



Grain Transportation Report

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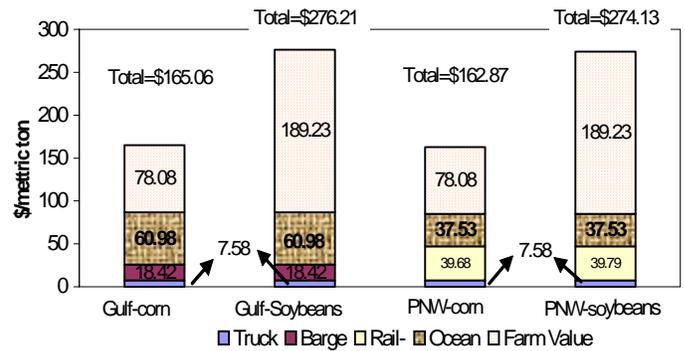
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Total Transportation Costs Drop for Corn and Soybeans. The total cost of transporting yellow corn and soybeans from Minneapolis, MN, to Japan decreased between last quarter 2004 and first quarter 2005 (see table and figure).

The per-metric-ton rate for truck shipments originating in the North Central region decreased 4.1 percent in the first quarter for soybean and corn exports through the PNW and the Gulf, compared to fourth quarter 2004 (see table). This decrease was due primarily to incremental changes for both truck availability and fuel costs. This

analysis relies on a regionally based truck rate. Previously, the Agricultural Marketing Service used a commodity-based rate derived from data from the three highest producing states in the region. A regionally based rate considers all survey responses from the particular region, and is more representative of the actual trucking costs.

Cost of shipping corn & soybeans from Minnesota to Japan, 1st quarter 2005 - Figure



Source: USDA/AMS, Transportation & Marketing Programs

	Gulf			PNW		
	2005 1st quarter	2004 4th quarter	Percent change	2005 1st quarter	2004 4th quarter	Percent change
	\$/metric ton					
Truck	7.58	7.90	-4.1	7.58	7.90	-4.1
Barge	18.42	23.36	-21.1			
Rail-corn				39.68	39.68	0
Rail-soybean				39.79	39.79	0
Ocean	60.98	61.55	-0.9	37.53	41.44	-9.4
Total-corn	86.98	92.81	-6.3	84.79	89.02	-4.8
Total-soybean	86.98	92.81	-6.3	84.90	89.13	-4.7

Barge transportation rates showed the biggest decline (21.1 percent) of all modes during the first quarter, compared to fourth quarter 2004 (see table). This is typical, however, since the demand for barge transportation is strongest during fall harvest. Rates normally decline during the first quarter along with transportation demand.

First quarter 2005 rail transportation rates were the same as fourth quarter 2004. The origination of Class 1 rail cars increased by 1 percent at the end of the first quarter, compared with the same period in 2004. Figure 3 (inside the report) further substantiates this relatively small change. Grain car loadings for the first quarter remained relatively consistent with fourth quarter 2004.

Ocean rates for corn and soybeans dropped during the first quarter by roughly one percent from the Gulf, and over 9 percent from the PNW, compared to fourth quarter 2004. Several first quarter holidays worldwide and uncertainty over Chinese steel demand are two factors contributing to this rate decrease (see April 14, 2005 Grain Transportation Report).

While total transportation cost decreased, farm value for both commodities increased. This resulted in a total landed cost increase for soybeans, as the increase in soybean farm value more than compensated for the drop in transportation cost. The total landed cost for corn, however, dropped due to a less substantial farm value increase. Total landed cost combines the total farm value and total transportation cost for the commodity.

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Grain Transportation Indicators

Table 1--Grain transport cost indicators*

Week ending	Truck	Rail	Barge	Ocean	
				Gulf	Pacific
06/01/05	145	123	141	240	188
Compared with last week	unchanged	↑	↓	↓	↓

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

Source: Transportation & Marketing Programs/AMS/USDA

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

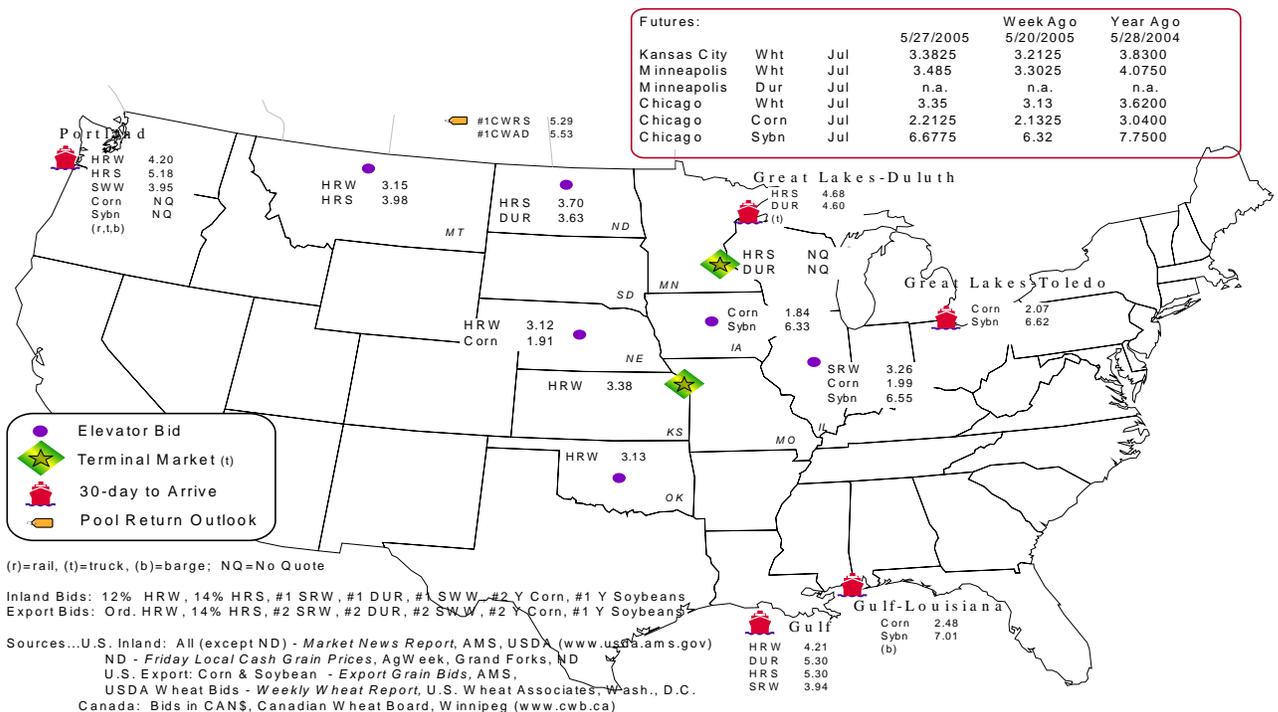
Commodity	Origin--destination	5/27/2005	5/20/2005
Corn	IL--Gulf	-0.49	-0.50
Corn	NE--Gulf	-0.57	-0.58
Soybean	IA--Gulf	-0.68	-0.61
HRW	KS--Gulf	-0.83	-0.97
HRS	ND--Portland	-1.48	-1.56

