



Grain Transportation Report

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 Transportation and Marketing Programs/Transportation Services Branch
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Costs of Transporting Grain to Mexico Increased During 3rd Quarter. The cost of waterborne corn and soybean transport from Illinois to Guadalajara, Mexico, increased 9 percent during the 3rd quarter compared to 2nd quarter 2005. The costs of transporting wheat from Kansas also increased about 19 percent during this period. Although ocean freight rates declined during the 3rd quarter, total transportation costs increased, primarily due to an increase in truck and barge rates (see table below). Truck rates from Illinois to Guadalajara increased about 14 percent, while the truck rates from Kansas increased 36 percent compared with the 2nd quarter.

Quarterly costs of transporting U.S. corn to Guadalajara, Mexico						
	Water route			Land route		
	\$/metric ton					
	2005 2nd qtr.	2005 3rd qtr.	Percent change	2005 2nd qtr.	2005 3rd qtr.	Percent change
Corn						
Origin	IL			IA/NE		
Truck	7.82	8.90	13.8%	3.01	2.83	-6.0%
Rail ¹	27.59	27.64	0.2%	54.63	56.71	3.8%
Ocean	11.06	7.24	-34.5%			
Barge	12.41	20.34	63.9%			
Total transportation	58.88	64.12	8.9%	57.64	59.54	3.3%
Farm Value	82.15	81.10	-1.3%	76.44	73.95	-3.3%
Landed Cost	141.03	145.22	3.0%	134.08	133.49	-0.4%
Transport % of landed cost	42%	44%		43%	45%	
Soybeans						
Origin	IL			MN/NE		
Truck	7.82	8.90	13.8%	3.01	2.83	-6.0%
Rail ¹	27.59	27.64	0.2%	54.00	57.27	6.1%
Ocean	11.06	7.24	-34.5%			
Barge	12.41	20.34	63.9%			
Total	58.88	64.12	8.9%	57.01	60.10	5.4%
Farm Value	232.59	229.53	-1.3%	230.14	224.02	-2.7%
Landed Cost	291.47	293.65	0.7%	287.15	284.12	-1.1%
Transport % of landed cost	20%	22%		20%	21%	
Wheat						
Origin	KS			OK		
Truck	15.59	21.23	36.2%	2.90	2.23	-23.1%
Rail ¹	27.59	27.64	0.2%	45.65	46.07	0.9%
Ocean	11.06	7.24	-34.5%			
Barge	8.16	17.99	120.5%			
Total	62.40	74.10	18.8%	48.55	48.30	-0.5%
Farm Value	115.01	117.70	2.3%	114.52	120.03	4.8%
Landed Cost	177.41	191.80	8.1%	163.07	168.33	3.2%
Transport % of landed cost	35%	39%		30%	29%	

¹ Rail rates include U.S. and Mexico portions of the movement. Mexico rail rates are revised based on actual quoted market rates. Mexico rail rates reported in the March, 10, 2005, Grain Transportation Report were based on published government maximum allowable tariffs. BNSF and Union Pacific quoted rail tariff rates are through rates for shuttle trains.

increased 3 and 5 percent, respectively, while the costs for wheat remained relatively unchanged. Transportation costs for corn are about 44 percent of the landed cost by water and 45 percent of the landed cost by land. For soybeans, transportation costs are about 22 percent of the landed costs for water and 21 percent for land. Wheat transportation costs are 39 and 29 percent of the landed cost for water and land.

Cross-Border Rail Grain Movements to Mexico Continue to Increase. As of November 16, 2005, the year-to-date cross-border U.S. grain deliveries to Mexico were 80,831 carloads—a 46 percent increase over the same period last year (see table 3 inside). Surajudeen.Olowolayemo@usda.gov, Marvin.Prater@usda.gov

Ocean transportation rates for corn, soybeans, and wheat decreased almost 35 percent. This decline can be attributed to a slow recovery in trade volumes from the 2nd quarter (see 10/20/2005 *Grain Transportation Report*). However, the huge increase in barge rates is due to the effects of hurricanes Katrina and Rita. These two powerful hurricanes caused major disruptions to grain transportation. Barge rates increased sharply immediately after Katrina. The situation was exacerbated by lower water levels in the Upper Mississippi River, high fuel cost, and tight barge supplies (see 9/15/2005 *Grain Transportation Report*).

Land route total transportation costs for corn and soybean

Grain Transportation Indicators

Table 1--Grain transport cost indicators*

Week ending	Truck	Rail**	Barge	Ocean	
				Gulf	Pacific
11/23/05	169	325	204	194	159

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)

