Grain Monitoring Program Report for: September 2023

Release Date: October 16, 2023

GMP Dashboard

Table M-1	AUG 2023	SEP 2023	2023-24 YTD	Var. from Last YTD
Western Canadian GHTS Performance (Days)				
Total Time in System	45.6	42.9	43.6	-2.0%
Average Days In Store – Country	23.7	25.6	24.7	-7.1%
Loaded Transit Time	5.6	5.6	5.6	1.8%
Average Days In Store – Terminal	16.3	11.7	13.3	7.3%
Total Traffic ('000 tonnes)				
Primary Elevator Shipments	3,218.3	4,262.4	7,480.7	2.5%
Railway Shipments (all Western Canada traffic)	3,316.6	5,034.2	8,350.9	7.9%
Western Port Terminal Shipments	2,100.4	2,799.3	4,899.7	5.9%
Railway Performance				
Avg. Loads on Wheels (Cars)	6,214	8,756	7,258	7.1%
Total Western Port Car Cycle (days)	16.8	14.2	15.3	-5.4%
Port Performance				
Western Port Unloads (Number of Cars)	24,066	34,194	58,260	6.6%
Vessel Time in Port (days)	6.2	10.3	8.4	21.2%

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 railway grain shipments increased by 51.8% in September 2023, to 5.0 MMT from 3.3 MMT in August. This marked a continuing stronger start to the 2023-24 crop year, with total YTD tonnage rising by 7.9%, to 8.4 MMT. Port shipments for September totaled 2.8 MMT, a 33.3% increase from August. Year-to-date, at 4.9 MMT, they are 5.9% more than those in the previous crop year. Accompanying the month-over-month increase in shipments was an increase in the average amount of time vessels spent in port, which grew to 10.3 days in September from 6.2 in August.

Highlights for September 2023

Traffic and Movement (page 2)

- Primary-elevator shipments were 7.5 MMT in the first two months of the 2023-24 crop year, 2.5% more than last year.
- Total Western Canadian rail shipments to all destinations (from all primary/process elevators and producer-car sites) in the first two months of the 2023-24 crop year totaled almost 8.4 MMT, up 7.9% from the same period a year earlier.
- Bulk grain shipments from Western Canadian ports totaled 4.9 MMT in the first two months of the crop year, up 5.9% from the same period last year.

System Efficiency and Performance (page 4)

- The year-to-date average weekly primary-elevator stocks decreased by 1.8% while the average days-in-store fell by 7.1%.
- Average weekly port-terminal stocks increased 21.8% from the same period last year, while average days-in-store grew by 7.3% on a year-over-year basis.
- The preliminary average car cycle for hopper-car movements to Western Canadian ports decreased by 15.5%, to 14.2 days in September from 16.8 days in August. Comparatively faster velocities helped lower the YTD average to 15.3 days, 5.4% below the 16.2 days posted a year earlier. The average for movements into Eastern Canada decreased by a more substantive 25.9% to 23.2 days, while the average for movements into the US rose by 11.9%, to 27.8 days.
- The year-to-date average for vessel time in port is 8.4 days, 21.2% more than that observed in the previous crop year.
- Port-terminal out-of-car time increased to 30.4% at Vancouver in September, from 12.1% in August. Prince Rupert saw out-of-car time remain at 0.0% in September. Thunder Bay's out-of-car time fell to 4.6% from 7.2% the previous month.

Production and Supply

Statistics Canada's August model-based estimate for 2023 field-crop production in Western Canada stands at 61.9 MMT, a 17.3% decline from 2022's 74.8 MMT harvest. This decrease reflects the impact of deficient rainfall with intermittent coverage across the prairies throughout the 2023 growing season. This estimate represents a 0.4 MMT increase from the model-based estimate recorded at the end of August. An update based on the October-November producer survey will be included in the Monitor's November Report.

When coupled with July's 5.3 MMT of carry-forward stocks, some 23.7% more than in 2022, the overall grain supply is estimated at 67.3 MMT. This stands 15.0% below the 2022-23 crop year's 79.2-MMT level, marking the return of relatively tight grain supplies in order to meet domestic and export demands.

