



# GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service  
United States Department of Agriculture



SEPTEMBER 12, 2000

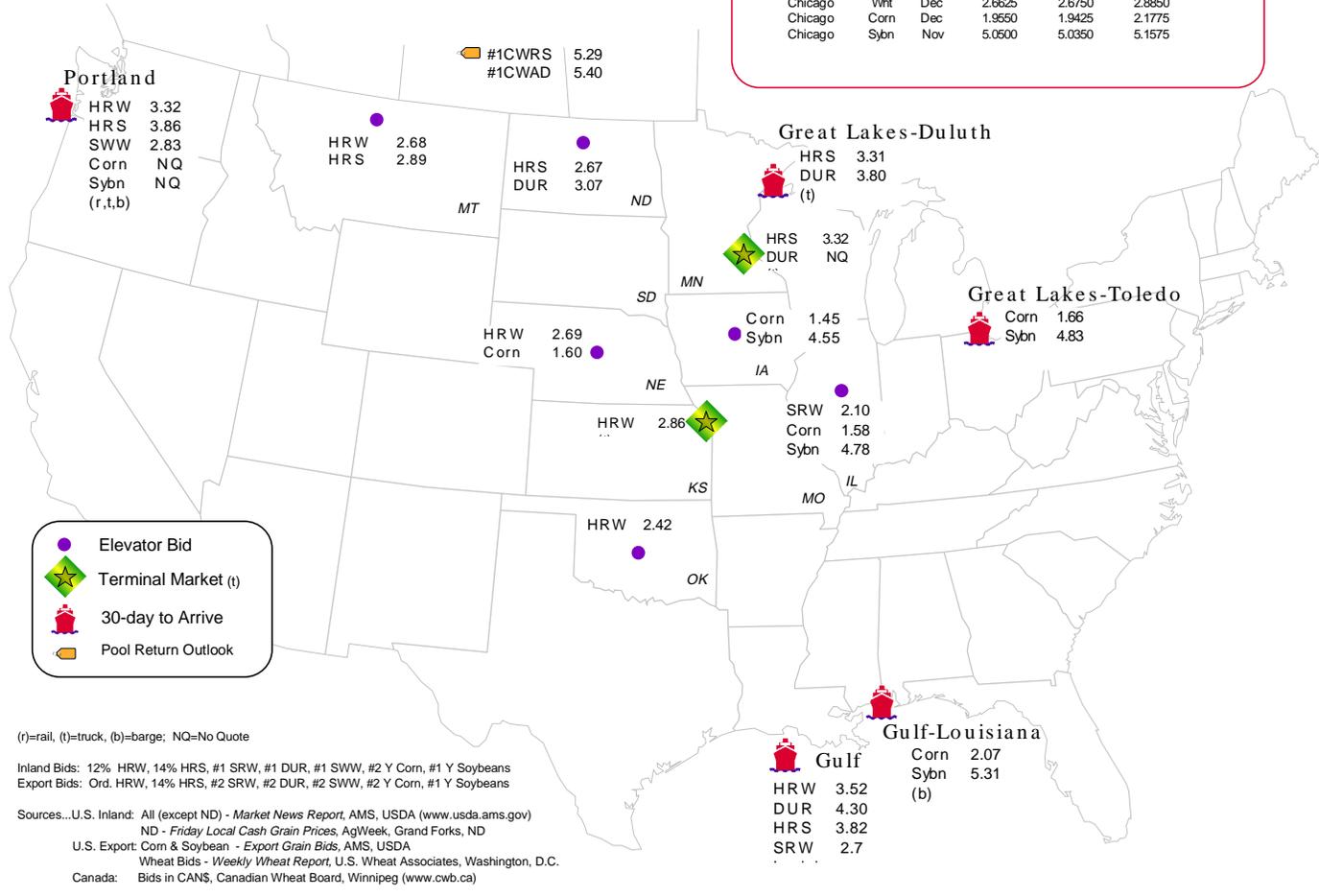
**USDA To Hold National Summit On Agricultural Transportation.** Agriculture Secretary Dan Glickman announced that USDA will host a national summit on Agricultural Transportation Challenges for the 21st Century on Nov. 28-29 at the Renaissance St. Louis Airport Hotel, St. Louis, MO. The summit was originally scheduled to take place Oct. 2-3. "As I have stated many times, no matter how good our agricultural products are, if we cannot move them, we cannot sell them. That means that an affordable, reliable transportation network is an indispensable ingredient in the future strength and competitiveness of American agriculture and our rural communities," said Glickman. During the summit, USDA will highlight long-term agricultural transportation challenges and consider how those challenges can be addressed through a long-term agricultural transportation strategy. Experts will present the results of research on the long-term transportation needs of U.S. agriculture and the long-term availability of transportation infrastructure and services for agricultural shippers. The summit represents the culmination of several years' work by USDA on transportation issues. At the National Agricultural Transportation Summit in Kansas City, MO, in 1998, USDA introduced the broad array of transportation issues being faced by U.S. agriculture as it enters the 21st century. Since that time, USDA has worked closely with shippers, farmers, and other industry representatives to further identify the long-term transportation needs of U.S. agriculture and with transportation experts to anticipate the transportation services and infrastructure available to U.S. agriculture should current trends continue. The summit is open to the public. There will be a registration fee of \$75 to cover the cost of materials and meals. A tentative agenda, registration form, and hotel information are available on the web at: <http://www.ams.usda.gov/tmd/summit>.

