



# Grain Transportation Report

A weekly publication of the  
Transportation and Marketing Programs/Transportation Services Branch  
[www.ams.usda.gov/GTR](http://www.ams.usda.gov/GTR)

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May 1, 2008

## WEEKLY HIGHLIGHTS

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May 8, '08

#### Flooding Continues to Impede Barge Traffic on Mississippi River

Flood conditions have closed 4 locks on the Upper Mississippi River. Rising water levels may close more locks in this portion of the river in early May. However, this is not expected to substantially impact grain shippers because of slow grain marketing activities. Unless there is significant additional rainfall, the closures are expected to be of short duration. Due to high water on other portions of the river, the Coast Guard has placed safety restrictions to prevent property damage by barge traffic at St. Louis, MO, Memphis, TN, Vicksburg, MS, and between Baton Rouge and New Orleans, LA. During this slow period barge companies are positioning equipment so it can be used once river conditions improve.

#### Fuel Surcharge Disclosure and Pass-Through Legislation Introduced

On April 24, 2008, Senator Olympia Snowe introduced S.2910 to require brokers to disclose and pay independent truckers for any fuel surcharges received from shippers that relate to fuel costs paid for by the truckers. According to the Owner-Operator Independent Drivers Association "brokers and others who collect the fuel surcharges often fail to pass along 100 percent of it to the truckers who are actually purchasing the fuel."

#### ILWU Schedules May Day Protest Against the War in Iraq and Afghanistan

On May 1, the International Longshore and Warehouse Union (ILWU) has scheduled various events and rallies along the West Coast to protest the war in Iraq and Afghanistan. Though the Union is threatening to shut down the West Coast ports during the 8-hour day shift, no one knows how many workers will participate. The Union's employer organization, the Pacific Maritime Association (PMA), reports that about 10,000 containers are loaded and unloaded on the Pacific Coast during an eight-hour day-shift. At time of publication, the PMA is planning for a regular work day.

#### Public Hearing Examines the Common Carrier Obligation of Railroads

On April 24 and 25, the Surface Transportation Board held a public hearing to examine the Common Carrier Obligation of Railroads. USDA submitted written comments, which can be read at:

<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5068922&acct=atpub>

#### High Ocean Rate Spread Boosts Exports from the Pacific Northwest

The high spread between the costs of shipping grains to Japan from the Gulf and the Pacific Northwest (PNW) has encouraged shipments out of PNW ports. The spread has averaged a little over \$45 per mt this year. As of April 24, year-to-date total grain inspections out of PNW totaled 11.73 million metric tons—18 percent above the same period last year (see table 16). The increase in total inspections was driven by a surge in corn and soybeans inspections, which increased 58 and 12 percent, respectively.

### Snapshots by Sector

#### Rail

U.S. railroads originated 25,067 **carloads of grain** during the week ending April 19, up 0.7 percent from the previous week, 17 percent from the same week last year, and 11 percent higher than the 3-year average.

#### Ocean

During the week ending April 24, 40 ocean-going **grain vessels** were loaded in the Gulf, up 14 percent from last year. Fifty-one **vessels** are due within the next 10 days, down 2 percent from last year.

As of April 25, the cost of shipping grain from the Gulf to Japan was \$119 per mt, up 4 percent from the previous week. The rate from the PNW to Japan was \$69 per mt, up 6 percent from the previous week.

#### Barge

During the week ending April 26, **barge grain movements** totaled 576,000 tons, up 3 percent from the previous week, but 13 percent lower than the same period last year.

# Feature Article/Calendar

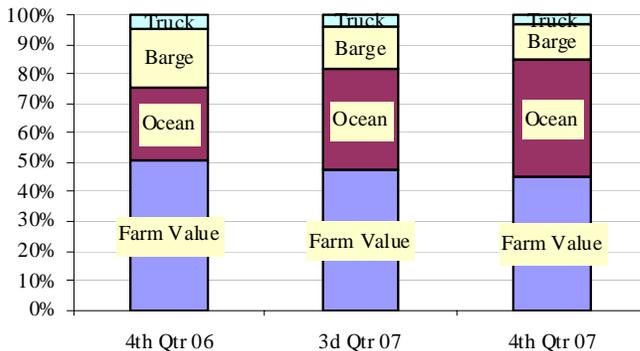
## Soaring Ocean Rates Drive Up Cost of Shipping Corn and Soybeans to Japan.

**Costs from the Gulf of Mexico.** Total transportation charges for shipping corn and soybeans from Minneapolis, MN, through the Gulf of Mexico to Japan increased 21 percent during the fourth quarter 2007 and have increased 65 percent since the 4<sup>th</sup> quarter of 2006 (table 1, figures 1 and 2). The mode with the greatest rate increase was ocean, with a 32 percent increase during the 4<sup>th</sup> quarter and 135 percent since the 4<sup>th</sup> quarter of 2006. Barge and truck rates did not change significantly quarter to quarter, but barge rates decreased by 8 percent year to year.

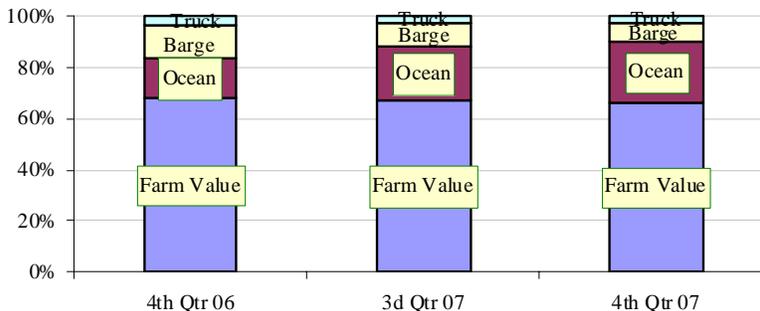
**Table 1: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. Gulf**

	Corn					Soybeans				
	\$/metric ton		Percent change			\$/metric ton		Percent Change		
	4th Qtr 06	3d Qtr 07	4th Qtr 07	Yr. to Yr.	Qtr to Qtr	4th Qtr 06	3d Qtr 07	4th Qtr 07	Yr. to Yr.	Qtr to Qtr
Truck	10.26	10.22	10.26	0.0	0.4	10.26	10.22	10.26	0.0	0.4
Barge	39.22	36.19	36.23	-7.6	0.1	39.22	36.19	36.23	-7.6	0.1
Ocean	50.24	89.92	118.27	135.4	31.5	50.24	89.92	118.27	135.4	31.5
Total Transportation Cost	99.72	136.33	164.76	65.2	20.9	99.72	136.33	164.76	65.2	20.9
Farm Value	102.62	121.38	135.43	32.0	11.6	209.93	277.05	326.41	55.5	17.8
Total Landed Cost	202.34	257.71	300.19	48.4	16.5	309.65	413.38	491.17	58.6	18.8
Transportation % Landed Cost	49	53	55			33	33	34		

**Figure 1: Minneapolis Corn to Japan Through the US Gulf: Ocean Transportation Cost Increases Offset Price Increases Received at the Farm.**



**Figure 2: Minneapolis Soybean to Japan via US Gulf: Farm Price Share of Landed Cost Stayed Even, While Ocean Transportation Costs Surged**



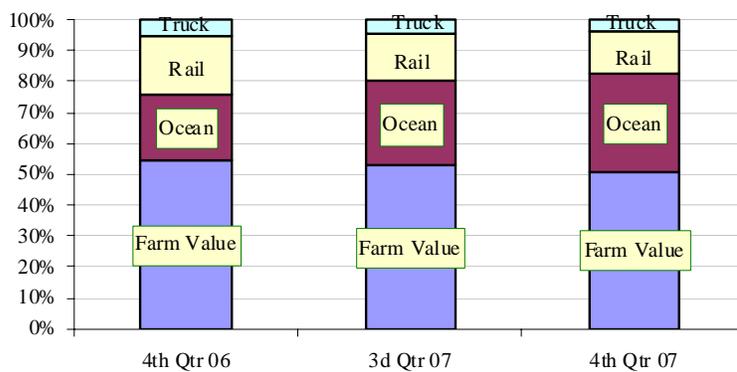
### Costs from the Pacific Northwest.

Total transportation charges from Minneapolis, MN, via the Pacific Northwest (PNW) to Japan increased 20 percent for corn and 19 percent for soybeans during the fourth quarter 2007 (table 2, figures 3 and 4). Escalating transportation costs were driven by a 33-percent increase in ocean freight rates during the quarter, and a full 112 percent increase over last year. Changes in rail rates were minor for shipping corn and soybeans to the PNW, and truck rate increases were not significant. The transportation cost advantage of shipping corn from the PNW rather than from the Gulf has increased to \$33.76 from \$13.92 during the 4<sup>th</sup> quarter of 2006; for soybeans the cost advantage of shipping from the PNW has increased to \$25.93 from \$6.09.

