

GMP Dashboard

	FEB 2015	FEB YTD	Var. from Last YTD
Western Canadian GHTS Performance (Days)			
Total Time in System	45.6	42.8	n/a
Average Days In Store – Country	29.3	25.8	-16.5%
Loaded Transit Time	6.3	5.8	n/a
Average Days In Store – Terminal	10.0	11.2	15.5%
Total Traffic ('000 tonnes)			
Primary Elevator Shipments:	3,284.4	24,242.5	12.0%
Railway Shipments (all WC traffic)	3,346.1	28,775.3	n/a
Western Port Terminal Shipments	1,969.3	20,235.7	25.1%
Country Performance			
Primary Elevator Turnover Ratio*	1.4	3.2	0%
Railway Performance			
Car Supply Performance (Weekly Average)			
Cars Ordered	n/a	n/a	n/a
Cars Committed	n/a	n/a	n/a
Cars Placed	n/a	n/a	n/a
Avg. Loads on Wheels	14,627	14,373	n/a
Total Western Port Car Cycle (days)	14.6	12.9	3.9%
Port Performance			
Western Port Unloads (Number of Cars)			
Vancouver	16,136	122,162	13.6%
Prince Rupert	4,898	38,641	21.1%
Churchill	0	5,326	-13.5%
Thunder Bay	870	54,556	54.7%
Total	21,904	220,685	22.0%
Vessel Time in Port (days)	17.8	10.2	-15.7%

* To the end of Q2 (January)

n/a denotes measures for which data has not been supplied or comparative data is unavailable.

Highlights for February

Production and Supply (page 2)

- Total Western Canadian production for 2014 was 61.2 MMT.
- While overall grain supply is 8.6% below the record set the previous year, it is the second largest seen under the GMP.

Traffic and Movement (page 2)

- Shipments from primary elevators were 24.2 MMT in the first seven months of the 2014-15 crop year.
- All rail shipments (including primary/process elevators & producer cars) to all destinations from Western Canada totalled 28.8 MMT to the end of February 2015.
- Shipments from Western Canadian ports totalled 20.2 MMT.

System Efficiency and Performance (page 4)

- Average weekly stocks in the country were down 6.6% from the same period last year, with the average days in store down 16.5%
- Port terminal stocks were up 57.7% over the same period last year with average days in store up 15.5%.
- Railcar cycle times are averaging 12.9 days to western ports and 23.0 days to eastern Canada.
- The year-to-date average vessel time in port is 10.2 days, 15.7% lower than in the same period last year.
- Year-to-date port terminal out of car time is 19.3% in Vancouver, 7.2% in Prince Rupert and 23.2% at Thunder Bay.

Commercial Relations (page 6)

- Average primary elevation charges have increased 3.1% to the end of the second quarter.
- CN Rail single car rates increased 5% in both the Vancouver and Prince Rupert corridors to the end of the second quarter.
- CP Rail increased single car rates 17.9% and 18.8% in the Vancouver and Thunder Bay corridors respectively.
- Average terminal elevation rates are up 1.1% to the end of the second quarter.

Commercial Developments (page 6)

- This month's report covers events in the month of February.

Infrastructure (page 7)

- Infrastructure remained unchanged in the month of February.

Producer Cars (page 7)

- The number of producer car loading sites has declined by 4.3% thus far this crop year. All reductions were made by the two Class 1 rail carriers.
- Total producer cars scheduled, at 6,303 cars, is 29.9% lower than the number scheduled to the end of February in the 2013-14 crop year.

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.

Production and Supply

Although 2014 crop production was 19.8% lower than 2013's record, overall grain supply to be moved by the Western Canadian GHTS fell by only 8.6% due to the large carry forward stock. Overall supply is the second largest on record at over 74 MMT.

Production & Carry Over (000's tonnes)	2014	2013	Var. from Last Year
Western Canada Total Production	61,235.9	76,340.2	-19.8%
Western Canada On Farm & Primary Elevator Carry Forward Stock	13,036.0	4,889.9	166.6%
Total Grain Supply	74,271.9	81,230.1	-8.6%

Traffic and Movement

The GHTS total movement has maintained record-setting levels in the first seven months of the 2014-15 crop year. Sales opportunities have remained strong translating into large shipping programs.

