Grain Transportation Report

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Branch
www.ams.usda.gov/tmdtsb/grain

April 15, 2004

Contents

The next release is April 22, '04

Apr. 19-20, '04	Kansas Grain and Feed Association Annual Meeting	Overland Park, KS	785-234-0461
Apr. 22-25	7th International Feed Congress and Exhibition	Antalya, Turkey	90-312-479-9591
May 4-5, '04	NGFA Seminar on Trading, Trade Rules and Dispute Resolution	St. Louis, MO	202-289-0873
May 4-6, '04	International Powder & Bulk Solids Conference/Exhibition	Rosemont, IL	203-840-5533
May 13-14, '04	Seed Trade Association of Arizona Annual Convention	Phoenix, AZ	520-318-7271
May 16-18, '04	World Agricultural Forum	St. Louis, MO	
May 19-20, '04	Distillers Grains Symposium	Louisville, KY	502-852-1575
May 24-26, '04	World Seed Congress 2004	Berlin, Germany	
May 29-31, '04	International Wheat Quality Conference	Beijing, China	
June 7, '04	10th International Symposium on PreHarvest Sprouting in Cereals	Norfolk, UK	J. English/ H. Freeman (+1603) 450794
June 7-9, '04	Corn Utilization & Technology Conference	Indianapolis, IN	636-733-9004 Ext 119
June 10-12, '04	Colorado Grain & Feed Association Convention	Denver, CO	303-438-6600
June 13-15, '04	14th Annual Ethanol Producers and Consumers Ethanol Conference	Helena, MT	406-785-3722
June 16, '04	International Grains Council Grains Conference 2004	London, U.K.	44-207-513-1122
June 22-25, '04	20th Annual International Fuel Ethanol Workshop and Trade Show	Madison, WI	719-942-4353
June 24-25, '04	Florida Seed Association - Annual Convention	Key Largo, FL	407-331-6588
June 27-30, '04	121st American Seed Trade Assocaition Annual Convention…..	Philadelphia, PA	

Grain Transportation Indicators

Table 1--Grain transport cost indicators*

Week ending	Truck	Rail	Barge	Ocean: Gulf	Ocean: Pacific
04/14/04	113	186	81	325	292
Compared with last week	↑	↓	↓	**unchanged**	↓

*Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = spot Illinois River basis (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

Source: Transportation & Marketing Programs/AMS/USDA

Table 2--Market update: U.S. origins to export position price spreads ($/bushel)

Commodity	Origin--destination	4/8/2004	4/2/2004
Corn	IL--Gulf	0.39	-0.37
Corn	NE--Gulf	0.48	-0.44
Soybean	IA--Gulf	n/a	n/a
HRW	KS--Gulf	-0.79	-0.82
HRS	ND--Portland	-1.22	-1.28

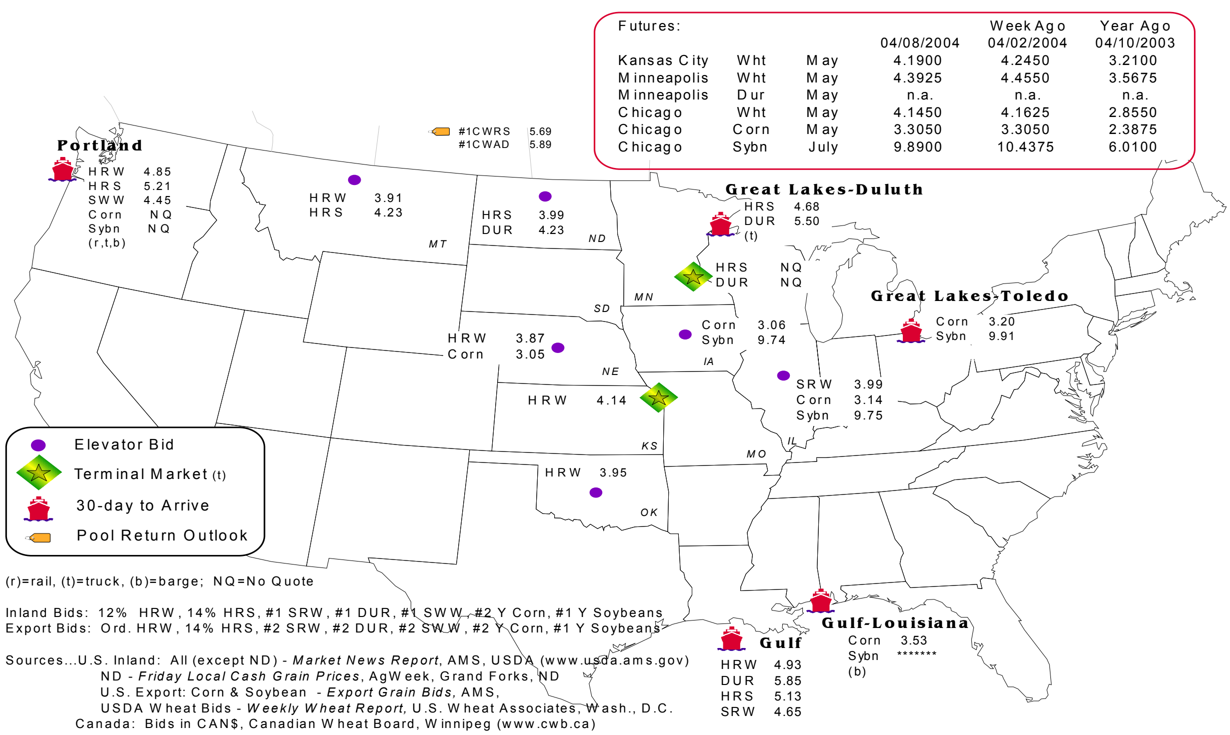
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1

