



Grain Transportation Report

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Ocean Freight Rates Decrease During the 1st Quarter. Despite a slight rate increase in the Pacific Northwest (PNW) to Japan routes during the 1st quarter, rates for all the grain routes were lower than they were a year ago. Average ocean freight rates for U.S. Gulf to Japan and Gulf to Rotterdam decreased during the 1st quarter 2006 (table 1). Rates for the benchmark grain route Gulf to Japan averaged about \$36 a metric ton (mt) during the 1st quarter 2006, an 18-percent decrease from the 4th quarter 2005, and 41 percent lower than the 1st quarter 2005. Ocean freight rates for the Gulf to Rotterdam (Transatlantic) route averaged close to \$20 per mt, a 14-percent reduction from the 4th quarter of 2005, and 48 percent lower than the same period a year ago. For the PNW to Japan, rates averaged \$26 per mt, up 5 percent from the 4th quarter, but down 31 percent from the 1st quarter 2005. Rates began to fall during the first week of January, due in part to New Year and the Far East holidays.

Table 1--Average ocean freight rates for Gulf and Transatlantic routes declined during 1st quarter 2006

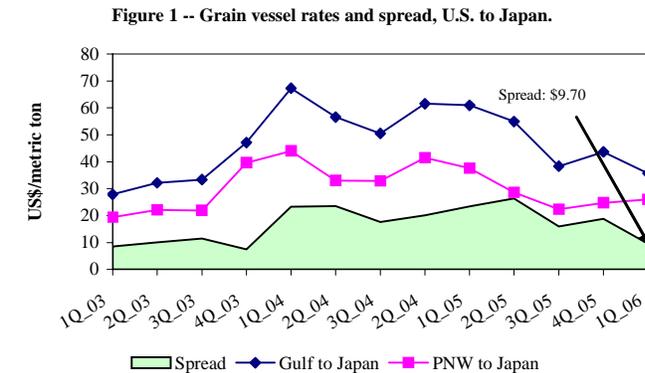
Route	Jan.	Feb.	Mar.	Jan - Mar	4 th quarter 2005	1 st quarter 2006	4 th -1 st quarter
	--\$/mt--			Percent change	--\$/mt--		Percent change
U.S. Gulf to Japan	36.41	34.91	35.82	-2	43.69	35.71	-18
PNW to Japan	24.64	25.69	27.71	12	24.82	26.02	5
Transatlantic	19.49	19.20	19.90	2	22.81	19.53	-14

Source: The Baltic Exchange

However, rates increased slightly during the middle of February due to increased activity after the holidays and continued port congestion in the Pacific—especially China and Australia. Although bulk ocean freight rates are influenced by increased demand for iron ore and coal in the Far East, an increase in the number of new vessels arriving from the shipyards will keep rates from reaching the levels witnessed during 2004.

Spread Between Gulf and PNW Rates Decrease Substantially; Gulf Share of Exports Increase. The difference (spread) between ocean freight rates from the Gulf to Japan and the PNW to Japan decreased to \$9.70 per mt (figure 1) during the 1st quarter 2005. This is a 49-percent decrease from the previous quarter, and the lowest spread recorded since the 4th quarter of 2003.

This decrease in the spread is possibly due to an increase in the number of multipurpose vessels in the Gulf that brought construction materials for rebuilding the area following hurricanes Katrina and Rita (GTR, dated 2/16/06). The availability of these vessels created additional capacity in the Gulf, resulting in lower rates.



Source: The Baltic Exchange

The total of all grains inspected for export during the 1st quarter of 2006 was about 28 million mt, compared to 30.6 million mt during the 4th quarter of 2005. The Gulf share of U.S. exports was 67 percent, 7 percent more than the previous quarter. Most of the increase in Gulf exports was drawn from the Great Lakes, Atlantic, and cross-border movements. Although total grains inspected for export in PNW declined, this region still maintained its relative share of total exports. Surajudeen.Olowolayemo@usda.gov

Grain Transportation Indicators

Table 1--Grain transport cost indicators*

Week ending	Truck	Rail**	Barge	Ocean	
				Gulf	Pacific
05/03/06	194	90	173	152	176
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)

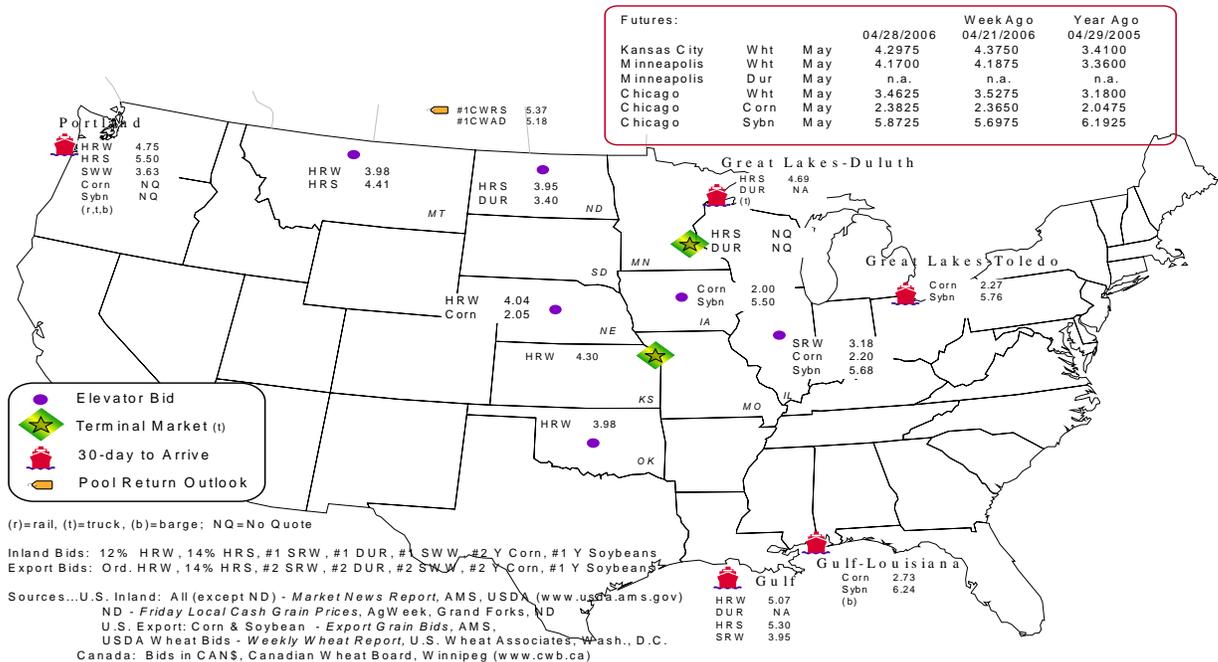
Commodity	Origin--destination	4/28/2006	4/21/2006
Corn	IL--Gulf	-0.53	-0.57
Corn	NE--Gulf	-0.68	-0.76
Soybean	IA--Gulf	-0.74	-0.82
HRW	KS--Gulf	-0.77	-0.79
HRS	ND--Portland	-1.55	-1.57

