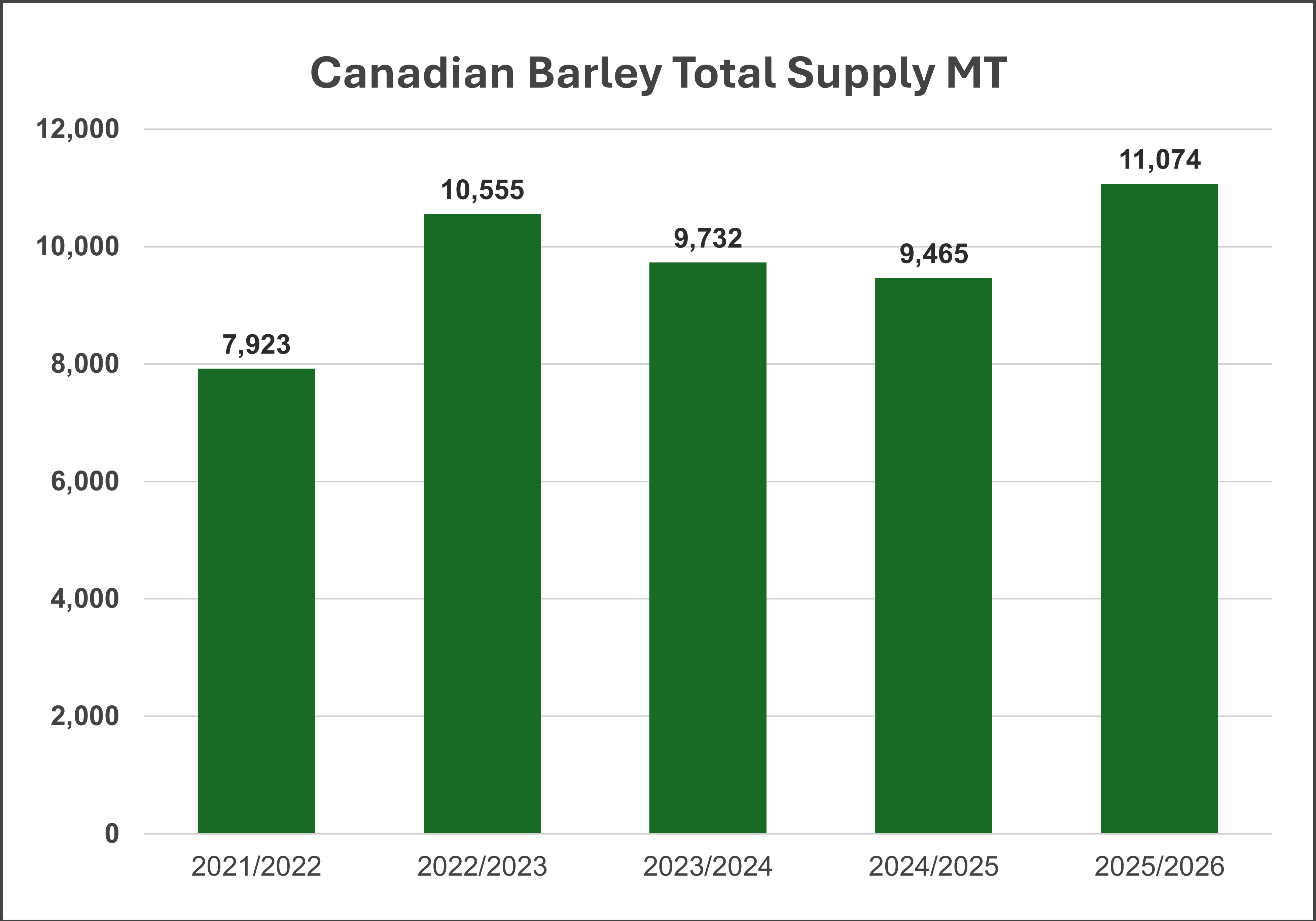
| Market | % of Global Production | Total Production (2024/2025, Metric Tons) |
|---|---|---|
| European Union | 35% | 50.29 Million |
| Russia | 11% | 16.25 Million |
| Australia | 9% | 13.27 Million |
| Canada | 6% | 8.14 Million |
| United Kingdom | 5% | 7.09 Million |
| Turkey | 5% | 7 Million |
| Ukraine | 4% | 5.8 Million |
| Argentina | 3% | 4.82 Million |
| Kazakhstan | 3% | 3.84 Million |
| United States | 2% | 3.15 Million |

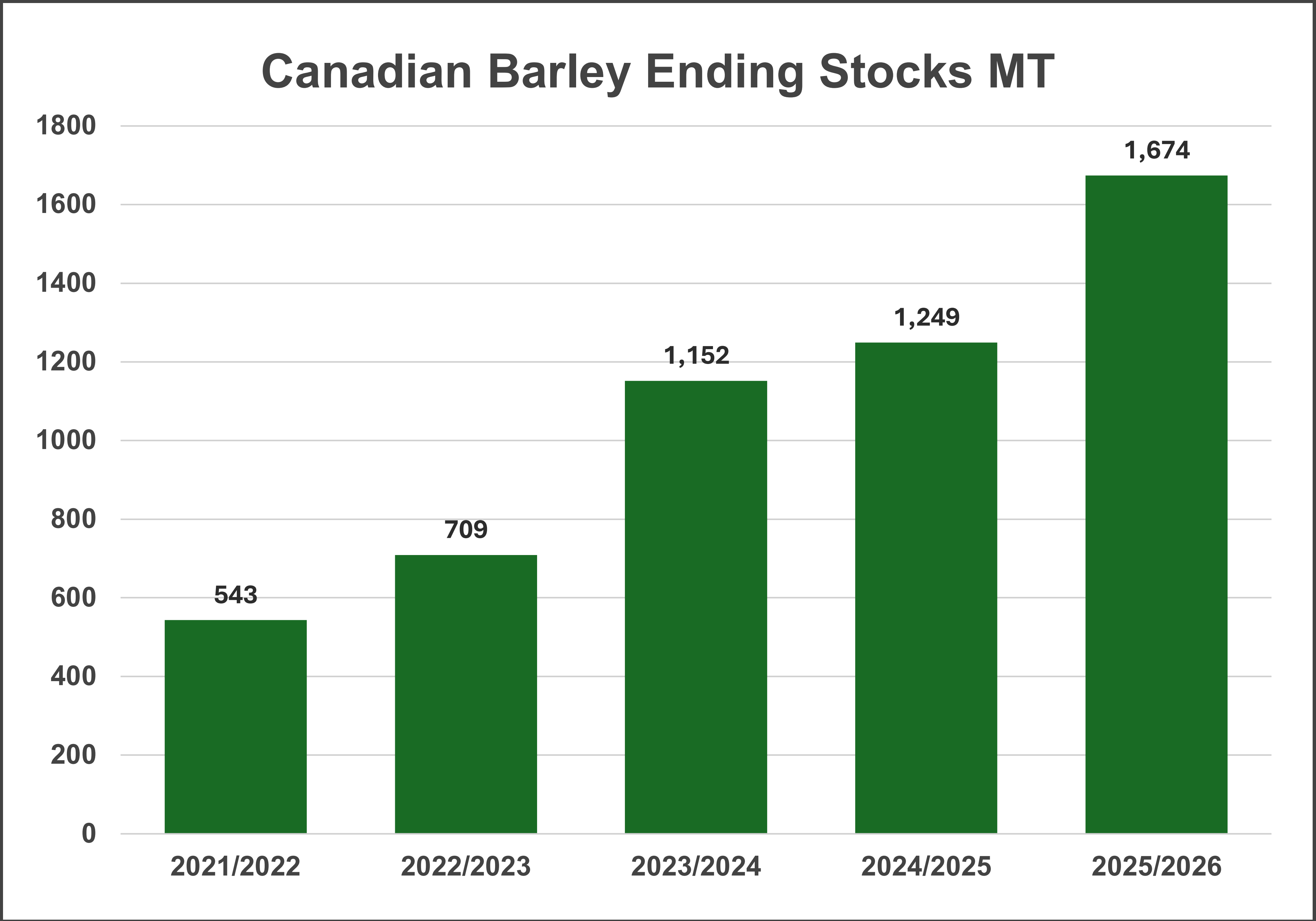
# Key Barley Importing Countries in 2025

- **China**: This country remains the single largest importer, sometimes accounting for 30% to 50% of the global import demand.
    - China diversifies its supply sources, buying significant volumes from Australia (since tariffs were lifted), Canada, France, and Ukraine.
- **Middle East & North Africa (MENA)**: This region represents the next largest market, with significant buyers including Saudi Arabia, Morocco, Kuwait, the UAE, Jordan, and Libya.
    - Saudi Arabia has notably increased its imports, including a return to purchasing Canadian barley in 2025 after a diplomatic pause.
- **Japan**: Japan is a consistent and important market for both malting and feed barley, with steady import needs.
- **United States**: The US is a major importer of barley, primarily from Canada, for both feed and malting purposes.
- **Vietnam and Thailand**: These Southeast Asian nations also import notable volumes of barley, often sourced from Australia when supplies are abundant.


Canadian Barley
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0
8,256,600
8,839,400
7,891,300
8,379,700
10,382,600
10,740,600
6,983,941
9,986,681
8,905,385
8,143,897
9,725,199
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025


Canadian Barley Production MT
1400
1200
1000
800
600
400
200
0
12,000
10,000
8,000
6,000
4,000
2,000
0
711
543
709
1,152
1,249
6,984
9,987
8,905
8,144
9,725
2021/2022
2022/2023
2023/2024
2024/2025
2025/2026
Beginning Stocks
Production


Canadian Barley Total Supply MT
12,000
10,000
8,000
6,000
4,000
2,000
0
7,923
10,555
9,732
9,465
11,074
2021/2022
2022/2023
2023/2024
2024/2025
2025/2026


Canadian Barley Ending Stocks MT
1800
1600
1400
1200
1000
800
600
400
200
0
543
709
1,152
1,249
1,674
2021/2022
2022/2023
2023/2024
2024/2025
2025/2026

# Barley Factors Influencing the Outlook:

- **Strong Demand:** High demand from China, increased domestic malting volumes, and lower U.S. corn prices making Canadian barley more competitive for feed are tightening the market.
- **Supply & Carryouts:** Despite large overall barley supplies in Canada for 2025/26, strong disappearance could lead to tighter carryouts by the end of the season
- **Global Competition:** Large harvests in other major exporting countries, particularly Australia, present competition, requiring Canadian barley to remain price-competitive.
- **Variety Shifts:** The Canadian Malting Barley Technical Centre (CMBTC) promotes new, high-performing varieties (e.g., AAC Connect, CDC Fraser) alongside established ones (AAC Synergy), emphasizing the need for growers to plant what buyers want.
- **Weather & U.S. Corn:** Weather in Western Canada and U.S. corn crop conditions will significantly impact price direction in the short term.

# Canadian Barley

- For 2025-26, Canadian farmers produced approximately 9.7 million tonnes (Mt) of barley,
- The 2025 production is 19% higher than the 2024 production, thanks to the record-high yields, despite a smaller sown area.
- Compared to the previous five-year average, production in 2025 is 9% higher.
- Supply is projected at 11.0 Mt, up sharply year-over-year (y/y), supported by higher carry-in stocks, which sit at an eight-year high, and higher production, despite a decline in imports.
- Additionally, 2025-26 supply is significantly above the five-year average.
- The abundant supplies are expected to encourage domestic feed consumption and exports.
- Carry-out stocks are projected at 1.5 Mt, up sharply from the previous season's 1.2 Mt and the five-year average of 0.9 Mt.

# Canadian Barley

- According to Canadian Grain Commission (CGC) export data, exports of barley in the first four months (August – November) of the crop year are close to 1.2 Mt, up sharply from those exported in the same period a year ago.
- Major destinations include China, Saudi Arabia, and Japan.
- ***The 2025-26 Lethbridge average feed barley price is projected at $270/tonne (/t), down $26/t from 2024-25***, primarily due to pressure from ample local feed supplies, strong competition from rivals in the global market, and expected bumper global cereal grain and corn output.

# Canadian Barley

- For 2026-27, Canadian barley acreage is projected at 2.6 million hectares (Mha), an increase of 6% y/y, but still 8% below the five-year average.
- Production is projected at 8.5 Mt, a noticeable decrease from last season, due to a return to average yields despite a larger expected area.
- Supply is projected at 10.2 Mt, down noticeably y/y, due to the lower production, only partly offset by significantly higher carry-in stocks.
- Total exports are forecast to decline primarily due to smaller expected supplies, as well as strong competition from the key barley-exporting countries.
- Total domestic use is predicted to remain largely steady.
- Carry-out stocks are projected to fall sharply to 1.0 Mt, mainly driven by the smaller supplies.
- The 2026-27 Lethbridge average price is projected at $270/t, unchanged y/y, mainly as a result of expected higher US corn prices, as currency movement indicates an appreciation of the Canadian dollar.

| **Barley** | | | |
|---|---|---|---|
| | **2024-2025** | **2025-2026** | **2026-2027** |
| **Area seeded (thousand hectares)** | **2,592** | **2,483** | **2,635** |
| **Area harvested (thousand hectares)** | **2,394** | **2,277** | **2,410** |
| **Yield (tonnes per hectare)** | **3.4** | **4.27** | **3.51** |
| ***Production (thousand tonnes)*** | ***8,144*** | ***9,725*** | **8,450** |
| **Imports (thousand tonnes)** | **169** | **50** | **50** |
| **Total supply (thousand tonnes)** | **9,464** | **11,024** | **10,200** |
| **Exports (thousand tonnes)** | **2,843** | **3,240** | **3,040** |
| **Food and Industrial Use (thousand tonnes)** | **93** | **319** | **319** |
| **Feed, Waste & Dockage (thousand tonnes)** | **5,066** | **5,752** | **5,628** |
| **Total Domestic Use (thousand tonnes)** | **5,372** | **6,284** | **6,160** |
| ***Carry-out Stocks (thousand tonnes)*** | ***1,240*** | ***1,500*** | **1,000** |
| **Average Price ($/tonne)** | **296** | **270** | **270** |

| 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) | 57.2 | 74.5 | 90.0 | 36.9 | 54.0 | 73.0 |
| Est. On Farm Market Price $/bu. (B) | 4.81 | 4.81 | 4.81 | 4.81 | 4.81 | 4.81 |
| **Estimated Gross Revenue/ac (AxB)=C** | **275.06** | **358.08** | **432.83** | **177.27** | **259.54** | **351.13** |
| | | | | | | |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 23.23 | 25.76 | 29.21 | 23.23 | 25.76 | 29.21 |
| -Seed Treatments/Inoculants | 7.51 | 8.33 | 9.45 | 7.51 | 8.33 | 9.45 |
| Fertilizer -Nitrogen (N) | 45.13 | 58.44 | 71.02 | 45.13 | 58.44 | 71.02 |
| -Phosphorous (P2O5) | 23.15 | 30.28 | 37.40 | 23.15 | 30.28 | 37.40 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 28.17 | 28.17 | 28.17 | 28.17 | 28.17 | 28.17 |
| -Insecticides | 45.38 | 45.38 | 45.38 | 45.38 | 45.38 | 45.38 |
| -Fungicides | 0.00 | 0.00 | 15.99 | 0.00 | 0.00 | 15.99 |
| Machinery Operating -Fuel | 16.65 | 20.82 | 26.02 | 16.65 | 20.82 | 26.02 |
| -Repair | 10.85 | 12.24 | 13.85 | 10.85 | 12.24 | 13.85 |
| Custom Work and Hired Labour | 22.00 | 22.25 | 22.25 | 22.00 | 22.25 | 22.25 |
| Crop Insurance Premium | 4.65 | 5.95 | 3.73 | 4.65 | 5.95 | 3.73 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 9.44 | 10.68 | 12.43 | 9.44 | 10.68 | 12.43 |
| **Total Variable Expenses (D)** | **255.02** | **288.39** | **335.79** | **255.02** | **288.39** | **335.79** |
| | | | | | | |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **26.18** | **30.32** | **23.07** | **26.18** | **30.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less: Total Debt Payment Per Year Per Acre | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Living & Debt Payment** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **373.08** | **409.57** | **461.12** | **373.08** | **409.57** | **461.12** |
| **Income Per Acre** | **-98.02** | **-51.49** | **-28.29** | **-195.81** | **-150.03** | **-109.99** |

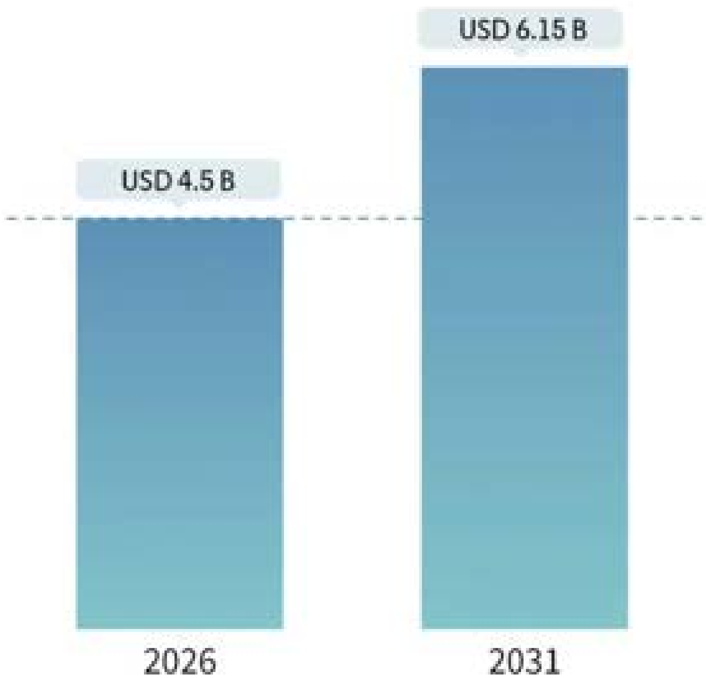
| CROP | MALT BARLEY | | | | | |
|---|---|---|---|---|---|---|
| | 80th percentile | | | Average Yield | | |
| Soil Zone | Brown | Dark Brown | Black | Brown | Dark Brown | Black |
| **REVENUE PER ACRE** | | | | | | |
| Estimated Yield (bu./ac) (A) | 46.8 | 61.0 | 73.1 | 30.2 | 44.2 | 59.3 |
| Est. On Farm Market Price $/bu. (B) | 5.90 | 5.90 | 5.90 | 5.90 | 5.90 | 5.90 |
| **Estimated Gross Revenue/ac (AxB)=C** | **275.95** | **359.67** | **431.04** | **177.84** | **260.69** | **349.67** |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 24.24 | 26.88 | 30.48 | 24.24 | 26.88 | 30.48 |
| -Seed Treatments/Inoculants | 7.51 | 8.33 | 9.45 | 7.51 | 8.33 | 9.45 |
| Fertilizer -Nitrogen (N) | 36.99 | 48.08 | 57.70 | 36.99 | 48.08 | 57.70 |
| -Phosphorous (P2O5) | 19.59 | 24.94 | 30.28 | 19.59 | 24.94 | 30.28 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 78.98 | 78.98 | 83.31 | 78.98 | 78.98 | 83.31 |
| -Insecticides | 45.38 | 45.38 | 45.38 | 45.38 | 45.38 | 45.38 |
| -Fungicides | 15.99 | 15.99 | 15.99 | 15.99 | 15.99 | 15.99 |
| Machinery Operating -Fuel | 16.65 | 20.82 | 26.02 | 16.65 | 20.82 | 26.02 |
| -Repair | 10.85 | 12.24 | 13.85 | 10.85 | 12.24 | 13.85 |
| Custom Work | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 |
| Crop Insurance Premium | 3.66 | 4.56 | 4.19 | 3.66 | 4.56 | 4.19 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 11.56 | 12.63 | 13.83 | 11.56 | 12.63 | 13.83 |
| **Total Variable Expenses (D)** | **302.26** | **330.92** | **363.37** | **302.26** | **330.92** | **363.37** |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| **Total Other Expenses (E)** | **28.07** | **31.18** | **35.32** | **28.07** | **31.18** | **35.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less: Debt Payment per Acre | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Living & Debt Payment (F)** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| Total Expenses | **425.32** | **457.10** | **493.69** | **425.32** | **457.10** | **493.69** |
| Net Farm Income | **-149.37** | **-97.43** | **-62.65** | **-247.48** | **-196.41** | **-144.02** |

# Oats

## Oats Market

Market Size in USD Billion

CAGR 6.43%




Source : Mordor Intelligence

## Market Overview

| | |
|---|---|
| Study Period | 2021 - 2031 |
| Market Size (2026) | USD 4.5 Billion |
| Market Size (2031) | USD 6.15 Billion |
| Growth Rate (2026 - 2031) | 6.43% CAGR |
| Fastest Growing Market | Asia-Pacific |
| Largest Market | North America |
| Market Concentration | Low |

Major Players

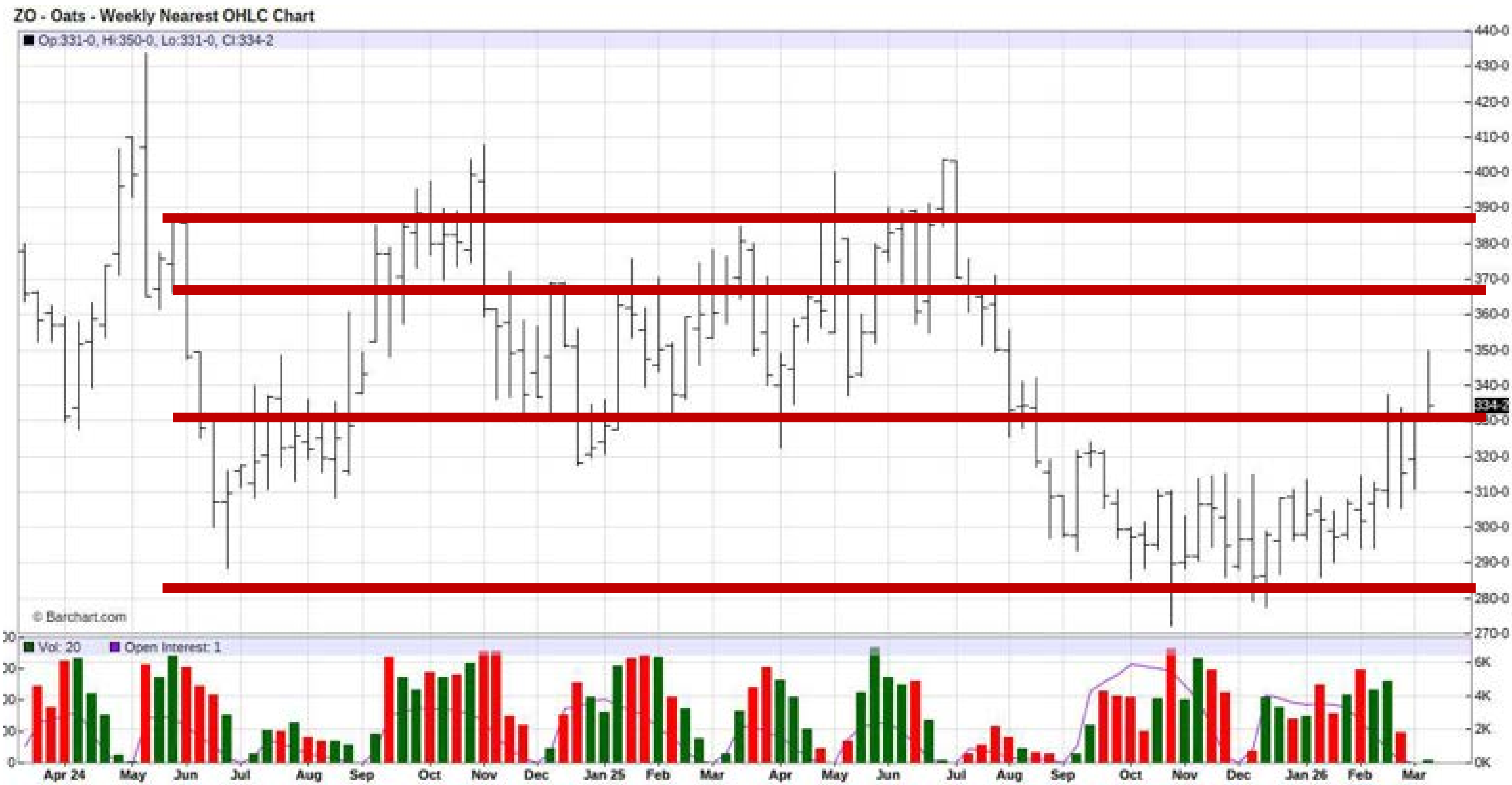
General Mills, MARS, B&G Foods, Inc., Nestlé Good food, Good life, PEPSICO

*Disclaimer: Major Players sorted in no particular order

# Global Oats

- Worldwide, the USDA data shows global oat production for 2025-26 at less than 25 Mt, up notably y/y.
- This rise is due to increased output across key exporting and importing origins, particularly Canada.
- Trade could see a limited increase.
- Consumption is expected to get stronger, driven by increased feed use and food, seed, and industrial use.
- Ending stocks are projected at over 3.0 Mt, a substantial increase compared to the previous season.

# Oats May '26 (ZOH26)



# Mill Oat Market Drivers

•**Health & Nutrition:** High fiber, protein fortification, and suitability for weight management diets boost demand.

•**Plant-Based Trend:** Oat milk and snacks are surging, catering to vegan and dairy-free consumers.

•**Convenience:** Ready-to-cook, single-serve, and on-the-go oat products are popular.

•**Gluten-Free Demand:** Growing sensitivity to gluten drives the market for certified gluten-free oats.

# Canadian Oats

- **For 2025-26**, Canadian farmers have harvested more than 3.9 Mt of oats.
- To date, the 2025 production is 17% higher than the 2024 crop, thanks to the record-high average yield and larger sown area.
- Compared to the previous five-year average, production in 2025 is 5% higher.
- Supply is projected at 4.4 Mt, up significantly y/y, primarily due to higher production despite lower carry-in stocks.
- This level is close to the five-year average.
- Total domestic use and exports are expected to increase, supported by abundant supplies.
- Carry-out stocks are forecast at 0.8 Mt, up sharply y/y and close to the five-year average.
- ***The 2025-26 Chicago Board of Trade (CBOT) oat price is projected at $305/t, down $40/t y/y and the lowest in five years.***

| **Oats** | | | |
|---|---|---|---|
| | **2024-2025** | **2025-2026** | **2026-2027** |
| **Area seeded (thousand hectares)** | 1,174 | 1,213 | **1,235** |
| **Area harvested (thousand hectares)** | 993 | 1,049 | **1,035** |
| **Yield (tonnes per hectare)** | 3.38 | 3.74 | **3.43** |
| ***Production (thousand tonnes)*** | ***3,358*** | ***3,920*** | **3,550** |
| Imports (thousand tonnes) | 17 | 20 | **20** |
| **Total supply (thousand tonnes)** | **4,045** | **4,446** | **4,400** |
| Exports (thousand tonnes) | 2,566 | 2,650 | **2,570** |
| Food and Industrial Use (thousand tonnes) | 77 | 90 | **90** |
| **Feed, Waste & Dockage (thousand tonnes)** | 793 | 855 | **888** |
| Total Domestic Use (thousand tonnes) | 972 | 1,046 | **1,080** |
| ***Carry-out Stocks (thousand tonnes)*** | ***507*** | ***750*** | **750** |
| ***Average Price ($/tonne)*** | ***345*** | ***305*** | ***300*** |

## OATS PRODUCTION COSTS ($/ACRE)
### Economics

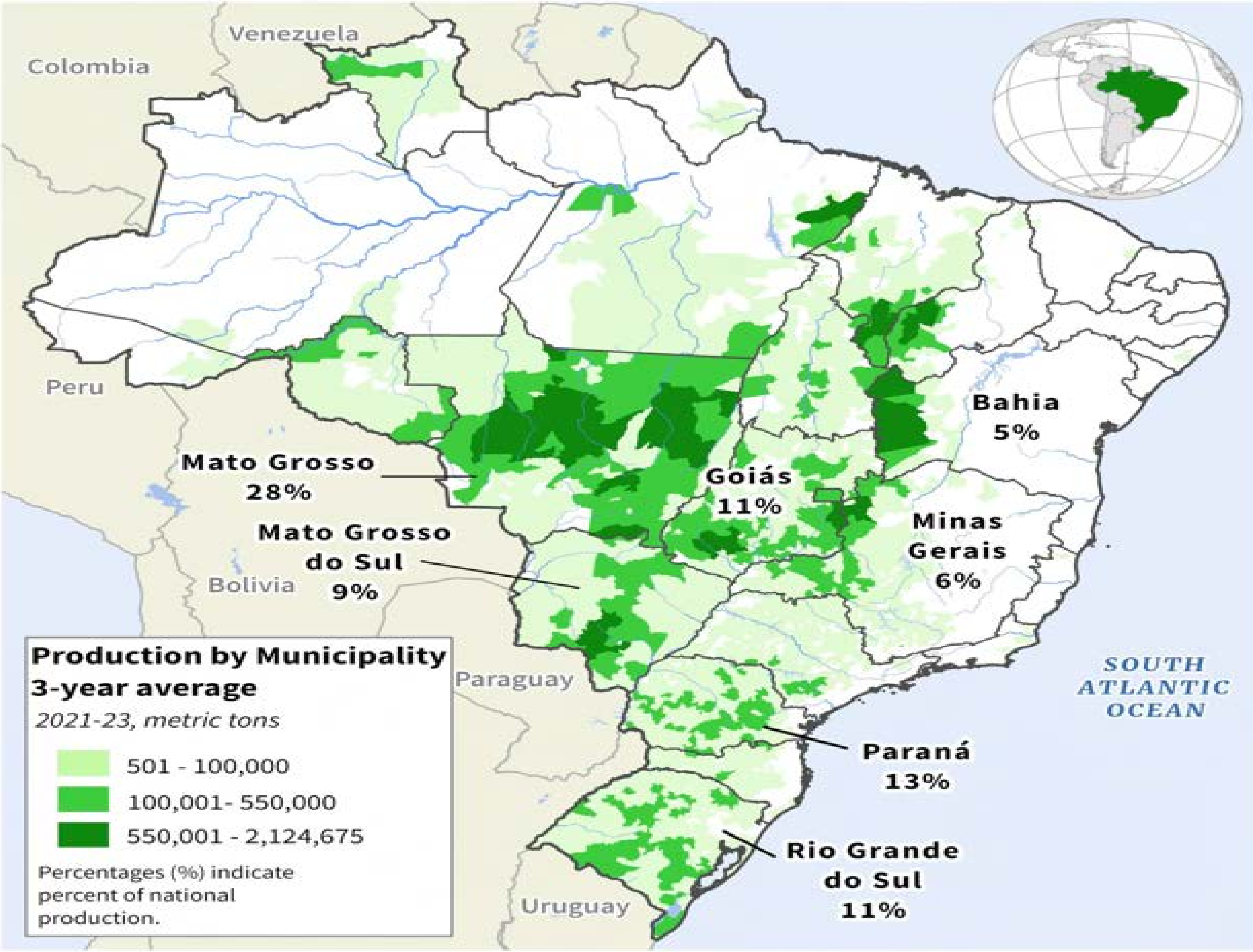
| CROP | OATS | | | | | |
|---|---|---|---|---|---|---|
| | 80th percentile | | | Average Yield | | |
| Soil Zone | **Brown** | **Dark Brown** | **Black** | **Brown** | **Dark Brown** | **Black** |
| **REVENUE PER ACRE** | | | | | | |
| Estimated Yield (bu./ac) (A) | 50.0 | 82.5 | 129.9 | 29.4 | 56.5 | 98.8 |
| Est. On Farm Market Price $/bu. (B) | 4.10 | 4.10 | 4.10 | 4.10 | 4.10 | 4.10 |
| **Estimated Gross Revenue/ac (AxB)=C** | **204.96** | **338.21** | **532.73** | **120.49** | **231.8** | **404.89** |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 22.95 | 28.62 | 34.29 | 22.95 | 28.62 | 34.29 |
| -Seed Treatments/Inoculants | 6.32 | 7.89 | 9.45 | 6.32 | 7.89 | 9.45 |
| Fertilizer -Nitrogen (N) | 25.15 | 41.43 | 65.10 | 25.15 | 41.43 | 65.10 |
| -Phosphorous (P2O5) | 12.47 | 20.48 | 32.06 | 12.47 | 20.48 | 32.06 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 30.76 | 30.76 | 30.76 | 30.76 | 30.76 | 30.76 |
| -Insecticides | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| -Fungicides | 0.00 | 0.00 | 15.99 | 0.00 | 0.00 | 15.99 |
| Machinery Operating -Fuel | 16.65 | 20.82 | 26.02 | 16.65 | 20.82 | 26.02 |
| -Repair | 10.85 | 12.24 | 13.85 | 10.85 | 12.24 | 13.85 |
| Custom Work | 22.00 | 22.25 | 22.25 | 22.00 | 22.25 | 22.25 |
| Crop Insurance Premium | 7.95 | 7.13 | 6.32 | 7.95 | 7.13 | 6.32 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 6.69 | 8.14 | 10.65 | 6.69 | 8.14 | 10.65 |
| **Total Variable Expenses (D)** | **180.65** | **219.84** | **287.63** | **180.65** | **219.84** | **287.63** |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses** | **23.07** | **26.18** | **30.32** | **23.07** | **26.18** | **30.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less: Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses** | **298.72** | **341.02** | **412.96** | **298.72** | **341.02** | **412.96** |
| **Income Per Acre** | **-93.76** | **-2.81** | **119.77** | **-178.23** | **-109.22** | **-8.07** |

# Soybeans

# Global Soybean

- World ending stocks for 2025/26 were 124.41 million tonnes, compared to 123.5 million, with a range of 121.8-125.4 million, and 122.4 million.
- Brazil production for 2025/26 was 178.0.
- Argentina's 2025/26 soybean production is 48.5 million metric tonnes.
- Quarterly Bean Stocks reported December 1 were 3.290 billion bushels.
- On-farm stocks were 1.576 billion bushels, up/down from 1.54 billion a year ago.
- Off-farm stocks were 1.714 billion bushels, higher than 1.56 billion a year ago.

# Brazil: Soybean Production



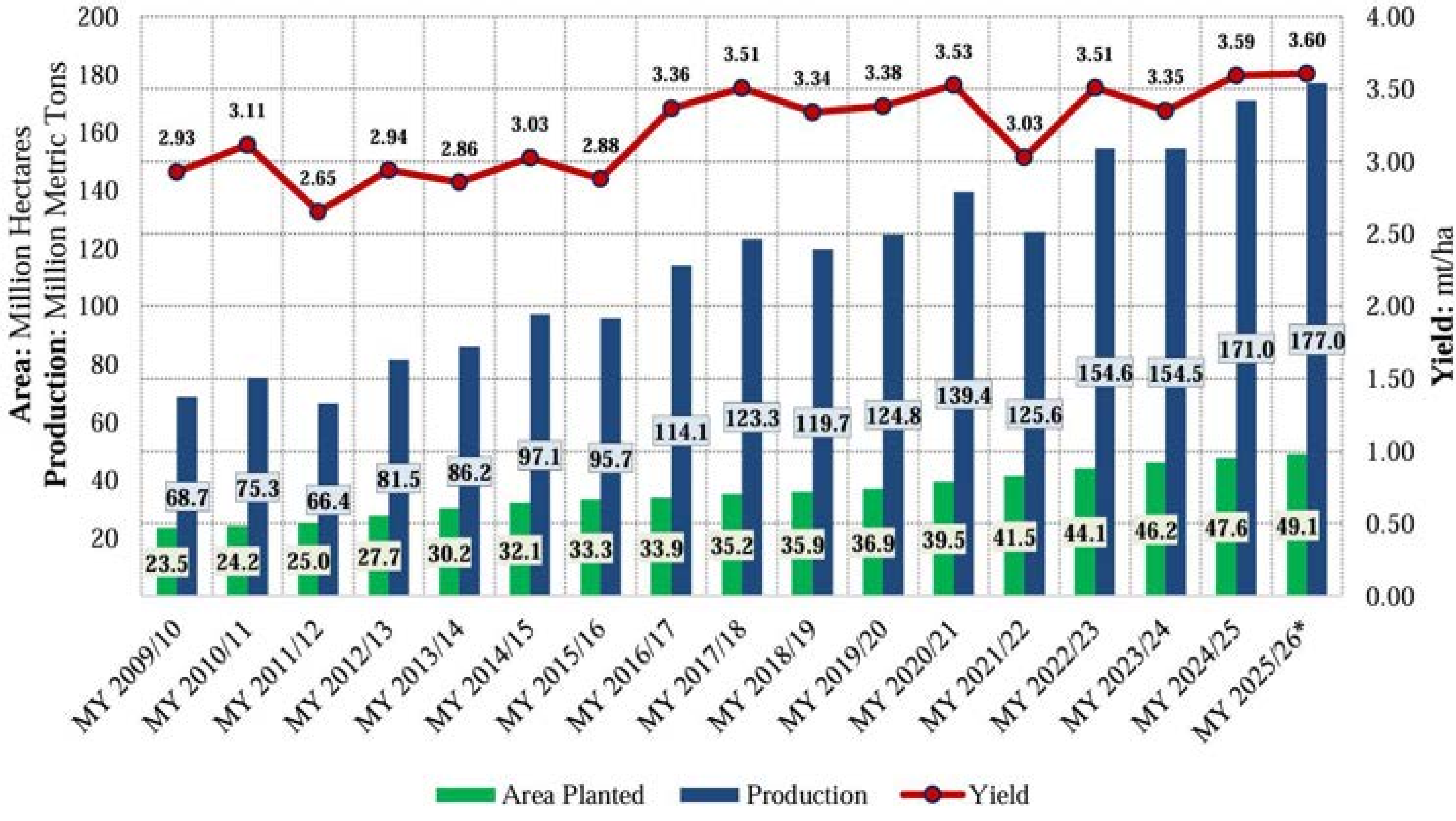

Source: IBGE - Produção Agrícola Municipal

# Brazil Soybeans

- The initial Marketing Year (MY) 2025/26 soybean area forecast at 49.1 million hectares (ha), up 3.1 percent year over year, with most of the area expansion expected to occur in the states of Mato Grosso, Mato Grosso do Sul, Goiás, Rio Grande do Sul, Paraná, and the MATOPIBA region (Maranhão, Tocantins, Piauí, and Bahia).
- The expansion in total planted area is driven by multiple factors, including the implementation of the new B15 biofuel mandate, which increases demand for soybeans for processing; a potential end or greater flexibility in the Soy Moratorium, which would reduce restrictions on certain areas; and the recent rise in international demand for Brazilian soybeans, particularly from the PRC.
- ***This expansion is expected to result in an estimated production of 177 million metric tons (MMT), representing a 3.2 percent increase compared to MY 2024/25 and signaling the potential for a new record crop.***

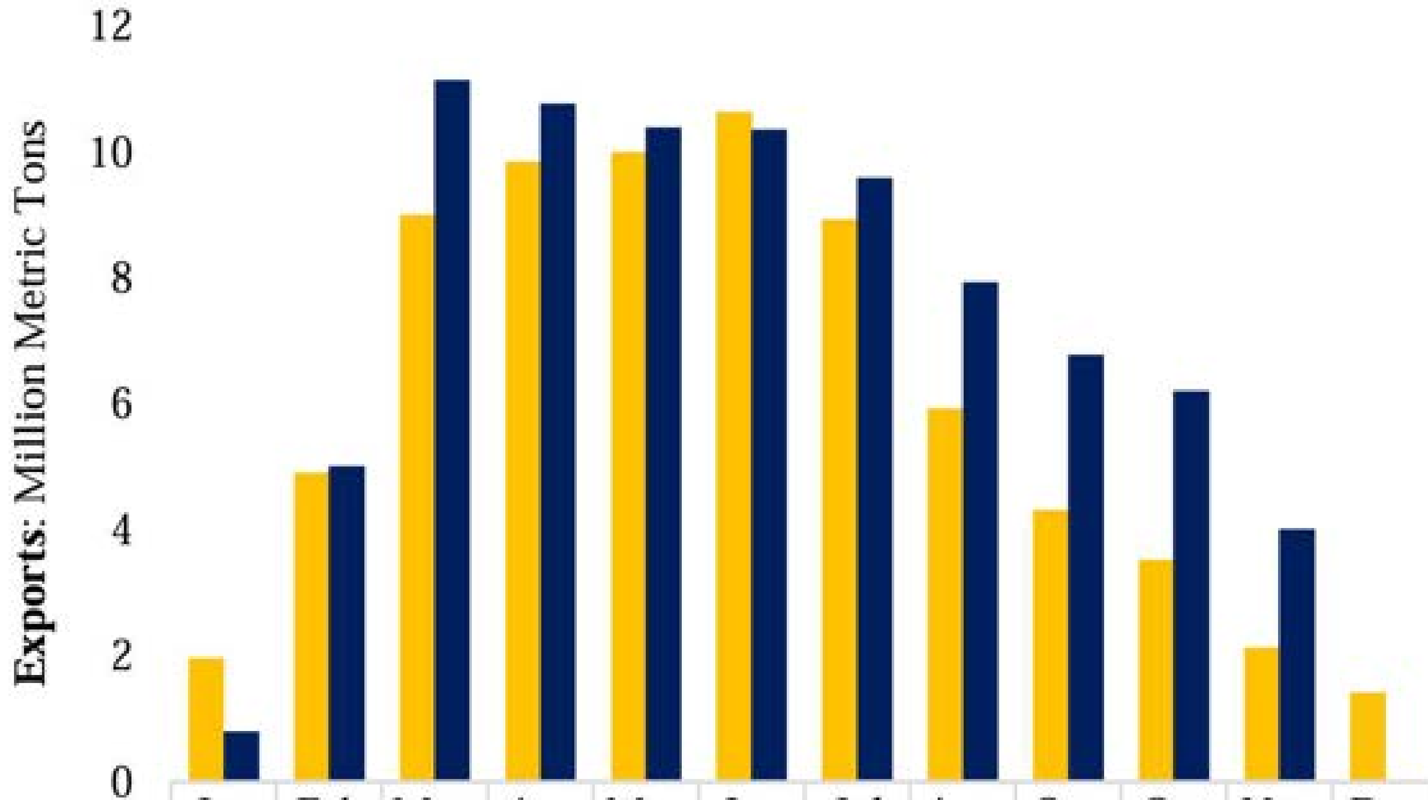
Source: USDA

*Evolution of Soybean Area, Production and Yield in Brazil (MY 2009/10 – MY 2025/26*)*




*Source: FAS. Chart generated by Post Brasilia (Office of Agricultural Affairs – OAA). Note: Data for the latest MY, marked with (*), considers Post's estimates and forecasts.*

*Brazil Soybeans Exports to China | 2024 – 2025 Comparison*




| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2024 | 2.0 | 4.9 | 9.0 | 9.8 | 10.0 | 10.6 | 8.9 | 5.9 | 4.3 | 3.5 | 2.1 | 1.4 |
| 2025 | 0.8 | 5.0 | 11.1 | 10.8 | 10.4 | 10.3 | 9.6 | 7.9 | 6.8 | 6.2 | 4.0 | |

*Source: SECEX - Trade Data Monitor (TDM) | Chart generated by Post Brasilia (Office of Agricultural Affairs – OAA).*

# Brazil Soybean Exports

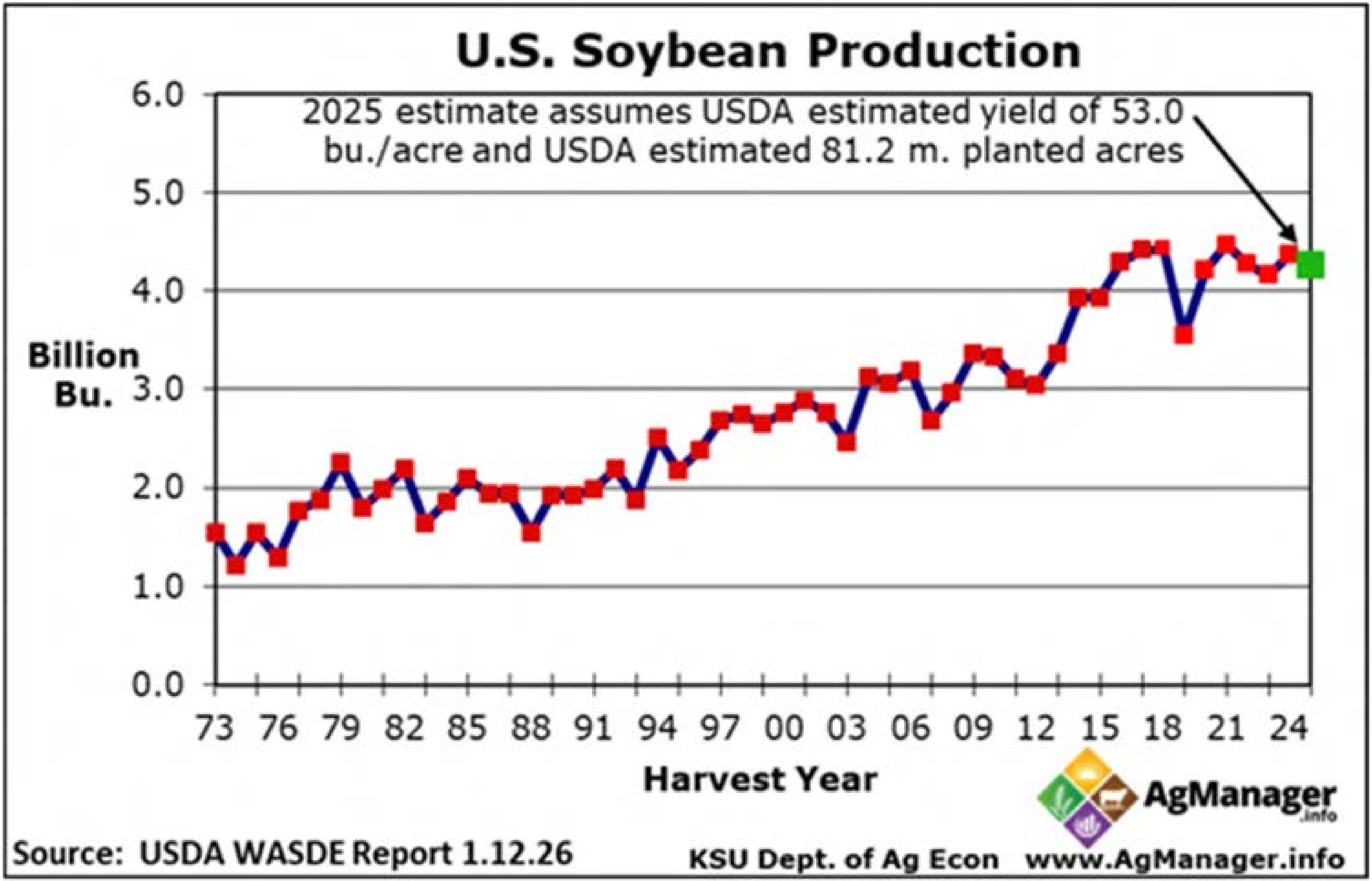
Brazil Soybeans Exports Set for a New Record Amid International Trade & Sustainability Disputes Post forecasts Brazil's soybean ***exports to reach 113 MMT in MY 2025/26, representing a 3.7 percent increase compared to the MY 2024/25 estimate.***

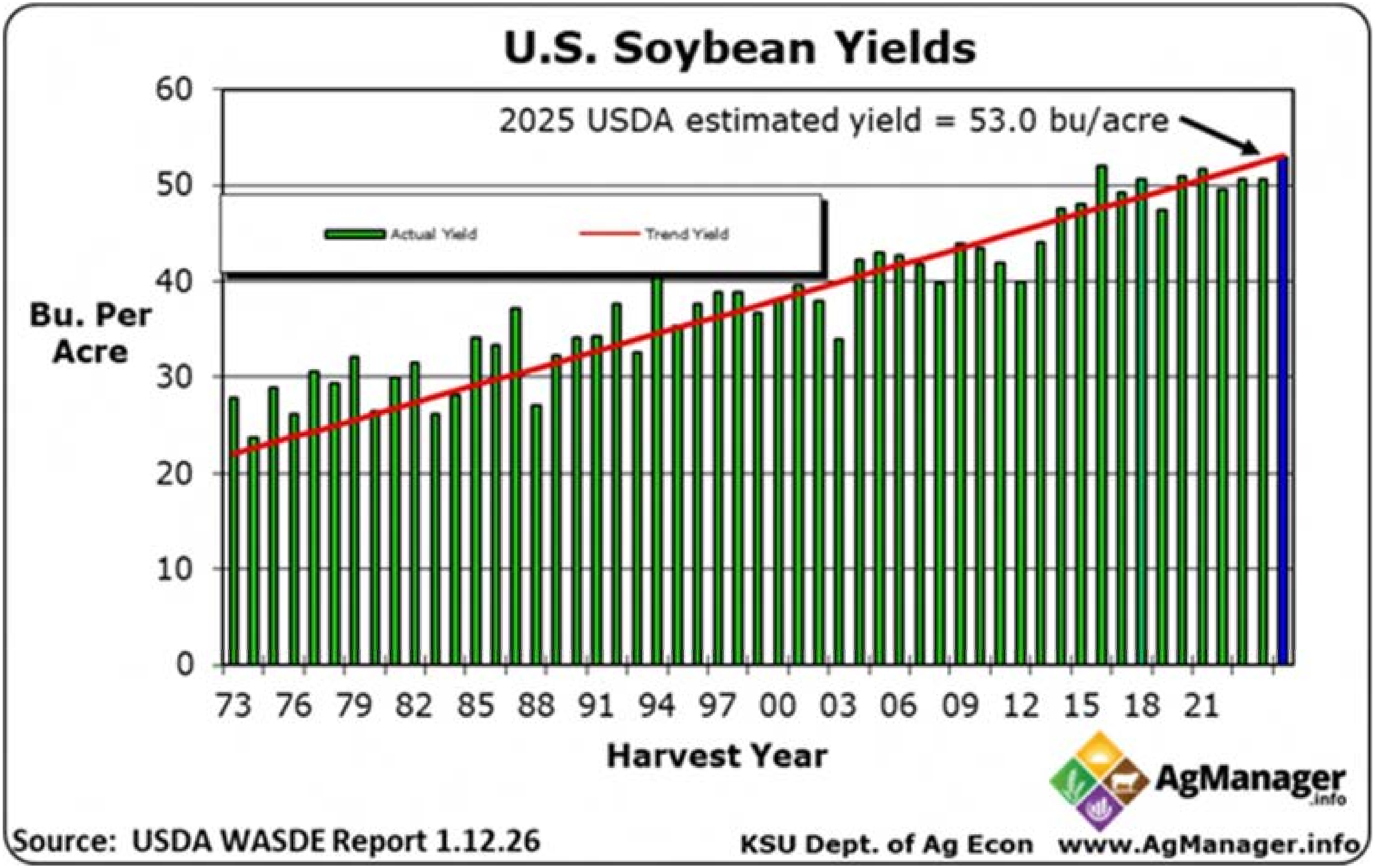
***The potential implementation of a free trade agreement between Mercosur, the bloc comprising Argentina, Brazil, Paraguay, and Uruguay, and the European Union could stimulate even stronger growth in Brazilian product exports.***

However, ongoing judicial disputes related to environmental issues, such as the future of the Soy Moratorium, could damage Brazil's soybean production reputation and hinder the projected export growth of the commodity, particularly to the European Union.

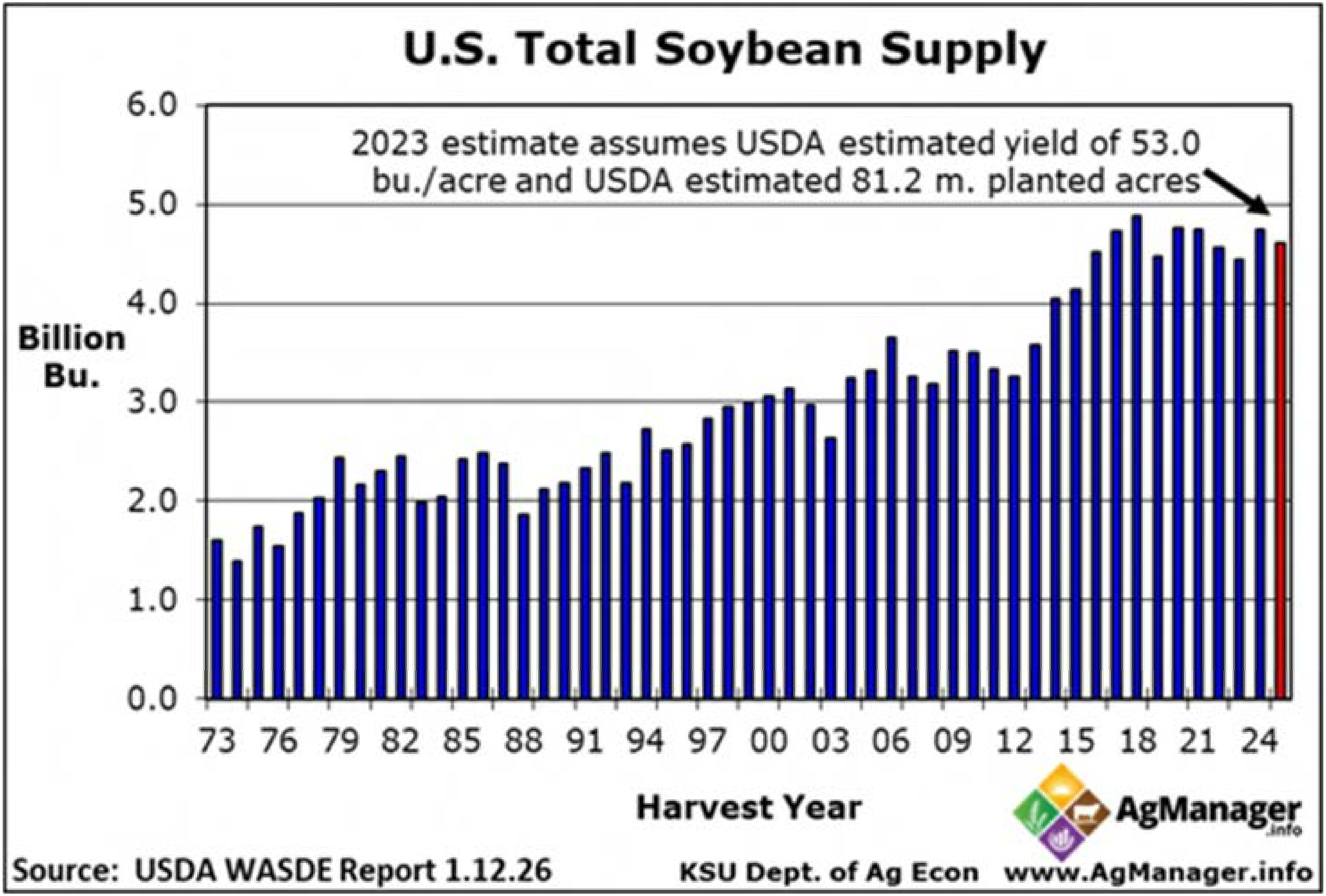
Nonetheless, much of the anticipated increase in soybean exports is expected to continue being driven by Brazil's strong trade relations with the PRC and current global trade dynamics involving the United States.

