



Logistics

Moving A Lower Quality Crop

January 14, 2011

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Agenda

- CWB Supply Chain
- What do we have to sell?
- Quality Issues
- Quality Control
- Challenges
- Creating Value

CWB Logistic Overview

56,000 Farms



~271 Country Terminals/190,000
Railcars/3,725 cars per week



6 Corridors/Ports

Growing Region Distance from Water

(kms from center of growing region to port)

W. Canada
1,450

USA
650 - 1450

France
320

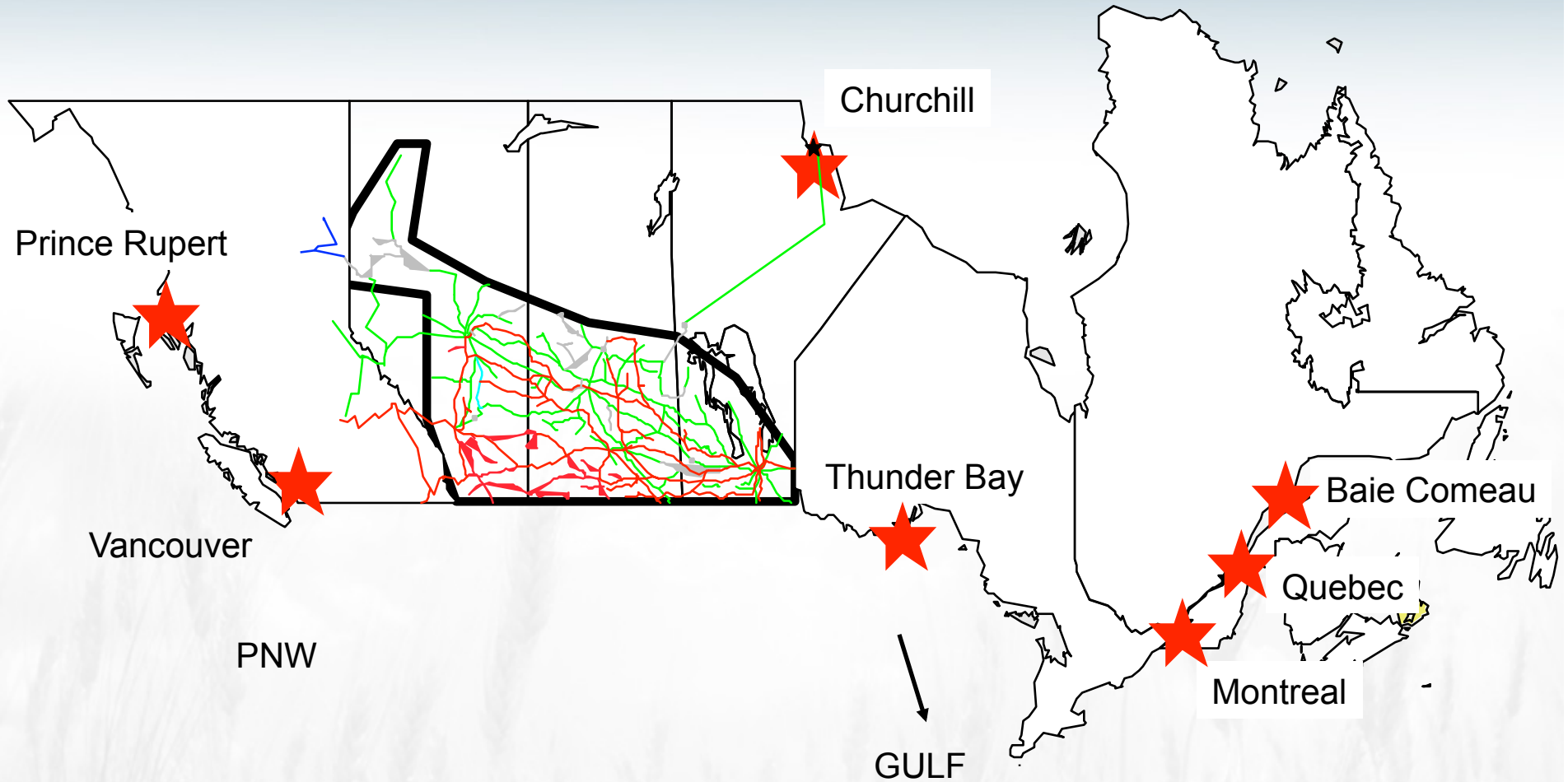
Ukraine **675**
340

Russia

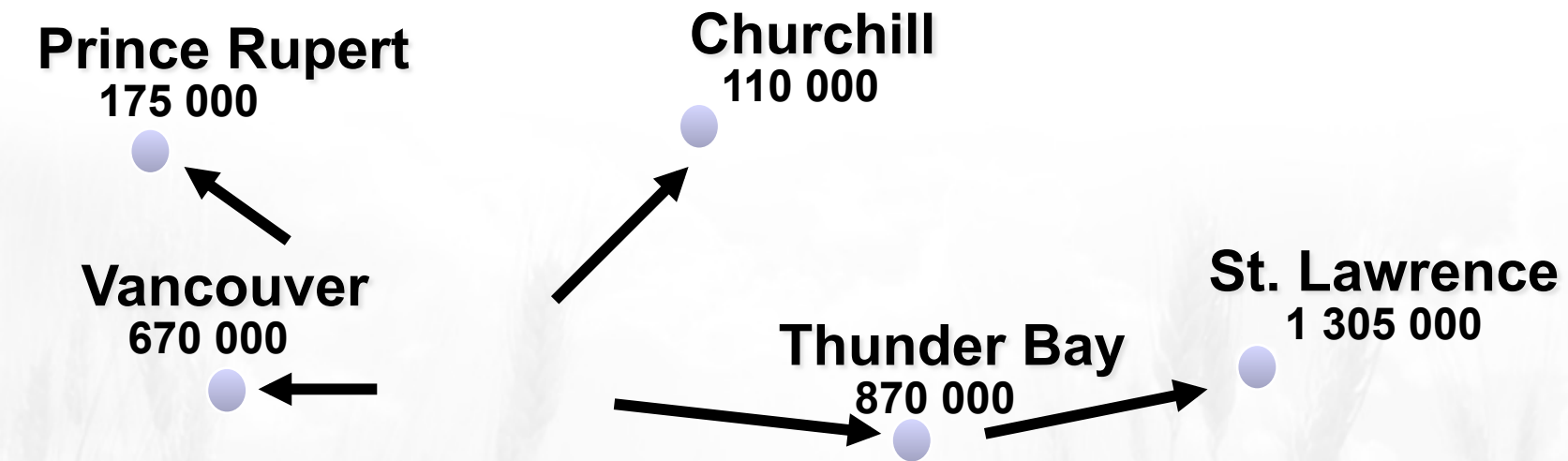
Argentina
350

Australia
160-280

Prairie to Port



Supply Chain Funnel



On Farm Storage: 50 MT

Exports: 31 MT

Commercial Inland Storage: 4.5 MT



What Do We Have To Sell?

