

GMP Dashboard

Table M-1	JUN 2016	2015-16 YTD	Var. from Last YTD
Western Canadian GHTS Performance (Days)			
Total Time in System	47.2	42.2	0.7%
Average Days In Store – Country	27.9	26.3	3.1%
Loaded Transit Time	4.4	4.9	-16.9%
Average Days In Store – Terminal	14.9	11.0	3.8%
Total Traffic ('000 tonnes)			
Primary Elevator Shipments	3,270.5	39,607.4	2.4%
Railway Shipments (all Western Canada traffic)	3,398.5	44,995.6	-1.6%
Western Port Terminal Shipments	2,446.7	32,916.9	0.7%
Country Performance			
Primary Elevator Turnover Ratio*	1.5	5.0	2.0%
Railway Performance			
Avg. Loads on Wheels (Cars)	6,848	9,743	-27.4%
Total Western Port Car Cycle (days)	12.9	13.1	-5.0%
Port Performance			
Western Port Unloads (Number of Cars)			
Vancouver	19,471	219,104	8.7%
Prince Rupert	4,135	63,768	4.3%
Churchill	0	1,684	-68.4%
Thunder Bay	6,016	71,413	-10.2%
Total	29,622	355,969	2.3%
Vessel Time in Port (days)	6.0	8.0	-22.3%

- Measures for order fulfillment have been removed as some data has not been supplied thereby comparative measures are not possible to calculate
 - YTD refers to the crop year to date (extending from August 1 through July 31)

* To the end of Q3 (April)

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

June 2016 saw a further softening in the demand for grain at port position, with fewer vessels arriving for loading along the west coast and at Thunder Bay. Port shipments were 22.2% lower than in June of last year. Total rail movements to the four ports in June reflected

much the same, falling by 21.1% as a result of weaker sales programs in all corridors.

Port shipments for June totaled 2.4 MMT, a 15.6% decline from the previous month. Notwithstanding this reduction in workload, the 6.0-day average for the amount of time vessels spent in port stood only marginally greater than May's 5.8-day average, which was the lowest observed this crop year. On a year-to-date basis, vessels were spending 22.3% less time in port than was the case last crop year, suggesting a better coordination of arriving grain with demand.

Despite inclement localized weather conditions, with some excessive rains, the overall condition of the current crop remains very good in most parts of the prairies. Heavy stands have led to early predictions for another year of significantly above-average grain production.

Highlights for June 2016

Traffic and Movement (page 2)

- Primary elevator shipments reached 39.6 MMT on a year-to-date basis, 2.4% higher than for the same period last year.
- Total rail shipments (including primary/process elevators & producer cars) to all destinations from Western Canada reached 45.0 MMT, down 1.6% from that handled in the same eleven-month period a year earlier.
- Grain shipments from western Canadian ports totaled 32.9 MMT on a year-to-date basis, up 0.7% from the same period last year.

System Efficiency and Performance (page 4)

- The year-to-date average for weekly stocks in the country rose by 3.6%, while the average for days-in-store increased by 3.1%.
- Average weekly port-terminal stocks decreased 8.0% from the same period last year, while average days-in-store grew by 3.8%.
- Railcar cycle times through June averaged 13.1 days to western ports; 23.3 days to eastern Canada; and 26.6 days to US destinations.
- The year-to-date average for vessel-time-in-port is 8.0 days, a 22.3% reduction from that observed in the same eleven-month period a year earlier.
- The year-to-date port-terminal out-of-car time held at 17.0% in Vancouver, 3.1% in Prince Rupert and 1.8% in Thunder Bay.

Commercial Relations (page 6)

- Average primary elevation charges have declined 1.6% thus far into the crop year.
- CN increased its single-car rates in mid June by up to 4.5% depending on the origin and destination pair. CP's rates remained unchanged after having applied selective increases of up to 5.0% earlier in May. Even so, on a year-to-date basis, the rates posted by the carriers in the primary Vancouver and Thunder Bay corridors have declined by a collective 8% and 6% respectively.
- Average terminal-elevation rates rose by 2.2% through the last eleven months.

Infrastructure (page 7)

- The number of country elevators rose by 3.5% in the first eleven months of the 2015-16 crop year, to 383 from 370, owing to the licensing of several facilities. This resulted in a 7.0% increase in storage capacity, which now reaches over 7.8 MMT.
- CN transferred 35.2 miles of existing track to a new shortline in September 2015. The third quarter also saw the addition of 1.5 miles of new track built to connect the Ceres Global Ag facility at Northgate SK to the BNSF in North Dakota.

Production and Supply

Statistics Canada's estimate of crop production in western Canada for 2015 stands at 63.4 MMT, a 0.9% increase over that for 2014. The 2015 crop proved to be the second largest on record.

With a reduction from 2014's record carry-forward to a more typical level of 8.9 MMT, the overall grain supply fell to an estimated 72.4 MMT, some 6.1% less than that of the previous year.

