



# GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service  
United States Department of Agriculture



June 8, 1999

**Popularity of Genetically Modified Crops Grows Rapidly.** ConAgra Grain Companies, a unit of ConAgra Inc., said Thursday it would accept, and try to market, varieties of genetically-modified corn that have not been approved in some world markets. ConAgra said it would make the corn available for sale in the United States or to foreign markets that have approved it, provided the producer identifies the grain as genetically modified. Genetically modified crops have rapidly grown in popularity in recent years, but not all varieties have been approved in other countries. This has raised concerns over whether farmers can find sufficient outlets for all of the grain. About 5 percent of 1999 U.S. corn acres were planted with genetically-modified varieties that are not approved for global trade, Randy Krotz, director of public and industry affairs for St. Louis-based Monsanto Co, said. U.S. farmers are expected to plant 78.2 million acres of corn this year, according to the U.S. Department of Agriculture. ConAgra would accept the corn at any of its U.S. facilities, a ConAgra spokeswoman said. Omaha, NE-based ConAgra has more than 100 grain elevators throughout the major U.S. production States. Genetically modified crops have met resistance in some of the U.S.' major overseas markets, partly over concerns that food products containing genetically modified crops may not be entirely safe for human consumption. (*Reuters, 6/3 & St. Louis Post Dispatch, 6/4*)

**U.S. Trade Officials Seek Ideas, Concerns, and Opinions from Nebraska Agriculturalists.** Two weeks remain before Nebraska farmers and ranchers are asked to share their ideas, concerns, and issues on world trade at a meeting in Kearney with the U.S. Trade Representative's Office. The June 26 meeting is one of 12 scheduled across the United States by Trade Representative Charlene Barshefsky to gather information for the next round of World Trade Organization (WTO) talks in Seattle this fall. "The deadline for producers to submit written testimony to the Nebraska Agriculture Department for the meeting is June 18," spokeswoman Katherine Brandenburg said. Agricultural issues are expected to be at the heart of the November trade talks. The meeting/talks come at a time of crisis for America's farms and ranches as foreign governments suffer economic turmoil and world food production booms. One-third of U.S. farm production is exported. Ninety-six percent of the world's population lives beyond America's borders. Many U.S. farm and commodity groups say that results of the previous round of global trade talks, known as the Uruguay Round, were oversold. They point to unkept foreign commitments and a U.S. administration they see as unresponsive to international obstacles faced by farmers. Barshefsky says the broad agenda planned for the Seattle talks includes reducing tariffs, eliminating export subsidies, reducing trade-distorting domestic supports, and guarantees that decisions on biotechnology will be made on scientific grounds. "One key goal is to bring China and other nations into the WTO," she said. Nations outside the WTO and its rules on market access and standards, including China, Russia, and Ukraine, have a population of about 1.5 billion, about a quarter of the world's population. Details for the Kearney meeting are not complete, but organizers say it will be held at the University of Nebraska at Kearney, at approximately 9:30 a.m. to 4:00 p.m. Written testimony is required because organizers hope to group speakers by topic. "Speakers will be limited to about 3 minutes of speaking time," Brandenburg said. Testimony should be sent by mail to the Nebraska Agriculture Department, P.O. Box 94947, Lincoln, NE 68509, by e-mail to [allenem@agr.state.ne.us](mailto:allenem@agr.state.ne.us), or by fax to (402) 471-2759. (*Omaha World Herald, 6/5 & Tribune Business News, 6/6*)

