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WEEKLY HIGHLIGHTS

USDA Releases Rural Transportation Study

On April 27, USDA released to Congress the *Study of Rural Transportation Issues*. The study was mandated by the 2008 Farm Bill and covers the four major modes of transportation commonly used by agriculture in the United States—truck, rail, barge, and ocean vessel. The full report can be viewed at USDA's website:

<http://www.ams.usda.gov/AMSV1.0/RuralTransportationStudy>. See also this week's [feature article](#).

Early Corn Planting Progress Could Impact Fall Grain Transportation

Favorable weather has allowed corn plantings to progress far ahead of the five-year average. As of April 25, 50 percent of U.S. corn crop has been planted; the average at this time of the year is 22 percent. Illinois corn is 73 percent planted, compared to an average of 28 percent. Last year at this time, only 4 percent of Illinois corn had been planted. Iowa, Indiana, and Minnesota are all over 40 percentage points ahead of the average planting pace. Barge operators have indicated that the early planting and subsequent early harvest could shift peak grain movements to the September–October period instead of October–November. The earlier harvest could help barge operators move more grain before the December closure of the Upper Mississippi River. Railroads are also interested in the corn planting pace in order to pre-position grain cars for a possible early harvest.

Grain Shippers Give Mixed Ratings to Railroads in STC Survey

On April 23, the Soy Transportation Coalition (STC) released the results of its first annual survey of grain shippers utilizing Class 1 railroads. Leading U.S. grain and oilseed shippers anonymously provided responses about the nation's largest railroads. BNSF Railway received the overall highest customer satisfaction rating. Union Pacific (UP) came in second. Canadian Pacific and Canadian National received the lowest ratings. Five of the Class I carriers were commended for their performance in a number of areas, particularly customer service and responsiveness. However, the respondents indicated that accessorial charges, such as those for demurrage and car storage, were more of an effort to generate additional revenue rather than used for the stated purposes. Respondents also expressed concerns that railroads do not provide adequate notification when rate increases occur. The survey results can be viewed at www.soytransportation.org.

Grain Inspections Lowest Since January 2009

For the week ending April 22, [total inspections of grain](#) (corn, wheat, and soybeans) from major U.S. export regions reached 1.15 million metric tons (mmt). This is down 30 percent from the past week and 13 percent below last year, and the lowest since January 1, 2009 (.973 mmt). The Mississippi Gulf and Pacific Northwest had sizeable decreases in inspections, 33 and 41 percent below the previous week. The huge 61 percent drop in soybean inspections could be due to the current active U.S. corn planting season and the peak of the South American harvest. Total wheat inspections decreased 44 percent from the past week as shipments to Asia and Mexico declined. Recent increases in corn export sales indicate that inspections may soon rebound.

Snapshots by Sector

Rail

U.S. Railroads originated 21,100 [carloads of grain](#) during the week ending April 17, up 4 percent from last week, up 12 percent from the same week last year, and 3 percent lower than the 3-year average.

During the week ending April 24, average May [secondary railcar bids/offers](#) were \$11 below tariff for non-shuttle, \$2 higher than last week. Shuttle rates were \$196 below tariff, \$11 higher than last week.

Ocean

During the week ending April 22, 32 [ocean-going grain vessels](#) were loaded in the Gulf, unchanged from last year. Forty-four vessels are expected to be loaded in the U.S. Gulf within the next 10 days, up 19 percent from last year.

During the week ending April 23, the cost of shipping grain from the Gulf to Japan averaged \$69 per mt, down 1 percent from the previous week. The rate from the Pacific Northwest to Japan was \$39 per mt, down 5 percent from the previous week.

Barge

During the week ending April 24, [barge grain movements](#) totaled 609,504 tons, 21 percent higher than the previous week but 21 percent lower than the same period last year.

Fuel

During the week ending April 26, U.S. average [diesel fuel prices](#) increased 1 cent to \$3.08 per gallon—0.13 percent higher than the previous week and 40 percent higher than the same week last year.

Feature Article/Calendar

USDA Releases a Major Report on Agricultural Transportation

On April 27, 2010, The U.S. Department of Agriculture released to Congress a comprehensive report on agricultural transportation in the United States. The report titled, *Study of Rural Transportation Issues*, was mandated by the 2008 Farm Bill and covers the four major modes of transportation commonly used by agriculture in the United States—truck, rail, barge, and ocean vessel. This article is designed to familiarize readers with the report. The full report can be viewed at <http://www.ams.usda.gov/AMSV1.0/RuralTransportationStudy>.

The Importance of Freight Transportation to Agriculture

- Transportation is critical to U.S. agriculture
- Agriculture is the largest user of freight transportation in the U.S., claiming 31 percent of all ton-miles in 2007
- In the past 5 years, half our wheat, over a third of our soybeans, and over a sixth of our corn was exported
- As the world grows, the demand for high-quality food rises, increasing America's need for transportation

Rail Transportation

The study found that the level of rail-to-rail competition for grains and oilseeds decreased significantly between 1992 and 2007. Almost 75 percent of the crop reporting districts (CRDs) in the United States lost rail competition from 1992 to 2007. In the same time period, the CRDs in which a railroad had a monopoly in transporting grain and oilseeds increased from 10 percent to 15 percent. At the same time, railroad profitability, as measured by the revenue-to-variable-cost ratio, increased in 83 percent of the CRDs.

Railroad rates have increased significantly since 2004, adding to railroad profitability. The increased rates were due in part to rail capacity constraints and the associated need for additional investment in locomotives, freight cars, rail lines, and switching yards. The increase in rates has also been a response to the quickly rising costs since 2004. Railroad fuel surcharges recovered more than the additional cost of fuel, boosting railroad profits. From 2001 to 2007, the study reports that quarterly fuel surcharges ranged from 55 to 137 percent higher than the incremental increase in the cost of fuel.

Barge Transportation

For shippers near inland waterways, barges offer a low-cost transportation alternative for moving their crops and fertilizer. The report examines the importance of the Upper Mississippi River and Illinois Waterway to agriculture. The river system relies on locks and dams, which are aging but generally reliable. As locks age, however, repairs and maintenance become more extensive and expensive. The balance of the Inland Waterways Trust Fund, which finances 50 percent of most of the capital costs of the inland waterways, has been declining since 2002 because expenditures have increased and revenues have declined, indicating a growing gap between the two. It is unclear how the funding will be provided. The lack of a clear path forward on funding is of significant concern to farmers that depend on the inland waterways to move their crops to market. The funding to maintain and rehabilitate the existing infrastructure needs to remain a priority.

Ocean Transportation

Overseas agricultural movements use both bulk and containerized ocean transportation extensively. In calendar year 2009, U.S. waterborne agricultural exports totaled 145 million metric tons, with 20 percent moved in containers. Transportation by bulk vessel is the least expensive shipping method; however, market conditions can shift products between modes. More than half of U.S. agricultural exports by value move in marine shipping containers. Containerized agricultural shippers report that container availability and vessel capacity are the greatest challenges facing their business. The recent decline in import cargo reduced the availability of containers for export cargo, resulting in lost sales and unreliable service to overseas buyers.

Truck Transportation

Trucks carry 70 percent of agricultural tonnage and are the first and last movements in the supply chain. Trucking is highly competitive, keeping rates low. The 100 air-mile agricultural exemption to the driver hours of service rules is important because of agriculture's seasonal needs for moving large quantities of farm supplies and agricultural commodities during planting and harvest.

Farm products are heavy, bulky, and of relatively low value. Thus, transportation is a large component of their final price. Many agricultural stakeholders would like to see a limit of 97,000 pounds with a sixth axle on Interstates. Increasing allowable weight without a sixth axle would increase pavement maintenance costs, requiring more revenue for maintaining the highways. Existing bridge design capacities may not permit heavier loadings without significantly shortening bridge lives, increasing the required investment in highways.

Biofuels Transportation

Ethanol production reached 9.3 billion gallons in 2008. The RFS-2 goals project biofuel use at 36 billion gallons by 2022—a very brief time in which to develop the distribution infrastructure. EPA estimates that 40 unit-train destinations will be needed by 2022. Additional unit-train destinations would create more ethanol corridors on the rail network, preventing congestion points that could develop with increased biofuel shipments. The future transportation needs will be influenced by the location of feedstocks, as well as the type of advanced biofuels produced.