**U.S.-Canadian Rail Traffic Comparison.** As shown by the Class 1 Rail Carrier Grain Car Bulletin (page 4 of the *Grain Transportation Report*), year-to-date (YTD) grain traffic on the Canadian railroads has increased by 20.2 percent compared to a 4.2-percent decrease in YTD grain traffic for U.S. Class 1 railroads (excluding SOO railroad). YTD grain traffic (through September 2) was 93,765 railcars on the Canadian National railroad (up 22.7 percent from that in 1999) and 159,818 railcars on the Canadian Pacific railroad (up 18.7 percent). The reason for the large increase in Canadian railroad grain traffic is that Canadian railroad grain traffic is rebounding this year from particularly bad years in 1998 and 1999; this year's YTD Canadian railroad grain traffic is actually 13.8 percent less than in 1997 and 3.5 percent less than in 1996. In the United States, YTD grain traffic (through September 2) is up 2.6 percent on the eastern railroads and down 6.4 percent on the western railroads. The combined YTD grain traffic for CSXT and Norfolk Southern is 196,599 railcars originated compared to combined YTD grain traffic for Conrail, CSXT, and Norfolk Southern of 192,231 railcars in 1999, a 2.3-percent increase over 1999 and a 3.1-percent increase over 1998 YTD grain traffic. Year-to-date grain traffic on Burlington Northern Santa Fe has decreased by 7.4 percent, while YTD grain traffic on Kansas City Southern and Union Pacific has decreased by 20.2 percent and 4.1 percent, respectively. (*Marvin Prater, Agricultural Economist, USDA, Transportation and Marketing Programs, Marketing and Transportation Analysis, [marvin.prater@usda.gov](mailto:marvin.prater@usda.gov)*)

