Grain Transportation Report

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

Contact Us

January 18, 2007

Contents

The next release is January 25, '07

WEEKLY HIGHLIGHTS

High Water Slows Barge Traffic

On January 12, the U.S. Coast Guard issued a high water advisory for the lower Mississippi and Arkansas Rivers. On January 15, a similar advisory was issued for the lower Ohio River. Barge operators are advised to proceed at slower speeds and reduce tow sizes. Strong currents resulting from high water also slow traffic because more horsepower and time is needed to travel upstream.

Projected U.S. 2006/07 Corn Supplies Decrease

On January 12, USDA lowered projected 2006/07 U.S. corn production to 10,530 million bushels (mbu)—a decrease of 210 mbu from the previous estimate. Because of strong export sales and shipments, projected corn exports were raised to 2,250 million bushels. Projected decreased production and increased exports were offset by a decrease in domestic usage—down 80 mbu from the previous estimate. Projected ending stocks were lowered by 183 mbu to 752 mbu.

Illinois River Barge Rates Up

Illinois River barge rates increased 47 percent from last week as barge operators reacted to smaller corn crop estimates and an increase in projected corn exports. High water conditions also contributed to higher rates. Rates on the Illinois River this week were 393 percent of tariff. Total barge volumes increased to 785,290 tons for the week ending January 13, an increase of 65 percent from last week.

Inspections Rebound From Previous Week

For the week of January 11, total **inspections of corn, wheat, and soybeans** at major U.S. ports increased 77 percent from the previous week, to 1.93 million metric tons (mmt). Increases were evident for all major grains, with corn inspections up 53 percent, wheat up 55 percent, and soybeans up 143 percent from the previous week.

Snapshot by Sector

Ocean

Forty-six U.S. Gulf grain vessels were loaded in the week ending January 11 — 11.5 percent less than a year ago. Eighty-seven vessels are due in within the next 10 days, about 26 percent above last year.

Rail

U.S. Class I **railroads originated** 20,843 grain cars in the week ending January 6 — 18.6 percent higher than last week.

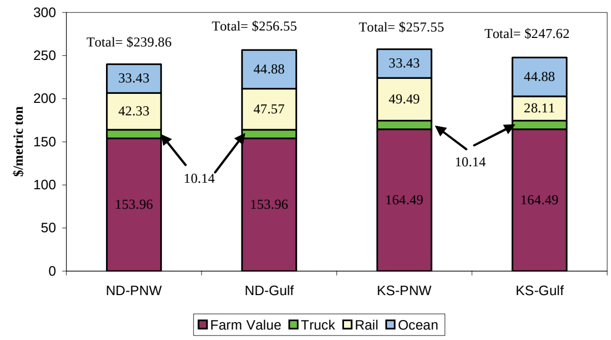
Barge

The number of **upbound empty** barges decreased to 202 in the week ending January 13 — 7 percent lower than the previous week.

Feature Article/Calendar

Cost of Shipping U.S. Wheat to Japan Increases. A general increase in transportation costs for shipping U.S. wheat to Japan was observed during the third quarter of 2006. The increase occurred across modes and several factors have attributed to rising rates. Wheat shipped from Kansas and North Dakota to Japan through the Pacific Northwest (PNW) increased to $93.06 and $85.90 per metric ton (table 1). The cost of shipping wheat from Kansas to Japan through the U.S. Gulf averaged $83.13 per metric ton, while shipments from North Dakota to Japan through the Gulf averaged $102.59 per metric ton. (table 2). The total landed cost (farm value plus transportation costs) for shipping wheat from either state to Japan ranged from about $240 to $258 per metric ton during the third quarter (figure 1). An increase in third quarter farm values contributed to higher total landed costs for all four routes. Total transportation costs represented 34 to 40 percent of the total landed costs (tables 1 and 2).

Figure 1- Cost of shipping wheat from Kansas and North Dakota to Japan, 3rd Quarter 2006



Source: USDA/AMS/Transportation and Marketing Programs

Table 1 -- Quarterly KS & ND to Japan through PNW rate comparisons, 2006

Mode	KS 2006 2nd qtr	KS 2006 3rd qtr	KS Percent change	ND 2006 2nd qtr	ND 2006 3rd qtr	ND Percent change
	- $/metric ton -		%	- $/metric ton -		%
Truck	9.18	10.14	10.46	9.18	10.14	10.46
Rail	49.49	49.49	0.00	43.68	42.33	-3.09
Ocean vessel	26.51	33.43	26.10	26.51	33.43	26.10
Transportation Costs	85.18	93.06	9.25	79.37	85.90	8.23
Farm Value[1]	115.01	164.49	43.02	122.11	153.96	26.08
Total Landed Cost	200.19	257.55	28.65	201.48	239.86	19.05
Transport % of landed cost	42.55	36.13		39.39	35.81	

Table 2 -- Quarterly KS & ND to Japan through Gulf rate comparisons, 2006

Mode	KS 2006 2nd qtr	KS 2006 3rd qtr	KS Percent change	ND 2006 2nd qtr	ND 2006 3rd qtr	ND Percent change
	- $/metric ton -		%	- $/metric ton -		%
Truck	9.18	10.14	10.46	9.18	10.14	10.46
Rail	27.38	28.11	2.67	45.73	47.57	4.02
Ocean vessel	35.52	44.88	26.35	35.52	44.88	26.35
Transportation Costs	72.08	83.13	15.33	90.43	102.59	13.45
Farm Value[1]	115.01	164.49	43.02	122.11	153.96	26.08
Total Landed Cost	187.09	247.62	32.35	212.54	256.55	20.71
Transport % of landed cost	38.53	33.57		42.55	39.99	

[1] Source: USDA/NASS, wheat prices for North Dakota (mainly HRS) and Kansas (mainly HRW)

Ocean freight rates for wheat shipped through the PNW to Japan increased over 26 percent from the second quarter 2006 (table 1). This increase was due in part to an increase in demand for bulk shipping. Ocean freight rates for wheat shipped through the U.S. Gulf to Japan increased over 26 percent during the third quarter (table 2). In Kansas and North Dakota, higher diesel prices increased the cost of moving wheat by truck to a rail-served grain elevator by over 10 percent during the third quarter (tables 1 and 2). Rail rates from Kansas to the PNW remained unchanged. The only exception to the general increase in rising rates occurred in North Dakota, where rail rates for shipping wheat to the PNW fell 3 percent (table 1). Rates for moving wheat by rail from Kansas to the U.S. Gulf increased about 3 percent while the rates from North Dakota to the Gulf increased over 4 percent (table 2).

According to the Foreign Agricultural Service, wheat exports to Japan totaled 2.76 million metric tons through November 2006, accounting for about 13 percent of total U.S. wheat exports. Total year to date (YTD) U.S. wheat exports, at 21.40 million metric tons, decreased 12 percent from last year while YTD overall exports to Japan decreased slightly. With the exception of hard red winter and hard red spring wheat, YTD export sales (shipped) of all major wheat classes are up from last year (*See GTR dated 1/11/07*). Johnny.Hill@usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

	Truck	Rail[2]	Barge	Ocean	
Week ending				Gulf	Pacific
01/17/07	165	-30	218	n/a	n/a
01/10/07	170	-55	149	n/a	n/a

[1]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)

[2]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	1/12/2007	1/5/2007
Corn	IL--Gulf	-0.54	-0.51
Corn	NE--Gulf	-0.56	-0.59
Soybean	IA--Gulf	n/a	-1.00
HRW	KS--Gulf	-0.90	-0.92
HRS	ND--Portland	-1.19	-1.21

