Grain Transportation Report

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

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United States Department of Agriculture
Agricultural Marketing Service

December 13, 2012

Contents

The next release is December 20, 2012

WEEKLY HIGHLIGHTS

Initial Pinnacle Removal Contract Awarded

The U.S. Army Corps of Engineers (Corps) has awarded initial contracts for rock removal at key locations near Thebes, IL, and has advertised a larger contract for rock removal at other locations in the river. The initial contract will remove the most dangerous rocks that may cause a potential closure of the river. The Corps reports that the first phase will start as soon as December 17and could take 60 days. The two companies awarded the contract will perform work at the site 16 hours a day, and allow traffic to pass 8 hours a day.

Lock Repairs Impacting Barge Traffic; Possible Mid-Mississippi River Closure a Concern

On December 10, the main chamber at Mississippi River Locks 27 was closed for repairs. Traffic can transit Locks 27 through the smaller auxiliary lock, but with significant delays until the main chamber is reopened on or about March 1. Barge traffic between the Arkansas River and the Mississippi River has stopped due to the closure of Montgomery Point Lock on the White River. A 10-mile section of the White River connects the Arkansas River with the Mississippi River. Montgomery Point could reopen between December 16 and 21, after completion of repairs. Still pending is the possible closure of the mid-Mississippi River due to long-term decreases in river levels between St. Louis, MO, and Cairo, IL. The U.S. Army Corps of Engineers indicates that projected mid-Mississippi River flows will sustain navigation through late December to early January.

CP Rail Exploring Options for DM&E Line through South Dakota

Canadian Pacific Railroad (CP) announced its intention to explore options for its 660-mile main line track from Tracy, MN, west into South Dakota, Nebraska, and Wyoming. CP has operated the line since it assumed operational control of the Dakota, Minnesota & Eastern Railroad (DM&E) in 2008. The line—serving grain, ethanol, clay, and merchandise customers—would be an attractive opportunity for shortline railroad companies. CP will continue to serve customers on the rail line as it works to evaluate proposals.

Texas Gulf Grain Inspections Rebound

For the week ending December 6, inspections of grain from the Texas Gulf reached .225 million metric tons (mmt), up 219 percent from the past week and 3 percent above last year at this time. Total wheat inspections (.167 mmt) in the Texas Gulf jumped 165 percent, with shipments destined primarily to Africa and Mexico. Soybean inspections also rebounded in the Texas Gulf; they were shipped mainly to China. **Total inspections of grain** from all major export regions totaled 1.82 million metric tons (mmt), down 10 percent from the past week and 18 percent below last year at this time. Total grain inspections were the lowest since September 20 (1.59 mmt) and were down for each of the major grains. Despite the drop in total grain inspected for export, wheat inspections remained above the 4-week running average.

Snapshots by Sector

Rail

U.S. railroads originated 20,354 **carloads of grain** during the week ending December 1, up 22 percent from last week, down 3 percent from last year, and 4 percent lower than the 3-year average.

During the week ending December 6, average December non-shuttle **secondary railcar bids/offers per car** were at tariff, up $12.50 from last week, and $2.50 lower than last year. Average shuttle bids/offers were $169 below tariff, up $4 from last week, and $185.50 lower than last year.

Barge

During the week ending December 8, **barge grain movements** totaled 804,835 tons, 11 percent lower than the previous week and 16.4 percent lower than the same period last year.

During the week ending December 8, 517 grain barges **moved down river**, down 12.8 percent from last week; 632 grain barges were **unloaded in New Orleans**, down 0.5 percent from the previous week.

Ocean

During the week ending December 6, 41 **ocean-going grain vessels** were loaded in the Gulf, 21 percent more from the same period last year. Forty-eight vessels are expected to be loaded within the next 10 days, 19 percent less than the same period last year.

During the week ending December 7, the ocean freight rate for shipping bulk grain from the Gulf to Japan was $45.50 per mt, 2 percent less than the previous week. The cost of shipping from the Pacific Northwest to Japan was $25 per mt, down 4 percent from the previous week.

Fuel

During the week ending December 10, U.S. average **diesel fuel prices** decreased 4 cents to $3.99 per gallon—10 cents higher than the same week last year.

Containerized Grain Exports

Containerized grain exports to Asia in September totaled more than 32,000 20-foot equivalent units—31 percent lower than the previous year, 6 percent higher than the 4-year average, and 17 percent lower than August movements.

Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* December 13, 2012.
Web: http://dx.doi.org/10.9752/TS056.12-13-2012

Feature Article/Calendar

Third Quarter Corn and Soybean Landed Costs Reach Record Level

U.S. Gulf Costs: The total landed costs for shipping corn and soybeans from Minneapolis, MN, to Japan through the U.S. Gulf reached record levels during the third quarter 2012, primarily because of the severe and widespread drought. The drought began in early summer and pushed grain and oilseed prices to record levels. Third-quarter landed costs for shipping corn and soybeans from MN to Japan through the Gulf increased 11 percent from the second quarter (table 1). The quarter-to-quarter increase in the total landed cost for corn was due to higher trucking and barge rates and increased farm values. Year-to-year landed costs for shipping grain through the Gulf to Japan increased 11 percent for corn and soybeans, primarily because of increased trucking rates and farm values. Corn farm value ($274/mt) reached a record high, increasing 14 percent quarter-to-quarter, and 11 percent above the previous record set last year this time. Soybean farm value ($562/mt) also reached a record level, increasing 12 percent from the previous quarter and 22 percent above the previous record set last year. Transportation costs for shipping corn from the Gulf to Japan accounted for 25 percent of the total landed cost during the third quarter, below the past quarter and last year. The transportation costs share of the total landed cost for soybeans was 14 percent, also below the previous quarter and last year (table 1).

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	
	3rdQtr 11	2ndQtr 12	3rdQtr 12	Yr. to Yr.	Qtr to Qtr	3rdQtr 11	2ndQtr 12	3rdQtr 12	Yr. to Yr.	Qtr to Qtr
Truck	12.62	11.66	13.51	7.05	15.87	12.62	11.66	13.51	7.05	15.87
Barge	37.20	28.18	30.67	-17.55	8.84	37.20	28.18	30.67	-17.55	8.84
Ocean	52.92	50.80	49.18	-7.07	-3.19	52.92	50.80	49.18	-7.07	-3.19
Total Transportation Cost	102.74	90.64	93.36	-9.13	3.00	102.74	90.64	93.36	-9.13	3.00
Farm Value [1]	246.05	240.28	273.87	11.31	13.98	461.75	502.16	562.18	21.75	11.95
Total Landed Cost	348.79	330.92	367.23	5.29	10.97	564.49	592.80	655.54	16.13	10.58
Transportation % Landed Cost	29.46	27.39	25.42			18.20	15.29	14.24		

Source: USDA/AMS/TMP
n/a = not available

[1] Source: USDA/NASS, Agricultural Prices
[2] Rail tariffs include fuel surcharges and revisions for heavy axle rail cars and shuttle trains

Third quarter transportation costs for shipping corn and soybeans from Minneapolis, MN, through the U.S. Gulf to Japan continued to increase because of record high farm values and trucking rates (table 1). The cost for transporting corn and soybeans to the Gulf increased 3 percent from the second quarter. Truck rates increased 16 percent quarter-to-quarter and 7 percent year-to-year because of a higher demand for trucking caused by the early harvest. Barge rates increased about 9 percent quarter-to-quarter but dropped 18 percent year-to-year. The barge rates increased because of lower water levels on the Mississippi River, but were still well below last year, when the Mississippi River was experiencing flood conditions. Year-to-year transportation costs were down 9 percent, primarily because of the large drop in barge rates.

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	
	3rdQtr 11	2ndQtr 12	3rdQtr 12	Yr. to Yr.	Qtr to Qtr	3rdQtr 11	2ndQtr 12	3rdQtr 12	Yr. to Yr.	Qtr to Qtr
Truck	12.62	11.66	13.51	7.05	15.87	12.62	11.66	13.51	7.05	15.87
Rail[2]	53.28	54.99	53.80	0.98	-2.16	54.77	57.24	56.08	2.39	-2.03
Ocean	30.55	27.28	26.31	-13.88	-3.56	30.55	27.28	26.31	-13.88	-3.56
Total Transportation Cost	96.45	93.93	93.62	-2.93	-0.33	97.94	96.18	95.90	-2.08	-0.29
Farm Value [1]	246.05	240.28	273.87	11.31	13.98	461.75	502.16	562.18	21.75	11.95
Total Landed Cost	342.5	334.21	367.49	7.30	9.96	559.69	598.34	658.08	17.58	9.98
Transportation % Landed Cost	28.16	28.11	25.48			17.50	16.07	14.57		

Source: USDA/AMS/TMP
n/a = not available

[1] Source: USDA/NASS, Agricultural Prices
[2] Rail tariffs include fuel surcharges and revisions for heavy axle rail cars and shuttle trains

Pacific Northwest Costs: The total landed costs for corn and soybeans in the Pacific Northwest (PNW) also reached record levels. The landed costs increased 10 percent for corn and soybeans quarter -to-quarter, primarily because of increasing trucking rates and farm values (see table 2). Year-to-year PNW landed costs increased 7 percent for corn and 18 percent for soybeans because of higher trucking rates and farm values. Transportation costs for corn shipped through the PNW to Japan accounted for about 25 percent of the total landed costs during the third quarter, below the previous quarter and last year. Third quarter transportation costs for soybeans shipped through the PNW to Japan accounted for 15 percent of the total landed cost, also below the previous quarter and last year. Soybean farm value accounted for 85 percent of the total landed cost for shipping soybeans to Japan from the PNW. Corn farm value accounted for 75 percent of the landed cost during the third quarter.

