



United Potato Partner Seminar PEI

January 30, 2018

Canadian Supply

Canadian Yields Continue to Climb Slightly Above Last Year's Record

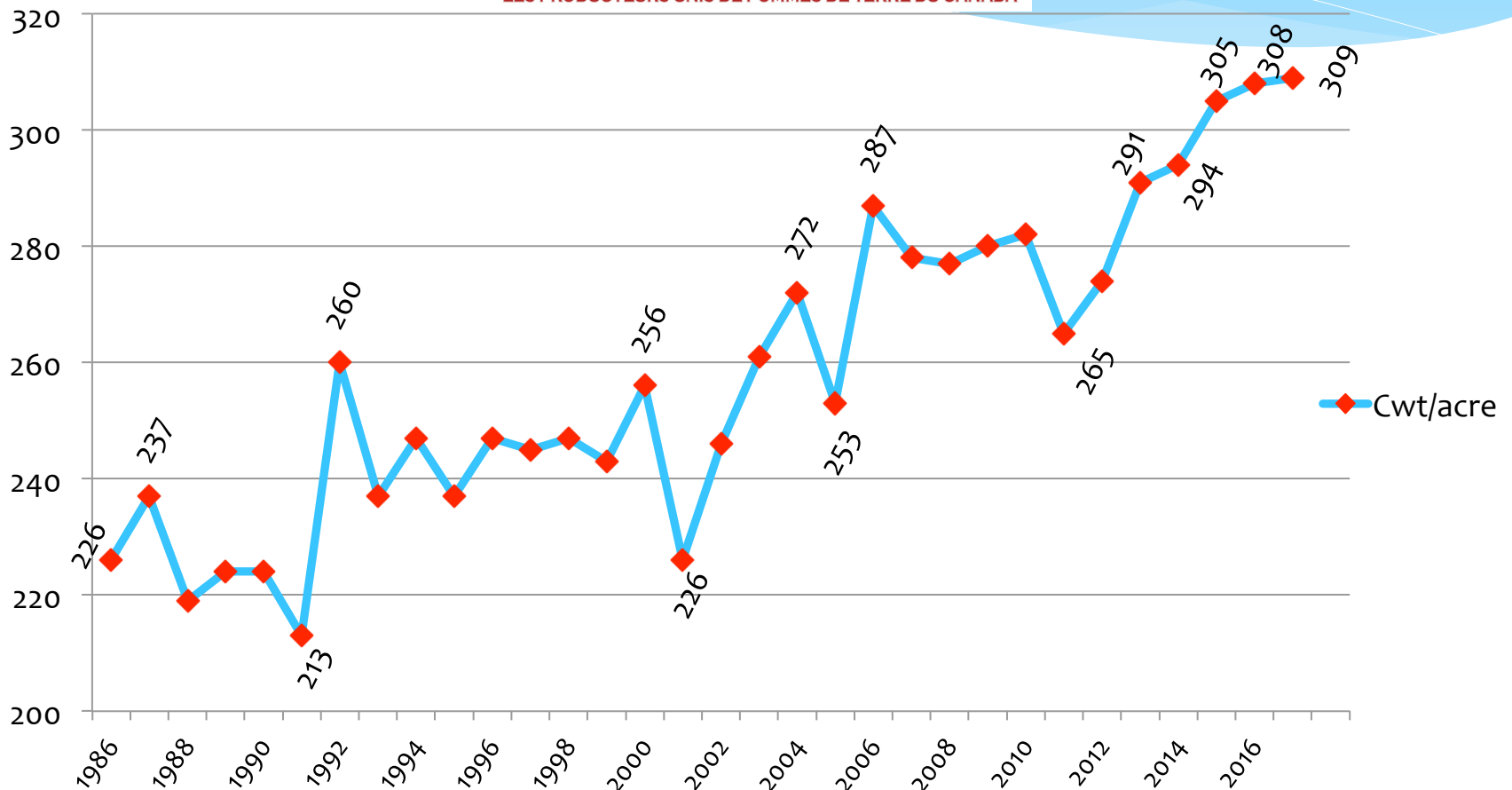


Trend Line Yields in Canada

1986-2017

Source: Statistics Canada Table

001-0014

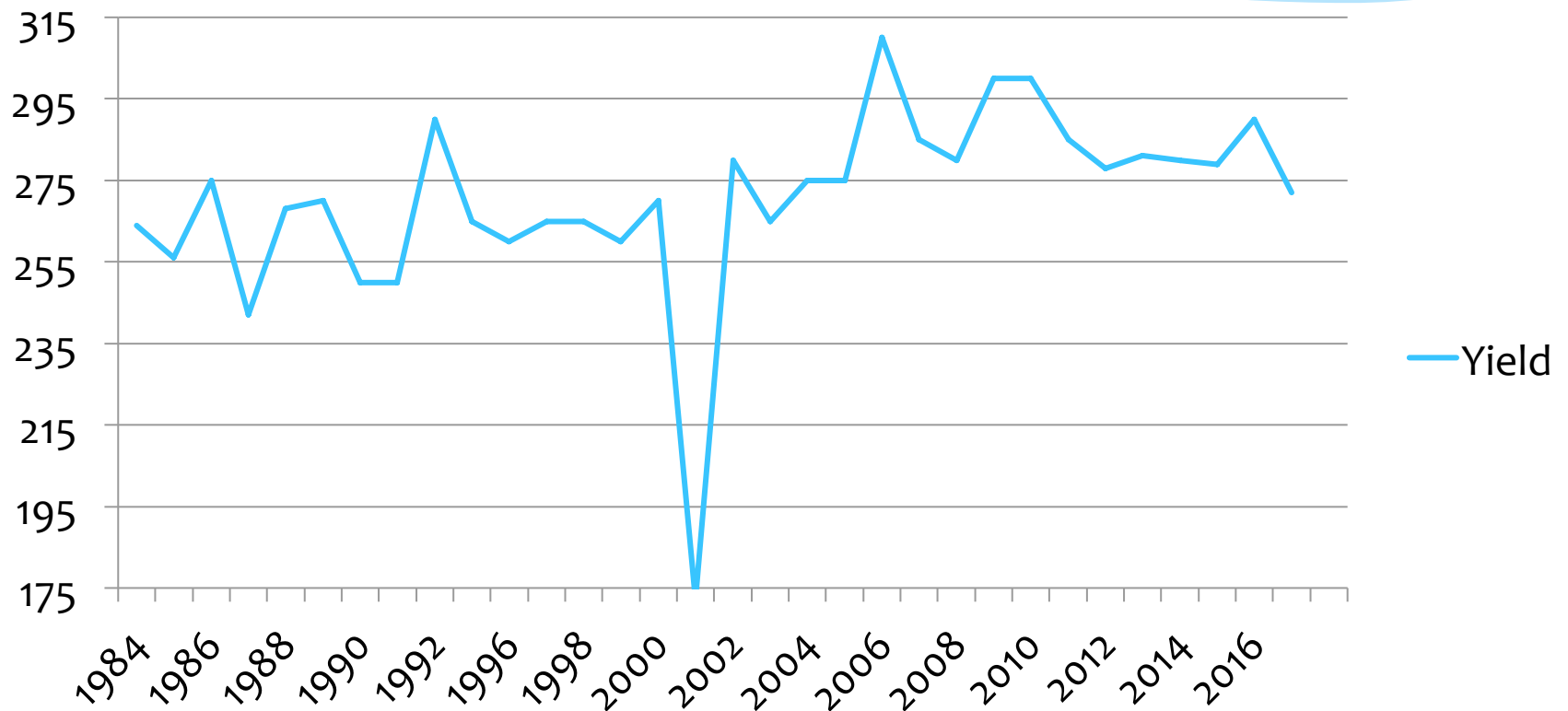


Canadian Potato Yield 6 Yr. Trend

Province	2012	2013	2014	2015	2016	2017
Nfld.	175	175	178	162	175	195
P.E.I.	278	281	280	279	290	272
N.S.	220	237	282	275	270	270
N.B.	275	287	298	315	305	310
Quebec	265	272	277	301	295	301
Ontario	190	225	235	230	190	225
Man.	275	310	308	323	350	354
Sask.	250	275	245	250	250	250
Alberta	342	357	361	384	388	391
B.C.	275	280	270	274	315	300
Canada	274	291	294	305	308	309

