



Lentils Market Review

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Lord Agro Trade Company, as a reliable company in exporting high-grade Canadian legumes, by analyzing global trade condition and agriculture industry, and forecasting prices in global market for near future, inform you by effective data to continue your business confidently.

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Overview to trade market in Canada

Totally, Canada's exports of goods and services increased by 4.4%, while imports grew by 1.8%. Over the entire second quarter of 2024, exports rose by 1.1%, and imports increased by 1.4%.

Exports: In June, exports of goods jumped by 5.5%, mainly due to higher sales of crude oil and unwrought gold. Service exports also saw a smaller rise of 0.6%, with transportation and commercial services contributing to the growth.

Imports: Imports of goods rose by 1.9% in June, reaching a new high. The main drivers were motor vehicles, parts, and consumer goods. Service imports increased by 1.6%, largely due to higher spending on commercial and travel services.

Trade with the U.S. and Other Countries:

Canada's trade with the U.S. grew in June. Exports to countries other than the U.S. increased by 15.7%, particularly to the United Kingdom, India, and Italy. Without considering price changes, the actual volume of goods exported grew by 3.8%, while imports increased by 1.3% in June.

Industry Focus - Exports:

Goods: Out of 11 product categories, 9 saw higher exports in June, marking the highest percentage growth since February 2024. Crude oil and unwrought gold were responsible for more than three-quarters of this growth. Energy products were the biggest contributors, especially with higher exports to Asian countries.

Services: Service exports increased in some service categories. The main boost came from transportation and commercial services, which saw a 0.6% increase in June.

Global Markets:

In June, goods exports to the U.S. grew by 2.6%, while imports from the U.S. rose by 1.7%. The biggest increases were seen in exports to the United Kingdom, India, and Italy. Imports from countries other than the U.S. were up by 2.1%, with the most significant gains coming from China, Mexico, and South Korea. Prices also helped increase exports and imports, but not by a lot. Export prices went up by 1.6% and import prices rose by 0.6% in June.

published in June 2024

<https://www.international.gc.ca/trade-commerce/economist-economiste/statistics-statistiques/monthly-mensuel.aspx?lang=eng>

www.stat.com





Canadian Agriculture Outlook

Challenges in 2024 and the State of the Lentil Market

Overview of Canadian Crop Production:

Agriculture and Agri-Food Canada (AAFC) recently released an updated outlook report for the 2023-24 and 2024-25 crop years, with data available until August 13, 2024.

2023-24 Crop Year Summary

The 2023-24 crop year concluded on July 31 for most crops, displaying a significant decrease in total important field crop production and supply. The decrease is mainly due to a serious drought that hit many parts of Western Canada. The drought had such a big impact that it caused a significant drop in the amount of leftover stock at the end of the year, even more than the decline in exports did.

2024-25 Crop Year Forecast

For the upcoming 2024-25 crop year, farmers in Western Canada are facing tough conditions because July was very hot and dry. This weather has hurt the expected some of crops they will harvest. Wheat and coarse grains, except for corn, are especially affected. However, the expected harvest amounts for oilseeds, pulses and special crops haven't changed. It's still hard to predict exactly how much will be harvested since it's early in the season. Harvesting has already started and is moving quickly because the hot, dry weather in July sped up the crops' growth.

Lentil Market Overview:

The North American lentil market had complex results for the week ending August 23, 2024. Prices for Canadian green lentils dropped slightly, while red lentil prices stayed the same. This trend is due to the increased availability of new crop supplies. In North America, the area planted with green lentils has grown significantly. In the United States, lentil acreage increased from 546,000 to 947,000 acres, which could raise production greatly.

Earlier in August, international green lentil markets saw a price drop, particularly in spot shipping positions, as the harvest was expected to start soon. Also, bulk shipments of lentils remained strong in July. According to the Canadian Grain Commission, Canadian terminals and licensed elevators loaded 123,600 MT of bulk lentils for export during the month, showing strong demand.

In summary, while Canadian agriculture is facing challenges from unfavorable weather, the lentil market remains active with significant changes in production and pricing with increasing in demand.

Summarized by Lord Agro Trade Company. Augst, 2024

<https://www.international.gc.ca/trade-commerce/economist-economiste/statistics-statistiques/monthly-mensuel.aspx?lang=eng>



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Lentil Market summary:

2023-2024

In the 2023-24 season, lentil exports dropped significantly which is 28% less than the previous year. Domestic use increased to 0.26 Mt, but carry-out stocks decreased to less than 0.1 Mt. The average price for Canadian lentils rose by 22% from the previous year, reaching a record \$1,000 per tonne. Large green lentil prices averaged \$787 per tonne more than red lentils.

2024-2025

Looking ahead to 2024-25, lentil production is expected to increase. The area for both green and red lentils expanded, especially in Saskatchewan, which is projected to produce 88% of the lentils, with the rest coming from Alberta and Manitoba. Exports are forecasted to increase, while carry-out stocks should also rise.

<https://agriculture.canada.ca/en/sector/crops/reports-statistics/canada-outlook-principal-field-crops-2024-08-20>

Lentils.a., August 20, 2024	2022-2023	2023-2024 f	2024-2025 f
Area seeded (thousand hectares)	1,749	1,485	1,704
Area harvested (thousand hectares)	1,715	1,460	1,675
Yield (tonnes per hectare)	1.34	1.14	1.49
Production (thousand tonnes)	2,301	1,671	2,500
Imports (thousand tonnes) b	87	95	75
Total supply (thousand tonnes)	2,610	1,913	2,625
Exports (thousand tonnes) b	2,209	1,600	1,900
Total Domestic Use (thousand tonnes) c	255	263	275
Carry-out Stocks (thousand tonnes)	147	50	450
Stocks-to-Use Ratio	6%	3%	21%
Average Price (\$/tonne) d	820	1,000	830
Area seeded (thousand hectares)	1,749	1,485	1,704
<p>a. Crop year is August-July.</p> <p>b. Imports exclude products.</p> <p>c. Total domestic Use equals Food and industrial Use plus Feed waste and dockage plus Seed Use plus Loss in handling.</p> <p>d. Producer price, Free-on-board (FOB) plant, average over all types, grades and markets.</p> <p>f. forecasts by AAFC except for area, yield and production for 2023-24 which are STC</p> <p>Source: Statistics Canada (STC) and Agriculture and Agri-Food Canada (AAFC)</p>			