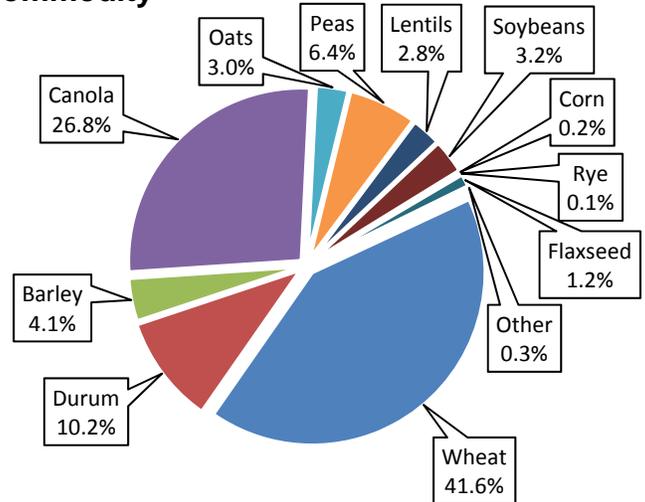
Production & Carry Over (000's tonnes) Table M-2	2015	2014	Var. from Last Year
Western Canada Total Production	63,425.7	62,854.9	0.9%
Western Canada On Farm & Primary Elevator Carry Forward Stock	8,947.6	14,196.0	-37.0%
Total Grain Supply	72,373.3	77,050.9	-6.1%

Traffic and Movement

Following a dip in May, while farmers were focused on seeding, producer deliveries rebounded in June. Heightened year-to-date deliveries of grains, oilseeds and special crops are reflected in generally stronger country-elevator, railway and terminal-elevator shipments. GHTS participants have reported relatively smooth operations throughout much of the current crop year.

Table M-3	JUN 2016	2015-16 YTD	Var. from Last YTD
Primary Elevator Shipments (000's tonnes)			
Manitoba	560.0	6,743.3	21.6%
Saskatchewan	1,486.1	19,439.5	1.0%
Alberta	1,210.0	13,032.1	-3.4%
British Columbia	14.4	392.5	-2.8%
Total	3,270.5	39,607.4	2.4%
Western Canada Railway Traffic (000's tonnes)			
Shipments to Western Ports	2,654.8	35,327.9	0.0%
Shipments to Eastern Canada	133.7	2,664.2	-6.9%
Shipments to US & Mexico	569.7	6,497.0	-7.9%
Shipments Western Domestic	40.4	506.5	-2.0%
Total	3,398.5	44,995.6	-1.6%
Western Port Unloads (Number of Cars)			
Vancouver	19,417	219,104	8.7%
Prince Rupert	4,135	63,768	4.3%
Churchill	0	1,684	-68.4%
Thunder Bay	6,016	71,413	-10.2%
Total	29,622	355,969	2.4%
Terminal Elevator Shipments (000's tonnes)			
Vancouver	1,572.4	20,172.7	6.8%
Prince Rupert	342.3	5,841.0	4.5%
Churchill	0	187.8	-64.4%
Thunder Bay	532.0	6,715.5	-12.6%
Total	2,446.7	32,917.0	0.7%

Primary Elevator Shipments by Commodity



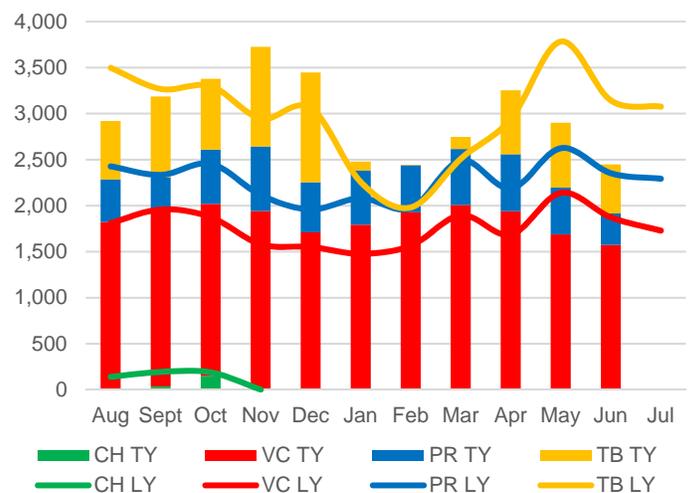
Total YTD = 39.6 MMT

GMP Data Table 2A-1

Steady demand once again lifted grain shipments from primary elevators during June, with the year-to-date total reaching 39.6 million tonnes, 2.4% above the level seen to the end of June in the previous crop year. Shipments out of the four western ports, although reduced somewhat during June, still registered a 0.7% increase on a year-over-year basis. The overall grain movement continued at a respectable pace through the initial two months of the fourth quarter.

Year-to date country-elevator shipments of wheat and durum are down 8.5% and 4.5% respectively from the same period the previous year. Running counter to this is a 16.8% increase in canola shipments, an 80% jump in lentils shipments, and a more than three-fold increase in soybean shipments.