Conclusion

The report intends to educate and inform policymakers and agricultural industry stakeholders. It provides relevant background and a current reference point for discussion of the issues facing agricultural transportation today. The report examines some of the major issues facing agricultural transportation, including: the dramatic effect of deregulation on the rail industry, a growing gap for funding the inland waterways and highway systems, availability of containers and ocean vessel capacity, and the infrastructure that may be needed to support a projected increase in biofuel transportation. GTRContactUs@ams.usda.gov

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators¹

Week ending	Truck	Rail ²	Barge	Ocean	
				Gulf	Pacific
04/28/10	207	84	171	309	277
04/21/10	206	82	153	313	291

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)

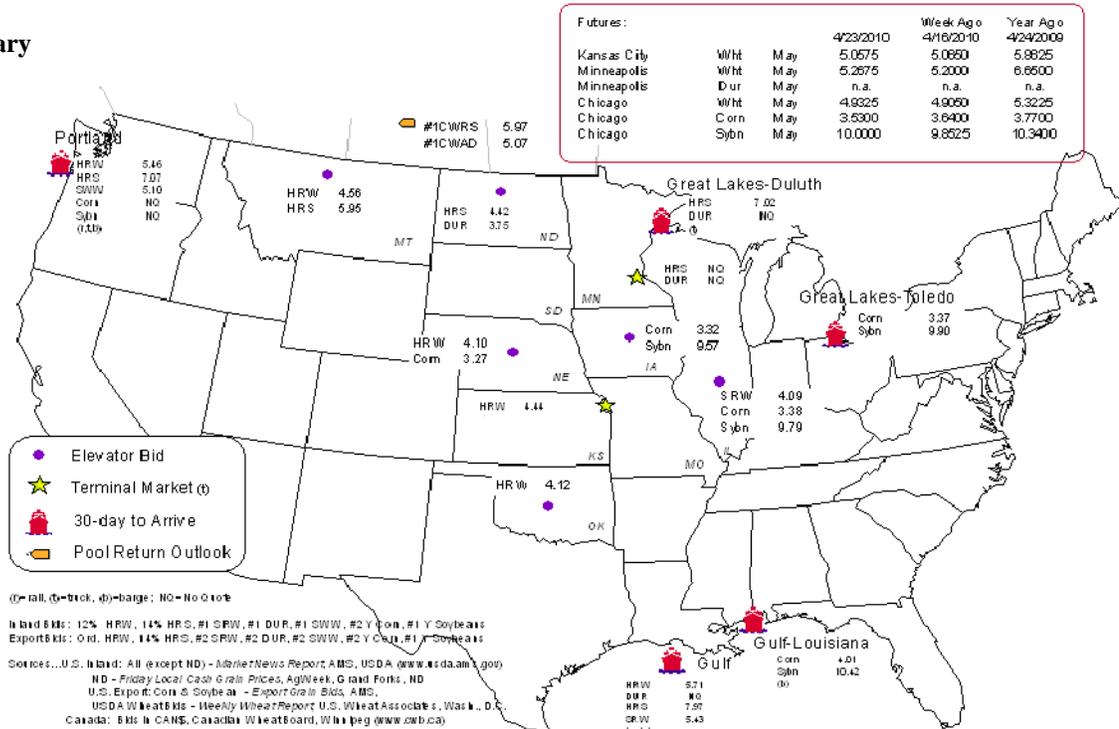
Commodity	Origin--Destination	4/23/2010	4/16/2010
Corn	IL--Gulf	-0.63	-0.63
Corn	NE--Gulf	-0.74	-0.75
Soybean	IA--Gulf	-0.85	-0.82
HRW	KS--Gulf	-1.27	-0.82
HRS	ND--Portland	-2.65	-1.50

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		Cross-Border	Pacific	Atlantic &	Total
	Gulf	Texas Gulf	Mexico	Northwest	East Gulf	
4/21/2010 ^p	100	714	1,243	3,320	454	5,831
4/14/2010 ^r	222	928	1,300	3,263	444	6,157
2010 YTD	6,508	23,943	14,780	54,650	15,448	115,329
2009 YTD	11,787	14,976	12,798	55,962	9,764	105,287
2010 YTD as % of 2009 YTD	55	160	115	98	158	110
Last 4 weeks as % of 2009 ²	61	178	144	88	104	106
Last 4 weeks as % of 4-year avg. ²	17	76	110	73	105	73
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.

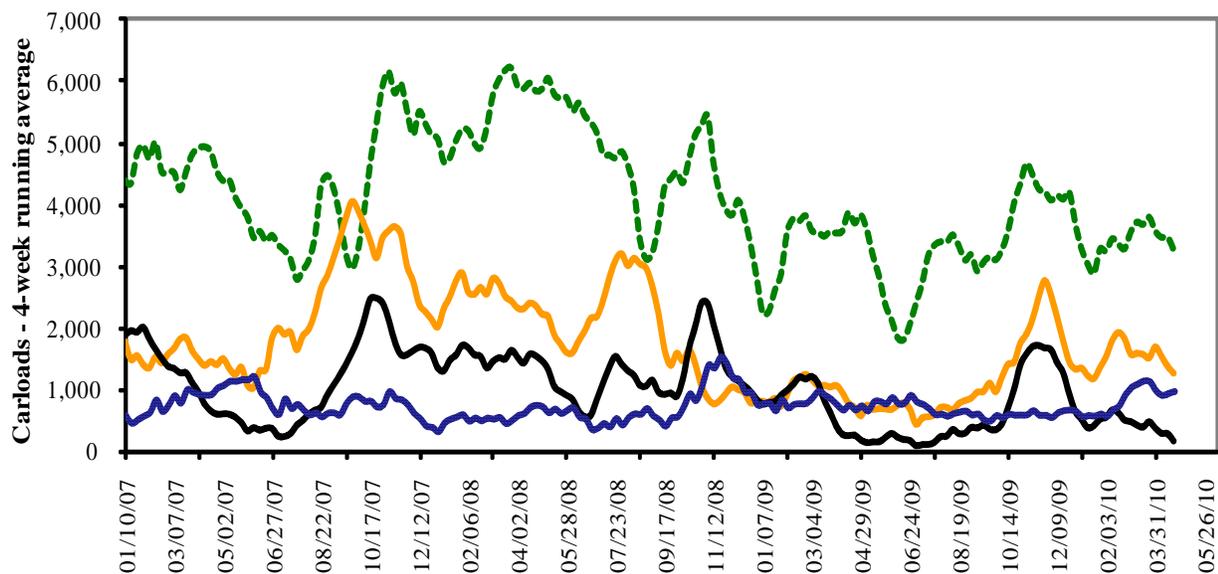
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

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



--- Pacific Northwest: 4 Wks. ending 4/21-- down 12% from same period last year; down 27% from 4-year average
--- Texas Gulf: 4 wks. ending 4/21-- up 78% from same period last year; down 24% from 4-year average
--- Miss. River: 4 wks. ending 4/21 -- down 39% from same period last year; down 83% from 4-year average
--- Cross-border Mexico: 4 wks. ending 4/21 -- up 44% from same period last year; up 10% from 4-year average

Source: Transportation & Marketing Programs/AMS/USDA

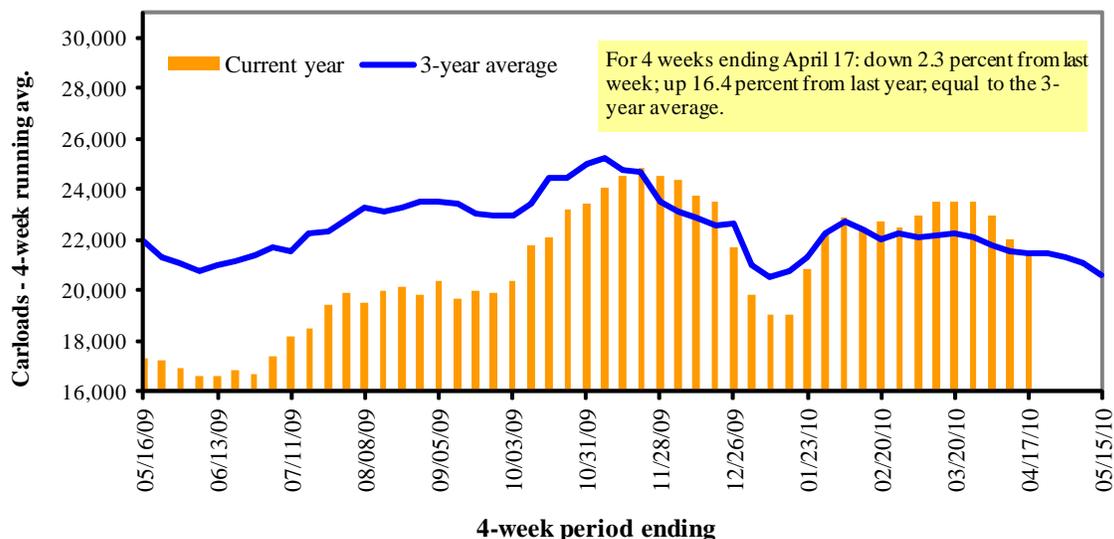
Table 4

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
04/17/10	1,476	2,613	10,257	688	6,066	21,100	4,213	5,553
This week last year	2,066	2,427	8,915	786	4,572	18,766	3,915	5,007
2010 YTD	34,564	45,379	161,753	11,586	82,885	336,167	61,405	79,359
2009 YTD	35,253	37,951	135,551	10,558	72,448	291,761	63,180	80,485
2010 YTD as % of 2009 YTD	98	120	119	110	114	115	97	99
Last 4 weeks as % of 2009 ¹	90	119	124	113	115	116	106	106
Last 4 weeks as % of 3-yr avg. ¹	74	103	106	119	99	100	93	114
Total 2009	105,278	142,254	483,618	36,912	268,811	1,036,873	200,871	278,997

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							
	May-10	May-09	Jun-10	Jun-09	Jul-10	Jul-09	Aug-10	Aug-09
BNSF ³								
COT grain units	0	no offer	0	no bids	no bids	no bids	0	0
COT grain single-car ⁵	0..12	no offer	0..1	no bids	0..1	0	0..4	2..3
UP ⁴								
GCAS/Region 1	no bids	no bids	no bids	no bids	no bids	no bids	n/a	no offer
GCAS/Region 2	no bids	no bids	no bids	no bids	no bids	no bids	n/a	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.

