

HOLDINGS REPORT

December 2023

TOTAL HOLDINGS CANADA

('000 cwt)

Province	23-Dec	22-Dec	% Diff. vs. 2022	Moyen de 3 ans
PEI	20,920	23,401	-10.6%	21,466
NB	9,605	11,586	-17.1%	10,768
Quebec	9,285	9,887	-6.1%	9,757
Ontario	6,390	5,682	12.5%	5,627
Manitoba	21,051	17,541	20.0%	16,816
Saskatchewan	Data not available			
Alberta	25,891	20,248	27.9%	17,956
BC	1,081	725	49.1%	848
TOTAL	94,223	89,070	5.8%	83,239

Source: AAFC - Infohort

Total Canadian Potato Storage Holdings on December 1, 2023 are up 5.8% compared to 2022 and are well above the three average. Demand was reported by most as good but not outstanding in October prior to Canadian Thanksgiving and slower in November post-holiday. Exports to the US have declined for many regions compared to last year mostly due to the oversupply and lower pricing on russets out of the Pacific Northwest. We can also see the impact on storage levels of increased planted acres and a very good harvest in the processing crops in Manitoba and Alberta and the fresh crop in BC; contrasted with a very wet and difficult growing season in Eastern Canada reflected in their stock levels down from 2022.

HOLDINGS REPORT - DECEMBER 2023

FRESH SECTOR

In total, based on AAFC holding reports, Canada has 19.4 million cwt of potatoes for the table sector in storage as of December 1, 3.7% below the amount in storage at the same time a year previous, but still higher than the 3 year average. The majority of the fresh potatoes are grown in the eastern provinces where stocks fell by 921,000 sacs compared to last year. Even if we add in the table stocks of Manitoba and BC two other strong fresh markets, overall stocks are still down slightly year over year. However, with export levels declining due to oversupply in the US, particularly in the Pacific Northwest and reports of "fair" movement for both the Canadian and American Thanksgiving, many are looking to December for better pull leading up to the holidays. UPGC continues to support the industry to find ways to help drive not only the purchase of potatoes, but also increased consumption, similar to efforts underway with United Potato Growers of America and Potatoes USA.

Province	2020	2021	2022	2023	Change 2023 vs 2022	3 year average
PEI	4,993	8,404	7,888	6,690	-15.2%	7,095
NEW BRUNSWICK	1,685	2,583	2,352	2,038	-13.4%	2,207
TOTAL MARITIMES	6,678	10,987	10,240	8,728	-14.8%	9,302
QUEBEC	4,236	5,221	4,494	4,744	5.6%	4,650
ONTARIO	1,327	1,870	1,398	1,739	24.4%	1,532
MANITOBA	1,599	1,309	1,838	1,678	-8.7%	1,582
SASKATCHEWAN						
ALBERTA	1,139	1,148	1,612	1,596	-1.0%	1,300
TOTAL PRAIRIES	2,738	2,457	3,450	3,274	-5.1%	2,882
BRITISH COLUMBIA	760	763	606	951	56.9%	710
TOTAL CANADA	15,739	21,298	20,188	19,436	-3.7%	19,075

Source: AAFC - Infohort

PROCESSING SECTOR

Holdings of potatoes destined for processing are up by 11.3%, a 6.5 million cwt increase over last year and a record for Canada in this sector. Driven mainly by increases in stocks for frozen processing located in Manitoba and Alberta, there was also a notable increase in chip stock in Ontario this year when compared to previous years. Following two years of shortages in North America there is now an over-supply situation, however the good news is that global demand for frozen fries shows no signs of diminishing, and production capacity in North America continues to expand. Canada's french fry exports are up from last year, including an increase of just over 4% for exports to offshore markets. With the beleaguered crop in much of Europe, there may be continued opportunities for export in the coming months. There may also be some movement of potatoes from the west as supply in the Atlantic Northeast is tight due to losses at harvest and potential storage issues moving forward.