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	
4/26/2006 ^p	1,114	2,033	670	3,973	418	8,208
4/19/2006 ^r	502	2,142	718	4,181	215	7,758
2006 YTD	31,436	38,277	14,549	71,158	8,486	163,906
2005 YTD	21,018	29,617	23,619	77,072	6,809	158,135
2006 as % of 2005	150	129	62	92	125	104
Total 2005**	50,677	99,864	60,879	223,328	15,752	450,500
Total 2004	43,102	92,073	59,102	209,625	10,986	414,888

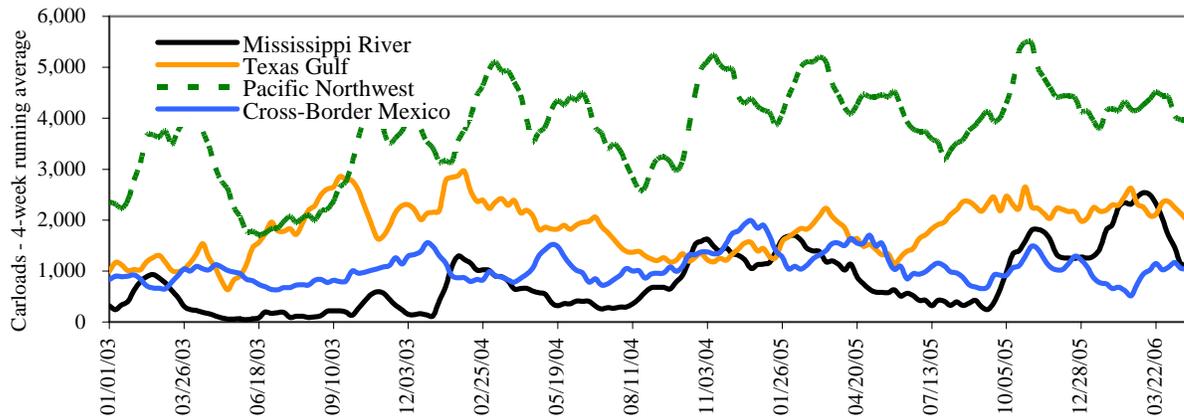
(* Incomplete Data; as of 9/22/04, Cross-Border movements included; (**) Includes 53rd week; (***) Mississippi Gulf data back to January,

2004 from several new sources has been added; YTD= year-to-date; p=preliminary data; r = revised data

Source: Transportation & Marketing Programs/AMS/USDA

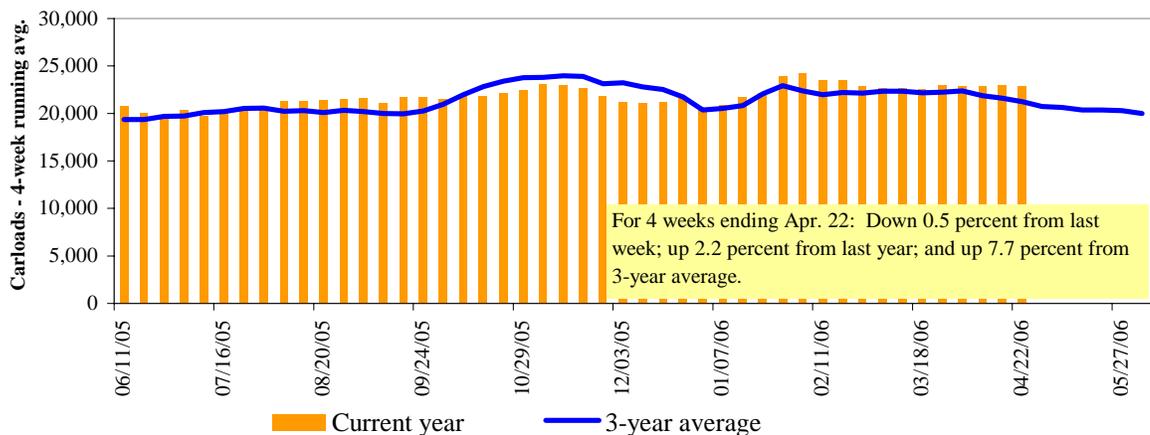
Railroads originate approximately 40 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2
Rail deliveries to port



Source: Transportation & Marketing Programs/AMS/USDA

Figure 3
Total Weekly U.S. Class I Railroad Grain Car Loadings



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
04/22/06	3,008	3,359	9,803	744	6,293	23,207	4,903	4,024
This week last year	2,922	3,367	9,478	474	6,862	23,103	4,499	3,952
2006 YTD	50,949	51,977	160,476	9,109	97,964	370,475	75,041	70,948
2005 YTD	49,660	55,221	153,366	10,312	97,356	365,915	71,929	63,238
Last 4 weeks as % of 2005 ¹	111	91	108	129	94	102	106	104
2006 YTD as % of 2005 YTD	103	94	105	88	101	101	104	112
Total 2005	152,060	167,465	476,033	27,459	307,170	1,130,187	225,817	215,145

¹As a percent of the same period in 2005.

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

Table 5--Rail car auction offerings*, week ending 04/29/06 (\$/car)**

Delivery for:	Jun-06	Jul-06	Aug-06
BNSF ¹			
COT/N. grain	no offer	\$103	\$204
COT/S. grain	no bids	\$34	\$89
UP ²			
GCAS/Region 1	no bids	no offer	no offer
GCAS/Region 2	no bids	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.

