USDA Agricultural Marketing Service

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Transportation and Marketing Programs/Transportation Services Division
www.ams.usda.gov/GTR

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Contents

The next release is April 1, 2010

WEEKLY HIGHLIGHTS

Unusual Decline in Barge Rates as River Levels Increase

Barge rates have been declining since the beginning of March despite high water conditions. High water conditions normally would increase overall operating costs and may reduce loading efficiencies, both of which would then usually be reflected in higher rates. However, barge demand has been weaker in the last few weeks as grain shippers wait for better economic conditions to move their grain from storage. **Barge rates** from St. Louis to the Mississippi Gulf dropped from 262 percent of tariff ($10.45 per ton) on March 2 to 197 percent on March 23 ($7.86 per ton).

Lessors Increase Railcar Usage since December with Covered Hoppers Leading the Way

According to the February Longbow Research survey of 15 to 20 rail-car lessors, the average railcar utilization rate reached 85 percent, up from 82 percent in December 2009. The survey reflected higher deliveries of covered hoppers for grain use and for ethanol-related tank cars. Inquiries from shippers have risen since December 2009, and new car orders are expected to increase this year. Lessors also said they plan to increase purchases of tank cars for ethanol and used large covered hoppers for grain service. Responses showed that demand has already started to increase, and is expected to continue throughout the year, contrary to Longbow Research's previous expectations for a recovery late in 2010. This is nearly a full year ahead of previous estimates.

Asian Wheat Purchases Drive Inspections Up

For the week ending March 18, total inspections of grain (corn, wheat, and soybeans) from major U.S. export regions reached 2.19 million metric tons (mmt), up 21 percent from the previous week and 19 percent above last year. Increased purchases of wheat by Asian countries were the driver behind increased grain inspections. Overall, wheat inspections jumped 92 percent from the previous week. Inspections of corn and soybeans also increased during the week. Total soybean inspections, which were driven by an 11 percent increase in shipments destined to China, rose 14 percent from the previous week. Inspections of grain in each of the three major export regions also rebounded from the previous week.

Snapshots by Sector

Rail

U.S. Railroads originated 24,203 **carloads of grain** during the week ending March 13, up 2 percent from last week, 21 percent from the same week last year, and 7 percent higher than the 3-year average.

During the week ending March 20, average April **secondary railcar bids/offers** were $6.50 below tariff for non-shuttle, $14 lower than last week. Shuttle rates were $137.50 below tariff, $37.50 higher than last week.

Ocean

During the week ending March 18, 52 **ocean-going grain vessels** were loaded in the Gulf, up 57 percent from the same week last year. Forty-seven vessels are expected to be loaded in the U.S. Gulf within the next 10 days, up 7 percent from last year.

During the week ending March 19, the cost of shipping grain from the Gulf to Japan averaged $71per mt, up 1 percent from the previous week. The rate from the Pacific Northwest to Japan was $43 per mt, unchanged from the previous week.

Barge

During the week ending March 20, **barge grain movements** totaled 468,777 tons, 47 percent lower than the previous week and 20 percent lower than the same period last year.

Fuel

During the week ending March 22, U.S. average **diesel fuel prices** increased 2 cent per gallon to $2.95—0.75 percent higher than the previous week and 41 percent higher than the same week last year.

Feature Article/Calendar

Fourth Quarter Soybean Shipping Costs Increase, U.S. Retains Lower Total Landed Cost

The transportation costs of shipping soybeans from both the United States and Brazil to Hamburg, Germany and Shanghai, China increased during the 4th quarter of 2009. However, shipping costs from the U.S. remained lower overall than Brazil's. Transportation costs from Minneapolis, MN, and Davenport, IA, to Hamburg increased by 32 and 31 percent, respectively (table 1). Transportation costs from the same U.S. locations to Shanghai increased by 22 and 21 percent during the quarter (table 2).

Shipping costs increased in all three segments of the move to Hamburg or Shanghai. Trucking costs increased due to rising diesel fuel prices and a late surge in trucking demand during the 4h quarter because of the late harvest (see **GTR dated 3/11/10**). The late harvest, in conjunction with tight barge supply, also affected barge movements and caused the rates to spike in the 4th quarter (see **GTR figure 8**). Since ocean freight rates for shipping grain move in tandem with rates for shipping other bulk commodities, ocean rates increased in response to an improved forecast for the global economy and increased shipments of bulk commodities around the world (see **GTR dated 1/21/10**).

Table 1-Quarterly costs of transporting soybeans from U.S. and Brazil to Hamburg, Germany

	2008 4th qtr.	2009 3rd qtr.	2009 4th qtr.	Percent change Yr. to Yr.	Percent change Qtr. to Qtr.	2008 4th qtr.	2009 3rd qtr.	2009 4th qtr.	Percent change Yr. to Yr.	Percent change Qtr. to Qtr.
	United States									
	Minneapolis, MN --$/mt--					**Davenport, IA --$/mt--**				
Truck	9.66	10.38	11.38	17.81	9.63	9.66	10.38	11.38	17.81	9.63
Barge	38.51	23.88	33.50	-13.01	40.28	32.53	18.88	26.51	-18.51	40.41
Ocean[1]	16.40	19.81	26.38	60.85	33.17	16.40	19.81	26.38	60.85	33.17
Total transportation[2]	64.57	54.07	71.26	10.36	31.79	58.59	49.07	64.27	9.69	30.98
Farm Value[3]	358.86	376.50	346.86	-3.34	-7.87	365.60	389.36	351.51	-3.85	-9.72
Landed Cost	423.43	430.57	418.12	-1.25	-2.89	424.19	438.43	415.78	-1.98	-5.17
Transport % of landed cost	15.25	12.56	17.04			13.81	11.19	15.46		
	Brazil									
	North MT[4] - Santos[5] --$/mt--					**South GO[4] - Paranagua[5] --$/mt--**				
Truck	78.22	100.41	106.95	36.73	6.51	40.58	54.03	55.98	37.95	3.61
Ocean[6]	32.18	30.00	31.08	-3.42	3.60	33.48	31.55	30.83	-7.92	-2.28
Total transportation[2]	110.40	130.41	138.03	25.03	5.84	74.06	85.58	86.81	17.22	1.44
Farm Value[7]	277.74	347.80	369.07	32.88	6.12	274.34	356.43	371.29	35.34	4.17
Landed Cost	388.14	478.21	507.10	30.65	6.04	348.40	442.01	458.10	31.49	3.64
Transport % of landed cost	28.44	27.27	27.22			21.26	19.36	18.95		

[1]Source: O'Neil Commodity Consulting

[3]Source: USDA/NASS

[4]Producing regions: MT= Mato Grosso, GO = Goiás

[5]Export ports

[6]Source: ESALQ/ USP (University of São Paulo, Brazil) and USDA/AMS; 2008 values revised for previous estimates

[7]Source: Companhia Nacional de Abastecimento (CONAB) www.conab.gov.br

Note: Total may not add exactly due to rounding

Although U.S. transportation costs increased at a faster rate than in Brazil during the 4th quarter, costs remained lower overall. Total transportation cost increases from North Mato Grosso (MT) and South Goiás (GO), Brazil to Hamburg increased 6 and 1 percent, respectively (table 1). The costs of shipping from the same Brazilian locations to Shanghai increased 8 and 7 percent, respectively (table 2). Transportation costs to Hamburg ranged from $64.27 to $71.26 per mt in the United States and $86.81 to $138.03 per mt in Brazil. While it costs between $103.53 and $110.52 per mt to ship soybeans from the United States to Shanghai, it costs $110.21 to $162.58 to ship from Brazil because the inland trucking cost in Brazil is much higher than in the United States.

Table 2-Quarterly costs of transporting soybeans from U.S. and Brazil to Shanghai, China

	2008 4th qtr.	2009 3rd qtr.	2009 4th qtr.	Percent change Yr. to Yr.	Percent change Qtr. to Qtr.	2008 4th qtr.	2009 3rd qtr.	2009 4th qtr.	Percent change Yr. to Yr.	Percent change Qtr. to Qtr.
	United States									
	Minneapolis, MN --$/mt--					**Davenport, IA** --$/mt--				
Truck	9.66	10.38	11.38	17.81	9.63	9.66	10.38	11.38	17.81	9.63
Barge	38.51	23.88	33.50	-13.01	40.28	32.53	18.88	26.51	-18.51	40.41
Ocean[1]	29.47	56.53	65.64	122.73	16.12	29.47	56.53	65.64	122.73	16.12
Total transportation[2]	77.64	90.79	110.52	42.35	21.73	71.66	85.79	103.53	44.47	20.68
Farm Value[3]	358.86	376.50	346.86	-3.34	-7.87	365.60	389.36	351.51	-3.85	-9.72
Landed Cost	436.50	467.29	457.38	4.78	-2.12	437.26	475.15	455.04	4.07	-4.23
Transport % of landed cost	17.79	19.43	24.16			16.39	18.06	22.75		
	Brazil									
	North MT[4] - Santos[5] --$/mt--					**South GO[4] - Paranagua[5]** --$/mt--				
Truck	78.22	100.41	106.95	36.73	6.51	40.58	54.03	55.98	37.95	3.61
Ocean[6]	64.00	49.00	55.63	-13.08	13.53	65.30	48.78	54.23	-16.95	11.17
Total transportation[2]	142.22	149.41	162.58	14.32	8.81	105.88	102.81	110.21	4.09	7.20
Farm Value[7]	277.74	347.80	369.07	32.88	6.12	274.34	356.43	371.29	35.34	4.17
Landed Cost	419.96	497.21	531.65	26.60	6.93	380.22	459.24	481.50	26.64	4.85
Transport % of landed cost	33.87	30.05	30.58			27.85	22.39	22.89		

[1]Source: O'Neil Commodity Consulting
[3]Source: USDA/NASS
[4]Producing regions: MT= Mato Grosso, GO = Goiás
[5]Export ports
[6]Source: ESALQ/ USP (University of São Paulo, Brazil) and USDA/AMS; 2008 values are revised from previous estimates
[7]Source: Companhia Nacional de Abastecimento (CONAB) www.conab.gov.br
Note: Total may not add exactly due to rounding

Although farm values fell slightly in the United States, relatively lower transportation costs made the U.S. transportation shares of the landed costs smaller compared to Brazil—its closest competitor. Transportation shares of the landed costs for shipments from the United States to Hamburg ranged from 16 to 17 percent and to Shanghai ranged from 23 to 24 percent. On the other hand, Brazil's transportation shares of the landed costs ranged from 19 to 27 percent for shipments to Hamburg and 23 to 31 percent for shipments to Shanghai. The landed cost advantage retained by the U.S. could be a driving factor in past and recent high Soybean export purchases (see **GTR Table 12**).

