Grain Truck and Ocean Rate Advisory: Quarterly Updates

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

Truck Advisory

Table 1: U.S. Grain Truck Market, 2nd Quarter 2013

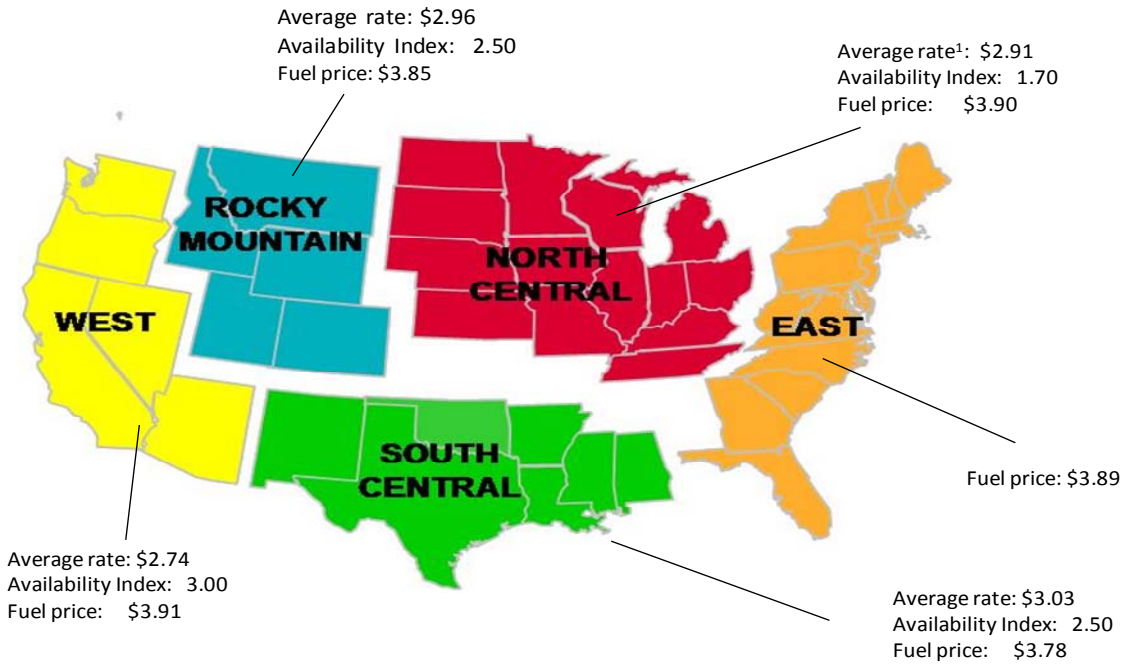
Region	25 miles	100 miles	200 miles	Truck availability	Truck usage	Future truck usage
				Quarterly Index		
	[1]Rate per mile, per truckload			1=Very Easy to 5=Very Difficult	1=Much Lower to 5=Much Higher	
National average[2]	**4.28**	**2.83**	**2.52**	**2.50**	**2.80**	**3.20**
North Central region	4.15	2.74	2.45	2.00	3.00	3.00
Rocky Mountain	n/a	n/a	n/a		n/a	n/a
South Central	4.40	2.96	2.64	3.00	2.00	4.00
West	3.96	2.76	2.56	3.00	3.00	3.00

[1]Rates are based on trucks with 80,000 lb gross vehicle weight limit, and are quoted in U.S. dollar

[2]National average is based on rates received from various States, but not every State is represented.

Source: Transportation and Marketing Programs/AMS/USDA

Figure 1: U.S. Grain Truck Market, 2nd Quarter 2013



[1]Average rate per loaded mile, based on truck rates for trips of 25, 100, and 200 miles

Note: Fuel prices are a quarterly average (unit per gallon)

Fuel Price Data Source: Energy Information Administration U.S. Department of Energy, www.eia.doe.gov