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 Mexico	Pacific Northwest	Atlantic & East Gulf	Total
05/25/2005 ^p	25	1,301	2,221	4,477	78	8,102
05/18/2005 ^r	22	1,149	1,870	4,454	141	7,636
2005 YTD	5,543	34,971	36,142	94,954	7,150	178,760
2004 YTD	4,009	47,531	21,518	88,455	3,803	165,316
2005 as % of 2004	138	74	168	107	188	108
Total 2004	10,475	92,073	67,992	209,625	10,986	391,151
Total 2003**	14,843	88,194	48,805	157,125	20,509	329,476

(*) Incomplete Data; as of 9/22/04, Cross-Border movements included; (**) Excludes 53rd week; YTD = year-to-date; p = preliminary data;

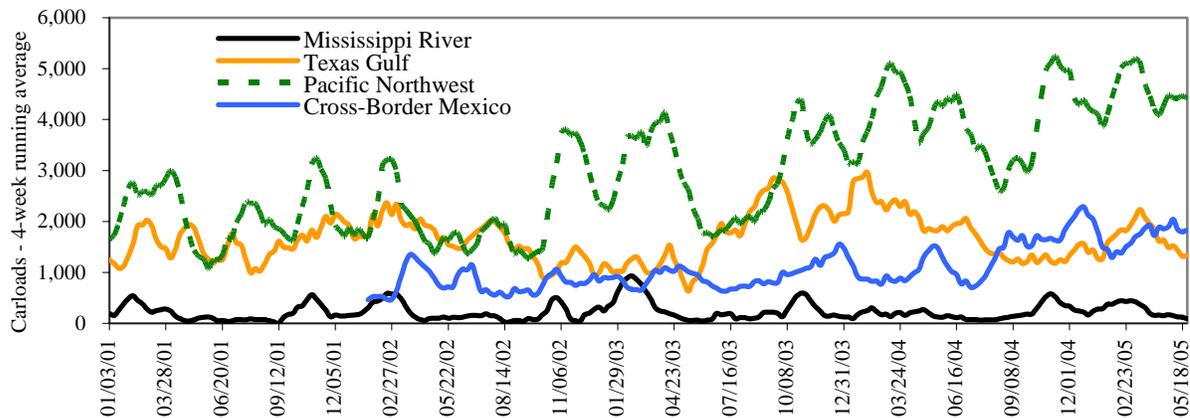
r = revised data

Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 2

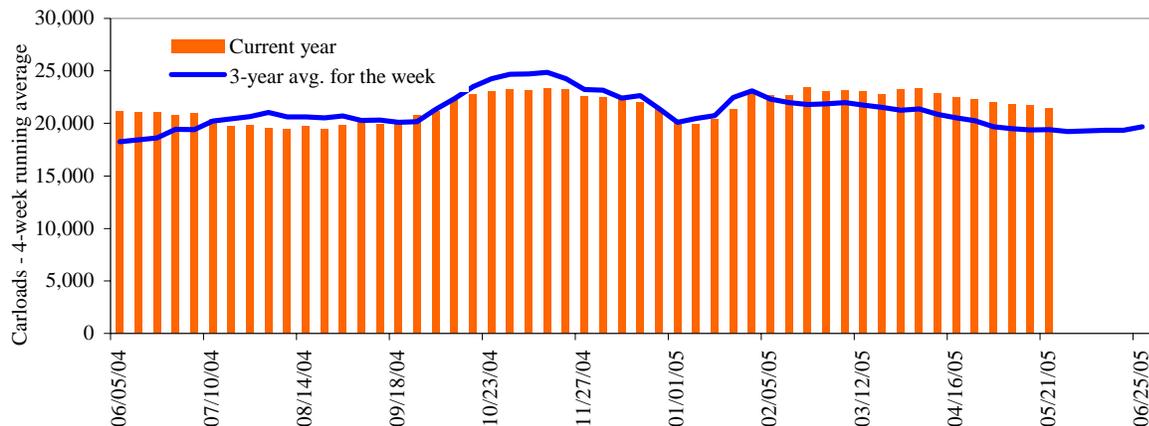
Rail deliveries to port



Source: Transportation & Marketing Programs/AMS/USDA

Figure 3

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



Source: Association of American Railroads

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

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
05/21/05	2,902	3,121	9,003	670	6,405	22,101	3,624	3,971
This week last year	3,163	3,215	7,885	453	6,841	21,557	5,009	4,226
2005 YTD	60,641	68,066	188,678	12,691	121,615	451,691	87,809	80,166
2004 YTD	58,459	65,845	183,324	10,355	134,061	452,044	95,642	73,016
2005 as % of 2004	104	103	103	123	91	100	92	110
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 5/28/05 (\$/car)*

Delivery for:	Jul. 05	Aug. 05	Sep. 05
BNSF ¹			
COT/N. grain	\$14	\$137	\$148
COT/S. grain	\$26	\$66	\$154
UP ²			
GCAS/Region 1	no bid	no offer	no offer
GCAS/Region 2	no offer	no offer	no offer

*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.

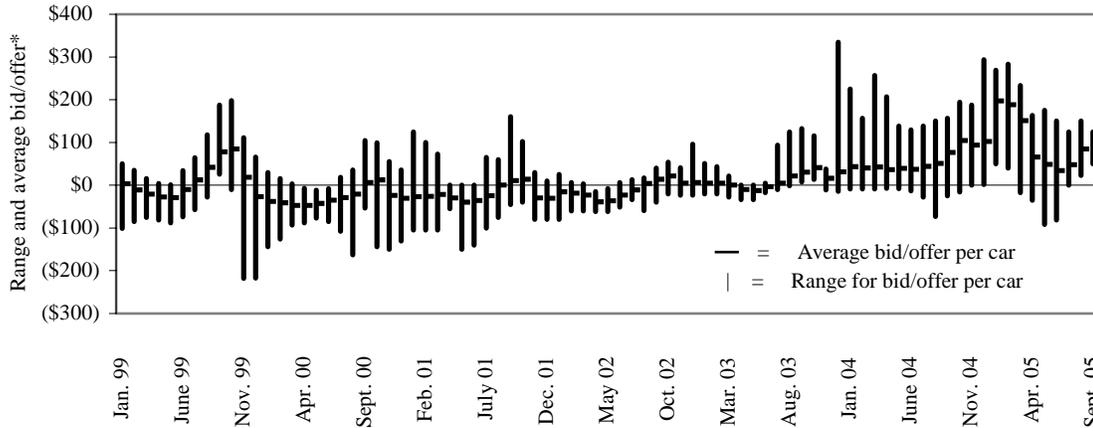
Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