Grain bid summary



Rail Transportation

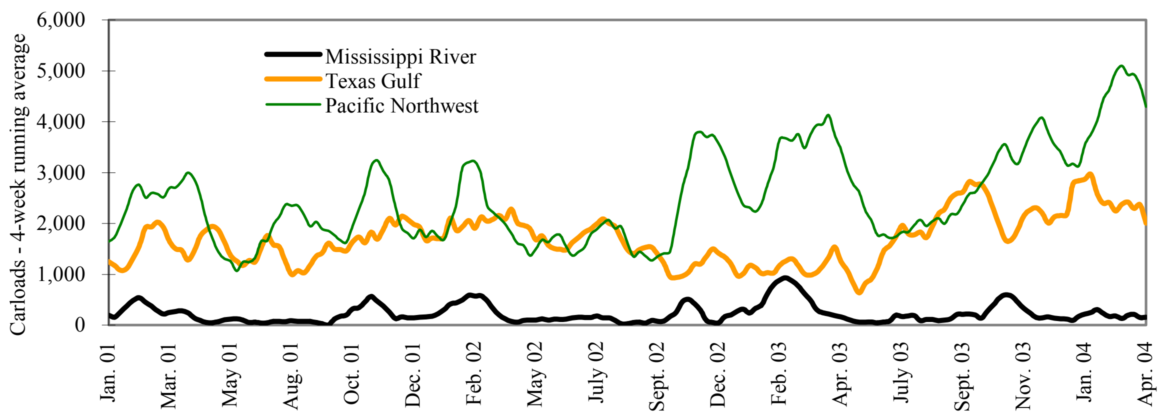
Table 3--Rail deliveries to port (carloads)*

Week ending	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total
4/07/2004 [p]	212	1,413	3,399	0	5,024
3/31/2004 [r]	2	2,368	4,045	46	6,461
2004 YTD	2,639	34,077	59,916	3,327	99,959
2003 YTD	7,583	16,144	47,703	8,449	79,879
2004 as % of 2003	35	211	126	39	125
Total 2003**	14,934	88,118	150,530	20,509	274,091
Total 2002	10,937	84,625	111,832	20,842	228,236

(*) Incomplete Data; (**) Excludes 53rd week;YTD = year-to-date; p = preliminary data; r = revised data
Source: Transportation & Marketing Programs/AMS/USDA

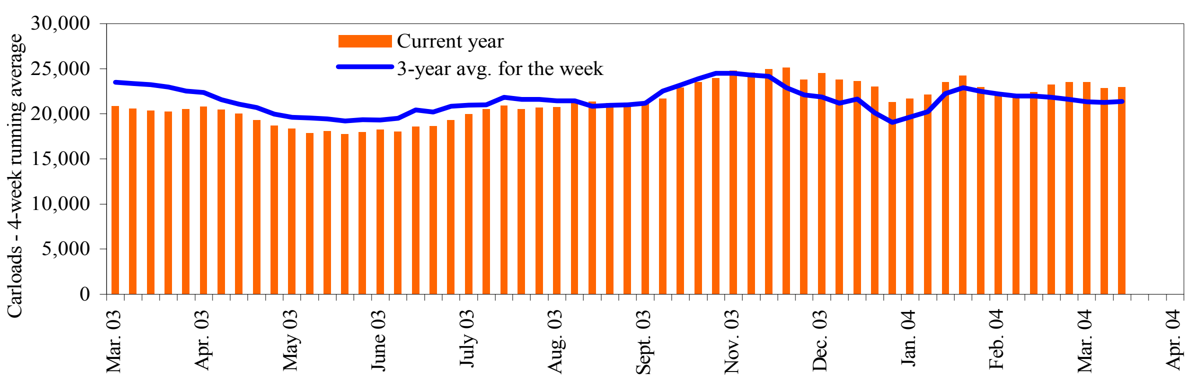
Railroads originate approximately 40 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2
Rail deliveries to port



Source: Transportation & Marketing Programs/AMS/USDA

Figure 3
Total weekly U.S. grain car loadings for Class I railroads



Source: Association of American Railroads

Table 4--Class I rail carrier grain car bulletin (grain carloads originated)

	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
04/03/04	2,955	3,196	9,850	519	6,781	23,301	5,016	3,958
This week last year	2,678	3,245	8,446	378	5,855	20,602	3,668	3,290
2004 YTD	39,264	44,079	123,279	7,371	87,414	301,407	61,148	45,132
2003 YTD	38,002	42,677	103,583	4,627	84,874	273,763	44,464	45,314
2004 as % of 2003	103	103	119	159	103	110	138	100
Total 2003*	146,395	171,260	416,371	24,506	336,079	1,094,611	197,993	198,185

Source: Association of American Railroads (www.aar.org); YTD = year-to-date; * Excludes 53rd week

Table 5--Rail car auction offerings ($/car)*

Delivery for:	May 04	June 04	July 04
BNSF[1]			
COT/N. grain	no offer	no offer	no offer
COT/S. grain	no offer	no offer	no offer
UP[2]			
GCAS/Region 1	no offer	no offer	$80
GCAS/Region 2	no offer	$60	$60

*Average premium/discount to tariff, last auction

[1]BNSF - COT = Certificate of Transportation

N includes: ID, MN, MT, ND, OR, SD, WA, WI, WY, and Manitoba, Canada.

S includes: CO, IA, IL, KS, MO, NE, OK, TX, NM, AZ, CA, UT, and NV.