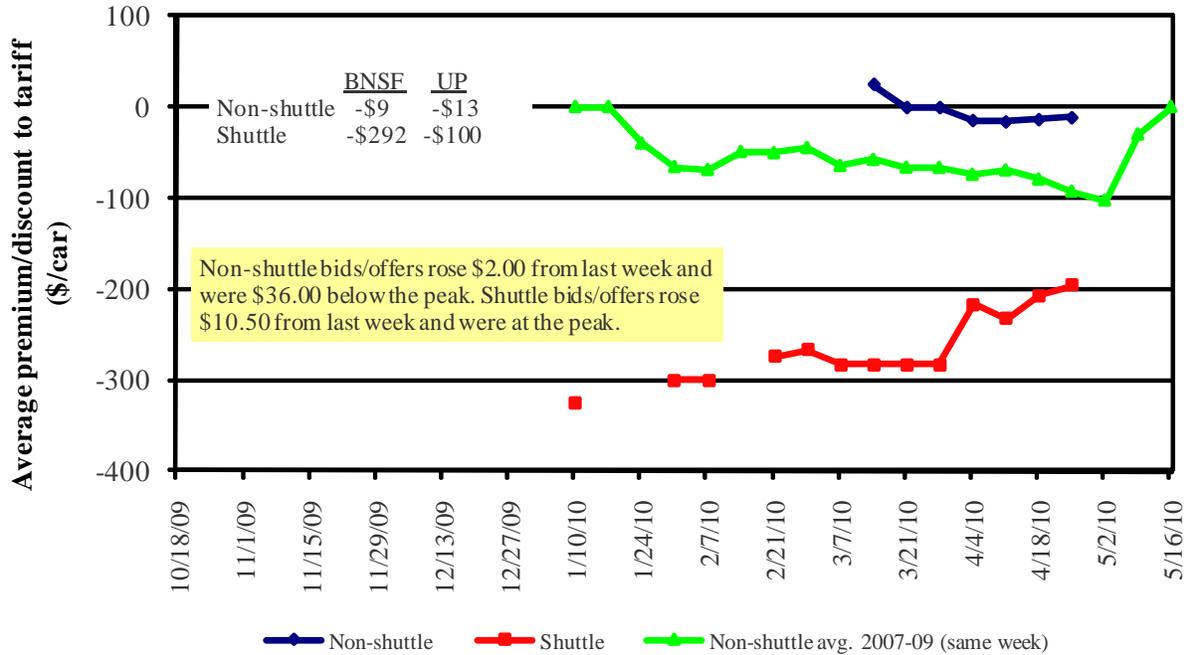
⁵Range is shown because average is not available. Not available = n/a.

