



GRAIN TRANSPORTATION REPORT

Shipper and Exporter Assistance Program
Transportation and Marketing
Agricultural Marketing Service
United States Department of Agriculture

December 15, 1997

Russian Farmers Worry About Completing Harvest. Russian farmers left about 13 million tons of grain or 14 percent of the harvest to spoil in the field because of the shortage of harvesting equipment, while their American counterparts have been forced to store much of their crop on the ground because of the lack of rail cars and a slack export market. The Russian Agriculture Deputy Minister blamed the shortage of harvesting equipment on the lack of funds to pay for maintenance of the equipment. If the situation remains unchanged, Russia will have only half of the machinery required to bring in the grain harvest by the year 2000. Russia's collectivized farms were sustained during the Soviet period by extensive state subsidies. Since the 1991 Soviet breakup, the subsidies have dried up and few farms can afford new equipment or even maintain the old equipment in good operating condition. (*The Sun*)

Canadian Maritime Reform Clears First Hurdle. The Canadian House of Commons voted overwhelmingly 203 to 58 on Dec. 9 to approve the Canada Marine Act. The legislation now goes to the Senate, where it is expected to receive a positive reaction. Part of the reform measure will turn operations of the St. Lawrence Seaway over to its Canadian and American users. The vote in the House of Commons brings the Canadian operations of the Seaway closer to coming under the auspices of a group, consisting of nine users of the system. The target date for the transfer from the government to the private sector is tentatively set for April 1, 1998. The commercialization of the Seaway's Canadian operations is a key part of the legislation. This provision would turn management of the Seaway over to users of the system, and end operation and oversight by the St. Lawrence Seaway Authority. The legislation would also require operators of the Seaway to establish user fees that will make operations self sufficient. Also, except for remote northern ports, the legislation would turn over management of the 16 major Canadian ports engaged in international and national shipping to local jurisdictions.

STB Denies Motion To Dismiss Shipper Complaint. The Surface Transportation Board (STB) denied a motion on Dec. 8, to dismiss a complaint filed by Grain Land Coop against the Canadian Pacific and Soo Line Railroad Company (CP). The decision resolves a discovery dispute between Grain Land by giving the cooperatives counsel access to certain confidential CP information that is vital to the case, which concerns rail car service. The complaint was based on Grain Lands claim that CP discriminated against it by failing to provide an adequate supply of cars. Grain Land has sought certain information about other shippers, which CP refused, saying the law precludes it from releasing commercially sensitive information without the consent of the shippers involved. The Board directed the CP to turn over the information to Grain Lands outside counsel, subject to a protective order barring Grain Lands counsel from divulging sensitive information to anyone, including Grain Land itself.

River Situation. At the Melvin Price Locks and Dam during the previous 24 hours ending midnight Sunday (Dec. 14), 8 tows with 110 barges passed upbound, and 4 tows with 37 barges passed downbound. On Monday (Dec. 15), at 6:00 a.m., there were no tows waiting to go in either the upbound or downbound direction. In the Columbia River Basin on Friday (Dec. 12), 5 vessels were at berth loading, while 9 waited.

NOTE: The *Grain Transportation Report* will not be issued on Dec. 22 or Dec. 29. Pages 3 and 4 will be available on the fax back system and also on the Internet. We wish all our readers a very safe and Happy Holiday Season.

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SOUTHBOUND BARGE FREIGHT RATES*

Week Ended December 4

River/Region	Contract Period	Rate**
No trades reported		

* Based on Actual Trades from the Merchants Exchange of St. Louis Barge Call Session

** Rates are Quoted as a Percentage of the 1976 Tariff Benchmark

PROJECTED 1997/98 MARKETING YEAR SOYBEAN SUPPLY AND USE
million metric tons

	U.S.	Major Exporters	World
Beginning Stocks	3.58	6.66	12.74
Production	74.47	46.30	149.56
Domestic Use	44.55	35.76	143.63
Exports	26.67	10.35	38.94
Ending Stocks	6.94	8.95	18.58

Major exporters include Argentina, Brazil and Paraguay.

Source: World Agricultural Supply and Demand Estimates, USDA, December 11, 1997.