	FEB 2015	FEB YTD	Var. from Last YTD
Primary Elevator Shipments (000's tonnes)			
Manitoba	421.8	3,541.8	-3.6%
Saskatchewan	1,785.8	12,228.7	16.4%
Alberta	1,053.8	8,218.3	13.2%
British Columbia	22.9	253.7	27.2%
Total	3,284.3	24,242.5	12.0%

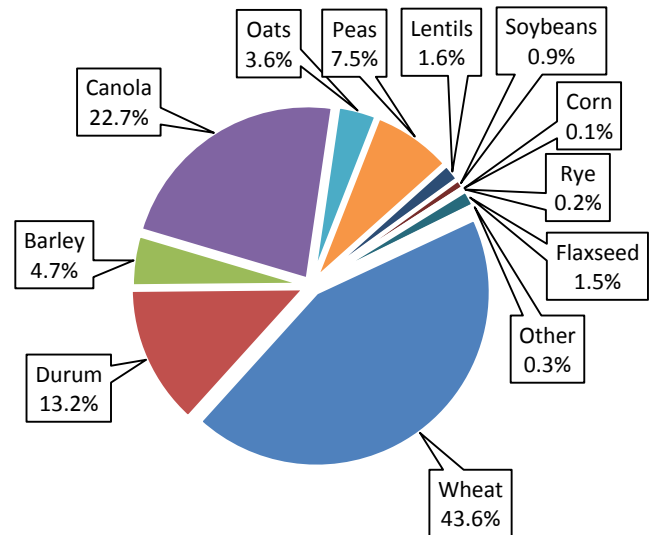
Western Canada Railway Traffic (000's tonnes)			
Shipments to Western Ports	2,223.7	22,055.3	21.8%
Shipments to Eastern Canada	448.6	1,874.8	n/a
Shipments to US & Mexico	629.7	4,496.9	n/a
Shipments Western Domestic	44.0	348.3	n/a
Total	3,346.1	28,775.3	n/a

Western Port Unloads (Number of Cars)			
Vancouver	16,136	122,162	13.6%
Prince Rupert	4,898	38,641	21.1%
Churchill	0	5,326	-13.5%
Thunder Bay	870	54,556	54.7%
Total	21,904	220,685	22.0%

Terminal Elevator Shipments (000's tonnes)			
Vancouver	1,554.4	11,219.7	19.2%
Prince Rupert	407.1	3,525.4	25.1%
Churchill	0.0	527.4	-17.1%
Thunder Bay	7.8	4,963.2	50.1%
Total	1,969.3	20,235.7	25.1%

The year to date total country elevator shipments are up 12.0% while shipments out of the four western ports are up 25.1% suggesting that railways are continuing to focus their resources on the movements to western ports where they can achieve the quickest cycles in order to meet the volume thresholds.

Primary Elevator Shipments by Commodity



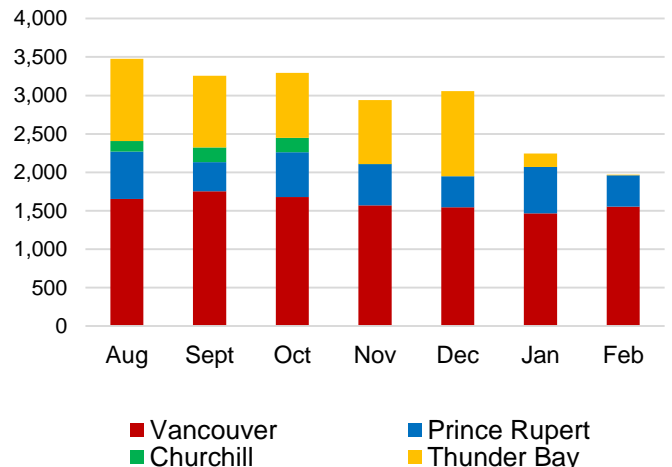
Total Tonnes YTD = 24.2 MMT

GMP Data Table 2A-1

Wheat, including durum, continues to be the dominant commodity moved, although the proportion has fallen to 56.8%, from over 80% just 10 years ago.

Canola movements continue to increase in both the port and US corridors. The proportion of canola shipped has increased to 22.7% from 17% 10 years ago.