Truck Usage

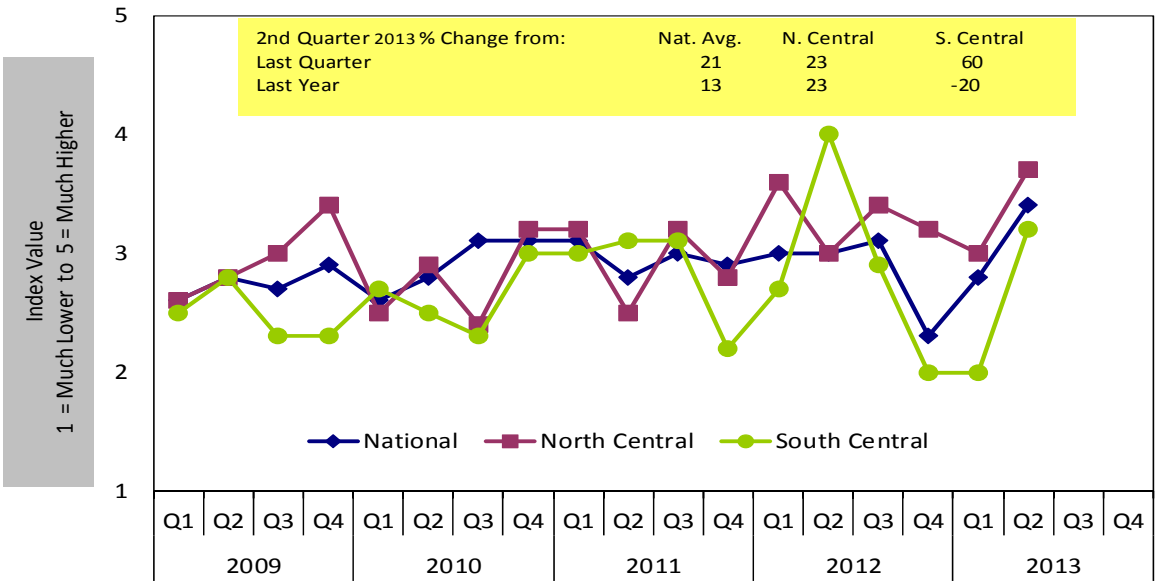
Table 2: Regional Truck Usage Index

	Current Truck Usage 1 = Much Lower to 5 = Much Higher				Future Truck Usage 1 = Much Lower to 5 = Much Higher			
2011	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**
National	**3.10**	**2.80**	**3.00**	**2.90**	**3.10**	**3.00**	**3.10**	**2.70**
North Central	3.20	2.50	3.20	2.80	2.80	2.90	3.00	2.80
Rocky Mountain	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
South Central	3.00	3.10	3.10	2.60	3.30	2.50	3.00	2.60
West	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2012	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**
National	**3**	**3.5**	**3.1**	**2.3**	**3.2**	**2.2**	**3.5**	**2.2**
North Central	3.6	3	3.4	3.2	2.8	2.4	4	3.1
Rocky Mountain	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
South Central	2.7	4	2.9	3	4	2	3.5	2
West	n/a	n/a	n/a	2	n/a	n/a	n/a	1.5
2013	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**
National	**2.80**	**3.40**			**3.20**	**3.40**		
North Central	3.00	3.70			3.00	3.70		
Rocky Mountain	n/a	3.00			n/a	3.00		
South Central	2.00	3.20			4.00	3.20		
West	3.00	3.00			3.00	3.00		

