GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture

AUGUST 8, 2000

Kansas Rail Abandonment Alternatives Examined. A group of stakeholders and policy makers met in Hutchinson, Kansas, August 4, to review the current rail situation in Kansas and develop alternatives to railroad abandonment in response to Central Kansas Railway's plan to abandon 255 miles of track in South Central Kansas. Since 1965, approximately 30 percent of the rail lines in Kansas have been lost to abandonment. The loss of rail service directly impacts the income, employment and production of affected communities. In addition, the loss of rail service results in greatly increased costs of road maintenance and reconstruction – particularly on rural roads that were not designed for heavy truck traffic. According to the 1997 Comprehensive Truck Size and Weight Study, the damage a loaded semi-truck does to a major rural collector highway is 13.5 times the amount of damage the same truck does to a rural interstate highway and, on minor collector highways, the same truck does 21 times the amount of damage. Rural counties also are affected more by the loss of rail service than urban counties since they have fewer residents to pay for the additional road costs. When Ottawa County, Kansas – which has a population of only 6,000 – lost rail service, the county's annual road maintenance bill increased from just over $1 million to nearly $7 million. Similarly, it will cost Harper County, Kansas – which has a population of 6,400 – $27 million to rebuild the county's roads and bridges to a standard that will hold up to the increased truck traffic caused by the loss of rail service in 1997. *(Marvin Prater, Agricultural Economist, USDA, Transportation and Marketing, Marketing and Transportation Analysis, marvin.prater@usda.gov)*

Data Explanation. We are very pleased to know that so many of our readers find the data and information contained in the *Grain Transportation Report* to be beneficial in conducting business or in simply gaining insight into grain transportation. We realize, however, that the reported data include several different modes of transportation with terms and references unique to each mode. Those who use certain sections of data may have an understanding of rail but not of barge transportation, or of barge and not of ocean transportation, for instance. The report is meant to afford readers the full opportunity to not only understand the most current state of their respective and most commonly used transport modes, but also to develop an understanding of the possible efficiencies that may result from understanding the options and potential benefits of alternate modes, for example. Therefore, at the suggestion of our readers and in an effort to improve the usefulness of the data within the report, we will begin to periodically offer a description of each individual section of the report. This will appear on the front page and, hopefully, provide a more complete understanding of the data, its source and its usefulness.
Also, this information will made permanently available as part of the web site.

Grain Bid Summary (page 2 of this report):
The grain bid summary illustrates the market relationships for corn, soybeans, and five varieties of wheat among selected origins and destinations. The objective of this weekly graphic is to provide a broad view of the freight rates and market relationships in the U.S. grain industry. Changes in these relationships have implications for the rail, barge and truck industries. Positive and negative adjustments in the differential between terminal and the futures markets, and the relationship to inland market points, indicate changes in fundamental market supply and demand. The dynamic supply and demand relationships affect commodity flows and freight requirements. Changes in the underlying marketing costs such as freight rates and handling charges are also reflected in the map.