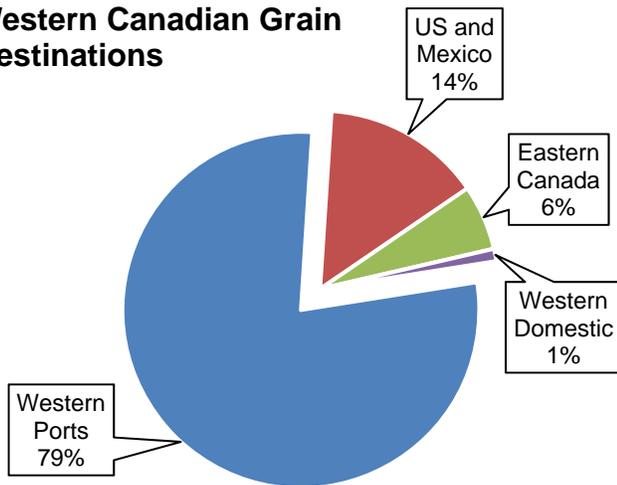
Terminal Elevator Shipments (000's tonnes)



GMP Data Table 2C-1

Terminal grain shipments out of Vancouver and Prince Rupert continued to diminish in June, although the year-to-date movement still proved 6.3% greater than in the same period last year.

Western Canadian Grain Destinations

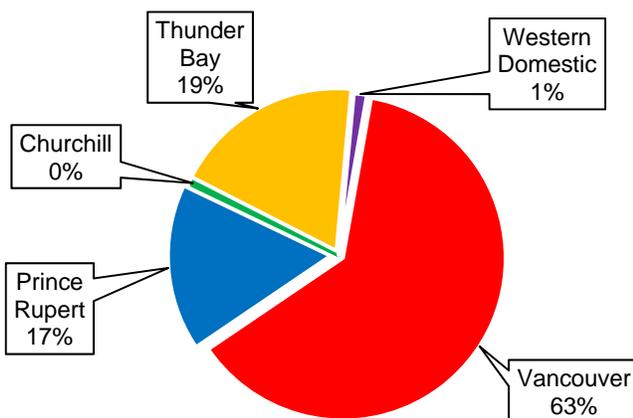


Total YTD = 45.0 MMT

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

Almost 80% of the grain shipped from the prairies by rail is drawn through western Canada's four ports in support of offshore sales. Total rail shipments to these ports through June 2016 stood unchanged from the 35.3 MMT handled in the same period a year earlier. The vast majority of this tonnage, some 22.9 MMT, was directed to Vancouver, which posted a 4.6% increase in volume for the first eleven months of the crop year. The combination of year-round operations, better logistical economics and better access to major Asia-Pacific markets continue to heavily favour this gateway. This was supported by a 2.7% increase in shipments into Prince Rupert, which totaled 5.7 MMT. However, declines of 11.4% at Thunder Bay and 66.8% at Churchill effectively offset the resultant tonnage gains. In comparison, the total movement into Eastern Canada decreased by 6.9%, to 2.7 MMT.

Western Canadian Destined Hopper Car Traffic

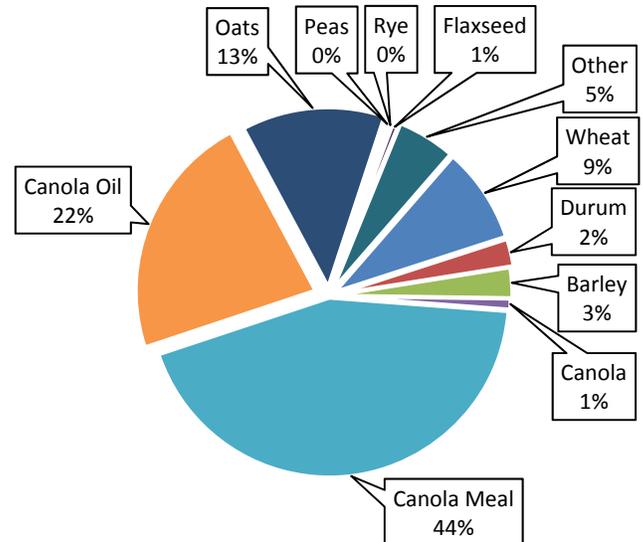


Total YTD - 34.6 MMT

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

Vancouver continues to be the major port of destination for Western Canada rail volumes with 63% of the volume.