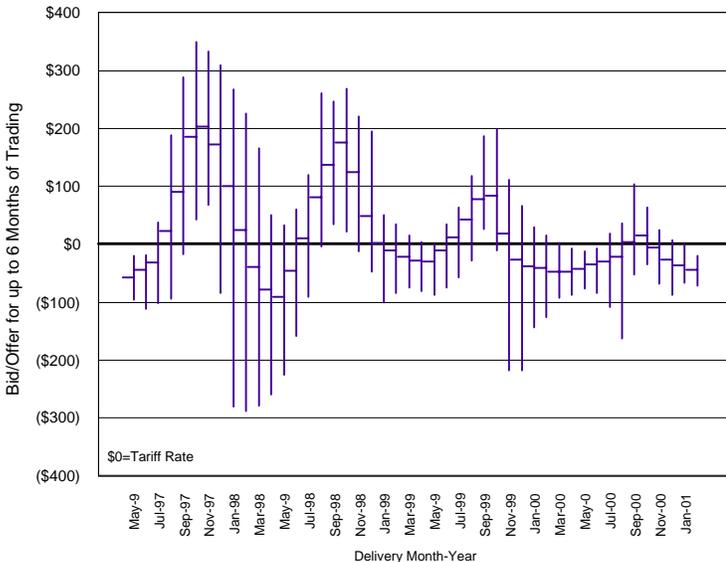
**Missouri River Flow Concerns Barge Operators, Agriculture.** Drawing particular interest from environmentalists, recreation groups, barge operators, and farmers, the Senate voted 52-45 recently to maintain the current water level flow on the Missouri river. The provision is part of a \$22.9 billion budget for Federal energy and water programs, which passed 93-1 and continues on to the House of Representatives and the Administration. The 2-day debate brought to light the current river-management plans, which, since 1960, have directed the U.S. Army Corps of Engineers to maintain even water flows throughout the year. The policy provides navigable conditions for barge transportation, but, as some critics point out, disrupts the natural springtime surge in the river flow, affecting reproduction cues for the endangered pallid sturgeon and the habitat for shorebirds, such as the endangered least tern and the threatened piping plover. Voting in favor of maintaining the current flow, Sen. Christopher Bond (R-MO) stated that "We believe people, property, and fish can all be protected at the same time without increasing the risk of flooding." Senator Bond, along with colleagues representing downstream States, mentioned that such a springtime surge may lead to the possibility of flooding for farms and towns along the Missouri river and also possibly affect flooding on the Mississippi, into which the Missouri feeds. Some producers feel that the increased water levels would, at the very least, keep their fields too wet to plant. In addition, the plan reportedly calls for low water levels during midsummer, which would adversely affect barge traffic. "Loss of barge traffic would deliver the western part of America's great grain belt into the...hands of the railroads," according to Sen. Chuck Grassley (R-IA). Leading the proponents for a more natural cycle of spring and summer water flow, Senator Tom Daschle (D-SD) added that, besides the effect on wildlife, current river policies favor a \$7 million barge industry downstream, while threatening a \$90 million recreation industry upstream. The U.S. Fish and Wildlife Service would like to release the water at Gavins Point Dam on the border between Nebraska and South Dakota. (*AP 9/7, Reuters 9/7, Wall Street Journal 9/8*)

# Grain Bid Summary

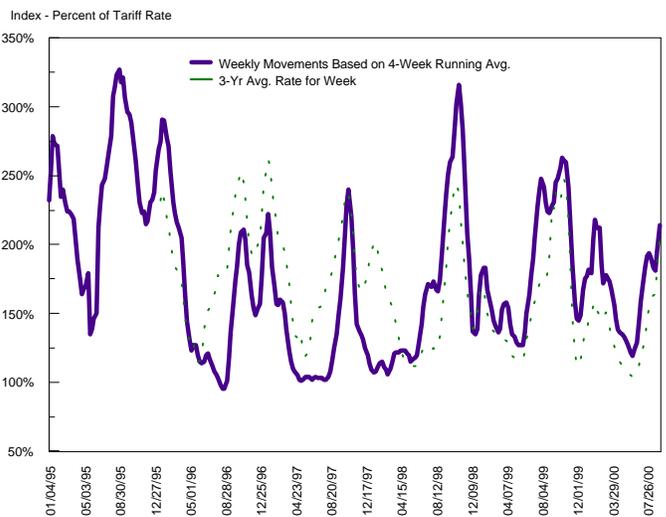
Futures:			09/08/00	Week Ago 09/01/00	Year Ago 09/10/99
Kansas City	Wht	Dec	3.0600	3.0875	3.0750
Minneapolis	Wht	Dec	3.1700	3.1675	3.4700
Minneapolis	Dur	Dec	3.9600	3.7700	n.a.
Chicago	Wht	Dec	2.6625	2.6750	2.8850
Chicago	Corn	Dec	1.9550	1.9425	2.1775
Chicago	Sybn	Nov	5.0500	5.0350	5.1575



## Secondary Rail Market Bids



## Spot Barge Rate - Illinois River



Rail Car 'Auction' Offerings				
Delivery for:	Sep-00		Nov-00	
	Offered	% Sold	Offered	% Sold
BNSF-COT	12,000	49%	12,540	15%
UP-GCAS	5,400	15%	5,400	1%

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			
	Sep-00	Oct-00	Nov-00	Dec-00
BNSF-GF	\$73	\$(26)	\$(40)	\$(49)
UP-Pool	\$20	\$18	\$(26)	\$(25)