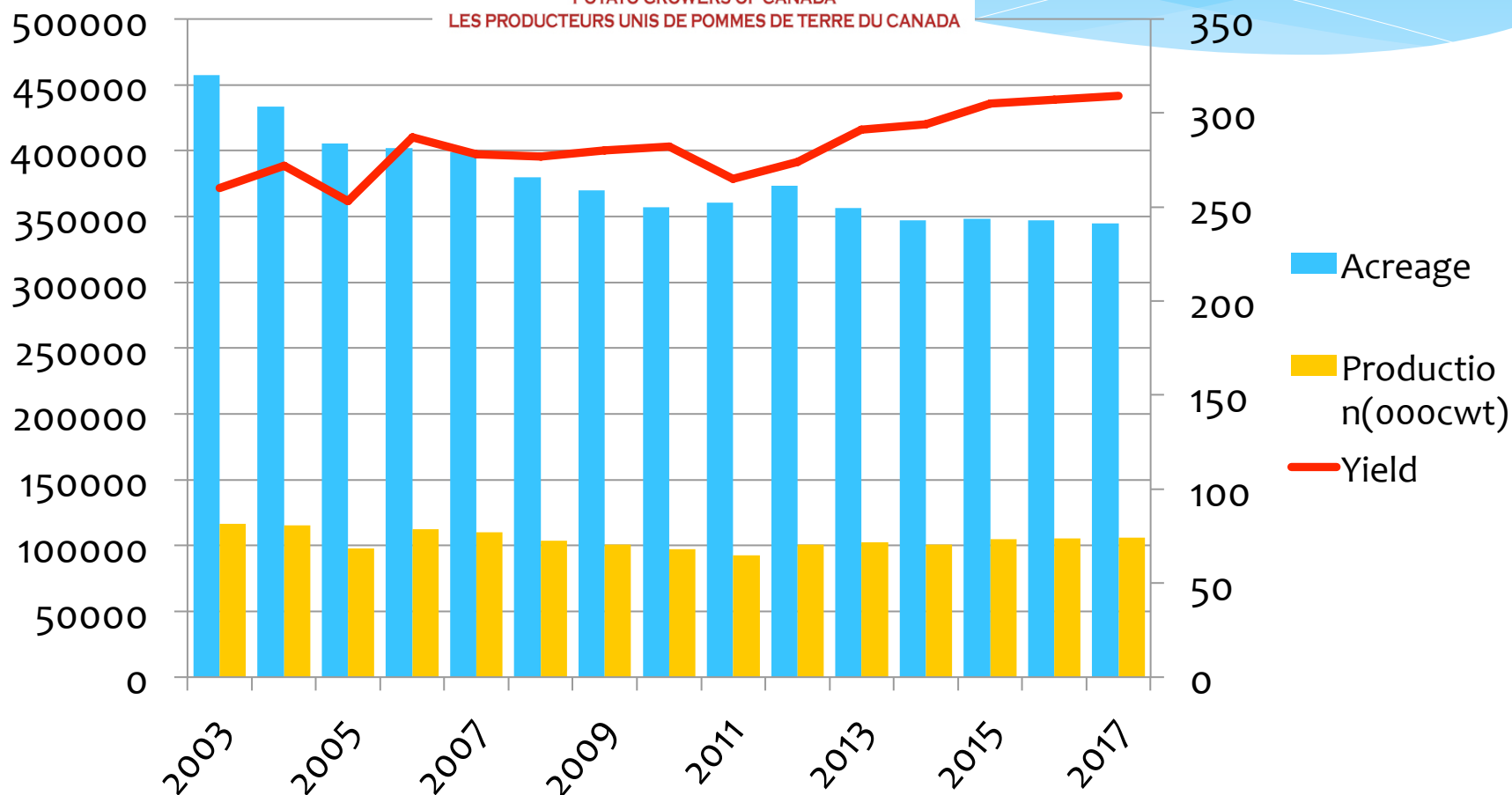
Trend Line Yield in PEI 1984 - 2017

Yield



Acreage, Yield, and Production in Canada 2003-2017

Source: Statistics Canada Table 001-0014



Canadian Production 5 Years

Source: Statistics Canada (000cwt)



Province	2013	2014	2015	2016	2017	% Diff
Nfld.	88	66	60	74	63	-14.9%
P.E.I.	25,009	25,240	24,850	25,723	23,664	-8.0%
N.S.	450	487	330	432	432	0.0%
N.B.	13,647	14,307	15,100	14,335	15,159	+5.7%
Quebec	11,477	11,349	12,359	12,233	12,787	+4.5%
Ontario	8,438	8,225	7,970	6,602	7,830	+18.6%
Man.	21,545	19,240	21,630	22,400	22,200	-0.9%
Sask.	1,788	1,487	1,500	1,475	1,475	0.0%
Alberta	18,234	18,690	19,270	20,012	20,507	+2.5%
B.C.	1,708	1,563	1,555	2,205	1,770	-19.7%
Canada	102,383	100,654	104,624	105,491	105,887	+0.4%

Potatoes in Storage Now

* Availability for Remainder of the Season

Holdings by Sector January 2018

Total



	2016	2017	2018	% Change
	Total	Total	Total	
Province				
Prince Edward Island	18,717	18,744	17,297	-7.7%
New Brunswick	10,750	9,027	11,671	+29.2%
Quebec	8,373	7,611	7,898	+3.8%
Ontario	4,590	3,153	4,679	+48.4%
Eastern Canada	42,430	38,535	41,545	+7.8%
