



January 14, 2010

WEEKLY HIGHLIGHTS

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The next release is Jan. 21, '10

Increased Transportation Demand Expected with Record Corn and Soybean Crops

According to USDA's January 12, Crop Production 2009 Summary, the Nation produced the largest corn and soybean crops on record in 2009 due to record yields and increased acreage. Corn production was 13.2 billion bushels, 1 percent above the 2007 record of 13 billion bushels. Soybean production totaled 3.36 billion bushels, up 5 percent from the previous record set in 2006. USDA's projected 2009/10 total use of corn, soybeans, and wheat is 5.5 percent higher than the prior year. Based on higher projected use and other factors, including crop prices, international competition, and record corn and soybean harvests, grain transportation activity is expected to increase in 2010.

Barge Operators Struggle with Ice Conditions

Persistent freezing temperatures in the central portions of the country have created ice accumulations on segments of the river system not normally impacted by winter conditions. Several barge operators have stopped operations on the Illinois River as extreme cold weather has created ice accumulations that cause hazardous navigation conditions. Ice has also slowed operations at Melvin Price Locks on the Mississippi River. However, the lower Ohio River has not experienced major disruption. Weather forecasts for the St. Louis area indicate a warming trend that may bring several days of above-freezing temperatures, which could reduce some of the ice accumulation.

Weekly Soybean Inspections Rebound

For the week ending January 7, total inspections of grain (corn, wheat, soybeans) from major U.S. export regions reached 1.82 million metric tons (mmt), down 5 percent from the previous week, but 9 percent above this time last year. Despite the slight decrease in overall inspections, Pacific Northwest and Texas Gulf export regions had increased inspections. Wheat inspections (.288 mmt) and soybean inspections (1.11 mmt) increased 7 and 16 percent compared to the previous week. Soybean inspections were pushed up by a 50-percent jump in shipments to China. Wheat inspections were driven up by grain shipments destined to Asia from the Pacific Northwest.

Snapshots by Sector

Rail

U.S. railroads originated 17,667 carloads of grain during the week ending January 2, up 17 percent from the previous week, 3 percent from the same week last year, and 2 percent higher than the 3-year average.

During the week ending January 9, average January secondary railcar bids/offers were at tariff for non-shuttle, \$11 lower than last week. Shuttle rates were \$175 above tariff, \$67 lower than last week.

Ocean

During the week ending January 7, 46 ocean-going grain vessels were loaded in the U.S. Gulf, down 28 percent from last year. Sixty-six vessels are expected to be loaded in the Gulf within the next 10 days, up 47 percent from last year.

As of January 8, the cost of shipping grain from the Gulf to Japan was \$72 per mt, up 6 percent from December 23. The rate from the Pacific Northwest to Japan was \$42 per mt, up 14 percent from December 23.

Barge

During the week ending January 9, barge grain movements totaled 295,410 tons, 4 percent lower than the previous week and 4 percent lower than the same period last year.

Feature Article/Calendar

Investment Strategies for Inland Waterway Development

Members of the U.S. Army Corps of Engineers (Corps) and the Inland Waterways Users Board (IWUB)¹ have been developing an investment strategy to determine project priorities, funding levels, cost sharing alternatives, and revenue-generating methods that will improve the implementation and funding of inland waterway projects.

The inland waterways are an important avenue of transportation for moving grain and oilseeds from the interior, where they are produced, to export facilities on the coasts. Agricultural interests are particularly concerned about the condition of the Nation's waterways. They believe congestion caused by the diminished reliability of the aging locks and dams increases barge rates and reduces the competitiveness of U.S. grain in international markets. As facilities age, the need for repairs and preventative maintenance increases. Over time some of these facilities will need to undergo major rehabilitation or even be replaced.

Generating the funding for major repairs and/or replacement of inland waterway projects raises controversy. Commercial users of the waterway system currently pay a tax of 20 cents per gallon on fuel consumed in inland waterway transportation. Fuel tax revenues, which are held in the Inland Waterways Trust Fund (IWTF), provide half the cost of inland navigation construction and major rehabilitation projects. The other half is supplied by direct Federal appropriations. The operational and maintenance costs of the inland waterways system are covered entirely from appropriated funds. For fiscal year 2009, the IWTF had a remaining balance of \$14.3 million available for new projects, too little to cover significant new activities. Historically the barge industry generates about \$ 70-80 million per year into the IWTF.

In November 2008, the Corps and the IWUB formed the Inland Marine Transportation System (IMTS) Investment Strategy Team. The IMTS team goal was to establish a national investment strategy for the Nation's navigation locks and to identify the long term revenue needs in order to continue safe and reliable navigation. The final report will be presented to the Assistant Secretary of the Army (Civil Works); and then to Congress for possible consideration.

At a December 15, 2009, meeting of the IWUB the IMTS presented a status report on recommendations for the investment strategy. The preliminary recommendations contained in the presentation include:

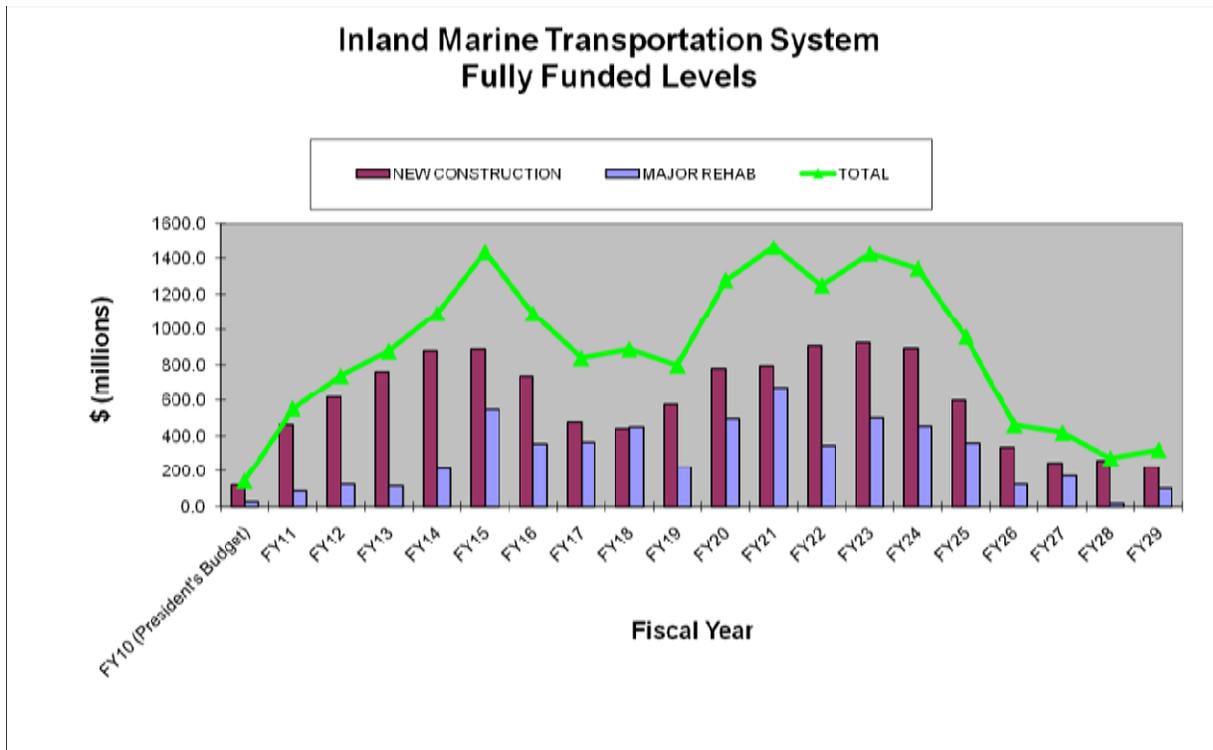
- Continue with a 50 percent Federal/IWTF split for new construction and major rehabilitation for projects costing \$100 million or greater.
- Recommend 100 percent Federal funding for major rehabilitation projects under \$100 million and for all dam projects.
- Recommend \$270 million in Federal annual funding for projects.
- Recommend \$110 million in IWTF annual funding, which would likely require an increase in the fuel tax of 30 to 40 percent (\$0.06 to \$0.09 per gallon increase).
- Prioritize projects and fund projects more efficiently.

Under the proposed IMTS plan, \$380 million is to be spent every year for all projects. The IWTF will supply \$110 million and general Federal appropriations will supply \$270 million. This would allow fiscal year 2011 funding for one new lock on the Upper Mississippi River, and would eventually provide funding to start construction of additional locks on the Upper Mississippi River by 2022. Construction of new locks on the Illinois River would not be possible until 2017.