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 May 2010, Secondary Market

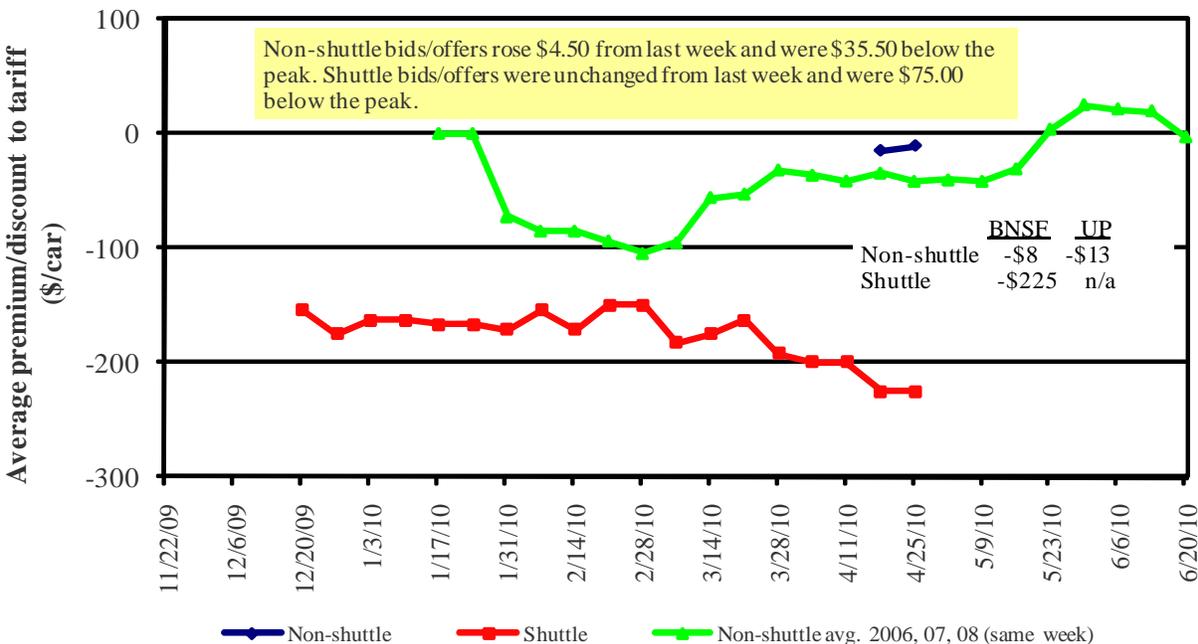


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

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

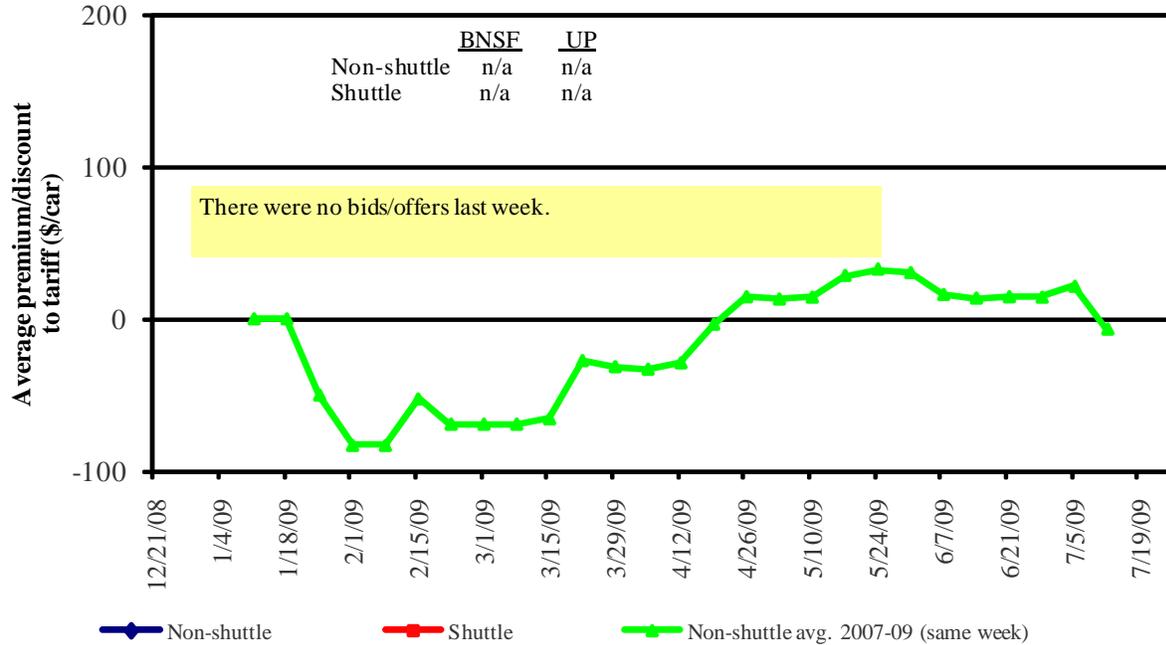


Non-shuttle bids include unit-train and single-car bids. n/a = not available.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in July 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						
	4/24/2010	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10
Non-shuttle							
BNSF-GF		-9	-8	n/a	n/a	n/a	n/a
Change from last week		4	n/a	n/a	n/a	n/a	n/a
Change from same week 2009		18	1	n/a	n/a	n/a	n/a
UP-Pool		-13	-13	n/a	n/a	n/a	n/a
Change from last week		0	2	n/a	n/a	n/a	n/a
Change from same week 2009		5	-3	n/a	n/a	n/a	n/a
Shuttle²							
BNSF-GF		-292	-225	n/a	n/a	n/a	350
Change from last week		-4	0	n/a	n/a	n/a	0
Change from same week 2009		33	n/a	n/a	n/a	n/a	200
UP-Pool		-100	n/a	n/a	n/a	n/a	n/a
Change from last week		25	n/a	n/a	n/a	n/a	n/a
Change from same week 2009		250	n/a	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:			Tariff	Fuel	Tariff plus surcharge per:		Percent
4/1/2010	Origin region	Destination region	rate/car	surcharge per car	metric ton	bushel ²	change Y/Y ³
<u>Unit train¹</u>							
Wheat	Chicago, IL	Albany, NY	\$2,622	\$125	\$30.28	\$0.82	9
	Kansas City, MO	Galveston, TX	\$2,753	\$116	\$31.62	\$0.86	13
	South Central, KS	Galveston, TX	\$3,655	\$274	\$43.31	\$1.18	10
	Minneapolis, MN	Houston, TX	\$3,799	\$555	\$47.99	\$1.31	12
	St. Louis, MO	Houston, TX	\$3,565	\$112	\$40.53	\$1.10	11
	South Central, ND	Houston, TX	\$5,478	\$617	\$67.18	\$1.83	8
	Minneapolis, MN	Portland, OR	\$4,200	\$674	\$53.72	\$1.46	12
	South Central, ND	Portland, OR	\$4,200	\$553	\$52.40	\$1.43	11
	Northwest, KS	Portland, OR	\$5,100	\$737	\$64.34	\$1.75	10
	Chicago, IL	Richmond, VA	\$2,834	\$175	\$33.17	\$0.90	16
Corn	Chicago, IL	Baton Rouge, LA	\$2,925	\$142	\$33.80	\$0.86	-2
	Council Bluffs, IA	Baton Rouge, LA	\$3,020	\$151	\$34.96	\$0.89	-2
	Kansas City, MO	Dalhart, TX	\$3,284	\$200	\$38.40	\$0.98	2
	Minneapolis, MN	Portland, OR	\$3,609	\$674	\$47.21	\$1.20	7
	Evansville, IN	Raleigh, NC	\$3,204	\$171	\$37.20	\$0.95	11
	Columbus, OH	Raleigh, NC	\$3,093	\$150	\$35.75	\$0.91	11
	Council Bluffs, IA	Stockton, CA	\$4,900	\$728	\$62.04	\$1.58	-4
Soybeans	Chicago, IL	Baton Rouge, LA	\$3,178	\$142	\$36.59	\$1.00	4
	Council Bluffs, IA	Baton Rouge, LA	\$3,192	\$151	\$36.85	\$1.00	5
	Minneapolis, MN	Portland, OR	\$4,110	\$674	\$52.73	\$1.44	0
	Evansville, IN	Raleigh, NC	\$3,204	\$171	\$37.20	\$1.01	11
	Chicago, IL	Raleigh, NC	\$3,804	\$213	\$44.28	\$1.21	10
<u>Shuttle Train</u>							
Wheat	St. Louis, MO	Houston, TX	\$2,867	\$112	\$32.84	\$0.89	13
	Minneapolis, MN	Portland, OR	\$3,700	\$674	\$48.21	\$1.31	11
Corn	Fremont, NE	Houston, TX	\$2,520	\$408	\$32.27	\$0.82	6
	Minneapolis, MN	Portland, OR	\$3,528	\$674	\$46.32	\$1.18	12
Soybeans	Council Bluffs, IA	Houston, TX	\$2,787	\$395	\$35.08	\$0.95	5
	Minneapolis, MN	Portland, OR	\$3,774	\$674	\$49.03	\$1.33	14

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: 4/5/2010

Commodity	Origin state	Destination region	Tariff rate/car ¹	Fuel surcharge per car	Tariff plus surcharge per:		Percent change Y/Y ³
					metric ton	bushel ²	
Wheat	MT	Chihuahua, CI	\$6,291	\$627	\$70.69	\$1.92	10
	OK	Cuautitlan, EM	\$5,726	\$477	\$63.38	\$1.72	11
	KS	Guadalajara, JA	\$6,196	\$489	\$68.30	\$1.86	10
	TX	Salinas Victoria, NL	\$3,154	\$155	\$33.81	\$0.92	9
Corn	IA	Guadalajara, JA	\$6,670	\$568	\$73.95	\$2.01	9
	SD	Penjamo, GJ	\$6,440	\$821	\$74.19	\$2.02	7
	NE	Queretaro, QA	\$6,130	\$461	\$67.35	\$1.83	4
	SD	Salinas Victoria, NL	\$4,570	\$624	\$53.07	\$1.44	1
	MO	Tlalnepantla, EM	\$5,318	\$449	\$58.92	\$1.60	5
	SD	Torreon, CU	\$5,330	\$687	\$61.48	\$1.67	5
Soybeans	MO	Bojay (Tula), HG	\$6,016	\$488	\$66.46	\$1.81	8
	NE	Guadalajara, JA	\$6,550	\$559	\$72.64	\$1.97	10
	IA	Penjamo (Celaya), GJ	\$6,590	\$815	\$75.67	\$2.06	13
	KS	Torreon, CU	\$5,205	\$368	\$56.94	\$1.55	7
Sorghum	OK	Cuautitlan, EM	\$4,339	\$623	\$50.70	\$1.38	6
	TX	Guadalajara, JA	\$5,350	\$534	\$60.12	\$1.63	15
	NE	Penjamo, GJ	\$6,395	\$511	\$70.57	\$1.92	7
	KS	Queretaro, QA	\$5,398	\$356	\$58.79	\$1.60	3
	NE	Salinas Victoria, NL	\$4,282	\$372	\$47.55	\$1.29	2
	NE	Torreon, CU	\$5,240	\$421	\$57.84	\$1.57	6

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.

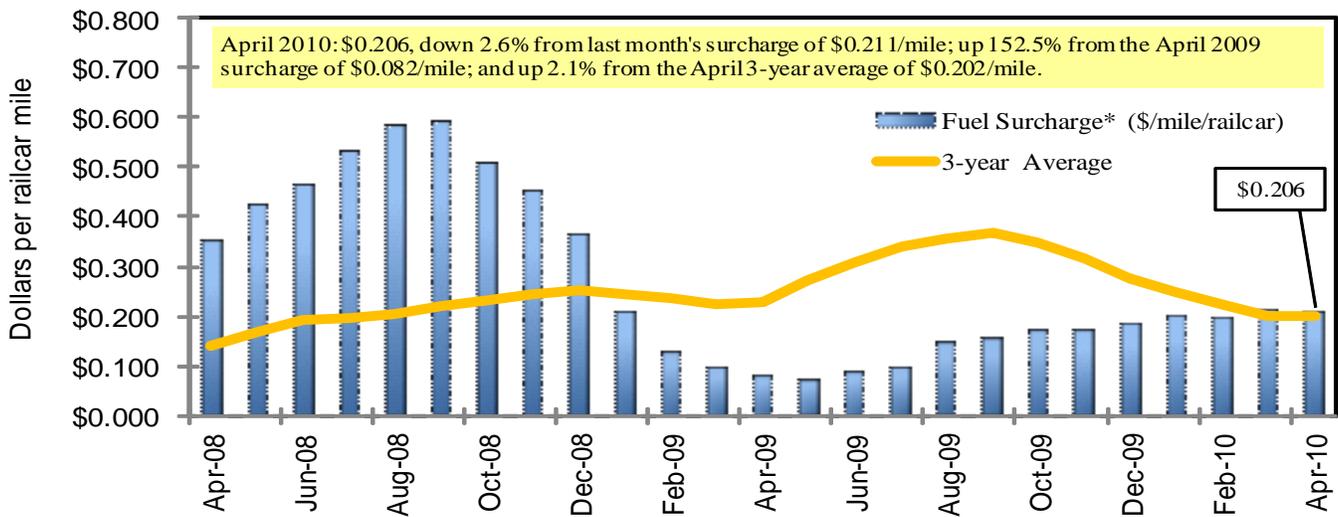
²Approximate load per car = 97.87 metric tons: Corn & Sorghum 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

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.

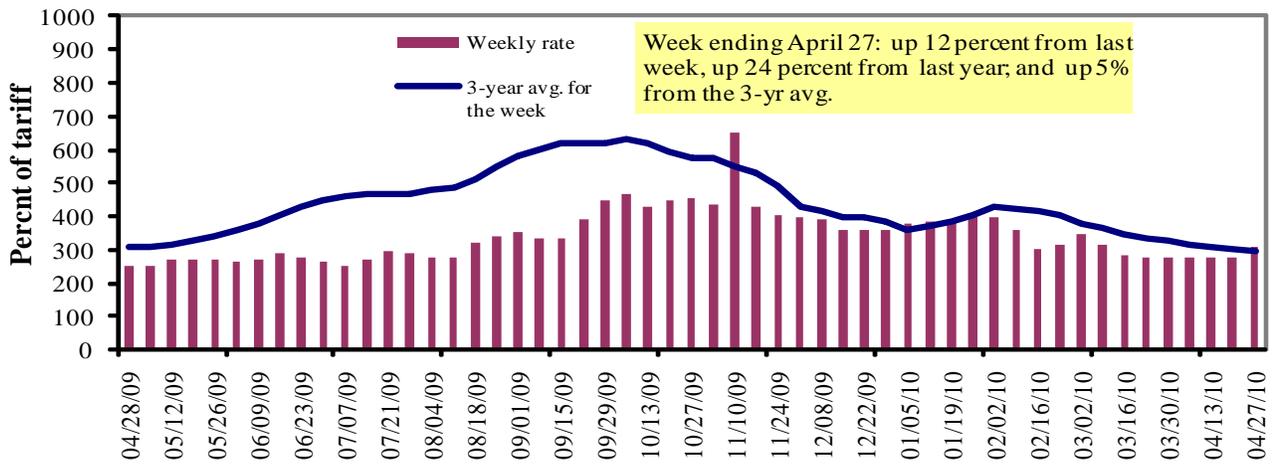
* Mileage-based fuel surcharges for March and April 2007 are estimated. Beginning January 2009, the Canadian Pacific fuel surcharge is computed by a monthly average of the bi-weekly fuel surcharge.