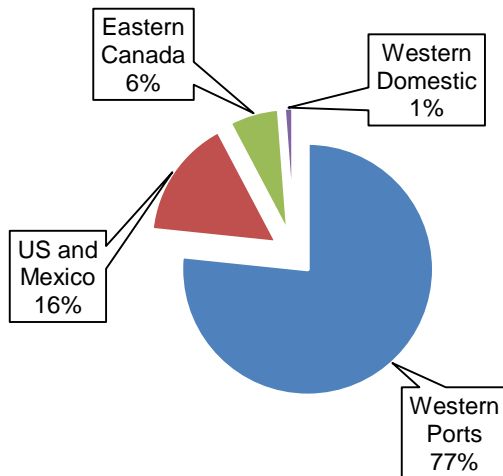
Terminal Elevator Shipments (000's tonnes)



GMP Data Table 2C-1

Monthly shipments from terminal elevators have continued to decline from the pace achieved earlier in the crop year. The close of Seaway navigation precipitated a further decline in January and February.

Western Canadian Grain Destinations

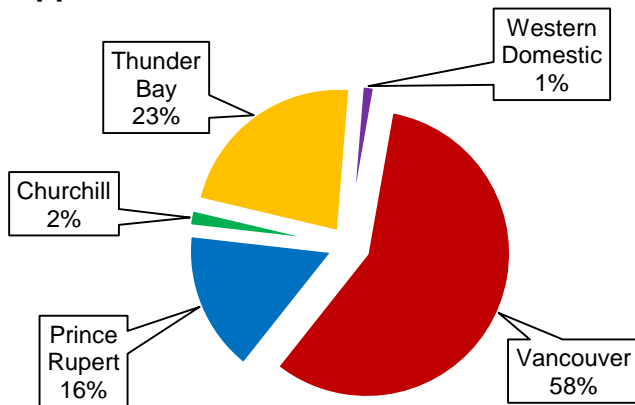


Total YTD = 28.8 MMT

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

The primary unload destination of Western Canadian grain shipped by rail continues to be to the four western ports. The rail movement to Eastern Canadian ports seen in previous winters has decreased in the past three years, due in part to the recent focus on higher velocity movement, but also as a result of the change in marketing practices that came about at the end of the CWB single desk.

Western Canadian Destined Hopper Car Traffic

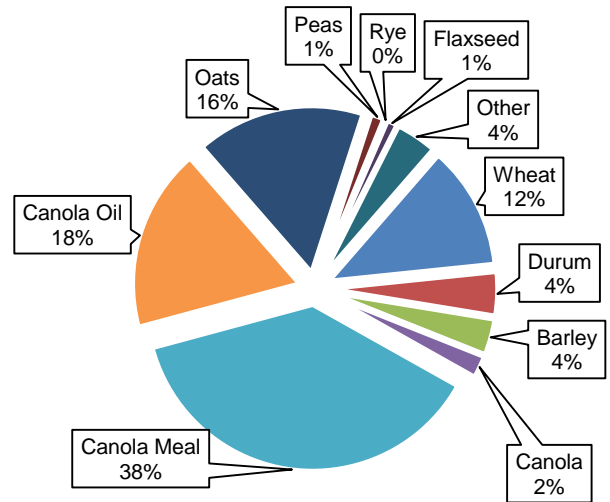


Total YTD - 21.8 MMT

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

Vancouver continues in its role as the dominant port of export for western grain. A combination of year round operations, better logistical economics and the access to major markets for Canadian grain in the Asia Pacific region favour the west coast gateway.

US Destined Grain by Commodity

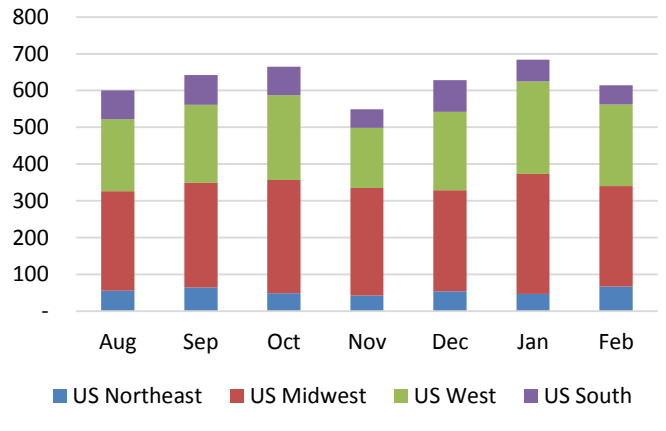


Total YTD - 4.4 MMT

GMP Data Table 2B-18

Canola and canola products (seed, oil and meal) dominate the movement to US destinations, constituting 58% of the overall movement this crop year to date.