**North Dakota Farm Groups Hope for Trade Changes.** Gov. Ed Schafer and representatives of North Dakota farm groups said Friday they will appeal for improved agricultural trade rules at a hearing next week. "This isn't fighting about particular trade irritants," Schafer said. "These are going to be the rules under which we're operating in the global marketplace for years to come, and now is the time to deal with them." The U.S. Agriculture Department and the Federal Trade Representative's Office have scheduled a hearing in St. Paul, MN, on Monday to give farm representatives a chance to outline their own priorities for a new round of international trade talks this fall. The negotiations will take several years. Secret grain pricing and trade barriers disguised as concerns about health problems are two issues North Dakota farm representatives want to focus on. Jim Peterson, marketing director for the North Dakota Wheat Commission, said the agency would like to see export subsidies abolished worldwide. "That is not possible unless some government-run marketing agencies, such as the Canadian Wheat Board, report the prices at which they sell grain," Peterson said. The board controls wheat and barley exports from western Canada's prairie provinces. "It's perfectly clear that these are efforts to protect small farms in rural areas and don't have anything to do with science or trade issues," Schafer said. (*Associated Press, 6/4*)

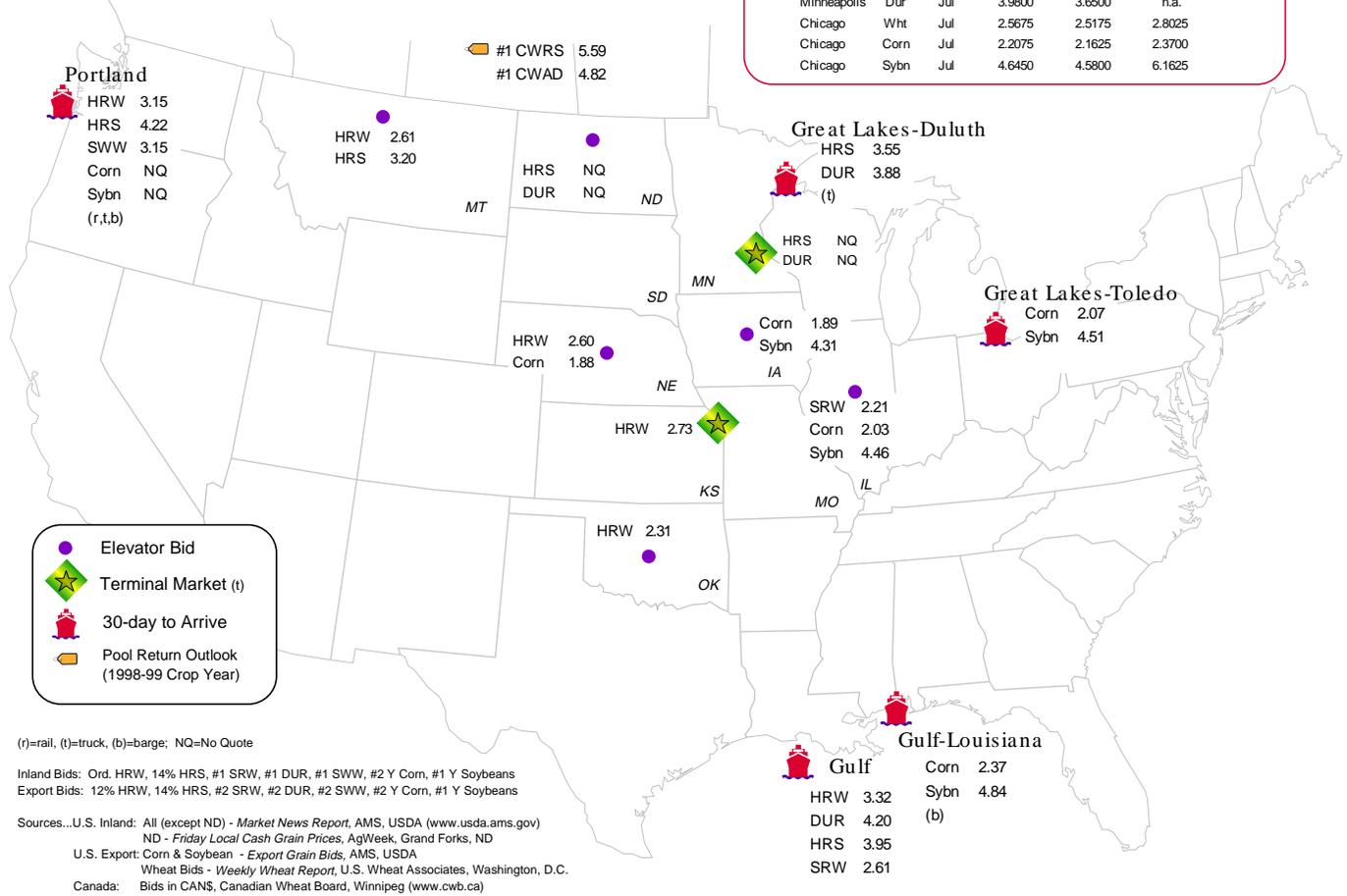
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This report is prepared by Karl Hacker and Karla Martin, Agricultural Economists, Transportation & Marketing, Agricultural Marketing Service, USDA (202) 690-1304. Report design by Kimberly Vachal, Upper Great Plains Transportation Institute, North 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](http://www.ams.usda.gov/tmd/grain.htm). E-mail comments to [GTR@usda.gov](mailto:GTR@usda.gov).