[2]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

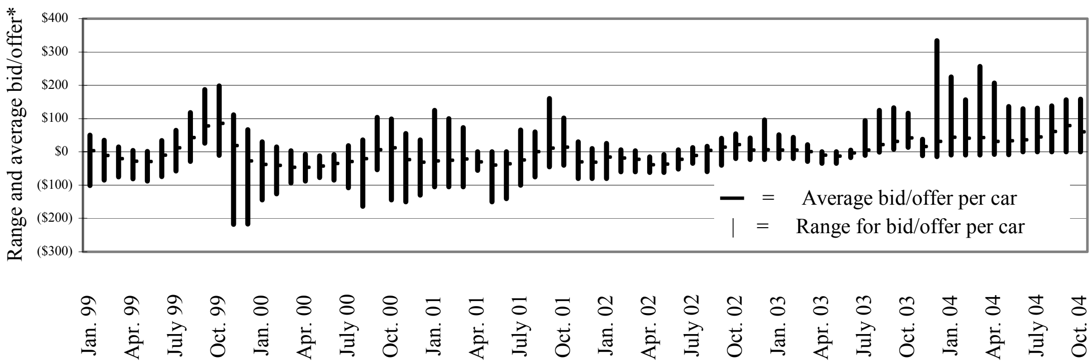
Source: Transportation & Marketing Programs/AMS/USDA

Rail service may be ordered directly from the railroad via **auction** for guaranteed service or tariff for nonguaranteed service or through the secondary market.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

Secondary rail car market, delivery month-year



*up to 6 months of trading

Source: Transportation & Marketing Programs/AMS/USDA

Average bid/offer is the simple average of all the weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Range for bid/offer shows the range of average weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Table 6--Weekly secondary rail car market ($/car)*

	Delivery period			
Week ending	**May 04**	**June 04**	**July 04**	**Aug. 04**
BNSF-GF				
4/9/2004	$46	$51	$58	$101
Change from last week	-$32	-$36	-$31	-$1
UP-Pool				
4/9/2004	$136	$129	$131	$138
Change from last week	$6	$28	$33	$68

*Average premium/discount to tariff, $/car-last week

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
Missing value = no bid quoted; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7--Tariff rail rates for unit and shuttle train shipments*

Effective date: 4/5/2004	Origin	Destination	Rate/car	Rate/metric ton	Rate/bushel**
Unit train*					
Wheat	Minneapolis, MN	Houston, TX	$2,020	$22.27	$0.61
	Kansas City, MO	Galveston, TX	$1,820	$20.06	$0.55
	Minneapolis, MN	Portland, OR	$4,148	$45.72	$1.24
	St. Louis, MO	Houston, TX	$1,945	$21.44	$0.58
	Kansas City, MO	Laredo, TX	$2,280	$25.13	$0.68
	Chicago, IL	Albany, NY	$1,834	$20.22	$0.55
	Chicago, IL	Richmond, VA	$1,961	$21.62	$0.59
Corn	Minneapolis, MN	Portland, OR	$3,240	$35.71	$0.91
	Chicago, IL	Baton Rouge, LA	$2,736	$30.16	$0.77
	Council Bluffs, IA	Baton Rouge, LA	$2,170	$23.92	$0.61
	Evansville, IN	Raleigh, NC	$1,841	$20.29	$0.52
	Council,Bluffs, IA	Stockton, CA	$3,496	$38.54	$0.98
	Kansas City	Dalhart, TX	$1,745	$19.24	$0.49
	Columbus, OH	Raleigh, NC	$1,750	$19.29	$0.49
	Des Moines, IA	Laredo, TX	$2,930	$32.30	$0.82
Soybeans	Minneapolis, MN	Portland, OR	$3,310	$36.49	$0.99
	Chicago, IL	Baton Rouge, LA	$2,736	$30.16	$0.82
	Council Bluffs, IA	Baton Rouge, LA	$2,799	$30.85	$0.84
	Des Moines, IA	Laredo, TX	$2,930	$32.30	$0.88
	Evansville, IN	Raleigh, NC	$1,841	$20.29	$0.55
	Chicago, IL	Raleigh, NC	$2,441	$26.91	$0.73
Shuttle Train*					
Wheat	St. Louis, MO	Houston, TX	$1,795	$19.79	$0.54
	Minneapolis, MN	Portland, OR	$3,993	$44.01	$1.20
Corn	Fremont, NE	Houston, TX	$2,425	$26.73	$0.68
	Minneapolis, MN	Portland, OR	$3,090	$34.06	$0.87
Soybeans	Council Bluffs, IA	Houston, TX	$2,255	$24.86	$0.63
	Minneapolis, MN	Portland, OR	$3,110	$34.28	$0.87

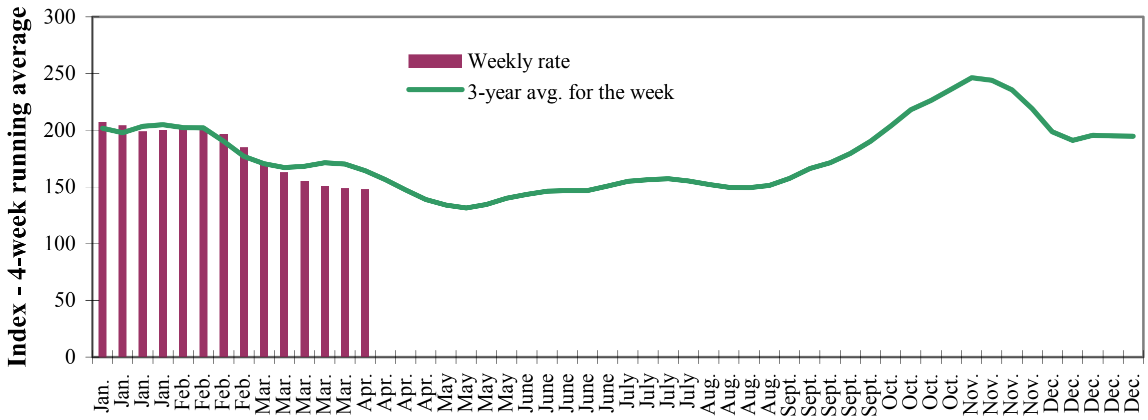
*A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

**Approximate load per car = 100 short tons: corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

Barge Transportation

Figure 5
Illinois River barge rate index - quotes



Note: Index = percent of tariff rate

Source: Transportation & Marketing Programs/AMS/USDA

The **Illinois River barge rate index** averaged 183 percent of the **benchmark tariff rates** between 1999 and 2001, based on weekly market quotes. The **index**, along with **rate quotes** and **futures market** bids are indicators of grain transport supply and demand.