Market Outlook: China is by far the largest importer of U.S. soybeans. In 2009, China imported about 22.9 mmt of soybeans from the United States, about seven times as much as Mexico—a distant second at 3.28 mmt. Although the soybean export commitments are currently running ahead of last year (see **GTR table 14**), USDA's Foreign Agriculture Service forecasts, China's soybean imports in marketing year 2009/10 are expected to decrease moderately because of high carry-in stocks (**FAS, GAIN Report #CH9081**). However, China is going to continue to be a major importer of U.S. soybeans, especially if U.S. shipping costs continue to be comparatively low, and the U.S. retains a landed cost advantage.
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Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

	Truck	Rail[2]	Barge	Ocean	
Week ending				Gulf	Pacific
03/24/10	198	89	99	318	305
03/17/10	196	103	157	313	305

[1]Indicator: 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)

[2]The 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	3/19/2010	3/12/2010
Corn	IL--Gulf	-0.62	-0.61
Corn	NE--Gulf	-0.68	-0.68
Soybean	IA--Gulf	-1.02	-1.02
HRW	KS--Gulf	-1.42	-1.47
HRS	ND--Portland	-1.85	-1.50

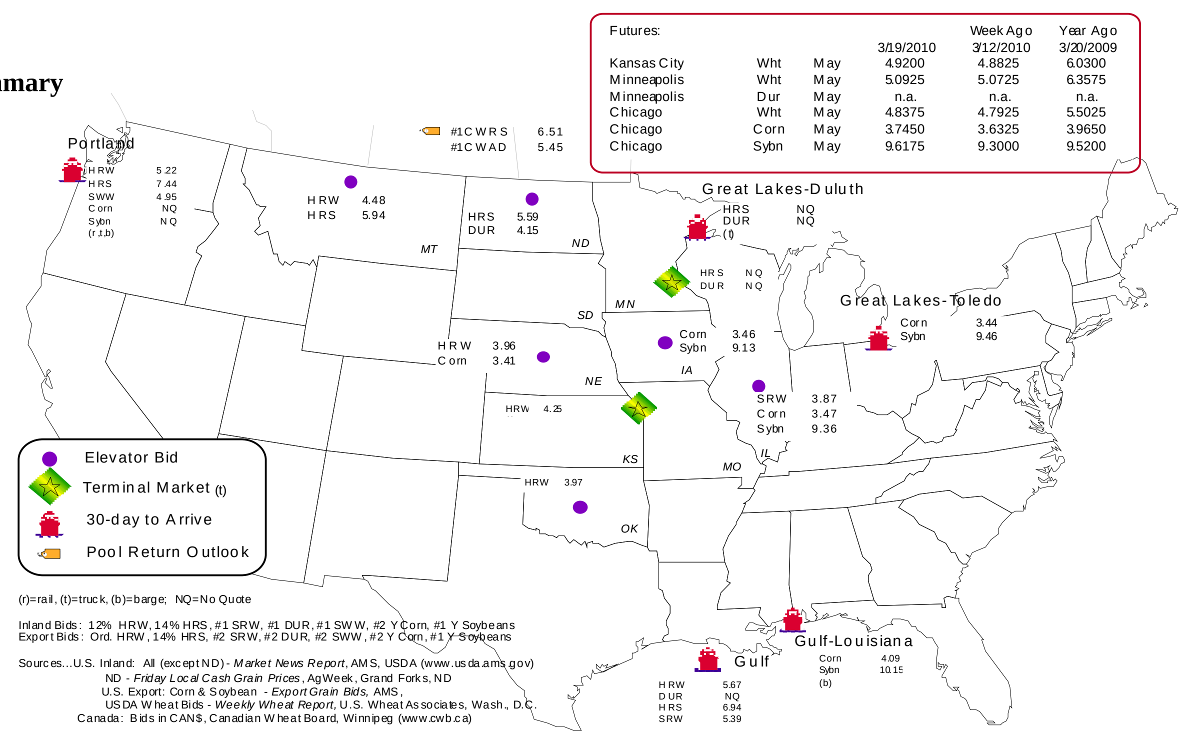
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

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 mar-

Figure 1

Grain bid Summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)[1]

Week ending	Mississippi Gulf	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
3/17/2010[p]	226	1,580	1,159	3,230	757	6,952
3/10/2010[r]	555	2,221	1,150	4,125	930	8,981
2010 YTD	5,308	17,694	9,699	37,392	12,313	82,406
2009 YTD	10,666	11,407	9,090	37,107	7,075	75,345
2010 YTD as % of 2009 YTD	50	155	107	101	174	109
Last 4 weeks as % of 2009[2]	46	147	125	105	160	112
Last 4 weeks as % of 4-year avg.[2]	26	84	129	79	142	81
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.

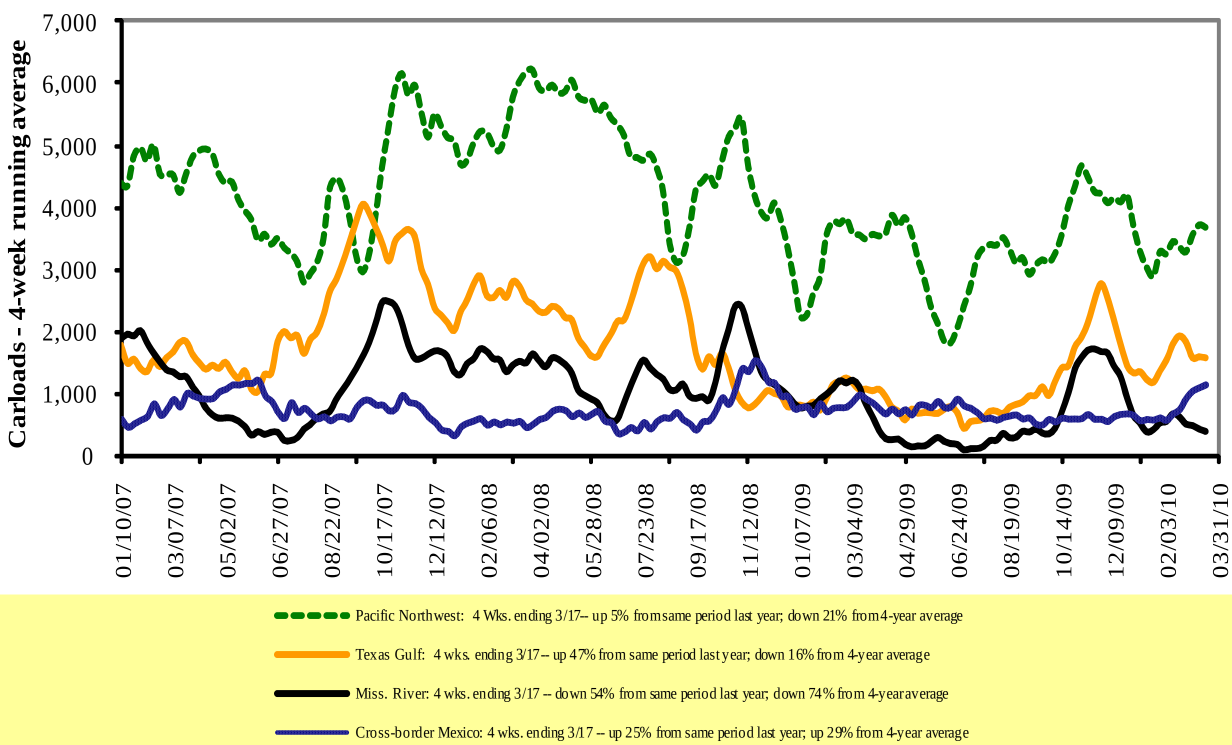
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

