

Grain Monitoring Program Report for: April 2024 / Q3 2023-24 CY

Release Date: May 29, 2023

GMP Dashboard

Table M-1	MAR 2024	APR 2024	2023-24 YTD	Var. from Last YTD
Western Canadian	GHTS Perf	formance (Da	ys)	
Total Time in System	43.2	38.4	42.7	6.2%
Average Days In Store – Country	28.7	22.7	25.6	4.1%
Loaded Transit Time	7.0	6.3	6.3	8.6%
Average Days In Store – Terminal	7.5	9.4	10.8	10.2%
Total Traffic ('000	tonnes)			
Primary Elevator Shipments	3,713.3	4,125.7	36,279.2	-9.4%
Railway Shipments (all Western Canada traffic)	4,649.0	5,058.9	41,327.3	-7.6%
Western Port Terminal Shipments	2,875.1	3,487.6	28,440.2	-9.7%
Railway Performan	псе			
Avg. Loads on Wheels (Cars)	10,409	10,007	8,955	-8.2%
Total Western Port Car Cycle (days)	16.4	14.1	15.3	10.6%
Port Performance				
Western Port Unloads (Number of Cars)	28,076	36,529	295,414	-10.6%
Vessel Time in Port (days)	14.5	10.9	10.4	-1.3%

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 railway grain shipments increased by 8.8% in April 2024, to almost 5.1 MMT from 4.6 MMT in March. This modestly strengthened 2023-24 crop year shipments, with total YTD tonnage falling by 7.6%, to 41.3 MMT from 44.7 MMT a year earlier. Port shipments for April totaled 3.5 MMT, a 21.3% increase from March volumes, and a 6.0% increase from those in April 2023. Crop-year-to-date, shipments registered a decline of 9.7% at the end of the first three quarters. Month-over-month, a decrease is seen in the average amount of time vessels spent in port, which fell to 10.9 days in April from 14.5 in March. The overall first-three-quarter-average vessel time in port measures 10.4 days.

Highlights for April 2024 and Third Quarter 2023-24 CY

Traffic and Movement (page 2)

- Primary-elevator shipments of 36.3 MMT in the first three quarters of the 2023-24 crop year, were 9.4% less than in the previous year.
- Total Western Canadian rail shipments to all destinations (from all primary/process elevators and producer-car sites) in the first nine months of the 2023-24 crop year totaled 41.3 MMT, down 7.6% from the previous crop year.
- Bulk shipments from Western ports totaled 28.4 MMT in the first three quarters of the crop year, down 9.7% from last crop year.

System Efficiency and Performance (page 4)

- Average weekly primary-elevator stocks decreased 4.6% from the same period last year, while average days-in-store grew 4.1%.
- Average weekly port-terminal stocks increased 0.7% from the same period last year, while average days-in-store grew 10.2%.
- The preliminary average car cycle for hopper-car movements to Western Canadian ports decreased by 14.0% in April, to 14.1 days from 16.4 days in March. Still, the YTD average rose by 10.6%, to 15.3 days from the 13.8 days posted a year earlier. In comparison, the car cycles tied to movements into Eastern Canada decreased, with the YTD average falling by 12.2% to 21.0 days, while those into the US posted a 3.3% increase, rising to an average of 27.0 days.
- The average vessel time in port during the first three quarters of the 2023-24 crop year was 10.4 days, a 1.3% decrease from that observed the previous crop year.
- Port-terminal out-of-car time fluctuated through the third quarter, jumping to 21.9% in February before settling to 14.4% in April. The overall crop-year-to-date value stood at 15.5% at the end of April.

Commercial Relations (page 6)

- Average primary-elevation charges declined 0.6% in the first three quarters of the 2023-24 crop year.
- Both CN and CPKC raised their single-car freight rates sharply in the first quarter, with CN's rates increasing by a factor of 40% while CPKC's rose by a lesser 30%. These remained unchanged until January 2024 when both carriers began instituting selective reductions. These actions effectively trimmed the net increases to between 8% and 10% for CN, and to between 5% and 11% for CPKC by the end of the third quarter.
- Average terminal-elevation charges declined by 1.1% in the first three quarters of the 2023-24 crop year.