Total quarter-to-quarter transportation costs for shipping corn and soybeans from Minneapolis, MN, to Japan via the PNW were down slightly (see table 2). Year-to-year transportation costs were down about 3 percent for corn and 2 percent for soybeans. Quarter-to-quarter PNW rail rates dropped 2 percent for corn and soybeans, but year-to-year rail rates for shipping corn through the PNW increased 1 percent for corn and 2 percent for soybeans.

Outlook: The December World Agricultural Supply and Demand Estimates (WASDE) report indicates that projected corn exports for the 2012/13 marketing year are unchanged from the November estimate and are expected to be lower because of a drop in projected yield per acre and increased worldwide competition. WASDE's December soybean export projections remained the same as last month, but the estimate was slightly below last year. *Johnny.Hill@ams.usda.gov*

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

	Truck	Rail		Barge	Ocean	
Week ending		Unit Train	Shuttle		Gulf	Pacific
12/12/12	268	234	204	333	203	177
12/05/12	270	233	204	319	208	184

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = near-month secondary rail market bid and monthly tariff rate with fuel surcharge ($/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

Source: Transportation & Marketing Programs/AMS/USDA

Table 2

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

Commodity	Origin--Destination	12/7/2012	11/30/2012
Corn	IL--Gulf	-0.74	-0.78
Corn	NE--Gulf	-0.72	-0.72
Soybean	IA--Gulf	-1.44	-1.40
HRW	KS--Gulf	-1.59	-1.60
HRS	ND--Portland	-1.63	-1.40

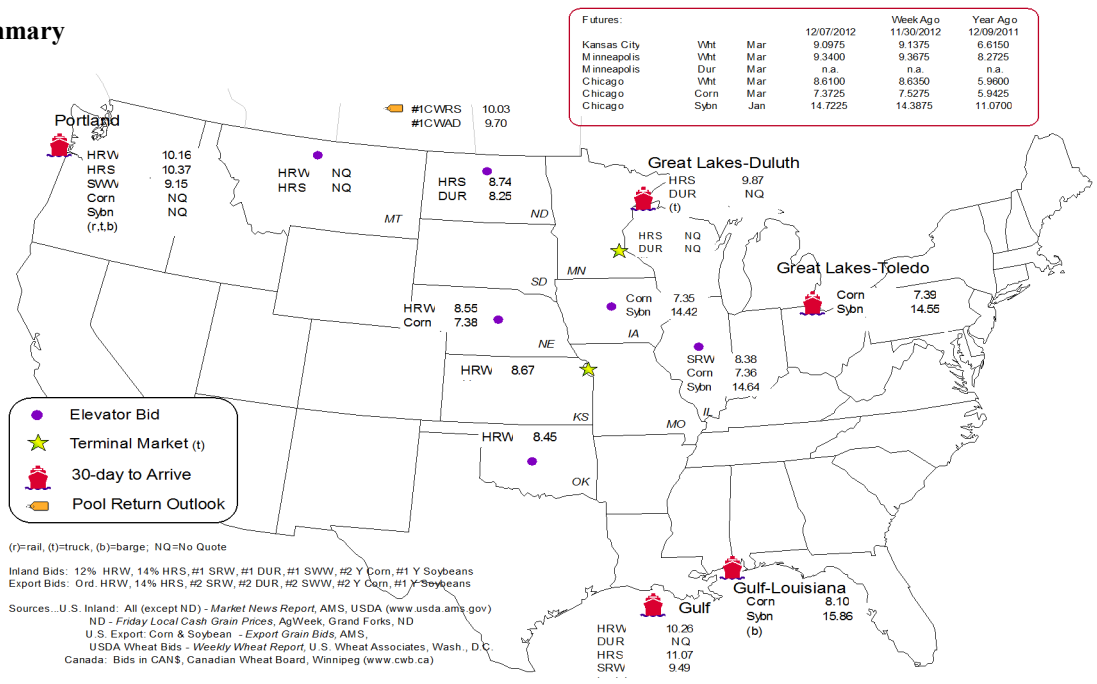
Note: nq = no quote

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	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total	Week ending	Cross-Border Mexico[3]
12/05/2012[p]	1,365	650	3,057	1,128	6,200	12/01/12	1,122
11/28/2012[r]	1,311	842	4,582	836	7,571	11/24/12	1,147
2012 YTD[r]	18,727	38,495	188,526	21,919	267,667	2012 YTD	88,551
2011 YTD[r]	27,181	75,862	175,083	22,559	300,685	2011 YTD	90,563
2012 YTD as % of 2011 YTD	69	51	108	97	89	% change YTD	98
Last 4 weeks as % of 2011[2]	620	78	101	169	122	Last 4wks % 2011	76
Last 4 weeks as % of 4-year avg.[2]	104	43	97	113	88	Last 4wks % 4 yr	79
Total 2011	27,358	77,515	191,187	24,088	320,148	Total 2011	97,118
Total 2010	33,971	83,492	177,896	32,780	328,139	Total 2010	90,175

[1] Data is incomplete as it is voluntarily provided

[2] Compared with same 4-weeks in 2011 and prior 4-year average.

[3] Cross- border weekly data is aproximately 15 percent below weekly AAR carloads received by Mexican railroads to reflect within switching between KCSM and FerroM

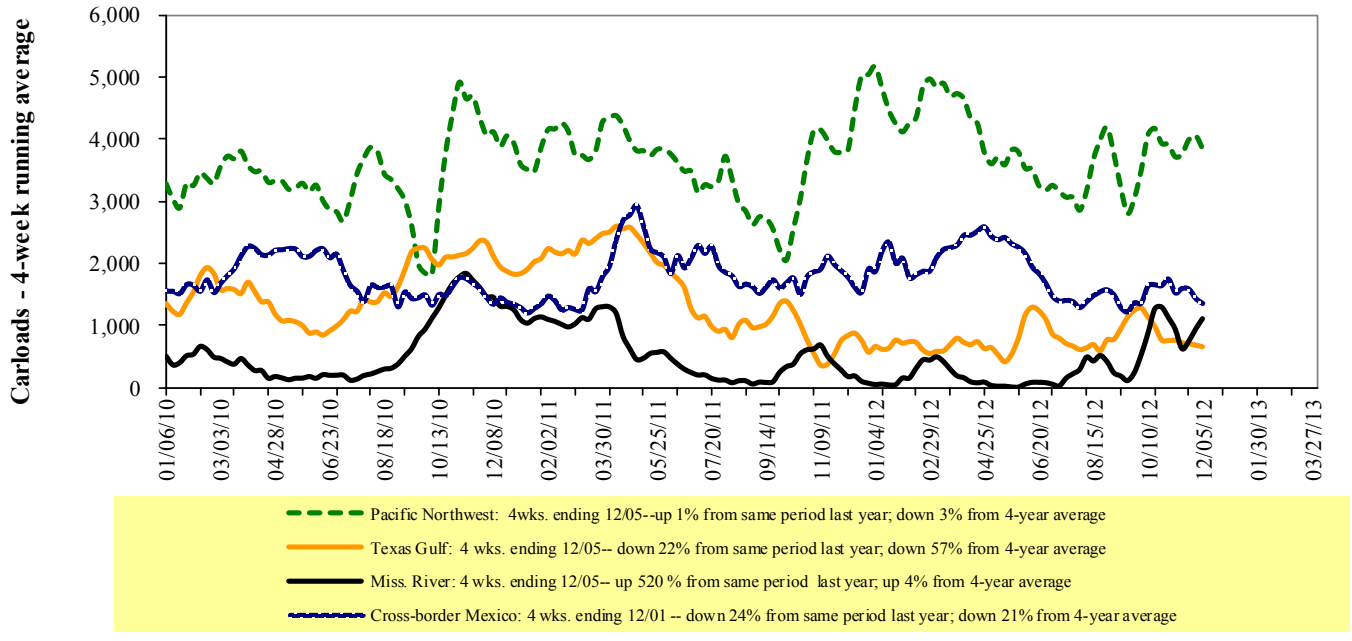
YTD = year-to-date; p = preliminary data; r = revised data; YTD PNW carloads includes revisions back to August 2011 ; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 29 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)