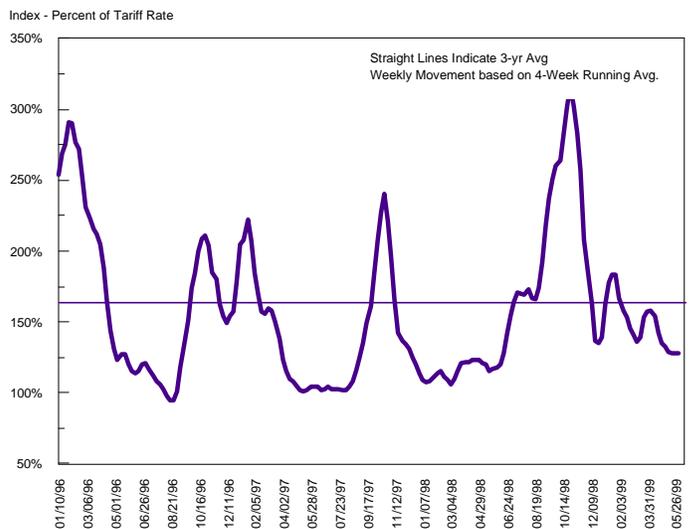
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# Grain Bid Summary

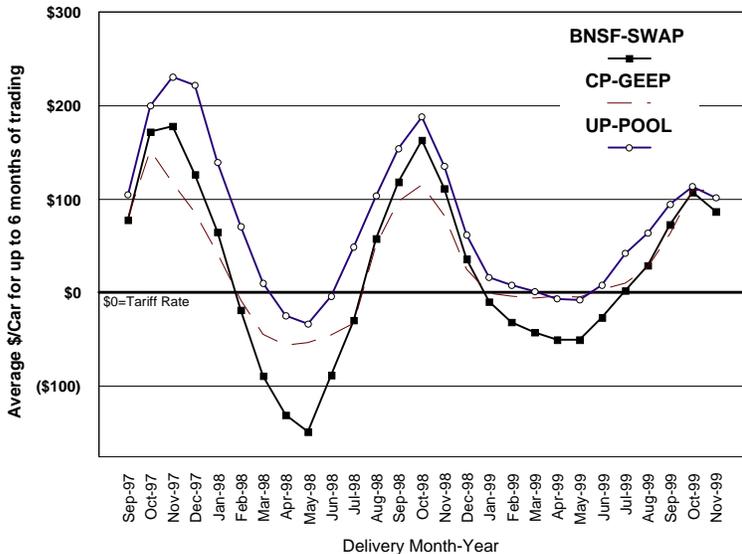
Futures:			06/04/99	Week Ago	Year Ago
Kansas City	Wht	Jul	2.8475	2.7825	3.0475
Minneapolis	Wht	Jul	2.3550	3.2275	3.4775
Minneapolis	Dur	Jul	3.9800	3.6500	n.a.
Chicago	Wht	Jul	2.5675	2.5175	2.8025
Chicago	Corn	Jul	2.2075	2.1625	2.3700
Chicago	Sybn	Jul	4.6450	4.5800	6.1625