WEEK ENDED	1997	COMPARABLE WEEK 1996
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INSPECTIONS FOR EXPORT*1,000 Bushels*

Nov 6	93,655 *	99,707
Nov 13	96,038 *	116,805
Nov 20	91,349 *	108,402
Nov 27	83,598 *	116,973
Dec 4	87,123	92,479
Calendar Year to Date	3,497,824 *	4,027,913

* Revised

RAIL CARLOADINGS*Carloads*

Nov 8	25,147 *	31,793 *
Nov 15	24,696 *	30,512 *
Nov 22	25,383 *	27,044 *
Nov 29	19,571 *	21,802 *
Dec 6	26,165 *	26,821 *
Calendar Year to Date	1,141,715 *	1,172,911 *

* Revised - Soo Line Not Included

RAIL DELIVERIES TO PORT*Carloads*

	North Atlantic	So. Atlantic & Gulf	Pacific Coast	North Atlantic	So. Atlantic & Gulf	Pacific Coast
Nov 5	84	2,811	4,879	24	3,813	3,828
Nov 12	66	3,253	5,573	46	4,408	6,315
Nov 19	149	2,768	5,814	63	3,911	5,914
Nov 26	75	2,830	4,934	54	3,371	4,596
Dec 3	73	1,755	4,263	44	2,545	3,950
CY to Date	2,429	112,551	182,195	2,851	141,267	187,812

* Revised

BARGE GRAIN MOVEMENTS*1,000 Tons*

River / Lock Number	Week ending 12/6/97					Week ending 12/7/96				
	CORN	WHT.	SOY	OTHER	TOTAL	CORN	WHT.	SOY	OTHER	TOTAL
Miss./15	47	0	9	0	56	416	0	15	0	431
Miss./25	557	5	167	0	728	810	0	73	0	882
Miss./26	819	17	202	0	1,038	1,090	0	161	0	1,250
Miss./27	841	11	211	0	1,063	1,095	0	213	0	1,308
Ill. /8	264	2	31	0	296	348	0	71	0	419
Ohio /52	17	0	37	73	127	17	0	23	63	103
Ark./1	0	11	39	0	50	0	15	0	0	15

Calendar year totals for Miss./27, Ohio/52 and Ark./1:

Year	Corn	Wheat	Soybeans	Other Grains	Total
1997	28,267	2,526	8,945	3,169	42,908
1996	32,404	2,270	7,800	3,877	46,350

Other grains include barley, sorghum and oats. Totals may not add due to rounding. Data source: U.S. Army Corps of Engineers.

MAJOR EXPORT SALES *

1,000 Metric Tons

WEEK ENDED	1997			COMPARABLE WEEK 1996		
	WHEAT	CORN	SOYBEANS	WHEAT	CORN	SOYBEANS
Nov 6	4,138	7,606	7,331	3,528	14,132	7,748
Nov 13	3,996	7,810	7,099	3,382	13,971	7,468
Nov 20	4,236	7,673	6,632	3,152	13,329	7,242
Nov 27	4,299	7,565	6,307	2,666	12,272	6,708
Dec 3	4,136	7,459	6,009	2,653	11,497	6,745

*Unshipped Balances-Current & Next Marketing Year

GULF COAST OCEAN GRAIN VESSELS

	1997			COMPARABLE WEEK 1996		
	IN PORT	LOADED 7 DAYS	DUE NEXT 10 DAYS	IN PORT	LOADED 7 DAYS	DUE NEXT 10 DAYS
Nov 13	33	49	70	55	59	70
Nov 20	29	54	73	67	48	57
Nov 27	34	54	89	43	44	66
Dec 4	44	59	75	50	52	76
Dec 11	37	54	67	46	54	73

AVERAGE GRAIN PRICES

Dollars Per Bushel

	1997			COMPARABLE WEEK 1996		
	WHEAT	CORN ¹	SOYBEANS ²	WHEAT	CORN ¹	SOYBEANS ²
Nov 7	3.95	2.77	7.17	4.76	2.72	6.89
Nov 14	3.97	2.79	7.34	4.88	2.76	6.95
Nov 21	3.83	2.75	7.16	4.93	2.72	7.11
Nov 28	3.83	2.74	7.14	4.89	2.78	7.14
Dec 5	3.85	2.72	7.02	4.74	2.71	7.01

(Wheat-#1 HRW-ORD., Kansas City; Corn-#2 Yellow, Chicago; Soybeans-#1 Yellow, Chicago)

¹ Bought to arrive 15 days; ² Bought to arrive 30 days.

OCEAN FREIGHT RATES*

Dollars/Tons - Basis Vessel Size/Ton

U.S. Loading Port	Destination	Estimated Freight Rates	Dates of Movement
Gulf	China	\$26.00 - (46M)	December
Gulf	Indonesia	\$30.50 - (35M)	December
Gulf	Hamburg	\$11.60 - (94M)	December
Gulf	Equador	\$21.25 - (22M)	December
Gulf	Honduras	\$18.25 - (30M)	December

*These ocean fixtures are based on full ship charters.