Manitoba	14,886	14,730	13,589	-7.7%
Alberta	15,073	13,364	15,916	+19.1%
British Columbia	647	773	635	-17.9%
Western Canada	30,606	28,867	30,140	+4.4%
Total	73,036	67,402	71,685	+6.4%

Holdings by Sector January 2018

Fresh



	2016	2017	2018	% Change
	Fresh	Fresh	Fresh	
Province				
Prince Edward Island	5,118	5,021	4,119	-18.0%
New Brunswick	1,592	1,287	2,656	+106%
Quebec	3,930	3,780	3,500	-7.4%
Ontario	1,441	808	1,552	+92.1%
Eastern Canada	12,081	10,896	11,827	+8.5%
Manitoba	1,174	1,067	1,304	+22.2%
Alberta	495	528	679	+28.6%
British Columbia	389	522	418	-19.9%
Western Canada	2,058	2,117	2,401	+13.4%
Total	14,139	13,013	14,228	+9.3%

Holdings by Sector January 2018

Processing



	2016	2017	2018	% Change
	Processing	Processing	Processing	
Province				
Prince Edward Island	11,584	11,657	11,334	-2.8%
New Brunswick	6,818	5,578	7,072	+26.8%
Quebec	3,424	2,776	3,173	+14.3%
Ontario	2,979	2,223	3,008	+35.3%
Eastern Canada	24,805	22,234	24,587	+10.6%
Manitoba	11,998	11,973	10,692	-10.7%
Alberta	12,246	9,520	12,937	+35.9%
British Columbia	-	-	-	-
Western Canada	24,234	21,493	23,629	+9.9%
Total	49,039	43,727	48,216	+10.3%

