Grain Monitoring Program Report for: December 2020

Release Date: January 22, 2021

GMP Dashboard

Table M-1	NOV 2020	DEC 2020	2020-21 YTD	Var. from Last YTD
Western Canadian GHTS Performance (Days)				
Total Time in System	39.6	43.6	40.6	3.8%
Average Days In Store – Country	23.6	25.3	23.9	11.1%
Loaded Transit Time	6.4	6.9	6.7	2.3%
Average Days In Store – Terminal	9.6	11.4	10.0	-9.1%
Total Traffic ('000 tonnes)				
Primary Elevator Shipments	4,950.8	5,599.5	25,271.3	17.7%
Railway Shipments (all Western Canada traffic)	5,941.8	5,574.5	28,004.7	17.0%
Western Port Terminal Shipments	4,425.3	3,819.5	20,213.0	27.1%
Railway Performance				
Avg. Loads on Wheels (Cars)	13,130	14,052	12,854	24.2%
Total Western Port Car Cycle (days)	13.5	14.3	14.4	-8.5%
Port Performance				
Western Port Unloads (Number of Cars)	42,741	45,197	218,320	24.6%
Vessel Time in Port (days)	10.7	11.6	11.2	16.8%

Periodic revisions and corrections to the data received by the Monitor may result in the restatement of previously calculated measurement values. As such, the values presented here should be considered to supersede those found in previous reports.

Overview

Western Canadian grain shipments by rail fell 6.2% in December 2020, to 5.6 MMT from 5.9 MMT a month earlier. Total volumes for the first five months of the 2020-21 crop year rose to a record 28.0 MMT, 17.0% beyond that handled in the same period of the preceding crop year. Heavy demand coupled with relatively good operating conditions continued to support record GHTS throughput volumes. Bulk shipments from western ports in December totaled 3.8 MMT, 13.7% less than in November, but an increase of 10.2% from November of 2019. Along with the decline in shipments was an increase in the average amount of time vessels spend in port, climbing to 11.6 days in December from 10.7 in November.

Highlights for December 2020

Traffic and Movement (page 2)

- Primary-elevator shipments were 25.3 MMT in the first five months of the 2020-21 crop year, 17.7% more than last year.
- Total Western Canadian rail shipments to all destinations (from all primary/process elevators and producer-car sites) in the first five months of the 2020-21 crop year totaled a record 28.0 MMT, up 17.0% from the same period a year earlier.
- Bulk grain shipments from Western Canadian ports totaled 20.2 MMT in the first five months, up 27.1% from the same period last year.

System Efficiency and Performance (page 4)

- The year-to-date average weekly primary-elevator stocks increased by 32.9% while the average days-in-store grew by 11.1%.
- Average weekly port-terminal stocks increased 17.2% from the same period last year, while average days-in-store fell by 9.1% on a year-over-year basis.
- The car cycle for hopper-car movements to Western Canadian ports rose by 5.9% in December 2020, with the preliminary average increasing to 14.3 days from 13.5 days in November. The year-to-date average fell to 14.4 days, down 8.5% from the 15.7-day average reported a year earlier. Movements to the US and Eastern Canada also saw reductions in their year-to-date averages, by 7.3% to 23.9 days in the case of the former, and by 0.6% to 21.6 days for the latter.
- The year-to-date average for vessel time in port is 11.2 days, 16.8% higher than that observed in the previous crop year.
- Port-terminal out-of-car time decreased to 16.2% at Vancouver in December from 18.8% in November. At Prince Rupert, out-of-car time increased to 16.8% in December from 13.5% in November. At Thunder Bay it also increased to 6.8%, up from 3.2% the month earlier.

Production and Supply

Statistics Canada's November survey for 2020 field-crop production in Western Canada stands at 77.7 MMT, a 3.5% increase over 2019's 75.1 MMT harvest. This ranks as the largest crop on record, surpassing 2013's 77.0 MMT. The survey of producers' harvested acreage and yield data was conducted between October 9 and November 15, 2020. It resulted in an increase in the overall production estimate of 1.4 MMT from the model-based estimate published in September.

