GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture

DECEMBER 21, 1999

To Our Readers:

We appreciate your interest in the *Grain Transportation Report* and hope that it continues to be helpful and informative. Although the report deals with such topics as agricultural production, as well as issues concerning domestic and international trade, our goal remains to provide insight into the important interdependency between agriculture and transportation. We intend to include additional data during the course of the year. However, any suggestions for improvement are always welcome.

It has, unfortunately, been yet another difficult year for America's farmers, despite a Federal relief package valued at $7.65 billion. Effects of the Asian economic collapse continue to plague U.S. grain producers, emphasizing our growing dependency upon foreign trade. Already faced with slowed trade and decreasing prices, producers were also left to contend with weather-related crop losses, subsidized foreign markets, and uncertainties over controversial issues such as genetically modified crops and market-limiting unilateral trade sanctions.

Rail mergers appear to be continuing in the transportation sector at both the Class I and short line level. However, the severe congestion problems of the past seem to have been eliminated or, at least, partially eliminated. The expanding use of 286,000-pound, 111-ton capacity hopper cars instead of the 268,000-pound, 100-ton capacity cars will also likely continue. This, along with the trend toward unit trains, concerns many grain elevator operations, which may not have the means to expand their facilities to meet this growing transportation demand.

There are many issues currently facing agriculture. However, it would be appropriate, as we approach a new millennium, to remember the ingenuity, hard work, and persistence of the many Americans who historically contributed to our Nation's status as the preeminent world leader in agriculture. Furthermore, it is the good fortune of the U.S. to have an ideal climate and growing conditions for superior agricultural production, as well as an efficient transportation system. Agricultural commodities have consistently provided a positive contribution to our Nation's trade balance. Agricultural exports in 1996 were a record-breaking $59.8 billion, achieved with only about 2 percent of the U.S. population employed in farming. Domestically, the typical American family need devote a mere 11 percent of its annual disposable income to food. This amount has remained relatively consistent since the 1980's. The advantages of maintaining strong agricultural and transportation sectors should, therefore, be obvious.

We would like to thank the many industry and Government sources who provide the information and data included in the report. Much information is provided on a voluntary basis and is integral to allowing you, our readers, to visualize and understand the interaction between agriculture and transportation.

In closing, please accept our sincerest wishes for a happy holiday season and a healthy and prosperous new year.

Sincerely,

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Note: In view of the holiday, the next *Grain Transportation Report* will be published on January 4, 2000. Thank you.

Report is prepared by Karl Hacker and Chambre' Malone, Transportation & Marketing, Agricultural Marketing Service, USDA (202) 690-1304. Report design by Kimberly Vachal, Upper Great Plains Transportation Institute, North Dakota State University. You can retrieve this document from our Automatic Fax System by using the handset on your fax machine and dialing (202) 690-1707. This report can be found on the Internet at www.ams.usda.gov/tmd/grain.htm. E-mail comments to GTR@usda.gov.