## Spot Barge Rate - Illinois River



## Secondary Rail Market Bids



Rail Car 'Auction' Offerings				
Delivery for:	Jul-99		Sep-99	
	Offered	% Sold	Offered	% Sold
BNSF-COT	9,500	52%	9,500	56%
UP-GCAS	5,400	26%	5,400	34%

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			
	Jun-99	Aug-99	Sep-99	Oct-99
BNSF-GF	\$(20)	\$1	\$50	\$93
CP-GEEP	\$14	\$22		
UP-Pool	\$(1)	\$40	\$66	\$97

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:	Jul-99	Aug-99	Sep-99
COT/N. Grain	no bid	\$1	\$31
COT/S. Grain	no bid	\$1	\$46
GCAS/Region 2	no bid	no bid	\$22
GCAS/Region 4	no bid	no bid	\$4

Source: T&M/AMS/USDA. Data from [www.bnsf.com](http://www.bnsf.com), [www.uprr.com](http://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
6/7/99	Twin Cities	twk/June	175
		July	180
		Aug.	190
		Sept.	230
	Mid Miss	twk	145
		twk/June	150
		July	155
		Aug.	165
	Illinois River	Sept.	205
		twk	137.5-140
		July	142.5-145
		Aug.	155-160
St. Louis	Sept.	200-205	
	June	95	
	July	100	
	Aug.	135	
		Sept.	175

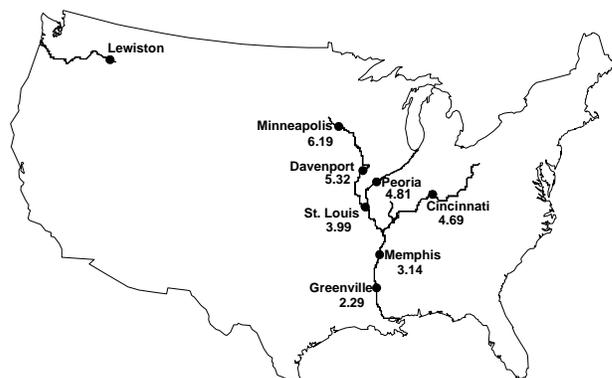
Summary Of Daily Barge Trades Reported To St. Louis Merchants Exchange.

twk=this week

Southbound Barge Freight Spot Rates				
	6/2/99	5/26/99	July '99	Sept. '99
Twin Cities	164	165	179	236
Mid-Mississippi	139	140	149	208
Illinois River	129	130	141	201
St. Louis-Cairo	95	95	106	178
Lower Ohio	95	97	119	201
Cairo-Memphis	91	91	104	174

