

**Wheat Market Outlook and Price Report: June 21, 2021**  
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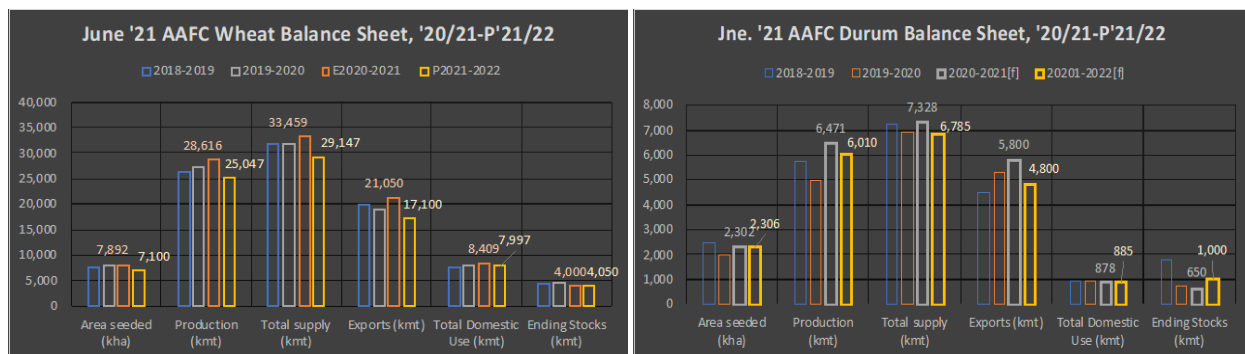
**i) Background and Rationale for the Report**

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 June 21, 2021**

**AAFC June Canadian Wheat & Durum Balance Sheet estimates:**



- **Wheat excluding durum:** For 2020-21, carry-out stocks are forecast to drop to 4 million mt, the third lowest on record.
- For 2021-22, Canadian area seeded to wheat is expected to decrease by 10% to 7.1 million ha with an 8% decline in area seeded to winter wheat and a 9% decline in spring wheat. Production of wheat, excluding durum, is projected to decline 12% to just over 25 million mt. Supply is forecast at 29.1 million mt, down 13% year-over-year. Exports are expected to fall to 17.1 million mt, about 60% of total supply. Carry-out stocks are forecast to increase slightly to just over 4 million mt.
- Note we doubt that spring wheat acres on the Prairies dropped by that much this past spring!
- **Durum:** For 2020-21, carry-out stocks were tightened further from last month to 650,000 million mt, down 12% over 2019-20 and the third lowest on record.
- For 2021-22, the area seeded to durum in Canada is expected to remain relatively on par with the previous year at 2.3 million ha, according to farmers' seeding intentions in March when surveyed by STC. Supply is forecast to fall 9% to 6.7 million mt with yields returning to average levels and tight carry-in stocks.
- Exports were reduced this month compared to last on reduced production. Exports are now forecast at 4.8 million mt, down 17% year over year (year-over-year), with a reduction in supply compounded by reduced import demand and a gradual rebuilding of domestic stocks, which are forecast at 1 million mt.

➤ **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:** July '21 contract **Chicago winter wheat** closed at 662-6, up23-6 cents on Friday, down 18 cents on the week.  
July '21 contract **Kansas hard red winter wheat** closed at 606-4, up 21-2 cents in Friday's trade, and down 31-6 on the week.  
July '21 **Minneapolis hard red spring wheat** closed at 762-4, up 11-2 cents on Friday, and down 2-2 cents on the week.
- Futures prices were mixed last week. CBOT corn futures lost 29 cents to end at \$6.55/bu. CBOT soybean futures shed \$1.12 cents to close at \$13.96/bu.