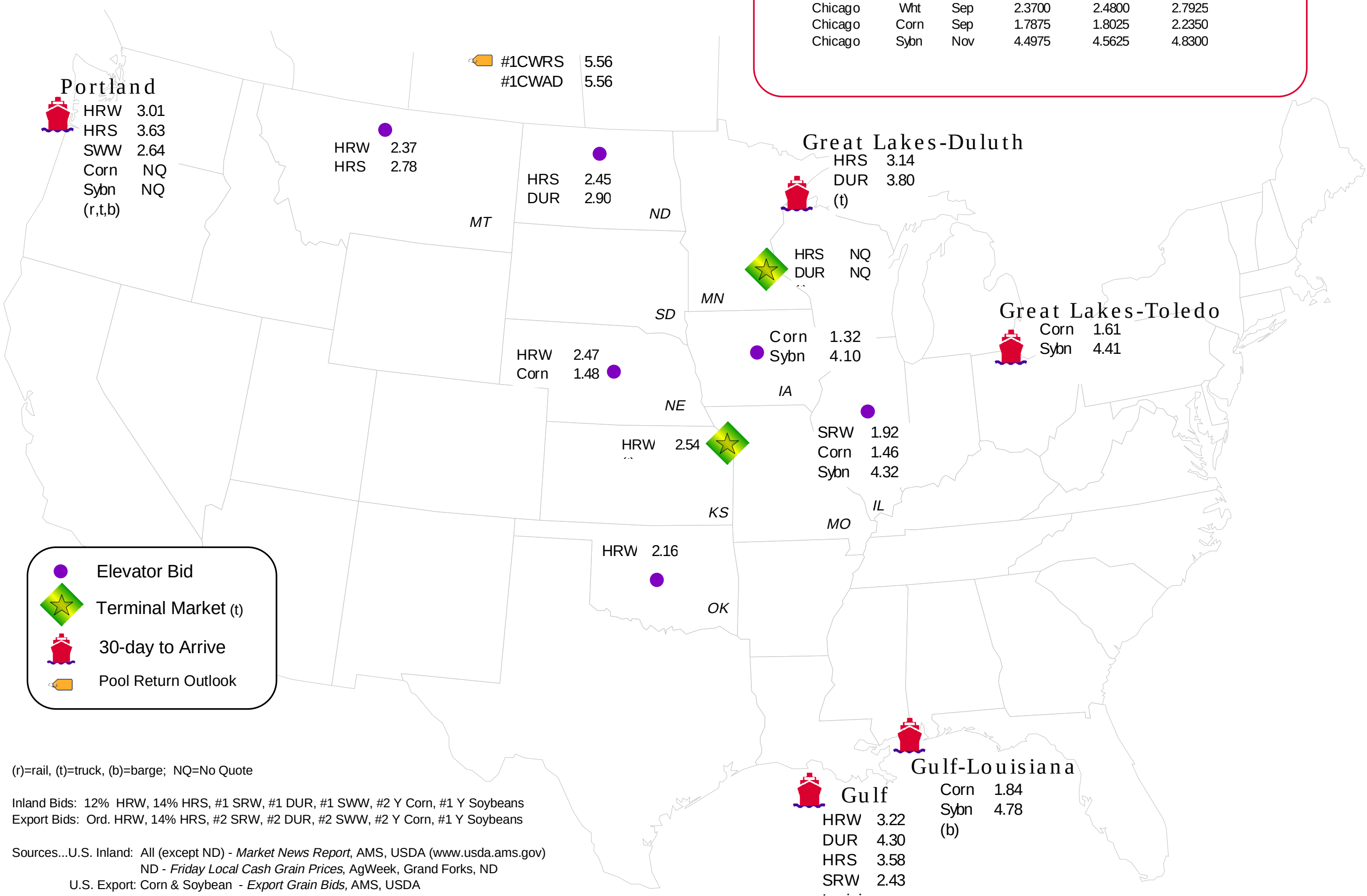
Local elevators, terminal facilities, and export market 'bids' are included in the map so the rather diverse group of readers can identify information for individual purposes. The map may be used to monitor differentials among markets, commodities, and time for a segment of the market. These bids may also be used in conjunction with the ocean freight data, provided on page 8 of the report, to estimate prices of U.S. grains for alternative foreign markets. *(Kimberly Vachal, North Dakota State University, Upper Great Plains Transportation Institute, Kimberly_Vachal@ndsu.nodak.edu)*

Transportation And Marketing Supervisory Position Available. Applications are being accepted until September 5, 2000 for a Supervisory Economist position for the USDA's Transportation Marketing Analysis Program, located in Washington, DC. In addition to supervising the work of specialists, technicians and clerical support personnel, responsibilities associated with the program also include representing USDA and U.S. agricultural interests through analysis of marketing and transportation issues. The position is opened to all qualified candidates. Additional information may be obtained by contacting the AMS Human Resources Office at 301-734-4375, referencing announcement # 9-86-331-0, or through the USDA website at www.usajobs.opm.gov/wfjic/jobs/BS4279.htm

Report is prepared by Karl Hacker and Sigal Nissan, 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. E-mail comments to GTR@usda.gov.

