



Grain Transportation Report

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

Dec. 22, 2005

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Transportation Costs Decrease for U.S. – Japan Corn and Soybeans. The cost of shipping corn and soybeans from Minneapolis to Japan continued to decline during the third quarter. Even though barge rates on the Mississippi River increased substantially over the previous quarter, ocean freight rates decreased enough to offset them. The cost of shipping corn and soybeans to Japan through the Pacific Northwest (PNW) decreased 6 and nearly 7 percent, respectively, during the third quarter. The cost of shipping through the Gulf also decreased, by nearly 7 percent. Total transportation cost represented half the total landed cost for corn, and one-quarter of the landed cost for soybean shipments through the Gulf and PNW.

Table 1 -- Quarterly modal transportation cost comparison for corn from Minneapolis to Japan

	Gulf			PNW		
	2nd Qtr '05	3rd Qtr '05	Percent Change	2nd Qtr '05	3rd Qtr '05	Percent Change
	-\$/metric ton - %			-\$/metric ton %		
Truck	7.82	8.90	13.81	7.82	8.90	13.81
Barge	18.93	28.88	52.56			
Rail-Corn				39.68	40.12	1.11
Ocean	54.95	38.38	-30.15	28.58	22.39	-21.66
Total Transportation	81.70	76.16	-6.78	76.08	71.41	-6.14
Farm Value	75.32	72.17	-4.18	75.32	72.17	-4.18
Total Landed Cost	157.02	148.33	-5.53	151.39	143.57	-5.17
Transportation % of Landed Cost	52.03	51.34		50.25	49.74	

Table 2 -- Quarterly modal transportation cost comparison for soybeans from Minneapolis to Japan

	Gulf			PNW		
	2nd Qtr '05	3rd Qtr. '05	Percent Change	2nd Qtr. '05	3rd Qtr. '05	Percent Change
	-\$/metric ton- %			-\$/metric ton- %		
Truck	7.82	8.90	13.81	7.82	8.90	13.81
Barge	18.93	28.88	52.56			
Rail-soybeans				39.79	39.79	0.00
Ocean	54.95	38.38	-30.15	28.58	22.39	-21.66
Total Transportation	81.70	76.16	-6.78	76.19	71.08	-6.71
Farm Value	231.12	224.26	-2.97	231.12	224.26	-2.97
Total Landed Cost	312.82	300.42	-3.96	307.31	295.34	-3.90
Transportation % of Landed Cost	26.12	25.35		24.79	24.07	

Ocean rates from the Gulf decreased by 30 percent during the third quarter, and those from the PNW by nearly 22 percent, compared with the second quarter. Slow grain movements and excess supply capacity contributed to lower rates during the first part of the quarter. However, there was a modest rate increase in the latter part of the quarter as volume increased from the Gulf and capacity tightened.

Barge movements and rates on the Mississippi River typically increase during the third quarter due to harvest and increased demand for barge capacity. However, rates and movements were seriously impacted during this quarter by Hurricanes Katrina and Rita. Damage to the inland waterway and export facilities in the lower Mississippi River delayed shipments and disrupted the grain distribution network. Export shipments resumed within a short time, but misplaced barges and restricted capacity increased rates by nearly 53 percent.

Truck rates for both corn and soybean shipments originating in the North Central region increased by 14 percent in the third quarter. This was due in part to decreased truck availability (table 11, inside the report), and higher diesel fuel costs (figure 8, tables 11 and 12, inside the report). Karl.Hacker@usda.gov.

Grain Transportation Indicators

Table 1--Grain transport cost indicators*

Week ending	Truck	Rail**	Barge	Ocean	
				Gulf	Pacific
12/21/05	165	424	282	177	180
Compared with last week	↑	↑	↓	↓	↓

*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)

**The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Source: Transportation & Marketing Programs/AMS/USDA

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

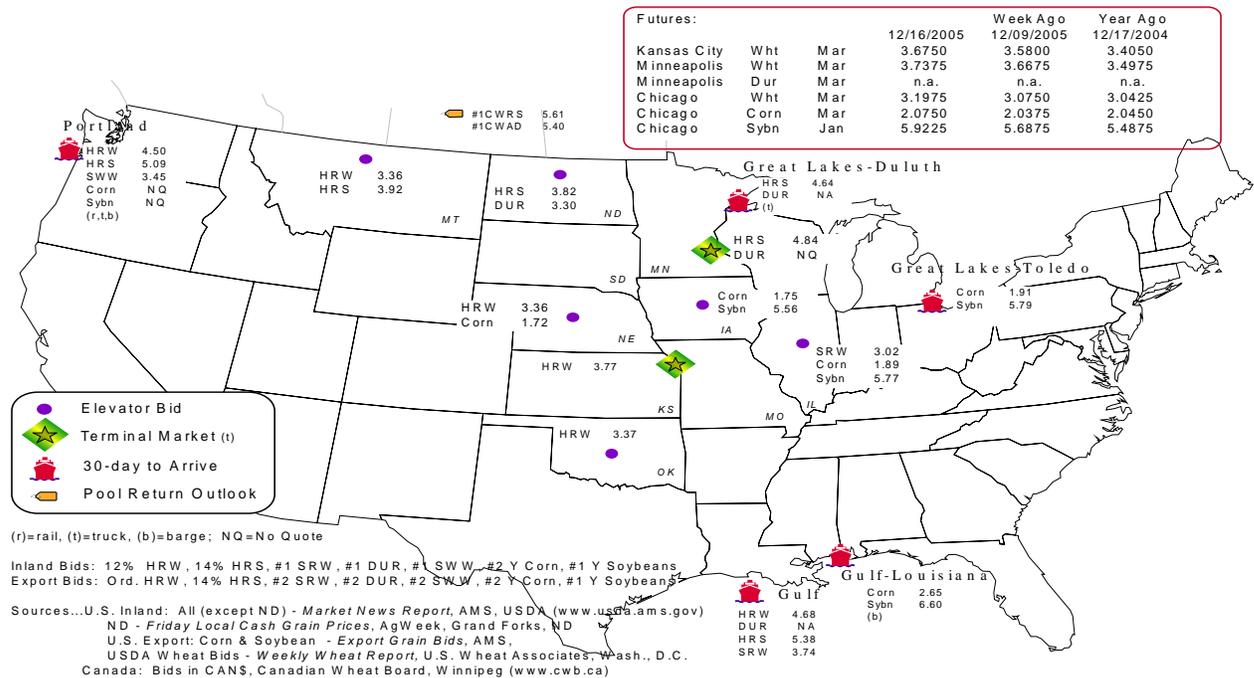
Commodity	Origin--destination	12/16/2005	12/9/2005
Corn	IL--Gulf	-0.76	-0.76
Corn	NE--Gulf	-0.93	-0.93
Soybean	IA--Gulf	-1.04	-1.08
HRW	KS--Gulf	-0.91	-0.92
HRS	ND--Portland	-1.27	-1.32