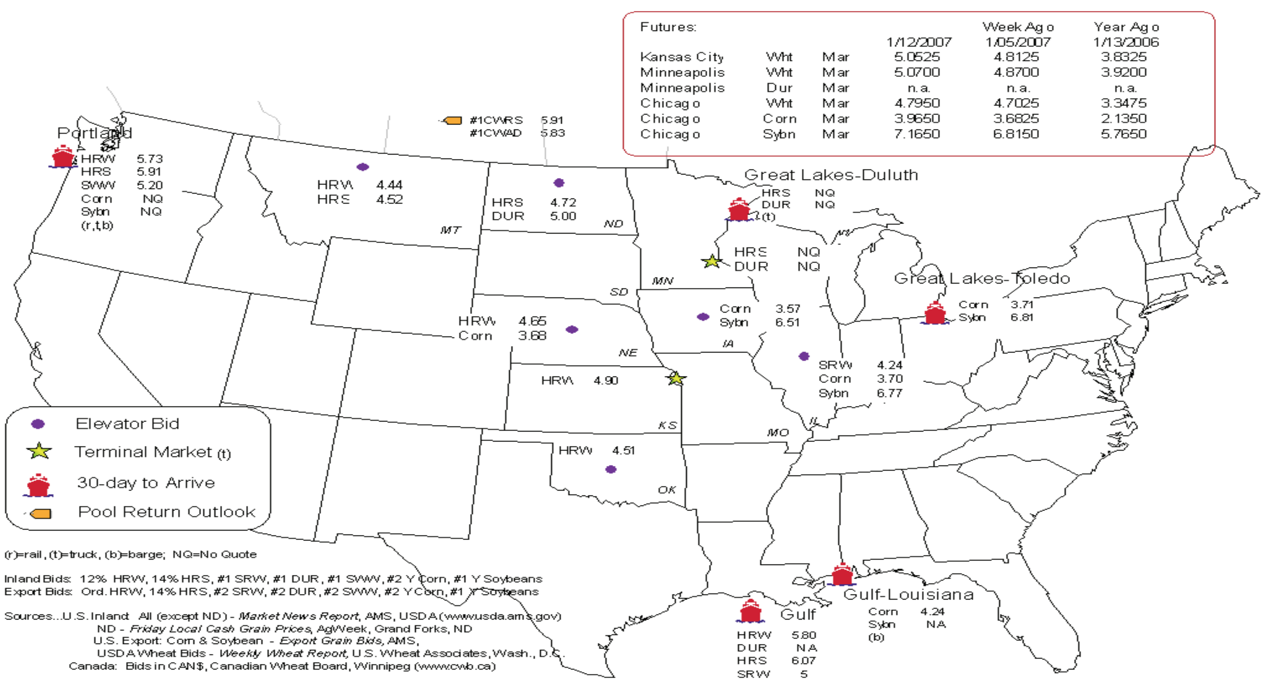
Note: nq = no quote

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)[1]

Week ending	Mississippi Gulf [2]	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
1/10/2007[p]	2,137	1,397	435	5,064	962	9,995
1/3/2007[r]	1,656	2,170	415	4,340	607	9,188
2007 YTD	3,793	3,567	850	9,404	1,569	19,183
2006 YTD	2,550	4,882	952	8,115	1,188	17,687
2007 YTD as % of 2006 YTD	149	73	89	116	132	108
Last 4 weeks as % of 2006 [3]	146	77	71	111	133	105
Last 4 weeks as % of 4-year avg.[3]	n/a	94	54	131	127	n/a
Total 2006	96,593	99,766	45,971	213,682	29,334	485,346
Total 2005	50,677	99,864	60,879	223,328	15,752	450,500

[1] Data is incomplete as it is voluntarily provided; [2] Mississippi Gulf data back to January, 2004 from several new sources has been added resulting in large increases in the numbers reported; [3] Compared with same 4-weeks in 2006 and prior 4-year average.

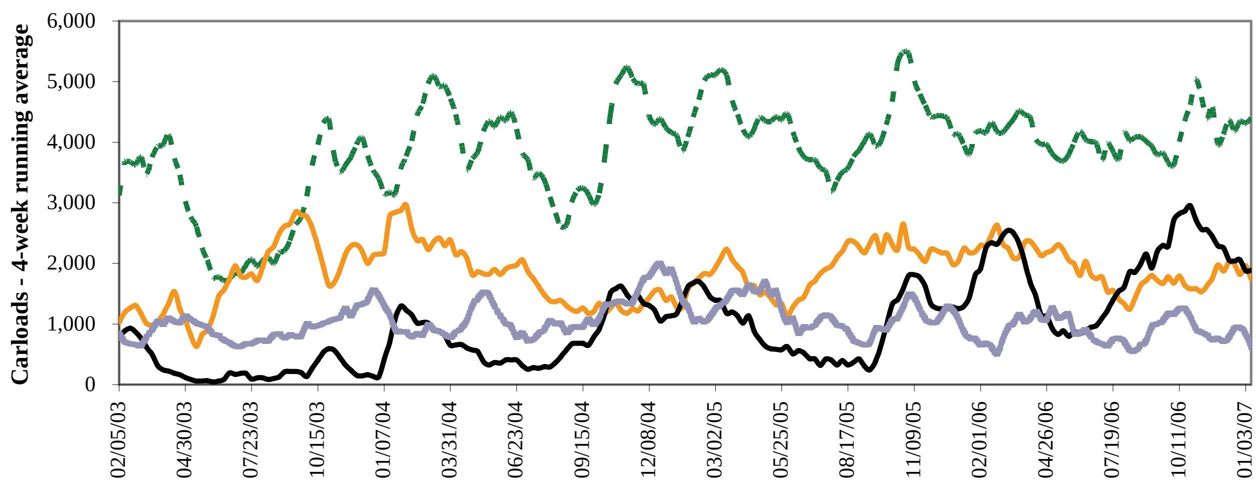
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 33 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



Pacific Northwest: 4 Wks. ending 1/10-- up 11% from same period last year; up 31% from 4-year average

Texas Gulf: 1/10 -- down 23% from same period last year; down 6% from 4-year average

Miss. River: 1/10 -- up 46% from same period last year; 4-year average not available

Cross-border Mexico: 1/10 -- down 29% from same period last year; down 46% from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 4

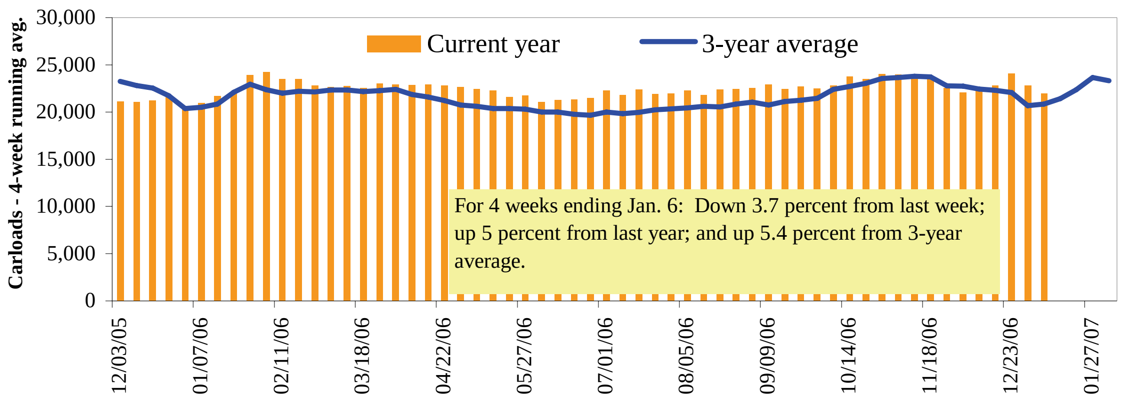
Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
01/06/07	3,163	3,138	9,469	610	4,463	20,843	5,211	4,343
This week last year	3,161	3,567	9,422	693	5,802	22,645	4,472	3,380
2007 YTD	3,163	3,138	9,469	610	4,463	20,843	5,211	4,343
2006 YTD	3,161	3,567	9,422	693	5,802	22,645	4,472	3,380
2007 YTD as % of 2006 YTD	100	88	100	88	77	92	117	128
Last 4 weeks as % of 2006[1]	111	100	107	110	100	105	122	114
Last 4 weeks as % of 3-yr avg.[1]	114	102	109	110	96	105	120	118
Total 2006	164,056	168,819	515,102	28,629	301,197	1,177,803	258,932	238,765

[1]As a percent of the same period in 2005 and the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

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



Source: Association of American Railroads

Table 5

Rail Car Auction Offerings[1] ($/car)[2]

Week ending	Delivery period							
1/13/2007	**Jan-07**	**Jan-06**	**Feb-07**	**Feb-06**	**Mar-07**	**Mar-06**	**Apr-07**	**Apr-06**
BNSF[3]								
COT grain units	no offer	n/a	no bids	no offer	no bids	no offer	no bids	21
COT grain single-car[5]	no offer	n/a	0	n/a	$0	n/a	no bids	n/a
UP[4]								
GCAS/Region 1	no offer	n/a	no bid	no offer	no bid	90	no offer	no offer
GCAS/Region 2	no offer	n/a	no bid	no offer	no bid	139	no offer	no offer

[1]Auction offerings are for single-car and unit train shipments only.

[2]Average premium/discount to tariff, last auction

[3]BNSF - COT = Certificate of Transportation; N. grain and S. grain bids were combined effective the week ending 6/24/06.

[4]UP - 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.

[5]Range is shown because average is not available. Not available = n/a.

