

## GMP Dashboard

Table M-1	DEC 2020	JAN 2021	2020-21 YTD	Var. from Last YTD
<b>Western Canadian GHTS Performance (Days)</b>				
Total Time in System	44.0	41.4	41.0	-1.0%
Average Days In Store – Country	25.3	26.3	24.3	5.0%
Loaded Transit Time	7.3	8.2	7.0	-1.5%
Average Days In Store – Terminal	11.4	6.9	9.7	-13.4%
<b>Total Traffic ('000 tonnes)</b>				
Primary Elevator Shipments	5,599.5	4,3238.8	29,600.1	19.3%
Railway Shipments (all Western Canada traffic)	5,746.3	5,263.1	33,754.0	19.5%
Western Port Terminal Shipments	4,150.0	3,402.7	23,946.2	30.8%
<b>Railway Performance</b>				
Avg. Loads on Wheels (Cars)	14,052	12,780	12,840	22.0%
Total Western Port Car Cycle (days)	14.9	16.2	14.7	-10.6%
<b>Port Performance</b>				
Western Port Unloads (Number of Cars)	45,462	35,325	253,910	28.3%
Vessel Time in Port (days)	11.7	15.6	11.8	10.1%

*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

Railway grain shipments from Western Canada fell by 8.4% in January 2021, to 5.3 MMT from December's 5.7 MMT. Despite this seasonal decline, total shipments for the first six months of the 2020-21 crop year rose by 19.5%, to a record 33.8 MMT. Port shipments for January totaled 3.4 MMT, an 18.0% decrease from December volumes as eastern movement slowed with the close of navigation on the Seaway. Notwithstanding the month-over-month slowdown, year-to-date bulk shipments from western ports stand 30.8% higher than the previous year. Accompanying the increase in shipments, is a 15.6-day average in the amount of time vessels spent in port in January, with the first-half average measuring 11.8 days.

## Highlights for January 2021 and Second Quarter 2020-21 CY

### Traffic and Movement (page 2)

- Primary-elevator shipments were 29.6 MMT in the first half of the 2020-21 crop year, 19.3% more than in the previous year.
- Total Western Canadian rail shipments (from all primary/process elevators and producer-car sites) totaled almost 33.8 MMT in the first half of the 2020-21 crop year, 19.5% above the previous crop year's 28.2 MMT.
- Bulk shipments from Western Canadian ports totaled 23.9 MMT in the first half of the 2020-21 crop year, up 30.8% from last crop year.

### System Efficiency and Performance (page 4)

- Average weekly primary-elevator stocks increased by 27.6% from last year-to-date. The average days-in-store was up 5.0%.
- Average weekly port-terminal stocks increased 15.8% from the same period last year, while average days-in-store fell 13.4%.
- Railcar cycle times rose in January, with the preliminary average for Western Canadian movements increasing by 9.2%, to 16.2 days from 14.9 days in December. Conversely, the year-to-date average fell, by 10.6%, to 14.7 days from 16.5 days a year earlier.
- The first-half 2020-21 crop-year average for vessel time in port is 11.8 days, a 10.1% increase from that observed in the previous crop year.
- Port-terminal out-of-car time fell to 14.1% at Vancouver in January from 16.2% in December, and to 13.8% at Prince Rupert from 16.8%. At Thunder Bay the out-of-car time fell to 0.0% from 6.8% the previous month as port activities were largely curtailed.

### Commercial Relations (page 6)

- Average primary-elevation charges increased 0.5% in the first half of the 2020-21 crop year.
- Both CN and CP reduced their single-car freight rates at the beginning of August 2020, CN by about 3.8% and CP by a lesser 3.0%. CN advanced increases in each of the succeeding months, effectively lifting its rates on movements to Vancouver, Prince Rupert and Thunder Bay by up to 7.9% at the end of the first half. In comparison, CP maintained its rates on traffic destined to Vancouver and Thunder Bay through the next five months, preserving net reductions of about 3.0%.
- Average terminal-elevation charges increased 4.2% in the first half of the 2020-21 crop year.

### Infrastructure (page 6)

- The country-elevator network increased to 408 facilities from 402 in the first half of the crop year. Storage capacity rose by 1.8% to a record 9.0 MMT. Much of the gain was tied to the licencing of several new loop-track elevators, which now total 29.
- No changes were recorded against the railway network in the first six months of the 2020-21 crop year.
- The second quarter's licencing of the Fraser Grain Terminal lifted the total number of terminal elevator facilities to 18, with almost 2.8 MMT in storage capacity.