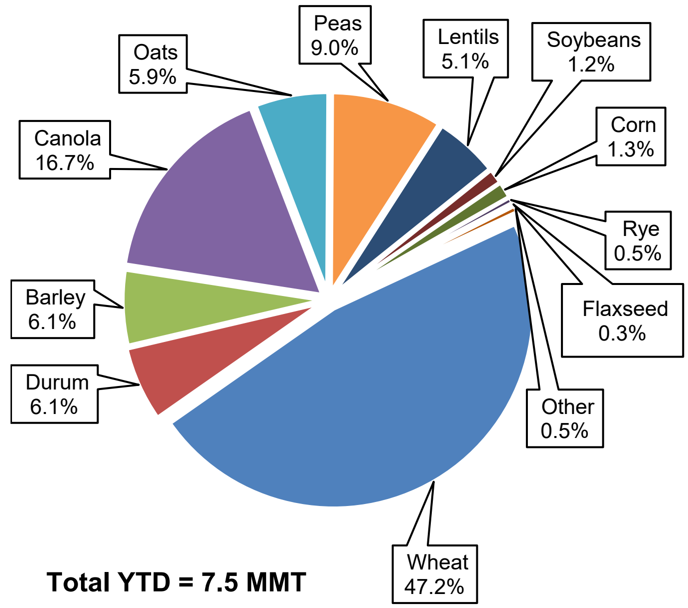
Table M-2	2023*	2022	Var. from Last Yr.
Production & Carry Forward (000's tonnes)			
*** Western Canada Total Production - Preliminary**	61,924.0	74,839.5	-17.3%
Western Canada On-Farm & Primary-Elevator Carry Forward Stock	5,334.4	4,311.8	23.7%
Total Grain Supply	**67,258.4**	**79,151.3**	**-15.0%**

Traffic and Movement

September producer deliveries increased to an average of just over 1.35 MMT per week as harvest progressed. Average weekly primary-elevator stock levels grew to 4.0 MMT in September, with good space in the elevator system throughout the month.

Table M-3	SEP 2023	2023-24 YTD	Var. from Last YTD
Primary Elevator Shipments (000's tonnes)			
Manitoba	911.6	1,755.1	37.3%
Saskatchewan	2,146.6	3,617.8	-2.5%
Alberta	1,176.5	2,054.4	-8.9%
British Columbia	27.7	53.4	-3.4%
Total	**4,262.4**	**7,480.7**	**2.5%**
Western Canada Railway Traffic (000's tonnes)			
Shipments to Western Ports	4,167.0	6,630.5	8.4%
Shipments to Eastern Canada	144.3	260.6	-31.2%
Shipments to US & Mexico	647.4	1,301.6	16.1%
Shipments Western Domestic	75.5	158.2	28.9%
Total	**5,034.2**	**8,350.9**	**7.9%**
Western Port Unloads (Number of Cars)			
Vancouver	23,105	40,322	3.9%
Prince Rupert	1,321	1,363	-63.1%
Churchill	0.0	0.0	n/a
Thunder Bay	9,768	16,575	36.2%
Total	**34,194**	**58,260**	**6.6%**
Terminal Elevator Shipments (000's tonnes)			
Vancouver	2,024.8	3,397.1	5.1%
Prince Rupert	61.1	138.1	-49.9%
Churchill	0.0	0.0	n/a
Thunder Bay	713.5	1,364.6	22.1%
Total	**2,799.4**	**4,899.8**	**5.9%**

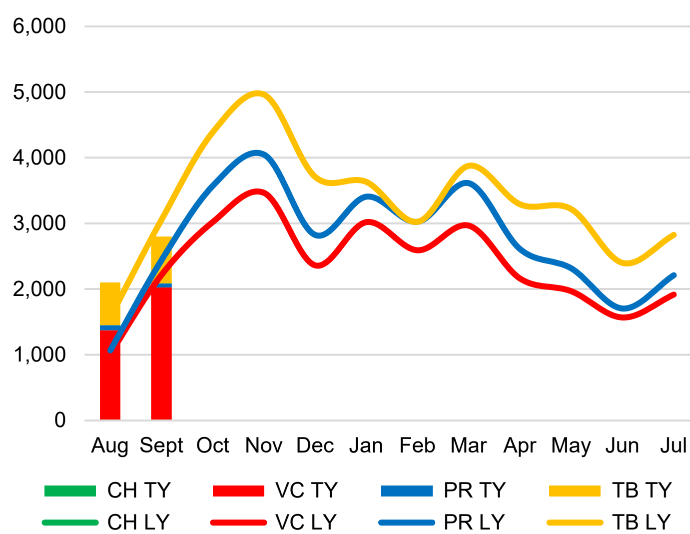
Primary Elevator Shipments by Commodity



GMP Data Table 2A-1

Grain shipments from primary elevators grew in the first two months of the crop year, registering 2.5% greater than in the same period the previous year. Wheat, including durum, and canola constitute the largest proportion of the movement at 70.0%. Movement of peas and lentils contributed 14.1% of the total.

