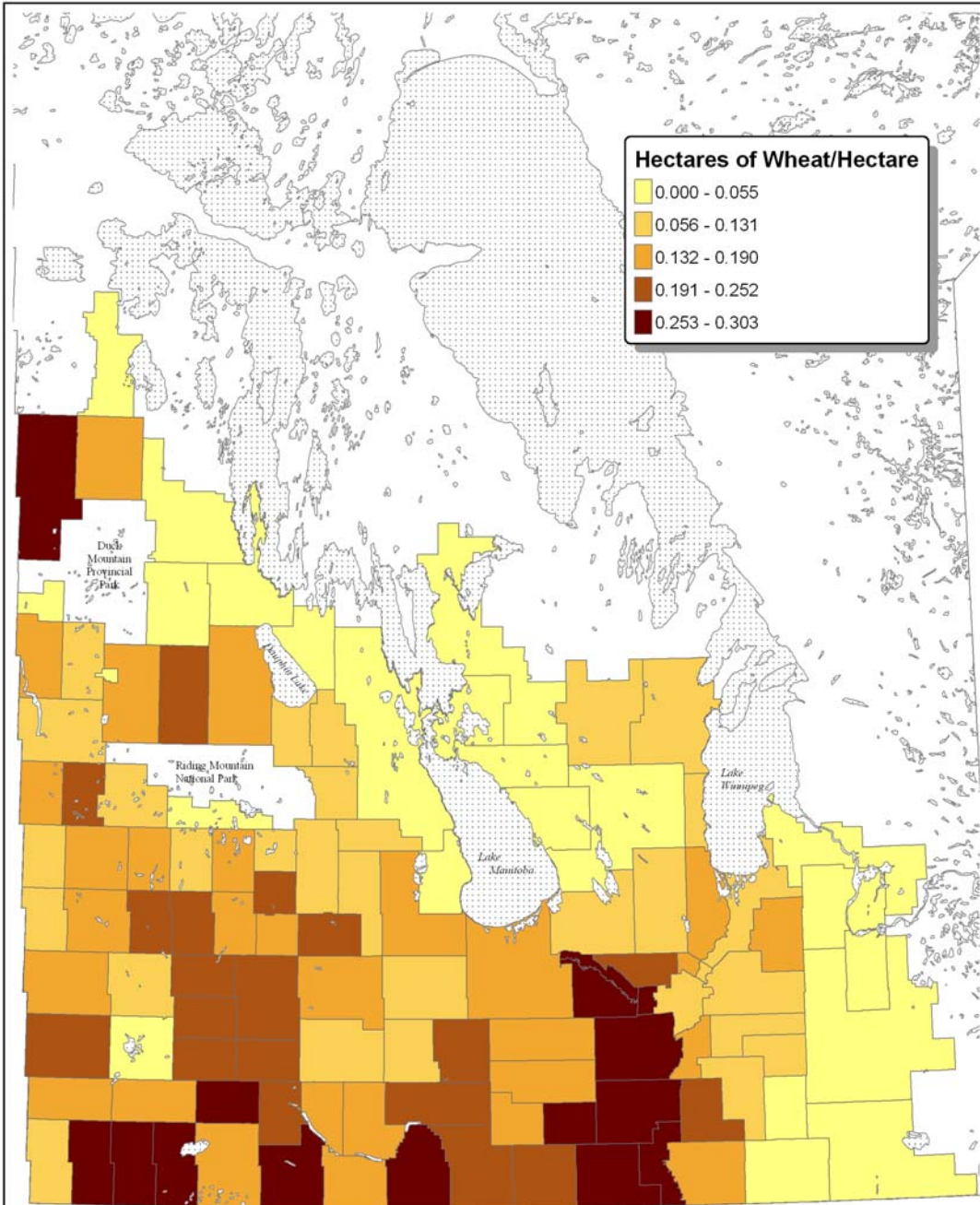


# WHEAT SECTOR



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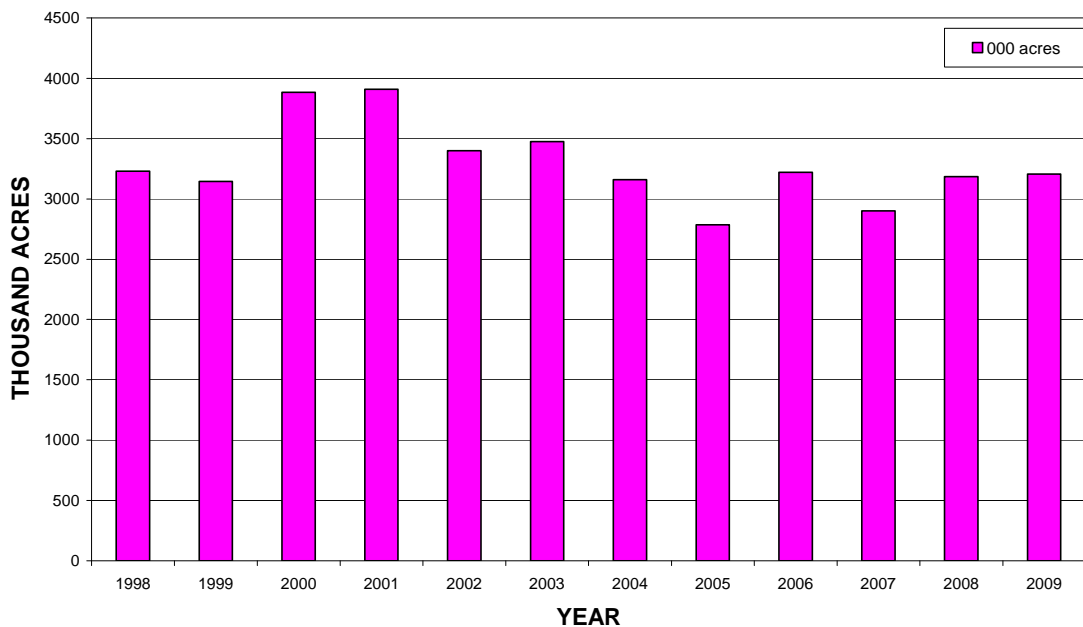
Source: Statistics Canada - 2006 Census of Agriculture



## OVERVIEW OF THE WHEAT SECTOR IN MANITOBA

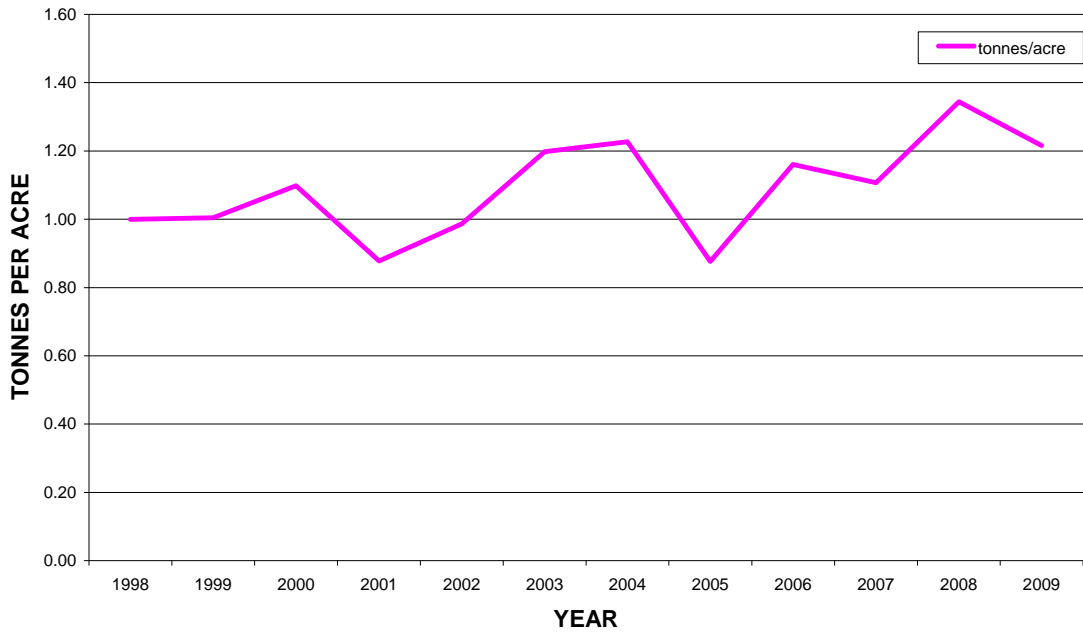
- Canada is one of the world's largest wheat producers and exporters, and its wheat is renowned for a consistent high quality, which is advantageous to the milling industry.
- Annually, Manitoba produces approximately 12-15 percent of Canada's total wheat production.
- However, due in part to the significant decline in average wheat prices throughout the 1990s, Manitoba's wheat production has declined from 5.45 million acres in its peak years in the early 1990s, to slightly more than 3.5 million acres at the turn of the century.
- In 2009, Manitoba wheat producers harvested over 3.29 million acres. Despite the decline in acres seeded to wheat since the early 1990s, it still occupies the largest area of any annual crop grown in Manitoba.
- Contracts and options for feed wheat can be traded on the Winnipeg Commodity Exchange.