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}



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

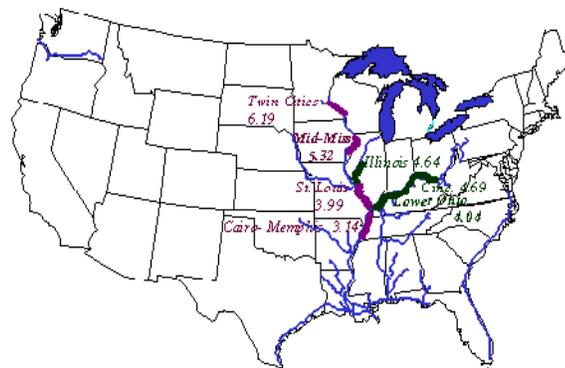
Weekly Barge Freight Rates: Southbound Only

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Rate¹	4/27/2010	318	297	308	198	223	223	180
	4/20/2010	307	275	275	193	220	220	182
\$/ton	4/27/2010	19.68	15.80	14.29	7.90	10.46	9.01	5.65
	4/20/2010	19.00	14.63	12.76	7.70	10.32	8.89	5.71
Current week % change from the same week:								
	Last year	9	14	24	0	7	7	1
	3-year avg. ²	-14	-9	5	-13	-13	-13	-14
Rate¹	May	328	303	305	212	233	233	190
	July	347	322	318	238	292	292	222

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

Source: Transportation & Marketing Programs/AMS/USDA

Figure 9
Benchmark tariff rates



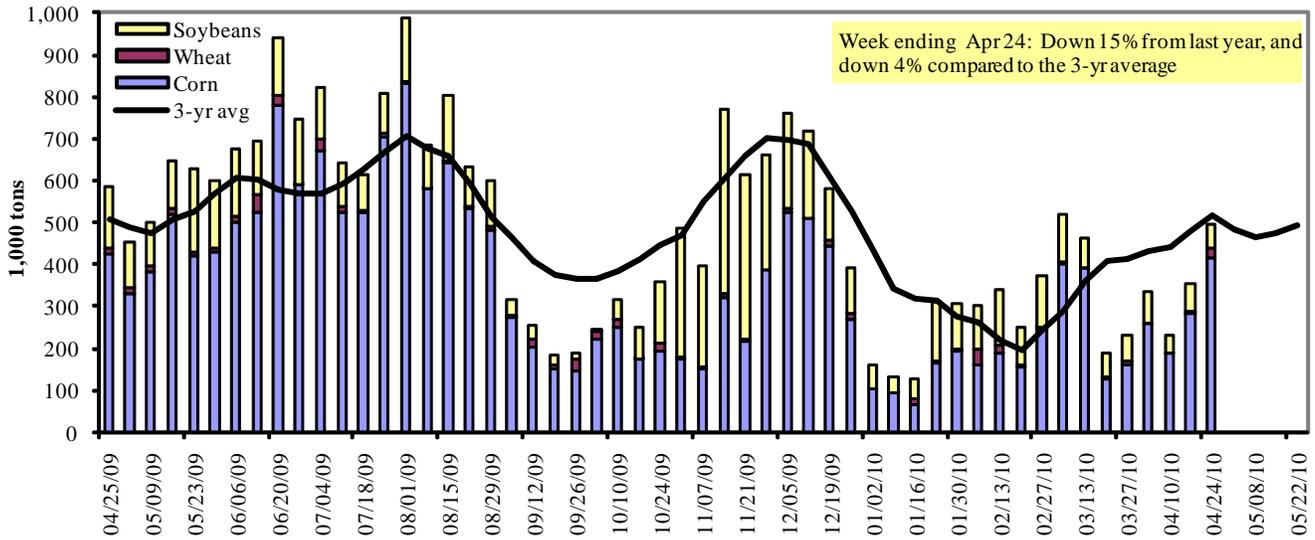
Calculating barge rate per ton:

$(\text{Index} * 1976 \text{ tariff benchmark rate per ton}) / 100$

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 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/mvrimi/omni/webrpts/default.asp)

Table 10

Barge Grain Movements (1,000 tons)

Week ending 4/24/2010	Corn	Wheat	Soybeans	Other	Total
Mississippi River					
Rock Island, IL (L15)	101	0	23	18	142
Winfield, MO (L25)	134	0	28	8	170
Alton, IL (L26)	390	24	49	0	463
Granite City, IL (L27)	418	24	56	0	497
Illinois River (L8)	201	22	25	0	248
Ohio River (L52)	63	2	21	4	89
Arkansas River (L1)	0	15	0	8	23
Weekly total - 2010	481	41	76	11	610
Weekly total - 2009	522	38	201	9	771
2010 YTD ¹	5,888	334	3,232	144	9,598
2009 YTD	6,688	384	3,110	135	10,317
2010 as % of 2009 YTD	88	87	104	107	93
Last 4 weeks as % of 2009 ²	80	63	53	41	71
Total 2009	23,424	1,501	10,465	430	35,819

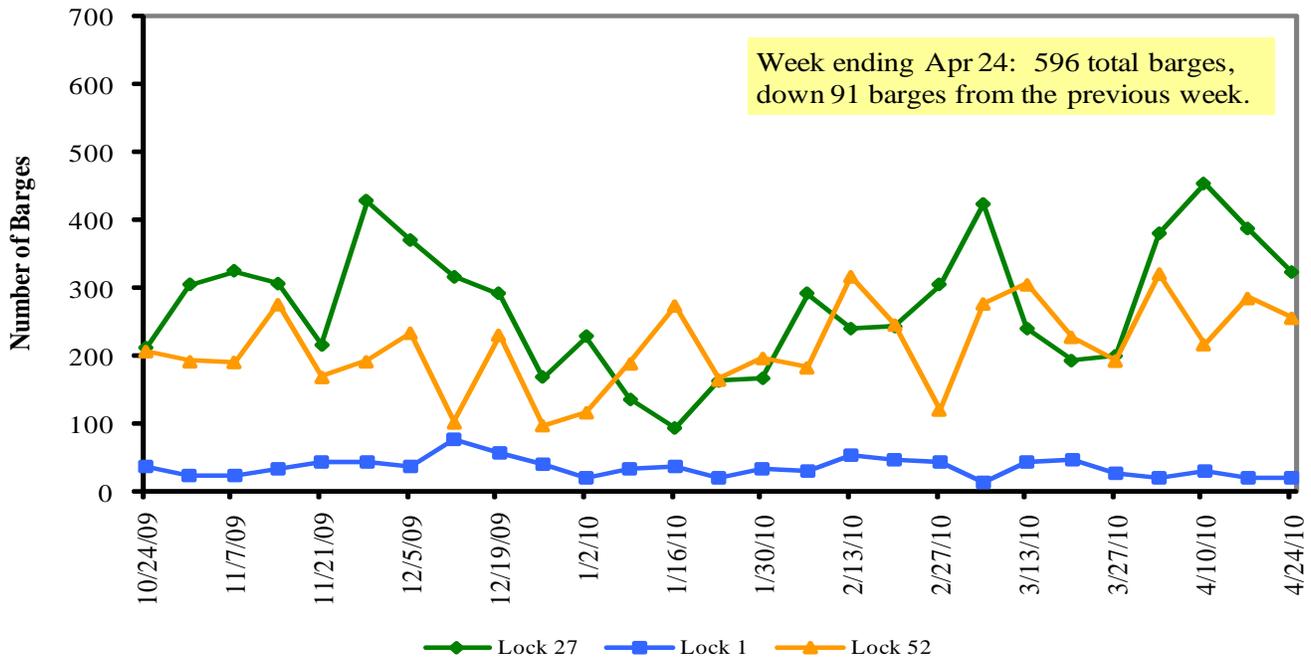
¹ Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

² As a percent of same period in 2009.