n/a: not data available

The truck usage index tracks the trends of truck utilization at grain elevators

Figure 2: National Truck Usage, 2nd Quarter 2013



Source: Transportation and Marketing Programs, AMS/USDA

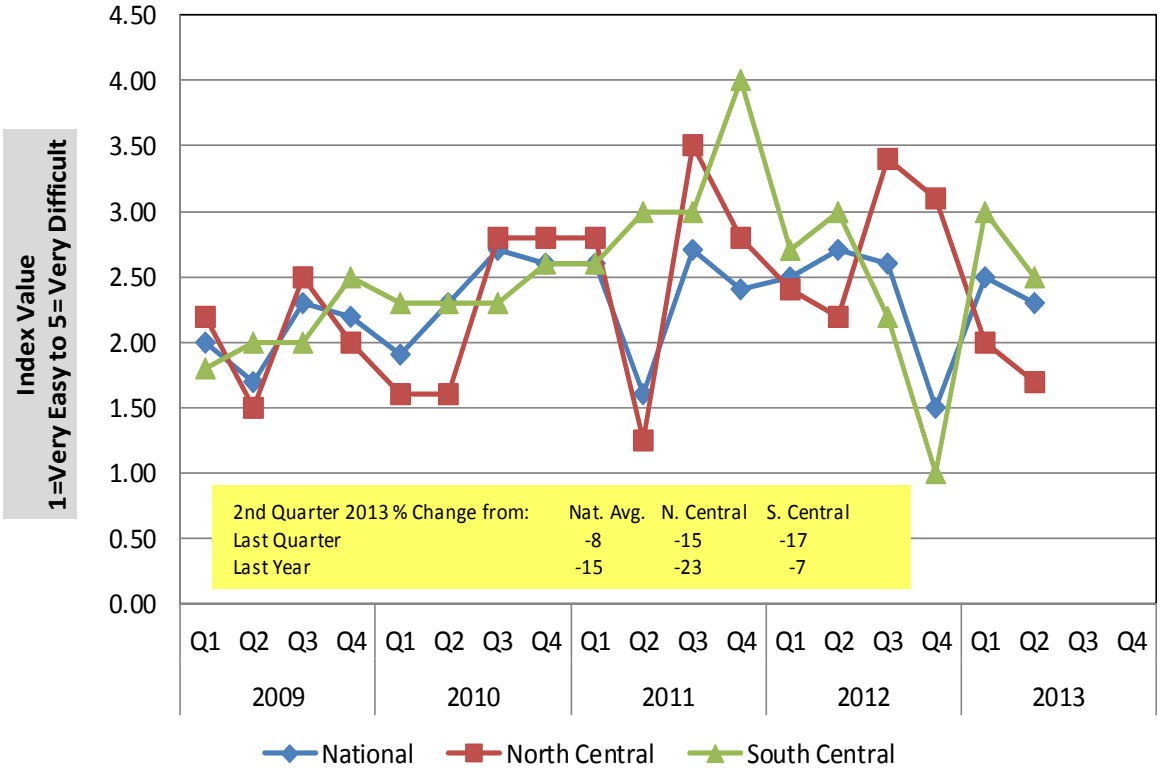
Truck Availability

Table 3: Quarterly National Truck Availability Index

Region	1= Very Easy	5=Very Difficult		Current qtr as % change from	
	2nd Quarter 2013	Previous Quarter	Same Quarter Last Year	Previous Qtr	Same Qtr Last Year
National	2.3	2.5	2.7	-8	-15
North Central	1.7	2.0	2.2	-15	-23
South Central	2.5	3.0	3.0	-17	-17

The truck availability index tracks the trends in perceived ease of hiring a truck as reported by grain elevators.

Figure 3: National Truck Availability



Truck Rates

Table 4 : Average Grain Truck Rates for Short and Long Hauls, 2nd Quarter 2013 ($/mile per truckload)

Region	25 miles	100 miles	200 miles	% increase from:					
				Last qtr			Same qtr Last year		
				25 mi	100 mi	200 mi	25 mi	100 mi	200 mi
National Average	$4.16	$2.89	$2.65	-3%	2%	5%	0%	24%	30%
North Central	$3.75	$2.36	$2.61	-10%	-14%	7%	-30%	-19%	13%
Rocky Mountain	$4.33	$2.16	$2.38	n/a	n/a	n/a	n/a	n/a	n/a
South Central	$4.13	$2.34	$2.61	-6%	-21%	-1%	1%	-3%	15%
West	$3.81	$1.90	$2.50	n/a	n/a	n/a	n/a	n/a	n/a