¹ The IWUB consists of members from barge companies, shippers that use barges, and representatives from the U.S. Departments of Agriculture, Army, Commerce, and Transportation. IWUB is directed by the U.S. Army Corps of Engineers (Corps) to assure that inland waterway programs are responsive to the needs and concerns of the public. IWUB promotes the involvement of the barge industry as an advisory committee for furnishing expert advice, ideas, and diverse opinions to the Corps.

The IMTS team determined that during the next 20 years there will be over 100 projects that can be classified as: 1) authorized and under construction, 2) authorized and not under construction, and 3) possible future project that are seeking authorization. If fully funded, the total costs for these 100 projects would be \$18 billion, or an average of \$900 million per year. Current total spending for major rehabilitation and new construction is about \$170 million per year; the IMTS team believes it is unlikely that \$900 million per year could be available given current budget constraints.

The graph below shows 20 years of projected annual expenditures under an unconstrained budget with notable peaks nearing \$1.5 billion in some years. The IMTS team expects to issue another status report in the spring of 2010 to present the final guidelines on recommended funding levels; and which projects will be funded.



Source: Inland Waterways Users Board.

<http://www.iwr.usace.army.mil/newusersboard/UsersBoardMeetings.htm>

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Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail ²	Barge	Ocean	
				Gulf	Pacific
01/13/10	200	111	214	322	298
01/06/10	188	95	211	n/a	n/a

¹Indicator: Base year 2000 = 100; Weekly updates include truck = diesel (\$/gallon); rail = nearby secondary rail market (\$/car); barge = Illinois River barge rate (index = percent of tariff rate); and ocean = routes to Japan (\$/metric ton)

²The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Source: Transportation & Marketing Programs/AMS/USDA

Table 2*

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

Commodity	Origin--Destination	1/8/2010	1/1/2010
Corn	IL--Gulf	-0.74	n/a
Corn	NE--Gulf	-0.75	n/a
Soybean	IA--Gulf	-1.22	n/a
HRW	KS--Gulf	-1.36	n/a
HRS	ND--Portland	-1.95	n/a

Note: nq = no quote

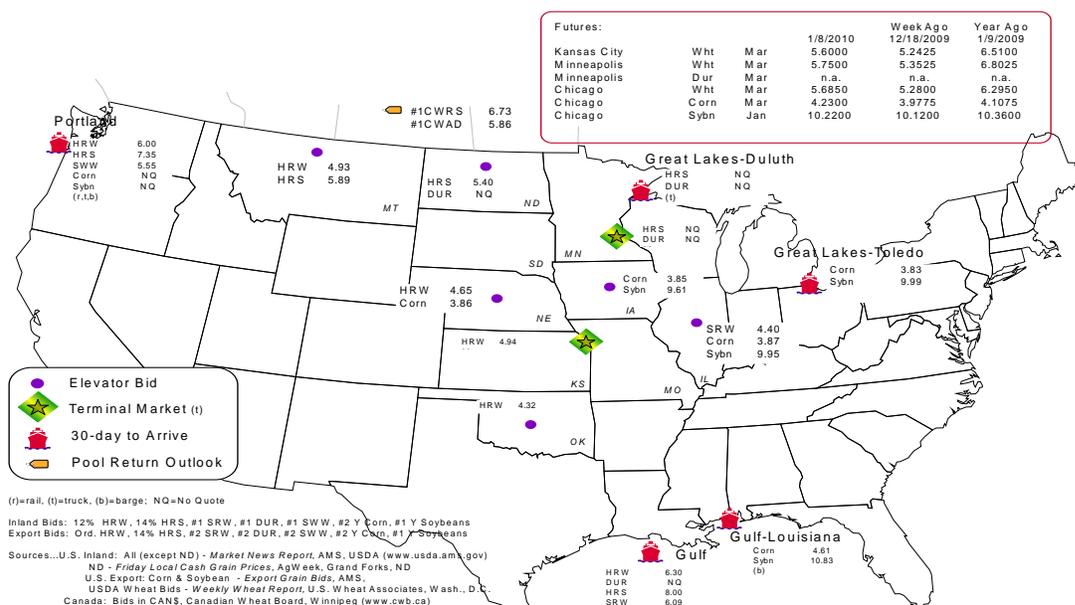
Source: Transportation & Marketing Programs/AMS/USDA

* Data unavailable due to holidays.

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		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
1/06/2010 ^p	490	1,429	829	2,771	999	6,518
12/30/2009 ^r	277	1,068	300	2,395	659	4,699
2010 YTD	490	1,429	829	2,771	999	6,518
2009 YTD	764	797	992	1,702	510	4,765
2010 YTD as % of 2009 YTD	64	179	84	163	196	137
Last 4 weeks as % of 2009 ²	67	166	73	146	223	133
Last 4 weeks as % of 4-year avg. ²	39	75	84	86	178	83
Total 2009	33,423	57,646	36,738	175,965	30,328	334,100
Total 2008	68,768	107,542	37,491	255,852	33,028	502,681

¹ Data is incomplete as it is voluntarily provided

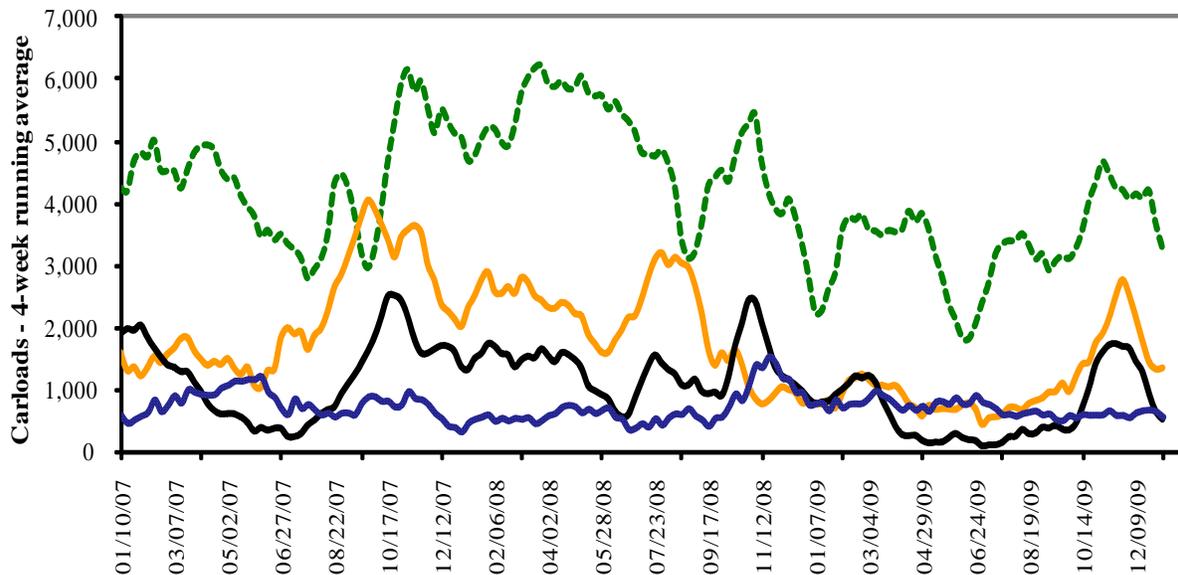
² Compared with same 4-weeks in 2008 and prior 4-year average.

YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Railroads originate approximately 35 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



----- Pacific Northwest: 4 Wks. ending 1/06-- up 46% from same period last year, down 14% from 4-year average
----- Texas Gulf: 4 wks. ending 1/06- up 66% from same period last year, down 25% from 4-year average
----- Miss. River: 4 wks. ending 1/06 - down 33% from same period last year, down 61% from 4-year average
----- Cross-border Mexico: 4 wks. ending 1/06 - down 27% from same period last year, down 16% from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