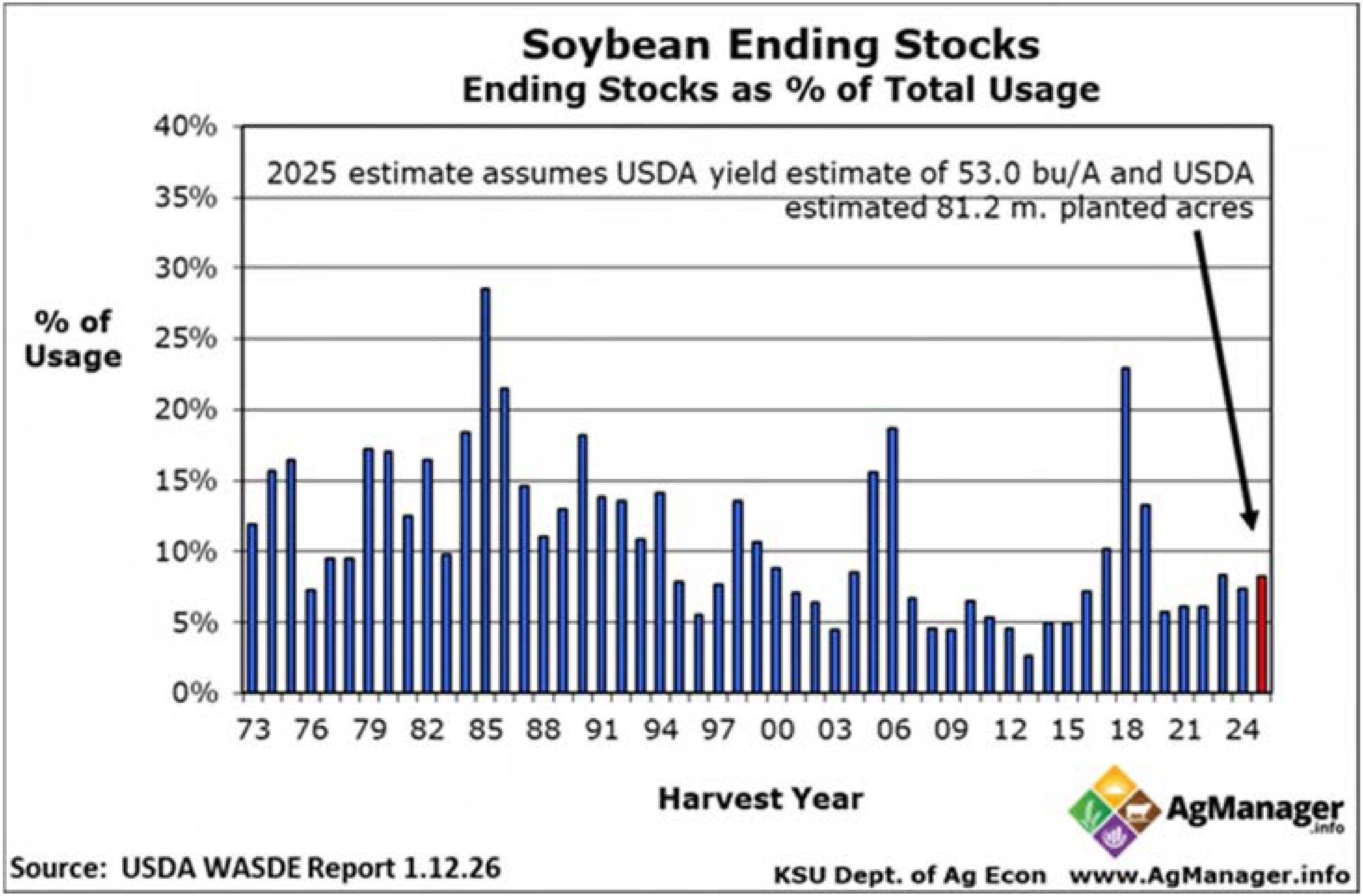
# US Soybeans


U.S. Soybean Production
2025 estimate assumes USDA estimated yield of 53.0 bu./acre and USDA estimated 81.2 m. planted acres
6.0
5.0
4.0
3.0
2.0
1.0
0.0
Billion Bu.
73 76 79 82 85 88 91 94 97 00 03 06 09 12 15 18 21 24
Harvest Year
AgManager .info
Source: USDA WASDE Report 1.12.26
KSU Dept. of Ag Econ www.AgManager.info

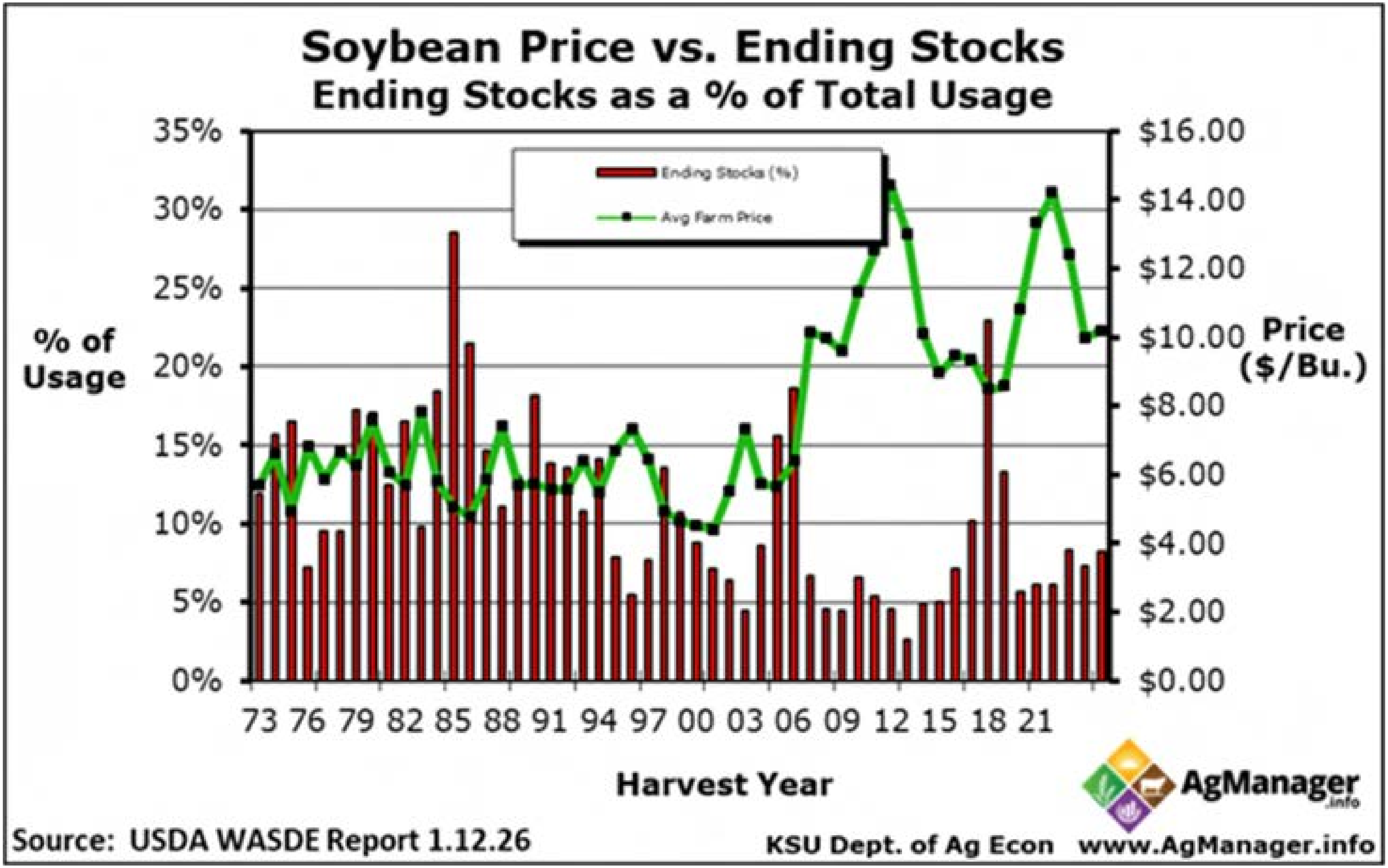


U.S. Soybean Yields
2025 USDA estimated yield = 53.0 bu/acre
Actual Yield
Trend Yield
Bu. Per Acre
60
50
40
30
20
10
0
73 76 79 82 85 88 91 94 97 00 03 06 09 12 15 18 21
Harvest Year
AgManager.info
Source: USDA WASDE Report 1.12.26
KSU Dept. of Ag Econ www.AgManager.info


U.S. Total Soybean Supply
2023 estimate assumes USDA estimated yield of 53.0 bu./acre and USDA estimated 81.2 m. planted acres
Billion Bu.
6.0
5.0
4.0
3.0
2.0
1.0
0.0
73 76 79 82 85 88 91 94 97 00 03 06 09 12 15 18 21 24
Harvest Year
AgManager.info
Source: USDA WASDE Report 1.12.26
KSU Dept. of Ag Econ
www.AgManager.info



Soybean Ending Stocks
Ending Stocks as % of Total Usage
2025 estimate assumes USDA yield estimate of 53.0 bu/A and USDA estimated 81.2 m. planted acres
% of Usage
40%
35%
30%
25%
20%
15%
10%
5%
0%
73 76 79 82 85 88 91 94 97 00 03 06 09 12 15 18 21 24
Harvest Year
AgManager.info
Source: USDA WASDE Report 1.12.26
KSU Dept. of Ag Econ www.AgManager.info


Soybean Price vs. Ending Stocks
Ending Stocks as a % of Total Usage
Ending Stocks (%)
Avg Farm Price
% of Usage
35%
30%
25%
20%
15%
10%
5%
0%
$16.00
$14.00
$12.00
$10.00
$8.00
$6.00
$4.00
$2.00
$0.00
Price ($/Bu.)
73 76 79 82 85 88 91 94 97 00 03 06 09 12 15 18 21
Harvest Year
AgManager.info
Source: USDA WASDE Report 1.12.26
KSU Dept. of Ag Econ
www.AgManager.info

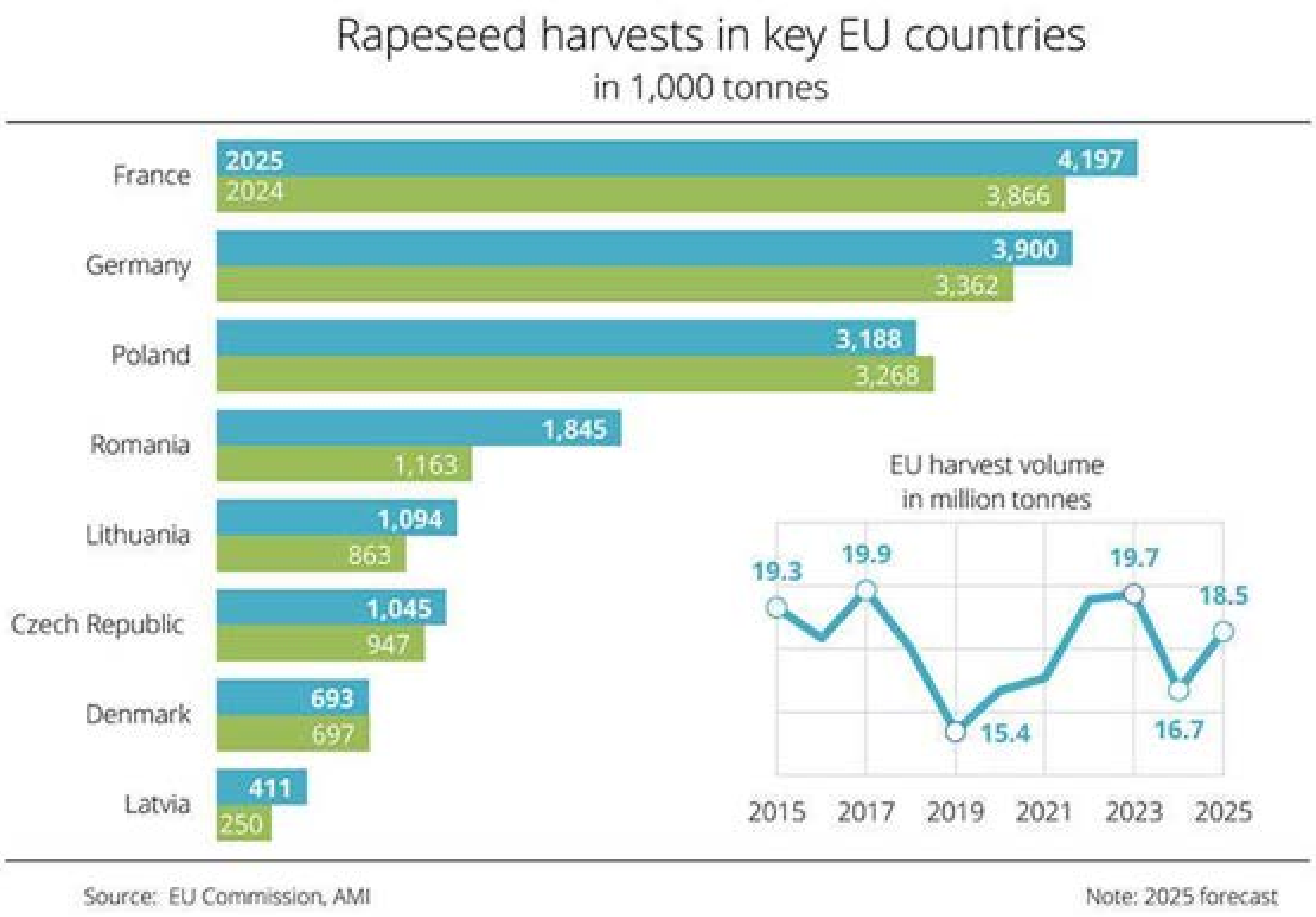
# Canadian Soybeans

- For 2025-26, the area seeded to soybeans rose slightly from last year to 2.34 Mha.
- Canadian soybean production is estimated at 6.8 Mt, down 10% from last year although up slightly when compared to the five-year average.
- As lower carry-in for the year combines with lower output, total supply declines 8% from last year to 7.7 Mt.
- Total domestic use is forecast at 2.1 Mt on lower feed, waste, and dockage.
- The domestic crush forecast remains projected at 1.7 Mt for now, up slightly from last year and on par with the five-year average.
- Exports have been lowered from last month to 5.25 Mt, the third highest on record, if realized.
- Carry-out stocks are expected to close the year at 400 Kt.
- The Canadian simple average price forecast for soybeans, track Chatham, is raised $15/t from last month to $535/t.

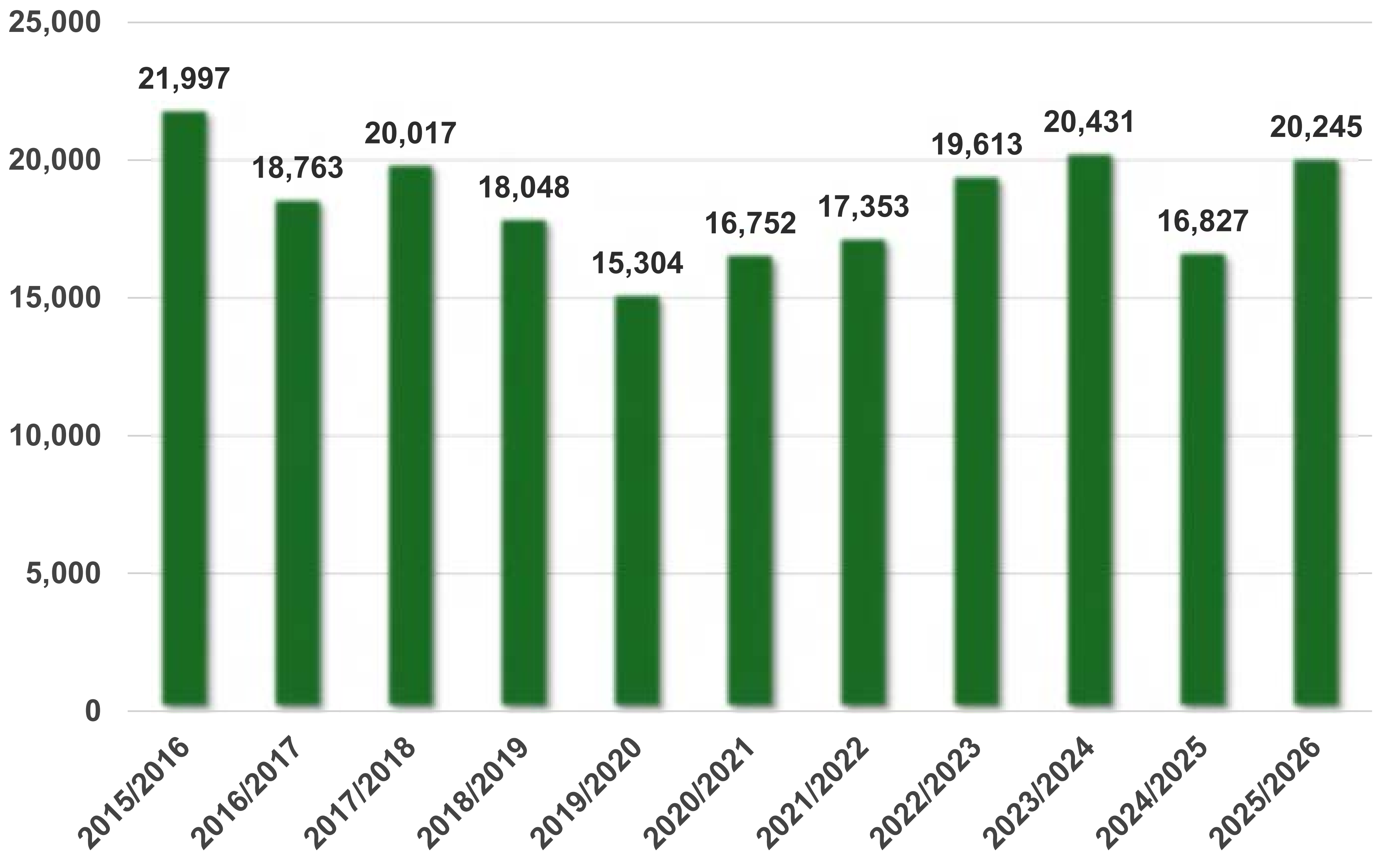
**SOYBEAN PRODUCTION COSTS ($/ACRE)**
**Economics**
**CROP Soybeans**

| | 80th percentile | | | Average Yield | | |
|---|---|---|---|---|---|---|
| Soil Zone | Brown | Dark Brown | Black | Brown | Dark Brown | Black |
| **REVENUE PER ACRE** | | | | | | |
| Estimated Yield (bu./ac) (A) | 21.2 | 25.0 | 30.0 | 17.9 | 21.1 | 27.0 |
| Est. On Farm Market Price $/bu. (B) | 13.24 | 13.24 | 13.24 | 13.24 | 13.24 | 13.24 |
| **Estimated Gross Revenue/ac (AxB)=C** | **280.19** | **330.85** | **396.98** | **237.53** | **279.89** | **357.22** |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 107.69 | 107.69 | 107.69 | 107.69 | 107.69 | 107.69 |
| -Seed Treatments/Inoculants | 14.00 | 14.00 | 14.00 | 14.00 | 14.00 | 14.00 |
| Fertilizer -Nitrogen (N) | 2.52 | 2.96 | 3.62 | 2.52 | 2.96 | 3.62 |
| -Phosphorous (P2O5) | 14.25 | 16.92 | 20.48 | 14.25 | 16.92 | 20.48 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 70.68 | 70.68 | 69.85 | 70.68 | 70.68 | 69.85 |
| -Insecticides | 25.91 | 25.91 | 25.91 | 25.91 | 25.91 | 25.91 |
| -Fungicides | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Machinery Operating -Fuel | 18.61 | 23.26 | 29.08 | 18.61 | 23.26 | 29.08 |
| -Repair | 10.85 | 12.24 | 13.85 | 10.85 | 12.24 | 13.85 |
| Custom Work and Hired Labour | 23.50 | 23.25 | 24.25 | 23.50 | 23.25 | 24.25 |
| Crop Insurance Premium | 3.40 | 4.29 | 2.99 | 3.40 | 4.29 | 2.99 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 11.93 | 12.35 | 12.79 | 11.93 | 12.35 | 12.79 |
| **Total Variable Expenses (D)** | **322.19** | **333.65** | **345.41** | **322.19** | **333.65** | **345.41** |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **26.18** | **30.32** | **23.07** | **26.18** | **30.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **440.25** | **454.83** | **470.73** | **440.25** | **454.83** | **470.73** |
| **Income Per Acre** | **-160.06** | **-123.98** | **-73.75** | **-202.72** | **-174.94** | **-113.51** |

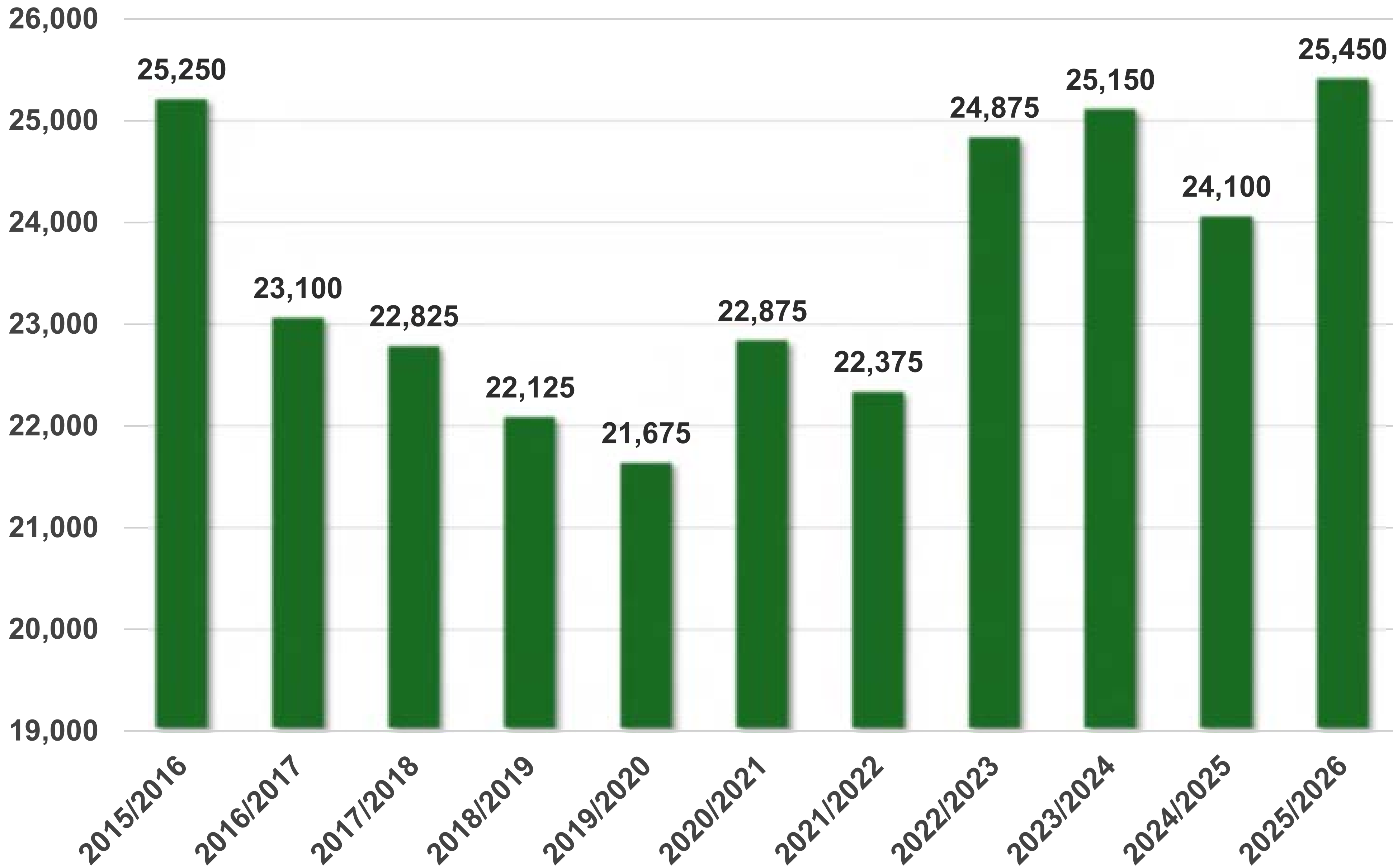
# Canola


Rapeseed harvests in key EU countries
in 1,000 tonnes
France
2025
4,197
2024
3,866
Germany
3,900
3,362
Poland
3,188
3,268
Romania
1,845
1,163
Lithuania
1,094
863
Czech Republic
1,045
947
Denmark
693
697
Latvia
411
250
EU harvest volume
in million tonnes
19.3
19.9
15.4
19.7
16.7
18.5
2015
2017
2019
2021
2023
2025
Source: EU Commission, AMI
Note: 2025 forecast

# European Canola Production MT



# Australia Canola Ending Stocks



# European Canola Production

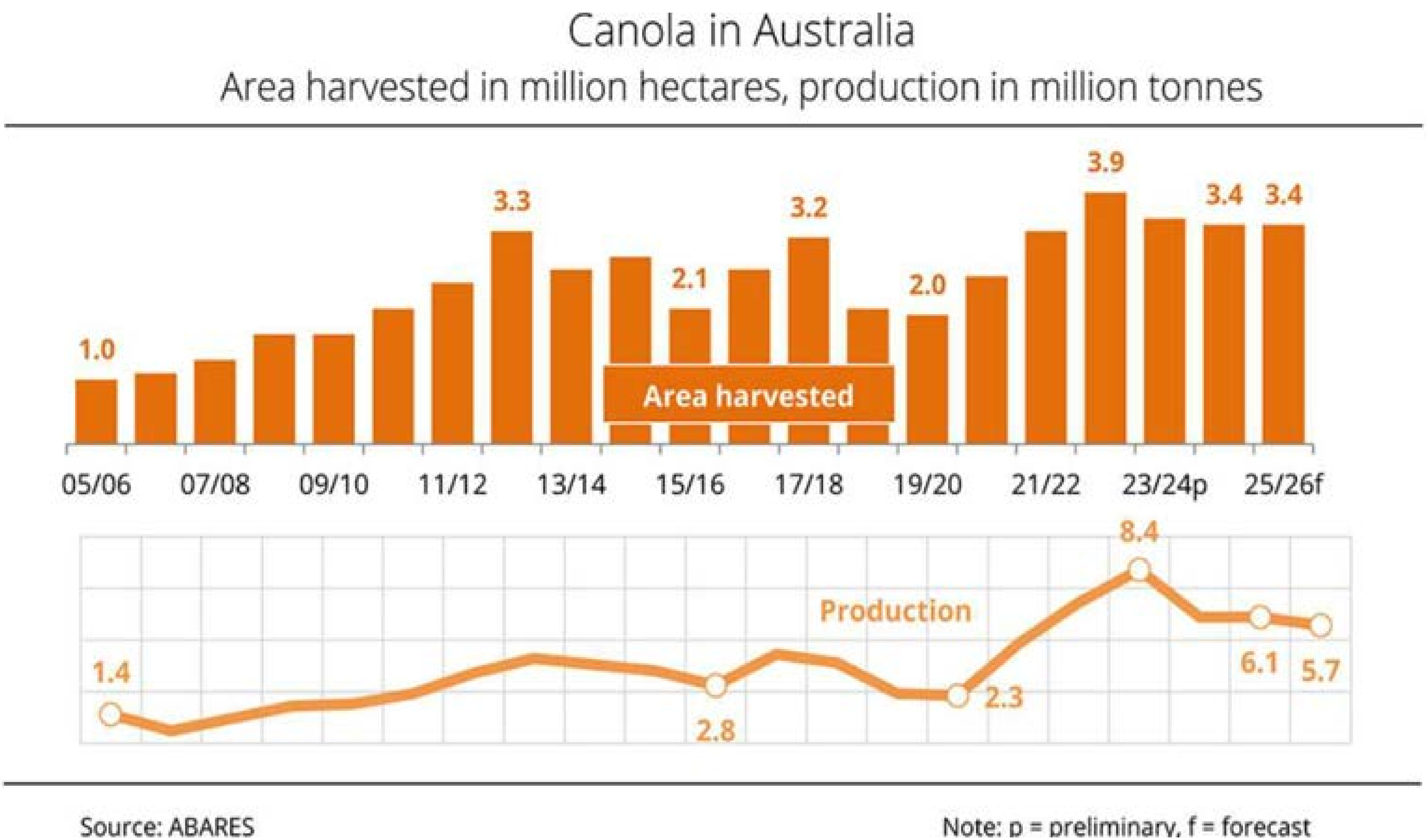
- **Stable Production:** The 2026 European rapeseed crop is forecast at 20.2 (USDA) million tonnes.
- **Increased Planting:** A projected increase in plantings from 7.1 million to 7.5 million hectares is expected to offset a return from exceptionally high 2025 yields to more average levels.
- **Shift from Other Crops:** Farmers in major producing regions like France are increasingly switching to oilseeds (rapeseed, sunflowers, and soybeans) due to disappointing corn and barley margins.

# European Canola

- **Current Price Trends:** As of mid-January 2026, Paris rapeseed futures (Feb-26) are trading around €480.50/t, supported by rising crude oil prices and increased demand for biofuel feedstocks.
- **Biofuel Influence:** Firmer requirements for Rapeseed Methyl Ester (RME) are expected to raise domestic consumption despite a general long-term forecast of reduced biofuel demand toward 2035.
- **Global Supply Pressure:** Early 2026 will see continued pressure from Australian and Ukrainian supplies.
    - However, European stocks are expected to remain at lower levels throughout the season due to dependency on domestic crops and trade uncertainties with Canada.

# European Canola

- **Reduced Import Reliance:** Total EU oilseed imports are projected to fall by roughly 5.9% compared to the 2023–25 period. The EU is moving toward greater self-sufficiency in protein and oilseed crops.
- **Certification Bottlenecks:** Canadian exports to the EU face ongoing certification hurdles.
  - While Canada is eager to increase shipments to Europe due to reduced Chinese demand, actual volumes may be capped between 2 and 4 million tonnes.
- **Export Competition:** Ukraine is expected to see a recovery in rapeseed output for the 2026/27 season, though potential new export taxes could introduce volatility into European pricing.



Canola in Australia
Area harvested in million hectares, production in million tonnes
1.0
3.3
2.1
3.2
2.0
3.9
3.4
3.4
Area harvested
05/06
07/08
09/10
11/12
13/14
15/16
17/18
19/20
21/22
23/24p
25/26f
8.4
Production
1.4
2.8
2.3
6.1
5.7
Source: ABARES
Note: p = preliminary, f = forecast

# Australia Canola

- The Australian canola outlook for 2026 points to **strong production**, with forecasts for the 2025-26 season (which extends into 2026) predicting significant increases driven by good yields and expanded planting areas, especially in Western Australia, leading to potential price pressure due to global oversupply but increased domestic crushing and oil exports.
- While bumper harvests lift global supplies, putting downward pressure on prices, strong global oilseed demand and improving conditions in key Australian states are key factors, with analysts expecting continued competition and subdued overall prices unless major trade shifts occur.

# Australia Canola

## Production & Yields (2025-2026 Season)

•**Forecasts:** ABARES predicted a 13% increase to 7.2 million tonnes for 2025-26, marking a large increase above the 10-year average.

•**Drivers:** Excellent conditions in WA and improved moisture in South Australia and Victoria are boosting yields, alongside increased planted area.

•**Impact:** This robust harvest contributes to high global grain supply, intensifying export competition.

## Market & Price Outlook

•**Price Pressure:** Large global supplies and expanding inventories for oilseeds (canola, soybeans) are expected to keep prices subdued, with limited upside potential.

•**Trade Dynamics:** Increased domestic processing (crush) is occurring, reducing raw canola exports but boosting canola oil exports, which are forecast to hit record levels.

•**Global Context:** Strong global production, particularly from Russia, the EU, and the US, combined with high Australian output, weighs on global prices.

# Canadian Canola – Markets

***While specific final totals for 2025-2026 are still accumulating, the following countries are the primary destinations for Canadian canola seed, oil, and meal:***

**United States:**

Remains the top overall market, particularly for canola oil and meal. In 2024, exports were valued at **$7.7 billion**, and this dominance continues into 2026 as the U.S. remains the primary destination for Canadian crude and oilseed products.

•**Japan:**

•Traditionally a top-three buyer, Japan has increased its shipments in late 2025 to help offset declining Chinese demand. It is a high-value market for premium-quality seed.

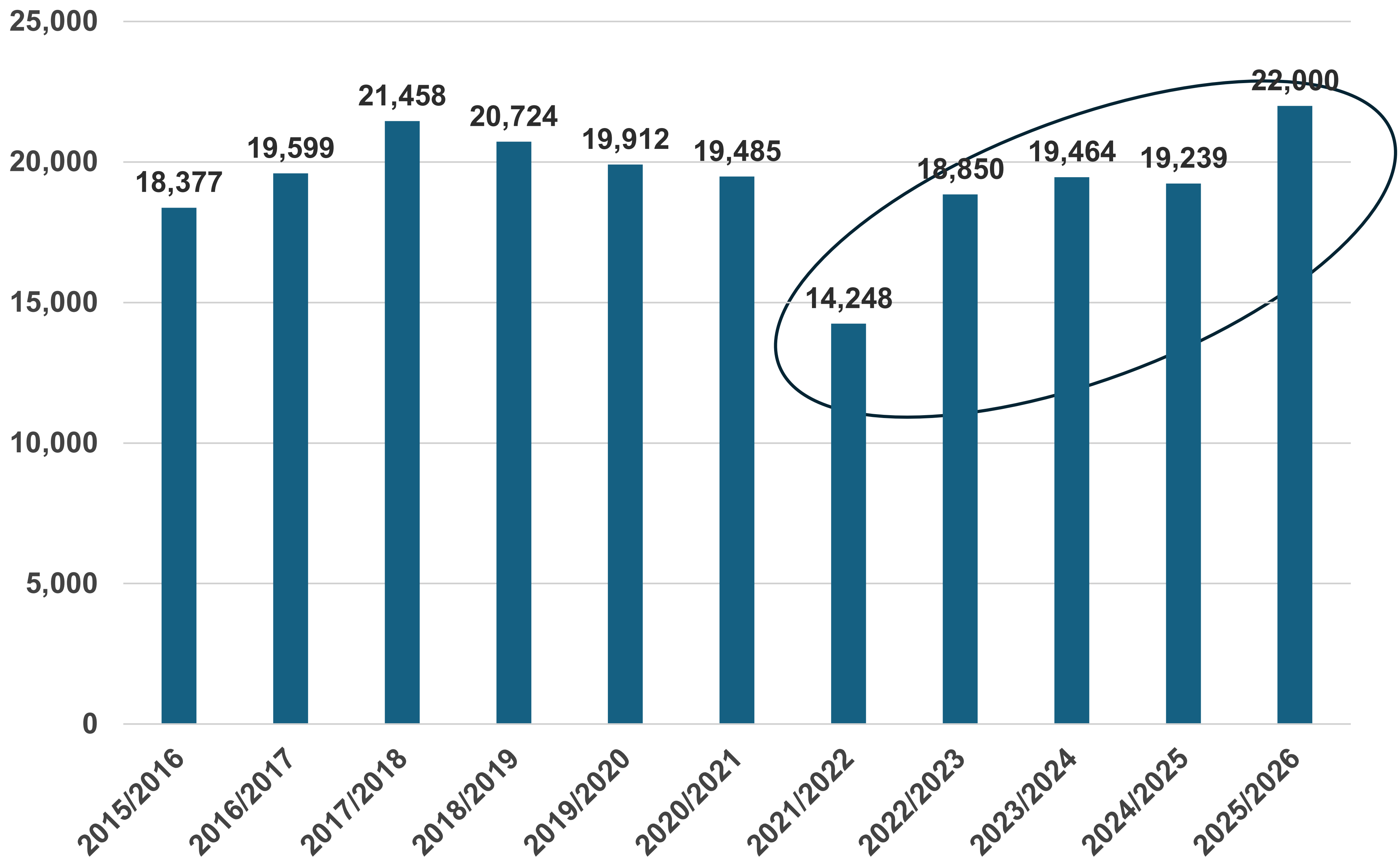
**Mexico:**

•Continues to be a "highly valued" market for canola seed, with historical values exceeding **$1 billion** annually. Like Japan, Mexico has seen increased shipments recently.

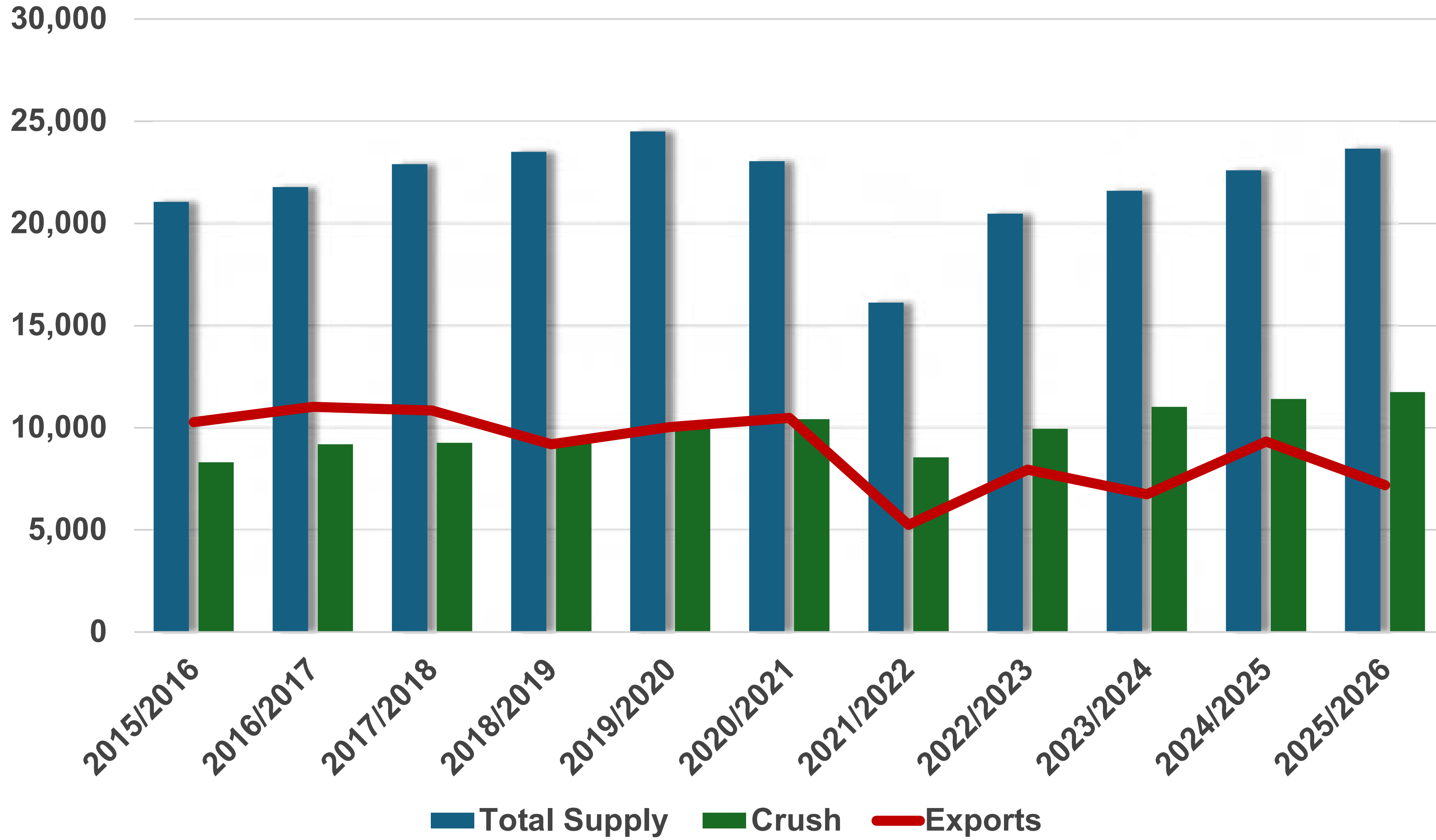
# Canadian Canola – Markets

- **European Union (EU):**
  - A growing destination as Canadian exporters look to redirect volumes away from China. However, exports to the EU face potential caps (between 2M and 4M tonnes) due to certification and regulatory bottlenecks.
- **China:**
  - Once the largest buyer of canola seed, China's market share has collapsed in the 2025-2026 season following the imposition of anti-dumping investigations and tariffs.
  - Exports to China fell from 2.29 million tonnes by October 2024 to just 113,900 tonnes by October 2025.
- **Emerging Markets:**
  - Shipments to Bangladesh, the United Arab Emirates (UAE), and Pakistan have increased but have not yet fully compensated for the loss of the Chinese market.

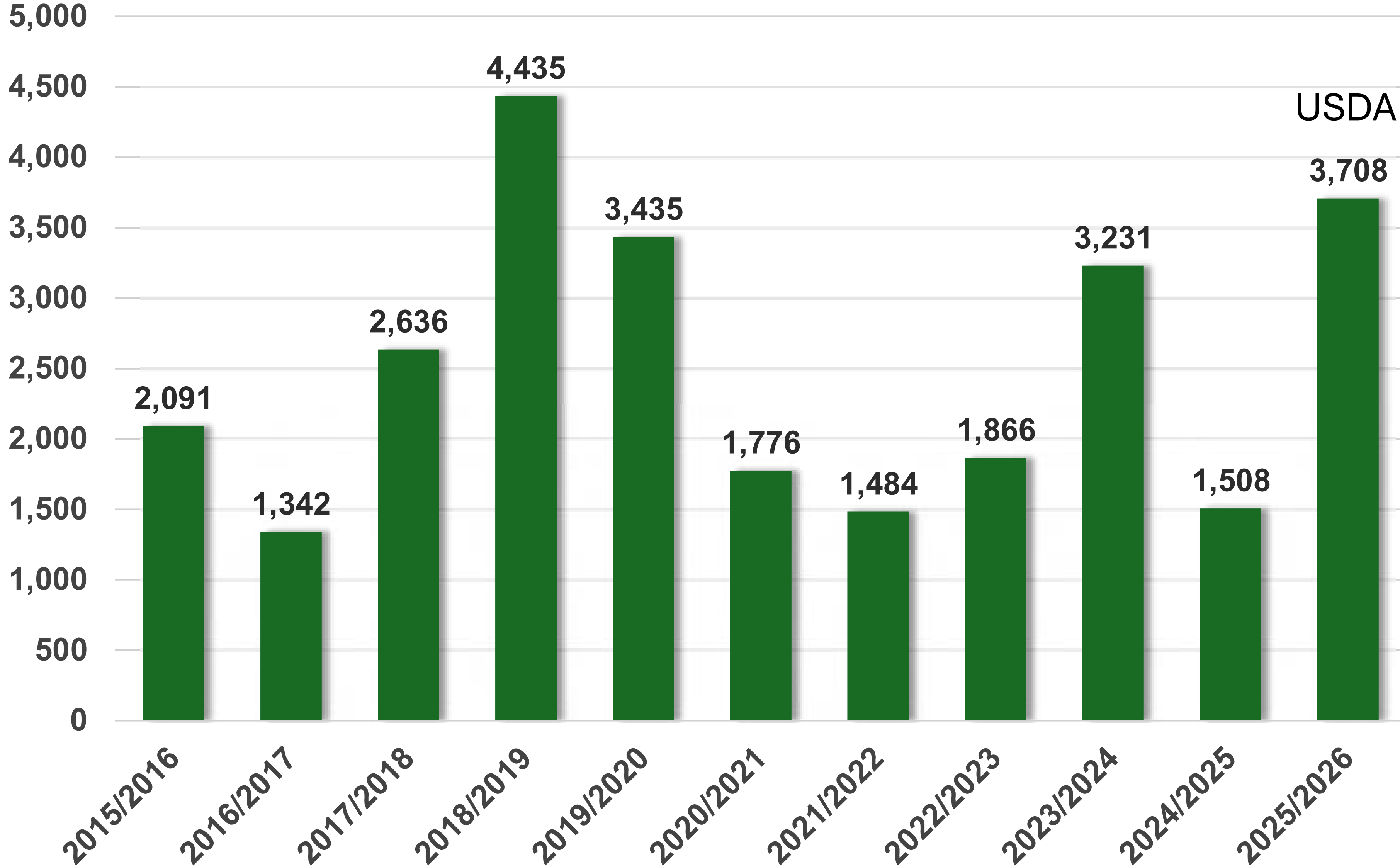
# Canadian Canola Production MT USDA



# Canadian Canola Total Supply, Crush and Exports MT USDA



# Canadian Canola Ending Stocks MT USDA



# Canadian Canola Seed Exports by Country

| Country | TOTAL TO DATE | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **TOTALS – ALL MARKETS** | **6,288,907** | **819,173** | **651,825** | **837,243** | **916,163** | **635,655** | **651,098** | **408,569** | **477,252** | **244,844** | **647,085** |
| Bangladesh | 242,474 | 22,112 | 31,647 | 2 | 0 | 50,000 | 0 | 0 | 22,260 | 64,285 | 52,168 |
| **China** | **2,032,865** | **393,046** | **161,645** | **411,757** | **468,929** | **65,481** | **237,897** | **176,184** | **117,926** | **0** | **0** |
| **EU** | **1,130,104** | **119,425** | **177,477** | **177,359** | **138,050** | **163,795** | **23,704** | **46,800** | **20,720** | **21,015** | **241,759** |
| Israel | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Japan** | **1,554,517** | **177,926** | **144,409** | **156,201** | **198,240** | **138,797** | **178,377** | **106,333** | **156,992** | **54,502** | **242,740** |
| **Mexico** | **840,380** | **48,300** | **123,498** | **78,745** | **68,987** | **112,962** | **48,396** | **78,972** | **114,020** | **67,897** | **98,603** |
| Nepal | 5,627 | 3,661 | 1,966 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Pakistan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| U.A.E. | 335,369 | 22,035 | 0 | 0 | 29,624 | 83,491 | 129,151 | 0 | 35,010 | 36,058 | 0 |
| U.S. | 109,473 | 30,649 | 10,620 | 12,266 | 12,121 | 20,299 | 7,323 | 280 | 10,251 | 544 | 5,120 |
| Others | 38,098 | 2,019 | 563 | 913 | 212 | 830 | 26,250 | 0 | 73 | 543 | 6,695 |

# Canadian Canola Oil Exports by Country

| Country | TOTAL TO DATE | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **TOTAL – ALL MARKETS** | **2,651,851** | **311,833** | **293,186** | **282,292** | **248,174** | **272,936** | **223,215** | **194,166** | **281,333** | **254,091** | **290,625** |
| Chile | 48,526 | 0 | 14,503 | 0 | 0 | 41 | 0 | 0 | 17,301 | 0 | 16,681 |
| China | 120,445 | 50,506 | 69,769 | 0 | 134 | 9 | 0 | 27 | 0 | 0 | 0 |
| Colombia | 9,617 | 19 | 2,539 | 2,019 | 37 | 3,876 | 0 | 19 | 19 | 19 | 1,070 |
| Hong Kong | 2,199 | 0 | 2,019 | 70 | 19 | 13 | 38 | 0 | 0 | 15 | 25 |
| India | 26 | 0 | 0 | 0 | 26 | 0 | 0 | 0 | 0 | 0 | 0 |
| Japan | 5,337 | 159 | 2,114 | 2,109 | 107 | 133 | 106 | 79 | 131 | 211 | 188 |
| Malaysia | 32,342 | 15,612 | 157 | 1,074 | 620 | 14,858 | 0 | 0 | 21 | 0 | 0 |
| Mexico | 186,783 | 17,657 | 12,831 | 13,996 | 23,951 | 26,518 | 17,619 | 25,450 | 15,042 | 18,908 | 14,811 |
| S. Korea | 106,000 | 13,057 | 6,548 | 45,222 | 18,701 | 14,317 | 0 | 64 | 0 | 0 | 8,091 |
| Taiwan | 6,963 | 3,000 | 0 | 2,000 | 0 | 1,963 | 0 | 0 | 0 | 0 | 0 |
| ***U.S.*** | ***2,019,931*** | ***196,655*** | ***163,745*** | ***179,783*** | ***163,031*** | ***211,018*** | ***205,113*** | ***168,216*** | ***248,518*** | ***234,360*** | ***249,492*** |
| Others | 113,682 | 15,168 | 18,961 | 36,019 | 41,548 | 190 | 339 | 311 | 301 | 578 | 267 |

# Canadian Canola Meal Exports by Country

| Country | TOTAL TO DATE | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **TOTAL – ALL MARKETS** | **4,749,731** | **560,054** | **414,156** | **589,849** | **464,737** | **391,058** | **458,924** | **450,280** | **447,037** | **534,738** | **438,898** |
| **China** | **735,871** | **211,386** | **143,373** | **195,556** | **112,927** | **9,119** | **32,506** | **30,000** | **1,004** | **0** | **0** |
| Hong Kong | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mexico | 2,913 | 0 | 0 | 392 | 393 | 94 | 578 | 94 | 0 | 680 | 682 |
| Thailand | 502 | 0 | 0 | 0 | 0 | 0 | 0 | 502 | 0 | 0 | 0 |
| **U.S.** | **3,409,491** | **348,668** | **270,783** | **393,700** | **284,874** | **361,894** | **286,965** | **412,118** | **302,963** | **373,330** | **374,196** |
| **Vietnam** | **97,094** | **0** | **0** | **201** | **6,713** | **19,947** | **18,822** | **7,566** | **17,643** | **11,862** | **14,340** |
| Others | 503,860 | 0 | 0 | 0 | 59,830 | 4 | 120,053 | 0 | 125,427 | 148,866 | 49,680 |

# Canadian Canola

- **For 2025-26**, farmers seeded 8.75 million hectares (Mha) to canola.
- In their latest release, Statistics Canada (STC) raised harvested area to 8.70 Mha and bumped the national yield from 2.31 tonnes per hectare (t/ha) to 2.51 t/ha.
- As a result, canola production is estimated at a record high of 21.8 million tonnes (Mt), 19% above the five-year average of 18.3 Mt and surpassing the previous record of 21.5 Mt in 2017-18.
- Total supplies are now estimated at a five-year high of 23.5 Mt, with the large output offsetting the sharp decline of carry-in stocks.

# Canadian Canola

- For the crop year to the end of October, 2.9 Mt of canola seed has been crushed, according to STC, resulting in 1.2 Mt of canola oil and 1.7 Mt of canola meal.
- The current crush pace is just slightly ahead of last year and 13% ahead of the five-year average.
- Given the expansion in domestic processing and abundant canola supplies, the crush projection has been raised to a record 12 Mt, up 5% from last year and notably higher than the five-year average of 10.3 Mt.
- Increased supplies have also supported a rise in the export forecast from last month to 8 Mt. If realized, exports would still be sharply below last year's 9.3 Mt, accounting for strong domestic use combined with the assumption that China's preliminary anti-dumping duty remains in place.
- Total carry-out stocks for 2025-26 to 2.95 Mt, well above last year and the five-year average of 1.98 Mt.
- The simple average price, No.1 Track Vancouver, is forecast at $660/tonne (/t), down from last year's $677/t and well below the five-year average price of $811/t.
- Factors to observe are:
    - (i) farmer delivery pace,
    - (ii) crush and export pace,
    - (iii) US soybean and soy-product prices,
    - (iv) Brazil and Argentina soybean planting progress,
    - (v) progress towards resolution of China's anti-dumping duty on Canadian canola.

# Canadian Canola

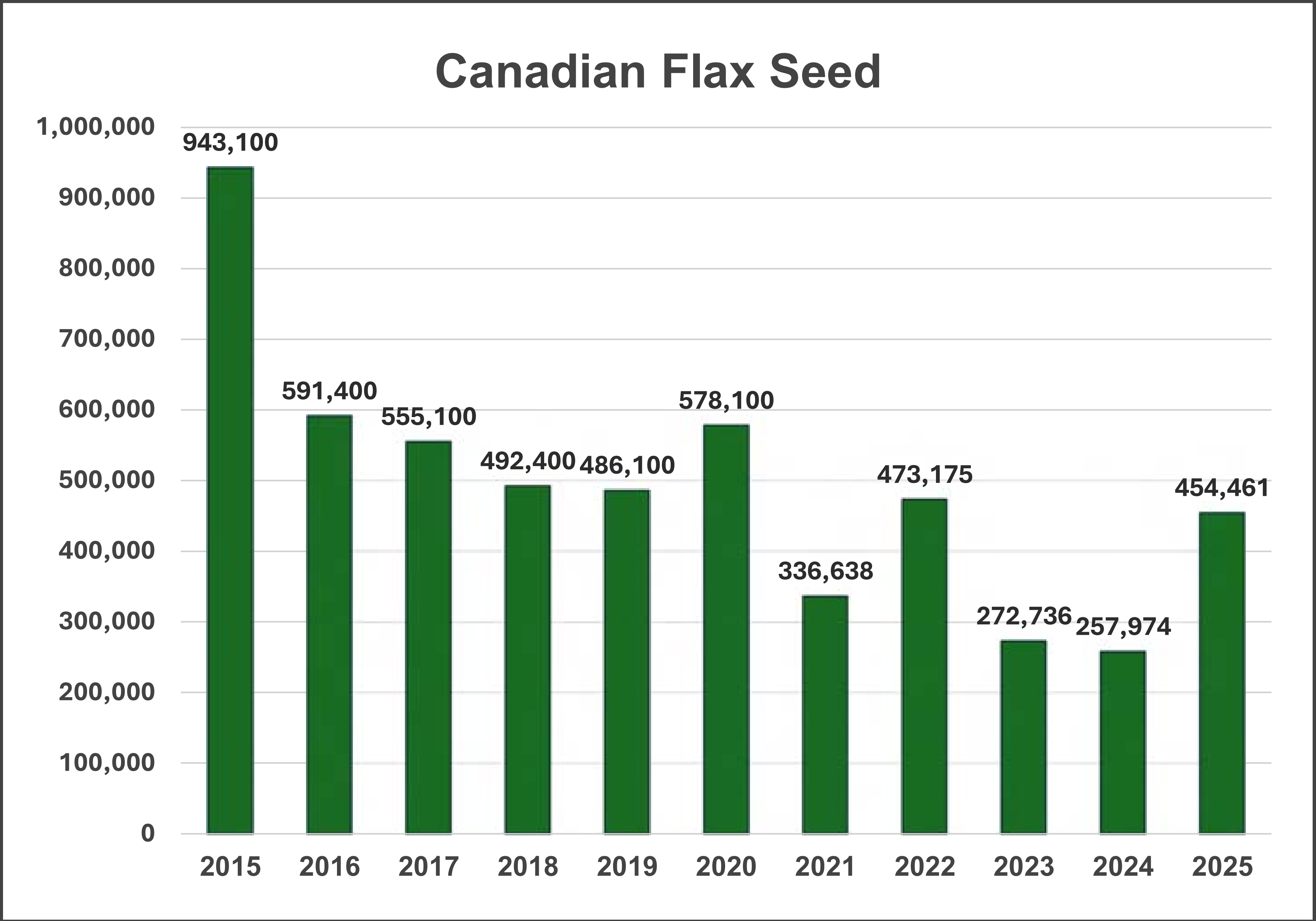
- For 2026-27, the preliminary forecast for canola seeded area is 8.9  million hectares (Mha), a modest 2% increase from last year, given crop rotation considerations, waning prices for other crops, and strong domestic demand.
- Yields are assumed to fall back to a near-normal level coming off last year's high.
- This brings canola production to a projected 19.2 Mt, 12% below last year's record-high.
- Lower output offsets sharply higher carry-in, bringing total supply lower year-on-year to 22.1 Mt.
- Given the expansion in processing capacity, domestic crush is expected to rise to a new record of 12.5 Mt, pressuring total exports to 7.5 Mt.
- Carry-out is projected to lower to 1.7 Mt.
- The No.1 Track Vancouver average price is projected to fall to $640/t, $25/t below the previous year.