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



GMP Data Table 2B-18

The majority of Western Canadian grain exported to the US continues to be moved to the US Midwest and West regions with 66% being sourced from the province of Saskatchewan.

Rail traffic from Western Canada to Mexico totaled 114,700 tonnes year to date.



System Efficiency and Performance

	FEB 2015	FEB YTD	Var. from Last YTD
Primary Elevator			
Average Weekly Stocks (000's tonnes)	3,481.8	2,986.0	-6.6%
Average Days in Store	29.3	25.8	-16.5%
Average Weekly Cars Ordered	n/a	n/a	n/a
Average Weekly Car Orders Cancelled	n/a	n/a	n/a
Average Weekly Cars Planned for Spotting	n/a	n/a	n/a
Average Weekly Cars Actually Spotted	n/a	n/a	n/a
Railway Operations (days)			
Cycle Time to Western Ports	14.6	12.9	n/a
Cycle Time to Eastern Ports	22.0	23.0	n/a
Cycle Time to US & Mexico	n/a	n/a	n/a
Loaded Transit to Western Ports	6.3	5.8	n/a
Loaded Transit to Eastern Ports	12.6	12.2	n/a
Loaded Transit to US & Mexico	n/a	n/a	n/a
Traffic in 50-car+ blocks (Q2)	82.1%	81.8%	4.9%
Western Canada Terminal Elevator			
Average Weekly Stocks (000's tonnes)	1,513.6	1,300.5	57.7%
Average Days in Store	10.0	11.2	15.5%
Port Unloads (hopper cars)	21,904	220,685	22.0%
Terminal Out of Car Time	26.9%	18.6%	n/a
Western Canada Port Operations			
Average Vessel Time in Port (days)	17.8	10.2	-15.7%

Note: At the time of this publication, car order data (order fulfillment) was not complete from both railways and is therefore not included in this month's report.

Primary Elevator Stocks have continued to climb since the beginning of the crop year. The weekly average in February was 3.5 MMT, up from 3.3 MMT in January. They utilized an estimated 83% of the working capacity of the network. By province, stocks ranged from 80% of working capacity in Manitoba and Saskatchewan to 90% in Alberta.

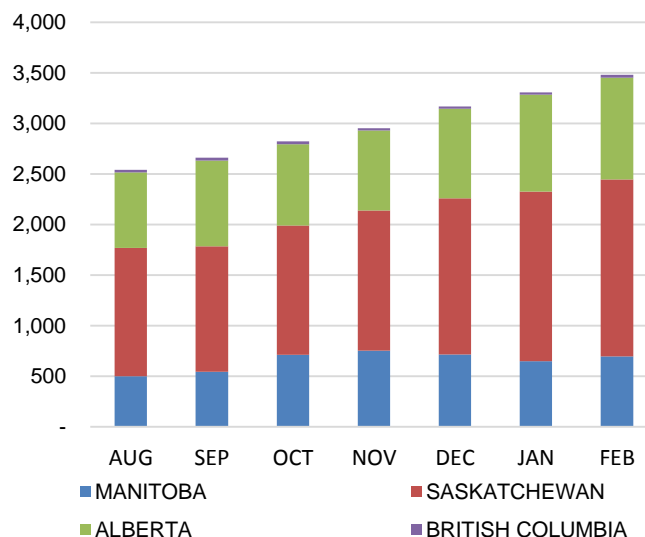
Year-to-date average days in store in the primary elevator system fell by 16.5% from last year when elevator congestion was widespread.

Railway car cycles to western Canadian ports had consistently held in the 11-12 day range from April to November 2014 coincident with the enactment of grain volume thresholds under

the Order in Council. However, they have increased in the past three months, peaking with an average of over 15 days in January before slipping to 14.6 days in February.

Although year-to-date average time vessels are spending in port waiting and loading grain is 16% less than that experienced in the same period in 2013-14, recent months have seen increases, rising to 17.8 days in February. While significantly lower than the 26.4 days experienced last February, it is much higher than the 5 year average of 9.5 days for this period.