Production Estimates

Farmer Contracts

Country Receipts

Origin Planning

Port Unloads

Final Vessel Blend

Quality Issues For 2010 2011

Low Grade Pattern

Frost

Mildew

Fusarium

Ergot

Sprout Damage

Quality Issues For 2010 2011

Low Grade Pattern

Frost / Green

Mildew

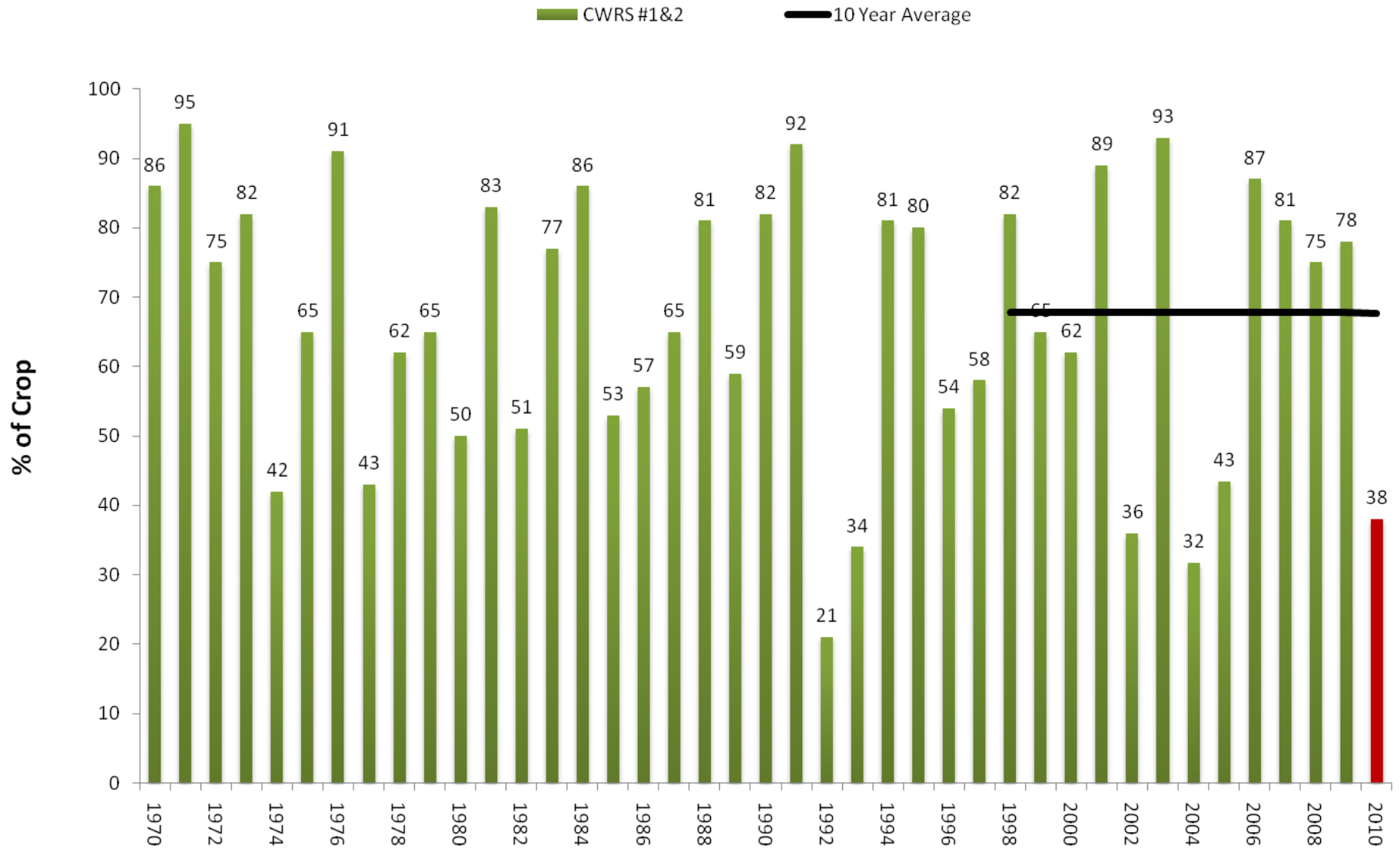
Fusarium

Ergot

Sprout Damage