Source: Transportation & Marketing Programs/AMS/USDA

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

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

Figure 4
Secondary rail car market, delivery month-year



*up to 6 months of trading
 Source: Transportation & Marketing Programs/AMS/USDA

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

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

Table 6--Weekly secondary rail car market, week ending 5/28/05 (\$/car)*

	Delivery period			
	Jul-05	Aug-05	Sep-05	Oct-05
BNSF-GF	\$50	\$88	\$125	n/a
Change from last week	\$4	-\$9	\$6	n/a
UP-Pool	\$6	\$66	\$110	\$142
Change from last week	-\$26	-\$22	\$4	-\$25

*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:					
5/2/2005	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	\$1,920	\$21.16	\$0.58
	South Central, KS	Galveston, TX	\$2,335	\$25.74	\$0.70
	Minneapolis, MN	Houston, TX	\$2,420	\$26.68	\$0.73
	St. Louis, MO	Houston, TX	\$2,245	\$24.75	\$0.67
	South Central, ND	Houston, TX	\$3,484	\$38.40	\$1.05
	Minneapolis, MN	Portland, OR	\$4,198	\$46.27	\$1.26
	South Central, ND	Portland, OR	\$4,198	\$46.27	\$1.26
	Northwest, KS	Portland, OR	\$4,266	\$47.02	\$1.28
	Chicago, IL	Richmond, VA	\$2,002	\$22.07	\$0.60
Corn	Chicago, IL	Baton Rouge, LA	\$2,510	\$27.67	\$0.70
	Council Bluffs, IA	Baton Rouge, LA	\$2,370	\$26.12	\$0.66
	Kansas City, MO	Dalhart, TX	\$1,965	\$21.66	\$0.55
	Minneapolis, MN	Portland, OR	\$3,600	\$39.68	\$1.01
	Evansville, IN	Raleigh, NC	\$1,791	\$19.74	\$0.50
	Columbus, OH	Raleigh, NC	\$1,700	\$18.74	\$0.48
	Council Bluffs, IA	Stockton, CA	\$3,606	\$39.75	\$1.01
Soybeans	Chicago, IL	Baton Rouge, LA	\$2,455	\$27.06	\$0.74
	Council Bluffs, IA	Baton Rouge, LA	\$2,315	\$25.52	\$0.69
	Minneapolis, MN	Portland, OR	\$3,610	\$39.79	\$1.08
	Evansville, IN	Raleigh, NC	\$1,791	\$19.74	\$0.54
	Chicago, IL	Raleigh, NC	\$2,391	\$26.36	\$0.72
<u>Shuttle Train*</u>					
Wheat	St. Louis, MO	Houston, TX	\$1,895	\$20.89	\$0.57
	Minneapolis, MN	Portland, OR	\$3,948	\$43.52	\$1.18
Corn	Fremont, NE	Houston, TX	\$2,665	\$29.38	\$0.75
	Minneapolis, MN	Portland, OR	\$3,450	\$38.03	\$0.97
Soybeans	Council Bluffs, IA	Houston, TX	\$2,785	\$30.70	\$0.84
	Minneapolis, MN	Portland, OR	\$3,410	\$37.59	\$1.02

*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.epr.ca, www.csx.com, www.uprr.com

Table 8--Tariff rail rates for U.S. bulk grain shipments to the U.S.-Mexico border

Effective date:						
5/2/2005	Origin state	Border crossing region	Train size	Rate/car ¹	Rate/metric ton	Rate/bushel**
Wheat	KS	Brownsville, TX	Shuttle	\$2,742	\$28.02	\$0.76
	ND	Eagle Pass, TX	Shuttle	\$5,399	\$55.17	\$1.50
	OK	El Paso, TX	Shuttle	\$2,155	\$22.02	\$0.60
	OK	El Paso, TX	Unit	\$2,241	\$22.90	\$0.62
	AR	Laredo, TX	Unit	\$2,165	\$22.12	\$0.60
	IL	Laredo, TX	Shuttle	\$2,970	\$30.35	\$0.83
	MT	Laredo, TX	Shuttle	\$4,298*	\$58.14	\$1.58
	TX	Laredo, TX	Shuttle	\$2,056	\$21.01	\$0.57
	MO	Laredo, TX	Unit	\$2,622	\$26.79	\$0.73
	WI	Laredo, TX	Unit	\$3,188	\$32.57	\$0.89
Corn	NE	Brownsville, TX	Shuttle	\$3,104	\$31.72	\$0.80
	NE	Brownsville, TX	Unit	\$3,537*	\$36.14	\$0.92
	IA	Eagle Pass, TX	Shuttle	\$3,334	\$34.07	\$0.86
	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	Unit	\$3,258	\$33.29	\$0.84
Soybean	IA	Brownsville, TX	Shuttle	\$2,880	\$29.43	\$0.80
	MN	Brownsville, TX	Shuttle	\$3,176	\$32.45	\$0.88
	NE	Brownsville, TX	Shuttle	\$2,688	\$27.47	\$0.75
	NE	Eagle Pass, TX	Shuttle	\$2,765	\$28.25	\$0.77
	IA	Laredo, TX	Unit	\$2,918	\$29.82	\$0.81

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

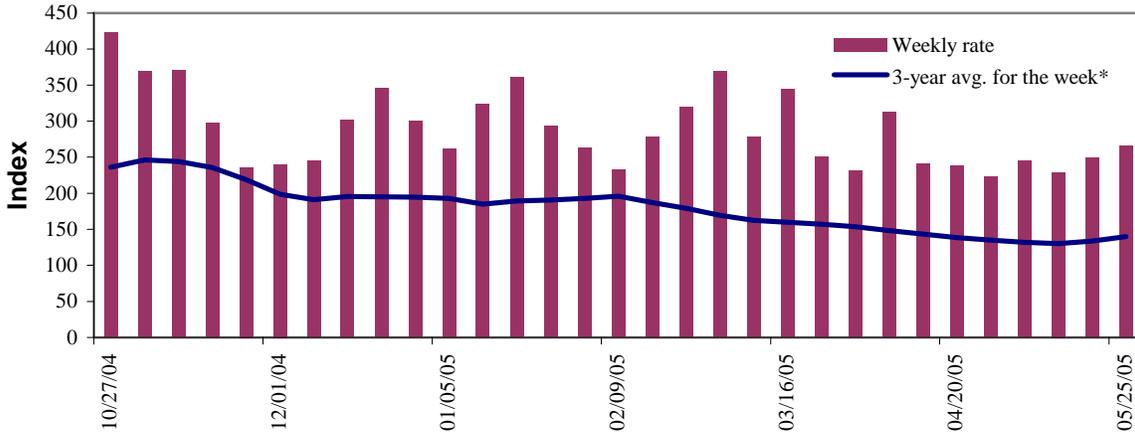
**Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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	5/25/2005	5/18/2005	June '05	Aug. '05
Twin Cities	289	258	289	309
Mid-Mississippi	274	252	276	300
Illinois River	265	249	270	294
St. Louis	194	185	199	265
Lower Ohio	184	179	199	270
Cairo-Memphis	178	165	184	266