Province	2020	2021	2022	2023	Diff 2023 vs 2022	Moy. 3 ans
PEI	9,695	12,974	13,905	12,605	-9.3%	12,191
NEW BRUNSWICK	5,207	8,208	7,498	6,005	-19.9%	6,971
TOTAL MARITIMES	14,902	21,182	21,403	18,610	-13.0%	19,162
QUEBEC	3,214	4,078	4,051	3,404	-16.0%	3,781
ONTARIO	3,585	4,264	4,086	4,426	8.3%	3,978
MANITOBA	12,865	14,132	13,713	17,480	27.5%	13,570
SASKATCHEWAN						
ALBERTA	11,695	12,258	14,769	20,630	39.7%	12,907
TOTAL PRAIRIES	24,560	26,390	28,482	38,110	33.8%	26,477
BRITISH COLUMBIA	-	-	-	-	-	-
TOTAL CANADA	46,261	55,914	58,022	64,550	11.3%	53,399

Source: AAFC - Infohort

SEED SECTOR

Seed Inventory on December 1, 2023 is 10.24 million hundred weight which is 5.7% below 2022 and also below the 3-yr. average, perhaps not surprising if we look at certified acres planted in 2023. We can see that more than half of the major seed producing areas reported decreases in planted acreage in 2023 compared to the year prior, in fact certified acres in Canada are at their lowest level since 2018. The seed sector has experienced the same weather conditions and spikes in input costs that all other sectors since the beginning of 2022, but have not necessarily seen the corresponding value increases that may have been achieved in other sectors. The good news is that most areas of the country reported very good seed potato crops this year and although there is a possibility of certain regional or varietal tightness of supply similar to last year, in general there should be availability of good quality seed potatoes for growers across the country. We believe at UPGC that as an industry we must continue to provide good support for our seed sector where the whole process begins!

Province	2020	2021	2022	2023	Change 2023 vs 2022	3 year average
PEI	1,876	1,626	1,608	1,625	1.1%	1,703
NEW BRUNSWICK	1,196	1,839	1,736	1,562	-10.0%	1,590
TOTAL MARITIMES	3,072	3,465	3,344	3,187	-4.7%	3,294
QUEBEC	1,202	1,433	1,342	1,137	-15.3%	1,326
ONTARIO	68	86	198	225	13.6%	117
MANITOBA	1,531	1,471	1,990	1,893	-4.9%	1,664
SASKATCHEWAN						
ALBERTA	3,731	3,650	3,867	3,665	-5.2%	3,749
TOTAL PRAIRIES	5,262	5,121	5,857	5,558	-5.1%	5,413
BRITISH COLUMBIA	154	143	119	130	0	139
TOTAL CANADA	9,758	10,248	10,860	10,237	-5.7%	10,289

Source: AAFC - Infohort

DISAPPEARANCE REPORT

December 2023

	2020	2021	2022	2023	2023 vs 2022
PEI	4,437	4,205	4,388	4,893	11.5%
NB	3,412	5,571	5,414	5,274	-2.6%
Quebec	4,079	3,368	4,391	3,520	-19.8%
Ontario	2,538	2,733	2,478	2,212	-10.7%
Manitoba	8,005	7,113	8,598	8,709	1.3%
Alberta	6,842	7,558	6,565	6,172	-6.0%
BC	1,241	1,174	875	1,059	21.0%
TOTAL	30,554	31,722	32,709	31,839	-2.7%

DISAPPEARANCE TO END NOVEMBER 2023

The total disappearance for Canada up to end November was 31.8 million cwt, approximately 870,000 cwt less than in 2022. As reported above, the country has 94.2 million cwt of potatoes in storage as of December 1st; almost half of that in Manitoba and Alberta, with PEI a close third. If we look at each province, only Manitoba, PEI and BC show higher disappearance this year.

Although the lower total disappearance this year may be concerning with production levels at an all time high, we can see that this year's level is in line with previous years other than 2022. Last year there was a significant shortage of potatoes in the US that caused a great deal of movement early in the marketing year, particularly in the processing sector.

We have used estimated production figures per sector to look at disappearance in Fresh, Processing and Seed. When looking at early season disappearance it is important to note that cull rates are up in most of the eastern provinces due to the abundant rain and low levels of sunshine throughout the growing season, causing losses both in field and at harvest, as well as many cases of hollowheart in the russet crop. There were also losses in the processing sector in Alberta and Manitoba during harvest, due to both impacts of hail storms earlier in the season as well as issues with lack of storage and oversupply due to higher than expected yields on higher planted acreage.

Fresh Sector	
PEI	1,997
NB	725
Quebec	2,298
Ontario	1,478
Manitoba	1,649
Alberta	1,164
BC	919
TOTAL	10,231

Processing Sector	
PEI	2,895
NB	4,355
Quebec	950
Ontario	571
Manitoba	5,441
Alberta	2,895
BC	-
TOTAL	17,107

Seed Sector	
PEI	0
NB	194
Quebec	272
Ontario	163
Manitoba	1,619
Alberta	2,113
BC	140
TOTAL	4,502

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