

GMP Dashboard

Table M-1	JUL 2018	AUG 2018	2018-19 YTD	Var. from Last YTD
Western Canadian GHTS Performance (Days)				
Total Time in System	41.9	45.2	45.2	-1.7%
Average Days In Store – Country	24.9	24.5	24.5	-8.2%
Loaded Transit Time	6.3	6.5	6.5	6.5%
Average Days In Store – Terminal	10.7	14.2	14.2	7.6%
Total Traffic ('000 tonnes)				
Primary Elevator Shipments	3,570.5	3,842.9	3,842.9	6.6%
Railway Shipments (all Western Canada traffic)	4,032.0	3,887.1	3,887.1	8.9%
Western Port Terminal Shipments	2,938.0	2,447.5	2,447.5	-7.7%
Railway Performance				
Avg. Loads on Wheels (Cars)	9,727	9,405	9,405	14.7%
Total Western Port Car Cycle (days)	16.4	16.4	16.4	-2.5%
Port Performance				
Western Port Unloads (Number of Cars)	27,865	31,420	31,420	3.8%
Vessel Time in Port (days)	7.4	9.1	9.1	-4.2%

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

Overview

Western Canadian rail shipments totaled just under 3.9 MMT in August 2018, down 3.6% from the 4.0 MMT forwarded in July. Even so, this proved to be a comparatively strong start for the new crop year, which saw volumes climb 8.9% over the 3.6 MMT shipped in August 2017. This was partially due to the warm dry conditions, which hastened the start of harvest in the eastern prairies and pointed to the promise of good crop yields and quality. However, port shipments for August totaled 2.4 MMT, a 16.7% decline from July. Accompanying the decline in shipments has been an increase in the average amount of time vessels spend in port – rising to 9.1 days in August from 7.4 in July.

Highlights for August 2018

Traffic and Movement (page 2)

- Primary-elevator shipments were 3.8 MMT in the first month of the 2018-19 crop year, 6.6% more than last year.
- Total Western Canadian rail shipments to all destinations (from all primary/process elevators and producer-car sites) in the first month of the 2018-19 crop year totaled 3.9 MMT, up 8.9% from a year earlier.
- Grain shipments from Western Canadian ports totaled 2.4 MMT, down 7.7% from the same period last year.

System Efficiency and Performance (page 4)

- The year-over-year average weekly primary-elevator stocks increased by 0.5% in August while the average days-in-store fell by 8.2%.
- Average weekly port-terminal stocks increased 3.6% from the same period last year, while average days-in-store climbed 7.6%.
- The car cycle for hopper-car movements to Western Canadian ports remained elevated in August 2018, with its average remaining unchanged from the 16.4 days posted in July. However, this proved lower than the 16.8-day average reported a year earlier. The averages in other corridors also declined: by 18.5%, to 22.2 days, on movements to Eastern Canada; and by 10.4%, to 27.7 days, on movements to the US. It should be noted that cycle times are increasing over what has been the normal average in past years - 13.3 days in 2015-16, 14.1 days in 2016-17, 15.7 days in 2017-18 - and are indicative of a trend.
- The year-to-date average for vessel time in port is 9.1 days, 4.2% lower than that observed in the previous crop year.
- Port-terminal out-of-car time climbed to 15.4% at Vancouver in August from 6.4% in July. At Prince Rupert, the out-of-car time rose to 37.5% in August, from 14.2% in July and at Thunder Bay it fell to 1.7% from 1.9% a month earlier.

Production and Supply

Statistics Canada's August 31st model-based estimate for 2018 crop production in Western Canada stands at 71.6 MMT, a 0.5% decrease from the 2017 harvest, but registering among the largest crops grown. This preliminary production estimate will be updated when the results of Statistics Canada's November survey of producers is complete.

The model-based estimate supersedes Statistics Canada's July survey of producers by 4.6MMT, a 6.9% increase. Last year the model-based estimate led to a similar increase of 6.2% in the projected production figure.

Coupled with carry-forward stock of 9.5 MMT at the end of July 2018, 10.7% more than in 2017, the overall grain supply is estimated to be 81.1 MMT. The projected supply is 0.7% greater

than that of the previous year and will place consistent demand on the GHTS throughout the coming crop year.

