

**Wheat Market Outlook and Price Report: Oct. 13, 2020**  
By Marlene Boersch/ A.P. Temple/ Michael Wilton  
Mercantile Consulting Venture Inc.

**i) Background and Rationale for the Report**

The following wheat market outlook and price report will be published on a weekly basis on the Sask Wheat Website. The report provides producers with an overview of world wheat markets, a market forecast, and benchmark prices at both the primary elevator and export positions (FOB Vancouver or elsewhere).

The report is made up of several sections. Following this section, a World Wheat overview is provided, which includes a summary of wheat market fundamentals, world production and trade, and a wheat market outlook. This is followed by several price tables, which include primary elevator bids at various Saskatchewan locations (Table 1), grain spreads (Table 2), and FOB port prices and basis (as measured by subtracting the primary elevator price (Rosetown) from the relevant port location price for individual crops) (Table 3). Table 3 is preceded by a description of the various assumptions, definitions and methodology used in arriving at the FOB port prices and in the export basis calculation.

**ii) Wheat Market Outlook October 13, 2020**

**AMIS<sup>1</sup> October 8/20 wheat market assessment:**

Wheat	FAO-AMIS			USDA		IGC	
	2019/20	2020/21		2019/20	2020/21	2019/20	2020/21
	est	3 Sep	8 Oct	est	f'cast 11 Sep	est	f'cast 24 Sep
Prod	761.6	760.1	764.9	764.0	770.5	762.2	763.4
Supply	628.1	626.1	630.9	630.4	634.5	628.7	628.4
Utiliz.	1,032.7	1,036.6	1,039.7	1,048.0	1,070.3	1,023.9	1,042.6
Trade	783.7	774.9	777.9	782.6	782.6	771.7	778.7
Stocks	750.8	756.1	756.6	748.2	750.9	744.7	748.8
	625.3	628.7	626.7	622.2	620.9	615.9	616.8
	184.2	181.5	184.5	191.1	189.1	184.9	182.9
	179.0	177.0	177.5	185.8	182.1	178.1	175.9
	274.7	282.2	284.8	299.8	319.4	279.2	293.8
	147.0	143.6	146.2	148.1	155.7	149.1	155.0

Data shown in the second rows refer to world aggregates without China; world trade data refer to exports and world trade without China excludes exports to China.

- **Wheat production** forecast for 2020 now points to a new record following this month's upward revisions in Australia, the EU, and the Russian Federation.
- **Utilization** in 2020/21 is expected to grow at slightly faster pace than projected earlier, supported by stronger feed use in China.
- **Trade** in 2020/21 (July/June) is scaled up m/m on more brisk import demand, especially by China and Egypt.
- **Stocks** (ending in 2021) are lifted by almost 3 million mt following this month's upwards revisions in the EU, the Russian Federation, and Ukraine.

<sup>1</sup> AMIS: Agricultural Market Information System. Input comes from the ten organizations that form the AMIS Secretariat: FAO, IFAD, IFPRI, IGC, OECD, UNCTAD, World Bank Group, WFP, WTO, GLAM.

## Global wheat conditions (based on AMIS<sup>2</sup> report):

**EU:** winter wheat sowing has begun under generally favourable conditions except for France and Romania where dryness from the summer persists.

**Ukraine:** sowing of winter wheat is beginning under mixed conditions due to drought across much of the country, which is delaying sowing for much of the crop.

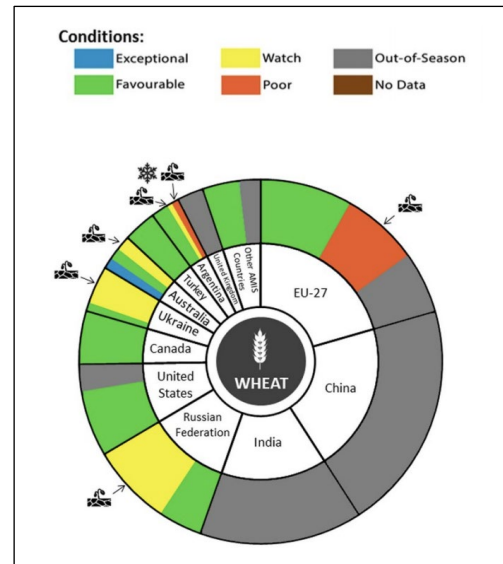
**Russian Federation:** spring wheat harvesting is wrapping up under favourable conditions. Winter wheat sowing is progressing under dry conditions, particularly in the south, which is hampering emergence and more rainfall is needed before winter dormancy.