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

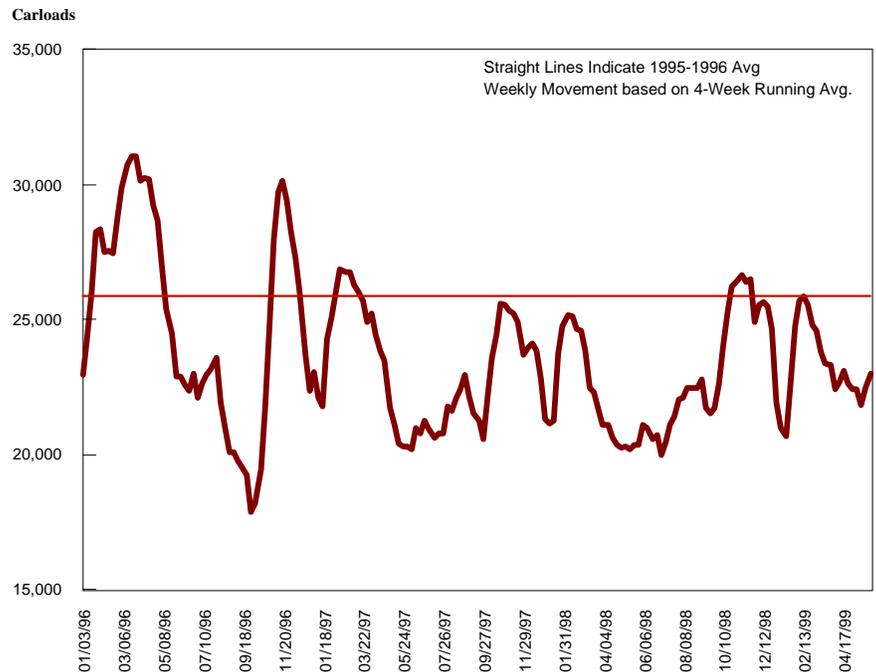
**Barge Benchmark Tariff Rates**  
Est. 1976 - 'Tariff No. 7'



Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
5/15/99	22,130
5/22/99	23,565
5/29/99	23,165
Year to Date - 1999	495,309
Year to Date - 1998**	467,922
Total 1998**	1,183,860
Total 1997*	1,199,995
Source: American Association of Railroads	

\*\*1998 - 52 weeks  
\* 1997 - 53 weeks



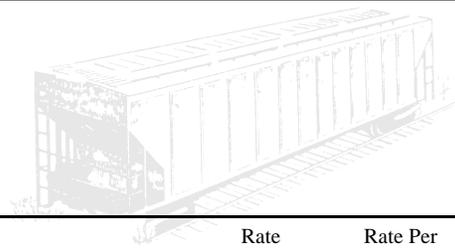
Class I Rail Carrier Grain Car Bulletin

Carloads

	East				West			Canada	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN	CP
05/29/99	476	2,332	1,831	3,014	7,687	577	7,248	7,653	15,632
This Week Last Year	547	2,489	1,831	2,816	6,084	778	6,179	1,886	3,331
1999 YTD	15,417	52,307	32,301	54,636	167,713	15,316	157,619	54,285	93,346
1998 YTD*	14,439	51,136	29,666	54,141	171,583	13,989	132,968	53,896	88,074
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: American Association of Railroads