When coupled with July's 8.1 MMT of carry-forward stocks, some 20.8% less than in 2019, the overall grain supply is estimated at 85.8 MMT. Establishing a new record, it stands some 0.6% above the previous record reached just last year when the total supply was 85.3 MMT.

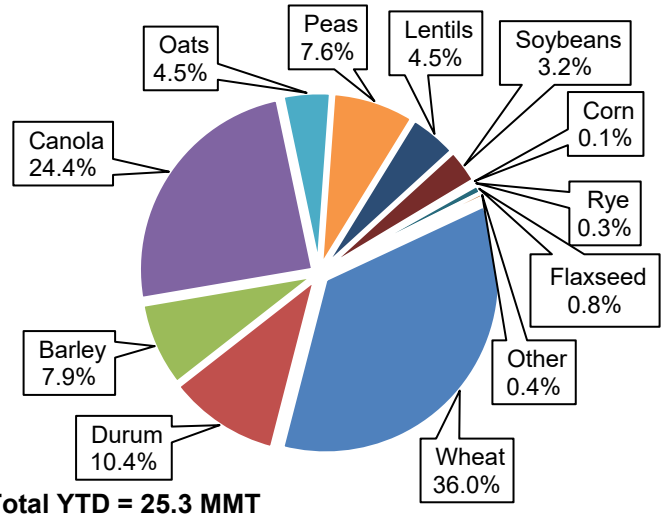
Table M-2	2020	2019	Var. from Last Yr.
Production & Carry Forward (000's tonnes)			
Western Canada Total Production	77,745.1	75,090.3	3.5%
Western Canada On Farm & Primary Elevator Carry Forward Stock	8,074.6	10,196.5	-20.8%
Total Grain Supply	**85,819.7**	**85,286.5**	**0.6%**

Traffic and Movement

Despite the holiday period, December producer deliveries remained strong, averaging 1.0 MMT per week. Average weekly primary-elevator stock levels fell to 4.2 MMT, with good space available in the elevator system throughout the month.

Table M-3	DEC 2020	2020-21 YTD	Var. from Last YTD
Primary Elevator Shipments (000's tonnes)			
Manitoba	1,033.7	4,833.1	14.8%
Saskatchewan	3,044.7	13,695.6	19.7%
Alberta	1,488.0	6,608.4	17.8%
British Columbia	33.1	134.2	-33.1%
Total	**5,599.5**	**25,271.3**	**17.7%**
Western Canada Railway Traffic (000's tonnes)			
Shipments to Western Ports	4,556.1	23,215.2	21.8%
Shipments to Eastern Canada	385.1	1,564.5	11.0%
Shipments to US & Mexico	564.1	2,881.2	-5.7%
Shipments Western Domestic	69.2	343.7	-14.3%
Total	**5,574.5**	**28,004.7**	**17.0%**
Western Port Unloads (Number of Cars)			
Vancouver	29,897	142,018	36.7%
Prince Rupert	5,346	25,819	12.0%
Churchill	0	1,063	-27.9%
Thunder Bay	9,954	49,420	5.5%
Total	**45,197**	**218,320**	**24.6%**
Terminal Elevator Shipments (000's tonnes)			
Vancouver	2,298.4	13,038.8	39.9%
Prince Rupert	506.3	2,373.6	17.0%
Churchill	0.0	95.7	-30.3%
Thunder Bay	1,014.8	4,704.9	6.5%
Total	**3,819.5**	**20,123.0**	**27.1%**