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

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Benchmark tariff rates

Calculating barge rate per ton:

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

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

Note: The Illinois barge rate is for Beardstown, IL, La Grange Lock & Dam

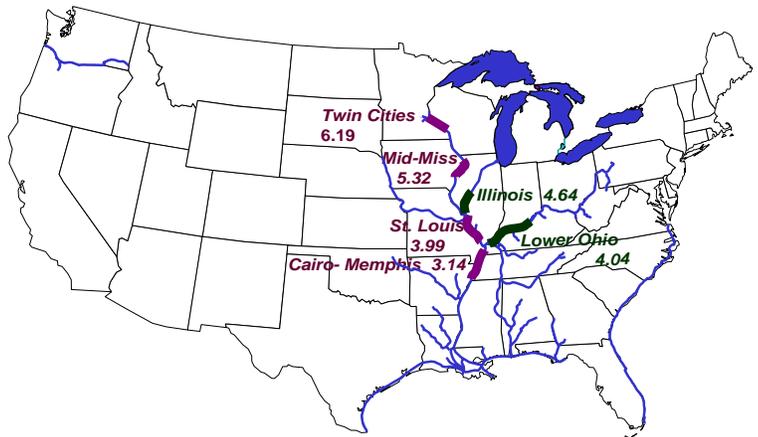
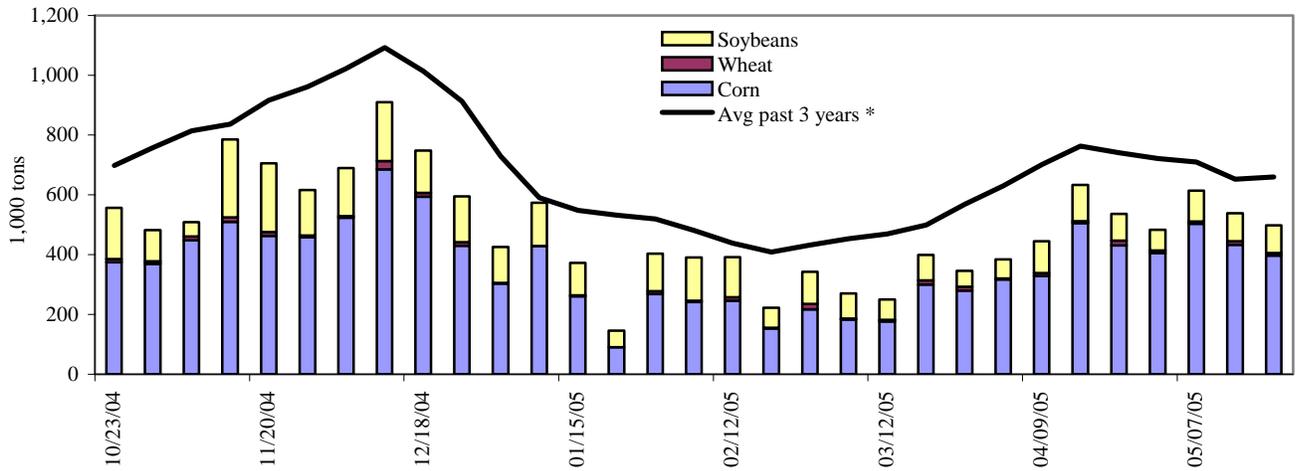


Figure 7

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 5/21/2005	Corn	Wheat	Soybean	Other	Total
Mississippi River					
Rock Island, IL (L15)	183	3	34	0	220
Winfield, MO (L25)	183	5	48	0	235
Alton, IL (L26)	386	8	100	0	494
Granite City, IL (L27)	397	8	93	0	498
Illinois River (L8)	141	3	40	0	184
Ohio River (L52)	62	6	26	0	94
Arkansas River (L1)	0	25	6	17	48
2005 YTD	7,977	606	3,154	302	12,039
2004 YTD	9,138	1,046	2,141	325	12,649
2005 as % of 2004 YTD	87	58	147	93	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.

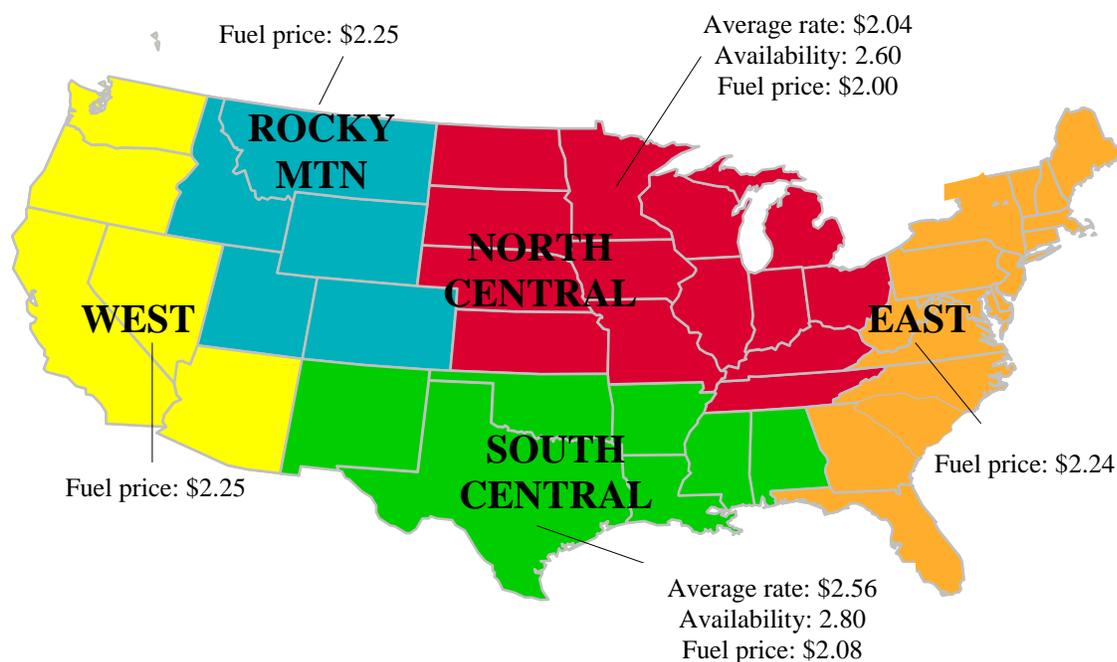
"Other" refers to oats, barley, sorghum, and rye.