## 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.
<b>Production &amp; Carry Over (000's tonnes)</b>			
<b>Western Canada Total Production</b>	77,745.1	75,090.3	3.5%
<b>Western Canada On Farm &amp; Primary Elevator Carry Forward Stock</b>	8,074.6	10,196.2	-20.8%
<b>Total Grain Supply</b>	<b>85,819.7</b>	<b>85,286.5</b>	<b>0.6%</b>

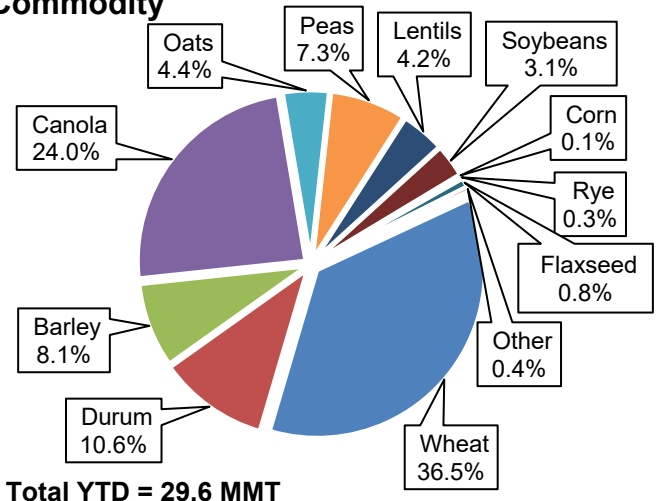
## Traffic and Movement

Continuing the strong trend set throughout the crop year to date, January deliveries averaged 1.2 MMT per week. Average weekly primary-elevator stock levels held steady at 4.2 MMT, with good space available in facilities across the prairies.

Table M-3	JAN 2021	2020-21 YTD	Var. from Last YTD
<b>Primary Elevator Shipments (000's tonnes)</b>			
Manitoba	630.0	5,463.1	19.1%
Saskatchewan	2,473.6	16,169.2	20.8%
Alberta	1,209.3	7,817.7	18.3%
British Columbia	15.9	150.1	-33.6%
<b>Total</b>	<b>4,328.8</b>	<b>29,600.1</b>	<b>19.3%</b>
<b>Western Canada Railway Traffic (000's tonnes)</b>			
Shipments to Western Ports	3,912.2	27,555.9	24.7%
Shipments to Eastern Canada	636.7	2,201.1	15.8%
Shipments to US & Mexico	635.0	3,574.2	-4.0%
Shipments Western Domestic	79.2	422.8	-18.7%
<b>Total</b>	<b>5,263.1</b>	<b>33,754.0</b>	<b>19.5%</b>
<b>Western Port Unloads (Number of Cars)</b>			
Vancouver	26,855	168,873	40.3%
Prince Rupert	5,186	31,005	16.4%
Churchill	0	1,063	-27.9%
Thunder Bay	3,284	52,969	7.0%
<b>Total</b>	<b>35,325</b>	<b>253,910</b>	<b>28.3%</b>

Table M-3	JAN 2021	2020-21 YTD	Var. from Last YTD
<b>Terminal Elevator Shipments (000's tonnes)</b>			
Vancouver	2,606.9	15,976.2	42.2%
Prince Rupert	586.0	2,959.6	25.0%
Churchill	0.0	95.7	-30.3%
Thunder Bay	209.8	4,914.7	7.6%
<b>Total</b>	<b>3,402.7</b>	<b>23,946.2</b>	<b>30.8%</b>

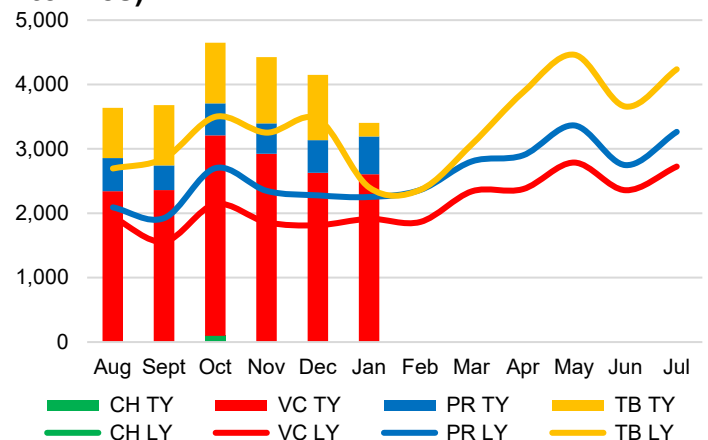
## Primary Elevator Shipments by Commodity



GMP Data Table 2A-1

Grain shipments from primary elevators surged in the first half of the 2020-21 crop year, registering 19.3% more than in the same period the previous year. Wheat, including durum, and canola continue to constitute the largest proportion of the movement at 71.1%. Movement of peas and lentils contributed 11.5% of the balance.