**US:** sowing of winter wheat is ongoing under favourable conditions.

**Canada:** spring wheat harvest is progressing under favourable conditions with slightly above average yields expected.

**Argentina:** conditions are mixed, with recent rainfall in the south improving conditions. However, in the north and west regions, crop conditions are poor and mostly irreversible due to prolonged dryness throughout the season.

**Australia:** conditions are generally favourable except for Queensland which experienced persistent dryness and Western Australia following a dry September. By contrast, New South Wales is showing exceptional conditions with an expansion of sown area.



## ➤ Global wheat production and trade:

There is a lot of competition in the wheat markets as wheat is produced around the world. Below is a brief synopsis on last week's market events in the major wheat origins.

- **Futures:** Dec. '20 contract **Chicago winter wheat** closed at 593-6, down 1-4 cents on Friday, *up 17-49 cents for the week*.
- Dec. '20 contract **Kansas hard red winter wheat** closed at 535-4, up 6-6 cents in Friday's trade, *up 26 cents for the week*.
- **Minneapolis Dec. '20 hard red spring wheat** closed at 543-6, up 1-2 cents on Friday, *up 12 cents for the week*.

**CBOT/CME Dec 2020 Wheat**



**KC Dec. '20 Wheat**



**Mpls. Dec. '20 Wheat**

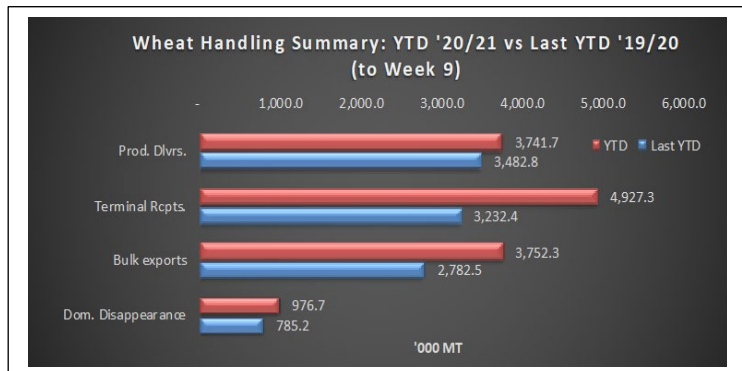


- **Futures market summary:** There was not a lot of independent support for wheat in the USDA-WASDE numbers on Friday, but support came via strong corn futures.

<sup>2</sup> The analysis is a collective assessment of the market situation and outlook by the ten international organizations and entities that form the AMIS Secretariat: FAO, IFAD, IFPRI, IGC, OECD, UNCTAD, World Bank Group, WFP, WTO, GLAM.

### Canadian Wheat:

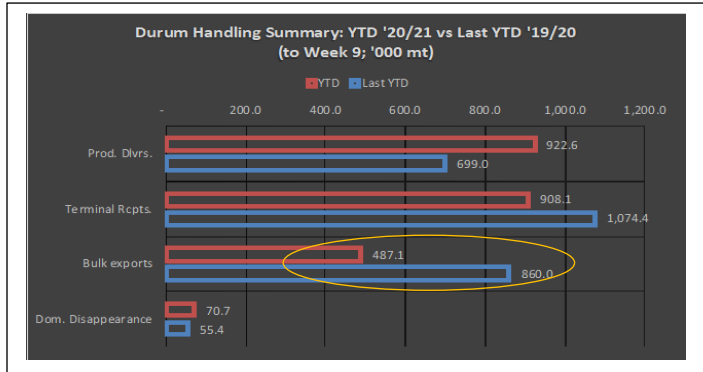
- We do not think that last Friday's USDA report was particularly important for wheat, because the market is focusing on weather and how this will affect the 2021 wheat crops in Argentina, Russia & Ukraine, the EU, and also on the US plains. Winter wheat plantings have already been affected and it remains to be seen if they can recover.
- We note that 40% of the US wheat sold last week was HRS wheat, and 33% white wheat. Chicago winter wheat prices pushed up above US\$6/bu for the first time since July 2015. This is helping producers of low-protein wheat, and CPS wheat values on the Prairies have started to improve significantly.
- In Canada, week 9 grower deliveries in Canada were 403,000 mt, with a 9-week total of 3.7 million mt. Weekly wheat export loadings were a big 530,000 mt; year-to-date shipments amount to 3.8 million mt, which is 970,000 mt (+35%) ahead of last year's loadings.
- StatsCan published August exports numbers by destination. Canada shipped 2.2 million mt of Canadian wheat during August '20, 793,000 mt higher (+57%) than in August '19. Prime destinations were Indonesia, Japan, China, the US and Colombia.
- Uncertainty about final wheat production outcomes still persists in international markets. *Demand for Canadian wheat continues to be good and we expect to see improved prices in the future.*
- Durum:** Canadian durum exports are off to a slow start and continue to run well behind last year's pace. StatsCan August exports for durum only added to 313,000 mt, compared to 348,000 mt last year. The prime destination was Morocco.
- While week 9 durum deliveries increased to 161,000 mt, export shipments remain small at 51,000 mt for the week, and at 487,000 mt year-to-date. Year-to-date exports trail last years by 373,000 mt (a big -43%).