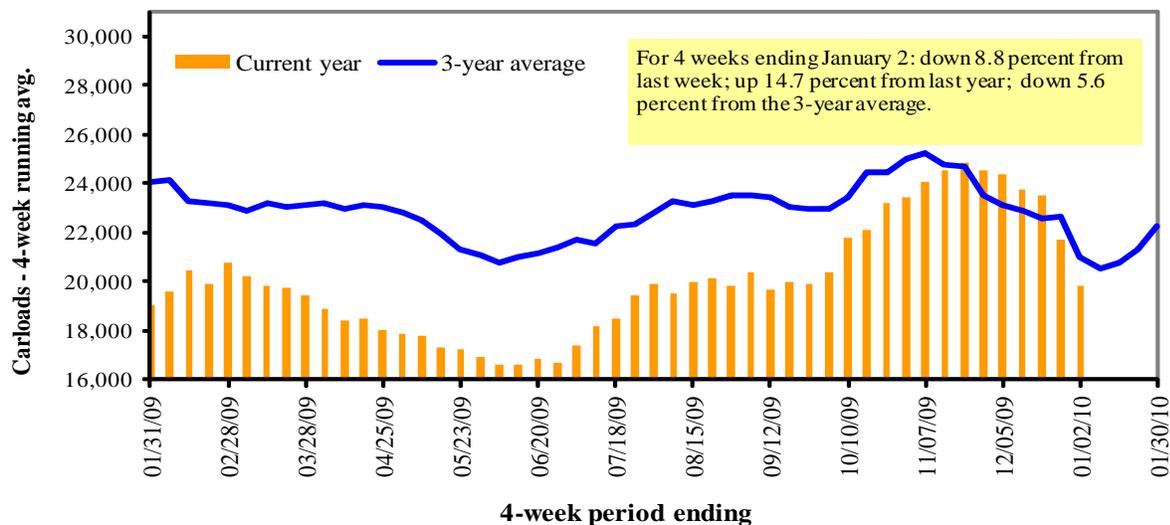
Table 4

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
01/02/10	1,671	2,477	8,300	379	4,840	17,667	3,114	3,287
This week last year	1,893	2,568	8,144	512	4,111	17,228	4,376	2,476
2009 YTD	105,278	142,254	483,618	36,912	268,811	1,036,873	200,871	278,997
2008 YTD	136,143	162,257	573,285	37,904	323,104	1,232,693	225,505	270,547
2009 YTD as % of 2008 YTD	77	88	84	97	83	84	89	103
Last 4 weeks as % of 2008 ¹	107	120	116	94	116	115	94	106
Last 4 weeks as % of 3-yr avg. ¹	78	102	96	99	95	94	74	101
Total 2008	136,143	162,257	573,285	37,904	323,104	1,232,693	225,505	270,547

¹As a percent of the same period in 2008 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

Rail Car Auction Offerings¹ (\$/car)²

Week ending	Delivery period							
	Jan-10	Jan-09	Feb-10	Feb-09	Mar-10	Mar-09	Apr-10	Apr-09
1/9/2009								
BNSF ³								
COT grain units	no bids	no offer	no bids	no bids				
COT grain single-car ⁵	0 . . 17	no offer	0 . . 3	0	no bids	0	no bids	0
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no bids	no offer	no offer
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	no bids	no offer	no offer

¹Auction offerings are for single-car and unit train shipments only.

²Average premium/discount to tariff, last auction

³BNSF - COT = Certificate of Transportation; north grain and south grain bids were combined effective the week ending 6/24/06.

⁴UP - 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.

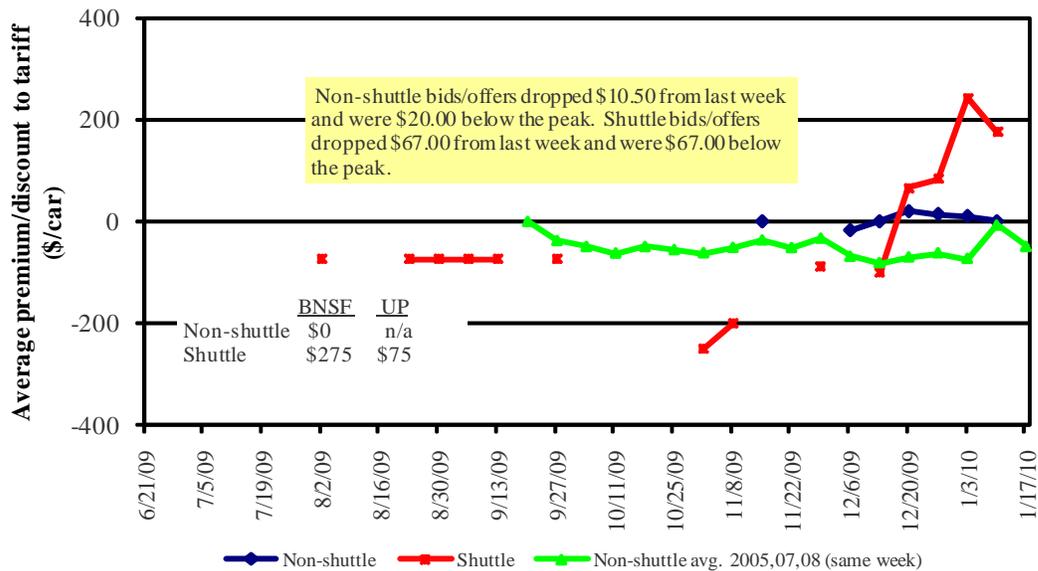
⁵Range is shown because average is not available. Not available = n/a.

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 January 2010, Secondary Market

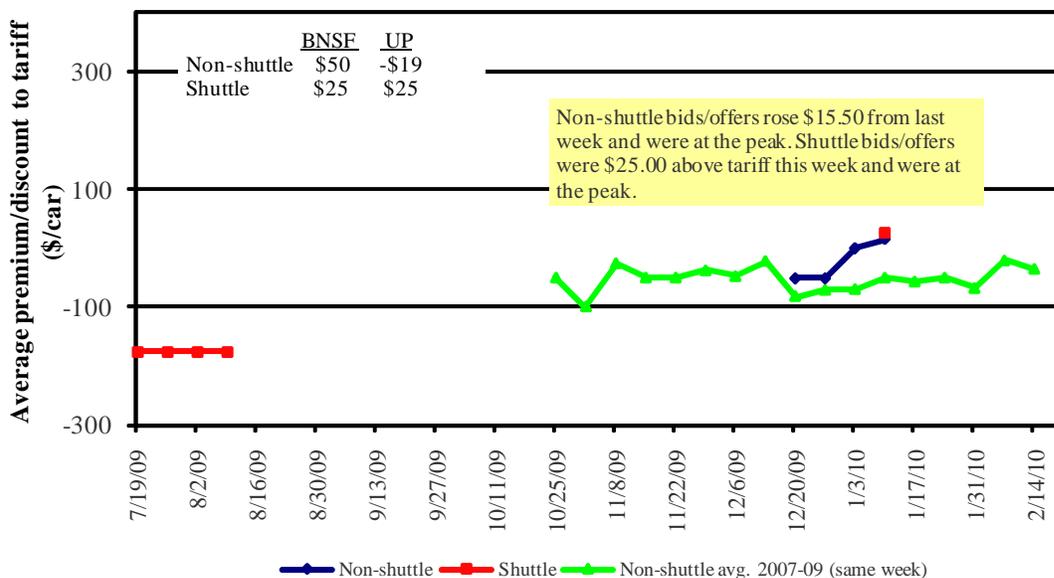


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in February 2010, Secondary Market

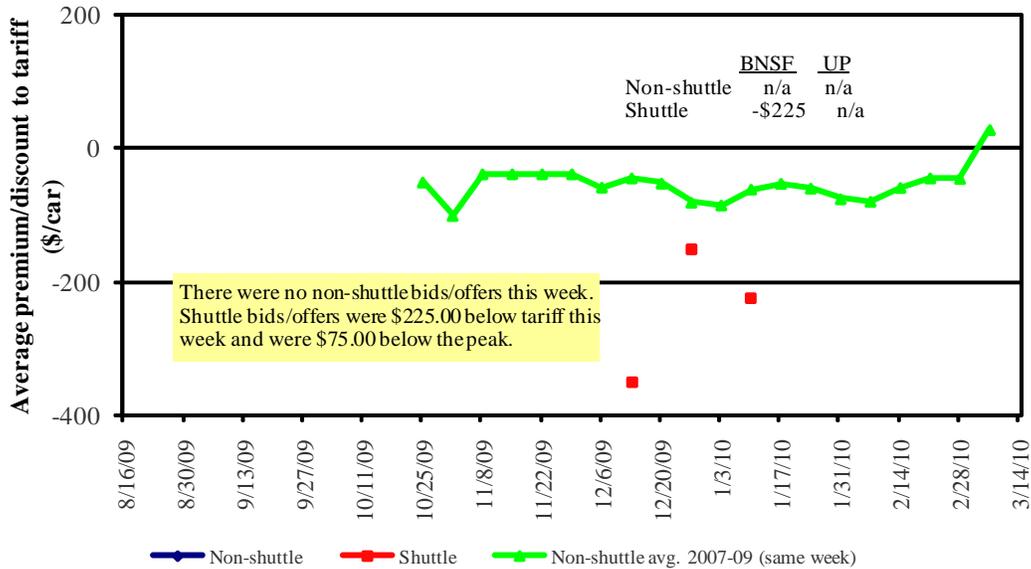


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in March 2010, 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 Rail Car Market (\$/car)¹