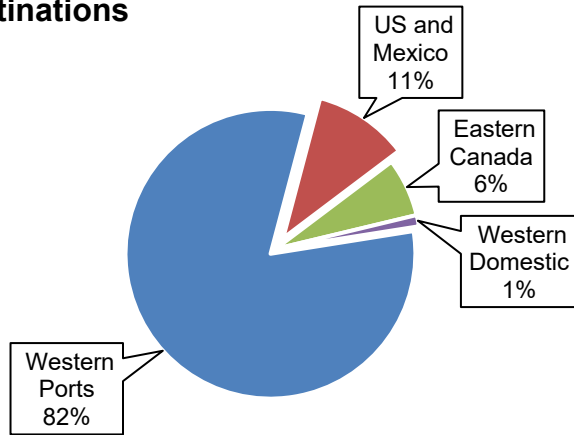
## Terminal Elevator Shipments (000's tonnes)



GMP Data Table 2C-1

Bulk shipments from western ports grew in the first half of the 2020-21 crop year, registering a 30.8% increase on a year-over-year basis. Shipments were up at all ports except Churchill which experienced a decline of 30.3%. Vancouver and Prince Rupert recorded the largest increases at 42.2% and 25.0% respectively.

## Western Canadian Grain Destinations

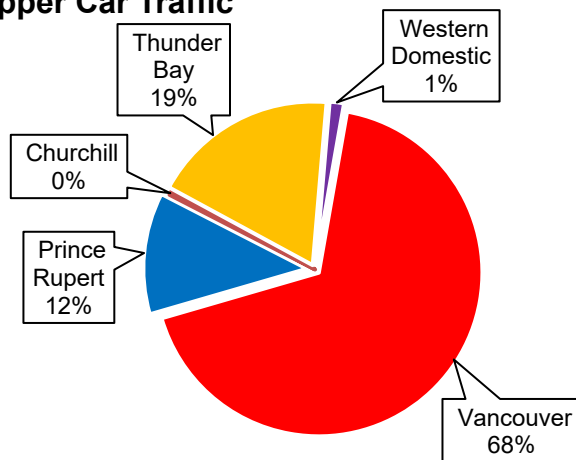


Total YTD = 33.8 MMT

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

Owing in large measure to full operation of the new G3 Terminal in Vancouver, railway grain shipments from Western Canada rose to a record 33.8 MMT in the first half of the 2020-21 crop year, 19.5% more than the 28.2 MMT handled in the same period a year earlier. The majority, about 27.6 MMT, or 82%, was directed to Western Canadian ports in support of offshore sales; 24.7% over what had been handled a year earlier. This was supported by a 15.8% increase in shipments to Eastern Canada. Running counter to these gains were reductions in movements to Western Domestic destinations, which fell by 18.7%, and a combined 4.0% for shipments into the US and Mexico.

## Western Canadian Destined Hopper Car Traffic



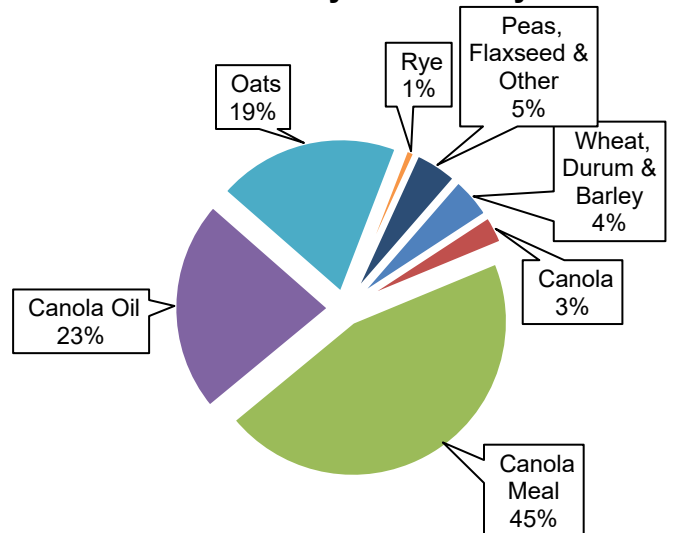
Total YTD - 26.8 MMT

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 half of the 2020-21 crop year this amounted to over 26.8 MMT, up 24.4% from a year earlier. Sixty-eight percent of these hopper cars were destined to Vancouver, which remains the port of choice for exporting grain, given its ready access to Asia-Pacific markets and

the concentration of export terminal facilities. A 37.0% increase in hopper-car shipments to Vancouver was largely responsible for shaping the broader growth in traffic. This was supported by substantive gains in shipments to Prince Rupert and Thunder Bay, which rose by 9.7% and 4.0% respectively. Running counter to these increases, however, were declines in shipments to Churchill and Western Domestic destinations, which fell by 20.9% and 20.6% respectively.