	mt	August '20	YTD '20/21	Last YTD '19/20	% of last yr	Change from last yr
<b>Total</b>	<b>World</b>	<b>2,192,688</b>	<b>2,192,688</b>	<b>1,399,931</b>	<b>157%</b>	<b>792,757</b>
1	China	421,983	421,983	102,635	411%	319,348
2	Peru	242,172	242,172	55,001	440%	187,171
3	Indonesia	194,429	194,429	270,575	72%	-76,146
4	Japan	163,749	163,749	135,603	121%	28,146
5	Bangladesh	163,885	163,885	59,001	278%	104,884
6	Colombia	167,430	167,430	96,536	173%	70,894
7	USA	144,756	144,756	99,284	146%	45,472
8	Mexico	84,116	84,116	22,000	382%	62,116
9	Australia	62,430	62,430	60,509	103%	1,921
10	Cuba	47,501	47,501	19,950	238%	27,551
	Other	500,237	500,237	478,837	104%	21,400

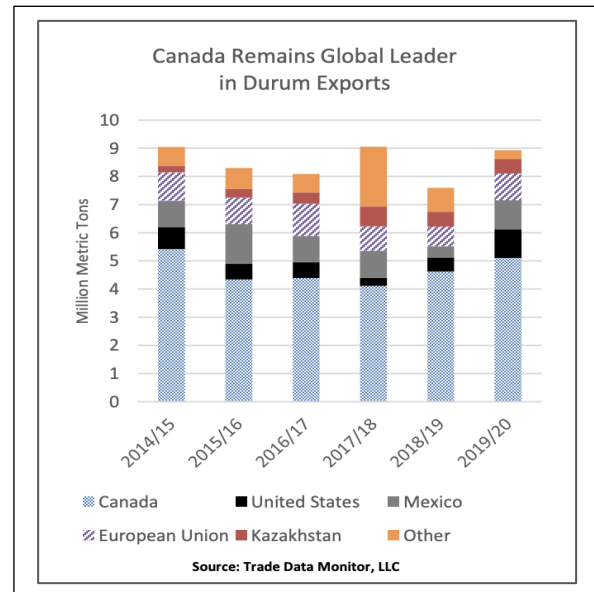
	mt	August '20	YTD '20/21	Last YTD '19/20	% of last yr	Change from last yr
<b>Total</b>	<b>World</b>	<b>312,832</b>	<b>312,832</b>	<b>348,195</b>	<b>90%</b>	<b>(35,363)</b>
1	Morocco	162,333	162,333	40,513	401%	121,820
2	Italy	25,796	25,796	112,582	23%	(86,786)
3	USA	22,483	22,483	18,825	119%	3,658
4	Spain	16,500	16,500	0		16,500
5	Chile	13,369	13,369	11,000	122%	2,369
6	Japan	13,180	13,180	16,274	81%	(3,094)
7	Peru	12,724	12,724	10,000	127%	2,724
8	Portugal	10,393	10,393	0		10,393
9	UAE	11,886	11,886	11,475	104%	411
10	Ecuador	7,200	7,200	1,800	400%	5,400
11	Indonesia	6,300	6,300	0		6,300
12	Algeria	6,788	6,788	0		6,788
13	Belgium	3,624	3,624	20,177	18%	(16,553)
14	Korea, South	200	200	0		200
15	United Kingdom	56	56	77	73%	(21)