# Canola May '26 (RSH26)

| **Canola** | | | |
|---|---|---|---|
| | **2024-2025** | **2025-2026** | **2026-2027** |
| **Area seeded (thousand hectares)** | 8,908 | 8,748 | 8,915 |
| **Area harvested (thousand hectares)** | 8,846 | 8,697 | 8,828 |
| **Yield (tonnes per hectare)** | 2.17 | 2.51 | 2.17 |
| ***Production (thousand tonnes)*** | ***19,239*** | ***21,804*** | **19,200** |
| **Imports (thousand tonnes)** | 131 | 100 | 100 |
| **Total supply (thousand tonnes)** | **22,595** | **23,501** | **22,050** |
| **Exports (thousand tonnes)** | **9,331** | **8,000** | 7,500 |
| **Food and Industrial Use (thousand tonnes)** | 11,412 | 12,000 | 12,500 |
| **Feed, Waste & Dockage (thousand tonnes)** | 191 | 500 | 349 |
| **Total Domestic Use (thousand tonnes)** | 11,667 | 12,551 | 12,900 |
| ***Carry-out Stocks (thousand tonnes)*** | ***1,597*** | ***2,950*** | **1,650** |
| **Average Price ($/tonne)** | **677** | **660** | **640** |

| CANOLA PRODUCTION COSTS ($/ACRE) | | | | | | |
|---|---|---|---|---|---|---|
| | Economics | | | | | |
| **CROP** | | **Canola** | | | | |
| | | 80th percentile | | | Average Yield | |
| Soil Zone | Brown | Dark Brown | Black | Brown | Dark Brown | Black |
| **REVENUE PER ACRE** | | | | | | |
| Estimated Yield (bu./ac) (A) | 37.0 | 44.9 | 51.1 | 25.5 | 33.0 | 41.7 |
| Est. On Farm Market Price $/bu. (B) | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 |
| **Estimated Gross Revenue/ac (AxB)=C** | **481.02** | **583.24** | **664.78** | **332.02** | **428.48** | **542.23** |
| | | | | | | |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 86.85 | 86.85 | 86.85 | 86.85 | 86.85 | 86.85 |
| -Seed Treatments/Inoculants | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Fertilizer -Nitrogen (N) | 57.70 | 70.28 | 79.89 | 57.70 | 70.28 | 79.89 |
| -Phosphorous (P2O5) | 37.40 | 45.42 | 51.65 | 37.40 | 45.42 | 51.65 |
| -Sulphur and Other | 6.78 | 7.82 | 9.12 | 6.78 | 7.82 | 9.12 |
| Plant Protection -Herbicides | 62.73 | 62.73 | 75.40 | 62.73 | 62.73 | 75.40 |
| -Insecticides | 3.28 | 3.28 | 3.28 | 3.28 | 3.28 | 3.28 |
| -Fungicides | 0.00 | 23.65 | 23.65 | 0.00 | 23.65 | 23.65 |
| Machinery Operating -Fuel | 17.63 | 22.04 | 27.55 | 17.63 | 22.04 | 27.55 |
| -Repair | 10.85 | 12.24 | 13.85 | 10.85 | 12.24 | 13.85 |
| Custom Work | 22.25 | 22.25 | 22.25 | 22.25 | 22.25 | 22.25 |
| Crop Insurance Premium | 7.49 | 9.41 | 7.52 | 7.49 | 9.41 | 7.52 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 13.10 | 15.19 | 16.57 | 13.10 | 15.19 | 16.57 |
| **Total Variable Expenses (D)** | **353.92** | **410.25** | **447.49** | **353.92** | **410.25** | **447.49** |
| | | | | | | |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **26.18** | **30.32** | **23.07** | **26.18** | **30.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **471.99** | **531.43** | **572.81** | **471.99** | **531.43** | **572.81** |
| | | | | | | |
| **Income Per Acre** | **9.03** | **51.81** | **91.97** | **-139.97** | **-102.95** | **-30.58** |

# Flax


Canadian Flax Seed
1,000,000
900,000
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
943,100
591,400
555,100
492,400
486,100
578,100
336,638
473,175
272,736
257,974
454,461
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

# Canadian Flax

- For 2025-26, area seeded to flaxseed expanded to 250.9 thousand hectares (Kha), up 23% from last year, with most of Canada's flax grown in Saskatchewan (87%).
- In STC's latest release, both area harvested and yields were raised to 249.1 Kha and 1.82 t/ha, respectively.
- As a result, flaxseed production is estimated at a 454.5 thousand tonnes (Kt), a sharp increase from last year's 258 Kt and 18% higher than the five-year average.
- Total supplies are now estimated at a five-year high of 598.5 Kt.

# Canadian Flax

- Total domestic use is forecast slightly lower this month at 88.5 Kt, a rise of 24% from last year. Given the increase in supply, exports have been raised to 235 Kt. Carry-out is higher this month at 275 Kt, sharply higher than last year and the five year average of 132 Kt.
- The simple average price for flaxseed, No.1 in-store Saskatoon cash, is forecast lower this month to a six-year low of $550/t.

| **Flaxseed** | | | |
|---|---|---|---|
| | **2023-2024** | **2024-2025** | **2025-2026** |
| **Area seeded (thousand hectares)** | **247** | **204** | **251** |
| **Area harvested (thousand hectares)** | **239** | **201** | **249** |
| **Yield (tonnes per hectare)** | **1.14** | **1.28** | **1.82** |
| ***Production (thousand tonnes)*** | ***273*** | ***258*** | ***454*** |
| **Imports (thousand tonnes)** | **10** | **8** | **10** |
| **Total supply (thousand tonnes)** | **502** | **431** | **599** |
| **Exports (thousand tonnes)** | **211** | **225** | **235** |
| **Food and Industrial Use (thousand tonnes)** | **N/A** | **N/A** | **N/A** |
| **Feed, Waste & Dockage (thousand tonnes)** | **118** | **60** | **70** |
| **Total Domestic Use (thousand tonnes)** | **127** | **71** | **89** |
| **Carry-out Stocks (thousand tonnes)** | **164** | **134** | **275** |
| **Average Price ($/tonne)** | **581** | **630** | **550** |

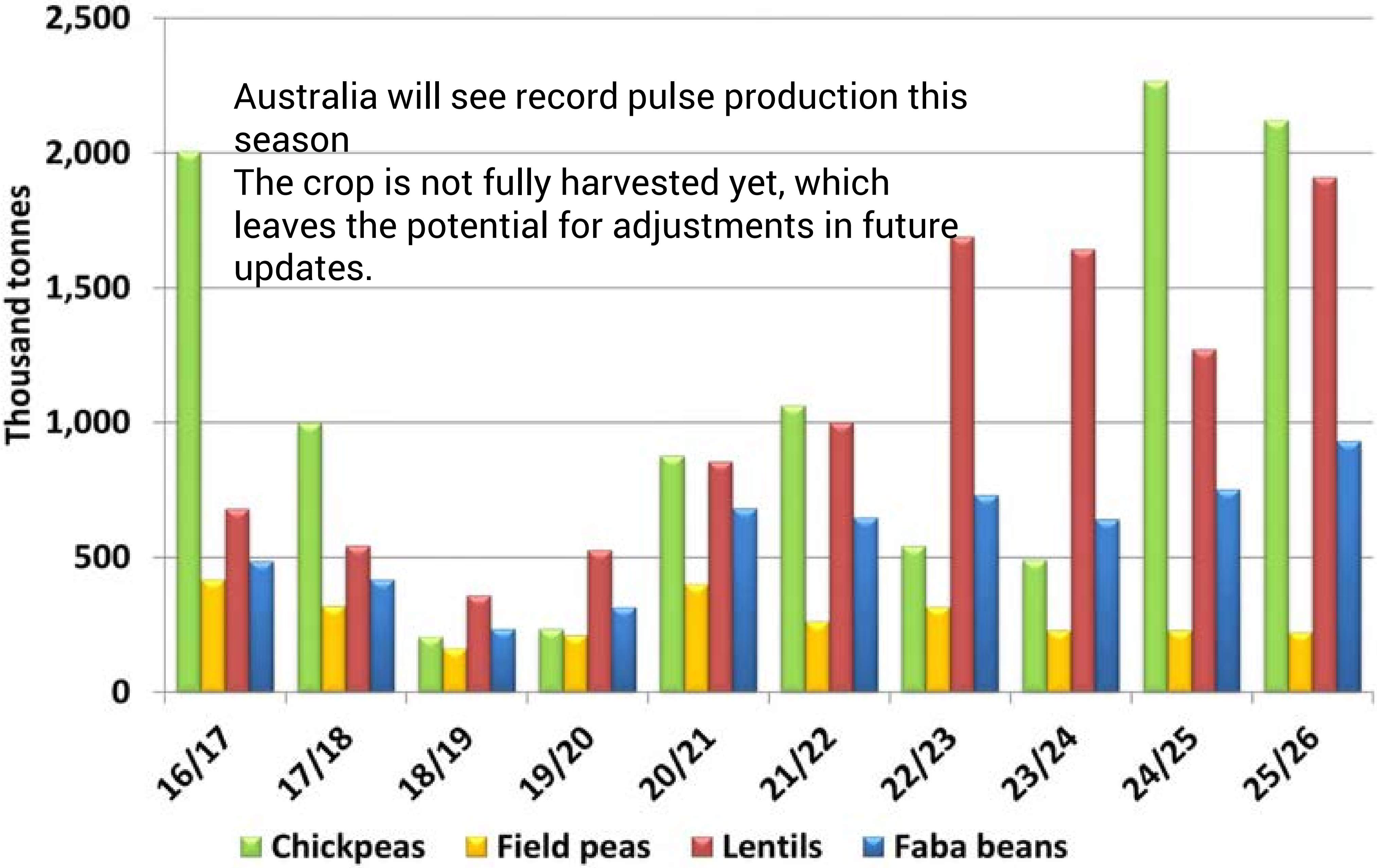
**FLAX PRODUCTION COSTS ($/ACRE)**
**Economics**

| **CROP** | **FLAX** | | | | | |
|---|---|---|---|---|---|---|
| | **80th percentile** | | | **Average Yield** | | |
| Soil Zone | Brown | Dark Brown | Black | Brown | Dark Brown | Black |
| **REVENUE PER ACRE** | | | | | | |
| Estimated Yield (bu./ac) (A) | 22.7 | 28.0 | 33.0 | 15.0 | 19.5 | 23.1 |
| Est. On Farm Market Price $/bu. (B) | 15.66 | 15.66 | 15.66 | 15.66 | 15.66 | 15.66 |
| **Estimated Gross Revenue/ac (AxB)=C** | **355.56** | **438.65** | **516.63** | **234.9** | **304.59** | **361.43** |
| | | | | | | |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 21.20 | 23.85 | 26.50 | 21.20 | 23.85 | 26.50 |
| -Seed Treatments/Inoculants | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fertilizer -Nitrogen (N) | 39.21 | 48.08 | 56.96 | 39.21 | 48.08 | 56.96 |
| -Phosphorous (P2O5) | 14.25 | 17.81 | 20.48 | 14.25 | 17.81 | 20.48 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 48.84 | 46.45 | 32.94 | 48.84 | 46.45 | 32.94 |
| -Insecticides | 3.28 | 3.28 | 3.28 | 3.28 | 3.28 | 3.28 |
| -Fungicides | 0.00 | 23.65 | 23.65 | 0.00 | 23.65 | 23.65 |
| Machinery Operating -Fuel | 16.65 | 20.82 | 26.02 | 16.65 | 20.82 | 26.02 |
| -Repair | 10.85 | 12.24 | 13.85 | 10.85 | 12.24 | 13.85 |
| Custom Work and Hired Labour | 22.00 | 22.25 | 22.25 | 22.00 | 22.25 | 22.25 |
| Crop Insurance Premium | 6.13 | 7.58 | 7.22 | 6.13 | 7.58 | 7.22 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 7.74 | 9.46 | 9.77 | 7.74 | 9.46 | 9.77 |
| **Total Variable Expenses (D)** | **209.00** | **255.56** | **263.82** | **209.00** | **255.56** | **263.82** |
| | | | | | | |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **26.18** | **30.32** | **23.07** | **26.18** | **30.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **327.07** | **376.74** | **389.14** | **327.07** | **376.74** | **389.14** |
| | | | | | | |
| **Income Per Acre** | **28.49** | **61.91** | **127.49** | **-92.17** | **-72.15** | **-27.71** |

# Pulse Crops

# Australian Pulse Production

Australia will see record pulse production this season
The crop is not fully harvested yet, which leaves the potential for adjustments in future updates.



# Australia Pulse Production

- ABARES, chickpea production (primarily desis) dipped 7% to 2.1 million tonnes, very similar to the September estimate, although not quite matching last year's record.
- Even so, this compares to the five-year average prior to 2024/25 of 640,000 tonnes, reflecting the huge jump in crop size the past two seasons.
- Seeded area was an all-time high at 1.1 million hectares, which is nearly double the five-year average, while yields dipped to 2 tonnes per hectare (t/ha) from the previous season's record of 2.2 t/ha.
- The huge spike in chickpea production in 2024/25 led to a surge in exports last season, in excess of 2 million tonnes, over four times the size of the previous year.

# Australia Pulse Production

- Trade data does not show the breakdown between desi and kabuli chickpeas, although it is estimated that less than 10% of exports are Kabulis.
- Most of the shipments go to South Asia, with India being the largest destination, particularly early in the marketing year.
- India’s chickpea inventories are reasonably comfortable, which will make it more difficult to move the large crop, and could mean more desis get directed to other Asian markets.
- It may also result in shipments being spread somewhat more evenly over the year, rather being as front-loaded as last season.

# Australia Pulse Production

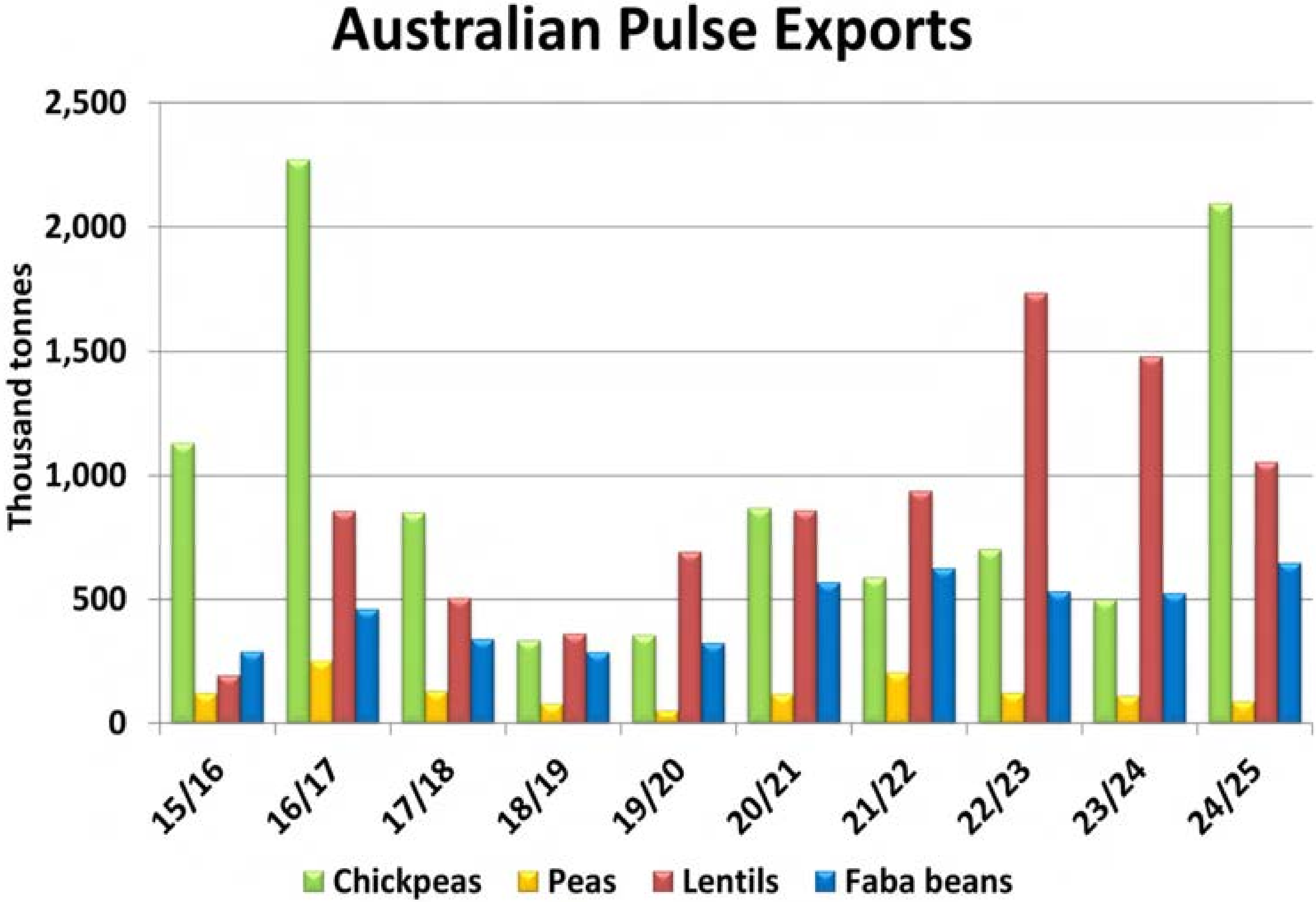
- ***ABARES showed lentil production increasing by over 50% to a record 1.9 million tonnes, well ahead of the previous record of 1.7 million tonnes in 2022/23.***
- This was also up from the September estimate of 1.7 million tonnes, despite some concerns around wet conditions delaying harvest, particularly in South Australia.
- The big crop was driven primarily by a 38% increase in yields, to 1.7 t/ha, while area was up 10% to 1.1 million hectares, the seventh consecutive year of higher plantings.
- Australia's lentil exports slipped to 1.1 million tonnes in 2024/25, the lowest in three years, although still far above any season prior to that.
- Most of the shipments went to India and Bangladesh.
- Record production this year means exports should be higher in 2025/26, although likely not reaching the 1.7 million tonne record from 2022/23.

# Australia Pulse Production

- Most of Australia's lentil production is reds, which when combined with a bigger Canadian crop will keep supply pressure on global markets.
- At the same time, this has largely been factored in by traders, and there are signs lower prices may be encouraging additional demand, which would help to work down supplies.
- Faba bean production came in at 930,000 tonnes, up 24% from last season, which itself was a record, and well above the September estimate of 854,000 tonnes.
- This was driven by a 10% increase in plantings, to an all-time high of 441,000 hectares, while yields were also up at 2.1 t/ha, not a record but still historically large.

# Australia Pulse Production

- Most of Australia’s faba beans are exported, with record shipments of 646,000 tonnes in 2024/25.
- Movement could exceed that figure this season given the larger supplies, which will keep pressure on global markets.
- Egypt will likely take most of the volume, with smaller amounts going to other Middle Eastern countries.
- Peas are one of the smallest pulse crops in Australia, with ABARES pegging production at 221,000 tonnes, the lowest since 2019/20 due to the smallest plantings in over 30 years, although down only modestly from the previous two seasons.
- Exports were below 100,000 tonnes in 2024/25, despite China’s import tariffs on Canadian supplies, which suggests Australian exports are likely to be low again this season.




*Jonathan Driedger is Vice President with LeftField Commodity Research. He can be reached at [jon@leftfieldcr.com.](mailto:jon@leftfieldcr.com)*

# Peas

# US Peas

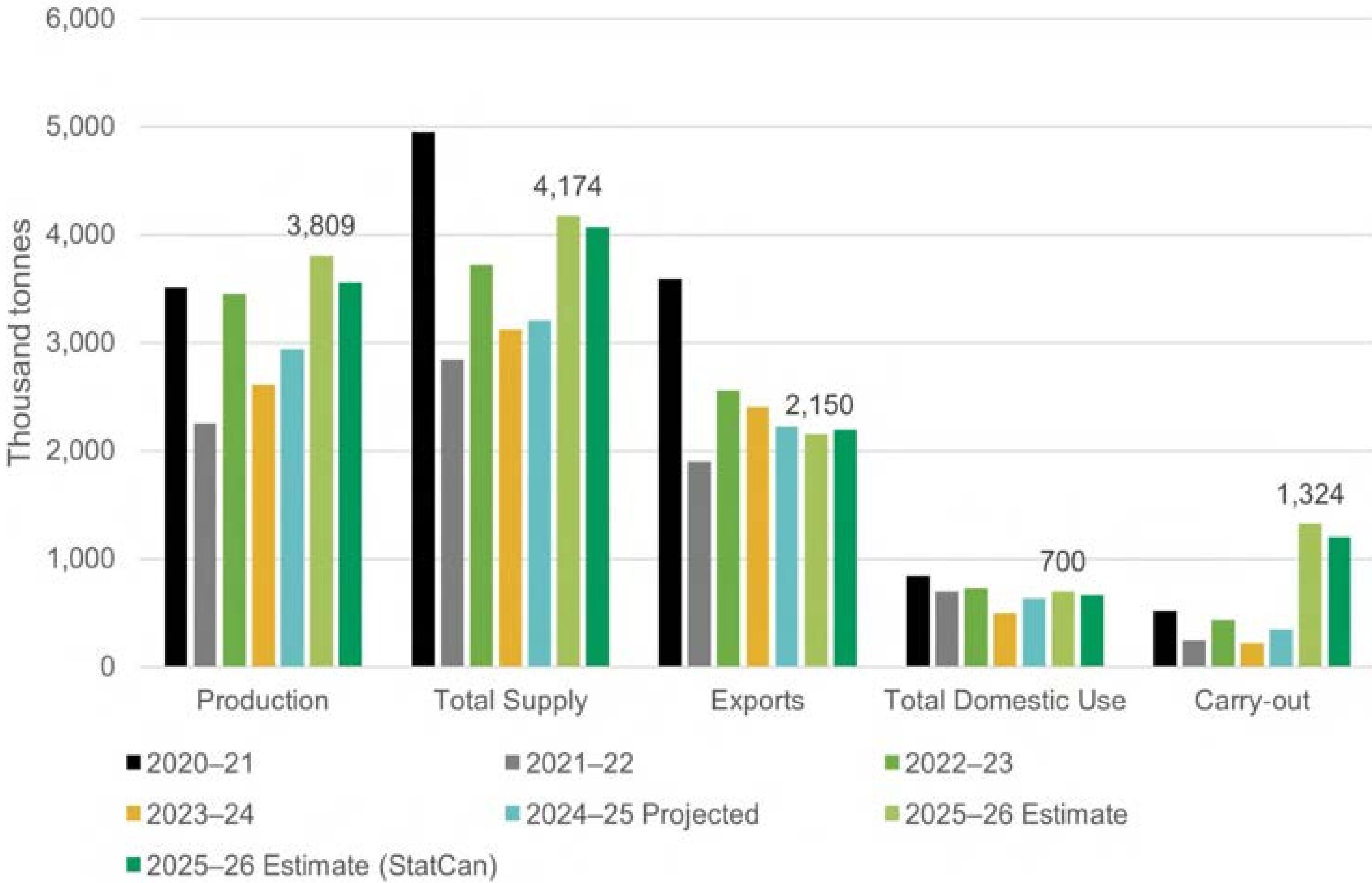
- In the US, area seeded to dry peas for 2025-26 is estimated by the United States Department of Agriculture (USDA) to have risen by 21% to 1.18 million acres (0.48 Mha).
- This is largely due to an increase in area in North Dakota and Montana.
- With estimates of above-average yields, US dry pea production is estimated by the United States Department of Agriculture (USDA) to rise by 23% to 0.93 Mt. US dry peas compete, on a smaller scale, in Canadian export markets such as China and the Philippines.

# Global Markets

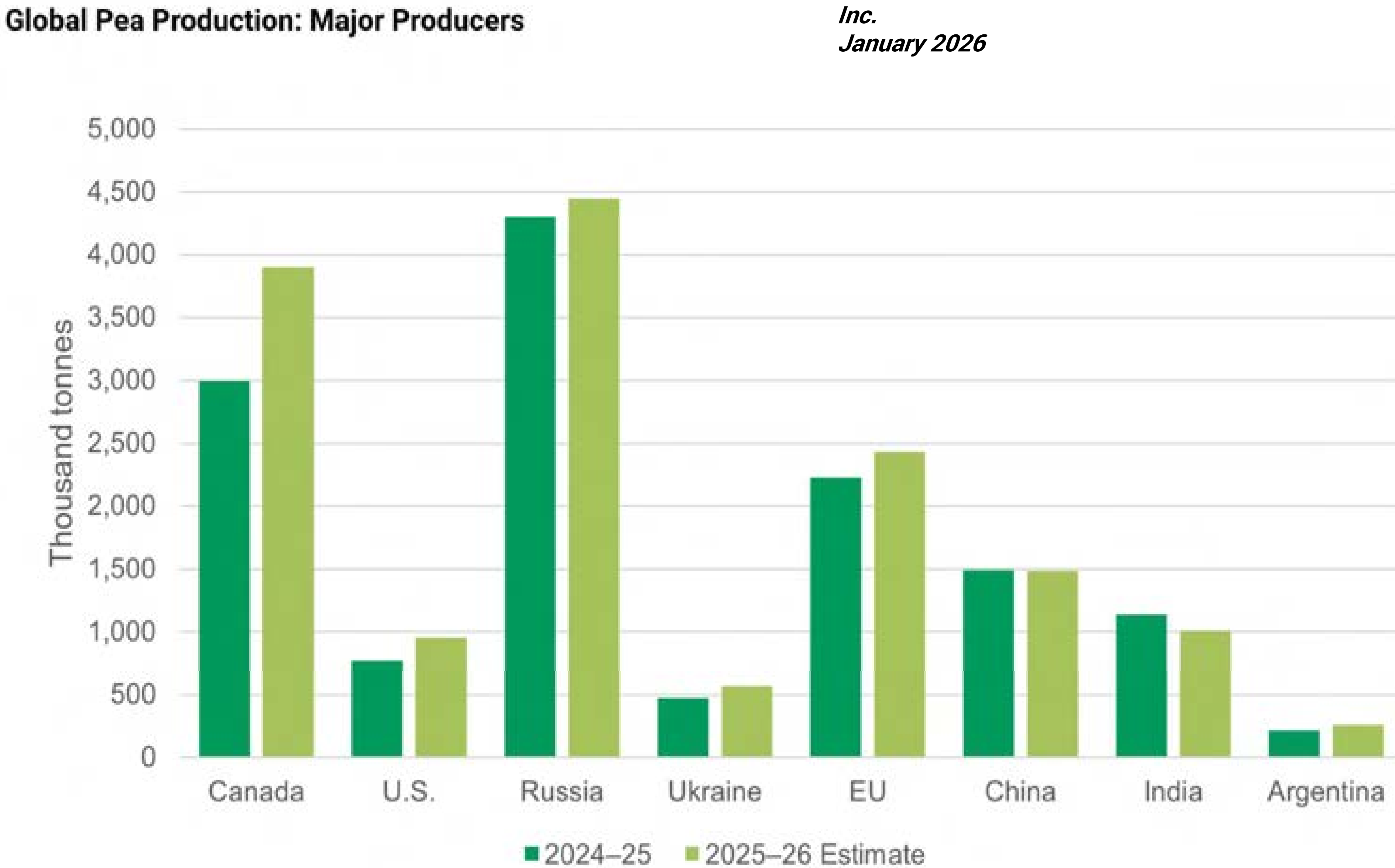
- **India's** reinstatement of a 30% tariff on ***Canadian yellow peas,*** effective November 1, 2025, has significantly impacted the market. China's demand for feed peas has also slowed.
- **Government Initiatives:** Policies, including temporary duty-free access for yellow peas, aim to balance domestic production with import needs and support local farmers.
- A resolution to these trade disputes is considered a "wild card" that could potentially boost prices, but currently they are keeping the market under pressure.
- **China Relations:** Trade relations with China remain a "wild card." While edible pea demand is constant, feed pea imports have slowed, and resolution of trade disputes is needed to boost prices.
- **Global Competition:** A "monster crop" from the Black Sea region (4.75 million tonnes) and a bumper harvest in Australia are further saturating the global market.

## Canadian Pea Balance Sheet

***By Marlene Boersch, Mercantile Consulting Venture Inc.***
***January 2026***

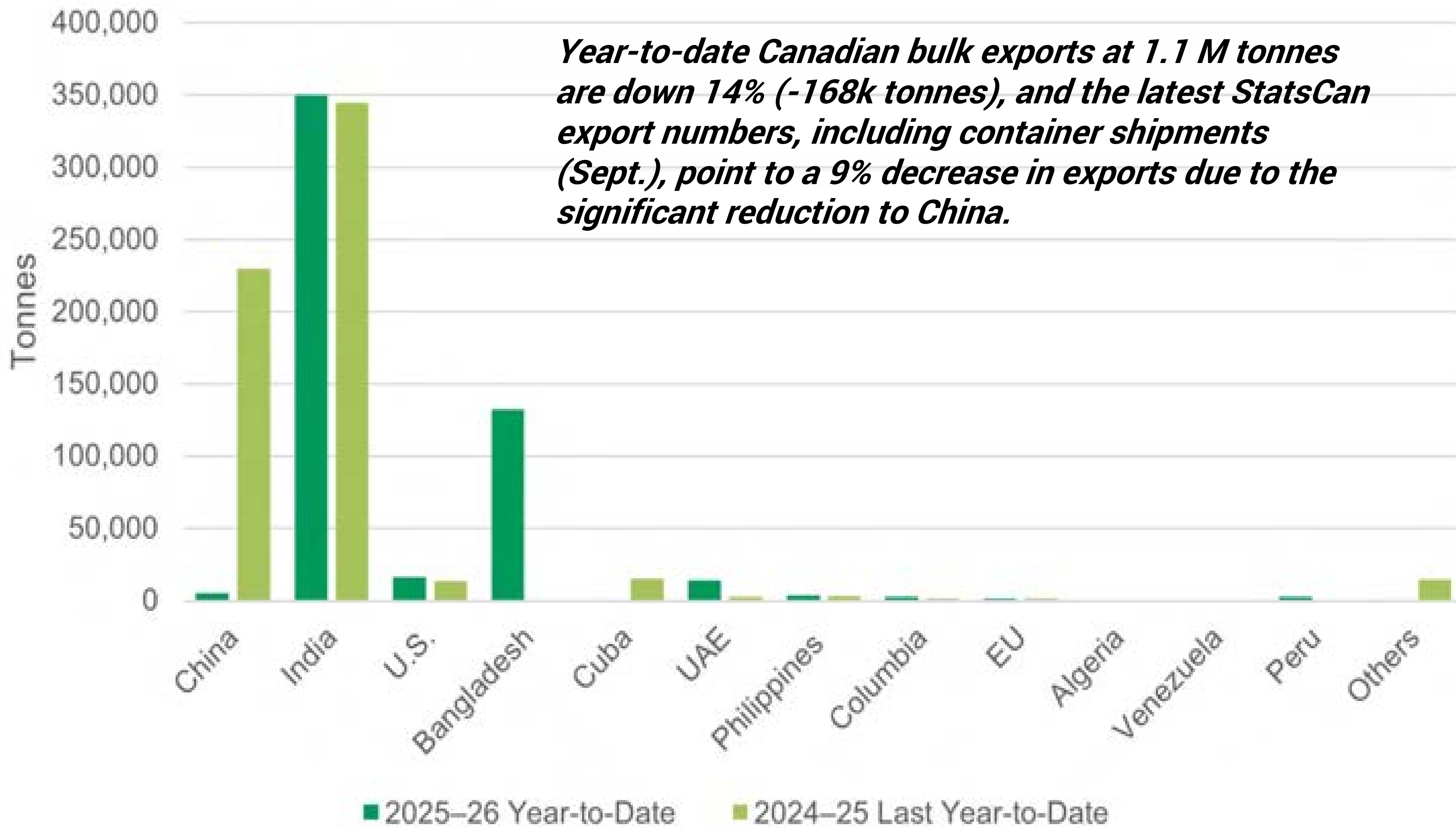


*By Marlene Boersch, Mercantile Consulting Venture Inc.*
*January 2026*



*By Marlene Boersch, Mercantile Consulting Venture Inc.*
*January 2026*

**Year-to-Date Canadian Pea Exports by Destination**



# Canadian Peas – Markets

- Mercantile is currently using a 2.15 M tonne export figure for Canadian peas, which includes 600k tonnes to China.
- ***Russia has become the largest exporter of peas to China, though Chinese buyers prefer Canadian-quality peas.***
- If our export target is met, this would be only 75k tonnes smaller than the 2024–25 pea export volume, but it would not show an increase relative to this year's higher production.
- The net result will be significantly increased ending stocks, especially in Canada.
- Given the above export number, Canadian pea ending stocks would rise to 1.36 M tonnes, a dangerously big 48% stock-use ratio.

# Black Sea – Pea Production

- Russia's pea production for the 2025/26 marketing year (July-June) is expected to reach a record level, with some forecasts estimating between 5.01 to 5.4 million tons.
- One optimistic forecast even suggests a harvest of up to 7 million tons of grain legumes, which would position Russia as a potential leader in global yellow pea supply.
- Key factors include:
  - Increased Area/Yield: Record production is expected due to higher yields, though some regional challenges like drought in Southern Russia could adjust overall volumes.
  - Market Dynamics: The opening of the Chinese market for Russian peas has been a major incentive for farmers to switch from other crops, like wheat, which face higher export duties.
  - Export Prospects: Export plans are being adjusted upward, potentially reaching 3.5-4 million tons, with key markets in India, Pakistan, Egypt, and China.

# Black Sea – Ukraine

- Ukraine is also expected to see a significant increase in pea production, building on a strong 2025 harvest (612,000 metric tons).
- **Acreage Expansion:** Sown areas for peas in 2026 are predicted to increase by another 15-20%.
- **Market Demand:** Strong export prospects are driven by the opening of the Chinese market and the extension of zero tariffs on pea imports by India, along with rising global prices.

# Canadian Peas – Markets

- Should Canada be able to export more, then the stock-use ratio would drop accordingly.
- The main problem with a large carry-out is its effect on the outlook for the next crop.
- Buyers do not feel the need to secure next year's supplies and are hesitant to entertain production contracts. In addition, problems emerging during the growing season will have a more muted effect on price, because everyone knows there is a supply cushion.
- Prices for peas have been relatively stable over the fall at ~$7–7.50 per bushel (bu) for yellows, and ~$10–10.50/bu for good greens.
- We expect prices to remain sideways into spring.
- At this point, we do not expect aggressive bids for new crop peas.
- Bunge is currently bidding $6.10/bu for August to September 2026. Mercantile thinks this is too low.

# Canadian Peas

- ***For 2025-26, production increased 31% to 3.9 million tonnes (Mt) due to higher yields and harvested area.***
- Yields were 22% higher than the previous year due to better conditions.
- Yellow and green pea types are expected to account for about 3.1 Mt and 0.6 Mt, respectively, with the remainder spread across other varieties.
- ***Supply has risen by 33% to 4.4 Mt, due to larger carry-in stocks combining with the larger output.***
- Exports are forecast to be only marginally higher at 2.2 Mt, largely due to import tariffs by China and India.
- As a result, carry-out stocks are forecast to rise to record levels with the increased supply.

# Canadian Peas

- The average price is expected to decrease by 31% to $280/tonne (/t) from 2024-25, with lower dry pea prices for all types.
- During November, the on-farm price of yellow and green pea types in Saskatchewan rose $5/t and $15/t, respectively.
- Prices have been steady despite slower export demand, helped by expectations for a below-average-size Indian winter pulse crop.
- For the crop year-to-date, green dry peas prices have been maintaining a premium of $125/t above yellow dry peas.
- Last year, green peas were at a record $208/t premium to yellow peas.

# Canadian Peas

- **For 2026-27**, the area seeded to soybeans is forecast at 2.4 Mha, up modestly from the previous year, supported by the lower input costs associated with growing soybeans and reduced profitability of other crops due to high input costs and falling prices.
- Assuming a return to average yields, production is forecast at 7.6 Mt, the second highest level on record, if realized, slightly below the 7.7 Mt achieved in 2017-18.
- ***Total supply is forecast at 8.5 Mt, up 9% and 11% from the previous year and the five-year average, respectively.***
- Total domestic use is forecast at 2.3 Mt, rising 10% above 2025-26. Domestic crush is forecast to rise 3% to 1.75 Mt.
- ***This would be a four-year high, if realized.***
- Exports are forecast to grow from last year to 5.5 Mt on abundant supplies.
- Carry-out stocks are projected to rebound to 650 Kt,up from last year and in comparison of the five-year average of 423 Kt.
- The simple average soybean price forecast, track Chatham, is $500/t, down $15/t from the previous year and 15% below the five-year average of $590/t.

| FIELD PEAS | SPOT MARKET | AVERAGE | S/O/N |
|---|---|---|---|
| (CDN $ per bushel farmers dressed quality delivered plant) | | | |
| Green No 1 | 8.50 to 10.50 | 10.18 | 8.25 to 8.75 |
| No 2 | 8.50 to 10.50 | 10.18 | 8.25 to 8.75 |
| 10% bleach | 8.00 to 8.50 | 8.50 | |
| 15% bleach | 6.50 to 8.00 | 8.00 | |
| 20% bleach | 6.20 to 6.50 | 6.50 | |
| Med Yellow No 1 | 7.25 to 8.07 | 7.75 | 6.75 to 7.45 |
| No 2 | 7.25 to 8.07 | 7.75 | 6.75 to 7.45 |
| Alberta No 2 | 8.36 to 8.51 | 8.44 | 7.30 to 7.72 |
| Sm Yellow No 2 | 7.25 to 8.00 | 7.63 | |
| Maple Peas | 11.00 to 12.00 | 11.50 | |
| Marrowfat | 9.70 to 10.25 | 10.25 | |

| FEED PEAS | SPOT MARKET | AVERAGE | S/O/N |
|---|---|---|---|
| (CDN $ per bushel farmers dressed quality delivered) | | | |
| Feed Pea (SK) | 6.50 to 7.94 | 7.22 | |
| Feed Pea (AB) | 8.04 to 7.87 | 7.98 | |
| Natural Splits | | | |

# Peas

| | 2024-2025 | 2025-2026 | 2026-2027 |
|---|---|---|---|
| | | | |
| Area seeded (thousand hectares) | 1,300 | 1,420 | 1,200 |
| Area harvested (thousand hectares) | 1,281 | 1,383 | 1,175 |
| Yield (tonnes per hectare) | 2.34 | 2.85 | 2.43 |
| ***Production (thousand tonnes)*** | ***2,997*** | ***3,934*** | **2,850** |
| Imports (thousand tonnes) | 38 | 20 | 20 |
| Total supply (thousand tonnes) | 3,335 | 4,443 | 4,135 |
| ***Exports (thousand tonnes)*** | ***2,175*** | ***2,200*** | **2,700** |
| Total Domestic Use (thousand tonnes) | 671 | 678 | 680 |
| ***Carry-out Stocks (thousand tonnes)*** | ***489*** | ***1,565*** | **755** |
| ***Stocks-to-Use Ratio*** | ***17%*** | ***54%*** | **22%** |
| ***Average Price ($/tonne)*** | ***405*** | ***280*** | **310** |

## YELLOW PEAS PRODUCTION COSTS ($/ACRE)

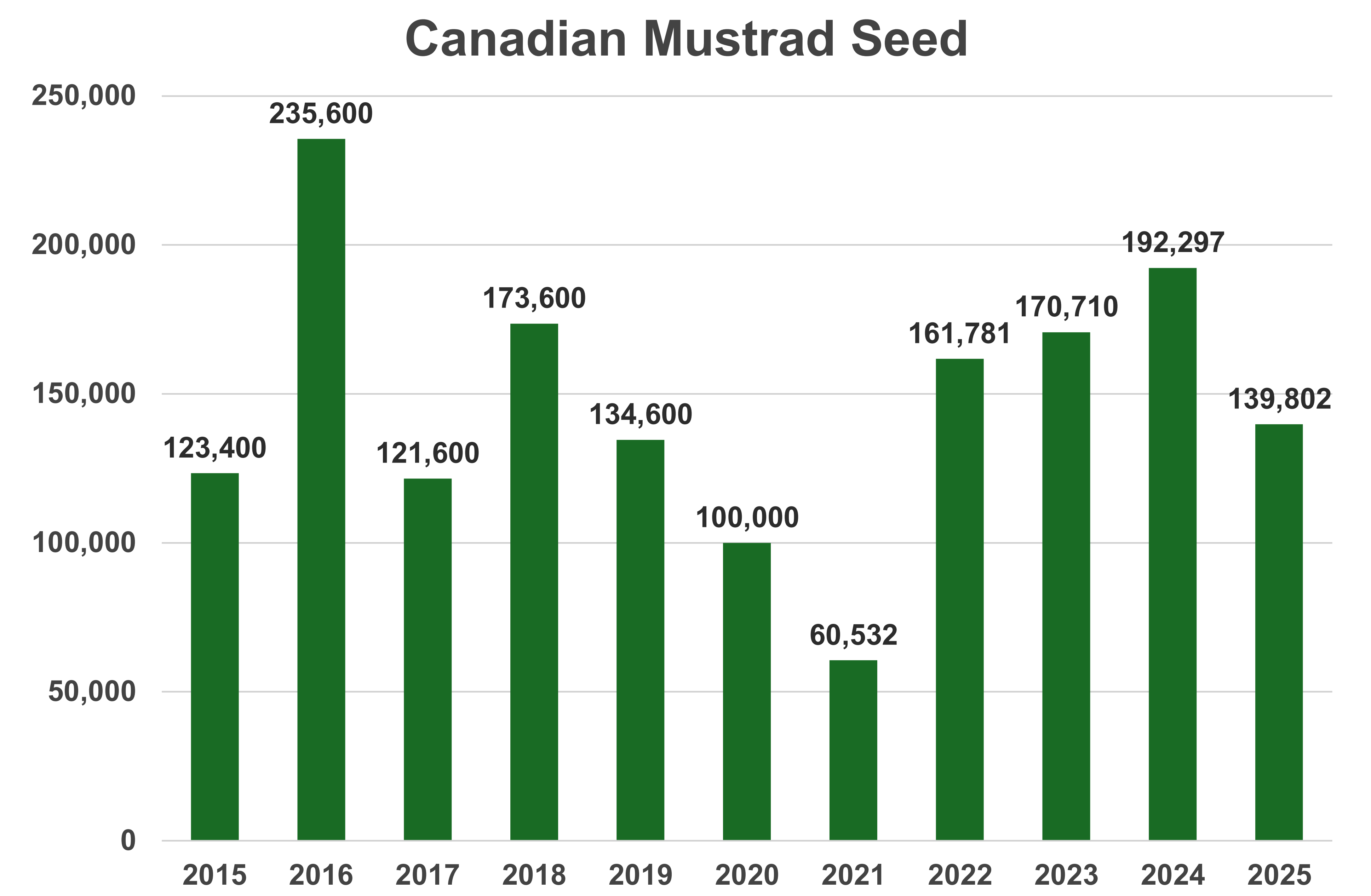
Economics

| CROP | YELLOW PEAS 80th percentile | | | Average Yield | | |
|---|---|---|---|---|---|---|
| Soil Zone | Brown | Dark Brown | Black | Brown | Dark Brown | Black |
| **REVENUE PER ACRE** | | | | | | |
| Estimated Yield (bu./ac) (A) | 34.9 | 45.0 | 53.0 | 23.6 | 33.2 | 40.7 |
| Est. On Farm Market Price $/bu. (B) | 7.25 | 7.25 | 7.25 | 7.25 | 7.25 | 7.25 |
| **Estimated Gross Revenue/ac (AxB)=C** | **252.69** | **326.24** | **384.23** | **171.03** | **240.92** | **295.15** |
| | | | | | | |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 41.40 | 47.40 | 53.40 | 41.40 | 47.40 | 53.40 |
| -Seed Treatments/Inoculants | 8.21 | 9.40 | 10.59 | 8.21 | 9.40 | 10.59 |
| Fertilizer -Nitrogen (N) | 4.07 | 5.33 | 6.29 | 4.07 | 5.33 | 6.29 |
| -Phosphorous (P2O5) | 23.15 | 30.28 | 35.62 | 23.15 | 30.28 | 35.62 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 80.77 | 78.38 | 77.30 | 80.77 | 78.38 | 77.30 |
| -Insecticides | 25.91 | 25.91 | 25.91 | 25.91 | 25.91 | 25.91 |
| -Fungicides | 23.65 | 23.65 | 23.65 | 23.65 | 23.65 | 23.65 |
| Machinery Operating -Fuel | 18.61 | 23.26 | 29.08 | 18.61 | 23.26 | 29.08 |
| -Repair | 10.85 | 12.24 | 13.85 | 10.85 | 12.24 | 13.85 |
| Custom Work and Hired Labour | 21.50 | 21.50 | 21.50 | 21.50 | 21.50 | 21.50 |
| Crop Insurance Premium | 4.27 | 5.08 | 4.83 | 4.27 | 5.08 | 4.83 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | | | |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 10.81 | 11.63 | 12.41 | 10.81 | 11.63 | 12.41 |
| **Total Variable Expenses (D)** | **292.05** | **314.15** | **335.32** | **277.18** | **299.27** | **320.45** |
| | | | | | | |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **26.18** | **30.32** | **23.07** | **26.18** | **30.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **410.12** | **435.33** | **460.65** | **395.25** | **420.45** | **445.77** |
| | | | | | | |
| **Income Per Acre** | **-157.43** | **-109.09** | **-76.42** | **-224.22** | **-179.53** | **-150.62** |

## GREEN PEAS PRODUCTION COSTS ($/ACRE)
### Economics

| CROP | GREEN PEAS | | | | | |
|---|---|---|---|---|---|---|
| | 80th percentile | | | Average Yield | | |
| Soil Zone | Brown | Dark Brown | Black | Brown | Dark Brown | Black |
| **REVENUE PER ACRE** | | | | | | |
| Estimated Yield (bu./ac) (A) | 34.9 | 45.0 | 53.0 | 23.6 | 33.2 | 40.7 |
| Est. On Farm Market Price $/bu. (B) | 9.50 | 9.50 | 9.50 | 9.50 | 9.50 | 9.50 |
| **Estimated Gross Revenue/ac (AxB)=C** | **331.11** | **427.48** | **503.48** | **224.11** | **315.69** | **386.75** |
| | | | | | | |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 53.43 | 60.84 | 68.64 | 53.43 | 60.84 | 68.64 |
| -Seed Treatments/Inoculants | 8.15 | 9.28 | 10.47 | 8.15 | 9.28 | 10.47 |
| Fertilizer -Nitrogen (N) | 4.07 | 5.33 | 6.29 | 4.07 | 5.33 | 6.29 |
| -Phosphorous (P2O5) | 23.15 | 30.28 | 35.62 | 23.15 | 30.28 | 35.62 |
| -Sulphur and Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Protection -Herbicides | 80.77 | 78.38 | 77.30 | 80.77 | 78.38 | 77.30 |
| -Insecticides | 25.91 | 25.91 | 25.91 | 25.91 | 25.91 | 25.91 |
| -Fungicides | 23.65 | 23.65 | 23.65 | 23.65 | 23.65 | 23.65 |
| Machinery Operating -Fuel | 18.61 | 23.26 | 29.08 | 18.61 | 23.26 | 29.08 |
| -Repair | 10.85 | 12.24 | 13.85 | 10.85 | 12.24 | 13.85 |
| Custom Work and Hired Labour | 21.50 | 21.50 | 21.50 | 21.50 | 21.50 | 21.50 |
| Crop Insurance Premium | 4.27 | 5.08 | 4.83 | 4.27 | 5.08 | 4.83 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 5.22 | 6.02 | 3.97 | 5.22 | 6.02 |
| Interest on Variable Expenses | 11.27 | 12.14 | 13.00 | 11.27 | 12.14 | 13.00 |
| **Total Variable Expenses (D)** | **304.49** | **327.98** | **351.04** | **304.49** | **327.98** | **351.04** |
| | | | | | | |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.88 | 1.21 | 0.68 | 0.88 | 1.21 |
| Property Taxes | 4.53 | 5.92 | 8.98 | 4.53 | 5.92 | 8.98 |
| Business Overhead | 2.86 | 4.38 | 5.13 | 2.86 | 4.38 | 5.13 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **26.18** | **30.32** | **23.07** | **26.18** | **30.32** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **422.55** | **449.16** | **476.36** | **422.55** | **449.16** | **476.36** |
| | | | | | | |
| **Income Per Acre** | **-91.44** | **-21.68** | **27.12** | **-198.44** | **-133.47** | **-89.61** |

# Mustard


Canadian Mustrad Seed
250,000
200,000
150,000
100,000
50,000
0
123,400
235,600
121,600
173,600
134,600
100,000
60,532
161,781
170,710
192,297
139,802
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

# Mustard

- For 2025-26, production fell by 27% to 140 Kt, with lower area, but higher yields.
- Production of yellow, brown and oriental types of mustard seed fell.
- Supply increased marginally to 292 Kt.
- Exports are expected to be higher at 95 Kt.
- Due to the small rise in supply, carry-out stocks are forecast to rise marginally to a burdensome 145 Kt.
- The US and the EU are expected to remain the main export markets for Canadian mustard seed. The average price is forecast to rise slightly to $880/t.

| Mustard Seed | | | |
|---|---|---|---|
| | **2023-2024** | **2024-2025** | **2025-2026** |
| **Area seeded (thousand hectares)** | 258 | 245 | 146 |
| **Area harvested (thousand hectares)** | 251 | 243 | 145 |
| **Yield (tonnes per hectare)** | 0.68 | 0.79 | 0.97 |
| **Production (thousand tonnes)** | 171 | 192 | 140 |
| **Imports (thousand tonnes)** | 16 | 8 | 9 |
| **Total supply (thousand tonnes)** | 227 | 288 | 292 |
| **Exports (thousand tonnes)** | 96 | 91 | 95 |
| **Total Domestic Use (thousand tonnes)** | 42 | 54 | 52 |
| **Carry-out Stocks (thousand tonnes)** | 88 | 143 | 145 |
| **Stocks-to-Use Ratio** | 64% | 98% | 99% |
| **Average Price ($/tonne)** | 1,280 | 860 | 880 |

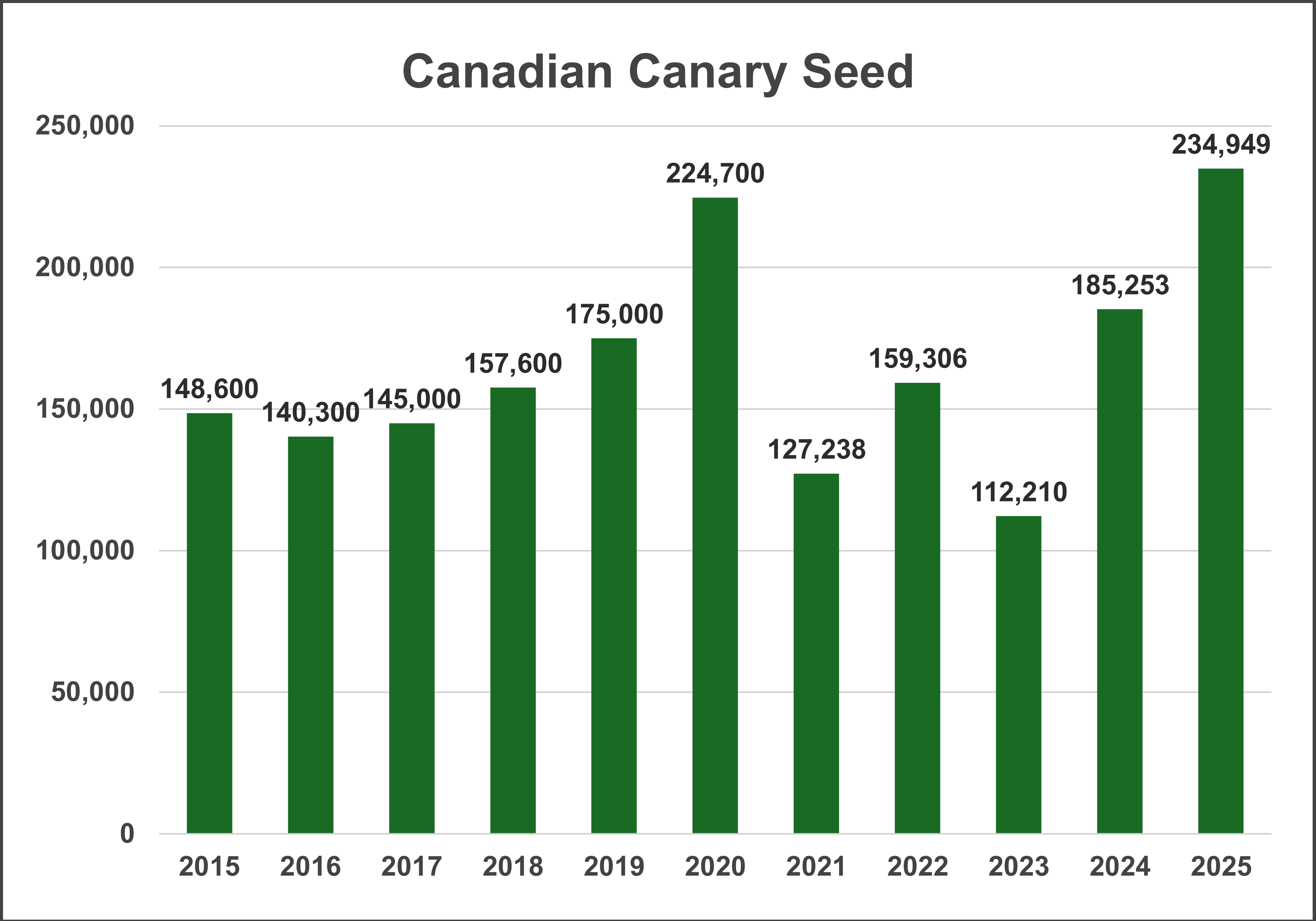
| MUSTARD | | SPOT MARKET | AVERAGE | S/O/N |
|---|---|---|---|---|
| (CDN cents per pound farmers dressed quality delivered plant) | | | | |
| Yellow | No 1 | 36.00 to 37.00 | 36.63 | 40.00 to 42.00 |
| | No 2 | 34.00 to 34.50 | 34.25 | |
| | No 3 | 24.00 to 29.50 | 26.75 | |
| | No 4 | 19.00 to 19.50 | 19.25 | |
| Brown | No 1 | 30.00 to 31.00 | 30.63 | 32.00 to 34.00 |
| | No 2 | 28.00 to 28.50 | 28.25 | |
| | No 3 | 18.00 to 23.50 | 20.75 | |
| | No 4 | 13.00 to 13.50 | 13.25 | |
| Oriental | No 1 | 44.00 to 45.00 | 44.63 | 37.00 to 39.00 |
| | No 2 | 42.50 to 43.00 | 42.75 | |
| | No 3 | 33.00 to 37.50 | 35.25 | |

| YELLOW MUSTARD PRODUCTION COSTS ($/ACRE) Economics | | | | | | |
|---|---|---|---|---|---|---|
| **CROP** | **Yellow Mustard** | | **Brown Mustard** | | **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) | 850.98 | 501.00 | 998.69 | 656.40 | 1014.37 | 653.20 |
| Est. Farm Gate Price $/lb. (B) | 0.40 | 0.40 | 0.32 | 0.32 | 0.32 | 0.32 |
| **Estimated Gross Revenue/ac (AxB)=C** | **340.39** | **200.4** | **319.58** | **210.05** | **324.60** | **209.02** |
| | | | | | | |
| **EXPENSES PER ACRE** | | | | | | |
| **Variable Expenses/acre** | | | | | | |
| Seed | 64.60 | 64.60 | 46.86 | 46.86 | 29.88 | 29.88 |
| -Seed Treatments/Inoculants | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fertilizer -Nitrogen (N) | 24.41 | 24.41 | 28.11 | 28.11 | 28.85 | 28.85 |
| -Phosphorous (P2O5) | 16.03 | 16.03 | 18.70 | 18.70 | 17.81 | 17.81 |
| -Sulphur and Other | 7.82 | 7.82 | 7.82 | 7.82 | 7.82 | 7.82 |
| Plant Protection -Herbicides | 59.82 | 59.82 | 55.46 | 55.46 | 55.46 | 55.46 |
| -Insecticides | 0.00 | 0.00 | 14.71 | 14.71 | 14.71 | 14.71 |
| -Fungicides | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Machinery Operating -Fuel | 25.71 | 25.71 | 25.71 | 25.71 | 25.71 | 25.71 |
| -Repair | 10.85 | 10.85 | 10.85 | 10.85 | 10.85 | 10.85 |
| Custom Work and Hired Labour | 21.50 | 21.50 | 21.50 | 21.50 | 21.50 | 21.50 |
| Crop Insurance Premium | 11.14 | 11.14 | 8.81 | 8.81 | 9.32 | 9.32 |
| Hail Insurance Premium | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 | 14.88 |
| Utilities and Miscellaneous | 3.97 | 3.97 | 3.97 | 3.97 | 3.97 | 3.97 |
| Interest on Variable Expenses | 10.06 | 10.06 | 9.90 | 9.90 | 9.28 | 9.28 |
| **Total Variable Expenses (D)** | **270.80** | **270.80** | **267.29** | **267.29** | **250.05** | **250.05** |
| | | | | | | |
| **Other Expenses/acre** | | | | | | |
| Building Repair | 0.68 | 0.68 | 0.68 | 0.68 | 0.68 | 0.68 |
| Property Taxes | 4.53 | 4.53 | 4.53 | 4.53 | 4.53 | 4.53 |
| Business Overhead | 2.86 | 2.86 | 2.86 | 2.86 | 2.86 | 2.86 |
| Labour | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **23.07** | **23.07** | **23.07** | **23.07** | **23.07** | **23.07** |
| Less: Living | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **388.87** | **388.87** | **385.35** | **385.35** | **368.12** | **368.12** |
| | | | | | | |
| **Income Per Acre** | **-48.48** | **-188.47** | **-65.77** | **-175.30** | **-43.52** | **-159.10** |

# CANARY SEED

# Canary Seed

- **For 2025-26,** production rose by 27% to 235 Kt with higher yields and area.
- Exports are expected to be slightly higher than last year at 135 Kt, due to the increased supply.
- The EU and Mexico are forecast to remain the main export markets.
- The average price is forecast to fall from the 2024-25 level to $450/t due to larger supply and expectations for a sharp increase in carry-out stocks to a burdensome 170 Kt.