Primary Elevator Shipments by Commodity

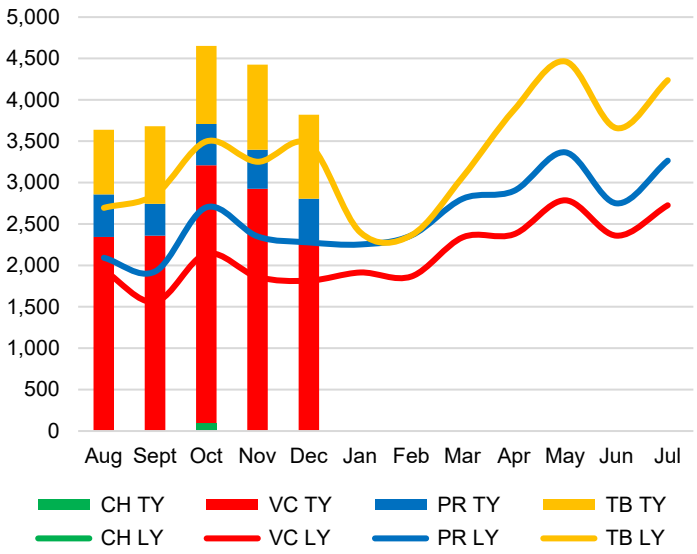


Total YTD = 25.3 MMT

GMP Data Table 2A-1

Grain shipments from primary elevators grew in the first five months of the crop year, registering 17.7% more than in the same period the previous year. Wheat, including durum, and canola continue to constitute the largest proportion of the movement at 70.8%. Movement of peas and lentils contributed 12.1% of the total.

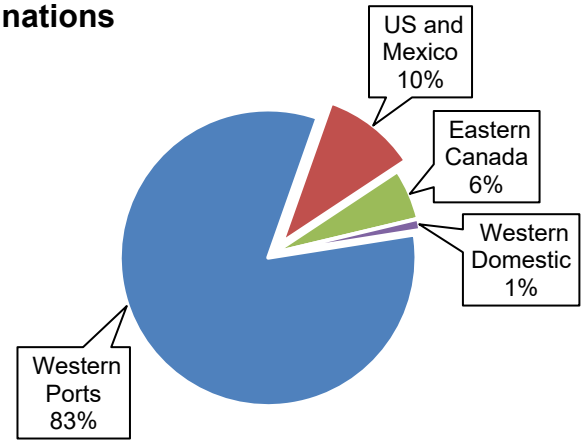
Terminal Elevator Shipments (000's tonnes)



GMP Data Table 2C-1

Bulk shipments out of the western ports grew in the first five months of the 2020-21 crop year, up 27.1% from the previous year. Vancouver experienced the largest year-over-year increase, up 39.9%. Prince Rupert is up 17.0% while Thunder Bay shipments recorded an increase of 6.5% from the previous crop year, as strong domestic and export demand continues.

Western Canadian Grain Destinations

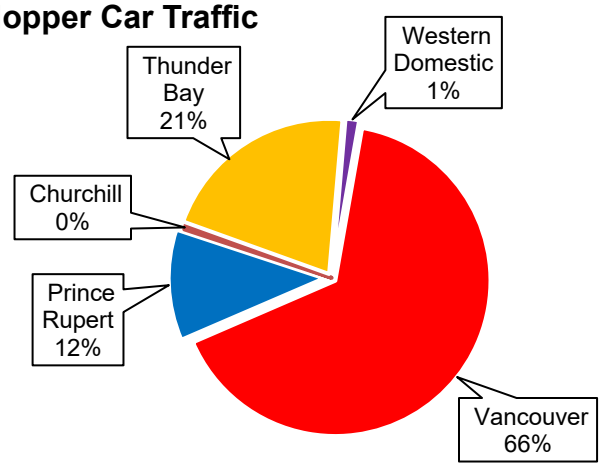


Total YTD = 28.0 MMT

GMP Data Tables 2B-1, 2B-8 & 2B-15

Railway grain shipments from Western Canada totaled just over 28.0 MMT in the first five months of the 2020-21 crop year, a 17.0% increase over the 23.9 MMT handled a year earlier. The majority, about 23.2 MMT, was directed to Western Canadian ports in support of export sales. This represented a 21.8% gain over what had been shipped in the same period a year earlier. These volumes were supported by an 11.0% increase in traffic to Eastern Canada. However, Western-Domestic traffic as well as shipments to the US and Mexico declined, by 14.3% and 5.7% respectively.