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

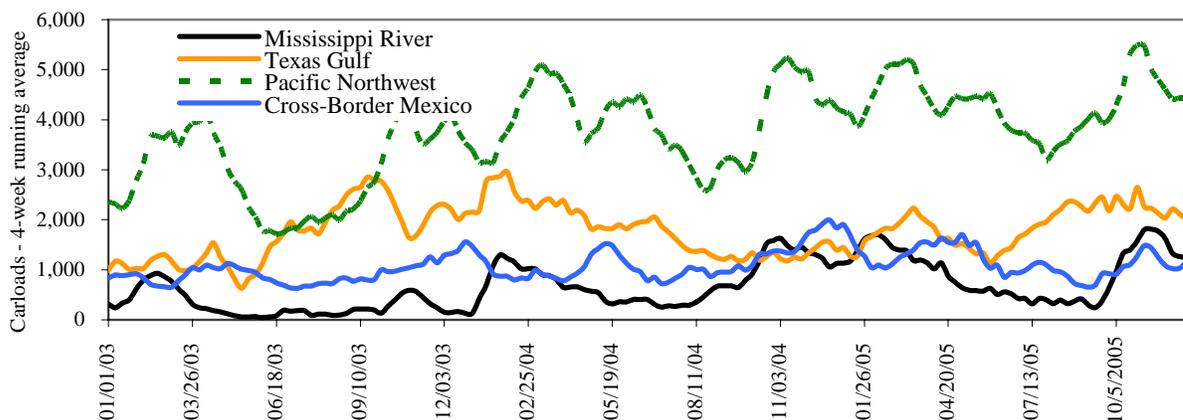
Table 3--Rail deliveries to port (carloads)*

Week ending	Mississippi Gulf***	Texas Gulf	Cross-Border	Pacific	Atlantic &	Total
			Mexico****	Northwest	East Gulf	
12/14/2005 ^p	1,066	1,319	1,050	4,746	334	8,515
12/07/2005 ^r	1,410	1,897	1,281	4,129	380	9,097
2005 YTD	48,046	95,095	58,329	215,658	15,123	432,251
2004 YTD	40,965	89,591	55,492	200,604	10,198	396,850
2005 as % of 2004	117	106	105	108	148	109
Total 2004	43,102	92,073	59,102	209,625	10,986	414,888
Total 2003**	n/a	88,194	48,805	157,125	20,509	n/a

(* Incomplete Data; as of 9/22/04, Cross-Border movements included; (** Excludes 53rd week; (***) Mississippi Gulf data back to January, 2004 from several new sources has been added; (****) **Cross-border Mexico data for 2004 and 2005 has been amended to reflect amendments submitted by our sources.** YTD= year-to-date; p=preliminary data; r = revised data

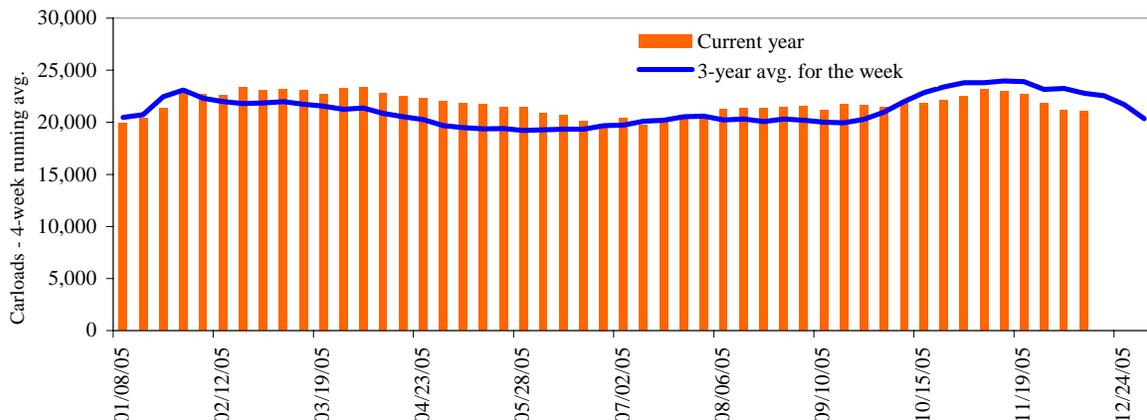
Railroads originate approximately 40 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

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)

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
12/10/05	2,985	2,875	9,681	463	5,172	21,176	4,629	5,784
This week last year	3,478	3,713	9,163	577	6,374	23,305	5,185	5,898
2005 YTD	143,920	158,549	448,382	26,017	292,196	1,069,064	213,301	202,371
2004 YTD	135,448	161,514	433,137	26,081	312,437	1,068,617	225,069	199,760
2005 as % of 2004	106	98	104	100	94	100	95	101
Total 2004	142,206	169,650	458,587	27,618	327,510	1,125,571	237,664	210,060

Source: Association of American Railroads (www.aar.org); YTD = year-to-date

Table 5--Rail car auction offerings*, week ending 12/17/05 (\$/car)**

Delivery for:	Feb-06	Mar-06	Apr-06
BNSF ¹			
COT/N. grain	no offer	\$175	\$50
COT/S. grain	no offer	\$80	\$9
UP ²			
GCAS/Region 1	no offer	no offer	no offer
GCAS/Region 2	no offer	no offer	no offer

*Auction offerings are for single-car and unit train shipments only.

**Average premium/discount to tariff, last auction

¹BNSF - 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.

²UP - 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.

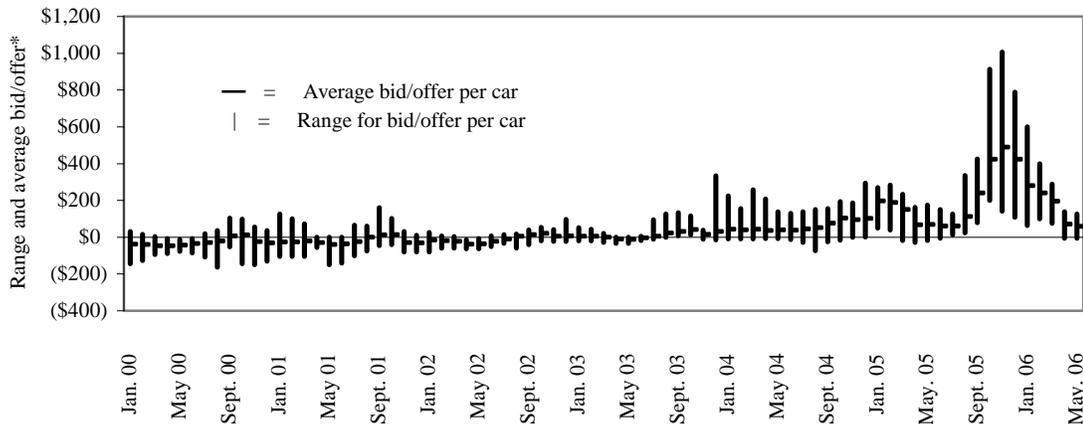
Source: Transportation & Marketing Programs/AMS/USDA

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar 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, week ending 12/17/05 (\$/car)*

	Delivery period			
	Jan-06	Feb-06	Mar-06	Apr-06
BNSF-GF	\$303	\$250	\$192	\$50
Change from last week	\$28	\$87	\$79	\$0
UP-Pool	\$354	\$204	\$104	\$100
Change from last week	\$94	\$4	-\$46	\$60