Canadian Canary Seed
250,000
200,000
150,000
100,000
50,000
0
148,600
140,300
145,000
157,600
175,000
224,700
127,238
159,306
112,210
185,253
234,949
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

# Canary Seed

| | 2023-2024 | 2024-2025 | 2025-2026 |
|---|---|---|---|
| **Area seeded (thousand hectares)** | 104 | 118 | 129 |
| **Area harvested (thousand hectares)** | 103 | 118 | 129 |
| **Yield (tonnes per hectare)** | 1.09 | 1.57 | 1.82 |
| ***Production (thousand tonnes)*** | ***112*** | ***185*** | ***235*** |
| **Imports (thousand tonnes)** | 0 | 0 | 0 |
| ***Total supply (thousand tonnes)*** | ***170*** | ***229*** | ***319*** |
| **Exports (thousand tonnes)** | 113 | 133 | 135 |
| **Total Domestic Use (thousand tonnes)** | 13 | 12 | 14 |
| ***Carry-out Stocks (thousand tonnes)*** | ***44*** | ***84*** | ***170*** |
| ***Stocks-to-Use Ratio*** | ***35%*** | ***58%*** | ***114%*** |
| ***Average Price ($/tonne)*** | ***930*** | ***685*** | ***450*** |

| BIRDSEED | SPOT MARKET | AVERAGE | S/O/N |
|---|---|---|---|
| (CDN cents per pound farmers dressed quality delivered plant) | | | |
| Canaryseed | 17.75 to 19.00 | 18.46 | 18.00 to 19.00 |

| CANARYSEED PRODUCTION COSTS ($/ACRE) | | |
|---|---|---|
| **CROP** | | |
| | **80th percentile** | **Average Yield** |
| Soil Zone | DkBrown | DkBrown |
| **REVENUE PER ACRE** | | |
| Target Yield (lb./ac.) (A) | 1699.76 | 1162.60 |
| Est. Farm Gate Price $/lb. (B) | 0.30 | 0.30 |
| **Estimated Gross Revenue/ac (AxB)=C** | **509.93** | **348.78** |
| | | |
| **EXPENSES PER ACRE** | | |
| **Variable Expenses/acre** | | |
| Seed | 18.90 | 18.90 |
| -Seed Treatments/Inoculants | 0.00 | 0.00 |
| Fertilizer -Nitrogen (N) | 41.43 | 41.43 |
| -Phosphorous (P2O5) | 42.75 | 42.75 |
| -Sulphur and Other | 20.76 | 20.76 |
| Plant Protection -Herbicides | 56.10 | 56.10 |
| -Insecticides | 0.00 | 0.00 |
| -Fungicides | 7.15 | 7.15 |
| Machinery Operating -Fuel | 24.49 | 24.49 |
| -Repair | 12.24 | 12.24 |
| Custom Work and Hired Labour | 23.25 | 23.25 |
| Crop Insurance Premium | 5.78 | 5.78 |
| Hail Insurance Premium | 14.88 | 14.88 |
| Utilities and Miscellaneous | 5.22 | 5.22 |
| Interest on Variable Expenses | 10.49 | 10.49 |
| **Total Variable Expenses (D)** | **283.43** | **283.43** |
| | | |
| **Other Expenses/acre** | | |
| Building Repair | 0.88 | 0.88 |
| Property Taxes | 5.92 | 5.92 |
| Business Overhead | 4.38 | 4.38 |
| Labour | 15.00 | 15.00 |
| **Total Other Expenses (E)** | **26.18** | **26.18** |
| Less: Living | 20.00 | 20.00 |
| Less Debt Payment | 75.00 | 75.00 |
| **Total Living & Debt Payment (F)** | **95.00** | **95.00** |
| **Total Expenses (D+E+F)=(G)** | **404.60** | **404.60** |
| | | |
| **Income Per Acre** | **105.33** | **-55.82** |

# Cattle

# US Cattle

| January 1, US Cattle Inventory Estimates | | | |
|---|---|---|---|
| (thousand head) | **2026** | **2025** | **% of '25** |
| **Total Cattle** | 86,155.3 | 86,472.2 | -0.4% |
| **All Cows** | 37,175.5 | 37,272.8 | -0.3% |
| **Beef Cows** | 27,607.2 | 27,892.0 | -1.0% |
| **Dairy Cows** | 9,568.3 | 9,380.8 | +2.0% |
| **Heifers >500 lbs** | 18,016.7 | 18,129.9 | -0.6% |
| **Beef replacement heifers** | 4,714.2 | 4,672.5 | +0.9% |
| **Dairy replacement heifers** | 3,904.6 | 3,915.3 | -0.3% |
| **Other heifers** | 9,397.9 | 9,542.1 | -1.5% |
| **Steers >500 lbs** | 15,601.4 | 15,697.4 | -0.6% |
| **Bulls >500 lbs** | 2,014.7 | 2,009.0 | +0.3% |
| **Calves <500 lbs** | 13,347.0 | 13,363.1 | -0.1% |
| **Cattle on Feed (all sizes)** | 13,847.9 | 14,322.8 | -3.3% |
| | **2025** | **2024** | |
| **Calf crop** | 32,895.6 | 33,416.5 | -1.6% |
| Source: USDA | | | |

# US Herd Build?

- The transition through the bottom of the cycle and into expansion remains out of reach.
- Record high prices were established on the feeder market in 2025, signaling to cow-calf producers to retain some of their heifer calves, and maybe even keep that older cow out of the slaughter mix for another year. Weather also plays a role.
- During the 2025 fall run, on average 56% of the US cattle herd was located in areas experiencing abnormally dry to extreme drought conditions, an improvement from 2024 at 79%.
- Hay stocks were steady with the prior year with lower prices, another tick in favour of expansion.
- However, the average age of producers and borrowing costs appear to be among some of the limiting factors.

# US Herd Build?

USDA's January 1st Cattle Inventory report verified analysts' expectations of a smaller cattle herd, as the US herd once again put in a new low for this cycle.

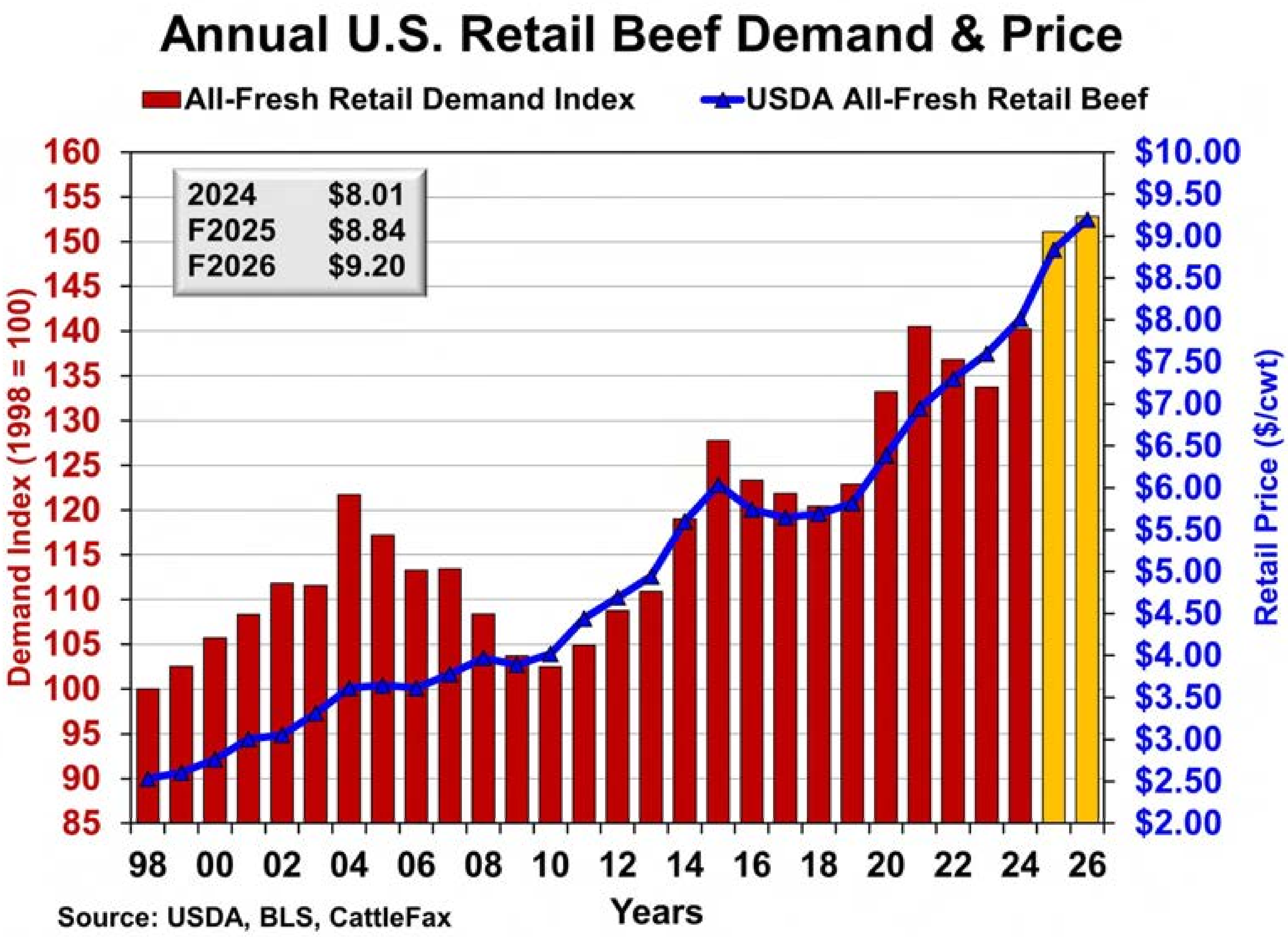
Total inventories are down 0.4% from last year and down 9% their 2019 high and was the seventh consecutive year of smaller numbers.

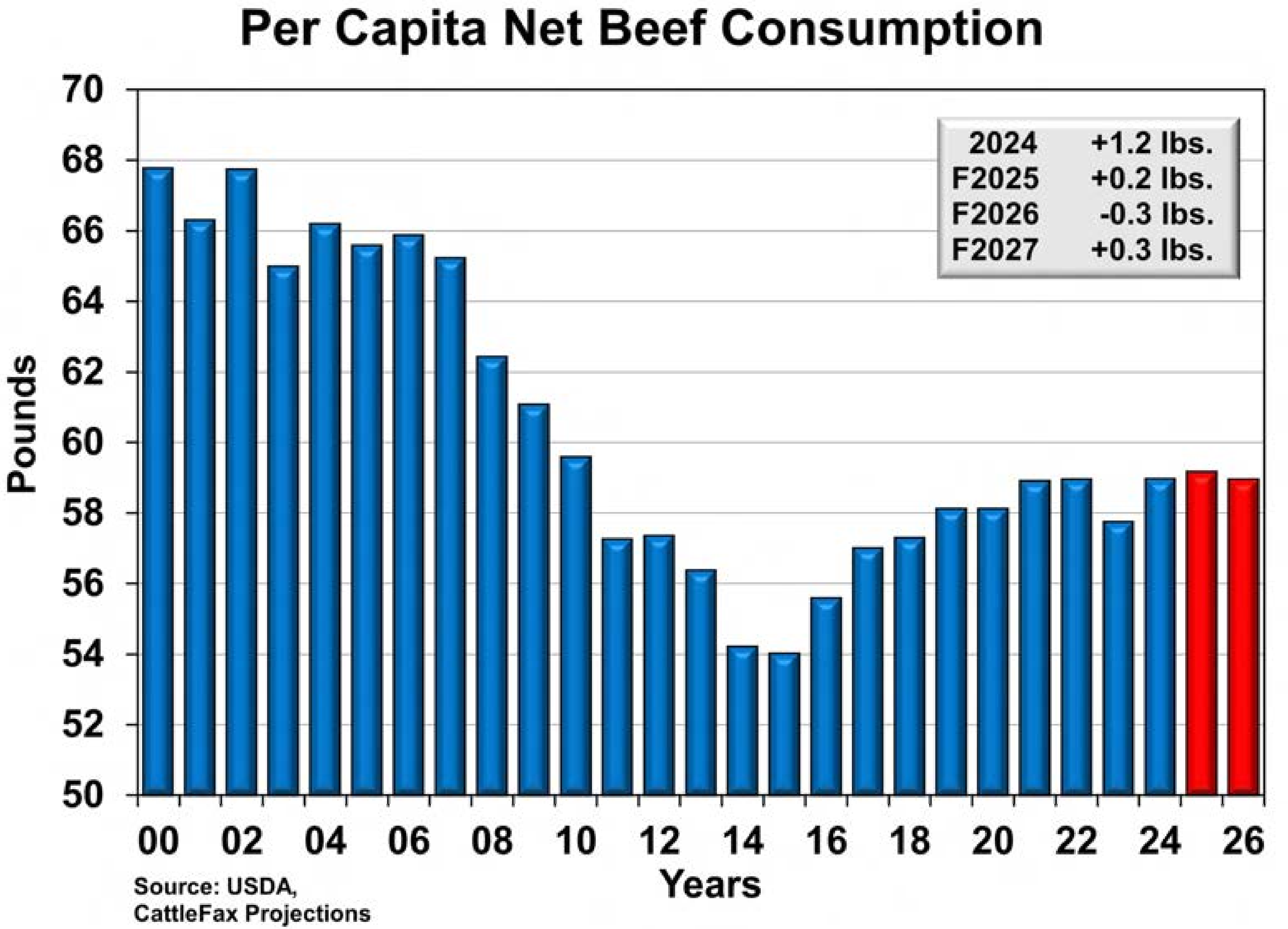
Beef cows were down 1% from last year, with beef breeding heifers up a modest 0.9%.

Suggesting some cow-calf producers have begun to respond to market signals – but only slightly. Dairy cows are up 2%; with replacement heifers down 0.3%.

# US Herd Build?

- Steers over 500 lbs, other heifers, and the 2025 calf crop are all smaller than last year. Combined with one million fewer head imported from Mexico and record large exports to Canada in 2025, this points to tighter US supplies in 2026. –


Annual U.S. Retail Beef Demand & Price
All-Fresh Retail Demand Index
USDA All-Fresh Retail Beef
2024 $8.01
F2025 $8.84
F2026 $9.20
Demand Index (1998 = 100)
160
155
150
145
140
135
130
125
120
115
110
105
100
95
90
85
$10.00
$9.50
$9.00
$8.50
$8.00
$7.50
$7.00
$6.50
$6.00
$5.50
$5.00
$4.50
$4.00
$3.50
$3.00
$2.50
$2.00
Retail Price ($/cwt)
98
00
02
04
06
08
10
12
14
16
18
20
22
24
26
Years
Source: USDA, BLS, CattleFax


Per Capita Net Beef Consumption
2024 +1.2 lbs.
F2025 +0.2 lbs.
F2026 -0.3 lbs.
F2027 +0.3 lbs.
Pounds
70
68
66
64
62
60
58
56
54
52
50
00
02
04
06
08
10
12
14
16
18
20
22
24
26
Years
Source: USDA,
CattleFax Projections

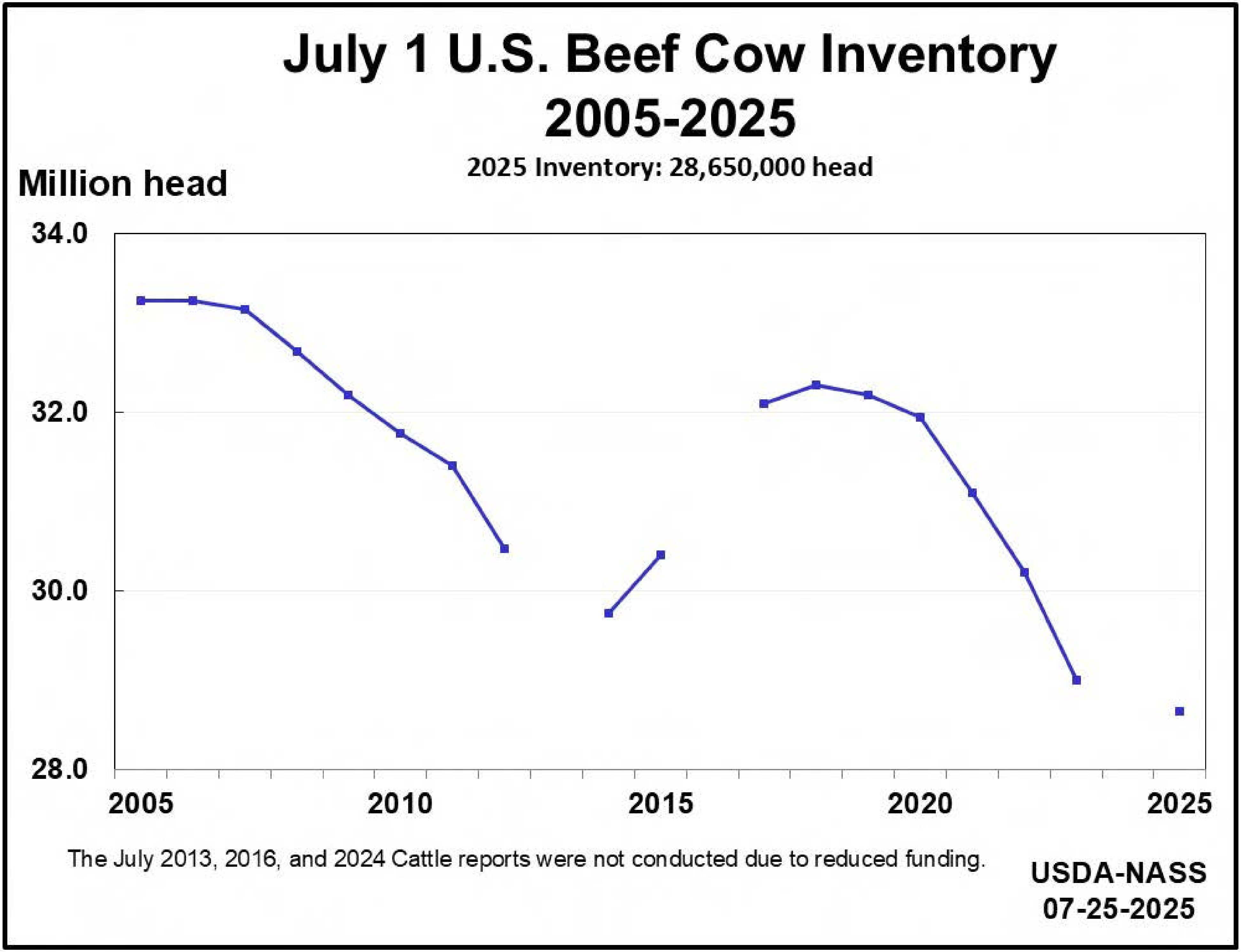
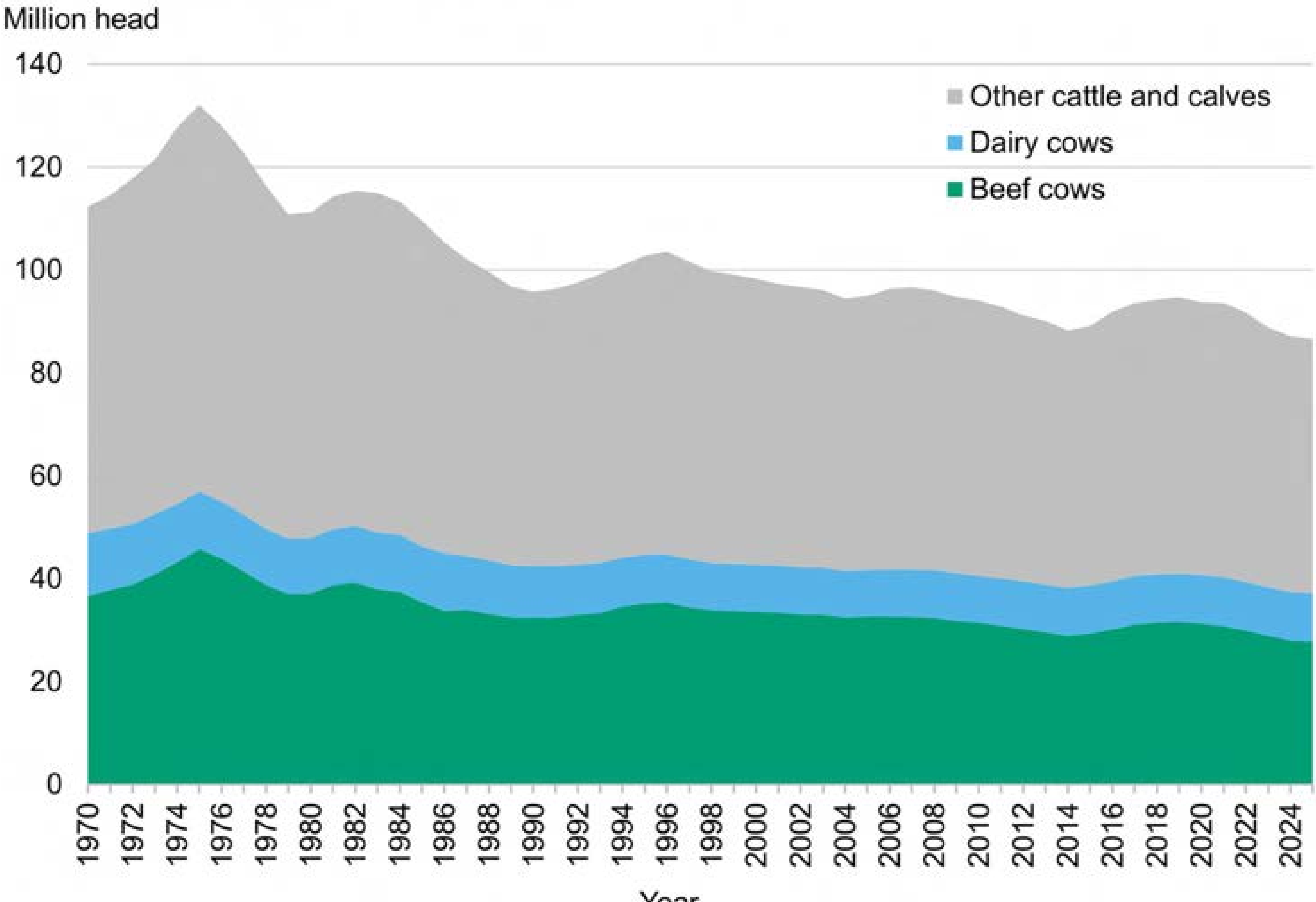

July 1 U.S. Beef Cow Inventory
2005-2025
2025 Inventory: 28,650,000 head
Million head
34.0
32.0
30.0
28.0
2005
2010
2015
2020
2025
The July 2013, 2016, and 2024 Cattle reports were not conducted due to reduced funding.
USDA-NASS
07-25-2025

**Figure 1. Cattle and cow inventories, 1970–2025**




Source: USDA, Economic Research Service calculations using USDA, National Agricultural Statistics Service, Cattle report.

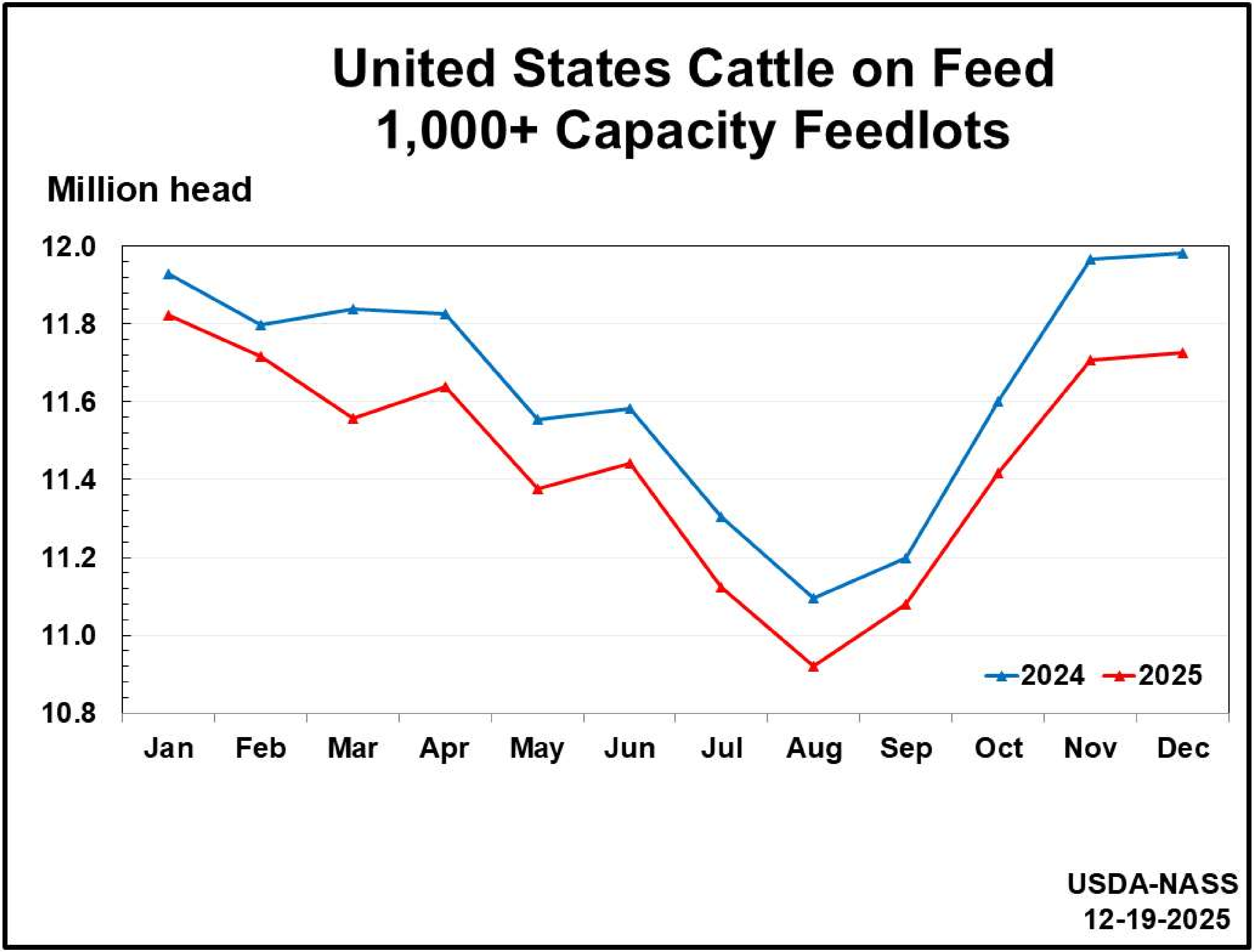
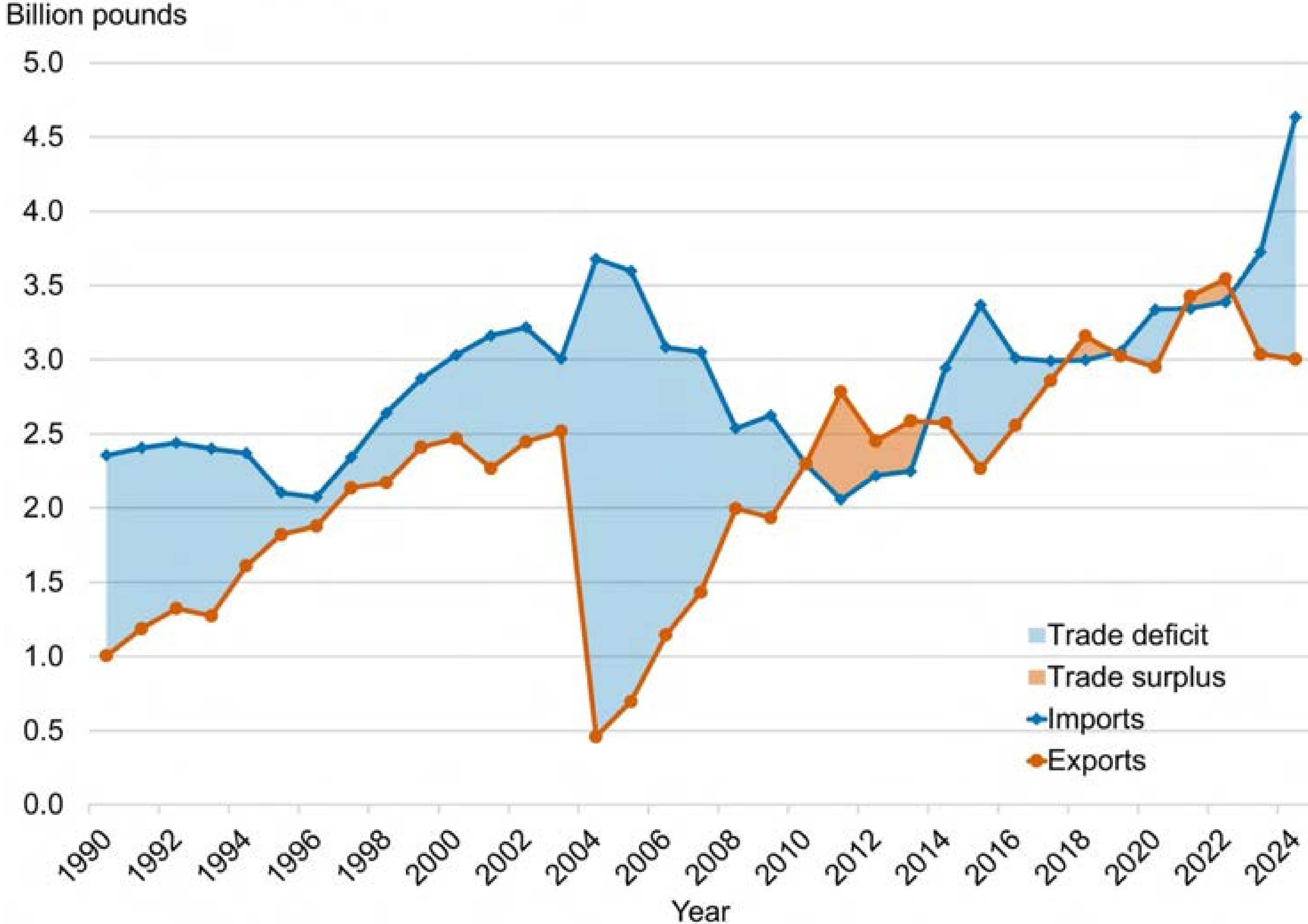
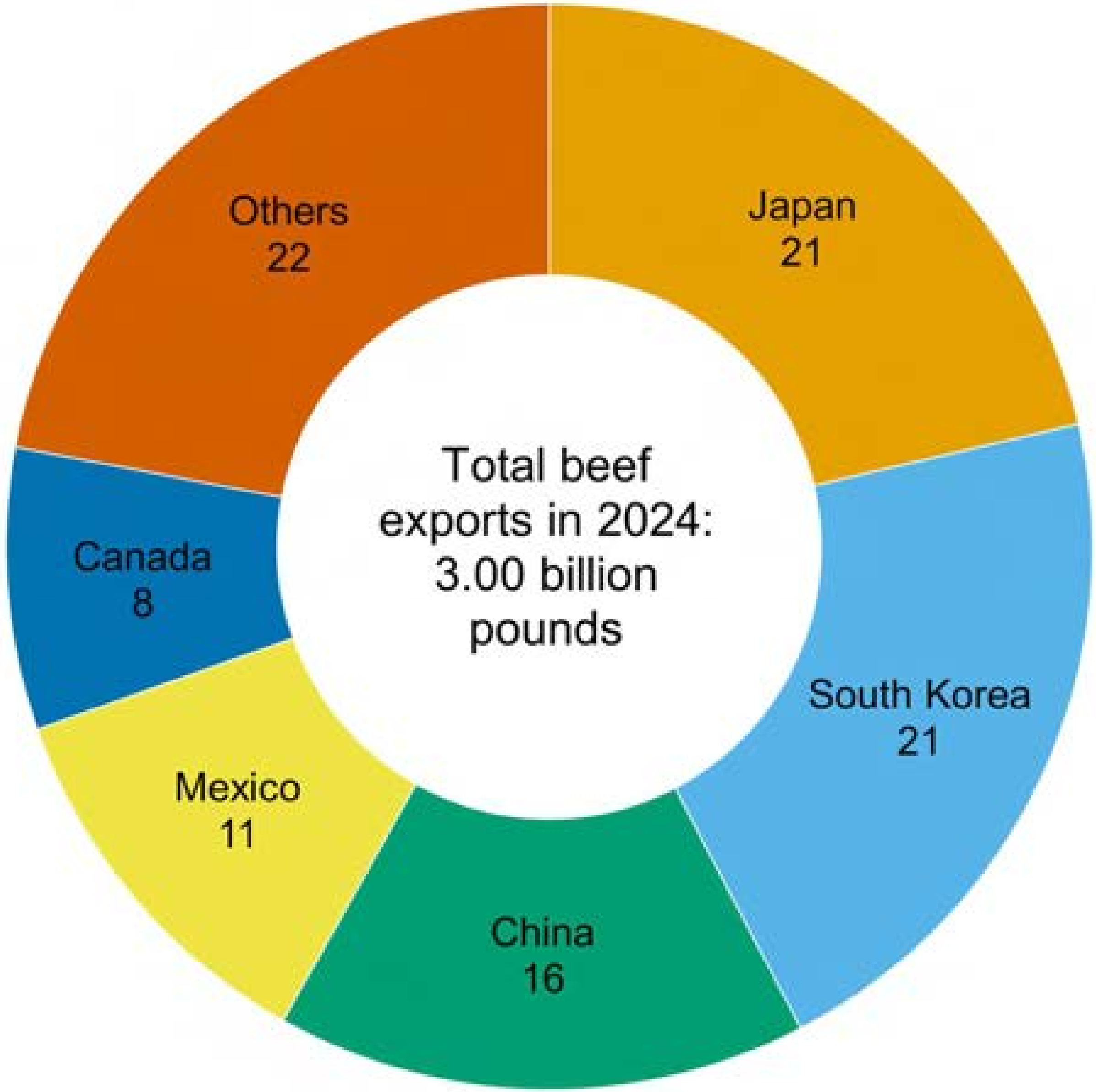

United States Cattle on Feed
1,000+ Capacity Feedlots
Million head
12.0
11.8
11.6
11.4
11.2
11.0
10.8
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
2024
2025
USDA-NASS
12-19-2025

**Figure 2. U.S. beef trade, 1990–2024**



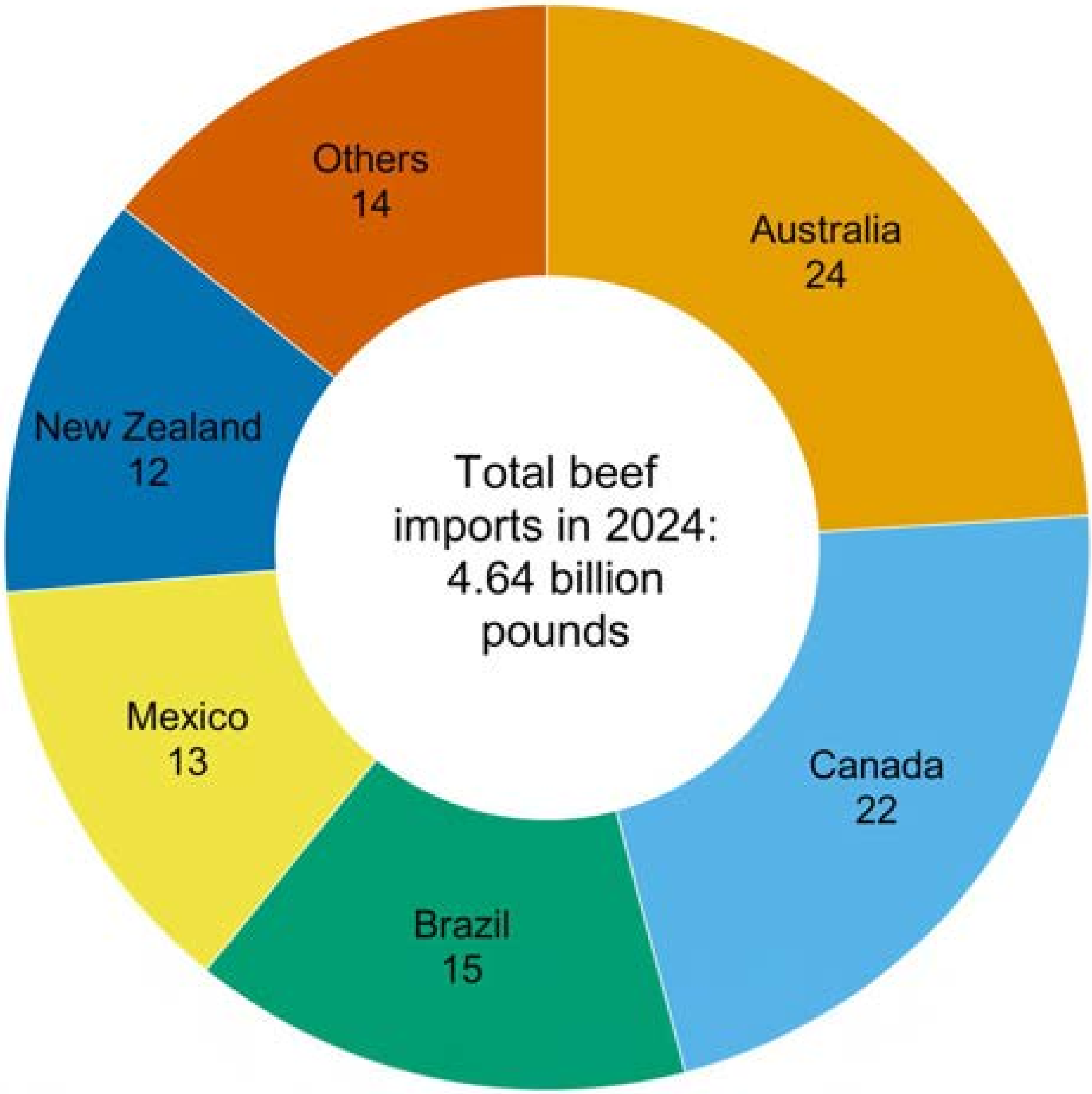

Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Bureau of the Census

**Figure 3. Percent shares of U.S. beef export markets in 2024**




Note: Data labels indicate the percent share of total exports. Total may not add to 100 due to rounding.
Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Bureau of the Census.

**Figure 4. Percent shares of U.S. beef import sources in 2024**




Note: Data labels indicate the percent share of total imports. Total may not add to 100 due to rounding.
Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Bureau of the Census.

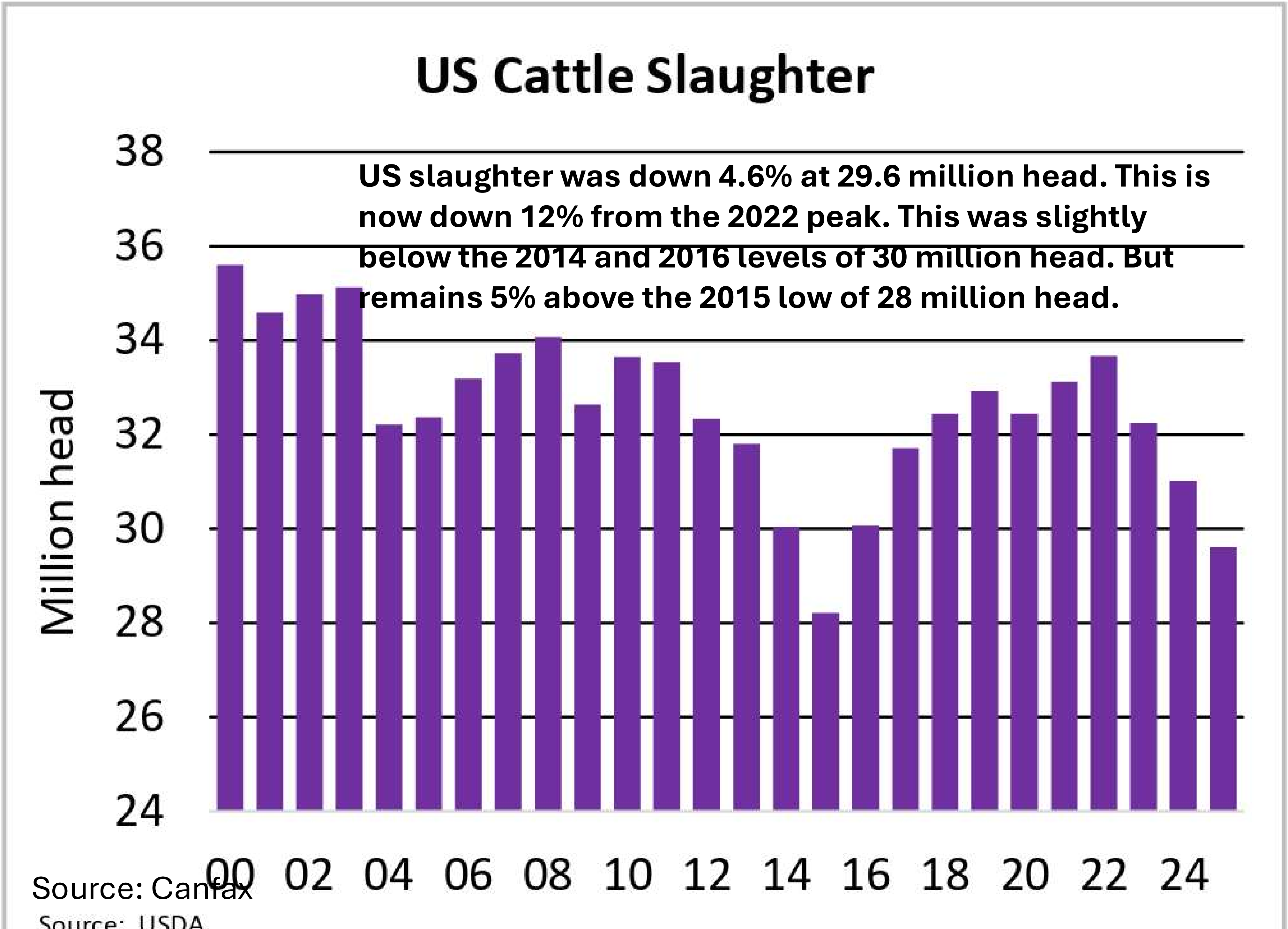
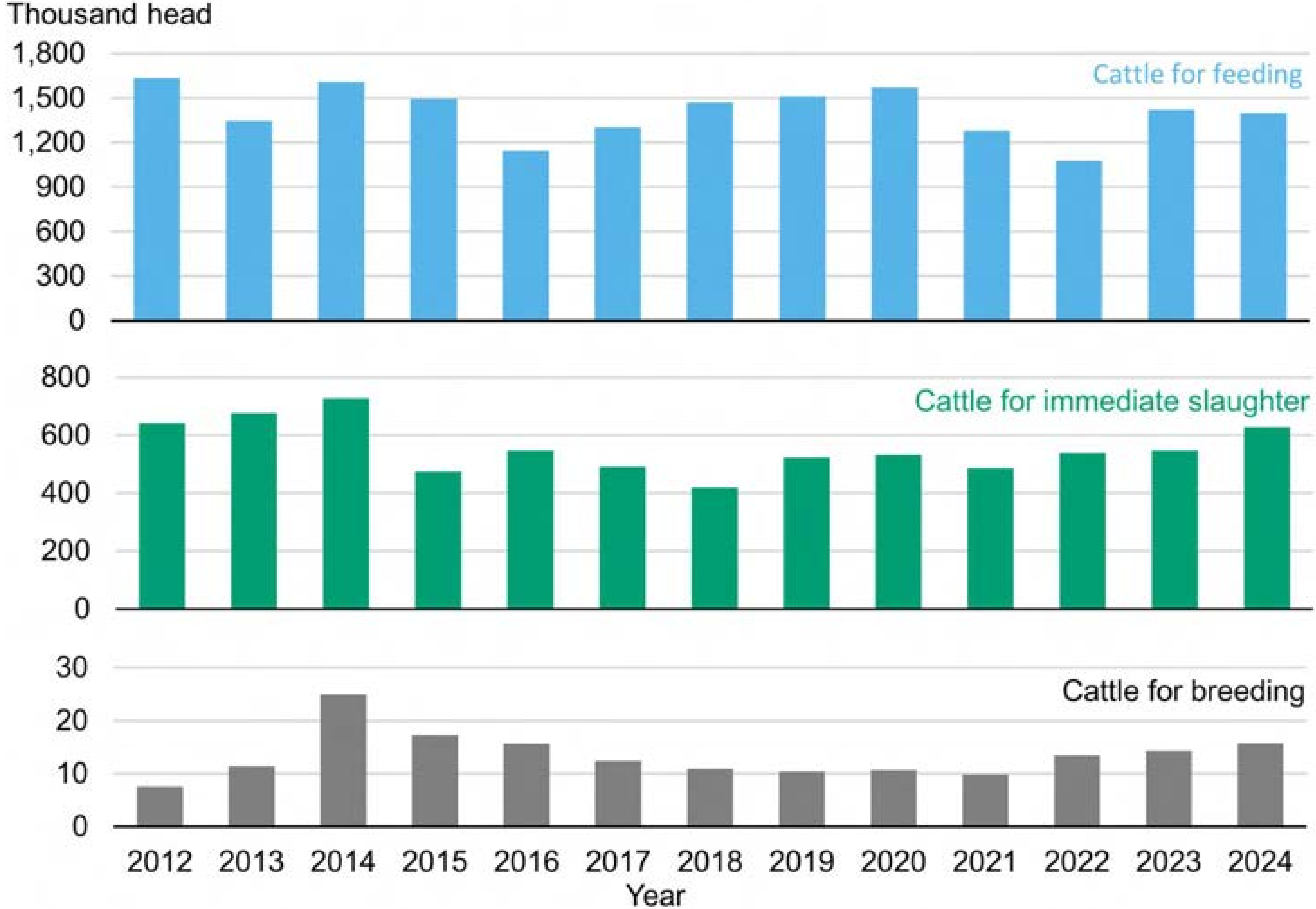
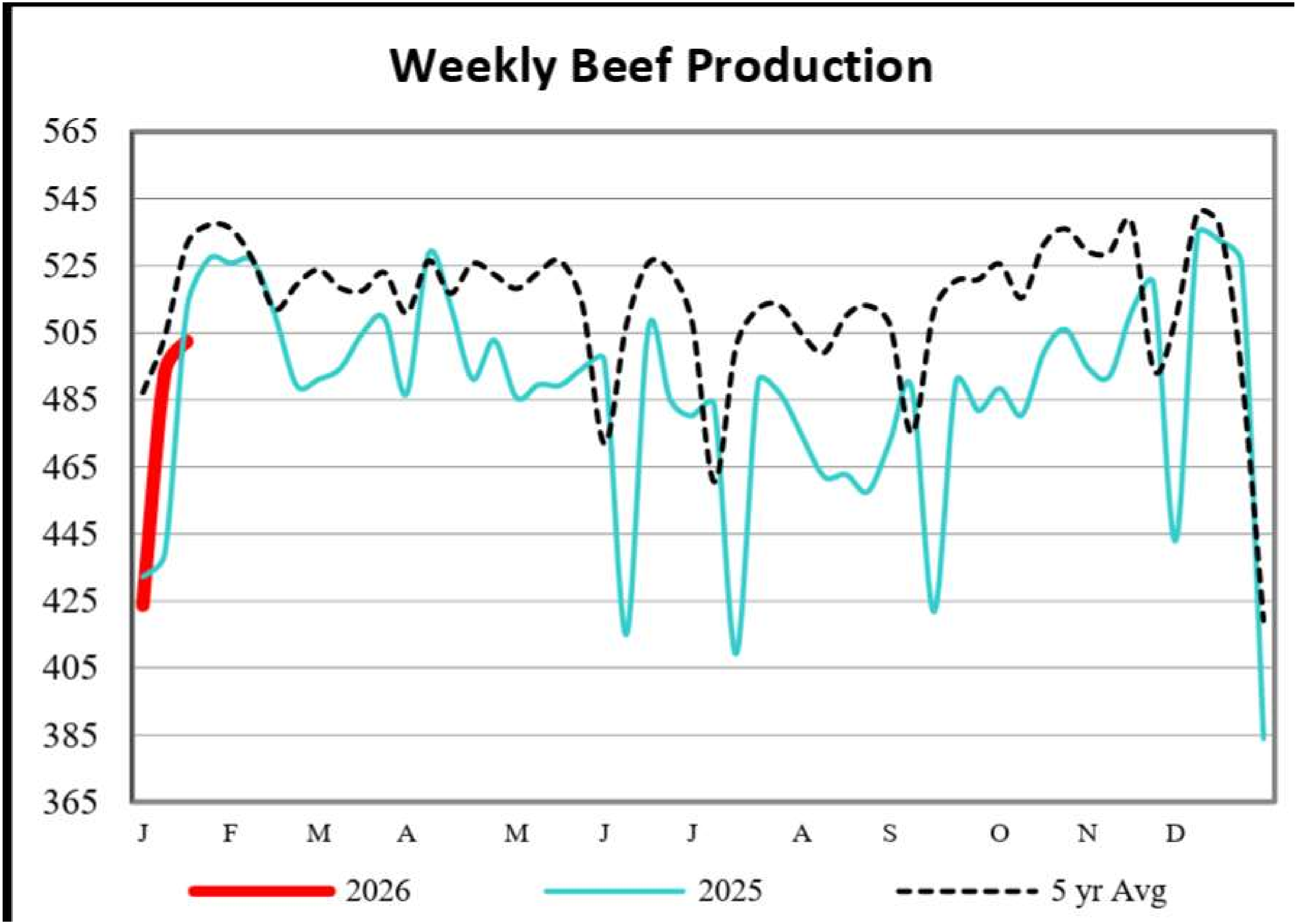

US Cattle Slaughter
US slaughter was down 4.6% at 29.6 million head. This is now down 12% from the 2022 peak. This was slightly below the 2014 and 2016 levels of 30 million head. But remains 5% above the 2015 low of 28 million head.
Million head
38
36
34
32
30
28
26
24
00 02 04 06 08 10 12 14 16 18 20 22 24
Source: Canfax
Source: USDA

**Figure 5. U.S. live cattle imports by use, 2012–2024**




Source: USDA, Economic Research Service calculations using data from U.S. Department of Commerce, Bureau of the Census.