**CBOT July 2021 Wheat (1 yr.)**



**KC July '21 Wheat**



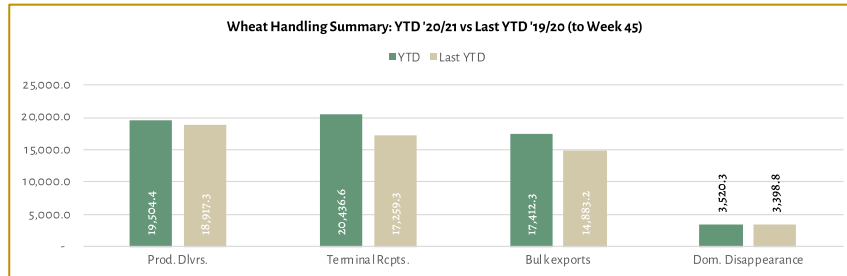
**Mpls. July '21 Wheat**



**Canadian Wheat:**

- Spring wheat: The **US HRS crop** is heading out at a faster pace than normal; an indicator of the crop being stressed from challenging conditions. US HRS crop conditions decreased this week with 41% of the crop in major producing states at good to excellent. By state, Minnesota is 68% good to excellent, Montana 50%, South Dakota 17% and North Dakota is 29%. Industry sources in North Dakota are talking about stunted growth, but later planted fields look better. Recent rains helped topsoil moisture conditions improve in North Dakota and Montana, but the HRS growing region is hot, dry and windy, stressing the crop.
- **Conditions in Saskatchewan** have improved, with 77% of Saskatchewan spring wheat rated in good to excellent condition, 21% in fair condition, and 2% in poor condition. In AB, 84% of spring wheat is rated good to excellent.
- At 255,000 mt, **Canadian wheat exports** were small in week 45, advancing year-to-date wheat exports to 17.4 million mt, 2.5 million mt higher (+17%) than last year-to-date. Traders will watch continue to the weather in South America, any new developments in Russia (export tax & logistics) and whether China will continue to buy aggressively.
- It remains difficult to assess the outlook for world wheat when Russia, the usual leader in the cash market is out of the game for now. EU wheat remains too cheap, and we await developments in Argentina.
- In Canada, some traders have kept their bids on hold, but #1 CWRS 13.5 should fetch \$7.75-8.00/bu (+) delivered in Saskatchewan.

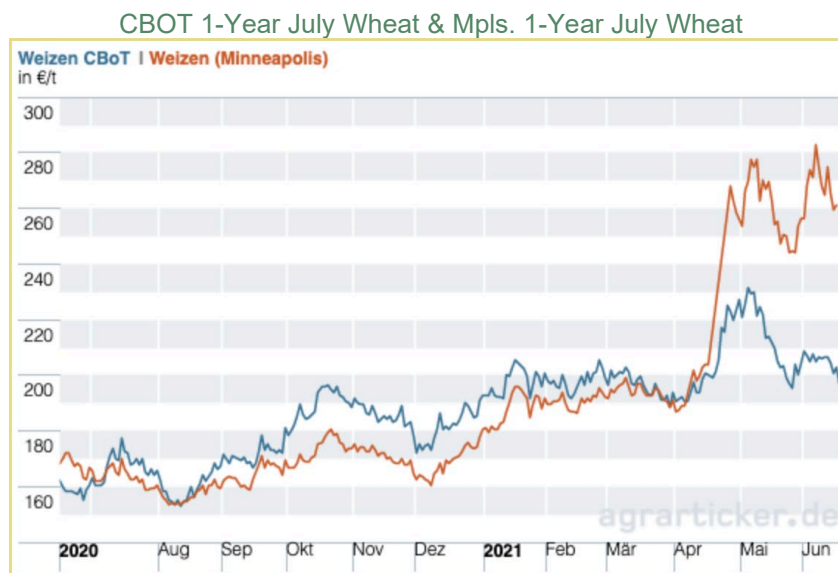
(CGC) Grain Handling Summary Wheat		Wk. 45		(June 13/21)
(000 mt)	Prod. Dlvs.	Terminal Rcpts.	Bulk exports	Dom. Disappearance
Wk. 45	458.2	477.9	255.1	79.3
Week ago	635.8	409.5	516.4	79.9
YTD	19,504.4	20,436.6	17,412.3	3,520.3
Last YTD	18,917.3	17,259.3	14,883.2	3,398.8
YTD less Last YTD	587.1	3,177.3	2,529.1	121.5
YTD over Last YTD	103%	118%	117%	104%



- We anticipate hard wheat in general to be a problem, so Canadian sellers can afford to wait. – New crop Minneapolis wheat continues firm. We expect CBOT/Kansas futures to be a little weaker.

### Special Focus on Spring Wheat:

- There has been a lot of attention of late on the spring wheat outlook as compared to the medium and soft wheat outlooks.
- Specifically, price spreads between classes of wheat have changed substantially. For example, the spread between Chicago wheat and Minneapolis wheat has moved from minus 11.2c/bu on Jan. 13<sup>th</sup> to plus 118.2 c/bu on June 17<sup>th</sup>. This is a signal of the demand for protein, or high protein spring wheat relative to the lower protein wheats.