Week ending	Delivery period					
	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
1/9/2010						
Non-shuttle						
BNSF-GF	0	50	n/a	n/a	n/a	n/a
Change from last week	-38	0	n/a	n/a	n/a	n/a
Change from same week 2008	42	67	n/a	n/a	n/a	n/a
UP-Pool	n/a	-19	n/a	n/a	n/a	n/a
Change from last week	n/a	31	n/a	n/a	n/a	n/a
Change from same week 2008	n/a	23	n/a	n/a	n/a	n/a
Shuttle²						
BNSF-GF	275	25	-225	n/a	-325	-150
Change from last week	-109	n/a	n/a	n/a	n/a	0
Change from same week 2008	382	275	n/a	n/a	n/a	n/a
UP-Pool	75	25	n/a	n/a	n/a	-175
Change from last week	-25	n/a	n/a	n/a	n/a	0
Change from same week 2008	225	175	n/a	n/a	n/a	n/a

¹Average premium/discount to tariff, \$/car-last week

²Shuttle 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 Shipments¹

Effective date:							
1/4/2010	Origin region	Destination region	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ³
					metric ton	bushel ²	
Unit train¹							
Wheat	Chicago, IL	Albany, NY	\$2,622	\$96	\$29.96	\$0.82	6
	Kansas City, MO	Galveston, TX	\$2,678	\$116	\$30.79	\$0.84	5
	South Central, KS	Galveston, TX	\$3,655	\$274	\$43.31	\$1.18	7
	Minneapolis, MN	Houston, TX	\$3,799	\$555	\$47.99	\$1.31	6
	St. Louis, MO	Houston, TX	\$3,565	\$112	\$40.53	\$1.10	7
	South Central, ND	Houston, TX	\$5,348	\$617	\$65.75	\$1.79	1
	Minneapolis, MN	Portland, OR	\$4,200	\$674	\$53.72	\$1.46	5
	South Central, ND	Portland, OR	\$4,200	\$553	\$52.40	\$1.43	5
	Northwest, KS	Portland, OR	\$5,100	\$737	\$64.34	\$1.75	4
Corn	Chicago, IL	Richmond, VA	\$2,834	\$175	\$33.17	\$0.90	9
	Chicago, IL	Baton Rouge, LA	\$2,925	\$142	\$33.80	\$0.86	-7
	Council Bluffs, IA	Baton Rouge, LA	\$3,020	\$151	\$34.96	\$0.89	-7
	Kansas City, MO	Dalhart, TX	\$3,284	\$200	\$38.40	\$0.98	0
	Minneapolis, MN	Portland, OR	\$3,609	\$674	\$47.21	\$1.20	3
	Evansville, IN	Raleigh, NC	\$3,204	\$171	\$37.20	\$0.95	6
Soybeans	Columbus, OH	Raleigh, NC	\$3,093	\$150	\$35.75	\$0.91	6
	Council Bluffs, IA	Stockton, CA	\$4,900	\$728	\$62.04	\$1.58	-9
	Chicago, IL	Baton Rouge, LA	\$3,178	\$142	\$36.59	\$1.00	-5
	Council Bluffs, IA	Baton Rouge, LA	\$3,192	\$151	\$36.85	\$1.00	-1
	Minneapolis, MN	Portland, OR	\$4,110	\$674	\$52.73	\$1.44	-6
Shuttle Train	Evansville, IN	Raleigh, NC	\$3,204	\$171	\$37.20	\$1.01	6
	Chicago, IL	Raleigh, NC	\$3,804	\$213	\$44.28	\$1.21	5
Wheat	St. Louis, MO	Houston, TX	\$2,792	\$112	\$32.01	\$0.87	5
	Minneapolis, MN	Portland, OR	\$3,700	\$674	\$48.21	\$1.31	3
Corn	Fremont, NE	Houston, TX	\$2,520	\$408	\$32.27	\$0.82	-1
	Minneapolis, MN	Portland, OR	\$3,528	\$674	\$46.32	\$1.18	4
Soybeans	Council Bluffs, IA	Houston, TX	\$2,787	\$395	\$35.08	\$0.95	-1
	Minneapolis, MN	Portland, OR	\$3,774	\$674	\$49.03	\$1.33	6

¹A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of 75-110 cars that meet railroad efficiency requirements.

²Approximate load per car = 100 short tons (90.72 metric tons): corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

³Percentage change year over year calculated using tariff rate plus fuel surcharge

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

Table 8

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

Effective date: 1/4/2010

Commodity	Origin		Tariff rate/car ¹	Fuel	Tariff plus surcharge per:		Percent change Y/Y ³
	state	Destination region		surcharge per car	metric ton	bushel ²	
Wheat	MT	Chihuahua, CI	\$6,205	\$627	\$69.81	\$1.90	4
	OK	Cuautitlan, EM	\$5,685	\$477	\$62.96	\$1.71	5
	KS	Guadalajara, JA	\$6,155	\$489	\$67.88	\$1.85	5
	TX	Salinas Victoria, NL	\$3,109	\$155	\$33.35	\$0.91	4
Corn	IA	Guadalajara, JA	\$6,570	\$568	\$72.93	\$1.98	-3
	SD	Penjamo, GJ	\$6,440	\$821	\$74.19	\$2.02	-3
	NE	Queretaro, QA	\$6,190	\$461	\$67.96	\$1.85	0
	SD	Salinas Victoria, NL	\$4,570	\$624	\$53.07	\$1.44	-4
	MO	Tlalnepantla, EM	\$5,384	\$449	\$59.60	\$1.62	0
	SD	Torreon, CU	\$5,330	\$687	\$61.48	\$1.67	-3
Soybeans	MO	Bojay (Tula), HG	\$5,994	\$488	\$66.23	\$1.80	-1
	NE	Guadalajara, JA	\$6,375	\$559	\$70.85	\$1.93	-2
	IA	Penjamo (Celaya), GJ	\$6,590	\$815	\$75.67	\$2.06	3
	KS	Torreon, CU	\$5,180	\$368	\$56.68	\$1.54	0
Sorghum	OK	Cuautitlan, EM	\$4,339	\$623	\$50.70	\$1.38	0
	TX	Guadalajara, JA	\$5,150	\$534	\$58.08	\$1.58	6
	NE	Penjamo, GJ	\$6,395	\$511	\$70.57	\$1.92	2
	KS	Queretaro, QA	\$5,488	\$356	\$59.71	\$1.62	0
	NE	Salinas Victoria, NL	\$4,392	\$372	\$48.67	\$1.32	0
	NE	Torreon, CU	\$5,240	\$421	\$57.84	\$1.57	1

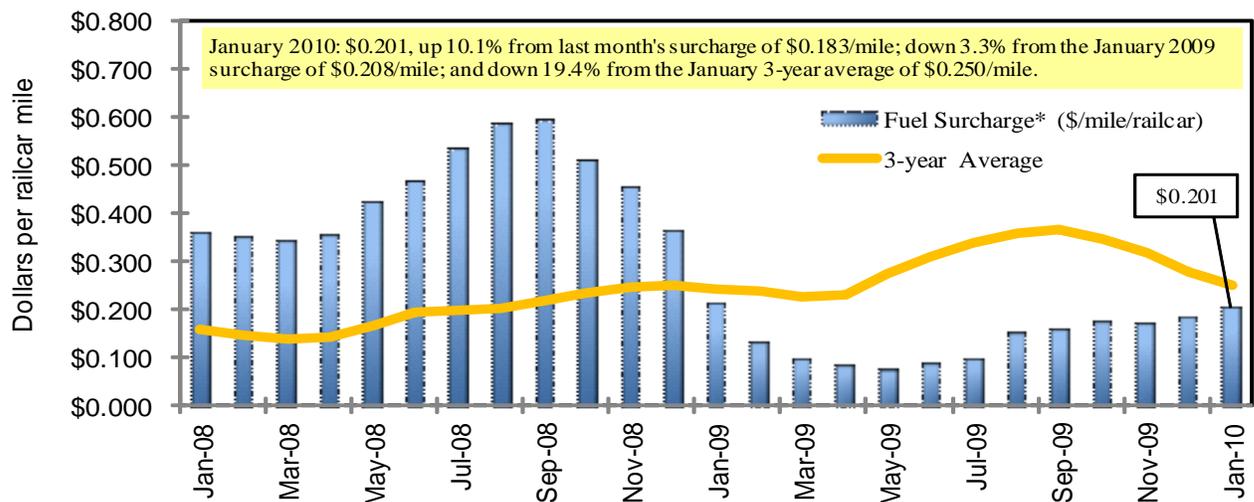
¹Rates are based upon published tariff rates for high-capacity shuttle trains. Shuttle trains are available for qualified shipments of 75--110 cars that meet railroad efficiency requirements.

²Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

³Percentage change year over year calculated using tariff rate plus fuel surcharge

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average¹

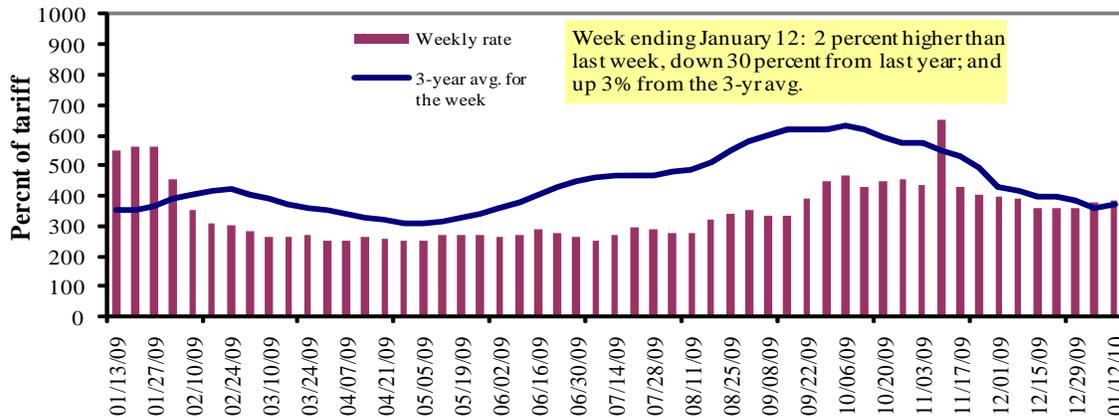
¹ Weighted by each Class I railroad's proportion of grain traffic for the prior year.

* 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.

Barge Transportation

Figure 8

Illinois River Barge Freight Rate^{1,2}



¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-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	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	1/12/2010	-	-	386	261	310	310	228
	1/5/2010	-	-	380	272	310	310	233
\$/ton	1/12/2010	-	-	17.91	10.41	14.54	12.52	7.16
	1/5/2010	-	-	17.63	10.85	14.54	12.52	7.32
Current week % change from the same week:								
	Last year	-	-	-30	-39	-25	-25	-46
	3-year avg. ²	-	-	3	-11	-4	-4	-13
Rate¹	February	-	-	346	264	308	308	225
	April	373	338	316	249	290	290	224

¹Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); ²4-week moving average; ton = 2,000 pounds.

Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:

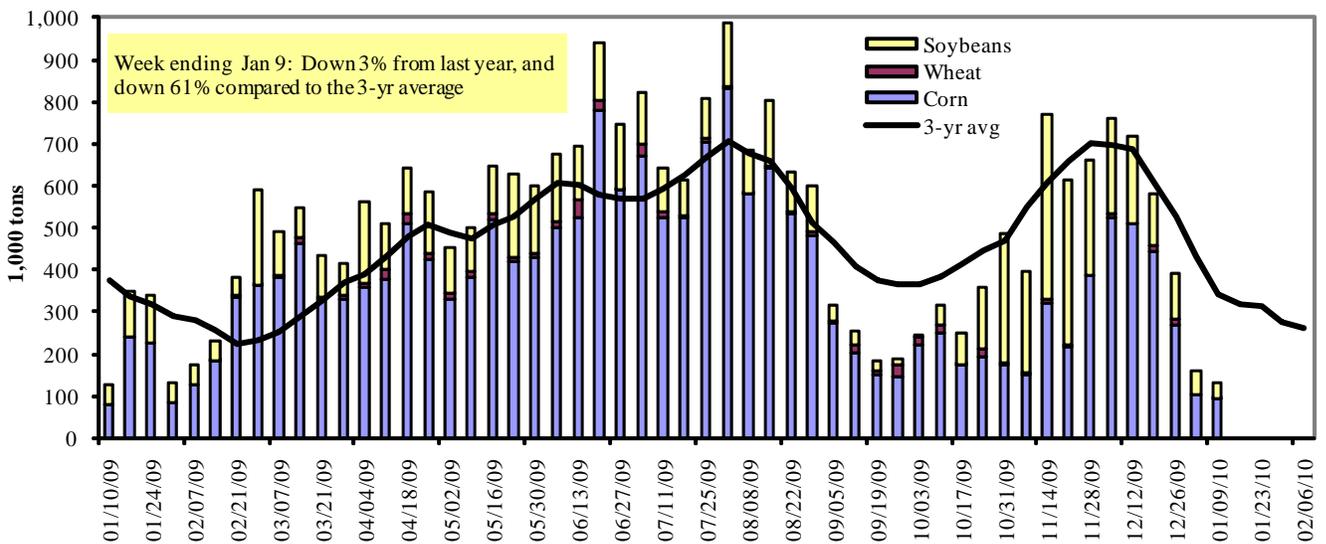
(Index * 1976 tariff benchmark rate per ton)/100

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 River¹ (Locks 27 - Granite City, IL)

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

Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrirmi/omni/webrpts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 1/9/2010	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	0	0	0	0	0
Winfield, MO (L25)	0	0	0	0	0
Alton, IL (L26)	93	2	19	5	119
Granite City, IL (L27)	93	2	39	5	138
Illinois River (L8)	84	8	21	5	118
Ohio River (L52)	34	5	71	8	119
Arkansas River (L1)	0	1	36	1	39
Weekly total - 2010	127	8	146	14	295
Weekly total - 2009	168	2	136	2	307
2010 YTD ¹	263	20	298	21	603
2009 YTD	430	9	326	8	772
2010 as % of 2009 YTD	61	227	92	267	78
Last 4 weeks as % of 2009 ²	121	159	114	166	119
Total 2009	23,424	1,501	10,465	430	35,819

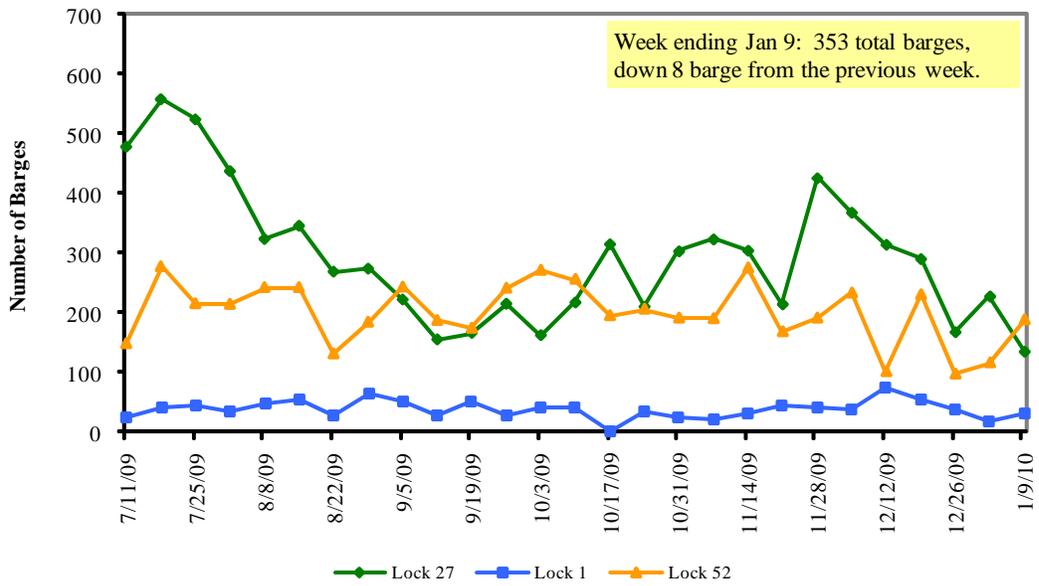
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2009.