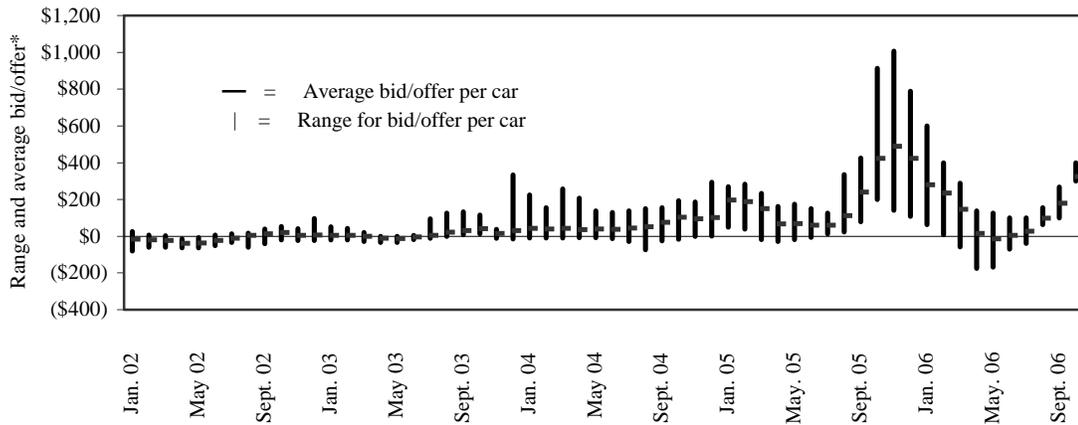
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

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 04/29/06 (\$/car)*

	Delivery period			
	Jun-06	Jul-06	Aug-06	Sep-06
BNSF-GF	-\$13	\$69	\$150	\$221
Change from last week	-\$30	-\$14	-\$6	\$88
UP-Pool	\$3	\$56	\$153	\$258
Change from last week	-\$3	\$0	\$0	\$0

*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:

5/1/2006

	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	\$3,020	\$33.29	\$0.91
	St. Louis, MO	Houston, TX	\$2,360	\$26.01	\$0.71
	South Central, ND	Houston, TX	\$4,149	\$45.73	\$1.24
	Minneapolis, MN	Portland, OR	\$3,963	\$43.68	\$1.19
	South Central, ND	Portland, OR	\$3,963	\$43.68	\$1.19
	Northwest, KS	Portland, OR	\$4,490	\$49.49	\$1.35
Corn	Chicago, IL	Richmond, VA	\$2,161	\$23.82	\$0.65
	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	\$2,365	\$26.07	\$0.66
	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
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	\$3,763	\$41.48	\$1.13
Corn	Fremont, NE	Houston, TX	\$2,124	\$23.41	\$0.59
	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

Effective date: 5/1/06

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	\$4,211	\$43.03	\$1.17
	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	\$3,980	\$40.67	\$1.11
	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	\$3,543	\$36.20	\$0.92
	NE	Brownsville, TX	Unit	\$3,623*	\$37.02	\$0.94
	IA	Eagle Pass, TX	Unit	\$3,773	\$38.55	\$0.98
	MO	Eagle Pass, TX	Shuttle	\$3,364*	\$34.37	\$0.87
	NE	Eagle Pass, TX	Shuttle	\$3,764*	\$38.46	\$0.98
	IA	Laredo, TX	Shuttle	\$3,696	\$37.76	\$0.96
Soybean	IA	Brownsville, TX	Shuttle	\$3,318	\$33.90	\$0.92
	MN	Brownsville, TX	Shuttle	\$3,614	\$36.93	\$1.00
	NE	Brownsville, TX	Shuttle	\$3,127	\$31.95	\$0.87
	NE	Eagle Pass, TX	Shuttle	\$3,203	\$32.73	\$0.89
	IA	Laredo, TX	Unit	\$3,357	\$34.30	\$0.93

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

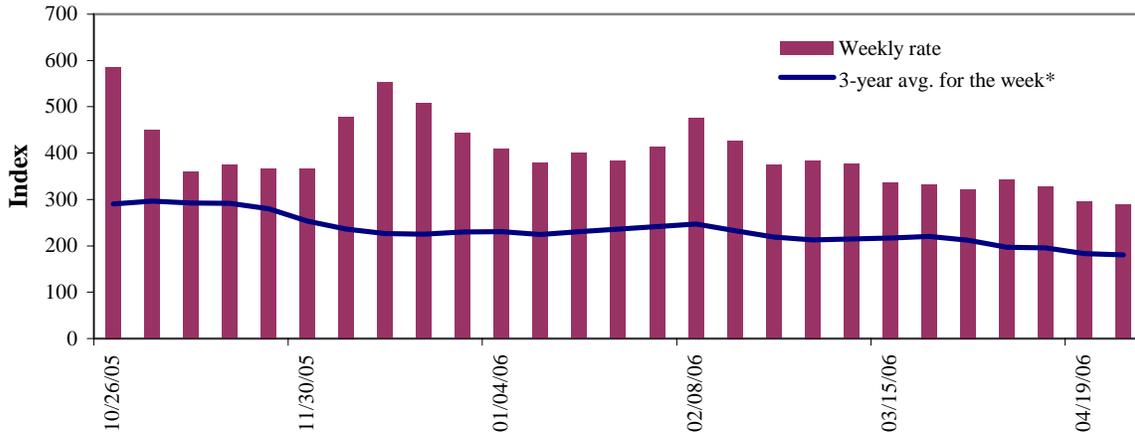
**Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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	4/26/2006	4/19/2006	May '06	July '06
Twin Cities	358	363	361	378
Mid-Mississippi	309	315	316	330
Illinois River	288	295	303	326
St. Louis	205	215	226	281
Lower Ohio	236	290	242	292
Cairo-Memphis	202	215	216	281

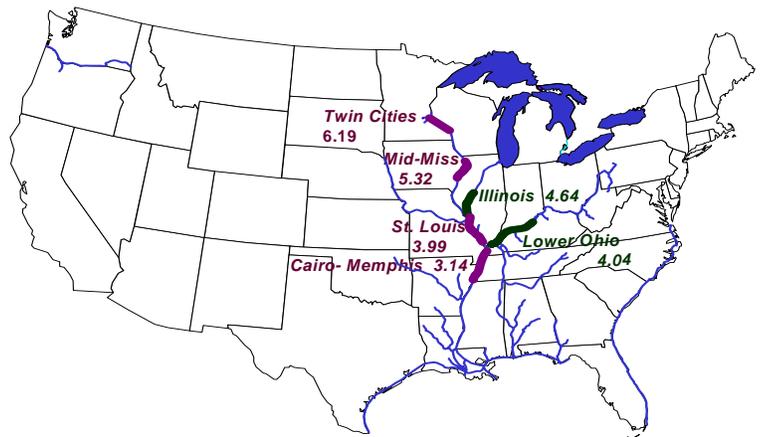
Index = percent of tariff, based on 1976 tariff benchmark rate
 Source: Transportation & Marketing Programs/AMS/USDA

Figure 6
Benchmark tariff rates

Calculating barge rate per ton:

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

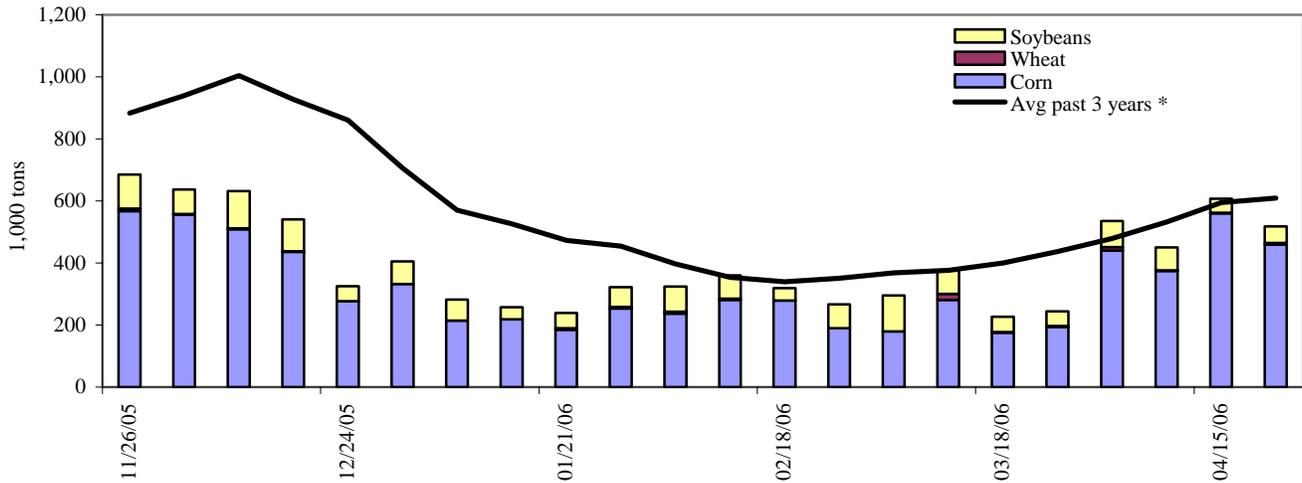
Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 6).



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 4/22/2006	Corn	Wheat	Soybean	Other	Total
Mississippi River					
Rock Island, IL (L15)	240	0	12	0	252
Winfield, MO (L25)	298	0	41	0	339
Alton, IL (L26)	442	6	54	0	502
Granite City, IL (L27)	459	6	53	0	519
Illinois River (L8)	136	4	24	0	164
Ohio River (L52)	68	3	14	0	85
Arkansas River (L1)	0	18	6	12	36
2006 YTD	6,720	394	2,113	277	9,504
2005 YTD	6,007	461	2,703	252	9,423
2006 as % of 2005 YTD	112	85	78	110	101
Total 2005	23,761	1,620	7,276	731	33,388

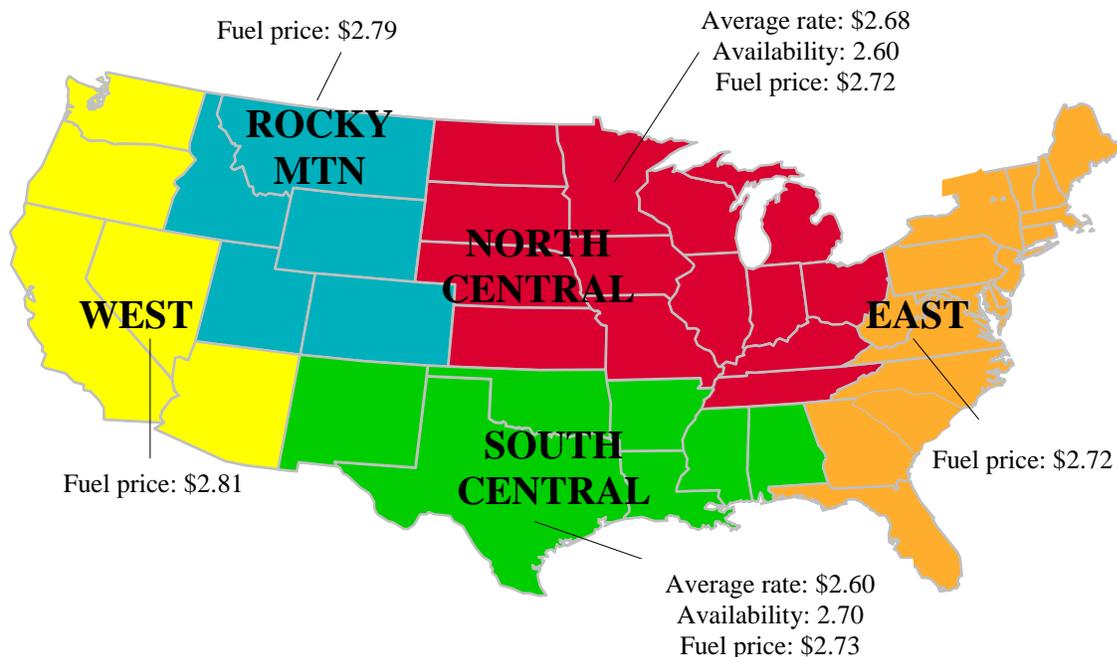
YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

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

Note: Total may not add exactly, due to rounding

Truck Transportation

Figure 8
U.S. grain truck market advisory, 4th 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, 4th 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	3.31	2.46	2.26	2.6	2.9	2.9
North Central region	3.23	2.51	2.29	2.6	3.0	3.0
Rocky Mountain	4.58	2.35	1.95	2.8	3.0	3.0
South Central	3.00	2.42	2.39	2.7	2.5	2.7
West	n/a	n/a	n/a	2.0	3.5	3.0

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

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

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 5/1/06 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.892	0.004	0.628
	New England	2.979	0.018	0.569
	Central Atlantic	2.987	0.009	0.621
	Lower Atlantic	2.843	0.000	0.636
II	Midwest ¹	2.853	0.006	0.659
III	Gulf Coast ²	2.832	0.015	0.623
IV	Rocky Mountain	3.012	0.109	0.657
V	West Coast	3.098	0.072	0.568
	California	3.163	0.060	0.602
Total	U.S.	2.896	0.020	0.634

*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			
4/20/2006	1,177	262	949	537	152	3,076	8,475	1,687	13,238
This week year ago	1,282	172	1,333	506	135	3,427	6,885	1,953	12,265
Cumulative exports-crop year 2/									
2005/06 YTD	9,662	1,798	6,637	3,775	777	22,649	31,477	20,260	74,386
2004/05 YTD	8,533	3,101	7,102	4,422	621	23,779	29,178	25,945	78,902
2005/06 as % of 2004/05	113	58	93	85	125	95	108	78	94
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