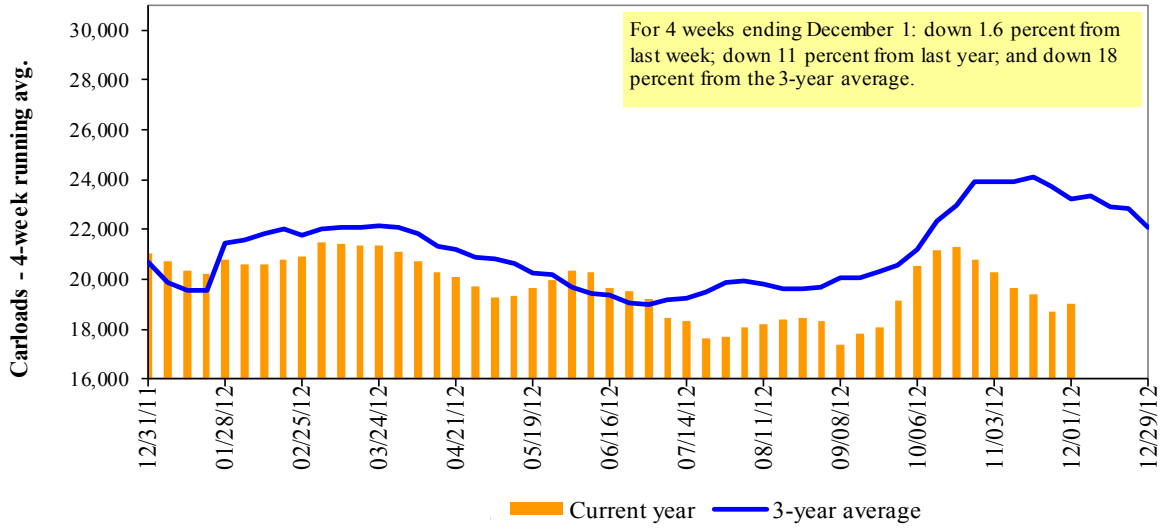
Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
12/01/12	1,776	2,905	10,813	649	4,211	20,354	3,616	5,824
This week last year	1,490	3,298	11,116	393	4,683	20,980	4,140	6,112
2012 YTD	79,356	134,545	477,166	25,071	228,811	944,949	188,204	242,345
2011 YTD	89,473	140,223	503,350	32,791	272,621	1,038,458	185,058	248,169
2012 YTD as % of 2011 YTD	89	96	95	76	84	91	102	98
Last 4 weeks as % of 2011[1]	72	98	93	151	79	89	109	107
Last 4 weeks as % of 3-yr avg.[1]	73	90	90	89	63	82	102	111
Total 2011	98,506	150,869	546,090	34,683	292,401	1,122,549	200,610	269,399

[1]As a percent of the same period in 2009 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

Railcar Auction Offerings[1] ($/car)[2]

Week ending 12/6/2012	Delivery period							
	Dec-12	Dec-11	Jan-13	Jan-12	Feb-13	Feb-12	Mar-13	Mar-12
BNSF[3]								
COT grain units	1	no bids	0	no bids	no bids	no bids	no bids	no bids
COT grain single-car[5]	1 . . 10	3 . . 7	0 . . 1	10	0 . . 1	no bids	0 . . 1	no bids
UP[4]								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no offer	n/a	n/a
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	no offer	n/a	n/a

[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; north grain and south 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.

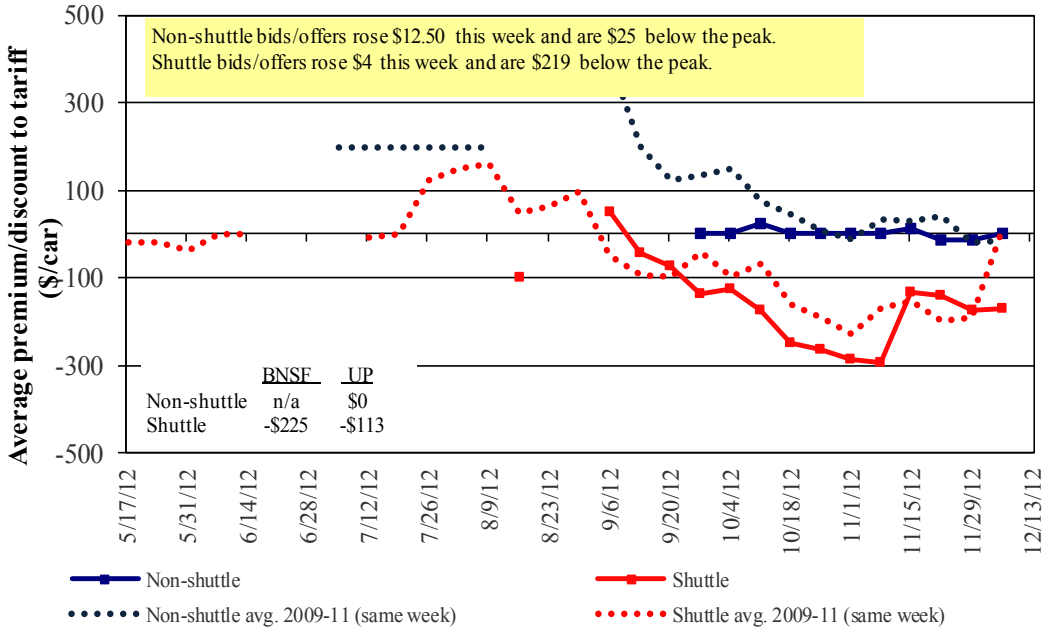
[5]Range is shown because average is not available. Not available = n/a.

Source: Transportation & Marketing Programs/AMS/USDA.

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 2012, Secondary Market

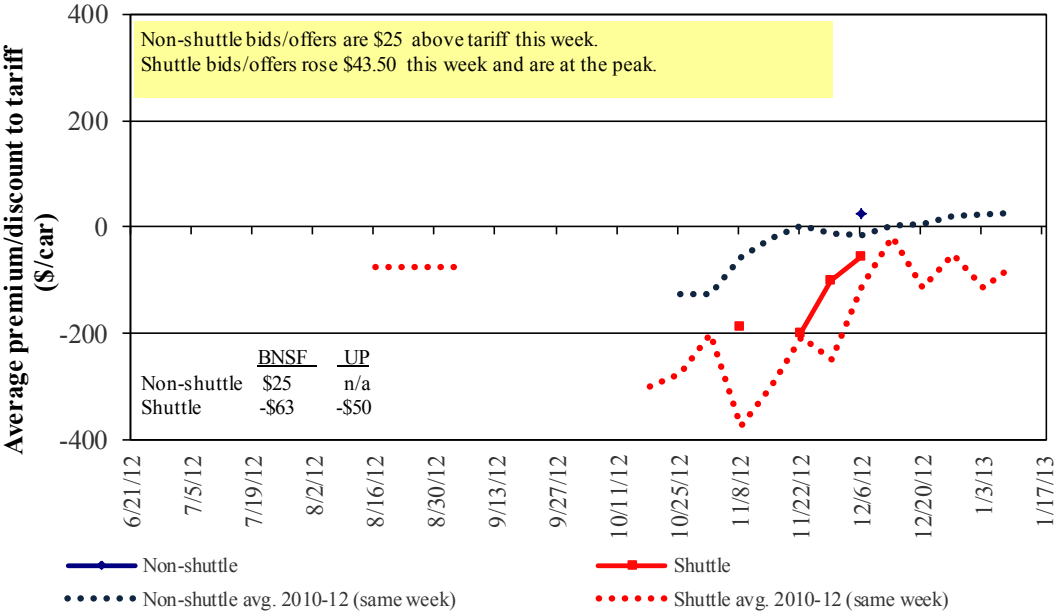


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in January 2013, Secondary Market

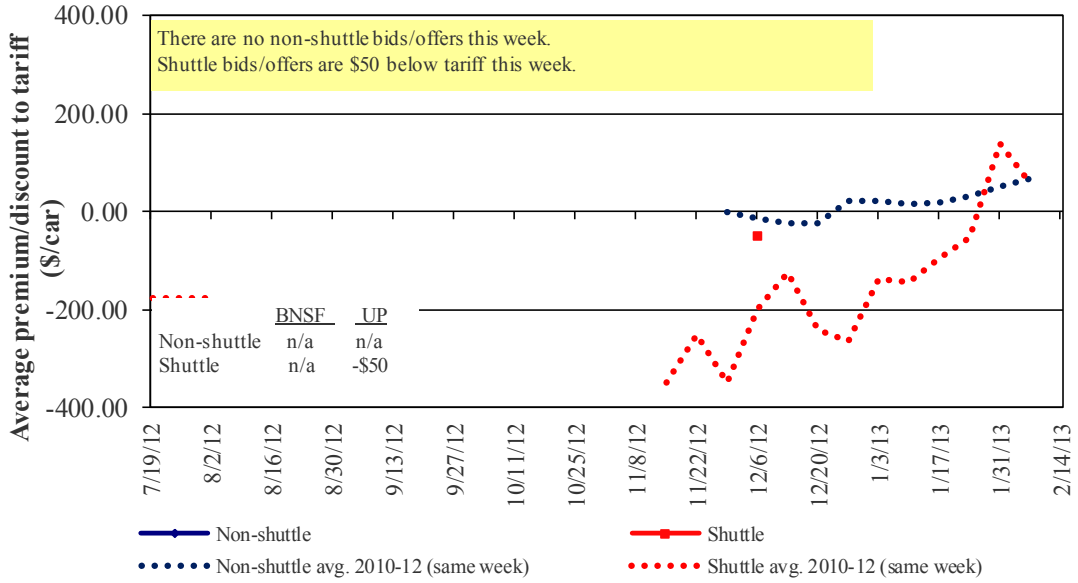


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in February 2013, 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 Railcar Market ($/car)[1]

Week ending	Delivery period					
12/6/2012	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13
Non-shuttle						
BNSF-GF	n/a	25	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 2011	n/a	25	n/a	n/a	n/a	n/a
UP-Pool	-	n/a	n/a	n/a	n/a	n/a
Change from last week	-	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	-	n/a	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	(225)	(63)	n/a	n/a	(200)	n/a
Change from last week	(4)	n/a	n/a	n/a	n/a	n/a
Change from same week 2011	(183)	(38)	n/a	n/a	n/a	n/a
UP-Pool	(113)	(50)	(50)	(100)	n/a	n/a
Change from last week	12	50	n/a	50	n/a	n/a
Change from same week 2011	(188)	-	75	125	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,
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[1]