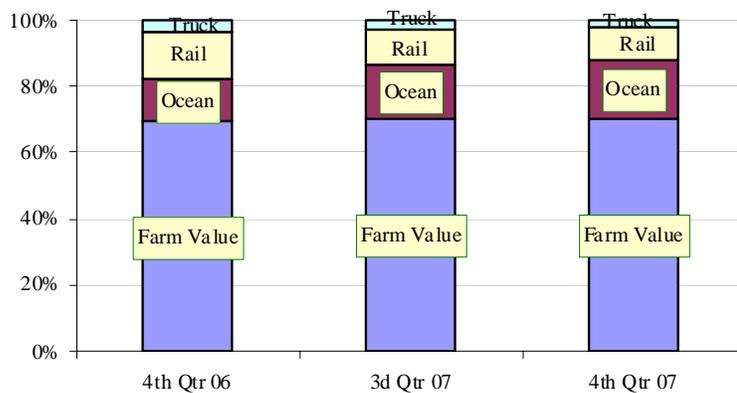
**Table 2: Cost of Shipping Corn and Soybeans from Minneapolis to Japan through the U.S. PNW**

	Corn					Soybeans				
	\$/metric ton		Percent change			\$/metric ton		Percent Change		
	4th Qtr 06	3d Qtr 07	4th Qtr 07	Yr. to Yr.	Qtr to Qtr	4th Qtr 06	3d Qtr 07	4th Qtr 07	Yr. to Yr.	Qtr to Qtr
Truck	10.26	10.22	10.26	0.0	0.4	10.26	10.22	10.26	0.0	0.4
Rail	35.82	35.82	36.56	2.1	2.1	43.65	43.65	44.39	1.7	1.7
Ocean	39.72	63.10	84.18	111.9	33.4	39.72	63.10	84.18	111.9	33.4
<b>Total Transportation Cost</b>	<b>85.80</b>	<b>109.14</b>	<b>131.00</b>	<b>52.7</b>	<b>20.0</b>	<b>93.63</b>	<b>116.97</b>	<b>138.83</b>	<b>48.3</b>	<b>18.7</b>
Farm Value	102.62	121.38	135.43	32.0	11.6	209.93	277.05	326.41	55.5	17.8
<b>Total Landed Cost</b>	<b>188.42</b>	<b>230.52</b>	<b>266.43</b>	<b>41.4</b>	<b>15.6</b>	<b>303.56</b>	<b>394.02</b>	<b>465.24</b>	<b>53.3</b>	<b>18.1</b>
Transportation % Landed Cost	46	47	49			31	30	30		

**Figure 3: Minneapolis Corn to Japan via PNW: Ocean Transportation Cost Increases Offset Price Increases Received at the Farm**



**Figure 4: Minneapolis Soybean to Japan via PNW: Farm Price Share of Landed Cost Stayed Even, While Ocean Transportation Costs Surged**



Ocean rates will likely remain high for the foreseeable future due to the growing global demand for dry bulk vessels and the sharp rise in commodity and energy prices. Barge, rail, and truck rates will likely increase as fuel prices have increased rapidly during 2008. Transportation costs as a percent of landed costs were relatively stable because the farm value of soybeans increased about as much as the transportation cost. However, for corn, transportation costs as a percent of landed costs increased because transportation costs increased more rapidly than its farm value.

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# Grain Transportation Indicators

Table 1

## Grain Transport Cost Indicators<sup>1</sup>

Week ending	Truck	Rail <sup>2</sup>	Barge	Ocean	
				Gulf	Pacific
04/30/08	280	-25	216	532	489
04/23/08	278	-9	133	510	461

<sup>1</sup>Indicator: Base year 2000 = 100; Weekly updates include truck = diesel (\$/gallon); rail = nearby secondary rail market (\$/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan (\$/metric ton)

<sup>2</sup>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.

Table 2

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

Commodity	Origin-Destination	4/25/2008	4/18/2008
Corn	IL--Gulf	-0.64	-0.67
Corn	NE--Gulf	-0.68	-0.73
Soybean	IA--Gulf	-1.31	-1.32
HRW	KS--Gulf	n/a	n/a
HRS	ND--Portland	-4.00	-4.35

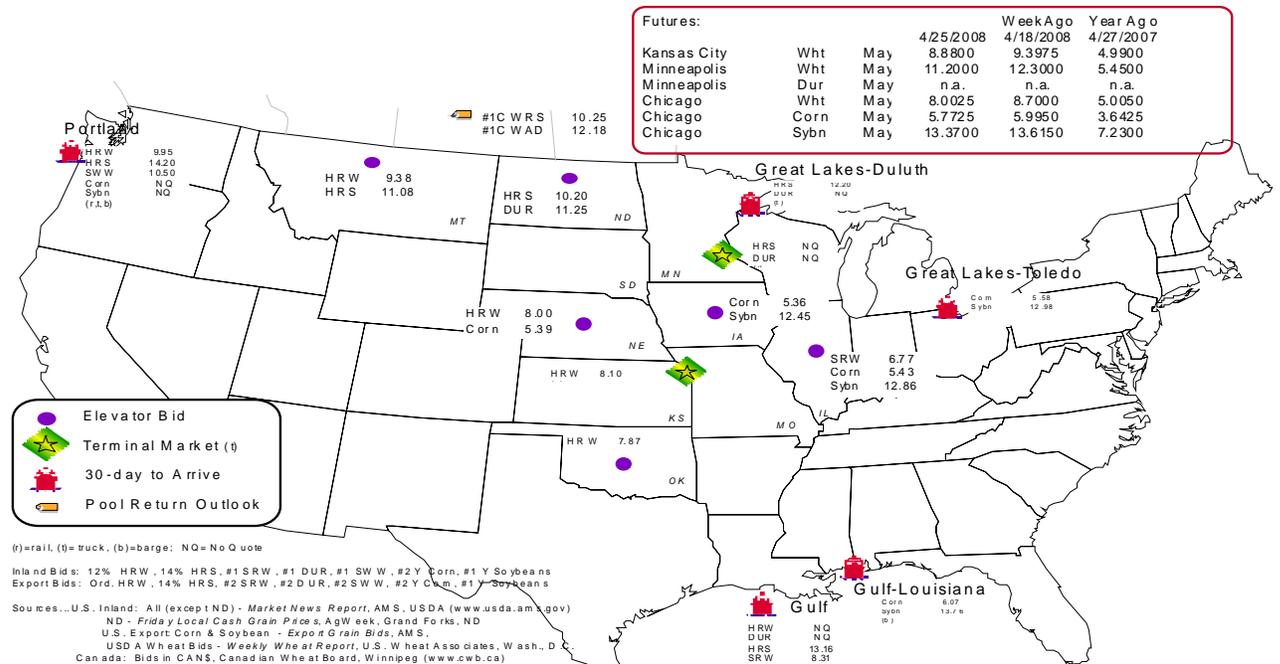
Note: nq = no quote

Source: Transportation & Marketing Program/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)<sup>1</sup>

Week ending	Mississippi		Cross-Border	Pacific	Atlantic &	Total
	Gulf <sup>2</sup>	Texas Gulf	Mexico	Northwest	East Gulf	
4/23/2008 <sup>p</sup>	1,209	1,702	998	5,808	475	10,192
4/16/2008 <sup>r</sup>	2,280	2,770	325	6,118	553	12,046
2008 YTD	25,905	43,153	10,280	94,296	16,907	190,541
2007 YTD	22,040	26,271	13,632	79,769	8,632	150,344
2008 YTD as % of 2007 YTD	118	164	75	118	196	127
Last 4 weeks as % of 2007 <sup>3</sup>	264	168	75	129	147	140
Last 4 weeks as % of 4-year avg. <sup>3</sup>	204	138	62	140	260	137
Total 2007	62,106	113,459	40,725	227,970	31,369	475,629
Total 2006	96,593	99,866	45,971	213,682	29,334	485,446

<sup>1</sup>Data is incomplete as it is voluntarily provided; <sup>2</sup>Mississippi Gulf data back to January, 2004 from several new sources has been added resulting in large increases in the numbers reported; <sup>3</sup>Compared with same 4-weeks in 2007 and prior 4-year average.

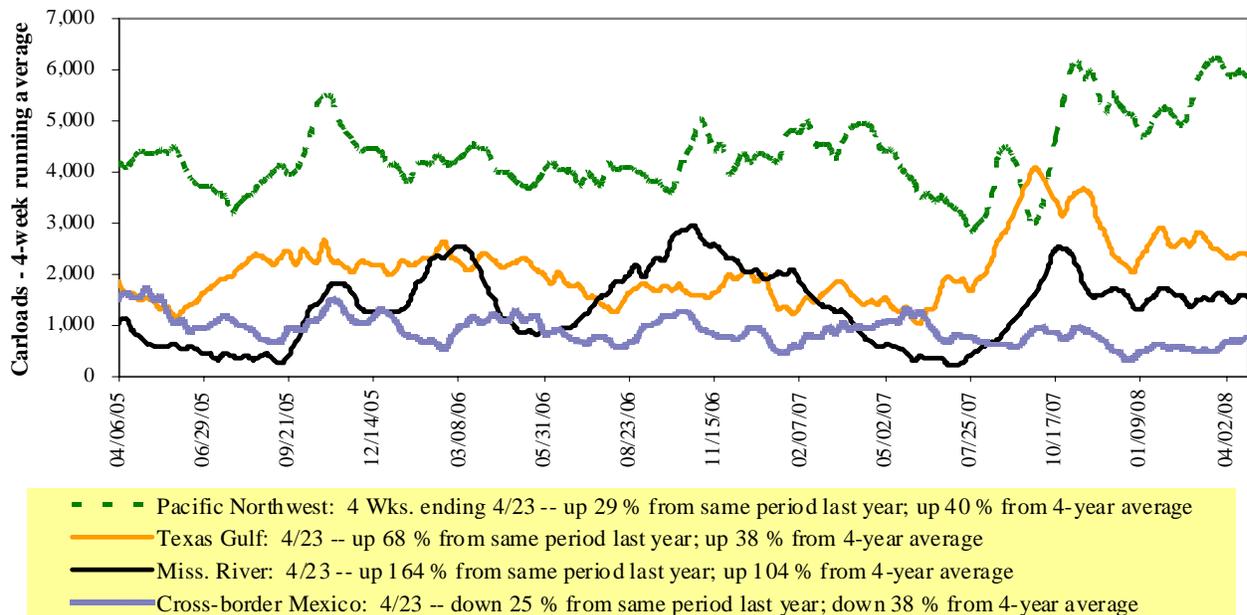
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Program s/AMS/USDA