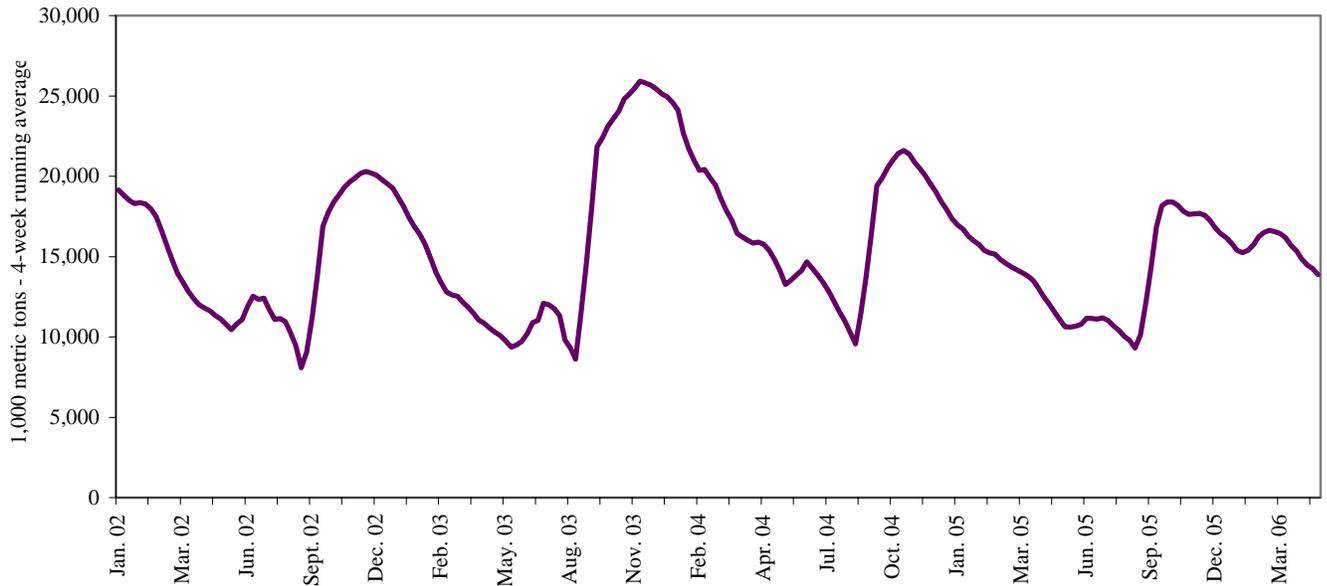
Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31, 1/ = Current unshipped export sales to date

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)

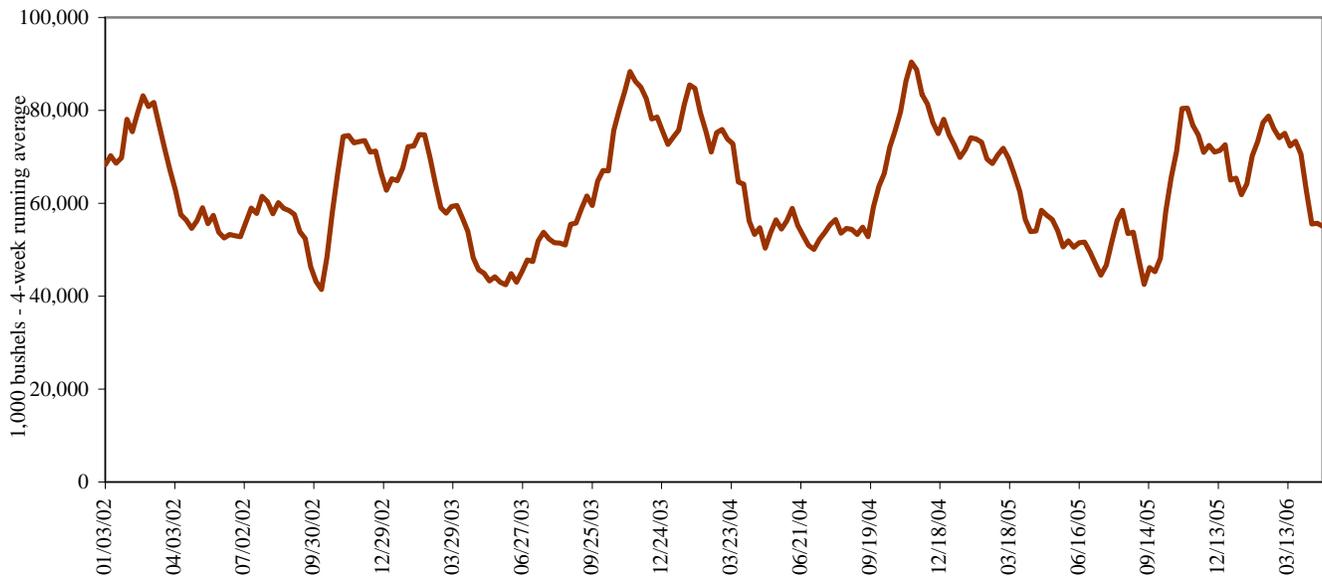
Week ending	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region total		
	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Pacific	Mississippi	Texas
04/27/06	357	175	74	90	485	165	161	69	0	607	741	230
2006 YTD*	3,714	3,046	2,093	1,395	10,948	6,044	2,472	812	15	8,852	18,387	3,299
2005 YTD	3,733	2,910	2,909	1,877	9,010	6,938	2,026	239	6	9,552	17,825	2,270
2006 as % of 2005	99	105	72	74	122	87	122	340	260	93	103	145
2005 Total *	10,801	10,104	6,225	4,643	28,130	14,793	7,743	810	36	27,130	47,567	8,589

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

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 49 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2005.