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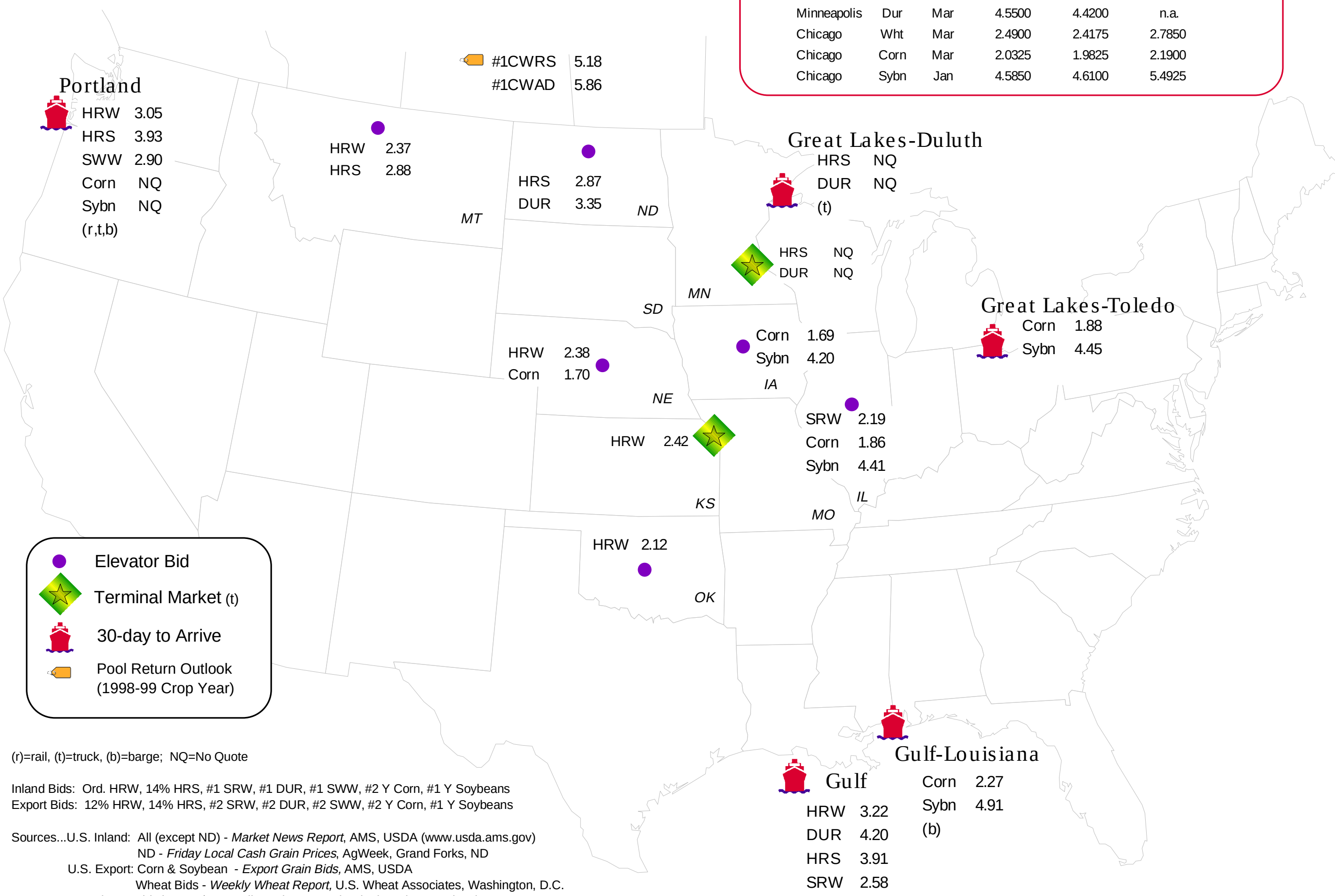
Grain Bid Summary

Futures:

			12/17/99	Week Ago 12/10/99	Year Ago 12/18/98
Kansas City	Wht	Mar	2.7400	2.6925	3.1675
Minneapolis	Wht	Mar	3.1875	3.1850	3.5700
Minneapolis	Dur	Mar	4.5500	4.4200	n.a.
Chicago	Wht	Mar	2.4900	2.4175	2.7850
Chicago	Corn	Mar	2.0325	1.9825	2.1900
Chicago	Sybn	Jan	4.5850	4.6100	5.4925

