



Grain Transportation Report

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Division
www.ams.usda.gov/GTR

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December 4, 2008

WEEKLY HIGHLIGHTS

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The next
release is
Dec. 11, '08

Total Grain Inspections Highest Since March

For the week ending November 27, total inspections of grain (corn, wheat, and soybeans) for export reached 2.34 million metric tons (mmt), the highest since March 6. Total inspections increased 10 percent from the previous week but were 0.5 percent below last year. The increase in grain inspections was driven by corn (.794 mmt) and soybean (1.01 mmt) shipments destined for Asia. Mississippi Gulf inspections (1.31 mmt) increased 17 percent from the previous week, but Pacific Northwest inspections dropped 3 percent.

Infrastructure Fee Postponed at the Ports of Los Angeles and Long Beach

The Long Beach Harbor Commission approved a 6-month delay of the Infrastructure Fee originally scheduled to begin in January 2009. The Los Angeles Harbor Commission is expected to make the same announcement in the next few weeks. The Infrastructure Fee was established to fund infrastructure improvements at the harbors and be assessed on each cargo container moved through the ports.

USDA Lowers Expected Agricultural Exports

On December 1, the Economic Research Service and the Foreign Agricultural Service published [Outlook for U.S. Agricultural Trade](#). The report forecast fiscal year 2009 U.S. agricultural exports at \$98.5 billion, down \$14.5 billion from the August estimate, and \$17.0 billion lower than record fiscal 2008 sales. The forecast is pushed down by the expectation of a global recession in 2009.

Canadian Pacific Changes Fuel Surcharge Program

Effective January 1, 2009 the Canadian Pacific (CP) Railway will begin calculating fuel surcharges on a bi-weekly basis instead of a monthly basis. CP will use the average on-highway diesel fuel price of the 15 calendar days that end 20 days before the 1st or the 16th of the month. For Example, the fuel surcharge for the first two weeks January 2009 will be calculated using the average on-highway diesel fuel price from Nov. 27 – Dec. 11 2008.

Snapshots by Sector

Rail

U.S. railroads originated 23,132 **carloads of grain** during the week ending November 22, up 8 percent from the previous week, down 4 percent from the same week last year, and 10 percent higher than the 3-year average.

During the week ending November 29, December average **Secondary Railcar Bids/Offers** were \$96 under tariff for non-shuttle, \$2 lower than last week. Shuttle rates were \$300 under tariff, \$25 higher than last week.

Ocean

During the week ending November 27, 44 ocean-going **grain vessels** were loaded in the Gulf, down 20 percent from last year. Fifty-five **vessels** are due within the next 10 days, down 27 percent from last year.

As of November 27, the cost of shipping grain from the Gulf to Japan was \$25 per mt, down 9 percent from the previous week. The rate from the PNW to Japan was \$14.50 per mt, down 15 percent from the previous week.

Barge

During the week ending November 29, **barge grain movements** totaled 733,000 tons, up 18 percent from the previous week but 16 percent lower than the same period last year.

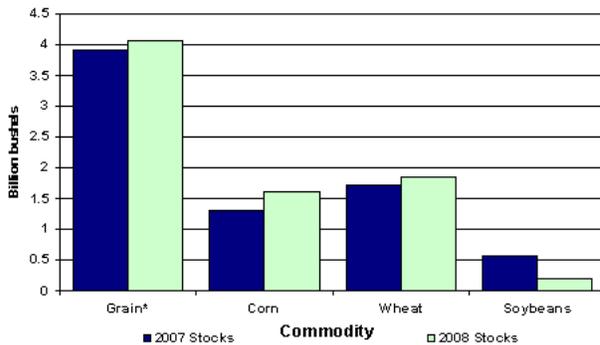
Fuel

During the week ending December 1, U.S. average **diesel fuel prices** decreased 5 cents per gallon to \$2.62—2 percent lower than the previous week and 23 percent lower than the same week last year.

Feature Article/Calendar

Total Grain Stocks in September Up as Compared to 2007. Total grain stored in all positions on September 1 was up 162 million bushels, a total of 4.07 billion bushels or a 4 percent increase over September 2007 (see figure below). The September NASS Grain Stocks report shows that 34 percent of grain was stored on farms, while the rest was stored off farms. This figure is up from 2007, when 32 percent of grain was stored on-farm. The 2 percent difference in on-farm stocks between 2007 and 2008 is equivalent to more than 100,000 truckloads of grain. This could be due to the large corn crop last year, and falling domestic demand caused by the economic downturn. The increased amount of grain stored on-farm may indicate producers are holding grain in the near term while searching for a better price. This implies lower short-term demand for transportation because more grain is being stored on farms. However, the demand for transportation may increase later in the year as producers move grain to end-user destinations.

Total Grain, Corn, Wheat, and Soybeans Stored in all Positions, September 2007 and 2008



* Grain includes: Corn, Wheat, Soybeans, Barley, Oats, Sorghum
Source: Grain Stocks, NASS, USDA, Sept. 30, 2008 and Sept. 28, 2007.

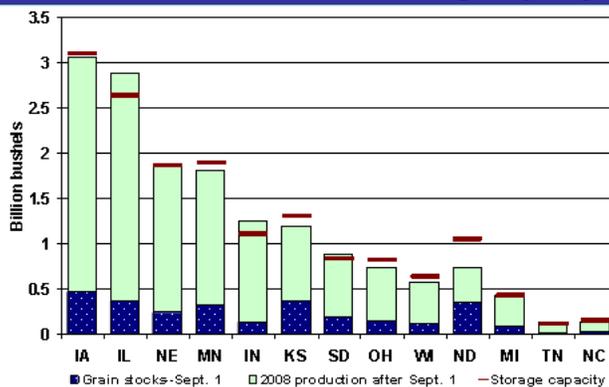
Corn and Wheat Stocks Up, Soybean Stocks Down

As of September 1, corn stored in all positions accounted for 40 percent of total grain stored in 2008, compared to 33 percent in September 2007. Corn stored in all positions totaled 1.62 billion bushels, 320 million bushels or 25 percent more than 2007. Wheat stored in all positions totaled 1.86 billion bushels, 139 million bushels or 8 percent more than last year. As of September 1, soybean stocks were lower than last year. Soybean stocks in all positions totaled 205 million bushels, 369 million bushels (64 percent) less than the same time in 2007.

Emergency Storage Possible in Some States.

The use of emergency storage on the ground is a common practice during and shortly after harvest. This storage practice affects transportation systems because grain stored on the ground is handled twice—once as it is unloaded and piled on the ground, and again as it is loaded to be taken to its final destination. This results in longer loading times and increased transport costs. On September 1, Indiana (113 percent), Illinois (110 percent), and South Dakota (108 percent) had expected storage needs¹ above 105 percent of their NASS reported storage capacity² (see figure at right). Illinois' storage needs are expected to be the greatest by volume (255 million bushels), while Indiana needs storage for 140 million bushels and South Dakota 65 million bushels. Several other factors may play a role in the need for emergency storage, such as grain disappearance in September, October, and November, which is not included. Production versus storage capacity differences within a state may also play a role as grain may be piled on the ground in one county and not in the next. Daniel.Nibarger@usda.gov

Grain Production, Stocks and Storage Capacity



Sources: Crop Production, USDA, Oct. 12, 2008; Grain Stocks, USDA, Sept. 30 and Jan. 12, 2008.

