



## Global Consumption

1 MMT of Soybeans

**2 MMT of Wheat**

3 MMT of Corn

Canada's 2018-19 wheat production was 28MMT - 4% of the world wheat production and 14% of the world's wheat exports.





- Independent, not-for-profit institute
- Provide pre-market and in-market technical support for the Canadian grain sector
- More than 45 years of experience working with the grain industry value chain in Canada and internationally



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## Our Mission

To be the trusted independent source for milling, quality and end-use functionality expertise for millers and end users of Canadian grain to increase market opportunities and end-user success.



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## End-use Functionality



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## Unique Expertise and Facilities



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**Our Funders**

Western Canadian Farmers



Grain Handlers/Exporters



Government of Canada



Agriculture and Agri-Food Canada



Agriculture et Agroalimentaire Canada


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**Focus Areas**

**Pre-Market Support**

**Goal:** Products, processes and/or registered varieties that consistently meet customer needs



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## Pre-Market Support

- Customer feedback on wheat quality to Canadian value chain
- Support wheat and pulse variety development
- Pulse milling and functionality technical support



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## Focus Areas

### In-Market Technical Support

**Goal:** Informed customers know and choose Canadian grain



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## *In-Market Technical Support*



- Wheat technical training



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## *In-Market Technical Support*



- Annual harvest assessment
- New Crop Missions



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## *In-Market Technical Support*



- Advance knowledge of Canadian Industry



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## *Markets Reached*



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## **New Crop Missions** *Team Canada Approach*

**Cereals Canada**

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**Canadian Grain Commission**

**Grain traders**

**Producers**

- Represents the entire Canadian value chain
- Includes independent science-based assessment
- Includes science-based regulatory body
- Complete package for our customers

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## **2018 New Crop Missions** **Confidence in Canadian Brand**

- Inform end use customers of the quality of the 2018 crop
- Inform customers of the evolution of the Canadian industry
- Answer customer questions and concerns
- Bring customer feedback to Canadian value chain
- Maintain and build relationships

*If we are not present in these key markets our competitors will be speaking for us*

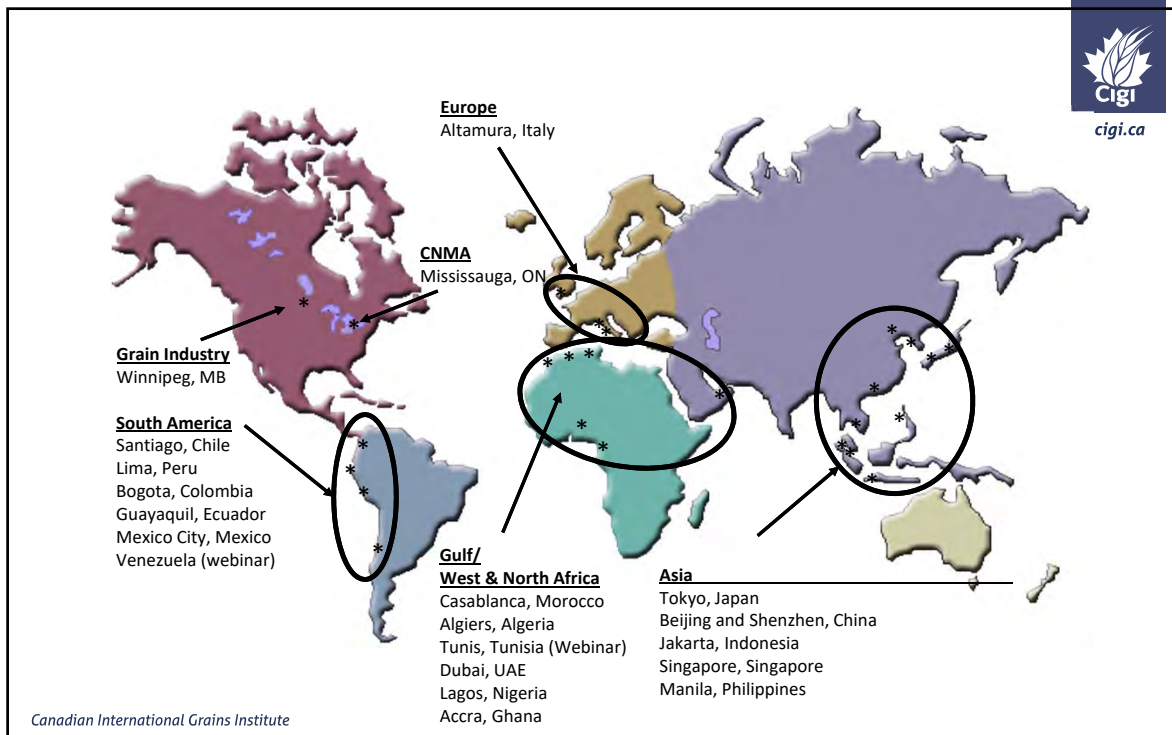
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## 2017 New Crop Missions Who and Where