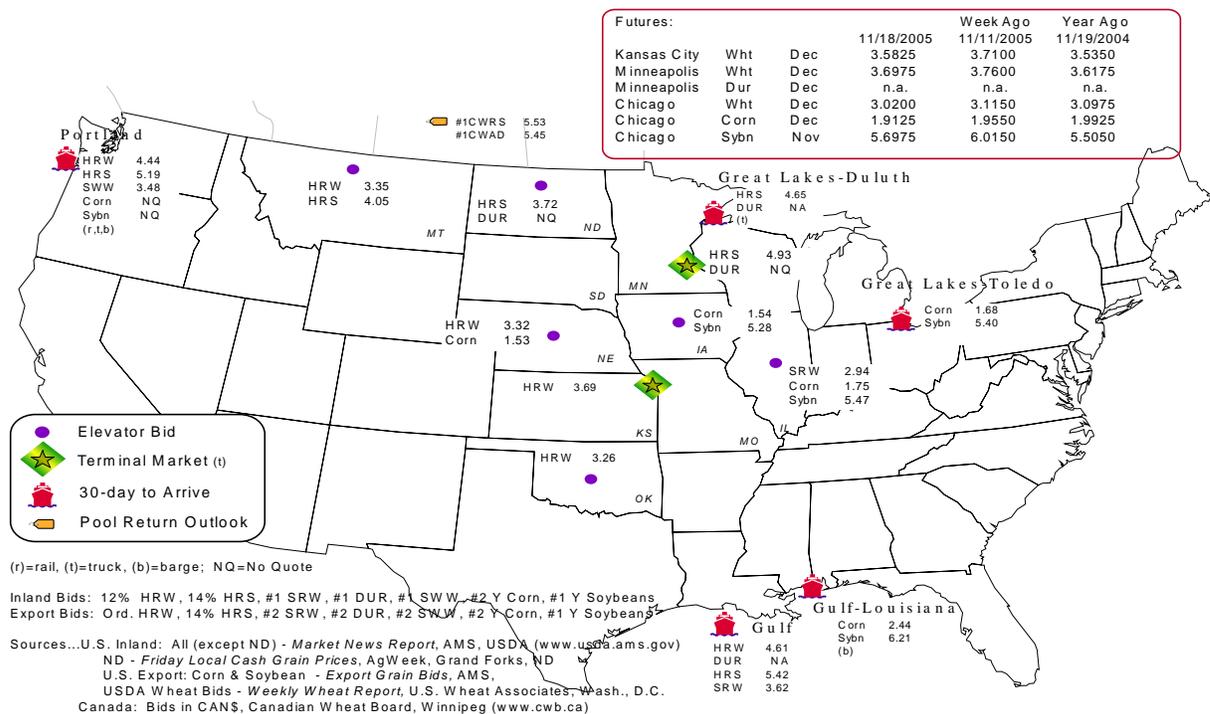
Commodity	Origin--destination	11/18/2005	11/11/2005
Corn	IL--Gulf	-0.69	-0.67
Corn	NE--Gulf	-0.91	-0.95
Soybean	IA--Gulf	-0.93	-1.11
HRW	KS--Gulf	-0.92	-0.94
HRS	ND--Portland	-1.47	-1.47

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)*

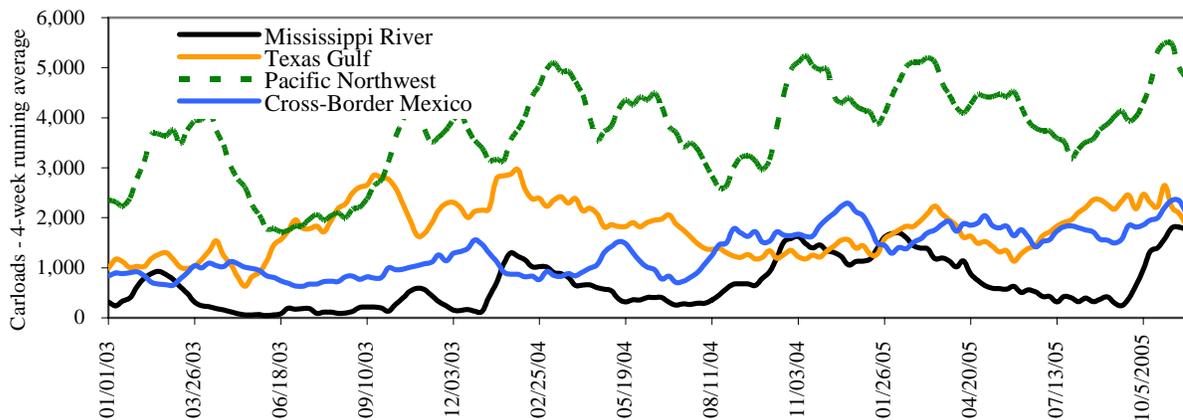
Week ending	Mississippi Gulf***	Texas Gulf	Cross-Border	Pacific	Atlantic &	Total
			Mexico	Northwest	East Gulf	
11/16/2005 ^P	1,110	1,779	1,408	4,754	707	9,758
11/09/2005 ^r	1,702	2,270	2,242	4,028	597	10,839
2005 YTD	43,037	87,064	80,831	198,507	13,296	422,735
2004 YTD	36,060	83,395	55,197	183,423	8,566	366,641
2005 as % of 2004	119	104	146	108	155	115
Total 2004	43,102	92,073	67,992	209,625	10,986	423,778
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; YTD= year-to-date; p=preliminary data; r = revised data

Source: Transportation & Marketing Programs/AMS/USDA

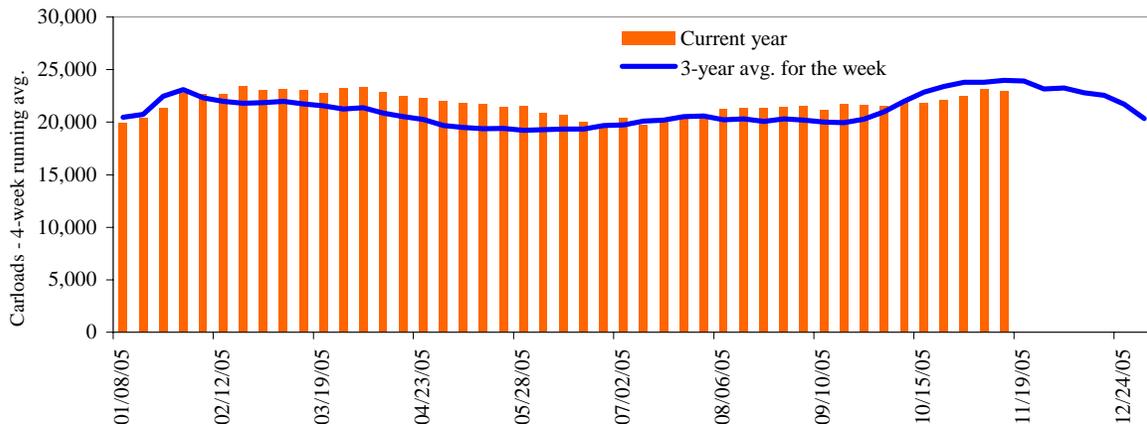
Railroads originate approximately 40 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

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)

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
11/12/05	3,396	3,533	8,211	308	6,013	21,461	4,889	4,571
This week last year	2,867	3,491	10,388	684	6,537	23,967	5,676	4,724
2005 YTD	132,115	146,113	410,903	24,416	271,181	984,728	192,244	182,269
2004 YTD	123,576	147,007	396,279	24,245	288,272	979,379	204,660	179,712
2005 as % of 2004	107	99	104	101	94	101	94	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 11/19/05 (\$/car)**

Delivery for:	Dec-05	Jan-06	Feb-06
BNSF ¹			
COT/N. grain	no offer	\$67	\$72
COT/S. grain	no offer	\$312	\$235
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.