Infrastructure (page 6)

- With the close of the third quarter the country-elevator network had fallen by 1.2%, to 400 facilities from 405. Storage capacity fell by a slightly greater 1.7% to just over 9.4 MMT. The number of looptrack-equipped elevators rose to 51 from 46.
- Railway infrastructure was unchanged at 17,265.7 route-miles.
- The terminal elevator network also remained unchanged, with 17 facilities and almost 2.8 MMT of storage.
- The hopper-car fleet declined modestly through the first three quarters of the crop year, to an average of 21,692 cars, 2.2% less than was recorded a year earlier.

Production and Supply

Statistics Canada's October-November producer-survey estimate for 2023 field-crop production in Western Canada stands at 67.3 MMT, a 10.1% decrease from 2022's 74.8 MMT harvest. This decline reflects the impact of deficient rainfall with intermittent coverage across the prairies throughout the 2023 growing season. This estimate represents a 5.4 MMT increase from the model-based estimate recorded at the end of August. Increases from the previous estimate were registered for all major crops with the exception of durum, which declined slightly.

When coupled with July's 5.4 MMT of carry-forward stocks, some 26.0% more than in 2022, the overall grain supply is estimated at 72.7 MMT. This stands 8.1% below the 2022-23 crop year's 79.2-MMT level, marking the return of relatively tight grain supplies available to meet domestic and export demands.

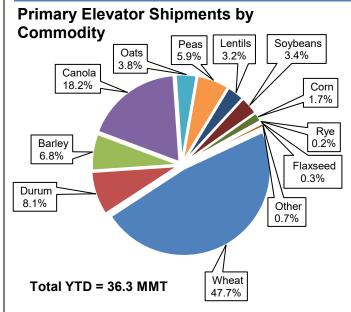
Table M-2	2023	2022	Var. from Last Yr.
Production & Carry Forward	(000's tonne	s)	
Western Canada Total Production - Preliminary	67,299.1	74,839.5	-10.1%
Western Canada On-Farm & Primary Elevator Carry Forward Stock	5,431.4	4,311.8	26.0%
Total Grain Supply	72,730.5	79,151.3	-8.1%

Traffic and Movement

At the three-quarter mark, April deliveries fell to average just over 0.8 MMT per week. Weekly primary-elevator stocks fell from those in the previous month averaging 3.5 MMT, with good space available in elevator facilities across the prairies.

Table M-3	APR 2024	2023-24 YTD	Var. from Last YTD	
Primary Elevator Shipments (000's tonnes)				
Manitoba	759.8	6,900.5	8.9%	
Saskatchewan	2,018.0	17,692.6	-14.6%	
Alberta	1,322.0	11,470.9	-1.0%	
British Columbia	25.9	215.2	-13.7%	
Total	4,125.7	36,279.2	-9.4%	
Western Canada Railway Tra	affic (000's to	nnes)		
Shipments to Western Ports	4,134.4	32,519.0	-8.6%	
Shipments to Eastern Canada	150.6	1,887.1	-7.3%	
Shipments to US & Mexico	676.4	6,141.4	-3.2%	
Shipments Western Domestic	97.5	779.8	0.3%	
Total	5,058.9	41,327.3	-7.6%	
Western Port Unloads (Number of Cars)				
Vancouver	24,676	215,542	-9.2%	
Prince Rupert	2,947	25,777	-35.7%	
Churchill	0	0	n/a	
Thunder Bay	8,906	54,095	2.2%	
Total	36,529	295,414	-10.6%	

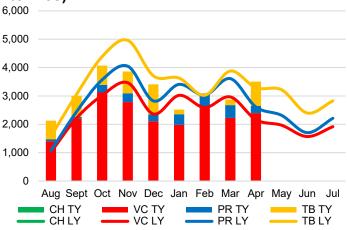
Table M-3	APR 2024	2023-24 YTD	Var. from Last YTD
Terminal Elevator Shipments	(000's tonne	es)	
Vancouver	2,397.2	20,784.3	-8.9%
Prince Rupert	235.3	2,533.5	-33.1%
Churchill	0.0	0.0	n/a
Thunder Bay	855.1	5,122.4	4.5%
Total	3,487.6	28,440.2	-9.7%



GMP Data Table 2A-1

Crop-year to date grain shipments from primary elevators fell, registering 9.4% less than in the previous year. Wheat, including durum, and canola continue to constitute the largest proportion of the movement at 64.0%. Movement of peas and lentils contributed 9.1% of the balance.