Figure 10

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



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

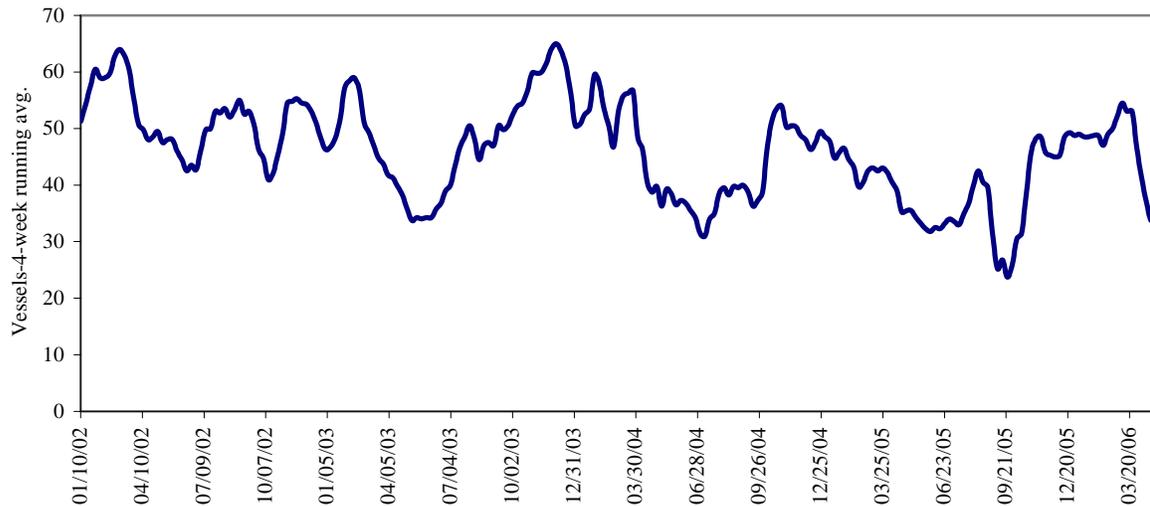
Ocean Transportation

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
4/27/2006	20	39	45	4	9
4/20/2006	19	34	49	10	9
2005 range	(11..57)	(10..56)	(18..76)	(2..16)	(0..17)
2005 avg.	27	39	53	9	7

Source: Transportation & Marketing Programs/AMS/USDA

Figure 11
Gulf Port grain vessel loading (past 7 days)



Source: Transportation & Marketing Programs/AMS/USDA

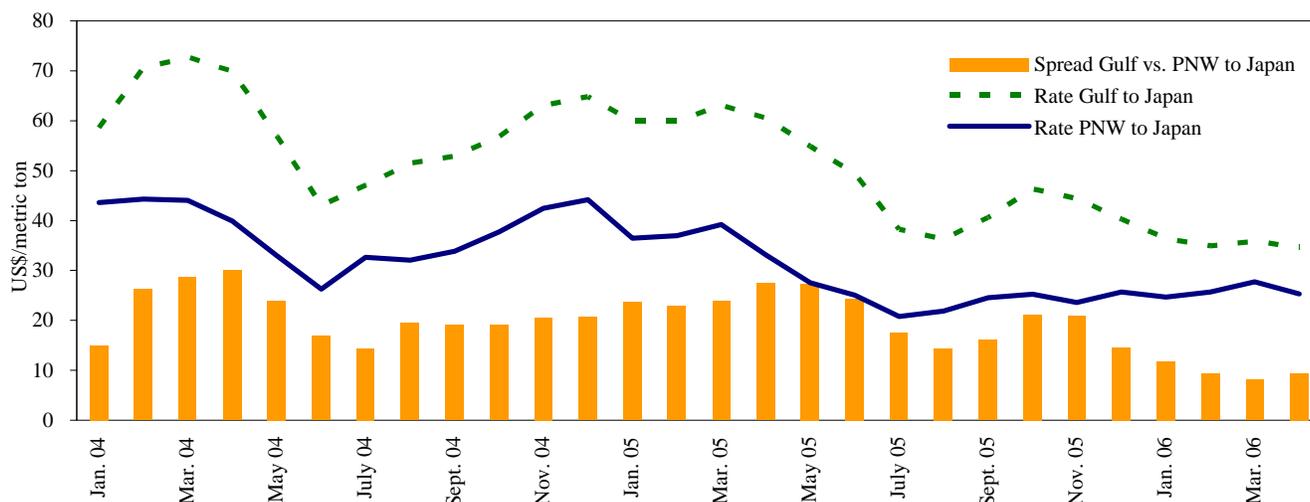
Table 16--Quarterly ocean freight rates (average rates & percentage changes) (US\$/metric ton)

Countries/ regions	2006 1 st qtr	2005 1 st qtr	Percent change	Countries/ regions	2006 1 st qtr	2005 1 st qtr	Percent change
Gulf to				Pacific NW to			
Japan	37.45	60.18	-38	Japan	---	---	---
China	30.92	57.50	-46	Argentina/Brazil to			
N. Africa	---	48.00	---	China	27.50	---	---
				N. Africa	---	59.25	---
				Mediterranean	29.00	---	---
				N. Europe	33.00	---	---

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 4/29/06

Export region	Import region	Grain	Month	Volume loads (metric tons)	Freight rate (\$/metric ton)
U.S. Gulf	China	Hvy Grain	Feb 20/28	55,000	31.00
U.S. Gulf	N. China	Hvy Grain	Feb 20/28	55,000	29.75
United Kingdom	Thailand	Wheat	Feb 25/Mar 10	42,000	21.50
PNW	Pakistan*	Soybeans	Feb 16/27	10,000	59.45
Australia	Germany	Canola	Apr 15/30	55,000	34.00
Brazil	N. China	Hvy Grain	Feb 10/18	58,000	27.50
Brazil	N. France	Grains	Mar 12/20	25,000	26.00
River Plate	Poland	Grains	Feb 21/26	30,000	36.00
River Plate	Poland	Grains	Apr 1/10	25,000	34.75

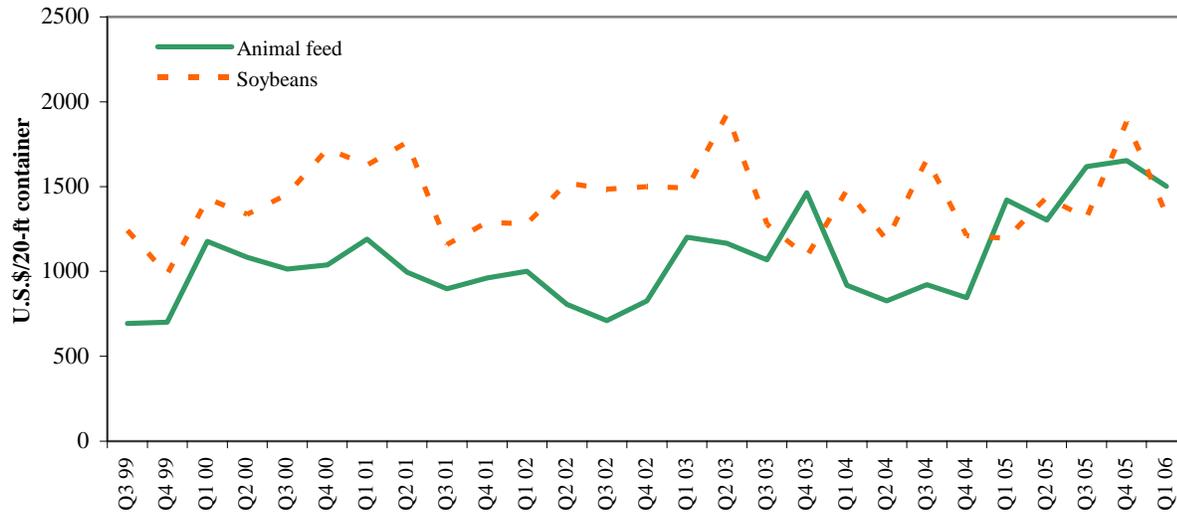
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

*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

Ocean Rates¹ for Containerized Shipments to Selected Asian Countries



¹Rates are weighted by shipping line market share and destination country.