<i>Table M-2:</i>	2018	2017	Var. from Last Yr.
Production & Carry Over (000's tonnes)			
Western Canada Total Production – Preliminary*	71,641.1*	71,977.2	-0.5%
Western Canada On Farm & Primary Elevator Carry Forward Stock	9,494.6	8,574.0	10.7%
Total Grain Supply	81,135.7*	80,551.2	0.7%

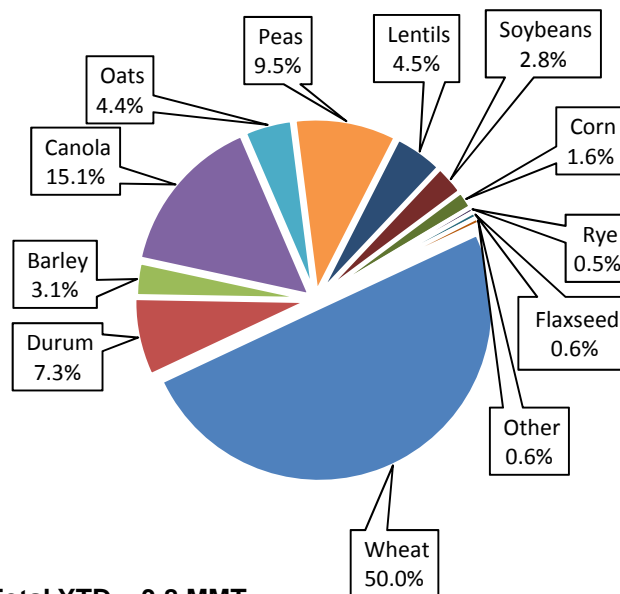
Traffic and Movement

With harvest underway, August producer deliveries averaged over 0.8 MMT per week for the month. Average weekly primary-elevator stock levels fell slightly to 2.9 MMT, with good space available in facilities across the prairies.

<i>Table M-3</i>	AUG 2018	2018-19 YTD	Var. from Last YTD
Primary Elevator Shipments (000's tonnes)			
Manitoba	938.3	938.3	16.4%
Saskatchewan	1,888.0	1,888.0	23.4%
Alberta	994.3	994.3	-20.9%
British Columbia	22.3	22.3	114.4%
Total	3,842.9	3,842.9	6.6%
Western Canada Railway Traffic (000's tonnes)			
Shipments to Western Ports	2,982.0	2,982.0	10.0%
Shipments to Eastern Canada	243.8	243.8	46.2%
Shipments to US & Mexico	584.4	584.4	-7.9%
Shipments Western Domestic	77.0	77.0	34.8%
Total	3,887.1	3,887.1	8.9%
Western Port Unloads (Number of Cars)			
Vancouver	18,872	18,872	-6.1%
Prince Rupert	4,340	4,340	20.9%
Thunder Bay	8,208	8,208	24.9%
Total	31,420	31,420	3.8%
Terminal Elevator Shipments (000's tonnes)			
Vancouver	1,468.1	1,468.1	-14.8%
Prince Rupert	441.5	441.5	26.5%
Churchill	0.0	0.0	n/a
Thunder Bay	537.9	537.9	-7.1%
Total	2,447.5	2,447.5	-7.7%



Primary Elevator Shipments by Commodity

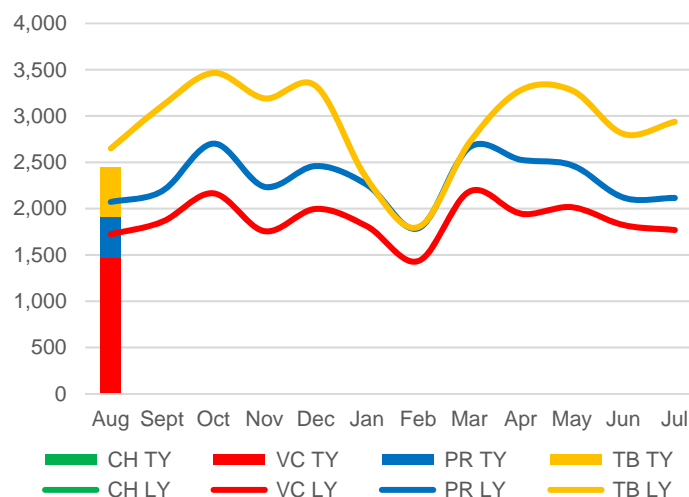


Total YTD = 3.8 MMT

GMP Data Table 2A-1

Grain shipments from primary elevators grew in August and registered 6.6% more than the crop-year-to-date total for the previous year. Wheat, including durum, and canola continue to constitute the largest proportion of the movement at 72.4%. Movement of peas and lentils rebounded to account for 14.0% of the total, from just 7.1% in July. Tariff and non-tariff trade barriers continue to challenge the marketing of these pulse crops.