Table 8--Barge rate quotes: southbound barge freight

Location	4/7/2004	3/31/2004	May '04	July '04
Twin Cities	185	184	184	190
Mid-Mississippi	153	153	152	161
Illinois River	147	151	147	159
St. Louis	117	116	118	134
Lower Ohio	118	118	123	140
Cairo-Memphis	111	110	114	130

Index = percent of tariff, based on 1976 tariff benchmark rate

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6
Benchmark tariff rates

Calculating barge rate per ton:
(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 6).

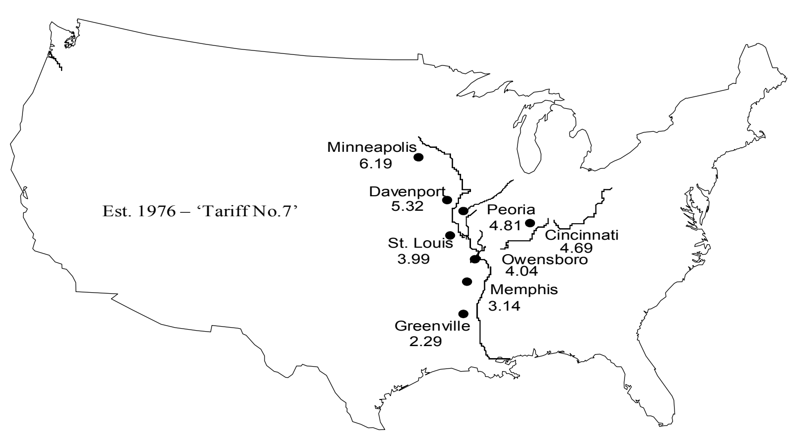


Table 9--Barge futures market (US$)*

Week ending	River/region	Contract period	Index rate Futures	Index rate Cash
4/13/2004	St. Louis	May	n/a	135
		July	n/a	150
		Sep.	n/a	210
		Nov.	n/a	180
		Dec.	n/a	155
	Illinois River	May	n/a	145
		July	n/a	160
		Sep.	n/a	223
		Nov.	n/a	215
		Dec.	n/a	180

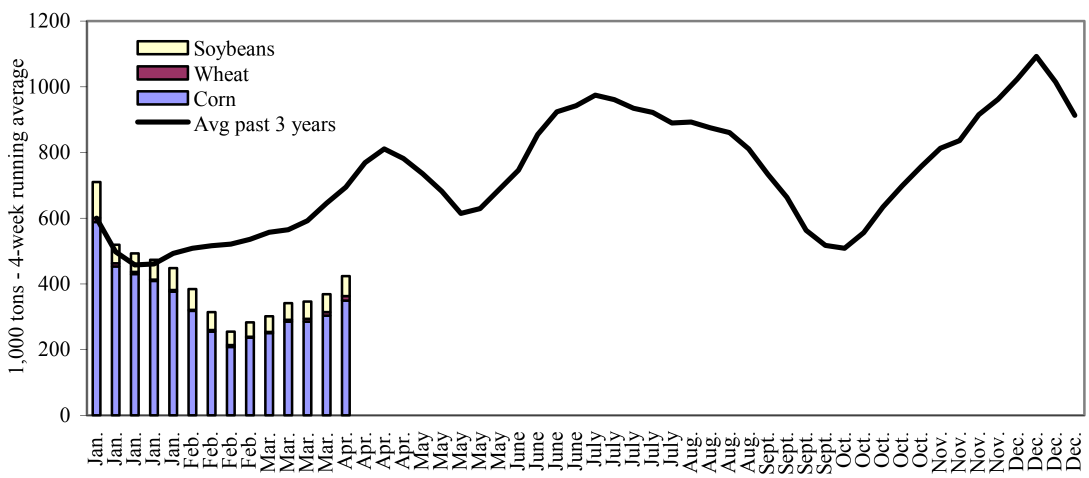
*Southbound barge freight nominal/cash basis values (US$)

Note: Index = percent of tariff, based on 1976 tariff benchmark rate

Source: Merchants Exchange of Chicago (www.merchants-exchange.com)

Figure 7

Barge movements on the Mississippi River (Lock 27 - Granite City, IL)



Source: Transportation & Marketing Programs/AMS/USDA

Table 10--Barge grain movements (1,000 tons)

Week ending 04/03/04	Corn	Wheat	Soybean	Total
Mississippi River				
Rock Island, IL (L15)	176	3	24	203
Winfield, MO (L25)	266	11	54	338
Alton, IL (L26)	415	19	82	524
Granite City, IL (L27)	415	19	82	524
Illinois River (L8)	139	7	37	184
Ohio River (L52)	80	11	32	126
Arkansas River (L1)	0	37	9	50
2004 YTD	5,988	659	1,747	8,651
2003 YTD	6,667	503	2,905	10,406
2004 as % of 2003 YTD	90	131	60	83
Total 2003	29,898	2,787	9,146	42,526