*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:					
12/5/2005	Origin Region	Destination Region	Rate/car	Rate/metric ton	Rate/bushel**
<u>Unit train*</u>					
Wheat	Chicago, IL	Albany, NY	\$1,861	\$20.51	\$0.56
	Kansas City, MO	Galveston, TX	\$2,020	\$22.27	\$0.61
	South Central, KS	Galveston, TX	\$2,450	\$27.01	\$0.74
	Minneapolis, MN	Houston, TX	\$2,420	\$26.68	\$0.73
	St. Louis, MO	Houston, TX	\$2,360	\$26.01	\$0.71
	South Central, ND	Houston, TX	\$4,117	\$45.38	\$1.24
	Minneapolis, MN	Portland, OR	\$3,848	\$42.42	\$1.15
	South Central, ND	Portland, OR	\$3,841	\$42.34	\$1.15
	Northwest, KS	Portland, OR	\$4,490	\$49.49	\$1.35
	Chicago, IL	Richmond, VA	\$2,161	\$23.82	\$0.65
Corn	Chicago, IL	Baton Rouge, LA	\$2,610	\$28.77	\$0.73
	Council Bluffs, IA	Baton Rouge, LA	\$2,470	\$27.23	\$0.69
	Kansas City, MO	Dalhart, TX	\$1,965	\$21.66	\$0.55
	Minneapolis, MN	Portland, OR	\$3,130	\$34.50	\$0.88
	Evansville, IN	Raleigh, NC	\$1,961	\$21.62	\$0.55
	Columbus, OH	Raleigh, NC	\$1,850	\$20.39	\$0.52
	Council Bluffs, IA	Stockton, CA	\$3,606	\$39.75	\$1.01
Soybeans	Chicago, IL	Baton Rouge, LA	\$2,655	\$29.27	\$0.80
	Council Bluffs, IA	Baton Rouge, LA	\$2,515	\$27.72	\$0.75
	Minneapolis, MN	Portland, OR	\$3,610	\$39.79	\$1.08
	Evansville, IN	Raleigh, NC	\$1,961	\$21.62	\$0.59
	Chicago, IL	Raleigh, NC	\$2,561	\$28.23	\$0.77
<u>Shuttle Train*</u>					
Wheat	St. Louis, MO	Houston, TX	\$1,820	\$20.06	\$0.55
	Minneapolis, MN	Portland, OR	\$3,648	\$40.21	\$1.09
Corn	Fremont, NE	Houston, TX	\$2,304	\$25.40	\$0.65
	Minneapolis, MN	Portland, OR	\$3,024	\$33.33	\$0.85
Soybeans	Council Bluffs, IA	Houston, TX	\$2,412	\$26.59	\$0.72
	Minneapolis, MN	Portland, OR	\$3,170	\$34.94	\$0.95

*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.upr.com

Table 8--Tariff rail rates for U.S. bulk grain shipments to Mexico, 2005

Effective date: 12/05/05

Commodity	Origin State	Border crossing region	Train size	Rate ¹	Rate/metric ton	Rate/bushel**
Wheat	KS	Brownsville, TX	Shuttle	\$2,851	\$29.13	\$0.79
	ND	Eagle Pass, TX	Unit	\$4,004	\$40.91	\$1.11
	OK	El Paso, TX	Shuttle	\$2,235	\$22.84	\$0.62
	OK	El Paso, TX	Unit	\$2,432	\$24.85	\$0.68
	AR	Laredo, TX	Unit	\$2,383	\$24.35	\$0.66
	IL	Laredo, TX	Unit	\$3,188	\$32.57	\$0.89
	MT	Laredo, TX	Shuttle	\$4,298*	\$43.92	\$1.19
	TX	Laredo, TX	Shuttle	\$2,165	\$22.12	\$0.60
	MO	Laredo, TX	Shuttle	\$2,731	\$27.90	\$0.76
	WI	Laredo, TX	Unit	\$3,405	\$34.79	\$0.95
Corn	NE	Brownsville, TX	Shuttle	\$3,214	\$32.84	\$0.83
	NE	Brownsville, TX	Unit	\$3645*	\$37.24	\$0.95
	IA	Eagle Pass, TX	Unit	\$3,444	\$35.19	\$0.89
	MO	Eagle Pass, TX	Shuttle	\$3040*	\$31.06	\$0.79
	NE	Eagle Pass, TX	Shuttle	\$3440*	\$35.15	\$0.89
	IA	Laredo, TX	Shuttle	\$3,367	\$34.40	\$0.87
Soybean	IA	Brownsville, TX	Shuttle	\$2,989	\$30.54	\$0.83
	MN	Brownsville, TX	Shuttle	\$3,031	\$30.97	\$0.84
	NE	Brownsville, TX	Shuttle	\$2,798	\$28.59	\$0.78
	NE	Eagle Pass, TX	Shuttle	\$2,874	\$29.37	\$0.80
	IA	Laredo, TX	Unit	\$3,028	\$30.94	\$0.84

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

¹Rates are based upon published tariff rates for high-capacity rail cars.

*High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

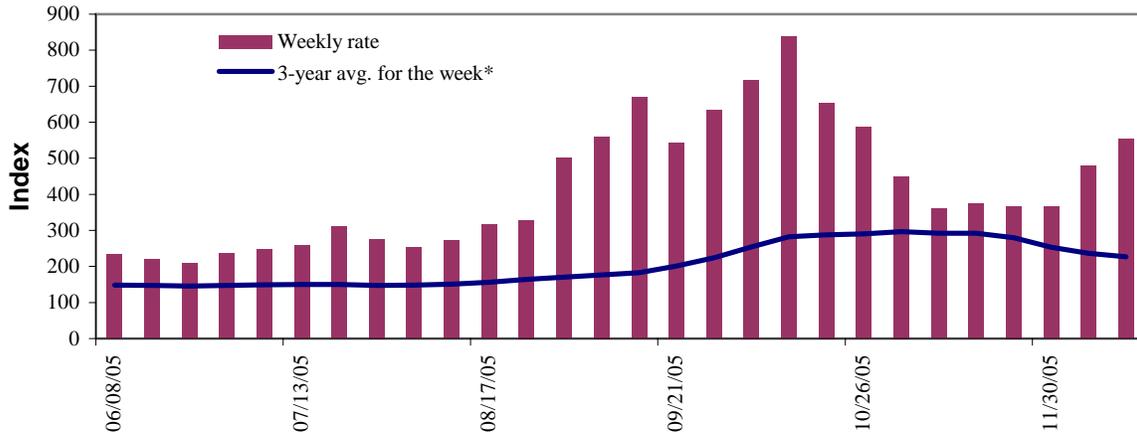
**Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Sources: www.bnsf.com, www.uprr.com

Barge Transportation

Figure 5

Illinois River barge rate index - quotes



Note: Index = percent of tariff rate; *4-week moving average

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 9--Barge rate quotes: southbound barge freight