**Area of Wheat in Manitoba, 1998 - 2009**



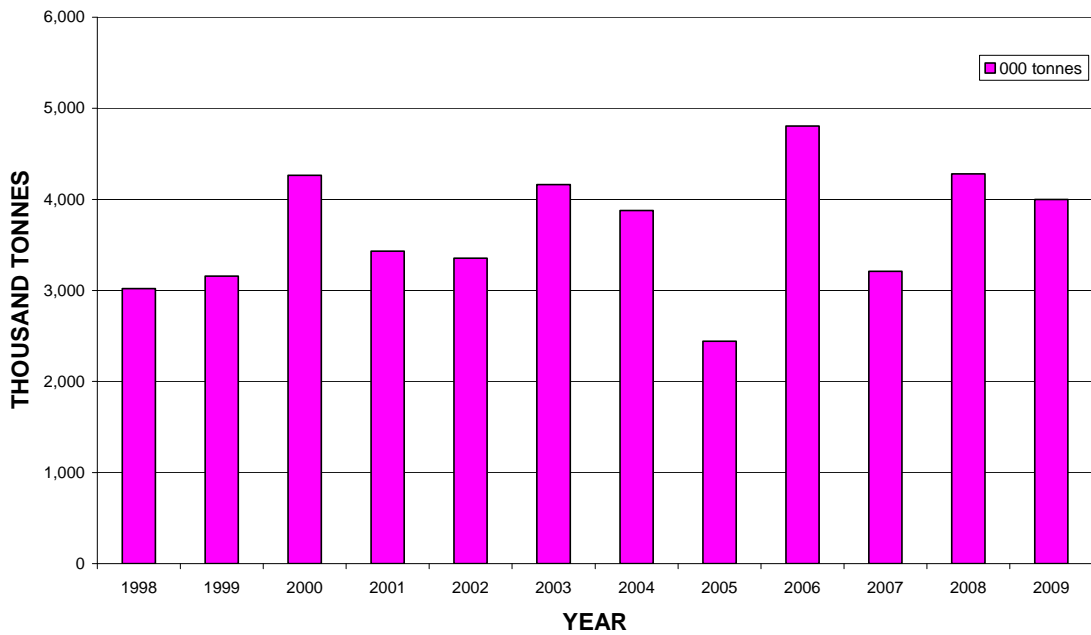
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### Yield of Wheat in Manitoba, 1998 – 2009