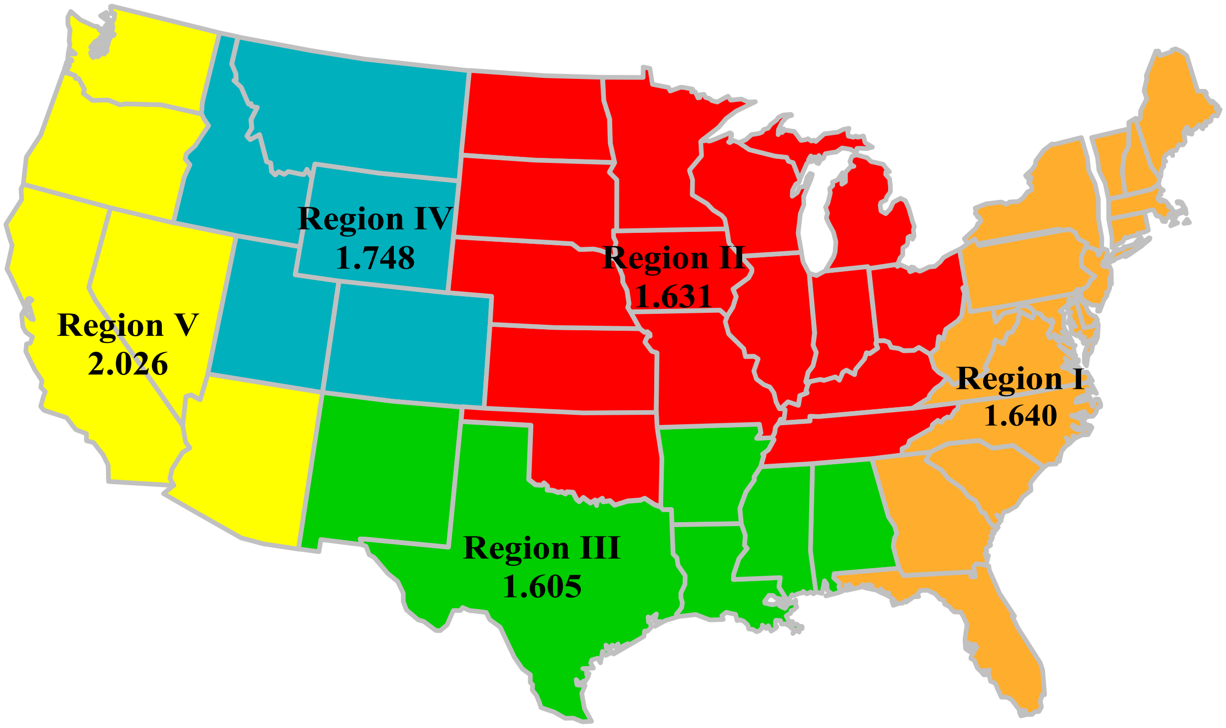
YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1.

Source: U.S. Army Corp of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Truck Transportation

Figure 8

Retail on-highway diesel prices (US$/gallon), week ending 04/12/04



Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

The weekly **diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

Table 11--Retail on-highway diesel prices*, week ending 04/12/04 (US$/gallon)

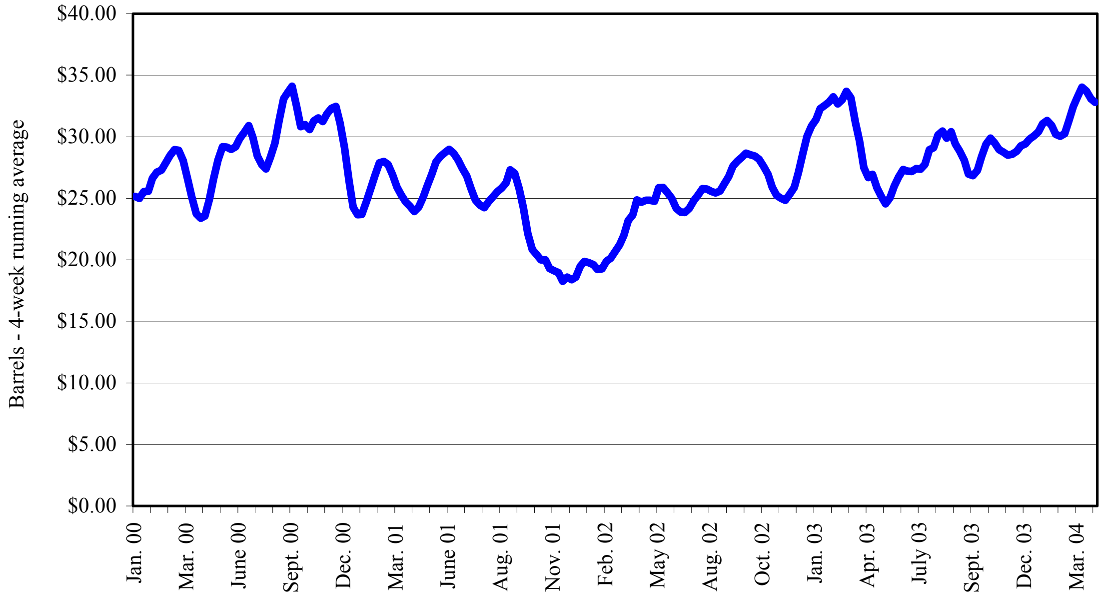
Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	1.640	0.004	0.032
	New England	1.748	-0.007	0.057
	Central Atlantic	1.721	0.001	0.017
	Lower Atlantic	1.596	0.007	0.037
II	Midwest	1.631	0.021	0.135
III	Gulf Coast	1.605	0.019	0.150
IV	Rocky Mountain	1.748	0.051	0.161
V	West Coast	2.026	0.141	0.401
	California	2.162	0.148	0.504
Total	U.S.	1.679	0.031	0.140

*Diesel fuel prices include all taxes.

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 9

Weekly Brent crude price, Friday close (US$/barrel)



Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Crude oil price is an indicator in future diesel price trends.

Light sweet crude is exchanged on the New York Mercantile Exchange. **Brent Crude**, a blend of North Sea oils, is traded on the International Petroleum Exchange in London.

Table 12--Crude oil prices* (US$/barrel)

	4/12/2004	**4/5/2004**	**% Change**
Light Sweet Crude (NYMEX)	36.97	33.68	9.78
Brent Crude	n/a	31.16	n/a

*U.S. refiner crude acquisition cost, composite domestic & import; n/a = data not available

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Grain Exports

Table 13--U.S. unshipped export balances (1,000 metric tons)