Effective date: 12/1/2012	Origin region*	Destination region*	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[3]
Unit train							
Wheat	Wichita, KS	St. Louis, MO	$3,144	$202	$33.23	$0.90	6
	Grand Forks, ND	Duluth-Superior, MN	$3,445	$119	$35.39	$0.96	12
	Wichita, KS	Los Angeles, CA	$6,026	$612	$65.92	$1.79	7
	Wichita, KS	New Orleans, LA	$3,645	$356	$39.73	$1.08	5
	Sioux Falls, SD	Galveston-Houston, TX	$5,573	$502	$60.33	$1.64	4
	Northwest KS	Galveston-Houston, TX	$3,912	$390	$42.72	$1.16	5
	Amarillo, TX	Los Angeles, CA	$4,112	$543	$46.22	$1.26	5
Corn	Champaign-Urbana, IL	New Orleans, LA	$3,110	$402	$34.88	$0.95	3
	Toledo, OH	Raleigh, NC	$4,508	$459	$49.32	$1.34	15
	Des Moines, IA	Davenport, IA	$2,006	$85	$20.77	$0.57	4
	Indianapolis, IN	Atlanta, GA	$3,920	$345	$42.35	$1.15	16
	Indianapolis, IN	Knoxville, TN	$3,354	$221	$35.50	$0.97	18
	Des Moines, IA	Little Rock, AR	$3,154	$250	$33.81	$0.92	4
	Des Moines, IA	Los Angeles, CA	$5,065	$729	$57.54	$1.57	3
Soybeans	Minneapolis, MN	New Orleans, LA	$3,509	$447	$39.28	$1.07	2
	Toledo, OH	Huntsville, AL	$3,575	$326	$38.74	$1.05	3
	Indianapolis, IN	Raleigh, NC	$4,578	$462	$50.05	$1.36	4
	Indianapolis, IN	Huntsville, AL	$3,267	$221	$34.64	$0.94	3
	Champaign-Urbana, IL	New Orleans, LA	$3,599	$402	$39.74	$1.08	7
Shuttle Train							
Wheat	Great Falls, MT	Portland, OR	$3,481	$352	$38.06	$1.04	9
	Wichita, KS	Galveston-Houston, TX	$4,456	$274	$46.97	$1.28	40
	Chicago, IL	Albany, NY	$3,771	$430	$41.72	$1.14	5
	Grand Forks, ND	Portland, OR	$4,963	$608	$55.32	$1.51	7
	Grand Forks, ND	Galveston-Houston, TX	$5,984	$633	$65.71	$1.79	6
	Northwest KS	Portland, OR	$4,793	$640	$53.95	$1.47	3
Corn	Minneapolis, MN	Portland, OR	$4,800	$740	$55.02	$1.50	2
	Sioux Falls, SD	Tacoma, WA	$4,760	$678	$54.00	$1.47	2
	Champaign-Urbana, IL	New Orleans, LA	$2,857	$402	$32.37	$0.88	1
	Lincoln, NE	Galveston-Houston, TX	$3,310	$395	$36.79	$1.00	2
	Des Moines, IA	Amarillo, TX	$3,430	$315	$37.19	$1.01	1
	Minneapolis, MN	Tacoma, WA	$4,800	$734	$54.96	$1.50	2
	Council Bluffs, IA	Stockton, CA	$4,200	$760	$49.25	$1.34	3
Soybeans	Sioux Falls, SD	Tacoma, WA	$5,320	$678	$59.56	$1.62	7
	Minneapolis, MN	Portland, OR	$5,330	$740	$60.28	$1.64	8
	Fargo, ND	Tacoma, WA	$5,230	$603	$57.92	$1.58	7
	Council Bluffs, IA	New Orleans, LA	$3,870	$464	$43.04	$1.17	6
	Toledo, OH	Huntsville, AL	$2,750	$326	$30.55	$0.83	4
	Grand Island, NE	Portland, OR	$5,195	$655	$58.09	$1.58	15

[1]A unit train refers to shipments of at least 25 cars. Shuttle train rates are available for qualified shipments of 75-120 cars that meet railroad efficiency requirements.

[2]Approximate load per car = 111 short tons (100.7 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

[3]Percentage change year over year calculated using tariff rate plus fuel surchage

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

*Regional economic areas defined by the Bureau of Economic Analysis (BEA)

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to Mexico

Effective date: 12/1/2012				Fuel			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change
Commodity	state	Destination region	rate/car[1]	per car[2]	metric ton[3]	bushel[3]	Y/Y[4]
Wheat	MT	Chihuahua, CI	$7,741	$643	$85.67	$2.33	1
	OK	Cuautitlan, EM	$6,837	$781	$77.83	$2.12	4
	KS	Guadalajara, JA	$7,444	$755	$83.77	$2.28	-1
	TX	Salinas Victoria, NL	$3,553	$294	$39.31	$1.07	-2
Corn	IA	Guadalajara, JA	$7,699	$888	$87.73	$2.23	1
	SD	Celaya, GJ[5]	$7,356	$842	$83.76	$2.13	n/a
	NE	Queretaro, QA	$7,153	$788	$81.15	$2.06	2
	SD	Salinas Victoria, NL	$5,700	$640	$64.78	$1.64	3
	MO	Tlalnepantla, EM	$6,592	$766	$75.18	$1.91	7
	SD	Torreon, CU	$6,522	$705	$73.84	$1.87	2
Soybeans	MO	Bojay (Tula), HG	$7,580	$749	$85.10	$2.31	8
	NE	Guadalajara, JA	$8,134	$856	$91.86	$2.50	3
	IA	El Castillo, JA	$8,555	$836	$95.96	$2.61	5
	KS	Torreon, CU	$6,651	$531	$73.39	$2.00	3
Sorghum	OK	Cuautitlan, EM	$5,730	$639	$65.07	$1.65	3
	TX	Guadalajara, JA	$6,653	$548	$73.57	$1.87	1
	NE	Celaya, GJ[5]	$6,937	$764	$78.68	$2.00	n/a
	KS	Queretaro, QA	$6,460	$480	$70.91	$1.80	1
	NE	Salinas Victoria, NL	$5,178	$562	$58.64	$1.49	3
	NE	Torreon, CU	$6,068	$627	$68.41	$1.74	0

[1]Rates 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.

[2]Fuel surcharge adjusted to reflect the change in Ferrocarril Mexicano, S.A. de C.V railroad fuel surcharge policy as of 10/01/2009

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

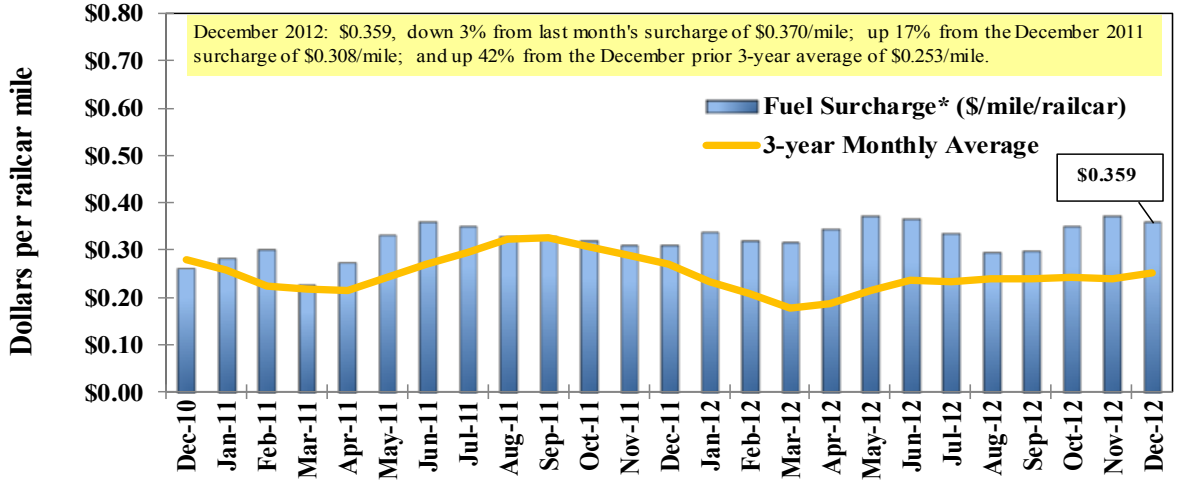
[4]Percentage change year over year calculated using tariff rate plus fuel surchage

[5] Beginning 11/1/12, Celaya, GJ, replaced Penjamo, GJ, as the destination.

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

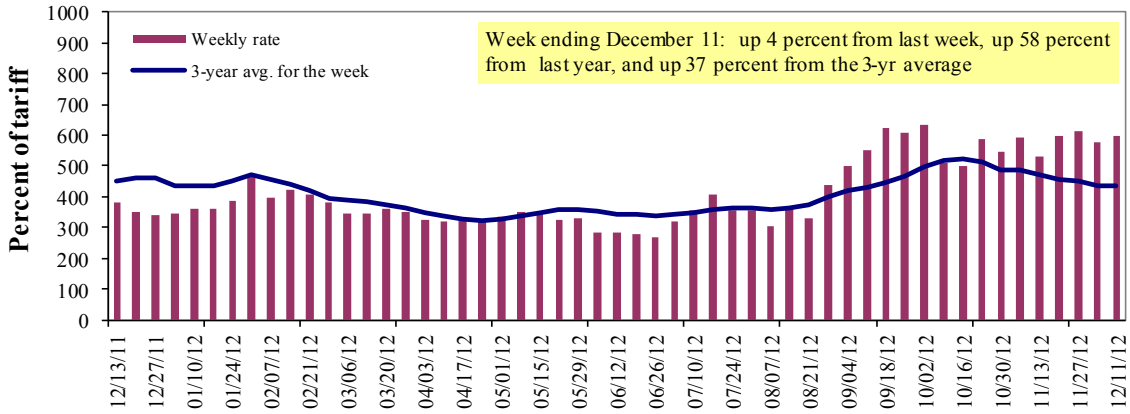
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

** BNSF strike price (diesel price when fuel surcharges begin) changed from $1.25/gal. to $2.50/gal starting March 1, 2011. As a result, the weighted average fuel surcharge for March 2011 was $0.227/mile instead of $0.331/mile.