Grain Bid Summary

Futures:			08/04/00	Week Ago 07/27/00	Year Ago 08/06/99
Kansas City	Wht	Sep	2.7550	2.8375	2.9625
Minneapolis	Wht	Sep	2.9400	2.9975	3.3950
Minneapolis	Dur	Sep	3.6500	3.6800	na
Chicago	Wht	Sep	2.3700	2.4800	2.7925
Chicago	Corn	Sep	1.7875	1.8025	2.2350
Chicago	Sybn	Nov	4.4975	4.5625	4.8300

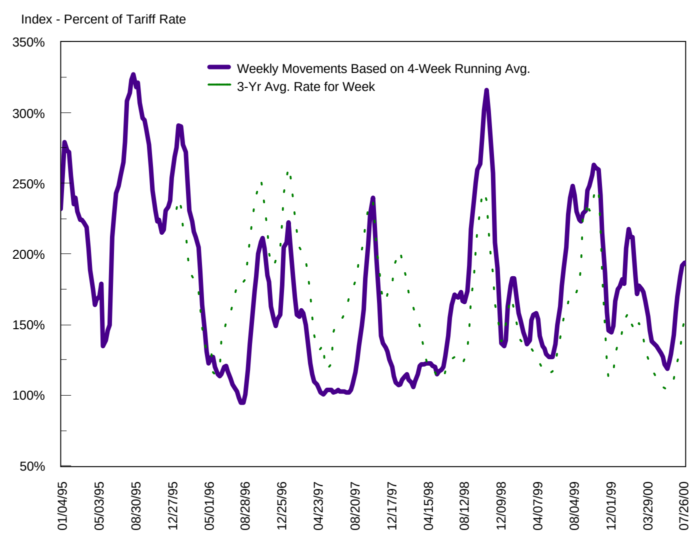


(r)=rail, (t)=truck, (b)=barge; NQ=No Quote

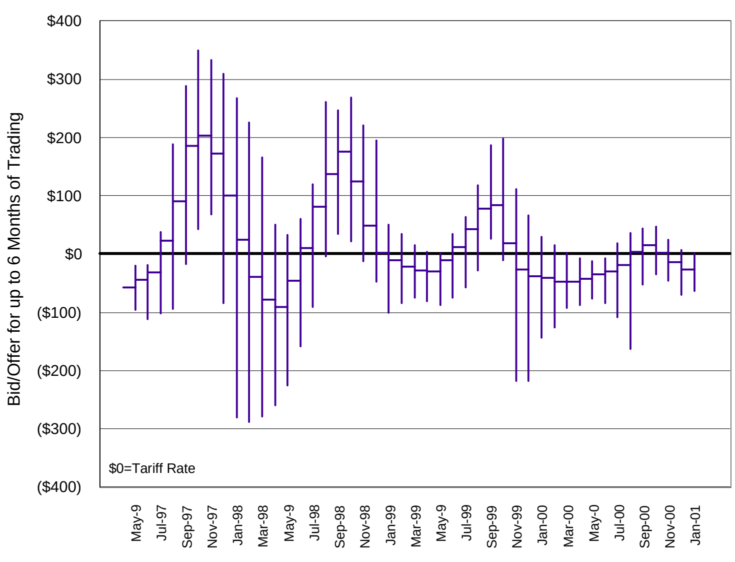
Inland Bids: 12% HRW, 14% HRS, #1 SRW, #1 DUR, #1 SWW, #2 Y Corn, #1 Y Soybeans
Export Bids: Ord. HRW, 14% HRS, #2 SRW, #2 DUR, #2 SWW, #2 Y Corn, #1 Y Soybeans

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:	Aug-00		Oct-00	
	Offered	% Sold	Offered	% Sold
BNSF-COT	12,000	75%	12,000	20%
UP-GCAS	5,400	17%	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			
	Aug-00	Sep-00	Oct-00	Nov-00
BNSF-GF	$(152)	$(35)	$(46)	$(70)
UP-Pool	$(38)	$(22)	$2	$(2)

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:	Sep-00	Oct-00	Nov-00
COT/N. Grain	$0	$0	$0
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 2	no bid	no offer	no offer
GCAS/Region 4	no bid	no offer	no offer

