# Grain Transportation Report

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

Contact Us

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**Contents**



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The next release is March 8, '07

## WEEKLY HIGHLIGHTS

### Winter Weather Continues to Hinder Rail and Barge Movements

Weather continues to contribute to lower grain rail deliveries to port, grain carloadings, and barge grain shipments. Grain rail to port deliveries decreased to all locations for the 4 weeks ending February 21, ranging from 5 to 10 percent lower than the previous week. For the 4 weeks ending February 17, **grain rail carloadings** were 1.5 percent lower than the previous week. **Grain barge movements** for the week ending February 24 totaled 290,000 tons, 11 percent lower than last week.

### Grain Inspections Also Decreased

For the week ending February 22, total **inspections of corn, wheat, and soybeans** at major U.S. ports decreased 14.4 percent from the previous week to 2.03 million metric tons (mmt). Inspections decreased 36 percent for corn (.708 mmt) and 8 percent for soybeans (.709 mmt), but increased 23 percent for wheat (.611 mmt).

### Most of the Empty Upbound Barges Transited Through the Ohio River

Icy conditions on the Illinois River contributed to more empty barges moving up the Ohio River in the past several weeks. For the week ending February 24, of the total 370 empty upbound barges, 216 transited through Locks and Dam (L&D) 52 on the Ohio River. Starting with this week's report, total empty **upbound barge** data will include the number of barges transiting Arkansas L&D 1 and Ohio River L&D 52.

### The Federal Railroad Administration (FRA) Denies DM&E Loan

On February 26, the FRA denied the Dakota, Minnesota & Eastern Railroad's (DM&E) application for a $2.3 billion Railroad Rehabilitation and Improvement Financing loan. DM&E proposed to build 280 miles of new rail line into the Powder River Basin and reconstruct 600 miles of existing track in South Dakota and Minnesota. The FRA concluded that the loan posed too great a risk to taxpayers. DM&E hopes to obtain private financing for the project. USDA and agricultural organizations strongly supported the project, expecting it to benefit agriculture.

## Snapshot by Sector

### Barge

In the week ending February 24, 773 barges were **unloaded in New Orleans**, 16 percent lower than last week.

### Ocean

In the week ending February 22, 44 **grain vessels** were loaded in the U.S. Gulf, 6 percent less than the same period last year. Fifty-seven vessels were due within the next 10 days.

### Fuel

During the week ending February 26, average U.S. **diesel fuel prices** increased $.06 to $2.55 per gallon. Prices were 3 percent higher than the same week in 2006.

# Feature Article/Calendar

**Ocean Freight Rates Continue to Increase.** Ocean freight rates for shipping grain through all the major grain routes continued to increase during the 4th quarter, 2006, but at a slower rate. The ocean rate for shipping grain to Japan through the U.S. Gulf was $50.24 per metric ton (mt), a 12 percent increase from the 3rd quarter and a 15 percent increase from the same period a year ago (table below). The rate for shipping grain from the Pacific Northwest (PNW) to Japan was $39.72 per mt, 19 percent higher than the previous quarter and 60 percent higher than the same period last year. It cost $29.60 per mt to ship grain from the Gulf to Rotterdam (Transatlantic), 10 percent more than the previous quarter and 30 percent more than a year earlier. The spread between the Gulf and PNW rates was $10.52 per mt (figure below), 8 percent lower than the 3rd quarter and 44 percent lower than the same period a year ago.

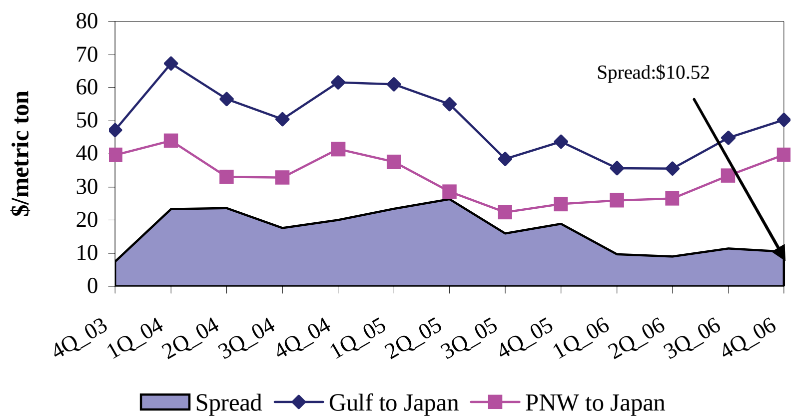
**Ocean freight rates for grain, 4th quarter 2006**

| Route | Oct. | Nov. | Dec. | 4th quarter 2006 | Change from 3rd qtr '06 | Change from 4th qtr '05 |
|---|---|---|---|---|---|---|
| | | --$/mt-- | | --$/mt-- | Percent | |
| U.S. Gulf to Japan | 48.74 | 49.44 | 52.54 | 50.24 | 12 | 15 |
| PNW to Japan | 38.23 | 40.87 | 40.07 | 39.72 | 19 | 60 |
| U.S. Gulf to Rotterdam | 28.19 | 28.48 | 32.13 | 29.60 | 10 | 30 |
| Spread (Gulf-PNW) | 10.51 | 8.57 | 12.47 | 10.52 | -8 | -44 |

Source: The Baltic Exchange

Cold weather forecasts bolstered coal trade in the northern hemisphere during October. However, monthly rates for the Gulf and Transatlantic routes were lower than September due to the various international holidays during October. The PNW rate held steady. Rates began to climb slowly during November because of port congestion in Newcastle, Australia. Queues up to 50 vessels long waited to load or unload. Gulf and Transatlantic rates increased further during December. Strong activity was reported in the U.S. Gulf, where total grain inspections were up 5 percent in December compared to the same period last year.

**Grain vessel rates and spread, U.S. to Japan**




Source: The Baltic Exchange

Ocean rates increased at a slower pace during the 4th quarter compared to the 3rd quarter due to expectations of slower growth in demand and a rise in new vessel deliveries. However, port congestion in Australia, the onset of the holiday season, and China's increased steel production and early settlement of iron ore price all contributed to the fluctuation and uncertainty in the bulk freight market towards the end of the year. www.drewry.co.uk, Surajudeen.Olowolayemo@USDA.gov

# Grain Transportation Indicators

Table 1

## Grain Transport Cost Indicators[1]

| Week ending | Truck | Rail[2] | Barge | Ocean[3] Gulf | Ocean[3] Pacific |
|---|---|---|---|---|---|
| 02/28/07 | 171 | -21 | 178 | n/a | n/a |
| 02/21/07 | 167 | 50 | 202 | 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.

[3]Data for these routes has been suspended by the Baltic Exchange, Inc. Alternate sources of data are currently being explored

## Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

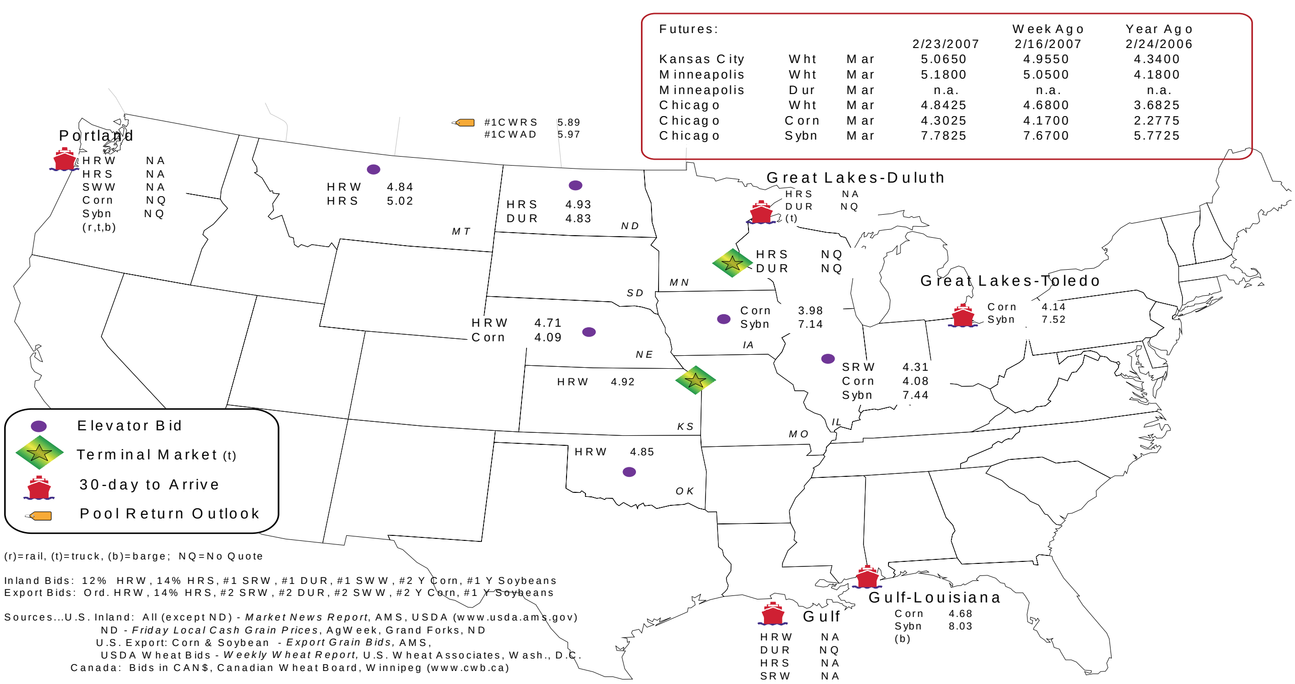
| Commodity | Origin--Destination | 2/23/2007 | 2/16/2007 |
|---|---|---|---|
| Corn | IL--Gulf | -0.60 | -0.60 |
| Corn | NE--Gulf | -0.59 | -0.62 |
| Soybean | IA--Gulf | -0.89 | -0.97 |
| HRW | KS--Gulf | n/a | -0.97 |
| HRS | ND--Portland | n/a | -1.47 |

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)**[1]

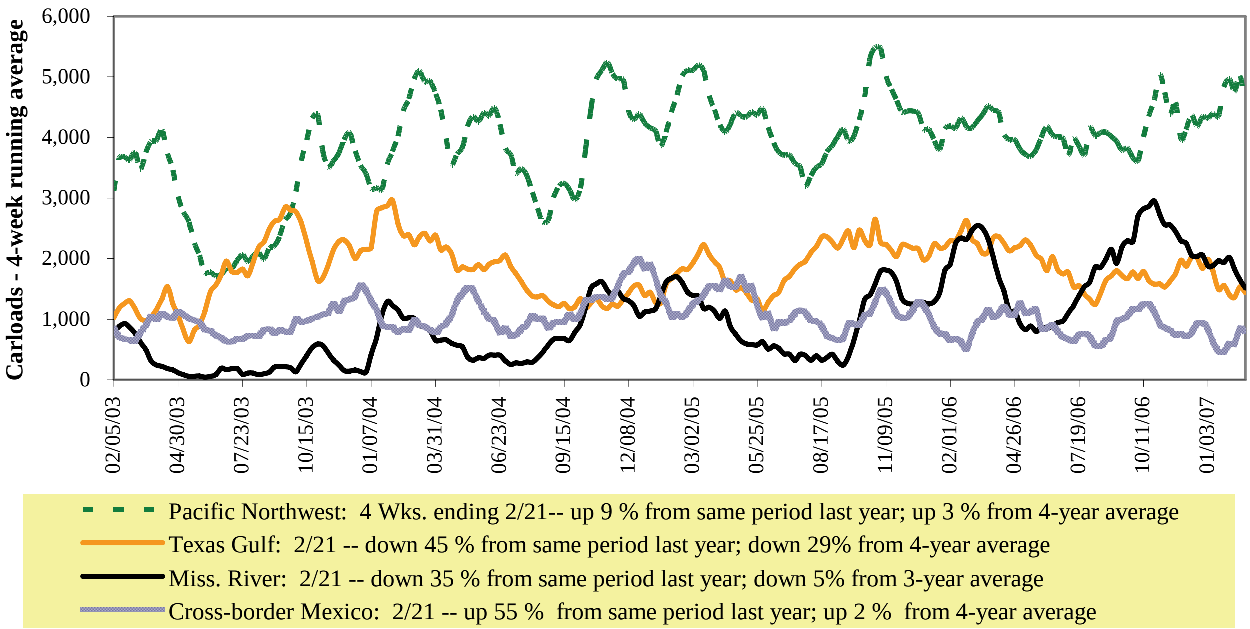
| Week ending | Mississippi Gulf [2] | Texas Gulf | Cross-Border Mexico | Pacific Northwest | Atlantic & East Gulf | Total |
|---|---|---|---|---|---|---|
| 2/21/2007[p] | 1,063 | 1,383 | 446 | 3,507 | 373 | 6,772 |
| 2/14//2007[r] | 1,628 | 1,492 | 1,373 | 5,571 | 652 | 10,716 |
| 2007 YTD | 13,799 | 11,977 | 5,049 | 37,477 | 4,777 | 73,079 |
| 2006 YTD | 16,500 | 19,293 | 5,056 | 33,245 | 3,979 | 78,073 |
| 2007 YTD as % of 2006 YTD | 84 | 62 | 100 | 113 | 120 | 94 |
| Last 4 weeks as % of 2006 [3] | 65 | 55 | 155 | 109 | 116 | 87 |
| Last 4 weeks as % of 4-year avg.[3] | 95 | 71 | 102 | 103 | 107 | 90 |
| Total 2006 | 96,593 | 99,866 | 45,971 | 213,682 | 29,334 | 485,446 |
| 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 (Miss. Gulf and Total are 3-year averages).

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

Railroads originate approximately 35 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

Table 4

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

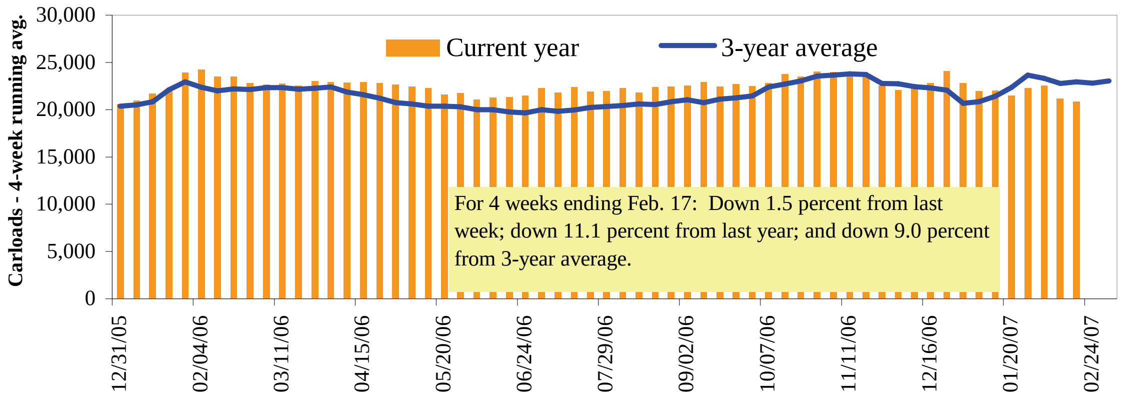
| | East | | West | | | U.S. total | Canada | |
|---|---|---|---|---|---|---|---|---|
| **Week ending** | **CSXT** | **NS** | **BNSF** | **KCS** | **UP** | | **CN** | **CP** |
| 02/17/07 | 2,635 | 2,684 | 10,232 | 695 | 5,217 | 21,463 | 3,388 | 6,062 |
| This week last year | 2,530 | 3,289 | 10,394 | 480 | 6,321 | 23,014 | 4,628 | 5,015 |
| 2007 YTD | 20,352 | 20,854 | 71,396 | 4,414 | 34,715 | 151,731 | 32,386 | 31,902 |
| 2006 YTD | 22,539 | 23,464 | 71,475 | 4,125 | 43,793 | 165,396 | 34,066 | 31,405 |
| 2007 YTD as % of 2006 YTD | 90 | 89 | 100 | 107 | 79 | 92 | 95 | 102 |
| Last 4 weeks as % of 2006[1] | 82 | 85 | 95 | 123 | 81 | 89 | 93 | 107 |
| Last 4 weeks as % of 3-yr avg.[1] | 84 | 84 | 100 | 116 | 81 | 91 | 95 | 123 |
| 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)