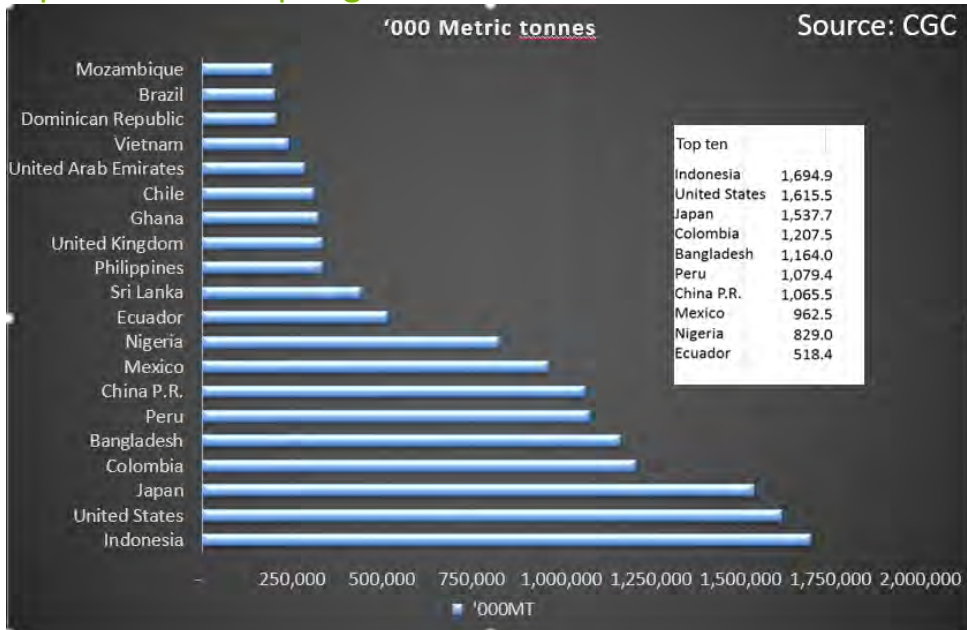
- Millers, bakers, pasta makers, owners and managers of mills, technical specialists, government buying agencies, traders.
- Over 20 countries in:
  - Asia
  - Latin America
  - Europe
  - Gulf and North Africa

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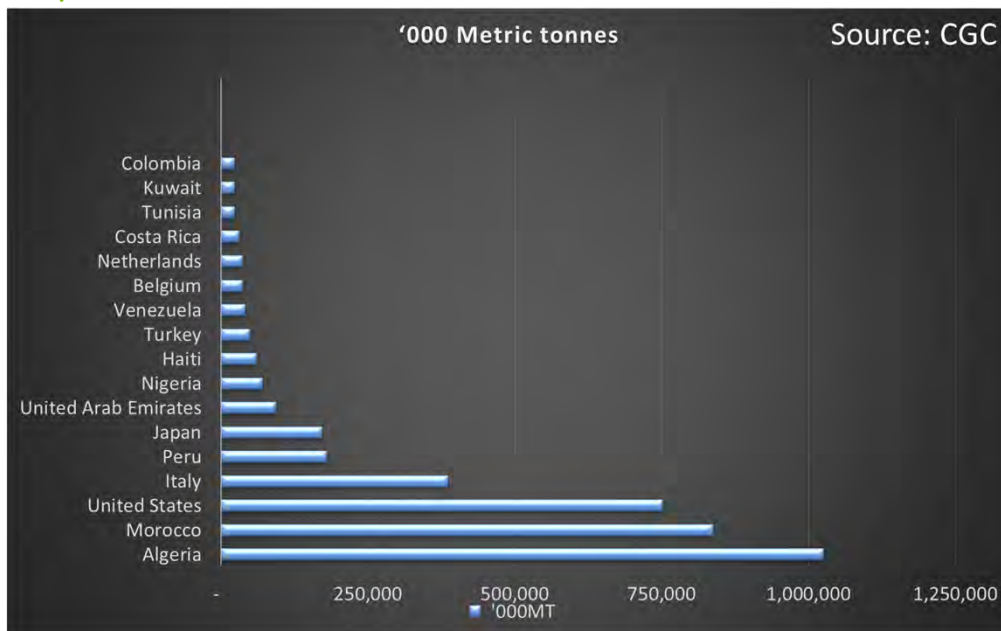
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### Top – Canadian Spring Wheat Markets 2017-18