Western Canadian Destined Hopper Car Traffic

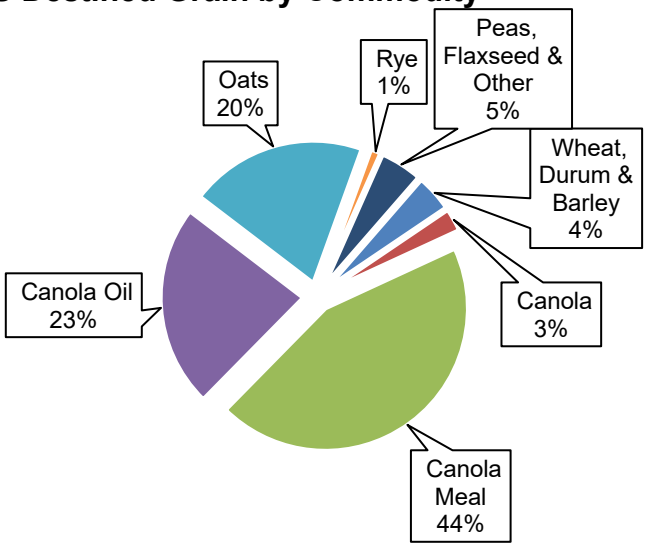


Total YTD - 22.6 MMT

GMP Data Tables 2B-3 to 2B-7

Over 95% of the tonnage directed to destinations within Western Canada moves in covered hopper cars. In the first five months of the 2020-21 crop year this amounted to about 22.6 MMT, up 21.4% from the same period a year earlier. Sixty-six percent of these hopper cars were destined to Vancouver, which remains the busiest grain-exporting port owing to its ready access to Asia-Pacific markets, favourable logistical economics and year-round operations. Hopper-car shipments through Vancouver during this period rose by 34.3%. This was supported by a 5.0% gain for Prince Rupert, and a 3.2% increase for Thunder Bay. Traffic to Western Domestic points as well as the port of Churchill showed declines of 13.3% and 20.9% respectively.

US Destined Grain by Commodity

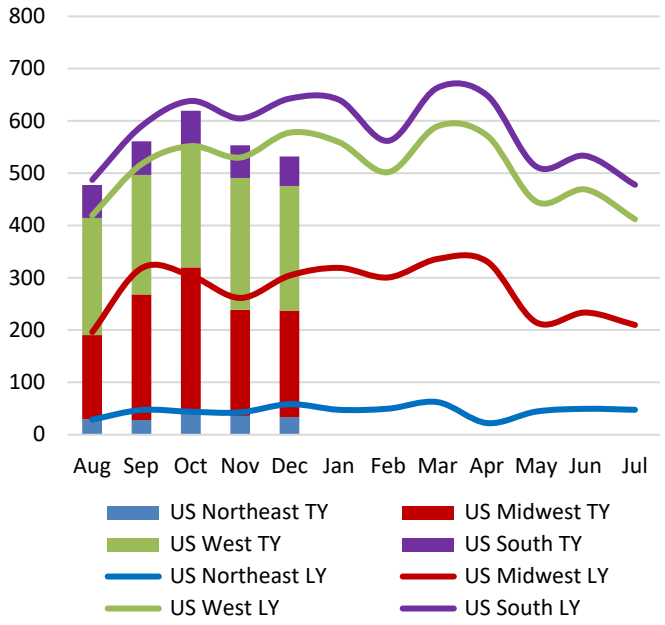


Total YTD - 2.7 MMT

GMP Data Table 2B-18

Total railway shipments into the US reached over 2.7 MMT in the first five months of the 2020-21 crop year, down 7.4% from the tonnage moved in the same period a year earlier. About 80% of these shipments were directed into the US Midwest and West, with canola and canola products remaining dominant.