## US Destined Grain by Commodity

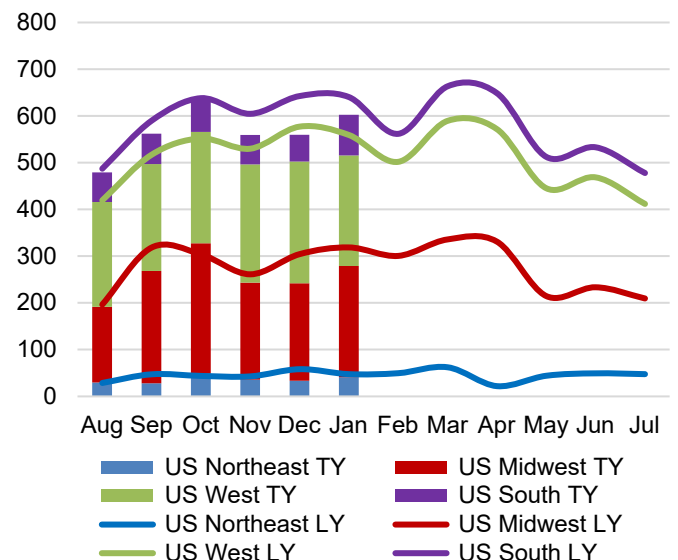


Total YTD - 3.4 MMT

GMP Data Table 2B-18

Total railway shipments into the US reached just over 3.4 MMT in the first half of the 2020-21 crop year, down 5.6% from that handled a year earlier. About 80% of these shipments are directed into the Midwestern and Western US, with canola and canola products dominating.

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



GMP Data Table 2B-18

## System Efficiency and Performance

Primary-elevator stocks grew through the first half of the crop year, climbing from 2.7 MMT in August to 4.2 MMT in January. The overall first-half average is 4.0 MMT. Space in the country system has been good for most of the crop-year-to-date. Country stocks utilized 80% of the working capacity of the network in January. By province, stocks ranged from 77% and 78% in Manitoba and Saskatchewan respectively, to 84% in Alberta and 100% in British Columbia.

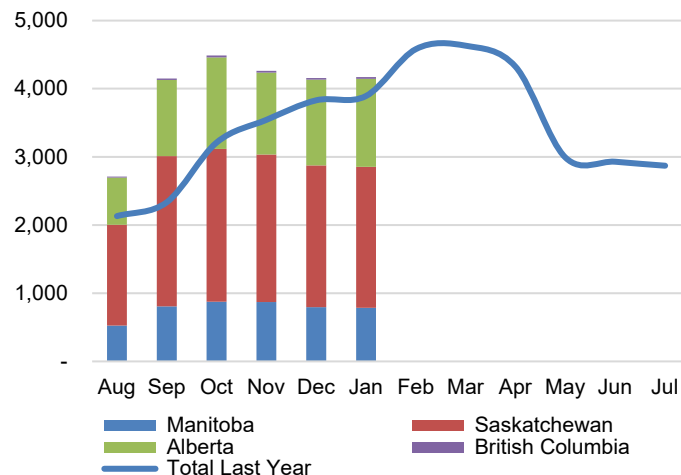
The average days-in-store in the primary-elevator system for the first half increased from last year, rising 5.0% to 24.3 days.

Table M-4	JAN 2021	2020-21 YTD	Var. from Last YTD
<b>Primary Elevator</b>			
Average Weekly Stocks (000's tonnes)	4,169.1	3,995.3	27.6%
Average Days in Store	26.3	24.3	5.0%
<b>Railway Operations (days)</b>			
Cycle Time to Western Ports	16.2	14.7	-10.6%
Cycle Time to Eastern Canada	18.9	21.2	-2.4%
Cycle Time to US	24.9	24.3	-7.4%
Loaded Transit to Western Ports	8.2	7.0	-1.5%
Loaded Transit to Eastern Canada	8.8	10.8	8.9%
Loaded Transit to US	10.4	10.3	7.6%
Rail Fleet in Grain Service	23,838	23,633	10.2%
<b>Western Canada Terminal Elevator</b>			
Average Weekly Stocks (000's tonnes)	1,340.4	1,299.8	15.8%
Average Days in Store	6.9	9.7	-13.4%
Port Unloads (hopper cars)	35,325	253,910	28.3%
Terminal Out-of-Car Time	11.9%	15.4%	53.6%
<b>Western Canada Port Operations</b>			
Average Vessel Time in Port (days)	15.6	11.8	10.1%