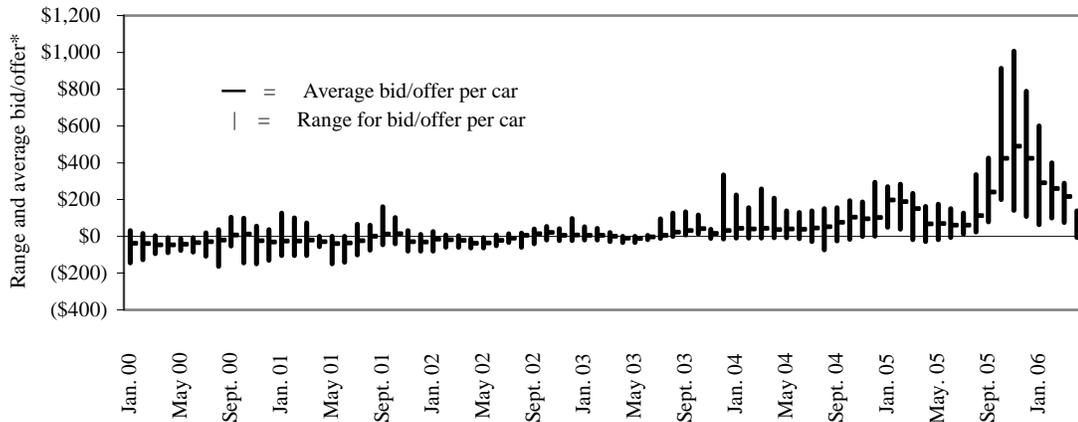
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

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 11/19/05 (\$/car)*

	Delivery period			
	Dec-05	Jan-06	Feb-06	Mar-06
BNSF-GF	\$225	\$138	\$100	\$75
Change from last week	-\$75	-\$175	-\$125	-\$100
UP-Pool	\$234	\$250	\$194	\$156
Change from last week	-\$122	-\$100	-\$56	-\$44

*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:					
11/7/2005	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	\$2,471	\$27.24	\$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.uprr.com

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

Effective date: 11/07/05

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	\$2,264	\$23.13	\$0.63
	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	\$3,645*	\$37.24	\$0.95
	IA	Eagle Pass, TX	Unit	\$3,444	\$35.19	\$0.89
	MO	Eagle Pass, TX	Shuttle	\$3,040*	\$31.06	\$0.79
	NE	Eagle Pass, TX	Shuttle	\$3,440*	\$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

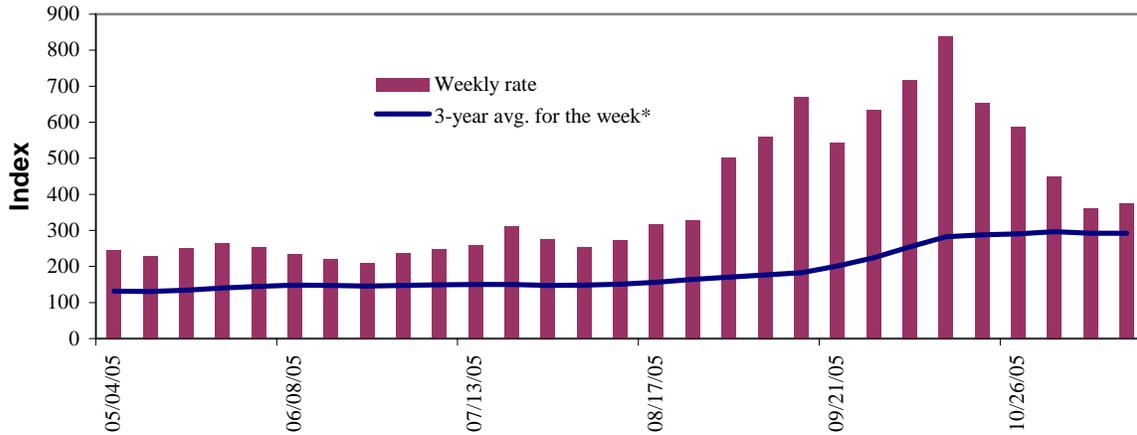
**Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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	11/16/2005	11/9/2005	Dec. '05	Feb. '06
Twin Cities	410	415	n/a	n/a
Mid-Mississippi	363	359	n/a	n/a
Illinois River	375	359	373	368
St. Louis	326	278	328	313
Lower Ohio	360	386	355	347
Cairo-Memphis	283	266	300	287

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

Source: Transportation & Marketing Programs/AMS/USDA

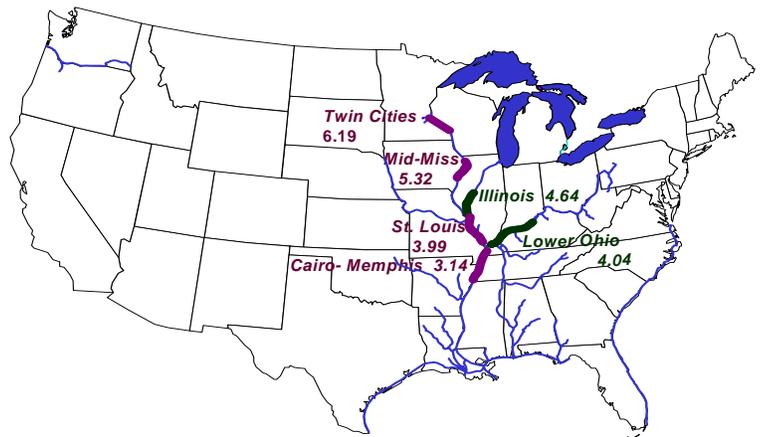
Figure 6

Benchmark tariff rates

Calculating barge rate per ton:

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

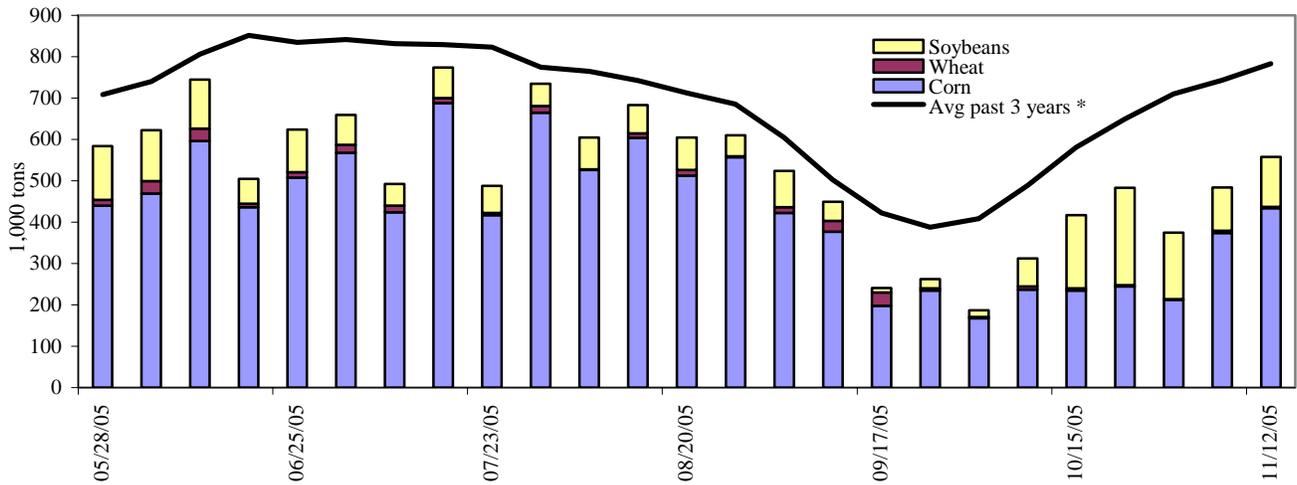
Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 6).



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 11/12/2005	Corn	Wheat	Soybean	Other	Total
Mississippi River					
Rock Island, IL (L15)	242	3	70	0	315
Winfield, MO (L25)	367	3	107	0	477
Alton, IL (L26)	459	3	117	0	579
Granite City, IL (L27)	434	3	121	0	558
Illinois River (L8)	85	0	5	0	90
Ohio River (L52)	81	4	41	0	126
Arkansas River (L1)	0	0	24	2	26
2005 YTD	19,968	1,488	6,034	605	28,095
2004 YTD	21,835	2,470	4,574	676	29,555
2005 as % of 2004 YTD	91	60	132	89	95
Total 2004	26,235	2,701	6,784	843	36,563

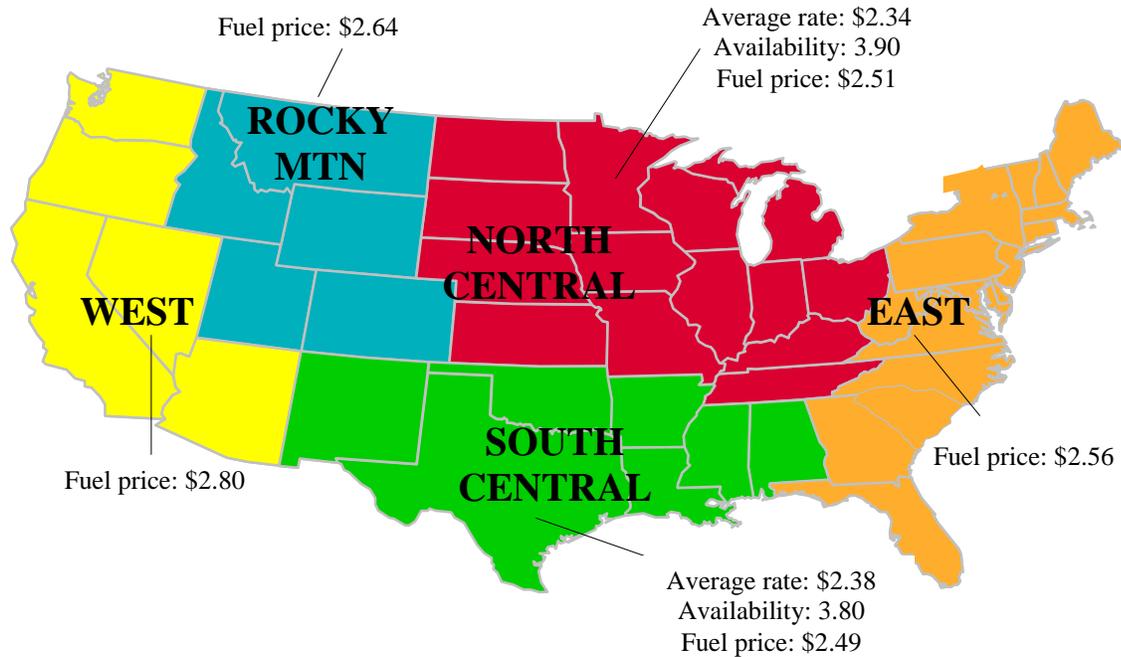
YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

Source: U.S. Army Corp of Engineers (www.mvr.usace.army.mil/mvrimi/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 11/21/05 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.491	-0.074	0.348
	New England	2.652	-0.047	0.394
	Central Atlantic	2.615	-0.074	0.364
	Lower Atlantic	2.423	-0.077	0.337
II	Midwest ¹	2.477	-0.098	0.394
III	Gulf Coast ²	2.491	-0.094	0.443
IV	Rocky Mountain	2.654	-0.112	0.484
V	West Coast	2.652	-0.086	0.410
	California	2.599	-0.118	0.300
Total	U.S.	2.513	-0.089	0.397