Holdings by Sector January 2018

Seed



	2016	2017	2018	% Change
	Seed	Seed	Seed	
Province				
Prince Edward Island	2,015	2,065	1,844	-10.7%
New Brunswick	2,340	2,162	1,943	-10.1%
Quebec	1,020	1,056	1,224	+15.9%
Ontario	170	122	119	-2.5%
Eastern Canada	5,545	5,405	5,130	-5.1%
Manitoba	1,714	1,690	1,593	-5.7%
Alberta	2,332	3,316	2,300	-30.6%
British Columbia	258	251	217	-13.5%
Western Canada	4,304	5,257	4,110	-21.8%
Total	9,849	10,662	9,240	-13.3%

Cross Country Check Up

- * **British Columbia** – Crop is starting to run out now which is well of last year. Supplies of Colored Potatoes will be fairly well depleted by March 31.
- * **Alberta** – Fresh acreage is up and needs to be , considering Little Potato Company expansions. Processing sector is gearing up for Cavendish Expansion. Seed supply is substantially reduced.
- * **Manitoba** – Good manageable crop on the fresh side with totes at \$19-\$20.00 U.S. Any excess processing has either been booked or has inquiries. Trade indicates that Simplot will require more upcoming volume.

Central Canada



- * **Ontario** – Crop is a Return to Normal. With 50% of the crop in chips, Frito's decision in the US to cut volume by 15% is a concern. Fresh Prices could be higher.
- * **Quebec** – Demand and Shipments strong for Fresh. There are no available open potatoes to be bought and Quebec would like to raise their table prices as soon as possible. For Processing, St. Arnaud needs additional potatoes to feed their expansion. They have been purchasing potatoes out of New Brunswick.