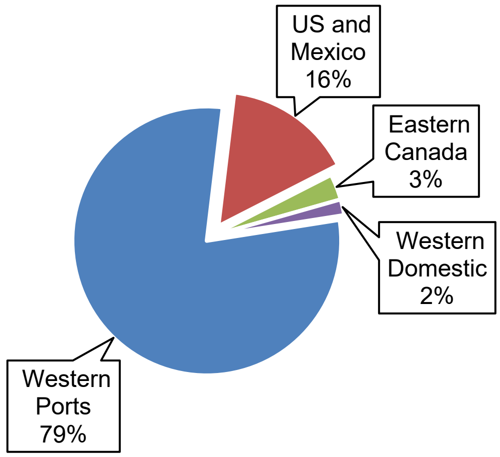
Terminal Elevator Shipments (000's tonnes)



GMP Data Table 2C-1

With harvest largely complete, bulk grain shipments from western ports were steady in the first two months of the 2023-24 crop year. They stand 5.9% higher on a year-over-year basis. Crop year to date, Vancouver shipments are up 5.1%, while Thunder Bay gained 22.1%. Prince Rupert shipments recorded a year-over-year decline of 49.9%.

Western Canadian Grain Destinations

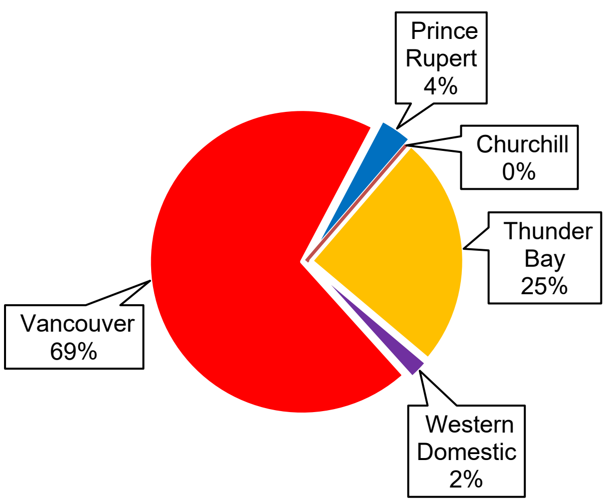


Total YTD = 8.4 MMT

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

Railway grain shipments from Western Canada totaled almost 8.4 MMT in the first two months of the 2023-24 crop year, a 7.9% increase from the 7.7 MMT handled in the same period a year earlier. The majority, over 6.6 MMT, was directed to Western Canadian ports in support of export sales. This was supplemented by a 28.9% gain in Western Domestic traffic. A 16.1% increase was noted on movements into the US and Mexico while shipments into Eastern Canada fell by 31.2%.

Western Canadian Destined Hopper Car Traffic

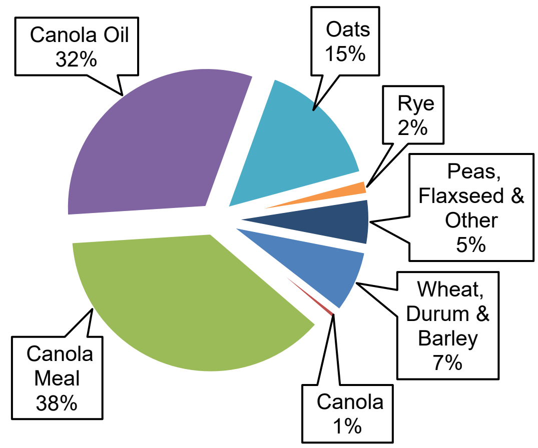


Total YTD - 6.7 MMT

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 two months of the 2023-24 crop year this amounted to almost 6.7 MMT, up 8.9% from the previous year. Sixty-nine percent of these hopper cars were destined to Vancouver, which remains the port of choice for exporting grain, given its access to Asia-Pacific markets and concentration of export terminal facilities. Hopper-car shipments through Vancouver during this period rose by 7.6%. The west-coast increase was dampened by a 45.7% decrease in Prince Rupert volumes but supported by a 29.9% gain in Western Domestic traffic. Shipments to Thunder Bay rose by an equally substantive 30.5%, while the port of Churchill reported no export grain shipments at all.