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



Source: Transportation & Marketing Programs/AMS/USDA

Table 4

Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

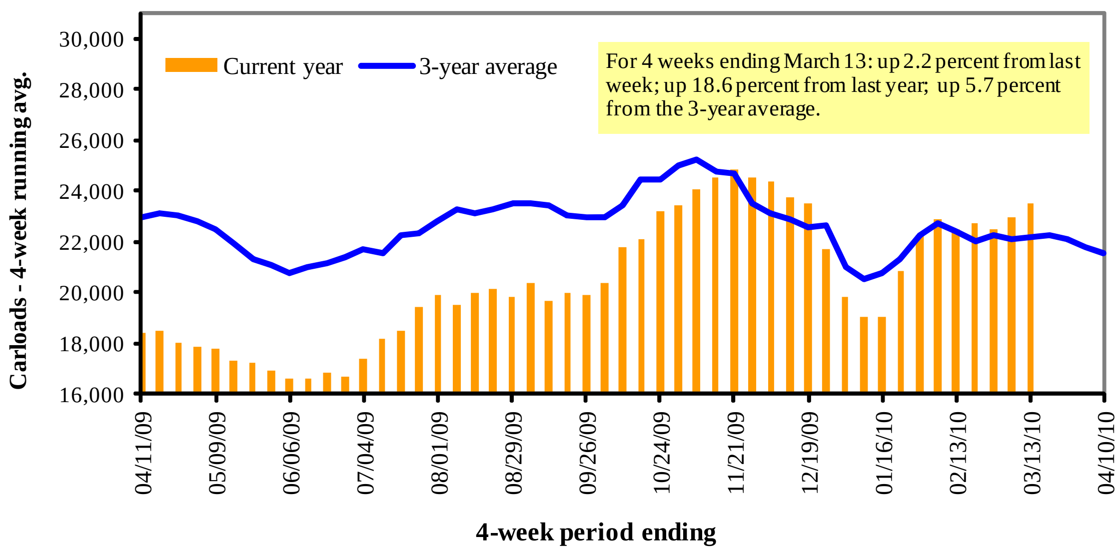
	East		West			U.S. total	Canada	
Week ending	**CSXT**	**NS**	**BNSF**	**KCS**	**UP**		**CN**	**CP**
03/13/10	2,698	3,225	11,832	857	5,591	24,203	4,394	5,770
This week last year	2,341	2,628	9,692	753	4,549	19,963	4,607	5,024
2010 YTD	23,914	30,941	108,629	8,082	55,618	227,184	41,118	51,650
2009 YTD	23,862	26,028	92,819	7,216	49,628	199,553	43,593	53,346
2010 YTD as % of 2009 YTD	100	119	117	112	112	114	94	97
Last 4 weeks as % of 2009[1]	100	131	118	135	120	119	90	98
Last 4 weeks as % of 3-yr avg.[1]	93	121	105	128	103	106	97	109
Total 2009	105,278	142,254	483,618	36,912	268,811	1,036,873	200,871	278,997

[1]As 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 Offerings[1] ($/car)[2]

Week ending	**Delivery period**							
3/20/2010	**Apr-10**	**Apr-09**	**May-10**	**May-09**	**Jun-10**	**Jun-09**	**Jul-10**	**Jul-09**
BNSF[3]								
COT grain units	0	no bids	0	no bids	0	no bids	0	0
COT grain single-car[5]	1 . . 200	no offer	1	0	0	no bids	0 . . 4	1 . . 12
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

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

[2]Average premium/discount to tariff, last auction

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

[4]UP - 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.

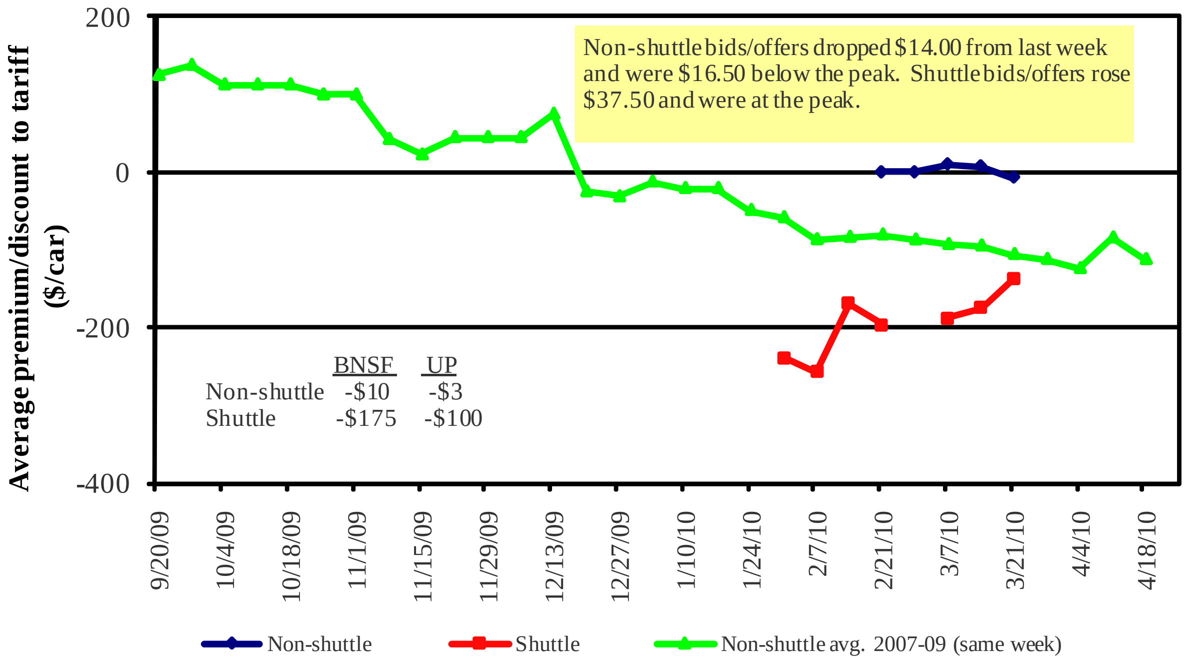
[5]Range is shown because average is not available. Not available = n/a.

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 April 2010, Secondary Market

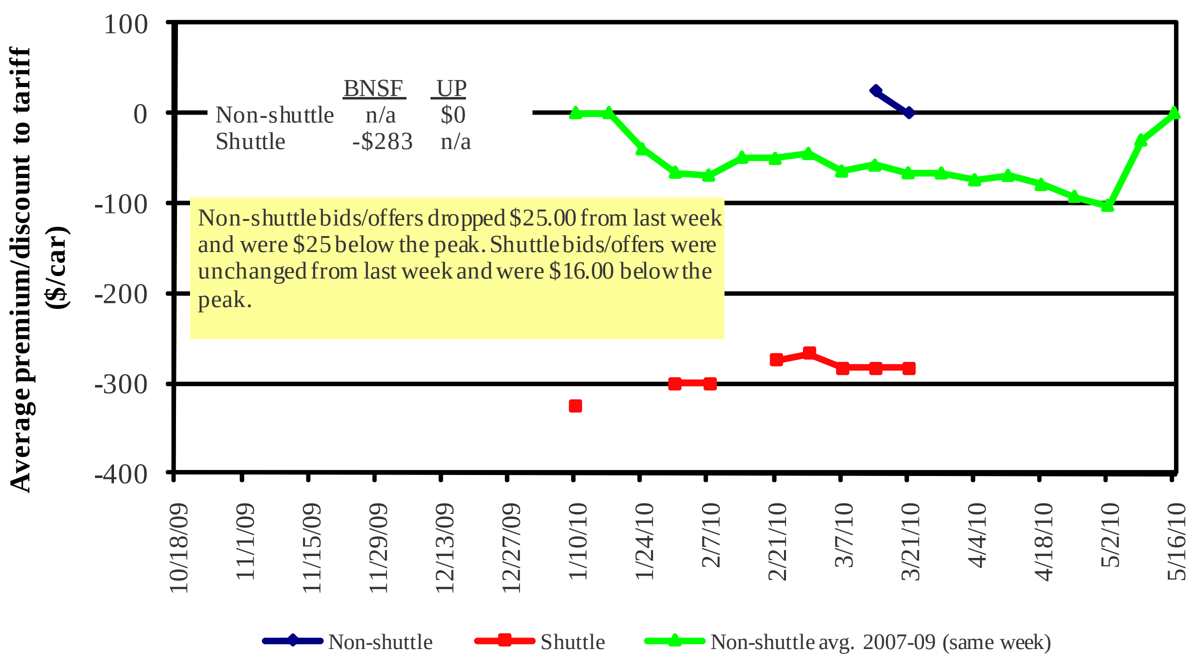


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

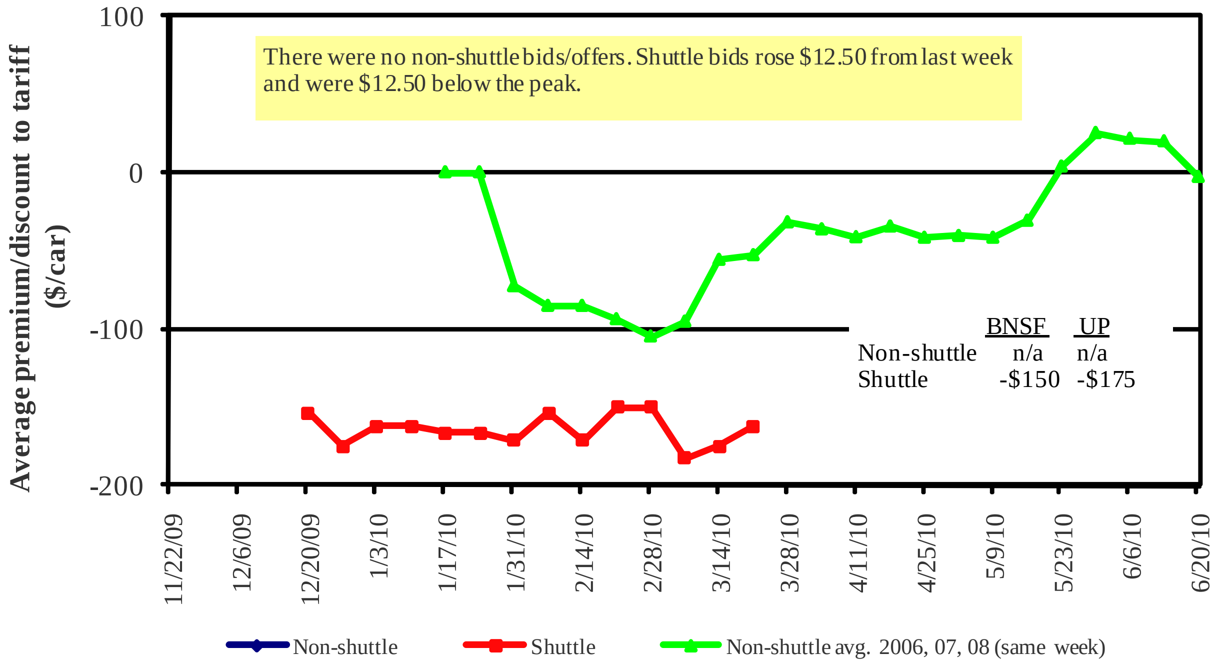


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in June 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					
3/20/2010	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10
Non-shuttle						
BNSF-GF	-10	n/a	n/a	n/a	n/a	n/a
Change from last week	-30	n/a	n/a	n/a	n/a	n/a
Change from same week 2009	-6	n/a	n/a	n/a	n/a	n/a
UP-Pool	-3	0	n/a	n/a	n/a	n/a
Change from last week	2	-25	n/a	n/a	n/a	n/a
Change from same week 2009	35	33	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	-175	-283	-150	n/a	n/a	n/a
Change from last week	0	0	25	n/a	n/a	n/a
Change from same week 2009	150	n/a	n/a	n/a	n/a	n/a
UP-Pool	-100	n/a	-175	n/a	n/a	n/a
Change from last week	n/a	n/a	0	n/a	n/a	n/a
Change from same week 2009	200	n/a	25	n/a	n/a	n/a