Countries include: Animal Feed: Busan-Korea (7%), Kaohsiung-Taiwan (42%), Tokyo-Japan (28%), Hong Kong (13%), Bangkok-Thailand (10%) and soybeans: Busan-Korea (1%), Keelung-Taiwan (81%), Tokyo-Japan (17%), Bangkok-Thailand (<1%), Hong Kong (1%)

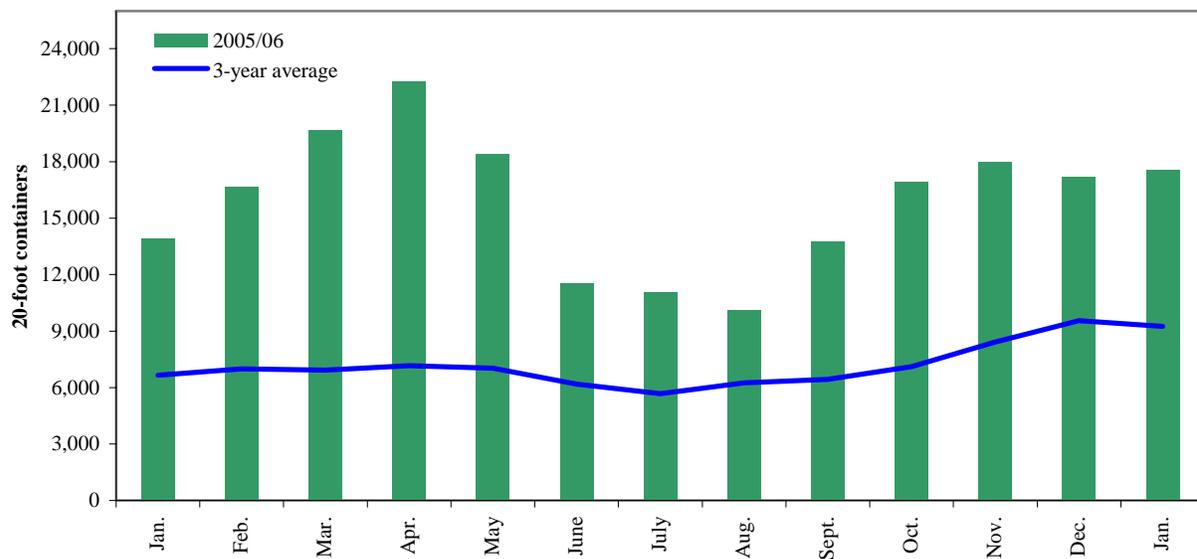
Source: Ocean Rate Bulletin, Quarter 1, 2006, Transportation & Marketing Programs/AMS/USDA

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

During 2005, containers were used to transport 4 percent of total U.S. grain exported, and 5 percent of total U.S. grain exported to Asia.