\*\*1998 - 52 weeks  
\* 1997 - 53 weeks



Tariff Rail Rates for Unit Train Shipments

June 1999

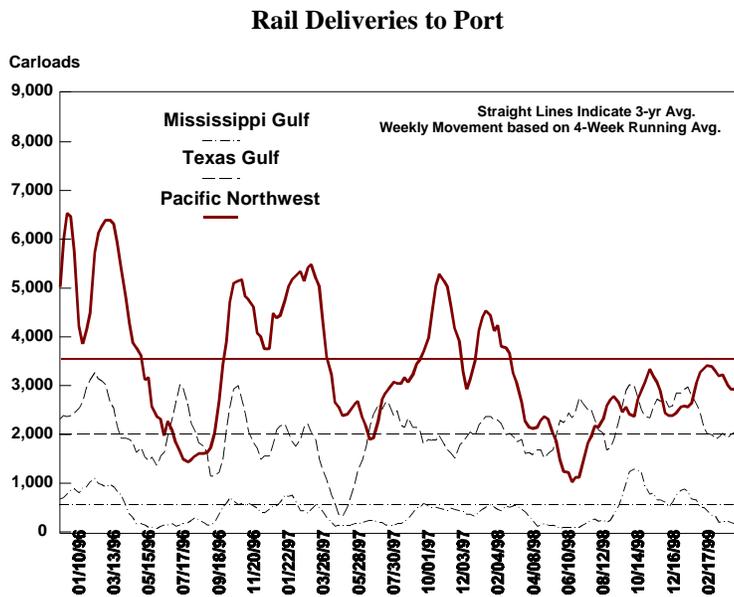
Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
06/01/99	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,150	\$19.51	\$0.65
06/01/99	43521	Wheat	Minneapolis, MN	Portland, OR	\$4,442	\$40.31	\$1.33
06/01/99	46540	Wheat	Kansas City, MO	Houston, TX	\$1,850	\$16.79	\$0.56
06/01/99	43586	Wheat	Kansas City, MO	Portland, OR	\$4,604	\$41.78	\$1.38
06/01/99	43581	Wheat	Omaha, NE	Portland, OR	\$4,205	\$38.16	\$1.26
06/01/99	31040	Corn	Minneapolis, MN	Portland, OR	\$2,915	\$23.26	\$0.82
06/01/99	31035	Corn	Kansas City, MO	Portland, OR	\$3,100	\$24.74	\$0.87
06/01/99	31040	Corn	Omaha, NE	Portland, OR	\$2,535	\$20.23	\$0.71
06/01/99	61180	Soybean	Minneapolis, MN	Portland, OR	\$3,330	\$30.22	\$1.00
06/01/99	61180	Soybean	Omaha, NE	Portland, OR	\$3,030	\$27.50	\$0.91
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

<b>Rail Deliveries to Port</b>				
Carloads				
	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
04/21/99	189	2,132	3,215	389
04/28/99	279	1,546	2,908	217
05/05/99	115	2,096	2,984	230
05/12/99	110	2,406	2,640	81
05/19/99	104	2,277	2,602	29
05/26/99	169	2,473	3,093	242
YTD 1999	9,368	49,713	61,189	7,064
YTD 1998	8,486	41,177	68,584	5,759
Total 1998	23,844	115,321	138,461	12,505
Total 1997	20,152	93,265	195,953	9,147

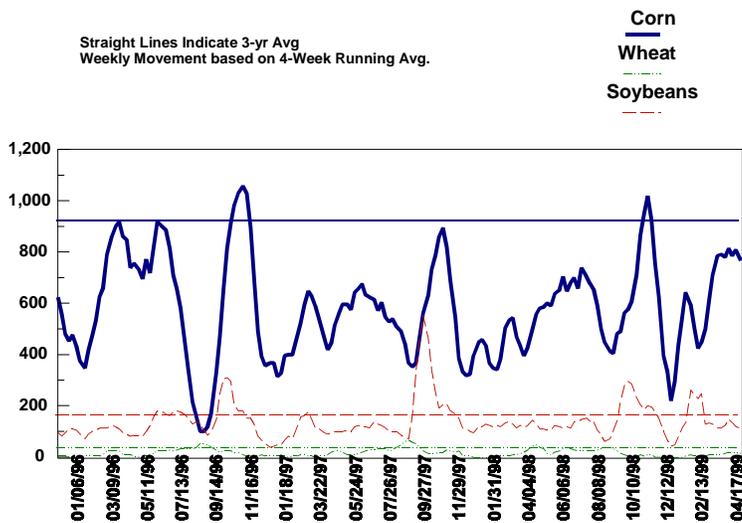
Source: Transportation & Marketing/AMS/USDA



\* Texas Gulf data has been updated and is correct.