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:	Oct-00	Nov-00	Dec-00
COT/N. Grain	\$(288)	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](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	
			Bid	Offer
9/12/00	Illinois River	wk. 9/10	245	255
		wk. 9/17	255	270
		wk. 9/24	275	290
		Oct.	280	290
St. Louis	St. Louis	Nov.	195	200
		wk. 9/10	240	250
		9/17-10/8	245	250
		Oct.	245	260
Twin Cities	Twin Cities	Nov.	155	175
		Oct.	270	290
Mid Miss	Mid Miss	wk. 9/10	245*	260
		Oct.	285	295

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

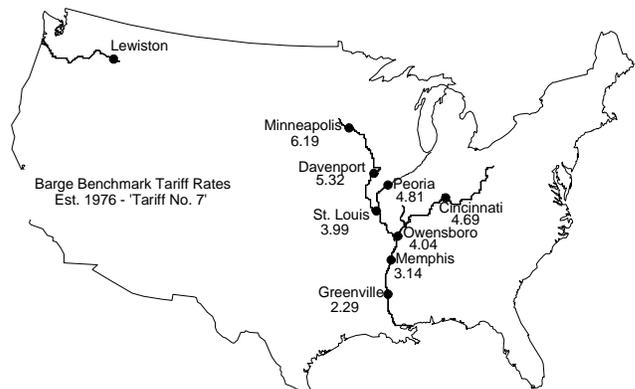
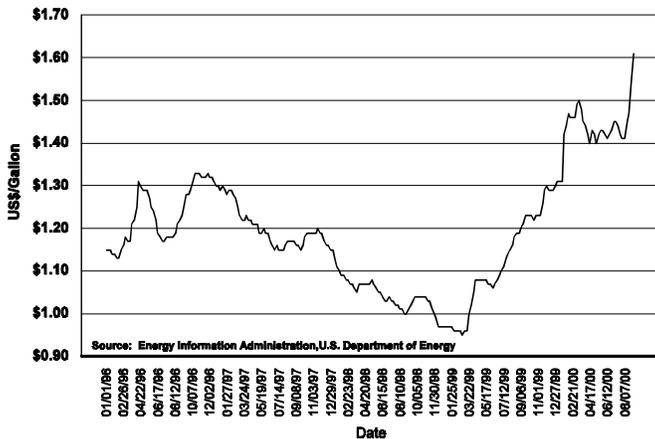
(\*) Traded

**Southbound Barge Freight Spot Rates**

	9/6/00	8/30/00	Oct. '00	Dec. '00
Twin Cities	267	271	310	0
Mid-Mississippi	256	258	292	0
Illinois River	249	239	287	193
St. Louis	237	239	256	155
Lower Ohio	247	254	285	163
Cairo-Memphis	233	240	253	151

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

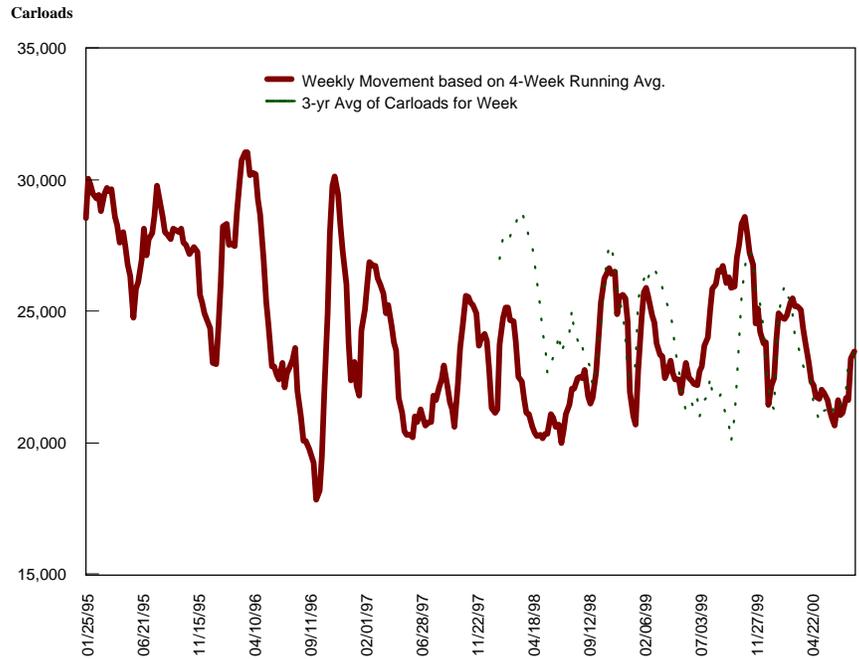
**Weekly Retail Diesel (Road) Prices (Including Taxes)**