*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					All wheat	Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR				
11/10/2005	3,083	269	1,147	765	92	5,356	7,748	5,147	18,251
This week year ago	1,714	531	1,276	855	87	4,463	8,741	6,767	19,971
Cumulative exports-crop year 2/									
2005/06 YTD	4,841	1,033	3,827	1,838	353	11,892	9,284	5,800	26,976
2004/05 YTD	4,524	2,012	3,895	2,552	294	13,278	9,358	7,619	30,255
2005/06 as % of 2004/05	107	51	98	72	120	90	99	76	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

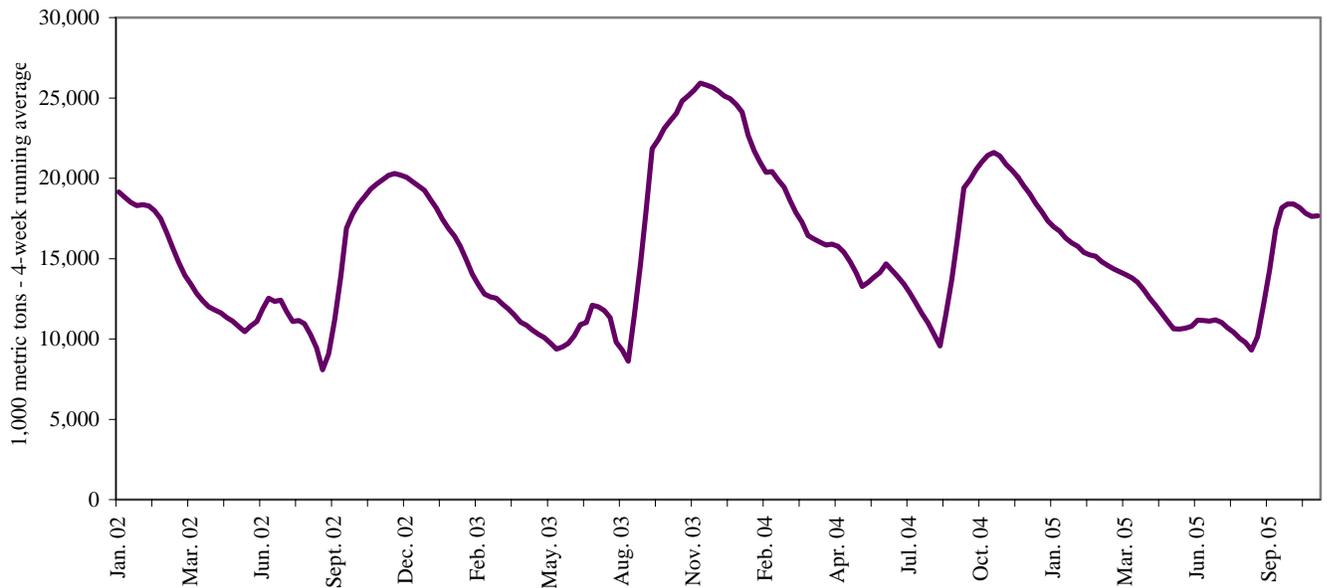
Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31, 1/ = Current unshipped export sales to date

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)

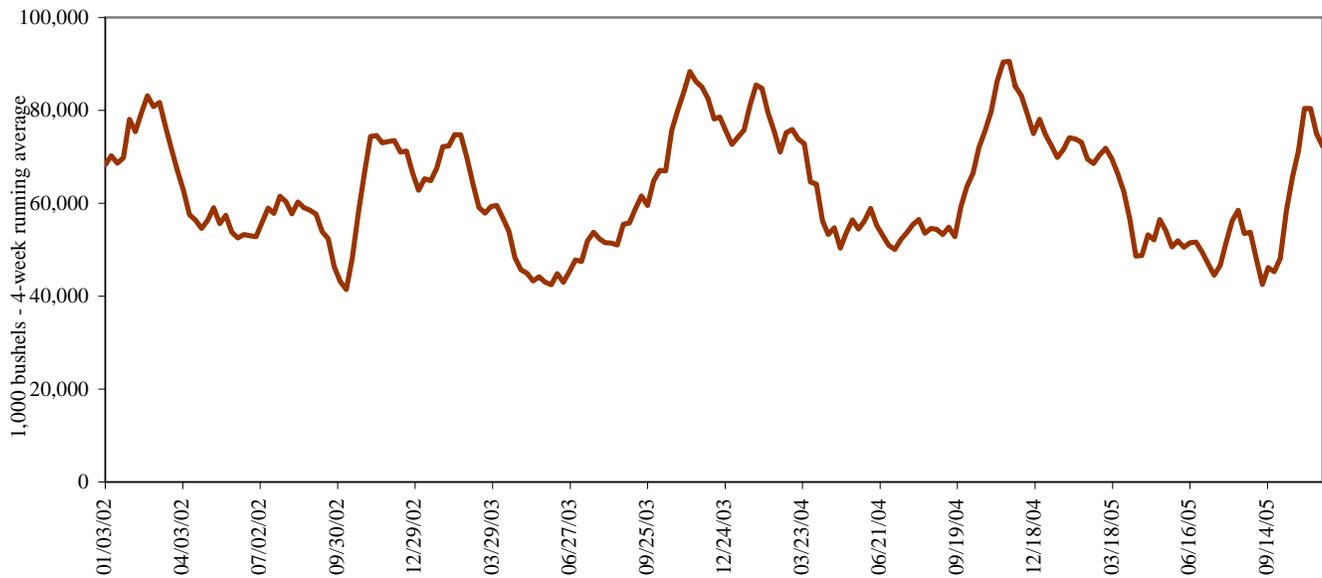
Table 14--Select U.S. port regions - grain inspections for export (1,000 metric tons)

Week ending	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region total		
	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Pacific	Mississippi	Texas
11/17/05	216	224	177	77	445	593	83	34	0	617	1,115	116
2005 YTD	9,365	9,015	5,351	4,271	24,189	12,346	6,558	670	25	23,731	40,806	7,253
2004 YTD	11,457	9,122	3,834	6,666	29,590	12,396	7,770	84	20	24,413	48,652	7,874
2005 as % of 2004	82	99	140	64	82	100	84	802	125	97	84	92
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.usda.gov/gipsa); 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.usda.gov/gipsa)