US Destined Grain by Commodity



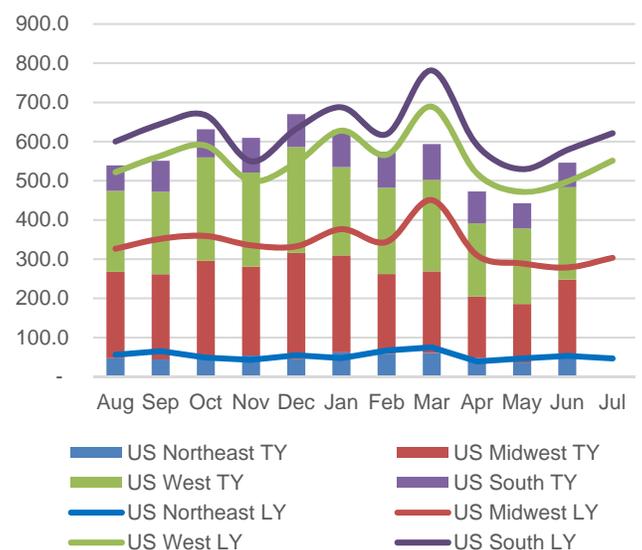
Total YTD - 6.3 MMT

GMP Data Table 2B-18

Rail shipments into the US, which totaled 6.3 MMT through the first eleven months of the crop year, declined 9.1% from the same period a year earlier. The movement is dominated by canola and canola products, which accounts for 67% of the total tonnage. The majority of the US-bound traffic is directed into the American Midwest and West, with 58.5% being sourced from the province of Saskatchewan.

Rail traffic from western Canada to Mexico totaled 239,4700 tonnes in the first eleven months of the crop year, up 37.4% from the 174,100 tonnes reported in the same period a year earlier. This was largely the result of a more than doubling in the amount of canary seed moved.

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



GMP Data Table 2B-18



System Efficiency and Performance

Primary elevator stocks rebounded somewhat during June as producers hastened deliveries into the commercial system following seeding. The weekly average was 2.6 MMT, up from 2.4 MMT in May. Available delivery space in the country network was good throughout the period. Country elevators utilized over 58% of the working capacity of the network. By province, stocks ranged from 56% in Saskatchewan, to 60% and 63% in Manitoba and Alberta respectively and 80% in British Columbia.

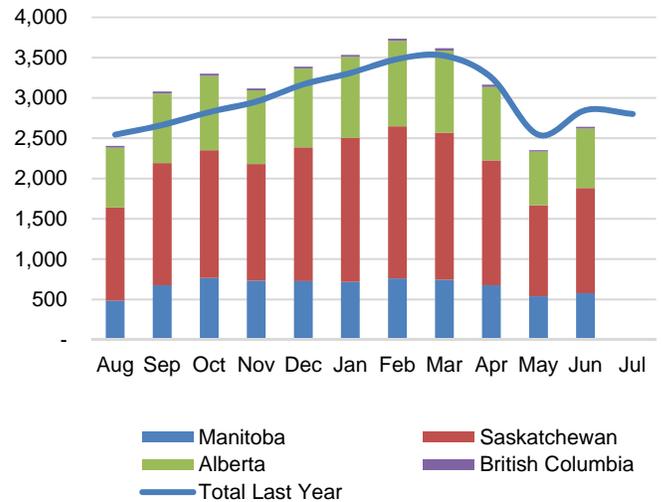
Year-to-date average days-in-store in the primary elevator system is consistent with previous performance at just 3.1% above that experienced last year.

Table M-4	JUN 2016	2015-16 YTD	Var. from Last YTD
Primary Elevator			
Average Weekly Stocks (000's tonnes)	2,640.5	3,119.7	3.6%
Average Days in Store	27.9	26.3	3.1%
Railway Operations (days)			
Cycle Time to Western Ports	12.9	13.1	-5.0%
Cycle Time to Eastern Canada	23.5	23.3	-4.5%
Cycle Time to US	25.7	26.6	-13.7%
Loaded Transit to Western Ports	4.4	4.9	-16.9%
Loaded Transit to Eastern Canada	8.7	9.9	-18.2%
Loaded Transit to US	9.5	11.3	-19.1%
Traffic in 50-car+ blocks (Q3)	85.4%	85.4%	2.9%
Western Canada Terminal Elevator			
Average Weekly Stocks (000's tonnes)	1,084.1	1,198.2	-8.0%
Average Days in Store	14.9	11.0	3.8%
Port Unloads (hopper cars)	29,622	355,969	2.4%
Terminal Out of Car Time	11.7%	11.7%	-34.0%
Western Canada Port Operations			
Average Vessel Time in Port (days)	6.0	8.0	-22.3%

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



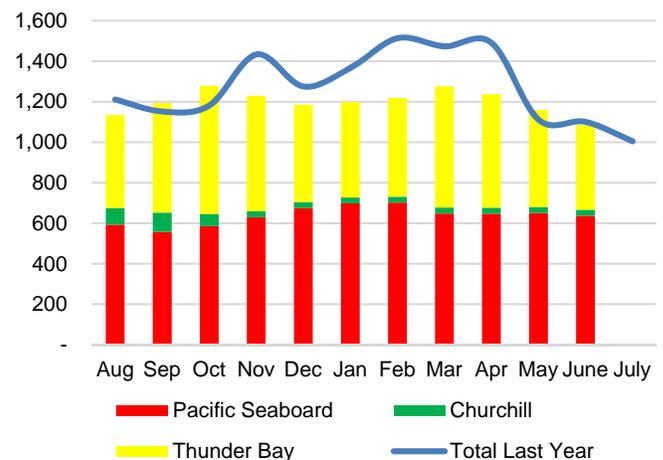
Average Weekly Primary Elevator Stocks (000's tonnes)