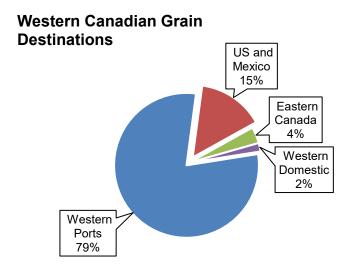
Terminal Elevator Shipments (000's tonnes)



GMP Data Table 2C-1

Bulk shipments from western ports fell in the first three quarters of the 2023-24 crop year, registering an 9.7% decrease on a year-over-year basis. While Vancouver shipments registered an 8.9% decline, those at Prince Rupert fell by 33.1%. Thunder Bay saw a small, 4.5% increase from the first nine months last year.



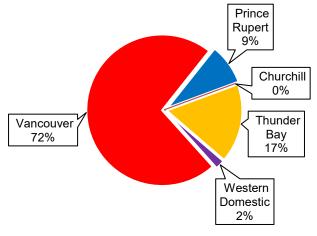


Total YTD = 41.3 MMT

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

Railway grain shipments from Western Canada totaled a little over 41.3 MMT in the first nine months of the 2023-24 crop year, 7.6% less than the 44.7 MMT handled a year earlier. The majority, about 32.5 MMT, or 79%, was directed to Western Canadian ports in support of offshore sales; 8.6% less than what had been handled a year earlier. Movements into Eastern Canada fell by a marginally lesser 7.3% while shipments to the US and Mexico declined by 3.2%. Conversely, movements to Western Domestic destinations rose by 0.3%.

Western Canadian Destined Hopper Car Traffic



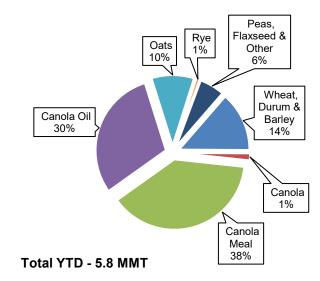
Total YTD - 32.5 MMT

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 nine months of the 2023-24 crop year this amounted to about 32.5 MMT, down 8.9% from the 35.7 MMT handled a year earlier. Seventy-two 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 7.2% decrease in hopper-car shipments to Vancouver was largely responsible for shaping the broader decline in traffic. This was amplified by reduced shipments to Prince Rupert and Western Domestic destinations, which fell by 31.7% and 8.1% respectively. Thunder Bay shipments saw a marginal gain, rising by 0.3%.

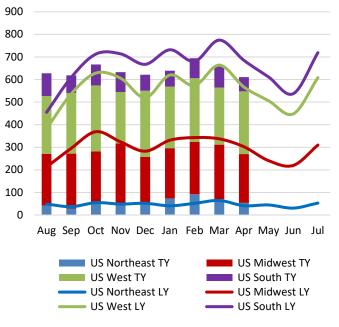
US Destined Grain by Commodity



GMP Data Table 2B-18

Total railway shipments into the US reached close to 5.8 MMT in the first nine months of the 2023-24 crop year, down 4.3% from the 6.0 MMT handled a year earlier. Just over 78% of these shipments were 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