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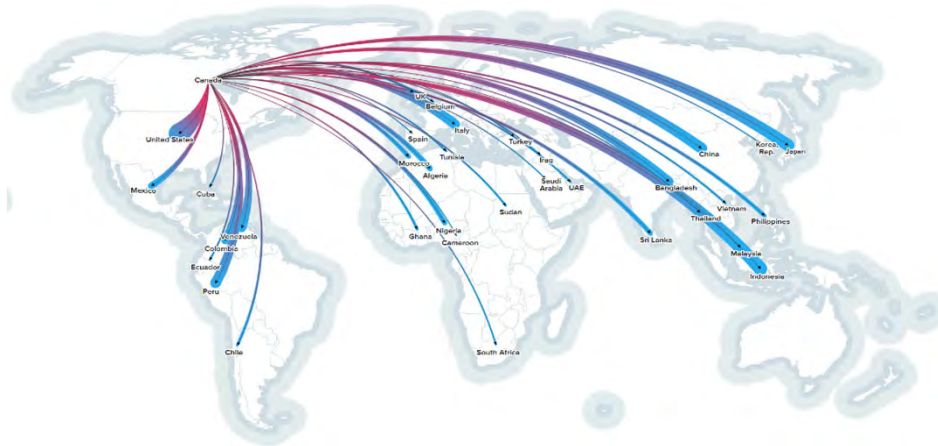
### Top – Canadian Durum Wheat Markets 2017-18



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## Where Do Canadian Wheat Exports Go?



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## World Wheat Supply and Disposition

Million Metric Tonnes

	2016/17	2017/18 Est.	2018/19 F'cast	%ΔY/Y
Production	752.5	767.1	728.8	-5.0%
Total Supply	979.3	1,011.5	1,002.3	-0.9%
Consumption	735.0	738.0	740.2	+0.3%
End Stocks	244.4	273.4	262.0	-4.2%

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Source: International Grains Council, October 2018



## World Durum Supply and Disposition

Million Metric Tonnes

	2016/17	2017/18 Est.	2018/19 F'cast	%ΔY/Y
Production	40.2	37.0	37.9	+2.4%
Total Supply	49.6	47.0	47.7	+1.4%
Consumption	39.6	37.2	37.8	+1.8%
End Stocks	10.1	9.8	9.8	--

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Source: International Grains Council, October 2018



## Canadian Wheat (excluding durum) Supply and Disposition

Thousand Metric Tonnes (August-July)

	2016-17	2017-18 (f'cast)	2018-19 (f'cast)
Carry-In	4,078	5,028	4,695
Production	24,378	25,022	25,305
Exports & Domestic Use	23,527	25,385	26,080
Exports	15,621	17,480	18,000
Domestic Use	7,906	7,905	8,080
End Stocks	5,028	4,695	4,000

Source: aimis-simia.agr.gc.ca, October 25, 2018

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# Canadian Durum Supply and Disposition

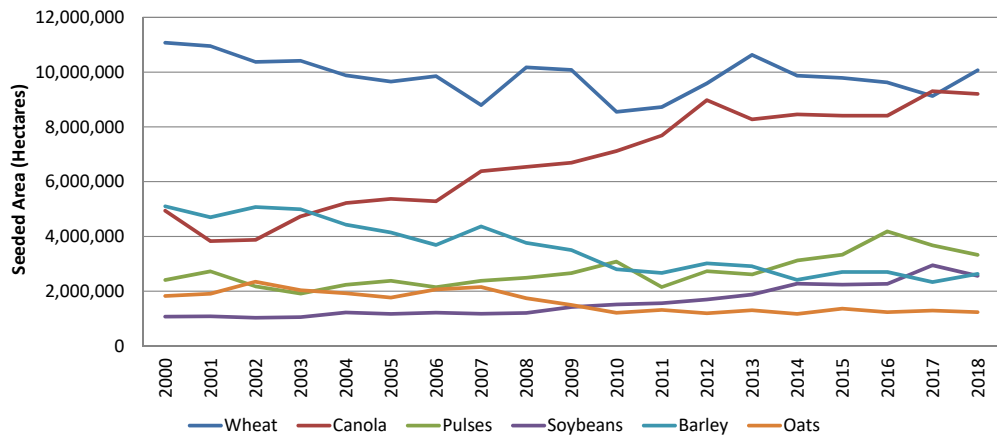
Thousand Metric Tonnes (August-July)

	2016-17	2017-18 (f'cast)	2018-19 (f'cast)
Carry-In	1,100	1,878	1,477
Production	7,762	4,962	5,692
Exports & Domestic Use	6,995	5,321	5,579
Exports	4,534	4,387	4,600
Domestic Use	2,461	934	979
End Stocks	1,878	1,477	1,600

Canadian International Grains Institute Source: aimis-simia.agr.gc.ca, October 25, 2018



# Estimated Seeded Area in Canada



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Source: Statistics Canada, Table 32-10-0359-01