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

Note: Total may not add exactly, due to rounding

Truck Transportation

Figure 8
U.S. grain truck market advisory, 1st 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, 1st quarter 2005

Region/commodity*	25 miles	100 miles	200 miles	Truck availability	Truck activity	Future truck activity
	Rate per mile			Rating compared to same quarter last year		
				1=Very easy to 5=Very difficult	1=Much lower to 5=Much higher	
National average¹	2.91	1.96	1.73	2.6	2.6	2.9
North Central region²	2.65	1.89	1.59	2.6	2.8	3.1
Corn	3.25	2.37	2.01	2.9	2.4	3.1
Wheat	1.52	1.44	1.39	2.6	2.9	2.9
Soybean	3.25	2.37	2.01	2.7	2.7	3.2
South Central region²	3.34	2.25	2.08	2.8	2.1	2.4
Corn	3.02	2.19	1.98	2.8	2.0	2.0
Wheat	3.13	2.18	2.08	3.0	2.3	2.7
Soybean	4.71	2.32	2.06	2.3	2.0	2.3

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

*Commodity averages based on truck rates for top producing states based on National Agricultural Statistics Service/USDA

¹National average includes: AR, CO, IA, IL, IN, KS, LA, MN, MS, ND, NE, OH, OK, OR, SD, TX, and WA.

²Commodity rates per mile include the average of the top 3 producing states within the region.

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 05/30/05 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.188	0.007	0.483
	New England	2.320	-0.018	0.505
	Central Atlantic	2.284	-0.008	0.484
	Lower Atlantic	2.134	0.015	0.479
II	Midwest	2.111	0.014	0.427
III	Gulf Coast	2.117	0.005	0.456
IV	Rocky Mountain	2.179	-0.028	0.239
V	West Coast	2.317	-0.022	0.212
	California	2.367	-0.006	0.181
Total	U.S.	2.160	0.004	0.414

*Diesel fuel prices include all taxes.

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

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			
5/19/2005	698	99	703	261	104	1,865	6,734	1,652	10,251
This week year ago	912	225	452	325	54	1,967	9,894	1,170	13,031
Cumulative exports-crop year 2/									
2004/05 YTD	9,177	3,210	7,807	4,707	640	25,542	32,765	27,390	85,697
2003/04 YTD	12,427	3,745	6,784	4,792	1,049	28,796	34,904	22,833	86,533
2004/05 as % of 2003/04	74	86	115	98	61	89	94	120	99
2003/04 Total	12,697	3,785	6,928	4,889	1,053	29,353	47,704	24,102	101,159
2002/03 Total	6,896	2,899	6,645	3,517	720	20,677	39,646	28,908	89,231

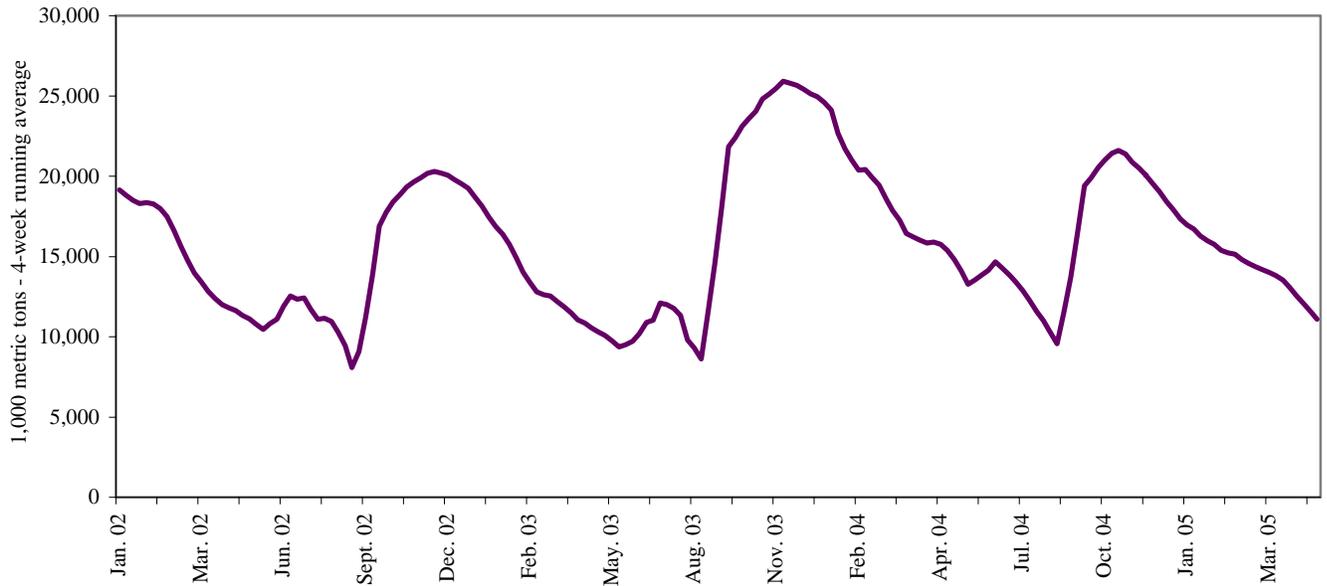
Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31, 1/ = Current outstanding unshipped export sales to date

2/ = New crop year in effect for corn and soybean sales

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)

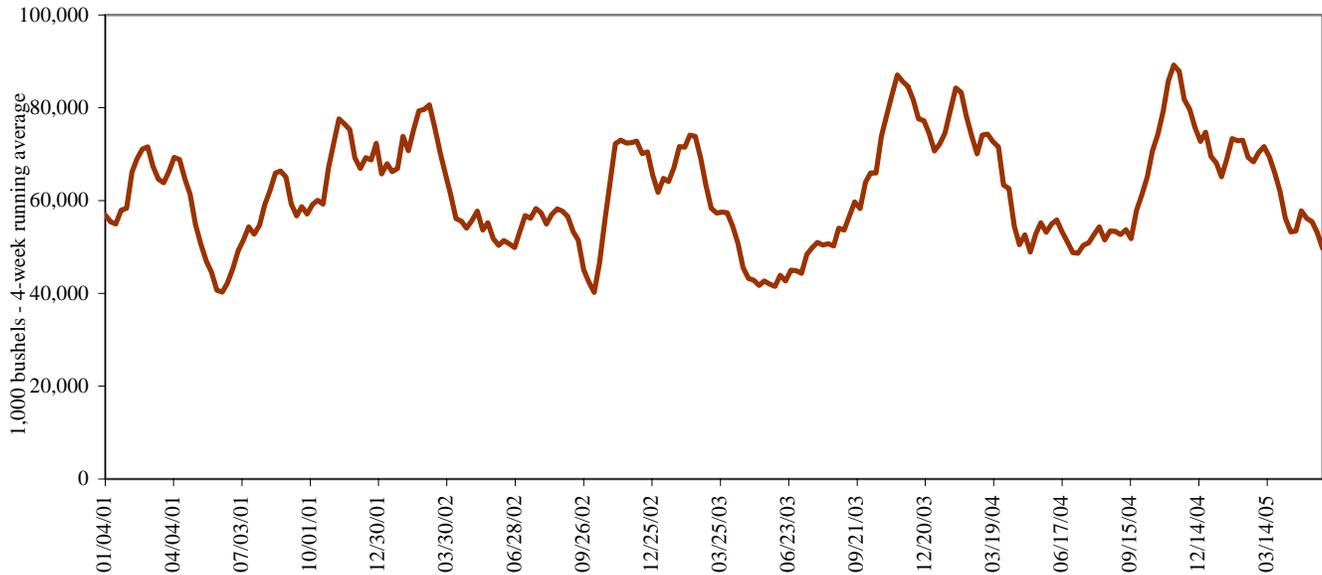
Week ending	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region total		
	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Pacific	Mississippi	Texas
05/26/05	245	259	40	148	475	186	67	0	0	544	809	67
2005 YTD	4,375	3,828	3,123	2,194	10,869	7,620	2,336	262	6	11,326	20,683	2,604
2004 YTD	4,674	4,284	1,759	3,079	13,037	5,717	4,047	49	14	10,716	21,832	4,110
2005 as % of 2004	94	89	178	71	83	133	58	531	43	106	95	63
2004 Total *	12,121	9,741	4,753	7,154	32,851	15,540	7,936	131	23	26,615	55,546	8,089