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

[2]Shuttle 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 Shipments[1]

Effective date: 3/1/2010	Origin region	Destination region	Tariff rate/car	Fuel surcharge per car	Tariff plus surcharge per: metric ton	Tariff plus surcharge per: bushel[2]	Percent change Y/Y[3]
Unit train[1]							
Wheat	Chicago, IL	Albany, NY	$2,622	$105	$30.06	$0.82	8
	Kansas City, MO	Galveston, TX	$2,753	$124	$31.71	$0.86	14
	South Central, KS	Galveston, TX	$3,655	$281	$43.38	$1.18	10
	Minneapolis, MN	Houston, TX	$3,799	$569	$48.15	$1.31	11
	St. Louis, MO	Houston, TX	$3,565	$120	$40.62	$1.11	11
	South Central, ND	Houston, TX	$5,478	$632	$67.35	$1.83	7
	Minneapolis, MN	Portland, OR	$4,200	$691	$53.92	$1.47	11
	South Central, ND	Portland, OR	$4,200	$568	$52.55	$1.43	10
	Northwest, KS	Portland, OR	$5,100	$756	$64.55	$1.76	9
	Chicago, IL	Richmond, VA	$2,834	$193	$33.36	$0.91	15
Corn	Chicago, IL	Baton Rouge, LA	$2,925	$152	$33.91	$0.86	-2
	Council Bluffs, IA	Baton Rouge, LA	$3,020	$162	$35.07	$0.89	-1
	Kansas City, MO	Dalhart, TX	$3,284	$205	$38.46	$0.98	2
	Minneapolis, MN	Portland, OR	$3,609	$691	$47.40	$1.20	10
	Evansville, IN	Raleigh, NC	$3,204	$188	$37.39	$0.95	10
	Columbus, OH	Raleigh, NC	$3,093	$165	$35.91	$0.91	10
	Council Bluffs, IA	Stockton, CA	$4,900	$747	$62.24	$1.58	-4
Soybeans	Chicago, IL	Baton Rouge, LA	$3,178	$152	$36.70	$1.00	5
	Council Bluffs, IA	Baton Rouge, LA	$3,192	$162	$36.97	$1.01	5
	Minneapolis, MN	Portland, OR	$4,110	$691	$52.92	$1.44	-1
	Evansville, IN	Raleigh, NC	$3,204	$188	$37.39	$1.02	10
	Chicago, IL	Raleigh, NC	$3,804	$234	$44.51	$1.21	9
Shuttle Train							
Wheat	St. Louis, MO	Houston, TX	$2,867	$120	$32.93	$0.90	13
	Minneapolis, MN	Portland, OR	$3,700	$691	$48.40	$1.32	10
Corn	Fremont, NE	Houston, TX	$2,520	$418	$32.39	$0.82	5
	Minneapolis, MN	Portland, OR	$3,528	$691	$46.51	$1.18	11
Soybeans	Council Bluffs, IA	Houston, TX	$2,787	$405	$35.19	$0.96	4
	Minneapolis, MN	Portland, OR	$3,774	$691	$49.22	$1.34	13

[1]A 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.

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

[3]Percentage change year over year calculated using tariff rate plus fuel surchage

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: 3/1/2010				Fuel			Percent
	Origin		Tariff	surcharge	Tariff plus surcharge per:		change
Commodity	state	Destination region	rate/car[1]	per car	metric ton	bushel[2]	Y/Y[3]
Wheat	MT	Chihuahua, CI	$6,291	$643	$70.85	$1.93	10
	OK	Cuautitlan, EM	$5,726	$494	$63.55	$1.73	11
	KS	Guadalajara, JA	$6,196	$507	$68.48	$1.86	10
	TX	Salinas Victoria, NL	$3,154	$162	$33.88	$0.92	9
Corn	IA	Guadalajara, JA	$6,670	$589	$74.17	$2.02	8
	SD	Penjamo, GJ	$6,440	$842	$74.40	$2.02	6
	NE	Queretaro, QA	$6,130	$481	$67.55	$1.84	4
	SD	Salinas Victoria, NL	$4,570	$640	$53.23	$1.45	1
	MO	Tlalnepantla, EM	$5,318	$468	$59.12	$1.61	4
	SD	Torreon, CU	$5,330	$705	$61.66	$1.68	4
Soybeans	MO	Bojay (Tula), HG	$5,994	$506	$66.41	$1.81	7
	NE	Guadalajara, JA	$6,475	$580	$72.09	$1.96	9
	IA	Penjamo (Celaya), GJ	$6,590	$836	$75.88	$2.06	12
	KS	Torreon, CU	$5,180	$382	$56.83	$1.55	7
Sorghum	OK	Cuautitlan, EM	$4,339	$639	$50.86	$1.38	5
	TX	Guadalajara, JA	$5,350	$548	$60.26	$1.64	14
	NE	Penjamo, GJ	$6,395	$531	$70.77	$1.92	7
	KS	Queretaro, QA	$5,383	$370	$58.78	$1.60	2
	NE	Salinas Victoria, NL	$4,282	$386	$47.69	$1.30	2
	NE	Torreon, CU	$5,240	$437	$58.00	$1.58	6

[1]Rates 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.

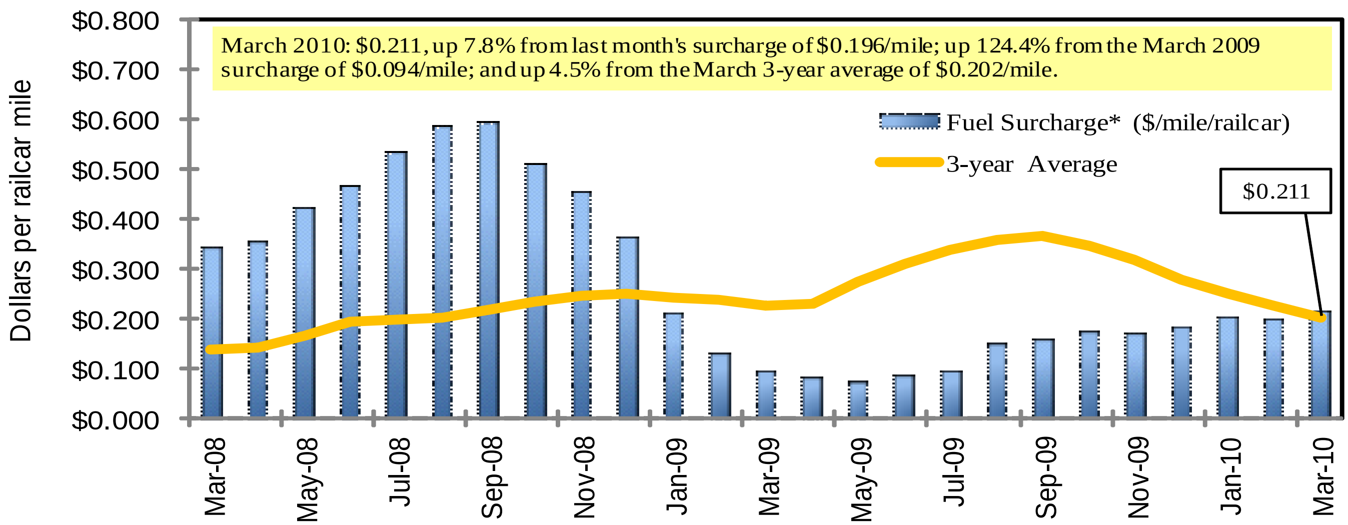
[2]Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[3]Percentage change year over year calculated using tariff rate plus fuel surchage

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

Figure 7

Railroad Fuel Surcharges, North American Weighted Average[1]



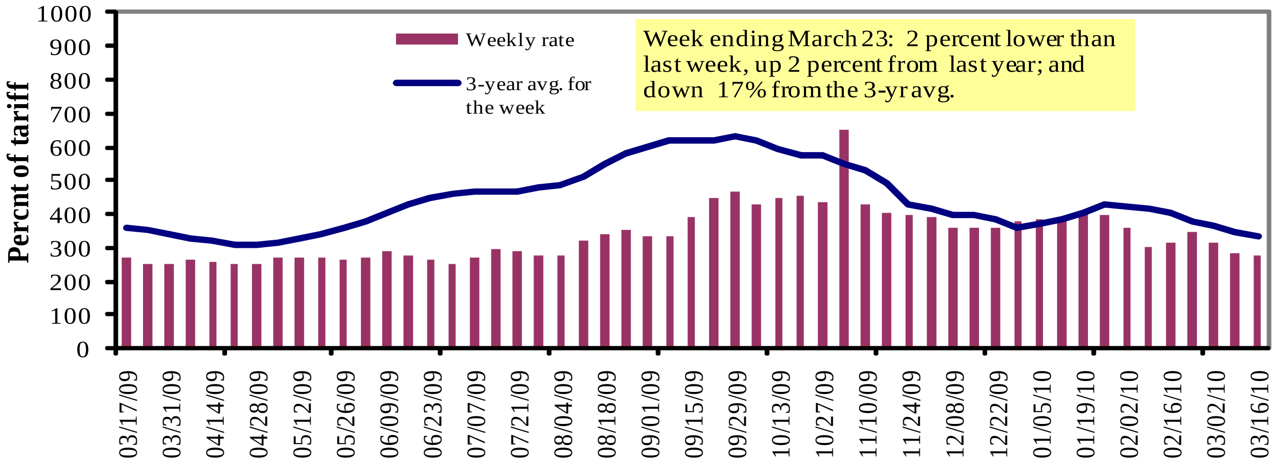
[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