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

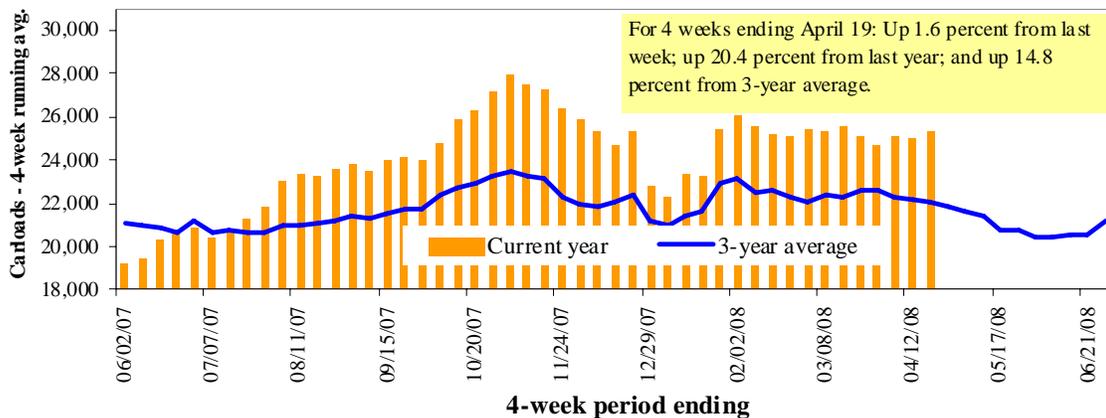
**Class I Rail Carrier Grain Car Bulletin (grain carloads originated)**

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
04/19/08	3,418	2,939	11,076	703	6,931	25,067	4,582	5,146
This week last year	3,036	3,178	9,443	911	4,913	21,481	4,741	5,430
2008 YTD	49,040	48,431	187,598	11,298	107,489	403,856	71,428	68,278
2007 YTD	46,980	48,287	157,305	10,535	80,079	343,186	75,066	71,347
2008 YTD as % of 2007 YTD	104	100	119	107	134	118	95	96
Last 4 weeks as % of 2007 <sup>1</sup>	106	100	127	100	132	120	98	96
Last 4 weeks as % of 3-yr avg. <sup>1</sup>	106	95	124	107	116	115	101	100
Total 2007	147,937	166,780	536,362	33,980	292,973	1,178,032	250,852	240,401

<sup>1</sup>As a percent of the same period in 2007 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<sup>1</sup> (\$/car)<sup>2</sup>**

Week ending	Delivery period							
	May-08	May-07	Jun-08	Jun-07	Jul-08	Jul-07	Aug-08	Aug-07
BNSF <sup>3</sup>								
COT grain units	no offer	no offer	no bids	no bids	no offer	no bids	no offer	0
COT grain single-car <sup>5</sup>	no offer	no offer	0 .. 20	0	no offer	0	no offer	9 .. 25
UP <sup>4</sup>								
GCAS/Region 1	no bids	no bids	no bids	no bids	1	no offer	no offer	no offer
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	no offer	no offer	no offer

<sup>1</sup>Auction offerings are for single-car and unit train shipments only.

<sup>2</sup>Average premium/discount to tariff, last auction

<sup>3</sup>BNSF - COT = Certificate of Transportation; north grain and south grain bids were combined effective the week ending 6/24/06.

<sup>4</sup>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.

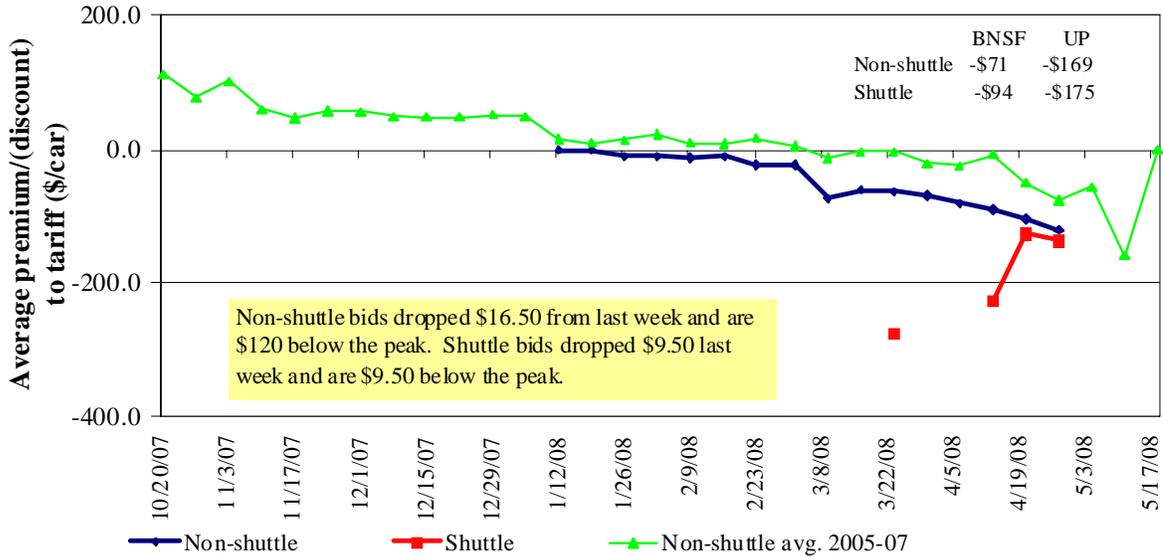
<sup>5</sup>Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Program s/AMS/USDA.

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

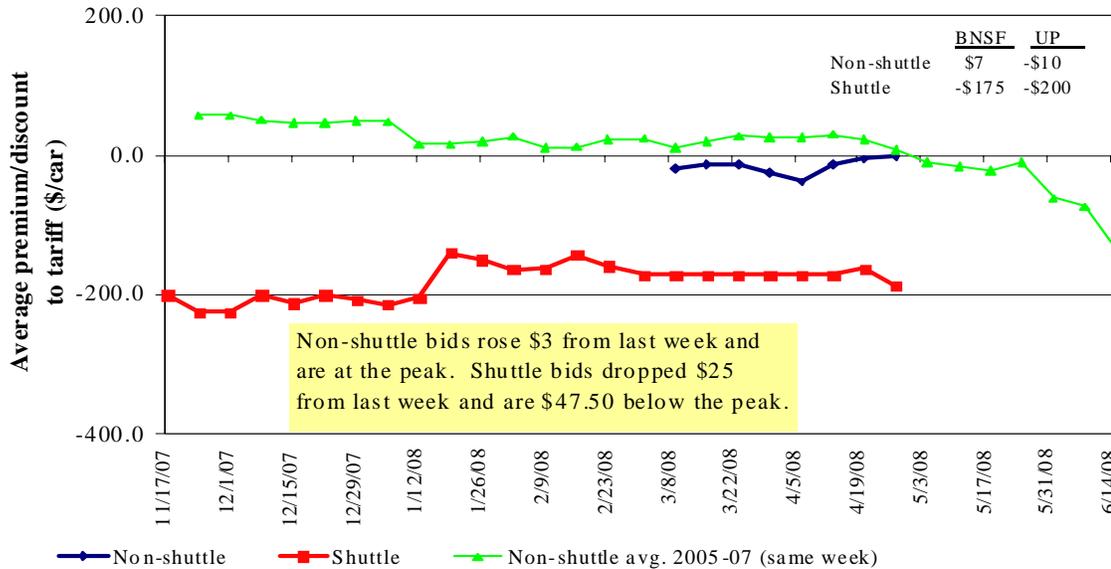
The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4  
**Bids/Offers for Railcars to be Delivered in May 2008, Secondary Market**



Non-shuttle bids include unit-train and single-car bids. n/a = not available.  
 Source: Transportation & Marketing Programs/AMS/USDA

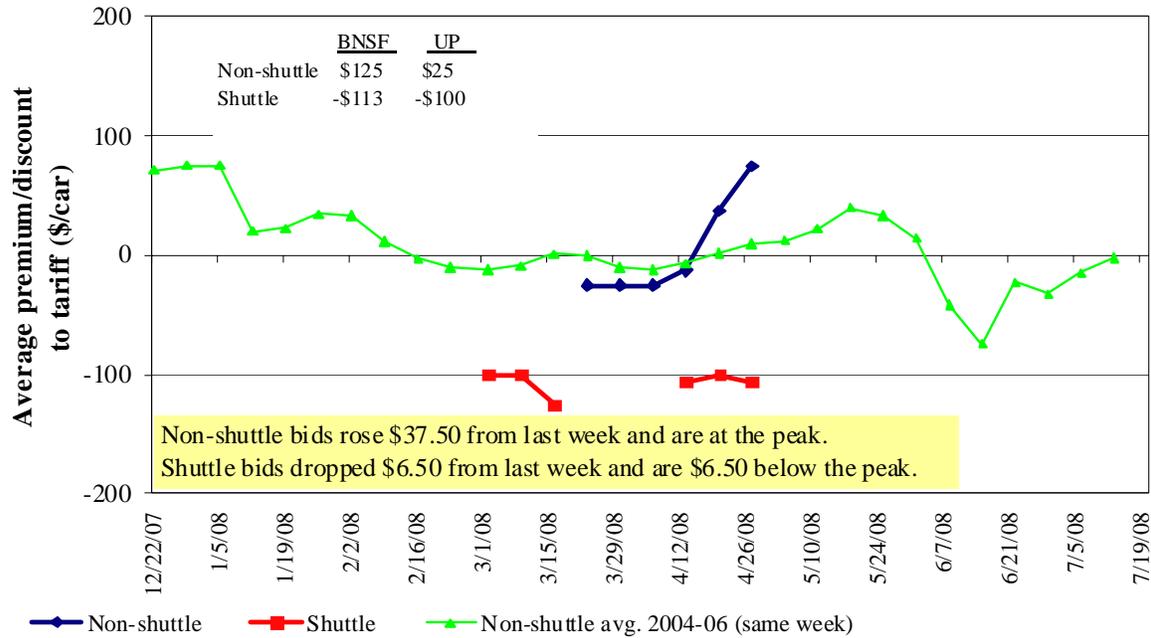
Figure 5  
**Bids/Offers for Railcars to be Delivered in June 2008, Secondary Market**