**Grain Car Loadings for Class I Railroads**

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
08/19/00	24,082
08/26/00	22,852
09/02/00	23,864
Year to Date - 2000	811,520
Year to Date - 1999	840,254
Total 1999	1,269,741
Total 1998	1,186,117

Source: Association of American Railroads



**Class I Rail Carrier Grain Car Bulletin**

Carloads

			East		West			Canada	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN	CP
09/02/00	0	1,920	1,651	2,757	9,154	551	7,831	2,696	5,628
This Week Last Year	0	2,330	1,693	2,740	11,399	686	7,967	2,106	4,891
2000 YTD	0	94,820	62,894	101,779	276,832	19,137	256,058	93,765	159,818
1999 YTD	15,522	85,111	58,167	91,598	298,860	23,967	267,029	76,427	134,624
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

**Tariff Rail Rates for Unit Train Shipments**

September 2000

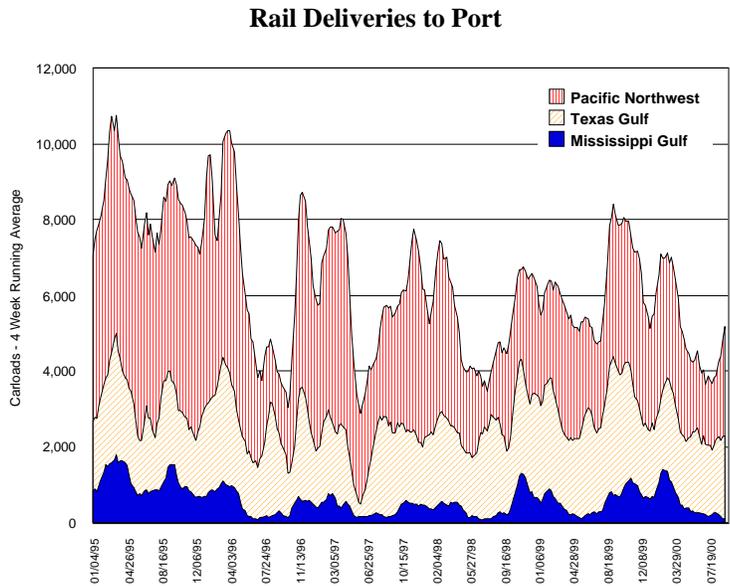
Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
09/01/00	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
09/01/00	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
09/01/00	46540	Wheat	Kansas City, MO	Houston, TX	\$1,650	\$18.19	\$0.50
09/01/00	43586	Wheat	Kansas City, MO	Portland, OR	\$4,240	\$46.74	\$1.27
09/01/00	43581	Wheat	Omaha, NE	Portland, OR	\$3,905	\$43.04	\$1.17
09/01/00	31040	Corn	Minneapolis, MN	Portland, OR	\$2,900	\$31.97	\$0.81
09/01/00	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
09/01/00	31040	Corn	Omaha, NE	Portland, OR	\$2,700	\$29.76	\$0.76
09/01/00	61180	Soybean	Minneapolis, MN	Portland, OR	\$2,830	\$31.19	\$0.85
09/01/00	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