## Canadian Major Crops, Estimated Production

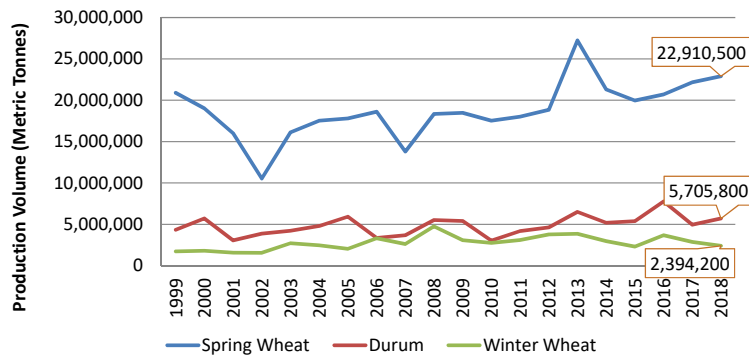
Crop	2017-18 (000' Metric Tonnes) (f'cast)	2018-19 (000' Metric Tonnes) (f'cast)	%ΔY/Y
Wheat (excl. Durum)	25,022	25,305	+1.1%
Durum	4,962	5,692	+14.7%
Canola	21,328	20,999	-1.5%
Soybeans	7,717	7,515	-2.6%
Pulses	7,094	6,597	-7.0%
Barley	7,891	8,227	+4.3%
Oats	3,733	3,383	-9.4%

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Source: aimis-simia.agr.gc.ca, October 2018



## Canadian Wheat Production



Source: Statistics Canada, Table 32-10-0359-01

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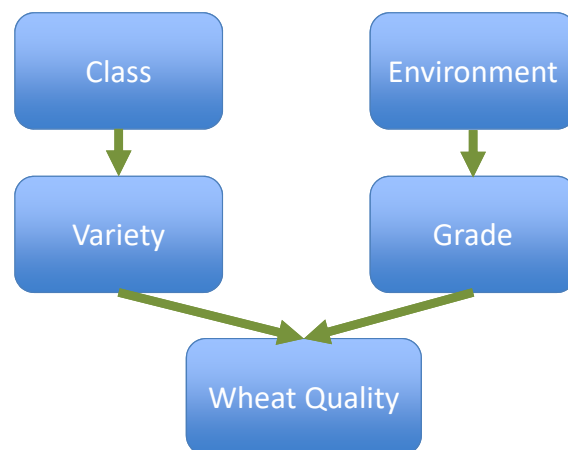
## Western Canadian Wheat Classes



- **CWRS - Canada Western Red Spring**
- CWHWS - Canada Western Hard White Spring
- **CWAD - Canada Western Amber Durum**
- CWRW - Canada Western Red Winter
- **CPSR - Canada Prairie Spring Red**
- CPSW - Canada Prairie Spring White
- CWES - Canada Western Extra Strong
- CWSWS - Canada Western Soft White Spring
- CWSP - Canada Western Special Purpose
- CNHR - Canada Northern Hard Red

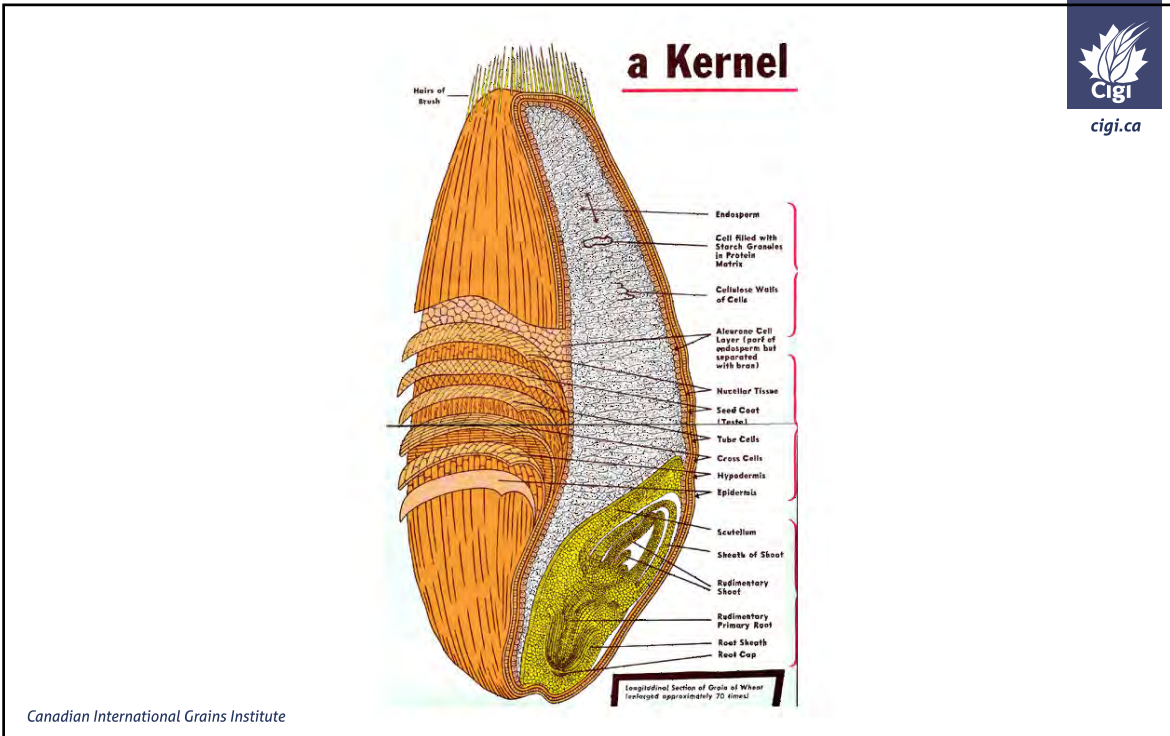
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## Factors Affecting Quality