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



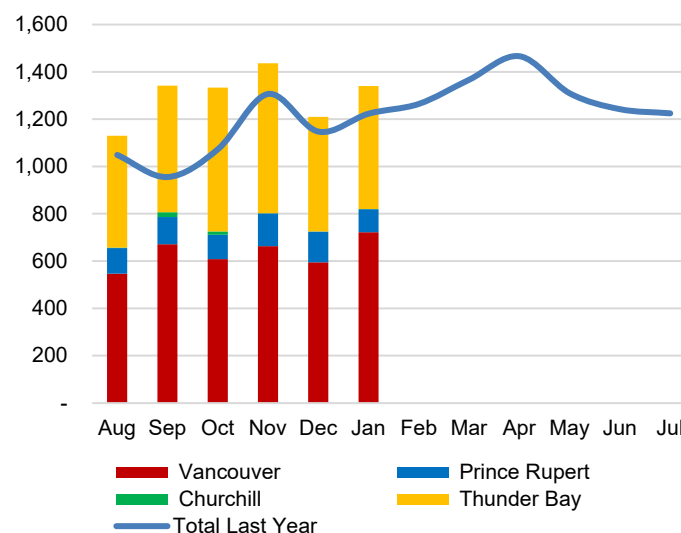
## Average Weekly Primary Elevator Stocks (000's tonnes)



GMP Data Table 5A-2

Primary elevator stocks ended the last crop year averaging 2.9 MMT in store. In August, they pulled back further to average 2.7 MMT before reversing direction and rising to average 4.5 MMT in October, propelled by the early harvest. By January, they had once again pulled back to average 4.2 MMT. Wheat, including durum, and canola, comprise 69% of the total stock. At 21% of the stock, barley, oats and peas made up much of the balance.

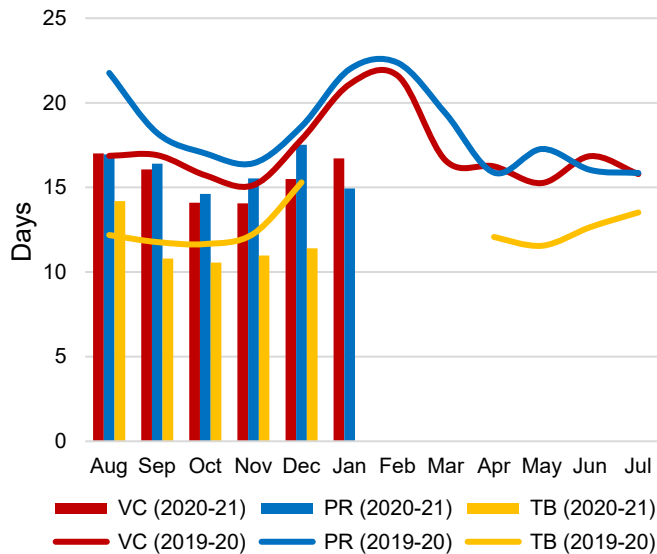
## Average Weekly Terminal Elevator Stocks (000's tonnes)



GMP Data Table 5C-2

Overall terminal elevator stocks averaged 1.3 MMT in the first half of the 2020-21 crop year, 15.8% greater than the previous year. January stocks built by some 10.8% from those one month earlier in December 2020. Terminal stocks posted a 9.6% gain from the all-ports levels seen in January 2020. Wheat, including durum, and canola, comprise over 77% of the total stock. In January, western ports utilized 69% of their overall working capacity.

## Railway Cycle Times to Western Ports (days)

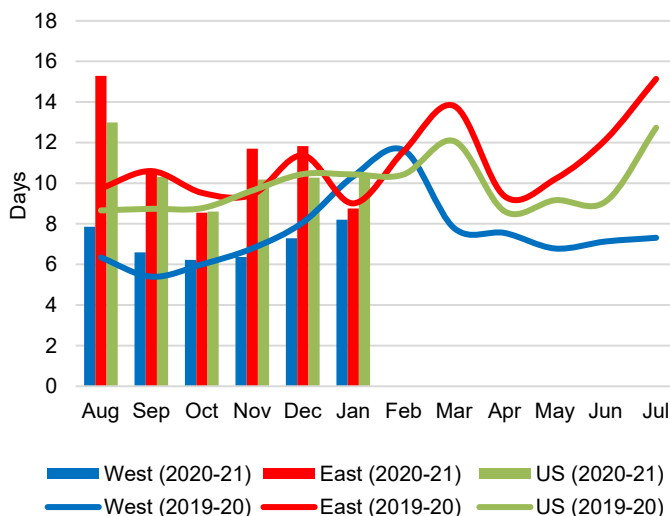


GMP Data Table 5B-1

Railway car cycles to Western Canadian ports averaged 14.7 days in the first half of the 2020-21 crop year, down 10.6% from the 16.5-day average posted in the previous crop year. This result was shaped by decreases in all three corridors, with the Vancouver average falling 10.4%, the Prince Rupert average 14.0%, and the Thunder Bay average 13.0%.

The average car cycle on movements into Eastern Canada and the United States also declined. The average on Eastern Canadian shipments fell by 2.4%, to 21.2 days from 21.7 days a year earlier. The car cycle for movements into the United States declined by 7.4%, to an average of 24.3 days from the 26.2-day average posted in the same period of the previous crop year.