GMP Data Table 5A-2

Primary elevator stocks have declined significantly from their highest point in February. After reaching a low of 2.4 MMT in May, they rebounded to 2.6 MMT as producers resumed a more aggressive delivery pattern following the end of seeding. The year-to-date average still remained 3.6% higher than that reported in the same period of the 2014-15 crop year.

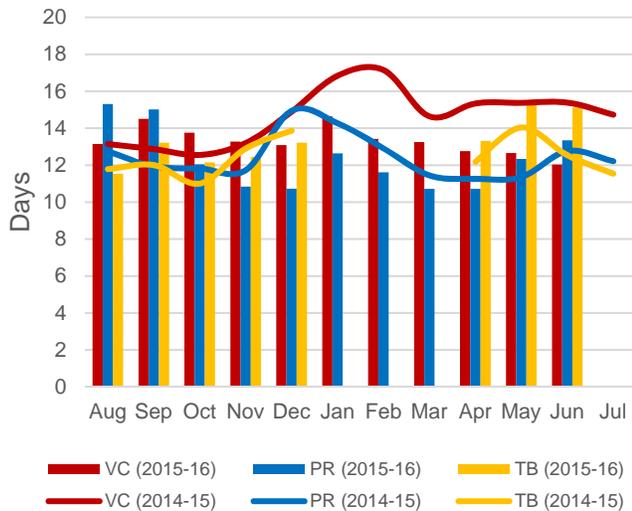
Average Weekly Terminal Elevator Stocks (000's tonnes)



GMP Data Table 5C-2

A similar pattern was observed regarding average stock levels at much flatter pattern for overall terminal stocks. As the year got underway, average stocks increased, climbing from 1.1 MMT in August to 1.3 MMT in October. They pulled back somewhat to 1.2 MMT in November, and despite some fluctuations, have more or less held steady since then. Another slight dip in June, brought them back down to 1.1 MMT, utilizing 63% of the overall ports' working capacity.

Railway Cycle Times to Western Ports (days)

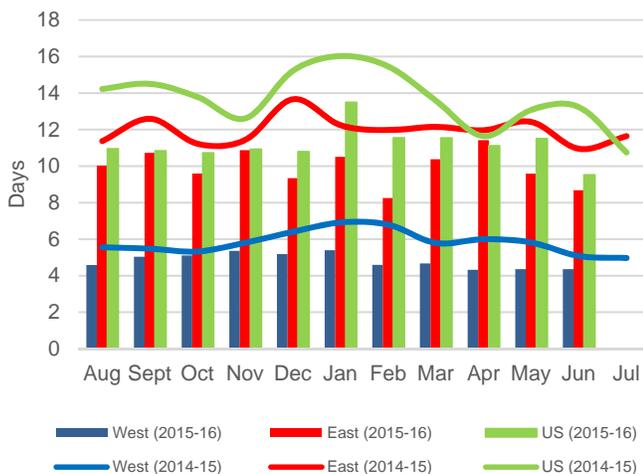


GMP Data Table 5B-1

Railway car cycles to Western Canadian ports averaged 13.1 days in the first eleven months of the 2015-16 crop year, a decrease of 5.0% from the same period a year earlier. This was shaped by decreases in the Vancouver and Prince Rupert corridors, which fell by 8.4% and 2.2% respectively. A 3.6% increase in the Thunder Bay corridor partially countered these reductions. (Note: The Churchill average is not factored into that of Western Canada as a whole.)

Car cycles to Eastern Canada saw a decrease of 4.5% during this same period, with the average declining to 23.3 days from 24.4 days. Car cycles into the United States showed a 13.7% decline, falling to an average of 26.6 days from the 30.8-day average for the same period in the previous crop year.

Average Loaded Transit Times (days)