Non-shuttle bids include unit-train and single-car bids. n/a = not available.  
 Source: Transportation & Marketing Program s/AMS/USDA

Figure 6

**Bids/Offers for Railcars to be Delivered in July 2008, Secondary Market**



Non-shuttle bids include unit-train and single-car bids. n/a = not available.  
 Source: Transportation & Marketing Programs/AMS/USDA

Table 6

**Weekly Secondary Rail Car Market (\$/car)<sup>1</sup>**

Week ending	Delivery period					
	May-08	Jun 08	Jul 08	Aug-08	Sept-08	Oct-08
<b>4/26/2008</b>						
<b>Non-shuttle</b>						
BNSF-GF	-71	7	125	150	n/a	n/a
Change from last week	-39	0	25	-25	n/a	n/a
Change from same week 2006	-21	28	150	140	n/a	n/a
UP-Pool	-169	-10	25	0	0	n/a
Change from last week	6	6	50	25	n/a	n/a
Change from same week 2006	51	190	138	88	44	n/a
<b>Shuttle<sup>2</sup></b>						
BNSF-GF	-94	-175	-113	n/a	n/a	n/a
Change from last week	31	-25	-13	n/a	n/a	n/a
Change from same week 2006	160	38	104	n/a	n/a	n/a
UP-Pool	-175	-200	-100	n/a	n/a	n/a
Change from last week	n/a	-25	0	n/a	n/a	n/a
Change from same week 2006	75	25	n/a	n/a	n/a	n/a

<sup>1</sup>Average premium/discount to tariff, \$/car-last week

<sup>2</sup>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,

n/a = not available; 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<sup>1</sup>**

Effective date:	Origin region	Destination region	Rate/car	As % of same month last year	Rate per metric ton	Rate per bushel <sup>2</sup>
4/7/2008						
<b>Unit train<sup>1</sup></b>						
Wheat	Chicago, IL	Albany, NY	\$2,322	100	\$25.60	\$0.70
	Kansas City, MO	Galveston, TX	\$2,338	110	\$25.77	\$0.70
	South Central, KS	Galveston, TX	\$2,995	113	\$33.01	\$0.90
	Minneapolis, MN	Houston, TX	\$3,214	100	\$35.43	\$0.96
	St. Louis, MO	Houston, TX	\$2,905	113	\$32.02	\$0.87
	South Central, ND	Houston, TX	\$4,149	111	\$45.73	\$1.24
	Minneapolis, MN	Portland, OR	\$3,840	100	\$42.33	\$1.15
	South Central, ND	Portland, OR	\$3,840	100	\$42.33	\$1.15
	Northwest, KS	Portland, OR	\$4,540	99	\$50.04	\$1.36
	Chicago, IL	Richmond, VA	\$2,353	99	\$25.94	\$0.71
	Corn	Chicago, IL	Baton Rouge, LA	\$3,260	116	\$35.93
Council Bluffs, IA		Baton Rouge, LA	\$3,107	116	\$34.25	\$0.87
Kansas City, MO		Dalhart, TX	\$3,204	110	\$35.32	\$0.90
Minneapolis, MN		Portland, OR	\$3,350	103	\$36.93	\$0.94
Evansville, IN		Raleigh, NC	\$2,708	121	\$29.85	\$0.76
Columbus, OH		Raleigh, NC	\$2,597	123	\$28.63	\$0.73
Council Bluffs, IA		Stockton, CA	\$5,280	104	\$58.20	\$1.48
Soybeans	Chicago, IL	Baton Rouge, LA	\$3,309	116	\$36.47	\$0.99
	Council Bluffs, IA	Baton Rouge, LA	\$3,156	116	\$34.79	\$0.95
	Minneapolis, MN	Portland, OR	\$4,160	105	\$45.86	\$1.25
	Evansville, IN	Raleigh, NC	\$2,708	121	\$29.85	\$0.81
	Chicago, IL	Raleigh, NC	\$3,308	117	\$36.46	\$0.99
<b>Shuttle Train</b>						
Wheat	St. Louis, MO	Houston, TX	\$2,277	119	\$25.10	\$0.68
	Minneapolis, MN	Portland, OR	\$3,540	100	\$39.02	\$1.06
Corn	Fremont, NE	Houston, TX	\$2,448	108	\$26.98	\$0.69
	Minneapolis, MN	Portland, OR	\$3,348	106	\$36.90	\$0.94
Soybeans	Council Bluffs, IA	Houston, TX	\$2,612	108	\$28.79	\$0.78
	Minneapolis, MN	Portland, OR	\$3,503	106	\$38.61	\$1.05

<sup>1</sup>A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of

75-110 cars that meet railroad efficiency requirements.

<sup>2</sup>Approximate load per car = 100 short tons (90.72 metric 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**

Commodity	Origin state	Border crossing region	Train size <sup>1</sup>	Tariff rate <sup>2</sup>	As % of		
					same month last year	Rate per metric ton	Rate per bushel <sup>3</sup>
Wheat	KS	Brownsville, TX	Shuttle	\$3,582	121	\$36.60	\$1.00
	ND	Eagle Pass, TX	Unit	\$4,900	108	\$50.07	\$1.36
	OK	El Paso, TX	Shuttle	\$2,463	110	\$25.17	\$0.68
	OK	El Paso, TX	Unit	\$3,121	123	\$31.89	\$0.87
	AR	Laredo, TX	Unit	\$2,929	113	\$29.93	\$0.81
	IL	Laredo, TX	Unit	\$4,072	120	\$41.61	\$1.13
	MT	Laredo, TX	Shuttle	n/a	n/a	n/a	n/a
	TX	Laredo, TX	Shuttle	\$2,828	124	\$28.90	\$0.79
	MO	Laredo, TX	Shuttle	\$3,450	121	\$35.25	\$0.96
	WI	Laredo, TX	Unit	\$4,312	119	\$44.06	\$1.20
Corn	NE	Brownsville, TX	Shuttle	\$4,318	115	\$44.12	\$1.12
	NE	Brownsville, TX	Unit	\$4,217 <sup>4</sup>	105	\$43.09	\$1.09
	IA	Eagle Pass, TX	Unit	\$4,570	115	\$46.69	\$1.18
	MO	Eagle Pass, TX	Shuttle	\$4,066 <sup>4</sup>	106	\$41.55	\$1.05
	NE	Eagle Pass, TX	Shuttle	\$4,466 <sup>4</sup>	105	\$45.63	\$1.16
	IA	Laredo, TX	Shuttle	\$4,486	115	\$45.84	\$1.16
Soybean	IA	Brownsville, TX	Shuttle	\$4,167	118	\$42.58	\$1.16
	MN	Brownsville, TX	Shuttle	\$4,365	117	\$44.60	\$1.21
	NE	Brownsville, TX	Shuttle	\$3,958	118	\$40.44	\$1.10
	NE	Eagle Pass, TX	Shuttle	\$4,041	118	\$41.29	\$1.12
	IA	Laredo, TX	Unit	\$4,209	118	\$43.01	\$1.17

<sup>1</sup>A unit train refers to shipments of at least 52 cars. Shuttle train are available for qualified shipments of 75--110 cars that meet railroad efficiency requirements.

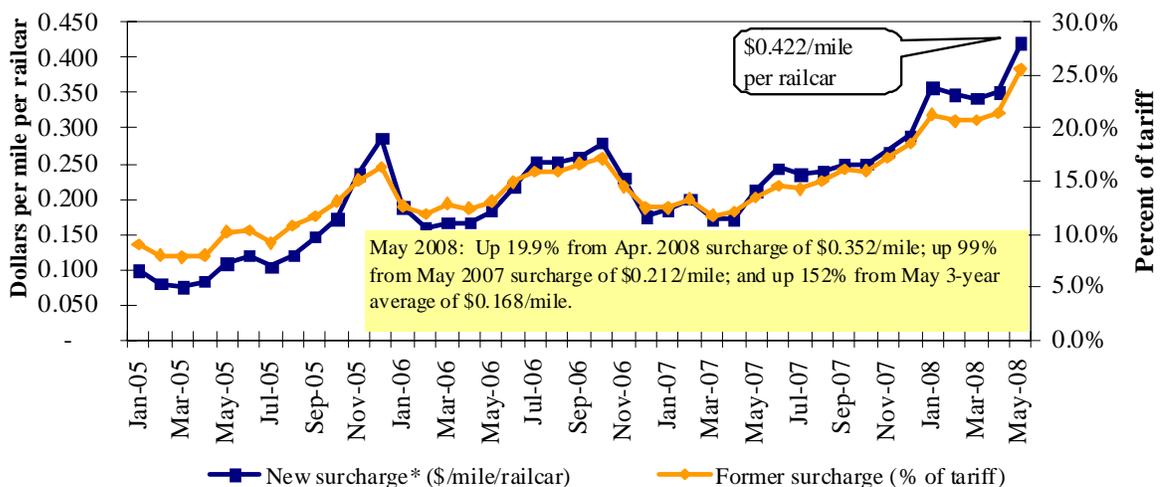
<sup>2</sup>Rates are based upon published tariff rates for high-capacity rail cars.