Figure 3

## 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 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **2/24/2007** | **Mar-07** | **Mar-06** | **Apr-07** | **Apr-06** | **May-07** | **May-06** | **Jun-07** | **Jun-06** |
| BNSF[3] | | | | | | | | |
| COT grain units | no offer | n/a | no bid | no offer | no bid | 0 | no bid | 0 |
| COT grain single-car[5] | no offer | n/a | no bid | n/a | no bid | n/a | no bid | n/a |
| UP[4] | | | | | | | | |
| GCAS/Region 1 | no bid | n/a | no bid | no bids | no offer | no offer | no offer | no offer |
| GCAS/Region 2 | no bid | n/a | no bid | no bids | no offer | no offer | 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.

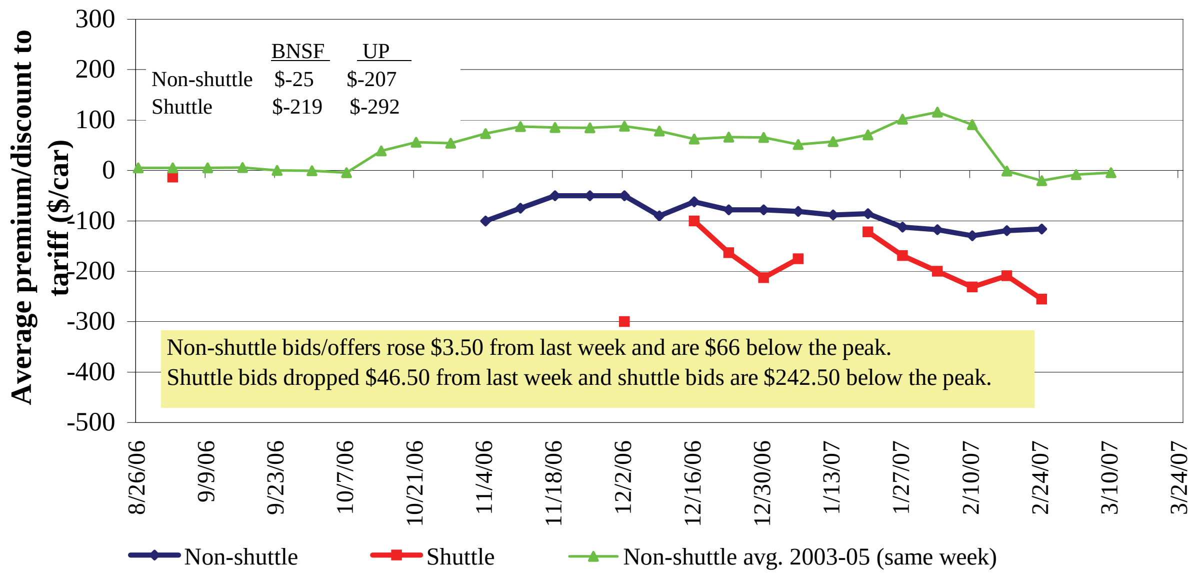
Source: Transportation & Marketing Programs/AMS/USDA. n/a = not applicable

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 March 2007, Secondary Market**



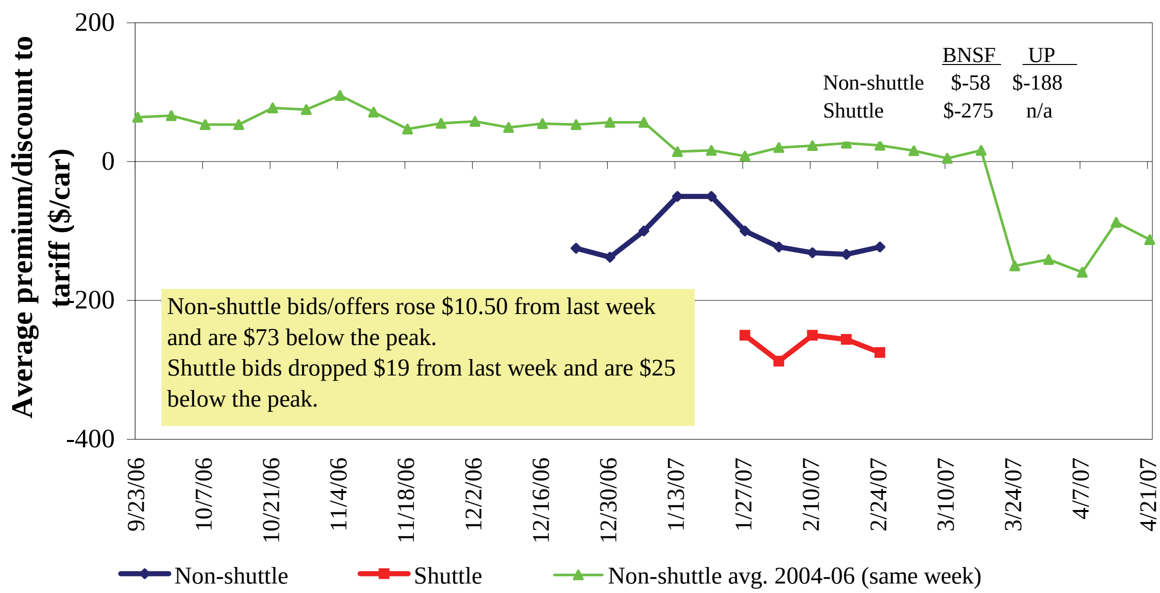

Non-shuttle bids include unit-train and single-car bids.

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

Figure 5

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

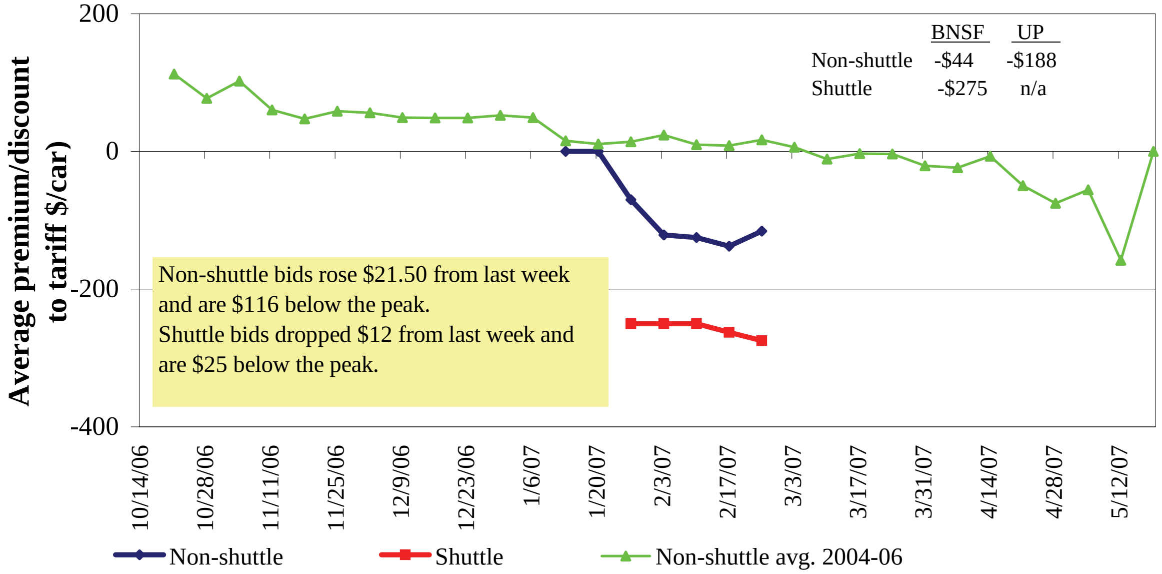



Non-shuttle bids include unit-train and single-car bids.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