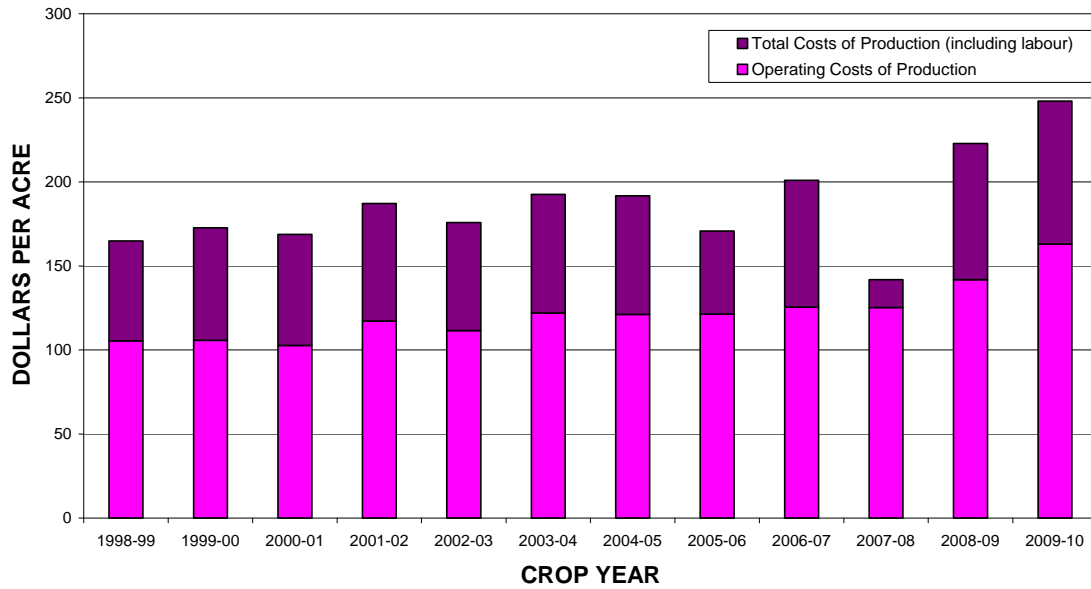
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### Production of Wheat in Manitoba, 1998 – 2009



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## Cost of Wheat Production in Manitoba 1998/99 – 2009/10