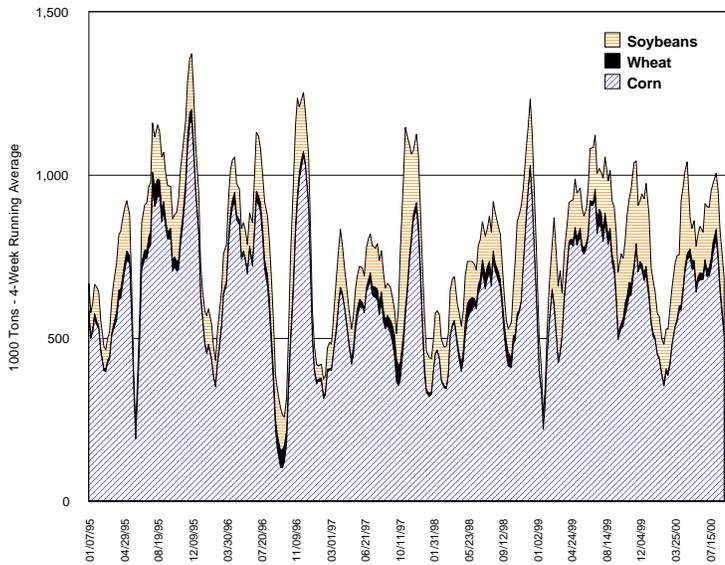
<b>Rail Deliveries to Port</b>				
<b>Carloads</b>				
	<b>Mississippi Gulf</b>	<b>Texas Gulf</b>	<b>Pacific Northwest</b>	<b>Atlantic &amp; East Gulf</b>
Week Ending:				
08/02/00	292	1,891	1,756	45
08/09/00	183	2,244	1,812	4
08/16/00	59*	2,053	2,530	83
08/23/00	119*	1,872	2,772	4
08/30/00	129*	2,467**	2,979	163
09/06/00	108*	2,374	3,292	328
YTD 2000	19,159	73,920	92,097	8,748
YTD 1999	16,050	92,126	103,759	9,648
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  
 (\*\*) Revised Data

**Barge Movements - Locks 27**



**Barge Grain Movements**

for week ending 9/2/00

	<b>Corn</b>	<b>Wht</b>	<b>Sybn</b>	<b>Total</b>
	1,000 Tons			
<b>Mississippi River</b>				
Rock Island, IL (L15)	312	21	61	400
Winfield, MO (L25)	472	36	109	624
Alton, IL (L26)	556	19	170	771
Granite City, IL (L27)	587	21	179	814
<b>Illinois River (L8)</b>	151	0	58	214
<b>Ohio (L52)</b>	33	15	12	84
<b>Arkansas (L1)</b>	1	35	0	36
2000 YTD	22,387	1,703	6,361	31,650
1999 YTD	25,411	2,119	5,313	34,815
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)

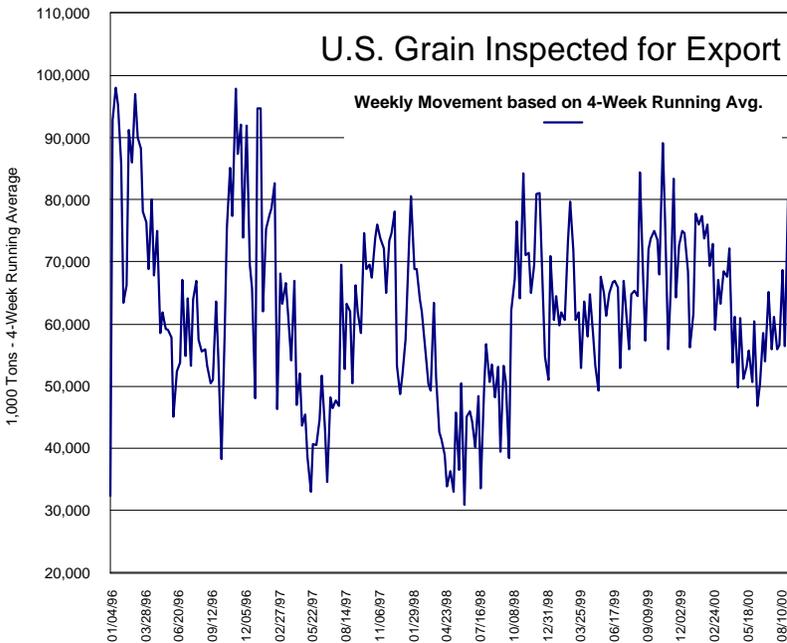
	HRW	SRW	HRS	Wheat		DUR	All	Corn	Soybean	Total
				SWW						
<u>Unshipped Exports-Crop Year</u>										
08/31/00	1,346	599	927	905		283	4,059	10,155	5,376	19,590
This Week Year Ago	1,331	622	760	568		275	3,555	10,463	4,303	18,321
<u>Cumulative Exports-Crop Year</u>										
99/00 YTD	2,640	1,356	1,427	1,071		315	6,809	48,760	26,972	82,541
98/99 YTD	3,574	962	1,399	761		221	6,917	49,557	17,713	74,187
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](http://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
09/07/00	234	102	15	150	779	287	161	29	37
2000 YTD	6,518	4,365	801	4,617	24,254	11,271	4,757	257	875
1999 YTD *	6,670	6,073	488	4,677	24,351	8,818	5,887	475	821
% of Last Year	60%	100%	123%	91%	77%	76%	65%	46%	63%
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)