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




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

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

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

| Week ending | Delivery period | | | | | |
|---|---|---|---|---|---|---|
| 2/24/2007 | Mar-07 | Apr-07 | May-07 | Jun-07 | Jul-07 | Aug-07 |
| **Non-shuttle** | | | | | | |
| BNSF-GF | -25 | -58 | -44 | -42 | -25 | 0 |
| Change from last week | 20 | 9 | 31 | 3 | -20 | 25 |
| Change from same week 2006 | -41 | -37 | -24 | -36 | -48 | -81 |
| UP-Pool | -207 | -188 | -188 | -167 | -113 | n/a |
| Change from last week | -13 | 12 | 12 | -25 | -13 | n/a |
| Change from same week 2006 | -157 | -138 | -138 | -142 | -100 | n/a |
| **Shuttle**[2] | | | | | | |
| BNSF-GF | -219 | -275 | -275 | -275 | -275 | -150 |
| Change from last week | -1 | -19 | -12 | -75 | -83 | -50 |
| Change from same week 2006 | n/a | n/a | n/a | n/a | n/a | n/a |
| UP-Pool | -292 | n/a | n/a | -200 | n/a | n/a |
| Change from last week | -92 | 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: 2/5/2007 | 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 | $3,749 | 89 | $41.32 | $1.12 |
| | 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 | $3,250 | 104 | $35.82 | $0.91 |
| | 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 | 107 | $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:** 2/05/07 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **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] | 114 | $39.34 | $1.00 |
| | NE | Eagle Pass, TX | Shuttle | $4,250\ [4] | 113 | $43.42 | $1.10 |
| | 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.

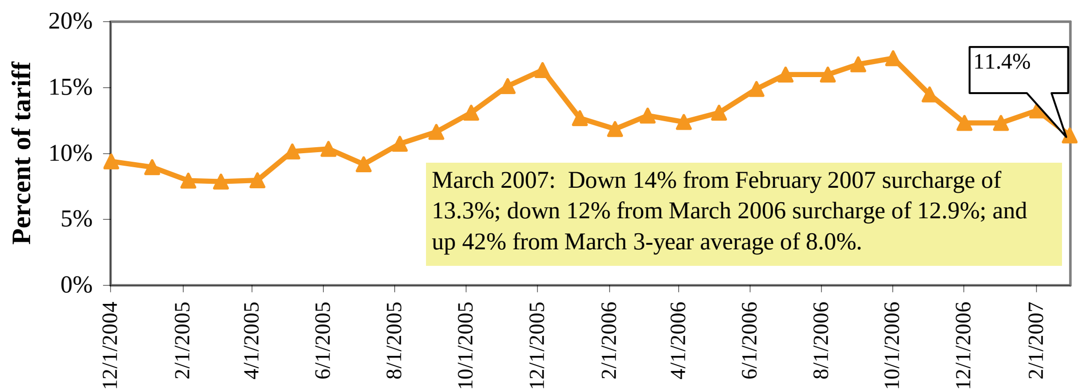
[3]Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[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]



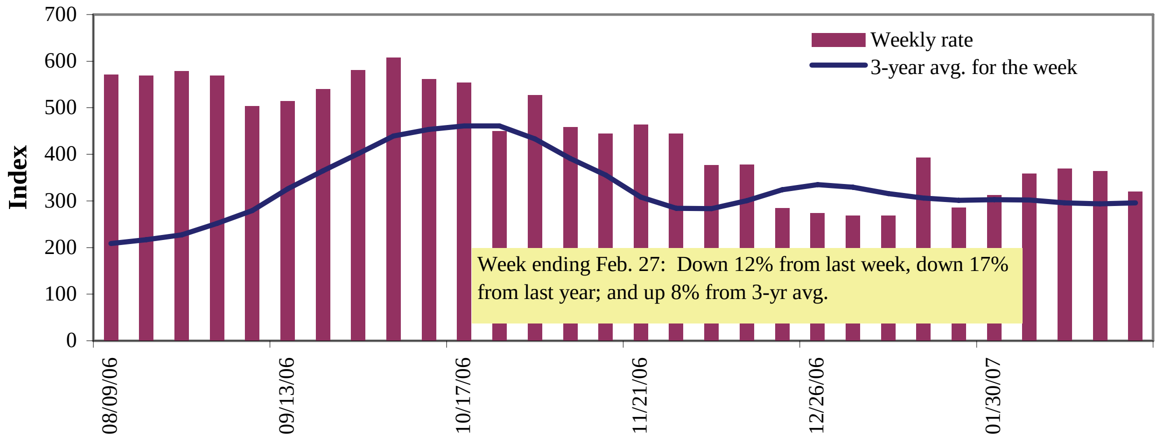

[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.

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]** | 2/27/2007 | n/a | n/a | 320 | 248 | 257 | 257 | 207 |
| | 2/20/2007 | n/a | n/a | 364 | 254 | 251 | 251 | 212 |
| **$/ton** | 2/27/2007 | n/a | n/a | 14.85 | 9.90 | 12.05 | 10.38 | 6.50 |
| | 2/20/2007 | n/a | n/a | 16.89 | 10.13 | 11.77 | 10.14 | 6.66 |
| **Current week % change from the same week:** | | | | | | | | |
| | Last year | n/a | n/a | -17 | -24 | -17 | -17 | -27 |
| | 3-year avg. [2] | n/a | n/a | 8 | -7 | 5 | 5 | -12 |
| **Index** | March | n/a | 336 | 319 | 253 | 260 | 260 | 218 |
| | May | 365 | 324 | 312 | 264 | 263 | 263 | 235 |

[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**

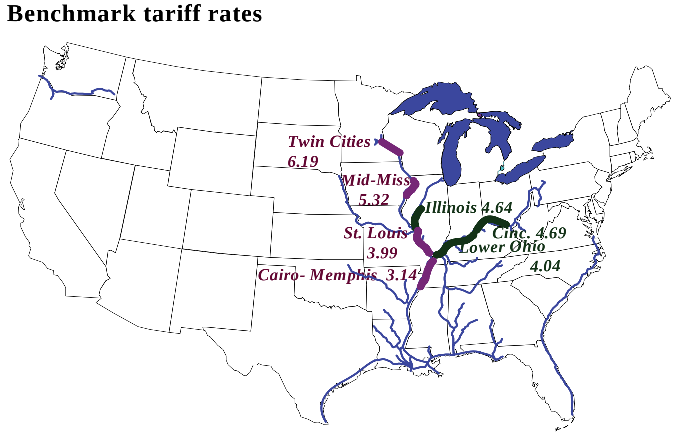
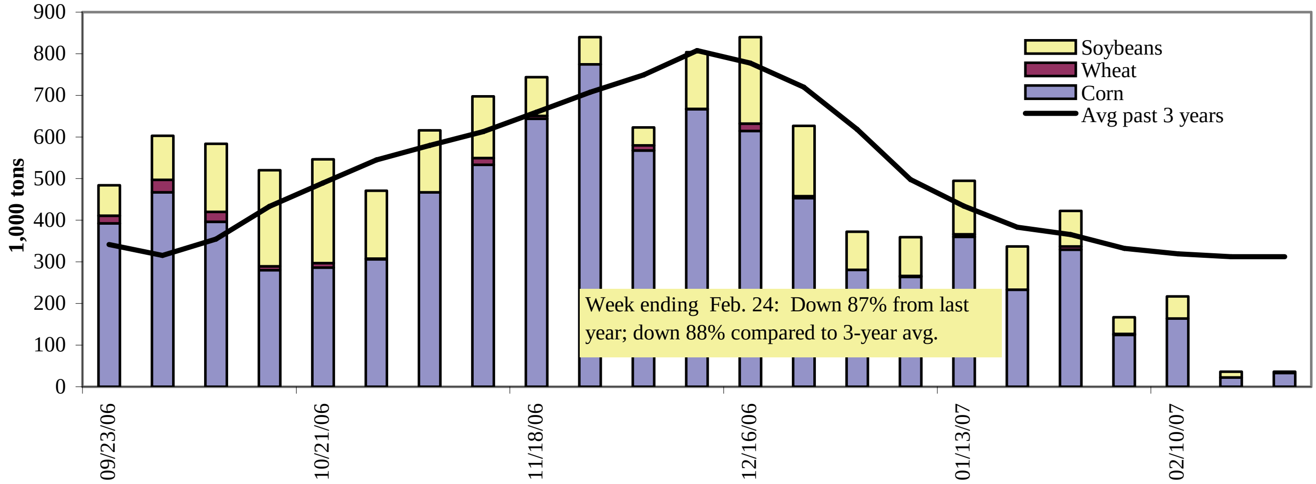