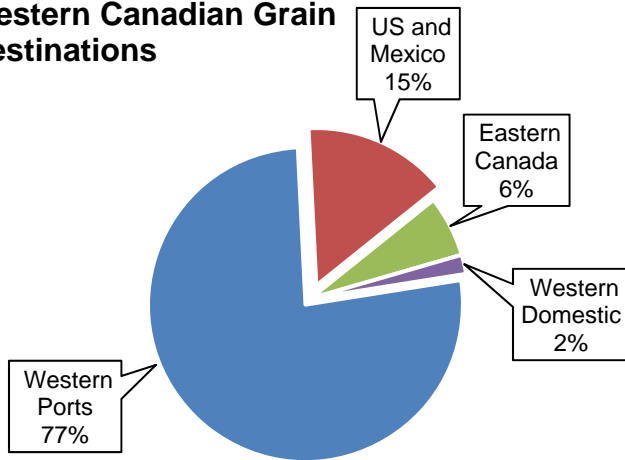
Terminal Elevator Shipments (000's tonnes)



GMP Data Table 2C-1

Bulk shipments out of the western ports fell in August, registering a 7.7% decrease on a year-over-year basis. An early start to the harvest with initial reports of good quality grains led to optimism for a robust shipping and export season ahead.

Western Canadian Grain Destinations

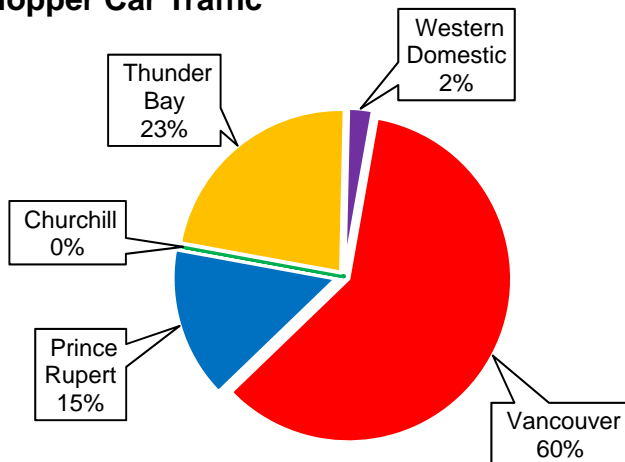


Total YTD = 3.9 MMT

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

Railway grain shipments from Western Canada totaled 3.9 MMT in the first month of the 2018-19 crop year, an 8.9% gain over the 3.6 MMT handled a year earlier. The majority, about 3.0 MMT, was directed to Western Canadian ports in support of export sales. This proved to be 10.0% more than what had been shipped the previous year. Shipments to Eastern Canada grew even more sharply, climbing by 46.2%. A similar gain was seen on Western domestic shipments, which rose by 34.8%. Running counter to these trends were shipments to the US and Mexico, which fell by 7.9%.

Western Canadian Destined Hopper Car Traffic



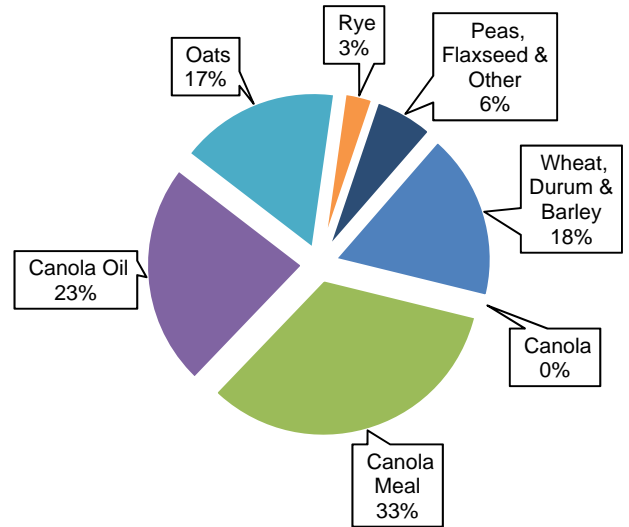
Total YTD - 2.9 MMT

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

Over 95% of the tonnage directed to destinations within Western Canada moves in covered hopper cars. During the first month of the 2018-19 crop year this amounted to 2.9 MMT, up 8.6% from a year earlier. On the receiving end, 60% of these hopper cars were destined to Vancouver, which remains the highest volume port for export grain given its ready access to Asia-Pacific markets,