¹ Expected storage needs calculated using September 1, 2008 grain stocks in addition to projected grain production from September through December by commodity

² Storage Capacity does not include facilities holding a state license or grain stored on-farm not secured with a Federal crop loan

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail ²	Barge	Ocean	
				Gulf	Pacific
12/03/08	176	-1	222	112	103
11/26/08	179	1	219	123	121

¹Indicator: 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)

²The 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)

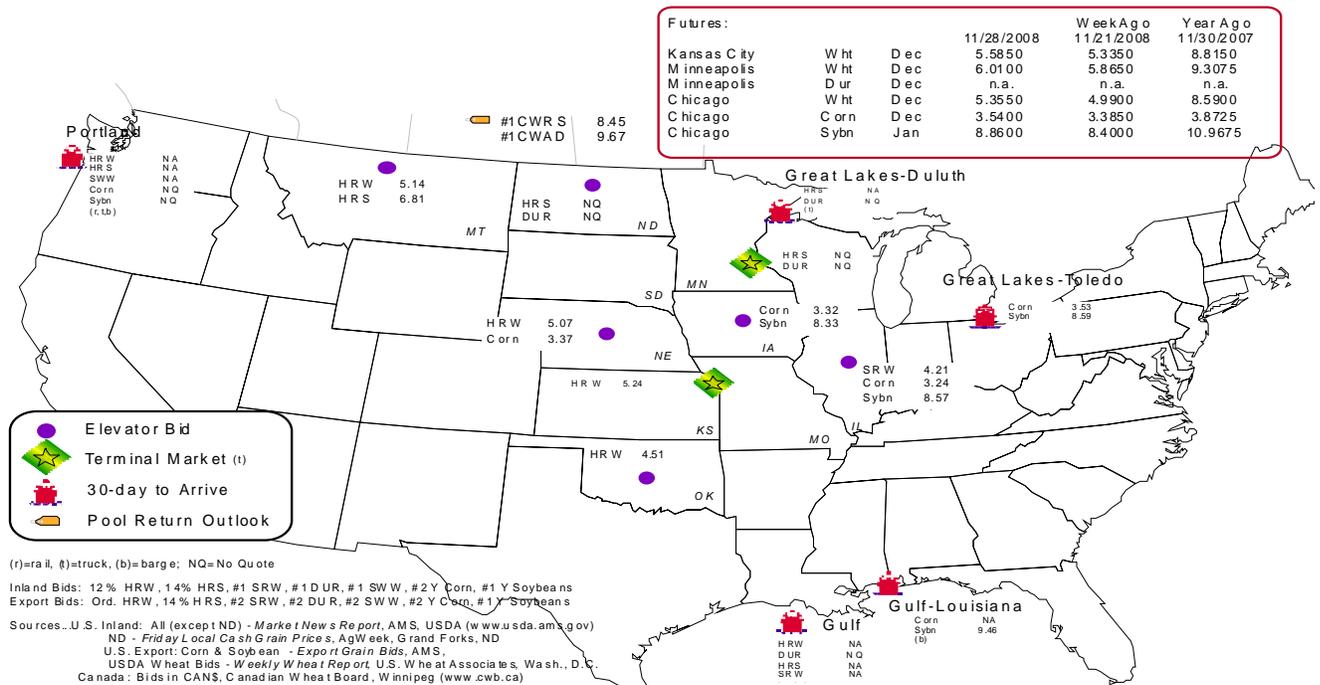
Commodity	Origin-Destination	11/28/2008	11/21/2008
Corn	IL--Gulf	n/a	-0.62
Corn	NE--Gulf	n/a	-0.42
Soybean	IA--Gulf	-1.13	-1.14
HRW	KS--Gulf	n/a	-1.55
HRS	ND--Portland	n/a	n/a

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		Cross-Border	Pacific	Atlantic &	Total
	Gulf ²	Texas Gulf	Mexico	Northwest	East Gulf	
11/26/2008 ^p	1,261	840	1,103	3,757	539	7,500
11/19/2008 ^r	1,073	695	1,594	3,988	1,130	8,480
2008 YTD	64,277	102,616	33,398	239,994	30,396	470,681
2007 YTD	55,790	105,152	39,455	207,452	27,530	435,379
2008 YTD as % of 2007 YTD	115	98	85	116	110	108
Last 4 weeks as % of 2007 ³	86	26	183	71	54	67
Last 4 weeks as % of 4-year avg. ³	82	36	132	83	84	79
Total 2007	62,169	113,730	40,725	227,970	31,369	475,963
Total 2006	96,593	99,866	45,971	213,682	29,334	485,446

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

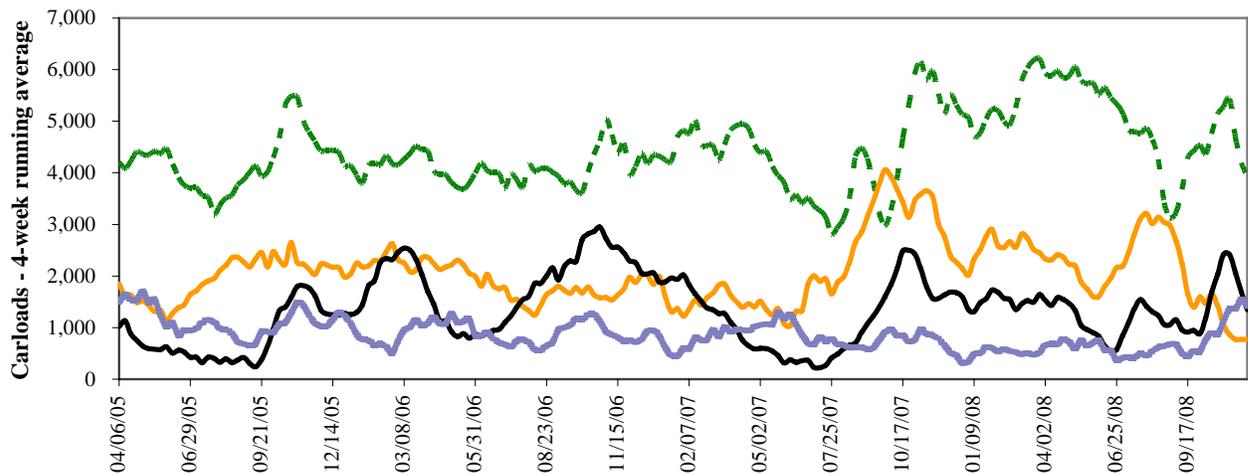
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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



- - - Pacific Northwest: 4 Wks. ending 11/26 -- down 29 % from same period last year; down 17 % from 4-year average
— Texas Gulf: 11/26 -- down 74 % from same period last year; down 64 % from 4-year average
— Miss. River: 11/26 -- down 14 % from same period last year; down 18 % from 4-year average
— Cross-border Mexico: 11/26 -- up 83 % from same period last year; up 32 % from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 4

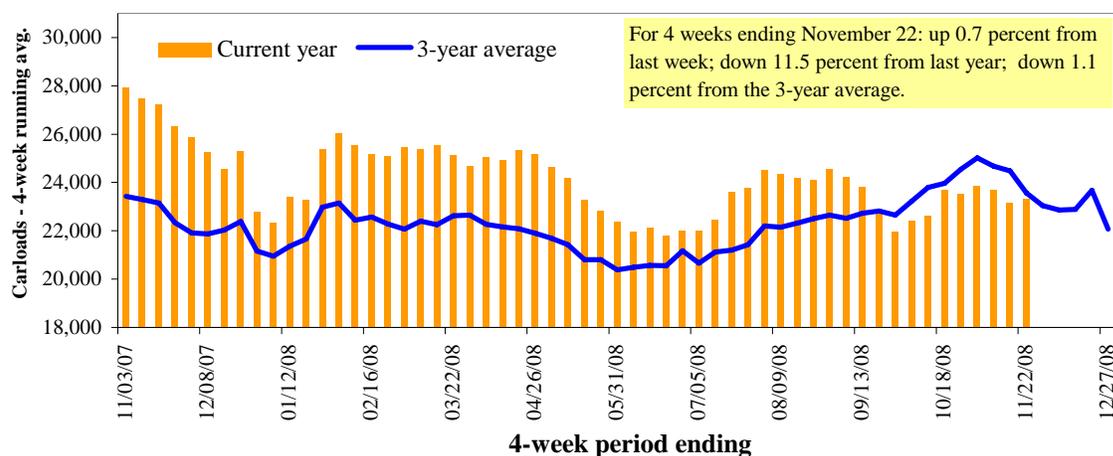
Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
11/22/08	1,928	3,202	11,610	772	5,620	23,132	4,962	5,747
This week last year	3,467	3,099	10,812	517	5,998	23,893	4,856	5,195
2008 YTD	124,198	147,158	521,161	33,751	296,711	1,122,979	204,007	195,750
2007 YTD	132,848	151,417	480,308	30,609	264,581	1,059,763	226,946	218,064
2008 YTD as % of 2007 YTD	93	97	109	110	112	106	90	90
Last 4 weeks as % of 2007 ¹	68	95	93	130	84	89	92	106
Last 4 weeks as % of 3-yr avg. ¹	73	99	107	179	94	99	92	105
Total 2007	147,937	166,625	536,362	33,980	292,973	1,177,877	250,844	240,401

¹As 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 Offerings¹ (\$/car)²

Week ending	Delivery period							
	Dec-08	Dec-07	Jan-09	Jan-08	Feb-09	Feb-08	Mar-09	Mar-08
11/22/2008								
BNSF ³								
COT grain units	no offer	no offer	no bids	no offer	no bids	0	no bids	no offer
COT grain single-car ⁵	no offer	no offer	0	no offer	no bids	0	no bids	0
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	no offer	no offer	no offers	no offer
GCAS/Region 2	no bids	no offer	no bids	no bids	no offer	no offer	no offers	no offer

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

²Average premium/discount to tariff, last auction

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

⁴UP - 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.