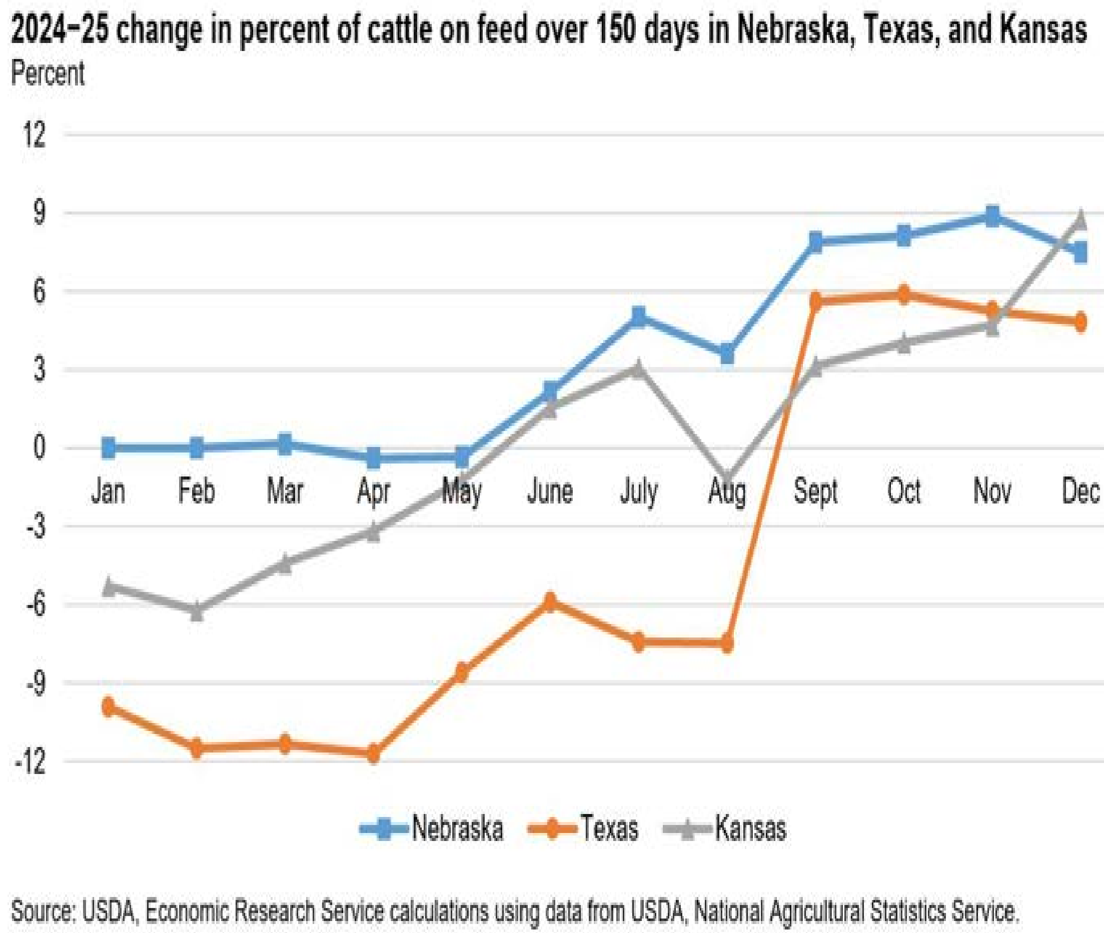

Weekly Beef Production
565
545
525
505
485
465
445
425
405
385
365
J
F
M
A
M
J
J
A
S
O
N
D
2026
2025
5 yr Avg

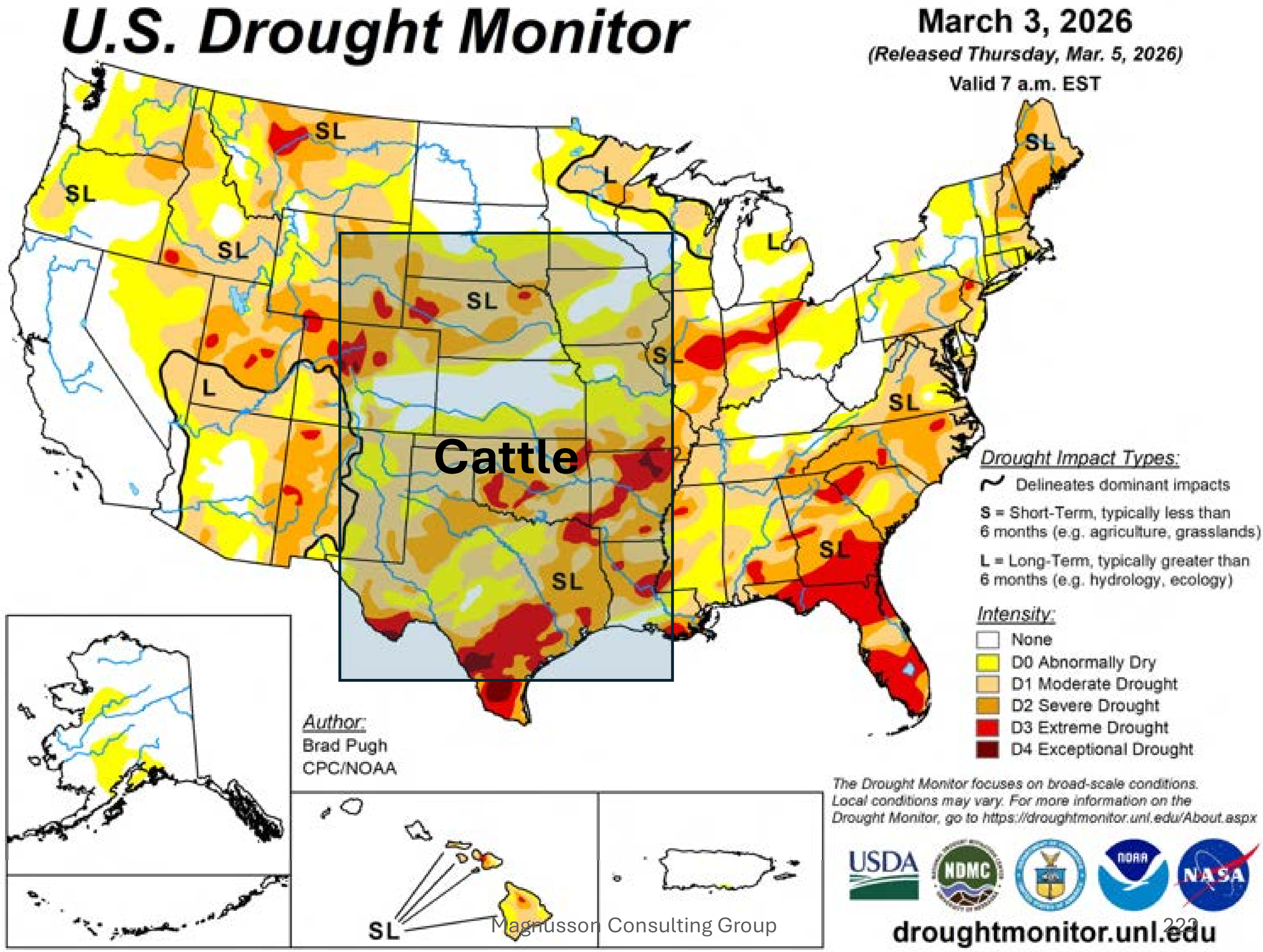
# US Cattle

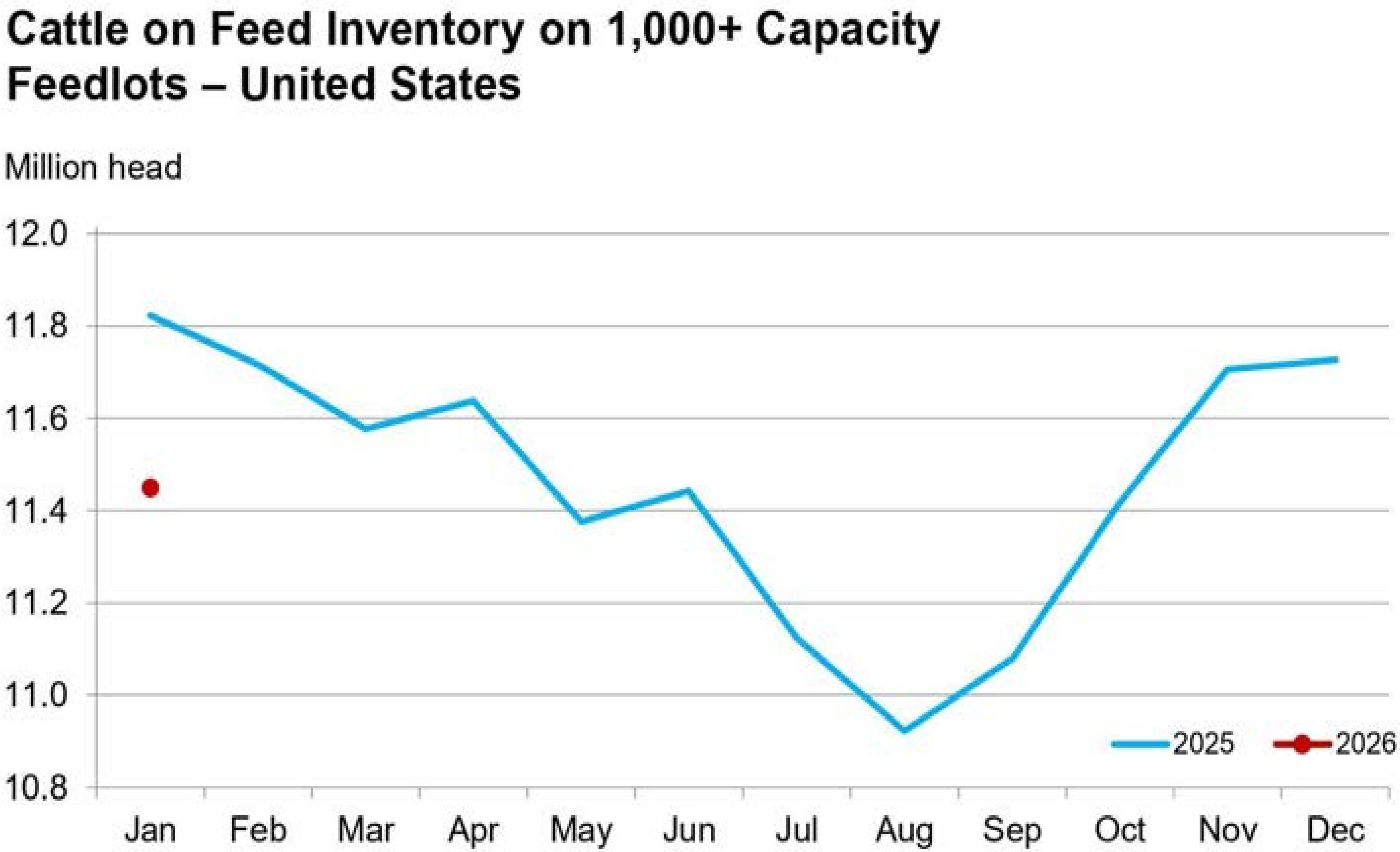
- Total commercial beef production in 2025 is estimated to have been 26.000 billion pounds, a 4-percent decline from 2024 and an 8-percent decline from the record set in 2022.
- The December 1 feedlot inventory is estimated at 11.727 million head, about 2 percent below the 11.982 million head estimated for December 1, 2024.
- Feedlot net placements1 in November were down over 11 percent from last year at 1.542 million head. Marketings in November totaled 1.521 million head, down nearly 12 percent from a year ago.

# US Cattle

- In the three largest cattle feeding States, as of December 1, the number of cattle on feed in Texas was down 9 percent, while Kansas and Nebraska were 1 and 3 percent higher than last year, respectively.
- However, as the chart below indicates, market-ready supplies in all three States were at elevated levels compared to last year.
- This coincides with the significant slowdown in steer and heifer slaughter and in net placements backfilling empty feedlots in 2025.




U.S. Drought Monitor
March 3, 2026
(Released Thursday, Mar. 5, 2026)
Valid 7 a.m. EST
Cattle
SL
L
Drought Impact Types:
Delineates dominant impacts
S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)
Intensity:
None
D0 Abnormally Dry
D1 Moderate Drought
D2 Severe Drought
D3 Extreme Drought
D4 Exceptional Drought
Author:
Brad Pugh
CPC/NOAA
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx
droughtmonitor.unl.edu


Cattle on Feed Inventory on 1,000+ Capacity Feedlots – United States
Million head
12.0
11.8
11.6
11.4
11.2
11.0
10.8
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
2025
2026

# US Cattle

- Based on the cattle feedlot placement data for November, expected placements during the fourth quarter are reduced.
- ***This might suggest reduced marketings anticipated in the second quarter of 2026, but there are 25 percent more cattle on feed over 150 days on December 1 than a year ago.***
- For this reason, the impact on marketings in 2026 is expected to be more pronounced in the third quarter.
- This results in unchanged marketings in the first half of 2026 and a net decrease in the second half of the year relative to the previous month’s outlook.
- Further, based on December slaughter data, expectations for average carcass weights in 2026 are raised across all quarterly forecasts.
- As a result, the 2026 beef production forecast is raised 10 million pounds from last month to 25.735 billion pounds, a 1-percent decline from 2025. Fewer anticipated marketings in the third quarter are more than offset by heavier expected carcass weights.

# US Cattle

- The final reports summarizing 2025 cattle slaughter numbers and total beef production, and 2026 herd inventory, will be released towards the end of this month.
- However, data available through the end of November provides a clear picture of tightening cattle supplies, declining slaughter levels, and reduced beef production.
- As of the end of November 2025, total cattle slaughter reached 26.7 million head, which represents a 7.1 percent decline from the same period in 2024.
- Fed cattle slaughter, which includes steers and heifers, has declined by 6.1 percent compared to the January through November period in 2024. Heifer slaughter is down 7.7 percent as of November compared to 2024.
- However, heifers slaughtered as a percentage of total slaughter so far in 2025 is 31.7 percent, only a 0.2 percent decline from 2024.
- ***The number of heifers available has decreased, but the number we are retaining of those available has not started increasing.***
- When this heifer slaughter percentage starts declining, we can assume a stronger level of retention has begun.

Hannah Baker, M.S.
State Specialized Extension Agent – Beef and Forage Economics
Range Cattle Research and Education Center
University of Florida / IFAS Extension

# US Cattle

- Non-fed cattle slaughter has declined by 11.4 percent through November 2025. Within that category, total cow slaughter fell by 11.5 percent, while beef cow slaughter declined by 18 percent.
- Beef cow slaughter accounted for 8.1 percent of total cattle slaughter so far in 2025, compared with 8 percent of total slaughter in 2015.
- Through November, beef cow slaughter has totaled approximately 2.16 million out of an estimated 27.86 million total beef cows, resulting in a culling rate of 7.7 percent.
- For comparison, the beef cow culling rate declined to 7.5 percent in 2015.
- This illustrates that culling has certainly slowed, and signs of heifer retention should follow in 2026 and into 2027.
- The expansion process through heifer retention is still expected to be much slower due to favorable calf prices, interest rates, and forage availability.
- According to the U.S. Drought Monitor, 60 percent of the country is experiencing some level of drought. Nearly 100 percent (99.64%) of the Southeast is experiencing drought conditions, with 82 percent experiencing moderate to severe drought.

Hannah Baker, M.S.
State Specialized Extension Agent – Beef and Forage Economics
Range Cattle Research and Education Center
University of Florida / IFAS Extension

# Canadian Cattle

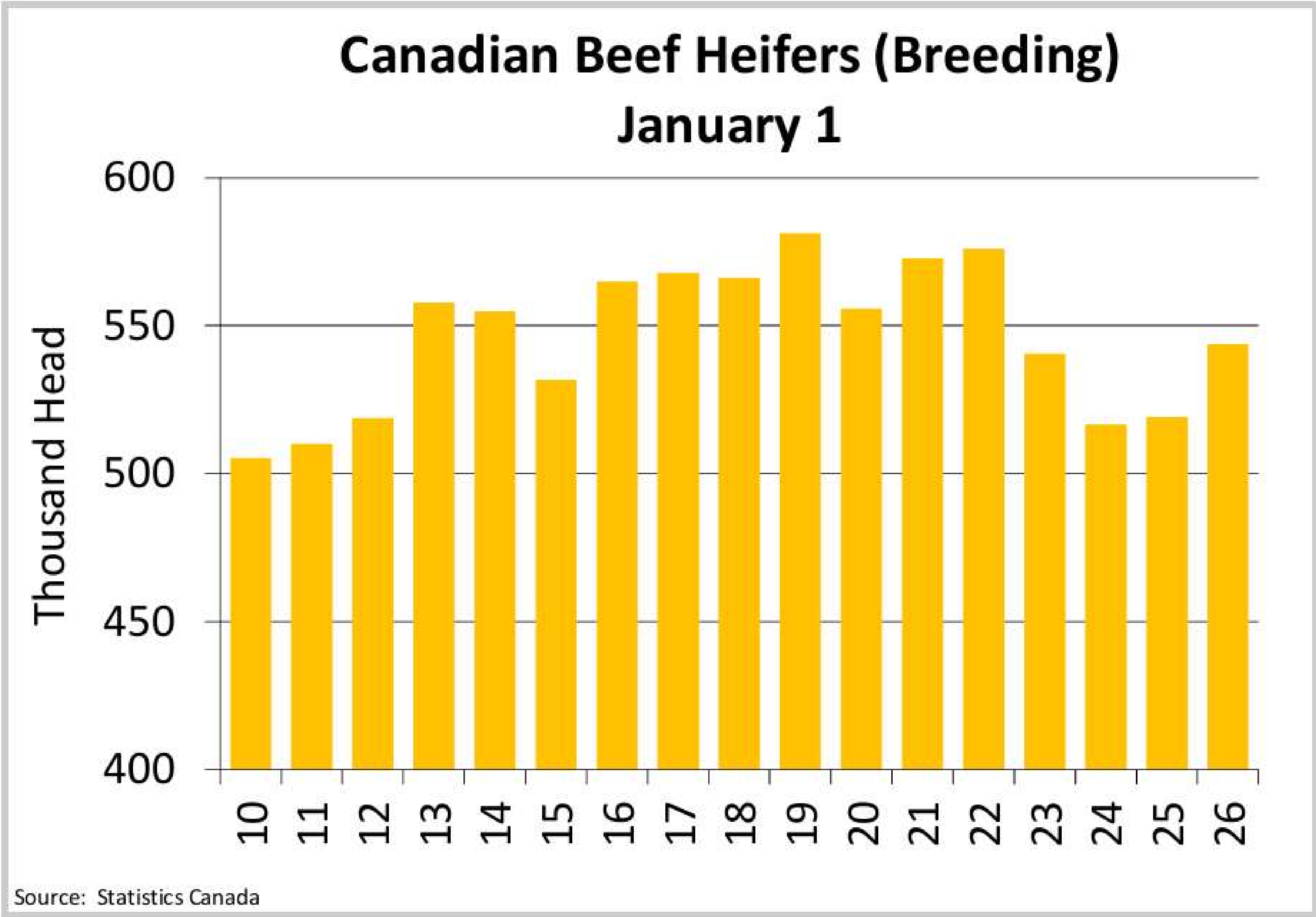
https://canfax.ca/

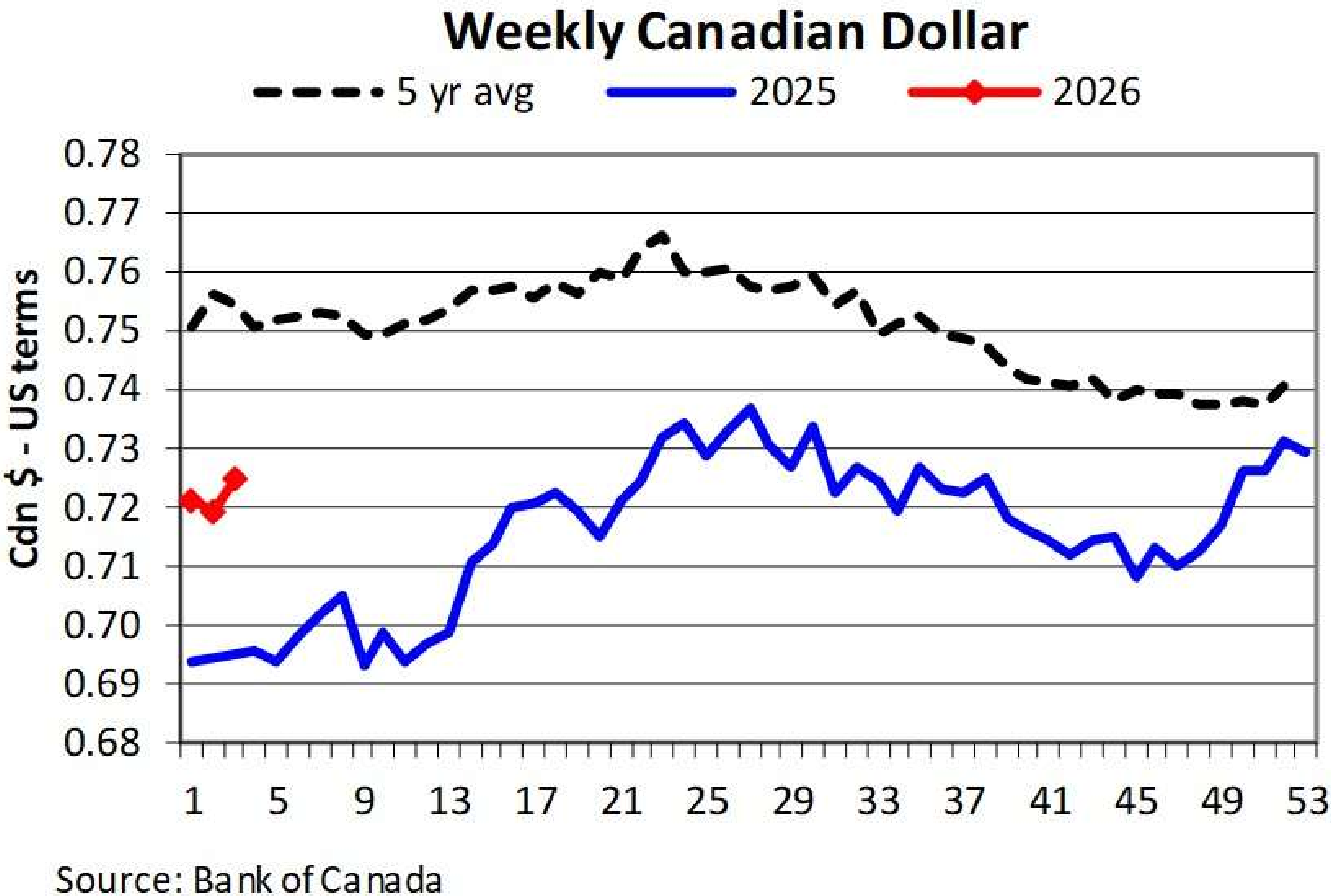
# Thank You To: CanFax

## Canadian Cattle Inventories, January 1st

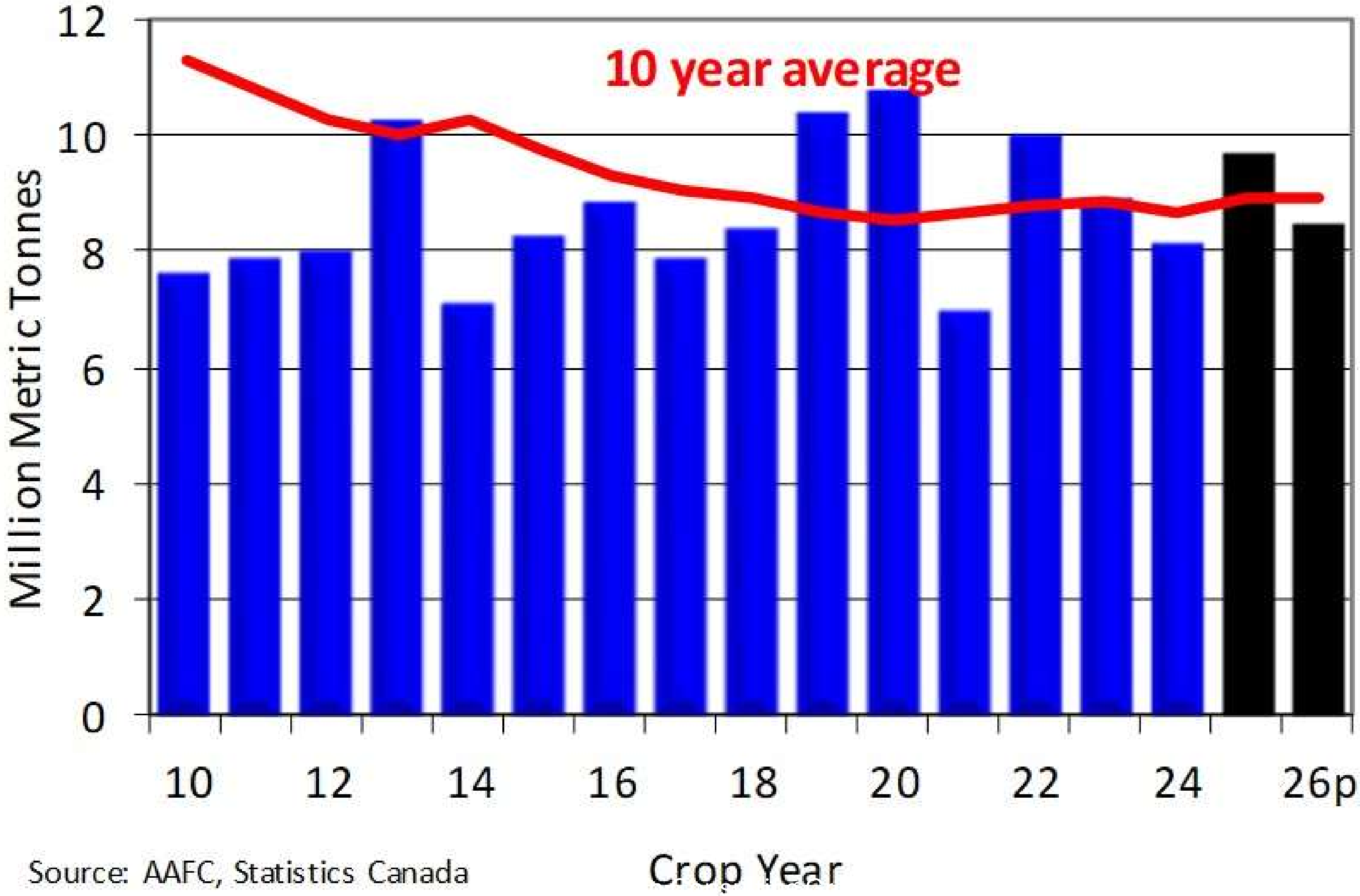
| *1,000 head* | 2025 | 2026 | % chg |
|---|---|---|---|
| Bulls | 198.0 | 201.2 | 1.6% |
| Beef cows | 3,352.4 | 3,417.3 | 1.9% |
| Dairy cows | 965.2 | 971.3 | 0.6% |
| Dairy Hfrs (brdng) | 406.3 | 406.7 | 0.1% |
| Beef Hfrs (brdng) | 519.0 | 543.7 | 4.8% |
| Beef Hfrs (sltr) | 723.3 | 734.2 | 1.5% |
| Steers (>1 year old) | 1,210.9 | 1,224.7 | 1.1% |
| Calves (<1 year old) | 3,484.9 | 3,635.9 | 4.3% |
| Total | 10,860.0 | 11,135.0 | 2.5% |

*Source: Statistics Canada*

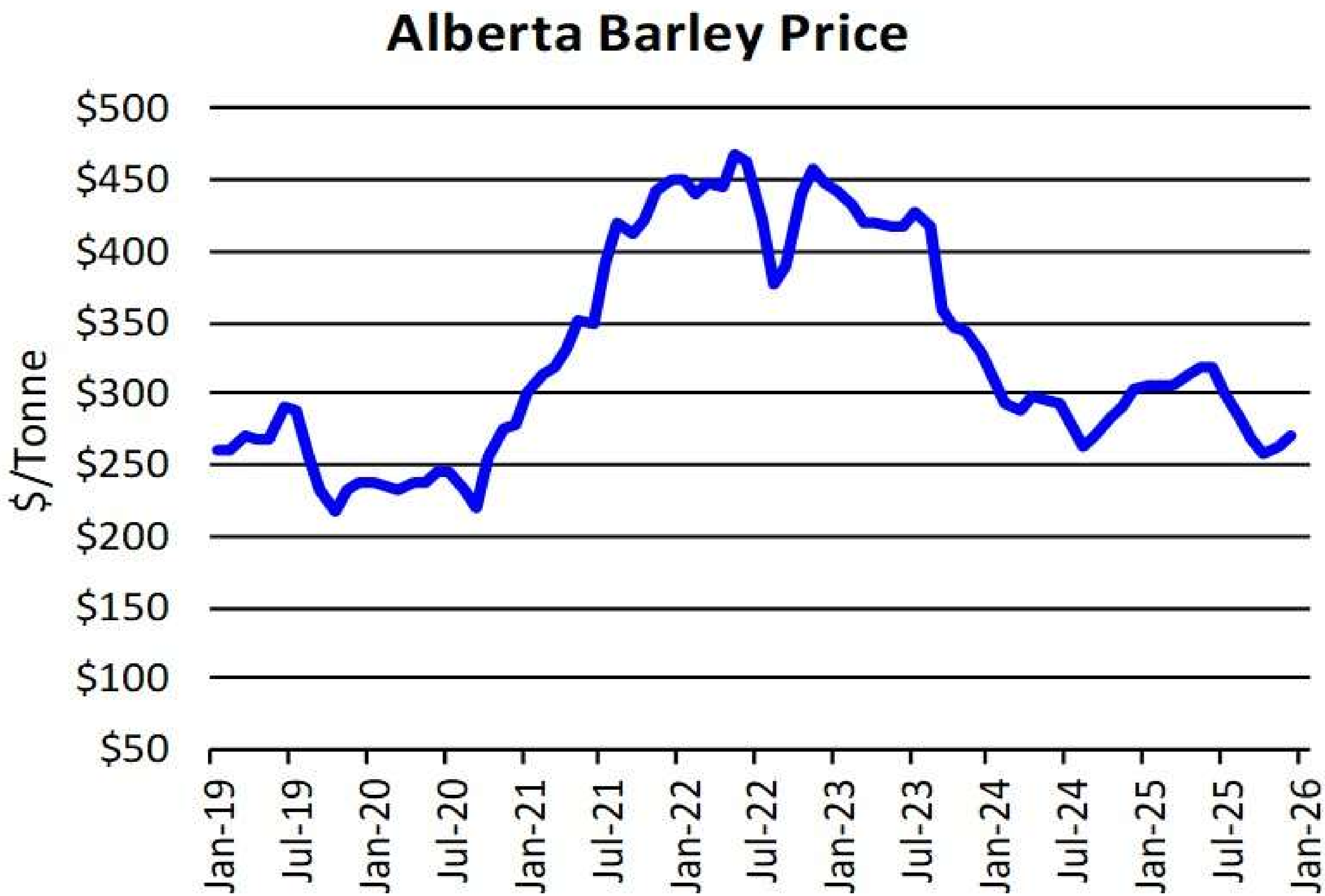

Canadian Beef Heifers (Breeding)
January 1
Thousand Head
600
550
500
450
400
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
Source: Statistics Canada


Weekly Canadian Dollar
5 yr avg
2025
2026
0.78
0.77
0.76
0.75
0.74
0.73
0.72
0.71
0.70
0.69
0.68
Cdn $ - US terms
1
5
9
13
17
21
25
29
33
37
41
45
49
53
Source: Bank of Canada

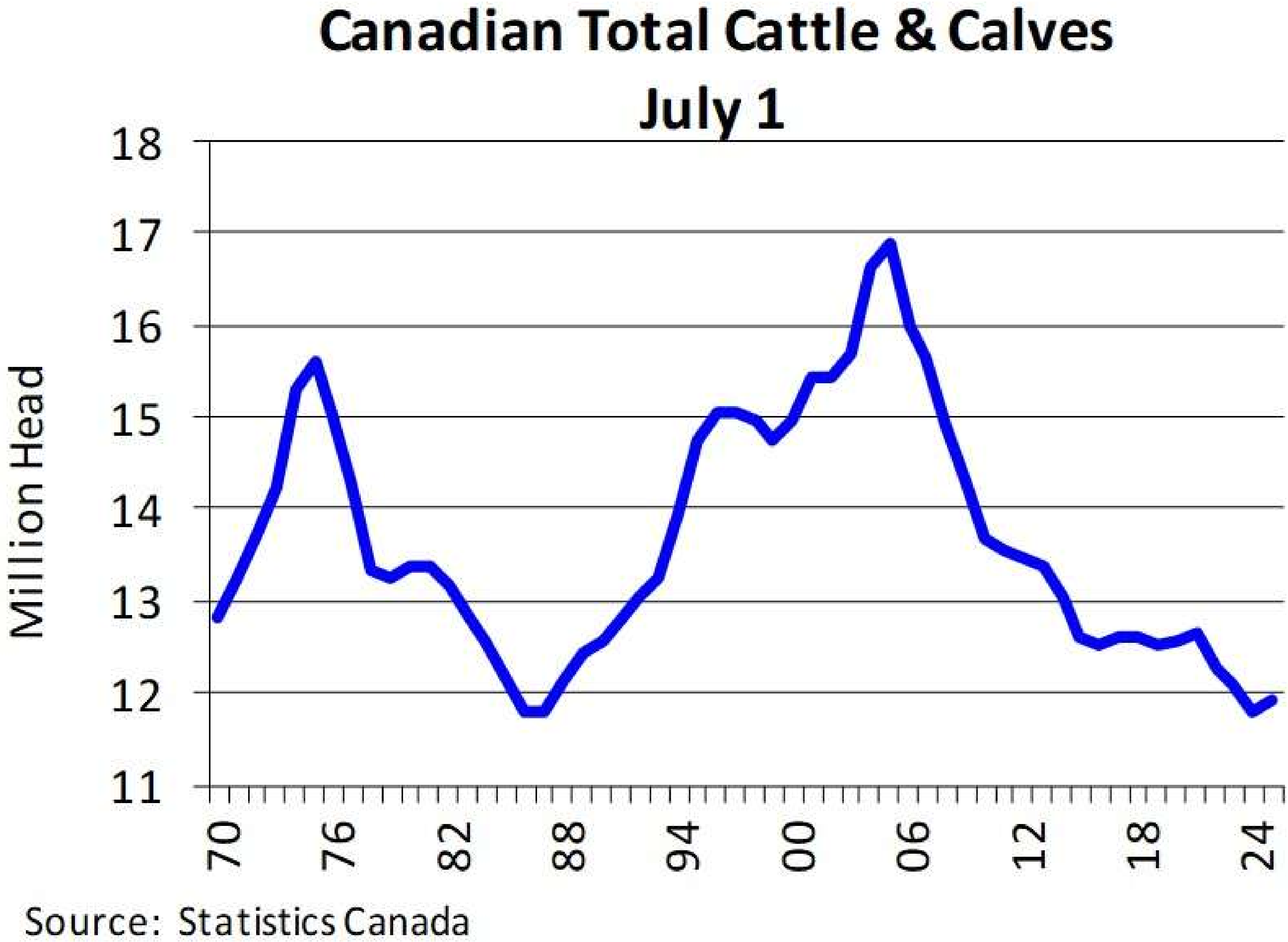
# Canadian Barley Production

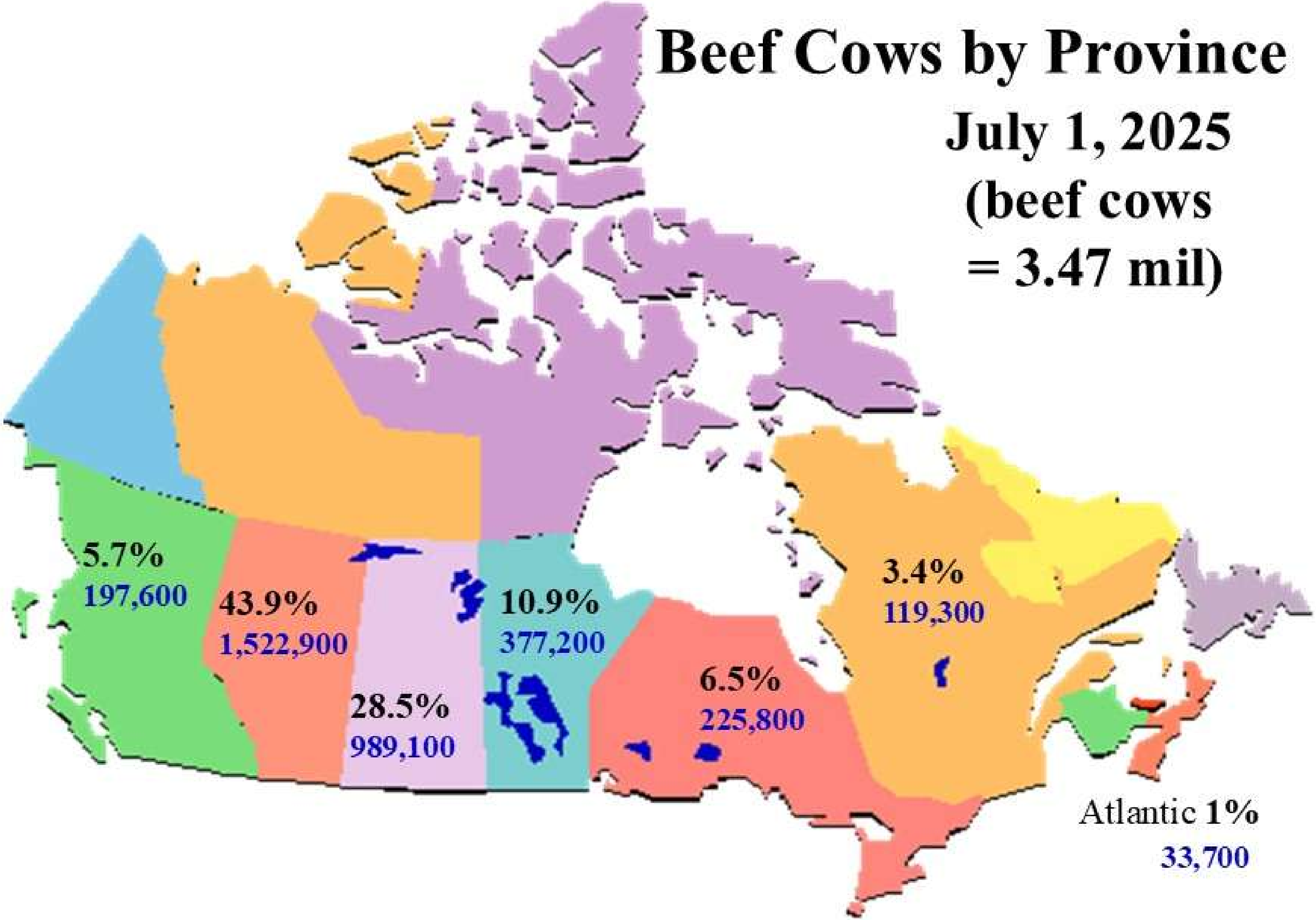



Source: AAFC, Statistics Canada




Source: AB Canola, AG Value, AB Agric

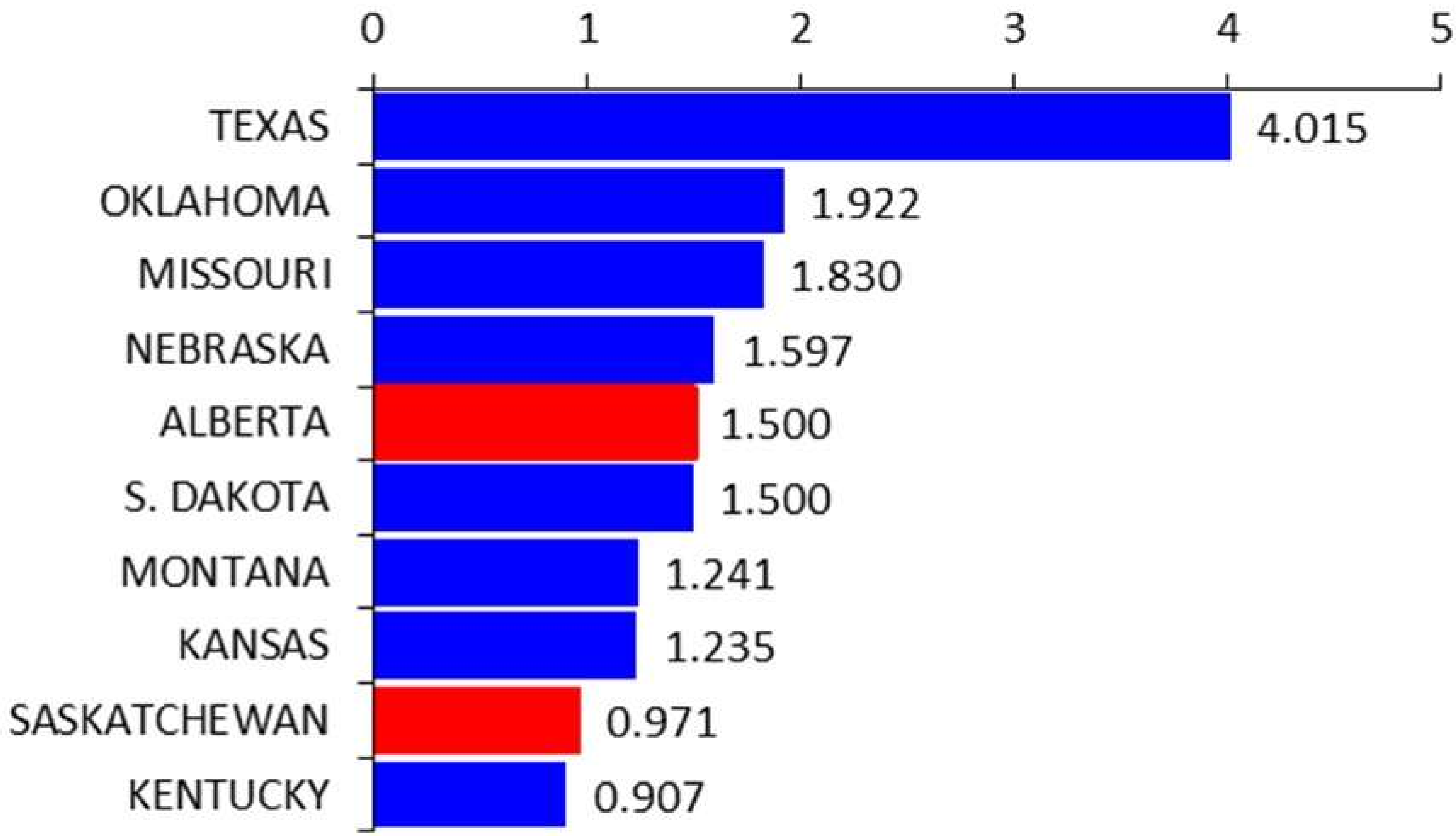

Canadian Total Cattle & Calves
July 1
Million Head
18
17
16
15
14
13
12
11
70
76
82
88
94
00
06
12
18
24
Source: Statistics Canada



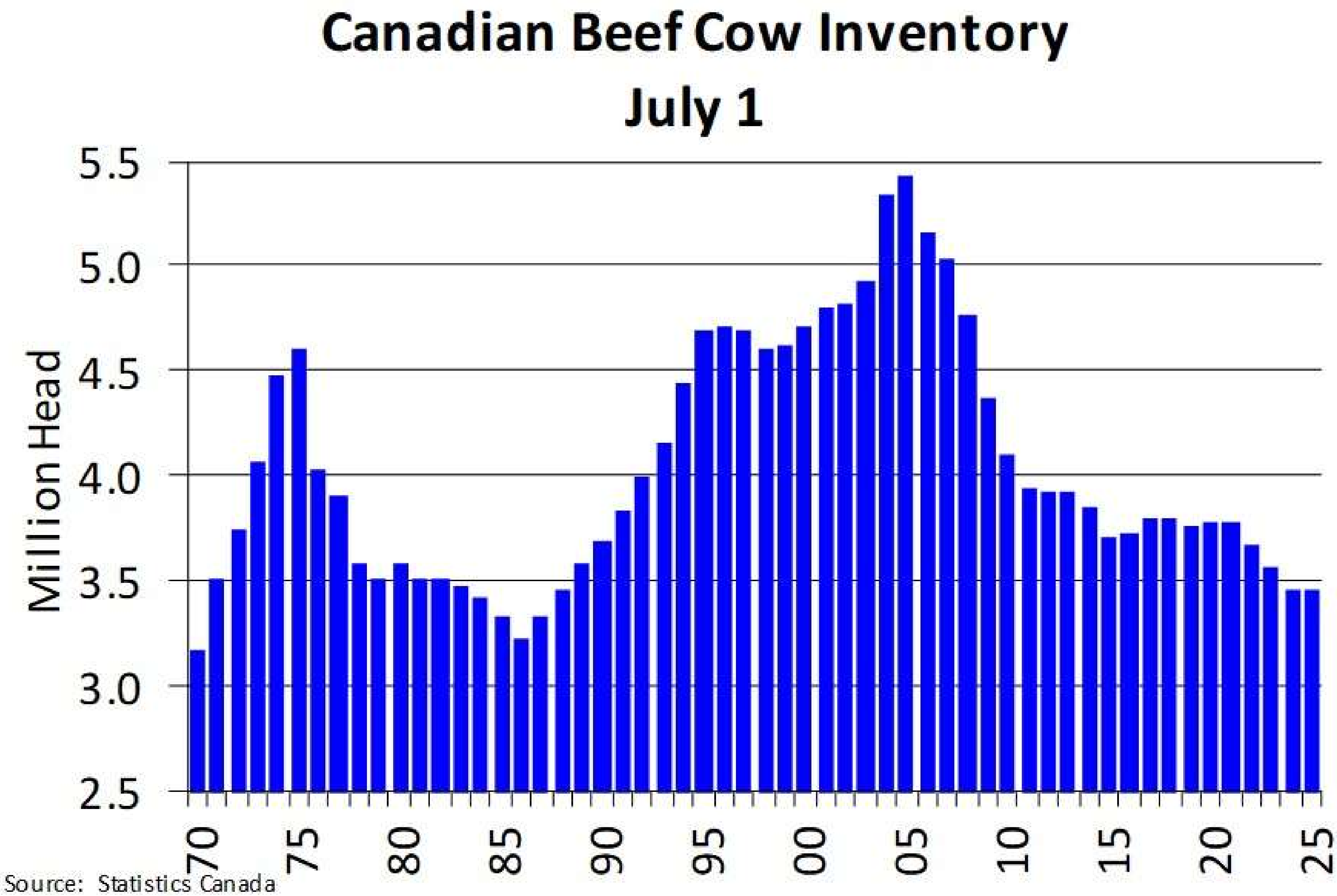

Source: Statistics Canada

## Beef Cows - Top 10 Regions - Jan 2025

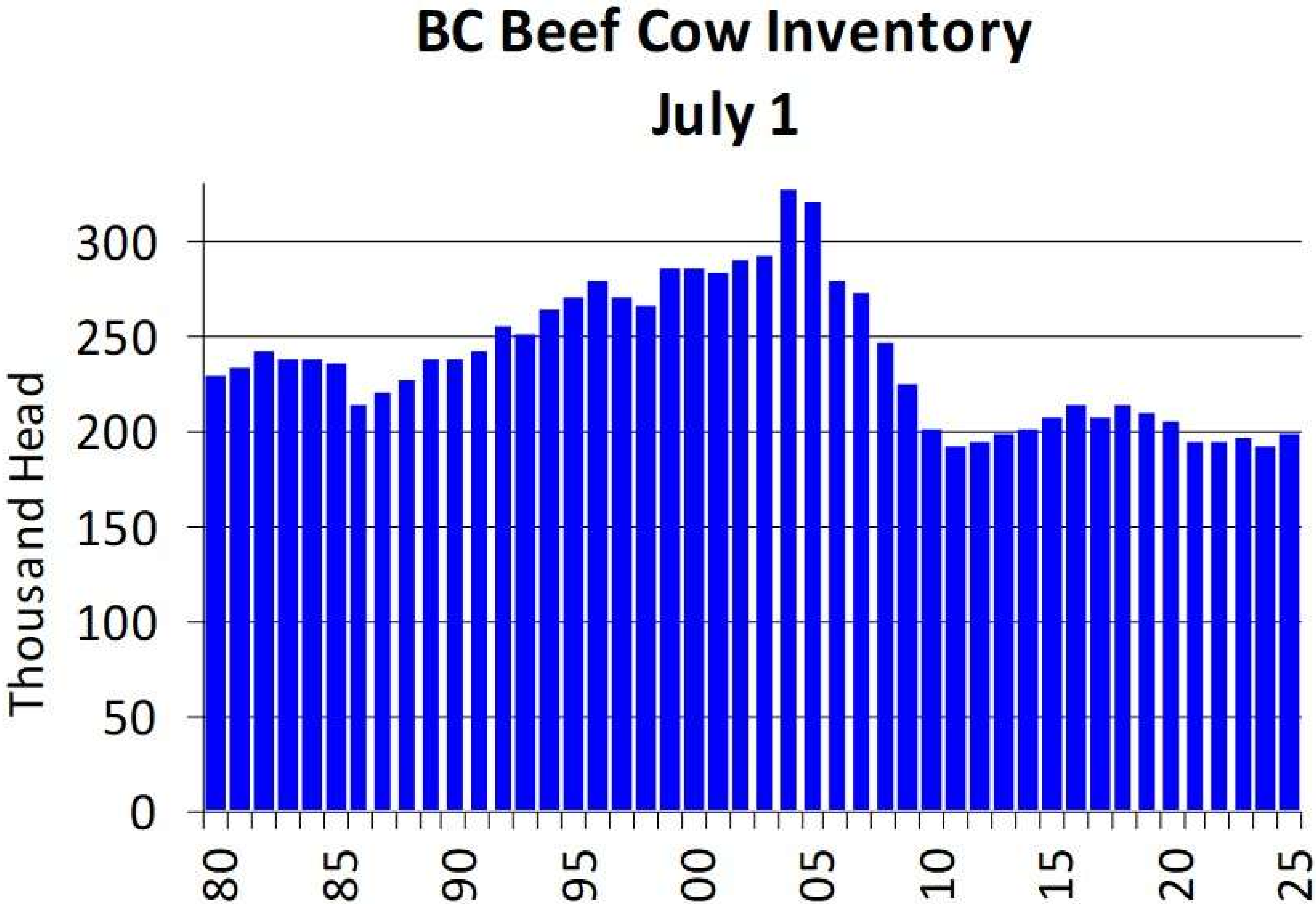
Million Head



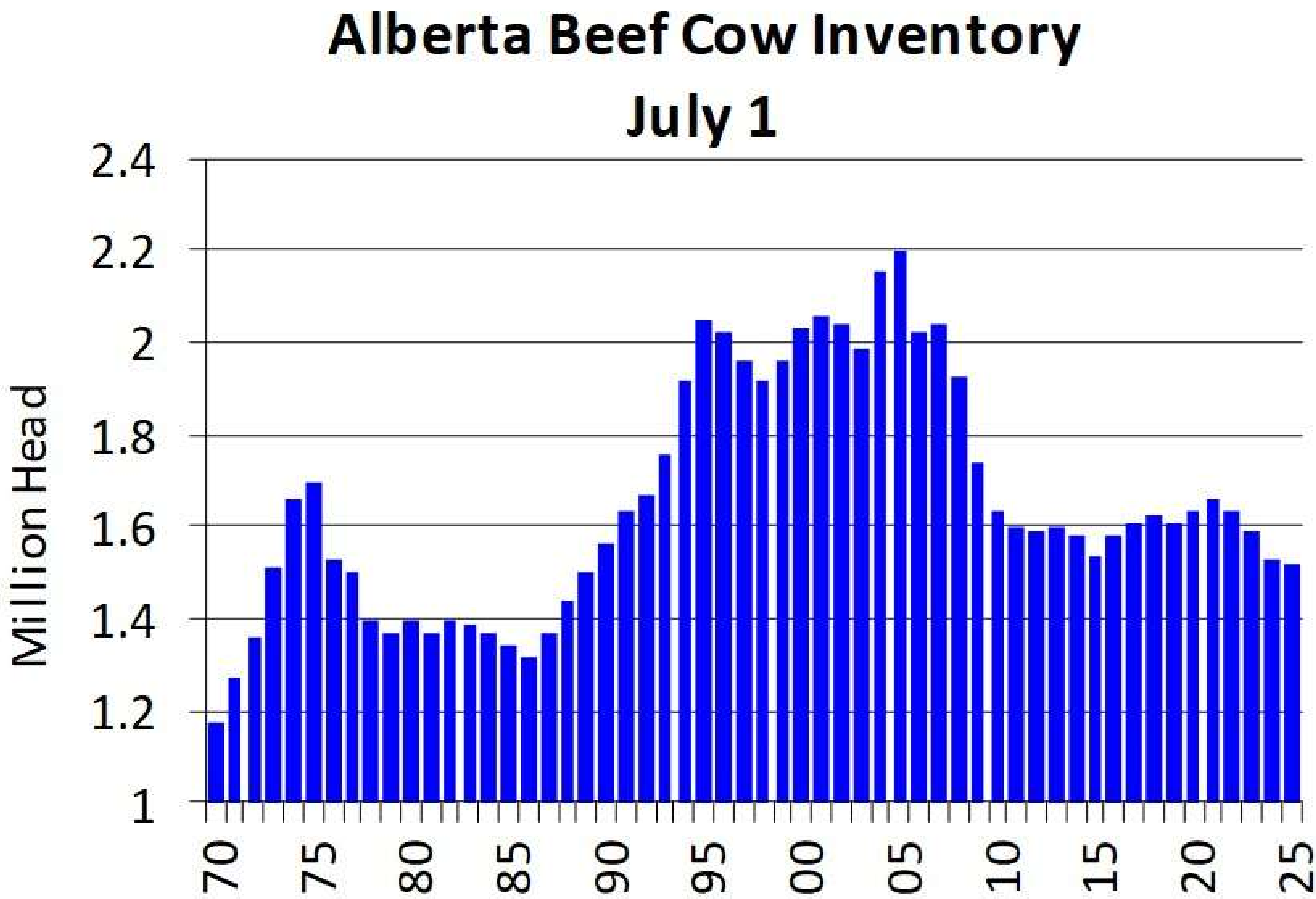

Source: USDA, Statistics Canada



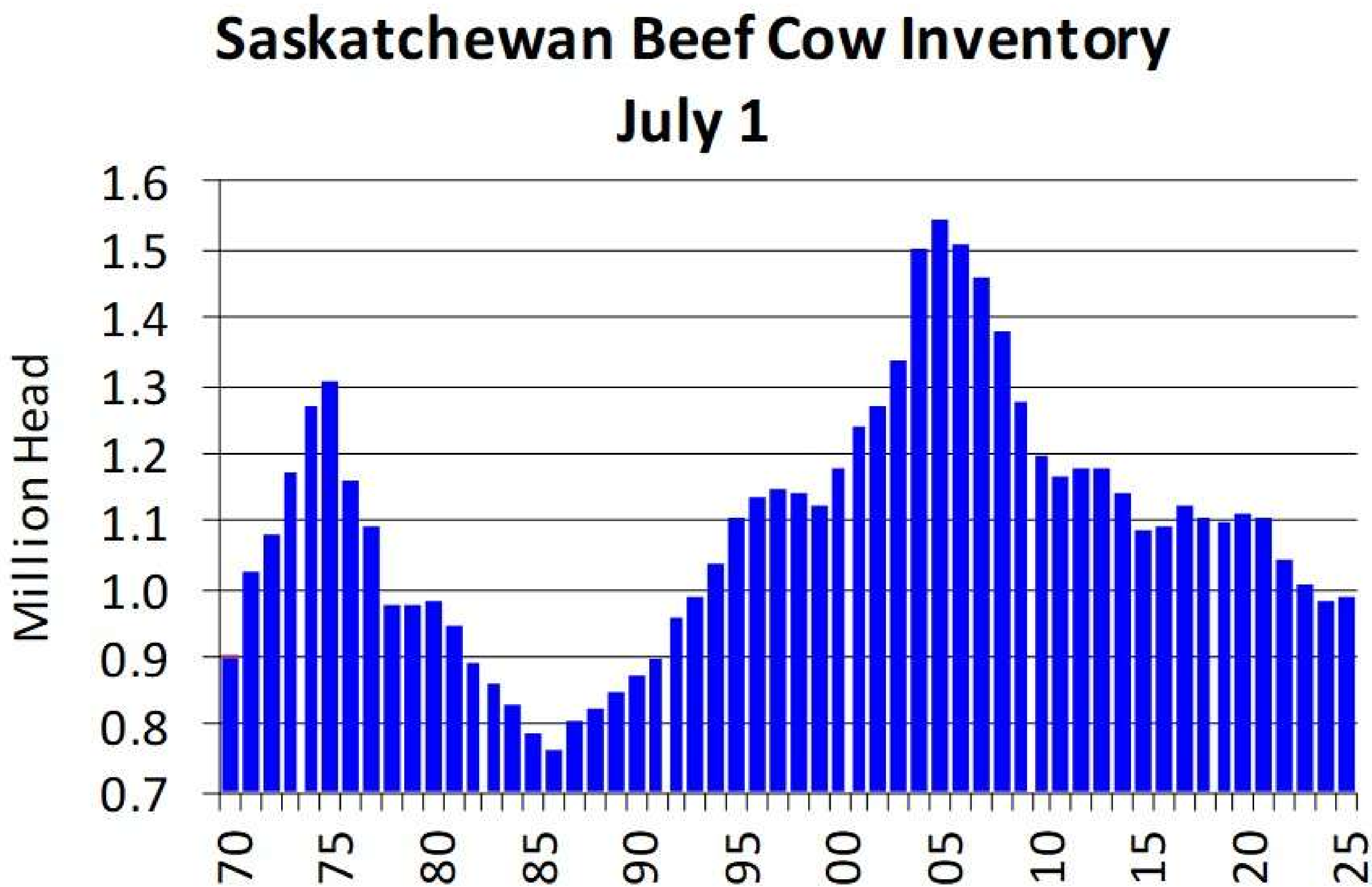
Canadian Beef Cow Inventory
July 1
Million Head
5.5
5.0
4.5
4.0
3.5
3.0
2.5
70
75
80
85
90
95
00
05
10
15
20
25
Source: Statistics Canada