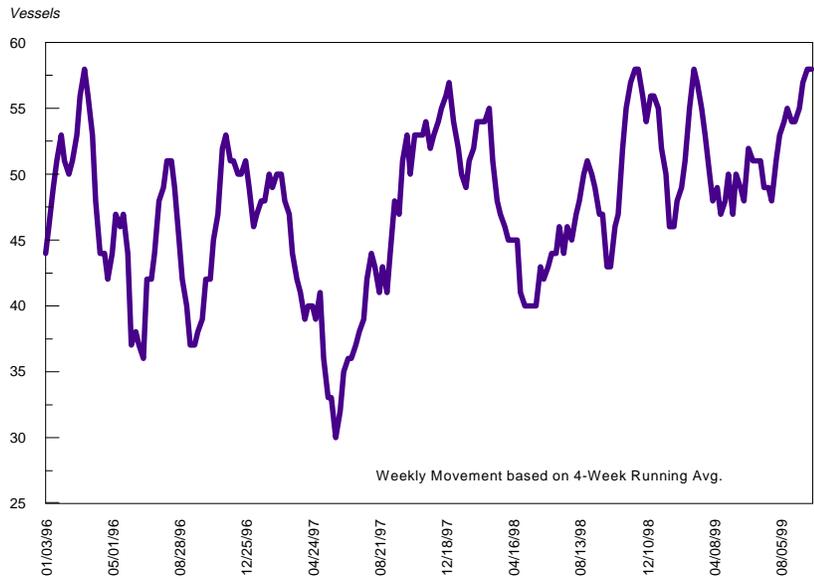


**Select Canadian Ports - Export Inspections**

1,000 Metric Tons, Crop Year

	Wheat	Durum	Barley
Week Ended: 9/07/00			
Vancouver	890	54	50
Prince Rupert	28	0	0
Prairie Direct	56	6	20
Thunder Bay	135	80	0
St. Lawrence	230	202	0
2000 YTD Exports	1,339	342	69
1999 YTD Exports	991	363	77
% of Last Year	135%	94%	90%

Source: Canadian Grains Commission  
YTD-Year-to-Date Crop Year 8/1-7/31



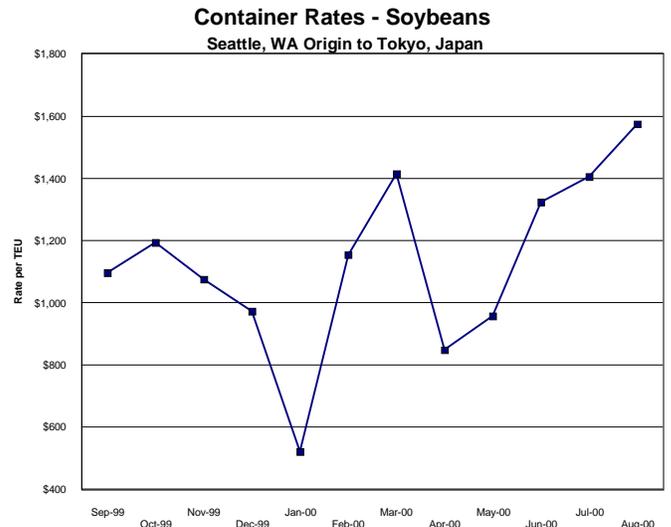
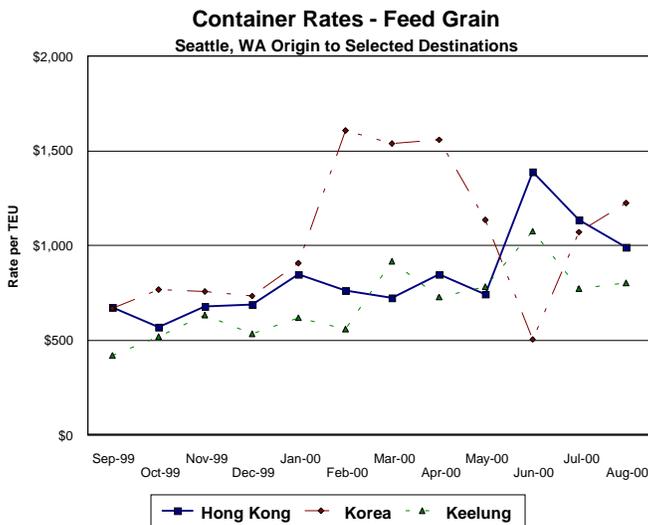
**Gulf Region  
Vessels Loaded  
- Past 7 Days-**