favourable logistical economics and year-round operations. Hopper-car shipments through Vancouver during this period rose by 4.2%. This was enlarged by gains at Prince Rupert and Thunder Bay, which rose by 29.2% and 6.4% respectively.

US Destined Grain by Commodity

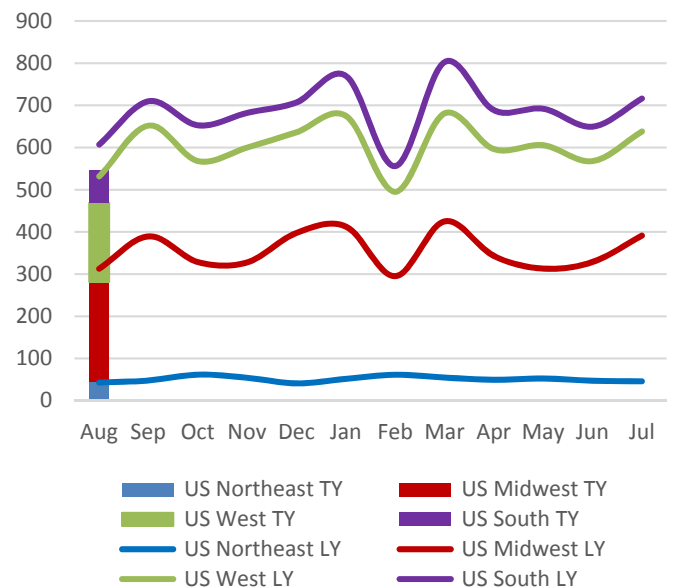


Total YTD - 0.5 MMT

GMP Data Table 2B-18

Total railway shipments into the US reached slightly over 0.5 MMT in the first month of the 2018-19 crop year, a reduction of 10.1% from the tonnage moved in the same period a year earlier. Almost 80% of these shipments were directed into the US Midwest and West and are dominated by canola and canola products.

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



GMP Data Table 2B-18

System Efficiency and Performance

Primary elevator stocks fell slightly in August to average 2.9 MMT as producers got a relatively early start to the 2018 harvest. Overall space in the country system was good. Country stocks utilized 59% of the working capacity of the network. By province, stocks ranged from just 32% of working capacity in British Columbia to 47% in Alberta and 61% and 67% in Saskatchewan and Manitoba respectively.

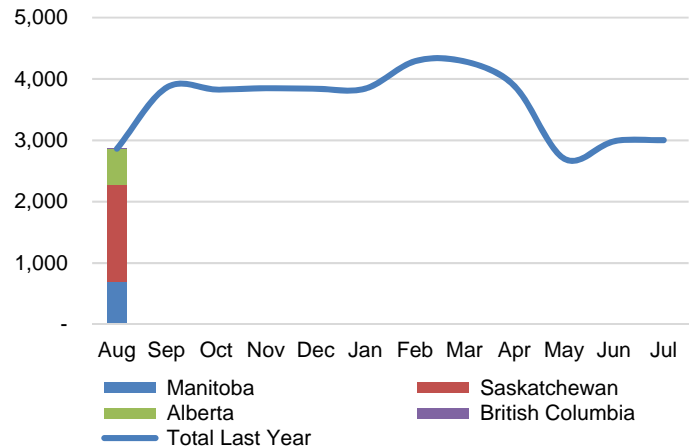
The average days-in-store in the primary-elevator system for the first month of the crop year decreased from last year, falling 8.2%.