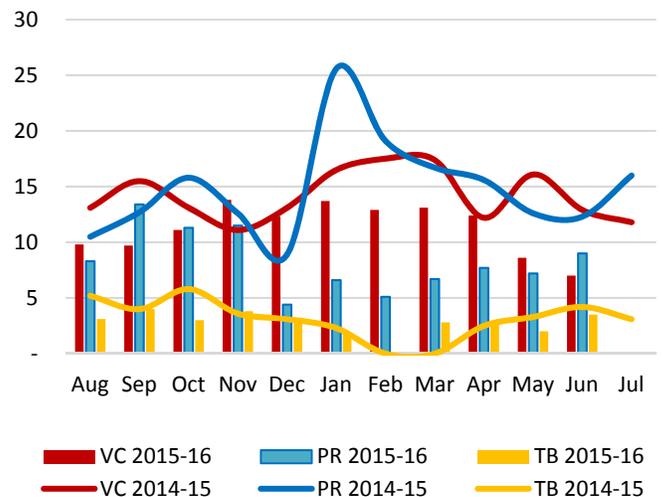
GMP Data Tables 5B-4, 5B-8, 5B-12

Loaded transit time for traffic destined to Western Canadian ports averaged 4.9 days through the first eleven months of the crop year, down 16.9% from the 5.9-day average posted in the same period a

year earlier. This reflected substantive reductions in all three corridors: Vancouver, 19.1%; Prince Rupert, 18.2%; and Thunder Bay, 8.4%.

The average Eastern Canadian loaded transit time also moved lower during this period, declining by 18.2% to 9.9 days. The corresponding average for US-destined traffic amounted to 11.3 days, a decline of 19.1%.

Average Days in Port per Vessel



GMP Data Table 5D-1

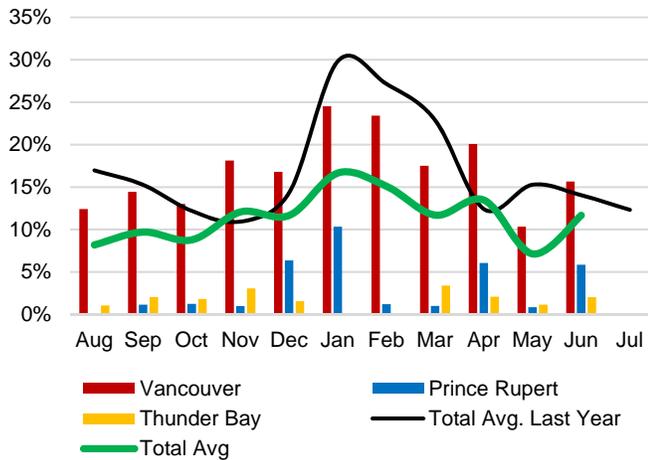
Year-to-date average time vessels are in port waiting and loading grain is 22.3% less than in the same period in 2014-15, reflecting an improvement in the coordination of grain stocks at port to vessel loading. June saw the average hold steady at 6.0 days compared to the 5.8 days registered in May. The number of vessels in ports at any time has enabled good operations during the crop year thus far. It has been sufficient to facilitate vessel loading while not congesting the available anchorages.

During the 2014-15 crop year, the average time vessels spent in port at Vancouver and Prince Rupert fluctuated between ten and fifteen days, with some seasonal spiking above that level in the winter. Thunder Bay's average hovers in the three to five-day range. In June of the 2015-16 crop year, the overall average time decreased by nearly 35% from the previous June, comprising 46% and 27% reductions at Vancouver and Prince Rupert respectively and a lesser reduction of 17% at Thunder Bay. Overall, this reflects a continuation of the relatively smooth movement from country to port during the 2015-16 crop year.



A late June hail storm in southern Alberta had this impact on some canola crops (courtesy of Doug Sell)

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).

Notwithstanding some fluctuation, the percentage of time terminals are out of cars has charted a trend of improvement from its high of 29.8% in January of 2015. A modest uptick is registered for June, as the total measure for all ports increased to 11.7% from 7.1% last month. All port positions registered increases from May levels, rising to 15.6% at Vancouver, to 5.9% at Prince Rupert and to 2.0% at Thunder Bay. The year-to-date value for Western Canada stands at 11.7%, down 34.0% from the same period last year.

Commercial Relations

CN and CP both reduced their single-car rates at the beginning of the 2015-16 crop year. These ranged from as little as 2% on CN movements into Thunder Bay to as much as 7% on CP movements into Vancouver. In mid-November CN followed this with an across-the-board rate cut of \$100 per car, which equated to a reduction of roughly 2%. These reductions lasted until the beginning of January 2016, when they were effectively reversed, largely reinstating the rates in place at the end of the first quarter. The carrier initiated another round of selective reductions in April, which generally ranged from \$100 to \$300 per car, for movements in the Vancouver, Thunder Bay and Churchill corridors. But these were more than countered by comparably-sized rate hikes in all corridors in mid-June. By the close of the period, CN's rates stood anywhere from 1% to 6% lower than those in place at the beginning of the crop year. Similarly, CP's rates remained unchanged until December, when it initiated secondary reductions of 4% in the Vancouver corridor and 7% in the Thunder Bay corridor. April saw these rates cut still further, by 3% in the Vancouver corridor and 2% in the Thunder Bay corridor. Rate increases of up to 5% in mid-May tempered much of this, producing net decreases of about 10% in both corridors. No changes were advanced by the carrier in June. All of these pricing actions were consistent with the 5.6% reduction in the VRCPI as determined by the CTA in April 2015.