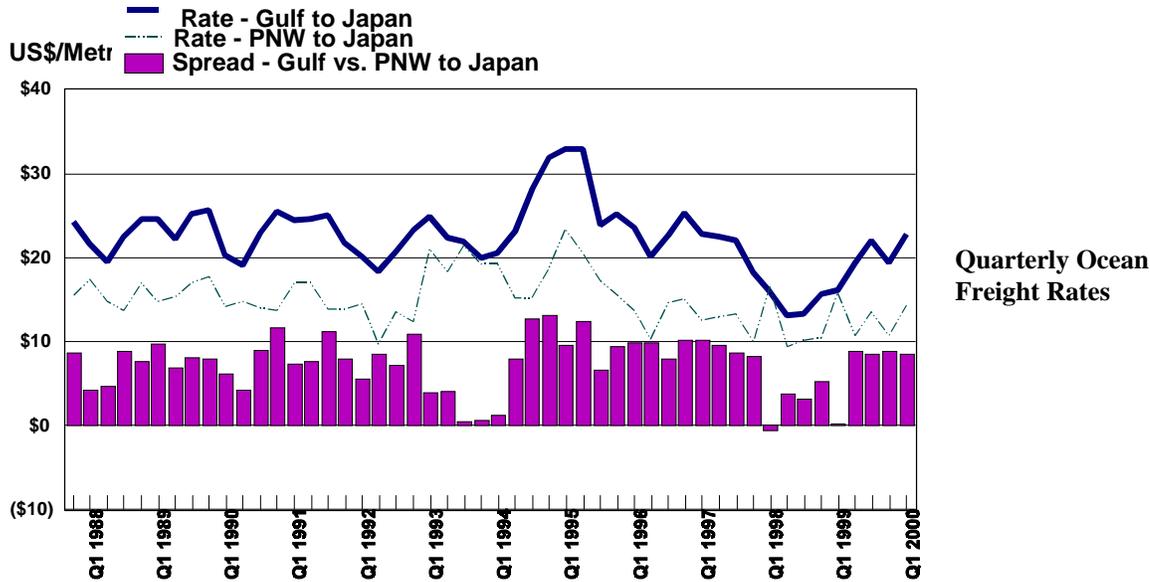
	Gulf			Pacific Northwest			Vancouver, B.C.		
	In Port	Loaded	Due Next	In Port	Loaded	Due Next	In Port	Loaded	Due Next
		7-Days	10-Days		7-Days	10-Days		7-Days	10-Days
08/31/00	34	54	71	4			9	6	6
09/07/00	45	48	64	9			12	10	0
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 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





**Quarterly Ocean Freight Rates**

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

	2000 2 <sup>nd</sup> Qtr	1999 2 <sup>nd</sup> Qtr	% Change		2000 2 <sup>nd</sup> Qtr	1999 2 <sup>nd</sup> Qtr	% Change
<b>Gulf to</b>				<b>Pacific NW to</b>			
Japan	\$22.84	\$16.08	42%	Japan		\$15.83	
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%	<b>Argentina to</b>			
N. Africa	\$20.91	\$17.80	17%	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 9/9/00**

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Great Lakes	Algeria	Grains	Sep15/25	15,000	\$42.00
Baie Comeau (Can.)	Morocco	Wheat	Sep15/25	25,000	\$22.00
Gulf	Ireland	Grains	Sep6/11	19,500	\$18.21
Gulf	Cyprus	Wheat	Prompt	25,000	\$22.00
Gulf	Egypt	Wheat	Sep15/22	55,000	\$16.25
Gulf	Egypt	Heavy Grain	Sep25/Oct5	60,000	\$16.50
Gulf	Sudan	Wheat	Sep10/20	34,000	\$32.00
PNW	South Korea	Heavy Grain	Sep19/26	52,500	\$16.00
Ukraine	Saudi Arabia	Barley	Sep5/10	25,000	\$24.50
South Africa	Japan	Corn	Sep10/20	31,000	\$22.75

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