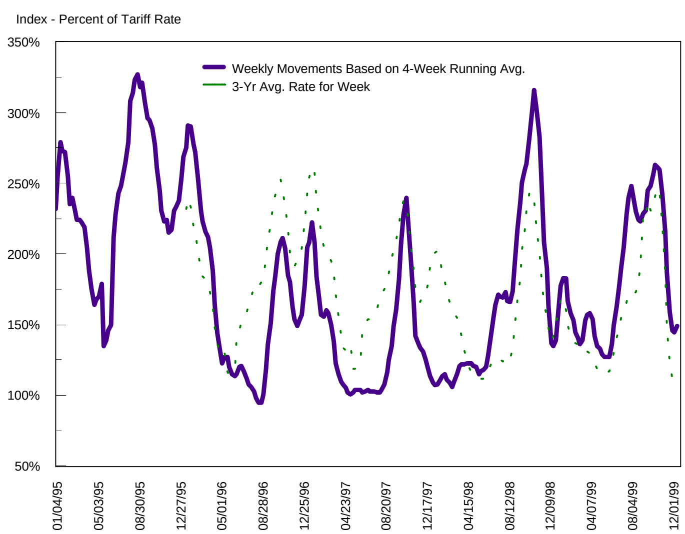


(r)=rail, (t)=truck, (b)=barge; NQ=No Quote

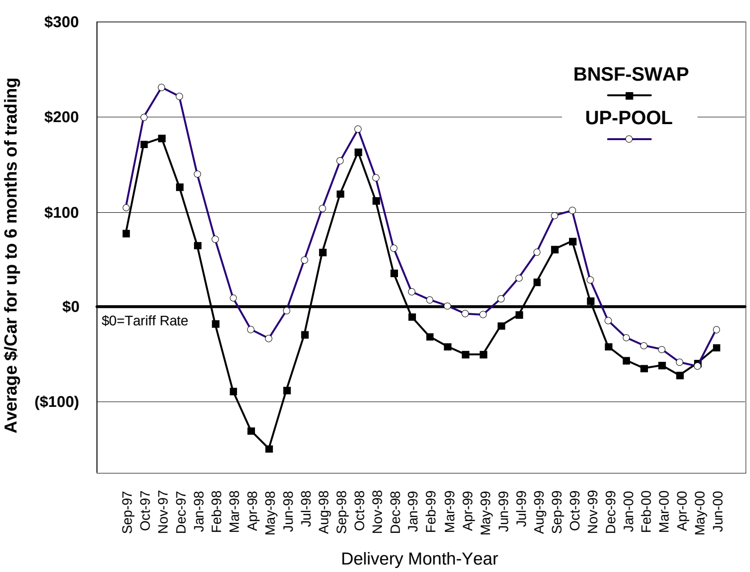
Inland Bids: Ord. HRW, 14% HRS, #1 SRW, #1 DUR, #1 SWW, #2 Y Corn, #1 Y Soybeans
Export Bids: 12% HRW, 14% HRS, #2 SRW, #2 DUR, #2 SWW, #2 Y Corn, #1 Y Soybeans

Sources...U.S. Inland: All (except ND) - *Market News Report*, AMS, USDA (www.usda.ams.gov)
ND - *Friday Local Cash Grain Prices*, AgWeek, Grand Forks, ND
U.S. Export: Corn & Soybean - *Export Grain Bids*, AMS, USDA
Wheat Bids - *Weekly Wheat Report*, U.S. Wheat Associates, Washington, D.C.
Canada: Bids in CAN$, Canadian Wheat Board, Winnipeg (www.cwb.ca)

Spot Barge Rate - Illinois River



Secondary Rail Market Bids



Rail Car 'Auction' Offerings

Delivery for:	Jan-00		Mar-00	
	Offered	% Sold	Offered	% Sold
BNSF-COT	12,000	17%	12,000	0%
UP-GCAS	5,400	0%	5,400	0%

Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com

Secondary Rail Car Market

Average Premium/Discount to Tariff, $/Car - Last Week

	Delivery Period			
	Jan-00	Feb-00	Mar-00	Apr-00
BNSF-GF	$(83)	$(88)	$(80)	$(69)
UP-Pool	$(45)	$(56)	$(56)	$(57)

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;

GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, $/Car - Last Auction

Delivery for:	Jan-00	Feb-00	Mar-00
COT/N. Grain	no bid	no bid	no bid
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 2	no bid	no bid	no bid
GCAS/Region 4	no bid	no bid	no bid

Source: T&M/AMS USDA. Data from www.bnsf.com, www.uprr.com,
(COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Southbound Barge Freight Nominal Values

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate
12/10/99	Illinois River	twk	190
		nwk	185*
		12/26	180*
	St. Louis	twk	130*
		nwk	125*
		12/26	120*
		Jan.	120*
		Mar.	125*

Summary Of Daily Barge Trades Reported To St. Louis Merchants Exchange.