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

Ocean Transportation

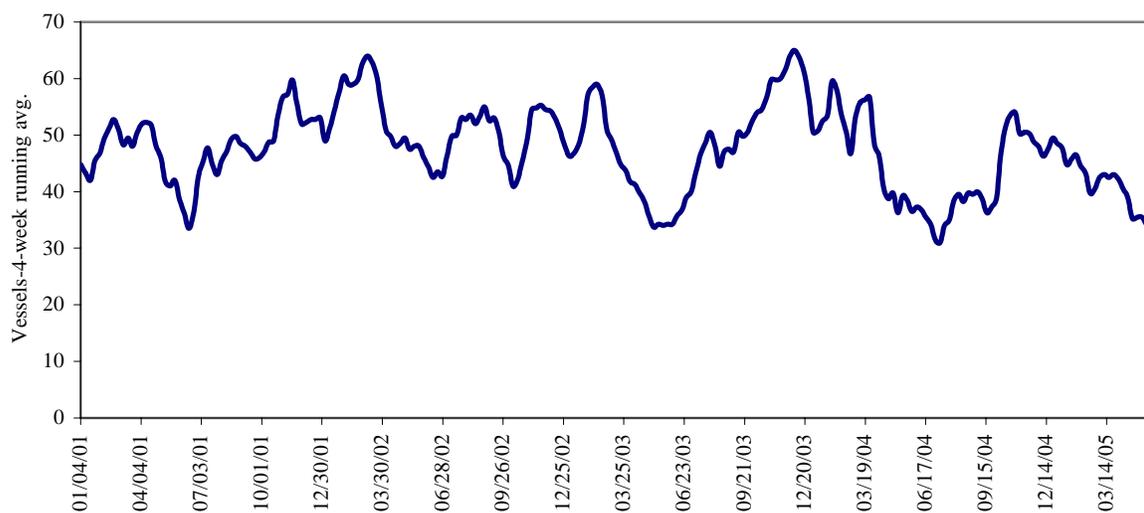
Table 15--Weekly port region grain ocean vessel activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
5/26/2005	16	35	48	7	9
5/19/2005	17	33	50	7	5
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

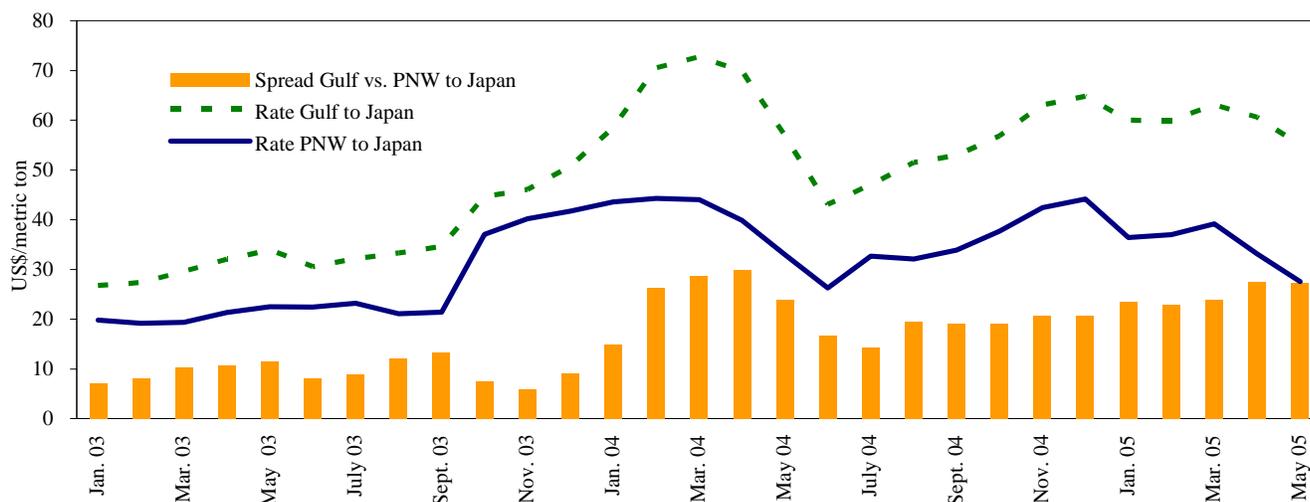
Table 16--Quarterly ocean freight rates (average rates & percentage changes) (US\$/metric ton)

Countries/ regions	2005 1st qtr	2004 1st qtr	Percent change	Countries/ regions	2005 1st qtr	2004 1st qtr	Percent change
Gulf to				Pacific NW to			
Japan	\$60.18	\$73.75	-18	Japan	---	---	---
China	\$57.50	\$46.63	23				
Taiwan	---	\$68.00	---	Argentina/Brazil to			
N. Africa	\$48.00	\$46.25	4	N. Africa	\$59.25	\$61.07	-3
Med. Sea	---	\$46.50	---	China	---	---	---

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 05/28/05

Export region	Import region	Grain	Month	Volume loads (metric tons)	Freight rate (\$/metric ton)
U.S. Gulf	Djibouti*	Wheat	Jun 1/10	22,740	89.29
U.S. Gulf	Honduras	Wheat	May 11/21	9,330	39.99
U.S. Gulf	Eritrea	Wheat	May 12/22	4,240	78.00
U.S. Gulf	Ethiopia	Wheat & Sorghum	Apr 21/ May 1	43,700	77.00
U.S. Gulf	Nicaragua	Wheat	May 10/20	11,399	53.13
U.S. Gulf	Nicaragua	Wheat	May 10/20	3,790	49.00
PNW	Kenya	Wheatflour	Mar 5/15	34,000	74.00
Ukraine	Morocco	Wheat	May 9/10	24,000	27.50
River Plate	Poland	Hvy Grain	Apr 20/30	30,000	64.00