Location	12/14/2005	12/7/2005	Jan. '06	Mar. '06
Twin Cities	n/a	n/a	n/a	n/a
Mid-Mississippi	n/a	n/a	n/a	375
Illinois River	552	478	530	378
St. Louis	436	386	407	336
Lower Ohio	414	388	392	354
Cairo-Memphis	359	343	350	310

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

Source: Transportation & Marketing Programs/AMS/USDA

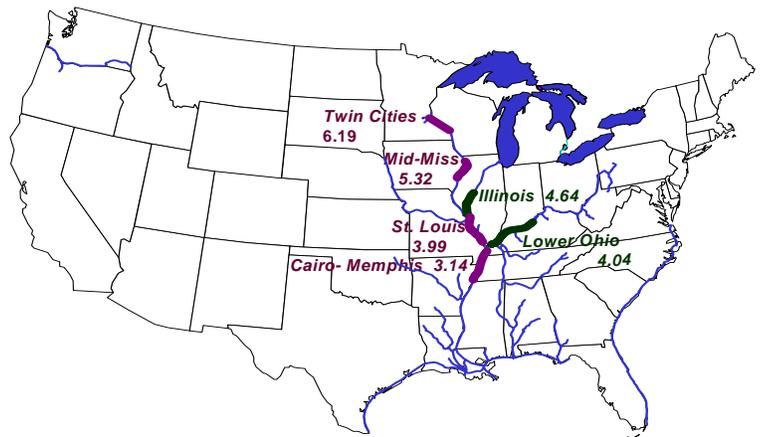
Figure 6

Benchmark tariff rates

Calculating barge rate per ton:

$(\text{Index} * 1976 \text{ tariff benchmark rate per ton}) / 100$

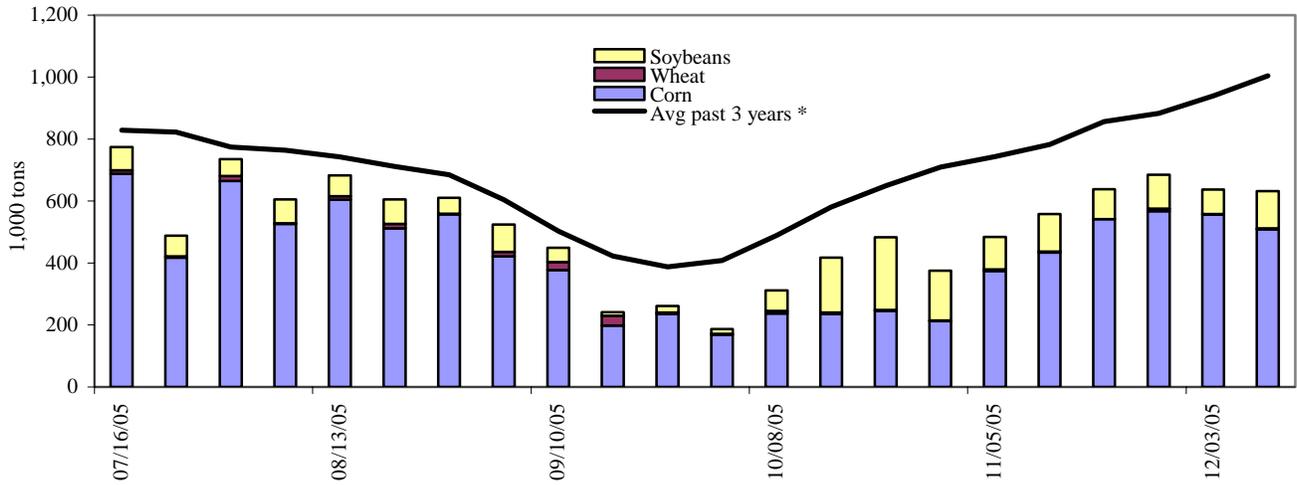
Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 6).



Note: The Illinois barge rate is for Beardstown, IL, La Grange Lock & Dam (L&D 8).

Figure 7

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



* 4-week moving average

Source: Transportation & Marketing Programs/AMS/USDA

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

Week ending 12/10/2005	Corn	Wheat	Soybean	Other	Total
Mississippi River					
Rock Island, IL (L15)	108	0	32	9	149
Winfield, MO (L25)	274	0	77	18	369
Alton, IL (L26)	499	3	122	9	633
Granite City, IL (L27)	509	3	120	17	649
Illinois River (L8)	177	0	28	0	205
Ohio River (L52)	49	6	45	2	102
Arkansas River (L1)	0	4	7	13	24
2005 YTD	22,384	1,552	6,774	670	31,380
2004 YTD	24,242	2,596	5,908	748	33,494
2005 as % of 2004 YTD	92	60	115	90	94
Total 2004	26,235	2,701	6,784	843	36,563

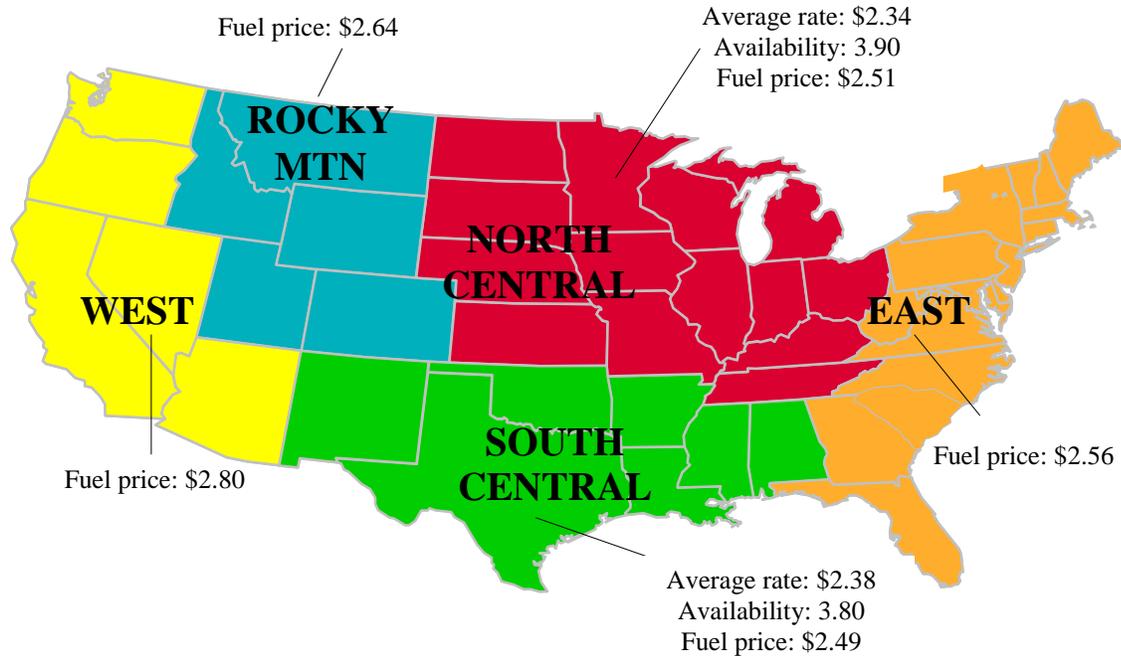
YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