## Farm Supply and Disposition of Manitoba Wheat Crop, 1998/99 to 2009/10

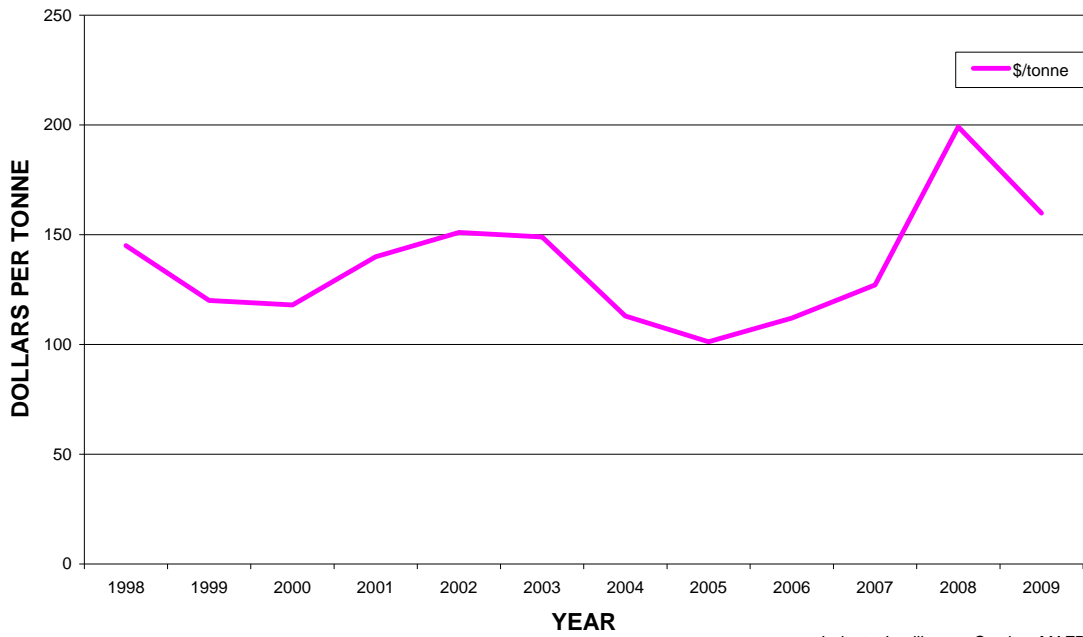
<i>000 tonnes</i>	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Opening Stocks Aug1	55	90	90	250	80	55	94	280	216	210	40	145
Production	3,220	3,158	4,266	3,431	3,355	4,163	3,877	2,441	4,085	3,211	4,281	4,000
<b>Total Supply</b>	<b>3,275</b>	<b>3,248</b>	<b>4,356</b>	<b>3,681</b>	<b>3,435</b>	<b>4,218</b>	<b>3,971</b>	<b>2,721</b>	<b>4,301</b>	<b>3,421</b>	<b>4,321</b>	<b>4,145</b>
Marketings	2,752	2,814	3,772	3,290	3,079	3,554	3,287	2,179	3,426	3,004	3,771	3,600
Seed	105	127	130	112	112	105	94	110	99	111	118	107
Carryover	110	102	267	108	90	325	454	295	500	40	145	110
Feed/ Waste/ Dockage	307	205	187	171	154	234	135	137	275	267	287	328
<b>Total Disposition</b>	<b>3,275</b>	<b>3,248</b>	<b>4,356</b>	<b>3,681</b>	<b>3,435</b>	<b>4,218</b>	<b>3,971</b>	<b>2,721</b>	<b>4,301</b>	<b>3,421</b>	<b>4,321</b>	<b>4,145</b>

## Processing Wheat in Manitoba

- Wheat processed into flour, cereal food and feed, pasta, bread and bakery products comprises a large component of food processing in Manitoba.
- While much of the pasta, bread and bakery products are consumed locally; Manitoba exports a substantial amount of flour and feed.
- Manitoba has three flour mills, as well as numerous bakeries and local processors of fresh, frozen or dry pasta.
- Some wheat is also used to produce ethanol at a plant in Minnedosa, which in turn provides mash for animal feed as a by-product.
- Manitoba produces 7 classes of Canadian wheat that are offered on the world market.