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

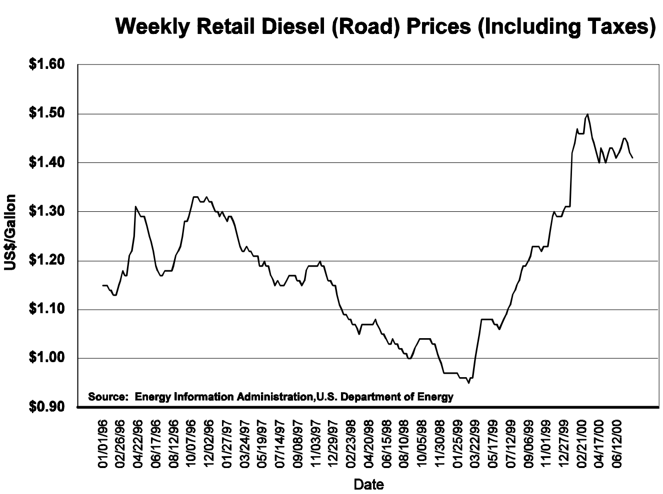
Week ended	River/Region	Contract Period	Rate Bid	Rate Offer
8/8/00	Illinois River	wk. 8/6	170	175
		Aug.2nd half	200	210
		Sept.	240	250
		Oct.	250	260
		Nov.	185	195
		Dec.	180	185
	St. Louis	wk. 8/6	145	155
		wk. 8/13	155	165
		Sept.	200	220
		Oct.	215	225
	Twin Cities	Sept.	260	280
		Oct..	280	300
	Mid Miss	Sept.	240	260
		Oct.	260	270

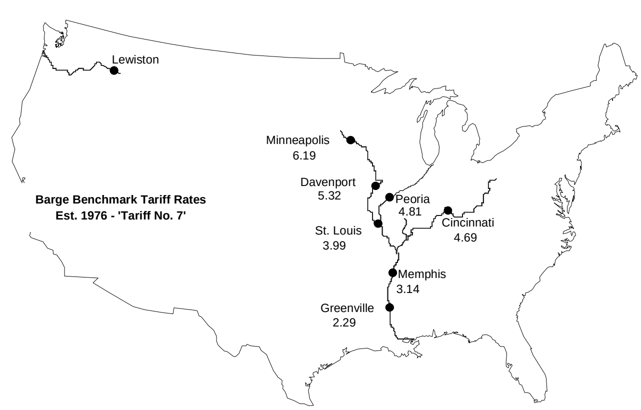
Summary Of Daily Barge Trades Reported To St. Louis Merchants Exchange.

Southbound Barge Freight Spot Rates

	8/2/00	7/26/00	Sept. '00	Nov. '00
Twin Cities	222	241	297	282
Mid-Mississippi	198	226	274	200
Illinois River	186	213	269	184
St. Louis	162	184	238	163
Lower Ohio	175	192	270	165
Cairo-Memphis	158	180	232	155

