UNITED
POTATO GROWERS OF CANADA
LES PRODUCTEURS UNIS DE POMMES DE TERRE DU CANADA

July 2015 Newsletter

2015 Canadian Potato Plantings

(Acres)

Source: Statistics Canada CANSIM-001-0014

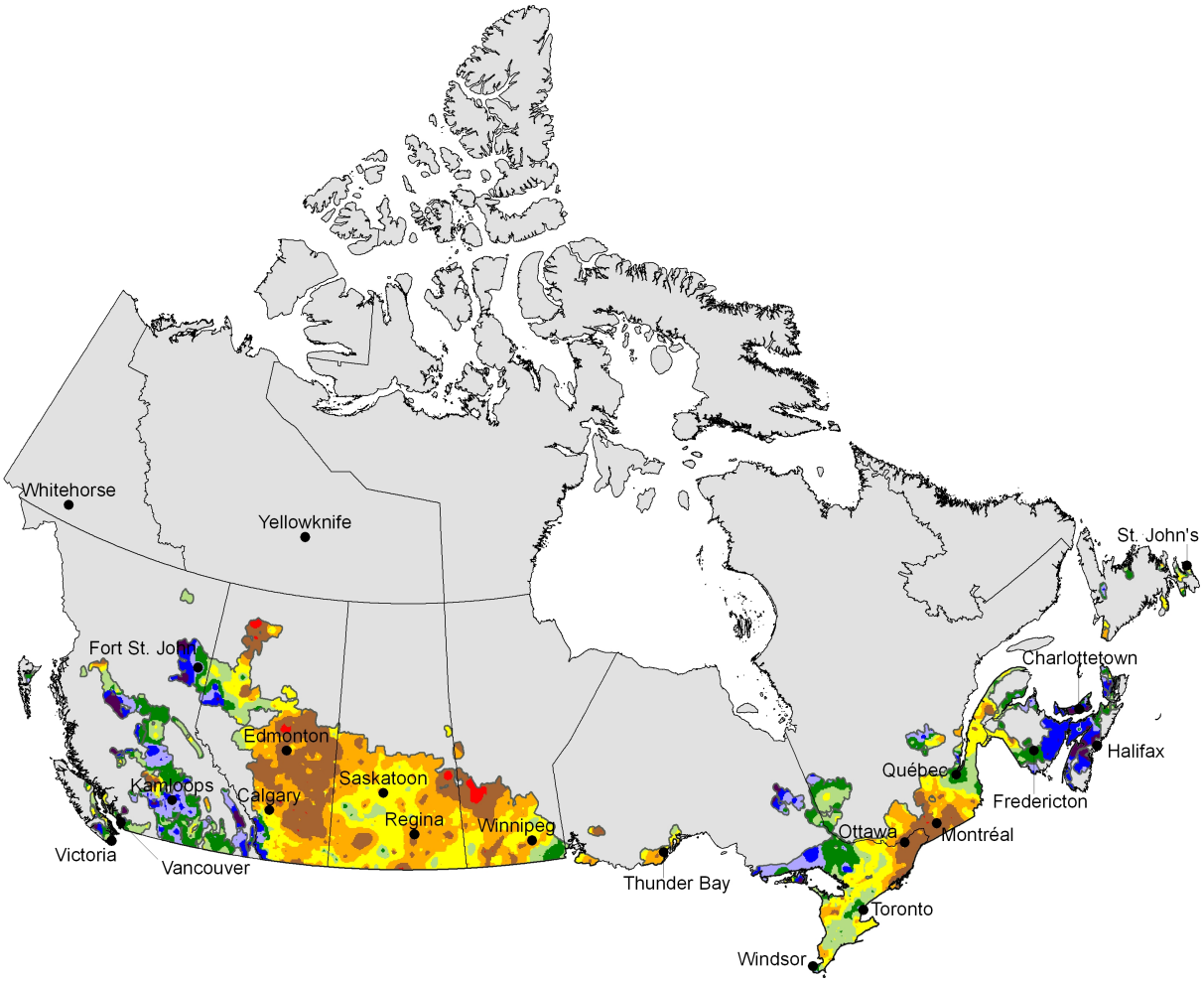
Province	2011	2012	2013	2014	**2015**	Change
Newfoundland	500	500	500	476	**338**	-29.0%
Prince Edward Is	86,600	89,500	89,000	90,500	**89,500**	-1.1%
Nova Scotia	2,000	1,900	1,900	1,725	**1,624**	-5.9%
New Brunswick	51,800	53,500	48,000	48,150	**47,885**	-0.6%
Quebec	42,500	42,007	42,255	42,996	**42,749**	-0.6%
Ontario	37,400	39,800	38,000	35,500	**34,750**	-2.1%
Manitoba	72,000	76,000	70,000	63,000	**67,000**	+6.3%
Saskatchewan	7,200	7,000	7,000	6,413	**6,000**	-6.4%
Alberta	53,400	55,947	52,483	52,984	**53,459**	+0.9%
British Columbia	7,100	7,000	6,200	5,890	**5,700**	-3.2%
Total	360,500	373,154	355,338	347,539	**349,005**	+0.4%