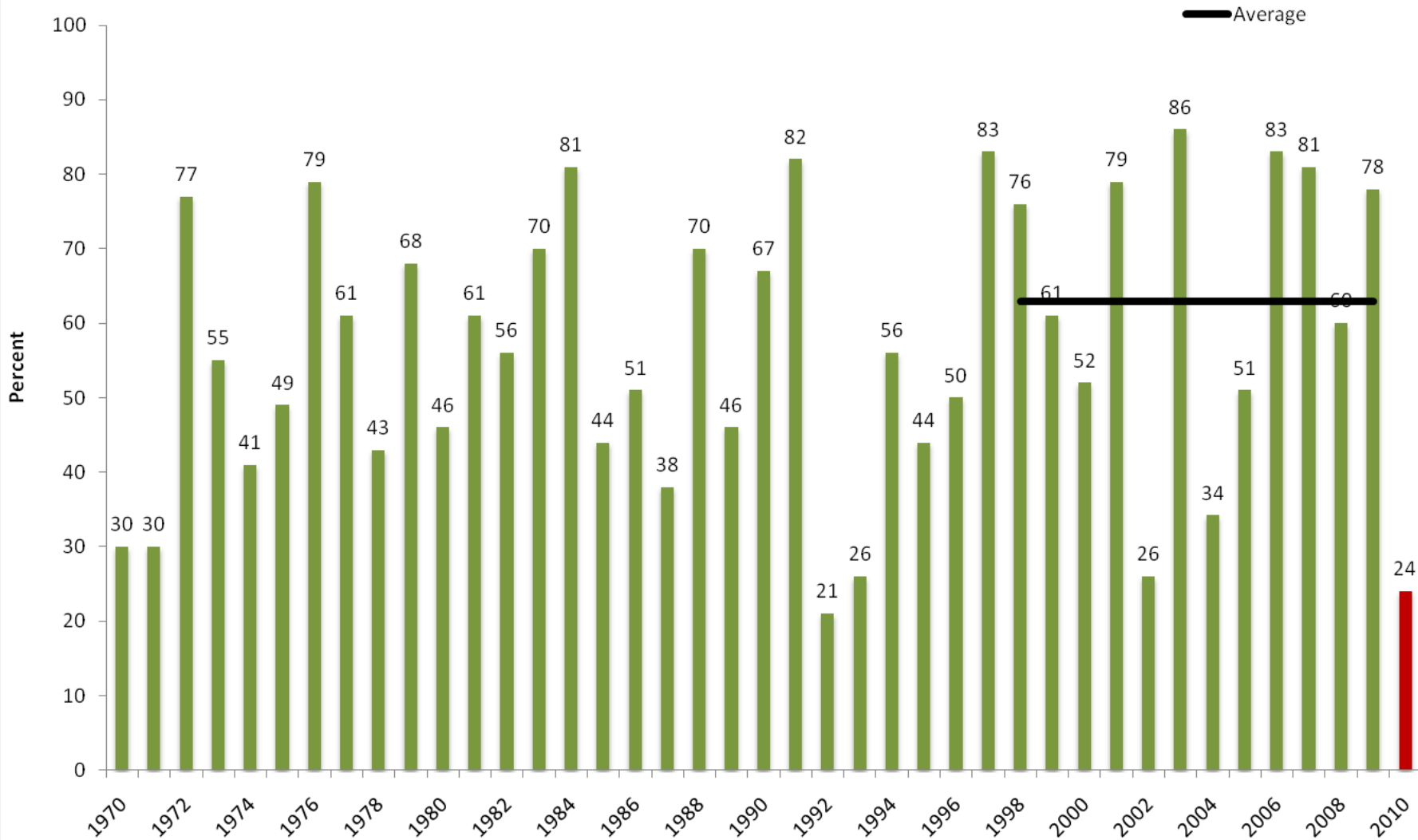
2010 CWRS Grade Pattern

Per cent of CWRS Grading #1 and 2



2010 CWAD Grade Pattern

Total CWAD grading #1 or #2



Quality Issues For 2010 2011

Low Grade Pattern

Frost / Green

Mildew

Fusarium

Ergot

Sprout Damage

Frost Damage



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Quality Issues For 2010 2011