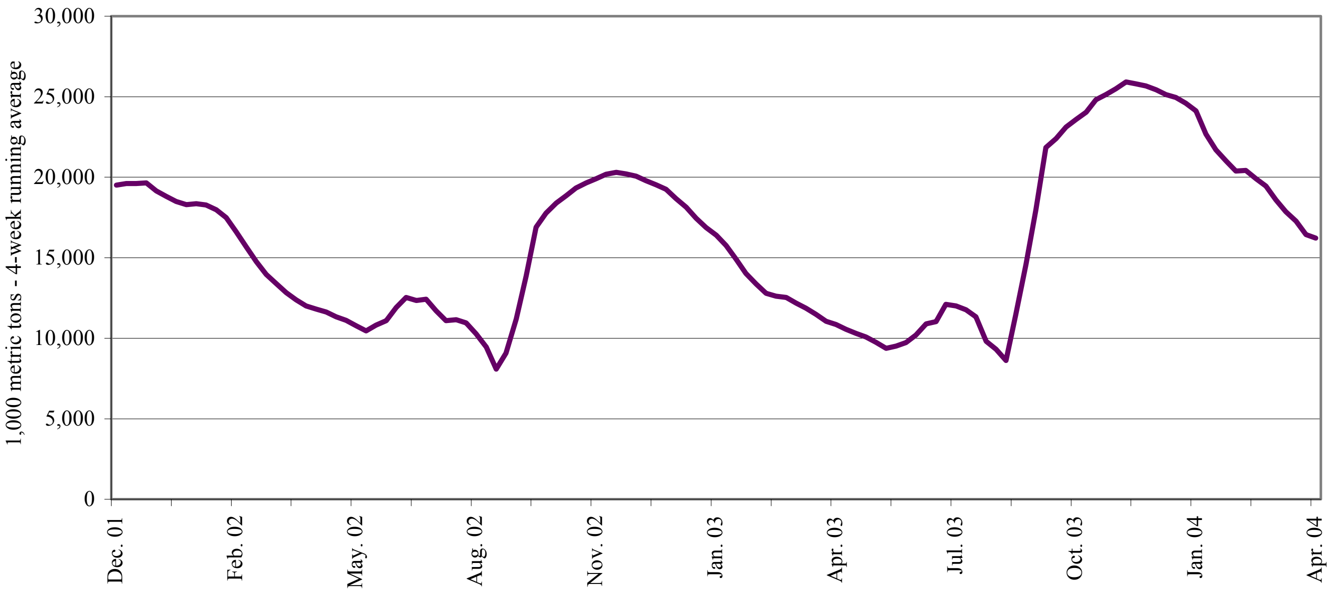
	Wheat						Corn	Soybeans	Total
Week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
4/1/2004	1,991	776	1,297	845	124	5,033	9,051	1,914	15,998
This week year ago	1,033	223	992	445	81	2,774	5,458	2,934	11,166
Commulative exports-crop year									
2003/04 YTD	10,762	3,180	5,565	4,210	904	24,620	28,854	21,636	75,110
2002/03 YTD	5,970	2,576	5,543	3,080	637	17,806	23,706	23,826	65,338
2003/04 as % of 2002/03	180	123	100	137	142	138	122	91	115
2002/03 Total	6,896	2,899	6,645	3,517	720	20,677	39,646	28,908	89,231
2001/02 Total	8,704	5,485	5,554	3,127	1,133	24,003	47,460	29,838	101,301

Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Figure 10

U.S. grain, unshipped export balance, including wheat, corn, and soybean sales



Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 14--Select U.S. port regions - grain inspections for export (1,000 metric tons)

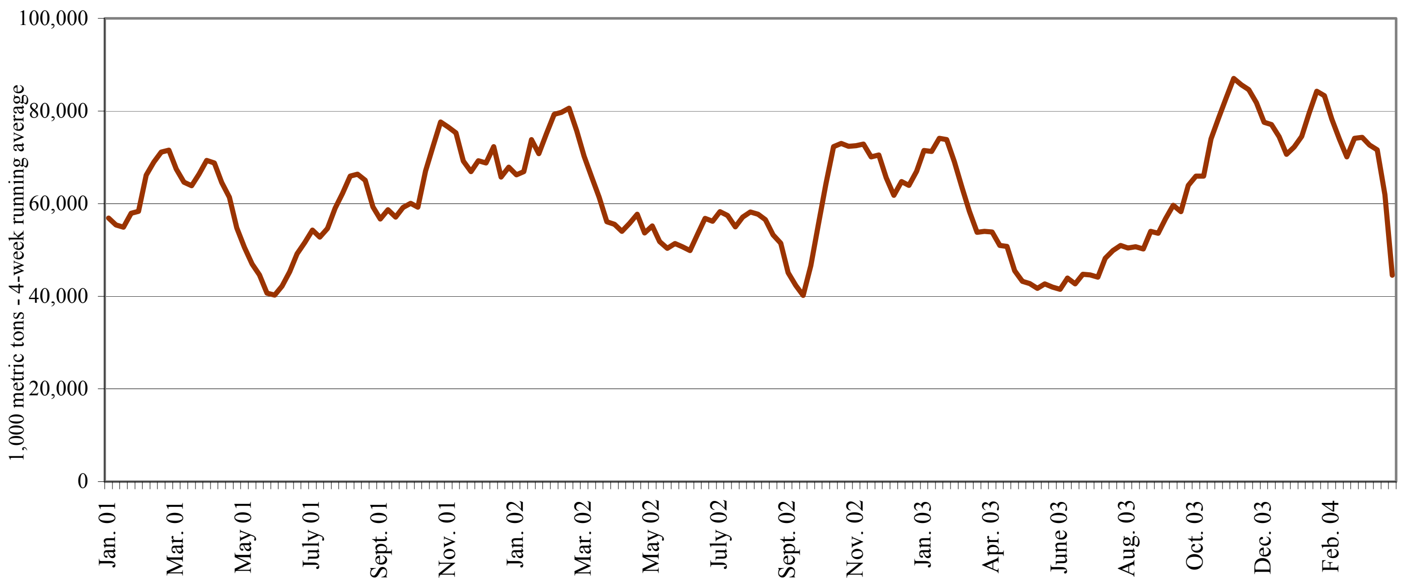
	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region total		
Week ending	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Pacific	Mississippi	Texas
04/08/04	173	289	9	119	829	159	150	0	0	470	1,106	150
2004 YTD	3,341	2,980	1,623	2,123	10,160	5,074	3,166	44	7	7,944	17,357	3,216
2003 YTD	2,307	1,673	2,041	1,424	7,501	7,978	1,299	526	50	6,022	16,904	1,875
2004 as % of 2003	145	178	80	149	135	64	244	8	14	132	103	172
2003 Total	8,764	5,450	5,114	5,855	30,352	18,972	7,032	746	103	19,328	55,179	7,880

Source: Federal Grain Inspection Service/USDA (www.usda.gov/gipsa); YTD: year-to-date

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Over 60 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2003.