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

Note: Total may not add exactly, due to rounding

Truck Transportation

Figure 8
U.S. grain truck market advisory, 3rd quarter 2005*



*Average rate per loaded mile, based on truck rates for trips of 25, 100, and 200 miles

Note: Fuel prices are a quarterly average (unit per gallon)

Fuel price data source: Energy Information Administration, U.S. Department of Energy, www.eia.doe.gov

Table 11--U.S. grain truck market overview, 3rd quarter 2005

Region	25 miles	100 miles	200 miles	Truck availability	Truck activity	Future truck activity
	¹ Rate per mile			<i>Rating compared to same quarter last year</i>		
				1=Very easy to 5=Very difficult		1=Much lower to 5=Much higher
National average²	3.16	2.38	2.04	3.6	2.9	3.2
North Central region	2.82	2.22	1.98	3.9	2.9	3.2
Rocky Mountain	4.23	2.28	1.96	2.4	2.8	3.2
South Central	2.73	2.28	2.14	3.8	3.0	3.3
West	4.54	3.29	2.65	3.7	3.3	3.0

¹Rates are based on trucks with 80,000 lb gross vehicle weight limit

²National average includes: AR, CO, IA, IL, IN, KS, LA, MN, MS, ND, NE, OH, OK, OR, SD, TX, and WA.

Source: Transportation and Marketing Programs/AMS/USDA

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 12--Retail on-highway diesel prices*, week ending 12/19/05 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.499	0.041	0.447
	New England	2.647	0.049	0.448
	Central Atlantic	2.609	0.032	0.438
	Lower Atlantic	2.438	0.045	0.450
II	Midwest ¹	2.443	0.034	0.499
III	Gulf Coast ²	2.435	0.006	0.513
IV	Rocky Mountain	2.410	0.009	0.422
V	West Coast	2.505	0.005	0.458
	California	2.521	0.056	0.434
Total	U.S.	2.462	0.026	0.478

*Diesel fuel prices include all taxes.

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

¹Same as North Central

²Same as South Central

Grain Exports

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

Week ending 1/	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
12/8/2005	2,807	292	1,092	793	35	5,018	7,334	3,944	16,296
This week year ago	1,498	514	1,255	749	74	4,088	8,113	5,780	17,981
Cumulative exports-crop year 2/									
2005/06 YTD	5,796	1,156	4,452	2,216	438	14,059	12,957	8,963	35,979
2004/05 YTD	5,347	2,171	4,485	2,942	366	15,312	13,421	11,652	40,385
2005/06 as % of 2004/05	108	53	99	75	120	92	97	77	89
2004/05 Total	9,407	3,217	8,083	4,773	686	26,117	44,953	29,878	100,948
2003/04 Total	12,697	3,785	6,928	4,895	1,053	29,359	47,704	24,108	101,171

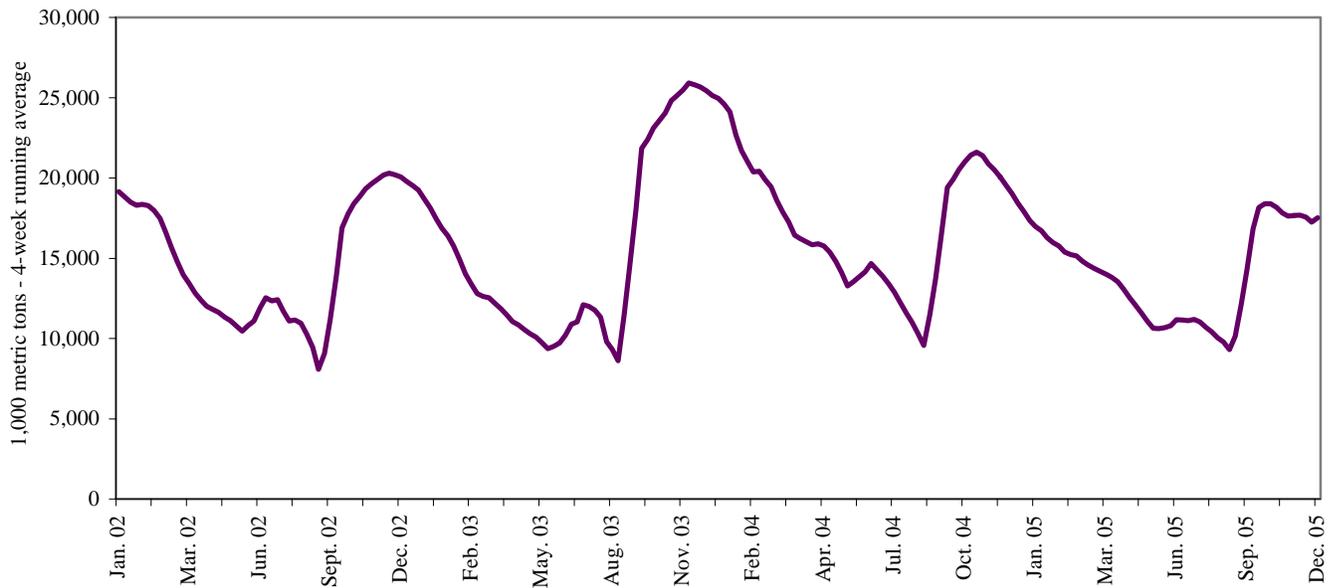
Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31, 1/ = Current unshipped export sales to date

2/ = Shipped export sales to date

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

Figure 9

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)

Week ending	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region total		
	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Pacific	Mississippi	Texas
12/15/05	190	243	182	77	721	339	141	0	0	615	1,136	141
2005 YTD	10,341	9,694	6,053	4,592	26,544	14,119	7,313	791	32	26,088	45,255	8,136
2004 YTD	12,160	9,847	4,446	7,080	32,072	14,821	8,255	173	20	26,453	53,972	8,449
2005 as % of 2004	85	98	136	65	83	95	89	458	159	99	84	96
2004 Total *	12,600	10,154	4,787	7,269	33,321	15,952	8,558	186	25	27,541	56,541	8,769

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD: year-to-date; * includes 53rd week

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. Approximately 55 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2004.