Figure 10

**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 2/24/2007 | Corn | Wheat | Soybeans | Other | Total |
|---|---|---|---|---|---|
| **Mississippi River** | | | | | |
| Rock Island, IL (L15) | 0 | 0 | 0 | 0 | 0 |
| Winfield, MO (L25) | 0 | 0 | 2 | 0 | 2 |
| Alton, IL (L26) | 39 | 2 | 10 | 0 | 50 |
| Granite City, IL (L27) | 33 | 0 | 3 | 0 | 36 |
| **Illinois River (L8)** | 27 | 2 | 11 | 0 | 40 |
| **Ohio River (L52)** | 157 | 7 | 63 | 0 | 227 |
| **Arkansas River (L1)** | 0 | 10 | 15 | 0 | 26 |
| | | | | | |
| Weekly total - 2007 | 191 | 18 | 81 | 0 | 290 |
| Weekly total - 2006 | 345 | 21 | 192 | 21 | 578 |
| 2007 YTD[1] | 2,531 | 127 | 1,223 | 80 | 3,961 |
| 2006 YTD | 3,135 | 166 | 1,189 | 173 | 4,664 |
| 2007 as % of 2006 YTD | 81 | 77 | 103 | 46 | 85 |
| Last 4 weeks as % of 2006[2] | 54 | 69 | 70 | 36 | 58 |
| 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.

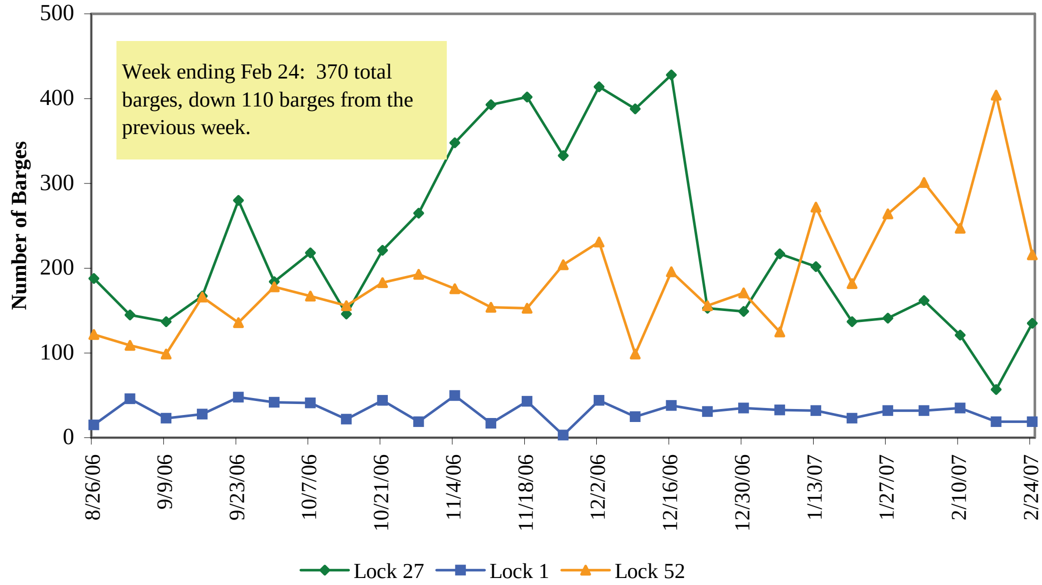
[2] As a percent of same period in 2006.

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

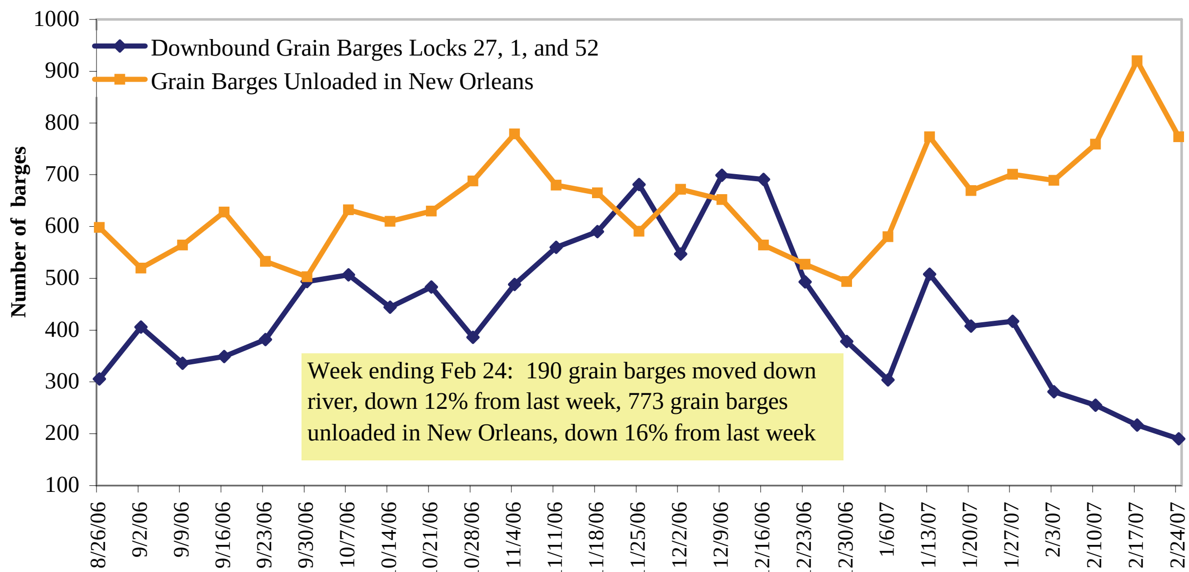
**Upbound Empty Barges Transiting Mississippi River Locks and Dam 27, Arkansas River Locks and Dam 1, and Ohio River Locks and Dam 52**




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 2/26/07 (US$/gallon)**

| | | | Change from | |
|---|---|---|---|---|
| **Region** | **Location** | **Price** | **Week ago** | **Year ago** |
| I | East Coast | 2.526 | 0.047 | 0.033 |
| | New England | 2.650 | 0.014 | 0.057 |
| | Central Atlantic | 2.598 | 0.017 | 0.005 |
| | Lower Atlantic | 2.483 | 0.062 | 0.042 |
| II | Midwest[1] | 2.523 | 0.079 | 0.106 |
| III | Gulf Coast[2] | 2.497 | 0.079 | 0.054 |
| IV | Rocky Mountain | 2.568 | 0.051 | 0.059 |
| V | West Coast | 2.790 | 0.006 | 0.167 |
| | California | 2.911 | 0.010 | 0.223 |
| Total | U.S. | 2.551 | 0.060 | 0.080 |

[1]Diesel fuel prices include all taxes.