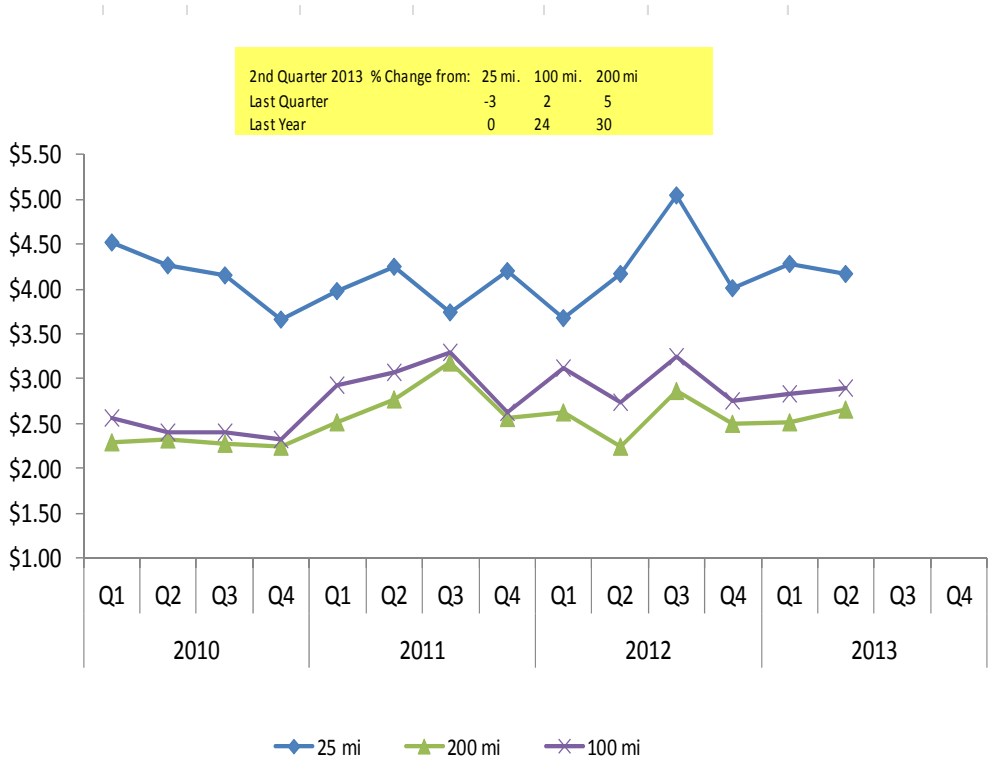
n/a: data not available

Rates are based on trucks with 80,000 lbs gross vehicle weight limit

Source: Transportation and Marketing Programs/AMS/USDA

A truck is assumed to carry 55,000 lbs or 25 metric tons of grain. Rates per metric ton per mile can be calculated from rates per truckload.

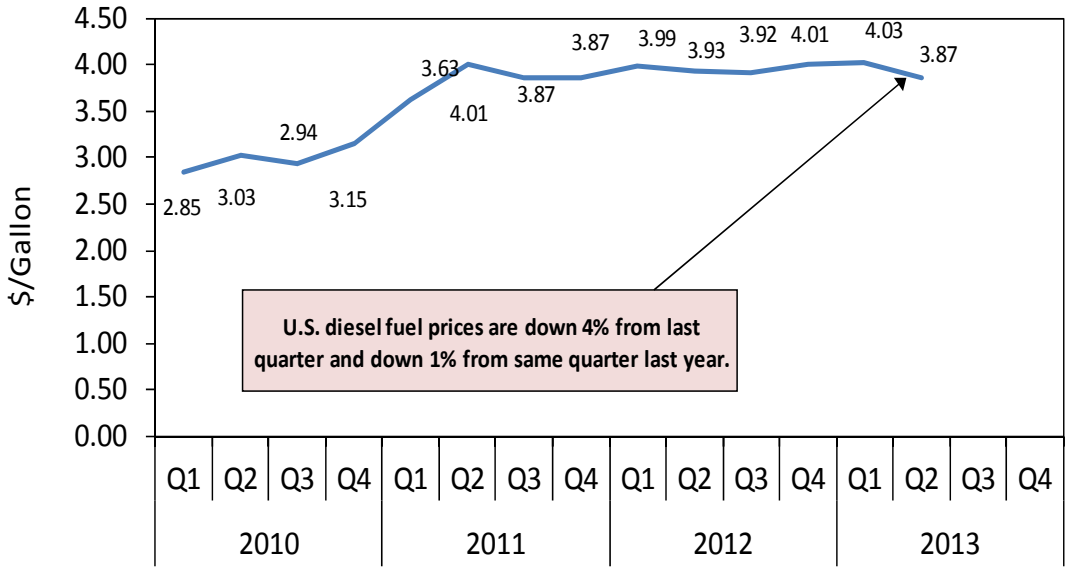
Figure 4: National Average Truck Rates by Trip Distance



U.S. Diesel Fuel Prices

The **diesel fuel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for grain movements.