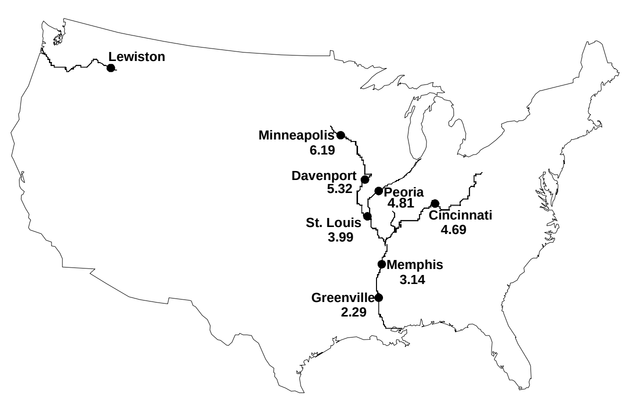
twk=this week
nwk=next week
(*) percentage for bid rates, no trades available

Southbound Barge Freight Spot Rates

	12/15/99	12/8/99	Jan. '00	Feb.. '00
Twin Cities	nq	nq	nq	nq
Mid-Mississippi	nq	nq	nq	nq
Illinois River	163	160	173	169
St. Louis	120	130	121	121
Lower Ohio	122	122	118	119
Cairo-Memphis	116	116	115	114

Source: Transportation & Marketing /AMS/USDA
nq=no quote

Barge Benchmark Tariff Rates
Est. 1976 - 'Tariff No. 7'

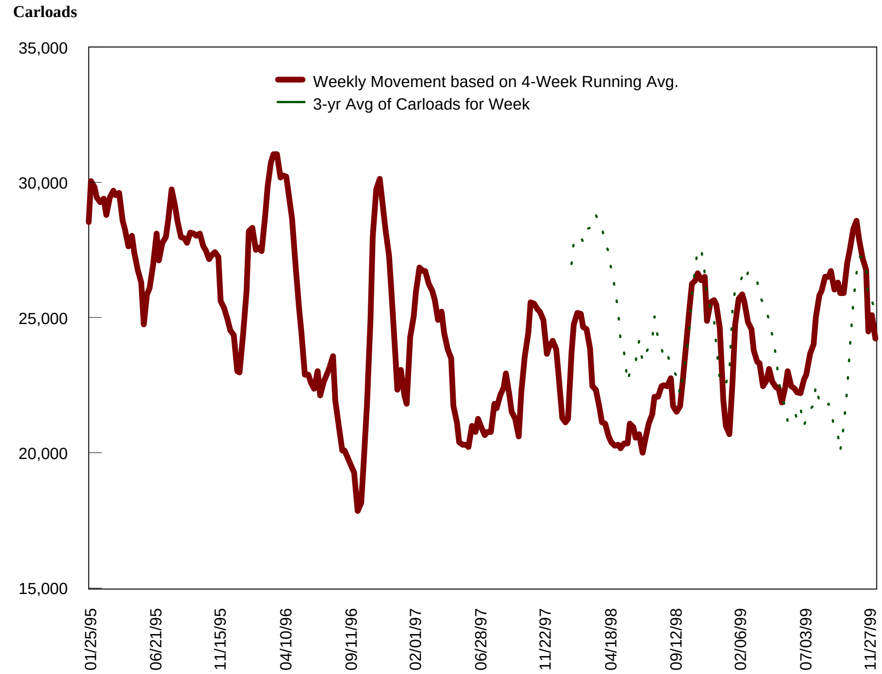


Class I Railroad Grain Car Loadings

Week Ending:	Carloads
11/27/99	19,086
12/04/99	28,141
12/11/99	22,987
Year to Date - 1999	1,207,628
Year to Date - 1998**	1,122,208
Total 1998**	1,183,860
Total 1997*	1,199,995

**1998 - 52 weeks
* 1997 - 53 weeks

Grain Car Loadings for Class I Railroads



Class I Rail Carrier Grain Car Bulletin

Carloads

	East				West			Canada	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN	CP
12/11/99	0	2,794	1,585	2,996	7,833	501	7,278	3,292	4,660
This Week Last Year	742	2,339	1,517	2,379	10,193	608	8,384	2,487	4,361
1999 YTD	15,522	124,473	84,039	130,998	442,348	31,834	379,414	115,386	198,005
1998 YTD*	38,548	119,737	73,778	124,974	408,642	32,653	323,876	108,740	206,895
1997 Total**	29,834	118,581	80,255	124,834	428,243	34,690	378,888	171,428	272,156
1996 Total	31,733	111,509	48,695	131,568	432,687	30,009	439,865	129,714	181,387