Table M-5 Rates: \$CDN per tonne	Q3 2015-16	Index (1999=100)	% Change YTD
Avg. Primary Elevation	\$16.22	135.2	0.0%
Rail to Vancouver			
CN	\$47.06	127.5	-9.8%
CP	\$46.45	125.1	-13.8%
Rail to Pr. Rupert			
CN	\$48.21	115.5	-7.5%
Rail to Thunder Bay			
CN	\$46.36	144.6	-4.6%
CP	\$39.33	131.9	-12.7%
Average Terminal Elevation	\$14.13	154.9	1.0%

Note: Commercial rates are measured on a quarterly basis, the above refer to rates at the close of the third quarter of the 2015-16 crop years. Rail rates are as at April 30, 2016, 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

BCIMC purchases 9.99% stake in Glencore Agricultural Products:

On 9 June 2016 Glencore PLC announced that it had reached a definitive agreement with British Columbia Investment Management Corporation (BCIMC) for the latter's purchase of a 9.99% stake in Glencore Agricultural Products for US\$624.9 million in cash. This transaction is in addition to the April 2016 sale of a 40% stake in the company to the Canada Pension Plan Investment Board. Glencore PLC will retain a 50.01% stake in Glencore Agricultural Products, with its existing management team continuing to run the business. The cash proceeds from both transactions will be used to reduce Glencore's outstanding debt. BCIMC manages a global portfolio to help finance retirement benefits on behalf of public-sector clients in British Columbia, as well as the insurance and benefit funds covering over two million workers in the province.

SALIC takes majority interest in G3 Global Holdings:

In mid-June 2016 it was revealed that, over the course of the preceding five months, the Saudi Agricultural and Livestock Investment Company (SALIC) had quietly increased its stake in G3 Global Holdings from 49% to 75%. G3 Global Holdings, which is itself a joint venture between US-based Bunge and SALIC, was formed in 2012 as the investment vehicle through which both companies acquired a controlling 50.1% interest in the former Canadian Wheat Board (CWB). On 1 February 2016, SALIC, through its SALIC Canada Limited subsidiary, boosted its ownership in G3 Global Holdings from 49% to 65% by converting \$106 million in promissory notes into 148,323 million common shares. This effectively reduced Bunge Canada's ownership in G3 Global Holdings to 35% from 51%. Moreover, this was followed in March 2016 by Bunge's decision to sell a further 10% interest in G3 Global Holdings to SALIC, which resulted in ownership shares of 25% for the former and 75% for the latter.



Infrastructure

The GMP monitors infrastructure changes on a quarterly basis with the exception of the railway car fleet.

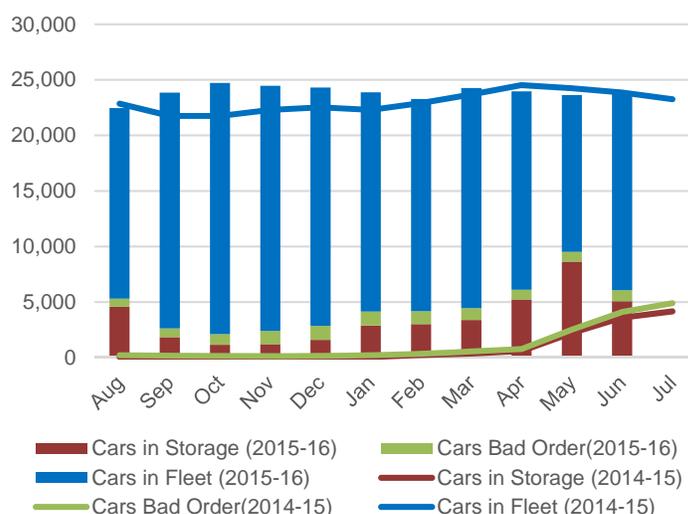
A number of changes to the GHTS's infrastructure were reported in the first eleven months of the 2015-16 crop year. The total number of country elevators rose by 3.5%, to 383 from 370. Much of this was tied to the licensing of several facilities acquired by AGT Food and Ingredients in its recent purchase of Mobil Grain as well as West Central Road and Rail. These additions served to also raise the GHTS's licensed storage capacity by 7.0%, to over 7.8 MMT. Equally significant changes were also posted against the rail infrastructure, with the establishment of Northern Lights Rail resulting in the transfer of 35.2 miles of CN infrastructure to the new shortline in September 2015. This was supplemented by an additional 1.5 miles of new track built to connect the Ceres Global Ag facility at Northgate SK to the BNSF, but was more than offset by the discontinuance of 137.5 route-miles of track in the second quarter. The crop year began with the delicensing of two terminal elevators at Thunder Bay (Thunder Bay Terminals and MobilEx) as well as an expected temporary 10,000-tonne reduction in the licensed storage capacity of the Richardson International terminal in Vancouver, which produced net declines of 11.8% in the GHTS's terminal elevators and 1.3% in its storage capacity.