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## Gluten



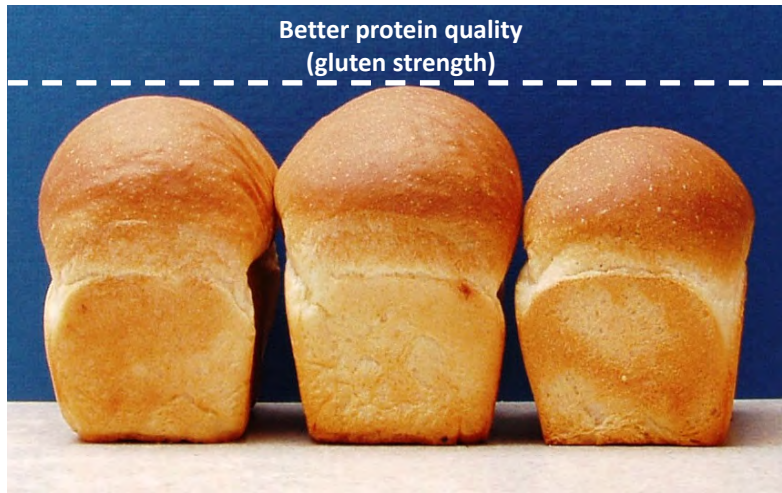
**Gliadin + Glutenin → Gluten**

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## Gluten Strength = Protein Quality



All loaves baked from flour with the same protein content

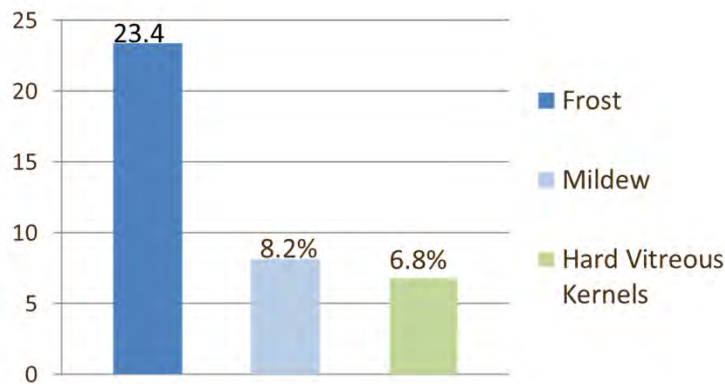


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## 2018 CWRS Highlights



- Overall 61.2% of the CWRS crop was graded #1
- Average Protein - 13.8%



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Source: CGC



### Grading Factors for CWRS – 2018



Hard vitreous kernels  
HVK



Frost / Heat Stress  
FRHTS



Mildew  
MIL

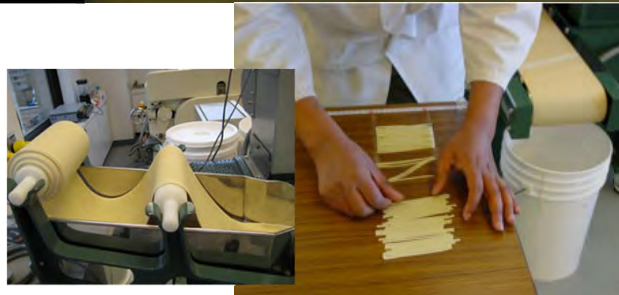


Fusarium Damage  
FUS DMG

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### No. 1 CWRS

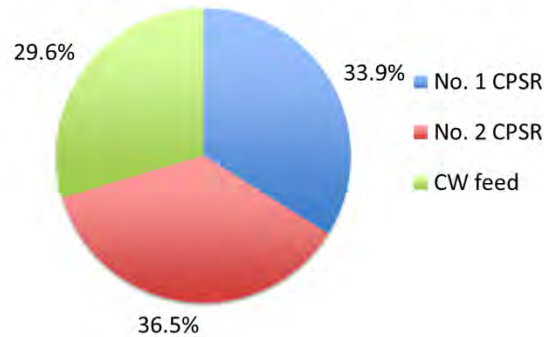


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## CPSR - Harvest Sample Statistics