Low Grade Pattern

Frost / Green

Mildew

Fusarium

Ergot

Sprout Damage

Sprout Damage



sound

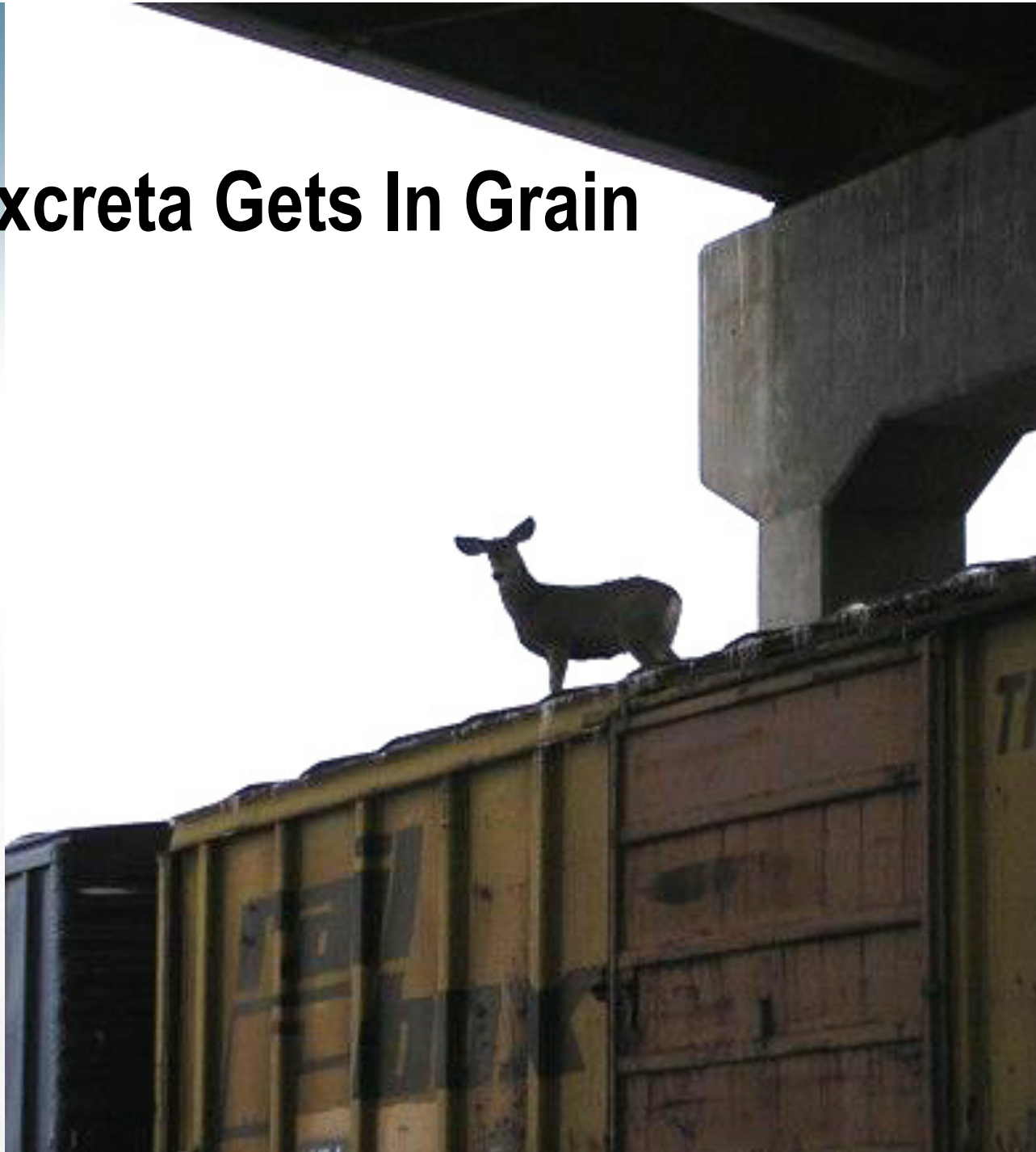


sprouted



severely sprouted

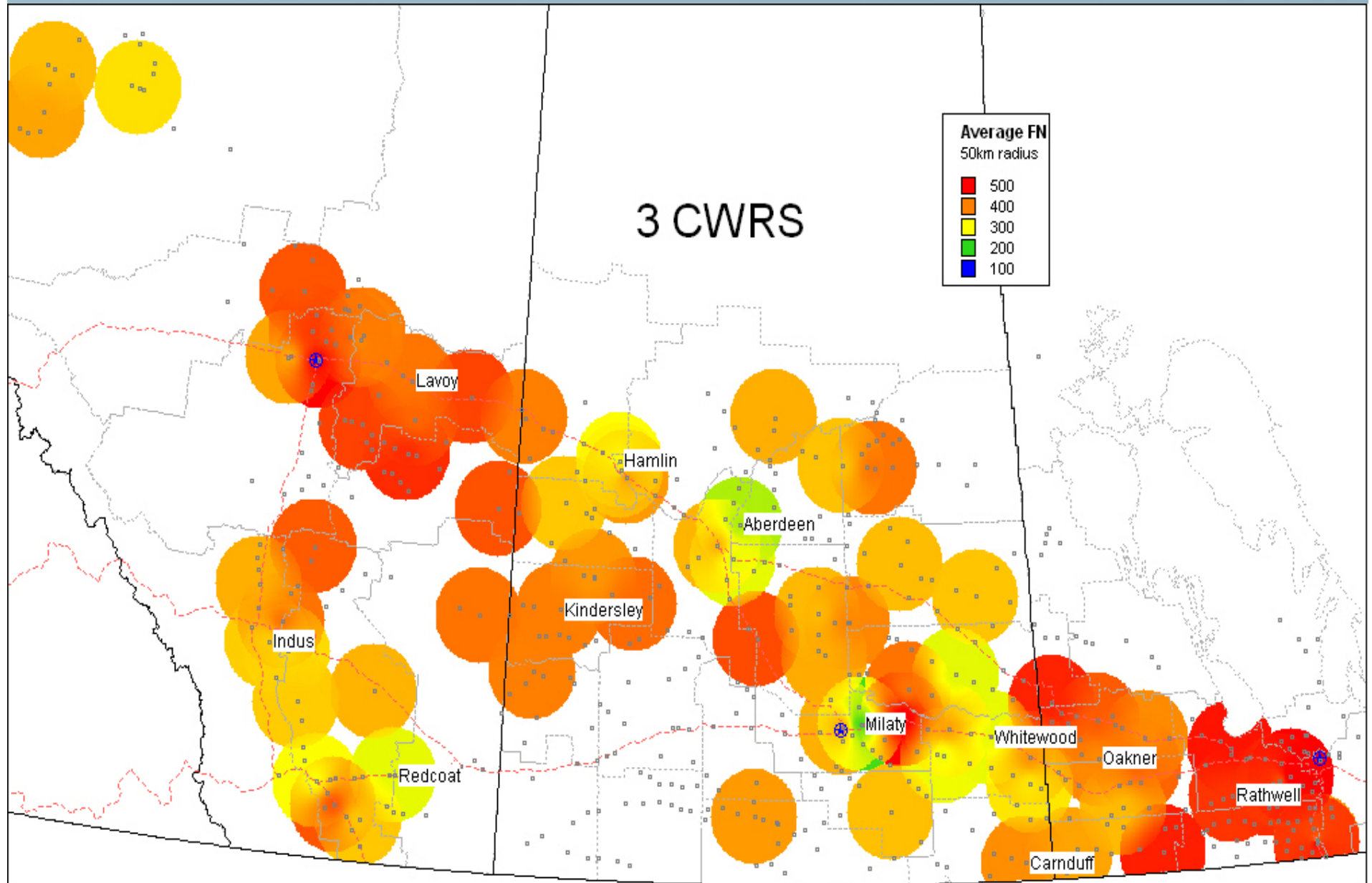
How Excreta Gets In Grain



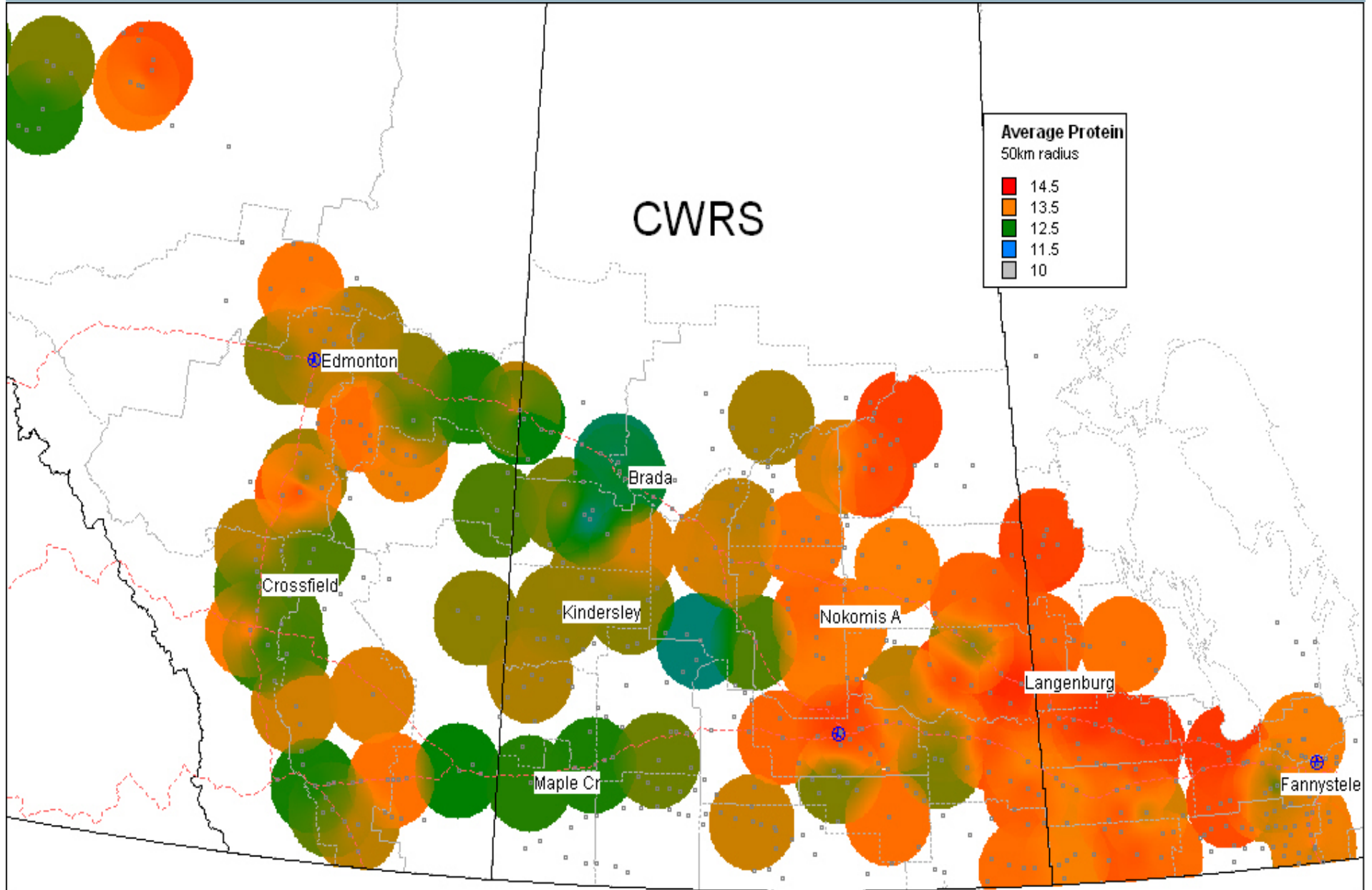
Quality Control



Quality Control



Quality Control



Challenges

High Quality Markets

Customer Acceptance

Grading Uncertainty

Deliveries

Blending

Number Of Products

Location

Challenges

High Quality Markets



Challenges