Note: Total may not add exactly, due to rounding

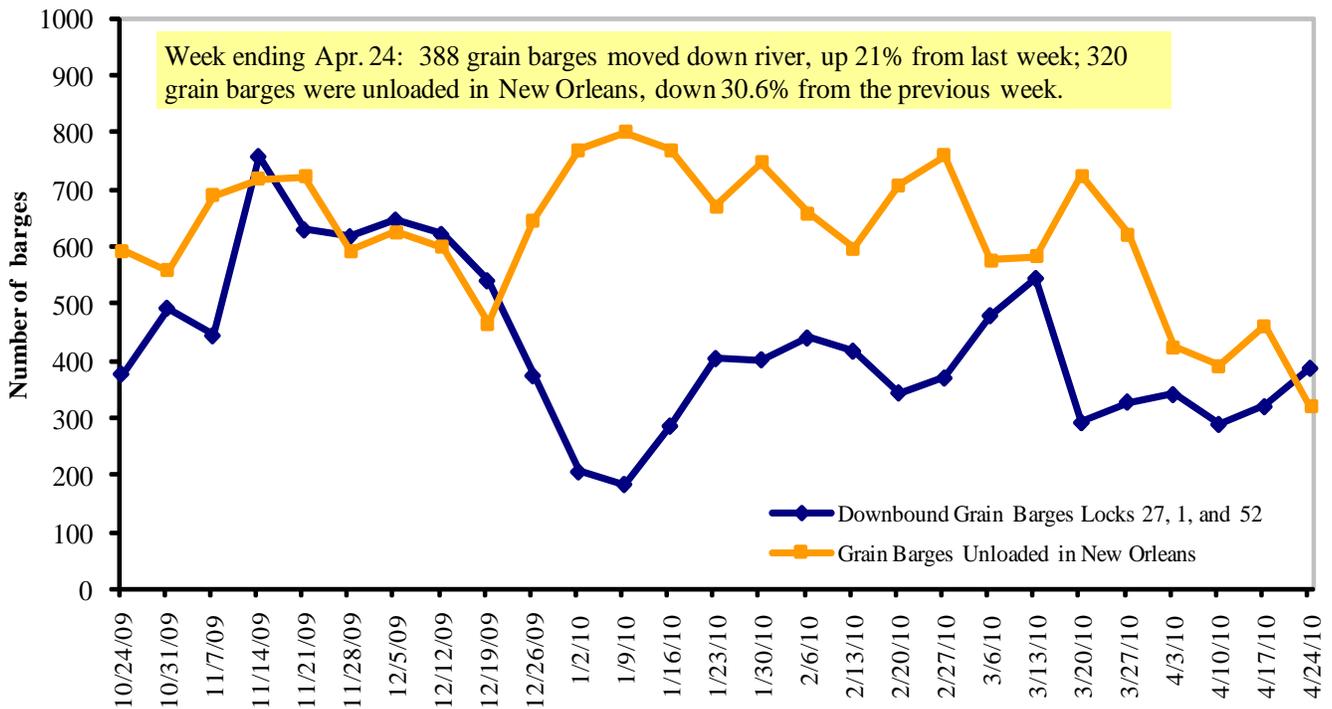
Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

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 Prices¹, Week Ending 4/26/2010 (US\$/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.075	-0.006	0.834
	New England	3.105	0.002	0.710
	Central Atlantic	3.186	-0.003	0.812
	Lower Atlantic	3.025	-0.008	0.854
II	Midwest ²	3.053	0.009	0.911
III	Gulf Coast ³	3.038	0.004	0.867
IV	Rocky Mountain	3.137	0.028	0.867
V	West Coast	3.211	0.008	0.896
	California	3.227	-0.001	0.907
Total	U.S.	3.078	0.004	0.877

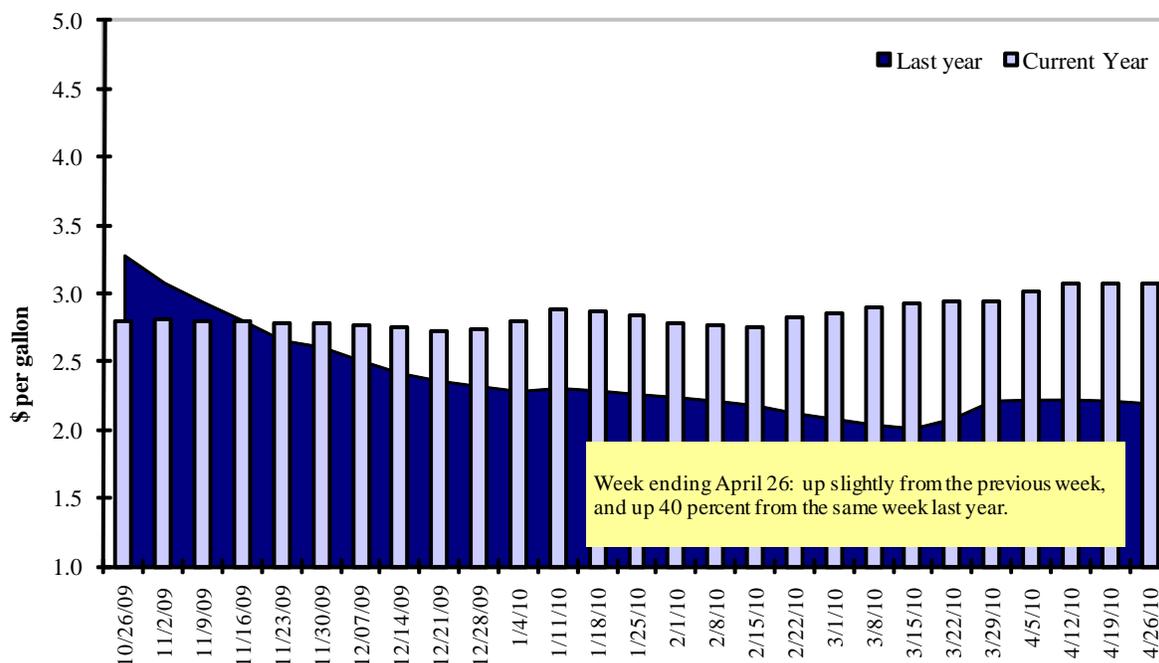
¹Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel.

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									
4/15/2010	1,006	331	865	475	118	2,794	10,028	2,057	14,879
This week year ago	906	312	668	468	43	2,396	9,866	4,029	16,291
Cumulative exports-marketing year²									
2009/10 YTD	7,406	2,503	4,632	3,486	878	18,905	28,334	34,993	82,232
2008/09 YTD	10,505	4,798	4,828	2,987	405	23,523	26,248	26,926	76,697
YTD 2009/10 as % of 2008/09	70	52	96	117	217	80	108	130	107
Last 4 wks as % of same period 2008/09	120	132	148	127	302	134	98	58	94
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 04/15/10	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	10,807	12,191	(11)	15,910
Mexico	7,148	6,168	16	7,454
Korea	6,372	4,065	57	5,129
Taiwan	2,470	2,572	(4)	3,198
Egypt ⁴	1,634	1,357	20	2,233
Top 5 importers	28,431	26,352	8	33,924
Total US corn export sales	38,361	36,114	6	45,214
% of Projected	79%	77%		
Change from Last Week	1,481	1,214		
Top 5 importers' share of U.S. corn export sales	74%	73%		
USDA forecast, April 2010	48,260	47,180	2	
Corn Use for Ethanol USDA forecast, Ethanol April 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.

2009/10.

Table 14

Top 5 Importers¹ of U.S. Soybeans

Week ending 04/15/10	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	21,918	17,531	25	18,681
Mexico	2,565	2,393	7	3,098
Japan	2,075	2,244	(8)	2,410
EU-25	2,664	2,190	22	2,180
Taiwan	1,339	1,363	(2)	1,592
Top 5 importers	30,561	25,721	19	27,961
Total US soybean export sales	37,049	30,955	20	
% of Projected	94%	89%		
Change from last week	309	1,425		
Top 5 importers' share of U.S. soybean export sales	82%	83%		
USDA forecast, April 2010	39,330	34,930	13	
Soybean Use for Biodiesel USDA forecast, April 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 04/15/2010	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	3,136	3,043	3	3,103
Nigeria	3,357	2,680	25	2,661
Mexico	1,884	2,445	(23)	2,423
Egypt	456	1,928	(76)	1,928
Philippines	1,562	1,478	6	1,480
Iraq	307	1,205	(75)	1,205
Korea, South	1,176	1,138	3	1,127
Brazil	214	773	(72)	789
Colombia	544	776	(30)	749
Taiwan	844	712	18	714
Top 10 importers	13,478	16,178	(17)	16,179
Total US wheat export sales	21,699	25,919	(16)	27,640
% of Projected	92%	94%		
Change from last week	166	206		
Top 10 importers' share of U.S. wheat export sales	62%	62%		
USDA forecast, April 2010	23,540	27,640	(15)	

(n) indicates negative number.

¹Based on FAS 2008/09 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31²Cumulative 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 04/22/10	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	130	3,130	3,051	103	90	89	10,091
Corn	157	2,730	2,242	122	117	88	8,498
Soybeans	66	4,133	3,403	121	80	90	9,743
Total	353	9,993	8,696	115	94	89	28,332
Mississippi Gulf							
Wheat	47	1,220	1,398	87	101	111	4,019
Corn	501	8,856	9,251	96	84	93	28,843
Soybeans	55	7,781	7,462	104	58	67	21,831
Total	604	17,856	18,110	99	79	89	54,693
Texas Gulf							
Wheat	67	2,435	1,650	148	125	88	5,735
Corn	69	712	600	119	146	203	1,968
Soybeans	18	665	472	141	n/a	793	2,402
Total	153	3,812	2,722	140	134	107	10,105
Great Lakes							
Wheat	21	137	71	193	191	138	990
Corn	16	16	26	60	60	55	353
Soybeans	0	0	0	n/a	n/a	0	781
Total	37	153	97	158	156	117	2,124
Atlantic							
Wheat	0	70	172	41	58	72	552
Corn	4	108	43	251	124	69	472
Soybeans	2	586	350	167	118	106	1,268
Total	6	764	564	135	80	82	2,292
U.S. total from ports²							
Wheat	265	6,993	6,342	110	102	94	21,387
Corn	746	12,422	12,163	102	92	94	40,134
Soybeans	141	13,164	11,686	113	70	79	36,025
Total	1,152	32,578	30,190	108	89	91	97,546