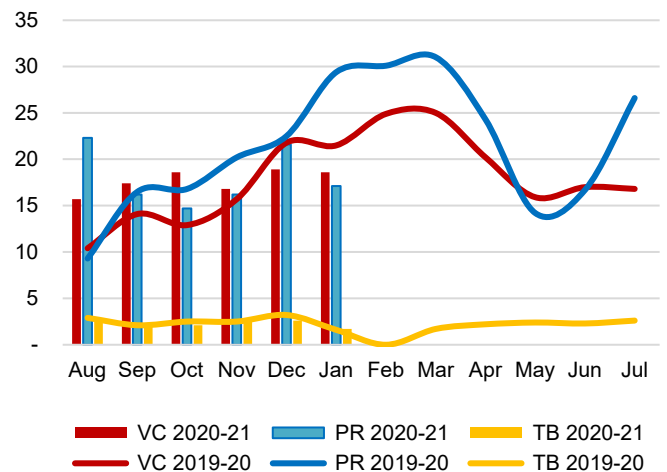
## Average Loaded Transit Times (days)



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

The loaded transit time for traffic destined to Western Canadian ports averaged 7.0 days in the first half of the 2020-21 crop year, down 1.5% from the 7.1-day average posted a year earlier. This was the product of decreases in all three corridors, with the Vancouver average falling 10.4%, the Prince Rupert average 14.0%, and the Thunder Bay average 13.0%. An 8.9% increase was observed on movements into Eastern Canada, with the average loaded transit time rising to 10.8 days from 9.9 days twelve months before. Similarly, the average on movements into the United States increased by 7.6%, to 10.3 days from 9.6 days.

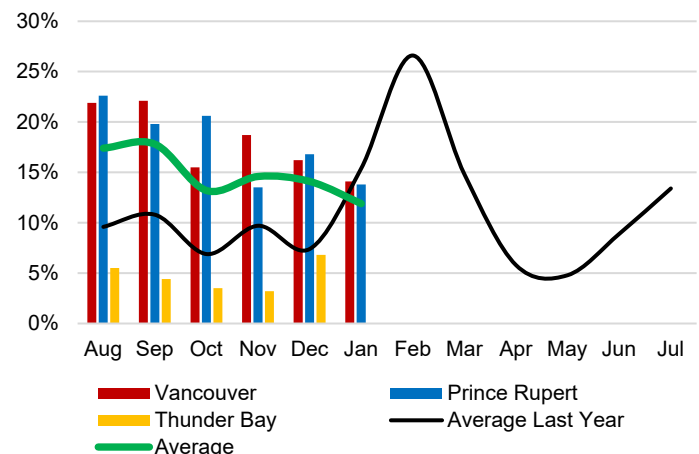
## Average Days in Port per Vessel



GMP Data Table 5D-1

In January, the overall average time vessels were in port waiting and loading grain rose to 15.6 days from 11.7 days the month before. The crop-year average stands at 11.8 days, 10.1% higher than that registered in the previous crop year. Despite the year-over-year increase, all western ports experienced modest declines from December levels. For the month of January, days in port stood at 18.6 for Vancouver, 17.1 for Prince Rupert and 1.7 for 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 11.9% in January, with a crop-year-to-date average of 15.4%. Terminal out-of-car time at Vancouver fell to 14.1% in January, to 13.8% at Prince Rupert and to 0.0% at Thunder Bay.

## Commercial Relations

<b>Table M-5</b> Rates: \$CDN per tonne	<b>Q2</b> 2020-21	<b>Index</b> (1999=100)	<b>% Change</b> YTD
<b>Avg. Primary Elevation</b>	16.69	139.1	0.5%
<b>Rail to Vancouver</b>			
CN	60.90	165.9	7.9%
CP	58.58	159.1	-3.2%
<b>Rail to Pr. Rupert</b>			
CN	60.90	146.6	7.9%
<b>Rail to Thunder Bay</b>			
CN	58.61	181.3	6.1%
CP	50.49	167.8	-2.9%
<b>Average Terminal Elevation</b>	15.00	164.6	4.2%

*Note: Commercial rates are measured on a quarterly basis, the above table refers to rates at the close of the first half of the 2020-21 crop year (as at 31 January 2021). Railway freight rates reflect average published single-car rates, and do not include multi-car incentives (\$8/tonne for 100+ car blocks).*

Both CN and CP initially reduced their single-car freight rates at the beginning of the 2020-21 crop year. In the case of CN, this amounted to an across-the-board reduction of about 3.8%. However, the reduction was reversed with consecutive increases of up to 5.0% in September, 5.0% in October, and 1.9% November. By the close of the second quarter CN had effectively lifted its rates on movements to Vancouver and Prince Rupert by 7.9%, and Thunder Bay by 6.1%. In comparison, CP's applied an initial reduction of 3.2% on its rates to Vancouver at the beginning of August, with a marginally lesser cut of 2.9% on those to Thunder Bay. Unlike CN, however, CP maintained these rates unchanged through to the end of January 2021.