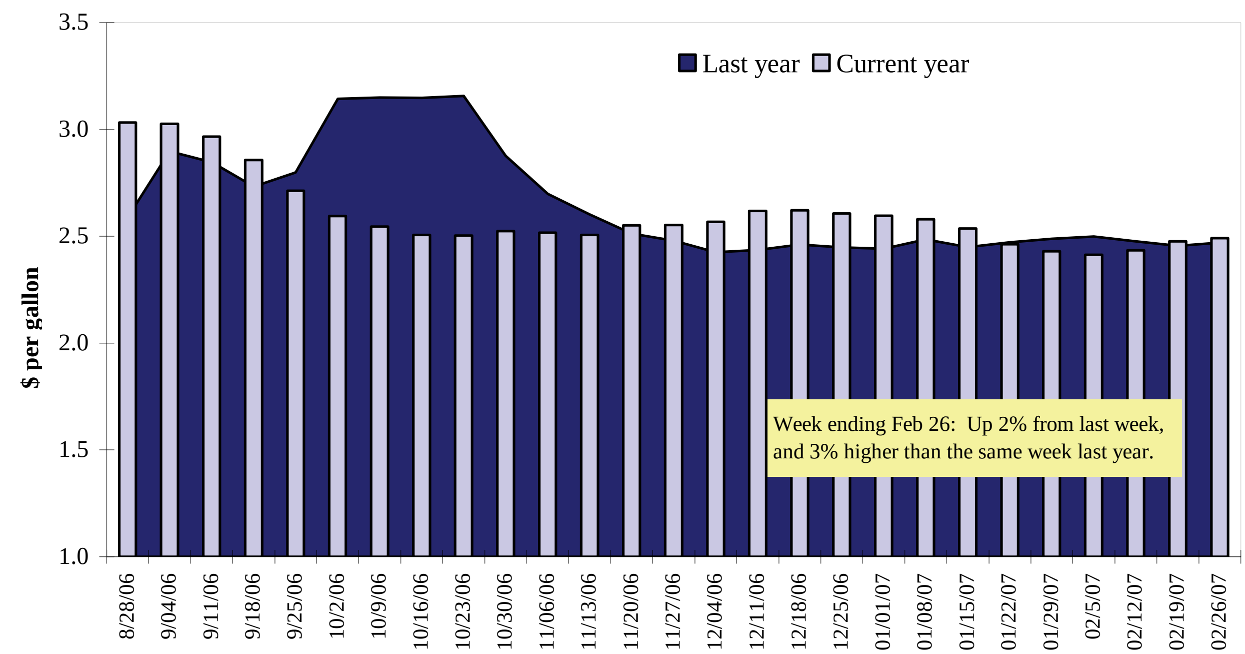
[2]Same as North Central

[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** | | | | | | | | | |
| 2/15/2007 | 1,403 | 729 | 1,126 | 914 | 116 | 4,287 | 11,657 | 5,736 | 21,680 |
| This week year ago | 1,668 | 365 | 1,125 | 709 | 192 | 4,059 | 9,281 | 3,544 | 16,884 |
| **Cumulative exports-crop year [2]** | | | | | | | | | |
| 2006/07 YTD | 4,575 | 2,481 | 4,569 | 3,589 | 596 | 15,809 | 26,233 | 18,959 | 61,001 |
| 2005/06 YTD | 8,121 | 1,518 | 5,661 | 3,130 | 568 | 18,997 | 22,372 | 15,691 | 57,060 |
| YTD 2006/07 as % of 2005/06 | 56 | 163 | 81 | 115 | 105 | 83 | 117 | 121 | 107 |
| Last 4 wks as % of same period 2005/06 | 89 | 184 | 94 | 132 | 57 | 105 | 127 | 177 | 132 |
| 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

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 02/15/07** | **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 | 10,978 | 10,422 | 5 | 16,474 |
| Mexico | 6,868 | 3,972 | 73 | 6,653 |
| Korea | 2,340 | 2,118 | 11 | 5,573 |
| Taiwan | 2,956 | 3,070 | (4) | 4,951 |
| Egypt | 2,003 | 2,168 | (8) | 4,298 |
| **Top 5 importers** | **25,145** | **21,749** | **16** | **37,949** |
| **Total US corn export sales** | **37,890** | **31,653** | **20** | |
| **Top 5 importers' share of U.S. corn export sales** | 66% | 69% | | |
| **USDA forecast, Feb. 2007** | **57,150** | **54,610** | **5** | |
| **Corn Use for Ethanol USDA forecast, Feb. 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.

Table 14

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

| Week ending 02/15/07 | 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 | 10,261 | 8,088 | 27 | 9,706 |
| Mexico | 2,355 | 2,117 | 11 | 3,594 |
| Japan [4] | 2,137 | 1,925 | 11 | 3,019 |
| EU-25 | 2,974 | 1,579 | 88 | 2,123 |
| Taiwan | 1,323 | 1,236 | 7 | 1,850 |
| **Top 5 importers** | **19,050** | **14,946** | **27** | **20,292** |
| **Total US soybean export sales** | **24,694** | **19,235** | **28** | |
| **Top 5 importers' share of U.S. soybean export sales** | 77% | 78% | | |
| **USDA forecast, Feb. 2007** | **29,940** | **25,800** | **16** | |

(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] FAS Press Release 2/26/07: 100,000 mt soybeans to Japan for 2007/08 marketing year.

Table 15

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

| Week ending 02/15/07 | 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 | 2,079 | 2,790 | (25) | 3,098 |
| Japan | 2,803 | 2,675 | 5 | 3,061 |
| Mexico | 1,714 | 2,317 | (26) | 2,625 |
| Iraq | 898 | 2,131 | (58) | 1,237 |
| Philippines | 1,600 | 1,603 | (0) | 1,878 |
| Egypt | 1,803 | 1,058 | 70 | 1,952 |
| Korea, South | 975 | 1,033 | (6) | 1,191 |
| Venezuela | 646 | 905 | (29) | 1,085 |
| Taiwan | 864 | 826 | 5 | 953 |
| Italy | 539 | 683 | (21) | 748 |
| **Top 10 importers** | **13,921** | **16,021** | **(13)** | **17,827** |
| **Total US wheat export sales** | **20,096** | **23,057** | **(13)** | |
| **Top 10 importers' share of U.S. wheat export sales** | 69% | 69% | | |
| **USDA forecast, Feb. 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.

Table 16

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

| Port regions | Week ending 02/22/07 | 2007 YTD[1] | 2006 YTD[1] | 2007 YTD as % of 2006 YTD | Last 4-weeks as % of | | Total[1] |
|---|---|---|---|---|---|---|---|
| | | | | | 2006 | 3-yr. avg. | 2006 |
| **Pacific Northwest** | | | | | | | |
| Wheat | 370 | 2,169 | 1,817 | 119 | 120 | 120 | 11,083 |
| Corn | 62 | 1,041 | 1,357 | 77 | 66 | 65 | 9,556 |
| Soybeans | 59 | 1,374 | 1,026 | 134 | 119 | 113 | 6,049 |
| **Total** | **491** | **4,585** | **4,200** | **109** | **103** | **101** | **26,688** |
| **Mississippi Gulf** | | | | | | | |
| Wheat | 95 | 800 | 738 | 108 | 108 | 88 | 4,124 |
| Corn | 642 | 5,351 | 5,305 | 101 | 104 | 122 | 35,462 |
| Soybeans | 640 | 4,086 | 3,619 | 113 | 122 | 132 | 16,222 |
| **Total** | **1,377** | **10,237** | **9,662** | **106** | **111** | **122** | **55,808** |
| **Texas Gulf** | | | | | | | |
| Wheat | 144 | 764 | 1,407 | 54 | 72 | 69 | 5,078 |
| Corn | 0 | 171 | 170 | 100 | 65 | 114 | 3,055 |
| Soybeans | 8 | 37 | 10 | 373 | 0 | 1,200 | 153 |
| **Total** | **152** | **971** | **1,587** | **61** | **74** | **77** | **8,286** |
| **Great Lakes** | | | | | | | |
| Wheat | 2 | 2 | 13 | 18 | 99 | 297 | 1,382 |
| Corn | 0 | 10 | 1 | 2,092 | 0 | 0 | 1,701 |
| Soybeans | 0 | 0 | 1 | 0 | 0 | n/a | 1,113 |
| **Total** | **2** | **13** | **15** | **88** | **82** | **247** | **4,196** |
| **Atlantic** | | | | | | | |
| Wheat | 0 | 92 | 26 | 357 | 551 | 502 | 686 |
| Corn | 4 | 101 | 89 | 113 | 182 | 298 | 736 |
| Soybeans | 1 | 119 | 122 | 97 | 67 | 43 | 621 |
| **Total** | **6** | **311** | **237** | **131** | **161** | **134** | **2,043** |
| **U.S. total from ports[2]** | | | | | | | |
| Wheat | 611 | 3,825 | 3,988 | 96 | 105 | 99 | 22,354 |
| Corn | 708 | 6,674 | 6,921 | 96 | 96 | 109 | 50,509 |
| Soybeans | 709 | 5,616 | 4,777 | 118 | 121 | 125 | 24,157 |
| **Total** | **2,028** | **16,115** | **15,687** | **103** | **106** | **112** | **97,020** |