US Destined Grain by Destination Territory (000's tonnes)



GMP Data Table 2B-18

System Efficiency and Performance

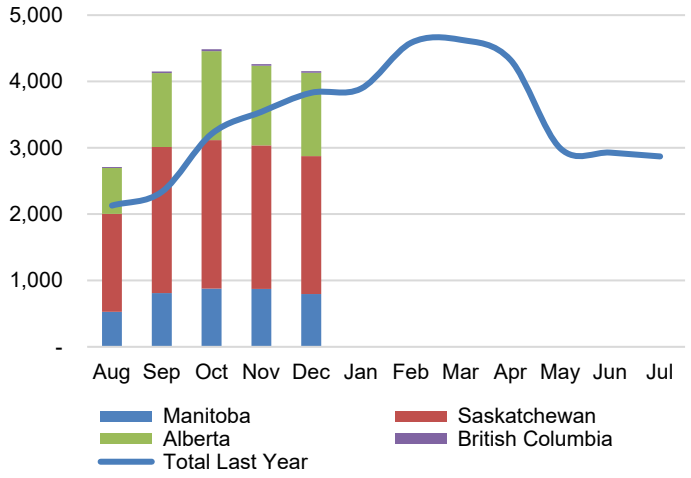
Primary elevator stocks decreased in December, averaging 4.2 MMT as deliveries remained steady and were coupled with strong outward shipments. Overall space in the country system was good throughout the month. Country stocks utilized 80% of the working capacity of the network. By province, stocks ranged from 78% and 79% of working capacity in Manitoba and Saskatchewan respectively, to 82% in Alberta, and 98% in British Columbia.

The average days-in-store in the primary-elevator system for the first five months of the crop year climbed from the same period last year, rising 11.1% to 23.9 days.

Table M-4	DEC 2020	2020-21 YTD	Var. from Last YTD
Primary Elevator			
Average Weekly Stocks (000's tonnes)	4,155.4	3,961.7	32.9%
Average Days in Store	25.3	23.9	11.1%
Railway Operations (days)			
Cycle Time to Western Ports	14.3	14.4	-8.5%
Cycle Time to Eastern Canada	20.9	21.6	-0.6%
Cycle Time to US	22.7	23.9	-7.3%
Loaded Transit to Western Ports	6.9	6.7	2.3%
Loaded Transit to Eastern Canada	11.2	11.4	10.8%
Loaded Transit to US	9.9	10.2	9.7%
Rail Fleet in Grain Service	24,896	23,592	11.7%
Western Canada Terminal Elevator			
Average Weekly Stocks (000's tonnes)	1,209.9	1,292.1	17.2%
Average Days in Store	11.4	10.0	-9.1%
Port Unloads (hopper cars)	45,197	218,320	24.6%
Terminal Out-of-Car Time	14.1%	15.4%	77.0%
Western Canada Port Operations			
Average Vessel Time in Port (days)	11.6	11.2	16.8%

Car order and order fulfillment data is not complete from both railways and will not be reported until further notice.

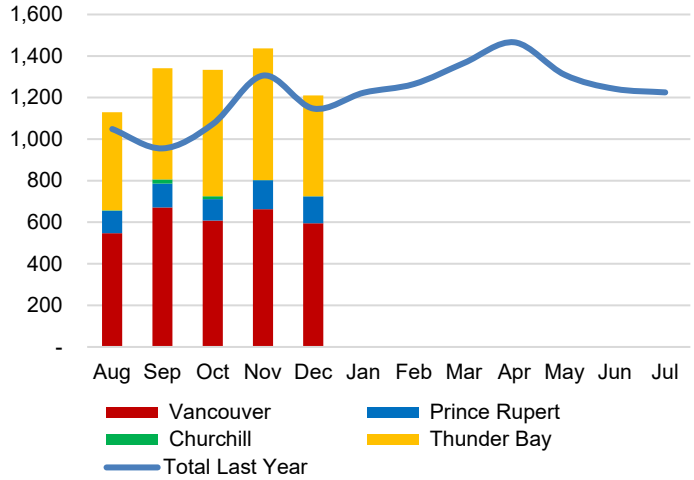
Average Weekly Primary Elevator Stocks (000's tonnes)



GMP Data Table 5A-2

Primary elevator stocks ended the last crop year averaging 2.9 MMT in store. In August, they pulled back to average 2.7 MMT before reversing direction and climbing to an average of 4.5 MMT in October. By December average weekly stock levels had once again pulled back to 4.2 MMT. Wheat, including durum, and canola, comprise 67% of the total stock. At 20% of the stock, barley, oats and peas made up much of the balance.