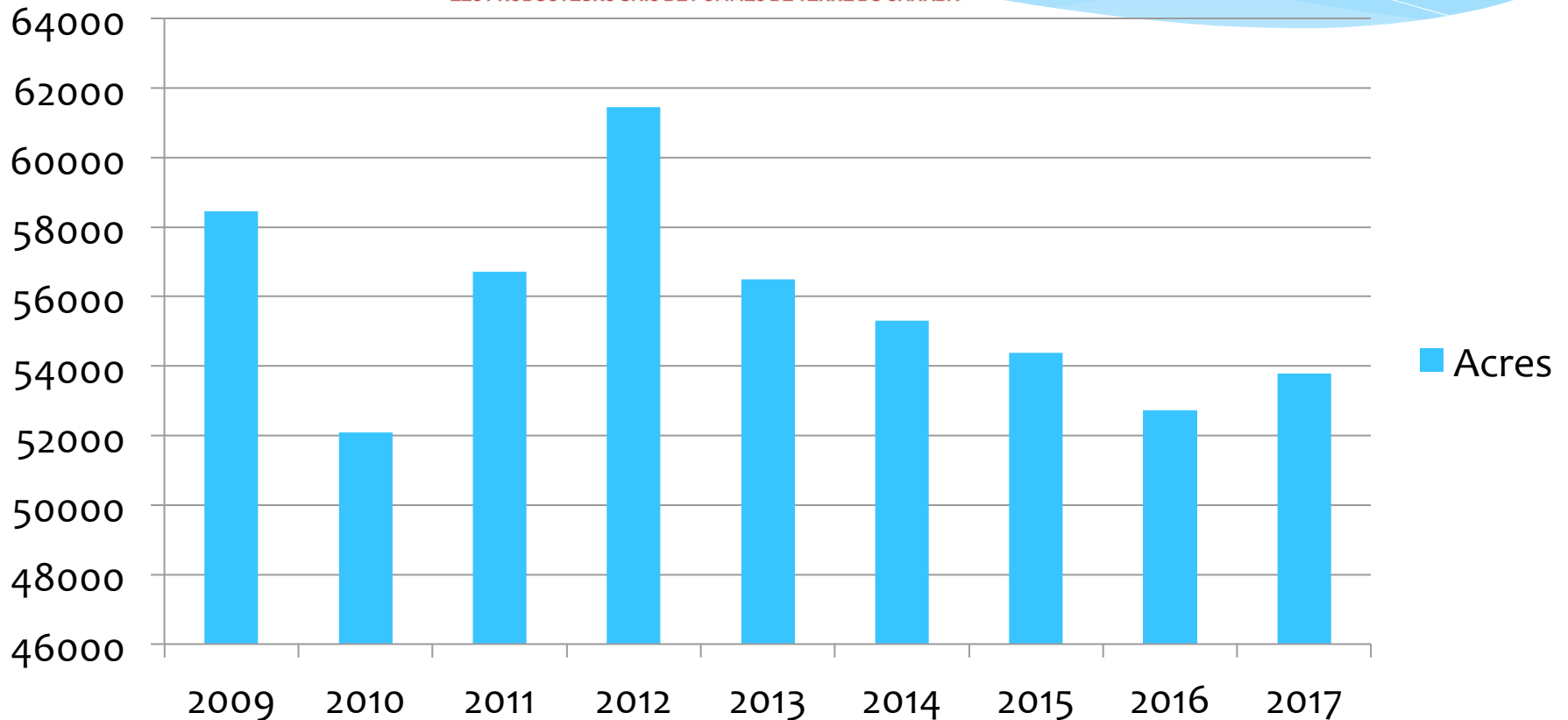
Eastern Canada

- * **New Brunswick** – Additional volume was required for McCain processing line expansion. On the fresh side there are very few open potatoes available for purchase. Consolidation is a big factor as number of farms decrease. In the seed sector, business has declined by 40% over the past 10 years as growers exit and shift to processing.
- * **PEI** - Unfortunately the overall crop is down 8% depending on where you live. The 2,000,000 cwt. reduction has had substantial effect on the processing industry requiring imports from several areas. On the Fresh side some packers are quite short, and others will have minimum volumes available at the end of the season.

Canadian Seed Acres Accepted

2009-2017

Source: CFIA



Canadian Seed Acres by Variety

Canada	2017	2016	2015
Total Acres	53,782	52,721	54,379
Russet Burbank	11,261	11,538	11,565
Goldrush	4,365	3,947	4,510
Ho2000	2,387	2,179	1,429
Norland	2,114	1,855	1,931
Ranger Russet	1,902	1,708	1,725