Customer Acceptance



Challenges

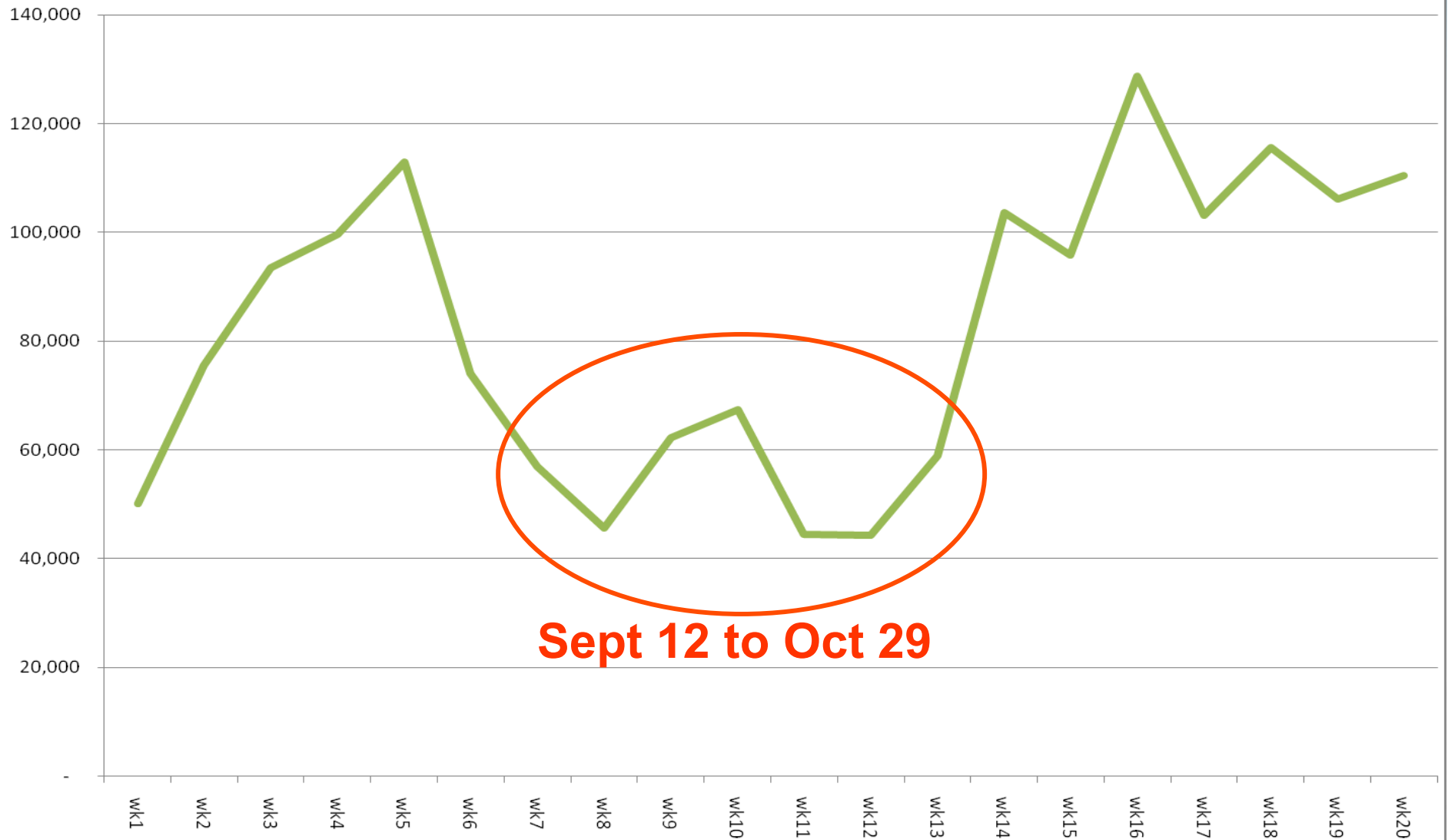
Grading Uncertainty



Challenges

Deliveries

2010-11 Durum Deliveries



Sept 12 to Oct 29

Challenges

Blending



Challenges

Number Of Products

1CWRS 12.0 12.5 13.0 13.5 14.0

HIGH FUSARIUM 2CWRS

1CWRW

2CWRS 12.0 12.5 13.0 13.5 14.0

HIGH FUSARIUM 3CWRS

4CWRS

1CWES

3CWRS 12.5 13.0 13.5

2CPSR

1CWAD 1CWAD 13.0

2CWES

2SWS

1CPSR

CFEED

HVK

3CWAD

1SWS

HIGH FUSARIUM CWRW

4CWAD

DES BARLEY

HIGH FN CFEED

2CWRW

FEED BARLEY

LOW MOISTURE GRAIN