- According to USDA, sizable durum crops are expected for both Canada and the United States in 2020/21. Statistics Canada projects Canada's durum crop to reach 6.1 million mt in 2020/21 (the highest in 4 years), as planted area increased 16%. The USDA projects US durum production at 1.9 million mt, a 28 percent increase from last year. But as Mercantile noted recently, we calculate that *supply* of durum is going to be about unchanged in Canada, and up by about 6% in the US because of the smaller carry-ins this year.



USDA stated that they do not expect US production gains to translate to higher U.S. exports in 2020/21, because of an expected sharply higher domestic consumption of durum wheat. This should allow Canadian exporters to maintain the higher export volumes of last crop year.

- We expect longer-term international demand prospects for durum to be positive and overall demand should roughly match the demand seen during 2019/20. We would target starting sales at around \$8.25/bu, which would represent a decent premium over spring wheat.



## US Wheat:

- Last week, substantially higher futures prices stimulated farmer selling which pressured Gulf HRW export basis for November and December deliveries. Extremely limited elevation capacity supported Pacific Northwest (PNW) HRS export basis for nearby and deferred deliveries.
- The weekly US Export Sales report showed 531,000 mt of wheat bookings for the week ending October 1<sup>st</sup>, in line with trades estimates and 2% above the same week last year. Top buyers were the Philippines, Mexico and unknown. The top wheat varieties sold for export were HRS and white wheat, with 40.4% and 33% of the total respectively.
- There was not a lot of independent support for wheat in the USDA-WASDE numbers on Friday, but support came via corn. The US wheat ending stocks at 883 million bu were in line with expectations. Global ending stocks at 157 million mt were ~4 million mt higher than anticipated. The '20/21 Russian wheat crop was increased to 83 million mt (78 million mt previously), while others have been lowering it due to a drop in winter wheat plantings. Ukrainian wheat was lowered 1.5 million mt to 25.5 million mt. - *There were few surprises for wheat, but the wheat market is not really about these numbers. It is about weather in the US, Argentina and the Black Sea, and the prospects for the 2021 wheat crop.* - If it rains in Russia and the US Plains, markets will react lower; if it doesn't, they won't. (In our view conditions in Russia/FSU are better than the markets suggest).
- US HRS for November is valued at \$280/mt FOB PNW (+\$4/mt from last week), White wheat is at \$236/mt FOB PNW (-\$4/mt), and HRW (11% protein) is valued \$263.90/mt FOB Gulf (+\$4/mt).

**Australian wheat:**

- New crop Australian wheat futures hit 5-month highs midweek before easing Friday, and FOB values also continued to push higher.
- Estimates of the overall Australian crop remain optimistic, and the USDA left the S&D completely unchanged from September.
- Australian new crop FOB APW wheat values for Dec. closed up \$7/mt from last week at 260.00/mt.

**Argentine wheat:**

- Argentine FOB values rose another \$3/mt on ongoing dryness.
- BAGE surprisingly raised GD/EX ratings to 13% from 8% last week.
- Argentina has become the first country to approve a variety of GM wheat, but it will only start marketing it if it is approved for imports by Brazil.
- Argentine new crop 11.5% pro wheat for Dec. rose \$5/mt to \$225-235/mt.

**EU wheat:**

- Matif hit contract highs on crop concerns and the lack of farmer selling.
- Most of the EU now has adequate soil moisture and French wheat plantings were put at 6% (just 3% year ago).
- USDA changes were cosmetic adding 600,000t to the crop and 400,000t to end stocks.
- French September shipments were the lowest in 11 years.
- FOB values in the EU were all up again over the past week. French 11.5 pro wheat increased by \$6.37/mt to US\$243.97/mt, German 12.5 pro increased by \$3.98/mt from last week to \$239.16mt, and Baltic 12.5% pro wheat increased \$5.73/mt to \$237.98/mt.