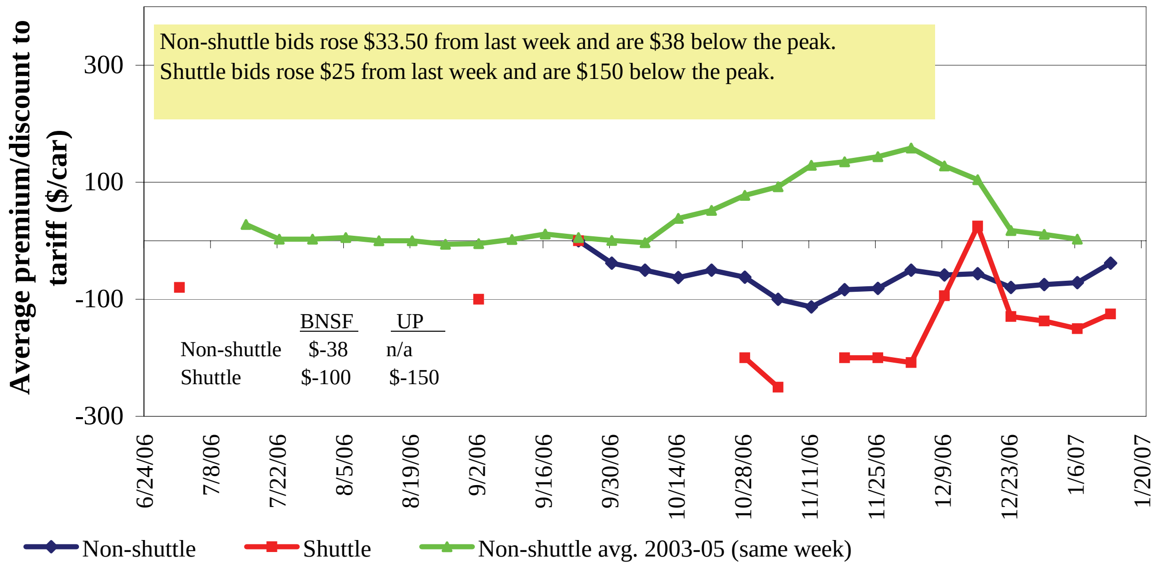
Source: Transportation & Marketing Programs/AMS/USDA. n/a = not applicable

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

Bids/Offers for Railcars to be Delivered in January 2007, Secondary Market



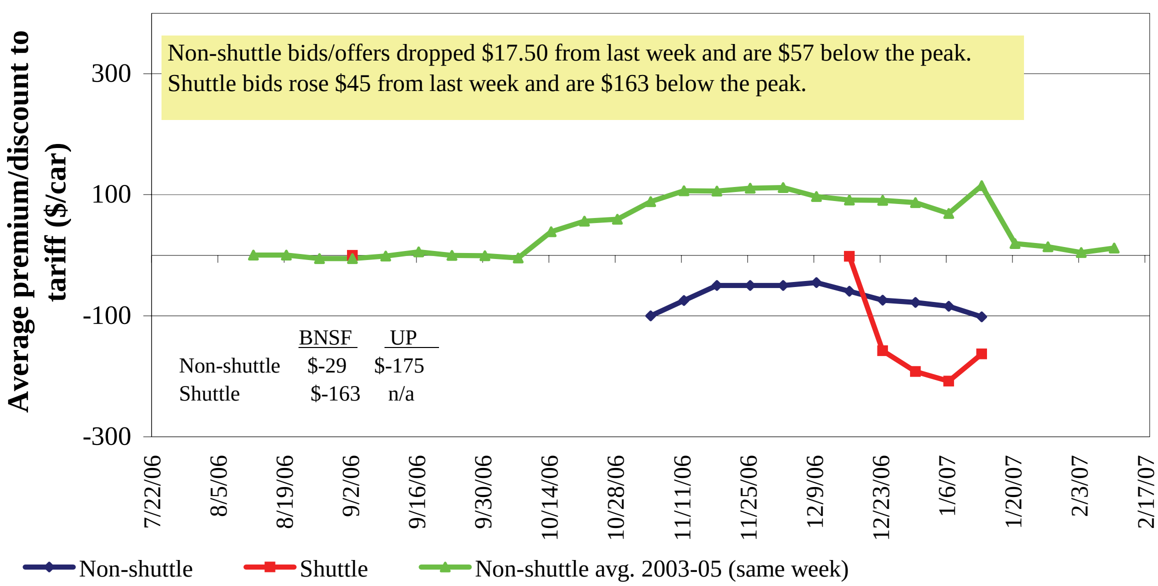
Non-shuttle bids include unit-train and single-car bids.

Excluded 2006 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in February 2007, Secondary Market

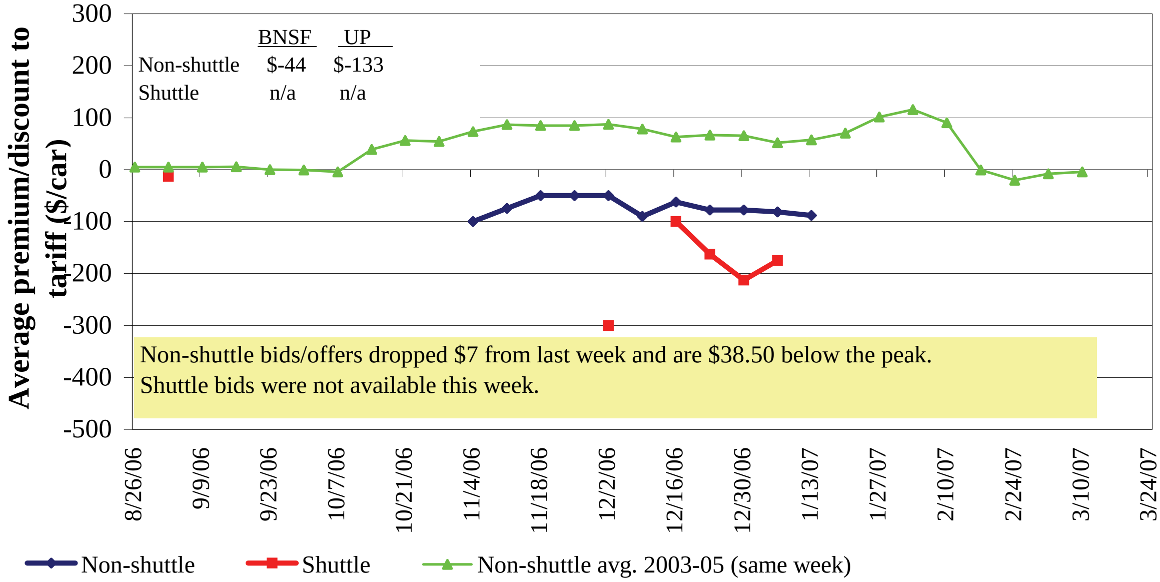


Non-shuttle bids include unit-train and single-car bids.

Excluded 2006 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6
Bids/Offers for Railcars to be Delivered in March 2007, Secondary Market



Non-shuttle bids include unit-train and single-car bids.

Excluded 2006 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

Source: Transportation & Marketing Programs/AMS/USDA

Table 6
Weekly Secondary Rail Car Market ($/car)[1]

Week ending	Delivery period					
1/13/2007	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07
Non-shuttle						
BNSF-GF	-38	-29	-44	0	0	0
Change from last week	-70	-10	-25	n/a	n/a	n/a
Change from same week 2006	n/a	-37	-63	25	25	-8
UP-Pool	n/a	-175	-133	-100	n/a	n/a
Change from last week	n/a	-25	11	0	n/a	n/a
Change from same week 2006	n/a	-194	-133	-100	n/a	n/a
Shuttle[2]						
BNSF-GF	-100	-163	n/a	n/a	n/a	n/a
Change from last week	56	45	n/a	n/a	n/a	n/a
Change from same week 2006	n/a	n/a	n/a	n/a	n/a	n/a
UP-Pool	-150	n/a	n/a	n/a	n/a	n/a
Change from last week	-6	n/a	n/a	n/a	n/a	n/a
Change from same week 2006	n/a	n/a	n/a	n/a	n/a	n/a

[1]Average premium/discount to tariff, $/car-last week

[2]Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
Missing value = n/a; 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[1]