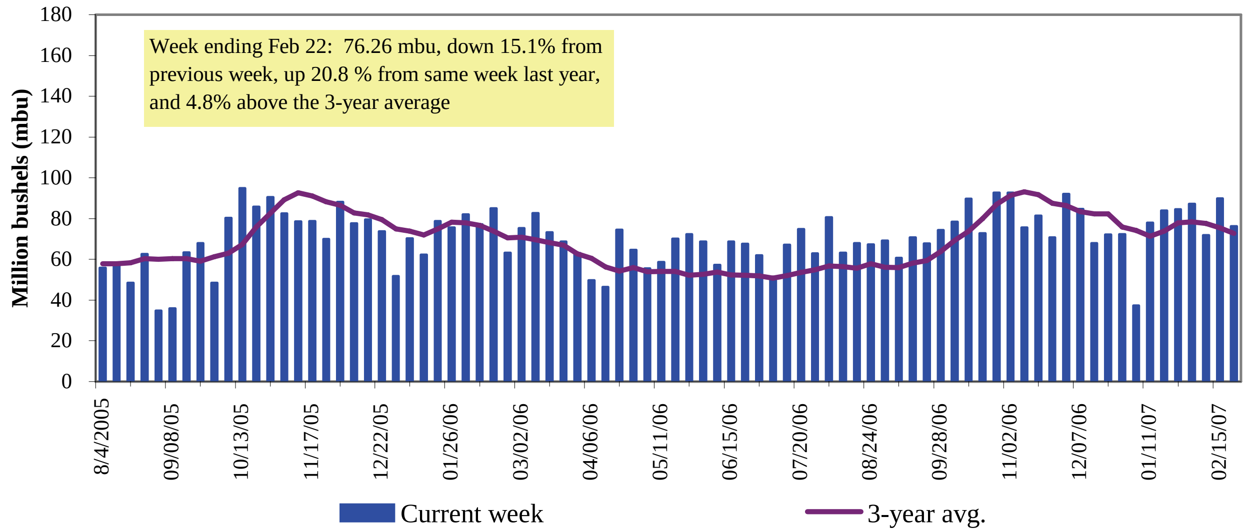
[1] Includes weekly revisions

[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.

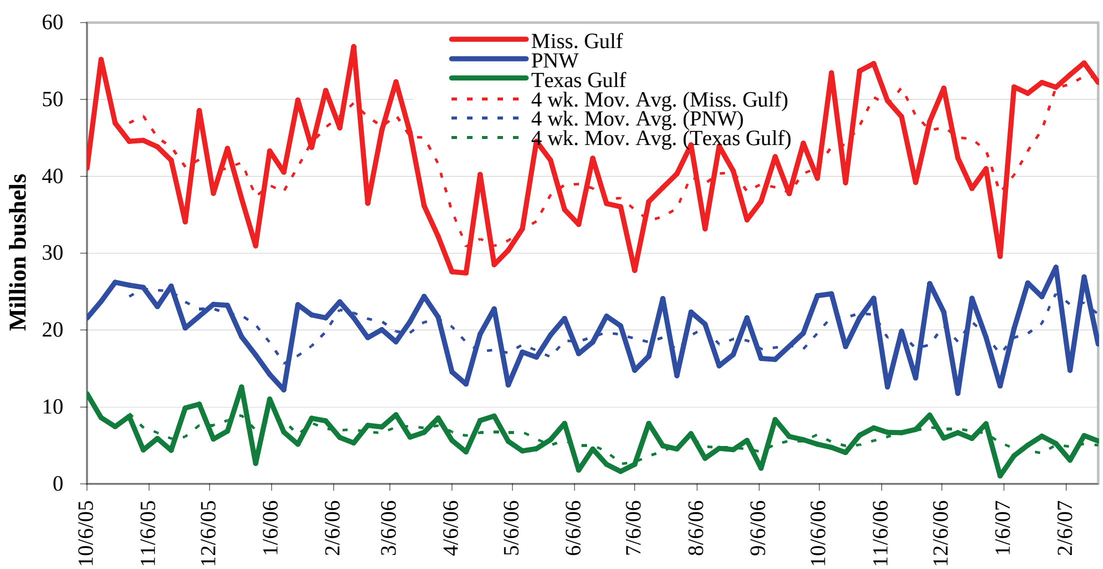
Figure 14
**U.S. grain inspected for export (wheat, corn, and soybeans)**




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)

| Feb 22: % change from: | MS Gulf | TX Gulf | U.S. Gulf | PNW |
|---|---|---|---|---|
| Last week | down 5 | down 11 | down 5 | down 33 |
| Last year (same week) | up 43 | down 27 | up 31 | down 4 |
| 3-yr avg. (4-wk mov. av) | up 20 | down 15 | up 16 | down17 |

# Ocean Transportation

Table 17

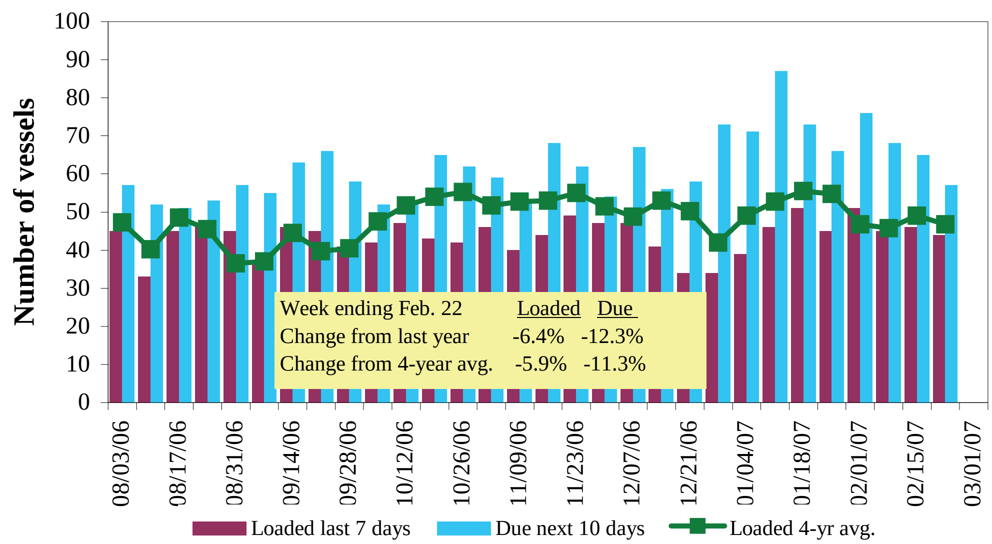
**Weekly Port Region Grain Ocean Vessel Activity (number of vessels)**

| | Gulf | | | Pacific Northwest | Vancouver B.C. |
|---|---|---|---|---|---|
| Date | In port | Loaded 7-days | Due next 10-days | In port | In port |
| 2/22/2007 | 53 | 44 | 57 | 13 | 8 |
| 2/15/2007 | 55 | 46 | 65 | 16 | 9 |
| 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