**Black Sea wheat:**

- Black Sea Dec. wheat futures made all-time highs of \$250/mt before closing up \$10 at \$246/mt, while July new crop rose \$8 to \$229/mt.
- FOB markets gained around \$6/mt with the Nov. 12.5 protein bid-offer spread closing at \$243-247.
- Interior Russian flour prices rose back to all-time highs, and there was no change to the hot dry forecast. With fall seeding affected, means that 2021 crop prospects are a basically unknown, and the trade is divided as to if or how, the Govt will take account of this in their decision on export quotas.
- USDA increased the 2020 Russian wheat crop by 5 million mt to 83 million mt and lifted exports to 39 million mt. USDA lowered the Ukrainian crop by 1.5 million mt to 25.5 million mt, but took exports down just 500,000 mt to 17.5 million mt.
- FOB values were up with Russian 12.5 pro up \$6/mt at \$245/mt.

➤ **Significant purchases/ trades:**

- **Pakistan** bought 120,000 mt of 11.5 pro wheat at \$278.50/mt.
- **Tunisia** bought 3x25.000 mt 11.5 pro wheat at \$263.40 plus 17,000 mt at \$266.40 Oct-Nov.
- **Turkey** bought around 125,000 mt at \$252-260 for 16 Oct-2 Nov.
- **Algeria** surprised the market over the weekend with a tender for November shipment.
- **US export sales** rose 531,000 mt for a season total 534 million bushels, up 8% on last year.
- **The French September shipments** were the lowest in 11 years. Most of the EU now has adequate soil moisture and French wheat plantings were put at 6% (just 3% year ago). USDA changes were cosmetic adding 600,000t to the crop and 400,000t to end stocks. The Australian harvest is getting underway and it is going to be a big crop with some suggestions of a 28.5 million mt.

➤ **Wheat Market Outlook:**

**Significant events:**

- **US wheat futures were up 17-25¢** ahead of the USDA report with the focus on dryness in the Plains, Russia and Argentina, while US sales and shipments remain ahead of last year despite US FOB values still way above competing origins.
- **Matif wheat hit contract highs** on crop concerns and the lack of farmer selling, EU FOB premiums remain firm but interior markets continued to pay higher prices.
- **Black Sea Dec. wheat futures** made all-time highs of \$250/mt before closing up \$10 at \$246/mt.
- *Despite several crop problems around the world, **USDA estimates** that global stocks on June 1 will still be a record large 321.45 million tonnes.* We appear to have a good supply of milling wheat and with continued difficult China/Australian relations, it is going to be a challenge finding homes for the Australian crop.

➤ **Outlook:**

World wheat is now mostly about weather. In particular, the trade's focus is on the Russian Plains dryness, while Argentina is also rapidly pricing itself out of all markets other than Mercosur countries.

The second half of this year's campaign will hold considerable interest with Australia still expecting a huge crop and currently buying Asian demand away from the Black Sea, but the picture will not be complete until Russia makes its decision on Jan-June quotas. *If it rains in Russia and the US Plains, markets will react lower; if it doesn't, they won't.*

(In our view, conditions in Russia/FSU are better than the markets suggest).

*There is no rush to sell Canadian grains.*

**iii) Primary Elevator Price Tables and Grade Spreads**

**Table 1: Canadian Primary Elevator Bids, in Canadian Dollars per Bu and per MT**

					Date:	13-10-2020
NW Sask	Spot		NW Sask	Deferred		
	(bu.)	(mt)		Feb.'20 (bu.)	Feb.'20 (mt)	
1 CWRS 13.5	\$6.41	\$235.53	1 CWRS 13.5	6.56	\$241.04	
1 CWAD 13.0	\$7.59	\$278.89	1 CWAD 13.0			
1 CPSR 11.5	\$5.96	\$218.99	1 CPSR 11.5	6.07	\$223.04	
SW Sask			SW Sask			
1 CWRS 13.5	\$6.26	\$230.02	1 CWRS 13.5	6.43	\$236.26	
1 CWAD 13.0	\$7.72	\$283.66	1 CWAD 13.0			
1 CPSR 11.5	\$5.85	\$214.95	1 CPSR 11.5	6.00	\$220.46	
NE Sask			NE Sask			
1 CWRS 13.5	\$6.14	\$225.61	1 CWRS 13.5	6.27	\$230.38	
1 CWAD 13.0	\$7.61	\$279.62	1 CWAD 13.0	7.79	\$286.24	
1 CPSR 11.5	\$5.74	\$210.91	1 CPSR 11.5	5.82	\$213.85	
SE Sask			SE Sask			
1 CWRS 13.5	\$6.09	\$223.77	1 CWRS 13.5	6.25	\$229.65	
1 CWAD 13.0	\$7.66	\$281.46	1 CWAD 13.0	7.77	\$285.50	
1 CPSR 11.5	\$5.68	\$208.71	1 CPSR 11.5	5.78	\$212.38	