Figure 10
U.S. grain inspected for export (wheat, corn, and soybeans)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Ocean Transportation

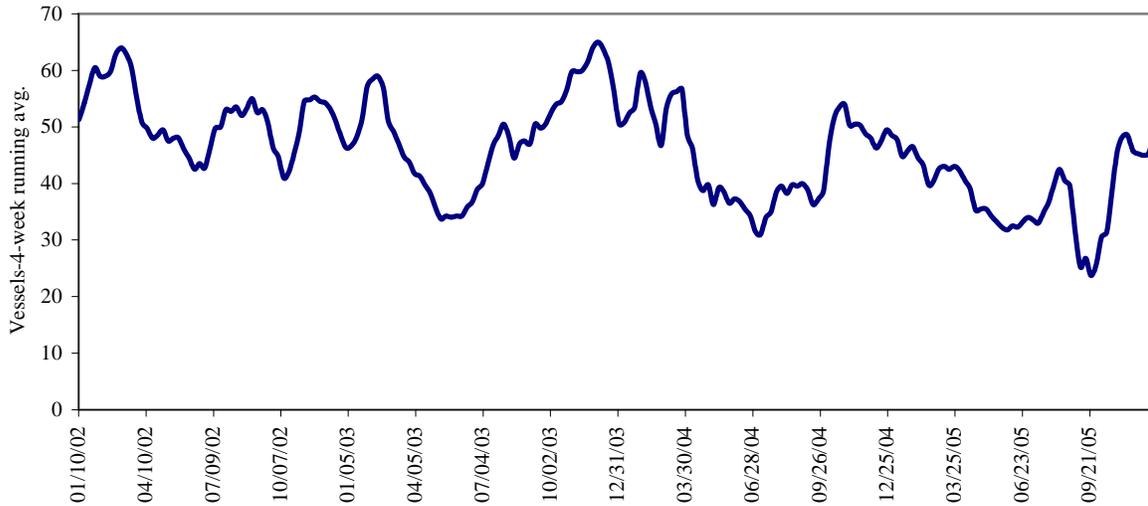
Table 15--Weekly port region grain ocean vessel activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
12/15/2005	27	54	65	9	7
12/8/2005	32	51	55	10	9
2004 range	(10..43)	(25..73)	(38..96)	(4..16)	(0..18)
2004 avg.	24	45	61	9	6

Source: Transportation & Marketing Programs/AMS/USDA

Figure 11

Gulf Port grain vessel loading (past 7 days)



Source: Transportation & Marketing Programs/AMS/USDA

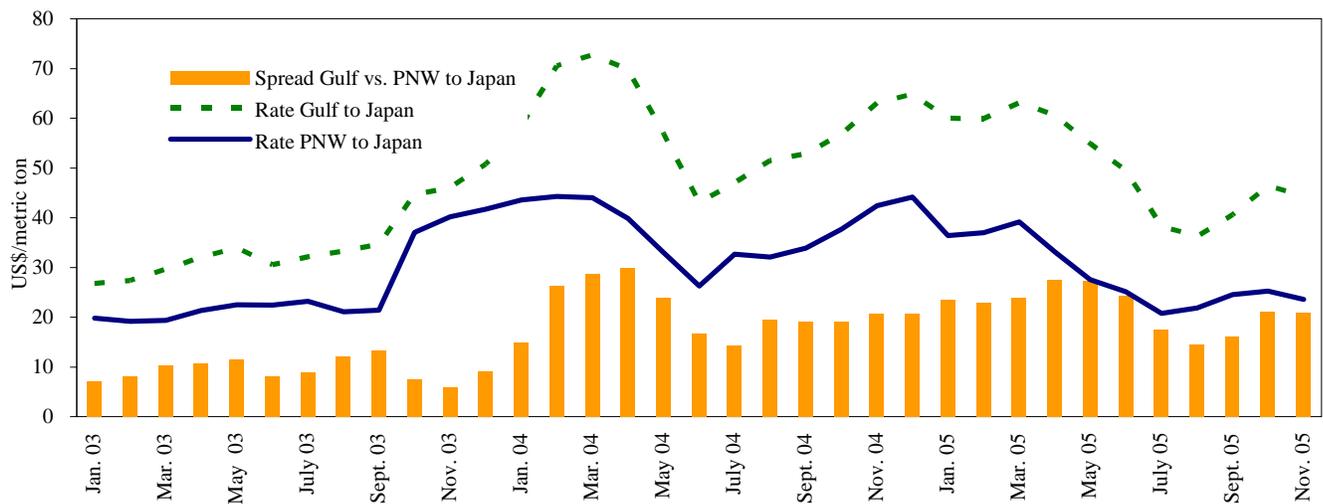
Table 16--Quarterly ocean freight rates (average rates & percentage changes) (US\$/metric ton)

Countries/ regions	2005 3 rd qtr	2004 3 rd qtr	Percent change	Countries/ regions	2005 3 rd qtr	2004 3 rd qtr	Percent change
Gulf to				Pacific NW to			
Japan	36.33	50.08	-27	Japan	---	37.00	---
China		54.00	---	Argentina/Brazil to			
Taiwan	---	---	---	China	32.00		
N. Africa	24.25	---	---	N. Africa	40.00	---	---
Med. Sea	---	---	---	Turkey	25.00	---	---

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

Figure 12

Grain vessel rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)

Table 17--Ocean freight rates for selected shipments, week ending 12/17/05

Export region	Import region	Grain	Month	Volume loads (metric tons)	Freight rate (\$/metric ton)
U.S. Gulf	Nicaragua*	Wheat	Nov 15/25	4,130	69.99
U.S. Gulf	Iraq	Wheat	Dec 14/18	50,000	52.50
U.S. Gulf	Japan	Hvy Grain	Nov 1/5	54,000	47.50
U.S. Gulf	Morocco	Hvy Grain	Oct 1/20	30,000	31.00
U.S. Gulf	Rotterdam	Hvy Grain	Dec 10/20	65,000	19.70
Australia	Italy	Wheat	Dec 5/25	55,000	26.00
Germany	Tunisia	Barley	Dec 6/12	25,000	24.25
River Plate	Spain	Hvy Grain	Oct 10/20	55,000	39.00
River Plate	Algeria	Hvy Grain	Dec 1/10	25,000	42.50
River Plate	Morocco	Hvy Grain	Oct 27/Nov 3	30,000	39.50
Russia	Pakistan	Hvy Grain	Oct 15/20	55,000	32.50

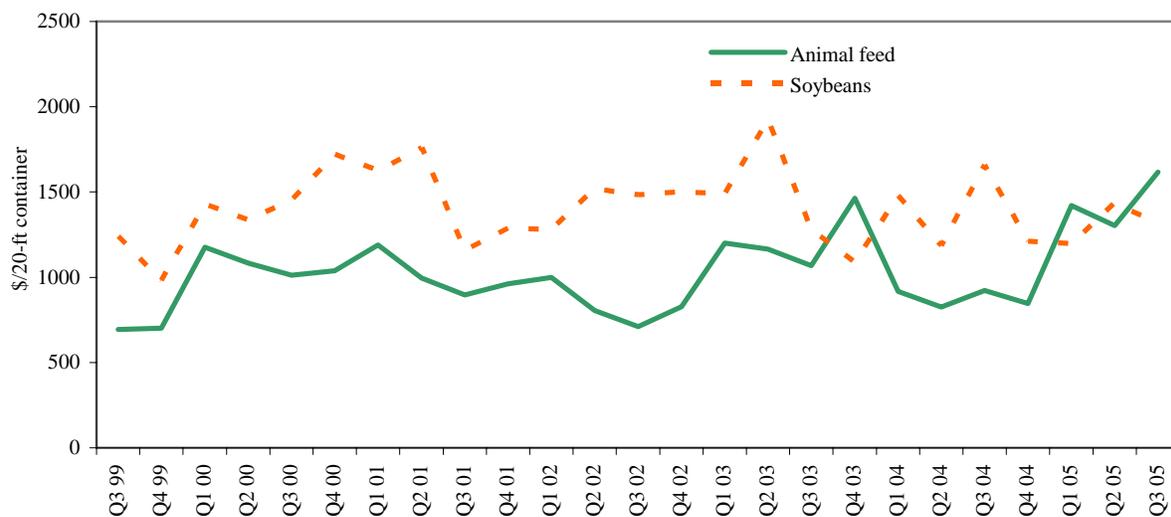
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

*75 percent of 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 13

Weighted average rates¹ for containerized shipments of animal feed and soybeans to selected Asian countries



¹Animal Feed: Busan-Korea (13%), Kaohsiung-Taiwan (35%), Tokyo-Japan (34%), Hong Kong (12%), Bangkok-Thailand (6%) and soybeans: Busan-Korea (1%), Keelung-Taiwan (87%), Tokyo-Japan (9%), Bangkok-Thailand (2%), Hong Kong (1%) Quarter 3, 2005.