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



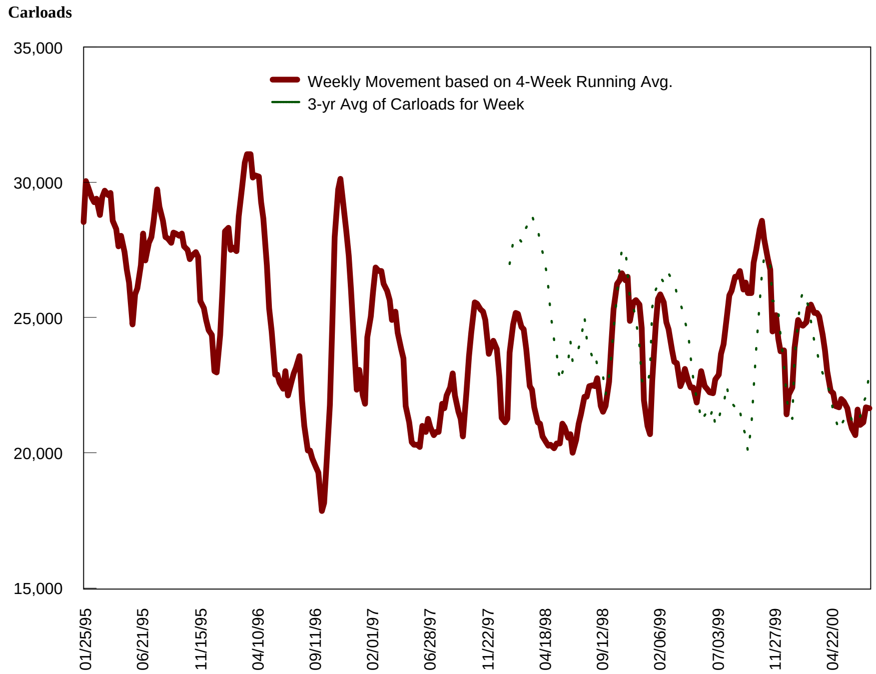


Class I Railroad Grain Car Loadings

Week Ending:	Carloads
7/15/00	21,583
7/22/00	23,553
7/29/00	23,530
Year to Date - 2000	693,865
Year to Date - 1999	707,365
Total 1999	1,269,741

**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
07/29/00	0	2,419	1,940	2,961	8,767	524	6,919	2,995	6,131
This Week Last Year	0	2,171	2,130	2,571	11,534	359	8,369	2,539	5,305
2000 YTD	0	83,804	53,405	87,939	231,334	16,361	221,022	80,968	137,747
1999 YTD	15,522	73,743	49,179	79,677	242,779	20,548	225,917	66,172	113,541
1999 Total	15,522	132,157	88,056	138,379	465,088	33,911	398,262	121,381	206,328
1998 Total	40,192	126,128	77,811	131,158	431,459	34,503	342,609	113,568	215,005

Source: Association of American Railroads

**1998 - 52 weeks
* 1997 - 53 weeks

Tariff Rail Rates for Unit Train Shipments

August 2000

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
08/04/00	45560	Wheat	Minneapolis, MN	Houston, TX	$2,050	$22.60	$0.62
08/04/00	43521	Wheat	Minneapolis, MN	Portland, OR	$3,877	$42.74	$1.16
08/04/00	46540	Wheat	Kansas City, MO	Houston, TX	$1,550	$17.09	$0.47
08/04/00	43586	Wheat	Kansas City, MO	Portland, OR	$4,071	$44.87	$1.22
08/04/00	43581	Wheat	Omaha, NE	Portland, OR	$3,805	$41.94	$1.14
08/04/00	31040	Corn	Minneapolis, MN	Portland, OR	$3,000	$33.07	$0.84
08/04/00	31035	Corn	Kansas City, MO	Portland, OR	$2,600	$28.66	$0.73
08/04/00	31040	Corn	Omaha, NE	Portland, OR	$2,615	$28.82	$0.73
08/04/00	61180	Soybean	Minneapolis, MN	Portland, OR	$2,980	$32.85	$0.89
08/04/00	61180	Soybean	Omaha, NE	Portland, OR	$2,580	$28.44	$0.77
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

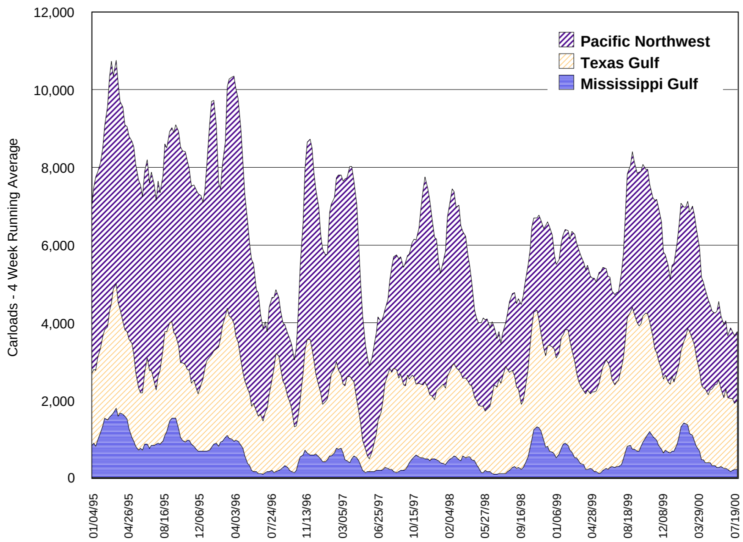
Rail Deliveries to Port
Carloads

	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
06/28/00	249	2,631	1,673	56
07/05/00	125	1,519	1,627	15
07/12/00	195	1,628	2,269	161
07/19/00	194	1,621	1,302	128
07/26/00	353	2,033	1,837	379
08/02/00	106*	1,797*	1,756	0
YTD 2000	18,360*	62,816*	78,712	8,121
YTD 1999	12,285	74,762	84,761	8,180
Total 1998	23,844	115,321	138,461	12,505
Total 1997	20,152	93,265	195,953	9,147