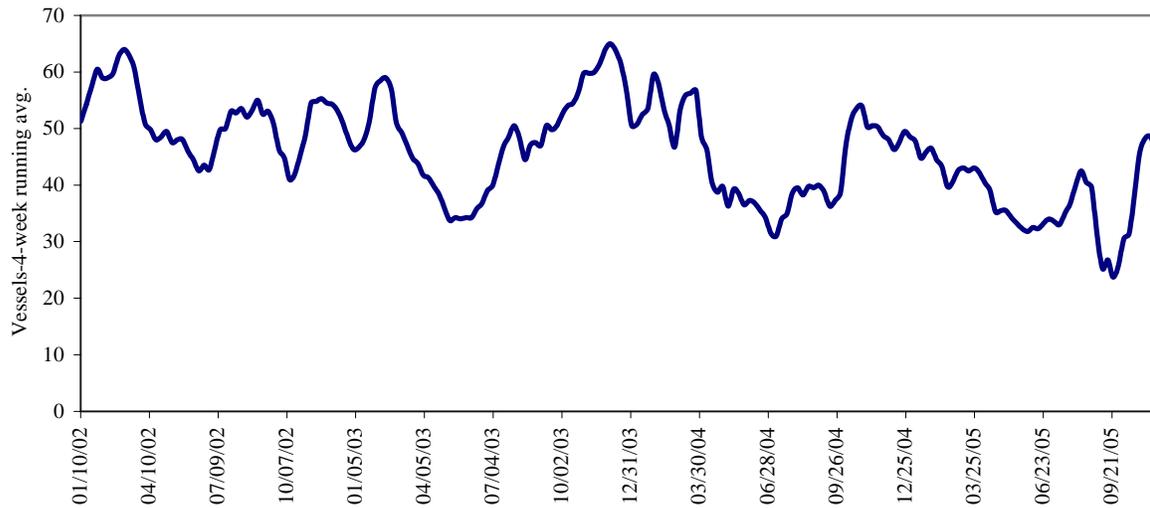
Ocean Transportation

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
11/17/2005	35	41	54	8	17
11/10/2005	29	50	56	11	14
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

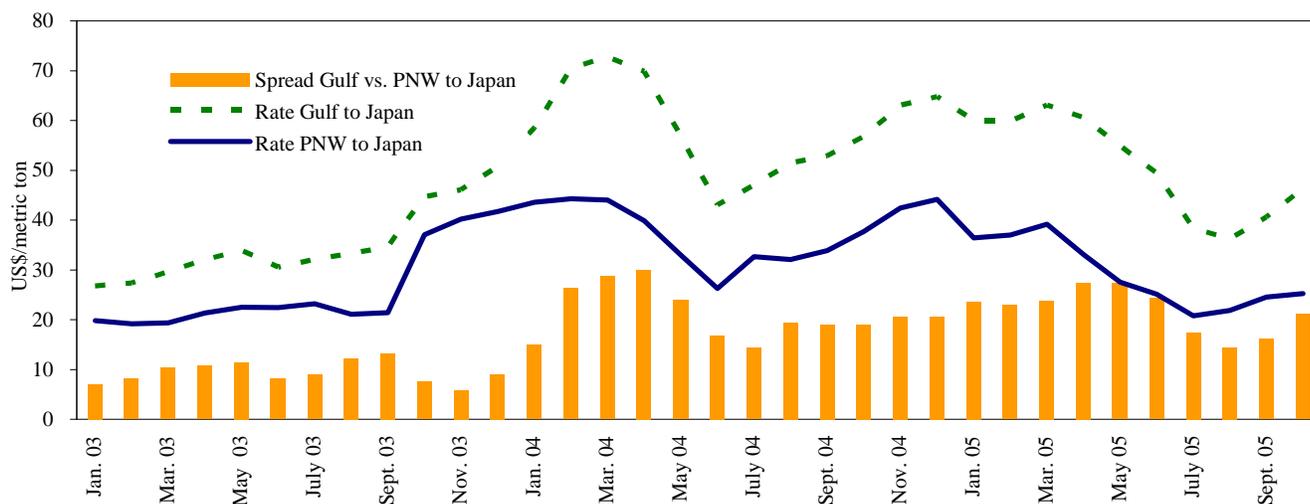
Table 16--Quarterly ocean freight rates (average rates & percentage changes) (US\$/metric ton)

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 11/12/05

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	Japan	Hvy Grain	Oct 1/15	44,000	46.00
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
River Plate	Spain	Hvy Grain	Oct 10/20	55,000	39.00
River Plate	Algeria	Hvy Grain	Oct 1/15	20,000	46.00
River Plate	Morocco	Hvy Grain	Oct 27/Nov 3	30,000	39.50
Russia	Pakistan	Hvy Grain	Oct 15/20	55,000	32.50

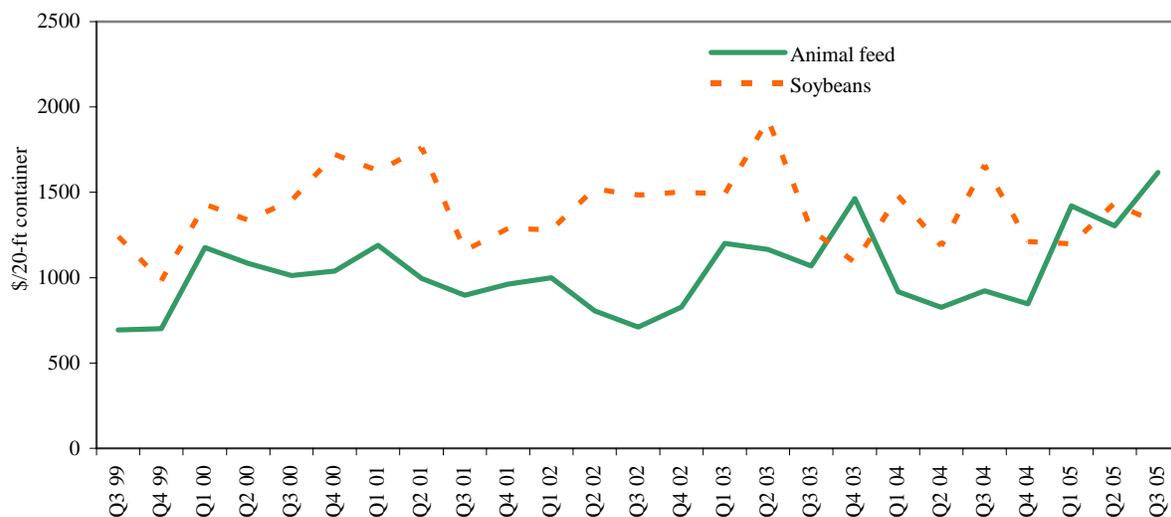
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

*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.