PEI Seed Acres by Variety

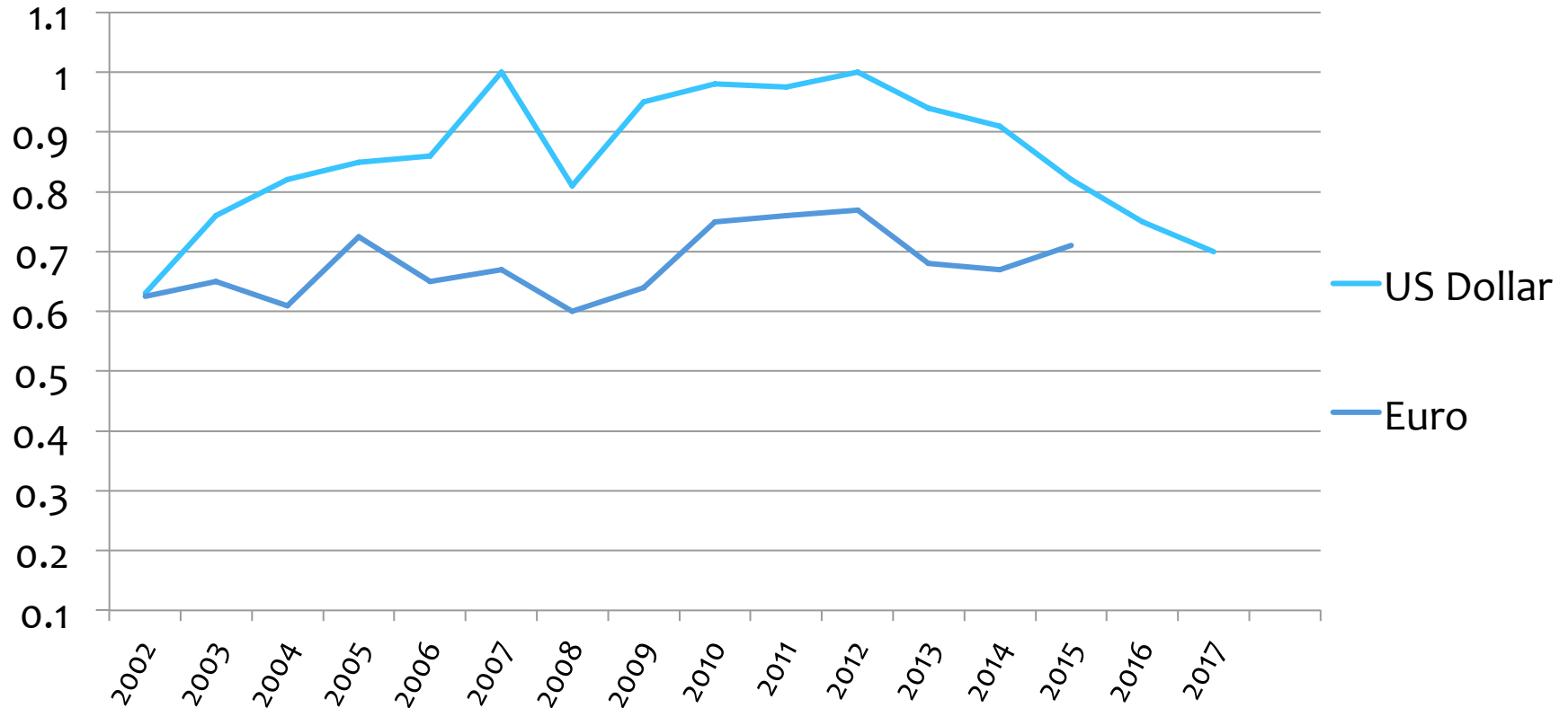
PEI	2017	2016	2015
Total Acres	16,521	15,539	16,255
Russet Burbank	2,243	2,181	2,004
Eva	1,465	1,422	1,188
HO2000	1,443	1,282	1,059
Goldrush	1,434	1,346	1,603
Prospect	1,068		1,475

North Western Europe Potato Growers (NEPG) Boost Production

ooo CWT.	2015 prod	2016 prod	2017 prod	% Change
Germany	162,338	164,670	191,840	+16.5%
France	115,082	112,420	135,960	+20.9%
Great Britain	106,084	100,826	115,346	+14.4%
Belgium	89,562	88,838	112,574	+26.7%
Netherlands	83,842	73,986	89,716	+21.3%
NEPG Total Production	566,908	540,760	645,458	+19.4%