US Destined Grain by Commodity

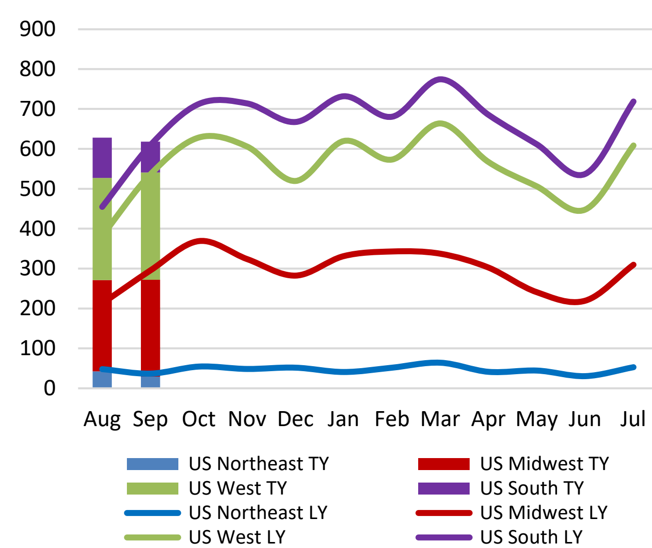


Total YTD - 1.2 MMT

GMP Data Table 2B-18

Total railway shipments into the US reached over 1.2 MMT in the first two months of the 2023-24 crop year, up 17.1% from the nearly 1.1 MMT moved in the same period a year earlier. Nearly 80% of these shipments were directed into the US Midwest and West, with canola and canola products being dominant.

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



GMP Data Table 2B-18

System Efficiency and Performance

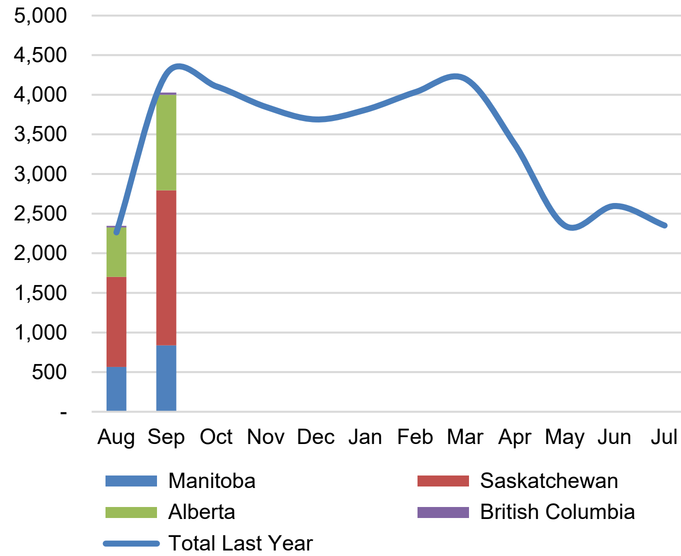
Primary elevator stocks climbed in September, averaging 4.0 MMT as the harvest progressed rapidly and new-crop deliveries flowed in. Overall space in the country system was good. Country stocks utilized 73% of the working capacity of the network. By province, stocks ranged from 71% and 74% in Saskatchewan and Alberta respectively, to 77% of working capacity in Manitoba and 100% in British Columbia.

The average days-in-store in the primary-elevator system for the first two months of the crop year declined from the same period last year, falling 7.1% to 24.7 days.