**Table 2: Grade Spreads, in Canadian Dollars per Bu and per MT**

<b>Avg. Grade Spread/ Pro Discounts</b>	<b>Cdn\$/bu.</b>	<b>Cdn.\$/mt</b>
<b>1 CWRS 13.5</b>	Base Grade	Base Grade
<b>2 CWRS 13.5</b>	(0.01)	(0.37)
<b>1 CWRS 12.5</b>	(0.25)	(9.19)
<b>1 CWAD 13.0</b>	Base Grade	Base Grade
<b>1 CWAD 13.5</b>	0.00	0.00
<b>2 CWAD 13.0</b>	(0.10)	(3.67)
<b>2 CWAD 12.5</b>	(0.20)	(7.35)

#### **iv) FOB Wheat Prices and Export Basis Calculation**

##### Background and Rationale:

Reporting FOB prices at port position and primary elevator prices allows the reader to gain an understanding of both local and international wheat prices and to understand the relationship between the two, as measured by the export basis. Export basis can be defined as FOB port position prices minus the primary elevator prices at any given prairie delivery location and is therefore reflective of transportation costs plus any premiums being captured by terminal grain elevator companies or the railway companies, at any given time.

In general, a widening basis is indicative of decreasing system performance in terms of either reduced port capacity or rail service, or both. A narrowing basis is indicative of increased available port capacity and/or better ability of the railways to provide ample service to grain shippers. In this regard, tracking these prices over time has value both in terms of producers being able to time the selling of their grain but also in terms of evaluating and setting policy related to various transportation and capacity issues.

Gray (2015) has calculated a normal basis to be in the range of C\$72/mt. During the 2013/14 crop year the export basis for wheat widened to approximately C\$250/mt, which indicated an inability of the grain handling and transportation system to adequately handle the record crop produced that year. This occurrence has highlighted the need to improve the level of rail service and take measures to expand port capacity where possible. It has also underscored the need for better price transparency and market information within the grain sector.

##### Assumptions, Definitions, and Methodology

The following background information should assist in understanding and interpreting international market signals and to relate them to the 'local' Saskatchewan wheat market:

- The price information generated for the weekly report is designed to show farmers at what price levels several wheat classes are trading at local primary elevators (Table 1) and in nearby international markets (Table 3). To express the Export Basis<sup>3</sup> (see *Export Basis*

<sup>3</sup> Gray, R.S. (2015). The Economic Impacts of Elevated Export Basis Levels on Western Canadian Grain Producers 2012/13, 2013/14 and 2014/15.

in Table 3) defined as Canadian. FOB Prices minus primary elevator bids, the FOB prices are translated into Canadian dollars from US dollars and compared to current actual primary elevator Street prices at Rosetown, Saskatchewan (see *Street Prices* in Table 3). Rosetown is used as a proxy for all primary elevators in the basis calculation. The actual handling and transportation costs from the West Coast to delivered elevator (Rosetown area) range from ~C\$58.00-C\$74.72/mt, depending on number of cars moved and elevator used.

- Approximate relationship between U.S. wheat classes and Canadian wheat classes:
  - DNS 14% in the Pacific North West (PNW) ≈ 1 CWRS 13.5% in Vancouver
  - HRS in the Pacific North West (PNW) ≈ 2 CWRS 13.0% in Vancouver
  - HRW in the Pacific North West (PNW) ≈ 3 CWRS in Vancouver
  - SW (lowest price wheat) ≈ CPS red (mostly fed domestically)
  - HAD (Lakes) ≈ CWAD (Thunder Bay/ Lawrence)
    - Abbreviations: DNS (Dark Northern Spring Wheat); HRS (Hard Red Spring Wheat); HRW (Hard Red Winter Wheat); SW (Soft Wheat); HAD (Hard Amber Durum Wheat); CWRS (Canadian Western Red Spring Wheat); CPS (Canada Prairie Spring Wheat); CWAD (Canadian Western Amber Durum Wheat)
  