Effective date: 1/8/2007	Origin region	Destination region	Rate/car	As % of same month last year	Rate per metric ton	Rate per bushel[2]
Unit train[1]						
Wheat	Chicago, IL	Albany, NY	$2,175	117	$23.97	$0.65
	Kansas City, MO	Galveston, TX	$2,120	105	$23.37	$0.64
	South Central, KS	Galveston, TX	$2,650	108	$29.21	$0.80
	Minneapolis, MN	Houston, TX	$3,020	125	$33.29	$0.91
	St. Louis, MO	Houston, TX	$2,560	108	$28.22	$0.77
	South Central, ND	Houston, TX	$4,349	102	$47.94	$1.30
	Minneapolis, MN	Portland, OR	$3,840	97	$42.33	$1.15
	South Central, ND	Portland, OR	$3,840	97	$42.33	$1.15
	Northwest, KS	Portland, OR	$4,590	102	$50.60	$1.38
	Chicago, IL	Richmond, VA	$2,383	110	$26.27	$0.71
Corn	Chicago, IL	Baton Rouge, LA	$2,810	108	$30.97	$0.79
	Council Bluffs, IA	Baton Rouge, LA	$2,670	108	$29.43	$0.75
	Kansas City, MO	Dalhart, TX	$2,904	123	$32.01	$0.81
	Minneapolis, MN	Portland, OR	$4,050	129	$44.64	$1.13
	Evansville, IN	Raleigh, NC	$2,231	114	$24.59	$0.62
	Columbus, OH	Raleigh, NC	$2,120	115	$23.37	$0.59
	Council Bluffs, IA	Stockton, CA	$5,060	140	$55.78	$1.42
Soybeans	Chicago, IL	Baton Rouge, LA	$2,855	108	$31.47	$0.86
	Council Bluffs, IA	Baton Rouge, LA	$2,715	108	$29.93	$0.81
	Minneapolis, MN	Portland, OR	$3,960	110	$43.65	$1.19
	Evansville, IN	Raleigh, NC	$2,231	114	$24.59	$0.67
	Chicago, IL	Raleigh, NC	$2,831	111	$31.21	$0.85
Shuttle Train						
Wheat	St. Louis, MO	Houston, TX	$1,920	105	$21.16	$0.58
	Minneapolis, MN	Portland, OR	$3,540	94	$39.02	$1.06
Corn	Fremont, NE	Houston, TX	$2,268	98	$25.00	$0.64
	Minneapolis, MN	Portland, OR	$3,168	105	$34.92	$0.89
Soybeans	Council Bluffs, IA	Houston, TX	$2,412	100	$26.59	$0.72
	Minneapolis, MN	Portland, OR	$3,303	104	$36.41	$0.99

[1]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.

[2]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 U.S.-Mexico Border Crossings

Effective date: 1/08/07							
Commodity	**Origin state**	**Border crossing region**	**Train size**[1]	**Tariff rate**[2]	**As % of same month last year**	**Rate per metric ton**	**Rate per bushel**[3]
Wheat	KS	Brownsville, TX	Shuttle	$2,959	104	$30.23	$0.82
	ND	Eagle Pass, TX	Unit	$4,545	111	$46.44	$1.26
	OK	El Paso, TX	Shuttle	$2,235	100	$22.84	$0.62
	OK	El Paso, TX	Unit	$2,540	104	$25.95	$0.71
	AR	Laredo, TX	Unit	$2,600	109	$26.57	$0.72
	IL	Laredo, TX	Unit	$3,405	107	$34.79	$0.95
	MT	Laredo, TX	Shuttle	$3,980	100	$40.67	$1.11
	TX	Laredo, TX	Shuttle	$2,274	105	$23.23	$0.63
	MO	Laredo, TX	Shuttle	$2,840	104	$29.02	$0.79
	WI	Laredo, TX	Unit	$3,623	106	$37.02	$1.01
Corn	NE	Brownsville, TX	Shuttle	$3,761	106	$38.43	$0.98
	NE	Brownsville, TX	Unit	$4,001\ [4]	110	$40.88	$1.04
	IA	Eagle Pass, TX	Unit	$3,991	106	$40.78	$1.03
	MO	Eagle Pass, TX	Shuttle	$3,850\ [4]	127	$39.34	$1.00
	NE	Eagle Pass, TX	Shuttle	$4,250\ [4]	118	$41.52	$1.05
	IA	Laredo, TX	Shuttle	$3,915	106	$40.00	$1.02
Soybean	IA	Brownsville, TX	Shuttle	$3,537	107	$36.14	$0.98
	MN	Brownsville, TX	Shuttle	$3,718	103	$37.99	$1.03
	NE	Brownsville, TX	Shuttle	$3,345	107	$34.18	$0.93
	NE	Eagle Pass, TX	Shuttle	$3,422	107	$34.96	$0.95
	IA	Laredo, TX	Unit	$3,575	106	$36.53	$0.99

[1]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.

[2]Rates are based upon published tariff rates for high-capacity rail cars.

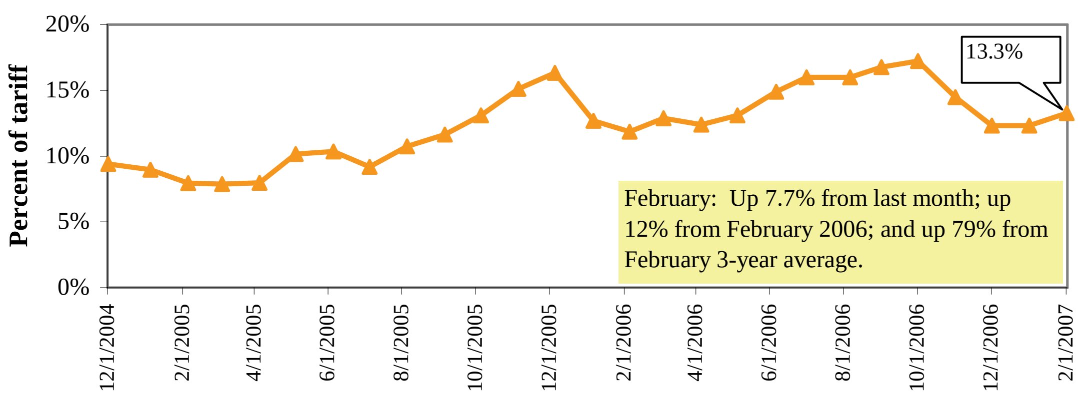
[3]Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[4]High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average[1]



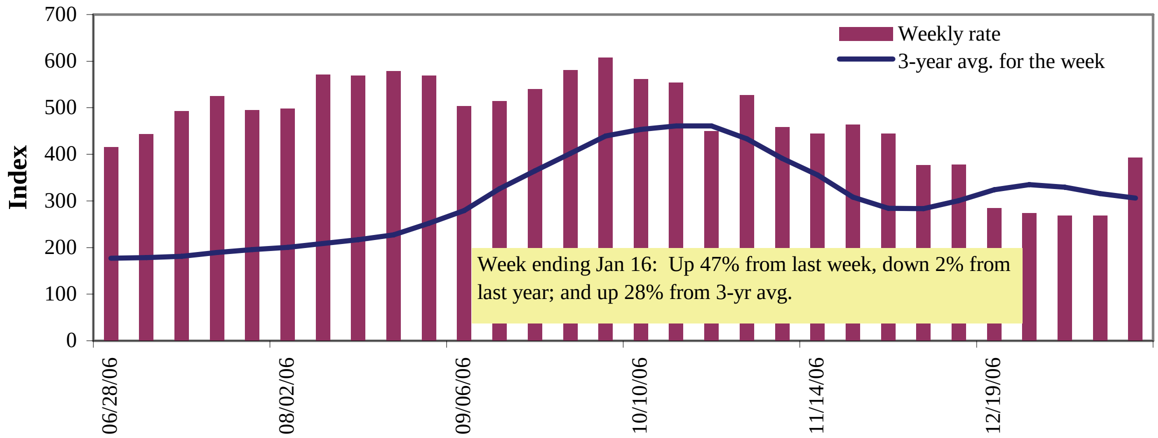
[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.

Sources: www.bnsf.com, www.cn.ca, www8.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Rate Index - Quotes[1,2]



[1] Index = percent of tariff rate; [2]4-week moving average for the 3-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Rate Quotes: Southbound Barge Freight

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Index[1]	1/16/2007	n/a	n/a	393	371	352	353	338
	1/9/2007	n/a	n/a	268	223	258	258	214
$/ton	1/16/2007	n/a	n/a	18.24	14.80	16.51	14.26	10.61
	1/9/2007	n/a	n/a	12.44	8.90	12.10	10.42	6.72
Current week % change from the same week:								
	Last year	n/a	n/a	-2	-6	-3	-3	-4
	3-year avg. [2]	n/a	n/a	28	37	31	31	35
Index	February	n/a	n/a	368	332	338	338	301
	April	387	355	345	312	314	314	287

[1]Index = percent of tariff, based on 1976 tariff benchmark rate; [2]4-week moving average.

Source: Transportation & Marketing Programs/AMS/USDA

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 9).