- What are the underlying fundamentals? First, **acreage projections** for spring wheat in N America were down this spring. USDA projected US spring wheat acreage down by 5% in their March report, and StatsCan (STC) projected W Canadian spring wheat acres down by a whopping 9.7%. The next acreage updates by these agencies will not come until mid-July and late July, respectively. In addition, there have been delays in seeding if spring wheat in Russia, which some thought could lead to reduced acres as well. – Note, we believe that the Canadian acreage number is too low, as there was no market

incentive to lower wheat acres in Western Canada this year, but nevertheless the STC number is out there.

- Second, **crop conditions** for spring wheat have been suboptimal almost everywhere. Canadian spring wheat crops were seeded into very dry soils, though rains over the past two weeks on the Canadian Prairies have improved soil moisture for now. In the US, the USDA Crop Progress Report last Tuesday showed the US spring wheat crop condition at 37% good to excellent as of June 13<sup>th</sup> compared to 38% the previous week and well below the 81% reported for this week in 2020. Indeed, this is lowest estimate since 1988. There may some rain for the northern US plains next week, but this remains to be seen and damage has very likely been done. In Russia, seeding progress eventually caught up to projected acres, but soil moisture remains dry. This week, heat is building significantly in Russian and Kazakhstan spring wheat regions with the models still predicting a potentially major Sukhoveyy event.
- Given the above comments, our (conservative) current estimate for spring wheat **production** by the major producers shows a 3% drop from last year's production. Note that this estimate assumes no reduction in Canadian spring wheat acres and has not yet discounted the Russian and Kazakh spring wheat crops.

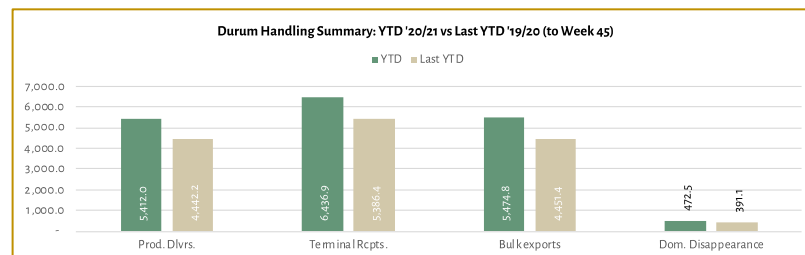
### Major Producers of Spring Wheat (Est.):

Spring Wheat Production - Major Producers					
(mln mt)	18/19	19/20	F'20/21	P'20/21	Δ
Canada (CWRS)	24.05	25.95	25.16	25.16	100%
USA (HRS)	16.00	14.20	14.40	13.68	95%
Russia (sprg wht)	19.22	21.07	22.70	21.50	95%
Kazakhstan (sprg wht)	13.90	11.50	14.30	14.00	98%
<b>Total</b>	<b>73.17</b>	<b>72.72</b>	<b>76.56</b>	<b>74.34</b>	<b>97%</b>

We think that importers and millers remain overly optimistic about the world wheat market given current crop issues in the US, Canada, NE Europe, the Balkans and the spring wheat regions of Russia and Kazakhstan.

- **Durum: Canadian durum exports** for week 45 were also small last week at 47,000 mt, for a year-to-date total of 5.5 million mt, compared to 4.5 million mt last year-to-date. This is 23% ahead of last year's pace.
- Again, **conditions in Saskatchewan** have improved, with 74% of Saskatchewan durum wheat rated in good to excellent condition, 25% in fair condition, and 1% in poor condition. In AB, 77% of durum wheat is rated good to excellent.