Sources: www.bnsf.com, www.cn.ca, www.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]



[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]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	Lower Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate[1]	12/11/2012	-	-	600	500	520	520	438
	12/4/2012	-	-	575	525	525	525	392
$/ton	12/11/2012	-	-	27.84	19.95	24.39	21.01	13.75
	12/4/2012	-	-	26.68	20.95	24.62	21.21	12.31
Current week % change from the same week:								
	Last year	-	-	58	80	47	47	70
	3-year avg. [2]	-	-	37	51	29	30	44
Rate[1]	January	-	-	-	-	435	435	370
	March	-	-	368	328	385	385	330

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-week moving average; ton = 2,000 pounds: - closed for winter or no rates

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

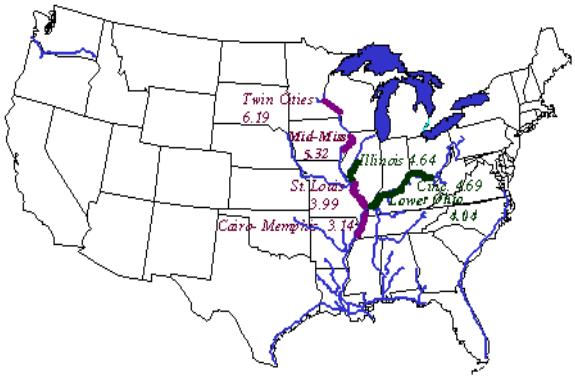
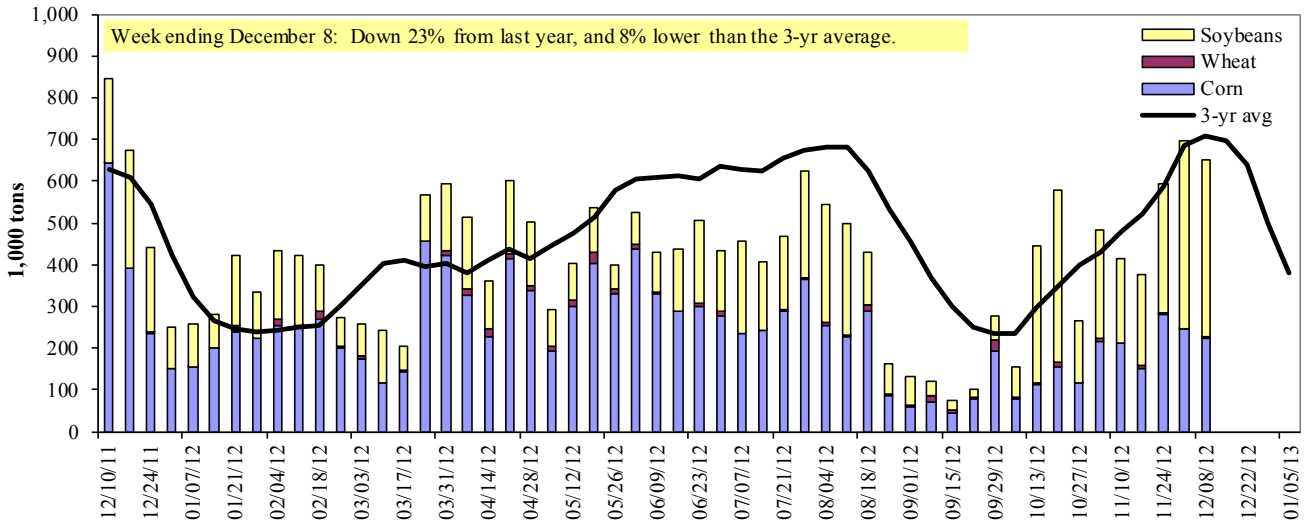


Figure 10

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



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

Source: U.S. Army Corps of Engineers

Table 10

Barge Grain Movements (1,000 tons)

Week ending 12/08/2012	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	20	0	42	0	62
Winfield, MO (L25)	148	6	256	0	410
Alton, IL (L26)	195	6	365	0	567
Granite City, IL (L27)	224	5	423	0	651
Illinois River (L8)	52	0	109	0	162
Ohio River (L52)	94	11	50	0	154
Arkansas River (L1)	0	0	0	0	0
Weekly total - 2012	318	15	472	0	805
Weekly total - 2011	687	16	255	4	962
2012 YTD[1]	14,482	1,736	11,771	227	28,217
2011 YTD	18,822	1,384	7,667	417	28,290
2012 as % of 2011 YTD	77	126	154	54	100
Last 4 weeks as % of 2011[2]	43	53	173	5	80
Total 2011	19,921	1,460	8,553	422	30,356

[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.

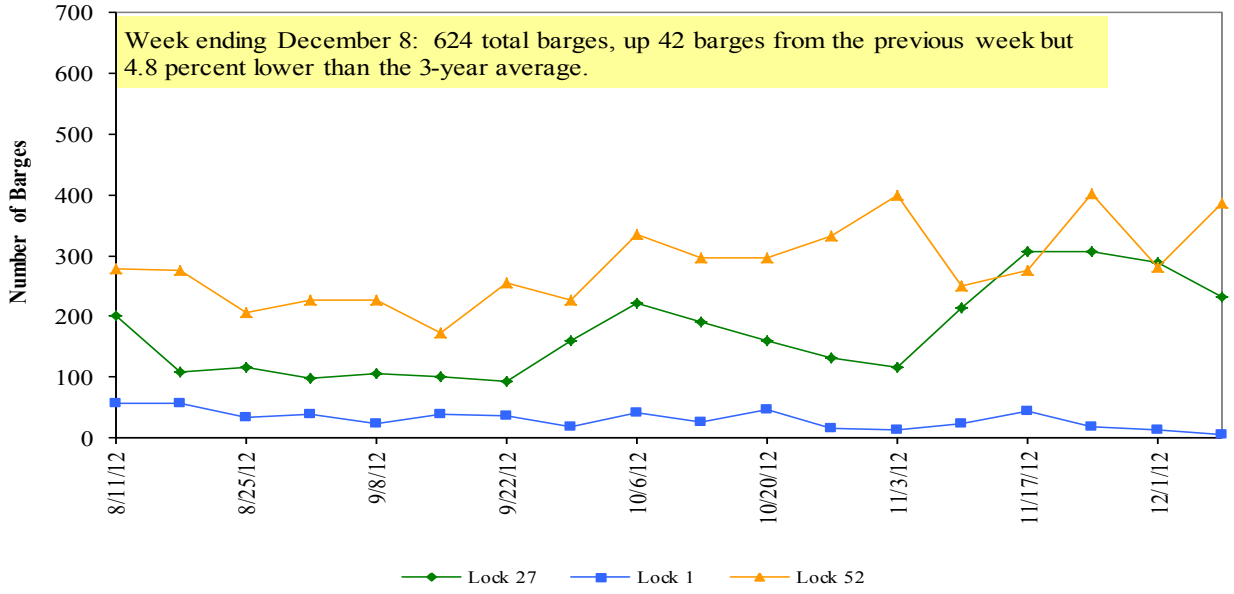
[2] As a percent of same period in 2011.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers

Figure 11

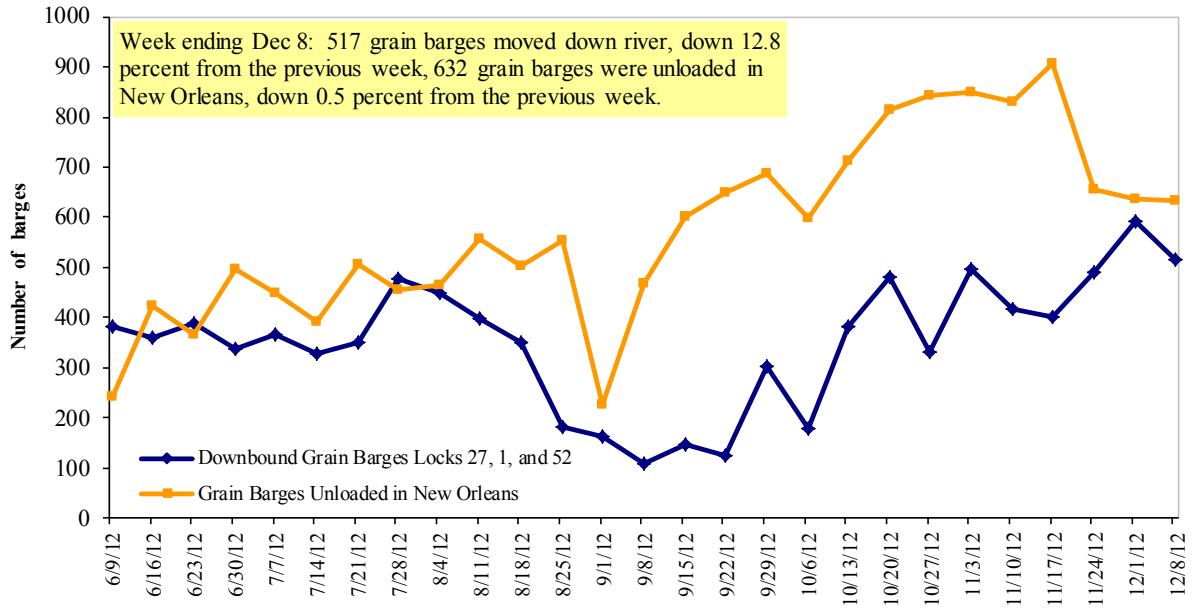
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 Prices[1], Week Ending 12/10/2012 (US $/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	4.069	-0.027	0.152
	New England	4.175	-0.046	0.143
	Central Atlantic	4.174	-0.028	0.171
	Lower Atlantic	3.970	-0.024	0.140
II	Midwest[2]	3.977	-0.037	0.129
III	Gulf Coast[3]	3.874	-0.027	0.080
IV	Rocky Mountain	3.938	-0.051	-0.053
V	West Coast	4.042	-0.055	-0.019
	West Coast less California	3.982	-0.058	-0.008
	California	4.093	-0.046	-0.029
Total	U.S.	3.991	-0.036	0.097