Average Weekly Primary Elevator Stocks (000's tonnes)

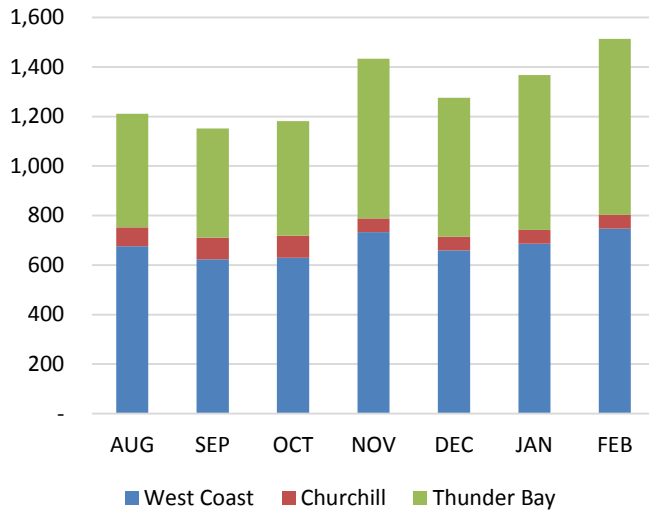


GMP Data Table 5A-2

Average weekly primary elevator stock levels have grown steadily throughout the current crop year. This is in contrast to the previous crop year when, from the beginning of week 7 (late September) to week 36 (early April), stocks in the country network were constantly near working capacity limits (95% or more). Throughout this crop year, stocks have been sufficiently lower, but have continued to increase as the winter operating season progressed, reaching an average of 83% in the month of February.



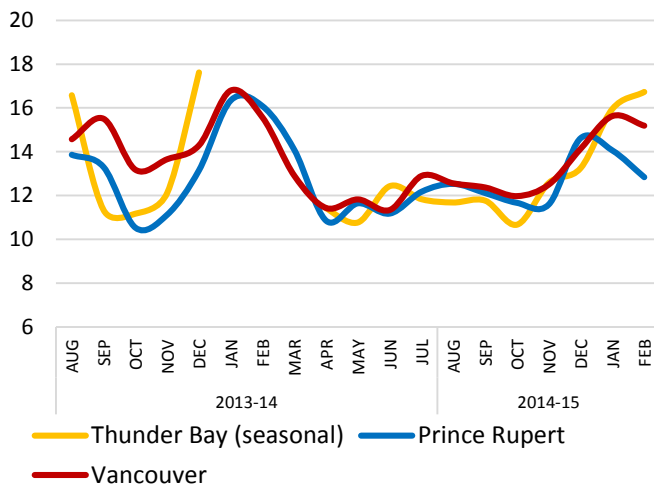
Average Weekly Terminal Elevator Stocks (000's tonnes)



GMP Data Table 5C-2

Terminal elevator stocks have risen measurably over the course of the crop year to date. At an average of 1.5 MMT throughout February, they were utilizing approximately 90% of the estimated working capacity. By the end of February terminal stocks in Thunder Bay reached almost 700,000 tonnes, over 85% of working capacity, in anticipation of the opening of navigation in the Seaway.

Railway Cycle Times to Western Ports (days)

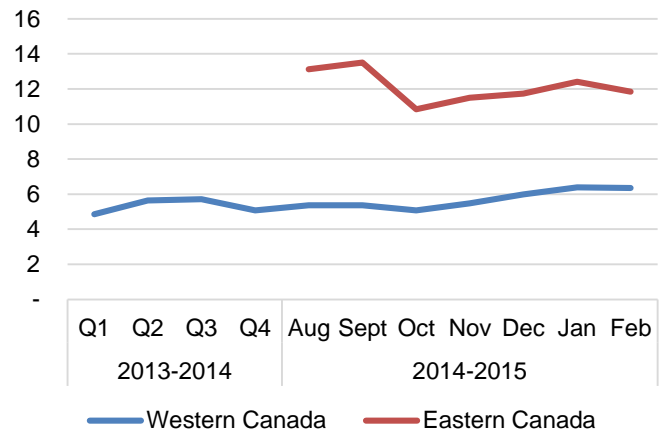


GMP Data Table 5B-1

Despite seasonal fluctuations, the average car cycle in Western Canada has continued to decline since the beginning of the GMP. With the close of February, the year-to-date average for the 2014-15 crop year had fallen to 12.9 days from the 14.1-day average posted in the same period of the previous crop year. This was