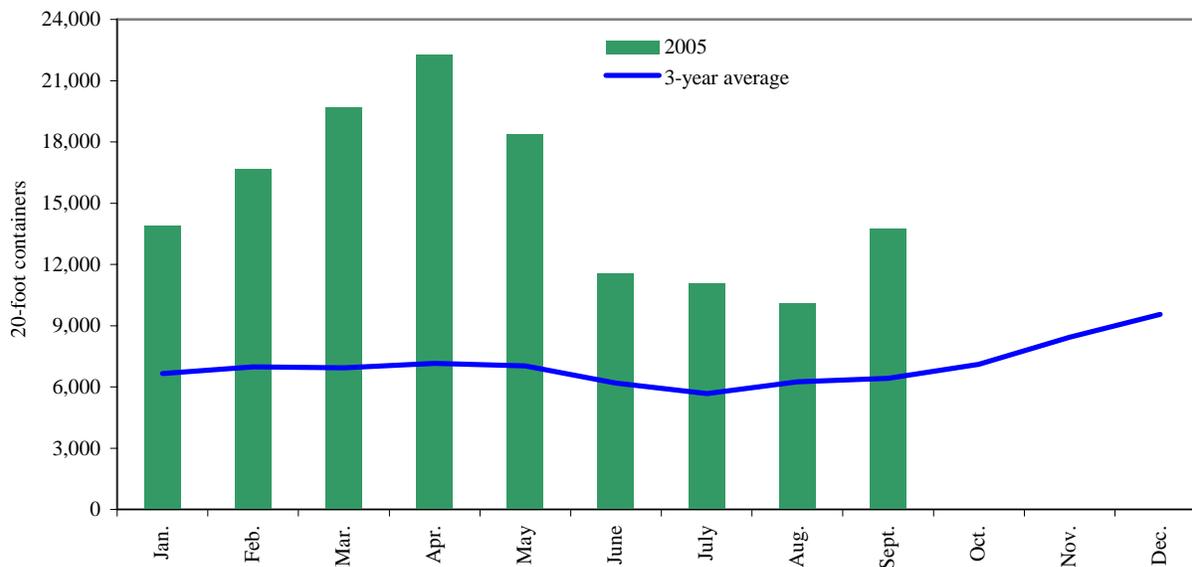
Source: Ocean Rate Bulletin, Transportation & Marketing Programs/AMS/USDA