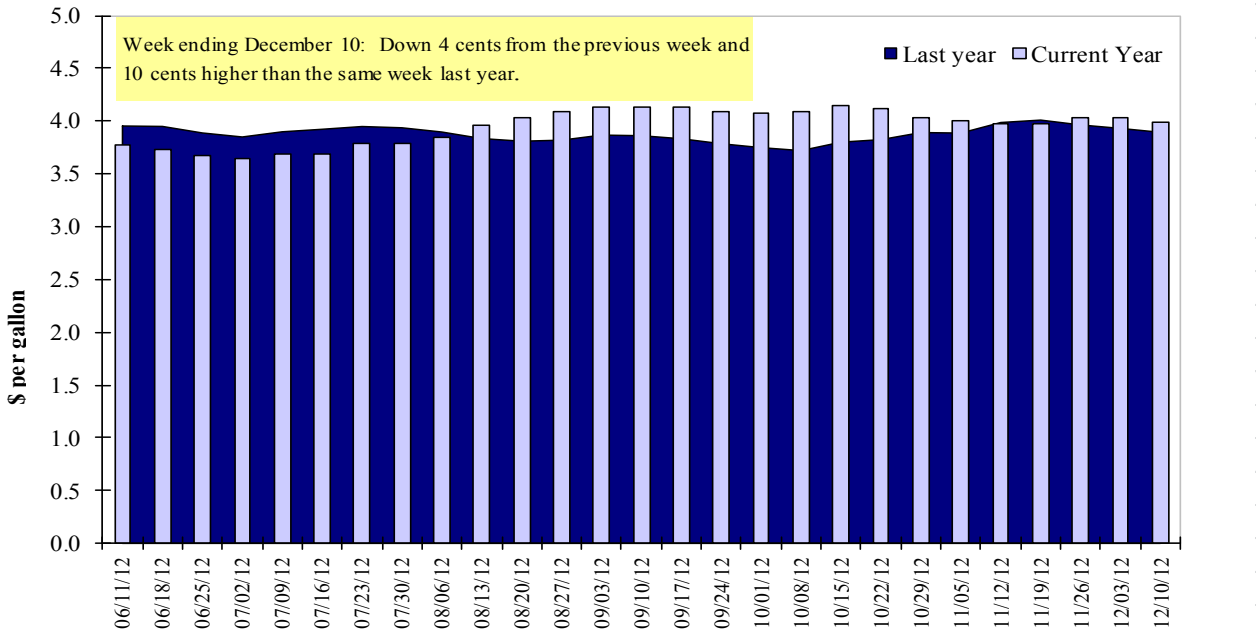
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[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	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances[1]									
11/29/2012	1,473	671	1,203	1,051	54	4,452	6,830	12,004	23,286
This week year ago	1,411	685	1,251	1,205	64	4,616	12,773	11,005	28,394
Cumulative exports-marketing year[2]									
2012/13 YTD	4,821	1,664	2,989	2,287	286	12,045	5,399	16,400	33,844
2011/12 YTD	5,563	1,888	3,537	2,443	294	13,724	10,061	11,049	34,834
YTD 2012/13 as % of 2011/12	87	88	85	94	97	88	54	148	97
Last 4 wks as % of same period 2011/12	104	96	99	80	75	95	55	120	86
2011/12 Total	9,904	4,319	6,312	5,601	491	26,627	37,900	36,727	101,254
2010/11 Total	15,837	2,828	8,623	4,717	979	32,984	44,569	39,753	117,306

[1] Current unshipped export sales to date

[2] Shipped export sales to date; new marketing year begins 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 Importers[1] of U.S. Corn

Week ending 11/29/12	Total Commitments[2] 2012/13 Current MY	2011/12 Last MY	% change current MY from last MY	Exports[3] 2011/12
	- 1,000 mt -			- 1,000 mt -
Japan	3,906	5,430	(28)	12,367
Mexico	2,754	4,686	(41)	9,617
China	1,188	2,655	(55)	5,414
Korea	421	2,203	(81)	3,639
Venezuela	237	235	1	1,332
Top 5 importers	**8,506**	**15,208**	**(44)**	**32,369**
Total US corn export sales	**12,229**	**22,834**	**(46)**	**39,180**
% of Projected	42%	58%		
Change from prior week	**52**	**696**		
Top 5 importers' share of U.S. corn export sales	70%	67%		83%
USDA forecast, December 2012	**29,210**	**39,180**	**(25)**	
Corn Use for Ethanol USDA forecast, Ethanol December 2012	**114,300**	**127,000**	**(10)**	

(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, or Export Sales Query--http://www.fas.usda.gov/esrquery/

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm (Carry-over plus Accumulated Exports)

Table 14

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

Week Ending 11/29/2012	Total Commitments[2] 2012/13 Current MY	2011/12 Last MY	% change current MY from last MY	Exports[3] 2011/12
	- 1,000 mt -			- 1,000 mt -
China	17,482	15,842	10	24,602
Mexico	1,180	1,344	(12)	3,180
Japan	930	904	3	1,891
Indonesia	491	544	(10)	1,741
Egypt	341	363	(6)	1,292
Top 5 importers	**20,425**	**18,997**	**8**	**32,706**
Total US soybean export sales	**28,404**	**22,054**	**29**	**37,060**
% of Projected	78%	60%		
Change from prior week	1,044	770		
Top 5 importers' share of U.S. soybean export sales	72%	86%		
USDA forecast, December 2012	**36,610**	**37,060**	**(1)**	

(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, or Export Sales Query--http://www.fas.usda.gov/esrquery/

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm. (Carryover plus Accumulated Exports)

Table 15

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

Week Ending 11/29/2012	Total Commitments[2] 2012/13 Current MY	2011/12 Last MY	% change current MY from last MY	Exports[3] 2011/12
	- 1,000 mt -			- 1,000 mt -
Japan	2,248	2,311	(3)	3,512
Mexico	2,231	2,480	(10)	3,496
Nigeria	1,897	2,140	(11)	3,248
Philippines	1,437	1,655	(13)	2,039
Korea	1,123	1,028	9	1,983
Egypt	150	247	(39)	950
Taiwan	725	537	35	888
Indonesia	368	473	(22)	830
Venezuela	506	415	22	594
Iraq	209	572	(63)	572
Top 10 importers	**10,895**	**11,858**	**(8)**	**18,111**
Total US wheat export sales	**16,498**	**18,341**	**(10)**	**28,560**
% of Projected	58%	64%		
Change from prior week	353	420		
Top 10 importers' share of U.S. wheat export sales	66%	65%		63%
USDA forecast, December 2012	**28,580**	**28,560**	**0**	

(n) indicates negative number.

[1] Based on FAS 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, or Export Sales Query--http://www.fas.usda.gov/esrquery/

[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 12/06/12	Previous Week[1]	Current Week as % of Previous	2012 YTD[1]	2011 YTD[1]	2012 YTD as % of 2011 YTD	Last 4-weeks as % of 2011	Last 4-weeks as % of 3-yr. avg.	Total[1] 2011
Pacific Northwest									
Wheat	126	206	61	12,022	13,310	90	76	79	13,995
Corn	0	55	0	5,290	8,356	63	19	23	9,198
Soybeans	257	260	99	9,813	6,719	146	152	93	7,321
Total	**382**	**521**	**73**	**27,126**	**28,385**	**96**	**78**	**71**	**30,513**
Mississippi Gulf									
Wheat	65	80	81	5,252	4,882	108	115	101	5,031
Corn	167	173	97	17,416	24,847	70	40	45	26,267
Soybeans	791	938	84	22,523	17,574	128	154	117	19,262
Total	**1,024**	**1,192**	**86**	**45,191**	**47,303**	**96**	**101**	**91**	**50,560**
Texas Gulf									
Wheat	167	63	265	5,634	10,513	54	64	52	10,837
Corn	0	0	n/a	336	950	35	0	0	1,021
Soybeans	58	7	803	524	926	57	67	21	926
Total	**225**	**70**	**319**	**6,493**	**12,388**	**52**	**58**	**35**	**12,784**
Interior									
Wheat	22	50	43	1,158	1,060	109	147	163	1,110
Corn	28	38	73	5,968	7,067	84	78	39	7,509
Soybeans	40	42	94	3,966	4,048	98	33	58	4,273
Total	**89**	**130**	**68**	**11,091**	**12,175**	**91**	**191**	**54**	**12,892**
Great Lakes									
Wheat	0	0	n/a	444	1,003	44	11	4	1,038
Corn	0	0	n/a	56	167	33	0	0	178
Soybeans	29	0	n/a	586	277	211	257	88	382
Total	**29**	**0**	**n/a**	**1,086**	**1,448**	**75**	**101**	**39**	**1,598**
Atlantic									
Wheat	0	0	n/a	341	686	50	0	0	686
Corn	5	0	n/a	143	280	51	22	16	295
Soybeans	66	107	62	1,204	855	141	178	132	1,042
Total	**71**	**107**	**66**	**1,688**	**1,821**	**93**	**147**	**118**	**2,022**
U.S. total from ports[2]									
Wheat	380	399	95	24,850	31,453	79	78	70	32,697
Corn	200	266	75	29,208	41,667	70	33	38	44,466
Soybeans	1,240	1,355	92	38,616	30,400	127	145	102	33,205
Total	**1,820**	**2,020**	**90**	**92,675**	**103,520**	**90**	**87**	**76**	**110,369**

[1] Data includes revisions from prior weeks; some regional totals may not add exactly due to rounding.