the product of improvements in all three corridors: with the year-to-date average in the Vancouver corridor down by 10.0%, to 13.3 days from 14.7 days; the Prince Rupert corridor down by 3.4%, to 12.7 days from 13.1 days; and the Thunder Bay corridor down by 11.0%, to 12.2 days from 13.7 days. Despite these broader declines, the onset of winter brought a spike in the monthly averages for all three corridors, which began to rise in November 2014 and carried through to January 2015, before largely starting to subside in February 2015. At their height, these spikes saw the monthly average for Vancouver rise to 15.6 days; Prince Rupert, 14.6 days; and Thunder Bay, 16.7 days.

Average Loaded Transit Times (days)



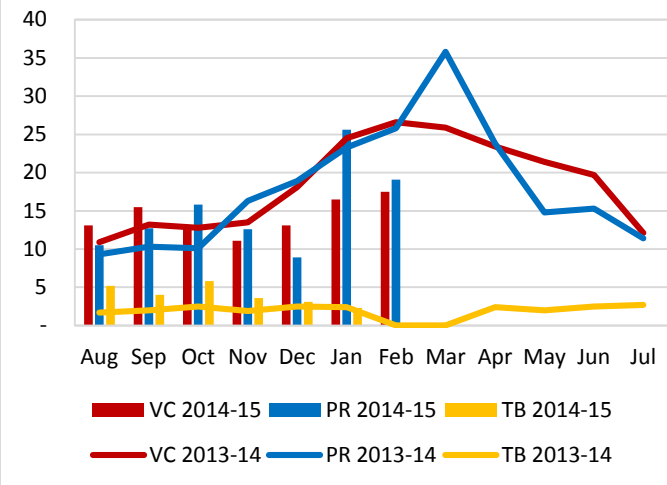
GMP Data Tables 5B-4, 5B-8

Loaded transit time for traffic destined to Western Canadian ports averaged 5.6 days for the first seven months of the crop year, down from the 5.7-day average posted for the third quarter last crop year. The monthly average declined slightly to 6.3 days from 6.4 in January.

The measurement for Eastern Canadian car cycles and transit times also declined slightly, with the year-to-date averages amounting to 23.0 days and 12.1 days respectively, down 0.1 days in each case. Longer distances and smaller volumes are the chief drivers in larger values to eastern destinations.



Average Days in Port per Vessel

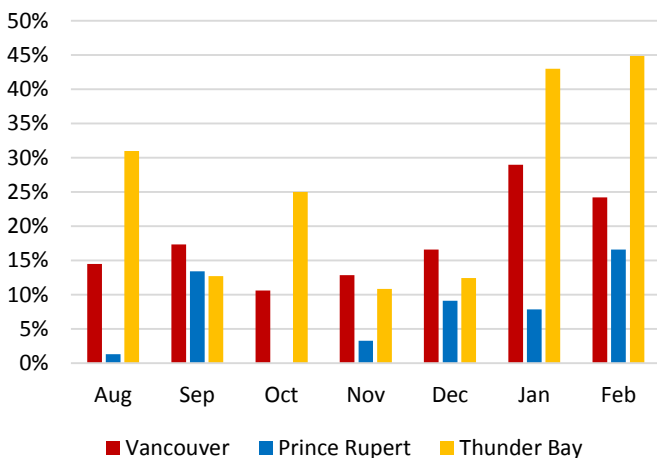


GMP Data Table 5D-1

Prior to the 2010-11 crop year, the average time vessels spent in port at Vancouver and Prince Rupert was between five and ten days. Despite seasonal fluctuations, a steady increase in this time has been recorded over the past four years. The high point last winter exceeded 26 days. While there are a number of possible contributing factors, it is important to note that this pattern began two years prior to the elimination of the Canadian Wheat Board's single desk, which suggests that this is likely not attributable to that specific marketplace change.

As ocean freight rates have fallen to record low levels and the supply of vessel carrying capacity has increased in the past three years, it is likely that some of the increased time can be attributed to less discipline in managing the vessel assets. There have also been several claims by terminal operators that the right grain has not been in position for the vessels waiting in port.