Figure 9

Benchmark tariff rates

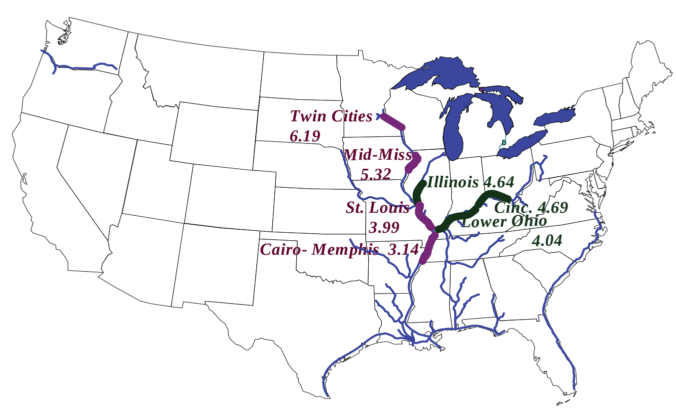
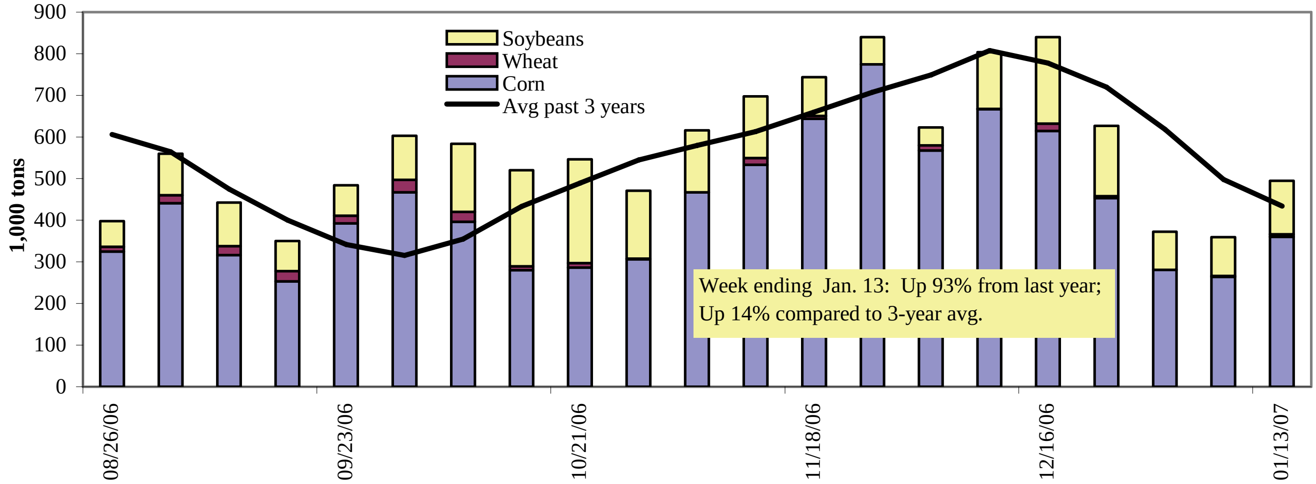


Figure 10

Barge Movements on the Mississippi River[1] (Locks 27 - Granite City, IL)



[1] The 3-year average is a 4-week moving average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 10

Barge Grain Movements (1,000 tons)

Week ending 1/13/2007	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	53	3	42	0	98
Alton, IL (L26)	341	6	110	0	457
Granite City, IL (L27)	360	6	129	0	496
Illinois River (L8)	184	3	79	0	265
Ohio River (L52)	144	13	87	10	254
Arkansas River (L1)	0	7	27	2	35
Weekly total - 2007	504	26	243	12	785
Weekly total - 2006	400	19	115	21	555
2007 YTD[1]	799	53	386	23	1,261
2006 YTD	761	39	294	62	1,157
2007 as % of 2006 YTD	105	134	131	37	109
Last 4 weeks as % of 2006[2]	103	92	132	44	108
Total 2006	27,439	1,442	7,733	719	37,332

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

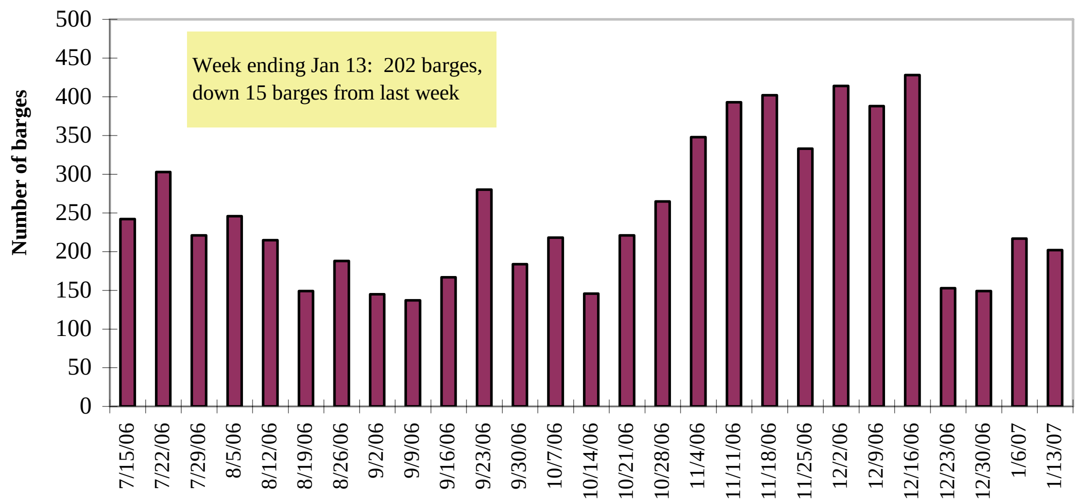
[2] As a percent of same period in 2006.

Note: Total may not add exactly, due to rounding

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

Figure 11

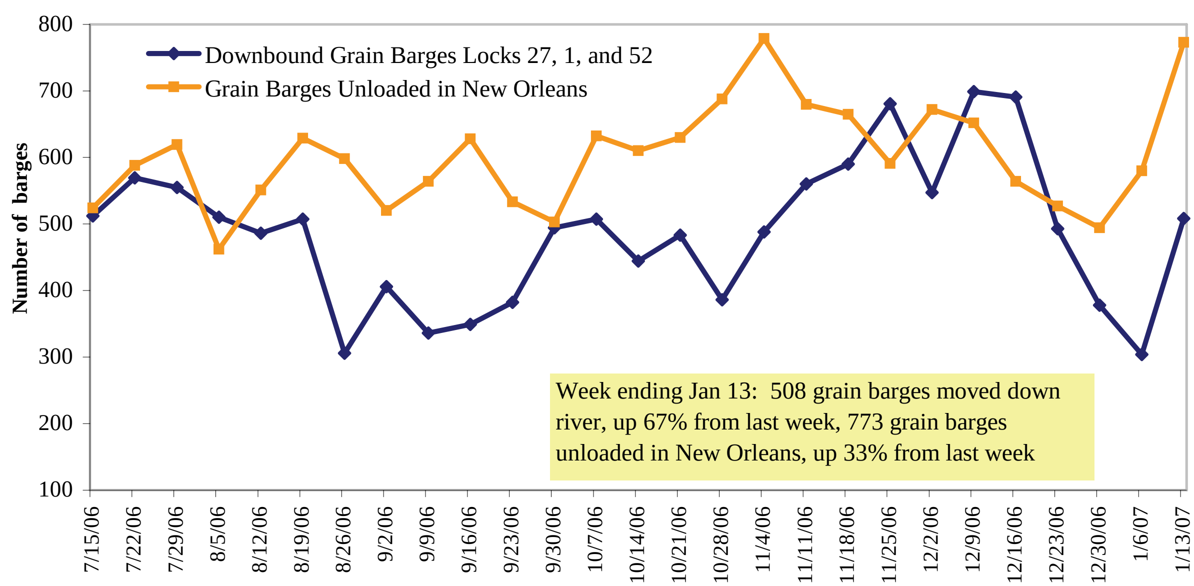
Upbound Empty Barges Transiting Mississippi River Lock 27



Source: Army Corps of Engineers

Figure 12

Grain Barges for Export in New Orleans Region



Source: Army Corps of Engineers and GIPSA

Truck Transportation

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 11

Retail on-Highway Diesel Prices[1], Week Ending 1/15/07 (US$/gallon)

			Change from	
Region	**Location**	**Price**	**Week ago**	**Year ago**
I	East Coast	2.437	-0.083	-0.052
	New England	2.622	-0.050	-0.041
	Central Atlantic	2.559	-0.074	-0.046
	Lower Atlantic	2.368	-0.090	-0.056
II	Midwest[1]	2.408	-0.075	0.000
III	Gulf Coast[2]	2.391	-0.068	-0.024
IV	Rocky Mountain	2.625	-0.057	0.214
V	West Coast	2.749	-0.075	0.184
	California	2.773	-0.083	0.170
Total	U.S.	2.463	-0.074	0.014

[1]Diesel fuel prices include all taxes.