Figure 11

U.S. grain inspected for export, including wheat, corn, and soybeans



Source: Federal Grain Inspection Service/USDA (www.usda.gov/gipsa)

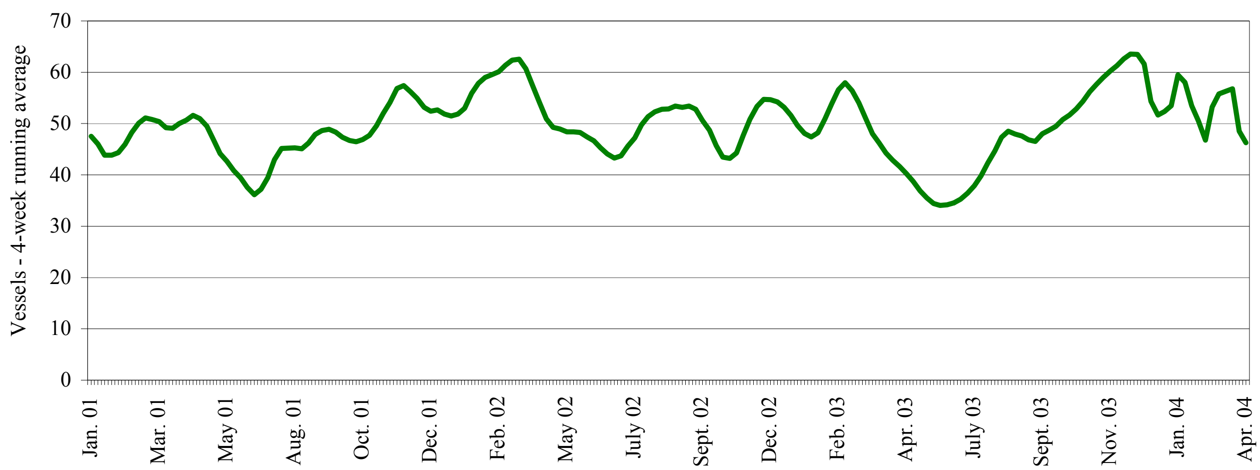
Table 15--Weekly port region grain ocean vessel activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
4/8/2004	20	47	43	8	0
4/1/2004	17	40	56	7	3
2003 range	(11..47)	(30..76)	(39..93)	(3..13)	(1..15)
2003 avg.	31	49	62	9	6

Source: Transportation & Marketing Programs/AMS/USDA

Figure 12

Gulf Port grain vessel loading (past 7 days)



Source: Transportation & Marketing Programs/AMS/USDA

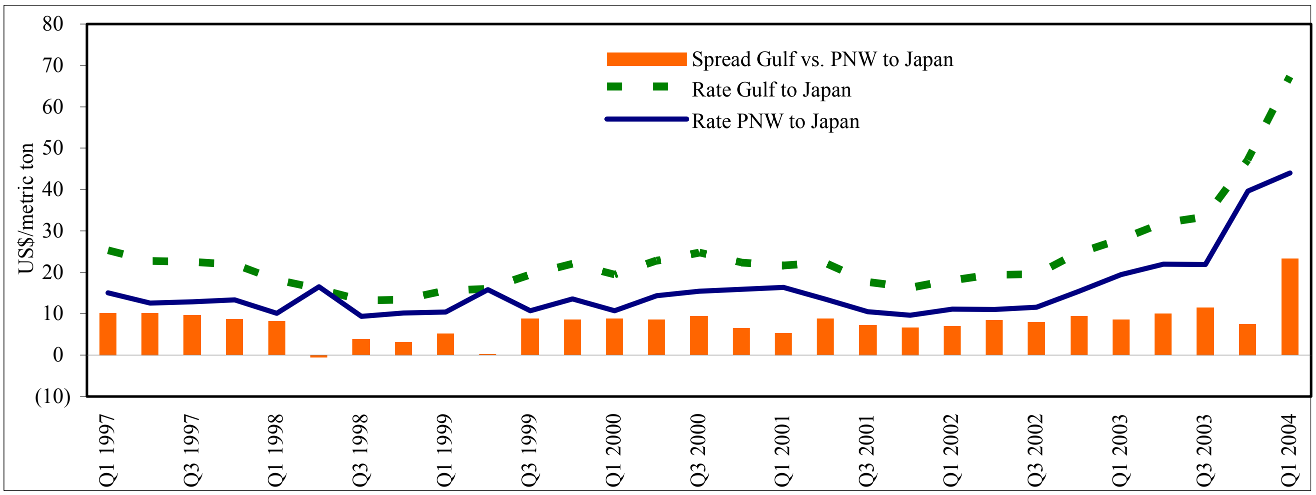
Table 16--Quarterly ocean freight rates (average rates & percentage changes) (US$/metric ton)

Countries/ regions	2004 1st qtr	2003 1st qtr	Percent change	Countries/ regions	2004 1st qtr	2003 1st qtr	Percent change
Gulf to				**Pacific NW to**			
Japan	$73.75	$27.91	164	Japan	---	$19.43	---
Taiwan	$68.00	$26.50	157				
N. Europe	---	$14.50	---	**Argentina/Brazil to**			
N. Africa	$46.25	---	---	N. Africa	$61.17	$25.35	141
Med. Sea	$46.50	$14.50	221	Med. Sea	---	$25.35	---

Source: Maritime Research, Inc. (www.maritime-research.com)

Figure 13

Grain vessel rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)