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

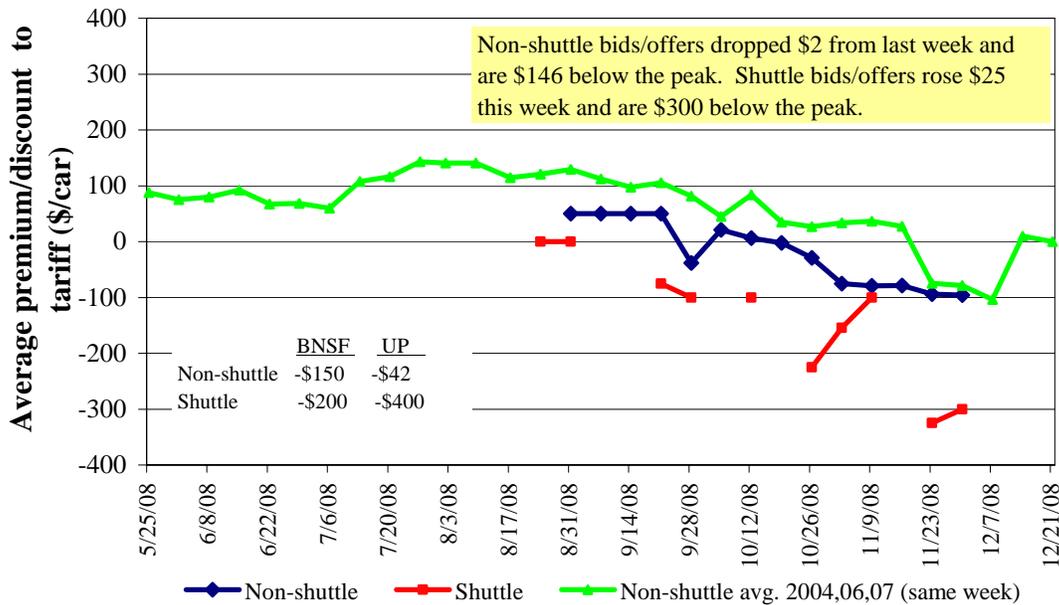
Source: Transportation & Marketing Programs/AMS/USDA.

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 December 2008, Secondary Market

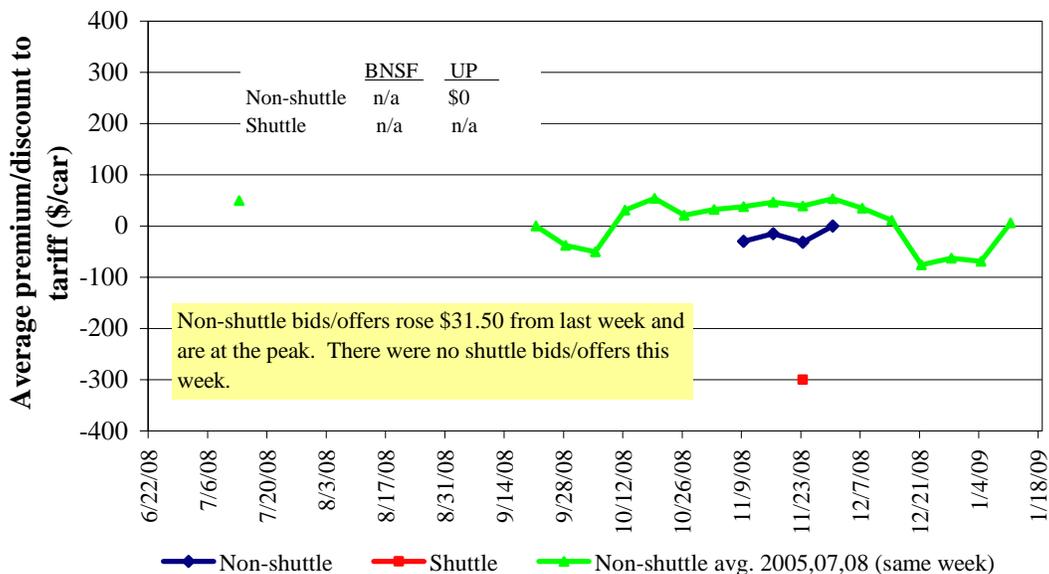


Excludes 2005 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita. Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in January 2009, Secondary Market

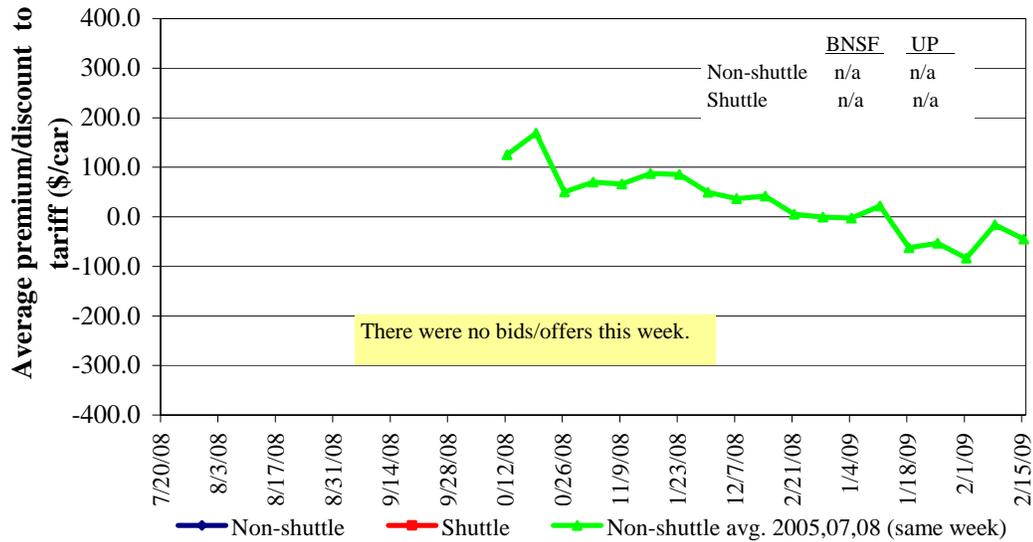


Excludes 2006 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita. Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in February 2009, Secondary Market



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

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)¹

Week ending	Delivery period					
	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09
11/29/2008						
Non-shuttle						
BNSF-GF	-150	n/a	n/a	n/a	n/a	n/a
Change from last week	-12	n/a	n/a	n/a	n/a	n/a
Change from same week 2007	-175	n/a	n/a	n/a	n/a	n/a
UP-Pool	-42	0	n/a	n/a	n/a	n/a
Change from last week	8	0	n/a	n/a	n/a	n/a
Change from same week 2007	171	125	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	-200	n/a	n/a	n/a	n/a	n/a
Change from last week	125	n/a	n/a	n/a	n/a	n/a
Change from same week 2007	-197	n/a	n/a	n/a	n/a	n/a
UP-Pool	-400	n/a	n/a	n/a	n/a	n/a
Change from last week	n/a	n/a	n/a	n/a	n/a	n/a
Change from same week 2007	250	n/a	n/a	n/a	n/a	n/a