Highlights

Planted Acreage is very close to last year: up 0.4% or 1,466 acres in 2015

The largest acreage change is in Manitoba: up 6.3% or 4,000 acres. Manitoba's acreage had declined 13,000 acres in the last two years so this helps to better align themselves with contract volume increases.

P.E.I. has the largest decrease in acres: down 1.1% or 1,000 acres.



Source: Agriculture & Agri-Food Canada National Agroclimate Information Service

Legend
Chocolate Brown: Extremely Low
Dark Yellow: Very Low
Light Yellow: Low
Blue: Extremely High

The map above illustrates the precipitation received this year (September 1 2014 to July 15 2015) compared to historical distribution. Much of the four western provinces are either in the extremely low or very low categories. Western Canada came out of winter with very low moisture reserves, which initiated the problem. In contrast Eastern Canada had very high levels of snowfall, which is helping to alleviate some of the very dry conditions currently being experienced.

United States Potato Acreage Planted Estimate June 30 2015 Top Nine States

State	2014	2015	Percent
Idaho	321,000	325,000	+1.2%
Washington	165,000	170,000	+3.0%
North Dakota	79,000	80,000	+1.3%
Wisconsin	64,000	66,000	+3.1%
Colorado	60,200	59,100	-1.8%
Maine	51,000	51,500	+1.0%
Minnesota	43,000	50,000	+16.3%
Michigan	43,000	46,000	+7.0%
Oregon	39,000	39,000	0.0%
Total Fall Crop	936,900	955,300	+2.0%
Total U.S. Crop	1,061,100	1,071,600	+1.0%

Source: USDA National Agricultural Statistics Service June 2015

Highlights:

Total Planted Acreage for the Fall Crop is up 2.0% or 18,400 acres
Minnesota has the largest increase at +16.3% or 7,000 acres
This is difficult to understand as industry representatives there had expected acreage to remain flat.
Washington's increases are almost entirely grown for increased contract volume by processors.
Acreage counts in Idaho indicate fresh acreage has declined about 1,700 acres. Therefore their statewide acreage increase is mostly in the processing side and observers feel that 5,000 acres has shifted from the Oregon side to be processed in an Idaho facility.
The acreage increase in Wisconsin was unexpected as well, with neither fresh nor processing participants predicting increases.
Michigan's increase is almost entirely on the chip side as growers ensure their ability to fill the chip contract volume.

Provincial Updates (July 15 2015)

PEI

The 2015 PEI potato crop was late going into the ground due to a late spring and a heavy snow load that stayed in fields well beyond normal. Once planting started, it did progress relatively quickly and smoothly. Warm conditions in the past week or two have helped the crop progress nicely, and fields are in various stages from ground crack to being in blossom. The crop could definitely use rain at this time, as conditions are quite dry. It is difficult to predict yield at this time, but it is believed the foundation is there for good yields and quality. Very small quantities of early potatoes are available for markets within the province, but no loads have been dug for shipment out of the province. P.E.I. continues to see strong movement of 2014 crop potatoes to tablestock and processing markets. Several sheds will finish packing old crop this week.

New Brunswick

Crop conditions to date are good with earliest planted potatoes reaching row closure and the latest planted fields reaching full emergence. This is similar to the 2014 season that saw excellent crop quality at harvest time. Overall the plant stands are looking good with very limited gaps in the rows. Much needed rain fell the morning of July 15th as the previous 10-12 days had been dry. June rainfall was higher in 2015 than it was in 2014. This coupled with slightly later planting dates point yield estimates to be similar to last season – around the 300cwt potato industry average. Should the summer weather continue to be favorable, yield estimates could get a boost, or decline if the weather is not in favor. Certainly it is too early to speculate. Harvesting of commercial early varieties should get underway during the last week of July. No indication of what to expect for pricing yet.