Sources: www.bnsf.com, www.cn.ca, www.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Freight Rate[1,2]



[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-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
Rate[1]	3/23/2010	-	-	277	197	237	237	182
	3/16/2010	-	-	283	200	249	249	186
$/ton	3/23/2010	-	-	12.85	7.86	11.12	9.57	5.71
	3/16/2010	-	-	13.13	7.98	11.68	10.06	5.84
Current week % change from the same week:								
	Last year	-	-	2	-14	11	11	-7
	3-year avg. [2]	-	-	-17	-24	-15	-15	-21
Rate[1]	April	350	303	283	203	240	240	202
	June	348	305	297	227	273	273	225

[1]Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); [2]4-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

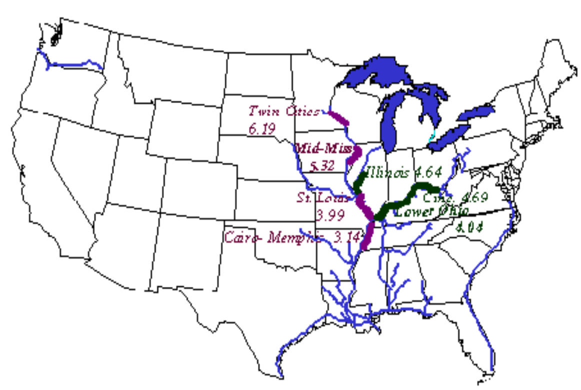
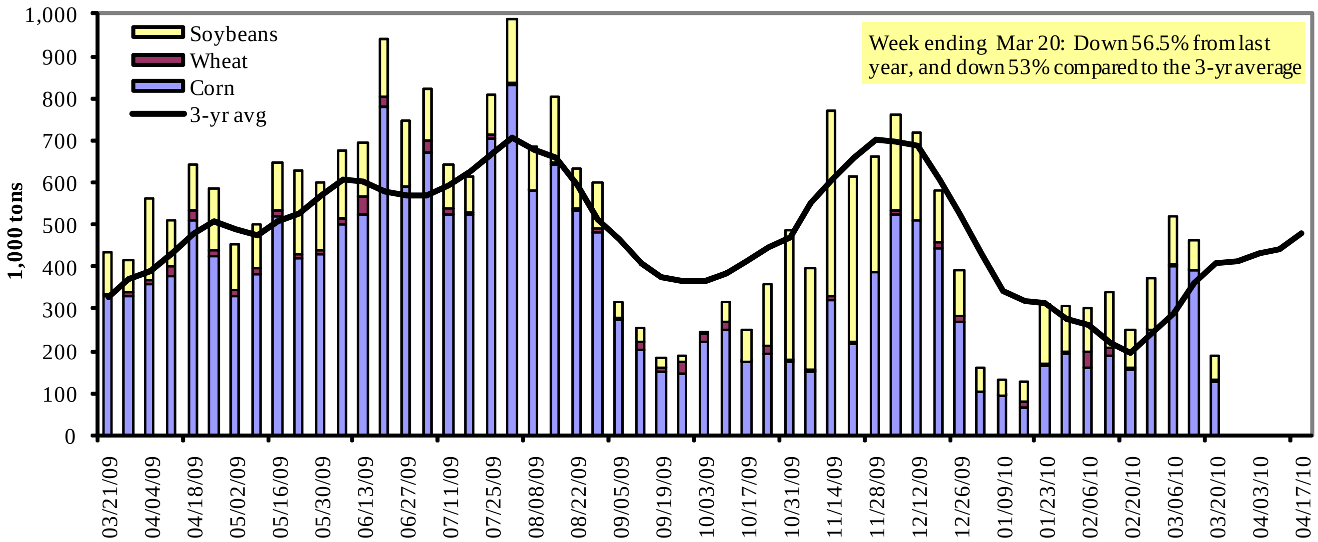


Figure 10

Barge Movements on the Mississippi River[1] (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/mvrimi/omni/webrpts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 3/20/2010	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)	127	0	44	0	171
Granite City, IL (L27)	130	2	58	0	189
Illinois River (L8)	142	0	36	0	178
Ohio River (L52)	181	8	58	2	248
Arkansas River (L1)	0	8	13	11	32
Weekly total - 2010	310	18	128	12	469
Weekly total - 2009	402	48	134	3	587
2010 YTD[1]	3,968	226	2,659	106	6,959
2009 YTD	4,319	216	2,176	63	6,774
2010 as % of 2009 YTD	92	104	122	168	103
Last 4 weeks as % of 2009[2]	94	33	89	99	90
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.

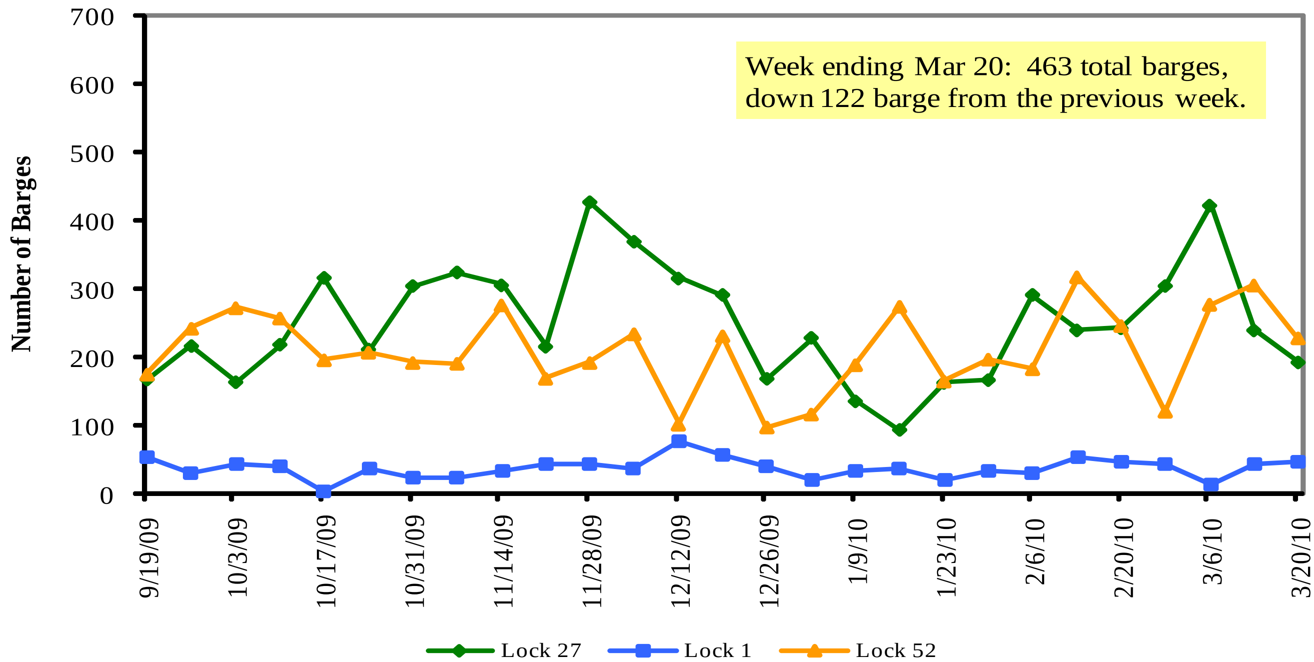
[2] As a percent of same period in 2009.

Note: Total may not add exactly, due to rounding

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

Figure 11

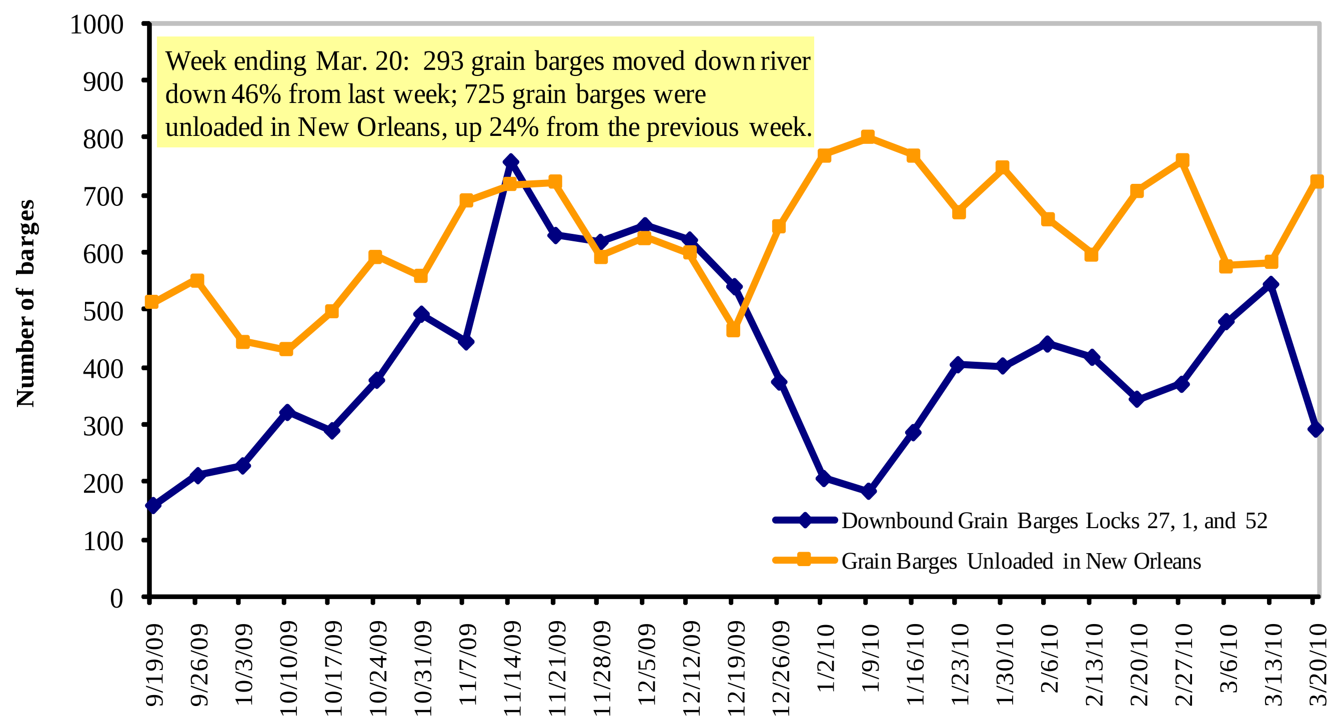
Upbound Empty Barges Transiting Mississippi River Locks 27, Arkansas River Lock and Dam 1, and Ohio River Locks and Dam 52