Table M-4	SEP 2023	2023-24 YTD	Var. from Last YTD
Primary Elevator			
Average Weekly Stocks (000's tonnes)	4,027.7	3,093.6	-1.8%
Average Days in Store	25.6	24.7	-7.1%
Railway Operations (days)			
Cycle Time to Western Ports	14.2	15.3	-5.4%
Cycle Time to Eastern Canada	23.4	23.2	-25.9%
Cycle Time to US	28.7	27.8	11.9%
Loaded Transit to Western Ports	5.6	5.6	1.8%
Loaded Transit to Eastern Canada	11.4	11.4	-20.3%
Loaded Transit to US	11.6	11.8	22.1%
Rail Fleet in Grain Service	18,691	16,322	14.5%
Western Canada Terminal Elevator			
Average Weekly Stocks (000's tonnes)	1,155.9	1,029.8	21.8%
Average Days in Store	11.7	13.3	7.3%
Port Unloads (hopper cars)	34,194	58,260	6.6%
Terminal Out-of-Car Time	22.2%	10.6%	31.7%
Western Canada Port Operations			
Average Vessel Time in Port (days)	10.3	8.4	21.2%

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

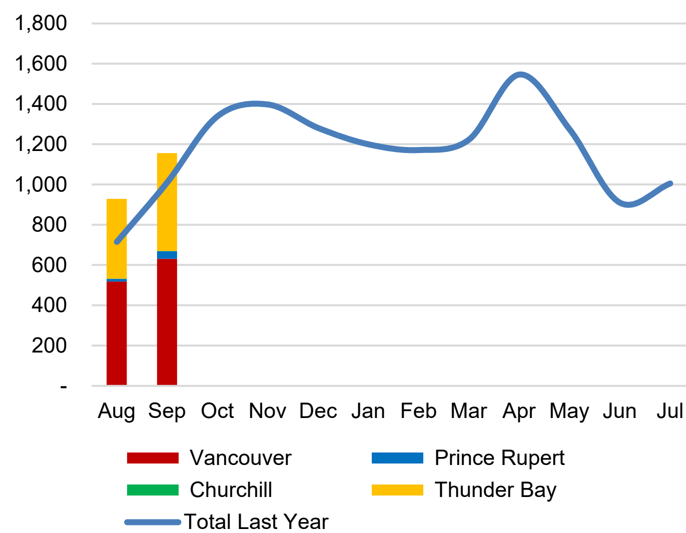
Average Weekly Primary Elevator Stocks (000's tonnes)



GMP Data Table 5A-2

Primary elevator stocks ended the last crop year averaging 2.35 MMT in store. They held constant at 2.35 MMT in August and grew rapidly to 4.0 MMT in September with new-crop deliveries. Wheat, including durum, and canola, comprise 63% of the total stock. At 23% of the stock, barley, oats and peas made up much of the balance.

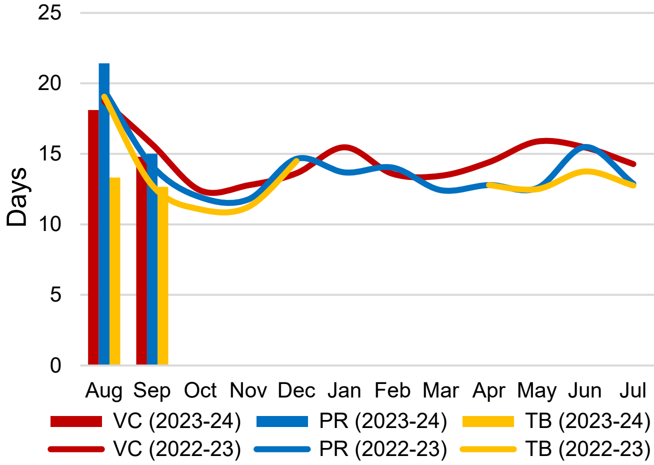
Average Weekly Terminal Elevator Stocks (000's tonnes)



GMP Data Table 5C-2

Overall terminal elevator stocks averaged 1.15 MMT in September, up from the 0.9 MMT in-store during August. Stocks grew at the three operating ports in Western Canada. Wheat, including durum, and canola, comprise just over 72% of the total stock. In September, western ports utilized just 60% of their overall working capacity.