Table 17--Ocean freight rates for selected shipments, week ending 04/10/04

Export region	Import region	Grain	Month	Volume loads (metric tons)	Freight rate ($/metric ton)
U.S. Gulf	Haiti	Wheat	Apr 20/30	8,300	29.00
U.S. Gulf	Turkey	Wheat	Apr. 15/25	55,000	52.00
U.S. Gulf	Japan	Hvy grain	Apr 1/10	54,000	72.50
U.S. Gulf	Jordan	Hvy grain	Apr. 15/25	50,000	66.50
U.S. Gulf	Albania*	Wheat	Apr. 1/10	9,000	106.34
St. Lawrence	Morocco	Wheat	Apr. 10/20	21,000	45.00
Spain	Venezuela	Wheatflour Bggd	Apr. 1/10	4,800	59.50
River plate	Algeria	Corn	Apr. 5/10	24,000	62.25
River plate	Tunisia	Grains	Mar. 10/20	22,000	72.00
River plate	Adriatic	Grains	Apr. 10/20	50,000	62.50
River plate	China	Grains	Apr. 15/20	55,000	87.50

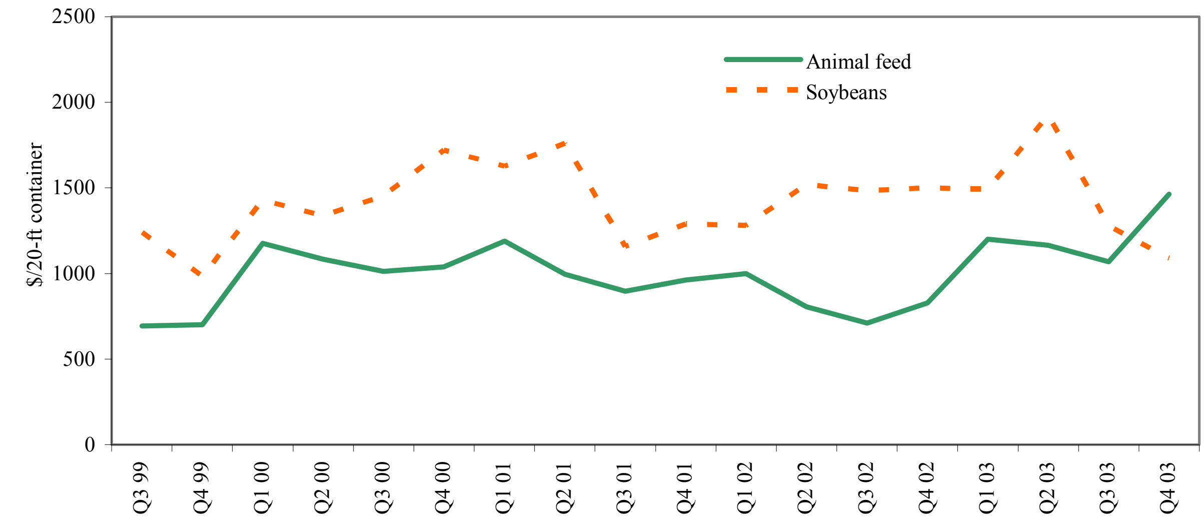
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

*Most food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are limited in availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.

Source: Maritime Research Inc. (www.maritime-research.com)

Figure 14

Weighted average rates[1] for containerized shipments of animal feed and soybeans to selected Asian countries



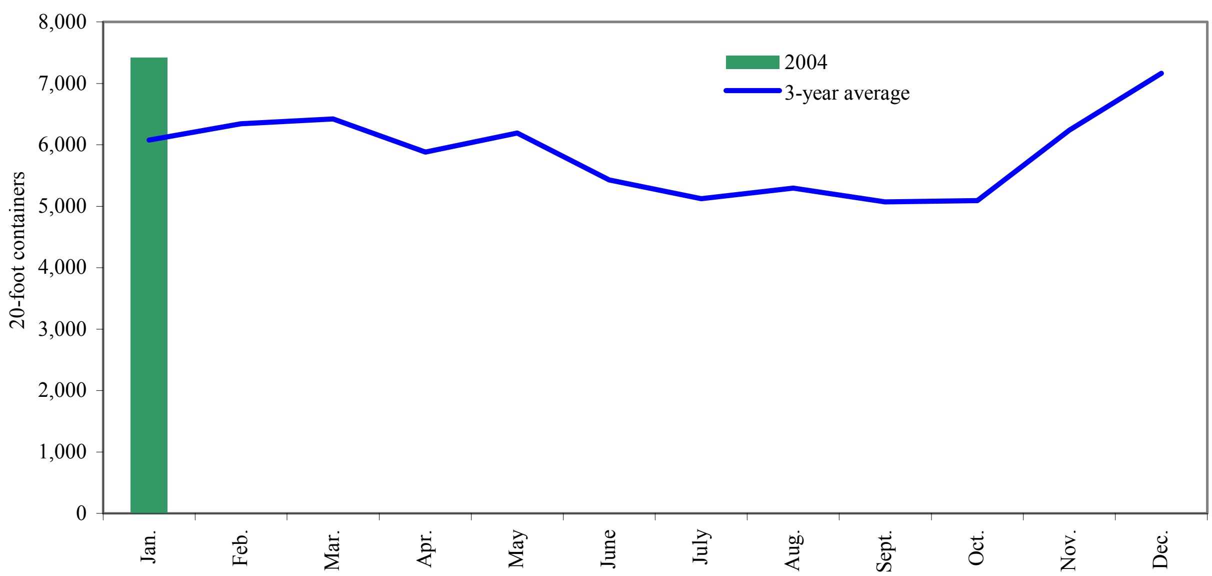
[1]Animal Feed: Bangkok-Thailand (4%), Busan-Korea (24%), Hong Kong (14%), Keelung-Taiwan (14%), Tokyo-Japan (44%), and soybeans: Bangkok-Thailand (3%), Busan-Korea (7%), Hong Kong (1%), Keelung-Taiwan (24%), Tokyo-Japan (65%) January-December 2003.

Source: Ocean Rate Bulletin, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

Figure 15

Monthly shipments of containerized grain for 2004 compared with a 3-year average



Note: PIERS data is available with a lag of approximately 40 days

Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce* , January 2004

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Related Websites

Agricultural Container Indicators – a Quarterly Report http://www.ams.usda.gov/tmd2/agci/
Ocean Rate Bulletin http://www.ams.usda.gov/tmd/Ocean/index.asp