

# MANITOBA MARKETS

## Farm Cash Receipts 2021 Q2



September 1, 2021

### MANITOBA FARM CASH RECEIPTS, Q2 2021

August 31, 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
- 000 dollars -						
Total farm cash receipts	1,688,874	1,475,337	1,942,001	1,914,498	2,203,938	1,855,728
Total crop receipts	1,017,387	892,782	1,299,878	1,154,869	1,509,510	1,141,298
Total livestock and livestock product receipts	568,856	523,768	577,695	689,985	623,036	689,750
Total receipts from direct payments	102,631	58,786	64,428	69,644	71,392	24,680

Source: Statistics Canada 32-10-0046-01

On August 31, Statistics Canada released farm cash receipts for the second quarter of 2021. As anticipated, receipts continue at very high levels for both crops and livestock thanks mainly to strong product prices.

***This period represents the final sales from crops produced in 2020 and livestock sales to the end of July 2020 and as such, the impact of the drought is not reflected yet to any material degree.***

For crops, Q2 2021 receipts came in 27.8 per cent above year-ago levels, following the Q1 2021 blockbuster that topped the same quarter of 2020 by 48.4 per cent. While prices held and in some cases increased through the quarter, sales volumes diminished in the later part of the period as stock levels dropped very low. Canola and wheat have led with farm cash receipts for the first half of 2021 higher than 2020 by 51 per cent for canola and 50 per cent for wheat. Oats, barley, dry peas and dry beans were also 81, 77, 74 and 70 per cent higher respectively. Fresh potatoes also showed a 20 per cent jump for first half 2021 over 2020.

### MANITOBA TOP 10 CROPS QUARTERLY FARM CASH RECEIPTS

August 31, 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
- 000 dollars -						
Canola	252,509	344,126	602,536	422,870	478,046	424,448
Wheat	201,751	308,566	336,060	286,170	333,561	431,876
Fresh potatoes	64,439	62,167	72,382	82,418	69,476	83,349
Soybeans	44,199	80,803	122,468	265,552	57,838	69,124
Corn for grain	65,430	20,838	4,224	70,087	69,579	24,558
Oats	26,189	25,872	78,763	37,693	52,958	41,025
Barley	16,699	14,153	17,650	19,269	30,158	24,324
Dry beans	15,041	16,491	39,717	46,629	25,585	27,990
Floriculture and nursery products, and sod	7,839	19,946	10,694	12,929	8,208	20,883
Dry peas	7,803	8,121	16,123	11,079	15,851	11,854

Source: Statistics Canada 32-10-0046-01

It is anticipated that the drought will support high prices well into the winter and crops receipts are likely to continue strongly through Q4 2021 and into Q1 2022. The negative impact of much-reduced crop production will be felt mainly in 2022 as supplies run down and marketing slows significantly in Q2 2022.

For livestock, Q2 2021 was 31.7 per cent above year-ago levels, following the Q1 2021 increase over 2020 by 9.5 per cent. The rise in livestock receipts for the first half 2021 versus 2020 is more than 90 per cent driven by hog receipts, while cattle and calf receipts remained flat. Egg receipts dropped 5 per cent compared to first half of 2020, while all the other sectors contributed to the rise. The most noteworthy of these was honey which was up by 48 per cent, as well as sheep and lambs which were up by 28 per cent.

## MANITOBA TOP LIVESTOCK SECTORS QUARTERLY FARM CASH RECEIPTS

August 31, 2021	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
- 000 dollars -						
Hogs	257,429	234,351	245,249	314,585	326,227	370,385
Cattle and calves	142,918	123,526	159,029	193,830	127,773	137,666
Milk	80,959	77,184	75,105	81,633	82,281	81,564
Chickens	31,465	31,179	30,931	29,581	32,288	35,511
Eggs	33,694	32,130	28,741	29,064	30,098	32,226
Turkeys	2,741	6,334	5,905	6,080	1,450	7,988
Sheep and lambs	4426	4169	2040	2704	5426	5569
Natural honey (except pollen)	2,970	3,300	18,174	18,596	4,404	4,894

Source: Statistics Canada 32-10-0046-01

The outlook for livestock differs across sectors with the hog sector anticipating ongoing strength, whereas the cattle and calves sector is undergoing extreme hardship. Supply managed sectors are expecting to see moderate growth going forward. The sharply higher prices for feed grains are pushing costs higher for all livestock sectors (excepting honey) and that will certainly impact and restrain farm income in 2021.

The most substantial and immediate impact of the drought is being felt by the beef sector struggling to secure feed and in many cases, reducing herd numbers. This is a huge setback for the sector, which had already experienced shortages of feed in the preceding years. Farm cash receipts in the cattle sector are expected to fall back in future quarters when producers are able to begin rebuilding their herds.

### Contact us

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