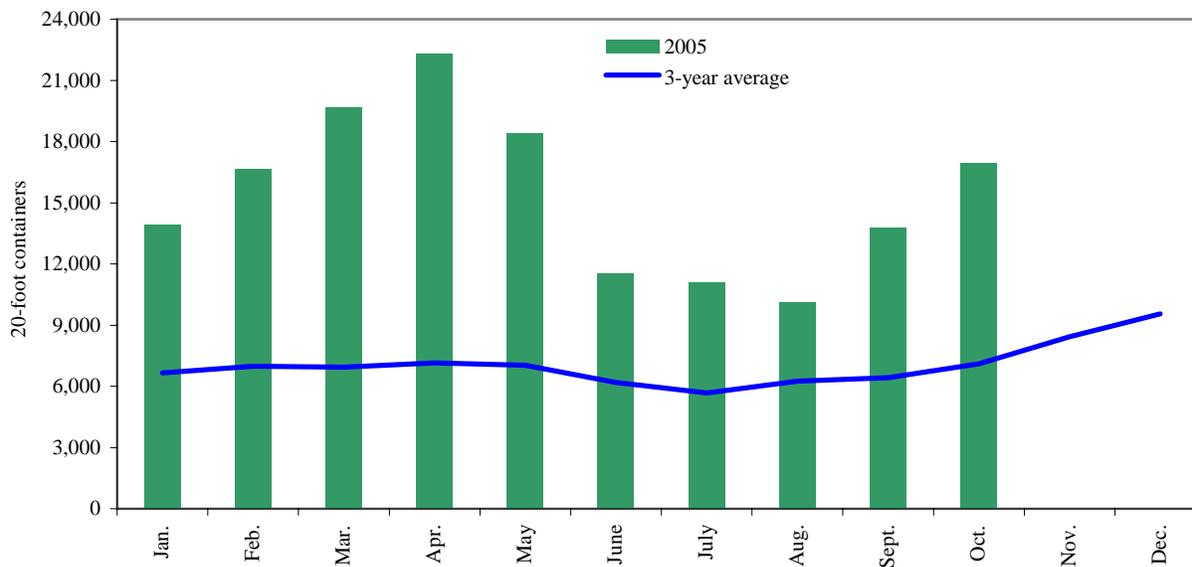
Source: Ocean Rate Bulletin, Transportation & Marketing Programs/AMS/USDA

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

During 2004, containers were used to transport 2 percent of total U.S. grain exported, and 3 percent of total U.S. grain exported to Asia.

Figure 14

Monthly shipments of containerized grain to Asia for 2005 compared with a 3-year average

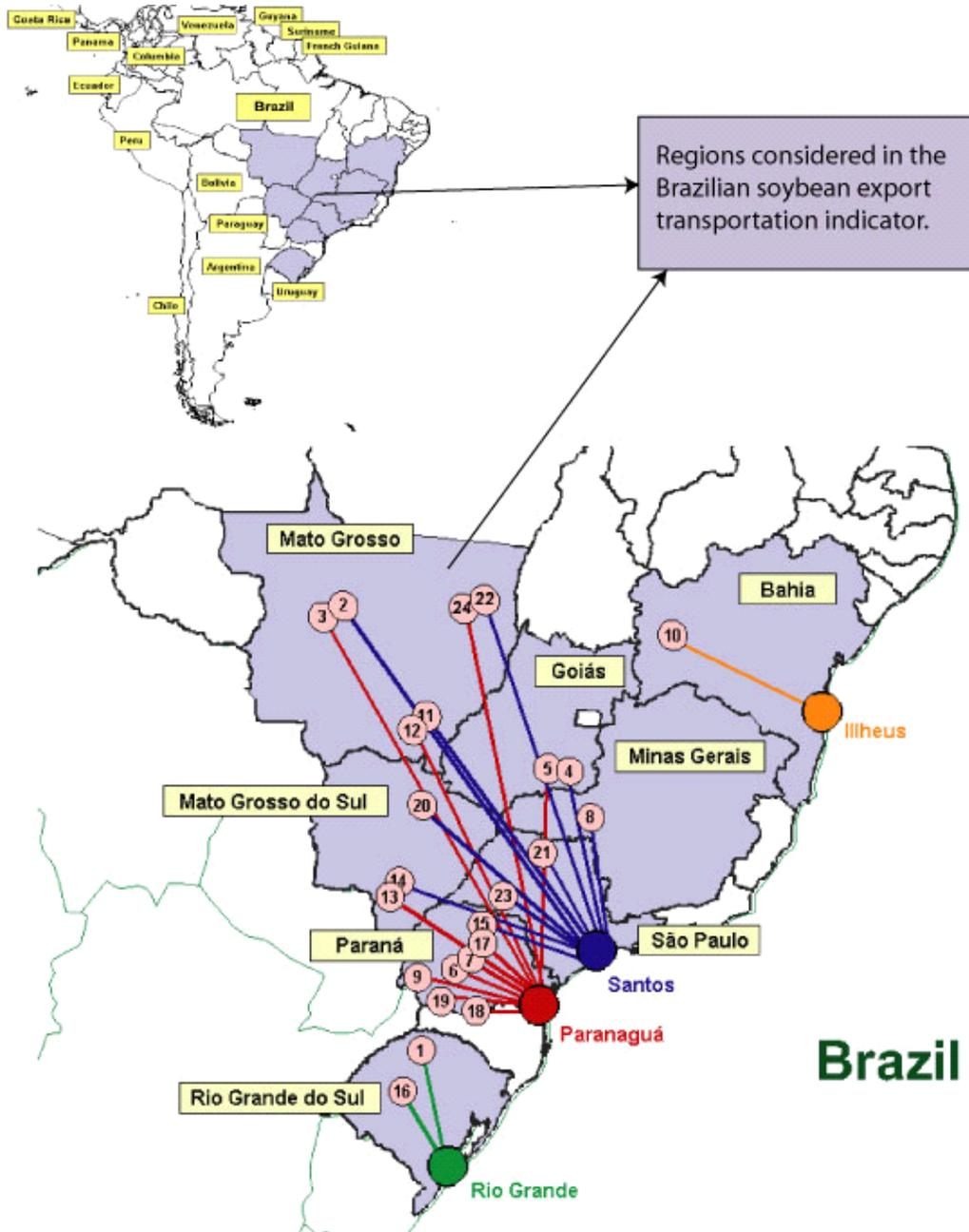


Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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