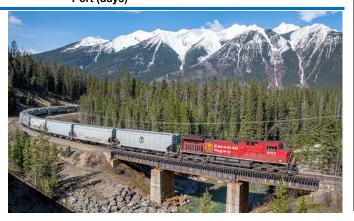


System Efficiency and Performance

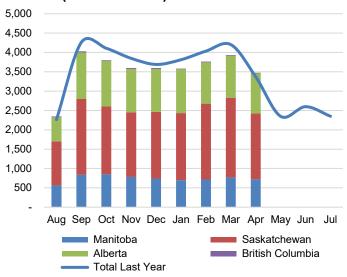
As farmers prepared for seeding, primary-elevator stocks eased to average 3.5 MMT in April, down 11.6% from those in March. The overall average for the crop year stands at 3.5 MMT. Country space was good throughout the period. Country stocks utilized 64% of the working capacity of the network in April. Stocks ranged from 62% in Saskatchewan to 65% in Alberta and British Columbia, and 69% in Manitoba.

The average days-in-store in the primary-elevator system for the first three quarters rose from last year, growing 4.1% to 25.6 days.

Table M-4	APR 2024	2023-24 YTD	Var. from Last YTD
Primary Elevator			
Average Weekly Stocks (000's tonnes)	3,475.0	3,537.9	-4.6%
Average Days in Store	22.7	25.6	4.1%
Railway Operations (days)			
Cycle Time to Western Ports	14.1	15.3	10.6%
Cycle Time to Eastern Canada	18.6	21.0	-12.2%
Cycle Time to US	21.4	27.0	3.3%
Loaded Transit to Western Ports	6.3	6.3	8.6%
Loaded Transit to Eastern Canada	8.7	9.6	-10.1%
Loaded Transit to US	9.6	10.9	4.4%
Rail Fleet in Grain Service	19,979	18,287	-3.8%
Western Canada Terminal Elevator			
Average Weekly Stocks (000's tonnes)	1,208.5	1,190.7	-0.7%
Average Days in Store	9.4	10.8	10.2%
Port Unloads (hopper cars)	36,529	295,414	-10.6%
Terminal Out-of-Car Time	14.4%	15.5%	21.1%
Western Canada Port Operations			
Average Vessel Time in Port (days)	10.9	10.4	-1.3%



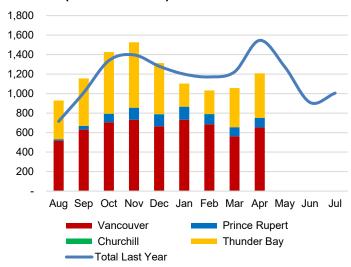
Average Weekly Primary Elevator Stocks (000's tonnes)



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, before easing to 3.5 MMT by April. Wheat, including durum, and canola, comprise 69% of the total stock. At 18% of the stock, barley, oats and peas made up over half of the balance.

Average Weekly Terminal Elevator Stocks (000's tonnes)

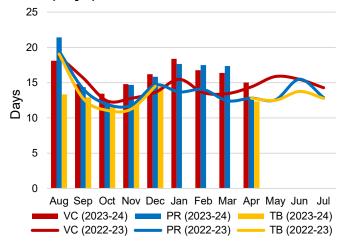


GMP Data Table 5C-2

Overall terminal-elevator stocks averaged 1.2 MMT in April, up from the 1.1 MMT in-store during March. While stocks grew markedly month-over-month at Vancouver and Prince Rupert, they rose only marginally at Thunder Bay as the opening of Seaway navigation drew a steady flow of grain from the terminals. Wheat, including durum, and canola, comprise nearly 79% of the total stock. In April, western ports utilized just 63% of their overall working capacity.



Railway Cycle Times to Western Ports (days)

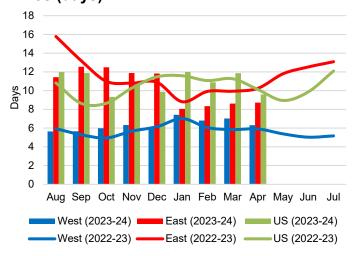


GMP Data Table 5B-1

The railway car cycle to Western Canadian ports averaged 15.3 days in the first nine months of the 2023-24 crop year, up 10.6% from the 13.8-day average posted a year earlier. This result largely reflected increases in the Vancouver and Prince Rupert corridors, which rose by 12.1% and 20.4% respectively. The average in the Thunder Bay corridor fell by 1.1%.