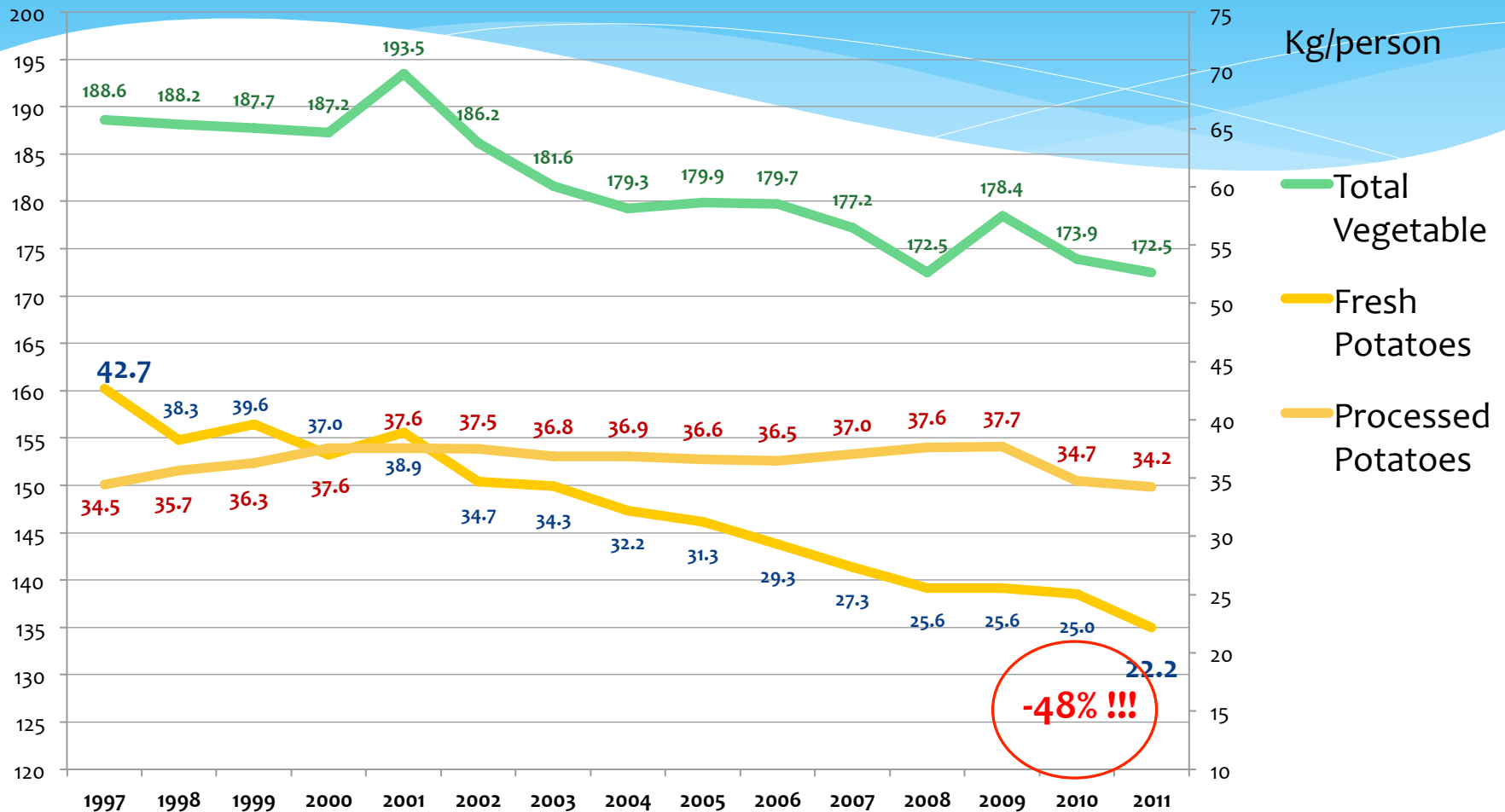
Canadian Dollar vs US Dollar and Euro

Source: Bank of
Canada



Potato Consumption Trend

Source: Statscan



Weekly **Fresh** Potato Imports by Province by Value and Volume



Trade is Important

	Jan 15 2018	Jan 15 2018
Province	\$ Cdn.	Tonnes
PEI	\$116,448	648
NS	\$0	0
NB	\$87,460	749
Que.	\$12,666	10
Ont.	\$330,556	317
Man.	\$18,518	33
Sask.	\$14,374	24
Alta.	\$131,946	323
BC	\$241,532	404
Total	\$994,414	2,557

Future Challenges and Opportunities

- * Amazon.go – Amazon appears to have won the fight! Will fresh produce lose market share? How will refrigerated and frozen product be shipped?
- * Freight – Lack of Trucks and New regulations will not only increase costs but actually limit supply.

Thank You

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POTATO GROWERS OF CANADA

LES PRODUCTEURS UNIS DE POMMES DE TERRE DU CANADA



AEPTQ

Association des emballeurs
de pommes de terre du Québec



Farm Credit Canada
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