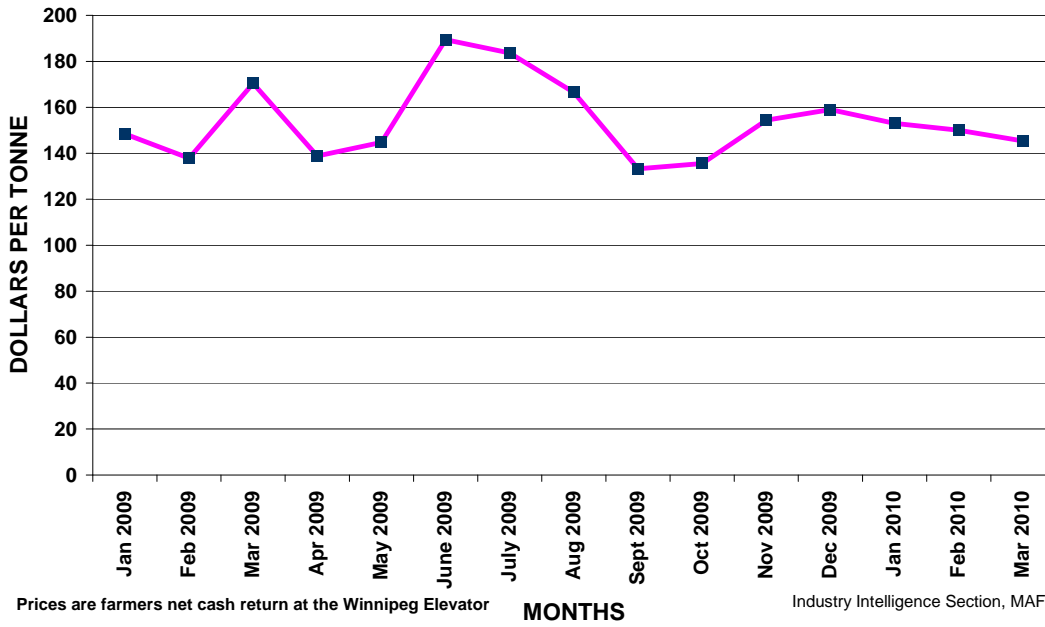
Canada Western Red Spring (CWRS) Wheat	hard wheat with superior milling and baking quality offered at various guaranteed levels of protein content
Canada Western Red Winter (CWRW) Wheat	hard wheat with excellent milling quality used for French bread, flat bread and steamed bread and noodles
Canada Western Amber Durum (CWAD) Wheat	produces a high yield of semolina with excellent pasta-making quality
Canada Prairie Spring Red (CPSR) Wheat	used for hearth, flat and steamed breads, and noodles
Canada Prairie Spring White (CPSW) Wheat	medium strength wheat used for flat breads, noodles and chapattis
Canada Western Extra Strong (CWES) Wheat	has extra gluten suitable for blending purposes and used for hearth and pan breads
Canada Western Soft White Spring (CWSWS) Wheat	soft wheat of medium-to-low protein content used for flat breads, noodles, steamed breads, chapattis, cookies, cakes and pastry

## Wheat Prices in Manitoba, 1998 – 2009



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## MONTHLY WHEAT PRICES Manitoba 2009-2010