Table M-6	Q3 2015-16	Index (1999=100)	% Change YTD
Country Elevator			
Primary and Process Elevators (Count)	383	38.1	3.5%
Storage Capacity (000's tonnes)	7,844.6	111.6	7.0%
Railway			
Route Miles - Major Carriers	14,664.2	98.9	-1.2%
Route Miles - Shortline Carriers	2,623.9	56.5	1.4%
Route Miles - Total	17,288.1	88.8	-0.8%
Average Weekly Total Hopper Car Fleet Size*	23,630	n/a	3.9%
Terminal Elevator			
Terminal Facilities (Count)	15	107.1	-11.8%
Storage Capacity (000's tonnes)	2,393.2	93.6	-1.3%

* Hopper Car Fleet Size represents all cars in all statuses for the month of June 2016.

Prior to February 2015, nearly all of the reported car fleet was in service. As traffic volumes began to slow, railways began the process of moving cars into storage and by August, the lowest volume to that point, over 23% of the fleet was stored or in a repair status. As volumes grew in the current crop year, so did the average number of cars in active grain service. Due to a tapering off in demand, there were just 13,598 cars in active service during June, representing 58% of the overall fleet. The number of rail cars in storage or repair status (bad order) has grown to 42%.

Total Railway Fleet Size and Utilization



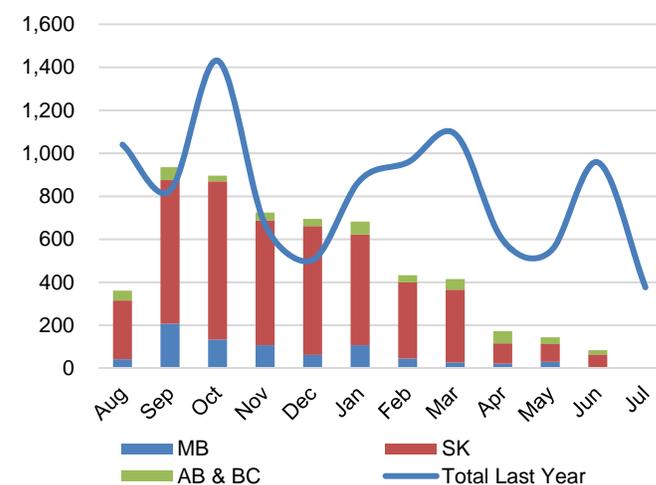
GMP Data Table 3B-2

Producer Cars

With the start of operations for Northern Lights Rail in Saskatchewan, two producer car loading sites were added to the Shortline Carrier total in the first quarter of the 2015-16 crop year. The total number of available producer car loading locations now stands at 316.

Table M-7 Producer Car Loading Sites	Q3 2015-16	Index (1999=100)	% Change YTD
Class 1 Carriers	179	27.8	0.0%
Shortline Carriers	137	210.8	1.5%
All Carriers	316	44.6	0.6%

Producer Cars Scheduled by Province



GMP Data Table 6B-2

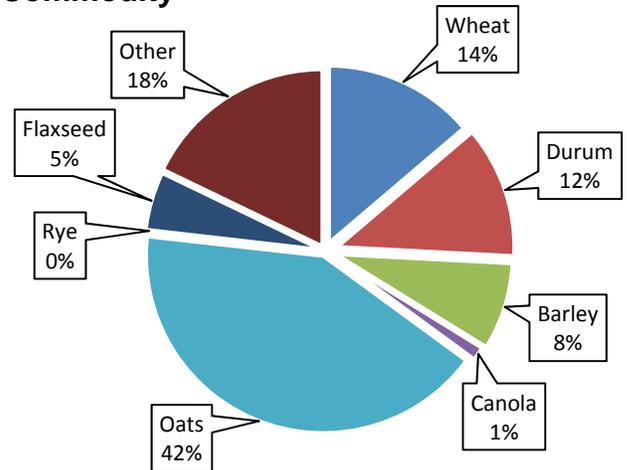


<i>Table M-8</i> Producer Cars Scheduled	JUN 2016	2015-16 YTD	Var. from Last YTD
Manitoba	1	784	-29.4%
Saskatchewan	63	4,302	-39.5%
Alberta & B.C.	20	455	-64.1%
Total	84	5,541	-41.6%

Producer car shipments have evolved from primarily being wheat, durum and oats to including significant numbers of cars carrying special crops and canola. Shipments to the end of June follow this pattern, comprising 68%, with the balance consisting mainly of special crops.

Producer cars scheduled were significantly lower to the end of June in the 2015-16 crop year, down 41.6%, from the previous year. Although the average number of weekly applications has been less than the previous year, the 2014-15 numbers were also inflated due to the large volume of backlogged orders awaiting scheduling at the beginning of that crop year.

Producer Cars Scheduled by Commodity



GMP Data Table 6B-2



Canola crop outside of North Battleford in late June 2016 (Quorum)



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 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 the address above by either phone or email