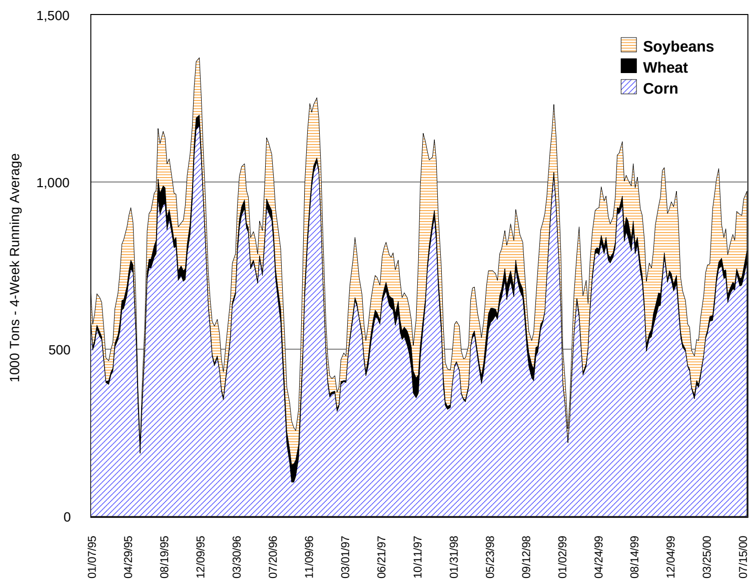
Source: Transportation & Marketing/AMS/USDA

(*) Incomplete Data

Rail Deliveries to Port



Barge Movements - Locks 27



Barge Grain Movements
for week ending 7/29/00

	Corn	Wht	Sybn	Total
		1,000 Tons		
Mississippi River				
Rock Island, IL (L15)	446	3	91	544
Winfield, MO (L25)	517	16	72	608
Alton, IL (L26)	813	34	137	1,002
Granite City, IL (L27)	794	34	126	972
Illinois River (L8)	247	16	42	309
Ohio (L52)	26	16	3	61
Arkansas (L1)	1	70	0	71
2000 YTD	19,341	1,358	5,395	27,112
1999 YTD	21,600	1,645	4,321	29,339
Total 1999	36,711	2,883	9,771	51,887
Total 1998	31,001	2,401	8,674	45,134

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									
07/27/00	1,136	543	803	761	318	3,562	8,474	3,397	15,432
This Week Year Ago	1,578	361	903	465	230	3,538	9,550	3,607	16,695
Cumulative Exports-Crop Year									
99/00 YTD	1,500	848	883	491	146	3,869	43,481	25,172	72,522
98/99 YTD	2,151	617	728	398	122	4,015	44,331	17,713	66,059
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 - Gain Inspections for Export - 1,000 Metric Tons