Quebec

Summer has arrived in Quebec and most fields look pretty good. Some areas need to irrigate, as there is only few showers predicted this week. New potatoes are being harvested in south shore region of Montreal and there will be a good quantity available this week. Recommended price to chain stores on new spuds is $3.50/10lb. No late blight has been found in Quebec so far but growers are being vigilant and continue to apply fungicides regularly. It is too soon to predict yield until it is known what affect the cold weather and a lot of rain had on the roots at the beginning of the season.

Ontario

The 2015 growing season in Ontario has been quite favorable. Other than a hard frost in the spring that affected a few fields, temperatures have been ideal with timely rains, and the crop has progressed nicely. The average yield in the province is expected to be down slightly from last year at approximately 225 cwt./acre. Overall the crop is maturing nicely. The early areas affected by frost made a great recovery and are only expected to be 2-3 days behind what was anticipated, with a slight reduction in yield.

The Leamington area in Southwestern Ontario will be the first to harvest for both Processing and Tablestock. Small amounts have been dug for roadside stands and farmers markets. Larger volumes will be harvested by the end of the week for both processing and tablestock. Grand Bend and the Simcoe area will closely follow.

The Ontario Crop looks to be of excellent quality and the recommended Ontario price of $3.40 per 10lb bag was set on Wednesday July 15.

Manitoba

The crop in Manitoba continues to progress rapidly and remains a few days ahead of normal.

Thundershowers with heavy localized hail or rain have compromised the yield potential in those areas. About 2000 acres have been affected with varied impact.

Yield estimates remain at approximately 300 cwt./acre. Process growers will need more, to reach contract commitments as acreage increases failed to match contract volume increases. Earlier estimates on acreage will need to be trimmed to an estimated 67,500 acres.

Saskatchewan

The crop is challenged in Saskatchewan with temperatures around 30 degrees on several days. No rain was received in May and only 4/10ths of an inch fell in June. It is only in the last week that they have seen some reprieve with scattered rainfall occurring. Those that can irrigate, struggle to keep up, moving guns to different sections.

Alberta

The Alberta crop continues to grow about 10 days to 2 weeks ahead of a normal season.

The acres that are under irrigation continue to do well and are starting to bulk up quite rapidly. There should be some early chippers available during the first week of August.

The seed production areas of the province are in dire need of rain. The crop is still holding on but many more days without rain will start to reduce the set dramatically.
The yield potential all depends on what Mother Nature provides in the coming month, so it is difficult to make a prediction. It seems there have been a lot of erratic storms in Alberta with hail being very common.

British Columbia

It continues to remain hot and dry in British Columbia. The Delta area received its last significant rain on April 25th. The heat has advanced the crop with reds and yellows coming on the same time as Washington. BC reds are available in volume this week.

Canadian Table Exports

Monthly by Province – Value ($000) and Volume (Tonnes)

Source: Statistics Canada, (CATSnet July15 2015), AAFC
HS Code: 07019000

	Feb	Feb	March	March	April	April	May	May
Province	Can ($)	Tonnes	Can ($)	Tonnes	Can ($)	Tonnes	Can ($)	Tonnes
PEI	$6,651	13,468	$7,650	15,202	$7,569	15,230	$3,803	8,582
NS	$24	$17	$28	75	$8	27	$0	0
NB	$3,854	7,690	$3,218	6,061	$3,752	7,766	$2,753	5,761
Quebec	$1,163	2,849	$1,117	2,600	$1,131	2,778	$946	1,991
Ontario	$1,347	4,551	$1,245	4,253	$1,386	4,790	$811	2,170
Manitoba	$2,690	5,759	$3,248	7,340	$3,860	10,738	$1,582	5,035
Sask.	$177	225	$374	435	$375	340	0	0
Alberta	$940	566	$1,114	812	$1,025	701	$802	409
BC	$102	328	$73	180	$28	111	$27	67
Total	**$16,946**	**35,543**	**$18,068**	**36,958**	**$19,134**	**42,481**	**$10,724**	**24,015**

In the table above, Canada's monthly exports of Table Potatoes grew from $16,946,469.00 in February to $19,134,216.00 in April and dropped down to $10,724,121.00 in May. That drop off is surprising as some provinces felt export was picking up at the end of the season.

In the following table Canada's monthly exports of frozen and frozen prepared potato products, reached $100,964,588.00 in March, and has dropped back down to $87,695,965.00 in May. Manitoba and Alberta are the leaders in frozen shipments.