Figure 14

Monthly Shipments of Containerized Grain to Asia

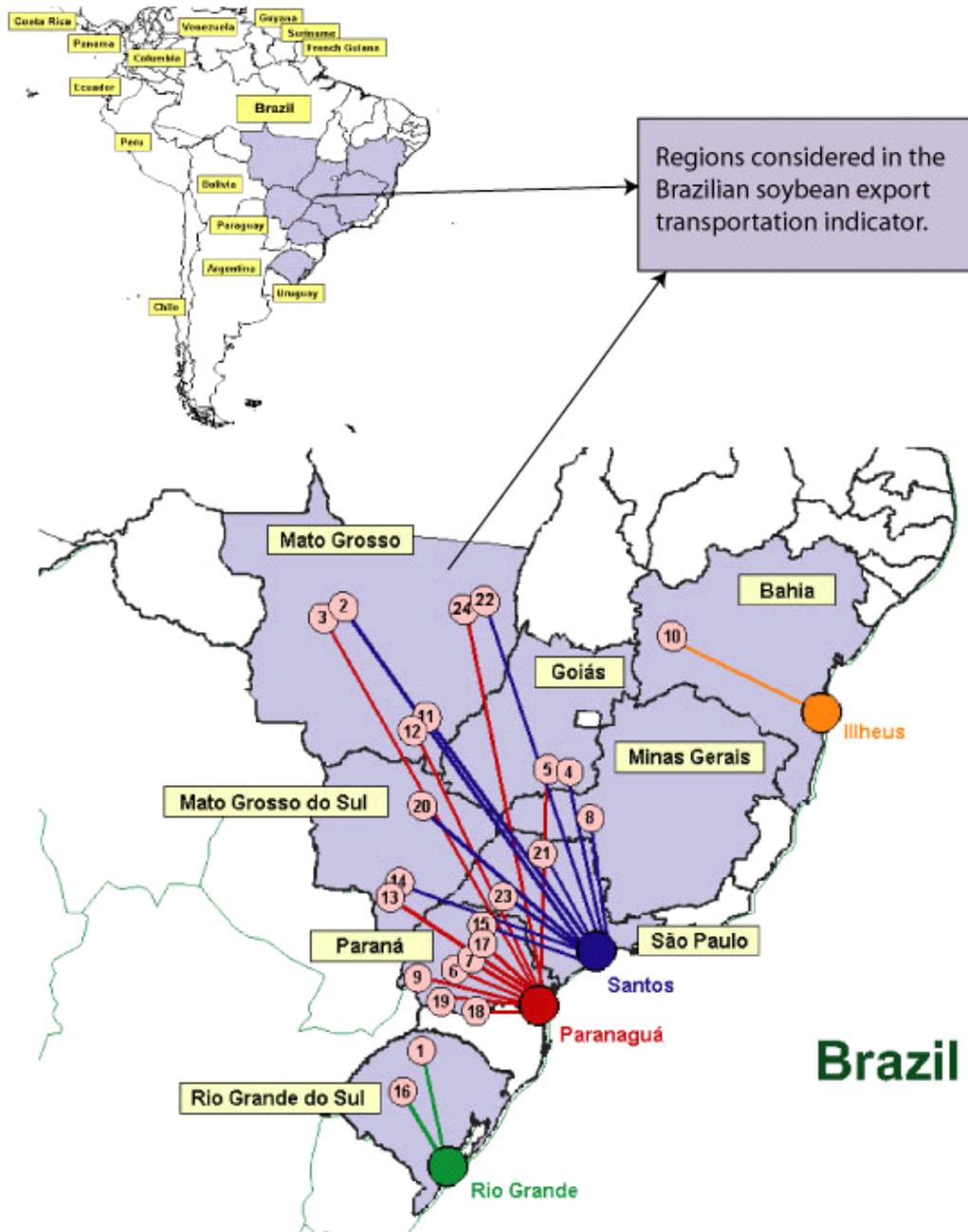


Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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, 4th 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	4.58
2	North MT(Sorriso)	Santos	1190	10.1	6.94
3	North MT(Sorriso)	Paranaguá	1262	9.5	6.41
4	South GO(Rio Verde)	Santos	587	7.0	7.25
5	South GO(Rio Verde)	Paranaguá	726	5.6	5.74
6	North Center PR(Londrina)	Paranaguá	268	4.4	7.93
7	Western Center PR(Mamborê)	Paranaguá	311	3.9	6.41
8	Triangle MG(Uberaba)	Santos	339	3.8	9.98
9	West PR(Assis Chateaubriand)	Paranaguá	377	3.7	6.34
10	West Extreme BA(São Desidério)	Ilhéus	544	3.6	7.87
11	Southeast MT(Primavera do Leste)	Santos	901	3.6	6.97
12	Southeast MT(Primavera do Leste)	Paranaguá	975	3.3	6.22
13	Southwest MS(Maracaju)	Paranaguá	612	3.1	5.79
14	Southwest MS(Maracaju)	Santos	652	2.9	6.24
15	West PR(Assis Chateaubriand)	Santos	550	2.5	5.85
16	Western Center RS(Tupanciretã)	Rio Grande	273	2.4	5.74
17	Southwest PR(Chopinzinho)	Paranaguá	291	2.3	9.17
18	Eastern Center PR(Castro)	Paranaguá	130	2.3	9.96
19	South Center PR(Guarapuava)	Paranaguá	204	2.1	8.67
20	North Center MS(São Gabriel do Oeste)	Santos	720	2.0	5.62
21	Ribeirão Preto SP(Guairá)	Santos	314	1.5	8.27
22	Northeast MT(Canarana)	Santos	950	1.4	7.87
23	Assis SP(Palmital)	Santos	285	1.2	7.85
24	Northeast MT(Canarana)	Paranaguá	1075	1.2	6.96
	Average		626	100	6.64

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

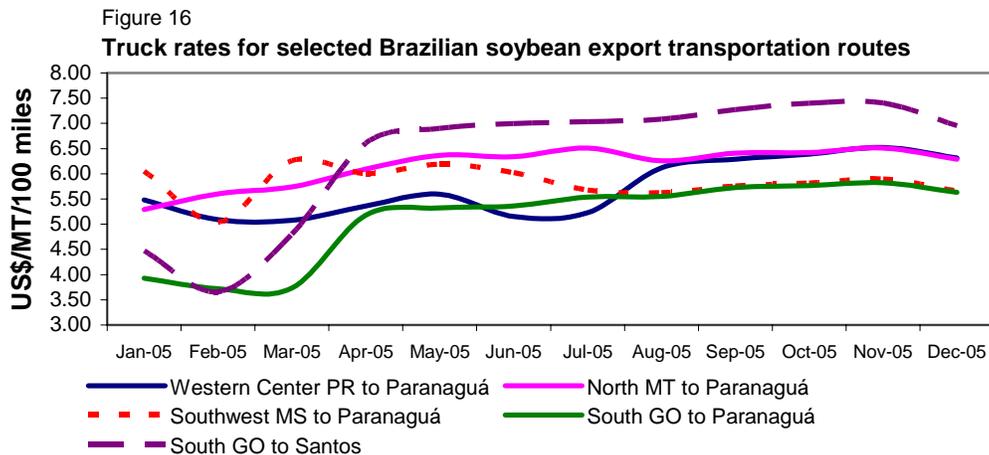
²Distance from the main city of the considered region to the mentioned ports

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



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

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

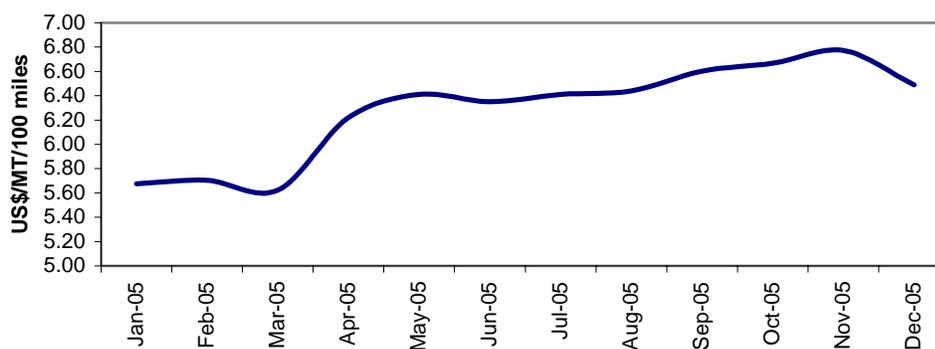
Month	Freight price* (per 100 miles)	Index variation (%) (Base: prior month)	Index value (Base: Jan. 05 = 100)
Jan. 05	5.67		100.00
Feb. 05	5.71	0.5	100.54
Mar. 05	5.62	-1.5	99.08
Apr. 05	6.22	10.6	109.61
May 05	6.41	3.1	112.96
Jun. 05	6.35	-0.9	111.90
Jul. 05	6.41	1.0	112.99
Aug. 05	6.44	0.4	113.46
Sep. 05	6.60	2.5	116.36
Oct. 05	6.67	1.0	117.52
Nov. 05	6.77	1.5	119.33
Dec. 05	6.49	-4.2	114.34

*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	2005 4th qtr
Santos	45.53	45.84	44.54	56.73
Paranagua	44.64	44.84**	43.54	55.73
Rio Grande	44.20	44.39	43.04	55.23

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