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

²Shuttle 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 Shipments¹

Effective date:		Origin region	Destination region	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ³
12/1/2008	metric ton					bushel ²		
Unit train¹								
Wheat	Chicago, IL	Albany, NY	\$2,422	\$250	\$29.46	\$0.80	8	
	Kansas City, MO	Galveston, TX	\$2,528	\$248	\$30.59	\$0.83	14	
	South Central, KS	Galveston, TX	\$3,270	\$414	\$40.61	\$1.11	17	
	Minneapolis, MN	Houston, TX	\$3,414	\$839	\$46.88	\$1.28	10	
	St. Louis, MO	Houston, TX	\$3,180	\$240	\$37.70	\$1.03	18	
	South Central, ND	Houston, TX	\$5,228	\$933	\$67.91	\$1.85	18	
	Minneapolis, MN	Portland, OR	\$3,940	\$1,020	\$54.67	\$1.49	7	
	South Central, ND	Portland, OR	\$3,940	\$837	\$52.66	\$1.43	6	
	Northwest, KS	Portland, OR	\$4,715	\$1,115	\$64.26	\$1.75	7	
	Chicago, IL	Richmond, VA	\$2,557	\$350	\$32.05	\$0.87	12	
Com	Chicago, IL	Baton Rouge, LA	\$3,291	\$303	\$39.62	\$1.01	4	
	Council Bluffs, IA	Baton Rouge, LA	\$3,223	\$324	\$39.10	\$0.99	7	
	Kansas City, MO	Dalhart, TX	\$3,284	\$302	\$39.53	\$1.00	4	
	Minneapolis, MN	Portland, OR	\$3,430	\$1,020	\$49.05	\$1.25	7	
	Evansville, IN	Raleigh, NC	\$3,008	\$342	\$36.93	\$0.94	14	
	Columbus, OH	Raleigh, NC	\$2,897	\$300	\$35.24	\$0.90	14	
	Council Bluffs, IA	Stockton, CA	\$5,390	\$1,102	\$71.56	\$1.82	6	
Soybeans	Chicago, IL	Baton Rouge, LA	\$3,345	\$303	\$40.21	\$1.09	4	
	Council Bluffs, IA	Baton Rouge, LA	\$3,192	\$324	\$38.76	\$1.05	4	
	Minneapolis, MN	Portland, OR	\$4,360	\$1,020	\$59.30	\$1.61	9	
	Evansville, IN	Raleigh, NC	\$3,008	\$342	\$36.93	\$1.01	14	
	Chicago, IL	Raleigh, NC	\$3,608	\$426	\$44.47	\$1.21	12	
Shuttle Train								
Wheat	St. Louis, MO	Houston, TX	\$2,642	\$240	\$31.77	\$0.86	22	
	Minneapolis, MN	Portland, OR	\$3,540	\$1,020	\$50.26	\$1.37	5	
Com	Fremont, NE	Houston, TX	\$2,268	\$617	\$31.80	\$0.81	-2	
	Minneapolis, MN	Portland, OR	\$3,168	\$1,020	\$46.16	\$1.17	1	
Soybeans	Council Bluffs, IA	Houston, TX	\$2,787	\$598	\$37.31	\$1.02	10	
	Minneapolis, MN	Portland, OR	\$3,502	\$1,020	\$49.84	\$1.36	5	

¹A 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.

²Approximate load per car = 100 short tons (90.72 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

³Percentage change year over year calculated using tariff rate plus fuel surcharge

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 Mexico

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ³
					metric ton	bushel ²	
Wheat	MT	Chihuahua, CI	\$5,803	\$949	\$68.99	\$1.88	7
	OK	Cuautitlan, EM	\$5,314	\$783	\$62.29	\$1.69	11
	KS	Guadalajara, JA	\$5,784	\$815	\$67.43	\$1.83	9
	TX	Salinas Victoria, NL	\$2,956	\$272	\$32.99	\$0.90	n/a
Corn	IA	Guadalajara, JA	\$6,745	\$944	\$78.57	\$1.99	4
	SD	Penjamo, GJ	\$6,600	\$1,241	\$80.12	\$2.03	3
	NE	Queretaro, QA	\$6,233	\$824	\$72.11	\$1.83	n/a
	SD	Salinas Victoria, NL	\$4,740	\$943	\$58.07	\$1.47	7
	MO	Tlalnepantla, EM	\$5,425	\$802	\$63.62	\$1.61	n/a
	SD	Torreon, CU	\$5,510	\$1,040	\$66.92	\$1.70	4
Soybeans	MO	Bojay (Tula), HG	\$6,183	\$816	\$71.51	\$1.94	4
	NE	Guadalajara, JA	\$6,690	\$935	\$77.91	\$2.12	5
	IA	Penjamo (Celaya), GJ	\$6,350	\$1,234	\$77.49	\$2.11	2
	KS	Torreon, CU	\$5,275	\$625	\$60.28	\$1.64	3
Sorghum	OK	Cuautitlan, EM	\$4,309	\$942	\$53.66	\$1.36	8
	TX	Guadalajara, JA	\$4,800	\$808	\$57.30	\$1.45	5
	NE	Penjamo, GJ	\$6,420	\$861	\$74.40	\$1.89	6
	KS	Queretaro, QA	\$5,568	\$615	\$63.17	\$1.60	8
	NE	Salinas Victoria, NL	\$4,477	\$624	\$52.12	\$1.32	9
	NE	Torreon, CU	\$5,255	\$709	\$60.94	\$1.55	4

¹Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75-110 cars that meet railroad efficiency requirements.

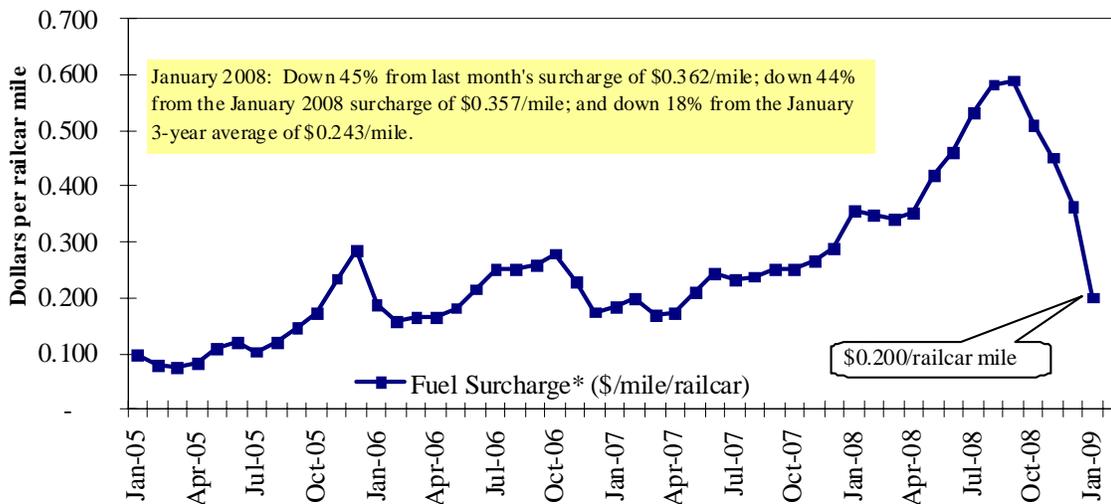
²Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

³Percentage change year over year calculated using tariff rate plus fuel surcharge

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹



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

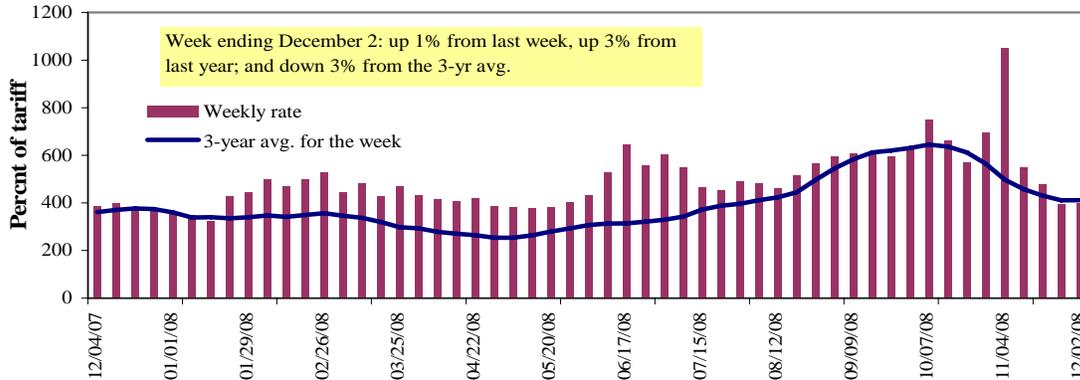
* Mileage-based fuel surcharges from December 2004 through March 2007 are estimated. CP Fuel Surcharge for Jan. 1 - 15, 2009 is not included. CP will calculate the fuel surcharge based on the average on-highway diesel prices between Nov. 27 - Dec. 11, 2008. This figure will be updated as CP releases its fuel surcharge rate.