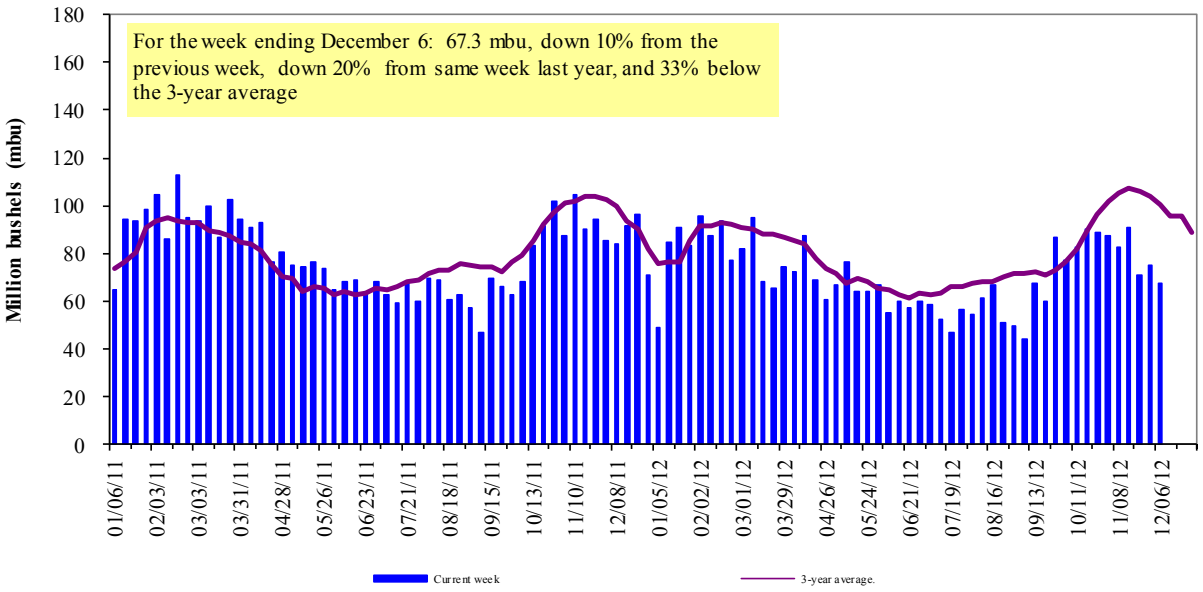
[2] Total includes only port regions shown above; Interior land-based shipments now included.

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 59 percent of the U.S. export grain shipments departed through the U.S. Gulf region in 2011.

Figure 14

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

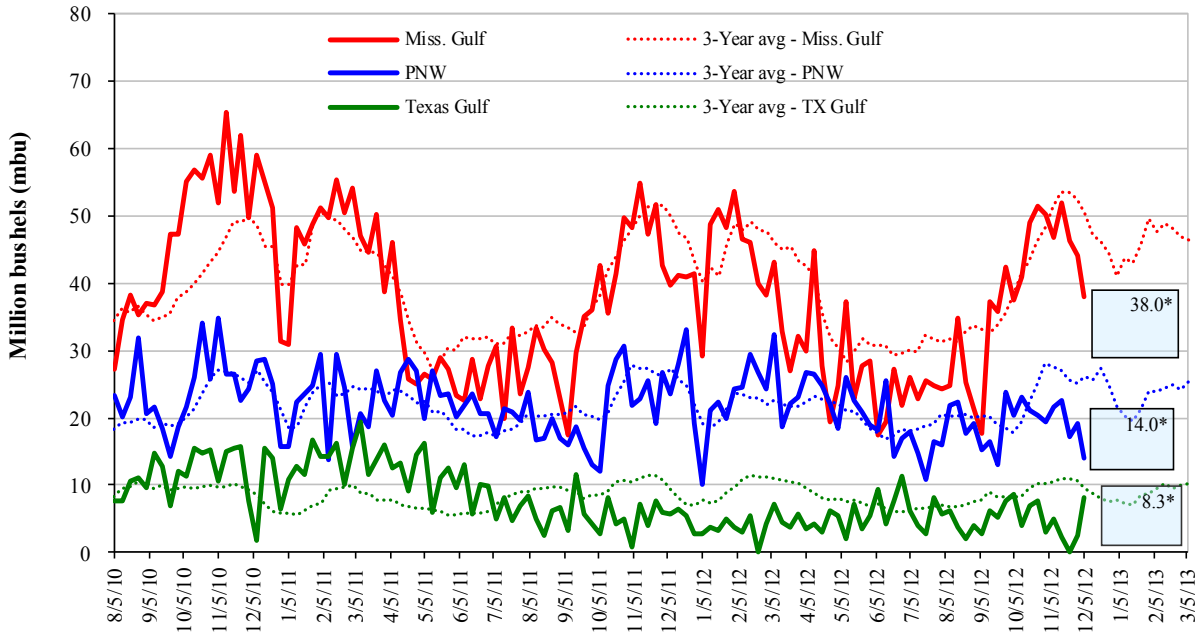


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW[1] (wheat, corn, and soybeans)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); *mbu, this week.

December 6 % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 14	up 220	down 1	down 27
Last year (same week)	down 4	up 47	up 2	down 41
3-yr avg. (4-wk mov. avg.)	down 25	down 13	down 23	down 51

Table 17

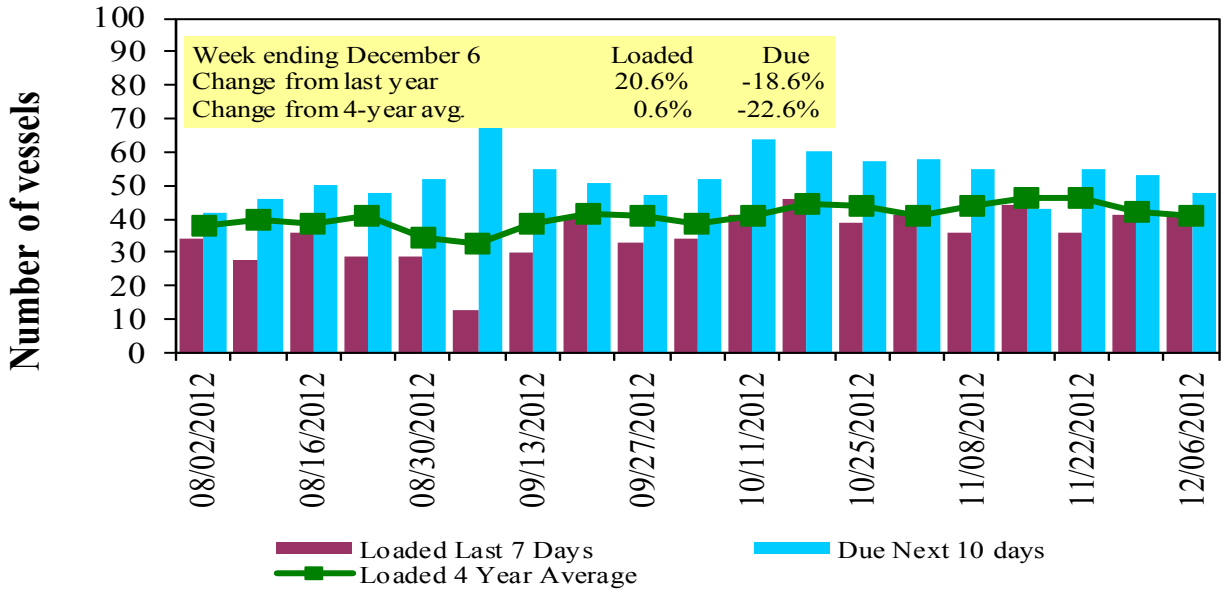
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
12/6/2012	41	41	48	11	n/a
11/29/2012	32	41	53	16	n/a
2011 range	(14..65)	(28..54)	(34..83)	(5..25)	(1..20)
2011 avg.	31	38	53	15	12