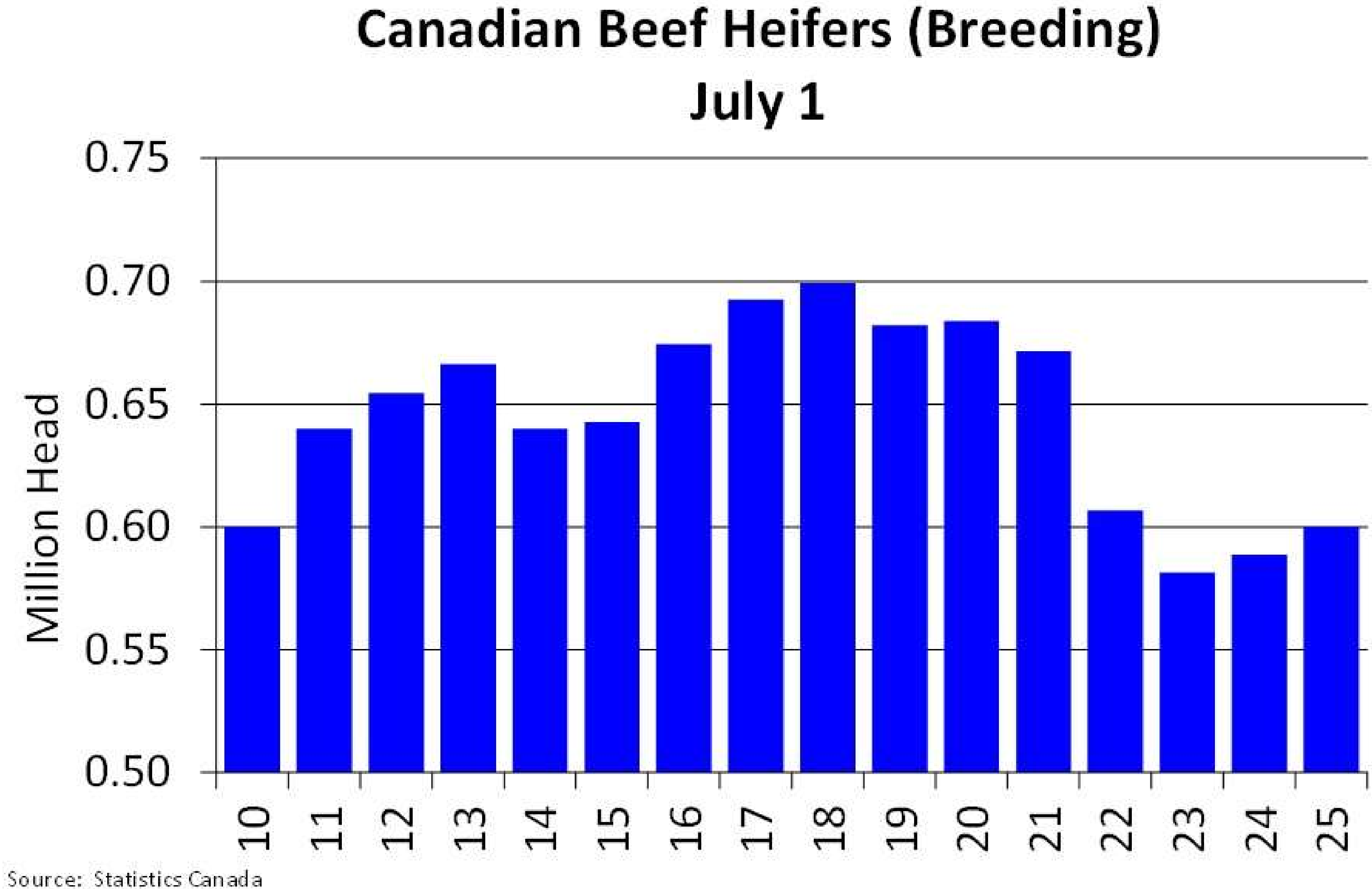

Source: Statistics Canada



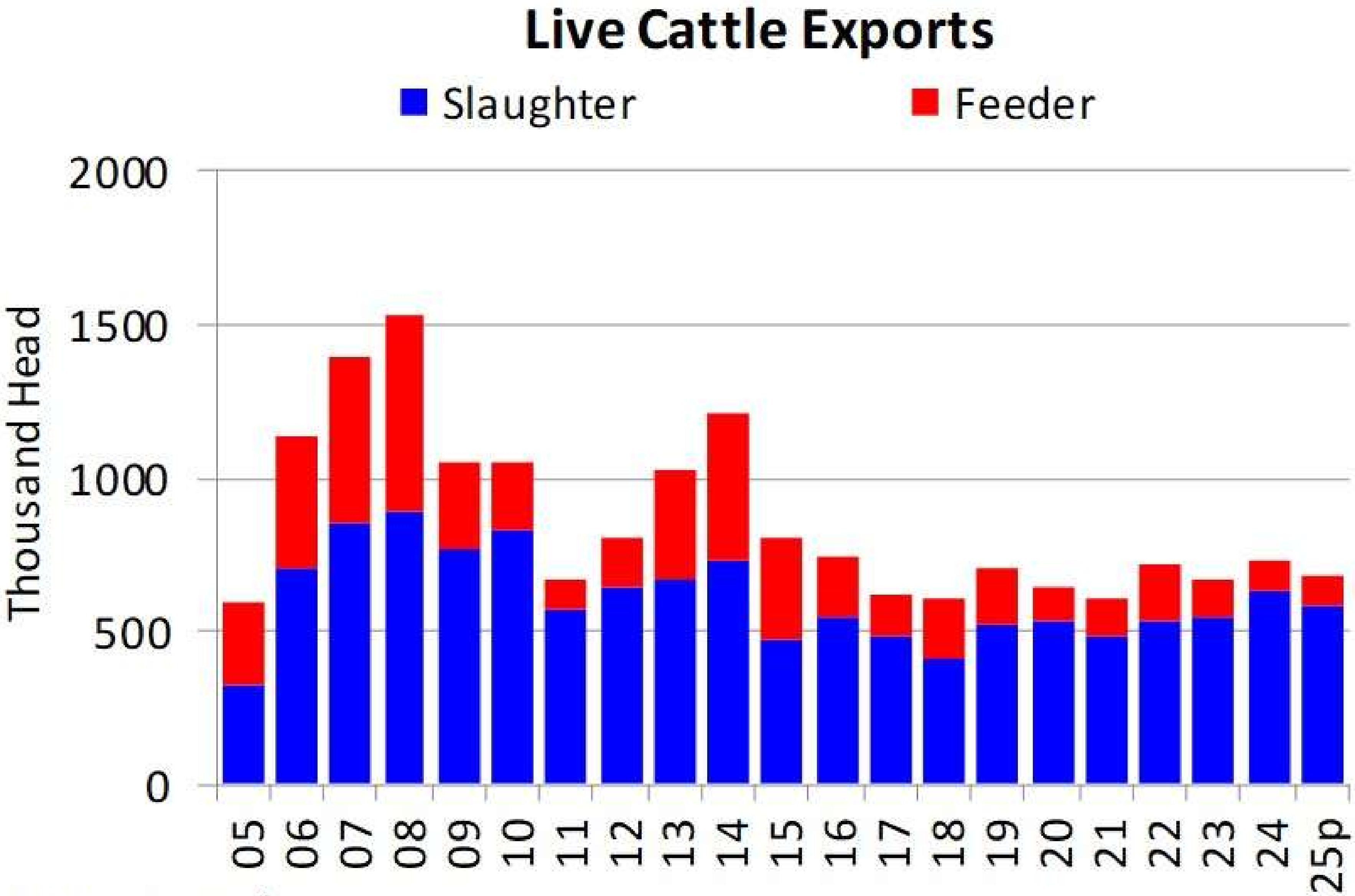

Source: Statistics Canada



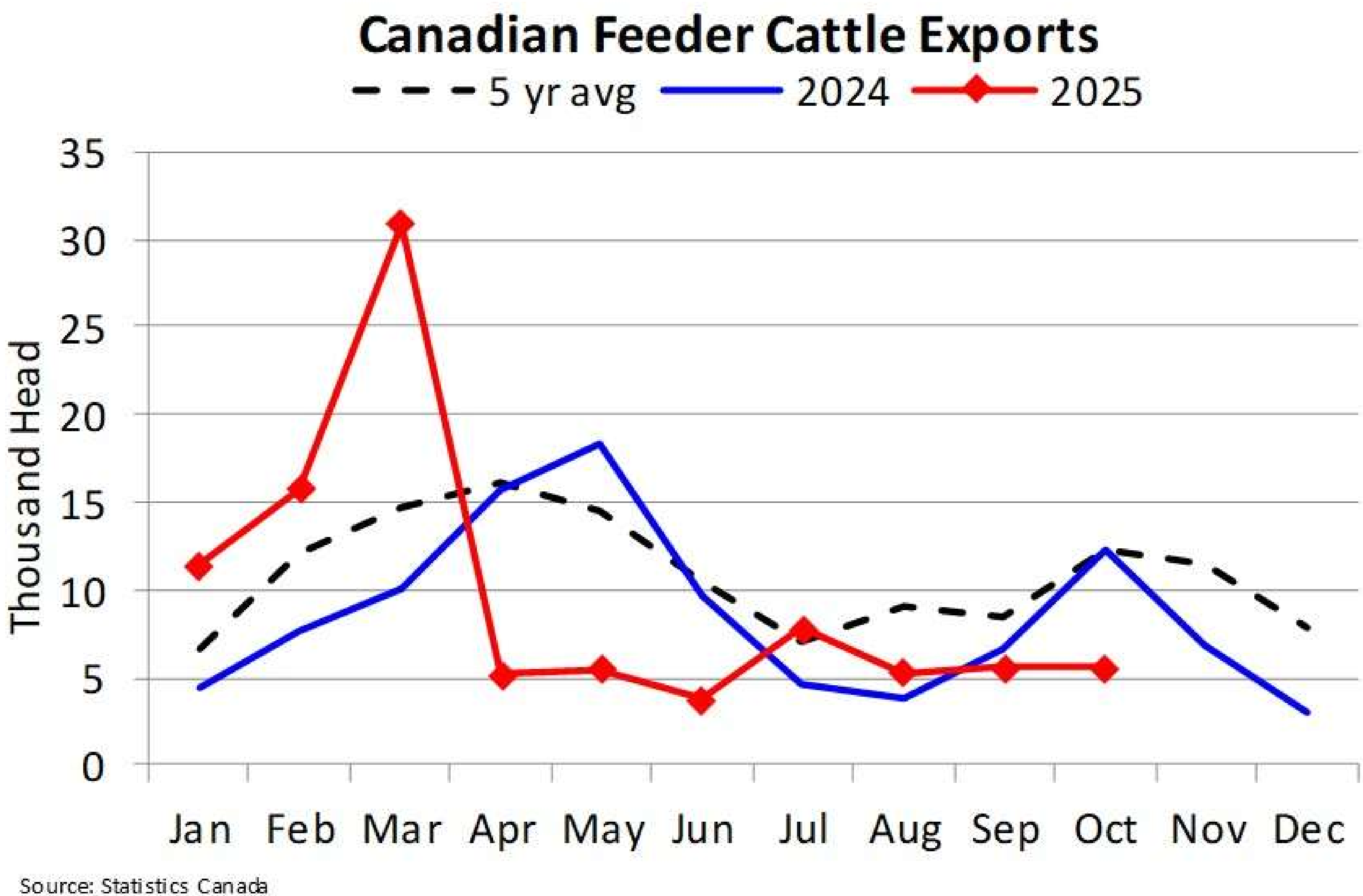
Source: Statistics Canada

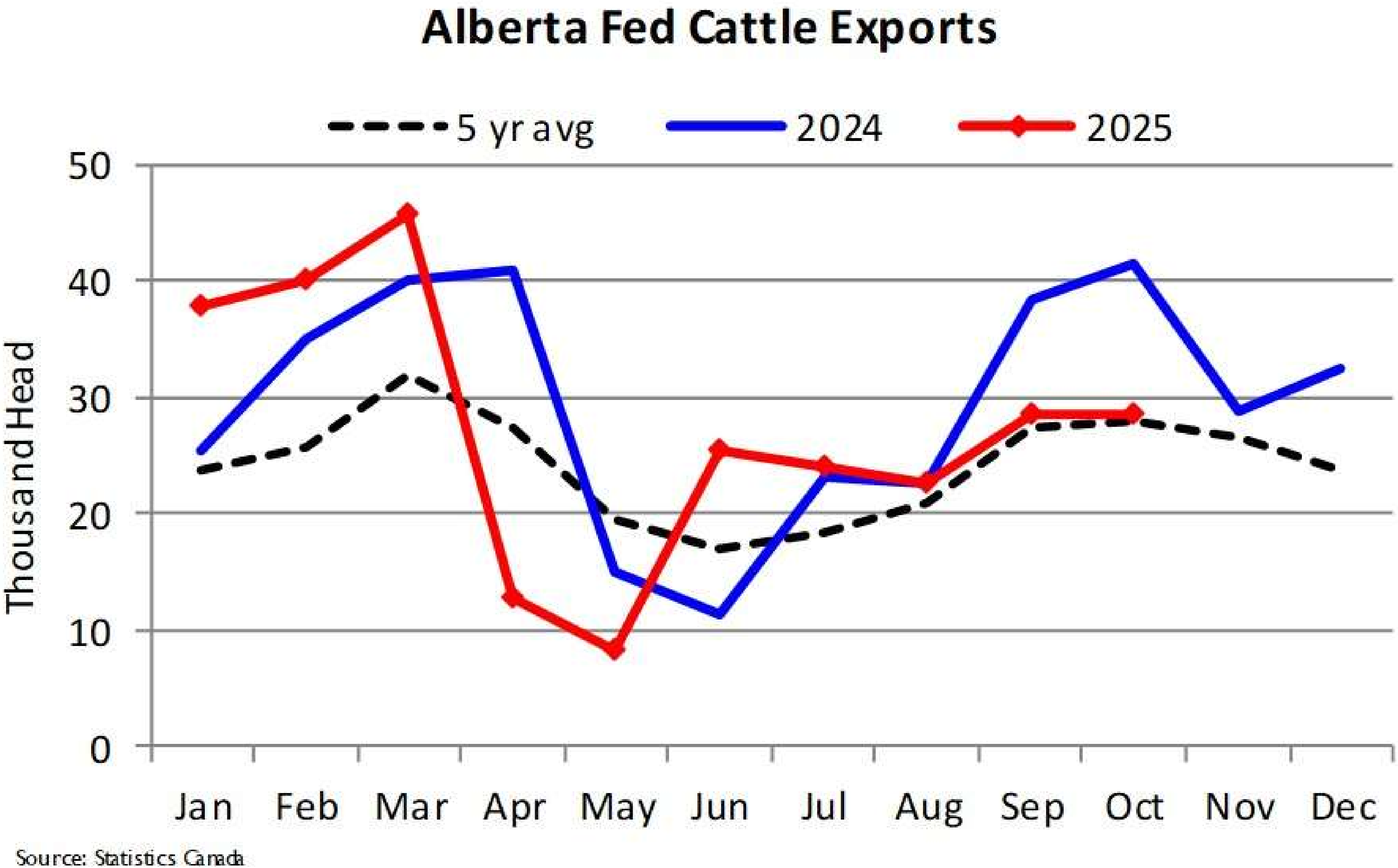


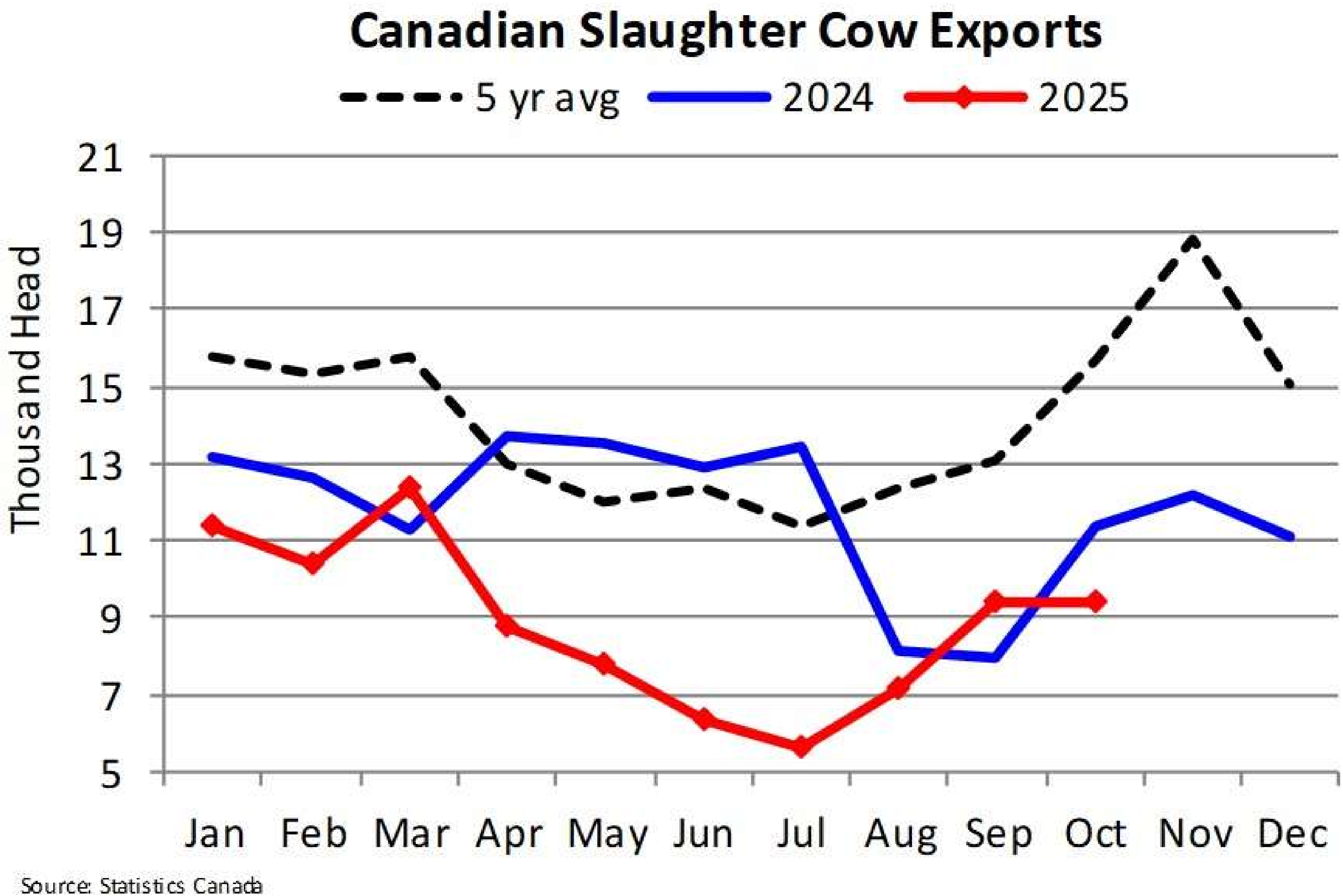
Canadian Beef Heifers (Breeding)
July 1
Million Head
0.75
0.70
0.65
0.60
0.55
0.50
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
Source: Statistics Canada

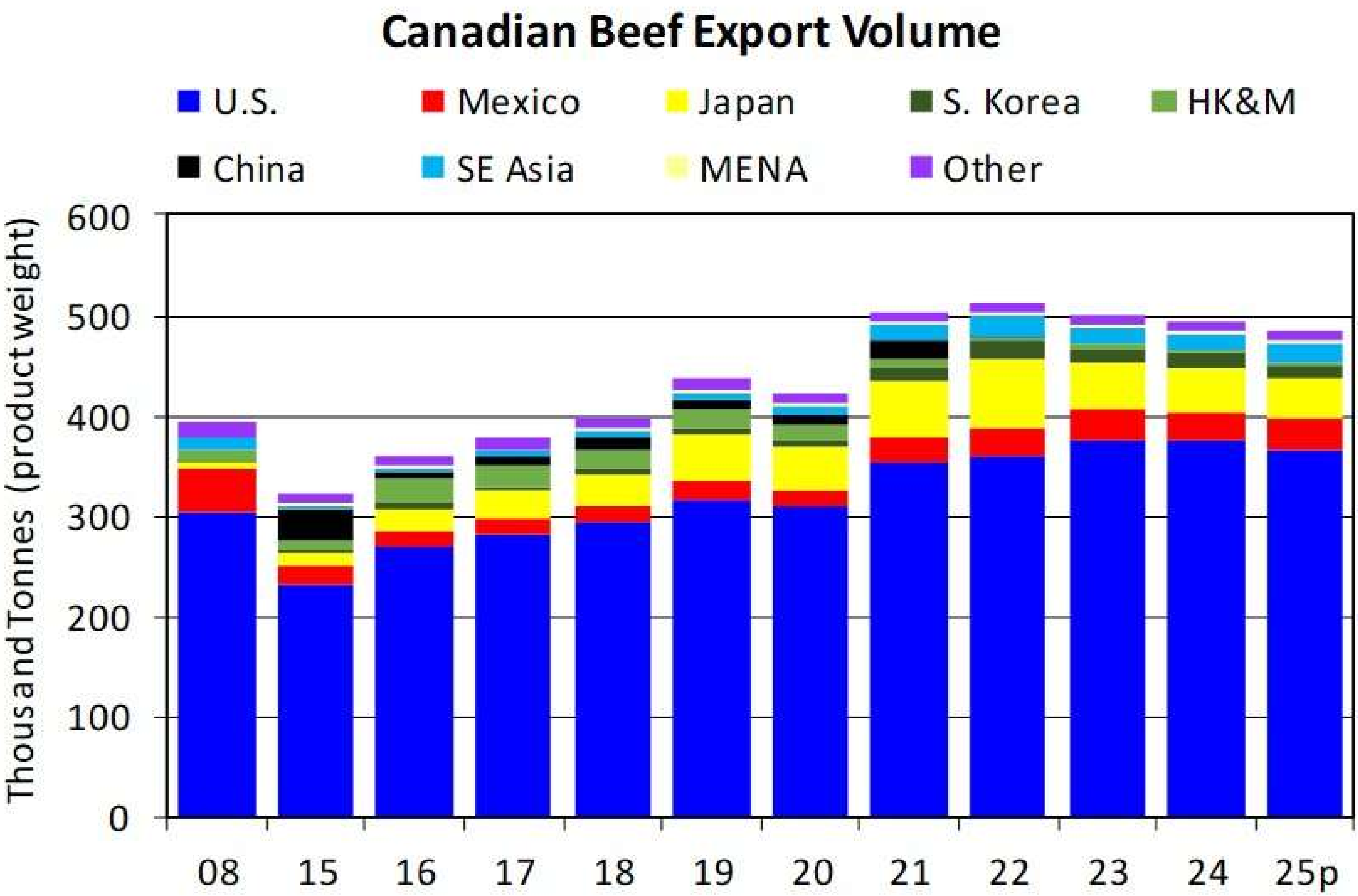


Source: Statistics Canada

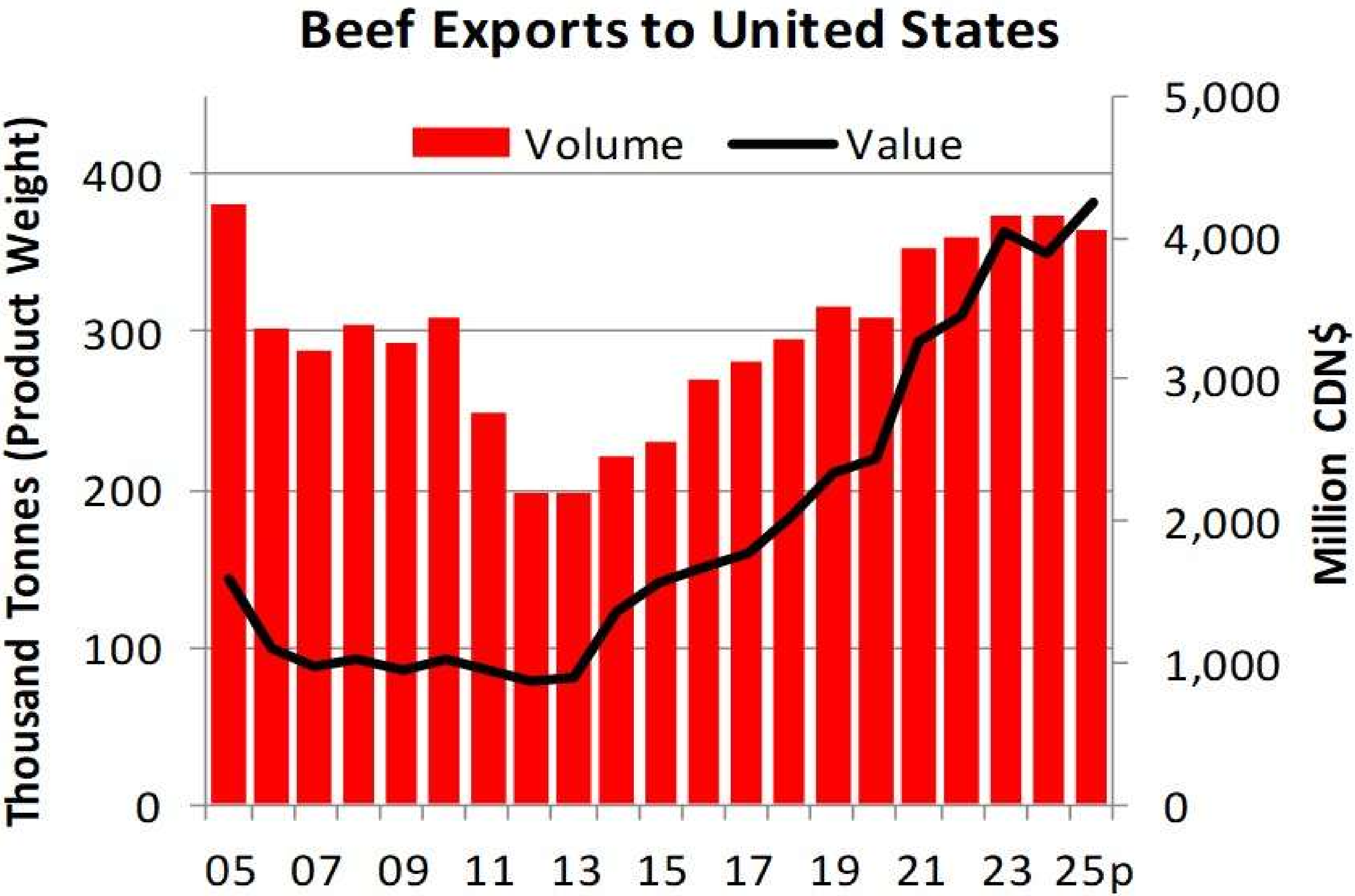

Canadian Feeder Cattle Exports
5 yr avg
2024
2025
Thousand Head
35
30
25
20
15
10
5
0
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Source: Statistics Canada


Alberta Fed Cattle Exports
5 yr avg
2024
2025
Thousand Head
50
40
30
20
10
0
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Source: Statistics Canada

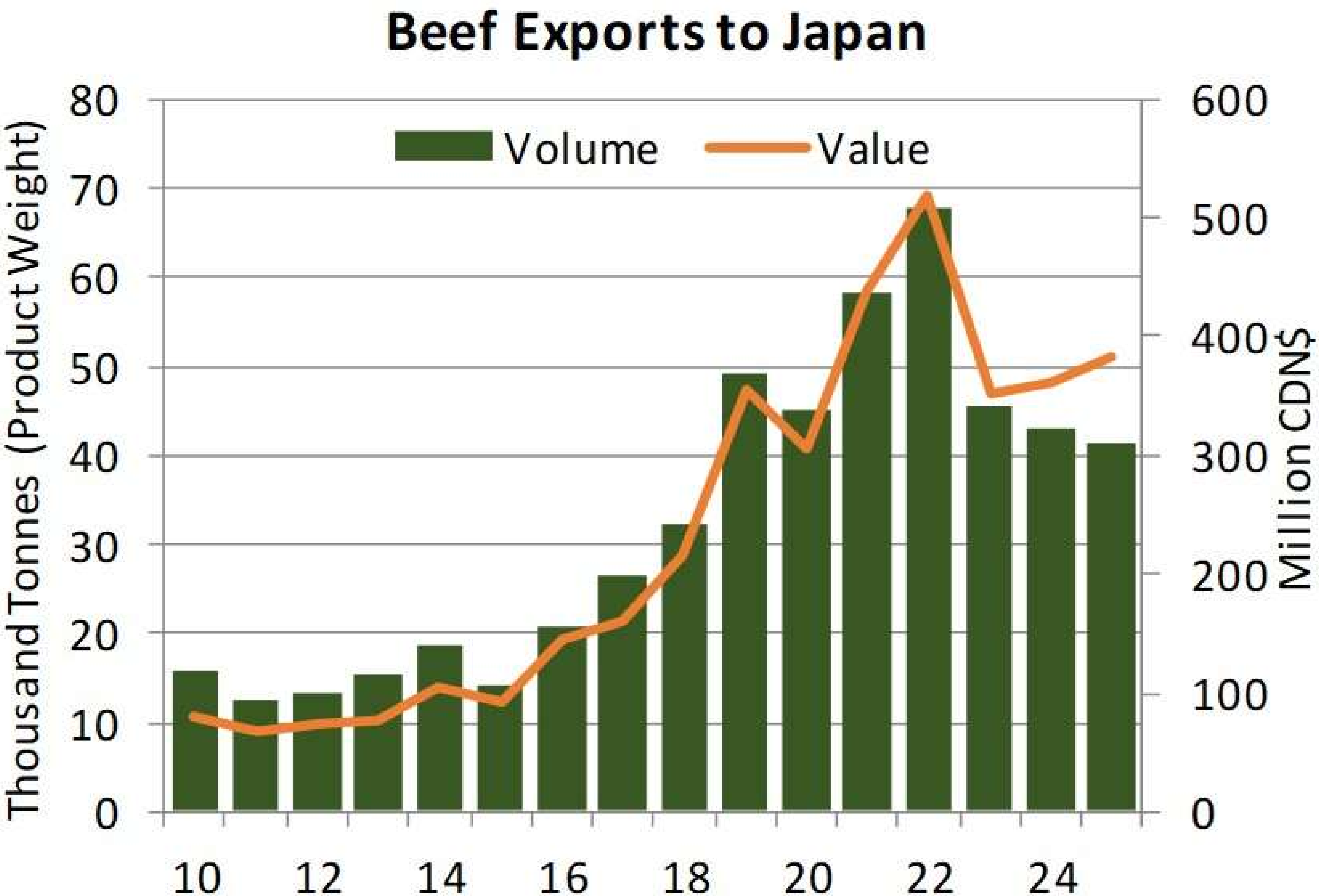

Canadian Slaughter Cow Exports
5 yr avg
2024
2025
21
19
17
15
13
11
9
7
5
Thousand Head
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Source: Statistics Canada



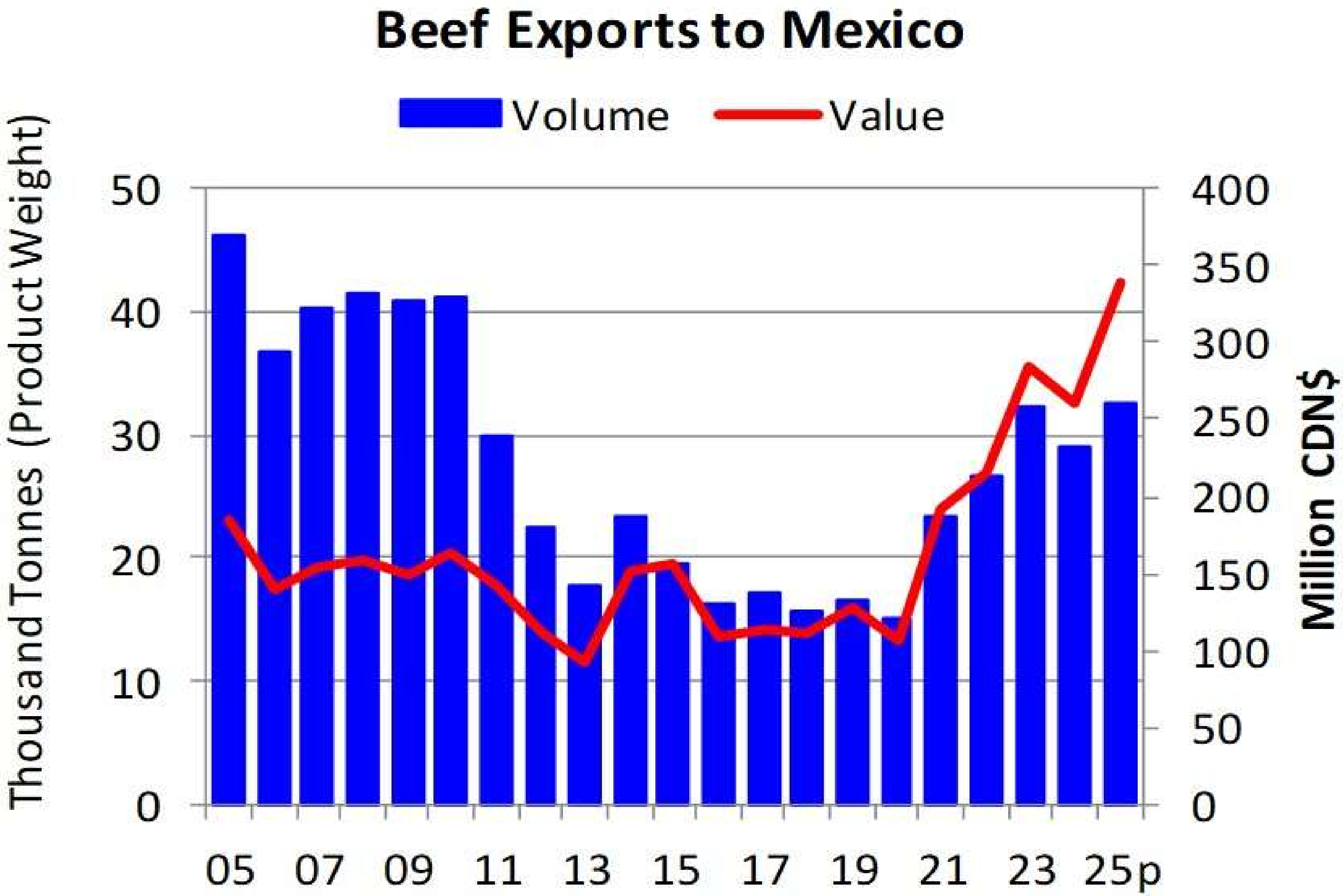
Source: Statistics Canada, CFIA



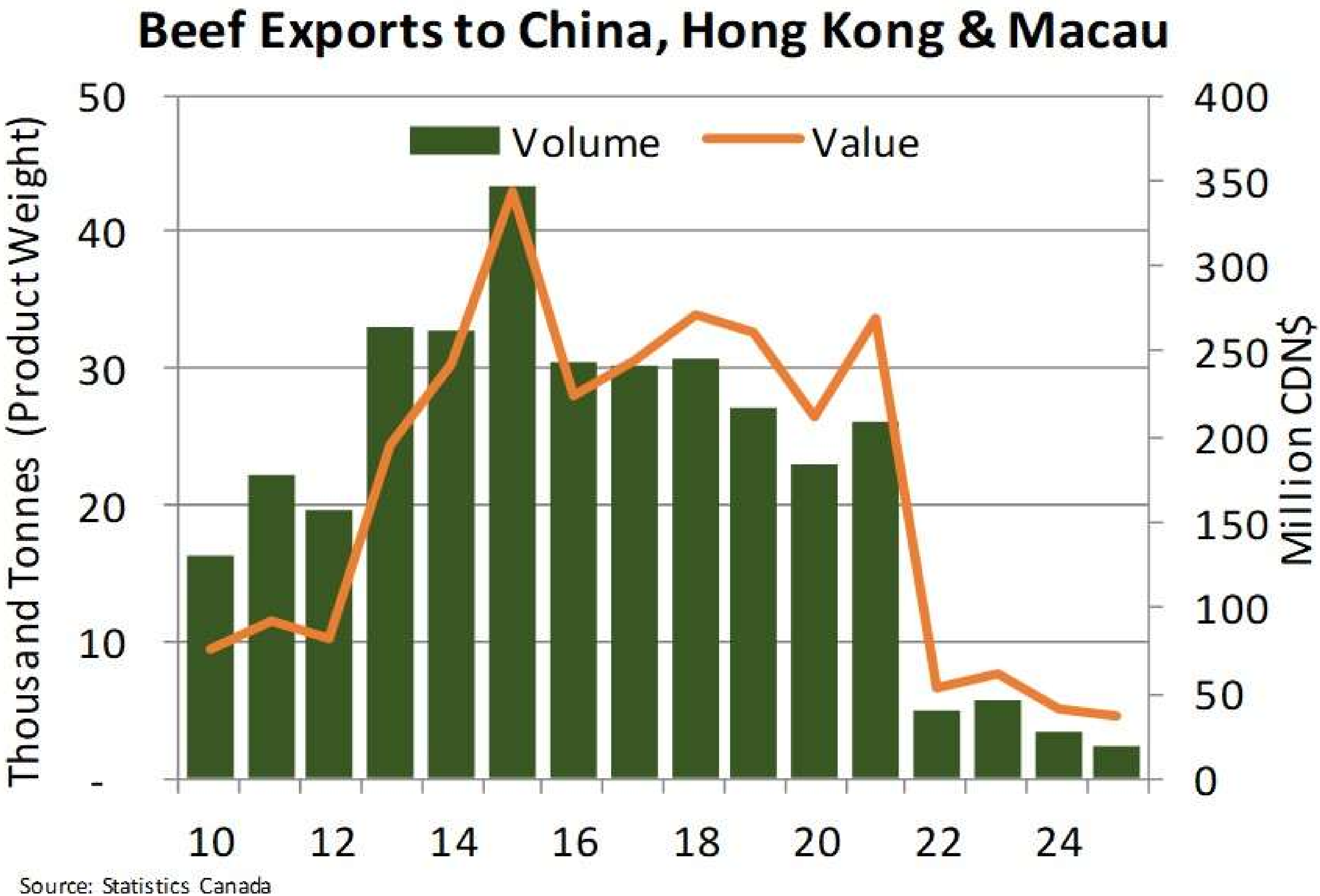

Source: Statistics Canada, CFIA



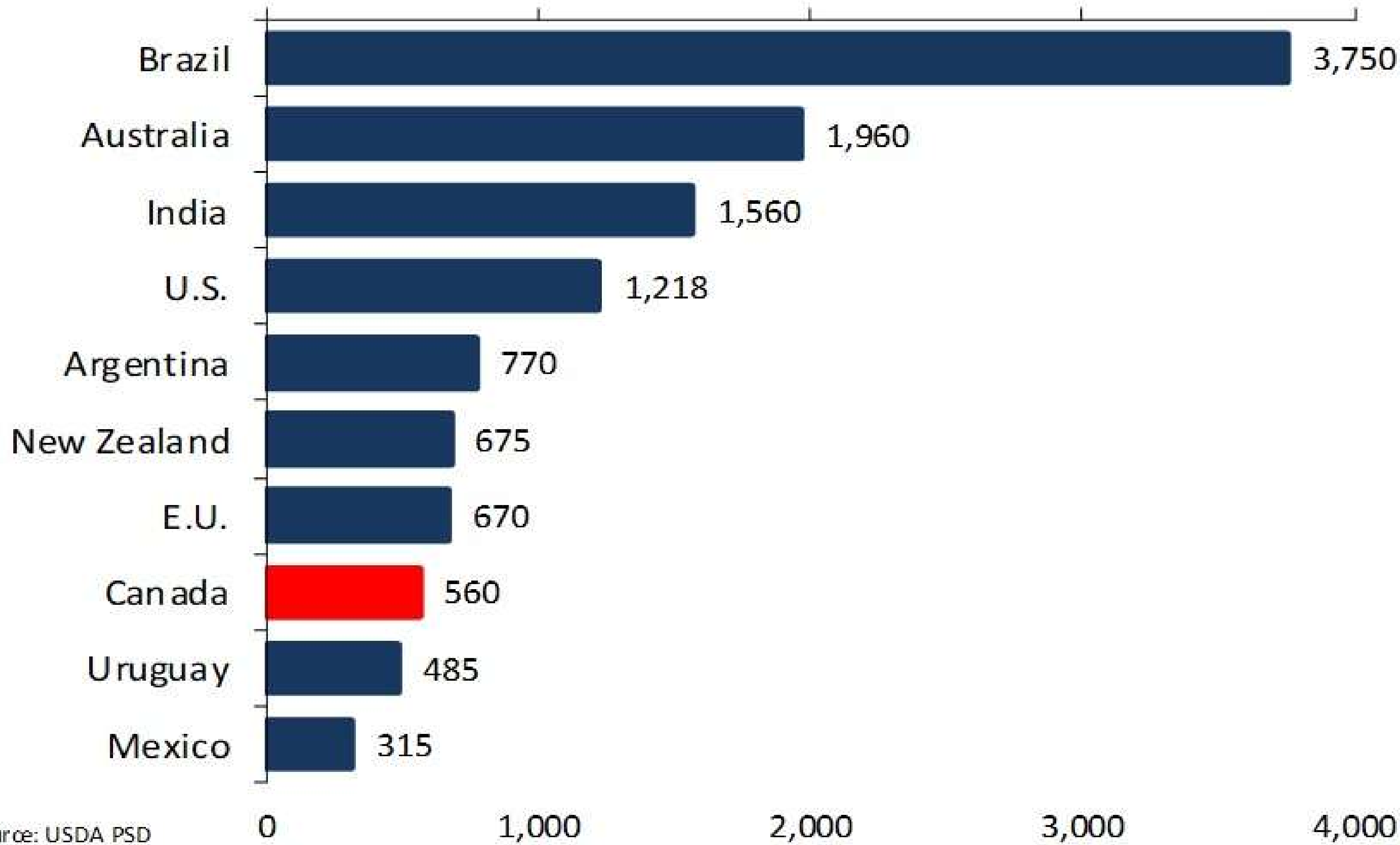
Source: Statistics Canada



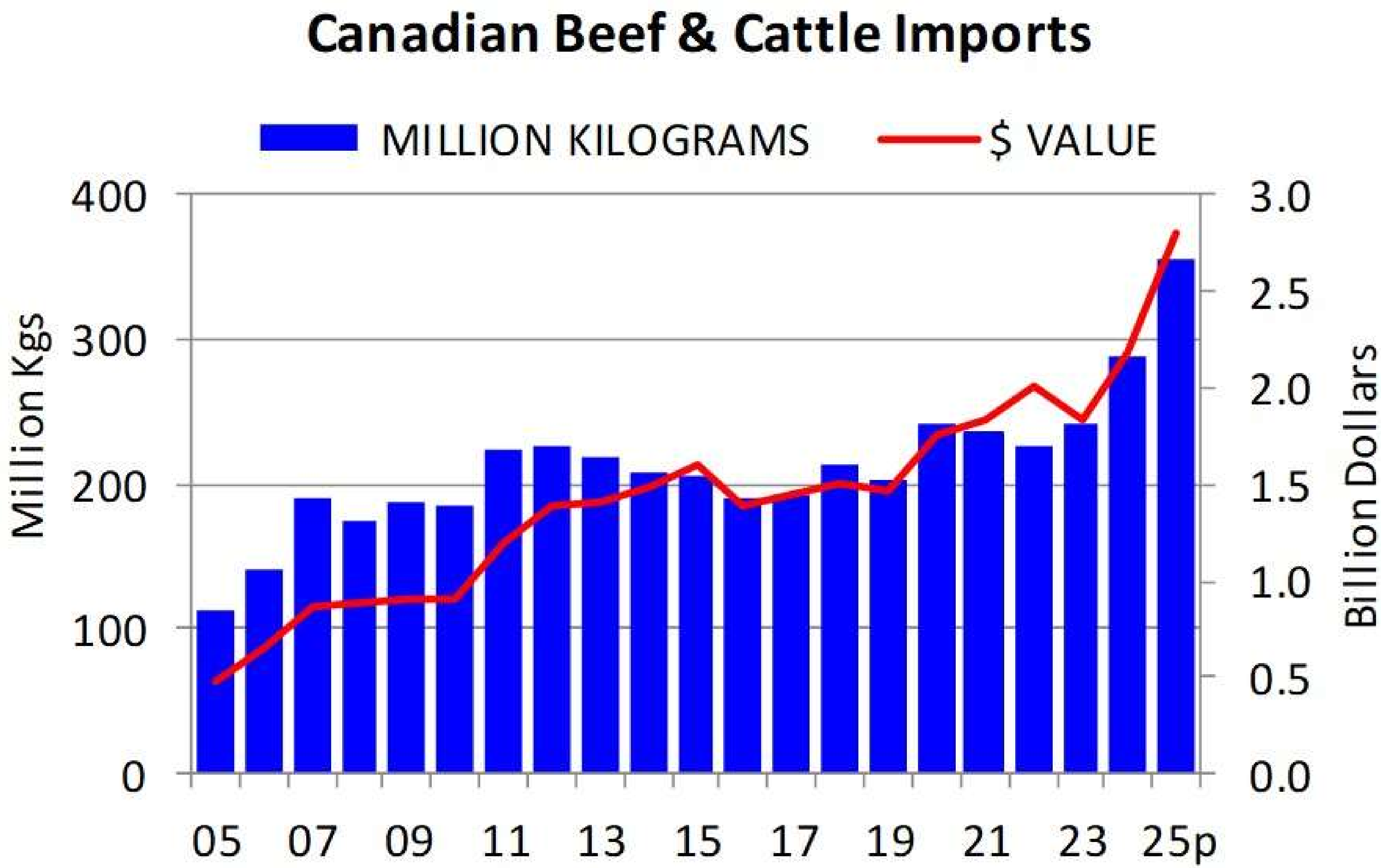
Source: Statistics Canada, CFIA


Beef Exports to China, Hong Kong & Macau
Volume
Value
Thousand Tonnes (Product Weight)
Million CDN$
50
40
30
20
10
-
400
350
300
250
200
150
100
50
0
10
12
14
16
18
20
22
24
Source: Statistics Canada

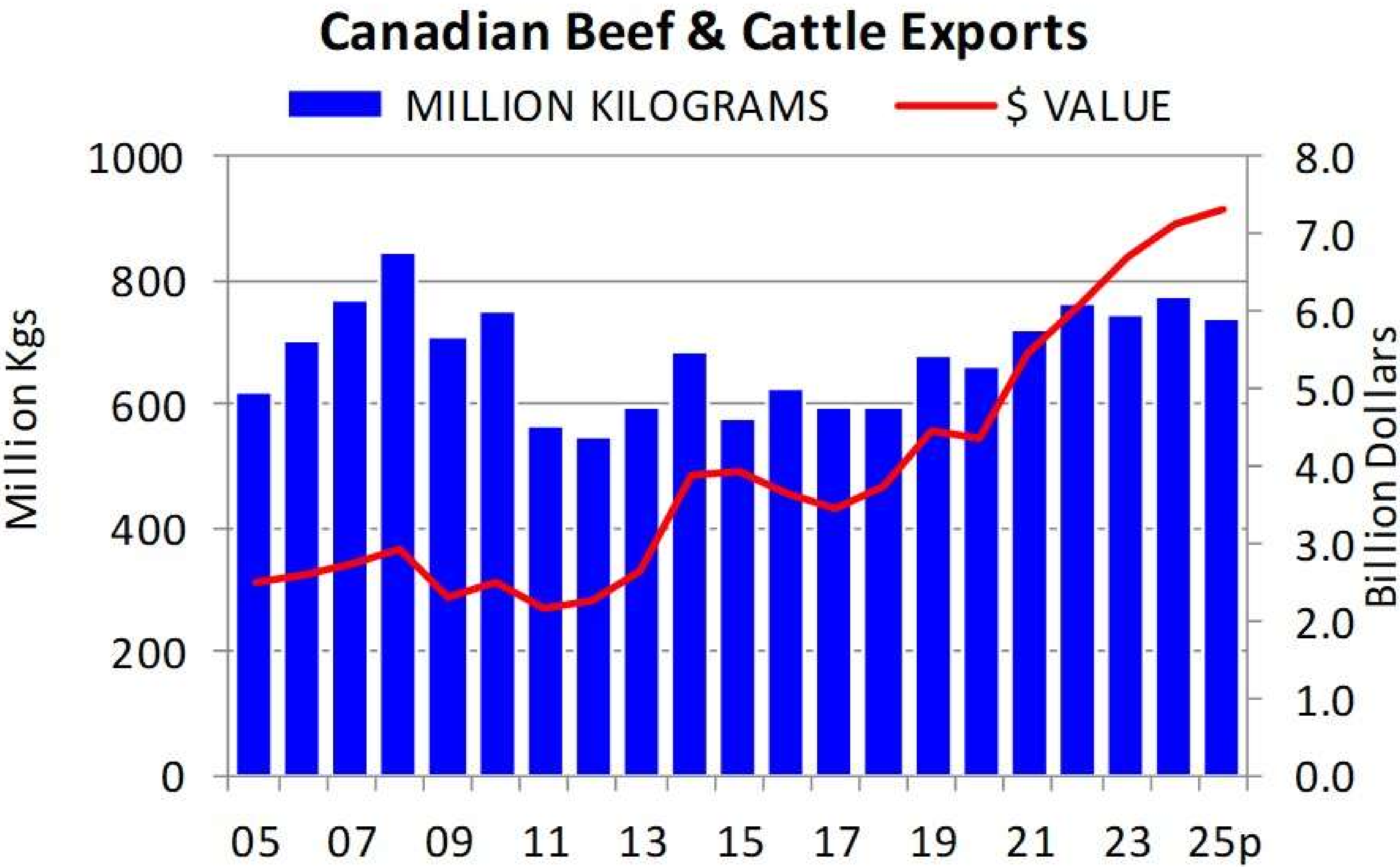
## Top 10 Beef Exporting Nations, 2025f
(Excludes Live Slaughter Exports, THousand Tonnes CWE)