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

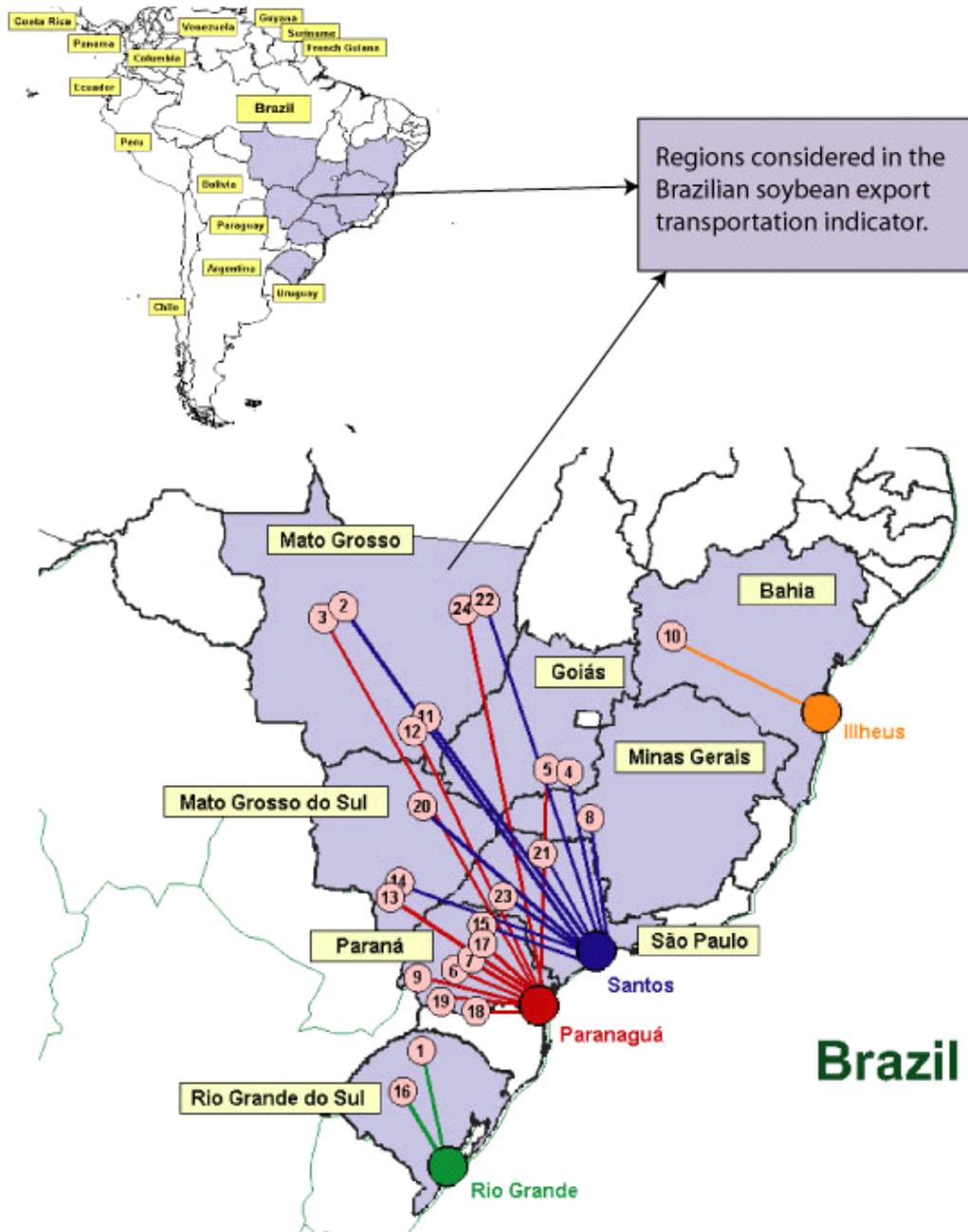


Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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, 2nd 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	4.40
2	North MT(Sorriso)	Santos	1190	10.1	6.80
3	North MT(Sorriso)	Paranaguá	1262	9.5	6.27
4	South GO(Rio Verde)	Santos	587	7.0	6.83
5	South GO(Rio Verde)	Paranaguá	726	5.6	5.29
6	North Center PR(Londrina)	Paranaguá	268	4.4	8.51
7	Western Center PR(Mamborê)	Paranaguá	311	3.9	5.37
8	Triangle MG(Uberaba)	Santos	339	3.8	10.75
9	West PR(Assis Chateaubriand)	Paranaguá	377	3.7	5.16
10	West Extreme BA(São Desidério)	Ilhéus	544	3.6	7.14
11	Southeast MT(Primavera do Leste)	Santos	901	3.6	6.26
12	Southeast MT(Primavera do Leste)	Paranaguá	975	3.3	5.63
13	Southwest MS(Maracaju)	Paranaguá	612	3.1	6.07
14	Southwest MS(Maracaju)	Santos	652	2.9	6.31
15	West PR(Assis Chateaubriand)	Santos	550	2.5	5.68
16	Western Center RS(Tupanciretã)	Rio Grande	273	2.4	5.49
17	Southwest PR(Chopinzinho)	Paranaguá	291	2.3	5.73
18	Eastern Center PR(Castro)	Paranaguá	130	2.3	10.77
19	South Center PR(Guarapuava)	Paranaguá	204	2.1	7.95
20	North Center MS(São Gabriel do Oeste)	Santos	720	2.0	5.60
21	Ribeirão Preto SP(Guairá)	Santos	314	1.5	7.59
22	Northeast MT(Canarana)	Santos	950	1.4	7.26
23	Assis SP(Palmital)	Santos	285	1.2	7.74
24	Northeast MT(Canarana)	Paranaguá	1075	1.2	6.34
	Average		626	100	6.33

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

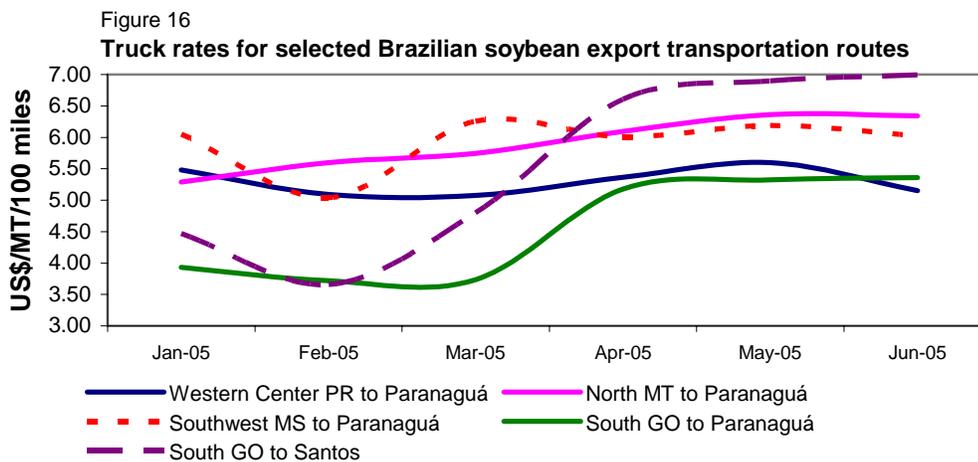
²Distance from the main city of the considered region to the mentioned ports

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

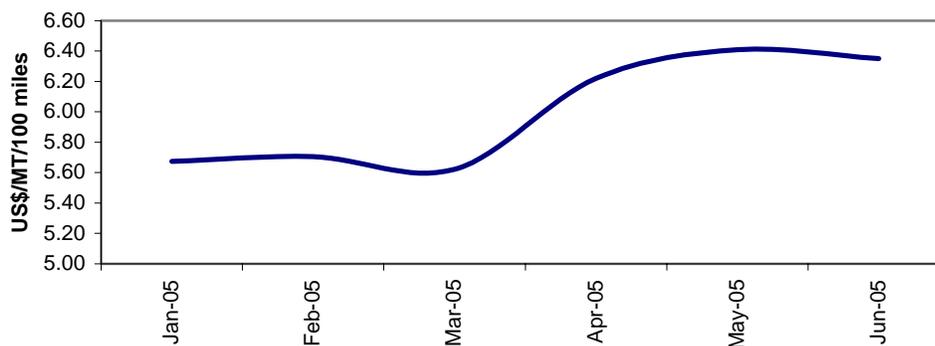
Month	Freight price* (per 100 miles)	Index variation (%) (Base: prior month)	Index value (Base: Jan. 05 = 100)
Jan. 05	5.67		100.00
Feb. 05	5.71	0.5	100.54
Mar. 05	5.62	-1.5	99.08
Apr. 05	6.22	10.6	109.61
May 05	6.41	3.1	112.96
Jun. 05	6.35	-0.9	111.90

*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
Santos	45.53	45.84
Paranagua	44.64	44.84**
Rio Grande	44.20	44.39

*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/>
<http://www.ams.usda.gov/tmd/Ocean/index.asp>

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