

Malt Barley: CWB Offerings and PROs

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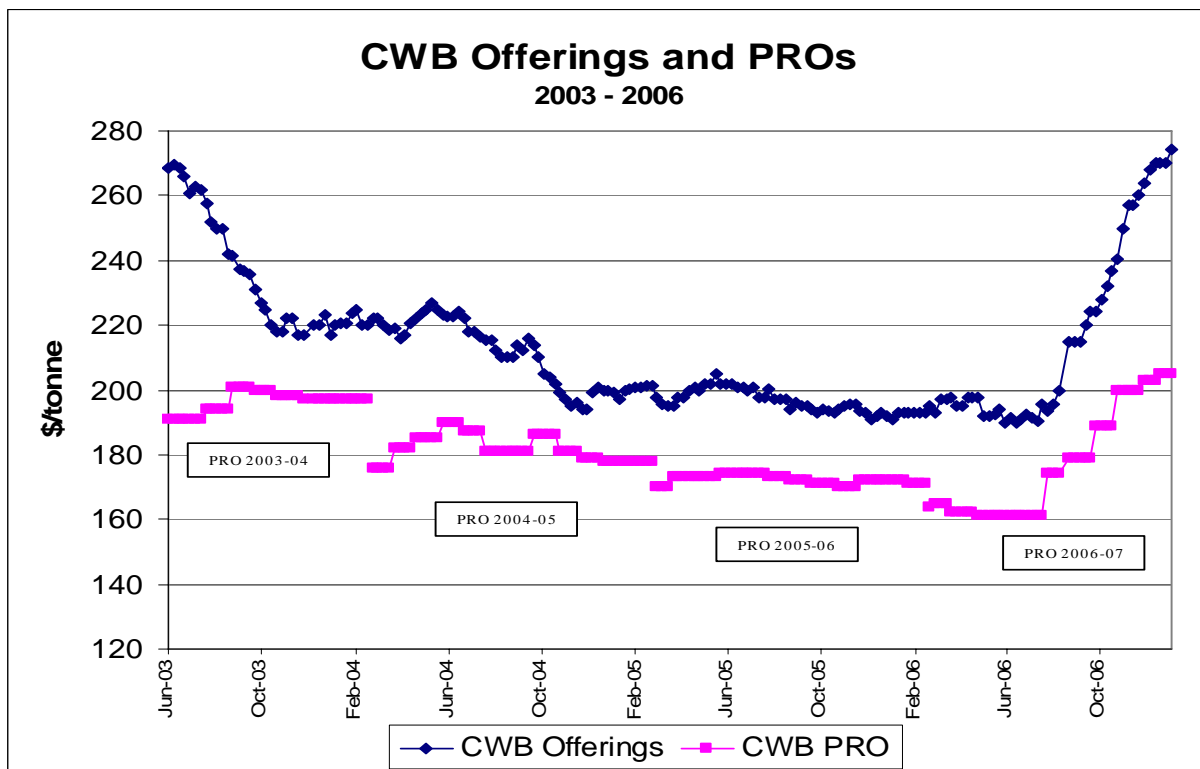
Canadian Wheat Board (CWB) Offering Prices for Domestic Malt Barley

The primary buyers of western Canadian malt barley from the CWB are Canada, the US and China. The CWB tries to charge a different price to each buyer, subject to competitive conditions.

Each day the CWB releases offering prices to Canadian buyers/users of malt barley. The offering price reflects the price at which the CWB will sell malt barley to domestic maltsters who have indicated that they will be selling their malt to Canadian brewers (see table below).

CWB Weekly Offering Prices

The graph below shows weekly CWB Offering prices¹, CWB PROs, and CWB Initial prices. The difference between offering prices and PROs is apparent. The graph indicates that because the offering price to domestic purchasers is considerably greater than the PRO, export prices must be considerably lower.



¹ Offering prices posted daily in the Globe and Mail.

For further information (or to suggest topics for future information sheets), contact:

Alberta Grain Commission: (780) 427-7329

www.agric.gov.ab.ca/agg

Alberta Agriculture Food and Rural Development, Edmonton

Or through the Choice Matters website Contact/Feedback section. www.choicematters.gov.ab.ca

CWB Payments to Farmers

Under the single desk selling system farmers cannot sell directly to the maltster. All malt barley must be sold through the CWB into the pool account. The CWB estimates these total returns through its Pool Return Outlook (PRO). During the year, farmers receive an initial payment (sometimes adjusted upwards) and in most years, a final payment. The sum of the payments is the total pooled return, which reflects the blended price at which malt barley was sold by the CWB to all the markets.

CWB Prices to Importers of Malt Barley

The prices at which the CWB is willing to sell to other countries or to maltsters who are selling malt outside Canada are not publicly available. The Canadian industry is usually charged the highest price, followed by the US, and then other countries such as China, Columbia and Japan.

The primary buyers of malt barley, from the CWB are listed in the table below:

(000 tonnes)	Canada	United States	China	Other
1999-00	1,402	585	428	139
2000-01	1,051	554	552	116
2001-02	1,150	452	400	203
2002-03	566	172	45	131
2003-04	961	511	427	382
2004-05	839	140	678	84

Source: Canadian Wheat Board Annual Reports

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