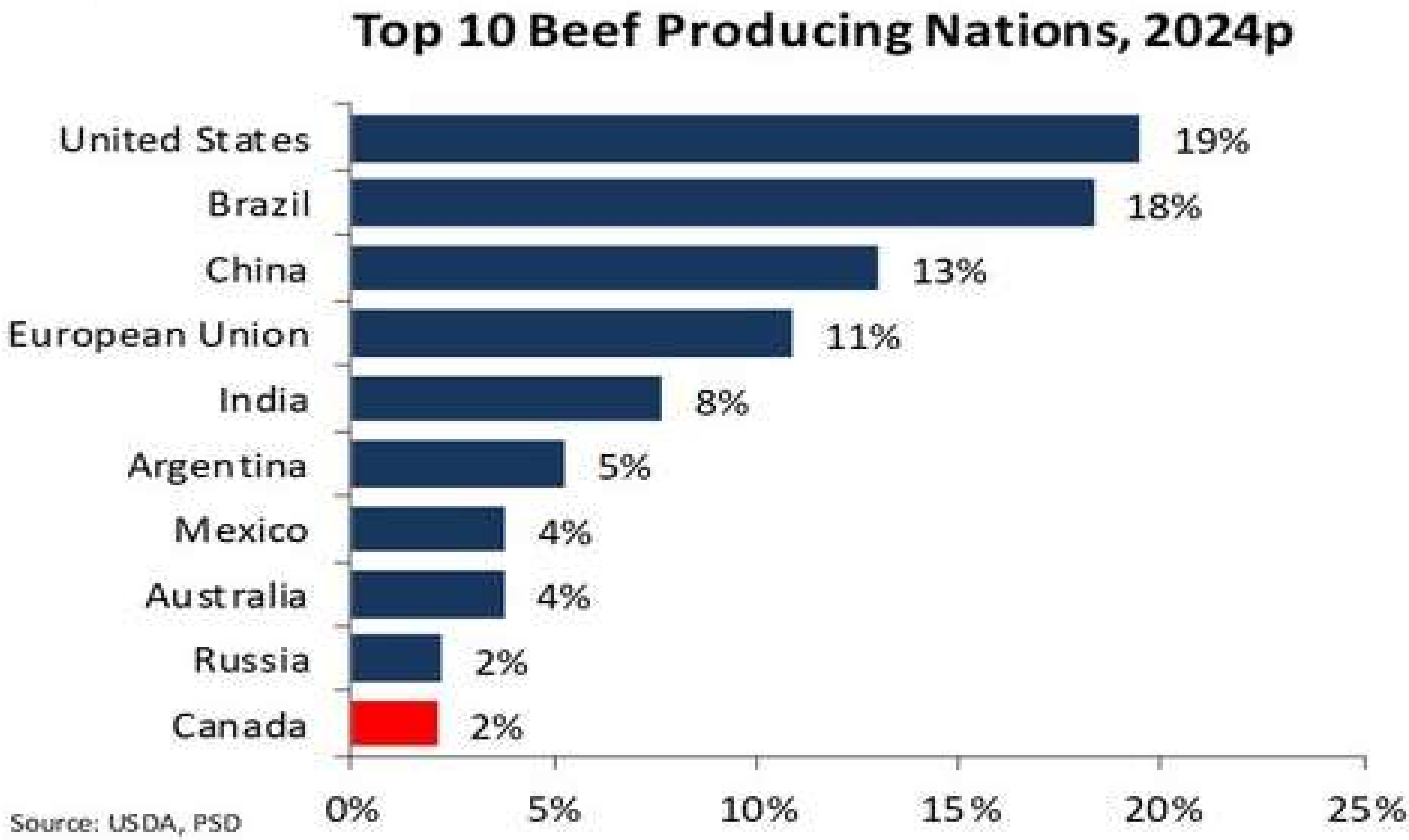

Source: USDA PSD

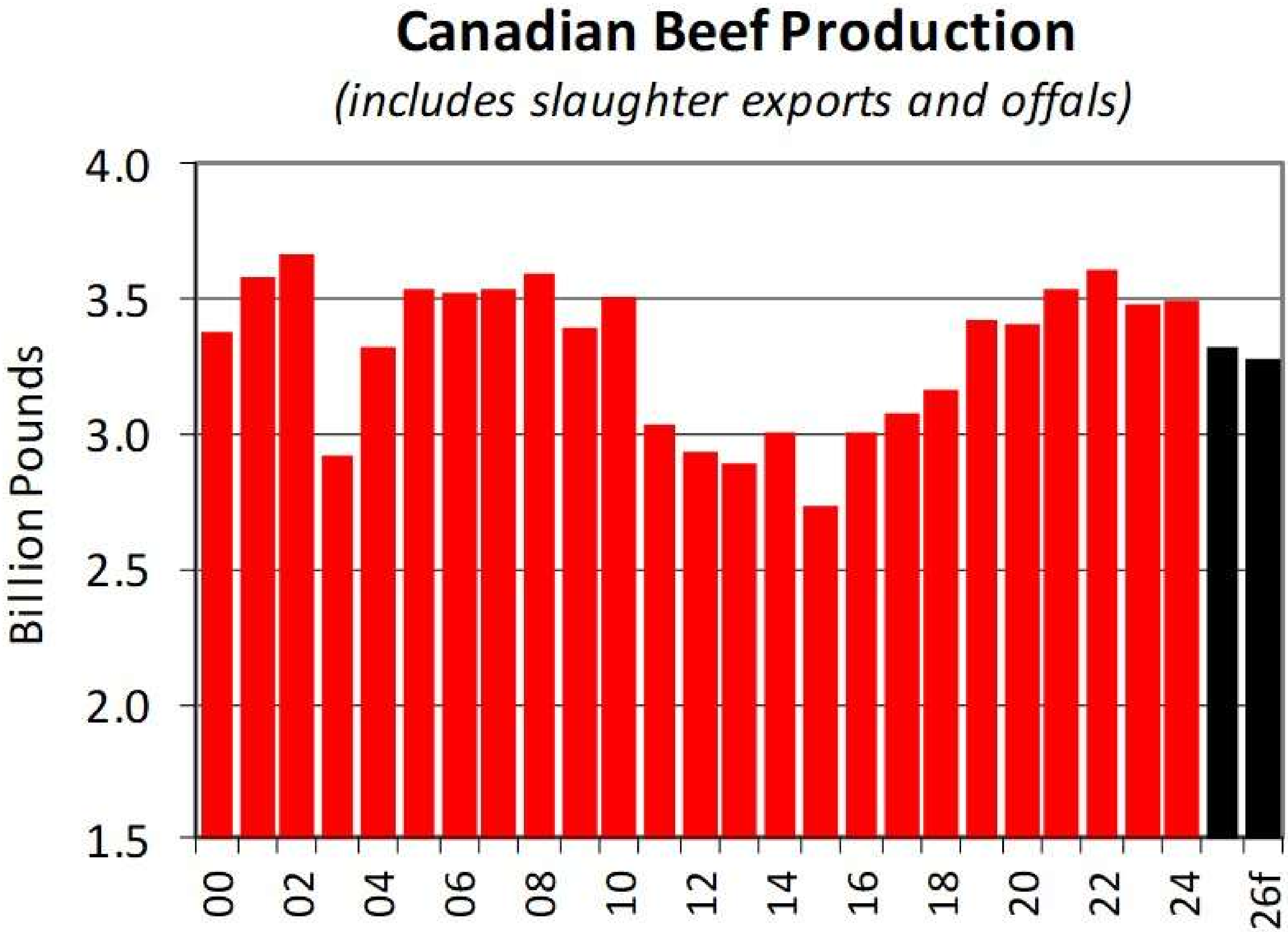


Source: Statistics Canada

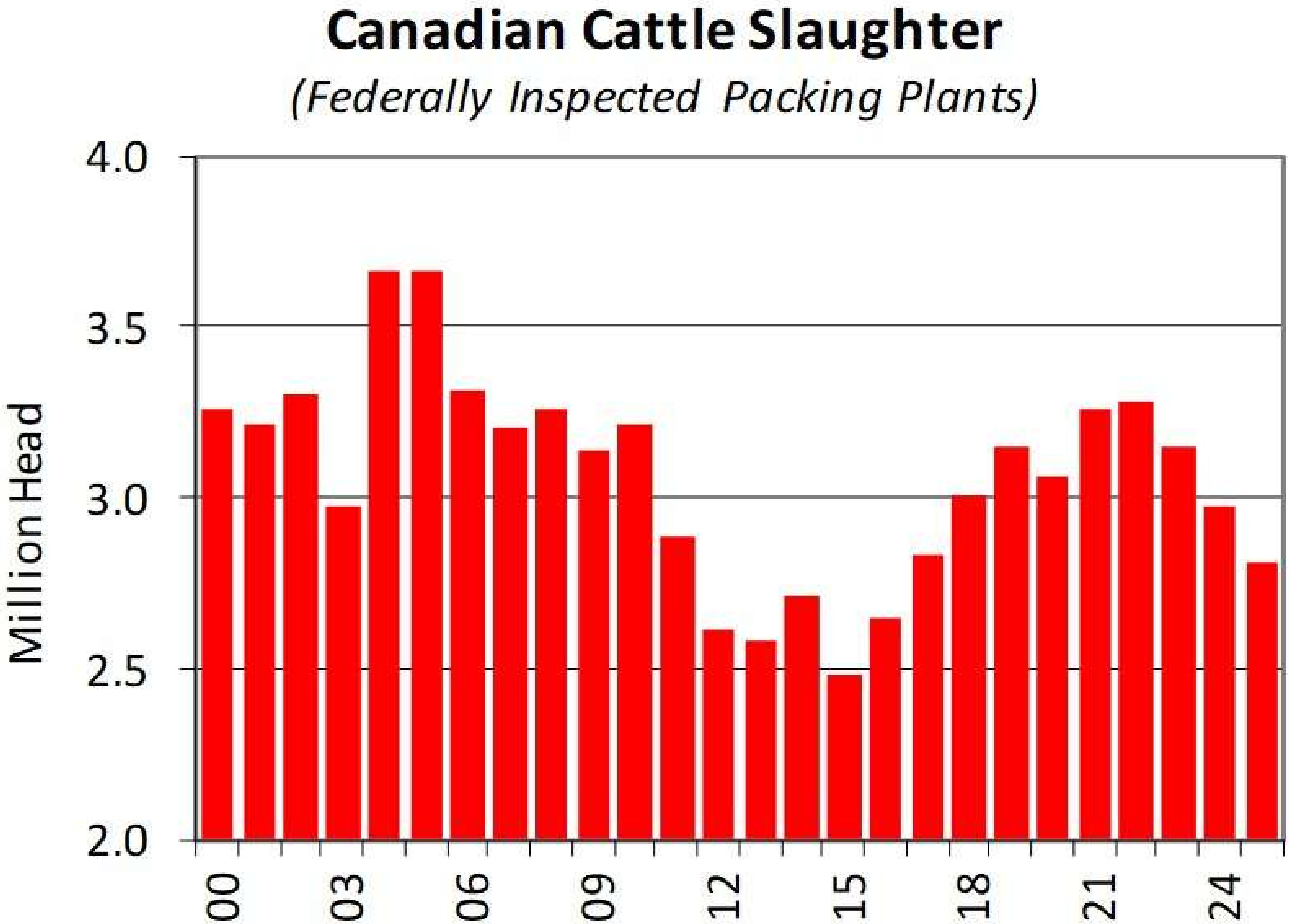



Source: Statistics Canada

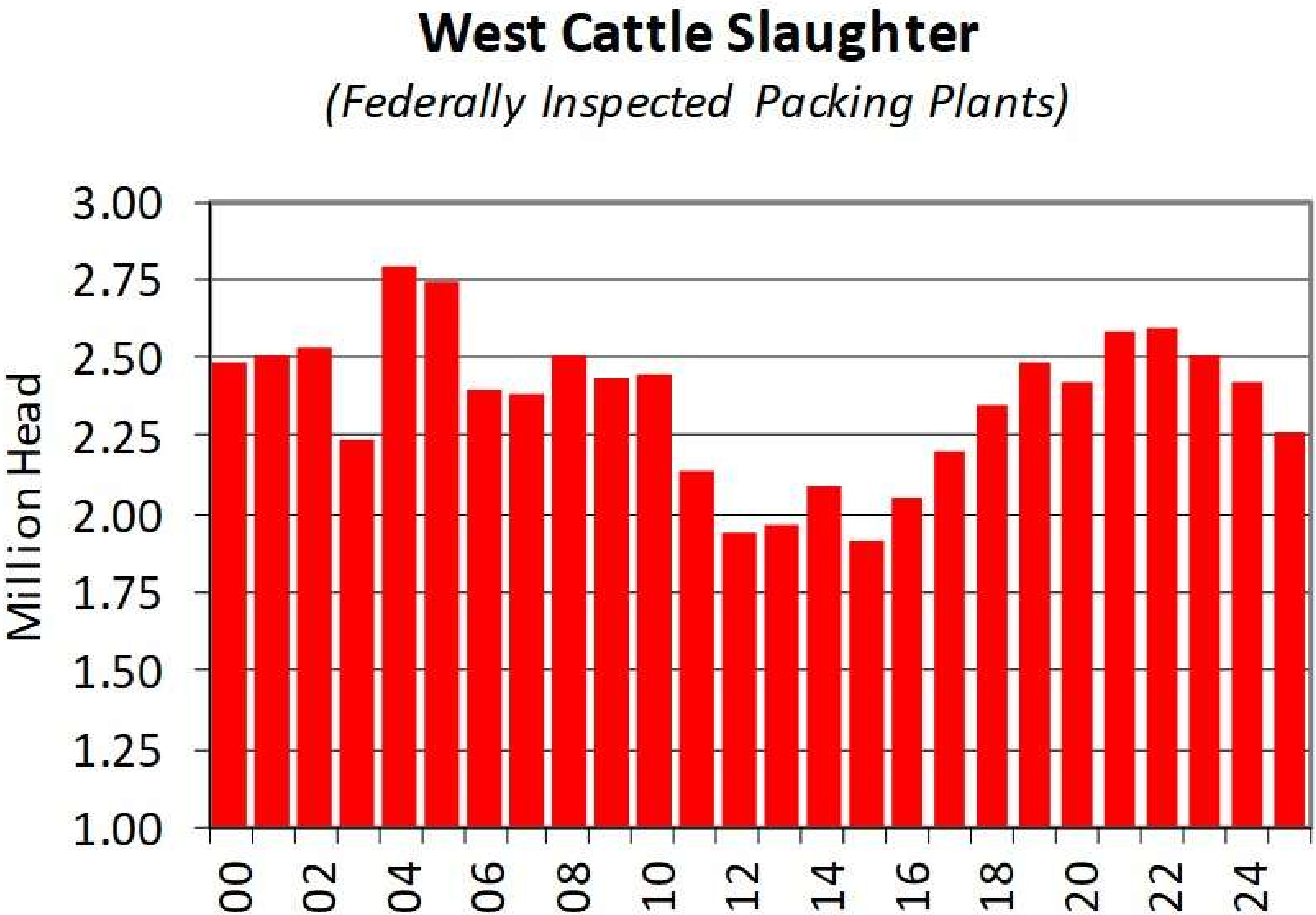

Top 10 Beef Producing Nations, 2024p
United States
19%
Brazil
18%
China
13%
European Union
11%
India
8%
Argentina
5%
Mexico
4%
Australia
4%
Russia
2%
Canada
2%
0%
5%
10%
15%
20%
25%
Source: USDA, PSD



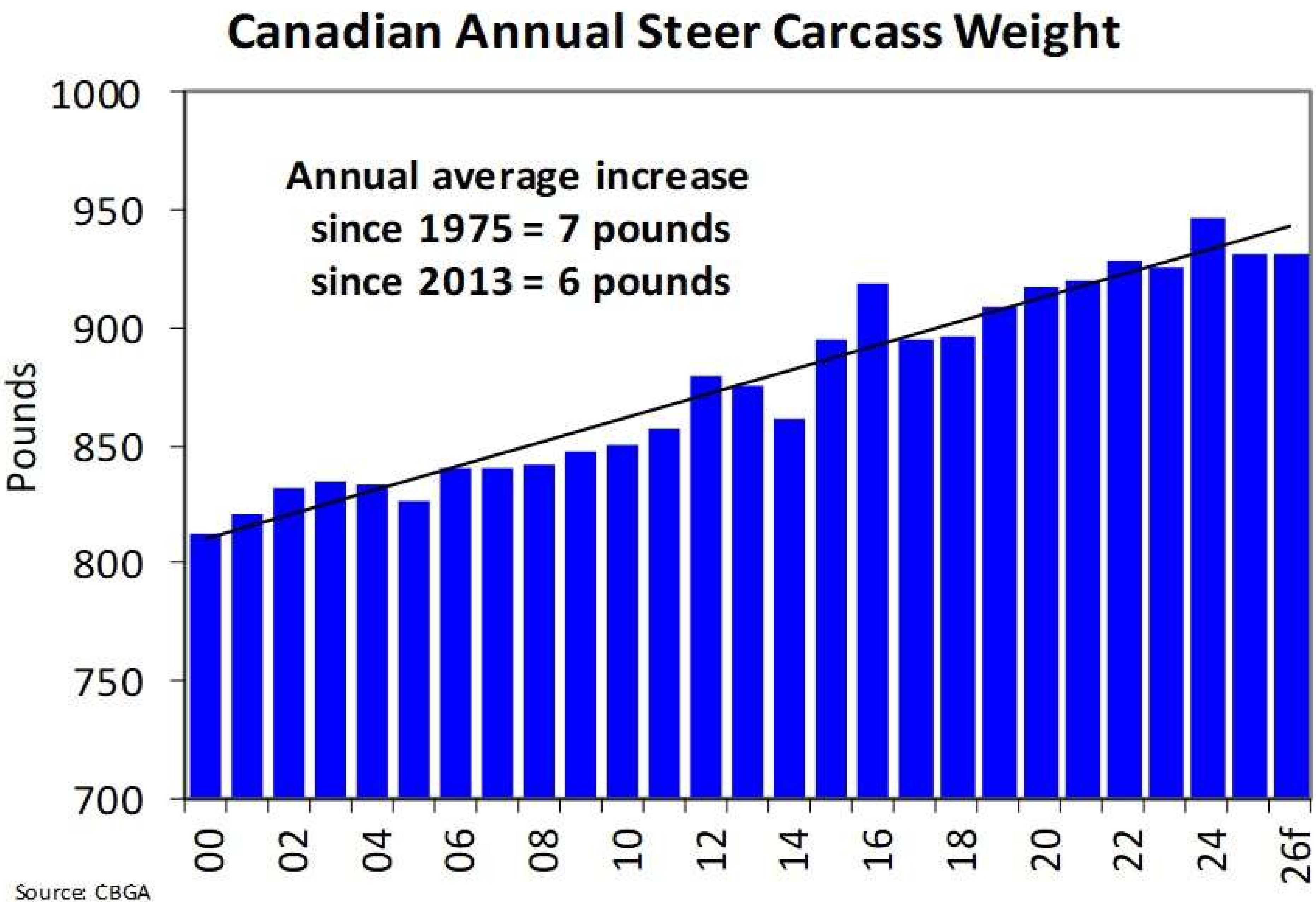

Source: Canfax Research

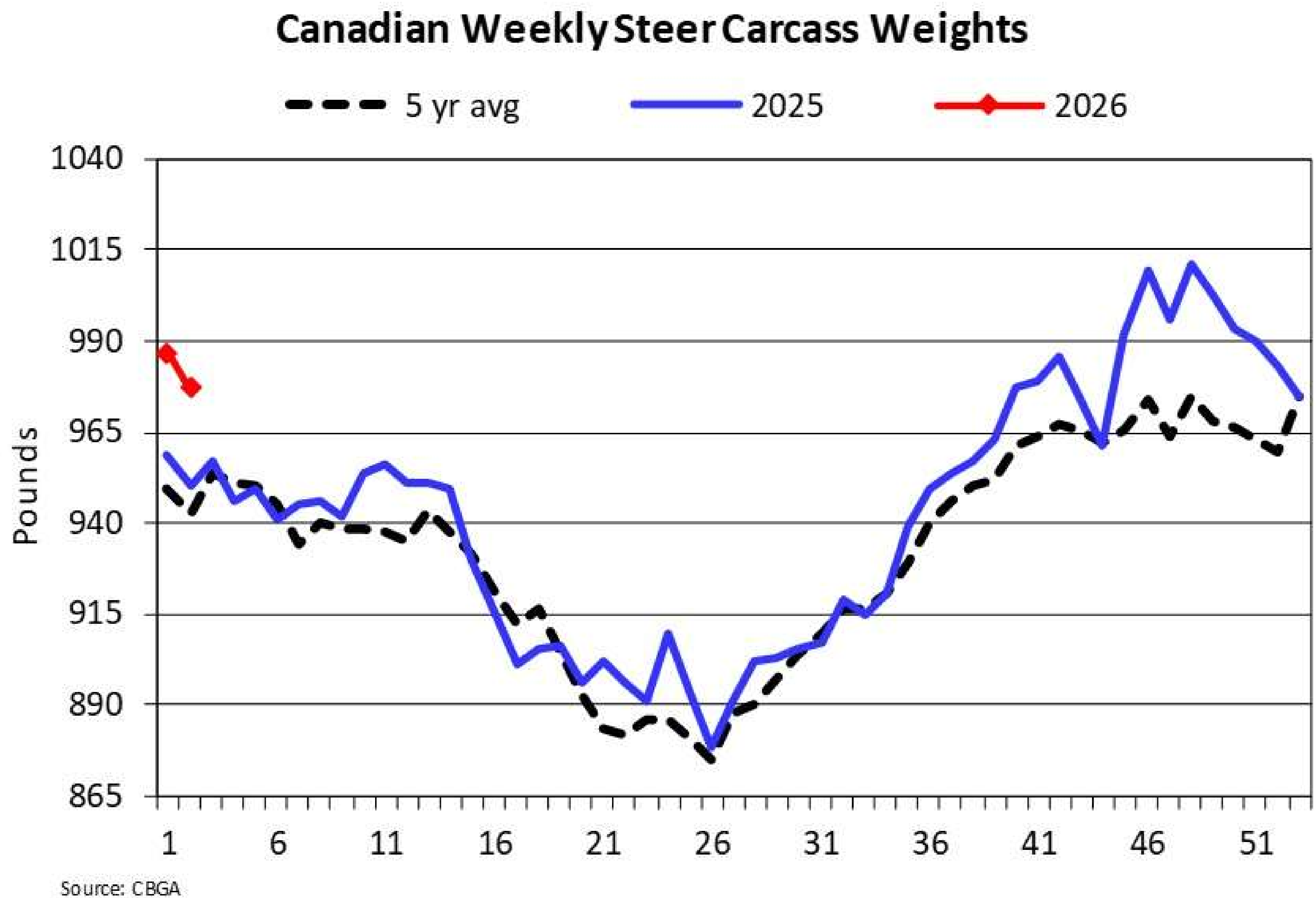


Source: CBGA, Stats Canada, AAFC

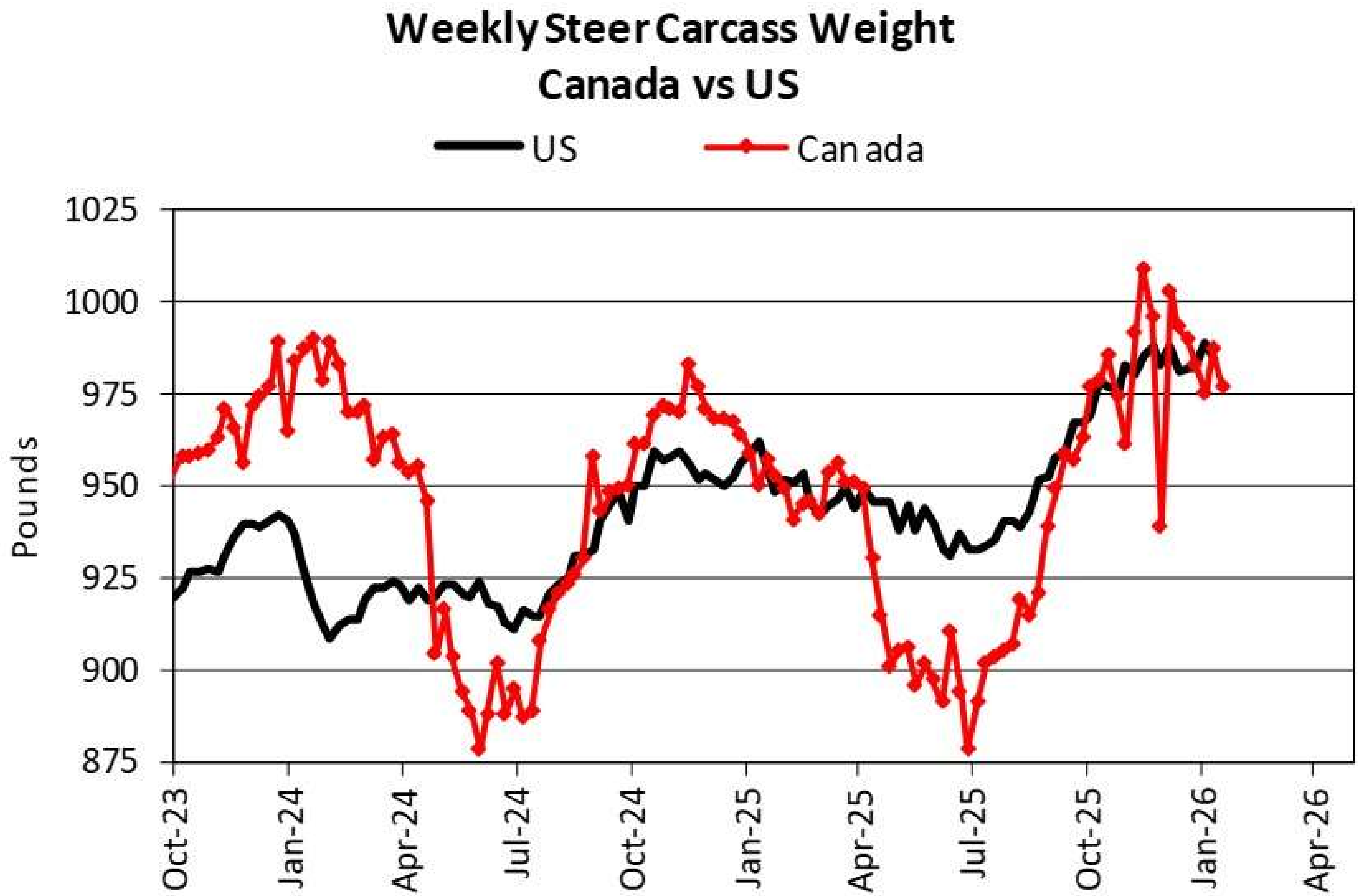



Source: CBGA, Stats Canada, AAFC

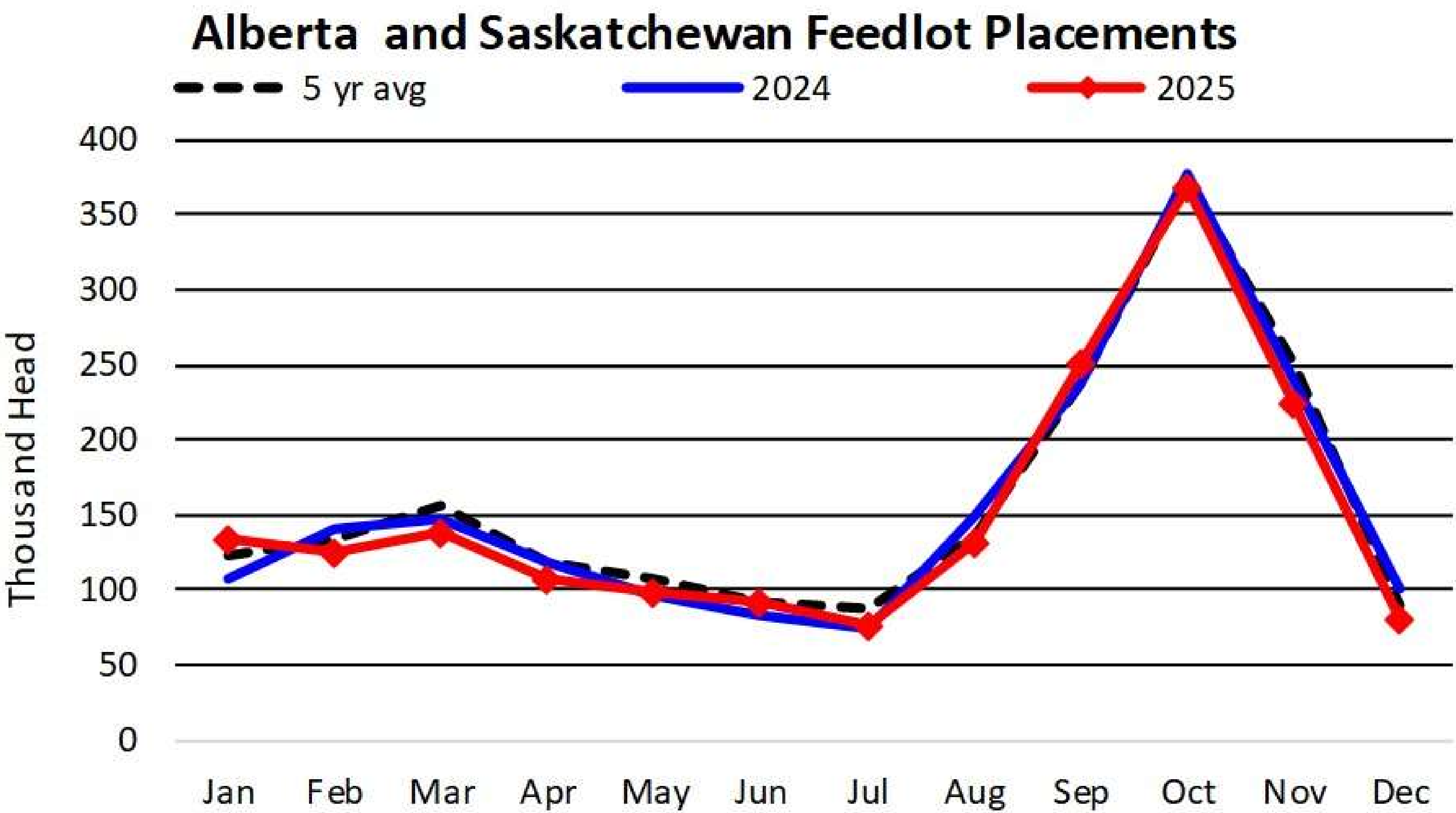

Canadian Annual Steer Carcass Weight
Annual average increase
since 1975 = 7 pounds
since 2013 = 6 pounds
Pounds
1000
950
900
850
800
750
700
00
02
04
06
08
10
12
14
16
18
20
22
24
26f
Source: CBGA



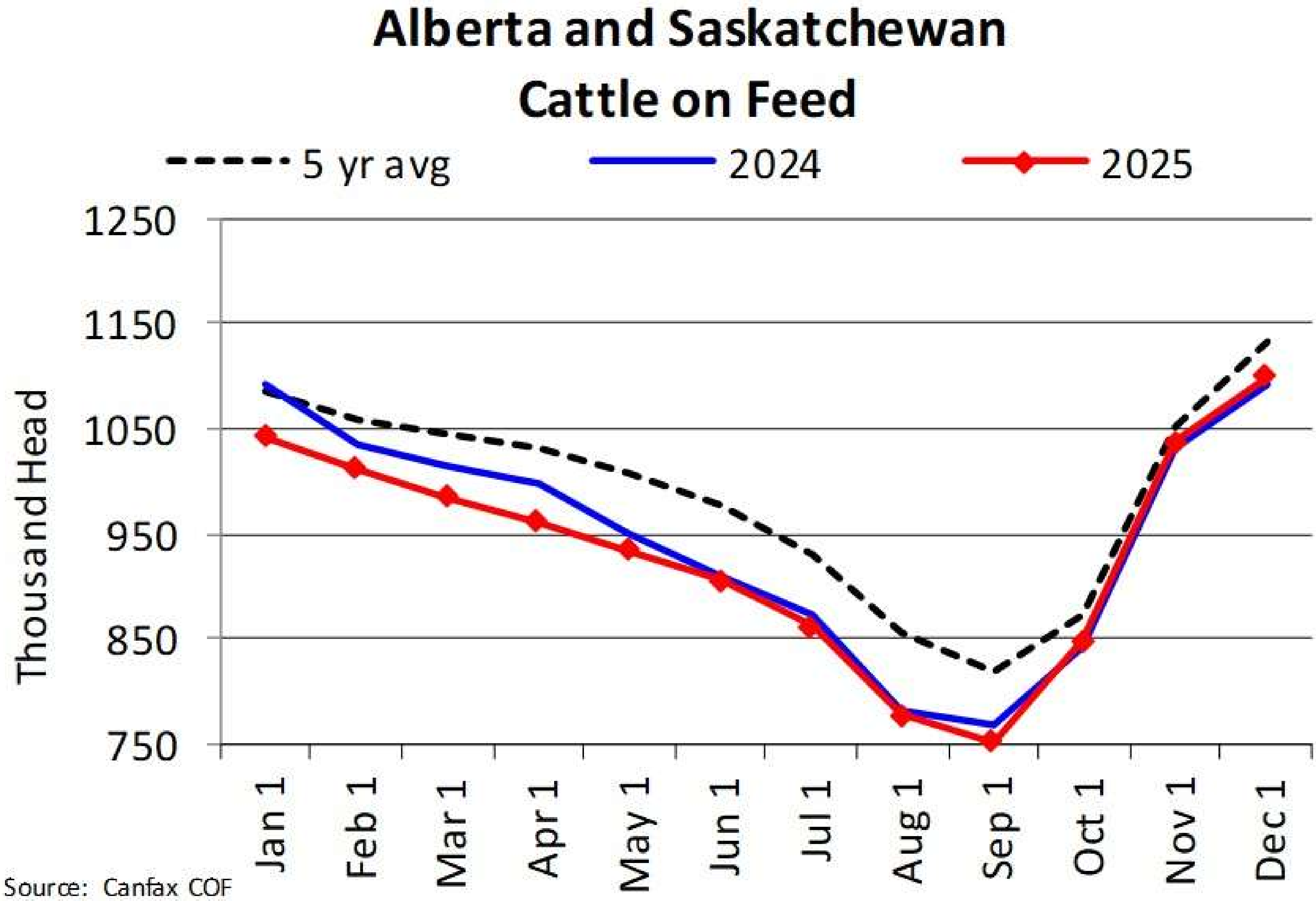
Canadian Weekly Steer Carcass Weights
5 yr avg
2025
2026
1040
1015
990
965
940
915
890
865
Pounds
1
6
11
16
21
26
31
36
41
46
51
Source: CBGA



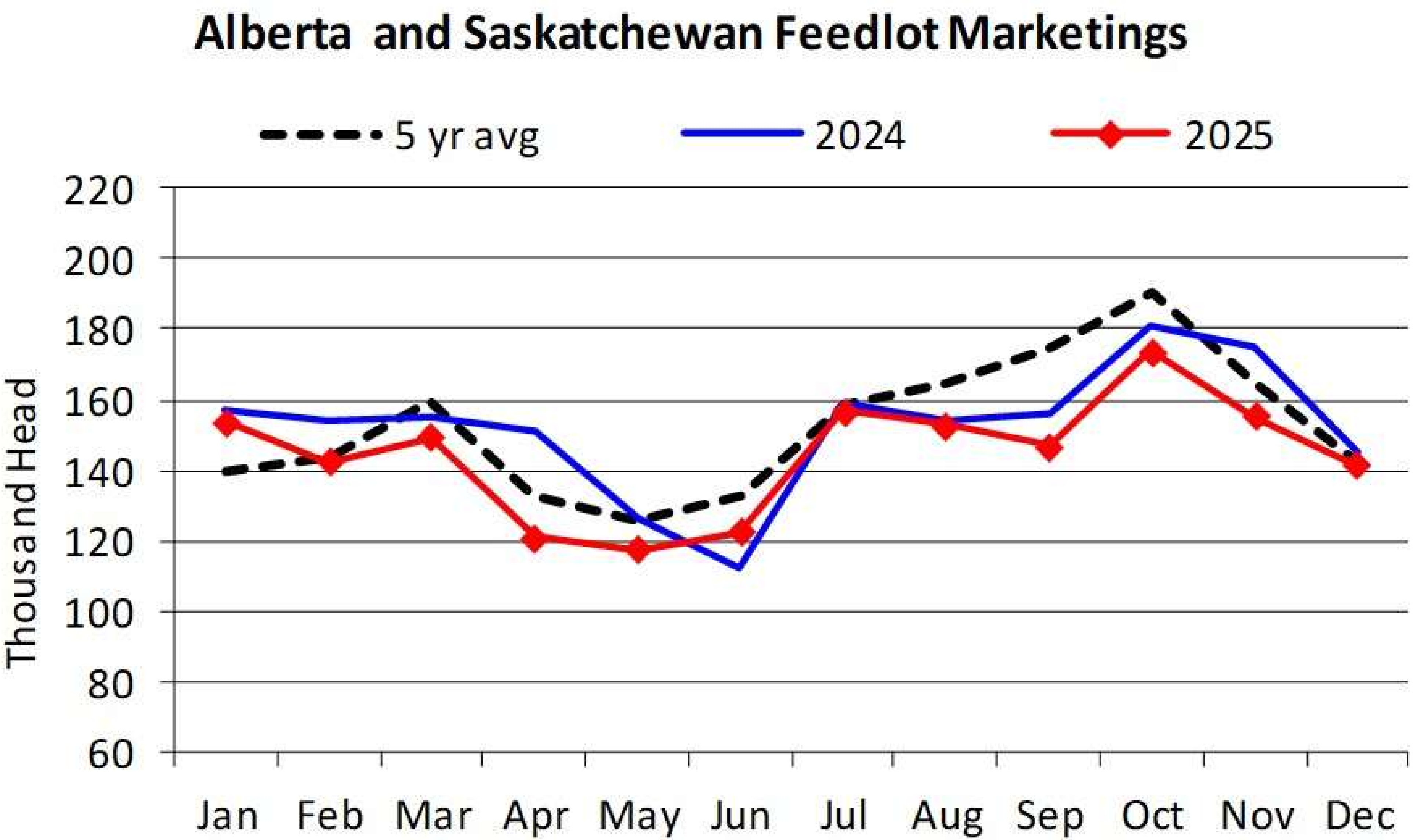
Source: CBGA, USDA



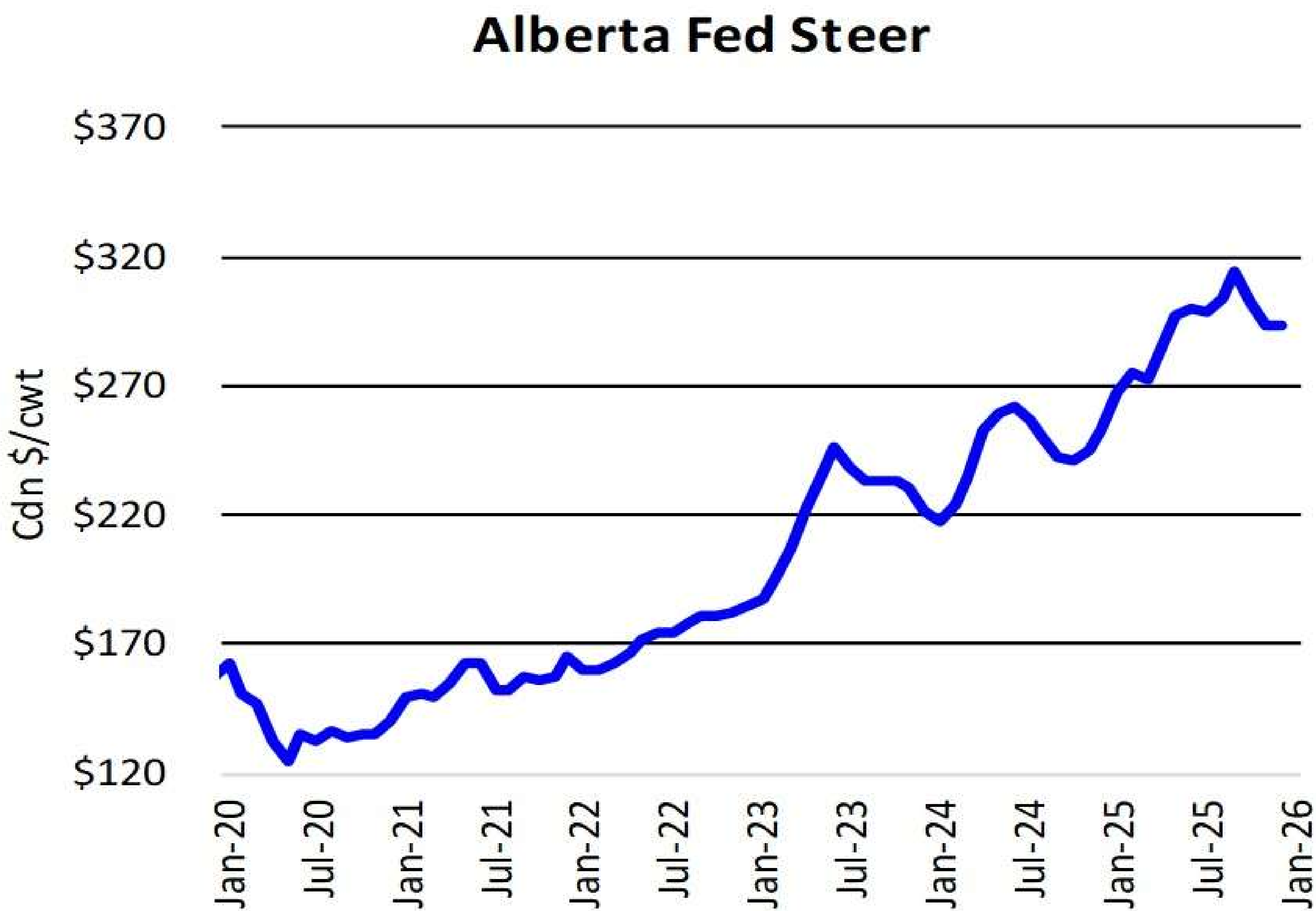
Source: Canfax COF



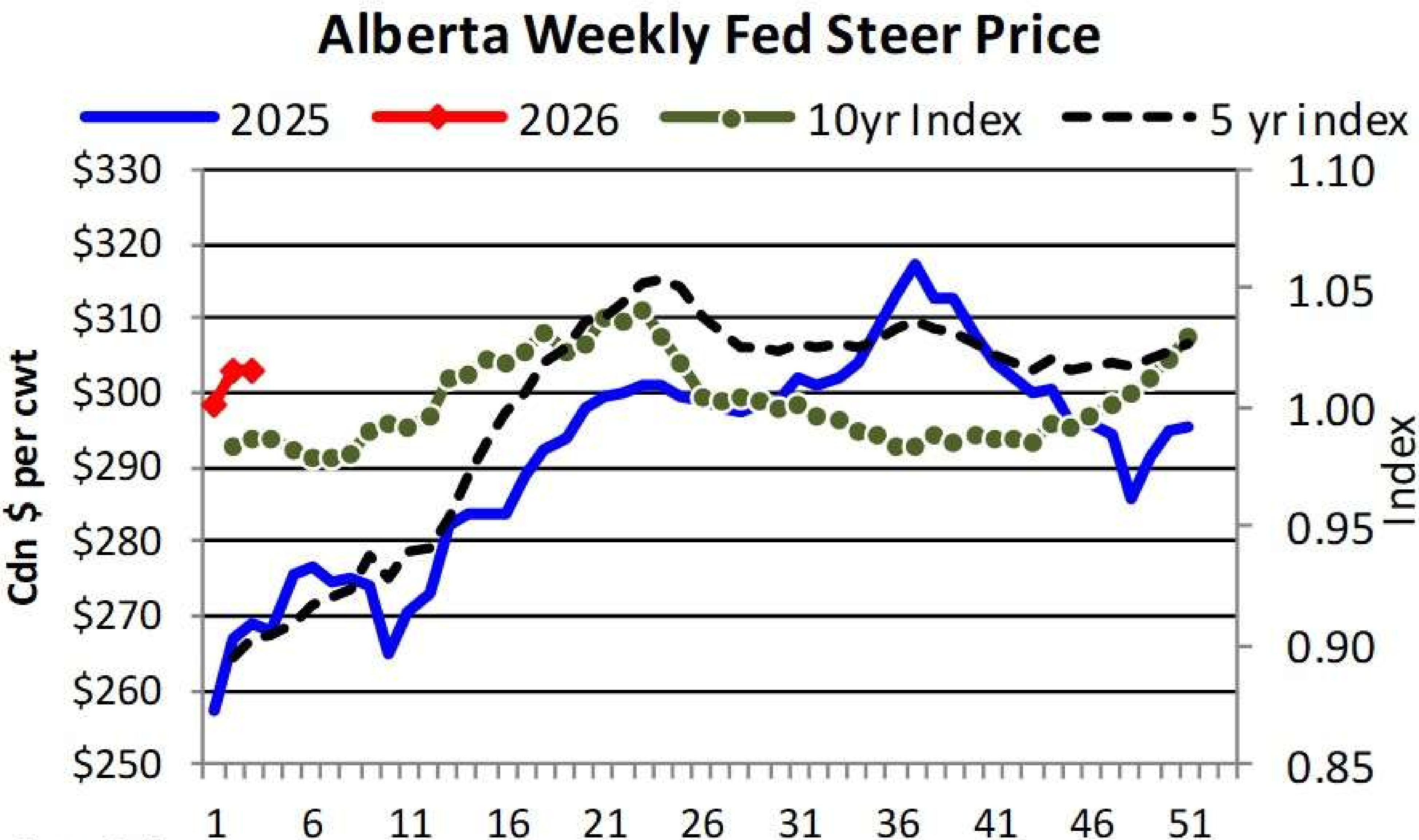
Alberta and Saskatchewan
Cattle on Feed
5 yr avg
2024
2025
1250
1150
1050
950
850
750
Thousand Head
Jan 1
Feb 1
Mar 1
Apr 1
May 1
Jun 1
Jul 1
Aug 1
Sep 1
Oct 1
Nov 1
Dec 1
Source: Canfax COF