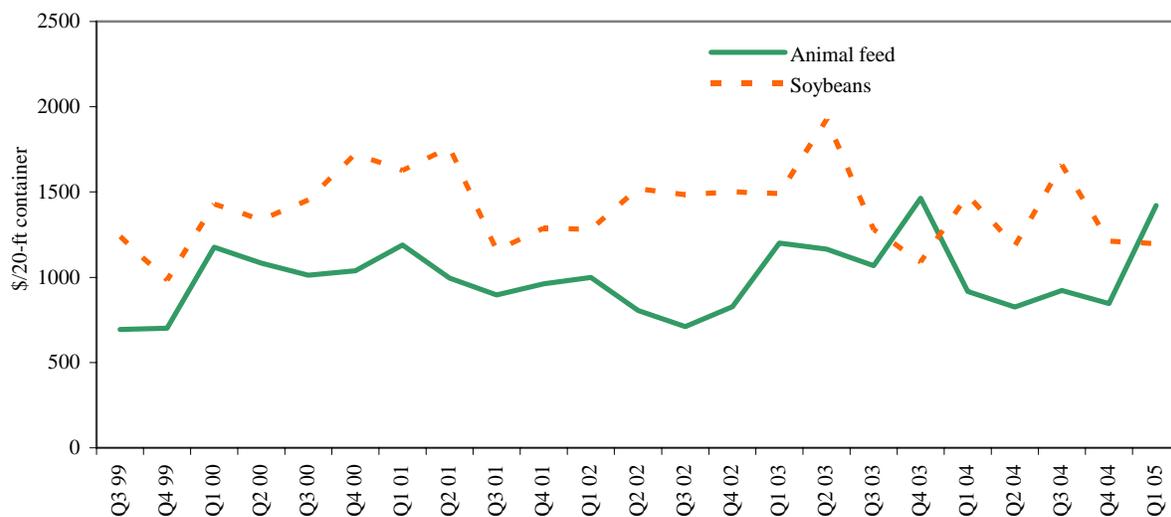
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

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

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

Figure 13

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



¹Animal Feed: Busan-Korea (22%), Kaohsiung-Taiwan (28%), Tokyo-Japan (38%), Hong Kong (9%), Bangkok-Thailand (3%) and soybeans: Busan-Korea (1%), Keelung-Taiwan (81%), Tokyo-Japan (12%), Bangkok-Thailand (4%), Hong Kong (1%) Quarter 1, 2005.

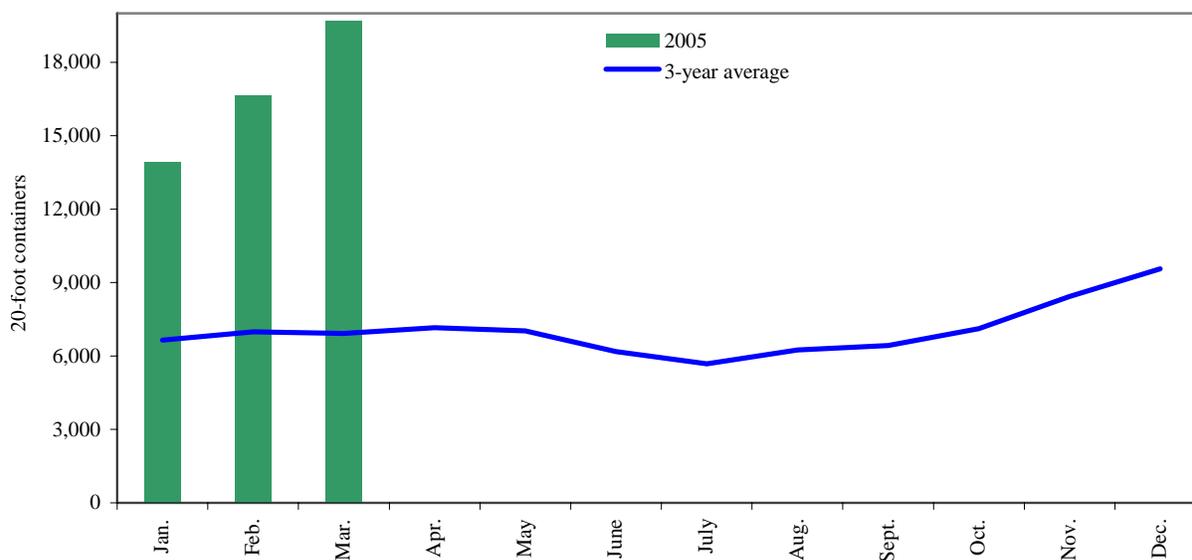
Source: Ocean Rate Bulletin, Transportation & Marketing Programs/AMS/USDA

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

The percentage of U.S. grain exported in containers was 3 percent in 2004.