The average car cycle on movements into Eastern Canada also declined, falling by 12.2%, to 21.0 days from 23.9 days a year earlier. Conversely, the car cycle on movements into the United States rose by 3.3%, to an average of 27.0 days from 26.1 days the previous crop year.

Average Loaded Transit Times (days)

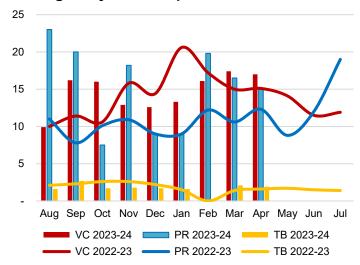


GMP Data Tables 5B-4, 5B-8, 5B-12

The loaded transit time for traffic destined to Western Canadian ports averaged 6.3 days in the first nine months of the 2023-24 crop year, up 8.6% from the 5.8-day average posted a year earlier. This was the product of increases in all three primary corridors, with the Vancouver average rising by 9.4%, Prince Rupert's by 12.0%, and Thunder Bay's by 2.0%. A 10.1%

decrease was observed on movements into Eastern Canada, with the average loaded transit time falling to 9.6 days from 10.7 days twelve months earlier. The average on movements into the United States increased by 4.4%, to 10.9 days from 10.4 days.

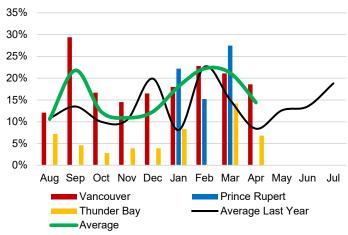
Average Days in Port per Vessel



GMP Data Table 5D-1

In April, the overall average time vessels were in port waiting and loading grain fell to 10.9 days from 14.5 days the month before. The first-three-quarter average stands at 10.4 days, 1.3% less than that registered in the first nine months of the previous crop year. All three ports registered a month-over-month decline. For April, days in port stood at 17.0 for Vancouver, 15.0 for Prince Rupert and 1.9 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).

As winter subsided, the aggregate measure for all ports fell to 14.4% in April, from March's 21.2%. Terminal out-of-car time fell to 18.6% at Vancouver, 0.0% at Prince Rupert, and 6.8% at Thunder Bay. The relatively mild winter allowed a timely opening to the shipping season at Thunder Bay and on the St. Lawrence Seaway System.

Commercial Relations

Table M-5 Rates: \$CDN per tonne	Q3 2023-24	Index (1999=100)	% Change YTD
Avg. Primary Elevation	16.46	137.3	-0.6%
Rail to Vancouver			
CN	60.63	165.2	7.8%
CPKC	65.78	178.8	4.6%
Rail to Pr. Rupert			
CN	60.63	145.9	10.0%
Rail to Thunder Bay			
CN	53.25	164.8	7.8%
СРКС	52.74	175.3	10.7%
Average Terminal Elevation	15.46	169.5	-1.1%

Note: Commercial rates are measured on a quarterly basis, the above table refers to rates at the close of the third quarter of the 2023-24 crop year (as at 30 April 2024). 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 CPKC increased their single-car freight rates substantially in the opening months of the 2023-24 crop year. By the end of October 2023 CN had effectively escalated its rates by a factor of 40%. These remained unchanged until the beginning of January 2024, when CN then applied reductions ranging from 11% to 15%. Thunder Bay rates were reduced by a further 13% in March. This was followed by a matching cut in its westbound rates in April. At the close of the third quarter these pricing actions effectively left rates that stood up to 10% higher than at the end of the previous crop year. CPKC followed a similar course, raising its rates by a factor of 30% through October before instituting cuts of up to 10% in January. This was followed in March by a further 7% reduction in its Thunder Bay rates, and a 9% cut in its Vancouver rates in April. By the close of this nine-month period these pricing actions had produced net increases of almost 5% in CPKC's Vancouver rates, and 11% in its Thunder Bay rates.