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^{1,2}



¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-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
Rate¹	12/2/2008	-	418	400	378	306	306	340
	11/25/2008	408	406	395	305	306	306	301
\$/ton	12/2/2008	-	22.24	18.56	15.08	14.35	12.36	10.68
	11/25/2008	25.26	21.60	18.33	12.17	14.35	12.36	9.45
Current week % change from the same week:								
	Last year	-	8	3	16	-15	-15	20
	3-year avg. ²	-	12	-3	11	-16	-16	20
Rate¹	January	-	-	399	327	317	317	300
	March	-	-	375	320	332	332	292

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds.

Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:

$(\text{Index} * 1976 \text{ tariff benchmark rate per ton}) / 100$

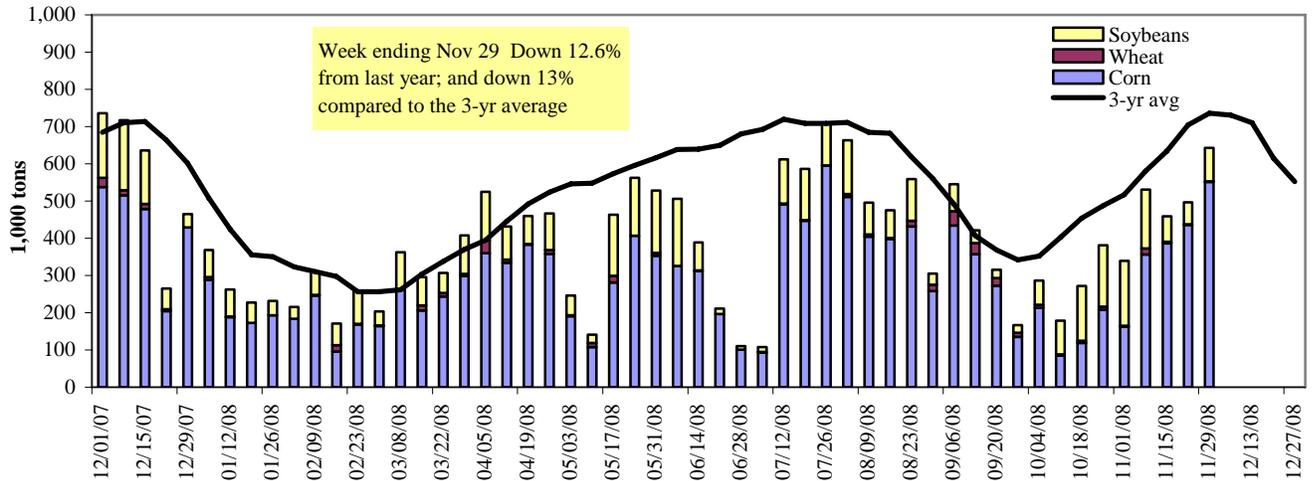
Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 9).

Figure 9
Benchmark tariff rates



Figure 10

Barge Movements on the Mississippi River¹ (Locks 27 - Granite City, IL)



¹ 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)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 11/29/2008	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	166	20	54	0	240
Winfield, MO (L25)	316	20	73	0	409
Alton, IL (L26)	509	2	82	0	593
Granite City, IL (L27)	551	2	90	0	643
Illinois River (L8)	119	0	2	0	121
Ohio River (L52)	21	0	52	2	74
Arkansas River (L1)	0	0	16	0	16
Weekly total - 2008	572	2	158	2	733
Weekly total - 2007	582	28	260	9	879
2008 YTD ¹	17,408	1,469	6,272	430	25,580
2007 YTD	23,479	1,636	5,882	533	31,529
2008 as % of 2007 YTD	74	90	107	81	81
Last 4 weeks as % of 2007 ²	59	44	89	41	65
Total 2007	25,510	1,711	6,566	1,040	34,398

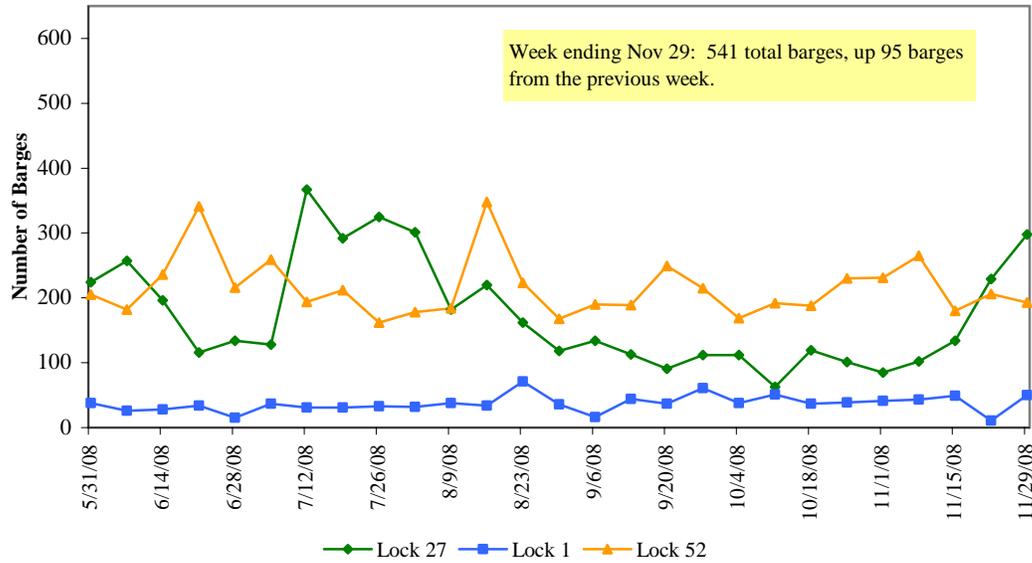
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2007.

Note: Total may not add exactly, due to rounding

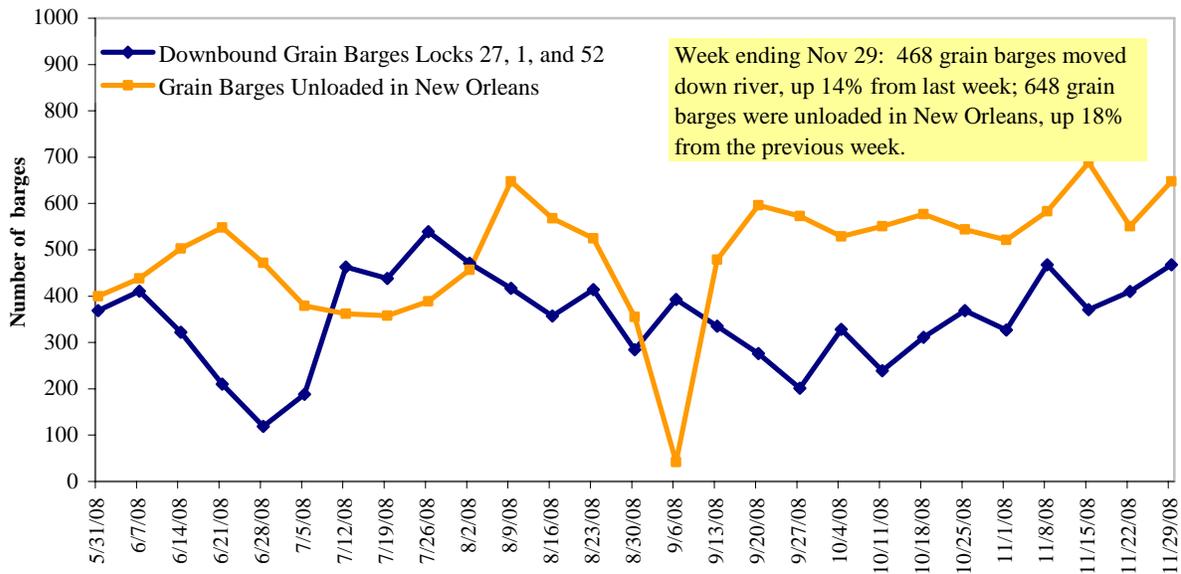
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webprts/default.asp)

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 as diesel fuel is a significant expense for truck grain movements.