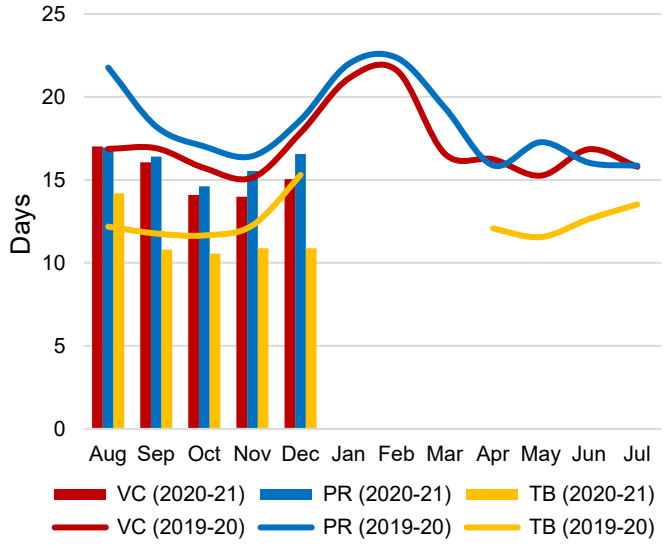
Average Weekly Terminal Elevator Stocks (000's tonnes)



GMP Data Table 5C-2

Overall terminal elevator stocks averaged 1.2 MMT in December, 16% less than a month earlier. Average weekly stock levels fell at all three main western ports, drawn down by strong shipping programs. Overall, stocks registered 5.4% higher than in December 2019. Wheat, including durum, and canola, comprise over 77% of the total stock. In December, western ports utilized 62% of their overall working capacity.

Railway Cycle Times to Western Ports (days)

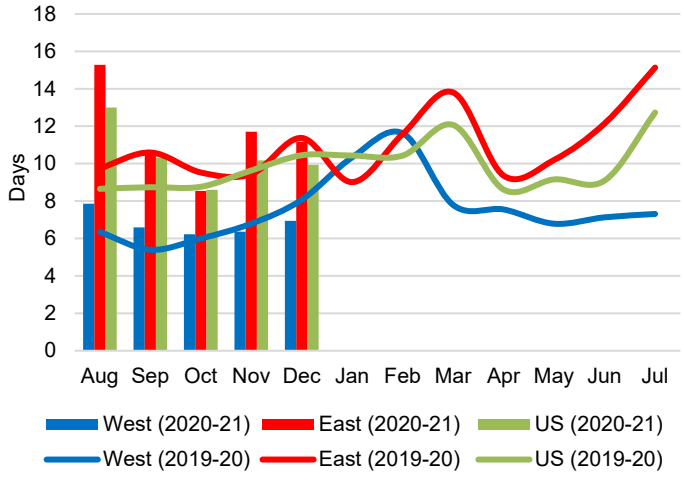


GMP Data Table 5B-1

Railway car cycles to Western Canadian ports averaged 14.4 days in the first five months of the 2020-21 crop year, down 8.5% from the 15.7-day average reported in the same period a year earlier. This was the result of reductions in all three primary corridors, with the Vancouver average falling 8.3%, the Prince Rupert average 11.0%, and the Thunder Bay average 11.3%.

The car cycle on movements into the United States also showed a reduction, decreasing by 7.3%, to an average of 23.9 days from 25.8 days a year earlier. Movements into Eastern Canada saw a much lesser 0.6% decrease, slipping to an average of 21.6 days from 21.7 days.