Commercial Developments

Rail strike looms: In mid-February 2024, both Canadian National (CN) and Canadian Pacific Kansas City (CPKC) requested that the federal labour minister appoint a conciliator to assist in their negotiation of new collective agreements with train and yard workers. These negotiations revolve around the renewal of three collective agreements covering about 9,300 employees, all represented by the Teamsters Canada Rail Conference (TCRC), that expired on 31 December 2023. By all accounts, the parties remained far apart on the key issues, with the railways proposing a shift away from mileage-based pay to hourly wages, and the adoption of more predictable work schedules to comply with new federal rest rules. However, TCRC leadership claimed that these

proposals would effectively reduce pay for some members, remove seniority distinctions, and eliminate safety-critical rest provisions. The dispute led to a strike vote, which was held between April 8 and May 1. Despite a significant improvement in CN's offer while voting was under way, the results overwhelmingly supported strike action, with some 97% of the membership voting in favour. This set the stage for a strike that could come as early as May 22 if no deal is reached. All parties were quick to note that such a widespread work stoppage, which would interrupt the railway movement of goods and people throughout the country, would be cataclysmic for Canada's supply chains.

G3 Canada acquires additional facility: In February 2024, G3 Canada (G3), which already operates terminals in Quebec, announced that it had acquired Elevateurs Beauchemin, a 30,000-tonne facility located in Saint-Denis-sur-Richelieu. This acquisition was aimed at strengthening G3's presence in the province's Monteregie region as well as addressing its needs for additional grain drying and storage. The expansion came on the heels of a 30-year renewal of G3's lease with the Port of Quebec, on whose land is located the company's 225,000-tonne terminal, a facility catering to ships transiting the St. Larence Seaway.

Competition Bureau issues merger report: On 23 April 2024 the Competition Bureau released its report on the proposed acquisition of Viterra Limited (Viterra) by Bunge Limited (Bunge). The report, which was submitted to the federal transport minister will be used to inform Transport Canada's public interest review of the transaction, concluded that it was likely to have substantial anti-competitive effects. A merger of these two agricultural giants is largely being scrutinized because of Bunge's position as a minority shareholder in G3 Global Holdings (G3), a direct competitor to Viterra. The Bureau's findings suggested that Bunge's involvement with G3 provides it with access to sensitive competitive information, which could detrimentally influence market behaviours, and result in broader commercial harm to the agricultural sector. The process now hinges on Transport Canada's assessment, which is scheduled to be delivered to the minister by June 2, This, along with the Competition Bureaus report will inform the Governments decisions on this transaction.

Churchill gets additional funding: On 23 February 2024 the governments of Canada and Manitoba announced that a further \$60 million was being invested to finish upgrading the Hudson Bay Railway (HBR) and to start redeveloping the Port of Churchill. The new investment builds on the \$293 million in financial aid allotted to help restore rail service to Churchill and surrounding communities since 2018. Viewed as the backbone of the northern economy, and a vital connection to food and fuel for the families that live there, repair and maintenance work on HBR over the past two construction seasons has seen the replacement of more than 166,000 railway ties, the resurfacing of almost 400 miles of track, the upgrading and repair of 10 bridges, and the installation of fresh ballast on about 23% of the route between The Pas and Churchill, Manitoba.



Infrastructure

Apart from the railways' car fleet, GMP measures relating to infrastructure are reported on a quarterly basis. The 2023-24 crop year has thus far produced several modest, although noteworthy, changes in the GHTS's physical infrastructure.

The delicencing of several facilities reduced the total number of country elevators by 1.2%, to 400 from 405, and storage capacity by 1.7%, to just over 9.4 MMT. Among the more notable changes was an increase in the number of loop-track facilities, which rose to 51 from the 46 recorded at the end of the previous crop-year.

There were no changes recorded against the railway network in the first nine months of the 2023-24 crop year. Total mileage remained unaltered at 17,265.7 route-miles, with 84.5% of this being operated by CN and CPKC.