Canadian Frozen Exports
Monthly by Province – Value ($000) and Volume (Tonnes)

Source: Statistics Canada (CATSnet July15 2015), AAFC
HS Codes: 07101000 (frozen) and 20041000 (prepared frozen)

	Feb	Feb	March	March	April	April	May	May
Province	Can ($)	Tonnes	Can ($)	Tonnes	Can ($)	Tonnes	Can ($)	Tonnes
PEI	$15,360	13,018	$18,489	15,465	$20,042	17,049	$15,413	13,249
NS	$321	225	$177	127	$147	108	$169	122
NB	$14,669	10,661	$20,497	14,583	$17,012	12,972	$15,020	11,499
Quebec	$2,187	1,758	$3,054	2,460	$2,683	2,228	$2,633	2,193
Ontario	$14	17	$167	105	$45	25	$34	24
Manitoba	$22,316	21,943	$29,735	28,440	$27,653	26,524	$27,111	26,560
Alberta	$21,237	15,202	$24,281	16,928	$21,903	16,018	$23,896	17,609
BC	$3,326	2,708	$4,564	2,930	$4,651	3,109	$3,420	2,864
Total	**$79,431**	**65,532**	**$100,965**	**81,038**	**$94,147**	**78,051**	**$87,696**	**74,120**

Canadian Exports of Fries for May 2015

Canadian Fry Exports fell in May, but significant to note that Canada overtook the United States as the world's third largest annual fry exporter by tonnage. This is the first time the US figure has fallen behind Canada since November 2013. Finished prices increased by 20% to a number of countries including Japan, Mexico, the Philippines, and Indonesia. Finished fry prices averaged $1,189/tonne in May.

Weekly Fresh Potato Imports into Canada by Province, Value, and Volume

	June15		June 22		June 29		July 6	
Prov.	**$ Can**	**Tonne**	**$ Can**	**Tonnes**	**$ Can**	**Tonnes**	**$ Can**	**Tonnes**
PEI	**$499,188**	**425**	**$520,343**	**671**	**$388,932**	**724**	**$280,824**	**293**
NS	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
NB	**$127,565**	**428**	**$83,567**	**403**	**$141,303**	**644**	**$85,524**	**214**
Que.	**$159,485**	**194**	**$153,127**	**186**	**$111,608**	**150**	**$223,549**	**312**
Ont.	**$749,975**	**977**	**$857,449**	**1,537**	**$754,877**	**1,365**	**$1156,518**	**1,945**
Man	**$31,963**	**46**	**$39,797**	**58**	**$37,212**	**47**	**$40,143**	**62**
Sask.	**$70,955**	**141**	**$86,502**	**150**	**$79,691**	**175**	**$96,361**	**203**
Alta	**1687844**	**2,719**	**$1665214**	**1,310**	**$1028888**	**832**	**$1882158**	**1,581**
BC	**$733,494**	**1,387**	**$755,490**	**4,751**	**$542,191**	**1,084**	**$1120187**	**1,939**
Total	**4,147,186**	**6,802**	**4,258,842**	**9,386**	**3,200,135**	**5,622**	**5,014,103**	**11,899**

In the above table, the last four weeks indicate that the dollar value of imported fresh potatoes rose from $4,147,186.00 during the week of June 15th to $5,014,103.00 during the week of July 6th. Idaho was the largest state, supplying almost half of the imports with 5,372 tonnes out of a total of 11,899 tonnes.

European Update

The North Western European (NEPG) area estimate excluding seed and starch potatoes shows that the total area is estimated to be down 4% from last year and production estimated to be down over 12%.
The numbers in the table below exclude seed and starch potatoes.

	2014 Ha	2015 Ha	% Change
Belgium	80,434	79,504	-1.2%
Germany	167,100	160,416	-4.0%
France	121,410	118890	-2.1%
Netherlands	74,089	71,940	-2.9%
Great Britain	104,000	96,600	-7.1%
NEPG Area Tot.	**547,033**	**527,350**	**-3.6%**
NEPG Prod. (Kt)	28,507	24,990	-12.3%

Source: AHDB Potatoes

Areas in all countries are estimated lower than in 2014 principally as a response to low market prices. Weather has taken hold of markets in the last month as extreme heat in late June and early July drove movements.

Top Varieties Accepted for Seed Production in Canada in 2014

Variety	Acres
Russet Burbank	12,600
Goldrush	4,888
Atlantic	2,353
Norland	2,005
Shepody	1,830
Ranger Russet	1,715
Russet Norkotah	1,450
Superior	1,425
Eva	1,415
Kennebec	1,368
Chieftain	1,215
Innovator	1,043
Yukon Gold	988
Other Varieties	10,348
Total	**55,140**

Source: CFIA

For more information on the content of this newsletter contact Kevin MacIsaac: Kevin@unitedpotatocanada.com