Source: Association of American Railroads

**1998 - 52 weeks
* 1997 - 53 weeks

Tariff Rail Rates for Unit Train Shipments

December 1999

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
12/03/99	45560	Wheat	Minneapolis, MN	Houston, TX	$2,050	$22.60	$0.62
12/03/99	43521	Wheat	Minneapolis, MN	Portland, OR	$3,877	$42.74	$1.16
12/03/99	46540	Wheat	Kansas City, MO	Houston, TX	$1,550	$17.09	$0.47
12/03/99	43586	Wheat	Kansas City, MO	Portland, OR	$4,133	$45.56	$1.24
12/03/99	43581	Wheat	Omaha, NE	Portland, OR	$3,805	$41.94	$1.14
12/03/99	31040	Corn	Minneapolis, MN	Portland, OR	$2,800	$30.86	$0.78
12/03/99	31035	Corn	Kansas City, MO	Portland, OR	$2,600	$28.66	$0.73
12/03/99	31040	Corn	Omaha, NE	Portland, OR	$2,415	$26.62	$0.68
12/03/99	61180	Soybean	Minneapolis, MN	Portland, OR	$2,880	$31.75	$0.86
12/03/99	61180	Soybean	Omaha, NE	Portland, OR	$2,480	$27.34	$0.74
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	$2,780	$25.23	$0.83

Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

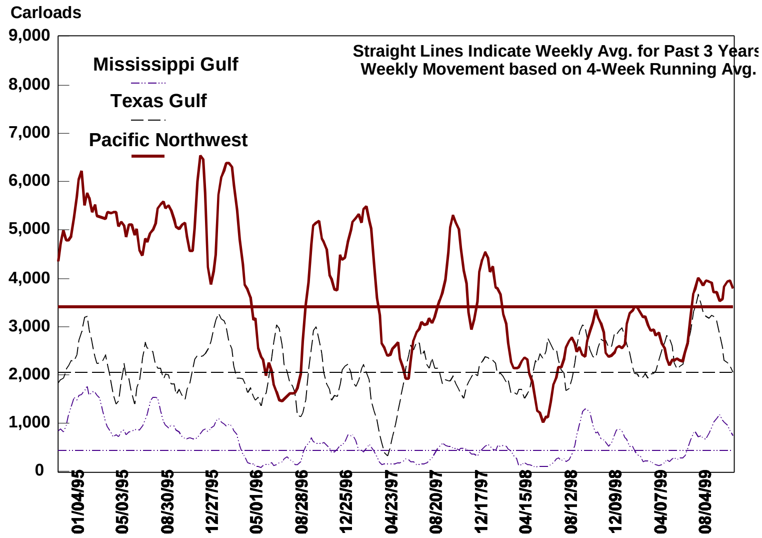
Rail Deliveries to Port
Carloads

	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
11/03/99	1,139	2,333	3,063	452
11/10/99	1,039	2,106	4,187*	473
11/17/99	968	2,135	4,385	234
11/24/99	744*	2,444	4,122	107
12/01/99	607*	1,997	3,104*	64
12/08/99	671	1,629	3,556	15
YTD 1999	28,006	126,523	153,025	13,470
YTD 1998	21,830	107,338	130,315	11,190
Total 1998	23,844	115,321	138,461	12,505
Total 1997	20,152	93,265	195,953	9,147