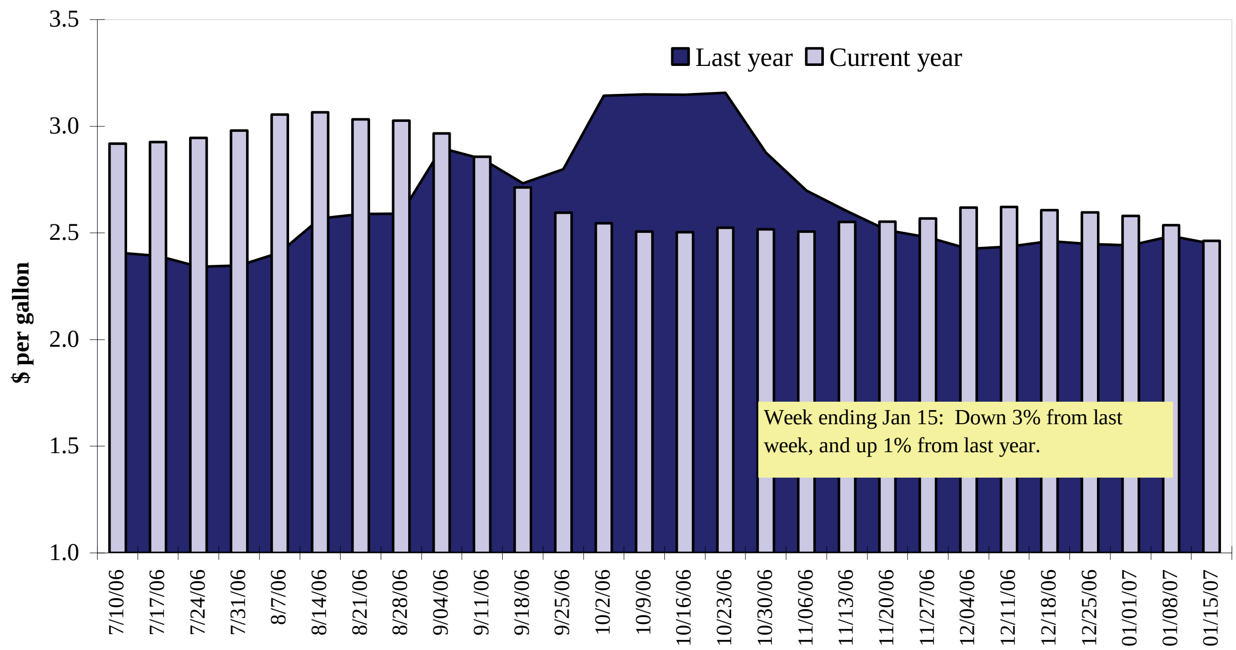
[2]Same as North Central

[3]Same as South Central

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

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending[1]	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances									
1/4/2007	1,334	512	1,132	963	86	4,028	11,827	6,918	22,773
This week year ago	2,413	337	1,003	657	84	4,494	5,905	4,149	14,548
Cumulative exports-crop year [2]									
2006/07 YTD	3,544	2,071	3,869	2,875	534	12,893	19,724	13,591	46,208
2005/06 YTD	6,701	1,277	4,935	2,607	509	16,029	16,696	11,287	44,012
YTD 2006/07 as % of 2005/06	53	162	78	110	105	80	118	120	105
Last 4 wks as % of same period 2005/06	60	173	120	148	331	95	195	161	154
2005/06 Total	10,459	2,037	7,244	4,159	930	24,828	54,354	25,570	104,752
2004/05 Total	9,407	3,217	8,083	4,773	686	26,166	44,953	29,878	100,997

[1] Current unshipped export sales to date

[2] Shipped export sales to date, new crop year now in efect for wheat, corn, and soybeans

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

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

Table 13

Top 5 Importers[1] of U.S. Corn

Week ending 01/04/07	**Total Commitments[2]**		**% change**	**Exports[3]**
	2006/07	**2005/06**	**current CY**	
Crop Year (CY)	**Current CY**	**Last CY**	**from last CY**	**2005/06**
	- 1,000 mt -			- 1,000 mt -
Japan [4]	8,514	7,616	12	16,474
Mexico	5,507	3,102	78	6,653
Korea	2,335	1,240	88	5,573
Taiwan	2,575	2,405	7	4,951
Egypt	1,615	1,530	6	4,298
Top 5 importers	**20,546**	**15,892**	**29**	**37,949**
Total US corn export sales [5]	**31,552**	**22,601**	**40**	
Top 5 importers' share of U.S. corn export sales	65%	70%		
USDA forecast, Jan. 2007	**57,150**	**54,610**	**5**	
Corn Use for Ethanol USDA forecast, Jan. 2007	**54,610**	**40,640**	**34**	

(n) indicates negative number.

[1] Based on FAS 2005/06 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Sep 1 - Aug 31.

[2] Cumulative Exports (shipped) + Outstanding Sales (unshipped); FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

[4] Not included - FAS Daily Press Release: Corn Export Sales to Japan on 1/11: 113,792 mt for 2006/07.

[5] Not included - FAS Daily Press Release: Corn Export Sales to Unknown on 1/10: 28,800 mt for 2006/07; 116,200 mt for 2007/2008.

Table 14

Top 5 Importers[1] of U.S. Soybeans

Week ending 01/04/07	Total Commitments[2]		% change	Exports[3]
	2006/07	2005/06	current CY	
Crop Year (CY)	Current CY	Last CY	from last CY	2005/06
	- 1,000 mt -			- 1,000 mt -
China [4]	8,590	6,280	37	9,706
Mexico	1,720	1,740	(1)	3,594
Japan	1,776	1,619	10	3,019
EU-25	2,262	1,264	79	2,123
Taiwan	1,054	893	18	1,850
Top 5 importers	**15,401**	**11,796**	**31**	**20,292**
Total US soybean export sales [5]	**20,509**	**15,436**	**33**	
Top 5 importers' share of U.S. soybean export sales	75%	76%		
USDA forecast, Jan. 2007	**31,160**	**25,800**	**21**	

(n) indicates negative number.

[1]Based on FAS 2005/06 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped).

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

[4] Not included - FAS Daily Press Release: Soybean Export Sales to China on 1/11: 180,000 mt for 2006/07.

[5] Not included - FAS Daily Press Release: Soybean Export Sales to Unknown on 1/10: 120,000 mt for 2006/07.

Table 15

Top 10 Importers[1] of All U.S. Wheat

Week ending 01/04/07	Total Commitments[2]		% change	Exports[3]
	2006/07	2005/06	current CY	
Crop Year (CY)	Current CY	Last CY	from last CY	2005/06
	- 1,000 mt -			- 1,000 mt -
Nigeria	1,689	2,645	(36)	3,098
Japan	2,340	2,251	4	3,061
Mexico	1,525	1,956	(22)	2,625
Iraq [4]	698	2,134	(67)	1,237
Philippines	1,413	1,365	4	1,878
Egypt	1,510	990	53	1,952
Korea, South	856	842	2	1,191
Venezuela	524	766	(32)	1,085
Taiwan	685	691	(1)	953
Italy	444	640	(31)	748
Top 10 importers	**11,683**	**14,281**	**(18)**	**17,827**
Total US wheat export sales	**16,920**	**20,522**	**(18)**	
Top 10 importers' share of U.S. wheat export sales	69%	70%		
USDA forecast, Jan. 2007	**23,810**	**27,460**	**(13)**	

(n) indicates negative number.

[1]Based on FAS 2005/06 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped); FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

[4] Not included - FAS Daily Press Release: HRW Wheat Export Sales to Iraq on 1/12: 100,000 mt for 2006/07.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Port regions	Week ending 01/11/07	2007 YTD[1]	2006 YTD[1]	2007 YTD as % of 2006 YTD	Last 4-weeks as % of 2006	Last 4-weeks as % of 3-yr. avg.	Total[1] 2006
Pacific Northwest							
Wheat	235	424	316	134	136	118	11,083
Corn	111	175	297	59	60	72	9,492
Soybeans	115	123	87	142	186	105	6,049
Total	**461**	**722**	**700**	**103**	**112**	**100**	**26,624**
Mississippi Gulf							
Wheat	82	140	149	94	119	74	4,124
Corn	714	1,141	1,229	93	99	92	35,462
Soybeans	560	830	820	101	114	91	16,222
Total	**1,356**	**2,111**	**2,198**	**96**	**105**	**90**	**55,808**
Texas Gulf							
Wheat	100	100	437	23	34	38	5,078
Corn	0	26	36	72	365	424	3,055
Soybeans	0	0	8	0	61	133	153
Total	**100**	**126**	**481**	**26**	**56**	**63**	**8,286**
Great Lakes							
Wheat	0	0	3	0	34	46	1,305
Corn	10	10	0	n/a	145	154	1,595
Soybeans	0	0	0	0	102	124	1,010
Total	**10**	**10**	**3**	**369**	**78**	**97**	**3,911**
Atlantic							
Wheat	0	22	10	207	2	244	686
Corn	2	31	32	95	92	164	736
Soybeans	3	4	74	6	31	74	600
Total	**5**	**57**	**116**	**49**	**63**	**74**	**2,022**
U.S. total from ports[2]							
Wheat	417	686	916	75	85	81	22,277
Corn	837	1,383	1,594	87	95	94	50,339
Soybeans	678	957	988	97	119	91	24,034
Total	**1,933**	**3,026**	**3,498**	**87**	**99**	**90**	**96,650**