**Barge Movements - Locks 27**

1,000 Tons



**Barge Grain Movements**

for week ending 05/29/99

	Corn	Wht	Sybn	Total
	1,000 Tons			
<b>Mississippi River</b>				
Rock Island, IL (L15)	304	6	42	352
Winfield, MO (L25)	333	0	60	393
Alton, IL (L26)	612	8	87	713
Granite City, IL (L27)	570	8	107	691
<b>Illinois River (L8)</b>	208	8	21	243
<b>Ohio (L52)</b>	13	0	7	70
<b>Arkansas (L1)</b>	0	0	0	0
1999 YTD	13,703	939	2,913	18,983
1998 YTD	10,090	707	3,167	15,464
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)

	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	<u>Wheat</u>		<i>All</i>	<u>Corn</u>	<u>Soybean</u>	<u>Total</u>
				<i>SWW</i>	<i>DUR</i>				
<u>Unshipped Exports-Crop Year</u>									
05/27/99	1,255	362	970	394	190	3,171	8,460	2,209	13,840
This Week Year Ago	1,295	322	1,124	573	153	3,468	6,087	1,373	10,928
<u>Cumulative Exports-Crop Year</u>									
98/99 YTD	10,168	2,502	6,415	5,283	988	25,356	34,755	18,802	78,913
97/98 YTD	9,752	4,702	6,216	5,406	1,232	27,308	27,039	17,713	72,060
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
95/96 Total									

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

	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>
06/03/99	154	115	0	103	756	171	303	7	0
1999 YTD	4,560	3,332	222	2,696	14,612	6,461	3,293	279	676
1998 YTD *	4,038	2,871	391	2,244	10,659	7,018	2,488	177	553
% of Last Year	42%	76%	34%	53%	47%	43%	45%	50%	49%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

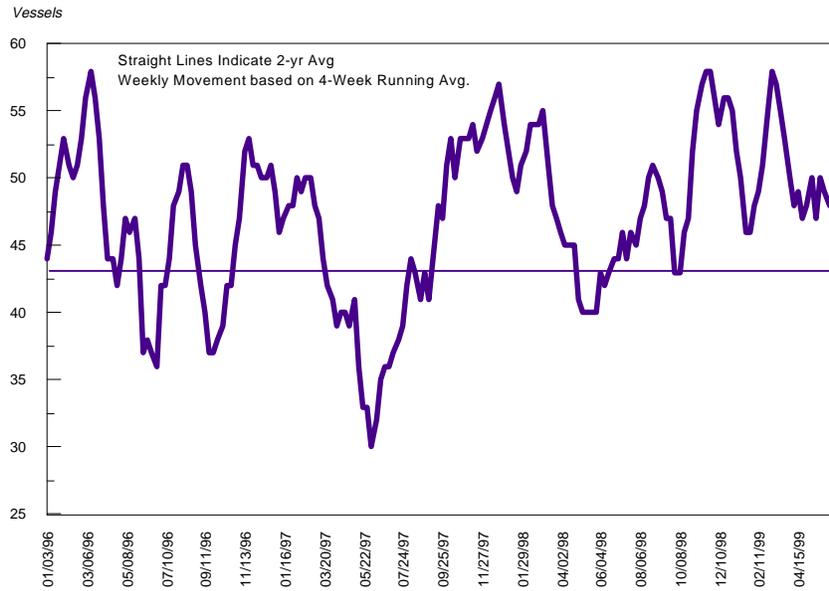
Source: Federal Grain Inspection Service \* YTD-Year-to-Date ('98 = 53 week period)

**Select Canadian Ports - Export Inspections**

1,000 Metric Tons, Crop Year

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
Week Ended: 06/03/99			
Vancouver	4,178	883	325
Prince Rupert	1,225	6	0
Prairie Direct	844	466	285
Thunder Bay	495	150	218
St. Lawrence	1,764	1,450	0
1999 YTD Exports	8,506	2,955	828
1998 YTD Exports	13,983	3,497	2,020
% of Last Year	61%	85%	41%

Source: Canadian Grains Commission \*Year Ago-This Week a Year Ago \*\* YTD-Year-to-Date Crop Year 8/1-7/31