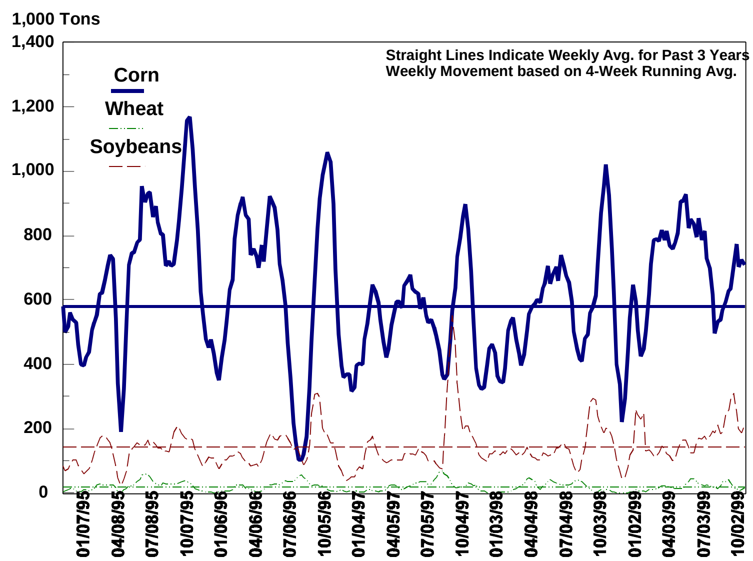
Source: Transportation & Marketing/AMS/USDA

Note: *Revised data

Rail Deliveries to Port



Barge Movements - Locks 27



Barge Grain Movements
for week ending 12/11/99

`	Corn	Wht	Sybn	Total
		1,000 Tons		
Mississippi River				
Rock Island, IL (L15)	308	2	101	413
Winfield, MO (L25)	460	11	284	759
Alton, IL (L26)	856	19	383	1,261
Granite City, IL (L27)	841	31	386	1,258
Illinois River (L8)	308	3	79	390
Ohio (L52)	15	20	35	87
Arkansas (L1)	0	21	15	36
1999 YTD	35,013	2,748	9,099	49,276
1998 YTD	29,478	2,355	8,180	42,915
Total 1998	31,226	2,420	8,866	45,625
Total 1997	29,685	2,689	9,584	45,315

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.
Source: U.S. Army Corp of Engineers

U.S. Export Balances (1,000 Metric Tons)

	Wheat						Corn	Soybean	Total
	HRW	*SRW*	*HRS*	*SWW*	*DUR*	*All*			
Unshipped Exports-Crop Year									
12/09/99	1,089	793	983	755	268	3,889	8,351	4,902	17,142
This Week Year Ago	1,401	245	1,059	650	206	3,559	8,479	4,471	16,509
Cumulative Exports-Crop Year									
99/00 YTD	6,720	2,028	2,997	2,116	498	14,358	14,327	9,180	37,865
98/99 YTD	5,998	1,163	3,631	3,359	465	14,616	12,559	17,713	44,888
97/98 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
96/97 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31

Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons

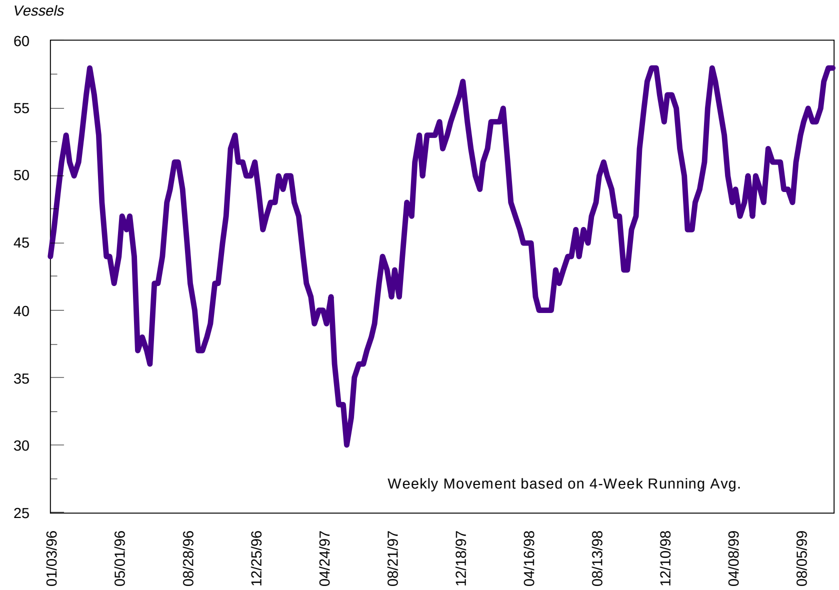
	Pacific Region			Mississippi Gulf			Texas Gulf		
	Wheat	*Corn*	*Soybean*	*Wheat*	*Corn*	*Soybean*	*Wheat*	*Corn*	*Soybean*
12/16/99	211	35	0	215	747	608	98	4	58
1999 YTD	9,726	8,703	1,076	6,774	34,816	15,018	8,514	555	1,415
1998 YTD *	10,072	4,273	627	4,817	28,872	13,751	6,852	548	1,280
% of Last Year	90%	199%	165%	134%	111%	101%	117%	99%	102%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