Railway Cycle Times to Western Ports (days)

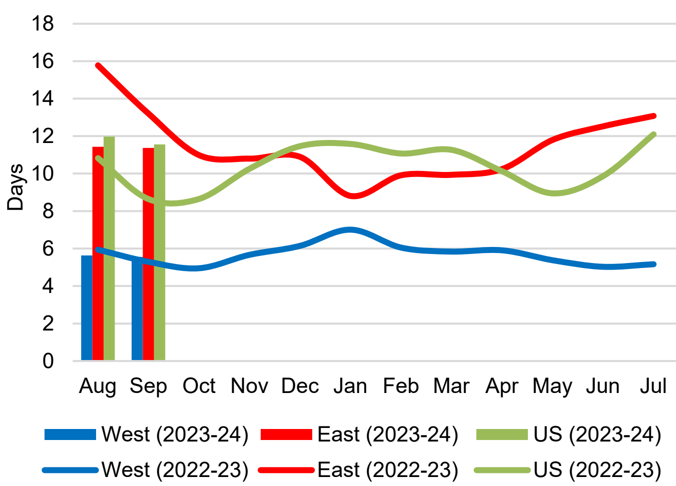


GMP Data Table 5B-1

Railway car cycles to Western Canadian ports averaged 15.3 days in the first two months of the 2023-24 crop year, down 5.4% from the 16.1-day average reported a year earlier. This was largely the result of decreases in the Vancouver and Thunder Bay corridors, with car-cycle averages falling by 2.8% and 12.0% respectively. Conversely, the Prince Rupert average saw an increase of 13.0%.

More noteworthy still was a 25.9% decline in the YTD car cycle into Eastern Canada, which fell to an average of 23.2 days from 31.3 days a year earlier. An 11.9% increase was noted in the cycle for US movements, which rose to an average of 27.8 days from 24.8 days the previous year.

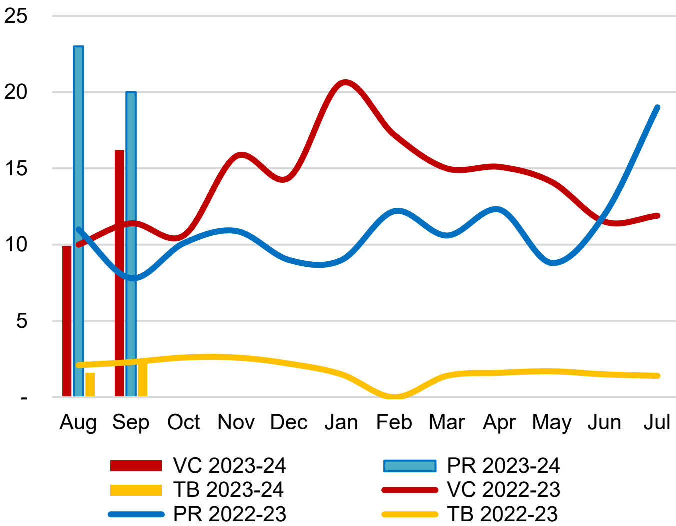
Average Loaded Transit Times (days)



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

Loaded transit time for traffic destined to Western Canadian ports averaged 5.6 days in the first two months of the 2023-24 crop year, up 1.8% from the 5.5-day average posted the previous year. This was primarily driven by a 1.6% increase in the Vancouver-corridor average but bolstered by increases in the Thunder Bay and Prince Rupert corridor averages of 0.8% and 22.8% respectively. The average into Eastern Canada fell by 20.3%, to 11.4 days from 14.3 days a year earlier. The average on US-destined traffic rose by 22.1%, to 11.8 days from 9.7 days.

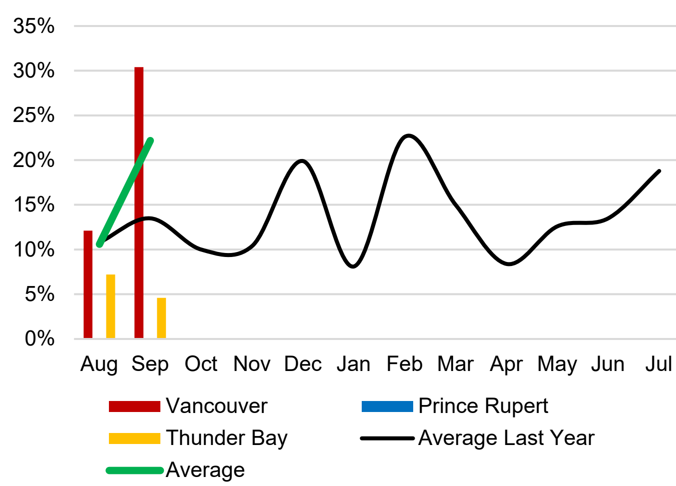
Average Days in Port per Vessel



GMP Data Table 5D-1

In September, the overall-average time vessels were in port waiting and loading grain was 10.3 days, 31.5% more than was the case in September 2022. The month-over-month average grew at Vancouver and Thunder Bay while falling from that seen in August at Prince Rupert. In September, the average days in port stood at 16.2 for Vancouver and 20.0 for Prince Rupert. The Thunder Bay average rose marginally to 2.2 days in port.