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



GMP Data Table 5C-5

A new measure introduced this year gauges the time port terminals did not have cars to unload but had crews in place. The weekly measure uses data collected from the terminal elevators on the total number of hours the 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).

In Vancouver, the year-to-date out of car time was 19.3%, at Prince Rupert 7.2% and at Thunder Bay it was 23.2%. The month of February saw a decline at Vancouver terminals, to 24.2% from 29.6% in January.

Thunder Bay's percentage rose slightly to 44.8% which is attributed to winter operations while the Seaway is closed.

Commercial Relations

A vast number of individual tariff rates exist for country and terminal elevation services and for rail freight. These rates are measured quarterly by the GMP and are presented for reference purposes this month.

The GMP consolidates these rates into averages for presentation purposes. Increases or decreases are presented based on an index with the base year (August 1, 1999) equal to 100.

Rates: \$CDN per tonne	JAN 2015	Index (1999=100)	% Change YTD
Avg. Primary Elevation	\$16.22	135.3	3.1%
Rail to Vancouver			
CN	\$49.95	135.6	5.0%
CP	\$52.11	140.0	17.9%
Rail to Pr. Rupert			
CN	\$49.96	119.8	5.0%
Rail to Th. Bay			
CN	\$46.80	145.6	0.0%
CP	\$42.41	142.6	18.8%
Average Terminal Elevation	\$13.83	151.6	1.1%

Note: Rail rates are as at Jan. 31, 2015 and reflect the average weighted single car rate. They do not include multi-car incentives (\$4/tonne for 50 + car blocks and \$8/tonne for 100 + car blocks).

Commercial Developments

Alberta Wheat Commission in conjunction with FarmCo, launches PDQ Website: PDQ, which stands for "price and data quotes" is a website intended to enhance producers' access to cash grain prices and market related data. The project is supported by AAFC's AgriRisk Initiatives program. Many view this as a timely initiative in light of current concerns regarding wide basis levels. Information will be published for eight zones for Western Canada. A test site is currently operational with development continuing. The site is expected to be fully functional by August 1, 2015. It can be found at: www.pdqinfo.ca

Cargill seeks approval for expansion of North Vancouver terminal: Cargill is seeking approvals to expand its Vancouver North Shore terminal operation. The objective is to enhance the railcar unloading capability amongst other improvements. The planned investments would increase the terminal's handling capacity from 3.4 to 5.0 MMT annually.

Railways announce fourth quarter results: CN and CP announced their fourth quarter and year end results at the end of January and beginning of February. CN's 2014 revenues increased 15% to \$12.13 billion and include a 21% increase in grain and fertilizer revenues. CP's 2014 revenue climbed 8% to an all-time high of \$6.62 billion, including a 14% increase in Canadian grain revenues.

CWB sells its building in downtown Winnipeg: In February the CWB announced that their office building has been sold to a Calgary based development company. CWB will continue to rent two floors of the building to maintain the ongoing operations of the company. Proceeds from the sale will go toward reducing the company's debt.

CN and two employee unions reach contract settlements: On February 23 agreement was reached between CN and its UNIFOR clerical, intermodal and mechanical workers. On February 25 a four-year agreement was reached with Teamsters Canada Rail Conference (TCRC) for CN's rail traffic controller employees.

CP and union enter binding arbitration: CP and TCRC agreed to enter into binding arbitration on February 16, putting an end to a work stoppage by CP's locomotive engineers and conductors. An arbitrator will be appointed by the federal government.

New elevator in Nipawin, SK: On February 24, 2015 the Hanford Group Holding Company announced the construction of a 46,000 tonne elevator in Nipawin, SK. The facility will include a 134-car loop track for loading and be located on CP's line.

Infrastructure

The GHTS infrastructure underwent significant rationalization in the 1990's and early 2000's. Since that time the pace of change has largely abated. The GMP monitors infrastructure changes on a quarterly basis. The data presented this month is for reference purposes.