(CCC) Grain Handling Summary Durum	Wk. 45			(June 13/ '21)
('000 mt)	Prod. Dlvs.	Terminal Rcpts.	Bulk exports	Dom. Disappearance
Wk. 45	100.9	90.8	46.5	2.8
Week ago	102.4	87.5	60.4	9.0
YTD	5,412.0	6,436.9	5,474.8	472.5
Last YTD	4,442.2	5,386.4	4,451.4	391.1
YTD less Last YTD	969.8	1,050.5	1,023.4	81.4
YTD over Last YTD	122%	120%	123%	121%



### Special Focus on Int'l Durum:

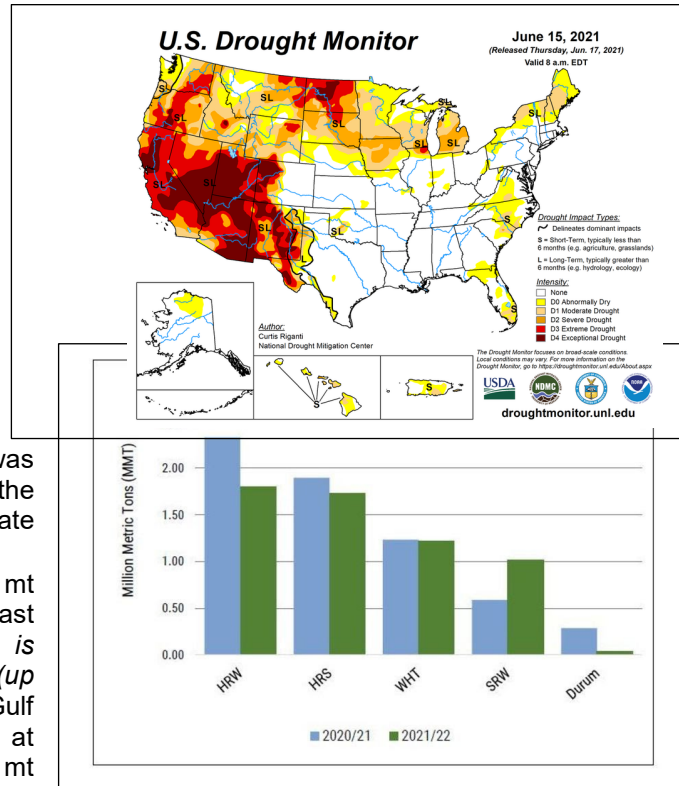
- Durum is another important crop within the rotations of Saskatchewan farmers. And Canada is a significant player in the global durum market, so what happens here plays a significant role in the price discovery for durum.
- According to STC, **Canadian durum acres** increased by 0.3% this spring to 5.7 million acres. In the US, USDA estimated durum acres to be down by 9% to 1.54 million acres due to higher projected returns for corn and soybeans. Updates to these acreage estimates by USDA & STC will not come until mid-July and late July, respectively.
- Again, **crop conditions** in the N Plains have not been optimal, though Canadian durum areas received precipitation over the past two weeks. The North Dakota June 13 crop condition report showed 55% of durum in good to excellent condition, 28% in fair condition, and 17% in poor to very poor condition. In addition to the US acreage reduction, this will likely lower the US durum production from last years (the question still is by how much), while Canadian production should stay about the same.
- In the EU, conditions have improved since May, but the current heat could hurt still crops. Turkey is dry and yields will likely be down. In N Africa/ the Mahgreb, the messages are mixed: Morocco has increased acres and should see much better yields this year. However, the durum crop in Algeria is stressed and could be 500,000 to 1 million mt smaller.
- A summary of current **production estimates** is shown below. The production estimates will be adjusted as we learn more about the crops.
- The current scenario shows that combined US-Canadian durum production will likely fall by ~ 300,000 mt, but N American production will increase by about the same amount if Mexico is included. The EU-27 durum production could increase by ~ ½ million mt, which will potentially reduce imports from N America from last year's. Production in N Africa will increase thanks to a better year in Morocco, but Algeria will have to import more.
- Ending stocks in N America will remain tight.

#### Global Durum estimates:

Major Export Durum Countries ( <sup>'000</sup> mt)	Production		
	19/20	20/21	P'21/22
Canada	4,977	6,571	6,500
USA	1,470	1,880	1,692
Mexico	1,700	1,100	1,700
EU-27	7,491	7,147	7,800
<b>Total</b>	<b>15,638</b>	<b>16,698</b>	<b>17,692</b>
Major Durum Import Countries	Production		
Morocco	1,300	750	2,300
Algeria	3,100	3,050	2,950
Tunisia	1,250	950	1,100
Turkey	2,800	3,600	3,500
<b>Ttl. ME</b>	<b>8,450</b>	<b>8,350</b>	<b>9,850</b>