Figure 5: U.S. Average On-Highway Diesel Fuel Prices



Source: Energy Information Administration/U.S. Department of Energy

Table 5: 2nd Quarter 2013 Average Diesel Fuel Prices (All Types - $/Gallon)

		Change From	
Location	**Price**	**Last Quarter**	**Same Qtr Last Year**
East Coast	3.88	-0.21	-0.09
New England	4.01	-0.22	-0.09
Central Atlantic	3.94	-0.22	-0.12
Lower Atlantic	3.81	-0.20	-0.07
Midwest	3.89	-0.10	0.06
Gulf Coast	3.77	-0.18	-0.07
Rocky Mountain	3.85	-0.04	-0.11
West Coast	3.98	-0.17	-0.18
California	4.06	-0.16	-0.16
U.S.	3.87	-0.16	-0.06

Source: Energy Information Administration/U.S. Department of Energy

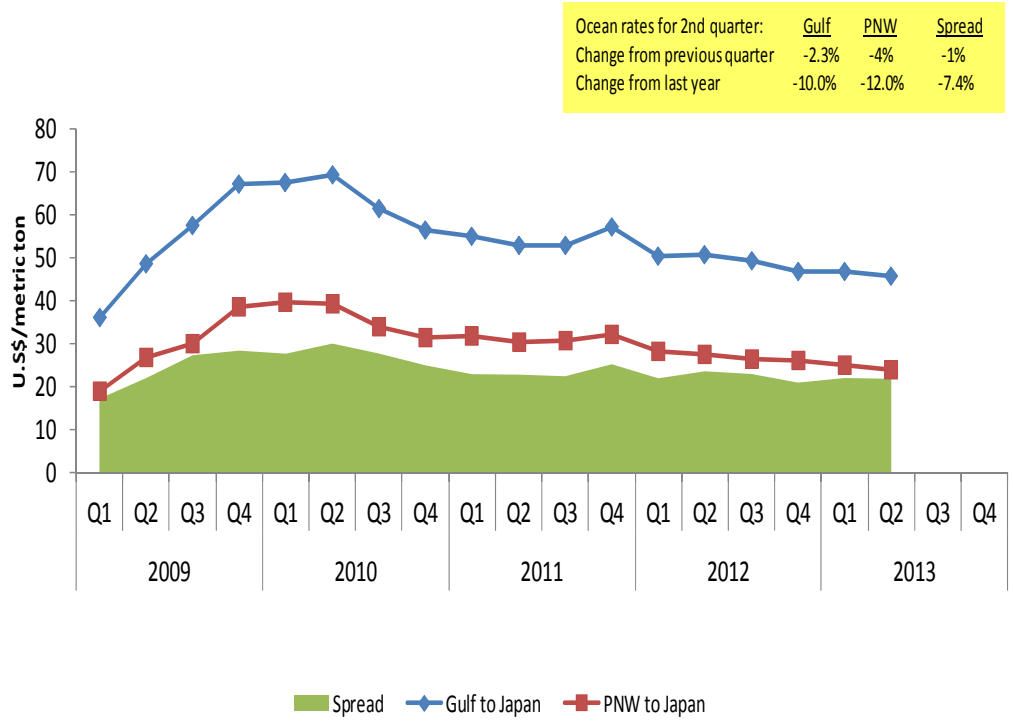
Ocean Rates

Table 6: Ocean Shipping Rates for Bulk Grain ($/metric ton)

Gulf to										
Country	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	Average	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	Average
Japan	50.18	50.8	49.18	46.80	49.24	46.73	45.78			46.26
Rotterdam	19.91	20.76	21.81	18.68	20.29	19.57	20.97			20.27
China	48.33	49.07	46.82	43.69	46.98	43.73	43.47			43.60
Mexico	18.37	18.62	18.53	16.73	18.06	17.89	17.58			17.74
Colombia: Atlantic Port (East)	20.59	21.78	20.86	20.47	20.93	22.91	22.73			22.82
Colombia: Pacific Ports (West)	28.35	28.79	29.65	28.93	28.93	30.03	30.71			30.37
PNW to										
Country	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	Average	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	Average
Japan	28.28	27.28	26.31	25.90	26.94	24.84	24.00			24.42
China	26.54	25.71	23.88	23.58	24.93	23.08	22.88			22.98

Source: O'Neil Commodity Consulting

Figure 6: Grain Vessel Rates and Spread, U.S. to Japan



Source: Drewry Shipping Consultants/O'Neil Commodity Consulting

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