Note: Total may not add exactly, due to rounding

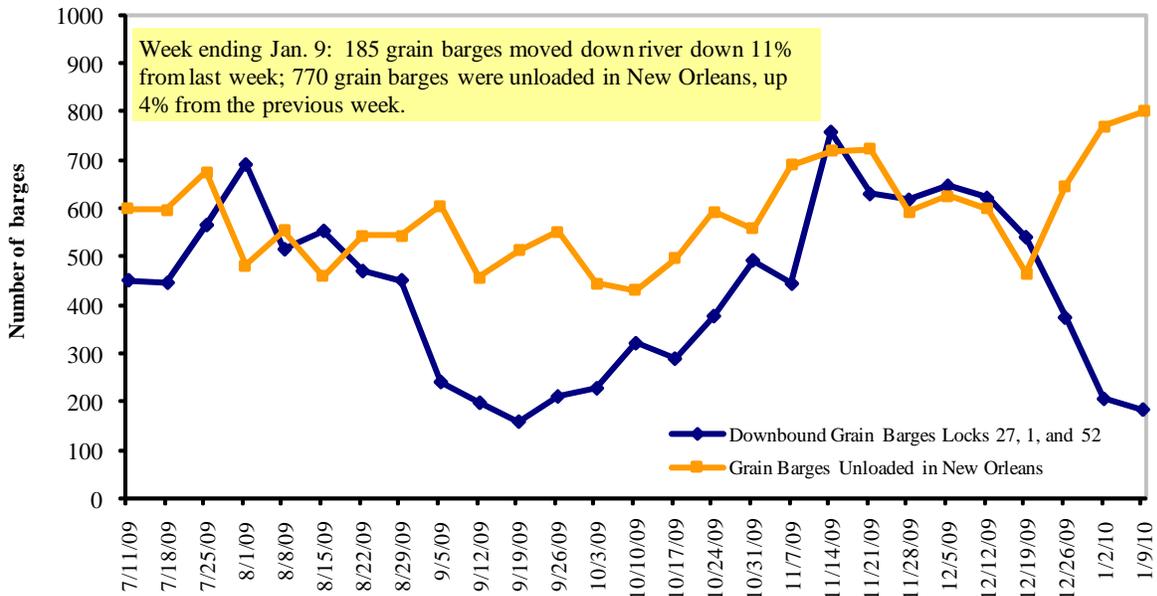
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrirmi/omni/webrpts/default.asp)

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 Prices¹, Week Ending 1/11/2010 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	2.922	0.095	0.527
	New England	3.068	0.133	0.447
	Central Atlantic	3.026	0.094	0.510
	Lower Atlantic	2.864	0.092	0.542
II	Midwest ²	2.844	0.073	0.555
III	Gulf Coast ³	2.846	0.096	0.602
IV	Rocky Mountain	2.814	0.068	0.579
V	West Coast	2.971	0.063	0.618
	California	3.032	0.073	0.698
Total	U.S.	2.879	0.082	0.565

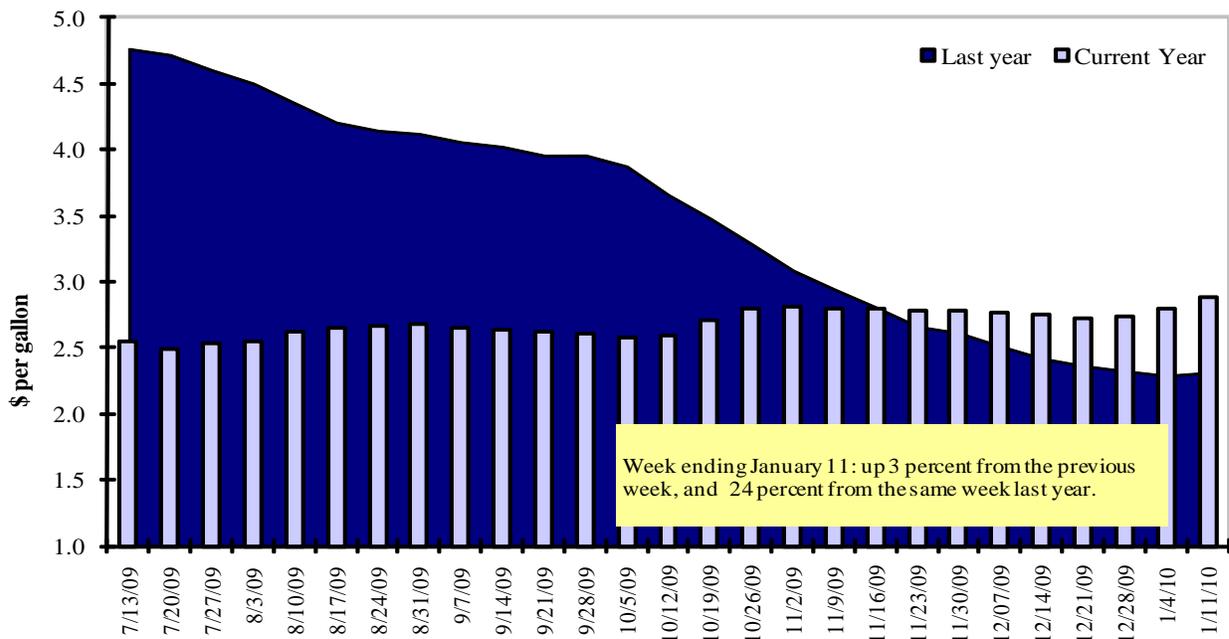
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

²Same as North Central ³Same 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)

Week ending	Wheat						Corn	Soybeans	Total
	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances¹									
12/31/2009	1,368	482	914	695	218	3,677	11,160	12,517	27,354
This week year ago	1,797	869	885	579	91	4,221	7,703	6,576	18,500
Cumulative exports-marketing year²									
2009/10 YTD	4,544	1,797	2,940	2,425	669	12,375	14,218	19,749	46,342
2008/09 YTD	8,335	3,743	3,417	1,815	304	17,613	13,598	14,306	45,517
YTD 2009/10 as % of 2008/09	55	48	86	134	220	70	105	138	102
Last 4 wks as % of same period 2008/09	77	57	108	121	259	90	146	199	152
2008/09 Total	11,244	5,100	5,408	3,420	454	25,626	44,650	33,705	103,981
2007/08 Total	13,709	5,568	7,842	4,191	1,075	32,385	59,666	30,411	122,462

¹ Current unshipped export sales to date

² Shipped export sales to date; new marketing year is now in effect 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 Importers¹ of U.S. Corn

Week ending 12/31/09	Total Commitments ²		% change current MY from last MY	Exports ³ 2008/09
	2009/10 Current MY	2008/09 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan ⁴	6,763	7,539	(10)	15,910
Mexico	5,253	4,717	11	7,454
Korea	3,309	1,499	121	5,129
Taiwan	1,545	965	60	3,198
Egypt	882	731	21	2,233
Top 5 importers	17,753	15,450	15	33,924
Total US corn export sales⁵	25,378	21,301	19	45,214
% of Projected	49%	45%		
Change from Last Week	365	261		
Top 5 importers' share of U.S. corn export sales	70%	73%		
USDA forecast, January 2010	52,070	47,180	10	
Corn Use for Ethanol USDA forecast, January 2010	106,680	93,396	14	

(n) indicates negative number.

¹Based on FAS Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.

³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

⁴Not included - FAS Press Release: **106,680 mt** on 01/13/10 to Japan for 2009/10.

⁵Not included - FAS Press Release: **116,000 mt** on 01/13/10 to Unknown for 2009/10.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week ending 12/31/09	Total Commitments ²		% change current MY from last MY	Exports ³ 2008/09
	2009/10 Current MY	2008/09 Last MY		
	- 1,000 mt -			- 1,000 mt -
China	19,757	11,871	66	18,681
Mexico	1,486	1,345	10	3,098
Japan	1,482	1,840	(19)	2,410
EU-25	1,596	1,577	1	2,180
Taiwan	1,095	852	28	1,592
Top 5 importers	25,415	17,485	45	27,961
Total US soybean export sales	32,265	20,882	55	
% of Projected	86%	60%		
Change from last week	717	530		
Top 5 importers' share of U.S. soybean export sales	79%	84%		
USDA forecast, January 2010	37,420	34,930	7	
Soybean Use for Biodiesel USDA forecast, January 2010	5,275	4,566	16	

(n) indicates negative number.

¹Based on FAS 2006/07 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers¹ of All U.S. Wheat

Week Ending 12/31/2009	Total Commitments ²		% change current MY from last MY	Exports ³ 2008/09
	2009/10 Current MY	2008/09 Last MY		
	- 1,000 mt -			- 1,000 mt -
Japan	2,175	2,278	(5)	3,103
Nigeria	2,240	2,302	(3)	2,661
Mexico	1,363	2,121	(36)	2,423
Egypt	456	1,785	(74)	1,928
Philippines	1,319	1,272	4	1,480
Iraq	300	1,205	(75)	1,205
Korea, South	879	871	1	1,127
Brazil	212	775	(73)	789
Colombia	449	654	(31)	749
Taiwan	573	431	33	714
Top 10 importers	9,964	13,694	(27)	16,179
Total US wheat export sales	16,052	21,834	(26)	27,640
% of Projected	72%	79%		
Change from last week	93	42		
Top 10 importers' share of U.S. wheat export sales	62%	63%		
USDA forecast, January 2010	22,450	27,640	(19)	

(n) indicates negative number.