## US Wheat:

- Record breaking high temperatures are being set across the Great Plains, accelerating harvest and crop maturity. The SRW harvest is well underway, and the HRW from Oklahoma and Texas is starting to coming in. Despite sporadic rainfall, drought conditions persist in the northern and PNW states, hindering development and expected yields of SW, HRS and HRW crops.
- Weekly US wheat export sales of 287,000 mt took the season total to 213 million bu compared to 233 million bu last year. Of the week's sales, 45.5% was HRW specific. HRW is also leading the shipments with 48% of the year-to-date 435,000 mt.
- US HRS for July '21 is valued at \$331.00/ mt FOB PNW (down \$6/million mt from last week), *PNW White wheat (fpr Aug.) is valued at \$340/million mt FOB PNW (up \$18million mt from last week)*, FOB Gulf HRW 11/12.5 pro is valued at \$262.80/million mt (down \$14.40/million mt from last week).



## Australian wheat:

- Australian old crop futures ended the week at 8-week lows, and new crop has dropped to contract lows.
- Crops in the east remain adequately watered, but the west probably could use some more rain.
- Australian new crop FOB APW wheat for July was quoted at \$285.00/million mt, down \$10/mt previous week.

## Argentine wheat:

- The BAGE crop update showed that wheat planting at 57% complete had caught up with last year's 58% and was now ahead of the 51% average.
- Several Provinces got frost over the past week and there was snow in Cordoba, but soil moisture levels remain low.
- FOB values for July 12% protein Argentine wheat ranged from \$265-274/million mt, mostly unchanged from last week.

## EU wheat:

- Matif wheat closed down just €1-2/mt as a 1% drop in the Euro cushioned the market from the bigger losses that were seen in the US.
- France got good rains in the west, their crop looks good, and they are struggling for demand with Egypt (GASC) looking like a nonstarter. Now Algeria is posing some unusual problems, but Germany and the Baltic are still shipping old crop to Algeria/Iran, and they have significant new crop business on the books.
- As rain continues in the Balkans, concern is growing for quality.
- Note that with feed wheat is still quoted \$230 FOB, which is \$55-60/mt below nearby corn prices.
- FOB prices in the EU: July French 11.5 pro closed at \$249.70/million mt (new crop), down 16.60/mt from last week. *July German 12.5 pro was at to \$261.000/mt; Aug. German 12.5 pro (N/C) at*

\$248.60, down \$12.40/mt. July Baltic wheat is quoted at 261.40/mt; August Baltic 12.5 pro wheat (N/C) was at \$242.70/mt, down \$14.60/mt.

**Black Sea wheat:**

- The only confirmed trade in the Black Sea was Ukrainian 11.5 pro wheat at \$242/mt.
- Russian exporters will be very happy to see the Turkish TMO tender on June 30 as they have very little forward business on the books.
- Freight issues and concentration of offers for the nearby positions will likely produce some aggressive prices, despite the increasing threat of heat and dryness in central Russia.
- Russian 12.5 pro wheat for July is at \$250/million mt, down \$14/mt from last week.

➤ **Significant purchases/ trades:**

- **Turkey's** TMO will tender June 30 for 395,000t which is 2 months earlier than their first tender last season.
- We are still waiting for news on **Iran**.
- **Japan** tendered for 207,472 mt of wheat, with 109,062 mt to be U.S. origin.
- **US export sales** of 287,000t took the season total to 213 Mbu against 233 Mbu last year.
- **World freight markets** continue to move higher with both the Baltic handy and panamax indexes making new 11-year highs.

➤ **Wheat Market Outlook:**

**Significant events:**

- Once again there **was huge volatility in futures** markets with margin calls making them difficult to trade as hedges for most.
- The USA news services highlighted their reports more on the **drought in the West** and searing heat conditions. There were reports of water levels being at critically low levels in some dams. Better conditions were reported in the main grain areas. However, weather is becoming hotter and drier and it remains a prime element before the US crop is in the bin.
- **Eastern European feed wheat** remains cheap and is buying demand from corn and generally tightening the wheat balance sheet. Longer term, we see strong wheat prices. End users continue to buy hand to mouth.
- There were more reports surfacing in the international press regarding **crop problems in China**. – These need confirmation.
- There was more evidence of **inflation**. We think that Growers should be checking on new interest rates and fixed input costs.
- The **Canadian dollar weakened** 300 points.