Table 11

Retail on-Highway Diesel Prices¹, Week Ending 12/1/08 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.735	-0.053	-0.709
	New England	2.954	-0.043	-0.641
	Central Atlantic	2.875	-0.050	-0.695
	Lower Atlantic	2.655	-0.055	-0.721
II	Mid west ²	2.578	-0.046	-0.807
III	Gulf Coast ³	2.556	-0.042	-0.789
IV	Rocky Mountain	2.577	-0.067	-0.910
V	West Coast	2.553	-0.055	-0.979
	California	2.538	-0.067	-1.029
Total	U.S.	2.615	-0.049	-0.801

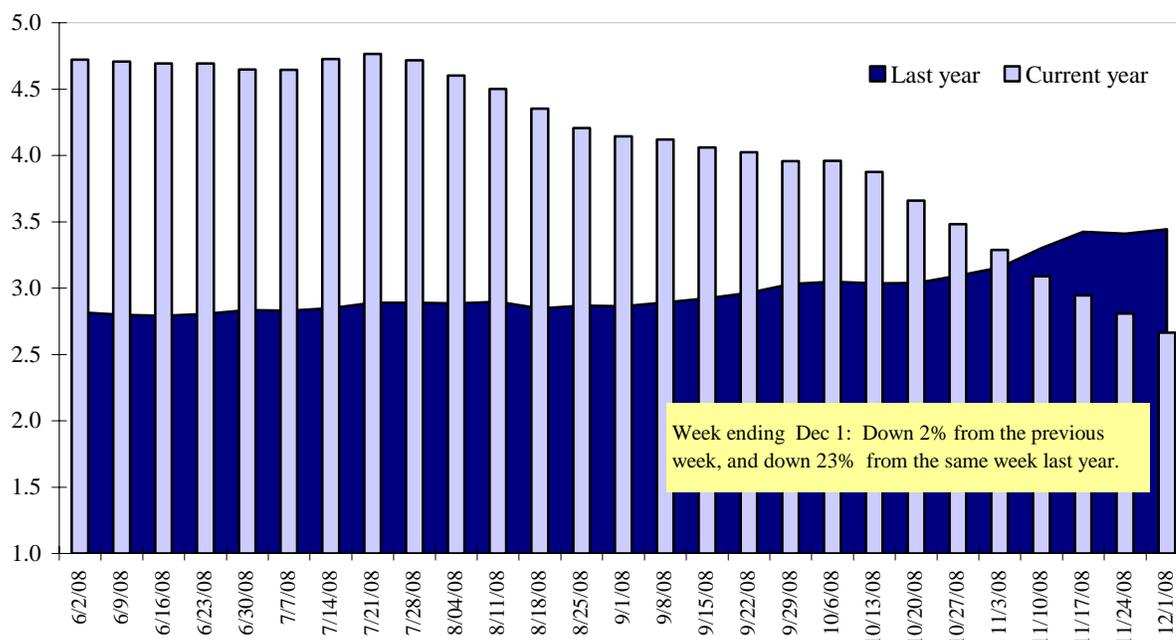
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

²Same as North Central ³Same 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)

Week ending	Wheat					All wheat	Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR				
Export Balances¹									
11/20/2008	2,008	959	1,174	563	115	4,818	9,110	8,929	22,857
This week year ago	4,427	934	2,646	1,518	307	9,832	19,513	9,733	39,078
Cumulative exports-marketing year²									
2008/09 YTD	7,715	3,446	2,812	1,384	236	15,593	9,224	8,265	33,082
2007/08 YTD	7,342	3,824	4,064	2,197	639	18,066	14,848	7,625	40,539
YTD 2008/09 as % of 2007/08	105	90	69	63	37	86	62	108	82
Last 4 wks as % of same period 2007/08	46	106	47	38	29	50	49	96	61
2007/08 Total	13,709	5,568	7,842	4,191	1,075	32,385	59,666	30,411	122,462
2006/07 Total	6,800	3,866	6,480	4,996	761	22,902	53,799	30,261	106,962

¹ Current unshipped export sales to date

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

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 Importers¹ of U.S. Corn

Week ending 11/20/08	Total Commitments ²		% change current MY from last MY	Exports ³ 2007/08
	2008/09 Current MY	2007/08 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	6,232	8,232	(24)	15,294
Mexico	3,918	5,280	(26)	8,767
Korea	1,423	4,167	(66)	8,621
Taiwan	647	1,705	(62)	3,476
Egypt ⁴	512	2,243	(77)	3,309
Top 5 importers	12,732	21,628	(41)	39,467
Total US corn export sales	18,334	34,361	(47)	61,850
% of Projected	38%	56%		
Change from Last Week	465	1,830		
Top 5 importers' share of U.S. corn export sales	69%	63%		
USDA forecast, November 2008	48,260	61,850	(22)	
Corn Use for Ethanol USDA forecast, November 2008	101,600	76,861	32	

(n) indicates negative number.

¹ Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = 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.

⁵ Not included - FAS Press Release: 120,000 mt on 11/26 to Egypt for 2008/09.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week ending 11/20/08	Total Commitments ²		% change current MY from last MY	Exports ³ 2007/08
	2008/09 Current MY	2007/08 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	8,938	8,817	1	13,354
Mexico	1,223	1,552	(21)	3,575
Japan	1,703	1,539	11	2,710
EU-25	1,190	1,080	10	3,896
Taiwan	704	653	8	1,728
Top 5 importers	13,758	13,641	1	25,262
Total US soybean export sales	17,193	17,358	(1)	
% of Projected	62%	55%		
Change from last week	782	1,118		
Top 5 importers' share of U.S. soybean export sales	80%	79%		
USDA forecast, November 2008	27,760	31,430	(12)	
Soybean Use for Biodiesel USDA forecast, November 2008	7,430	7,153	4	

(n) indicates negative number.

¹Based on FAS 2006/07 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week ending 11/20/08	Total Commitments ²		% change current MY from last MY	Exports ³ 2007/08
	2008/09 Current MY	2007/08 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	2,115	2,015	5	3,319
Egypt	1,663	2,611	(36)	3,276
Nigeria	2,284	1,882	21	2,597
Mexico	1,919	1,937	(1)	2,568
Iraq	1,205	1,907	(37)	1,964
Philippines	1,157	1,587	(27)	1,538
Korea, South	802	1,137	(29)	1,509
Indonesia	419	535	(22)	1,093
Taiwan	373	734	(49)	1,068
Venezuela	399	595	(33)	997
Top 10 importers	12,336	14,940	(17)	19,930
Total US wheat export sales	20,411	27,911	(27)	34,480
% of Projected	75%	81%		
Change from last week	439	408		
Top 10 importers' share of U.S. wheat export sales	60%	54%		
USDA forecast, November 2008	27,220	34,480	(21)	

(n) indicates negative number.