Source: Federal Grain Inspection Service * YTD-Year-to-Date ('98 = 53 week period)

Select Canadian Ports - Export Inspections*
1,000 Metric Tons, Crop Year

	Wheat	Durum	Barley
Week Ended: 12/9/99			
Vancouver	1,669	420	201
Prince Rupert	836	0	41
Prairie Direct	322	119	77
Thunder Bay	411	159	93
St. Lawrence	1,399	600	0
1999 YTD Exports	4,637	1,298	413
1998 YTD Exports	3,907	1,140	235
% of Last Year	119%	114%	176%

Source: Canadian Grains Commission; *Current data unavailable
YTD-Year-to-Date Crop Year 8/1-7/31



Gulf Region Vessels Loaded - Past 7 Days-

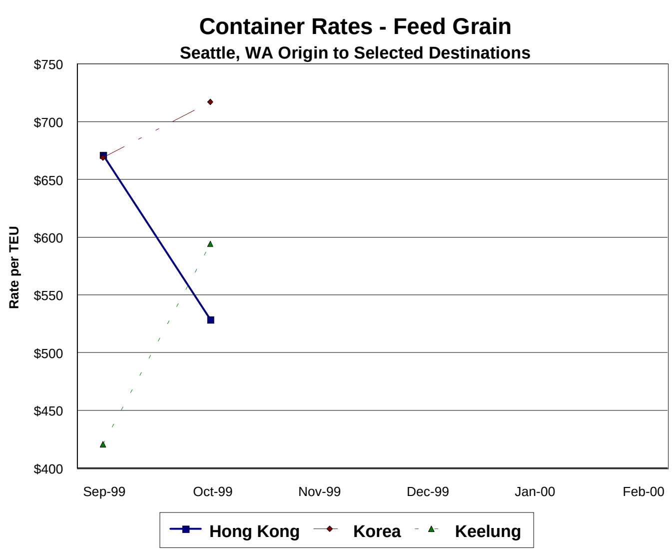
Port Region Ocean Grain Vessels

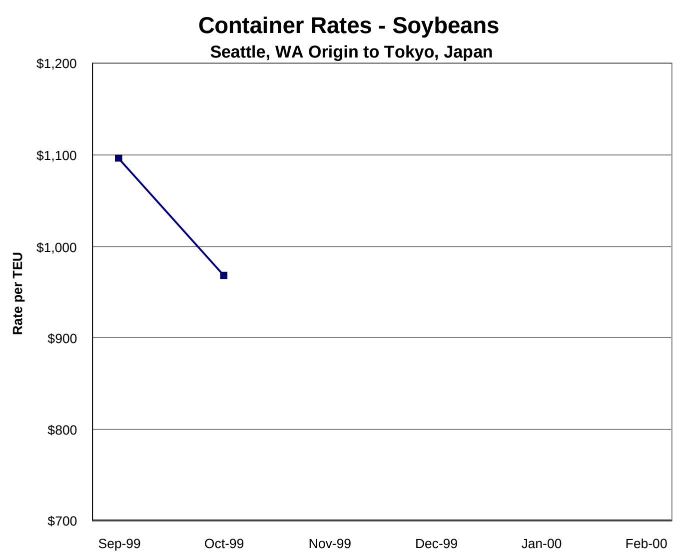
	Gulf			Pacific Northwest			Vancouver, B.C.		
	In Port	Loaded 7-Days	Due Next 10-Days	In Port	Loaded 7-Days	Due Next 10-Days	In Port	Loaded 7-Days	Due Next 10-Days
12/09/99	32	53	74	9			9	13	5
12/16/99	47	61	68	9			11	8	3
1998 Range	(19..62)	(34..64)	(40..93)				(1..16)	(3..14)	(0..10)
1997 Range	(11..52)	(25..61)	(31..89)						
1998 Avg	40	48	61				9	9	3
1997 Avg	33	45	58						
1996 Avg	38	46	62						