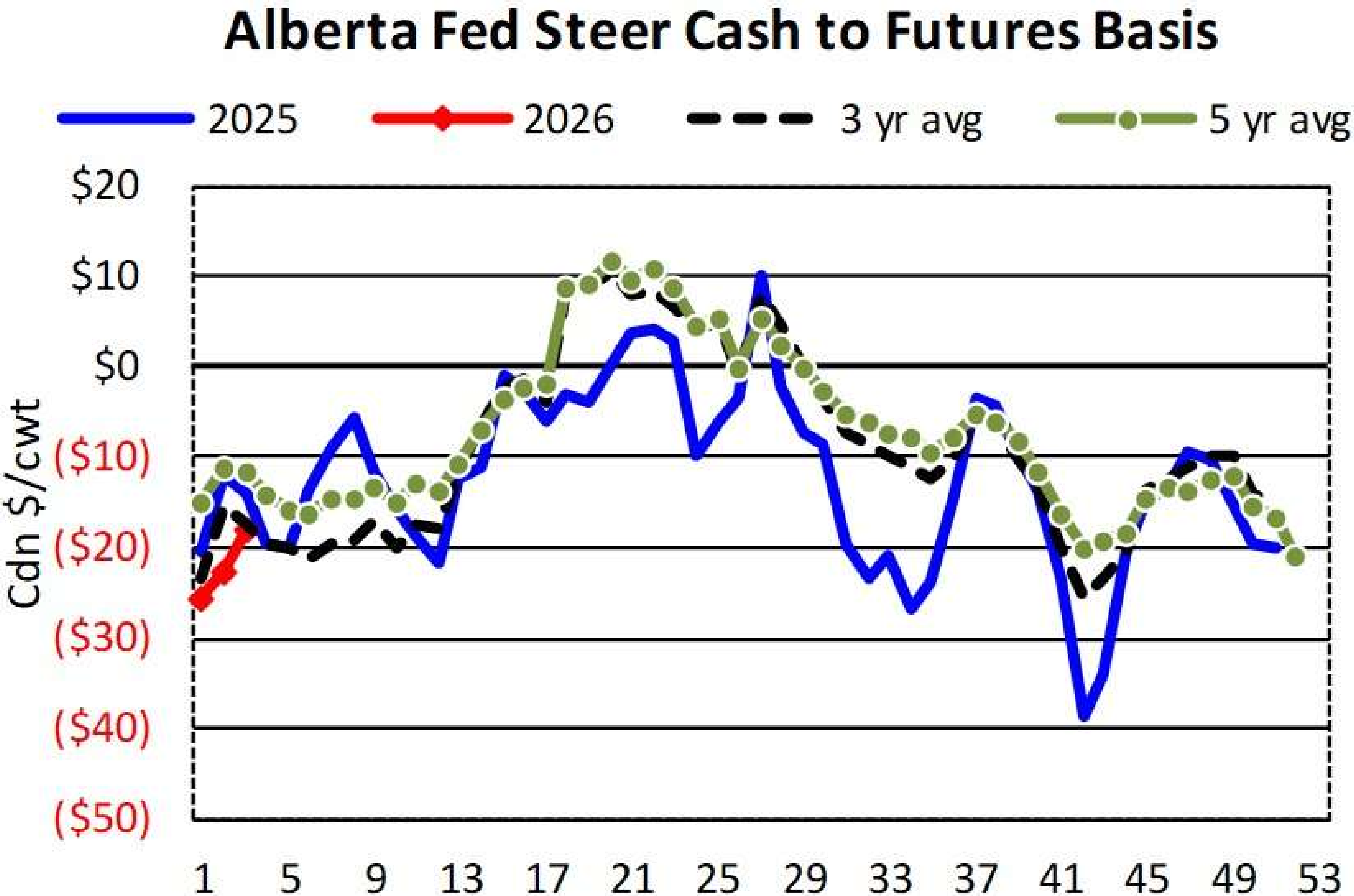

Source: Canfax COF



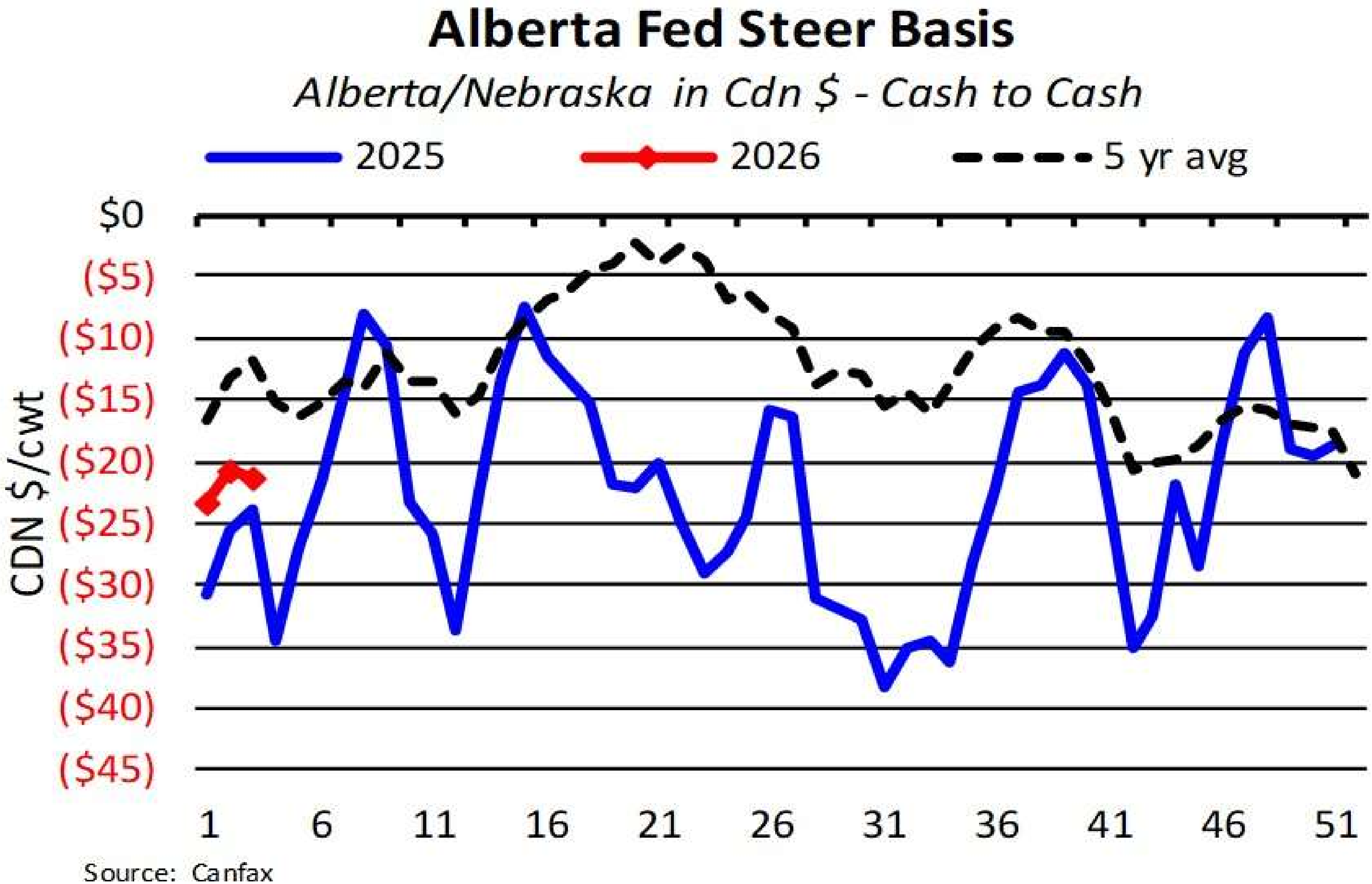

Source: Canfax



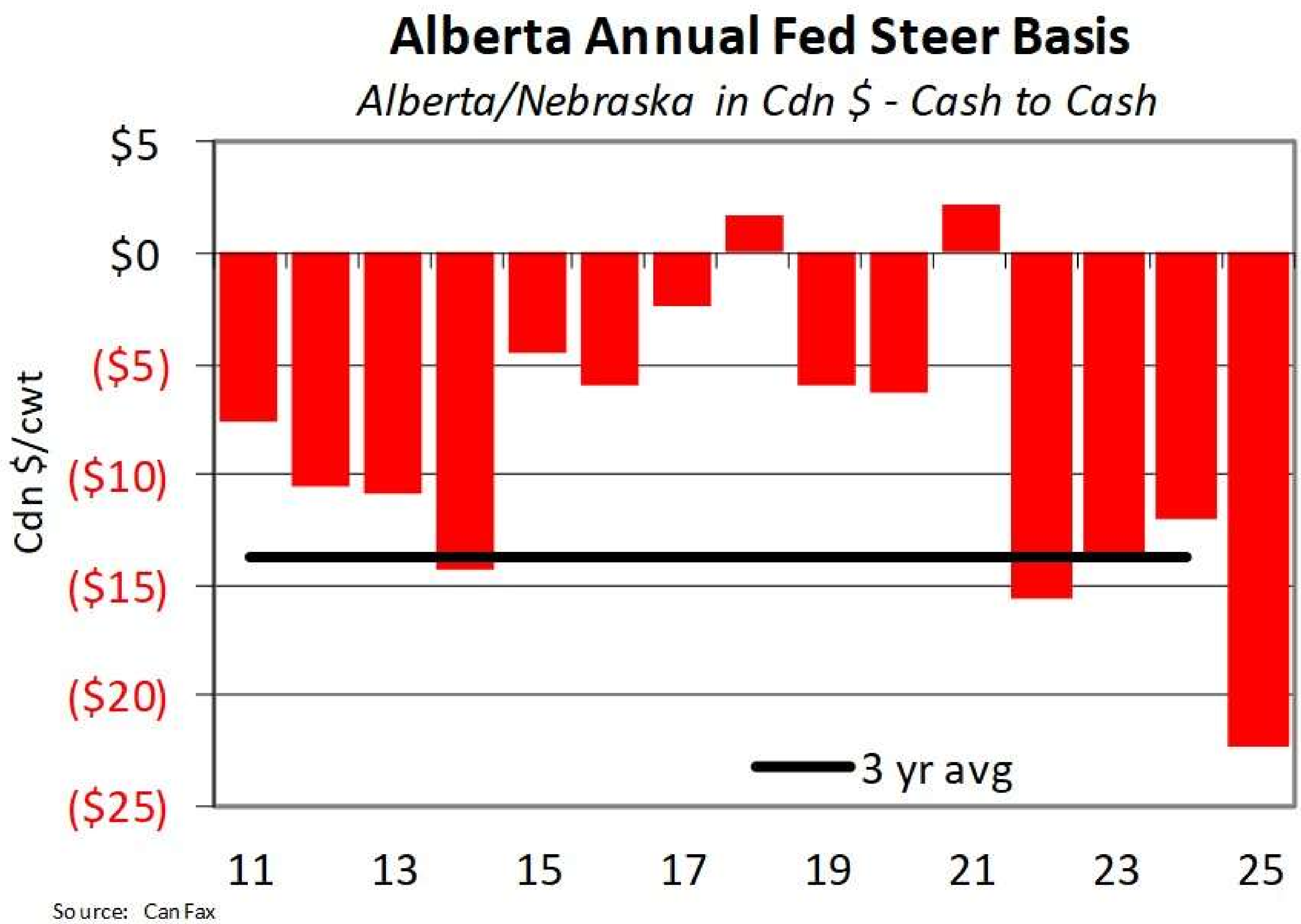
Source: Canfax



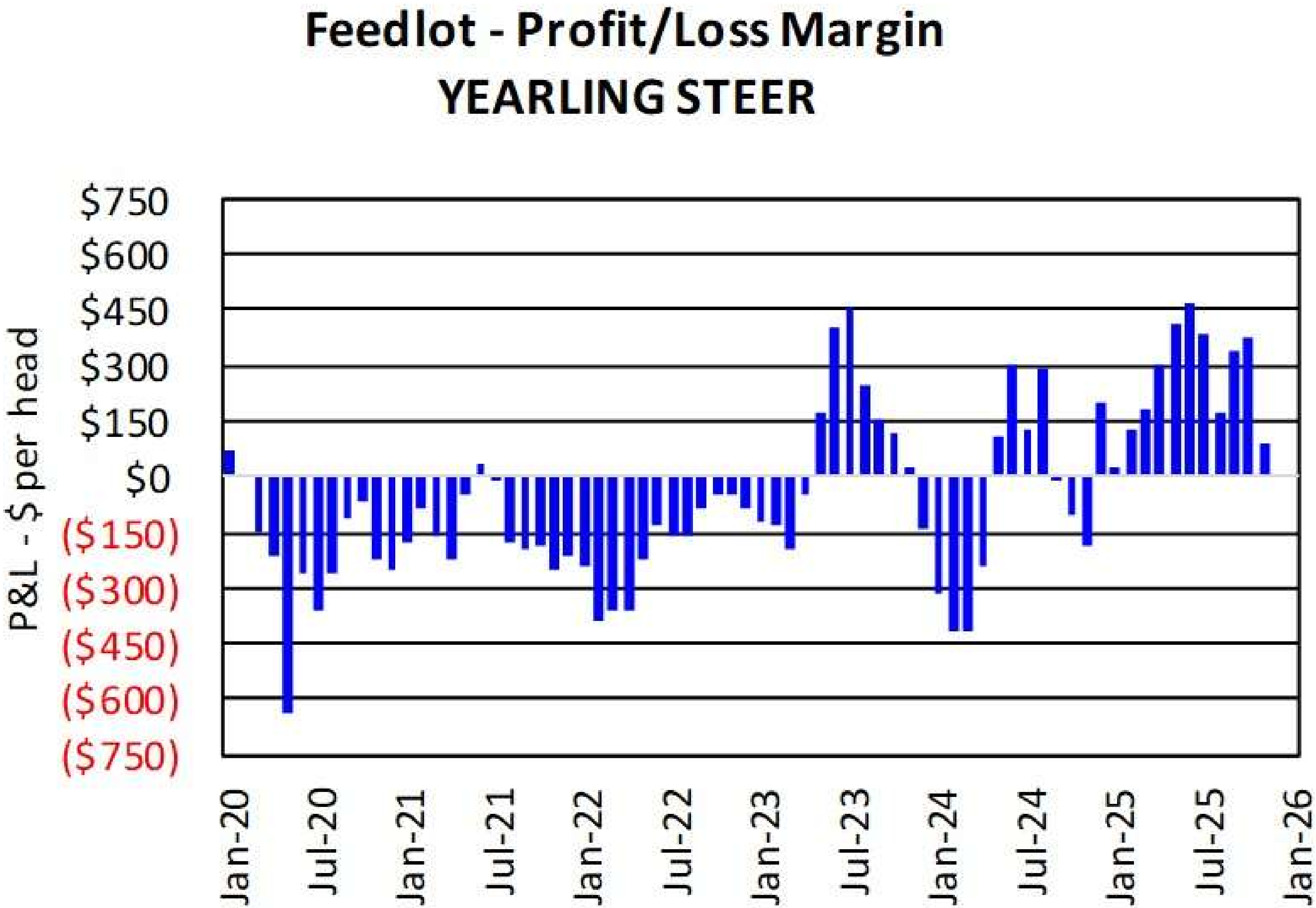

Source: Canfax



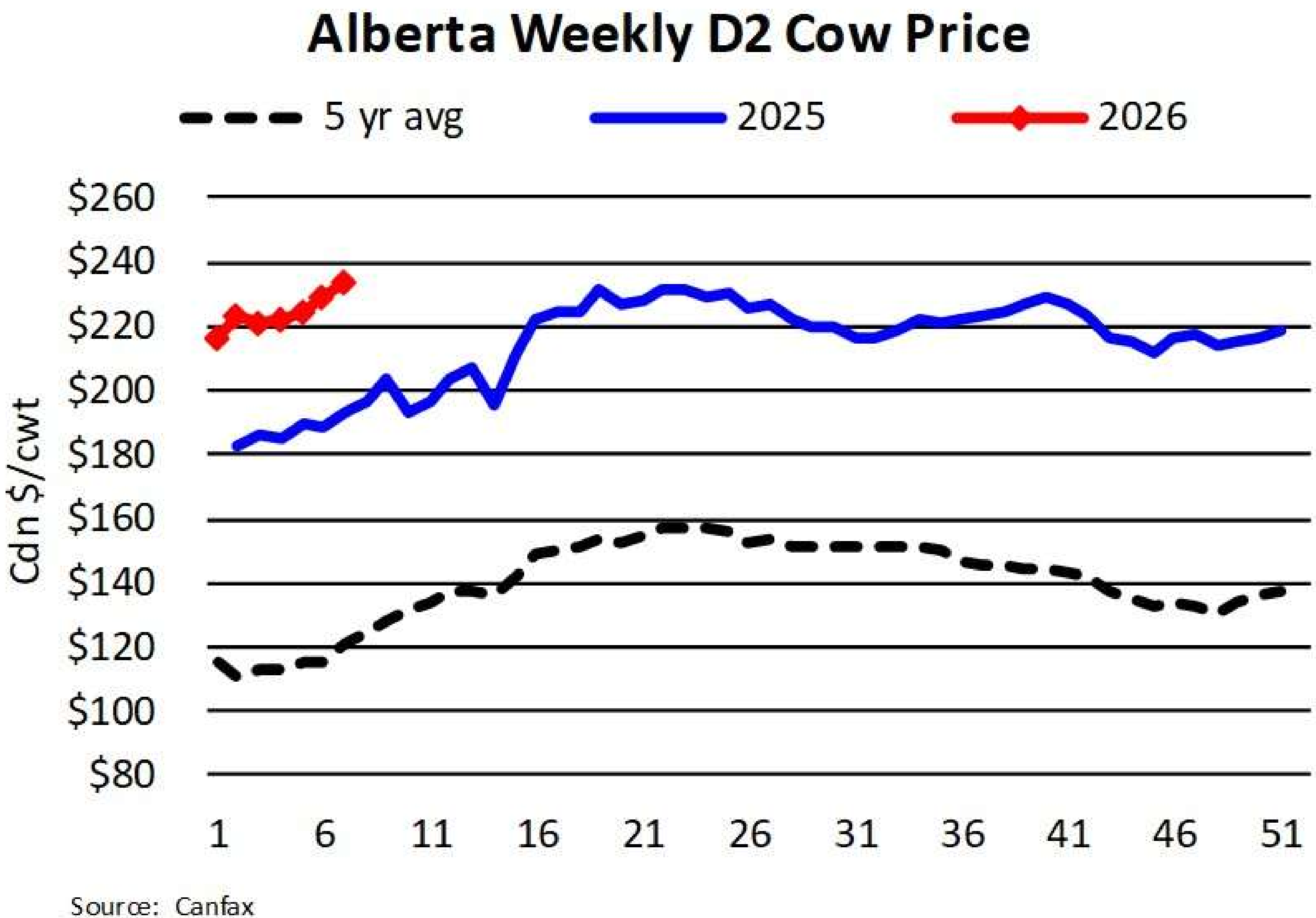
Alberta Fed Steer Basis
Alberta/Nebraska in Cdn $ - Cash to Cash
2025
2026
5 yr avg
$0
($5)
($10)
($15)
($20)
($25)
($30)
($35)
($40)
($45)
CDN $/cwt
1
6
11
16
21
26
31
36
41
46
51
Source: Canfax

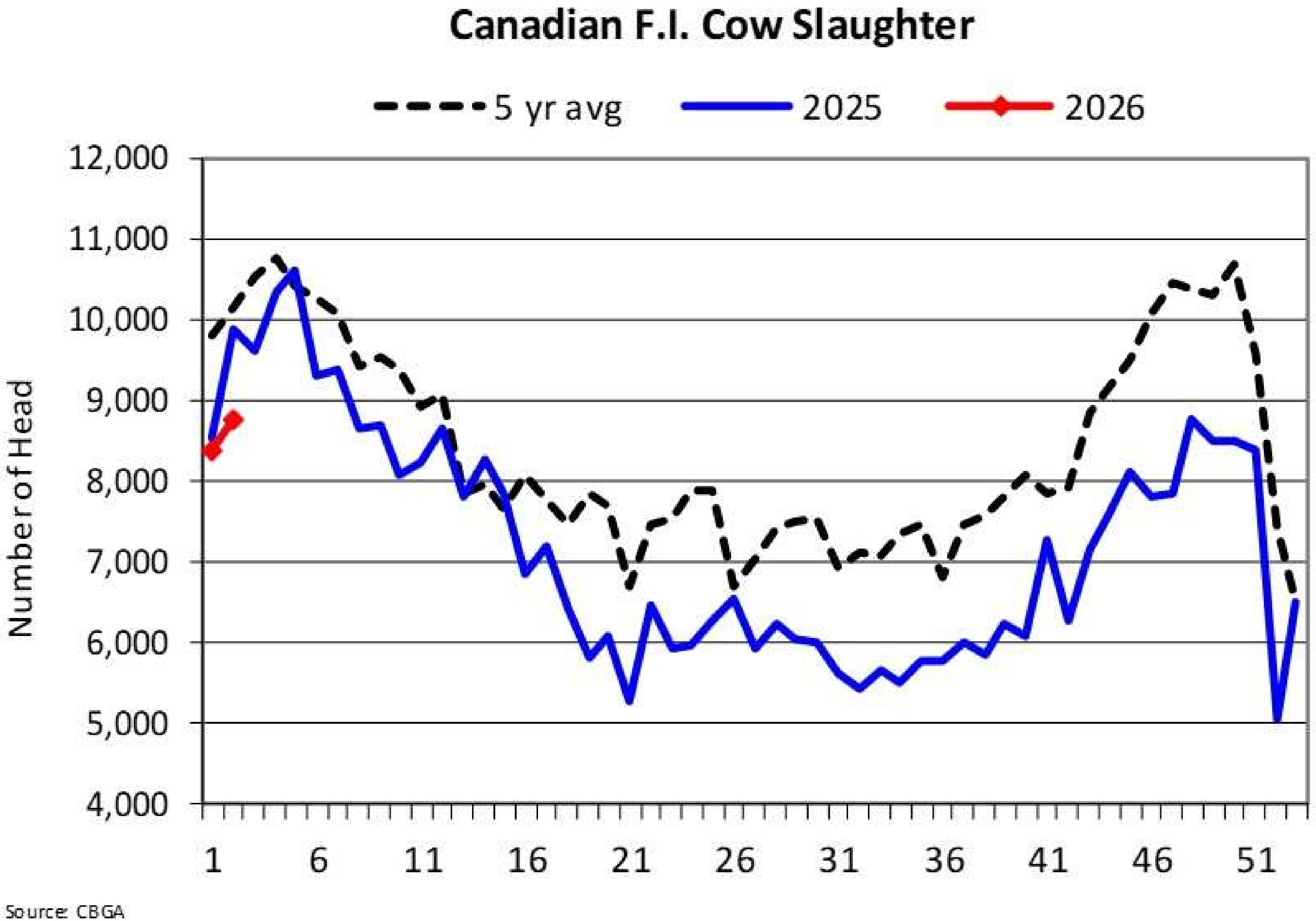


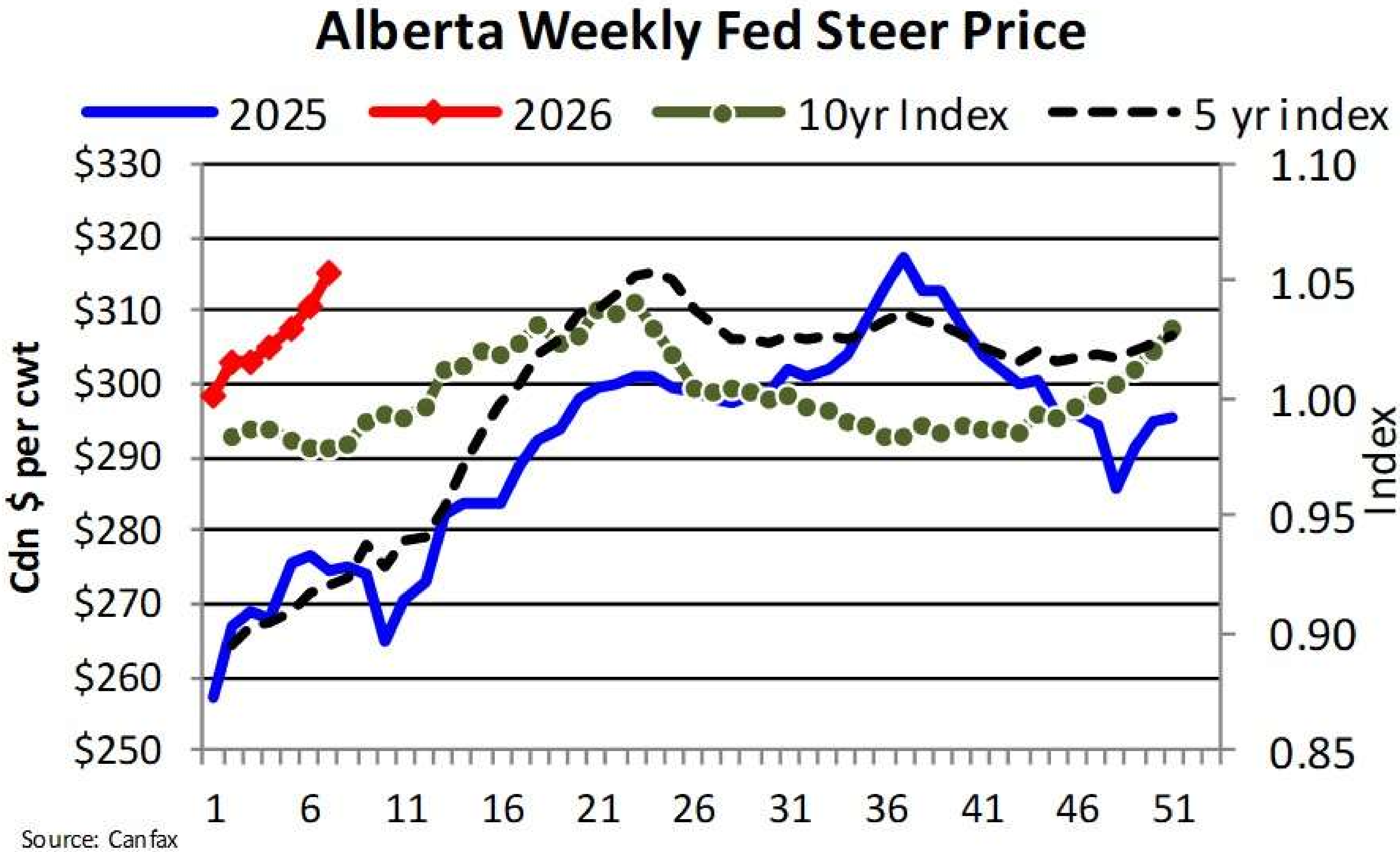
Alberta Annual Fed Steer Basis
Alberta/Nebraska in Cdn $ - Cash to Cash
$5
$0
($5)
($10)
($15)
($20)
($25)
Cdn $/cwt
3 yr avg
11
13
15
17
19
21
23
25
Source: Can Fax

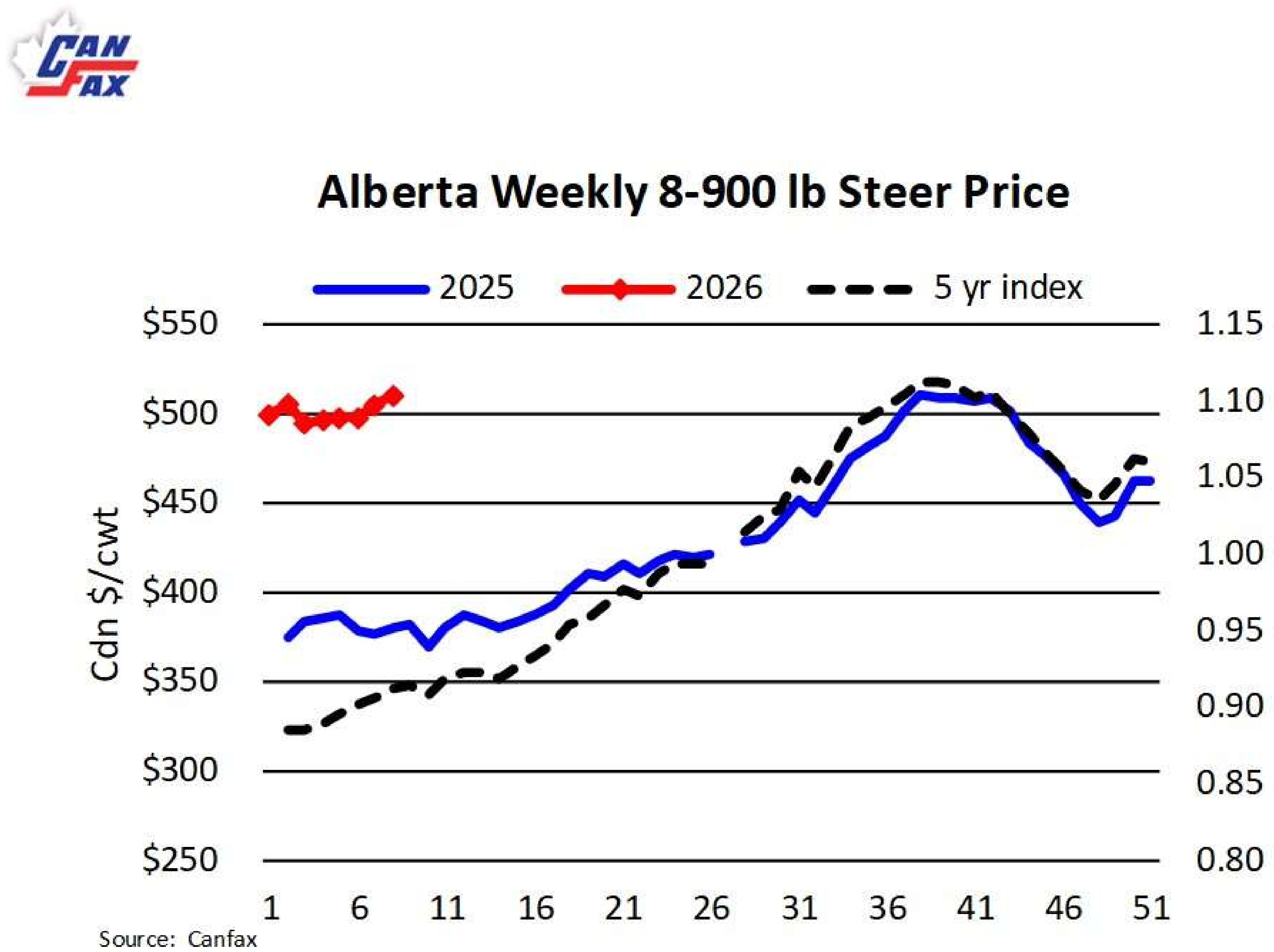


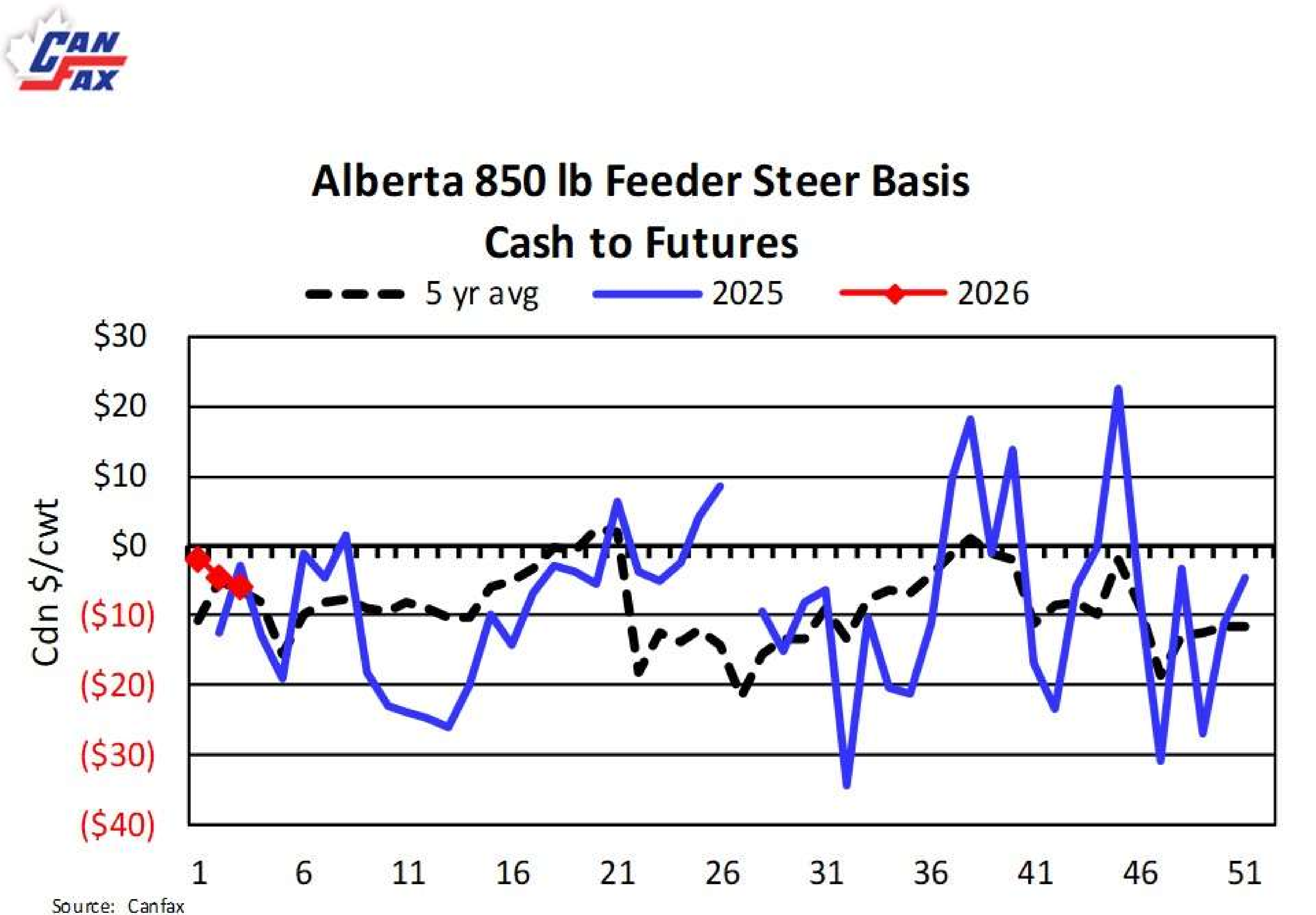
Feedlot - Profit/Loss Margin
YEARLING STEER
P&L - $ per head
$750
$600
$450
$300
$150
$0
($150)
($300)
($450)
($600)
($750)
Jan-20
Jul-20
Jan-21
Jul-21
Jan-22
Jul-22
Jan-23
Jul-23
Jan-24
Jul-24
Jan-25
Jul-25
Jan-26

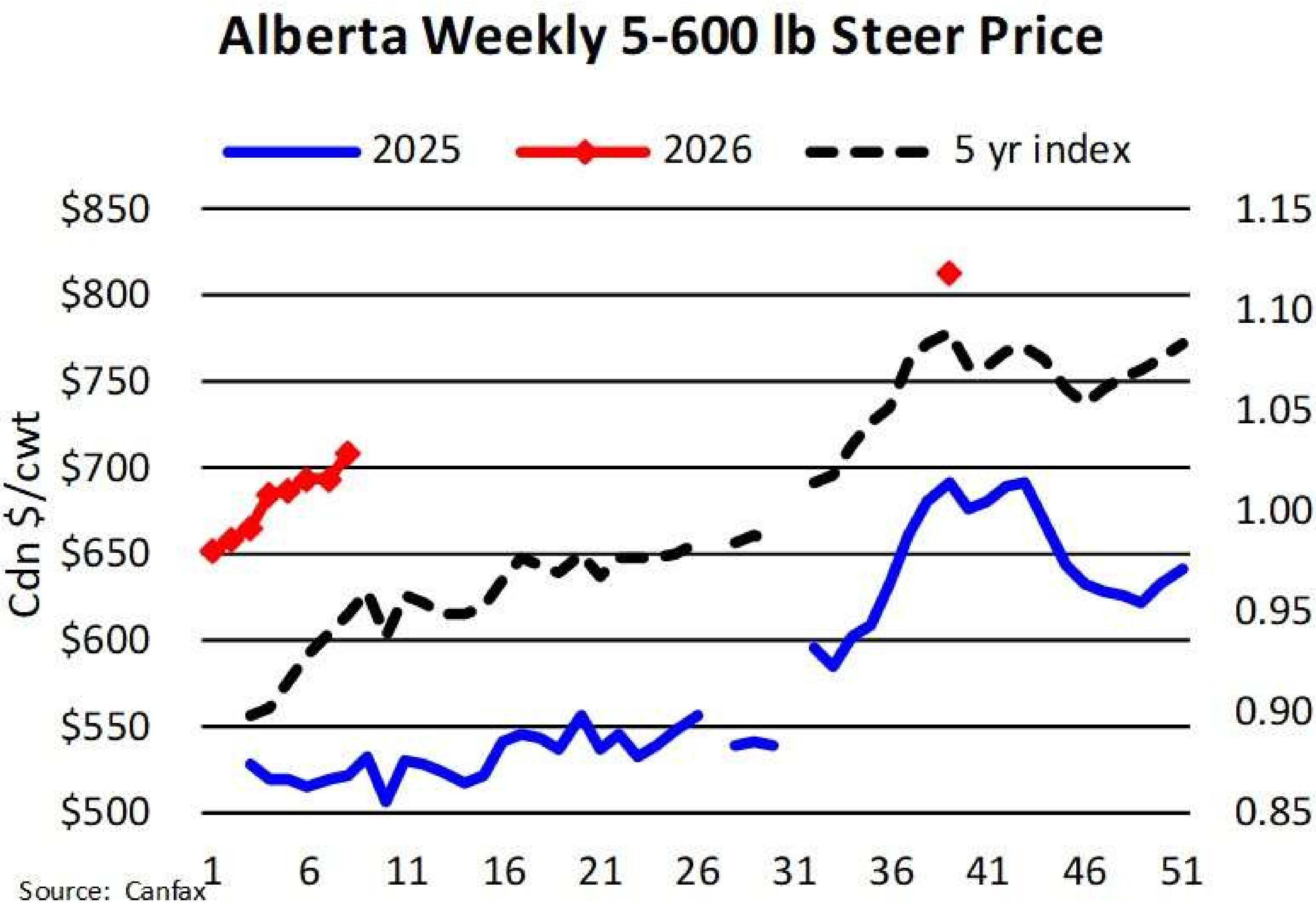

Alberta Weekly D2 Cow Price
5 yr avg
2025
2026
Cdn $/cwt
$260
$240
$220
$200
$180
$160
$140
$120
$100
$80
1
6
11
16
21
26
31
36
41
46
51
Source: Canfax


Canadian F.I. Cow Slaughter
5 yr avg
2025
2026
12,000
11,000
10,000
9,000
8,000
7,000
6,000
5,000
4,000
Number of Head
1
6
11
16
21
26
31
36
41
46
51
Source: CBGA


Alberta Weekly Fed Steer Price
2025
2026
10yr Index
5 yr index
Cdn $ per cwt
Index
$330
$320
$310
$300
$290
$280
$270
$260
$250
1.10
1.05
1.00
0.95
0.90
0.85
1
6
11
16
21
26
31
36
41
46
51
Source: Canfax

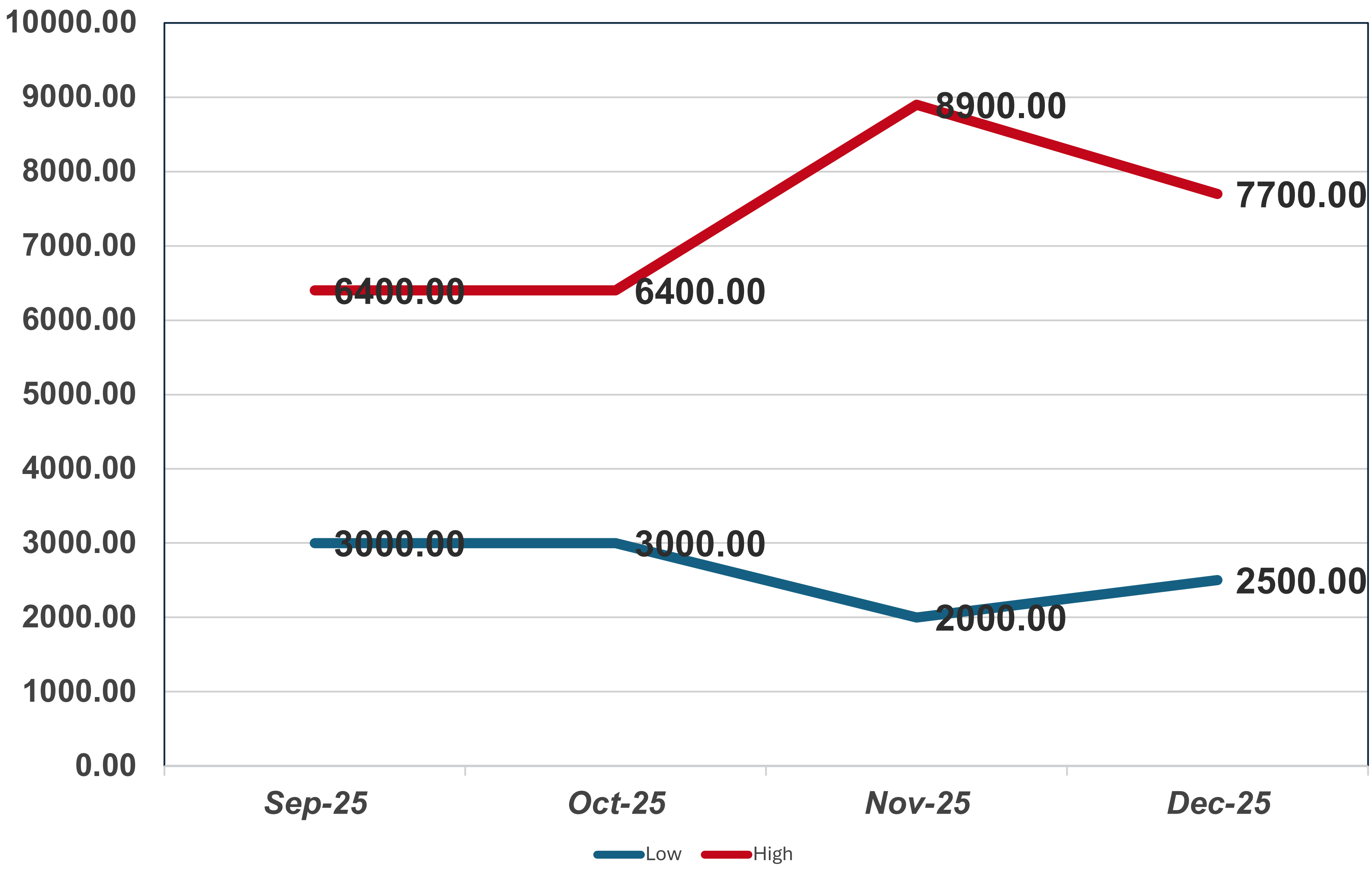

CANFAX
Alberta Weekly 8-900 lb Steer Price
2025
2026
5 yr index
Cdn $/cwt
$550
$500
$450
$400
$350
$300
$250
1.15
1.10
1.05
1.00
0.95
0.90
0.85
0.80
1
6
11
16
21
26
31
36
41
46
51
Source: Canfax


CAN FAX
Alberta 850 lb Feeder Steer Basis
Cash to Futures
5 yr avg
2025
2026
$30
$20
$10
$0
($10)
($20)
($30)
($40)
Cdn $/cwt
1
6
11
16
21
26
31
36
41
46
51
Source: Canfax



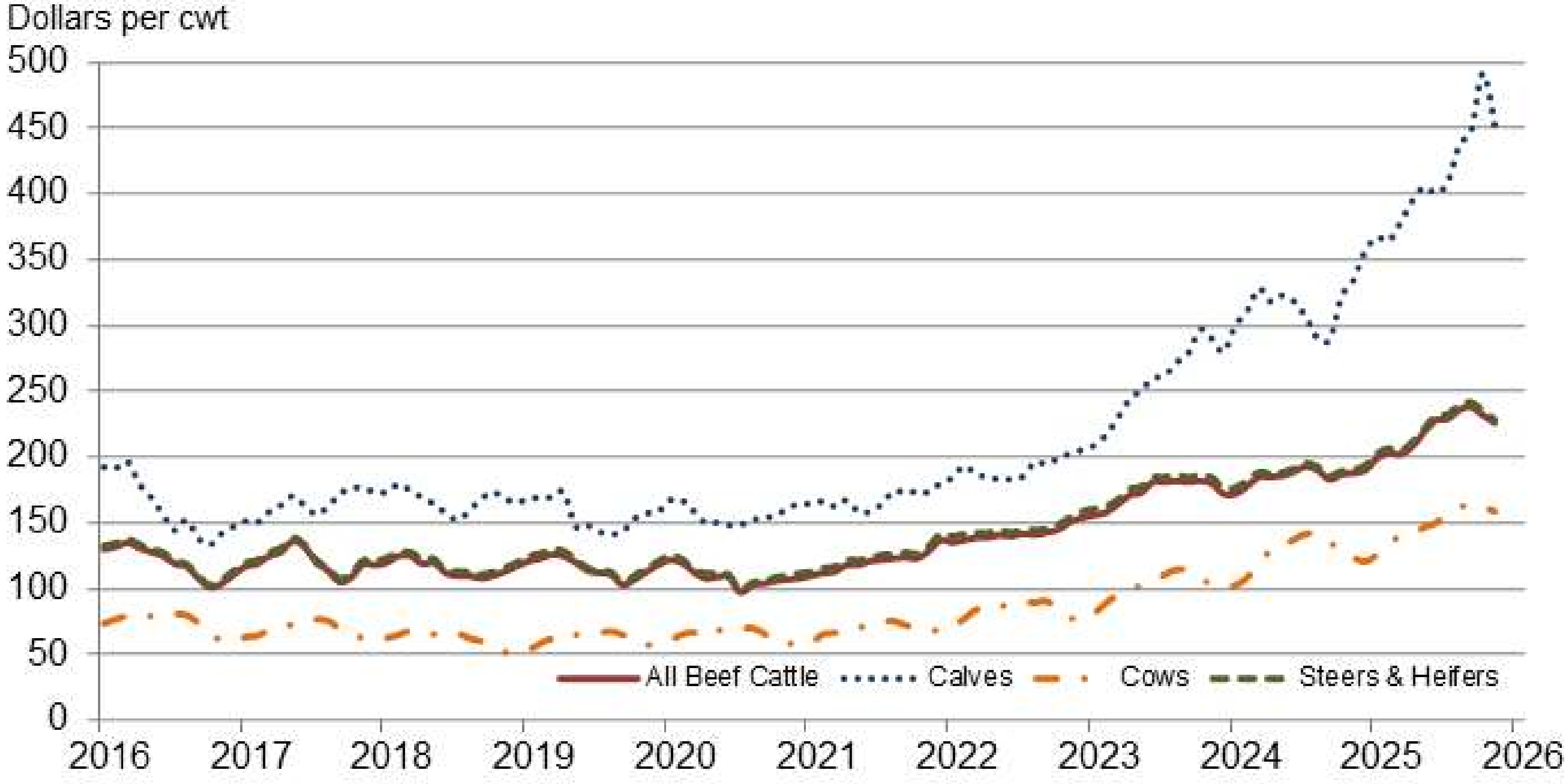
Alberta Weekly 5-600 lb Steer Price
2025
2026
5 yr index
Cdn $/cwt
$850
$800
$750
$700
$650
$600
$550
$500
1.15
1.10
1.05
1.00
0.95
0.90
0.85
1
6
11
16
21
26
31
36
41
46
51
Source: Canfax

# Alberta Bred Cows

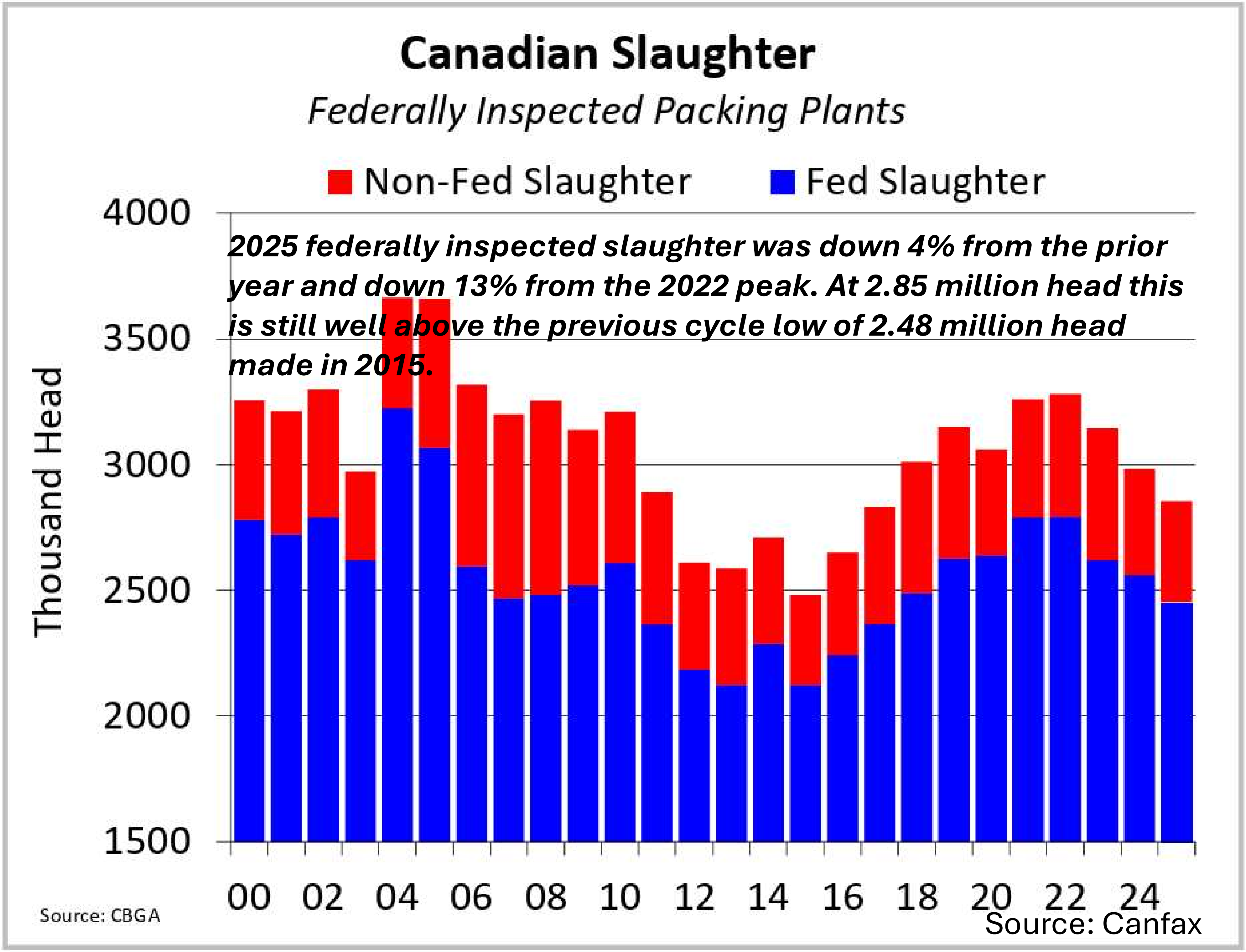


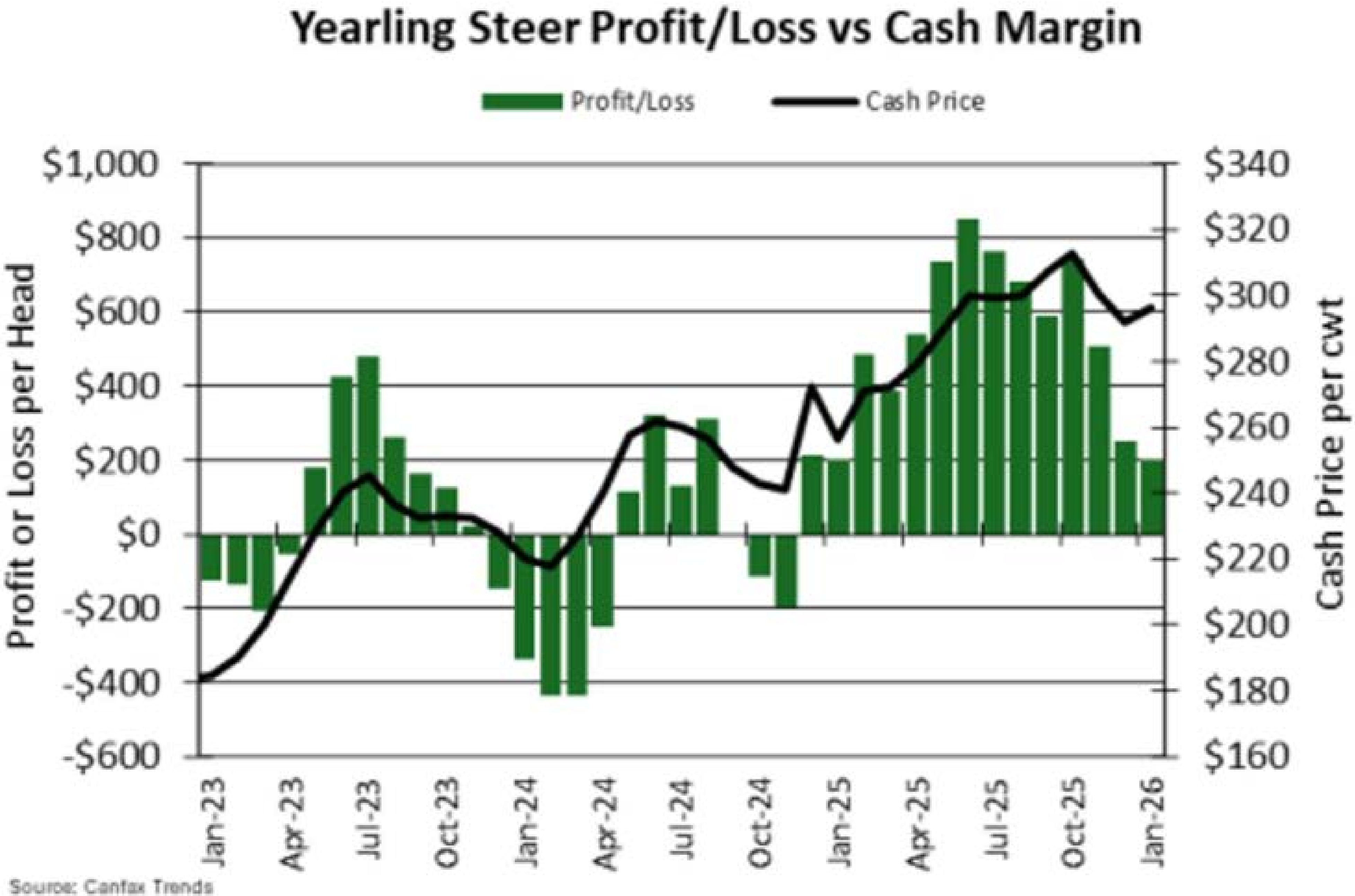
Magnusson Consulting Group

# Prices Received for Cattle by Month – United States




**USDA – NASS**
**12/31/2025**


Canadian Slaughter
Federally Inspected Packing Plants
Non-Fed Slaughter
Fed Slaughter
Thousand Head
4000
3500
3000
2500
2000
1500
2025 federally inspected slaughter was down 4% from the prior year and down 13% from the 2022 peak. At 2.85 million head this is still well above the previous cycle low of 2.48 million head made in 2015.
00
02
04
06
08
10
12
14
16
18
20
22
24
Source: CBGA
Source: Canfax



Source: Canfax

# Heavier Out-Weights and Longer Days on Feed.

| | In Weight | Out Weight | Total Gain | A.D.G. | Days on Feed |
|---|---|---|---|---|---|
| Heifer Calf | 550 | 1450 | 900 | 2.90 | 310 |
| Steer Calf | 550 | 1600 | 1050 | 3.30 | 318 |
| Yearling Heifer | 750 | 1490 | 740 | 3.10 | 239 |
| Yearling Steer | 850 | 1600 | 750 | 3.55 | 204 |
| Shortkeep Heifer | 850 | 1530 | 680 | 3.25 | 210 |
| Shortkeep Steer | 950 | 1625 | 675 | 3.90 | 173 |

***On average, over the six classes of cattle, out-weights are 129 lbs heavier (ranging from 75 lbs for shortkeep steers to 175 lbs for steer calves) and an additional 39 days on feed (ranging from 19-53 more days).***

Source: Canfax

| | | | | | |
|---|---|---|---|---|---|
| **Alberta** - Vol 31,770 (YTD 69,147 -31%) vol. inc. Internet/Satellite | | | | | |
| Steers | 3-400 | 660 - 950 | 805.83 | +24 | -- |
| | 4-500 | 635 - 869 | 753.14 | +13 | +192 |
| | 5-600 | 575 - 765 | 664.55 | +6 | +146 |
| | 6-700 | 526 - 660 | 604.63 | +7 | +146 |
| | 7-800 | 490 - 579 | 535.51 | -1 | +119 |
| | 8-900 | 450 - 530 | 494.67 | -11 | +110 |
| | 900+ | 410 - 496 | 456.91 | -7 | +100 |
| Heifers | 3-400 | 625 - 835 | 719.11 | +22 | -- |
| | 4-500 | 548 - 745 | 668.40 | +7 | +176 |
| | 5-600 | 500 - 685 | 602.05 | +11 | +143 |
| | 6-700 | 470 - 608 | 544.07 | +12 | +132 |
| | 7-800 | 409 - 535 | 485.68 | n/c | +111 |
| | 8-900 | 390 - 485 | 441.11 | -15 | +102 |
| | 900+ | 375 - 455 | 413.19 | -3 | +99 |
| **Saskatchewan** - Vol 11,216 (YTD 27,598 -18%) | | | | | |
| Steers | 3-400 | 655 - 885 | 796.94 | +16 | -- |
| | 4-500 | 681 - 834 | 762.15 | +6 | +197 |
| | 5-600 | 615 - 760 | 681.89 | +16 | +162 |
| | 6-700 | 506 - 660 | 588.77 | +1 | +128 |
| | 7-800 | 480 - 581 | 544.86 | +10 | +131 |
| | 8-900 | 440 - 538 | 497.69 | +2 | +116 |
| | 900+ | 421 - 493 | 455.14 | -4 | +100 |
| Heifers | 3-400 | 660 - 835 | 766.91 | -- | -- |
| | 4-500 | 615 - 763 | 669.76 | -22 | -- |
| | 5-600 | 535 - 665 | 596.52 | -8 | +133 |
| | 6-700 | 488 - 598 | 533.32 | +3 | +127 |
| | 7-800 | 420 - 520 | 487.10 | +12 | +118 |
| | 800+ | 407 - 525 | 455.64 | +10 | +110 |
| **Manitoba** - Vol 7,644 (YTD 17,033 -8%) | | | | | |
| Steers | 3-400 | -- | -- | -- | -- |
| | 4-500 | 700 - 887 | 781.36 | +30 | +212 |
| | 5-600 | 607 - 754 | 687.37 | +7 | +171 |
| | 6-700 | 510 - 642 | 587.31 | +1 | +133 |
| | 7-800 | 460 - 582 | 538.32 | +5 | +125 |
| | 8-900 | 425 - 528 | 483.90 | +16 | +108 |
| | 900+ | 370 - 476 | 434.79 | -- | +112 |
| Heifers | 3-400 | 680 - 810 | 725.00 | -18 | +217 |
| | 4-500 | 579 - 766 | 674.84 | -15 | +176 |
| | 5-600 | 525 - 655 | 594.76 | +10 | +162 |
| | 6-700 | 485 - 580 | 525.55 | +2 | +135 |
| | 7-800 | 400 - 515 | 474.62 | +11 | +109 |
| | 800+ | 400 - 470 | 436.49 | -4 | -- |

Source: Canfax

## Cow-Calf Production Costs - September, 2025
## Based on a 300 Cow Herd

| | Cost/Cow | Total Cost | Your Cost |
|---|---|---|---|
| **A. Operating Costs** | | | |
| **1. Feed Costs** | | | |
| Grain and Concentrates | $87.17 | $26,150 | |
| Forages | $288.78 | $86,634 | |
| Salt & Minerals | $42.09 | $12,627 | |
| Extended Grazing Forages | $41.53 | $12,458 | |
| **Total Feed Cost** | **$459.56** | **$137,869** | |
| | | | |
| **2. Other Operating Costs** | | | |
| Straw | $70.00 | $21,000 | |
| Veterinary Medicine & Supplies | $26.94 | $8,083 | |
| Breeding Costs | $55.91 | $16,773 | |
| Fuel, Maintenance & Repairs | $40.07 | $12,021 | |
| Utilities | $9.69 | $2,907 | |
| Marketing & Transportation | $39.98 | $11,993 | |
| Death Loss | $62.50 | $18,750 | |
| Manure Removal | $10.84 | $3,252 | |
| Insurance | $28.59 | $8,577 | |
| Herd Replacement | $267.60 | $80,280 | |
| Pasture Rental | $59.38 | $17,813 | |
| Pasture Operating | $34.77 | $10,430 | |
| Labour - Hired | $56.00 | $16,800 | |
| Miscellaneous | $3.33 | $999 | |
| Subtotal Operating Costs | $1,225.15 | $367,547 | |
| Operating Interest | $41.35 | $12,405 | |
| **Total Operating Costs** | **$1,266.50** | **$379,952** | |
| | | | |
| **B. Fixed Costs** | | | |
| **C. Owners - Labour & Living** | **$168.00** | $50,400 | |
| | | | |
| **D. Debt Payment** | **$750.00** | $225,000 | |
| | | | |
| **Total Cost of Production** | **$2,644.06** | **$793,221.00** | |


Questions