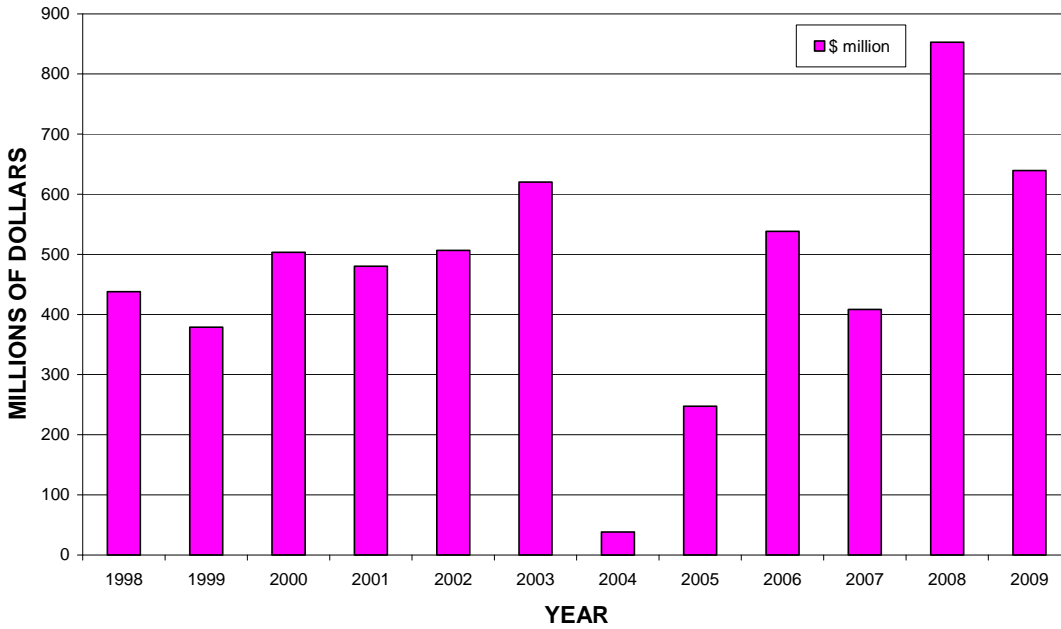


Prices are farmers net cash return at the Winnipeg Elevator

MONTHS

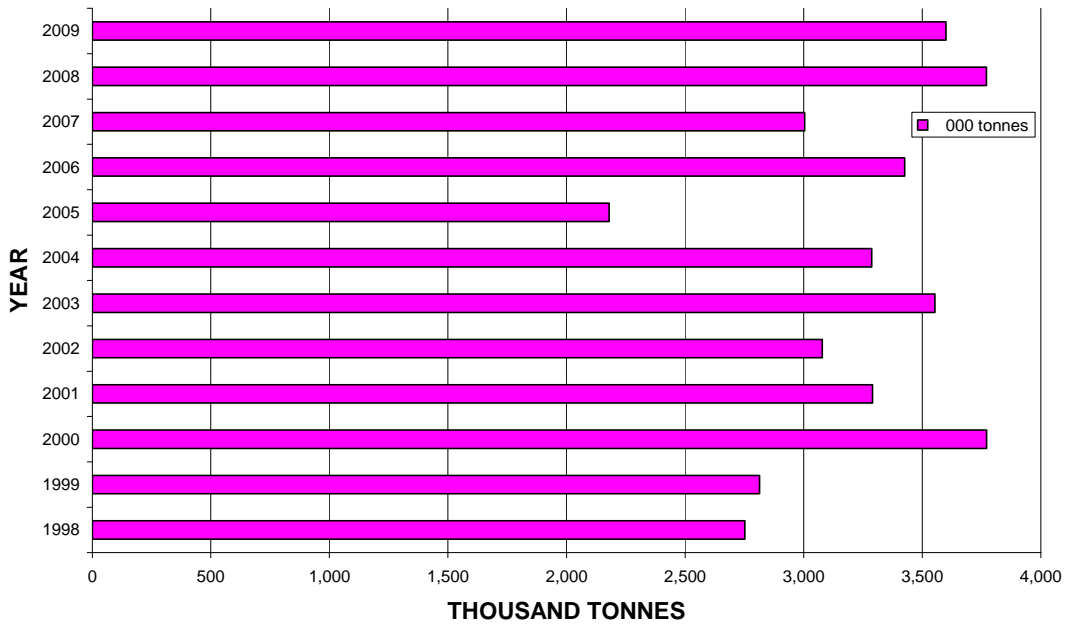
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## Value of Wheat Production in Manitoba, 1998 - 2009



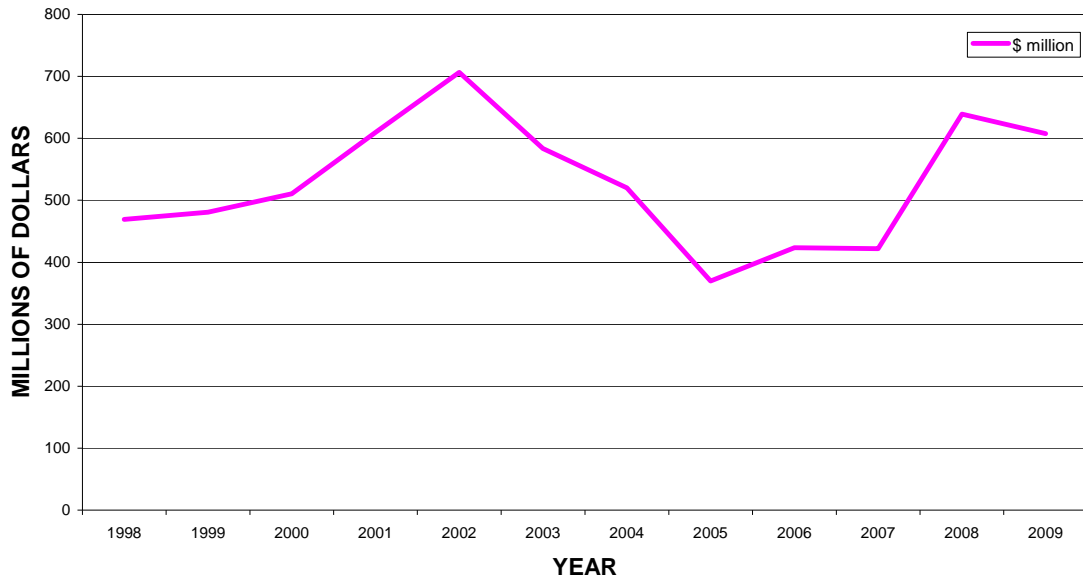
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## Marketings of Manitoba Wheat, 1998 - 2009