	Q2 2014-15	Index (1999=100)	% Change YTD
Country Elevator			
Primary and Process Elevators (Count)	370	36.9	-0.3%
Storage Capacity (000's tonnes)	7,334.8	104.4	0.0%
	Q2 2014-15	Index (1999=100)	% Change YTD
Railway			
Route Miles - Major Carriers	15,011.5	101.2	0.0%
Route Miles - Shortline Carriers	2,588.7	55.8	0.0%
Route Miles - Total	17,600.2	90.4	0.0%
Average Weekly Hopper Car Fleet Size	22,208	n/a	-2.5%
Terminal Elevator			
Terminal Facilities (Count)	17	121.4	13.3%
Storage Capacity (000's tonnes)	2,423.9	94.8	0.9%

There were modest changes in the GHTS infrastructure in the first six months of the 2014-15 crop year.

- The total number of country elevators declined by one to 370, after seeing 16 facilities de-licensed last crop year.
- Two newly licensed terminal elevators were added to the network at the end of the second quarter, both located in Thunder Bay.
- The number of railway hopper cars in the fleet decreased 2.5% since the beginning of this crop year.

Producer Cars

The primary producer impact measure in the GMP is the Producer Netback. The Netback and accompanying Export Basis are calculated on an annual basis and will be included in the Annual Report. The GMP also monitors elements of producer car infrastructure and movement.

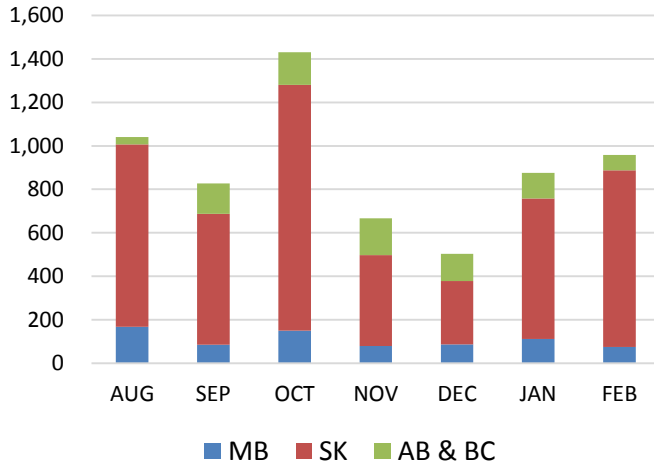
Producer Car Loading Sites	Q2 2014-15	Index (1999=100)	% Change YTD
Class 1 Carriers	196	30.4	-7.1%
Shortline Carriers	135	207.7	0.0%
All Carriers	331	46.7	-4.3%

Class 1 carriers eliminated 15 producer loading sites in the first quarter of this crop year (CN 9, CP 6), further reducing the total number of available loading locations to 331.

Producer Cars Scheduled	FEB 2015	FEB YTD	Var. from Last YTD
Manitoba	75	753	-8.5%
Saskatchewan	813	4,743	-22.9%
Alberta & B.C.	70	807	-59.9%
Total	958	6,303	-29.9%



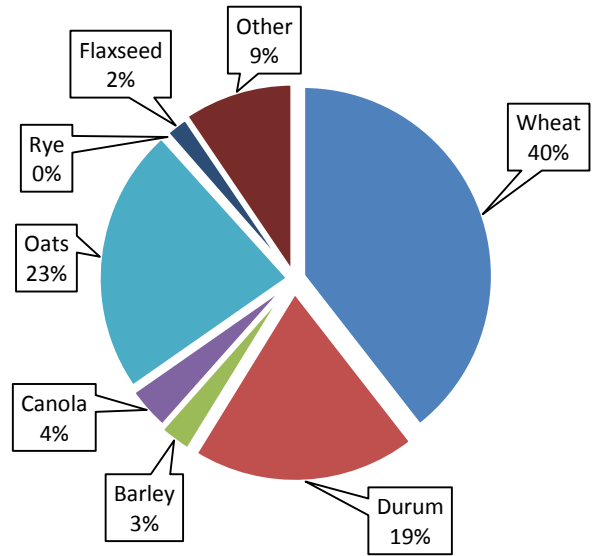
Producer Cars Scheduled by Province



GMP Data Table 6B-2

In the past, producer car shipments were primarily wheat, durum and oats. Since the elimination of the single desk, greater volumes of canola and special crops are moving via this mode.

Producer Cars Scheduled by Commodity



GMP Data Table 6B-2

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 the address below by either phone or email.

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