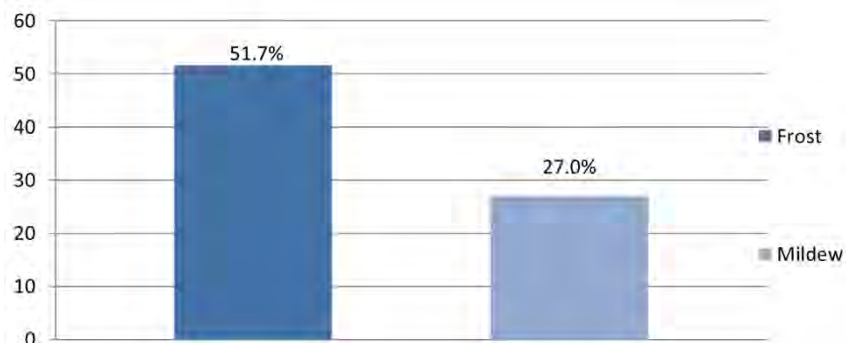
- 230 samples of CPSR
- Average Protein - 12.8%



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## Average Protein - 12.8% 33.9% was graded #1



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### Differences Among Common Wheat Classes



Class	Hardness	Protein Content	Protein Strength	Absorption
CWRS	Hard	High (12.5-14.5%)	Strong	High (65%)
CPSR				
CWRW				
CWSWS	Soft	Low (<10.5%)	Weak	Low (53%)

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# World Wheat Classes

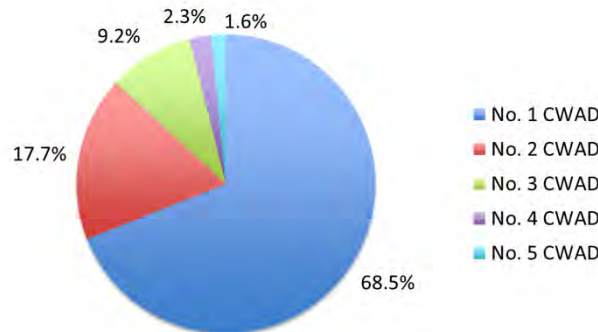
Country	Name	Abbreviation	Protein class	Average protein	High volume bread	Medium volume bread	Alkaline noodle	Non-alkaline noodle	Flat bread	Cakes and cookies
USA	Hard Red Spring	HRS	High	13.6%	✓	✓	✓			
AU	Australia Prime Hard	APH	High	13.3%	✓	✓	✓			
CAN	Canada Western Red Spring	CWRS	High	13.3%	✓	✓	✓			
USA	Hard Red Winter	HRW	Medium	12.0%	✓	✓	✓		✓	
CAN	Canada Prairie Spring Red	CPSR	Medium	11.8%		✓	✓	✓	✓	
AUS	Prime Hard	AH	Medium	11.6%		✓	✓	✓	✓	
CAN	Canada Western Red Winter	CWRW	Medium	11.0%		✓	✓	✓	✓	✓
AUS	Australia Premium White	APW	Low	10.6%			✓	✓	✓	✓
USA	Soft Red Winter	SRW	Low	9.9%				✓	✓	✓
USA	Soft White Wheat	SWH	Low	9.7%				✓	✓	✓
AUS	Australia Standard White	ASW	Low	9.4%				✓	✓	✓