Ochratoxin

CPSW

2CWAD 2CWAD 13.0

5CWAD



Very High Quality Year For Comparison

1CWRS 12.0 12.5 13.0 13.5 14.0

1CWRW

1CWES

1CWAD 1CWAD 13.0

1CPSR

1SWS

DES BARLEY

FEED BARLEY

CPSW

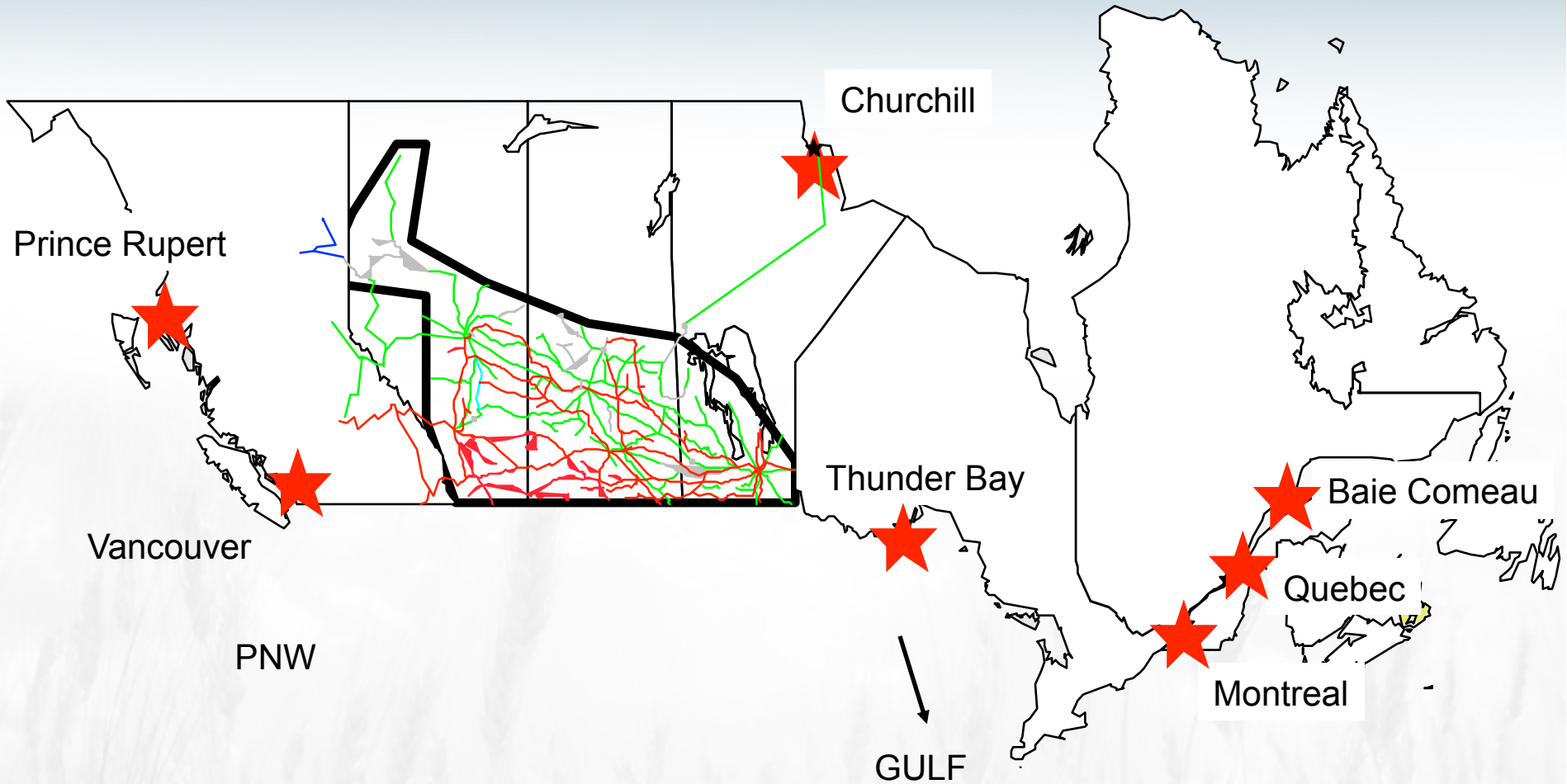


Canola Comparison

CANOLA

Challenges

Location



Creating Value



Creating Value





2010/11 so far...

Western Canadian Crop 2010

(MMT)	09/10	10/11	Change
Wheat	19.3	18.2	(-6%)
Spring	18.1	17.3	(-5%)
Winter	1.1	0.9	(-22%)
Durum	5.4	3.0	(-44%)
Barley	8.9	7.0	(-22%)

CWB Exports

(MMT)	09/10	10/11*	Change
Wheat	13.5	12.0	(-11%)
Durum	3.8	4.2	(+11%)
Barley	<u>1.3</u>	<u>1.3</u>	(0)
Total	18.6	17.5	(-6%)

* Projected

A Series Acceptance

CWRS	100%
Durum	100%
Prairie Spring Red (CPSR)	100%
Prairie Spring White (CPSW)	100%
Red Winter (CWRW)	100%
Soft white (SWS)	100%
Extra Strong	100%
Hard White Spring	100%
CFEED	100%

Pace of Producer Receipts to January 2, 2011

	2010-11 (to Jan 3/10)	2009/10 (to Jan 3/09)
Wheat	5 074	6 630
Durum	1 796	1 386
Barley	1 328	1 230
Canola	5 948	4 574
Total	14 146	13 820