Source: Transportation & Marketing /AMS/ USDA

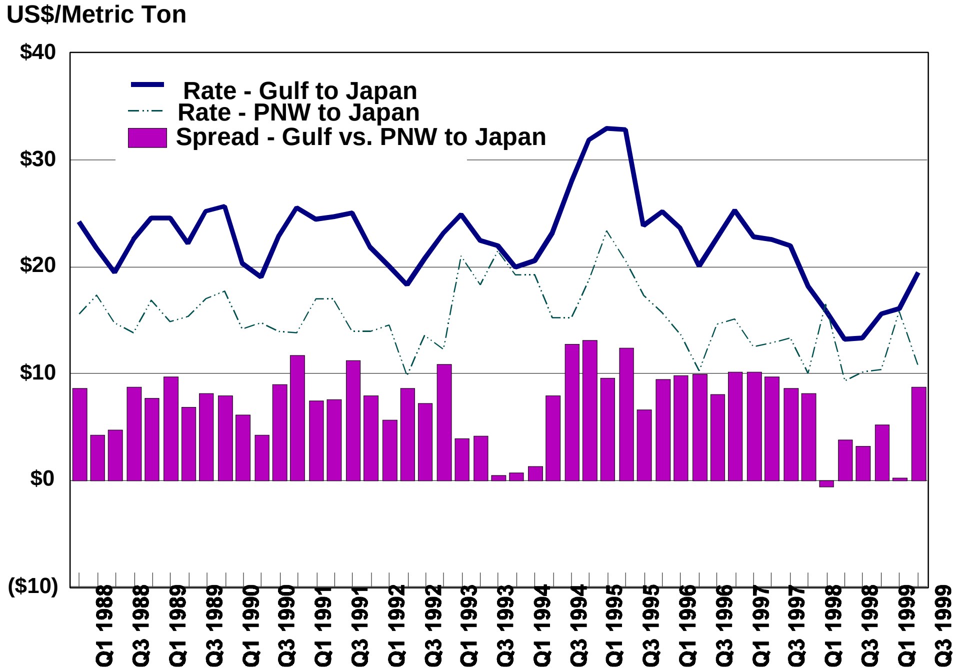
Container Ocean Freight Rates

Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share





Source: Transportation & Marketing/AMS/USDA



Quarterly Ocean Freight Rates

Quarterly Ocean Freight Rates
Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	1999 3rd Qtr	1998 3rd Qtr	% Change		1999 3rd Qtr	1998 3rd Qtr	% Change
Gulf to				**Pacific NW to**			
Japan	$19.46	$13.17	48%	Japan	$10.71	$9.35	15%
Mexico	$14.97	$16.33	-8%	Red Sea/ Arabian Sea			
Venezuela	$12.64	$10.30	23%				
N. Europe	$13.31	$8.85	50%				
N. Africa	$18.20	$13.87	31%	**Argentina to**			
				N. Europe	$13.94	$12.15	15%
				Japan	$23.00	$16.21	42%

Source: Transportation & Marketing/AMS/USDA

Ocean Freight Rates (Select Locations) - week ending 12/18/99

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate ($Ton)
St. Lawrence	Algeria	Wheat	December	25,000	$18.00
Gulf	Colombia (Carib.)	Corn/Wheat	Dec./Jan.	25,580/30,300	$9.90
Gulf	Turkey	Meals/Soybeans	December	40,500	$16.80
Gulf	Egypt	Wheat	December	55,000	$12.75
Gulf	Taiwan	Heavy Grain	January	56,000	$19.50
Gulf	Japan	Heavy Grain	Dec./Jan.	54,000	$21.00
PNW	Japan	Heavy Grain	Spot	54,000	$13.75/13.80
River Plate/B. Blanca	Beirut/Egypt (Med.)	Wheat	December	55,000	$19.00
Necochea/B. Blanca	Iraq	Heavy Grain	January	50,000	$22.00
Necochea/B. Blanca	Iraq	Wheat	January	55,000	$22.00

Source: Maritime Research Inc.