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# 2018 CWAD Highlights

- 68.5% of the CWAD crop was #1
- Average protein – 14.2%

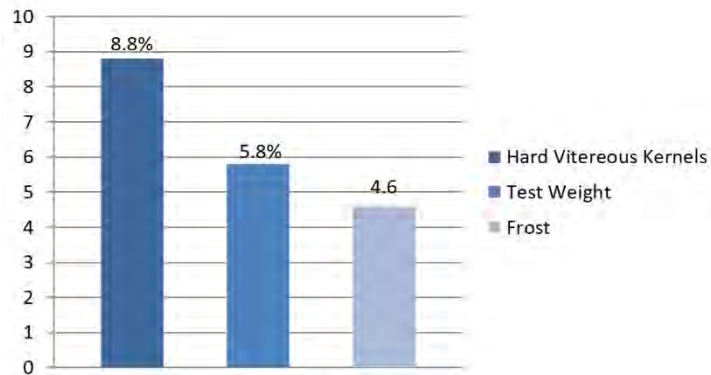


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# CWAD Grading Factors

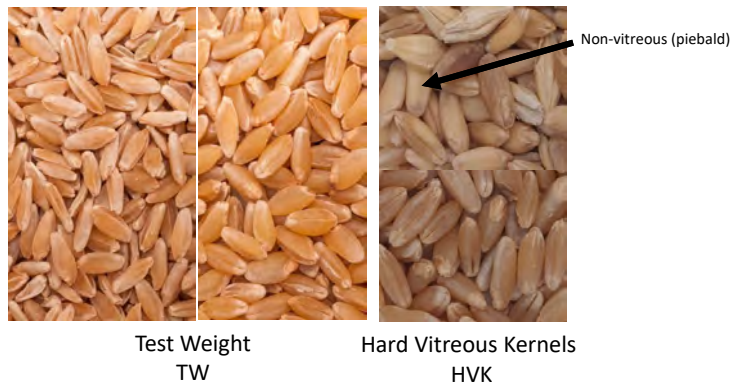
- Samples degraded account



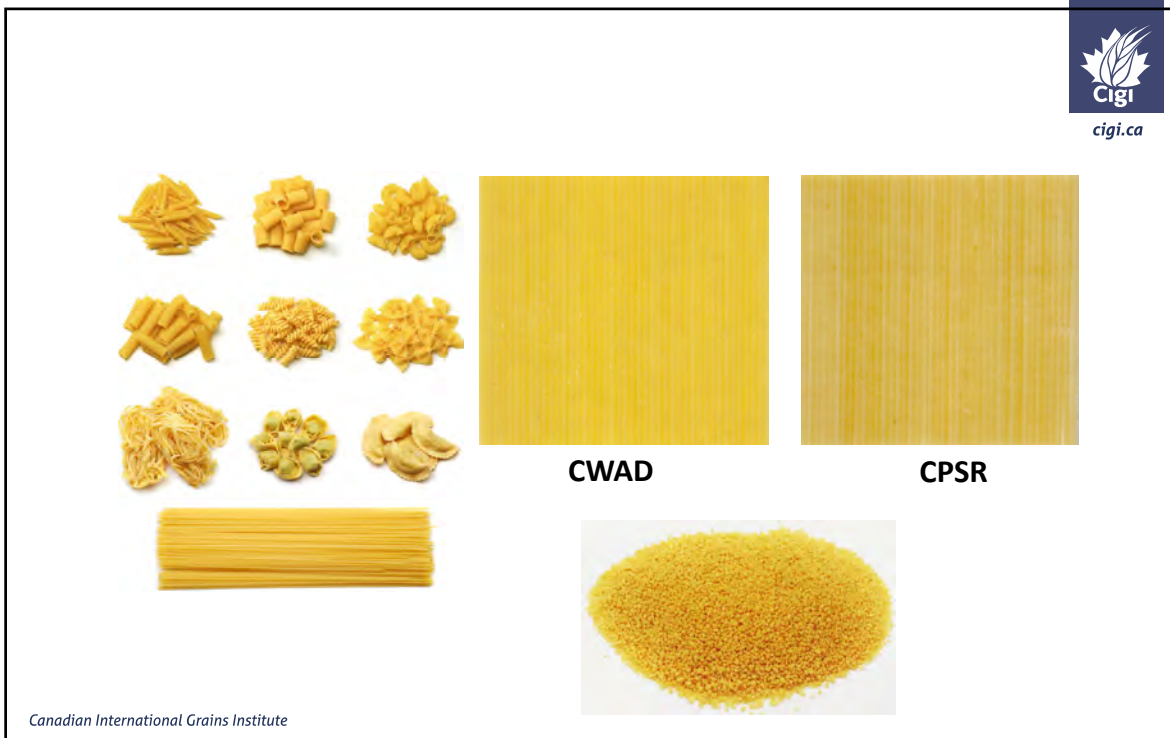
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## Grading Factors for CWAD – 2018



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## What did we learn?

- Canadian wheat still highly sought after
- Customers want:
  - ✓ Quality
  - ✓ Consistency
  - ✓ Performance
  - ✓ Timely delivery

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## What did we learn?

- Customers eager to explore other Canadian wheat classes, however the demand is for HIGH QUALITY, HIGH PROTEIN WHEAT
- U.S. remains an aggressive competitor. Russia becoming more so for volume but Kazakhstan has some good quality wheat.
- Trust that Canada will continue to develop profitable varieties
- Customers want to hear from producers

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## Identifying Market Opportunities: West Africa (Nigeria)



- Investigative Missions
- Technical Exchanges
- Technical Missions
- New Crop Missions
- Multiple Projects - based on crop/country



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### Identifying Market Opportunities: Bangladesh



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### Identifying Market Opportunities: increase in imports