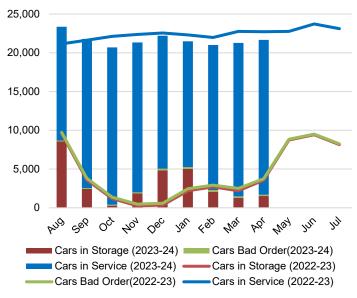
Neither were there any changes to the terminal elevator network in the first nine months of the 2023-24 crop year. The network comprises 17 facilities with 2.8 MMT of storage capacity.

Table M-6	Q3 2023-24	Index (1999=100)	% Change YTD
Country Elevator			
Primary and Process Elevators (Count)	400	39.8	-1.2%
Storage Capacity (000's tonnes)	9,403.2	133.8	-1.7%
Railway			
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*	21,312	n/a	-5.3%
Terminal Elevator			
Terminal Facilities (Count)	17	121.4	0.0%
Storage Capacity (000's tonnes)	2,752.5	107.6	0.0%

^{*} Hopper Car Fleet Size represents all cars in all statuses for the third quarter of the 2023-24 crop year.

The average number of cars in service built throughout the third quarter ahead of the 2024 Seaway navigation season. February saw 89% of the fleet in service moving Western Canadian grain, while March's share grew to 93% before settling at 92% in April, utilizing 19,979 cars of the 21,660-car fleet. Overall, the third quarter saw 91% of the car fleet being pressed into service every week, up from the 87% average posted a year earlier. The seasonal opening of the Port of Thunder Bay in the last week of March contributed to the upturn as car orders were increased accordingly. It is normal practice for railways to move their fleet of hopper cars in and out of storage throughout the year as required to service demand or to complete repairs.

Railway Grain Fleet Size and Utilization



GMP Data Table 3B-2

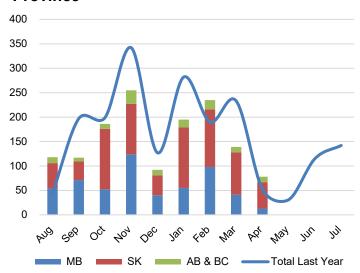
Producer Cars

No change was registered in the number of producer-car loading sites in the third quarter of the 2023-24 crop year following one Class 1 site in Saskatchewan being removed from the list in the previous quarter. The total number of available producer-car loading locations at the end of April stands at 271.

Table M-7 Producer Car Loading Sites	Q3 2023-24	Index (1999=100)	% Change YTD
Class 1 Carriers	141	21.9	-1.0%
Shortline Carriers	130	200.0	0.0%
All Carriers	271	38.2	-0.4%
Table M-8 Producer Cars Scheduled	Q3 2023-24	2023-24 YTD	Var. from Last YTD
Producer Cars Scheduled	2023-24	YTD	Last YTD
Producer Cars Scheduled Manitoba	2023-24 152	YTD 548	Last YTD 36.3%

Producer cars scheduled for April 2024 were 50.0% higher than in April 2023. Contrasting the month-over-month increase, the overall crop year to date saw a decline of 15.1% from the previous year. Saskatchewan continues to be the leader in producer car shipments, registering 52.4% of the total. Manitoba followed up with 38.7% of the scheduled cars, while Alberta and British Columbia saw only 8.9% of the total. Once again, the United States is the largest destination for producer cars, accounting for 57% of the total, including all of the oats and durum shipments.

Producer Cars Scheduled by Province

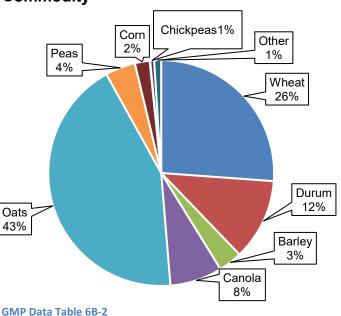


GMP Data Table 6B-2

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 three quarters of the 2023-24 crop year saw this trend weakening, with oats comprising 43% of the total, while wheat,

durum and barley combined comprise 41%. Canola contributed 8%, while combined peas, corn, chickpeas, buckwheat and other rounded out the final 8% of the total volume.

Producer Cars Scheduled by Commodity







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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

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