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## Farm Cash Receipts for Wheat in Manitoba 1998 – 2009

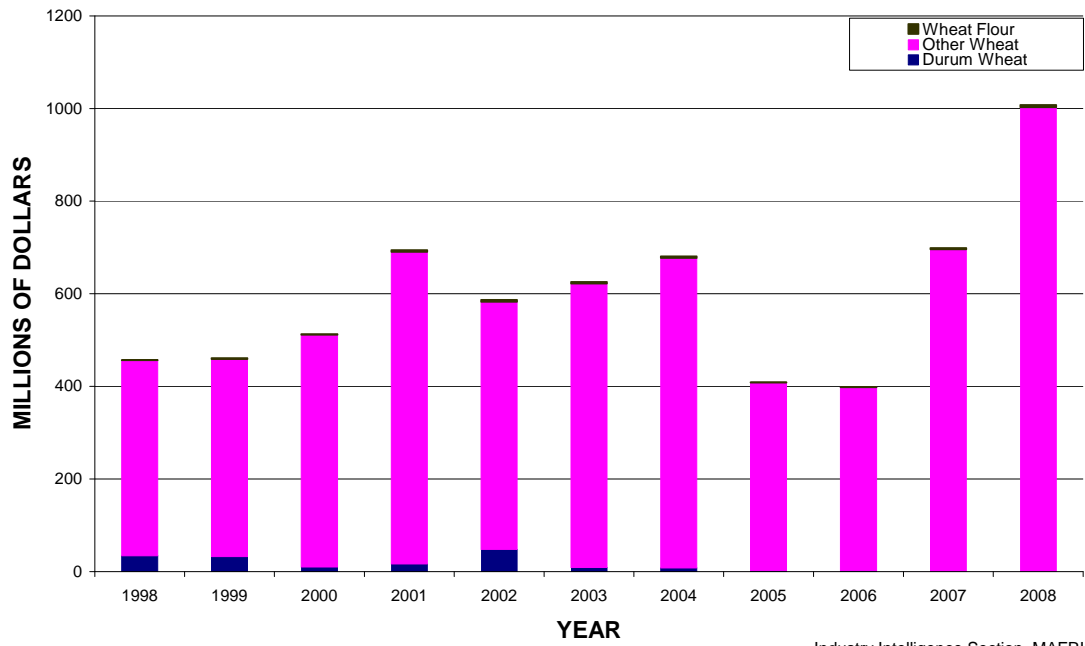


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### Trade

- The majority of Manitoba's wheat exports are in the unprocessed form and over 70 countries around the world import Manitoba wheat, including the United States, Iran, Japan and Mexico.
- The Canadian Wheat Board (CWB) represents western Canadian wheat producers as their sole exporter of wheat, providing both the producers and buyers with the advantage of single-desk marketing of wheat.
- While many of the export contracts are negotiated directly between the CWB and the buyer, there are also sales through a CWB Accredited Exporter, which is a national or multinational company authorized to purchase wheat from the CWB for resale to consumers.
- Canada has consistently been a major producer of high-quality wheat on the world stage.
- Manitoba's wheat is subject to the strict quality standards of the Canadian Grain Commission's grain quality control program, which includes varietal control, licensing of elevators, product inspection and weighing, and sanitation and quality monitoring programs.

## Manitoba Wheat Exports, 1998 - 2008



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