Table M-4	AUG 2018	2018--19 YTD	Var. from Last YTD
Primary Elevator			
Average Weekly Stocks (000's tonnes)	2,877.0	2,877.0	0.5%
Average Days in Store	24.5	24.5	-8.2%
Railway Operations (days)			
Cycle Time to Western Ports	16.4	16.4	-2.5%
Cycle Time to Eastern Canada	22.2	22.2	-18.5%
Cycle Time to US	27.7	27.7	-10.4%
Loaded Transit to Western Ports	6.5	6.5	6.6%
Loaded Transit to Eastern Canada	10.0	10.0	-24.6%
Loaded Transit to US	11.5	11.5	-3.3%
Rail Fleet in Grain Service	19,242	19,242	12.8%
Western Canada Terminal Elevator			
Average Weekly Stocks (000's tonnes)	1,109.0	1,109.0	3.6%
Average Days in Store	14.2	14.2	7.6%
Port Unloads (hopper cars)	31,420	31,420	3.8%
Terminal Out-of-Car Time	14.8%	14.8%	63.5%
Western Canada Port Operations			
Average Vessel Time in Port (days)	9.1	9.1	-4.2%

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



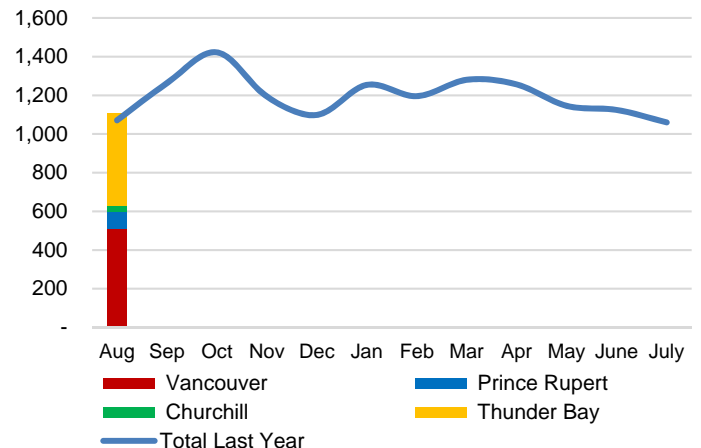
Average Weekly Primary Elevator Stocks (000's tonnes)



GMP Data Table 5A-2

Following a three-month rise to 3.0 MMT in July, average country elevator stocks reversed direction and fell to 2.9 MMT in August. While the previous crop year saw relatively high primary elevator stock levels, the onset of seeding brought a decline to the average 2.7 MMT in May. In June and July, they rebounded to 3.0 MMT. Wheat, including durum, and canola, comprise two thirds of the total stock. At 23% of the stock, barley, oats and peas made up much of the balance.

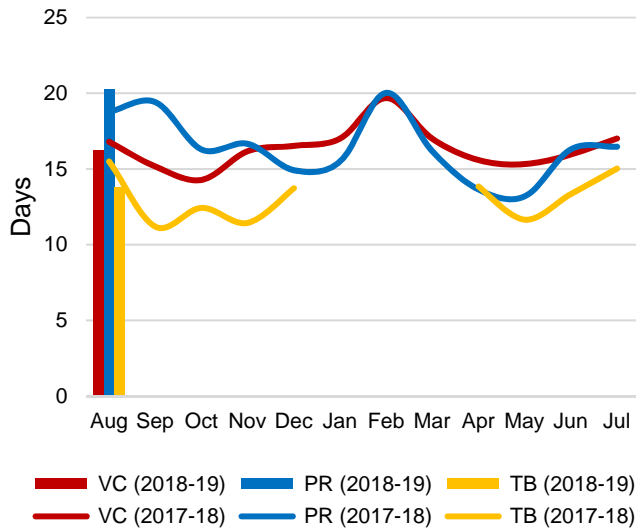
Average Weekly Terminal Elevator Stocks (000's tonnes)



GMP Data Table 5C-2

Overall terminal elevator stocks averaged 1.1 MMT in August, 5% more than a month earlier. Stock levels held steady at Thunder Bay, and grew modestly at the Pacific Seaboard. Pacific Seaboard stocks are now recorded and presented separately for Vancouver and Prince Rupert. Wheat, including durum, and canola, comprise over 79% of the total stock. In August, western ports utilized only 64% of their overall working capacity.