¹Based on FAS 2007/08 Marketing Year Ranking Reports (except Algeria) - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³FAS 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 ¹	2007 YTD ¹	2008 YTD as	Last 4-weeks as % of		Total ¹ 2007
	11/27/08			% of 2007 YTD	2007	3-yr. avg.	
Pacific Northwest							
Wheat	185	9,741	10,878	90	72	71	11,913
Corn	328	11,783	8,484	139	87	117	9,171
Soybeans	245	8,610	6,794	127	155	169	7,648
Total	759	30,134	26,157	115	101	115	28,732
Mississippi Gulf							
Wheat	106	6,100	6,029	101	181	187	6,296
Corn	466	26,601	32,011	83	50	61	34,832
Soybeans	736	13,577	12,801	106	144	133	14,930
Total	1,308	46,277	50,842	91	90	98	56,058
Texas Gulf							
Wheat	210	9,464	8,055	117	86	111	8,558
Corn	0	1,449	1,216	119	17	13	1,441
Soybeans	0	119	76	157	n/a	0	108
Total	210	11,032	9,346	118	72	80	10,107
Great Lakes							
Wheat	36	775	2,536	31	30	55	2,721
Corn	0	233	794	29	0	0	894
Soybeans	25	281	452	62	25	16	510
Total	61	1,288	3,783	34	20	24	4,125
Atlantic							
Wheat	0	826	1,225	67	22	37	1,281
Corn	0	538	612	88	3	5	699
Soybeans	2	470	464	101	68	55	564
Total	2	1,834	2,301	80	33	39	2,544
U.S. total from ports²							
Wheat	537	26,131	26,188	100	83	98	30,770
Corn	794	40,603	43,117	94	54	66	47,036
Soybeans	1,008	23,057	20,587	112	138	128	23,760
Total	2,339	89,790	89,892	100	85	94	101,566

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

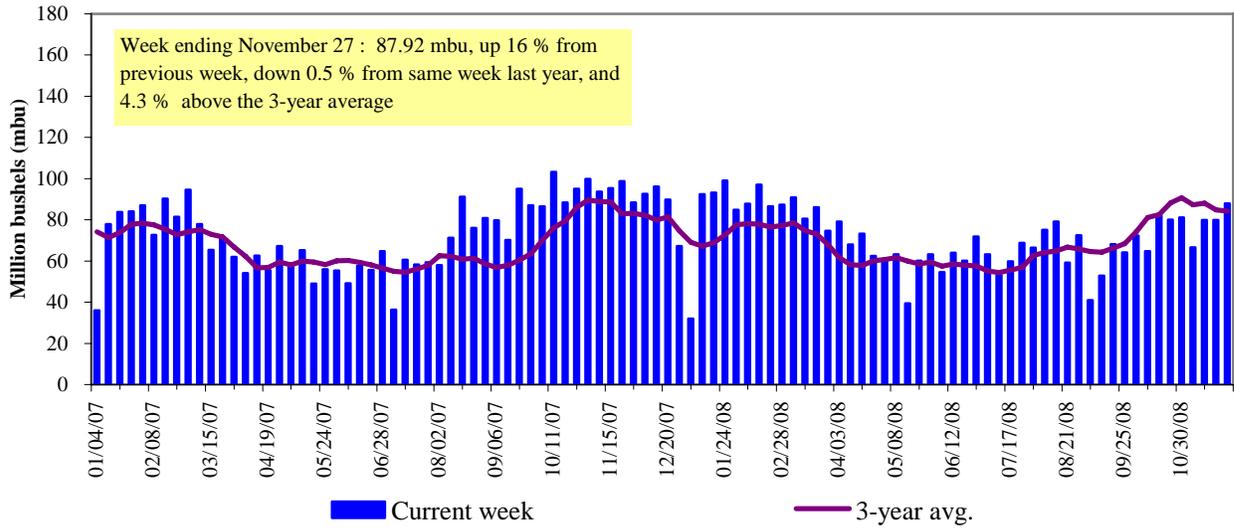
² Total includes only port regions shown above

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, this 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 the 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)

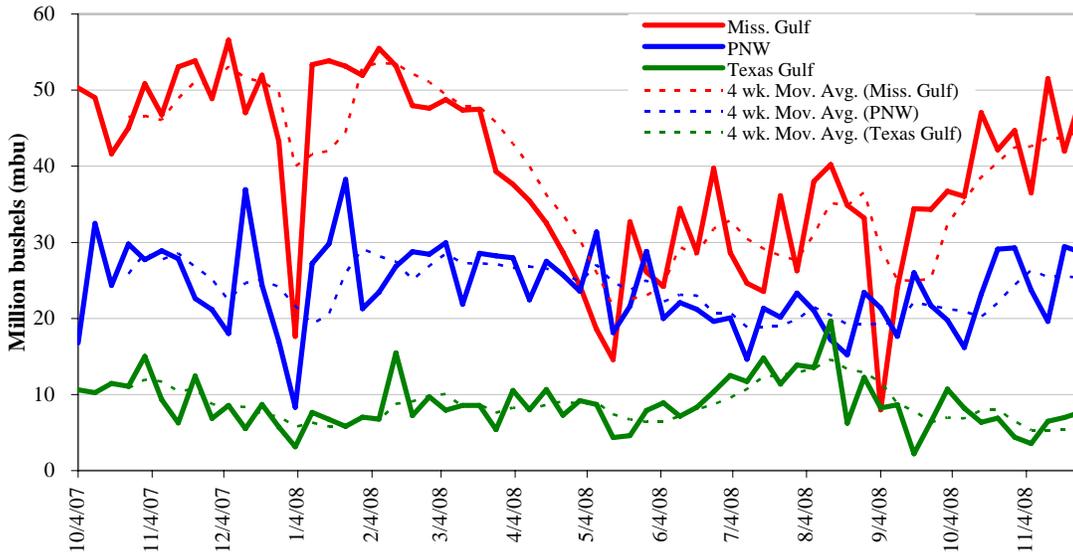


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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)



<u>Nov. 27: % change from:</u>	<u>MS Gulf</u>	<u>TX Gulf</u>	<u>U.S. Gulf</u>	<u>PNW</u>
Last week	up 17	up 10.5	up 16	down 3
Last year (same week)	up 1	up 12.5	up 2	up 36
3-yr avg. (4-wk mov. avg.)	up 6	down 2	up 5	up 31

Ocean Transportation

Table 17

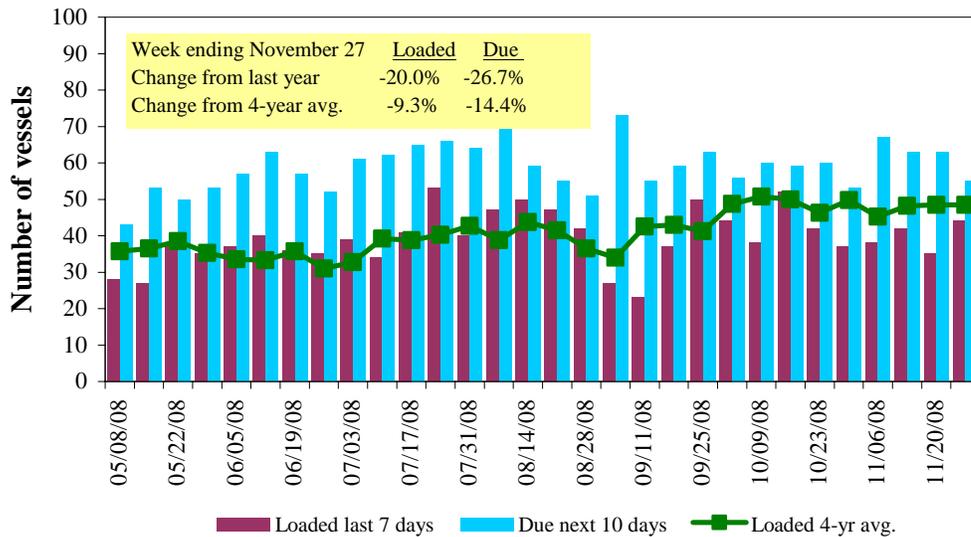
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded	Due next	In port	In port
		7-days	10-days		
11/27/2008	37	44	55	8	n/a
11/20/2008	47	35	63	11	6
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. Gulf¹ Vessel Loading Activity