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

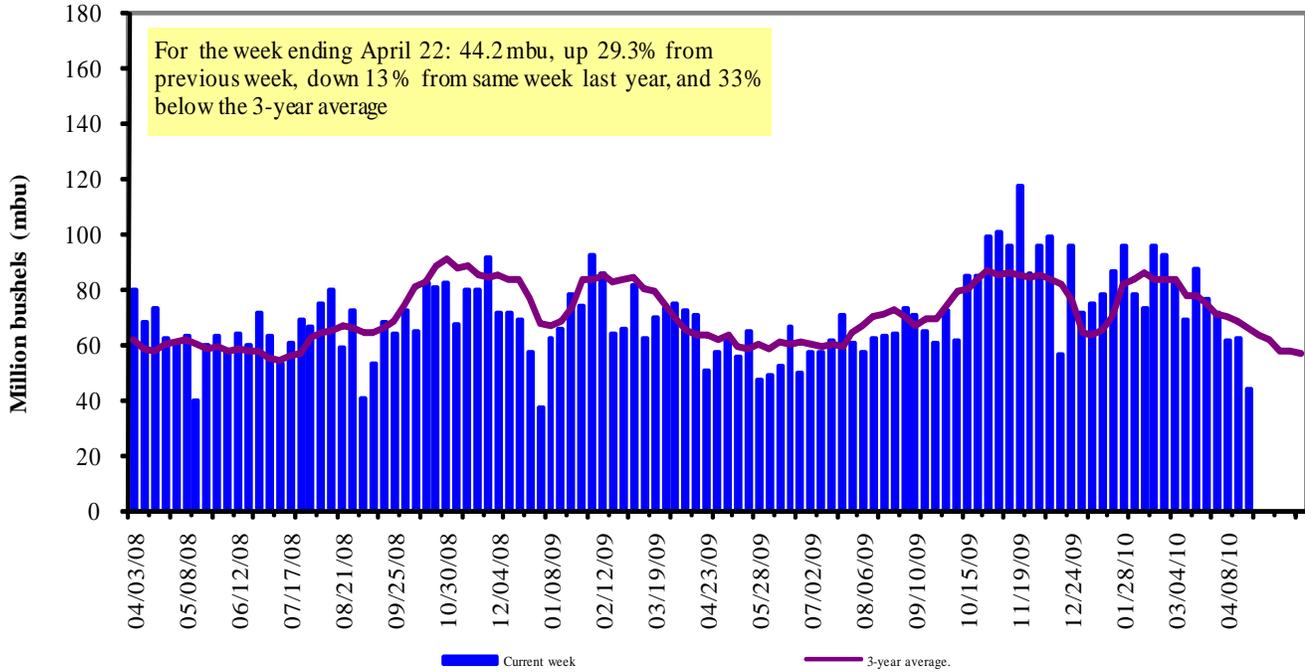
² Total includes only port regions shown above

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)

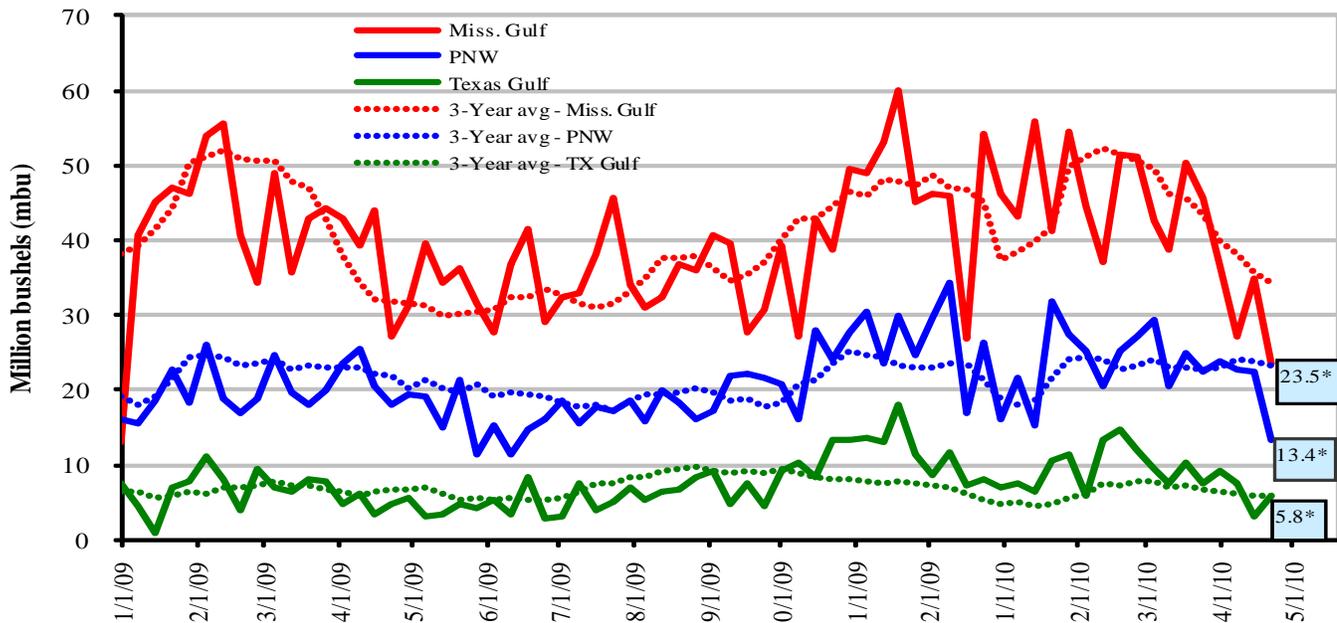


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

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

Figure 15

U.S. Grain Inspections: U.S. Gulf and PNW¹ (wheat, corn, and soybeans)



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

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

April 22, % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 33	up 82	down 23	down 41
Last year (same week)	down 14	down 19	down 9	down 26
3-yr avg. (4-wk mov. avg.)	down 32	down 3	down 27	down 36

Ocean Transportation

Table 17

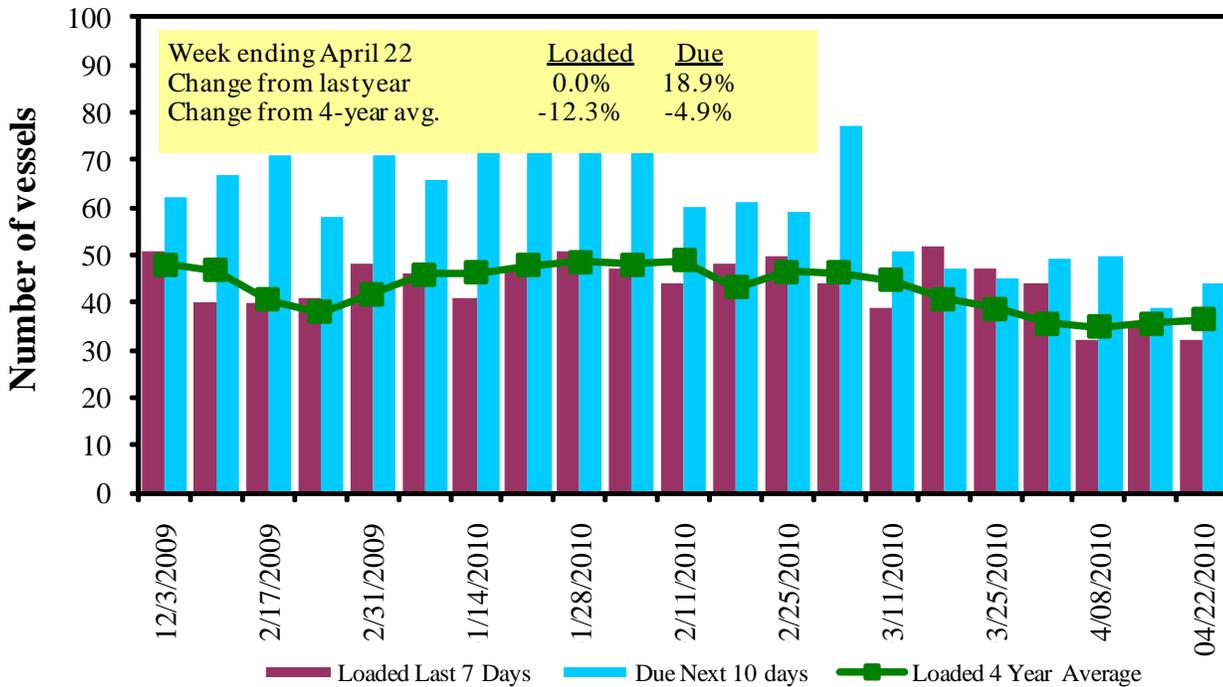
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf			Pacific Northwest	Vancouver B.C.
	In port	Loaded 7-days	Due next 10-days	In port	In port
4/22/2010	21	32	44	11	13
4/15/2010	34	36	39	13	10
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