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

<sup>4</sup>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<sup>1</sup>**



<sup>1</sup> Weighted by each Class I railroad's proportion of grain traffic for the prior year.

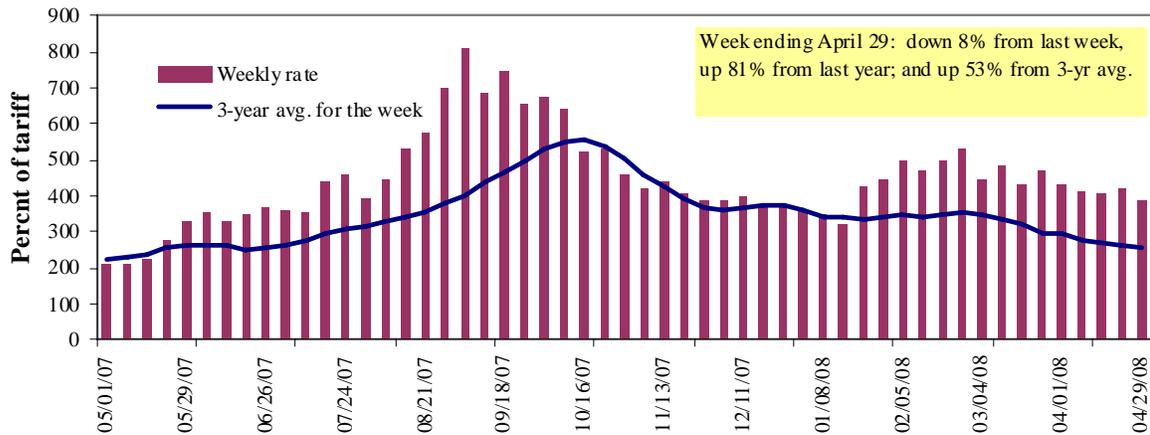
\* Mileage-based fuel surcharges from December 2004 through March 2007 are estimated.

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 Freight Rate<sup>1,2</sup>



<sup>1</sup>Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); <sup>2</sup>4-week moving average of the 3-year average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

### Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
<b>Rate<sup>1</sup></b>	4/29/2008	516	461	388	309	326	326	279
	4/22/2008	530	479	421	321	349	349	315
<b>\$/ton</b>	4/29/2008	31.94	24.53	18.00	12.33	15.29	13.17	8.76
	4/22/2008	32.81	25.48	19.53	12.81	16.37	14.10	9.89
<b>Current week % change from the same week:</b>								
	Last year	83	95	81	95	70	70	90
	3-year avg. <sup>2</sup>	66	70	53	57	53	53	55
<b>Rate<sup>1</sup></b>	May	474	420	396	315	329	328	303
	July	483	439	429	368	380	380	340

<sup>1</sup>Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); <sup>2</sup>4-week moving average; ton = 2,000 pounds.

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).

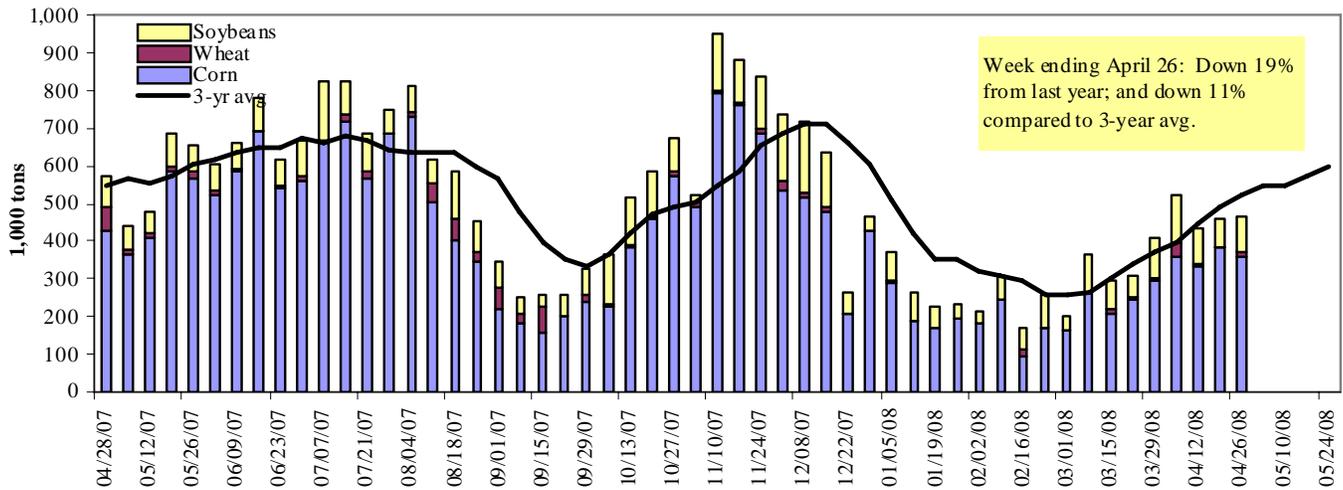
Figure 9

### Benchmark tariff rates



Figure 10

**Barge Movements on the Mississippi River<sup>1</sup> (Locks 27 - Granite City, IL)**



<sup>1</sup> The 3-year average is a 4-week moving average.

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

Table 10

**Barge Grain Movements (1,000 tons)**

Week ending 4/26/2008	Corn	Wheat	Soybeans	Other	Total
<b>Mississippi River</b>					
Rock Island, IL (L15)	139	0	31	0	170
Winfield, MO (L25)	227	0	58	0	285
Alton, IL (L26)	375	13	121	0	509
Granite City, IL (L27)	358	10	99	0	466
<b>Illinois River (L8)</b>	121	10	41	0	172
<b>Ohio River (L52)</b>	80	3	14	0	97
<b>Arkansas River (L1)</b>	0	7	6	0	13
Weekly total - 2008	439	20	118	0	576
Weekly total - 2007	455	91	108	9	663
2008 YTD <sup>1</sup>	6,419	262	2,341	197	9,220
2007 YTD	6,472	473	2,382	148	9,476
2008 as % of 2007 YTD	99	55	98	133	97
Last 4 weeks as % of 2007 <sup>2</sup>	105	46	106	74	101
Total 2007	25,510	1,711	6,566	808	34,398

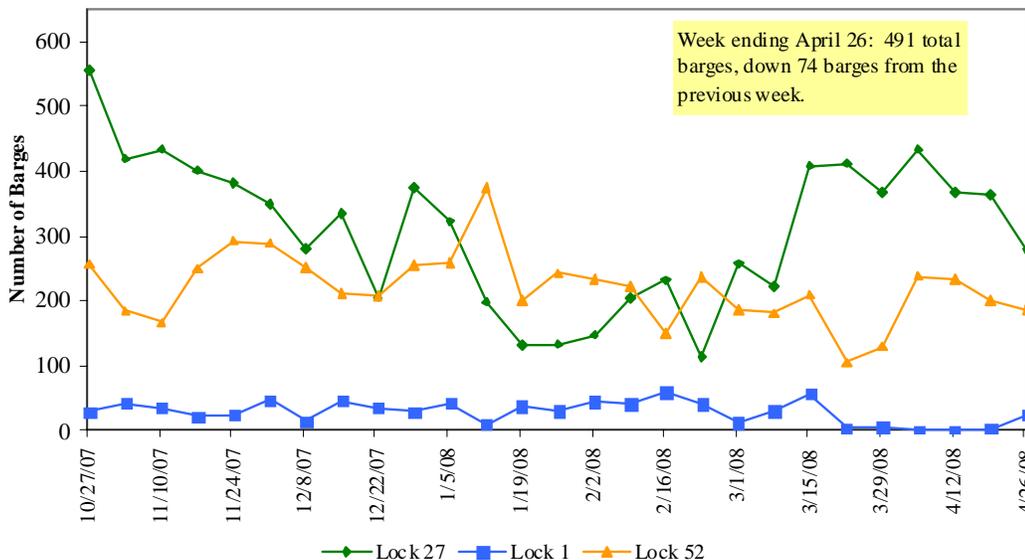
<sup>1</sup> Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

<sup>2</sup> As a percent of same period in 2007.