Railway Cycle Times to Western Ports (days)

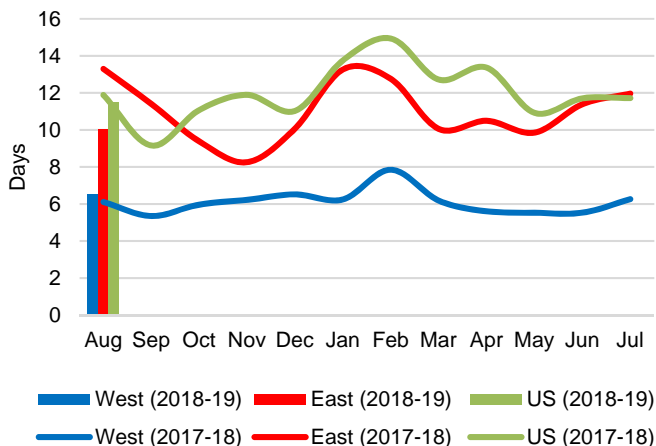


GMP Data Table 5B-1

Railway car cycles to Western Canadian ports averaged 16.4 days in the first month of the 2018-19 crop year, a decrease of 2.5% from the 16.8-day average reported in the same period a year earlier. This was largely the result of decreases in the Vancouver and Thunder Bay corridors, which fell by 3.5% and 11.0% respectively. Running counter to this was Prince Rupert, which rose by 7.7%.

Car cycles to Eastern Canada also decreased during this period, falling by 18.5%, to an average of 22.2 days from 27.3 days a year earlier. The car cycle for movements into the United States fell by a lesser 10.4%, to an average of 27.7 days from 30.9 days.

Average Loaded Transit Times (days)

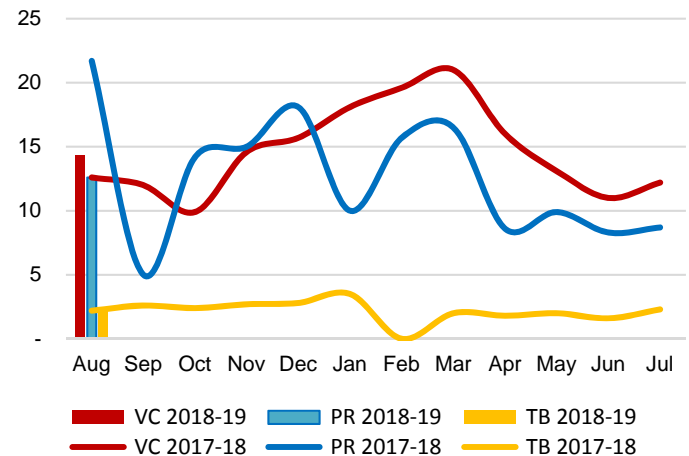


GMP Data Tables 5B-4, 5B-8, 5B-12

Loaded transit time for traffic destined to Western Canadian ports averaged 6.5 days in the first month of the 2018-19 crop year, up 6.6% from the 6.0-day average a year earlier. This was primarily the result of increases in the Vancouver and Thunder Bay

corridors, which rose by 2.9% and 32.4% respectively. This was partially offset by a 9.7% decrease in the Prince Rupert-corridor average. The average loaded transit time for movements into Eastern Canada fell even more sharply, by 24.6%, to 10.0 days from 13.3 days a year earlier. The corresponding average for US-destined traffic saw a modest decrease, falling 3.3%, to 11.5 days from the 11.9-day average posted a year earlier.

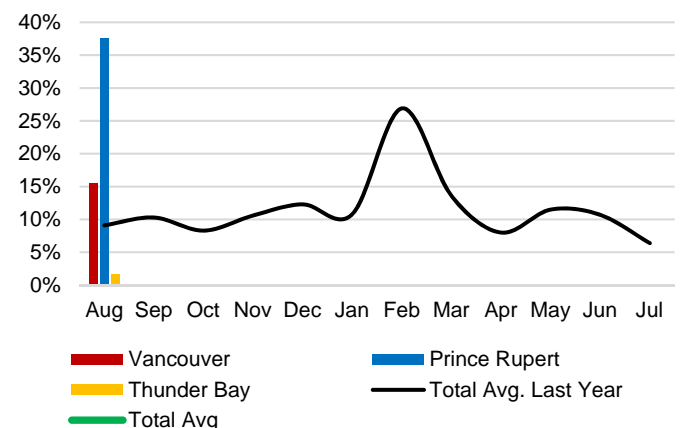
Average Days in Port per Vessel



GMP Data Table 5D-1

In August, the overall average time vessels were in port waiting and loading grain was 9.1 days, 4.2% lower than in August of 2017. Although spending less time than a year ago, the average is 23.0% higher than that seen in the previous month. All three western ports registered increases from that seen in July. For the month, the days in port stood at 14.3 for Vancouver, 12.6 for Prince Rupert and 2.4 at Thunder Bay.