## Commercial Developments

**Container supply remains constricted:** In the fall of 2020, steamship lines returning containers from North America to Asia began to restrict their loading in order to expedite the empty return of equipment and safeguard the more lucrative movement of consumer goods out of China. However, what had been portrayed as a short-term measure to address a COVID-induced equipment imbalance by Christmas has now stretched into its fourth month, with little sign of abating. This has left many Canadian agricultural exporters dependent on the availability of empty backhaul containers unable to secure the equipment they need to fill smaller export grain sales, especially for pulses and special crops.

Moreover, the problem has been exacerbated by China's willingness to pay hefty premiums to ensure its supply of empty containers. As a result, containerized Canadian grain shipments remain backlogged, with little hope of significant improvement until the underlying trade and economic inequities are normalized.

**Roquette opens pea-processing facility:** Following the granting of a process-elevator licence, Roquette's new 200,000 square foot pea processing plant in Portage la Prairie, Manitoba, began accepting its first deliveries from local farmers in November 2020. Construction of the \$600 million facility, which began some three years earlier in 2017, is touted as the largest pea-protein processing plant in the world. The site was strategically located to take advantage of Canada's standing as the world's largest producer of peas, accounting for about 30% of total global production. The market for plant-based proteins – especially pea protein – has grown significantly in the wake of greater consumer health consciousness and sustainability concerns. The company anticipates requiring around 125,000 tonnes of yellow peas annually when running at full capacity, which is expected sometime in early 2022.

**Transport Canada launches consultations:** On 11 December 2020, the federal transport minister announced the launching of the next phase of consultations on Transport Canada's preliminary proposal to collect new data from Class 1 freight railways, including enhanced service and performance information, that are to be made publicly available. Building on provisions included in the Transportation Modernization Act, which became law in 2018, the new Transportation Information Regulations are aimed at enhancing transparency into Canadian railway operations. Written commentary on the proposal will be accepted through 26 February 2021.

## Infrastructure

Apart from the railways' car fleet, GMP measures relating to infrastructure are reported on a quarterly basis. The first half of the 2020-21 crop year brought some notable changes to the GHTS's physical infrastructure.

The country-elevator network gained six facilities in the first half, rising to 408 facilities from 402. This gain was the net product of various licencing changes, including the licencing of three new Alberta-based loop-track facilities in the second quarter – two opened by G3 at Stettler and Irricana, and one by Richardson at High Level – which lifted the total number of such facilities to 29. All of this added another 163,200 tonnes of new storage capacity to the system, which reached a record 9.0 MMT.

There were no changes recorded against the railway network in the first half. Total mileage remained unchanged at 17,265.7 route-miles, with 84.5% of it being operated by CN and CP.

The terminal elevator network saw an expansion with the licencing of the Fraser Grain Terminal in the second quarter, lifting the total number of facilities to 18 with almost 2.8 MMT in storage capacity.

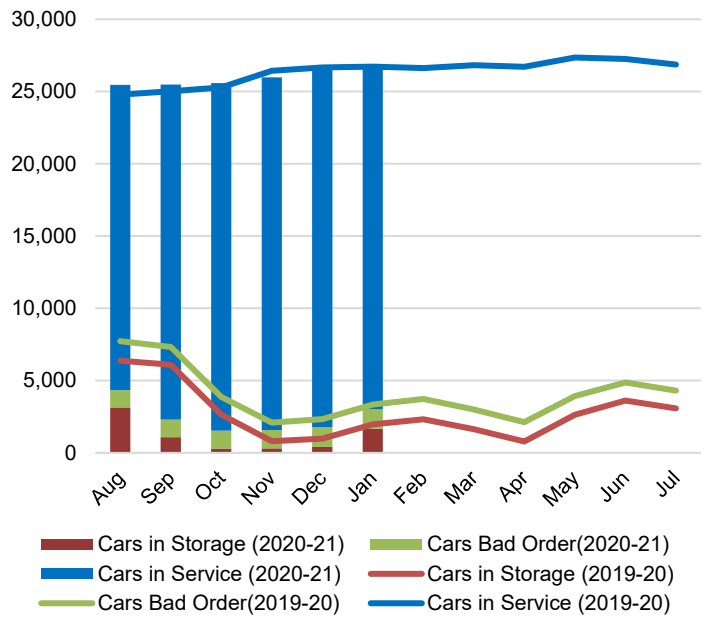
Table M-6	Q2 2020-21	Index (1999=100)	% Change YTD
<b>Country Elevator</b>			
Primary and Process Elevators (Count)	408	40.6	1.5%
Storage Capacity (000's tonnes)	9,038.6	128.6	1.8%
<b>Railway</b>			
Route Miles - Major Carriers	14,596.1	98.4	0.0%
Route Miles - Shortline Carriers	2,669.6	57.5	0.0%
Route Miles - Total	17,265.7	88.7	0.0%
Average Weekly Total Hopper Car Fleet Size*	26,515	n/a	0.7%
<b>Terminal Elevator</b>			
Terminal Facilities (Count)	18	128.6	5.9%
Storage Capacity (000's tonnes)	2,767.5	108.2	2.7%

\* Hopper Car Fleet Size represents all cars in all statuses for the first half of the 2020-21 crop year.