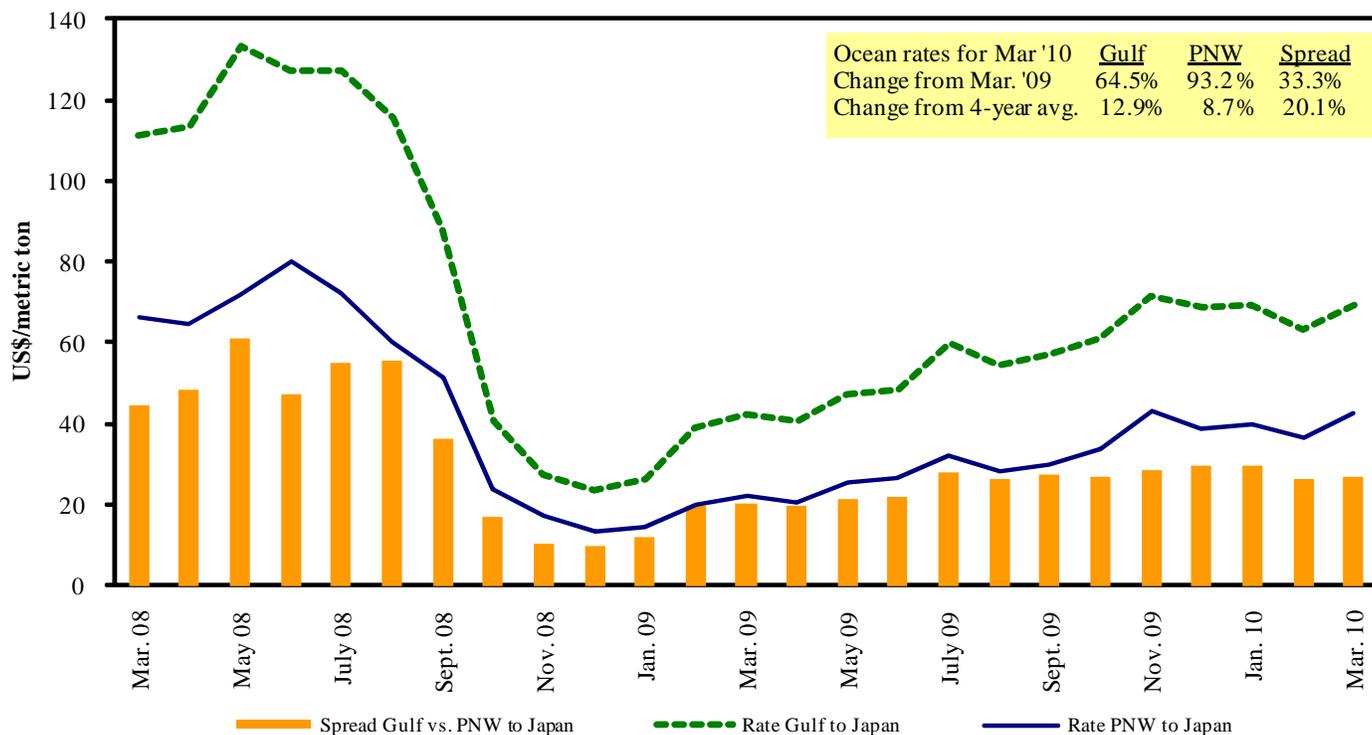


Source: Transportation & Marketing Programs/AMS/USDA

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

Figure 17

Grain Vessel Rates, U.S. to Japan



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

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 4/24/2010

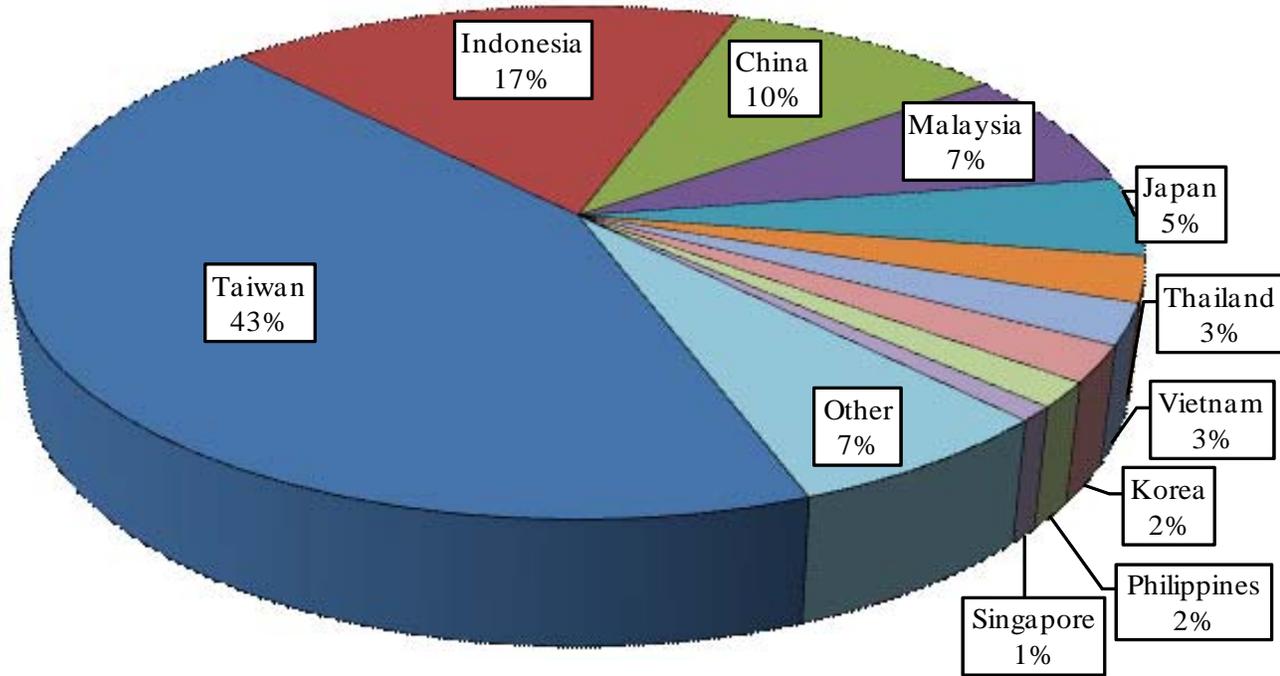
Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US\$/metric ton)
U.S. Gulf	Djibouti ¹	Wheat	Apr 5/15	23,000	134.65
U.S. Atlantic	Poland	Soybeans	Mar 9/15	24,000	50.00
U.S. Gulf	Morocco	Wheat	Mar 15/25	30,000	46.00
U.S. Gulf	Morocco	Wheat	Feb 25/28	30,000	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
St. Lawrence	Morocco	Wheat	Apr 27/ May 5	21,000	38.75
Ukraine	Kenya	Wheat	Dec 25/30	25,000	52.00
Ukraine	Mediterranean	Wheat	Dec 14/18	30,000	20.00
France	Algeria	Hvy Grain	Jan 15/20	28,500	28.25
France	Algeria	Wheat	Apr 5/15	25,000	25.50
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	Denmark	Soybeanmeal	Apr 24/28	25,000	65.00

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

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

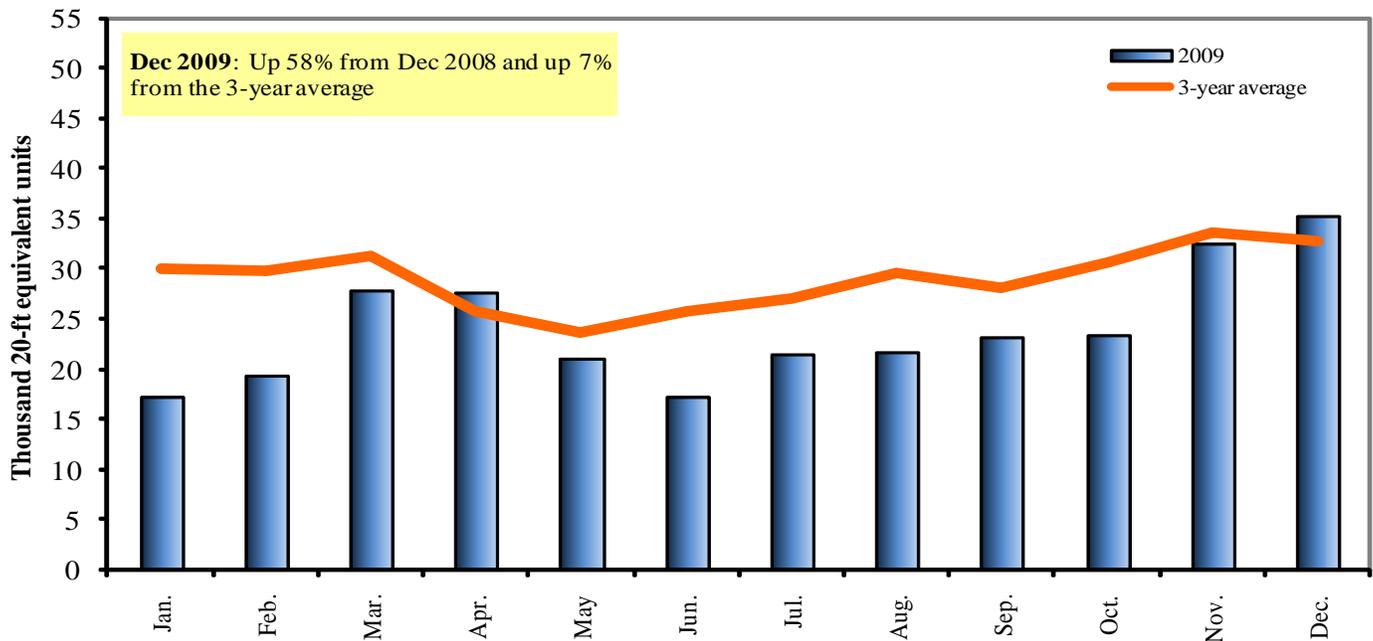
Top 10 Destination Markets for U.S. Containerized Grain Exports, December 2009



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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