Brazil Transportation

Figure 15
Routes and Regions considered in the Brazilian soybean export transportation indicator¹



¹Regions comprised 84 percent of Brazilian soybean production, 2003
Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 18--Truck rates for selected Brazilian soybean export transportation routes, 3rd quarter 2005

Route #	Origin ¹ (reference city)	Destination	Distance (miles) ²	Weight(%) ³	Freight price (per 100 miles) ⁴
1	Northwest RS ⁵ (Cruz Alta)	Rio Grande	288	16.6	4.39
2	North MT(Sorriso)	Santos	1190	10.1	6.99
3	North MT(Sorriso)	Paranaguá	1262	9.5	6.39
4	South GO(Rio Verde)	Santos	587	7.0	7.13
5	South GO(Rio Verde)	Paranaguá	726	5.6	5.60
6	North Center PR(Londrina)	Paranaguá	268	4.4	8.49
7	Western Center PR(Mamborê)	Paranaguá	311	3.9	5.88
8	Triangle MG(Uberaba)	Santos	339	3.8	9.93
9	West PR(Assis Chateaubriand)	Paranaguá	377	3.7	5.95
10	West Extreme BA(São Desidério)	Ilhéus	544	3.6	7.56
11	Southeast MT(Primavera do Leste)	Santos	901	3.6	6.76
12	Southeast MT(Primavera do Leste)	Paranaguá	975	3.3	6.14
13	Southwest MS(Maracaju)	Paranaguá	612	3.1	5.69
14	Southwest MS(Maracaju)	Santos	652	2.9	5.66
15	West PR(Assis Chateaubriand)	Santos	550	2.5	5.65
16	Western Center RS(Tupanciretã)	Rio Grande	273	2.4	5.60
17	Southwest PR(Chopinzinho)	Paranaguá	291	2.3	8.34
18	Eastern Center PR(Castro)	Paranaguá	130	2.3	9.53
19	South Center PR(Guarapuava)	Paranaguá	204	2.1	8.32
20	North Center MS(São Gabriel do Oeste)	Santos	720	2.0	5.25
21	Ribeirão Preto SP(Guairá)	Santos	314	1.5	7.98
22	Northeast MT(Canarana)	Santos	950	1.4	7.62
23	Assis SP(Palmital)	Santos	285	1.2	8.01
24	Northeast MT(Canarana)	Paranaguá	1075	1.2	6.72
	Average		626	100	6.48

¹Although each origin region comprises several cities, the main city is considered as a reference to establish the freight price

²Distance from the main city of the considered region to the mentioned ports

³The weight is directly proportional to the amount of production in each region

⁴US\$ per metric ton (average monthly exchange rate from "Banco Central do Brasil" was used to convert Brazilian reais to the U.S. dollar)

⁵RS = Rio Grande Do Sul, MT= Mato Grosso, GO = Goiás, PR = Paraná, MG = Minas Gerais, BA = Bahia, MS = Mato Grosso Do Sul, SP = São Paulo

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

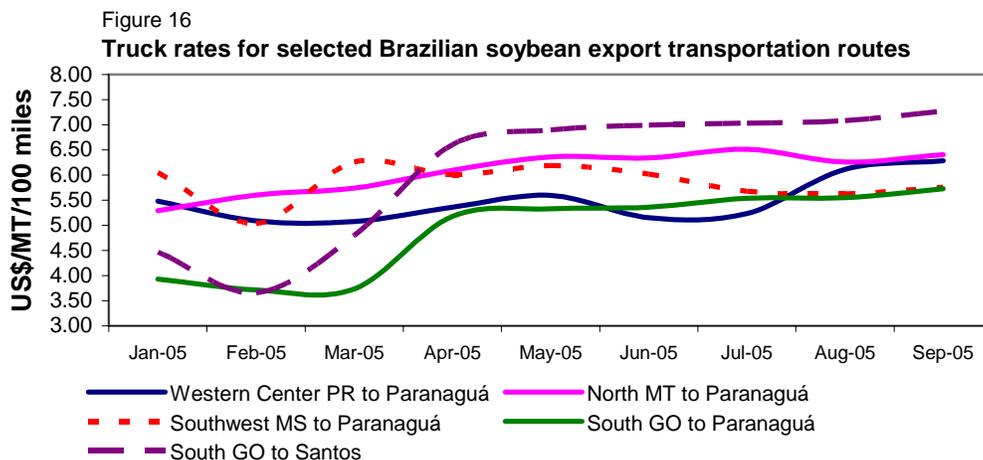


Table 19--Monthly Brazilian soybean export truck transportation cost index

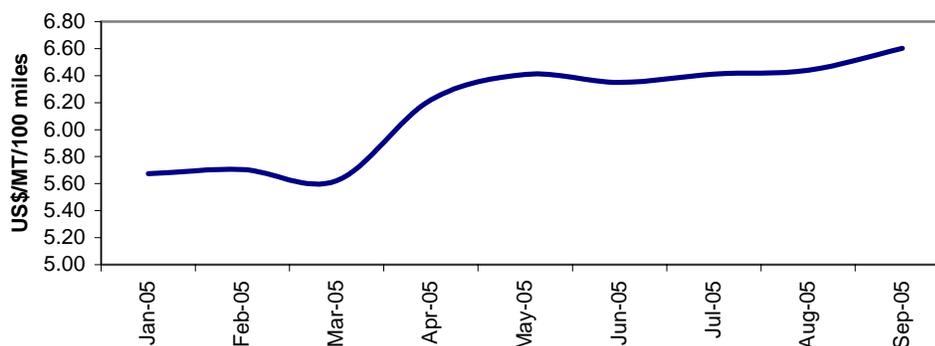
Month	Freight price* (per 100 miles)	Index variation (%) (Base: prior month)	Index value (Base: Jan. 05 = 100)
Jan. 05	5.67		100.00
Feb. 05	5.71	0.5	100.54
Mar. 05	5.62	-1.5	99.08
Apr. 05	6.22	10.6	109.61
May 05	6.41	3.1	112.96
Jun. 05	6.35	-0.9	111.90
Jul. 05	6.41	1.0	112.99
Aug. 05	6.44	0.4	113.46
Sep. 05	6.60	2.5	116.36

*weighted average and quoted in US\$ per metric ton

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Figure 17

Brazilian soybean export truck transportation weighted average prices, 2005



Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 20--Quarterly ocean freight rates for shipping soybeans from selected Brazilian ports to Hamburg, Germany (US\$/metric ton)*

Ports	2005 1st qtr	2005 2nd qtr	2005 3rd qtr
Santos	45.53	45.84	44.54
Paranagua	44.64	44.84**	43.54
Rio Grande	44.20	44.39	43.04

*correspond to the average actual values negotiated between shippers and carriers and weighted according to the magnitude of the shipped volumes

Source: Sistema de Informações de Fretes, SIFRECA, ESALQ/USP (University of São Paulo, Brazil)

**Revised figure

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Related Websites

Agricultural Container Indicators
Ocean Rate Bulletin

<http://www.ams.usda.gov/tmd2/agci/>
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