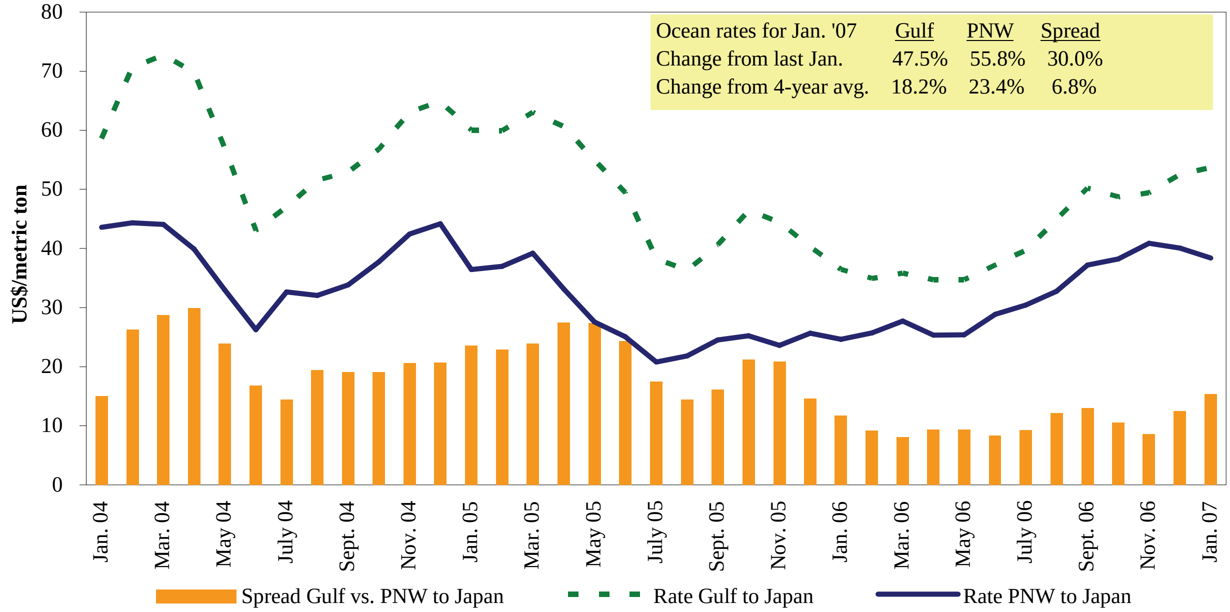
**U.S. Gulf[1] Vessel Loading Activity, 2005/06**




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)/ Drewry Shipping Consultants Ltd (www.drewry.co.uk)

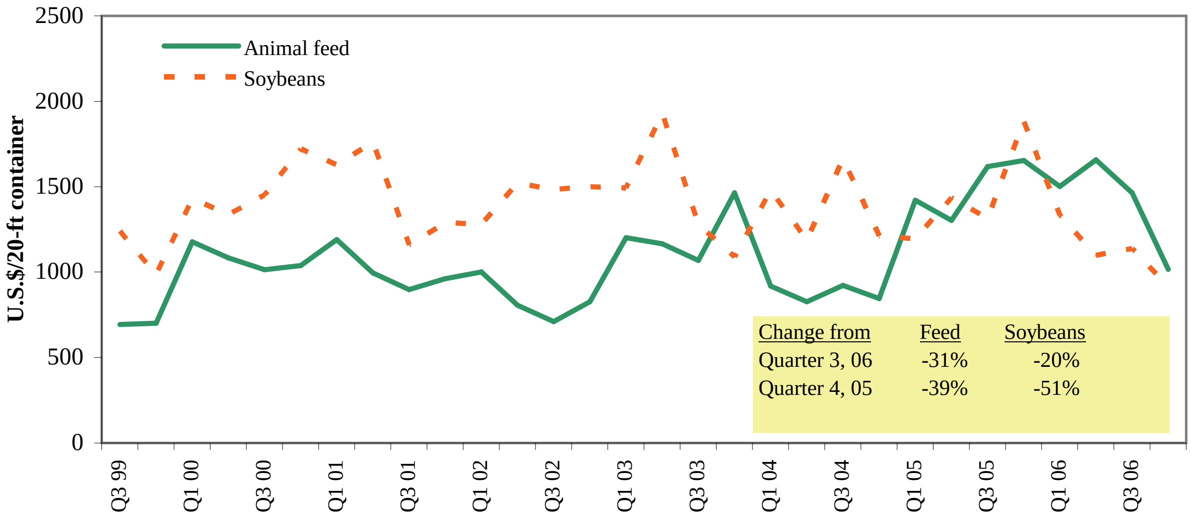
Table 18
## Ocean Freight Rates For Selected Shipments, Week Ending 2/24/2007

| 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 | Nov 4/11 | 54,000 | 49.50 |
| U.S. Gulf | China | Hvy Grain | Nov 15/20 | 55,000 | 46.00 |
| U.S. Gulf | Honduras[1] | Wheat | Mar 30/Apr 9 | 8,500 | 60.94 |
| 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 | Morocco | Hvy Grain | Nov 25/Dec 5 | 25,000 | 32.00 |
| Romania | Portugal | Hvy Grain | Nov 20/30 | 20,000 | 25.00 |
| River Plate | Algeria | Hvy Grain | Feb 21/28 | 33,000 | 46.50 |
| River Plate | Algeria | Grain | Jan 23/25 | 25,000 | 58.00 |
| River Plate | Poland | Grain | Jan 20/30 | 25,000 | 49.00 |
| River Plate | Algeria | Corn | Nov 2/7 | 30,000 | 46.50 |

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: Bangkok-Thailand (6%), Busan-Korea (18%), Hong Kong (25%), Kaohsiung-Taiwan (17%), Keelung-Taiwan (8%), Tokyo-Japan (26%). Soybeans: Busan-Korea (2%), Hong Kong (1%), Kaohsiung-Taiwan (96%), Tokyo-Japan (1%)

Source: Ocean Rate Bulletin, Quarter 4, 2006, Transportation & Marketing Programs/AMS/USDA

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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.

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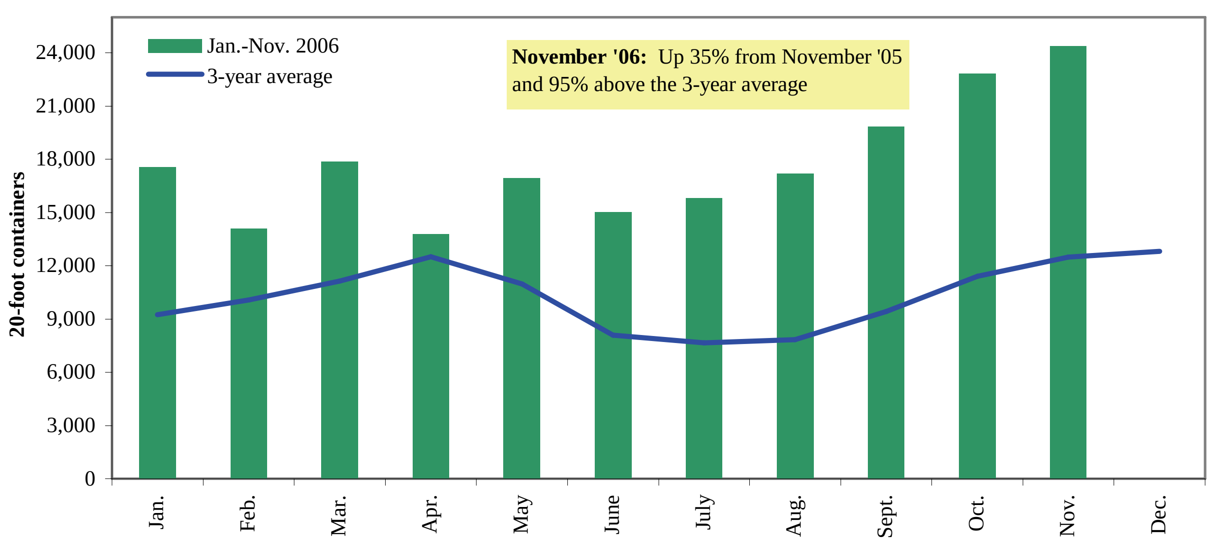
Figure 19

## Monthly Shipments of Containerized Grain to Asia




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

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

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