Source: CGC

Pace Of Exports To January 1, 2011

	2010-11 (to Jan 1/10)	2009-10 (to Jan 1/09)
Wheat	4 297	5 450
Durum	1 653	1 436
Barley	654	656
Canola	3 150	2 969
Total	9 754	10 511

Western Canada Wheat Supply & Demand

	<u>2010-11</u>	
Carry-in	4 461	→ farm – 1 227
Production	<u>18 017</u>	→ commercial – 3 234
Total supply	22 478	
Domestic use	6 315	→ incl domestic milling of – 2 150
Firm/projected shipments	<u>12 185</u>	→ incl products – 185
Carry-out	3 978	→ farm – 950
		→ commercial – 3 028

Note: Excludes durum

As of: Dec 28 2010

Western Canada Durum Supply & Demand

	<u>2010-11</u>	
Carry-in	2 708	farm – 2 000 commercial – 708
Production	<u>3 025</u>	
Total supply	5 733	
Domestic use	523	incl domestic milling of – 290
Firm/projected shipments	<u>4 185</u>	incl products – 35
Carry-out	1 025	farm – 100 commercial – 925

As of: Dec 28 2010

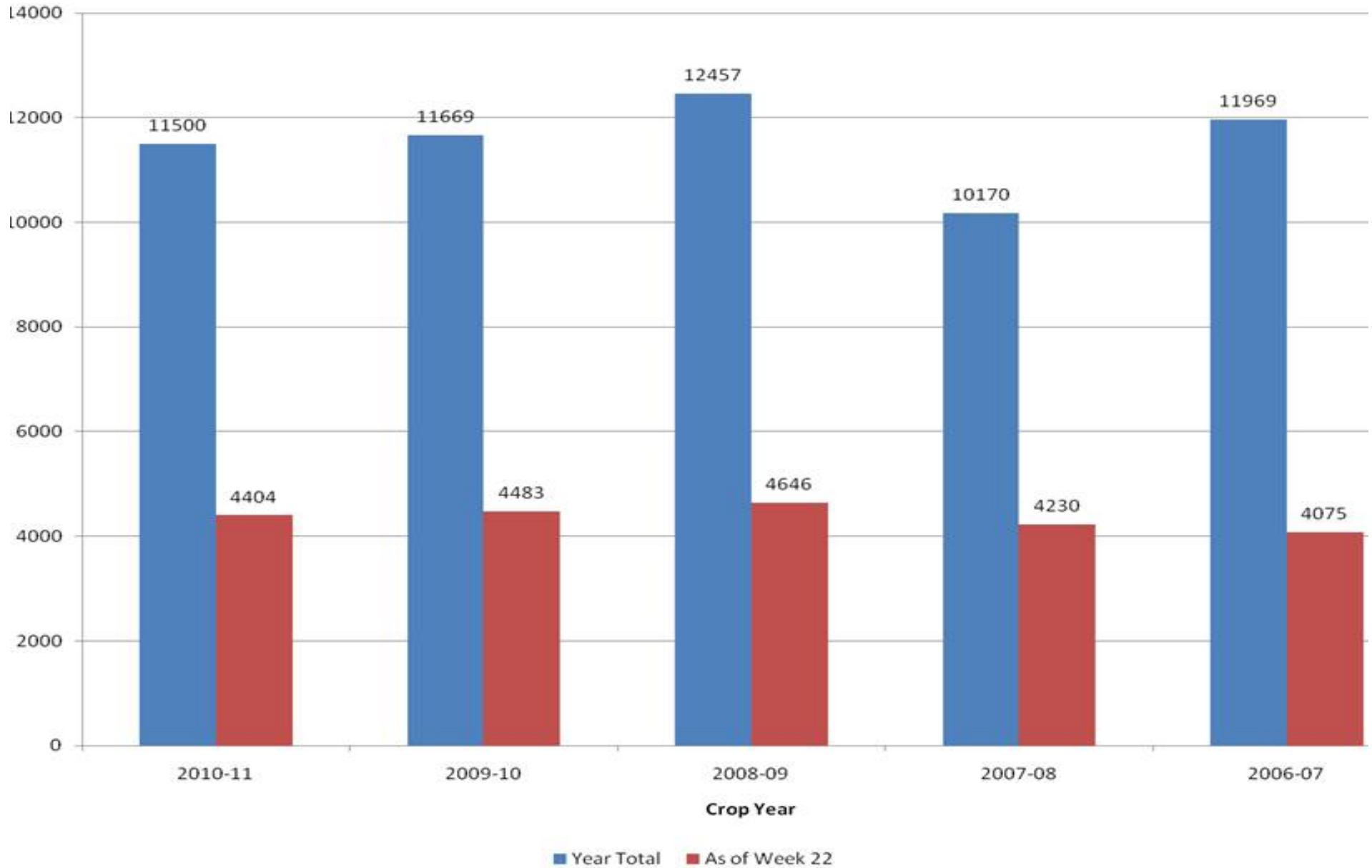
Western Canada Barley Supply & Demand

	<u>2010-11</u>	
Carry-in	2 512	farm – 1 930 commercial - 582
Production	<u>6 984</u>	
Total supply	9 496	
Domestic use	6 035	incl domestic malt – 275
Firm/projected shipments	<u>1 850</u>	incl exports malt – 550
Carry-out	1 436	farm – 1 000 commercial - 611

As of: Dec 28 2010



CWB Producer Car Movement



CWB Producer Car Movement

Producer Car Movement 1998-99 to 2009-10