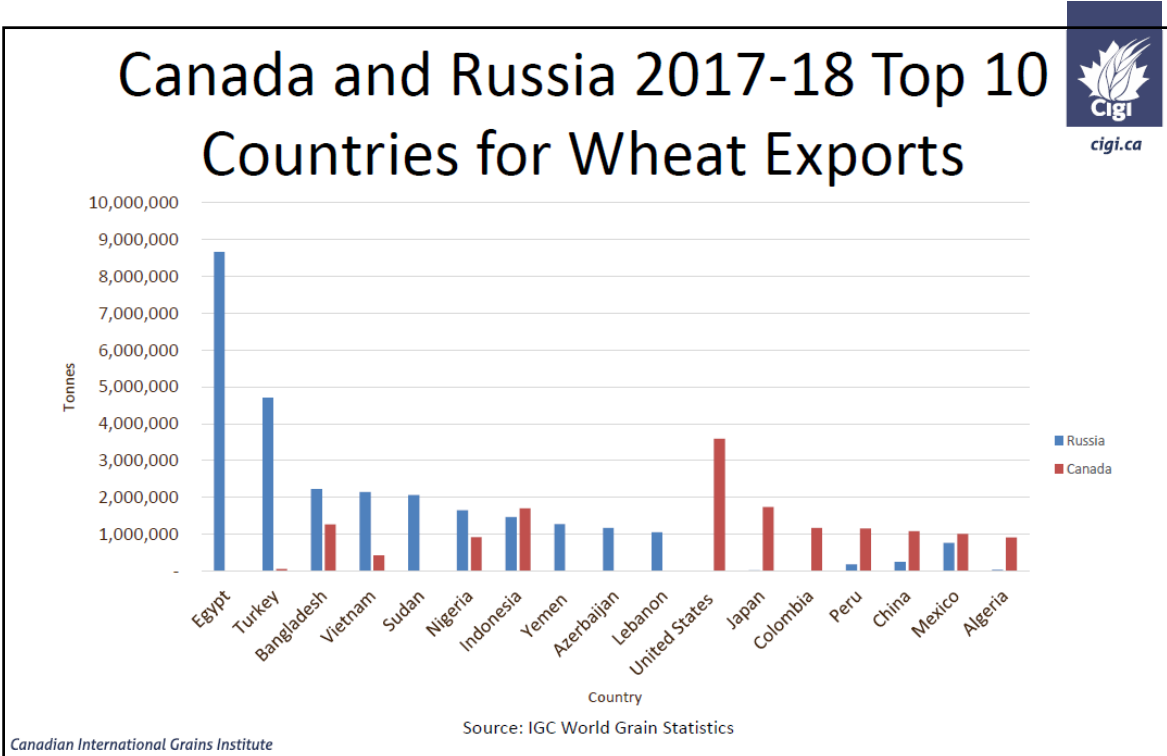
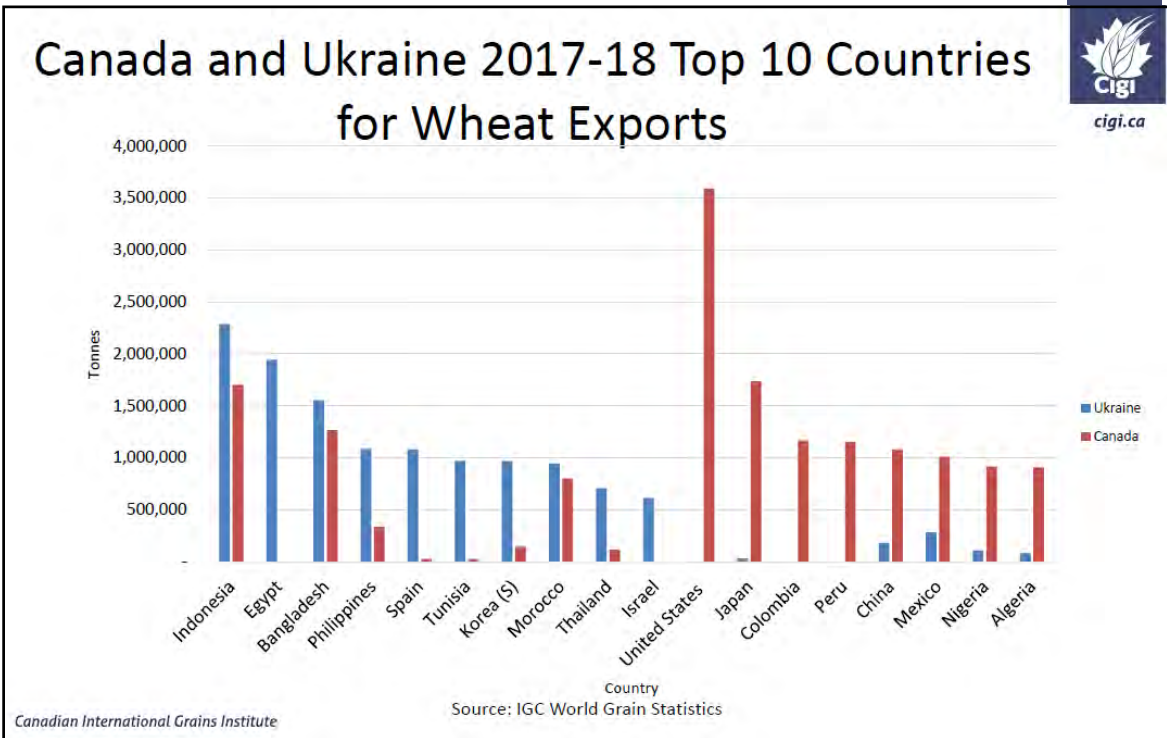


Source: CGC

'000 Metric tonnes

Country	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Bangladesh	707.0	1,027.2	1,455.5	838.2	1,164.0
Nigeria	488.3	818.8	586.5	838.7	829.0

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## Summary



- Canada is one of the largest producers and exporters of **high quality** wheat in the world.
- Wheat from western Canada can be used to produce many different end-products.
- Canadian wheat is known around the world for its high and consistent quality.

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## Domestic Programs



- Combine to Customer Programs
- Grain Grading Workshops
- Canadian Grain Industry Program

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