Note: Total may not add exactly, due to rounding

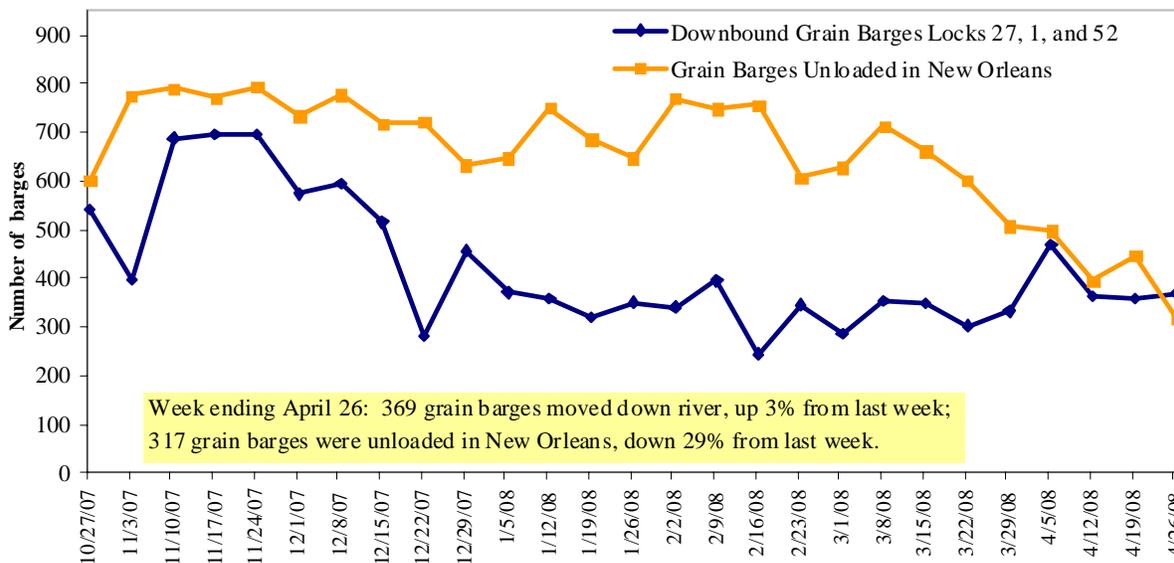
Source: U.S. Army Corps of Engineers ([www.mvr.usace.army.mil/mvrimi/omni/webprts/default.asp](http://www.mvr.usace.army.mil/mvrimi/omni/webprts/default.asp))

**Figure 11**  
**Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52**



Source: U.S. Army Corps of Engineers

**Figure 12**  
**Grain Barges for Export in New Orleans Region**



Source: U.S. 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<sup>1</sup>, Week Ending 4/28/08 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	4.230	0.023	1.430
	New England	4.346	0.000	1.475
	Central Atlantic	4.376	0.006	1.503
	Lower Atlantic	4.157	0.031	1.395
II	Mid west <sup>2</sup>	4.133	0.035	1.358
III	Gulf Coast <sup>3</sup>	4.113	0.036	1.347
IV	Rocky Mountain	4.141	0.030	1.153
V	West Coast	4.312	0.057	1.360
	California	4.390	0.073	1.403
Total	U.S.	4.177	0.034	1.366

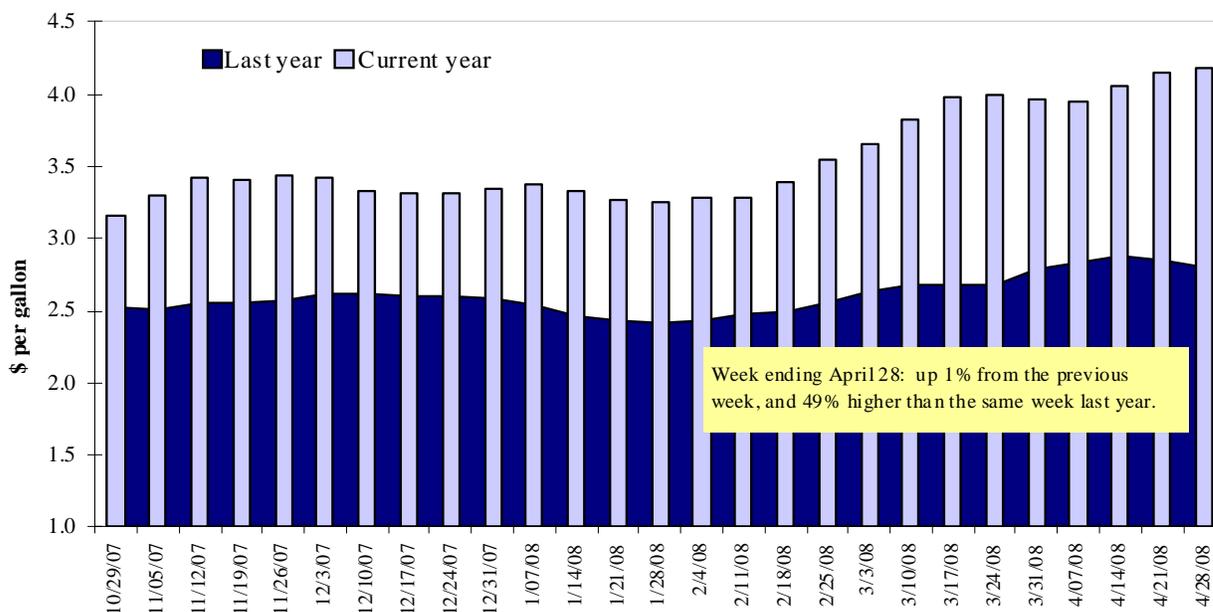
<sup>1</sup>Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

<sup>2</sup>Same as North Central <sup>3</sup>Same as South Central

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

Week ending <sup>1</sup>	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
<b>Export Balances</b>									
4/17/2008	2,136	734	893	482	67	4,312	14,512	4,444	23,268
This week year ago	1,196	716	1,051	685	123	3,771	10,350	3,169	17,290
<b>Cumulative exports-marketing year<sup>2</sup></b>									
2007/08 YTD	12,265	5,080	7,174	3,794	1,026	29,339	41,128	24,090	94,557
2006/07 YTD	5,887	3,325	5,653	4,501	678	20,045	35,209	24,839	80,093
YTD 2007/08 as % of 2006/07	208	153	127	84	151	146	117	97	118
Last 4 wks as % of same period 2006/07	198	111	95	96	142	122	134	139	133
2006/07 Total	6,800	3,866	6,480	4,996	761	22,902	53,799	30,261	106,962
2005/06 Total	10,459	2,037	7,244	4,159	930	24,828	54,354	25,570	104,752

<sup>1</sup> Current unshipped export sales to date

<sup>2</sup> Shipped export sales to date; new marketing year now in effect for corn and soybeans sales

Note: YTD = year-to-date. Marketing 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<sup>1</sup> of U.S. Corn

Week ending 04/17/08	Total Commitments <sup>2</sup>		% change current MY from last MY	Exports <sup>3</sup> 2006/07
	2007/08 Current MY	2006/07 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	13,775	12,668	9	15,640
Mexico	7,855	9,089	(14)	9,114
Taiwan	3,059	3,557	(14)	4,517
Korea	8,410	2,747	206	4,079
Egypt	3,057	2,755	11	3,508
<b>Top 5 importers</b>	<b>36,155</b>	<b>30,815</b>	<b>17</b>	<b>36,858</b>
<b>Total US corn export sales</b>	<b>55,640</b>	<b>45,559</b>	<b>22</b>	
% of Projected	88%	84%		
Change from Last Week	775	1,105		
<b>Top 5 importers' share of U.S. corn export sales</b>	65%	68%		
<b>USDA forecast, April 2008</b>	<b>63,500</b>	<b>53,970</b>	<b>18</b>	
<b>Corn Use for Ethanol USDA forecast, April 2008</b>	<b>78,740</b>	<b>53,772</b>	<b>46</b>	

(n) indicates negative number.

<sup>1</sup> Based on FAS 2006/07 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

<sup>2</sup> Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

<sup>3</sup> FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi\_rpt.htm.

Table 14

**Top 5 Importers<sup>1</sup> of U.S. Soybeans**

Week ending 04/17/08	Total Commitments <sup>2</sup>		% change current MY from last MY	Exports <sup>3</sup> 2006/07
	2007/08 Current MY	2006/07 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	12,750	11,100	15	11,455
Mexico	3,064	3,266	(6)	3,854
Japan	2,501	2,642	(5)	3,159
EU -25	3,510	3,549	(1)	3,551
Taiwan	1,437	1,460	(2)	1,942
<b>Top 5 importers</b>	<b>23,263</b>	<b>22,017</b>	<b>6</b>	<b>23,960</b>
<b>Total US soybean export sales</b>	<b>28,534</b>	<b>28,008</b>	<b>2</b>	
% of Projected	98%	92%		
Change from last week	377	422		
<b>Top 5 importers' share of U.S. soybean export sales</b>	<b>82%</b>	<b>79%</b>		
<b>USDA forecast, April 2008</b>	<b>29,260</b>	<b>30,430</b>	<b>(4)</b>	

(n) indicates negative number.

<sup>1</sup>Based on FAS 2006/07 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.<sup>2</sup>Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.<sup>3</sup>FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi\_rpt.htm.

Table 15

**Top 10 Importers<sup>1</sup> of All U.S. Wheat**

Week ending 04/17/08	Total Commitments <sup>2</sup>		% change current MY from last MY	Exports <sup>3</sup> 2006/07
	2007/08 Current MY	2006/07 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	3,347	3,449	(3)	3,533
Nigeria	2,221	2,162	3	2,594
Mexico	2,675	2,160	24	2,220
Egypt	3,169	2,035	56	2,092
Philippines	1,676	1,789	(6)	1,739
Korea, South	1,602	1,185	35	1,195
Taiwan	1,106	998	11	1,001
Iraq	2,312	899	157	799
Yemen	998	705	42	709
Algeria	924	161	474	160
<b>Top 10 importers</b>	<b>16,682</b>	<b>12,093</b>	<b>38</b>	<b>16,041</b>
<b>Total US wheat export sales</b>	<b>33,650</b>	<b>23,815</b>	<b>41</b>	<b>23,789</b>
% of Projected	97%	96%		
Change from last week	158	278		
<b>Top 10 importers' share of U.S. wheat export sales</b>	<b>50%</b>	<b>51%</b>		
<b>USDA forecast, April 2008</b>	<b>34,700</b>	<b>24,730</b>	<b>40</b>	

(n) indicates negative number.