¹Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.²Cumulative Exports (shipped) + Outstanding Sales (unshipped), FAS Weekly Export Sales Report.³FAS 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 01/07/10	2010 YTD ¹	2009 YTD ¹	2010 YTD as % of 2009 YTD	Last 4-weeks as % of		Total ¹ 2009
					2009	3-yr. avg.	
Pacific Northwest							
Wheat	160	160	304	53	100	76	10,091
Corn	33	33	49	66	112	119	8,559
Soybeans	245	245	66	371	190	136	9,613
Total	437	437	419	104	126	105	28,263
Mississippi Gulf							
Wheat	28	28	115	25	76	74	4,010
Corn	393	393	405	97	88	67	28,846
Soybeans	730	730	563	130	157	173	21,770
Total	1,151	1,151	1,083	106	122	113	54,627
Texas Gulf							
Wheat	97	97	119	81	110	111	5,688
Corn	0	0	1	0	138	28	1,967
Soybeans	106	106	0	n/a	n/a	1,158	2,402
Total	203	203	121	168	184	154	10,057
Great Lakes							
Wheat	2	2	0	n/a	80	108	961
Corn	0	0	0	n/a	158	104	338
Soybeans	0	0	0	n/a	0	0	765
Total	2	2	0	n/a	87	77	2,064
Atlantic							
Wheat	0	0	0	n/a	1	1	485
Corn	0	0	4	0	137	24	451
Soybeans	25	25	44	57	210	251	1,110
Total	25	25	48	52	133	117	2,047
U.S. total from ports²							
Wheat	288	288	539	53	94	82	21,236
Corn	426	426	459	93	96	75	40,162
Soybeans	1,106	1,106	673	164	175	180	35,660
Total	1,819	1,819	1,671	109	128	114	97,058

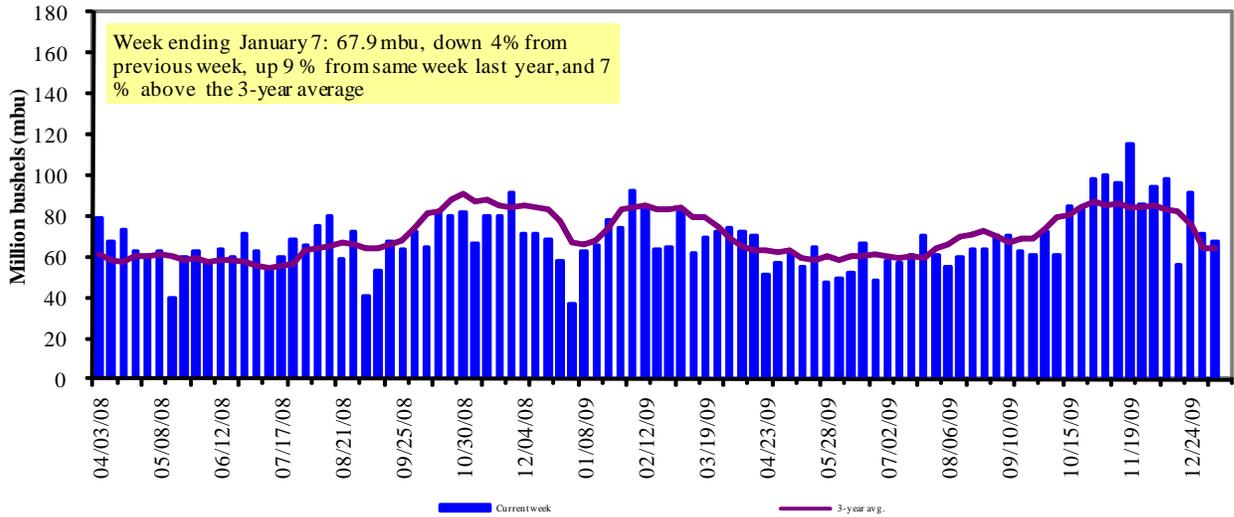
¹ Includes weekly revisions, some regional totals may not add exactly due to rounding.

² Total includes only port regions shown above

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

Figure 14

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

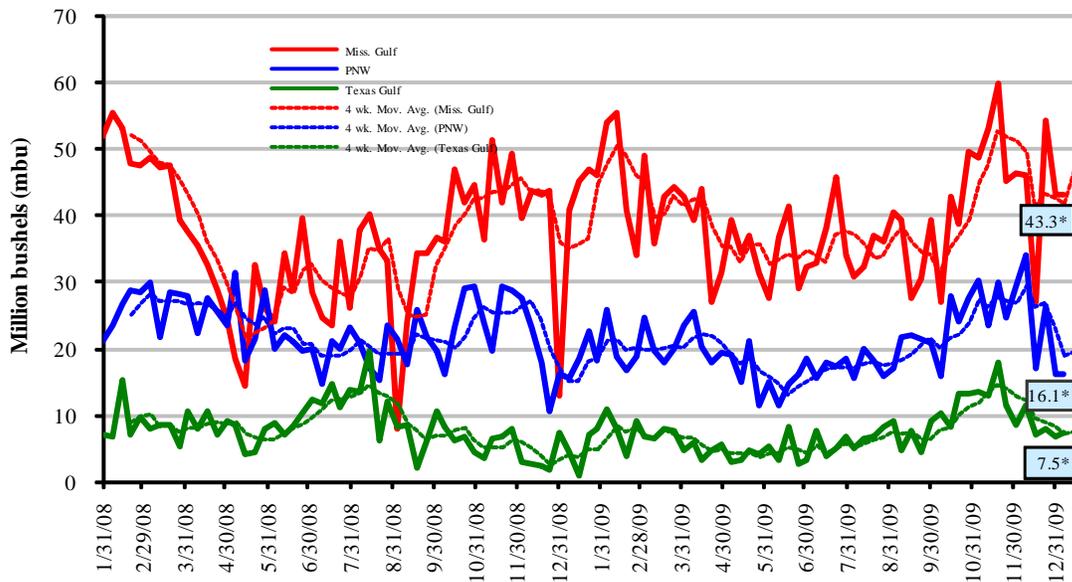


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

Weekly U.S. Grain Inspections: U.S. Gulf and PNW (wheat, corn, and soybeans)



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

January 7, % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 0.3	up 8.4	up 1.4	up 0.3
Last year (same week)	up 61.	up 68	up 12	up 4
3-yr avg. (4-wk mov. avg.)	up 13	up 52	up 17	down 23

Ocean Transportation

Table 17

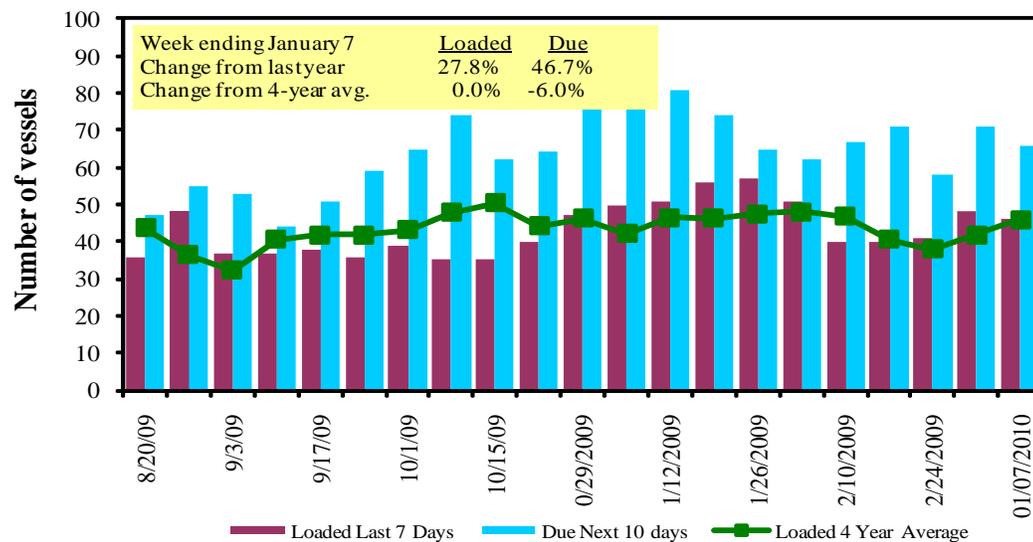
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
1/7/2010	54	46	66	14	7
12/31/2009	54	48	71	15	n/a
2009 range	(18..72)	(21..57)	(37..86)	(2..19)	(3..19)
2009 avg.	37	39	55	10	9

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

U.S. Gulf¹ Vessel Loading Activity



Source: Transportation & Marketing Programs/AMS/USDA
¹U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17