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 Prices[1], Week Ending 3/22/2010 (US$/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	2.973	0.025	0.807
	New England	3.032	0.014	0.989
	Central Atlantic	3.079	0.024	0.764
	Lower Atlantic	2.923	0.028	0.842
II	Midwest[2]	2.922	0.027	0.884
III	Gulf Coast[3]	2.904	0.007	0.844
IV	Rocky Mountain	2.954	0.031	0.918
V	West Coast	3.027	0.022	0.877
	California	3.072	0.007	0.943
Total	U.S.	2.946	0.022	0.856

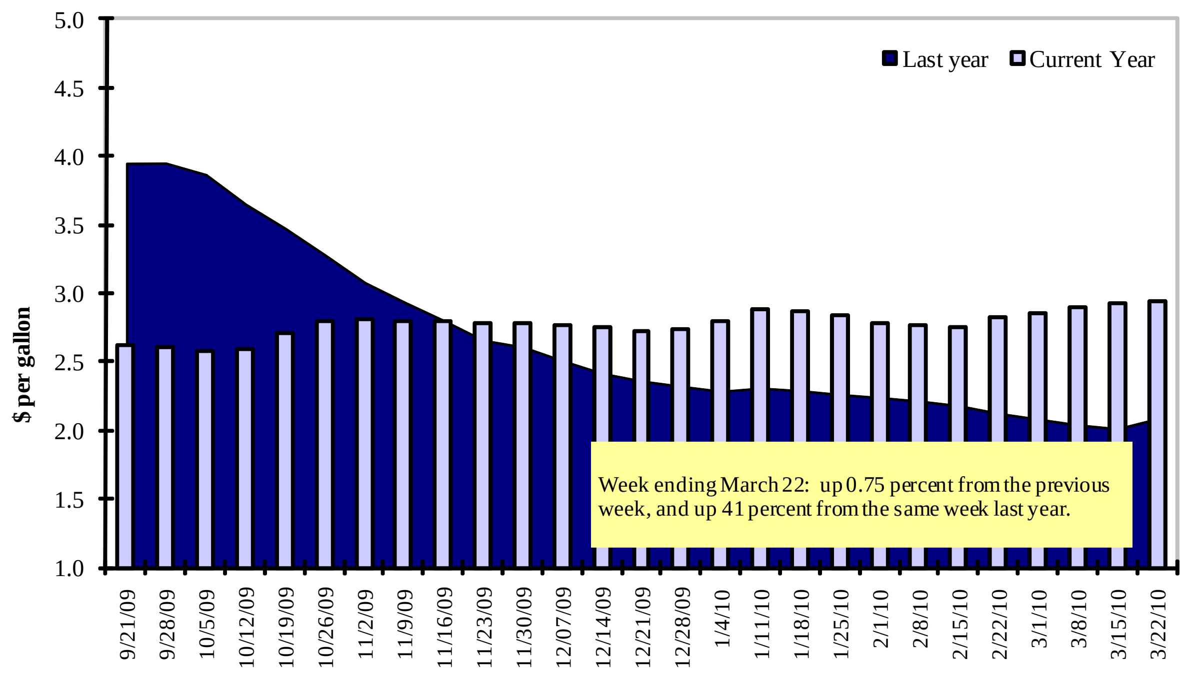
[1]Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

[2]Same as North Central [3]Same 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)

	Wheat						Corn	Soybeans	Total
Week ending	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances[1]									
3/11/2010	1,476	518	1,070	677	165	3,906	10,269	4,069	18,244
This week year ago	1,166	717	934	761	79	3,658	8,985	4,170	16,813
Cumulative exports-marketing year[2]									
2009/10 YTD	6,399	2,180	3,868	3,144	808	16,400	22,814	31,913	71,127
2008/09 YTD	9,770	4,262	4,310	2,495	360	21,197	21,540	23,899	66,636
YTD 2009/10 as % of 2008/09	65	51	90	126	224	77	106	134	107
Last 4 wks as % of same period 2008/09	135	74	108	94	235	110	120	128	120
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 Importers[1] of U.S. Corn

Week ending 03/11/10	Total Commitments[2] 2009/10 Current MY	Total Commitments[2] 2008/09 Last MY	% change current MY from last MY	Exports[3] 2008/09
	- 1,000 mt -			- 1,000 mt -
Japan	9,306	10,601	(12)	15,910
Mexico	6,387	5,618	14	7,454
Korea	4,811	2,961	62	5,129
Taiwan	2,252	2,182	3	3,198
Egypt	1,326	1,237	7	2,233
Top 5 importers	**24,082**	**22,600**	**7**	**33,924**
Total US corn export sales	**33,083**	**30,525**	**8**	**45,214**
% of Projected	69%	65%		
Change from Last Week	748	441		
Top 5 importers' share of U.S. corn export sales	73%	74%		
USDA forecast, March 2010	**48,260**	**47,180**	**2**	
Corn Use for Ethanol USDA forecast, March 2010	**109,220**	**93,396**	**17**	

(n) indicates negative number.

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

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

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

Table 14

Top 5 Importers[1] of U.S. Soybeans

Week ending 03/11/10	Total Commitments[2] 2009/10 Current MY	2008/09 Last MY	% change current MY from last MY	Exports[3] 2008/09
	- 1,000 mt -			- 1,000 mt -
China	21,709	16,391	32	18,681
Mexico	2,166	1,978	10	3,098
Japan	1,854	2,089	(11)	2,410
EU-25	2,590	2,108	23	2,180
Taiwan	1,255	1,206	4	1,592
Top 5 importers	**29,573**	**23,772**	**24**	**27,961**
Total US soybean export sales	**35,982**	**28,069**	**28**	
% of Projected	93%	80%		
Change from last week	214	143		
Top 5 importers' share of U.S. soybean export sales	82%	85%		
USDA forecast, March 2010	**38,650**	**34,930**	**11**	
Soybean Use for Biodiesel USDA forecast, March 2010	**5,275**	**4,566**	**16**	

(n) indicates negative number.

[1]Based on FAS 2006/07 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year (MY) = Sep 1 - Aug 31.

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

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

Table 15

Top 10 Importers[1] of All U.S. Wheat

Week Ending 03/11/2010	Total Commitments[2] 2009/10 Current MY	2008/09 Last MY	% change current MY from last MY	Exports[3] 2008/09
	- 1,000 mt -			- 1,000 mt -
Japan	2,750	2,854	(4)	3,103
Nigeria	3,152	2,428	30	2,661
Mexico	1,812	2,411	(25)	2,423
Egypt	456	1,853	(75)	1,928
Philippines	1,614	1,421	14	1,480
Iraq	305	1,205	(75)	1,205
Korea, South	1,046	1,112	(6)	1,127
Brazil	214	773	(72)	789
Colombia	511	746	(31)	749
Taiwan	757	615	23	714
Top 10 importers	**12,618**	**15,417**	**(18)**	**16,179**
Total US wheat export sales	**20,306**	**24,854**	**(18)**	**27,640**
% of Projected	90%	90%		
Change from last week	325	214		
Top 10 importers' share of U.S. wheat export sales	62%	62%		
USDA forecast, March 2010	**22,450**	**27,640**	**(19)**	

(n) indicates negative number.