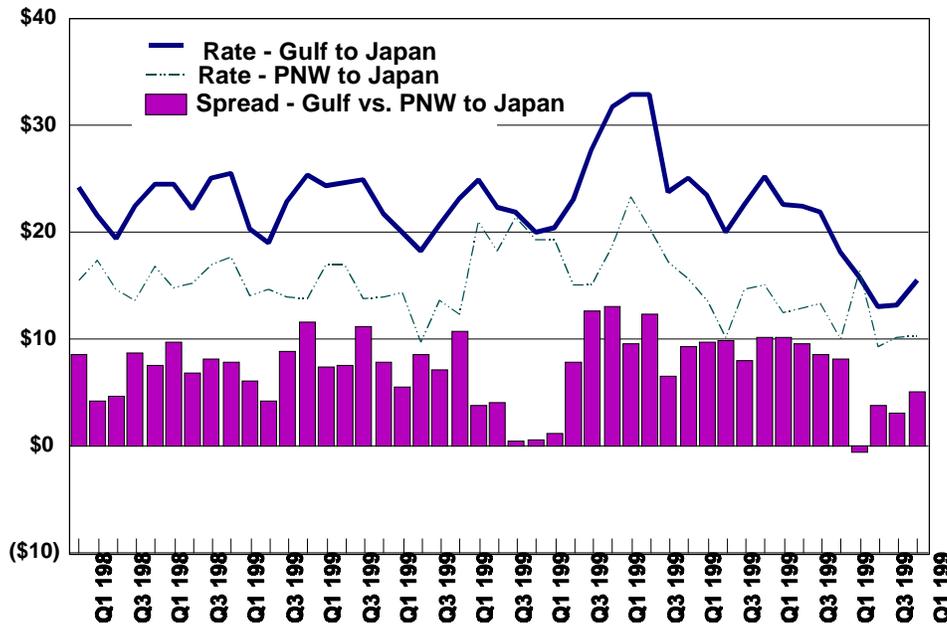


**Gulf Region  
Vessels Loaded  
- Past 7 Days-**

<b>Port Region Ocean Grain Vessels</b>									
	<b>Gulf</b>			<b>Pacific Northwest</b>			<b>Vancouver, B.C.</b>		
	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>
05/27/99	25	50	59	11			12	10	2
06/03/99	33	49	60	7			10	8	5
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

US\$/Metric Ton



Quarterly Ocean Freight Rates

Quarterly Ocean Freight Rates

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

	1999 1 <sup>st</sup> Qtr	1998 1 <sup>st</sup> Qtr	% Change		1999 1 <sup>st</sup> Qtr	1997 1 <sup>st</sup> Qtr	% Change
<b>Gulf to</b>				<b>Pacific NW to</b>			
Japan	\$15.62	\$18.24	-14%	Japan	\$10.41	\$10.08	3%
Mexico	\$14.22	\$12.15	17%	Red Sea/ Arabian Sea	\$45.81		
Venezuela	\$11.33	\$11.13	2%	<b>Argentina to</b>			
N. Europe	\$12.16	\$9.85	23%	N. Europe	\$14.55	\$12.32	18%
N. Africa	\$17.12	\$14.65	17%	Japan	\$21.35	\$20.93	2%

Source: Transportation & Marketing/AMS/USDA

Ocean Freight Rates (Select Locations) - week ending 05/21/99

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
St. Lawrence	Morocco	Wheat	Prompt	20,000	\$16.50
Gulf	Buenaventura (Columbia)	Wheat	June	23,000	\$15.50
Gulf	Indonesia	Grains	May/June	39,500	\$19.24
Gulf	Taiwan	Heavy Grain	July	54,000	\$15.50
Gulf	Japan	Heavy Grain	June	54,000	\$16.80
River Plate	Seaforth (United Kingdom)	Grains	June	24,000	\$23.75
River Plate	Lisbon/Hamburg	Heavy Grain	Spot	30,000	\$17.75
Rouen	Algeria	Wheat	Prompt	25,000	\$14.00

Source: Maritime Research Inc.