- Hard wheat price calculations:  
 Exporters in Western Canada generally derive their primary elevator wheat prices from HRS values at the West Coast (Pacific Northwest - PNW). Similarly, HRW values are used for lower grade (3) CWRS.
  - West Coast HRS and HRW values essentially dominate the international hard wheat trade and determine its basic value.
  - If premiums are paid for 1 CWRS 13.5, elevator companies are often able to retain the premium
  
- Durum wheat price calculations:  
 The primary export route for Canadian durum wheat is still through Thunder Bay, not the West Coast of Canada.
  - Nevertheless, the Pacific Coast has increased in importance for durum over time with 38% of total export volume crop year to date.
  - Italy is the single biggest buyer of Canadian durum wheat with 27% of total Canadian durum exports year-to-date (East Coast shipments).
  
- Optional origin grain sales:  
 Most major international grain companies sell 'optional origin' wheat to their customers and often cover their sales 'at best' closer to the shipment position. The Canadian grain system is not conducive to servicing optional origin sales because the volume of wheat kept in storage in port today is much smaller than prior to deregulation of the Canadian wheat market.

---

“The difference between FOB Vancouver prices and the Saskatchewan elevator cash bids to producers is referred to as export basis: Basis can refer to the difference between any two prices. As the largest volume port, Vancouver FOB, minus the elevator bid prices representative measure of the “export” basis for grains in Western Canada.”



**Table 3: Relevant FOB Prices and calculated Basis, US & Canadian Dollars per MT**

Relevant FOB Prices and Export Basis				13-10-2020
Type of Wheat	FOB Prices CDA <sup>1</sup> (calculated)		Street Prices	Export Basis <sup>2</sup>
	West Coast (Cdn./mt\$)	Great Lakes (Cdn.\$/mt)	Rosetown (Cdn.\$/mt)	Basis: West Coast-Centr. SK (Cdn\$/mt)
DNS 14.0	\$328.16	\$377.86		
HRS	\$320.92			
HRW 11.5	\$331.05			
SWW 12.0	\$289.07			
1 CWRS 13.5 <sup>3</sup>	\$328.16		\$229.65	\$98.51
2 CWRS 13.0 <sup>3</sup>	\$320.92		\$213.85	\$107.07
3 CWRS <sup>3</sup>	\$331.05		\$205.77	\$125.29
CPS <sup>3</sup>	\$282.31		\$217.52	\$64.79
1 CWAD <sup>4</sup>		\$371.11	\$293.95	\$77.16
Competing wheat:	US\$/mt			
Russia 12.5 (Black Sea, 25k mt)	\$245.00	October		
French 11.5 (Rouen)	\$243.97	October		
ASW 10.5 (W Coast)	\$255.00	December		
Argentine 12.0	\$225-235	December		

<sup>1</sup> FOB Prices CDA = FOB US\$ converted into Canadian Currency

<sup>2</sup> Export Basis = FOB Prices CDA minus Cdn. Street Price

<sup>3</sup> DNS 14% ≈ 1 CRWS 13.5%; HRS ≈ 2 CWRS 13.0%; HRW ≈ 3CWRS; SWW ≈ CPS

<sup>4</sup> Values derived to Lakehead FOB

## ADDENDUM

### Futures Driven Basis Calculation, Canadian Dollars per MT

Canadian Wheat - World Price Parities				13-10-2020
Canadian Funds	Grade			
PNW value/Vancouver	2CWRS	3CWRS	Winter wht.	CPS
Sept/Oct delivery	\$8.55	\$8.83	\$5.85	\$5.85
Parity Track Rosetown	\$7.05	\$7.33	\$6.19	\$6.19
Track Bid Rosetown Area	\$5.82	\$5.60	\$5.92	\$5.92
Gross Margin at Elevator (\$/bu)*	\$1.23	\$1.73	\$0.27	\$0.27
Gross Margin at Elevator (\$/mt)*	\$45.33	\$63.55	\$9.80	\$9.80

\* to cover elevation, elevator market risk, margin