[1]Based on FAS **2008/09** Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31

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

[3] FAS 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 03/18/10	2010 YTD[1]	2009 YTD[1]	2010 YTD as % of 2009 YTD	Last 4-weeks as % of 2009	Last 4-weeks as % of 3-yr. avg.	Total[1] 2009
Pacific Northwest							
Wheat	209	2,222	2,053	108	112	100	10,091
Corn	62	1,771	1,420	125	96	76	8,498
Soybeans	341	3,143	2,356	133	154	148	9,743
Total	**612**	**7,136**	**5,829**	**122**	**123**	**109**	**28,332**
Mississippi Gulf							
Wheat	119	758	915	83	66	61	4,019
Corn	713	5,862	5,898	99	112	94	28,843
Soybeans	444	6,836	6,150	111	125	120	21,831
Total	**1,276**	**13,456**	**12,963**	**104**	**112**	**100**	**54,693**
Texas Gulf							
Wheat	179	1,781	1,109	161	184	167	5,735
Corn	93	496	426	116	76	80	1,968
Soybeans	0	647	465	139	43	94	2,402
Total	**272**	**2,925**	**2,000**	**146**	**126**	**133**	**10,105**
Great Lakes							
Wheat	0	2	0	600	0	0	990
Corn	0	0	0	n/a	n/a	n/a	353
Soybeans	0	0	0	n/a	n/a	0	781
Total	**0**	**2**	**0**	**600**	**0**	**0**	**2,124**
Atlantic							
Wheat	0	22	84	26	0	0	552
Corn	12	94	28	338	683	100	472
Soybeans	19	497	308	162	284	331	1,268
Total	**31**	**613**	**419**	**146**	**162**	**120**	**2,292**
U.S. total from ports[2]							
Wheat	507	4,786	4,161	115	114	104	21,387
Corn	879	8,224	7,772	106	107	89	40,134
Soybeans	804	11,122	9,278	120	133	133	36,025
Total	**2,190**	**24,132**	**21,211**	**114**	**118**	**106**	**97,546**

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

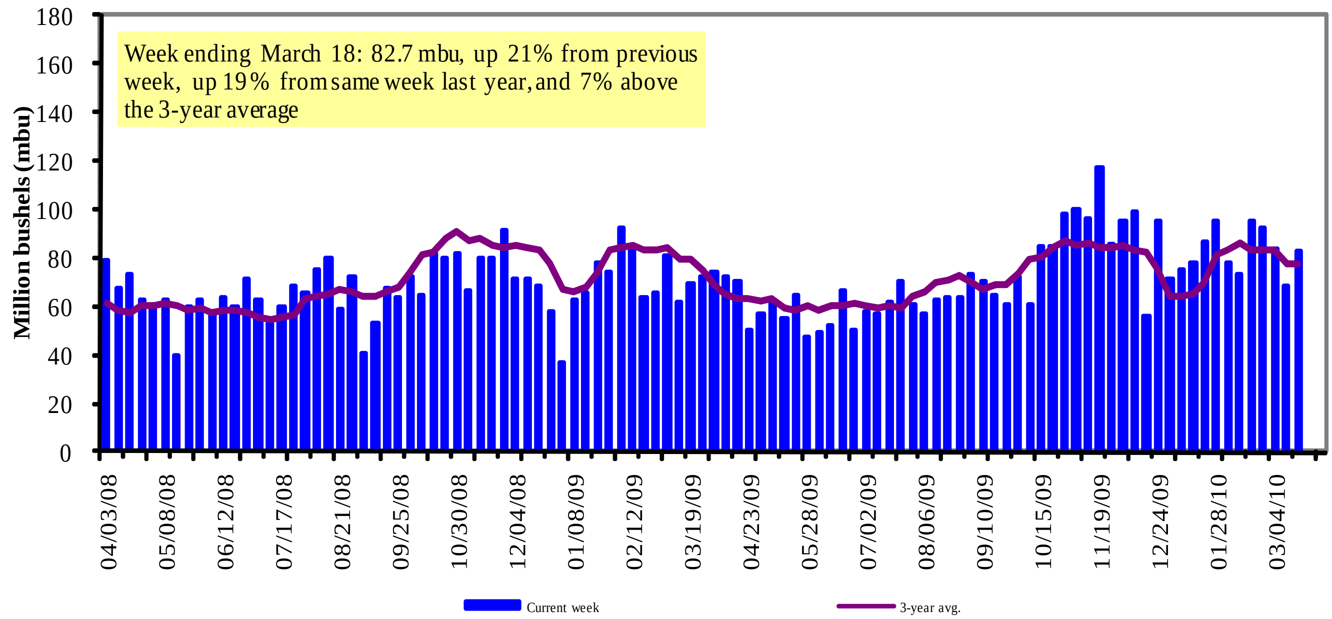
[2] Total includes only port regions shown above

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

The United States exports approximately 26 percent of the wheat, soybeans, and corn it produces. On average, this includes 50 percent of its wheat, 37 percent of its soybeans, and 18 percent of its corn.

Figure 14

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

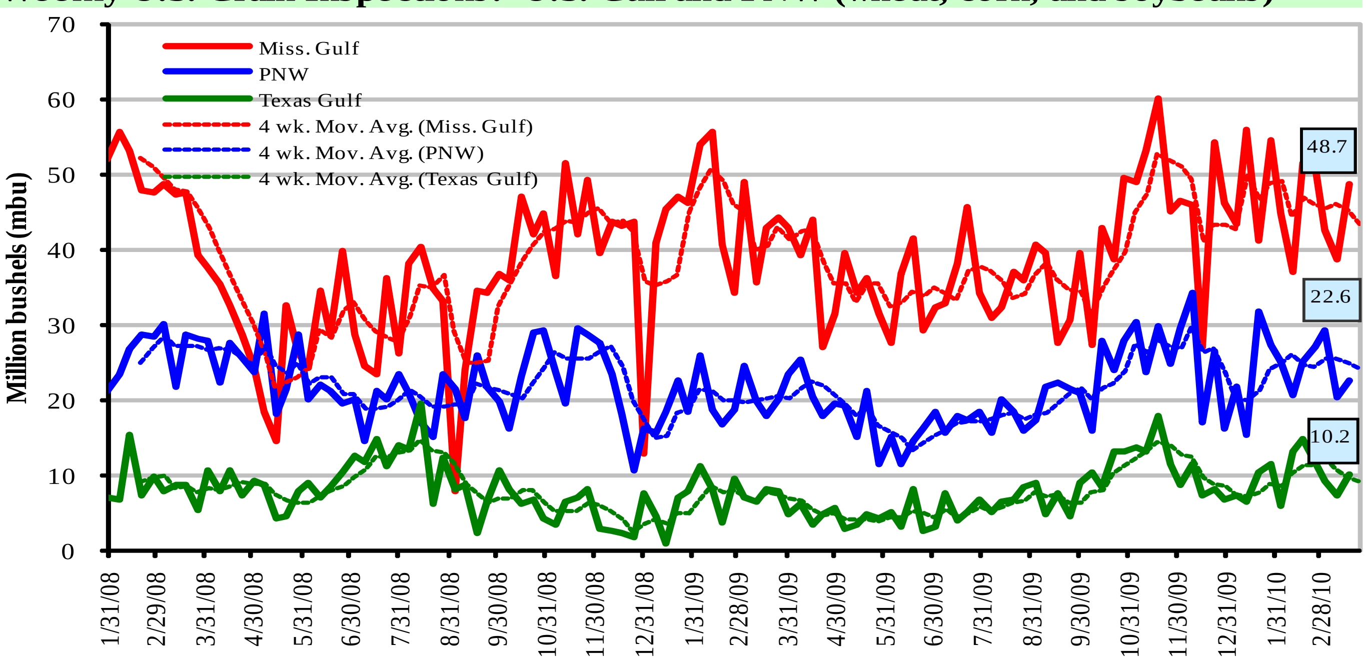


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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.

March 18, % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 26	up 38	up 28	up 10.4
Last year (same week)	up 14	up 25	up 16	up 26.3
3-yr avg. (4-wk mov. avg.)	up 7	up 39	up 11.2	up 7

Ocean Transportation

Table 17

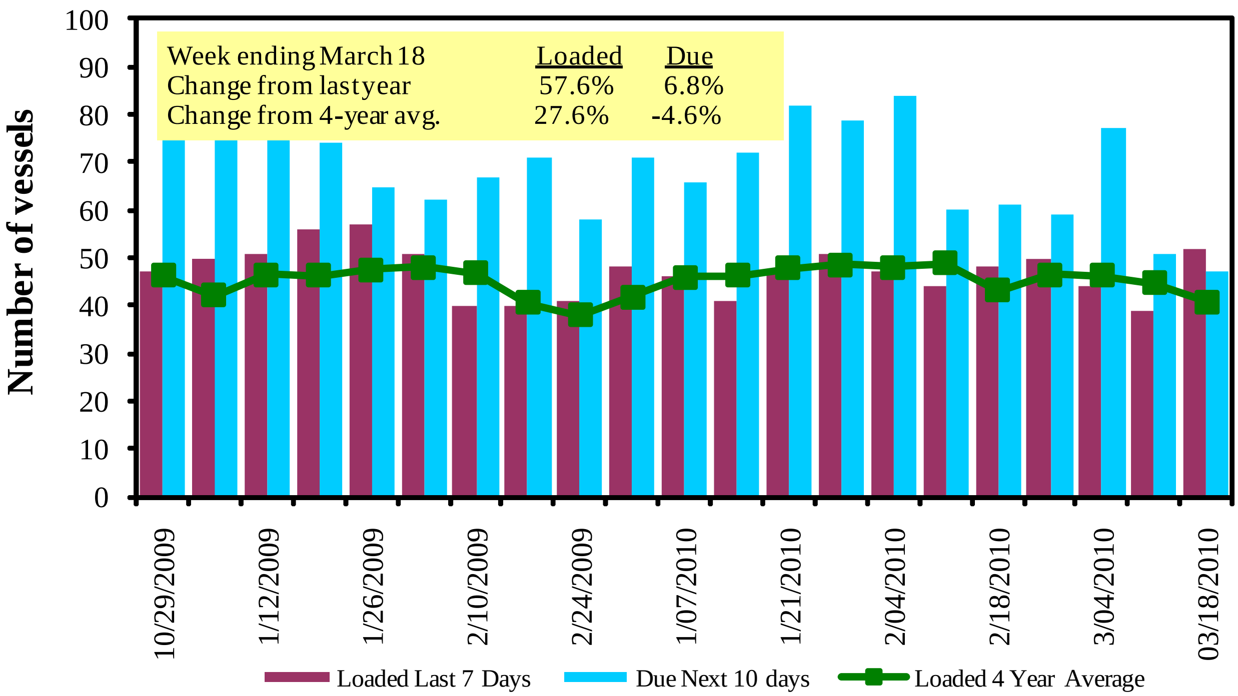
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
3/18/2010	51	52	47	5	2
3/11/2010	62	39	51	8	9
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. Gulf[1] Vessel Loading Activity