<sup>1</sup>Based on FAS 2006/07 Marketing Year Ranking Reports (except Algeria) - www.fas.usda.gov; Marketing year = Jun 1 - May 31.<sup>2</sup>Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.<sup>3</sup>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	2008 YTD <sup>1</sup>	2007 YTD <sup>1</sup>	2008 YTD as	Last 4-weeks as % of		Total <sup>1</sup> 2007
	04/24/08			% of 2007 YTD	2007	3-yr. avg.	
<b>Pacific Northwest</b>							
Wheat	237	4,021	4,122	98	82	85	11,913
Corn	319	4,116	2,613	158	188	182	9,171
Soybeans	117	3,592	3,213	112	82	109	7,648
<b>Total</b>	<b>672</b>	<b>11,729</b>	<b>9,947</b>	<b>118</b>	<b>113</b>	<b>122</b>	<b>28,732</b>
<b>Mississippi Gulf</b>							
Wheat	52	1,376	1,671	82	95	87	6,296
Corn	494	11,761	11,236	105	107	105	34,832
Soybeans	201	6,505	6,375	102	121	120	14,930
<b>Total</b>	<b>747</b>	<b>19,641</b>	<b>19,282</b>	<b>102</b>	<b>109</b>	<b>107</b>	<b>56,058</b>
<b>Texas Gulf</b>							
Wheat	198	2,656	1,567	170	284	228	8,558
Corn	0	827	476	174	44	32	1,441
Soybeans	0	92	65	141	0	0	108
<b>Total</b>	<b>198</b>	<b>3,575</b>	<b>2,108</b>	<b>170</b>	<b>224</b>	<b>178</b>	<b>10,107</b>
<b>Great Lakes</b>							
Wheat	7	107	154	70	74	53	2,721
Corn	0	13	68	19	2	1	894
Soybeans	0	6	7	87	0	0	510
<b>Total</b>	<b>7</b>	<b>126</b>	<b>229</b>	<b>55</b>	<b>48</b>	<b>31</b>	<b>4,125</b>
<b>Atlantic</b>							
Wheat	0	151	316	48	1	2	1,281
Corn	2	378	165	230	20	17	699
Soybeans	4	249	233	107	20	30	564
<b>Total</b>	<b>7</b>	<b>778</b>	<b>714</b>	<b>109</b>	<b>9</b>	<b>17</b>	<b>2,544</b>
<b>U.S. total from ports<sup>2</sup></b>							
Wheat	495	8,204	7,676	107	116	112	30,770
Corn	815	17,095	14,558	117	120	115	47,036
Soybeans	321	10,444	9,892	106	97	112	23,760
<b>Total</b>	<b>1,631</b>	<b>35,743</b>	<b>32,126</b>	<b>111</b>	<b>114</b>	<b>114</b>	<b>101,566</b>

<sup>1</sup> Includes weekly revisions, some regional totals may not add exactly due to rounding.

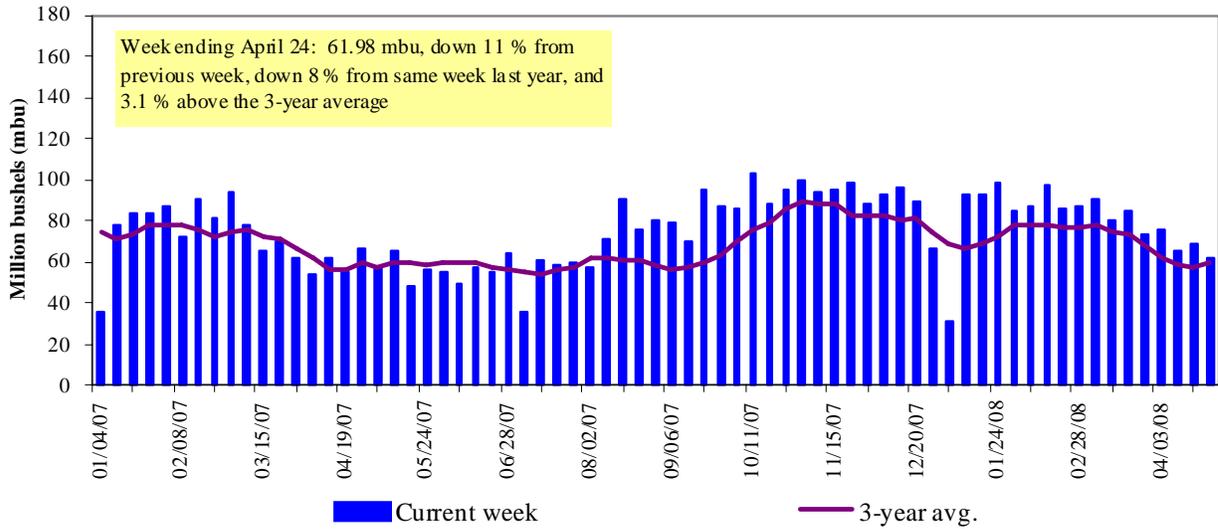
<sup>2</sup> Total includes only port regions shown above

Source: Grain Inspection, Packers and Stockyards Administration/USDA ([www.gipsa.usda.gov](http://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 48 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2007.

Figure 14

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

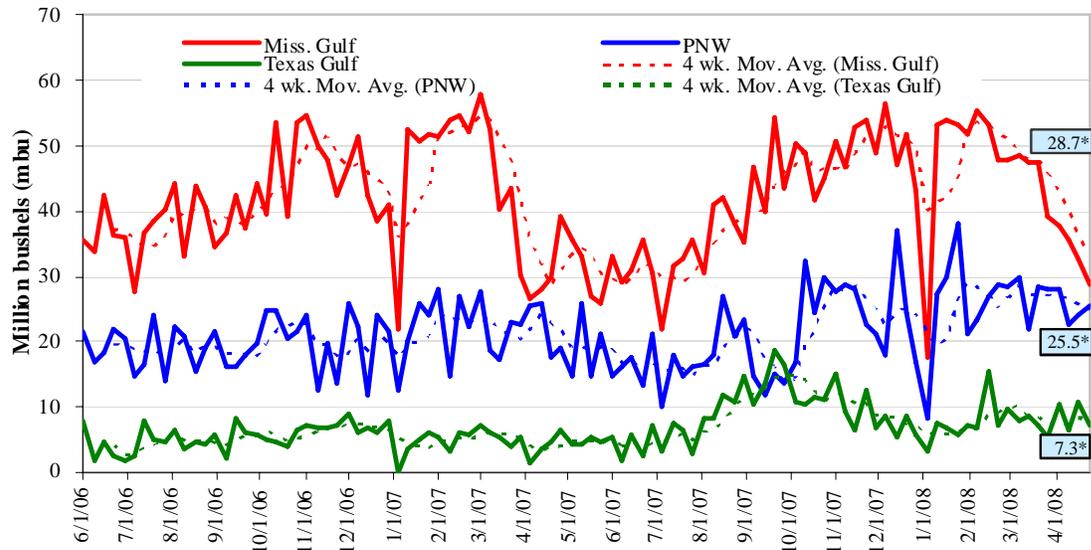


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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); \*mbu, this week.

April 24: % change from	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 12	down 32	down 17	up 5
Last year (same week)	down 27	up 16	down 21	up 32
3-yr avg. (4-wk mov. avg.)	down 9	up 46	down 2	up 26

# Ocean Transportation

Table 17

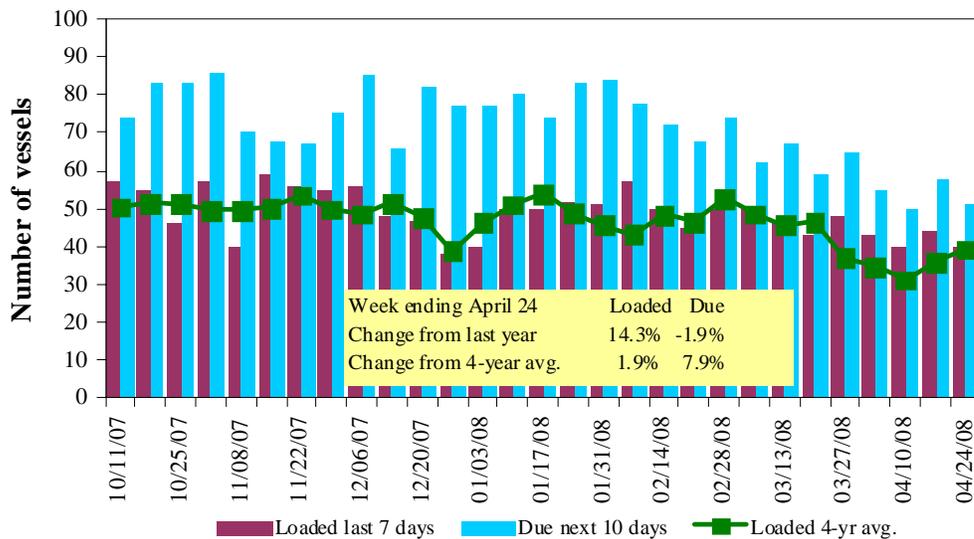
**Weekly Port Region Grain Ocean Vessel Activity (number of vessels)**

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
4/24/2008	25	40	51	12	n/a
4/17/2008	32	44	58	8	3
2007 range	(15..55)	(27..61)	(39..87)	(3..16)	(0..15)
2007 avg.	33	44	64	8	7