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 2018-19 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 and again retreating to 23,838 in January. The average cars in service for the first half of this crop year represent 91% of the total fleet. The balance of the fleet, comprising 9% of the rail cars, was in storage or repair status (bad order).



## Railway Grain Fleet Size and Utilization



GMP Data Table 3B-2

## Producer Cars

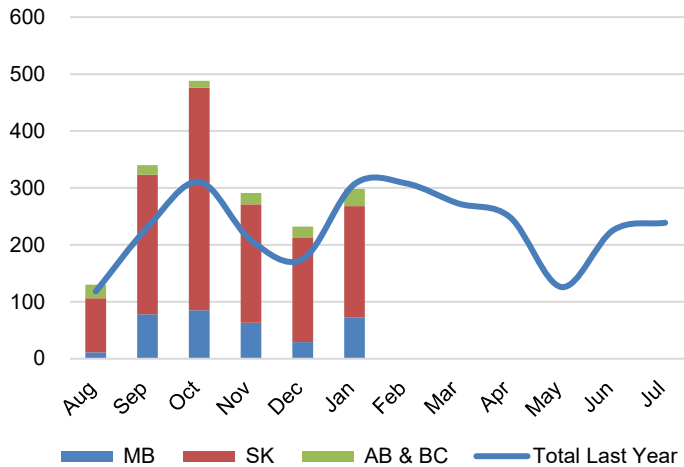
No change was registered in the number of producer-car loading sites in the first half of the 2020-21 crop year. The total number of available producer-car loading locations at the end of January stands at 272.

Table M-7 Producer Car Loading Sites	Q2 2020-21	Index (1999=100)	% Change YTD
Class 1 Carriers	142	22.2	0.0%
Shortline Carriers	130	200.0	0.0%
<b>All Carriers</b>	<b>272</b>	<b>38.3</b>	<b>0.0%</b>

Table M-8 Producer Cars Scheduled	Q2 2020-21	2020-21 YTD	Var. from Last YTD
Manitoba	174	174	19.2%
Saskatchewan	731	731	72.8%
Alberta & B.C.	53	53	-41.8%
<b>Total</b>	<b>958</b>	<b>958</b>	<b>45.2%</b>

Although producer cars scheduled for January 2021 were 2.9% less than in January 2020, the crop-year-to-date number marks an upturn of 31.8% from the previous year. The 2020-21 crop year continues the trend seen late in the last crop year when year-over-year increases were registered for the first time since the 2013-14 crop year.

## Producer Cars Scheduled by Province

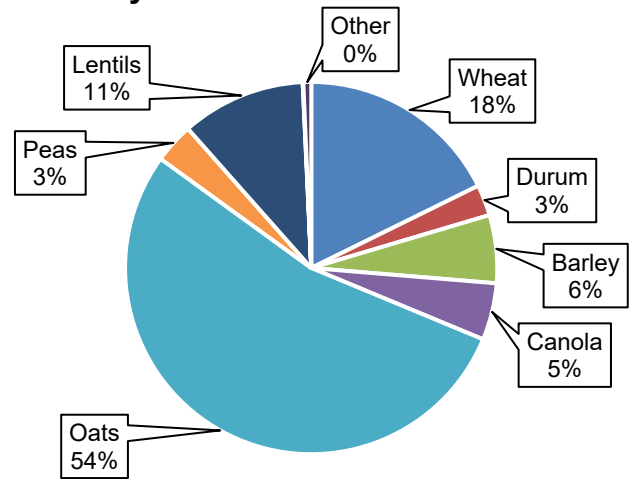


GMP Data Table 6B-2

Recent years has seen the proportion of producer-car shipments devoted to oats grow while a decrease has been registered in the number of cars carrying other cereal grains. Shipments through the first half of the 2020-21 crop year continue to reflect this trend,

with oats comprising 54% of the total, while wheat, durum and barley combined comprise only 27%. Special crops such as peas, lentils and chickpeas contributed 14%, while oilseeds rounded out the final 5% of the total volume.

## Producer Cars Scheduled by Commodity



GMP Data Table 6B-2



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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 format on Quorum's website at: [www.grainmonitor.ca](http://www.grainmonitor.ca)

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