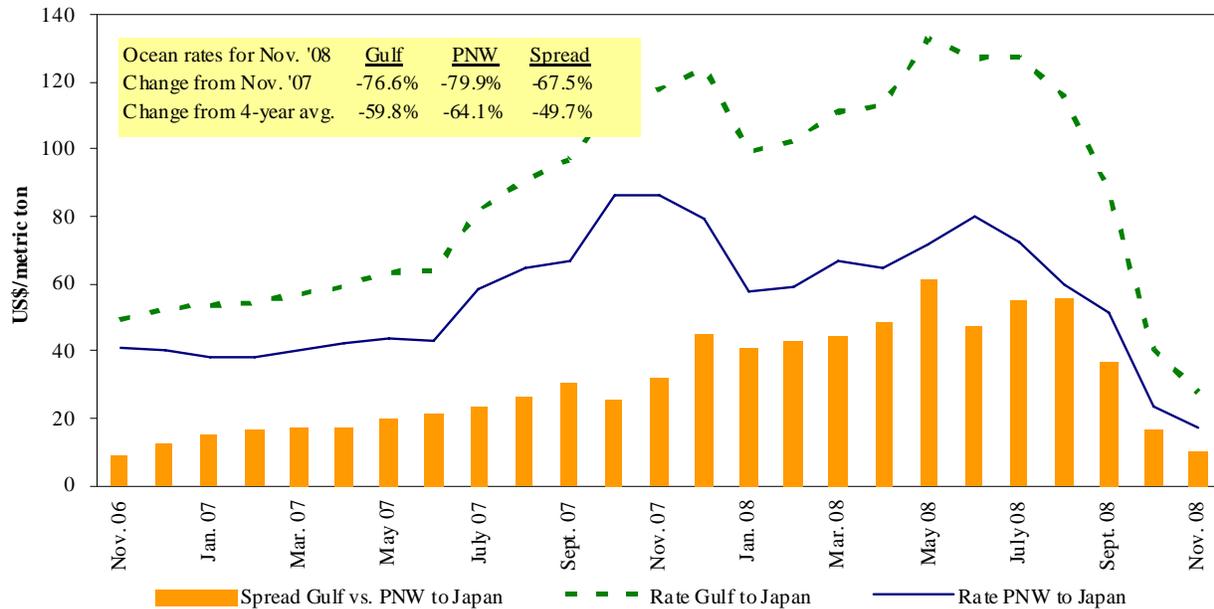


Source: Transportation & Marketing Programs/AMS/USDA

¹U.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 11/22/2008

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	China	Hvy Grain	Dec 1/10	55,000	26.50
U.S. Gulf	China	Hvy Grain	Dec 1/10	55,000	27.50
U.S. Gulf	China	Hvy Grain	Dec 11/20	55,000	27.00
U.S. Gulf	China	Hvy Grain	Nov 20/30	55,000	27.00
U.S. Gulf	China	Hvy Grain	Nov 20/21	55,000	30.00
U.S. Gulf	China	Hvy Grain	Nov 14/24	55,000	28.00
U.S. Gulf	China	Hvy Grain	Oct 20/25	55,000	50.00
U.S. Gulf	Ethiopia ¹	Wheat	Oct 5/15	34,180	129.96
U.S. Gulf	Egypt Mediterranean	Wheat	Oct 10/20	60,000	54.00
U.S. Gulf	Rotterdam	Hvy Grain	Oct 7/10	60,000	32.50
Brazil	Montoir	Soybean Meal	Sep 9/15	43,000	55.00
Brazil	Thailand	Soybean	Sep 23/27	42,000	75.00
France	Egypt Mediterranean	Hvy Grain	Nov 1/5	60,000	10.25
River Plate	Algeria	Hvy Grain	Oct 10/20	35,000	89.00
River Plate	Algeria	Hvy Grain	Nov 5/10	35,000	48.00
River Plate	Algeria	Hvy Grain	Sep 1/10	20,000	101.00
River Plate	Amsterdam	Hvy Grain	Oct 20/26	55,000	38.35
River Plate	Morocco	Hvy Grain	Sep 15/22	25,000	77.00
River Plate	Sp Mediterranean	Soybean meal	Dec 5/10	25,000	18.00
Russia	Egypt Mediterranean	Wheat	Sep 16/20	25,000	28.00
Vancouver	China	Canola	Sep 22/29	55,000	44.00

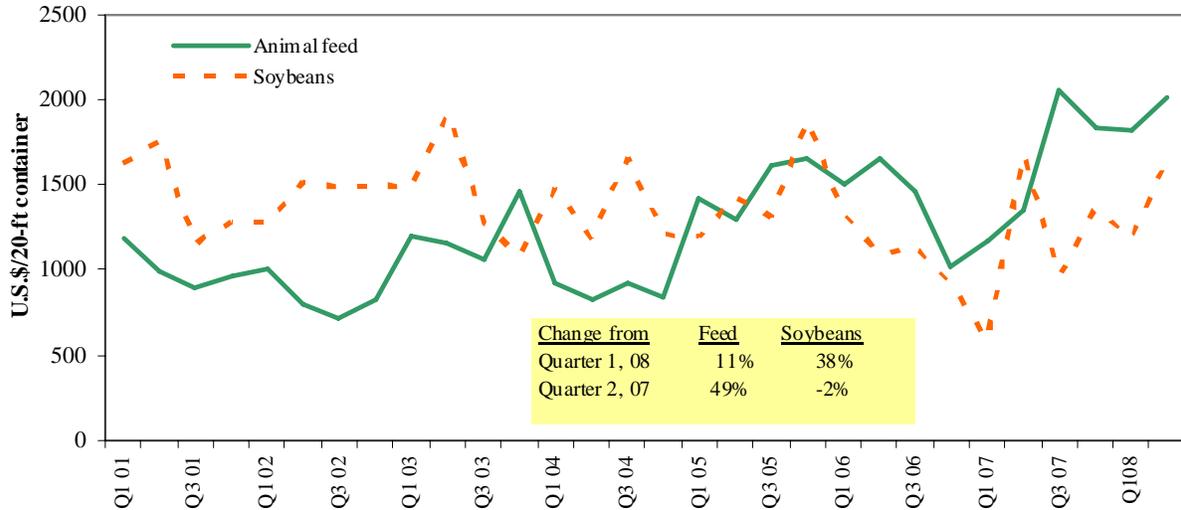
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

¹75 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 Rates¹ for Containerized Shipments to Selected Asian Countries



¹Rates 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 (40%), Hong Kong (17%), Kaohsiung/Keelung-Taiwan (16%), Tokyo-Japan (15%). Soybeans: Busan-Korea, (1%), Kaohsiung/Keelung-Taiwan (96%), Tokyo-Japan (3%)

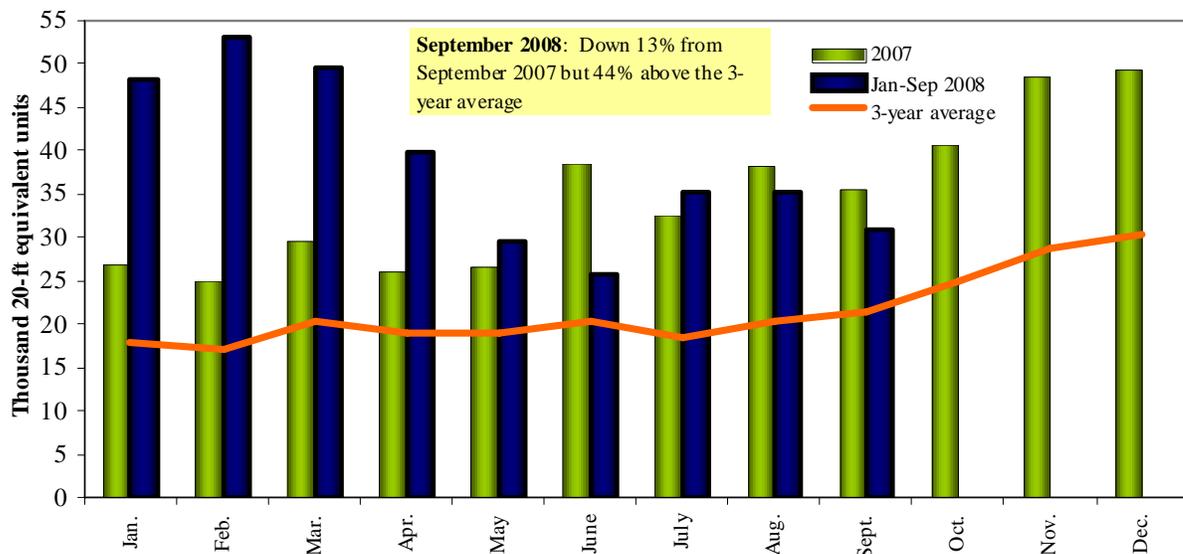
Source: Ocean Rate Bulletin, Quarter 2, 2008, Transportation & Marketing Programs/AMS/USDA

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*

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