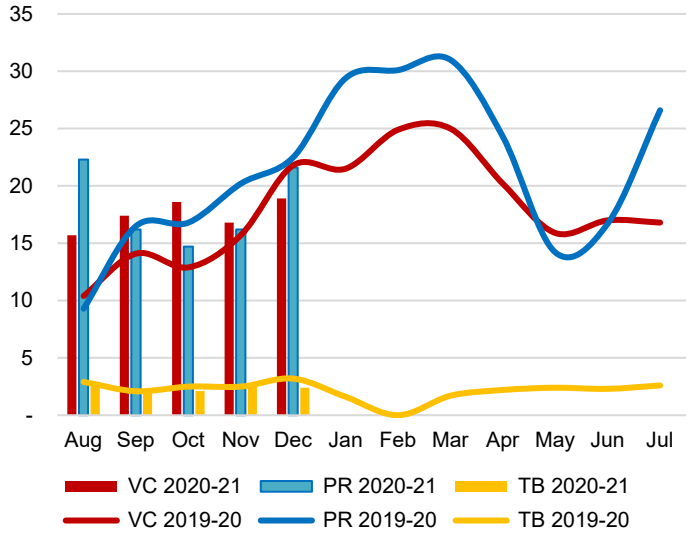
Average Loaded Transit Times (days)



GMP Data Tables 5B-4, 5B-8, 5B-12

Loaded transit time for traffic destined to Western Canadian ports averaged 6.7 days in the first five months of the 2020-21 crop year, up 2.3% from the 6.5-day average posted a year earlier. This result was driven by increases in the averages for both the Vancouver and Prince Rupert corridors, which rose by 2.3% and 2.8% respectively, but partially offset by a 2.9% decrease in the Thunder Bay average. Even greater increases were noted on longer-haul movements, with the average into Eastern Canada rising by 10.8%, to 11.4 days from 10.3 days, while the average on US-destined traffic rose by 9.7%, to 10.2 days from 9.3 days.

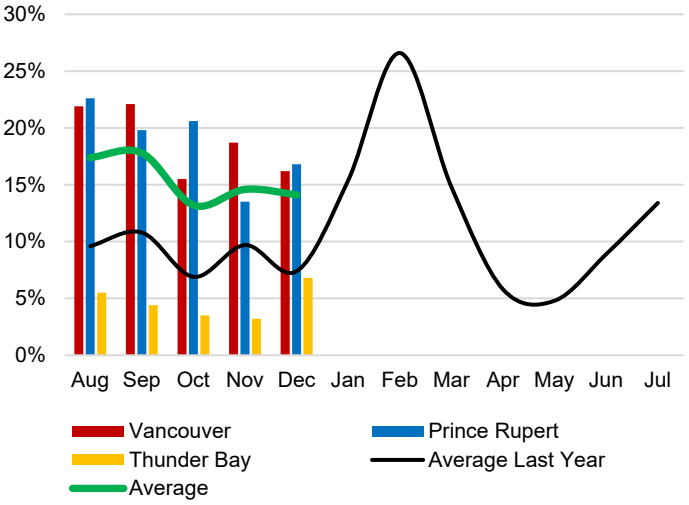
Average Days in Port per Vessel



GMP Data Table 5D-1

In December, the overall average time vessels were in port waiting and loading grain was 11.6 days, 3.1% more than was the case in December 2019. Consistent with the elevated year-over-year level, the average is 8.4% higher than that seen in the previous month. While Vancouver and Prince Rupert registered increases from November, Thunder Bay's average fell modestly. In December, the average days in port stood at 18.9 for Vancouver, 21.6 at Prince Rupert and 2.4 at Thunder Bay.