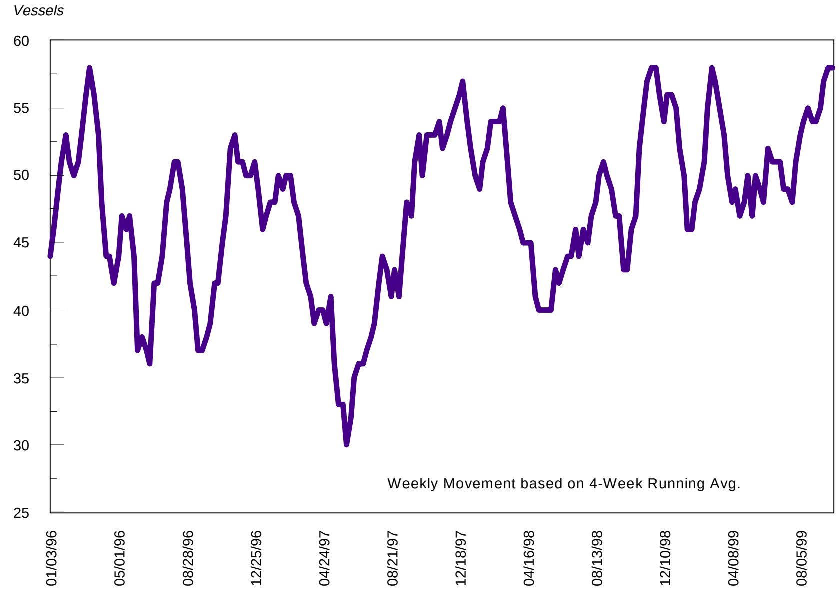
	Pacific Region			Mississippi Gulf			Texas Gulf		
	Wheat	*Corn*	*Soybean*	*Wheat*	*Corn*	*Soybean*	*Wheat*	*Corn*	*Soybean*
08/03/00	195	98	0	56	783	209	119	0	0
2000 YTD	5,540	3,900	773	3,796	20,092	9,959	4,005	178	824
1999 YTD *	5,703	5,096	422	4,006	20,418	7,583	4,745	460	733
% of Last Year	51%	89%	119%	75%	64%	67%	55%	32%	59%
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: 8/03/00			
Vancouver	6,765	915	938
Prince Rupert	3,248	3	110
Prairie Direct	1,160	302	417
Thunder Bay	915	420	254
St. Lawrence	2,486	1,897	0
1999 YTD Exports	14,574	3,537	1,723
1998 YTD Exports	10,299	3,562	1,101
% of Last Year	142%	99%	156%

Source: Canadian Grains Commission
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
07/27/00	35	49	61	9			15	11	5
08/03/00	28	51	75	5			15	11	1
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 Range	(19..62)	(34..64)	(40..93)				(1..19)	(3..14)	(0..10)
1999 Avg	32	52	65				9	9	3
1998 Avg	40	48	61				10	9	3
1997 Avg	33	45	58						