Figure 14

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

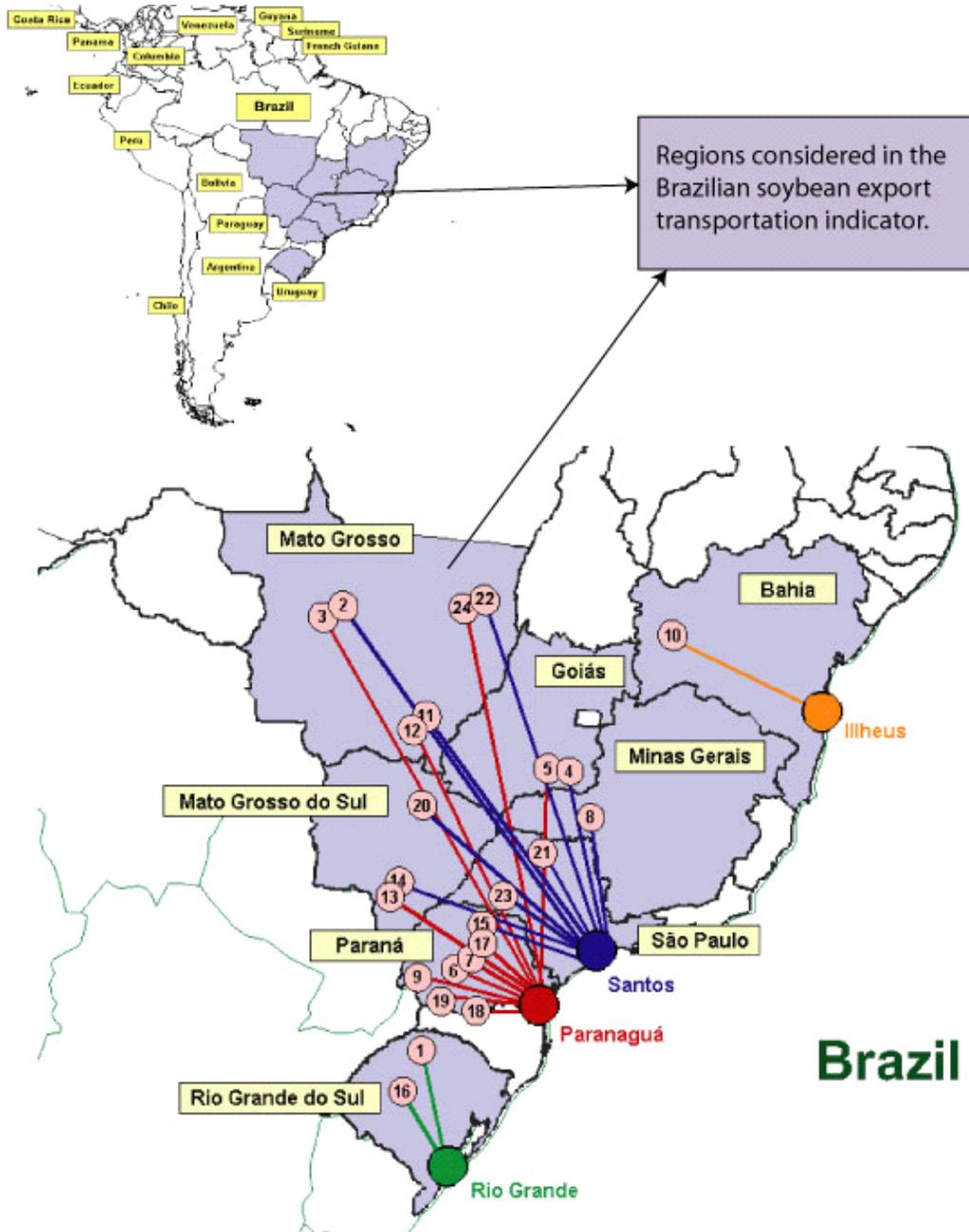


Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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, 1st 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	4.46
2	North MT(Sorriso)	Santos	1190	10.1	5.86
3	North MT(Sorriso)	Paranaguá	1262	9.5	5.54
4	South GO(Rio Verde)	Santos	587	7.0	4.40
5	South GO(Rio Verde)	Paranaguá	726	5.6	3.79
6	North Center PR(Londrina)	Paranaguá	268	4.4	7.19
7	Western Center PR(Mamborê)	Paranaguá	311	3.9	5.22
8	Triangle MG(Uberaba)	Santos	339	3.8	7.28
9	West PR(Assis Chateaubriand)	Paranaguá	377	3.7	5.83
10	West Extreme BA(São Desidério)	Ilhéus	544	3.6	6.53
11	Southeast MT(Primavera do Leste)	Santos	901	3.6	6.18
12	Southeast MT(Primavera do Leste)	Paranaguá	975	3.3	6.22
13	Southwest MS(Maracaju)	Paranaguá	612	3.1	5.78
14	Southwest MS(Maracaju)	Santos	652	2.9	5.84
15	West PR(Assis Chateaubriand)	Santos	550	2.5	6.18
16	Western Center RS(Tupanciretã)	Rio Grande	273	2.4	5.03
17	Southwest PR(Chopinzinho)	Paranaguá	291	2.3	6.00
18	Eastern Center PR(Castro)	Paranaguá	130	2.3	10.20
19	South Center PR(Guarapuava)	Paranaguá	204	2.1	8.39
20	North Center MS(São Gabriel do Oeste)	Santos	720	2.0	5.39
21	Ribeirão Preto SP(Guairá)	Santos	314	1.5	6.38
22	Northeast MT(Canarana)	Santos	950	1.4	6.66
23	Assis SP(Palmital)	Santos	285	1.2	6.16
24	Northeast MT(Canarana)	Paranaguá	1075	1.2	5.90
	Average		626	100	5.67

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

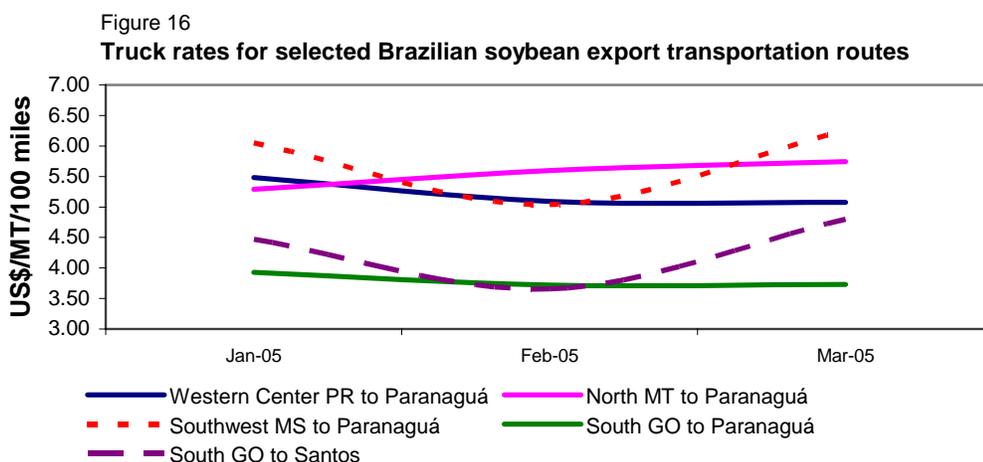
²Distance from the main city of the considered region to the mentioned ports

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

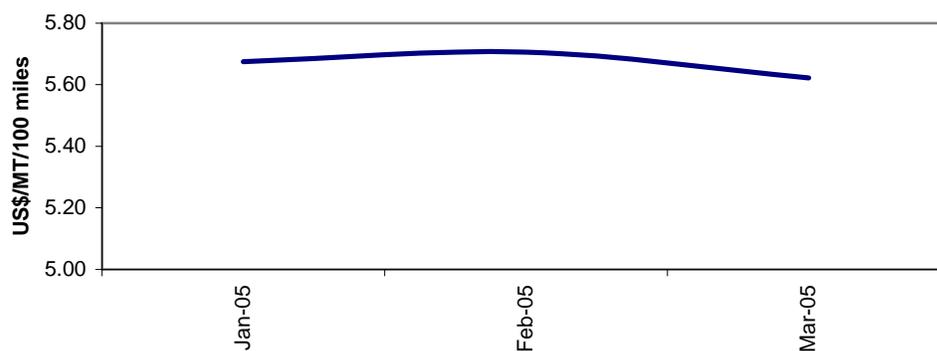
Month	Freight price* (per 100 miles)	Index variation (%) (Base: prior month)	Index value (Base: Jan. 05 = 100)
Jan. 05	5.67		100.00
Feb. 05	5.71	0.5	100.54
Mar. 05	5.62	-1.5	99.08

*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
Santos	\$45.53
Paranagua	\$44.64
Rio Grande	\$44.20

*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)

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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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