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

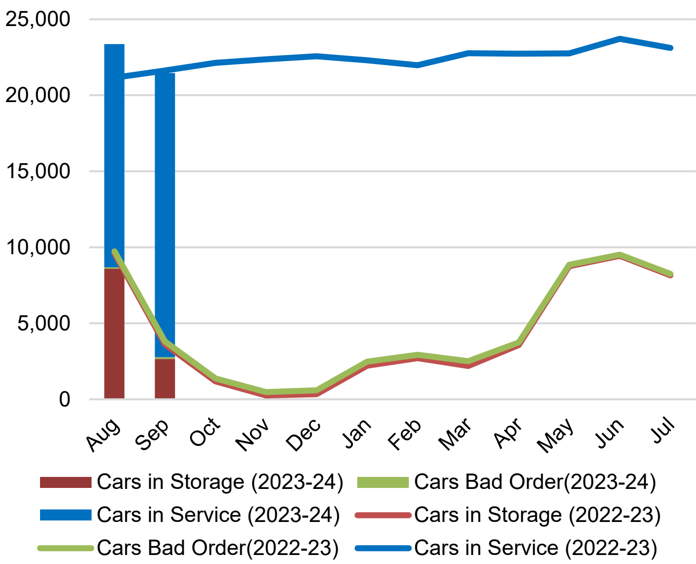


GMP Data Table 5C-5

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 grew to 22.2% in September, from 10.6% in August. Terminal out-of-car time increased to 30.4% at Vancouver and fell to 4.6% at Thunder Bay. Prince Rupert out-of-car time remained at 0.0% in September with minimal shipping activity for the second month in a row.

Railway Grain Fleet Size and Utilization

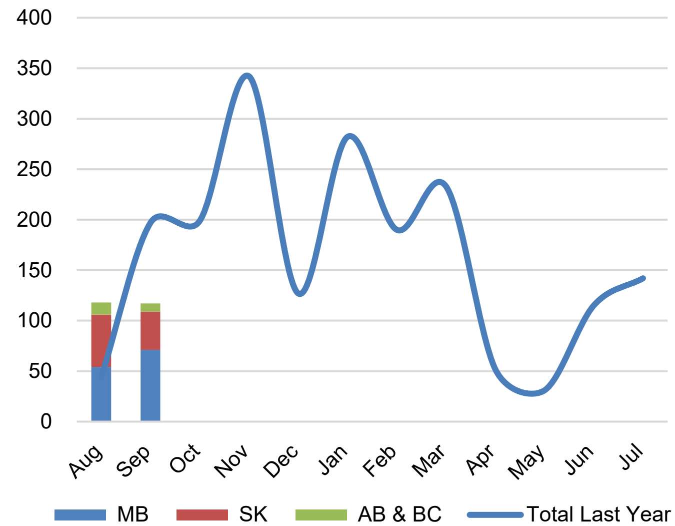


GMP Data Table 3B-2

During times of heavy demand, nearly the entire hopper-car fleet is placed into 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 2022-23 crop year as the weekly number of cars in service declined to 14,860 in July 2023, with about 35% of the fleet then having been placed in storage. A further decline in the serviceable-car count is seen in August 2023, falling to 14,687 before advancing to 18,691 in September. In September, 87% of the overall fleet was in service to address the shipping demands for western grain, with a small number of cars being reported in either storage or bad order status.

Producer Cars

Producer Cars Scheduled by Province



GMP Data Table 6B-2

Producer car shipments scheduled for September 2023 were 40.6% less than those in September a year earlier. Oats comprise 69% of the movement, an increase from the 43% shipped the previous crop year. Wheat and durum comprise just 14% of the year-to-date 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