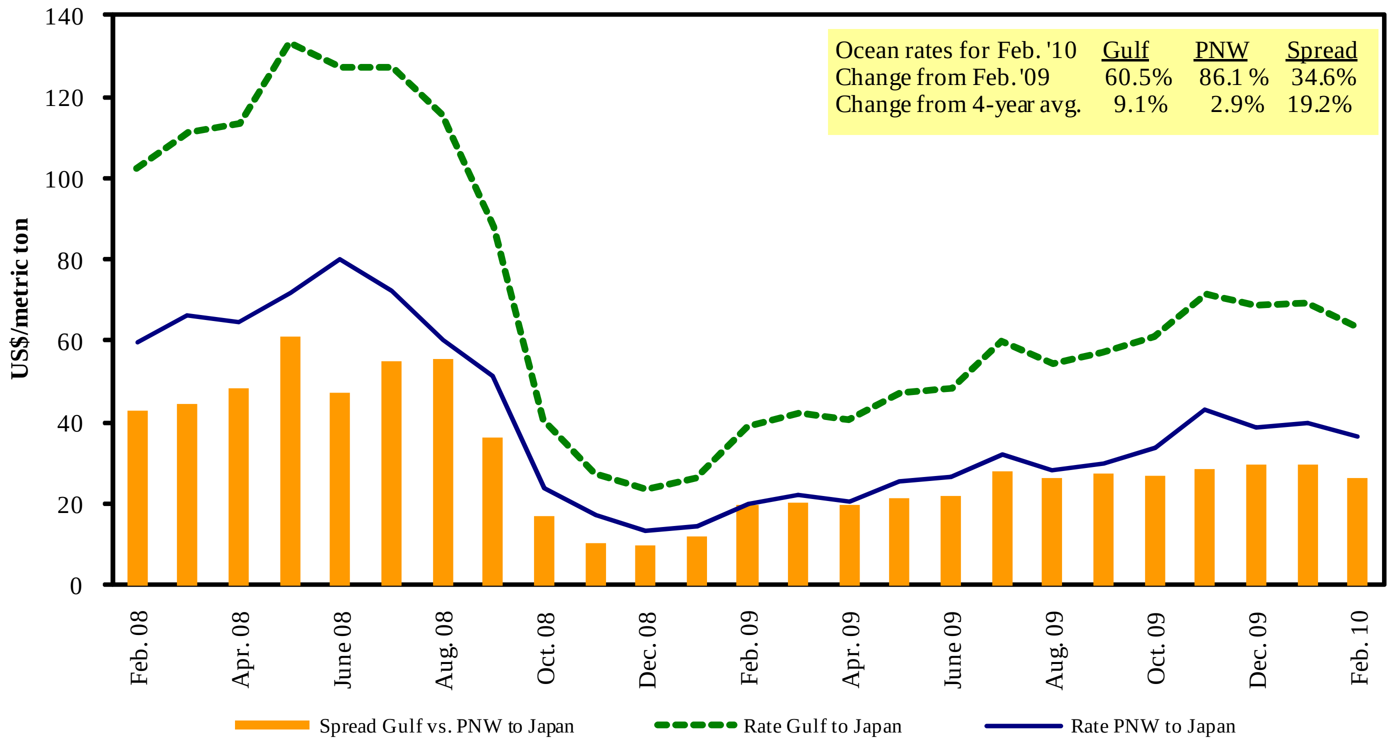


Source: Transportation & Marketing Programs/AMS/USDA

[1]U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17

Grain Vessel Rates, U.S. to Japan



Source: Drewry Shipping Consultants Ltd (www.drewry.co.uk)/O'Neil Commodity Consulting

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 3/20/2010

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Atlantic	Poland	Soybeans	Mar 9/15	24,000	50.00
U.S. Gulf	Morocco	Wheat	Mar 15/25	30,000	46.00
U.S. Gulf	Morocco	Wheat	Feb 25/28	30,000	41.00
U.S. Gulf	Morocco	Wheat	Feb 8/10	25,000	46.00
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
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	Hvy Grain	Jan 15/20	28,500	28.25
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

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

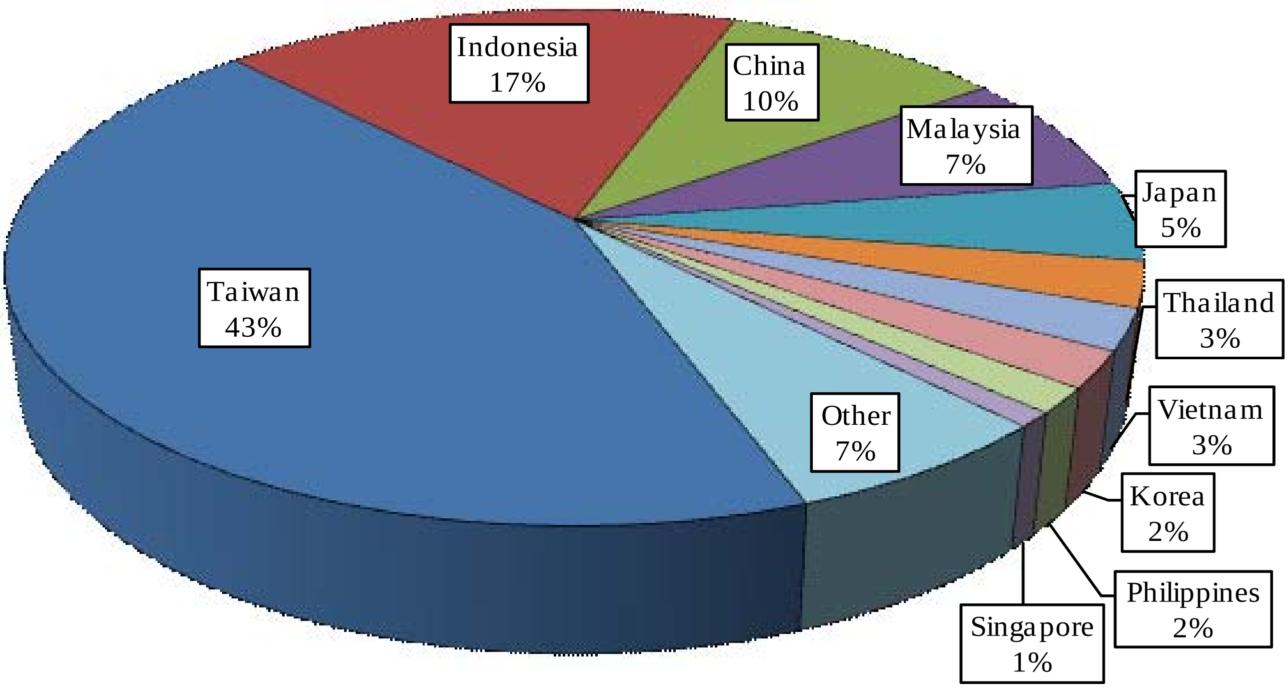
[1]75 percent of food aid from the United States is required to be shipped on U.S.-flag vessels.

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

In 2009, containers were used to transport 5 percent of total waterborne grain exports, and 6 percent of U.S. grain exports to Asia.

Figure 18

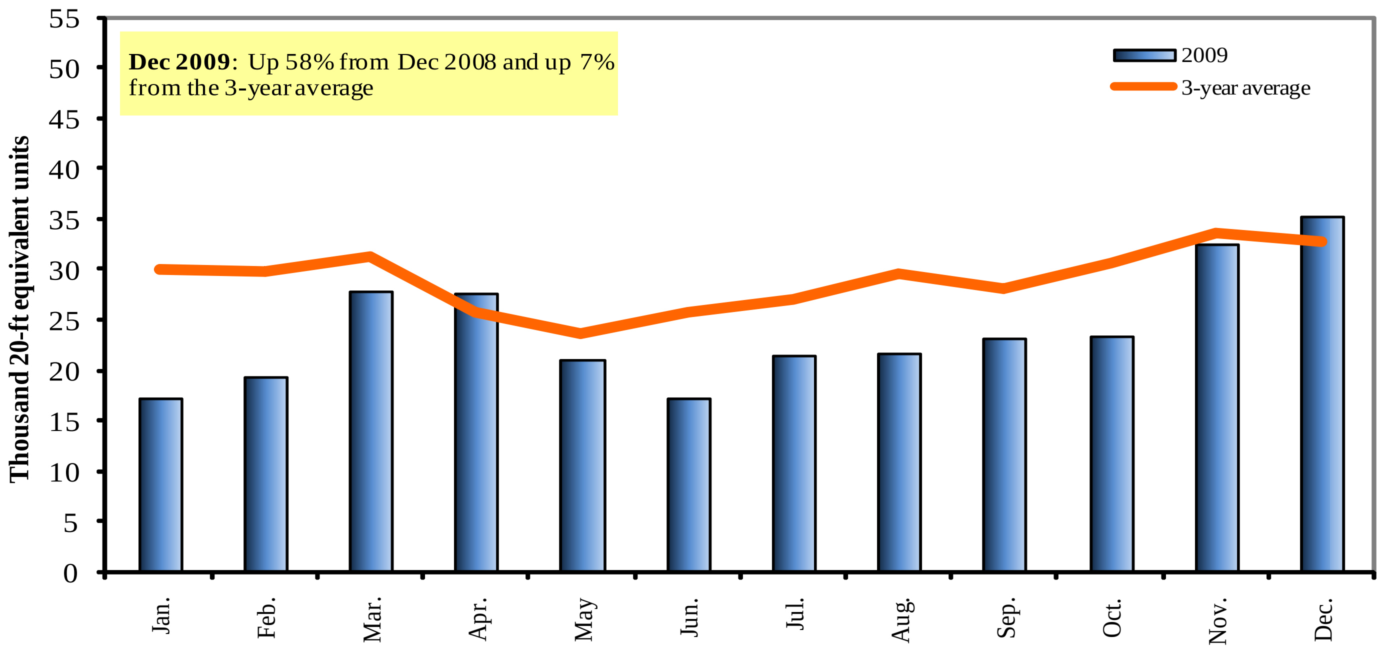
Top 10 Destination Markets for U.S. Containerized Grain Exports, December 2009



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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