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



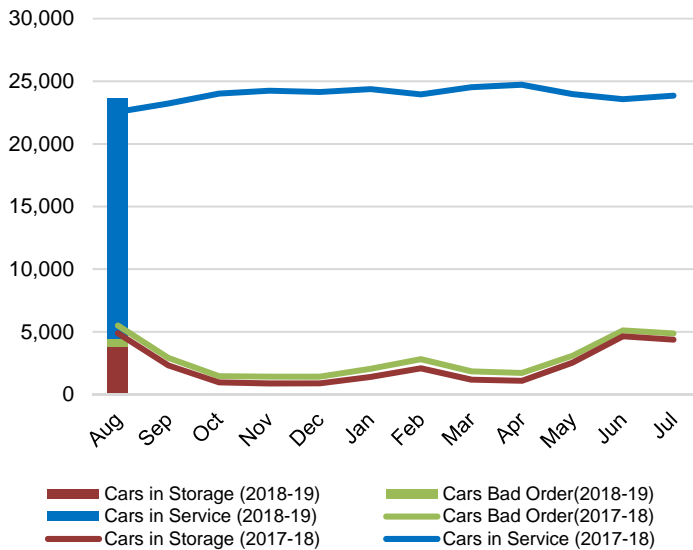
GMP Data Table 5C-5

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 grew to 14.8% in August from 6.4% in July. Terminal out-of-car time at Vancouver increased to 15.4% in August, and to 37.5% at Prince Rupert while falling to 1.7% at Thunder Bay.

Railway Grain Fleet Size and Utilization

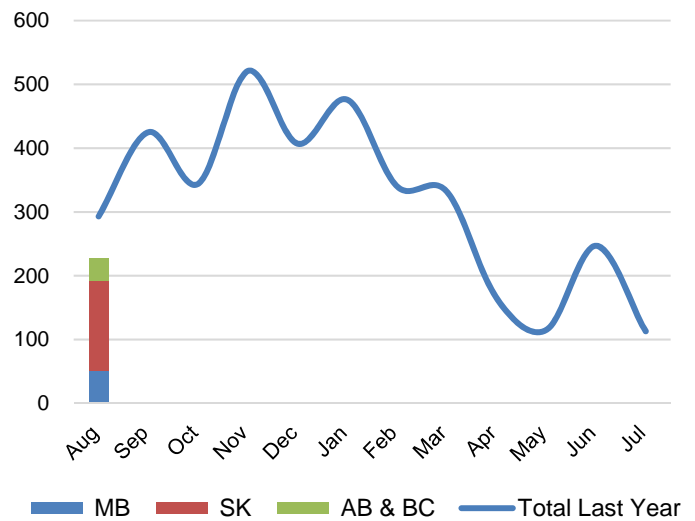


GMP Data Table 3B-2

During times of heavy demand for grain hopper cars, nearly all of 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 2017-18 crop year as in July 2018, a weekly average of 18,985 cars representing 80% of the fleet, was in active service. Cars in service grew slightly in August as the new-crop shipping demand emerged. For the first month of this crop year, an average 19,242 cars per week, representing 81% of the overall fleet, were in grain service. The balance of the fleet, comprising 19% of the rail cars, is in storage or repair status (bad order).

Producer Cars

Producer Cars Scheduled by Province



GMP Data Table 6B-2

Producer car shipments have shifted from primarily being wheat, durum, and oats to reflect a significant increase in the number of cars carrying special crops. Shipments throughout the first month of the 2018-19 crop year continue to reflect this trend, with the traditional commodities comprising only 70% of the total. Special crops such as peas, lentils and chickpeas contributed 19% of the current volume.



Quorum Corporation
 Suite 701, 9707 – 110 Street
 Edmonton, AB T5K 2L9
 Email: info@quorumcorp.net
 Web: www.grainmonitor.ca
 Phone: (780) 447-2111

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

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