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

**U.S. Gulf<sup>1</sup> Vessel Loading Activity**

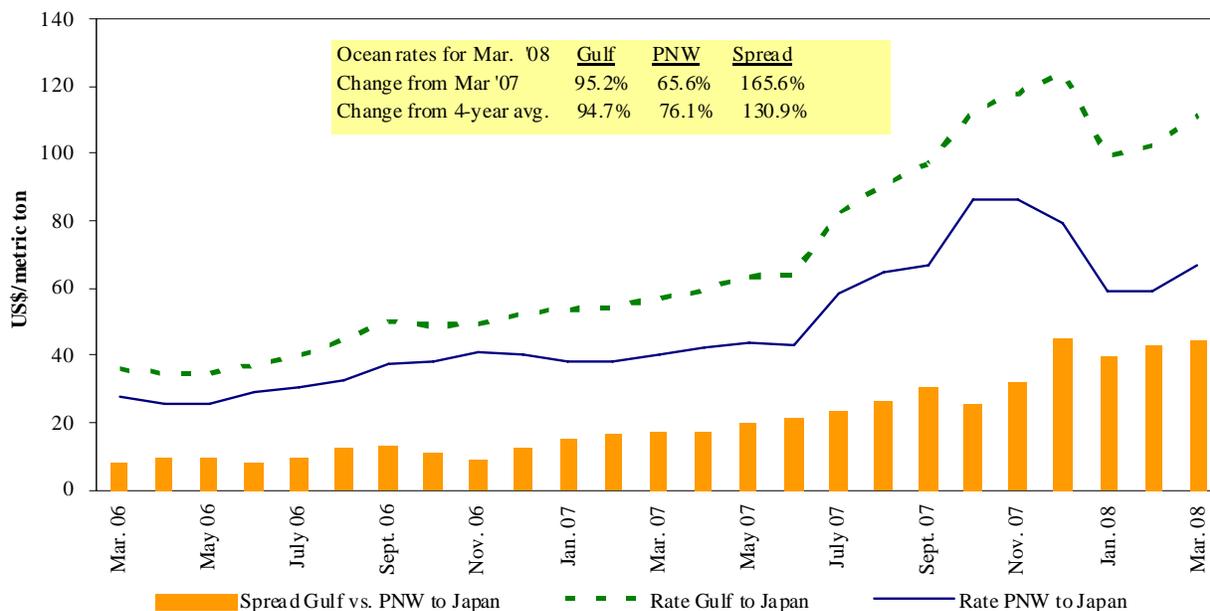


Source: Transportation & Marketing Programs/AMS/USDA

<sup>1</sup>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)/O'Neil Commodity Consulting

Table 18

**Ocean Freight Rates For Selected Shipments, Week Ending 4/26/2008**

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Algeria	Hvy Grain	Feb 1/10	30,000	67.50
U.S. Gulf	Algeria	Hvy Grain	Jan 1/10	30,000	80.00
U.S. Gulf	China	Grain	Mar 25/30	50,000	95.00
U.S. Gulf	Morocco	Hvy Grain	Feb 5/15	25,000	62.75
U.S. Gulf	Pakistan <sup>1</sup>	Wheat	Mar 10/25	9,260	220.39
U.S. Gulf	Spain	Hvy Grain	Dec 7/15	35,000	82.00
Brazil	Europe	Soybean Meal	Mar 3/10	28,000	64.00
Brazil	Russia	Soybeans	Nov 29/Dec 3	25,000	95.00
Brazil	Belgium	Hvy Grain	Apr 4/14	50,000	67.50
River Plate	Algeria	Soybeans	Dec 7/14	20,000	100.50
River Plate	Egypt Mediterranean	Soybean Meal	Dec 25/Jan 5	23,000	116.00
River Plate	Libya	Corn	Mar 1/10	25,000	77.00
River Plate	Poland	Soybean Meal	Jan 15/30	23,000	115.00
River Plate	Romania	Soybean Meal	Jan 8/16	25,000	117.25
River Plate	United Kingdom	Grains	Dec 1/10	25,000	105.00
River Plate	Turkey	Soybean Meal	Oct 1/15	18,000	98.00

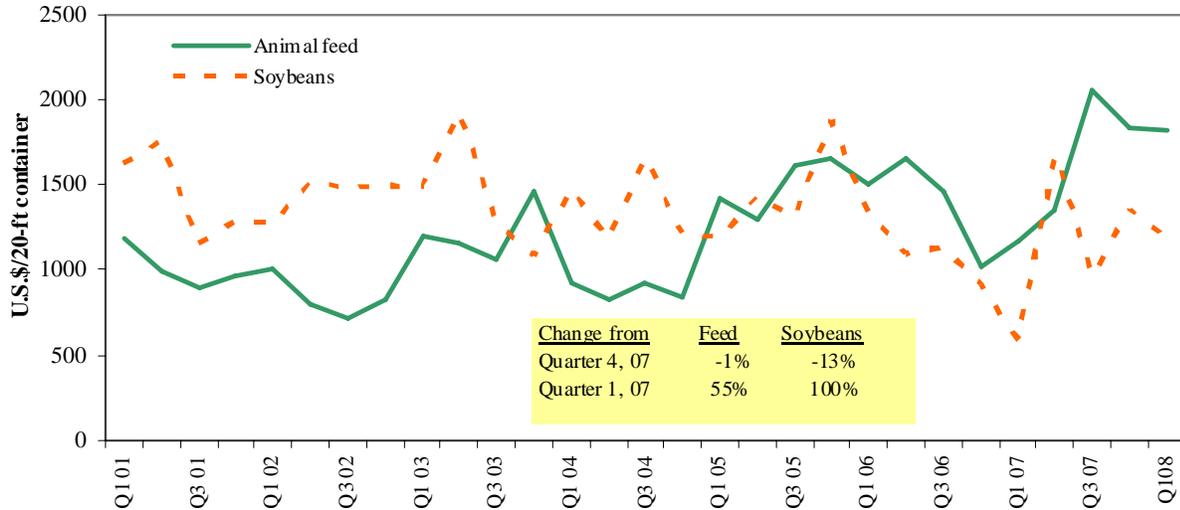
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

<sup>1</sup>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<sup>1</sup> for Containerized Shipments to Selected Asian Countries**



<sup>1</sup>Rates are weighted by shipping line market share and destination country. Rates provided are publicly filed tariff rates, not those negotiated in a confidential service contract.

Countries include: Animal Feed: Bangkok-Thailand (12%), Busan-Korea (14%), Hong Kong (16%), Kaohsiung/Keelung-Taiwan (50%), Tokyo-Japan (8%). Soybeans: Bangkok-Thailand (2%), Busan-Korea, (3%), Kaohsiung/Keelung-Taiwan (91%), Tokyo-Japan (4%)

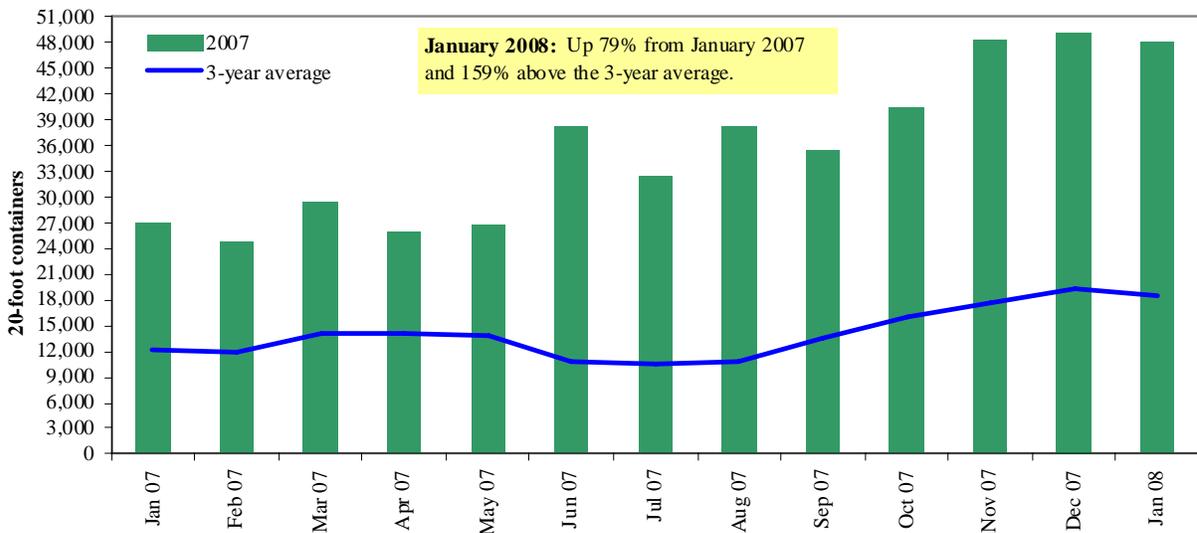
Source: Ocean Rate Bulletin, Quarter 1, 2008, Transportation & Marketing Programs/AMS/USDA

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

During 2007, containers were used to transport 5 percent of total U.S. waterborne grain exports, and 9 percent of U.S. grain exports to Asia.

Figure 19

**Monthly Shipments of Containerized Grain to Asia**



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

# Contacts and Links

## Contact Information

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Rail Marvin Prater Johnny Hill	<a href="mailto:marvin.prater@usda.gov">marvin.prater@usda.gov</a> <a href="mailto:johnny.hill@usda.gov">johnny.hill@usda.gov</a>	(202) 690-6290 (202) 720-4211
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