➤ **Outlook:**

We expect there will be more reports of heat and dryness across North America while there will be more sellers from Europe. European sellers are being attracted by the much better returns for new crop than they received for grains last season.

Eastern European quality could be a big problem this year. Hard wheat in general is going to be problematic, so Canadian sellers can afford to wait – new crop Mpls wheat continues to be firm. We expect CBOT/Kansas futures to be a little weaker.

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

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

Date: 21-06-2021					
NW Sask	Spot		NW Sask	Deferred	
	{bu.}	{mt}		Nov. '21 {bu.}	Nov. '21 {mt}
1 CWRS 13.5	\$8.78	\$322.61	1 CWRS 13.5	\$8.58	\$315.26
1 CWAD 13.0	\$8.63	\$317.10	1 CWAD 13.0	\$8.26	\$303.51
1 CPSR 11.5	\$8.05	\$295.79	1 CPSR 11.5	\$7.38	\$271.17
SW Sask			SW Sask		
1 CWRS 13.5	\$8.56	\$314.53	1 CWRS 13.5	\$8.48	\$311.59
1 CWAD 13.0	\$8.76	\$321.88	1 CWAD 13.0	\$8.39	\$308.28
1 CPSR 11.5	\$7.95	\$292.11	1 CPSR 11.5	\$7.34	\$269.70
NE Sask			NE Sask		
1 CWRS 13.5	\$8.55	\$314.16	1 CWRS 13.5	\$8.36	\$307.18
1 CWAD 13.0	\$8.84	\$324.82	1 CWAD 13.0		n/a
1 CPSR 11.5	\$7.98	\$293.22	1 CPSR 11.5	\$7.28	\$267.50
SE Sask			SE Sask		
1 CWRS 13.5	\$8.48	\$311.59	1 CWRS 13.5	\$8.33	\$306.08
1 CWAD 13.0	\$8.82	\$324.08	1 CWAD 13.0	\$8.69	\$319.31
1 CPSR 11.5	\$7.85	\$288.44	1 CPSR 11.5	\$7.17	\$263.45

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

Avg. Grade Spread/ Pro Discounts	Cdn\$/bu.	Cdn./mt
1 CWRS 13.5	Base Grade	Base Grade
2 CWRS 13.5	(0.15)	(5.51)
1 CWRS 12.5	(0.30)	(11.02)
1 CWAD 13.0	Base Grade	Base Grade
1 CWAD 13.5	0.00	0.00
2 CWAD 13.5	(0.10)	(3.67)
2 CWAD 12.5	(0.30)	(11.02)

### 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/million mt. During the 2013/14 crop year the export basis for wheat widened to approximately C\$250/million 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>1</sup> (see *Export Basis* 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/million 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.

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<sup>1</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.

“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.”

- 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.

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

Relevant FOB Prices and Export Basis				21-06-2021
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	\$399.46	\$420.36		
HRS	\$392.64			
HRW 11.5	\$335.38			
SWW 12.0	\$392.64			
1 CWRS 13.5 <sup>3</sup>	\$399.46		\$321.51	\$77.95
2 CWRS 13.0 <sup>3</sup>	\$392.64		\$307.91	\$84.72
3 CWRS <sup>3</sup>	\$335.38		\$304.61	\$30.77
CPS <sup>3</sup>	\$386.28		\$279.25	\$107.02
1 CWAD <sup>4</sup>		\$414.00	\$317.84	\$96.16
Competing wheat:	US\$/mt			
Russia 12.5 (Black Sea, 25k mt)	\$250.00	July		
French 11.5 (Rouen)	\$249.70	July		
ASW 10.5 (W Coast)	\$280.00	July		
Argentine 12.0	\$270.00	July		

<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				21-06-2021
Canadian Funds	Grade			
PNW value/Vancouver	2CWRS	3CWRS	Winter wht.	CPS
Dec/Jan delivery	\$10.51	\$8.95	\$8.50	\$8.50
Parity Track Rosetown	\$9.02	\$7.46	\$9.02	\$9.02
Track Bid Rosetown Area	\$8.38	\$8.29	\$7.60	\$7.60
<b>Gross Margin at Elevator (\$/bu)*</b>	\$0.64	-\$0.83	\$1.42	\$1.42
<b>Gross Margin at Elevator (\$/mt)*</b>	\$23.38	-\$30.58	\$52.04	\$52.04

\* to cover elevation, elevator market risk, margin