Port Terminal Out-of-Car Time (% of total operating hours)

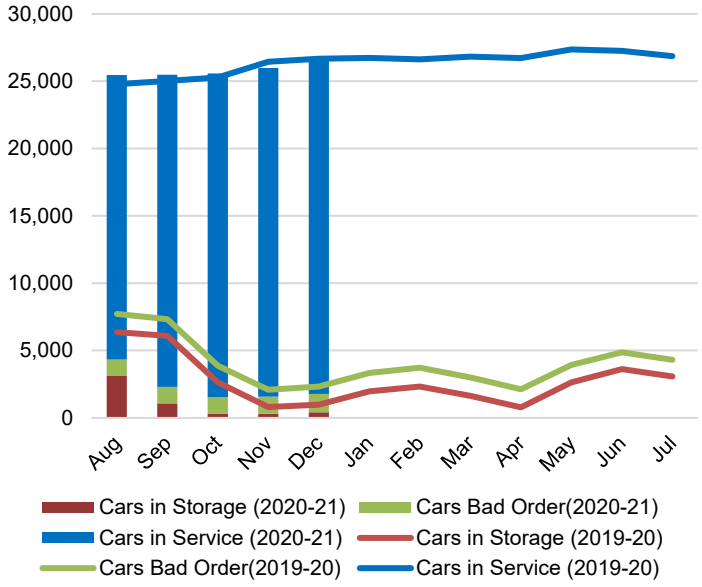


GMP Data Table 5C-5

The port terminal out-of-car time measure represents the total number of hours terminal elevator facilities are open and staffed (including overtime hours) and the corresponding number of hours that terminals have no rail cars available to unload. The measure is expressed as a percentage (hours without cars to the total number of hours working).

The aggregate measure for all ports fell to 14.1% in December from 14.6% in November. Terminal out-of-car time at Vancouver decreased to 16.2% while increasing to 16.8% at Prince Rupert. Thunder Bay registered an increase to 6.8% for time out-of-cars.

Railway Grain Fleet Size and Utilization



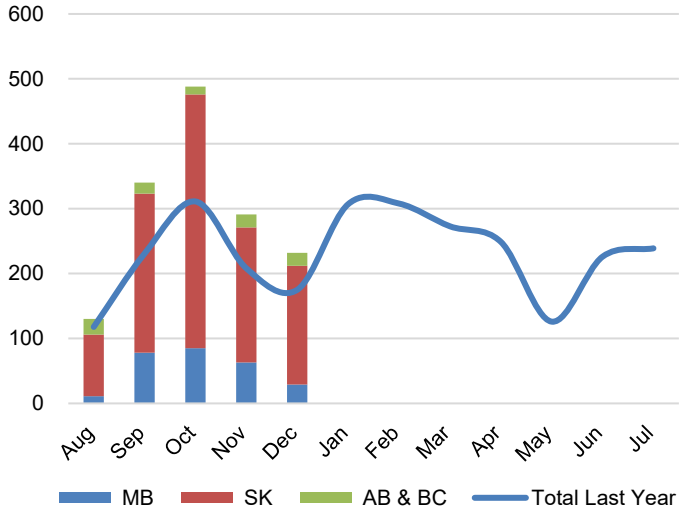
GMP Data Table 3B-2

During times of heavy demand for grain hopper cars, nearly all the hopper-car fleet is placed in service. It is normal practice for railways to move cars into storage as traffic volumes decrease in the latter months of the crop year. This was the case in the 2019-20 crop year as in July 2020, a weekly average of 22,562 cars representing 84% of the fleet, was in active service. Cars in service fell further in August, to an average of 21,125 per week before reversing directions and climbing to 24,896 in December.

The average cars in service for the first five months of this crop year represents 91% of the total fleet. The balance of the fleet, comprising 9% of the rail cars, was in storage or repair status (bad order).

Producer Cars

Producer Cars Scheduled by Province



GMP Data Table 6B-2

Producer car shipments scheduled for December 2020 were 32.6% higher than those in December a year ago. The previous crop year saw oats shipments constituting 52.1% of overall producer cars scheduled. The first five months of the 2020-21 crop year saw a slight reduction from that level, with oats registering at 49.8% of the overall producer-car number. Other cereal-crop shipments constitute 27% of the total.

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This report provides a summary of the data developed under the Grain Monitoring Program. Detailed monthly Data Tables can be found in Excel and in an open data format (GMODS) on Quorum's website at: www.grainmonitor.ca

Quorum welcomes questions and comments on the reports and data. Please contact us by either phone or email