Grain Vessel Rates, U.S. to Japan

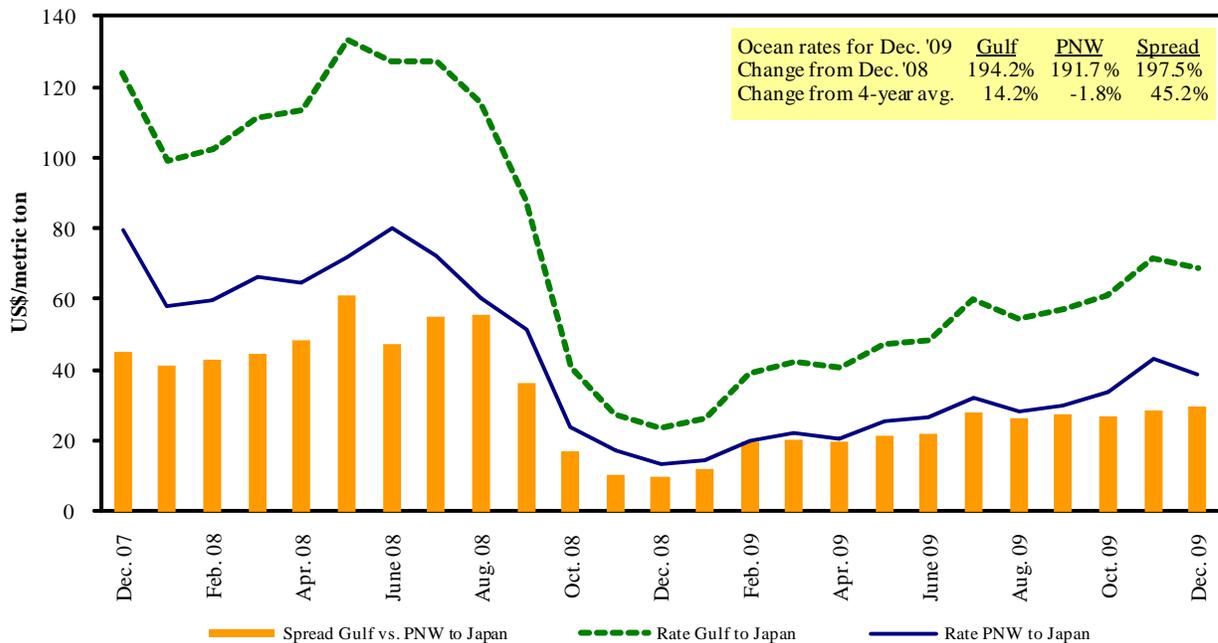


Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 1/9/2010

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Egyptian Mediterranean	Hvy Grain	Jan 7/12	60,000	39.00
U.S. Gulf	Djibouti ¹	Wheat	Jan 1/10	2,770	114.50
U.S. Gulf	China	Hvy Grain	Oct 20/30	55,000	54.00
U.S. Gulf	Morocco	Hvy Grain	Aug 25/Sep 5	25,000	38.00
Brazil	France	Grains	Sep 10/20	20,000	34.00
Brazil	France	Soybeanmeal	Aug 18/28	25,000	34.50
Brazil	Ireland	Grain	Dec 25/30	25,000	43.50
Brazil	Morocco	Corn	Oct 25/Nov 5	25,000	29.00
Ukraine	Kenya	Wheat	Dec 25/30	25,000	52.00
Ukraine	Mediterranean	Wheat	Dec 14/18	30,000	20.00
France	Algeria	Wheat	Nov 5/15	25,000	29.50
France	Algeria	Wheat	Oct 20/30	25,000	27.25
France	Algeria	Wheat	Sep 25/30	25,000	25.50
France	Algeria	Wheat	Sep 1/5	25,000	24.00
River Plate	Continent	Grain	Dec 20/28	25,000	36.50
River Plate	Continent	Grain	Dec 1/10	25,000	48.00
River Plate	Continent	Grain	Nov 25/30	25,000	40.00
River Plate	Poland	Grains	Sep 1/20	24,000	37.25
River Plate	Poland	Soybeanmeal	Sep 5/15	25,000	37.75

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

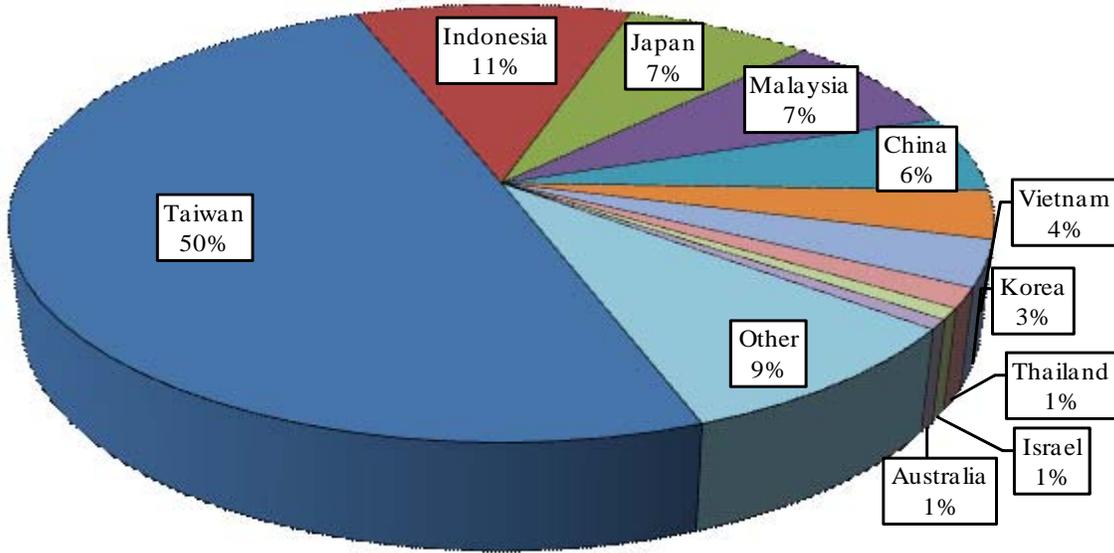
¹75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

Source: Maritime Research Inc. (www.maritime-research.com)

During 2008, containers were used to transport 6 percent of total U.S. waterborne grain exports, and 9 percent of U.S. grain exports to Asia.

Figure 18

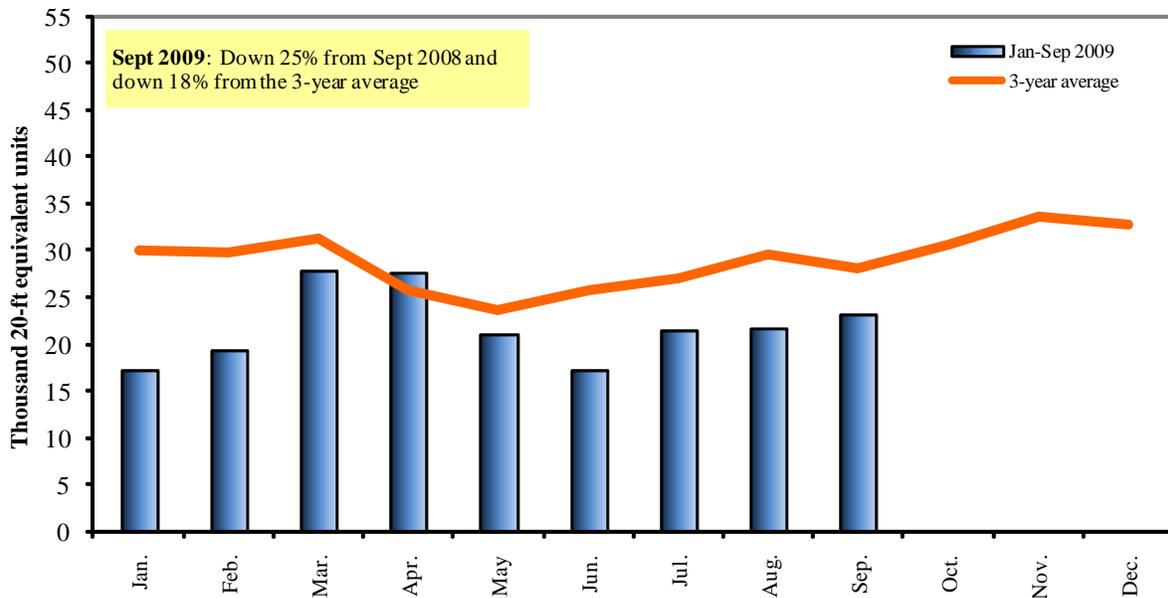
Top 10 Destination Markets for U.S. Containerized Grain Exports, September 2009



Source: Port Import Export Reporting Service (PIERS)

Figure 19

Monthly Shipments of Containerized Grain to Asia



Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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