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

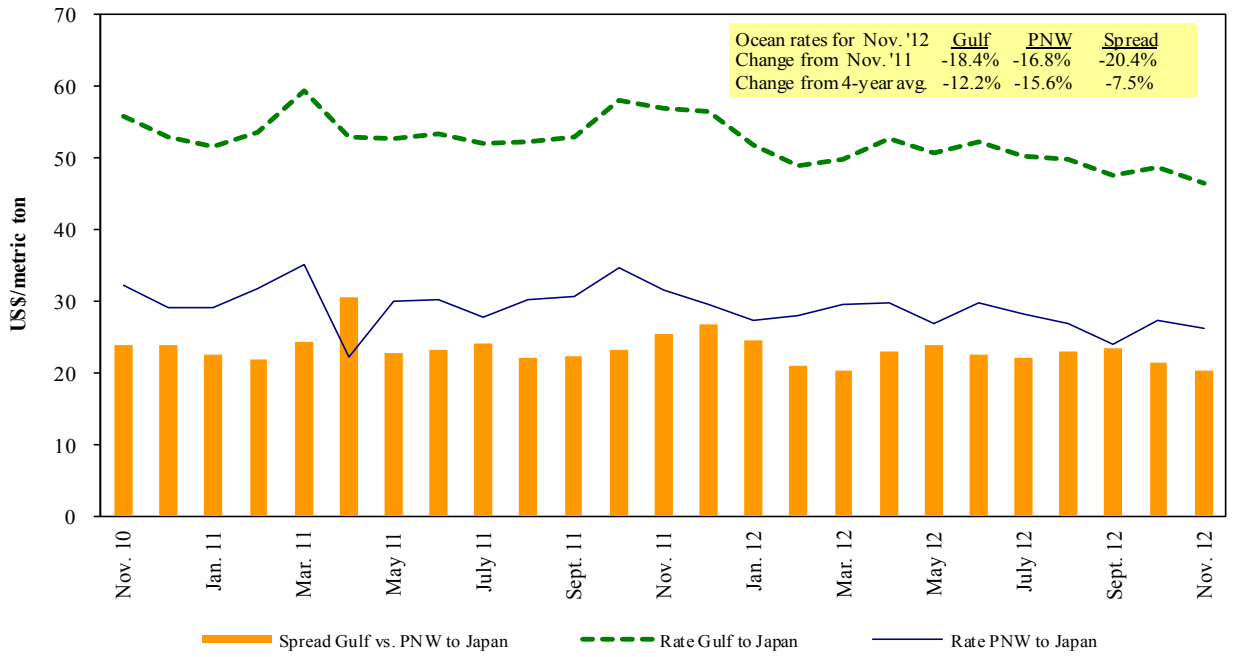
U.S. Gulf[1] Vessel Loading Activity



Source:Transportation & Marketing Programs/AMS/USDA

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 12/8/2012

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	China	Heavy Grain	Dec 5/10	55,000	42.50
U.S. Gulf	China	Heavy Grain	Nov 20/30	55,000	43.00
U.S. Gulf	China	Heavy Grain	Nov 20/25	55,000	44.85
U.S. Gulf	China	Heavy Grain	Nov 15/25	55,000	49.00
U.S. Gulf	China	Heavy Grain	Nov 10/20	55,000	46.00
U.S. Gulf	China	Heavy Grain	Nov 9/19	55,000	48.00
U.S. Gulf	China	Heavy Grain	Nov 5/10	55,000	46.00
U.S. Gulf	China	Heavy Grain	Oct 20/30	55,000	43.75
U.S. Gulf	China	Heavy Grain	Oct 15/24	55,000	43.00
U.S. Gulf	Mozambique[1]	Wheat	Sep 20/30	10,000	211.50
Black Sea	Spain Mediterranean	Heavy Grain	Nov 30/Dec 3	50,000	11.00
Brazil	Portugal	Heavy Grain	Dec 10/20	60,000	19.50
Brazil	Portugal	Heavy Grain	Nov 10/20	60,000	15.50
France	Algeria	Wheat	Nov 2/7	25,000	22.00
India	S.Korea	Wheat	Oct5/15	55,000	15.00
River Plate	Tunisia	Heavy Grain	Oct 5/15	30,000	28.50
River Plate					
River Plate	Algeria	Wheat	Nov 7/9	40,000	25.00
Ukraine	Rotterdam	Rapeseed	Dec 8/17	60,000	14.80
Ukraine	S. Arabia	Barley	Oct 25/30	56,500	25.25

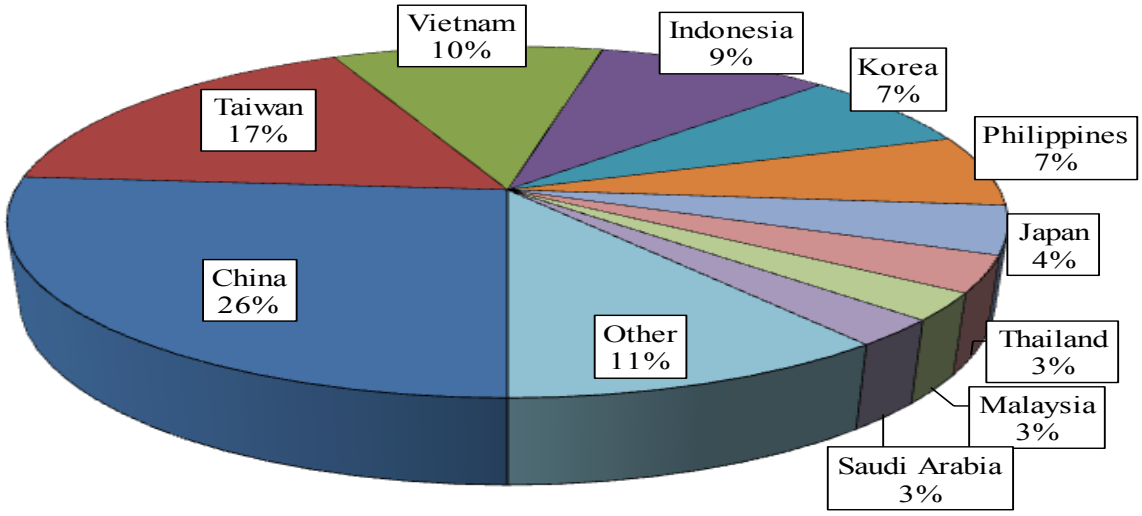
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[1] 50 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)

In 2011, containers were used to transport 7 percent of total U.S. waterborne grain exports, up 2 percentage points from 2010. Approximately 11 percent of U.S. waterborne grain exports in 2011 went to Asia in containers, up 4 percentage points from 2010. Asia is the top destination for U.S. containerized grain exports—96 percent in 2011.

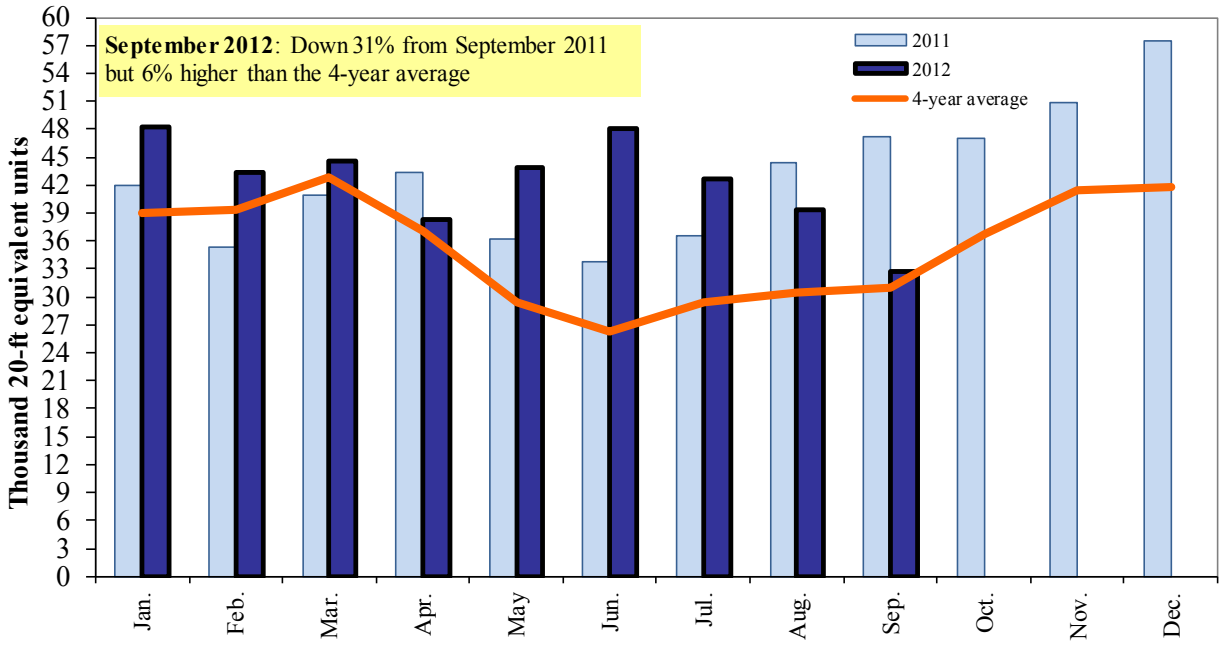
Figure 18
Top 10 Destination Markets for U.S. Containerized Grain Exports, September 2012



Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

Figure 19
Monthly Shipments of Containerized Grain to Asia



Source: USDA/Agricultural Marketing Service/Transportation Services Division analysis of Port Import Export Reporting Service (PIERS) data

Note: The following Harmonized Tariff Codes are used to calculate containerized grains movements: 100190, 100200, 100300, 100400, 100590, 100700, 110100, 230310, 110220, 110290, 120100, 230210, 230990, 230330, and 120810.

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Preferred citation: U.S. Dept. of Agriculture, Agricultural Marketing Service. *Grain Transportation Report.* December 13, 2012. Web: http://dx.doi.org/10.9752/TS056.12-13-2012