[1] Includes weekly revisions

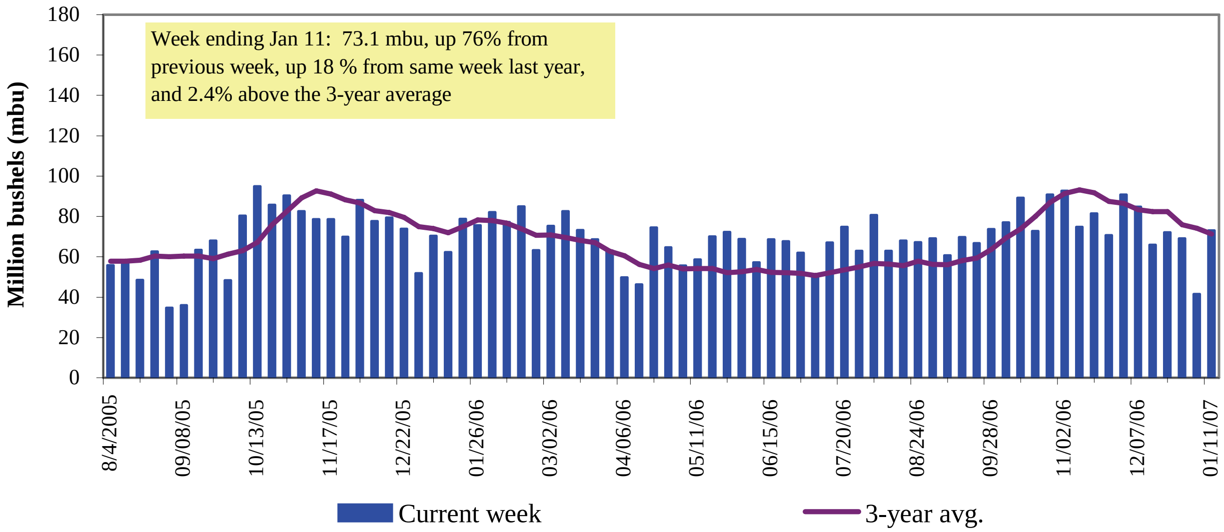
[2] Total includes only port regions shown above

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

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 51 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2006.

Figure 14

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

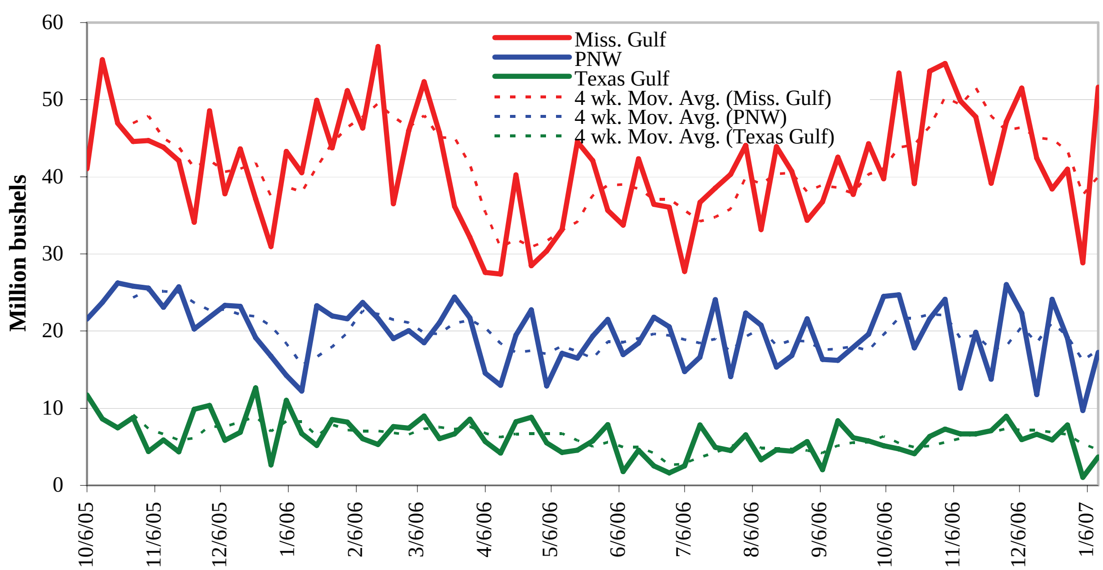


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Note: 3-year average consists of 4-week running average

Figure 15

Weekly U.S. Grain Inspections: U.S. Gulf and PNW (wheat, corn, and soybeans)



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

Jan 11: % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 79	up 259	up 85	up 85
Last year (same week)	up 27	down 45	up 17	up 23
3-yr avg. (4-wk mov. avg)	up 16	down 50	up 7	down 1

Ocean Transportation

Table 17

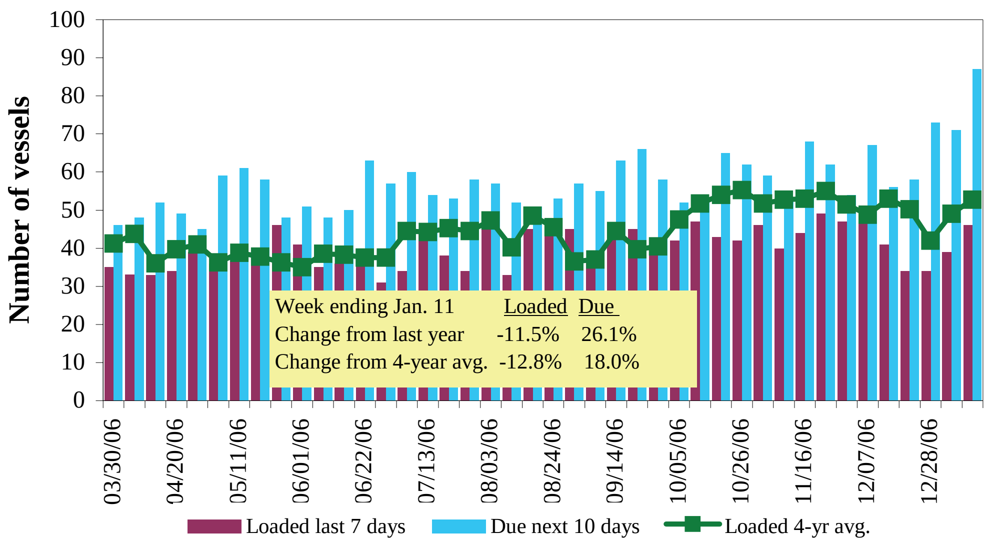
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
1/11/2007	38	46	87	14	10
1/4/2007	38	39	71	12	8
2006 range	(16..40)	(31..56)	(45..81)	(1..17)	(2..13)
2006 avg.	27	42	58	8	7

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

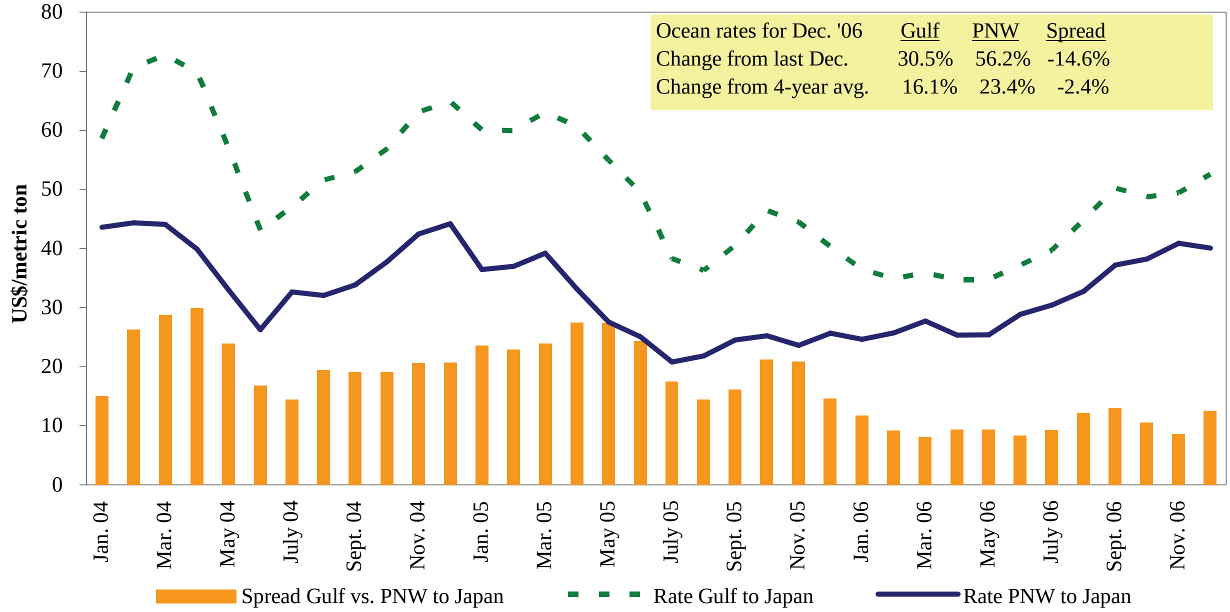
U.S. Gulf[1] Vessel Loading Activity, 2005/06