Source: Transportation & Marketing /AMS/ USDA

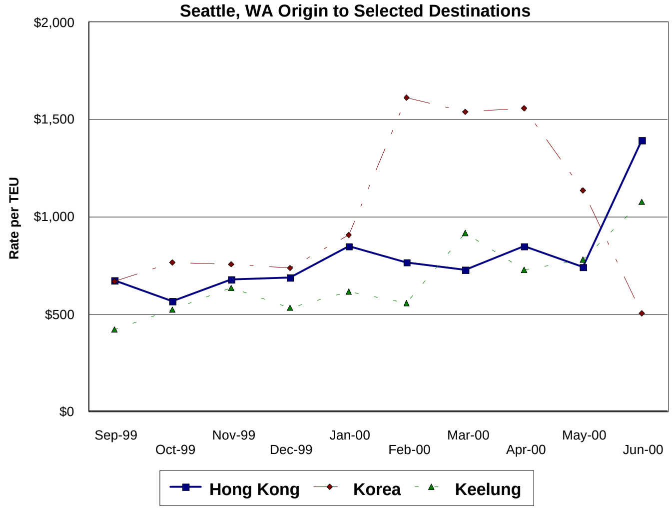
Container Ocean Freight Rates

Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share

Source: Transportation & Marketing/AMS/USDA

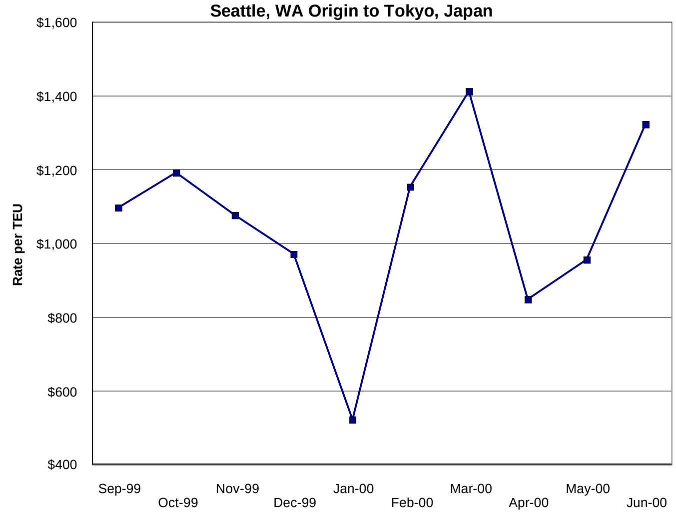
Container Rates - Feed Grain

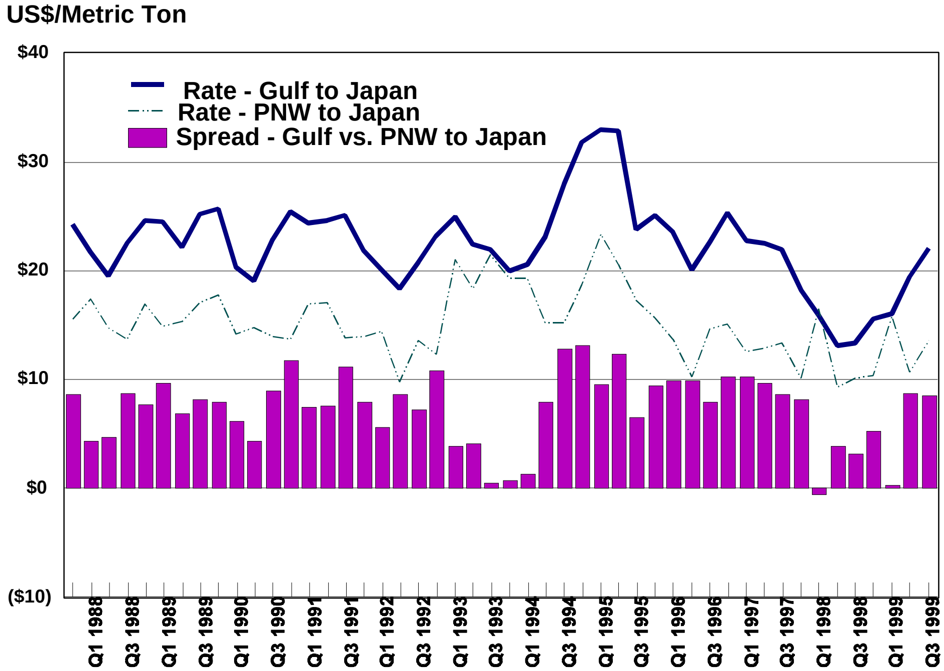
Seattle, WA Origin to Selected Destinations



Container Rates - Soybeans

Seattle, WA Origin to Tokyo, Japan





Quarterly Ocean Freight Rates

Quarterly Ocean Freight Rates

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

	2000 2nd Qtr	1999 2nd Qtr	% Change		2000 2nd Qtr	1999 2nd Qtr	% Change
Gulf to				**Pacific NW to**			
Japan	$22.84	$16.08	42%	Japan	$45.64	$15.83	188%
Mexico	$16.58	$22.45	-26%	Red Sea/ Arabian Sea	$33.46	$45.80	-27%
Venezuela	$11.34	$13.91	-18%				
N. Europe	$15.50	$12.28	26%				
N. Africa	$20.91	$17.80	17%	**Argentina to**			
				N. Europe	$18.96	$23.92	-21%
				Japan	$26.57	$20.82	28%

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 8/5/00

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate ($Ton)
Gulf	Spain	Grains	Spot	31,000	$18.25
Gulf	Egypt	Wheat	Aug5/10	40,000	$17.00
Gulf	Egypt	Heavy Grain	Aug10/25	60,000	$16.75
Gulf	Yemen	Meals	Aug9/18	5,000	$41.50
Gulf	China	Heavy Grain	Prompt	55,000	$23.50
PNW	Manila	Heavy Grain	Aug5/10	32,000	$19.50
PNW	Japan	Heavy Grain	Aug11/18	54,000	$16.15
Hamburg	Iran	Barley	Spot	50,000	$22.00
Germany	Shanghai	Rapeseed	Prompt	50,000	$23.50
Romania	China	Rapeseed	Aug2/7	50,000	$20.75

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated; op=option