Source:Transportation & Marketing Programs/AMS/USDA

[1]U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17
Grain Vessel Rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)

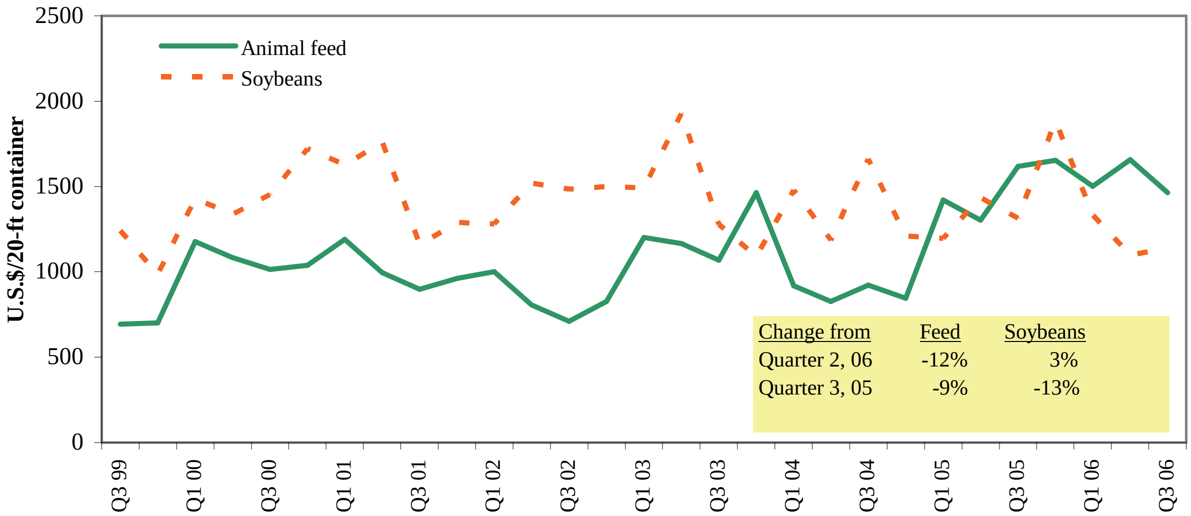
Table 18
Ocean Freight Rates For Selected Shipments, Week Ending 1/13/07

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	Japan	Hvy Grain	Nov1/15	54,000	50.50
U.S. Gulf	Japan	Hvy Grain	Nov1/15	54,000	50.25
U.S. Gulf	Japan	Hvy Grain	Nov 4/11	54,000	49.50
U.S. Gulf	China	Hvy Grain	Nov 15/20	55,000	46.00
U.S. Gulf	China	Hvy Grain	Oct 15/20	55,000	49.00
U.S. Gulf	Egypt	Hvy Grain	Oct 10/20	60,000	33.50
U.S. Gulf	Sudan/Kenya[1]	Sorghum	Nov 6/16	46,530	92.40
U.S. Gulf	Algeria	Maize	Dec 1/2	25,000	35.25
U.S. Gulf	Tunisia	Maize	Jan 5/10	23,000	50.00
St. Lawrence	Morroco	Hvy Grain	Nov 25/Dec 5	25,000	32.00
Romania	Portugal	Hvy Grain	Nov 20/30	20,000	25.00
Canada	China	Barley	Sept 15/25	50,000	39.75
France	India	Grain	Oct 15/30	60,000	26.00
River Plate	Poland	Grain	Jan 20/30	25,000	49.00
River Plate	Algeria	Corn	Nov 2/7	30,000	46.50
River Plate	Algeria	Soybean Meal	Sept 29/30	25,000	52.00
River Plate	Algeria	Corn	Oct 10/18	25,000	47.00

Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option
[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.
Source: Maritime Research Inc. (www.maritime-research.com)

Figure 18

Ocean Rates[1] for Containerized Shipments to Selected Asian Countries



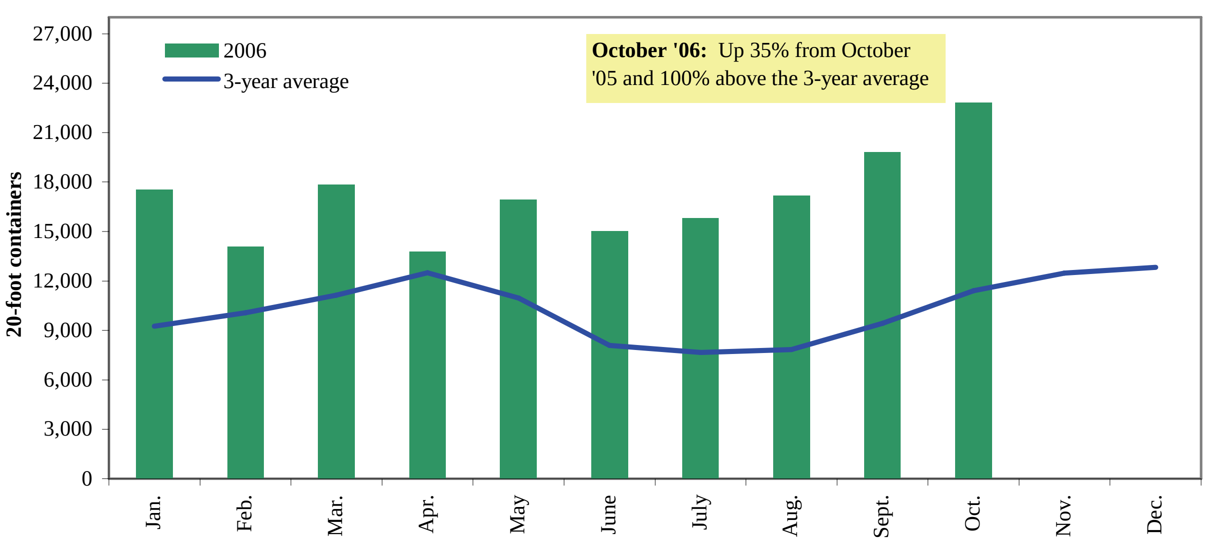
[1]Rates are weighted by shipping line market share and destination country.
Countries include: Animal Feed: Busan-Korea (9%), Kaohsiung-Taiwan (48%), Tokyo-Japan (19%), Hong Kong (13%), Bangkok-Thailand (10%) and soybeans: Busan-Korea (0%), Kaohsiung-Taiwan (98%), Tokyo-Japan (2%)
Source: Ocean Rate Bulletin, Quarter 3, 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 19

Monthly Shipments of Containerized Grain to Asia



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

Specialists

Contact Information

Coordinators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@usda.gov	(202) 690-1328
Ethel Mitchell	ethel.mitchell@usda.gov	(202) 720-1378
Weekly Highlight Editors		
Anetra Harbor	anetra.harbor@usda.gov	(202) 690-1312
Marina Denicoff	marina.denicoff@usda.gov	(202) 720-8264
Grain Transportation Indicators		
Surajudeen (Deen) Olowolayemo	surajudeen.olowolayemo@usda.gov	(202) 690-1328
Rail		
Marvin Prater	marvin.prater@usda.gov	(202) 690-6290
Johnny Hill	johnny.hill@usda.gov	(202) 720-4211
Barge Transportation		
Karl Hacker	karl.hacker@usda.gov	(202) 690-0152
Nicholas Marathon	nick.marathon@usda.gov	(202) 690-0331
April Taylor	april.taylor@usda.gov	(202) 690-1326
Truck Transportation		
Karl Hacker	karl.hacker@usda.gov	(202) 690-0152
Grain Exports		
Johnny Hill	johnny.hill@usda.gov	(202) 720-4211
Marina Denicoff	marina.denicoff@usda.gov	(202) 720-8264
Ocean Transportation		
Surajudeen (Deen) Olowolayemo (Freight rates and vessels)	surajudeen.olowolayemo@usda.gov	(202) 690-1328
April Taylor (Container rates)	april.taylor@usda.gov	(202) 690-1326

Subscription Information: Send relevant information to **GTRContactUs@USDA.gov** for an electronic copy *(printed copies are also available upon request).*

Related Websites

Agricultural Container Indicators http://www.ams.usda.gov/tmd2/agci/
Ocean Rate Bulletin http://www.ams.usda.gov/tmd/Ocean/index.asp